contents

1 9 8 9

select another month
January | February | March | April
May | June | July | August
September | October | November
December

select another year
1990 | 1991 | 1992 | 1993

Inaugural Address

Remarks to White House Visitors

Question-and-Answer Session With Reporters

Remarks to Campaign Staff Members and Political Supporters

Letter to Congressional Leaders on Deficit Reduction Efforts

Remarks and an Informal Exchange With Reporters During a Walk With Family Members

Remarks at the Swearing-in Ceremony for Members of the White House Staff

Remarks to Participants in the March for Life Rally

Interview With Gerald Boyd of the New York Times and Katherine Lewis of the Houston Post

Remarks on Signing the Executive Order Establishing the President's Commission on Federal Ethics Law Reform

Nomination of Donald J. Atwood To Be Deputy Secretary of Defense

Nomination of W. Henson Moore To Be Deputy Secretary of Energy

Nomination of Susan S. Engeleiter To Be Administrator of the Small Business Administration

Nomination of William M. Diefenderfer III To Be Deputy Director of the Office of Management and Budget

Nomination of Paul D. Coverdell To Be Director of the Peace Corps

Nomination of Constance Berry Newman To Be Director of the Office of Personnel Management

Nomination of Bruce S. Gelb To Be Director of the United States Information Agency

Nomination of Fred M. Zeder II To Be President of the Overseas Private Investment Corporation

Remarks to Members of the Senior Executive Service

The President's News Conference

Remarks at the Swearing-in Ceremony for James A. Baker III as Secretary of State

Remarks at the Swearing-in Ceremony for Elizabeth H. Dole as Secretary of Labor

Remarks to the Crew of the U.S.S. America and Naval Shipyard Employees in Norfolk, Virginia

Message on the Observance of National Afro-American (Black) History Month, February 1989

Nomination of Kenneth Winston Starr To Be Solicitor General of the United States

Continuation of John W. Vessey, Jr., as Special Presidential Emissary to Hanoi for POW/MIA Affairs

Message to the Congress Transmitting a Report on the Establishment of the National Space Council

Remarks at the Annual National Prayer Breakfast

Remarks Following Discussions With Prime Minister Noboru Takeshita of Japan

Nomination of Richard R. Burt for the Rank of Ambassador While Serving as United States Negotiator for Strategic Nuclear Arms

Nomination of Ivan Selin To Be an Under Secretary of State

Nomination of Edith E. Holiday To Be General Counsel of the Department of the Treasury

Nomination of Richard Thomas McCormack To Be an Under Secretary of State

Nomination of Robert Michael Kimmitt To Be an Under Secretary of State

Nomination of Reginald Bartholomew To Be an Under Secretary of State

Nomination of Morris Berthold Abram To Be United States Representative to the European Office of the United Nations

Remarks on the Savings and Loan Crisis

Remarks at the Swearing-in Ceremony for Robert A. Mosbacher as Secretary of Commerce

Remarks at a White House Luncheon for Business Leaders

Remarks Congratulating the Super Bowl Champion San Francisco 49'ers

White House Statement on Secretary of Health and Human Services-Designate Louis W. Sullivan

Remarks at the Swearing-in Ceremony for Carla A. Hills as United States Trade Representative

Remarks at the Swearing-in Ceremony for Samuel K. Skinner as Secretary of Transportation

The President's News Conference

Statement by Press Secretary Fitzwater on the Acquisition of Monsanto Electronic Materials Company by a West German Firm

Statement on Signing the Bill Rescinding Proposed Increases in Executive, Legislative, and Judicial Salaries

Remarks at the Swearing-in Ceremony for Manuel Lujan, Jr., as Secretary of the Interior

Remarks at the Swearing-in Ceremony for William K. Reilly as Administrator of the Environmental Protection Agency

Statement on the Economic and Domestic Policy Councils

Remarks and a Question-and-Answer Session With Reporters Prior to a Meeting With William J. Bennett

Address on Administration Goals Before a Joint Session of Congress

Message to the Congress Transmitting the Fiscal Year 1990 Budget

Remarks and a Question-and-Answer Session With Reporters Following a Luncheon With Prime Minister Brian Mulroney in Ottawa, Canada

Remarks to Members of the Business and Industry Association of New Hampshire in Manchester

Remarks to Representatives of the Boy Scouts of America

Remarks at the Swearing-in Ceremony for Jack F. Kemp as Secretary of Housing and Urban Development

Letter to Congressional Leaders Transmitting the Report on International Agreements

Nomination of Roy M. Goodman To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

Remarks to the South Carolina State Legislature in Columbia

Nomination of Richard J. Kerr To Be Deputy Director of Central Intelligence

Appointment of Francis S.M. Hodsoll as Executive Associate Director and Chief Financial

Officer of the Office of Management and Budget

Remarks at the Swearing-in Ceremony for Clayton Yeutter as Secretary of Agriculture

Remarks on Afghanistan and a Question-and-Answer Session With Reporters

Statement on the Soviet Withdrawal From Afghanistan

Written Responses to Questions Submitted by the Kyodo News Service of Japan

Written Responses to Questions Submitted by Xinhua News Agency of China

Written Responses to Questions Submitted by the Yonhap News Agency of the Republic of Korea

Nomination of Elaine L. Chao To Be Deputy Secretary of Transportation

Remarks to Students at Washington University in St. Louis, Missouri

Nomination of Sidney Linn Williams To Be a Deputy United States Trade Representative

Letter to Congressional Committee Chairmen Transmitting the Report on Appropriations for Strategic Weapons

Nomination of Rufus Hawkins Yerxa To Be a Deputy United States Trade Representative

Statement by Press Secretary Fitzwater Concerning Secretary Baker's Report to the President on Meetings With NATO Allies

The President's News Conference

Appointment of G. Philip Hughes as Executive Secretary of the National Security Council

Appointment of William L. Roper as Deputy Assistant to the President for Domestic Policy and Director of the White House Office of Policy Development

Appointment of Shirley Moore Green as Special Assistant to the President for Presidential Messages and Correspondence

Message to the Congress Transmitting the Switzerland-United States Social Security Agreement

Nomination of John D. Negroponte To Be United States Ambassador to Mexico

Remarks to Armed Forces Personnel at Elmendorf Air Force Base in Anchorage, Alaska

Nomination of John E. Robson To Be Deputy Secretary of the Treasury

Nomination of Robert R. Glauber To Be an Under Secretary of the Treasury

The President's News Conference in Tokyo

The President's News Conference in Tokyo

Toast at the Welcoming Banquet in Beijing

Remarks at Chongmenwen Christian Church in Beijing

Remarks to American Embassy Employees in Beijing

Interview With Chinese Television Journalists in Beijing

Statement by Press Secretary Fitzwater on the President's Trip to China

Remarks Following a Meeting With President Roh Tae Woo in Seoul

Remarks to the National Assembly in Seoul

Remarks Upon Returning From a Trip to the Far East

Statement on the United Nations Human Rights Commission Report on Cuba

Remarks and a Question-and-Answer Session With Reporters Following a Cabinet Meeting

Nomination of Jack Callihan Parnell To Be Deputy Secretary of Agriculture

Nomination of Constance Horner To Be Under Secretary of Health and Human Services

Nomination of Mary Sheila Gall To Be an Assistant Secretary of Health and Human Services

Appointment of Debra Rae Anderson as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs

Message to the Congress Transmitting the Annual Reports on Highway and Motor Vehicle Safety

Nomination of Douglas P. Mulholland To Be an Assistant Secretary of State

Nomination of Calvin G. Franklin To Be Director of the Federal Emergency Management Agency

Nomination of James O. Mason To Be an Assistant Secretary of Health and Human Services

Nomination of Herman Jay Cohen To Be an Assistant Secretary of State

Nomination of John H. Kelly To Be an Assistant Secretary of State

Nomination of Richard L. Armitage To Be an Assistant Secretary of State

Nomination of John R. Bolton To Be an Assistant Secretary of State

Nomination of Bernard William Aronson To Be an Assistant Secretary of State

Nomination of Jewel S. Lafontant To Be United States Coordinator for Refugee Affairs

Statement by Press Secretary Fitzwater on the Review of Management Practices at the Department of Defense

Remarks to Members of the Small Business Legislative Council

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

Appointment of Mark Albrecht as Director of the National Space Council

Nomination of William Pelham Barr To Be an Assistant Attorney General

Remarks at a Reception for Participants in the National Endowment for the Humanities Teacher-Scholar Program

Remarks on Drug Trafficking Prior to a Luncheon With Administration Officials

Remarks to the Winners of the Westinghouse Science Talent Search

Statement on the Labor Dispute Between Eastern Airlines and the International Association of Machinists and Aerospace Workers

Remarks at the Annual Conference of the Veterans of Foreign Wars

Message on the Observance of St. Patrick's Day, 1989

Nomination of Anthony Joseph Principi To Be Deputy Secretary of Veterans Affairs

Nomination of Gerald L. Olson To Be an Assistant Secretary of Health and Human Services

Announcement of the Continuation of Roberts T. Jones as an Assistant Secretary of Labor

The President's News Conference

Nomination of Thomas J. Collamore To Be an Assistant Secretary of Commerce

Nomination of William Douglas Fritts, Jr., To Be an Assistant Secretary of Commerce

Nomination of Deborah Wince-Smith To Be an Assistant Secretary of Commerce

Nomination of J. Michael Farren To Be an Under Secretary of Commerce

Nomination of Susan Carol Schwab To Be an Assistant Secretary of Commerce

Nomination of Thomas J. Duesterberg To Be an Assistant Secretary of Commerce

Nomination of Richard Thomas Crowder To Be an Under Secretary of Agriculture

Remarks to Members of the Woodrow Wilson International Center for Scholars

Nomination of John Chatfield Tuck To Be Under Secretary of Energy

Nomination of Donna R. Fitzpatrick To Be an Assistant Secretary of Energy

Nomination of David W. Mullins, Jr., To Be an Assistant Secretary of the Treasury

Remarks at the Swearing-in Ceremony for James D. Watkins as Secretary of Energy

Statement on the Negotiations on Arms Reduction and Security in Europe

Nomination of Michael Philip Skarzynski To Be an Assistant Secretary of Commerce

Letter to the Speaker of the House of Representatives and the President of the Senate on Nuclear Cooperation With EURATOM

Remarks to Drug Enforcement Administration Officers in New York, New York

Remarks at the United Negro College Fund Dinner in New York, New York

Statement on the Failure of the Senate To Approve the Nomination of John Tower as Secretary of Defense

Nomination of Wendell Lewis Willkie II To Be General Counsel of the Department of Commerce

Nomination of Michael Rucker Darby To Be an Under Secretary of Commerce

Nomination of Dennis Edward Kloske To Be an Under Secretary of Commerce

Nomination of Eric I. Garfinkel To Be an Assistant Secretary of Commerce

Nomination of Michael Paul Galvin To Be an Assistant Secretary of Commerce

Nomination of Robert P. Davis To Be Solicitor of the Department of Labor

Nomination of Dale Triber Tate To Be an Assistant Secretary of Labor

Nomination of Jennifer Lynn Dorn To Be an Assistant Secretary of Labor

Remarks at the Swearing-in Ceremony for Louis W. Sullivan as Secretary of Health and Human Services

Remarks to Members of the National Conference of State Legislators

Nomination of Michael Hayden Armacost To Be United States Ambassador to Japan

Nomination of John Theodore Sanders To Be Under Secretary of Education

Nomination of Nancy Mohr Kennedy To Be an Assistant Secretary of Education

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Transmitting a Report on Arms Control Agreements Compliance

The President's News Conference

White House Statement on Secretary of Defense-Designate Richard B. Cheney

Nomination of Skirma Anna Kondratas To Be an Assistant Secretary of Housing and Urban Development

Remarks to Members of the National Association of Attorneys General

Remarks Following the Swearing-in Ceremony for William J. Bennett as Director of National Drug Control Policy

Message to the Senate Transmitting the Yugoslavia-United States Consular Convention

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Moshe Arens of Israel

Appointment of Burton Lee III as Physician to the President

Appointment of Charles Nicholas Rostow as Special Assistant to the President for National Security Affairs

Appointment of Karl D. Jackson as Special Assistant to the President for National Security Affairs

Appointment of Robert D. Blackwill as Special Assistant to the President for National Security Affairs

Appointment of William W. Working as Special Assistant to the President for National Security Affairs

Appointment of David C. Miller, Jr., as Special Assistant to the President for National Security Affairs

Appointment of Virginia A. Lampley as Special Assistant to the President for National Security Affairs

Appointment of Richard N. Haass as Special Assistant to the President for National Security Affairs

Nomination of Kathleen M. Harrington To Be an Assistant Secretary of Labor

Nomination of Roderick Allen DeArment To Be Deputy Secretary of Labor

White House Statement on the Report of Presidential Emergency Board No. 218 Concerning a Railroad Labor Dispute

Statement on the Sudanese Civil War

Remarks to Members of the Anti-Defamation League of B'nai B'rith

Remarks to the National Legislative Conference of the Independent Insurance Agents of America

Message to the Congress Transmitting the Annual Report of the United States Arms Control and Disarmament Agency

Nomination of John B. Taylor To Be a Member of the Council of Economic Advisers

Remarks at the Swearing-in Ceremony for Edward J. Derwinski as Secretary of Veterans Affairs

Statement on Proposed Child-Care Legislation

Message to the Congress Transmitting Proposed Child-Care Legislation

Nomination of James Roderick Lilley To Be United States Ambassador to China

Nomination of Kay Coles James To Be an Assistant Secretary of Health and Human Services

Remarks at the Electronic Industries Association's Government-Industry Dinner

Nomination of Rockwell Anthony Schnabel To Be an Under Secretary of Commerce

Remarks at a Luncheon Hosted by the Forum Club in Houston, Texas

Remarks at the Junior Achievement National Business Hall of Fame Dinner in Colorado Springs, Colorado

Nomination of Gilbert E. Carmichael To Be Administrator of the Federal Railroad Administration

The President's News Conference

Nomination of Kate Leader Moore To Be an Assistant Secretary of Transportation

Nomination of Galen Joseph Reser To Be an Assistant Secretary of Transportation

Nomination of Jeffrey Neil Shane To Be an Assistant Secretary of Transportation

Nomination of David Philip Prosperi To Be an Assistant Secretary of Transportation

Nomination of Phillip D. Brady To Be General Counsel of the Department of Transportation

Nomination of Terence A. Todman To Be United States Ambassador to Argentina

Accordance of the Personal Rank of Ambassador to C. Travis Marshall While Serving as Chairman of the United States Delegation to the International Telecommunication Union Conference

Nomination of James Buchanan Busey IV To Be Administrator of the Federal Aviation Administration

Nomination of Melvin Floyd Sembler To Be United States Ambassador to Australia

Nomination of John Giffen Weinmann To Be United States Ambassador to Finland

Nomination of Jerry A. Moore, Jr., To Be United States Ambassador to Lesotho

Nomination of Joseph Zappala To Be United States Ambassador to Spain

Nomination of Frederick Morris Bush To Be United States Ambassador to Luxembourg

Statement on Meeting With Prime Minister Charles Haughey of Ireland

Remarks at the Swearing-in Ceremony for Thomas R. Pickering as United States Representative to the United Nations

Remarks and a Question-and-Answer Session With the State Legislators Working Group

Nomination of Julius L. Katz To Be a Deputy United States Trade Representative

Nomination of Jerry Ralph Curry To Be Administrator of the National Highway Traffic Safety Administration

Remarks at the Swearing-in Ceremony for Richard B. Cheney as Secretary of Defense

Statement by Press Secretary Fitzwater on the Establishment of the Outer Continental Shelf Leasing and Development Task Force

Nomination of Janice Obuchowski To Be an Assistant Secretary of Commerce

Nomination of Daphne Wood Murray To Be Director of the Institute of Museum Services

White House Fact Sheet on the President's Minimum-Wage Proposal

Statement on the Death of John J. McCloy

Remarks to Students at Conestoga Valley High School in Lancaster, Pennsylvania

Remarks at a Meeting With Amish and Mennonite Leaders in Lancaster, Pennsylvania

Question-and-Answer Session at the Wilmington Cluster Against Substance Abuse Program in Delaware

Remarks to the Law Enforcement Community in Wilmington, Delaware

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President-Elect Alfredo Cristiani of El Salvador

Nomination of Kenneth W. Gideon To Be an Assistant Secretary of the Treasury

Nomination of Quincy Mellon Krosby To Be an Assistant Secretary of Commerce

Nomination of Edward Martin Emmett To Be a Member of the Interstate Commerce Commission

Nomination of Shirley D. Peterson To Be an Assistant Attorney General

Nomination of E. Patrick Coady To Be United States Executive Director of the International Bank for Reconstruction and Development

Remarks to the National Association of Manufacturers

Nomination of Walter J.P. Curley To Be United States Ambassador to France

Nomination of Franklin Eugene Bailey To Be an Assistant Secretary of Agriculture

Nomination of Jo Ann D. Smith To Be an Assistant Secretary of Agriculture

Nomination of James E. Cason To Be an Assistant Secretary of Agriculture

The President's News Conference

Bipartisan Accord on Central America

Statement on the Bipartisan Accord on Central America

Remarks on Greeting the Crew of the Space Shuttle Discovery

Nomination of William H. Taft IV To Be United States Permanent Representative to the North Atlantic Treaty Organization Council

Nomination of Joseph B. Gildenhorn To Be United States Ambassador to Switzerland

Nomination of Paul Matthews Cleveland To Be United States Ambassador to Malaysia

Nomination of Chic Hecht To Be United States Ambassador to the Bahamas

Nomination of Richard H. Solomon To Be an Assistant Secretary of State

Accordance of the Personal Rank of Ambassador to John J. Maresca While Serving as Chief of the Delegation to the Conference on Confidence and Security Building Measures and Disarmament in Europe

Nomination of Edward Noonan Ney To Be United States Ambassador to Canada

Nomination of Charles Edgar Redman To Be United States Ambassador to Sweden

Nomination of William G. Rosenberg To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Alfred A. DelliBovi To Be Under Secretary of Housing and Urban Development

Nomination of John C. Weicher To Be an Assistant Secretary of Housing and Urban Development

Nomination of Francis Anthony Keating II To Be General Counsel of the Department of Housing and Urban Development

Nomination of Ronald Frank Lehman II To Be Director of the United States Arms Control and Disarmament Agency

Remarks and an Informal Exchange With Reporters Following a Meeting With Administration Officials

Remarks and a Question-and-Answer Session With Students at James Madison High School in Vienna, Virginia

Nomination of Carol T. Crawford To Be an Assistant Attorney General

Nomination of Roger Bolton To Be an Assistant Secretary of the Treasury

Continuation of Henry Anatole Grunwald as United States Ambassador to Austria

Nomination of John Cameron Monjo To Be United States Ambassador to Indonesia

Nomination of Peter F. Secchia To Be United States Ambassador to Italy

Remarks and a Question-and-Answer Session With High School Students From the Close Up Foundation

Remarks to Members of the American Association of Community and Junior Colleges

Nomination of Richard Anthony Moore To Be United States Ambassador to Ireland

Nomination of Della Newman To Be United States Ambassador to New Zealand and Western Samoa

Remarks and a Question-and-Answer Session at a White House Luncheon for Journalists

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Carlos Andres Perez of Venezuela

Statement by Press Secretary Fitzwater on the President's Meeting With the Families of the Victims of Pan American Flight 103

Remarks Following Discussions With President Mohammed Hosni Mubarak of Egypt

Nomination of Alan Charles Raul To Be General Counsel of the Department of Agriculture

Remarks at a Ceremony Commemorating the 40th Anniversary of the North Atlantic Treaty

Designation of Joseph E. DeSio as Acting General Counsel of the National Labor Relations Board

Remarks at a White House Briefing for Members of the American Business Conference

Nomination of Delos Cy Jamison To Be Director of the Bureau of Land Management

Nomination of Richard Schmalensee To Be a Member of the Council of Economic Advisers

Nomination of Thomas Michael Tolliver Niles To Be United States Representative to the European Communities

Nomination of Melvyn Levitsky To Be an Assistant Secretary of State

Nomination of Catalina Vasquez Villalpando To Be Treasurer of the United States

Toasts at a State Dinner Honoring President Mohammed Hosni Mubarak of Egypt

Remarks at the Presentation Ceremony for the National Teacher of the Year Award

Message to the Congress Transmitting Proposed Legislation on Educational Excellence

White House Fact Sheet on Proposed Educational Excellence Legislation

Message to the Congress Transmitting the Annual Report on International Activities in Science and Technology

Statement by Press Secretary Fitzwater on the Polish Roundtable Accords

Statement by Press Secretary Fitzwater on Soviet Policy in Central America

Statement by Press Secretary Fitzwater on the Suspension of Semiautomatic Weapons Imports

Remarks Following Discussions With Prime Minister Yitzhak Shamir of Israel

Notice of the Continuation of the National Emergency With Respect to Panama

Message to the Congress on the Continuation of the National Emergency With Respect to Panama

Message to the Congress Reporting on the Economic Sanctions Against Panama

Appointment of Mary McClure as Special Assistant to the President for Intergovernmental

Affairs

Continuation of Leonard H.O. Spearman, Sr., as United States Ambassador to Rwanda

Toasts at a Dinner Honoring Prime Minister Yitzhak Shamir of Israel

The President's News Conference

White House Fact Sheet on Federal Assistance for the Alaskan Oil Spill Cleanup

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Alfredo Cristiani of El Salvador

Letter to Congressional Leaders on the Release of Additional Funds for the ICBM Rail Garrison Program

Remarks on Signing the National Volunteer Week Proclamation

Remarks on Signing the Whistleblower Protection Act of 1989

Statement on Signing the Whistleblower Protection Act of 1989

Designation of John Charles Gartland as Chairman of the National Commission for Employment Policy

Nomination of Diane Kay Morales To Be an Assistant Secretary of Energy

Remarks at the Presentation Ceremony for the President's Volunteer Action Awards

Continuation of Eugene J. McAllister as an Assistant Secretary of State

Statement by Press Secretary Fitzwater on President and Mrs. Bush's 1988 Income Tax Return

Remarks Congratulating the University of Michigan Wolverines on Winning the NCAA Basketball Championship

Remarks Announcing the Nomination of Richard Harrison Truly To Be Administrator of the National Aeronautics and Space Administration

Nomination of Richard Harrison Truly To Be Administrator of the National Aeronautics and Space Administration

Nomination of James R. Thompson, Jr., To Be Deputy Administrator of the National Aeronautics and Space Administration

Message to the Congress Transmitting Proposed Legislation on Government Ethics

White House Fact Sheet on the President's Ethics Reform Proposals

Remarks to the American Society of Newspaper Editors

Remarks at the Congressional Fire Services Institute Dinner

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee on the Continuation of Arms Sales to Saudi Arabia

Presidential Determination No. 89 - 13 -- Arms Sales to Saudi Arabia

White House Statement on Arms Sales to Saudi Arabia

Nomination of H. Lawrence Garrett III To Be Secretary of the Navy

Nomination of Frank Henry Habicht II To Be Deputy Administrator of the Environmental Protection Agency

Nomination of Eddie F. Brown To Be an Assistant Secretary of the Interior

Nomination of Martin Lewis Allday To Be Solicitor of the Department of the Interior

Nomination of Frank A. Bracken To Be Under Secretary of the Department of the Interior

Remarks to Participants in Project Educational Forum in Union, New Jersey

Letter to the Speaker of the House of Representatives and the President of the Senate Reporting on the Generalized System of Preferences

Memorandum on Amendments to the Generalized System of Preferences

Remarks Announcing the Bipartisan Budget Agreement

White House Statement on the Bipartisan Budget Agreement

Nomination of Paul Dundes Wolfowitz To Be an Under Secretary of Defense

Nomination of David George Ball To Be an Assistant Secretary of Labor

Nomination of Bryce L. Harlow To Be Deputy Under Secretary of the Treasury, and Designation as an Assistant Secretary

Nomination of Thomas D. Larson To Be Administrator of the Federal Highway Administration

Nomination of Brian W. Clymer To Be Administrator of the Urban Mass Transit Administration

Nomination of Jacqueline Knox Brown To Be an Assistant Secretary of Energy

Nomination of Joseph G. Schiff To Be an Assistant Secretary of Housing and Urban Development

Continuation of Frank E. Young as Commissioner of Food and Drugs at the Department of Health and Human Services

Remarks to Citizens in Hamtramck, Michigan

Remarks at the National Conference of the Building and Construction Trades Department of the AFL - CIO

Message to the Congress Reporting Budget Deferrals

Remarks and a Question-and-Answer Session With Agricultural Journalists

Remarks Upon Signing the Bill Implementing the Bipartisan Accord on Central America

Statement by Press Secretary Fitzwater on the Situation in Lebanon

Statement on Maternal and Child Health Care Proposals

White House Fact Sheet on Maternal and Child Health Care Proposals

Remarks Following Discussions With King Hussein I of Jordan

Message on the Observance of National Nursing Home Week, May 14 - 20, 1989

Nomination of Morton Isaac Abramowitz To Be United States Ambassador to Turkey

Toasts at a State Dinner Honoring King Hussein I of Jordan

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting the Report on Activities of United Nations Member Countries

Interview With Members of the White House Press Corps

Remarks Congratulating the University of Tennessee Lady Volunteers on Winning the NCAA Basketball Championship

Remarks on Signing the Executive Order Establishing the National Space Council

Nomination of D. Allan Bromley To Be Director of the Office of Science and Technology Policy

Statement by Press Secretary Fitzwater on the Assassination of Lieutenant Colonel James N. Rowe in the Philippines

Remarks on Signing the Law Day, U.S.A., Proclamation

Designation of James J. Carey as Acting Chairman of the Federal Maritime Commission

Designation of David W. McCall as Chairman of the National Commission on Superconductivity

Notice of the Continuation of the National Emergency With Respect to Nicaragua

Letter to the Speaker of the House of Representatives and the President of the Senate on the Continuation of the National Emergency With Respect to Nicaragua

Letter to the Speaker of the House of Representatives and the President of the Senate Reporting on the Economic Sanctions Against Nicaragua

Statement by Press Secretary Fitzwater on the President's Meeting on the Situation in Lebanon

Remarks on Presenting the Congressional Gold Medal to Mary Lasker

Remarks at the Memorial Service for Crewmembers of the U.S.S. Iowa in Norfolk, Virginia

Remarks at the Associated Press Business Luncheon in Chicago, Illinois

Remarks at the Dedication Ceremony for the Centennial Grove in Bismarck, North Dakota

Remarks to Ford Aerospace Space Systems Employees in Palo Alto, California

Remarks to Law Enforcement Officers in Orange County, California

Remarks to Members of the Hispanic-American Community in Los Angeles, California

Nomination of Richard L. Armitage To Be Secretary of the Army

Nomination of William Lucas To Be an Assistant Attorney General

Nomination of Robert Davila To Be Assistant Secretary of Education and Nell Carney To Be Commissioner of the Rehabilitation Services Administration

Appointment of Bonnie Guiton as Director of the Office of Consumer Affairs at the Department of Health and Human Services

Question-and-Answer Session With Reporters Following a Meeting With Former President Reagan in Los Angeles, California

Remarks to the Texas State Legislature in Austin

Statement on the Death of Lucille Ball

Remarks at the International Drug Enforcement Conference in Miami, Florida

Remarks at the Drug Command Coordination Control and Intelligence Center Dedication Ceremony in Miami, Florida

Remarks at the Dedication Ceremony for the Michael Bilirakis Alzheimer's Center in Palm Harbor, Florida

Statement on the Presidential Elections in Panama

Remarks to the American Legislative Exchange Council

Remarks on Signing the Executive Order on Historically Black Colleges and Universities

The President's News Conference

Remarks at the Bicentennial Celebration of George Washington's Inauguration in New York, New York

Remarks to the United States Chamber of Commerce

Remarks at the Swearing-in Ceremony for Susan S. Engeleiter as Administrator of the Small Business Administration

Message to the Congress Transmitting the Republic of Korea-United States Fishing Agreement

Nomination of Donald B. Rice To Be Secretary of the Air Force

Remarks to the Council of the Americas

Nomination of David J. Gribbin III To Be an Assistant Secretary of Defense

Continuation of Keith Lapham Brown as United States Ambassador to Denmark

Continuation of William Andreas Brown as the United States Ambassador to Israel

White House Statement on Wheat Exports to the Soviet Union

Nomination of Louis A. Williams To Be an Assistant Secretary of Defense

Appointment of Zvi Kestenbaum as a Member of the Commission for the Preservation of America's Heritage Abroad

Remarks Following a Meeting With Polish and Chilean Human Rights Leaders

Message to the Congress Transmitting the European Economic Community-United States Fishing Agreement

Message to the Congress Transmitting the Iceland-United States Fishing Agreement

Nomination of Sean Charles O'Keefe To Be Comptroller of the Department of Defense

Remarks at the Annual National Prayer Breakfast

Nomination of Reggie B. Walton To Be Associate Director for National Drug Control Policy

Remarks and a Question-and-Answer Session With Reporters Following a Luncheon With Prime Minister Brian Mulroney of Canada

White House Statement on the President's Meeting With Violeta Chamorro of Nicaragua

Remarks at a Cinco de Mayo Celebration

Message on the Observance of Cinco de Mayo, 1989

Message to the Congress Transmitting a Report on Radiation Control for Health and Safety

Continuation of Malcolm Richard Wilkey as Ambassador to Uruguay

Statement by Press Secretary Fitzwater on the Resumption of Arms Control Negotiations in Vienna

Remarks on Signing the Asian/Pacific American Heritage Week Proclamation

Nomination of Julia Chang Bloch To Be United States Ambassador to Nepal

Nomination of Kyo Ryoon Jhin To Be Chief Counsel for Advocacy at the Small Business Administration

Remarks at the Presentation Ceremony for the Small Business Persons of the Year Awards

Message to the Congress Transmitting the District of Columbia Budget Request

White House Fact Sheet on the President's Child-Care Principles

Question-and-Answer Session With Teachers at the Shiloh Child Development Center

Remarks by Telephone to Astronauts Aboard the Space Shuttle Atlantis

Interview With Members of the White House Press Corps

Statement by Press Secretary Fitzwater on the President's Physical Examination

Statement by Press Secretary Fitzwater on the Results of the President's Physical Examination

Remarks and a Question-and-Answer Session With Reporters on the Situation in Panama

Nomination of James Franklin Rill To Be an Assistant Attorney General

Nomination of Janet Dempsey Steiger To Be a Federal Trade Commissioner, and Designation as Chairman

Nomination of Deborah Kaye Owen To Be a Federal Trade Commissioner

Statement on International Discussions Concerning Global Climate Change

Remarks at the Texas A&M University Commencement Ceremony in College Station

Nomination of Jerry M. Hunter To Be General Counsel of the National Labor Relations Board

Remarks at the Alcorn State University Commencement Ceremony in Lorman, Mississippi

Interview With Members of the White House Press Corps on the Situation in Panama

Remarks at the Mississippi State University Commencement Ceremony in Starkville

Remarks at a Fundraising Reception for Senator Mitch McConnell in Lexington, Kentucky

Message on the Observance of Police Week and Police Officers' Memorial Day, May 1989

Remarks at the National Peace Officers' Memorial Day Ceremony

White House Fact Sheet on Combating Violent Crime

White House Statement on the President's Meeting With Cornelio Sommaruga of the International Committee of the Red Cross

Remarks to the Crewmembers of the Space Shuttle Atlantis and the Winners of the Orbiter-Naming Competition

Message to the Congress Transmitting the Annual Report of the National Science Foundation

Nomination of Robert D. Orr To Be United States Ambassador to Singapore

Remarks to Members of the American Retail Federation

Continuation of Roland R. Vautour as an Under Secretary of Agriculture

Continuation of Charles E.M. Kolb as a Deputy Under Secretary of Education

Nomination of Antonio Lopez To Be an Associate Director of the Federal Emergency Management Agency

White House Statement on the Proposed Foreign Acquisition of the ABB-Westinghouse Joint Venture

Remarks on Signing the Martin Luther King, Jr., Federal Holiday Commission Extension Act

Discussion With Teachers at the Wilson Magnet High School in Rochester, New York

Remarks to the Students at the Wilson Magnet High School in Rochester, New York

Remarks to Supporters of the Brainpower Coalition in Rochester, New York

Statement by Press Secretary Fitzwater on the Savings and Loan Crisis Financing Plan

Statement by Press Secretary Fitzwater on the Student Demonstrations in China

Remarks at the Boston University Commencement Ceremony in Massachusetts

The President's News Conference With President Mitterrand of France

Remarks on the Observance of Cuban Independence Day

Nomination of Thomas Joseph Murrin To Be Deputy Secretary of Commerce

Remarks at a White House Dinner Honoring the Nation's Governors

Letter to Congressional Leaders on Savings and Loan Financing Legislation

Statement by Press Secretary Fitzwater on the President's Meeting With Chairman Wan Li of China

Nomination of Mark L. Edelman To Be Deputy Administrator of the Agency for International Development

Message to the Congress Reporting on the National Emergency With Respect to Iran

Remarks at the Annual White House News Photographers Association Dinner

Statement by Press Secretary Fitzwater on the President's Meeting With Defense Minister Yitzhak Rabin of Israel

Remarks at the United States Coast Guard Academy Commencement Ceremony in New London, Connecticut

Nomination of C. Austin Fitts To Be an Assistant Secretary of Housing and Urban Development

Appointment of Barbara Hackman Franklin as a Member of the Advisory Committee for Trade Policy and Negotiations

Designation of Linda Arey Skladany as Acting Chairman of the Occupational Safety and Health Review Commission

Nomination of Fred T. Goldberg, Jr., To Be Commissioner of Internal Revenue

Nomination of Edward Joseph Perkins To Be Director General of the Foreign Service

Remarks Upon Departure for Europe

Statement on United States Action Against Foreign Trade Barriers

Remarks at the Welcoming Ceremony in Rome

Remarks Following an Audience With Pope John Paul II in Vatican City

Remarks to Students at the American Seminary in Vatican City

Toast at a Dinner Hosted by Prime Minister Ciriaco De Mita in Rome

White House Fact Sheet on the Nonimmigrant Visa Waiver Pilot Program

Remarks at a Memorial Day Ceremony in Nettuno, Italy

Remarks to the American Embassy Employees and Their Families in Rome

Remarks Upon Arrival at the North Atlantic Treaty Organization Summit Meeting in Brussels

Remarks Announcing a Conventional Arms Control Initiative and a Question-and-Answer Session With Reporters in Brussels

Declaration of the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Brussels

North Atlantic Treaty Organization Communique: A Comprehensive Concept of Arms Control and Disarmament

Statement on the Death of Representative Claude Pepper

The President's News Conference Following the North Atlantic Treaty Organization Summit Meeting in Brussels

Remarks at the American School in Brussels

Remarks and a Question-and-Answer Session With Reporters Following Discussions With Chancellor Helmut Kohl in Bonn, Federal Republic of Germany

Toast at a Dinner Hosted by Chancellor Helmut Kohl in Bonn, Federal Republic of Germany

Message to the Congress on Trade With Hungary and China

Presidential Determination No. 89 - 14 -- Memorandum on Trade With Hungary and China

Statement on the Resignation of Speaker of the House of Representatives Jim Wright

Remarks to American Embassy Employees and Their Families in Bonn, Federal Republic of Germany

Remarks to the Citizens in Mainz, Federal Republic of Germany

Remarks to Military Personnel and Their Families in Frankfurt, Federal Republic of Germany

Remarks and a Question-and-Answer Session Following Discussions With Prime Minister Margaret Thatcher in London

Remarks to American Embassy Employees and Their Families in London

White House Statement on the Anniversary of the Signing of the Intermediate-Range Nuclear Forces Treaty With the Soviet Union

Statement by Press Secretary Fitzwater on Landsat Satellite Program Funding

Nomination of Timothy B. Atkeson To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Shirley Temple Black To Be United States Ambassador to Czechoslovakia

Continuation of Michael Ussery as United States Ambassador to Morocco

Nomination of C. Howard Wilkins, Jr. To Be United States Ambassador to The Netherlands

Continuation of Richard Wood Boehm as United States Ambassador to Oman

Nomination of Morris Dempson Busby for the Rank of Ambassador While Serving as Coordinator for Counterterrorism

Designation of Roger B. Porter as Acting Chairman of the President's Commission on White House Fellowships

Toast at a Dinner Hosted by Prime Minister Margaret Thatcher in London

Informal Exchange With Reporters

Remarks on Arrival in Portsmouth, New Hampshire

Statement on the Chinese Government's Suppression of Student Demonstrations

White House Statement on the Death of the Ayatollah Khomeini

The President's News Conference

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

Nomination of Edward C. Stringer To Be General Counsel of the Department of Education

Nomination of Constance Bastine Harriman To Be an Assistant Secretary at the Department of the Interior

Appointment of Everett Ellis Briggs as Special Assistant to the President for National Security Affairs

Appointment of Deane E. Hoffman as Special Assistant to the President for National Security Affairs

Appointment of Arnold Kanter as Special Assistant to the President for National Security Affairs

Statement on the Observance of World Environment Day

Accordance of the Personal Rank of Ambassador to Peter Tomsen While Serving as Special Envoy to the Afghan Resistance

Continuation of Peter W. Rodman as Special Assistant to the President for National Security Affairs

Remarks at the Annual Meeting of the Business Roundtable

Remarks at the Welcoming Ceremony for Prime Minister Benazir Bhutto of Pakistan

Remarks Following Discussions With Prime Minister Benazir Bhutto of Pakistan

Nomination of Michael J. Astrue To Be General Counsel of the Department of Health and Human Services

Statement on the 45th Anniversary of D-Day

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting a Report on the Export-Import Bank of the United States

Statement on the Elections in Poland

Nomination of Sherrie Sandy Rollins To Be an Assistant Secretary of Housing and Urban Development

Nomination of Roy M. Goodman To Be a Member of the National Council on the Arts

Toasts at the State Dinner for Prime Minister Benazir Bhutto of Pakistan

Message on the Observance of National Fishing Week, June 5 - 11, 1989

Nomination of Michael R. Deland To Be a Member of the Council on Environmental Quality, and Designation as Chairman

Remarks to Members of Ducks Unlimited

Nomination of Debra Russell Bowland To Be Administrator of the Wage and Hour Division at the Department of Labor

Nomination of William C. Brooks To Be an Assistant Secretary of Labor

The President's News Conference

Appointment of the 1989 - 1990 White House Fellows

Nomination of Thomas Patrick Melady To Be United States Ambassador to the Holy See

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Soeharto of Indonesia

Statement by Press Secretary Fitzwater on the Murder of Jose Antonio Rodriguez Porth of El Salvador

Remarks Announcing Proposed Legislation To Amend the Clean Air Act

White House Fact Sheet on the President's Clean Air Plan

Designation of Kenneth M. Carr as Chairman of the Nuclear Regulatory Commission

Remarks to Students at the Teton Science School in Grand Teton National Park, Wyoming

Nomination of John F. Turner To Be Director of the United States Fish and Wildlife Service

Nomination of Stella Garcia Guerra To Be an Assistant Secretary of the Interior

Remarks at the University of Nebraska in Lincoln

Message to the House of Representatives Returning Without Approval the Fair Labor Standards Amendments of 1989

White House Statement on the President's Meeting With Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia

Message to the Congress Transmitting the Denmark-United States Fishing Agreement

Continuation of Richard Schifter as an Assistant Secretary of State

Exchange With Reporters Following Discussions With Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jacques Delors of the Commission of the European Communities

Remarks Prior to a Meeting With the Congressional Leadership on Savings and Loan Crisis Legislation

Remarks at the Unveiling Ceremony for the Design of the Korean War Memorial

Nomination of Chas. W. Freeman, Jr., To Be United States Ambassador to Saudi Arabia

Nomination of Warren A. Lavorel for the Rank of Ambassador While Serving as United States Coordinator for the Multilateral Trade Negotiations

Nomination of Edward T. Timperlake To Be an Assistant Secretary of Veterans Affairs

Nomination of Raoul L. Carroll To Be General Counsel of the Department of Veterans Affairs

Remarks at the Annual Republican Congressional Fundraising Dinner

Letter to the Speaker and the Minority Leader of the House of Representatives on the Financial Institutions Reform, Recovery and Enforcement Act of 1989

Message to the Congress Transmitting Proposed Legislation To Combat Violent Crime

Remarks to Law Enforcement Officers at the Federal Training Center in Glynco, Georgia

Nomination of Stephen A. Wakefield To Be General Counsel of the Department of Energy

Nomination of J. Michael Davis To Be an Assistant Secretary of Energy

Nomination of Luigi R. Einaudi To Be Permanent United States Representative to the Organization of American States

Remarks at a Reception for Participants in the Very Special Arts International Festival

Remarks at a Briefing on Law Enforcement for United States Attorneys

Remarks Congratulating the Wichita State University Shockers on Winning the NCAA Baseball Championship

Nomination of Stephen John Hadley To Be an Assistant Secretary of Defense

Nomination of Henry S. Rowen To Be an Assistant Secretary of Defense

Nomination of Andrew Camp Barrett To Be a Member of the Federal Communications Commission

Nomination of Sherrie P. Marshall To Be a Member of the Federal Communications Commission

Statement by Press Secretary Fitzwater on Hungarian Political Reforms

Continuation of Edward L. Rowny as Special Advisor to the President and Secretary of State for Arms Control Matters

Remarks at the Presentation Ceremony for the Drug-Free Schools Awards

Message to the Senate Transmitting the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances

Statement on the Resumption of the Soviet-United States Nuclear and Space Arms Negotiations

Remarks at the Cheltenham High School Commencement Ceremony in Wyncote, Pennsylvania

Remarks Congratulating the Detroit Pistons on Winning the National Basketball Association Championship

Remarks at the Presentation Ceremony for the Presidential Scholars Awards

Continuation of Frank G. Wisner as United States Ambassador to Egypt

Nomination of S. Anthony McCann To Be an Assistant Secretary of Veterans Affairs

Continuation of Henry E. Hockeimer as an Associate Director of the United States Information Agency

Nomination of Wade F. Horn To Be Chief of the Children's Bureau

Nomination of Susan M. Coughlin To Be a Member of the National Transportation Safety Board

Statement by Press Secretary Fitzwater on United States Sanctions Against the Chinese Government

Continuation of Stephen M. Duncan as an Assistant Secretary of Defense

Continuation of Robert W. Page, Sr., as an Assistant Secretary of the Army

Remarks Announcing the Youth Engaged in Service to America Initiative

Nomination of John J. Easton, Jr., To Be an Assistant Secretary of Energy

Nomination of Victor Stello, Jr., To Be an Assistant Secretary of Energy

Remarks to Members of the Family Motor Coach Association in Richmond, Virginia

Statement on Signing the Puyallup Tribe of Indians Settlement Act of 1989

Nomination of Claire E. Freeman To Be an Assistant Secretary of Housing and Urban Development

Nomination of Gerard F. Scannell To Be an Assistant Secretary of Labor

Nomination of Richard A. Clarke To Be an Assistant Secretary of State

Remarks at a Republican Party Fundraising Dinner in Richmond, Virginia

Nomination of Lou Gallegos To Be an Assistant Secretary of the Interior

Nomination of Richard Burleson Stewart To Be an Assistant Attorney General

Nomination of Thomas E. Collins III To Be an Assistant Secretary of Labor

Nomination of John D. Macomber To Be President of the Export-Import Bank of the United States

Nomination of Eugene Kistler Lawson To Be First Vice President of the Export-Import Bank of the United States

Continuation of Charles L. Grizzle as an Assistant Administrator of the Environmental Protection Agency

Informal Exchange With Residents of Covenant House in New York, New York

Remarks at a Luncheon Hosted by the New York Partnership and the Association for a Better New York in New York, New York

White House Fact Sheet on the Points of Light Initiative

Remarks at a Republican Party Fundraising Dinner in New York, New York

Remarks at the Wall Street Journal Anniversary Dinner in New York, New York

Nomination of Five Members of the Defense Nuclear Facilities Safety Board, and Designation of Chairman and Vice Chairman

Statement on the 25th Anniversary of the Slaying of Civil Rights Activists James Chaney, Andrew Goodman, and Michael Schwerner

Message to the Congress Transmitting the Report of the Council on Environmental Quality

Remarks at the Annual Meeting of the American Association of University Women

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Hiroshi Mitsuzuka of Japan

Remarks to New Members of the Republican Party

White House Statement on the Soviet-United States Nuclear Testing Negotiations

Statement by Press Secretary Fitzwater on the Persecution of the Turkish Minority in Bulgaria

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Mario Alberto Soares of Portugal

Nomination of Evelyn Irene Hoopes Teegen To Be United States Ambassador to Fiji, Tonga, Tuvalu and Kiribati

Nomination of Thomas F. Stroock To Be United States Ambassador to Guatemala

Nomination of Alexander Fletcher Watson To Be Deputy United States Representative to the United Nations

Continuation of Michelle Easton as Deputy Under Secretary of Education

Nomination of Harry M. Snyder To Be Director of the Office of Surface Mining Reclamation and Enforcement

The President's News Conference

Remarks at the Welcoming Ceremony for Prime Minister Robert Hawke of Australia

Message on the Observance of Independence Day

Toasts at the State Dinner for Prime Minister Robert Hawke of Australia

Continuation of David S.C. Chu as an Assistant Secretary of Defense

Nomination of Alfred C. Sikes To Be a Member of the Federal Communications Commission, and Designation as Chairman

Statement by Press Secretary Fitzwater on a Proposed Constitutional Amendment Prohibiting Flag Desecration

Remarks Following Discussions With President Mobutu Sese Seko of Zaire

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Mobutu Sese Seko of Zaire

Remarks to Congressional and Administrative Interns Announcing Campaign Finance Reform

Proposals

White House Fact Sheet on the President's Campaign Finance Reform Proposals

Nomination of Joy A. Silverman To Be United States Ambassador to Barbados, Dominica, St. Lucia, and St. Vincent and the Grenadines

Nomination of Eugene P. Kopp To Be Deputy Director of the United States Information Agency

Continuation of Kathleen Day Koch as General Counsel of the Federal Labor Relations Authority

Nomination of Jean McKee To Be a Member of the Federal Labor Relations Authority, and Designation as Chairman

Statement on the Death of Alan Woods

Remarks Announcing the Proposed Constitutional Amendment on Desecration of the Flag

Statement on Meeting With South African Anti-Apartheid Activist Albertina Sisulu

Nomination of Jane A. Kenny To Be Director of ACTION

Remarks at a White House Ceremony Commemorating the 25th Anniversary of the Civil Rights Act

Message on the Observance of Independence Day

Statement on Signing the Dire Emergency Supplemental Appropriations and Transfers, Urgent Supplementals, and Correcting Enrollment Errors Act of 1989

Statement on Signing the Bill Extending Title I of the Energy Policy and Conservation Act

Statement on the Supreme Court's Decision on Abortion

Statement on the Death of Andrey Gromyko

Interview With Polish Journalists

Statement by Press Secretary Fitzwater on Ronald Reagan's Riding Accident

Statement on the Media Advertising Partnership for a Drug-Free America

Nomination of Linda M. Combs To Be an Assistant Secretary of the Treasury

Remarks at the Presentation Ceremony for the Presidential Medal of Freedom

The President's News Conference With Journalists From the Economic Summit Countries

Nomination of Eric M. Javits To Be United States Ambassador to Venezuela

Nomination of Michael G. Sotirhos To Be United States Ambassador to Greece

Remarks at a White House Symposium on Eastern Europe

Interview With Hungarian Journalists

Remarks on Signing the Proclamation Commemorating the Bicentennial of Bastille Day, the French Revolution, and the Declaration of the Rights of Man and the Citizen

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting Proposed Legislation To Eliminate Congressional Honoraria

White House Fact Sheet on Proposed Legislation To Eliminate Congressional Honoraria

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting Proposed Legislation To Increase Federal Senior Executive Salaries

White House Fact Sheet on Proposed Legislation To Increase Federal Senior Executive Salaries

Remarks at a White House Ceremony Commemorating the 50th Anniversary of Little League Baseball

Nomination of Arthur W. Fort To Be an Assistant Secretary of State

Nomination of Milton James Wilkinson To Be Deputy United States Representative to the United Nations Security Council

Nomination of John E. Frohnmayer To Be Chairperson of the National Endowment for the Arts

Advance Text of Remarks Upon Departure for Europe

Remarks at the Welcoming Ceremony in Warsaw

Statement by Press Secretary Fitzwater on the President's Meeting With Polish Chairman Wojciech Jaruzelski in Warsaw

Toasts at a Luncheon at the United States Ambassador's Residence in Warsaw

Remarks to the Polish National Assembly in Warsaw

White House Fact Sheet on Proposed Assistance for Poland and Hungary

Remarks to Polish Little League Baseball Players in Warsaw

Toast at the State Dinner in Warsaw

Letter to Secretary of Defense Richard B. Cheney on the Report on the Defense Management Review

Letter to Congressional Leaders Transmitting the Report on the Defense Management Review

Continuation of Robert B. Barker as an Assistant Secretary of Defense

Remarks to American Embassy Employees and Their Families in Warsaw

Question-and-Answer Session With Reporters Following a Luncheon With Solidarity Leader Lech Walesa in Gdansk

Remarks at the Solidarity Workers Monument in Gdansk

Statement by Press Secretary Fitzwater on United States Technical Assistance for Poland

Advance Text of Remarks at the Departure Ceremony in Gdansk

Remarks at the Welcoming Ceremony in Budapest

Toast at the State Dinner in Budapest

Nomination of Martin C. Faga To Be an Assistant Secretary of the Air Force

Nomination of Raymond Charles Ewing To Be United States Ambassador to Ghana

Continuation of Abraham D. Sofaer as Legal Adviser at the Department of State

Appointment of Ronna Romney as a Member of the President's Commission on White House Fellowships, and Designation as Chairman

Remarks to Students and Faculty at Karl Marx University in Budapest

White House Fact Sheet on Proposed United States Assistance for Hungary and Poland

White House Fact Sheet on the Proposal to Reduce Conventional Forces in Europe

Remarks at the Departure Ceremony in Budapest

Interview With Members of the White House Press Corps

Statement by Press Secretary Fitzwater on the Nitrogen Oxides Protocol to the Convention on Long-Range Transboundary Air Pollution

Joint Statement by the President and Prime Minister Sosuke Uno of Japan on Economic Issues

Nomination of Allen B. Clark, Jr., To Be an Assistant Secretary of Veterans Affairs

Nomination of Anne Newman Foreman To Be Under Secretary of the Air Force

Nomination of Herbert D. Kleber To Be a Deputy Director of the Office of National Drug Control Policy

Nomination of Thomas C. Dawson II To Be United States Executive Director of the International Monetary Fund

Nomination of Johnny Young To Be United States Ambassador to Sierra Leone

Nomination of William Lacy Swing To Be United States Ambassador to South Africa

Nomination of John W. Shannon To Be Under Secretary of the Army

Nomination of Linda J. Fisher To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Gwendolyn S. King To Be Commissioner of Social Security

Informal Exchange With Reporters Following a Meeting With British Prime Minister Margaret Thatcher in Paris

Paris Economic Summit: Declaration on Human Rights

Paris Economic Summit: Economic Declaration

The President's News Conference in Paris

Remarks to Residents of Leiden, The Netherlands

Nomination of Lannon Walker To Be United States Ambassador to Nigeria

Nomination of John A. Betti To Be an Under Secretary of Defense

Nomination of Howard K. Walker To Be United States Ambassador to Madagascar and Comoros

Nomination of Glen A. Holden To Be United States Ambassador to Jamaica

Remarks Upon Returning From the Trip to Europe

White House Statement on the State Visit of King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia

Message to the Congress Transmitting the Annual Report on Nuclear Nonproliferation

Message to the Congress Reporting on the National Emergency With Respect to Libya

Statement by the President on the Upcoming Elections in Nicaragua

Statement by Press Secretary Fitzwater on the Election of Wojciech Jaruzelski as President of Poland

Nomination of John A. Knauss To Be an Under Secretary of Commerce

Nomination of Sally J. Novetzke To Be United States Ambassador to Malta

Nomination of Loret M. Ruppe To Be United States Ambassador to Norway

Nomination of Nicolas Miklos Salgo for the Rank of Ambassador While Serving as Special Negotiator for Property Issues

Appointment of Joshua I. Smith as a Member of the Commission on Minority Business Development, and Designation as Chairman

Nomination of Clifford R. Oviatt, Jr., To Be a Member of the National Labor Relations Board

Nomination of Donald F. Rodgers To Be a Member of the National Labor Relations Board

Nomination of Sheldon J. Krys To Be an Assistant Secretary of State

Remarks on the 20th Anniversary of the Apollo 11 Moon Landing

Remarks at a White House Barbecue on the 20th Anniversary of the Apollo 11 Moon Landing

Appointment of Five Members of the National Commission on Acquired Immune Deficiency Syndrome

Statement on the Crash of a United Airlines Jetliner in Sioux City, Iowa

Letter to Congressional Leaders on Communications Support for Drug Interdiction

Remarks at a Ceremony Commemorating Captive Nations Week

Remarks on Transmitting to the Congress Proposed Legislation To Amend the Clean Air Act

Message to the Congress Transmitting Proposed Legislation To Amend the Clean Air Act

Statement by Press Secretary Fitzwater on the Proposed Increase in Federal Disability Benefits

White House Fact Sheet on the Proposed Increase in Federal Disability Benefits

Nomination of Charles Warren Hostler To Be United States Ambassador to Bahrain

Nomination of Gordon K. Durnil To Be a Commissioner on the International Joint Commission -- United States and Canada

Nomination of J. Clarence Davies To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Mark Gregory Hambley To Be United States Ambassador to Qatar

Nomination of David C. Williams To Be Inspector General of the Nuclear Regulatory Commission

Remarks on the Defense Budget and a Question-and-Answer Session With Reporters

Remarks at the Presentation Ceremony for the Take Pride in America Awards

Memorandum on Adoption

Nomination of Michael P.W. Stone To Be Secretary of the Army

Continuation of Edward S.G. Dennis, Jr., as an Assistant Attorney General

Remarks at a Ceremony Honoring Participants in the Job Training Partnership Program

White House Fact Sheet on Proposed Legislation to Amend the Job Training Partnership Act

Statement on the Steel Trade Liberalization Program

Memorandum on Steel Imports and Exports

Letter to the Speaker of the House of Representatives and the President of the Senate

Transmitting the Strategic Force Modernization Report

Nomination of John M. Sayre To Be an Assistant Secretary of the Interior

Nomination of Robert R. Randlett To Be an Assistant Administrator of the Agency for International Development

Nomination of Raymond G.H. Seitz To Be an Assistant Secretary of State

Nomination of Stanley E. Morris To Be a Deputy Director of the Office of National Drug Control Policy

Nomination of JoAnn Krukar Webb To Be Director of the National Cemetery System

Nomination of Barbara E. McTurk To Be Superintendent of the United States Mint at Denver

Nomination of John T. Martino To Be Superintendent of the United States Mint at Philadelphia

Statement by Press Secretary Fitzwater on the National Aero-Space Plane Program

Remarks on Signing the Natural Gas Wellhead Decontrol Act of 1989

Statement on Signing the Natural Gas Wellhead Decontrol Act of 1989

Nomination of Cindy Shinga Daub To Be a Commissioner of the Copyright Royalty Tribunal

Statement on Signing a Bill Approving Diplomatic Relations Agreements With the Marshall Islands and Micronesia

Remarks to Representatives of the Future Farmers of America

Remarks and a Question-and-Answer Session With Reporters During a Meeting With District of Columbia Police Chief Maurice Turner

Continuation of Dallas Lynn Peck as Director of the United States Geological Survey

Nomination of Pamela Talkin To Be a Member of the Federal Labor Relations Authority

Appointment of Justin W. Dart, Jr., as Chairman of the President's Committee on Employment of People With Disabilities

The President's News Conference

Remarks on Signing the National POW/MIA Recognition Day Proclamation

Appointment of Shellyn Gae McCaffrey as the United States Representative on the Governing Body of the International Labor Office

Statement by Principal Deputy Press Secretary Cooper on the President's Meeting With Marshal Sergei Akhromeyev of the Soviet Union

Remarks to the National Governors' Association in Chicago, Illinois

Remarks on Presenting the ``E'' Award to the Illinois Export Council in Chicago

Remarks and a Question-and-Answer Session With Reporters on the Murder of Lieutenant Colonel William R. Higgins

Message to the Senate Returning Without Approval the Bill Prohibiting the Export of Technology for the Joint Japan-United States Development of FS-X Aircraft

Nomination of Terrence O'Donnell To Be General Counsel of the Department of Defense

Nomination of J. Daniel Howard To Be Under Secretary of the Navy

Continuation of Timothy Lathrop Towell as United States Ambassador to Paraguay

Appointment of Juliette C. McLennan as the United States Representative to the Commission on the Status of Women of the Economic and Social Council of the United Nations

Statement by Press Secretary Fitzwater on the Hostage Situation in Lebanon

Statement on American Hostages in the Middle East

Nomination of Jonathan Moore To Be an Alternate United States Representative to the United Nations

Continuation of William P. Albrecht as a Member of the Commodity Futures Trading Commission

Statement on Food Assistance for Poland

Nomination of Ronald J. Sorini for the Rank of Ambassador While Serving as United States Negotiator on Textile Matters

Nomination of James Richard Cheek To Be United States Ambassador to Sudan

Remarks at a White House Barbecue for Members of Congress

Statement by Press Secretary Fitzwater on Proposed Civil Rights Legislation for Disabled Americans

Question-and-Answer Session With Reporters on the Hostage Situation in Lebanon

Nomination of Stephen Read Hanmer, Jr., To Be Deputy Director of the United States Arms Control and Disarmament Agency

Letter to Congressional Leaders on Abortion Funding in the District of Columbia Appropriations Bill

Letter to Congressional Leaders on Savings and Loan Financing Legislation

Statement by Press Secretary Fitzwater on Hostage Joseph J. Cicippio

Remarks on Receiving Proposed Line-Item Veto Legislation and a Question-and-Answer Session With Reporters

Statement by Press Secretary Fitzwater on the Proposed Line-Item Veto Legislation

Nomination of William Ludwig Jacobsen To Be United States Ambassador to Guinea-Bissau

Nomination of James M. Strock To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Elizabeth M. Tamposi To Be an Assistant Secretary of State

Nomination of Sidney L. Jones To Be an Assistant Secretary of the Treasury

Nomination of Reginald J. Brown To Be an Assistant Administrator of the Agency for International Development

Nomination of Gene McNary To Be Commissioner of the Immigration and Naturalization Service

Nomination of Robert M. Gates To Be Assistant to the President and Deputy for National Security Affairs

Nomination of James David Berg To Be Executive Vice President of the Overseas Private Investment Corporation

Nomination of Robert Clifton Duncan To Be Director of Operational Test and Evaluation at the Department of Defense

Nomination of Harold B. Steele To Be a Member of the Farm Credit Administration Board, and Designation as Chairman

Letter to Congressional Leaders on Savings and Loan Financing Legislation

Statement by Press Secretary Fitzwater on the President's Commission on Aviation Security and Terrorism

Nomination of Stuart Michael Gerson To Be an Assistant Attorney General

Nomination of Warren G. Leback To Be Administrator of the Maritime Administration

Nomination of Forrest J. Remick To Be a Member of the Nuclear Regulatory Commission

Nomination of Penne Percy Korth To Be United States Ambassador to Mauritius

Nomination of Christopher H. Phillips To Be United States Ambassador to Brunei

Nomination of Joan D. Aikens To Be a Member of the Federal Election Commission

Nomination of John Warren McGarry To Be a Member of the Federal Election Commission

Remarks at a Ceremony Commemorating the 200th Anniversary of the Department of War

Remarks at the Boy Scout National Jamboree in Bowling Green, Virginia

Statement by Press Secretary Fitzwater on the Execution of Lieutenant Colonel William R. Higgins

Remarks at the National Urban League Conference

Remarks on Signing the Financial Institutions Reform, Recovery, and Enforcement Act of 1989

Informal Exchange With Reporters

Continuation of John J. Welch, Jr., as an Assistant Secretary of the Air Force

Nomination of Charles E. Cobb, Jr., To Be United States Ambassador to Iceland

Statement on Signing the Bill Concerning the Cordell Bank National Marine Sanctuary

Statement on the American Hostages in Lebanon

Remarks Announcing the Nomination of General Colin L. Powell To Be Chairman of the Joint Chiefs of Staff

Statement by Press Secretary Fitzwater on the Disappearance of Representative Mickey Leland in Africa

Statement by Press Secretary Fitzwater on the Education Summit With the Nation's Governors

Statement on the Anniversary of the Berlin Wall

Statement on the Death of Representative Mickey Leland

Remarks on Signing the Disaster Assistance Act of 1989

Nomination of Richard C. Breeden To Be a Member of the Securities and Exchange Commission, and Designation as Chairman

The President's News Conference

Memorandum on Ethics in Government

Nomination of James R. Locher III To Be an Assistant Secretary of Defense

Memorandum on the Leadership of the Combined Federal Campaign

Statement on Signing the Bill Allowing Federal Government Retirees To Work Temporarily on the 1990 Census

Memorandum of Disapproval of the Bill Waiving Enrollment Requirements for the Financial Institutions Reform, Recovery, and Enforcement Act of 1989

Remarks at a Campaign Fundraising Luncheon for Ileana Ros-Lehtinen in Miami, Florida

Statement by Press Secretary Fitzwater on the Proposed Foreign Acquisition of Three Divisions of Fairchild Industries

Statement on the Assassination of Luis Carlos Galan and Colombia-United States Relations

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President Virgilio Barco Vargas of Colombia

The President's News Conference

Remarks at the Welcoming Ceremony for Prime Minister Poul Schluter of Denmark in Kennebunkport, Maine

Statement on Elections in Poland

Nomination of Christopher Jehn To Be an Assistant Secretary of Defense

Nomination of Ronald E. Ray To Be an Assistant Secretary of Veterans Affairs

Nomination of Kenneth L. Brown To Be United States Ambassador to Cote d'Ivoire

Nomination of Craig S. King To Be General Counsel of the Navy

Nomination of Melva G. Wray To Be Director of the Office of Minority Economic Impact at the Department of Energy

Nomination of Tony Armendariz To Be a Member of the Federal Labor Relations Authority

Statement on United States Emergency Antidrug Assistance for Colombia

Initial Order for Emergency Deficit Control Measures for Fiscal Year 1990

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting an Alternate Federal Civilian Pay Plan

Appointment of Mary V. Bicouvaris as a Member of the Commission on Presidential Scholars

Letter to the Speaker of the House of Representatives and the President of the Senate Reporting on Korean and Taiwanese Driftnet Fishing

Appointment of Craig I. Fields as a Member of the National Commission on Superconductivity

Appointment of Irene B. Brooks as an Alternate Federal Member of the Delaware River Basin Commission

Remarks and a Question-and-Answer Session With Reporters in Kennebunkport, Maine

Nomination of Barbara Spyridon Pope To Be an Assistant Secretary of the Navy

Nomination of Dennis B. Underwood To Be Commissioner of Reclamation at the Department of the Interior

Appointment of Jack O. Guy as a Member of the American Battle Monuments Commission

Nomination of Jacqueline L. Phillips To Be Federal Cochairman of the Appalachian Regional Commission

Nomination of Carroll A. Campbell, Jr., To Be a Member of the Board of Trustees of the James Madison Memorial Fellowship Foundation

Exchange With Reporters Following a National Drug Control Strategy Meeting in

Kennebunkport, Maine

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting a Report on the Denial of Federal Benefits for Certain Drug Offenders

Nomination of Bill R. Phillips To Be Deputy Director of the Office of Personnel Management

Nomination of Frank B. Sollars To Be a Member of the Board of Directors of the National Consumer Cooperative Bank

Remarks at a Luncheon Hosted by the Chamber of Commerce in Kennebunkport, Maine

News Conference of the President and Prime Minister Brian Mulroney of Canada in Kennebunkport, Maine

Statement on Panama-United States Relations

Message on the Observance of Labor Day

Designation of Shellyn Gae McCaffrey as a Member of the Board of Directors of the Overseas Private Investment Corporation

Remarks Following Discussions With Prime Minister Toshiki Kaifu of Japan

Statement on the Death of Baseball Commissioner A. Bartlett Giamatti

Remarks to Reporters on the National Drug Control Strategy

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting the National Drug Control Strategy Report

Address to the Nation on the National Drug Control Strategy

White House Fact Sheet on the National Drug Control Strategy

Exchange With Reporters on the National Drug Control Strategy

The President's News Conference on the National Drug Control Strategy

Nomination of Jennifer Joy Wilson To Be an Assistant Secretary of Commerce

Continuation of T S Ary as Director of the Bureau of Mines

Designation of Evan J. Kemp, Jr., as Chairman of the Equal Employment Opportunity Commission

Appointment of Mark O. Hatfield as a Member of the Commission on the Bicentennial of the United States Constitution

Remarks at a Meeting With Foreign Ambassadors and State and Local Leaders on the National Drug Control Strategy

Remarks at the American Legion Annual Convention in Baltimore, Maryland

Remarks at the Ceremony Commemorating the 175th Anniversary of ``The Star-Spangled Banner'' in Baltimore, Maryland

Remarks to the Crew of United Air Lines Flight 232

Statement by Press Secretary Fitzwater on NATO-Warsaw Pact Conventional Forces Negotiations

Nomination of Duane Perry Andrews To Be an Assistant Secretary of Defense

Nomination of David Courtland O'Neal To Be an Assistant Secretary of the Interior

Continuation of James R. Richards as Inspector General of the Department of the Interior

Continuation of Paul A. Adams as Inspector General of the Department of Housing and Urban Development

Continuation of Carol C. Adelman as an Assistant Administrator of the Agency for International Development

Nomination of Margot E. Machol To Be a Member of the Commodity Futures Trading Commission

Nomination of LaJuana Sue Wilcher To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Alan Green, Jr., To Be United States Ambassador to Romania

Nomination of Marion V. Creekmore, Jr., To Be United States Ambassador to Sri Lanka and Maldives

Appointment of Al Cardenas as a Member of the Board of Directors of the Federal National Mortgage Association

Appointment of Henry C. Cashen II as a Member of the Board of Directors of the Federal National Mortgage Association

Appointment of George L. Clark, Jr., as a Member of the Board of Directors of the Federal National Mortgage Association

Remarks to the United States Hispanic Chamber of Commerce in New Orleans, Louisiana

Remarks to the National Baptist Convention in New Orleans, Louisiana

Remarks at the Presentation Ceremony for the American Success Awards

Remarks at the Ceremony Commemorating the 200th Anniversary of the Department of the Treasury

Continuation of John C. Layton as Inspector General of the Department of Energy

Continuation of Sherman M. Funk as Inspector General of the Department of State

Nomination of Curtis Virgil McVee To Be Federal Cochairman of the Alaska Land Use Council

Continuation of Dennis M. Devaney as a Member of the National Labor Relations Board

Nomination of H. Allen Holmes To Be Ambassador at Large for Burdensharing

Nomination of George W. Haley To Be a Member of the Postal Rate Commission, and Designation as Chairman

Nomination of Leonard L. Haynes III To Be an Assistant Secretary of Education

Message on the Observance of National Hispanic Heritage Month, 1989

Address to Students on Drug Abuse

Statement by Press Secretary Fitzwater on the President's Meeting With Boris Yeltsin of the Soviet Union

Nomination of Mary Sterling To Be an Assistant Secretary of Labor

Nomination of William James Tattersall To Be an Assistant Secretary of Labor

Nomination of Barbara Zartman To Be Deputy Director of the Peace Corps

Remarks at the National Hispanic Heritage Presidential Tribute Dinner

Remarks on Signing the Drug Abuse Resistance Education Day Proclamation

Nomination of Donald Belton Ayer To Be Deputy Attorney General

Continuation of Richard T. Kennedy as Ambassador at Large

Nomination of Adis Maria Vila To Be an Assistant Secretary of Agriculture

Continuation of Richard W. Carlson as an Associate Director of the United States Information Agency

Nomination of William P. Glade To Be an Associate Director of the United States Information Agency

Nomination of Velma Montoya To Be a Member of the Occupational Safety and Health Review Commission

Remarks Announcing Proposed Legislation on Special-Needs Adoption

Appointment of David H. Sudderth, Jr., as a Member of the American Battle Monuments Commission

Remarks on Signing the National Historically Black Colleges Week Proclamation

Message on the Observance of the Jewish High Holy Days, 1989

Remarks at the Presentation Ceremony for the Presidential Rank Awards

Statement on Food and Commodity Assistance to Poland

Memorandum on Emergency Food Assistance to Developing Countries

Remarks and a Question-and-Answer Session at a Luncheon for Regional Editors and Broadcasters

Appointment of Peter F. Schabarum as a Member of the Advisory Board of the National Air and Space Museum

Nomination of Edward G. Lewis To Be an Assistant Secretary of Veterans Affairs

Nomination of Alvin P. Adams, Jr., To Be United States Ambassador to Haiti

Remarks at the South Dakota Centennial Celebration in Sioux Falls

Remarks at a Centennial Tree Planting Ceremony in Sioux Falls, South Dakota

Remarks at the Montana Centennial Celebration in Helena

White House Fact Sheet on Environmental Initiatives

Remarks to the Five-State Legislators Conference in Helena, Montana

The President's News Conference in Helena, Montana

Letter to the Speaker of the House of Representatives and the President of the Senate on Trade With Hungary

Nomination of Richard H. Melton To Be United States Ambassador to Brazil

Appointment of Christine D. Reed as a Member of the Board of Directors of the Federal

National Mortgage Association

Remarks at the Washington Centennial Celebration in Spokane

Statement by Press Secretary Fitzwater on Emergency Relief for the United States Virgin Islands and Puerto Rico

Nomination of Catherine Ann Bertini To Be an Assistant Secretary of Agriculture

Nomination of Thomas E. Anfinson To Be a Deputy Under Secretary of Education

Nomination of Christopher T. Cross To Be an Assistant Secretary of Education

Statement by Press Secretary Fitzwater on the Deployment of Military and Law Enforcement Officers to the United States Virgin Islands

Remarks at the Presentation Ceremony for the Young American Medals for Bravery and Service

Nomination of David Jameison Smith for the Rank of Ambassador While Serving as Chief Negotiator for Defense and Space

Memorandum on the Civil Disorder in the United States Virgin Islands

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

Remarks at a Republican Fundraising Luncheon in East Brunswick, New Jersey

Informal Exchange With Reporters in Wells, Maine

Remarks at a Luncheon Hosted by the Catholic Lawyers Guild in Boston, Massachusetts

Statement on the Death of Irving Berlin

Statement on the Summit Meeting With Soviet President Gorbachev

Remarks Announcing the Summit Meeting With Soviet President Gorbachev and a Question-and-Answer Session With Reporters

Remarks to the Staff of the United States Mission to the United Nations in New York, New York

Address to the 44th Session of the United Nations General Assembly in New York, New York

Appointment of Robert J. Portman as Deputy Assistant to the President for Legislative Affairs

Appointment of Constance Bastine Harriman as a Member of the Great Lakes Fishery Commission

Nomination of Edwin G. Foulke, Jr., To Be a Member of the Occupational Safety and Health Review Commission, and Designation as Chairman

Remarks and a Question-and-Answer Session With Reporters During a Meeting With Small Business Leaders

Message to the Congress Transmitting Proposed Campaign Finance Reform Legislation

White House Fact Sheet on Proposed Campaign Finance Reform Legislation

Letter to the Members of the House of Representatives on Proposed Capital Gains Tax Legislation

Remarks at the Annual Meeting of the Boards of Governors of the International Monetary Fund and World Bank Group

Remarks on the Education Summit and a Question-and-Answer Session With Reporters

Nomination of Bruce L. Gardner To Be an Assistant Secretary of Agriculture

Nomination of E. Donald Elliott To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Barbara Everitt Bryant To Be Director of the Bureau of the Census

Continuation of James Bert Thomas, Jr., as Inspector General of the Department of Education

Nomination of Bernard E. DeLury To Be Director of the Federal Mediation and Conciliation

Service

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Carlos Saul Menem of Argentina

Remarks at the Education Summit Welcoming Ceremony at the University of Virginia in Charlottesville

Toasts of the President and Governor Terry Branstad of Iowa at the Education Summit Dinner in Charlottesville, Virginia

Statement by Press Secretary Fitzwater on the Education Summit in Charlottesville, Virginia

Remarks at the University of Virginia Convocation in Charlottesville

Remarks at the Education Summit Farewell Ceremony at the University of Virginia in Charlottesville

Joint Statement on the Education Summit With the Nation's Governors in Charlottesville, Virginia

Remarks to Participants in the Secondary School Recognition Program

Statement by Press Secretary Fitzwater on the Death of Ferdinand Marcos

Statement on the House of Representatives Approval of Capital Gains Tax Legislation

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Virgilio Barco Vargas of Colombia

Nomination of William H. Young To Be an Assistant Secretary of Energy

Nomination of Joshua M. Javits To Be a Member of the National Mediation Board

Nomination of Patrick J. Cleary To Be a Member of the National Mediation Board

Remarks on Signing a Bill Making Continuing Appropriations for Fiscal Year 1990, Including Hurricane Hugo Disaster Assistance

Remarks Following a Tour of the Damage Caused by Hurricane Hugo in Charleston, South Carolina

Statement on Signing a Bill Making Continuing Appropriations For the Fiscal Year 1990, Including Hurricane Hugo Disaster Assistance

Memorandum on Administrative Dismissal of Federal Employees Affected by Hurricane Hugo

Remarks at the Retirement Ceremony for Admiral William J. Crowe, Jr., Chairman of the Joint Chiefs of Staff, in Annapolis, Maryland

Statement by the President on Signing the Energy and Water Development Appropriations Act, 1990

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board

Nomination of William Clark, Jr., To Be United States Ambassador to India

Continuation of John C. Martin As Inspector General of the Environmental Protection Agency

Appointment of John Charles Gartland as a Member of the National Commission for Employment Policy

Nomination of Dennis M. Devaney To Be a Member of the National Labor Relations Board

Statement by Press Secretary Fitzwater on the Death of August Busch

Message to the Congress Reporting Budget Deferrals

Nomination of Keith Leveret Wauchope To Be United States Ambassador to Gabon and to Sao Tome and Principe

Nomination of Gordon H. Mansfield To Be an Assistant Secretary of Housing and Urban Development

Nomination of Leon Snead To Be Inspector General of the Department of Agriculture

Nomination of Ann Christine Petersen To Be General Counsel of the Department of the Air

Force

Designation of Edward H. Fleischman as Acting Chairman of the Securities and Exchange Commission

Nomination of Smith Hempstone, Jr., To Be United States Ambassador to Kenya

Remarks at the Welcoming Ceremony for President Carlos Salinas de Gortari of Mexico

Remarks During a Meeting With President Carlos Salinas de Gortari of Mexico

Statement on Signing the Bill Establishing the Ulysses S. Grant National Historic Site in St. Louis County, Missouri

Remarks at the Signing Ceremony for the Mexico-United States Environmental and Trade Agreements

Exchange With Reporters on the Attempted Overthrow of General Manuel Noriega of Panama

Statement by Press Secretary Fitzwater on the President's Meeting With Soviet Defense Minister Dmitriy Yazov

Nomination of Hilda Gay Legg To Be Alternate Federal Cochairman of the Appalachian Regional Commission

Nomination of Barry M. Goldwater, Sr., To Be a Member of the Board of Directors of the Communications Satellite Corporation

Appointment of J. Brian Gaffney as a Member of the Board of Directors of the Federal National Mortgage Association

Toasts at the State Dinner for President Carlos Salinas de Gortari of Mexico

Statement by Press Secretary Fitzwater on Economic Assistance for Poland and Hungary

Remarks at the Presentation Ceremony for the Minority Enterprise Development Week Awards

Statement by Press Secretary Fitzwater on President Bush's Meeting With President George

Vassiliou of Cyprus

Statement by Press Secretary Fitzwater on the President's Meeting With Jonas Savimbi of Angola

Remarks on Signing the German-American Day Proclamation

Remarks on Signing the Veterans Day Proclamation

Memorandum on the Presidential Quality and Management Improvement Awards

Message on the Presidential Quality and Management Improvement Awards

Nomination of Cresencio S. Arcos, Jr., To Be United States Ambassador to Honduras

Nomination of Philip L. Christenson To Be an Assistant Administrator of the Agency for International Development

Nomination of Francis Terry McNamara To Be United States Ambassador to Cape Verde

Nomination of Michael Bruce Donley To Be an Assistant Secretary of the Air Force

Letter to Congressional Leaders Transmitting Reports on Trade Barriers to United States Wine Exports

Nomination of Robert P. McMillan To Be a Member of the Board of the Panama Canal Commission

Exchange With Reporters Following the President's Hand Surgery

Statement by Press Secretary Fitzwater on the President's Hand Surgery

Memorandum on the 1990 Census

Nomination of Ruth V. Washington To Be United States Ambassador to The Gambia

Nomination of R. James Woolsey for the Rank of Ambassador While Serving as the United States Representative to the Negotiations on Conventional Armed Forces in Europe

Nomination of Betsy Brand To Be an Assistant Secretary of Education

Nomination of Robert C. McCormack To Be an Assistant Secretary of the Navy

Nomination of Richard G. Austin To Be Administrator of General Services

Remarks Congratulating the Trumbull Nationals on Winning the Little League World Championship

Remarks at the Welcoming Ceremony for President Francesco Cossiga of Italy

Nomination of David E. Lewis To Be an Assistant Secretary of Veterans Affairs

Statement by Press Secretary Fitzwater on the President's Meeting With Senators David L. Boren and William S. Cohen Concerning Panama

Statement by Press Secretary Fitzwater on the President's Meeting With NATO Secretary General Manfred Woerner

Nomination of Harry F. Manbeck, Jr., To Be Commissioner of Patents and Trademarks

Nomination of Jacqueline Jones-Smith To Be a Member and Chairman of the Consumer Product Safety Commission

Appointment of Josephine Mora Velazquez as a Member of the National Commission on Children

Toasts at the State Dinner for President Francesco Cossiga of Italy

Nomination of Robert W. Sweet, Jr., To Be Administrator of the Office of Juvenile Justice and Delinquency Prevention

Remarks at a Fundraiser for Congressional Candidate Tom Anderson in Gulfport, Mississippi

Remarks at a Fundraising Dinner for Mayoral Candidate Rudolph W. Giuliani in New York, New York

The President's News Conference

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Ante Markovic of Yugoslavia

Continuation of Richard P. Kusserow as Inspector General of the Department of Health and Human Services

Remarks at a White House Briefing for Members of the Asian-American Voters Coalition

Remarks at a Ceremony for the Presentation of the End Hunger Awards and the Signing of the World Food Day Proclamation

Nomination of Daniel Howard Simpson To Be United States Ambassador to the Central African Republic

Nomination of Martin Lewis Allday To Be a Member of the Federal Energy Regulatory Commission, and Designation as Chairman

Final Order on Emergency Deficit Control Measures for Fiscal Year 1990

Remarks Following Discussions With President Roh Tae Woo of the Republic of Korea

Letter to Members of the Senate Appropriations Committee on Federal Funding for Abortion

Remarks at the Republican Governors' Association Annual Dinner

Nomination of Don R. Clay To Be an Assistant Administrator of the Environmental Protection Agency

Continuation of Joel Edward Haggard as United States Representative to the Columbia River Interstate Compact

Remarks on the San Francisco Bay Area Earthquake and a Question-and-Answer Session With Reporters

Remarks to National Distinguished Principals Award Recipients

Remarks and a Question-and-Answer Session With Reporters on the San Francisco Bay Area Earthquake

Remarks at the Presentation Ceremony for the National Medals of Science and Technology

Nomination of Bradley Paul Holmes To Be Coordinator for International Communications and Information Policy at the Department of State

Remarks on Receiving the Report of the Vice President and Secretary of Transportation Samuel K. Skinner on the Earthquake Damage in the San Francisco Bay Area

Remarks to Members of the Natural Gas Supply Association

Remarks Following Discussions With Prime Minister Felipe Gonzalez Marquez of Spain

Statement by Press Secretary Fitzwater on Political Reform in Hungary

Message to the Congress Reporting on the Economic Sanctions Against Panama

Continuation of David M.L. Lindahl as Director of the Office of Alcohol Fuels at the Department of Energy

Nomination of Donald E. Kirkendall To Be Inspector General of the Department of the Treasury

Message to the Congress Transmitting an Alternative Sequester Report for the Department of Defense for Fiscal Year 1990

Exchange With Reporters During a Tour of the Earthquake Damage in Oakland, California

Exchange With Reporters During a Tour of the Earthquake Damage in Santa Cruz, California

Remarks and a Question-and-Answer Session With Reporters Following a Tour of the Earthquake Damage in the San Francisco Bay Area

Nomination of Edward S. Walker, Jr., To Be United States Ambassador to the United Arab Emirates

Message to the House of Representatives Returning Without Approval the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990

Statement by Press Secretary Fitzwater on the President's Signing of the Bill Providing Assistance for Free and Fair Elections in Nicaragua

Statement on the Rescue of Buck Helm in Oakland, California

Statement on Signing the Department of the Interior and Related Agencies Appropriations Act

Statement by Press Secretary Fitzwater on the Agreement for National Reconciliation in Lebanon

Appointment of Frederick D. Nelson as an Associate Counsel to the President

Appointment of Christopher du Pont Roosevelt as a Member of the Roosevelt Campobello International Park Commission

Appointment of Five Members of the President's Advisory Committee on the Points of Light Initiative Foundation

Remarks at the Presentation Ceremony for the Excellence in Science and Math Teaching Awards

Appointment of Charles R. Henry as a Member of the Committee for Purchase from the Blind and Other Severely Handicapped

Appointment of Daniel W. McKinnon, Jr., as a Member of the Committee for Purchase from the Blind and Other Severely Handicapped

Letter to Elementary School Students on Halloween

Remarks to Members of the Institute of International Education

Message to the Congress Reporting on the Economic Sanctions Against Nicaragua

Nomination of Allan V. Burman To Be Administrator for Federal Procurement Policy at the Office of Management and Budget

Remarks to Participants in the Prime Time To End Hunger Campaign

Nomination of Frances D. Cook To Be United States Ambassador to Cameroon

Interview With Latin American Journalists

Remarks at a Ceremony Granting Most-Favored-Nation Trade Status to Hungary

Message to the Congress on Trade With Hungary

Presidential Determination No. 90 - 3 -- Memorandum on Trade With Hungary

Remarks and an Exchange With Reporters on Signing a Bill Making Continuing Appropriations for Fiscal Year 1990 and Providing Disaster Relief

Statement on Signing a Bill Making Continuing Appropriations for Fiscal Year 1990 and Providing Disaster Relief

Remarks Announcing Proposed Legislation on Food Safety and Pesticides

White House Fact Sheet on Proposed Legislation on Food Safety and Pesticides

Statement on the Flag Protection Act of 1989

Message to the House of Representatives Returning Without Approval the District of Columbia Appropriations Act, 1990

Advance Text of Remarks Upon Departure for the Centennial Celebration of Costa Rican Democracy in San Jose

Remarks at the Welcoming Ceremony in San Jose, Costa Rica

Exchange With Reporters in San Jose, Costa Rica, on the Situation in Nicaragua

Statement by Press Secretary Fitzwater on President Bush's Meeting With Nicaraguan President Daniel Ortega Saavedra in San Jose, Costa Rica

Nomination of the United States Alternate Executive Director and the United States Director of the Inter-American Development Bank

Nomination of Edmund DeJarnette, Jr., To Be United States Ambassador to Tanzania

The President's News Conference in San Jose, Costa Rica

Remarks to Members of the American Embassy Community in San Jose, Costa Rica

Message to the Congress Transmitting the Annual Reports on Highway and Motor Vehicle Safety

Remarks at the Ceremony Commemorating Polish American Heritage Month

White House Fact Sheet on the Presidential Mission to Poland

Remarks at the Groundbreaking Ceremony for the National Law Enforcement Officers' Memorial

Statement on the Chemical Weapons Destruction Facility in Tooele, Utah

Message to the Congress Transmitting the Japan-United States Fishing Agreement

Notice of the Continuation of the National Emergency With Respect to Iran

Message to the Congress on the Continuation of the National Emergency With Respect to Iran

The President's News Conference

Remarks to Schoolchildren at the White House Halloween Party

Message to the Senate Transmitting the India-United States Convention on Taxation

Message to the Congress Transmitting a Report on the Fiscal Year 1990 Federal Budget

Appointment of Thomas F.X. Needles as Special Assistant to the President and Associate Director of Presidential Personnel

Nomination of Hilary Paterson Cleveland To Be a Member of the International Joint Commission -- United States and Canada

Statement on Proposed Minimum Wage Legislation

Appointment of Dean C. Swanson as a Member of the President's National Security Telecommunications Advisory Committee

Memorandum on Amendments to the Generalized System of Preferences

White House Statement on Duty-Free Treatment for Certain Imported Watches

Nomination of Antonia Coello Novello To Be Surgeon General of the Public Health Service

Nomination of Ronald William Roskens To Be Administrator of the Agency for International Development

Statement on Trade Initiatives for the Andean Region

White House Fact Sheet on Trade Initiatives for the Andean Region

Remarks at the Presentation Ceremony for the Midland Community Service Award

Nomination of Susan Morrisey Livingstone To Be an Assistant Secretary of the Army

Nomination of Abraham N.M. Shashy, Jr., To Be Assistant General Counsel of the Treasury

Remarks at the Presentation Ceremony for the Malcolm Baldrige National Quality Awards

Statement by Press Secretary Fitzwater on the President's Meeting With Hungarian Minister of State Imre Pozsgay

Remarks to the Media Advertising Partnership for a Drug-Free America

Statement on Deficit Reduction in Fiscal Year 1990

Remarks Following a Visit With Former President Jose Napoleon Duarte Fuentes of El Salvador

Statement on Signing the Treasury, Postal Service and General Government Appropriations Act, 1990

Nomination of Anthony Cecil Eden Quainton To Be United States Ambassador to Peru

Remarks at a Campaign Rally for Gubernatorial Candidate J. Marshall Coleman in Richmond, Virginia

Remarks at a Campaign Rally for Gubernatorial Candidate J. Marshall Coleman in Norfolk, Virginia

Remarks at a Campaign Rally for Gubernatorial Candidate Jim Courter in Bloomfield, New Jersey

Nomination of G. Kim Wincup To Be an Assistant Secretary of the Army

Continuation of Victor H. Frank, Jr., as United States Director of the Asian Development Bank

Remarks at the Bicentennial Convocation at Phillips Academy in Andover, Massachusetts

Remarks to the Phillips Academy Board of Trustees in Andover, Massachusetts

Appointment of William Douglas Fritts, Jr., as an Executive Branch Commissioner-Observer on the Commission on Security and Cooperation in Europe

Appointment of Stephen John Hadley as an Executive Branch Commissioner-Observer on the Commission on Security and Cooperation in Europe

Statement by Press Secretary Fitzwater on the President's Meeting on POW/MIA Affairs With General John W. Vessey, Jr.

Remarks at the Presentation Ceremony for the Charles Frankel Prizes for Distinguished Service to the Humanities

Nomination of Stephen J. Ledogar for the Rank of Ambassador While Serving as United States Representative to the Conference on Disarmament

Nomination of Robert William Houk To Be Public Printer

Nomination of Barry Lambert Harris To Be Deputy Administrator of the Federal Aviation Administration

The President's News Conference

Remarks Congratulating the Oakland Athletics on Winning the World Series

Memorandum on Intellectual Property Rights

White House Statement on the Ministerial Conference on Atmospheric Pollution and Climate Change

Nomination of Cynthia Shepard Perry To Be United States Ambassador to Burundi

Nomination of Douglas B. Comer To Be Deputy Commissioner of Patents and Trademarks

Appointment of Elliot L. Richardson as Special Representative of the President for the Multilateral Assistance Initiative for the Philippines

Appointment of Sig Rogich as Assistant to the President for Public Events and Initiatives

Appointment of William T. Pryce as Special Assistant to the President for National Security Affairs

Continuation of Frank DeGeorge as Inspector General of the Department of Commerce

Continuation of Charles A. Gargano as United States Ambassador to Trinidad and Tobago

Nomination of Robert Gregory Joseph for the Rank of Ambassador While Serving as a Member of the U.S.-U.S.S.R. Standing Consultative Commission

Nomination of Edward J. Philbin To Be a Member of the Interstate Commerce Commission, and Designation as Chairman

Nomination of Mary L. Schapiro To Be a Member of the Securities and Exchange Commission

Message to the Senate Transmitting the Tax Convention Concerning the Council of Europe and the Organization for Economic Cooperation and Development

Statement by Press Secretary Fitzwater on the President's Meeting With Violeta Chamorro of Nicaragua

Remarks at the Welcoming Ceremony for President Corazon C. Aquino of the Philippines

Message to the Senate Transmitting an Annex to the International Convention for the Prevention of Pollution from Ships

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1990

Nomination of Susan J. Crawford To Be Inspector General of the Department of Defense

Appointment of William J. Hilsman as a Member of the President's National Security Telecommunications Advisory Committee

Remarks and a Question-and-Answer Session With Reporters on the Relaxation of East German Border Controls

Statement by Press Secretary Fitzwater on United States Assistance for East German Emigrants

Remarks to the National Association of Realtors in Dallas, Texas

White House Fact Sheet on the HOPE Initiative: Homeownership and Opportunity for People Everywhere

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With West German Chancellor Helmut Kohl

Remarks at a Republican Fundraising Dinner Honoring Governor Bill Clements in Dallas, Texas

Statement on Signing the Child Nutrition and WIC Reauthorization Act of 1989

Remarks at the Dedication Ceremony for the Vietnam Veterans Memorial in Dallas, Texas

Statement on Alfredo Mustelier Nuevo's Hunger Strike and the Treatment of Cuban Political Prisoners

Remarks on Signing the Executive Order Creating the President's Drug Advisory Council

Appointment of the Chairman and Members of the President's Drug Advisory Council

Remarks at the Opening Session of the Universal Postal Union Congress

Nomination of Martin H. Gerry To Be an Assistant Secretary of Health and Human Services

Nomination of William Hughes Graves III To Be Director of the National Institute on Disability and Rehabilitation Research

Nomination of H. Douglas Barclay To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

Remarks on Presenting the Presidential Medal of Freedom to Lech Walesa and the Presidential Citizen's Medal to Lane Kirkland

Informal Exchange With Reporters

Remarks on Signing the American Education Week Proclamation

Remarks to the Organization of American States

Nomination of La Verne G. Ausman To Be Administrator of the Farmers Home Administration

Message to the Congress Reporting on the National Emergency With Respect to Iran

Statement by Press Secretary Fitzwater on the Presidential Election Monitoring Commission on Nicaragua

Remarks at the Presentation Ceremony for the Environmental Youth Awards

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Yitzhak Shamir of Israel

Nomination of John T. MacDonald To Be an Assistant Secretary of Education

Nomination of Harriet Winsar Isom To Be United States Ambassador to Benin

Statement by Press Secretary Fitzwater on the Presidential Economic Delegation to Poland

Remarks at the Unveiling Ceremony for the Official Portraits of Ronald and Nancy Reagan

Remarks at the Biannual Convention of the American Federation of Labor and Congress of Industrial Organizations

Letter to Congressional Leaders on Proposed Federal Pay and Ethics Legislation

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President Alfredo Cristiani Buckard of El Salvador

Nomination of Everett Ellis Briggs To Be United States Ambassador to Portugal

Nomination of Edward Morgan Rowell To Be United States Ambassador to Luxembourg

White House Fact Sheet on the National Space Policy

Statement by Press Secretary Fitzwater on the Murders at the University of Central America in El Salvador

Designation of the Chairperson and Vice Chairperson of the National Women's Business Council

Remarks on Signing the Fair Labor Standards Amendments of 1989

Statement on Signing the Fair Labor Standards Amendments of 1989

Statement by Press Secretary Fitzwater on the President's Telephone Conversations With Allied Leaders

Remarks on Signing the Thanksgiving Day Proclamation

Nomination of Robert William Farrand To Be United States Ambassador to Papua New Guinea, Solomon Islands, and Vanuatu

Nomination of J. Steven Rhodes To Be United States Ambassador to Zimbabwe

Nomination of Jerome G. Cooper To Be an Assistant Secretary of the Air Force

Nomination of James B. Edwards To Be a Member of the Board of Directors of the Communications Satellite Corporation

Nomination of Gail Roggin Wilensky To Be Administrator of the Health Care Financing Administration

Nomination of Carol Mayer Marshall To Be Superintendent of the Mint of the United States at San Francisco

Remarks at the Presentation Ceremony for the National Medal of the Arts

Nomination of John W. Lyons To Be Director of the National Institute of Standards and Technology

Nomination of John J. Maresca for the Rank of Ambassador While Serving as Chairman of the United States Delegation to the Conference on Confidence and Security Building Measures

Statement by Press Secretary Fitzwater on the President's Telephone Conversations With Foreign Leaders

Memorandum on the Caribbean Basin Initiative

Interview With Peter Maer of Mutual/NBC Radio

Message to the House of Representatives Returning Without Approval the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990

Nomination of Peter K. Nunez To Be an Assistant Secretary of the Treasury

Nomination of William D. Hathaway To Be a Commissioner of the Federal Maritime Commission

Nomination of David C. Fields To Be Director of the Office of Foreign Missions

Nomination of Henrietta Hugentobler Holsman To Be an Assistant Administrator of the Agency for International Development

Appointment of Curtis Means Dunbar as a Member of the National Commission on

Responsibilities for Financing Postsecondary Education

Remarks and a Question-and-Answer Session With Students at Pickard Elementary School in Chicago, Illinois

Remarks at an Antidrug Awards Ceremony at Pickard Elementary School in Chicago, Illinois

Remarks at a Fundraising Luncheon for Senatorial Candidate Lynn Martin in Chicago, Illinois

Remarks at a Fundraising Dinner for Governor Edward DiPrete in Cranston, Rhode Island

Remarks at a Fundraising Reception for Senatorial Candidate Claudine Schneider in Warwick, Rhode Island

Message to the House of Representatives Returning Without Approval the District of Columbia Appropriations Act, 1990

Remarks Following a Meeting With West German Foreign Minister Hans-Dietrich Genscher

Remarks to the National Association of State Universities and Land-Grant Colleges

Message to the House of Representatives Returning Without Approval the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991

Statement on Signing the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1990

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990

Statement on Signing the Department of Transportation and Related Agencies Appropriations Act, 1990

Statement on Signing the Department of Defense Appropriations Act, 1990

Statement on Signing the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990

Statement on Signing the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990

Message to the House of Representatives Returning Without Approval the Bill Establishing a Congressional Advisory Commission To Investigate Labor Disputes at Eastern Airlines

Continuation of Bill D. Colvin as Inspector General of the National Aeronautics and Space Administration

Nomination of Ervin S. Duggan To Be a Member of the Federal Communications Commission

Nomination of Tony E. Gallegos To Be a Member of the Equal Employment Opportunity Commission

Nomination of Arthur J. Hill To Be President of the Government National Mortgage Association

Nomination of Donald G. Wiseman To Be a Member of the Occupational Safety and Health Review Commission

Remarks on Signing the National Adoption Week Proclamation

Interview With Foreign Journalists

Remarks at the Commercial Appeal's Thanksgiving Celebration in Memphis, Tennessee

White House Statement Announcing the Points of Light Recognition Program

Nomination of Stephen Kay Conver To Be an Assistant Secretary of the Army

Nomination of William J. Haynes II To Be General Counsel of the Department of the Army

Thanksgiving Address to the Nation

Statement by Press Secretary Fitzwater on the President's Meeting With British Prime Minister Margaret Thatcher

Appointment of Peter W. Senopoulos as a Member of the American Battle Monuments Commission

Statement by Press Secretary Fitzwater on President Bush's Meeting With Interim President Sigbhatullah Mojaddedi of Afghanistan

Informal Exchange With Reporters

Remarks to Members of the Presidential Economic Delegation to Poland

Statement on Signing the Support for East European Democracy (SEED) Act of 1989

Statement on Signing the National Museum of the American Indian Act

Statement by Press Secretary Fitzwater on Western Economic Support for Reform in Poland and Hungary

Statement on Signing the National Defense Authorization Act for Fiscal Years 1990 and 1991

Informal Exchange With Reporters

Remarks Following Discussions With Prime Minister Brian Mulroney of Canada

Interview With Members of the White House Press Corps

Remarks and an Exchange With Reporters on the Upcoming Meeting With Soviet President Mikhail Gorbachev at Malta

Statement on Signing the Intelligence Authorization Act, Fiscal Year 1990

Memorandum of Disapproval for the Bill Providing Emergency Chinese Immigration Relief

Statement on the Disapproval of the Bill Providing Emergency Chinese Immigration Relief

Statement on Signing the Ethics Reform Act of 1989

Statement by Press Secretary Fitzwater on the Banning of Panamanian-Flag Vessels From United States Ports

Statement on the Observance of World AIDS Day

Statement by Press Secretary Fitzwater on an Attempted Coup in the Philippines

Statement by Press Secretary Fitzwater on United States Military Assistance for the Philippines

Statement by Press Secretary Fitzwater on the 1990 Houston Economic Summit

Exchange With Reporters in Valletta, Malta, on an Attempted Coup in the Philippines

Joint Statement of the United States and Malta on the President's Meeting With Prime Minister Eddie Fenech Adami in Valletta

Remarks to the Crew and Guests on the U.S.S. Forrestal in Malta

Statement by Press Secretary Fitzwater on the President's Meetings With Soviet Chairman Mikhail Gorbachev in Malta

Statements by Press Secretary Fitzwater on the President's Meetings With Soviet Chairman Mikhail Gorbachev in Malta

Letter to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on United States Military Assistance to the Philippines

Statement by Press Secretary Fitzwater on the President's Meetings With Soviet Chairman Mikhail Gorbachev in Malta

Exchange With Reporters on the Meetings With Soviet Chairman Mikhail Gorbachev in Malta

Exchange With Reporters on the Meetings With Soviet Chairman Mikhail Gorbachev in Malta

Remarks of the President and Soviet Chairman Gorbachev and a Question-and-Answer Session With Reporters in Malta

Question-and-Answer Session With Reporters in Malta

Remarks at the Welcoming Ceremony in Brussels

Statement by Press Secretary Fitzwater on the President's Meetings With Foreign Leaders in Brussels

White House Fact Sheet on the Meeting With Soviet Chairman Mikhail Gorbachev in Malta

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jacques Delors of the European Economic Community in Brussels

Outline of Remarks at the North Atlantic Treaty Organization Headquarters in Brussels

The President's News Conference in Brussels

Statement by Press Secretary Fitzwater on the Continuation of Fernando Manfredo, Jr., as Acting Administrator of the Panama Canal Commission

Nomination of Enrique Mendez, Jr., To Be an Assistant Secretary of Defense

Remarks at the National Republican Congressional Committee Dinner Honoring Representative Robert H. Michel

Statement by Press Secretary Fitzwater on the Appointment of the Coordinator and Deputy Coordinators of United States Assistance for Eastern Europe

Memorandum on Education of Hispanic Americans

Remarks to Hispanic and Corporate Leaders on Education

Nomination of David E. Jeremiah To Be Vice Chairman of the Joint Chiefs of Staff

Letter Accepting the Resignation of M. Danny Wall as Director of the Office of Thrift Supervision

Statement by Press Secretary Fitzwater on the President's Meeting With the Governors' Education Task Force

Remarks at the Acres Homes War on Drugs Rally in Houston, Texas

Remarks at a Fundraising Dinner for Senator Phil Gramm in Houston, Texas

Statement on the Anniversary of the Armenian Earthquake

Remarks at a Fundraising Luncheon for Senatorial Candidate Hank Brown in Denver, Colorado

Question-and-Answer Session With Students at John F. Kennedy High School in Denver, Colorado

Remarks at an Antidrug Rally at John F. Kennedy High School in Denver, Colorado

Nomination of David W. Mullins, Jr., To Be a Member of the Board of Governors of the Federal Reserve System

Statement by Press Secretary Fitzwater on the Upcoming State Visit of President Ibrahim Babangida of Nigeria

Advance Text of Remarks at a Fundraising Dinner for Senatorial Candidate Thomas J. Tauke in Des Moines, Iowa

Remarks on Signing the National Drunk and Drugged Driving Awareness Week Proclamation

Remarks at the Swearing-In Ceremony for Catalina Villalpando as Treasurer of the United States

Statement on Signing the Arms Control and Disarmament Amendments Act of 1989

Remarks and a Question-and-Answer Session With Newspaper Editors

Statement by Press Secretary Fitzwater on the International War on Drugs

Statement on Signing the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989

Statement on Signing the Bill Authorizing the Compact of Free Association Between the United States and Palau

Statement on Signing the Steel Trade Liberalization Program Implementation Act

Statement on Signing the Anti-Terrorism and Arms Export Amendments Act of 1989

Statement on Signing the Drug-Free Schools and Communities Act Amendments of 1989

Statement on Signing the Bill Convening the Second Session of the One Hundred First Congress

Nomination of Douglas Alan Brook To Be an Assistant Secretary of the Army

Nomination of Gary C. Byrne To Be Administrator of the Rural Electrification Administration

Nomination of Julie E. Carnes To Be a Member of the United States Sentencing Commission

Remarks at the Catholic University of America Anniversary Dinner

Statement on Signing the Everglades National Park Protection and Expansion Act of 1989

Statement on Signing the International Narcotics Control Act of 1989

Remarks on Signing the North American Wetlands Conservation Act

Statement on Signing the North American Wetlands Conservation Act

Statement by Deputy Press Secretary Popadiuk on Economic Assistance to Poland

Statement by Press Secretary Fitzwater Announcing the Drug Summit in Cartagena, Colombia

Nomination of Donald Robert Quartel To Be a Commissioner at the Federal Maritime Commission

Appointment of Three Members of the Council of the Administrative Conference of the United States

Remarks on Lighting the National Christmas Tree

Statement on Signing the Department of Housing and Urban Development Reform Act of 1989

Joint News Conference Following Discussions With French President Mitterrand in St. Martin, French West Indies

Message on the Observance of Hanukkah

Message on the Observance of Christmas

Statement on Signing the Veterans' Benefits Amendments of 1989

Appointment of Paul F. Oreffice as a Member of the Advisory Committee for Trade and Policy Negotiations

Appointment of Edward C. Aldridge, Jr., as a Member of the President's National Security Telecommunications Advisory Committee

Statement on Signing the Omnibus Budget Reconciliation Act of 1989

Statement by Press Secretary Fitzwater on Romania's Suppression of Political Demonstrations

Appointment of Katharine D. Dukakis as a Member of the United States Holocaust Memorial Council

Letter to the Speaker of the House of Representatives and the President of the Senate on the Licensing of Communications Satellites for China

Statement by Press Secretary Fitzwater on the Licensing of Communications Satellites for China

Statement on Signing the International Development and Finance Act of 1989

Letter to the Speaker of the House of Representatives and the President of the Senate on Trade With China

Statement by Press Secretary Fitzwater on Trade With China

Address to the Nation Announcing United States Military Action in Panama

Statement by Press Secretary Fitzwater on United States Military Action in Panama

Statement by Press Secretary Fitzwater on United States Military Action in Panama

Memorandum on the Arrest of General Manuel Noriega in Panama

Memorandum Terminating Economic Sanctions Against Panama

Statement by Press Secretary Fitzwater on United States Military Action in Panama

Remarks on the Observance of Hanukkah

The President's News Conference

Letter to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on United States Military Action in Panama

Appointment of Timothy E. Deal as Special Assistant to the President for National Security Affairs

Letter to Congressional Leaders Transmitting the Report of the Presidential Economic Delegation to Poland

Nomination of Paul C. Lambert To Be United States Ambassador to Ecuador

Remarks to the AIDS Research Staff at the National Institutes of Health in Bethesda, Maryland

Statement by Press Secretary Fitzwater on the Situation in Panama

Remarks and a Question-and-Answer Session With Reporters in Corpus Christi, Texas

Statement by Press Secretary Fitzwater on the Situation in Romania

Remarks at a Barbecue in Beeville, Texas

Final Order for Emergency Deficit Control Measures for Fiscal Year 1990

Message on the Observance of New Year's Day

Statement by Press Secretary Fitzwater on the Federal Chancellor Scholarship for Future American Leaders

Statement by Press Secretary Fitzwater on the Election of Vaclav Havel as President of Czechoslovakia

Statement by Press Secretary Fitzwater on the Situation in Panama

Question-and-Answer Session With Reporters in Houston, Texas, on the Situation in Panama

Remarks and a Question-and-Answer Session With Reporters in San Antonio, Texas, on United States Military Action in Panama

Appendix A -- Digest of Other White House Announcements

Appendix B -- Nominations Submitted to the Senate

Appendix C -- Checklist of White House Press Releases

Appendix D -- Acts Approved by the President

Appendix E -- Proclamations and Executive Orders

Appendix F -- Points of Light Recognition Program

contents

january 1989

select another month
February | March | April | May
June | July | August | September
October | November | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 20 -

Inaugural Address

- 21 -

Remarks to White House Visitors

Question-and-Answer Session With Reporters

Remarks to Campaign Staff Members and Political Supporters

Letter to Congressional Leaders on Deficit Reduction Efforts

Remarks and an Informal Exchange With Reporters During a Walk With Family Members

- 23 -

Remarks at the Swearing-in Ceremony for Members of the White House Staff

Remarks to Participants in the March for Life Rally

- 25 -

Interview With Gerald Boyd of the New York Times and Katherine Lewis of the Houston Post

Remarks on Signing the Executive Order Establishing the President's Commission on Federal Ethics Law Reform

Nomination of Donald J. Atwood To Be Deputy Secretary of Defense

Nomination of W. Henson Moore To Be Deputy Secretary of Energy

Nomination of Susan S. Engeleiter To Be Administrator of the Small Business Administration

Nomination of William M. Diefenderfer III To Be Deputy Director of the Office of Management and Budget

Nomination of Paul D. Coverdell To Be Director of the Peace Corps

Nomination of Constance Berry Newman To Be Director of the Office of Personnel Management

Nomination of Bruce S. Gelb To Be Director of the United States Information Agency

Nomination of Fred M. Zeder II To Be President of the Overseas Private Investment Corporation

- 26 -

Remarks to Members of the Senior Executive Service

- 27 -

The President's News Conference

Remarks at the Swearing-in Ceremony for James A. Baker III as Secretary of State

- 30 -

Remarks at the Swearing-in Ceremony for Elizabeth H. Dole as Secretary of Labor

- 31 -

Remarks to the Crew of the U.S.S. America and Naval Shipyard Employees in Norfolk, Virginia

contents

february 1989

select another month
January | March | April | May
June | July | August | September
October | November | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 1 -

Message on the Observance of National Afro-American (Black) History Month, February 1989

Nomination of Kenneth Winston Starr To Be Solicitor General of the United States

Continuation of John W. Vessey, Jr., as Special Presidential Emissary to Hanoi for POW/MIA Affairs

Message to the Congress Transmitting a Report on the Establishment of the National Space Council

- 2 -

Remarks at the Annual National Prayer Breakfast

Remarks Following Discussions With Prime Minister Noboru Takeshita of Japan

Nomination of Richard R. Burt for the Rank of Ambassador While Serving as United States Negotiator for Strategic Nuclear Arms

Nomination of Ivan Selin To Be an Under Secretary of State

Nomination of Edith E. Holiday To Be General Counsel of the Department of the Treasury

Nomination of Richard Thomas McCormack To Be an Under Secretary of State

Nomination of Robert Michael Kimmitt To Be an Under Secretary of State

Nomination of Reginald Bartholomew To Be an Under Secretary of State

Nomination of Morris Berthold Abram To Be United States Representative to the European Office of the United Nations

- 3 -

Remarks on the Savings and Loan Crisis

Remarks at the Swearing-in Ceremony for Robert A. Mosbacher as Secretary of Commerce

Remarks at a White House Luncheon for Business Leaders

Remarks Congratulating the Super Bowl Champion San Francisco 49'ers

- 4 -

White House Statement on Secretary of Health and Human Services-Designate Louis W. Sullivan

- 6 -

Remarks at the Swearing-in Ceremony for Carla A. Hills as United States Trade Representative

Remarks at the Swearing-in Ceremony for Samuel K. Skinner as Secretary of Transportation

The President's News Conference

- 7 -

Statement by Press Secretary Fitzwater on the Acquisition of Monsanto Electronic Materials Company by a West German Firm

Statement on Signing the Bill Rescinding Proposed Increases in Executive, Legislative, and Judicial Salaries

- 8 -

Remarks at the Swearing-in Ceremony for Manuel Lujan, Jr., as Secretary of the Interior

Remarks at the Swearing-in Ceremony for William K. Reilly as Administrator of the Environmental Protection Agency

Statement on the Economic and Domestic Policy Councils

Remarks and a Question-and-Answer Session With Reporters Prior to a Meeting With William J. Bennett

- 9 -

Address on Administration Goals Before a Joint Session of Congress

Message to the Congress Transmitting the Fiscal Year 1990 Budget

- 10 -

Remarks and a Question-and-Answer Session With Reporters Following a Luncheon With

Prime Minister Brian Mulroney in Ottawa, Canada

- 13 -

Remarks to Members of the Business and Industry Association of New Hampshire in Manchester

Remarks to Representatives of the Boy Scouts of America

Remarks at the Swearing-in Ceremony for Jack F. Kemp as Secretary of Housing and Urban Development

- 14 -

Letter to Congressional Leaders Transmitting the Report on International Agreements

Nomination of Roy M. Goodman To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

- 15 -

Remarks to the South Carolina State Legislature in Columbia

Nomination of Richard J. Kerr To Be Deputy Director of Central Intelligence

Appointment of Francis S.M. Hodsoll as Executive Associate Director and Chief Financial Officer of the Office of Management and Budget

- 16 -

Remarks at the Swearing-in Ceremony for Clayton Yeutter as Secretary of Agriculture

Remarks on Afghanistan and a Question-and-Answer Session With Reporters

Statement on the Soviet Withdrawal From Afghanistan

Written Responses to Questions Submitted by the Kyodo News Service of Japan

Written Responses to Questions Submitted by Xinhua News Agency of China

Written Responses to Questions Submitted by the Yonhap News Agency of the Republic of Korea

- 17 -

Nomination of Elaine L. Chao To Be Deputy Secretary of Transportation

Remarks to Students at Washington University in St. Louis, Missouri

Nomination of Sidney Linn Williams To Be a Deputy United States Trade Representative

Letter to Congressional Committee Chairmen Transmitting the Report on Appropriations for Strategic Weapons

Nomination of Rufus Hawkins Yerxa To Be a Deputy United States Trade Representative

- 18 -

Statement by Press Secretary Fitzwater Concerning Secretary Baker's Report to the President on Meetings With NATO Allies

- 21 -

The President's News Conference

Appointment of G. Philip Hughes as Executive Secretary of the National Security Council

Appointment of William L. Roper as Deputy Assistant to the President for Domestic Policy and Director of the White House Office of Policy Development

Appointment of Shirley Moore Green as Special Assistant to the President for Presidential Messages and Correspondence

Message to the Congress Transmitting the Switzerland-United States Social Security Agreement

Nomination of John D. Negroponte To Be United States Ambassador to Mexico

- 22 -

Remarks to Armed Forces Personnel at Elmendorf Air Force Base in Anchorage, Alaska

Nomination of John E. Robson To Be Deputy Secretary of the Treasury

Nomination of Robert R. Glauber To Be an Under Secretary of the Treasury

- 24 -

The President's News Conference in Tokyo

- 25 -

The President's News Conference in Tokyo

Toast at the Welcoming Banquet in Beijing

- 26 -

Remarks at Chongmenwen Christian Church in Beijing

Remarks to American Embassy Employees in Beijing

Interview With Chinese Television Journalists in Beijing

- 27 -

Statement by Press Secretary Fitzwater on the President's Trip to China

Remarks Following a Meeting With President Roh Tae Woo in Seoul

Remarks to the National Assembly in Seoul

Remarks Upon Returning From a Trip to the Far East

Statement on the United Nations Human Rights Commission Report on Cuba

- 28 -

Remarks and a Question-and-Answer Session With Reporters Following a Cabinet Meeting

Nomination of Jack Callihan Parnell To Be Deputy Secretary of Agriculture

Nomination of Constance Horner To Be Under Secretary of Health and Human Services

Nomination of Mary Sheila Gall To Be an Assistant Secretary of Health and Human Services

Appointment of Debra Rae Anderson as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs

Message to the Congress Transmitting the Annual Reports on Highway and Motor Vehicle Safety

Nomination of Douglas P. Mulholland To Be an Assistant Secretary of State

Nomination of Calvin G. Franklin To Be Director of the Federal Emergency Management Agency

Nomination of James O. Mason To Be an Assistant Secretary of Health and Human Services

Nomination of Herman Jay Cohen To Be an Assistant Secretary of State

Nomination of John H. Kelly To Be an Assistant Secretary of State

Nomination of Richard L. Armitage To Be an Assistant Secretary of State

Nomination of John R. Bolton To Be an Assistant Secretary of State

Nomination of Bernard William Aronson To Be an Assistant Secretary of State

Nomination of Jewel S. Lafontant To Be United States Coordinator for Refugee Affairs

contents

march 1989

select another month
January | February | April | May
June | July | August | September
October | November | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 1 -

Statement by Press Secretary Fitzwater on the Review of Management Practices at the Department of Defense

Remarks to Members of the Small Business Legislative Council

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

Appointment of Mark Albrecht as Director of the National Space Council

- 2 -

Nomination of William Pelham Barr To Be an Assistant Attorney General

Remarks at a Reception for Participants in the National Endowment for the Humanities Teacher-Scholar Program

- 3 -

Remarks on Drug Trafficking Prior to a Luncheon With Administration Officials

Remarks to the Winners of the Westinghouse Science Talent Search

Statement on the Labor Dispute Between Eastern Airlines and the International Association of Machinists and Aerospace Workers

- 6 -

Remarks at the Annual Conference of the Veterans of Foreign Wars

Message on the Observance of St. Patrick's Day, 1989

Nomination of Anthony Joseph Principi To Be Deputy Secretary of Veterans Affairs

Nomination of Gerald L. Olson To Be an Assistant Secretary of Health and Human Services

Announcement of the Continuation of Roberts T. Jones as an Assistant Secretary of Labor

- 7 -

The President's News Conference

Nomination of Thomas J. Collamore To Be an Assistant Secretary of Commerce

Nomination of William Douglas Fritts, Jr., To Be an Assistant Secretary of Commerce

Nomination of Deborah Wince-Smith To Be an Assistant Secretary of Commerce

Nomination of J. Michael Farren To Be an Under Secretary of Commerce

Nomination of Susan Carol Schwab To Be an Assistant Secretary of Commerce

Nomination of Thomas J. Duesterberg To Be an Assistant Secretary of Commerce

Nomination of Richard Thomas Crowder To Be an Under Secretary of Agriculture

Remarks to Members of the Woodrow Wilson International Center for Scholars

- 8 -

Nomination of John Chatfield Tuck To Be Under Secretary of Energy

Nomination of Donna R. Fitzpatrick To Be an Assistant Secretary of Energy

Nomination of David W. Mullins, Jr., To Be an Assistant Secretary of the Treasury

- 9 -

Remarks at the Swearing-in Ceremony for James D. Watkins as Secretary of Energy

Statement on the Negotiations on Arms Reduction and Security in Europe

Nomination of Michael Philip Skarzynski To Be an Assistant Secretary of Commerce

Letter to the Speaker of the House of Representatives and the President of the Senate on Nuclear Cooperation With EURATOM

Remarks to Drug Enforcement Administration Officers in New York, New York

Remarks at the United Negro College Fund Dinner in New York, New York

Statement on the Failure of the Senate To Approve the Nomination of John Tower as Secretary of Defense

Nomination of Wendell Lewis Willkie II To Be General Counsel of the Department of Commerce

Nomination of Michael Rucker Darby To Be an Under Secretary of Commerce

Nomination of Dennis Edward Kloske To Be an Under Secretary of Commerce

Nomination of Eric I. Garfinkel To Be an Assistant Secretary of Commerce

Nomination of Michael Paul Galvin To Be an Assistant Secretary of Commerce

Nomination of Robert P. Davis To Be Solicitor of the Department of Labor

Nomination of Dale Triber Tate To Be an Assistant Secretary of Labor

Nomination of Jennifer Lynn Dorn To Be an Assistant Secretary of Labor

Remarks at the Swearing-in Ceremony for Louis W. Sullivan as Secretary of Health and Human Services

Remarks to Members of the National Conference of State Legislators

Nomination of Michael Hayden Armacost To Be United States Ambassador to Japan

Nomination of John Theodore Sanders To Be Under Secretary of Education

Nomination of Nancy Mohr Kennedy To Be an Assistant Secretary of Education

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Transmitting a Report on Arms Control Agreements Compliance

The President's News Conference

White House Statement on Secretary of Defense-Designate Richard B. Cheney

Nomination of Skirma Anna Kondratas To Be an Assistant Secretary of Housing and Urban Development

Remarks to Members of the National Association of Attorneys General

Remarks Following the Swearing-in Ceremony for William J. Bennett as Director of National Drug Control Policy

Message to the Senate Transmitting the Yugoslavia-United States Consular Convention

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Moshe Arens of Israel

Appointment of Burton Lee III as Physician to the President

Appointment of Charles Nicholas Rostow as Special Assistant to the President for National Security Affairs

Appointment of Karl D. Jackson as Special Assistant to the President for National Security Affairs

Appointment of Robert D. Blackwill as Special Assistant to the President for National Security Affairs

Appointment of William W. Working as Special Assistant to the President for National Security Affairs

Appointment of David C. Miller, Jr., as Special Assistant to the President for National Security Affairs

Appointment of Virginia A. Lampley as Special Assistant to the President for National Security Affairs

Appointment of Richard N. Haass as Special Assistant to the President for National Security Affairs

Nomination of Kathleen M. Harrington To Be an Assistant Secretary of Labor

Nomination of Roderick Allen DeArment To Be Deputy Secretary of Labor

White House Statement on the Report of Presidential Emergency Board No. 218 Concerning a Railroad Labor Dispute

Statement on the Sudanese Civil War

- 14 -

Remarks to Members of the Anti-Defamation League of B'nai B'rith

Remarks to the National Legislative Conference of the Independent Insurance Agents of America

Message to the Congress Transmitting the Annual Report of the United States Arms Control and Disarmament Agency

Nomination of John B. Taylor To Be a Member of the Council of Economic Advisers

- 15 -

Remarks at the Swearing-in Ceremony for Edward J. Derwinski as Secretary of Veterans Affairs

Statement on Proposed Child-Care Legislation

Message to the Congress Transmitting Proposed Child-Care Legislation

Nomination of James Roderick Lilley To Be United States Ambassador to China

Nomination of Kay Coles James To Be an Assistant Secretary of Health and Human Services

Remarks at the Electronic Industries Association's Government-Industry Dinner

- 16 -

Nomination of Rockwell Anthony Schnabel To Be an Under Secretary of Commerce

Remarks at a Luncheon Hosted by the Forum Club in Houston, Texas

Remarks at the Junior Achievement National Business Hall of Fame Dinner in Colorado Springs, Colorado

Nomination of Gilbert E. Carmichael To Be Administrator of the Federal Railroad Administration

The President's News Conference

Nomination of Kate Leader Moore To Be an Assistant Secretary of Transportation

Nomination of Galen Joseph Reser To Be an Assistant Secretary of Transportation

Nomination of Jeffrey Neil Shane To Be an Assistant Secretary of Transportation

Nomination of David Philip Prosperi To Be an Assistant Secretary of Transportation

Nomination of Phillip D. Brady To Be General Counsel of the Department of Transportation

Nomination of Terence A. Todman To Be United States Ambassador to Argentina

Accordance of the Personal Rank of Ambassador to C. Travis Marshall While Serving as Chairman of the United States Delegation to the International Telecommunication Union Conference

Nomination of James Buchanan Busey IV To Be Administrator of the Federal Aviation Administration

Nomination of Melvin Floyd Sembler To Be United States Ambassador to Australia

Nomination of John Giffen Weinmann To Be United States Ambassador to Finland

Nomination of Jerry A. Moore, Jr., To Be United States Ambassador to Lesotho

Nomination of Joseph Zappala To Be United States Ambassador to Spain

Nomination of Frederick Morris Bush To Be United States Ambassador to Luxembourg

Statement on Meeting With Prime Minister Charles Haughey of Ireland

- 20 -

Remarks at the Swearing-in Ceremony for Thomas R. Pickering as United States Representative to the United Nations

Remarks and a Question-and-Answer Session With the State Legislators Working Group

Nomination of Julius L. Katz To Be a Deputy United States Trade Representative

Nomination of Jerry Ralph Curry To Be Administrator of the National Highway Traffic Safety Administration

- 21 -

Remarks at the Swearing-in Ceremony for Richard B. Cheney as Secretary of Defense

Statement by Press Secretary Fitzwater on the Establishment of the Outer Continental Shelf Leasing and Development Task Force

Nomination of Janice Obuchowski To Be an Assistant Secretary of Commerce

Nomination of Daphne Wood Murray To Be Director of the Institute of Museum Services

White House Fact Sheet on the President's Minimum-Wage Proposal

Statement on the Death of John J. McCloy

- 22 -

Remarks to Students at Conestoga Valley High School in Lancaster, Pennsylvania

Remarks at a Meeting With Amish and Mennonite Leaders in Lancaster, Pennsylvania

Question-and-Answer Session at the Wilmington Cluster Against Substance Abuse Program in Delaware

Remarks to the Law Enforcement Community in Wilmington, Delaware

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President-Elect Alfredo Cristiani of El Salvador

Nomination of Kenneth W. Gideon To Be an Assistant Secretary of the Treasury

Nomination of Quincy Mellon Krosby To Be an Assistant Secretary of Commerce

Nomination of Edward Martin Emmett To Be a Member of the Interstate Commerce Commission

- 23 -

Nomination of Shirley D. Peterson To Be an Assistant Attorney General

Nomination of E. Patrick Coady To Be United States Executive Director of the International Bank for Reconstruction and Development

Remarks to the National Association of Manufacturers

Nomination of Walter J.P. Curley To Be United States Ambassador to France

Nomination of Franklin Eugene Bailey To Be an Assistant Secretary of Agriculture

Nomination of Jo Ann D. Smith To Be an Assistant Secretary of Agriculture

Nomination of James E. Cason To Be an Assistant Secretary of Agriculture

- 24 -

The President's News Conference

Bipartisan Accord on Central America

Statement on the Bipartisan Accord on Central America

Remarks on Greeting the Crew of the Space Shuttle Discovery

Nomination of William H. Taft IV To Be United States Permanent Representative to the North Atlantic Treaty Organization Council

Nomination of Joseph B. Gildenhorn To Be United States Ambassador to Switzerland

Nomination of Paul Matthews Cleveland To Be United States Ambassador to Malaysia

Nomination of Chic Hecht To Be United States Ambassador to the Bahamas

Nomination of Richard H. Solomon To Be an Assistant Secretary of State

Accordance of the Personal Rank of Ambassador to John J. Maresca While Serving as Chief of the Delegation to the Conference on Confidence and Security Building Measures and Disarmament in Europe

Nomination of Edward Noonan Ney To Be United States Ambassador to Canada

Nomination of Charles Edgar Redman To Be United States Ambassador to Sweden

- 27 -

Nomination of William G. Rosenberg To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Alfred A. DelliBovi To Be Under Secretary of Housing and Urban Development

Nomination of John C. Weicher To Be an Assistant Secretary of Housing and Urban Development

Nomination of Francis Anthony Keating II To Be General Counsel of the Department of Housing and Urban Development

Nomination of Ronald Frank Lehman II To Be Director of the United States Arms Control and Disarmament Agency

- 28 -

Remarks and an Informal Exchange With Reporters Following a Meeting With Administration Officials

Remarks and a Question-and-Answer Session With Students at James Madison High School in Vienna, Virginia

Nomination of Carol T. Crawford To Be an Assistant Attorney General

Nomination of Roger Bolton To Be an Assistant Secretary of the Treasury

- 29 -

Continuation of Henry Anatole Grunwald as United States Ambassador to Austria

Nomination of John Cameron Monjo To Be United States Ambassador to Indonesia

Nomination of Peter F. Secchia To Be United States Ambassador to Italy

Remarks and a Question-and-Answer Session With High School Students From the Close Up

Foundation

- 30 -

Remarks to Members of the American Association of Community and Junior Colleges

Nomination of Richard Anthony Moore To Be United States Ambassador to Ireland

Nomination of Della Newman To Be United States Ambassador to New Zealand and Western Samoa

- 31 -

Remarks and a Question-and-Answer Session at a White House Luncheon for Journalists

contents

april 1989

select another month
January | February | March | May
June | July | August | September
October | November | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 1 -

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Carlos Andres Perez of Venezuela

- 3 -

Statement by Press Secretary Fitzwater on the President's Meeting With the Families of the Victims of Pan American Flight 103

Remarks Following Discussions With President Mohammed Hosni Mubarak of Egypt

Nomination of Alan Charles Raul To Be General Counsel of the Department of Agriculture

- 4 -

Remarks at a Ceremony Commemorating the 40th Anniversary of the North Atlantic Treaty

Designation of Joseph E. DeSio as Acting General Counsel of the National Labor Relations Board

Remarks at a White House Briefing for Members of the American Business Conference

Nomination of Delos Cy Jamison To Be Director of the Bureau of Land Management

Nomination of Richard Schmalensee To Be a Member of the Council of Economic Advisers

Nomination of Thomas Michael Tolliver Niles To Be United States Representative to the European Communities

Nomination of Melvyn Levitsky To Be an Assistant Secretary of State

Nomination of Catalina Vasquez Villalpando To Be Treasurer of the United States

Toasts at a State Dinner Honoring President Mohammed Hosni Mubarak of Egypt

Remarks at the Presentation Ceremony for the National Teacher of the Year Award

Message to the Congress Transmitting Proposed Legislation on Educational Excellence

White House Fact Sheet on Proposed Educational Excellence Legislation

Message to the Congress Transmitting the Annual Report on International Activities in Science and Technology

Statement by Press Secretary Fitzwater on the Polish Roundtable Accords

Statement by Press Secretary Fitzwater on Soviet Policy in Central America

Statement by Press Secretary Fitzwater on the Suspension of Semiautomatic Weapons Imports

Remarks Following Discussions With Prime Minister Yitzhak Shamir of Israel

Notice of the Continuation of the National Emergency With Respect to Panama

Message to the Congress on the Continuation of the National Emergency With Respect to Panama

Message to the Congress Reporting on the Economic Sanctions Against Panama

Appointment of Mary McClure as Special Assistant to the President for Intergovernmental Affairs

Continuation of Leonard H.O. Spearman, Sr., as United States Ambassador to Rwanda

Toasts at a Dinner Honoring Prime Minister Yitzhak Shamir of Israel

- 7 -

The President's News Conference

White House Fact Sheet on Federal Assistance for the Alaskan Oil Spill Cleanup

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Alfredo Cristiani of El Salvador

Letter to Congressional Leaders on the Release of Additional Funds for the ICBM Rail Garrison Program

- 10 -

Remarks on Signing the National Volunteer Week Proclamation

Remarks on Signing the Whistleblower Protection Act of 1989

Statement on Signing the Whistleblower Protection Act of 1989

Designation of John Charles Gartland as Chairman of the National Commission for Employment Policy

Nomination of Diane Kay Morales To Be an Assistant Secretary of Energy

- 11 -

Remarks at the Presentation Ceremony for the President's Volunteer Action Awards

Continuation of Eugene J. McAllister as an Assistant Secretary of State

- 12 -

Statement by Press Secretary Fitzwater on President and Mrs. Bush's 1988 Income Tax Return

Remarks Congratulating the University of Michigan Wolverines on Winning the NCAA Basketball Championship

Remarks Announcing the Nomination of Richard Harrison Truly To Be Administrator of the National Aeronautics and Space Administration

Nomination of Richard Harrison Truly To Be Administrator of the National Aeronautics and Space Administration

Nomination of James R. Thompson, Jr., To Be Deputy Administrator of the National Aeronautics and Space Administration

Message to the Congress Transmitting Proposed Legislation on Government Ethics

White House Fact Sheet on the President's Ethics Reform Proposals

Remarks to the American Society of Newspaper Editors

Remarks at the Congressional Fire Services Institute Dinner

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee on the Continuation of Arms Sales to Saudi Arabia

Presidential Determination No. 89 - 13 -- Arms Sales to Saudi Arabia

- 13 -

White House Statement on Arms Sales to Saudi Arabia

Nomination of H. Lawrence Garrett III To Be Secretary of the Navy

Nomination of Frank Henry Habicht II To Be Deputy Administrator of the Environmental Protection Agency

Nomination of Eddie F. Brown To Be an Assistant Secretary of the Interior

Nomination of Martin Lewis Allday To Be Solicitor of the Department of the Interior

Nomination of Frank A. Bracken To Be Under Secretary of the Department of the Interior

Remarks to Participants in Project Educational Forum in Union, New Jersey

Letter to the Speaker of the House of Representatives and the President of the Senate Reporting on the Generalized System of Preferences

Memorandum on Amendments to the Generalized System of Preferences

- 14 -

Remarks Announcing the Bipartisan Budget Agreement

White House Statement on the Bipartisan Budget Agreement

Nomination of Paul Dundes Wolfowitz To Be an Under Secretary of Defense

Nomination of David George Ball To Be an Assistant Secretary of Labor

Nomination of Bryce L. Harlow To Be Deputy Under Secretary of the Treasury, and Designation as an Assistant Secretary

Nomination of Thomas D. Larson To Be Administrator of the Federal Highway Administration

Nomination of Brian W. Clymer To Be Administrator of the Urban Mass Transit Administration

Nomination of Jacqueline Knox Brown To Be an Assistant Secretary of Energy

Nomination of Joseph G. Schiff To Be an Assistant Secretary of Housing and Urban Development

Continuation of Frank E. Young as Commissioner of Food and Drugs at the Department of Health and Human Services

- 17 -

Remarks to Citizens in Hamtramck, Michigan

- 18 -

Remarks at the National Conference of the Building and Construction Trades Department of the AFL - CIO

Message to the Congress Reporting Budget Deferrals

Remarks and a Question-and-Answer Session With Agricultural Journalists

Remarks Upon Signing the Bill Implementing the Bipartisan Accord on Central America

Statement by Press Secretary Fitzwater on the Situation in Lebanon

Statement on Maternal and Child Health Care Proposals

White House Fact Sheet on Maternal and Child Health Care Proposals

- 19 -

Remarks Following Discussions With King Hussein I of Jordan

Message on the Observance of National Nursing Home Week, May 14 - 20, 1989

Nomination of Morton Isaac Abramowitz To Be United States Ambassador to Turkey

Toasts at a State Dinner Honoring King Hussein I of Jordan

- 20 -

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting the Report on Activities of United Nations Member Countries

Interview With Members of the White House Press Corps

Remarks Congratulating the University of Tennessee Lady Volunteers on Winning the NCAA Basketball Championship

Remarks on Signing the Executive Order Establishing the National Space Council

Nomination of D. Allan Bromley To Be Director of the Office of Science and Technology Policy

- 21 -

Statement by Press Secretary Fitzwater on the Assassination of Lieutenant Colonel James N. Rowe in the Philippines

Remarks on Signing the Law Day, U.S.A., Proclamation

Designation of James J. Carey as Acting Chairman of the Federal Maritime Commission

Designation of David W. McCall as Chairman of the National Commission on Superconductivity

Notice of the Continuation of the National Emergency With Respect to Nicaragua

Letter to the Speaker of the House of Representatives and the President of the Senate on the Continuation of the National Emergency With Respect to Nicaragua

Letter to the Speaker of the House of Representatives and the President of the Senate Reporting on the Economic Sanctions Against Nicaragua

Statement by Press Secretary Fitzwater on the President's Meeting on the Situation in Lebanon

Remarks on Presenting the Congressional Gold Medal to Mary Lasker

- 24 -

Remarks at the Memorial Service for Crewmembers of the U.S.S. Iowa in Norfolk, Virginia

Remarks at the Associated Press Business Luncheon in Chicago, Illinois

Remarks at the Dedication Ceremony for the Centennial Grove in Bismarck, North Dakota

- 25 -

Remarks to Ford Aerospace Space Systems Employees in Palo Alto, California

Remarks to Law Enforcement Officers in Orange County, California

Remarks to Members of the Hispanic-American Community in Los Angeles, California

Nomination of Richard L. Armitage To Be Secretary of the Army

Nomination of William Lucas To Be an Assistant Attorney General

Nomination of Robert Davila To Be Assistant Secretary of Education and Nell Carney To Be Commissioner of the Rehabilitation Services Administration

Appointment of Bonnie Guiton as Director of the Office of Consumer Affairs at the Department of Health and Human Services

- 26 -

Question-and-Answer Session With Reporters Following a Meeting With Former President Reagan in Los Angeles, California

Remarks to the Texas State Legislature in Austin

Statement on the Death of Lucille Ball

- 27 -

Remarks at the International Drug Enforcement Conference in Miami, Florida

Remarks at the Drug Command Coordination Control and Intelligence Center Dedication Ceremony in Miami, Florida

Remarks at the Dedication Ceremony for the Michael Bilirakis Alzheimer's Center in Palm Harbor, Florida

Statement on the Presidential Elections in Panama

- 28 -

Remarks to the American Legislative Exchange Council

Remarks on Signing the Executive Order on Historically Black Colleges and Universities

The President's News Conference

- 30 -

Remarks at the Bicentennial Celebration of George Washington's Inauguration in New York, New York

contents

may 1989

select another month
January | February | March | April
June | July | August | September
October | November | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 1 -

Remarks to the United States Chamber of Commerce

Remarks at the Swearing-in Ceremony for Susan S. Engeleiter as Administrator of the Small Business Administration

Message to the Congress Transmitting the Republic of Korea-United States Fishing Agreement

Nomination of Donald B. Rice To Be Secretary of the Air Force

- 2 -

Remarks to the Council of the Americas

Nomination of David J. Gribbin III To Be an Assistant Secretary of Defense

Continuation of Keith Lapham Brown as United States Ambassador to Denmark

Continuation of William Andreas Brown as the United States Ambassador to Israel

White House Statement on Wheat Exports to the Soviet Union

Nomination of Louis A. Williams To Be an Assistant Secretary of Defense

Appointment of Zvi Kestenbaum as a Member of the Commission for the Preservation of America's Heritage Abroad

- 3 -

Remarks Following a Meeting With Polish and Chilean Human Rights Leaders

Message to the Congress Transmitting the European Economic Community-United States Fishing Agreement

Message to the Congress Transmitting the Iceland-United States Fishing Agreement

Nomination of Sean Charles O'Keefe To Be Comptroller of the Department of Defense

- 4 -

Remarks at the Annual National Prayer Breakfast

Nomination of Reggie B. Walton To Be Associate Director for National Drug Control Policy

Remarks and a Question-and-Answer Session With Reporters Following a Luncheon With Prime Minister Brian Mulroney of Canada

- 5 -

White House Statement on the President's Meeting With Violeta Chamorro of Nicaragua

Remarks at a Cinco de Mayo Celebration

Message on the Observance of Cinco de Mayo, 1989

Message to the Congress Transmitting a Report on Radiation Control for Health and Safety

Continuation of Malcolm Richard Wilkey as Ambassador to Uruguay

Statement by Press Secretary Fitzwater on the Resumption of Arms Control Negotiations in Vienna

- 8 -

Remarks on Signing the Asian/Pacific American Heritage Week Proclamation

Nomination of Julia Chang Bloch To Be United States Ambassador to Nepal

Nomination of Kyo Ryoon Jhin To Be Chief Counsel for Advocacy at the Small Business Administration

Remarks at the Presentation Ceremony for the Small Business Persons of the Year Awards

- 9 -

Message to the Congress Transmitting the District of Columbia Budget Request

White House Fact Sheet on the President's Child-Care Principles

Question-and-Answer Session With Teachers at the Shiloh Child Development Center

Remarks by Telephone to Astronauts Aboard the Space Shuttle Atlantis

Interview With Members of the White House Press Corps

Statement by Press Secretary Fitzwater on the President's Physical Examination

- 10 -

Statement by Press Secretary Fitzwater on the Results of the President's Physical Examination

- 11 -

Remarks and a Question-and-Answer Session With Reporters on the Situation in Panama

Nomination of James Franklin Rill To Be an Assistant Attorney General

Nomination of Janet Dempsey Steiger To Be a Federal Trade Commissioner, and Designation as Chairman

Nomination of Deborah Kaye Owen To Be a Federal Trade Commissioner

- 12 -

Statement on International Discussions Concerning Global Climate Change

Remarks at the Texas A&M University Commencement Ceremony in College Station

Nomination of Jerry M. Hunter To Be General Counsel of the National Labor Relations Board

- 13 -

Remarks at the Alcorn State University Commencement Ceremony in Lorman, Mississippi

Interview With Members of the White House Press Corps on the Situation in Panama

Remarks at the Mississippi State University Commencement Ceremony in Starkville

Remarks at a Fundraising Reception for Senator Mitch McConnell in Lexington, Kentucky

Message on the Observance of Police Week and Police Officers' Memorial Day, May 1989

- 15 -

Remarks at the National Peace Officers' Memorial Day Ceremony

White House Fact Sheet on Combating Violent Crime

White House Statement on the President's Meeting With Cornelio Sommaruga of the International Committee of the Red Cross

- 16 -

Remarks to the Crewmembers of the Space Shuttle Atlantis and the Winners of the Orbiter-Naming Competition

Message to the Congress Transmitting the Annual Report of the National Science Foundation

Nomination of Robert D. Orr To Be United States Ambassador to Singapore

- 17 -

Remarks to Members of the American Retail Federation

Continuation of Roland R. Vautour as an Under Secretary of Agriculture

Continuation of Charles E.M. Kolb as a Deputy Under Secretary of Education

Nomination of Antonio Lopez To Be an Associate Director of the Federal Emergency Management Agency

White House Statement on the Proposed Foreign Acquisition of the ABB-Westinghouse Joint Venture

Remarks on Signing the Martin Luther King, Jr., Federal Holiday Commission Extension Act

- 18 -

Discussion With Teachers at the Wilson Magnet High School in Rochester, New York

Remarks to the Students at the Wilson Magnet High School in Rochester, New York

Remarks to Supporters of the Brainpower Coalition in Rochester, New York

Statement by Press Secretary Fitzwater on the Savings and Loan Crisis Financing Plan

- 20 -

Statement by Press Secretary Fitzwater on the Student Demonstrations in China

- 21 -

Remarks at the Boston University Commencement Ceremony in Massachusetts

The President's News Conference With President Mitterrand of France

- 22 -

Remarks on the Observance of Cuban Independence Day

Nomination of Thomas Joseph Murrin To Be Deputy Secretary of Commerce

Remarks at a White House Dinner Honoring the Nation's Governors

Letter to Congressional Leaders on Savings and Loan Financing Legislation

- 23 -

Statement by Press Secretary Fitzwater on the President's Meeting With Chairman Wan Li of China

Nomination of Mark L. Edelman To Be Deputy Administrator of the Agency for International Development

Message to the Congress Reporting on the National Emergency With Respect to Iran

Remarks at the Annual White House News Photographers Association Dinner

- 24 -

Statement by Press Secretary Fitzwater on the President's Meeting With Defense Minister Yitzhak Rabin of Israel

Remarks at the United States Coast Guard Academy Commencement Ceremony in New London, Connecticut

- 25 -

Nomination of C. Austin Fitts To Be an Assistant Secretary of Housing and Urban Development

Appointment of Barbara Hackman Franklin as a Member of the Advisory Committee for Trade Policy and Negotiations

Designation of Linda Arey Skladany as Acting Chairman of the Occupational Safety and Health Review Commission

Nomination of Fred T. Goldberg, Jr., To Be Commissioner of Internal Revenue

Nomination of Edward Joseph Perkins To Be Director General of the Foreign Service

- 26 -

Remarks Upon Departure for Europe

Statement on United States Action Against Foreign Trade Barriers

Remarks at the Welcoming Ceremony in Rome

- 27 -

Remarks Following an Audience With Pope John Paul II in Vatican City

Remarks to Students at the American Seminary in Vatican City

Toast at a Dinner Hosted by Prime Minister Ciriaco De Mita in Rome

White House Fact Sheet on the Nonimmigrant Visa Waiver Pilot Program

- 28 -

Remarks at a Memorial Day Ceremony in Nettuno, Italy

Remarks to the American Embassy Employees and Their Families in Rome

Remarks Upon Arrival at the North Atlantic Treaty Organization Summit Meeting in Brussels

- 29 -

Remarks Announcing a Conventional Arms Control Initiative and a Question-and-Answer Session With Reporters in Brussels

- 30 -

Declaration of the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Brussels

North Atlantic Treaty Organization Communique: A Comprehensive Concept of Arms Control and Disarmament

Statement on the Death of Representative Claude Pepper

The President's News Conference Following the North Atlantic Treaty Organization Summit Meeting in Brussels

Remarks at the American School in Brussels

Remarks and a Question-and-Answer Session With Reporters Following Discussions With Chancellor Helmut Kohl in Bonn, Federal Republic of Germany

Toast at a Dinner Hosted by Chancellor Helmut Kohl in Bonn, Federal Republic of Germany

- 31 -

Message to the Congress on Trade With Hungary and China

Presidential Determination No. 89 - 14 -- Memorandum on Trade With Hungary and China

Statement on the Resignation of Speaker of the House of Representatives Jim Wright

Remarks to American Embassy Employees and Their Families in Bonn, Federal Republic of Germany

Remarks to the Citizens in Mainz, Federal Republic of Germany

Remarks to Military Personnel and Their Families in Frankfurt, Federal Republic of Germany

contents

june 1989

select another month
January | February | March | April
May | July | August | September
October | November | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 1 -

Remarks and a Question-and-Answer Session Following Discussions With Prime Minister Margaret Thatcher in London

Remarks to American Embassy Employees and Their Families in London

White House Statement on the Anniversary of the Signing of the Intermediate-Range Nuclear Forces Treaty With the Soviet Union

Statement by Press Secretary Fitzwater on Landsat Satellite Program Funding

Nomination of Timothy B. Atkeson To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Shirley Temple Black To Be United States Ambassador to Czechoslovakia

Continuation of Michael Ussery as United States Ambassador to Morocco

Nomination of C. Howard Wilkins, Jr. To Be United States Ambassador to The Netherlands

Continuation of Richard Wood Boehm as United States Ambassador to Oman

Nomination of Morris Dempson Busby for the Rank of Ambassador While Serving as Coordinator for Counterterrorism

Designation of Roger B. Porter as Acting Chairman of the President's Commission on White House Fellowships

Toast at a Dinner Hosted by Prime Minister Margaret Thatcher in London

- 2 -

Informal Exchange With Reporters

Remarks on Arrival in Portsmouth, New Hampshire

- 3 -

Statement on the Chinese Government's Suppression of Student Demonstrations

- 4 -

White House Statement on the Death of the Ayatollah Khomeini

- 5 -

The President's News Conference

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

Nomination of Edward C. Stringer To Be General Counsel of the Department of Education

Nomination of Constance Bastine Harriman To Be an Assistant Secretary at the Department of the Interior

Appointment of Everett Ellis Briggs as Special Assistant to the President for National Security Affairs

Appointment of Deane E. Hoffman as Special Assistant to the President for National Security Affairs

Appointment of Arnold Kanter as Special Assistant to the President for National Security Affairs

Statement on the Observance of World Environment Day

Accordance of the Personal Rank of Ambassador to Peter Tomsen While Serving as Special Envoy to the Afghan Resistance

Continuation of Peter W. Rodman as Special Assistant to the President for National Security Affairs

Remarks at the Annual Meeting of the Business Roundtable

Remarks at the Welcoming Ceremony for Prime Minister Benazir Bhutto of Pakistan

Remarks Following Discussions With Prime Minister Benazir Bhutto of Pakistan

Nomination of Michael J. Astrue To Be General Counsel of the Department of Health and Human Services

Statement on the 45th Anniversary of D-Day

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting a Report on the Export-Import Bank of the United States

Statement on the Elections in Poland

Nomination of Sherrie Sandy Rollins To Be an Assistant Secretary of Housing and Urban Development

Nomination of Roy M. Goodman To Be a Member of the National Council on the Arts

Toasts at the State Dinner for Prime Minister Benazir Bhutto of Pakistan

- 7 -

Message on the Observance of National Fishing Week, June 5 - 11, 1989

Nomination of Michael R. Deland To Be a Member of the Council on Environmental Quality, and Designation as Chairman

- 8 -

Remarks to Members of Ducks Unlimited

Nomination of Debra Russell Bowland To Be Administrator of the Wage and Hour Division at the Department of Labor

Nomination of William C. Brooks To Be an Assistant Secretary of Labor

The President's News Conference

- 9 -

Appointment of the 1989 - 1990 White House Fellows

Nomination of Thomas Patrick Melady To Be United States Ambassador to the Holy See

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Soeharto of Indonesia

Statement by Press Secretary Fitzwater on the Murder of Jose Antonio Rodriguez Porth of El Salvador

- 12 -

Remarks Announcing Proposed Legislation To Amend the Clean Air Act

White House Fact Sheet on the President's Clean Air Plan

Designation of Kenneth M. Carr as Chairman of the Nuclear Regulatory Commission

- 13 -

Remarks to Students at the Teton Science School in Grand Teton National Park, Wyoming

Nomination of John F. Turner To Be Director of the United States Fish and Wildlife Service

Nomination of Stella Garcia Guerra To Be an Assistant Secretary of the Interior

Remarks at the University of Nebraska in Lincoln

Message to the House of Representatives Returning Without Approval the Fair Labor Standards Amendments of 1989

- 14 -

White House Statement on the President's Meeting With Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia

Message to the Congress Transmitting the Denmark-United States Fishing Agreement

Continuation of Richard Schifter as an Assistant Secretary of State

Exchange With Reporters Following Discussions With Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jacques Delors of the Commission of the European Communities

Remarks Prior to a Meeting With the Congressional Leadership on Savings and Loan Crisis Legislation

Remarks at the Unveiling Ceremony for the Design of the Korean War Memorial

Nomination of Chas. W. Freeman, Jr., To Be United States Ambassador to Saudi Arabia

Nomination of Warren A. Lavorel for the Rank of Ambassador While Serving as United States Coordinator for the Multilateral Trade Negotiations

Nomination of Edward T. Timperlake To Be an Assistant Secretary of Veterans Affairs

Nomination of Raoul L. Carroll To Be General Counsel of the Department of Veterans Affairs

Remarks at the Annual Republican Congressional Fundraising Dinner

Letter to the Speaker and the Minority Leader of the House of Representatives on the Financial Institutions Reform, Recovery and Enforcement Act of 1989

Message to the Congress Transmitting Proposed Legislation To Combat Violent Crime

Remarks to Law Enforcement Officers at the Federal Training Center in Glynco, Georgia

Nomination of Stephen A. Wakefield To Be General Counsel of the Department of Energy

Nomination of J. Michael Davis To Be an Assistant Secretary of Energy

Nomination of Luigi R. Einaudi To Be Permanent United States Representative to the

Organization of American States

Remarks at a Reception for Participants in the Very Special Arts International Festival

- 16 -

Remarks at a Briefing on Law Enforcement for United States Attorneys

Remarks Congratulating the Wichita State University Shockers on Winning the NCAA Baseball Championship

Nomination of Stephen John Hadley To Be an Assistant Secretary of Defense

Nomination of Henry S. Rowen To Be an Assistant Secretary of Defense

Nomination of Andrew Camp Barrett To Be a Member of the Federal Communications Commission

Nomination of Sherrie P. Marshall To Be a Member of the Federal Communications Commission

Statement by Press Secretary Fitzwater on Hungarian Political Reforms

Continuation of Edward L. Rowny as Special Advisor to the President and Secretary of State for Arms Control Matters

- 19 -

Remarks at the Presentation Ceremony for the Drug-Free Schools Awards

Message to the Senate Transmitting the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances

Statement on the Resumption of the Soviet-United States Nuclear and Space Arms Negotiations

Remarks at the Cheltenham High School Commencement Ceremony in Wyncote, Pennsylvania

- 20 -

Remarks Congratulating the Detroit Pistons on Winning the National Basketball Association Championship

Remarks at the Presentation Ceremony for the Presidential Scholars Awards

Continuation of Frank G. Wisner as United States Ambassador to Egypt

Nomination of S. Anthony McCann To Be an Assistant Secretary of Veterans Affairs

Continuation of Henry E. Hockeimer as an Associate Director of the United States Information Agency

Nomination of Wade F. Horn To Be Chief of the Children's Bureau

Nomination of Susan M. Coughlin To Be a Member of the National Transportation Safety Board

Statement by Press Secretary Fitzwater on United States Sanctions Against the Chinese Government

Continuation of Stephen M. Duncan as an Assistant Secretary of Defense

Continuation of Robert W. Page, Sr., as an Assistant Secretary of the Army

- 21 -

Remarks Announcing the Youth Engaged in Service to America Initiative

Nomination of John J. Easton, Jr., To Be an Assistant Secretary of Energy

Nomination of Victor Stello, Jr., To Be an Assistant Secretary of Energy

Remarks to Members of the Family Motor Coach Association in Richmond, Virginia

Statement on Signing the Puyallup Tribe of Indians Settlement Act of 1989

Nomination of Claire E. Freeman To Be an Assistant Secretary of Housing and Urban Development

Nomination of Gerard F. Scannell To Be an Assistant Secretary of Labor

Nomination of Richard A. Clarke To Be an Assistant Secretary of State

Remarks at a Republican Party Fundraising Dinner in Richmond, Virginia

Nomination of Lou Gallegos To Be an Assistant Secretary of the Interior

Nomination of Richard Burleson Stewart To Be an Assistant Attorney General

Nomination of Thomas E. Collins III To Be an Assistant Secretary of Labor

Nomination of John D. Macomber To Be President of the Export-Import Bank of the United States

Nomination of Eugene Kistler Lawson To Be First Vice President of the Export-Import Bank of the United States

Continuation of Charles L. Grizzle as an Assistant Administrator of the Environmental Protection Agency

Informal Exchange With Residents of Covenant House in New York, New York

Remarks at a Luncheon Hosted by the New York Partnership and the Association for a Better New York in New York, New York

White House Fact Sheet on the Points of Light Initiative

Remarks at a Republican Party Fundraising Dinner in New York, New York

Remarks at the Wall Street Journal Anniversary Dinner in New York, New York

- 23 -

Nomination of Five Members of the Defense Nuclear Facilities Safety Board, and Designation of Chairman and Vice Chairman

Statement on the 25th Anniversary of the Slaying of Civil Rights Activists James Chaney, Andrew Goodman, and Michael Schwerner

Message to the Congress Transmitting the Report of the Council on Environmental Quality

- 26 -

Remarks at the Annual Meeting of the American Association of University Women

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Hiroshi Mitsuzuka of Japan

Remarks to New Members of the Republican Party

White House Statement on the Soviet-United States Nuclear Testing Negotiations

Statement by Press Secretary Fitzwater on the Persecution of the Turkish Minority in Bulgaria

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Mario Alberto Soares of Portugal

Nomination of Evelyn Irene Hoopes Teegen To Be United States Ambassador to Fiji, Tonga, Tuvalu and Kiribati

Nomination of Thomas F. Stroock To Be United States Ambassador to Guatemala

Nomination of Alexander Fletcher Watson To Be Deputy United States Representative to the United Nations

Continuation of Michelle Easton as Deputy Under Secretary of Education

Nomination of Harry M. Snyder To Be Director of the Office of Surface Mining Reclamation and Enforcement

- 27 -

The President's News Conference

Remarks at the Welcoming Ceremony for Prime Minister Robert Hawke of Australia

Message on the Observance of Independence Day

Toasts at the State Dinner for Prime Minister Robert Hawke of Australia

- 28 -

Continuation of David S.C. Chu as an Assistant Secretary of Defense

Nomination of Alfred C. Sikes To Be a Member of the Federal Communications Commission, and Designation as Chairman

Statement by Press Secretary Fitzwater on a Proposed Constitutional Amendment Prohibiting Flag Desecration

- 29 -

Remarks Following Discussions With President Mobutu Sese Seko of Zaire

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Mobutu

Sese Seko of Zaire

Remarks to Congressional and Administrative Interns Announcing Campaign Finance Reform Proposals

White House Fact Sheet on the President's Campaign Finance Reform Proposals

Nomination of Joy A. Silverman To Be United States Ambassador to Barbados, Dominica, St. Lucia, and St. Vincent and the Grenadines

Nomination of Eugene P. Kopp To Be Deputy Director of the United States Information Agency

Continuation of Kathleen Day Koch as General Counsel of the Federal Labor Relations Authority

Nomination of Jean McKee To Be a Member of the Federal Labor Relations Authority, and Designation as Chairman

Statement on the Death of Alan Woods

- 30 -

Remarks Announcing the Proposed Constitutional Amendment on Desecration of the Flag

Statement on Meeting With South African Anti-Apartheid Activist Albertina Sisulu

Nomination of Jane A. Kenny To Be Director of ACTION

Remarks at a White House Ceremony Commemorating the 25th Anniversary of the Civil Rights Act

Message on the Observance of Independence Day

Statement on Signing the Dire Emergency Supplemental Appropriations and Transfers, Urgent Supplementals, and Correcting Enrollment Errors Act of 1989

Statement on Signing the Bill Extending Title I of the Energy Policy and Conservation Act

contents

july 1989

select another month
January | February | March | April
May | June | August | September
October | November | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 3 -

Statement on the Supreme Court's Decision on Abortion

Statement on the Death of Andrey Gromyko

Interview With Polish Journalists

- 4 -

Statement by Press Secretary Fitzwater on Ronald Reagan's Riding Accident

- 5 -

Statement on the Media Advertising Partnership for a Drug-Free America

Nomination of Linda M. Combs To Be an Assistant Secretary of the Treasury

- 6 -

Remarks at the Presentation Ceremony for the Presidential Medal of Freedom

The President's News Conference With Journalists From the Economic Summit Countries

Nomination of Eric M. Javits To Be United States Ambassador to Venezuela

Nomination of Michael G. Sotirhos To Be United States Ambassador to Greece

Remarks at a White House Symposium on Eastern Europe

Interview With Hungarian Journalists

- 7 -

Remarks on Signing the Proclamation Commemorating the Bicentennial of Bastille Day, the French Revolution, and the Declaration of the Rights of Man and the Citizen

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting Proposed Legislation To Eliminate Congressional Honoraria

White House Fact Sheet on Proposed Legislation To Eliminate Congressional Honoraria

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting Proposed Legislation To Increase Federal Senior Executive Salaries

White House Fact Sheet on Proposed Legislation To Increase Federal Senior Executive Salaries

Remarks at a White House Ceremony Commemorating the 50th Anniversary of Little League Baseball

Nomination of Arthur W. Fort To Be an Assistant Secretary of State

Nomination of Milton James Wilkinson To Be Deputy United States Representative to the United Nations Security Council

Nomination of John E. Frohnmayer To Be Chairperson of the National Endowment for the Arts

- 9 -

Advance Text of Remarks Upon Departure for Europe

Remarks at the Welcoming Ceremony in Warsaw

- 10 -

Statement by Press Secretary Fitzwater on the President's Meeting With Polish Chairman Wojciech Jaruzelski in Warsaw

Toasts at a Luncheon at the United States Ambassador's Residence in Warsaw

Remarks to the Polish National Assembly in Warsaw

White House Fact Sheet on Proposed Assistance for Poland and Hungary

Remarks to Polish Little League Baseball Players in Warsaw

Toast at the State Dinner in Warsaw

Letter to Secretary of Defense Richard B. Cheney on the Report on the Defense Management Review

Letter to Congressional Leaders Transmitting the Report on the Defense Management Review

Continuation of Robert B. Barker as an Assistant Secretary of Defense

- 11 -

Remarks to American Embassy Employees and Their Families in Warsaw

Question-and-Answer Session With Reporters Following a Luncheon With Solidarity Leader Lech Walesa in Gdansk

Remarks at the Solidarity Workers Monument in Gdansk

Statement by Press Secretary Fitzwater on United States Technical Assistance for Poland

Advance Text of Remarks at the Departure Ceremony in Gdansk

Remarks at the Welcoming Ceremony in Budapest

Toast at the State Dinner in Budapest

Nomination of Martin C. Faga To Be an Assistant Secretary of the Air Force

Nomination of Raymond Charles Ewing To Be United States Ambassador to Ghana

Continuation of Abraham D. Sofaer as Legal Adviser at the Department of State

Appointment of Ronna Romney as a Member of the President's Commission on White House Fellowships, and Designation as Chairman

- 12 -

Remarks to Students and Faculty at Karl Marx University in Budapest

White House Fact Sheet on Proposed United States Assistance for Hungary and Poland

White House Fact Sheet on the Proposal to Reduce Conventional Forces in Europe

- 13 -

Remarks at the Departure Ceremony in Budapest

Interview With Members of the White House Press Corps

- 14 -

Statement by Press Secretary Fitzwater on the Nitrogen Oxides Protocol to the Convention on Long-Range Transboundary Air Pollution

Joint Statement by the President and Prime Minister Sosuke Uno of Japan on Economic Issues

Nomination of Allen B. Clark, Jr., To Be an Assistant Secretary of Veterans Affairs

Nomination of Anne Newman Foreman To Be Under Secretary of the Air Force

Nomination of Herbert D. Kleber To Be a Deputy Director of the Office of National Drug Control Policy

Nomination of Thomas C. Dawson II To Be United States Executive Director of the International Monetary Fund

Nomination of Johnny Young To Be United States Ambassador to Sierra Leone

Nomination of William Lacy Swing To Be United States Ambassador to South Africa

Nomination of John W. Shannon To Be Under Secretary of the Army

Nomination of Linda J. Fisher To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Gwendolyn S. King To Be Commissioner of Social Security

- 15 -

Informal Exchange With Reporters Following a Meeting With British Prime Minister Margaret Thatcher in Paris

Paris Economic Summit: Declaration on Human Rights

- 16 -

Paris Economic Summit: Economic Declaration

The President's News Conference in Paris

- 17 -

Remarks to Residents of Leiden, The Netherlands

Nomination of Lannon Walker To Be United States Ambassador to Nigeria

Nomination of John A. Betti To Be an Under Secretary of Defense

Nomination of Howard K. Walker To Be United States Ambassador to Madagascar and Comoros

Nomination of Glen A. Holden To Be United States Ambassador to Jamaica

- 18 -

Remarks Upon Returning From the Trip to Europe

White House Statement on the State Visit of King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia

- 19 -

Message to the Congress Transmitting the Annual Report on Nuclear Nonproliferation

Message to the Congress Reporting on the National Emergency With Respect to Libya

Statement by the President on the Upcoming Elections in Nicaragua

Statement by Press Secretary Fitzwater on the Election of Wojciech Jaruzelski as President of Poland

Nomination of John A. Knauss To Be an Under Secretary of Commerce

Nomination of Sally J. Novetzke To Be United States Ambassador to Malta

Nomination of Loret M. Ruppe To Be United States Ambassador to Norway

Nomination of Nicolas Miklos Salgo for the Rank of Ambassador While Serving as Special Negotiator for Property Issues

Appointment of Joshua I. Smith as a Member of the Commission on Minority Business Development, and Designation as Chairman

Nomination of Clifford R. Oviatt, Jr., To Be a Member of the National Labor Relations Board

Nomination of Donald F. Rodgers To Be a Member of the National Labor Relations Board

Nomination of Sheldon J. Krys To Be an Assistant Secretary of State

- 20 -

Remarks on the 20th Anniversary of the Apollo 11 Moon Landing

Remarks at a White House Barbecue on the 20th Anniversary of the Apollo 11 Moon Landing

Appointment of Five Members of the National Commission on Acquired Immune Deficiency Syndrome

Statement on the Crash of a United Airlines Jetliner in Sioux City, Iowa

Letter to Congressional Leaders on Communications Support for Drug Interdiction

- 21 -

Remarks at a Ceremony Commemorating Captive Nations Week

Remarks on Transmitting to the Congress Proposed Legislation To Amend the Clean Air Act

Message to the Congress Transmitting Proposed Legislation To Amend the Clean Air Act

Statement by Press Secretary Fitzwater on the Proposed Increase in Federal Disability Benefits

White House Fact Sheet on the Proposed Increase in Federal Disability Benefits

Nomination of Charles Warren Hostler To Be United States Ambassador to Bahrain

Nomination of Gordon K. Durnil To Be a Commissioner on the International Joint Commission -- United States and Canada

Nomination of J. Clarence Davies To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Mark Gregory Hambley To Be United States Ambassador to Qatar

Nomination of David C. Williams To Be Inspector General of the Nuclear Regulatory Commission

- 24 -

Remarks on the Defense Budget and a Question-and-Answer Session With Reporters

Remarks at the Presentation Ceremony for the Take Pride in America Awards

Memorandum on Adoption

Nomination of Michael P.W. Stone To Be Secretary of the Army

Continuation of Edward S.G. Dennis, Jr., as an Assistant Attorney General

- 25 -

Remarks at a Ceremony Honoring Participants in the Job Training Partnership Program

White House Fact Sheet on Proposed Legislation to Amend the Job Training Partnership Act

Statement on the Steel Trade Liberalization Program

Memorandum on Steel Imports and Exports

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting the Strategic Force Modernization Report

Nomination of John M. Sayre To Be an Assistant Secretary of the Interior

Nomination of Robert R. Randlett To Be an Assistant Administrator of the Agency for International Development

Nomination of Raymond G.H. Seitz To Be an Assistant Secretary of State

Nomination of Stanley E. Morris To Be a Deputy Director of the Office of National Drug Control Policy

Nomination of JoAnn Krukar Webb To Be Director of the National Cemetery System

Nomination of Barbara E. McTurk To Be Superintendent of the United States Mint at Denver

Nomination of John T. Martino To Be Superintendent of the United States Mint at Philadelphia

Statement by Press Secretary Fitzwater on the National Aero-Space Plane Program

- 26 -

Remarks on Signing the Natural Gas Wellhead Decontrol Act of 1989

Statement on Signing the Natural Gas Wellhead Decontrol Act of 1989

Nomination of Cindy Shinga Daub To Be a Commissioner of the Copyright Royalty Tribunal

Statement on Signing a Bill Approving Diplomatic Relations Agreements With the Marshall Islands and Micronesia

- 27 -

Remarks to Representatives of the Future Farmers of America

Remarks and a Question-and-Answer Session With Reporters During a Meeting With District of Columbia Police Chief Maurice Turner

Continuation of Dallas Lynn Peck as Director of the United States Geological Survey

Nomination of Pamela Talkin To Be a Member of the Federal Labor Relations Authority

Appointment of Justin W. Dart, Jr., as Chairman of the President's Committee on Employment of People With Disabilities

- 28 -

The President's News Conference

Remarks on Signing the National POW/MIA Recognition Day Proclamation

Appointment of Shellyn Gae McCaffrey as the United States Representative on the Governing Body of the International Labor Office

Statement by Principal Deputy Press Secretary Cooper on the President's Meeting With Marshal

Sergei Akhromeyev of the Soviet Union

Remarks to the National Governors' Association in Chicago, Illinois

Remarks on Presenting the ``E'' Award to the Illinois Export Council in Chicago

Remarks and a Question-and-Answer Session With Reporters on the Murder of Lieutenant Colonel William R. Higgins

Message to the Senate Returning Without Approval the Bill Prohibiting the Export of Technology for the Joint Japan-United States Development of FS-X Aircraft

Nomination of Terrence O'Donnell To Be General Counsel of the Department of Defense

Nomination of J. Daniel Howard To Be Under Secretary of the Navy

Continuation of Timothy Lathrop Towell as United States Ambassador to Paraguay

Appointment of Juliette C. McLennan as the United States Representative to the Commission on the Status of Women of the Economic and Social Council of the United Nations

Statement by Press Secretary Fitzwater on the Hostage Situation in Lebanon

Statement on American Hostages in the Middle East

contents

a u g u s t 1 9 8 9

select another month
January | February | March | April
May | June | July | September
October | November | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 1 -

Nomination of Jonathan Moore To Be an Alternate United States Representative to the United Nations

Continuation of William P. Albrecht as a Member of the Commodity Futures Trading Commission

Statement on Food Assistance for Poland

Nomination of Ronald J. Sorini for the Rank of Ambassador While Serving as United States Negotiator on Textile Matters

Nomination of James Richard Cheek To Be United States Ambassador to Sudan

Remarks at a White House Barbecue for Members of Congress

- 2 -

Statement by Press Secretary Fitzwater on Proposed Civil Rights Legislation for Disabled Americans

Question-and-Answer Session With Reporters on the Hostage Situation in Lebanon

Nomination of Stephen Read Hanmer, Jr., To Be Deputy Director of the United States Arms Control and Disarmament Agency

Letter to Congressional Leaders on Abortion Funding in the District of Columbia Appropriations Bill

- 3 -

Letter to Congressional Leaders on Savings and Loan Financing Legislation

Statement by Press Secretary Fitzwater on Hostage Joseph J. Cicippio

- 4 -

Remarks on Receiving Proposed Line-Item Veto Legislation and a Question-and-Answer Session With Reporters

Statement by Press Secretary Fitzwater on the Proposed Line-Item Veto Legislation

Nomination of William Ludwig Jacobsen To Be United States Ambassador to Guinea-Bissau

Nomination of James M. Strock To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Elizabeth M. Tamposi To Be an Assistant Secretary of State

Nomination of Sidney L. Jones To Be an Assistant Secretary of the Treasury

Nomination of Reginald J. Brown To Be an Assistant Administrator of the Agency for International Development

Nomination of Gene McNary To Be Commissioner of the Immigration and Naturalization Service

Nomination of Robert M. Gates To Be Assistant to the President and Deputy for National Security Affairs

Nomination of James David Berg To Be Executive Vice President of the Overseas Private Investment Corporation

Nomination of Robert Clifton Duncan To Be Director of Operational Test and Evaluation at the Department of Defense

Nomination of Harold B. Steele To Be a Member of the Farm Credit Administration Board, and Designation as Chairman

Letter to Congressional Leaders on Savings and Loan Financing Legislation

Statement by Press Secretary Fitzwater on the President's Commission on Aviation Security and Terrorism

Nomination of Stuart Michael Gerson To Be an Assistant Attorney General

Nomination of Warren G. Leback To Be Administrator of the Maritime Administration

Nomination of Forrest J. Remick To Be a Member of the Nuclear Regulatory Commission

Nomination of Penne Percy Korth To Be United States Ambassador to Mauritius

Nomination of Christopher H. Phillips To Be United States Ambassador to Brunei

Nomination of Joan D. Aikens To Be a Member of the Federal Election Commission

Nomination of John Warren McGarry To Be a Member of the Federal Election Commission

Remarks at a Ceremony Commemorating the 200th Anniversary of the Department of War

Remarks at the Boy Scout National Jamboree in Bowling Green, Virginia

Statement by Press Secretary Fitzwater on the Execution of Lieutenant Colonel William R. Higgins

- 8 -

Remarks at the National Urban League Conference

- 9 -

Remarks on Signing the Financial Institutions Reform, Recovery, and Enforcement Act of 1989

Informal Exchange With Reporters

Continuation of John J. Welch, Jr., as an Assistant Secretary of the Air Force

Nomination of Charles E. Cobb, Jr., To Be United States Ambassador to Iceland

Statement on Signing the Bill Concerning the Cordell Bank National Marine Sanctuary

- 10 -

Statement on the American Hostages in Lebanon

Remarks Announcing the Nomination of General Colin L. Powell To Be Chairman of the Joint Chiefs of Staff

- 11 -

Statement by Press Secretary Fitzwater on the Disappearance of Representative Mickey Leland in Africa

Statement by Press Secretary Fitzwater on the Education Summit With the Nation's Governors

- 12 -

Statement on the Anniversary of the Berlin Wall

- 13 -

Statement on the Death of Representative Mickey Leland

- 14 -

Remarks on Signing the Disaster Assistance Act of 1989

Nomination of Richard C. Breeden To Be a Member of the Securities and Exchange Commission, and Designation as Chairman

- 15 -

The President's News Conference

Memorandum on Ethics in Government

Nomination of James R. Locher III To Be an Assistant Secretary of Defense

Memorandum on the Leadership of the Combined Federal Campaign

- 16 -

Statement on Signing the Bill Allowing Federal Government Retirees To Work Temporarily on the 1990 Census

Memorandum of Disapproval of the Bill Waiving Enrollment Requirements for the Financial Institutions Reform, Recovery, and Enforcement Act of 1989

Remarks at a Campaign Fundraising Luncheon for Ileana Ros-Lehtinen in Miami, Florida

- 18 -

Statement by Press Secretary Fitzwater on the Proposed Foreign Acquisition of Three Divisions of Fairchild Industries

- 19 -

Statement on the Assassination of Luis Carlos Galan and Colombia-United States Relations

- 21 -

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President Virgilio Barco Vargas of Colombia

- 23 -

The President's News Conference

- 24 -

Remarks at the Welcoming Ceremony for Prime Minister Poul Schluter of Denmark in

Kennebunkport, Maine

Statement on Elections in Poland

Nomination of Christopher Jehn To Be an Assistant Secretary of Defense

Nomination of Ronald E. Ray To Be an Assistant Secretary of Veterans Affairs

Nomination of Kenneth L. Brown To Be United States Ambassador to Cote d'Ivoire

Nomination of Craig S. King To Be General Counsel of the Navy

Nomination of Melva G. Wray To Be Director of the Office of Minority Economic Impact at the Department of Energy

Nomination of Tony Armendariz To Be a Member of the Federal Labor Relations Authority

- 25 -

Statement on United States Emergency Antidrug Assistance for Colombia

Initial Order for Emergency Deficit Control Measures for Fiscal Year 1990

- 28 -

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting an Alternate Federal Civilian Pay Plan

Appointment of Mary V. Bicouvaris as a Member of the Commission on Presidential Scholars

Letter to the Speaker of the House of Representatives and the President of the Senate Reporting on Korean and Taiwanese Driftnet Fishing

Appointment of Craig I. Fields as a Member of the National Commission on Superconductivity

Appointment of Irene B. Brooks as an Alternate Federal Member of the Delaware River Basin Commission

Remarks and a Question-and-Answer Session With Reporters in Kennebunkport, Maine

- 29 -

Nomination of Barbara Spyridon Pope To Be an Assistant Secretary of the Navy

Nomination of Dennis B. Underwood To Be Commissioner of Reclamation at the Department of the Interior

Appointment of Jack O. Guy as a Member of the American Battle Monuments Commission

Nomination of Jacqueline L. Phillips To Be Federal Cochairman of the Appalachian Regional Commission

Nomination of Carroll A. Campbell, Jr., To Be a Member of the Board of Trustees of the James Madison Memorial Fellowship Foundation

Exchange With Reporters Following a National Drug Control Strategy Meeting in Kennebunkport, Maine

- 30 -

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting a Report on the Denial of Federal Benefits for Certain Drug Offenders

Nomination of Bill R. Phillips To Be Deputy Director of the Office of Personnel Management

Nomination of Frank B. Sollars To Be a Member of the Board of Directors of the National Consumer Cooperative Bank

Remarks at a Luncheon Hosted by the Chamber of Commerce in Kennebunkport, Maine

News Conference of the President and Prime Minister Brian Mulroney of Canada in Kennebunkport, Maine

contents

september 1989

select another month
January | February | March | April
May | June | July | August
October | November | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 1 -

Statement on Panama-United States Relations

Message on the Observance of Labor Day

Designation of Shellyn Gae McCaffrey as a Member of the Board of Directors of the Overseas Private Investment Corporation

Remarks Following Discussions With Prime Minister Toshiki Kaifu of Japan

Statement on the Death of Baseball Commissioner A. Bartlett Giamatti

- 5 -

Remarks to Reporters on the National Drug Control Strategy

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting the National Drug Control Strategy Report

Address to the Nation on the National Drug Control Strategy

White House Fact Sheet on the National Drug Control Strategy

- 6 -

Exchange With Reporters on the National Drug Control Strategy

The President's News Conference on the National Drug Control Strategy

Nomination of Jennifer Joy Wilson To Be an Assistant Secretary of Commerce

Continuation of T S Ary as Director of the Bureau of Mines

Designation of Evan J. Kemp, Jr., as Chairman of the Equal Employment Opportunity Commission

Appointment of Mark O. Hatfield as a Member of the Commission on the Bicentennial of the United States Constitution

Remarks at a Meeting With Foreign Ambassadors and State and Local Leaders on the National Drug Control Strategy

- 7 -

Remarks at the American Legion Annual Convention in Baltimore, Maryland

Remarks at the Ceremony Commemorating the 175th Anniversary of ``The Star-Spangled Banner'' in Baltimore, Maryland

Remarks to the Crew of United Air Lines Flight 232

Statement by Press Secretary Fitzwater on NATO-Warsaw Pact Conventional Forces Negotiations

Nomination of Duane Perry Andrews To Be an Assistant Secretary of Defense

Nomination of David Courtland O'Neal To Be an Assistant Secretary of the Interior

Continuation of James R. Richards as Inspector General of the Department of the Interior

Continuation of Paul A. Adams as Inspector General of the Department of Housing and Urban Development

Continuation of Carol C. Adelman as an Assistant Administrator of the Agency for International Development

Nomination of Margot E. Machol To Be a Member of the Commodity Futures Trading Commission

Nomination of LaJuana Sue Wilcher To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Alan Green, Jr., To Be United States Ambassador to Romania

Nomination of Marion V. Creekmore, Jr., To Be United States Ambassador to Sri Lanka and Maldives

Appointment of Al Cardenas as a Member of the Board of Directors of the Federal National Mortgage Association

Appointment of Henry C. Cashen II as a Member of the Board of Directors of the Federal National Mortgage Association

Appointment of George L. Clark, Jr., as a Member of the Board of Directors of the Federal National Mortgage Association

Remarks to the United States Hispanic Chamber of Commerce in New Orleans, Louisiana

Remarks to the National Baptist Convention in New Orleans, Louisiana

Remarks at the Presentation Ceremony for the American Success Awards

Remarks at the Ceremony Commemorating the 200th Anniversary of the Department of the Treasury

Continuation of John C. Layton as Inspector General of the Department of Energy

Continuation of Sherman M. Funk as Inspector General of the Department of State

Nomination of Curtis Virgil McVee To Be Federal Cochairman of the Alaska Land Use Council

Continuation of Dennis M. Devaney as a Member of the National Labor Relations Board

Nomination of H. Allen Holmes To Be Ambassador at Large for Burdensharing

Nomination of George W. Haley To Be a Member of the Postal Rate Commission, and Designation as Chairman

Nomination of Leonard L. Haynes III To Be an Assistant Secretary of Education

Message on the Observance of National Hispanic Heritage Month, 1989

Address to Students on Drug Abuse

Statement by Press Secretary Fitzwater on the President's Meeting With Boris Yeltsin of the Soviet Union

Nomination of Mary Sterling To Be an Assistant Secretary of Labor

Nomination of William James Tattersall To Be an Assistant Secretary of Labor

Nomination of Barbara Zartman To Be Deputy Director of the Peace Corps

Remarks at the National Hispanic Heritage Presidential Tribute Dinner

- 13 -

Remarks on Signing the Drug Abuse Resistance Education Day Proclamation

Nomination of Donald Belton Ayer To Be Deputy Attorney General

Continuation of Richard T. Kennedy as Ambassador at Large

Nomination of Adis Maria Vila To Be an Assistant Secretary of Agriculture

Continuation of Richard W. Carlson as an Associate Director of the United States Information Agency

Nomination of William P. Glade To Be an Associate Director of the United States Information Agency

Nomination of Velma Montoya To Be a Member of the Occupational Safety and Health Review Commission

Remarks Announcing Proposed Legislation on Special-Needs Adoption

Appointment of David H. Sudderth, Jr., as a Member of the American Battle Monuments Commission

Remarks on Signing the National Historically Black Colleges Week Proclamation

Message on the Observance of the Jewish High Holy Days, 1989

- 14 -

Remarks at the Presentation Ceremony for the Presidential Rank Awards

Statement on Food and Commodity Assistance to Poland

Memorandum on Emergency Food Assistance to Developing Countries

- 15 -

Remarks and a Question-and-Answer Session at a Luncheon for Regional Editors and Broadcasters

Appointment of Peter F. Schabarum as a Member of the Advisory Board of the National Air and Space Museum

Nomination of Edward G. Lewis To Be an Assistant Secretary of Veterans Affairs

Nomination of Alvin P. Adams, Jr., To Be United States Ambassador to Haiti

- 18 -

Remarks at the South Dakota Centennial Celebration in Sioux Falls

Remarks at a Centennial Tree Planting Ceremony in Sioux Falls, South Dakota

Remarks at the Montana Centennial Celebration in Helena

White House Fact Sheet on Environmental Initiatives

Remarks to the Five-State Legislators Conference in Helena, Montana

The President's News Conference in Helena, Montana

Letter to the Speaker of the House of Representatives and the President of the Senate on Trade With Hungary

Nomination of Richard H. Melton To Be United States Ambassador to Brazil

Appointment of Christine D. Reed as a Member of the Board of Directors of the Federal National Mortgage Association

- 19 -

Remarks at the Washington Centennial Celebration in Spokane

Statement by Press Secretary Fitzwater on Emergency Relief for the United States Virgin Islands and Puerto Rico

- 20 -

Nomination of Catherine Ann Bertini To Be an Assistant Secretary of Agriculture

Nomination of Thomas E. Anfinson To Be a Deputy Under Secretary of Education

Nomination of Christopher T. Cross To Be an Assistant Secretary of Education

Statement by Press Secretary Fitzwater on the Deployment of Military and Law Enforcement Officers to the United States Virgin Islands

- 21 -

Remarks at the Presentation Ceremony for the Young American Medals for Bravery and Service

Nomination of David Jameison Smith for the Rank of Ambassador While Serving as Chief Negotiator for Defense and Space

Memorandum on the Civil Disorder in the United States Virgin Islands

- 22 -

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

Remarks at a Republican Fundraising Luncheon in East Brunswick, New Jersey

Informal Exchange With Reporters in Wells, Maine

- 23 -

Remarks at a Luncheon Hosted by the Catholic Lawyers Guild in Boston, Massachusetts

Statement on the Death of Irving Berlin

Statement on the Summit Meeting With Soviet President Gorbachev

Remarks Announcing the Summit Meeting With Soviet President Gorbachev and a Question-and-Answer Session With Reporters

- 25 -

Remarks to the Staff of the United States Mission to the United Nations in New York, New York

Address to the 44th Session of the United Nations General Assembly in New York, New York

Appointment of Robert J. Portman as Deputy Assistant to the President for Legislative Affairs

Appointment of Constance Bastine Harriman as a Member of the Great Lakes Fishery Commission

- 26 -

Nomination of Edwin G. Foulke, Jr., To Be a Member of the Occupational Safety and Health Review Commission, and Designation as Chairman

Remarks and a Question-and-Answer Session With Reporters During a Meeting With Small Business Leaders

Message to the Congress Transmitting Proposed Campaign Finance Reform Legislation

White House Fact Sheet on Proposed Campaign Finance Reform Legislation

Letter to the Members of the House of Representatives on Proposed Capital Gains Tax Legislation

Remarks at the Annual Meeting of the Boards of Governors of the International Monetary Fund and World Bank Group

Remarks on the Education Summit and a Question-and-Answer Session With Reporters

Nomination of Bruce L. Gardner To Be an Assistant Secretary of Agriculture

Nomination of E. Donald Elliott To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Barbara Everitt Bryant To Be Director of the Bureau of the Census

Continuation of James Bert Thomas, Jr., as Inspector General of the Department of Education

Nomination of Bernard E. DeLury To Be Director of the Federal Mediation and Conciliation Service

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Carlos Saul Menem of Argentina

Remarks at the Education Summit Welcoming Ceremony at the University of Virginia in Charlottesville

Toasts of the President and Governor Terry Branstad of Iowa at the Education Summit Dinner in Charlottesville, Virginia

Statement by Press Secretary Fitzwater on the Education Summit in Charlottesville, Virginia

- 28 -

Remarks at the University of Virginia Convocation in Charlottesville

Remarks at the Education Summit Farewell Ceremony at the University of Virginia in Charlottesville

Joint Statement on the Education Summit With the Nation's Governors in Charlottesville, Virginia

Remarks to Participants in the Secondary School Recognition Program

Statement by Press Secretary Fitzwater on the Death of Ferdinand Marcos

Statement on the House of Representatives Approval of Capital Gains Tax Legislation

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Virgilio Barco Vargas of Colombia

Nomination of William H. Young To Be an Assistant Secretary of Energy

Nomination of Joshua M. Javits To Be a Member of the National Mediation Board

Nomination of Patrick J. Cleary To Be a Member of the National Mediation Board

- 29 -

Remarks on Signing a Bill Making Continuing Appropriations for Fiscal Year 1990, Including Hurricane Hugo Disaster Assistance

Remarks Following a Tour of the Damage Caused by Hurricane Hugo in Charleston, South Carolina

Statement on Signing a Bill Making Continuing Appropriations For the Fiscal Year 1990, Including Hurricane Hugo Disaster Assistance

Memorandum on Administrative Dismissal of Federal Employees Affected by Hurricane Hugo

Remarks at the Retirement Ceremony for Admiral William J. Crowe, Jr., Chairman of the Joint Chiefs of Staff, in Annapolis, Maryland

Statement by the President on Signing the Energy and Water Development Appropriations Act, 1990

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board

Nomination of William Clark, Jr., To Be United States Ambassador to India

Continuation of John C. Martin As Inspector General of the Environmental Protection Agency

Appointment of John Charles Gartland as a Member of the National Commission for Employment Policy

Nomination of Dennis M. Devaney To Be a Member of the National Labor Relations Board

Statement by Press Secretary Fitzwater on the Death of August Busch

contents

october 1989

select another month
January | February | March | April
May | June | July | August
September | November | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

Message to the Congress Reporting Budget Deferrals

Nomination of Keith Leveret Wauchope To Be United States Ambassador to Gabon and to Sao Tome and Principe

Nomination of Gordon H. Mansfield To Be an Assistant Secretary of Housing and Urban Development

Nomination of Leon Snead To Be Inspector General of the Department of Agriculture

Nomination of Ann Christine Petersen To Be General Counsel of the Department of the Air Force

Designation of Edward H. Fleischman as Acting Chairman of the Securities and Exchange Commission

Nomination of Smith Hempstone, Jr., To Be United States Ambassador to Kenya

Remarks at the Welcoming Ceremony for President Carlos Salinas de Gortari of Mexico

Remarks During a Meeting With President Carlos Salinas de Gortari of Mexico

Statement on Signing the Bill Establishing the Ulysses S. Grant National Historic Site in St. Louis County, Missouri

Remarks at the Signing Ceremony for the Mexico-United States Environmental and Trade Agreements

Exchange With Reporters on the Attempted Overthrow of General Manuel Noriega of Panama

Statement by Press Secretary Fitzwater on the President's Meeting With Soviet Defense Minister Dmitriy Yazov

Nomination of Hilda Gay Legg To Be Alternate Federal Cochairman of the Appalachian Regional Commission

Nomination of Barry M. Goldwater, Sr., To Be a Member of the Board of Directors of the Communications Satellite Corporation

Appointment of J. Brian Gaffney as a Member of the Board of Directors of the Federal National Mortgage Association

Toasts at the State Dinner for President Carlos Salinas de Gortari of Mexico

Statement by Press Secretary Fitzwater on Economic Assistance for Poland and Hungary

Remarks at the Presentation Ceremony for the Minority Enterprise Development Week Awards

Statement by Press Secretary Fitzwater on President Bush's Meeting With President George Vassiliou of Cyprus

Statement by Press Secretary Fitzwater on the President's Meeting With Jonas Savimbi of Angola

Remarks on Signing the German-American Day Proclamation

Remarks on Signing the Veterans Day Proclamation

Memorandum on the Presidential Quality and Management Improvement Awards

Message on the Presidential Quality and Management Improvement Awards

Nomination of Cresencio S. Arcos, Jr., To Be United States Ambassador to Honduras

Nomination of Philip L. Christenson To Be an Assistant Administrator of the Agency for International Development

Nomination of Francis Terry McNamara To Be United States Ambassador to Cape Verde

Nomination of Michael Bruce Donley To Be an Assistant Secretary of the Air Force

Letter to Congressional Leaders Transmitting Reports on Trade Barriers to United States Wine Exports

Nomination of Robert P. McMillan To Be a Member of the Board of the Panama Canal Commission

Exchange With Reporters Following the President's Hand Surgery

Statement by Press Secretary Fitzwater on the President's Hand Surgery

Memorandum on the 1990 Census

Nomination of Ruth V. Washington To Be United States Ambassador to The Gambia

Nomination of R. James Woolsey for the Rank of Ambassador While Serving as the United States Representative to the Negotiations on Conventional Armed Forces in Europe

Nomination of Betsy Brand To Be an Assistant Secretary of Education

Nomination of Robert C. McCormack To Be an Assistant Secretary of the Navy

Nomination of Richard G. Austin To Be Administrator of General Services

Remarks Congratulating the Trumbull Nationals on Winning the Little League World Championship

Remarks at the Welcoming Ceremony for President Francesco Cossiga of Italy

Nomination of David E. Lewis To Be an Assistant Secretary of Veterans Affairs

Statement by Press Secretary Fitzwater on the President's Meeting With Senators David L. Boren and William S. Cohen Concerning Panama

Statement by Press Secretary Fitzwater on the President's Meeting With NATO Secretary General Manfred Woerner

Nomination of Harry F. Manbeck, Jr., To Be Commissioner of Patents and Trademarks

Nomination of Jacqueline Jones-Smith To Be a Member and Chairman of the Consumer Product Safety Commission

Appointment of Josephine Mora Velazquez as a Member of the National Commission on Children

Toasts at the State Dinner for President Francesco Cossiga of Italy

- 12 -

Nomination of Robert W. Sweet, Jr., To Be Administrator of the Office of Juvenile Justice and Delinquency Prevention

Remarks at a Fundraiser for Congressional Candidate Tom Anderson in Gulfport, Mississippi

Remarks at a Fundraising Dinner for Mayoral Candidate Rudolph W. Giuliani in New York, New York

- 13 -

The President's News Conference

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Ante Markovic of Yugoslavia

Continuation of Richard P. Kusserow as Inspector General of the Department of Health and Human Services

Remarks at a White House Briefing for Members of the Asian-American Voters Coalition

- 16 -

Remarks at a Ceremony for the Presentation of the End Hunger Awards and the Signing of the World Food Day Proclamation

Nomination of Daniel Howard Simpson To Be United States Ambassador to the Central African Republic

Nomination of Martin Lewis Allday To Be a Member of the Federal Energy Regulatory

Commission, and Designation as Chairman

Final Order on Emergency Deficit Control Measures for Fiscal Year 1990

- 17 -

Remarks Following Discussions With President Roh Tae Woo of the Republic of Korea

Letter to Members of the Senate Appropriations Committee on Federal Funding for Abortion

Remarks at the Republican Governors' Association Annual Dinner

Nomination of Don R. Clay To Be an Assistant Administrator of the Environmental Protection Agency

Continuation of Joel Edward Haggard as United States Representative to the Columbia River Interstate Compact

- 18 -

Remarks on the San Francisco Bay Area Earthquake and a Question-and-Answer Session With Reporters

Remarks to National Distinguished Principals Award Recipients

Remarks and a Question-and-Answer Session With Reporters on the San Francisco Bay Area Earthquake

Remarks at the Presentation Ceremony for the National Medals of Science and Technology

Nomination of Bradley Paul Holmes To Be Coordinator for International Communications and Information Policy at the Department of State

- 19 -

Remarks on Receiving the Report of the Vice President and Secretary of Transportation Samuel K. Skinner on the Earthquake Damage in the San Francisco Bay Area

Remarks to Members of the Natural Gas Supply Association

Remarks Following Discussions With Prime Minister Felipe Gonzalez Marquez of Spain

Statement by Press Secretary Fitzwater on Political Reform in Hungary

Message to the Congress Reporting on the Economic Sanctions Against Panama

Continuation of David M.L. Lindahl as Director of the Office of Alcohol Fuels at the Department of Energy

Nomination of Donald E. Kirkendall To Be Inspector General of the Department of the Treasury

Message to the Congress Transmitting an Alternative Sequester Report for the Department of Defense for Fiscal Year 1990

- 20 -

Exchange With Reporters During a Tour of the Earthquake Damage in Oakland, California

Exchange With Reporters During a Tour of the Earthquake Damage in Santa Cruz, California

Remarks and a Question-and-Answer Session With Reporters Following a Tour of the Earthquake Damage in the San Francisco Bay Area

Nomination of Edward S. Walker, Jr., To Be United States Ambassador to the United Arab Emirates

- 21 -

Message to the House of Representatives Returning Without Approval the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990

Statement by Press Secretary Fitzwater on the President's Signing of the Bill Providing Assistance for Free and Fair Elections in Nicaragua

Statement on the Rescue of Buck Helm in Oakland, California

- 23 -

Statement on Signing the Department of the Interior and Related Agencies Appropriations Act

Statement by Press Secretary Fitzwater on the Agreement for National Reconciliation in Lebanon

Appointment of Frederick D. Nelson as an Associate Counsel to the President

Appointment of Christopher du Pont Roosevelt as a Member of the Roosevelt Campobello International Park Commission

Appointment of Five Members of the President's Advisory Committee on the Points of Light Initiative Foundation

- 24 -

Remarks at the Presentation Ceremony for the Excellence in Science and Math Teaching Awards

Appointment of Charles R. Henry as a Member of the Committee for Purchase from the Blind and Other Severely Handicapped

Appointment of Daniel W. McKinnon, Jr., as a Member of the Committee for Purchase from the Blind and Other Severely Handicapped

Letter to Elementary School Students on Halloween

- 25 -

Remarks to Members of the Institute of International Education

Message to the Congress Reporting on the Economic Sanctions Against Nicaragua

Nomination of Allan V. Burman To Be Administrator for Federal Procurement Policy at the Office of Management and Budget

Remarks to Participants in the Prime Time To End Hunger Campaign

Nomination of Frances D. Cook To Be United States Ambassador to Cameroon

Interview With Latin American Journalists

- 26 -

Remarks at a Ceremony Granting Most-Favored-Nation Trade Status to Hungary

Message to the Congress on Trade With Hungary

Presidential Determination No. 90 - 3 -- Memorandum on Trade With Hungary

Remarks and an Exchange With Reporters on Signing a Bill Making Continuing Appropriations for Fiscal Year 1990 and Providing Disaster Relief

Statement on Signing a Bill Making Continuing Appropriations for Fiscal Year 1990 and Providing Disaster Relief

Remarks Announcing Proposed Legislation on Food Safety and Pesticides

White House Fact Sheet on Proposed Legislation on Food Safety and Pesticides

Statement on the Flag Protection Act of 1989

- 27 -

Message to the House of Representatives Returning Without Approval the District of Columbia Appropriations Act, 1990

Advance Text of Remarks Upon Departure for the Centennial Celebration of Costa Rican Democracy in San Jose

Remarks at the Welcoming Ceremony in San Jose, Costa Rica

Exchange With Reporters in San Jose, Costa Rica, on the Situation in Nicaragua

Statement by Press Secretary Fitzwater on President Bush's Meeting With Nicaraguan President Daniel Ortega Saavedra in San Jose, Costa Rica

Nomination of the United States Alternate Executive Director and the United States Director of the Inter-American Development Bank

Nomination of Edmund DeJarnette, Jr., To Be United States Ambassador to Tanzania

- 28 -

The President's News Conference in San Jose, Costa Rica

Remarks to Members of the American Embassy Community in San Jose, Costa Rica

- 30 -

Message to the Congress Transmitting the Annual Reports on Highway and Motor Vehicle Safety

Remarks at the Ceremony Commemorating Polish American Heritage Month

White House Fact Sheet on the Presidential Mission to Poland

Remarks at the Groundbreaking Ceremony for the National Law Enforcement Officers' Memorial

Statement on the Chemical Weapons Destruction Facility in Tooele, Utah

Message to the Congress Transmitting the Japan-United States Fishing Agreement

Notice of the Continuation of the National Emergency With Respect to Iran

Message to the Congress on the Continuation of the National Emergency With Respect to Iran

The President's News Conference

Remarks to Schoolchildren at the White House Halloween Party

Message to the Senate Transmitting the India-United States Convention on Taxation

Message to the Congress Transmitting a Report on the Fiscal Year 1990 Federal Budget

Appointment of Thomas F.X. Needles as Special Assistant to the President and Associate Director of Presidential Personnel

Nomination of Hilary Paterson Cleveland To Be a Member of the International Joint Commission -- United States and Canada

Statement on Proposed Minimum Wage Legislation

Appointment of Dean C. Swanson as a Member of the President's National Security Telecommunications Advisory Committee

Memorandum on Amendments to the Generalized System of Preferences

contents

november 1989

select another month
January | February | March | April
May | June | July | August
September | October | December
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 1 -

White House Statement on Duty-Free Treatment for Certain Imported Watches

Nomination of Antonia Coello Novello To Be Surgeon General of the Public Health Service

Nomination of Ronald William Roskens To Be Administrator of the Agency for International Development

Statement on Trade Initiatives for the Andean Region

White House Fact Sheet on Trade Initiatives for the Andean Region

Remarks at the Presentation Ceremony for the Midland Community Service Award

Nomination of Susan Morrisey Livingstone To Be an Assistant Secretary of the Army

Nomination of Abraham N.M. Shashy, Jr., To Be Assistant General Counsel of the Treasury

- 2 -

Remarks at the Presentation Ceremony for the Malcolm Baldrige National Quality Awards

Statement by Press Secretary Fitzwater on the President's Meeting With Hungarian Minister of State Imre Pozsgay

Remarks to the Media Advertising Partnership for a Drug-Free America

Statement on Deficit Reduction in Fiscal Year 1990

Remarks Following a Visit With Former President Jose Napoleon Duarte Fuentes of El Salvador

Statement on Signing the Treasury, Postal Service and General Government Appropriations Act, 1990

Nomination of Anthony Cecil Eden Quainton To Be United States Ambassador to Peru

Remarks at a Campaign Rally for Gubernatorial Candidate J. Marshall Coleman in Richmond, Virginia

Remarks at a Campaign Rally for Gubernatorial Candidate J. Marshall Coleman in Norfolk, Virginia

Remarks at a Campaign Rally for Gubernatorial Candidate Jim Courter in Bloomfield, New Jersey

Nomination of G. Kim Wincup To Be an Assistant Secretary of the Army

Continuation of Victor H. Frank, Jr., as United States Director of the Asian Development Bank

Remarks at the Bicentennial Convocation at Phillips Academy in Andover, Massachusetts

Remarks to the Phillips Academy Board of Trustees in Andover, Massachusetts

Appointment of William Douglas Fritts, Jr., as an Executive Branch Commissioner-Observer on the Commission on Security and Cooperation in Europe

Appointment of Stephen John Hadley as an Executive Branch Commissioner-Observer on the Commission on Security and Cooperation in Europe

Statement by Press Secretary Fitzwater on the President's Meeting on POW/MIA Affairs With General John W. Vessey, Jr.

Remarks at the Presentation Ceremony for the Charles Frankel Prizes for Distinguished Service to the Humanities

Nomination of Stephen J. Ledogar for the Rank of Ambassador While Serving as United States Representative to the Conference on Disarmament

Nomination of Robert William Houk To Be Public Printer

Nomination of Barry Lambert Harris To Be Deputy Administrator of the Federal Aviation Administration

The President's News Conference

Remarks Congratulating the Oakland Athletics on Winning the World Series

Memorandum on Intellectual Property Rights

White House Statement on the Ministerial Conference on Atmospheric Pollution and Climate Change

Nomination of Cynthia Shepard Perry To Be United States Ambassador to Burundi

Nomination of Douglas B. Comer To Be Deputy Commissioner of Patents and Trademarks

- 8 -

Appointment of Elliot L. Richardson as Special Representative of the President for the Multilateral Assistance Initiative for the Philippines

Appointment of Sig Rogich as Assistant to the President for Public Events and Initiatives

Appointment of William T. Pryce as Special Assistant to the President for National Security Affairs

Continuation of Frank DeGeorge as Inspector General of the Department of Commerce

Continuation of Charles A. Gargano as United States Ambassador to Trinidad and Tobago

Nomination of Robert Gregory Joseph for the Rank of Ambassador While Serving as a Member of the U.S.-U.S.S.R. Standing Consultative Commission

Nomination of Edward J. Philbin To Be a Member of the Interstate Commerce Commission, and Designation as Chairman

Nomination of Mary L. Schapiro To Be a Member of the Securities and Exchange Commission

Message to the Senate Transmitting the Tax Convention Concerning the Council of Europe and the Organization for Economic Cooperation and Development

Statement by Press Secretary Fitzwater on the President's Meeting With Violeta Chamorro of Nicaragua

- 9 -

Remarks at the Welcoming Ceremony for President Corazon C. Aquino of the Philippines

Message to the Senate Transmitting an Annex to the International Convention for the Prevention of Pollution from Ships

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1990

Nomination of Susan J. Crawford To Be Inspector General of the Department of Defense

Appointment of William J. Hilsman as a Member of the President's National Security Telecommunications Advisory Committee

Remarks and a Question-and-Answer Session With Reporters on the Relaxation of East German Border Controls

Statement by Press Secretary Fitzwater on United States Assistance for East German Emigrants

- 10 -

Remarks to the National Association of Realtors in Dallas, Texas

White House Fact Sheet on the HOPE Initiative: Homeownership and Opportunity for People Everywhere

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With West German Chancellor Helmut Kohl

Remarks at a Republican Fundraising Dinner Honoring Governor Bill Clements in Dallas, Texas

Statement on Signing the Child Nutrition and WIC Reauthorization Act of 1989

- 11 -

Remarks at the Dedication Ceremony for the Vietnam Veterans Memorial in Dallas, Texas

Statement on Alfredo Mustelier Nuevo's Hunger Strike and the Treatment of Cuban Political

Prisoners

- 13 -

Remarks on Signing the Executive Order Creating the President's Drug Advisory Council

Appointment of the Chairman and Members of the President's Drug Advisory Council

Remarks at the Opening Session of the Universal Postal Union Congress

Nomination of Martin H. Gerry To Be an Assistant Secretary of Health and Human Services

Nomination of William Hughes Graves III To Be Director of the National Institute on Disability and Rehabilitation Research

Nomination of H. Douglas Barclay To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

Remarks on Presenting the Presidential Medal of Freedom to Lech Walesa and the Presidential Citizen's Medal to Lane Kirkland

- 14 -

Informal Exchange With Reporters

Remarks on Signing the American Education Week Proclamation

Remarks to the Organization of American States

Nomination of La Verne G. Ausman To Be Administrator of the Farmers Home Administration

Message to the Congress Reporting on the National Emergency With Respect to Iran

Statement by Press Secretary Fitzwater on the Presidential Election Monitoring Commission on Nicaragua

- 15 -

Remarks at the Presentation Ceremony for the Environmental Youth Awards

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Yitzhak Shamir of Israel

Nomination of John T. MacDonald To Be an Assistant Secretary of Education

Nomination of Harriet Winsar Isom To Be United States Ambassador to Benin

Statement by Press Secretary Fitzwater on the Presidential Economic Delegation to Poland

Remarks at the Unveiling Ceremony for the Official Portraits of Ronald and Nancy Reagan

Remarks at the Biannual Convention of the American Federation of Labor and Congress of Industrial Organizations

Letter to Congressional Leaders on Proposed Federal Pay and Ethics Legislation

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President Alfredo Cristiani Buckard of El Salvador

- 16 -

Nomination of Everett Ellis Briggs To Be United States Ambassador to Portugal

Nomination of Edward Morgan Rowell To Be United States Ambassador to Luxembourg

White House Fact Sheet on the National Space Policy

Statement by Press Secretary Fitzwater on the Murders at the University of Central America in El Salvador

Designation of the Chairperson and Vice Chairperson of the National Women's Business Council

Remarks on Signing the Fair Labor Standards Amendments of 1989

Statement on Signing the Fair Labor Standards Amendments of 1989

Statement by Press Secretary Fitzwater on the President's Telephone Conversations With Allied Leaders

Remarks on Signing the Thanksgiving Day Proclamation

Nomination of Robert William Farrand To Be United States Ambassador to Papua New Guinea, Solomon Islands, and Vanuatu

Nomination of J. Steven Rhodes To Be United States Ambassador to Zimbabwe

Nomination of Jerome G. Cooper To Be an Assistant Secretary of the Air Force

Nomination of James B. Edwards To Be a Member of the Board of Directors of the Communications Satellite Corporation

Nomination of Gail Roggin Wilensky To Be Administrator of the Health Care Financing Administration

Nomination of Carol Mayer Marshall To Be Superintendent of the Mint of the United States at San Francisco

Remarks at the Presentation Ceremony for the National Medal of the Arts

Nomination of John W. Lyons To Be Director of the National Institute of Standards and Technology

Nomination of John J. Maresca for the Rank of Ambassador While Serving as Chairman of the United States Delegation to the Conference on Confidence and Security Building Measures

Statement by Press Secretary Fitzwater on the President's Telephone Conversations With Foreign Leaders

Memorandum on the Caribbean Basin Initiative

Interview With Peter Maer of Mutual/NBC Radio

- 19 -

Message to the House of Representatives Returning Without Approval the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990

- 20 -

Nomination of Peter K. Nunez To Be an Assistant Secretary of the Treasury

Nomination of William D. Hathaway To Be a Commissioner of the Federal Maritime Commission

Nomination of David C. Fields To Be Director of the Office of Foreign Missions

Nomination of Henrietta Hugentobler Holsman To Be an Assistant Administrator of the Agency for International Development

Appointment of Curtis Means Dunbar as a Member of the National Commission on Responsibilities for Financing Postsecondary Education

Remarks and a Question-and-Answer Session With Students at Pickard Elementary School in Chicago, Illinois

Remarks at an Antidrug Awards Ceremony at Pickard Elementary School in Chicago, Illinois

Remarks at a Fundraising Luncheon for Senatorial Candidate Lynn Martin in Chicago, Illinois

Remarks at a Fundraising Dinner for Governor Edward DiPrete in Cranston, Rhode Island

Remarks at a Fundraising Reception for Senatorial Candidate Claudine Schneider in Warwick, Rhode Island

Message to the House of Representatives Returning Without Approval the District of Columbia Appropriations Act, 1990

Remarks Following a Meeting With West German Foreign Minister Hans-Dietrich Genscher

Remarks to the National Association of State Universities and Land-Grant Colleges

Message to the House of Representatives Returning Without Approval the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991

Statement on Signing the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1990

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990

Statement on Signing the Department of Transportation and Related Agencies Appropriations Act, 1990

Statement on Signing the Department of Defense Appropriations Act, 1990

Statement on Signing the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990

Statement on Signing the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990

Message to the House of Representatives Returning Without Approval the Bill Establishing a Congressional Advisory Commission To Investigate Labor Disputes at Eastern Airlines

Continuation of Bill D. Colvin as Inspector General of the National Aeronautics and Space Administration

Nomination of Ervin S. Duggan To Be a Member of the Federal Communications Commission

Nomination of Tony E. Gallegos To Be a Member of the Equal Employment Opportunity Commission

Nomination of Arthur J. Hill To Be President of the Government National Mortgage Association

Nomination of Donald G. Wiseman To Be a Member of the Occupational Safety and Health Review Commission

Remarks on Signing the National Adoption Week Proclamation

Interview With Foreign Journalists

- 22 -

Remarks at the Commercial Appeal's Thanksgiving Celebration in Memphis, Tennessee

White House Statement Announcing the Points of Light Recognition Program

Nomination of Stephen Kay Conver To Be an Assistant Secretary of the Army

Nomination of William J. Haynes II To Be General Counsel of the Department of the Army

Thanksgiving Address to the Nation

- 24 -

Statement by Press Secretary Fitzwater on the President's Meeting With British Prime Minister Margaret Thatcher

- 27 -

Appointment of Peter W. Senopoulos as a Member of the American Battle Monuments Commission

Statement by Press Secretary Fitzwater on President Bush's Meeting With Interim President Sigbhatullah Mojaddedi of Afghanistan

- 28 -

Informal Exchange With Reporters

Remarks to Members of the Presidential Economic Delegation to Poland

Statement on Signing the Support for East European Democracy (SEED) Act of 1989

Statement on Signing the National Museum of the American Indian Act

Statement by Press Secretary Fitzwater on Western Economic Support for Reform in Poland and Hungary

- 29 -

Statement on Signing the National Defense Authorization Act for Fiscal Years 1990 and 1991

Informal Exchange With Reporters

Remarks Following Discussions With Prime Minister Brian Mulroney of Canada

Interview With Members of the White House Press Corps

- 30 -

Remarks and an Exchange With Reporters on the Upcoming Meeting With Soviet President Mikhail Gorbachev at Malta

Statement on Signing the Intelligence Authorization Act, Fiscal Year 1990

Memorandum of Disapproval for the Bill Providing Emergency Chinese Immigration Relief

Statement on the Disapproval of the Bill Providing Emergency Chinese Immigration Relief

Statement on Signing the Ethics Reform Act of 1989

Statement by Press Secretary Fitzwater on the Banning of Panamanian-Flag Vessels From United States Ports

Statement on the Observance of World AIDS Day

Statement by Press Secretary Fitzwater on an Attempted Coup in the Philippines

contents

december 1989

select another month
January | February | March | April
May | June | July | August
September | October | November |
Show all months

select another year
1990 | 1991 | 1992 | 1993

- 1 -

Statement by Press Secretary Fitzwater on United States Military Assistance for the Philippines

Statement by Press Secretary Fitzwater on the 1990 Houston Economic Summit

Exchange With Reporters in Valletta, Malta, on an Attempted Coup in the Philippines

Joint Statement of the United States and Malta on the President's Meeting With Prime Minister Eddie Fenech Adami in Valletta

Remarks to the Crew and Guests on the U.S.S. Forrestal in Malta

Statement by Press Secretary Fitzwater on the President's Meetings With Soviet Chairman Mikhail Gorbachev in Malta

- 2 -

Statements by Press Secretary Fitzwater on the President's Meetings With Soviet Chairman Mikhail Gorbachev in Malta

Letter to the Speaker of the House of Representatives and the President Pro Tempore of the

Senate on United States Military Assistance to the Philippines

- 3 -

Statement by Press Secretary Fitzwater on the President's Meetings With Soviet Chairman Mikhail Gorbachev in Malta

Exchange With Reporters on the Meetings With Soviet Chairman Mikhail Gorbachev in Malta

Exchange With Reporters on the Meetings With Soviet Chairman Mikhail Gorbachev in Malta

Remarks of the President and Soviet Chairman Gorbachev and a Question-and-Answer Session With Reporters in Malta

Question-and-Answer Session With Reporters in Malta

Remarks at the Welcoming Ceremony in Brussels

Statement by Press Secretary Fitzwater on the President's Meetings With Foreign Leaders in Brussels

- 4 -

White House Fact Sheet on the Meeting With Soviet Chairman Mikhail Gorbachev in Malta

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jacques Delors of the European Economic Community in Brussels

Outline of Remarks at the North Atlantic Treaty Organization Headquarters in Brussels

The President's News Conference in Brussels

- 5 -

Statement by Press Secretary Fitzwater on the Continuation of Fernando Manfredo, Jr., as Acting Administrator of the Panama Canal Commission

Nomination of Enrique Mendez, Jr., To Be an Assistant Secretary of Defense

Remarks at the National Republican Congressional Committee Dinner Honoring Representative Robert H. Michel

- 6 -

Statement by Press Secretary Fitzwater on the Appointment of the Coordinator and Deputy Coordinators of United States Assistance for Eastern Europe

Memorandum on Education of Hispanic Americans

Remarks to Hispanic and Corporate Leaders on Education

Nomination of David E. Jeremiah To Be Vice Chairman of the Joint Chiefs of Staff

Letter Accepting the Resignation of M. Danny Wall as Director of the Office of Thrift Supervision

- 7 -

Statement by Press Secretary Fitzwater on the President's Meeting With the Governors' Education Task Force

Remarks at the Acres Homes War on Drugs Rally in Houston, Texas

Remarks at a Fundraising Dinner for Senator Phil Gramm in Houston, Texas

- 8 -

Statement on the Anniversary of the Armenian Earthquake

Remarks at a Fundraising Luncheon for Senatorial Candidate Hank Brown in Denver, Colorado

Question-and-Answer Session With Students at John F. Kennedy High School in Denver, Colorado

Remarks at an Antidrug Rally at John F. Kennedy High School in Denver, Colorado

Nomination of David W. Mullins, Jr., To Be a Member of the Board of Governors of the Federal Reserve System

Statement by Press Secretary Fitzwater on the Upcoming State Visit of President Ibrahim Babangida of Nigeria

Advance Text of Remarks at a Fundraising Dinner for Senatorial Candidate Thomas J. Tauke in Des Moines, Iowa

Remarks on Signing the National Drunk and Drugged Driving Awareness Week Proclamation

Remarks at the Swearing-In Ceremony for Catalina Villalpando as Treasurer of the United States

Statement on Signing the Arms Control and Disarmament Amendments Act of 1989

Remarks and a Question-and-Answer Session With Newspaper Editors

Statement by Press Secretary Fitzwater on the International War on Drugs

Statement on Signing the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989

Statement on Signing the Bill Authorizing the Compact of Free Association Between the United States and Palau

Statement on Signing the Steel Trade Liberalization Program Implementation Act

Statement on Signing the Anti-Terrorism and Arms Export Amendments Act of 1989

Statement on Signing the Drug-Free Schools and Communities Act Amendments of 1989

Statement on Signing the Bill Convening the Second Session of the One Hundred First Congress

Nomination of Douglas Alan Brook To Be an Assistant Secretary of the Army

Nomination of Gary C. Byrne To Be Administrator of the Rural Electrification Administration

Nomination of Julie E. Carnes To Be a Member of the United States Sentencing Commission

Remarks at the Catholic University of America Anniversary Dinner

Statement on Signing the Everglades National Park Protection and Expansion Act of 1989

Statement on Signing the International Narcotics Control Act of 1989

Remarks on Signing the North American Wetlands Conservation Act

Statement on Signing the North American Wetlands Conservation Act

Statement by Deputy Press Secretary Popadiuk on Economic Assistance to Poland

Statement by Press Secretary Fitzwater Announcing the Drug Summit in Cartagena, Colombia

- 14 -

Nomination of Donald Robert Quartel To Be a Commissioner at the Federal Maritime Commission

Appointment of Three Members of the Council of the Administrative Conference of the United States

Remarks on Lighting the National Christmas Tree

- 15 -

Statement on Signing the Department of Housing and Urban Development Reform Act of 1989

- 16 -

Joint News Conference Following Discussions With French President Mitterrand in St. Martin, French West Indies

- 18 -

Message on the Observance of Hanukkah

Message on the Observance of Christmas

Statement on Signing the Veterans' Benefits Amendments of 1989

Appointment of Paul F. Oreffice as a Member of the Advisory Committee for Trade and Policy Negotiations

Appointment of Edward C. Aldridge, Jr., as a Member of the President's National Security Telecommunications Advisory Committee

- 19 -

Statement on Signing the Omnibus Budget Reconciliation Act of 1989

Statement by Press Secretary Fitzwater on Romania's Suppression of Political Demonstrations

Appointment of Katharine D. Dukakis as a Member of the United States Holocaust Memorial Council

Letter to the Speaker of the House of Representatives and the President of the Senate on the Licensing of Communications Satellites for China

Statement by Press Secretary Fitzwater on the Licensing of Communications Satellites for China

Statement on Signing the International Development and Finance Act of 1989

Letter to the Speaker of the House of Representatives and the President of the Senate on Trade With China

Statement by Press Secretary Fitzwater on Trade With China

- 20 -

Address to the Nation Announcing United States Military Action in Panama

Statement by Press Secretary Fitzwater on United States Military Action in Panama

Statement by Press Secretary Fitzwater on United States Military Action in Panama

Memorandum on the Arrest of General Manuel Noriega in Panama

Memorandum Terminating Economic Sanctions Against Panama

- 21 -

Statement by Press Secretary Fitzwater on United States Military Action in Panama

Remarks on the Observance of Hanukkah

The President's News Conference

Letter to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on United States Military Action in Panama

- 22 -

Appointment of Timothy E. Deal as Special Assistant to the President for National Security Affairs

Letter to Congressional Leaders Transmitting the Report of the Presidential Economic Delegation to Poland

Nomination of Paul C. Lambert To Be United States Ambassador to Ecuador

Remarks to the AIDS Research Staff at the National Institutes of Health in Bethesda, Maryland

- 26 -

Statement by Press Secretary Fitzwater on the Situation in Panama

- 27 -

Remarks and a Question-and-Answer Session With Reporters in Corpus Christi, Texas

Statement by Press Secretary Fitzwater on the Situation in Romania

Remarks at a Barbecue in Beeville, Texas

Final Order for Emergency Deficit Control Measures for Fiscal Year 1990

Message on the Observance of New Year's Day

Statement by Press Secretary Fitzwater on the Federal Chancellor Scholarship for Future American Leaders

- 29 -

Statement by Press Secretary Fitzwater on the Election of Vaclav Havel as President of Czechoslovakia

Statement by Press Secretary Fitzwater on the Situation in Panama

- 30 -

Question-and-Answer Session With Reporters in Houston, Texas, on the Situation in Panama

- 31 -

Remarks and a Question-and-Answer Session With Reporters in San Antonio, Texas, on United States Military Action in Panama

Browse 1990

You may view the 1990 Presidential Papers collection by month, or you may view the entire year's collection (*large file*).

- January
- February
- March
- April
- May
- June
- July
- August
- September
- October
- November
- December

Alternatively, you may also select a different year.

- 1989
- 1991
- 1992
- 1993

contents

1 9 9 0

select another month
January | February | March | April
May | June | July | August |
September | October | November |
December

select another year
1989 | 1991 | 1992 | 1993

New Year's Message to the People of the Soviet Union

Statement on the Tentative Settlement of the Labor Dispute Between the United Mine Workers and the Pittston Corporation

Appointment of Deane Roesch Hinton as United States Ambassador to Panama

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Letter to Benjamin Hooks, Executive Director of the National Association for the Advancement of Colored People

Remarks to the Republican National Committee

Nomination of Tommy G. Thompson To Be a Member of the Board of Directors of the National Railroad Passenger Corporation

Nomination of Colin Riley McMillan To Be an Assistant Secretary of Defense

Statement by Press Secretary Fitzwater on the Attack on Religious Workers in Nicaragua

Remarks on Signing the Earth Day Proclamation

Statement by Press Secretary Fitzwater Announcing the Surrender of General Manuel Noriega in Panama

Remarks Announcing the Surrender of General Manuel Noriega in Panama

Presidential Determination No. 90 - 6 -- Memorandum on Multilateral Loans to China

Letter to Congressional Leaders on Multilateral Loans to China

Nomination of Malcolm S. Forbes, Jr., To Be a Member of the Board for International Broadcasting, and Designation as Chairman

Notice of the Continuation of the National Emergency With Respect to Libya

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Libya

Nomination of Three Members of the National Council on Disability, and Designation of Chairman

Statement on Receiving the Report of the President's Advisory Committee on the Points of Light Initiative Foundation

The President's News Conference

Nomination of Anthony Hurlbutt Flack To Be a Member of the National Council on Disability

Remarks on Signing the Proclamation Granting Special Trade Status to Poland

Letter to Congressional Leaders on Amending the Generalized System of Preferences

Nomination of Richard F. Hohlt To Be a Member of the Board of Directors of the Student Loan Marketing Association

Statement by Press Secretary Fitzwater on Disaster Relief for Areas Affected by the San Francisco Earthquake and Hurricane Hugo

Remarks Introducing the Presidential Lecture Series

Remarks to the American Farm Bureau Federation in Orlando, Florida

Remarks on Signing the Martin Luther King, Jr., Federal Holiday Proclamation

Statement on the Meeting With Benjamin Hooks, Executive Director of the National Association for the Advancement of Colored People

Nomination of D'Wayne Gray To Be Chief Benefits Director of the Department of Veterans Affairs

Nomination of Philip R. Lochner, Jr., To Be a Member of the Securities and Exchange Commission

Statement by Deputy Press Secretary Popadiuk on President Bush's Telephone Conversation With President Virgilio Barco Vargas of Colombia

Statement by Press Secretary Fitzwater on the President's Meeting on Emergency Aid to Poland

Informal Exchange With Reporters

Remarks Following Discussions With Prime Minister Anibal Cavaco Silva of Portugal

Appointment of Richard G. Trefry as Military Assistant to the President and Director of the White House Military Office

Question-and-Answer Session With the Youth Collaborative Mentor Group in Cincinnati, Ohio

Remarks to Students and Faculty at Robert A. Taft High School in Cincinnati, Ohio

Remarks to the Chamber of Commerce in Cincinnati, Ohio

Statement by Press Secretary Fitzwater on the President's Meeting With Mr. and Mrs. William Rouse

Nomination of Frederick M. Bernthal To Be Deputy Director of the National Science Foundation

Statement by Press Secretary Fitzwater on the Vietnam-United States Special Resettlement

Program

Statement by Press Secretary Fitzwater on the Death of Hyman Schachtel

Statement by Press Secretary Fitzwater on the Vienna Meeting of the Conference on Security and Cooperation in Europe

Remarks on the United States Military Action in Panama and an Exchange With Reporters

Remarks and an Exchange With Reporters Prior to a Meeting With Federal Law Enforcement Officials

Nomination of Susan J. Koch To Be an Assistant Director of the United States Arms Control and Disarmament Agency

Telephone Conversation With the Astronauts Aboard the Space Shuttle Columbia

Remarks at the Bush Administration Executive Forum

Exchange With Reporters

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Turgut Ozal of Turkey

Remarks at the Bush-Quayle Campaign Reunion

Remarks at the Annual Convention of the National Association of Home Builders in Atlanta, Georgia

Statement by Press Secretary Fitzwater on Development of Wetlands Conservation Policy

Nomination of William D. Phillips To Be an Associate Director of the Office of Science and Technology Policy

Nomination of Eugene Wong To Be an Associate Director of the Office of Science and Technology Policy

Nomination of Edward W. Kelley, Jr., To Be a Member of the Board of Governors of the

Federal Reserve System

Nomination of Jessica L. Parks To Be a Member of the Merit Systems Protection Board

Remarks at a Fundraising Dinner for Governor Bob Martinez in Miami, Florida

Remarks to Participants in the March for Life Rally

Statement on the Appointment of Arnold Schwarzenegger as Chairman of the President's Council on Physical Fitness and Sports

Statement by Press Secretary Fitzwater on Rural Development Programs

Nomination of James L. Kolstad To Be Chairman of the National Transportation Safety Board

Statement by Press Secretary Fitzwater on the Overseas Private Investment Corporation Mission to Panama

Nomination of L. Joyce Hampers To Be an Assistant Secretary of Commerce

Remarks at the American Spectator Annual Dinner

Remarks to the Law Enforcement Community in Kansas City, Missouri

Nomination of Bradley Gordon To Be an Assistant Director of the United States Arms Control and Disarmament Agency

Nomination of John Wesley Bartlett To Be Director of the Office of Civilian Radioactive Waste Management

The President's News Conference

Remarks at the Welcoming Ceremony for President `Ali `Abdallah Salih of the Yemen Arab Republic

Remarks at a White House Briefing on Nonprofit Organization Assistance to Poland

Message to the Senate Transmitting the Treaty on the International Registration of Audiovisual

Works

Message to the Senate Transmitting a Protocol to the Tunisia-United States Convention on Taxation and Fiscal Evasion

Letter to Republican and Democratic Party Leaders on Support for the Nicaraguan National Opposition Union

Continuation of Jeffrey M. Samuels as Assistant Commissioner of Patents and Trademarks at the Department of Commerce

Nomination of Robert H. Gentile To Be an Assistant Secretary of Energy

Statement by Press Secretary Fitzwater on President Bush's Meeting With President `Ali `Abdallah Salih of the Yemen Arab Republic

Nomination of Donald Jay Yockey To Be a Deputy Under Secretary of Defense

Appointment of John M. Engler as a Member of the Commission on Presidential Scholars, and Designation as Chairman

Nomination of Charles M. Herzfeld To Be Director of Defense Research and Engineering

Toasts at the State Dinner for President `Ali `Abdallah Salih of the Yemen Arab Republic

Nomination of C. Anson Franklin To Be an Assistant Administrator of the Agency for International Development

Message to the Congress Transmitting the 1990 National Drug Control Strategy

Message to the Congress Reporting on the Economic Sanctions Against Libya

Remarks and a Question-and-Answer Session at a Luncheon for Newspaper Publishers

The President's News Conference

Statement on Economic Assistance to Panama

White House Fact Sheet on the Partnership With Panama: Action Plan To Foster Economic Recovery

Nomination of John R. Dunne To Be an Assistant Attorney General

Remarks to the United States Conference of Mayors

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Fernando Collor de Mello of Brazil

Remarks to Special-Needs Adopted Children and Their Parents

Letter to Congressional Leaders Transmitting Certification of Panama's Cooperation in the Control of Illegal Narcotics

Presidential Determination No. 90 - 9 -- Memorandum on Narcotics Control Certification for Panama

Nomination of Richard J. Hankinson To Be Inspector General of the Department of Justice

Message to the Congress Transmitting the Fiscal Year 1991 Budget

Message to the Congress Reporting Budget Deferrals

Remarks at the Annual Convention of the National Religious Broadcasters

Nomination of Gerald A. Cann To Be an Assistant Secretary of the Navy

Statement by Press Secretary Fitzwater on President Bush's Upcoming Meeting With President Alfredo Cristiani Buckard of El Salvador

Nomination of Jacqueline E. Schafer To Be an Assistant Secretary of the Navy

Nomination of Michael Lorne Moodie To Be an Assistant Director of the United States Arms Control and Disarmament Agency

Nomination of Joyce T. Berry To Be Commissioner on Aging at the Department of Health and Human Services

Message on the Observance of National Afro-American (Black) History Month, February 1990

Remarks at a White House Ceremony Commemorating the 25th Anniversary of VISTA

Address Before a Joint Session of the Congress on the State of the Union

White House Fact Sheet on the President's Conventional Armed Forces in Europe Initiative

Remarks at the Annual National Prayer Breakfast

Remarks on Transmitting Proposed Savings and Economic Growth Legislation

Message to the Congress Transmitting Proposed Savings and Economic Growth Legislation

White House Fact Sheet on the Proposed Savings and Economic Growth Act of 1990

Remarks Prior to a Meeting With President Alfredo Cristiani Buckard of El Salvador

Message to the Congress Transmitting a Report on Aeronautics and Space Activities During 1987

Appointment of Joy A. Silverman as a Member of the Board of Trustees of the John F. Kennedy Center for the Performing Arts

Statement by Press Secretary Fitzwater on South Africa

Nomination of Erich W. Bretthauer To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Glen L. Bower To Be a Member of the Railroad Retirement Board, and Designation as Chairman

Nomination of Charles J. Chamberlain To Be a Member of the Railroad Retirement Board

Order on the China National Aero-Technology Import and Export Corporation Divestiture of MAMCO Manufacturing, Incorporated

Message to the Congress on the China National Aero-Technology Import and Export

Corporation Divestiture of MAMCO Manufacturing, Incorporated

Statement by Press Secretary Fitzwater on the China National Aero-Technology Import and Export Corporation Divestiture of MAMCO Manufacturing, Incorporated

Question-and-Answer Session With High School Students at a Biotechnology Demonstration at the University of Tennessee at Knoxville

Remarks to Students and Faculty of the University of Tennessee at Knoxville

Appointment of the Members of the President's Council of Advisors on Science and Technology, and Designation of the Chairman and Vice Chairman

Appointment of Katherine E. Boyd as a Member of the Advisory Council on Historic Preservation

Message to the Senate Transmitting the Federal Republic of Germany-United States Convention on Taxation and Fiscal Evasion

Message to the Senate Transmitting the Finland-United States Convention on Taxation and Fiscal Evasion

Remarks to the Intergovernmental Panel on Climate Change

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Luis Alberto Lacalle of Uruguay

Nomination of Richard E. Bissell To Be an Assistant Administrator of the Agency for International Development

Message to the Congress Transmitting the 1989 Science and Engineering Indicators Report

Message to the Congress Transmitting the 1990 Economic Report

Message to the Congress Reporting Budget Deferrals

Remarks to United States Troops at the National Training Center at Fort Irwin in Barstow, California

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Remarks at a Republican Party Fundraising Dinner in Los Angeles, California

Nomination of Admiral Frank B. Kelso II To Be Chief of Naval Operations

Remarks to the Staff of the Lawrence Livermore National Laboratory in San Francisco, California

Remarks and a Question-and-Answer Session at a Luncheon Hosted by the Commonwealth Club in San Francisco, California

Statement by Press Secretary Fitzwater on the President's Remarks to the Commonwealth Club in San Francisco, California

Statement by Press Secretary Fitzwater on the Presidential Election Monitoring Commission on Nicaragua

Remarks at a Fundraising Breakfast for Governor Kay Orr in Omaha, Nebraska

Nomination of Keith McNamara To Be a Member of the Board of Directors of the State Justice Institute

Remarks to Strategic Air Command Personnel

Remarks at a Briefing for Head Start Volunteers in Columbus, Ohio

Remarks at a Fundraising Dinner for the Ohio Republican Party in Columbus

Nomination of Robert H. Swan To Be a Member of the National Credit Union Administration Board

Remarks to Members of the National Conference of State Legislatures

Nomination of Jonathan Moore To Be the United States Representative at the Economic and Social Council of the United Nations

Nomination of Shirin Raziuddin Tahir-Kheli To Be Alternate United States Representative for

Special Political Affairs at the United Nations

Remarks at the Presentation Ceremony for the Flo Hyman Award

Nomination of John J. Adair To Be Inspector General of the Resolution Trust Corporation

Statement on the Release of Nelson Mandela

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With State President Frederik Willem de Klerk of South Africa

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary General Manfred Woerner of the North Atlantic Treaty Organization

Remarks at the Welcoming Ceremony for President Denis Sassou-Nguesso of the Congo

Remarks Upon Receiving the Boy Scouts of America Report to the Nation

The President's News Conference

Remarks on Signing the United Nations Convention Against Illegal Traffic in Narcotic Drugs and Psychotropic Substances

Statement on Signing the United Nations Convention Against Illegal Traffic in Narcotic Drugs and Psychotropic Substances

Nomination of Herman J. Cohen To Be a Member of the Board of Directors of the African Development Foundation

Remarks on Signing the Urgent Assistance for Democracy in Panama Act of 1990 and a Question-and-Answer Session With Reporters

Statement on Signing the Urgent Assistance for Democracy in Panama Act of 1990

Nomination of Arthur E. Williams To Be a Member and President of the Mississippi River Commission

Statement on the Drug Summit in Cartagena, Colombia

Declaration of Cartagena

White House Fact Sheet on the Bolivia-United States Essential Chemicals Agreement

White House Fact Sheet on the Peru-United States Extradition Agreement

White House Fact Sheet on the Bolivia- and Peru-United States Public Awareness Measures Memorandums of Understanding

White House Fact Sheet on the Peru-United States Tax Information Exchange Agreement

White House Fact Sheet on the Bolivia-United States Weapons Export Control Memorandum of Understanding

Joint News Conference Following the Drug Summit in Cartagena, Colombia

The President's News Conference Following the Drug Summit in Cartagena, Colombia

Letter to Congressional Leaders Transmitting a Report on the General Agreement on Tariffs and Trade Negotiations on Agricultural Trade

Memorandum on Federalism

Statement on Signing the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991

Remarks Following Discussions With President Vaclav Havel of Czechoslovakia

Presidential Determination No. 90 - 10 -- Memorandum on Trade With Czechoslovakia

Message to the Congress on Trade With Czechoslovakia

Letter to Congressional Leaders Transmitting a Report on the Canada-United States Free-Trade Agreement

Nomination of E.U. Curtis Bohlen To Be an Assistant Secretary of State

Remarks at the Presentation Ceremony for the Charles Stark Draper Prize for Engineering

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Vaclav Havel of Czechoslovakia

Nomination of Nelson C. Ledsky for the Rank of Ambassador While Serving as Special Cyprus Coordinator

Nomination of LeGree Sylvia Daniels To Be a Member of the Board of Governors of the United States Postal Service

Remarks and a Question-and-Answer Session at the Annual Dinner of the Business Council

Nomination of James Henry Michel To Be an Assistant Administrator of the Agency for International Development

Remarks at the Presentation Ceremony for the American Institute of Architects Gold Medal Award

Remarks at the Centennial Celebration of the Johns Hopkins University Medical Institutions in Baltimore, Maryland

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Yitzhak Shamir of Israel

Remarks on Signing the American Red Cross Month Proclamation

Message to the Senate Transmitting the Tunisia-United States Consular Convention

Appointment of Arthur A. Fletcher as a Member of the Commission on Civil Rights, and Designation as Chairman

Statement by Press Secretary Fitzwater on Peace Corps Programs in Eastern Europe

Statement on the Death of Jose Napoleon Duarte of El Salvador

Letter to Congressional Leaders Transmitting the Report on Soviet Noncompliance With Arms Control Agreements

Continuation of Timothy L. Coyle as an Assistant Secretary of Housing and Urban Development

Appointment of Jose E. Martinez as Special Assistant to the President and Associate Director of Presidential Personnel

Joint News Conference Following Discussions With Chancellor Helmut Kohl of the Federal Republic of Germany

Remarks to Members of the National Governors' Association

Remarks Announcing the Publication of ``Growing Up Drug Free: A Parent's Guide to Prevention''

Statement on the Election of Violeta Chamorro as President of Nicaragua

Statement by Press Secretary Fitzwater on the Nicaraguan Presidential Elections

Statement by Press Secretary Fitzwater on the White House Conference on Science and Economics Research Related to Global Change

Message to the Senate Transmitting the Algeria-United States Consular Convention

Remarks Following Discussions With Charles Haughey, Prime Minister of Ireland and President of the European Council

Joint Statement by President Bush and President Charles Haughey of the European Council

Remarks Congratulating the Super Bowl Champion San Francisco 49ers

Exchange With Reporters on the President's Telephone Conversation With Chairman Mikhail Gorbachev of the Soviet Union

Remarks at a Fundraising Luncheon for Congressional Candidate Susan Molinari in Staten Island, New York

Message to the Senate Transmitting a Protocol to the International Civil Aviation Convention

Remarks at a Fundraising Dinner for Gubernatorial Candidate Pete Wilson in San Francisco, California

Presidential Determination No. 90 - 12 -- Memorandum on Narcotics Control Certification

Statement by Press Secretary Fitzwater on Narcotics Control Certification

Remarks on Legislation To Amend the Clean Air Act and an Exchange With Reporters in Los Angeles, California

Remarks at the Dedication Ceremony for the North Los Angeles County Correctional Facility in Santa Monica, California

Letter to Congressional Leaders Transmitting a Report on International Agreements

Statement by Press Secretary Fitzwater on Legislation To Amend the Clean Air Act

Exchange With Reporters at a Meeting With Ronald Reagan in Los Angeles, California

Remarks at the California Chamber of Commerce Centennial Dinner in Los Angeles

Remarks to the Academy of Television Arts and Sciences in Los Angeles, California

Remarks at an Antidrug Rally in Santa Ana, California

Nomination of John C. Foltz To Be Administrator of the Federal Grain Inspection Service

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Toshiki Kaifu of Japan in Palm Springs, California

Remarks Following Discussions With Prime Minister Toshiki Kaifu of Japan in Palm Springs, California

The President's News Conference Following Discussions With Prime Minister Toshiki Kaifu of Japan in Palm Springs, California

Remarks at the Presentation Ceremony for a Donation to the United Negro College Fund in Palm Springs, California

Statement on the Economic Situation in Argentina

Statement on the 20th Anniversary of the Treaty on the Non-Proliferation of Nuclear Weapons

Nomination of Lynne Vincent Cheney To Be Chairperson of the National Endowment for the Humanities

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With Seymour Reich of the Conference of Presidents of American Jewish Organizations

Remarks to Members of the National PTA Legislative Conference

Remarks at the Welcoming Ceremony for Prime Minister Giulio Andreotti of Italy

Exchange With Reporters Prior to a Meeting With Prime Minister Giulio Andreotti of Italy

Remarks to the American Society of Association Executives

Nomination of Jo Anne B. Barnhart To Be an Assistant Secretary of Health and Human Services

Statement on Signing a Bill Extending the Authorization for School Dropout Demonstration Programs

Toasts at the State Dinner for Prime Minister Giulio Andreotti of Italy

Remarks at the American Electronics Association Luncheon

Remarks at the National Drug Control Policy Luncheon

Statement by Press Secretary Fitzwater on the President's Space Exploration Initiative

Remarks at a Presentation Ceremony for the Panama Campaign Streamer at Fort Myer, Virginia

Remarks at the National Transportation Policy Meeting

White House Fact Sheet on the National Transportation Policy

Remarks at a Fundraising Dinner for Senator John Warner in Tysons Corner, Virginia

Remarks at the Swearing-In Ceremony for Antonia Novello as Surgeon General

Remarks Upon Meeting the University of Miami Hurricanes

Letter to Congressional Leaders on Nuclear Cooperation With EURATOM

Letter to Congressional Leaders Transmitting a Report on Telecommunications Trade Negotiations With the European Community and Korea

Nomination of Karen L. Gillmor To Be Director of the Women's Bureau

Statement by Press Secretary Fitzwater on the Restoration of Lithuanian Independence

Statement by Press Secretary Fitzwater on the President's Meeting With Former Prime Minister Noboru Takeshita of Japan

Nomination of Julian W. De La Rosa To Be Inspector General of the Department of Labor

Appointment of Deborah Amend as Special Assistant to the President for Communications

The President's News Conference

Letter to Congressional Leaders Transmitting the Executive Order Terminating the National Emergency With Respect to Nicaragua

White House Fact Sheet on Economic Assistance for Nicaragua

Remarks Following Discussions With President Joaquim Alberto Chissano of Mozambique

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Joaquim Alberto Chissano of Mozambique

Remarks and an Exchange With Reporters at an Alternative Fuel Demonstration

Letter to Congressional Leaders Transmitting the Annual Report of the United States Arms Control and Disarmament Agency

Message on the Observance of St. Patrick's Day, 1990

Appointment of Peter B. Teeley as United States Representative on the Executive Board of the

United Nations Children's Fund

Remarks Following a Tour of the Potomac Electric Power Company Generating Station at Chalk Point, Maryland

Nomination of G. Philip Hughes To Be United States Ambassador to Barbados, Dominica, St. Lucia, and St. Vincent and the Grenadines

Appointment of Penelope Payne as Special Assistant to the President for Legislative Affairs

Remarks to the National Association of Manufacturers

Nomination of Robert C. Larson To Be a Member of the Oversight Board of the Resolution Trust Corporation

Remarks and a Question-and-Answer Session at a White House Briefing for the Board of Directors of the National Newspaper Association

Remarks at a St. Patrick's Day Ceremony With Deputy Prime Minister Brian Lenihan of Ireland

Nomination of Robert Marshall White To Be Under Secretary of Commerce

Appointment of Joseph Sewall as an Alternate Member of the Roosevelt Campobello International Park Commission

Interview by Jim Angle of National Public Radio

Remarks and a Question-and-Answer Session With Members of the National Association of Attorneys General

Nomination of Thomas Lawrence Sansonetti To Be Solicitor of the Department of the Interior

Nomination of James B. Edwards To Be a Member of the Board of Directors of the Communications Satellite Corporation

Nomination of Jerry D. Jennings To Be Deputy Director of the Federal Emergency Management Agency

Nomination of John K. Lauber To Be a Member of the National Transportation Safety Board

Remarks on Economic Assistance for Nicaragua and Panama and an Exchange With Reporters

Statement by Press Secretary Fitzwater on Lithuanian Independence

Statement on Transmitting the Annual National Security Strategy Report

White House Fact Sheet on the National Security Strategy Report

Remarks on Signing the Greek Independence Day Proclamation

Message to the Senate Transmitting Amendments to the International Expositions Convention

Remarks on Signing the National Agriculture Day Proclamation

Remarks at the Welcoming Ceremony for Prime Minister Tadeusz Mazowiecki of Poland

Remarks on Signing the Poland-United States Business and Economic Treaty

White House Fact Sheet on the Poland-United States Business and Economic Treaty

Statement by Press Secretary Fitzwater on the Basel Convention on Transboundary Movement and Disposal of Hazardous Wastes

Message to the Congress Transmitting the Annual Report of the National Science Foundation

Statement on Namibian Independence

Toasts at the State Dinner for Prime Minister Tadeusz Mazowiecki of Poland

Remarks at a White House Tree-Planting Ceremony

Message to the Congress Transmitting Proposed Reforestation Legislation

The President's News Conference

Appointment of Stephen P. Farrar as Special Assistant to the President for Policy Development

Appointment of Lawrence B. Lindsey as Special Assistant to the President for Policy Development

Appointment of Marianne McGettigan as Special Assistant to the President for Policy Development

Accordance of the Personal Rank of Ambassador to Richard J. Smith While Serving as Special Negotiator for Acid Rain Talks With Canada

Nomination of Timothy Ryan To Be Director of the Office of Thrift Supervision

Letter to Congressional Leaders Transmitting the Annual Report on International Activities in Science and Technology

Remarks on United States Economic Assistance During a Meeting With Vice President Guillermo Ford of Panama

The President's News Conference

Nomination of Carl J. Kunasek To Be Commissioner on Navajo and Hopi Relocation

Statement by Press Secretary Fitzwater on the Expulsion of United States Diplomats From Lithuania

Statement on the Seventh Anniversary of the Strategic Defense Initiative

Appointment of James D. Wolfensohn as a Member of the Board of Trustees of the John F. Kennedy Center for the Performing Arts

Statement by Press Secretary Fitzwater on Lithuanian Independence

Nomination of Philip C. Jackson, Jr., To Be a Member of the Oversight Board of the Resolution Trust Corporation

Accordance of the Personal Rank of Ambassador to Frederic V. Malek While Serving as Director of the 1990 Economic Summit

Letter to Congressional Leaders Transmitting a Report on Compliance With Arms Control

Agreements

Remarks to the African Development Bank Roundtable

Remarks at a Luncheon Commemorating the Dwight D. Eisenhower Centennial

Statement by Press Secretary Fitzwater on the Emigration of Soviet Jews

Remarks at the Posthumous Presentation of the Congressional Gold Medal to Jesse Owens

Nomination of Michael L. Williams To Be an Assistant Secretary of Education

Appointment of Don M. Newman as United States Representative on the Council of the International Civil Aviation Organization With the Rank of Minister

Statement on the Seizure of Nuclear Weapon Component Shipments to Iraq

Remarks at the United States Olympic Committee Dinner

Remarks to the National Leadership Coalition on AIDS

Remarks and an Exchange With Reporters Prior to a Luncheon With the Founding Directors of the Points of Light Initiative Foundation

Letter to Congressional Leaders Submitting a Report on Counternarcotics Intelligence Activities

Message to the Congress Transmitting an Amendment to the International Regulations for Preventing Collisions at Sea

Nomination of Rear Admiral William J. Kime To Be Commandant of the United States Coast Guard

Statement by Press Secretary Fitzwater on International Cooperation in the President's Space Exploration Initiative

Statement by Press Secretary Fitzwater on the Japan-United States Structural Impediments Initiative Negotiations

Remarks at the Annual Convention of the National Association of Broadcasters in Atlanta, Georgia

Remarks at a Fundraising Dinner for Gubernatorial Candidate George Voinovich in Cincinnati, Ohio

Statement by Press Secretary Fitzwater on Iraq's Threat To Use Chemical Weapons

Remarks at a Tree-Planting Ceremony in Indianapolis, Indiana

Remarks at a Fundraising Luncheon for Senator Dan Coats in Indianapolis, Indiana

Remarks and an Exchange With Reporters Aboard Air Force One

Remarks at a Republican Party Fundraising Dinner in Detroit, Michigan

Remarks on Signing the Passover Message

Statement by Press Secretary Fitzwater on the President's Meeting With the Special Emissaries of Prime Minister Toshiki Kaifu of Japan

Remarks at the Presentation Ceremony for the National Teacher of the Year Award

Remarks on Clean Air Legislation at a Meeting With Members of the Senate

Appointment of Wilfredo J. Gonzalez as Staff Director of the Commission on Civil Rights

Remarks at the 20th Anniversary Dinner of the Joint Center for Political and Economic Studies

Excerpt From a Statement by Press Secretary Fitzwater on the Points of Light Initiative Foundation

Statement by Press Secretary Fitzwater on the Upcoming Summit With President Mikhail Gorbachev of the Soviet Union

Remarks on the Upcoming Summit With President Mikhail Gorbachev of the Soviet Union

Letter to Congressional Leaders Transmitting a Report on the Activities of the Soviet Union-

United States Standing Consultative Commission

Letter to Congressional Leaders on the Termination of the Emergency With Respect to Panama

Nomination of Wendy Lee Gramm To Be a Commissioner and Chairman of the Commodity Futures Trading Commission

Statement by Press Secretary Fitzwater on the Japan-United States Structural Impediments Initiative Negotiations

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Eduard Shevardnadze of the Soviet Union

Remarks and a Question-and-Answer Session With Members of the American Society of Newspaper Editors

Remarks at the 25th Anniversary Celebration of President Lyndon B. Johnson's Inauguration

Memorandum on the Delegation of Authority for Reporting on Panamanian Bank Secrecy Regimes

Statement on Chinese Immigration Relief

Statement by Press Secretary Fitzwater on the Czechoslovakia-United States Trade Agreement

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Message on the Observance of Passover, 5750

Statement by Press Secretary Fitzwater on the Appointment of Richard L. Armitage as Special Negotiator for the Future Status of United States Access to Military Facilities in the Philippines

Nomination of Arden L. Bement, Jr., To Be a Member of the National Science Board

Exchange With Reporters Aboard Air Force One

News Conference of the President and Prime Minister Mulroney in Toronto, Canada

Nomination of Dane Farnsworth Smith, Jr., To Be United States Ambassador to Guinea

Appointment of Mrs. Potter Stewart as Alternate United States Representative on the Executive Board of the United Nations Children's Fund

Nomination of Patrick E. McFarland To Be Inspector General of the Office of Personnel Management

Statement by Press Secretary Fitzwater on the President's Physical Examination

Appointment of Olin L. Wethington as Special Assistant to the President and Executive Secretary of the Economic Policy Council

Statements by Press Secretary Fitzwater on the President's Federal Income Tax Return

Remarks and an Exchange With Reporters at a Meeting on the Japan-United States Structural Impediments Initiative Negotiations

Exchange With Reporters Aboard Air Force One

News Conference of the President and Prime Minister Margaret Thatcher of the United Kingdom in Hamilton, Bermuda

Statement by Press Secretary Fitzwater on the President's Meeting in Bermuda With Prime Minister Margaret Thatcher of the United Kingdom

Remarks at a White House Briefing on Nicaragua

Statement by Press Secretary Fitzwater on Offsets in Military Exports

Nomination of Charles H. Thomas To Be United States Ambassador to Hungary

Nomination of Alan Philip Larson To Be United States Representative to the Organization for Economic Cooperation and Development

Appointment of Gerald William Ebker as a Member of the President's National Security Telecommunications Advisory Committee

Appointment of Bobby Lynn Brantley as a Member of the National Commission on Agriculture and Rural Development Policy

Appointment of Andrew L. Lewis, Jr., as a Member of the Dwight David Eisenhower Centennial Commission

Interview With Foreign Journalists

Remarks at the Opening Session of the White House Conference on Science and Economics Research Related to Global Change

Remarks on the Situation in Lithuania

Remarks Following Discussions With President Rafael Callejas of Honduras

Remarks on Meeting the National Collegiate Athletic Association's Men's and Women's Basketball Champions

Statement on the Death of Ralph David Abernathy

Nomination of Anthony J. Hope To Be Chairman of the National Indian Gaming Commission

Message to the Congress Reporting Budget Deferrals

Message to the Senate Transmitting the Spain-United States Convention on Taxation and Fiscal Evasion

Nomination of Olin L. Greene, Jr., To Be Administrator of the United States Fire Administration

Remarks at the Closing Session of the White House Conference on Science and Economics Research Related to Global Change

Letter to Congressional Leaders Transmitting a Report on the United States Military Presence in East Asia

Nomination of James Keough Bishop To Be United States Ambassador to Somalia

Nomination of Daniel F. Evans To Be a Director of the Federal Housing Finance Board, and

Designation as Chairman

Nomination of Lawrence U. Costiglio To Be a Director of the Federal Housing Finance Board

Nomination of Daniel H. Carter To Be a Member of the National Commission on Libraries and Information Science

News Conference of President Bush and President Francois Mitterrand of France in Key Largo, Florida

Remarks at a Fundraising Luncheon for Senatorial Candidate Bill Cabaniss in Birmingham, Alabama

Remarks on Presenting a Points of Light Award to the Birmingham-Southern College Conservancy and on Signing the National Recycling Month Proclamation in Birmingham, Alabama

Statement by Press Secretary Fitzwater on Soviet Economic Sanctions Against Lithuania

Statement on the Observance of the 75th Anniversary of the Armenian Massacres

Remarks at a Republican Party Fundraising Dinner in Orlando, Florida

Remarks at the Presentation of a Point of Light Award to Reef Relief and an Exchange With Reporters in Islamorada, Florida

Remarks in a Telephone Conversation With the Earth Day 20 International Peace Climb Team

Remarks to Participants in the Columbia River Gorge Earth Day 20 Rally

Statement on the Release of Former Hostage Robert Polhill

Remarks on the Release of Former Hostage Robert Polhill and an Exchange With Reporters

Remarks at the Swearing-In Ceremony for Ronald W. Roskens as Administrator of the Agency for International Development

Remarks to the National Academy of Sciences

Remarks on Signing the Hate Crime Statistics Act

Letter to Congressional Leaders Transmitting a Report on Compliance With the Southern Africa Tripartite Agreement

Message to the Congress Reporting Budget Rescissions

Nomination of James F. Blumstein To Be Administrator of the Office of Information and Regulatory Affairs

Message to the Congress Transmitting an Extension of the German Democratic Republic-United States Fishing Agreement

Remarks and a Question-and-Answer Session With the National Association of Agriculture Journalists

Remarks at a White House Briefing for the Associated General Contractors of America

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jacques Delors of the European Community Commission

Message to the Senate Transmitting a Protocol to the Canada-United States Extradition Treaty

Nomination of Steven E. Steiner for the Rank of Ambassador While Serving as United States Representative to the Special Verification Commission

Nomination of Ming Hsu To Be a Commissioner at the Federal Maritime Commission

Presidential Determination No. 90 - 17 -- Memorandum on Export-Import Bank Services for Nicaragua

Presidential Determination No. 90 - 18 -- Memorandum on Emergency Assistance for Nicaragua

Remarks to Capital Area Community Food Bank Volunteers

Remarks Announcing Federal Budget Reform Proposals

Letter to Congressional Leaders on Federal Budget Reform

Message to the Congress Transmitting a Joint Resolution Proposing a Line-Item Veto Constitutional Amendment

Remarks at a White House Ceremony for the Observance of National Crime Victims' Rights Week

Remarks to the Bethesda-Chevy Chase Rescue Squad in Bethesda, Maryland

Nomination of Peter Jon de Vos To Be United States Ambassador to Liberia

Memorandum on Senior Executive Service Positions in the Federal Bureau of Investigation and the Drug Enforcement Administration

Statement by Press Secretary Fitzwater on the President's Eye Examination

Remarks at the Welcoming Ceremony for President Carlos Andres Perez of Venezuela

Message to the Congress Transmitting Amendments to the China-United States Fishing Agreement

Remarks at a White House Briefing for Conservative Leaders

Nomination of General Michael J. Dugan To Be Chief of Staff of the Air Force

Letter to Congressional Leaders on Modifications of the Generalized System of Preferences

Memorandum on Modifications of the Generalized System of Preferences

Statement on International Trade

Remarks at a White House Briefing for the American Legislative Exchange Council

Remarks at the Presentation Ceremony for the President's Volunteer Action Awards

Designation of Edward E. Allison as Vice Chairman of the Board of Directors of the Pennsylvania Avenue Development Corporation

Remarks to Participants in the Rally for Life

Remarks at the Annual Meeting of the United States Chamber of Commerce

Remarks Following Discussions With President Guillermo Endara of Panama

Nomination of Gilberto Guardia Fabrega To Be Administrator of the Panama Canal Commission

Message to the Congress Reporting on the Transfer of Panamanian Governmen Assets Held By the United States

Remarks and an Exchange With Reporters Prior to a Meeting With Former Hostage Robert Polhill

Statement by Press Secretary Fitzwater on the President's Conversations With Former Hostages Frank Reed and Robert Polhill

Statement on the Release of Former Hostage Frank Reed

Remarks on Signing the National Physical Fitness and Sports Month Proclamation

Remarks at a White House Briefing for the Leadership of National Small Business United and the National Association of Women Business Owners

Message to the Congress Reporting on the Economic Sanctions Against Nicaragua

Message to the Congress Transmitting the District of Columbia Budget and Supplemental Appropriations Request

Statement on the Death of Henry Gregory

Statement by Press Secretary Fitzwater on Proposed Legislation Concerning Federal Pay Reform

Remarks at a Fundraising Dinner for the Korean War Veterans Memorial Commission

Remarks to the President's Committee on Employment of People With Disabilities

Remarks to the President's Youth Leadership Forum

Statement by Press Secretary Fitzwater on Modifications of Export Controls for Strategic Technologies and Goods

White House Statement on the Proposed Foreign Acquisition of UniSoft Group Limited

The President's News Conference

Remarks Following Discussions With Prime Minister Michael Manley of Jamaica

Remarks at the Presentation Ceremony for the Achievement Against All Odds Awards

Statement by Press Secretary Fitzwater on the President's Meeting With Mayor Teddy Kollek of Jerusalem

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Kazimiera Prunskiene of Lithuania

Statement by Press Secretary Fitzwater on the Establishment of a Presidential Emergency Board To Investigate Railroad Labor Disputes

Accordance of the Personal Rank of Ambassador to John Houston Hawes While Serving as the Open Skies Negotiator

Nomination of Stephen Anthony Trodden To Be Inspector General of the Department of Veterans Affairs

Message on the Observance of Cinco de Mayo

Nomination of Wallace Elmer Stickney To Be Director of the Federal Emergency Management Agency, and Appointment as a Governor of the Board of Governors of the American National Red Cross

Statement by Press Secretary Fitzwater on Mrs. Bush's Meeting With Former Hostage Frank Reed

Remarks at the Oklahoma State University Commencement Ceremony in Stillwater

Remarks at the Oklahoma Foundation for Excellence Dinner in Tulsa

Remarks on Signing the Asian/Pacific American Heritage Month Proclamation

Statement by Press Secretary Fitzwater Announcing Importation Restrictions on Archeological Treasures From Peru

Nomination of William Bodde, Jr., To Be United States Ambassador to the Marshall Islands

Nomination of Joseph Edward Lake To Be United States Ambassador to Mongolia

Nomination of James R. Moseley To Be an Assistant Secretary of Agriculture for Natural Resources and Environment

Remarks Following Discussions With President Jaime Paz Zamora of Bolivia

Remarks at the Presentation Ceremony for the Small Business Person of the Year Award

Statement on the Observance of Schuman Day

Statements by Press Secretary Fitzwater on the Federal Budget Negotiations

Appointment of Raymond Philip Laverty as Deputy Administrator of the Panama Canal Commission

Nomination of Sylvia Alice Earle To Be Chief Scientist of the National Oceanic and Atmospheric Administration

Remarks at the Texas A&I University Commencement Ceremony in Kingsville

Nomination of Jimmy Gurule To Be an Assistant Attorney General

Nomination of J. Michael Luttig To Be an Assistant Attorney General

Nomination of William Pelham Barr To Be Deputy Attorney General

Nomination of Charles M. House To Be Director of the Office for Victims of Crime

Nomination of Steven D. Dillingham To Be Director of the Bureau of Justice Statistics

Nomination of Robert C. Bonner To Be Administrator of the Drug Enforcement Administration

Remarks at a Fundraising Reception for Governor Carroll A. Campbell, Jr., in Columbia, South Carolina

Remarks at the University of South Carolina Commencement Ceremony in Columbia

White House Fact Sheet on the Citizens Democracy Corps

Remarks at the Liberty University Commencement Ceremony in Lynchburg, Virginia

Message to the Congress Reporting on the National Emergency With Respect to Iran

Nomination of Robert E. Lamb To Be United States Ambassador to Cyprus

Nomination of James Wilson Holsinger, Jr., To Be Chief Medical Director at the Department of Veterans Affairs

Remarks at the Welcoming Ceremony for President Zine El Abidine Ben Ali of Tunisia

Statement by Press Secretary Fitzwater on the Federal Budget Negotiations

Toasts at the State Dinner for President Zine El Abidine Ben Ali of Tunisia

The President's News Conference

Message to the Congress Transmitting a Report on United States Countermeasures to Political Repression in China

Nomination of David Passage To Be United States Ambassador to Botswana

Nomination of Richard Wayne Bogosian To Be United States Ambassador to Chad

Nomination of Philip S. Kaplan for the Rank of Ambassador While Serving as Deputy United States Representative to the Negotiations on Conventional Armed Forces in Europe

Nomination of Russell Flynn Miller To Be Inspector General for the Federal Emergency Management Agency

Statement by Press Secretary Fitzwater on the Death of Sammy Davis, Jr.

Remarks at a Meeting With the Commission on Civil Rights

Statement by Press Secretary Fitzwater on Armenia's Expression of Appreciation to Jeb and George P. Bush for Their Earthquake Relief Efforts

Remarks Following Discussions With Chancellor Helmut Kohl of the Federal Republic of Germany

Statement by Press Secretary Fitzwater on President Bush's Meeting With Acting President Arpad Goncz of Hungary

Nomination of Harry W. Shlaudeman To Be United States Ambassador to Nicaragua

Nomination of Eugene L. Scassa To Be United States Ambassador to Belize

Remarks at a Republican Party Fundraising Dinner in Dallas, Texas

Remarks at the Houston Economic Summit Headquarters and an Exchange With Reporters

Remarks at the University of Texas Commencement Ceremony in Austin

Remarks at the Dedication Ceremony for the Police Memorial in Portland, Oregon

Exchange With Reporters During a Meeting With Representative Denny Smith in Portland, Oregon

Exchange With Reporters During a Meeting With Congressional Candidate Bob Williams in Portland, Oregon

Remarks at a Fundraising Breakfast for Gubernatorial Candidate David Frohnmayer in Portland, Oregon

Remarks to Members of Self Enhancement, Incorporated, in Portland, Oregon

Remarks to Oakwood Community Members in Los Angeles, California

Remarks to the Council of the Americas

Statement by Press Secretary Fitzwater on the Killing of Palestinian Laborers in the Israeli-Occupied Gaza Strip

Statement on Signing the Biological Weapons Anti-Terrorism Act of 1989

Remarks at the Presentation Ceremony for the ``E'' Star Awards

Nomination of William B. Milam To Be United States Ambassador to Bangladesh

Nomination of James Daniel Phillips To Be United States Ambassador to the Congo

Nomination of Thomas W. Simons, Jr., To Be United States Ambassador to Poland

The President's News Conference

Presidential Determination No. 90 - 21 -- Memorandum on the Renewal of Most-Favored-Nation Trade Status for China

Message to the Congress on the Renewal of Most-Favored-Nation Trade Status for China

Statement by Press Secretary Fitzwater on the Renewal of Most-Favored-Nation Trade Status for China

Statement by Press Secretary Fitzwater on President Bush's Meeting With Provisional President Ertha Pascal Trouillot of Haiti

Remarks at a White House Ceremony Celebrating the 25th Anniversary of Head Start

Message to the House of Representatives Returning Without Approval the Amtrak Reauthorization and Improvement Act of 1990

Nomination of Roger Gran Harrison To Be United States Ambassador to Jordan

Statement on the House of Representatives Action on Clean Air Legislation

Interview With Martyn Lewis of BBC - 1, British Television

Interview With Gerd Helbig of ZDF, German Television

Interview With Christian Malar of Channel 5, French Television

Statement on Signing a Bill Amending Indian Laws

Nomination of Paul L. Ziemer To Be an Assistant Secretary of Energy

Nomination of Calvin A. Kent To Be Administrator of the Energy Information Administration

Statement by Deputy Press Secretary Hart on President Bush's Telephone Conversations With Presidents Violeta Chamorro of Nicaragua and Guillermo Endara of Panama

Statement on Signing the Dire Emergency Supplemental Appropriations Bill

Exchange With Reporters in Kennebunkport, Maine

Remarks at a Memorial Day Ceremony in Kennebunkport, Maine

Remarks at the Welcoming Ceremony for President Mikhail Gorbachev of the Soviet Union

Remarks and an Exchange With Reporters on the Soviet-United States Summit

Excerpts of White House Fact Sheets on Soviet-United States Scientific and Commercial Agreements

Toasts at the State Dinner for President Mikhail Gorbachev of the Soviet Union

Exchange With Reporters Following a Meeting With President Mikhail Gorbachev of the Soviet Union

Remarks on Signing Soviet-United States Bilateral Agreements

Soviet-United States Joint Statement on the Treaty on Strategic Offensive Arms

Soviet-United States Joint Statement on Future Negotiations on Nuclear and Space Arms and Further Enhancing Strategic Stability

Soviet-United States Joint Statement on Conventional Armed Forces in Europe

Soviet-United States Joint Statement on the Establishment of a Soviet-United States International Park in the Region of the Bering Strait

Excerpts of White House Fact Sheets on Soviet-United States Bilateral Agreements

Toasts at a Dinner Hosted by President Mikhail Gorbachev of the Soviet Union

Exchange With Reporters Following Meetings at Camp David, Maryland, With President Mikhail Gorbachev of the Soviet Union

Soviet-United States Joint Statement on Ethiopia

Soviet-United States Joint Statement on the Environment

News Conference of President Bush and President Mikhail Gorbachev of the Soviet Union

Presidential Determination No. 90 - 22 -- Memorandum on the Waiver of Requirements for Most-Favored-Nation Trade Status for Czechoslovakia

Letter to Congressional Leaders on the Waiver of Requirements for Most-Favored-Nation Trade Status for Czechoslovakia

Soviet-United States Joint Statement on Nonproliferation

Soviet-United States Joint Statement on Bering Sea Fisheries Conservation

Soviet-United States Joint Statement on Cooperation in Peaceful Uses of Atomic Energy

Soviet-United States Joint Statement on the International Thermonuclear Experimental Reactor

Soviet-United States Joint Statement on Technical Economic Cooperation

Exchange With Reporters at a Briefing for Cabinet Members on the Soviet-United States Summit

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary-General

Javier Perez de Cuellar de la Guerra of the United Nations

Appointment of Edith E. Holiday as Assistant to the President and Secretary to the Cabinet

Statement by Press Secretary Fitzwater on the Appointment of William Frederick Sittmann as Executive Secretary of the National Security Council

Nomination of David H. Leroy To Be Nuclear Waste Negotiator

Statement on the Anniversary of the Suppression of the Demonstrations at Tiananmen Square

Remarks at a Ceremony Honoring the GI Bill

Appointment of the 1990 - 91 White House Fellows

Message to the Congress Transmitting the Annual Report on Environmental Quality

Nomination of Roy M. Huffington To Be United States Ambassador to Austria

Nomination of Hugh Kenneth Hill To Be United States Ambassador to Bulgaria

Nomination of Frederick Vreeland To Be United States Ambassador to Burma (Myanmar)

Nomination of Aurelia Erskine Brazeal To Be United States Ambassador to Micronesia

Accordance of the Personal Rank of Ambassador to John F. Maisto While Representing the United States at the Organization of American States

Nomination of William Eric Andersen To Be Administrator of the Wage and Hour Division at the Department of Labor

Letter to Congressional Leaders Transmitting National Forest and Rangeland Management Proposals

Statement by Deputy Press Secretary Glen on the Termination of the State of Emergency in South Africa

Remarks at a Fundraising Luncheon for Governor Tommy Thompson in Milwaukee, Wisconsin

Remarks at a Fundraising Dinner for Gubernatorial Candidate Jim Edgar in Chicago, Illinois

Remarks at a Fundraising Breakfast for Governor Terry Branstad in Des Moines, Iowa

Exchange With Reporters Aboard Air Force One

Remarks at a Fundraising Luncheon for Senatorial Candidate Hal Daub in Omaha, Nebraska

Remarks to Members and Supporters of MAD DADS in Omaha, Nebraska

Remarks and an Exchange With Reporters Following Discussions With Chancellor Helmut Kohl of the Federal Republic of Germany

Statement by Press Secretary Fitzwater on President Bush's Dinner With President Carlos Salinas de Gortari of Mexico

Mexico-United States Joint Statement on Negotiation of a Free Trade Agreement

Remarks at the Presentation Ceremony for the Drug-Free School Recognition Program Awards

Exchange With Reporters on the Supreme Court Decision Overturning a Federal Flag Desecration Statute

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Lothar de Maiziere of the German Democratic Republic

Exchange With Reporters

Letter to Congressional Leaders on the Canada-United States Free Trade Agreement

Remarks Upon Receiving a Replica of the Iwo Jima Memorial and an Exchange With Reporters

Nomination of Kenneth Noel Peltier To Be United States Ambassador to Comoros

Nomination of George Fleming Jones To Be United States Ambassador to Guyana

Nomination of Richard V. Bertain To Be an Associate Director of ACTION

Remarks at a Reception for Supporters of the Annual Republican Congressional Fundraising Dinner

Remarks at the Annual Republican Congressional Fundraising Dinner

The President's News Conference With the Regional Reporters Association

Nomination of Townsend B. Friedman, Jr., To Be United States Ambassador to Mozambique

Nomination of Richard C. Brown To Be United States Ambassador to Uruguay

Statement by Press Secretary Fitzwater on the Violence in Romania

Remarks Following Discussions With Prime Minister Chatchai Chunhawan of Thailand

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Andres Rodriguez Pedotti of Paraguay

Remarks at a White House Ceremony Marking the Entry of the Peace Corps into Central Europe

Message to the House of Representatives Returning Without Approval the Hatch Act Reform Amendments of 1990

Nomination of Timothy J. McBride To Be an Assistant Secretary of Commerce

Nomination of W. Lee Rawls To Be an Assistant Attorney General

Designation of Anne E. Brunsdale as Vice Chairman of the United States International Trade Commission

Statement by Press Secretary Fitzwater on the Soviet-United States Short-Range Nuclear Forces Negotiations

Statement by Press Secretary Fitzwater on the Review of Regulatory Issues by the Council on Competitiveness

Statement by Chief of Staff Sununu on the Establishment of an International Fund for the Termination of Chlorofluorocarbon Production

Nomination of Stephen D. Potts To Be Director of the Office of Government Ethics

Message to the Congress Transmitting the Annual Report on Radiation Control for Health and Safety

Nomination of Edward William Gnehm, Jr., To Be United States Ambassador to Kuwait

Nomination of Genta Hawkins Holmes To Be United States Ambassador to Namibia

Message to the Senate Transmitting the Poland-United States Business and Economic Relations Treaty

Remarks at the Great Outdoors Award Dinner

Remarks at a Fundraising Luncheon for Governor Guy Hunt in Huntsville, Alabama

The President's News Conference in Huntsville, Alabama

Remarks to Employees of the George C. Marshall Space Flight Center in Huntsville, Alabama

Nomination of Edwin D. Williamson To Be Legal Adviser of the Department of State

Nomination of C.M. Schauerte To Be Federal Insurance Administrator of the Federal Emergency Management Agency

Nomination of James M. Stephens To Be a Member of the National Labor Relations Board, and Designation as Chairman

Nomination of John N. Raudabaugh To Be a Member of the National Labor Relations Board

Appointment of Norman Sisisky as a Member of the Board of Trustees of the James Madison Memorial Fellowship Foundation

Nomination of Earl Roger Mandle To Be a Member of the National Council on the Arts

Nomination of Bert W. Corneby To Be Superintendent of the United States Mint at West Point

Remarks at a Fundraising Dinner for Senator Jesse Helms in Charlotte, North Carolina

Remarks at the Ribbon-Cutting Ceremony for the Children's Inn at the National Institutes of Health in Bethesda, Maryland

Remarks Congratulating the Detroit Pistons on Winning the National Basketball Association Championship

Designation of Susan M. Coughlin as Vice Chairman of the National Transportation Safety Board

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Remarks to United States Attorneys

Statement by Press Secretary Fitzwater on the Renewal of the Hungary-United States Trade Agreement

Japan-United States Joint Statement on the 30th Anniversary of the Entry into Force of the United States-Japan Treaty of Mutual Cooperation and Security

Remarks Prior to Discussions With Nelson Mandela

Statement by Press Secretary Fitzwater on Fang Lizhi's Departure From China

Statement by Press Secretary Fitzwater on the Acquisition of Norton Company by BTR of the United Kingdom

Statement on the Federal Budget Negotiations

Message on the Observance of Independence Day

Nomination of Michael Martin Skol To Be United States Ambassador to Venezuela

Statement on Outer Continental Shelf Oil and Gas Development

Message to the Congress Reporting Budget Deferrals

Statement by Press Secretary Fitzwater on the President's Meeting With Thorvald Stoltenberg, United Nations High Commissioner for Refugees

Remarks at a White House Barbecue for Members of Congress

Nomination of George F. Murphy, Jr., To Be Inspector General of the United States Information Agency

Statement on Signing a Bill Protecting Natural and Cultural Resources in New Mexico

Remarks Announcing the Enterprise for the Americas Initiative

Message to the Congress Reporting Budget Rescissions

Statement on the Japan-United States Trade Negotiations

Message to the Congress Transmitting the Annual Report of the Federal Council on the Aging

Message to the Senate Transmitting Protocols to Soviet-United States Treaties on Underground Nuclear Testing

Nomination of Robert S. Mueller III To Be an Assistant Attorney General

The President's News Conference

Letter to Congressional Leaders on the Designation of Bahrain as a Beneficiary Developing Country

Statement on the Copenhagen Declaration of the Conference on Security and Cooperation in Europe

Message to the House of Representatives Returning Without Approval the Family and Medical Leave Act of 1990

Statement on Signing a Bill Calling Upon the United Nations to Repeal General Assembly Resolution 3379

Exchange With Reporters in Kennebunkport, Maine

Statement by Press Secretary Fitzwater on the Deaths of Moslem Pilgrims in Mecca, Saudi

Arabia

Exchange With Reporters

London Declaration on a Transformed North Atlantic Alliance

The President's News Conference Following the North Atlantic Treaty Organization Summit in London, United Kingdom

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Toshiki Kaifu of Japan Prior to the Houston Economic Summit

Remarks Announcing Canada-United States Air Quality Negotiations and an Exchange With Reporters in Houston, Texas

Joint Statement Announcing Canada-United States Air Quality Negotiations

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Francois Mitterrand of France Prior to the Houston Economic Summit

Statement by Press Secretary Fitzwater on the President's Meeting With Chancellor Helmut Kohl of the Federal Republic of Germany Prior to the Houston Economic Summit

Remarks at the Welcoming Ceremony for the Houston Economic Summit

Houston Economic Summit Political Declaration: Securing Democracy

Houston Economic Summit Statement on Transnational Issues

Houston Economic Summit Economic Declaration

Remarks on Presenting the Final Communique of the Houston Economic Summit

The President's News Conference Following the Houston Economic Summit

White House Fact Sheet on the President's Proposal for a Global Forest Convention

Remarks at the Thank You Houston Celebration in Houston, Texas

Remarks Following a Meeting With Greek Patriarch Dimitrios I

Remarks to the 30th Biennial Greek Orthodox Church Clergy-Laity Congress

Message to the Congress Transmitting a Report on Hungarian Emigration Policy

Message to the Congress Reporting on the Economic Sanctions Against Libya

Message to the Congress Transmitting the Annual Report on Nuclear Nonproliferation

Statement on Congressional Action on the Americans With Disabilities Act

Remarks on the Proposed Balanced Budget Amendment and an Exchange With Reporters

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Cesar Gaviria of Colombia

Statement on the Federal Budget Deficit

Statement on German Membership in the North Atlantic Treaty Organization

Nomination of Wayne Lee Berman To Be an Assistant Secretary of Commerce

Letter to Congressional Leaders on the Balanced Budget Amendment

Remarks and a Question-and-Answer Session With the Magazine Publishers of America

Statement by Press Secretary Fitzwater on the President's Meeting With British Labour Party Leader Neil Kinnock

Remarks to the National Council of La Raza

Exchange With Reporters Aboard Air Force One

Nomination of Steven B. Kelmar To Be an Assistant Secretary of Health and Human Services

Remarks at the Dedication of the Richard M. Nixon Presidential Library in Yorba Linda, California

Remarks at a Fundraising Dinner for Senatorial Candidate Larry Craig in Boise, Idaho

Remarks at a Fundraising Breakfast for Senatorial Candidate Allen Kolstad in Billings, Montana

Remarks at an Antidrug Rally in Billings, Montana

Remarks at the Frontier Days and State Centennial Parade in Cheyenne, Wyoming

Remarks at the Francis Earl Warren Air Force Base in Cheyenne, Wyoming

Remarks at the Christening of the U.S.S. George Washington in Newport News, Virginia

Statement by Press Secretary Fitzwater on the Importation of Semiautomatic Weapons

Remarks Following Discussions With President Rodrigo Borja Cevallos of Ecuador

Remarks Announcing the Nomination of David H. Souter To Be an Associate Justice of the Supreme Court of the United States and a Question-and-Answer Session With Reporters

Designation of Robert Elsner as Chairman of the Marine Mammal Commission

Remarks at a Republican Party Fundraising Luncheon in Philadelphia, Pennsylvania

Nomination of Ryan Clark Crocker To Be United States Ambassador to Lebanon

Statement by Press Secretary Fitzwater on the Appointment of the United States Representatives to the Board of Trustees of the Regional Environmental Center for Central and Eastern Europe

Remarks at an Antidrug Rally in Philadelphia, Pennsylvania

Nomination of Jerome H. Powell To Be an Assistant Secretary of the Treasury

Nomination of Edward P. Brynn To Be United States Ambassador to Burkina Faso

Accordance of the Personal Rank of Ambassador to Bradley Gordon While Serving on the Nuclear Non-Proliferation Treaty Review Conference Preparatory Committee

Remarks at a Republican Party Fundraising Dinner in New York, New York

Remarks at a Ceremony Commemorating Captive Nations Week

Appointment of Richard W. Porter as Special Assistant to the President and Executive Secretary for the Domestic Policy Council

Remarks on Signing the Americans with Disabilities Act of 1990

Statement on Signing the Americans with Disabilities Act of 1990

Appointment of Michael P. Jackson as Special Assistant to the President and Executive Secretary for Cabinet Liaison

Letter to Congressional Leaders Transmitting the Report of the Test of Television Broadcasting Into Cuba

Exchange With Reporters Aboard Air Force One

Remarks to the National Governors' Association

Nomination of Stephen H. Rogers To Be United States Ambassador to Swaziland

Nomination of Mary Sterling To Be Inspector General of the Department of Transportation

Remarks to the Youth Leadership Coalition

Joint Statement by the President and the Governors on a Process for Measuring and Reporting on Progress Toward the National Education Goals

Statement on the Establishment of the National Education Goals Panel

Remarks Following Discussions With President Gnassingbe Eyadema of Togo

Nomination of Thomas F. Kranz To Be an Associate Director of the Federal Emergency Management Agency

Statement by Deputy Press Secretary Popadiuk on the Iraqi Invasion of Kuwait

Statement by Deputy Press Secretary Popadiuk on the Iraqi Invasion of Kuwait

Remarks and an Exchange With Reporters on the Iraqi Invasion of Kuwait

Remarks and a Question-and-Answer Session With Reporters in Aspen, Colorado, Following a Meeting With Prime Minister Margaret Thatcher of the United Kingdom

Memorandum on the Withholding of Assistance to Iraq

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia

Statement by Press Secretary Fitzwater on Secretary of Health and Human Services Louis W. Sullivan

Remarks at the Aspen Institute Symposium in Aspen, Colorado

Message to the Congress Transmitting the ``Regulatory Program of the United States Government''

Nomination of Paula J. Dobriansky To Be an Associate Director of the United States Information Agency

Message to the Congress on the Declaration of a National Emergency With Respect to Iraq

Nomination of Arlene Render To Be United States Ambassador to The Gambia

Nomination of Gordon L. Streeb To Be United States Ambassador to Zambia

Nomination of Donna M. Owens To Be Director of the Bureau of Justice Assistance

Remarks and an Exchange With Reporters on the Iraqi Invasion of Kuwait

Statement by Press Secretary Fitzwater on the Evacuation of United States Citizens From Liberia

Statement by Press Secretary Fitzwater on Japanese Economic Sanctions Against Iraq

Remarks and an Exchange With Reporters on the Iraqi Invasion of Kuwait

Remarks at the Presentation Ceremony for the All-American Cities Awards

Nomination of Herbert Donald Gelber To Be United States Ambassador to Mali

Nomination of Scott M. Spangler To Be an Assistant Administrator of the Agency for International Development

Nomination of Charles B. DeWitt To Be Director of the National Institute of Justice

Appointment of Charles E.M. Kolb as Deputy Assistant to the President for Domestic Policy

Remarks and an Exchange With Reporters Following a Meeting With Prime Minister Margaret Thatcher of the United Kingdom and Secretary General Manfred Woerner of the North Atlantic Treaty Organization

Statement by Press Secretary Fitzwater on the Cease-Fire Between the African National Congress and the Government of South Africa

Statement by Press Secretary Fitzwater on the Anniversary of the Central American Peace Plan

Address to the Nation Announcing the Deployment of United States Armed Forces to Saudi Arabia

The President's News Conference

Statement by Press Secretary Fitzwater on the President's Meeting With the United States-Mexican Binational Commission

Appointment of Frances McMurtray Norris as Special Assistant to the President for Legislative Affairs

Nomination of Jeanne S. Archibald To Be General Counsel of the Department of the Treasury

Letter to Congressional Leaders on the Deployment of United States Armed Forces to Saudi Arabia and the Middle East

Letter to Congressional Leaders on Additional Economic Measures Taken With Respect to Iraq and Kuwait

Appointment of Condoleezza Rice as a Special Assistant to the President for National Security Affairs

Exchange With Reporters Aboard Air Force One on the Persian Gulf Crisis

Statement by Press Secretary Fitzwater on the Arab League's Statement on the Persian Gulf Crisis

Excerpts of a Statement by Press Secretary Fitzwater on the Persian Gulf Crisis

Remarks and an Exchange With Reporters on the Persian Gulf Crisis

Statement by Press Secretary Fitzwater on the Persian Gulf Crisis

Statement Announcing the Lifting of Restrictions on Soviet Businesspeople in the United States

Statement by Press Secretary Fitzwater on United States Interdiction of Iraqi Shipping

The President's News Conference

Presidential Determination No. 90 - 30 -- Memorandum on Trade With the German Democratic Republic

Letter to Congressional Leaders on Trade With the German Democratic Republic

Remarks to Department of Defense Employees

The President's News Conference on the Persian Gulf Crisis

Presidential Determination No. 90 - 31 -- Memorandum on Export-Import Bank Services for the German Democratic Republic

Statement by Press Secretary Fitzwater on the Treatment of Foreign Nationals in Iraq and Kuwait

Statement on Signing the Oil Pollution Act of 1990

Statement on Signing the Customs and Trade Act of 1990

Remarks at the Annual Conference of the Veterans of Foreign Wars in Baltimore, Maryland

Exchange With Reporters Aboard Air Force One

Remarks at a Republican Party Fundraising Luncheon in North Kingstown, Rhode Island

Statement by Press Secretary Fitzwater on President Bush's Conversations With President Francois Mitterrand of France and Senator Robert Byrd on the Persian Gulf Crisis

Letter to Congressional Leaders on the Mobilization of United States Reserves

Statement by Press Secretary Fitzwater on the Mobilization of United States Reserves

The President's News Conference on the Persian Gulf Crisis

Statement by Press Secretary Fitzwater on the United States Commercial Space Launch Policy

Letter to Congressional Leaders Transmitting an Alternate Federal Civilian Pay Plan

Statement by Press Secretary Fitzwater on United Nations Authorization of Enforcement of Economic Sanctions Against Iraq

Excerpt of a Statement by Press Secretary Fitzwater on Soviet President Mikhail Gorbachev's Endorsement of United Nations Economic Sanctions Against Iraq

Initial Order for Emergency Deficit Control Measures for Fiscal Year 1991

Statement by Press Secretary Fitzwater on the Continuation of United States Television Broadcasting to Cuba

Remarks and a Question-and-Answer Session With Reporters in Kennebunkport, Maine, Following a Meeting With Prime Minister Brian Mulroney of Canada

Remarks at a White House Briefing for Members of Congress on the Persian Gulf Crisis

Radio Address to United States Armed Forces Stationed in the Persian Gulf Region

Statement by Deputy Press Secretary Popadiuk on Consultations on the Persian Gulf Crisis

Letter to Congressional Leaders Reporting on the Cyprus Conflict

The President's News Conference on the Persian Gulf Crisis

Remarks Announcing the Upcoming Meeting With President Mikhail Gorbachev of the Soviet Union and an Exchange With Reporters in Kennebunkport, Maine

Message on the Observance of Labor Day, 1990

Remarks at a White House Briefing on National Drug Control Strategy

Statement by Press Secretary Fitzwater on the United States Commercial Space Launch Policy

White House Fact Sheet on the United States Commercial Space Launch Policy

Appointment of Shawn Smeallie as a Special Assistant to the President for Legislative Affairs

Remarks at a Fundraising Luncheon for Governor Mike Hayden in Topeka, Kansas

Remarks at a Fundraising Barbecue for Representative Bill Grant in Tallahassee, Florida

Memorandum on Trade With Czechoslovakia

Letter to Congressional Leaders on Trade With Czechoslovakia

Remarks and an Exchange With Reporters on the Federal Budget Negotiations

Exchange With Reporters Prior to a Meeting With Federal Budget Negotiators

Statement by Press Secretary Fitzwater on the Presidential Mission to the Soviet Union

Statement by Press Secretary Fitzwater on Emergency Assistance for Persian Gulf Refugees

Remarks at the Arrival Ceremony in Helsinki, Finland

Remarks to Members of the American Embassy Community in Helsinki, Finland

Soviet Union-United States Joint Statement on the Persian Gulf Crisis

Joint News Conference of President Bush and Soviet President Mikhail Gorbachev in Helsinki, Finland

White House Statement on Reform of the Federal Financial Accounting System

Message to the Congress Transmitting the Report on the Fiscal Year 1991 Federal Budget Sequestration

Nomination of Richard A. Claytor To Be an Assistant Secretary of Energy

Nomination of Frederick P. Hitz To Be Inspector General of the Central Intelligence Agency

Statement by Press Secretary Fitzwater on the President's Telephone Conversations With Foreign Leaders on the Persian Gulf Crisis

Remarks at the Presentation Ceremony for the National Medal of the Arts

Statement by Press Secretary Fitzwater on the Iraqi Offer To Give Oil to Developing Countries

Memorandum on the Combined Federal Campaign

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board

Address Before a Joint Session of the Congress on the Persian Gulf Crisis and the Federal Budget Deficit

Remarks to Federal, State, and Local Prosecutors

Nomination of Harmon Elwood Kirby To Be United States Ambassador to Togo

Statement by Press Secretary Fitzwater on the Treaty on the Final Settlement With Respect to Germany

Statement by Press Secretary Fitzwater on the President's Taped Address to the People of Iraq

Remarks on Transmitting the Enterprise for the Americas Initiative Act of 1990

Message to the Congress Transmitting the Enterprise for the Americas Initiative Act of 1990

White House Fact Sheet on the Enterprise for the Americas Initiative Act of 1990

Remarks to Participants in the International Appellate Judges Conference

Appointment of Teresa A. Gorman as Special Assistant to the President for Policy Development

Nomination of Walter E. Massey To Be Director of the National Science Foundation

Nomination of Leonard H.O. Spearman, Sr., To Be United States Ambassador to Lesotho

Remarks on the Persian Gulf Crisis and an Exchange With Reporters

Address to the People of Iraq on the Persian Gulf Crisis

Remarks and a Question-and-Answer Session With Members of the Regional News Media

Remarks to Participants in the Elementary School Recognition Program

Letter to Congressional Leaders on Textile, Apparel, and Footwear Trade Legislation

Remarks at a Republican Party Fundraising Luncheon in Denver, Colorado

Remarks at a Fundraising Dinner for Gubernatorial Candidate Pete Wilson in Los Angeles, California

Remarks at a Fundraising Luncheon for Gubernatorial Candidate Pete Wilson in San Francisco, California

Nomination of Mary Shannon Brunette To Be an Assistant Secretary of Housing and Urban Development

Nomination of John P. Leonard To Be United States Ambassador to Suriname

Statement by Deputy Press Secretary Popadiuk on the President's Meeting With the Administrator and Deputy Administrator of the Panama Canal Commission

Nomination of Merrill A. McPeak To Be Chief of Staff of the Air Force

Nomination of Roscoe Burton Starek III To Be a Member of the Federal Trade Commission

Nomination of Charles L. Cragin To Be Chairman of the Board of Veterans Appeals

Appointment of Leigh Ann Metzger as Special Assistant to the President for Public Liaison

The President's News Conference

Statement by Deputy Press Secretary Popadiuk on United States Military Assistance to Saudi Arabia

Remarks at a Fundraising Breakfast for District of Columbia Mayoral Candidate Maurice Turner

Remarks Following Discussions With State President F.W. de Klerk of South Africa

Remarks and a Question-and-Answer Session at a White House Briefing for Representatives of the Arab-American Community

Remarks on Signing the National Hispanic Heritage Month Proclamation and the Educational Excellence for Hispanic Americans Executive Order

Nomination of Robert A. Flaten To Be United States Ambassador to Rwanda

Remarks on Signing the Message to the Senate Transmitting the Treaty on the Reunification of Germany

Message to the Senate Transmitting the Treaty on the Reunification of Germany

Nomination of Elsie V. Vartanian To Be Director of the Women's Bureau

Remarks Following Discussions With President Turgut Ozal of Turkey

Remarks at the Annual Meeting of the Boards of Governors of the International Monetary Fund

and World Bank Group

Remarks on the Federal Budget Negotiations

Statement on Signing the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990

Message to the Congress Transmitting the South Pacific Environmental Protection Convention and Protocols

Letter to Congressional Leaders on Mexico-United States Free Trade Negotiations

Message to the Senate Transmitting the Soviet Union-United States Maritime Boundary Agreement

Exchange With Reporters Aboard Air Force One on the Federal Budget Negotiations

Remarks at a Fundraising Luncheon for Gubernatorial Candidate George Voinovich in Akron, Ohio

Remarks at a Rally for Senatorial Candidate Lynn Martin in Chicago, Illinois

Letter to Congressional Leaders on Legislation to Amend Clean Air Act

Remarks at a Fundraising Breakfast for Gubernatorial Candidate Jon Grunseth in Minneapolis, Minnesota

Remarks at a Fundraising Luncheon for Gubernatorial Candidate George Voinovich in Cleveland, Ohio

Remarks at a Fundraising Dinner for Senatorial Candidate Bill Schuette in Detroit, Michigan

Remarks and an Exchange With Reporters Prior to Discussions With President Zhelyu Zhelev of Bulgaria

Remarks Following Discussions With Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait

Statement by Press Secretary Fitzwater on the Cancellation of the State Visit of President

Wojciech Jaruzelski of Poland

Remarks at the Washington National Cathedral Dedication Ceremony

Statement by Press Secretary Fitzwater on President Bush's Meeting in New York City With President Cesar Gaviria of Colombia

Statement by Press Secretary Fitzwater on the President's Meeting in New York City With Prime Minister Salim al-Huss of Lebanon

Statement by Press Secretary Fitzwater on the President's Meeting in New York City With Prime Minister Brian Mulroney of Canada

Statement by Press Secretary Fitzwater on the President's Meeting in New York City With Prime Minister Tadeusz Mazowiecki of Poland

Remarks at the Opening Ceremony of the United Nations World Summit for Children in New York City

Message to the Congress on the Continuation of Export Control Regulations

Remarks Announcing a Federal Budget Agreement

Statement by Press Secretary Fitzwater on President Bush's Meeting in New York, New York, With President Vaclav Havel of Czechoslovakia

Address Before the 45th Session of the United Nations General Assembly in New York, New York

Statement by Press Secretary Fitzwater on United States Emergency Military Assistance for Israel

Statement by Press Secretary Fitzwater on the Release of Shiite Moslem Prisoners in Lebanon

Remarks on Signing a Resolution Providing Funding for Continued Government Operation and a Question-and-Answer Session With Reporters in New York, New York

Remarks at the Ministerial Meeting in New York, New York, of the Conference on Security and

Cooperation in Europe

Statement by Press Secretary Fitzwater on the President's Meeting With General Mikhail A. Moiseyev, Chief of the General Staff of the Soviet Union

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Patricio Aylwin Azocar of Chile

Remarks to Business Leaders on the Federal Budget Agreement

Remarks at the Presentation Ceremony for the Presidential Awards for Excellence in Science and Mathematics Teaching

Statement by Press Secretary Fitzwater on the President's Meeting With Jonas Savimbi of the National Union for the Total Independence of Angola

Address to the German People on the Reunification of Germany

Address to the Nation on the Federal Budget Agreement

Remarks and a Question-and-Answer Session With Regional Newspaper Editors

Remarks on Signing the German-American Day Proclamation at a White House Ceremony Celebrating the Reunification of Germany

Message to the Congress on the Continuation of Naval Petroleum Reserves Production

Remarks on Signing the Proclamation Commemorating the Designation of Atlanta as Olympic Host City

Message to the Congress Reporting Budget Deferrals

Nomination of Michael Joseph Bayer To Be Federal Inspector of the Alaska Natural Gas Transportation System

Remarks on the Conventional Armed Forces in Europe Negotiations

Appointment of Jeffrey R. Holmstead as an Associate Counsel to the President

Remarks on Transmitting to the Congress Proposed Legislation on Trade Preference for Andean Countries

Message to the Congress Transmitting Proposed Legislation on Trade Preference for Andean Countries

Message to the House of Representatives Returning Without Approval the Textile, Apparel, and Footwear Trade Act of 1990

Statement on the Intention To Veto of a Resolution Providing Funding for Continued Government Operation

The President's News Conference on the Federal Budget Crisis

Message to the House of Representatives Returning Without Approval a Resolution Providing Funding for Continued Government Operation

Remarks at the Swearing-In Ceremony for David H. Souter as an Associate Justice of the Supreme Court of the United States

Statement on Signing a Resolution Providing Funding for Continued Government Operation

The President's News Conference

Remarks at a White House Briefing on Drugs in the Workplace

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister A.N.R. Robinson of Trinidad and Tobago

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia

Remarks at a Fundraising Breakfast for Senator Jesse Helms in Raleigh, North Carolina

Remarks at a Rally for Governor Bob Martinez in St. Petersburg, Florida

Remarks at a Fundraising Reception for Gubernatorial Candidate Johnny Isakson in Atlanta, Georgia

Appointment of David C. Gompert as Special Assistant to the President for National Security Affairs

Nomination of Marion Clifton Blakey To Be an Assistant Secretary of Transportation

Statement by Press Secretary Fitzwater on the President's Meeting With House Republican Leaders

Remarks at a White House Briefing for Representatives of Veterans Organizations

Remarks and an Exchange With Reporters on the Federal Budget Negotiations

Remarks on Signing the Fire Prevention Week Proclamation

Nomination of David A. Kessler To Be Commissioner of Food and Drugs

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President Mohammed Hosni Mubarak of Egypt

Statement on Signing the Bill Establishing a National Policy on Permanent Records

Presidential Determination No. 91 - 3 -- Memorandum on Refugee Admissions

Nomination of Robert William Gambino To Be Director of Selective Service

Final Order for Emergency Deficit Control Measures for Fiscal Year 1991

Statement on Signing the Radiation Exposure Compensation Act

Remarks at a Fundraising Luncheon for Gubernatorial Candidate Clayton Williams in Dallas, Texas

Remarks at a Republican Fundraising Reception in Omaha, Nebraska

Statement Congratulating President Mikhail Gorbachev of the Soviet Union as the Recipient of the Nobel Peace Prize

Remarks at a Republican Fundraising Breakfast in Des Moines, Iowa

Remarks at a Campaign Rally for Gubernatorial Candidate Jim Edgar in Chicago, Illinois

Statement on Signing the Market Reform Act of 1990

Remarks at a Campaign Rally for Gubernatorial Candidate John Engler in Grand Rapids, Michigan

Statement on the Federal Budget

Statement on the Children's Television Act of 1990

Remarks at the Welcoming Ceremony for Prime Minister Jozsef Antall of Hungary

Statement by Press Secretary Fitzwater on the Lifting of the State of Emergency in Natal

Remarks to White House Interns

Toasts at the State Dinner for Prime Minister Jozsef Antall of Hungary

Remarks to the National Italian American Foundation

Excerpt of a Statement by Press Secretary Fitzwater on the Citizens Democracy Corps

Statement on Civil Rights Legislation

Message to the Congress Transmitting Proposed Civil Rights Legislation

Message to the Senate Returning Without Approval the Civil Rights Act of 1990

Statement on Signing the San Carlos Mineral Strip Act of 1990

Statement by Press Secretary Fitzwater on Violence in the Middle East

Memorandum on the Kaho'olawe, Hawaii, Weapons Range

Message to the Congress Transmitting the Annual Report on the State of Small Business

Remarks at the Presentation Ceremony for the Theodore Roosevelt Conservation Award

Remarks at a Republican Fundraising Breakfast in Burlington, Vermont

Remarks at a Republican Campaign Rally in Manchester, New Hampshire

Exchange With Reporters Following a Fundraising Reception for Congressional Candidate Gary Franks in Waterbury, Connecticut

Remarks at a Fundraising Dinner for Gubernatorial Candidate John Rowland in Stamford, Connecticut

Remarks on Presenting the Congressional Gold Medal to Andrew Wyeth

Remarks Announcing the Resignation of Secretary of Labor Elizabeth Dole

Statement by Press Secretary Fitzwater on the Federal Budget Crisis

Exchange With Reporters on the Federal Budget Crisis

Remarks to a Fundraising Luncheon for New Mexico Gubernatorial Candidate Frank Bond

Remarks at a Fundraising Breakfast for Gubernatorial Candidate Pete Wilson in Irvine, California

Message to the Congress Transmitting the Annual Report on Agricultural Trade Goals

Remarks at a Campaign Rally for Gubernatorial Candidate Pete Wilson in Los Angeles, California

Remarks at a Fundraising Dinner for Senatorial Candidate Pat Saiki in Honolulu, Hawaii

Remarks on the Federal Budget Agreement and an Exchange With Reporters in Honolulu, Hawaii

Remarks at the Conclusion of the Pacific Island Nations-United States Summit in Honolulu, Hawaii

Message to the Congress Transmitting a Report on Panamanian Government Assets Held by the United States

Nomination of John A. Bushnell To Be United States Ambassador to Costa Rica

Statement by Press Secretary Fitzwater on Lebanon

Remarks to Officers and Troops at Hickam Air Force Base in Pearl Harbor, Hawaii

Exchange With Reporters in San Francisco, California

Remarks at a Rally for Gubernatorial Candidate Bill Price in Oklahoma City, Oklahoma

Remarks Congratulating the Cincinnati Reds on Winning the World Series

Remarks at the Republican National Committee Election Countdown Rally

Statement on Signing the Bill Reauthorizing Native American Higher Education Assistance

Exchange With Reporters in Alexandria, Virginia

Remarks at a Fundraising Breakfast for Representative Stan Parris in Alexandria, Virginia

Exchange With Reporters on the Persian Gulf Crisis

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary of State Agostino Cardinal Casaroli of the Holy See

Remarks at a Republican Party Fundraising Breakfast in Burlington, Massachusetts

Remarks at a Republican Campaign Rally in Mashpee, Massachusetts

The President's News Conference in Orlando, Florida

Remarks at a Reception for Governor Bob Martinez in Orlando, Florida

Remarks at a Republican Reception in Cincinnati, Ohio

Remarks Upon Arrival in Rochester, Minnesota

Remarks at a Republican Party Reception in Rochester, Minnesota

Remarks at a Republican Reception in Sioux City, Iowa

Remarks at a Tree-Planting Ceremony in Thousand Oaks, California

Remarks at a Reception for Gubernatorial Candidate Pete Wilson in Thousand Oaks, California

Remarks at a Republican Campaign Rally in Albuquerque, New Mexico

Remarks to a Campaign Rally for Senatorial Candidate Hal Daub in Plattsmouth, Nebraska

Remarks to a Reception for Congressional Candidate Genevieve Atwood in Salt Lake City, Utah

Remarks to a Campaign Rally for Congressional Candidate Wayne Gilchrest in Salisbury, Maryland

Remarks to a Campaign Rally for Gubernatorial Candidate Arliss Sturgulewski in Anchorage, Alaska

Remarks at a Republican Campaign Rally in Tyler, Texas

Remarks at a Republican Campaign Rally in Waco, Texas

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991

Statement on Signing the Omnibus Budget Reconciliation Act of 1990

Statement on Signing the Treasury, Postal Service and General Government Appropriations Act, 1991

Statement on Signing the National Defense Authorization Act for Fiscal Year 1991

Statement on Signing the Department of Defense Appropriations Act, 1991

Statement on Signing the Department of the Interior and Related Agencies Appropriations Act, 1991

Statement on Signing the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991

Statement on Signing the Energy and Water Development Appropriations Act, 1991

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1991

Statement on Signing the Military Construction Appropriations Act, 1991

Remarks at a Republican Campaign Rally in Houston, Texas

Statement on Signing the Bill Providing for the Study of Historical and Cultural Resources in Vancouver, Washington

Statement on Signing the Disadvantaged Minority Health Improvement Act of 1990

Letter to Congressional Leaders Transmitting the Report on United States Satellites and Antisatellite Weapons

Statement on Signing the Foreign Direct Investment and International Financial Data Improvements Act of 1990

Presidential Determination No. 91 - 8 -- Memorandum on the Liberalization of Trade and Investment With Nicaragua

Letter to Congressional Leaders on the Liberalization of Trade and Investment With Nicaragua

Statement by Press Secretary Fitzwater on the Liberalization of Trade and Investment With Nicaragua

Remarks Announcing the Resignation of William J. Bennett as Director of National Drug Control Policy and a Question-and-Answer Session With Reporters

Letter Accepting the Resignation of William J. Bennett as Director of National Drug Control

Policy

The President's News Conference on the Persian Gulf Crisis

Statement on Signing the Nutrition Labeling and Education Act of 1990

Statement on Signing the Bill Amending the Employee Retirement Income Security Act of 1974

Statement on Signing the Bill Extending Nondiscriminatory Tariff Treatment to Products of Czechoslovakia

Memorandum of Disapproval for the Orphan Drug Amendments of 1990

Final Sequester Order

Appointment of Remedios Diaz-Oliver as a Member of the Advisory Committee for Trade Policy and Negotiations

Notice of the Continuation of the National Emergency With Respect to Iran

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Iran

Remarks at the Presentation Ceremony for the National Medals of Science and Technology

Remarks Following Discussions With Giulio Andreotti, Prime Minister of Italy and President of the European Council

Statement by Press Secretary Fitzwater on President Bush's Meeting With Giulio Andreotti, Prime Minister of Italy and President of the European Council

Remarks at a Dinner for the Senate Republican Leadership

Letter to Congressional Leaders on the Extension of Active Duty of the Selected Reserve of the Armed Forces

Remarks at the Presentation Ceremony for the President's Environmental Youth Awards

Letter to Congressional Leaders Transmitting a Report on the Potential Effects of Space Nuclear Reactors on Gamma-Ray Astronomy Missions

Remarks at the Thanksgiving Turkey Presentation Ceremony

Letter to Congressional Leaders on National Emergency Construction Authority

Appointment of Ann Windham Wallace as Director of the Office of Consumer Affairs

Remarks on Signing the Bill Amending the Clean Air Act

Statement on Signing the Bill Amending the Clean Air Act

Nomination of Susannah Simpson Kent To Be Director of the Institute of Museum Services

Statement on Signing the Chief Financial Officers Act of 1990

Statement on Signing the Bill Ensuring the Applicability of Patent Law to Activities in Outer Space

Statement on Signing the Excellence in Mathematics, Science and Engineering Education Act of 1990

Remarks on Signing Environmental Protection, Research, and Education Bills

Statement on Signing the Antarctic Protection Act of 1990

Statement on Signing the Great Lakes Critical Programs Act of 1990

Statement on Signing the Fort Hall Indian Water Rights Act of 1990

Statement on Signing the Aviation Security Improvement Act of 1990

Statement on Signing the Bill Designating Florida Keys Coastal Waters as a National Marine Sanctuary

Statement on Signing the Consumer Product Safety Improvement Act of 1990

Statement on Signing the Bill Amending the Arctic Research and Policy Act of 1984

Statement on Signing the National and Community Service Act of 1990

Statement on Signing the National Earthquake Hazards Reduction Program Reauthorization Act

Statement on Signing the National Environmental Education Act

Memorandum of Disapproval for the Private Relief Bill Providing Benefits to Joan R. Daronco

Memorandum of Disapproval for the Indian Preference Act of 1990

Letter to Congressional Leaders on the Deployment of Additional United States Armed Forces to the Persian Gulf

Letter to Congressional Leaders Reporting on the Declaration of a National Emergency Concerning Chemical and Biological Weapons Proliferation

Memorandum of Disapproval for the Omnibus Export Amendments Act of 1990

Memorandum on the Egyptian Military Debt

Appointment of Jeannette Louise Naylor as Deputy Assistant to the President and Deputy Director of Presidential Personnel

Nomination of Alixe Reed Glen To Be an Assistant Secretary of Health and Human Services

Statement by Press Secretary Fitzwater on the President's Meetings With National Leaders in Prague, Czechoslovakia

Remarks to the Federal Assembly in Prague, Czechoslovakia

Question-and-Answer Session With Reporters Following Discussions With President Vaclav Havel in Prague, Czechoslovakia

Remarks in Prague, Czechoslovakia, at a Ceremony Commemorating the End of Communist Rule

Statement by Press Secretary Fitzwater on the Czechoslovakia-United States Trade Agreement

Radio Address to the People of Czechoslovakia

Exchange With Reporters Aboard Air Force One

Remarks to the Residents of Speyer, Germany

Remarks and a Question-and-Answer Session With Reporters Following a Luncheon With Chancellor Helmut Kohl in Ludwigshafen, Germany

Remarks and an Exchange With Reporters Following Discussions With Prime Minister Margaret Thatcher of the United Kingdom in Paris, France

Treaty on Conventional Armed Forces in Europe

Remarks to the Conference on Security and Cooperation in Europe in Paris, France

Text of the Joint Declaration of Twenty-Two States

Exchange With Reporters Prior to a Meeting With President Mikhail Gorbachev of the Soviet Union in Paris, France

Statement by Press Secretary Fitzwater on President Bush's Meetings With President Turgut Ozal of Turkey and Prime Minister Tadeusz Mazowiecki of Poland

Exchange With Reporters Prior to a Meeting With Prime Minister Constantine Mitsotakis of Greece in Paris, France

Remarks and a Question-and-Answer Session With Reporters in Paris, France

Text of the Charter of Paris for a New Europe

Thanksgiving Day Message to American Troops

Remarks and a Question-and-Answer Session With Reporters in Jeddah, Saudi Arabia, Following Discussions With Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait

Statement on Signing the Bill Modifying the Boundaries of the Alaska Maritime National Wildlife Refuge

Statement on Signing the International Narcotics Control Act, 1990

Remarks to the Military Airlift Command in Dhahran, Saudi Arabia

Remarks to United States Army Troops Near Dhahran, Saudi Arabia

Remarks During a Thanksgiving Day Service on Board the U.S.S. Nassau in the Persian Gulf

Remarks to Allied Armed Forces Near Dhahran, Saudi Arabia

Exchange With Reporters Near Dhahran, Saudi Arabia

Remarks and a Question-and-Answer Session With Reporters Following Discussions With President Mohammed Hosni Mubarak in Cairo, Egypt

Exchange With Reporters in Geneva, Switzerland, Prior to a Meeting With President Hafiz al-Assad of Syria

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Hafiz al-Assad of Syria

Remarks at the Arrival Ceremony in Monterrey, Mexico

Statement by Press Secretary Fitzwater on President Bush's Discussions With President Carlos Salinas de Gortari in Agualeguas, Mexico

Remarks to Community Members in Monterrey, Mexico

Remarks at a Meeting With Mexican and American Business Leaders in Monterrey, Mexico

Toast at the State Luncheon Hosted by President Carlos Salinas de Gortari in Monterrey, Mexico

Mexico-United States Joint Statement

Remarks on Signing the Food, Agriculture, Conservation, and Trade Act of 1990

Statement on Signing the Food, Agriculture, Conservation, and Trade Act of 1990

Remarks on Signing the Cranston-Gonzalez National Affordable Housing Act

Statement on Signing the Cranston-Gonzalez National Affordable Housing Act

Statement on Signing the Fishery Conservation Amendments of 1990

Statement on Signing the Bill Authorizing the Conveyance of Land by the Rumsey Indian Rancheria

Statement on Signing the Water Resources Development Act of 1990

Statement on Signing the Independent Safety Board Act Amendments of 1990

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iran

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Statement by Press Secretary Fitzwater on Argentine and Brazilian Compliance With Nuclear Safeguards and Nonproliferation Regimes

Statement on Signing the Stewart B. McKinney Homeless Assistance Amendments Act of 1990

Statement on Signing the Bill on Wetland and Coastal Inland Waters Protection and Restoration Programs

Remarks to the Association of Bank Holding Companies

Remarks at a Reception for Participants in Students Taking Action and Responsibility in Service

Statement on Signing the Crime Control Act of 1990

Statement on Signing the Negotiated Rulemaking Act of 1990

Remarks on Signing the Immigration Act of 1990

Statement on Signing the Immigration Act of 1990

Statement on the United Nations Security Council Resolution Authorizing the Use of Force Against Iraq

The President's News Conference

Exchange With Reporters Prior to a Meeting With Foreign Minister Qian Qichen of China

Remarks Announcing the Nomination of Bob Martinez To Be Director of National Drug Control Policy

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversations With Foreign Leaders

Memorandum of Disapproval for the Intelligence Authorization Act, Fiscal Year 1991

Written Responses to Questions Submitted by the South American Press

Statement on Signing the Judicial Improvements Act of 1990

Remarks to a Joint Session of the Congress in Brasilia, Brazil

Remarks at a Luncheon for the Business Community in Brasilia, Brazil

Toast at a State Dinner in Brasilia, Brazil

Question-and-Answer Session With Reporters in Montevideo, Uruguay

Remarks to a Joint Session of the Congress in Montevideo, Uruguay

Question-and-Answer Session With Reporters in Buenos Aires, Argentina

Remarks to a Joint Session of the Congress in Buenos Aires, Argentina

Toast at a State Dinner in Buenos Aires, Argentina

Remarks at the Arrival Ceremony in Santiago, Chile

Question-and-Answer Session With Reporters in Santiago, Chile

Remarks to a Joint Session of the Congress in Valparaiso, Chile

Toast at a State Dinner in Santiago, Chile

Remarks at the American Chamber of Commerce Breakfast in Santiago, Chile

Statement on the Uruguay Round Multilateral Trade Negotiations

Toast at a State Dinner in Caracas, Venezuela

White House Fact Sheet on the Venezuela-United States Science and Technical Cooperation Agreement

Question-and-Answer Session With Reporters in Caracas, Venezuela

Remarks at a Luncheon Hosted by the Venezuelan-American Chambers of Commerce in Caracas, Venezuela

Statement on the Ratification of Soviet Union-United States Nuclear Testing Limitation Agreements

Remarks on Signing the Human Rights Day, Bill of Rights Day, and Human Rights Week Proclamation

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Vytautus Landsbergis of Lithuania

Message on the Observance of Hanukkah

Remarks at a White House Conference on Drunk and Drugged Driving Awareness

Nomination of Donald A. Henderson To Be an Associate Director of the Office of Science and Technology Policy

Remarks on the Observance of Hanukkah

Remarks at the Jobs for America's Graduates Awards Ceremony

Remarks on the Waiver of the Jackson-Vanik Amendment and on Economic Assistance to the Soviet Union

White House Fact Sheet on the Waiver of the Jackson-Vanik Amendment

White House Fact Sheet on the Medical Assistance Program for the Soviet Union

White House Fact Sheet on Technical Assistance in Food Distribution and Marketing for the Soviet Union

Excerpt of a White House Fact Sheet on the Soviet Union and International Financial Institutions

Remarks at the Presentation Ceremony for the Malcolm Baldrige National Quality Awards

Remarks at a Briefing on the Points of Light Foundation

Exchange With Reporters Prior to a Meeting With Hostages Released by Iraq

Remarks on Lighting the National Christmas Tree

Statement by Press Secretary Fitzwater on the President's Export Control Initiatives

Remarks on the Nomination of the Secretary of Labor and the Persian Gulf Crisis and a Question-and-Answer Session With Reporters

Remarks on Cabinet Nominations and a Question-and-Answer Session With Reporters

Remarks and a Question-and-Answer Session With Reporters Following Discussions With Allies on the Persian Gulf Crisis

Message on the Observance of Christmas

The President's News Conference With Regional Reporters

Statement by Press Secretary Fitzwater on the Federal Reserve System's Reduction of the Discount Rate

Letter to Congressional Leaders on Norwegian Whaling Activities

Remarks at a White House Briefing on Drug Abuse Statistics

Memorandum on the Certification of Countries Exporting Shrimp to the United States

Letter to Congressional Leaders Transmitting a Report on Polar Icebreaker Requirements

Appointment of Phillip D. Brady as Assistant to the President and Staff Secretary

Letter to the Speaker of the House on Modification of Provisions of the Federal Budget Agreement

Remarks and a Question-and-Answer Session With Reporters at Camp David, Maryland, Following Discussions With Prime Minister John Major of the United Kingdom

Christmas Message to American Troops

Exchange With Reporters

Presidential Determination No. 91 - 10 -- Memorandum on the Cancellation of Egyptian Military Debt

Letter to Congressional Leaders on the Cancellation of Egyptian Military Debt

Presidential Determination No. 91 - 11 -- Memorandum on Trade With the Soviet Union

Letter to Congressional Leaders on Trade With the Soviet Union

Appendix A -- Digest of Other White House Announcements

Appendix B -- Nominations Submitted to the Senate

Appendix C -- Checklist of White House Press Releases

Appendix D -- Acts Approved by the President

Appendix E -- Proclamations and Executive Orders

Appendix F -- Points of Light Recognition Program

Browse 1989

You may view the 1989 Presidential Papers collection by month, or you may view the entire year's collection (*large file*).

- January
- February
- March
- April
- May
- June
- July
- August
- September
- October
- November
- December

Alternatively, you may also select a different year.

- 1990
- 1991
- 1992
- 1993

contents

january 1990

select another month
February | March | April | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 1 -

New Year's Message to the People of the Soviet Union

Statement on the Tentative Settlement of the Labor Dispute Between the United Mine Workers and the Pittston Corporation

- 2 -

Appointment of Deane Roesch Hinton as United States Ambassador to Panama

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Letter to Benjamin Hooks, Executive Director of the National Association for the Advancement of Colored People

Remarks to the Republican National Committee

- 3 -

Nomination of Tommy G. Thompson To Be a Member of the Board of Directors of the National Railroad Passenger Corporation

Nomination of Colin Riley McMillan To Be an Assistant Secretary of Defense

Statement by Press Secretary Fitzwater on the Attack on Religious Workers in Nicaragua

Remarks on Signing the Earth Day Proclamation

Statement by Press Secretary Fitzwater Announcing the Surrender of General Manuel Noriega in Panama

Remarks Announcing the Surrender of General Manuel Noriega in Panama

Presidential Determination No. 90 - 6 -- Memorandum on Multilateral Loans to China

Letter to Congressional Leaders on Multilateral Loans to China

Nomination of Malcolm S. Forbes, Jr., To Be a Member of the Board for International Broadcasting, and Designation as Chairman

Notice of the Continuation of the National Emergency With Respect to Libya

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Libya

Nomination of Three Members of the National Council on Disability, and Designation of Chairman

Statement on Receiving the Report of the President's Advisory Committee on the Points of Light Initiative Foundation

The President's News Conference

Nomination of Anthony Hurlbutt Flack To Be a Member of the National Council on Disability

Remarks on Signing the Proclamation Granting Special Trade Status to Poland

Letter to Congressional Leaders on Amending the Generalized System of Preferences

Nomination of Richard F. Hohlt To Be a Member of the Board of Directors of the Student Loan Marketing Association

Statement by Press Secretary Fitzwater on Disaster Relief for Areas Affected by the San Francisco Earthquake and Hurricane Hugo

- 7 -

Remarks Introducing the Presidential Lecture Series

- 8 -

Remarks to the American Farm Bureau Federation in Orlando, Florida

- 9 -

Remarks on Signing the Martin Luther King, Jr., Federal Holiday Proclamation

Statement on the Meeting With Benjamin Hooks, Executive Director of the National Association for the Advancement of Colored People

Nomination of D'Wayne Gray To Be Chief Benefits Director of the Department of Veterans Affairs

- 10 -

Nomination of Philip R. Lochner, Jr., To Be a Member of the Securities and Exchange Commission

Statement by Deputy Press Secretary Popadiuk on President Bush's Telephone Conversation With President Virgilio Barco Vargas of Colombia

- 11 -

Statement by Press Secretary Fitzwater on the President's Meeting on Emergency Aid to Poland

Informal Exchange With Reporters

Remarks Following Discussions With Prime Minister Anibal Cavaco Silva of Portugal

Appointment of Richard G. Trefry as Military Assistant to the President and Director of the White House Military Office

- 12 -

Question-and-Answer Session With the Youth Collaborative Mentor Group in Cincinnati, Ohio

Remarks to Students and Faculty at Robert A. Taft High School in Cincinnati, Ohio

Remarks to the Chamber of Commerce in Cincinnati, Ohio

Statement by Press Secretary Fitzwater on the President's Meeting With Mr. and Mrs. William Rouse

Nomination of Frederick M. Bernthal To Be Deputy Director of the National Science Foundation

- 13 -

Statement by Press Secretary Fitzwater on the Vietnam-United States Special Resettlement Program

- 14 -

Statement by Press Secretary Fitzwater on the Death of Hyman Schachtel

- 16 -

Statement by Press Secretary Fitzwater on the Vienna Meeting of the Conference on Security and Cooperation in Europe

- 17 -

Remarks on the United States Military Action in Panama and an Exchange With Reporters

Remarks and an Exchange With Reporters Prior to a Meeting With Federal Law Enforcement Officials

Nomination of Susan J. Koch To Be an Assistant Director of the United States Arms Control and Disarmament Agency

- 18 -

Telephone Conversation With the Astronauts Aboard the Space Shuttle Columbia

Remarks at the Bush Administration Executive Forum

Exchange With Reporters

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Turgut Ozal of Turkey

Remarks at the Bush-Quayle Campaign Reunion

- 19 -

Remarks at the Annual Convention of the National Association of Home Builders in Atlanta, Georgia

Statement by Press Secretary Fitzwater on Development of Wetlands Conservation Policy

Nomination of William D. Phillips To Be an Associate Director of the Office of Science and Technology Policy

Nomination of Eugene Wong To Be an Associate Director of the Office of Science and Technology Policy

Nomination of Edward W. Kelley, Jr., To Be a Member of the Board of Governors of the Federal Reserve System

Nomination of Jessica L. Parks To Be a Member of the Merit Systems Protection Board

Remarks at a Fundraising Dinner for Governor Bob Martinez in Miami, Florida

- 22 -

Remarks to Participants in the March for Life Rally

Statement on the Appointment of Arnold Schwarzenegger as Chairman of the President's Council on Physical Fitness and Sports

Statement by Press Secretary Fitzwater on Rural Development Programs

Nomination of James L. Kolstad To Be Chairman of the National Transportation Safety Board

Statement by Press Secretary Fitzwater on the Overseas Private Investment Corporation Mission to Panama

Nomination of L. Joyce Hampers To Be an Assistant Secretary of Commerce

Remarks at the American Spectator Annual Dinner

- 23 -

Remarks to the Law Enforcement Community in Kansas City, Missouri

Nomination of Bradley Gordon To Be an Assistant Director of the United States Arms Control and Disarmament Agency

Nomination of John Wesley Bartlett To Be Director of the Office of Civilian Radioactive Waste Management

- 24 -

The President's News Conference

Remarks at the Welcoming Ceremony for President `Ali `Abdallah Salih of the Yemen Arab Republic

Remarks at a White House Briefing on Nonprofit Organization Assistance to Poland

Message to the Senate Transmitting the Treaty on the International Registration of Audiovisual Works

Message to the Senate Transmitting a Protocol to the Tunisia-United States Convention on Taxation and Fiscal Evasion

Letter to Republican and Democratic Party Leaders on Support for the Nicaraguan National Opposition Union

Continuation of Jeffrey M. Samuels as Assistant Commissioner of Patents and Trademarks at the Department of Commerce

Nomination of Robert H. Gentile To Be an Assistant Secretary of Energy

Statement by Press Secretary Fitzwater on President Bush's Meeting With President `Ali `Abdallah Salih of the Yemen Arab Republic

Nomination of Donald Jay Yockey To Be a Deputy Under Secretary of Defense

Appointment of John M. Engler as a Member of the Commission on Presidential Scholars, and Designation as Chairman

Nomination of Charles M. Herzfeld To Be Director of Defense Research and Engineering

Toasts at the State Dinner for President `Ali `Abdallah Salih of the Yemen Arab Republic

Nomination of C. Anson Franklin To Be an Assistant Administrator of the Agency for International Development

Message to the Congress Transmitting the 1990 National Drug Control Strategy

Message to the Congress Reporting on the Economic Sanctions Against Libya

Remarks and a Question-and-Answer Session at a Luncheon for Newspaper Publishers

The President's News Conference

Statement on Economic Assistance to Panama

White House Fact Sheet on the Partnership With Panama: Action Plan To Foster Economic

Recovery

Nomination of John R. Dunne To Be an Assistant Attorney General

- 26 -

Remarks to the United States Conference of Mayors

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Fernando Collor de Mello of Brazil

Remarks to Special-Needs Adopted Children and Their Parents

Letter to Congressional Leaders Transmitting Certification of Panama's Cooperation in the Control of Illegal Narcotics

Presidential Determination No. 90 - 9 -- Memorandum on Narcotics Control Certification for Panama

Nomination of Richard J. Hankinson To Be Inspector General of the Department of Justice

- 29 -

Message to the Congress Transmitting the Fiscal Year 1991 Budget

Message to the Congress Reporting Budget Deferrals

Remarks at the Annual Convention of the National Religious Broadcasters

Nomination of Gerald A. Cann To Be an Assistant Secretary of the Navy

Statement by Press Secretary Fitzwater on President Bush's Upcoming Meeting With President Alfredo Cristiani Buckard of El Salvador

Nomination of Jacqueline E. Schafer To Be an Assistant Secretary of the Navy

- 30 -

Nomination of Michael Lorne Moodie To Be an Assistant Director of the United States Arms Control and Disarmament Agency

Nomination of Joyce T. Berry To Be Commissioner on Aging at the Department of Health and Human Services

Message on the Observance of National Afro-American (Black) History Month, February 1990

- 31 -

Remarks at a White House Ceremony Commemorating the 25th Anniversary of VISTA

Address Before a Joint Session of the Congress on the State of the Union

White House Fact Sheet on the President's Conventional Armed Forces in Europe Initiative

contents

february 1990

select another month
January | March | April | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 1 -

Remarks at the Annual National Prayer Breakfast

Remarks on Transmitting Proposed Savings and Economic Growth Legislation

Message to the Congress Transmitting Proposed Savings and Economic Growth Legislation

White House Fact Sheet on the Proposed Savings and Economic Growth Act of 1990

Remarks Prior to a Meeting With President Alfredo Cristiani Buckard of El Salvador

Message to the Congress Transmitting a Report on Aeronautics and Space Activities During 1987

Appointment of Joy A. Silverman as a Member of the Board of Trustees of the John F. Kennedy Center for the Performing Arts

Statement by Press Secretary Fitzwater on South Africa

Nomination of Erich W. Bretthauer To Be an Assistant Administrator of the Environmental Protection Agency

Nomination of Glen L. Bower To Be a Member of the Railroad Retirement Board, and Designation as Chairman

Nomination of Charles J. Chamberlain To Be a Member of the Railroad Retirement Board

Order on the China National Aero-Technology Import and Export Corporation Divestiture of MAMCO Manufacturing, Incorporated

Message to the Congress on the China National Aero-Technology Import and Export Corporation Divestiture of MAMCO Manufacturing, Incorporated

- 2 -

Statement by Press Secretary Fitzwater on the China National Aero-Technology Import and Export Corporation Divestiture of MAMCO Manufacturing, Incorporated

Question-and-Answer Session With High School Students at a Biotechnology Demonstration at the University of Tennessee at Knoxville

Remarks to Students and Faculty of the University of Tennessee at Knoxville

Appointment of the Members of the President's Council of Advisors on Science and Technology, and Designation of the Chairman and Vice Chairman

Appointment of Katherine E. Boyd as a Member of the Advisory Council on Historic Preservation

- 5 -

Message to the Senate Transmitting the Federal Republic of Germany-United States Convention on Taxation and Fiscal Evasion

Message to the Senate Transmitting the Finland-United States Convention on Taxation and Fiscal Evasion

Remarks to the Intergovernmental Panel on Climate Change

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Luis Alberto Lacalle of Uruguay

Nomination of Richard E. Bissell To Be an Assistant Administrator of the Agency for International Development

Message to the Congress Transmitting the 1989 Science and Engineering Indicators Report

- 6 -

Message to the Congress Transmitting the 1990 Economic Report

Message to the Congress Reporting Budget Deferrals

Remarks to United States Troops at the National Training Center at Fort Irwin in Barstow, California

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Remarks at a Republican Party Fundraising Dinner in Los Angeles, California

- 7 -

Nomination of Admiral Frank B. Kelso II To Be Chief of Naval Operations

Remarks to the Staff of the Lawrence Livermore National Laboratory in San Francisco, California

Remarks and a Question-and-Answer Session at a Luncheon Hosted by the Commonwealth Club in San Francisco, California

Statement by Press Secretary Fitzwater on the President's Remarks to the Commonwealth Club in San Francisco, California

Statement by Press Secretary Fitzwater on the Presidential Election Monitoring Commission on Nicaragua

- 8 -

Remarks at a Fundraising Breakfast for Governor Kay Orr in Omaha, Nebraska

Nomination of Keith McNamara To Be a Member of the Board of Directors of the State Justice Institute

Remarks to Strategic Air Command Personnel

Remarks at a Briefing for Head Start Volunteers in Columbus, Ohio

Remarks at a Fundraising Dinner for the Ohio Republican Party in Columbus

Nomination of Robert H. Swan To Be a Member of the National Credit Union Administration Board

- 9 -

Remarks to Members of the National Conference of State Legislatures

Nomination of Jonathan Moore To Be the United States Representative at the Economic and Social Council of the United Nations

Nomination of Shirin Raziuddin Tahir-Kheli To Be Alternate United States Representative for Special Political Affairs at the United Nations

Remarks at the Presentation Ceremony for the Flo Hyman Award

Nomination of John J. Adair To Be Inspector General of the Resolution Trust Corporation

- 10 -

Statement on the Release of Nelson Mandela

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With State President Frederik Willem de Klerk of South Africa

- 11 -

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary General Manfred Woerner of the North Atlantic Treaty Organization

- 12 -

Remarks at the Welcoming Ceremony for President Denis Sassou-Nguesso of the Congo

Remarks Upon Receiving the Boy Scouts of America Report to the Nation

The President's News Conference

- 13 -

Remarks on Signing the United Nations Convention Against Illegal Traffic in Narcotic Drugs and Psychotropic Substances

Statement on Signing the United Nations Convention Against Illegal Traffic in Narcotic Drugs and Psychotropic Substances

Nomination of Herman J. Cohen To Be a Member of the Board of Directors of the African Development Foundation

- 14 -

Remarks on Signing the Urgent Assistance for Democracy in Panama Act of 1990 and a Question-and-Answer Session With Reporters

Statement on Signing the Urgent Assistance for Democracy in Panama Act of 1990

Nomination of Arthur E. Williams To Be a Member and President of the Mississippi River Commission

- 15 -

Statement on the Drug Summit in Cartagena, Colombia

Declaration of Cartagena

White House Fact Sheet on the Bolivia-United States Essential Chemicals Agreement

White House Fact Sheet on the Peru-United States Extradition Agreement

White House Fact Sheet on the Bolivia- and Peru-United States Public Awareness Measures Memorandums of Understanding

White House Fact Sheet on the Peru-United States Tax Information Exchange Agreement

White House Fact Sheet on the Bolivia-United States Weapons Export Control Memorandum of Understanding

Joint News Conference Following the Drug Summit in Cartagena, Colombia

The President's News Conference Following the Drug Summit in Cartagena, Colombia

Letter to Congressional Leaders Transmitting a Report on the General Agreement on Tariffs and Trade Negotiations on Agricultural Trade

- 16 -

Memorandum on Federalism

Statement on Signing the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991

- 20 -

Remarks Following Discussions With President Vaclav Havel of Czechoslovakia

Presidential Determination No. 90 - 10 -- Memorandum on Trade With Czechoslovakia

Message to the Congress on Trade With Czechoslovakia

Letter to Congressional Leaders Transmitting a Report on the Canada-United States Free-Trade Agreement

Nomination of E.U. Curtis Bohlen To Be an Assistant Secretary of State

Remarks at the Presentation Ceremony for the Charles Stark Draper Prize for Engineering

- 21 -

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Vaclav Havel of Czechoslovakia

Nomination of Nelson C. Ledsky for the Rank of Ambassador While Serving as Special Cyprus Coordinator

Nomination of LeGree Sylvia Daniels To Be a Member of the Board of Governors of the United States Postal Service

Remarks and a Question-and-Answer Session at the Annual Dinner of the Business Council

- 22 -

Nomination of James Henry Michel To Be an Assistant Administrator of the Agency for International Development

Remarks at the Presentation Ceremony for the American Institute of Architects Gold Medal Award

Remarks at the Centennial Celebration of the Johns Hopkins University Medical Institutions in Baltimore, Maryland

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Yitzhak Shamir of Israel

- 23 -

Remarks on Signing the American Red Cross Month Proclamation

Message to the Senate Transmitting the Tunisia-United States Consular Convention

Appointment of Arthur A. Fletcher as a Member of the Commission on Civil Rights, and Designation as Chairman

Statement by Press Secretary Fitzwater on Peace Corps Programs in Eastern Europe

Statement on the Death of Jose Napoleon Duarte of El Salvador

Letter to Congressional Leaders Transmitting the Report on Soviet Noncompliance With Arms Control Agreements

Continuation of Timothy L. Coyle as an Assistant Secretary of Housing and Urban Development

Appointment of Jose E. Martinez as Special Assistant to the President and Associate Director of Presidential Personnel

- 25 -

Joint News Conference Following Discussions With Chancellor Helmut Kohl of the Federal Republic of Germany

- 26 -

Remarks to Members of the National Governors' Association

Remarks Announcing the Publication of ``Growing Up Drug Free: A Parent's Guide to Prevention''

Statement on the Election of Violeta Chamorro as President of Nicaragua

Statement by Press Secretary Fitzwater on the Nicaraguan Presidential Elections

Statement by Press Secretary Fitzwater on the White House Conference on Science and Economics Research Related to Global Change

- 27 -

Message to the Senate Transmitting the Algeria-United States Consular Convention

Remarks Following Discussions With Charles Haughey, Prime Minister of Ireland and President of the European Council

Joint Statement by President Bush and President Charles Haughey of the European Council

Remarks Congratulating the Super Bowl Champion San Francisco 49ers

- 28 -

Exchange With Reporters on the President's Telephone Conversation With Chairman Mikhail Gorbachev of the Soviet Union

Remarks at a Fundraising Luncheon for Congressional Candidate Susan Molinari in Staten Island, New York

Message to the Senate Transmitting a Protocol to the International Civil Aviation Convention

Remarks at a Fundraising Dinner for Gubernatorial Candidate Pete Wilson in San Francisco, California

Presidential Determination No. 90 - 12 -- Memorandum on Narcotics Control Certification

contents

march 1990

select another month
January | February | April | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 1 -

Statement by Press Secretary Fitzwater on Narcotics Control Certification

Remarks on Legislation To Amend the Clean Air Act and an Exchange With Reporters in Los Angeles, California

Remarks at the Dedication Ceremony for the North Los Angeles County Correctional Facility in Santa Monica, California

Letter to Congressional Leaders Transmitting a Report on International Agreements

Statement by Press Secretary Fitzwater on Legislation To Amend the Clean Air Act

Exchange With Reporters at a Meeting With Ronald Reagan in Los Angeles, California

Remarks at the California Chamber of Commerce Centennial Dinner in Los Angeles

- 2 -

Remarks to the Academy of Television Arts and Sciences in Los Angeles, California

Remarks at an Antidrug Rally in Santa Ana, California

Nomination of John C. Foltz To Be Administrator of the Federal Grain Inspection Service

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Toshiki Kaifu of Japan in Palm Springs, California

- 3 -

Remarks Following Discussions With Prime Minister Toshiki Kaifu of Japan in Palm Springs, California

The President's News Conference Following Discussions With Prime Minister Toshiki Kaifu of Japan in Palm Springs, California

- 4 -

Remarks at the Presentation Ceremony for a Donation to the United Negro College Fund in Palm Springs, California

- 5 -

Statement on the Economic Situation in Argentina

Statement on the 20th Anniversary of the Treaty on the Non-Proliferation of Nuclear Weapons

Nomination of Lynne Vincent Cheney To Be Chairperson of the National Endowment for the Humanities

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With Seymour Reich of the Conference of Presidents of American Jewish Organizations

Remarks to Members of the National PTA Legislative Conference

- 6 -

Remarks at the Welcoming Ceremony for Prime Minister Giulio Andreotti of Italy

Exchange With Reporters Prior to a Meeting With Prime Minister Giulio Andreotti of Italy

Remarks to the American Society of Association Executives

Nomination of Jo Anne B. Barnhart To Be an Assistant Secretary of Health and Human Services

Statement on Signing a Bill Extending the Authorization for School Dropout Demonstration Programs

Toasts at the State Dinner for Prime Minister Giulio Andreotti of Italy

- 7 -

Remarks at the American Electronics Association Luncheon

Remarks at the National Drug Control Policy Luncheon

- 8 -

Statement by Press Secretary Fitzwater on the President's Space Exploration Initiative

Remarks at a Presentation Ceremony for the Panama Campaign Streamer at Fort Myer, Virginia

Remarks at the National Transportation Policy Meeting

White House Fact Sheet on the National Transportation Policy

Remarks at a Fundraising Dinner for Senator John Warner in Tysons Corner, Virginia

- 9 -

Remarks at the Swearing-In Ceremony for Antonia Novello as Surgeon General

Remarks Upon Meeting the University of Miami Hurricanes

Letter to Congressional Leaders on Nuclear Cooperation With EURATOM

Letter to Congressional Leaders Transmitting a Report on Telecommunications Trade Negotiations With the European Community and Korea

Nomination of Karen L. Gillmor To Be Director of the Women's Bureau

- 11 -

Statement by Press Secretary Fitzwater on the Restoration of Lithuanian Independence

- 12 -

Statement by Press Secretary Fitzwater on the President's Meeting With Former Prime Minister Noboru Takeshita of Japan

Nomination of Julian W. De La Rosa To Be Inspector General of the Department of Labor

- 13 -

Appointment of Deborah Amend as Special Assistant to the President for Communications

The President's News Conference

Letter to Congressional Leaders Transmitting the Executive Order Terminating the National

Emergency With Respect to Nicaragua

White House Fact Sheet on Economic Assistance for Nicaragua

Remarks Following Discussions With President Joaquim Alberto Chissano of Mozambique

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Joaquim Alberto Chissano of Mozambique

Remarks and an Exchange With Reporters at an Alternative Fuel Demonstration

Letter to Congressional Leaders Transmitting the Annual Report of the United States Arms Control and Disarmament Agency

Message on the Observance of St. Patrick's Day, 1990

- 14 -

Appointment of Peter B. Teeley as United States Representative on the Executive Board of the United Nations Children's Fund

Remarks Following a Tour of the Potomac Electric Power Company Generating Station at Chalk Point, Maryland

Nomination of G. Philip Hughes To Be United States Ambassador to Barbados, Dominica, St. Lucia, and St. Vincent and the Grenadines

Appointment of Penelope Payne as Special Assistant to the President for Legislative Affairs

- 15 -

Remarks to the National Association of Manufacturers

Nomination of Robert C. Larson To Be a Member of the Oversight Board of the Resolution Trust Corporation

Remarks and a Question-and-Answer Session at a White House Briefing for the Board of Directors of the National Newspaper Association

- 16 -

Remarks at a St. Patrick's Day Ceremony With Deputy Prime Minister Brian Lenihan of Ireland

Nomination of Robert Marshall White To Be Under Secretary of Commerce

Appointment of Joseph Sewall as an Alternate Member of the Roosevelt Campobello International Park Commission

Interview by Jim Angle of National Public Radio

- 19 -

Remarks and a Question-and-Answer Session With Members of the National Association of Attorneys General

Nomination of Thomas Lawrence Sansonetti To Be Solicitor of the Department of the Interior

Nomination of James B. Edwards To Be a Member of the Board of Directors of the Communications Satellite Corporation

Nomination of Jerry D. Jennings To Be Deputy Director of the Federal Emergency Management Agency

Nomination of John K. Lauber To Be a Member of the National Transportation Safety Board

- 20 -

Remarks on Economic Assistance for Nicaragua and Panama and an Exchange With Reporters

Statement by Press Secretary Fitzwater on Lithuanian Independence

Statement on Transmitting the Annual National Security Strategy Report

White House Fact Sheet on the National Security Strategy Report

Remarks on Signing the Greek Independence Day Proclamation

Message to the Senate Transmitting Amendments to the International Expositions Convention

Remarks on Signing the National Agriculture Day Proclamation

- 21 -

Remarks at the Welcoming Ceremony for Prime Minister Tadeusz Mazowiecki of Poland

Remarks on Signing the Poland-United States Business and Economic Treaty

White House Fact Sheet on the Poland-United States Business and Economic Treaty

Statement by Press Secretary Fitzwater on the Basel Convention on Transboundary Movement and Disposal of Hazardous Wastes

Message to the Congress Transmitting the Annual Report of the National Science Foundation

Statement on Namibian Independence

Toasts at the State Dinner for Prime Minister Tadeusz Mazowiecki of Poland

- 22 -

Remarks at a White House Tree-Planting Ceremony

Message to the Congress Transmitting Proposed Reforestation Legislation

The President's News Conference

Appointment of Stephen P. Farrar as Special Assistant to the President for Policy Development

Appointment of Lawrence B. Lindsey as Special Assistant to the President for Policy Development

Appointment of Marianne McGettigan as Special Assistant to the President for Policy Development

Accordance of the Personal Rank of Ambassador to Richard J. Smith While Serving as Special Negotiator for Acid Rain Talks With Canada

Nomination of Timothy Ryan To Be Director of the Office of Thrift Supervision

- 23 -

Letter to Congressional Leaders Transmitting the Annual Report on International Activities in Science and Technology

Remarks on United States Economic Assistance During a Meeting With Vice President Guillermo Ford of Panama

The President's News Conference

Nomination of Carl J. Kunasek To Be Commissioner on Navajo and Hopi Relocation

Statement by Press Secretary Fitzwater on the Expulsion of United States Diplomats From Lithuania

Statement on the Seventh Anniversary of the Strategic Defense Initiative

- 26 -

Appointment of James D. Wolfensohn as a Member of the Board of Trustees of the John F. Kennedy Center for the Performing Arts

Statement by Press Secretary Fitzwater on Lithuanian Independence

Nomination of Philip C. Jackson, Jr., To Be a Member of the Oversight Board of the Resolution Trust Corporation

Accordance of the Personal Rank of Ambassador to Frederic V. Malek While Serving as Director of the 1990 Economic Summit

- 27 -

Letter to Congressional Leaders Transmitting a Report on Compliance With Arms Control Agreements

Remarks to the African Development Bank Roundtable

Remarks at a Luncheon Commemorating the Dwight D. Eisenhower Centennial

Statement by Press Secretary Fitzwater on the Emigration of Soviet Jews

- 28 -

Remarks at the Posthumous Presentation of the Congressional Gold Medal to Jesse Owens

Nomination of Michael L. Williams To Be an Assistant Secretary of Education

Appointment of Don M. Newman as United States Representative on the Council of the International Civil Aviation Organization With the Rank of Minister

Statement on the Seizure of Nuclear Weapon Component Shipments to Iraq

Remarks at the United States Olympic Committee Dinner

- 29 -

Remarks to the National Leadership Coalition on AIDS

- 30 -

Remarks and an Exchange With Reporters Prior to a Luncheon With the Founding Directors of the Points of Light Initiative Foundation

Letter to Congressional Leaders Submitting a Report on Counternarcotics Intelligence Activities

Message to the Congress Transmitting an Amendment to the International Regulations for Preventing Collisions at Sea

Nomination of Rear Admiral William J. Kime To Be Commandant of the United States Coast Guard

Statement by Press Secretary Fitzwater on International Cooperation in the President's Space Exploration Initiative

contents

april 1990

select another month
January | February | March | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 2 -

Statement by Press Secretary Fitzwater on the Japan-United States Structural Impediments Initiative Negotiations

Remarks at the Annual Convention of the National Association of Broadcasters in Atlanta, Georgia

Remarks at a Fundraising Dinner for Gubernatorial Candidate George Voinovich in Cincinnati, Ohio

- 3 -

Statement by Press Secretary Fitzwater on Iraq's Threat To Use Chemical Weapons

Remarks at a Tree-Planting Ceremony in Indianapolis, Indiana

Remarks at a Fundraising Luncheon for Senator Dan Coats in Indianapolis, Indiana

Remarks and an Exchange With Reporters Aboard Air Force One

Remarks at a Republican Party Fundraising Dinner in Detroit, Michigan

Remarks on Signing the Passover Message

Statement by Press Secretary Fitzwater on the President's Meeting With the Special Emissaries of Prime Minister Toshiki Kaifu of Japan

Remarks at the Presentation Ceremony for the National Teacher of the Year Award

Remarks on Clean Air Legislation at a Meeting With Members of the Senate

Appointment of Wilfredo J. Gonzalez as Staff Director of the Commission on Civil Rights

Remarks at the 20th Anniversary Dinner of the Joint Center for Political and Economic Studies

Excerpt From a Statement by Press Secretary Fitzwater on the Points of Light Initiative Foundation

Statement by Press Secretary Fitzwater on the Upcoming Summit With President Mikhail Gorbachev of the Soviet Union

Remarks on the Upcoming Summit With President Mikhail Gorbachev of the Soviet Union

Letter to Congressional Leaders Transmitting a Report on the Activities of the Soviet Union-United States Standing Consultative Commission

Letter to Congressional Leaders on the Termination of the Emergency With Respect to Panama

Nomination of Wendy Lee Gramm To Be a Commissioner and Chairman of the Commodity Futures Trading Commission

Statement by Press Secretary Fitzwater on the Japan-United States Structural Impediments

Initiative Negotiations

- 6 -

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Eduard Shevardnadze of the Soviet Union

Remarks and a Question-and-Answer Session With Members of the American Society of Newspaper Editors

Remarks at the 25th Anniversary Celebration of President Lyndon B. Johnson's Inauguration

Memorandum on the Delegation of Authority for Reporting on Panamanian Bank Secrecy Regimes

Statement on Chinese Immigration Relief

- 9 -

Statement by Press Secretary Fitzwater on the Czechoslovakia-United States Trade Agreement

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Message on the Observance of Passover, 5750

- 10 -

Statement by Press Secretary Fitzwater on the Appointment of Richard L. Armitage as Special Negotiator for the Future Status of United States Access to Military Facilities in the Philippines

Nomination of Arden L. Bement, Jr., To Be a Member of the National Science Board

Exchange With Reporters Aboard Air Force One

News Conference of the President and Prime Minister Mulroney in Toronto, Canada

- 11 -

Nomination of Dane Farnsworth Smith, Jr., To Be United States Ambassador to Guinea

Appointment of Mrs. Potter Stewart as Alternate United States Representative on the Executive Board of the United Nations Children's Fund

Nomination of Patrick E. McFarland To Be Inspector General of the Office of Personnel Management

- 12 -

Statement by Press Secretary Fitzwater on the President's Physical Examination

Appointment of Olin L. Wethington as Special Assistant to the President and Executive Secretary of the Economic Policy Council

Statements by Press Secretary Fitzwater on the President's Federal Income Tax Return

Remarks and an Exchange With Reporters at a Meeting on the Japan-United States Structural Impediments Initiative Negotiations

- 13 -

Exchange With Reporters Aboard Air Force One

News Conference of the President and Prime Minister Margaret Thatcher of the United Kingdom in Hamilton, Bermuda

Statement by Press Secretary Fitzwater on the President's Meeting in Bermuda With Prime

Minister Margaret Thatcher of the United Kingdom

- 16 -

Remarks at a White House Briefing on Nicaragua

Statement by Press Secretary Fitzwater on Offsets in Military Exports

Nomination of Charles H. Thomas To Be United States Ambassador to Hungary

Nomination of Alan Philip Larson To Be United States Representative to the Organization for Economic Cooperation and Development

Appointment of Gerald William Ebker as a Member of the President's National Security Telecommunications Advisory Committee

Appointment of Bobby Lynn Brantley as a Member of the National Commission on Agriculture and Rural Development Policy

Appointment of Andrew L. Lewis, Jr., as a Member of the Dwight David Eisenhower Centennial Commission

Interview With Foreign Journalists

- 17 -

Remarks at the Opening Session of the White House Conference on Science and Economics Research Related to Global Change

Remarks on the Situation in Lithuania

Remarks Following Discussions With President Rafael Callejas of Honduras

Remarks on Meeting the National Collegiate Athletic Association's Men's and Women's Basketball Champions

Statement on the Death of Ralph David Abernathy

Nomination of Anthony J. Hope To Be Chairman of the National Indian Gaming Commission

- 18 -

Message to the Congress Reporting Budget Deferrals

Message to the Senate Transmitting the Spain-United States Convention on Taxation and Fiscal Evasion

Nomination of Olin L. Greene, Jr., To Be Administrator of the United States Fire Administration

Remarks at the Closing Session of the White House Conference on Science and Economics Research Related to Global Change

Letter to Congressional Leaders Transmitting a Report on the United States Military Presence in East Asia

- 19 -

Nomination of James Keough Bishop To Be United States Ambassador to Somalia

Nomination of Daniel F. Evans To Be a Director of the Federal Housing Finance Board, and Designation as Chairman

Nomination of Lawrence U. Costiglio To Be a Director of the Federal Housing Finance Board

Nomination of Daniel H. Carter To Be a Member of the National Commission on Libraries and Information Science

News Conference of President Bush and President Francois Mitterrand of France in Key Largo, Florida

- 20 -

Remarks at a Fundraising Luncheon for Senatorial Candidate Bill Cabaniss in Birmingham, Alabama

Remarks on Presenting a Points of Light Award to the Birmingham-Southern College Conservancy and on Signing the National Recycling Month Proclamation in Birmingham, Alabama

Statement by Press Secretary Fitzwater on Soviet Economic Sanctions Against Lithuania

Statement on the Observance of the 75th Anniversary of the Armenian Massacres

Remarks at a Republican Party Fundraising Dinner in Orlando, Florida

- 22 -

Remarks at the Presentation of a Point of Light Award to Reef Relief and an Exchange With Reporters in Islamorada, Florida

Remarks in a Telephone Conversation With the Earth Day 20 International Peace Climb Team

Remarks to Participants in the Columbia River Gorge Earth Day 20 Rally

Statement on the Release of Former Hostage Robert Polhill

Remarks on the Release of Former Hostage Robert Polhill and an Exchange With Reporters

- 23 -

Remarks at the Swearing-In Ceremony for Ronald W. Roskens as Administrator of the Agency for International Development

Remarks to the National Academy of Sciences

Remarks on Signing the Hate Crime Statistics Act

Letter to Congressional Leaders Transmitting a Report on Compliance With the Southern Africa Tripartite Agreement

Message to the Congress Reporting Budget Rescissions

Nomination of James F. Blumstein To Be Administrator of the Office of Information and Regulatory Affairs

Message to the Congress Transmitting an Extension of the German Democratic Republic-United States Fishing Agreement

- 24 -

Remarks and a Question-and-Answer Session With the National Association of Agriculture Journalists

Remarks at a White House Briefing for the Associated General Contractors of America

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jacques Delors of the European Community Commission

Message to the Senate Transmitting a Protocol to the Canada-United States Extradition Treaty

Nomination of Steven E. Steiner for the Rank of Ambassador While Serving as United States Representative to the Special Verification Commission

Nomination of Ming Hsu To Be a Commissioner at the Federal Maritime Commission

- 25 -

Presidential Determination No. 90 - 17 -- Memorandum on Export-Import Bank Services for

Nicaragua

Presidential Determination No. 90 - 18 -- Memorandum on Emergency Assistance for Nicaragua

Remarks to Capital Area Community Food Bank Volunteers

Remarks Announcing Federal Budget Reform Proposals

Letter to Congressional Leaders on Federal Budget Reform

Message to the Congress Transmitting a Joint Resolution Proposing a Line-Item Veto Constitutional Amendment

Remarks at a White House Ceremony for the Observance of National Crime Victims' Rights Week

Remarks to the Bethesda-Chevy Chase Rescue Squad in Bethesda, Maryland

Nomination of Peter Jon de Vos To Be United States Ambassador to Liberia

Memorandum on Senior Executive Service Positions in the Federal Bureau of Investigation and the Drug Enforcement Administration

Statement by Press Secretary Fitzwater on the President's Eye Examination

Remarks at the Welcoming Ceremony for President Carlos Andres Perez of Venezuela

Message to the Congress Transmitting Amendments to the China-United States Fishing Agreement

Remarks at a White House Briefing for Conservative Leaders

Nomination of General Michael J. Dugan To Be Chief of Staff of the Air Force

Letter to Congressional Leaders on Modifications of the Generalized System of Preferences

Memorandum on Modifications of the Generalized System of Preferences

- 27 -

Statement on International Trade

Remarks at a White House Briefing for the American Legislative Exchange Council

Remarks at the Presentation Ceremony for the President's Volunteer Action Awards

Designation of Edward E. Allison as Vice Chairman of the Board of Directors of the Pennsylvania Avenue Development Corporation

- 28 -

Remarks to Participants in the Rally for Life

- 30 -

Remarks at the Annual Meeting of the United States Chamber of Commerce

Remarks Following Discussions With President Guillermo Endara of Panama

Nomination of Gilberto Guardia Fabrega To Be Administrator of the Panama Canal Commission

Message to the Congress Reporting on the Transfer of Panamanian Governmen Assets Held By the United States

Remarks and an Exchange With Reporters Prior to a Meeting With Former Hostage Robert Polhill

Statement by Press Secretary Fitzwater on the President's Conversations With Former Hostages

Frank Reed and Robert Polhill

Statement on the Release of Former Hostage Frank Reed

contents

may 1990

select another month
January | February | March | April
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 1 -

Remarks on Signing the National Physical Fitness and Sports Month Proclamation

Remarks at a White House Briefing for the Leadership of National Small Business United and the National Association of Women Business Owners

Message to the Congress Reporting on the Economic Sanctions Against Nicaragua

Message to the Congress Transmitting the District of Columbia Budget and Supplemental Appropriations Request

Statement on the Death of Henry Gregory

Statement by Press Secretary Fitzwater on Proposed Legislation Concerning Federal Pay Reform

Remarks at a Fundraising Dinner for the Korean War Veterans Memorial Commission

- 2 -

Remarks to the President's Committee on Employment of People With Disabilities

Remarks to the President's Youth Leadership Forum

Statement by Press Secretary Fitzwater on Modifications of Export Controls for Strategic Technologies and Goods

White House Statement on the Proposed Foreign Acquisition of UniSoft Group Limited

- 3 -

The President's News Conference

Remarks Following Discussions With Prime Minister Michael Manley of Jamaica

Remarks at the Presentation Ceremony for the Achievement Against All Odds Awards

Statement by Press Secretary Fitzwater on the President's Meeting With Mayor Teddy Kollek of Jerusalem

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Kazimiera Prunskiene of Lithuania

- 4 -

Statement by Press Secretary Fitzwater on the Establishment of a Presidential Emergency Board To Investigate Railroad Labor Disputes

Accordance of the Personal Rank of Ambassador to John Houston Hawes While Serving as the Open Skies Negotiator

Nomination of Stephen Anthony Trodden To Be Inspector General of the Department of Veterans Affairs

Message on the Observance of Cinco de Mayo

Nomination of Wallace Elmer Stickney To Be Director of the Federal Emergency Management

Agency, and Appointment as a Governor of the Board of Governors of the American National Red Cross

Statement by Press Secretary Fitzwater on Mrs. Bush's Meeting With Former Hostage Frank Reed

Remarks at the Oklahoma State University Commencement Ceremony in Stillwater

Remarks at the Oklahoma Foundation for Excellence Dinner in Tulsa

- 7 -

Remarks on Signing the Asian/Pacific American Heritage Month Proclamation

Statement by Press Secretary Fitzwater Announcing Importation Restrictions on Archeological Treasures From Peru

Nomination of William Bodde, Jr., To Be United States Ambassador to the Marshall Islands

Nomination of Joseph Edward Lake To Be United States Ambassador to Mongolia

Nomination of James R. Moseley To Be an Assistant Secretary of Agriculture for Natural Resources and Environment

- 8 -

Remarks Following Discussions With President Jaime Paz Zamora of Bolivia

Remarks at the Presentation Ceremony for the Small Business Person of the Year Award

- 9 -

Statement on the Observance of Schuman Day

Statements by Press Secretary Fitzwater on the Federal Budget Negotiations

Appointment of Raymond Philip Laverty as Deputy Administrator of the Panama Canal Commission

- 10 -

Nomination of Sylvia Alice Earle To Be Chief Scientist of the National Oceanic and Atmospheric Administration

- 11 -

Remarks at the Texas A&I University Commencement Ceremony in Kingsville

Nomination of Jimmy Gurule To Be an Assistant Attorney General

Nomination of J. Michael Luttig To Be an Assistant Attorney General

Nomination of William Pelham Barr To Be Deputy Attorney General

Nomination of Charles M. House To Be Director of the Office for Victims of Crime

Nomination of Steven D. Dillingham To Be Director of the Bureau of Justice Statistics

Nomination of Robert C. Bonner To Be Administrator of the Drug Enforcement Administration

Remarks at a Fundraising Reception for Governor Carroll A. Campbell, Jr., in Columbia, South Carolina

- 12 -

Remarks at the University of South Carolina Commencement Ceremony in Columbia

White House Fact Sheet on the Citizens Democracy Corps

Remarks at the Liberty University Commencement Ceremony in Lynchburg, Virginia

- 14 -

Message to the Congress Reporting on the National Emergency With Respect to Iran

Nomination of Robert E. Lamb To Be United States Ambassador to Cyprus

Nomination of James Wilson Holsinger, Jr., To Be Chief Medical Director at the Department of Veterans Affairs

- 15 -

Remarks at the Welcoming Ceremony for President Zine El Abidine Ben Ali of Tunisia

Statement by Press Secretary Fitzwater on the Federal Budget Negotiations

Toasts at the State Dinner for President Zine El Abidine Ben Ali of Tunisia

- 16 -

The President's News Conference

Message to the Congress Transmitting a Report on United States Countermeasures to Political Repression in China

Nomination of David Passage To Be United States Ambassador to Botswana

Nomination of Richard Wayne Bogosian To Be United States Ambassador to Chad

Nomination of Philip S. Kaplan for the Rank of Ambassador While Serving as Deputy United States Representative to the Negotiations on Conventional Armed Forces in Europe

Nomination of Russell Flynn Miller To Be Inspector General for the Federal Emergency Management Agency

Statement by Press Secretary Fitzwater on the Death of Sammy Davis, Jr.

- 17 -

Remarks at a Meeting With the Commission on Civil Rights

Statement by Press Secretary Fitzwater on Armenia's Expression of Appreciation to Jeb and George P. Bush for Their Earthquake Relief Efforts

Remarks Following Discussions With Chancellor Helmut Kohl of the Federal Republic of Germany

- 18 -

Statement by Press Secretary Fitzwater on President Bush's Meeting With Acting President Arpad Goncz of Hungary

Nomination of Harry W. Shlaudeman To Be United States Ambassador to Nicaragua

Nomination of Eugene L. Scassa To Be United States Ambassador to Belize

Remarks at a Republican Party Fundraising Dinner in Dallas, Texas

- 19 -

Remarks at the Houston Economic Summit Headquarters and an Exchange With Reporters

Remarks at the University of Texas Commencement Ceremony in Austin

- 20 -

Remarks at the Dedication Ceremony for the Police Memorial in Portland, Oregon

Exchange With Reporters During a Meeting With Representative Denny Smith in Portland, Oregon

Exchange With Reporters During a Meeting With Congressional Candidate Bob Williams in Portland, Oregon

- 21 -

Remarks at a Fundraising Breakfast for Gubernatorial Candidate David Frohnmayer in Portland, Oregon

Remarks to Members of Self Enhancement, Incorporated, in Portland, Oregon

Remarks to Oakwood Community Members in Los Angeles, California

- 22 -

Remarks to the Council of the Americas

Statement by Press Secretary Fitzwater on the Killing of Palestinian Laborers in the Israeli-Occupied Gaza Strip

Statement on Signing the Biological Weapons Anti-Terrorism Act of 1989

- 23 -

Remarks at the Presentation Ceremony for the ``E'' Star Awards

Nomination of William B. Milam To Be United States Ambassador to Bangladesh

Nomination of James Daniel Phillips To Be United States Ambassador to the Congo

Nomination of Thomas W. Simons, Jr., To Be United States Ambassador to Poland

The President's News Conference

Presidential Determination No. 90 - 21 -- Memorandum on the Renewal of Most-Favored-Nation Trade Status for China

Message to the Congress on the Renewal of Most-Favored-Nation Trade Status for China

Statement by Press Secretary Fitzwater on the Renewal of Most-Favored-Nation Trade Status for China

Statement by Press Secretary Fitzwater on President Bush's Meeting With Provisional President Ertha Pascal Trouillot of Haiti

Remarks at a White House Ceremony Celebrating the 25th Anniversary of Head Start

Message to the House of Representatives Returning Without Approval the Amtrak Reauthorization and Improvement Act of 1990

Nomination of Roger Gran Harrison To Be United States Ambassador to Jordan

Statement on the House of Representatives Action on Clean Air Legislation

Interview With Martyn Lewis of BBC - 1, British Television

Interview With Gerd Helbig of ZDF, German Television

Interview With Christian Malar of Channel 5, French Television

Statement on Signing a Bill Amending Indian Laws

- 25 -

Nomination of Paul L. Ziemer To Be an Assistant Secretary of Energy

Nomination of Calvin A. Kent To Be Administrator of the Energy Information Administration

Statement by Deputy Press Secretary Hart on President Bush's Telephone Conversations With Presidents Violeta Chamorro of Nicaragua and Guillermo Endara of Panama

Statement on Signing the Dire Emergency Supplemental Appropriations Bill

- 28 -

Exchange With Reporters in Kennebunkport, Maine

Remarks at a Memorial Day Ceremony in Kennebunkport, Maine

- 31 -

Remarks at the Welcoming Ceremony for President Mikhail Gorbachev of the Soviet Union

Remarks and an Exchange With Reporters on the Soviet-United States Summit

Excerpts of White House Fact Sheets on Soviet-United States Scientific and Commercial Agreements

Toasts at the State Dinner for President Mikhail Gorbachev of the Soviet Union

contents

june 1990

select another month
January | February | March | April
May | July | August | September
October | November | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 1 -

Exchange With Reporters Following a Meeting With President Mikhail Gorbachev of the Soviet Union

Remarks on Signing Soviet-United States Bilateral Agreements

Soviet-United States Joint Statement on the Treaty on Strategic Offensive Arms

Soviet-United States Joint Statement on Future Negotiations on Nuclear and Space Arms and Further Enhancing Strategic Stability

Soviet-United States Joint Statement on Conventional Armed Forces in Europe

Soviet-United States Joint Statement on the Establishment of a Soviet-United States International Park in the Region of the Bering Strait

Excerpts of White House Fact Sheets on Soviet-United States Bilateral Agreements

Toasts at a Dinner Hosted by President Mikhail Gorbachev of the Soviet Union

- 2 -

Exchange With Reporters Following Meetings at Camp David, Maryland, With President Mikhail Gorbachev of the Soviet Union

Soviet-United States Joint Statement on Ethiopia

Soviet-United States Joint Statement on the Environment

- 3 -

News Conference of President Bush and President Mikhail Gorbachev of the Soviet Union

Presidential Determination No. 90 - 22 -- Memorandum on the Waiver of Requirements for Most-Favored-Nation Trade Status for Czechoslovakia

Letter to Congressional Leaders on the Waiver of Requirements for Most-Favored-Nation Trade Status for Czechoslovakia

- 4 -

Soviet-United States Joint Statement on Nonproliferation

Soviet-United States Joint Statement on Bering Sea Fisheries Conservation

Soviet-United States Joint Statement on Cooperation in Peaceful Uses of Atomic Energy

Soviet-United States Joint Statement on the International Thermonuclear Experimental Reactor

Soviet-United States Joint Statement on Technical Economic Cooperation

Exchange With Reporters at a Briefing for Cabinet Members on the Soviet-United States Summit

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations

Appointment of Edith E. Holiday as Assistant to the President and Secretary to the Cabinet

Statement by Press Secretary Fitzwater on the Appointment of William Frederick Sittmann as Executive Secretary of the National Security Council

Nomination of David H. Leroy To Be Nuclear Waste Negotiator

Statement on the Anniversary of the Suppression of the Demonstrations at Tiananmen Square

- 5 -

Remarks at a Ceremony Honoring the GI Bill

- 6 -

Appointment of the 1990 - 91 White House Fellows

Message to the Congress Transmitting the Annual Report on Environmental Quality

Nomination of Roy M. Huffington To Be United States Ambassador to Austria

Nomination of Hugh Kenneth Hill To Be United States Ambassador to Bulgaria

Nomination of Frederick Vreeland To Be United States Ambassador to Burma (Myanmar)

Nomination of Aurelia Erskine Brazeal To Be United States Ambassador to Micronesia

Accordance of the Personal Rank of Ambassador to John F. Maisto While Representing the United States at the Organization of American States

Nomination of William Eric Andersen To Be Administrator of the Wage and Hour Division at the Department of Labor

- 7 -

Letter to Congressional Leaders Transmitting National Forest and Rangeland Management Proposals

Statement by Deputy Press Secretary Glen on the Termination of the State of Emergency in South Africa

Remarks at a Fundraising Luncheon for Governor Tommy Thompson in Milwaukee, Wisconsin

Remarks at a Fundraising Dinner for Gubernatorial Candidate Jim Edgar in Chicago, Illinois

- 8 -

Remarks at a Fundraising Breakfast for Governor Terry Branstad in Des Moines, Iowa

Exchange With Reporters Aboard Air Force One

Remarks at a Fundraising Luncheon for Senatorial Candidate Hal Daub in Omaha, Nebraska

Remarks to Members and Supporters of MAD DADS in Omaha, Nebraska

Remarks and an Exchange With Reporters Following Discussions With Chancellor Helmut Kohl of the Federal Republic of Germany

- 10 -

Statement by Press Secretary Fitzwater on President Bush's Dinner With President Carlos Salinas de Gortari of Mexico

- 11 -

Mexico-United States Joint Statement on Negotiation of a Free Trade Agreement

Remarks at the Presentation Ceremony for the Drug-Free School Recognition Program Awards

Exchange With Reporters on the Supreme Court Decision Overturning a Federal Flag Desecration Statute

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Lothar de Maiziere of the German Democratic Republic

- 12 -

Exchange With Reporters

Letter to Congressional Leaders on the Canada-United States Free Trade Agreement

Remarks Upon Receiving a Replica of the Iwo Jima Memorial and an Exchange With Reporters

Nomination of Kenneth Noel Peltier To Be United States Ambassador to Comoros

Nomination of George Fleming Jones To Be United States Ambassador to Guyana

Nomination of Richard V. Bertain To Be an Associate Director of ACTION

Remarks at a Reception for Supporters of the Annual Republican Congressional Fundraising Dinner

Remarks at the Annual Republican Congressional Fundraising Dinner

- 13 -

The President's News Conference With the Regional Reporters Association

Nomination of Townsend B. Friedman, Jr., To Be United States Ambassador to Mozambique

Nomination of Richard C. Brown To Be United States Ambassador to Uruguay

- 14 -

Statement by Press Secretary Fitzwater on the Violence in Romania

Remarks Following Discussions With Prime Minister Chatchai Chunhawan of Thailand

- 15 -

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Andres Rodriguez Pedotti of Paraguay

Remarks at a White House Ceremony Marking the Entry of the Peace Corps into Central Europe

Message to the House of Representatives Returning Without Approval the Hatch Act Reform Amendments of 1990

Nomination of Timothy J. McBride To Be an Assistant Secretary of Commerce

Nomination of W. Lee Rawls To Be an Assistant Attorney General

Designation of Anne E. Brunsdale as Vice Chairman of the United States International Trade Commission

Statement by Press Secretary Fitzwater on the Soviet-United States Short-Range Nuclear Forces Negotiations

Statement by Press Secretary Fitzwater on the Review of Regulatory Issues by the Council on Competitiveness

Statement by Chief of Staff Sununu on the Establishment of an International Fund for the Termination of Chlorofluorocarbon Production

- 18 -

Nomination of Stephen D. Potts To Be Director of the Office of Government Ethics

- 19 -

Message to the Congress Transmitting the Annual Report on Radiation Control for Health and Safety

Nomination of Edward William Gnehm, Jr., To Be United States Ambassador to Kuwait

Nomination of Genta Hawkins Holmes To Be United States Ambassador to Namibia

Message to the Senate Transmitting the Poland-United States Business and Economic Relations Treaty

Remarks at the Great Outdoors Award Dinner

- 20 -

Remarks at a Fundraising Luncheon for Governor Guy Hunt in Huntsville, Alabama

The President's News Conference in Huntsville, Alabama

Remarks to Employees of the George C. Marshall Space Flight Center in Huntsville, Alabama

Nomination of Edwin D. Williamson To Be Legal Adviser of the Department of State

Nomination of C.M. Schauerte To Be Federal Insurance Administrator of the Federal Emergency Management Agency

Nomination of James M. Stephens To Be a Member of the National Labor Relations Board, and Designation as Chairman

Nomination of John N. Raudabaugh To Be a Member of the National Labor Relations Board

Appointment of Norman Sisisky as a Member of the Board of Trustees of the James Madison Memorial Fellowship Foundation

Nomination of Earl Roger Mandle To Be a Member of the National Council on the Arts

Nomination of Bert W. Corneby To Be Superintendent of the United States Mint at West Point

Remarks at a Fundraising Dinner for Senator Jesse Helms in Charlotte, North Carolina

- 21 -

Remarks at the Ribbon-Cutting Ceremony for the Children's Inn at the National Institutes of Health in Bethesda, Maryland

Remarks Congratulating the Detroit Pistons on Winning the National Basketball Association Championship

Designation of Susan M. Coughlin as Vice Chairman of the National Transportation Safety Board

- 22 -

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Remarks to United States Attorneys

Statement by Press Secretary Fitzwater on the Renewal of the Hungary-United States Trade Agreement

Japan-United States Joint Statement on the 30th Anniversary of the Entry into Force of the United States-Japan Treaty of Mutual Cooperation and Security

- 25 -

Remarks Prior to Discussions With Nelson Mandela

Statement by Press Secretary Fitzwater on Fang Lizhi's Departure From China

Statement by Press Secretary Fitzwater on the Acquisition of Norton Company by BTR of the United Kingdom

- 26 -

Statement on the Federal Budget Negotiations

Message on the Observance of Independence Day

Nomination of Michael Martin Skol To Be United States Ambassador to Venezuela

Statement on Outer Continental Shelf Oil and Gas Development

Message to the Congress Reporting Budget Deferrals

Statement by Press Secretary Fitzwater on the President's Meeting With Thorvald Stoltenberg, United Nations High Commissioner for Refugees

Remarks at a White House Barbecue for Members of Congress

- 27 -

Nomination of George F. Murphy, Jr., To Be Inspector General of the United States Information Agency

Statement on Signing a Bill Protecting Natural and Cultural Resources in New Mexico

Remarks Announcing the Enterprise for the Americas Initiative

- 28 -

Message to the Congress Reporting Budget Rescissions

Statement on the Japan-United States Trade Negotiations

Message to the Congress Transmitting the Annual Report of the Federal Council on the Aging

Message to the Senate Transmitting Protocols to Soviet-United States Treaties on Underground Nuclear Testing

Nomination of Robert S. Mueller III To Be an Assistant Attorney General

- 29 -

The President's News Conference

Letter to Congressional Leaders on the Designation of Bahrain as a Beneficiary Developing Country

Statement on the Copenhagen Declaration of the Conference on Security and Cooperation in Europe

Message to the House of Representatives Returning Without Approval the Family and Medical Leave Act of 1990

Statement on Signing a Bill Calling Upon the United Nations to Repeal General Assembly Resolution 3379

contents

july 1990

select another month
January | February | March | April
May | June | August | September
October | November | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 2 -

Exchange With Reporters in Kennebunkport, Maine

- 3 -

Statement by Press Secretary Fitzwater on the Deaths of Moslem Pilgrims in Mecca, Saudi Arabia

Exchange With Reporters

- 6 -

London Declaration on a Transformed North Atlantic Alliance

The President's News Conference Following the North Atlantic Treaty Organization Summit in London, United Kingdom

- 7 -

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Toshiki Kaifu of Japan Prior to the Houston Economic Summit

- 8 -

Remarks Announcing Canada-United States Air Quality Negotiations and an Exchange With Reporters in Houston, Texas

Joint Statement Announcing Canada-United States Air Quality Negotiations

- 9 -

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Francois Mitterrand of France Prior to the Houston Economic Summit

Statement by Press Secretary Fitzwater on the President's Meeting With Chancellor Helmut Kohl of the Federal Republic of Germany Prior to the Houston Economic Summit

Remarks at the Welcoming Ceremony for the Houston Economic Summit

- 10 -

Houston Economic Summit Political Declaration: Securing Democracy

Houston Economic Summit Statement on Transnational Issues

- 11 -

Houston Economic Summit Economic Declaration

Remarks on Presenting the Final Communique of the Houston Economic Summit

The President's News Conference Following the Houston Economic Summit

White House Fact Sheet on the President's Proposal for a Global Forest Convention

Remarks at the Thank You Houston Celebration in Houston, Texas

- 12 -

Remarks Following a Meeting With Greek Patriarch Dimitrios I

Remarks to the 30th Biennial Greek Orthodox Church Clergy-Laity Congress

- 13 -

Message to the Congress Transmitting a Report on Hungarian Emigration Policy

Message to the Congress Reporting on the Economic Sanctions Against Libya

Message to the Congress Transmitting the Annual Report on Nuclear Nonproliferation

Statement on Congressional Action on the Americans With Disabilities Act

Remarks on the Proposed Balanced Budget Amendment and an Exchange With Reporters

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Cesar Gaviria of Colombia

- 16 -

Statement on the Federal Budget Deficit

Statement on German Membership in the North Atlantic Treaty Organization

Nomination of Wayne Lee Berman To Be an Assistant Secretary of Commerce

Letter to Congressional Leaders on the Balanced Budget Amendment

- 17 -

Remarks and a Question-and-Answer Session With the Magazine Publishers of America

Statement by Press Secretary Fitzwater on the President's Meeting With British Labour Party Leader Neil Kinnock

- 18 -

Remarks to the National Council of La Raza

Exchange With Reporters Aboard Air Force One

- 19 -

Nomination of Steven B. Kelmar To Be an Assistant Secretary of Health and Human Services

Remarks at the Dedication of the Richard M. Nixon Presidential Library in Yorba Linda, California

Remarks at a Fundraising Dinner for Senatorial Candidate Larry Craig in Boise, Idaho

- 20 -

Remarks at a Fundraising Breakfast for Senatorial Candidate Allen Kolstad in Billings, Montana

Remarks at an Antidrug Rally in Billings, Montana

Remarks at the Frontier Days and State Centennial Parade in Cheyenne, Wyoming

Remarks at the Francis Earl Warren Air Force Base in Cheyenne, Wyoming

- 21 -

Remarks at the Christening of the U.S.S. George Washington in Newport News, Virginia

- 23 -

Statement by Press Secretary Fitzwater on the Importation of Semiautomatic Weapons

Remarks Following Discussions With President Rodrigo Borja Cevallos of Ecuador

Remarks Announcing the Nomination of David H. Souter To Be an Associate Justice of the Supreme Court of the United States and a Question-and-Answer Session With Reporters

Designation of Robert Elsner as Chairman of the Marine Mammal Commission

- 24 -

Remarks at a Republican Party Fundraising Luncheon in Philadelphia, Pennsylvania

Nomination of Ryan Clark Crocker To Be United States Ambassador to Lebanon

Statement by Press Secretary Fitzwater on the Appointment of the United States Representatives to the Board of Trustees of the Regional Environmental Center for Central and Eastern Europe

Remarks at an Antidrug Rally in Philadelphia, Pennsylvania

Nomination of Jerome H. Powell To Be an Assistant Secretary of the Treasury

Nomination of Edward P. Brynn To Be United States Ambassador to Burkina Faso

Accordance of the Personal Rank of Ambassador to Bradley Gordon While Serving on the Nuclear Non-Proliferation Treaty Review Conference Preparatory Committee

Remarks at a Republican Party Fundraising Dinner in New York, New York

- 25 -

Remarks at a Ceremony Commemorating Captive Nations Week

Appointment of Richard W. Porter as Special Assistant to the President and Executive Secretary for the Domestic Policy Council

- 26 -

Remarks on Signing the Americans with Disabilities Act of 1990

Statement on Signing the Americans with Disabilities Act of 1990

Appointment of Michael P. Jackson as Special Assistant to the President and Executive Secretary for Cabinet Liaison

- 27 -

Letter to Congressional Leaders Transmitting the Report of the Test of Television Broadcasting Into Cuba

Exchange With Reporters Aboard Air Force One

- 30 -

Remarks to the National Governors' Association

Nomination of Stephen H. Rogers To Be United States Ambassador to Swaziland

Nomination of Mary Sterling To Be Inspector General of the Department of Transportation

Remarks to the Youth Leadership Coalition

- 31 -

Joint Statement by the President and the Governors on a Process for Measuring and Reporting on Progress Toward the National Education Goals

Statement on the Establishment of the National Education Goals Panel

Remarks Following Discussions With President Gnassingbe Eyadema of Togo

contents

a u g u s t 1 9 9 0

select another month
January | February | March | April
May | June | July | September
October | November | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 1 -

Nomination of Thomas F. Kranz To Be an Associate Director of the Federal Emergency Management Agency

Statement by Deputy Press Secretary Popadiuk on the Iraqi Invasion of Kuwait

- 2 -

Statement by Deputy Press Secretary Popadiuk on the Iraqi Invasion of Kuwait

Remarks and an Exchange With Reporters on the Iraqi Invasion of Kuwait

Remarks and a Question-and-Answer Session With Reporters in Aspen, Colorado, Following a Meeting With Prime Minister Margaret Thatcher of the United Kingdom

Memorandum on the Withholding of Assistance to Iraq

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia

Statement by Press Secretary Fitzwater on Secretary of Health and Human Services Louis W.

Sullivan

Remarks at the Aspen Institute Symposium in Aspen, Colorado

- 3 -

Message to the Congress Transmitting the ``Regulatory Program of the United States Government''

Nomination of Paula J. Dobriansky To Be an Associate Director of the United States Information Agency

Message to the Congress on the Declaration of a National Emergency With Respect to Iraq

Nomination of Arlene Render To Be United States Ambassador to The Gambia

Nomination of Gordon L. Streeb To Be United States Ambassador to Zambia

Nomination of Donna M. Owens To Be Director of the Bureau of Justice Assistance

Remarks and an Exchange With Reporters on the Iraqi Invasion of Kuwait

- 5 -

Statement by Press Secretary Fitzwater on the Evacuation of United States Citizens From Liberia

Statement by Press Secretary Fitzwater on Japanese Economic Sanctions Against Iraq

Remarks and an Exchange With Reporters on the Iraqi Invasion of Kuwait

- 6 -

Remarks at the Presentation Ceremony for the All-American Cities Awards

Nomination of Herbert Donald Gelber To Be United States Ambassador to Mali

Nomination of Scott M. Spangler To Be an Assistant Administrator of the Agency for International Development

Nomination of Charles B. DeWitt To Be Director of the National Institute of Justice

Appointment of Charles E.M. Kolb as Deputy Assistant to the President for Domestic Policy

Remarks and an Exchange With Reporters Following a Meeting With Prime Minister Margaret Thatcher of the United Kingdom and Secretary General Manfred Woerner of the North Atlantic Treaty Organization

Statement by Press Secretary Fitzwater on the Cease-Fire Between the African National Congress and the Government of South Africa

- 7 -

Statement by Press Secretary Fitzwater on the Anniversary of the Central American Peace Plan

- 8 -

Address to the Nation Announcing the Deployment of United States Armed Forces to Saudi Arabia

The President's News Conference

Statement by Press Secretary Fitzwater on the President's Meeting With the United States-Mexican Binational Commission

Appointment of Frances McMurtray Norris as Special Assistant to the President for Legislative Affairs

- 9 -

Nomination of Jeanne S. Archibald To Be General Counsel of the Department of the Treasury

Letter to Congressional Leaders on the Deployment of United States Armed Forces to Saudi Arabia and the Middle East

Letter to Congressional Leaders on Additional Economic Measures Taken With Respect to Iraq and Kuwait

- 10 -

Appointment of Condoleezza Rice as a Special Assistant to the President for National Security Affairs

Exchange With Reporters Aboard Air Force One on the Persian Gulf Crisis

Statement by Press Secretary Fitzwater on the Arab League's Statement on the Persian Gulf Crisis

- 11 -

Excerpts of a Statement by Press Secretary Fitzwater on the Persian Gulf Crisis

Remarks and an Exchange With Reporters on the Persian Gulf Crisis

- 12 -

Statement by Press Secretary Fitzwater on the Persian Gulf Crisis

- 13 -

Statement Announcing the Lifting of Restrictions on Soviet Businesspeople in the United States

Statement by Press Secretary Fitzwater on United States Interdiction of Iraqi Shipping

- 14 -

The President's News Conference

- 15 -

Presidential Determination No. 90 - 30 -- Memorandum on Trade With the German Democratic Republic

Letter to Congressional Leaders on Trade With the German Democratic Republic

Remarks to Department of Defense Employees

- 16 -

The President's News Conference on the Persian Gulf Crisis

- 17 -

Presidential Determination No. 90 - 31 -- Memorandum on Export-Import Bank Services for the German Democratic Republic

- 18 -

Statement by Press Secretary Fitzwater on the Treatment of Foreign Nationals in Iraq and Kuwait

Statement on Signing the Oil Pollution Act of 1990

- 20 -

Statement on Signing the Customs and Trade Act of 1990

Remarks at the Annual Conference of the Veterans of Foreign Wars in Baltimore, Maryland

Exchange With Reporters Aboard Air Force One

Remarks at a Republican Party Fundraising Luncheon in North Kingstown, Rhode Island

Statement by Press Secretary Fitzwater on President Bush's Conversations With President Francois Mitterrand of France and Senator Robert Byrd on the Persian Gulf Crisis

- 22 -

Letter to Congressional Leaders on the Mobilization of United States Reserves

Statement by Press Secretary Fitzwater on the Mobilization of United States Reserves

The President's News Conference on the Persian Gulf Crisis

Statement by Press Secretary Fitzwater on the United States Commercial Space Launch Policy

- 24 -

Letter to Congressional Leaders Transmitting an Alternate Federal Civilian Pay Plan

- 25 -

Statement by Press Secretary Fitzwater on United Nations Authorization of Enforcement of Economic Sanctions Against Iraq

Excerpt of a Statement by Press Secretary Fitzwater on Soviet President Mikhail Gorbachev's Endorsement of United Nations Economic Sanctions Against Iraq

Initial Order for Emergency Deficit Control Measures for Fiscal Year 1991

- 27 -

Statement by Press Secretary Fitzwater on the Continuation of United States Television Broadcasting to Cuba

Remarks and a Question-and-Answer Session With Reporters in Kennebunkport, Maine, Following a Meeting With Prime Minister Brian Mulroney of Canada

- 28 -

Remarks at a White House Briefing for Members of Congress on the Persian Gulf Crisis

- 29 -

Radio Address to United States Armed Forces Stationed in the Persian Gulf Region

Statement by Deputy Press Secretary Popadiuk on Consultations on the Persian Gulf Crisis

- 30 -

Letter to Congressional Leaders Reporting on the Cyprus Conflict

The President's News Conference on the Persian Gulf Crisis

contents

september 1990

select another month
January February | March | April
May | June | July | August
October | November | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 1 -

Remarks Announcing the Upcoming Meeting With President Mikhail Gorbachev of the Soviet Union and an Exchange With Reporters in Kennebunkport, Maine

Message on the Observance of Labor Day, 1990

- 5 -

Remarks at a White House Briefing on National Drug Control Strategy

Statement by Press Secretary Fitzwater on the United States Commercial Space Launch Policy

White House Fact Sheet on the United States Commercial Space Launch Policy

Appointment of Shawn Smeallie as a Special Assistant to the President for Legislative Affairs

- 6 -

Remarks at a Fundraising Luncheon for Governor Mike Hayden in Topeka, Kansas

Remarks at a Fundraising Barbecue for Representative Bill Grant in Tallahassee, Florida

Memorandum on Trade With Czechoslovakia

Letter to Congressional Leaders on Trade With Czechoslovakia

- 7 -

Remarks and an Exchange With Reporters on the Federal Budget Negotiations

Exchange With Reporters Prior to a Meeting With Federal Budget Negotiators

Statement by Press Secretary Fitzwater on the Presidential Mission to the Soviet Union

Statement by Press Secretary Fitzwater on Emergency Assistance for Persian Gulf Refugees

- 8 -

Remarks at the Arrival Ceremony in Helsinki, Finland

Remarks to Members of the American Embassy Community in Helsinki, Finland

- 9 -

Soviet Union-United States Joint Statement on the Persian Gulf Crisis

Joint News Conference of President Bush and Soviet President Mikhail Gorbachev in Helsinki, Finland

- 10 -

White House Statement on Reform of the Federal Financial Accounting System

Message to the Congress Transmitting the Report on the Fiscal Year 1991 Federal Budget Sequestration

Nomination of Richard A. Claytor To Be an Assistant Secretary of Energy

Nomination of Frederick P. Hitz To Be Inspector General of the Central Intelligence Agency

Statement by Press Secretary Fitzwater on the President's Telephone Conversations With Foreign Leaders on the Persian Gulf Crisis

Remarks at the Presentation Ceremony for the National Medal of the Arts

Statement by Press Secretary Fitzwater on the Iraqi Offer To Give Oil to Developing Countries

Memorandum on the Combined Federal Campaign

- 11 -

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board

Address Before a Joint Session of the Congress on the Persian Gulf Crisis and the Federal Budget Deficit

- 12 -

Remarks to Federal, State, and Local Prosecutors

Nomination of Harmon Elwood Kirby To Be United States Ambassador to Togo

Statement by Press Secretary Fitzwater on the Treaty on the Final Settlement With Respect to Germany

- 13 -

Statement by Press Secretary Fitzwater on the President's Taped Address to the People of Iraq

- 14 -

Remarks on Transmitting the Enterprise for the Americas Initiative Act of 1990

Message to the Congress Transmitting the Enterprise for the Americas Initiative Act of 1990

White House Fact Sheet on the Enterprise for the Americas Initiative Act of 1990

Remarks to Participants in the International Appellate Judges Conference

Appointment of Teresa A. Gorman as Special Assistant to the President for Policy Development

Nomination of Walter E. Massey To Be Director of the National Science Foundation

Nomination of Leonard H.O. Spearman, Sr., To Be United States Ambassador to Lesotho

Remarks on the Persian Gulf Crisis and an Exchange With Reporters

- 16 -

Address to the People of Iraq on the Persian Gulf Crisis

- 17 -

Remarks and a Question-and-Answer Session With Members of the Regional News Media

Remarks to Participants in the Elementary School Recognition Program

Letter to Congressional Leaders on Textile, Apparel, and Footwear Trade Legislation

- 18 -

Remarks at a Republican Party Fundraising Luncheon in Denver, Colorado

Remarks at a Fundraising Dinner for Gubernatorial Candidate Pete Wilson in Los Angeles, California

- 19 -

Remarks at a Fundraising Luncheon for Gubernatorial Candidate Pete Wilson in San Francisco, California

- 20 -

Nomination of Mary Shannon Brunette To Be an Assistant Secretary of Housing and Urban Development

Nomination of John P. Leonard To Be United States Ambassador to Suriname

- 21 -

Statement by Deputy Press Secretary Popadiuk on the President's Meeting With the Administrator and Deputy Administrator of the Panama Canal Commission

Nomination of Merrill A. McPeak To Be Chief of Staff of the Air Force

Nomination of Roscoe Burton Starek III To Be a Member of the Federal Trade Commission

Nomination of Charles L. Cragin To Be Chairman of the Board of Veterans Appeals

Appointment of Leigh Ann Metzger as Special Assistant to the President for Public Liaison

The President's News Conference

Statement by Deputy Press Secretary Popadiuk on United States Military Assistance to Saudi Arabia

- 24 -

Remarks at a Fundraising Breakfast for District of Columbia Mayoral Candidate Maurice Turner

Remarks Following Discussions With State President F.W. de Klerk of South Africa

Remarks and a Question-and-Answer Session at a White House Briefing for Representatives of the Arab-American Community

Remarks on Signing the National Hispanic Heritage Month Proclamation and the Educational Excellence for Hispanic Americans Executive Order

Nomination of Robert A. Flaten To Be United States Ambassador to Rwanda

- 25 -

Remarks on Signing the Message to the Senate Transmitting the Treaty on the Reunification of Germany

Message to the Senate Transmitting the Treaty on the Reunification of Germany

Nomination of Elsie V. Vartanian To Be Director of the Women's Bureau

Remarks Following Discussions With President Turgut Ozal of Turkey

Remarks at the Annual Meeting of the Boards of Governors of the International Monetary Fund and World Bank Group

Remarks on the Federal Budget Negotiations

Statement on Signing the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990

Message to the Congress Transmitting the South Pacific Environmental Protection Convention and Protocols

Letter to Congressional Leaders on Mexico-United States Free Trade Negotiations

- 26 -

Message to the Senate Transmitting the Soviet Union-United States Maritime Boundary Agreement

Exchange With Reporters Aboard Air Force One on the Federal Budget Negotiations

Remarks at a Fundraising Luncheon for Gubernatorial Candidate George Voinovich in Akron, Ohio

Remarks at a Rally for Senatorial Candidate Lynn Martin in Chicago, Illinois

Letter to Congressional Leaders on Legislation to Amend Clean Air Act

- 27 -

Remarks at a Fundraising Breakfast for Gubernatorial Candidate Jon Grunseth in Minneapolis, Minnesota

Remarks at a Fundraising Luncheon for Gubernatorial Candidate George Voinovich in Cleveland, Ohio

Remarks at a Fundraising Dinner for Senatorial Candidate Bill Schuette in Detroit, Michigan

- 28 -

Remarks and an Exchange With Reporters Prior to Discussions With President Zhelyu Zhelev of Bulgaria

Remarks Following Discussions With Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait

Statement by Press Secretary Fitzwater on the Cancellation of the State Visit of President Wojciech Jaruzelski of Poland

- 29 -

Remarks at the Washington National Cathedral Dedication Ceremony

Statement by Press Secretary Fitzwater on President Bush's Meeting in New York City With President Cesar Gaviria of Colombia

Statement by Press Secretary Fitzwater on the President's Meeting in New York City With Prime Minister Salim al-Huss of Lebanon

Statement by Press Secretary Fitzwater on the President's Meeting in New York City With Prime Minister Brian Mulroney of Canada

Statement by Press Secretary Fitzwater on the President's Meeting in New York City With Prime Minister Tadeusz Mazowiecki of Poland

- 30 -

Remarks at the Opening Ceremony of the United Nations World Summit for Children in New York City

Message to the Congress on the Continuation of Export Control Regulations

Remarks Announcing a Federal Budget Agreement

Statement by Press Secretary Fitzwater on President Bush's Meeting in New York, New York, With President Vaclav Havel of Czechoslovakia

contents

october 1990

select another month
January | February | March | April
May | June | July | August
September | November | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 1 -

Address Before the 45th Session of the United Nations General Assembly in New York, New York

Statement by Press Secretary Fitzwater on United States Emergency Military Assistance for Israel

Statement by Press Secretary Fitzwater on the Release of Shiite Moslem Prisoners in Lebanon

Remarks on Signing a Resolution Providing Funding for Continued Government Operation and a Question-and-Answer Session With Reporters in New York, New York

Remarks at the Ministerial Meeting in New York, New York, of the Conference on Security and Cooperation in Europe

- 2 -

Statement by Press Secretary Fitzwater on the President's Meeting With General Mikhail A. Moiseyev, Chief of the General Staff of the Soviet Union

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Patricio

Aylwin Azocar of Chile

Remarks to Business Leaders on the Federal Budget Agreement

Remarks at the Presentation Ceremony for the Presidential Awards for Excellence in Science and Mathematics Teaching

Statement by Press Secretary Fitzwater on the President's Meeting With Jonas Savimbi of the National Union for the Total Independence of Angola

Address to the German People on the Reunification of Germany

Address to the Nation on the Federal Budget Agreement

- 3 -

Remarks and a Question-and-Answer Session With Regional Newspaper Editors

Remarks on Signing the German-American Day Proclamation at a White House Ceremony Celebrating the Reunification of Germany

Message to the Congress on the Continuation of Naval Petroleum Reserves Production

Remarks on Signing the Proclamation Commemorating the Designation of Atlanta as Olympic Host City

- 4 -

Message to the Congress Reporting Budget Deferrals

Nomination of Michael Joseph Bayer To Be Federal Inspector of the Alaska Natural Gas Transportation System

Remarks on the Conventional Armed Forces in Europe Negotiations

- 5 -

Appointment of Jeffrey R. Holmstead as an Associate Counsel to the President

Remarks on Transmitting to the Congress Proposed Legislation on Trade Preference for Andean Countries

Message to the Congress Transmitting Proposed Legislation on Trade Preference for Andean Countries

Message to the House of Representatives Returning Without Approval the Textile, Apparel, and Footwear Trade Act of 1990

Statement on the Intention To Veto of a Resolution Providing Funding for Continued Government Operation

- 6 -

The President's News Conference on the Federal Budget Crisis

Message to the House of Representatives Returning Without Approval a Resolution Providing Funding for Continued Government Operation

- 8 -

Remarks at the Swearing-In Ceremony for David H. Souter as an Associate Justice of the Supreme Court of the United States

- 9 -

Statement on Signing a Resolution Providing Funding for Continued Government Operation

The President's News Conference

Remarks at a White House Briefing on Drugs in the Workplace

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister A.N.R. Robinson of Trinidad and Tobago

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia

- 10 -

Remarks at a Fundraising Breakfast for Senator Jesse Helms in Raleigh, North Carolina

Remarks at a Rally for Governor Bob Martinez in St. Petersburg, Florida

Remarks at a Fundraising Reception for Gubernatorial Candidate Johnny Isakson in Atlanta, Georgia

- 11 -

Appointment of David C. Gompert as Special Assistant to the President for National Security Affairs

Nomination of Marion Clifton Blakey To Be an Assistant Secretary of Transportation

Statement by Press Secretary Fitzwater on the President's Meeting With House Republican Leaders

Remarks at a White House Briefing for Representatives of Veterans Organizations

Remarks and an Exchange With Reporters on the Federal Budget Negotiations

Remarks on Signing the Fire Prevention Week Proclamation

Nomination of David A. Kessler To Be Commissioner of Food and Drugs

- 12 -

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President Mohammed Hosni Mubarak of Egypt

Statement on Signing the Bill Establishing a National Policy on Permanent Records

Presidential Determination No. 91 - 3 -- Memorandum on Refugee Admissions

- 15 -

Nomination of Robert William Gambino To Be Director of Selective Service

Final Order for Emergency Deficit Control Measures for Fiscal Year 1991

Statement on Signing the Radiation Exposure Compensation Act

Remarks at a Fundraising Luncheon for Gubernatorial Candidate Clayton Williams in Dallas, Texas

Remarks at a Republican Fundraising Reception in Omaha, Nebraska

Statement Congratulating President Mikhail Gorbachev of the Soviet Union as the Recipient of the Nobel Peace Prize

- 16 -

Remarks at a Republican Fundraising Breakfast in Des Moines, Iowa

Remarks at a Campaign Rally for Gubernatorial Candidate Jim Edgar in Chicago, Illinois

Statement on Signing the Market Reform Act of 1990

Remarks at a Campaign Rally for Gubernatorial Candidate John Engler in Grand Rapids, Michigan

Statement on the Federal Budget

- 17 -

Statement on the Children's Television Act of 1990

- 18 -

Remarks at the Welcoming Ceremony for Prime Minister Jozsef Antall of Hungary

Statement by Press Secretary Fitzwater on the Lifting of the State of Emergency in Natal

Remarks to White House Interns

Toasts at the State Dinner for Prime Minister Jozsef Antall of Hungary

- 19 -

Remarks to the National Italian American Foundation

Excerpt of a Statement by Press Secretary Fitzwater on the Citizens Democracy Corps

- 20 -

Statement on Civil Rights Legislation

Message to the Congress Transmitting Proposed Civil Rights Legislation

- 22 -

Message to the Senate Returning Without Approval the Civil Rights Act of 1990

Statement on Signing the San Carlos Mineral Strip Act of 1990

Statement by Press Secretary Fitzwater on Violence in the Middle East

Memorandum on the Kaho'olawe, Hawaii, Weapons Range

Message to the Congress Transmitting the Annual Report on the State of Small Business

Remarks at the Presentation Ceremony for the Theodore Roosevelt Conservation Award

- 23 -

Remarks at a Republican Fundraising Breakfast in Burlington, Vermont

Remarks at a Republican Campaign Rally in Manchester, New Hampshire

Exchange With Reporters Following a Fundraising Reception for Congressional Candidate Gary Franks in Waterbury, Connecticut

Remarks at a Fundraising Dinner for Gubernatorial Candidate John Rowland in Stamford, Connecticut

- 24 -

Remarks on Presenting the Congressional Gold Medal to Andrew Wyeth

Remarks Announcing the Resignation of Secretary of Labor Elizabeth Dole

Statement by Press Secretary Fitzwater on the Federal Budget Crisis

- 25 -

Exchange With Reporters on the Federal Budget Crisis

Remarks to a Fundraising Luncheon for New Mexico Gubernatorial Candidate Frank Bond

- 26 -

Remarks at a Fundraising Breakfast for Gubernatorial Candidate Pete Wilson in Irvine, California

Message to the Congress Transmitting the Annual Report on Agricultural Trade Goals

Remarks at a Campaign Rally for Gubernatorial Candidate Pete Wilson in Los Angeles, California

Remarks at a Fundraising Dinner for Senatorial Candidate Pat Saiki in Honolulu, Hawaii

- 27 -

Remarks on the Federal Budget Agreement and an Exchange With Reporters in Honolulu, Hawaii

Remarks at the Conclusion of the Pacific Island Nations-United States Summit in Honolulu, Hawaii

Message to the Congress Transmitting a Report on Panamanian Government Assets Held by the United States

Nomination of John A. Bushnell To Be United States Ambassador to Costa Rica

Statement by Press Secretary Fitzwater on Lebanon

- 28 -

Remarks to Officers and Troops at Hickam Air Force Base in Pearl Harbor, Hawaii

- 29 -

Exchange With Reporters in San Francisco, California

Remarks at a Rally for Gubernatorial Candidate Bill Price in Oklahoma City, Oklahoma

- 30 -

Remarks Congratulating the Cincinnati Reds on Winning the World Series

Remarks at the Republican National Committee Election Countdown Rally

Statement on Signing the Bill Reauthorizing Native American Higher Education Assistance

- 31 -

Exchange With Reporters in Alexandria, Virginia

Remarks at a Fundraising Breakfast for Representative Stan Parris in Alexandria, Virginia

Exchange With Reporters on the Persian Gulf Crisis

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary of State Agostino Cardinal Casaroli of the Holy See

contents

november 1990

select another month
January | February | March | April
May | June | July | August
September | October | December
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 1 -

Remarks at a Republican Party Fundraising Breakfast in Burlington, Massachusetts

Remarks at a Republican Campaign Rally in Mashpee, Massachusetts

The President's News Conference in Orlando, Florida

Remarks at a Reception for Governor Bob Martinez in Orlando, Florida

- 2 -

Remarks at a Republican Reception in Cincinnati, Ohio

Remarks Upon Arrival in Rochester, Minnesota

Remarks at a Republican Party Reception in Rochester, Minnesota

Remarks at a Republican Reception in Sioux City, Iowa

- 3 -

Remarks at a Tree-Planting Ceremony in Thousand Oaks, California

Remarks at a Reception for Gubernatorial Candidate Pete Wilson in Thousand Oaks, California

Remarks at a Republican Campaign Rally in Albuquerque, New Mexico

- 4 -

Remarks to a Campaign Rally for Senatorial Candidate Hal Daub in Plattsmouth, Nebraska

Remarks to a Reception for Congressional Candidate Genevieve Atwood in Salt Lake City, Utah

Remarks to a Campaign Rally for Congressional Candidate Wayne Gilchrest in Salisbury, Maryland

Remarks to a Campaign Rally for Gubernatorial Candidate Arliss Sturgulewski in Anchorage, Alaska

- 5 -

Remarks at a Republican Campaign Rally in Tyler, Texas

Remarks at a Republican Campaign Rally in Waco, Texas

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991

Statement on Signing the Omnibus Budget Reconciliation Act of 1990

Statement on Signing the Treasury, Postal Service and General Government Appropriations Act, 1991

Statement on Signing the National Defense Authorization Act for Fiscal Year 1991

Statement on Signing the Department of Defense Appropriations Act, 1991

Statement on Signing the Department of the Interior and Related Agencies Appropriations Act, 1991

Statement on Signing the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991

Statement on Signing the Energy and Water Development Appropriations Act, 1991

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1991

Statement on Signing the Military Construction Appropriations Act, 1991

Remarks at a Republican Campaign Rally in Houston, Texas

Statement on Signing the Bill Providing for the Study of Historical and Cultural Resources in Vancouver, Washington

- 6 -

Statement on Signing the Disadvantaged Minority Health Improvement Act of 1990

- 7 -

Letter to Congressional Leaders Transmitting the Report on United States Satellites and Antisatellite Weapons

Statement on Signing the Foreign Direct Investment and International Financial Data Improvements Act of 1990

Presidential Determination No. 91 - 8 -- Memorandum on the Liberalization of Trade and Investment With Nicaragua

Letter to Congressional Leaders on the Liberalization of Trade and Investment With Nicaragua

- 8 -

Statement by Press Secretary Fitzwater on the Liberalization of Trade and Investment With Nicaragua

Remarks Announcing the Resignation of William J. Bennett as Director of National Drug Control Policy and a Question-and-Answer Session With Reporters

Letter Accepting the Resignation of William J. Bennett as Director of National Drug Control Policy

The President's News Conference on the Persian Gulf Crisis

Statement on Signing the Nutrition Labeling and Education Act of 1990

Statement on Signing the Bill Amending the Employee Retirement Income Security Act of 1974

Statement on Signing the Bill Extending Nondiscriminatory Tariff Treatment to Products of Czechoslovakia

Memorandum of Disapproval for the Orphan Drug Amendments of 1990

- 9 -

Final Sequester Order

Appointment of Remedios Diaz-Oliver as a Member of the Advisory Committee for Trade Policy and Negotiations

Notice of the Continuation of the National Emergency With Respect to Iran

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to

Iran

- 13 -

Remarks at the Presentation Ceremony for the National Medals of Science and Technology

Remarks Following Discussions With Giulio Andreotti, Prime Minister of Italy and President of the European Council

Statement by Press Secretary Fitzwater on President Bush's Meeting With Giulio Andreotti, Prime Minister of Italy and President of the European Council

Remarks at a Dinner for the Senate Republican Leadership

Letter to Congressional Leaders on the Extension of Active Duty of the Selected Reserve of the Armed Forces

- 14 -

Remarks at the Presentation Ceremony for the President's Environmental Youth Awards

Letter to Congressional Leaders Transmitting a Report on the Potential Effects of Space Nuclear Reactors on Gamma-Ray Astronomy Missions

Remarks at the Thanksgiving Turkey Presentation Ceremony

Letter to Congressional Leaders on National Emergency Construction Authority

- 15 -

Appointment of Ann Windham Wallace as Director of the Office of Consumer Affairs

Remarks on Signing the Bill Amending the Clean Air Act

Statement on Signing the Bill Amending the Clean Air Act

Nomination of Susannah Simpson Kent To Be Director of the Institute of Museum Services

Statement on Signing the Chief Financial Officers Act of 1990

Statement on Signing the Bill Ensuring the Applicability of Patent Law to Activities in Outer Space

Statement on Signing the Excellence in Mathematics, Science and Engineering Education Act of 1990

Remarks on Signing Environmental Protection, Research, and Education Bills

Statement on Signing the Antarctic Protection Act of 1990

Statement on Signing the Great Lakes Critical Programs Act of 1990

Statement on Signing the Fort Hall Indian Water Rights Act of 1990

Statement on Signing the Aviation Security Improvement Act of 1990

Statement on Signing the Bill Designating Florida Keys Coastal Waters as a National Marine Sanctuary

Statement on Signing the Consumer Product Safety Improvement Act of 1990

Statement on Signing the Bill Amending the Arctic Research and Policy Act of 1984

Statement on Signing the National and Community Service Act of 1990

Statement on Signing the National Earthquake Hazards Reduction Program Reauthorization Act

Statement on Signing the National Environmental Education Act

Memorandum of Disapproval for the Private Relief Bill Providing Benefits to Joan R. Daronco

Memorandum of Disapproval for the Indian Preference Act of 1990

Letter to Congressional Leaders on the Deployment of Additional United States Armed Forces to the Persian Gulf

Letter to Congressional Leaders Reporting on the Declaration of a National Emergency Concerning Chemical and Biological Weapons Proliferation

Memorandum of Disapproval for the Omnibus Export Amendments Act of 1990

Memorandum on the Egyptian Military Debt

Appointment of Jeannette Louise Naylor as Deputy Assistant to the President and Deputy Director of Presidential Personnel

Nomination of Alixe Reed Glen To Be an Assistant Secretary of Health and Human Services

Statement by Press Secretary Fitzwater on the President's Meetings With National Leaders in Prague, Czechoslovakia

Remarks to the Federal Assembly in Prague, Czechoslovakia

Question-and-Answer Session With Reporters Following Discussions With President Vaclav Havel in Prague, Czechoslovakia

Remarks in Prague, Czechoslovakia, at a Ceremony Commemorating the End of Communist Rule

Statement by Press Secretary Fitzwater on the Czechoslovakia-United States Trade Agreement

Radio Address to the People of Czechoslovakia

- 18 -

Exchange With Reporters Aboard Air Force One

Remarks to the Residents of Speyer, Germany

Remarks and a Question-and-Answer Session With Reporters Following a Luncheon With Chancellor Helmut Kohl in Ludwigshafen, Germany

- 19 -

Remarks and an Exchange With Reporters Following Discussions With Prime Minister Margaret Thatcher of the United Kingdom in Paris, France

Treaty on Conventional Armed Forces in Europe

Remarks to the Conference on Security and Cooperation in Europe in Paris, France

Text of the Joint Declaration of Twenty-Two States

Exchange With Reporters Prior to a Meeting With President Mikhail Gorbachev of the Soviet Union in Paris, France

- 20 -

Statement by Press Secretary Fitzwater on President Bush's Meetings With President Turgut Ozal of Turkey and Prime Minister Tadeusz Mazowiecki of Poland

- 21 -

Exchange With Reporters Prior to a Meeting With Prime Minister Constantine Mitsotakis of

Greece in Paris, France

Remarks and a Question-and-Answer Session With Reporters in Paris, France

Text of the Charter of Paris for a New Europe

Thanksgiving Day Message to American Troops

Remarks and a Question-and-Answer Session With Reporters in Jeddah, Saudi Arabia, Following Discussions With Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait

Statement on Signing the Bill Modifying the Boundaries of the Alaska Maritime National Wildlife Refuge

Statement on Signing the International Narcotics Control Act, 1990

- 22 -

Remarks to the Military Airlift Command in Dhahran, Saudi Arabia

Remarks to United States Army Troops Near Dhahran, Saudi Arabia

Remarks During a Thanksgiving Day Service on Board the U.S.S. Nassau in the Persian Gulf

Remarks to Allied Armed Forces Near Dhahran, Saudi Arabia

Exchange With Reporters Near Dhahran, Saudi Arabia

- 23 -

Remarks and a Question-and-Answer Session With Reporters Following Discussions With President Mohammed Hosni Mubarak in Cairo, Egypt

Exchange With Reporters in Geneva, Switzerland, Prior to a Meeting With President Hafiz al-Assad of Syria

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Hafiz al-Assad of Syria

- 26 -

Remarks at the Arrival Ceremony in Monterrey, Mexico

Statement by Press Secretary Fitzwater on President Bush's Discussions With President Carlos Salinas de Gortari in Agualeguas, Mexico

- 27 -

Remarks to Community Members in Monterrey, Mexico

Remarks at a Meeting With Mexican and American Business Leaders in Monterrey, Mexico

Toast at the State Luncheon Hosted by President Carlos Salinas de Gortari in Monterrey, Mexico

Mexico-United States Joint Statement

- 28 -

Remarks on Signing the Food, Agriculture, Conservation, and Trade Act of 1990

Statement on Signing the Food, Agriculture, Conservation, and Trade Act of 1990

Remarks on Signing the Cranston-Gonzalez National Affordable Housing Act

Statement on Signing the Cranston-Gonzalez National Affordable Housing Act

Statement on Signing the Fishery Conservation Amendments of 1990

Statement on Signing the Bill Authorizing the Conveyance of Land by the Rumsey Indian Rancheria

Statement on Signing the Water Resources Development Act of 1990

Statement on Signing the Independent Safety Board Act Amendments of 1990

- 29 -

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iran

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Statement by Press Secretary Fitzwater on Argentine and Brazilian Compliance With Nuclear Safeguards and Nonproliferation Regimes

Statement on Signing the Stewart B. McKinney Homeless Assistance Amendments Act of 1990

Statement on Signing the Bill on Wetland and Coastal Inland Waters Protection and Restoration Programs

Remarks to the Association of Bank Holding Companies

Remarks at a Reception for Participants in Students Taking Action and Responsibility in Service

Statement on Signing the Crime Control Act of 1990

Statement on Signing the Negotiated Rulemaking Act of 1990

Remarks on Signing the Immigration Act of 1990

Statement on Signing the Immigration Act of 1990

Statement on the United Nations Security Council Resolution Authorizing the Use of Force Against Iraq

The President's News Conference

Exchange With Reporters Prior to a Meeting With Foreign Minister Qian Qichen of China

Remarks Announcing the Nomination of Bob Martinez To Be Director of National Drug Control Policy

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversations With Foreign Leaders

Memorandum of Disapproval for the Intelligence Authorization Act, Fiscal Year 1991

Written Responses to Questions Submitted by the South American Press

contents

december 1990

select another month
January | February | March | April
May | June | July | August
September | October | November
Show all months

select another year
1989 | 1991 | 1992 | 1993

- 1 -

Statement on Signing the Judicial Improvements Act of 1990

- 3 -

Remarks to a Joint Session of the Congress in Brasilia, Brazil

Remarks at a Luncheon for the Business Community in Brasilia, Brazil

Toast at a State Dinner in Brasilia, Brazil

- 4 -

Question-and-Answer Session With Reporters in Montevideo, Uruguay

Remarks to a Joint Session of the Congress in Montevideo, Uruguay

- 5 -

Question-and-Answer Session With Reporters in Buenos Aires, Argentina

Remarks to a Joint Session of the Congress in Buenos Aires, Argentina

Toast at a State Dinner in Buenos Aires, Argentina

- 6 -

Remarks at the Arrival Ceremony in Santiago, Chile

Question-and-Answer Session With Reporters in Santiago, Chile

Remarks to a Joint Session of the Congress in Valparaiso, Chile

Toast at a State Dinner in Santiago, Chile

- 7 -

Remarks at the American Chamber of Commerce Breakfast in Santiago, Chile

Statement on the Uruguay Round Multilateral Trade Negotiations

Toast at a State Dinner in Caracas, Venezuela

- 8 -

White House Fact Sheet on the Venezuela-United States Science and Technical Cooperation Agreement

Question-and-Answer Session With Reporters in Caracas, Venezuela

Remarks at a Luncheon Hosted by the Venezuelan-American Chambers of Commerce in Caracas, Venezuela

Statement on the Ratification of Soviet Union-United States Nuclear Testing Limitation Agreements

- 10 -

Remarks on Signing the Human Rights Day, Bill of Rights Day, and Human Rights Week Proclamation

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Vytautus Landsbergis of Lithuania

- 11 -

Message on the Observance of Hanukkah

Remarks at a White House Conference on Drunk and Drugged Driving Awareness

Nomination of Donald A. Henderson To Be an Associate Director of the Office of Science and Technology Policy

- 12 -

Remarks on the Observance of Hanukkah

Remarks at the Jobs for America's Graduates Awards Ceremony

Remarks on the Waiver of the Jackson-Vanik Amendment and on Economic Assistance to the Soviet Union

White House Fact Sheet on the Waiver of the Jackson-Vanik Amendment

White House Fact Sheet on the Medical Assistance Program for the Soviet Union

White House Fact Sheet on Technical Assistance in Food Distribution and Marketing for the Soviet Union

Excerpt of a White House Fact Sheet on the Soviet Union and International Financial Institutions

- 13 -

Remarks at the Presentation Ceremony for the Malcolm Baldrige National Quality Awards

Remarks at a Briefing on the Points of Light Foundation

Exchange With Reporters Prior to a Meeting With Hostages Released by Iraq

Remarks on Lighting the National Christmas Tree

Statement by Press Secretary Fitzwater on the President's Export Control Initiatives

- 14 -

Remarks on the Nomination of the Secretary of Labor and the Persian Gulf Crisis and a Question-and-Answer Session With Reporters

- 17 -

Remarks on Cabinet Nominations and a Question-and-Answer Session With Reporters

Remarks and a Question-and-Answer Session With Reporters Following Discussions With Allies on the Persian Gulf Crisis

- 18 -

Message on the Observance of Christmas

The President's News Conference With Regional Reporters

Statement by Press Secretary Fitzwater on the Federal Reserve System's Reduction of the Discount Rate

Letter to Congressional Leaders on Norwegian Whaling Activities

- 19 -

Remarks at a White House Briefing on Drug Abuse Statistics

Memorandum on the Certification of Countries Exporting Shrimp to the United States

- 21 -

Letter to Congressional Leaders Transmitting a Report on Polar Icebreaker Requirements

Appointment of Phillip D. Brady as Assistant to the President and Staff Secretary

Letter to the Speaker of the House on Modification of Provisions of the Federal Budget Agreement

- 22 -

Remarks and a Question-and-Answer Session With Reporters at Camp David, Maryland, Following Discussions With Prime Minister John Major of the United Kingdom

- 24 -

Christmas Message to American Troops

- 27 -

Exchange With Reporters

Presidential Determination No. 91 - 10 -- Memorandum on the Cancellation of Egyptian Military Debt

Letter to Congressional Leaders on the Cancellation of Egyptian Military Debt

- 29 -

Presidential Determination No. 91 - 11 -- Memorandum on Trade With the Soviet Union

Letter to Congressional Leaders on Trade With the Soviet Union

Browse 1991

You may view the 1991 Presidential Papers collection by month, or you may view the entire year's collection (*large file*).

- January
- February
- March
- April
- May
- June
- July
- August
- September
- October
- November
- December

Alternatively, you may also select a different year.

- 1989
- 1990
- 1992
- 1993

contents

1 9 9 1

select another month
January | February | March | April
May | June | July | August
September | October | November |
December

select another year
1989 | 1990 | 1992 | 1993

New Year's Message to the People of the Soviet Union

Statement by Press Secretary Fitzwater on the Deployment of North Atlantic Treaty Organization Forces to Turkey

Appointment of Katherine L. Super as Deputy Assistant to the President for Appointments and Scheduling

Notice of the Continuation of the National Emergency With Respect to Libya

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Libya

Statement on a Proposed Meeting Between Foreign Minister Tariq `Aziz of Iraq and Secretary of State James A. Baker III

Nomination of Arthur J. Hill To Be an Assistant Secretary of Housing and Urban Development

Nomination of James F. Hoobler To Be Inspector General of the Small Business Administration

Letter to Congressional Leaders Transmitting the 1990 Population and Apportionment Statistics

Statement on the House of Representatives Action on the Federal Budget Agreement

Message to the Congress Transmitting the Canada-United States Fishing Agreement

Remarks on the United States Discussions With Iraq and a Question-and-Answer Session With Reporters

Radio Address to the Nation on the Persian Gulf Crisis

Nomination of George H. Pfau, Jr., To Be a Director of the Securities Investor Protection Corporation

Message to Allied Nations on the Persian Gulf Crisis

Letter to Congressional Leaders on the Persian Gulf Crisis

Nomination of Stanford E. Parris To Be Administrator of the Saint Lawrence Seaway Development Corporation

Appointment of Gregory S. Walden as Associate Counsel to the President

Remarks at the Presentation Ceremony for the Senior Executive Service Presidential Rank Awards

Message to the Congress Reporting Budget Deferrals

Exchange With Reporters on the Persian Gulf Crisis

The President's News Conference on the Persian Gulf Crisis

Statement by Press Secretary Fitzwater on United States Assistance for Liberia and Other Refugee Relief Efforts

Nomination of Bernadine P. Healy To Be Director of the National Institutes of Health

Open Letter to College Students on the Persian Gulf Crisis

Appointment of Raymond Ebeling as a Member of the Advisory Commission on Conferences in Ocean Shipping

Statement by Press Secretary Fitzwater on the President's Conversation With United Nations Secretary-General Javier Perez de Cuellar Concerning the Persian Gulf Crisis

Nomination of Jon D. Glassman To Be United States Ambassador to Paraguay

Exchange With Reporters on the Telephone Conversation with Soviet President Mikhail Gorbachev

Message to the Congress Reporting on the Economic Sanctions Against Libya

Statement by Press Secretary Fitzwater on Incremental Costs for Operation Desert Shield

Nomination of James E. Denny To Be Assistant Commissioner of Patents and Trademarks

The President's News Conference

Statement by Press Secretary Fitzwater on President Bush's Letter to President Saddam Hussein of Iraq

White House Statement on Mrs. Bush's Condition Following a Sledding Accident at Camp David, Maryland

Remarks on Soviet Military Intervention in Lithuania and a Question-and-Answer Session With Reporters

Statement on Signing the Resolution Authorizing the Use of Military Force Against Iraq

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Taro Nakayama of Japan

Statement by Press Secretary Fitzwater on the Conditional Release of Military Assistance to El Salvador

Letter to Congressional Leaders Transmitting a Report Pursuant to the Resolution Authorizing the Use of Force Against Iraq

Statement on Allied Military Action in the Persian Gulf

Address to the Nation Announcing Allied Military Action in the Persian Gulf

Statement by Press Secretary Fitzwater on the Strategic Petroleum Reserve

Exchange With Reporters on the Persian Gulf Conflict

Exchange With Reporters on the Persian Gulf Conflict

Nomination of Carol T. Crawford To Be a Member of the United States International Trade Commission

Statement by Press Secretary Fitzwater Confirming Iraqi Missile Attacks on Israel and Saudi Arabia

Statement by Press Secretary Fitzwater on United States Response to Iraqi Missile Attacks on Israel

The President's News Conference on the Persian Gulf Conflict

Letter to Congressional Leaders on the Persian Gulf Conflict

Letter to Congressional Leaders on the Activation of the Ready Reserve

Statement by Press Secretary Fitzwater on the Activation of the Ready Reserve

Statement by Press Secretary Fitzwater on the Death of King Olav V of Norway

Nomination of Melissa Foelsch Wells To Be United States Ambassador to Zaire

Remarks on the Persian Gulf Conflict and the Baltic States and an Exchange With Reporters

Statement by Press Secretary Fitzwater on the Designation of the Arabian Peninsula as a Combat Zone

Remarks to Participants in the March for Life Rally

Statement on the Resignation of Susan S. Engeleiter as Administrator of the Small Business Administration

Message to the Congress on Trade With Hungary

Presidential Determination No. 91 - 18 -- Memorandum on Trade With Bulgaria

Message to the Congress on Trade With Bulgaria

Remarks Following Discussions With President Punsalmaagiyn Ochirbat of Mongolia

Presidential Determination No. 91 - 19 -- Memorandum on Trade With Mongolia

Message to the Congress on Trade With Mongolia

Remarks to the Reserve Officers Association

Exchange With Reporters

Remarks to Arab-American Leaders

Letter Accepting the Resignation of Clayton K. Yeutter as Secretary of Agriculture

Remarks on the Nomination of Edward R. Madigan To Be Secretary of Agriculture and a Question-and-Answer Session With Reporters

Remarks at the Annual Convention of the National Religious Broadcasters

Remarks Prior to Discussions With Foreign Minister Ahmed Esmat Abdel Meguid of Egypt

Remarks and an Exchange With Reporters Prior to Discussions With Foreign Minister Hans Van den Broek of The Netherlands

Address Before a Joint Session of the Congress on the State of the Union

Remarks and an Exchange With Reporters Prior to Discussions With Foreign Minister Antonios Samaras of Greece

Remarks at the 50th Anniversary Observance of Franklin D. Roosevelt's Four Freedoms Speech

Message to the Congress Transmitting a Report on the Canada-United States Free-Trade

Agreement

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Nomination of Katherine Shirley To Be United States Ambassador to Senegal

Appointment of Edward O. Vetter as a Member of the Competitiveness Policy Council

Nomination of Robert B. Zoellick To Be an Under Secretary of State

Remarks at the National Prayer Breakfast

Remarks at a White House Briefing on the 1991 National Drug Control Strategy

Message to the Congress Transmitting the 1991 National Drug Control Strategy

Message to the Congress Transmitting a Report on Aeronautics and Space Activities During 1988

Message to the Congress Submitting a Report on the International Space Year

Nomination of Charles R. Baquet III To Be United States Ambassador to Djibouti

Remarks to Community Members at Cherry Point Marine Corps Air Station in North Carolina

Remarks to Community Members at Seymour Johnson Air Force Base in Goldsboro, North Carolina

Remarks to Community Members at Fort Stewart, Georgia

Radio Address to the Nation on the National Day of Prayer

Message to the Congress Transmitting the Fiscal Year 1992 Budget

Remarks to Members of the National Governors' Association

Remarks to Representatives of the Boy Scouts of America

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With State President Frederik Willem de Klerk of South Africa

Letter to Congressional Leaders on the Reinstatement of Beneficiary Trade Status for Chile

Letter to Congressional Leaders on Beneficiary Trade Status for the Central African Republic, Paraguay, and Namibia

Statement by Press Secretary Fitzwater on Beneficiary Trade Status for the Central African Republic, Chile, Namibia, and Paraguay

The President's News Conference

Joint Statement Announcing Canada-Mexico-United States Trilateral Free Trade Negotiations

Nomination of Rockwell A. Schnabel To Be Deputy Secretary of Commerce

Remarks on Signing the Veterans' Compensation Amendments of 1991 and the Agent Orange Act of 1991

Statement on Signing the Veterans' Compensation Amendments of 1991

Statement on Signing the Agent Orange Act of 1991

Message to the Congress Transmitting a Report on Federal Energy Conservation Activities

Message to the Congress Transmitting the Annual Report of the Federal Labor Relations Authority

Statement on the Death of Danny Thomas

Exchange With Reporters Aboard Air Force One on the Persian Gulf Conflict

Remarks and a Question-and-Answer Session at a Meeting of the Economic Club in New York, New York

Exchange With Reporters on the Persian Gulf Conflict

Memorandum on the Presidential Design Awards Program

Nomination of Ira H. Raphaelson To Be a Special Counsel at the Department of Justice

Message on the Observance of National Afro-American (Black) History Month

Message on the Observance of the Lunar New Year, 4689

Remarks on the Persian Gulf Conflict

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iraq

Message to Congressional Leaders Transmitting the 1991 Economic Report

Statement by Press Secretary Fitzwater on United States Commercial Space Policy Guidelines

Exchange With Reporters on the Persian Gulf Conflict Prior to Discussions With Defense Minister Thomas King of the United Kingdom

Nomination of Catherine Yi-yu Cho Woo To Be a Member of the National Council on the Arts

Remarks Announcing Proposed Transportation Legislation

Statement by Press Secretary Fitzwater on Allied Bombing in Baghdad

Nomination of John G. Keller, Jr., To Be an Under Secretary of Commerce

Appointment of John Kenneth Blackwell as United States Representative on the United Nations Commission on Human Rights

Statement by Press Secretary Fitzwater on the Iraqi Offer To Withdraw From Kuwait

Letter to Congressional Leaders Transmitting the Report on Soviet Noncompliance With Arms Control Agreements

Remarks to the American Association for the Advancement of Science

Exchange With Reporters in Andover, Massachusetts, on the Iraqi Offer To Withdraw From

Kuwait

Remarks to Raytheon Missile Systems Plant Employees in Andover, Massachusetts

Statement by Press Secretary Fitzwater on Statements Made by Ambassador Zalman Shoval of Israel

Exchange With Reporters in Kennebunkport, Maine

Statement by Press Secretary Fitzwater on Soviet President Gorbachev's Meeting With Foreign Minister `Aziz of Iraq

Exchange With Reporters on the Soviet Peace Proposal for the Persian Gulf Conflict

Message to the Congress Transmitting Reports on Highway and Motor Vehicle Safety

Message to the Senate on the International Labor Organization Convention Concerning the Abolition of Forced Labor

White House Statement on the International Labor Organization Convention Concerning the Abolition of Forced Labor

Appointment of Robert A. Snow as Deputy Assistant to the President for Communications and Director of Speechwriting

Remarks at the Welcoming Ceremony for Queen Margrethe II of Denmark

Remarks at a Briefing on Energy Policy

Letter to Congressional Leaders Reporting on Soviet-United States Arms Control Agreements

Nomination of Michael T.F. Pistor To Be United States Ambassador to Malawi

Nomination of David Floyd Lambertson To Be United States Ambassador to Thailand

Nomination of Jennifer C. Ward To Be United States Ambassador to Niger

Toasts at the State Dinner for Queen Margrethe II of Denmark

Statement by Press Secretary Fitzwater on Remarks Made by President Saddam Hussein of Iraq on the Persian Gulf Conflict

Remarks on Signing the National Parents and Teachers Association Week Proclamation

Remarks on the Persian Gulf Conflict

Remarks at the Swearing-In Ceremony for Lynn M. Martin as Secretary of Labor

Statement by Press Secretary Fitzwater on the Persian Gulf Conflict

Statement by Press Secretary Fitzwater on the Persian Gulf Conflict

Statement on the Persian Gulf Conflict

Address to the Nation Announcing Allied Military Ground Action in the Persian Gulf

Remarks on the Observance of National Afro-American (Black) History Month

Nomination of Dennis A. Yao To Be Federal Trade Commissioner

Statement by Press Secretary Fitzwater on the Persian Gulf Conflict

Statement by Press Secretary Fitzwater on the Iraqi Statement on Withdrawal From Kuwait

Address to the Nation on the Iraqi Statement on Withdrawal From Kuwait

Remarks Following Discussions With President Cesar Gaviria Trujillo of Colombia

Remarks at a Retirement Ceremony for General Maxwell R. Thurman in Arlington, Virginia

Letter to Congressional Leaders Transmitting a Report on International Agreements

Message to the Congress Transmitting Proposed Legislation To Implement the Administration's Enterprise for the Americas Initiative

Remarks to the Conference on Marketing Economics and Management Training for Eastern Europe

Remarks at a Meeting of the American Society of Association Executives

Address to the Nation on the Suspension of Allied Offensive Combat Operations in the Persian Gulf

Remarks Prior to Discussions With Foreign Minister Roland Dumas of France

Message to the Congress Transmitting the Annual Report on Alaskan Mineral Resources

Message to the Congress Reporting Budget Deferrals

Remarks and an Exchange With Reporters Prior to Discussions With Ambassador Nasir Al-Sabah of Kuwait

Remarks and an Exchange With Reporters Prior to Discussions with Prince Bandar bin Sultan of Saudi Arabia

Remarks on Signing the Proclamation Commemorating the 30th Anniversary of the Peace Corps

Remarks Prior to Discussions With Foreign Minister Hans-Dietrich Genscher of Germany

Remarks to the American Legislative Exchange Council

The President's News Conference on the Persian Gulf Conflict

Presidential Determination No. 91 - 22 -- Memorandum on Narcotics Control Certification

Message to the Congress Transmitting a Report on Trade Negotiations and Agreements and Fast Track Authority Extension

Radio Address to United States Armed Forces Stationed in the Persian Gulf Region

Remarks to Veterans Service Organizations

Nomination of Donald J. Yockey To Be Under Secretary of Defense for Acquisition

Remarks at the Westinghouse Science Talent Search 50th Anniversary Banquet

Remarks at a Briefing on Extension of the Fast Track Trade Negotiation Authority

Remarks Prior to Discussions With Foreign Minister Francisco Fernandez-Ordonez of Spain

Remarks at the Attorney General's Crime Summit

Appointment of David M. Carney as Special Assistant to the President and Director of the Office of Political Affairs

Appointment of Ronald C. Kaufman as Deputy Assistant to the President for Political Affairs

Address Before a Joint Session of the Congress on the Cessation of the Persian Gulf Conflict

White House Statement on Weapons of Mass Destruction

Message to the Congress Transmitting the Austria-United States Social Security Agreement

Appointment of Judy A. Smith as Special Assistant to the President and Deputy Press Secretary

Message on the Observance of St. Patrick's Day, 1991

Remarks Upon Presenting the Presidential Medal of Freedom to Margaret Thatcher

Remarks Prior to a Meeting With President Cornelio Sommaruga of the International Committee of the Red Cross

Memorandum on the Return of Desert Shield/Desert Storm Participants to Federal Civilian Employment

Message to the Congress on the Termination of the Sanctions Imposed With Respect to Kuwait

Letter to Congressional Leaders on Telecommunications Trade Talks With the European Community and Korea

Letter to Congressional Leaders on Nuclear Cooperation with EURATOM

Interview With Middle Eastern Journalists

Remarks at the Ford's Theatre Gala

Exchange With Reporters Prior to Discussions With Prime Minister Michel Rocard of France

Remarks Announcing Proposed Crime Control Legislation

Message to the Congress Transmitting Proposed Crime Control Legislation

Remarks at the Point of Light Award Presentation Ceremony for the Henderson Hall/Barcroft Elementary School Adopt-A-School Program in Arlington, Virginia

Statement by Press Secretary Fitzwater on Louisiana Governor Buddy Roemer's Republican Party Affiliation

Appointment of Jay Parmer as Special Assistant to the President and Director of Presidential Advance

Remarks at the Swearing-In Ceremony for Edward R. Madigan as Secretary of Agriculture

Nomination of Patricia F. Saiki To Be Administrator of the Small Business Administration

Appointment of Spencer E. Geissinger as Special Assistant to the President for Presidential Press Advance

Letter to Congressional Leaders Transmitting a Report on Anti-Satellite Arms Control

Nomination of Bruce S. Gelb To Be United States Ambassador to Belgium

Nomination of Henry E. Catto To Be Director of the United States Information Agency

Nomination of Raymond G.H. Seitz To Be United States Ambassador to the United Kingdom

Nomination of Raoul L. Carroll To Be President of the Government National Mortgage Association

Remarks by the President and Prime Minister Brian Mulroney of Canada at the Air Quality Agreement Signing Ceremony in Ottawa

The President's News Conference With Prime Minister Brian Mulroney of Canada in Ottawa

Statement by Press Secretary Fitzwater on Iraqi President Saddam Hussein's Use of Force Against the Iraqi People

The President's News Conference With President Francois Mitterrand of France in Martinique, French West Indies

Nomination of William G. Curran, Jr., To Be United States Director of the European Bank for Reconstruction and Development

The President's News Conference With Prime Minister John Major of the United Kingdom in Hamilton, Bermuda

Remarks at the Community Welcome for Returning Troops in Sumter, South Carolina

Remarks at the Presentation Ceremony for the Elie Wiesel Foundation Humanitarian Award and an Exchange With Reporters

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Deputy President Nelson Mandela of the African National Congress

Statement by Press Secretary Fitzwater on the Appointment of Members of the Czech and Slovak-American Enterprise Fund

Remarks at a White House Briefing for the National Leadership of the Hispanic Alliance for Free Trade

Remarks to the Points of Light Foundation

Message to the Senate Transmitting the Congo-United States Investment Treaty

Message to the Senate Transmitting Protocols to the International Convention for the Safety of Life at Sea and the International Convention on Load Lines

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

Remarks at the Welcoming Ceremony for President Lech Walesa of Poland

Declaration on Relations Between the United States of America and the Republic of Poland

Message to the Congress Transmitting the Annual Report of the United States Arms Control and Disarmament Agency

Toasts at the State Dinner for President Lech Walesa of Poland

Remarks on Police Brutality and an Exchange With Reporters

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Taro Nakayama of Japan

Presidential Certification of the Prince William Sound Regional Citizens Advisory Committee

Address on the National Days of Thanksgiving

Nomination of David T. Kearns To Be Deputy Secretary of the Department of Education

Nomination of John T. Sanders To Be Chief Financial Officer and Deputy Under Secretary for Planning, Budget and Evaluation at the Department of Education

Remarks at the Swearing-In Ceremony for Lamar Alexander as Secretary of Education

Statement on the Strategic Defense Initiative

Appointment of Ed A. Hewett as Special Assistant to the President for National Security Affairs and Senior Director for Soviet Affairs

The President's News Conference With President Turgut Ozal of Turkey

Remarks at the Gridiron Dinner

Remarks on Signing the Greek Independence Day Proclamation

Remarks and an Exchange With Reporters Prior to a Meeting With Finance Minister Theo Waigel of Germany

Statement by Press Secretary Fitzwater on the President's Meeting With Finance Minister Theo Waigel of Germany

Question-and-Answer Session With Reporters in Bethesda, Maryland

Statement by Press Secretary Fitzwater on the President's Physical Examination

Remarks to State Department Employees

Remarks at the Swearing-In Ceremony for Bob Martinez as Director of the Office of National Drug Control Policy

Statement on the Death of Lee Atwater

Exchange With Reporters on the Death of Lee Atwater

Statement by Deputy Press Secretary Popadiuk on President Bush's Meeting With President Arnold Ruutel of Estonia

Message on the Observance of Passover, 5751

Statement by Deputy Press Secretary Popadiuk on the Resignation of Richard R. Burt as Head of Delegation to the Nuclear and Space Talks in Geneva and Chief START Negotiator

Nomination of John Schrote To Be an Assistant Secretary of the Interior

Question-and-Answer Session With Reporters in Hobe Sound, Florida

Statement on the United Nations Persian Gulf Cease-Fire Resolution

Remarks at the All-Star Salute to the Troops at Andrews Air Force Base, Maryland

Appointment of Douglas H. Paal as Special Assistant to the President for National Security Affairs

Statement on the Death of Senator John Heinz

The President's News Conference With Prime Minister Toshiki Kaifu of Japan in Newport

Beach, California

Statement on Japan-United States Relations

Statement on Aid to Iraqi Refugees

Remarks at a Meeting With Hispanic Business Leaders and an Exchange With Reporters in Newport Beach, California

Statement on the Death of John Tower

The President's News Conference With Secretary of State James A. Baker III in Houston, Texas

Statement on Signing the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991

Remarks Commemorating the National Days of Thanksgiving in Houston, Texas

Remarks and an Exchange With Reporters Prior to Discussions With President Carlos Salinas de Gortari of Mexico in Houston, Texas

The President's News Conference With President Carlos Salinas de Gortari of Mexico in Houston, Texas

Remarks at a Meeting With Hispanic Business Leaders in Houston, Texas

Remarks on Presenting a Point of Light Award to the Voice of Hope Ministries in Dallas, Texas

Remarks to Business Leaders on Fast Track Authority Extension

Remarks at a Meeting of the American Business Conference

Remarks at the Presentation Ceremony for the National Teacher of the Year Award in Slanesville, West Virginia

Appointment of C. Gregg Petersmeyer as Assistant to the President and Director of the Office of National Service

Remarks at the Swearing-In Ceremony for Patricia F. Saiki as Administrator of the Small Business Administration

Statement on Signing the Operation Desert Shield/Desert Storm Supplemental Appropriations Act, 1991

Nomination of John E. Bennett To Be United States Ambassador to Equatorial Guinea

Remarks and an Exchange With Reporters Prior to Discussions With President Jacques Delors of the European Community Commission and President Jacques Santer of the European Council of Ministers

Remarks Following Discussions With President Jacques Delors of the European Economic Community and President Jacques Santer of the European Council of Ministers

Exchange With Reporters on Aid to Iraqi Refugees

Nomination of Preston Moore To Be Chief Financial Officer of the Department of Commerce

Remarks on Signing the Points of Light National Celebration of Community Service Proclamation in Glenarden, Maryland

Nomination of Charles R. Bowers To Be United States Ambassador to Bolivia

Appointment of Stephen T. Hart as Deputy Assistant to the President and Director of the Office of Legislative Affairs

Appointment of James W. Dyer as Deputy Assistant to the President for Legislative Affairs for the Senate

Remarks at Maxwell Air Force Base War College in Montgomery, Alabama

Remarks at a White House Briefing for the Associated General Contractors of America

Statement by Press Secretary Fitzwater on the President's Meeting With Senator Lloyd Bentsen of Texas

Statement by Press Secretary Fitzwater on the President's Federal Income Tax Return

Remarks to the National Association of Broadcasters Convention

Presidential Determination No. 91 - 28 -- Memorandum on the Czech and Slovak Federal Republic-United States Nuclear Energy Cooperation Agreement

Message to the Congress Transmitting the Czech and Slovak Federal Republic-United States Nuclear Energy Cooperation Agreement

Presidential Determination No. 91 - 29 -- Memorandum on the Hungary-United States Nuclear Energy Cooperation Agreement

Message to the Congress Transmitting the Hungary-United States Nuclear Energy Cooperation Agreement

Message to the Congress Transmitting the Annual Report on the Energy Activities of the Federal Government

Message to the Congress Transmitting the Report on Semiconductors, Fiber Optics, Superconducting Materials, and Advanced Manufacturing

Message to the Congress Reporting a Budget Rescission

Message to the Congress Transmitting the Annual Report of the Federal Council on the Aging

Remarks on Assistance for Iraqi Refugees and a News Conference

Remarks at the Welcoming Ceremony for President Violeta Chamorro of Nicaragua

Nomination of Gordon R. Sullivan To be Chief of Staff of the United States Army

Message to the Congress Transmitting the Annual Report of the National Science Foundation

Appointment of Gene C. Schaerr as Associate Counsel to the President

Remarks on Signing the Federal Energy Management Executive Order

Toasts at the State Dinner for President Violeta Chamorro of Nicaragua

Statement on Signing the Joint Resolution Settling the Railroad Strike

Nomination of Mary Ann Casey To Be United States Ambassador to Algeria

Presidential Determination No. 91 - 30 -- Memorandum on Assistance for Refugees and Migrants in Africa

Exchange With Reporters on the National Education Strategy Prior to a Meeting With the Nation's Governors

Remarks at a National Education Strategy Briefing

Nomination of Mike Hayden To Be an Assistant Secretary of the Interior

Address to the Nation on the National Education Strategy

White House Fact Sheet on the President's Education Strategy

Message to the Congress Reporting on Environmental Quality

Nomination of William Harrison Courtney To Be United States Commissioner for the Bilateral Consultative Commission and the Joint Consultative Commission

Nomination of Constance Bastine Harriman To Be a Member of the Board of Directors of the Export-Import Bank of the United States

Presidential Determination No. 91 - 31 -- Memorandum on Disaster Assistance in the Persian Gulf Region

Presidential Determination No. 91 - 32 -- Memorandum on the Extension of Credit to Mongolia

Appointment of Gary L. Foster as Special Assistant to the President and Deputy Press Secretary

Appointment of J. Dorrance Smith as Assistant to the President for Media Affairs

Remarks on Meeting the National Collegiate Athletic Association Men's and Women's Basketball Champions

Remarks at a White House Ceremony for the Observance of National Crime Victims' Rights Week

Nomination of Carl E. Mundy, Jr., To Be Commandant of the United States Marine Corps

Remarks at the John F. Kennedy Center for the Performing Arts Musicale Reception

Message to the Congress Transmitting a Report on Panamanian Government Assets Held by the United States

Message to the Congress on the Continuation of the National Emergency With Respect to Export Controls

Letter to Congressional Leaders on Social Security

Remarks Prior to a Meeting With General H. Norman Schwarzkopf, Commander of the U.S. Forces in the Persian Gulf

Remarks at the Presentation of a Point of Light Award to the United States Naval Academy/Benjamin Banneker Honors Mathematics and Science Society Partnership in Annapolis, Maryland

Remarks Following Discussions With President Hassan Gouled Aptidon of Djibouti and an Exchange With Reporters

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Hassan Gouled Aptidon of Djibouti

Remarks at the National Summit on Mathematics Assessment

Remarks at a Ceremony for the Posthumous Presentation of the Medal of Honor to Corporal Freddie Stowers

Nomination of Nancy P. Dorn To Be an Assistant Secretary of the Army

Remarks to the United States Academic Decathlon Winners

Memorandum on Modifications of the Generalized System of Preferences

Letter to Congressional Leaders on Trade With Czechoslovakia and Sudan

Presidential Determination No. 91 - 34 -- Memorandum on Assistance for Refugees from Tibet and Burma

Final Sequester Order

Statement by Press Secretary Fitzwater on Supplemental Assistance Requests for Iraqi Refugees

Remarks at an Arbor Day Tree-Planting Ceremony and an Exchange With Reporters

Statement by Deputy Press Secretary Popadiuk on the Death of Secretary of State James A. Baker's Mother

Remarks at the Points of Light Community Service Celebration

Nomination of Nicholas Platt To Be United States Ambassador to Pakistan

Nomination of John Thomas McCarthy To Be United States Ambassador to Tunisia

Remarks and a Question-and-Answer Session With the National Association of Farm Broadcasters

Statement by Press Secretary Fitzwater on the Task Force on United States Government International Broadcasting

Remarks on Fast Track Authority Extension and an Exchange With Reporters

Statement by Press Secretary Fitzwater on Restrictions on U.S. Satellite Component Exports to China

Nomination of Gordon S. Brown To Be United States Ambassador to Mauritania

Remarks on National Physical Fitness and Sports Month

Remarks at a Presentation Ceremony for the National Security Agency Worldwide Awards in Fort Meade, Maryland

Letter to Congressional Leaders on Fast Track Authority Extension and the North American Free Trade Agreement

Remarks and a Question-and-Answer Session at a Meeting of the Society of Business Editors and Writers

Remarks at a White House Briefing on Fast Track Authority Extension

Remarks to Agriculture Groups and an Exchange With Reporters

Nomination of Sally G. Cowal To Be United States Ambassador to Trinidad and Tobago

Exchange With Reporters on Reports of a 1980 Hostage Agreement

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Carlos Andres Perez of Venezuela

Statement by Press Secretary Fitzwater on Disaster Assistance to Bangladesh

Statement by Press Secretary Fitzwater on the Establishment of the George Bush Presidential Library in College Station, Texas

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Remarks to Cochran Gardens Community Members in St. Louis, Missouri

Message on the Observance of Cinco de Mayo

Exchange With Reporters Aboard Air Force One

Remarks at the University of Michigan Commencement Ceremony in Ann Arbor

Statement by Press Secretary Fitzwater on the President's Health

Statement by Press Secretary Fitzwater on the President's Health

Statement by Press Secretary Fitzwater on the President's Health

Statement by Press Secretary Fitzwater on the President's Health

Exchange With Reporters in Bethesda, Maryland, on the President's Health

Exchange With Reporters

Remarks and an Exchange With Reporters on Ethiopian Jewish Emigration

Letter to Congressional Leaders on Banking Reform Legislation

Letter to Congressional Leaders on Banking Reform Legislation

Message to the Congress Transmitting an Extension of the Iceland-United States Fishing Agreement

Statement by Press Secretary Fitzwater on the President's Health

Remarks at the Presentation Ceremony for the Small Business Person of the Year Award and an Exchange With Reporters

Exchange With Reporters on the President's Health

Remarks and an Exchange With Reporters Following Discussions With President Mauno Koivisto of Finland

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Francesco Cossiga and Prime Minister Giulio Andreotti of Italy

Statement by Press Secretary Fitzwater on Foreign Access to United States Ports

Remarks Announcing the Resignation of William H. Webster as Director of the Central Intelligence Agency and a News Conference

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Vytautus Landsbergis of Lithuania and Prime Ministers Ivars Godmanis of Latvia and Edgar Savisaar of Estonia

Remarks to the Hispanic Alliance for Free Trade

Exchange With Reporters Prior to Discussions With Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations

Remarks Following Discussions With Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations

White House Statement on the Administration's Revised Travel Policy

Nomination of Robert H. Pelletreau, Jr., To Be United States Ambassador to Egypt

Nomination of Mary Catherine Sophos To Be a Deputy Under Secretary of the Treasury

Nomination of Quincy Mellon Krosby To Be United States Alternate Executive Director of the International Monetary Fund

Remarks Upon Receiving an Honorary Degree From Princeton University in Princeton, New Jersey

Remarks at Dedication Ceremony of the Social Sciences Complex at Princeton University in Princeton, New Jersey

Remarks at the Hampton University Commencement Ceremony in Hampton, Virginia

Statement on Chemical Weapons

Remarks Announcing the Nomination of Robert M. Gates To Be Director of the Central Intelligence Agency and a News Conference

Remarks at the Welcoming Ceremony for Queen Elizabeth II of the United Kingdom

Remarks Upon Receiving the Winston Churchill Award From Queen Elizabeth II of the United Kingdom

Remarks at a Tree-Planting Ceremony

Nomination of J. Stapleton Roy To Be United States Ambassador to China

Message to the Senate Transmitting an Amendment to the Montreal Protocol on Substances that

Deplete the Ozone Layer

Message on the Observance of Police Week and Police Officers' Memorial Day

Toasts at the State Dinner for Queen Elizabeth II of the United Kingdom

Memorandum on United States Armed Forces in Japan

Message to the Congress Transmitting the Health Care Liability Reform and Quality of Care Improvement Act of 1991

Remarks on the Administration's Domestic Agenda

Question-and-Answer Session With Reporters

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Michael Manley of Jamaica

Nomination of Morris D. Busby To Be United States Ambassador to Colombia

Nomination of Johnnie Carson To Be United States Ambassador to Uganda

Remarks on Signing the Proclamation Commemorating National Defense Transportation Day and National Transportation Week

Remarks and an Exchange With Reporters Following a Meeting With Secretary of State James A. Baker III on Middle East Peace Talks

Letter to Congressional Leaders on the Strategic Framework in Asia

Message to the Congress on Japanese Importation of Sea Turtles

Letter to Congressional Leaders on the Situation in the Persian Gulf

Message to the Senate Transmitting the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal

Message to the Senate Transmitting the Tunisia-United States Treaty Concerning the Reciprocal

Encouragement and Protection of Investment

Message on Cuban Independence Day

Letter to Congressional Leaders Reporting on the Points of Light Foundation

White House Fact Sheet on the United States-German Nuclear Energy Safety Initiative

The President's News Conference With Chancellor Helmut Kohl of Germany

Exchange With Reporters Prior to a Meeting With President Luis Alberto Lacalle of Uruguay

Statement by Deputy Press Secretary Popadiuk on President Bush's Meeting With President Luis Alberto Lacalle of Uruguay

Message to the Senate Transmitting the Convention for the Prohibition of Fishing With Long Driftnets in the South Pacific

Nomination of Robert M. Guttman To Be an Assistant Secretary of Labor

Statement by Deputy Press Secretary Popadiuk on the President's Meeting With General Mikhail Moiseyev, Chief of the General Staff of the Soviet Union

Special Assignment of Reggie B. Walton to the White House Media Affairs Office

Exchange With Reporters on Soviet-United States Relations

Remarks and a Question-and-Answer Session With Students at the Saturn School of Tomorrow in St. Paul, Minnesota

Question-and-Answer Session With Students at the Saturn School of Tomorrow in St. Paul, Minnesota

Remarks to Students and Faculty of the Saturn School of Tomorrow in St. Paul, Minnesota

Message to the Congress Transmitting Proposed Legislation to Promote Excellence in Education

Remarks Announcing the Reappointment of General Colin L. Powell as Chairman of the Joint

Chiefs of Staff and a News Conference

Message to the Congress Transmitting the Annual Report of the Corporation for Public Broadcasting

Exchange With Reporters Prior to Discussions With President Arpad Goncz of Hungary

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Arpad Goncz of Hungary

Message to the Congress Transmitting the Annual Report on Radiation Control for Health and Safety

Remarks to the National Retail Federation

Remarks on Fast Track Legislation and a Question-and-Answer Session With Reporters

Statement on the Senate Energy and Natural Resources Committee's Action Approving the Administration's National Energy Strategy

Exchange With Reporters on the Assassination of Former Prime Minister Rajiv Gandhi of India

Remarks at the Dedication Ceremony for the Khalil Gibran Memorial Garden

Statement by Press Secretary Fitzwater on the Airlift of Ethiopian Jews to Israel

Statement by Press Secretary Fitzwater on Multilateral Export Controls

Remarks at the Exports-Generating Jobs for Americans Luncheon in Boston, Massachusetts

Remarks at a Fundraising Reception for Congressional Candidate Steve Pierce in Boston, Massachusetts

Statement on Signing the Niobrara Scenic River Designation Act of 1991

Presidential Determination No. 91 - 35 -- Memorandum on Disaster Assistance for Bangladesh

Remarks at the Yale University Commencement Ceremony in New Haven, Connecticut

The President's News Conference in Kennebunkport, Maine

Statement by Press Secretary Fitzwater on the President's Health

Remarks at the United States Air Force Academy Commencement Ceremony in Colorado Springs, Colorado

Nomination of Lynn M. Hansen for the Rank of Ambassador While Serving as United States Representative to the Conventional Armed Forces in Europe Joint Consultative Group

Presidential Determination No. 91 - 36 -- Memorandum on Trade With China

Letter to Congressional Leaders on Trade With China

Presidential Determination No. 91 - 37 -- Memorandum on End Strength Level of United States Armed Forces in Europe

White House Fact Sheet on the Middle East Arms Control Initiative

Remarks at the Federal Bureau of Investigation Academy Commencement Ceremony in Quantico, Virginia

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iran

Nomination of Luis Guinot, Jr., To Be United States Ambassador to Costa Rica

Exchange With Reporters on Soviet-United States Relations

Presidential Determination No. 91 - 38 -- Memorandum on the Use of Wheat Reserve for Disaster Assistance

Remarks at the United States Military Academy Commencement Ceremony in West Point, New York

Exchange With Reporters on Soviet-United States Relations

Presidential Determination No. 91 - 39 -- Memorandum on Trade With the Soviet Union, Bulgaria, Czechoslovakia, and Mongolia

Letter to Congressional Leaders on Trade With the Soviet Union, Bulgaria, Czechoslovakia, and Mongolia

Statement by Press Secretary Fitzwater on Trade With the Soviet Union

Statement by Press Secretary Fitzwater on Trade With Bulgaria, Czechoslovakia, and Mongolia

Remarks to the National Federation of Independent Business

Remarks to the National Education Goals Panel

Remarks to Education Leaders

Remarks Announcing the Nomination of Robert Strauss To Be United States Ambassador to the Soviet Union

Message to the Congress Transmitting the Annual Report on Aeronautics and Space

Statement on China

Remarks Announcing the Resignation of Dick Thornburgh as Attorney General

Remarks at the Awards Presentation Ceremony for Emigration Assistance to Ethiopian Jews

Appointment of the 1991 - 1992 White House Fellows

Message to the Congress Transmitting the District of Columbia Budget and Supplemental Appropriations Request

Remarks Following Discussions With Prime Minister Anerood Jugnauth of Mauritius

Statement by Press Secretary Fitzwater on Civil Rights Legislation

Nomination of Steven I. Hofman To Be an Assistant Secretary of Labor

Nomination of Frances C. McNaught To Be an Assistant Secretary of Labor

Presidential Determination No. 91 - 40 -- Memorandum on Export-Import Bank Services for

Bulgaria

Remarks at the Annual Southern Baptist Convention in Atlanta, Georgia

Exchange With Reporters Aboard Air Force One

Nomination of Desiree Tucker-Sorini To Be an Assistant Secretary of the Treasury

Remarks at the Swearing-In Ceremony for Henry Catto as Director of the United States Information Agency

Remarks at the Presentation Ceremony for the Drug-Free School Recognition Program Awards

Nomination of Richard W. Carlson To Be United States Ambassador to the Seychelles

Nomination of Charles G. Untermeyer To Be an Associate Director of the United States Information Agency and Director of the Voice of America

White House Statement on Federal Budget Amendments for the Education Reform Strategy

Statement by Press Secretary Fitzwater on Supercomputer Export Controls

Appointment of Gary R. Blumenthal as Deputy Assistant to the President for Cabinet Liaison

Remarks at a Memorial Service in Arlington, Virginia, for Those Who Died in the Persian Gulf Conflict

Remarks in a Teleconference With the Annual Meeting of the Public Broadcasting Service in Orlando, Florida

Remarks in a Teleconference With the National Advertising Conference of the American Advertising Federation in Nashville, Tennessee

Remarks at the James H. Groves Adult High School Commencement Ceremony in Seaford, Delaware

Nomination of Arthur Hayden Hughes To Be United States Ambassador to Yemen

Appointment of Gary J. Andres as Deputy Assistant to the President for Legislative Affairs

Appointment of Arnold I. Havens as Special Assistant to the President for Legislative Affairs

Remarks to Members of the Defense Community at Andrews Air Force Base, Maryland

Statement by Press Secretary Fitzwater on United States Agricultural Loan Credit for the Soviet Union

Remarks Prior to Discussions With President Alfredo Cristiani Buckard of El Salvador

Remarks Following Discussions With President Alfredo Cristiani Buckard of El Salvador and an Exchange With Reporters

Nomination of Christopher W.S. Ross To Be United States Ambassador to Syria

Nomination of Jeffrey C. Martin To Be General Counsel at the Department of Education

Remarks on the Administration's Domestic Policy

Remarks on Childhood Immunization

Remarks at the Groundbreaking Ceremony for the Hospital for Sick Children

Remarks on Signing the Baltic Freedom Day Proclamation

Statement on Signing the Bill Providing Humanitarian Assistance for Iraqi Refugees and Displaced Persons

Remarks at the Annual Republican Congressional Fundraising Dinner

Exchange With Reporters Aboard Air Force One

Remarks at the California Institute of Technology Commencement Ceremony in Pasadena, California

Statement Reaffirming the Government-to-Government Relationship Between the Federal Government and Indian Tribal Governments

Interview With Linda Douglas of KNBC, Jim Lampley of KCBS, and Paul Moyer of KABC in Los Angeles, California

Statement by Press Secretary Fitzwater on Constraints on Trade With China

Appointment of Clayton S. Fong as Deputy Director of the Office of Consumer Affairs

Remarks to the Asian-Pacific Community in Fountain Valley, California

Remarks at the Simon Wiesenthal Center Dinner in Los Angeles, California

Exchange With Reporters Aboard Air Force One

Remarks to Community Members in Grand Junction, Colorado

Remarks at a Fundraising Dinner for Senatorial Candidate Bob Kasten in Milwaukee, Wisconsin

Remarks at the Welcoming Ceremony for President Fernando Collor de Mello of Brazil

Remarks Prior to Discussions With President Fernando Collor de Mello of Brazil

Remarks at a White House Briefing for Law Enforcement Officials on Crime Legislation

Toasts at the State Dinner for President Fernando Collor de Mello of Brazil

Exchange With Reporters

Remarks at the Presentation Ceremony for the Presidential Scholars Awards

Remarks by President Bush and President Collor of Brazil on Signing an Enterprise for the Americas Initiative Multilateral Trade Agreement

Statement by Press Secretary Fitzwater on the Establishment of the Council on Trade and Investment

Remarks Following Discussions With Former Prime Minister Margaret Thatcher of the United Kingdom

Remarks Following Discussions With Mangosuthu Gatsha Buthelezi, Chief Minister of South Africa's KwaZulu Homeland and Leader of the Inkatha Freedom Party

Remarks and an Exchange With Reporters Prior to Discussions With President Boris Yeltsin of the Republic of Russia

Remarks to the American Association of State Highway and Transportation Officials

Message to the Congress Reporting on the National Emergency With Respect to Chemical and Biological Weapons Proliferation

Letter to Congressional Leaders Transmitting the Annual Report on International Activities in Science and Technology

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation with President Mikhail Gorbachev of the Soviet Union

Nomination of Frank G. Wisner To Be United States Ambassador to the Philippines

Nomination of Eric I. Garfinkel To Be an Under Secretary of Commerce

Radio Address to the Nation on the Administration's Domestic Agenda

Remarks at the Dedication Ceremony for the Zachary and Elizabeth Fisher House in Bethesda, Maryland

Remarks at the Swearing-in Ceremony for Bernadine Healy as Director of the National Institutes of Health in Bethesda, Maryland

Exchange With Reporters Prior to a Meeting With Sadako Ogata, United Nations High Commissioner for Refugees

Statement by Press Secretary Fitzwater on the President's Meeting With Sadako Ogata, United Nations High Commissioner for Refugees

Remarks Congratulating the National Hockey League Champion Pittsburgh Penguins

Presidential Determination No. 91 - 43 -- Memorandum on Trade With Bulgaria

Letter to Congressional Leaders on Trade With Bulgaria

Presidential Determination No. 91 - 44 -- Memorandum on Trade With Mongolia

Letter to Congressional Leaders on Trade With Mongolia

Exchange With Reporters Prior to a Meeting With the Congressional Black Caucus

Remarks at a Luncheon Meeting With Law Enforcement Officials

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary General Manfred Woerner of the North Atlantic Treaty Organization

Nomination of Diane S. Ravitch To Be an Assistant Secretary of Education

Message to the Congress Transmitting the Report on Restoration of the Baltic States Independence

Memorandum on the Delegation of Authority Regarding Missile Technology Proliferation

Remarks at the Unveiling of the Official Bust of the President

Remarks Commemorating the First Anniversary of the Enterprise for the Americas Initiative and an Exchange With Reporters

Statement on the Resignation of United States Supreme Court Associate Justice Thurgood Marshall

White House Statement on the Executive Order Amending the Manual for Courts-Martial, United States, 1984

Nomination of Olin L. Wethington To Be Deputy Under Secretary of the Treasury

Statement on Signing the Education Council Act of 1991

Statement on South Africa's Accession to the Nuclear Non-Proliferation Treaty

Letter on the Resignation of United States Supreme Court Associate Justice Thurgood Marshall

Letter to Congressional Leaders Reporting Budget Rescissions

Nomination of Robert Michael Kimmitt To Be United States Ambassador to Germany

Nomination of Cari M. Dominguez To Be an Assistant Secretary of Labor

Nomination of Nancy Risque Rohrbach To Be an Assistant Secretary of Labor

Exchange With Reporters Aboard Air Force One

Question-and-Answer Session With Reporters in Kennebunkport, Maine

White House Statement on the Increase of the Import Quota on Peanuts

Exchange With Reporters on START Negotiations and Possible Soviet-United States Summit

Remarks Announcing the New American Schools Development Corporation Board

Remarks Prior to a Meeting With the Advisory Commission on Regulatory Barriers to Affordable Housing

Statement by Press Secretary Fitzwater on Renewed START Negotiations

Remarks on the London Economic Summit and an Exchange With Foreign Journalists

Remarks at a Meeting of the American Defense Preparedness Association

Remarks at the Presentation Ceremony for the National Medal of the Arts

Remarks on Presenting Presidential Citations to Joe DiMaggio and Ted Williams

News Conference of President Bush and Prime Minister Brian Mulroney of Canada in Toronto

Proclamation 6313 -- To Modify Temporarily the Import Quota on Peanuts

Message to the Senate Transmitting the Treaty on Conventional Armed Forces in Europe

Message to the Congress Reporting on the Economic Sanctions Against Libya

Message to the Senate Transmitting the Convention for a North Pacific Marine Science Organization

Message to the Congress Transmitting the Report on Conservation and Use of Petroleum and Natural Gas in Federal Facilities

Memorandum on the Combined Federal Campaign

Remarks on the Termination of Economic Sanctions Against South Africa and a News Conference

Executive Order 12769 -- Implementation of Section 311(a) of the Comprehensive Anti-Apartheid Act

Message to the Congress Transmitting the Defense Base Closure and Realignment Commission Report

Remarks at the White House Conference on Library and Information Services

Letter to Congressional Leaders on the Redeployment of United States Armed Forces That Served in the Persian Gulf

Proclamation 6314 -- Lyme Disease Awareness Week, 1991

Remarks Announcing the Nomination of Alan Greenspan To Be a Member and Chairman of the Board of Governors of the Federal Reserve System and a News Conference

Remarks Prior to a Meeting With Foreign Minister Aleksandr Bessmertnykh of the Soviet Union

News Conference of President Bush and Prime Minister Toshiki Kaifu of Japan in Kennebunkport, Maine

Statement by Press Secretary Fitzwater on the Appointment of Ronald W. Roskens as a Deputy Coordinator for United States Assistance to Eastern Europe

Message to the Congress Transmitting the Reports on Implementation and Impact of Employer Sanctions

Nomination of John Giffen Weinmann for the Rank of Ambassador While Serving as Chief of Protocol for the White House

Nomination of Donald A. Laidlaw To Be a Deputy Under Secretary of Education

Nomination of Jill E. Kent To Be Chief Financial Officer at the Department of State

Question-and-Answer Session With Reporters in Kennebunkport, Maine

Proclamation 6315 -- Captive Nations Week, 1991

White House Statement on the Trade Enhancement Initiative for Central and Eastern Europe

Remarks at the Presentation Ceremony of the Declaration of the Legion of Merit, Degree of Chief Commander, to General Michel Roquejeoffre in Rambouillet, France

The President's News Conference With French President Francois Mitterrand in Rambouillet, France

Remarks at the Presentation Ceremony for the Declaration of the Legion of Merit, Degree of Chief Commander, to Sir Peter de la Billiere in London, United Kingdom

Statement by Press Secretary Fitzwater on Middle East Peace Talks

Exchange With Reporters in London, United Kingdom

London Economic Summit Declaration on Conventional Arms Transfers and Nuclear, Biological, and Chemical Weapons Proliferation

London Economic Summit Political Declaration: Strengthening the International Order

Letter to Congressional Leaders on the Situation in the Persian Gulf

Statement by Press Secretary Fitzwater on the Senate Confirmation Hearings for Central Intelligence Agency Director Nominee Robert M. Gates

Nomination of Sylvia Chavez Long To Be an Assistant Secretary of Veterans Affairs

London Economic Summit Economic Declaration: Building World Partnership

The President's News Conference With Soviet President Mikhail Gorbachev in London, United Kingdom

The President's New Conference in London, United Kingdom

Nomination of Delbert Leon Spurlock, Jr., To Be Deputy Secretary of Labor

Nomination of Marshall Jordan Breger To Be Solicitor for the Department of Labor

Remarks at the Arrival Ceremony in Athens, Greece

Remarks to the Greek Parliament in Athens, Greece

The President's News Conference With Greek Prime Minister Constantinos Mitsotakis in Athens, Greece

Toast at a State Dinner in Athens, Greece

Exchange With Reporters in Athens, Greece

Remarks at the Greek-American Chamber of Commerce Breakfast in Athens, Greece

Remarks to United States and Greek Armed Forces in Souda Bay, Crete

Nomination of Parker W. Borg To Be United States Ambassador to Burma

Nomination of James F. Dobbins To Be United States Representative to the European Community With the Rank of Ambassador

Remarks at the Arrival Ceremony in Ankara, Turkey

The President's News Conference With Turkish President Turgut Ozal in Ankara, Turkey

Toast at a State Dinner in Ankara, Turkey

Exchange With Reporters Aboard Air Force One

Exchange With Reporters in Istanbul, Turkey

Nomination of Richard Clark Barkley To Be United States Ambassador to Turkey

Remarks at a Dinner Hosted By President Turgut Ozal in Istanbul, Turkey

Remarks at the Departure Ceremony in Istanbul, Turkey

Statement by Press Secretary Fitzwater on the Establishment of the Bulgarian-American Agriculture/Agribusiness Enterprise Fund

Exchange With Reporters Prior to a Cabinet Meeting

Remarks at the Presentation Ceremony for the Take Pride in America Awards

Statement by Press Secretary Fitzwater on the Extension of William Webster's Term as Director of the Central Intelligence Agency

Nomination of Arthur J. Rothkopf To Be General Counsel of the Department of Transportation

Proclamation 6316 -- Korean War Veterans Remembrance Week, 1991

Remarks on the Nominations of Robert M. Gates and Clarence Thomas and an Exchange With Reporters

Exchange With Reporters Prior to a Meeting With President Robert Mugabe of Zimbabwe

Remarks Following Discussions With President Robert Mugabe of Zimbabwe

Message to the Congress Reporting a Budget Deferral and Proposed Rescission

Message to the Congress Transmitting a Report on the Ready Reserve

Remarks on the National Energy Strategy

Proclamation 6317 -- Women's Equality Day, 1991

Remarks at the Antiochian Orthodox Christian Church Annual Convention in Arlington,

Virginia

Remarks on Signing the National Literacy Act of 1991

Statement on Signing the National Literacy Act of 1991

Executive Order 12770 -- Metric Usage in Federal Governmental Programs

Nomination of George Edward Moose To Be United States Deputy Representative at the Security Council of the United Nations

Nomination of David J. Ryder To Be Director of the Mint

Nomination of Richard C. Houseworth To Be United States Alternate Executive Director of the Inter-American Development Bank

Proclamation 6318 -- National Juvenile Arthritis Awareness Week, 1991

Executive Order 12771 -- Revoking Earlier Orders With Respect to Kuwait

Remarks and an Exchange With Soviet Journalists on the Upcoming Moscow Summit

Message to the Congress Transmitting the European Economic Community-United States Fishery Agreement

Message to the Congress Transmitting the Poland-United States Fishery Agreement

Message to the Congress Transmitting the Republic of Korea-United States Fishery Agreement

Remarks Commemorating the First Anniversary of the Signing of the Americans With Disabilities Act of 1990

Memorandum on Access for People With Disabilities to Federal Programs and Employment

Message to the Congress Transmitting the California Public Lands Wilderness Act

Notice of the Continuation of the National Emergency With Respect to Iraq

Message to the Congress on the Continuation of the National Emergency With Respect to Iraq

Remarks at the Arrival Ceremony in Moscow

Remarks at the Moscow State Institute for International Relations

Remarks Following Discussions With President Boris Yeltsin of the Republic of Russia

Toast at the State Dinner in Moscow

Message to the Senate on the Extension of AM Broadcasting Service in the Western Hemisphere

Remarks to Soviet and United States Businessmen in Moscow

Remarks by President Gorbachev and President Bush at the Signing Ceremony for the Strategic Arms Reduction Talks Treaty in Moscow

Toasts at a Dinner Hosted by President Bush in Moscow

Statement by Press Secretary Fitzwater on the Completion of the Strategic Arms Reduction Talks Treaty

The President's News Conference With Soviet President Mikhail Gorbachev in Moscow

Nomination of William Caldwell Harrop To Be United States Ambassador to Israel

Nomination of Russell K. Paul To Be an Assistant Secretary of Housing and Urban Development

Nomination of John J. Easton, Jr., To Be General Counsel of the Department of Energy

White House Fact Sheet on The Strategic Arms Reduction Treaty (START)

Proclamation 6319 -- Helsinki Human Rights Day, 1991

Remarks at the Arrival Ceremony in Kiev, Soviet Union

Remarks at a Luncheon in Kiev, Soviet Union

Remarks to the Supreme Soviet of the Republic of the Ukraine in Kiev, Soviet Union

Remarks at the Babi Yar Memorial in Kiev, Soviet Union

Remarks on the Middle East Peace Talks in Kiev, Soviet Union

Message to the Senate Transmitting the International Convention on Oil Pollution Preparedness, Response and Co-operation, 1990, With Annex

Memorandum on Trade With the Soviet Union

Letter to Congressional Leaders Transmitting a Proclamation on Soviet-United States Trade Relations

Nomination of B. Robert Okun To Be an Assistant Secretary of Education

Statement by Press Secretary Fitzwater on Cyprus

Proclamation 6320 -- Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics

The President's News Conference

Statement by Press Secretary Fitzwater on the President's Health

Nomination of Arnold Lee Kanter To Be an Under Secretary of State

Nomination of Jo Ann Krukar Webb To Be an Assistant Secretary of Veterans Affairs

Nomination of Edward Joseph Mazur To Be Controller of the Office of Federal Financial Management

Nomination of Gary C. Byrne To Be a Member of the Farm Credit Administration Board

Statement on the Nomination of Clarence Thomas To Be an Associate Justice of the United States Supreme Court

Letter to Congressional Leaders Transmitting a Report on Hungarian Emigration Policy

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Export Controls

Letter to Congressional Leaders Transmitting the Annual Report on Nuclear Nonproliferation

Remarks at the Presentation Ceremony for the All-American Cities Awards

Remarks at a Kickoff Ceremony for the Eighth Annual National Night Out Against Crime in Arlington, Virginia

Statement by Press Secretary Fitzwater on the Soviet-United States Trade Agreement

Question-and-Answer Session With Reporters Aboard Air Force One

Statement by Press Secretary Fitzwater on the Nomination of Clarence Thomas To Be an Associate Justice of the United States Supreme Court

Statement by Press Secretary Fitzwater on the Release of British Hostage John McCarthy

Letter on the Resignation of Attorney General Dick Thornburgh

Excerpt of a Statement by Press Secretary Fitzwater on the Anticipated Release of an American Hostage

Statement by Press Secretary Fitzwater on the Release of American Hostage Edward Tracy

Exchange in Kennebunkport, Maine With Reporters Following the Release of American Hostage Edward Tracy

Proclamation 6321 -- National Senior Citizens Day, 1991

Exchange in Kennebunkport, Maine, With Reporters on the Hostage Situation in the Middle East

Letter to Congressional Leaders Transmitting the 1991 National Security Strategy Report

Statement on the 1991 National Security Strategy Report

Nomination of William Taylor To Be a Member and Chairperson of the Board of Directors of

the Federal Deposit Insurance Corporation

Remarks at the Annual Convention of the National Fraternal Order of Police in Pittsburgh, Pennsylvania

Statement on Signing the Intelligence Authorization Act, Fiscal Year 1991

Exchange With Reporters in Kennebunkport, Maine

Proclamation 6322 -- National Sarcoidosis Awareness Day, 1991

Statement on Signing the Energy and Water Development Appropriations Act, 1992

Statement on Signing the Emergency Unemployment Compensation Act of 1991

Memorandum of Disapproval for the District of Columbia Appropriations Bill for Fiscal Year 1992

Executive Order 12772 -- Waiver Under the Trade Act of 1974 With Respect to Romania

Memorandum on Trade With Romania

Letter to Congressional Leaders on Trade With Romania

Exchange With Reporters in Kennebunkport, Maine

Remarks in a Teleconference With the National Governors' Association in Seattle, Washington

Statement by Deputy Press Secretary Popadiuk on the Attempted Coup in the Soviet Union

Remarks and an Exchange With Reporters in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

Statement by Deputy Press Secretary Popadiuk on the Attempted Coup in the Soviet Union

Statement on the Attempted Coup in the Soviet Union

The President's News Conference in Kennebunkport, Maine, on the Attempted Coup in the

Soviet Union

Proclamation 6323 -- National Rice Month, 1991

Proclamation 6324 -- National Awareness Month for Children With Cancer, 1991

Statement by Press Secretary Fitzwater on Trade With Romania

The President's News Conference in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

Exchange With Reporters in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

Proclamation 6325 -- National Park Week, 1991

Exchange With Reporters in Kennebunkport, Maine

Statement by Press Secretary Fitzwater on the Reduction of Bolivia's Debt to the United States

Proclamation 6326 -- National Campus Crime and Security Awareness Week, 1991

Statement by Press Secretary Fitzwater on the Reduction of Jamaica's Debt to the United States

Proclamation 6327 -- National Rehabilitation Week, 1991

Statement by Press Secretary Fitzwater on the Resignation of Mikhail Gorbachev as General Secretary of the Soviet Union Communist Party

Message Honoring Those Civilians Killed in Moscow During the Attempted Coup

The President's News Conference With Prime Minister Mulroney of Canada in Kennebunkport, Maine

Proclamation 6328 -- Commodore John Barry Day, 1991

The President's News Conference With Prime Minister Major of the United Kingdom in Kennebunkport, Maine

The President's News Conference in Kennebunkport, Maine

Message on the Observance of Labor Day

Remarks to Students and Faculty of the Lewiston Comprehensive High School in Lewiston, Maine

Proclamation 6329 -- Minority Enterprise Development Week, 1991

Proclamation 6330 -- Citizenship Day and Constitution Week, 1991

Exchange With Reporters Prior to a Cabinet Meeting

Appointment of Constance Horner as Assistant to the President and Director of Presidential Personnel

Nomination of Edward G. Lanpher To Be United States Ambassador to Zimbabwe

Appointment of J. French Hill as Special Assistant to the President and Executive Secretary to the Economic Policy Council

Nomination of John F.W. Rogers To Be Under Secretary of State for Management

Statement Announcing the Resignation of Paul Coverdell as Director of the Peace Corps

Remarks During the America 2000 Conference Call

Proclamation 6331 -- Gold Star Mother's Day, 1991

Message on the Observance of Rosh Hashanah, 1991

Statement by Deputy Press Secretary Popadiuk on the Cyprus Conflict

Remarks to the National Association of Towns and Townships

Exchange With Reporters Prior to a Meeting With Secretary of State Baker

Appointment of C. Thomas Burke as Deputy Commissioner of the Commission for the Study of

Alternatives to the Panama Canal

Appointment of Timothy J. McBride as Deputy Assistant to the President and Executive Assistant to the White House Chief of Staff

Address to the Nation on the Supreme Court Nomination of Clarence Thomas

Statement on the Supreme Court Nomination of Clarence Thomas

Nomination of Carolynn Reid-Wallace To Be an Assistant Secretary at the Department of Education

Proclamation 6332 -- National Historically Black Colleges Week, 1991 and 1992

Remarks at the Welcoming Ceremony for President Abdou Diouf of Senegal

Proclamation 6333 -- General Pulaski Memorial Day, 1991

Nomination of Paul H. Cooksey To Be Deputy Administrator of the Small Business Administration

Nomination of Herbert Tate To Be an Assistant Administrator of the Environmental Protection Agency

Letter to Congressional Leaders Transmitting a Report on International Export of Missile Technology to Iraq

Toasts at the State Dinner for President Abdou Diouf of Senegal

Exchange With Reporters Prior to a Meeting With Congressional Leaders

Remarks to Representatives of the Baltic States

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Jan Krzysztof Bielecki of Poland

Message to the Senate Transmitting the International Convention on Salvage, 1989

Nomination of Edward P. Djerejian To Be an Assistant Secretary of State

Message to the Senate Transmitting the International Telecommunication Regulations

Remarks at the Stan Scott Tribute Dinner

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board

Nomination of Jose E. Martinez To Be Director of the Trade and Development Program

The President's News Conference

Remarks at the Veterans' Administration Hospital in Philadelphia, Pennsylvania

Proclamation 6334 -- National POW/MIA Recognition Day, 1991

Proclamation 6335 -- National D.A.R.E. Day, 1991

Nomination of Robert Stephen Pastorino To Be United States Ambassador to the Dominican Republic

Remarks at a Fundraising Dinner for Senatorial Candidate Dick Thornburgh in Philadelphia, Pennsylvania

Nomination of Albert Peter Burleigh for the Rank of Ambassador While Serving as Coordinator for Counter-Terrorism

Nomination of James Ashley Endicott, Jr., To Be General Counsel at the Veterans Affairs Department

Nomination of John A. Shaw To Be an Assistant Secretary of Commerce

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Address to the Nation on the Nomination of Robert Gates To Be Director of the Central Intelligence Agency

Proclamation 6336 -- Energy Awareness Month, 1991

Message to the Senate Transmitting the Mongolian-United States Consular Convention

Nomination of Alan M. Dunn To Be an Assistant Secretary of Commerce

Remarks on Designating the Solar Energy Research Institute as a National Laboratory

Remarks at the Presentation Ceremony for the National Medals of Science and Technology

The President's News Conference With Chancellor Helmut Kohl of Germany

Nomination of Steven E. Steiner To Be United States Representative to the START Joint Compliance and Inspection Commission

Statement by the Press Secretary on Senate Confirmation Hearings on the Supreme Court Nomination of Clarence Thomas

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jose Eduardo dos Santos of Angola

Letter to Congressional Leaders Reporting on the Situation in Iraq

Remarks Following Discussions With President Alberto Fujimori of Peru

Remarks in a Teleconference With Schoolchildren During the Annual National Space Science Symposium

Nomination of Elaine L. Chao To Be Director of the Peace Corps

Exchange With Reporters at the Grand Canyon, Arizona

Remarks at an Environmental Agreement Signing Ceremony at the Grand Canyon, Arizona

Exchange With Reporters at the Grand Canyon, Arizona on the Situation in Iraq

Statement by Press Secretary Fitzwater On Iraq

Remarks Upon Arrival in Salt Lake City, Utah

Remarks to the Staff of the Primary Children's Medical Center in Salt Lake City, Utah

Remarks at a Republican Party Fundraising Dinner in Salt Lake City, Utah

Nomination of Kathleen Day Koch To Be Special Counsel of the Office of Special Counsel

Statement on the Resignation of J.R. Thompson, Jr., as Deputy Administrator of the National Aeronautics and Space Administration

Remarks at a Fundraising Breakfast for Senator Bob Packwood in Portland, Oregon

Remarks to Green Line/Interstate-105 Project Construction Site Employees in Los Angeles, California

Exchange on the Situation in Iraq With Hispanic Journalists in Los Angeles, California

Remarks at a Fundraising Dinner for Senator John Seymour in Los Angeles, California

Nomination of Mary Jane Maddox To Be Deputy Director of ACTION

Statement by Press Secretary Fitzwater on Peru's Drug Interdiction Efforts

Remarks at the Annual National Convention of the United States Hispanic Chamber of Commerce in Chicago, Illinois

Proclamation 6337 -- National Hispanic Heritage Month, 1991

Nomination of Lanny Griffith To Be an Assistant Secretary of Education

Exchange With Reporters on an Unemployment Benefits Bill

Address to the 46th Session of the United Nations General Assembly in New York City

Toast at a Luncheon Hosted by United Nations Secretary-General Javier Perez de Cuellar in New York City

Exchange With Reporters in New York City

Proclamation 6338 -- Fire Prevention Week, 1991

Proclamation 6339 -- National School Lunch Week, 1991

Exchange With Reporters in New York City

Exchange With Reporters in New York City

Remarks at a Republican Party Fundraising Dinner in East Brunswick, New Jersey

Nomination of Curtis Warren Kamman To Be United States Ambassador to the Republic of Chile

Exchange With Reporters on an Unemployment Benefits Bill

Remarks at the Minority Business Development Week Awards Ceremony

Remarks to the Department of Education's 1990 - 1991 Blue Ribbon Schools

Statement by Press Secretary Fitzwater on the President's Meeting With Chairman Leonid M. Kravchuk of the Supreme Rada of the Republic of the Ukraine

Appointment of Thomas E. McNamara as Special Assistant to the President for National Security Affairs and Senior Director for International Programs and African Affairs

Remarks at the Welcoming Ceremony for King Hassan II of Morocco

Toasts at the State Dinner for King Hassan II of Morocco

Message to the Congress on the Extension of the National Emergency Declared in Executive Order 12730

Notice on Continuation of Export Control Regulations

Executive Order 12773 -- Amending Executive Order 10480

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

Proclamation 6340 -- National Domestic Violence Awareness Month, 1991

Proclamation 6341 -- National Forest Products Week, 1991

Proclamation 6342 -- Leif Erikson Day, 1991

Address to the Nation on Reducing United States and Soviet Nuclear Weapons

Radio Address to the Nation on the Daily Points of Light Program

Proclamation 6343 -- To Implement an Accelerated Schedule of Duty Elimination Under the United States-Canada Free-Trade Agreement, to Make Technical and Conforming Changes to the Harmonized Tariff Schedule of the United States, and for Other Purposes

Remarks at the Daily Points of Light Celebration in Orlando, Florida

Remarks to a Press Forum at the Daily Points of Light Celebration in Orlando, Florida

Remarks at a Luncheon for Participants in the Daily Points of Light Celebration in Orlando, Florida

Message to the Congress Reporting Budget Deferrals

Remarks at the Beacon Council Annual Meeting in Miami, Florida

Remarks at a Fundraising Dinner for Governor Buddy Roemer in New Orleans, Louisiana

Remarks Following Discussions With Amir Jabir al-Ahmad al-Jabir al-Sabah of Kuwait

Proclamation 6344 -- White Cane Safety Day

Statement on the Presidential Mission to the Soviet Union on Food and Agricultural Requirements

Remarks to Students and Faculty at Alice Deal Junior High School

Remarks on Greeting the 1991 National Basketball Association Champion Chicago Bulls

Appointment of John F. Herrick, Jr., as Special Assistant to the President for Advance

Statement by Press Secretary Fitzwater on the President's Signing of a Bill Making Continuing Appropriations for Fiscal Year 1991

Statement by Press Secretary Fitzwater on the President's Meeting With President Jorge Serrano of Guatemala

Nomination of Michael G. Kozak To Be United States Ambassador to the Republic of El Salvador

Nomination of Victor H. Reis To Be Director of Defense Research and Engineering at the Department of Defense

Nomination of Donald C. Fraser To Be Deputy Under Secretary of Defense for Acquisition

Exchange With Reporters

Remarks at the Twelfth Annual Crime Stoppers International Conference in Louisville, Kentucky

Remarks at a Fundraising Dinner for Larry Hopkins in Louisville, Kentucky

Proclamation 6345 -- Veterans Day, 1991

Remarks at the Proclamation Signing Ceremony for German-American Day

Proclamation 6346 -- German-American Day, 1991 and 1992

Message to the Congress Transmitting a Report on Panamanian Government Assets Held by the United States

Nomination of Henrietta H. Fore To Be an Assistant Administrator at the Agency for International Development

Nomination of David M. Nummy To Be an Assistant Secretary of the Treasury

Nomination of Charles R. Hilty To Be an Assistant Secretary of Agriculture

Remarks to the Annual Convention of the National Fraternal Congress of America

Remarks at the 25th Anniversary of the Country Music Awards in Nashville, Tennessee

Exchange With Reporters on the Situation in Haiti

Remarks to Recipients of the Presidential Elementary Award for Excellence in Mathematics and Science Teaching

The President's News Conference

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Jozsef Antall of Hungary

Executive Order 12775 -- Prohibiting Certain Transactions With Respect to Haiti

Proclamation 6347 -- National Radon Action Week, 1991

Remarks at the National Italian-American Foundation Fundraising Dinner

Proclamation 6348 -- Child Health Day, 1991

Letter to Congressional Leaders Transmitting a Report on Verification of Nuclear Warhead Dismantlement and Special Nuclear Defense Controls

Letter to Congressional Leaders Transmitting the Report on Possible Effects of a Strategic Arms Reduction Agreement on the Trident Program

Statement by Press Secretary Fitzwater on the President's Meeting with Jonas Savimbi of Angola

Statement by Press Secretary Fitzwater on the President's Cabinet Meeting

Proclamation 6349 -- National Firefighters Day, 1991

Executive Order 12776 -- Extending the National Defense Service Medal to Members of the Reserve Components of the Armed Forces of the United States During the Period of the Persian Gulf Crisis

Proclamation 6350 -- National Disability Employment Awareness Month, 1991

Proclamation 6351 -- Mental Illness Awareness Week, 1991

Statement on Efforts to Ensure the Availability of Credit

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Tofilau Eti Alesana of Western Samoa

Remarks Welcoming President Vigdis Finnbogadottir of Iceland and Queen Sonja of Norway

Proclamation 6352 -- Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics

Letter to Congressional Leaders on the Agreement on Trade Relations With the Soviet Union

Proclamation 6353 -- Polish-American Heritage Month, 1991

Remarks on Signing the Columbus Day Proclamation

Proclamation 6354 -- Columbus Day, 1991

Remarks Following Discussions With President Rafael Calderon of Costa Rica

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

Remarks to the Religious Alliance Against Pornography

Remarks at the Andrew Mellon Dinner

Proclamation 6355 -- National Children's Day, 1991

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

Memorandum of Disapproval for the Emergency Unemployment Compensation Act of 1991

Proclamation 6356 -- World Food Day, 1991 and 1992

Exchange With Reporters at Holly Hills Country Club in Ijamsville, Maryland

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

Statement by Press Secretary Fitzwater on the 1991 Nobel Peace Prize winner Aung San Suu Kyi

Remarks at the Welcoming Ceremony for Amir 'Isa Khalifa of Bahrain

Remarks at the Dedication of the National Law Enforcement Officers Memorial

Proclamation 6357 -- National Law Enforcement Memorial Dedication Day, 1991

Proclamation 6358 -- Country Music Month, 1991

Statement by Press Secretary Fitzwater on Nuclear Arms Reduction Talks

Nomination of John Condayan To Be an Associate Director of the United States Information Agency

Statement on the Confirmation of Clarence Thomas as an Associate Justice of the Supreme Court

Exchange With Reporters on the Confirmation of Clarence Thomas as an Associate Justice of the Supreme Court

Remarks at a Points of Light Awards Ceremony for the American Business Press Association

Memorandum on the Emigration Policies of the Czech and Slovak Federal Republic

Remarks in a Teleconference With the Associated Press Managing Editors

Message to the Congress Transmitting a Report on Export Controls

Proclamation 6359 -- Crime Prevention Month, 1991

Message to the Congress Deferring Sanctions Under the Pelagic Driftnet Agreement

Statement Announcing the Middle East Peace Conference

Remarks at the Swearing-In Ceremony for Supreme Court Designate Clarence Thomas

Proclamation 6360 -- National Consumers Week, 1991

Executive Order 12777 -- Implementation of Section 311 of the Federal Water Pollution Control Act of October 18, 1972, as Amended, and the Oil Pollution Act of 1990

Proclamation 6361 -- National Down Syndrome Awareness Month, 1991

Proclamation 6362 -- United Nations Day, 1991

Message to the Congress on the Determination Not To Impose Sanctions Against Mexico Under the General Agreement on Tariffs and Trade

Nomination of Kay Coles James To Be Associate Director for National Drug Control Policy

Remarks at the Welcoming Ceremony for President Vaclav Havel of Czechoslovakia

Joint Declaration of the United States and the Czech and Slovak Federal Republic

Exchange With Reporters Prior to a Meeting with Secretary of Agriculture Edward R. Madigan

Statement by Press Secretary Fitzwater on the Release of American Hostage Jesse Turner

Remarks on Signing the Executive Order on Civil Justice Reform

Executive Order 12778 -- Civil Justice Reform

Proclamation 6363 -- Community Center Month, 1991

Statement by Press Secretary Fitzwater on the Middle East Peace Conference

Nomination of Kevin E. Moley To Be Deputy Secretary of Health and Human Services

Remarks to the Veterans of the Office of Strategic Services Dinner

Remarks to Representatives of Public Administration Groups on Public Service

Message to the Senate Transmitting the Treaty on Mutual Assistance in Criminal Matters Between Panama and the United States

Proclamation 6364 -- National Breast Cancer Awareness Month, 1991

Memorandum on the Employment of Soviet Nationals

Remarks at the Announcement of Agreement Between the Department of Energy and the Advanced-Battery Consortium.

The President's News Conference

Proclamation 6365 -- National Red Ribbon Week for a Drug-Free America, 1991

Proclamation 6366 -- World Population Awareness Week, 1991

Message to the Senate Transmitting the Jamaica-United States Mutual Legal Assistance in Criminal Matters Treaty

Teleconference Remarks With the American Gas Association

Remarks to Travel and Tourism Chief Executive Officers

Proclamation 6367 -- Refugee Day, 1991

Second Annual Report to the Congress on the State of Small Business

Message to the Senate Transmitting The Bahamas-United States Extradition Treaty

Statement by Press Secretary Fitzwater on an Anti-Narcotics Summit

Statement on Signing the Continuing Appropriations Bill

Statement on Signing the Treasury, Postal Service and General Government Appropriations Act, 1992

Statement on Signing the Department of Transportation and Related Agencies Appropriations Act, 1992

Statement on Signing the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1992

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992

Statement by Press Secretary Fitzwater Condemning Terrorism on the West Bank

Nomination of William Edwin Ryerson To Be United States Ambassador to the Republic of Albania

Executive Order 12779 -- Prohibiting Certain Transactions With Respect to Haiti

Message to the Congress Transmitting an Executive Order Prohibiting Certain Transactions With Haiti

Nomination of William Edwin Ryerson To Be United States Ambassador to the Republic of Albania

The President's News Conference With President Gorbachev of the Soviet Union in Madrid, Spain

The President's News Conference With Prime Minister Felipe Gonzalez of Spain in Madrid

Appointment of John A. Gordon as Special Assistant to the President for National Security Affairs

Remarks at the Opening Session of the Middle East Peace Conference in Madrid, Spain

Proclamation 6368 -- National American Indian Heritage Month, 1991

Nomination of Lisa A. Hembry To Be a Member of the National Museum Services Board

Message to the Senate Transmitting Argentina-United States Mutual Legal Assistance in Criminal Matters Treay

Message to the Congress Transmitting the Annual Report of the National Highway Traffic Safety Administration

Remarks at Republican Congressional Leadership Meeting

Remarks on Presentation of the President's Environment and Conservation Challenge Awards

Executive Order 12780 -- Federal Agency Recycling and the Council on Federal Recycling and Procurement Policy

Remarks at the Swearing-In Ceremony for William Taylor as Chairman of the Federal Deposit Insurance Corporation

Remarks Honoring the World Series Champion Minnesota Twins

Remarks at the Bush-Quayle Fundraising Dinner in Houston, Texas

Statement on Signing the District of Columbia Mental Health Program Assistance Act of 1991

Interview by Ron Stone of KPRC - TV in Houston, Texas

Remarks at the Bush-Quayle Fundraising Dinner in Dallas, Texas

Interview With Sylvan Rodriguez of KHOU - TV in Houston, Texas

Interview With Dave Ward of KTRK - TV in Houston, Texas

Remarks to Marlow Industries Employees in Dallas, Texas

Remarks at the Dedication Ceremony for Thanks-Giving Square in Dallas, Texas

Nomination of Leo P. Duffy To Be an Assistant Secretary of Energy

Nomination of Gregg Ward To Be an Assistant Secretary of Energy

Nomination of James G. Randolph To Be an Assistant Secretary of Energy

Remarks at the Dedication of the Ronald Reagan Presidential Library

Nomination of James R. Lilley To Be an Assistant Secretary of Defense

Remarks on Presenting the Environmental Youth Awards

Exchange With Reporters Following a Meeting With President Nicephore Soglo of Benin

Statement by Press Secretary Fitzwater on the President's Meeting With President Nicephore Soglo of Benin

Proclamation 6369 -- National Hospice Month, 1991 and 1992

Message to the Congress Transmitting a Report on Federal Regulatory Policy

Statement on the Confirmation of Robert M. Gates as Director of Central Intelligence

Statement by Press Secretary Fitzwater on the Postponement of the President's Visit to Pacific Nations

The President's News Conference

Statement by Press Secretary Fitzwater on the Extinguishing of the Last of Kuwait's Burning Oil Wells

Exchange With Reporters Following a Meeting with Prime Minister Major of the United Kingdom in Rome, Italy

Declaration on the Soviet Union by the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Rome

Declaration on Peace and Cooperation of the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Rome

Remarks at the American Seminary in Vatican City

The President's News Conference in Rome, Italy

Statement by Press Secretary Fitzwater on the Bulgarian-American Enterprise Fund

Proclamation 6370 -- National Poison Prevention Week, 1992

Address to the Nation Commemorating Veterans Day

Remarks at a Luncheon Hosted by Prime Minister Ruud Lubbers in The Hague

The President's News Conference With Prime Minister Ruud Lubbers of The Netherlands and President Jacques Delors of the Commission of the European Community in The Hague

Greetings to the American Community in The Hague

Nomination of Richard B. Stone To Be United States Ambassador to Denmark

Remarks at the Tomb of the Unknown Soldier

Remarks at the Swearing-In Ceremony for Robert Gates as Director of Central Intelligence

Proclamation 6371 -- National Women Veterans Recognition Week, 1991

Proclamation 6372 -- National Alzheimer's Disease Month, 1991 and 1992

Notice on Continuation of the Iran Emergency

Message to the Congress on the Continuation of the Iran Emergency

Statement on Signing the Veterans' Compensation Rate Amendments of 1991

Proclamation 6373 -- Hire a Veteran Week, 1991

Remarks at a Bush-Quayle Fundraising Luncheon in New York City

Remarks to The Asia Society in New York City

Proclamation 6374 -- National Red Ribbon Month, 1991

Statement on Extending Most-Favored-Nation Trading Status to Bulgaria

Message to the Senate Transmitting the Treaty on Mutual Legal Assistance in Criminal Matters Between Uruguay and the United States

Memorandum Authorizing Assistance to Senegal

Nomination of Arnold R. Tompkins To Be an Assistant Secretary of Health and Human Services

Remarks to the Future Farmers of America in Kansas City, Missouri

Interview With Don Marsh of KTVI - TV in St. Louis, Missouri

Interview With Richard Ford of KSDK - TV in St. Louis, Missouri

Interview With Julius Hunter of KMOV - TV in St. Louis, Missouri

Interview With Steve Schiff of KPLR - TV in St. Louis, Missouri

Remarks at the Fundraising Dinner for Senator Christopher S. Bond in St. Louis, Missouri

Remarks at the Welcoming Ceremony for President Carlos Menem of Argentina

Exchange With Reporters in the Cabinet Room

Remarks at a Meeting of the President's Commission on Educational Excellence for Hispanic Americans

Statement by Press Secretary Fitzwater on the President's Meeting with President Levon Ter-Petrosian of Armenia

Proclamation 6375 -- Dutch-American Heritage Day, 1991

Exchange With Reporters in the Cabinet Room

Statement on Signing the Continuing Appropriations Bill

Teleconference Remarks With the Fortune 500 Forum

Remarks on Presenting the National Endowment for the Humanities 1991 Charles Frankel Awards

Proclamation 6376 -- National Philanthropy Day, 1991

Appointment of David J. Beightol as Special Assistant to the President for Intergovernmental Affairs

Remarks on Presenting the Presidential Medal of Freedom Awards

Nomination of John Hubert Kelly To Be United States Ambassador to the Republic of Finland

Statement by Press Secretary Fitzwater on the Release of American Hostage Thomas Sutherland and British Hostage Terry Waite

Teleconference Remarks With the Southern Newspaper Publishers Association

Exchange With Reporters in the Oval Office

Statement by Press Secretary Fitzwater on the President's Meeting With Aleksandr Yakovlev

Memorandum of Disapproval for the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1992

Statement by Press Secretary Fitzwater on Family Planning Legislation

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Former Hostage Thomas Sutherland

Nomination of Jonathan T. Howe To Be Deputy Assistant to the President for National Security Affairs

Interviews With NBC Owned and Operated Television Stations

Statement by Press Secretary Fitzwater on Food Assistance to the Soviet Union

Executive Order 12781 -- Delegation of Functions and Authorities, Development of Requirements and Regulations, and Correction of Title

Proclamation 6377 -- National Farm-City Week, 1991

Proclamation 6378 -- National Family Week, 1991 and 1992

Nomination of Robert Edward Grady To Be Deputy Director of the Office of Management and Budget

Nomination of James Buchanan Busey IV To Be Deputy Secretary of Transportation

Nomination of Henry Edward Hudson To Be Director of the United States Marshals Service

Remarks on the Civil Rights Act of 1991

Statement on Signing the Civil Rights Act of 1991

Executive Order 12782 -- Amending Executive Order No. 12594

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Nomination of Scott M. Spangler To Be an Associate Administrator of the Agency for International Development

Nomination of Jerry R. Curry To Be Administrator of the Federal Aviation Administration

Proclamation 6379 -- National Military Families Recognition Day, 1991

Remarks on Signing the Thanksgiving Day Proclamation

Proclamation 6380 -- Thanksgiving Day, 1991

Remarks to the Ohio Education Community

Interview With Bob Orr of WBNS - TV in Columbus, Ohio

Interview With Doug Adair of WCMH - TV in Columbus, Ohio

Interview With Lou Forrest of WSYX - TV in Columbus, Ohio

Statement by Press Secretary Fitzwater on the Ratification of the Conventional Weapons Treaty

Letter to Congressional Leaders on the Crime Bill

Message to the Senate Transmitting the Strategic Arms Reduction Talks Treaty

Proclamation 6381 -- National Accessible Housing Month, 1991

Proclamation 6382 -- National Family Caregivers Week, 1991 and 1992

Exchange With Reporters in the Oval Office

Statement by Press Secretary Fitzwater on the House Republican Economic Growth Package

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Andrei Kozyrev of the Russian Republic

Remarks at the Swearing-In Ceremony for William Barr as Attorney General

Remarks on Signing the National Adoption Week Proclamation

Proclamation 6383 -- National Adoption Week, 1991

Statement Announcing Joint Declarations on the Libyan Indictments

Message to the Congress on Reductions in Travel, Transportation, and Subsistence

Statement by Press Secretary Fitzwater on the Adjournment of Congress

Text of the Thanksgiving Address to the Nation

Proclamation 6386 -- National Pearl Harbor Remembrance Day, 1991

Statement by Press Secretary Fitzwater on the Release of American Hostage Joseph Cicippio

Proclamation 6384 -- Geography Awareness Week, 1991 and 1992

Proclamation 6385 -- National Home Care Week, 1991 and 1992

Message on the Observance of Hanukkah

Remarks to Tropicana Employees in Bradenton, Florida

Remarks to Peavey Electronics Employees in Meridian, Mississippi

Proclamation 6387 -- Federal Civilian Employees Remembrance Day, 1991

Statement by Press Secretary Fitzwater on the Release of American Hostage Alann Steen

Letter Accepting the Resignation of John H. Sununu as Chief of Staff to the President

Remarks to the American Enterprise Institute

Proclamation 6388 -- To Amend the Generalized System of Preferences

Letter to Congressional Leaders on Extending Generalized System of Preferences Benefits to Bulgaria

Statement on Signing Legislation on Trade and Unemployment Benefits

Statement on Signing the Intelligence Authorization Act, Fiscal Year 1992

Statement on Signing the Tribal Self-Governance Demonstration Project Act

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Former Hostage Terry Anderson

Statement on the Release of American Hostages in Lebanon

Statement by Press Secretary Fitzwater on the President's Meeting With Nelson Mandela of South Africa

Remarks Prior to a Meeting With United Nations Secretary-General-Elect Boutros Ghali

The President's News Conference

Proclamation 6389 -- To Amend the Generalized System of Preferences

Statement on Signing the National Defense Authorization Act for Fiscal Years 1992 and 1993

Exchange With Reporters on the South Lawn

Remarks to Mag Instrument Employees in Ontario, California

Remarks to the Kiwanis and Rotary Clubs in Ontario, California

Memorandum on Trade With the Czech and Slovak Federal Republic

Memorandum on Trade With the Republic of Hungary

Memorandum on Trade With the Republic of Poland

Remarks to the Pearl Harbor Survivors Association in Honolulu, Hawaii

Remarks at a Ceremony Commemorating the 50th Anniversary of Pearl Harbor

Remarks to World War II Veterans and Families in Honolulu, Hawaii

Remarks at Half-Time During the Army-Navy Football Game

Interview With Charles Bierbauer of CNN at Pearl Harbor, Hawaii

Remarks at a Briefing by the National Commission on AIDS

Remarks on Signing the High-Performance Computing Act of 1991

Statement on Signing Legislation To Study the Feasibility of Establishing a Native American Cultural Center

Proclamation 6390 -- Human Rights Day, Bill of Rights Day, and Human Rights Week, 1991

Remarks to the Chicago Board of Trade in Chicago, Illinois

Remarks to the Chicago Mercantile Exchange in Chicago, Illinois

Remarks to the Illinois Farm Bureau in Chicago, Illinois

Exchange With Reporters in the Cabinet Room

Remarks at a Fundraising Luncheon for Senator Frank H. Murkowski

Teleconference Remarks on the Kick-Off of Montana 2000 and Billings 2000

Message on the Observance of Christmas

Statement on the European Community Summit

Memorandum on the Intermodal Surface Transportation Efficiency Act

Exchange With Reporters Prior to a Meeting With Prime Minister Constantinos Mitsotakis of Greece

Remarks Following Discussions With Prime Minister Constantinos Mitsotakis of Greece

Statement by Press Secretary Fitzwater on Assistance to the Soviet Union and the Republics

Teleconference Remarks on the Kick-Off of Arizona 2000

Exchange With Reporters Prior to a Meeting With United Nations Secretary-General Javier Perez de Cuellar

Remarks on Presenting the Medal of Freedom and the Presidential Award for Exceptional Service to United Nations Officials

Remarks on Lighting the National Christmas Tree

Proclamation 6391 -- Wright Brothers Day, 1991

Statement on Signing the Conventional Forces in Europe Treaty Implementation Act of 1991

Statement on Signing the Dire Emergency Appropriations and Disaster Assistance Legislation

Statement on Signing the Resolution Trust Corporation Refinancing, Restructuring, and

Improvement Act of 1991

Exchange With Reporters on the Situation in the Soviet Union

Exchange with Reporters in the Cabinet Room

Teleconference Remarks to the 1991 Congress of Cities

Statement by Press Secretary Fitzwater on a Comprehensive Safeguard Agreement Between Argentina, Brazil, and the International Atomic Energy Agency

Proclamation 6392 -- Bicentennial of the District of Columbia Month, 1991

Proclamation 6393 -- Year of Clean Water, 1992, and Clean Water Month, 1992

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Gorbachev

Letter to Congressional Leaders on Naming Don E. Newquist as Chairman-Designate of the U.S. International Trade Commission

Letter Accepting the Resignation of Samuel K. Skinner as Secretary of Transportation

Remarks on Signing the Year of Thanksgiving for the Blessings of Liberty. Proclamation in Orange County, Virginia

Proclamation 6394 -- Year of Thanksgiving for the Blessings of Liberty, 1991

Remarks at the Bicentennial of the Bill of Rights Luncheon at Montpelier in Orange County, Virginia

Statement by Press Secretary Fitzwater on the Revocation of Resolution 3379 by the United Nations General Assembly

Exchange With Reporters Prior to Meeting With Foreign Minister David Levi of Israel

Remarks on Welcoming Prime Minister Anan Panyarachun of Thailand

Teleconference Remarks on New Hampshire 2000

Interview With Bill Beutel of WABC - TV in New York City

Interview With Jim Gardner of WPVI - TV in Philadelphia, Pennsylvania

Interview With Linda Yu of WLS - TV in Chicago, Illinois

Interview With Richard Brown of KGO - TV in San Francisco, California

Interview With Harold Green of KABC - TV in Los Angeles, California

Statement on Signing the Act Amending Public Health Service and Controlled Substances Acts

Executive Order 12783 -- Extending the President's Council on Rural America

Proclamation 6395 -- Basketball Centennial Day, 1991

Memorandum on Migration and Refugee Assistance for Yugoslav Refugees

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister David Levi of Israel

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Anan Panyarachun of Thailand

Remarks on Signing the Intermodal Surface Transportation Efficiency Act of 1991

Remarks to American Association of State Highway and Transportation Officials in Dallas, Texas

Statement on Signing the Intermodal Surface Transportation Efficiency Act of 1991

Statement by Press Secretary Fitzwater on the Resignation of Frederick D. McClure as Assistant to the President for Legislative Affairs

Executive Order 12784 -- Delegation of Authority Regarding the Naval Petroleum and Oil Shale Reserves

Letter to Congressional Leaders Reporting Budget Deferrals

The President's News Conference With Foreign Correspondents

Statement on Signing the Coast Guard Authorization Act of 1991

Statement on Signing the Federal Deposit Insurance Corporation Improvement Act of 1991

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Mulroney of Canada and President Perez of Venezuela

Statement on the Federal Reserve Interest Rate Reduction

Proclamation 6396 -- National Law Enforcement Training Week, 1992

Proclamation 6397 -- National Sanctity of Human Life Day, 1992

Memorandum of Disapproval for the Morris K. Udall Scholarship and Excellence in National Environmental Policy Act

Statement on Signing the Telephone Consumer Protection Act of 1991

Proclamation 6398 -- National Ellis Island Day, 1992

Christmas Address to the Nation

Statement on the Resignation of Mikhail Gorbachev as President of the Soviet Union

Address to the Nation on the Commonwealth of Independent States

The President's News Conference

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Libya

Notice of the Continuation of the National Emergency With Respect to Libya

Executive Order 12785 -- Extending the President's Education Policy Advisory Committee

Executive Order 12786 -- Adjustments of Certain Rates of Pay and Allowances

Statement on Foreign Direct Investment Policy

White House Statement Announcing United States Foreign Direct Investment Policy

Remarks on Disaster Relief Efforts in Beeville, Texas

Statement by Press Secretary Fitzwater on Extension of the Voluntary Restraint Agreements With Japan and Taiwan

Remarks to the Bee County Community, Beeville, Texas

Appendix A -- Digest of Other White House Announcements

Appendix B -- Nominations Submitted to the Senate

Appendix C -- Checklist of White House Press Releases

Appendix D -- Acts Approved by the President

Appendix E -- Proclamations and Executive Orders

Appendix F -- Points of Light Recognition Program

contents

january 1991

select another month
February | March | April | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 1 -

New Year's Message to the People of the Soviet Union

- 2 -

Statement by Press Secretary Fitzwater on the Deployment of North Atlantic Treaty Organization Forces to Turkey

Appointment of Katherine L. Super as Deputy Assistant to the President for Appointments and Scheduling

Notice of the Continuation of the National Emergency With Respect to Libya

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Libya

- 3 -

Statement on a Proposed Meeting Between Foreign Minister Tariq `Aziz of Iraq and Secretary

of State James A. Baker III

Nomination of Arthur J. Hill To Be an Assistant Secretary of Housing and Urban Development

Nomination of James F. Hoobler To Be Inspector General of the Small Business Administration

Letter to Congressional Leaders Transmitting the 1990 Population and Apportionment Statistics

Statement on the House of Representatives Action on the Federal Budget Agreement

- 4 -

Message to the Congress Transmitting the Canada-United States Fishing Agreement

Remarks on the United States Discussions With Iraq and a Question-and-Answer Session With Reporters

- 5 -

Radio Address to the Nation on the Persian Gulf Crisis

- 7 -

Nomination of George H. Pfau, Jr., To Be a Director of the Securities Investor Protection Corporation

- 8 -

Message to Allied Nations on the Persian Gulf Crisis

Letter to Congressional Leaders on the Persian Gulf Crisis

Nomination of Stanford E. Parris To Be Administrator of the Saint Lawrence Seaway Development Corporation

Appointment of Gregory S. Walden as Associate Counsel to the President

- 9 -

Remarks at the Presentation Ceremony for the Senior Executive Service Presidential Rank Awards

Message to the Congress Reporting Budget Deferrals

Exchange With Reporters on the Persian Gulf Crisis

The President's News Conference on the Persian Gulf Crisis

Statement by Press Secretary Fitzwater on United States Assistance for Liberia and Other Refugee Relief Efforts

Nomination of Bernadine P. Healy To Be Director of the National Institutes of Health

Open Letter to College Students on the Persian Gulf Crisis

- 10 -

Appointment of Raymond Ebeling as a Member of the Advisory Commission on Conferences in Ocean Shipping

Statement by Press Secretary Fitzwater on the President's Conversation With United Nations Secretary-General Javier Perez de Cuellar Concerning the Persian Gulf Crisis

Nomination of Jon D. Glassman To Be United States Ambassador to Paraguay

- 11 -

Exchange With Reporters on the Telephone Conversation with Soviet President Mikhail Gorbachev

Message to the Congress Reporting on the Economic Sanctions Against Libya

Statement by Press Secretary Fitzwater on Incremental Costs for Operation Desert Shield

Nomination of James E. Denny To Be Assistant Commissioner of Patents and Trademarks

- 12 -

The President's News Conference

Statement by Press Secretary Fitzwater on President Bush's Letter to President Saddam Hussein of Iraq

- 13 -

White House Statement on Mrs. Bush's Condition Following a Sledding Accident at Camp David, Maryland

Remarks on Soviet Military Intervention in Lithuania and a Question-and-Answer Session With Reporters

- 14 -

Statement on Signing the Resolution Authorizing the Use of Military Force Against Iraq

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Taro Nakayama of Japan

- 15 -

Statement by Press Secretary Fitzwater on the Conditional Release of Military Assistance to El Salvador

- 16 -

Letter to Congressional Leaders Transmitting a Report Pursuant to the Resolution Authorizing the Use of Force Against Iraq

Statement on Allied Military Action in the Persian Gulf

Address to the Nation Announcing Allied Military Action in the Persian Gulf

Statement by Press Secretary Fitzwater on the Strategic Petroleum Reserve

- 17 -

Exchange With Reporters on the Persian Gulf Conflict

Exchange With Reporters on the Persian Gulf Conflict

Nomination of Carol T. Crawford To Be a Member of the United States International Trade Commission

Statement by Press Secretary Fitzwater Confirming Iraqi Missile Attacks on Israel and Saudi Arabia

Statement by Press Secretary Fitzwater on United States Response to Iraqi Missile Attacks on Israel

- 18 -

The President's News Conference on the Persian Gulf Conflict

Letter to Congressional Leaders on the Persian Gulf Conflict

Letter to Congressional Leaders on the Activation of the Ready Reserve

Statement by Press Secretary Fitzwater on the Activation of the Ready Reserve

Statement by Press Secretary Fitzwater on the Death of King Olav V of Norway

Nomination of Melissa Foelsch Wells To Be United States Ambassador to Zaire

- 21 -

Remarks on the Persian Gulf Conflict and the Baltic States and an Exchange With Reporters

Statement by Press Secretary Fitzwater on the Designation of the Arabian Peninsula as a Combat Zone

- 22 -

Remarks to Participants in the March for Life Rally

Statement on the Resignation of Susan S. Engeleiter as Administrator of the Small Business Administration

Message to the Congress on Trade With Hungary

Presidential Determination No. 91 - 18 -- Memorandum on Trade With Bulgaria

Message to the Congress on Trade With Bulgaria

- 23 -

Remarks Following Discussions With President Punsalmaagiyn Ochirbat of Mongolia

Presidential Determination No. 91 - 19 -- Memorandum on Trade With Mongolia

Message to the Congress on Trade With Mongolia

Remarks to the Reserve Officers Association

- 24 -

Exchange With Reporters

- 25 -

Remarks to Arab-American Leaders

Letter Accepting the Resignation of Clayton K. Yeutter as Secretary of Agriculture

Remarks on the Nomination of Edward R. Madigan To Be Secretary of Agriculture and a Question-and-Answer Session With Reporters

- 28 -

Remarks at the Annual Convention of the National Religious Broadcasters

- 29 -

Remarks Prior to Discussions With Foreign Minister Ahmed Esmat Abdel Meguid of Egypt

Remarks and an Exchange With Reporters Prior to Discussions With Foreign Minister Hans Van den Broek of The Netherlands

Address Before a Joint Session of the Congress on the State of the Union

- 30 -

Remarks and an Exchange With Reporters Prior to Discussions With Foreign Minister Antonios Samaras of Greece

Remarks at the 50th Anniversary Observance of Franklin D. Roosevelt's Four Freedoms Speech

Message to the Congress Transmitting a Report on the Canada-United States Free-Trade Agreement

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Nomination of Katherine Shirley To Be United States Ambassador to Senegal

Appointment of Edward O. Vetter as a Member of the Competitiveness Policy Council

Nomination of Robert B. Zoellick To Be an Under Secretary of State

- 31 -

Remarks at the National Prayer Breakfast

Remarks at a White House Briefing on the 1991 National Drug Control Strategy

Message to the Congress Transmitting the 1991 National Drug Control Strategy

Message to the Congress Transmitting a Report on Aeronautics and Space Activities During 1988

Message to the Congress Submitting a Report on the International Space Year

Nomination of Charles R. Baquet III To Be United States Ambassador to Djibouti

contents

february 1991

select another month
January | March | April | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 1 -

Remarks to Community Members at Cherry Point Marine Corps Air Station in North Carolina

Remarks to Community Members at Seymour Johnson Air Force Base in Goldsboro, North Carolina

Remarks to Community Members at Fort Stewart, Georgia

- 2 -

Radio Address to the Nation on the National Day of Prayer

- 4 -

Message to the Congress Transmitting the Fiscal Year 1992 Budget

Remarks to Members of the National Governors' Association

Remarks to Representatives of the Boy Scouts of America

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With State President Frederik Willem de Klerk of South Africa

Letter to Congressional Leaders on the Reinstatement of Beneficiary Trade Status for Chile

Letter to Congressional Leaders on Beneficiary Trade Status for the Central African Republic, Paraguay, and Namibia

Statement by Press Secretary Fitzwater on Beneficiary Trade Status for the Central African Republic, Chile, Namibia, and Paraguay

- 5 -

The President's News Conference

Joint Statement Announcing Canada-Mexico-United States Trilateral Free Trade Negotiations

Nomination of Rockwell A. Schnabel To Be Deputy Secretary of Commerce

- 6 -

Remarks on Signing the Veterans' Compensation Amendments of 1991 and the Agent Orange Act of 1991

Statement on Signing the Veterans' Compensation Amendments of 1991

Statement on Signing the Agent Orange Act of 1991

Message to the Congress Transmitting a Report on Federal Energy Conservation Activities

Message to the Congress Transmitting the Annual Report of the Federal Labor Relations Authority

Statement on the Death of Danny Thomas

Exchange With Reporters Aboard Air Force One on the Persian Gulf Conflict

Remarks and a Question-and-Answer Session at a Meeting of the Economic Club in New York, New York

- 8 -

Exchange With Reporters on the Persian Gulf Conflict

Memorandum on the Presidential Design Awards Program

Nomination of Ira H. Raphaelson To Be a Special Counsel at the Department of Justice

- 11 -

Message on the Observance of National Afro-American (Black) History Month

Message on the Observance of the Lunar New Year, 4689

Remarks on the Persian Gulf Conflict

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iraq

- 12 -

Message to Congressional Leaders Transmitting the 1991 Economic Report

Statement by Press Secretary Fitzwater on United States Commercial Space Policy Guidelines

Exchange With Reporters on the Persian Gulf Conflict Prior to Discussions With Defense Minister Thomas King of the United Kingdom

Nomination of Catherine Yi-yu Cho Woo To Be a Member of the National Council on the Arts

- 13 -

Remarks Announcing Proposed Transportation Legislation

Statement by Press Secretary Fitzwater on Allied Bombing in Baghdad

Nomination of John G. Keller, Jr., To Be an Under Secretary of Commerce

- 14 -

Appointment of John Kenneth Blackwell as United States Representative on the United Nations Commission on Human Rights

- 15 -

Statement by Press Secretary Fitzwater on the Iraqi Offer To Withdraw From Kuwait

Letter to Congressional Leaders Transmitting the Report on Soviet Noncompliance With Arms Control Agreements

Remarks to the American Association for the Advancement of Science

Exchange With Reporters in Andover, Massachusetts, on the Iraqi Offer To Withdraw From Kuwait

Remarks to Raytheon Missile Systems Plant Employees in Andover, Massachusetts

Statement by Press Secretary Fitzwater on Statements Made by Ambassador Zalman Shoval of Israel

- 17 -

Exchange With Reporters in Kennebunkport, Maine

- 18 -

Statement by Press Secretary Fitzwater on Soviet President Gorbachev's Meeting With Foreign Minister `Aziz of Iraq

- 19 -

Exchange With Reporters on the Soviet Peace Proposal for the Persian Gulf Conflict

Message to the Congress Transmitting Reports on Highway and Motor Vehicle Safety

Message to the Senate on the International Labor Organization Convention Concerning the Abolition of Forced Labor

White House Statement on the International Labor Organization Convention Concerning the Abolition of Forced Labor

Appointment of Robert A. Snow as Deputy Assistant to the President for Communications and Director of Speechwriting

- 20 -

Remarks at the Welcoming Ceremony for Queen Margrethe II of Denmark

Remarks at a Briefing on Energy Policy

Letter to Congressional Leaders Reporting on Soviet-United States Arms Control Agreements

Nomination of Michael T.F. Pistor To Be United States Ambassador to Malawi

Nomination of David Floyd Lambertson To Be United States Ambassador to Thailand

Nomination of Jennifer C. Ward To Be United States Ambassador to Niger

Toasts at the State Dinner for Queen Margrethe II of Denmark

- 21 -

Statement by Press Secretary Fitzwater on Remarks Made by President Saddam Hussein of Iraq on the Persian Gulf Conflict

Remarks on Signing the National Parents and Teachers Association Week Proclamation

- 22 -

Remarks on the Persian Gulf Conflict

Remarks at the Swearing-In Ceremony for Lynn M. Martin as Secretary of Labor

Statement by Press Secretary Fitzwater on the Persian Gulf Conflict

- 23 -

Statement by Press Secretary Fitzwater on the Persian Gulf Conflict

Statement on the Persian Gulf Conflict

Address to the Nation Announcing Allied Military Ground Action in the Persian Gulf

- 25 -

Remarks on the Observance of National Afro-American (Black) History Month

Nomination of Dennis A. Yao To Be Federal Trade Commissioner

Statement by Press Secretary Fitzwater on the Persian Gulf Conflict

- 26 -

Statement by Press Secretary Fitzwater on the Iraqi Statement on Withdrawal From Kuwait

Address to the Nation on the Iraqi Statement on Withdrawal From Kuwait

Remarks Following Discussions With President Cesar Gaviria Trujillo of Colombia

Remarks at a Retirement Ceremony for General Maxwell R. Thurman in Arlington, Virginia

Letter to Congressional Leaders Transmitting a Report on International Agreements

Message to the Congress Transmitting Proposed Legislation To Implement the Administration's Enterprise for the Americas Initiative

- 27 -

Remarks to the Conference on Marketing Economics and Management Training for Eastern Europe

Remarks at a Meeting of the American Society of Association Executives

Address to the Nation on the Suspension of Allied Offensive Combat Operations in the Persian Gulf

Remarks Prior to Discussions With Foreign Minister Roland Dumas of France

Message to the Congress Transmitting the Annual Report on Alaskan Mineral Resources

Message to the Congress Reporting Budget Deferrals

Remarks and an Exchange With Reporters Prior to Discussions With Ambassador Nasir Al-Sabah of Kuwait

Remarks and an Exchange With Reporters Prior to Discussions with Prince Bandar bin Sultan of Saudi Arabia

contents

march 1991

select another month
January | February | April | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 1 -

Remarks on Signing the Proclamation Commemorating the 30th Anniversary of the Peace Corps

Remarks Prior to Discussions With Foreign Minister Hans-Dietrich Genscher of Germany

Remarks to the American Legislative Exchange Council

The President's News Conference on the Persian Gulf Conflict

Presidential Determination No. 91 - 22 -- Memorandum on Narcotics Control Certification

Message to the Congress Transmitting a Report on Trade Negotiations and Agreements and Fast Track Authority Extension

- 2 -

Radio Address to United States Armed Forces Stationed in the Persian Gulf Region

- 4 -

Remarks to Veterans Service Organizations

Nomination of Donald J. Yockey To Be Under Secretary of Defense for Acquisition

Remarks at the Westinghouse Science Talent Search 50th Anniversary Banquet

- 5 -

Remarks at a Briefing on Extension of the Fast Track Trade Negotiation Authority

Remarks Prior to Discussions With Foreign Minister Francisco Fernandez-Ordonez of Spain

Remarks at the Attorney General's Crime Summit

Appointment of David M. Carney as Special Assistant to the President and Director of the Office of Political Affairs

Appointment of Ronald C. Kaufman as Deputy Assistant to the President for Political Affairs

- 6 -

Address Before a Joint Session of the Congress on the Cessation of the Persian Gulf Conflict

- 7 -

White House Statement on Weapons of Mass Destruction

Message to the Congress Transmitting the Austria-United States Social Security Agreement

Appointment of Judy A. Smith as Special Assistant to the President and Deputy Press Secretary

Message on the Observance of St. Patrick's Day, 1991

Remarks Upon Presenting the Presidential Medal of Freedom to Margaret Thatcher

- 8 -

Remarks Prior to a Meeting With President Cornelio Sommaruga of the International Committee of the Red Cross

Memorandum on the Return of Desert Shield/Desert Storm Participants to Federal Civilian Employment

Message to the Congress on the Termination of the Sanctions Imposed With Respect to Kuwait

Letter to Congressional Leaders on Telecommunications Trade Talks With the European Community and Korea

Letter to Congressional Leaders on Nuclear Cooperation with EURATOM

Interview With Middle Eastern Journalists

- 10 -

Remarks at the Ford's Theatre Gala

- 11 -

Exchange With Reporters Prior to Discussions With Prime Minister Michel Rocard of France

Remarks Announcing Proposed Crime Control Legislation

Message to the Congress Transmitting Proposed Crime Control Legislation

Remarks at the Point of Light Award Presentation Ceremony for the Henderson Hall/Barcroft

Elementary School Adopt-A-School Program in Arlington, Virginia

Statement by Press Secretary Fitzwater on Louisiana Governor Buddy Roemer's Republican Party Affiliation

Appointment of Jay Parmer as Special Assistant to the President and Director of Presidential Advance

- 12 -

Remarks at the Swearing-In Ceremony for Edward R. Madigan as Secretary of Agriculture

Nomination of Patricia F. Saiki To Be Administrator of the Small Business Administration

Appointment of Spencer E. Geissinger as Special Assistant to the President for Presidential Press Advance

Letter to Congressional Leaders Transmitting a Report on Anti-Satellite Arms Control

- 13 -

Nomination of Bruce S. Gelb To Be United States Ambassador to Belgium

Nomination of Henry E. Catto To Be Director of the United States Information Agency

Nomination of Raymond G.H. Seitz To Be United States Ambassador to the United Kingdom

Nomination of Raoul L. Carroll To Be President of the Government National Mortgage Association

Remarks by the President and Prime Minister Brian Mulroney of Canada at the Air Quality Agreement Signing Ceremony in Ottawa

The President's News Conference With Prime Minister Brian Mulroney of Canada in Ottawa

Statement by Press Secretary Fitzwater on Iraqi President Saddam Hussein's Use of Force Against the Iraqi People

- 14 -

The President's News Conference With President Francois Mitterrand of France in Martinique, French West Indies

- 15 -

Nomination of William G. Curran, Jr., To Be United States Director of the European Bank for Reconstruction and Development

- 16 -

The President's News Conference With Prime Minister John Major of the United Kingdom in Hamilton, Bermuda

- 17 -

Remarks at the Community Welcome for Returning Troops in Sumter, South Carolina

- 18 -

Remarks at the Presentation Ceremony for the Elie Wiesel Foundation Humanitarian Award and an Exchange With Reporters

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Deputy President Nelson Mandela of the African National Congress

Statement by Press Secretary Fitzwater on the Appointment of Members of the Czech and Slovak-American Enterprise Fund

- 19 -

Remarks at a White House Briefing for the National Leadership of the Hispanic Alliance for Free Trade

Remarks to the Points of Light Foundation

Message to the Senate Transmitting the Congo-United States Investment Treaty

Message to the Senate Transmitting Protocols to the International Convention for the Safety of Life at Sea and the International Convention on Load Lines

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

- 20 -

Remarks at the Welcoming Ceremony for President Lech Walesa of Poland

Declaration on Relations Between the United States of America and the Republic of Poland

Message to the Congress Transmitting the Annual Report of the United States Arms Control and Disarmament Agency

Toasts at the State Dinner for President Lech Walesa of Poland

- 21 -

Remarks on Police Brutality and an Exchange With Reporters

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Taro Nakayama of Japan

Presidential Certification of the Prince William Sound Regional Citizens Advisory Committee

- 22 -

Address on the National Days of Thanksgiving

Nomination of David T. Kearns To Be Deputy Secretary of the Department of Education

Nomination of John T. Sanders To Be Chief Financial Officer and Deputy Under Secretary for Planning, Budget and Evaluation at the Department of Education

Remarks at the Swearing-In Ceremony for Lamar Alexander as Secretary of Education

Statement on the Strategic Defense Initiative

Appointment of Ed A. Hewett as Special Assistant to the President for National Security Affairs and Senior Director for Soviet Affairs

- 23 -

The President's News Conference With President Turgut Ozal of Turkey

Remarks at the Gridiron Dinner

- 25 -

Remarks on Signing the Greek Independence Day Proclamation

- 26 -

Remarks and an Exchange With Reporters Prior to a Meeting With Finance Minister Theo Waigel of Germany

Statement by Press Secretary Fitzwater on the President's Meeting With Finance Minister Theo Waigel of Germany

- 27 -

Question-and-Answer Session With Reporters in Bethesda, Maryland

Statement by Press Secretary Fitzwater on the President's Physical Examination

Remarks to State Department Employees

- 28 -

Remarks at the Swearing-In Ceremony for Bob Martinez as Director of the Office of National Drug Control Policy

- 29 -

Statement on the Death of Lee Atwater

Exchange With Reporters on the Death of Lee Atwater

Statement by Deputy Press Secretary Popadiuk on President Bush's Meeting With President Arnold Ruutel of Estonia

Message on the Observance of Passover, 5751

Statement by Deputy Press Secretary Popadiuk on the Resignation of Richard R. Burt as Head of

Delegation to the Nuclear and Space Talks in Geneva and Chief START Negotiator

contents

a p r i l 1 9 9 1

select another month
January | February | March | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 2 -

Nomination of John Schrote To Be an Assistant Secretary of the Interior

- 3 -

Question-and-Answer Session With Reporters in Hobe Sound, Florida

Statement on the United Nations Persian Gulf Cease-Fire Resolution

Remarks at the All-Star Salute to the Troops at Andrews Air Force Base, Maryland

- 4 -

Appointment of Douglas H. Paal as Special Assistant to the President for National Security Affairs

Statement on the Death of Senator John Heinz

The President's News Conference With Prime Minister Toshiki Kaifu of Japan in Newport

Beach, California

Statement on Japan-United States Relations

- 5 -

Statement on Aid to Iraqi Refugees

Remarks at a Meeting With Hispanic Business Leaders and an Exchange With Reporters in Newport Beach, California

Statement on the Death of John Tower

- 6 -

The President's News Conference With Secretary of State James A. Baker III in Houston, Texas

Statement on Signing the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991

- 7 -

Remarks Commemorating the National Days of Thanksgiving in Houston, Texas

Remarks and an Exchange With Reporters Prior to Discussions With President Carlos Salinas de Gortari of Mexico in Houston, Texas

The President's News Conference With President Carlos Salinas de Gortari of Mexico in Houston, Texas

- 8 -

Remarks at a Meeting With Hispanic Business Leaders in Houston, Texas

Remarks on Presenting a Point of Light Award to the Voice of Hope Ministries in Dallas, Texas

- 9 -

Remarks to Business Leaders on Fast Track Authority Extension

Remarks at a Meeting of the American Business Conference

- 10 -

Remarks at the Presentation Ceremony for the National Teacher of the Year Award in Slanesville, West Virginia

Appointment of C. Gregg Petersmeyer as Assistant to the President and Director of the Office of National Service

Remarks at the Swearing-In Ceremony for Patricia F. Saiki as Administrator of the Small Business Administration

Statement on Signing the Operation Desert Shield/Desert Storm Supplemental Appropriations Act, 1991

Nomination of John E. Bennett To Be United States Ambassador to Equatorial Guinea

- 11 -

Remarks and an Exchange With Reporters Prior to Discussions With President Jacques Delors of the European Community Commission and President Jacques Santer of the European Council of Ministers

Remarks Following Discussions With President Jacques Delors of the European Economic Community and President Jacques Santer of the European Council of Ministers

Exchange With Reporters on Aid to Iraqi Refugees

Nomination of Preston Moore To Be Chief Financial Officer of the Department of Commerce

- 12 -

Remarks on Signing the Points of Light National Celebration of Community Service Proclamation in Glenarden, Maryland

Nomination of Charles R. Bowers To Be United States Ambassador to Bolivia

Appointment of Stephen T. Hart as Deputy Assistant to the President and Director of the Office of Legislative Affairs

Appointment of James W. Dyer as Deputy Assistant to the President for Legislative Affairs for the Senate

- 13 -

Remarks at Maxwell Air Force Base War College in Montgomery, Alabama

- 15 -

Remarks at a White House Briefing for the Associated General Contractors of America

Statement by Press Secretary Fitzwater on the President's Meeting With Senator Lloyd Bentsen of Texas

Statement by Press Secretary Fitzwater on the President's Federal Income Tax Return

Remarks to the National Association of Broadcasters Convention

- 16 -

Presidential Determination No. 91 - 28 -- Memorandum on the Czech and Slovak Federal Republic-United States Nuclear Energy Cooperation Agreement

Message to the Congress Transmitting the Czech and Slovak Federal Republic-United States Nuclear Energy Cooperation Agreement

Presidential Determination No. 91 - 29 -- Memorandum on the Hungary-United States Nuclear Energy Cooperation Agreement

Message to the Congress Transmitting the Hungary-United States Nuclear Energy Cooperation Agreement

Message to the Congress Transmitting the Annual Report on the Energy Activities of the Federal Government

Message to the Congress Transmitting the Report on Semiconductors, Fiber Optics, Superconducting Materials, and Advanced Manufacturing

Message to the Congress Reporting a Budget Rescission

Message to the Congress Transmitting the Annual Report of the Federal Council on the Aging

Remarks on Assistance for Iraqi Refugees and a News Conference

- 17 -

Remarks at the Welcoming Ceremony for President Violeta Chamorro of Nicaragua

Nomination of Gordon R. Sullivan To be Chief of Staff of the United States Army

Message to the Congress Transmitting the Annual Report of the National Science Foundation

Appointment of Gene C. Schaerr as Associate Counsel to the President

Remarks on Signing the Federal Energy Management Executive Order

Toasts at the State Dinner for President Violeta Chamorro of Nicaragua

Statement on Signing the Joint Resolution Settling the Railroad Strike

Nomination of Mary Ann Casey To Be United States Ambassador to Algeria

Presidential Determination No. 91 - 30 -- Memorandum on Assistance for Refugees and Migrants in Africa

Exchange With Reporters on the National Education Strategy Prior to a Meeting With the Nation's Governors

Remarks at a National Education Strategy Briefing

Nomination of Mike Hayden To Be an Assistant Secretary of the Interior

Address to the Nation on the National Education Strategy

White House Fact Sheet on the President's Education Strategy

Message to the Congress Reporting on Environmental Quality

Nomination of William Harrison Courtney To Be United States Commissioner for the Bilateral Consultative Commission and the Joint Consultative Commission

Nomination of Constance Bastine Harriman To Be a Member of the Board of Directors of the Export-Import Bank of the United States

- 19 -

Presidential Determination No. 91 - 31 -- Memorandum on Disaster Assistance in the Persian Gulf Region

Presidential Determination No. 91 - 32 -- Memorandum on the Extension of Credit to Mongolia

Appointment of Gary L. Foster as Special Assistant to the President and Deputy Press Secretary

Appointment of J. Dorrance Smith as Assistant to the President for Media Affairs

- 22 -

Remarks on Meeting the National Collegiate Athletic Association Men's and Women's Basketball Champions

Remarks at a White House Ceremony for the Observance of National Crime Victims' Rights Week

Nomination of Carl E. Mundy, Jr., To Be Commandant of the United States Marine Corps

Remarks at the John F. Kennedy Center for the Performing Arts Musicale Reception

- 23 -

Message to the Congress Transmitting a Report on Panamanian Government Assets Held by the United States

Message to the Congress on the Continuation of the National Emergency With Respect to Export Controls

Letter to Congressional Leaders on Social Security

Remarks Prior to a Meeting With General H. Norman Schwarzkopf, Commander of the U.S. Forces in the Persian Gulf

Remarks at the Presentation of a Point of Light Award to the United States Naval Academy/Benjamin Banneker Honors Mathematics and Science Society Partnership in Annapolis, Maryland

- 24 -

Remarks Following Discussions With President Hassan Gouled Aptidon of Djibouti and an Exchange With Reporters

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Hassan Gouled Aptidon of Djibouti

Remarks at the National Summit on Mathematics Assessment

Remarks at a Ceremony for the Posthumous Presentation of the Medal of Honor to Corporal Freddie Stowers

Nomination of Nancy P. Dorn To Be an Assistant Secretary of the Army

- 25 -

Remarks to the United States Academic Decathlon Winners

Memorandum on Modifications of the Generalized System of Preferences

Letter to Congressional Leaders on Trade With Czechoslovakia and Sudan

Presidential Determination No. 91 - 34 -- Memorandum on Assistance for Refugees from Tibet and Burma

Final Sequester Order

Statement by Press Secretary Fitzwater on Supplemental Assistance Requests for Iraqi Refugees

- 26 -

Remarks at an Arbor Day Tree-Planting Ceremony and an Exchange With Reporters

Statement by Deputy Press Secretary Popadiuk on the Death of Secretary of State James A. Baker's Mother

Remarks at the Points of Light Community Service Celebration

Nomination of Nicholas Platt To Be United States Ambassador to Pakistan

Nomination of John Thomas McCarthy To Be United States Ambassador to Tunisia

- 29 -

Remarks and a Question-and-Answer Session With the National Association of Farm Broadcasters

Statement by Press Secretary Fitzwater on the Task Force on United States Government International Broadcasting

- 30 -

Remarks on Fast Track Authority Extension and an Exchange With Reporters

Statement by Press Secretary Fitzwater on Restrictions on U.S. Satellite Component Exports to China

Nomination of Gordon S. Brown To Be United States Ambassador to Mauritania

contents

m a y 1 9 9 1

select another month
January | February | March | April
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 1 -

Remarks on National Physical Fitness and Sports Month

Remarks at a Presentation Ceremony for the National Security Agency Worldwide Awards in Fort Meade, Maryland

Letter to Congressional Leaders on Fast Track Authority Extension and the North American Free Trade Agreement

Remarks and a Question-and-Answer Session at a Meeting of the Society of Business Editors and Writers

Remarks at a White House Briefing on Fast Track Authority Extension

- 2 -

Remarks to Agriculture Groups and an Exchange With Reporters

Nomination of Sally G. Cowal To Be United States Ambassador to Trinidad and Tobago

- 3 -

Exchange With Reporters on Reports of a 1980 Hostage Agreement

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Carlos Andres Perez of Venezuela

Statement by Press Secretary Fitzwater on Disaster Assistance to Bangladesh

Statement by Press Secretary Fitzwater on the Establishment of the George Bush Presidential Library in College Station, Texas

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Remarks to Cochran Gardens Community Members in St. Louis, Missouri

Message on the Observance of Cinco de Mayo

- 4 -

Exchange With Reporters Aboard Air Force One

Remarks at the University of Michigan Commencement Ceremony in Ann Arbor

Statement by Press Secretary Fitzwater on the President's Health

- 5 -

Statement by Press Secretary Fitzwater on the President's Health

Statement by Press Secretary Fitzwater on the President's Health

- 6 -

Statement by Press Secretary Fitzwater on the President's Health

Exchange With Reporters in Bethesda, Maryland, on the President's Health

Exchange With Reporters

Remarks and an Exchange With Reporters on Ethiopian Jewish Emigration

Letter to Congressional Leaders on Banking Reform Legislation

Letter to Congressional Leaders on Banking Reform Legislation

Message to the Congress Transmitting an Extension of the Iceland-United States Fishing Agreement

Statement by Press Secretary Fitzwater on the President's Health

- 7 -

Remarks at the Presentation Ceremony for the Small Business Person of the Year Award and an Exchange With Reporters

Exchange With Reporters on the President's Health

Remarks and an Exchange With Reporters Following Discussions With President Mauno Koivisto of Finland

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Francesco Cossiga and Prime Minister Giulio Andreotti of Italy

- 8 -

Statement by Press Secretary Fitzwater on Foreign Access to United States Ports

Remarks Announcing the Resignation of William H. Webster as Director of the Central Intelligence Agency and a News Conference

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Vytautus Landsbergis of Lithuania and Prime Ministers Ivars Godmanis of Latvia and Edgar Savisaar of Estonia

- 9 -

Remarks to the Hispanic Alliance for Free Trade

Exchange With Reporters Prior to Discussions With Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations

Remarks Following Discussions With Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations

White House Statement on the Administration's Revised Travel Policy

Nomination of Robert H. Pelletreau, Jr., To Be United States Ambassador to Egypt

Nomination of Mary Catherine Sophos To Be a Deputy Under Secretary of the Treasury

Nomination of Quincy Mellon Krosby To Be United States Alternate Executive Director of the International Monetary Fund

- 10 -

Remarks Upon Receiving an Honorary Degree From Princeton University in Princeton, New Jersey

Remarks at Dedication Ceremony of the Social Sciences Complex at Princeton University in Princeton, New Jersey

- 12 -

Remarks at the Hampton University Commencement Ceremony in Hampton, Virginia

- 13 -

Statement on Chemical Weapons

- 14 -

Remarks Announcing the Nomination of Robert M. Gates To Be Director of the Central Intelligence Agency and a News Conference

Remarks at the Welcoming Ceremony for Queen Elizabeth II of the United Kingdom

Remarks Upon Receiving the Winston Churchill Award From Queen Elizabeth II of the United Kingdom

Remarks at a Tree-Planting Ceremony

Nomination of J. Stapleton Roy To Be United States Ambassador to China

Message to the Senate Transmitting an Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer

Message on the Observance of Police Week and Police Officers' Memorial Day

Toasts at the State Dinner for Queen Elizabeth II of the United Kingdom

Memorandum on United States Armed Forces in Japan

Message to the Congress Transmitting the Health Care Liability Reform and Quality of Care Improvement Act of 1991

Remarks on the Administration's Domestic Agenda

Question-and-Answer Session With Reporters

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Michael Manley of Jamaica

Nomination of Morris D. Busby To Be United States Ambassador to Colombia

Nomination of Johnnie Carson To Be United States Ambassador to Uganda

Remarks on Signing the Proclamation Commemorating National Defense Transportation Day and National Transportation Week

Remarks and an Exchange With Reporters Following a Meeting With Secretary of State James A. Baker III on Middle East Peace Talks

Letter to Congressional Leaders on the Strategic Framework in Asia

Message to the Congress on Japanese Importation of Sea Turtles

Letter to Congressional Leaders on the Situation in the Persian Gulf

Message to the Senate Transmitting the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal

Message to the Senate Transmitting the Tunisia-United States Treaty Concerning the Reciprocal Encouragement and Protection of Investment

- 20 -

Message on Cuban Independence Day

Letter to Congressional Leaders Reporting on the Points of Light Foundation

White House Fact Sheet on the United States-German Nuclear Energy Safety Initiative

The President's News Conference With Chancellor Helmut Kohl of Germany

- 21 -

Exchange With Reporters Prior to a Meeting With President Luis Alberto Lacalle of Uruguay

Statement by Deputy Press Secretary Popadiuk on President Bush's Meeting With President Luis Alberto Lacalle of Uruguay

Message to the Senate Transmitting the Convention for the Prohibition of Fishing With Long Driftnets in the South Pacific

Nomination of Robert M. Guttman To Be an Assistant Secretary of Labor

Statement by Deputy Press Secretary Popadiuk on the President's Meeting With General Mikhail Moiseyev, Chief of the General Staff of the Soviet Union

Special Assignment of Reggie B. Walton to the White House Media Affairs Office

- 22 -

Exchange With Reporters on Soviet-United States Relations

Remarks and a Question-and-Answer Session With Students at the Saturn School of Tomorrow in St. Paul, Minnesota

Question-and-Answer Session With Students at the Saturn School of Tomorrow in St. Paul, Minnesota

Remarks to Students and Faculty of the Saturn School of Tomorrow in St. Paul, Minnesota

Message to the Congress Transmitting Proposed Legislation to Promote Excellence in Education

- 23 -

Remarks Announcing the Reappointment of General Colin L. Powell as Chairman of the Joint Chiefs of Staff and a News Conference

Message to the Congress Transmitting the Annual Report of the Corporation for Public Broadcasting

Exchange With Reporters Prior to Discussions With President Arpad Goncz of Hungary

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Arpad Goncz of Hungary

Message to the Congress Transmitting the Annual Report on Radiation Control for Health and Safety

Remarks to the National Retail Federation

Remarks on Fast Track Legislation and a Question-and-Answer Session With Reporters

Statement on the Senate Energy and Natural Resources Committee's Action Approving the Administration's National Energy Strategy

- 24 -

Exchange With Reporters on the Assassination of Former Prime Minister Rajiv Gandhi of India

Remarks at the Dedication Ceremony for the Khalil Gibran Memorial Garden

Statement by Press Secretary Fitzwater on the Airlift of Ethiopian Jews to Israel

Statement by Press Secretary Fitzwater on Multilateral Export Controls

Remarks at the Exports-Generating Jobs for Americans Luncheon in Boston, Massachusetts

Remarks at a Fundraising Reception for Congressional Candidate Steve Pierce in Boston, Massachusetts

Statement on Signing the Niobrara Scenic River Designation Act of 1991

- 26 -

Presidential Determination No. 91 - 35 -- Memorandum on Disaster Assistance for Bangladesh

- 27 -

Remarks at the Yale University Commencement Ceremony in New Haven, Connecticut

- 28 -

The President's News Conference in Kennebunkport, Maine

Statement by Press Secretary Fitzwater on the President's Health

- 29 -

Remarks at the United States Air Force Academy Commencement Ceremony in Colorado Springs, Colorado

Nomination of Lynn M. Hansen for the Rank of Ambassador While Serving as United States Representative to the Conventional Armed Forces in Europe Joint Consultative Group

Presidential Determination No. 91 - 36 -- Memorandum on Trade With China

Letter to Congressional Leaders on Trade With China

Presidential Determination No. 91 - 37 -- Memorandum on End Strength Level of United States Armed Forces in Europe

White House Fact Sheet on the Middle East Arms Control Initiative

- 30 -

Remarks at the Federal Bureau of Investigation Academy Commencement Ceremony in Quantico, Virginia

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iran

Nomination of Luis Guinot, Jr., To Be United States Ambassador to Costa Rica

- 31 -

Exchange With Reporters on Soviet-United States Relations

Presidential Determination No. 91 - 38 -- Memorandum on the Use of Wheat Reserve for Disaster Assistance

contents

j u n e 1 9 9 1

select another month
January | February | March | April
May | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 1 -

Remarks at the United States Military Academy Commencement Ceremony in West Point, New York

Exchange With Reporters on Soviet-United States Relations

- 3 -

Presidential Determination No. 91 - 39 -- Memorandum on Trade With the Soviet Union, Bulgaria, Czechoslovakia, and Mongolia

Letter to Congressional Leaders on Trade With the Soviet Union, Bulgaria, Czechoslovakia, and Mongolia

Statement by Press Secretary Fitzwater on Trade With the Soviet Union

Statement by Press Secretary Fitzwater on Trade With Bulgaria, Czechoslovakia, and Mongolia

Remarks to the National Federation of Independent Business

Remarks to the National Education Goals Panel

Remarks to Education Leaders

- 4 -

Remarks Announcing the Nomination of Robert Strauss To Be United States Ambassador to the Soviet Union

Message to the Congress Transmitting the Annual Report on Aeronautics and Space

Statement on China

Remarks Announcing the Resignation of Dick Thornburgh as Attorney General

Remarks at the Awards Presentation Ceremony for Emigration Assistance to Ethiopian Jews

Appointment of the 1991 - 1992 White House Fellows

- 5 -

Message to the Congress Transmitting the District of Columbia Budget and Supplemental Appropriations Request

Remarks Following Discussions With Prime Minister Anerood Jugnauth of Mauritius

Statement by Press Secretary Fitzwater on Civil Rights Legislation

Nomination of Steven I. Hofman To Be an Assistant Secretary of Labor

Nomination of Frances C. McNaught To Be an Assistant Secretary of Labor

Presidential Determination No. 91 - 40 -- Memorandum on Export-Import Bank Services for Bulgaria

- 6 -

Remarks at the Annual Southern Baptist Convention in Atlanta, Georgia

Exchange With Reporters Aboard Air Force One

Nomination of Desiree Tucker-Sorini To Be an Assistant Secretary of the Treasury

- 7 -

Remarks at the Swearing-In Ceremony for Henry Catto as Director of the United States Information Agency

Remarks at the Presentation Ceremony for the Drug-Free School Recognition Program Awards

Nomination of Richard W. Carlson To Be United States Ambassador to the Seychelles

Nomination of Charles G. Untermeyer To Be an Associate Director of the United States Information Agency and Director of the Voice of America

White House Statement on Federal Budget Amendments for the Education Reform Strategy

Statement by Press Secretary Fitzwater on Supercomputer Export Controls

Appointment of Gary R. Blumenthal as Deputy Assistant to the President for Cabinet Liaison

- 8 -

Remarks at a Memorial Service in Arlington, Virginia, for Those Who Died in the Persian Gulf Conflict

- 11 -

Remarks in a Teleconference With the Annual Meeting of the Public Broadcasting Service in Orlando, Florida

Remarks in a Teleconference With the National Advertising Conference of the American Advertising Federation in Nashville, Tennessee

Remarks at the James H. Groves Adult High School Commencement Ceremony in Seaford, Delaware

Nomination of Arthur Hayden Hughes To Be United States Ambassador to Yemen

Appointment of Gary J. Andres as Deputy Assistant to the President for Legislative Affairs

Appointment of Arnold I. Havens as Special Assistant to the President for Legislative Affairs

Remarks to Members of the Defense Community at Andrews Air Force Base, Maryland

Statement by Press Secretary Fitzwater on United States Agricultural Loan Credit for the Soviet Union

Remarks Prior to Discussions With President Alfredo Cristiani Buckard of El Salvador

Remarks Following Discussions With President Alfredo Cristiani Buckard of El Salvador and an Exchange With Reporters

Nomination of Christopher W.S. Ross To Be United States Ambassador to Syria

Nomination of Jeffrey C. Martin To Be General Counsel at the Department of Education

Remarks on the Administration's Domestic Policy

Remarks on Childhood Immunization

Remarks at the Groundbreaking Ceremony for the Hospital for Sick Children

Remarks on Signing the Baltic Freedom Day Proclamation

Statement on Signing the Bill Providing Humanitarian Assistance for Iraqi Refugees and Displaced Persons

Remarks at the Annual Republican Congressional Fundraising Dinner

- 14 -

Exchange With Reporters Aboard Air Force One

Remarks at the California Institute of Technology Commencement Ceremony in Pasadena, California

Statement Reaffirming the Government-to-Government Relationship Between the Federal Government and Indian Tribal Governments

- 15 -

Interview With Linda Douglas of KNBC, Jim Lampley of KCBS, and Paul Moyer of KABC in Los Angeles, California

- 16 -

Statement by Press Secretary Fitzwater on Constraints on Trade With China

Appointment of Clayton S. Fong as Deputy Director of the Office of Consumer Affairs

Remarks to the Asian-Pacific Community in Fountain Valley, California

Remarks at the Simon Wiesenthal Center Dinner in Los Angeles, California

- 17 -

Exchange With Reporters Aboard Air Force One

Remarks to Community Members in Grand Junction, Colorado

Remarks at a Fundraising Dinner for Senatorial Candidate Bob Kasten in Milwaukee, Wisconsin

- 18 -

Remarks at the Welcoming Ceremony for President Fernando Collor de Mello of Brazil

Remarks Prior to Discussions With President Fernando Collor de Mello of Brazil

Remarks at a White House Briefing for Law Enforcement Officials on Crime Legislation

Toasts at the State Dinner for President Fernando Collor de Mello of Brazil

- 19 -

Exchange With Reporters

Remarks at the Presentation Ceremony for the Presidential Scholars Awards

Remarks by President Bush and President Collor of Brazil on Signing an Enterprise for the Americas Initiative Multilateral Trade Agreement

Statement by Press Secretary Fitzwater on the Establishment of the Council on Trade and Investment

- 20 -

Remarks Following Discussions With Former Prime Minister Margaret Thatcher of the United Kingdom

Remarks Following Discussions With Mangosuthu Gatsha Buthelezi, Chief Minister of South Africa's KwaZulu Homeland and Leader of the Inkatha Freedom Party

Remarks and an Exchange With Reporters Prior to Discussions With President Boris Yeltsin of the Republic of Russia

- 21 -

Remarks to the American Association of State Highway and Transportation Officials

Message to the Congress Reporting on the National Emergency With Respect to Chemical and Biological Weapons Proliferation

Letter to Congressional Leaders Transmitting the Annual Report on International Activities in Science and Technology

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation with President Mikhail Gorbachev of the Soviet Union

Nomination of Frank G. Wisner To Be United States Ambassador to the Philippines

Nomination of Eric I. Garfinkel To Be an Under Secretary of Commerce

- 22 -

Radio Address to the Nation on the Administration's Domestic Agenda

Remarks at the Dedication Ceremony for the Zachary and Elizabeth Fisher House in Bethesda, Maryland

Remarks at the Swearing-in Ceremony for Bernadine Healy as Director of the National Institutes of Health in Bethesda, Maryland

Exchange With Reporters Prior to a Meeting With Sadako Ogata, United Nations High Commissioner for Refugees

Statement by Press Secretary Fitzwater on the President's Meeting With Sadako Ogata, United Nations High Commissioner for Refugees

Remarks Congratulating the National Hockey League Champion Pittsburgh Penguins

Presidential Determination No. 91 - 43 -- Memorandum on Trade With Bulgaria

Letter to Congressional Leaders on Trade With Bulgaria

Presidential Determination No. 91 - 44 -- Memorandum on Trade With Mongolia

Letter to Congressional Leaders on Trade With Mongolia

Exchange With Reporters Prior to a Meeting With the Congressional Black Caucus

Remarks at a Luncheon Meeting With Law Enforcement Officials

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary General Manfred Woerner of the North Atlantic Treaty Organization

Nomination of Diane S. Ravitch To Be an Assistant Secretary of Education

Message to the Congress Transmitting the Report on Restoration of the Baltic States

Independence

Memorandum on the Delegation of Authority Regarding Missile Technology Proliferation

- 27 -

Remarks at the Unveiling of the Official Bust of the President

Remarks Commemorating the First Anniversary of the Enterprise for the Americas Initiative and an Exchange With Reporters

Statement on the Resignation of United States Supreme Court Associate Justice Thurgood Marshall

White House Statement on the Executive Order Amending the Manual for Courts-Martial, United States, 1984

Nomination of Olin L. Wethington To Be Deputy Under Secretary of the Treasury

Statement on Signing the Education Council Act of 1991

- 28 -

Statement on South Africa's Accession to the Nuclear Non-Proliferation Treaty

Letter on the Resignation of United States Supreme Court Associate Justice Thurgood Marshall

Letter to Congressional Leaders Reporting Budget Rescissions

Nomination of Robert Michael Kimmitt To Be United States Ambassador to Germany

Nomination of Cari M. Dominguez To Be an Assistant Secretary of Labor

Nomination of Nancy Risque Rohrbach To Be an Assistant Secretary of Labor

Exchange With Reporters Aboard Air Force One

- 29 -

Question-and-Answer Session With Reporters in Kennebunkport, Maine

contents

july 1991

select another month
January | February | March | April
May | June | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 5 -

White House Statement on the Increase of the Import Quota on Peanuts

- 8 -

Exchange With Reporters on START Negotiations and Possible Soviet-United States Summit

Remarks Announcing the New American Schools Development Corporation Board

Remarks Prior to a Meeting With the Advisory Commission on Regulatory Barriers to Affordable Housing

Statement by Press Secretary Fitzwater on Renewed START Negotiations

Remarks on the London Economic Summit and an Exchange With Foreign Journalists

- 9 -

Remarks at a Meeting of the American Defense Preparedness Association

Remarks at the Presentation Ceremony for the National Medal of the Arts

Remarks on Presenting Presidential Citations to Joe DiMaggio and Ted Williams

News Conference of President Bush and Prime Minister Brian Mulroney of Canada in Toronto

Proclamation 6313 -- To Modify Temporarily the Import Quota on Peanuts

Message to the Senate Transmitting the Treaty on Conventional Armed Forces in Europe

Message to the Congress Reporting on the Economic Sanctions Against Libya

Message to the Senate Transmitting the Convention for a North Pacific Marine Science Organization

Message to the Congress Transmitting the Report on Conservation and Use of Petroleum and Natural Gas in Federal Facilities

Memorandum on the Combined Federal Campaign

Remarks on the Termination of Economic Sanctions Against South Africa and a News Conference

Executive Order 12769 -- Implementation of Section 311(a) of the Comprehensive Anti-Apartheid Act

Message to the Congress Transmitting the Defense Base Closure and Realignment Commission Report

Remarks at the White House Conference on Library and Information Services

Letter to Congressional Leaders on the Redeployment of United States Armed Forces That Served in the Persian Gulf

Proclamation 6314 -- Lyme Disease Awareness Week, 1991

Remarks Announcing the Nomination of Alan Greenspan To Be a Member and Chairman of the Board of Governors of the Federal Reserve System and a News Conference

- 11 -

Remarks Prior to a Meeting With Foreign Minister Aleksandr Bessmertnykh of the Soviet Union

News Conference of President Bush and Prime Minister Toshiki Kaifu of Japan in Kennebunkport, Maine

Statement by Press Secretary Fitzwater on the Appointment of Ronald W. Roskens as a Deputy Coordinator for United States Assistance to Eastern Europe

Message to the Congress Transmitting the Reports on Implementation and Impact of Employer Sanctions

Nomination of John Giffen Weinmann for the Rank of Ambassador While Serving as Chief of Protocol for the White House

Nomination of Donald A. Laidlaw To Be a Deputy Under Secretary of Education

Nomination of Jill E. Kent To Be Chief Financial Officer at the Department of State

- 12 -

Question-and-Answer Session With Reporters in Kennebunkport, Maine

Proclamation 6315 -- Captive Nations Week, 1991

White House Statement on the Trade Enhancement Initiative for Central and Eastern Europe

- 14 -

Remarks at the Presentation Ceremony of the Declaration of the Legion of Merit, Degree of Chief Commander, to General Michel Roquejeoffre in Rambouillet, France

The President's News Conference With French President Francois Mitterrand in Rambouillet, France

Remarks at the Presentation Ceremony for the Declaration of the Legion of Merit, Degree of Chief Commander, to Sir Peter de la Billiere in London, United Kingdom

- 15 -

Statement by Press Secretary Fitzwater on Middle East Peace Talks

Exchange With Reporters in London, United Kingdom

- 16 -

London Economic Summit Declaration on Conventional Arms Transfers and Nuclear, Biological, and Chemical Weapons Proliferation

London Economic Summit Political Declaration: Strengthening the International Order

Letter to Congressional Leaders on the Situation in the Persian Gulf

Statement by Press Secretary Fitzwater on the Senate Confirmation Hearings for Central Intelligence Agency Director Nominee Robert M. Gates

Nomination of Sylvia Chavez Long To Be an Assistant Secretary of Veterans Affairs

- 17 -

London Economic Summit Economic Declaration: Building World Partnership

The President's News Conference With Soviet President Mikhail Gorbachev in London, United Kingdom

The President's New Conference in London, United Kingdom

Nomination of Delbert Leon Spurlock, Jr., To Be Deputy Secretary of Labor

Nomination of Marshall Jordan Breger To Be Solicitor for the Department of Labor

- 18 -

Remarks at the Arrival Ceremony in Athens, Greece

Remarks to the Greek Parliament in Athens, Greece

The President's News Conference With Greek Prime Minister Constantinos Mitsotakis in Athens, Greece

Toast at a State Dinner in Athens, Greece

- 19 -

Exchange With Reporters in Athens, Greece

Remarks at the Greek-American Chamber of Commerce Breakfast in Athens, Greece

Remarks to United States and Greek Armed Forces in Souda Bay, Crete

Nomination of Parker W. Borg To Be United States Ambassador to Burma

Nomination of James F. Dobbins To Be United States Representative to the European Community With the Rank of Ambassador

- 20 -

Remarks at the Arrival Ceremony in Ankara, Turkey

The President's News Conference With Turkish President Turgut Ozal in Ankara, Turkey

Toast at a State Dinner in Ankara, Turkey

- 21 -

Exchange With Reporters Aboard Air Force One

Exchange With Reporters in Istanbul, Turkey

Nomination of Richard Clark Barkley To Be United States Ambassador to Turkey

Remarks at a Dinner Hosted By President Turgut Ozal in Istanbul, Turkey

- 22 -

Remarks at the Departure Ceremony in Istanbul, Turkey

Statement by Press Secretary Fitzwater on the Establishment of the Bulgarian-American Agriculture/Agribusiness Enterprise Fund

- 23 -

Exchange With Reporters Prior to a Cabinet Meeting

Remarks at the Presentation Ceremony for the Take Pride in America Awards

Statement by Press Secretary Fitzwater on the Extension of William Webster's Term as Director of the Central Intelligence Agency

Nomination of Arthur J. Rothkopf To Be General Counsel of the Department of Transportation

Proclamation 6316 -- Korean War Veterans Remembrance Week, 1991

- 24 -

Remarks on the Nominations of Robert M. Gates and Clarence Thomas and an Exchange With Reporters

Exchange With Reporters Prior to a Meeting With President Robert Mugabe of Zimbabwe

Remarks Following Discussions With President Robert Mugabe of Zimbabwe

Message to the Congress Reporting a Budget Deferral and Proposed Rescission

Message to the Congress Transmitting a Report on the Ready Reserve

Remarks on the National Energy Strategy

Proclamation 6317 -- Women's Equality Day, 1991

- 25 -

Remarks at the Antiochian Orthodox Christian Church Annual Convention in Arlington, Virginia

Remarks on Signing the National Literacy Act of 1991

Statement on Signing the National Literacy Act of 1991

Executive Order 12770 -- Metric Usage in Federal Governmental Programs

Nomination of George Edward Moose To Be United States Deputy Representative at the Security Council of the United Nations

Nomination of David J. Ryder To Be Director of the Mint

Nomination of Richard C. Houseworth To Be United States Alternate Executive Director of the Inter-American Development Bank

Proclamation 6318 -- National Juvenile Arthritis Awareness Week, 1991

Executive Order 12771 -- Revoking Earlier Orders With Respect to Kuwait

Remarks and an Exchange With Soviet Journalists on the Upcoming Moscow Summit

Message to the Congress Transmitting the European Economic Community-United States Fishery Agreement

Message to the Congress Transmitting the Poland-United States Fishery Agreement

Message to the Congress Transmitting the Republic of Korea-United States Fishery Agreement

Remarks Commemorating the First Anniversary of the Signing of the Americans With Disabilities Act of 1990

Memorandum on Access for People With Disabilities to Federal Programs and Employment

Message to the Congress Transmitting the California Public Lands Wilderness Act

Notice of the Continuation of the National Emergency With Respect to Iraq

Message to the Congress on the Continuation of the National Emergency With Respect to Iraq

Remarks at the Arrival Ceremony in Moscow

Remarks at the Moscow State Institute for International Relations

Remarks Following Discussions With President Boris Yeltsin of the Republic of Russia

Toast at the State Dinner in Moscow

Message to the Senate on the Extension of AM Broadcasting Service in the Western Hemisphere

Remarks to Soviet and United States Businessmen in Moscow

Remarks by President Gorbachev and President Bush at the Signing Ceremony for the Strategic Arms Reduction Talks Treaty in Moscow

Toasts at a Dinner Hosted by President Bush in Moscow

Statement by Press Secretary Fitzwater on the Completion of the Strategic Arms Reduction Talks Treaty

The President's News Conference With Soviet President Mikhail Gorbachev in Moscow

Nomination of William Caldwell Harrop To Be United States Ambassador to Israel

Nomination of Russell K. Paul To Be an Assistant Secretary of Housing and Urban Development

Nomination of John J. Easton, Jr., To Be General Counsel of the Department of Energy

White House Fact Sheet on The Strategic Arms Reduction Treaty (START)

Proclamation 6319 -- Helsinki Human Rights Day, 1991

contents

august 1991

select another month
January | February | March | April
May | June | July | September
October | November | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 1 -

Remarks at the Arrival Ceremony in Kiev, Soviet Union

Remarks at a Luncheon in Kiev, Soviet Union

Remarks to the Supreme Soviet of the Republic of the Ukraine in Kiev, Soviet Union

Remarks at the Babi Yar Memorial in Kiev, Soviet Union

Remarks on the Middle East Peace Talks in Kiev, Soviet Union

Message to the Senate Transmitting the International Convention on Oil Pollution Preparedness, Response and Co-operation, 1990, With Annex

- 2 -

Memorandum on Trade With the Soviet Union

Letter to Congressional Leaders Transmitting a Proclamation on Soviet-United States Trade Relations

Nomination of B. Robert Okun To Be an Assistant Secretary of Education

Statement by Press Secretary Fitzwater on Cyprus

Proclamation 6320 -- Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics

The President's News Conference

Statement by Press Secretary Fitzwater on the President's Health

Nomination of Arnold Lee Kanter To Be an Under Secretary of State

Nomination of Jo Ann Krukar Webb To Be an Assistant Secretary of Veterans Affairs

Nomination of Edward Joseph Mazur To Be Controller of the Office of Federal Financial Management

Nomination of Gary C. Byrne To Be a Member of the Farm Credit Administration Board

- 5 -

Statement on the Nomination of Clarence Thomas To Be an Associate Justice of the United States Supreme Court

Letter to Congressional Leaders Transmitting a Report on Hungarian Emigration Policy

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Export Controls

Letter to Congressional Leaders Transmitting the Annual Report on Nuclear Nonproliferation

- 6 -

Remarks at the Presentation Ceremony for the All-American Cities Awards

Remarks at a Kickoff Ceremony for the Eighth Annual National Night Out Against Crime in Arlington, Virginia

Statement by Press Secretary Fitzwater on the Soviet-United States Trade Agreement

Question-and-Answer Session With Reporters Aboard Air Force One

- 7 -

Statement by Press Secretary Fitzwater on the Nomination of Clarence Thomas To Be an Associate Justice of the United States Supreme Court

- 8 -

Statement by Press Secretary Fitzwater on the Release of British Hostage John McCarthy

- 9 -

Letter on the Resignation of Attorney General Dick Thornburgh

- 10 -

Excerpt of a Statement by Press Secretary Fitzwater on the Anticipated Release of an American Hostage

- 11 -

Statement by Press Secretary Fitzwater on the Release of American Hostage Edward Tracy

Exchange in Kennebunkport, Maine With Reporters Following the Release of American Hostage Edward Tracy

- 12 -

Proclamation 6321 -- National Senior Citizens Day, 1991

- 13 -

Exchange in Kennebunkport, Maine, With Reporters on the Hostage Situation in the Middle East

Letter to Congressional Leaders Transmitting the 1991 National Security Strategy Report

Statement on the 1991 National Security Strategy Report

Nomination of William Taylor To Be a Member and Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation

- 14 -

Remarks at the Annual Convention of the National Fraternal Order of Police in Pittsburgh, Pennsylvania

Statement on Signing the Intelligence Authorization Act, Fiscal Year 1991

- 15 -

Exchange With Reporters in Kennebunkport, Maine

Proclamation 6322 -- National Sarcoidosis Awareness Day, 1991

- 17 -

Statement on Signing the Energy and Water Development Appropriations Act, 1992

Statement on Signing the Emergency Unemployment Compensation Act of 1991

Memorandum of Disapproval for the District of Columbia Appropriations Bill for Fiscal Year 1992

Executive Order 12772 -- Waiver Under the Trade Act of 1974 With Respect to Romania

Memorandum on Trade With Romania

Letter to Congressional Leaders on Trade With Romania

- 18 -

Exchange With Reporters in Kennebunkport, Maine

Remarks in a Teleconference With the National Governors' Association in Seattle, Washington

- 19 -

Statement by Deputy Press Secretary Popadiuk on the Attempted Coup in the Soviet Union

Remarks and an Exchange With Reporters in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

Statement by Deputy Press Secretary Popadiuk on the Attempted Coup in the Soviet Union

Statement on the Attempted Coup in the Soviet Union

- 20 -

The President's News Conference in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

Proclamation 6323 -- National Rice Month, 1991

Proclamation 6324 -- National Awareness Month for Children With Cancer, 1991

- 21 -

Statement by Press Secretary Fitzwater on Trade With Romania

The President's News Conference in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

Exchange With Reporters in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

Proclamation 6325 -- National Park Week, 1991

- 22 -

Exchange With Reporters in Kennebunkport, Maine

Statement by Press Secretary Fitzwater on the Reduction of Bolivia's Debt to the United States

Proclamation 6326 -- National Campus Crime and Security Awareness Week, 1991

- 23 -

Statement by Press Secretary Fitzwater on the Reduction of Jamaica's Debt to the United States

Proclamation 6327 -- National Rehabilitation Week, 1991

- 24 -

Statement by Press Secretary Fitzwater on the Resignation of Mikhail Gorbachev as General Secretary of the Soviet Union Communist Party

Message Honoring Those Civilians Killed in Moscow During the Attempted Coup

- 26 -

The President's News Conference With Prime Minister Mulroney of Canada in Kennebunkport, Maine

Proclamation 6328 -- Commodore John Barry Day, 1991

- 29 -

The President's News Conference With Prime Minister Major of the United Kingdom in Kennebunkport, Maine

contents

september 1991

select another month
January February | March | April
May | June | July | August |
October | November | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 2 -

The President's News Conference in Kennebunkport, Maine

Message on the Observance of Labor Day

- 3 -

Remarks to Students and Faculty of the Lewiston Comprehensive High School in Lewiston, Maine

Proclamation 6329 -- Minority Enterprise Development Week, 1991

- 4 -

Proclamation 6330 -- Citizenship Day and Constitution Week, 1991

Exchange With Reporters Prior to a Cabinet Meeting

Appointment of Constance Horner as Assistant to the President and Director of Presidential

Personnel

Nomination of Edward G. Lanpher To Be United States Ambassador to Zimbabwe

Appointment of J. French Hill as Special Assistant to the President and Executive Secretary to the Economic Policy Council

Nomination of John F.W. Rogers To Be Under Secretary of State for Management

Statement Announcing the Resignation of Paul Coverdell as Director of the Peace Corps

Remarks During the America 2000 Conference Call

Proclamation 6331 -- Gold Star Mother's Day, 1991

- 5 -

Message on the Observance of Rosh Hashanah, 1991

- 6 -

Statement by Deputy Press Secretary Popadiuk on the Cyprus Conflict

Remarks to the National Association of Towns and Townships

Exchange With Reporters Prior to a Meeting With Secretary of State Baker

Appointment of C. Thomas Burke as Deputy Commissioner of the Commission for the Study of Alternatives to the Panama Canal

Appointment of Timothy J. McBride as Deputy Assistant to the President and Executive Assistant to the White House Chief of Staff

Address to the Nation on the Supreme Court Nomination of Clarence Thomas

- 9 -

Statement on the Supreme Court Nomination of Clarence Thomas

Nomination of Carolynn Reid-Wallace To Be an Assistant Secretary at the Department of Education

Proclamation 6332 -- National Historically Black Colleges Week, 1991 and 1992

- 10 -

Remarks at the Welcoming Ceremony for President Abdou Diouf of Senegal

Proclamation 6333 -- General Pulaski Memorial Day, 1991

Nomination of Paul H. Cooksey To Be Deputy Administrator of the Small Business Administration

Nomination of Herbert Tate To Be an Assistant Administrator of the Environmental Protection Agency

Letter to Congressional Leaders Transmitting a Report on International Export of Missile Technology to Iraq

Toasts at the State Dinner for President Abdou Diouf of Senegal

- 11 -

Exchange With Reporters Prior to a Meeting With Congressional Leaders

Remarks to Representatives of the Baltic States

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Jan

Krzysztof Bielecki of Poland

Message to the Senate Transmitting the International Convention on Salvage, 1989

Nomination of Edward P. Djerejian To Be an Assistant Secretary of State

Message to the Senate Transmitting the International Telecommunication Regulations

Remarks at the Stan Scott Tribute Dinner

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board

Nomination of Jose E. Martinez To Be Director of the Trade and Development Program

The President's News Conference

Remarks at the Veterans' Administration Hospital in Philadelphia, Pennsylvania

Proclamation 6334 -- National POW/MIA Recognition Day, 1991

Proclamation 6335 -- National D.A.R.E. Day, 1991

Nomination of Robert Stephen Pastorino To Be United States Ambassador to the Dominican Republic

Remarks at a Fundraising Dinner for Senatorial Candidate Dick Thornburgh in Philadelphia, Pennsylvania

Nomination of Albert Peter Burleigh for the Rank of Ambassador While Serving as Coordinator for Counter-Terrorism

Nomination of James Ashley Endicott, Jr., To Be General Counsel at the Veterans Affairs Department

Nomination of John A. Shaw To Be an Assistant Secretary of Commerce

Letter to Congressional Leaders Reporting on the Cyprus Conflict

- 13 -

Address to the Nation on the Nomination of Robert Gates To Be Director of the Central Intelligence Agency

Proclamation 6336 -- Energy Awareness Month, 1991

Message to the Senate Transmitting the Mongolian-United States Consular Convention

Nomination of Alan M. Dunn To Be an Assistant Secretary of Commerce

- 16 -

Remarks on Designating the Solar Energy Research Institute as a National Laboratory

Remarks at the Presentation Ceremony for the National Medals of Science and Technology

The President's News Conference With Chancellor Helmut Kohl of Germany

Nomination of Steven E. Steiner To Be United States Representative to the START Joint Compliance and Inspection Commission

Statement by the Press Secretary on Senate Confirmation Hearings on the Supreme Court Nomination of Clarence Thomas

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jose Eduardo dos Santos of Angola

Letter to Congressional Leaders Reporting on the Situation in Iraq

- 17 -

Remarks Following Discussions With President Alberto Fujimori of Peru

Remarks in a Teleconference With Schoolchildren During the Annual National Space Science Symposium

Nomination of Elaine L. Chao To Be Director of the Peace Corps

- 18 -

Exchange With Reporters at the Grand Canyon, Arizona

Remarks at an Environmental Agreement Signing Ceremony at the Grand Canyon, Arizona

Exchange With Reporters at the Grand Canyon, Arizona on the Situation in Iraq

Statement by Press Secretary Fitzwater On Iraq

Remarks Upon Arrival in Salt Lake City, Utah

Remarks to the Staff of the Primary Children's Medical Center in Salt Lake City, Utah

Remarks at a Republican Party Fundraising Dinner in Salt Lake City, Utah

Nomination of Kathleen Day Koch To Be Special Counsel of the Office of Special Counsel

Statement on the Resignation of J.R. Thompson, Jr., as Deputy Administrator of the National Aeronautics and Space Administration

- 19 -

Remarks at a Fundraising Breakfast for Senator Bob Packwood in Portland, Oregon

Remarks to Green Line/Interstate-105 Project Construction Site Employees in Los Angeles,

California

Exchange on the Situation in Iraq With Hispanic Journalists in Los Angeles, California

Remarks at a Fundraising Dinner for Senator John Seymour in Los Angeles, California

Nomination of Mary Jane Maddox To Be Deputy Director of ACTION

- 20 -

Statement by Press Secretary Fitzwater on Peru's Drug Interdiction Efforts

Remarks at the Annual National Convention of the United States Hispanic Chamber of Commerce in Chicago, Illinois

Proclamation 6337 -- National Hispanic Heritage Month, 1991

Nomination of Lanny Griffith To Be an Assistant Secretary of Education

- 23 -

Exchange With Reporters on an Unemployment Benefits Bill

Address to the 46th Session of the United Nations General Assembly in New York City

Toast at a Luncheon Hosted by United Nations Secretary-General Javier Perez de Cuellar in New York City

Exchange With Reporters in New York City

Proclamation 6338 -- Fire Prevention Week, 1991

Proclamation 6339 -- National School Lunch Week, 1991

- 24 -

Exchange With Reporters in New York City

Exchange With Reporters in New York City

Remarks at a Republican Party Fundraising Dinner in East Brunswick, New Jersey

Nomination of Curtis Warren Kamman To Be United States Ambassador to the Republic of Chile

- 25 -

Exchange With Reporters on an Unemployment Benefits Bill

Remarks at the Minority Business Development Week Awards Ceremony

Remarks to the Department of Education's 1990 - 1991 Blue Ribbon Schools

Statement by Press Secretary Fitzwater on the President's Meeting With Chairman Leonid M. Kravchuk of the Supreme Rada of the Republic of the Ukraine

Appointment of Thomas E. McNamara as Special Assistant to the President for National Security Affairs and Senior Director for International Programs and African Affairs

- 26 -

Remarks at the Welcoming Ceremony for King Hassan II of Morocco

Toasts at the State Dinner for King Hassan II of Morocco

Message to the Congress on the Extension of the National Emergency Declared in Executive Order 12730

Notice on Continuation of Export Control Regulations

Executive Order 12773 -- Amending Executive Order 10480

- 27 -

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

Proclamation 6340 -- National Domestic Violence Awareness Month, 1991

Proclamation 6341 -- National Forest Products Week, 1991

Proclamation 6342 -- Leif Erikson Day, 1991

Address to the Nation on Reducing United States and Soviet Nuclear Weapons

- 28 -

Radio Address to the Nation on the Daily Points of Light Program

Proclamation 6343 -- To Implement an Accelerated Schedule of Duty Elimination Under the United States-Canada Free-Trade Agreement, to Make Technical and Conforming Changes to the Harmonized Tariff Schedule of the United States, and for Other Purposes

- 30 -

Remarks at the Daily Points of Light Celebration in Orlando, Florida

Remarks to a Press Forum at the Daily Points of Light Celebration in Orlando, Florida

Remarks at a Luncheon for Participants in the Daily Points of Light Celebration in Orlando, Florida

Message to the Congress Reporting Budget Deferrals

Remarks at the Beacon Council Annual Meeting in Miami, Florida

Remarks at a Fundraising Dinner for Governor Buddy Roemer in New Orleans, Louisiana

contents

october 1991

select another month
January | February | March | April
May | June | July | August
September | November | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 1 -

Remarks Following Discussions With Amir Jabir al-Ahmad al-Jabir al-Sabah of Kuwait

Proclamation 6344 -- White Cane Safety Day

Statement on the Presidential Mission to the Soviet Union on Food and Agricultural Requirements

Remarks to Students and Faculty at Alice Deal Junior High School

Remarks on Greeting the 1991 National Basketball Association Champion Chicago Bulls

Appointment of John F. Herrick, Jr., as Special Assistant to the President for Advance

- 2 -

Statement by Press Secretary Fitzwater on the President's Signing of a Bill Making Continuing Appropriations for Fiscal Year 1991

Statement by Press Secretary Fitzwater on the President's Meeting With President Jorge Serrano of Guatemala

Nomination of Michael G. Kozak To Be United States Ambassador to the Republic of El Salvador

Nomination of Victor H. Reis To Be Director of Defense Research and Engineering at the Department of Defense

Nomination of Donald C. Fraser To Be Deputy Under Secretary of Defense for Acquisition

Exchange With Reporters

Remarks at the Twelfth Annual Crime Stoppers International Conference in Louisville, Kentucky

Remarks at a Fundraising Dinner for Larry Hopkins in Louisville, Kentucky

Proclamation 6345 -- Veterans Day, 1991

Remarks at the Proclamation Signing Ceremony for German-American Day

Proclamation 6346 -- German-American Day, 1991 and 1992

Message to the Congress Transmitting a Report on Panamanian Government Assets Held by the United States

Nomination of Henrietta H. Fore To Be an Assistant Administrator at the Agency for International Development

Nomination of David M. Nummy To Be an Assistant Secretary of the Treasury

Nomination of Charles R. Hilty To Be an Assistant Secretary of Agriculture

Remarks to the Annual Convention of the National Fraternal Congress of America

Remarks at the 25th Anniversary of the Country Music Awards in Nashville, Tennessee

- 4 -

Exchange With Reporters on the Situation in Haiti

Remarks to Recipients of the Presidential Elementary Award for Excellence in Mathematics and Science Teaching

The President's News Conference

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Jozsef Antall of Hungary

Executive Order 12775 -- Prohibiting Certain Transactions With Respect to Haiti

Proclamation 6347 -- National Radon Action Week, 1991

- 5 -

Remarks at the National Italian-American Foundation Fundraising Dinner

- 7 -

Proclamation 6348 -- Child Health Day, 1991

Letter to Congressional Leaders Transmitting a Report on Verification of Nuclear Warhead Dismantlement and Special Nuclear Defense Controls

Letter to Congressional Leaders Transmitting the Report on Possible Effects of a Strategic Arms Reduction Agreement on the Trident Program

Statement by Press Secretary Fitzwater on the President's Meeting with Jonas Savimbi of Angola

Statement by Press Secretary Fitzwater on the President's Cabinet Meeting

Proclamation 6349 -- National Firefighters Day, 1991

- 8 -

Executive Order 12776 -- Extending the National Defense Service Medal to Members of the Reserve Components of the Armed Forces of the United States During the Period of the Persian Gulf Crisis

Proclamation 6350 -- National Disability Employment Awareness Month, 1991

Proclamation 6351 -- Mental Illness Awareness Week, 1991

Statement on Efforts to Ensure the Availability of Credit

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Tofilau Eti Alesana of Western Samoa

- 9 -

Remarks Welcoming President Vigdis Finnbogadottir of Iceland and Queen Sonja of Norway

Proclamation 6352 -- Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics

Letter to Congressional Leaders on the Agreement on Trade Relations With the Soviet Union

Proclamation 6353 -- Polish-American Heritage Month, 1991

- 10 -

Remarks on Signing the Columbus Day Proclamation

Proclamation 6354 -- Columbus Day, 1991

Remarks Following Discussions With President Rafael Calderon of Costa Rica

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

Remarks to the Religious Alliance Against Pornography

Remarks at the Andrew Mellon Dinner

- 11 -

Proclamation 6355 -- National Children's Day, 1991

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

Memorandum of Disapproval for the Emergency Unemployment Compensation Act of 1991

Proclamation 6356 -- World Food Day, 1991 and 1992

- 13 -

Exchange With Reporters at Holly Hills Country Club in Ijamsville, Maryland

- 14 -

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

Statement by Press Secretary Fitzwater on the 1991 Nobel Peace Prize winner Aung San Suu Kyi

- 15 -

Remarks at the Welcoming Ceremony for Amir 'Isa Khalifa of Bahrain

Remarks at the Dedication of the National Law Enforcement Officers Memorial

Proclamation 6357 -- National Law Enforcement Memorial Dedication Day, 1991

Proclamation 6358 -- Country Music Month, 1991

Statement by Press Secretary Fitzwater on Nuclear Arms Reduction Talks

Nomination of John Condayan To Be an Associate Director of the United States Information Agency

Statement on the Confirmation of Clarence Thomas as an Associate Justice of the Supreme Court

- 16 -

Exchange With Reporters on the Confirmation of Clarence Thomas as an Associate Justice of the Supreme Court

Remarks at a Points of Light Awards Ceremony for the American Business Press Association

Memorandum on the Emigration Policies of the Czech and Slovak Federal Republic

- 17 -

Remarks in a Teleconference With the Associated Press Managing Editors

Message to the Congress Transmitting a Report on Export Controls

Proclamation 6359 -- Crime Prevention Month, 1991

- 18 -

Message to the Congress Deferring Sanctions Under the Pelagic Driftnet Agreement

Statement Announcing the Middle East Peace Conference

Remarks at the Swearing-In Ceremony for Supreme Court Designate Clarence Thomas

Proclamation 6360 -- National Consumers Week, 1991

Executive Order 12777 -- Implementation of Section 311 of the Federal Water Pollution Control Act of October 18, 1972, as Amended, and the Oil Pollution Act of 1990

- 21 -

Proclamation 6361 -- National Down Syndrome Awareness Month, 1991

Proclamation 6362 -- United Nations Day, 1991

Message to the Congress on the Determination Not To Impose Sanctions Against Mexico Under the General Agreement on Tariffs and Trade

Nomination of Kay Coles James To Be Associate Director for National Drug Control Policy

- 22 -

Remarks at the Welcoming Ceremony for President Vaclav Havel of Czechoslovakia

Joint Declaration of the United States and the Czech and Slovak Federal Republic

Exchange With Reporters Prior to a Meeting with Secretary of Agriculture Edward R. Madigan

Statement by Press Secretary Fitzwater on the Release of American Hostage Jesse Turner

- 23 -

Remarks on Signing the Executive Order on Civil Justice Reform

Executive Order 12778 -- Civil Justice Reform

Proclamation 6363 -- Community Center Month, 1991

Statement by Press Secretary Fitzwater on the Middle East Peace Conference

Nomination of Kevin E. Moley To Be Deputy Secretary of Health and Human Services

Remarks to the Veterans of the Office of Strategic Services Dinner

- 24 -

Remarks to Representatives of Public Administration Groups on Public Service

Message to the Senate Transmitting the Treaty on Mutual Assistance in Criminal Matters Between Panama and the United States

Proclamation 6364 -- National Breast Cancer Awareness Month, 1991

Memorandum on the Employment of Soviet Nationals

- 25 -

Remarks at the Announcement of Agreement Between the Department of Energy and the Advanced-Battery Consortium.

The President's News Conference

Proclamation 6365 -- National Red Ribbon Week for a Drug-Free America, 1991

Proclamation 6366 -- World Population Awareness Week, 1991

Message to the Senate Transmitting the Jamaica-United States Mutual Legal Assistance in Criminal Matters Treaty

Teleconference Remarks With the American Gas Association

Remarks to Travel and Tourism Chief Executive Officers

Proclamation 6367 -- Refugee Day, 1991

Second Annual Report to the Congress on the State of Small Business

Message to the Senate Transmitting The Bahamas-United States Extradition Treaty

Statement by Press Secretary Fitzwater on an Anti-Narcotics Summit

Statement on Signing the Continuing Appropriations Bill

Statement on Signing the Treasury, Postal Service and General Government Appropriations Act, 1992

Statement on Signing the Department of Transportation and Related Agencies Appropriations Act, 1992

Statement on Signing the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1992

Statement on Signing the Departments of Veterans Affairs and Housing and Urban

Development, and Independent Agencies Appropriations Act, 1992

Statement by Press Secretary Fitzwater Condemning Terrorism on the West Bank

Nomination of William Edwin Ryerson To Be United States Ambassador to the Republic of Albania

Executive Order 12779 -- Prohibiting Certain Transactions With Respect to Haiti

Message to the Congress Transmitting an Executive Order Prohibiting Certain Transactions With Haiti

Nomination of William Edwin Ryerson To Be United States Ambassador to the Republic of Albania

- 29 -

The President's News Conference With President Gorbachev of the Soviet Union in Madrid, Spain

The President's News Conference With Prime Minister Felipe Gonzalez of Spain in Madrid

Appointment of John A. Gordon as Special Assistant to the President for National Security Affairs

- 30 -

Remarks at the Opening Session of the Middle East Peace Conference in Madrid, Spain

Proclamation 6368 -- National American Indian Heritage Month, 1991

Nomination of Lisa A. Hembry To Be a Member of the National Museum Services Board

Message to the Senate Transmitting Argentina-United States Mutual Legal Assistance in Criminal Matters Treay

Message to the Congress Transmitting the Annual Report of the National Highway Traffic Safety Administration

Remarks at Republican Congressional Leadership Meeting

Remarks on Presentation of the President's Environment and Conservation Challenge Awards

Executive Order 12780 -- Federal Agency Recycling and the Council on Federal Recycling and Procurement Policy

Remarks at the Swearing-In Ceremony for William Taylor as Chairman of the Federal Deposit Insurance Corporation

Remarks Honoring the World Series Champion Minnesota Twins

Remarks at the Bush-Quayle Fundraising Dinner in Houston, Texas

Statement on Signing the District of Columbia Mental Health Program Assistance Act of 1991

contents

november 1991

select another month
January | February | March | April
May | June | July | August
September | October | December
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 1 -

Interview by Ron Stone of KPRC - TV in Houston, Texas

Remarks at the Bush-Quayle Fundraising Dinner in Dallas, Texas

Interview With Sylvan Rodriguez of KHOU - TV in Houston, Texas

Interview With Dave Ward of KTRK - TV in Houston, Texas

Remarks to Marlow Industries Employees in Dallas, Texas

Remarks at the Dedication Ceremony for Thanks-Giving Square in Dallas, Texas

Nomination of Leo P. Duffy To Be an Assistant Secretary of Energy

Nomination of Gregg Ward To Be an Assistant Secretary of Energy

Nomination of James G. Randolph To Be an Assistant Secretary of Energy

- 4 -

Remarks at the Dedication of the Ronald Reagan Presidential Library

Nomination of James R. Lilley To Be an Assistant Secretary of Defense

- 5 -

Remarks on Presenting the Environmental Youth Awards

Exchange With Reporters Following a Meeting With President Nicephore Soglo of Benin

Statement by Press Secretary Fitzwater on the President's Meeting With President Nicephore Soglo of Benin

Proclamation 6369 -- National Hospice Month, 1991 and 1992

Message to the Congress Transmitting a Report on Federal Regulatory Policy

Statement on the Confirmation of Robert M. Gates as Director of Central Intelligence

Statement by Press Secretary Fitzwater on the Postponement of the President's Visit to Pacific Nations

- 6 -

The President's News Conference

Statement by Press Secretary Fitzwater on the Extinguishing of the Last of Kuwait's Burning Oil Wells

- 7 -

Exchange With Reporters Following a Meeting with Prime Minister Major of the United Kingdom in Rome, Italy

- 8 -

Declaration on the Soviet Union by the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Rome

Declaration on Peace and Cooperation of the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Rome

Remarks at the American Seminary in Vatican City

The President's News Conference in Rome, Italy

Statement by Press Secretary Fitzwater on the Bulgarian-American Enterprise Fund

Proclamation 6370 -- National Poison Prevention Week, 1992

- 9 -

Address to the Nation Commemorating Veterans Day

Remarks at a Luncheon Hosted by Prime Minister Ruud Lubbers in The Hague

The President's News Conference With Prime Minister Ruud Lubbers of The Netherlands and President Jacques Delors of the Commission of the European Community in The Hague

Greetings to the American Community in The Hague

Nomination of Richard B. Stone To Be United States Ambassador to Denmark

- 11 -

Remarks at the Tomb of the Unknown Soldier

Remarks at the Swearing-In Ceremony for Robert Gates as Director of Central Intelligence

Proclamation 6371 -- National Women Veterans Recognition Week, 1991

Proclamation 6372 -- National Alzheimer's Disease Month, 1991 and 1992

Notice on Continuation of the Iran Emergency

Message to the Congress on the Continuation of the Iran Emergency

Statement on Signing the Veterans' Compensation Rate Amendments of 1991

Proclamation 6373 -- Hire a Veteran Week, 1991

Remarks at a Bush-Quayle Fundraising Luncheon in New York City

Remarks to The Asia Society in New York City

Proclamation 6374 -- National Red Ribbon Month, 1991

Statement on Extending Most-Favored-Nation Trading Status to Bulgaria

Message to the Senate Transmitting the Treaty on Mutual Legal Assistance in Criminal Matters Between Uruguay and the United States

Memorandum Authorizing Assistance to Senegal

Nomination of Arnold R. Tompkins To Be an Assistant Secretary of Health and Human Services

Remarks to the Future Farmers of America in Kansas City, Missouri

Interview With Don Marsh of KTVI - TV in St. Louis, Missouri

Interview With Richard Ford of KSDK - TV in St. Louis, Missouri

Interview With Julius Hunter of KMOV - TV in St. Louis, Missouri

Interview With Steve Schiff of KPLR - TV in St. Louis, Missouri

Remarks at the Fundraising Dinner for Senator Christopher S. Bond in St. Louis, Missouri

- 14 -

Remarks at the Welcoming Ceremony for President Carlos Menem of Argentina

Exchange With Reporters in the Cabinet Room

Remarks at a Meeting of the President's Commission on Educational Excellence for Hispanic Americans

Statement by Press Secretary Fitzwater on the President's Meeting with President Levon Ter-Petrosian of Armenia

Proclamation 6375 -- Dutch-American Heritage Day, 1991

Exchange With Reporters in the Cabinet Room

- 15 -

Statement on Signing the Continuing Appropriations Bill

Teleconference Remarks With the Fortune 500 Forum

Remarks on Presenting the National Endowment for the Humanities 1991 Charles Frankel Awards

Proclamation 6376 -- National Philanthropy Day, 1991

Appointment of David J. Beightol as Special Assistant to the President for Intergovernmental Affairs

- 18 -

Remarks on Presenting the Presidential Medal of Freedom Awards

Nomination of John Hubert Kelly To Be United States Ambassador to the Republic of Finland

Statement by Press Secretary Fitzwater on the Release of American Hostage Thomas Sutherland and British Hostage Terry Waite

- 19 -

Teleconference Remarks With the Southern Newspaper Publishers Association

Exchange With Reporters in the Oval Office

Statement by Press Secretary Fitzwater on the President's Meeting With Aleksandr Yakovlev

Memorandum of Disapproval for the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1992

Statement by Press Secretary Fitzwater on Family Planning Legislation

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Former Hostage Thomas Sutherland

Nomination of Jonathan T. Howe To Be Deputy Assistant to the President for National Security Affairs

- 20 -

Interviews With NBC Owned and Operated Television Stations

Statement by Press Secretary Fitzwater on Food Assistance to the Soviet Union

Executive Order 12781 -- Delegation of Functions and Authorities, Development of Requirements and Regulations, and Correction of Title

Proclamation 6377 -- National Farm-City Week, 1991

Proclamation 6378 -- National Family Week, 1991 and 1992

Nomination of Robert Edward Grady To Be Deputy Director of the Office of Management and Budget

Nomination of James Buchanan Busey IV To Be Deputy Secretary of Transportation

Nomination of Henry Edward Hudson To Be Director of the United States Marshals Service

- 21 -

Remarks on the Civil Rights Act of 1991

Statement on Signing the Civil Rights Act of 1991

Executive Order 12782 -- Amending Executive Order No. 12594

- 22 -

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Nomination of Scott M. Spangler To Be an Associate Administrator of the Agency for International Development

Nomination of Jerry R. Curry To Be Administrator of the Federal Aviation Administration

Proclamation 6379 -- National Military Families Recognition Day, 1991

- 25 -

Remarks on Signing the Thanksgiving Day Proclamation

Proclamation 6380 -- Thanksgiving Day, 1991

Remarks to the Ohio Education Community

Interview With Bob Orr of WBNS - TV in Columbus, Ohio

Interview With Doug Adair of WCMH - TV in Columbus, Ohio

Interview With Lou Forrest of WSYX - TV in Columbus, Ohio

Statement by Press Secretary Fitzwater on the Ratification of the Conventional Weapons Treaty

Letter to Congressional Leaders on the Crime Bill

Message to the Senate Transmitting the Strategic Arms Reduction Talks Treaty

Proclamation 6381 -- National Accessible Housing Month, 1991

Proclamation 6382 -- National Family Caregivers Week, 1991 and 1992

- 26 -

Exchange With Reporters in the Oval Office

Statement by Press Secretary Fitzwater on the House Republican Economic Growth Package

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Andrei

Kozyrev of the Russian Republic

Remarks at the Swearing-In Ceremony for William Barr as Attorney General

- 27 -

Remarks on Signing the National Adoption Week Proclamation

Proclamation 6383 -- National Adoption Week, 1991

Statement Announcing Joint Declarations on the Libyan Indictments

Message to the Congress on Reductions in Travel, Transportation, and Subsistence

Statement by Press Secretary Fitzwater on the Adjournment of Congress

Text of the Thanksgiving Address to the Nation

- 29 -

Proclamation 6386 -- National Pearl Harbor Remembrance Day, 1991

contents

december 1991

select another month
January | February | March | April
May | June | July | August
September | October | November
Show all months

select another year
1989 | 1990 | 1992 | 1993

- 2 -

Statement by Press Secretary Fitzwater on the Release of American Hostage Joseph Cicippio

Proclamation 6384 -- Geography Awareness Week, 1991 and 1992

Proclamation 6385 -- National Home Care Week, 1991 and 1992

Message on the Observance of Hanukkah

- 3 -

Remarks to Tropicana Employees in Bradenton, Florida

Remarks to Peavey Electronics Employees in Meridian, Mississippi

Proclamation 6387 -- Federal Civilian Employees Remembrance Day, 1991

Statement by Press Secretary Fitzwater on the Release of American Hostage Alann Steen

Letter Accepting the Resignation of John H. Sununu as Chief of Staff to the President

Remarks to the American Enterprise Institute

Proclamation 6388 -- To Amend the Generalized System of Preferences

Letter to Congressional Leaders on Extending Generalized System of Preferences Benefits to Bulgaria

Statement on Signing Legislation on Trade and Unemployment Benefits

Statement on Signing the Intelligence Authorization Act, Fiscal Year 1992

Statement on Signing the Tribal Self-Governance Demonstration Project Act

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Former Hostage Terry Anderson

Statement on the Release of American Hostages in Lebanon

Statement by Press Secretary Fitzwater on the President's Meeting With Nelson Mandela of South Africa

Remarks Prior to a Meeting With United Nations Secretary-General-Elect Boutros Ghali

The President's News Conference

Proclamation 6389 -- To Amend the Generalized System of Preferences

Statement on Signing the National Defense Authorization Act for Fiscal Years 1992 and 1993

- 6 -

Exchange With Reporters on the South Lawn

Remarks to Mag Instrument Employees in Ontario, California

Remarks to the Kiwanis and Rotary Clubs in Ontario, California

Memorandum on Trade With the Czech and Slovak Federal Republic

Memorandum on Trade With the Republic of Hungary

Memorandum on Trade With the Republic of Poland

- 7 -

Remarks to the Pearl Harbor Survivors Association in Honolulu, Hawaii

Remarks at a Ceremony Commemorating the 50th Anniversary of Pearl Harbor

Remarks to World War II Veterans and Families in Honolulu, Hawaii

Remarks at Half-Time During the Army-Navy Football Game

Interview With Charles Bierbauer of CNN at Pearl Harbor, Hawaii

- 9 -

Remarks at a Briefing by the National Commission on AIDS

Remarks on Signing the High-Performance Computing Act of 1991

Statement on Signing Legislation To Study the Feasibility of Establishing a Native American Cultural Center

Proclamation 6390 -- Human Rights Day, Bill of Rights Day, and Human Rights Week, 1991

- 10 -

Remarks to the Chicago Board of Trade in Chicago, Illinois

Remarks to the Chicago Mercantile Exchange in Chicago, Illinois

Remarks to the Illinois Farm Bureau in Chicago, Illinois

- 11 -

Exchange With Reporters in the Cabinet Room

Remarks at a Fundraising Luncheon for Senator Frank H. Murkowski

Teleconference Remarks on the Kick-Off of Montana 2000 and Billings 2000

Message on the Observance of Christmas

Statement on the European Community Summit

Memorandum on the Intermodal Surface Transportation Efficiency Act

- 12 -

Exchange With Reporters Prior to a Meeting With Prime Minister Constantinos Mitsotakis of Greece

Remarks Following Discussions With Prime Minister Constantinos Mitsotakis of Greece

Statement by Press Secretary Fitzwater on Assistance to the Soviet Union and the Republics

Teleconference Remarks on the Kick-Off of Arizona 2000

Exchange With Reporters Prior to a Meeting With United Nations Secretary-General Javier Perez de Cuellar

Remarks on Presenting the Medal of Freedom and the Presidential Award for Exceptional Service to United Nations Officials

Remarks on Lighting the National Christmas Tree

Proclamation 6391 -- Wright Brothers Day, 1991

Statement on Signing the Conventional Forces in Europe Treaty Implementation Act of 1991

Statement on Signing the Dire Emergency Appropriations and Disaster Assistance Legislation

Statement on Signing the Resolution Trust Corporation Refinancing, Restructuring, and Improvement Act of 1991

Exchange With Reporters on the Situation in the Soviet Union

Exchange with Reporters in the Cabinet Room

Teleconference Remarks to the 1991 Congress of Cities

Statement by Press Secretary Fitzwater on a Comprehensive Safeguard Agreement Between Argentina, Brazil, and the International Atomic Energy Agency

Proclamation 6392 -- Bicentennial of the District of Columbia Month, 1991

Proclamation 6393 -- Year of Clean Water, 1992, and Clean Water Month, 1992

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Gorbachev

Letter to Congressional Leaders on Naming Don E. Newquist as Chairman-Designate of the U.S. International Trade Commission

Letter Accepting the Resignation of Samuel K. Skinner as Secretary of Transportation

- 16 -

Remarks on Signing the Year of Thanksgiving for the Blessings of Liberty. Proclamation in Orange County, Virginia

Proclamation 6394 -- Year of Thanksgiving for the Blessings of Liberty, 1991

Remarks at the Bicentennial of the Bill of Rights Luncheon at Montpelier in Orange County, Virginia

Statement by Press Secretary Fitzwater on the Revocation of Resolution 3379 by the United Nations General Assembly

- 17 -

Exchange With Reporters Prior to Meeting With Foreign Minister David Levi of Israel

Remarks on Welcoming Prime Minister Anan Panyarachun of Thailand

Teleconference Remarks on New Hampshire 2000

Interview With Bill Beutel of WABC - TV in New York City

Interview With Jim Gardner of WPVI - TV in Philadelphia, Pennsylvania

Interview With Linda Yu of WLS - TV in Chicago, Illinois

Interview With Richard Brown of KGO - TV in San Francisco, California

Interview With Harold Green of KABC - TV in Los Angeles, California

Statement on Signing the Act Amending Public Health Service and Controlled Substances Acts

Executive Order 12783 -- Extending the President's Council on Rural America

Proclamation 6395 -- Basketball Centennial Day, 1991

Memorandum on Migration and Refugee Assistance for Yugoslav Refugees

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister David Levi of Israel

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Anan Panyarachun of Thailand

- 18 -

Remarks on Signing the Intermodal Surface Transportation Efficiency Act of 1991

Remarks to American Association of State Highway and Transportation Officials in Dallas, Texas

Statement on Signing the Intermodal Surface Transportation Efficiency Act of 1991

- 19 -

Statement by Press Secretary Fitzwater on the Resignation of Frederick D. McClure as Assistant to the President for Legislative Affairs

Executive Order 12784 -- Delegation of Authority Regarding the Naval Petroleum and Oil Shale Reserves

Letter to Congressional Leaders Reporting Budget Deferrals

The President's News Conference With Foreign Correspondents

Statement on Signing the Coast Guard Authorization Act of 1991

Statement on Signing the Federal Deposit Insurance Corporation Improvement Act of 1991

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Mulroney of Canada and President Perez of Venezuela

- 20 -

Statement on the Federal Reserve Interest Rate Reduction

Proclamation 6396 -- National Law Enforcement Training Week, 1992

Proclamation 6397 -- National Sanctity of Human Life Day, 1992

Memorandum of Disapproval for the Morris K. Udall Scholarship and Excellence in National Environmental Policy Act

Statement on Signing the Telephone Consumer Protection Act of 1991

- 23 -

Proclamation 6398 -- National Ellis Island Day, 1992

Christmas Address to the Nation

- 25 -

Statement on the Resignation of Mikhail Gorbachev as President of the Soviet Union

Address to the Nation on the Commonwealth of Independent States

- 26 -

The President's News Conference

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Libya

Notice of the Continuation of the National Emergency With Respect to Libya

Executive Order 12785 -- Extending the President's Education Policy Advisory Committee

Executive Order 12786 -- Adjustments of Certain Rates of Pay and Allowances

Statement on Foreign Direct Investment Policy

White House Statement Announcing United States Foreign Direct Investment Policy

- 27 -

Remarks on Disaster Relief Efforts in Beeville, Texas

Statement by Press Secretary Fitzwater on Extension of the Voluntary Restraint Agreements With Japan and Taiwan

Remarks to the Bee County Community, Beeville, Texas

Browse 1992

You may view the 1992 Presidential Papers collection by month, or you may view the entire year's collection (*large file*).

- January
- February
- March
- April
- May
- June
- July
- August
- September
- October
- November
- December

Alternatively, you may also select a different year.

- 1989
- 1990
- 1991
- 1993

contents

1 9 9 2

select another month
January | February | March | April
May | June | July | August
September | October | November
December

select another year
1989 | 1990 | 1991 | 1993

Exchange With Reporters in Sydney, Australia

Remarks at the Australian National Maritime Museum in Sydney

Remarks During a Luncheon Cruise in Sydney Harbor, Australia

Remarks to the Australian Parliament in Canberra

Remarks Announcing Funding for the Australian Center for American Studies in Canberra

The President's News Conference With Prime Minister Paul J. Keating of Australia in Canberra

Remarks at a Dinner Hosted by Prime Minister Keating of Australia in Canberra

Remarks to Business and Community Leaders in Melbourne

The President's News Conference With Prime Minister Goh Chok Tong in Singapore

Remarks and a Question-and-Answer Session With the Singapore Lecture Group

Remarks at a Breakfast With Korean and American Business Groups in Seoul

The President's News Conference With President Roh Tae Woo of South Korea in Seoul

Remarks at the American and Korean Chambers of Commerce Luncheon in Seoul

Remarks to the Korean National Assembly in Seoul

Text of Remarks at Camp Casey in Yongsan, South Korea

Remarks at a State Dinner Hosted by President Roh Tae Woo of South Korea in Seoul

Remarks to Japanese and American Students in Kyoto, Japan

Remarks at the Opening of Toys-R-Us in Kashihara, Japan

Remarks With Prime Minister Kiichi Miyazawa of Japan to the Presidential Business Delegation in Tokyo

Joint Statement by the President and Prime Minister Kiichi Miyazawa of Japan: A Strategy for World Growth

Text of Remarks at the State Dinner Hosted by Prime Minister Kiichi Miyazawa of Japan in Tokyo

Text of Remarks at the Japanese Welcoming Committee Luncheon in Tokyo

Exchange With Reporters Prior to Discussions With Prime Minister Kiichi Miyazawa of Japan in Tokyo

The President's News Conference With Prime Minister Kiichi Miyazawa of Japan in Tokyo

Remarks at a State Dinner Hosted by Emperor Akihito of Japan in Tokyo

Remarks and an Exchange With Reporters on Arrival From the Trip to Asian/Pacific Nations

Remarks to the President's Drug Advisory Council

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Venezuela and Vanuatu

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From

Certain Countries

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Libya

Remarks to the American Farm Bureau Federation in Kansas City, Missouri

Statement on the Death of Meade Alcorn

White House Statement on the President's Meeting With President Mario Soares of Portugal

Remarks to the America 2000 Community Leadership Conference

Exchange With Reporters Prior to a Meeting With Earvin (Magic) Johnson

Remarks on the Presentation of a Natural Gas Powered Van and an Exchange With Reporters

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

Statement on the Death of WUSA - TV Sportscaster Glenn Brenner

Appointment of Timothy J. McBride as an Assistant to the President for Management and Administration

Appointment of Nicholas E. Calio as Assistant to the President for Legislative Affairs

Statement by Press Secretary Fitzwater on the Resignation of Richard J. Kerr as Deputy Director of Central Intelligence

Excerpted Remarks With Community Leaders in Portsmouth, New Hampshire

Remarks and a Question-and-Answer Session at a Town Hall Meeting in Exeter, New Hampshire

Remarks to Davidson Interior Trim Employees in Dover, New Hampshire

Remarks to Liberty Mutual Insurance Employees in Dover

Remarks to Cabletron Systems Employees in Rochester, New Hampshire

Remarks and a Question-and-Answer Session at a Rotary Club Dinner in Portsmouth, New Hampshire

Appointment of D. Cameron Findlay as Deputy Assistant to the President and Counselor to the Chief of Staff

Statement on the Anniversary of Operation Desert Storm

Remarks on Signing the Martin Luther King, Jr., Federal Holiday Proclamation in Atlanta, Georgia

Remarks Announcing the Job Training 2000 Initiative in Atlanta

Nomination of William O. Studeman To Be Deputy Director of Central Intelligence

Remarks at a Head Start Center in Catonsville, Maryland

Statement by Press Secretary Fitzwater on the Death of Rose Bowen

Memorandum on Transportation of Humanitarian Assistance to the Former Soviet Union

The President's News Conference

Remarks at the International Conference on Humanitarian Assistance to the Former U.S.S.R.

Remarks to the Citizens Democracy Corps Conference

Teleconference Remarks to the March for Life Rally

Remarks at the Signing Ceremony for the Computer Trade Agreement With Japan

Message to the Senate Transmitting the Spain-United States Legal Assistance Treaty

Letter to Congressional Leaders Transmitting a Report on the U.S.-U.S.S.R. Standing Consultative Commission

Statement by Press Secretary Fitzwater Announcing the Drug Summit in San Antonio, Texas

Remarks to the National Association of Wholesaler-Distributors

Remarks on the Presentation of the Senior Executive Service Awards

Remarks on Environmental Policy

Remarks Honoring the Women's World Cup Soccer Champions

Remarks to the Young Astronaut Council and a Teleconference With the Crew of Space Shuttle Discovery

Teleconference Remarks to the National Association of Home Builders

Letter to Congressional Leaders Transmitting a Report on International Action to Curtail Exports to Iraq

Statement by Press Secretary Fitzwater on the Appointment of W. Henson Moore as Deputy Chief of Staff to the President

Appointment of Sherrie S. Rollins as Assistant to the President for Public Liaison and Intergovernmental Affairs

Nomination of Fred T. Goldberg, Jr., To Be Assistant Secretary of the Treasury for Tax Policy

Nomination of Shirley D. Peterson To Be Commissioner of Internal Revenue

Remarks at the Annual Convention of the National Religious Broadcasters

Appointment of Les T. Csorba as a Special Assistant to the President and Associate Director of Presidential Personnel for National Security Affairs

Remarks at a Drug Control Strategy Meeting

Presidential Determination No. 92 - 11 -- Memorandum on Export-Import Bank Services for Latvia, Lithuania, and Estonia

Address Before a Joint Session of the Congress on the State of the Union

Memorandum on Regulatory Coordination

Memorandum on Regulatory Coordination

Memorandum on Regulatory Coordination

Memorandum on Reducing the Burden of Government Regulation

Message on the Observance of National African-American (Black) History Month, February 1992

Message to the Congress Transmitting the 1992 National Drug Control Strategy

Appointment of Daniel B. McGroarty as Special Assistant to the President and Deputy Director of Speechwriting

Remarks at the National Prayer Breakfast

Remarks to the Greater Philadelphia Chamber of Commerce

Remarks During Discussions With Prime Minister Kiichi Miyazawa of Japan in New York City

Remarks to the United Nations Security Council in New York City

The President's News Conference With President Boris Yeltsin of Russia

Remarks and a Question-and-Answer Session With the National Governors' Association

Exchange With Reporters Prior to Discussions With President Ronald Venetiaan of Suriname

Statement by Press Secretary Fitzwater on the President's Meeting With President Ronald Venetiaan of Suriname

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

Message to the Congress Transmitting the Report of the Federal Labor Relations Authority

Remarks to the National Grocers Association in Orlando, Florida

Message to the Congress Transmitting Proposed Legislation on Access to Justice

Presidential Determination No. 92 - 13 -- Memorandum on Emergency Funding for the Organization of American States Mission to Haiti

Appointment of Antonio Benedi as Special Assistant to the President and Deputy Director of Presidential Appointments and Scheduling

Appointment of Linda Eischeid Tarplin as Special Assistant to the President for Legislative Affairs for the Senate

Appointment of Leigh Ann Metzger as Deputy Assistant to the President for Public Liaison

Remarks to the Small Business Legislative Council

Letter to Congressional Leaders on Beneficiary Trade Status for Estonia, Latvia, and Lithuania

Remarks to the Greater Cleveland Growth Association in Cleveland, Ohio

Remarks to the Staff of the University Medical Center of Southern Nevada in Las Vegas, Nevada

Remarks to the San Diego Rotary Club in San Diego, California

Statement by Press Secretary Fitzwater on the Appointment of Robert L. Gallucci as Senior Coordinator for the Office of the Deputy Secretary of State

Statement on Signing the Emergency Unemployment Compensation Bill

Remarks on Receiving the Boy Scouts of America Report to the Nation

Remarks to the Conference on Healthy Children Ready To Learn

Memorandum on Payments to the United Nations

Memorandum on Social Security Card Changes

Statement on the Death of Alex Haley

Statement by Press Secretary Fitzwater on the Export Enhancement Program

Nomination of Robert C. Frasure To Be United States Ambassador to Estonia

Nomination of Ints M. Silins To Be United States Ambassador to Latvia

Nomination of Darryl Norman Johnson To Be United States Ambassador to Lithuania

Presidential Determination No. 92 - 14 -- Memorandum on Redesignation of Ethiopia Under the Export-Import Bank Act

Exchange With Reporters Prior to Discussions With Prime Minister Suleyman Demirel of Turkey

Remarks at the Departure Ceremony for Prime Minister Suleyman Demirel of Turkey

Remarks at the Multilateral Investment Fund Agreement Signing Ceremony

Remarks and an Exchange With Reporters at a Meeting With Republican Members of the House Ways and Means Committee

Message to the Congress Reporting on the National Emergency With Respect to Iraq

Letter to Congressional Leaders Transmitting the Report on Iraq's Offensive Military Capability

Appointment of Edward D. Murnane as Deputy Assistant to the President and Director of Presidential Advance

Statement by Press Secretary Fitzwater on the Phaseout of Ozone-Depleting Substances

Remarks Announcing the Bush-Quayle Candidacies for Reelection

Remarks to the State Legislature in Concord, New Hampshire

Remarks to Law Enforcement Officers and Firefighters in Concord

Remarks to U.S. FIRST in Manchester, New Hampshire

Statement by Press Secretary Fitzwater on the National Technology Initiative

Statement on the Resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration

Letter Accepting the Resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration

Memorandum on the Conventional Forces in Europe Treaty Implementation Act

Message to Congress Transmitting a Report on Science and Engineering Indicators

Message to the Senate Transmitting the Antarctic Treaty Protocol on Environmental Protection

The President's News Conference in Belcamp, Maryland

Nomination of George J. Terwilliger III To Be Deputy Attorney General

Nomination of Marc Allen Baas To Be United States Ambassador to Ethiopia

Remarks at the Door-to-Door Kickoff Rally in Nashua, New Hampshire

Remarks at a Community Welcome in New Boston, New Hampshire

Remarks and a Question-and-Answer Session in Goffstown, New Hampshire

Remarks at the Bush-Quayle Campaign Welcome in Derry, New Hampshire

Remarks at a Breakfast in Nashua, New Hampshire

Remarks and a Question-and-Answer Session in Hollis, New Hampshire

Statement by Press Secretary Fitzwater on the President's Meeting With President Mircea Snegur of Moldova

Statement on the New Hampshire Presidential Primary Victory

Presidential Determination No. 92 - 15 -- Memorandum on Export-Import Bank Services for South Africa

Presidential Determination No. 92 - 16 -- Memorandum on Assistance for Angola

Memorandum Delegating Authority to Report on the Rebuilding of Kuwait

Exchange With Reporters in Knoxville, Tennessee

Remarks at a Cooperative Research and Development Agreement Signing Ceremony in Oak Ridge, Tennessee

Remarks to Community and Business Leaders in Knoxville, Tennessee

Remarks on the Observance of African-American History Month

Message to the Senate Transmitting the Protocol Amending the Australia-U.S. Extradition Treaty

Message to the Congress Reporting Budget Rescissions and Deferrals

Statement by Press Secretary Fitzwater on Establishment of Diplomatic Relations With Azerbaijan, Tajikistan, Turkmenistan, and Uzbekistan

Statement by Press Secretary Fitzwater on the President's Meeting With President Frederick Chiluba of Zambia

Exchange With Reporters Prior to Discussions With Prime Minister Carl Bildt of Sweden

Remarks at the Departure Ceremony for Prime Minister Carl Bildt of Sweden

Statement by Press Secretary Fitzwater on Senate Action on Energy Legislation

Remarks to the American Legislative Exchange Council

Letter Accepting the Resignation of John E. Frohnmayer as Chairman of the National

Endowment for the Arts

Nomination of Sigmund A. Rogich To Be United States Ambassador to Iceland

Statement by Press Secretary Fitzwater on the Confirmation of Andrew H. Card, Jr., as Secretary of Transportation

Remarks to the Southern Republican Leadership Conference in Charleston, South Carolina

Radio Address to the Nation on the Economy

Remarks to the United States Chamber of Commerce National Action Rally

Statement on Signing the Omnibus Insular Areas Act of 1992

Nomination of Edward Joseph Perkins To Be United States Representative to the United Nations

Nomination of Thomas R. Pickering To Be United States Ambassador to India

Appointment of Gail R. Wilensky as Deputy Assistant to the President for Policy Development

Appointment of John A. Gaughan as Deputy Assistant to the President and Director of the White House Military Office

Statement by Press Secretary Fitzwater on the President's Meeting with President Alfredo Cristiani of El Salvador

Remarks at the Bush-Quayle Campaign Kickoff in Bethesda, Maryland

Exchange With Reporters Aboard Air Force One

Remarks at a Bush-Quayle Fundraising Luncheon in San Francisco, California

Statement by Press Secretary Fitzwater on General Motors Plant Closings

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Letter to Congressional Leaders Transmitting a Report on International Agreements

Message to the Congress Transmitting the Report on Alaskan Mineral Resources

Remarks at a Bush-Quayle Fundraising Dinner in Los Angeles, California

Exchange With Reporters Prior to Discussions With President Alberto Kenyo Fujimori of Peru in San Antonio, Texas

Exchange With Reporters Prior to Discussions With President Cesar Gaviria of Colombia in San Antonio

Exchange With Reporters Prior to Discussions With President Jaime Paz Zamora of Bolivia in San Antonio

Remarks at the State Dinner for Drug Summit Participants in San Antonio

Nomination of Joseph Gerard Sullivan To Be United States Ambassador to Nicaragua

Presidential Determination No. 92 - 17 -- Memorandum on Counternarcotics Assistance for Mexico

Exchange With Reporters in San Antonio

Text of Remarks at the Opening Session of the Drug Summit in San Antonio

The President's News Conference With the Drug Summit Participants in San Antonio

Exchange With Reporters Following the News Conference in San Antonio

Declaration of San Antonio

Remarks at a Points of Light Recognition Ceremony for the San Antonio Spurs Drug-Free Youth Basketball League in San Antonio

Statement on the Death of Former Senator S.I. Hayakawa

Statement on House of Representatives Action on Tax Legislation

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With

President Leonid Kravchuk of Ukraine

Statement by Press Secretary Fitzwater on the Confirmation of Barbara Franklin as Secretary of Commerce

Nomination of Wayne A. Budd To Be Associate Attorney General

Remarks at the Houston Livestock Show and Rodeo Dinner in Houston, Texas

Exchange With Reporters in Houston

Presidential Determination No. 92 - 18 -- Memorandum on Certification for Major Narcotics Producing and Transit Countries

Remarks to the Associated General Contractors of America in Dallas, Texas

Remarks to the Georgia Republican Party in Atlanta, Georgia

Remarks at the Bush-Quayle Campaign Welcome in Savannah, Georgia

Message to the Congress Transmitting the Finland-United States Social Security Agreement

Message to the House of Representatives Returning Without Approval the United States-China Act of 1991

Message to the Congress Transmitting the Annual Report on Hazardous Materials Transportation

Statement on the Death of Albert Bel Fay

Exchange With Reporters

Remarks to the National Association of Evangelicals in Chicago, Illinois

Message to the Congress on the Determination Not To Prohibit Fish Imports From Certain Countries

Message to the Senate Transmitting the Spain-United States Second Supplementary Treaty on

Extradition

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Filip Dimitrov of Bulgaria

Statement on the Georgia Presidential Primary Victory

Exchange With Reporters on the Presidential Primaries

Remarks at a Bush-Quayle Fundraising Luncheon in Tampa, Florida

Remarks at the Bush-Quayle South Florida Rally in Hialeah, Florida

Remarks at a Bush-Quayle Fundraising Dinner in Miami, Florida

Remarks to the Home Builders Association of Greater Columbia in Columbia, South Carolina

Remarks on Departure From Columbia, South Carolina

Remarks to Federal Express Employees in Memphis, Tennessee

Statement on Signing the Reclamation States Emergency Drought Relief Act of 1991

Statement by Press Secretary Fitzwater on the Kissimmee Basin Restoration Project

Nomination of I. Lewis Libby, Jr., To Be Deputy Under Secretary of Defense for Policy

Remarks at a Bush-Quayle Rally in Oklahoma City, Oklahoma

Remarks at Louisiana State University in Baton Rouge, Louisiana

Remarks at a Bush-Quayle Rally in Jackson, Mississippi

Message to the Congress Transmitting the Report of the White House Conference on Library and Information Services

Nomination of James B. Huff, Sr., To Be Rural Electrification Administrator

Exchange With Reporters in Pensacola, Florida

Statement on the Death of Menachem Begin of Israel and an Exchange With Reporters

Remarks to the National League of Cities

Letter to Congressional Leaders on Nuclear Cooperation With EURATOM

Remarks at a Meeting With Republican Congressional Leaders and an Exchange With Reporters

Message to the Congress Reporting Budget Rescissions

Nomination of Gregori Lebedev To Be Inspector General of the Department of Defense

Remarks at the United Negro College Fund Dinner

Statement on Presidential Primary Victories

Remarks at the Swearing-In Ceremony for Andrew H. Card, Jr., as Secretary of Transportation

The President's News Conference

Remarks to the American Society of Association Executives

Remarks at the Richard Nixon Library Dinner

Remarks Prior to Discussions With King Hussein of Jordan

Statement by Press Secretary Fitzwater on the President's Meeting With King Hussein of Jordan

Remarks to Recipients of the Presidential Awards for Excellence in Science and Mathematics Teaching

Remarks to the National Conference of State Legislatures

Message on the Observance of St. Patrick's Day

Statement on Signing the Torture Victim Protection Act of 1991

Nomination of Vicki Ann O'Meara To Be an Assistant Attorney General

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Suleyman Demirel of Turkey

Remarks on Arrival in Battle Creek, Michigan

Remarks to Stryker Corporation Employees in Kalamazoo, Michigan

Remarks to the Economic Club of Detroit in Detroit, Michigan

Exchange With Reporters Aboard Air Force One

Remarks to Steeltech Employees in Milwaukee, Wisconsin

Remarks at a Bush-Quayle Fundraising Luncheon in Milwaukee

Remarks to the Polish National Alliance in Chicago, Illinois

Remarks at a Bush-Quayle Fundraising Dinner in Chicago

Letter to Congressional Leaders on Iraq's Compliance With United Nations Security Council Resolutions

Nomination of Betty Jo Nelsen To Be an Assistant Secretary of Agriculture

Presidential Determination No. 92 - 19 -- Memorandum on Emergency Assistance for Cambodian and Burmese Refugees

Message on the Observance of the Iranian New Year

Remarks on Presenting the Presidential Medal of Freedom to Samuel M. Walton in Bentonville, Arkansas

Remarks at a St. Patrick's Day Ceremony and an Exchange With Reporters

Message to the Congress Transmitting the Poland-United States Nuclear Energy Cooperation Agreement

Statement on the Illinois and Michigan Presidential Primary Victories

Statement on Air Pollution Regulatory Relief

Memorandum on the Federal Savings Bond Campaign

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President F.W. de Klerk of South Africa

Appointment of Joshua B. Bolten as Deputy Assistant to the President and Director of the Office of Legislative Affairs

Appointment of Kim Fogal McKernan as Special Assistant to the President for Legislative Affairs

Statement on Signing the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Begum Khaleda Zia of Bangladesh

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Boris Yeltsin of Russia

Appointment of Robert Anthony Snow as Deputy Assistant to the President for Media Affairs

Remarks Congratulating the Undefeated National Collegiate Athletic Association Division I Football Teams

Message to the House of Representatives Returning Without Approval the Tax Fairness and Economic Growth Acceleration Act of 1992

Remarks to Republican Members of Congress and Presidential Appointees

Statement on Signing Legislation Waiving Printing Requirements for the Tax Bill

Statement by Press Secretary Fitzwater on the Russia-United States Commission on Prisoners of War and Missing in Action

Nomination of Bruno Victor Manno To Be an Assistant Secretary of Education

Nomination of David Spears Addington To Be General Counsel of the Department of Defense

Nomination of Duane Acker To Be an Assistant Secretary of Agriculture

Memorandum Delegating Authority Regarding Weapons Destruction in the Former Soviet Union

The President's News Conference With Chancellor Helmut Kohl of Germany

Remarks at the Swearing-In Ceremony for Barbara H. Franklin as Secretary of Commerce

Letter to Congressional Leaders Transmitting the Report on Foreign Intelligence Activities in the United States

Statement on the Strategic Defense Initiative

Statement on the Death of Friedrich August von Hayek

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Boris Yeltsin of Russia

Nomination of Thomas P. Kerester To Be Chief Counsel for Advocacy at the Small Business Administration

Remarks to the National American Wholesale Grocers Association

Message to the Congress on Environmental Goals

Statement by Press Secretary Fitzwater on the Open Skies Treaty

Statement by Press Secretary Fitzwater on Diplomatic Relations With the Republic of Georgia

Statement on the Connecticut Presidential Primary Victory

Remarks and an Exchange With Reporters Prior to a Meeting With Republican Congressional

Leaders

Remarks on Signing the Greek Independence Day Proclamation

Statement on House of Representatives Action To Sustain the Tax Bill Veto

Statements by Press Secretary Fitzwater on the President's Physical Examination

Remarks to the Coalition for the Restoration of the Black Family and Society

Nomination of Karl A. Erb To Be an Associate Director of the Office of Science and Technology Policy

Remarks to the Medal-Winning Teams of the National Science Olympiad

Statement by Press Secretary Fitzwater on Trade With the Former Soviet Union

Nomination of Roman Popadiuk To Be United States Ambassador to Ukraine

Radio Address to the Nation on Domestic Reforms

Remarks to State Attorneys General

Exchange With Reporters Prior to Discussions With President George Vassiliou of Cyprus

Statement by Deputy Press Secretary Smith on the President's Meeting With President George Vassiliou of Cyprus

Remarks at a Meeting With Health Care Representatives

Message to the Congress Reporting on the National Emergency With Respect to Export Controls

Message to the Congress Transmitting Occupational Safety and Health Reports

Nomination of Thomas C. Richards To Be Federal Aviation Administrator

Nomination of Wade F. Horn To Be a Deputy Director of the Office of National Drug Control Policy

Message to the Congress on Trade With Hungary and Czechoslovakia

The President's News Conference on Aid to the States of the Former Soviet Union

Message to the Senate Transmitting the Nigeria-United States Legal Assistance Treaty

Statement on Signing a Resolution Making Continuing Appropriations for the Fiscal Year 1992

Statement by Press Secretary Fitzwater on Organizational Changes in the Intelligence Community

Remarks at the Departure Ceremony for Prime Minister Felipe Gonzalez of Spain

Statement on Antitrust Enforcement Policy

Message to the Senate Transmitting the 1985 Partial Revision of the Radio Regulations

Message to the Senate Transmitting the 1988 Partial Revision of the Radio Regulations

Nomination of Lauralee M. Peters To Be United States Ambassador to Sierra Leone

Nomination of Joan M. McEntee To Be an Under Secretary of Commerce

Nomination of Marvin H. Kosters To Be Commissioner of Labor Statistics

Remarks to the Federalist Society of Philadelphia in Philadelphia, Pennsylvania

Message to the Congress Transmitting the FREEDOM Support Act Proposed Legislation

Presidential Determination No. 92 - 20 -- Memorandum on Trade With Armenia, Belarus, Kyrgyzstan, and Russia

Message to the Congress on Trade With Armenia, Belarus, Kyrgyzstan, and Russia

Statement by Deputy Press Secretary Smith on the President's Telephone Conversation With President Vaclav Havel of Czechoslovakia

Radio Address to the Nation on Governmental Reform

Statement on the Death of Stan Scott

Statement on the Death of Samuel M. Walton

Statement by Deputy Press Secretary Smith on the Peruvian Government Crisis

Appointment of Cecile B. Kremer as Deputy Assistant to the President and Director of the Office of Public Liaison

Appointment of Bobbie Greene Kilberg as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs

Remarks at the Presentation Ceremony for the National Teacher of the Year Award

Remarks to the American Business Conference

Message to the Congress on the Release of Funds for Peacekeeping Purposes in El Salvador

Message to the Congress Reporting on Economic Sanctions Against Haiti

Message to the Congress Reporting on Panamanian Government Assets Held by the United States

Statement on United States Recognition of the Former Yugoslav Republics

Statement by Deputy Press Secretary Smith on the President's Meeting With President Francesco Cossiga of Italy

Nomination of William Dean Hansen To Be Chief Financial Officer at the Department of Education

Statement on Presidential Primary Victories

Exchange With Reporters While Viewing the Cherry Blossoms at the Tidal Basin

Remarks Congratulating United States Olympic Athletes

Message to the Congress Transmitting the Report of the National Endowment for Democracy

Message to the Congress Reporting a Budget Rescission

Statement on Reforming Federal Regulation of Natural Gas Pipelines

Nomination of Kenton Wesley Keith To Be United States Ambassador to Qatar

Nomination of Donald K. Petterson To Be United States Ambassador to Sudan

Nomination of Hume Alexander Horan To Be United States Ambassador to Cote d'Ivoire

Appointment of Richard F. Phelps as Special Assistant to the Director of the Office of National Drug Control Policy

Nomination of Daniel A. Sumner To Be an Assistant Secretary of Agriculture

Nomination of Christian R. Holmes IV To Be an Assistant Administrator of the Environmental Protection Agency

Remarks to the American Society of Newspaper Editors

Exchange With Reporters Prior to Discussions With President Violeta Chamorro of Nicaragua

Statement by Deputy Press Secretary Smith on the President's Meeting With President Violeta Chamorro of Nicaragua

Statement on Reform of the Drug Approval Process

Letter to Congressional Leaders Transmitting the Report on Soviet Noncompliance With Arms Control Agreements

Message to the Congress Transmitting the Report on Federal Advisory Committees

Message to the Congress Transmitting Proposed Legislation on Accountability in Government

Nomination of Jerome H. Powell To Be an Under Secretary of the Treasury

Nomination of Timothy E. Flanigan To Be an Assistant Attorney General

Nomination of John Cunningham Dugan To Be an Assistant Secretary of the Treasury

Exchange With Reporters Prior to a Meeting on Welfare Reform

Statement on Wisconsin Welfare Reform

The President's News Conference

Nomination of Edward Ernest Kubasiewicz To Be an Assistant Commissioner of Patents and Trademarks

Nomination of Stephen Greene To Be Deputy Administrator of the Drug Enforcement Administration

Radio Address to the Nation on Welfare Reform

Remarks on Signing the Executive Order on Employee Rights Concerning Union Dues

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Jan Olszewski of Poland

Remarks to Giddings & Lewis Employees and Local Chambers of Commerce in Fraser, Michigan

Remarks at a Bush-Quayle Fundraising Dinner in Dearborn, Michigan

Remarks Congratulating the National Collegiate Athletic Association Men's and Women's Basketball Champions

Message on the Observance of Passover

Statement by Press Secretary Fitzwater on the President's Federal Income Tax Return

Nomination of G. Kim Wincup To Be an Assistant Secretary of the Air Force

Nomination of James P. Covey To Be an Assistant Secretary of State

Statement by Press Secretary Fitzwater on Restrictions on Air Traffic To or From Libya

Letter to Congressional Leaders Reporting on Restrictions on Air Traffic To or From Libya

Remarks to the Lehigh Valley 2000 Community in Allentown, Pennsylvania

Nomination of Roger A. McGuire To Be United States Ambassador to Guinea-Bissau

Radio Address to the Nation on Job Training 2000

Statement on Actions to Support Democracy in Cuba

Remarks at the Opening Ceremony of the AmeriFlora '92 Exposition in Columbus, Ohio

Nomination of Dennis P. Barrett To Be United States Ambassador to Madagascar

Nomination of William Lacy Swing To Be United States Ambassador to Nigeria

Nomination of Linda Gillespie Stuntz To Be Deputy Secretary of Energy

Remarks Prior to a Meeting With Business Leaders

Remarks to the Young Presidents' Organization

Statement on Earth Day

Remarks at the Departure Ceremony for European Community Leaders Anibal Cavaco Silva and Jacques Delors

Remarks Congratulating the 1992 Super Bowl Champion Washington Redskins

Appointment of Walter H. Kansteiner III as Special Assistant to the President and Deputy Press Secretary for Foreign Affairs

Nomination of James D. Jameson To Be an Assistant Secretary of Commerce

Remarks to the United States Academic Decathlon Winners

Remarks at the Signing Ceremony for the Paper Market Access Agreement With Japan

Remarks at the Unveiling Ceremony for the White House Commemorative Stamp

Remarks to the Forum of the Americas

Nomination of Richard Goodwin Capen, Jr., To Be United States Ambassador to Spain

Nomination of Clarence H. Albright, Jr., To Be General Counsel of the Department of Housing and Urban Development

Remarks at the Presentation Ceremony for the National Crime Victims' Rights Awards

Remarks Prior to a Briefing on Banking and Finance Regulatory Reform

Teleconference Remarks to the National Association of Hispanic Journalists

Radio Address to the Nation on Trade Reform

Remarks on Legislative Goals and an Exchange With Reporters

Remarks at the Florida International University Commencement Ceremony in Miami Beach, Florida

Statement by Press Secretary Fitzwater on Syria's Lifting of Restrictions on Syrian Jews

Statement by Press Secretary Fitzwater on the Beer Market Access Agreement With Canada

Nomination of William Clark, Jr., To Be an Assistant Secretary of State

Remarks at a Bush-Quayle Fundraising Dinner in Charlotte, North Carolina

Remarks at Bush-Quayle Campaign Headquarters

Statement on Signing the Act Approving the Location of the George Mason Memorial

Message to the Congress Transmitting Proposed Legislation on Job Training 2000

Message to the Congress Transmitting the Report of the Federal Council on the Aging

Message to the Congress Transmitting the Report of the National Endowment for the Humanities

Letter to Congressional Leaders Transmitting a Report on Nuclear Weapons Matters

Statement by Press Secretary Fitzwater on the President's Meeting With First Deputy Prime Minister Yegor Gaydar of Russia

Statement by Press Secretary Fitzwater on the President's Meeting With President Turgut Ozal of Turkey

Remarks at the Annual Republican Congressional Fundraising Dinner

Remarks at the Arrival Ceremony for President Richard von Weizsacker of Germany

Remarks on Regulatory Reform

Memorandum on Implementing Regulatory Reforms

Memorandum on Benefits and Costs of Legislative Proposals

Letter to Congressional Leaders Transmitting the Report of the On-Site Inspection Agency

Remarks at the State Dinner for President Richard von Weizsacker of Germany

Statement on the Verdict in the Los Angeles Police Trial

Remarks on Civil Disturbances in Los Angeles, California

Message to the Congress Transmitting the District of Columbia Budget and Supplemental Appropriations Request

Statement by Press Secretary Fitzwater on the President's Meeting With President Richard von Weizsacker of Germany

Nomination of Robert L. Barry To Be United States Ambassador to Indonesia

Remarks to the Ohio Association of Broadcasters in Columbus, Ohio

Remarks at a Bush-Quayle Fundraising Dinner in Columbus

Remarks at the Great American Workout

Remarks at the Points of Light Awards Ceremony

Nomination of Adrian A. Basora To Be United States Ambassador to Czechoslovakia

Statement by Press Secretary Fitzwater on Relaxation of Restrictions on Exports to Hungary

Appointment of Clayton S. Fong To Be Deputy Assistant to the President for Public Liaison

Address to the Nation on the Civil Disturbances in Los Angeles, California

Exchange With Reporters Prior to a Meeting With Cabinet Members

Remarks at the Unveiling Ceremony for the Portrait of House Republican Leader Robert Michel

Nomination of Arthur J. Rothkopf To Be Deputy Secretary of Transportation

Nomination of Michael James Toohey To Be an Assistant Secretary of Transportation

Appointment of John C. Harper as Chairman of the Advisory Council on Historic Preservation

Remarks at a Cinco de Mayo Celebration

Nomination of Reginald Bartholomew To Be United States Permanent Representative on the Council of the North Atlantic Treaty Organization

Nomination of Peter Barry Teeley To Be United States Ambassador to Canada

The President's News Conference With President Leonid Kravchuk of Ukraine

Joint Declaration With President Leonid Kravchuk of Ukraine

Teleconference Remarks to the American Newspaper Publishers Association

Exchange With Reporters Prior to Discussions With President Rafael Callejas of Honduras

Statement by Deputy Press Secretary Smith on the President's Meeting With President Rafael Callejas of Honduras

Message to the Congress Transmitting the Report of the Corporation for Public Broadcasting

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Presidential Determination No. 92 - 25 -- Memorandum on Trade With Certain Former Soviet Republics

Message to the Congress on Trade With Certain Former Soviet Republics

Nomination of Robert E. Gribbin III To Be United States Ambassador to the Central African Republic

Nomination of Peter Jon deVos To Be United States Ambassador to Tanzania

Remarks on Arrival in Los Angeles, California

Remarks at Mount Zion Missionary Baptist Church in Los Angeles

Remarks in a Roundtable Discussion With Leaders of the African-American Community in Los Angeles

Remarks in a Roundtable Discussion With Leaders of the Korean Community in Los Angeles

Nomination of William T. Pryce To Be United States Ambassador to Honduras

Nomination of Teresita Currie Schaffer To Be United States Ambassador to Sri Lanka and Maldives

Nomination of David C. Fields To Be United States Ambassador to the Marshall Islands

Nomination of William Henry Gerald FitzGerald To Be United States Ambassador to Ireland

Nomination of Princeton Nathan Lyman To Be United States Ambassador to South Africa

Remarks to Firefighters and Law Enforcement Personnel in Los Angeles

Remarks to Military and Law Enforcement Personnel in Los Angeles

Remarks to Community Leaders in Los Angeles

Nomination of Alexander Fletcher Watson To Be United States Ambassador to Brazil

Nomination of William Graham Walker To Be United States Ambassador to Argentina

Radio Address to the Nation on the President's Visit to Los Angeles, California

Message to the Senate Returning Without Approval the Congressional Campaign Spending Limit and Election Reform Act of 1992

Remarks on Maternal and Infant Health Care

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Roland Dumas of France

Remarks in a Roundtable Discussion With the Weed and Seed Revitalization Committee and Community Leaders in Philadelphia, Pennsylvania

Remarks at a Bush-Quayle Fundraising Dinner in Philadelphia

Statement on Urban Aid Initiatives

Remarks on Urban Aid Initiatives and an Exchange With Reporters

Remarks and an Exchange With Reporters Prior to Discussions With United Nations Secretary-General Boutros Boutros-Ghali

Statement on Attending the United Nations Conference on Environment and Development in Rio de Janeiro, Brazil

Statement by Press Secretary Fitzwater on the President's Meeting with United Nations Secretary-General Boutros Boutros-Ghali

Remarks at a Ceremony Honoring Small Business Administration Award Winners

Message to the Senate Transmitting 1987 Partial Revision of the Radio Regulations

Statement by Press Secretary Fitzwater on Proposed Extension of the Emergency Unemployment Compensation Program

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Patrick Manning of Trinidad and Tobago

Nomination of Marilyn McAfee To Be United States Ambassador to Guatemala

Nomination of Robert F. Goodwin To Be United States Ambassador to New Zealand and Western Samoa

Nomination of David J. Dunford To Be United States Ambassador to Oman

Remarks at the Arrival Ceremony for President Patricio Aylwin of Chile

Remarks to the Health Care and Business Community in Baltimore, Maryland

Message to the Congress Transmitting Proposed Legislation on Youth Apprenticeship

Nomination of Joseph Charles Wilson IV To Be United States Ambassador to Gabon and Sao Tome and Principe

Nomination of John F. Daffron, Jr., To Be a Member of the Board of Directors of the State Justice Institute

Statement by Press Secretary Fitzwater on the President's Meeting With President Patricio Aylwin of Chile

Remarks at the State Dinner for President Patricio Aylwin of Chile

Remarks to the Take Pride in America Volunteers

Message to the Congress Reporting on the National Emergency With Respect to Iran

Message to the Congress Transmitting Proposed Legislation on Lifelong Learning

Nomination of Donald Herman Alexander To Be United States Ambassador to The Netherlands

Remarks at the Law Enforcement Officers Memorial Ceremony

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

White House Statement on the Establishment of the Inter-American Institute for Global Change Research

Remarks at a Bush-Quayle Fundraising Luncheon in Pittsburgh, Pennsylvania

Remarks at a Benefit for the United Negro College Fund in Houston, Texas

Remarks at the Southern Methodist University Commencement Ceremony in Dallas, Texas

Remarks at the University of Notre Dame Commencement Ceremony in South Bend, Indiana

Remarks to the National Association of Home Builders

Appointment of John A. Cline as Special Assistant to the President for Intergovernmental Affairs

Nomination of Gregory F. Chapados To Be an Assistant Secretary of Commerce

Remarks at the Departure Ceremony for President Nursultan Nazarbayev of Kazakhstan

Joint Declaration With President Nursultan Nazarbayev of Kazakhstan

Remarks to the National Retail Federation

Message to the Senate Transmitting the North Pacific Fish Conservation Convention

Memorandum Delegating Authority To Report on China

Letter of Condolence to Lawrence Welk, Jr.

Nomination of William Arthur Rugh To Be United States Ambassador to the United Arab

Emirates

The President's News Conference With Prime Minister Brian Mulroney of Canada

Statement on the 90th Anniversary of Cuban Independence

Message to the Congress Reporting on the National Emergency With Respect to Chemical and Biological Weapons Proliferation

Presidential Determination No. 92 - 26 -- Memorandum on Trade With Albania

Message to the Congress on Trade With Albania

Nomination of James E. Gilleran To Be Comptroller of the Currency

Remarks at a Bush-Quayle Fundraising Luncheon in Cleveland, Ohio

Remarks at the Ohio Freedom Day Celebration in Parma, Ohio

Remarks at a Bush-Quayle Fundraising Picnic in Westchester, New York

Letter to Congressional Leaders Transmitting Proposed Legislation on New Mexico Public Lands Wilderness Designation

White House Statement on Haitian Migrants

Radio Address to the Nation on Memorial Day

Presidential Determination No. 92 - 27 -- Memorandum Certifying Ethiopia for United States Assistance

Presidential Determination No. 92 - 28 -- Memorandum on Arms Exports to the Comoros

Remarks at the United States Naval Academy Commencement Ceremony in Annapolis, Maryland

Remarks in a Roundtable Discussion With the Mount Paran Christian School Community in Marietta, Georgia

Remarks and a Question-and-Answer Session With the Mount Paran Christian School Community in Marietta

Statement by Press Secretary Fitzwater on House of Representatives Action on Energy Legislation

Appointment of Eric D.K. Melby as Special Assistant to the President for National Security Affairs

Remarks at a Bush-Quayle Fundraising Dinner in Atlanta, Georgia

Statement on Signing the Child Abuse, Domestic Violence, Adoption and Family Services Act of 1992

Statement on Denying Use of United States Ports to Vessels Trading With Haiti

Statement by Press Secretary Fitzwater on Humanitarian Assistance to Refugees in Yugoslavia and the Caucasus

Nomination of Anthony Cecil Eden Quainton To Be an Assistant Secretary of State

Nomination of Henry Lee Clarke To Be United States Ambassador to Uzbekistan

Nomination of Edward Hurwitz To Be United States Ambassador to Kyrgyzstan

Nomination of Donald Burnham Ensenat To Be United States Ambassador to Brunei

Remarks to the American Legion in Phoenix, Arizona

Remarks at a Fundraising Dinner for Senator John McCain in Phoenix

Remarks at a Disaster Application Center in Los Angeles, California

Exchange With Reporters Prior to a Meeting With State and Local Officials in Los Angeles

Remarks to Town Hall of California in Los Angeles

Remarks and a Question-and-Answer Session With the Sheriff's Youth Athletic League in Los

Angeles

Remarks at the Asian-Pacific American Heritage Dinner in Los Angeles

Nomination of Robert L. Gallucci To Be an Assistant Secretary of State

Nomination of Joseph Monroe Segars To Be United States Ambassador to Cape Verde

Remarks and a Question-and-Answer Session With the Agricultural Community in Fresno, California

Remarks at the Miracles in the Sky Air Show in Fresno

Letter to Congressional Leaders on the National Emergency With Respect to Yugoslavia

Remarks at a Texas Victory '92 Fundraising Dinner in Dallas, Texas

Remarks to Goddard Space Flight Center Employees in Greenbelt, Maryland

Nomination of Alison Podell Rosenberg To Be an Assistant Administrator of the Agency for International Development

Nomination of Walter B. McCormick, Jr., To Be General Counsel of the Department of Transportation

Remarks at the Health Care Equity Action League Briefing

Remarks Prior to a Meeting With Republican Congressional Leaders

Statement on the Conclusion of the Presidential Primary Season

Message to the Congress Transmitting the Report of the Saint Lawrence Seaway Development Corporation

Message to the Senate Transmitting the Czechoslovakia-United States Investment Treaty

Letter to Congressional Leaders Transmitting a Report on International Sanctions Against Iraq

Statement by Press Secretary Fitzwater on Continuation of China's Most-Favored-Nation Trade Status

Appointment of the 1992 - 1993 White House Fellows

Remarks Prior to a Meeting With Leaders of the House of Representatives

Presidential Determination No. 92 - 30 -- Memorandum on Trade With Certain States of Eastern Europe and the Former Soviet Union

Message to the Congress on Trade With Certain States of Eastern Europe and the Former Soviet Union

Presidential Determination No. 92 - 31 -- Memorandum on Trade With Tajikistan and Turkmenistan

Message to the Congress on Trade With Tajikistan and Turkmenistan

Nomination of John Frank Bookout, Jr., To Be United States Ambassador to Saudi Arabia

Presidential Determination No. 92 - 32 -- Memorandum on Trade With Angola

Remarks on Signing the Proclamation Commemorating the 50th Anniversary of World War II

Nomination of Kenneth L. Brown To Be United States Ambassador to Ghana

The President's News Conference

Exchange With Reporters Prior to Discussions With Prime Minister Gro Harlem Brundtland of Norway

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Gro Harlem Brundtland of Norway

White House Statement on the Ratification of the International Covenant on Civil and Political Rights

Message to the Congress on the National Emergency With Respect to Yugoslavia

Appointment of Laura M. Melillo as Special Assistant to the President and Deputy Press Secretary

Statement by Press Secretary Fitzwater on Space-Based Global Change Observation

Radio Address to the Nation on the Balanced Budget Amendment

Remarks on the Arrival of Prime Minister John Major of the United Kingdom at Camp David, Maryland

The President's News Conference With Prime Minister John Major of the United Kingdom at Camp David

Remarks Prior to a Meeting With State Legislators

Nomination of Mary Jo Jacobi To Be an Assistant Secretary of Commerce

Appointment of Jeffrey W. Vogt as Special Assistant to the President for Public Liaison

Remarks Prior to a Meeting With Republican Congressional Leaders

Remarks Prior to a Meeting With Business and Congressional Leaders

Nomination of Frank G. Wisner To Be an Under Secretary of State

Remarks at a Fundraising Dinner for Senator Arlen Specter in Bowmansdale, Pennsylvania

Address to the Nation on the Balanced Budget Amendment

Message to the Congress Transmitting the Annual Report of the Department of Energy

Remarks and an Exchange With Reporters Prior to a Meeting With Congressional Leaders

Remarks on Departure for the United Nations Conference on Environment and Development

Remarks at a Luncheon Hosted by President Guillermo Endara in Panama City, Panama

Remarks to the American Community in Panama City

Statement on the Balanced Budget Amendment

Appointment of Maria Solandros Eitel Sheehan as Special Assistant to the President and Deputy Director of Media Affairs

Address to the United Nations Conference on Environment and Development in Rio de Janeiro, Brazil

Statement on Signing the Framework Convention on Climate Change

Appointment of Shiree Sanchez as Special Assistant to the President for Public Liaison

Nomination of Jose Antonio Villamil To Be an Under Secretary of Commerce

The President's News Conference in Rio de Janeiro

Remarks at the Groundbreaking Ceremony for the Korean War Veterans Memorial

Remarks Prior to Discussions With President Sali Berisha of Albania

Letter to Congressional Leaders on Trade With Albania

Presidential Determination No. 92 - 33 -- Memorandum on Trade With Albania

Memorandum on the Generalized System of Preferences

Letter to Congressional Leaders on Trade With Syria

Memorandum on the Generalized System of Preferences

Statement by Press Secretary Fitzwater on the Supreme Court Decision on the Alvarez-Machain Case

Appointment of Shirley M. Green as Deputy Assistant to the President for Presidential Messages and Correspondence

Nomination of Robert S. Silberman To Be an Assistant Secretary of the Army

Remarks at the Arrival Ceremony for President Boris Yeltsin of Russia

Exchange With Reporters Prior to Discussions With President Boris Yeltsin of Russia

Remarks With President Boris Yeltsin of Russia Announcing Strategic Arms Reductions and an Exchange With Reporters

Message to the Senate Returning Without Approval Legislation Amending the Mississippi Sioux Indian Judgment Fund Act

Message to the Congress Transmitting a Report on Federal Energy Activities

Memorandum on the Combined Federal Campaign

Nomination of Charles B. Salmon, Jr., To Be United States Ambassador to Laos

Nomination of Nicolas Miklos Salgo To Be United States Ambassador to Sweden

Nomination of Irvin Hicks To Be Deputy Representative of the United States to the Security Council of the United Nations

Remarks at the State Dinner for President Boris Yeltsin of Russia

Remarks at the United States-Russia Business Summit

The President's News Conference With President Boris Yeltsin of Russia

Joint Understanding on Reductions in Strategic Offensive Arms

Joint United States-Russian Statement on a Global Protection System

Joint Russian-American Declaration on Defense Conversion

Joint Statement on Chemical Weapons

Nomination of Richard Monroe Miles To Be United States Ambassador to Azerbaijan

Nomination of Ruth A. Davis To Be United States Ambassador to Benin

Appointment of Vernon B. Parker as Special Assistant to the President and Associate Director of Presidential Personnel

Nomination of Jon M. Huntsman, Jr., To Be United States Ambassador to Singapore

Nomination of Joseph S. Hulings III To Be United States Ambassador to Turkmenistan

Remarks at a Dinner Hosted by President Boris Yeltsin of Russia

Remarks at a Ceremony Honoring Presidential Scholars

Question-and-Answer Session With Employees of Evergreen Oil in Newark, California

Statement by Press Secretary Fitzwater on Creation of the Monterey Bay National Marine Sanctuary

Nomination of Richard H. Solomon To Be United States Ambassador to the Philippines

Appointment of Mrs. Potter Stewart as United States Representative on the Executive Board of the United Nations Children's Fund

Remarks and a Question-and-Answer Session With the Industrial League of Orange County in Irvine, California

Statement on Signing the Los Padres Condor Range and River Protection Act

Message to the Senate Transmitting a Protocol to the Strategic Arms Reduction Treaty

Nomination of William Harrison Courtney To Be United States Ambassador to Kazakhstan

Nomination of Patricia Diaz Dennis To Be an Assistant Secretary of State

Appointment of Edward J. Melanson, Jr., for the Personal Rank of Ambassador While Serving as Chief Negotiator for Defense and Space

Nomination of John Stern Wolf To Be United States Ambassador to Malaysia

Remarks to the Howard Jarvis Taxpayers Association in Universal City, California

Remarks at the Texas State Republican Convention in Dallas, Texas

Remarks on Signing Emergency Supplemental Appropriations Legislation

Statement on Signing Emergency Supplemental Appropriations Legislation

Remarks Prior to a Meeting With the House Republican Health Care Task Force

Letter to Congressional Leaders on Trade With Romania

Presidential Determination No. 92 - 34 -- Memorandum on Trade With Romania

Remarks and an Exchange With Reporters on a Possible Railroad Strike

Remarks at the Presentation Ceremony for the National Medal of Science and the National Medal of Technology

Message to the Congress Transmitting the Estonia-United States Fishery Agreement

Message to the House of Representatives Returning Without Approval the National Institutes of Health Revitalization Amendments of 1992

Nomination of Christopher H. Phillips To Be a Member of the Board of Directors of the United States Institute of Peace

Nomination of Nancy M. Dowdy To Be Special Representative for Arms Control Negotiations and Disarmament

Message to the Congress Transmitting Proposed Legislation on Credit Availability and Regulatory Relief

Statement on the Balanced Budget Amendment

Statement on the Supreme Court Decision on the Lee v. Weisman Case

Nomination of David Heywood Swartz To Be United States Ambassador to Byelarus

Nomination of H. Douglas Barclay To Be a Member of the Board of Directors of the Overseas

Private Investment Corporation

Appointment of James L. Pavitt as Special Assistant to the President for National Security Affairs

Appointment of Douglas Alan Brook as Acting Director of the Office of Personnel Management

Nomination of John H. Miller To Be a Member of the Board of Directors of the National Institute of Building Sciences

Remarks at a Roundtable Discussion on Education Reform

Remarks Announcing Proposed Legislation To Establish a ``GI Bill'' for Children

Message to the Congress Transmitting Proposed Legislation To Establish a ``GI Bill'' for Children

Remarks on the Railroad Strike and an Exchange With Reporters

Remarks to the College Republican Convention

Message to the Congress Reporting Budget Deferrals

Nomination of Kathryn D. Sullivan To Be Chief Scientist at the National Oceanic and Atmospheric Administration

Nomination of C.C. Hope, Jr., To Be a Member of the Board of Directors of the Federal Deposit Insurance Corporation

Nomination of Terrence B. Adamson To Be a Member of the Board of Directors of the State Justice Institute

Statement by Press Secretary Fitzwater on the President's Signing of Legislation To Resolve the Railroad Labor Dispute

Remarks at a Ceremony Marking the Return of the Remains of Ignacy Paderewski to Poland

Letter to Congressional Leaders Transmitting Proposed Legislation on Utah Public Lands

Wilderness Designation

Designation of Marshall Jordan Breger as Acting Assistant Secretary of Labor

Nomination of Hugo Pomrehn To Be Under Secretary of Energy

Statement by Press Secretary Fitzwater on the Resignation of H. Lawrence Garrett III as Secretary of the Navy

Statement by Press Secretary Fitzwater Announcing the Visit of Prime Minister Kiichi Miyazawa of Japan

Radio Address to the Nation on a ``GI Bill'' for Children

Remarks at the Dedication Ceremony for the Drug Enforcement Administration's New York Field Division Office in New York City

Remarks at a Fundraising Luncheon for Senator Alfonse M. D'Amato in New York City

Statement on the Supreme Court Decision on Abortion

Question-and-Answer Session With the Michigan Law Enforcement Community in Detroit, Michigan

Remarks at a Victory '92 Fundraising Dinner in Detroit

Designation of John B. Waters as Chairman of the Board of Directors of the Tennessee Valley Authority

Remarks and a Question-and-Answer Session With the Agriculture Communicators Congress

Remarks on the Superconducting Super Collider

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Presidential Determination No. 92 - 35 -- Memorandum on the Extension of the Indonesia-U.S. Nuclear Energy Cooperation Agreement

Statement on Action Against Health Care Fraud

Statement on the Balanced Budget Amendment

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Klaus Kinkel of Germany

Appointment of Mark A. Guzzetta as Federal Representative to the Sabine River Compact Administration

Remarks Following Discussions With Prime Minister Kiichi Miyazawa of Japan

Message on the Observance of Independence Day

Message to the Congress Transmitting the Report of the Federal Labor Relations Authority

Statement on Maryland Welfare Reform

Statement by Press Secretary Fitzwater on Congressional Findings on the President's Involvement in the Alleged Paris Meetings

Nomination of Robert E. Martinez To Be Associate Deputy Secretary of Transportation

Appointment of Carroll E. Multz as Commissioner on the Upper Colorado River Commission

Remarks at a Meeting With the House Republican Conference on Health Care and an Exchange With Reporters

Message to the Congress Transmitting Proposed Legislation on Health Care

Statement on the United States Nuclear Weapons Initiative

The President's News Conference With Foreign Journalists

Letter to Congressional Leaders on Trade With Colombia

Letter to Congressional Leaders on Trade With Bolivia

Letter to Congressional Leaders Transmitting a Report on Adherence to Arms Control Treaty Obligations

Message to the Congress Transmitting a Report on Nuclear Nonproliferation

Message to the Senate Returning Without Approval the National Voter Registration Act of 1992

Nomination of Mack F. Mattingly To Be United States Ambassador to the Seychelles

Nomination of Mary C. Pendleton To Be United States Ambassador to Moldova

Nomination of Stanley Tuemler Escudero To Be United States Ambassador to Tajikistan

Nomination of John J. Easton, Jr., To Be an Assistant Secretary of Energy

Nomination of Kent N. Brown To Be United States Ambassador to the Republic of Georgia

Remarks and an Exchange With Reporters on Departure for Camp David, Maryland

Radio Address to the Nation on Health Care Reform

Statement on Signing the Unemployment Compensation Amendments of 1992

Statement by Press Secretary Fitzwater on the Andean Trade Preference Act

Statement by Press Secretary Fitzwater on the Macedonia Recognition Dispute

Remarks to the Pepsi 400 Drivers and Owners in Daytona Beach, Florida

Remarks at the Richard Petty Tribute in Daytona Beach

Remarks at an Independence Day Celebration in Faith, North Carolina

Remarks Following Discussions With President Lech Walesa of Poland in Warsaw

Remarks to Polish Citizens in Warsaw

Munich Economic Summit: Yugoslavia Communique

Munich Economic Summit Political Declaration: Shaping the New Partnership

Munich Economic Summit Declaration

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Libya

Statement by Press Secretary Fitzwater on the Designation of Sean O'Keefe as Acting Secretary of the Navy

The President's News Conference in Munich, Germany

Remarks to the Conference on Security and Cooperation in Europe in Helsinki, Finland

Statement on the New American Schools Design Competition

Exchange With Reporters Prior to Discussions With Prime Minister Jozsef Antall of Hungary in Helsinki, Finland

Remarks Prior to Discussions With President Vaclav Havel of Czechoslovakia in Helsinki

Statement by Press Secretary Fitzwater on the Treaty on Conventional Armed Forces in Europe

Statement on Signing the ADAMHA Reorganization Act

Statement on the Sentencing of Manuel Noriega

Letter to Congressional Leaders Transmitting a Report on United States Military Forces in Asia and the Pacific

Statement on Nuclear Nonproliferation Efforts

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Yitzhak Rabin of Israel

Nomination of Walter Scott Light To Be United States Ambassador to Ecuador

Nomination of Linton F. Brooks To Be Assistant Director of the United States Arms Control and Disarmament Agency

Nomination of David P. Prosperi To Be a Member of the Board of Directors of the Corporation for Public Broadcasting

Nomination of Shirley W. Ryan To Be a Member of the National Council on Disability

Exchange With Reporters in Sequoia National Forest, California

Remarks on Signing the Giant Sequoia in National Forests Proclamation in Sequoia National Forest

The President's News Conference With President Carlos Salinas of Mexico in San Diego, California

Statement on Meeting With President Carlos Salinas of Mexico

Nomination of John Cameron Monjo To Be United States Ambassador to Pakistan

Nomination of Walter Scott Blackburn To Be a Member of the Board of Directors of the National Institute of Building Sciences

Remarks in Boulder, Wyoming, on Ross Perot's Withdrawal From the Presidential Campaign

The President's News Conference in Pinedale, Wyoming

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

Remarks to the Community in Jackson Hole, Wyoming

Nomination of Harriet Winsar Isom To Be United States Ambassador to Cameroon

Remarks and a Question-and-Answer Session With Outdoor Groups in Salt Lake City, Utah

Remarks at Brigham Young University in Provo, Utah

Remarks and a Question-and-Answer Session With the American Legion Boys Nation

Statement on the Resignation of Vaclav Havel as President of Czechoslovakia

Exchange With Reporters on Iraq

Remarks at the Presidential Open Forum on Educational Choice in Philadelphia, Pennsylvania

Remarks to Religious and Ethnic Groups in Garfield, New Jersey

Statement on New Jersey Welfare Reform

Message to the Congress Transmitting the Luxembourg-United States Social Security Agreement

Message to the Congress Transmitting the Report on Federal Conservation and Use of Petroleum and Natural Gas

Notice on Continuation of Iraqi Emergency

Message to the Congress on Continuation of the National Emergency With Respect to Iraq

Presidential Determination No. 92 - 36 -- Memorandum on Refugee Assistance to Burma

Nomination of Lou E. Dantzler To Be a Member of the National Commission on America's Urban Families

Remarks to the President's Drug Advisory Council

Exchange with Reporters on the Presidential Campaign

Remarks at the Presentation Ceremony for the National Medal of the Arts

Remarks at an Antidrug Rally in Arlington, Virginia

Letter to Congressional Leaders Transmitting Proposed Legislation on Oregon Public Lands Wilderness Designation

Nomination of Alan Greenspan To Be United States Alternate Governor of the International Monetary Fund

Nomination of Genta Hawkins Holmes To Be Director General of the Foreign Service

Statement on Signing the Higher Education Amendments of 1992

Remarks on Signing the Higher Education Amendments of 1992 @36in Annandale, Virginia

Memorandum on the President's Tree Planting Initiative

Statement by Press Secretary Fitzwater on the Escape of Pablo Escobar

Remarks to the National League of Families of American Prisoners and Missing in Southeast Asia in Arlington, Virginia

Remarks at a Community Picnic in Brookville, Ohio

Remarks in a Roundtable Discussion on Families in Columbia, Missouri

Remarks at the Show Me State Games in Columbia

Nominations to the National Institute Board for the National Institute for Literacy

Remarks and an Exchange With Reporters on Arrival From Camp David, Maryland

Remarks to Holland American Wafer Employees in Wyoming, Michigan

Remarks on Arrival in Appleton, Wisconsin

Remarks to Outlook Graphics Employees in Neenah, Wisconsin

Letter to Congressional Leaders Transmitting Proposed Legislation on Wyoming Public Lands Wilderness Designation

Message to the Congress Transmitting the Report of the National Science Foundation

Statement by Press Secretary Fitzwater on the Situation in Somalia

White House Fact Sheet: The State of Wisconsin's Two-Tier Welfare Demonstration Project

White House Fact Sheet: The Wisconsin Youth Apprenticeship Program

Remarks to Hispanic Business Leaders

Message to the Senate Transmitting the Russia-United States Investment Treaty

Statement by Press Secretary Fitzwater on the President's Meeting With President-Elect Sixto Duran-Ballen of Ecuador

Remarks at the Superconducting Super Collider Laboratory in Waxahachie, Texas

Remarks to Odetics, Inc., Associates in Anaheim, California

Message to the Senate Transmitting the Protocol to the Ireland-United States Friendship, Commerce, and Navigation Treaty

Message to the Senate Transmitting the Protocol to the Finland-United States Friendship, Commerce, and Consular Rights Treaty

Statement by Deputy Press Secretary Smith on Deployment of C - 130 Aircraft to Angola

White House Fact Sheet: The Bush Administration's Policies for an American Technological Revolution

Remarks at a Breakfast With Community Service Clubs in Riverside, California

White House Fact Sheet: The President's Welfare Reform Strategy

Appointment of Constance Horner as a Member of the Council of the Administrative Conference of the United States

Remarks at a Fundraising Brunch for Rich Williamson in Rosemont, Illinois

Remarks at the Northwest Republican Family Picnic in Elk Grove Village, Illinois

Remarks to Multitex Employees in Dalton, Georgia

Remarks to Shaw Industries Employees in Dalton

Remarks on Arrival in Jacksonville, Florida

Message to the Congress Reporting on the National Emergency With Respect to Iraq

Statement by Press Secretary Fitzwater on the Decisions of Railway Labor Dispute Arbitrators

Statement on Publication of Rules Allowing Parental Choice in Child Care

Nomination of Edward S. Walker To Be United States Deputy Representative to the United Nations

Nomination of Roland Karl Kuchel To Be United States Ambassador to Haiti

Nomination of Robert E. Wallace To Be an Assistant Secretary of Labor

Remarks to the Knights of Columbus Supreme Council Convention in New York City

Remarks to the Disabled American Veterans National Convention in Reno, Nevada

Remarks to the American Legislative Exchange Council in Colorado Springs, Colorado

Remarks on the Situation in Bosnia and an Exchange With Reporters in Colorado Springs

Statement on Executive Branch Revised Standards of Conduct

Appointment of Charles A. Gillespie, Jr., as Special Assistant to the President for National Security Affairs

The President's News Conference

Remarks at a Ceremony in Arlington, Virginia, Commemorating the 50th Anniversary of the Landing on Guadalcanal

Statement on Signing the Pacific Yew Act

The President's News Conference in Kennebunkport, Maine

Remarks on the Arrival of Prime Minister Yitzhak Rabin of Israel in Kennebunkport

Statement on the Middle East Peace Talks

Nomination of Harry J. Gilmore To Be United States Ambassador to Armenia

The President's News Conference With Prime Minister Yitzhak Rabin of Israel in Kennebunkport

Remarks Congratulating the United States Olympic Team

Message to the Congress Transmitting the Annual Report on Radiation Control for Health and Safety

Presidential Determination No. 92 - 38 -- Memorandum on Arms Exports to Zambia

Remarks Announcing the Completion of Negotiations on the North American Free Trade Agreement

White House Fact Sheet: The North American Free Trade Agreement

Message to the Senate Transmitting the Treaty on Open Skies

Nomination of Lois L. Evans To Be United States Representative to the Economic and Social Council of the United Nations

Nomination of John J. Maresca To Be Special Cyprus Coordinator

Nomination of Brian C. Griffin To Be Chairman of the Administrative Conference of the United States

Remarks on the Resignation of James A. Baker III as Secretary of State

Letter Accepting the Resignation of James A. Baker III as Secretary of State

Letter Accepting the Resignation of Samuel K. Skinner as Chief of Staff to the President

Excerpt of Remarks by Press Secretary Fitzwater Announcing White House Staff Appointments

Statement on the United Nations Security Council Vote on Humanitarian Aid to Bosnia

Statement by Press Secretary Fitzwater on the Military Airlift for Humanitarian Aid to Somalia

Statement by Press Secretary Fitzwater on the Chemical Weapons Convention

Letter to Congressional Leaders Transmitting Proposed Legislation on Welfare Reform

White House Fact Sheet: The President's Welfare Reform Legislation

Statement on the Summer Jobs Program for Disadvantaged Youth

White House Statement on the Forests for the Future Initiative

Statement by Press Secretary Fitzwater on Additional Humanitarian Aid for Somalia

Statement by Press Secretary Fitzwater on America's International Broadcasters

Remarks and an Exchange With Reporters on Iraq

Statement on Signing the Thomas Jefferson Commemoration Commission Act

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Certain Countries

Letter to Congressional Leaders Transmitting Reports on Security Arrangements With Other Nations

Presidential Determination No. 92 - 39 -- Memorandum on Assistance for Angolan Refugees

Presidential Determination No. 92 - 40 -- Memorandum on Export-Import Bank Services for Albania

Presidential Determination No. 92 - 41 -- Memorandum on Resumption of Foreign Air Cargo Service to Lebanon

Appointment of C. Dean McGrath, Jr., as Deputy Assistant to the President and Deputy Staff Secretary

Remarks to the Veterans of Foreign Wars National Convention in Indianapolis, Indiana

Remarks at the Bush-Quayle Welcoming Rally at the Republican National Convention in Houston, Texas

Remarks at an Antidrug Rally in Houston

Remarks at the Republican National Committee Gala Luncheon in Houston

Statement by Press Secretary Fitzwater on Possible Changes in the Cabinet

Nomination of James Michael Reum To Be a Member of the Securities and Exchange Commission

Remarks at a Prayer Breakfast in Houston

Statement by Press Secretary Fitzwater on the Decision of the Railway Labor Dispute Arbitrator

Remarks Accepting the Presidential Nomination at the Republican National Convention in Houston

Remarks to the Republican National Committee in Houston

Remarks at a Bush-Quayle Rally in Gulfport, Mississippi

Remarks at a Bush-Quayle Rally in Branson, Missouri

Remarks to the Community in Woodstock, Georgia

Remarks at the Pride in Alabama Rally in Hoover, Alabama

Remarks at the National Affairs Briefing in Dallas, Texas

Remarks to the Community in Springfield, Illinois

Remarks on Disaster Assistance for Florida Following Hurricane Andrew

Remarks at Lincoln Technical Institute in Union, New Jersey

Excerpts of a Statement by Press Secretary Fitzwater on Disaster Assistance for Florida Following Hurricane Andrew

Remarks to the Chamber of Commerce in Ansonia, Connecticut

White House Fact Sheet: Worker Adjustment Initiative

White House Fact Sheet: Youth Skills Initiative

Appointment of Robert B. Zoellick as Deputy Chief of Staff to the President

Appointment of Margaret DeBardeleben Tutwiler as Assistant to the President for Communications

Appointment of Janet G. Mullins as Assistant to the President for Political Affairs

Appointment of Dennis B. Ross as Assistant to the President for Policy Planning

Nomination of Randall Harvey Erben To Be an Assistant Secretary of Housing and Urban Development

Remarks to the American Legion National Convention in Chicago, Illinois

Remarks at a Bush-Quayle Rally in Canton, Michigan

Statement on Michigan Welfare Reform

Presidential Determination No. 92 - 42 -- Memorandum on Assistance for Refugees of the Former Yugoslavia

Presidential Determination No. 92 - 43 -- Memorandum on Assistance for Refugees in Africa

Presidential Determination No. 92 - 44 -- Memorandum on Arms Exports to the Organization of African Unity

Letter to Congressional Leaders on Trade With Republics of the Former Yugoslavia

Remarks on Hurricane Andrew and the Situation in Iraq and an Exchange With Reporters

Statement on Signing Legislation Extending Terms of Members of the United States Sentencing Commission

Statement on Signing the Marsh-Billings National Historical Park Establishment Act

Statement on Signing Legislation Granting Most-Favored-Nation Trade Status to Albania

Letter to Congressional Leaders Reporting a Budget Deferral

Memorandum on Administrative Dismissal of Employees Affected by Hurricane Andrew

Remarks to Public Safety Equipment Employees in St. Louis, Missouri

Remarks to a Bush-Quayle Rally in Cincinnati, Ohio

Remarks to Findlay Machine and Tool Employees in Findlay, Ohio

Remarks in Toledo, Ohio, on Additional Disaster Assistance for Florida Following Hurricane Andrew

The President's News Conference on the Aftermath of Hurricane Andrew

Nomination of Alvin P. Adams, Jr., To Be United States Ambassador to Peru

Statement by Press Secretary Fitzwater on the London Conference on the Former Yugoslavia

Presidential Determination No. 92 - 45 -- Memorandum on Extension of the Exercise of Certain Authorities Under the Trading With the Enemy Act

Remarks and an Exchange With Reporters on Disaster Relief Efforts

Remarks on Hurricane Andrew Disaster Relief

Statement on the Russia-United States Agreement on the Disposition of Uranium From Nuclear Weapons

Remarks on Hurricane Andrew Recovery Efforts

Remarks and an Exchange With Reporters on Disaster Relief Efforts in Homestead, Florida

Statement by Press Secretary Fitzwater on Naming Alvah Chapman as Florida Disaster Relief Adviser

White House Statement on Additional Disaster Relief for Florida

White House Statement on Additional Disaster Relief for Florida Schools

Nomination of Nancy A. Nord To Be a Commissioner of the Consumer Product Safety Commission

Address to the Nation on Hurricane Andrew Disaster Relief

Teleconference Remarks to the America 2000 Satellite Town Meeting

Remarks to the Community in Humboldt, South Dakota

Remarks to Shallowater Co-op Gin Company Employees in Shallowater, Texas

Remarks to General Dynamics Employees in Fort Worth, Texas

Appointment of Frederick H. Grubbe as Deputy Director of the Office of Consumer Affairs

Statement on Expediting Small Business Administration Loans for Hurricane Andrew Victims

Letter to Congressional Leaders Transmitting Proposed Legislation on Nevada Public Lands Wilderness Designation

Statement by Press Secretary Fitzwater on Capital Gains Tax Regulations

Remarks to the Community in Fredericksburg, Virginia

Statement on Signing the Small Business Credit and Business Opportunity Enhancement Act of 1992

Letter to Congressional Leaders Transmitting Proposed Legislation on Idaho Public Lands Wilderness Designation

Appointment of Daniel Casse as Special Assistant to the President for Cabinet Affairs

Statement by Press Secretary Fitzwater on the August Unemployment Rate

Remarks at Octoberfest in Painesville, Ohio

Remarks on Arrival in Greenville, South Carolina

Exchange With Reporters During a Visit With the Harris Family in Asheville, North Carolina

Remarks at the North Carolina Apple Festival in Hendersonville

Message on the Observance of Labor Day

White House Statement on Additional Disaster Relief for Louisiana

Remarks Prior to a Redbirds Baseball Game in Louisville, Kentucky

Remarks to the Polish-American Community in Chicago, Illinois

Remarks at the Labor Day Mackinac Bridge Walk in Michigan

Remarks at the Republican Party Labor Day Picnic in Waukesha, Wisconsin

Remarks to the Community in Hamtramck, Michigan

Statement on Signing the Job Training Reform Amendments of 1992

Remarks and an Exchange With Reporters on Proposed Disaster Relief Legislation

White House Statement on Proposed Disaster Relief Legislation

Remarks and a Question-and-Answer Session at the B'nai B'rith International Convention

Statement on Virginia Welfare Reform

Message to the Senate Transmitting the Russia-United States Taxation Convention

Message to the Senate Transmitting the United Nations Framework Convention on Climate Change

Remarks Prior to a Meeting With Republican Congressional Leaders

Remarks to the Community in Norristown, Pennsylvania

Remarks and a Question-and-Answer Session With Employees of Uniform Tubes in Collegeville, Pennsylvania

Remarks at a Bush-Quayle Rally in Middletown, New Jersey

Message to the Congress Transmitting the District of Columbia Budget Amendment Request

Message to the Congress Transmitting the Ireland-United States Social Security Agreement

Message to the Congress Transmitting the China-United States Fishery Agreement

Statement on the Death of Julia Rivera de Vincenti

White House Statement on Fire Danger in the Northwest

Remarks and a Question-and-Answer Session With the Economic Club of Detroit in Michigan

Remarks at Missouri Southern State College in Joplin, Missouri

Remarks at the Job Corps Center in Excelsior Springs, Missouri

Remarks to McDonnell Aircraft Employees in St. Louis, Missouri

Remarks to the Christian Coalition Road to Victory Conference in Virginia Beach, Virginia

Message to the Congress on Trade With China

Radio Address to the Nation on the Agenda for American Renewal

Remarks on Disaster Assistance for Hawaii Following Hurricane Iniki

Remarks at a Welcome Rally in Anaheim, California

Remarks to Natural Communities Conservation Planning Organizations in San Diego, California

Remarks to Vaagen Brothers Lumber Employees in Colville, Washington

Remarks to Burrill Lumber Employees in Medford, Oregon

Remarks to the National Guard Association in Salt Lake City, Utah

Remarks to Jeppesen Sanderson Employees in Englewood, Colorado

Remarks to Sandia National Laboratories Employees in Albuquerque, New Mexico

Statement by Press Secretary Fitzwater on Transmittal of Appropriations Requests to the Congress

Remarks and an Exchange With Reporters on Family Leave Legislation

Message to the Congress Transmitting Proposed Family Leave Tax Credit Legislation

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

Message to the Congress Transmitting the Report on Aeronautics and Space

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

Statement on the Death of Millicent Fenwick

White House Statement on Additional Disaster Relief For Hawaii

Statement by Press Secretary Fitzwater on the President's Meeting With Lebanese-American Leaders

Statement by Press Secretary Fitzwater on Russia's Withdrawal of Troops From Cuba

Remarks to the Community in Enid, Oklahoma

Remarks to the Community in Jonesboro, Georgia

White House Fact Sheet: Regulatory Reform to Reduce Costs of Homeownership

Remarks at Olympic Flag Jam '92 in Atlanta, Georgia

Letter to Congressional Leaders on Cable Television Legislation

White House Statement on Additional Disaster Relief for Guam

Nomination of United States Ambassadors to Bosnia-Hercegovina, Croatia, and Slovenia

Remarks to AT&T Employees in Basking Ridge, New Jersey

Letter to Congressional Leaders on the North American Free Trade Agreement

Notice of Intention To Enter Into a North American Free Trade Agreement With Canada and Mexico

Remarks to the G - 7 Finance Ministers and Bank Governors

Address to the United Nations General Assembly in New York City

Message to the Senate Transmitting the Organization of American States-United States Headquarters Agreement

Nomination of Robert Gregory Joseph To Be an Assistant Director of the United States Arms Control and Disarmament Agency

Designation of Charles R. Hilty as Chief Financial Officer of the Department of Agriculture

Nomination of Marshall Fletcher McCallie To Be United States Ambassador to Namibia

Nomination of Mark Johnson To Be United States Ambassador to Senegal

Remarks to the Community in Springfield, Missouri

Remarks on Arrival in Tulsa, Oklahoma

Remarks on Arrival in Longview, Texas

Remarks on Arrival in Shreveport, Louisiana

Remarks on Arrival in Greenville, Mississippi

Remarks to the Community in Memphis, Tennessee

Message to the Senate Returning Without Approval the Family and Medical Leave Act of 1992

Remarks to the Bush-Quayle Independent Business Coalition in Greensboro, North Carolina

Remarks to the Triad Business Community in Greensboro, North Carolina

Remarks at Pennsylvania State University in State College, Pennsylvania

Statement on Signing the Dire Emergency Supplemental Appropriations Act, 1992

Message on the Observance of Rosh Hashanah, 1992

Presidential Determination No. 92 - 47 -- Memorandum on Action in Support of Peacekeeping Operations in Nagorno-Karabakh

Remarks to Motorola Employees in Schaumburg, Illinois

Remarks at the National Technology Initiative Conference in Chicago, Illinois

Remarks to Working Families for Bush-Quayle in Chicago

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Message to the Congress Reporting on the National Emergency With Respect to Export Control Regulations

Notice on Continuation of Emergency Regarding Export Control Regulations

Message to the Congress on Continuation of the National Emergency With Respect to Export Control Regulations

Message to the Senate Returning Without Approval the Family Planning Amendments Act of 1992

Message to the Congress Transmitting Proposed Legislation on Federal Pay Reduction

Appointment of John G. Keller, Jr., as Deputy Assistant to the President for Special Activities

Nomination of Eric J. Boswell To Be Director of the Office of Foreign Missions at the Department of State

Nomination of William Lucas To Be Director of Community Relations Service at the Department of Justice

Remarks on Beginning a Whistlestop Tour in Columbus, Ohio

Remarks to the Community in Marysville, Ohio

Remarks at the Centennial Family Picnic in Arlington, Ohio

Remarks to the Community in Findlay, Ohio

Remarks to the Community in Bowling Green, Ohio

Remarks to the Community in Plymouth, Michigan

Letter Accepting the Resignation of Edward J. Derwinski as Secretary of Veterans Affairs

Statement by Press Secretary Fitzwater on Military Cooperation With Israel

Remarks to the Community in Wixom, Michigan

Remarks to the Community in Milford, Michigan

Remarks to the Community in Holly, Michigan

Remarks on Concluding a Whistlestop Tour in Grand Blanc, Michigan

Statement on Signing the Civil Liberties Act Amendments of 1992

Remarks to the Community in St. Louis, Missouri

Remarks at the East Dallas Renaissance Neighborhood Project in Dallas, Texas

Message to the House of Representatives Returning Without Approval the United States-China Act of 1992

Statement by Press Secretary Fitzwater on the Circuit Court Decision on the Marbled Murrelet

Remarks on Arrival in Blountville, Tennessee

Remarks on Arrival in Knoxville, Tennessee

Remarks on Arrival in Chattanooga, Tennessee

Remarks at Austin Peay State University in Clarksville, Tennessee

Remarks to the Community in Nashville, Tennessee

Message to the Congress Reporting on the State of Small Business

Message to the Congress Transmitting the Report of the National Institute of Building Sciences

Remarks at the National Salute to the President and His Black Appointees

Remarks to the Law Enforcement Community in Oshkosh, Wisconsin

Remarks to the Community in Fond du Lac, Wisconsin

Remarks to the Law Enforcement Community in Newark, New Jersey

Remarks to Construction Workers in Newark

Message to the House of Representatives Returning Without Approval the District of Columbia

Appropriations Bill

Statement on Signing the Tourism Policy and Export Promotion Act of 1992

Message to the Congress Transmitting Proposed Legislation on Violent Crime

Message to the Congress Reporting on the National Emergency With Respect to Haiti

Notice on Continuation of Haitian Emergency

Message to the Congress on Continuation of the National Emergency With Respect to Haiti

Message to the Senate Transmitting the Barbados-United States Taxation Protocol

Letter to Congressional Leaders Transmitting a Report on a Schedule for Resumption of Nuclear Testing Talks

Presidential Determination No. 92 - 48 -- Memorandum on Counternarcotics Assistance for Colombia

Presidential Determination No. 92 - 49 -- Memorandum on Disaster Assistance for Pakistan

Statement by Press Secretary Fitzwater on the National Education Goals Panel Report

Appointment of Andrew M. Carpendale as Deputy Assistant to the President for Policy Planning, Development, and Speechwriting

Excerpt of a White House Fact Sheet on the Child Support Enforcement Initiative -- Project KIDS

Statement on Signing the Older Americans Act Amendments of 1992

Remarks at the Ethanol Waiver Announcement Ceremony

Statement on Senate Ratification of the Strategic Arms Reduction Treaty

Message to the Congress Reporting Budget Deferrals

Statement on Signing the Continuing Appropriations Bill

Statement by Press Secretary Fitzwater on Assistance to Refugees of Nagorno-Karabakh

Remarks on Signing the Energy and Water Development Appropriations Act, 1993

Statement on Signing the Energy and Water Development Appropriations Act, 1993

Statement on National Energy Strategy Legislation

Statement on Humanitarian Assistance to Bosnia

Statement on the Glass Ceiling Commission

Presidential Determination No. 93 - 1 -- Memorandum on Refugee Admissions

Nomination of Sean Charles O'Keefe To Be Secretary of the Navy

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Turkish Leaders on the Missile Accident

Remarks to the Community in Clearwater, Florida

Remarks to the Community in Fort Lauderdale, Florida

Remarks to the Community in Orlando, Florida

Message to the Senate Returning Without Approval the Cable Television Consumer Protection and Competition Act of 1992

Remarks to the Community in Dover, Delaware

Statement on Signing the Civil War Battlefield Commemorative Coin Act of 1992

Statement on Signing the Department of the Interior and Related Agencies Appropriations Act, 1993

Letter to Congressional Leaders Reporting on Panamanian Government Assets Held by the

United States

Presidential Determination No. 93 - 2 -- Memorandum on Assistance to Kenya and Somalia

Statement by Press Secretary Fitzwater on the Veto of the Cable Television Consumer Protection and Competition Act of 1992

Statement by Press Secretary Fitzwater on the End of the Civil War in Mozambique

Nomination of Gerald R. Riso To Be Chief Financial Officer of the Department of Housing and Urban Development

Appointment of Chester Paul Beach, Jr., as Associate Counsel to the President

Nomination of Jeni Brown Norris To Be an Assistant Secretary of Housing and Urban Development

Statement on Signing Legislation Waiving Federal Immunity Relating to Solid and Hazardous Waste

Statement on Signing Legislation Waiving Printing Requirements for Subsequent Appropriations Bills

Statement on Signing the Department of Transportation and Related Agencies Appropriations Act, 1993

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993

Statement on Signing Legislation on Commemorative Olympic Coins, Reform of the United States Mint, and For Other Purposes

Statement on Signing the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993

Statement on Signing the Legislative Branch Appropriations Act, 1993

Statement on Signing the Treasury, Postal Service, and General Government Appropriations

Act, 1993

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1993

Statement on Signing the Department of Defense Appropriations Act, 1993

Statement on Signing the Hawaiian Homes Commission Act Amendments

Nomination of Douglas Alan Brook To Be Director of the Office of Personnel Management

Appointment of Clifford T. Alderman as Special Assistant to the President for Intergovernmental Affairs

Remarks at the Initialing Ceremony for the North American Free Trade Agreement in San Antonio, Texas

Presidential Determination No. 93 - 3 -- Memorandum on Trade With Afghanistan

Statement by Press Secretary Fitzwater on Free Elections in Kuwait

Remarks at the Port of New Orleans, Louisiana

Remarks to the Law Enforcement Community in New Orleans

Remarks at a Victory '92 Dinner in Houston, Texas

Remarks to the National Fraternal Order of Police in Cincinnati, Ohio

Remarks on Arrival in Columbus, Ohio

Statement on Signing the Rocky Mountain Arsenal National Wildlife Refuge Act of 1992

Letter to Congressional Leaders Transmitting the Report of the White House Conference on Indian Education

Statement by Press Secretary Fitzwater on the Death of Willy Brandt

Designation of Arlene Holen As Chairman of the Federal Mine Safety and Health Review Commission

Remarks on Arrival in St. Louis, Missouri

Presidential Debate in St. Louis

Remarks to the Community in St. Louis

Remarks on Signing the Benjamin National Franklin Memorial Commemorative Medal and Fire Service Bill of Rights Act in Springfield, Pennsylvania

Remarks to the Community in Springfield

Remarks to Farm and Business Groups in Grand Rapids, Michigan

Remarks to the Community in Holland, Michigan

Statement on Signing the Instrument of Ratification for the United Nations Framework Convention on Climate Change

Statement by Press Secretary Fitzwater on Namibia's Accession to the Nuclear Non-Proliferation Treaty

Letter to Congressional Leaders on the Partial Suspension of the Davis-Bacon Act

Statement by Press Secretary Fitzwater on Russian Action To Resolve Questions Concerning the Korean Airlines Flight 007 Incident

Statement by Press Secretary Fitzwater on the 1992 Winners of the Malcolm Baldrige National Quality Awards

Statement on Signing the Advisory Council on California Indian Policy Act of 1992

Presidential Debate in Richmond, Virginia

Remarks to the Community in Edison, New Jersey

Statement on Signing the Dayton Aviation Heritage Preservation Act of 1992

White House Fact Sheet: Consumer Choice in Auto Insurance

Statement on Signing the Community Environmental Response Facilitation Act

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Statement by Press Secretary Fitzwater on Implementation of the Clean Air Act

Remarks on Arrival in Lansing, Michigan

Presidential Debate in East Lansing, Michigan

Remarks at a Post-Debate Rally in Lansing, Michigan

Question-and-Answer Session in Atlanta, Georgia

Remarks on Beginning a Whistlestop Tour in Norcross, Georgia

Remarks to the Community in Gainesville, Georgia

Remarks to the Community in Cornelia, Georgia

Remarks to the Community in Spartanburg, South Carolina

Remarks to the Community in Gastonia, North Carolina

Remarks to the Community in Kannapolis, North Carolina

Remarks to the Community in Thomasville, North Carolina

Remarks to the Community in Burlington, North Carolina

Remarks at the State Fair in Raleigh, North Carolina

Memorandum of Disapproval for the Jena Band of Choctaws of Louisiana Restoration Act

Remarks at a Rally in Vineland, New Jersey

Remarks on Arrival in Trenton, New Jersey

Remarks at a Rally in Ridgewood, New Jersey

Question-and-Answer Session in Secaucus, New Jersey

Remarks on Developments in the POW/MIA Situation

Remarks at a Laurel County Rally in London, Kentucky

Statement on Signing the Wild Bird Conservation Act of 1992

Statement on Signing Legislation Establishing Asian/Pacific American Heritage Month

Remarks on Signing the Cuban Democracy Act of 1992 in Miami, Florida

Statement on Signing the National Defense Authorization Act for Fiscal Year 1993

Question-and-Answer Session in Miami

Statement on Signing the Depository Institutions Disaster Relief Act of 1992

Letter to Congressional Leaders Transmitting a Report on Trade With Canada

Remarks to the Community in Montgomery, Alabama

Remarks on Signing the Energy Policy Act of 1992 in Maurice, Louisiana

Statement on Signing the Energy Policy Act of 1992

Remarks and a Question-and-Answer Session in Lafayette, Louisiana

Statement on Signing the Elwha River Ecosystem and Fisheries Restoration Act

Statement on Signing the Intelligence Authorization Act for Fiscal Year 1993

Statement on Signing the Veterans Compensation Cost-of-Living Adjustment Act of 1992

Statement on Signing the FREEDOM Support Act

Remarks to the International Association of Chiefs of Police in Detroit, Michigan

Statement on Signing the Anti Car Theft Act of 1992

Statement on Signing the Child Support Recovery Act of 1992

Remarks to the Community in Sioux Falls, South Dakota

Remarks and a Question-and-Answer Session in Billings, Montana

Notice on Continuation of Iran Emergency

Letter to Congressional Leaders on Continuation of the National Emergency With Respect to Iran

Remarks to the Ace Hardware Convention in Denver, Colorado

Remarks to the Community in Albuquerque, New Mexico

Statement by Press Secretary Fitzwater on Sulfur Dioxide Emissions Regulations

Memorandum of Disapproval for Legislation Requiring an Historical and Cultural Resources Study in Lynn, Massachusetts

Statement on Signing the International Dolphin Conservation Act of 1992

Statement on Signing the Native American Languages Act of 1992

Statement on Signing Legislation Establishing the Brown v. Board of Education National Historic Site

Statement on Signing the President John F. Kennedy Assassination Records Collection Act of 1992

Remarks and a Question-and-Answer Session in Des Moines, Iowa

Remarks to the Community in Paducah, Kentucky

Question-and-Answer Session in Paducah

Remarks at a Miami Valley Rally in Kettering, Ohio

Memorandum of Disapproval for Legislation To Include Revere Beach, Massachusetts, in the National Park System

Statement on Signing the Battered Women's Testimony Act of 1992

Statement on Signing Legislation on Child Custody Litigation

Statement on Signing the Preventive Health Amendments of 1992

Statement on Signing the Telecommunications Authorization Act of 1992

Statement on Signing the Mammography Quality Standards Act of 1992

Statement on Signing Legislation Establishing the Keweenaw National Historical Park

Statement on Signing Delaware River Port Authority Supplemental Compact Legislation

Remarks on Departure from Lima, Ohio

Remarks at a Rally in Toledo, Ohio

Remarks to the Community in Strongsville, Ohio

Remarks to the Community in Columbus, Ohio

Question-and-Answer Session in Columbus

Statement on Signing the Veterans Home Loan Program Amendments of 1992

Statement on Signing the Intermodal Safe Container Transportation Act of 1992

Statement on Signing the Land Remote Sensing Policy Act of 1992

Statement on Signing the Small Business Research and Development Enhancement Act of 1992

Statement by Press Secretary Fitzwater on the Baltic-American Enterprise Fund

Statement on Signing the Futures Trading Practices Act of 1992

Statement on Signing the Housing and Community Development Act of 1992

Statement on Signing the Agricultural Credit Improvement Act of 1992

Statement on Signing the Defense Production Act Amendments of 1992

Statement on Signing the Audio Home Recording Act of 1992

Remarks to the South Wayne County Chamber of Commerce in Southgate, Michigan

Remarks to the Community in Macomb County, Michigan

Statement on Signing the National Oceanic and Atmospheric Administration Authorization Act of 1992

Statement on Signing the Rehabilitation Act Amendments of 1992

Statement on Signing the Indian Health Amendments of 1992

Statement on Signing the Hawaii Tropical Forest Recovery Act

Remarks to the Community in Grand Rapids, Michigan

Question-and-Answer Session in Grand Rapids

Statement on Signing the Veterans Benefits Act of 1992

Statement on Signing the Federal Courts Administration Act of 1992

Remarks to the Kentucky Fried Chicken Convention in Nashville, Tennessee

Remarks on Arrival in St. Louis, Missouri

Remarks at a Rally in St. Louis

Memorandum of Disapproval for the Military Health Care Initiatives Act of 1992

Statement on Signing the Reclamation Projects Authorization and Adjustment Act of 1992

Remarks on Beginning a Whistlestop Tour in Burlington, Wisconsin

Remarks to the Community in Sussex, Wisconsin

Remarks to the Community in Oshkosh, Wisconsin

Remarks to the Community in Stevens Point, Wisconsin

Remarks on Concluding a Whistlestop Tour in Chippewa Falls, Wisconsin

Statement on Signing the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992

Statement by Press Secretary Fitzwater on Emergency Food Shipments to Armenia

White House Statement on Disaster Assistance for Florida, Louisiana, Hawaii, and Guam

Remarks to the Community in Auburn Hills, Michigan

Remarks to the Community in Stratford, Connecticut

Remarks to the Community in Madison, New Jersey

Remarks to the Briarcliff Father and Son Athletic Association in Glenolden, Pennsylvania

Remarks on Arrival in Akron, Ohio

Remarks on Arrival in Louisville, Kentucky

Remarks at a Rally in Baton Rouge, Louisiana

Remarks at a Rally in Houston, Texas

Statement on Signing the High Seas Driftnet Fisheries Enforcement Act

Statement on Signing the Arkansas-Idaho Land Exchange Act of 1992

Remarks in Houston on the Results of the Presidential Election

Remarks at a Welcome Home Ceremony

Memorandum of Disapproval for the Revenue Act of 1992

Statement on Signing the Veterans Health Care Act of 1992

Statement on Signing the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1993

Radio Address to the Nation on the Results of the Presidential Election

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iran

Remarks at a Senate Republican Leadership Dinner Honoring the President

Notice on Continuation of Emergency Regarding Chemical and Biological Weapons Proliferation

Letter to Congressional Leaders on Continuation of the National Emergency Regarding Chemical and Biological Weapons Proliferation

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

Statement by Press Secretary Fitzwater on the President's Meeting With President Chaim Herzog of Israel

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Constantine Mitsotakis of Greece

Statement by Press Secretary Fitzwater on the President's Meeting With President-Elect Bill Clinton

Letter to Congressional Leaders Transmitting a Report on Withdrawal of Russian and Commonwealth of Independent States Armed Forces from the Baltic Countries

Letter to Congressional Leaders on the Exclusion of the United States Marshals From the Performance Management and Recognition System

Remarks Announcing the Agreement on Agricultural Trade With the European Community

Statement on the Death of Roy Acuff

Remarks at the Thanksgiving Turkey Presentation Ceremony

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Boris Yeltsin of Russia

Memorandum on the Commonwealth of Puerto Rico

Remarks at the Presentation Ceremony for the President's Environment and Conservation Challenge Awards

Statement by Press Secretary Fitzwater on the President's Discussions on Somalia

Statement by Press Secretary Fitzwater on the United Nations Vote To Authorize Use of Military Forces in Somalia

Address to the Nation on the Situation in Somalia

Remarks at a Christmas Greeting for the White House Staff

Remarks at a Wreath-Laying Ceremony at the United States Navy Memorial

Recess Appointment of Lawrence S. Eagleburger as Secretary of State

Statement by Press Secretary Fitzwater on Operation Restore Hope

Message on the Observance of Hanukkah

Message on the Observance of Christmas

Letter to Congressional Leaders on the Situation in Somalia

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Colombia

Remarks on Presenting Congressional Gold Medals to General Colin Powell and General H. Norman Schwarzkopf

Remarks on Lighting the National Christmas Tree

Remarks to the President's Drug Advisory Council Leadership Forum

Remarks on Presenting the Presidential Medals of Freedom

Remarks on Presenting the Malcolm Baldrige National Quality Awards

Statement by Press Secretary Fitzwater on Relations With Vietnam

Notice on Continuation of Libyan Emergency

Letter to Congressional Leaders on Continuation of the National Emergency With Respect to Libya

Remarks at Texas A&M University in College Station, Texas

Letter to Congressional Leaders Transmitting the Report of the Presidential Commission on the Assignment of Women in the Armed Forces

Remarks Honoring the World Series Champion Toronto Blue Jays

Statement by Press Secretary Fitzwater on the President's Meeting With King Hussein of Jordan

Recess Appointment of Sean Charles O'Keefe as Secretary of the Navy

Remarks Prior to Discussions With Ambassador Saud Nasir Al-Sabah of Kuwait

Remarks Prior to Discussions With Ambassador Souheil Chammas of the Lebanese Peace Delegation

Remarks Prior to Discussions With Ambassador Mowaffak Aloaf of the Syrian Peace Delegation

Statement by Press Secretary Fitzwater on the Middle East Peace Talks

Remarks on Signing the North American Free Trade Agreement

Remarks Following Discussions With European Community Leaders

Presidential Determination No. 93 - 6 -- Memorandum on Assistance to Refugees of the Former Yugoslavia

Statement by Press Secretary Fitzwater on the Elections in the Republic of Korea

Remarks With Prime Minister John Major of the United Kingdom and an Exchange With Reporters

Joint Statement With Prime Minister John Major of the United Kingdom on the Former Yugoslavia

Statement by Press Secretary Fitzwater on the President's Discussions With Foreign Ministers of Central European States

Remarks on Departure for Camp David, Maryland

Letter to Congressional Leaders Reporting on Sanctions Against the Federal Republic of Yugoslavia (Serbia and Montenegro)

Letter to Congressional Leaders on Trade With Ethiopia

Letter to Congressional Leaders Reporting on Whaling Activities of Norway

Recess Appointment of Brian C. Griffin as Chairman of the Administrative Conference of the

United States

Remarks on the START II Treaty and the Situation in Somalia and an Exchange With Reporters

Statement by Press Secretary Fitzwater on the Iran-Contra Investigation

Letter to Congressional Leaders Transmitting a Report on Tariff Modifications on Canadian Plywood

Letter to Congressional Leaders Transmitting Budget Deferrals

Letter to Congressional Leaders Reporting on Economic Sanctions Against Libya

Memorandum on Delegations of Authority Concerning Former Soviet Republics

Recess Appointment of Stephen T. Hart as an Assistant Secretary of Transportation

Statement by Press Secretary Fitzwater on Recognition of the Czech and Slovak Republics

Appendix A -- Digest of Other White House Announcements

Appendix B -- Nominations Submitted to the Senate

Appendix C -- Checklist of White House Press Releases

Appendix D -- Acts Approved by the President

Appendix E -- Proclamations and Executive Orders

Appendix F -- Points of Light Recognition Program

contents

january 1992

select another month
February | March | April | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

Exchange With Reporters in Sydney, Australia

Remarks at the Australian National Maritime Museum in Sydney

Remarks During a Luncheon Cruise in Sydney Harbor, Australia

- 2 -

Remarks to the Australian Parliament in Canberra

Remarks Announcing Funding for the Australian Center for American Studies in Canberra

The President's News Conference With Prime Minister Paul J. Keating of Australia in Canberra

Remarks at a Dinner Hosted by Prime Minister Keating of Australia in Canberra

- 3 -

Remarks to Business and Community Leaders in Melbourne

- 4 -

The President's News Conference With Prime Minister Goh Chok Tong in Singapore

Remarks and a Question-and-Answer Session With the Singapore Lecture Group

- 6 -

Remarks at a Breakfast With Korean and American Business Groups in Seoul

The President's News Conference With President Roh Tae Woo of South Korea in Seoul

Remarks at the American and Korean Chambers of Commerce Luncheon in Seoul

Remarks to the Korean National Assembly in Seoul

Text of Remarks at Camp Casey in Yongsan, South Korea

Remarks at a State Dinner Hosted by President Roh Tae Woo of South Korea in Seoul

- 7 -

Remarks to Japanese and American Students in Kyoto, Japan

Remarks at the Opening of Toys-R-Us in Kashihara, Japan

- 8 -

Remarks With Prime Minister Kiichi Miyazawa of Japan to the Presidential Business Delegation

in Tokyo

Joint Statement by the President and Prime Minister Kiichi Miyazawa of Japan: A Strategy for World Growth

Text of Remarks at the State Dinner Hosted by Prime Minister Kiichi Miyazawa of Japan in Tokyo

- 9 -

Text of Remarks at the Japanese Welcoming Committee Luncheon in Tokyo

Exchange With Reporters Prior to Discussions With Prime Minister Kiichi Miyazawa of Japan in Tokyo

The President's News Conference With Prime Minister Kiichi Miyazawa of Japan in Tokyo

Remarks at a State Dinner Hosted by Emperor Akihito of Japan in Tokyo

- 10 -

Remarks and an Exchange With Reporters on Arrival From the Trip to Asian/Pacific Nations

Remarks to the President's Drug Advisory Council

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Venezuela and Vanuatu

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Certain Countries

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Libya

- 13 -

Remarks to the American Farm Bureau Federation in Kansas City, Missouri

Statement on the Death of Meade Alcorn

White House Statement on the President's Meeting With President Mario Soares of Portugal

- 14 -

Remarks to the America 2000 Community Leadership Conference

Exchange With Reporters Prior to a Meeting With Earvin (Magic) Johnson

Remarks on the Presentation of a Natural Gas Powered Van and an Exchange With Reporters

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

Statement on the Death of WUSA - TV Sportscaster Glenn Brenner

Appointment of Timothy J. McBride as an Assistant to the President for Management and Administration

Appointment of Nicholas E. Calio as Assistant to the President for Legislative Affairs

Statement by Press Secretary Fitzwater on the Resignation of Richard J. Kerr as Deputy Director of Central Intelligence

- 15 -

Excerpted Remarks With Community Leaders in Portsmouth, New Hampshire

Remarks and a Question-and-Answer Session at a Town Hall Meeting in Exeter, New Hampshire

Remarks to Davidson Interior Trim Employees in Dover, New Hampshire

Remarks to Liberty Mutual Insurance Employees in Dover

Remarks to Cabletron Systems Employees in Rochester, New Hampshire

Remarks and a Question-and-Answer Session at a Rotary Club Dinner in Portsmouth, New Hampshire

Appointment of D. Cameron Findlay as Deputy Assistant to the President and Counselor to the Chief of Staff

- 16 -

Statement on the Anniversary of Operation Desert Storm

- 17 -

Remarks on Signing the Martin Luther King, Jr., Federal Holiday Proclamation in Atlanta, Georgia

Remarks Announcing the Job Training 2000 Initiative in Atlanta

Nomination of William O. Studeman To Be Deputy Director of Central Intelligence

- 21 -

Remarks at a Head Start Center in Catonsville, Maryland

Statement by Press Secretary Fitzwater on the Death of Rose Bowen

Memorandum on Transportation of Humanitarian Assistance to the Former Soviet Union

- 22 -

The President's News Conference

Remarks at the International Conference on Humanitarian Assistance to the Former U.S.S.R.

Remarks to the Citizens Democracy Corps Conference

Teleconference Remarks to the March for Life Rally

Remarks at the Signing Ceremony for the Computer Trade Agreement With Japan

Message to the Senate Transmitting the Spain-United States Legal Assistance Treaty

Letter to Congressional Leaders Transmitting a Report on the U.S.-U.S.S.R. Standing Consultative Commission

Statement by Press Secretary Fitzwater Announcing the Drug Summit in San Antonio, Texas

- 23 -

Remarks to the National Association of Wholesaler-Distributors

Remarks on the Presentation of the Senior Executive Service Awards

Remarks on Environmental Policy

Remarks Honoring the Women's World Cup Soccer Champions

- 24 -

Remarks to the Young Astronaut Council and a Teleconference With the Crew of Space Shuttle

Discovery

Teleconference Remarks to the National Association of Home Builders

Letter to Congressional Leaders Transmitting a Report on International Action to Curtail Exports to Iraq

Statement by Press Secretary Fitzwater on the Appointment of W. Henson Moore as Deputy Chief of Staff to the President

Appointment of Sherrie S. Rollins as Assistant to the President for Public Liaison and Intergovernmental Affairs

Nomination of Fred T. Goldberg, Jr., To Be Assistant Secretary of the Treasury for Tax Policy

Nomination of Shirley D. Peterson To Be Commissioner of Internal Revenue

- 27 -

Remarks at the Annual Convention of the National Religious Broadcasters

Appointment of Les T. Csorba as a Special Assistant to the President and Associate Director of Presidential Personnel for National Security Affairs

Remarks at a Drug Control Strategy Meeting

- 28 -

Presidential Determination No. 92 - 11 -- Memorandum on Export-Import Bank Services for Latvia, Lithuania, and Estonia

Address Before a Joint Session of the Congress on the State of the Union

Memorandum on Regulatory Coordination

Memorandum on Regulatory Coordination

Memorandum on Regulatory Coordination

Memorandum on Reducing the Burden of Government Regulation

- 29 -

Message on the Observance of National African-American (Black) History Month, February 1992

Message to the Congress Transmitting the 1992 National Drug Control Strategy

Appointment of Daniel B. McGroarty as Special Assistant to the President and Deputy Director of Speechwriting

- 30 -

Remarks at the National Prayer Breakfast

Remarks to the Greater Philadelphia Chamber of Commerce

Remarks During Discussions With Prime Minister Kiichi Miyazawa of Japan in New York City

- 31 -

Remarks to the United Nations Security Council in New York City

contents

february 1992

select another month
January | March | April | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

The President's News Conference With President Boris Yeltsin of Russia

- 3 -

Remarks and a Question-and-Answer Session With the National Governors' Association

Exchange With Reporters Prior to Discussions With President Ronald Venetiaan of Suriname

Statement by Press Secretary Fitzwater on the President's Meeting With President Ronald Venetiaan of Suriname

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

Message to the Congress Transmitting the Report of the Federal Labor Relations Authority

- 4 -

Remarks to the National Grocers Association in Orlando, Florida

Message to the Congress Transmitting Proposed Legislation on Access to Justice

Presidential Determination No. 92 - 13 -- Memorandum on Emergency Funding for the Organization of American States Mission to Haiti

Appointment of Antonio Benedi as Special Assistant to the President and Deputy Director of Presidential Appointments and Scheduling

Appointment of Linda Eischeid Tarplin as Special Assistant to the President for Legislative Affairs for the Senate

Appointment of Leigh Ann Metzger as Deputy Assistant to the President for Public Liaison

- 5 -

Remarks to the Small Business Legislative Council

Letter to Congressional Leaders on Beneficiary Trade Status for Estonia, Latvia, and Lithuania

- 6 -

Remarks to the Greater Cleveland Growth Association in Cleveland, Ohio

Remarks to the Staff of the University Medical Center of Southern Nevada in Las Vegas, Nevada

- 7 -

Remarks to the San Diego Rotary Club in San Diego, California

Statement by Press Secretary Fitzwater on the Appointment of Robert L. Gallucci as Senior

Coordinator for the Office of the Deputy Secretary of State

Statement on Signing the Emergency Unemployment Compensation Bill

- 10 -

Remarks on Receiving the Boy Scouts of America Report to the Nation

Remarks to the Conference on Healthy Children Ready To Learn

Memorandum on Payments to the United Nations

Memorandum on Social Security Card Changes

Statement on the Death of Alex Haley

Statement by Press Secretary Fitzwater on the Export Enhancement Program

Nomination of Robert C. Frasure To Be United States Ambassador to Estonia

Nomination of Ints M. Silins To Be United States Ambassador to Latvia

Nomination of Darryl Norman Johnson To Be United States Ambassador to Lithuania

Presidential Determination No. 92 - 14 -- Memorandum on Redesignation of Ethiopia Under the Export-Import Bank Act

- 11 -

Exchange With Reporters Prior to Discussions With Prime Minister Suleyman Demirel of Turkey

Remarks at the Departure Ceremony for Prime Minister Suleyman Demirel of Turkey

Remarks at the Multilateral Investment Fund Agreement Signing Ceremony

Remarks and an Exchange With Reporters at a Meeting With Republican Members of the House Ways and Means Committee

Message to the Congress Reporting on the National Emergency With Respect to Iraq

Letter to Congressional Leaders Transmitting the Report on Iraq's Offensive Military Capability

Appointment of Edward D. Murnane as Deputy Assistant to the President and Director of Presidential Advance

Statement by Press Secretary Fitzwater on the Phaseout of Ozone-Depleting Substances

- 12 -

Remarks Announcing the Bush-Quayle Candidacies for Reelection

Remarks to the State Legislature in Concord, New Hampshire

Remarks to Law Enforcement Officers and Firefighters in Concord

Remarks to U.S. FIRST in Manchester, New Hampshire

Statement by Press Secretary Fitzwater on the National Technology Initiative

Statement on the Resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration

Letter Accepting the Resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration

- 13 -

Memorandum on the Conventional Forces in Europe Treaty Implementation Act

- 14 -

Message to Congress Transmitting a Report on Science and Engineering Indicators

Message to the Senate Transmitting the Antarctic Treaty Protocol on Environmental Protection

The President's News Conference in Belcamp, Maryland

Nomination of George J. Terwilliger III To Be Deputy Attorney General

Nomination of Marc Allen Baas To Be United States Ambassador to Ethiopia

- 15 -

Remarks at the Door-to-Door Kickoff Rally in Nashua, New Hampshire

Remarks at a Community Welcome in New Boston, New Hampshire

Remarks and a Question-and-Answer Session in Goffstown, New Hampshire

Remarks at the Bush-Quayle Campaign Welcome in Derry, New Hampshire

- 16 -

Remarks at a Breakfast in Nashua, New Hampshire

Remarks and a Question-and-Answer Session in Hollis, New Hampshire

- 18 -

Statement by Press Secretary Fitzwater on the President's Meeting With President Mircea

Snegur of Moldova

Statement on the New Hampshire Presidential Primary Victory

Presidential Determination No. 92 - 15 -- Memorandum on Export-Import Bank Services for South Africa

Presidential Determination No. 92 - 16 -- Memorandum on Assistance for Angola

Memorandum Delegating Authority to Report on the Rebuilding of Kuwait

Exchange With Reporters in Knoxville, Tennessee

Remarks at a Cooperative Research and Development Agreement Signing Ceremony in Oak Ridge, Tennessee

Remarks to Community and Business Leaders in Knoxville, Tennessee

Remarks on the Observance of African-American History Month

Message to the Senate Transmitting the Protocol Amending the Australia-U.S. Extradition Treaty

Message to the Congress Reporting Budget Rescissions and Deferrals

Statement by Press Secretary Fitzwater on Establishment of Diplomatic Relations With Azerbaijan, Tajikistan, Turkmenistan, and Uzbekistan

Statement by Press Secretary Fitzwater on the President's Meeting With President Frederick Chiluba of Zambia

Exchange With Reporters Prior to Discussions With Prime Minister Carl Bildt of Sweden

Remarks at the Departure Ceremony for Prime Minister Carl Bildt of Sweden

Statement by Press Secretary Fitzwater on Senate Action on Energy Legislation

- 21 -

Remarks to the American Legislative Exchange Council

Letter Accepting the Resignation of John E. Frohnmayer as Chairman of the National Endowment for the Arts

Nomination of Sigmund A. Rogich To Be United States Ambassador to Iceland

Statement by Press Secretary Fitzwater on the Confirmation of Andrew H. Card, Jr., as Secretary of Transportation

Remarks to the Southern Republican Leadership Conference in Charleston, South Carolina

- 22 -

Radio Address to the Nation on the Economy

- 24 -

Remarks to the United States Chamber of Commerce National Action Rally

Statement on Signing the Omnibus Insular Areas Act of 1992

Nomination of Edward Joseph Perkins To Be United States Representative to the United Nations

Nomination of Thomas R. Pickering To Be United States Ambassador to India

Appointment of Gail R. Wilensky as Deputy Assistant to the President for Policy Development

Appointment of John A. Gaughan as Deputy Assistant to the President and Director of the White House Military Office

Statement by Press Secretary Fitzwater on the President's Meeting with President Alfredo Cristiani of El Salvador

Remarks at the Bush-Quayle Campaign Kickoff in Bethesda, Maryland

- 25 -

Exchange With Reporters Aboard Air Force One

Remarks at a Bush-Quayle Fundraising Luncheon in San Francisco, California

Statement by Press Secretary Fitzwater on General Motors Plant Closings

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Letter to Congressional Leaders Transmitting a Report on International Agreements

Message to the Congress Transmitting the Report on Alaskan Mineral Resources

Remarks at a Bush-Quayle Fundraising Dinner in Los Angeles, California

- 26 -

Exchange With Reporters Prior to Discussions With President Alberto Kenyo Fujimori of Peru in San Antonio, Texas

Exchange With Reporters Prior to Discussions With President Cesar Gaviria of Colombia in San Antonio

Exchange With Reporters Prior to Discussions With President Jaime Paz Zamora of Bolivia in San Antonio

Remarks at the State Dinner for Drug Summit Participants in San Antonio

Nomination of Joseph Gerard Sullivan To Be United States Ambassador to Nicaragua

Presidential Determination No. 92 - 17 -- Memorandum on Counternarcotics Assistance for Mexico

Exchange With Reporters in San Antonio

Text of Remarks at the Opening Session of the Drug Summit in San Antonio

The President's News Conference With the Drug Summit Participants in San Antonio

Exchange With Reporters Following the News Conference in San Antonio

Declaration of San Antonio

Remarks at a Points of Light Recognition Ceremony for the San Antonio Spurs Drug-Free Youth Basketball League in San Antonio

Statement on the Death of Former Senator S.I. Hayakawa

Statement on House of Representatives Action on Tax Legislation

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Leonid Kravchuk of Ukraine

Statement by Press Secretary Fitzwater on the Confirmation of Barbara Franklin as Secretary of Commerce

Nomination of Wayne A. Budd To Be Associate Attorney General

- 28 -

Remarks at the Houston Livestock Show and Rodeo Dinner in Houston, Texas

Exchange With Reporters in Houston

Presidential Determination No. 92 - 18 -- Memorandum on Certification for Major Narcotics Producing and Transit Countries

- 29 -

Remarks to the Associated General Contractors of America in Dallas, Texas

Remarks to the Georgia Republican Party in Atlanta, Georgia

contents

february 1992

select another month
January | March | April | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

The President's News Conference With President Boris Yeltsin of Russia

- 3 -

Remarks and a Question-and-Answer Session With the National Governors' Association

Exchange With Reporters Prior to Discussions With President Ronald Venetiaan of Suriname

Statement by Press Secretary Fitzwater on the President's Meeting With President Ronald Venetiaan of Suriname

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

Message to the Congress Transmitting the Report of the Federal Labor Relations Authority

- 4 -

Remarks to the National Grocers Association in Orlando, Florida

Message to the Congress Transmitting Proposed Legislation on Access to Justice

Presidential Determination No. 92 - 13 -- Memorandum on Emergency Funding for the Organization of American States Mission to Haiti

Appointment of Antonio Benedi as Special Assistant to the President and Deputy Director of Presidential Appointments and Scheduling

Appointment of Linda Eischeid Tarplin as Special Assistant to the President for Legislative Affairs for the Senate

Appointment of Leigh Ann Metzger as Deputy Assistant to the President for Public Liaison

- 5 -

Remarks to the Small Business Legislative Council

Letter to Congressional Leaders on Beneficiary Trade Status for Estonia, Latvia, and Lithuania

- 6 -

Remarks to the Greater Cleveland Growth Association in Cleveland, Ohio

Remarks to the Staff of the University Medical Center of Southern Nevada in Las Vegas, Nevada

- 7 -

Remarks to the San Diego Rotary Club in San Diego, California

Statement by Press Secretary Fitzwater on the Appointment of Robert L. Gallucci as Senior Coordinator for the Office of the Deputy Secretary of State

Statement on Signing the Emergency Unemployment Compensation Bill

- 10 -

Remarks on Receiving the Boy Scouts of America Report to the Nation

Remarks to the Conference on Healthy Children Ready To Learn

Memorandum on Payments to the United Nations

Memorandum on Social Security Card Changes

Statement on the Death of Alex Haley

Statement by Press Secretary Fitzwater on the Export Enhancement Program

Nomination of Robert C. Frasure To Be United States Ambassador to Estonia

Nomination of Ints M. Silins To Be United States Ambassador to Latvia

Nomination of Darryl Norman Johnson To Be United States Ambassador to Lithuania

Presidential Determination No. 92 - 14 -- Memorandum on Redesignation of Ethiopia Under the Export-Import Bank Act

- 11 -

Exchange With Reporters Prior to Discussions With Prime Minister Suleyman Demirel of Turkey

Remarks at the Departure Ceremony for Prime Minister Suleyman Demirel of Turkey

Remarks at the Multilateral Investment Fund Agreement Signing Ceremony

Remarks and an Exchange With Reporters at a Meeting With Republican Members of the House Ways and Means Committee

Message to the Congress Reporting on the National Emergency With Respect to Iraq

Letter to Congressional Leaders Transmitting the Report on Iraq's Offensive Military Capability

Appointment of Edward D. Murnane as Deputy Assistant to the President and Director of Presidential Advance

Statement by Press Secretary Fitzwater on the Phaseout of Ozone-Depleting Substances

- 12 -

Remarks Announcing the Bush-Quayle Candidacies for Reelection

Remarks to the State Legislature in Concord, New Hampshire

Remarks to Law Enforcement Officers and Firefighters in Concord

Remarks to U.S. FIRST in Manchester, New Hampshire

Statement by Press Secretary Fitzwater on the National Technology Initiative

Statement on the Resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration

Letter Accepting the Resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration

- 13 -

Memorandum on the Conventional Forces in Europe Treaty Implementation Act

- 14 -

Message to Congress Transmitting a Report on Science and Engineering Indicators

Message to the Senate Transmitting the Antarctic Treaty Protocol on Environmental Protection

The President's News Conference in Belcamp, Maryland

Nomination of George J. Terwilliger III To Be Deputy Attorney General

Nomination of Marc Allen Baas To Be United States Ambassador to Ethiopia

- 15 -

Remarks at the Door-to-Door Kickoff Rally in Nashua, New Hampshire

Remarks at a Community Welcome in New Boston, New Hampshire

Remarks and a Question-and-Answer Session in Goffstown, New Hampshire

Remarks at the Bush-Quayle Campaign Welcome in Derry, New Hampshire

- 16 -

Remarks at a Breakfast in Nashua, New Hampshire

Remarks and a Question-and-Answer Session in Hollis, New Hampshire

- 18 -

Statement by Press Secretary Fitzwater on the President's Meeting With President Mircea Snegur of Moldova

Statement on the New Hampshire Presidential Primary Victory

Presidential Determination No. 92 - 15 -- Memorandum on Export-Import Bank Services for South Africa

Presidential Determination No. 92 - 16 -- Memorandum on Assistance for Angola

Memorandum Delegating Authority to Report on the Rebuilding of Kuwait

- 19 -

Exchange With Reporters in Knoxville, Tennessee

Remarks at a Cooperative Research and Development Agreement Signing Ceremony in Oak Ridge, Tennessee

Remarks to Community and Business Leaders in Knoxville, Tennessee

Remarks on the Observance of African-American History Month

Message to the Senate Transmitting the Protocol Amending the Australia-U.S. Extradition Treaty

Message to the Congress Reporting Budget Rescissions and Deferrals

Statement by Press Secretary Fitzwater on Establishment of Diplomatic Relations With Azerbaijan, Tajikistan, Turkmenistan, and Uzbekistan

Statement by Press Secretary Fitzwater on the President's Meeting With President Frederick Chiluba of Zambia

- 20 -

Exchange With Reporters Prior to Discussions With Prime Minister Carl Bildt of Sweden

Remarks at the Departure Ceremony for Prime Minister Carl Bildt of Sweden

Statement by Press Secretary Fitzwater on Senate Action on Energy Legislation

- 21 -

Remarks to the American Legislative Exchange Council

Letter Accepting the Resignation of John E. Frohnmayer as Chairman of the National Endowment for the Arts

Nomination of Sigmund A. Rogich To Be United States Ambassador to Iceland

Statement by Press Secretary Fitzwater on the Confirmation of Andrew H. Card, Jr., as Secretary of Transportation

Remarks to the Southern Republican Leadership Conference in Charleston, South Carolina

- 22 -

Radio Address to the Nation on the Economy

- 24 -

Remarks to the United States Chamber of Commerce National Action Rally

Statement on Signing the Omnibus Insular Areas Act of 1992

Nomination of Edward Joseph Perkins To Be United States Representative to the United Nations

Nomination of Thomas R. Pickering To Be United States Ambassador to India

Appointment of Gail R. Wilensky as Deputy Assistant to the President for Policy Development

Appointment of John A. Gaughan as Deputy Assistant to the President and Director of the White House Military Office

Statement by Press Secretary Fitzwater on the President's Meeting with President Alfredo

Cristiani of El Salvador

Remarks at the Bush-Quayle Campaign Kickoff in Bethesda, Maryland

- 25 -

Exchange With Reporters Aboard Air Force One

Remarks at a Bush-Quayle Fundraising Luncheon in San Francisco, California

Statement by Press Secretary Fitzwater on General Motors Plant Closings

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Letter to Congressional Leaders Transmitting a Report on International Agreements

Message to the Congress Transmitting the Report on Alaskan Mineral Resources

Remarks at a Bush-Quayle Fundraising Dinner in Los Angeles, California

- 26 -

Exchange With Reporters Prior to Discussions With President Alberto Kenyo Fujimori of Peru in San Antonio, Texas

Exchange With Reporters Prior to Discussions With President Cesar Gaviria of Colombia in San Antonio

Exchange With Reporters Prior to Discussions With President Jaime Paz Zamora of Bolivia in San Antonio

Remarks at the State Dinner for Drug Summit Participants in San Antonio

Nomination of Joseph Gerard Sullivan To Be United States Ambassador to Nicaragua

Presidential Determination No. 92 - 17 -- Memorandum on Counternarcotics Assistance for Mexico

- 27 -

Exchange With Reporters in San Antonio

Text of Remarks at the Opening Session of the Drug Summit in San Antonio

The President's News Conference With the Drug Summit Participants in San Antonio

Exchange With Reporters Following the News Conference in San Antonio

Declaration of San Antonio

Remarks at a Points of Light Recognition Ceremony for the San Antonio Spurs Drug-Free Youth Basketball League in San Antonio

Statement on the Death of Former Senator S.I. Hayakawa

Statement on House of Representatives Action on Tax Legislation

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Leonid Kravchuk of Ukraine

Statement by Press Secretary Fitzwater on the Confirmation of Barbara Franklin as Secretary of Commerce

Nomination of Wayne A. Budd To Be Associate Attorney General

- 28 -

Remarks at the Houston Livestock Show and Rodeo Dinner in Houston, Texas

Exchange With Reporters in Houston

Presidential Determination No. 92 - 18 -- Memorandum on Certification for Major Narcotics Producing and Transit Countries

- 29 -

Remarks to the Associated General Contractors of America in Dallas, Texas

Remarks to the Georgia Republican Party in Atlanta, Georgia

contents

february 1992

select another month

January | March | April | May
June | July | August | September
October | November | December
Show all months

select another year

1989 | 1990 | 1991 | 1993

The President's News Conference With President Boris Yeltsin of Russia

- 3 -

Remarks and a Question-and-Answer Session With the National Governors' Association

Exchange With Reporters Prior to Discussions With President Ronald Venetiaan of Suriname

Statement by Press Secretary Fitzwater on the President's Meeting With President Ronald Venetiaan of Suriname

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

Message to the Congress Transmitting the Report of the Federal Labor Relations Authority

- 4 -

Remarks to the National Grocers Association in Orlando, Florida

Message to the Congress Transmitting Proposed Legislation on Access to Justice

Presidential Determination No. 92 - 13 -- Memorandum on Emergency Funding for the Organization of American States Mission to Haiti

Appointment of Antonio Benedi as Special Assistant to the President and Deputy Director of Presidential Appointments and Scheduling

Appointment of Linda Eischeid Tarplin as Special Assistant to the President for Legislative Affairs for the Senate

Appointment of Leigh Ann Metzger as Deputy Assistant to the President for Public Liaison

- 5 -

Remarks to the Small Business Legislative Council

Letter to Congressional Leaders on Beneficiary Trade Status for Estonia, Latvia, and Lithuania

- 6 -

Remarks to the Greater Cleveland Growth Association in Cleveland, Ohio

Remarks to the Staff of the University Medical Center of Southern Nevada in Las Vegas, Nevada

- 7 -

Remarks to the San Diego Rotary Club in San Diego, California

Statement by Press Secretary Fitzwater on the Appointment of Robert L. Gallucci as Senior Coordinator for the Office of the Deputy Secretary of State

Statement on Signing the Emergency Unemployment Compensation Bill

- 10 -

Remarks on Receiving the Boy Scouts of America Report to the Nation

Remarks to the Conference on Healthy Children Ready To Learn

Memorandum on Payments to the United Nations

Memorandum on Social Security Card Changes

Statement on the Death of Alex Haley

Statement by Press Secretary Fitzwater on the Export Enhancement Program

Nomination of Robert C. Frasure To Be United States Ambassador to Estonia

Nomination of Ints M. Silins To Be United States Ambassador to Latvia

Nomination of Darryl Norman Johnson To Be United States Ambassador to Lithuania

Presidential Determination No. 92 - 14 -- Memorandum on Redesignation of Ethiopia Under the Export-Import Bank Act

Exchange With Reporters Prior to Discussions With Prime Minister Suleyman Demirel of Turkey

Remarks at the Departure Ceremony for Prime Minister Suleyman Demirel of Turkey

Remarks at the Multilateral Investment Fund Agreement Signing Ceremony

Remarks and an Exchange With Reporters at a Meeting With Republican Members of the House Ways and Means Committee

Message to the Congress Reporting on the National Emergency With Respect to Iraq

Letter to Congressional Leaders Transmitting the Report on Iraq's Offensive Military Capability

Appointment of Edward D. Murnane as Deputy Assistant to the President and Director of Presidential Advance

Statement by Press Secretary Fitzwater on the Phaseout of Ozone-Depleting Substances

Remarks Announcing the Bush-Quayle Candidacies for Reelection

Remarks to the State Legislature in Concord, New Hampshire

Remarks to Law Enforcement Officers and Firefighters in Concord

Remarks to U.S. FIRST in Manchester, New Hampshire

Statement by Press Secretary Fitzwater on the National Technology Initiative

Statement on the Resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration

Letter Accepting the Resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration

- 13 -

Memorandum on the Conventional Forces in Europe Treaty Implementation Act

- 14 -

Message to Congress Transmitting a Report on Science and Engineering Indicators

Message to the Senate Transmitting the Antarctic Treaty Protocol on Environmental Protection

The President's News Conference in Belcamp, Maryland

Nomination of George J. Terwilliger III To Be Deputy Attorney General

Nomination of Marc Allen Baas To Be United States Ambassador to Ethiopia

- 15 -

Remarks at the Door-to-Door Kickoff Rally in Nashua, New Hampshire

Remarks at a Community Welcome in New Boston, New Hampshire

Remarks and a Question-and-Answer Session in Goffstown, New Hampshire

Remarks at the Bush-Quayle Campaign Welcome in Derry, New Hampshire

- 16 -

Remarks at a Breakfast in Nashua, New Hampshire

Remarks and a Question-and-Answer Session in Hollis, New Hampshire

- 18 -

Statement by Press Secretary Fitzwater on the President's Meeting With President Mircea Snegur of Moldova

Statement on the New Hampshire Presidential Primary Victory

Presidential Determination No. 92 - 15 -- Memorandum on Export-Import Bank Services for South Africa

Presidential Determination No. 92 - 16 -- Memorandum on Assistance for Angola

Memorandum Delegating Authority to Report on the Rebuilding of Kuwait

- 19 -

Exchange With Reporters in Knoxville, Tennessee

Remarks at a Cooperative Research and Development Agreement Signing Ceremony in Oak Ridge, Tennessee

Remarks to Community and Business Leaders in Knoxville, Tennessee

Remarks on the Observance of African-American History Month

Message to the Senate Transmitting the Protocol Amending the Australia-U.S. Extradition Treaty

Message to the Congress Reporting Budget Rescissions and Deferrals

Statement by Press Secretary Fitzwater on Establishment of Diplomatic Relations With Azerbaijan, Tajikistan, Turkmenistan, and Uzbekistan

Statement by Press Secretary Fitzwater on the President's Meeting With President Frederick Chiluba of Zambia

- 20 -

Exchange With Reporters Prior to Discussions With Prime Minister Carl Bildt of Sweden

Remarks at the Departure Ceremony for Prime Minister Carl Bildt of Sweden

Statement by Press Secretary Fitzwater on Senate Action on Energy Legislation

- 21 -

Remarks to the American Legislative Exchange Council

Letter Accepting the Resignation of John E. Frohnmayer as Chairman of the National Endowment for the Arts

Nomination of Sigmund A. Rogich To Be United States Ambassador to Iceland

Statement by Press Secretary Fitzwater on the Confirmation of Andrew H. Card, Jr., as Secretary of Transportation

Remarks to the Southern Republican Leadership Conference in Charleston, South Carolina

- 22 -

Radio Address to the Nation on the Economy

- 24 -

Remarks to the United States Chamber of Commerce National Action Rally

Statement on Signing the Omnibus Insular Areas Act of 1992

Nomination of Edward Joseph Perkins To Be United States Representative to the United Nations

Nomination of Thomas R. Pickering To Be United States Ambassador to India

Appointment of Gail R. Wilensky as Deputy Assistant to the President for Policy Development

Appointment of John A. Gaughan as Deputy Assistant to the President and Director of the White House Military Office

Statement by Press Secretary Fitzwater on the President's Meeting with President Alfredo Cristiani of El Salvador

Remarks at the Bush-Quayle Campaign Kickoff in Bethesda, Maryland

- 25 -

Exchange With Reporters Aboard Air Force One

Remarks at a Bush-Quayle Fundraising Luncheon in San Francisco, California

Statement by Press Secretary Fitzwater on General Motors Plant Closings

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Letter to Congressional Leaders Transmitting a Report on International Agreements

Message to the Congress Transmitting the Report on Alaskan Mineral Resources

Remarks at a Bush-Quayle Fundraising Dinner in Los Angeles, California

- 26 -

Exchange With Reporters Prior to Discussions With President Alberto Kenyo Fujimori of Peru in San Antonio, Texas

Exchange With Reporters Prior to Discussions With President Cesar Gaviria of Colombia in San Antonio

Exchange With Reporters Prior to Discussions With President Jaime Paz Zamora of Bolivia in San Antonio

Remarks at the State Dinner for Drug Summit Participants in San Antonio

Nomination of Joseph Gerard Sullivan To Be United States Ambassador to Nicaragua

Presidential Determination No. 92 - 17 -- Memorandum on Counternarcotics Assistance for Mexico

- 27 -

Exchange With Reporters in San Antonio

Text of Remarks at the Opening Session of the Drug Summit in San Antonio

The President's News Conference With the Drug Summit Participants in San Antonio

Exchange With Reporters Following the News Conference in San Antonio

Declaration of San Antonio

Remarks at a Points of Light Recognition Ceremony for the San Antonio Spurs Drug-Free Youth Basketball League in San Antonio

Statement on the Death of Former Senator S.I. Hayakawa

Statement on House of Representatives Action on Tax Legislation

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Leonid Kravchuk of Ukraine

Statement by Press Secretary Fitzwater on the Confirmation of Barbara Franklin as Secretary of Commerce

Nomination of Wayne A. Budd To Be Associate Attorney General

- 28 -

Remarks at the Houston Livestock Show and Rodeo Dinner in Houston, Texas

Exchange With Reporters in Houston

Presidential Determination No. 92 - 18 -- Memorandum on Certification for Major Narcotics Producing and Transit Countries

- 29 -

Remarks to the Associated General Contractors of America in Dallas, Texas

Remarks to the Georgia Republican Party in Atlanta, Georgia

contents

march 1992

select another month
January | February | April | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

Remarks at the Bush-Quayle Campaign Welcome in Savannah, Georgia

- 2 -

Message to the Congress Transmitting the Finland-United States Social Security Agreement

Message to the House of Representatives Returning Without Approval the United States-China Act of 1991

Message to the Congress Transmitting the Annual Report on Hazardous Materials Transportation

Statement on the Death of Albert Bel Fay

- 3 -

Exchange With Reporters

Remarks to the National Association of Evangelicals in Chicago, Illinois

Message to the Congress on the Determination Not To Prohibit Fish Imports From Certain Countries

Message to the Senate Transmitting the Spain-United States Second Supplementary Treaty on Extradition

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Filip Dimitrov of Bulgaria

Statement on the Georgia Presidential Primary Victory

- 4 -

Exchange With Reporters on the Presidential Primaries

Remarks at a Bush-Quayle Fundraising Luncheon in Tampa, Florida

Remarks at the Bush-Quayle South Florida Rally in Hialeah, Florida

Remarks at a Bush-Quayle Fundraising Dinner in Miami, Florida

- 5 -

Remarks to the Home Builders Association of Greater Columbia in Columbia, South Carolina

Remarks on Departure From Columbia, South Carolina

Remarks to Federal Express Employees in Memphis, Tennessee

Statement on Signing the Reclamation States Emergency Drought Relief Act of 1991

Statement by Press Secretary Fitzwater on the Kissimmee Basin Restoration Project

Nomination of I. Lewis Libby, Jr., To Be Deputy Under Secretary of Defense for Policy

- 6 -

Remarks at a Bush-Quayle Rally in Oklahoma City, Oklahoma

Remarks at Louisiana State University in Baton Rouge, Louisiana

Remarks at a Bush-Quayle Rally in Jackson, Mississippi

Message to the Congress Transmitting the Report of the White House Conference on Library and Information Services

Nomination of James B. Huff, Sr., To Be Rural Electrification Administrator

- 7 -

Exchange With Reporters in Pensacola, Florida

- 9 -

Statement on the Death of Menachem Begin of Israel and an Exchange With Reporters

Remarks to the National League of Cities

Letter to Congressional Leaders on Nuclear Cooperation With EURATOM

- 10 -

Remarks at a Meeting With Republican Congressional Leaders and an Exchange With Reporters

Message to the Congress Reporting Budget Rescissions

Nomination of Gregori Lebedev To Be Inspector General of the Department of Defense

Remarks at the United Negro College Fund Dinner

Statement on Presidential Primary Victories

- 11 -

Remarks at the Swearing-In Ceremony for Andrew H. Card, Jr., as Secretary of Transportation

The President's News Conference

Remarks to the American Society of Association Executives

Remarks at the Richard Nixon Library Dinner

- 12 -

Remarks Prior to Discussions With King Hussein of Jordan

Statement by Press Secretary Fitzwater on the President's Meeting With King Hussein of Jordan

Remarks to Recipients of the Presidential Awards for Excellence in Science and Mathematics Teaching

Remarks to the National Conference of State Legislatures

Message on the Observance of St. Patrick's Day

Statement on Signing the Torture Victim Protection Act of 1991

Nomination of Vicki Ann O'Meara To Be an Assistant Attorney General

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Suleyman Demirel of Turkey

- 13 -

Remarks on Arrival in Battle Creek, Michigan

Remarks to Stryker Corporation Employees in Kalamazoo, Michigan

Remarks to the Economic Club of Detroit in Detroit, Michigan

- 16 -

Exchange With Reporters Aboard Air Force One

Remarks to Steeltech Employees in Milwaukee, Wisconsin

Remarks at a Bush-Quayle Fundraising Luncheon in Milwaukee

Remarks to the Polish National Alliance in Chicago, Illinois

Remarks at a Bush-Quayle Fundraising Dinner in Chicago

Letter to Congressional Leaders on Iraq's Compliance With United Nations Security Council Resolutions

Nomination of Betty Jo Nelsen To Be an Assistant Secretary of Agriculture

Presidential Determination No. 92 - 19 -- Memorandum on Emergency Assistance for Cambodian and Burmese Refugees

Message on the Observance of the Iranian New Year

- 17 -

Remarks on Presenting the Presidential Medal of Freedom to Samuel M. Walton in Bentonville, Arkansas

Remarks at a St. Patrick's Day Ceremony and an Exchange With Reporters

Message to the Congress Transmitting the Poland-United States Nuclear Energy Cooperation Agreement

Statement on the Illinois and Michigan Presidential Primary Victories

- 18 -

Statement on Air Pollution Regulatory Relief

Memorandum on the Federal Savings Bond Campaign

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President F.W. de Klerk of South Africa

Appointment of Joshua B. Bolten as Deputy Assistant to the President and Director of the Office of Legislative Affairs

Appointment of Kim Fogal McKernan as Special Assistant to the President for Legislative Affairs

- 19 -

Statement on Signing the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Begum Khaleda Zia of Bangladesh

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Boris Yeltsin of Russia

Appointment of Robert Anthony Snow as Deputy Assistant to the President for Media Affairs

- 20 -

Remarks Congratulating the Undefeated National Collegiate Athletic Association Division I Football Teams

Message to the House of Representatives Returning Without Approval the Tax Fairness and Economic Growth Acceleration Act of 1992

Remarks to Republican Members of Congress and Presidential Appointees

Statement on Signing Legislation Waiving Printing Requirements for the Tax Bill

Statement by Press Secretary Fitzwater on the Russia-United States Commission on Prisoners of War and Missing in Action

Nomination of Bruno Victor Manno To Be an Assistant Secretary of Education

Nomination of David Spears Addington To Be General Counsel of the Department of Defense

Nomination of Duane Acker To Be an Assistant Secretary of Agriculture

Memorandum Delegating Authority Regarding Weapons Destruction in the Former Soviet Union

- 22 -

The President's News Conference With Chancellor Helmut Kohl of Germany

- 23 -

Remarks at the Swearing-In Ceremony for Barbara H. Franklin as Secretary of Commerce

Letter to Congressional Leaders Transmitting the Report on Foreign Intelligence Activities in the United States

Statement on the Strategic Defense Initiative

Statement on the Death of Friedrich August von Hayek

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Boris Yeltsin of Russia

Nomination of Thomas P. Kerester To Be Chief Counsel for Advocacy at the Small Business Administration

- 24 -

Remarks to the National American Wholesale Grocers Association

Message to the Congress on Environmental Goals

Statement by Press Secretary Fitzwater on the Open Skies Treaty

Statement by Press Secretary Fitzwater on Diplomatic Relations With the Republic of Georgia

Statement on the Connecticut Presidential Primary Victory

- 25 -

Remarks and an Exchange With Reporters Prior to a Meeting With Republican Congressional Leaders

Remarks on Signing the Greek Independence Day Proclamation

Statement on House of Representatives Action To Sustain the Tax Bill Veto

- 26 -

Statements by Press Secretary Fitzwater on the President's Physical Examination

Remarks to the Coalition for the Restoration of the Black Family and Society

Nomination of Karl A. Erb To Be an Associate Director of the Office of Science and Technology Policy

- 27 -

Remarks to the Medal-Winning Teams of the National Science Olympiad

Statement by Press Secretary Fitzwater on Trade With the Former Soviet Union

Nomination of Roman Popadiuk To Be United States Ambassador to Ukraine

- 28 -

Radio Address to the Nation on Domestic Reforms

- 30 -

Remarks to State Attorneys General

Exchange With Reporters Prior to Discussions With President George Vassiliou of Cyprus

Statement by Deputy Press Secretary Smith on the President's Meeting With President George

Vassiliou of Cyprus

- 31 -

Remarks at a Meeting With Health Care Representatives

Message to the Congress Reporting on the National Emergency With Respect to Export Controls

Message to the Congress Transmitting Occupational Safety and Health Reports

Nomination of Thomas C. Richards To Be Federal Aviation Administrator

Nomination of Wade F. Horn To Be a Deputy Director of the Office of National Drug Control Policy

Message to the Congress on Trade With Hungary and Czechoslovakia

contents

april 1992

select another month
January | February | March | May
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

The President's News Conference on Aid to the States of the Former Soviet Union

Message to the Senate Transmitting the Nigeria-United States Legal Assistance Treaty

Statement on Signing a Resolution Making Continuing Appropriations for the Fiscal Year 1992

Statement by Press Secretary Fitzwater on Organizational Changes in the Intelligence Community

- 2 -

Remarks at the Departure Ceremony for Prime Minister Felipe Gonzalez of Spain

Statement on Antitrust Enforcement Policy

Message to the Senate Transmitting the 1985 Partial Revision of the Radio Regulations

Message to the Senate Transmitting the 1988 Partial Revision of the Radio Regulations

Nomination of Lauralee M. Peters To Be United States Ambassador to Sierra Leone

Nomination of Joan M. McEntee To Be an Under Secretary of Commerce

Nomination of Marvin H. Kosters To Be Commissioner of Labor Statistics

- 3 -

Remarks to the Federalist Society of Philadelphia in Philadelphia, Pennsylvania

Message to the Congress Transmitting the FREEDOM Support Act Proposed Legislation

Presidential Determination No. 92 - 20 -- Memorandum on Trade With Armenia, Belarus, Kyrgyzstan, and Russia

Message to the Congress on Trade With Armenia, Belarus, Kyrgyzstan, and Russia

Statement by Deputy Press Secretary Smith on the President's Telephone Conversation With President Vaclav Havel of Czechoslovakia

- 4 -

Radio Address to the Nation on Governmental Reform

- 6 -

Statement on the Death of Stan Scott

Statement on the Death of Samuel M. Walton

Statement by Deputy Press Secretary Smith on the Peruvian Government Crisis

Appointment of Cecile B. Kremer as Deputy Assistant to the President and Director of the Office of Public Liaison

Appointment of Bobbie Greene Kilberg as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs

- 7 -

Remarks at the Presentation Ceremony for the National Teacher of the Year Award

Remarks to the American Business Conference

Message to the Congress on the Release of Funds for Peacekeeping Purposes in El Salvador

Message to the Congress Reporting on Economic Sanctions Against Haiti

Message to the Congress Reporting on Panamanian Government Assets Held by the United States

Statement on United States Recognition of the Former Yugoslav Republics

Statement by Deputy Press Secretary Smith on the President's Meeting With President Francesco Cossiga of Italy

Nomination of William Dean Hansen To Be Chief Financial Officer at the Department of Education

Statement on Presidential Primary Victories

- 8 -

Exchange With Reporters While Viewing the Cherry Blossoms at the Tidal Basin

Remarks Congratulating United States Olympic Athletes

Message to the Congress Transmitting the Report of the National Endowment for Democracy

Message to the Congress Reporting a Budget Rescission

Statement on Reforming Federal Regulation of Natural Gas Pipelines

Nomination of Kenton Wesley Keith To Be United States Ambassador to Qatar

Nomination of Donald K. Petterson To Be United States Ambassador to Sudan

Nomination of Hume Alexander Horan To Be United States Ambassador to Cote d'Ivoire

Appointment of Richard F. Phelps as Special Assistant to the Director of the Office of National Drug Control Policy

Nomination of Daniel A. Sumner To Be an Assistant Secretary of Agriculture

Nomination of Christian R. Holmes IV To Be an Assistant Administrator of the Environmental Protection Agency

Remarks to the American Society of Newspaper Editors

Exchange With Reporters Prior to Discussions With President Violeta Chamorro of Nicaragua

Statement by Deputy Press Secretary Smith on the President's Meeting With President Violeta Chamorro of Nicaragua

Statement on Reform of the Drug Approval Process

Letter to Congressional Leaders Transmitting the Report on Soviet Noncompliance With Arms Control Agreements

Message to the Congress Transmitting the Report on Federal Advisory Committees

Message to the Congress Transmitting Proposed Legislation on Accountability in Government

Nomination of Jerome H. Powell To Be an Under Secretary of the Treasury

Nomination of Timothy E. Flanigan To Be an Assistant Attorney General

Nomination of John Cunningham Dugan To Be an Assistant Secretary of the Treasury

- 10 -

Exchange With Reporters Prior to a Meeting on Welfare Reform

Statement on Wisconsin Welfare Reform

The President's News Conference

Nomination of Edward Ernest Kubasiewicz To Be an Assistant Commissioner of Patents and Trademarks

Nomination of Stephen Greene To Be Deputy Administrator of the Drug Enforcement Administration

- 11 -

Radio Address to the Nation on Welfare Reform

- 13 -

Remarks on Signing the Executive Order on Employee Rights Concerning Union Dues

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Jan Olszewski of Poland

- 14 -

Remarks to Giddings & Lewis Employees and Local Chambers of Commerce in Fraser, Michigan

Remarks at a Bush-Quayle Fundraising Dinner in Dearborn, Michigan

- 15 -

Remarks Congratulating the National Collegiate Athletic Association Men's and Women's Basketball Champions

Message on the Observance of Passover

Statement by Press Secretary Fitzwater on the President's Federal Income Tax Return

Nomination of G. Kim Wincup To Be an Assistant Secretary of the Air Force

Nomination of James P. Covey To Be an Assistant Secretary of State

Statement by Press Secretary Fitzwater on Restrictions on Air Traffic To or From Libya

- 16 -

Letter to Congressional Leaders Reporting on Restrictions on Air Traffic To or From Libya

Remarks to the Lehigh Valley 2000 Community in Allentown, Pennsylvania

Nomination of Roger A. McGuire To Be United States Ambassador to Guinea-Bissau

- 18 -

Radio Address to the Nation on Job Training 2000

Statement on Actions to Support Democracy in Cuba

- 20 -

Remarks at the Opening Ceremony of the AmeriFlora '92 Exposition in Columbus, Ohio

Nomination of Dennis P. Barrett To Be United States Ambassador to Madagascar

Nomination of William Lacy Swing To Be United States Ambassador to Nigeria

Nomination of Linda Gillespie Stuntz To Be Deputy Secretary of Energy

- 21 -

Remarks Prior to a Meeting With Business Leaders

Remarks to the Young Presidents' Organization

- 22 -

Statement on Earth Day

Remarks at the Departure Ceremony for European Community Leaders Anibal Cavaco Silva and Jacques Delors

Remarks Congratulating the 1992 Super Bowl Champion Washington Redskins

Appointment of Walter H. Kansteiner III as Special Assistant to the President and Deputy Press Secretary for Foreign Affairs

Nomination of James D. Jameson To Be an Assistant Secretary of Commerce

- 23 -

Remarks to the United States Academic Decathlon Winners

Remarks at the Signing Ceremony for the Paper Market Access Agreement With Japan

Remarks at the Unveiling Ceremony for the White House Commemorative Stamp

Remarks to the Forum of the Americas

Nomination of Richard Goodwin Capen, Jr., To Be United States Ambassador to Spain

Nomination of Clarence H. Albright, Jr., To Be General Counsel of the Department of Housing and Urban Development

- 24 -

Remarks at the Presentation Ceremony for the National Crime Victims' Rights Awards

Remarks Prior to a Briefing on Banking and Finance Regulatory Reform

Teleconference Remarks to the National Association of Hispanic Journalists

- 25 -

Radio Address to the Nation on Trade Reform

- 27 -

Remarks on Legislative Goals and an Exchange With Reporters

Remarks at the Florida International University Commencement Ceremony in Miami Beach,

Florida

Statement by Press Secretary Fitzwater on Syria's Lifting of Restrictions on Syrian Jews

Statement by Press Secretary Fitzwater on the Beer Market Access Agreement With Canada

Nomination of William Clark, Jr., To Be an Assistant Secretary of State

Remarks at a Bush-Quayle Fundraising Dinner in Charlotte, North Carolina

Remarks at Bush-Quayle Campaign Headquarters

Statement on Signing the Act Approving the Location of the George Mason Memorial

Message to the Congress Transmitting Proposed Legislation on Job Training 2000

Message to the Congress Transmitting the Report of the Federal Council on the Aging

Message to the Congress Transmitting the Report of the National Endowment for the Humanities

Letter to Congressional Leaders Transmitting a Report on Nuclear Weapons Matters

Statement by Press Secretary Fitzwater on the President's Meeting With First Deputy Prime Minister Yegor Gaydar of Russia

Statement by Press Secretary Fitzwater on the President's Meeting With President Turgut Ozal of Turkey

Remarks at the Annual Republican Congressional Fundraising Dinner

Remarks at the Arrival Ceremony for President Richard von Weizsacker of Germany

Remarks on Regulatory Reform

Memorandum on Implementing Regulatory Reforms

Memorandum on Benefits and Costs of Legislative Proposals

Letter to Congressional Leaders Transmitting the Report of the On-Site Inspection Agency

Remarks at the State Dinner for President Richard von Weizsacker of Germany

- 30 -

Statement on the Verdict in the Los Angeles Police Trial

Remarks on Civil Disturbances in Los Angeles, California

Message to the Congress Transmitting the District of Columbia Budget and Supplemental Appropriations Request

Statement by Press Secretary Fitzwater on the President's Meeting With President Richard von Weizsacker of Germany

Nomination of Robert L. Barry To Be United States Ambassador to Indonesia

Remarks to the Ohio Association of Broadcasters in Columbus, Ohio

Remarks at a Bush-Quayle Fundraising Dinner in Columbus

contents

m a y 1 9 9 2

select another month
January | February | March | April
June | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

Remarks at the Great American Workout

Remarks at the Points of Light Awards Ceremony

Nomination of Adrian A. Basora To Be United States Ambassador to Czechoslovakia

Statement by Press Secretary Fitzwater on Relaxation of Restrictions on Exports to Hungary

Appointment of Clayton S. Fong To Be Deputy Assistant to the President for Public Liaison

Address to the Nation on the Civil Disturbances in Los Angeles, California

- 4 -

Exchange With Reporters Prior to a Meeting With Cabinet Members

Remarks at the Unveiling Ceremony for the Portrait of House Republican Leader Robert Michel

Nomination of Arthur J. Rothkopf To Be Deputy Secretary of Transportation

Nomination of Michael James Toohey To Be an Assistant Secretary of Transportation

Appointment of John C. Harper as Chairman of the Advisory Council on Historic Preservation

- 5 -

Remarks at a Cinco de Mayo Celebration

Nomination of Reginald Bartholomew To Be United States Permanent Representative on the Council of the North Atlantic Treaty Organization

Nomination of Peter Barry Teeley To Be United States Ambassador to Canada

- 6 -

The President's News Conference With President Leonid Kravchuk of Ukraine

Joint Declaration With President Leonid Kravchuk of Ukraine

Teleconference Remarks to the American Newspaper Publishers Association

Exchange With Reporters Prior to Discussions With President Rafael Callejas of Honduras

Statement by Deputy Press Secretary Smith on the President's Meeting With President Rafael Callejas of Honduras

Message to the Congress Transmitting the Report of the Corporation for Public Broadcasting

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Presidential Determination No. 92 - 25 -- Memorandum on Trade With Certain Former Soviet Republics

Message to the Congress on Trade With Certain Former Soviet Republics

Nomination of Robert E. Gribbin III To Be United States Ambassador to the Central African Republic

Nomination of Peter Jon deVos To Be United States Ambassador to Tanzania

Remarks on Arrival in Los Angeles, California

- 7 -

Remarks at Mount Zion Missionary Baptist Church in Los Angeles

Remarks in a Roundtable Discussion With Leaders of the African-American Community in Los Angeles

Remarks in a Roundtable Discussion With Leaders of the Korean Community in Los Angeles

Nomination of William T. Pryce To Be United States Ambassador to Honduras

Nomination of Teresita Currie Schaffer To Be United States Ambassador to Sri Lanka and Maldives

Nomination of David C. Fields To Be United States Ambassador to the Marshall Islands

Nomination of William Henry Gerald FitzGerald To Be United States Ambassador to Ireland

Nomination of Princeton Nathan Lyman To Be United States Ambassador to South Africa

- 8 -

Remarks to Firefighters and Law Enforcement Personnel in Los Angeles

Remarks to Military and Law Enforcement Personnel in Los Angeles

Remarks to Community Leaders in Los Angeles

Nomination of Alexander Fletcher Watson To Be United States Ambassador to Brazil

Nomination of William Graham Walker To Be United States Ambassador to Argentina

- 9 -

Radio Address to the Nation on the President's Visit to Los Angeles, California

Message to the Senate Returning Without Approval the Congressional Campaign Spending Limit and Election Reform Act of 1992

- 11 -

Remarks on Maternal and Infant Health Care

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Roland Dumas of France

Remarks in a Roundtable Discussion With the Weed and Seed Revitalization Committee and Community Leaders in Philadelphia, Pennsylvania

Remarks at a Bush-Quayle Fundraising Dinner in Philadelphia

- 12 -

Statement on Urban Aid Initiatives

Remarks on Urban Aid Initiatives and an Exchange With Reporters

Remarks and an Exchange With Reporters Prior to Discussions With United Nations Secretary-General Boutros Boutros-Ghali

Statement on Attending the United Nations Conference on Environment and Development in

Rio de Janeiro, Brazil

Statement by Press Secretary Fitzwater on the President's Meeting with United Nations Secretary-General Boutros Boutros-Ghali

Remarks at a Ceremony Honoring Small Business Administration Award Winners

Message to the Senate Transmitting 1987 Partial Revision of the Radio Regulations

Statement by Press Secretary Fitzwater on Proposed Extension of the Emergency Unemployment Compensation Program

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Patrick Manning of Trinidad and Tobago

Nomination of Marilyn McAfee To Be United States Ambassador to Guatemala

Nomination of Robert F. Goodwin To Be United States Ambassador to New Zealand and Western Samoa

Nomination of David J. Dunford To Be United States Ambassador to Oman

Remarks at the Arrival Ceremony for President Patricio Aylwin of Chile

Remarks to the Health Care and Business Community in Baltimore, Maryland

Message to the Congress Transmitting Proposed Legislation on Youth Apprenticeship

Nomination of Joseph Charles Wilson IV To Be United States Ambassador to Gabon and Sao Tome and Principe

Nomination of John F. Daffron, Jr., To Be a Member of the Board of Directors of the State Justice Institute

Statement by Press Secretary Fitzwater on the President's Meeting With President Patricio

Aylwin of Chile

Remarks at the State Dinner for President Patricio Aylwin of Chile

- 14 -

Remarks to the Take Pride in America Volunteers

Message to the Congress Reporting on the National Emergency With Respect to Iran

Message to the Congress Transmitting Proposed Legislation on Lifelong Learning

Nomination of Donald Herman Alexander To Be United States Ambassador to The Netherlands

- 15 -

Remarks at the Law Enforcement Officers Memorial Ceremony

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

White House Statement on the Establishment of the Inter-American Institute for Global Change Research

Remarks at a Bush-Quayle Fundraising Luncheon in Pittsburgh, Pennsylvania

Remarks at a Benefit for the United Negro College Fund in Houston, Texas

- 16 -

Remarks at the Southern Methodist University Commencement Ceremony in Dallas, Texas

- 17 -

Remarks at the University of Notre Dame Commencement Ceremony in South Bend, Indiana

- 18 -

Remarks to the National Association of Home Builders

Appointment of John A. Cline as Special Assistant to the President for Intergovernmental Affairs

Nomination of Gregory F. Chapados To Be an Assistant Secretary of Commerce

- 19 -

Remarks at the Departure Ceremony for President Nursultan Nazarbayev of Kazakhstan

Joint Declaration With President Nursultan Nazarbayev of Kazakhstan

Remarks to the National Retail Federation

Message to the Senate Transmitting the North Pacific Fish Conservation Convention

Memorandum Delegating Authority To Report on China

Letter of Condolence to Lawrence Welk, Jr.

Nomination of William Arthur Rugh To Be United States Ambassador to the United Arab Emirates

- 20 -

The President's News Conference With Prime Minister Brian Mulroney of Canada

Statement on the 90th Anniversary of Cuban Independence

Message to the Congress Reporting on the National Emergency With Respect to Chemical and Biological Weapons Proliferation

Presidential Determination No. 92 - 26 -- Memorandum on Trade With Albania

Message to the Congress on Trade With Albania

- 21 -

Nomination of James E. Gilleran To Be Comptroller of the Currency

Remarks at a Bush-Quayle Fundraising Luncheon in Cleveland, Ohio

Remarks at the Ohio Freedom Day Celebration in Parma, Ohio

Remarks at a Bush-Quayle Fundraising Picnic in Westchester, New York

- 22 -

Letter to Congressional Leaders Transmitting Proposed Legislation on New Mexico Public Lands Wilderness Designation

- 24 -

White House Statement on Haitian Migrants

- 25 -

Radio Address to the Nation on Memorial Day

- 26 -

Presidential Determination No. 92 - 27 -- Memorandum Certifying Ethiopia for United States Assistance

Presidential Determination No. 92 - 28 -- Memorandum on Arms Exports to the Comoros

- 27 -

Remarks at the United States Naval Academy Commencement Ceremony in Annapolis, Maryland

Remarks in a Roundtable Discussion With the Mount Paran Christian School Community in Marietta, Georgia

Remarks and a Question-and-Answer Session With the Mount Paran Christian School Community in Marietta

Statement by Press Secretary Fitzwater on House of Representatives Action on Energy Legislation

Appointment of Eric D.K. Melby as Special Assistant to the President for National Security Affairs

Remarks at a Bush-Quayle Fundraising Dinner in Atlanta, Georgia

- 28 -

Statement on Signing the Child Abuse, Domestic Violence, Adoption and Family Services Act of 1992

Statement on Denying Use of United States Ports to Vessels Trading With Haiti

Statement by Press Secretary Fitzwater on Humanitarian Assistance to Refugees in Yugoslavia and the Caucasus

Nomination of Anthony Cecil Eden Quainton To Be an Assistant Secretary of State

Nomination of Henry Lee Clarke To Be United States Ambassador to Uzbekistan

Nomination of Edward Hurwitz To Be United States Ambassador to Kyrgyzstan

Nomination of Donald Burnham Ensenat To Be United States Ambassador to Brunei

Remarks to the American Legion in Phoenix, Arizona

Remarks at a Fundraising Dinner for Senator John McCain in Phoenix

Remarks at a Disaster Application Center in Los Angeles, California

Exchange With Reporters Prior to a Meeting With State and Local Officials in Los Angeles

Remarks to Town Hall of California in Los Angeles

Remarks and a Question-and-Answer Session With the Sheriff's Youth Athletic League in Los Angeles

Remarks at the Asian-Pacific American Heritage Dinner in Los Angeles

Nomination of Robert L. Gallucci To Be an Assistant Secretary of State

Nomination of Joseph Monroe Segars To Be United States Ambassador to Cape Verde

Remarks and a Question-and-Answer Session With the Agricultural Community in Fresno, California

Remarks at the Miracles in the Sky Air Show in Fresno

Letter to Congressional Leaders on the National Emergency With Respect to Yugoslavia

Remarks at a Texas Victory '92 Fundraising Dinner in Dallas, Texas

contents

june 1992

select another month
January | February | March | April
May | July | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

Remarks to Goddard Space Flight Center Employees in Greenbelt, Maryland

Nomination of Alison Podell Rosenberg To Be an Assistant Administrator of the Agency for International Development

Nomination of Walter B. McCormick, Jr., To Be General Counsel of the Department of Transportation

- 2 -

Remarks at the Health Care Equity Action League Briefing

Remarks Prior to a Meeting With Republican Congressional Leaders

Statement on the Conclusion of the Presidential Primary Season

Message to the Congress Transmitting the Report of the Saint Lawrence Seaway Development Corporation

Message to the Senate Transmitting the Czechoslovakia-United States Investment Treaty

Letter to Congressional Leaders Transmitting a Report on International Sanctions Against Iraq

Statement by Press Secretary Fitzwater on Continuation of China's Most-Favored-Nation Trade Status

Appointment of the 1992 - 1993 White House Fellows

- 3 -

Remarks Prior to a Meeting With Leaders of the House of Representatives

Presidential Determination No. 92 - 30 -- Memorandum on Trade With Certain States of Eastern Europe and the Former Soviet Union

Message to the Congress on Trade With Certain States of Eastern Europe and the Former Soviet Union

Presidential Determination No. 92 - 31 -- Memorandum on Trade With Tajikistan and Turkmenistan

Message to the Congress on Trade With Tajikistan and Turkmenistan

Nomination of John Frank Bookout, Jr., To Be United States Ambassador to Saudi Arabia

Presidential Determination No. 92 - 32 -- Memorandum on Trade With Angola

- 4 -

Remarks on Signing the Proclamation Commemorating the 50th Anniversary of World War II

Nomination of Kenneth L. Brown To Be United States Ambassador to Ghana

The President's News Conference

- 5 -

Exchange With Reporters Prior to Discussions With Prime Minister Gro Harlem Brundtland of Norway

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Gro Harlem Brundtland of Norway

White House Statement on the Ratification of the International Covenant on Civil and Political Rights

Message to the Congress on the National Emergency With Respect to Yugoslavia

Appointment of Laura M. Melillo as Special Assistant to the President and Deputy Press Secretary

Statement by Press Secretary Fitzwater on Space-Based Global Change Observation

- 6 -

Radio Address to the Nation on the Balanced Budget Amendment

Remarks on the Arrival of Prime Minister John Major of the United Kingdom at Camp David, Maryland

- 7 -

The President's News Conference With Prime Minister John Major of the United Kingdom at Camp David

- 8 -

Remarks Prior to a Meeting With State Legislators

Nomination of Mary Jo Jacobi To Be an Assistant Secretary of Commerce

Appointment of Jeffrey W. Vogt as Special Assistant to the President for Public Liaison

- 9 -

Remarks Prior to a Meeting With Republican Congressional Leaders

Remarks Prior to a Meeting With Business and Congressional Leaders

Nomination of Frank G. Wisner To Be an Under Secretary of State

Remarks at a Fundraising Dinner for Senator Arlen Specter in Bowmansdale, Pennsylvania

- 10 -

Address to the Nation on the Balanced Budget Amendment

Message to the Congress Transmitting the Annual Report of the Department of Energy

- 11 -

Remarks and an Exchange With Reporters Prior to a Meeting With Congressional Leaders

Remarks on Departure for the United Nations Conference on Environment and Development

Remarks at a Luncheon Hosted by President Guillermo Endara in Panama City, Panama

Remarks to the American Community in Panama City

Statement on the Balanced Budget Amendment

Appointment of Maria Solandros Eitel Sheehan as Special Assistant to the President and Deputy Director of Media Affairs

- 12 -

Address to the United Nations Conference on Environment and Development in Rio de Janeiro, Brazil

Statement on Signing the Framework Convention on Climate Change

Appointment of Shiree Sanchez as Special Assistant to the President for Public Liaison

Nomination of Jose Antonio Villamil To Be an Under Secretary of Commerce

- 13 -

The President's News Conference in Rio de Janeiro

- 14 -

Remarks at the Groundbreaking Ceremony for the Korean War Veterans Memorial

- 15 -

Remarks Prior to Discussions With President Sali Berisha of Albania

Letter to Congressional Leaders on Trade With Albania

Presidential Determination No. 92 - 33 -- Memorandum on Trade With Albania

Memorandum on the Generalized System of Preferences

Letter to Congressional Leaders on Trade With Syria

Memorandum on the Generalized System of Preferences

Statement by Press Secretary Fitzwater on the Supreme Court Decision on the Alvarez-Machain Case

Appointment of Shirley M. Green as Deputy Assistant to the President for Presidential Messages and Correspondence

Nomination of Robert S. Silberman To Be an Assistant Secretary of the Army

Remarks at the Arrival Ceremony for President Boris Yeltsin of Russia

Exchange With Reporters Prior to Discussions With President Boris Yeltsin of Russia

Remarks With President Boris Yeltsin of Russia Announcing Strategic Arms Reductions and an Exchange With Reporters

Message to the Senate Returning Without Approval Legislation Amending the Mississippi Sioux Indian Judgment Fund Act

Message to the Congress Transmitting a Report on Federal Energy Activities

Memorandum on the Combined Federal Campaign

Nomination of Charles B. Salmon, Jr., To Be United States Ambassador to Laos

Nomination of Nicolas Miklos Salgo To Be United States Ambassador to Sweden

Nomination of Irvin Hicks To Be Deputy Representative of the United States to the Security Council of the United Nations

Remarks at the State Dinner for President Boris Yeltsin of Russia

- 17 -

Remarks at the United States-Russia Business Summit

The President's News Conference With President Boris Yeltsin of Russia

Joint Understanding on Reductions in Strategic Offensive Arms

Joint United States-Russian Statement on a Global Protection System

Joint Russian-American Declaration on Defense Conversion

Joint Statement on Chemical Weapons

Nomination of Richard Monroe Miles To Be United States Ambassador to Azerbaijan

Nomination of Ruth A. Davis To Be United States Ambassador to Benin

Appointment of Vernon B. Parker as Special Assistant to the President and Associate Director of Presidential Personnel

Nomination of Jon M. Huntsman, Jr., To Be United States Ambassador to Singapore

Nomination of Joseph S. Hulings III To Be United States Ambassador to Turkmenistan

Remarks at a Dinner Hosted by President Boris Yeltsin of Russia

- 18 -

Remarks at a Ceremony Honoring Presidential Scholars

Question-and-Answer Session With Employees of Evergreen Oil in Newark, California

Statement by Press Secretary Fitzwater on Creation of the Monterey Bay National Marine Sanctuary

Nomination of Richard H. Solomon To Be United States Ambassador to the Philippines

Appointment of Mrs. Potter Stewart as United States Representative on the Executive Board of the United Nations Children's Fund

- 19 -

Remarks and a Question-and-Answer Session With the Industrial League of Orange County in Irvine, California

Statement on Signing the Los Padres Condor Range and River Protection Act

Message to the Senate Transmitting a Protocol to the Strategic Arms Reduction Treaty

Nomination of William Harrison Courtney To Be United States Ambassador to Kazakhstan

Nomination of Patricia Diaz Dennis To Be an Assistant Secretary of State

Appointment of Edward J. Melanson, Jr., for the Personal Rank of Ambassador While Serving as Chief Negotiator for Defense and Space

Nomination of John Stern Wolf To Be United States Ambassador to Malaysia

- 20 -

Remarks to the Howard Jarvis Taxpayers Association in Universal City, California

Remarks at the Texas State Republican Convention in Dallas, Texas

- 22 -

Remarks on Signing Emergency Supplemental Appropriations Legislation

Statement on Signing Emergency Supplemental Appropriations Legislation

Remarks Prior to a Meeting With the House Republican Health Care Task Force

Letter to Congressional Leaders on Trade With Romania

Presidential Determination No. 92 - 34 -- Memorandum on Trade With Romania

- 23 -

Remarks and an Exchange With Reporters on a Possible Railroad Strike

Remarks at the Presentation Ceremony for the National Medal of Science and the National Medal of Technology

Message to the Congress Transmitting the Estonia-United States Fishery Agreement

Message to the House of Representatives Returning Without Approval the National Institutes of Health Revitalization Amendments of 1992

Nomination of Christopher H. Phillips To Be a Member of the Board of Directors of the United States Institute of Peace

Nomination of Nancy M. Dowdy To Be Special Representative for Arms Control Negotiations and Disarmament

- 24 -

Message to the Congress Transmitting Proposed Legislation on Credit Availability and Regulatory Relief

Statement on the Balanced Budget Amendment

Statement on the Supreme Court Decision on the Lee v. Weisman Case

Nomination of David Heywood Swartz To Be United States Ambassador to Byelarus

Nomination of H. Douglas Barclay To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

Appointment of James L. Pavitt as Special Assistant to the President for National Security Affairs

Appointment of Douglas Alan Brook as Acting Director of the Office of Personnel Management

Nomination of John H. Miller To Be a Member of the Board of Directors of the National Institute of Building Sciences

Remarks at a Roundtable Discussion on Education Reform

Remarks Announcing Proposed Legislation To Establish a ``GI Bill'' for Children

Message to the Congress Transmitting Proposed Legislation To Establish a ``GI Bill'' for Children

Remarks on the Railroad Strike and an Exchange With Reporters

Remarks to the College Republican Convention

Message to the Congress Reporting Budget Deferrals

Nomination of Kathryn D. Sullivan To Be Chief Scientist at the National Oceanic and Atmospheric Administration

Nomination of C.C. Hope, Jr., To Be a Member of the Board of Directors of the Federal Deposit Insurance Corporation

Nomination of Terrence B. Adamson To Be a Member of the Board of Directors of the State Justice Institute

- 26 -

Statement by Press Secretary Fitzwater on the President's Signing of Legislation To Resolve the Railroad Labor Dispute

Remarks at a Ceremony Marking the Return of the Remains of Ignacy Paderewski to Poland

Letter to Congressional Leaders Transmitting Proposed Legislation on Utah Public Lands Wilderness Designation

Designation of Marshall Jordan Breger as Acting Assistant Secretary of Labor

Nomination of Hugo Pomrehn To Be Under Secretary of Energy

Statement by Press Secretary Fitzwater on the Resignation of H. Lawrence Garrett III as Secretary of the Navy

Statement by Press Secretary Fitzwater Announcing the Visit of Prime Minister Kiichi Miyazawa of Japan

- 27 -

Radio Address to the Nation on a ``GI Bill'' for Children

- 29 -

Remarks at the Dedication Ceremony for the Drug Enforcement Administration's New York Field Division Office in New York City

Remarks at a Fundraising Luncheon for Senator Alfonse M. D'Amato in New York City

Statement on the Supreme Court Decision on Abortion

Question-and-Answer Session With the Michigan Law Enforcement Community in Detroit, Michigan

Remarks at a Victory '92 Fundraising Dinner in Detroit

Designation of John B. Waters as Chairman of the Board of Directors of the Tennessee Valley Authority

Remarks and a Question-and-Answer Session With the Agriculture Communicators Congress

Remarks on the Superconducting Super Collider

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Presidential Determination No. 92 - 35 -- Memorandum on the Extension of the Indonesia-U.S. Nuclear Energy Cooperation Agreement

Statement on Action Against Health Care Fraud

Statement on the Balanced Budget Amendment

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Klaus Kinkel of Germany

Appointment of Mark A. Guzzetta as Federal Representative to the Sabine River Compact Administration

▲top

contents

july 1992

select another month
January | February | March | April
May | June | August | September
October | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

Remarks Following Discussions With Prime Minister Kiichi Miyazawa of Japan

Message on the Observance of Independence Day

Message to the Congress Transmitting the Report of the Federal Labor Relations Authority

Statement on Maryland Welfare Reform

Statement by Press Secretary Fitzwater on Congressional Findings on the President's Involvement in the Alleged Paris Meetings

Nomination of Robert E. Martinez To Be Associate Deputy Secretary of Transportation

Appointment of Carroll E. Multz as Commissioner on the Upper Colorado River Commission

- 2 -

Remarks at a Meeting With the House Republican Conference on Health Care and an Exchange With Reporters

Message to the Congress Transmitting Proposed Legislation on Health Care

Statement on the United States Nuclear Weapons Initiative

The President's News Conference With Foreign Journalists

Letter to Congressional Leaders on Trade With Colombia

Letter to Congressional Leaders on Trade With Bolivia

Letter to Congressional Leaders Transmitting a Report on Adherence to Arms Control Treaty Obligations

Message to the Congress Transmitting a Report on Nuclear Nonproliferation

Message to the Senate Returning Without Approval the National Voter Registration Act of 1992

Nomination of Mack F. Mattingly To Be United States Ambassador to the Seychelles

Nomination of Mary C. Pendleton To Be United States Ambassador to Moldova

Nomination of Stanley Tuemler Escudero To Be United States Ambassador to Tajikistan

Nomination of John J. Easton, Jr., To Be an Assistant Secretary of Energy

Nomination of Kent N. Brown To Be United States Ambassador to the Republic of Georgia

Remarks and an Exchange With Reporters on Departure for Camp David, Maryland

Radio Address to the Nation on Health Care Reform

Statement on Signing the Unemployment Compensation Amendments of 1992

Statement by Press Secretary Fitzwater on the Andean Trade Preference Act

Statement by Press Secretary Fitzwater on the Macedonia Recognition Dispute

- 4 -

Remarks to the Pepsi 400 Drivers and Owners in Daytona Beach, Florida

Remarks at the Richard Petty Tribute in Daytona Beach

Remarks at an Independence Day Celebration in Faith, North Carolina

- 5 -

Remarks Following Discussions With President Lech Walesa of Poland in Warsaw

Remarks to Polish Citizens in Warsaw

- 7 -

Munich Economic Summit: Yugoslavia Communique

Munich Economic Summit Political Declaration: Shaping the New Partnership

Munich Economic Summit Declaration

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Libya

Statement by Press Secretary Fitzwater on the Designation of Sean O'Keefe as Acting Secretary of the Navy

- 8 -

The President's News Conference in Munich, Germany

- 9 -

Remarks to the Conference on Security and Cooperation in Europe in Helsinki, Finland

Statement on the New American Schools Design Competition

- 10 -

Exchange With Reporters Prior to Discussions With Prime Minister Jozsef Antall of Hungary in Helsinki, Finland

Remarks Prior to Discussions With President Vaclav Havel of Czechoslovakia in Helsinki

Statement by Press Secretary Fitzwater on the Treaty on Conventional Armed Forces in Europe

Statement on Signing the ADAMHA Reorganization Act

Statement on the Sentencing of Manuel Noriega

- 13 -

Letter to Congressional Leaders Transmitting a Report on United States Military Forces in Asia and the Pacific

Statement on Nuclear Nonproliferation Efforts

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Yitzhak Rabin of Israel

Nomination of Walter Scott Light To Be United States Ambassador to Ecuador

Nomination of Linton F. Brooks To Be Assistant Director of the United States Arms Control and Disarmament Agency

Nomination of David P. Prosperi To Be a Member of the Board of Directors of the Corporation for Public Broadcasting

Nomination of Shirley W. Ryan To Be a Member of the National Council on Disability

- 14 -

Exchange With Reporters in Sequoia National Forest, California

Remarks on Signing the Giant Sequoia in National Forests Proclamation in Sequoia National Forest

The President's News Conference With President Carlos Salinas of Mexico in San Diego, California

Statement on Meeting With President Carlos Salinas of Mexico

Nomination of John Cameron Monjo To Be United States Ambassador to Pakistan

Nomination of Walter Scott Blackburn To Be a Member of the Board of Directors of the National Institute of Building Sciences

- 16 -

Remarks in Boulder, Wyoming, on Ross Perot's Withdrawal From the Presidential Campaign

The President's News Conference in Pinedale, Wyoming

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

- 17 -

Remarks to the Community in Jackson Hole, Wyoming

Nomination of Harriet Winsar Isom To Be United States Ambassador to Cameroon

- 18 -

Remarks and a Question-and-Answer Session With Outdoor Groups in Salt Lake City, Utah

Remarks at Brigham Young University in Provo, Utah

- 20 -

Remarks and a Question-and-Answer Session With the American Legion Boys Nation

Statement on the Resignation of Vaclav Havel as President of Czechoslovakia

- 21 -

Exchange With Reporters on Iraq

Remarks at the Presidential Open Forum on Educational Choice in Philadelphia, Pennsylvania

Remarks to Religious and Ethnic Groups in Garfield, New Jersey

Statement on New Jersey Welfare Reform

Message to the Congress Transmitting the Luxembourg-United States Social Security Agreement

Message to the Congress Transmitting the Report on Federal Conservation and Use of Petroleum

and Natural Gas

Notice on Continuation of Iraqi Emergency

Message to the Congress on Continuation of the National Emergency With Respect to Iraq

Presidential Determination No. 92 - 36 -- Memorandum on Refugee Assistance to Burma

Nomination of Lou E. Dantzler To Be a Member of the National Commission on America's Urban Families

- 22 -

Remarks to the President's Drug Advisory Council

Exchange with Reporters on the Presidential Campaign

Remarks at the Presentation Ceremony for the National Medal of the Arts

Remarks at an Antidrug Rally in Arlington, Virginia

Letter to Congressional Leaders Transmitting Proposed Legislation on Oregon Public Lands Wilderness Designation

Nomination of Alan Greenspan To Be United States Alternate Governor of the International Monetary Fund

Nomination of Genta Hawkins Holmes To Be Director General of the Foreign Service

- 23 -

Statement on Signing the Higher Education Amendments of 1992

Remarks on Signing the Higher Education Amendments of 1992 @36in Annandale, Virginia

Memorandum on the President's Tree Planting Initiative

Statement by Press Secretary Fitzwater on the Escape of Pablo Escobar

- 24 -

Remarks to the National League of Families of American Prisoners and Missing in Southeast Asia in Arlington, Virginia

Remarks at a Community Picnic in Brookville, Ohio

Remarks in a Roundtable Discussion on Families in Columbia, Missouri

Remarks at the Show Me State Games in Columbia

Nominations to the National Institute Board for the National Institute for Literacy

- 26 -

Remarks and an Exchange With Reporters on Arrival From Camp David, Maryland

- 27 -

Remarks to Holland American Wafer Employees in Wyoming, Michigan

Remarks on Arrival in Appleton, Wisconsin

Remarks to Outlook Graphics Employees in Neenah, Wisconsin

Letter to Congressional Leaders Transmitting Proposed Legislation on Wyoming Public Lands Wilderness Designation

Message to the Congress Transmitting the Report of the National Science Foundation

Statement by Press Secretary Fitzwater on the Situation in Somalia

White House Fact Sheet: The State of Wisconsin's Two-Tier Welfare Demonstration Project

White House Fact Sheet: The Wisconsin Youth Apprenticeship Program

- 28 -

Remarks to Hispanic Business Leaders

Message to the Senate Transmitting the Russia-United States Investment Treaty

Statement by Press Secretary Fitzwater on the President's Meeting With President-Elect Sixto Duran-Ballen of Ecuador

- 30 -

Remarks at the Superconducting Super Collider Laboratory in Waxahachie, Texas

Remarks to Odetics, Inc., Associates in Anaheim, California

Message to the Senate Transmitting the Protocol to the Ireland-United States Friendship, Commerce, and Navigation Treaty

Message to the Senate Transmitting the Protocol to the Finland-United States Friendship, Commerce, and Consular Rights Treaty

Statement by Deputy Press Secretary Smith on Deployment of C - 130 Aircraft to Angola

White House Fact Sheet: The Bush Administration's Policies for an American Technological Revolution

Remarks at a Breakfast With Community Service Clubs in Riverside, California

White House Fact Sheet: The President's Welfare Reform Strategy

Appointment of Constance Horner as a Member of the Council of the Administrative Conference of the United States

contents

a u g u s t 1 9 9 2

select another month
January | February | March | April
May | June | July | September
October | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 2 -

Remarks at a Fundraising Brunch for Rich Williamson in Rosemont, Illinois

Remarks at the Northwest Republican Family Picnic in Elk Grove Village, Illinois

- 3 -

Remarks to Multitex Employees in Dalton, Georgia

Remarks to Shaw Industries Employees in Dalton

Remarks on Arrival in Jacksonville, Florida

Message to the Congress Reporting on the National Emergency With Respect to Iraq

Statement by Press Secretary Fitzwater on the Decisions of Railway Labor Dispute Arbitrators

- 4 -

Statement on Publication of Rules Allowing Parental Choice in Child Care

Nomination of Edward S. Walker To Be United States Deputy Representative to the United Nations

Nomination of Roland Karl Kuchel To Be United States Ambassador to Haiti

Nomination of Robert E. Wallace To Be an Assistant Secretary of Labor

- 5 -

Remarks to the Knights of Columbus Supreme Council Convention in New York City

Remarks to the Disabled American Veterans National Convention in Reno, Nevada

- 6 -

Remarks to the American Legislative Exchange Council in Colorado Springs, Colorado

Remarks on the Situation in Bosnia and an Exchange With Reporters in Colorado Springs

Statement on Executive Branch Revised Standards of Conduct

Appointment of Charles A. Gillespie, Jr., as Special Assistant to the President for National Security Affairs

- 7 -

The President's News Conference

Remarks at a Ceremony in Arlington, Virginia, Commemorating the 50th Anniversary of the Landing on Guadalcanal

Statement on Signing the Pacific Yew Act

- 8 -

The President's News Conference in Kennebunkport, Maine

- 10 -

Remarks on the Arrival of Prime Minister Yitzhak Rabin of Israel in Kennebunkport

Statement on the Middle East Peace Talks

Nomination of Harry J. Gilmore To Be United States Ambassador to Armenia

- 11 -

The President's News Conference With Prime Minister Yitzhak Rabin of Israel in Kennebunkport

Remarks Congratulating the United States Olympic Team

Message to the Congress Transmitting the Annual Report on Radiation Control for Health and Safety

Presidential Determination No. 92 - 38 -- Memorandum on Arms Exports to Zambia

- 12 -

Remarks Announcing the Completion of Negotiations on the North American Free Trade Agreement

White House Fact Sheet: The North American Free Trade Agreement

Message to the Senate Transmitting the Treaty on Open Skies

Nomination of Lois L. Evans To Be United States Representative to the Economic and Social Council of the United Nations

Nomination of John J. Maresca To Be Special Cyprus Coordinator

Nomination of Brian C. Griffin To Be Chairman of the Administrative Conference of the United States

- 13 -

Remarks on the Resignation of James A. Baker III as Secretary of State

Letter Accepting the Resignation of James A. Baker III as Secretary of State

Letter Accepting the Resignation of Samuel K. Skinner as Chief of Staff to the President

Excerpt of Remarks by Press Secretary Fitzwater Announcing White House Staff Appointments

Statement on the United Nations Security Council Vote on Humanitarian Aid to Bosnia

Statement by Press Secretary Fitzwater on the Military Airlift for Humanitarian Aid to Somalia

Statement by Press Secretary Fitzwater on the Chemical Weapons Convention

Letter to Congressional Leaders Transmitting Proposed Legislation on Welfare Reform

- 14 -

White House Fact Sheet: The President's Welfare Reform Legislation

Statement on the Summer Jobs Program for Disadvantaged Youth

White House Statement on the Forests for the Future Initiative

Statement by Press Secretary Fitzwater on Additional Humanitarian Aid for Somalia

- 15 -

Statement by Press Secretary Fitzwater on America's International Broadcasters

- 16 -

Remarks and an Exchange With Reporters on Iraq

- 17 -

Statement on Signing the Thomas Jefferson Commemoration Commission Act

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Certain Countries

Letter to Congressional Leaders Transmitting Reports on Security Arrangements With Other Nations

Presidential Determination No. 92 - 39 -- Memorandum on Assistance for Angolan Refugees

Presidential Determination No. 92 - 40 -- Memorandum on Export-Import Bank Services for Albania

Presidential Determination No. 92 - 41 -- Memorandum on Resumption of Foreign Air Cargo Service to Lebanon

Appointment of C. Dean McGrath, Jr., as Deputy Assistant to the President and Deputy Staff Secretary

Remarks to the Veterans of Foreign Wars National Convention in Indianapolis, Indiana

Remarks at the Bush-Quayle Welcoming Rally at the Republican National Convention in Houston, Texas

- 18 -

Remarks at an Antidrug Rally in Houston

- 19 -

Remarks at the Republican National Committee Gala Luncheon in Houston

Statement by Press Secretary Fitzwater on Possible Changes in the Cabinet

Nomination of James Michael Reum To Be a Member of the Securities and Exchange Commission

- 20 -

Remarks at a Prayer Breakfast in Houston

Statement by Press Secretary Fitzwater on the Decision of the Railway Labor Dispute Arbitrator

Remarks Accepting the Presidential Nomination at the Republican National Convention in Houston

- 21 -

Remarks to the Republican National Committee in Houston

Remarks at a Bush-Quayle Rally in Gulfport, Mississippi

Remarks at a Bush-Quayle Rally in Branson, Missouri

- 22 -

Remarks to the Community in Woodstock, Georgia

Remarks at the Pride in Alabama Rally in Hoover, Alabama

Remarks at the National Affairs Briefing in Dallas, Texas

- 23 -

Remarks to the Community in Springfield, Illinois

- 24 -

Remarks on Disaster Assistance for Florida Following Hurricane Andrew

Remarks at Lincoln Technical Institute in Union, New Jersey

Excerpts of a Statement by Press Secretary Fitzwater on Disaster Assistance for Florida Following Hurricane Andrew

Remarks to the Chamber of Commerce in Ansonia, Connecticut

White House Fact Sheet: Worker Adjustment Initiative

White House Fact Sheet: Youth Skills Initiative

Appointment of Robert B. Zoellick as Deputy Chief of Staff to the President

Appointment of Margaret DeBardeleben Tutwiler as Assistant to the President for Communications

Appointment of Janet G. Mullins as Assistant to the President for Political Affairs

Appointment of Dennis B. Ross as Assistant to the President for Policy Planning

Nomination of Randall Harvey Erben To Be an Assistant Secretary of Housing and Urban Development

- 25 -

Remarks to the American Legion National Convention in Chicago, Illinois

Remarks at a Bush-Quayle Rally in Canton, Michigan

Statement on Michigan Welfare Reform

Presidential Determination No. 92 - 42 -- Memorandum on Assistance for Refugees of the Former Yugoslavia

Presidential Determination No. 92 - 43 -- Memorandum on Assistance for Refugees in Africa

Presidential Determination No. 92 - 44 -- Memorandum on Arms Exports to the Organization of African Unity

Letter to Congressional Leaders on Trade With Republics of the Former Yugoslavia

- 26 -

Remarks on Hurricane Andrew and the Situation in Iraq and an Exchange With Reporters

Statement on Signing Legislation Extending Terms of Members of the United States Sentencing Commission

Statement on Signing the Marsh-Billings National Historical Park Establishment Act

Statement on Signing Legislation Granting Most-Favored-Nation Trade Status to Albania

Letter to Congressional Leaders Reporting a Budget Deferral

Memorandum on Administrative Dismissal of Employees Affected by Hurricane Andrew

- 27 -

Remarks to Public Safety Equipment Employees in St. Louis, Missouri

Remarks to a Bush-Quayle Rally in Cincinnati, Ohio

Remarks to Findlay Machine and Tool Employees in Findlay, Ohio

Remarks in Toledo, Ohio, on Additional Disaster Assistance for Florida Following Hurricane Andrew

- 28 -

The President's News Conference on the Aftermath of Hurricane Andrew

Nomination of Alvin P. Adams, Jr., To Be United States Ambassador to Peru

Statement by Press Secretary Fitzwater on the London Conference on the Former Yugoslavia

Presidential Determination No. 92 - 45 -- Memorandum on Extension of the Exercise of Certain Authorities Under the Trading With the Enemy Act

- 29 -

Remarks and an Exchange With Reporters on Disaster Relief Efforts

- 30 -

Remarks on Hurricane Andrew Disaster Relief

- 31 -

Statement on the Russia-United States Agreement on the Disposition of Uranium From Nuclear Weapons

Remarks on Hurricane Andrew Recovery Efforts

contents

september 1992

select another month
January | February | March | April
May | June | July | August
October | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

Remarks and an Exchange With Reporters on Disaster Relief Efforts in Homestead, Florida

Statement by Press Secretary Fitzwater on Naming Alvah Chapman as Florida Disaster Relief Adviser

White House Statement on Additional Disaster Relief for Florida

White House Statement on Additional Disaster Relief for Florida Schools

Nomination of Nancy A. Nord To Be a Commissioner of the Consumer Product Safety Commission

Address to the Nation on Hurricane Andrew Disaster Relief

Teleconference Remarks to the America 2000 Satellite Town Meeting

- 2 -

Remarks to the Community in Humboldt, South Dakota

Remarks to Shallowater Co-op Gin Company Employees in Shallowater, Texas

Remarks to General Dynamics Employees in Fort Worth, Texas

Appointment of Frederick H. Grubbe as Deputy Director of the Office of Consumer Affairs

- 3 -

Statement on Expediting Small Business Administration Loans for Hurricane Andrew Victims

Letter to Congressional Leaders Transmitting Proposed Legislation on Nevada Public Lands Wilderness Designation

Statement by Press Secretary Fitzwater on Capital Gains Tax Regulations

- 4 -

Remarks to the Community in Fredericksburg, Virginia

Statement on Signing the Small Business Credit and Business Opportunity Enhancement Act of 1992

Letter to Congressional Leaders Transmitting Proposed Legislation on Idaho Public Lands Wilderness Designation

Appointment of Daniel Casse as Special Assistant to the President for Cabinet Affairs

Statement by Press Secretary Fitzwater on the August Unemployment Rate

- 5 -

Remarks at Octoberfest in Painesville, Ohio

Remarks on Arrival in Greenville, South Carolina

Exchange With Reporters During a Visit With the Harris Family in Asheville, North Carolina

Remarks at the North Carolina Apple Festival in Hendersonville

Message on the Observance of Labor Day

White House Statement on Additional Disaster Relief for Louisiana

- 6 -

Remarks Prior to a Redbirds Baseball Game in Louisville, Kentucky

Remarks to the Polish-American Community in Chicago, Illinois

- 7 -

Remarks at the Labor Day Mackinac Bridge Walk in Michigan

Remarks at the Republican Party Labor Day Picnic in Waukesha, Wisconsin

Remarks to the Community in Hamtramck, Michigan

Statement on Signing the Job Training Reform Amendments of 1992

- 8 -

Remarks and an Exchange With Reporters on Proposed Disaster Relief Legislation

White House Statement on Proposed Disaster Relief Legislation

Remarks and a Question-and-Answer Session at the B'nai B'rith International Convention

Statement on Virginia Welfare Reform

Message to the Senate Transmitting the Russia-United States Taxation Convention

Message to the Senate Transmitting the United Nations Framework Convention on Climate Change

- 9 -

Remarks Prior to a Meeting With Republican Congressional Leaders

Remarks to the Community in Norristown, Pennsylvania

Remarks and a Question-and-Answer Session With Employees of Uniform Tubes in Collegeville, Pennsylvania

Remarks at a Bush-Quayle Rally in Middletown, New Jersey

Message to the Congress Transmitting the District of Columbia Budget Amendment Request

Message to the Congress Transmitting the Ireland-United States Social Security Agreement

Message to the Congress Transmitting the China-United States Fishery Agreement

Statement on the Death of Julia Rivera de Vincenti

White House Statement on Fire Danger in the Northwest

- 10 -

Remarks and a Question-and-Answer Session With the Economic Club of Detroit in Michigan

- 11 -

Remarks at Missouri Southern State College in Joplin, Missouri

Remarks at the Job Corps Center in Excelsior Springs, Missouri

Remarks to McDonnell Aircraft Employees in St. Louis, Missouri

Remarks to the Christian Coalition Road to Victory Conference in Virginia Beach, Virginia

Message to the Congress on Trade With China

- 12 -

Radio Address to the Nation on the Agenda for American Renewal

- 13 -

Remarks on Disaster Assistance for Hawaii Following Hurricane Iniki

Remarks at a Welcome Rally in Anaheim, California

- 14 -

Remarks to Natural Communities Conservation Planning Organizations in San Diego, California

Remarks to Vaagen Brothers Lumber Employees in Colville, Washington

Remarks to Burrill Lumber Employees in Medford, Oregon

- 15 -

Remarks to the National Guard Association in Salt Lake City, Utah

Remarks to Jeppesen Sanderson Employees in Englewood, Colorado

Remarks to Sandia National Laboratories Employees in Albuquerque, New Mexico

Statement by Press Secretary Fitzwater on Transmittal of Appropriations Requests to the Congress

Remarks and an Exchange With Reporters on Family Leave Legislation

Message to the Congress Transmitting Proposed Family Leave Tax Credit Legislation

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

Message to the Congress Transmitting the Report on Aeronautics and Space

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

Statement on the Death of Millicent Fenwick

White House Statement on Additional Disaster Relief For Hawaii

Statement by Press Secretary Fitzwater on the President's Meeting With Lebanese-American Leaders

Statement by Press Secretary Fitzwater on Russia's Withdrawal of Troops From Cuba

Remarks to the Community in Enid, Oklahoma

Remarks to the Community in Jonesboro, Georgia

White House Fact Sheet: Regulatory Reform to Reduce Costs of Homeownership

Remarks at Olympic Flag Jam '92 in Atlanta, Georgia

Letter to Congressional Leaders on Cable Television Legislation

White House Statement on Additional Disaster Relief for Guam

Nomination of United States Ambassadors to Bosnia-Hercegovina, Croatia, and Slovenia

- 18 -

Remarks to AT&T Employees in Basking Ridge, New Jersey

Letter to Congressional Leaders on the North American Free Trade Agreement

Notice of Intention To Enter Into a North American Free Trade Agreement With Canada and Mexico

- 20 -

Remarks to the G - 7 Finance Ministers and Bank Governors

- 21 -

Address to the United Nations General Assembly in New York City

Message to the Senate Transmitting the Organization of American States-United States Headquarters Agreement

Nomination of Robert Gregory Joseph To Be an Assistant Director of the United States Arms Control and Disarmament Agency

Designation of Charles R. Hilty as Chief Financial Officer of the Department of Agriculture

Nomination of Marshall Fletcher McCallie To Be United States Ambassador to Namibia

Nomination of Mark Johnson To Be United States Ambassador to Senegal

- 22 -

Remarks to the Community in Springfield, Missouri

Remarks on Arrival in Tulsa, Oklahoma

Remarks on Arrival in Longview, Texas

Remarks on Arrival in Shreveport, Louisiana

Remarks on Arrival in Greenville, Mississippi

Remarks to the Community in Memphis, Tennessee

Message to the Senate Returning Without Approval the Family and Medical Leave Act of 1992

- 23 -

Remarks to the Bush-Quayle Independent Business Coalition in Greensboro, North Carolina

Remarks to the Triad Business Community in Greensboro, North Carolina

Remarks at Pennsylvania State University in State College, Pennsylvania

Statement on Signing the Dire Emergency Supplemental Appropriations Act, 1992

Message on the Observance of Rosh Hashanah, 1992

- 24 -

Presidential Determination No. 92 - 47 -- Memorandum on Action in Support of Peacekeeping Operations in Nagorno-Karabakh

- 25 -

Remarks to Motorola Employees in Schaumburg, Illinois

Remarks at the National Technology Initiative Conference in Chicago, Illinois

Remarks to Working Families for Bush-Quayle in Chicago

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Message to the Congress Reporting on the National Emergency With Respect to Export Control Regulations

Notice on Continuation of Emergency Regarding Export Control Regulations

Message to the Congress on Continuation of the National Emergency With Respect to Export Control Regulations

Message to the Senate Returning Without Approval the Family Planning Amendments Act of 1992

Message to the Congress Transmitting Proposed Legislation on Federal Pay Reduction

Appointment of John G. Keller, Jr., as Deputy Assistant to the President for Special Activities

Nomination of Eric J. Boswell To Be Director of the Office of Foreign Missions at the Department of State

Nomination of William Lucas To Be Director of Community Relations Service at the Department of Justice

- 26 -

Remarks on Beginning a Whistlestop Tour in Columbus, Ohio

Remarks to the Community in Marysville, Ohio

Remarks at the Centennial Family Picnic in Arlington, Ohio

Remarks to the Community in Findlay, Ohio

Remarks to the Community in Bowling Green, Ohio

Remarks to the Community in Plymouth, Michigan

Letter Accepting the Resignation of Edward J. Derwinski as Secretary of Veterans Affairs

Statement by Press Secretary Fitzwater on Military Cooperation With Israel

- 27 -

Remarks to the Community in Wixom, Michigan

Remarks to the Community in Milford, Michigan

Remarks to the Community in Holly, Michigan

Remarks on Concluding a Whistlestop Tour in Grand Blanc, Michigan

Statement on Signing the Civil Liberties Act Amendments of 1992

- 28 -

Remarks to the Community in St. Louis, Missouri

Remarks at the East Dallas Renaissance Neighborhood Project in Dallas, Texas

Message to the House of Representatives Returning Without Approval the United States-China Act of 1992

Statement by Press Secretary Fitzwater on the Circuit Court Decision on the Marbled Murrelet

- 29 -

Remarks on Arrival in Blountville, Tennessee

Remarks on Arrival in Knoxville, Tennessee

Remarks on Arrival in Chattanooga, Tennessee

Remarks at Austin Peay State University in Clarksville, Tennessee

Remarks to the Community in Nashville, Tennessee

Message to the Congress Reporting on the State of Small Business

Message to the Congress Transmitting the Report of the National Institute of Building Sciences

- 30 -

Remarks at the National Salute to the President and His Black Appointees

Remarks to the Law Enforcement Community in Oshkosh, Wisconsin

Remarks to the Community in Fond du Lac, Wisconsin

Remarks to the Law Enforcement Community in Newark, New Jersey

Remarks to Construction Workers in Newark

Message to the House of Representatives Returning Without Approval the District of Columbia Appropriations Bill

Statement on Signing the Tourism Policy and Export Promotion Act of 1992

Message to the Congress Transmitting Proposed Legislation on Violent Crime

Message to the Congress Reporting on the National Emergency With Respect to Haiti

Notice on Continuation of Haitian Emergency

Message to the Congress on Continuation of the National Emergency With Respect to Haiti

Message to the Senate Transmitting the Barbados-United States Taxation Protocol

Letter to Congressional Leaders Transmitting a Report on a Schedule for Resumption of Nuclear Testing Talks

Presidential Determination No. 92 - 48 -- Memorandum on Counternarcotics Assistance for Colombia

Presidential Determination No. 92 - 49 -- Memorandum on Disaster Assistance for Pakistan

Statement by Press Secretary Fitzwater on the National Education Goals Panel Report

Appointment of Andrew M. Carpendale as Deputy Assistant to the President for Policy Planning, Development, and Speechwriting

Excerpt of a White House Fact Sheet on the Child Support Enforcement Initiative -- Project KIDS

Statement on Signing the Older Americans Act Amendments of 1992

contents

october 1992

select another month
January | February | March | April
May | June | July | August
September | November | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

Remarks at the Ethanol Waiver Announcement Ceremony

Statement on Senate Ratification of the Strategic Arms Reduction Treaty

Message to the Congress Reporting Budget Deferrals

Statement on Signing the Continuing Appropriations Bill

Statement by Press Secretary Fitzwater on Assistance to Refugees of Nagorno-Karabakh

- 2 -

Remarks on Signing the Energy and Water Development Appropriations Act, 1993

Statement on Signing the Energy and Water Development Appropriations Act, 1993

Statement on National Energy Strategy Legislation

Statement on Humanitarian Assistance to Bosnia

Statement on the Glass Ceiling Commission

Presidential Determination No. 93 - 1 -- Memorandum on Refugee Admissions

Nomination of Sean Charles O'Keefe To Be Secretary of the Navy

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Turkish Leaders on the Missile Accident

- 3 -

Remarks to the Community in Clearwater, Florida

Remarks to the Community in Fort Lauderdale, Florida

Remarks to the Community in Orlando, Florida

Message to the Senate Returning Without Approval the Cable Television Consumer Protection and Competition Act of 1992

- 5 -

Remarks to the Community in Dover, Delaware

Statement on Signing the Civil War Battlefield Commemorative Coin Act of 1992

Statement on Signing the Department of the Interior and Related Agencies Appropriations Act, 1993

Letter to Congressional Leaders Reporting on Panamanian Government Assets Held by the United States

Presidential Determination No. 93 - 2 -- Memorandum on Assistance to Kenya and Somalia

Statement by Press Secretary Fitzwater on the Veto of the Cable Television Consumer

Protection and Competition Act of 1992

Statement by Press Secretary Fitzwater on the End of the Civil War in Mozambique

Nomination of Gerald R. Riso To Be Chief Financial Officer of the Department of Housing and Urban Development

Appointment of Chester Paul Beach, Jr., as Associate Counsel to the President

Nomination of Jeni Brown Norris To Be an Assistant Secretary of Housing and Urban Development

Statement on Signing Legislation Waiving Federal Immunity Relating to Solid and Hazardous Waste

Statement on Signing Legislation Waiving Printing Requirements for Subsequent Appropriations Bills

Statement on Signing the Department of Transportation and Related Agencies Appropriations Act, 1993

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993

Statement on Signing Legislation on Commemorative Olympic Coins, Reform of the United States Mint, and For Other Purposes

Statement on Signing the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993

Statement on Signing the Legislative Branch Appropriations Act, 1993

Statement on Signing the Treasury, Postal Service, and General Government Appropriations Act, 1993

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1993

Statement on Signing the Department of Defense Appropriations Act, 1993

Statement on Signing the Hawaiian Homes Commission Act Amendments

Nomination of Douglas Alan Brook To Be Director of the Office of Personnel Management

Appointment of Clifford T. Alderman as Special Assistant to the President for Intergovernmental Affairs

- 7 -

Remarks at the Initialing Ceremony for the North American Free Trade Agreement in San Antonio, Texas

Presidential Determination No. 93 - 3 -- Memorandum on Trade With Afghanistan

Statement by Press Secretary Fitzwater on Free Elections in Kuwait

- 8 -

Remarks at the Port of New Orleans, Louisiana

Remarks to the Law Enforcement Community in New Orleans

Remarks at a Victory '92 Dinner in Houston, Texas

- 9 -

Remarks to the National Fraternal Order of Police in Cincinnati, Ohio

Remarks on Arrival in Columbus, Ohio

Statement on Signing the Rocky Mountain Arsenal National Wildlife Refuge Act of 1992

Letter to Congressional Leaders Transmitting the Report of the White House Conference on Indian Education

Statement by Press Secretary Fitzwater on the Death of Willy Brandt

Designation of Arlene Holen As Chairman of the Federal Mine Safety and Health Review Commission

- 11 -

Remarks on Arrival in St. Louis, Missouri

Presidential Debate in St. Louis

Remarks to the Community in St. Louis

- 12 -

Remarks on Signing the Benjamin National Franklin Memorial Commemorative Medal and Fire Service Bill of Rights Act in Springfield, Pennsylvania

Remarks to the Community in Springfield

Remarks to Farm and Business Groups in Grand Rapids, Michigan

Remarks to the Community in Holland, Michigan

- 13 -

Statement on Signing the Instrument of Ratification for the United Nations Framework Convention on Climate Change

Statement by Press Secretary Fitzwater on Namibia's Accession to the Nuclear Non-Proliferation Treaty

- 14 -

Letter to Congressional Leaders on the Partial Suspension of the Davis-Bacon Act

Statement by Press Secretary Fitzwater on Russian Action To Resolve Questions Concerning the Korean Airlines Flight 007 Incident

Statement by Press Secretary Fitzwater on the 1992 Winners of the Malcolm Baldrige National Quality Awards

Statement on Signing the Advisory Council on California Indian Policy Act of 1992

- 15 -

Presidential Debate in Richmond, Virginia

- 16 -

Remarks to the Community in Edison, New Jersey

Statement on Signing the Dayton Aviation Heritage Preservation Act of 1992

White House Fact Sheet: Consumer Choice in Auto Insurance

- 19 -

Statement on Signing the Community Environmental Response Facilitation Act

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Statement by Press Secretary Fitzwater on Implementation of the Clean Air Act

Remarks on Arrival in Lansing, Michigan

Presidential Debate in East Lansing, Michigan

Remarks at a Post-Debate Rally in Lansing, Michigan

- 20 -

Question-and-Answer Session in Atlanta, Georgia

Remarks on Beginning a Whistlestop Tour in Norcross, Georgia

Remarks to the Community in Gainesville, Georgia

Remarks to the Community in Cornelia, Georgia

Remarks to the Community in Spartanburg, South Carolina

- 21 -

Remarks to the Community in Gastonia, North Carolina

Remarks to the Community in Kannapolis, North Carolina

Remarks to the Community in Thomasville, North Carolina

Remarks to the Community in Burlington, North Carolina

Remarks at the State Fair in Raleigh, North Carolina

Memorandum of Disapproval for the Jena Band of Choctaws of Louisiana Restoration Act

- 22 -

Remarks at a Rally in Vineland, New Jersey

Remarks on Arrival in Trenton, New Jersey

Remarks at a Rally in Ridgewood, New Jersey

Question-and-Answer Session in Secaucus, New Jersey

- 23 -

Remarks on Developments in the POW/MIA Situation

Remarks at a Laurel County Rally in London, Kentucky

Statement on Signing the Wild Bird Conservation Act of 1992

Statement on Signing Legislation Establishing Asian/Pacific American Heritage Month

Remarks on Signing the Cuban Democracy Act of 1992 in Miami, Florida

Statement on Signing the National Defense Authorization Act for Fiscal Year 1993

Question-and-Answer Session in Miami

Statement on Signing the Depository Institutions Disaster Relief Act of 1992

Letter to Congressional Leaders Transmitting a Report on Trade With Canada

- 24 -

Remarks to the Community in Montgomery, Alabama

Remarks on Signing the Energy Policy Act of 1992 in Maurice, Louisiana

Statement on Signing the Energy Policy Act of 1992

Remarks and a Question-and-Answer Session in Lafayette, Louisiana

Statement on Signing the Elwha River Ecosystem and Fisheries Restoration Act

Statement on Signing the Intelligence Authorization Act for Fiscal Year 1993

Statement on Signing the Veterans Compensation Cost-of-Living Adjustment Act of 1992

Statement on Signing the FREEDOM Support Act

- 25 -

Remarks to the International Association of Chiefs of Police in Detroit, Michigan

Statement on Signing the Anti Car Theft Act of 1992

Statement on Signing the Child Support Recovery Act of 1992

Remarks to the Community in Sioux Falls, South Dakota

Remarks and a Question-and-Answer Session in Billings, Montana

Notice on Continuation of Iran Emergency

Letter to Congressional Leaders on Continuation of the National Emergency With Respect to Iran

- 26 -

Remarks to the Ace Hardware Convention in Denver, Colorado

Remarks to the Community in Albuquerque, New Mexico

Statement by Press Secretary Fitzwater on Sulfur Dioxide Emissions Regulations

Memorandum of Disapproval for Legislation Requiring an Historical and Cultural Resources Study in Lynn, Massachusetts

Statement on Signing the International Dolphin Conservation Act of 1992

Statement on Signing the Native American Languages Act of 1992

Statement on Signing Legislation Establishing the Brown v. Board of Education National Historic Site

Statement on Signing the President John F. Kennedy Assassination Records Collection Act of 1992

- 27 -

Remarks and a Question-and-Answer Session in Des Moines, Iowa

Remarks to the Community in Paducah, Kentucky

Question-and-Answer Session in Paducah

Remarks at a Miami Valley Rally in Kettering, Ohio

Memorandum of Disapproval for Legislation To Include Revere Beach, Massachusetts, in the National Park System

Statement on Signing the Battered Women's Testimony Act of 1992

Statement on Signing Legislation on Child Custody Litigation

Statement on Signing the Preventive Health Amendments of 1992

Statement on Signing the Telecommunications Authorization Act of 1992

Statement on Signing the Mammography Quality Standards Act of 1992

Statement on Signing Legislation Establishing the Keweenaw National Historical Park

Statement on Signing Delaware River Port Authority Supplemental Compact Legislation

- 28 -

Remarks on Departure from Lima, Ohio

Remarks at a Rally in Toledo, Ohio

Remarks to the Community in Strongsville, Ohio

Remarks to the Community in Columbus, Ohio

Question-and-Answer Session in Columbus

Statement on Signing the Veterans Home Loan Program Amendments of 1992

Statement on Signing the Intermodal Safe Container Transportation Act of 1992

Statement on Signing the Land Remote Sensing Policy Act of 1992

Statement on Signing the Small Business Research and Development Enhancement Act of 1992

Statement by Press Secretary Fitzwater on the Baltic-American Enterprise Fund

Statement on Signing the Futures Trading Practices Act of 1992

Statement on Signing the Housing and Community Development Act of 1992

Statement on Signing the Agricultural Credit Improvement Act of 1992

Statement on Signing the Defense Production Act Amendments of 1992

Statement on Signing the Audio Home Recording Act of 1992

- 29 -

Remarks to the South Wayne County Chamber of Commerce in Southgate, Michigan

Remarks to the Community in Macomb County, Michigan

Statement on Signing the National Oceanic and Atmospheric Administration Authorization Act of 1992

Statement on Signing the Rehabilitation Act Amendments of 1992

Statement on Signing the Indian Health Amendments of 1992

Statement on Signing the Hawaii Tropical Forest Recovery Act

Remarks to the Community in Grand Rapids, Michigan

Question-and-Answer Session in Grand Rapids

Statement on Signing the Veterans Benefits Act of 1992

Statement on Signing the Federal Courts Administration Act of 1992

- 30 -

Remarks to the Kentucky Fried Chicken Convention in Nashville, Tennessee

Remarks on Arrival in St. Louis, Missouri

Remarks at a Rally in St. Louis

Memorandum of Disapproval for the Military Health Care Initiatives Act of 1992

Statement on Signing the Reclamation Projects Authorization and Adjustment Act of 1992

- 31 -

Remarks on Beginning a Whistlestop Tour in Burlington, Wisconsin

Remarks to the Community in Sussex, Wisconsin

Remarks to the Community in Oshkosh, Wisconsin

Remarks to the Community in Stevens Point, Wisconsin

Remarks on Concluding a Whistlestop Tour in Chippewa Falls, Wisconsin

Statement on Signing the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992

Statement by Press Secretary Fitzwater on Emergency Food Shipments to Armenia

White House Statement on Disaster Assistance for Florida, Louisiana, Hawaii, and Guam

contents

november 1992

select another month
January | February | March | April
May | June | July | August
September | October | December
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 1 -

Remarks to the Community in Auburn Hills, Michigan

Remarks to the Community in Stratford, Connecticut

- 2 -

Remarks to the Community in Madison, New Jersey

Remarks to the Briarcliff Father and Son Athletic Association in Glenolden, Pennsylvania

Remarks on Arrival in Akron, Ohio

Remarks on Arrival in Louisville, Kentucky

Remarks at a Rally in Baton Rouge, Louisiana

Remarks at a Rally in Houston, Texas

Statement on Signing the High Seas Driftnet Fisheries Enforcement Act

Statement on Signing the Arkansas-Idaho Land Exchange Act of 1992

- 3 -

Remarks in Houston on the Results of the Presidential Election

- 4 -

Remarks at a Welcome Home Ceremony

Memorandum of Disapproval for the Revenue Act of 1992

Statement on Signing the Veterans Health Care Act of 1992

Statement on Signing the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1993

- 7 -

Radio Address to the Nation on the Results of the Presidential Election

- 10 -

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iran

Remarks at a Senate Republican Leadership Dinner Honoring the President

- 11 -

Notice on Continuation of Emergency Regarding Chemical and Biological Weapons Proliferation

Letter to Congressional Leaders on Continuation of the National Emergency Regarding Chemical and Biological Weapons Proliferation

- 16 -

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

Statement by Press Secretary Fitzwater on the President's Meeting With President Chaim Herzog of Israel

- 17 -

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Constantine Mitsotakis of Greece

- 18 -

Statement by Press Secretary Fitzwater on the President's Meeting With President-Elect Bill Clinton

- 19 -

Letter to Congressional Leaders Transmitting a Report on Withdrawal of Russian and Commonwealth of Independent States Armed Forces from the Baltic Countries

Letter to Congressional Leaders on the Exclusion of the United States Marshals From the Performance Management and Recognition System

- 20 -

Remarks Announcing the Agreement on Agricultural Trade With the European Community

- 23 -

Statement on the Death of Roy Acuff

- 24 -

Remarks at the Thanksgiving Turkey Presentation Ceremony

- 30 -

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Boris Yeltsin of Russia

Memorandum on the Commonwealth of Puerto Rico

contents

december 1992

select another month
January February | March | April
May | June | July | August
September | October | November
Show all months

select another year
1989 | 1990 | 1991 | 1993

- 2 -

Remarks at the Presentation Ceremony for the President's Environment and Conservation Challenge Awards

Statement by Press Secretary Fitzwater on the President's Discussions on Somalia

- 3 -

Statement by Press Secretary Fitzwater on the United Nations Vote To Authorize Use of Military Forces in Somalia

- 4 -

Address to the Nation on the Situation in Somalia

- 7 -

Remarks at a Christmas Greeting for the White House Staff

Remarks at a Wreath-Laying Ceremony at the United States Navy Memorial

- 8 -

Recess Appointment of Lawrence S. Eagleburger as Secretary of State

Statement by Press Secretary Fitzwater on Operation Restore Hope

Message on the Observance of Hanukkah

Message on the Observance of Christmas

- 10 -

Letter to Congressional Leaders on the Situation in Somalia

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Colombia

Remarks on Presenting Congressional Gold Medals to General Colin Powell and General H. Norman Schwarzkopf

Remarks on Lighting the National Christmas Tree

- 11 -

Remarks to the President's Drug Advisory Council Leadership Forum

Remarks on Presenting the Presidential Medals of Freedom

- 14 -

Remarks on Presenting the Malcolm Baldrige National Quality Awards

Statement by Press Secretary Fitzwater on Relations With Vietnam

Notice on Continuation of Libyan Emergency

Letter to Congressional Leaders on Continuation of the National Emergency With Respect to Libya

- 15 -

Remarks at Texas A&M University in College Station, Texas

Letter to Congressional Leaders Transmitting the Report of the Presidential Commission on the Assignment of Women in the Armed Forces

- 16 -

Remarks Honoring the World Series Champion Toronto Blue Jays

Statement by Press Secretary Fitzwater on the President's Meeting With King Hussein of Jordan

Recess Appointment of Sean Charles O'Keefe as Secretary of the Navy

- 17 -

Remarks Prior to Discussions With Ambassador Saud Nasir Al-Sabah of Kuwait

Remarks Prior to Discussions With Ambassador Souheil Chammas of the Lebanese Peace Delegation

Remarks Prior to Discussions With Ambassador Mowaffak Aloaf of the Syrian Peace Delegation

Statement by Press Secretary Fitzwater on the Middle East Peace Talks

Remarks on Signing the North American Free Trade Agreement

- 18 -

Remarks Following Discussions With European Community Leaders

Presidential Determination No. 93 - 6 -- Memorandum on Assistance to Refugees of the Former Yugoslavia

Statement by Press Secretary Fitzwater on the Elections in the Republic of Korea

- 20 -

Remarks With Prime Minister John Major of the United Kingdom and an Exchange With Reporters

Joint Statement With Prime Minister John Major of the United Kingdom on the Former Yugoslavia

- 22 -

Statement by Press Secretary Fitzwater on the President's Discussions With Foreign Ministers of Central European States

- 23 -

Remarks on Departure for Camp David, Maryland

Letter to Congressional Leaders Reporting on Sanctions Against the Federal Republic of Yugoslavia (Serbia and Montenegro)

Letter to Congressional Leaders on Trade With Ethiopia

Letter to Congressional Leaders Reporting on Whaling Activities of Norway

- 29 -

Recess Appointment of Brian C. Griffin as Chairman of the Administrative Conference of the United States

- 30 -

Remarks on the START II Treaty and the Situation in Somalia and an Exchange With Reporters

Statement by Press Secretary Fitzwater on the Iran-Contra Investigation

Letter to Congressional Leaders Transmitting a Report on Tariff Modifications on Canadian Plywood

Letter to Congressional Leaders Transmitting Budget Deferrals

Letter to Congressional Leaders Reporting on Economic Sanctions Against Libya

Memorandum on Delegations of Authority Concerning Former Soviet Republics

Recess Appointment of Stephen T. Hart as an Assistant Secretary of Transportation

Statement by Press Secretary Fitzwater on Recognition of the Czech and Slovak Republics

Browse 1993

You may view the 1993 Presidential Papers collection by month, or you may view the entire year's collection (*large file*).

- January

Alternatively, you may also select a different year.

- 1989
- 1990
- 1991
- 1992

contents

1 9 9 3

select another month
January

select another year
1989 | 1990 | 1991 | 1992

Statement by Press Secretary Fitzwater on Recognition of the Czech and Slovak Republics

Remarks at a State Dinner Hosted by President Boris Yeltsin of Russia in Moscow

The President's News Conference With President Boris Yeltsin of Russia in Moscow

Recess Appointment of Gregory Stewart Walden as a Member of the Interstate Commerce Commission

Remarks at the United States Military Academy in West Point, New York

Letter to Congressional Leaders Reporting on the Cyprus Conflict

Letter to Congressional Leaders Transmitting Forest Service Reports

Letter to Congressional Leaders Transmitting Proposed Legislation on Colorado Public Lands Wilderness Designation

Letter to Congressional Leaders Transmitting Proposed Legislation on Montana Public Lands Wilderness Designation

Remarks to Central Intelligence Agency Employees in Langley, Virginia

Letter to Congressional Leaders Transmitting a Report on Alaska's Mineral Resources

Statement by Press Secretary Fitzwater on the Situation in Iraq

Letter to Congressional Leaders Transmitting the Report on Federal Advisory Committees

Letter to Congressional Leaders Transmitting the Report of the Commodity Credit Corporation

Remarks at a Disability Community Tribute to the President

Remarks on Presenting the Presidential Medal of Freedom to President Ronald Reagan

Remarks on Presenting the National Security Medal to Admiral Jonathan T. Howe and an Exchange With Reporters

Statement on Completion of the Chemical Weapons Convention

Letter to Congressional Leaders on the National Strategy on the Environment

Remarks at a Celebration of the Points of Light

Remarks at an Armed Forces Salute to the President in Arlington, Virginia

Letter to Congressional Leaders Transmitting the National Nutrition Monitoring and Research Plan

Letter to Congressional Leaders Transmitting the Report of the Department of Energy

Remarks on the Forests for the Future Initiative

Remarks and an Exchange With Reporters on the Situation in Iraq

Message to the Senate Transmitting the Russia-United States Treaty on Further Reduction and Limitation of Strategic Offensive Arms

Statement by Press Secretary Fitzwater on the START II Treaty

Letter to Congressional Leaders on Science and Technology Policy

Letter to Congressional Leaders Transmitting a Report on Federal Regulatory Policy

Letter to the United States Trade Representative on Rubber Thread Imports

Letter to Congressional Leaders Transmitting the Report of the Tourism Policy Council

The President's News Conference With Prime Minister Brian Mulroney of Canada at Camp David, Maryland

Letter to Congressional Leaders Transmitting the Report on the National Security Strategy

Statement on the National Security Strategy Report

Letter to Congressional Leaders Reporting on Nuclear Nonproliferation

Letter to Congressional Leaders Transmitting a Report on Arms Control Treaty Compliance

Letter to Congressional Leaders Transmitting the Report on Science, Technology, and American Diplomacy

Letter to Congressional Leaders on Additional Measures With Respect to the Federal Republic of Yugoslavia (Serbia and Montenegro)

Presidential Determination No. 93 - 14 -- Memorandum on Assistance to Refugees of Tajikistan

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

Letter to Congressional Leaders Transmitting Reports on Occupational Safety and Health

Letter to Congressional Leaders Transmitting the Report of the National Critical Technologies Panel

Letter to Congressional Leaders Transmitting the Lithuania-United States Fishery Agreement

Message to the Senate Transmitting the Argentina-United States Investment Treaty

Message to the Senate Transmitting the Bulgaria-United States Investment Treaty

Letter to Congressional Leaders Transmitting the Report on the Recommendations of the United Nations Secretary-General

contents

january 1993

select another month
Show all months

select another year
1989 | 1990 | 1991 | 1992

- 1 -

Statement by Press Secretary Fitzwater on Recognition of the Czech and Slovak Republics

- 2 -

Remarks at a State Dinner Hosted by President Boris Yeltsin of Russia in Moscow

- 3 -

The President's News Conference With President Boris Yeltsin of Russia in Moscow

- 4 -

Recess Appointment of Gregory Stewart Walden as a Member of the Interstate Commerce Commission

- 5 -

Remarks at the United States Military Academy in West Point, New York

Letter to Congressional Leaders Reporting on the Cyprus Conflict

- 7 -

Letter to Congressional Leaders Transmitting Forest Service Reports

Letter to Congressional Leaders Transmitting Proposed Legislation on Colorado Public Lands Wilderness Designation

Letter to Congressional Leaders Transmitting Proposed Legislation on Montana Public Lands Wilderness Designation

- 8 -

Remarks to Central Intelligence Agency Employees in Langley, Virginia

Letter to Congressional Leaders Transmitting a Report on Alaska's Mineral Resources

Statement by Press Secretary Fitzwater on the Situation in Iraq

- 11 -

Letter to Congressional Leaders Transmitting the Report on Federal Advisory Committees

Letter to Congressional Leaders Transmitting the Report of the Commodity Credit Corporation

- 12 -

Remarks at a Disability Community Tribute to the President

- 13 -

Remarks on Presenting the Presidential Medal of Freedom to President Ronald Reagan

Remarks on Presenting the National Security Medal to Admiral Jonathan T. Howe and an Exchange With Reporters

Statement on Completion of the Chemical Weapons Convention

Letter to Congressional Leaders on the National Strategy on the Environment

- 14 -

Remarks at a Celebration of the Points of Light

Remarks at an Armed Forces Salute to the President in Arlington, Virginia

Letter to Congressional Leaders Transmitting the National Nutrition Monitoring and Research Plan

Letter to Congressional Leaders Transmitting the Report of the Department of Energy

- 15 -

Remarks on the Forests for the Future Initiative

Remarks and an Exchange With Reporters on the Situation in Iraq

Message to the Senate Transmitting the Russia-United States Treaty on Further Reduction and Limitation of Strategic Offensive Arms

Statement by Press Secretary Fitzwater on the START II Treaty

Letter to Congressional Leaders on Science and Technology Policy

Letter to Congressional Leaders Transmitting a Report on Federal Regulatory Policy

Letter to the United States Trade Representative on Rubber Thread Imports

Letter to Congressional Leaders Transmitting the Report of the Tourism Policy Council

- 16 -

The President's News Conference With Prime Minister Brian Mulroney of Canada at Camp David, Maryland

- 19 -

Letter to Congressional Leaders Transmitting the Report on the National Security Strategy

Statement on the National Security Strategy Report

Letter to Congressional Leaders Reporting on Nuclear Nonproliferation

Letter to Congressional Leaders Transmitting a Report on Arms Control Treaty Compliance

Letter to Congressional Leaders Transmitting the Report on Science, Technology, and American Diplomacy

Letter to Congressional Leaders on Additional Measures With Respect to the Federal Republic of Yugoslavia (Serbia and Montenegro)

Presidential Determination No. 93 - 14 -- Memorandum on Assistance to Refugees of Tajikistan

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security

Inaugural Address

January 20, 1989

Mr. Chief Justice, Mr. President, Vice President Quayle, Senator Mitchell, Speaker Wright, Senator Dole, Congressman Michel, and fellow citizens, neighbors, and friends:

There is a man here who has earned a lasting place in our hearts and in our history. President Reagan, on behalf of our nation, I thank you for the wonderful things that you have done for America.

I've just repeated word for word the oath taken by George Washington 200 years ago, and the Bible on which I placed my hand is the Bible on which he placed his. It is right that the memory of Washington be with us today not only because this is our bicentennial inauguration but because Washington remains the Father of our Country. And he would, I think, be gladdened by this day; for today is the concrete expression of a stunning fact: our continuity, these 200 years, since our government began.

We meet on democracy's front porch. A good place to talk as neighbors and as friends. For this is a day when our nation is made whole, when our differences, for a moment, are suspended. And my first act as President is a prayer. I ask you to bow your heads.

Heavenly Father, we bow our heads and thank You for Your love. Accept our thanks for the peace that yields this day and the shared faith that makes its continuance likely. Make us strong to do Your work, willing to heed and hear Your will, and write on our hearts these words: ``Use power to help people." For we are given power not to advance our own purposes, nor to make a great show in the world, nor a name. There is but one just use of power, and it is to serve people. Help us remember, Lord. Amen.

I come before you and assume the Presidency at a moment rich with promise. We live in a peaceful, prosperous time, but we can make it better. For a new breeze is blowing, and a world refreshed by freedom seems reborn. For in man's heart, if not in fact, the day of the dictator is over. The totalitarian era is passing, its old ideas blown away like leaves from an ancient, lifeless tree. A new breeze is blowing, and a nation refreshed by freedom stands ready to push on. There is new ground to be broken and new action to be taken. There are times when the future seems thick as a fog; you sit and wait, hoping the mists will lift and reveal the right path. But this is a time when the future seems a door you can walk right through into a room called tomorrow.

Great nations of the world are moving toward democracy through the door to freedom. Men and women of the world move toward free markets through the door to prosperity. The people of the world agitate for free expression and free thought through the door to the moral and intellectual satisfactions that only liberty allows.

We know what works: Freedom works. We know what's right: Freedom is right. We know how to secure a more just and prosperous life for man on Earth: through free markets, free speech, free elections, and the exercise of free will unhampered by the state.

For the first time in this century, for the first time in perhaps all history, man does not have to invent a system by which to live. We don't have to talk late into the night about which form of government is better. We don't have to wrest justice from the kings. We only have to summon it from within ourselves. We must act on what we know. I take as my guide the hope of a saint: In crucial things, unity; in important things, diversity; in all things, generosity.

America today is a proud, free nation, decent and civil, a place we cannot help but love. We know in our hearts, not loudly and proudly but as a simple fact, that this country has meaning beyond what we see, and that our strength is a force for good. But have we changed as a nation even in our time? Are we enthralled with material things, less appreciative of the nobility of work and sacrifice?

My friends, we are not the sum of our possessions. They are not the measure of our lives. In our hearts we know what matters. We cannot hope only to leave our children a bigger car, a bigger bank account. We must hope to give them a sense of what it means to be a loyal friend; a loving parent; a citizen who leaves his home, his neighborhood, and town better than he found it. And what do we want the men and women who work with us to say when we're no longer there? That we were more driven to succeed than anyone around us? Or that we stopped to ask if a sick child had gotten better and stayed a moment there to trade a word of friendship?

No President, no government can teach us to remember what is best in what we are. But if the man you have chosen to lead this government can help make a difference; if he can celebrate the quieter, deeper successes that are made not of gold and silk but of better hearts and finer souls; if he can do these things, then he must.

America is never wholly herself unless she is engaged in high moral principle. We as a people have such a purpose today. It is to make kinder the face of the Nation and gentler the face of the world. My friends, we have work to do. There are the homeless, lost and roaming. There are the children who have nothing, no love and no normalcy. There are those who cannot free themselves of enslavement to whatever addiction -- drugs, welfare, the demoralization that rules the slums. There is crime to be conquered, the rough crime of the streets. There are young women to be helped who are about to become mothers of children they can't care for and might not love. They need our care, our guidance, and our education, though we bless them for choosing life.

The old solution, the old way, was to think that public money alone could end these problems. But we have learned that that is not so. And in any case, our funds are low. We have a deficit to bring down. We have more will than wallet, but will is what we need. We will make the hard

choices, looking at what we have and perhaps allocating it differently, making our decisions based on honest need and prudent safety. And then we will do the wisest thing of all. We will turn to the only resource we have that in times of need always grows: the goodness and the courage of the American people.

And I am speaking of a new engagement in the lives of others, a new activism, hands-on and involved, that gets the job done. We must bring in the generations, harnessing the unused talent of the elderly and the unfocused energy of the young. For not only leadership is passed from generation to generation but so is stewardship. And the generation born after the Second World War has come of age.

I have spoken of a Thousand Points of Light, of all the community organizations that are spread like stars throughout the Nation, doing good. We will work hand in hand, encouraging, sometimes leading, sometimes being led, rewarding. We will work on this in the White House, in the Cabinet agencies. I will go to the people and the programs that are the brighter points of light, and I'll ask every member of my government to become involved. The old ideas are new again because they're not old, they are timeless: duty, sacrifice, commitment, and a patriotism that finds its expression in taking part and pitching in.

We need a new engagement, too, between the Executive and the Congress. The challenges before us will be thrashed out with the House and the Senate. And we must bring the Federal budget into balance. And we must ensure that America stands before the world united, strong, at peace, and fiscally sound. But of course things may be difficult. We need to compromise; we've had dissension. We need harmony; we've had a chorus of discordant voices.

For Congress, too, has changed in our time. There has grown a certain divisiveness. We have seen the hard looks and heard the statements in which not each other's ideas are challenged but each other's motives. And our great parties have too often been far apart and untrusting of each other. It's been this way since Vietnam. That war cleaves us still. But, friends, that war began in earnest a quarter of a century ago, and surely the statute of limitation has been reached. This is a fact: The final lesson of Vietnam is that no great nation can long afford to be sundered by a memory. A new breeze is blowing, and the old bipartisanship must be made new again.

To my friends, and, yes, I do mean friends -- in the loyal opposition and, yes, I mean loyal -- I put out my hand. I am putting out my hand to you, Mr. Speaker. I am putting out my hand to you, Mr. Majority Leader. For this is the thing: This is the age of the offered hand. And we can't turn back clocks, and I don't want to. But when our fathers were young, Mr. Speaker, our differences ended at the water's edge. And we don't wish to turn back time, but when our mothers were young, Mr. Majority Leader, the Congress and the Executive were capable of working together to produce a budget on which this nation could live. Let us negotiate soon and hard. But in the end, let us produce. The American people await action. They didn't send us here to bicker. They ask us to rise above the merely partisan. ``In crucial things, unity'' -- and this, my

friends, is crucial.

To the world, too, we offer new engagement and a renewed vow: We will stay strong to protect the peace. The offered hand is a reluctant fist; once made -- strong, and can be used with great effect. There are today Americans who are held against their will in foreign lands and Americans who are unaccounted for. Assistance can be shown here and will be long remembered. Good will begets good will. Good faith can be a spiral that endlessly moves on.

Great nations like great men must keep their word. When America says something, America means it, whether a treaty or an agreement or a vow made on marble steps. We will always try to speak clearly, for candor is a compliment; but subtlety, too, is good and has its place. While keeping our alliances and friendships around the world strong, ever strong, we will continue the new closeness with the Soviet Union, consistent both with our security and with progress. One might say that our new relationship in part reflects the triumph of hope and strength over experience. But hope is good, and so is strength and vigilance.

Here today are tens of thousands of our citizens who feel the understandable satisfaction of those who have taken part in democracy and seen their hopes fulfilled. But my thoughts have been turning the past few days to those who would be watching at home, to an older fellow who will throw a salute by himself when the flag goes by and the woman who will tell her sons the words of the battle hymns. I don't mean this to be sentimental. I mean that on days like this we remember that we are all part of a continuum, inescapably connected by the ties that bind.

Our children are watching in schools throughout our great land. And to them I say, Thank you for watching democracy's big day. For democracy belongs to us all, and freedom is like a beautiful kite that can go higher and higher with the breeze. And to all I say, No matter what your circumstances or where you are, you are part of this day, you are part of the life of our great nation.

A President is neither prince nor pope, and I don't seek a window on men's souls. In fact, I yearn for a greater tolerance, and easygoingness about each other's attitudes and way of life.

There are few clear areas in which we as a society must rise up united and express our intolerance. The most obvious now is drugs. And when that first cocaine was smuggled in on a ship, it may as well have been a deadly bacteria, so much has it hurt the body, the soul of our country. And there is much to be done and to be said, but take my word for it: This scourge will stop!

And so, there is much to do. And tomorrow the work begins. And I do not mistrust the future. I do not fear what is ahead. For our problems are large, but our heart is larger. Our challenges are great, but our will is greater. And if our flaws are endless, God's love is truly boundless.

Some see leadership as high drama and the sound of trumpets calling, and sometimes it is that. But I see history as a book with many pages, and each day we fill a page with acts of hopefulness and meaning. The new breeze blows, a page turns, the story unfolds. And so, today a chapter begins, a small and stately story of unity, diversity, and generosity -- shared, and written, together.

Thank you. God bless you. And God bless the United States of America.

Note: The President spoke at 12:05 p.m. at the West Front of the Capitol. Prior to his address, the oath of office was administered by Chief Justice William H. Rehnquist. The address was broadcast live on radio and television.

Remarks to White House Visitors

January 21, 1989

The President. Good morning, everybody. [Applause] Thank you. Thank you all very much. Let me just say that I know some of you have been up all night long. And so, what we want to do is not delay this but take whoever is first. And I gather that's been sorted out by whoever got first in line into the -- --

Visitors. No!

The President. Not quite?

Visitors. No!

The President. Okay, so there's some injustice out there. [Laughter]

Visitor. We love you, George! I love you!

The President. No, but this is the people's house, and it just seemed appropriate on this first day that we welcome as many as we can. I have a little hiatus in the middle because I do have to go over to this building. I'm sure most of you recognize that as the West Wing, and then the office you see in the corner is the President's Oval Office. And I have to go sign one or two things and at least start to work over there, and then I will come back. Barbara will be here -- some of our kids inside. But we just wanted to wish you well and welcome you to the people's house.

Thank you all very, very much. Thank you. We'll scoot on in.

Note: The President spoke at 8:05 a.m. at the Executive Entrance of the White House.

Question-and-Answer Session With Reporters

January 21, 1989

The President. Good morning, Helen [Helen Thomas, United Press International].

First Day as President

Q. How are you? How does it feel to be President?

The President. It feels just fine -- setting in now, after the glamour and excitement of the inauguration. It's a great joy to have my mother here, the leader of our family, a great joy to have our ten kids over there last night. One got sick, so I had the duty at about 6 a.m. this morning. Ellie LeBlond -- pumped a half a Tylenol into her, and she's looking good. Ate two pancakes -- what you'd call a rapid recovery.

Q. Which one was ill, sir?

The President. Ellie, Doro's daughter, the Thousand Points of Light kid that ran across in the commercial. No, but it's so exciting over there and just a joy to have the family all there. They'll start leaving. We have a luncheon today with 240.

Mrs. Bush. Oh, really?

The President. Yes, 240 -- family.

Mrs. Bush. Oh, my Lord!

Q. Are you responsible for all that? Are you responsible for 240?

Mrs. Bush. No. [Laughter]

Q. What are your thoughts, Mrs. Bush?

Mrs. Bush. What did you say?

Q. What are your thoughts about today?

Mrs. Bush. Oh, I think it's the most exciting day of my life so far. It's just been wonderful. Everything has been perfect. Everything is so beautifully arranged.

The President. This is the one that told me not to brag about myself and to bend my knees when I volleyed. Right here, you're looking at her. [Laughter]

American Hostages

Q. Mr. President, you seem to be holding out an olive branch to Iran or the Shi'ites in terms of Terry Anderson and the hostages. Were you hinting a movement there, or a change of policy, or -- --

The President. No, Helen, I don't think it's a change of policy, but I wanted to be sure I mentioned in that speech my absolute determination not to forget either category: POW - MIA or these hostages. And I wanted that right in there. It was one of the few specific points in an otherwise thematic speech. And in terms of your question, I hope it was heard around the world. You know, we keep hearing rumors that countries want to have improved relations with the United States. I wanted to make clear to them that good will begets good will. I also know enough about the situation to think, in fairness, that because of the nature of the hostage-holding you can't finger any one country for holding Americans hostage against their will. But people have, in the past, facilitated the release of our citizens, and I'd love to see that happen again. And I won't forget it. Having said that, we're not going to escalate the currency of holding Americans hostage. We're not going to have people feel that we are going to make concessions in order to free those precious lives. We simply can't.

Q. You talk about a fist, sir.

The President. Yes. That is a broad term to indicate that the United States will stay strong, and occasionally Presidents are called upon to use force in one situation or another around the world. And this President will be no different. It wasn't in the context of the people held against their will necessarily.

Relations With Congress

Q. Do you plan any official business today, Mr. President?

The President. There just is -- no, today -- --

Q. Like the ethics order, for instance.

The President. -- -- I haven't talked to John Sununu. We had one or two formal things we were going to do, I think.

Mr. Sununu. Yes, but ethics is not today.

The President. Ethics won't be today. We're going to talk to the leadership early next week -- the bipartisan leadership of the Congress -- on how we proceed on the budget. We're contemplating how we best make clear to the Hill my determination to do one of the things I talked about yesterday and try to reach for bipartisanship in foreign affairs. And so, we're thinking of a meeting that will say to those who have shown the most interest in that in Congress, Look, we're ready. The President has unique responsibilities under the Constitution for foreign policy and for the national security. But we want, through consultation, to have the Congress in as much as possible on the takeoff. We've got to figure out how we do that.

There was a very good letter sent to me before I was elected President by David Boren and Senator Danforth -- Senator Boren and Senator Danforth. I'm sure that has been released. There's been some editorial comment on it, and that caught my imagination. And I wrote him back and said, ``Okay, let's talk about it.'' We can't do it one way. The President has certain unique responsibilities, and I intend to carry those out. But we can, I think, do a better job of having the Congress understand initiatives that we might take. Certainly, in some difficult areas I need their advice. I welcome it, but I'd love to think we could go back to the Vandenberg days, partisanship stopping at the water's edge. But I'm not naive. I know they're very difficult.

One thing, however, having said all those sweet and nice things, I am concerned, as a lot of Congressmen are, as a lot of Senators are, about the erosion of Presidential power, and I have been. And so, I want to talk with reasonable Members in the Senate and the House, Democrat and Republican. Some have told me they share that concern. And I say, what do we do about it? How do we work with you people in consultation not only to avoid the erosion of power but to reestablish in the Presidency the firm hand that I think the Constitution gave the President?

Q. Well, the Constitution also lets Congress declare war.

The President. Well, that's right.

Q. And Vietnam was the part of the not keeping Congress really informed as they made these moves. So, don't you think that what you're really saying is, you want something different from the Reagan administration.

The President. I'm saying I've just spelled out what I want for the Bush administration.

Inaugural Address

Q. Sir, there was criticism of your speech that there wasn't any meat in it, that it set a tone, but that you didn't have any specific initiatives. What do you say to that?

The President. I haven't heard too much criticism about that. I've been very pleased with the wonderful -- well, put it this way -- very overly, perhaps, generous response, at least from the

Members of the Hill. But I say, stay tuned. February 9th we'll have something a little different, if that's the date that's settled on.

Q. Is that the State of the Union?

The President. Yes. That'll be up there with the Congress.

Communications With Foreign Leaders

Q. Mr. President, often, a President on his first day makes some kind of communications with foreign leaders. Have you spoken or sent notes to any of the allies or to Mr. Gorbachev, or has he tried to contact you?

The President. Well, he has contacted me through a nice, very generous letter, pledging to work for world peace, something of that nature. And clearly I will respond not only to that communication from Mr. Gorbachev but to expressions of good will from all around the world. It's been very heartwarming, and I want to be sure we do get these responses out.

President Reagan's Farewell Note

Q. What did the President's note say?

The President. Grab it out of the drawer there, Tim. Tim, could you get the note from the President there?

Mr. Fitzwater. Wait. Wait. Let's restore the lights here. The stills are okay.

The President. Am I violating any rules here, Marlin?

Q. They're your rules, sir. They're your rules.

The President. Oh, I set the rules. Okay, but we've established one thing, haven't we: that this is not a ``photo op."

Q. That's right.

Q. Whatever you say, sir.

The President. No, that was -- Marlin, help me.

Mr. Fitzwater. That's right. We've talked earlier and said you'd have a chance for a discussion

here and questions and -- --

Q. We don't care what you call it, just so you answer the questions.

The President. No, no. I care what I call it because I don't want to demean your profession further by making you raise your voice, Helen. I love it when it's tranquil and peaceful like this.

Q. We do, too.

The President. I know you do.

Q. I know about Presidential power.

The President. Let me see if I can -- [laughter]. And I know about UPI [United Press International] -- [laughter] -- let's see whether I dare read you this:

``Dear George'' -- this is from President Reagan -- ``You'll have moments when you want to use this particular stationery. Well, go to it. George, I treasure the memories we share and wish you all the very best. You'll be in my prayers. God bless you and Barbara. I'll miss our Thursday lunches. Ron''

The heading on the paper is ``Don't let the turkeys get you down.'' So, nobody here should take personal to this at all. I mean, this is a broad, ecumenical statement: ``Do not let the turkeys get you down.''

Q. That's not written.

The President. Don't know who he's speaking about there. And it shows a bunch of turkeys trying to get an elephant down. And it says ``Boynton'' on the bottom.

First Day as President

Q. How does it feel, sir, to be in the Oval Office the first day?

The President. It's wonderful. I can't wait to get to work -- I mean, serious work. And we're going to do some here today with the Chief of Staff -- go over some. But it really feels wonderful, and I know how to begin. And we're going to start right in Monday, and then we'll have a good, full schedule on Tuesday. And I couldn't wait to come over here this morning. I did because we had some people, you know, come through the White House just to symbolically open the door of the people's house. I must say that was kind of interesting, the expressions. I was saying to myself, Now, what does it take for somebody to stay awake all night to come into

the White House? What kind of people are they? Well, they were all different kinds of people: a lot of kids, a lot of young people, some older, some with their children, a couple of families. Three had been to one of these balls -- black ties -- and just pitched -- you know, like we used to do when we were little, maybe -- slept out there. But the common thread was that they felt they were lucky to be there, which amazed me, in a sense, because I thought we were so lucky to have people that would care that much.

Q. Do you feel the same way, sir?

The President. A lot of people -- I do. I do. All right.

Q. Have you gotten lost?

The President. What?

Q. Have you gotten lost?

The President. I got lost in the White House yesterday evening when we came in, trying to find a couple of kids' rooms, yes.

Q. Thank you.

The President. Thank you all.

Q. And there was one for every room?

The President. Ten children. I mean -- five kids and ten spouses and ten grandchildren, and then Paula, who has lived with us for 29 years.

Q. It's a nice hotel, isn't it?

The President. It's unbelievable, Helen. It's unbelievable.

Note: The exchange began at 9:09 a.m. in the Oval Office at the White House. John H. Sununu was Chief of Staff to the President. In his remarks, the President referred to Timothy McBride, Assistant to the President, and Marlin Fitzwater, Assistant to the President and Press Secretary.

Remarks to Campaign Staff Members and Political Supporters

January 21, 1989

Thank you, Governor Sununu. And let me say at the outset -- I'm sure you all know John Sununu, but I am very grateful that he has agreed to -- having just left the Governorship of his State -- to be our Chief of Staff. And I know he'll do a superb job over there. In fact, he already put me to work this morning signing things. The Republic is still in reasonably good shape, I think, but I signed a bunch of stuff and -- [laughter] -- looked official in there.

And it is a wonderful feeling. We have a tremendous -- Barbara's not here. And I called her on the phone a minute ago, and I said, ``Bar, are you coming over to the State Department -- going to the State Department?" She said, ``We have 240 family members coming here at 12 o'clock, and you'd better be back." [Laughter] So, she's not here, but we have one representative: the singing and dancing star the other day at Bar's, Noelle Bush from Miami. You get over there. I don't want to be upstaged. [Laughter]

But look, I will be very informal because I look around the room and see just so many people from here, from Puerto Rico, from out in the Pacific and all 50 States; people that have made it possible for me to take on this new responsibility. And people say to you -- we had a press group over at the White House. I took my mother over there to the Oval Office, and then we took some questions from the press. And they asked a very appropriate question that seems very obvious: But has it all sunk in yet? And I guess the answer is: When you spend the first night in the White House and then when you go to work in that Oval Office, it does sink in, but it sinks in in a wonderful way.

I opened the top drawer of my desk now -- a beautiful, historical Presidential desk -- and here was a really lovely, warm note from my predecessor, which I think demonstrates more than the continuity. It says a lot because it said a lot about our own personal friendship, and it said a lot to me -- though he, the modest, now former President, would never say it -- but a lot of how I got the chance to be in this job. And so, it was emotional, and yet it had a very nice steady feeling to it: that the Presidency goes on. I heard, when he got to California, that President Reagan said he left me a note over where the underwear goes -- [laughter] -- or wherever that top right hand drawer, but I haven't found it yet. I'll have to keep looking. [Laughter]

But I wanted to come over and thank the movers and shakers of the Team 100 -- Larry Bathgate of the National Committee, and Mel and Joe and Wally Ganzie -- Mel Sembler and Joe Zappala, Wally Ganzie -- who these three I single out with some trepidation in this room because there are various other stages along the way to the White House. Each and every one of you came out and did disproportionately more than his or her share. Bobby Holt is here, who has blossomed forth from being not only one of the classic arm-twisters and -- [laughter] -- persistent

fundraisers, but now his new horizons are frightening in that he was kind of running parades and running all kinds of marvelous events -- [laughter] -- to save the Republic. And I'm very grateful to him. I don't know that Penne Korth is here, but she was our peripatetic -- I've just learned what that means -- [laughter] -- everywhere, never lets up, always around cochairman. And she did an outstanding job as well.

But to each and every one of you, really, I am very, very grateful to you. A serious note -- I said some of it yesterday, perhaps with less specificity than I will when I address the Joint Session of the Congress in early February. And what I wanted to say is: Yes, the problems are big out there. There's no question of it. And I did single out the Federal budget deficit yesterday. I talked about the new relationship with the Soviet Union. But let me just say a word on each.

I'm convinced that if we approach it properly with the Congress, without rancor, that we can get it done. I know it's not going to be easy, and I know they're not going to accept even some of the fundamental premises upon which I was elected. I'm sure of that. But I also know that with Governor Sununu at my side coming out of the political process, and with me in a sense a creature of Congress as well, that we're going to try. And I think maybe we can make the headway that the American people are really properly demanding in terms of addressing ourselves to this one fundamental remaining problem.

I put the trade deficit in a different category because I think if we get demonstrable progress on the Federal budget deficit that will send a psychological signal to world markets that will help us enormously in terms of the expense of interest, for example, on the Federal debt. So, we're going to start, and we're going to reach out. And on Tuesday of next week, we're going to have our first meeting with the bipartisan leadership -- House and Senate, Democrats and Republicans -- to start addressing this. We're not expecting miracles, but I want them to know we are going to try. I'm going to try to do that which I said, in that speech on the west front of the Capitol, I wanted to do.

And then the second point -- we're standing in this spectacular building which George Shultz so ably led and that now will be led by my friend of such long standing, Jim Baker. And somebody -- there was an editorial in the Times the other day that said the Vice President -- or the President-elect has been dealt a good hand on foreign affairs. I think that's true. We've got some tough problems in our own hemisphere. We're got some problems we're watching very carefully in Africa. We've got problems in the subcontinent in terms of nuclear proliferation.

So, you've plenty of problems to go around. But because of the reestablished credibility of the United States, because our word is seen as good, because our determination is not doubted, I think I have been dealt a very good hand. And I salute, obviously, President Reagan and men with whom I worked, women of ability in the trade areas or in the defense areas or wherever is it, because I think I come in with a stronger hand now, and I think the horizon is bright. I'd talk to kids in the campaign, and I'd tell them, listen, if I were in your shoes, I'd be optimistic that I

might grow up in a land less afraid of nuclear holocaust, less worried about regional conflagration, more optimistic about human rights worldwide.

So, the agenda, though fraught with some problems, is one that I look forward to tackling. We already had a first meeting -- Governor Sununu and Brent Scowcroft and me -- this morning. We met first with the Director of the Central Intelligence and one of our regular briefers, and then Bob Gates, the new Deputy over there, joined us. And you begin to get the sense where we should start, what areas we should tackle first, and again going right back with the Congress, trying to do a better job in letting them understand.

The President has a unique responsibility. I am concerned about the erosion of Presidential power, particularly in the field of national defense and foreign policy. But I want to work with Congress. They want in on the takeoff -- fine. I've got to make the decision. I have constitutional responsibility, and they have theirs -- largely in the purse strings and whatever -- and responsibilities there. But again, we're going to approach it with openness, with firmness, but with a spirit that, look, we really should try to return to the Vandenberg days of partisanship stopping at the water's edge.

So, this challenge, this one of foreign affairs and working so Noelle back here can grow up in a world much more peaceful, so the kids don't have to worry quite as much about the tensions that perhaps their mom and dad had to do, is a good one. And we're ready for it, and we're putting together a first-class team.

Lastly -- again, thank you -- but lastly, this morning Barbara and I, having attended I think it was 14 events last night -- [laughter] -- there's somebody behind the scene. You say, who's responsible for this? [Laughter] I looked around and can't find anybody. The only body that's come close to taking credit is Bobby Holt, and he even jumped sideways on me there a time or two at the end of the 12th event the other night. But so, we got home last night -- I say ``home'' -- we did, climbed into bed. And I -- nervous guy, you know, tension and work -- my system working on the 6 o'clock call. So, they got the coffee. And I looked out the window of the White House, and here were people all over the darn place. [Laughter] They'd spent the night there, literally, in the cold, some of them later coming through the receiving line with their blankets. And some of them had been there for 12 hours, staying out there. Some of them got there -- I know one -- I said, ``What time did you get there?'' And he said, ``4 o'clock.'' He's near the end of the line, so I don't know whether that means you had to be there before 4 o'clock, but a lot of them literally had spent all night long there. And they came to the White House, and they were thanking us for giving them this fantastic opportunity to spend all night -- [laughter] -- outside when it got colder than the devil. But there is something wonderful about that. It made a tremendous impression on both Barbara and me. I should have known it because we see the lines along here all the time -- probably out there right now if the place is still open for the tours. But it said something wonderful about the stability, the continuity, and the greatness of the United States.

Thank you. Thank you all.

Note: The President spoke at 11:12 a.m. in the Diplomatic Reception Room at the State Department. In his remarks, he referred to John H. Sununu, Chief of Staff to the President; Laurence E. Bathgate, finance chairman of the Republican National Committee; Wally Ganzie, Mel Sembler, and Joe Zappala, members of the State Election Committee; Bobby Holt and Penne Percy Korth, cochairmen of the American Bicentennial Inauguration Committee; Brent Scowcroft, Assistant to the President for National Security Affairs; and Robert Gates, Deputy Assistant to the President for National Security Affairs.

Letter to Congressional Leaders on Deficit Reduction Efforts

January 21, 1989

Dear XXXXX:

Yesterday, in my Inaugural Address, I suggested that together we should begin the process of working to achieve a deficit reduction plan -- and that we should do so soon. I had previously stated that I would lead such an effort on behalf of the Executive branch and that I would begin the process promptly upon taking office.

In accord with that commitment and our discussions, I extend to you today an invitation to join me in a meeting at the White House on Tuesday, January 24. At that meeting, I would hope we could discuss how best to proceed toward deficit reduction. I would also like to take the opportunity to follow up on suggestions made by you and your colleagues on ways we can move towards effective bipartisan support for our foreign policy.

In addition, I would like to confirm my request, which you indicated could be honored, for the opportunity to address a joint session of the Congress on Thursday, February 9.

Again, let me say how much I look forward to our working together on these critical issues. I am sure the American people expect that concerns of such national import should be tackled in a spirit of bipartisan cooperation, and am hopeful that we may prove worthy of the confidence they have placed in us.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives; George J. Mitchell, majority leader of the Senate; Robert Dole, minority leader of the Senate; Thomas S. Foley, majority leader of the House of Representatives; and Robert H. Michel, minority leader of the House of Representatives.

Remarks and an Informal Exchange With Reporters During a Walk With Family Members

January 21, 1989

The President. This is going to be the scene of a lot of real action. Marlin, do you think this would be an appropriate time to mention the first exhibition match?

Q. Yes.

The President. It has nothing to do with betting. This is a very important announcement: that this spring sometime a match that was rained out last year is going to be played here. And the players are Pam Shriver and Chris Evert versus Marvin Bush and Neil Bush. These women, confident of their own ability, have suggested that the Bush boys will not get over two games a set. And yesterday Chris Evert renewed the bet, renewed the challenge.

I am absolutely confident that the Bush boys will get over two games a set. [Laughter] And reliable tennis authorities, like Jeff Austin, the brother of Tracy Austin, thinks that those two Bush boys have a reasonable chance to beat Chris Evert and Pam Shriver. And there's going to be a tremendous match right here on this court as soon as spring is here. And it's going -- --

Q. What's the -- --

The President. Did you get all that down? It is 6 - 2, 6 - 2, and it's Evert and Shriver versus Bush and Bush. [Laughter] That's true. They are dead serious.

Q. What's the prize?

The President. Well, we don't bet on the White House grounds. I don't know what's going on on the off-the-record kind of a thing. I'll tell you there's going to be a lot of hostility on this one, a lot of -- building. The pressure's mounting.

Q. Where are you going to put the horse-shoe pit?

The President. We're looking for the horseshoe place right now.

Note: The President spoke at 11:40 a.m. on the South Lawn of the White House. In his opening remarks, he referred to Marlin Fitzwater, Assistant to the President and Press Secretary. A tape was not available for verification of the content of these remarks.

Remarks at the Swearing-in Ceremony for Members of the White House Staff

January 23, 1989

Well, that official act having been completed, we all now are about to embark on a really great adventure. And I've often said that I see responsibilities in life as missions defined, and so I want to just say a few words, first welcoming all of you to what I know will be a superb White House staff. And we have a tremendous opportunity to make life better for people in this country, better in so many ways. And I think we can, by hard work, make this a safer and a more secure country.

The long hours and hard work that's associated with the White House staff are well-known. But these long hours can result in a country with more opportunity for all. And we've got to tackle, as you know -- some of you actively involved in this already -- the budget deficit and ensure an economy that is sound and stable. We can do a lot through the wonder of the White House to exhort, to use government resources widely, to make the educational system second to none.

As I mentioned in the Inaugural Address, many of you here will be involved in what I mentioned, which was the antinarcotics effort. And I said in the Inaugural Address we've got to get rid of the scourge, and some of you will be involved in all of that. We've got to challenge all elements of government and the private sector in the environment, to do better in protecting our land and water so these kids back here will grow up in a happy, sound -- I'm glad they're somebody else's kids, I'll tell you. [Laughter] You ought to have been around here the last 48 hours; it's been fantastic. [Laughter]

But the mission is great. But it really has to be accomplished in the finest tradition of our nation: pride, honesty -- spirit of idealism when it comes to public service, knowing that our actions must always be of the highest integrity. It's not really very complicated. It's a question of knowing right from wrong, avoiding conflicts of interest, bending over backwards to see that there's not even a perception of conflict of interest.

And so, I know that we'll all set a high standard in that regard. We've got to try. I am very proud of all of you. I think we have a wonderful team, and I'm confident that when our time is over in this marvelous place, I'll be just as proud of you. I'm delighted to see the families here today, and I would simply ask for your understanding because your spouses, husbands and wives, are embarking on an ordeal that is known to be a time-consuming killer in a lot of ways. The lights burn brightly well after dark around this place. And I just hope you'll be understanding because the system works that way. Work is really never done. And I thank you all for sharing your spouses with us.

I want you to know that all of you are important also as part of a team. Those who work in the White House make the personal commitment, and with that comes this sense of personal sacrifice. And I know that you all will be struggling at times with the give-and-take that goes hand in hand with assignments like this.

Barbara understands this. She set a good example, it seems to me, in a lot of volunteer action, and I hope that all of us in the White House and outside will do our part in terms of encouraging the volunteer sector, the Thousand Points of Light that I plan to keep on talking about. Government itself can't do it all.

So, I really came over with the Vice President to thank you all, to encourage your understanding, those here and to all of you here standing up here with me. I'm very, very proud to have you on our team. And now I understand there is going to be a little chance to browse through the room and wander down there and have a cup of coffee. But let's go to work!

Thank you all, and God bless you.

Note: The President spoke at 8:20 a.m. in the East Room at the White House. Prior to his remarks, Vice President Quayle swore in the members of the White House staff.

Remarks to Participants in the March for Life Rally

January 23, 1989

Good afternoon, ladies and gentlemen. This is George Bush in the Oval Office. And before you begin your march today, on this first Monday of my Presidency, I wanted to take just a few brief moments to restate my firm support of our cause and to share with you my deep personal concern about our American tragedy of abortion on demand.

We are concerned about abortion because it deals with the lives of two human beings, mother and child. I know there are people of good will who disagree, but after years of sober and serious reflection on the issue, this is what I think. I think the Supreme Court's decision in Roe versus Wade was wrong and should be overturned. I think America needs a human life amendment. And I think when it comes to abortion there's a better way: the way of adoption, the way of life.

I know that this morning several of your leaders had a meeting in the White House with Vice President Quayle. I know, too, that you and hundreds of thousands with you across the country have raised a voice of moral gravity about abortion, a voice of principle, a voice of faith, a full voice that properly asserts and affirms the basic dignity of human life. I'm confident that more and more Americans every year -- every day -- are hearing your message and taking it to heart.

And, ladies and gentlemen -- and, yes, young people as well -- I promise you that the President hears you now and stands with you in a cause that must be won. God bless you all, and God bless life.

Note: The President spoke at 12:05 p.m. from the Oval Office at the White House via a loudspeaker hookup with the rally site. Participants had gathered on the Ellipse for a march to the Supreme Court on the 16th anniversary of the Court's decision of ``Roe v. Wade,'' which legalized abortion.

Interview With Gerald Boyd of the New York Times and Katherine Lewis of the Houston Post

January 25, 1989

Abortion

Q. We just had a few things we wanted to get your views on.

Q. What has Sullivan [Secretary of Health and Human Services-designate] told you about his views on Roe versus Wade? Can you straighten that out?

The President. Exactly what you heard him say when he was announced. He has supported my position 100 percent.

Q. Even privately on Roe versus Wade?

The President. One hundred percent. The only thing he said, and that's what he said.

Q. So, you don't envision dropping him under any circumstances?

The President. None. And I've not heard anyone suggesting that he will not be confirmed. I haven't heard one single person suggest that.

Q. If Roe versus Wade is overturned, as you support, how concerned would you be about women being allowed to have abortions in cases of rape, incest, and -- --

The President. We'll have to wait and see what the decision is on Roe versus Wade. Obviously you have to comply with the law, and what the law is is defined by the courts.

Savings and Loan Crisis

Q. What about this new Brady [Secretary of the Treasury-designate] option we're hearing about on S&L's -- the idea of charging for insurance for depositors?

The President. That's one option. It hasn't come to me as a formal recommendation. And so, I'm not going to say what I'm going to do, but that is one option.

Q. Would that not be a tax?

The President. I will answer the question with a question. Is it a tax when the person pays the fee to go to Yosemite Park?

Q. Well, on that point -- --

The President. Using the park -- there will be a lively debate on this, but I would simply leave that rhetorical question out as one way of answering your question.

Q. Well, Governor Sununu [Chief of Staff to the President] is -- --

The President. I don't want to signal that this is what we're going to do. I'm not trying to suggest that.

Q. But it sounds like you're receptive to the idea, though?

The President. I'm receptive to any idea that will solve this problem. I'm not receptive to a tax increase.

Tax Increases

Q. Governor Sununu said over the weekend -- he was talking about whether your no-tax pledge increase is a 1-year increase or is it throughout your term. Can you sort of clarify your thinking on that?

The President. I'm not thinking beyond anything other than to say I will not raise taxes, and I've got to stay with that approach. And again, we're going to, you know, just send a proposal up there that solves this budget problem without raising taxes. And the fundamental reason for that is, I want to keep the economy going. I want to keep the recovery -- not recovery, but the growth going in this economy. I do not want to kill off investment or employment opportunity. And the higher the taxes, the more you do that. So, I really feel strong on that particular point, and I haven't thought beyond 1 year, Jerry, or anything of that nature.

Q. So, no timeframe.

War on Drugs

Q. You mentioned in your Inaugural Address that you wanted to eliminate the scourge of drugs. How can you do that? I mean, what do you have in mind when President Reagan was unable to eliminate drugs?

The President. I think the elimination of drugs is going to stem from vigorous change in the

society's approach to narcotics. It's going to be successful only if our education is successful. The answer to the problem of drugs lies more on solving the demand side of the equation than it does on the supply side, than it does on interdiction or sealing the borders or something of that nature. And so, it is going to have to be a major educational effort, and the private sector and the schools are all going to have to be involved in this.

Q. More money on that?

The President. I don't know what resources are going to be available yet. I would like to think that we can funnel more money into it, but I also have this overriding problem of the deficit to contend with. So, the question is, we cannot permit the measure of concern on any issue -- drugs or education or environment -- to be determined simply by how much Federal money goes after the problem. We can't do it. We have got to use this office to encourage all elements in our society to participate in the fight against drugs, in the fight to improve education, or working to make the environment better. Because we're dealing with scarce resources in terms of Federal money. And the law has constraints on all of us in that regard.

Human Rights Summit Meeting

Q. Secretary [of State-designate] Baker said in the confirmation hearing that he was concerned about going ahead with the Moscow summit on human rights in 1991. Are you concerned about that?

The President. Well, I think that we need to look for performance. And there will be time in which to see performance in that regard. And I think the Soviets know that we feel this way after the Secretary's testimony. And I think that Mr. Gorbachev knows of my commitment to human rights because I had several meetings with him. And I'd say that there has been definite improvement in some ways there. But let's see what develops as we move towards that conference date.

Interest Rates and Inflation

Q. What are your views on Mr. Greenspan's [Chairman of the Board of Governors of the Federal Reserve System] comments on inflation from yesterday?

The President. I haven't read them yet, and I want to be sure to read them. I must say I'm encouraged that the markets, at least recently, have been saying that things are reasonably stable and certainly not there's no signals out there in the markets that this economy is in real trouble. I haven't talked to Alan lately, but I don't want to see us move so strongly against fear of inflation that we impede growth. We have to keep expanding opportunities for the working men and women of this country. I just saw this little summary of what Greenspan said.

Mr. Fitzwater. I think his comments were a lot closer to our position than was reported, too.

Q. That's what I was told.

The President. That's why I don't want to get into commenting on his -- --

Visit to China

Q. Are we going to China?

The President. Stay tuned.

Q. Sounds like yes.

The President. We may have it. We may have something on that -- you know, yea or nay -- before the close of business today. But I just don't know yet.

President's Agenda

Q. There's talk that you're hitting the ground walking.

The President. Where'd you get ``we''? Are you going?

Q. Yes, she's going.

The President. Oh, great. Oh, that's right, you don't go off till -- --

Q. November.

The President. Oh, November.

Q. There's a lot of talk that you're hitting the ground walking rather than running, that you're taking -- or that you're starting slow. Are you concerned about that?

The President. In what sense starting slow? In sense of -- talking about -- --

Mr. Fitzwater. You missed the 7 a.m. starts at the South Ground races.

Q. No, but you're not moving ahead on the budget. You're not moving ahead on any agenda.

The President. Moving ahead on the budget -- I mean, we're spending a lot of time on it. I know

we've got some meetings -- meeting with budget team, 10 a.m. Can't do anything about that for 15 minutes. But you mean in terms of sending up legislation or -- --

Q. Yes, and that there's no sort of an active agenda that you're pursuing from day one and that you're putting things off, you're studying things, you're waiting.

The President. Well, I've been a President since January 20th, and I think it's a little early to make conclusions one way or another on all that.

Environmental Issues

Q. The environmentalists say they're going to be making a litmus test out of ANWR [Arctic National Wildlife Refuge]. Is there any chance you're going to reconsider the Interior seat?

The President. I'm in favor of prudent development there. I remember the pipeline. I remember the arguments against it. And I also know the effect it did not have on the caribou. You may remember that. Phrases that lived on from campaign history about caribou bumping up against the pipeline. [Laughter]

Mr. Fitzwater. We've got to stop.

Mr. President. No -- so, I mean, I think I'm determined to be an environmentalist. I am one, and I'm concerned that we not do irreparable damage to the environment. On the other hand, I remember some of the same arguments being made against the Alaska pipeline. And we have some national security interests at stake here, and I'm one who believes we can find the balance between environmental interests and national security interests that dictate prudent development of our domestic oil and gas resources.

President's Style

Q. A lot's been made about how you're doing things differently -- you have a different way of doing business. Was it important to you to particularly demonstrate that in this first week in office?

The President. Not to do it differently, but it's important to me to do it my way. And that's what we're trying to do, and what I will do. I have to do that. Like the old advice from Jackman -- you remember the guy that came out -- character. He says, ``And then I had some advice: Be yourself." That proved to be the worst advice -- [laughter] -- I could possibly have. And I'm going to be myself -- do it that way.

Note: The interview began at 9:38 a.m. in the Oval Office at the White House. Marlin Fitzwater was Assistant to the President and Press Secretary.

Remarks on Signing the Executive Order Establishing the President's Commission on Federal Ethics Law Reform

January 25, 1989

Well, I want to -- especially at the opening of these brief remarks -- thank Judge Wilkey and Judge Bell, former Attorney General, for joining me today and for agreeing to take on this critical task.

Our National Government depends for its success on the excellence and the integrity of those who serve the public. And in choosing officials from my administration, I have sought out individuals of unquestioned competence and the highest integrity. But along with these high standards of selection, we need an unambiguous code -- a code of conduct -- to ensure that those who serve the public trust avoid any actual or apparent conflict between their personal and public interests.

As we've seen in the recent debates about ethics legislation, current Federal ethics rules do not adequately serve to eliminate abuse of public office for private gain. And the current framework is fragmented; it's confusing; and most important, does not incorporate sufficient safeguards to protect the public interest in honest and fair government. It's the difficulty of these issues that leads me to create the President's Commission on Federal Ethics Law Reform.

Judge Wilkey, thank you, sir, for taking on the arduous responsibilities of Chairman. And Judge Bell, thank you for agreeing to be the Vice Chairman. You both come to this task with extensive experience in public service and a deep interest and understanding of these interests in, and understanding of, ethics matters. And I'm asking you and other members of the Commission to take a fresh look at the ethical standards that apply to all three branches of the Federal Government and to give me your recommendations by March 9th, if you can. I know this does not give you a lot of time, but I'm eager to move forward with reform, and I'm confident that you can get this job done.

Before I issue this Executive order, let me leave you with four key principles to guide you as you take up your efforts. One, ethical standards for public servants must be exacting enough to ensure that the officials act with the utmost integrity and live up to the public's confidence in them. Two, standards must be fair. They must be objective and consistent with common sense. Three, the standards must be equitable all across the three branches of the Federal Government. And the fourth one -- we cannot afford to have unreasonably restrictive requirements that discourage able citizens from entering public service.

The task of reforming and revitalizing Federal ethical standards is really of the highest

importance to me and to the American people. And I'll await your recommendations with great interest.

And now I'll sign this Executive order.

Note: The President spoke at 2:36 p.m. in the Roosevelt Room at the White House. The Executive order is listed in Appendix E at the end of this volume.

Nomination of Donald J. Atwood To Be Deputy Secretary of Defense

January 25, 1989

The President today announced his intention to nominate Donald J. Atwood to be Deputy Secretary of Defense. He would succeed William H. Taft IV.

Mr. Atwood has been vice chairman of the board of General Motors, 1987 to the present, and a member of the finance committee and the executive and administration committees. He was appointed president of Delco Electronics Corp. in 1988. He has served as executive vice president of General Motors and a member of the corporation's board of directors since January 1, 1984, and president of GM Hughes Electronics Corp., since 1985. Mr. Atwood was vice president and group executive in charge of the worldwide truck and bus group, 1981 - 1984.

Mr. Atwood attended the Massachusetts Institute of Technology. He served in the U.S. Army, 1943 - 1946. He was born May 25, 1924, in Haverhill, MA.

Nomination of W. Henson Moore To Be Deputy Secretary of Energy

January 25, 1989

The President today announced his intention to nominate W. Henson Moore to be Deputy Secretary of Energy. He would succeed Joseph F. Salgado.

Mr. Moore has served as a Member of the U.S. House of Representatives from the Sixth Congressional District in Louisiana, 1975 - 1987. He has served on the Energy and Commerce Committee, Ways and Means Committee, and the Budget Committee and has worked extensively in both energy and tax policy. Mr. Moore has also been a partner with the law firm of Sutherland, Asbill, and Brennan, an Atlanta/Washington-based firm since January 1987. He was also a Republican candidate for U.S. Senate in 1986. Between 1987 and 1988, he also served as one of three American commissioners of the Panama Canal Consultative Committee created by the Panama Canal Treaty.

Mr. Moore graduated from Louisiana State University (B.A., 1961; M.A., 1973) and Louisiana State University Law School (J.D., 1965). He served in the U.S. Army, 1965 - 1967. He was born October 4, 1939, in Lake Charles, LA. He is married to the former Carolyn Ann Cherry of Franklin, LA, and has three children.

Nomination of Susan S. Engeleiter To Be Administrator of the Small Business Administration

January 25, 1989

The President today announced his intention to nominate Susan S. Engeleiter to be Administrator of the Small Business Administration. She would succeed James Abdnor.

Mrs. Engeleiter has served as the senate minority leader in the Wisconsin State Senate since 1984, and served as assistant minority leader, 1982 - 1984. She was first elected to the State senate from the 33d district of Wisconsin in 1980. She also was a candidate for the United States Senate, 1987 - 1988.

Mrs. Engeleiter received a bachelor of science degree from the University of Wisconsin and a juris doctorate degree from the University of Wisconsin Law School. She was born March 18, 1952, in Milwaukee, WI. She is married and has two children.

Nomination of William M. Diefenderfer III To Be Deputy Director of the Office of Management and Budget

January 25, 1989

The President today announced his intention to nominate William M. Diefenderfer III to be Deputy Director of the Office of Management and Budget. He would succeed John F. Cogan.

Mr. Diefenderfer is currently a partner in the law firm of Wunder & Diefenderfer in Washington, DC. Prior to this he served as chief of staff and counsel to the chairman of the Senate Finance Committee, 1985 - 1986. From 1983 to 1984, he was a partner with the law firm of McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble in Washington, DC. He was chief counsel of the Senate Committee on Commerce, Science, and Transportation, 1979 - 1983, and administrative assistant/legal counsel for Congressman Bruce Caputo, 1977 - 1979. He was Assistant Director for the Domestic Council at the White House, 1976 - 1977.

Mr. Diefenderfer graduated from Dickinson College (B.A., 1967); Duquesne University School of Law (J.D., 1973); and Kings College, University of London (L.L.M., 1974). He served in the U.S. Army, 1970 - 1972. He was born May 3, 1945. He is married, has two children, and resides in Great Falls, VA.

Nomination of Paul D. Coverdell To Be Director of the Peace Corps

January 25, 1989

The President today announced his intention to nominate Paul D. Coverdell to be Director of the Peace Corps. He would succeed Loret M. Ruppe.

Mr. Coverdell is currently president and chief executive officer of Coverdell & Co., Inc., in Atlanta, GA. He has served in the Georgia State Senate since 1970; as senate minority leader since 1974; and chairman of the Fulton County senate delegation, 1974 - 1984. He was chairman of the Georgia Republican Party, 1985 - 1987, and was president and a member of the board of directors of the Urban Study Institute of Georgia and the Georgia Health Foundation.

Mr. Coverdell received a bachelor of arts degree from the University of Missouri. He served as a captain in the U.S. Army. He is married to the former Nancy Nally of Atlanta, GA.

Nomination of Constance Berry Newman To Be Director of the Office of Personnel Management

January 25, 1989

The President today announced his intention to nominate Constance Berry Newman to be Director of the Office of Personnel Management. She would succeed Constance Horner.

Ms. Newman has been a codirector for outreach programs in President Bush's transition office. Prior to this she was deputy director of national voter coalitions for the Bush-Quayle '88 campaign. She has also served as Assistant Secretary of Housing and Urban Development, Director of VISTA, Commissioner of the Consumer Product Safety Commission, and president of the Newman & Hermanson Co., a consulting firm.

Ms. Newman received an A.B. degree from Bates College and a bachelor of science degree from the University of Minnesota Law School.

Nomination of Bruce S. Gelb To Be Director of the United States Information Agency

January 25, 1989

The President today announced his intention to nominate Bruce S. Gelb to be Director of the United States Information Agency. He would succeed Charles Z. Wick.

Mr. Gelb is currently vice chairman of the board of directors of Bristol-Myers Co. Mr. Gelb became president of Bristol-Myers consumer products group in 1981 and was named executive vice president in charge of both Bristol-Myers consumer products and health care groups in 1984. He is a member of the Public Sector Committee of the USIA, and vice president and a board member of the Proprietary Association.

Mr. Gelb graduated from Yale University (B.A., 1950) and Harvard University (M.B.A., 1953). He is married and has four children.

Nomination of Fred M. Zeder II To Be President of the Overseas Private Investment Corporation

January 25, 1989

The President today announced his intention to nominate Fred M. Zeder II to be President of the Overseas Private Investment Corporation, U.S. International Development Cooperation Agency. He would succeed Craig A. Nalen.

From 1987 to 1988, Mr. Zeder was senior adviser for President Bush's transition office. He served on the committee on special projects and surrogate speakers panel for the Bush-Quayle '88 campaign and on the finance committee of the George Bush for President campaign. Prior to this he was President Reagan's personal representative for Micronesian status negotiations serving with the rank of Ambassador, 1982 - 1987. He has also served as Director of Territorial Affairs at the Department of the Interior, 1975 - 1977.

Mr. Zeder attended the University of Michigan and the University of California at Los Angeles. He served in the U.S. Army Air Force, 1941 - 1946, and Air Force Reserve, 1946 - 1950. He is married, has 5 children and 10 grandchildren.

Remarks to Members of the Senior Executive Service

January 26, 1989

Mr. Vice President, thank you for that very warm welcome. Mr. Vice President and members of the Cabinet and designees and ladies and gentlemen: Let me first recognize especially the recipients of the Presidential Distinguished Rank Award who are with us here today. And it's great to be here with all of you, the men and women whom I regard as certainly among America's finest. You're the first group that I am addressing as President outside the White House, and you're one of the most important groups I will ever speak to.

And you know, I wanted to be fully briefed before I came, so I asked one of my staff, ``When does open season begin?'' [Laughter] And he says, ``For you, sir, it begins as soon as the honeymoon ends.'' [Laughter]

We're all wise in the ways of Washington, especially you who've served this country with such distinction. And we know there are ups and downs. But I must say, there is a nice feeling around today in the country. I think people, when a new President comes in, do root for him regardless of partisan politics. That comes up tomorrow. But for today, why, I think there's a good mood out there, and I thank you for that welcome to me and to the members of my Cabinet and designees and others that are here with us on this platform. Pundits agree, regardless of party, that of all the candidates I had the best Form 171. [Laughter] But really, what we do have in common is that each of us is here to serve the American people. Each of us is here because of a belief in public service as the highest and noblest calling. And each one of us, on our first day, took a solemn oath: We pledged to defend the Constitution of the United States. And that is exactly what we shall do.

And our mandate comes from the people, because as Abraham Lincoln said: ``No man is good enough to govern another man without that other's consent.'' And so, now that the people have spoken, I'm coming to you as President and offering my hand in partnership. I'm asking you to join me as full members of our team. I promise to lead and to listen, and I promise to serve beside you as we work together to carry out the will of the American people.

Our principles are clear: that government service is a noble calling and a public trust. I learned that from my mom and dad at an early age, and I expect that that's where many of you learned it -- there or in school. There is no higher honor than to serve free men and women, no greater privilege than to labor in government beneath the Great Seal of the United States and the American flag. And that's why this administration is dedicated to ethics in government and the need for honorable men and women to serve in positions of trust.

Yesterday I appointed a bipartisan commission, headed by Judge Wilkey and former Attorney General Griffin Bell, to develop ethics reform proposals which will include all branches of the

Federal Government. The guiding principle will be simply to know right from wrong, to act in accordance with what is right, and to avoid even the appearance of what is wrong. Our duty is to serve, and my strong conviction is that we must do it only for the right reasons, as you do: out of a sense of service and love of country. Government should be an opportunity for public service, not private gain. And I want to make sure that public service is valued and respected, because I want to encourage America's young to pursue careers in government. There is nothing more fulfilling than to serve your country and your fellow citizens and to do it well. And that's what our system of self-government depends on.

And I've not known a finer group of people than those that I have worked with in government. You're men and women of knowledge, ability, and integrity. And I saw that in the CIA. I saw that when I was in China. I saw it at the United Nations. And for the last 8 years, I saw that in every department and agency of the United States Government. And I saw that commitment to excellence in the Federal workers I came to know and respect in Washington, all across America, and, indeed, around the world. You work hard; you sacrifice. You deserve to be recognized, rewarded, and certainly appreciated. I pledge to try to make Federal jobs more challenging, more satisfying, and more fulfilling. I'm dedicated to making the system work and making it work better.

Starting 8 years ago, I led a task force to remove unnecessary regulation of the private sector, to free up the energies of the American people. But I think we also need to continue to remove unnecessary and counterproductive regulation of Federal workers and senior executives. I believe that there is tremendous pent-up energy in the Federal Government, a powerful force for good that needs to be released. And I want to be the President to do that, to release the Federal manager from bureaucratic bondage so that together we can, as I said on the steps of the Capitol, use power to serve people.

I think Connie Horner has done an outstanding job at OPM, at the Office of Personnel Management. And I'm delighted that my new Director of OPM will be Connie Newman. She is an outstanding executive. I have great confidence in her, and I think she's learned a few things on her way up since 1962 -- that's the year she began in Federal service as a clerk-typist at the Department of the Interior. And just as the award winners here today represent the best and the brightest, I think in choosing Connie I found one of the best and brightest, as well.

Now, as the Cabinet Secretaries staff their agencies -- particularly the senior positions -- they'll be looking for ability, for people committed to fulfilling the mandate we received from the American people and to doing it with excellence. And if we find that the best choice for an appointment is a career government executive, I am for that, and I hope that my selection of Tom Pickering to be our Ambassador at the United Nations is underlining that point.

I have a conservative vision of government. I ran and was elected on those terms. And I see no strain or tension between those values and the values of a professional civil service whose

highest principle is one of patriotism, whose foremost commitment is to excellence, whose experience and expertise is in itself a national resource to be used and respected. I urge all my appointees to build a spirit of teamwork between the political and career officials. And each of you has a special role to play here. You've reached the top of your profession, and you're skilled managers, knowledgeable in your fields, respected by your colleagues. And I'm asking you to join with our political appointees not only in setting an example of cooperation but, again, one of excellence as well.

To those who work outside Washington, I would send a special message. At times it may be frustrating when it seems that the head office is thousands of miles away and the message is not getting through. But if I may, I'm going to issue a verbal Executive order: We're going to listen, because the heart of our government is not here in Washington, it's in every county office, every town, every city across this land. Wherever the people of America are, that's where the heart of our government is. And since, in any organization, so many of the best ideas come from the bottom up, I hope the people in this room will listen, listen closely, to the people who work for you. The civil servants on the front lines know what works because they're right there. Whether they're working with disadvantaged children, promoting American exports, or managing our public lands, they are in touch with the American people.

And there's much we need to accomplish for America. There is a mandate to fulfill, and there are problems to solve. We have work to do in promoting education, protecting the environment, and certainly in fighting crime. We have work to do in our cities and on our farms, and we have a war on drugs to win. We must provide for the common defense, strive for a lasting peace, and we must keep our economy growing so it can keep producing jobs and opportunity. Above all, we have a compact with the American people. They pay for excellent government, and they deserve to receive it. And together we can assure that that is done.

And there's one more thing we need to do. The Government is here to serve, but it cannot replace individual service. And shouldn't all of us who are public servants also set an example of service as private citizens? So, I want to ask all of you, and all the appointees in this administration, to do what so many of you already do: to reach out and lend a hand. Ours should be a nation characterized by conspicuous compassion, generosity that is overflowing and abundant. And you can help make this happen outside of your workplace, in your communities and your neighborhoods, in any of the unlimited opportunities for voluntary service and charity where your help is so greatly needed.

Well, I'm honored to be with you, to work with you, you here in Washington, your colleagues in the Federal service around the nation. They're some of the most unsung heroes in America. The United States is the greatest nation in the world because we fulfill that mission of greatness one person at a time, as individuals dedicated to serving our country.

And as we embark on this great new chapter in our nation's history, I want to tell you -- came

over here to tell you -- that I am proud of you and very glad that we will be working to write this chapter together. Thank you all, and God bless you in your important work. Thank you very, very much.

Note: The President spoke at 2:10 p.m. at DAR Constitution Hall.

The President's News Conference

January 27, 1989

The President. Harmony and peace in here. [Laughter] First, I sound worse than I feel. Let me -- --

Q. What's wrong with you?

The President. Slight cold. But it's been a full week since the inauguration. I just wanted to stop by under our new policy, give you an update.

I've been talking this week about ethics and the emphasis is not, believe me, a fad or some passing fancy. We're going to be hearing more about it -- I think a lot more. In broader terms, I'm trying to set high standards for government service: duty, honor, personal sacrifice for the common good. And I want to assemble a government that the people of this nation can be proud of. That's our goal; that's our mission. We did appoint this week, as you know, a new commission on ethics. We've got two able Chairmen, Vice Chairmen: Judge Wilkey and [Attorney] General Griffin Bell. That commission started a fresh, constructive dialog with Congress on both sides of the aisle. I'm pleased with the way those initial meetings have gone. So, we're ready to roll.

I think it's been officially announced that we're going to -- certainly to Tokyo, then on to China, and I'm looking forward to it very much. And then, also, we'll be stopping for a relatively brief stop in Korea on the way back from China. We've had other invitations. That's about all we can do. And in a nostalgic basis, needless to say, Barbara and I are looking forward in a very personal way to going back to Beijing.

Now, with no further ado, I'll be glad to take some questions.

Terry [Terence Hunt, Associated Press]?

Federal Pay Raise

Q. Mr. President, you said before you became President that you supported Ronald Reagan's decision on a 50-percent pay raise for Members of Congress and that you'd have something more to say about it once you'd get to the Oval Office. Most of the polls show that a vast majority of Americans oppose that pay raise.

The President. Yes.

Q. Now you're President, what's your view on that pay increase?

The President. Well, I did say I supported it, and I do support it. A raise is overdue. There's no question about that. There are some good things in this. The reform of the honorarium, payments for these speeches, I think, is very, very good. I think it's good government. It's a complicated formulation. There are some elements that bother people, including me. But the President did consider all this carefully. He went forward with the Commission's [Quadrennial Commission on Executive, Legislative, and Judicial Salaries] recommendation, and because of the way it works on Congress -- and the ball is clearly in their court -- it leaves us with either the Commission recommendation or nothing. And so, seeing the problems as I do, I still feel that I should not go about undoing the Reagan decision.

Yes, Helen [Helen Thomas, United Press International]?

Savings and Loan Crisis

Q. Mr. President, your trial balloon on the S&L's taxing savings and checking accounts has fallen like a lead balloon. Are you dropping that plan? Do you have any other plans?

The President. First place, I think it's a little absurd to be commenting on a facet, a possible facet, of solving a problem when it hasn't even come to me. You're talking about speculating on something that hasn't even reached the desk of the President even as an option -- say nothing of its being a proposal.

Q. Well, it certainly has come from your people.

The President. Well, as an option, not as a proposal. And I think you're right. There seems to be some controversy around it. But that doesn't mean that any thinking along those lines should cease. But I'm going to reserve comment until I actually have it presented to me. And I expect this is the first of many such things that's going to happen of this nature. I will say this: that the savings and loans deposits are backed by the full faith and credit of the Government. And they are sound; they are good -- dollar good. And I just want to assure the American people of that, and nothing is going to change in that regard. But in terms of this one idea, let them float around. It doesn't bother me for a lot of ideas to be considered and debated.

Q. The reaction is very negative -- the public reaction, congressional reaction. Will that enter into your decision?

The President. Anything I do on savings and loans or when we get into this budget deficit reduction program -- look, I don't expect it's all going to be sweetness and harmony and light. The minute we get those proposals up there on February 9th, I expect we're going to have other firestorms swirling around. But I have not made decisions on this one. I'll wait until I get all the facts, call them as I see them, and hope that we can convince the American people that that's the

way to go.

Relations With Congress

Q. Mr. President, you've set a tone of high-mindedness and propriety this week with your emphasis on ethics, also of bipartisanship in your discussions with Congress. Beyond those matters of process and tone, sir, what would you like the country and the world to say is the message of your first week in office as to what your administration is about?

The President. Reaching out to the Congress. I really am serious about this trying to get more of a bipartisan foreign policy, for example. And though we haven't addressed that specifically in terms of issues, I have addressed it in broad terms to the Members of Congress with whom I've met here and with whom I met over in the Residence. And so, I'd like to signal an era of real openness with Congress.

Look, I know we're going to have conflicts, Brit [Brit Hume, ABC News]. And I know we're going to run up against each other. But I want to start with that approach. And we're in a broad review -- as you've heard from my various nominees as they appear before the Senate -- on specific areas of foreign policy. A message would be taking steps to make clear to the congressional leadership that that's what I want to do. The other one, as I mentioned, is trying to set a tone, in terms of conflict of interest, that I hope will serve us in good stead.

Visit to China

Q. What signal do you think it may send the world, sir, that you're making your first visit to China -- after, of course, the ceremonial trip to Tokyo -- while Soviet leader Gorbachev, having asked for early talks, is still waiting for a response?

The President. Well, I don't know what signal it sends in that regard. But let me just remind you that I'm the one who does not believe in ``playing the Soviet card'' or ``playing the China card.'' We have a strong bilateral relationship with the People's Republic of China. I have a personal acquaintance with the leaders with whom I will be meeting there, including Deng Xiaoping [Chairman of China's Central Military Commission], and being that close -- it just seemed like an appropriate visit, but not to signal a playing of the card to go one up on Mr. Gorbachev. There's nothing of that nature in this visit. That is a strong, important strategic and commercial and cultural relationship that we have with the Chinese -- the largest number of people in the world, in that country. And so, the visit stands on its own and does not have any signaling that should be detrimental to anybody else's interest.

Going right across here. How do we get in the back here, Marlin?

Soviet-U.S. Relations

Q. Mr. President, your national security adviser, Brent Scowcroft, said last week on television that the Cold War was not over and that he felt that Mr. Gorbachev was trying to make trouble for the Western alliance. What is your view, sir?

The President. Well, I'm not sure that's an exact -- I should let the General defend himself. But I've expressed my view not only in the campaign context but in several times afterward, and also to Mr. Gorbachev. And our administration position, in which General Scowcroft is in total agreement -- indeed, he'll be one of the leaders in this reassessment -- is: Let's take our time now. Let's take a look at where we stand on our strategic arms talks; on conventional force talks; on chemical, biological weapons talks; on some of our bilateral policy problems with the Soviet Union; formulate the policy and then get out front -- here's the U.S. position.

And I don't think the Soviets see that as foot-dragging. I'm confident they don't. Indeed, I made that clear to General Secretary Gorbachev just this week in a rather long talk with him. So, I want to try to avoid words like ``Cold War'' if I can because that has an implication. If someone says Cold War to me, that doesn't properly give credit to the advances that have taken place in this relationship. So, I wouldn't use that term. But if it's used in the context of do we still have problems; are there still uncertainties; are we still unsure in our predictions on Soviet intentions? I'd have to say, yes, we should be cautious.

Yes, Lesley [Lesley Stahl, CBS News]?

Tax Increases

Q. Mr. President, there seems to be some question about just how long your no-tax pledge applies. Is that a 1-year pledge, a 2-year pledge, a 4-year pledge?

The President. I'd like it to be a 4-year pledge.

Q. Is it a 4-year pledge? Are you -- --

The President. I'd like it to be a 4-year pledge, yes.

U.S. Contact With the PLO

Q. Mr. President, Yasser Arafat [Chairman of the Palestine Liberation Organization] has been over in Europe meeting with Foreign Ministers of Spain, France and Greece. Marlin has said, and so has Mr. Scowcroft, that it's too early for Arafat to meet with Secretary of State-designate Jim Baker. On what level would it be appropriate for Arafat to meet with an American official? An Assistant Secretary of State, for example?

The President. As we changed the policy on the Middle East on dealing with -- I mean, as the change came about in the policy on communicating with the PLO, it was based on their acceptance of three principles. As long as they stay hooked and stay committed to those three principles, we will have, when appropriate, meetings with the PLO.

I haven't given any thought at all to when a meeting with the Chairman -- Arafat with an American official -- is appropriate. And I would wait to see how we go forward. The point in talking to them is to try to facilitate peace in the Middle East. And it seems to me that if there's some logical step that requires high-level sign-off by various participants over there, then, and then only, would it be proper to elevate the meetings to that level. You crawl before you walk. We're just starting to talk to them because they have, dramatically I'd say, agreed to the principles that are part of our policy.

U.S. Foreign Policy Initiatives

Q. Let me ask you if I can in that regard: You said in a wire service interview the other day that you needed to have some foreign policy initiative early in your administration. It seems the Soviet relationship is going on the back burner while you discuss the nuclear force structure, for example. In what area are you going to try to move forward? Central America? The Mideast? Where?

The President. All of them. But we've got to have a little time. We're not going to let this Soviet thing put us in the mode of foot-draggers. We're going to be out front. There's no reason to suggest that all we have to do is react to a speech by the General Secretary. I want to take the offense in moving this relationship forward and taking steps that are in the interest of freedom around the world, whether it's in Eastern Europe or in strengthening our alliance.

But there's plenty of troublespots -- one of them, as you mentioned I think, Central America. But we need to complete the reviews. But I can't tell you, John [John Cochran, NBC News], where you will see the first major initiative -- whether it's going to be the Middle East, whether it's going to be Central America. We've got problems, of course, that afflict the whole continent and other continents in this Third World debt problem, and then, of course, the Soviet Union.

But, no, I don't want to play defense, and I don't want to look like we're foot-dragging, just waiting around to, you know, let others set the agenda, but prudence is the order of the day. And when you're gunning for something as important as a bilaterally supported policy in Central America, it does take a little time. I've only been here less than a week.

Yes, Owen [Owen Ullmann, Knight-Ridder]?

Minimum Wage

Q. As you know, the minimum wage has been frozen for even longer than congressional pay raises. Since you support a large increase in pay for the most affluent 1 percent of the country, would you favor pushing for an increase in the minimum wage, which would benefit the lowest income groups of the country, as part of your promise in your Inaugural Address to reach out to all the people?

The President. I've always said that my position on minimum wage is that I would want it linked to a training wage, to a differential of sorts, so that you don't throw people out of work by raising the minimum wage. And I'm not one who has felt that the minimum wage is the key to economic prosperity for people on the lowest end of the economic spectrum. But as I indicated, a certain flexibility on that question -- and again I'll wait for Elizabeth Dole -- takes office next couple of days -- to come in with her recommendation.

Saul [Saul Friedman, Newsday]?

Followup Questions

Q. If I could just follow: Do you -- --

The President. Now, let me ask you to stop the proceedings. Don't take it out of their time. What would be the fair and noble way to handle followup questions as we do these things? Would it be good to have them or not have them?

Q. Handle them. Handle them, yes.

Q. There should be one followup.

Q. One followup.

The President. But then if we do it, everybody else doesn't get a chance to ask a question, and I'm about to pull the ripcord on this thing. [Laughter] No, seriously, how do we -- I want some -- --

Q. Stay longer. [Laughter]

Q. If you make the statement and just leave and not have anyone follow it up, it just hangs out there.

The President. Yes.

Q. Suppose you don't answer the question?

The President. You mean my first answer is less than precise? [Laughter]

Q. Yes -- [laughter] -- on occasion. [Laughter]

The President. On occasion. No, but I'm asking. I'd like to get -- because here we are, all these -- --

Q. One followup.

Q. Make a deal: one followup.

Q. You'll just have to be more precise.

The President. -- -- women and men who have a Leubsdorf area there -- untested on the question. [Laughter]

Q. And the standee!

Q. Spread it out.

The President. And the standees have gotten no time at all, so -- --

Q. When, in fact, it's a true followup.

The President. Instead of yet another question, you mean?

Q. Yes.

Q. Right, right.

Q. A real followup.

Q. Exactly, you decide. If you think somebody's playing games with you, say, I'm sorry.

The President. Say I've already answered that? Then what happens? [Laughter]

Saul?

Q. Wait a minute. Where's my followup?

Q. You're finished. [Laughter]

The President. You didn't have a follow -- --

Q. The first row gets to follow up? That wouldn't be fair.

The President. All right. I've already answered that one.

Yes, Saul? [Laughter]

Q. I yield to Owen first.

Federal Pay Raise and the Minimum Wage

Q. Are you concerned from the standpoint of perception you're supporting a pay raise for a high-income group and not pushing on an equal basis for a lower income group to give the public the perception that you're lobbying for a wealthy sector of the country?

The President. No, I'm not concerned about that perception, but I am troubled by certain aspects of the proposal, as I think I've indicated -- the pay raise proposal. But we're down to the crunch here: recommendations up there on the Hill. It's yea or nay. I mean it's one way or another. But I don't think that would be fair at all.

I think the main thing in terms of the question you raise: Jobs -- how do we continue to create jobs, keep it going? And I've given you one ingredient that I think has to be a part of any consideration of the minimum wage. But as I've indicated, I'm flexible on how that should be accomplished.

I'm not sure that one can make a connection between the minimum wage and more employment. If you raise the minimum wage without this differential, I think you will reduce employment. So, I think the main thing in the area you're talking about is: How do we increase economic opportunity? And maybe there is a way to do it, but I don't think it would be fair to say when you take a pay raise that affects a tiny fraction -- judges and Congressmen -- that that has a broad economic impact on the country. I've expressed some concern about it, but for other reasons.

Strategic Defense Initiative

Q. Do you agree with Senator Tower's [Secretary of Defense-designate] testimony in which he doesn't seem to believe that the SDI program, as envisioned by President Reagan, is likely? And if you do agree with it, can you expand on that, please?

The President. No, I think I should wait and see a little more what John Tower means. My position has not changed on SDI.

Q. Which is? I mean, John Tower has said that he doesn't believe that a large-scale SDI to protect the population, as envisioned by Reagan -- --

The President. I'd better -- --

Q. -- -- is likely.

The President. Saul, before I comment on Tower's testimony, I'd better read it. If he's talking about a shield so impenetrable that that eliminates the need for any kind of other defense, I probably would agree with that, certainly short-run. But I'd better cover by waiting until I see what he said.

The standees, two standees?

Afghanistan

Q. Thank you. The first action taken by your Secretary of State was to order the boarding up of the Embassy in Kabul. Does that indicate that this administration, this country, then, has no influence with the rebels and you are now fearful of chaos and massacres there? And to what extent did you discuss this with Gorbachev the other day?

The President. Did not discuss it with him the other day. And what it indicates is a prudent policy to protect a handful of American life. And it's a step that other countries have taken. In Afghanistan, certainly, I think we'd all agree there is uncertainty about what follows. I'm convinced the Soviets will continue their withdrawal, and well they should. But it is simply a prudent way in which to protect life, I think. We've had meeting after meeting with Afghan rebels, and there's no question in their mind how we feel about, say, a Soviet presence in that country. But I think there's a lot of uncertainty. And there's enough uncertainty that a Secretary of State was taking prudent action in this regard.

Q. What role do you see for the United States after the Soviets withdraw in that country?

The President. Catalytic role for helping bring about stability hopefully in a government where the people have a lot of say. And it won't be easy.

Yes, Tom [Tom DeFrank, Newsweek]?

Federal Pay Raise

Q. Mr. President, I'd like to try the pay raise one last time. As you just said, it's not just for Members of Congress and not just for Federal judges. It's for a lot of senior officials of the Government, political appointees. You also have told some reporters in recent days that you're concerned about the long-term pension implications of all these larger salaries. Wouldn't you be happier with a pay raise that's a little bit less rich than 50 percent?

The President. I don't have that option to get into that now. I have, I think, expressed myself in the past on separating out some of these categories, but regrettably you're never dealing with just the way I would like it to be. And so, I'll just leave it that -- my earlier statement.

First Days as President

Q. Sir, this is a thematic question. You've had a week on the job. Has it been easier or tougher than you expected? Any surprises? And did you find the note in your underwear drawer? [Laughter]

The President. No note in the underwear, and it's been a good, easy week. And I expect it will change dramatically in the days ahead. But my view is to -- if it weren't for the cold -- smile and enjoy it while you can, because I can already sense, you know, looking forward to a little more confrontation out there.

Q. Have there been any surprises, sir?

The President. None particularly, no. And I think one of the reasons is that I've been around here in a different role for 8 years and then in and out on other jobs. But there's still the wonder of it all. I mean, it still feels different, but not surprises.

Q. A followup, sir?

The President. You already had a followup. Nice try. [Laughter]

Rita [Rita Beamish, Associated Press]?

Drug Control Policy Director Bennett

Q. Mr. President, there seems to be some brouhaha about the fact that Bill Bennett's not an actual member of the Cabinet, as are the USTR [U.S. Trade Representative] and the OMB [Office of Management and Budget] Director. In light of the fact that you emphasized drugs as an overriding consideration in your campaign and also that public opinion polls show consistently this is among the top priorities of the public, why isn't he in the Cabinet? And do you foresee that you might change your mind on that?

The President. No. The reason he isn't in the Cabinet is that I tried to reduce down the numbers of full Cabinet members. And I think Bill Bennett's time is best spent not worrying about agricultural subsidies, when we have a meeting on agriculture, but concentrating on drugs. To the degree there's symbolism that this means I think it's less important, I'd like to knock that down hard. And I have to do that in substantive ways: sitting at his side as we meet with his peers at Cabinet level, making clear to them that I will be insisting on cooperation as he asks for the support of the Defense Secretary for military assets on interdiction, as he asks for the support of the Education Secretary on certain educational initiatives.

But the Cabinet rank is there, giving him the standing that I think the job not only requires but demands. And I think the idea of not sitting through Cabinet meetings that have nothing to do with that subject should be a rationale for having Cabinet level, but not being in all those meetings.

I'm glad he mentioned this because I think there's been some feeling, well, that means I'm less interested in drugs. That's not right. I'm very interested in the economic statistics, but our chief of economic advisers [Michael J. Boskin] is not a Cabinet member, as he's been designated by previous Presidents. Our Chief of Staff, in whom I have full confidence, is not a Cabinet member, but I think we have a very strong Chief of Staff setup.

Over here, way up in the window -- innovative standing.

Monetary Policy

Q. You just touched on the issue of Third World debt. There are many experts who are saying that if there's any danger for the U.S. economy it's in how greatly leveraged it is, both in terms of corporate indebtedness and Third World debt. And they say that the S&L crisis, for example, is simply a subsumed feature of this. Do you see this as a real problem that you're going to address aggressively, and what kind of steps would you take to overcome the high proportionality of debt to equity that exists in the U.S. economy now?

The President. The question of corporate debt -- on that one, the role of the White House and the role of the Federal Government ought to be to do its level best to keep a strong economy. And I don't believe that it's the government role to assign levels beyond which a corporation can't borrow. In terms of Third World debt, we do have a responsibility, and a lot of that's going to be working with the private banks and others. And again, we'll have some recommendations; we have to have them pretty soon on that question.

I'm not sure I got to the substance of your question -- separating out these two things.

Q. Try another one.

Q. -- -- reported differences that you have with Alan Greenspan's [Federal Reserve Chairman] testimony in Congress earlier this week with regard to interest rates and monetary policy.

The President. I'll be honest with you. I don't think I'm far apart from Chairman Greenspan at all -- far apart. There may be some differences. Because of plant capacity, utilization, he is more concerned about inflationary pressures than I am right now. Seems to me, there's an area of difference, but basically and generally speaking, I think we're fairly close together.

Government Ethics

Q. Mr. President, by spending your first week dwelling as you have on ethics, aren't you voicing an implicit criticism of the Reagan administration's ethical record?

The President. No.

Q. Why else was it necessary to declare National Ethics Week, so to speak?

The President. Because I feel strongly about it.

Q. Can I follow on that line, sir?

The President. No, she's in first, and then you. Need to cool off on that one. [Laughter]

Savings and Loan Crisis

Q. Mr. President, given your strong antitax ban in the campaign, why are you allowing Mr. Brady [Secretary of the Treasury-designate] to consider as an option for the S&L's a tax increase?

The President. I'm not. He has thrown out a lot of different possibilities in discussions we've had. We have people that are experts on what a tax is. I would refer you to Richard Darman, who is the head of the OMB. And he's the guy that defined that very well up there with the duck test on the Hill and -- --

Q. So, you're not thinking of a tax?

The President. Well, I'm just saying I'm not prepared to say what I think on it right now till I hear from it, because the more I discuss it, the more you all go out and say this is something that I'm considering when I'm not. It hasn't come to me yet. But I've been around for a long time, and I don't remember hearing people talk about the fee that went into covering the FDIC [Federal Deposit Insurance Corporation] or FSLIC [Federal Savings and Loan Insurance Corporation] as

a tax. I don't remember people writing that before. But -- not trying to get into the fight anymore right now. I'll be back.

Government Ethics

Q. You've mentioned ethics in a number of ways, and you've talked about the value of service this year. The last 2 days we've picked up the headlines in the papers, and they've read President Reagan has a $5 million book deal. He's got a $50,000 a speech deal. With all respect for the office and the former President, do you think it's appropriate to cash in on the Presidency?

The President. I don't know whether I'd call it cashing in. I expect every President has written his memoirs and received money for it. Indeed, I read that a former President -- was it Grant? Grant got half a million bucks. That's when half a million really meant something. [Laughter] I mean, you know, so I think there is plenty of tradition that goes with Presidents' writing memoirs and being paid for it.

Q. But you've also talked about perceptions. Is there a perception problem here?

The President. No, because I think there has been a long history of that, and I don't think it's ever been challenged as inappropriate.

Secretary-Designate Sullivan

Q. Mr. President, would you try to clear up the continuing controversy over the reported disagreements on abortion between your nominee for Health and Human Services and yourself? Are you in sync?

The President. Yes.

Q. Is he in sync with you? Does it matter? Do you have to be absolutely in sync as long as once in office he would support your position?

The President. Well, I think that last point is the important point, but also, we are in sync. And so, I have a person who has stood in front of you all when I nominated him and said that, and I have no reason to think anything differently.

Tax Increases

Q. Mr. President, a few moments ago you talked about -- on your no-new-taxes pledge -- the idea that you'd like it to be a 4-year pledge, and that does appear to be a softening of language from the campaign. I wonder, has anybody -- Mr. Darman or any of your advisers -- told you to change your mind about the duration of that pledge -- revenues needed and so on?

The President. No, that hasn't changed my mind -- anything in the last few days of talking like that.

Abortion

Q. Mr. President, we've heard a lot about your position on abortion this week because of Mr. Sullivan. Are you planning any initiatives from the White House related to abortion? Or are you going to wait and see what the Supreme Court does, number one? And number two, as a person who's always, from what we know, had the financial and emotional resources to know that you could raise your children comfortably, do you feel any awkwardness about telling other people, whose situations you don't know, how they should run their lives?

The President. Not when it comes to the question of life. I do feel an awkwardness in terms of having been able to take care of my kids when they were sick or raise them properly or something like that. I feel a certain privilege. I was very fortunate in that regard, and I know a lot of people aren't. But on this issue, I think we're talking here of principle. And I sure would like to put the emphasis on adoption, and that means a broader acceptance of that principle.

Q. Are you going to have any White House initiatives, or are you going to wait for the Supreme Court?

The President. I think probably wait, but I have been pledged, as you know, to an amendment. But I'd like to see the Supreme Court decision as soon as possible.

One, two, three.

Iran-U.S. Relations

Q. Mr. President, a Teheran radio report this morning seems to indicate that they are rejecting your statement of a week ago today that good will would beget good will. While you didn't specifically mention Iran by name in your speech, what would your message to them be on relations, and what would your message be to them about helping get the hostages out?

The President. Well, I would make a broad appeal, transcending Iran, to anybody that can be helpful to get the hostages out. I haven't seen the wire copy, but if there is such a story by them, maybe they're saying, Well look, we're not holding your hostages. And I'd have to say, Well, from our intelligence, our information, that's probably correct -- probably correct. In terms of the future -- there was a period of time when we had excellent relations with Iran, and I don't want to think that the status quo has to go on forever. But I do think that the renunciation of terror in any form and a facilitating to the degree they can the release of the hostages would be a couple of good steps they could take.

Q. A followup, Mr. President -- follow up on that?

The President. No, you don't get to follow his question. [Laughter] Ann [Ann McFeatters, Scripps-Howard] and then here. We've got to get these ground rules -- sure.

Affirmative Action

Q. Mr. President, you've spoken frequently about reaching out to blacks, that you want that to be an important goal of your administration. This week the Supreme Court issued a decision that may kill many of the minority set-aside programs that have been so helpful to blacks across this country. Does that concern you? Are you worried about these programs?

The President. It didn't kill all set-asides, and it didn't kill off affirmative action. I have been committed to affirmative action. I want to see a reinvigorated Office of Minority Business in Commerce. I want to see our SBA [Small Business Administration] program go forward vigorously. And so, I would say that decision spoke to one set of facts -- in Richmond, I believe it was -- but I will not read into that a mandate to me to stop trying on equal employment and on affirmative action generally.

Capital Gains Taxes

Q. You said during the campaign, Mr. President, that you would roll back taxes on capital gains if elected. Now that you've begun to look at the budget numbers, is that going to be a promise you can keep when you make your submission to Congress, or is that no longer affordable?

The President. I hope it's affordable; it gains you revenue. And we've got a big argument with some people about that. They don't want to go back and look at what happened in 1978. It gains revenue. Now, I know we've got all kinds of bureaucracies around here that doesn't agree with that, but that was discussed in the campaign. I'm convinced it will bring in additional revenue and, in the process, create additional jobs for men and women. So, I would like to see it a fundamental part of whatever we do.

Now, if your question is: Can I get it done? -- that's something else again. But I want to see it done. There was an issue in our campaign where there was a clear difference. That was when there was a clear difference. The opposition was saying: My opponent is proposing something that'll cost the taxpayer $30 billion. And I'm saying: It'll create jobs. And indeed, I've seen estimates by intelligent people thinking it'll bring in revenues in excess of $4 billion. And so, I'm going to keep pushing that, because I know it's right, and I ran on it.

Federal Pay Raise

Q. Mr. President, once more on the pay raise. You've portrayed yourself as a latecomer on the issue who has no real power to affect it. But in point of fact, I believe that you do have the power, if you want to, to limit the pay raises that would otherwise automatically go to your own staff. Will you do that, number one? And number two, do you think both Houses of Congress ought to vote on this?

Q. Sununu already -- --

The President. Well, I think in the best of all worlds -- [laughter] -- wait until I get -- --

Mr. Fitzwater. It's a trick question, sir. [Laughter]

The President. He's a fairminded guy. [Laughter] No, I think our Chief of Staff has tried to hold the line in increases in hiring people. And I think you're all aware of that. And I think he's done a very good job on it. I don't know how the law affects the staff in terms of automatic increases, but there's a nice little problem that if you do go forward with automatic increases, or any money that has to be appropriated some way. So, we'll have to talk about what we'll do.

What was the other part of it?

Q. Do you think both Houses of Congress ought to vote on this issue?

The President. In a perfect world, in a world where you're starting over, yes, I'd have to say I do. But that isn't the proposal that's up there, and it's all or nothing. And in my view, I've told you where I come down on that.

We've got time for a couple of more, because it's 3857.89, 58.80 -- this thing is buzzing away up here.

Yes, go back -- --

Hostages in the Middle East

Q. Mr. President, a few minutes ago on the answer concerning the hostages, you indicated that Iran was probably not holding the hostages. Did you mean to say that we believe that Iran exercises no control over the people who are holding the hostages?

The President. No, I mean to say they are not holding the hostages. Do they have any control? I think you can get varying degrees of intelligence on that, various assessments as to how much control they have over Hizballah [radical Shi'ite terrorist group] or these families or whoever it is. And also, you've got different groups involved in the holding of these hostages. But, no, I'm glad to get a chance to clarify it because, unless the information I have is wrong, Iran itself, the

government, is not actually holding these people. And if they were, I would just reiterate my view that the way to improve relations is to let them go, give these people their freedom. They didn't do anything wrong.

Q. And a followup, Mr. President. Do we believe that Iran can exercise influence to gain the hostages' release?

The President. I think they can have influence.

Defense Spending

Q. You inherited a budget from President Reagan that calls for something like a 2-percent real increase in defense spending. In the campaign, you seemed to think that maybe zero real growth in defense spending would be adequate. With deficit pressures, do you think there's some room for reduction in the Reagan defense budget to fund some of the other programs, like the S&L problem that you've got to worry about?

The President. We're wrestling with that problem right now. I'm committed to a strong defense. I did say certain things in the campaign that fit into our flexible freeze concept. And so, I will have to address that with some detail on February 9th, and I will. We've got time for just a couple of more.

War on Drugs

Q. Mr. President, just the other day that education was the main way of dealing with drugs.

The President. Yes.

Q. Isn't that a backing away from your commitment on drugs? Certainly there are other things than education to deal with the problem.

The President. Absolutely. And I was surprised when I read that some interpreted what I said as suggesting that interdiction is not important, or cooperation with foreign governments in terms of eradication at the source is not important. They are very important. My point is: We are not going to solve the problem of drug use in this country through interdiction alone, through cutting off the supply alone. And a larger component of this solution lies in education, and in that whole demand side of the equation: law enforcement at home -- these things.

Last one here. This is a followup?

Q. It is a followup. But, Mr. President, how much money are you going to spend on drugs? If it's

a major problem that you say it is, certainly education is just one very small part of it, isn't it?

The President. It's not a small part; it's a tremendous part. And the Federal Government can spend some on it, and the private sector has got to spend enormous amounts. The media has done a good job in terms of pro bono advertising, and that's got to be enormously stepped up. So, look, it has got to be a tremendous increase not only on the money but the emphasis on the educational side. I do want to find a way to step up the total funding on antinarcotics.

And I want to go back to what I said on Bill Bennett, because this question of Cabinet rank and whether that shows less an interest in narcotics troubles me. You will see me side by side with Bill Bennett, on putting the proper emphasis from the Oval Office on my determination to do everything in the Government's power, Federal Government's power, to eliminate this scourge.

Last one.

President's Agenda

Q. Mr. President, you and your aides have talked about the need for a fast start, and you've talked all week about ethics and about bipartisanship. And yet the week has been marked by unexpected controversies over Dr. Sullivan's views on abortion and then the S&L issue, which is sort of a self-inflicted wound. Are you finding it harder to control the agenda here than you thought you would?

The President. No, no. I'm just getting a preview of coming attractions, and it's been lovely. [Laughter] And it's going to change, and I know it. But, no, I think it's been a wonderfully harmonious week, and these are just little ripples on the surface of an otherwise calm pond.

Q. You're not concerned that if you just talk about things that -- I mean, everyone approves of ethics, just about, and everyone approves of bipartisanship. Isn't there a danger of people saying that there's not much meat behind the words?

The President. There's a danger of that, yes, but people realize that we've been here 4 days of this week, or 5 -- this is the fifth day in office after the weekend. And they understand that in things like the foreign policy area that it's prudent to have a review. They understand that we've got to get our people in place. And so, there's some danger I guess, Carl [Carl Leubsdorf, Dallas Morning News], but I wouldn't say an overwhelming danger. I mean, we just go forward. If we just sat around and did nothing except be pleasant to people on the Hill or something, why I expect that would grow a little old for you all.

But we're going to -- [laughter] -- I think we set a certain tone and certain outreach and then go forward. As soon as these specific proposals start up there, whether it's on education or antinarcotics or on foreign policy or on some bilateral foreign visitor coming in, there will be

plenty of time for controversy and plenty of time for lively debate on substance. But I would simply say that'll follow, and follow pretty soon.

Thank you all very much.

Note: The President's first news conference began at 11:02 a.m. in the Briefing Room at the White House. Marlin Fitzwater was Assistant to the President and Press Secretary.

Remarks at the Swearing-in Ceremony for James A. Baker III as Secretary of State

January 27, 1989

The President. Well, if I could ask the Secretary of State and Mrs. Baker and Chief Justice to come forward, we'll get on with the program here.

[At this point, Secretary of State Baker was sworn in.]

Mr. Vice President, distinguished Members of the United States Senate and House, Mr. Speaker -- Mr. Chief Justice, thank you, sir, for doing the honors today.

This is a very special occasion for me because, as you all know, Jim and I have been friends for a long time, going back perhaps more years than either of us would care to admit -- long, really, before our public lives began. And we've served in government together, campaigned together, traveled a long way through some rough and tumble times. And it's well known that the new Secretary of State is my friend. I have great confidence in him. And judging from how he sailed through the confirmation process -- thank you, gentlemen -- the United States Senate shares that confidence.

And as Secretary of State, he will be my principal foreign policy adviser. As I pledged in my Inaugural Address a week ago, my Presidency will usher in the age of the offered hand, and that applies certainly to foreign policy. I've also spoken of a new engagement. Nowhere is the need for a new engagement greater than in foreign policy.

The postwar generation has come of age, and today we live in a distinctly different world than that which we were born into: a world that demands new strategies and new solutions. And today we see a process of change in the Soviet Union and Eastern Europe, in the Middle East. A changing situation creates new possibilities as well as dangers. In southern Africa and in Indochina, there is diplomatic progress. And in Central and South America, totalitarian forces still threaten to undermine the will of the people. We must keep democracy on the march. And we're faced with change and the potential for change all over the world. And it's up to us to guarantee that the United States remains an engaged power for positive change.

In another era, the Secretary of State's role was largely confined to matters of war and peace. Today's world is much more complex than that -- more dangerous, too. Today's Secretary of State must be prepared to work with our allies to solve such global threats as the international narcotics trade, terrorism, the degradation of the world's environment, and the economic distress of developing countries. And that's why I chose James Baker. He's savvy; he's sensitive; he's tough -- a rare combination, indeed. And so, Jim, you've got a big job ahead of you, leading;

coming up with bold, new initiatives; helping all of us fulfill the President's special role in foreign policy. We will also try to restore bipartisanship to foreign policy. It will be a bipartisanship based on trust, open communication, and consistency of action.

This is a time for America to reach out and take the lead, not merely react. And this is a time for America to move forward confidently and cautiously, not retreat. As the freest and the fairest and the most powerful democracy on the face of the Earth, we must continue to shine as a beacon of liberty, beacon of justice, for all the people of the world.

And those of you who are here today -- Jim Baker's family, closest friends -- know something that many other people will soon learn for themselves: Jim Baker will be a great Secretary of State.

Jim, congratulations! The floor is yours.

Secretary Baker. Mr. President, Barbara, Mr. Vice President, Mr. Speaker, Mr. Chief Justice, distinguished Members of the Congress, my friends -- most of whom are relatives -- [laughter] -- I am truly honored and privileged to stand before you today. Many of you have come a long distance to be here, and as you mentioned, Mr. President, you and I have come a long distance together. I hope to continue to merit your confidence. I know I will continue to enjoy our friendship. One other thing: I hope that in foreign policy we're going to make a better team than we oftentimes did on the tennis courts in Texas. [Laughter]

Ladies and gentlemen, the taking of an oath is always a solemn moment. Yet I cannot help but think that there will be even more solemn moments to follow, because it's been my experience for 8 years here now in Washington that after the swearing-in, sooner or later, comes the swearing at. [Laughter]

Mr. President, through your choice and the Senate's consent, I will occupy an office that dates from the infancy of our Republic. Over the last few weeks, I've learned a lot about the job. I find the more I learn about it the more humble I become. Yet mixed with that humility is a pride -- not in myself but in our great country.

One of his statutory duties of the Secretary of State is to be the custodian of the Great Seal of the United States. We're all pretty familiar with the great eagle holding the olive branches -- but also holding the arrows. There's a reverse side to that seal, however, that interests me. And on it is an unfinished pyramid. And on the bottom, a Latin inscription which means, ``A new order of the ages." It's dated 1776. To me this expresses our forefathers' conviction that our country offers something new. Our Constitution, our democracy is a new order of human activity. And the unfinished pyramid is a symbol of strength, and it's a symbol of continuity.

America rests on the broadest possible base which, of course, is the contribution of every

American. But the work of America -- to perfect our society, to strengthen and extend freedom -- is really never finished. So, as I stand here today, very grateful to you, Mr. President, I recognize that we are entering a new era of international relations. One that's filled with more than its share of promise, but perhaps more than its share of perils as well. I also recognize that our country is ever new in our capacity to meet the challenge and to advance the cause of freedom.

I enter this office secure in the knowledge that under your leadership, Mr. President, and with the support of the Congress and the support of the American people we can continue successfully what we began two centuries ago.

Thank you very, very much.

Note: The President spoke at 5:02 p.m. in the East Room at the White House.

Remarks at the Swearing-in Ceremony for Elizabeth H. Dole as Secretary of Labor

January 30, 1989

The President. Well, first, my respects to the former Secretaries of Labor who are here. Secretary Usery I know is here and Secretary McLaughlin, Secretary Brock, and I hope I'm not missing others -- maybe they're there. So, I bid welcome to all of you, certainly to our new Secretary Elizabeth Dole and her mother and others that are here with us today -- certainly to her husband, Bob Dole, who is with us up here. And, Reverend, thank you, sir, for those lovely, lovely words of prayer. Actually, I've been planning to come over to the Labor Department since last year to play it safe. I figured if I won the election I want to be here for Elizabeth's swearing-in, and if I lost the election I'd come by to fill out an unemployment form. [Laughter]

But I've come here to introduce the new Secretary of Labor, something that I did back in 1985, when Bill Brock took his office, which he did so well. And then last year, I was a guest of Ann McLaughlin here in the building. So, I have some familiarity with your work. I'd be remiss if I -- as I look around this crowd -- if I didn't single out Lane Kirkland and say how pleased I am that he's here to welcome our new Secretary, too. You've heard of Elizabeth Dole. [Laughter] She obviously will be my top adviser on labor issues per se. And I will also call upon her advice as counsel, as a key policy adviser on my economic team, because, indeed, the economic side of the labor issue is tremendously important.

To the people of this Department: You do touch the lives of virtually every American. And if at times you feel like you're taken for granted, let me just say whether you're the newest clerk-typist who just started or whether, like Jim Taylor -- [laughter]. Now, where is Jim? Is he here? There he is, right there. You've got to see this guy. He's been here since the days of Secretary Frances Perkins -- [laughter] -- and it looks like he's still running about 10 miles a day, too. [Laughter]

Mr. Taylor. It's my second wind.

The President. That's good. But there's something about Jim's being here and new people, as well, to show the continuity of this Department. But let me just say sometimes, I expect, you wonder if people care. I want you to know that this President does not take you for granted and never will. And when people need you, you have been there. And what you do in the Labor Department is a good example of the many different ways in which government serves the American people. From enforcing child labor laws to protecting retirement pension rights, from job training to workers compensation, you look out for the working people of America.

And I want this administration to be about working people. Part of that will come from

excellence and responsiveness in government. Part of that will be holding the line on taxes so working people, like you and the people you serve, can keep more of the money that you earn. Part of it will be a new voluntarism: people helping people. And I know a great many of you on your own time do work for your churches and in your communities and for charities. And I want to thank you, and I want to encourage everybody to be involved in this kind of work. From long talks with Elizabeth Dole, I know of her commitment to this whole concept of American helping American.

I believe in government service. I believe that it plays a vital role. But it must complement individual service. And nothing can replace personal commitment, both in our jobs and in our private lives. Many people look to you, the people in government, to do all things and solve all problems. Well, I think as a people we need to renew our sense of commitment, to take greater responsibility not only for ourselves but for one another. John Kennedy challenged us to ask ourselves what we could do for our country. And let us also each day ask: What can I do for another person? How can I make someone else's load a little lighter? How can I help to go a little farther? How can I be a friend to someone lonely or a comfort to someone in pain? Each of us can make this a kinder and gentler nation just by the way we treat one another each day.

I believe in government that is excellent and people who are compassionate. I think of the mine safety experts from this Department who after the Mexican earthquake were able, with their special skills to find people -- still alive -- who had been trapped under the rubble. But I also think of the secretary who after a day at the office takes that time to volunteer and help a child in the neighborhood learn how to read.

Now, the position of Secretary of Labor is a very important one, and our outgoing Secretary, Ann McLaughlin, certainly left big shoes to fill. All of you have been doing an excellent job in so many ways, and there's a lot to feel good about on the labor front. The economy is growing, producing jobs and opportunity. Those of you handling unemployment claims can see those rolls going down, and I want to keep it that way with sound economic policies.

But there are important tasks that lie ahead, and I don't think that the working people could hope to have a greater champion than Elizabeth Dole. She is smart. She is effective. She cares deeply about people. You know, earlier in her career she worked as a lawyer. Her first case -- not exactly profound, nor did it reach the Supreme Court -- [laughter] -- was to defend a fellow accused of annoying animals in the zoo. [Laughter] He was charged with, among other things, patting a lion. [Laughter] Elizabeth won the case -- [laughter] -- arguing that ``without the lion in court as a witness there was no way to tell whether or not he was annoyed by that." [Laughter]

Secretary Dole. How did you find out about that?

The President. So, you can see that early on she made a career out of standing up for the little fellow against the lion. [Laughter] And at the Federal Trade Commission, and again at the White

House, she showed real leadership and effectiveness. And in her 4\1/2\ years in the Cabinet, she distinguished herself. She was our longest serving Secretary in the Department of Transportation and certainly one of the best. And she took the lead on transportation safety, and she made a valuable contribution to her country -- to our country. And I know that she will do a great job over here working with all of you.

America faces important challenges as we prepare the work force for tomorrow. There will be jobs in abundance, but we'll have to make sure that our workers have the skills that they need to fill those jobs with excellence. We have a new generation of workers, a new generation of families, who are finding new ways of balancing the responsibilities of the workplace and the home. And there are new competitive forces in the world economy that demand a commitment to excellence from every American worker so we can continue to lead America into the next century.

I can think of no one better qualified to head the Department of Labor during this exciting challenge than Elizabeth Dole. And, Elizabeth, it will be a great pleasure to have you in my Cabinet. And now, we're going to watch you take the oath of office one more time. Congratulations!

[At this point, Secretary Dole was sworn in.]

Secretary Dole. Thank you very much, ladies and gentlemen. What a joy to see you all here today. Mr. President, thank you for your gracious remarks, for your expression of confidence, and for the opportunity to serve the most valuable resource this country has: its people -- the American work force.

And as Secretary McLaughlin and Secretary Brock, Secretary Usery -- all who made such enormous and positive contributions to our nation -- to Lane Kirkland and other leaders of labor who are here today; to our Members of Congress, who have been kind enough to take time to join us; to my minister, Edward Bauman; my Harvard law classmate, Chief Judge Judith Rogers; and to each of you -- my family; my husband, of course; my friends; my coworkers and colleagues -- I just thank you -- a heartfelt thanks for joining me in an occasion that, of course, is very special to me today.

Like you, Mr. President, I have built my life on the ideal of public service. And this opportunity represents to me much more than a job or a career choice; rather, it's a personal commitment akin to a special calling. The mission of the Department of Labor is well-known and very clear: to foster, promote, and to develop the welfare of working men and women. How we define and fulfill that mission will help determine America's place in the 21st century. The policies, programs, and regulatory responsibilities of this Department are front and center in assuring the continued growth of the American economy and a vital increase in our productivity and the ability of the United States to compete effectively on a global basis.

Demographic projections indicate that our work force will grow at a much slower pace than in the past. In a tight labor market, for American businesses to compete successfully abroad, they must first compete successfully for workers at home. This is good news for U.S. working men and women. It means that issues once defined as social problems will be dealt with more out of economic necessity. In tighter labor markets, employers cannot afford to discriminate. They can't afford to put workers at health and safety risk. In tighter labor markets, they cannot afford to ignore workers' obligations to family. Employers who do will simply lose out to employers who don't. Just a week ago, in my confirmation hearing, I stressed that the goal of the Department of Labor must be to coordinate a strategy of growth-plus; that's continued economic growth plus policies to help those for whom the jobs of the future are now out of reach because of the skills gap or because of family pressures or due to a lack of supportive policies.

With the talents of the outstanding civil servants of this Department, I believe that we can get the job done in five broad areas: first, ensuring that American workers are the world's best trained and most highly skilled, placing special emphasis on the disadvantaged; second, developing policies that make work and family complementary; third, establishing sound and comprehensive pension and retirement policies; fourth, seeing to it that the American workplace is as safe, as healthy, and as secure as we can possibly make it; and fifth, encouraging management and labor to continue to move beyond confrontation and conflict, to work together on behalf of interests held in common.

Ladies and gentlemen, we have a chance to fulfill a dream: that every person in America who wants a good job can have a good job if they have the proper skills. We don't have unlimited funds, which means we must make those funds we do have work for us. But it won't be enough to be efficient if we're not effective. If we think big, if we select the right goals, if we target our initiative, if we work smart -- in short, if we redouble our efforts without duplicating our efforts -- we can assure that all of our people get their foot on the first rung of that economic ladder. And what could be more effective in the war on drugs, alcoholism, crime, and poverty, than a good job?

The ideal of independence has always been one of the cornerstones of the American experience. And today we're here to celebrate the independence, the strength, the self-reliance, and the sense of purpose that only meaningful work can provide.

What a joy it was for me this morning to hear a Job Corps graduate and Department of Labor employee, Lois Best, introduce the President of the United States. And to lay my hand and take my oath on a Bible held by Tony Bond, President of the Potomac Job Corps class. And I just might add, Tony, that that Bible is one of my most cherished possessions. It belonged to my grandmother who lived to within 2 weeks of her 100th birthday. Imagine that 2 more weeks, she would have been 100 years old. And she was a beautiful woman of great faith. To have so many students from Potomac and Chesapeake Job Corps Centers with us today brings an extra measure of excitement to Job Corps' 25th anniversary. With over 100 centers nationwide, this

partnership of business, labor, and government has touched the lives of well over a million young men and women and made them part of a great American success story.

It's time to add new chapters to that success story. Two-thirds of the work force of the year 2000 is already on the job. Those trying to balance work and family deserve our support. Those who are older and who wish to work, but face barriers to reentry, we must enlist. Those who've been dislocated as jobs change, we must retrain. Our challenge will be to reach more of our people, whether young, old, disadvantaged, dual-career, or disabled, to give them the skills and the support they need so they can seize their share of prosperity and help to create more of it.

Yes, we have within our reach the fulfillment of a long-awaited dream: that every American who wants a good job can have a good job. But this is not a visionary idea; it's a practical challenge, a challenge for each of us in this Department. Our government's strength lies in the quality of those who do their jobs outside the headlines and without great fanfare. As John Gardner has said: ``Democracy is measured not by its leaders doing extraordinary things but by its citizens doing ordinary things extraordinarily well.'' I was told, and I'm convinced, that Department of Labor employees are a strong team of men and women dedicated to doing their job extraordinarily well.

With their help, Mr. President, and by working with a vital new generation of young people like these Job Corps members, by working with the Congress, with labor, with schools, private enterprise and community groups, by coordinating carefully with other Federal departments and State and local government, by working together as people of indomitable purpose and collective will, we can build a culture of high expectations, and we can surely help fulfill those expectations. I'm confident that we can advance from the promise of full employment to the promise of fulfilling employment for every working man and woman in this great nation. And I believe there can be no higher calling as we approach the 21st century.

Thank you, each of you, for being here today, and God bless you all. Thank you.

Note: The President spoke at 10:12 a.m. in the Great Hall at the Department of Labor. In his remarks, he referred to Edward Bauman, pastor of Foundry United Methodist Church; Lane Kirkland, president of the American Federation of Labor-Congress of Industrial Organizations (AFL - CIO); and James F. Taylor, who had been an employee of the Department of Labor since 1941.

Remarks to the Crew of the U.S.S. America and Naval Shipyard Employees in Norfolk, Virginia

January 31, 1989

Admiral Dunleavy, thank you very much, sir, for that welcome to America, and thank all of you for that response. Admiral Trost, and to our Secretary of the Navy, and all involved in this wonderful day, I say thank you. I want to single out to Members of Congress who are here, many members of the Armed Services Committee, and others who've been strong backers -- have a strong military for this country, and I'm delighted to see them here. I'm pleased to be on one of the greatest ships in the world, with a crew that knows the meaning of the words, ``my ship, my country,'' the crew of the America.

You know, as an old carrier pilot, today is a very special day for me -- the Admiral touching on that. I can't help thinking of the carrier I once sailed on, the U.S.S. San Jacinto, namesake of which is right next door here. Carriers weren't as big in those days. Technology was very different: narrow deck; slower planes; strictly visual contact with the LSO, the landing signal officer; no electronics. But some things stayed the same. And Admiral Dunleavy touched on it; and I've, as Vice President, had a chance to visit the fleet. And you can't help but sense that same spirit of camaraderie, devotion to duty, patriotism, service to country. We knew then, in those days, just as you know now, how much we owed to the men and women in the bases, in the shipyards. And from the day of the Revolutionary-era sloops to the most modern supercarriers, none have written a prouder chapter in the history of the United States Navy than the Norfolk Naval Base. All over the world, those who love the sea and the ships that sail on it know that Norfolk, or Hampton Roads, if you will, stands for excellence -- a national treasure. And let me just say to all assembled: We are going to keep it that way!

My visit today is the final stop on what you might call an inaugural trip. For the past several days I've been visiting with the men and women who are my colleagues in service to our nation, from senior appointments in the administration to rank-and-file civil servants. Most are outstanding; most do a superb job. But still you might say, with no disrespect to others, that I've saved for last those whose service demands the most. And I mean you, the men and women who keep our ships and guard our shores, the men and women who serve with the Armed Forces of the United States.

In the months ahead, I'll be taking a great deal of time to talk about service, not service that is compelled but service that is given freely and openly, the service of the strong heart and the questing soul. I will speak about those who give their time and love to their communities, to help those who cannot fully help themselves. Long ago it was written that the quality of mercy is not strained, and I will speak of those who dedicate a portion of their lives to mercy for humanity. And I'll speak about you, in a way that every American knows and every man, woman and child in our land salutes. You stand here today setting an example for our nation's standard of service.

And let me start right now by recognizing one of your own, your Sailor of the Year, Aviation Ordinanceman 1st Class Joseph Robinson. Joseph was awarded this honor for two reasons. First, for his contributions to the running of this ship, but Joseph has also been recognized for his contributions to his community, where he helped establish a Neighborhood Watch -- called it a watch program and devoted over 100 hours to its success. Now, Joseph is right here, and if you'll come forward, sir, I'd be proud to shake your hand and present you with a letter of commendation. Congratulations!

What a wonderful example for us all. All of you keep the peace on the frontiers of freedom around the world. And in every corner of the globe, millions recognize you, and the flag you carry is their symbol of hope. And, yes, wherever you go, you take America and all it represents with you; and you do it with a pride and dedication that few have ever matched. I know some say that it's just a job. But when a sailor must put to sea for 6 months or more at a time and come home to find that a child who could barely crawl, can walk and say a few words, that's more than a job -- that is service and, more importantly, sacrifice. When a soldier spends long hours on cold night's sentry duty at the DMZ or at Checkpoint Charlie in Berlin, he's not just filling a job, but he's answering the call of service. And the mechanic who inspects the plane's engine or ship's power plant one last time and makes double and triple sure that every screw, every hose, every weld is as it should be, that mechanic is dedicating himself or herself not simply to a job but to a concept of service to country that is the highest in the world. Around the world, others have seen and know what your dedication to service means.

You remember, maybe, last year the Soviet Union's top military man at the time, Marshal Akhromeyev, visited the United States. He spent a day on a carrier, not unlike yours, as it went through exercises in these waters. And he visited installations across our nation. And he saw much of the amazing weaponry and machinery in our arsenal, and when he finally came to visit the White House, he let it be known that he was impressed. And what most impressed him was not our miraculous technology or incredible firepower but the enlisted men and women that he had met on these tours. He couldn't believe that we gave our enlisted men and women jobs that only officers would be permitted to handle in his own military. He couldn't believe the obvious dedication of America's enlisted men and women to their jobs, their knowledge of the machinery they handled and their readiness and ability to answer questions. In short, he couldn't believe your dedication to service.

I know you've heard it from your parents. Those of you who are married have heard it from your husbands or wives and from your children; but it goes from everyone across the country. Let me just say that we are all very, very proud of you and of the job you're doing. In the years ahead, I want to make sure that those who build our ships, planes, and weapons live up to the standards of service and dedication and duty that this crew and this base has set.

I've been inside a submerged submarine while depth charges were going off all around it. And I know what it's like to hear the vessel strain and shake and pray to God that the people in charge

of buying and building cared as much about the vessel as you do. And I believe that the overwhelming majority of procurement officers and defense contractors do care that much. And I am determined to make sure that every single one of them does. My message to them will be just this simple: Don't think it's just anyone out there. Think it's your son or daughter and remember that their lives depend on the things you make. And if you're not ready to care that much and work that hard, you are not ready to do business with the United States Government.

Let me give you an example: cost overruns. Overruns didn't start just yesterday. The first dry dock ever built for our Navy is still operating, I'm told, not far from here, in this yard. And it was finished more than a century and a half ago. And the actual final cost was three times the original estimate. But even if overruns are not new, they are still wrong and hurt the national security, particularly when budgets are tight. We want tighter controls and higher standards in weapons procurement, and we will get tighter controls and higher standards in weapons procurement. You deserve the very best equipment and weapons. You are getting them most of the time now, and we're determined that you will get them all of the time.

And one other thing: I am determined to expand the national consensus that is necessary for proper support for our nation's defense. I'll do this because the first bulwark of our national defense is our national will. And if our will is ruptured, our ship of state cannot sail, or at least sail safely. I firmly believe that the vital first step to broadening our national consensus on defense is to wring the last drop of waste and mismanagement out of the way we buy our weapons. And that's what we intend to do. It's what you might call my bond to you. When a family sends a son or husband to sea or to boot camp or to flight school to defend our nation, they are making a sacrifice, and it is a great and noble sacrifice. Think of all the good all those sacrifices added up to together and what they have meant around the world in the last few years.

When the record of our time is finally written, I hope it will be the story of the final triumph of peace and freedom throughout the globe, the story of the sunrise in the day of mankind's age-old aspirations. And on that day, ``Who were the heroes?'' -- generations to come will ask. ``Who drove the chariots of fire across the sky? Who brought the day to the Earth?'' And the answer will be you. During the next 4 years, I will not be just your Commander in Chief but your friend. And together we will work to spin the gossamer thread of human dreams into a sturdy fabric of peace that will last for generations to come.

Thank you for your incredible service to this, the greatest, freest, and most wonderful country on the face of the Earth. God bless you all.

Note: The President spoke at 11:01 a.m. on the deck of the U.S.S. ``America.'' He was introduced by Adm. Richard Dunleavy, Commander of Naval Air Forces, Atlantic Fleet. In his opening remarks, the President referred to Adm. Carlisle A.H. Trost, Chief of Naval Operations, and Secretary of the Navy William L. Ball III.

Message on the Observance of National Afro-American (Black) History Month, February 1989

February 1, 1989

Since 1976, the month of February has been designated National Black History Month, a time for all Americans to celebrate the rich heritage of Afro-Americans and their contributions to our nation.

Despite first slavery and then segregation, Afro-Americans have overcome seemingly insurmountable odds to be at the cutting edge of change and progress in American society. From the winning of Independence -- when Crispus Attucks gave his life in the Boston Massacre and Benjamin Banneker helped draw the plans for our nation's capital -- to the present day, Black Americans have played a vital role in the development of the United States. One thinks of Dr. Daniel Hale Williams performing the first successful heart surgery and of George Washington Carver revolutionizing southern agriculture with his countless innovations.

There have been so many more. This month gives us all a chance to reflect on how much Afro-Americans have contributed, a chance to learn from the past in order to look confidently toward a new century, with a commitment to lasting harmony between the races and a bright future for Americans of every background.

Barbara joins me in commending all of you for your observance of Black History Month 1989, and in sending you our best wishes.

George Bush

Nomination of Kenneth Winston Starr To Be Solicitor General of the United States

February 1, 1989

The President today announced his intention to nominate Kenneth Winston Starr to be Solicitor General of the United States, Department of Justice. He would succeed Charles Fried.

Since 1983 Judge Starr has been a judge of the U.S. Court of Appeals for the District of Columbia. Prior to this he was Counselor to the Attorney General at the Department of Justice, 1981 - 1983. He was an associate partner with Gibson, Dunn & Crutcher in Washington, DC, 1977 - 1981, and a law clerk to Chief Justice Warren E. Burger of the U.S. Supreme Court in Washington, DC, 1975 - 1977. From 1974 to 1975, Judge Starr was an associate with Gibson, Dunn & Crutcher in Los Angeles, CA.

Judge Starr graduated from George Washington University (B.A., 1968), Brown University (M.A., 1969), and Duke University (J.D., 1973). He was born July 21, 1946, in Vernon, TX. He is married and has two children.

Continuation of John W. Vessey, Jr., as Special Presidential Emissary to Hanoi for POW/MIA Affairs

February 1, 1989

The President has asked General John W. Vessey, Jr., USA, Ret., to continue in his role as Special Presidential Emissary to Hanoi for POW/MIA Affairs. General Vessey has served in this capacity since being named to the position by President Reagan in February 1987.

Beginning with his initial visit to Hanoi in August 1987, General Vessey's efforts have resulted in substantial progress in resolving this pressing humanitarian issue and ending the uncertainty for the families of our missing in Southeast Asia. The President is pleased that General Vessey has agreed to continue to serve his country in this position of great importance to all of us.

Message to the Congress Transmitting a Report on the Establishment of the National Space Council

February 1, 1989

To the Congress of the United States:

I hereby transmit my report outlining the composition and functions of the National Space Council to be established by Executive order.

1. Composition. The National Space Council will be composed of the following members:

1. The Vice President

2. Secretary of State

3. Secretary of Defense

4. Secretary of Commerce

5. Secretary of Transportation

6. Director of the Office of Management and Budget

7. Chief of Staff to the President

8. Assistant to the President for National Security Affairs

9. Director of Central Intelligence

10. Administrator of the National Aeronautics and Space Administration

The Chairman of the Joint Chiefs of Staff, Assistant to the President for Science and Technology, heads of other Executive Departments and agencies, and other senior officials in the Executive Office of the President shall participate in meetings of the Council as appropriate.

The Council will be chaired by the Vice President. The Council will meet subject to the call of the Vice President.

The Vice President may authorize the Executive Secretary of the Council to establish such

Council Working Groups, composed of senior designees of the above members and chaired by the Executive Secretary, or another official, as may be appropriate.

2. Functions. The National Space Council will oversee the implementation of the objectives of the President's national space policy and be the principal forum for coordination of U.S. national space policy and related issues. The Space Council will also review and recommend modifications of national space policy to the President where deemed necessary or appropriate. The Council will address major space and space-related policy issues in the two governmental sectors (civil and national security), as well as those policy issues involving the third, nongovernmental sector (commercial) that are affected by Government actions.

The Council will provide a means to foster close coordination, cooperation, and technology and information exchange among the sectors to avoid unnecessary duplication and to advance our national security, scientific, technological, economic, and foreign policy interests through the exploration and use of space.

George Bush

The White House,

March 1, 1989.

Remarks at the Annual National Prayer Breakfast

February 2, 1989

My special thanks to Bob Stump and Doug Coe, to our honored guests throughout this country and from our foreign lands, and it is a pleasure for Barbara and me to be here once again.

There is no greater peace than that which comes from prayer and no greater fellowship than to join in prayer with others. And coming to the prayer breakfast is, for us at least, like coming home. The Lord works in mysterious ways. There is nothing mysterious, however, about His priorities. I'm the one with the laryngitis, and Sandy Patti is the one that lifted our spirits with that magnificent voice, clear as the finest crystal. We're grateful to her. And the Lord works in very mysterious ways, but I wonder why it is that under the protocol sense of things I always have to follow my friend Al Simpson. [Laughter]

Let us all thank the Lord for having granted us this day, making it possible for us to spend this time together. Billy Graham, my dear friend, tells me that when he was a boy living on a farm in North Carolina one of his jobs was milking cows. And one day he was sent out to milk one of their cows named Brindle, a cow he'd never milked before. And he was told that it was a gentle cow, that it would be very cooperative. When he sat down on the stool to milk the cow, she switched her tail, slapped him in the face, nearly put his eye out, a few minutes later kicked the bucket all the way across the barn, and then tried to kick him. And at that point, he began to wonder if the person who described this kind and gentle cow had ever sat down next to her in the barn. [Laughter] And I've thought of that story in the light of my request for America to become a kinder and gentler nation. It's one thing to request it, and it's another thing to see it actually happen. And maybe a lot of folks out there, cynics, are thinking, well, if you people in Washington will stop trying to milk us, we'll stop kicking. [Laughter]

But we're facing some serious opportunities and some great opportunities in our country -- tough problems and great opportunities. And I believe that a wonderful resource in dealing with them is prayer -- not just prayer for what we want but prayer for what is in the heart of God for us individually and as a nation. And shouldn't we also remember, with all that we have to be grateful for, to pause each day to offer a prayer of thanksgiving. All of us should not attempt to fulfill the responsibilities we now have without prayer and a strong faith in God. Abraham Lincoln said: ``I've been driven many times to my knees by the overwhelming conviction that I have nowhere else to go." Surely he was not the first President, certainly not the last, to realize that.

It's not just Presidents. I heard about a little boy whose elderly grandmother came to live with them for the winter. And the first day the little boy played hard inside the house, and he wanted to turn the heat down. But grandmother insisted on keeping it high. And when he opened the windows, she closed them. And for several days it went on like this, up and down, back and

forth, with the little boy too hot and the grandmother too cold. After about a week, the little boy knelt beside his bed one night and prayed, ``Lord, bless mother and daddy, and make it hot for grandmother." [Laughter]

Well, I suppose there may be some people in Washington, around the country, who have already begun to pray, ``Make it hot for George." [Laughter] Those prayers will be answered over time. Be patient. [Laughter] But I can also tell you from my heart that I freely acknowledge my need to hear and to heed the voice of Almighty God. I began my Inaugural Address with a prayer out of a deep sense of need and desire of God's wisdom in the decisions we face. And if we're to walk together toward a more caring, more generous America, let us all share in paving the way with prayer.

Thank you all, and God bless you.

Note: The President spoke at 9:18 a.m. in the International Crystal Ballroom at the Washington Hilton Hotel. In his remarks, he referred to Representative Bob Stump; Doug Coe, an associate of the National Prayer Breakfast Movement; gospel singer Sandy Patti; Senator Alan K. Simpson; and evangelist Billy Graham.

Remarks Following Discussions With Prime Minister Noboru Takeshita of Japan

February 2, 1989

The President. Mr. Prime Minister, ladies and gentlemen, let me begin by expressing once again on behalf of the American people the condolences on the passing of Emperor Showa, a most gentle man of great learning. And I look forward to calling on the new Emperor when I visit Japan later this month.

It has been a pleasure and honor for Barbara and me to welcome you, Mr. Prime Minister, Mr. Takeshita, to the White House. You are one of our first official visitors, and this reflects the importance I place on the relations between our two countries, the strength of our nations' ties, and the promise that our relationship holds for the future of the world.

Two weeks ago, here in Washington, the United States conducted a ritual that spoke of both continuity and change. For the 41st time in 200 years, the United States swore in a new President. And in the transition from one President to the next, we Americans reaffirmed the strength of our democracy and our commitment to values on which it was built. Japan and the world can count on the United States to continue to work for peace, democracy, freedom, and justice around the world. The scope of America's vision is global, and we will continue to shoulder the obligations that belong to a global power.

Continuity will also be the mark of relations between the United States and Japan. On occasion, we may have differences, but these are the differences of friends. And in the last 40 years, our two nations have been truly close friends. The peace and prosperity we both enjoy today are among the fruits of that friendship. Simply put, we respect one another. We need one another, and we will continue to work together for the good of our peoples and of all humanity.

During this visit, the Prime Minister and I worked on the continuing business of the friendship between our countries. We confirmed that the treaty of mutual security and cooperation is the foundation of our relationship. I noted the importance of allies assuming greater responsibilities in the cause of peace. The Prime Minister and I agreed that these responsibilities take many forms. In this regard, I applaud Japan's pledge to make further significant increases in Overseas Development Assistance programs.

At the same time, we believe that the most powerful engine for economic development and growth -- in fact, the only engine that works -- is the entrepreneur, large and small. And entrepreneurship is a product not of massive aid packages but of free and open economies that do not carry crushing burdens of taxation and regulation and that maintain the rule of law, including contract and property law.

Along these lines, we agreed on the importance of supporting democracy and sustained growth and reform in the Philippines. Toward this end, we pledge to make every effort to launch the Multilateral Assistance Initiative for the Philippines this year.

The Prime Minister and I reviewed the progress our nations have achieved in bringing our economies into better balance and in further opening our markets to each other's goods and services. We also recognize the need for continued policy efforts in these areas. The Prime Minister reaffirmed Japan's determination to promote strong domestic growth and structural adjustments. And I told him that I am determined to reduce our budget deficit.

In the area of multilateral cooperation, we agreed that we would continue to coordinate policies through established settings, especially the economic summit. We will look forward to the next summit meeting, which will be held in Paris. We also agreed on the importance for continued global prosperity of a successful Uruguay round. And we agreed on the importance of frequent consultation at all levels on economic issues.

All in all, our talks were positive and forthright, befitting close allies. The Prime Minister and I first met some time ago, and this week's meetings have helped us become even better acquainted. We've laid the groundwork for close cooperation, as we deal with the issues and the opportunities of the last decade of the 20th century.

We're glad you came our way, sir.

The Prime Minister. Thank you, Mr. President, for your heartwarming remarks. Mr. President, I wish to convey on behalf of the Japanese people my deepest appreciation to the Government and people of the United States for their expression of sympathy and condolences on the demise of Emperor Showa. The people of Japan are also deeply touched that you and Mrs. Bush will attend the funeral ceremony.

Mr. President, looking back upon the 43 years since the end of the war, I am reminded anew of the friendship and cooperation the American people have consistently extended to us through the years. Mr. President, I am truly grateful that you have so graciously invited us to Washington at this busy time, so soon after your inauguration.

I appreciate the remarks you have just made on the thoughts we shared in our first meeting. Our first meeting was truly promising in opening the perspective into our future. I believe it marked a new start for U.S.-Japan cooperation, which will serve to help ensure peace and prosperity for the world, as we move towards the 21st century. Fortunately, the basis of our cooperative relationship is firm and sound. The Japan-U.S. security arrangement upon which this relationship rests has never been better. The successful solutions we have been able to achieve regarding bilateral economic issues have demonstrated the resilience of our relationship. Thus, through a dialog, issues between our two countries can be resolved.

In sustaining noninflationary growth of the international economy and in reducing external imbalances in our economies, the President and I shared the view that macroeconomic policy coordination is of crucial importance. I stated to the President that the Japanese economy will continue to grow through strong domestic demand, that imports are expected to continue to increase, and that structure adjustment efforts will be further enhanced. The President stated that he will make determined efforts to reduce the budget deficit.

The world faces a number of challenges, but is rich with promises. In your words: The new breeze is blowing. Mr. President, you and I share the conviction that now is the time for Japan and the United States to further strengthen policy coordination and to joint endeavors in order to create a better world. We will consult closely on our policies toward the Soviet Union, which offers new challenges and opportunities for East-West relations. We will work together to ensure peace and prosperity in Asia, the Middle East, Central and South America, and other parts of the world. We will work together to strengthen the free trading system and agree to cooperate closely for the progress of the Uruguay round negotiations.

No nation can substitute the United States as the leader of the democracies around the world. I look to you, Mr. President, for wise and firm leadership, and you will have my full support. For my part, I will continue to pursue my diplomatic goal of Japan contributing more to the world.

Japan and the United States have a number of common tasks ahead. Together we must take those initiatives to solve the many problems facing our world. Our meeting today confirmed that if our two peoples work together, hand in hand, there is nothing we cannot achieve.

Thank you very much.

Note: The President spoke at 1:30 p.m. at the South Portico of the White House. The Prime Minister spoke in Japanese, and his remarks were translated by an interpreter. Earlier, the President and the Prime Minister met in the Oval Office and then attended a luncheon in the Residence.

Nomination of Richard R. Burt for the Rank of Ambassador While Serving as United States Negotiator for Strategic Nuclear Arms

February 2, 1989

The President today announced his intention to nominate Richard R. Burt for the rank of Ambassador during his tenure of service as United States Negotiator for Strategic Nuclear Arms. He would succeed Stephen R. Hanmer. Since 1985 Mr. Burt has been Ambassador to the Federal Republic of Germany. Prior to this he was Assistant Secretary of State for European and Canadian Affairs, 1983 - 1985. He was Director of the Bureau of Politico-Military Affairs at the Department of State, 1981 - 1982. From 1977 to 1980, he served as a correspondent for the New York Times in Washington, DC. He was also assistant director at the International Institute for Strategic Studies in London, England, 1975 - 1977.

Mr. Burt graduated from Cornell University (B.A., 1969) and Fletcher School of Law and Diplomacy (M.A., 1972). He was born February 3, 1947, in Sewell, Chile. He is married and has one child.

Nomination of Ivan Selin To Be an Under Secretary of State

February 2, 1989

The President today announced his intention to nominate Ivan Selin to be Under Secretary of State for Management. He would succeed Ronald I. Spiers.

Dr. Selin is the founder and chairman of the board for American Management Systems, Inc., a computer systems, services, and consulting firm. From 1986 to 1988, Dr. Selin was a member of the advisory board on the U.S.S.R. and Eastern Europe at the National Academy of Sciences. Prior to this he was a member of the board on telecommunications and computer applications at the National Academy of Sciences, 1985 - 1988.

Dr. Selin graduated from Yale University (B.E., 1957; M.S., 1958; Ph.D., 1960). In 1962 he also received a degree from the Universite de Paris.

Nomination of Edith E. Holiday To Be General Counsel of the Department of the Treasury

February 2, 1989

The President today announced his intention to nominate Edith E. Holiday to be General Counsel for the Department of the Treasury. She would succeed Mark Sullivan III.

Since 1988 Ms. Holiday has been an Assistant Secretary (Public Affairs and Public Liaison) of the Department of the Treasury and Counselor to the Secretary. Prior to this she was chief counsel and national financial and operations director for the Bush-Quayle '88 Presidential campaign and served as director of operations for George Bush for President. She was also special counsel for the Fund for America's Future and Executive Director for the Quadrennial Commission on Executive, Legislative, and Judicial Salaries, 1984 - 1985. Ms. Holiday practiced law with the firm of Dow, Lohnes & Albertson, 1983 - 1984 and with the firm of Reed, Smith, Shaw & McClay, 1977 - 1983. She also served as legislative director for then-U.S. Senator Nicholas F. Brady.

Ms. Holiday graduated from the University of Florida (B.S., 1974; J.D., 1977). She was born February 14, 1952, in Middletown, OH. She is married to Terrence B. Adamson and currently resides in Atlanta, GA.

Nomination of Richard Thomas McCormack To Be an Under Secretary of State

February 2, 1989

The President today announced his intention to nominate Richard Thomas McCormack to be Under Secretary of State for Economic and Agricultural Affairs. He would succeed Allen Wallis.

Since 1985 Ambassador McCormack has been the Permanent Representative of the United States to the Organization of American States. Prior to this he was Assistant Secretary of State for Economic and Business Affairs, 1983 - 1985. He has also served as a Consultant on International Economics at the Department of State, 1981 - 1982.

Ambassador McCormack graduated from Georgetown University (M.A., 1963) and the University of Fribourg in Switzerland (Ph.D., 1971). He was born March 6, 1941, in Bradford, PA. He is married and has two children.

Nomination of Robert Michael Kimmitt To Be an Under Secretary of State

February 2, 1989

The President today announced his intention to nominate Robert Michael Kimmitt to be Under Secretary of State for Political Affairs. He would succeed Michael Hayden Armacost.

Since October 1987 Mr. Kimmitt has been a partner with the law firm of Sidley & Austin in Washington, DC. Prior to this he was General Counsel for the Department of the Treasury, 1985 - 1987. He was Executive Secretary and General Counsel of the National Security Council at the White House, 1983 - 1985, and a member of the National Security Council, 1978 - 1983. In March 1988 Mr. Kimmitt was appointed by President Reagan to a 6-year term as a United States member of the Panel of Arbitrators of the International Centre for the Settlement of Investment Disputes.

Mr. Kimmitt graduated from West Point in 1969. He served in the 173d Airborne Brigade in Vietnam, earning three Bronze Stars, the Purple Heart, the Air Medal, and the Vietnamese Cross of Gallantry. He is currently a lieutenant colonel in the Army Reserve. Mr. Kimmitt was born December 19, 1947. He is married, has five children, and resides in Arlington, VA.

Nomination of Reginald Bartholomew To Be an Under Secretary of State

February 2, 1989

The President today announced his intention to nominate Reginald Bartholomew to be Under Secretary of State for Coordinating Security Assistance Programs. He would succeed Edward J. Derwinski.

Since 1986 Ambassador Bartholomew has been the United States Ambassador to Spain. Prior to this he served as the United States Ambassador to Lebanon. He was Director of the Bureau of Politico-Military Affairs at the Department of State in 1977 and was detailed to the National Security Council at the White House, 1977 - 1979. From 1974 to 1977, he served as Deputy Director of Policy Planning Staff at the Department of State.

Ambassador Bartholomew graduated from Dartmouth College (B.A., 1958) and the University of Chicago (M.A., 1960). He was born February 17, 1936, in Portland, ME. He is married and has four children.

Nomination of Morris Berthold Abram To Be United States Representative to the European Office of the United Nations

February 2, 1989

The President today announced his intention to nominate Morris Berthold Abram to be the Representative of the United States of America to the European Office of the United Nations, with the rank of Ambassador. He would succeed Joseph Carlton Petrone.

Since 1970 Mr. Abram has been a partner in the firm of Paul, Weiss, Rifkind, Wharton & Garrison in New York City. Mr. Abram has been the chairman of the National Conference on Soviet Jewry, 1983 to present. From 1984 to 1986, he was Vice Chairman of the Commission on Civil Rights. He served as a member of the President's Commission for Study of Ethics in Medicine and Biomedicine and Behavioral Research, 1979 - 1983, and Chairman of the Moreland Act Commission on Nursing Homes and Residential Facilities, 1975 - 1976. From 1968 to 1970, Mr. Abram was president of Brandeis University in Waltham, MA.

Mr. Abram graduated from the University of Georgia (A.B., 1938), the University of Chicago (J.D., 1940), Oxford University (Rhodes Scholar) (B.A., 1948; M.A., 1953), and Davidson College (LL.D., 1972). He was born June 19, 1918. He is married and has five children.

Remarks on the Savings and Loan Crisis

February 3, 1989

The President. While we have the quick exposure here, let me just thank you all, Mr. Speaker, Leader Mitchell, Dole, Bob Michel, for coming down here. This is a listening session. We've got a big problem in this savings and loan. There are no easy answers and no worrying about the blame -- plenty to go around. I want to see the problem solved. We've had a lot of consultation up on the Hill, and good consultation. And Treasury will come, I think, to meet me tomorrow to present their views, but they're not being presented here with this stacked deck. We need ideas, and if we're overlooking something, we want to know what it is.

But I think we all agree that it's time to get on with the problem. And so, what I wanted to do this morning is simply ask your advice and listen. And whatever we come up with will not be popular. And I expect then whatever you come up with will not be popular, but we've got to get on and get the problem solved. And I appreciate your coming down here early to discuss this today, and then I'll be meeting, as I say, some more today. And then tomorrow I think we have more final recommendations. I'll go out with it publicly probably early next week -- I think that's the plan -- and see where we go from there.

But, Speaker, if you can talk, you're entitled a rebuttal. [Laughter]

Speaker Wright. I'm not sure, Mr. President, that any rebuttal is necessary. We're here to listen, and we're here to join with you in trying to find some creative solution to a very serious problem.

Majority Leader Mitchell. I think the Speaker has expressed it for all of us, Mr. President. We want to work with you. This is a serious problem for the country; it's not just for us. We've got to do the best we can to come up with the fairest, most efficient way to solve it.

The President. Before we break up here to start on our consultations, let me say -- and I think I speak for everybody here -- that the safety of those deposits is guaranteed, will continue to be guaranteed, and that there should be no feeling around the country that some solution will do anything to diminish the credit of the United States being behind the deposits in the FSLIC [Federal Savings and Loan Insurance Corporation], FDIC [Federal Deposit Insurance Corporation], whatever it is. And I thought I'd just take this occasion to make that statement. Thank you all very much, and now let's all go to work.

Note: The President spoke at 8:04 a.m. in the Cabinet Room at the White House, prior to a meeting with congressional leaders. In his opening remarks, the President referred to Jim Wright, Speaker of the House of Representatives; George J. Mitchell and Robert Dole, majority and minority leaders of the Senate, respectively; and Robert H. Michel, ranking minority

member of the House of Representatives.

Remarks at the Swearing-in Ceremony for Robert A. Mosbacher as Secretary of Commerce

February 3, 1989

The President. Thank you for that warm welcome. This is a very special occasion for me because, as most -- I'd say please be seated, but -- [laughter] -- I don't think that would go over too well back there. What a wonderful, wonderful turnout for our new Secretary. But this is a special occasion, Bob Mosbacher and I have been friends for a quarter of a century -- more. And I trust his advice; I respect what he's accomplished in business. And I know he will be a very valuable member of our economic team.

It's also an honor for me to participate in this swearing-in in a hall that's named after another dear friend of mine: Mac Baldrige. He was a tremendous Secretary of Commerce, and I know he would have been so pleased to see that this Department, which meant so much to him, will be in such capable hands.

When what was then called the Department of Commerce and Labor, established back in 1903 -- Congressman Charles Cochran described what he believed were the ideal qualifications for the Secretary. He said: ``Above everything, he should be a man of affairs, acquainted with the vast subject with which he must deal, vigilant, enterprising, resourceful, and possessed of the sagacity which distinguishes the American man of business from all others."

Well, ladies and gentlemen, those of you who know anything about Bob Mosbacher know that he fits that description to a tee. And he's a savvy international businessman, an entrepreneur who built his own extraordinarily successful business and kept it on solid footing even during tough economic times. He also is known as a world-class sailor -- won international and national championships. And to use a sailing analogy, he will now take the helm at Commerce and help chart America's economic course into a new era of prosperity.

It's Bob's mission to foster, promote, and develop the foreign and domestic commerce of the United States, a mission that's easily stated, but not so easily executed. As Secretary, he will promote American exports aggressively, continue our support of R&D, research and development, operate an export control program balanced between safeguarding security and encouraging exports, responsibly manage our vast national fisheries resources, and play an important role in this administration's efforts to clean up the oceans and America's coastlines. I know that preserving and protecting the environment is a special concern of Secretary Mosbacher's. Bob will work with business to create innovative programs and achieve scientific breakthroughs in manufacturing, transportation, communications, and other areas to guarantee that the United States maintains its leadership role in the world marketplace.

Both Bob and I are committed to making America more competitive than ever before. Our businesses can compete with anyone, anywhere in the world, if we're given a fair chance. Our commitment to free and fair trade will enable us to ensure that our trading partners respect our right to compete in their marketplace, while they compete fairly in ours.

Bob has a big job ahead of him. But whether it's trade or tourism or NOAA or the Bureau of Standards, Minority Business Development, the Census -- any of the important areas of this Department -- I know that he has a great team behind him, willing to give 100 percent. And one of the reasons I wanted to come here to the Department is to express my confidence in those of you who have worked as careers for the Federal Government.

The growth of commerce, both nationally and internationally, is the key to guaranteeing that America's most productive and prosperous days are still ahead. As a fellow Texan said recently: ``Bob Mosbacher is the right man to do the job that has to be done." So, I came over here to wish him well -- wish all of you well.

Mr. Secretary, congratulations, good luck, and God bless you!

And now Secretary [of State] Baker will do the honors.

[At this point, Secretary Mosbacher was sworn in.]

Secretary Mosbacher. Mr. President, Secretary Baker, if I may digress for a second: two wonderful, wonderful Americans who this country is so proud of and so lucky to have, friends of over 30 years. Thank you, sir -- and, of course, my family and, of course, all of us who are going to work together, fellow employees of the Department of Commerce. I look forward with great enthusiasm to addressing the challenges and opportunities the American people have in several vital, important walks of our national life.

Mr. President, on behalf of this Department of Commerce, we accept our mission. Of course, it's a mission -- and a major objective of ours at this Department is to promote our economic growth and competitiveness. We must ensure that trade is a two-way street for American business by expanding overseas markets for top U.S. goods and services while ensuring fair competition through effective enforcement of our trade laws.

Another vitally important mission is to improve the beauty and quality of our oceans, shorelines, and estuaries. Our fine people in the National Oceanic and Atmospheric Administration -- NOAA, as it's known to all of you and now many of us -- are already working vigorously at cleaning up our oceans. But of course, even though they're working on this, more work can and must be done because we have been blessed with an abundance of beautiful natural resources, including our oceans, estuaries, our beaches, our shoreline; and we must do all in our power to preserve and protect these precious assets.

Third, as an old sailor, I know how vitally important it is to keep our weather forecasts accurate and our warnings early. You know, Mr. President, there are a lot of people in this country who view Willard Scott as our weatherman. [Laughter] But we in this Department know that NOAA is the bureau that serves as the provider of the meteorological data to the Nation's weathermen, and so, we are really your weathermen.

We must also enforce our national capability to develop the best in modern technology. We must pursue policies that will speed commercialization of technology. Our new technology administration will be in the forefront of this effort. Our colleagues in economic affairs must continue their diligent efforts to measure efficiently and accurately the successes and failings of our diverse economy. In the same vein, we must ensure an accurate and fair census in 1990.

A challenge? Sure, and a tough one. But to do anything less than to strive to succeed as never before would not be right.

Finally, let me say, Mr. President, you have given us -- and to me and to all of us here -- a special assignment that is near and dear to your heart. We know this. Specifically, we're going to strengthen the Minority Business Development Agency so that all Americans will have the fullest opportunity to participate and enjoy the great American dream. It's important, and it must happen.

I'm humbled by the challenges that lie before us and confident that together we will offer our hands to help achieve our President's goals. As Reverend Parker said: ``If we work together, all is possible."

Again, my thanks to you, sir, to the family I love, and to all of you. Together we can do the job. God bless you.

Note: The President spoke at 10:40 a.m. in the Malcolm Baldrige Great Hall at the Department of Commerce. Reverend Diana Parker delivered the invocation.

Remarks at a White House Luncheon for Business Leaders

February 3, 1989

The President. Ladies and gentlemen, thank you very, very much for being with us today. Before I make some remarks, I just want to introduce you to some of the people with whom I'm working here in the White House, with whom a lot of you will be interacting one way or another.

I know you know our Secretary of Labor over here, Liddy Dole. Roger Porter is going to be doing a lot in our domestic policy. Over at this table is Bonnie Newman, who has got a major management responsibility in the White House. And Andy Card is the Deputy to the Chief of Staff. And Boyden Gray many of you have worked with in regulatory relief. He's the General Counsel to the President and is heading a lot of the issues as it relates to ethics. Steve Studdert over here and Dave Demarest are in our outreach and our communications end of things. General Scowcroft most of you know -- I don't want to date him, but most of you know him from previous incarnations -- [laughter] -- is the national security adviser. Richard Breeden over here worked very closely with me in the past on regulatory matters. He's now wrestling with the savings and loan problem. So, if he looks discomforted, why, it wasn't the food. [Laughter] Gregg Petersmeyer at this table, here from Colorado, back in the White House after quite a few years absence, but he is handling this concept of voluntarism, national service. I can't see over here who we -- oh, Marlin Fitzwater is our Press Secretary, and with him, Joe Hagin, fresh from Ohio, who is handling the scheduling. Michael Boskin is head of our Council of Economic Advisers. And Bobbie Kilberg, sitting over here, is part of our major outreach to the different communities. And Jim Cicconi is the Staff Secretary that keeps everything moving inside the White House. And of course, on my left here is John Sununu, our Chief of Staff.

And if I missed somebody, it's the glare. [Laughter] It's not that I don't know the names of the people with whom I work. [Laughter] But listen, I wanted to thank you all for being here. It's great to see so many old friends. Having made my living in the hydrocarbon business -- that's a polite name for what's left of the oil business -- [laughter] -- I do have some appreciation of what some of you all face in business.

And today we're in the midst of a long peacetime economic recovery. Productivity is up; real family income is up. A higher percentage -- you know this litany -- percentage of the work force at work than any time in history and a lot of job creation, better than Europe and Japan. So, I am very proud of what the business sector has accomplished. And we are the most prosperous and most generous and most productive Nation. But I would say that we've still got a long, long way to go, and we've got some big problems out there. But if we need a reminder of who we are, you can look around this room and see the creativity of business and see how you have added tremendously to the GNP of our country.

Lately we've been talking a lot publicly -- the last couple of weeks -- about ethics. And I need your help in establishing and then achieving the highest possible standards and then performance in the field of ethics. It isn't just government. I think we need to set the best possible example in corporate America, in the workplace itself, and then, certainly, in government service. We've got to do better in terms of eliminating conflicts of interest for those who serve. And we need to assemble a government that the people can be proud of: a government, to a large extent, already comprised, I'd say, of honorable men and women who share conviction that a public office is, indeed, a public trust.

So, my emphasis on ethical public service is not some fad or passing fancy. It's something that I would like to see our administration institutionalize as best we can. Having said that, I am concerned about the excesses. And I'm talking to some right here in this room. I don't think we ever want to make it so it's impossible for men and women who have accomplished something to come and serve because of perception -- it might throw a conflict of interest out there. And so, as we try to achieve our standards now and as we try to codify these standards, I hope we can do it without discouraging men and women from coming to Washington to serve.

Last week, I appointed a bipartisan commission headed by former judge and now our Ambassador Malcolm Wilkey. Cochairman of that is Griffin Bell, who is favorably known to everybody in this room, a former great Attorney General of this country -- to develop ethics reform proposals that are going to address all the branches of the Federal Government. And again, we welcome from the business community the advice and counsel on this effort.

Some of you have sent Boyden Gray, my General Counsel, your own codes of ethics and worked with him in this regard, and that's been very helpful to us. It's because some businesses are way out front on setting standards that I think will have good relevance for the Federal Government. We have to simultaneously assure that our public servants have the highest possible ethical standards at the same time we ensure that we don't create this bureaucratic quagmire that keep honorable men and women from serving. And this one, as I just mentioned, is not easy. It is a delicate balance.

The American people know that we're facing some very tough choices in the weeks and months ahead. I still feel that they want us to hold the line on taxes and that they want us to keep this economic engine going. They realize that that's mainly a function of the private sector. But we in government have a responsibility to see that we don't enact things that inadvertently slow down the economic engine of this country. I've got to have as a prime goal seeing the creation of more jobs, more growth. And so, next week we're going to have to come forward with some tough decisions when I send a budget message up there to the Congress a week from yesterday.

We want to keep this deficit heading downward. And I've heard from a lot of you here the importance of having what we send up there credible so that world markets will understand that

this is for real. And if the world markets understand that it's for real -- it doesn't have to happen overnight -- then I think we're going to see a very salutary effect on interest rates. So, we want to keep the deficit heading downward. And I'm pledged, obviously, to that goal.

There's another thing about the people of this country. Americans have long been committed to helping people at home and abroad in achieving literacy, housing, and safety -- a commitment that stems from our innate sense of fairplay as a people, innate sense of justice, if you will. So, there's more than altruism involved. And when I talk about a kinder and gentler nation, I realize that you cannot legislate kindness. The President can't sign an Executive order and decree that we have a gentle nation.

But the Presidency does provide an incomparable opportunity to set a tone, to lead a movement. And so, I wanted to ask all of you to do that which so many of you are already doing: Involve yourselves in this vast cooperative movement, unparalleled in magnitude, certainly unparalleled in its nobility of purpose. And I'm talking about the concept of voluntarism, the concept of national service. It's going to be a movement whose leadership extends from the South Lawn of the White House to the grassroots of America. But really, it's the other way around because it's the communities and it's neighbors that really have the line action on this concept -- a movement that respects the dignity of the individual and that is steeped in the values that have made this country great for more than 200 years. And it is this spirit that deTocqueville found when he looked at this country of neighbor helping neighbor that has made us decent and generous, more so, I'd say, than any other country. And if we can revitalize the embers of that spirit, we will be this kinder and gentler place to live.

And that's where many of you, as I say, have already starred. As I look around this room -- and I'm not going to start singling out the examples that are represented here of your commitment to literacy or fighting drugs or whatever it is -- and you can do it far better, far more effectively than the Federal Government in Washington, DC. The essence of our government, of course, a democracy of and for and by the people.

To be successful, our movement on national service has got to be exactly the same thing. And the challenges are great. Government, as I say, cannot do everything, certainly can't do it alone without the will of the people. It really can't do anything.

But we've opened here now an Office of National Service. Gregg Petersmeyer, under the Chief of Staff, has the lead on that. It will be in the White House. It will help lead the community and national service programs. We will not only build on what was known as the private sector initiatives, which President Reagan began and which many of you in this room were actively involved in, but, actively, I'll be seeking your leadership and involvement on specific initiatives; one, the Yes to America Foundation, Youth Entering Service, which I talked about last fall and which I'm determined to implement this winter.

I don't want the Federal Government getting in the way, incidentally, of the tens of thousands of volunteer programs that work effectively. I simply want to encourage more voluntarism. You know, each of us is shaped in life by little events or things that he or she encountered. And I remember 8 years ago -- or maybe 10 now, campaigning in John Sununu's State, and being told of the Meals on Wheels program in Salem, New Hampshire -- that the volunteer aspect of that program had been eroded out by Federal legislation and that the regulations were drawn in such a way that the neighbors that had been helping older neighbors no longer were free to participate and volunteer. So, I certainly think we have to avoid that kind of crowding out on the part of the regulators, on the part of my administration, or on the part of the United States Congress.

During the past several months, you've heard me speak of a Thousand Points of Light. That's given the cartoonists a wide array of new material -- [laughter] -- the best one being a Thousand Pints of Lite keg -- [laughter]. But other people are beginning to understand what I perhaps very inarticulately talked about. I've been using that phrase as shorthand for the fact that we're a nation of communities, thousands of business and professional and religious and ethnic communities and in this diversity is our key to success, it's our strength.

The community, next to the family, is the most important unit of our nation. And I've got to remember that as we kind of come up with urban policies -- or Liddy and I work together on child care, or whatever else it is -- a community has got to be more than just the bricks or mortar. Our community, our town, our neighborhood: It's where we live, where we work, where the kids play, and it's where we invite friends over. And so, we've got to keep these communities strong by whatever kinds of policies we spell out in our administration.

I'm committed to dramatically increasing, and a lot of this is simply exhortation, community participation in order to pragmatically address the difficult problems that are challenging our country. We need to build this community spirit in every community, large and small. And we need to tap America for its very best in terms of dedication and the leadership.

You all have been more active than most, I know, in community service and so I again want to say thank you. You have my heartfelt respect. We need your work. We need your experience. And to those of you who are still looking for ways to help, I just would urge you to come on in, the water's fine. We need you to help us face this challenge. It's not just your money, individually and corporate, it's time and, again, it's exhortation on the part of the leaders of the business community. So, I would welcome your help on all of that.

Let me just end by a quick update. I know it's of interest to people here, the visit yesterday with the Japanese Prime Minister went well. Prime Minister Takeshita was our first official formal foreign visitor to come here to this country. And during our discussions yesterday we simply reaffirmed our responsibilities in the cause of world peace. We also reviewed the progress that our nations have achieved in bringing the economies into better balance and in further opening our markets to each other's goods and services. We, in this country, carry a disproportionate

responsibility for the defense requirements of free countries. Japan, given its economic standing today, is willing to accept much more in the way of responsibility for helping in the whole development aid side of things.

So, we had a good chance to discuss that. We did not go into every trade problem that faces our country. Both of us are realistic men, the Japanese Prime Minister and me, and we realize we're going to have some confrontation at times or certainly some differences of opinion. But I'm going to do my level best, working with our good new trade team, to be sure that we are treated fairly, that we have access, that we are not operating under standards that favor one side to the detriment of the other.

But the visit went well, and I think Prime Minister Takeshita wants very much to have that cooperative relationship. And we don't want to take these things for granted. It's not the reason I'm going to Japan for the funeral to pay my respects on behalf of the American people to the Emperor, but it has something to do with it that's broader. I should be doing that -- looking to the present and to the future. But I just wanted to assure you that the visit yesterday had gone reasonably well.

In the meantime, we still are under study in terms of our relationship with the Soviets. I know everyone here is very much interested in that relationship. I am confident that General Secretary Gorbachev knows that our review is not a foot-dragging operation. I don't want to miss an opportunity, but I don't want to do something that's imprudent either. And so, with our Secretary of State, ably backed up and assisted by my National Security Adviser, we are undertaking a policy review with the Soviet Union. There will be no great shocks. There will be no turning our back on the potential for progress. But there will be taking the proper amount of time so that when we do go forward, whether it's on conventional arms control, or strategic arms, or whatever else it is -- the economic front, regional problems, human rights -- we're going to be marching together in this administration.

And the Soviets, I think, now understand that there's no foot-dragging. But I wanted you to know that I understand the importance of this relationship and that I am determined to see us move forward. I want to see us get out in front if we possibly can, but I don't think that we have to be just restless because General Secretary Gorbachev made a very interesting set of proposals at the United Nations a few months -- now a month or so ago. So, we're going to look at the whole array of these issues. In the meantime, we're taking a look at the hemisphere.

Some of you have read about trying to work with the Congress. I'm very serious about it, and the product of the Congress in some ways -- I realize that maybe we can wait until February 9th, which is only 6 days away, before we go after each other on things. But we're realists, and we know there is going to be differences on what I send up. But I think most people that understand the Congress certainly would give them credit, and I do, for a willingness at this juncture to talk.

We had a very interesting, and I'd say productive, meeting with the leaders of key committees -- Ways and Means and Finance and Banking and Banking -- and then the leaders today and this question of facing this savings and loan problem. And they're not going to agree with everything I propose next week, but we've had a chance to consult and to listen to them, and I'm determined to try that, carry that forward. And I think it will be good for domestic policy, and I'm absolutely convinced that it is vital for foreign policy because we've been sending confusing signals around the world of two major branches of government that can't ever quite get together on something important. I'm not naive. I know we're going to have differences, but I just wanted you to know I think that approach is certainly worth a try. And so, that's about where we stand.

I'm delighted you all are here. Again, I ask for your help, and lest you be unpersuaded by what I've said, I would now like to be one who has been -- invite one to come in here who has been dubbed by no less an authority than Time Magazine as the Silver Fox because -- [laughter] -- she's worked for so many of you in education that I want her to come in and say thank you if she's here. Barbara, enter. I've got all your education crowd around.

Mrs. Bush. Thank you.

The President. I've been making a pitch for voluntarism.

Mrs. Bush. I heard you.

The President. And they're going to do it.

Mrs. Bush. I heard you. I heard him. I heard what he said. And what I really came in to say was use me. I'm willing to come. If you'll do what he asks, I'll come and help in any way I can -- literacy, the homeless -- anything. You call, and I'll come. Thank you very much.

Note: The President spoke at 1:03 p.m. in the East Room at the White House.

Remarks Congratulating the Super Bowl Champion San Francisco 49'ers

February 3, 1989

The President. Welcome. Please be seated. Jack -- that's our Cabinet star, Jack Kemp. Did you all get a chance to see him? Good.

Well, Eddie DeBartolo and Coach Walsh and the staff and all the players here from the 49'ers, let me just say first congratulations to all of you and welcome to the White House. This victory last month of the 49'ers as indisputably the world's champion sets you up as that in every sense of the word. And with this, your third Super Bowl title in 8 years, you rewrote the record books and raised the game of football to a new level of excellence. In devising your game plan, Bill Walsh proved once again why he's considered one of the greatest coaches ever, and in leading your team 97 yards in the final 3 minutes, Joe, you once again showed your grace under pressure. I guess we all wonder why did it take so long -- [laughter] -- but nevertheless the country saw it.

And, Jerry Rice, what can I say that hasn't already been said? I've heard there is a new TV series coming out based on your Super Bowl performance -- Miami Rice. [Laughter] Available in every city in the country except one -- [laughter] -- Cincinnati, that is. [Laughter] And Joe and Jerry handled the aerial attack, but when your team needed the tough yardage on the ground you turned to Roger Craig. And in his years as a 49'er, Roger has given a whole new meaning to the words ``gold rush," and when he runs the football, the chances are he is headed for paydirt.

It wouldn't be fair to mention the offensive stars without also giving great credit to the defense. And during the first half, when the offense was having a tough time, the defense kept you in that ballgame with their cool, smart, hard-hitting football.

And speaking of tough times, in all of the hoopla surrounding the Super Bowl victory, most people have forgotten the adversity that you overcame just to get there. But you never gave up, you pulled together as a team, you came back step by step, game by game, and you eliminated mistakes, never stopped striving for excellence. And there is a lesson in that for -- I think for all of us, but maybe particularly for the student body presidents and athletes that are here in the audience with us today.

And that's why I wanted you to share in this ceremony. To the young people here and across the country, I'd like to remind you that what you achieve in your life depends a lot on what you achieve in school during the next few years. And if I could offer one piece of advice, it would be this: Strive for excellence in all things and don't accept mediocrity. Being satisfied with mediocrity might be the easy way, but striving for excellence is the only way up.

Some of you have already achieved excellence in football and perhaps in other sports as well. And I can tell you and the 49 players, I'm sure -- 49'ers -- will agree, I am sure, that being good in sports is not enough to achieve excellence. You just have to be educated for excellence. The main ingredient in each person's success is individual initiative. It always has been, and it always will be. So I would say, if you're willing to work hard and make sacrifices, you can accomplish just about anything you set your mind to. And that's what the American dream is all about.

And, again, to all the 49'ers, and to you, Coach Walsh, and to all the 49'ers -- my congratulations to you! And thanks for setting a superb example for our country. Thank you and God bless all of you.

Mr. DeBartolo. Mr. President, it's a great honor being here. And there's a few presentations that Coach Walsh and the players want to make. I want to just make one announcement that we did find out that your ring size is 11 and a half. And we're going to give you the first ring that comes out of production because we want you to be an honorary member of our team. And we're with you a thousand percent in everything you do. And God bless you and all that you do and thank you, sir.

The President. Thank you.

Mr. Montana. Thank you. Mr. President, first let me congratulate you also on your victory. And secondly, I also would like, on behalf of my teammates, say thank you for your hospitality here this afternoon. It means a lot to all of us. Not very often do I get to see many of these guys in ties. [Laughter] And thirdly, we'd like to present you with a little token of our appreciation, little autographed balls from the Super Bowl, and say best of luck to you. We wish you the best and thank you.

The President. Thank you, that's great. Thank you very much.

Mr. Rice. Mr. President, we're glad to be here. We'd like to thank you for bringing us out into your wonderful home. [Laughter] You know, I looked forward to this day and I just hope that we get an opportunity to come back next year and stand right here before you. And on behalf of the San Francisco 49'ers, I'd like to present you with this ball and -- --

The President. Thank you so much -- the real thing. [Laughter]

Mr. Rice. That's the real thing from the Super Bowl.

The President. Thank you very much. Thank you so much. Good luck to you.

Mr. Walsh. Mr. President, we have also -- we know you're a runner, so we have a running suit.

I'm not sure we suggest running the streets of Washington, DC, in this suit. [Laughter] In fact, we're somewhat concerned we're sort of -- a little bit of overkill here. Remember, the Redskin fans are all around us. [Laughter] But we do feel so proud to be part of this, to have won a world's championship, but also, to be in your presence because we think you're going to do the greatest job we've seen in many, many years as President of the United States. Thank you very much.

Note: The President spoke at 3:05 p.m. in the East Room at the White House. Edward J. DeBartolo was the owner of the San Francisco 49'ers.

White House Statement on Secretary of Health and Human Services-Designate Louis W. Sullivan

February 4, 1989

Louis W. Sullivan, M.D., Secretary-designate of Health and Human Services, has requested the executive committee of the board of the Morehouse School of Medicine to grant him an unpaid leave of absence as a professor of medicine. Such an action by the executive committee would suspend any salary payments by the school to Dr. Sullivan while he served as HHS Secretary.

Morehouse School of Medicine, like most academic institutions, affords its faculty a paid leave of absence based upon years of service. After 13 years of uninterrupted service, Dr. Sullivan had earned, and was granted, a paid sabbatical leave of absence.

Dr. Sullivan made the following statement in connection with his request to the Committee to forego the paid leave: ``President Bush has called on all of those in his Cabinet, and indeed throughout the Federal Government, to set the very highest ethical standards and to avoid even the appearance of potential conflicts of interest. I agree emphatically with the President, that it is crucial to establish the highest ethical tone, and it will be my intention to uphold those same high principles at HHS if I am confirmed as Secretary. Accordingly, I have requested the executive committee of the board of the medical school to grant an unpaid leave of absence during the time I may serve as HHS Secretary. In this way, I intend to preclude even the remotest possibility of any appearance that my actions as Secretary might be influenced due to any outside income. I look forward to many productive years of service at HHS. And I believe that an unpaid leave of absence from Morehouse Medical School will help establish a firm groundwork for such service to begin."

Remarks at the Swearing-in Ceremony for Carla A. Hills as United States Trade Representative

February 6, 1989

The President. Well, it is a great pleasure for me to be here for the swearing-in of our friend, Carla Hills, as U.S. Trade Representative. This is a position of great importance to our country. And with the emergence of a truly global economy, trade issues have taken on a new prominence. And I think, as Lord Macaulay so rightly said, that ``Free trade is one of the greatest blessings which a government can confer on a people."

I have great confidence in the ability, the wisdom, and the toughness of Carla Hills, which is why I chose her in the first place for this critically important post. This is her second Cabinet position, and she won universal respect for her service as Secretary at the Department of HUD, Housing and Urban Development. And I know that she'll win strong support in this important current role. She's a skilled negotiator with a strong international background and extensive experience in government. Trade issues involve listening to many voices within our nation while working with the full breadth of government and maintaining a clear sense of mission. As I said when I nominated her, I can think of no one better suited to be America's trade minister at home and abroad.

And Carla will have a very committed and talented group of people at USTR who work hard and bargain hard for the people of our country. I greatly respect, incidentally, the dedication and expertise of those with whom Carla will be working at USTR, and I'm glad that many of you are here with us today.

America, as the world's number one trading nation, has the largest stake in the continued expansion of world trade, which has been one of the key factors in our growing prosperity. In addition, our trade relationships are a vital factor in America's international alliances that help secure freedom and stability for so much of the world. We will apply firmness to help promote what is fair, but we will always remember that our major trading partners are not our enemies but, indeed, they are our allies.

We have a leading role to play in modernizing a trading system that has served the world well for over four decades. There's a new and dynamic international order in the economy that offers the chance for higher levels of prosperity for all nations which freely participate in this international economy. We want to do more to remove trade barriers; to address the issue of agriculture; and to bring the benefits of free trade to new areas, including services, investment, and the protection of intellectual property. The current Uruguay round of the GATT [General Agreement on Tariffs and Trade] talks holds many opportunities for progress in multilateral negotiations. There's also a new international impetus for trade expansion created by our U.S.-Canada free-trade agreement. This agreement can serve as a model, and it proves that freer trade

between nations is the wave of the future.

Ladies and gentlemen, the goal of this administration's trade policy, simply put, is to open markets, not close them; to fight protectionism, not to give in to it. We don't want an America that is closed to the world. What we want is a world that is open to America. We're going to work to promote American exports and to see to it that in dealing with the United States other nations play by the rules. As Carla said during her own confirmation hearings, we will open foreign markets with a crowbar where necessary, but with a handshake whenever possible.

And, Carla, it is now my pleasure to witness you take the oath of office. And we're very fortunate that Judge Scalia, one of our Supreme Court Justices, is here with us today.

[At this point, Ambassador Hills was sworn in.]

Ambassador Hills. Mr. President, Justice Scalia, Members of Congress, distinguished guests, and dear friends, I thank you one and all for being here. And I especially want to thank the members of my wonderful family for their enormous support, and I confess that I am absolutely thrilled that they're all with me today.

I am honored, and I look forward to serving as the United States Trade Representative. And to all of you I pledge to devote all of my energies to carrying out the trade policy goals that you, Mr. President, have just outlined. We will seek to open markets, not close them; and we will fight protectionism, not give in to it. You can be certain -- absolutely certain, Mr. President -- that those are the goals of the Office of U.S. Trade Representative. We seek free trade not just for a more prosperous America, we seek it as a part of our great quest for a freer, fairer, and more prosperous world. Rather we seek to have our foreign markets opened to the entire community of nations, rich and poor, and from that unfettered commercial exchange comes healthy world growth and increased prosperity for all people. As a nation, we seek open trade because that goal is as morally correct as it is economically beneficial.

During the past week, I have had the opportunity to meet with and work with the extraordinarily talented and dedicated women and men at the U.S. Trade Representative's office; and, Mr. President, with this group of splendid professionals, we can meet the challenge that you have given us. Our office will work closely with other Federal agencies and with Congress. And I know that you, Mr. President, share my gratitude for the commitments that Members of both the House and the Senate have made to work alongside of our trade negotiators. And we all have gained immeasurably in drawing upon the experience and the commitment of the private sector. Together we can build an expanding multilateral trade system based upon equitable, clear, and enforceable rules. We can strengthen our bilateral relationships, and we can uphold our trade laws. In short, we can do great things together.

Now, last month, Mr. President, you called your Cabinet together to receive your very clear

marching orders. Your first commandment was: Think big. Well, the Office of the United States Trade Representative is small, but its talent and dedication is enormous, and your commandment is our motto. And in that spirit, Mr. President, we offer you a token of our wholehearted commitment to your goals and our great affection. And so, if I could just give you -- [laughter] -- --

[At this point, Ambassador Hills gave the President a sweatshirt that read: Think Big.]

The President. I have a funny feeling, having worked with Carla and knowing her ability, that that handshake, backed up by a lot of conviction, is going to get the job done for the most part. But I was thinking the other day, when we had the Prime Minister of Japan here and he met Carla -- perhaps not for the first time, but the first time officially with her new role about to unfold as USTR -- and maybe I was dreaming something, but I thought I saw him looking her over very carefully. [Laughter] And I just have a funny feeling that that combination of the handshake and the crowbar is going to be tremendously successful. [Laughter]

Ambassador Hills. Thank you very much. Thank you all for being here.

Note: The President spoke at 1:45 p.m. in the Indian Treaty Room of the Old Executive Office Building.

Remarks at the Swearing-in Ceremony for Samuel K. Skinner as Secretary of Transportation

February 6, 1989

The President. Well, Barbara and I are delighted to be here. And, Governor Thompson, delighted to see you, sir. But I'm here today to welcome into our Cabinet a man who I believe is destined to go down in history as one of the truly outstanding Secretaries of Transportation: Sam Skinner. He does indeed have big shoes to fill. And I see one of his predecessors sitting over here, Jim Burnley, who did an outstanding job.

And he comes here having made a name for himself as a miracle worker of sorts in transportation. Several years ago, Governor Thompson put him in charge of the Regional Transportation Authority of Northeastern Illinois. And at that time, the RTA, as it is known, was plagued with financial troubles and declining levels of service. And some said that Sam was inheriting an impossible job. But he rolled up his sleeves and set to work, and in short order, he put the RTA on a sound financial footing for the first time in years.

His expertise in transportation doesn't stop there. He's an instrument-rated pilot who has flown in and out of Chicago's O'Hare Airport, one of the busiest in the Nation -- [laughter] -- more times than he can count. And here he is. [Laughter] But when it comes to air travel, he'll bring a pilot's perspective to the highest levels of our government, and that means a perspective that puts safety first, above all other considerations.

You'd think all this would be enough, but I haven't quite finished his qualifications for the job. Besides overseeing the Federal Government's role in maintaining and improving our nation's transportation system, the networks, the Secretary of Transportation has another critical duty: He commands the Coast Guard. And the Coast Guard serves on the front lines of our war on drugs. And I can't think of anyone in America who has Sam Skinner's background in transportation and has been a distinguished U.S. Attorney, prosecuting a number of major cases -- outstanding combination.

And, yes, he is the ideal man for a job that will, in the years ahead, present extraordinary challenges. I'm sure that I don't need to remind anyone in this audience of the high priority my administration places and intends to place on the war on drugs. I pledged in my Inaugural Address that this scourge will stop, and I really mean that. I'm determined to see that happen. Sam will be working closely with Bill Bennett [Director of National Drug Control Policy], and I know that they're going to make a great team.

And let me mention another area in which Sam will face challenges; that's aviation. The U.S. is the safest place in the world to fly, and it is getting safer. And that safety record is your record.

This Department carries a great deal of the responsibility for the safety of the skies, and carries it with ability and certainly justifiable pride. And I know that you join with me in saying that we won't rest until every possible step has been taken to make air travel in America as safe as it possibly can be.

By the way, in one area critical to safe skies, Sam is hitting the ground running. Next week he will head a delegation to the ICAO, Montreal, the special session of the Council of the International Civil Aviation Organization. He has my mandate to do all he can at that meeting to hasten the day when the international community puts an end to terrorism in the sky.

Aviation is not, of course, the only area in which Secretary Skinner and you will work together for a better America. I look forward to his leadership in the other areas: highways and bridges and urban mass transit, intercity rail, and maritime transportation. And I think once you get to know him you'll see why I say that I can't think of anyone I'd rather have in charge than Sam Skinner.

And having said so much about him, let me now say a few words to our new Secretary about how I feel about you all. It would be hard, Sam, to find a more dedicated group of people in the entire Government than the men and women in the Department of Transportation. And thanks in part to their effort, America's transportation is the best system in the world. And they represent a long and proud tradition of reaching back to the very founding of our Republic, for roads, shipping, and protecting our coasts from smugglers have been concerns of our government from the very beginning.

Somebody said of Sam that he's a visionary who thinks big. Well, I expect that you'll find that your new colleagues are visionaries who think big as well. And I know you're as proud to serve with them as I am.

And so, as they say in the railroad business, welcome aboard. It's great to have you on the team. And so, now let's get on with the swearing-in. Congratulations!

[At this point, Secretary Skinner was sworn in.]

Governor Thompson. Following the bril-liant career in Federal law enforcement of which the President so eloquently spoke, Sam Skinner has served the people of Illinois for the past 12 years with rare fidelity, integrity, and honor. He made things move, and he got things done. And it is with the high hopes born of that experience that we in Illinois now proudly give him to the Nation. Ladies and gentlemen, the Secretary of Transportation.

Secretary Skinner. Thank you, Mr. President, for your kind words and for making me part of your team. I want to personally acknowledge all my friends here, especially Barbara Bush, my good friend for many years; my family, my mother and my brother; the Governor; my good

friend Judge Flaum; and all of you. I wouldn't be here if it weren't for your efforts, and I know it.

Mr. President, the Department of Transportation's team is, in fact, made up of many members. Each one plays an important role. I have asked some of these outstanding members of that team to join us, from each of our units, and I would like to introduce them to you now. They're on the left. And maybe to break a little protocol here, they can -- which I think I'm allowed to do, at least at my swearing-in ceremony -- I'm going to ask them to stand forward a little bit. Maybe, Mr. President, you could shake their hands.

Muriel Clarke. Muriel is the financial specialist for the Urban Mass Transportation Administration's New York regional office. She has won many awards for her performance in government and has been involved in voluntary community efforts for over 40 years.

Frank J. Mammano, a 29-year veteran in the Federal Highway Administration, has been a leader in the development of Pathfinder, a cooperative effort by the Federal Highway Administration, the California Department of Transportation, and General Motors that applies advanced technology to solve metropolitan area congestion problems.

Romell Cooks of the National Highway Traffic Safety Administration has energized a network of health professionals to act as allies with government in the safety belt usage and anti-drunk driving campaigns.

Barbara Schroeder, one of the two female wage-grade employees at the Saint Lawrence Seaway Development Corporation -- in a nontraditional job as a labor-line handler and as a single parent with three daughters, she gives freely of her time to numerous volunteer efforts.

Donald Simonds of the FAA, is a full-performance-level air traffic controller and has been actively involved in the recruitment of minority candidates for that critical job.

Anthony A. Schiavone, Superintendent of the James River Reserve Fleet at the Maritime Administration, maintains custody of approximately 125 oceangoing merchant-type vessels that are on ready reserve for national defense purposes.

Susan Hedgepeth, Chief of the Exemption Branch in the Office of Hazardous Materials Transportation, develops special requirements for the transportation of hazardous materials.

Sondra F. Talbert of the Federal Railroad Administration, moved into the Department's Upward Mobility Training Program in 1975 and is the first female inspector at the Interstate Commerce Commission in the Federal Railroad Administration.

United States Coast Guard Petty Officer Kelly M. Mogk, was recently awarded the Coast Guard Air Medal for heroic achievement in aerial flight while serving as a helicopter rescue swimmer

on January 2, 1989.

Let's give these outstanding employees a round of applause. [Applause]

Mr. President, these individuals' achievements reflect the spirit of this Department. They are our unsung heroes, the dedicated public servants who serve the American traveler, the pilot, the truck driver, the boater, and the commuter.

The Department's team faces many challenges. We must be in the forefront in the fight against terrorism. We must do everything we can to stop the flow of drugs into this country. We must keep our aviation system both safe and competitive. And we must maintain our significant and important presence in the maritime industry. We must also continue to build and maintain our infrastructure. And I want to acknowledge -- as I look on the next step -- are Congressman Martin, are Congressman Mineta, Congressman Coughlin. We must work with Congress, and I will work with Congress to develop a visionary and comprehensive transportation policy for the 21st century, a policy that recognizes the transportation system is the essential lifeblood of our economy and also for our defense.

These goals cannot be achieved without the energy and commitment of thousands of team players like those you have met today. I know already from my brief introduction to this Department that this team is ready, willing, and able to do this important job. The American people have selected you as their President, and you have asked me to be your wing man. I am humbled by your offer. I accept, and I am ready to roll up my sleeves and get the job done.

Thank you very much.

Note: The President spoke at 2:42 p.m. in the Federal Aviation Administration auditorium. Secretary Skinner was sworn in by U.S. District Judge Joel M. Flaum.

The President's News Conference

February 6, 1989

The President. Well, for the more than half a century, the U.S. has operated a deposit insurance program that provides direct government protection to the savings of our citizens. This program has enabled tens of millions of Americans to save with confidence. In all the time since creation of the deposit insurance, savers have not lost one dollar of insured deposits, and I am determined that they never will.

Deposit insurance has always been intended to be self-funded. And this means that the banks, the savings and loans, and credit unions that are insured pay a small amount of their assets each year into a fund that's used to protect depositors. In every case, these funds are spent to protect the depositors, not the institutions that fail.

For the last 20 years, conditions in our financial markets have grown steadily more complex, and a portion of the savings and loan industry has encountered steadily growing problems. These financial difficulties have led to a continuous erosion of the strength of the Federal Savings and Loan Insurance Corporation, FSLIC. Economic conditions have played a major role in this situation. However, unconscionable risktaking, fraud, and outright criminality have also been factors. Because of the accumulation of losses at hundreds of these thrift institutions, additional resources must be devoted to cleaning up this problem. We intend to restore our entire deposit insurance system to complete health.

While the issues are complex and the difficulties manifold, we will make the hard choices, not run from them. We will see that the guarantee to depositors is forever honored. And we will see to it that the system is reformed comprehensively so that the situation is not repeated again. To do this, I am today announcing a comprehensive and wide-ranging set of proposals. The Secretary of the Treasury, Nicholas Brady, will describe these proposals to you in detail in a few minutes. However, I think it's important to summarize some of the major points. The proposals include four major elements.

First, currently insolvent savings institutions will be placed under the joint management of the FDIC [Federal Deposit Insurance Corporation] and FSLIC pursuant to existing law. This will enable us to control future risktaking and to begin reducing ongoing losses.

Second, the regulatory mechanism will be substantially overhauled to enable it to more effectively limit risktaking. The FDIC would become the insurance agency for both banks and thrifts under this system, although there's no commingling of funds. The insurer will have the authority to set minimum standards for capital and accounting. Uniform disclosure standards will also be implemented. The chartering agency for thrifts would come under the general oversight of the Secretary of the Treasury.

Third, we will create a financing corporation to issue $50 billion in bonds to finance the cost of resolving failed institutions, which will supplement approximately $40 billion that has already been spent. All of the principal of these bonds and a portion of the interest on them will be paid from industry sources. However, the balance would be paid from on-budget outlays of general revenues. Hopefully, some of these revenues will be recovered in the future through sale of assets and recovery of funds from the wrongdoers.

Fourth, we plan to increase the budget of the Justice Department by approximately $50 million to enable it to create a nationwide program to seek out and punish those that have committed wrongdoing in the management of these failed institutions. These funds will result in almost doubling the personnel devoted to the apprehension and prosecution of individuals committing fraud in our financial markets.

As you can see, these proposals are based upon several overriding principles. First, I will not support any new fee on depositors. Second, we should preserve the overall Federal budget structure and not allow the misdeeds and the wrongdoings of savings and loan executives and the inadequacy of their regulation to significantly alter our overall budget priorities. And third, I have concluded that this proposal, if promptly enacted, will enable our system to prevent any repetition of this situation. And fourth, I have decided to attack this problem head-on with every available resource of our government because it is a national problem. I have directed that the combined resources of our Federal agencies be brought together in a team effort to resolve the problem. And fifth, I believe that banks and thrifts should pay the real cost of providing the deposit insurance protection. The price the FDIC charges banks for their insurance has not been increased since 1935. We propose to increase the bank insurance premium by less than 7 cents per $100 of insurance protection that they receive. Every penny collected would be used to strengthen the FDIC so that the taxpayers will not be called on to rescue it a few years from now.

And I make you a solemn pledge that we will make every effort to recover assets diverted from these institutions and to place behind bars those who have caused losses through criminal behavior. Let those who would take advantage of the public trust and put at risk the savings of American families anticipate that we will seek them out, pursue them, and demand the most severe penalties.

In closing, I want to just say a word to the small savers of America. Across this great land, families and individuals work and save, and we hope to encourage even greater rates of savings to promote a brighter future for our children. Your government has stood behind the safety of insured deposits before, it does today, and it will do so at all times in the future. Every insured deposit will be backed by the full faith and credit of the United States of America, which means that it will be absolutely protected.

For the future, we will seek to achieve a safe, sound, and profitable banking system. However,

integrity and prudence must share an equal position with competition in our financial markets. Clean markets are an absolute prerequisite to a free economy and to the public confidence that is its most important ingredient.

I've determined to face this problem squarely and to ask for your support in putting it behind us. I have ordered that the resources of the executive branch be brought to bear on cleaning up this problem. I have personally met with the leadership of Congress on this issue. My administration will work cooperatively with Congress as the legislation that we will submit in a few days' time is considered. I call on the Congress to join me in a determined effort to resolve this threat to the American financial system permanently, and to do so without the delay.

I welcome the leaders that are with me here on this platform. I think their support says a lot about the efficacy of our proposal. And now I propose to take just a few questions. On the technical aspects, I will defer to these people, and then I'll be glad to turn this over to Secretary Brady. I believe we start with Helen [Helen Thomas, United Press International] and then Terry [Terence Hunt, Associated Press], and then get going -- --

Q. Mr. President, are you guaranteeing that the extra costs -- premiums, increases, and so forth -- will not be passed on to the depositors and taxpayers? And also, what is your responsibility in this debacle -- I mean, the Reagan-Bush zeal for deregulation of business and banking?

The President. On the first place, we're not guaranteeing that. I would hope that wouldn't happen, but there is no guarantee what the institutions will do. Secondly, there is enough to be said for everybody in this together trying to solve this problem, so I can't equate any personal -- not inclined to go into any personal blame, simply to say that we've got to solve this problem, and we're on the path to doing that.

Federal Pay Raise

Q. Mr. President, the House votes tomorrow on that controversial pay raise plan, and the Senate has already voted against it. Would you sign a bill that vetoes the pay raise not only for the Members of Congress but also for Federal judges and other high officials in the Government?

The President. I've said I support it.

Savings and Loan Crisis

Q. Mr. President, there is a feeling that part of this problem is attributable to deregulation of the financial industry. In retrospect, do you think that deregulation might have gone too far in the last 10 years or so? And in the future, is your marching order to your administration to be a little more careful in regulating this particular industry?

The President. Jerry [Gerald Boyd, New York Times], I don't know the answer. I'd be most interested to know what our experts here feel about how much of the problem could be attributed to deregulation. I just don't know the answer to your question, so I can't reply.

Government Ethics

Q. Mr. President, you have placed considerable stress in these early days of your Presidency on ethics and propriety, yet in recent days there has been controversy on Capitol Hill concerning the propriety of some of Tower's [Secretary of Defense-designate] alleged behavior; questions raised over the weekend about the financial investments on the private funds of the man in charge of ethics, your counsel, Boyden Gray; and other questions involving members of the administration, or members-to-be of the administration. And I wonder, sir, what's happened here? Is it too harsh behavior on our part, too lax behavior on your part? What?

The President. I don't think anything has happened. I learned long ago in public life not to make judgments based on allegations. But having said that, I want to have my administration aspire to the highest possible ethical standards. And we have appointed a commission to go out there now and try to detail what these standards should be. And we are in a new era on these matters. Matters that might have been approved and looked at one way may have a different perception today.

And so, what I want to do is finalize our standards and then urge everybody in all branches of government to aspire to those standards. But I do think, Brit [Brit Hume, ABC News], that it's fair that we not reach judgment on Senate hearings before the Senate hearings are concluded because it's very hard to filter out fact from fiction, spurious allegations from fact. And I am not about to make a judgment based on a sensationalized newspaper story. I'm simply not going to do that. That wouldn't be fair, and I'm not sure how ethical it would be. So, let's wait and see this -- you're referring to the Tower matter up there. That matter has been looked at by the FBI. The committee now has that. They have the responsibility to make determinations, and I'll be very interested to see what they say. But I am not going to jump to conclusions based on stories that may or may not have any validity at all.

Secretary of Defense-Designate Tower

Q. Mr. President, even if, as your spokesman says you do, you continue to back Senator Tower for the position, there are those you've heard who say that the best thing he could do for you is to step aside because even if confirmed he then would become damaged goods, weaker in administering a very, very tough job on your behalf. How do you respond to that suggestion?

The President. Well, I think people would not want a person to step aside -- [inaudible] -- rumor, particularly if the rumor is baseless. And the process is taking a little longer than I would like. And yet I think the Senate has got to do what they're doing: looking at these allegations very

carefully. But you know, as I said here at this same podium a while back, the American people are basically fair. And if these allegations prove to be allegations without fact behind them, I think the people are going to say: Wait a minute! What went on here? How come it was all this? We read this one day, and then kind of a puff of smoke the next. And so, I don't think -- in your substantive question, though -- that if the Senate committee gives its endorsement to the Senator, particularly after all of these allegations, that there is any danger at all of damage to his credibility or his ability to do the job.

Q. Mr. President, there are new and substantive allegations that Senator Tower lost control over the highly classified security documents and computer disks that were used in Geneva under his watch. If those allegations prove to be founded, would you then withdraw his nomination?

The President. I would not answer hypothetical questions of that nature. You're telling me something that I haven't heard before. And we did have access to FBI reports. So, if this matter is now before the Congress, let them investigate it. But I can't go into a hypothesis. All I would be doing would be adding to, I think, speculation that is not helpful at this juncture.

Q. But, sir, will you pursue these allegations in the executive branch? Are you going to track what the FBI is looking into? Are you going to personally surveil these kinds of allegations yourself?

The President. Every rumor and every innuendo? No, but if there's some substantive allegation of this nature, of course, it would concern me.

Savings and Loan Crisis

Q. Mr. President, back to S&L's if we might. Millions of -- [laughter] -- millions of Americans save alternatively. That is they save in mutual funds, stocks, and that kind of thing. As I read it, you've now outlined a plan that places a lot of the S&L bailout on the backs of the general Treasury. How fair is that?

The President. We've got a major problem, and something has to be done. And this is the fairest system that the best minds in this administration can come up with. And so, I again would ask you to ask the specifics of the Treasury burden to the Chairman of the Federal Reserve [Alan Greenspan] or the Secretary of the Treasury [Nicholas F. Brady]. Ask how they see that. But look, as I've said, there is no easy answer to this. All I want to do is make a sound proposal, work to put it into effect, and have that proposal such that the country won't have to face this problem again.

Q. Mr. President, you said you dropped the deposit fee idea, but this plan you've given us has an increase in premiums that may be paid by consumers, as well as a large amount of taxpayers' funds. Isn't that the same thing: Consumers and taxpayers are still going to have to pay the price

for this?

The President. Well, as I indicated earlier on, there is no guarantee of passing this on to the consumer, nor is there a guarantee it won't be passed on. But this arrangement has been there for 50 years, and you might argue whether it's been passed on or not. I just don't know. I haven't seen the flow-through in the industry, but nothing is without pain when you come to solve a problem of this magnitude.

Q. Mr. President, you've talked to several Members of Congress in various receptions and dinners and personal conversations over the past couple of weeks, and in many of them, you have discussed your plan for this problem. What is your feeling of the reception that it's going to get on Capitol Hill and of the selling job that awaits you to get it passed?

The President. We may have a big selling job, but I've been encouraged so far with the spirit epitomized by the Members of Congress, particularly at the joint leadership meeting the other day. We didn't go into every detail of this. These plans were still being formulated, and I wanted to get their views. I was encouraged by what Bill Seidman [FDIC Chairman] told me earlier on about what he felt the receptivity of the plan will be. But I don't think it's fair to the Congress to say that they have signaled to me that they are going to be enthusiastic on this plan, although I hope they are.

I'm going to take about three more and then turn this over to these gentlemen here, who are prepared to go into as much detail as you want.

Secretary of Defense-Designate Tower

Q. Mr. President, these allegations that surround Tower now, at least variations on the theme, surfaced early in the transition -- allegations of womanizing and taking money from defense contractors, that sort of thing. Have you satisfied yourself that he is still the nominee you want? Can you give us at this time a full-hearted endorsement of Tower?

The President. Yes, I can, and I will right now because some of the very same allegations that were floated that long ago apparently have been looked at and examined by the best possible examiners -- and I'm talking about the FBI -- and found to be groundless. So, therefore, I'm not about to change my view. If somebody comes up with facts, I hope I'm not narrowminded enough that I wouldn't take a look. But I am not going to deal in the kinds of rumors that I've seen reported and then knocked down -- and then reported and then knocked down.

One -- two to go.

Central America

Q. There have been hints that Gorbachev may propose steps to diffuse the situation in Central America. I wonder if you see the possibility of superpower deals in Central America, and, if so, if you could suggest what would be acceptable for you?

The President. I don't know about a deal, but I can see a possibility of cooperation in Central America because I would like the Soviets to understand that we have very special interests in this hemisphere, particularly in Central America, and that our commitment to democracy and to freedom and free elections and these principles is unshakeable. And I don't think they really have substantive interests in this part of the world, certainly none that rival ours. So, I would like to think they would understand that. And there are so many areas where we could demonstrate a new spirit of cooperation, and this would clearly be one of them. So, I'd like to think that is the way that the matter would be approached by the Soviets.

Yes, followup?

Q. If I could follow up and ask you whether you'd be willing to include abandonment of aid to the contras as part of such an understanding?

The President. I wouldn't make a deal on that with the Soviets, nor would that come up. I don't believe we'd ever have a -- I can't see a situation of that nature arising, knowing as I do what will be negotiated and discussed with the -- so I think that's so hypothetical as to not even be a possibility of any kind.

Yes, Charles [Charles Bierbauer, Cable Network News]? And then I do have to run.

Savings and Loan Crisis

Q. Mr. President, we still don't know what the taxpayers' burden is in here out of this $40 billion. It says first from S&L funds and the shortfall from Treasury funds. How big is it; and have you, in going through your budget, had to knock out some things to pay for this?

The President. We've had to knock out a lot of things on the overall budget for a lot of different reasons. But I'd like to leave this for Dick [Richard G. Darman, Director of the Office of Management and Budget], for the questioning, to give the specific amounts. It is shared, as I've indicated, and he can give you the amounts that are involved.

Listen, thank you all very much, and now I'm going to turn this over to Secretary Brady. And then in order, I guess they'll refer to each of these others.

Q. Mr. President, one more word for the small -- --

Q. -- -- seats back here, Mr. President?

The President. What was that substantive question? [Laughter]

Q. In the back -- we didn't see you get back in this area.

The President. We didn't get that far back, no. But if there's been an egregious offense to those in the back benches, I will take one parting question. And inasmuch as you raised it, fire away.

Government Ethics

Q. Thank you very much, sir. Back on the ethics issue, a couple of -- --

The President. Mindful that the last question always does get you in great trouble -- [laughter] -- go ahead.

Q. One of your perspective nominees and your Counsel have just recently changed their minds on matters that would have violated the ethics rules under the Reagan administration. Did you have difficulty in getting the word out that times would be tougher under your administration?

The President. No. I don't think so. For example, if you're referring to the Boyden Gray [Counsel to the President] matter, which I think you are, that matter was reviewed every single year by the Office of Government Ethics, and he was deemed in compliance every single year. But now we've got a new ballgame here. He's the General Counsel here in the White House, and I'm the President. And I've set out, rhetorically, the highest possible standards, and we're trying to back that up by findings from this Commission. And so, I do think that we've got to be very careful about perceptions of impropriety when it comes to conflict of interest -- not rumors or innuendoes of one sort or another. I don't think I should deal in those things. But when it comes to perceived conflicts of interest, I'd like our people to bend over backwards.

And I think that's what has happened in both the question of Lou Sullivan [Secretary of Health and Human Services-designate]. All he did was ask: Am I entitled to continue these arrangements with this small university? And all Boyden did, in my view now, is to try to go a step beyond what the Government Ethics Office has said to avoid the perception of impropriety. So, I think it might be different now. I have to approach it differently as President. Not that you have lower standards. But I just think that, again, this whole question of perception -- we've got to look at it very, very carefully.

But I want to be fair. I do not want to have the loudest charge, no matter how irresponsible, be that that sets the standards. We've got to achieve more objective standards. And that's why I'm putting a lot of faith in the -- hope to put a lot of faith in the findings of Judge Wilkey and former Attorney General Griffin Bell. And they will be looking at all these matters in terms of reality, and then, to some degree I'm sure, in terms of perception. So, what might be legal and

might be perfectly sound ethically might have to be altered, given this new approach because of perception. It's a delicate one.

I don't want to have the standards set in such an irresponsible way that good people just throw up their hands and say: Look, who needs that kind of grief, who needs it? Why should I have to give up all my whatever it is -- a health plan from the XYZ company. And yet on the other hand, we're in a different time now. We're in a time when we've got to try to set these standards as high as possible. So, I think Dr. Sullivan did the right thing in asking what was proper. I think Boyden Gray did the correct thing every year in asking what was proper and reviewing his own personal holdings in a family company with the Ethics Office, but now taking another step because of perception in this case. So, we've got to work with these individuals to find the proper answer, and we've got to work with the Commission to try to codify these standards.

Q. Sir, by following, you said during the campaign very clearly that your staffers would not take outside income. I wonder why they need a legal opinion to understand that?

The President. They had a legal opinion saying it was perfectly proper from this family company, and so, now we're changing that and saying, Look, there is this different perception problem here in this new era, so let's bend over as far backwards as we possibly can, you know, to recognize that.

Thank you all very much.

Q. What about leveraged buy-outs, Mr. President?

The President. There's your LBO man right there.

Note: The President's second news conference began at 4:10 p.m. in Room 450 of the Old Executive Office Building.

Statement by Press Secretary Fitzwater on the Acquisition of Monsanto Electronic Materials Company by a West German Firm

February 7, 1989

The President today decided against intervening in the proposed acquisition of Monsanto Electronic Materials Company (MEMC) by Huels AG of West Germany. MEMC manufactures silicon wafers for use in making semiconductors.

The President based his decision on the results of the investigation by the Committee on Foreign Investment in the United States (CFIUS), chaired by Treasury Secretary Nicholas Brady. The CFIUS conducted a thorough investigation of various issues related to silicon wafers, including reliability of supply, technology transfer, and the relationship of the transaction to the semiconductor industry research consortium SEMATECH. CFIUS staff and policy-level officials also met with representatives of SEMATECH, of Monsanto, and of Huels.

The Huels-MEMC investigation was the first formal investigation by the CFIUS under section 5021 of the Omnibus Trade and Competitiveness Act of 1988. That provision, known as the Exon-Florio provision, authorizes the President to investigate and, if necessary, to suspend or prohibit a proposed foreign acquisition of a U.S. business engaged in U.S. interstate commerce. The criteria to suspend or prohibit are that the President must find:

credible evidence to believe that the foreign investor might take actions that threaten to impair the national security, and

that existing laws, other than the International Emergency Economic Powers Act and the Exon-Florio provision, are inadequate and inappropriate to deal with the national security threat.

Statement on Signing the Bill Rescinding Proposed Increases in Executive, Legislative, and Judicial Salaries

February 7, 1989

Today I am signing H.J. Res. 129, passed overwhelmingly by both the Senate and House of Representatives, which rescinds the proposed pay increase for Members of Congress, executive branch officials, and our Federal judges. I recognize this legislation has been a source of considerable public controversy with much concern about the process by which this pay increase was considered. I applaud the Members of Congress in both the House and the Senate for taking their recorded votes on this measure. The American people deserve to have had this issue openly discussed, debated, and voted upon.

I believe that some level of pay increase is in order, and I will be working with the House and Senate leadership to develop proposals to achieve that end. I would also like to express my special concern about the level of compensation for members of our Federal Judiciary.

George Bush

The White House,

February 7, 1989.

Note: H.J. Res. 129, approved February 7, was assigned Public Law No. 101 - 1.

Remarks at the Swearing-in Ceremony for Manuel Lujan, Jr., as Secretary of the Interior

February 8, 1989

The President. It is a pleasure to be here today. Mr. Justice Scalia and distinguished Members of the United States Senate and House of Representatives, and all the distinguished guests here, thank you. I'm proud to be over here for the swearing-in of my friend Manuel Lujan as the 46th Secretary of the Interior. I've known Manuel from the days when we first came to Washington and served in the United States House of Representatives together. He's an extremely capable man, a very fair man -- you'll find that out -- and a man dedicated to his country. And I also have to mention what a great contribution his wife has made over these many years.

Manuel Lujan has long experience with the important issues that face this Department. He served with distinction as the ranking member of the House Committee on Interior and Insular Affairs, and he's demonstrated commitment to public service with some 20 years in the United States Congress. And through his work with his constituents and with those who came before his committee, he's been in very close touch with the people of our country, the people who are affected by the policies of the United States Government. And that quality of receptiveness, being a good listener, is so essential because government must serve the people. And that's what we are all here for.

Manuel knows how much I enjoy going fishing -- got his priorities sorted out here -- [laughter] -- no favoritism. If I'm fishing in a national park, I don't expect special treatment upstream so the 12-pounders come my way. [Laughter] I want to fight for my rights like every other American.

But the Department of the Interior is our nation's principal conservation agency. And I think you know how deeply I care about issues of conservation and the wise management of our public land. Secretary Lujan has my total confidence.

Together we've laid out a 10-point agenda called Stewardship that speaks to the broad responsibilities of your Department. From environmental and resource issues to our commitment to the dignity and well-being of Native Americans in the territories, I know that this Department will continue to demonstrate leadership, sensitivity, and professionalism. I want to recognize the outstanding work done by all of you at the Department of the Interior, and certainly the men and women who are working for this Department all across our country. There's also a great contribution being made by volunteers who participate in the many programs to keep America beautiful and to make it possible for more Americans to use and enjoy the outdoors.

I believe, as you do, in clean air and clean water and the protection of American wildlife. I also want to see our nation's public lands preserved so that this generation and future generations can

use and enjoy our natural bounty: the great outdoors. You know, I have to say, it's only in Washington that the agency that handles the great outdoors would be called the Department of the Interior. [Laughter] But whether it's managing wildlife and fisheries or our national parks or administering the lands that constitute a third of our nation, I want to be sure that our grandchildren will be able to enjoy that same natural abundance that we enjoy today.

One of my favorite Presidents was Teddy Roosevelt, and he said that ``A grove of giant redwoods or sequoias should be kept just as we keep a great and beautiful cathedral." Well, I think we all agree with that, and I know that Manuel feels the same way. I think he's going to be a superb Secretary of the Interior. I know he's going to be a very valuable member of my Cabinet. So, it is my pleasure to see him now take the oath of office as Secretary of the Interior. Justice Scalia, would you do the honors please, sir?

[At this point, Secretary Lujan was sworn in.]

Secretary Lujan. Mr. President, Justice Scalia, Father Haddad, Members of Congress, Jean, my family and friends and fellow Interior employees, I'm deeply honored and, of course, humbled by the opportunity to serve you, Mr. President, and the American people as the 46th Secretary of Interior.

I wasn't going to say anything, but since you mentioned that you didn't want any special treatment on your fishing trips, you should have told us that before you went down to the Everglades National Park -- [laughter] -- and we made arrangements for you to catch that 13-pound bonefish. [Laughter] We won't do it again, I promise.

Mr. President, I grew up in New Mexico, where love of the land, if not inbred, is one of the earliest lessons of life. One thing that a native of any Western State also learns very early is that the Department of Interior has vast power over much of the land and its resources. Never did I dream back then that I would someday have the opportunities and the responsibilities for stewardship of such treasures.

And as you have stated, Mr. President, how well we carry out our stewardship responsibilities today will determine how well people will live in the future. You have emphasized, Mr. President, our goals for stewardship cannot be accomplished without teamwork between those of us in your administration and the career professionals. In meeting with my new Interior family, I have shared with them the commitment and the goals that you and I share for this Department. Each employee received this brochure which outlines the 10-point Stewardship program you and I agreed upon. As you can see, it's not chiseled in stone, but we are referring to it as the ``Ten Commandments." [Laughter]

You should feel quite at home here, Mr. President, as I do, because within this audience are people who have devoted their careers and their lives to the environmental ethic represented in

these 10 points. All of us share your love and your reverence for our great natural heritage. Your words have touched our hearts. Your vision of America has inspired our spirits. We will put both our heart and our spirit into the task before us. Thank you for this magnificent opportunity to serve you and this country. Thank you very much, Mr. President.

Note: The President spoke at 10:15 a.m. in the Department of the Interior auditorium. In his opening remarks, the Secretary referred to his wife, Jean; and to Reverend Norman Haddad, who delivered the invocation.

Remarks at the Swearing-in Ceremony for William K. Reilly as Administrator of the Environmental Protection Agency

February 8, 1989

The President. Well, I'm told that this is the first time that a President has visited the EPA. Well, not exactly the EPA, but all the stores underneath the EPA. [Laughter] And I think I should, at the outset of these brief remarks, just express my appreciation to the merchants and to the others who have this vibrant mall in their custody -- [laughter] -- thanking them for the opportunity to have this ceremony here so we could meet with as many of the EPA employees as possible.

I'm delighted to be here. And in my search for a new, first-rate EPA Administrator, one of my top priorities was to find someone with strong credentials as a leader in the environmental community, and that man is our new Administrator, William Reilly. He's got big shoes to fill, though. I know that, and I have great respect for those that have preceded him. Lee Thomas did an outstanding job here, and I want those who worked with him to know how strongly I feel about that. I want to salute the members of the diplomatic corps who were nice enough to be with us today. I think that puts appropriate emphasis on the fact that many of the problems that we face in the environment are global problems. And I'm delighted that they're with us here today -- pleased to see Senator Chafee and other Members of the United States Senate and Members of the House with us as well.

I hope it is plain to everyone in this room and around the country that among my first items on my personal agenda is the protection of America's environment. I am pledged to improving the quality of life: for improving the quality of the air we breathe and the water we drink and the land that, as Father O'Reilly said, God has entrusted to us.

I have just come from the swearing-in of Manuel Lujan, our new Secretary of the Interior. EPA and Interior have got to work as partners, keeping our land and our air and our water clean -- public land secure. And I'm sure all of you know by now Bill Reilly's incredible background in environmental protection: president of the Conservation Foundation, one of the Nation's outstanding environmental think tanks; president of World Wildlife Fund, U.S. And I'm pleased that my friend Russell Train is still talking to me, having moved in on that cozy arrangement that served the private sector so well.

Mr. Reilly began his career in this field as a senior staff member of the President's Council on Environmental Quality, the CEQ, in the early seventies and then as executive director of the Task Force on Land Use and Urban Growth. A leader in one of the other major environmental organizations has said of Bill that he has, and I'm quoting now, ``without question the most personal knowledge of the substance of issues of any of the CEO's of any of the conservation

organizations." And that gives you an idea of why we are very lucky to have him here and why I selected him.

I thought I'd tell you a story that will tell you something more about why I picked him. About a year and a half ago, he convened a forum on the wetlands crisis. He brought together 25 people who, as the Washington Post put it, would normally have difficulty agreeing even on a place for dinner. Environmentalists, developers, industrialists, State and Federal regulators all were there. And the result: Well, by the time he was through with them, which took more than a year, they put aside differences and called for no net loss of wetlands, and they agreed on 100 reforms to achieve that goal.

I spoke the other day about wanting to broaden the consensus for defense, but that's not the only consensus that I would like to broaden. I want to broaden the consensus for a clean environment, and I believe doing that requires finding ways to clean up the environment without stifling the economy. During the campaign I noted that environmental action has too often been marked by confrontation among competing interests. Well, the fact is that more often than not there is common ground if the parties will make an effort to find it. Our great common desire is a better life for all Americans. And I believe that economic growth and a clean environment are both part of what all Americans understand a better life to mean. I also believe that the American people are impatient for results. They won't accept excuses anymore. And they won't accept finger pointing. They want us to get all the sides together and find a way to achieve both their goals.

By the way, the other day I got a little lesson in how impatient the American people are. In the morning mail, this marvelous mail that comes in to the President of the United States, I found letters from seventh graders at a church school in California. I thought I'd share one with you. It was dated Inauguration Day, January 20th; and it said, and remember this was just on the day that I was taking office,``Dear Mr. President, Would you please do something about pollution. I'm not saying you're doing a bad job, but could you put a little more effort into it." [Laughter]

Well, with William Reilly at the helm here, we're going to put a hell of a lot more effort into it. And now, Bill, let's do the honors.

[At this point, Administrator Reilly was sworn in.]

Administrator Reilly. Mr. President, on behalf of all 15,000 of my closest and most valued new colleagues, welcome to EPA. And great thanks to all of you who worked so hard to make this event possible this morning. We had to reschedule the opening of Black History Month. I'm pleased to say that that has been rescheduled. We appreciate all the effort that has gone into accommodating this event in these halls. We chose the place that would accommodate the very largest number of the EPA staff, and this is the place. And we put nice blue bunting in front of the lingerie store -- [laughter] -- and Roy Rogers. And we're grateful, as the President said, to everybody who worked to make this come off so well.

Well, it's just great to have you here, Mr. President. Several Senators asked me during last week's confirmation hearings about EPA's access to the White House, and that, of course, is a very crucial question. But I would add just one reassurance to my answer: Mr. President, you will always have complete access to us here at EPA. [Laughter] So, feel free to drop by any time. [Laughter] Our door will always be wide open to you, won't it, my friends? It will also be wide open to you, my friends in the Congress -- Senator Burdick, Senator Chafee, Senator Wilson, Senator Baucus.

We, as the President said, are beginning, I think, on a great note. We've had great cooperation through the confirmation period, and I appreciate that very much.

Well, it is clearly a very great honor to serve as Administrator of the Environmental Protection Agency. I thank you for your confidence in me, for nominating me, Mr. President. I thank you, Chairman Burdick, Senator Chafee, members of the Environment and Public Works Committee, for the great many courtesies that were extended to me over the past weeks in the course of the confirmation. I feel equally honored to be able to serve, to look forward to working with this very fine EPA staff. I wish all of them could be here today. I have got to say, I've been enormously impressed with the capabilities of the dozens or so of people who have come into contact with me in the course of the last several weeks. I can honestly say that EPA professionals began shoring me up and bailing me out a full month before my confirmation, and now is no time to stop. [Laughter] I will need all the help that I can get. I should say I owe a special debt of gratitude to those hard-working souls who assisted me in handling the written questions that followed our hearing on the Hill. We were pleased to be able to move the confirmation very fast. But in the course of doing that, we were given some 315 written questions, the answers to which were due 24 hours later, and many of you stayed up through the night. I was able to tap off the answers to 305 or so of these, of course, with no difficulty. [Laughter] But those last ten -- I really did appreciate your help, and we met that deadline.

Well, for the staff here today, let me reassure you: You are not dreaming. This is the President of the United States. [Laughter] He is standing here at the headquarters, or as close as we could get him to it, of the Environmental Protection Agency. And he's not up for reelection for another 4 years. [Laughter] I think, as a matter of fact, he's probably smiling for all three of those reasons. [Laughter] The President is here for a very simple reason: He cares. He cares urgently about protecting the environment. He said so during his campaign, and his commitment came through to me in my very first meeting with him. And it has since been reinforced in countless ways, only one of which is the fact that he's here with us today.

This powerful statement, this important symbol of the President's interest in the environment, may not, in fact, make our jobs here any easier. If anything, I think our work will be judged by even higher expectations than ever before. But isn't it encouraging to have an environmentalist in the White House who comes here to signal his close and public commitment to the work of the Environmental Protection Agency? Mr. President, I know that you appreciate -- as I do and

as Russ Train was saying in his remarks before you arrived -- that life is not easy on the front line of environmental protection. Probably no other Federal agency touches so many lives as EPA touches. Probably no other Federal agency faces so many complex and fiercely controversial decisions.

Looking out over this group, you can almost see the powder burns. I don't think it's simply that it's Ash Wednesday today. [Laughter] By the way, I don't know if there's any symbolism in this, but we are taking office on the very first day of Lent. [Laughter] So, to my friends and colleagues here at EPA, let me say simply this: Through the end of the century and on into the next, the quality of human life and of the environment will be very powerfully influenced by your energies, your imagination, and your dedication. The public demand for a safe, clean environment has probably never been firmer. And so, the demands that you face, that we face, have probably never been greater.

In the confirmation hearing, there were two themes that were sounded again and again from across the political spector [spectrum]: ``The Environmental Protection Agency should be an advocate for the environment," the Senator said. ``EPA should enforce the laws of the land," we heard. And so we shall.

I think, as I stand here, about the extraordinary sweep of the responsibilities we here at EPA exercise. I think of so many places in America that have touched me and my family in a very special way, as I was growing up with my parents and my sister, who I'm proud to say are here today, and later on with my wife and children and friends, many of whom are also here today, Lake Michigan, the Rio Grande and the Gulf of Mexico, Narragansett Bay, Cape Cod, and the Chesapeake -- these we lived on or near.

And it's personally stirring for me to have some responsibility for them now, for them and for other resources of air, water, and land in a country where the real crown jewels are the wonders of nature. And now even the stratosphere is receiving our attention. And we're called upon to offer the ideas and experiences of the United States to other nations in a search for environmental policies that may be crucial to keeping this planet habitable. The cause of the environment is so vital and so personal that working in this vineyard is its own reward.

One of the hallmarks, I think, of this agency is that many of the people who work here are very powerfully motivated: motivated to help the environment. The idealism and the commitment to a better environment makes you EPA's employees very, very special, and it makes the prospect of working with you here for me a very, very happy one. So, I could not be more pleased or more proud to have the opportunity to work for the environment, to work for President Bush, and to work with you, my EPA colleagues. I think that we are going to do great things together.

Thank you very much.

Note: The President spoke at 10:43 a.m. at Waterside Mall. In his remarks, he referred to Lee M. Thomas and Russell Train, former Administrators of the Environmental Protection Agency. Rev. William H. O'Reilly delivered the invocation.

Statement on the Economic and Domestic Policy Councils

February 8, 1989

Today I am announcing that I will use the Economic Policy Council and the Domestic Policy Council to advise me in the formulation, coordination, and implementation of economic and domestic policy. Along with the National Security Council, the Economic Policy Council and the Domestic Policy Council will serve as the primary channels for advising the President on policy.

The close interrelationship between the U.S. and international economies illustrates the need to review economic policy issues in a comprehensive manner that best serves the national interest of the United States. The Economic Policy Council will serve as the primary channel for advising me on the formulation, coordination, and implementation of economic policy, both domestic and international.

The important social issues facing our nation require thoughtful and creative solutions. The Domestic Policy Council will serve as the primary channel for advising me on the formulation, coordination, and implementation of domestic and social policy.

My commitment to this Cabinet Council structure reflects my conviction that effective decisionmaking depends on the President receiving the best information available from his senior advisers. I believe that these policy councils will effectively coordinate advice from the various departments and agencies.

Remarks and a Question-and-Answer Session With Reporters Prior to a Meeting With William J. Bennett

February 8, 1989

The President. Let me say this. This is not what we call a normal photo op. It's somewhere in between a press conference and what we call a press availability. We'll try to define that for you later on. But the purpose of this meeting is to visit with our new czar, the antinarcotic czar who has come in here, I'm told, with a million ideas, which is typical of him and what I want him to do as we start spelling out how this administration is going to do what this country wants; and that is to fight against and win the fight against narcotics.

And Bill Bennett has a big assignment -- a big one. And a lot of it is coordinative. The law is very unclear on how we use his imagination and ability to bring together all agencies of this government in this fight. So, that's what the meeting is about; that's what we're about to start on.

And I'd like to just take this opportunity to say that this isn't a question of whether the law spells out specifically how he does the job -- can't get bothered with those details. He is shoulder-to-shoulder with the President as the top official charged with this responsibility. And we're going to figure out a way to live under the drug czar law -- and to make it work. And so, we've got a big job ahead. But that's what this little meeting is all about.

Now I'd be glad to take a couple of questions. Then we've got to get on with that.

Secretary of Defense-Designate Tower

Q. Could you comment, Mr. President, on the controversy surrounding the Tower nomination?

The President. Which controversy?

Q. The fact that some of the committee members -- --

The President. Can you qualify that for me a little, because yesterday when I had a press conference, or last week when I had a press conference, they were asking me about some allegation on national security? And the question was phrased, ``Would you be concerned if this hypothetical charge against Tower proved to be true?'' And I said I don't like to deal in hypothesis, but subsequently, that charge has been looked into -- found to be without validity. And that has happened to this man over and over and over again. And I have seen nothing, not one substantive fact, that makes me change my mind about John Tower's ability to be Secretary of Defense, and be a very good one. And so, I have to ask you, because there's always some other allegation. And to my knowledge, each one of them has been reviewed and shot down in

flames. So, what's fair? What is fair in the American process? That's the question I would rhetorically ask in defense of my nominee.

Now, if somebody has some hard information, if somebody has something other than rumor and frenzied speculation, please get it to the FBI, or get it to the White House staff, or certainly get it to the committee in the Senate. But let us be fair enough that we do not deal in rumor after rumor.

Q. What about the question -- --

Q. What about Senator Nunn's comments today? He said he believes that Senator Tower may still have an alcohol problem and he fears it might impair his running the Department of Defense.

The President. And if he feels that way, they should do exactly what he is doing: look into it. But it ought not to be tried in public by people that don't have any evidence at all to support the fears that Senator Nunn appropriately expressed. If he's got those fears, I have no problems with his expressing them. And I know him to be a fair man, and I know that he will look into that and satisfy himself or not satisfy himself. But it doesn't help for me to speculate on something when there's no evidence that's been presented to me.

Q. What about these new allegations that surfaced yesterday afternoon that have now held up the investigation? Could you tell us anything about these, the seriousness of them?

The President. No, I think I know what you're talking about. And the problem you get is that some allegations are laid to rest, and then in another form, they come back again, but without any foundation in fact that I know of. But look, the process has to be thorough. I'm not agitated about that, just as long as it's fair. But what I think has been a little unfair is that people are asked across the country to make up their minds without the evidence, without the facts. And so this, I will confess, troubles me some. And yet I'm not challenging the integrity of the people that are seized with properly doing the hearing work for the United States Senate. They've got to do their job.

Q. Sir, how do you explain the fact that Senator Nunn presumably has reviewed the same information that you have and he and some of the others have expressed reservations and say that this evidence presents enough of a question in their mind that they couldn't support Tower? And you're saying that having reviewed -- --

The President. But then my appeal would be: If you've made up your mind, let the process go forward; let's have the vote. Each Senator has a vote; there's 100 Senators. On this committee there are fewer, but they have an obligation to vote their conscience, to look at the facts and vote their conscience. Now, if your question is to me, have I seen any facts or has anything in the FBI

report made me want to change my mind as one who would be concerned about insobriety or about failure to be ready for duty 24 hours a day, the answer is no, I have not. But if somebody else sees the evidence -- --

Q. But yet you've seen the same facts.

The President. Yes, and if somebody else has seen some evidence that they want to interpret differently, that's not only their right but their obligation. But I don't think it helps for us to sit here discussing allegations in any detail, where none of the American people have had access to the facts. And I have had access to the facts.

Q. Why do we have -- there are so many allegations?

The President. I don't know. I'm troubled by that, and I just don't know the answer. So, my plea would be for prompt fulfillment of the responsibilities of the Senate committee, prompt action by the United States Senate, and then a broad appeal for fairplay. Put yourself in the position, each person, if you were charged with certain of these charges out there with no evidence to substantiate it so the American people could fairly make up their mind. Then let's err on the side of fairplay. That's all I'm saying.

Q. Apparently, you will not get a vote this week. They've recessed for the week. Is this going to hurt if it's going to be this delayed?

The President. It doesn't hurt my confidence.

Q. Do you object to the fact that the Senators have spoken out in public on this matter?

The President. I have no objection at all.

Q. Has the investigation gone too far? Personal standards and morality not appropriate?

The President. Well, what's gone too far is allegations that the Senators themselves would agree are totally unfounded to have been floated around for a long period of time and damaged the integrity and honor of a decent man. And that is not good. And I don't know what you do about it, but it's not good. And everyone here knows it's not fair. And so, I don't know what you do about it. But when there's a new allegation -- look, the Senator has an obligation; the Justice Department has an obligation to follow up if it has any substance to it. And so, some of the allegations have been looked at and found nonsubstantive.

And I would urge you to go back and look at the transcript of the last press conference I had -- that's the full-blown job we do over on the other side there -- and there you will see that one questioner raised a question to me about some alleged security violation. I heard Senator Nunn

today say that he had no evidence of any kind to substantiate such an allegation. And yet I think it's fair to say that because that very question was raised publicly -- and maybe it was my fault in responding to it and everybody else's discussing it -- there's been an allegation floating around Senator Tower that, in one way or another, he was less than prudent in terms of national security matters. And I don't think it's fair. I do not think that is fair.

So, how you do your business, and to go the extra mile to get the facts out there, you've got to sort that out. And how I conduct myself in even discussing this, I've got to sort it out a little more clearly because I may have contributed -- even though I think I refused to answer this guy's question -- by even taking it, to this frenzied air of speculation that does not help anybody. It doesn't help the national security of our country. It doesn't help Senator Tower. It doesn't help the standing of the United States Senate. It might not help the way this President is viewed because I do not want to be out there as less than fully supportive of my nominee. And that's where I stand. And thank you, and this -- --

Q. Are you mad?

The President. Not mad -- I'm calm and contained. I don't get mad easy anymore.

Hey listen, we've got to get one drug question, please.

Q. Secretary Bennett, have you given up smoking?

Mr. Bennett. I won't comment on that allegation. [Laughter]

Q. Are you thinking about sending U.S. troops to Latin America?

The President. Is that a drug question? Nobody's discussed that with me. And you're talking about one who is very wary of committing U.S. troops overseas. But I said in the campaign, that there could be times, working cooperatively with leaders in the hemisphere, that American assistance would be sought and American assistance would be granted in wiping out insidious factories that send poison in to poison our kids. And it has happened in the past. You recall U.S. choppers were used in cooperation -- I think it was either Bolivia or Peru -- Bolivia, I think, and it was effective. So, you don't rule something out.

But I think in reply to your question -- stems from some planning that supposedly is going on that we make some big strike somewhere. And I know nothing about that and would be very reluctant to prove some -- until I've given it a lot of thought.

Thank you all very much.

Note: The President spoke at 2:25 p.m. in the Oval Office at the White House. William J.

Bennett was National Drug Control Policy Director-designate.

Address on Administration Goals Before a Joint Session of Congress

February 9, 1989

Mr. Speaker, Mr. President, and distinguished Members of the House and Senate, honored guests, and fellow citizens: Less than 3 weeks ago, I joined you on the West Front of this very building and, looking over the monuments to our proud past, offered you my hand in filling the next page of American history with a story of extended prosperity and continued peace. And tonight I'm back to offer you my plans as well. The hand remains extended; the sleeves are rolled up; America is waiting; and now we must produce. Together, we can build a better America.

It is comforting to return to this historic Chamber. Here, 22 years ago, I first raised my hand to be sworn into public life. So, tonight I feel as if I'm returning home to friends. And I intend, in the months and years to come, to give you what friends deserve: frankness, respect, and my best judgment about ways to improve America's future. In return, I ask for an honest commitment to our common mission of progress. If we seize the opportunities on the road before us, there'll be praise enough for all. The people didn't send us here to bicker, and it's time to govern.

And many Presidents have come to this Chamber in times of great crisis: war and depression, loss of national spirit. And 8 years ago, I sat in that very chair as President Reagan spoke of punishing inflation and devastatingly high interest rates and people out of work -- American confidence on the wane. And our challenge is different. We're fortunate -- a much changed landscape lies before us tonight. So, I don't propose to reverse direction. We're headed the right way, but we cannot rest. We're a people whose energy and drive have fueled our rise to greatness. And we're a forward-looking nation -- generous, yes, but ambitious, not for ourselves but for the world. Complacency is not in our character -- not before, not now, not ever.

And so, tonight we must take a strong America and make it even better. We must address some very real problems. We must establish some very clear priorities. And we must make a very substantial cut in the Federal budget deficit. Some people find that agenda impossible, but I'm presenting to you tonight a realistic plan for tackling it. My plan has four broad features: attention to urgent priorities, investment in the future, an attack on the deficit, and no new taxes. This budget represents my best judgment of how we can address our priorities. There are many areas in which we would all like to spend more than I propose; I understand that. But we cannot until we get our fiscal house in order.

Next year alone, thanks to economic growth, without any change in the law, the Federal Government will take in over $80 billion more than it does this year. That's right -- over $80 billion in new revenues, with no increases in taxes. And our job is to allocate those new resources wisely. We can afford to increase spending by a modest amount, but enough to invest

in key priorities and still cut the deficit by almost 40 percent in 1 year. And that will allow us to meet the targets set forth in the Gramm-Rudman-Hollings law. But to do that, we must recognize that growth above inflation in Federal programs is not preordained, that not all spending initiatives were designed to be immortal.

I make this pledge tonight: My team and I are ready to work with the Congress, to form a special leadership group, to negotiate in good faith, to work day and night -- if that's what it takes -- to meet the budget targets and to produce a budget on time.

We cannot settle for business as usual. Government by continuing resolution, or government by crisis, will not do. And I ask the Congress tonight to approve several measures which will make budgeting more sensible. We could save time and improve efficiency by enacting 2-year budgets. Forty-three Governors have the line-item veto. Presidents should have it, too. And at the very least, when a President proposes to rescind Federal spending, the Congress should be required to vote on that proposal instead of killing it by inaction. And I ask the Congress to honor the public's wishes by passing a constitutional amendment to require a balanced budget. Such an amendment, once phased in, will discipline both the Congress and the executive branch.

Several principles describe the kind of America I hope to build with your help in the years ahead. We will not have the luxury of taking the easy, spendthrift approach to solving problems because higher spending and higher taxes put economic growth at risk. Economic growth provides jobs and hope. Economic growth enables us to pay for social programs. Economic growth enhances the security of the Nation, and low tax rates create economic growth.

I believe in giving Americans greater freedom and greater choice. And I will work for choice for American families, whether in the housing in which they live, the schools to which they send their children, or the child care they select for their young. You see, I believe that we have an obligation to those in need, but that government should not be the provider of first resort for things that the private sector can produce better. I believe in a society that is free from discrimination and bigotry of any kind. And I will work to knock down the barriers left by past discrimination and to build a more tolerant society that will stop such barriers from ever being built again.

I believe that family and faith represent the moral compass of the Nation. And I'll work to make them strong, for as Benjamin Franklin said: ``If a sparrow cannot fall to the ground without His notice, can a great nation rise without His aid?'' And I believe in giving people the power to make their own lives better through growth and opportunity. And together, let's put power in the hands of people.

Three weeks ago, we celebrated the bicentennial inaugural, the 200th anniversary of the first Presidency. And if you look back, one thing is so striking about the way the Founding Fathers looked at America. They didn't talk about themselves. They talked about posterity. They talked

about the future. And we, too, must think in terms bigger than ourselves. We must take actions today that will ensure a better tomorrow. We must extend American leadership in technology, increase long-term investment, improve our educational system, and boost productivity. These are the keys to building a better future, and here are some of my recommendations:

I propose almost $2.2 billion for the National Science Foundation to promote basic research and keep us on track to double its budget by 1993.

I propose to make permanent the tax credit for research and development.

I've asked Vice President Quayle to chair a new Task Force on Competitiveness.

And I request funding for NASA [National Aeronautics and Space Administration] and a strong space program, an increase of almost $2.4 billion over the current fiscal year. We must have a manned space station; a vigorous, safe space shuttle program; and more commercial development in space. The space program should always go ``full throttle up." And that's not just our ambition; it's our destiny.

I propose that we cut the maximum tax rate on capital gains to increase long-term investment. History on this is clear -- this will increase revenues, help savings, and create new jobs. We won't be competitive if we leave whole sectors of America behind. This is the year we should finally enact urban enterprise zones and bring hope to the inner cities.

But the most important competitiveness program of all is one which improves education in America. When some of our students actually have trouble locating America on a map of the world, it is time for us to map a new approach to education. We must reward excellence and cut through bureaucracy. We must help schools that need help the most. We must give choice to parents, students, teachers, and principals; and we must hold all concerned accountable. In education, we cannot tolerate mediocrity. I want to cut that dropout rate and make America a more literate nation, because what it really comes down to is this: The longer our graduation lines are today, the shorter our unemployment lines will be tomorrow.

So, tonight I'm proposing the following initiatives: the beginning of a $500 million program to reward America's best schools, merit schools; the creation of special Presidential awards for the best teachers in every State, because excellence should be rewarded; the establishment of a new program of National Science Scholars, one each year for every Member of the House and Senate, to give this generation of students a special incentive to excel in science and mathematics; the expanded use of magnet schools, which give families and students greater choice; and a new program to encourage alternative certification, which will let talented people from all fields teach in our classrooms. I've said I'd like to be the ``Education President." And tonight, I'd ask you to join me by becoming the ``Education Congress."

Just last week, as I settled into this new office, I received a letter from a mother in Pennsylvania who had been struck by my message in the Inaugural Address. ``Not 12 hours before," she wrote, ``my husband and I received word that our son was addicted to cocaine. He had the world at his feet. Bright, gifted, personable -- he could have done anything with his life. And now he has chosen cocaine." ``And please," she wrote, ``find a way to curb the supply of cocaine. Get tough with the pushers. Our son needs your help."

My friends, that voice crying out for help could be the voice of your own neighbor, your own friend, your own son. Over 23 million Americans used illegal drugs last year, at a staggering cost to our nation's well-being. Let this be recorded as the time when America rose up and said no to drugs. The scourge of drugs must be stopped. And I am asking tonight for an increase of almost a billion dollars in budget outlays to escalate the war against drugs. The war must be waged on all fronts. Our new drug czar, Bill Bennett, and I will be shoulder to shoulder in the executive branch leading the charge.

Some money will be used to expand treatment to the poor and to young mothers. This will offer the helping hand to the many innocent victims of drugs, like the thousands of babies born addicted or with AIDS because of the mother's addiction. Some will be used to cut the waiting time for treatment. Some money will be devoted to those urban schools where the emergency is now the worst. And much of it will be used to protect our borders, with help from the Coast Guard and the Customs Service, the Departments of State and Justice, and, yes, the U.S. military.

I mean to get tough on the drug criminals. And let me be clear: This President will back up those who put their lives on the line every single day -- our local police officers. My budget asks for beefed-up prosecution, for a new attack on organized crime, and for enforcement of tough sentences -- and for the worst kingpins, that means the death penalty. I also want to make sure that when a drug dealer is convicted there's a cell waiting for him. And he should not go free because prisons are too full. And so, let the word go out: If you're caught and convicted, you will do time.

But for all we do in law enforcement, in interdiction and treatment, we will never win this war on drugs unless we stop the demand for drugs. So, some of this increase will be used to educate the young about the dangers of drugs. We must involve the parents. We must involve the teachers. We must involve the communities. And, my friends, we must involve ourselves, each and every one of us in this concern.

One problem related to drug use demands our urgent attention and our continuing compassion, and that is the terrible tragedy of AIDS. I'm asking for $1.6 billion for education to prevent the disease and for research to find a cure.

If we're to protect our future, we need a new attitude about the environment. We must protect the

air we breathe. I will send to you shortly legislation for a new, more effective Clean Air Act. It will include a plan to reduce by date certain the emissions which cause acid rain, because the time for study alone has passed, and the time for action is now. We must make use of clean coal. My budget contains full funding, on schedule, for the clean coal technology agreement that we've made with Canada. We've made that agreement with Canada, and we intend to honor that agreement. We must not neglect our parks. So, I'm asking to fund new acquisitions under the Land and Water Conservation Fund. We must protect our oceans. And I support new penalties against those who would dump medical waste and other trash into our oceans. The age of the needle on the beaches must end.

And in some cases, the gulfs and oceans off our shores hold the promise of oil and gas reserves which can make our nation more secure and less dependent on foreign oil. And when those with the most promise can be tapped safely, as with much of the Alaska National Wildlife Refuge, we should proceed. But we must use caution; we must respect the environment. And so, tonight I'm calling for the indefinite postponement of three lease sales which have raised troubling questions, two off the coast of California and one which could threaten the Everglades in Florida. Action on these three lease sales will await the conclusion of a special task force set up to measure the potential for environmental damage.

I'm directing the Attorney General and the Administrator of the Environmental Protection Agency to use every tool at their disposal to speed and toughen the enforcement of our laws against toxic-waste dumpers. I want faster cleanups and tougher enforcement of penalties against polluters.

In addition to caring for our future, we must care for those around us. A decent society shows compassion for the young, the elderly, the vulnerable, and the poor. Our first obligation is to the most vulnerable -- infants, poor mothers, children living in poverty -- and my proposed budget recognizes this. I ask for full funding of Medicaid, an increase of over $3 billion, and an expansion of the program to include coverage of pregnant women who are near the poverty line. I believe we should help working families cope with the burden of child care. Our help should be aimed at those who need it most: low-income families with young children. I support a new child care tax credit that will aim our efforts at exactly those families, without discriminating against mothers who choose to stay at home.

Now, I know there are competing proposals. But remember this: The overwhelming majority of all preschool child care is now provided by relatives and neighbors and churches and community groups. Families who choose these options should remain eligible for help. Parents should have choice. And for those children who are unwanted or abused or whose parents are deceased, we should encourage adoption. I propose to reenact the tax deduction for adoption expenses and to double it to $3,000. Let's make it easier for these kids to have parents who love them.

We have a moral contract with our senior citizens. And in this budget, Social Security is fully

funded, including a full cost-of-living adjustment. We must honor our contract.

We must care about those in the shadow of life, and I, like many Americans, am deeply troubled by the plight of the homeless. The causes of homelessness are many; the history is long. But the moral imperative to act is clear. Thanks to the deep well of generosity in this great land, many organizations already contribute, but we in government cannot stand on the sidelines. In my budget, I ask for greater support for emergency food and shelter, for health services and measures to prevent substance abuse, and for clinics for the mentally ill. And I propose a new initiative involving the full range of government agencies. We must confront this national shame.

There's another issue that I've decided to mention here tonight. I've long believed that the people of Puerto Rico should have the right to determine their own political future. Personally, I strongly favor statehood. But I urge the Congress to take the necessary steps to allow the people to decide in a referendum.

Certain problems, the result of decades of unwise practices, threaten the health and security of our people. Left unattended, they will only get worse. But we can act now to put them behind us.

Earlier this week, I announced my support for a plan to restore the financial and moral integrity of our savings system. I ask Congress to enact our reform proposals within 45 days. We must not let this situation fester. We owe it to the savers in this country to solve this problem. Certainly, the savings of Americans must remain secure. Let me be clear: Insured depositors will continue to be fully protected, but any plan to refinance the system must be accompanied by major reform. Our proposals will prevent such a crisis from recurring. The best answer is to make sure that a mess like this will never happen again. The majority of thrifts in communities across the Nation have been honest. They've played a major role in helping families achieve the dream of home ownership. But make no mistake, those who are corrupt, those who break the law, must be kicked out of the business; and they should go to jail.

We face a massive task in cleaning up the waste left from decades of environmental neglect at America's nuclear weapons plants. Clearly, we must modernize these plants and operate them safely. That's not at issue; our national security depends on it. But beyond that, we must clean up the old mess that's been left behind. And I propose in this budget to more than double our current effort to do so. This will allow us to identify the exact nature of the various problems so we can clean them up, and clean them up we will.

We've been fortunate during these past 8 years. America is a stronger nation than it was in 1980. Morale in our Armed Forces has been restored; our resolve has been shown. Our readiness has been improved, and we are at peace. There can no longer be any doubt that peace has been made more secure through strength. And when America is stronger, the world is safer.

Most people don't realize that after the successful restoration of our strength, the Pentagon budget has actually been reduced in real terms for each of the last 4 years. We cannot tolerate continued real reduction in defense. In light of the compelling need to reduce the deficit, however, I support a 1-year freeze in the military budget, something I proposed last fall in my flexible freeze plan. And this freeze will apply for only 1 year, and after that, increases above inflation will be required. I will not sacrifice American preparedness, and I will not compromise American strength.

I should be clear on the conditions attached to my recommendation for the coming year: The savings must be allocated to those priorities for investing in our future that I've spoken about tonight. This defense freeze must be a part of a comprehensive budget agreement which meets the targets spelled out in Gramm-Rudman-Hollings law without raising taxes and which incorporates reforms in the budget process.

I've directed the National Security Council to review our national security and defense policies and report back to me within 90 days to ensure that our capabilities and resources meet our commitments and strategies. I'm also charging the Department of Defense with the task of developing a plan to improve the defense procurement process and management of the Pentagon, one which will fully implement the Packard commission report. Many of these changes can only be made with the participation of the Congress, and so, I ask for your help. We need fewer regulations. We need less bureaucracy. We need multiyear procurement and 2-year budgeting. And frankly -- and don't take this wrong -- we need less congressional micromanagement of our nation's military policy. I detect a slight division on that question, but nevertheless -- [laughter].

Securing a more peaceful world is perhaps the most important priority I'd like to address tonight. You know, we meet at a time of extraordinary hope. Never before in this century have our values of freedom, democracy, and economic opportunity been such a powerful and intellectual force around the globe. Never before has our leadership been so crucial, because while America has its eyes on the future, the world has its eyes on America.

And it's a time of great change in the world, and especially in the Soviet Union. Prudence and common sense dictate that we try to understand the full meaning of the change going on there, review our policies, and then proceed with caution. But I've personally assured General Secretary Gorbachev that at the conclusion of such a review we will be ready to move forward. We will not miss any opportunity to work for peace. The fundamental facts remain that the Soviets retain a very powerful military machine in the service of objectives which are still too often in conflict with ours. So, let us take the new openness seriously, but let's also be realistic. And let's always be strong.

There are some pressing issues we must address. I will vigorously pursue the Strategic Defense Initiative. The spread, and even use, of sophisticated weaponry threatens global security as never

before. Chemical weapons must be banned from the face of the Earth, never to be used again. And look, this won't be easy. Verification -- extraordinarily difficult, but civilization and human decency demand that we try. And the spread of nuclear weapons must be stopped. And I'll work to strengthen the hand of the International Atomic Energy Agency. Our diplomacy must work every day against the proliferation of nuclear weapons.

And around the globe, we must continue to be freedom's best friend. And we must stand firm for self-determination and democracy in Central America, including in Nicaragua. It is my strongly held conviction that when people are given the chance they inevitably will choose a free press, freedom of worship, and certifiably free and fair elections.

We must strengthen the alliance of the industrial democracies, as solid a force for peace as the world has ever known. And this is an alliance forged by the power of our ideals, not the pettiness of our differences. So, let's lift our sights to rise above fighting about beef hormones, to building a better future, to move from protectionism to progress.

I've asked the Secretary of State to visit Europe next week and to consult with our allies on the wide range of challenges and opportunities we face together, including East-West relations. And I look forward to meeting with our NATO partners in the near future.

And I, too, shall begin a trip shortly to the far reaches of the Pacific Basin, where the winds of democracy are creating new hope and the power of free markets is unleashing a new force. When I served as our representative in China 14 or 15 years ago, few would have predicted the scope of the changes we've witnessed since then. But in preparing for this trip, I was struck by something I came across from a Chinese writer. He was speaking of his country, decades ago, but his words speak to each of us in America tonight. ``Today," he said, ``we're afraid of the simple words like `goodness' and `mercy' and `kindness.'" My friends, if we're to succeed as a nation, we must rediscover those words.

In just 3 days, we mark the birthday of Abraham Lincoln, the man who saved our Union and gave new meaning to the word ``opportunity." Lincoln once said: ``I hold that while man exists, it is his duty to improve not only his own condition but to assist in ameliorating that of mankind." It is this broader mission to which I call all Americans, because the definition of a successful life must include serving others.

And to the young people of America, who sometimes feel left out, I ask you tonight to give us the benefit of your talent and energy through a new program called YES, for Youth Entering Service to America.

To those men and women in business, remember the ultimate end of your work: to make a better product, to create better lives. I ask you to plan for the longer term and avoid that temptation of quick and easy paper profits.

To the brave men and women who wear the uniform of the United States of America, thank you. Your calling is a high one: to be the defenders of freedom and the guarantors of liberty. And I want you to know that this nation is grateful for your service.

To the farmers of America, we appreciate the bounty you provide. We will work with you to open foreign markets to American agricultural products.

And to the parents of America, I ask you to get involved in your child's schooling. Check on the homework, go to the school, meet the teachers, care about what is happening there. It's not only your child's future on the line, it's America's.

To kids in our cities, don't give up hope. Say no to drugs; stay in school. And, yes, ``Keep hope alive."

To those 37 million Americans with some form of disability, you belong in the economic mainstream. We need your talents in America's work force. Disabled Americans must become full partners in America's opportunity society.

To the families of America watching tonight in your living rooms, hold fast to your dreams because ultimately America's future rests in your hands.

And to my friends in this Chamber, I ask your cooperation to keep America growing while cutting the deficit. That's only fair to those who now have no vote: the generations to come. Let them look back and say that we had the foresight to understand that a time of peace and prosperity is not the time to rest but a time to press forward, a time to invest in the future.

And let all Americans remember that no problem of human making is too great to be overcome by human ingenuity, human energy, and the untiring hope of the human spirit. I believe this. I would not have asked to be your President if I didn't. And tomorrow the debate on the plan I've put forward begins, and I ask the Congress to come forward with your own proposals. Let's not question each other's motives. Let's debate, let's negotiate; but let us solve the problem.

Recalling anniversaries may not be my specialty in speeches -- [laughter] -- but tonight is one of some note. On February 9th, 1941, just 48 years ago tonight, Sir Winston Churchill took to the airwaves during Britain's hour of peril. He'd received from President Roosevelt a hand-carried letter quoting Longfellow's famous poem: ``Sail on, O Ship of State! Sail on, O Union, strong and great! Humanity with all its fears, With all the hopes of future years, Is hanging breathless on thy fate!" And Churchill responded on this night by radio broadcast to a nation at war, but he directed his words to Franklin Roosevelt. ``We shall not fail or falter," he said. ``We shall not weaken or tire. Give us the tools, and we will finish the job."

Tonight, almost half a century later, our peril may be less immediate, but the need for perseverance and clear-sighted fortitude is just as great. Now, as then, there are those who say it can't be done. There are voices who say that America's best days have passed, that we're bound by constraints, threatened by problems, surrounded by troubles which limit our ability to hope. Well, tonight I remain full of hope. We Americans have only begun on our mission of goodness and greatness. And to those timid souls, I repeat the plea: ``Give us the tools, and we will do the job."

Thank you. God bless you, and God bless America.

Note: The President spoke at 9:07 p.m. in the House Chamber of the Capitol. The address was broadcast live on nationwide radio and television.

Message to the Congress Transmitting the Fiscal Year 1990 Budget

February 9, 1989

To the Congress of the United States:

I hereby transmit a supplement to the Message I am delivering to the Joint Session of the Congress tonight. It is titled ``Building a Better America," and it contains further description of the plans and proposals mentioned in the Message. I urge the Congress to give favorable consideration to these proposals and renew my invitation to the congressional leadership to work together to assure that America is united, strong, at peace, and fiscally sound.

George Bush

The White House,

February 9, 1989.

Remarks and a Question-and-Answer Session With Reporters Following a Luncheon With Prime Minister Brian Mulroney in Ottawa, Canada

February 10, 1989

The President. Let me just say on behalf of Mrs. Bush, our Secretary of State, and others, this has been a good visit. It is an important visit because it symbolizes the importance that we place on the relationship with Canada. We're each other's largest trading partners. We are friends. We share a long, peaceful border, and we have many common interests. And today we had an opportunity to discuss not just the bilateral relationship that is very, very strong and very good but we had a chance to talk about the East-West relationship. I had a chance to talk about the problems on trade; indeed, our trade ministers are talking right now, you might say. And so, I felt the visit was outstanding.

The Prime Minister and I reviewed the concerns that he has about acid rain; and I referred him to what I said last night to the American people: my determination to move on forward with setting limits, with legislation, and then moving to discussions with Canada, leading to an accord that I think will be beneficial to both countries. And so, that problem -- and it has been a problem -- is one that we are both determined to move forward towards solution. In terms of the trade agreement, we, of course, have saluted the courageous position taken by the Prime Minister of Canada. We have great respect for that in the United States; and we want to now do our part, part of the United States, to follow through with whatever implementation is required.

So, the mood was upbeat, the spirit good, and I am very glad that this was my first visit outside of the continental United States as President. And we will keep in touch, and each of us has pledged to see that this strong relationship becomes even stronger.

I think we both agreed we'd take a question or two at what we affectionately call a scrum. [Laughter] I've been looking for words to describe what we do at press occasions like this down across the border, and that's an appropriate word.

Acid Rain

Q. Mr. President, to what degree did you assure the Prime Minister of your feeling of confidence that the Congress will go along with you on your acid rain request last night?

The President. I think the Prime Minister is aware of the political divisions and political waves there in our country on this issue. But I assured him that the time for just pure study was over and that we've now approached the time for legislative action. And I pledged that in the campaign. And so, to the degree there is disparity, a lack of uniformity in the Congress, I think

the Prime Minister sees it as my responsibility to try to move forward to do that which I said I wanted to do.

Agricultural and Environmental Issues

Q. -- -- concern that the Arctic blast that just swept across the continent following on last summer's drought has created some permanent damage in the agricultural regions on both sides of the border? I wonder if you discussed that at all and whether there could be a cooperative way of dealing with this and maybe at some point making a proposal to get some of the surplus Canadian water down into the drought-stricken regions of the U.S.?

The President. We did not discuss water diversion. We did not discuss the effects of the Arctic cold air. We did talk about the need for a global approach to environmental concerns.

Do you want to add something to that, Mr. Prime Minister?

The Prime Minister. No.

Q. Mr. President, were you -- --

The President. The gentleman right here, and then I'll be right over.

Acid Rain

Q. Do you have an estimate of how long it will take, assuming the Congress goes along with your legislative program, before you are ready to talk about a bilateral accord?

The President. No, but we're going to press forward with this right away. We have a brand new Administrator of EPA. We've got a legislative team to propose the legislation I talked about last night. And we've gotten some reasonable levels of funding. So, we're on the move. But we did not discuss an exact timeframe. I would be misrepresenting or understating things if I didn't say that the Prime Minister once again impressed on me the urgency of moving as fast as we can, but we didn't set a time.

Who had one back in here?

Q. Yes, sir, you were saying, Mr. President, that you weren't in a position yet to discuss a specific timetable and targets for reduction of acid rain.

The President. We will be discussing targets, and we will get agreement on that, I'm sure. But I have an obligation now to recommend to our Congress the setting of certain limits, so we will

move forward with that much specific.

Q. Mr. President, what kind of reductions and what kind of timetable do you have in mind?

The President. I have in mind as fast as possible.

Q. Mr. Prime Minister, I wondered, sir, if you are satisfied with the steps that the President has outlined to deal with the acid rain question or whether you have asked for more here?

The Prime Minister. Well, I think that this represents quite substantial progress. You know, it wasn't so long ago that Canada was sort of going it alone in many ways in this area. The President's position puts a great impetus for action domestically in the United States, which is a condition precedent, and the President is signaling, as well, subsequent discussions that will lead to an acid rain accord to benefit both the United States and Canada. This, I think, is real progress. And while I suppose I'm like a lot of people who would like it done tomorrow in this area, I know it's not going to happen, but this represents a very measurable progress. And I view it as evidence of the commitments that the President gave during the campaign and has referred to since, including his speech to the Congress last night, which is, for a neighbor and friend troubled by this problem for some time, very encouraging.

Q. Presuming you and the President reach an agreement, could you begin to discuss an accord before the full U.S. program is in place on acid rain, or will it be necessary to wait until its legislation is through Congress?

The Prime Minister. The Americans will, of course, deal with their own problems domestically, free from any comment by me about what happens internally. But clearly, what the President is saying is that he has a two-pronged approach: one that will summon the legislative authority of the Congress of the United States to put in place those mechanisms that are required there; and secondly, an arrangement which will be negotiated with Canada to conclude an accord which will deal, hopefully, in a definitive manner with this.

Q. How soon can those negotiations -- --

Q. Would you prefer to undertake negotiations immediately with the United States instead of waiting for them first to pass laws?

The Prime Minister. First, it is necessary for the President to talk about this with legislators and that the Americans are prepared to pass their own laws for the purification of their atmosphere in this domain. In the second place, as the President has just indicated, we are on the way to advance, rapidly I hope, towards the conclusion of the negotiations for a bilateral accord about the international environment. Therefore, we are encouraged by the developments and the declarations of President Bush today.

U.S. Economy

Q. Back at home today, both consumer prices and bank prime rates went up. To the extent that that goes against your assumptions in the budget, how badly do you see that hurting your budget?

The President. You've got to wait to see how long interest rates stay different from that which we've projected. But I would not make assumptions based on one monthly release of figures on either the CPI [Consumer Price Index] or in this instance -- I guess you're talking about the Producer Price Index -- because we've found that they jump around some. And I am not overly concerned about inflation, at this point, in the United States. I don't like the figures; but I'm not concerned, long-run, about inflation in our country. We still have excess plant capacity. The economy is growing, and I think that's good.

I pointed out last night that we expect revenues in 1 year of $82 billion -- I think is the figure -- more just from growth. So, it is important we keep growing. Any President should be concerned if there are persistent signs of inflationary pressures to come. But I don't see the signs now that had me worried at all. So, I would hope that these figures would prove to be just a blip on an otherwise rather calm and hopeful radar screen.

Canadian Steel Exports

Q. Prime Minister, did you discuss the steel issue, and did you make any mention of keeping Canada out of the voluntary export program that the steel lobby in the United States wants?

The Prime Minister. There is a meeting going on now between Ms. Hills [U.S. Trade Representative] and Minister [of International Trade] John Crosbie in regard specifically to that. But as you know, Canada is a fair trader, and we should not in any way be impacted by that kind of proposition. We wouldn't deserve in any way to be included within its purview. And that would be the position that Mr. Crosbie will be explaining to Ms. Hills.

Une derniere question, a final question, Mr. President, and then -- --

The President. Derniere?

The Prime Minister. Une derniere question pour le President?

The President. Mais oui. [Laughter] C'est fine pour moi. [Sure, this is fine for me.] It's colder than hell. Yes, sorry about that. [Laughter]

Acid Rain

Q. In 1995 or the year 2000 -- for a 50-percent cut in acid rain?

The President. Qu'est ce que c'est la question? [What is the question?] Je ne comprends pas. [I don't understand.] [Laughter]

Q. Would you like 1995 or the year 2000 for a 50-percent cut in transporter emissions on acid rain?

The President. Too early to answer that.

Q. Will negotiations start this year, Mr. President?

The President. I hope so.

East-West Relations

Q. Were you on the same wavelengths on East-West relations in your discussions this morning?

The President. Certainement! [Laughter]

The Prime Minister. May I introduce my Quebec -- [laughter].

The President. No, we were. And I have great respect for the Prime Minister's views. I have great respect for his understanding with his experience of the alliance and its importance. I value his judgment on what's happening inside the Soviet Union. And so, we had a long, I think productive, discussion about that. And I had an opportunity to explain to him that our review of our national security policies, our foreign policy objectives -- it's a serious thing. It is not a foot-dragging operation. It is not trying to send a signal to Secretary Gorbachev that we want to move backwards. It is simply prudent. And I am absolutely convinced that the Soviets understand this; and I'm also convinced that the -- I don't want to put words in his mouth -- but the Prime Minister of Canada, a very important part of all of this, understands it as well.

The Prime Minister. Thank you very much.

Note: The President spoke at 3 p.m. in the Prime Minister's residence. Prior to the luncheon, the President met with the Prime Minister and U.S. and Canadian officials. Following the exchange, the President and Mrs. Bush went to Kennebunkport, ME, for a weekend stay.

Remarks to Members of the Business and Industry Association of New Hampshire in Manchester

February 13, 1989

Thank you, ladies and gentlemen. Thank you, Governor. Thank you for that welcome back. Judd, thank you for that warm introduction, and thank all of you for that welcome. I want to thank Bill Gingrich and others at BIA for arranging on relatively short notice this wonderful meeting. I want to pay my respects to our outstanding congressional delegation -- our two Congressmen are here -- and our senior Senator Warren Rudman, here with us today. But you're well represented in Washington with these four outstanding individuals. I'm very sorry if I'm late -- a little trouble parking the 18-wheeler. [Laughter]

A few things have happened since I spoke to you 2 years ago at the BIA. For one thing, I got a new job. And so did Bonnie Newman. [Laughter] And I'm very pleased on both counts. It really is great to be back and see so many old friends.

Last week I made an address to the joint session of Congress, spelling out my policies and my priorities as America moves into a new decade -- a whole new century 11 short years away. And I offered my hand to the Congress in a spirit of bipartisan cooperation and said, ``Together we can build a better America."

And this week, I'm traveling to different parts of the country to talk as directly as possible to the American people. And it's no coincidence that this very first stop is here in New Hampshire. Actually, I thought we were heading south. But John Sununu, you know, the new Chief of Staff, had his way, and here we are. [Laughter] Some said I just wanted to come back and drink with the boys at the Alpine Club again right here. [Laughter] What a great evening that was, I'll tell you.

A year ago at about this time, I was here in New Hampshire under different circumstances -- literally a year ago. I had just been defeated in Iowa. I was up at 6:50 a.m. my first morning here, outside on a cold day -- a little colder, as I remember, than today even -- holding my coffee in one hand and shaking hands with some of the guys at the factory in another. And the columnists had begun to write my political obituary. Well, I knew things seemed worse than they actually were. And let me tell you why I say that. I knew we were strong here. Governor Sununu was at my side, Judd Gregg and, of course, his dad, Hugh. And I had so many people, including many in this room, who helped me assemble a statewide organization, A - 1 in every single way. And you never can forget in American politics the importance of people being involved.

And I also had a message, a message that the people of New Hampshire, and then all America, understood: Sensible ideas work; we can do the job, and we can do it without new taxes. And the

foundation that we built held firm; it never cracked or crumbled. And the steadfast support that I received gave me the chance to pick myself off of that canvas, and the rest, as they say, is history. And so today, now that I've returned to your State for the first time as the 41st President of the United States, let me repeat those four little words that I said on election night: ``Thank you, New Hampshire."

But as Judd reminded us, the journey goes back longer than just a year ago today. It goes back to '79 and '80, when I first ran for President. In 1980 things were different in America. Our economy was stagnant. Inflation and interest rates were peaking at unprecedented highs for our country. Our workers were out of jobs. And America's respect around the world was on the decline.

And since then, under the leadership of a great President, America is once again proud and prosperous. And our economy is now in its 75th month of expansion -- the longest period of uninterrupted economic growth during peacetime in our nation's history. And our people are back at work. In fact, the proportion of Americans with jobs is at a post-World War II high. And America is once again respected around the world as a resolute force for peace and freedom. And because we did strengthen this country, I am optimistic about our chances to enhance the peace worldwide. We're headed in the right direction, and I mean to keep us headed in the right direction. We've made tremendous progress, and I mean to build on that progress.

Last Thursday night, I presented to the Congress a realistic plan for dealing with the Federal budget. And my plan has four broad features: attention to urgent priorities, investment in the future, an attack on the deficit, and no new taxes. And this budget plan represents a commitment to meet our national priorities and at the same time keep faith with our promise to the American people on the tax front of no new taxes. There are some areas in which we would all like to spend more, but we cannot until we get our fiscal house in order and bring the Federal budget deficit down.

In the next fiscal year, under current law with no changes or new taxes, revenues will grow by over $80 billion -- $80 billion more revenue to the Federal Government in 1 year under existing law. And that's an increase of nearly 8\1/2\ percent. And that should be enough to finance our priorities and bring the deficit down without taxes.

The Federal budget will not be balanced overnight, but our plan is a realistic one. And right here I'd like to salute Warren Rudman for his role in disciplining both the executive branch and the Congress by being a part of that historic Gramm-Rudman-Hollings bill. It's very important legislation. Yes, it requires tough choices. Mine is a budget plan that will work, but not with business as usual. It will require a partnership with the Congress. And as I said on Thursday night, my team and I are prepared to work with the Congress; to negotiate in good faith with the leadership; to work day and night, if that's what it takes, to meet budget targets; and to produce a budget on time.

I've spoken about priorities; let me just share with you briefly what those priorities are. First, let's make sure that America remains the greatest and the most productive nation on the face of the Earth. We should begin to invest now in ways that will make America more competitive in the future. And that means continuing America's leadership in the knowledge business: more funds for basic research; a permanent tax credit for R&D, for research and development; a strengthened role for science and technology in our national policy deliberations.

When I was Vice President, I chaired a task force on regulatory relief, which was intended to help survey the wilderness of government regulation to determine which rules were hurting private productive activity and which were helping. And we did a lot of good early on. We got rid of some needless regulation, and still protecting the safety in the workplace and things of that important nature. But the work of this task force will continue, and its mission expanded, however. The Vice President, Dan Quayle, will head this new task force on competitiveness to explore a range of issues, from regulatory reform to training for the work force of the future.

I've also asked the Congress for its cooperation in passing what I believe is the most important competitiveness package of all: a package of bills to improve education in America. You know, Louis Pasteur once said: ``Chance favors only the prepared mind." Our children deserve every break that we can give them because they do represent our future. And so, for America to be prepared for the future, our children must be educated for the future.

And part of our education effort must be in the area of drugs. Education is still our best means of prevention. And we will fight drugs on all fronts, not only education but treatment, interdiction, and law enforcement. But for those who are already hooked on drugs, we've got to expand treatment. For those who are dealing drugs, I want them to know how serious we are about stopping them. And I have asked for and will insist on tougher penalties. And, yes, that does include the death penalty for those drug kingpins. I believe it will inhibit the continued flow of drugs into this country. And I think the dealers who prey on our kids should know what's coming when they get caught. The kids of America will not become the broken debris of a failed war on drugs -- period. We simply can't have that. And a drug-free America has to be the foundation of a healthy, stronger America.

We also must protect our environment: the air we breathe, the water we drink, the beautiful land we live on. And we do need a new attitude, a new commitment to preserving our planet.

We must protect those members of our society who are the most vulnerable: the infants; the pregnant women; children living in poverty; and, yes, the elderly. And we must protect the homeless. Greater support is needed for emergency food and shelter, for health service, and for clinics for the mentally ill. And I've asked for those funds to confront the problems of the homeless, recognizing that most of the work in this field, as in education, will be done at the local and the State and the neighborhood level. We must never let the Federal Government preempt and push aside the activities of our citizens at the family and neighborhood level. The

Government, as I said the other night, cannot stand on the sidelines -- not in the face of the national shame of the homeless or the depressed stage of our education.

What I also want to say is that government is not the only answer, though. Government has a role. Government's got to do its part, but it can't do everything. And without the will of the people, it really can't do anything. The essence of our government is that it is a democracy of, for, and by the people. To be successful in the years ahead, our mission must also be of, for, and by the people. And really, that's why I've come here today: to look back one final time and to let you know I know why I'm here and how I got here. I don't think there's ever anything wrong in life for saying, ``Thank you very much."

And that's exactly what I wanted to do when I came here today: say thank you; but more importantly, now that I am the 41st President of the United States, to look ahead, to thank you for what you can do in the future, and encourage you to give it your all. Join me with a spirit that I know is the spirit of not only this BIA but also the people of New Hampshire, generally, and together we will keep America moving forward, always forward, on a journey that leads to a better America of absolutely limitless opportunities. Thank you all, and God bless you. And it's so nice to be here. Thank you very much.

Note: The President spoke at 9:31 a.m. in the Armory at the Center of New Hampshire Holiday Inn. In his remarks, he referred to Gov. Judd Gregg; William Gingrich, chairman of the Business and Industry Association of New Hampshire; Representatives Charles Douglas and Robert C. Smith; Bonnie Newman, Assistant to the President for Management and Administration; and Hugh Gregg, former Governor of New Hampshire. Following his remarks, the President returned to Washington, DC.

Remarks to Representatives of the Boy Scouts of America

February 13, 1989

Well, I'm just delighted to see all of you here, and to my friend of longstanding, Harold Hook, delighted he's here. Mr. Graves -- Earl, Mr. Love -- Ben, Boy Scouts and Scouters, and to you three guys who presented these honors to me in a report to me, I'm very grateful to you.

First, I want to thank you for having me now be the honorary president of the Boy Scouts. And I want to thank you for that annual report. But even more, I want to thank you for the good turns -- as you call them -- the good turns that you do, as your own motto says. Boy Scouts are helping, as Mr. Graves said, the homeless and disabled and the elderly and, in short, the most vulnerable in our society. And to those that have been left behind, you guys are saying, ``Hey, we're going to help you catch up." And to those who have given up on themselves, you say as Scouts and Scouters, ``We've not given up on you." And you made a difference, helping to combat drug abuse, child abuse, hunger, illiteracy -- working with the homeless, unemployment.

You believe in America's greatest treasure -- its ability to care. And for nearly a century now, the Boy Scouts have cared about our children. And you've helped them, enriched them, and helped our children enrich mankind. And so, I want to come by and say: Keep up the good work! I think if we do this enough and if I make the point how strongly I feel about what you do, I think the country will understand very clearly what I mean when I talk about One Thousand Points of Light, because I think of the Scouts, and I think of what you all do to help others. And it's clear, bright light, bright and shining, and you're an inspiration to all of us. And I'm grateful that you came here, and I'm proud to have my gold card here that I promise I'll keep right there in that desk in the Oval Office to remind me of the good work that the Scouts do for everybody.

Thank you very much.

Note: The President spoke at 2 p.m. in the Roosevelt Room at the White House. In his opening remarks, he referred to Harold S. Hook, Earl G. Graves, and Ben H. Love, president, commissioner, and chief executive, respectively, of the Boy Scouts of America. Boy Scout representatives presented the President with a certificate naming him the honorary president of the Boy Scouts, a gold lifetime membership card, and a copy of the Boy Scout Handbook.

Remarks at the Swearing-in Ceremony for Jack F. Kemp as Secretary of Housing and Urban Development

February 13, 1989

The President. I'd say be seated, but I don't want to win the Smart Aleck of the Year Award. [Laughter] Thank you very much. I open with a question: Jack, now that you're going to be in charge of Federal housing, does that make you my landlord? [Laughter]

It's a pleasure, it's a real pleasure for me to be here for the swearing-in of Jack Kemp as Secretary of Housing and Urban Development. I've known Jack a long time -- Joanne, too. And I've seen him in action, and I think he's going to be a great HUD Secretary. For Joanne, she's an important part of everything he does. And I think of the Thousand Points of Light that I'll keep talking about. No one is more engaged in helping others than Joanne Kemp -- doing a great job out there. They'll be a wonderful team.

You know, Jack served nine terms in the House. He was an all-pro Congressman -- [laughter] -- voted by his colleagues three terms as chairman of the House Republican Conference. And Jack's record is an impressive one: more completed passes than any other Member of Congress. [Laughter] I count the tax rate reductions of '81 and '86 as being touchdown passes, a couple of his ideas that got across the goal line, incidentally. And the tax cuts did more than put points on the board: They helped produce the longest peacetime expansion ever recorded.

Both Jack and I are dedicated to making America, to the fullest extent possible, an opportunity society. And that means an economy that's thriving and creating jobs; cities that are filled with enterprise and offer residents a good life and a good living; neighborhoods that are vibrant and safe, with affordable houses going up, old ones being restored. It means giving people -- working people, poor people, all our citizens -- control over their own lives. And it means a commitment to civil rights and economic opportunity for every American. The chance for a greater America lies before us, and we're going to seize that chance.

To all the fine people here at HUD, I want to say that I greatly respect you and the work that you do. You face tough problems every day, and you do it with a tremendous sense of commitment. I think you're a great team, and I think in Jack Kemp you'll have a great quarterback. I also want to pay my respects to Sam Pierce, his predecessor, a faithful, loyal member of the President's Cabinet, who did an outstanding job here. And, Jack, I know you can fill those big shoes.

Jack's a man of ideas, and I've made clear that I want him to apply his creativity and energy to the area of housing and urban policy, which are among the most important and challenging issues in America today. These problems require a compassionate strategy, and that's the reason that I thought of Jack immediately and asked him to take this job. While still in Congress, he

developed some innovative ideas, many of which won support from Members on both sides of the aisle.

Our plan is to use enterprise zones to bring jobs, investment, and opportunity to depressed areas. And I believe that, given a chance, economic freedom can bring a revival to the inner city; and it can create jobs and housing and dignity for every citizen. I want to use urban homesteading to enable public housing residents to gain a stake in their own communities and in their own futures. And I want to work toward giving tenants in Federal housing the right to manage and buy their own homes and apartments. Where whole neighborhoods have been blighted and boarded up, sometimes by misguided policies -- I want to change those policies and empower residents to rebuild their neighborhoods, with the public and private sectors working together. And I think you know how strongly I feel, but let me say it again: I am committed to equal housing opportunity for all our citizens and to the strong enforcement of the laws against discrimination.

And I want to see us finally end the tragedy of homelessness. I do favor full funding for this McKinney Act. We've got to care for those who for various reasons are unable to care for themselves, and we must identify and remove the obstacles that prevent people from being able to acquire housing.

So, these are our goals. And for these ideas I have clicked off here today -- Jack Kemp has been out front for those very principles for a long, long time. A lot of the most innovative thinking on the inner city has come from him. Throughout his political career, he reached out to work with talented people of every race and background, and he's made his commitment to inclusion something visible, something important in everything he has done. And I want him to continue working to open the doors wider, with more opportunity for everyone.

And so, before we go to work, there's one important thing to do, and that is the official swearing-in of the new Secretary of Housing and Urban Development, Jack Kemp.

Thank you all very much.

[At this point, Secretary Kemp was sworn in.]

Secretary Kemp. Thank you for that standing ovation. [Laughter] Thank you, Mr. President, not only for being here today but for the inspiring mission and exciting goals you've laid out for the Department of Housing and Urban Development. I particularly like the part, Mr. President, about a kinder, gentler quarterback in Jack Kemp. That's going to -- [laughter].

Thank you, Justice O'Connor. What an honor it is to have Sandra Day O'Connor here to do me the high honor of swearing me in as the new Secretary of HUD. Special thanks to my good friend, the Reverend Keith Butler, of Detroit, who's come down to deliver his moving

invocation. To my friend, the NFL [National Football League] Hall of Famer, former Oakland Raider, enemy -- [laughter] -- and dear friend now, leader of the NFL Players Union -- I was the former president of the American Football League Players Union, and he is the executive director of the NFLPA [National Football League Players Association], Gene Upshaw -- very honored for him to be here, leading us in the Pledge of Allegiance.

I want to take a moment to introduce each and every one of you to my precious family and my inspiration. First, my wife, Joanne. [Applause] Our daughter -- you don't need to applaud for every one of them, but I have a -- [laughter]. Our daughter, Judith, who worked in the Reagan-Bush White House -- stand up, Judith. Our daughter, Jennifer, who's a public school teacher. Her fiance, Scott Andrews. They're getting married in May, which we're all excited about. Our son, Jimmy, who just recently signed a football -- notice I said a football -- scholarship to Wake Forest, and we're very proud of Jimmy. [Laughter] Our oldest son, Jeffrey, and his wife, Stacy, could not be here today. They're in Seattle, and he's preparing for his ninth season as an NFL quarterback. Joanne Kemp is the only wife and mother of an NFL quarterback in history, so -- [laughter].

President Bush, as I said, it's a particular honor to have you with us today and to have other members of your team. I'm very pleased that Secretary of Treasury [designate] Brady is here, Secretary of Transportation Skinner, Secretary of Labor Elizabeth Dole, Secretary of Health and Human Services [designate] Lou Sullivan. I'm honored that Chairman [of the House Committee on Banking, Finance and Urban Affairs] Gonzalez is with us today to give evidence of bipartisan support for HUD. I want to thank each and every one of them for coming -- family and friends from all over the country.

President Bush spoke eloquently about HUD's special mission. We operate in a market that contains the most visible symbol of the American dream: home ownership. Our mission, I believe, is to inject oxygen and seed corn and new life and new hope into those distressed inner cities. Mr. President, you talked about free enterprise zones, which include dramatic, some would say radical, tax incentives for entrepreneurship and the creation of new jobs in those areas. You talked about the need to empower the poor with home ownership and equity through initiatives like tenant management and urban homesteading, an idea which Kimi Gray [president of the Kenilworth/Parkside Resident Management Corp.] has helped make work in the District of Columbia and I believe can be a model for other cities, and most importantly, for other people.

You talked, Mr. President, of helping recapture the American dream for first-time homebuyers, young families just starting out. And you asked us at HUD to lead an all-out public and private effort to help end the appalling tragedy of homelessness, which really is a reflection of the tragedy of hopelessness for which housing is just only part of the solution. And we at HUD will carry more than our share of the load in helping end this tragedy.

This is a compassionate society, and we'll be compassionate at HUD. In a Judeo-Christian society, the ultimate compassion, however, is not measured by how many people are on welfare or government assistance. As the philosopher Maimonides said in the 12th century, ``the noblest charity is to prevent people from having to take charity in the first place."

We here at HUD know that there are other challenges facing us: the need to build better public and private partnerships to promote economic development and entrepreneurship; the need to ensure that we expand the number of eligible families receiving housing assistance and housing opportunities; the need to change the red lines around distressed areas of our cities into green lines, where there can be success and jobs and entrepreneurial opportunity.

We want to work with local officials to reduce the barriers to growth and that opportunity not only in the days and months ahead but in the years ahead. And of course, Mr. President, you have challenged us here at HUD with the obligation -- indeed, I consider it an opportunity -- to fully, effectively, and vigorously implement the civil rights laws with regard to the new Fair Housing Act; and I pledge my best efforts in that regard.

I want to, for just a moment, speak about a more personal challenge facing you and me -- each and every one of us as public servants and keepers of the public trust. You said, Mr. President, when you recognized the fine people and dedicated public servants who work here at HUD and the rest of the Federal Government, that government service is a noble calling and a public trust. Indeed, it is. You said that you learned from your parents, your mother and your father, that there is no higher honor than to serve free men and free women, that there is no greater privilege than to labor in government beneath the Great Seal of the United States and the American flag. Well, I agree. Not only do I agree but I applaud your recognition, Mr. President, of the dedicated public servants in the Federal Government of the United States of America.

With that in mind, let me set out two touchstones for our work here at HUD. First, we need to adhere to the very highest standards of integrity, ethics, and the law. President Bush, you've made this standard the watchword of your administration. And I want to help you and help you at HUD make this an agency in which it is enthusiastically and vigorously upheld. Second, to my colleagues at the Housing and Urban Development agency, we all must keep our minds, our work, and our hearts focused on those we are meant to serve: not just the homebuilder but the homebuyer, not only public housing authorities but the public housing resident, not just mayors and city managers but the poor and those who live temporarily on the streets or in shelters.

We need to keep them foremost in our minds and our hearts because our job is to give them what Dr. King called a stake in the American dream: a helping hand, the equality of opportunity to build a better future for themselves and their children. No one has to lose in this equation. America is not a zero-sum game of static conditions on this Earth in which one gains at another's expense, or someone's job must come at another's loss, or someone must profit while others must lose. I don't see America that way. I don't believe in the perpetuity of poverty.

So, I'm excited about the challenge ahead. I'm thrilled and honored to have the opportunity to help implement George Bush's agenda for the nineties here at HUD, an agenda of compassion and opportunity, of hope and the promise of a better and brighter future for America in housing, economic development, in home ownership, and in jobs.

Today is special -- special for me -- and special not only because President Bush is here at HUD but also because it's the day after the 180th anniversary of the birthday of Abraham Lincoln. So, I want to close with one of my favorite quotes from Abraham Lincoln. One day in New England, Mr. Lincoln addressed some shoemakers who happened to be on strike. He told them he didn't believe in laws that prevented men from getting rich. He said it would only do more harm than good. Mr. Lincoln went on to say he did not propose any war on capital, but that he wanted to allow the humblest man an equal opportunity to get rich with everyone else. He went on to say, when one starts poor, as most people do in the race of life, in a free society it is such that that person knows that he can better his condition, that he knows that there's no fixed condition of labor for his whole life.

Well, ladies and gentlemen, that's our mission. That's our mission here at HUD and in America: to give every American man, woman, and child, regardless of their race or creed or their economic or their social condition, the opportunity to be what God meant them to be. And I believe we can make this system work. Indeed, I believe we have the moral and profound obligation to make it work. We can make it work together. We have the tools. And as you said, Mr. President, we know what works. Now we need to put it to work in our cities. We can't leave people behind. Mr. Lincoln said: ``America cannot exist half slave, half free.'' In the 19th century, today, the next century, we can't have this country half or three-quarters prosperous and some folks left behind. The Good Shepherd would not have it be that way.

So, HUD is open for business. Let's get moving. God bless you here at HUD, and God bless America. Thank you very, very much.

[At this point, the band began playing.]

Now, one second, one second. Ladies and gentlemen, band leader, thank you. [Laughter] Well, that was gentle and kind and -- [laughter]. It would not be a Kemp event -- not that this is -- [laughter] -- but it wouldn't be Kemp at an event if we didn't do something a little bit different and special. And having Gene Upshaw here is symbolic of my many years in pro football and my friendship with him. And I asked a special guest to come here. I know you're excited about seeing Gene. But I asked a young man who is probably one of the great heroes of this town to bring a football on your behalf to the President from the Washington Redskins. Join with me in greeting Joe Gibbs, the coach of the Washington Redskins. [Applause]

Note: The President spoke at 4:18 p.m. in the cafeteria at the Department of Housing and Urban Development.

Letter to Congressional Leaders Transmitting the Report on International Agreements

February 14, 1989

Dear Mr. Speaker: (Dear Mr. Chairman:)

Pursuant to Section 708 of Public Law 95 - 426 (1 U.S.C. 112b(b)), I transmit herewith a report prepared by the Department of State concerning international agreements.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Nomination of Roy M. Goodman To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

February 14, 1989

The President today announced his intention to nominate Roy M. Goodman of New York to be a member of the Board of Directors of the Overseas Private Investment Corporation, U.S. International Development Cooperation Agency, for a term expiring December 17, 1991.

Mr. Goodman currently serves as a member of the New York State Senate, representing the 26th district in Manhattan. He chairs the New York Senate's committee on investigations, taxation, and government operations, and the legislative commission on public-private cooperation. State Senator Goodman is also a member of the senate's standing committees on rules, finance, education, cities, transportation, and crime and correction. He is vice chairman of the senate special committee on the culture industry and holds the post of assistant majority leader.

Mr. Goodman graduated from Harvard College (A.B., 1951) and Harvard Graduate School of Business Administration (M.A., 1953). He was born March 5, 1930, in New York City. He is married, has three children, and resides in Manhattan, NY.

Remarks to the South Carolina State Legislature in Columbia

February 15, 1989

Thank you, members of the legislature, for that really friendly South Carolina welcome. And thank you, particularly, Governor Campbell, my friend; Lieutenant Governor; Mr. Speaker; Members of the Congress that are with us here today, Senator Thurmond, Floyd Spence -- and maybe I'm missing some. If so, I apologize. And ladies and gentlemen, thank all of you. It's a great honor to be addressing this joint session of the general assembly, and I really mean that. This is a chamber rich in history and tradition, and I'm grateful for the privilege of joining you in the hall today.

There's something wonderful about how the United States comes together. And driving in on that great big, long car and having the school kids and others out there really demonstrating their respect for the institution of the Presidency is something that was special to me. And I think of it as something that South Carolinians understand very, very well, indeed. I was just saying this to the Lieutenant Governor.

One very concrete way that I plan to express my appreciation is by not going on too long. [Laughter] If I exceed my limit and we start to press up against lunchtime, I expect that the spirit of the late Speaker Blatt will rise up, and in this chamber will echo with the words: ``It's cornbread and buttermilk time."

Now, I speak to you today with great respect and in accordance with the plan of our Founding Fathers designed two centuries ago: as a President of the United States addressing the freely elected government of a sovereign State. And I speak to you in the spirit of bipartisanship. I've got to; you've got us outnumbered. [Laughter] And I realize that some of you people favor the Tigers and others favor the Gamecocks and, of course, some favor one or another set of Bulldogs; but as President, I must remain neutral. I stand with the people. [Laughter] And this morning, in that same spirit of neutrality, Lee Atwater [chairman of the Republican National Committee], as far as I'm concerned, will be thought of simply as one native son of South Carolina who happens to be a rhythm and blues guitarist. God save the Republic! But I don't have to be neutral now in recognizing and thanking for appearing and congratulating the Division I - AA national football champions, the Furman Paladines. I just met them downstairs; and we are all, nationwide, very proud of that team and what it's accomplished.

A President can't stand here without noting that the great State of South Carolina has one of the oldest histories in our Republic, spanning nearly five centuries. But with all of South Carolina's great sense of tradition, this has also in recent years been the site of dynamic economic growth that has so greatly improved the lives of the people of this State. And I believe that South Carolina is proof that an abiding respect for traditional American values is not a hindrance to

success in a modern economy but, in fact, it is essential to it. And I want to keep the economy expanding so that it reaches every person in South Carolina and in the Nation.

And there are a number of very sound provisions South Carolina uses in this whole budget process which I think our nation as a whole would benefit from now. I think it is long overdue for the Federal Government to catch up with South Carolina by giving the Chief Executive a line-item veto and by adding a balanced budget amendment to the Constitution of the United States. These are essential elements, disciplining the executive branch as well as the legislative branch for controlling government spending. You have them; you use them; they work. And they help protect the pocketbooks of the working people, men and women, of South Carolina. I believe that the rest of the American people deserve the same at the Federal level, and they deserve a budget process that they can point to with pride. And I will work for the budget reforms that we need.

Your Governor, Carroll Campbell, has been an innovative leader who has set an example that is being acknowledged around the country. He and you, working together, have made South Carolina a model of what can be accomplished with sound policies and wise leadership. I particularly want to recognize and applaud your Governor's plan for promoting even greater economic growth by modernizing your tax code and by cutting the State capital gains tax.

Our experience at the national level is clear: Reducing the capital gains rate has resulted in more revenue to the Federal Government, not less. And it spurs investment; and investment means more jobs. And jobs mean more opportunity. And opportunity is the foundation of American progress. And a lower capital gains rate helps our international competitiveness -- all of our biggest trading partners, including Japan and West Germany, tax capital gains modestly if at all. Even as you're taking up this issue in South Carolina, my proposal at the Federal level is to cut the capital gains rate down to 15 percent for investments held for 3 years or more.

Now, as you know, last week I proposed a budget plan for the Federal Government. You may have heard about it. It's getting some attention. And I'm pleased to say no one has said that it's DOA. If anyone does, I'll interpret that as: ``Defining Opportunity for Americans." [Laughter]

But when it comes to the Washington budget process, so much of the rhetoric is, as you know, a bit extravagant. Once in the heat of budget politics, a former member of this chamber, Goat Leamond, stepped back from the fray to utter the now-immortal words: ``When in doubt, run in circles, scream and shout." Washington all over again. [Laughter]

But in Washington, with all the shouting that sometimes occurs, the words don't mean the same things that most people think that they mean. When they talk about budget cuts in Washington, that usually doesn't mean that spending is going down. And this is the key point. It seems to be the obvious meaning, but it's not. It usually means that spending is going up, but at a slower pace. Senator Rudman of New Hampshire said this week: ``Washington is the only town where

a man making $20,000 can go in and ask his boss for a raise of $10,000, and then when the boss gives him instead a $5,000 raise, the story comes out: `Man's Salary Cut by $5,000.'" [Laughter]

On the revenue side, I've taken a pledge to the American people, and I'm going to keep it: No new taxes! You see, I believe that is what the people of this State and the people of America voted for as a whole. And the bottom line in the Federal budget is that it's not my money, it's not the Congress' money, it's the American peoples' money.

And one group in Washington, Citizens for a Sound Economy, commissioned the Roper organization to conduct a poll on taxes, spending, and the budget deficit. And three out of four Americans surveyed said that the way they want us to reduce the deficit is by holding down spending, controlling the growth of spending. Only 5 percent in this national survey wanted to do it by raising taxes.

My budget is based on a flexible freeze with no tax increases. This budget recognizes that there are three ways government must serve the people: first, by not taking any more of their hard-earned money than is absolutely necessary; secondly, by creating the environment that permits economic growth, new jobs, and greater opportunity; and finally, by doing the very best to help people with the money that is spent by government, caring for those in need, protecting what we hold in common, and serving the people with efficiency and, yes, compassion.

Even in times when reducing the deficit means tough choices, we must still set priorities. And my budget is a realistic plan that does more for education, more for the environment, and more for the space program. And it makes a larger investment in scientific research to help keep America competitive into the next century. It spends more on the Head Start program to help make America strong into the next generation. And there is another $1 billion in outlays to fight drugs, because we cannot let this menace rob our children of their future. And we propose a new child care initiative, targeted at low-income families and designed to give real choice to families. The family unit is vital to the economic fabric of our society. And government must not discourage parental choice and family involvement. And in this budget, we also restore and double the tax deduction for adopting special-needs children. And we commit a billion dollars to deal with the problems of the homeless. And we don't touch Social Security -- that's off-limits.

And we keep our defenses strong. Defending America is one task which is an absolute responsibility for the Federal Government. And this budget enables our national defense to keep up with inflation. It's gone down, net terms, for 4 out of the last 4 years. When our young men and women make a commitment to join our Armed Services, they have the right to know that we will give them the tools to defend themselves and to defend America.

This budget helps assure a sound economy not by raising taxes but by cutting the Federal deficit by more than $75 billion. That will not only meet the Gramm-Rudman-Hollings targets but it does even better than that. This budget will bring the deficit as a percentage of gross national

product to its lowest level since the 1970's.

Now, already some people have asked me how is it possible to do all this without raising taxes. The answer is straightforward, and it needs to be emphasized again and again: Because of economic growth -- and you've seen this here in South Carolina -- because of economic growth, tax revenues are going up with no new taxes. Our projections show that without raising taxes, the Federal Government will get an additional $80 billion to spend. The Congressional Budget Office, using their own set of economic assumptions, predicts -- not my estimate, but theirs -- that Federal tax revenues will increase next year by even more, by $86 billion. I think our number is closer, but whether you use the Congress' number or the OMB number, that's enough money to reduce the deficit down to the levels required by Gramm-Rudman-Hollings and to spend more money on priority programs.

But to do this does require that choices be made, which is what this budget does. And I'm prepared to work with the Congress to make those hard choices. We weren't sent to Washington -- any of us up there -- to sit on our hands, either to pass the cost of indecision on to working Americans by raising their taxes or to fail to reduce the deficit, which will cause the cuts to be done automatically under the law. And that's why we must make choices that keep the economy growing, preserve our national defense, and allow government adequately and compassionately to perform the services which it should do. And if we do, we can get the job done -- but not with business as usual.

One of the great United States Senators, John C. Calhoun, once said: ``The very essence of a free government consists in considering offices as public trusts, bestowed for the good of the country, and not for the benefit of an individual or a party." And it's in that spirit that I will seek to work with the United States Congress, not as members of competing political parties but as cooperating public servants.

And the members of this legislature, all of you, have a vital role to play. You're closer to the people -- you really are -- than those of us in Washington. You not only serve your constituents, you're their neighbors. And you speak with the authority of people who know that government firsthand. And as we form the Federal budget and reduce this deficit, I want your voices to be heard. We need your leadership. And working together, we can make a great difference for all America.

You know, I've visited South Carolina enough times to learn that the State flower is the yellow jasmine. And I've been told that it was selected not just for its fragrance but for its resilience. And the budget debate is important, but even more important is the knowledge that America is strong and she is great and, yes, she is resilient. And we're thriving as a nation, thriving in the world -- we're the envy of the world. And we're providing for our people -- got to do better. As Americans, we don't seek a world without challenges, but rather a chance to overcome the challenges that are before us and to leave this nation that we love a little better for our having

passed this way. I'm glad that you and I are passing this way together.

Thank you, members of this assembly, and God bless each and every one of you. And God bless the United States of America. Thank you.

Note: The President spoke at 11:25 a.m. in the house chamber of the State capitol. He was introduced by Gov. Carroll A. Campbell. In his opening remarks, the President referred to Lt. Gov. Nick Theodore, Speaker of the House of Representatives Robert J. Sheenen, and Representative Floyd Spence. Prior to the remarks, he met with the Furman University football team and was given a team jacket and football by coach Jimmy Satterfield. Following his remarks, the President attended a luncheon at the Governor's Mansion and then returned to Washington, DC.

Nomination of Richard J. Kerr To Be Deputy Director of Central Intelligence

February 15, 1989

The President today announced his intention to nominate Richard J. Kerr to be Deputy Director of Central Intelligence. He would succeed Robert M. Gates.

Mr. Kerr joined the Central Intelligence Agency in 1960 and has served in several capacities, most recently serving as Deputy Director of Intelligence. Prior to this he served as Deputy Director for Administration. In 1982 he was Associate Deputy Director for Intelligence. From 1976 to 1982, Mr. Kerr was Deputy Director, then Director of offices responsible for regional and political analysis worldwide. He has also served as the Directorate of Intelligence's representative in Honolulu.

Mr. Kerr graduated from the University of Oregon, receiving a bachelor of arts degree. He is married and has four children.

Appointment of Francis S.M. Hodsoll as Executive Associate Director and Chief Financial Officer of the Office of Management and Budget

February 15, 1989

The President today announced the appointment of Francis S.M. Hodsoll as Executive Associate Director of the Office of Management and Budget and Chief Financial Officer. Mr. Hodsoll will have responsibility for OMB management functions. His responsibilities will also include advising the Director of OMB on procurement policy and privatization, as well as selected issues associated with OMB's division of national security and international affairs. It is the President and the Director's intention, working closely with Congress, Federal departments and agencies, to strengthen the management of Federal agencies, building on the initiatives of the Reagan administration in this area.

Mr. Hodsoll is currently Chairman of the National Endowment for the Arts, where he has served since November 1981. He was previously Deputy Assistant to President Reagan and Deputy to White House Chief of Staff James A. Baker III. Mr. Hodsoll has held senior positions in a variety of Federal agencies, including the State Department, the Department of Commerce, and the Environmental Protection Agency. He is an attorney and former managing director of a British trading company in the Philippines.

Mr. Hodsoll has degrees from Yale, Cambridge, and Stanford Law School. He is married to the former Margaret McEwen, has two children, and resides in Arlington, VA. He was born May 1, 1938.

Remarks at the Swearing-in Ceremony for Clayton Yeutter as Secretary of Agriculture

February 16, 1989

The President. Thank you, Peter, and all the members of the Cabinet, the Members of the United States Congress here, distinguished Ambassadors, and others. I've come over here today for the swearing-in of our Secretary. Clayton Yeutter is about to make an enduring commitment to this Department. And I should acknowledge the fact that I think five of his predecessors are here today, Democrats and Republicans, which I think gives him an extraordinarily good send-off.

There's a difference, you know, between involvement and commitment. You all know it. Remember the old farmer making eggs and bacon. The chicken is involved, but the pig is committed. [Laughter] And it's a particular pleasure here today because yesterday marked the 100th anniversary of Cabinet status for this Department. As the distinguished former Secretaries that are joining us today know, the Agency has met many difficult challenges over the past century, and this really is just a beginning. There are many more challenges that this Department will encounter over the next hundred years. And who better to lead the Department at this time than Clayton Yeutter.

Somebody reminded me Yeutter rhymes with fighter. And that's what he is -- tough as nails, knowledgeable. And that's why I picked him. And I know he's going to fight hard for farming, for fair trade, and for all the other important responsibilities of this Department. And I know that everyone here is familiar with his outstanding tenure as United States Trade Representative. The list of things he's accomplished just in the past year is truly, truly impressive: bringing down barriers to American beef and citrus in Japan, ushering a comprehensive trade bill through Congress, concluding the free trade agreement with Canada and moving that through the Congress, and pressing forward on the Uruguay round of multilateral trade negotiations. And now he's putting down the trade portfolio and taking up the agricultural portfolio. But, as all of you know, that's hardly a change.

Agriculture is one of the most difficult areas in our trade talks, and agriculture is an area to which we attach an extraordinarily high priority in international discussions. I'm confident that our partners in the Uruguay round of talks will see Clayton's appointment as just what it is: a signal that this administration has an extremely strong sense of purpose and determination in these crucial negotiations. He's going to be working closely with our USTR, with our Trade Representative Carla Hills, who I spotted a minute ago; but where is she? Maybe I didn't spot her. Right, here she is -- with Carla to make sure our objectives in agriculture are achieved.

And I said in the campaign and let me repeat: As President, I want to work to level the playing field. We've got to knock down barriers, and we will relentlessly pursue negotiations to end subsidies that distort markets and that restrict trade. Fair, free, and open world markets -- that's

what we want; that's what we're working for; and in the end, that's what we are determined to get.

Trade may be a hot issue right now; but the Department, as you all know better than any, has many other critical responsibilities: our nation's farm and soil conservation programs, forestry, nutrition, rural diversification and rural development, the environment. You're involved in all of these important questions. And you perform your work in all these areas with energy and dedication. The ``Ag'' Department has a long, proud history, and each of you helps to continue that tradition.

And I know you'll find that Clayton Yeutter is your kind of guy: dynamic, always has been. When he graduated from the University of Nebraska, he was named the Outstanding Animal Husbandry Graduate in the Nation. And later, he finished first in his class in law school and then took a Ph.D. in agricultural economics. And I've heard that he's said it isn't all that far from the farm he grew up on to a Ph.D. or trade ambassador. On the farm, he said, he developed physical stamina and learned self-discipline, and those have come in handy ever since. And there's one other thing about Clayton that I'm very happy about. Many kids want to grow up to be President; not Clayton. [Laughter] When he was a boy, he wanted to be Secretary of Agriculture. And here he is, and that's a lucky break for America.

Now the oath of office.

[At this point, Secretary Yeutter was sworn in.]

Secretary Yeutter. Thank you very much, ladies and gentlemen. It's really a marvelous privilege and pleasure and opportunity for me to be here this morning. And as I look out over this audience, I see a multitude of longtime friends, and I'm so pleased and gratified that all of you were willing to take time out of your hectic and demanding schedules to be here and share this occasion with us.

I'm not going to make any profound policy pronouncements this morning. I'm not sure that I could make them in any case, but I'm not even going to try. I'd like to basically concentrate in my very short time with you on some comments about people.

First of all, on behalf of everyone here, Mr. President, we want to thank you for coming over to participate in this ceremony. We know how much it carves time out of your schedule to do so, and it's a tremendous personal gesture on your part to do that. It's an honor not only for those of us in the Cabinet who are experiencing this privilege but it's an honor for the folks in all the Departments, including USDA this morning, who have an opportunity to see you up close, first hand, as a part of this ceremony. So, thank you for coming.

And although you've all heard lots of great things about President Bush during the campaign and

through the inaugural period, I want to just embellish those, if I may, for just a few seconds by saying that -- confirming and ratifying, if I may -- that without question this is one of the best prepared Presidents that we've ever had in the history of the United States, one of the most substantive Presidents we've ever had in the history of the United States. Both those attributes and characteristics are going to serve us all well, indeed, in the coming years. But more importantly, George and Barbara Bush are two of the finest human beings on the face of this Earth, and that's why it's a distinct pleasure for all of us to be a part of this government.

Then I want to say a word about Justice O'Connor, and if she'll forgive me for telling this anecdote one more time, I'm going to do so. First of all, it's a great privilege for me to have her swear me in again for the second time now. She did the honors 3\1/2\ years ago, when I was sworn in as U.S. Trade Representative, and she very graciously consented to come here this morning and do them again. Dick Lyng was just saying in the waiting room that she also did the honors for him when he became Secretary. So, I think you're an honorary member of this Department by now, Justice O'Connor.

But I wanted to share an anecdote with you which reflects the nature of this fine and distinguished lady. Back in 1972, I was involved in the Presidential campaign and was working on the agricultural campaign nationwide; and I paid a visit to Phoenix, Arizona, where the Arizona chairman of the Presidential campaign was a leading businessman in that city. The cochairman that year happened to be a lady whose name was Sandra O'Connor. And I met with those two folks during the day, as we were getting organized in the campaign. And at one particular point during the day, I said to the gentleman who was campaign chairman, ``Where in the world did you get Sandra O'Connor? She is just fantastic." And he said, ``You're absolutely right. She is fantastic." This was 1972, remember. And he went on to say at that time, he said, ``Someday she's going to become the first woman on the U.S. Supreme Court." That was a remarkably prescient comment, as you know, because a decade or so later she became, deservedly, the first woman on the U.S. Supreme Court.

Then I want to say a word about my wife, Jeanne. She doesn't know that this is coming. [Laughter] But I think everyone here of my generation would appreciate the fact that 30 years ago, or thereabouts, when we were coming out of college ready to go to work, it was still a man's world. And in some respects, it's still a man's world today. But that's changing very rapidly. I think it's important for all of us as we share and enjoy all of these fine honors -- being named Cabinet members and doing fascinating things around the world -- a little humility is sometimes in store. And I think it's important for some of us to recognize that we have spouses who, but for that generation gap of 30 years ago, might be standing in front of this microphone accepting honors as appointments as members of the Cabinet just as easily and deservedly as we. And Jeanne fits that category.

And a word about Kim, since she's up here, too. You can tell by what she had to say in the invocation that she has her head screwed on right, at least we hope so. This is a little parental pride coming out there. And I mention this for a particular reason. Kim has just finished a double

masters degree program, getting a masters in business and a masters in international relations. And although she doesn't speak Japanese as well as Ambassador Matsunaga does yet, she's working hard at it. That's the way that we have to educate at least some of our children if we're going to be competitive, Mr. President, in the world in which we find ourselves going into the next century. And we hope Kim is prepared for that.

And finally a word to Peter Myers, who is also sharing the area here with us this morning, because Peter has so graciously handled this ceremony and so graciously handled the transition from one administration to another.

Then moving very rapidly out to the distinguished guests here. We don't have time to introduce them all or comment on them all, but I want to say how appreciative I am of my fellow members of the Cabinet coming over to join in the ceremony this morning -- a good number of Ambassadors who are here and a substantial number of Members of Congress, even though they probably ought to be out in their home districts right now. I'm glad that they're here joining in on the ceremony, and I'm honored to have them here.

I'm not going to introduce them all, but I want to pay special attention to just three who are here. Congressman Tom Foley -- Tom, don't stand up. You're comfortable; stay there. But a particular mention to Tom, because as all of you know, he's the distinguished majority leader of the House and former chairman of the House Agriculture Committee, a longtime great friend. And I know he postponed a trip back home for a day just to be here this morning. So, Congressman Foley, it's especially nice to have you here.

And I want to say the same for Congressman -- sorry -- Senator Jesse Helms, who's been a Senator for a long time, likewise, distinguished chairman of the Senate Agriculture Committee. Our relationships go back many, many years; and, Senator Helms, it's great to have you here.

And then, finally, Bob Dole. Senator Dole has been Mr. Agriculture in the Midwest, distinguished Senate career, Presidential candidate, and a great friend for a long period of time.

And then, finally, mention of the former Secretaries of Agriculture who are here. I will not have you all stand up either; but for those of you who are out here, you'll have a chance, hopefully, to say hello to them as we have the reception in a few minutes. But with us here this morning are Jack Knebel, Bob Bergland, Jack Block, Dick Lyng, and Cliff Hardin. I want to make special note of Dick Lyng, my predecessor, because I worked for Dick when I first came back here in 1970. And a special note of Cliff Hardin, because Cliff was my mentor, Mr. President, way back in my days as a young faculty member at the University of Nebraska, when he was chancellor at that time. And it was Cliff who brought me here to Washington, DC, in 1970, when he was Secretary of Agriculture here.

And just one final closing comment, Mr. President. I first came here almost 20 years ago in the

South Building, which is over thataway, in my first position as Administrator of what was then the Consumer and Marketing Service. And I had some of the same misgivings about the Federal bureaucracy then that most people do when they come to Washington. And you've heard all those stories also, Mr. President. They come up when we discuss things like increases in salaries back here in Washington, DC, because a lot of folks think those are undeserved. I happen to think they are deserved, and I learned that by experience. I was a bit wary and skeptical, Mr. President, about whether you can move the bureaucracy back here in Washington. And when I came, I took over an agency, Mr. President, that had about 16,000 employees, and I think there were about 2 of us in that 16,000 who were political appointees at the professional level. And I thought, oh, my God, you know, how are a couple of people going to change a 16,000-person bureaucracy? And I wasn't sure it could be done. But as Cliff Hardin and Dick Lyng will remember, it could be done because we made some major changes in those years in a very successful way.

What I discovered, Mr. President, was that folk here at USDA at least -- I won't speak for the rest of the Government -- but folks here at USDA will listen if you have something worthwhile to say. They listened to me back in 1970, and they've been listening to a lot of folks who have given them leadership since then. And I discovered that they'll not only listen, Mr. President, but they'll respond. They are responsive to leadership. That's true of most human beings in this world, as a matter of fact, and we have to remember that that's the way to achieve progress in this country.

So, in closing, Mr. President, my commitment to you, my commitment to the folks from USDA who are here this morning, and my commitment to the folks out in farm country who are watching this program, is a very simple one: I promise you that we will put together a team at the top echelon of USDA that will be strong, competent, and energetic. And I promise you that we will provide leadership. You may not always agree with the leadership that we provide, but we're going to lead. And I hope that you'll be with us as we attempt to do that and as we work with you, Mr. President, over the next few years.

Thank you all for coming very much, and please join in the reception in just a few minutes. Thank you. Godspeed.

Note: The President spoke at 10:10 a.m. on the patio at the Department of Agriculture. He was introduced by Deputy Secretary of Agriculture Peter C. Myers. Kim Yeutter delivered the invocation.

Remarks on Afghanistan and a Question-and-Answer Session With Reporters

February 16, 1989

The President. Let me just say, I am going to hand you all, or Marlin will provide it later on, a statement on Afghanistan. I'll just give you a little summary of it at the outset here.

We support the Afghan efforts to fashion a stable, broadly based government, responsive to the needs of the Afghan people. Throughout the long, dark years of Afghanistan's occupation, the international community has been steadfast in its support of the Afghan cause, and this certainly has been true for the United States. Our commitment, the commitment of the United States to the people there, will remain; and it will remain firm, both through our bilateral humanitarian aid program and through the United Nations efforts to remove the mines and resettle the refugees and help reconstruct the war-torn economy.

So, we would call upon the Soviet Union to refrain from other forms of interference in Afghan affairs. The Soviet Union has nothing to fear from the establishment of an independent, nonaligned Afghanistan. And they do bear a certain special responsibility for healing the wounds of this war. And I would hope that the Soviet Union would generously support international efforts to rebuild Afghanistan.

And there will be a fuller statement on this later on.

Q. Were you hoping also that the rebels would not conduct a bloodbath once they get in the ascendant and really take power?

The President. Yes.

Q. I mean, it's a two-way street, isn't it? In victory, magnanimity. Is there any sense that you would like to convey that to the rebels, or do you think it's just a one-way street for the Soviets?

The President. Well, I don't think a bloodbath is in anyone's interest. And I think if we had a catalytic role, I would hope it would be, along with others, working towards reconciliation and towards a peaceful resolution now to all the problems. There's been enough of a bloodbath there. And so, I think you raise a good point, Helen [Helen Thomas, United Press International]. And, yes, I feel strongly that the time for recrimination is over, the time for bloodbaths is over. And I would like to see the various factions get together and come up with recommendations that would lead to a peaceful Afghanistan with no more bloodbaths.

Q. Mr. President, the Soviet Union is calling for an immediate cease-fire in Afghanistan and an

embargo on arms shipments. Would you go along with that idea?

The President. Here's one of the complicating factors on that call. There is some concern about what we call stockpiling; and it would not be fair to have tremendous amounts of lethal supplies left behind and then cut off support for resistance and -- thus, leaving an unacceptable imbalance. And so, before one could do anything other than appeal for peaceful resolution, which I've done, one needs to know the real facts on this question, this troublesome question of stockpiling.

Q. So, does that mean that you will continue to aid the rebels?

The President. That means we will do what we need to do to see that there is a peaceful resolution to this question, that one side does not dominate militarily, and we will be encouraging reconciliation.

Nicaragua

Q. Mr. President, what is your reaction, sir, to the action by the Central American countries yesterday that appears to undermine the standing of the contras, to say the least, and leave them in a very vulnerable position? And was your administration, as has been reported, caught off-guard on that?

The President. Let me say, Brit [Brit Hume, ABC News], on that one, that there's some positive elements of what's taking place there. There are also some troublesome elements. Positive because the Nicaraguans appear to be taking steps in accord with the Esquipulas agreements; they're talking about national reconciliation and full freedoms, including complete freedom of the press and free and fair elections and an end to subversion. To the degree that rhetoric goes forward and is enacted, that's good. But there's 90 days now in which to finalize arrangements. And what's troubling to me is that claims like this have been made at one time, only to see those claims repudiated -- promises made, promises broken. And so, I think we have to be wary of supporting any positive elements like commitments to democracy and yet say, Wait a minute, let's be sure that we not leave the resistance standing alone, leave them twisting out there without fulfillment of the commitment to democracy on the part of the Sandinistas.

So, in terms of being caught off-guard, we are in the midst of a review of our whole policy there. If you ask me would I have predicted that the five Presidents would have worked out agreement in this detail at this time, I'd have to tell you that, having talked to President Azcona, having our Secretary of State deal with two foreign ministers just recently, I think within the last 10 days, that I wouldn't have said that they'd do exactly what they did do. But as I say, there's some positive elements to it, and there's some troublesome elements.

Q. How does that note of caution, sir, translate into policy and action on your part?

The President. You mean from the future? Work here in the next 90 days with the leaders to see that there's not just some fluffy promises out there but that there's some teeth in the promise of democratization. And that is what has to be done. And so, we are going to keep our resolve to have the people of Nicaragua have what these other countries have there: democracy. And we're talking about freedom of the press, freedom of elections, freedom of worship. And it's fine to spell these things out in generalities, but now let's get down to how we proceed. What does a free and fair election mean? I want to see some certification of the election process. But we've got time now, little bit of time now, in which to make very clear that our resolve, our commitment to democracy is still there.

Q. Mr. President, how do you intend to stand by your commitment to the resistance? And might that mean a request for additional nonlethal aid, at the end of which -- --

The President. It could mean that. It could mean that. But again, I think we've got to work with this process now the best we can. But I don't think anybody would want to suggest that we would leave people with no humanitarian aid. I can't imagine anyone taking that view.

Q. Will you intend to ask Congress to approve of that aid?

The President. Well, we have some time on that, too. But I obviously want to know what the status quo is at the time. But I have every intention of seeing that these people receive humanitarian support, but how that comes about, we'll just have to wait and see.

Appointments and Nominations

Q. Mr. President, have you been dismayed at all at the slow pace of filling jobs in the State Department and, of course, in the Defense Department, elsewhere in your government? Has it slowed you down at all?

The President. I worry a little about it, but not dismayed. The ground rules have changed. I was talking yesterday to one of our appointees who I will leave -- the way you like to put it -- who asked to remain anonymous. And he told me that to fill out the forms required 36 hours, and the forms are different in different departments. I hope that this new Ethics Committee that we've got will take a look at this and try to see if we can't do better. The ground rules have changed from 8 years ago.

And there's one other substantive point here. I don't worry about it as much as I would have if I were President 8 years ago, when we came in on the wake of an administration that I was opposed to and everything. I've come in as President to build on the record of an administration of which not only I was a part of but whose objectives I strongly support. And so, the people that are running the various departments now are people who generally are good people and share

my objectives for this country. So, it's not like you're having to worry that your departments are going to be coming out with a lot of last-minute rules and regulations that will be an anathema to everything you believe in.

So, that's a substantive point. The nature of the clearance process is a substantive point. But back to your question, I do worry about it. I am concerned about it. And I'd like to see if we can't speed the system up in some way. We're getting good people to nominate. There used to be a real quick turnaround on what they call a name check, but now, under the new procedures, that takes a lot longer. So, there's some frustrations. I don't want to mislead you, but for the reasons that I gave you, I don't think it's hurting the Government. I think our Cabinet appointments -- I want to get them done as soon as possible, all of them.

Government Ethics

Q. Sir, could we take up a question you said a couple days ago: Why is it that the ethics questions get so complex in practice and yet were so simple in your campaign language? Why is it that straightforward questions of accepting outside income now require a legal opinion?

The President. Well, give me an example of what you mean ``straightforward'' about outside income. Maybe I can answer it by rhetorical question. Take the case of Lou Sullivan [Secretary of Health and Human Services-designate], who had earned a pension from a medical school, working not for exorbitant sums, as the president of a black medical college. And it is now suggested that -- if he accepts money from a pension that he earned -- that he is doing something illegal. We have other questions of that nature. Some people who are interested in being in the Government find that they have to give up medical benefits that they earned from a major company, lest it be seen that they are beholden to that major company. So, I've set the goal to have high standards, but in doing that, all kinds of cases of this nature are coming out. And I don't think that in those two cases I've given you, if the status quo remained, that that should disqualify somebody. In Lou Sullivan's case, though -- and he can't afford it -- he bends over backwards to avoid the perception that some people in politics and in the media lay on him for accepting benefits from a medical school that he worked his life for.

Q. But Baker was -- --

The President. So, these are different, these are different questions.

Q. Could we ask, however -- the perception is out there. The perception is apparent. It's why -- --

The President. Apparent to what?

Q. Apparent to anyone looking at the situation that acceptance of money in any form is acceptance of money. The question is not whether or not Mr. Sullivan deserved the money. The

question is whether or not he could accept it when you had said no members of your Cabinet would accept outside income.

The President. Earned income -- I didn't say outside income. If a person has some trust fund that pays -- blind trust that distributes funds to him, I've never said that. See, I think there are some perception problems that maybe I need to help clear up, and this gives me an opportunity here today to do it. All I say is: I want high ethical standards, but I don't want to have it so it goes so far, bends over so far backwards, that a person that knows something about a subject matter is disqualified from serving, or a person that has some means is disqualified from serving, or a man that worked his heart out building a black medical college is made to feel that there's some perception of immorality if he keeps a pension that he's earned. I worry that I may have created something that's -- certainly I know it needs clarification, and our commission will help do that. And secondly, I hope I haven't created something that just carries things too far. For one day a guy gets a ruling from the Ethics Office that a way of treating with one's asset is acceptable. It's given a stamp of approval. And then because of what you properly call perceptions, a person has to change the ground rules.

Q. But you're not thinking it was wrong for Baker to -- --

The President. No, I said I think he made the right decision. But what I think is wrong to do is to go back in retrospect and have him twisting in the wind out there because we use a 90/90 hindsight on the poor guy when he's gone far beyond what he might have done, and who -- everybody that knows Jim Baker knows that he is highly ethical. But to suggest there's a perception here that is looked at differently today, now, than used to be when he asked for a ruling from the Government Office of Ethics, that he's done something wrong, I do reject that, Helen.

Mr. Fitzwater. We're going to take a couple of more questions, if you have any other subjects.

Interest Rates and the Budget

Q. Are you concerned that the Fed is increasing interest rates at this point? And how much time do you think you have to cut a deal with Congress on budget negotiations?

The President. The best thing to do -- you coupled them just right because if we can get a -- well, I don't think the American people see that, so let me expand a little bit. The best thing to do about interest rates is to get a budget agreement. And in my view, once that's there, particularly if it's along the lines that I have suggested to the Congress, I can almost guarantee you the pressure is going to come off on the interest rates. So, that's the way to solve the problem of concern about higher interest rates. The interest rates will be lower if we can promptly get a budget agreement.

So, do I worry about it? I don't see the inflationary pressures as so bad or enough to warrant a substantially higher interest rate. I don't see that. I've looked at the economic numbers. And people, I think, like to try always -- whoever's President -- drive a wedge between the President and the Chairman of the Fed. It's one of the best fights in town. You all love it. All politicians love it. All bankers like it. All editorialists for the Wall Street Journal love it. But I want to avoid that because we aren't far apart. And I will keep in touch in my own way. Our top people here will with the Chairman of the Fed, for whom we all have great respect. And maybe we'll get into a fight down the road. But I don't think it's at hand, and I don't think Greenspan and I are far apart. And I think he would also confirm that.

NATO Unity

Q. Mr. President, West Germany wants to postpone the modernization of the shorter range missiles. Obviously, this is not the American position. They want also to open negotiations with the Soviets on that. How do you respond to that? If you don't agree with that, are you concerned by the unity of NATO?

The President. I would respond to it this way: The Secretary of State is talking to all the NATO leaders; he'll be back in town over this weekend. I will sit down here in this chair and talk to him about what he has found. In the meantime, I am inclined to feel that we are far closer to West Germany than the public perceptions might be. And I have been in touch with Helmut Kohl [Chancellor, Federal Republic of Germany], and there have been opportunities for him to express to me inordinate concerns on this question. And other German leaders have been here recently, and the Secretary of State's been there. So, I would use this opportunity to shoot down the concept that there are major divisions between ourselves and the Federal Republic on this question.

But I'm not worried about NATO unity. You always worry that you have your act totally together, and that's one of the reasons I wanted these early consultations. And then, I think now, as a result of our Secretary of State's wonderful trip over there -- and I say wonderful because he's touched a lot of bases and the cables are most encouraging along the lines of NATO unity -- that having said that, that the mood is pretty good. I don't worry too much about divisions in NATO, and I do then feel that we will be in a position with a united NATO to move forward in consultation with the Soviet Union. That's the next step, and we have certain leadership responsibilities that all of us here are prepared to accept in that regard.

Q. One last question -- --

The President. Ann [Ann McDaniel, Newsweek], and then Brit. And then I'll quit.

Iran Arms and Contra Aid Controversy

Q. It appears that the Oliver North trial will go forward next week now. Are you aware of secrets so damaging to our national security that might come out in that trial that would be so damaging that you would ask the Attorney General to halt the prosecution?

The President. I think the Attorney General knows everything I know, and I think he's handled it very well.

Q. Are you concerned about the trial going forward? Do you think national security can be -- --

The President. Not under the existing agreements.

Q. Do you think the trial -- --

The President. I think Dick Thornburgh took a very difficult question and balanced interests and has worked out an agreement that hopefully is workable. But we'll see, because there are legitimate national security interests that he is obliged to protect. And he understands this, but he also understands that the judicial system should be operative and the trial should go forward. And I think we'll just say that all parties have worked towards that end, and it looks like agreement has been reached.

Yes, last one -- Brit?

President's Budget Proposal

Q. Some congressional Democrats are now saying, sir, that you have outlined and gotten some considerable credit for a lot of spending increases while leaving open the question of where cuts would be made, particularly in an area where a kind of net freeze is being asked for. And they are saying that you really have been vague and have left it to them to do the dirty work. How do you react to that?

The President. Slowly -- [laughter] -- and very carefully. I don't think that is the informed opinion of the key leaders in Congress today. And the reason I say that is I think that Dick Darman [Chairman, Office of Management and Budget] and Nick Brady [Secretary of the Treasury] and our Chief of Staff, John Sununu, have all done a good job in not only presenting broad parameters to the Congress but have gone into a considerable amount of detail with them. And I would readily say, yes, there's a lot of negotiation that needs to be done to get all the T's crossed and every I dotted. But I don't think, Brit, that that's a commonly held view of the leadership. But if I said it was the commonly held view of the Democratic leadership -- I know it's not of the Republican -- then we will redouble our efforts to be sure they understand that there's no validity to that.

But having said that, yes, there's a lot more detail that has to be hammered out and ironed out,

and we will work with them to satisfy their interest and to find out what they want to do. It's a two-way street. And so, I'm going to start working here, getting together meetings with the leaders down the road fairly soon, and we'll have a chance to explore that. If some feel that way, it would be a good opportunity to discuss it. So, it's going better than I thought it would, and I'm pleased generally with the reception.

I said ahead of time that I didn't expect everybody would jump up and down and say this was the greatest thing since sliced bread. But for the most part, I think it's fair to point out there has been a responsible look given this budget. The Republicans have generally been enthusiastic, some reservations on the part of some. The Democrats, though not endorsing it quite as much, have seen some positive direction and some positive objectives in that budget. And so, I've been pleased with the reception to that, and I've been pleased with the reception of the savings and loan.

Both of these two were major -- I won't say hurdles -- but major things that we had to accomplish, and I think we have. We've got a good proposal out there on the savings and loan, and we've got a sound budget proposal that is not meeting with everybody's acceptance and -- or put it this way, with anybody saying what we've suggested is perfect. But there's enough solid food for thought there for the executive branch to be in a very sound position when we go into an open negotiation that we want.

And it gets right back to the overall economy. It's important that we go forward and go forward soon. And so much of the economy today is on perception as opposed to reality. This recovery is real; business is good. The insured deposits of depositors in savings and loan and banks are solid -- dollar good, strong. But there are some perceptions out there that can best be turned around by a quick, or relatively quick, resolution of the budget question. It's the firm projecting down of the deficit that will result in lower interest rates which will guarantee continuation of this, the longest expansion in our history, and continue expansion at lower rates of interest.

So, I'm not euphorically optimistic. I'm certainly not pessimistic. And I think we're off to a pretty good start. And I credit not just the Republican leaders on the Hill but the spirit that the Democratic leaders have demonstrated. And I've been very pleased with it. And I've had an opportunity to tell them that.

Gun Control

Q. Mr. President, even though there's been a cutoff, there is something called guns that is so rampant in this country -- --

The President. Helen, it's been a great pleasure. The last question -- --

Q. Why won't you answer the question, because this is one of the most clearly -- --

Mr. Fitzwater. Thank you.

The President. What was your question?

Q. The question is: Are you going to exert any leadership in trying to forestall these -- --

The President. Do you know that there are laws on the book outlining the import of AK - 47's -- automatic -- --

Q. No, I didn't.

The President. Well, see, there's a fact. So, where does that lead you? You already had laws that prohibit the import of fully automated AK - 47's. That law is on the books. So, are we talking about law enforcement? Are we talking about -- --

Q. We're talking about semiautomatic AK - 47's, sir. We're talking about semiautomatic guns.

The President. What do you mean by semi?

Q. I mean no cocking, pull the trigger, the gun fires each time I pull the trigger.

The President. Look, if you're suggesting that every pistol that can do that or every rifle should be banned, I would strongly oppose that. I would strongly go after the criminals who use these guns. But I'm not about to suggest that a semi-automated hunting rifle be banned. Absolutely not. Am I opposed to AK - 47's, fully automated? Am I in favor of supporting the law that says they shouldn't come in here? Yes. But Helen, with all her experience, didn't even know it was there. Nor did I until I looked it up. [Laughter]

Q. I don't know how you -- when did you find out? I don't know how you can read the paper every day -- 13 deaths on Valentine's Day.

The President. Exactly, which concerns me enormously.

Q. What will you do -- --

The President. When you let a guy out of jail to commit a crime like this, it's outrageous. Two of these people were people that already had -- have -- help.

Q. So, you think it's okay for people to have guns?

The President. To have guns? Yes, I do. Do I think it's all right for people to have fully automatic AK - 47's? No, I think the law should be -- --

Q. Sir, the issue is the -- in Stockton, that was a semiauto. That was not a fully automatic weapon.

The President. Well, but I've answered your question on that question. I'm not about to propose a ban on service .45's or something like that.

Q. On semiautomatics -- right?

The President. No, I'm not about to do that. And I think the answer is the criminal. Do more with the criminal. Look, the States have a lot of laws on these things. Let them enforce them. It's hard, very hard, to do. But that's my position, and I'm not going to change it.

Q. Is there nothing you can do about the murder capital of the United States? As the number one resident?

The President. Well, we need the help of all the press to do something about it.

Q. When did you find out that they were banned? Today? [Laughter]

The President. Slightly before you did, put it that way -- slightly before you did.

Note: The exchange began at 2:24 p.m. in the Oval Office at the White House. Marlin Fitzwater was the President's Press Secretary. In his remarks the President referred to Patrick Purdy who, armed with a semiautomatic AK - 47, shot and killed six schoolchildren on a playground in Stockton, CA, on January 17.

Statement on the Soviet Withdrawal From Afghanistan

February 16, 1989

Today marks the start of a new chapter in the history of Afghanistan. For the first time in over 9 years, Soviet forces no longer occupy that country. This development marks an extraordinary triumph of spirit and will by the Afghan people, and we salute them for it.

Much remains to be done, however. For the Afghan people, the struggle for self-determination goes on. We support Afghan efforts to fashion a stable, broadly based government, responsive to the needs of the Afghan people. We call upon Afghan resistance leaders to work together towards this end. As long as the resistance struggle for self-determination continues, so too will America's support.

Throughout the long, dark years of Afghanistan's occupation, the international community has been steadfast in its support of the Afghan cause. This is also true for the United States. U.S. support for the Afghan people and the subsequent Soviet military withdrawal from Afghanistan constitute a powerful example of what we Americans can accomplish when Executive and Congress, Republican and Democrat, stand together. The Government and people of Pakistan also can take particular satisfaction from this event; their courage and solidarity contributed significantly to the Afghan struggle.

Now, more than ever, the Afghan people deserve the continuing help of the international community as they begin the difficult process of reclaiming their country, resettling their people, and restoring their livelihood. The commitment of the United States to the Afghan people will remain firm, both through our bilateral humanitarian aid program and through United Nations efforts to remove mines, resettle refugees, and reconstruct Afghanistan's war-torn economy. We call upon other nations to contribute all they can and hope that the United Nations and the resistance can come to mutually acceptable arrangements for the nationwide distribution of needed food supplies.

The Soviet Union has now fulfilled its obligation to withdraw from Afghanistan. We welcome that decision. We call upon the Soviet Union to refrain from other forms of interference in Afghan affairs. The Soviet Union has nothing to fear from the establishment of an independent, nonaligned Afghanistan. At the same time, the U.S.S.R. bears special responsibility for healing the wounds of this war, and we call upon it to support generously international efforts to rebuild Afghanistan.

Written Responses to Questions Submitted by the Kyodo News Service of Japan

February 16, 1989

Japan's International Role

Q. What kind of role will the Bush administration expect Japan to play in the global economic and Western national security spheres?

The President. First of all, a word about the global role of the United States during my administration. Japan and the world can count on America to continue to work for peace, democracy, freedom, and justice around the world. The scope of America's vision is global, and we will continue to shoulder the obligations that belong to a global power.

At the same time, of course, it is important that our allies assume greater responsibility in the cause of global peace and prosperity. It is not for me to prescribe Japan's role in the world. The decision is up to the Government and people of Japan. During Prime Minister Takeshita's recent visit to Washington, he and I agreed that there are many ways Japan can contribute to global peace and prosperity. Our defense cooperation is one of those ways; another is foreign economic assistance.

I welcome Japan's pledge to make further significant increases in overseas development assistance programs. Along these lines, Prime Minister Takeshita and I agreed on the importance of supporting democracy and sustained economic growth and reform in the Philippines. Toward this end, we pledged to make every effort to launch the Multilateral Assistance Initiative for the Philippines this year. I also welcome Japan's decision to take part in peacekeeping operations and your generous offers of financial support for the relief and resettlement in Afghanistan and southern Africa. Those are also ways to contribute.

The United States and Japan, the world's two largest economies, have special responsibilities to sustain free trade. Prime Minister Takeshita reaffirmed in Washington Japan's determination to promote strong domestic growth and structural adjustments. In the area of multilateral cooperation and global economic growth, we agreed that we would continue to coordinate policies through established fora, especially the economic summit. We look forward to the next summit meeting, which will be held in Paris. We also agreed on the importance of a successful Uruguay round [multilateral trade negotiations]. And we agreed on the importance of frequent consultation at all levels on economic issues.

Japan-U.S. Relations

Q. How do you envision U.S.-Japan relations under your administration? Some of your advisers have recommended forming a ``new partnership'' with Japan. What are your feelings about this recommendation?

The President. We have used the word ``partnership'' to describe our relationship for a number of years now, and during the course of the Reagan administration, we gave new meaning to that term. Our partnership is bilateral, regional, and global. We consult frequently and cooperate closely on virtually every issue of importance. This is not a ``new partnership'' but a continuing one that has developed over 40 years of cooperation. I am confident it will continue to develop and acquire new meaning, but rather than a ``new partnership,'' it will be a continually ``renewed partnership.''

Japan's Defense Role

Q. Defense Secretary-designate Tower said Japan should extend its sealane defense beyond the present 1,000-mile limit. Do you support this view? Would you ask Japan to beef up its defense? If so, how much of its GNP should Japan allocate for defense spending?

The President. We are fully satisfied with the mutually agreed division of defense roles and missions in our security arrangements, under which Japan has primary responsibility for defending its territory, seas and skies, and sea lines of communication. We are also encouraged by Japan's continued and steady progress in improving its defense capability within the framework of those roles and missions, recognizing there is still room for greater improvement, especially in the area of sustainability. Further, we appreciate Japan's increasing contribution to the cost of maintaining U.S. forces in Japan. Rather than engage in a sterile exercise of measuring security in arbitrary terms such as GNP, the United States and Japan are putting our efforts toward a much more productive and important purpose: that of working together to attain defense capabilities which will ensure our mutual security.

Japan-U.S. Trade

Q. Would you support a U.S.-Japan free trade agreement modeled after the U.S.-Canada free trade agreement? The U.S. deficit with Japan has been on the rise again in recent months. Do you favor the yen's further appreciation against the dollar?

The President. The U.S. and Japanese Governments agree on the need to pursue multilateral and bilateral efforts to create a more open international trading system. We will stress the multilateral approach.

We are always open to new ideas. But in our view, the key now is to work hard for the success of the Uruguay round. At the recent G - 7 meeting, the financial authorities of the major countries agreed the global economic situation and outlook remain positive and that no changes

in their commitment to cooperation on exchange rate policies were needed.

During our recent meeting, Prime Minister Takeshita and I noted progress that both the United States and Japan have made toward reducing external imbalances, but we also agreed that further policy efforts are needed. The Prime Minister assured me that Japan remained determined to encourage strong domestic growth and structural reform. And I reaffirmed our strong determination to reduce our budget deficit.

Soviet-U.S. Relations

Q. A reduction of conventional arms is said to be the top priority of the Bush administration in the U.S.-Soviet arms negotiations. What is your response to President Gorbachev's announcement to cut 500,000 Soviet troops? Do you foresee a U.S.-Soviet summit by next summer?

The President. It is true that a major priority of my administration is in the area of conventional arms control. Thus we welcome and look forward to the Negotiations on Conventional Armed Forces in Europe (CFE). We, along with our NATO allies, will seek in CFE to enhance stability and security at a lower level of forces. To that end, NATO will seek the elimination of the Warsaw Pact's substantial superiority in Europe. Accordingly, we welcome the announcement of Soviet force reductions as a positive step in the right direction and look forward to the full implementation of the force cuts described by Chairman Gorbachev. Even with these reductions, however, the Warsaw Pact has far to go to correct the conventional forces imbalance in Europe.

Regarding a summit, both sides, of course, want to be well-prepared before engaging in a summit. We are in the process of reviewing elements of our policy toward the Soviet Union and consulting closely with our allies and friends to ensure that we have a sound foundation for long-term progress in East-West relations. Secretary of State Baker and Foreign Minister Shevardnadze will have several opportunities in the months ahead to begin addressing the many issues between our countries. Thus, while I am confident a summit will take place sometime in the future, it is too early to discuss a specific date.

Note: The questions and answers were released by the Office of the Press Secretary on February 22.

Written Responses to Questions Submitted by Xinhua News Agency of China

February 16, 1989

International Relations

Q. What is the general assessment on the current world situation? Since there exists a wide disagreement on whether the process of detente is irreversible, I would like to know your views on this question.

The President. I am cautiously optimistic. The one constant in today's world is change. For the most part, the direction of change is positive from the standpoint of America's values and interests. Around the globe, I see increased respect for and interest in democratic values of openness, human dignity, pluralism, democracy, individual initiative, and entrepreneurship. I see a worldwide trend toward greater recognition of the need for cooperative solutions to worldwide concerns, such as peaceful resolution of conflicts, environmental issues, and ensuring global economic growth. Balance has been restored in the international system by a Western policy of strength and realism.

Important differences based on fundamental values and interests continue to guide the policies of nations, both toward their own citizens and toward other members of the international community. Being fundamental, these differences must not be minimized, nor do they lend themselves to easy resolution. In addition, our world still is a tumultuous, dangerous place. Just as we appear to be making headway in reducing the threat of nuclear war through the arms reduction process, we must grapple with the proliferating dangers to civilized society from terrorism, the use and spread of chemical and biological weapons, together with sophisticated delivery systems, ballistic missiles, and international drug trafficking.

Yet I would argue that the world is significantly less turbulent and less dangerous today than it would otherwise be, thanks to the farsighted statesmen in recent decades. China's leaders were some of the first to contribute to this effort, and as chief of the U.S. Liaison Office in Beijing in the 1970's, I was privileged to have been part of this historic process. Today we find ever-broader acceptance of the proposition that in our increasingly interrelated world, national security cannot be achieved through military means alone. Moreover, through their own experience, more and more nations are realizing that the freeing of market forces and human creativity is the true basis for sustained prosperity and national success.

Nothing in this world is irreversible from a political, military, economic, or social perspective. That is why America's foreign policy is grounded on values that abide and a realistic determination to safeguard our interests and those of our allies and friends. Finally, I would say

that any man with 11 grandchildren is a cautious optimist by definition. He has a big stake in the future.

Arms Control

Q. With regard to disarmament, in which area do you think breakthrough will be most feasible, the nuclear, conventional, or biochemical? And it is widely reported here that your administration might slow down the SDI program. If that is the case, doesn't it mean the U.S.-Soviet talks on concluding a START agreement will be accelerated? What is the prospect of an early START agreement?

The President. The United States is committed to progress in all aspects of arms control -- nuclear, conventional, and chemical. Our goals include a strategic arms agreement which will enhance strategic stability and security; conventional arms reductions in Europe which will result in stability at lower levels of conventional forces; and a comprehensive, truly global and effectively verifiable chemical weapons ban. One cannot predict which arms control negotiations will meet with the earliest success, but I hope for significant progress in all fields. My administration is reviewing the current status of negotiations in each of these areas even as I visit your country.

Chemical weapons have been much in the news recently. Unfortunately, over the past decade, the world has witnessed an accelerated erosion of respect for international norms against the use of chemical weapons. The United States seeks to reverse this trend. Our first objective is the negotiation of a comprehensive, truly global, and effectively verifiable CW ban. In this connection, I am proud to have presented to the Geneva Conference on Disarmament (CD), in 1984, a U.S. draft treaty to ban chemical weapons, which remains the basis of the CD negotiations for such a ban. The United States is also working to stem the proliferation of CW and to restore respect for and strengthen the norms against illegal CW use. The Paris conference on chemical weapons use, held in January, was a helpful step in this regard.

In the conventional area, new negotiations on conventional armed forces in Europe will begin in Vienna in March. At present, the Warsaw Pact has a more than 2-to-1 advantage in tanks and artillery over NATO. While I welcome the recently announced Soviet conventional reductions as a step in the right direction, even with these cuts, Warsaw Pact forces will still retain substantial conventional superiority over NATO. Redressing this military imbalance in forces will be a prime objective of NATO at the upcoming talks.

In the START talks, U.S. and Soviet negotiations have made solid progress, including the development of the outline of an effective verification regime, an absolute necessity for a successful START agreement. While the strategic arms reduction process will be a major focus of my administration's review of U.S. arms control positions, the United States is committed to working toward a START agreement which will improve strategic stability and reduce the risk

of war.

As to the Strategic Defense Initiative, it is an important program which is designed to contribute to stability. We will continue our research in this area to help us understand how and when we might move in the direction of a greater reliance on defenses.

Korean Peninsula

Q. As the two parts of Korea are prepared to hold high-level talks, the protracted tensions on the peninsula seem somewhat relaxed. So, do you think the time is coming for the United States to respond positively to the DPRK's demand for the withdrawal of U.S. troops from South Korea?

The President. I am encouraged by regional trends affecting Korea, particularly China's positive role in seeking reduced tensions on the peninsula. While the atmosphere has improved somewhat, hard realities remain. North Korea has a very large standing army stationed well forward. It would be far too optimistic at this time to suggest that tensions have been reduced to the point where the deterrence provided by U.S. forces in Korea is no longer needed. At the request of the Republic of Korea, our forces are in Korea to deter aggression from the North. They will remain as long as the Government and the people of South Korea want us to remain and as long as we believe it is in the interest of peace to keep them there.

Regional Conflicts

Q. Thanks to the efforts made by the parties concerned, some hot spots in the world are cooling off. As a result, the world public opinion is focusing its attention on the Middle East and Central America, where the United States has remarkable influence. Do you intend to make some readjustment to the U.S. policies toward these two regions and more actively make use of your influence to help promote early and just solutions to the problems there?

The President. The United States continues to seek a just solution to conflicts in Central America, based on democracy, respect for human rights, and security. In El Salvador, the popularly elected government of President Duarte has worked, with our support, to institutionalize democracy, despite an organized military assault by Communist forces. There has been considerable success in curbing human rights abuses from the far right and within the military. We will continue to support the Government of El Salvador in its efforts.

In Nicaragua, the Sandinistas still seek to consolidate their totalitarian control and regional hegemony. The press and church remain harassed. Political opponents are jailed. And the economy continues in a downward spiral while the Sandinistas maintain by far the largest army in Central America. A just peace can come to Nicaragua only when the Sandinistas negotiate in good faith with the democratic resistance and the civic opposition and cease to threaten the neighboring Central America democracies.

In Central America, the United States Government continues to support the Esquipulas II agreement in all of its provisions, which include provisions calling for democratic freedom of the press; labor rights; freedom for opposition groups to organize, hold meetings, demonstrations, etc. We believe that all the commitments, including those to democracy, must be complied with if there is to be lasting peace in the region. In verifying compliance with all the principles of Esquipulas II, there also needs to be an enforcement mechanism to promote adherence to its provisions, particularly concerning democracy and cessation of support for subversive groups in the region. In this regard, economic aid to Nicaragua should be conditioned on actual performance, not just on words but deeds.

The Arab-Israeli conflict is among the most difficult of regional conflicts. The United States has long been committed to a just settlement of this dispute based on the principles embodied in UNSC Resolutions 242 and 338. Our commitment to a negotiated settlement will not waver; we will continue to work closely with the parties to forge a common basis that will facilitate negotiations among them and a durable settlement.

There are also a number of difficult and dangerous problems in the Middle East. We must find a way to deal with the missile proliferation, chemical and biological weapons, the conventional arms race, as well as other conflicts, such as Lebanon and the Gulf. These are problems in which the international community can play a leading role.

Free and Fair Trade

Q. Your country is still playing a leading role in the fields of economy and technology, but the challenges from Japan and Western Europe are getting serious. How do you evaluate the challenges, and what would you do to handle them during your tenure?

The President. The Japanese and European economies are indeed growing strongly, as are the newly industrialized economies which follow free market practices. We regard this growth as a highly positive development. It has been a priority of our foreign policy since World War II to encourage the economic development of friendly countries. We take some justified satisfaction, I think, in the current success of free and open world trading and financial systems. The vigorous competition in world markets has been, and will continue to be, a driving force for the improvement of world living standards. By keeping world markets open, we will reward those entrepreneurs and managers and workers who can adapt most quickly to changing markets. I have every confidence in American business and American labor. They will handle the challenges, and we expect to continue to be the world's leading economy.

China-U.S. Relations

Q. What do you think should be and could be done to make the current Sino-U.S. relationship,

which is healthy, even better and more solid?

The President. First let me say that I certainly agree that the current state of our relationship is healthy. Both countries have come so far since my stay in China 13 years ago. We now cooperate in many areas -- political, economic, scientific, cultural, educational, and military. U.S.-China trade is booming, and U.S. companies are making a strong and growing contribution in China. Thousands of Chinese and American students and professors are involved in educational exchanges with some of the finest institutes and universities in both our countries. American tourists are visiting China by the hundreds of thousands. And perhaps most importantly, our two governments maintain a serious and cooperative dialog on a wide range of bilateral and international issues, finding that we have many interests in common.

To improve relations further and make them more solid, I think we should build on what we have already accomplished. We need to keep up the dialog between our two governments on political issues of mutual concern: global peace, regional conflicts in Asia and elsewhere, arms control, how to combat the scourges of terrorism and drugs, and the multiple threats to the global environment. We see eye-to-eye on many of these. We also need to encourage more people-to-people contacts, which have grown so dramatically in the last decade. These promote understanding and trust.

We should also seek to expand our economic relationship. The opportunities for trade and investment between our countries are enormous. We have to find ways of taking advantage of them. To do this will require efforts on both sides. Continued steps by China to make its trade practices compatible with those of its major trading partners and remove barriers to trade and investment are important if China is to expand commerce and attract capital for its modernization. For example, improvements in intellectual property protection, a less regulated trading system, and more effective legal protections for investors could have a very favorable effect. The United States, for its part, must keep its markets open to Chinese exports and continue to give China access to advanced technology needed for modernization.

Science and technology cooperation should also expand. We have developed a unique relationship in this field. Cooperation involves some of our best scientists and most advanced technical facilities and covers a wide range of important endeavors in such fields as fusion energy, public health, and the environment. Both countries have a lot to gain from these joint activities.

Cultural and educational exchanges in other fields should grow as well. A good example of successful bilateral cooperation in education is the Management Training Center at Dalian. Since the U.S. and the Chinese Governments established the center in 1980, with the help of U.S. corporations and universities, it has produced over 2,300 graduates trained in modern business and management practices. The Dalian center has become a model for other management centers in China. It can also serve as a model for bilateral cooperation in other fields.

In addition to the positive developments in our political and economic relations, I think it is especially noteworthy that friendly cooperation is also taking place between our defense forces. We are looking forward to continuing and expanding these activities in the future.

The United States recognizes that Taiwan is an important issue for the Chinese Government and people. We are pleased to see that the growing opportunities for trade and travel between both sides of the Taiwan Strait have contributed to a climate of relaxed tensions, and hope these trends will continue. The United States is committed to abide by the three communiques of 1972, 1979, and 1982, which provide a firm basis for the further development of our relations.

One final point on building relations for the future: When differences arise between us, as they inevitably will, we need to continue to approach them in a constructive spirit. If we do, I think we will build a strong foundation for bilateral ties and see expanding cooperation in new fields that will benefit both our peoples.

Note: The questions and answers were released by the Office of the Press Secretary on February 25.

Written Responses to Questions Submitted by the Yonhap News Agency of the Republic of Korea

February 16, 1989

South Korean Foreign Relations

Q. Would you tell me your views on South Korean efforts to increase economic cooperation and political relations with Socialist countries?

The President. I support these efforts. President Roh's opening to the Soviet Union, Eastern Europe, and China is aimed at fostering world peace and understanding. Today almost every country recognizes South Korea's great economic importance. I am sure more countries in time will move from economic ties to full political and diplomatic ties with the Republic of Korea.

Conference on Korean Reunification

Q. In his address before the U.N. General Assembly in October last year, President Roh proposed a six-party conference, calling for South and North Korea, the United States, Japan, China, and the Soviet Union to discuss a peaceful reunification of the divided Korean Peninsula. What is the U.S. position on the proposal?

The President. President Roh's six-party conference idea is an imaginative, forward-looking proposal. It is another example of the Republic of Korea Government's new approach of reconciliation and accommodation in dealing with peninsular political and security problems. Obviously, such a conference would require careful preparation and a cooperative attitude by all participants.

North Korea-U.S. Relations

Q. While seeking improved relations with China and the Soviet Union, the South Korean Government has asked the United States to open its doors to the isolationist North Korea, hoping that exchanges between Washington and Pyongyang will contribute to reduction of tension on the Korean Peninsula. Have you seen any fruits of progress in U.S. efforts to help North Korea to get rid of its isolationist policy?

The President. We have long supported North-South dialog as the key to peace and reunification of the peninsula. President Roh's initiatives to that purpose in July 1988 and in his October speech at the United Nations were most welcome. In the spirit of these measures, the United States announced last October 31 some new steps to encourage private academic, cultural, and other nongovernmental exchange with North Korea. We also authorized the export of

humanitarian goods to North Korea and again authorized substantive exchanges between our diplomats in neutral settings. Since then, the United States and North Korea have had substantive contacts in Beijing on December 6 and January 24. There has been greater academic exchange between the United States and North Korea as well. Several American universities plan to host North Korean scholars this year. I do not know how far these academic and diplomatic contacts will go, but they are useful first steps.

U.S. Forces in South Korea

Q. Radical Korean students with anti-American sentiment are demanding the withdrawal of U.S. troops from South Korea. At the same time, I know that there are some American experts on northeast Asian affairs who speak of a symbolic or gradual reduction of the troops. Do you envision any possibility of the troop withdrawal in the near future in light of the security situation on the Korean Peninsula?

The President. There are no plans to reduce U.S. forces in Korea. Our soldiers, sailors, airmen, and marines are there at the request of the Republic of Korea to deter aggression from the North, and their presence contributes to the peace and stability of northeast Asia. They will remain in the Republic of Korea as long as the Government and the people of South Korea want us to remain and as long as we believe it is in the interest of peace to keep them there. Our two governments periodically review the appropriate strength and composition of U.S. forces stationed in Korea under our mutual defense treaty obligations.

South Korea-U.S. Trade

Q. The United States has continued to ask South Korea to open its markets fully for more U.S. exports. The Korean people have an understanding of U.S. efforts to reduce its large trade deficits, but they think that current U.S. pressure is excessive. I would like to hear your views on trade friction existing between the two countries.

The President. Korea has enjoyed very open access to the American market, especially in cars, consumer electronics, and machinery. This has been crucial to Korea's achievement of the world's highest economic growth rate during the last 3 years. We seek access to all world markets. A free market enhances a country's standard of living. Consumers benefit from lower prices and a wider variety of goods and services. The United States and Korea have prospered together on the strength of a free world trading system. I believe it is in Korea's self-interest to work to preserve this system. Therefore, I do not see U.S. market-opening efforts in Korea or elsewhere as excessive.

President's Trip to China

Q. Your visit to Beijing will be followed by the visit by Soviet leader Mikhail Gorbachev, which

is expected in April or May, for the first Sino-Soviet summit talks in three decades. Do you have any special reasons for your decision to go to China after attending the funeral of the late Japanese Emperor? Do your discussions with Chinese leaders include the problem of the Korean Peninsula?

The President. Having represented my country in China, I have fond memories and close ties there. Barbara and I are looking forward in a very personal way to going back to Beijing. We also have important matters to discuss with the Chinese leaders. I am sure our talks will touch on issues affecting the Korean Peninsula.

Note: The questions and answers were released by the Office of the Press Secretary on February 25.

Nomination of Elaine L. Chao To Be Deputy Secretary of Transportation

February 17, 1989

The President today announced his intention to nominate Elaine L. Chao to be Deputy Secretary of Transportation. She would succeed Mary Ann Dawson.

Since 1988 Ms. Chao has been Chairman of the Federal Maritime Commission in Washington, DC. Prior to this she was Deputy Administrator of the Maritime Administration at the Department of Transportation, 1986 - 1988. She has also served as vice president of syndications for Bank-America Capital Markets Group in San Francisco, CA, 1984 - 1986. Ms. Chao was a White House fellow in the Office of Policy Development at the White House, 1983 - 1984. From 1979 to 1983, she was senior lending officer, European banking division for Citibank, N.A., in New York City.

Ms. Chao graduated from Mount Holyoke College (A.B., 1975) and Harvard University Graduate School of Business Administration (M.B.A., 1979). Ms. Chao currently resides in Washington, DC.

Remarks to Students at Washington University in St. Louis, Missouri

February 17, 1989

Thank you, Chancellor Danforth; Chairman Liberman; our distinguished Governor, John Ashcroft; and Senator Bond; Congressman Buechner here; and to your student body president, Cynthia Homan; and other student leaders that have given me this warm reception. I really am pleased to be here, and I've looked forward to sharing this occasion with you.

Mark Twain once wrote: ``In Boston, they ask, How much does he know? In Philadelphia, Who were his parents? In New York, How much is he worth?" [Laughter] But Mark Twain was a Missourian. He would agree with me that you couldn't put a pricetag on this morning. Believe me, I'm delighted to be here, back in St. Louis and back at this university of excellence; the home of the State of Missouri; the home of ragtime and aerospace, agriculture; the State whose native sons include Omar Bradley and Harry Truman and that master linguist, Yogi Berra -- [laughter] -- the State -- oh, I love to quote Yogi. Do you remember when he said: ``Let's pair 'em off in three's"? -- [laughter] -- and, nevertheless, this State whose citizens embody the best of America and know that the heart of America is good, working, serving others, hoping and dreaming.

For 136 years your excellent university has played a part in that effort. Your community has built a pioneering effort in science and math. Your teaching, research, and soaring admission applications tell a story summed up best by two words: academic excellence. But there's another side of it, another side of the story that Washington University has to tell, a story from which all America can learn. It's a story about investing in America's future, how as students and faculty, administrators and alumni, you have shown that service and voluntarism can enrich education and enrich America. You work with the Special Olympics. Sunday's Special Olympics is but one chapter in that wonderful story. And around the Nation, other chapters are being written every day. And we're writing another chapter -- trying to -- in Washington, by opening in the White House the Office of National Service, which will lead my administration's community and national service programs. And our goal is simple: more Americans helping others by effectively serving their communities and the Nation. And these symbols, these signs around this room, I think, sum up what I talk about when I talk about a Thousand Points of Light: It is neighbor helping neighbor. It is kid helping kid. It is friends holding out their hand to other friends.

From now on, in America any definition of a successful life must include serving others -- in a child care center, the corporate boardroom, in the Rotary or Little League or a tutoring program or a church or a synagogue. Our new initiative will reflect that spirit, once called America's genius for great and generous deeds. And I take special pride in our YES, our YES program, Youth Entering Service, which I proposed last fall to encourage American youth to give of themselves to help others in need. And I'm convinced that we can help alleviate many national

problems by substantially increasing the involvement of young Americans in voluntary service. And the establishment of the YES Foundation will help lead that effort. Together, we can show that what matters in the end are not possessions. What matters is engaging in high moral principle of serving one another. And that's the story of America that we can write through voluntary service.

Eight days ago, in a joint session of Congress, I proposed a budget to complement voluntary efforts to help serve the gentler impulses of mankind. I listed four national objectives: to bring the deficit down, to invest in America's future, to find solutions to an urgent set of national priorities, and no new taxes. And our budget curbs the growth of Federal spending while providing for the most vulnerable among us. It is responsive and responsible, and it will ensure a strong and stable economy. Our budget balances social concern with fiscal sanity and leaves power in the hands of the people. It shows that we can have a government with a heart as well as a head.

And when it comes to reducing the deficit, some people say it can't be done without neglecting our urgent social needs. It can be done, but it can't be done with business as usual. Next year alone, thanks to economic growth -- it's essential we keep the economic growth going in this country -- but thanks to economic growth next year alone, Federal tax revenues under existing law will rise by more than $80 billion -- more than $80 billion in new revenues under existing law in 1 year alone. And our job is to allocate these new resources wisely: to reduce the Federal deficit by more than 40 percent, with no new taxes, and yet investing in key priorities.

Budget consultations with the Congress, as some of you may have read, are already underway; and we are making progress. And yesterday I called the five congressional leaders and invited them to come to the White House for another round of budget talks next Tuesday morning. I am committed to working closely with my friends on the Hill to help them meet the target date set by Gramm-Rudman-Hollings for an April 15th budget resolution. And together, we've got to make the process work.

There are certain priorities that demand attention. And, yes, we can afford to increase spending -- modestly, selectively, but only after tough choices are made. And we must spend enough to protect our national security, and that is a chief responsibility of every President of the United States. And certainly we must not fall back on the tax-and-spend policies of the past. But programs that can work must be protected and, in some cases, funding increased. Our budget is fair to recipients, fair to taxpayers, and fairminded in its strategy. It embodies two qualities which are always in season: the common sense that Justice Learned Hand termed ``the eventual supremacy of reason'' and America's capacity to care.

Most Americans believe that in the America of the 1990's our challenges must be met in several ways -- by government, by thousand upon thousands of other institutions, and by the people themselves working together -- or they won't be met at all. The Government's contribution is

critical, but by itself is insufficient to solve all of our national problems. And yet most Americans believe that our efforts must reach beyond government to care about our communities and to assist our neighbors. I called it, in a speech earlier on, a Thousand Points of Light; and some of the columnists have had fun with that, interpreting it as a Thousand Pints of Lite. I'm surprised you didn't get that one here in Missouri. But I think people are beginning to understand what I mean by a Thousand Points of Light. And if they'd look at these signs and talk to some of you responsible for them, I think they'd understand it without contradiction. I believe that government can be an important catalyst in that process of helping individuals, helping our communities, helping our nation.

And our budget does more, for instance, for environment, more for the space program, invests almost $2.2 billion for the National Science Foundation -- a lot of that going to universities to help basic research. It increases funding for the Head Start Program and allocates $1 billion more in additional outlays to stop the deadly scourge of drugs. We have got to fight the drug fight on two fronts -- supply and demand -- to reclaim the lives of addicts who want help, educate young people about the dangers of drugs, and then enforce our laws. All this is what I mean when I speak of investing in the future.

To minority Americans, this budget says: Education means opportunity, and bigotry will not be tolerated anywhere in the United States of America. To the homeless, this budget targets $1 billion, saying: Our nation must leave no one out. To the elderly, this budget vows: Your dignity and concerns will be respected. And to the Nation's youth, the budget says: The promise of tomorrow lies in the children of today.

Consider this: We've proposed a new child care initiative. It's not going to take care of everybody. It's targeted at low-income families. We've restored and doubled the tax deduction for adopting special-needs children. We want those kids in families of love. And even more, we've made education the Gateway Arch of the Bush administration. For our pursuit of excellence is central to the future of America; and if excellence breeds achievement, then excellence must be rewarded in grade school, in high school, and in the colleges and universities of America.

Last Thursday, I asked Congress to begin a $500 million program to reward America's best schools, merit schools, and to establish a special Presidential award for the best teachers in every State. I urged expanded use of what are known as magnet schools, giving families and students a choice in education. And I proposed a new program to encourage what we call alternative certification. It is wrong if one of you guys who graduate from this school of excellence, one of you wants to go and give of yourselves to teach in some urban area in a public school -- it is wrong to have this excellence go to waste because of some hidebound restrictions having to do with too many certifications that keep idealistic young people for [from] teaching. I want to change that and have alternative certification.

We must bring more of our best minds back to the teaching profession. And through a new program of National Science Scholars, we can inspire their students, also giving America's youth a special incentive to excel in science and mathematics. In short, I wish to achieve nationally what this university has done historically: to make excellence in learning a national way of life. Education can ennoble the American story. It's the best way to invest in our future and to make this better, more selfless, and a more tolerant world.

And, yes, in some areas, I've got to confess, I wish we did have more money to spend -- key areas like drugs and education. I will candidly admit that the Federal Government could use more resources to bring to bear on these problems. But we've had to set priorities; we've had to make the tough choices. And I believe we have set the right priorities in this budget. Ours isn't the total answer, but in this budget, we've made a good beginning. And now I've asked the Congressmen to come -- the leaders to come -- meet with me and, in a spirit of bipartisanship, get on with the Nation's business of getting a quick and early resolution to this budget crisis. And now we have work to do. There are many problems that must be solved in America today, and I remain confident that our nation can solve them. But America must go far beyond the Federal budget to achieve its goals. We've got to forge strong partnerships between all levels of government and voluntary organizations and business corporations and individuals, to lend a hand and mend a wound and help the less fortunate.

Next week, Barbara and I are going to embark on a long journey. We're going to be trying to pursue peace and friendship, a journey that's going to take us across the Pacific to Japan and China and to Korea. And we go to attend the funeral of the late Emperor and to consult with the leaders of many of America's allies and friends there in Tokyo, who will be attending those ceremonies. And my visit to China is a bit of a sentimental journey to a country where I served as America's equivalent then of Ambassador 14 or 15 years ago. And several days ago, preparing for our trip, I came across these words of an old Chinese proverb: ``One generation plants the seed; another gets the shade." Think of the investments that we make in our future as America's seeds. And we can lift hearts; we can change lives. And we can shape the 1990's, just one decade before a whole new century.

It's a tall order, but it has been the American story for over 200 years. And let's write it together. And let me say in conclusion, just being here, just seeing these symbols of voluntarism, make me absolutely convinced that if we take this spirit evident in this gym here today and then multiply it by those thousands we can do the job. Let's write the next chapter together. Thank you all for this wonderful welcome, and God bless you all. Thank you very much.

Note: The President spoke at 10:33 a.m. in the university field house. Following his remarks, the President returned to Washington, DC.

Nomination of Sidney Linn Williams To Be a Deputy United States Trade Representative

February 17, 1989

The President today announced his intention to nominate Sidney Linn Williams to be a Deputy United States Trade Representative, with the rank of Ambassador. He would succeed Alan F. Holmer.

Since 1985 Mr. Williams has been a partner with the law firm of Gibson Dunn & Crutcher in Tokyo, Japan, and Washington, DC. Prior to this he was vice president and general counsel for Sears World Trade, 1984 - 1985, and vice president and general counsel for Overseas Private Investment Corporation, 1981 - 1984. Mr. Williams practiced law with a Washington, DC, law firm from 1975 to 1981.

Mr. Williams graduated from Princeton College (B.A., 1968), Harvard Law School (J.D., 1971), and Cambridge University, Fulbright Scholarship (1972 - 1974). He is married, has two children, and resides in Yokohama, Japan, and McLean, VA.

Letter to Congressional Committee Chairmen Transmitting the Report on Appropriations for Strategic Weapons

February 17, 1989

Dear Mr. Chairman:

The provisions of the fiscal year 1989 Defense Authorization and Appropriations Acts require that I submit to the Committees on Armed Services and Appropriations of the Senate and House of Representatives a report on the ``anticipated obligations for the remainder of the fiscal year 1989 for the Small ICBM, the MX Rail Garrison program, and other ICBM Modernization programs; and the purposes those obligations are intended to accomplish." Until April 3, 1989, I anticipate obligating no more than $250 million of the $600 million appropriated for the fiscal year 1989 MX Rail Garrison program.

Between now and April 3, we will be reviewing various ICBM modernization options in the context of my recently announced national security strategy review. The modernization of our land-based strategic forces has raised a number of issues that will necessitate consultations with you and other members of Congress before any final proposals are made on this critically important matter.

Sincerely,

George Bush

Note: Identical letters were sent to Sam Nunn and Les Aspin, chairmen of the Senate and House of Representatives Committee on Armed Services, respectively, and Robert C. Byrd and Jamie L. Whitten, chairmen of the Senate and House of Representatives Committee on Appropriations, respectively.

Nomination of Rufus Hawkins Yerxa To Be a Deputy United States Trade Representative

February 17, 1989

The President today announced his intention to nominate Rufus Hawkins Yerxa to be Deputy United States Trade Representative, with the rank of Ambassador. He would succeed Michael A. Samuels.

Mr. Yerxa is the assistant chief counsel of the Committee on Ways and Means, U.S. House of Representatives, and has been the staff director of the Subcommittee on Trade, since 1984. Mr. Yerxa joined the Committee as a professional staff member in 1981. From 1977 to 1981, he was a legal adviser for the U.S. International Trade Commission.

Mr. Yerxa received his undergraduate degree from the University of Washington, his law degree from the University of Puget Sound, and a master's degree in international law from Cambridge University in England.

Statement by Press Secretary Fitzwater Concerning Secretary Baker's Report to the President on Meetings With NATO Allies

February 18, 1989

The President today, at Camp David, received a report by telephone from Secretary of State James A. Baker III on the Secretary's recent trip to NATO capitals. The President will receive a personal report from Secretary Baker at Camp David on Sunday.

President Bush asked Secretary Baker to undertake this mission in order to emphasize that the North Atlantic alliance is central to our foreign and security interests. European leaders, in turn, told the Secretary that their countries are firmly committed to the alliance as the key to the continent's past and future security.

The President reviewed at length with the Secretary a variety of issues that had been discussed with the allies, including the generally shared view that East-West relations are now clearly proceeding on the basis of the West's agenda. The President expressed his conviction that NATO unity is strong and his confidence that the allies will move together in addressing the major questions of international stability. In particular, the President noted that he looks forward to meeting with his allied counterparts at an early date to further advance the Western strategy to promote world peace and security. At the close of the Secretary's report, the President expressed appreciation to him for undertaking this very important but arduous trip and complimented him on his effective demonstration to our allies of the high value we place on a closer, cooperative relationship.

The President's News Conference

February 21, 1989

Representative Bill Grant of Florida

The President. With me is Congressman Bill Grant, from the second district of Florida, and his wife; new chairman of the Republican Party in the State of Florida, my old friend, Van Poole; and our chairman of the national committee, Lee Atwater. And I just wanted to bring Congressman Grant in here to say how pleased I am that he is switching over to become a Republican. Florida is on the move. The Nation, I think, benefits from this. And Bill can answer any questions. He has a short statement, but this is good news for our party not only in Florida; not only in the South but nationally. And I welcome him to the party.

The way it will work is: I've asked him to say a few words, and then I'm going to step back in and take a couple of questions and then turn it over to Bill for follow-on. And Lee Atwater will be with him.

Congressman Grant, welcome.

Representative Grant. Thank you, Mr. President.

The President. I'm pleased you're here under these circumstances, too.

Representative Grant. Thank you very much. Well, I'm here this morning to announce that I intend to reregister as a Republican in my hometown of Madison, Florida, this afternoon. After a period of prolonged and careful deliberation, I've determined that I can better represent the values and the priorities of north Floridians in the State of Florida as a Republican.

Please understand, I've been a Democrat all of my adult life. And I want the people who've sent me to the Congress to understand that my actions are not going to change me as a person. It will not change my heritage. This action is not going to change my values nor will it change the way that I vote. I'm registering as a Republican because I can best serve the people of Florida's second congressional district in a working partnership with this President, with this administration, and with this Republican Party. I've been assured by President Bush that he will work closely and cooperatively with me to ensure that the force of his administration is brought to bear to improve the lives of the people that I represent.

I'm reregistering as a Republican because I share this party's commitment for inclusion for all of the American people. I'm reregistering as a Republican because I share the values for which the party stands. Those values include a commitment to a strong national defense, where we're assured that our friends love us and our enemies fear us; a commitment to fair and equal

opportunity for all of the citizens of our land; and an unswerving commitment to fighting the crime and drug abuse that plague our society. I believe that these values are shared by the people that I represent, and I am convinced that I can best serve them as a Republican. And I'm proud to make this announcement today. Thank you.

The President. Now, I'll be glad to take a couple of questions. As you know, we're leaving on this trip tomorrow, and there may be some on that, which I doubt. [Laughter]

Salman Rushdie's ``The Satanic Verses''

Q. Mr. President, what's your reaction to Iran's death threat against the British author Salman Rushdie? And do you think that the British allies -- or that the Western allies should impose economic sanctions against Iran in retaliation?

The President. Well, I strongly support the EC - 12 declaration in response to the Iranian threats against Rushdie. However offensive that book may be, inciting murder and offering rewards for its perpetration are deeply offensive to the norm of civilized behavior. And our position on terrorism is well known. In the light of Iran's incitement, should any action be taken against American interests, the Government of Iran can expect to be held accountable. And so, that is my view on it, and I think the EC - 12 did the right thing.

Q. How about the economic sanctions part of it?

The President. They will be discussing that, I'm sure, but I don't know where we go from there. As you know, we have certain economic sanctions. I know I'll be talking to [French] President Mitterrand, and I expect this subject will come up, and maybe others. I'm not sure exactly of the bilaterals we're having, but it'll be a matter --

Helen [Helen Thomas, United Press International], and then we'll start moving around, trying to get to the back of the room.

Q. Yes.

U.S. Foreign Policy

Q. Basically, in a way, a question about your trip: There is a widespread perception that you don't have a foreign policy, that you have permitted the Russians to move into the vacuum in the Middle East -- you were surprised on Central America -- that your go-slow attitude really says: Let the Russians grab the ball.

The President. Well, I've never heard such outrageous hypothesis. [Laughter] The fact that the Soviets -- you fail to point out that the Soviets moved out of Afghanistan; some good things

happening. I don't worry about a trip by Mr. Shevardnadze to the Middle East. I have no worry about that.

Q. That was pre-Bush.

The President. No, it happened just this week, and they're out of there. I don't worry about that. And we have a foreign policy. We are reviewing appropriately East-West relations, the way we look at South America. But this doesn't trouble me one bit. We've established and are following on with certain principles that are out there. And I think that [Secretary of State] Jim Baker, when he came back, made very clear that the NATO alliance still looks to the United States. I'll have an opportunity to discuss a lot of things as we go on this particular trip. So, I simply don't agree with that. I really hadn't ever heard such a negative approach to foreign policy.

Q. Well, what is your Middle East policy?

The President. Middle East policy is to encourage discussions between King Hussein and the Israelis and to build on the progress that has been made already. I've already said that I think it was very useful -- the changes that the PLO [Palestine Liberation Organization] advocated. Now we want to see that there's some follow-on there.

So, the policy is set. I campaigned on what the policy is, and I think it's quite clear. The question is what specific steps we take next. And I don't want to be rushing out because Mr. Shevardnadze went to the Middle East. I'd like for the first step we take of that nature, to be a prudent step. So, the principles are there, and I think we're -- you know, we've got to now flesh that out and figure out what we do specifically.

Secretary of Defense-Designate Tower

Q. Mr. President, the FBI's final, or presumably final, report on Senator Tower is now in. You are reported to have read some of it. The Senate Committee has it. I would like to know what you got from it, and also whether you have any reason to believe that the Senate will go forward -- any reason from private conversations with members of the Armed Services Committee -- will go forward with a favorable vote on this nomination?

The President. What I got from it -- and I reviewed some of the parts that related to some of the allegations against Tower -- what I got from it was that there has been a very unfair treatment of this man by rumor and innuendo, over and over again rumors surfacing with no facts to back them up. And I saw this as a reaffirmation of what I felt all along, and that is that John Tower is qualified to be Secretary of Defense. He will be a good Secretary of Defense, although the report didn't answer that. But the allegations against him that have been hanging over this simply have been gunned down in terms of fact. And so, that's positive. And I had had a little preview -- so, when I held my thumbs up, I was glad to get that report, and I hope that the Senate will move

forthrightly on this nomination. And I don't know, Brit [Brit Hume, ABC News], where it stands. I had some of the leaders down this morning, but the only one I got to talk to on this was Bob Dole. And I'd like to see it go forward, obviously.

Q. If I might follow up -- --

The President. I've never wavered in my support for John Tower.

Q. If I could follow up, sir: There is a report in the Wall Street Journal this morning that Senator Tower promoted a Federal judgeship for the son of a man with whom he had done business to his own personal benefit. And I was wondering if that was news to you, sir, or did it trouble you in any way?

The President. I never heard such a report. And you know, one thing after another, and you're telling me something I don't know anything about.

State Representative David Duke

Q. Mr. President, does this announcement by Congressman Grant this morning overcome the embarrassment to the party of the election Saturday of David Duke, a former member of the Ku Klux Klan? You came out for his opponent in the election; so did former President Reagan. What does the party do next about David Duke?

The President. Well, I'll leave that to Lee; but I strongly support what our National Chairman, Lee Atwater, has said in this matter. And maybe there was some feeling in Metairie, Louisiana, that the President of the United States involving himself in a State legislative election was improper or overkill. I've read that, and I can't deny that. But what I can affirm is: I did what I did because of principle, and Lee has done what he's done because of principle. And this man -- his record is one of racism and bigotry -- and I'm sorry, I just felt I had to speak out. But whether it helped or hurt, I don't know.

Strategic Defense Initiative

Q. Mr. President, you said during your speech to the Joint Session of Congress that your support to the Strategic Defense Initiative was unqualified; but the Office of Management and Budget Director, Richard Darman, when he briefed on your budget, said that it was conditional on the outcome of this 90-day review that's coming up. Is it or is it not conditional, and would you rule out curtailing the program to an accidental launch protection?

The President. I'm not ruling anything in or out. I have stated my support for the principle of SDI. I have not favored what some would call premature deployment, but, on the other hand, I will be very interested in seeing what this overall review comes up with. And I'm not going to

close any doors or open any in regards to this or any other systems. We're going to have to make some tough choices on defense; I'm aware of that. And so, let's wait and see what the review produces.

Secretary of Defense-Designate Tower

Q. Mr. President, back on John Tower, if we could. You said that the process has been unfair. And I'd like to ask you specifically about Sam Nunn, who some people say will now run defense policy because John Tower has been so weakened and damaged by this drip, drip, drip of allegations.

The President. I think Sam Nunn would be the first to deny that. I think he's been fair and have so stated before.

Q. So, who's been unfair?

The President. The rumors. And he's not been promulgating a lot of endless rumors that prove to have no basis in fact -- none. So, but the idea that he will run defense policy -- I think he'd be the first to say that's not true. He will be a key player in it, and I hope that he'll be able to support Senator Tower.

Q. Is Senator Tower damaged in his ability to speak out for the Pentagon now that he's had such a lengthy process?

The President. No. Anybody that's been through this ordeal will be stronger, not weaker.

Q. But Senator Nunn is concerned about these reports of Senator Tower's drinking problems. The FBI report acknowledges that the Senator apparently did have a drinking problem in the 1970's. Do you think he's overly concerned? And why are you so convinced that this won't present a problem?

The President. Because I know Senator Tower. I've talked to a lot of people that have worked with Senator Tower. I've seen the report on Senator Tower. And I see nothing in there that would make me, if I were a Senator, vote against Senator Tower. Now, Senator Nunn, he's got to reach his own conclusions, and I think he's been fair. And I think he is approaching it in a very professional manner, but I hope he reaches the same conclusion that I've reached.

Urban Violence

Q. Mr. President, Washington, DC, and other big cities have been besieged with violence lately. Do you see any role at all that the Federal Government can play to help in that area?

The President. Well, I hope so. But certainly in Washington we have a responsibility. It's a Federal city, and a lot of the funds obviously come from the Federal Government. But there isn't any easy answer to that. And yet I campaigned strongly on enforcing existing law, on being tough on criminals, on more prison space; and I think that those things all will be caught up in our new antidrug effort that I'm looking to Bill Bennett [National Drug Control Policy Director] to lead. And so, it's a complicated problem, where everybody in the country has a stake in it. Everybody should be trying to do something about it. And, yes, I think the Federal Government has a role in that.

Q. If I may follow: Is there any Federal money for it? Is this something that you really do not have the resources to attack on the Federal level?

The President. Yes, there will be Federal money, and I wish we had more.

Q. Mr. President -- --

The President. How far do we go to be democratic here? No, that's too far. Here. [Laughter]

The Middle East

Q. Mr. President, you've said in answer to Helen's question that you wanted your first step in the Middle East to be prudent. What do you mean by a prudent step? What do you have in mind?

The President. What I have in mind is: I don't want to just send somebody charging off on a mission to counter Mr. Shevardnadze's trip to see Mubarak and others. Let's do something that's going to hopefully have results. And I'm not saying we have to know that a trip by the Secretary or instructions to an ambassador are going to result in a settled policy. Everything's settled in the Middle East, but I don't want to be stampeded by the fact that the Soviet Foreign Minister takes a trip to the Middle East. So, in my view, that's a good thing.

Q. What role do you think Mr. Shevardnadze and the Soviets could and should be playing?

The President. I think it should be a limited role, and I think that's what it's going to be. And that's exactly the way it should be, and I think the people in the Middle East feel that way. But the fact that he goes there really shouldn't be bad.

West Germany and the NATO Alliance

Q. Mr. President, if the West Germans refuse to modernize short-range weapons, will that hurt the alliance in the long run and perhaps result in the denuclearization of Europe?

The President. Too hypothetical a question, Gerry [Gerry Watson, Chicago Sun-Times] for me to answer.

Q. Mr. President, I'll ask you a Japan question.

The President. Shoot.

Foreign Investment in the U.S.

Q. With the summit starting tomorrow, how do you reassure those Americans who are afraid of Japanese economic power, who think they are buying and are owning too much of the United States economy?

The President. I tell them that the Japanese are the third largest holder of investment in the United States, behind the U.K. and the Netherlands. I tell them that it is important if we believe in open markets that people be allowed to invest here, just as I'd like to see more openness for American investors in other countries. I tell them that we have to do a better job in knocking down barriers to American products in the various markets. I tell them, don't get so concerned over foreign ownership that you undermine the securities markets in this country. We have horrendous deficits, and foreign capital joins domestic capital in financing those deficits. I also tell them I have a responsibility as President in terms of our technology, in terms of our national security, and I intend to exercise that responsibility.

Secretary of Defense-Designate Tower

Q. Yes, Mr. President, I think what concerns some people about Senator Tower is the fact that he has admitted that he had a drinking problem in the seventies, and he hasn't really had any kind of treatment program or been enrolled in any kind of treatment program. What do you say to people about the potential of a relapse?

The President. I say that there is no evidence of any kind of the disease alcoholism. None, none whatsoever. And that would be something that your question is addressed to. And I'd say that I looked at the reports with this in mind, and I didn't listen to rumors; I didn't listen to mindless allegations. I was fair enough to look at the facts. And I've known Senator Tower and known him professionally and known him as a friend, and I do not think that these charges -- that are tried and then shot down and then tried again and then shot down again -- have helped the process. And so, I am not about to make a judgment on some rumor or some innuendo. And we've looked at the facts, and I think the report speaks to the fact that a lot of the charges -- most -- well, I'd say all of these charges that we've read about have been rumor, and a lot of it vicious rumor. And, so, I am convinced that he is not only capable of doing this job but will do it in an outstanding way.

Q. Mr. President -- --

Q. Can I follow up on that?

The President. How many more we got?

Mr. Fitzwater. One more.

Q. Mr. President -- --

Q. Question.

The President. Who is that voice I hear in the back? [Laughter] Could it be Sarah McClendon? [Laughter]

Q. In the back -- --

Q. Yes, sir.

The President. Sorry, it's a democracy.

Gun Control

Q. Mr. President, I want to ask you about gun control. All over the country -- --

The President. Oh. [Laughter]

Q. -- -- the parents and the people -- now don't leave me, don't leave me. [Laughter]

The President. Sarah.

Q. All over the country, the parents now are going to city hall about this. Cleveland has just had a vote. Polls are being taken. Mothers are up in arms about this. Something is going to have to be done about stopping guns. And you say you're for them.

The President. For what?

Q. You said the other day that you were not going to be for the ban on gun control.

The President. I'd like to find some way to do something about these automated weapons. I'd like to see some way to enforce the laws that are already on the books about automated AK - 47's

coming into this country. And I'd like to find a way to be supportive of the police who are out there on the line all the time. And maybe there is some answer to it, but I also want to be the President that protects the rights of people to have arms. And that -- --

Q. So, you don't want -- --

The President. -- -- so you don't go so far that the legitimate rights on some legislation are impinged on -- --

Q. Sir, that's what we said last year, but now -- --

The President. But, Sarah, look at the laws on gun control and you'll find where some of the most stringent gun control laws exist, that weapons are procured there and weapons are used there. So, you're not going to get me to do anything other than to say, Look, I'm very concerned about this. I'd like to find a way to do something about this; and we're going to take a hard look to see what we can do about it, if anything, that would be helpful. But whenever there is a crime involving a firearm, there are various groups -- some of them quite persuasive in their logic -- that think you can ban certain kinds of guns. And I am not in that mode; I am in the mode of being deeply concerned and would like to be a part of finding a national answer to this problem.

Now we've got time for one more, right in the middle. You two fight about it.

Salman Rushdie's ``The Satanic Verses''

Q. Speaking of rights, I want to ask you if it disturbs you at all that American booksellers were intimidated into taking Mr. Rushdie's book off the shelves and if you've given any thought to some sort of Federal protection to help them defend the -- --

The President. The answer is yes. And Federal protection would be to enforce the laws that exist against people doing violence. And of course, I'm concerned about that. Who wouldn't be?

Owen [Owen Ullman, Knight-Ridder Newspapers] gets to follow up, and then I'm leaving.

Q. Follow up on that.

The President. I know there's an overwhelming -- Owen has got the last question, and I got the last word. [Laughter] Just a second -- sorry.

Q. You've been asked about Iran. My followup will be on the budget.

The President. Get out of there. [Laughter] You may ruin it for everybody, because what we're

going to do then is stay with one question. I'm thinking very hard about this, and I know that there's -- no?

Q. No.

The President. Go ahead. [Laughter]

Q. Do you plan to take any unilateral action toward Iran because of these death threats? Since Karen [Karen Hoestler, Baltimore Sun] mentioned American booksellers have had to already -- as a precaution they claim -- to remove books from their shelves, there is an American connection. And you've also been slow to speak out about that.

The President. Our Secretary of State spoke out on my behalf the other day. We're speaking out here today. My view is that we are an open society. None of us like everything that's written, but certainly people should have protection of the law if they decide to go ahead and sell a book of this nature. That's the answer I'd give to it.

And as to the Iran factor, I've just laid down how I feel in terms of this case: the Imam [Ayatollah Khomeini] exhorting people to go out and commit murder.

Q. Where's Sununu?

Q. Mr. President, about the budget -- --

Q. Mr. President, Alan Greenspan [Federal Reserve Board Chairman] has just testified on the Hill that he's going to tighten credit. President Bush, Alan Greenspan has just testified on the Hill that he's going to tighten credit.

The President. I've got to go. Thank you all.

Chief of Staff to the President

Q. Where's Sununu?

The President. Has an important meeting with an important element of the Washington press, Jerry [Gerald Boyd, New York Times].

Note: The President's third news conference began at 10:31 a.m. in the Briefing Room at the White House. Marlin Fitzwater was the President's Press Secretary.

Appointment of G. Philip Hughes as Executive Secretary of the National Security Council

February 21, 1989

The President today announced the appointment of G. Philip Hughes as Executive Secretary of the National Security Council.

Prior to assuming his current duties, Mr. Hughes served as the first Assistant Secretary of Commerce for Export Enforcement, where he was primarily responsible for directing enforcement of the provisions of the Export Administration Act. Prior to joining the Commerce Department, Mr. Hughes served as Deputy Assistant Secretary for Political-Military Affairs at the Department of State from 1986, with responsibility for policy problems involving strategic trade and technology transfer. Mr. Hughes began his tenure in the Reagan administration, serving as Vice President George Bush's Deputy Assistant for National Security Affairs from February 1981 to September 1985, when he joined the National Security Council staff as Director for Latin American Affairs. Mr. Hughes served previously as Assistant Director for Intelligence Policy in the Office of the Secretary of Defense from 1979 to 1981, as research fellow in defense policy studies at the Brookings Institution from 1978 to 1979, and as assistant analyst in the national security and international affairs division of the Congressional Budget Office from 1975 to 1977.

Mr. Hughes received a B.A. in political science from the University of Dayton in Ohio; a M.A. in law and diplomacy from the Fletcher School of Law and Diplomacy, Tufts University; and a masters of public administration degree from the Kennedy School of Government, Harvard University. He is married to the former Victoria Knipper, and they reside in Falls Church, VA.

Appointment of William L. Roper as Deputy Assistant to the President for Domestic Policy and Director of the White House Office of Policy Development

February 21, 1989

The President today announced the appointment of William L. Roper to be Deputy Assistant to the President for Domestic Policy and Director of the White House Office of Policy Development.

Since 1986 Dr. Roper has served as Administrator of the Health Care Financing Administration, Department of Health and Human Services (HHS). In this position, he has directed all Federal health care financing programs under Medicare and Medicaid. Prior to HHS, Dr. Roper served at the White House, where he was Special Assistant to the President for Health Policy from 1983 to 1986. From 1977 to 1983, Dr. Roper was health officer of the Jefferson County Department of Health in Birmingham, AL, serving also from 1981 as assistant State health officer. Between 1979 and 1983, he served in several positions on the faculty of the University of Alabama at Birmingham in the school of public health, department of pediatrics, and the graduate program in hospital and health administration. On leave from his Alabama health position, he was a White House fellow in the White House Office of Policy Development from 1982 to 1983, with responsibility for health policy.

Dr. Roper was born July 6, 1948, in Birmingham, AL. He received an associate of arts degree from Florida College in 1968; a bachelor of science degree from the University of Alabama in 1970, where he was elected to Phi Beta Kappa; a doctor of medicine degree from the University of Alabama School of Medicine in 1974, where he was president of his class all 4 years; and his M.P.H. from that institution's school of public health in 1981. He is board certified in pediatrics and in preventive medicine and is licensed to practice medicine in Alabama. Dr. Roper resides in Arlington, VA, with his wife Maryann Roper, a pediatric oncologist.

Appointment of Shirley Moore Green as Special Assistant to the President for Presidential Messages and Correspondence

February 21, 1989

The President today announced the appointment of Shirley Moore Green to be Special Assistant to the President for Presidential Messages and Correspondence.

Since July 1987 Mrs. Green has been Deputy Associate Administrator for Communications at the National Aeronautics and Space Administration. Prior to this she was Director of Public Affairs for NASA. From 1981 to 1985, Mrs. Green held the position of Deputy Press Secretary to Vice President George Bush. In that capacity, she was responsible for planning and coordinating media activities for the Vice President on domestic policy, including the Task Forces on Regulatory Relief and Drug Interdiction. She also accompanied Vice President Bush to 62 foreign countries. Mrs. Green served previously as a member of the George Bush for President campaign staff in 1979 - 80, as public affairs director for the Texas Federation of Republican Women from 1969 to 1973, on the staff of Congressman Bob Price in 1967, and on the headquarters staff of the Texas Republican Party from 1965 to 1967. She was a local campaign chairman for numerous Republican candidates in Texas, including President Gerald Ford in 1976 and James A. Baker in 1978.

Mrs. Green received a bachelor of business administration degree from the University of Texas in 1956. She is a member of the American Newswomen's Association, Women in Communications, and Executive Women in Government. Mrs. Green was born December 21, 1933. She has two daughters and resides in Washington, DC.

Message to the Congress Transmitting the Switzerland-United States Social Security Agreement

February 21, 1989

To the Congress of the United States:

Pursuant to Section 233(e)(1) of the Social Security Act, as amended by the Social Security Amendments of 1977 (P.L. 95 - 216, 42 U.S.C. 433(e)(1)), I transmit herewith the Supplementary Agreement Amending the Agreement between the United States of America and the Swiss Confederation on Social Security (``Supplementary Agreement''), which consists of two separate instruments -- a principal agreement and an administrative agreement. The Supplementary Agreement was signed at Bern on June 1, 1988.

The U.S.-Switzerland agreement is similar in objective to the social security agreements in force in Belgium, Canada, France, the Federal Republic of Germany, Italy, Norway, Spain, Sweden, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to overcome the problems of gaps in protection and of dual coverage and taxation for workers who move from one country to the other. The present Supplementary Agreement would amend the original agreement with Switzerland to update and simplify several of its provisions in view of changes in U.S. and Swiss law and to simplify the method of computing U.S. benefit amounts.

I also transmit for the information of the Congress a comprehensive report prepared by the Department of Health and Human Services, which explains the provisions of the Supplementary Agreement and the effect on social security financing as required by the same provision of the Social Security Act. I note that the Department of State and the Department of Health and Human Services have recommended the Supplementary Agreement and related documents to me.

I commend the U.S.-Switzerland Supplementary Social Security Agreement and related documents.

George Bush

The White House,

February 21, 1989.

Nomination of John D. Negroponte To Be United States Ambassador to Mexico

February 21, 1989

The President today announced his intention to nominate John D. Negroponte to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico. He would succeed Charles J. Pilliod, Jr.

Ambassador Negroponte has most recently served as Deputy Assistant to the President for National Security Affairs at the White House, 1987 - 1989. Prior to this he was Assistant Secretary of State for Oceans and Environmental and Scientific Affairs, 1985 - 1987. From 1981 to 1985, he was United States Ambassador to Honduras; Deputy Assistant Secretary of State for East Asian and Pacific Affairs, 1980 - 1981; and Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, 1977 - 1979. Ambassador Negroponte was consul general in Thessaloniki, Greece, 1975 - 1977, and counselor for political affairs in Quito, Ecuador, 1973 - 1975. From 1970 to 1973, he was a staff member for the National Security Council, and served as a member of the U.S. delegation to the Paris peace talks on Vietnam, 1968 - 1969. In 1960 he entered the Foreign Service, serving in Hong Kong and Vietnam.

Ambassador Negroponte graduated from Yale University (B.A., 1960). He was born July 21, 1939, in London, England. He is married, has two children, and resides in Washington, DC.

Remarks to Armed Forces Personnel at Elmendorf Air Force Base in Anchorage, Alaska

February 22, 1989

Thank you very much, Governor Steve Cowper and Senator Murkowski; my friend, Congressman Don Young; and Lieutenant General McInerney; and all the citizens of Alaska; all the men and women of the Armed Forces in Alaska. Thank you for this wonderful turnout.

As I climbed off the airplane, I was thinking of the Inaugural Address of President William Henry Harrison. I believe it was he who spoke for 3\1/2\ hours, or close to it, caught pneumonia, and died some 30 days later. [Laughter] I will be brief. [Laughter] But I am pleased to have this opportunity, however brief, to speak here at Elmendorf to the members of our Armed Forces, their families, and to the people of this great State.

I also want to wish a belated but nevertheless happy birthday to Alaska, this great land. What you have accomplished in your 30 years of statehood is something all Alaskans can be proud of. I thank all of you again for this very warm greeting here at Elmendorf. Elmendorf has long served as the departure point for Presidents en route to the Far East. And I want it to serve as an arrival point for a President to come fishing in this great State. But as I make my first journey to Asia as President of the United States, I'm especially pleased to draw on this fantastic support and your obvious good wishes. My only regret is that I will not have an opportunity, at least on this trip, to see Alaska in all its glory. After all, there's nothing quite like the ``Fur Rondy."

I know that it's been a bitter winter, even by Alaskan standards. As one Alaskan put it, ``It's not too bad at 45 below, but 60 below takes it out of a fellow." [Laughter] I'll take his word for it. But from what I've heard, any battle between Alaskans and the elements is no contest. The cold is no match for the vibrant sense of community that all Alaskans share. We often think of frontier values, you know, as being summed up in the phrase ``rugged individualism." Now, I'm sure Alaskans possess plenty of both. But the real frontier creed, as all of you know, is the community, and that is the key. And whether it's the Alaskan Native or the families whose forebears came here generations ago or the last-arriving newcomer from the lower 48, you stand ready to welcome all into the family of Alaskans. Adverse conditions bring out the best in Alaskans. When the temperature drops, you close ranks, pull together, pitch in; and that's the American spirit at its very best, and it's an inspiration to us all.

In the minds of most Americans, Alaska is our last frontier -- vast, untamed, with plenty of room for opportunity and optimism. And at the same time, Alaska is a vital source of energy for the Nation as a whole. Alaska's abundant resources -- in all their diversity -- are, indeed, a sacred trust. But I am convinced that our natural resources can be developed without spoiling our environment. The plan to open the coastal plain of the Arctic National Wildlife Refuge meets these twin objectives. And I know, as a businessman formerly and now as President of the

United States, that we can and must develop our energy resources for the sake of economic development and particularly for the sake of the national security of the United States. There is too much dependence on foreign oil as it is. And as a sportsman, though, with a love and respect for our country's unparalleled natural beauty, I could never support development that failed to provide adequate safeguards for land and wildlife.

And Alaska, so rich in resources, also serves as the gateway to Asia. Let me speak for a moment about this trip I'm about to embark on, our trip to the Far East. I'm here on my way to Japan for the funeral of the late Emperor. It was here, as General McInerney reminded us, here at Elmendorf in Hangar 5, that he became the first Emperor of Japan's long history to set foot outside his homeland 18 years ago.

Alaskans understand that America is as much a Pacific nation as it is an Atlantic one and that the Pacific region is of great and growing importance in international affairs. The timing of my trip is dictated by the passing of the Japanese Emperor, to whom I and other heads of government will pay our final respects. It is, as well, a measure of our respect for a valued ally and a fellow democracy that I make this trip.

In China, then, I hope to build on the friendly and stable and enduring relationship that now exists. This will be my fifth trip back since Barbara and I left there in 1975 and her sixth trip back to China since we left, that long ago. And there's something more than symbolism. That relationship is fundamental in any foreign policy equation of the United States. We don't want to take our friends for granted -- be they Japan, be they China, be they Korea -- as we wrestle with the problems that face our new Secretary of State [James A. Baker III] and General Scowcroft [Assistant to the President for National Security Affairs], who's here with me today, and this President. We wrestle with the troubled areas of the Middle East, the East-West relations -- what's going to happen in Europe, how do we handle matters south of the Rio Grande? These are important policy decisions we'll be facing, important areas. But we don't ever want to neglect our friends.

And, yes, things in the Pacific seem to be going reasonably well. But we are a Pacific power, and this visit will demonstrate that we tend to stay a Pacific power. In Korea, I'll meet leaders of a nation that is rapidly joining the ranks of the world's first-tier economies, and one where democratic institutions are gaining strength each day. And at each stop, I aim to strengthen key relationships with our friends and partners in the Pacific regions.

And finally, a word to the airmen and their families who serve here at Elmendorf, the soldiers and their families who are here today from Fort Rich. As I look around this crowd -- I'm probably leaving some people out -- but let me put it this way to all the members of the Armed Services: Your service and sacrifice deserve special notice. And from this President who proudly served in the Armed Forces for several years -- many, many years ago, I will admit -- I know that your duty is demanding. But I also know that the reward is great -- the respect and the

gratitude of your country.

And make no mistake about the importance of your task. Alaska's strategic position, at the point where the Far East and the Western Hemisphere and the Arctic meet, is proof enough that the missions you perform here are vital to our national security. You're the forward edge, the cutting edge, if you will, of our national defense. And we rely on you to keep the watch and to hold the line. And your dedication and your vigilance and your sense of duty help our nation remain safe and secure. As your Commander in Chief, I salute you. And rest assured that I will do everything in my power to see that the United States continues to prosper, continues to remain strong, continues to remain free and at peace. Thank you all, each and every one, and God bless you.

Note: The President spoke at 9:47 a.m. in Hangar 5 at the base. In his remarks, he referred to Lt. Gen. Thomas G. McInerney, Commander of the Alaska Air Command. Following his remarks, the President and Mrs. Bush traveled to Tokyo, Japan.

Nomination of John E. Robson To Be Deputy Secretary of the Treasury

February 22, 1989

The President today announced his intention to nominate John E. Robson to be Deputy Secretary of the Treasury. He would succeed M. Peter McPherson.

Since 1986 Mr. Robson has been dean and professor of management, school of business administration, at Emory University in Atlanta, GA. Prior to this he was a member of the U.S. Aviation Safety Commission, 1987 - 1988. He was president and chief executive officer for G.D. Searle & Co., 1984 - 1985; executive vice president and chief operating officer, 1983 - 1984; and executive vice president, 1977 - 1982. He also served as chairman of the U.S. Civil Aeronautics Board in Washington, DC, 1975 - 1977. From 1970 to 1975, Mr. Robson was a partner and member of the executive committee for the law firm of Sibley and Austin in Chicago, IL, and Washington, DC.

Mr. Robson received his B.A. degree from Yale University and his J.D. degree from Harvard University Law School. He served in the U.S. Army, 1955 - 1957. Mr. Robson is married and has two children.

Nomination of Robert R. Glauber To Be an Under Secretary of the Treasury

February 22, 1989

The President today announced his intention to nominate Robert R. Glauber to be an Under Secretary of the Treasury. He would succeed George D. Gould.

Dr. Glauber is currently a consultant to the Department of the Treasury in Washington, DC. Prior to this he was chairman of the advanced management program and a member of the finance department at Harvard Business School. Dr. Glauber joined the Harvard faculty in 1964 and became a full professor in 1973. He has also served as a visiting professor at Stanford University's Graduate School of Business. Dr. Glauber also served as Executive Director of President Reagan's Task Force on Market Mechanisms (1987 - 1988).

Dr. Glauber received a bachelor of arts degree from Harvard College and his doctorate in finance from Harvard Business School. He was born March 22, 1939, in New York City. He is married, has two children, and resides in Arlington, VA.

The President's News Conference in Tokyo

February 24, 1989

The President. I've got to get a ruling on whether this is a -- this is not a photo op. This is what we call a press availability, and I'll be glad to take two or three questions -- not many because we're late. But let me make a little comment, if I might, Helen [Helen Thomas, United Press International]. And then I'll be glad to take questions. This has been a very moving day in a lot of ways, and I simply want to thank our Japanese hosts, who managed this complicated logistics and put on a marvelous pageant in honor of the late Emperor, beautifully staged and beautifully carried off, on schedule, working against the elements, but nevertheless with a dignity and a ceremony that was appropriate. And I have great respect for what they did and the way in which they did it, and I am proud to have represented the United States of America here today.

Now, Helen.

Secretary of Defense-Designate Tower

Q. Well, on the question of Senator Tower, it looks like he's going down the drain. Are you going to continue to back him, or do you think he ought to pull out?

The President. I'm going to strongly continue to back Senator Tower, and I do not believe he is going down the drain. Nobody has challenged his ability and knowledge to be a good Secretary of Defense, and I'm hoping that the debate that will follow next week will clear up any questions that the Members at large may have. And so, I wish the committee vote had been different, but I have not considered any options. I stand strongly with John Tower. I know of nobody else whose knowledge in defense matters can equal his, whose knowledge of how the Hill works can equal his? So, he is my choice, my only choice, and I am standing with him.

Q. Do you still think Sam Nunn [chairman of the Senate Armed Services Committee] was fair?

Q. Why would the end result in the Senate be any different than the result in committee?

The President. Because I think they're going to have a lively public debate in the Senate.

Q. What plan do you have, sir, for trying to bring that debate around to your side?

The President. Well, I think the Republican leaders -- Bob Dole is already contemplating what to do on the Senate floor, but he knows, because I've talked to him, that when I get back -- and I will be back before the vote -- he knows that I will do whatever I can to talk to individual Members and have them know how strongly I feel about it and hopefully persuade some who have looked at evidence so far and may have a different opinion. So, there's no animosity; it's

simply a question of fighting for something I believe in.

Q. Is this purely politics in your opinion, and is Sam Nunn responsible for this personally?

The President. I wouldn't say that.

Q. Do you still think he's been fair?

Q. Is it party line? I mean, is it partisan? Is it politics?

The President. Well, is it party line when all Democrats voted one way and all Republicans voted another? I suppose without acrimony it could be said that that was a party line vote. But do I suggest that there's no chance to pick up Democrats next week? No, I don't. I believe that I can do that, and I believe that the Senators that are for it -- --

Q. You haven't got them yet.

Q. Is the honeymoon over, Mr. President?

The President. No, the honeymoon's still going fine, and I'm not going to get total agreement on every issue. I hope I can get agreement on this question. But I've never expected -- nobody's suggested they were going to do it just my way. But this one's important; it's important to our country. And I want somebody in that Defense Department that has Tower's expertise and who knows the defense mechanism as well as he does, and he's the only one that comes to mind.

Q. Mr. President, why would there be such a difference -- interpretation between -- --

Q. -- -- Senators to break with Sam Nunn?

The President. I don't know. Go ask the people that voted. I'm halfway around the world.

Q. Don't you risk an even more damaging defeat by taking it to the Senate -- --

The President. I don't look at it as defeat or victory. I look at doing what's right, supporting somebody I believe in and looking at the facts. And that's exactly what I'm doing.

Q. Do you still think Senator Nunn has been fair?

The President. I am not going to challenge Senator Nunn's motives at all. I never have, and I've never expressed anything other than my strong support on the merits after reviewing the information for Senator Tower. And that's the way I'm going to continue to do this.

Q. Have you talked to Tower at all?

The President. Since I've been over here?

Q. Since the vote.

Q. Well, since all of this has happened today.

The President. I talked to him the day before we left, but I haven't talked to him since then.

Q. Senator Nunn says that -- --

The President. I've got time for one or two more, and then I've got to go clean up and warm up and go to the next reception and keep working this diplomacy that I thought you all would be interested in.

Q. How much of a problem -- --

Q. Senator Nunn says that Tower -- --

The President. Wait just one minute, I'll just be right over there. Can't see, but I'll be there.

Q. How much of a problem has the delay in getting Senator Tower or somebody to run the Defense Department created for your review of foreign policy and your conduct of foreign policy?

The President. Well, the review is going forward. I would like to have the Secretary of Defense in place. There's no question that the Department needs a new leader. But it isn't interfering with our challenge to the Department to participate in these reviews. In fact, we've ordered a certain number of reviews -- they're going to be started. But I'm not going to mislead you. I want my Secretary of Defense in place to further these reviews, to enhance the studies that are going forward, and to have our input on these studies, to input the person that I select to be Secretary. In the meantime, I'll have to credit Will Taft, who I told the other day, I said, ``Will, you are doing a very good job, and it isn't easy." But he is doing -- yes, Lesley [Lesley Stahl, CBS News], and then please, I must go forward.

Let me get down here so I can hear this.

Q. Thank you. Senator Dole said that this vote was a real kick in the teeth to you while you're off representing the United States abroad. Do you see it that way?

The President. I see it as the Senate expressing themselves. And inasmuch as I want this man confirmed, I can't say it's a pat on the back. But on the other hand, I have no acrimony about it. I'm convinced that when the Senate gets into full debate on this that reason and logic are going to prevail. And so, I can't say I'm happy with what the committee did because I would like to have seen the same kind of approval given John Tower's nomination that was given to [Secretary of Health and Human Services] Lou Sullivan. It was widely reported that Dr. Sullivan was in serious trouble -- I've seen that over and over again. And he gets universal approval, one abstention -- very good, and I thank the Senate for that.

Now I hope that they give this due deliberation in the full Senate and they do what's right. In this instance, I think approving my nominee is right. But I have no acrimony, and I'm not going to be drawn into name calling or a political accusation here. I'm not going to do that. I've got to work with the Senate on a lot of issues. But I want them to know how strongly I feel. And I feel it's not a personal win or lose; it's what's right: who best to run the Defense Department. And that's what's at stake.

Q. Aren't you whistling in the dark?

The President. And I'm going to win this battle.

Q. Mr. President, so much of this seems to depend on different interpretations of that FBI report.

The President. It does.

Q. Obviously that'll be a factor in the Senate debate. If you see it as being in your favor and your side's favor in this, is there anything you can do to make that public, sir?

The President. Well, I'd like it to be as public as possible, the debate, because I think then there will be plenty of Senators that will want to defend Senator Tower against these allegations which I feel have been -- and I'll use the expression again -- ``gunned down." Now, clearly some have looked at the evidence, and I'm sure in their opinion they differ with me on that. But that's what a good, lively debate can do on the floor. And Senator Tower is entitled to that kind of debate on the issues -- not on hearsay. Nobody will be able to sustain an objection based simply on hearsay or on some rumor. So, that's why I look forward to a fair, open debate. And let the Senators who've made up their minds in opposition to what I'm advocating spell out for their constituents and for the country why they feel as they do. And I expect others will stand up and take a different side. That's what our process is all about. So, I don't fear it; I welcome it. I welcome it.

Q. If that report is still secret, though, sir, how are people to know who is right about it?

The President. Well, it's not secret from the Senators, and how much they refer to it, I don't know. We'll have to look into that when I get back, Brit [Brit Hume, ABC News]. I don't know

what the ground rules are on how much people can refer to those reports. But the more open it is, the better I like it. Now, whether what precedents are set, I'd have to think very carefully about that. But we're not worried about this debate.

President's Physical Condition

Q. Are you tired?

The President. I thought I'd be more tired. No, I feel like a spring colt, ready to charge.

Q. Ask us.

The President. No, now come on! [Laughter]

Note: The President's fourth news conference began at 6:30 p.m. in the U.S. Ambassador's residence.

The President's News Conference in Tokyo

February 25, 1989

The President. I have had an extremely useful set of meetings with leaders familiar with the problems and prospects of the major geographic areas of the world. And as all of you are aware, international affairs have entered an extraordinarily interesting period, a period of fluidity in which several regional problems -- Afghanistan, Cambodia, Angola, the Middle East, to name just a few -- have renewed prospect for resolution. Many of the parameters of these complex regional problems are in flux. And therefore, it is important to converse with the men and women who are the most influential leaders on the scene.

I enjoyed meeting with the European leaders. During my lunch with President Mitterrand and in discussions with President Cossiga of Italy, with the King of the Belgians, with President Soares of Portugal, King Juan Carlos of Spain, the President of the Federal Republic of Germany, Prime Minister Ozal of Turkey, I emphasized that our relationship with Europe and the North Atlantic alliance remains central to our foreign policy and our security interests. And they all assured me that their countries shared this strong commitment to the alliance and considered it the key to their past and their future security.

The meetings with the Presidents of Egypt and Israel and with the King of Jordan form part of a larger effort to bring peace to the Middle East. And I made clear the continuing readiness of the United States to facilitate this effort in a manner that's consistent with the security of Israel and the security of our Arab friends in the region as well. We discussed what new opportunities may exist for our diplomacy, the importance of moving forward to take advantage of the positive elements in the current situation.

The meeting with Prime Minister Bhutto of Pakistan, an important new leader, addressed a number of important issues, including our common interest in promoting Afghan self-determination in the aftermath now of the Soviet troop withdrawal. The emergence of democracy in Pakistan is something that we Americans all salute. Consistent with this development, we also discussed what might be done to promote greater prosperity and security in south Asia and particularly between Pakistan and India.

With the President of India we talked about the good nature of our relationship and the opportunities for improving the climate of peace in the region. He expressed to me his interest in the talks that their Prime Minister has had with the Prime Minister of Pakistan.

In my discussion with Prime Minister Chatichai of Thailand, with Lee Kwan Yew of Singapore, and President Corazon Aquino of the Philippines, we had a chance to talk about the latest developments in the area, with particular emphasis on Kampuchea, on Cambodia. What remains clear from these discussions is the absolute requirement that we maintain ASEAN [Association

of South East Asian Nations] unity and support for a political settlement in Cambodia featuring an interim government led by Prince Sihanouk, with whom I'll be meeting, I believe, in China -- I believe that's set. The goals as ever are twofold: full and permanent Vietnamese withdrawal from Cambodia and the permanent prevention of a return to power by the Khmer Rouge.

I also met with President Mobutu of Zaire. We discussed important economic issues and the new prospects for peace and self-determination in Angola and Namibia. I'll shortly be discussing the problems and opportunities of development with the President of Brazil, President Sarney, and the President of Nigeria -- I'll be meeting with him in just a few minutes.

Throughout all of our discussions on a variety of issues, I found a shared sense of satisfaction that East-West relations -- they all were interested in this -- that East-West relations are now clearly proceeding on the basis of an agenda favorable to the United States, its allies, and its friends. And as a result of my discussions, I feel more confident than ever that we and our allies will move together to promote global peace, prosperity, and security. And in all these sessions, though highly concentrated, have been very useful to me overall and have provided me with an opportunity to exchange views with many of the most important world leaders.

And then, I should add, Barbara and I and Secretary Baker had an opportunity to pay our respects just now to the new Emperor and to express to him our pleasure at being here. It was right and proper that the United States be represented in this way and to give, in a personal sense, our condolences to him, to the Empress, and to his family.

Now I'd be glad to take some questions.

Secretary of Defense-Designate Tower

Q. Mr. President, back home, the burning issue clearly is the nomination of John Tower. I understand you're going to be doing some personal lobbying when you return. With whom are you going to meet? What could you possibly tell them that they haven't heard already? And isn't this too little, too late?

The President. No, it's not too little, too late. The matter will be decided on the Senate floor. I think everybody knows I am committed to John Tower. There is no fallback; there is no option. And I'll be talking to whomever has any kind of an open mind on this question. I'll do it personally, and I'll do it as forcefully as I can. And I will encourage people to look at the facts. I heard some comment yesterday about, well, there were these perceptions out there. That's not enough. That's not a fair enough or a high enough standard when it comes to the confirmation of an important nominee of this nature. So, I have made some calls. And I will be talking to whoever, as I say, remains openminded. We'll just work our way across here.

Q. Mr. President, on the FBI report, did you think that Mr. Tower does not have a current

drinking problem? Is there any way of getting that out into the public? Are you talking about a sanitized version that you would release to the public, or maybe an unsanitized version? There's this problem of confidentiality.

The President. Well, that is the problem. And people that were asked to give interviews were assured that that testimony or that witnessing or whatever you want to call it would be confidential. And so, that presents a real problem. It doesn't present a problem for individual Senators to go take a look at the report. But in terms of your question, I had hoped there was some way of sanitizing or something, and maybe there still will be. But I was reminded that confidentiality is vital here and that the people who have been interviewed have been guaranteed such confidentiality. And I think in the long run the process is best served by that. But in short run, I would like to see every Senator personally take a look and not make up his or her mind on perception, but to do it on reality. And that, I think, is only fair.

Q. Mr. President, another subject.

The President. Hooray!

Interest Rates and Inflation

Q. I thought you might enjoy it, but we'll see. The Federal Reserve has increased the discount rate again. I'm wondering if you still feel that you and Mr. Greenspan [Federal Reserve Board Chairman] are not that far apart on how to solve our economic problems and if you think this move is going to begin to hurt your effort to reduce the deficit.

The President. Well, obviously higher interest rates are not helpful in deficit reduction. But what I would say is, this argues even more forcefully than I've been able to argue that we need to get an agreement on the budget. The sooner we get an agreement with the Senate and have the country have a budget agreement, you will see an amelioration or a lightening up on these interest rates. So, that is the only positive thing. It sends a strong signal. Let's get on with solving the problem of how we're going to bring the deficit down.

I don't think Greenspan and I are far apart. I talked to him -- what was it, just the day, I think, before we left, we talked about this. He was more concerned about, I think -- although I haven't talked to him personally on this part -- with the last CPI figures. But I don't think you can make a judgment on one month. I've gone back and looked over the ups and downs on the CPI. But look, if he's right on inflation, his concerns -- if they're a little more than mine, we should be alert to that. But I gave you my reasons on why I am not overly concerned about inflation, and I haven't changed my mind on that.

Q. The markets think we should raise the rate even more. Would you support that?

The President. I don't know that the markets think that at all.

Secretary of Defense-Designate Tower

Q. Mr. President, back on Tower. It seems to come down, really, sir, to a contest between you and your clout on this issue and that of Senator Nunn [chairman of the Armed Services Committee]. Obviously, you can't be happy with Senator Nunn's vote or his statement yesterday. And I was wondering if there comes a time, sir, when you think you might have to come out and criticize him, indeed, perhaps attacking the record for which you must feel is an unfair approach to your nomination.

The President. I don't see any point in making this personal. I have enough respect for Senator Nunn to know that he is not pursuing a frivolous course in this matter at all. And I know everyone would like to see a great confrontation and love to hold my coat and maybe hold his as we get into a big brawl, but there's no need for that. I want to talk on the merits here and encourage Senators, all of them, to take a look at the facts, not at the rumor, not at the innuendo; and therefore, there's no point getting into a fight. We're going to have to work together on a lot of other issues.

This one is important to me. And there is no pulling back as far as I'm concerned. And I have made up my mind firmly, and I'm going to fight it right through to the end. But I'm not going to then jump off and start hurling charges against any Member of the United States Senate with whom I will work constructively in the future. But I would simply ask that everybody review the evidence, and I expect Senator Nunn feels he's done that. And now I would appeal to every other Senator to do just that.

Q. Doesn't that create the possibility that Members of the Senate will see that it is not possible to attack your nominee and, indeed, you indirectly and pay no price for it?

The President. No, I don't think it raises that at all. This is just the beginning.

Q. What do you think the prospects are of winning this battle, and hasn't it really thrown a cloud over your Asian trip? They say this is the second time you've been shot down over the Pacific. [Laughter]

The President. An interesting analogy. [Laughter] I think people that are serious students of foreign policy and are interested in foreign policy objectives are not going to view this trip in the context of the flap over the John Tower nomination. I think there's much more serious points in foreign policy to be made, and if it's beclouded by some political battle back home right now, so be it. But what we're doing is laying the groundwork for the security interests of the United States, for the mutual interests of a lot of our bilateral relationship. What we've done is reemphasize the importance we place on the Japanese relationship. We're going to have, I'm

sure, fruitful discussions in China. So, I think what we're talking about here -- this turmoil over Tower and the nominating process there -- will give way, whatever the result, to the importance of this mission and the talks we've had.

Q. Do you have a head count? Do you have any possibility of winning?

The President. Well, I wouldn't be in a fight that I felt we were going to lose.

Interest Rates and Inflation

Q. Mr. President, you've said that what's happened to the interest rate sends a strong signal that we need to go down and address the deficit problem. How much danger is there, sir, that the tightening of credit will choke off economic growth and throw the economy into recession?

The President. Well, I think that Chairman Greenspan would be very wary of an interest-rate policy that would choke off growth. He is not antigrowth in order to kill inflation. That is not the Greenspan position. So, I am not worried about that. But I can't say I'm happy about the rise in interest rates. But I don't want to overstate his position, on the other hand.

Human Rights

Q. Yes, Mr. President, the U.S. has been very firm with the Soviet Union in recent years on human rights issues. Do you intend to be equally firm with the Chinese? And are you taking a list to them of dissidents? And whose cases are you interested in?

The President. I think our position is so well known to the Chinese -- indeed, they have had an opening, a glasnost, if you will, that I wouldn't have thought possible, and -- you know, if you set the clock back to when I was Ambassador there -- whether there's any specific list, I'm not familiar with that right now. I'll be briefed on the approaches we'll take as we fly to China. But I think both the Soviet Union and China know of our commitment to human rights. And it is beholden on any American President to reiterate our commitment to human rights.

Secretary of Defense-Designate Tower

Q. Mr. President, you seem quite committed then to Senator Tower in your support. But some other White House staffers seem a little bit less strong in their support. Last night, for instance, Secretary Baker gave an interview, and he said he supposed that you would go to a full floor fight. Are some of your aides suggesting to you it's time to pull the plug, that the political costs are too great to continue this?

The President. No, and obviously Secretary Baker is not. And he can speak for himself, which he does very eloquently. And so, I think you ought to be careful about interpretations. And if

you would put a name next to some of my staffers who are feeling this, I would like to kick some serious -- [laughter] -- hide on this question because I am committed. And I saw some stories out there that staffers are known to feel this and that. And I'm calmer now, Ann [Ann Compton, ABC News], than you remember from the campaign, and I'm going to remain that way. It's a whole new feeling inside. But I must confess to a certain irritation when I see comments like that that I think have no validity. Obviously, some that print them think they have validity, but let me at them. Let me at the staffers that say that. They will be history; they will be looking for another line of work. But I can't ever find them.

Q. Let me just follow up by asking: Do you have any members of your staff -- advise to you not to continue the fight for John Tower?

The President. Not one single member of my staff has said that. And maybe that's because they know how strongly I feel, but I don't think so. I think they all agree. I mean, I know all our top-level people agree that this is a fight that is important to wage, and it's one that I perceive it to be on the merits, on principle, not on rumor, not on innuendo. We cannot have a matter of this seriousness decided because, well, there used to be the perception of this or that. That isn't good enough now. It isn't fair enough. And so, I don't know of any staffers that feel that way. And yet I'm sure you have your sources, but please tell me who they are.

Q. Does that mean if Tower said, Enough, I'm worn out, that you would indulge him on -- --

The President. He's not going to do that. And I don't go into such far-fetched hypothesis.

Jerry [Gerald Boyd, New York Times]?

Emperor Hirohito's Funeral

Q. Mr. President, I'm just curious whether you, as a World War II veteran who was shot down not all that far from here, felt any sense of unease yesterday appearing before the coffin and bowing before the Emperor and the new Emperor?

The President. No, I didn't. And I can't say that in the quiet of the ceremony that my mind didn't go back to the wonder of it all, because I vividly remember my wartime experience. And I vividly remember the personal friends that were in our squadron that are no longer alive as a result of combat, a result of action. But my mind didn't dwell on that at all. And what I really thought, if there was any connection to that, is isn't it miraculous what's happened since the war. And I remember the stories, in reading as preparation for this visit -- the visit of MacArthur and the former Emperor here. That was historic, and that set a whole new direction. And MacArthur's decision at that time proved to be correct in terms of Japan's move towards democracy.

And so, I honestly can tell you that I did not dwell on that and didn't feel any sense other than my mind thinking of personal relationships and things of that nature, but nothing to do about whether it was right to be here. I was certain from the day that I committed to come here that this was correct for the United States. And perhaps having been in combat in World War II, maybe the decision was more correct; maybe it was more profound to be here. It leaves out my experience.

I'm representing the United States of America. And we're talking about a friend, and we're talking about an ally. We're talking about a nation with whom we have constructive relationships. Sure, we got some problems, but that was all overriding -- and respect for the Emperor. And remember back in World War II, if you'd have predicted that I would be here, because of the hard feeling and the symbolic nature of the problem back then of the former Emperor's standing, I would have said, ``No way." But here we are, and time moves on; and there is a very good lesson for civilized countries in all of this.

Middle East

Q. Mr. President, you referred in your opening statement to your talks with Middle East leaders and new opportunity as a positive element in the region. Can you elaborate on that and perhaps tell us when you conclude your review when you're going to take some -- --

The President. In which area are you talking about?

Q. In the Middle East?

The President. In the Middle East? Sure. You mean, what I see as positive in there? Well, I think the whole acceptance by Arafat of the conditions for talks is positive, and I think that is seen as a very positive signal in the Arab world. And I think that there's a recognition in the part of Israel that with the Intifada and the difficulties on the West Bank that something needs to be done. And I think there's a readiness on the part of other Arab States to get serious about negotiation and discussion. And I think Egypt's new standing in the area is a very important ingredient that could lead to where they could be more of a catalyst for peace. So, all of these are ingredients that I think offer opportunity. And I think everybody understands that before we just go rushing out to do something for the sake of doing something that we take a step that is prudent.

I've been in this job for 1 month, and this problem has been there for year after year after year. But when I talk about the underlying potential for peace, I think that's widely accepted now. There's still some very tough elements. You've got some radical elements in what I would say the far left of the PLO. You have a couple of countries that have not been overly constructive towards the peace movement. But that's overridden, it seems to me, by these elements that I've just described.

Interest Rates and Inflation

Q. Mr. President, you keep on saying that you and Mr. Greenspan aren't that far apart on inflation, but he keeps on nudging up interest rates. Do you think it would be advisable if the two of you got together and sat down and hashed this out?

The President. Well, we have gotten together; we haven't hashed it out in total agreement. He hasn't done it exactly my way, nor am I about to change what I've said. Ask him; I don't think we're far apart at all. We've got a little difference of interpretation at this point as to how you read the indicators on inflation, and that's the only difference we've got. We share the common objectives of needing to get the deficit down. And I still maintain we are not far apart. And I think where we have total agreement is -- regardless of what the Fed has done and regardless if I would have done that or not had I been the independent Chairman of the Fed -- we have total agreement that we need to get the budget deficit down and that that itself would be the best way to lighten up on these interest rates. So, the areas of agreement far outweigh the nuances of difference, in my view.

President's Health

Q. How do you feel?

The President. Feel all right. I've done my exercise every day. I didn't go running, but they had a bike over there, and I've been pedaling on that thing, which is very important. It really makes a difference in how I feel. I'm looking forward to the next stop on this trip. And I know that there's been a preoccupation. You've got editors, and you've got interest at home. But I'm telling you we've laid some good groundwork here. I think the Secretary of State feels that way. I think General Scowcroft, [Assistant to the President for National Security Affairs] feels that way. And that'll help us as we move along. It'll help our country as we move along now and go down the road. So, I'm encouraged so far, these talks we've had. And I'll get back and get into the fray on this other matter that seems to be overriding.

This better be the last because we have another meeting in 4 minutes.

China-U.S. Relations

Q. You said you wouldn't believe the opening that has occurred in China when you were the U.S. Envoy there. How does it feel to be back as President of the United States?

The President. Well, I don't know. But I'm looking forward to it. This will be my fifth visit back since leaving China and Barbara's sixth. And I am told that the Chinese leaders are looking forward to this return visit. I'm excited about it, and I think that the relationship with China is strong. We obviously have differences with them, and they'll have something to say about that,

I'm sure. I know I will marvel at the changes. I did on the last visit, and people have told me that just in the last 2 years there's been even more change. There is an openness in China today that I never would have predicted 15 years ago, and I can't wait to have the discussions with these top leaders because this relationship is very important. And we spend a lot of time when we're back home properly worrying about and being concerned about NATO and East-West relations, in the sense of U.S. versus Soviet; but we must never neglect our friends in the Pacific.

And this visit will be a way to talk about common objectives and hammer out the difference -- working on the differences that we may have on trade or whatever else it is. But we've passed the day on the U.S.-China relationship where anyone talks about ``playing a card.'' That was a term that was highly offensive to the Chinese, and properly so. And our relationship, the China-U.S. relationship, stands on its own in terms of cultural exchange and trade and on common strategic interests and on the way we view most of the world -- not all of it, because we have some big differences with them on some areas. But what I want to do is to strengthen that and to build on those common perceptions and to make them understand that we will never take for granted this relationship and that we will never do anything in dealing with the Soviets that would inure to the detriment of our Asian friends, be they Chinese, be they ASEAN, be they Japanese. And that's an important point to make because we're going to have some very interesting work to be done with the Soviet Union. But I think the Chinese understand that, but I will make the point that we're not going to move forward in a way that would denigrate their interests or diminish the bilateral relationship between China and the United States, that it stands on its own. So, we've passed the days of ``playing a card'' and where only discussion with China had to do with the strategic equation -- Moscow, the United States, Beijing. And it's past that now. We want to find ways to build.

So, we talk to Deng Xiaoping about this and Zhao Ziyang and Li Peng, President Yang, and then I can talk to you later on about what we might have accomplished or what big problems remain out there. The relationship is strong, and I'd like to strengthen it.

Soviet-China Relations

Q. Are you pleased to see them drawing closer to the Soviets themselves?

The President. I have no problem with this. I said this to Mr. Gorbachev before I became President. And this visit next spring is a good thing, and it's nothing detrimental to the interests of the United States in that regard. And even if there was -- I mean, we should try to go about it in my view. But there isn't. So, if the question gets into this equation: Do you worry that the Soviets and the Chinese will get back to a Khrushchev era, almost unanimity on everything? No, I don't. There's a fierce independence in China today, and they've moved out early on in terms of market incentive and in terms of -- oh, lots of things: privatization, no more communes in their agriculture, for example. And these are dramatic changes, and they haven't fully felt the effect of these changes. Now, they have some economic problems that go with fast economic change.

Inflation is concerning them, and how you handle rapid growth is concerning them, but they're moving in this market-oriented way that we think is a very good thing.

And so, I'm not concerned, John [John Cochran, NBC News], about their going back to a relationship that was almost two against one automatically. It's not that kind of a thing anymore. And I don't think that's a concern we have.

Well, thank you all very much.

Note: The President's fifth news conference began at 10:30 a.m. in the U.S. Ambassador's residence. In his remarks, he referred to Deng Xiaoping, Chairman of the Central Military Commission; Zhao Ziyang, General Secretary of the Chinese Communist Party; Li Peng, Premier of the State Council; and Yang Shangkun, President of China. Following his remarks, President Bush traveled to Beijing, China.

Toast at the Welcoming Banquet in Beijing

February 25, 1989

Well, President Yang and Premier Li, distinguished guests, Barbara and I are delighted to be returning once again to China. I first came here in 1974 and departed at the end of 1975. And since then, including this visit, I have been back five times, and Barbara six times. And each time we come, we are fascinated by the dynamic change and growth, all of which takes place against an extraordinary, unchanging backdrop of a great culture several thousand years old.

There's a Chinese proverb that says: ``One generation plants a tree; the next sits in its shade." And there's a timeless wisdom in that. But thanks to your courageous reforms -- and I don't minimize the difficulties -- the Chinese people are planting great and sturdy trees, some of which are bearing fruit right now for this generation.

Today the people of China have more opportunities to express themselves and to make important decisions in their personal and professional lives. And your new and farsighted economic program is already improving the lives of the people, as it will for generations to come. The expansion of your international relationships is also creating new possibilities for peace, prosperity, and world leadership, and the United States welcomes the enlarged role that China has taken in the world.

When I first arrived in Beijing in 1974, it was a period when our two countries were just beginning to renew contact after almost a quarter of a century of estrangement. And it wasn't easy. There were great differences between us. But in the principles of the historic Shanghai communique, signed 17 years ago this coming Monday, we found a common basis for moving beyond those differences to find our shared interests. So, together, we helped to plant a tree, and we should keep planting trees.

We value the new relationship our two countries have established with each other. Our friendship is continuing to develop, and that's good, for a relationship must be strong enough to tackle the areas of disagreement as well as those of common interest. And it must be based on respect for the individual as well as the integrity of the states. We remain firmly committed to the principles set forth in those three joint communiques that form the basis of our relationship. And based on the bedrock principle that there is but one China, we have found ways to address Taiwan constructively without rancor. We Americans have a long, historical friendship with Chinese people everywhere. In the last few years, we've seen an encouraging expansion of family contacts and travel and indirect trade and other forms of peaceful interchange across the Taiwan Strait, reflecting the interests of the Chinese people themselves. And this trend, this new environment, is consistent with America's present and longstanding interest in a peaceful resolution of the differences by the Chinese themselves.

The United States and the People's Republic of China have also found common interest in a growing economic relationship. When I came here in 1974, our two-way trade totaled about $900 million, and now it is some $14 billion. And for this we must credit the reforms China embarked upon 10 years ago under Chairman Deng Xiaoping's farsighted leadership.

And we've seen greater exchanges in education as well, with tens of thousands of Chinese students now studying in the United States, just as thousands of U.S. scholars have studied and taught in the farthest corners of China.

And we've developed an active program of military cooperation that is forging ties of friendship between our defense establishments, even as we've found a diplomatic unity in our shared opposition to policies of international aggression and domination. Our two countries, as nuclear powers, as permanent members of the United Nations Security Council, have a special responsibility for preserving world peace. We owe it to mankind to work together for peace and international stability.

The United States has pressed forward with the Soviet Union in the arms reduction process, achieving under the INF treaty an agreement to eliminate U.S. and Soviet intermediate-range nuclear missiles, on our insistence, from Asia as well as Europe. We are mindful of the danger posed to other countries by the proliferation of deadly weapon technologies, including chemical weapons, particularly in the regions of the world that are marked by conflict.

The prospect of improved relations between China and the Soviet Union inspires hope for new progress in the search for self-determination and peace for the Cambodian people and stability for Korea.

There can be little doubt that even as the people of our two countries are watching this meeting, the world as a whole is watching the larger movement of our two great nations as we build even firmer bonds across the vast ocean that joins us.

Barbara and I have had the great good fortune to travel around your vast and beautiful land as guests of the Chinese people. We went from the high plateau of Tibet to the great city of Chengdu, where we visited the home of your Tang poet Dufu and where we later personally opened the first American Consulate in the western part of the People's Republic of China. And we then had the unforgettable experience of traveling by boat through the hauntingly beautiful and historic Yangtze, the Gorges, where we relished the history of the Three Kingdoms and could almost hear the poet Li Bo's description of ``the monkeys who screamed from the two sides without stopping." And then on to Wuhan and the first bridge to span the Yangtze, and finally Guilin and the beautiful Li River, where we saw the mountains and waters of your paintings and poetry.

Barbara and I are grateful for the friendship and kindness that we have been shown over the

years by the Chinese people. And the expanding relationship between your country and ours has been a source of satisfaction to us as well. Let us continue then to work together, to plant trees together, so that the next generation, ours and yours, can sit together in the shade.

So, please, let me ask all of you to join me and Barbara in a toast: To the health of President Yang; to the health of Premier Li; to the health of Chairman Deng and General Secretary Zhao; to Barbara's and my dear close friends here tonight; and to Sino-American friendship: Ganbei. [Cheers.]

Note: The President spoke at 8:15 p.m. in the Western Hall of the Great Hall of the People.

Remarks at Chongmenwen Christian Church in Beijing

February 26, 1989

Pastor Kan and Pastor Shi and Pastor Yin, thank you, and thank this congregation for your generosity. You have met Barbara, but I want you to meet the Secretary of State of the United States. He and Barbara and I are members of the same church in Houston, Texas, in the United States. Jim Baker here, our Secretary of State.

It is a special pleasure for Barbara and me to return to this special place of worship. We have so many fond memories of our time in Beijing and the warmth of its citizens and the hospitality shown to us; the enduring friendships we made; and, yes, the place in history that those days represented. Perhaps our most quiet and personal memory is about this church. The building is different, but the church itself is the same; the spirit is the same. Our family has always felt that church is the place to seek guidance and seek strength and peace. And when you are away from home, you realize how much that means. This church, in a sense, was our home away from home. It's a little different, though. Today we came up with 20 motorcars in a motorcade, and I used to come to church on my bicycle, my Flying Pigeon. [Laughter] But it doesn't matter how you come to church; the important thing is that the feeling is the same, the feeling of being in the spirit of Jesus Christ. And, yes, our daughter, Dorothy, now the mother of two children, was baptized in this church; and that gives us a special feeling of identity and warmth.

Today the relationship between China and the United States is good. We are launching satellites together. The students of both countries study at each other's great universities. And Chinese and Americans enjoy the cultural treasures of both nations. We compete against each other on the athletic field and in the economic arena, but we compete as friends.

Much is different since Barbara and I journeyed to Beijing so many years ago, but some things have not changed, for example, what this church has represented over the years: that sense of community, family, and faith that binds us together as friends and neighbors. And in this accelerating world, that bond is a precious bond. Sometimes our problems can seem bigger than life itself, intractable and fearsome. But I am convinced that with each other, with our faith in God, we can meet any challenge, and we will.

Thank you for welcoming us back, and God bless each and every one of you. And now Barbara and I would like to make a small presentation to this church that means so much to us. This is a bigger Bible -- [laughter] -- but it comes to you with our heartfelt thanks and our love.

Note: The President spoke at 8:30 a.m. during morning prayer services. In his opening remarks, he referred to the Reverends Kan Xueqing, Shi Zesheng, and Yin Jiceng.

Remarks to American Embassy Employees in Beijing

February 26, 1989

Well, I want to thank Secretary [of State] Baker for that warm introduction and, on his behalf and mine and Barbara's and all those traveling with us, express our gratitude to each and every one of you in the Embassy. I'm proud to be greeted by the marines, proud to have been greeted before them by several of our Chinese friends, coworkers that worked with Barbara and me right in this very house.

You know, there's something about seeing familiar, friendly faces when you walk in a place that does make you feel at home, and then to see all of you. I don't know who the admin officer is here, who runs the administrative end of things, and those of you poor, suffering souls who work with him or her -- [laughter] -- but I will simply say -- it is a her. I can't see her, but they tell me it is a she. [Laughter] Please stand up. Oh, she is standing up. Sorry. [Laughter] But let me thank you from the bottom of my heart because I know something about surviving a visit from a President. We had one when I was out here, before this was an embassy. [Laughter] And I was sure glad to see him go. [Laughter] And if that wasn't enough, we survived two from Henry Kissinger. Try that one on for size. [Laughter] You think we're bad, now, listen! [Laughter]

But to the Chinese employees here and to the families and to all -- --

[At this point, the President was interrupted by a crying baby.]

Oh, it's not that bad, kid. Wait a minute; it's going to get -- [laughter]. To all of you here, really, I did want to say my special thanks. You serve a long way from home. This relationship, as I told Chairman Deng Xiaoping and others, is vital. It is absolutely essential to the foreign policy interest of the United States and, I'd say, in our own security interests as well. And so, you're doing a wonderful job for our country, and we are extraordinarily grateful to each and every one of you. And sometimes when you're halfway around the world, you expect nobody really gives much of a damn, but I do. And I care about it because I've been a part of an Embassy once, and when you've done that you know how people pull together. I have respect for the Foreign Service. I have respect for those in the military who serve abroad. And I have respect for those in the other departments that make up a great Embassy like this. And I might say, I have great respect for this Ambassador and for what he's done in building on this extraordinarily important relationship. And so, Barbara and I give our thanks to Betty and to Winston.

We're running behind schedule, and so, we've got to go off for yet another meeting. I was looking forward to this one, though, and I apologize. And part of the reason we're late is I had to stop at the International Club. I had to see those guys that I played tennis with because I read in the paper a terrible thing. Mr. Wong -- modest man that he is, and some of you may know him -- the tennis guy up here at the club, reported erroneously that he beat me regularly in tennis.

[Laughter] And this was in the New York Times. [Laughter] And I had to stop off and talk to him about that story, and so, I apologize for being late.

But let me end by saying Barbara and I are thrilled to be back here. We've had a wonderful visit. And it is more than the symbolism; it is important that we make clear to our Chinese friends that we value this relationship, that we're going to work to strengthen it. And once again, that's where all of you come in.

So, thank you, and God bless each and every one of you for what you're doing for the greatest, the freest, and the best country on the face of the Earth: the United States of America. Thank you all.

Note: The President spoke at 1:55 p.m. at the U.S. Ambassador's residence. In his remarks, he referred to Administrative Officer Dorothy Sampas, Ambassador Winston Lord, and Mrs. Betty Lord.

Interview With Chinese Television Journalists in Beijing

February 26, 1989

China-U.S. Relations

Q. Mr. President, I'm sure millions of Chinese people are watching this program now. I wonder if you would like to say a few words to them first.

The President. Well, I do have an opening statement, but first let me thank you for this unique opportunity. It's a great honor for me to be the first American President to speak to the Chinese people in a live broadcast. And I feel as if I were talking to old friends who, while out of sight, have never, never been out of heart and mind.

Fourteen years ago, Barbara and I came to your beautiful land when I was, as you said, Chief of the United States Liaison Office. And for us, returning to Beijing is a homecoming. Our work here was a source of great personal satisfaction, a happy, challenging time in our lives. And we actually went to church here; indeed, our daughter was baptized in our faith here. And we rode bicycles down the hutongs [narrow streets] of Beijing and came to have a general feeling of affection for the Chinese people. And we knew then that the relationship that we would establish between our two nations would be a special one indeed.

And we were right. Today the bridges that started with the Shanghai communique years ago -- today that relationship has joined our peoples together in friendship and respect. And our two countries continue to weave an increasingly rich fabric of relations through our expanding trade and cultural and scientific exchange. American students study at many of your finest universities, and we welcome thousands of Chinese students and researchers to educational institutions in the United States. The understanding and friendship that these students have developed will only help to improve and deepen relations between our two countries in the years ahead.

I've spoken to the American people about a new breeze blowing in the world today. And there's a worldwide movement toward greater freedom: freedom of human creativity and freedom of economic opportunity. And we've all begun to feel the winds of change sweep us toward an exciting and challenging new century. These winds -- new, sometimes gentle, sometimes strong and powerful. China was one of the first nations to feel this new breeze, and like a tree in a winter wind, you've learned to bend and adapt to new ways and new ideas and reform.

Many challenges lie before our two nations. And together, we must find political solutions to regional conflicts. We must foster global growth. And together, in order to make life better for

future generations, we must seek solutions to worldwide concerns, such as our planet's environment, the threat to all people from international terror, the use and spread of chemical and biological weapons, and international drug trafficking. I know your leaders share with me a determination to solve these and other problems, and as President of the United States, I look forward to continuing to work closely with them as I have done in the past.

The Americans and Chinese share many things, but perhaps none is more important than our strong sense of family. Just a few weeks ago, Barbara and I were blessed by a new grandchild. And when I think of her and I think of the beautiful children of China, my commitment to peace is renewed and reaffirmed.

I am confident that when future generations of Chinese and Americans look back upon this time they'll say that the winds of change blew favorably upon our lands. Thank you for your friendship, your hospitality, and the many warm memories of this wonderful country that Barbara and I take with us as we return tomorrow to the United States. Thank you all.

Q. Mr. President, you've been in office for just a month, and many people are probably surprised that you've decided to come to China so soon. Why now?

The President. Now because, you see, I view the relationship between China and the United States as highly significant, as one of the very most important relationships that we have. And so, it has a lot to do with bilateralism, with our trade and our cultural exchanges and what I said here about the children. But it's more than that. It really has, because of China's importance and ours, a lot to do with world peace. And so, before much time went by, I wanted to reaffirm the importance that the United States places on this bilateral relationship, and I wanted to pledge to the Chinese leaders -- and I've met the top four leaders in the last day and a half -- that this relationship will grow and it will prosper. And we have economic problems, and China has some. But together we're going to solve them, and we're going to move forward.

Q. Well, this is your second day in China. How do you assess your time here? What specifically have you achieved on this trip?

The President. Well, really it's been a period to -- just in that short period of time -- to visit with the Chinese leadership and Chairman Deng Xiaoping and others -- Zhao Ziyang and Li Peng, Chairman Yang -- all of these men giving a lot of their time to explain the reforms in China, the new directions that China is taking in world affairs. We had an interesting exchange on the forthcoming visit of General Secretary Gorbachev coming here. And it is important that they understand what I'm thinking in terms of the Middle East or the subcontinent or our relations with the Soviet Union on arms control, and it's important I understand theirs. So, it hasn't been a visit that has three points on an agenda. It's a visit with a much broader perspective and a reaffirmation of a relationship that's strong.

Q. Mr. President, you know perhaps as well as anyone about the development of relations between your country and China. How would you say that relationship contributes to world peace and development?

The President. Well, I think it contributes a lot, because in the first place, we in the United States have a disproportionate responsibility for discussions on strategic weapons, for example, and we want to go forward with the Soviet Union, in this instance, on negotiations. But we don't want to do that in a way that would jeopardize the interests of any other country. And so, in that one area, we can have discussions with the Chinese, just as our Secretary of State, Jim Baker, had with the European leaders.

Another area is the economy. And we have some economic problems at home, and I wanted to assure the Chinese leaders that I am going to do my level best to get our deficit down. The Chinese people might say, Well, what in the world does that have to do with me living in Beijing or down in Shanghai or out further in the countryside? Well, the economies of the world are interlocked in a way. And if I can do my job properly, that might mean lower interest rates. And what does that mean to the average man on the street in China? That might mean that eventually his goods come to him at a lower price. So, I just come back to the fact that the visit is a chance to explore in depth the complicated international relationships and to build on this bilateral relationship.

China-U.S. Trade

Q. Well, it's said there's vast potential in strengthening both the economic and technological cooperation between China and the United States. How do we best tap that potential, and how do we overcome problems such as the restrictions on the transfer of technology?

The President. Well, in the first place, I had an opportunity just a minute ago -- I was almost late for your program because I was talking to Zhao Ziyang, a very impressive leader, about the economy and about reforms. We congratulate the Chinese leaders in the steps they've taken towards economic reform.

Now, in terms of something technical like technological exchange, I made clear to the Chinese leaders, particularly in a conversation with Li Peng, that we are prepared to go the extra mile in terms of investment, in terms of business, exports and imports. You know, when I was here in China 15 years ago, total trade was $800 million. And now, depending on how one accounts for it, we would say we would use a figure of $14 billion. So, we're going to move forward. We will advance technology to China as much as we possibly can under what is known as the COCOM [Coordinating Committee for Multilateral Export Security Controls] arrangement. There are some highly sensitive, highly sophisticated military technologies that I'm not even sure China is interested in, but that we are prohibited from exporting under the law. Having said that, we have exported some highly sophisticated technology to China, and as President, I want to continue to

do that. And that will benefit the life of the average Chinese citizen.

We're in an information society in many ways in the United States, and clearly that is going to come to China -- computer knowledge and education techniques that are coming to the average Chinese kid from computers. And we've been blessed by advanced technology, and now we want to share it as much as we can.

Q. Well, you know there are reforms in China right now -- --

The President. I know it.

Q. -- -- and the Chinese Government is trying to attract more foreign investment. So, does your administration have or plan to have any specific measures to encourage American businesses to invest in China?

The President. Well, we had a chance to talk about that here today with the Chinese leaders, and I did point out to them that there are certain things that we'd like to see China move forward on that would enhance further investment here. I'd like to see an investment treaty between the two countries of some sort -- an agreement, not a treaty but a bilateral agreement on trade. We -- like we do not just with China but many other countries -- talk about copyright and patent protection, and yet I find on this visit that China is moving forward with a new patent code and now drafting copyright legislation, which would be very helpful.

So, there are some artificial barriers. And the good thing about a visit like this is we can sit and talk to the leaders in a dispassionate way. And where they disagree with me, they will tell me, and where I disagree with them, I'm obliged to tell them. And that's what a good frank relationship can do.

But I told them that I must work to get the budget deficit in the United States now, because that does have an adverse impact on international interest rates. So, there are things that we can do, and there were things that I've asked China to do in terms of facilitating business. Sometimes I think your country is as bad as mine is on red tape. And to get the best flow of investment, China needs to do better on red tape, and so do we. It's a two-way street.

Q. Well, I've got more questions -- --

The President. Go ahead.

Q. -- -- but the time is up.

The President. Oh, dear.

Q. And I'm afraid you have another important activity right after this, so we have to end this interview right now.

Thank you very much, Mr. President. It's been a pleasure to have you here.

The President. Well, this has been a unique opportunity. And let me just conclude my part of your broadcast by again saying as President of the United States, the growing relationship between China and the United States is vital to my country. It is important to my country. And I hope it will benefit the people in China. I am confident that it will, and I know it will benefit world peace as well.

Q. Thank you very much, Mr. President.

The President. Thank you, ma'am.

Note: The interview began at 6:02 p.m. at the CCTV Studios. In his remarks, the President referred to Zhao Ziyang, General Secretary of the Chinese Communist Party; Deng Xiaoping, Chairman of the Central Military Commission; Li Peng, Premier of the State Council, and Yang Shangkun, President of China. Following his remarks, the President traveled to Seoul, Republic of Korea.

Statement by Press Secretary Fitzwater on the President's Trip to China

February 27, 1989

The President and Mrs. Bush were delighted by the warm reception in China. The entire range of Chinese leadership met with the President, showing their respect for him personally and for the United States. The luncheon hosted by Chairman Deng Xiaoping and the President's live appearance on Chinese national television were both quite unusual and underscored the Chinese appreciation for the trip.

The President feels the visit was successful in several ways. Both countries underscored their desire to move forward on bilateral issues, noting our bilateral trade level up from $10 - 14 billion, more Chinese students in the United States, a developing military relationship, and a large and growing science and technology relationship. The President expects both countries to move forward in all of these areas.

There are problems on both sides, of course. They are concerned about Taiwan and what they consider to be excessive United States export controls. In addition, we hope for more progress in human rights.

The President felt the talks on international issues went very well, especially the discussions on Cambodia. Both China and the United States agreed the liberalization of China's investment regulations is desirable, and the Chinese are pursuing this approach. The Chinese said they had completed a patent law and are working on a new copyright law, both of which are necessary to protect intellectual property rights.

The President and Mrs. Bush also shared a personal excitement about the private aspects of the trip. They were especially moved by the Sunday morning church service, the warmth of the Chinese people, and the many changes that have been made in Chinese society in recent years.

Remarks Following a Meeting With President Roh Tae Woo in Seoul

February 27, 1989

Well, President Roh and I had very useful, wide-ranging discussions. We reviewed the political situation in this part of the world. I told him about my China visit, and we had a chance to review our relations with the Soviet Union as well. We are both pleased by trends toward relaxations of tension in this part of the world. President Roh's nordpolitik -- reaching out to China, the Soviets, and Eastern Europe -- and his initiatives toward North Korea contributed importantly to these trends.

The U.S. fully supports Korea's creative diplomacy. Despite such positive policies, some hard realities remain. Among these is that North Korea maintains the world's fifth largest military force, a force deployed just 25 miles north of here. And the United States remains committed to the security and freedom of the Republic of Korea. And I had an opportunity to make that point very clearly to President Roh. Perhaps some of the confidence-building measures that we've proposed, measures that have worked well in Europe, will also be applied to the Korean Peninsula.

Besides the diplomatic and security issues, we discussed ways to strengthen the free world economic system. We had a frank discussion of economic problems -- Korea being a very important trading partner with the United States. Korea has benefited from U.S. open markets, and I think we both agree we need to move as quickly as possible to fully open markets. We must expect fair access to the markets here. And I believe that President Roh understands that.

But all and all, the trip has been too short. The hospitality has been wonderful. And inasmuch as I do not want to make the Assembly mad -- the elected leaders in the various parties that represent Korea's democracy -- we should go.

But thank you, Mr. President, very much for an unforgettable visit.

Note: President Bush spoke at 2:49 p.m. at the Blue House, the official residence of President Roh.

Remarks to the National Assembly in Seoul

February 27, 1989

Thank you, Mr. Speaker. Thank you, and I hold out my hand to you, to the Government of Korea, and to the people of Korea. Mr. Speaker and Members of the National Assembly of the Republic of Korea and distinguished guests, I am honored by your invitation to address this body today. I stand in your Assembly as Presidents Eisenhower, Johnson, and Reagan have stood before me. And I reaffirm, as they did, America's support, friendship, and respect for the Republic of Korea and its people.

As a former Member of a body like this, of the House of Representatives of the United States, I take particular pleasure in coming back to this legislative chamber, where the freely elected representatives of Korea's own democratic success story meet to debate and implement the will of the Korean people. I know there must be times when this body, just like the United States Congress, is full of noise and contention and emotion. But that is the sound of democracy at work, and we wouldn't have it any other way. As the great statesman Winston Churchill once said: ``Democracy is the worst form of government except for all others."

This is my first major address on foreign soil since becoming the 41st President of the United States of America. And my visit here today reflects the importance that I place on the relations between our two countries, the strength of our nations' ties, and the promise that our relationship holds for the future of the world. My inauguration as President a month ago represented a tradition in the United States that speaks of both continuity and change. Continuity and change will also be the guideposts of relations between the United States and Korea in the years ahead. Where change is needed or inevitable, let us be a positive force for change. Where continuity is our mandate, let us go forward, resolute in our commitment to freedom and democracy. Throughout, let our close economic and strategic relationship remain as it is: a pillar of peace in East Asia.

I first came to the Asian Pacific region during World War II, more than 45 years ago. I was a teenager, 19 years old. I was flying torpedo bombers in the United States Navy. It was then, for the first time in my life, that I truly appreciated the value of freedom and the price that we pay to keep it. Believe me, I have never forgotten.

In the early years following World War II, the future of Korea and of all Asia was very much in doubt. It was a time of great struggle between Korea's hope for freedom, Korea's hope for prosperity, and the twin menaces of war and invasion. On a June morning in 1950, the Communist army of the North smashed into the Republic of Korea, intent on destroying your nation. And without hesitation or delay, American and U.N. forces rushed to your aid. And together, Americans and Koreans fought side by side for your right to determine your own future. And I do remember the devastation of your country. Your cities lay in rubble. Your

factories were in shambles. Millions of your people wandered the streets homeless and hungry. And in 1951, in the midst of the war, General Douglas MacArthur addressed a joint session of our Congress. And he spoke of Korea, saying, ``The magnificence of the courage and fortitude of the Korean people defies description." And as he spoke those words,

our Congress interrupted him with applause, sustained applause, for you and your people.

And after the war, you overcame every imaginable hardship. History will long record your story: how in less than a generation you stepped into the light of liberty and economic opportunity. You can be proud of the miracle that you've achieved. And we are proud to be associated with you.

Today Korea is a rising nation; a vibrant, dynamic nation; a nation riding the crest of the wave of the future. And never before has the pride and the progress of your nation been more evident than last summer when this magnificent city played host to the 24th Olympic games. Nearly 10,000 athletes from 160 nations were here. Another 3 billion people watched on television. And what they saw from the moment Sohn Kee Chung carried the torch into your Olympic Stadium until the last embers of the Olympic flame were extinguished at the closing ceremonies was an incredibly spectacular sports festival. You played host to the world, and what a truly gracious host you were. Congratulations!

The past several years have witnessed the emergence of the entire Asian-Pacific region. My trip -- beginning in Japan, stopping in China, and concluding here in Korea -- stands as testimony to the reality and what it means to the future of the world. Today Asia is one of the most dynamic areas on Earth -- economically, politically, diplomatically. The Republic of Korea stands at the fore. You're a world-class economic power. Your commitment to democracy is demonstrated daily right here in this chamber. And your bold diplomacy, your nordpolitik [South Korean contact with Socialist States], is reshaping relations in and beyond the Asia-Pacific region.

In my meetings with Prime Minister Takeshita of Japan, China's Deng Xiaoping and the three other top leaders, and with you and your leaders, I've discussed challenging bilateral, global, and regional issues. And our discussions have been marked at all times by a spirit of friendship and cooperation.

I've come here today as the leader of a faithful friend and a dependable ally. And I'm here today to ensure that we continue to work together in all things. Our most important mission together is to maintain the freedom and democracy that you fought so hard to win. As President, I am committed to maintaining American forces in Korea, and I'm committed to support our Mutual Defense Treaty. There are no plans to reduce U.S. forces in Korea. Our soldiers and airmen are there at the request of the Republic of Korea to deter aggression from the North, and their presence contributes to the peace and stability of northeast Asia. And they will remain in the Republic of Korea as long as they are needed and as long as we believe it is in the interest of

peace to keep them there.

In the years ahead, we must work together as equal partners to meet the evolving security needs of the Korean Peninsula. Peace through strength is a policy that has served the security interests of our two nations well. And we must complement deterrence with an active diplomacy in search of dialog with our adversaries, including North Korea. The American people share your goal of peaceful unification on terms acceptable to the Korean people. It's for that reason that we actively support the peaceful initiatives of President Roh to build bridges to the North. And I will work closely with the President to coordinate our efforts to draw the North toward practical, peaceful, and productive dialog to ensure that our policies are complementary and mutually reinforcing.

I've spoken of the need for vigilance, strength, and diplomacy to deter aggression and preserve peace. There's another source of strength, and it is well-represented in this Assembly. The development of democratic political institutions is the surest means to build the national consensus that is the foundation of true security.

Just as we must work together to achieve better security within a democratic framework, we must also work together to achieve greater economic prosperity within the system of free and open international trade. The progress of the Korean economy is an inspiration for developing countries throughout the world. By unleashing the energies and creativity of your talented people, you've led Korea into an era of unprecedented opportunity and prosperity. Korea has become an industrial power, a major trading power, and a first-class competitor. You are fulfilling the prophecy of the Indian poet Tagore who wrote: ``Korea, once a bright light of the golden age of Asia, if it is relit, it will be the light of the East." Korea has achieved great prosperity through participation in the international trading system that has made the nations of free Asia the envy of the world. And all Koreans can take pride in what you, as a people, have achieved.

And yet we also cannot overlook that your economic success has created concern in the management of our bilateral economic relations. For the American people and for the Korean people, as well, reducing our bilateral trade imbalance will be both a challenge and an opportunity. The challenge will be to resist the calls for protectionism; the opportunity will be to expand the prosperity of both our countries. And we both, you and I, have a lot at stake. You are our seventh largest trading partner, larger than many of our traditional European trading partners, and our trade is growing. The United States is both Korea's largest market and second largest source of imports. And we're also a leading source of the investment and technology that you will need to fuel further economic growth and development.

Korea's economy has benefited greatly from the free flow of trade. And yet today, in many countries, there is a call for greater protectionism. And I'm asking you to join the United States in rejecting these short-sighted pleas. Protectionism is fool's gold. Protectionism may seem to be

the easy way out but is really the quickest way down. And nothing will stop the engine of Korea's economic growth faster than new barriers to international trade.

We've made progress in this area. American exports to Korea are up. Korean tariffs are down, and its nontariff barriers are down, too. And the service sector is opening. And let me be candid. I want you to have this direct from me. If we are to keep our bilateral relationship growing even stronger, much more needs to be done. And I am confident that our two nations working together can accomplish the tasks still before us.

As one of the world's major trading powers, the Republic of Korea sets an example for other nations who are watching what you do. As an emerging economic leader, you inevitably shoulder important responsibilities to ensure the continued strength and stability of the global marketplace. You, the representatives of the Korean people, will face the challenge to improve living standards, to continue to open domestic markets, and to adopt appropriate international financial and exchange rate policies that reflect your standing as a prosperous and powerful trading nation. The United States shares similar responsibilities for the well-being of the world economy. Our two peoples should, at all times, bear in mind that our trading system is truly an international joint venture and that we share a special responsibility for its continued success.

My friends -- and we are truly friends -- I began today by talking about my inauguration as the new President of the United States of America just a few short weeks ago. The tradition of passing the torch of leadership from one American President to another is a time when we celebrate the strength of our democracy and a time when we renew our commitment to the values on which it is built. Today I am renewing my commitment to you, as the leader of one sovereign state to the elected legislative body of another. I am renewing my commitment to you to work together for the good of our peoples and of all humanity.

And as I reflect over the last 40 years of Asian history, the trend is remarkably positive. At the end of the Second World War, Asia lay in ruins. Through the 1950's and the 1960's, the forces of radical revolution at times appeared to be the wave of the future. And now, in the 1980's, human aspirations for basic political and economic freedoms have become almost universal. And as we gather here in your National Assembly, these aspirations are no longer a far-off dream for your great country, for Korea. Instead, through your devotion and hard work, they've become a reality, and we celebrate your triumph. In the years ahead, the United States will stand with you against the forces of oppression and for the forces of peace, prosperity, independence, and democracy.

And so, on behalf of my wife, Barbara; of our Secretary of State, Jim Baker, who is with me here today; and others, our leaders in our government, I came to observe, I came to reaffirm. And from the bottom of my heart, I thank you for the warmth and the hospitality you have bestowed upon all of us. Thank you, and God bless you all.

Note: The President spoke at 4:01 p.m. in the National Assembly Hall. In his opening remarks, he referred to Kim Jaison, Speaker of the National Assembly. Following his remarks, the President returned to Washington, DC.

Remarks Upon Returning From a Trip to the Far East

February 27, 1989

Let me just say that it's great to be back home again at the conclusion of a productive and rewarding trip to Japan, China, and Korea, a trip which underscored that America is and will remain a Pacific power.

There were important symbols. I'll never forget that solemn moment when we paid our nation's respect to the late Emperor of Japan, and the warm and genuine handshakes between old friends in Beijing's Great Hall of the People, the opportunity for the freely elected leader of a 200-year-old nation to address the freely elected legislature of a blossoming democracy, Korea.

But we laid out an important substantive course: thoughtful and candid conversations with world leaders, over 20 of them, leaders from Asia -- China, Japan, Korea, Thailand, Singapore, India, Pakistan, and the Philippines -- and our allies from Europe -- France, Belgium, Italy, Portugal, Turkey, Germany, and Spain -- and leaders from the Middle East -- Egypt, Israel, and Jordan -- and the Presidents of Brazil, Nigeria, and Zaire. And so, I return tonight pleased with the progress made toward lasting and mutually beneficial relationships with our allies and friends. Of course, differences remain. Work is yet to be done: opening foreign markets to U.S. competition, continuing to encourage the growth of democracy and human rights, and strengthening of our alliances. But common ground was found.

In Japan, we have our most important Asian ally and one of our largest trading partners. Our discussions there emphasized the responsibilities we share in the field of defense. But we also spoke of ways in which the world's strongest and most innovative economies can cooperate more closely to fuel growth not only at home but also in the developing world.

In China, I talked with the leaders that I'd known nearly 15 years ago, when I served as Chief of the U.S. Liaison Office. And it is clear from my trip that China approaches its thaw with the Soviets with caution and realism. We agreed that the Soviets must be judged not by their rhetoric but by their actions, such as whether the Soviet Union actually draws down its military forces along China's border and persists in encouraging Vietnam to completely withdraw from Cambodia. We also agreed that after Cambodia has achieved a genuine end to Vietnam's occupation, free elections should be held under a coalition government led by Prince Sihanouk, with whom I met in Beijing. The United States remains committed to a result that precludes a return to power by the Khmer Rouge. And the Chinese leaders appreciate our concern and are willing to work toward a peaceful coalition.

On the final leg of my journey I went to Korea, where I saw both democracy and economic liberty work in a country whose security is assured by our joint efforts in vigilance. Thirty years ago such progress was unimaginable, and it stands as a testament to the Korean people and our

commitment to them.

From these 4 days of intensive discussions, I return with one especially vivid impression: The world looks to America for leadership not just because we're militarily strong, not just because we have the world's largest economy, but because the ideas we have championed are now dominant. Freedom and democracy, openness, and the prosperity that derives from individual initiatives in the free marketplace -- these ideas, once thought to be strictly American, have now become the goals of mankind all over Asia.

The success of our nation's foreign policy is the responsibility of the President, with the counsel and support of the Congress. And this important trip has only underscored for me what can be achieved through a strong and bipartisan working relationship between the White House and Congress. I'm anxious to sit down with congressional leadership to brief them on details of these critical visits, and together we must ensure that this initial success is only a first step down a long path of peace and understanding with our friends and allies. If common ground can be found halfway around the world in the shadow of Mt. Fuji, the historic Great Hall of the People, or the garden of Korea's Blue House, surely it can be found at home among men and women of common purpose. We must respect each other and join together as one in pursuing a foreign policy that ensures the security of our country, its economic opportunity, and freedom and individual rights around the world.

It's great to be home. God bless the United States of America. Thank you all very much.

Note: The President spoke at 6:34 p.m. on the tarmac of Andrews Air Force Base in Camp Springs, MD.

Statement on the United Nations Human Rights Commission Report on Cuba

February 27, 1989

I wish to express my support for the U.N. Human Rights Commission's report on human rights in Cuba. We find the report full, balanced, and objective. Consideration of Cuba marks a watershed in the U.N. treatment of human rights abuses. For too long, the U.N. has focused on small countries which lack extensive support within the organization. Many of those countries today are either functioning democracies or have taken significant steps on the road toward full democracy. Meanwhile, longstanding violators of human rights have enjoyed immunity from scrutiny and have even fostered human rights investigations into other countries.

For more than 30 years, the people of Cuba have languished under a regime which has distinguished itself as one of the most repressive in the world. Last year the international community won an important victory when the U.N. Human Rights Commission decided to conduct a full investigation into the situation in Cuba. The report which was released in Geneva is based on firsthand testimony about persistent violations of human rights in that country and is the culmination of that investigation.

The United States firmly believes that this report should begin a long-term effort to bring about true and lasting changes in the Cuban Government's performance on human rights. In the year since the U.N. Human Rights Commission decided to investigate Cuba, there have been slight and superficial improvements. But much more needs to be done before the Cuban people can truly be said to enjoy the rights guaranteed them by the Universal Declaration of Human Rights. I call upon other members of the Commission and all countries that value freedom to maintain pressure on the Cuban Government by continuing U.N. monitoring of the human rights situation in Cuba. The people of Cuba and oppressed people everywhere look to the U.N. as their last best hope. We must not disappoint them.

Remarks and a Question-and-Answer Session With Reporters Following a Cabinet Meeting

February 28, 1989

Bookstore Bombings

The President. I have a brief statement. But lest there be any confusion about this occasion, this is what we called a modified press availability, unlike a photo op in which I do not take questions and will not take questions. So, this is a change, and I've explained this and asked the indulgence of our Cabinet, with whom we've just had an opportunity to brief and to talk about the trip that Secretary Baker and I and others are just back from. So, we've had a full meeting. But let me just read a statement relevant to current events here.

A press building in New York City and two bookstores in Berkeley have been targets today of bomb attacks. And while the details surrounding these incidents and the motives of those who carried them out are still unclear, I think that it is important to take this occasion to state where the U.S. Government and, I'm convinced, the American people stand on violence and on our rights. This country was founded on the principles of free speech and religious tolerance. And we fought throughout our history to protect these principles. And I want to make unequivocally clear that the United States will not tolerate any assault on these rights of American citizens. Should it appear that any Federal laws have been violated in these bombing attacks, I've asked Dick Thornburgh, our able Attorney General here, to use all of the resources of the FBI and all other appropriate resources of this government to identify and bring to justice those responsible.

We don't yet know if the bombings are related to the book ``The Satanic Verses." But let me be clear: Anyone undertaking acts of intimidation or violence aimed at the author, the publishers, or the distributors of ``The Satanic Verses" will be prosecuted to the maximum extent of the law. And, yes, some of the Muslim faith can interpret that book as highly offensive, and I can be sensitive to that, but we cannot and will not condone violence and lawlessness in this country. And I think our citizens need to know how strongly I feel about that.

I'll be glad to take a couple of questions before we have to go on to other -- --

Human Rights

Q. Mr. President, the Chinese Foreign Ministry has been suggesting that the incident involving Mr. Fang could have been avoided if the guest list for your dinner had been presented to them in advance. As a matter of policy, do you believe when you invite dissidents from countries to a social event that you should clear in advance with the host Government?

The President. No, and I think they understand that. They may have a point, that it might have been avoided; but that's not the whole question when it comes to the United States commitment to human rights.

Secretary of Defense-Designate Tower

Q. Mr. President, do you have any reason to believe that you will get the five votes or more necessary to get the Tower nomination through?

The President. I'm working hard at it, and I hope so, and all of us are. I am committed. I'm committed on two grounds, and I've just told my Cabinet this. One of them has to do with who best to run the Pentagon, and I haven't heard one single voice challenge this man's knowledge and his ability. And I've known John Tower a long time -- longer than many that are criticizing him out there in various walks of life. And so, who best to do the job that I want done and that the country needs done.

And then the second one is America's innate sense of fairplay. There's a certain fairness, and I don't believe anybody should be pilloried on the basis of unfounded rumor. And so, if somebody has a specific objection, fine, they have every right in the world to state it. But I don't think it is fair to permit perception to be the guideline. And therefore, I will continue to fight for this man that I believe in.

Q. Have you picked up any Democratic Senators?

The President. Who knows?

Note: The President spoke at 2:40 p.m. in the Cabinet Room at the White House.

Nomination of Jack Callihan Parnell To Be Deputy Secretary of Agriculture

February 28, 1989

The President today announced his intention to nominate Jack Callihan Parnell to be Deputy Secretary of Agriculture. He would succeed Peter C. Myers.

Since 1987 Mr. Parnell has been director of the California Department of Food and Agriculture. Prior to this he was director of the California Department of Fish and Game, 1984 - 1987. From 1966 to 1983, he was a pedigree livestock auctioneer. He was also owner and publisher of the California Cattleman's Magazine, 1966 - 1972, and field editor for Pacific Stockman and Stockman Weekly, 1964 - 1966. Mr. Parnell has also managed and operated diversified agricultural operations.

Mr. Parnell attended Healds Business College in San Francisco, CA, and Sacramento City College. He was born May 7, 1935, in Leavenworth, WA. He is married, has three children, and resides in Auburn, CA.

Nomination of Constance Horner To Be Under Secretary of Health and Human Services

February 28, 1989

The President today announced his intention to nominate Constance Horner to be Under Secretary of Health and Human Services. She would succeed Donald M. Newman.

Since 1985 Mrs. Horner has been Director of the Office of Personnel Management in Washington, DC. Prior to this, she was Associate Director for Economics and Government in the Office of Management and Budget, 1983 - 1985; Director of VISTA and Acting Associate Director of ACTION, 1982 - 1983; and Deputy Assistant Director for Policy, Planning, and Evaluation of ACTION, 1981 - 1982. Mrs. Horner was a member of the Department of Education transition team in the Office of the President-Elect, 1980 - 1981. She currently serves as a Commissioner on White House fellowships and on the President's Commission on Executive Exchange.

Mrs. Horner graduated from the University of Pennsylvania (B.A., 1964) and the University of Chicago (M.A., 1967). She is married, has two children, and resides in Washington, DC.

Nomination of Mary Sheila Gall To Be an Assistant Secretary of Health and Human Services

February 28, 1989

The President today announced his intention to nominate Mary Sheila Gall to be an Assistant Secretary of Health and Human Services (Human Development Services). She would succeed Sydney J. Olson.

Since 1987 Miss Gall has been Chair of the President's Task Force on Adoption, and Counselor to the Director of the United States Office of Personnel Management, 1986 - present. Prior to this she was Deputy Domestic Policy Adviser in the Office of the Vice President, 1981 - 1986. She was a senior legislative analyst at the House Republican Study Committee, 1980 - 1981; a member of the Reagan-Bush Presidential campaign and transition team, 1980 - 1981; and director of research for the George Bush for President campaign, 1979 - 1980. From 1971 to 1979, Miss Gall served in various legislative positions on the staffs of several Members of the Senate and House of Representatives.

Miss Gall graduated from Rosary Hill College in Buffalo, NY. She has two children and resides in Arlington, VA.

Appointment of Debra Rae Anderson as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs

February 28, 1989

The President today announced his intention to appoint Debra Rae Anderson as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs.

Since January 1977 Miss Anderson has been a State representative in the South Dakota House of Representatives. In that capacity, she has served as speaker of the house, assistant majority whip, and chairman of the health and welfare committee. Miss Anderson was also named Legislator of the Year in 1987 by the National Republican Legislators' Association. She also served as executive director of the George Bush for President campaign in South Dakota.

Miss Anderson graduated from Augustana College (B.A., 1971). She was born June 13, 1949, in Watertown, SD.

Message to the Congress Transmitting the Annual Reports on Highway and Motor Vehicle Safety

February 28, 1989

To the Congress of the United States:

The Highway Safety Act and the National Traffic and Motor Vehicle Safety Act, both enacted in 1966, initiated a national effort to reduce traffic deaths and injuries and require annual reports on the administration of the Acts. This is the 21st year that these reports have been prepared.

The report on motor vehicle safety includes the annual reporting requirement in Title I of the Motor Vehicle Information and Cost Savings Act of 1972 (bumper standards).

In the Highway Safety Acts of 1973, 1976, and 1978, the Congress expressed its special interest in certain aspects of traffic safety that are addressed in the volume on highway safety.

The national outrage against drunk drivers, combined with growing safety belt use and voluntary cooperation we have received from all sectors of American life, have brought about even more improvements in traffic safety.

In addition, despite large increases in the number of drivers and vehicles, the Federal standards and programs for motor vehicle and highway safety instituted since 1966 have contributed to a significant reduction in the fatality rate per 100 million miles of travel. The rate decreased from 5.5 in the mid-60's to the 1987 level of 2.4, the lowest in our history.

The important progress we have made is, of course, no consolation to the relatives and friends of those 46,386 people who, despite the safety advances and greater public awareness, lost their lives in 1987. But it is indicative of the positive trend established toward making our roads safer.

The loss of approximately 127 lives per day on our Nation's highways is still too high. Also, with the increasing motor vehicle travel, we are faced with the threat of an even higher number of traffic fatalities. Therefore, there is a continuing need for effective motor vehicle and highway safety programs.

We will continue to pursue highway and motor vehicle safety programs that are most effective in reducing deaths and injuries. We are convinced that significant progress in traffic safety can be achieved through the combined efforts of government, industry, and the public.

George Bush

The White House,

February 28, 1989.

Nomination of Douglas P. Mulholland To Be an Assistant Secretary of State

February 28, 1989

The President today announced his intention to nominate Douglas P. Mulholland to be an Assistant Secretary of State (Intelligence and Research). He would succeed Morton I. Abramowitz.

Since 1988 Mr. Mulholland has served as an analyst for domestic policy and research for the George Bush for President Committee. Between 1956 and 1979, he was employed by the Central Intelligence Agency serving in various capacities, including Special Assistant to the Secretary of the Treasury for National Security, 1982 - 1987; Inspector at the Office of the Inspector General, 1979 - 1982; and Director of the Office of Current Operations, 1978 - 1979.

Mr. Mulholland graduated from Michigan State University (B.A., 1955; M.A., 1956). He is married and resides in Rockville, MD.

Nomination of Calvin G. Franklin To Be Director of the Federal Emergency Management Agency

February 28, 1989

The President today announced his intention to nominate Calvin G. Franklin to be Director of the Federal Emergency Management Agency. He would succeed Julius W. Becton, Jr.

Since 1981 General Franklin has served as Commanding General of the District of Columbia National Guard. Prior to this appointment, he was the marketing manager, advanced systems and special programs, of the electronics division of the General Dynamics Corp. His military career began in 1948, when he enlisted as a private in the California Army National Guard.

General Franklin received a bachelor of arts degree from National University and his master's from United States International University. He is married, has three children, and resides in Camp Springs, MD.

Nomination of James O. Mason To Be an Assistant Secretary of Health and Human Services

February 28, 1989

The President today announced his intention to nominate James O. Mason to be an Assistant Secretary of Health and Human Services (Health). He would succeed Robert E. Windom.

Since 1983 Dr. Mason has been the Director of the Centers for Disease Control (CDC) in Atlanta, GA, and administrator of the Agency for Toxic Substances and Disease Registry, 1983 to present. He was executive director of the Utah Department of Health, 1979 - 1983, and associate professor and chairman of the division of community medicine of the University of Utah, 1978 - 1979. He was also deputy director of health of the Utah Division of Health, 1976 - 1978.

Dr. Mason received his undergraduate and medical degrees from the University of Utah and his master's and doctoral degrees in public health from Harvard University.

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Dr. Mason received his undergraduate and medical degrees from the University of Utah and his master's and doctoral degrees in public health from Harvard University.

Nomination of John H. Kelly To Be an Assistant Secretary of State

February 28, 1989

The President today announced his intention to nominate John H. Kelly to be an Assistant Secretary of State (Near East and South Asian Affairs). He would succeed Richard W. Murphy.

Since 1988 Ambassador Kelly has been the principal deputy director of the policy planning staff at the Department of State. Prior to this he was the United States Ambassador to Lebanon, 1986 - 1988. Ambassador Kelly has held several positions at the Department of State since 1964, including Principal Deputy Assistant Secretary of State for European and Canadian Affairs, 1983 - 1985, and Senior Deputy Assistant Secretary for Public Affairs, 1982 - 1983.

Ambassador Kelly was born in Atlanta, GA, in 1939. He graduated in 1961 from Emory University with a degree in history. He is married, has one son, and resides in Washington, DC.

Nomination of Richard L. Armitage To Be an Assistant Secretary of State

February 28, 1989

The President today announced his intention to nominate Richard L. Armitage to be an Assistant Secretary of State (East Asian and Pacific Affairs). He would succeed Gaston Joseph Sigur, Jr.

Since 1983 Mr. Armitage has been Assistant Secretary of Defense for International Security Affairs in Washington, DC. Prior to this he was Deputy Assistant Secretary of Defense, International Security Affairs for East Asia and Pacific Affairs, 1981 - 1983. In 1979 he established a Washington-based consulting firm specializing in Asian affairs. He also served as administrative assistant to Senator Robert Dole, 1978 - 1979.

Mr. Armitage graduated from the U.S. Naval Academy in 1967. He served in the U.S. Navy from 1967 to 1973. He is married, has seven children, and resides in Vienna, VA.

Nomination of John R. Bolton To Be an Assistant Secretary of State

February 28, 1989

The President today announced his intention to nominate John R. Bolton to be an Assistant Secretary of State (International Organization Affairs). He would succeed Richard Salisbury Williamson.

Since 1988 Mr. Bolton has been Assistant Attorney General of the Civil Division at the Department of Justice. Prior to this, he was Assistant Attorney General in the Office of Legislative Affairs at the Department of Justice, 1985 - 1988. He was a partner with Covington & Burling, 1983 - 1985, and executive director of the Committee on Resolutions for the Republican National Committee, 1983 - 1984. He was Assistant Administrator for Program and Policy Coordination, 1982 - 1983, and General Counsel, 1981 - 1982, at the Agency for International Development.

Mr. Bolton graduated from Yale College (B.A. 1970) and Yale Law School (J.D., 1974). He currently resides in Bethesda, MD.

Nomination of Bernard William Aronson To Be an Assistant Secretary of State

February 28, 1989

The President today announced his intention to nominate Bernard William Aronson to be an Assistant Secretary of State (Inter-American Affairs). He would succeed Elliott Abrams.

Mr. Aronson is founder and director of the Policy Project, a consulting firm headquartered in Washington, DC. Prior to this he was director of policy for the Democratic National Committee, 1981 - 1983, and director of the Democratic National Strategy Council. From 1977 to 1981, he was Special Assistant and Speechwriter to the Vice President at the White House. Mr. Aronson has also been assistant to the president of the United Mine Workers of America International Union, 1973 - 1977.

Mr. Aronson graduated from the University of Chicago (B.A., 1967). He has served in the U.S. Army Reserves. He was born May 16, 1946. Mr. Aronson is married, and resides in Takoma Park, MD.

Nomination of Jewel S. Lafontant To Be United States Coordinator for Refugee Affairs

February 28, 1989

The President today announced his intention to nominate Jewel S. Lafontant to be United States Coordinator for Refugee Affairs and Ambassador at Large while serving in this position. She would succeed Jonathan Moore.

Mrs. Lafontant has been a senior partner with the corporate and labor law firm of Vedder, Price, Kaufman & Kammholz in Chicago, IL. From 1973 to 1975, she was Deputy Solicitor General of the United States. Mrs. Lafontant has also served as United States Representative to the United Nations, 1972.

Mrs. Lafontant graduated from Oberlin College (B.A., 1943) and received a doctor of law degree from the University of Chicago in 1946. She has one child and resides in Chicago, IL.

Statement by Press Secretary Fitzwater on the Review of Management Practices at the Department of Defense

March 1, 1989

The President has directed the Department of Defense to undertake a review of management practices throughout the Department. Together with this defense management review, the President has requested a plan which will accomplish full implementation of the Packard commission recommendations and realize substantial improvements in the acquisition process and in defense management overall.

The agenda for the management review closely parallels that of the original Packard commission. The focus now is to identify specific actions to address problems already clearly identified. These actions include both those which can be taken internally in the Department of Defense and subsequent actions the Congress could take to contribute to the more effective operation and management of the Department of Defense.

Examples of problems to be addressed include:

People and Organization: Identifying ways to improve the capabilities of military and civilian acquisition personnel, spelling out the appropriate role for the Under Secretary of Defense for Acquisition, strengthening the notion of individual accountability, and streamlining the acquisition management chain for major programs;

Improved Planning Processes: Reviewing the role of the Under Secretary of Defense for Policy in defense planning and in policy implementation and developing means to better link national security strategy and objectives to the overall defense program;

Practices and Procedures: Identifying improvements in the process of defining military needs and their links to national strategy, developing options for overseeing new program starts, identifying ways to better use commercial-style acquisition practices, finding means to reduce cost through improved production efficiency, and finding means to enhance stability in defense programs;

Government-Industry Relations: Developing strategies to encourage contractors to cut costs; improving government oversight through increased coordination, sharing of information, and clearer delineation of responsibilities; and identifying opportunities for improved implementation of standards of conduct for government acquisition personnel.

The plan resulting from this review is to be presented to the President by May 10, 1989.

Remarks to Members of the Small Business Legislative Council

March 1, 1989

Thank you all for that welcome, and thank you all for being here. And to Secretary [of Commerce] Mosbacher and other dignitaries here and all of you, I am grateful for this opportunity.

Before beginning to talk a little bit about the area that brings us together -- business climate, business community, emphasis small business, entrepreneurship -- I want to comment on an issue of particular currency in Washington. Three guesses. [Laughter]

No, the debate over John Tower's nomination as Defense Secretary should clearly be based on principle and on policy, and it ought not to be based on rumor and innuendo. And no one denies that Senator Tower is well-qualified, hardnosed, tough, experienced. No one denies that he knows the Pentagon well, and he knows the Congress. Those are the facts.

And Americans, whatever their policies -- and I'll bet all of you agree with this -- and whatever their politics, are committed to the concept of fairplay and are committed to decency. And all I am asking in the name of fairplay is that the man be judged on the facts, not on misperceptions. And this is a tough town -- a lot of rumors out there. Public service is not made easier by claims that cannot be substantiated. It's made tougher.

Proceedings are starting in the Senate, as they should, and I've made my call. I've looked at the record. I've known this man since 1959, and my support is unequivocal. And John Tower is, in my view, the best man for this job. And so, my pitch, my appeal to the Senators, has been: Look, do what you've got to do, but remember fairplay; remember decency and honor; and then remember also historically the concept of advise and consent where reasonable doubt is given historically to the President of the United States who, after all, is responsible for the executive branch of this government.

So, that matter -- I wanted to just speak to you on it. I know it's a matter that obviously concerns everyone because it's dominating the news.

But now, back here, you've heard from Gregg Petersmeyer [Deputy Assistant to the President and the Director of the Office of National Service], I know, Richard Breeden [Assistant to the President for Issues Analysis] and Secretary Mosbacher; and these are three key members of my team here in Washington -- able members. And now that you have a feeling for their ideas and their priorities, let me ask and encourage you to work with them. Tell them what you're thinking. They know how to work with the private sector, and they're looking for ways to make this a

responsive government, a government by and for the people. And all three of these men have been highly successful in the private sector.

While I was in Asia, this recent trip, I had a chance to think seriously about what sets our trading partners apart from us, and I realized that we may have erected a barrier to our own success and deprived ourselves of vital long-term investment that our competitors have always enjoyed.

In a few minutes, I'm going to have a suggestion for those who argue in favor of protectionist intervention. You know, there are some who say that Asia could become the economic center of the world. Some even suggest that America's power is on the wane. And, well, for them I have news: The 21st century can well be the next American century if we understand the challenges before us and move together to meet them.

More than ever, the world is connected, interdependent, changing rapidly. Barbara and I lived in China 14 years ago for a year and a half, and I've been back there -- this is the fifth time since leaving China. And some of you have been there. But every time you go, you feel it, you feel the movement, and you feel the change. And that's just one part of this highly complex, highly interconnected world. More than any point in our human history, societies and economies rely upon one another. So, competitiveness, which is on everybody's minds these days, takes on a challenging new angle; and it means more than just market share and earned income. And it's more than a zero-sum, winner-take-all game.

Since 1980 the world trade volume is up nearly 40 percent, and almost a fifth of our industrial production is now in exports. Goods and services circle the globe overnight. [Secretary of the Treasury] Nick Brady told me just a while ago over in the Oval Office that clearing in the world markets every night is a trillion dollars' worth of securities -- a trillion dollars one single evening. Instant transfers of funds around the world -- capital, as I say, changes hands in seconds. In a world like that, all nations stand to benefit from the growth of their trading partners, and as long as markets are free and open.

So, I have two key priorities: to promote economic growth through low tax rates and to encourage the kind of free trade that makes all nations better off. General Brent Scowcroft [Assistant to President for National Security Affairs] is here with me, and he was on this trip with me. And at every stop, we made the point to some weary interlocutors, I might add, of the need for keeping these markets open. The goal of competitiveness is not simply to disadvantage the competition, it's to better deploy the advantages that we have and to create new ones.

And that's why the work that you all do is so important. American small business has always been our most creative source of innovation and economic growth. And you, we, have created 19 million new jobs in this country since the recovery began. Relative to population, that's more than twice the number of jobs created in Japan. And in the U.S. private sector, small businesses are responsible for two out of three jobs created -- two out of three. Businesses like yours make

America work. By creating jobs, you create opportunity, and while I'm President, government won't interfere with that.

We've got to do more in the field where Richard Breeden spent several years of his life trying to simplify the regulatory process. I'm going to try hard. We will assure you that you have the freedom you need to do what you do best. And I am still determined -- I have not changed my mind on this next one -- to hold the line on taxes, because if the experience of the last 8 years has proven anything, that lower taxes do mean a stronger economy.

Competitiveness demands two things: flexibility in the marketplace, and the right kind of investment at home. So, we want to give the employers and employees the flexibility to work out their own solutions on issues like parental leave and health insurance. And we intend to promote the kind of investment that will allow every American to share in prosperity and help to create more of it. And that's the idea behind a new proposal of mine. I believe that with the proper incentives, small businesses can help lead America's urban renewal. And so, to the entrepreneur, I say this: Start your business in an inner city where the need for jobs is greatest, and we will cut your Federal tax rates. We will create these enterprise zones, which I think would be the best antidote to poverty in the inner city. After all, you'll be saving the Government money by reducing the need for items like welfare and subsidized housing. And you'll help us bring urban enterprise zones to life in cities all across this country.

You know, decisions made and actions taken at the local level very often better serve the interests of those involved. What I'm talking about here is a fundamental American freedom: the freedom to choose, make up your own mind. And that's the driving principle behind the proposal I've made on child care. We want to establish a new, refundable children's tax credit for low-income parents and make the existing child care tax credit refundable as well. We mean to avoid burdensome Federal standards and regulation that would limit family, limit church, and limit community-based care. We will examine the liability insurance barriers for businesses interested in providing child care options. We've got to do something about this liability menace, you might say, which has gotten out of hand. And we need some advice from you on how to accomplish this. We've got some good ideas on proposals that can well be made. We'd like to put solutions and dollars in the hands of parents. We intend to promote choice. And this one is very important with me. As I look at urban America and I look at the complexity of society today, it's right back to the basics: strengthen the family, strengthen the community, strengthen the churches and other groups that are out there trying to help.

You know, flexibility can also promote risk-taking. It's always been the basis for real achievements in business. And so, we need to find new ways to encourage men and women to take risks. We need entrepreneurs who will invest their time, talents, and resources to build the businesses, unlock new markets, unleash new technologies, create new jobs. People who bring to the marketplace competitive products and quality services that are second to none in the world -- they need to be encouraged. You know what the challenges are.

Last year a large survey of CEO's suggested that while American business leaders are inherently optimistic, they're aware that we have new and important work to do. Ninety percent of them said that American business is still too short-term oriented.

And, along with many here -- I better not start telling you my war stories about business or you'll tell me yours, and we'll be here all night. [Laughter] But I have helped build a business from scratch. I happen to think that's a good criterion for being President of the United States, as a matter of fact. And I know that it can be extraordinarily tough. And I understand the pressures, I think, from having been there in a tiny little business many years ago -- the pressures that you face. So, you don't need a lecture on the importance of savings and long-term investment. You need government that enables you to do what's good for business and good for America. And often, that means kind of getting out of the way.

Competitiveness demands the right kind of investment, yes. For a long time now, I've been saying that we must have a competitive capital gains tax rate. If we're to retain the American edge, we must give entrepreneurs and small businesspeople the incentive to keep dreaming and keep taking risks and keep creating good jobs for America. I see a capital gains rate cut as an important way to free up American businesses without distorting world markets. The economies of the Pacific rim -- the ``Four Dragons'' of Hong Kong, Singapore, Taiwan, and South Korea -- all exempt long-term capital gains from tax -- total exemption. Japan also had no tax on capital gains during its meteoric rise to economic power.

And so, I call on anyone who talks about protectionism to consider this: By taxing capital gains, we impede our own progress, and we turn the playing field into an uphill climb. Restoring the capital gains differential would be a powerful incentive for businesses to invest, to innovate, to grow, and to create jobs. The Treasury estimates that the cut that I have proposed will add $4.8 billion a year to the revenue side of the ledger. So, let those out there charge me of taxes that are favoring the rich. I know that in proposing a capital gains differential, I am favoring innovation and risk-taking, and in the process, I am favoring jobs. And that's what it's all about. I'm committed to government policies that will allow business to invest with an eye toward the long term to assure our competitive future.

In my budget, I've proposed a 13-percent increase for science and technology programs in 1990. And we intend to stay on track in our effort to double the National Science Foundation budget by 1993; to develop engineering and scientific computing research centers; and to build the right links between university, government, and these industry labs. We're recommending a permanent extension of that R&E -- research and experimentation tax credit, to keep us at the forefront of technological innovation, especially when it comes to basic research. And we want to encourage more domestic research by multinationals by stabilizing the R&E expense allocation rules. The uncertainty brought on by expiring temporary rules has gone on for two decades -- hard to plan when you don't know what the rules of the ballgame are. Businesses should be able to make long-term research plans in a stable climate. And because of the

tremendous taxing power of the Government, creating that climate is something government can, should and will do.

We're determined to bring down this budget deficit with my pledge on no new taxes. And we've proposed a major budget reform to put our fiscal policy on a sound footing once and for all. We need to do away with this wonderland concept of current services budgeting -- a land of expanding baselines, where programs are assumed immortal, and cuts are actually increases. Federal policy should not start out with the presumption that the Government spending should go up and up and up.

Senator Rudman -- I was riding with him the other day, and he described the Washington wonderland very well. He said, ``Washington is the only city where I've ever seen -- for a fellow who's making $20,000, goes to his boss, asks for a $10,000 raise. The boss says, `No, you can have a $5,000 raise.' And the story says, Man Gets $5,000 Cut." [Laughter] And that's the way you look at it now in terms of these programs. But the most important investment that we can make to assure this competitive future is in training and education. Jobs are becoming more demanding. You all know that. The competition is getting tougher. Labor markets are getting tighter. So, we'll need to do more to develop a highly skilled, highly motivated, highly educated work force.

You know, when I was in the oil business, we invested heavily -- my little company -- in what was then a new technology -- offshore drilling. That was back in the mid-fifties -- brand new technologies coming out. And early on -- I'll never forget it -- we had three drilling rigs. And a hurricane came up in the Gulf of Mexico, and it just wiped out a brand-new -- in those days $6 million, today I think the same thing would cost about $80 million -- piece of drilling equipment. It was gone. I've never looked for something so hard that my eyeballs actually ached. [Laughter] And they really did. And we went out, and this piece of equipment was totally vanished, not a trace of it, one-third of our assets. And I knew that whenever you consider an investment you rightly tend to focus on the risks that are involved. But technology moved forward, and now the risks are much less. Where training and education are concerned, the biggest risk is not to get involved.

American public education needs more of our support. All of us -- teachers, parents, administrators, local officials and, yes, private industry -- all of us have a responsibility to ensure that our educational system is second to none. We should look to the vitality of our system and work to build strength through diversity. Successful schools happen everywhere, from rural communities to inner city neighborhoods. And they're shaped by people with high expectations, from both the public and private sector, who work within the schools to bring about the needed improvements. And this way of looking at it means that we are all accountable for the quality of our schools.

We need to strengthen incentives to do better, and we have a mandate to do just exactly that. I

want to expand Head Start, reward schools that improve, recognize outstanding teachers right here in the White House. We're going to establish a National Science Scholars Program. We're going to work to free our schools -- we've got to, all of us -- from the pestilence of drugs. And we're going to be looking to you for help and guidance because good schools are good for business. Many of you are already involved with your own local schools, doing important work for the future of your communities and your country. But my pitch: More can be done. More must be done. And I know you'll be there when your community, your State, your country really needs you.

To compete successfully abroad, many of you will find yourselves competing for workers at home. I know managers who are seriously starting to worry about shortages of talented people. And there is a larger, untapped source of talent in this country. Such people are to be found and fostered among the young and the underskilled, who need training; the older and more experienced, who need retraining; the disadvantaged, whose lives can be turned to advantage; disabled workers, who ask only for a chance to prove their ability; dual career families, who need options. Opportunity doesn't necessarily knock on the door. It may be leaning against the wall or standing on the street corner, needing only to be seen for what it is. And in this, we need your leadership. The very heart of our ability to compete may depend on how well we enlist those who have, until now, been on the outskirts of economic growth. They will be needed.

Together, we can build businesses that outwit, outmaneuver, outproduce, and outperform the competition. We can achieve the kind of competitive advantage that comes from collective will. And we can make sure that the words ``Made in the United States of America'' simply mean the best that there is.

So, thank you very much for coming here today. I hope this will be the first of several visits that we have right here in the White House with this group, a group that I deem very, very important to the future of the United States of America. Thank you all, and God bless you, and thanks for coming.

Note: The President spoke at 2:41 p.m. in the East Room at the White House.

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

March 1, 1989

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384, I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question.

At this early point in my Administration, let me first reconfirm that the United States has a fundamental interest in assisting the people of Cyprus in the search for a lasting and just settlement. Over the years, American governments have come to appreciate that such a settlement can come only through a process of negotiation that expresses the desires and aspirations of the Cypriot people.

At the same time, there is a legitimate role for outside parties to play in supporting this negotiation process. Under my Administration, we will continue high-level attention to Cyprus. To assure day-to-day senior officer involvement with the issues and provide a point of contact with the Congress, the Department of State created the post of Special Cyprus Coordinator in 1981 and has assigned this responsibility continuously to a policy-level officer since that time.

To provide a basic framework for negotiations between the two communities, the best and most viable approach has been and continues to be the effort led by the Secretary General of the United Nations, Javier Perez de Cuellar. The United Nations has been involved with the Cyprus question for 24 years because the international community has recognized that the United Nations is uniquely placed to deal with the issue. The current Secretary General, Javier Perez de Cuellar, has considerable personal experience with the Cyprus question and a mandate from the U.N. membership to use his good offices to work for a solution. We share this high regard for his patience and abilities, have given him unwavering support, and will continue to do so.

We will take every advantage of opportunities to make constructive contributions to the Secretary General and to the parties. We believe it is important that the parties give full participation to the negotiating process and that the atmosphere between them be improved through contacts and confidence-building measures to help bring the two communities together. We also support efforts to achieve a workable plan for reducing military tensions.

We will continue to develop our long-standing relationships of confidence and respect with both parties to the dispute. The previous Administration also consulted frequently with allies and friends, particularly such interested parties as Greece, Turkey, and the United Kingdom. We plan

to pursue such consultations and discussions vigorously.

With specific reference to the most recent 60-day period since the last report on Cyprus, Secretary General Perez de Cuellar continues his efforts to help the Cypriot parties reach a solution to the conflict. As agreed at the November 22 - 23 New York meetings hosted by the Secretary General, the two sides initiated a second round of talks in Nicosia on December 19 with the assistance of the Secretary General's Special Representative, Oscar Camilion. Discussions in Nicosia are continuing and will be followed by another meeting in April with the Secretary General to review progress.

In his latest report to the Security Council on U.N. operations in Cyprus (for the period June 1 through November 30), a copy of which is attached, the Secretary General observed that the talks that began last August mark ``the first time in the past quarter of a century that the leaders of the two communities have committed themselves to such a personal and sustained effort to achieve an overall settlement and to endeavor to do this by a specific target date." He continued that a ``good working relationship" had developed between the two leaders. The Secretary General also suggested that the two sides should begin exploring ``a wide range of options for each of the issues that must be resolved."

Both sides responded to the Secretary General's suggestion with proposals. There are constructive elements in the ideas presented by both parties, and we hope that they will continue to examine new and/or expanded options in a spirit of constructive compromise.

I note that military deconfrontation is the subject of one of the papers presented by the Turkish Cypriot community and that both sides have indicated agreement in principle with the concept.

The Secretary General expressed concern that the ``troops of both sides continue to be in dangerous proximity to each other" in Nicosia. Such proximity was the immediate cause of the death of a Turkish Cypriot soldier on December 12, 1988, and a Greek Cypriot National Guardsman on July 31, 1988, both killed by gunfire from the opposite side of the buffer zone. The United Nations is now working with the two parties to achieve some adjustments of military positions in Nicosia to ease this situation. We strongly support this effort as we have supported past efforts to reduce tensions and prevent further serious incidents.

The Secretary General's previous report also commented on the dangers of demonstrations close to the buffer zone. In his most recent report, he states that, in response to the expression of U.N. concerns about these events, the Government of Cyprus has given assurances that ``it will in future do whatever is necessary to ensure respect for the status quo in the buffer zone."

As we enter 1989, peoples worldwide are reaching out for the wisdom to forge new understanding with old foes. Experience has given the people of Cyprus an intimate appreciation of the cost of bitterness and enmity. They are now engaged in a difficult negotiation that is the

only route to reconciliation and peace. They merit America's continued support and have our most sincere wishes of success in their endeavor.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Appointment of Mark Albrecht as Director of the National Space Council

March 1, 1989

The President today announced his intention to appoint Dr. Mark Albrecht as the Director of the staff of the National Space Council, which is to be created by Executive order.

Since 1982 Dr. Albrecht has been national security adviser to United States Senator Peter Wilson (R-CA), a member of the Senate Armed Services Committee. Prior to this he was with Science Applications, Inc., serving in various capacities, including deputy program manager of a major research effort on national command authority crisis management, 1981 - 1982, and senior policy analyst, 1980 - 1981. He was a senior research analyst for the Director of Central Intelligence in Washington, DC, 1978 - 1980. Dr. Albrecht was a member of the Rand Graduate Institute for Public Policy Analysis at the Rand Corp., 1972 - 1978, earning a Ph.D. in public policy analysis, 1978.

Dr. Albrecht graduated from the University of California at Los Angeles (B.A., 1971; M.A., 1972). He is married, has three children, and resides in Falls Church, VA.

Nomination of William Pelham Barr To Be an Assistant Attorney General

March 2, 1989

The President today announced his intention to nominate William Pelham Barr to be an Assistant Attorney General (Office of Legal Counsel). He would succeed Douglas W. Kmiec.

Since 1985 Mr. Barr has been a partner with the law firm of Shaw, Pittman, Potts & Trowbridge in Washington, DC, and an associate, 1983 - 1985. Prior to this he was Deputy Assistant Director for Legal Policy in the Office of Policy Development at the White House, 1982 - 1983. He was an associate with Shaw, Pittman, Potts & Trowbridge, 1978 - 1982; and a law clerk to the Honorable Malcolm Richard Wilkey, U.S. circuit judge, 1977 - 1978. From 1973 to 1977, Mr. Barr was a member of the Central Intelligence Agency in Washington, DC.

Mr. Barr graduated from Columbia University (B.A., 1971; M.A., 1973) and George Washington University National Law Center (J.D., 1977). He was born May 23, 1950, in New York City. He is married and has three children.

Remarks at a Reception for Participants in the National Endowment for the Humanities Teacher-Scholar Program

March 2, 1989

Almost everybody here is a teacher. I was coming through the line, and who was it from Tennessee spoke to me? Right there. [Laughter] And we started comparing notes, and she says, ``Well, I'm a country music fan." And I said, ``So am I. Guess who's staying with us in the White House?" And I said, ``Crystal Gayle." And she said, ``I don't believe it." So, I'm going to ask Crystal to stand up, and if any of the rest of you -- [applause].

So, that is the last of our formal introductions. And I just wanted to say that I'm flattered to be in the company of the most accomplished members of a most important profession. And I know Barbara is, too. And without you, our links to the past and our vision for the future -- all that we are, all that we've accomplished, all that we would be -- would lay dormant in the minds of our kids. And I thank you for your dedication.

As you know, I've just come back from a long trip with Barbara to the Far East -- Japan and China and Korea. And let me tell you, as fascinating as it is to travel, it's nice to be back in the States. And I think you'll like Baltimore; it's wonderful here. [Laughter] I'm a little jetlagged still. We're recovering.

But it was a vital trip, and it has laid the future for our future relations with our friends and our allies. In Japan, as all of you know, I saw a nation that has risen in 40 years from a postwar destruction to becoming a leading economic power. And I think it was right that the President of the United States pay our respects to the present and to the future by going there to the funeral of the late Emperor. In the Republic of Korea, I saw an industrial power just beginning to explore the measure of its future greatness. It's exciting what's happening there. And in China, where Barbara and I lived 14 years ago for a year and a half or so -- just let me say that there have been spectacular changes in China since I represented our country there in Beijing, amazing.

In each of these countries, education has been an important ingredient for economic success. And our educational system has an equally critical role to play in ensuring the intellectual creativity, the economic opportunity, and the basic freedoms of our next generation. American teachers have a big job, and, I'd say, even a bigger responsibility. To educate the children of such a vast, diverse nation as ours requires men and women of talent and dedication to our children and the teaching profession both.

You in this room exemplify the kind of teachers that we need nationally, our very best. And as I read about the many subjects that you'll be studying next fall, I had two feelings: one, respect,

and the other, delight that I'd already graduated -- [laughter] -- Shakespeare, Chinese literature, Hispanic literature, the Harlem renaissance, American Indian culture. And I realize that together you encompass the diversity of America. And that diversity gives our nation and our educational system a vibrance of spirit --

[At this point, the President was interrupted by a crying baby.]

That kid's making me feel at home. [Laughter] You should have seen it when we had our 10 grandchildren playing around this place the day we came in here. But anyway, that vibrance has produced men and women with inquisitive minds, dogged determination, and big dreams. And I'm sure you recall that I made a pledge during the campaign to become the education President, to try hard in this field. And I'm pleased to see Larry Cavazos here, our distinguished Secretary of Education, from whom I expect to learn a lot, but certainly who shares our commitment to educational excellence. And it's a pledge that I made that I intend to keep by working with you and thousands like you in classrooms from Connecticut to California.

You and I know that education is our most enduring legacy. You and I know that education is nothing less than the very heart of our civilization. And that's why I am bound and determined to use this office as a bully pulpit for progress in our schools. I'll make a renewed push for a shift in some of our priorities to concentrate resources on those who need help the most.

This nation grew into greatness because early Americans understood the value of education. In the one-room schoolhouse and the land-grant college -- these were the crowning achievements of the pioneers. No less important were the urban pioneers who schooled the children of the ghettos. The challenge that faced our ancestors was not an easy one: to build a national public educational system from scratch. But they did it with blood, sweat, tears, and, always, joy. They were dedicated individuals whose traditions have come full circle in each of you here today.

With the dawn of a new century only 11 short years away, we're faced with a new challenge: to revitalize and restore the system our forebears bequeathed to us, to ensure that American education is second to none. And I've made a number of proposals to work toward this goal. Among them is my request to reward those schools whose students show measurable progress in educational achievement while maintaining a safe and drug-free environment. I've also asked for an annual fund of $100 million in new appropriations to help create magnet schools to broaden the educational choice of parents and students. And yet another one of our proposals is to allot a special $60 million fund over 4 years to develop endowments of historically black colleges and universities through a matching grant program. And during the coming weeks, I'll transmit comprehensive legislation to the Congress detailing our proposals and asking for cooperation in strengthening American education.

Today I want to single out one other aspect of my educational program, and that is rewarding the brightest and the most motivated teachers. Teachers don't choose their professions certainly

because of financial reward. That has got to be the classic understatement of the day. [Laughter] But you know it, and I know it, and the Nation knows it. And there are too many other ways to make a living, and some might say even a better living. But teachers enjoy the immense satisfaction of raising the sights of the next generation. And their work makes our horizons longer and certainly our futures brighter. I consider one proposal to be critically important: the President's Award for Excellence in Education. This award combines the recognition of your profession and the respect of your colleagues with financial reward, an idea whose time has come.

With this in mind, I've proposed $7.6 million to be spent as $5,000 cash awards to top teachers in every State. Eligible teachers will be selected from all subjects and every grade level. I hope that this teacher's award program keeps all levels of our educational system focused on the need to show good teachers that we appreciate their dedication. I realize in something as large as our own national school system across this country that this may not seem tremendous. But I do think it's a good beginning to recognize and pay our respects in this manner to excellence.

Of course -- and you know this and I certainly know it -- public funds are tight at all levels of government. And as we develop new ways to reward and keep good teachers, we must also look to combine the resources of the public and private sectors. And this is precisely what the NEH-Reader's Digest Teacher-Scholar Program accomplishes. And I salute those people with vision who have created and are implementing this program.

I'm very grateful to our friend, Lynne Cheney, who's here, of NEH, and for all they've done. And I want to thank George Grune, to ask him to convey my gratitude and admirations to those who had the foresight to contribute to this effort. In making this grant, you've planted the seeds of literacy, and the learning curve as well, that will benefit our country for generations to come. And if it's of any collateral interest, you've sure made the First Lady, Barbara Bush, very, very happy because she is specializing in trying to help everybody in this room in raising our awareness as to how it would be very good if we could become a literate nation, battling against the functional illiteracy that is too widespread today.

But together, these two organizations have rewarded you with the most precious gift that can be bestowed on the teachers: time -- time away from the report cards, library fines, hall passes; time to learn, to master a subject; time to write, hopefully publish; time to meditate, and just plain time to think. And so many will benefit. What you'll learn and accomplish and pass on to our children will ripple across the years like a stone across a still pond. And in perusing the list of your projects, my eye settled on one in particular, a project proposed by Barbara Whittaker, of Traverse City, Michigan, entitled, ``The Origin of the American Dream and Its Development in Literature." I am sure Barbara will reveal deep insights into the American novel, but there's a larger point. I believe we can trace the origin of the American dream to a very ordinary place: It can be found between the hours of 8 a.m. and 3 p.m. in every classroom, in every city, and in every town in America.

And so, for all that you do, you have my highest respect, my gratitude, and in this instance, my sincerest congratulations. Thank you all for coming to the White House. God bless you all. Thank you.

Note: The President spoke at 3:10 p.m. in the East Room at the White House. In his remarks, he referred to Lynne V. Cheney, Chairman of the National Endowment for the Humanities, and George Grune, chief executive officer of the Reader's Digest.

Remarks on Drug Trafficking Prior to a Luncheon With Administration Officials

March 3, 1989

Let me just say this: We are gathered here, and we're going in to lunch in a minute. Thus, I will refer any questions to my able Press Secretary Marlin Fitzwater.

But the purpose of this luncheon is to really talk with the top people in our government interested in narcotics -- Bill Bennett, who has gone beautifully through the hearings; Attorney General; Secretary of State; General Counsel; and national security adviser -- about drugs and then give a proper send-off to Dick Thornburgh, who will be doing in South America that which he did in Europe: going, emphasizing the importance we place on the international fight against drugs, coming back, and reporting to me. And obviously, at my side will be our new drug czar -- by then, hopefully, in office -- Bill Bennett. And we will be formulating our drug plan, and the findings of the Attorney General will be cranked into it. And it's Colombia, Bolivia, and Peru. We go not in anger, but we go to ask for their total cooperation and support. And I'm confident that this mission of the Attorney General will be fruitful. But it will show dramatically, I think, the feeling of the American people transcends politics -- the American people's determination to cooperate in a way that will reduce the flow of drugs into this country, and to help them with their problems. You know, Dick, that's a part of this. I mean, these countries that thought this was the rich consumers in the north, the only ones that had the problem, have realized that it is decimating their own economies and their own stability.

So, it's an important trip, and then when he gets back -- with Bill Bennett -- we'll be talking about not only the international implications but how that will fit into the overall drug plan. So, bon voyage, and have a good trip. And my respects to the Presidents you'll be meeting with and the various ministers you'll be seeing.

Note: The President spoke at 12:12 p.m. in the Oval Office at the White House. In his remarks, he referred to William J. Bennett, Director-designate of National Drug Control Policy; Attorney General Richard L. Thornburgh; Secretary of State James A. Baker III; C. Boyden Gray, Counsel to the President; and Brent Scowcroft, Assistant to the President for National Security Affairs.

Remarks to the Winners of the Westinghouse Science Talent Search

March 3, 1989

Thank you, Mr. Marous, and all of what you at Westinghouse do for this outstanding concept. Doctor Press -- last time I saw Frank Press -- maybe it wasn't the last time, but he'd just received an honorary degree at a graduation ceremony where there were 50,000 people present, at Ohio State University -- well-deserved honor, that he well deserved, as a matter of fact, for prestige he's given to science in this country. And when he salutes a group like this, why, it makes a big impression on me as well.

I want to thank you all, Dr. Seaborg, whose reputation is well-known to everybody here, and John as well, for explaining some of the exhibits to me. [Laughter] I had done a lot in the field of the viability of MVM Parvo Virus. [Laughter] And then at night I like to curl up with a book on mapping mutants. [Laughter] And every once in a while, when I have some spare time, Barbara and I read aloud about the behavior of the inhibitions of sialidases. [Laughter] So, we have a lot in common with these researchers here. [Laughter] But I'll tell you, I'm glad there's no quiz. [Laughter]

And I am so impressed, and I expect everybody here has had a chance to look at these studies. And I'll tell you, it just reaffirms your basic faith in the young people of this country and, I'd say also, in the academic process. Yesterday we saluted some teachers over at the White House, and boy, I wish I'd seen this before I'd been over there to pay my respects to the teachers who help these young minds.

But really, what all of you have accomplished is really something to be proud of. Not only is it a great achievement but you really earned these honors. Thomas Edison said that genius is 1 percent inspiration and 99 percent perspiration. Well, each of you, with your academic diligence and your intellect and a lot of hard work, have won the oldest and largest national high school competition in the entire country. And past winners of the Westinghouse Talent Search have distinguished themselves in every field of science and mathematics. And your predecessors have received every major honor and award in their fields, including the Nobel Prize and the National Medal of Science. And what you've done is important for America. Scientific and technological advancement have always been at the very heart of our nation's pioneer spirit, pushing the boundaries of our knowledge, creating economic opportunity, and certainly increasing our standard of living and making this a healthier and safer world in which to live.

It is scientific advancements that made us aware of the damage to our Earth's protective ozone layer and the need to reduce CFC's [chlorofluorocarbons] that deplete our precious upper atmospheric resources. As a result of these advances, the United States and other nations have led the way, through the Montreal protocol, toward reductions of CFC's. And that protocol will

reduce CFC's to 50 percent of 1986 levels by the year 1998. But recent studies indicate that this 50-percent reduction may not be enough. And I thought some of you interested in that field might like to know that I today asked Bill Reilly, our new EPA Administrator, to join with other nations this weekend as he goes abroad in supporting the call for the elimination of CFC's by the year 2000, provided, you know, that safe substitutes are available. And of course, such a phaseout must be guided by the scientific, economic, and technological assessments under the protocol.

As a nation, we have no natural resource more precious than our intellectual resources. In fact, it's only thanks to human knowledge and ingenuity that crude oil became a valuable fuel and that fields of grain become methanol or that grains of sand become silicon chips. Scientific knowledge must be renewed and expanded in each generation. Many of the miracles that we take for granted in everyday life originated in defense and space research. This investment in new technologies and new plant and equipment helps expand our competitive edge as a nation, and thereby assuring future opportunities for America's next generation in science, engineering, and manufacturing. But for our country to maintain its technological and scientific excellence, no investment in machines or laboratories, as vital as that may be, will by itself be sufficient. There have to be the people who have the knowledge and the commitment, and that will be men and women like yourselves who will lead America into the next century.

You know, by one estimate, it takes 10,000 high school students expressing an interest in a science or engineering major to assure us of 20 men and women who will go on to receive doctorate degrees. And I hope that each student in this room gets a doctorate or pursues a career of one kind or another in science and technology and that some of you consider returning to the classroom as teachers to inspire a new generation of scientists for the future. The fruits of investing in science and scientists are evident. Human intelligence has explored the vastness of outer space and the inner frontiers of the particles of the atom. Diseases have been cured. Knowledge has been harnessed. And energy -- I was going to say that energy has been created, but then I remembered the laws of thermodynamics. So, let's just call it a wash -- [laughter] -- and say that energy has neither been created nor destroyed. [Laughter] And please don't debate me on that, Glenn. [Laughter]

But we truly have seen the scientific knowledge developed in the United States vastly improve the lives of our citizens and of people around the world. And today international scientists and science students are coming here to America to do research, to study, to teach. And this is something that our country greatly benefits from. Yet, still, as a nation, let's face it, we've got to do better. We're not producing enough scientists and mathematicians and engineers. American universities confer only about 77,000 engineering degrees a year at the undergraduate level. And that's about the same number that Japan produces with a total population of only half our size.

Initiatives from Washington are important, but they're not enough. Students and parents and teachers will determine the direction our young people take and, ultimately, what direction, therefore, that our country takes. And there's only one goal that is worthy of us as Americans,

and that is to be the very best in the world, to be number one. That's our history, but it is also, I believe, our destiny. Our national qualities of intellectual curiosity and innovation, our frontier spirit and our habit of problemsolving, all uniquely equip America for the great technological age that is dawning.

To help us move in that direction, the Federal budget I propose would, as Frank said, increase funding for -- maybe he didn't cover this point -- but for NASA [National Aeronautics and Space Administration] by 22 percent, would also advance us toward our goal of doubling the budget for the National Science Foundation by 1993. I also proposed full funding for the superconducting supercollider -- and even though I'm from Texas, people seem to understand -- [laughter] -- and as an incentive for private industry, a permanent research and experimentation tax credit.

But one of the most important investments that I want us to make is in science education. So, I have proposed a National Science Scholars Program that would provide 570 scholarships a year. And these would be for up to $10,000 a year, for 4 years. And this program would be based on merit, and it would draw at least one young scientist from every congressional district -- 435 across the entire United States -- providing local inspiration and national leadership for the study of science. And I think no one proves better than all of you just how much our students are capable of and how important it is to provide the encouragement and resources that you need. And when you couple this modest Federal effort with what Westinghouse and others are doing in this area across the country, we do have something significant and, I'd say, unique in our country.

So, I came over here to congratulate the sponsors, to congratulate the scientists who have given their blessing to this innovative program, and especially to congratulate all of you achievers. I think all of you are destined for great things. And if you've got any skeptics out in the audience, go next door and take a look, and you'll see exactly what I mean. Thank you, and God bless all of you.

Note: The President spoke at 2:20 p.m. at the National Academy of Sciences Building. In his opening remarks, he referred to John C. Morous, Jr., chairman and chief executive officer of Westinghouse Corp.; Frank Press, president of the National Academy of Sciences; and Glenn Theodore Seaborg, chemist and Nobel Prize winner.

Statement on the Labor Dispute Between Eastern Airlines and the International Association of Machinists and Aerospace Workers

March 3, 1989

The National Mediation Board has recommended that I appoint an emergency board before March 4, pursuant to section 10 of the Railway Labor Act, as amended, to investigate the dispute between Eastern Airlines and the International Association of Machinists and Aerospace Workers. I have decided not to accept this recommendation.

The National Mediation Board has for many months attempted unsuccessfully to bring the parties to an agreement, and I have no reason to believe that an additional investigation or the 60-day delay that would be entailed would produce such an agreement. In light of the well-publicized threats of a strike and related activities, the Department of Transportation will monitor the situation and will, in addition, take whatever steps are needed to protect the safety of the traveling public.

I urge responsible labor officials not to try to influence resolution of this dispute by disrupting the Nation's transportation systems through secondary boycotts against uninvolved parties. Such boycotts would unfairly burden millions of citizens, not only preventing necessary travel but also affecting shipment of consumer goods and the ability of many workers to earn a living. For these reasons, secondary boycotts are not permitted in any other sector of the economy.

Accordingly, if secondary boycotts threaten to disrupt essential transportation services, I will submit, and urge that Congress promptly enact, legislation making it unlawful to use secondary picketing and boycotts against neutral carriers. We cannot allow an isolated labor-management dispute to disrupt the Nation's entire transportation system.

Remarks at the Annual Conference of the Veterans of Foreign Wars

March 6, 1989

Well, thank you very much, Larry. I remember when Larry Rivers first took over. I was Vice President -- came in to greet me. I wasn't sure he knew what he was getting into. But he's holding up real well -- [laughter] -- and doing a first-class job, and you're lucky to have this dynamic young man as your leader.

You know, it's a pleasure to be here. I also want to express my best wishes to a real institution of the VFW; you know who I'm talking about -- Cooper Holt. I can't believe it, I can't believe that he's stepping down this year, after more than a quarter of a century of distinguished service as the executive director. But let me tell you something: Members of the VFW -- others who stand for a strong defense, whoever they may be -- Cooper has earned the gratitude of veterans everywhere for making the VFW his life-long cause, but also the way he has conducted himself in Washington and elsewhere in this high office. He has my respect and my friendship, and I don't know what it's going to be like without him around here, I'll tell you.

I want to pay my respects to General Al Gray, member of the Joint Chiefs of Staff, a Commandant of the Marine Corps, outstanding soldier -- outstanding marine, I should say. Sorry, Al. [Laughter] Really know how to hurt a guy, but -- [laughter] -- an outstanding leader. And also, to my former colleague and dear friend, the veterans' friend, Congressman Sonny Montgomery, over here.

Before I begin -- and I want to talk to you about two or three major issues -- but before I begin, let me just say a word about an issue that is of particular importance, I'd say, to the people in this room. You know John Tower as a fellow veteran, and you know him as a lifelong public servant. And you also know him as a fighter. And he's fought for his country as a 17-year-old enlisted man in the United States Navy. And now he and I are fighting for what I think are some very important principles, principles that the American people understand, like fairness and truth, and principles like the prerogative of a President of the United States to assemble the most talented and qualified team to guide this nation forward.

And I have asked the Senate to vote on this nomination with those principles in mind, asked the Senate to put aside partisanship. I've asked them to use their own experience with John Tower as an expert on defense issues; as a former colleague; and as a tough, hardnosed negotiator to guide them as they move towards a vote on this nomination. It is very interesting that not one single United States Senator has challenged John Tower's knowledge on defense matters or his experience to do this job -- not one single Senator.

And I stand by this man, I stand by him because he is uniquely qualified as the right man to take charge of the Pentagon. Enough of that now. [Laughter] I wanted to get it off my chest. I'm getting sick and tired of some of the rumors and the innuendoes that are used against this decent man. Back to the gentler and kinder message. [Laughter]

Look, it's always an honor to meet with fellow members of the VFW. The love of liberty is the birthright of all men, certainly all Americans, and that's why our nation owes a special debt of gratitude to its veterans, who freely and courageously took up the defense of freedom. I am especially pleased to welcome the Department of Veterans Affairs to a place in the Cabinet, and it's a cause, I might add, that you were in the lead on. And it's a sign of America's commitment to her veterans, of the importance we place in repaying in some way the sacrifice that veterans have made in answering their country's call. And in my view, it is important that the first Secretary is someone who is close to the President, who has the President's full confidence on a personal basis, and Ed Derwinski, my former colleague in Congress and my friend of longstanding, fits that description to a tee. He will be an outstanding Secretary.

Some facts: Today there are six times as many veterans alive as there were when the VA was created in 1930. Ed already has come to see me to discuss some of the challenges facing us in these programs. With the pressure the country is under -- and let's make no mistake about it, the pressures are great -- to solve our massive Federal deficit, we may not be able to do everything we'd like to do in the way of adding resources, but I can tell you that Ed is your strong advocate. And like me, he understands the needs, including the crying need for strong health care for the veterans. He already is an advocate for that.

I want to speak this morning about a matter of the utmost importance to the VFW -- keeping America strong -- today and then, just 11 years from now, into the 21st century. Opinion is nearly unanimous that today is a time of transition in world affairs. That means our powers of observation and analysis, our ability to sort out change and continuity, will be put to the test. And when it comes to predicting the future, Winston Churchill's rule is the best. It is: ``I always avoid prophesying beforehand because it's much better policy to prophesy after the event has already taken place." You've got to think about that one for a while, and maybe I'm the guy to do that. Last year I told the American Legion about Pearl Harbor being on September 7th. [Laughter] Just think, if Franklin Roosevelt had listened to me, think what we could have spared the Nation. [Laughter]

You know, maybe you've read and maybe you haven't that we are in the midst of a series of systematic strategic reviews, and I've asked the members of my national security team to look hard at the international landscape and to look forward to assess the combination of security threats, technological change, and political and economic developments that will shape our security horizon well into the next century. And I am convinced that this important review, this important exercise, will have lasting benefits to our national security. In my address to Congress last month, I set a 90-day deadline for this important work. And I won't rush the final results. The insights we will gain into the problems we will face in the decades ahead are worth waiting

for. And the other day I went over to the Pentagon and met with certain members of the Joint Chiefs and those running that building, and I must tell you, I'm very pleased these reviews are going forward.

But today I want to speak about the foundations of an adequate national defense program, about the world we live in, and the challenges and opportunities we'll encounter, and about the approach I'll take on issues integral to our own national security.

First, the foundations: A month ago, I presented to the Congress a sound defense spending plan that makes sense, strategically and fiscally. As a sign that my administration is serious about the deficit, I called for a freeze in defense spending in 1990, adjusted only for inflation. And I'm well aware that our national strength rests ultimately on the health and vigor of the American economy. And we need a strong defense, and we need a strong economy. And I mean to preserve both, but our crucial military modernization plans and the diverse defense commitments that we must keep cannot be achieved without additional defense funding. And that's why the budget plan follows the freeze for 1990 with real increases -- albeit they're small -- with real increases: 1 percent in 1991 and 1992, and a 2-percent increase for 1993. And my aim is to put defense spending on a modest, manageable growth path, one that we can afford and then one that will allow us to modernize and maintain forces that are formidable, flexible, and ready.

But in the defense debate, what we can and can't afford isn't just a matter of economics. It's a matter of vital national security. And I say we can't afford to continue the downward trend in defense spending. 1989 -- now listen carefully to this -- 1989 will be the fourth straight year that budget authority for defense has declined in real terms. And we've worked hard to rebuild America's strength, and it's paid off. Today America is strong; its voice is heard. Its forces are ready, and the values we stand for are more secure.

Secondly, we can't afford to mistake a more stable international environment as proof that we can spend less on national defense. The secret to our success can be summed up in a single word: strength. And let's sustain the military strength that helped turn the world situation around.

And finally, we can afford adequate defenses. The defense budget that I'm calling for in 1990 represents 5.5 percent of our annual gross national product. And that's a far smaller share of our national wealth than the United States spent on defense at any point throughout the 1950's or the 1960's -- periods of rapid and sustained economic growth though they were. The bottom line is not a question of cost or a question of resources: It's simply a question of will. And you have my word, as long as I am President: America will stand fast on the front line in defense of freedom.

Today around the world, a number of longstanding regional conflicts are closer now to resolution than ever before. The stirrings of freedom and the advance of democratic rule are evident and undeniable. In the economic sphere, the free market is increasingly seen as an engine of growth and development unmatched by any other system. And freedom is on the

march. But there are still forces arrayed against it, regimes whose interests and systems are at odds with our own and with those of our allies. And then there's the spread of chemical and biological weapons, along with the means to deliver them. It's likely to make the flashpoints that always exist more dangerous than ever before.

And the key issue of change within the Soviet Union -- there are still far more questions than answers. There is no doubt that the changes taking place are significant and far-reaching, but it is equally true that the ultimate outcome of the events unfolding in the U.S.S.R. remains certain [uncertain]. My view is this: We should press for progress that contributes to a more stable relationship between the United States and the Soviet Union, but we must combine our readiness to build better relations with a resolve to maintain defenses adequate to secure our interests.

America and her allies must recognize that even in light of the military cuts proposed by President Gorbachev the Soviet Union remains the most formidable military power facing the free world. We must be ready to cope with change and favorable opportunities and ready in any event to defend our interests and ideals. And what this means in terms of our national security should be clear. We need to maintain and modernize our forces, nuclear and conventional. For America and its allies, a survivable nuclear force will remain the ultimate deterrent of aggression.

We need to make a concerted effort to turn our technological strengths into a source of advantage to our national security. And that includes, in my view, vigorous pursuit of the Strategic Defense Initiative.

And we need to make an active effort in arms control, to strive for increased stability at lower levels of armaments. But I will strongly oppose legislative attempts to withdraw U.S. troops from Europe unilaterally. Imprudent unilateral reductions are not the path to peace and security and freedom.

And I've been listening to General Gray. We need to keep our forces ready and well-trained. The dedicated men and women who serve our country deserve no less.

We need to reform our procurement process to deliver a dollar's worth of defense for every dollar we spend. And the way to do that is to begin to follow through on the sensible reforms suggested in the Packard commission report and the findings of the defense management review now underway. I'll look carefully at those management review findings and then move to implement them.

And we need to maintain the alliance of like-minded nations in Europe and Asia that have helped us keep peace in the postwar era. As strong as we are -- and we are strong -- as strong as we are, the United States of America in this complex world cannot go it alone. Keep our alliances strong.

Before I close, I want to focus for a moment on a threat no less real than the adversaries you have battled. And I'm speaking about not a military threat; I'm speaking about the insidious threat to our society and our values: drug abuse. The notion that America is a nation at peace is only partly true as long as the violence and destructive power of drugs assault our communities.

As I talk, our Attorney General is holding a series of talks with three South American Presidents and their attorney generals or their ministers, seeking their full participation in this war and offering our full cooperation. My able drug czar, Bill Bennett -- some of you know him, able man -- he will be confirmed as my hard-hitting point man to be at my side in the White House to keep the focus on winning this unconditional war; and I mean to mobilize all our resources, wage this war on all fronts. We're going to combat drug abuse with education, treatment, enforcement and, yes, interdiction and, yes, with our nation's armed services. When that prudently can be done and when that's what it takes, we are going to have to go all-out. We need to break the deadly grip of drugs and prevent the drug scourge from taking hold.

And the VFW can help. Many of you have already started. Many of your posts are actively involved. You've got 2.3 million members, 750,000 auxiliary members, 10,000 chapters nationwide. The VFW is, and always will be, a respected member of communities across our country; and today I call on you to form a community of action. ``For America, whatever it takes'' -- that's the motto of the VFW. And you've fought for your nation once, and your nation needs you again. And today I want to enlist you in the antidrug campaign. Meet with other leaders in your community -- church, clergy, law enforcement officers -- tell them the VFW volunteers are ready to help. And go to the schools and put the full weight of this magnificent organization behind the antidrug education effort that provides our kids with the reasons and willpower that they need to resist drugs. Speak to your State and local elected officials. Urge them to make the passage of strong antidrug legislation a priority.

I am reaching out to you, so I want to extend my help as well. Bill Bennett stands ready to meet with the VFW leadership to share ideas that can help you map a strategy. VFW has proven many times over its dedication to the health and well-being of our nation, proven it over and over and over again. And the 50 young people that you've honored here today, with whom I had a chance to meet very briefly a minute ago, underscore the VFW's interest in our nation's youth and in our future. I know that we can count on the veterans of America all across this country to help us wage and win the war on drugs. Your country needs you once again.

Veterans share a special bond. We've seen the face of war; we know its terrible costs. Americans never willingly choose conflict. But we know, as well, that we must be ready and willing to respond when our interests and our ideals come under threat.

Let me be very clear. I prefer the diplomatic approach. Nations can and should explore every avenue toward working out their differences without resorting to force or military intimidation, but I'm also a realist. I know that there is no substitute for a nation's ability to defend its ideals

and interests. And too often we hear that we face a stark choice in coping with conflict. We can pursue a diplomatic situation, or we can seek a resolution through military means. One, we're told, is incompatible with the other.

Well, this doesn't square with real-world experience. Diplomacy and military capability are complementary; they're not contradictory. Creative diplomacy can help us avert conflict. Negotiations stand the greatest chance of success when they proceed from a position of strength. The fundamental lesson of this decade is simply this: Strength secures the peace. America will continue to be a force for peace and stability in the world provided we stay strong.

Let me close with a word to these young people, who you appropriately are honoring here today. If I were in your shoes, I'd be an optimist. I'd be an optimist about world peace, changes in the Soviet Union. As I said earlier in this talk, nobody is talking about the Socialist model or the Communist model as to a way to solve their problems. But never forget that, when a President of the United States goes to the negotiating table, the way to enhance our values, the way to enhance the principles that everybody in this room holds dear, is to be dealing from a position of a strong America. We have the ideals. Keep America strong! Thank you all, and God bless you. And good luck to you guys.

Note: The President spoke at 11:08 a.m. in the Sheraton Ballroom at the Sheraton Washington Hotel. In his remarks, he referred to Larry W. Rivers and Cooper T. Holt, national commander in chief and executive director of the Veterans of Foreign Wars, respectively; Gen. Alfred M. Gray, Commandant of the Marine Corps; Representative G.V. (Sonny) Montgomery, chairman of the Veterans' Affairs Committee; and Edward J. Derwinski, Secretary-designate of the Department of Veterans Affairs.

Message on the Observance of St. Patrick's Day, 1989

March 6, 1989

It is a pleasure to send greetings to everyone celebrating this St. Patrick's Day.

The feast of the Apostle of Ireland occupies a special place on our calendar because it is a fitting time to celebrate the vibrant heritage of millions of Irish Americans, as well as the many contributions they have made to our country. Among the first of immigrant groups, the Irish overcame poverty and prejudice to become productive members of the American workforce and an influential voice in United States politics.

Today, our Nation continues to be inspired by the deep faith, strong family life, and hard work of Irish Americans. Their legendary sense of humor and resolve are an example to us all.

Barbara joins me in commending all of you on keeping alive the joyous spirit of St. Patrick's Day. May God bless you.

George Bush

Nomination of Anthony Joseph Principi To Be Deputy Secretary of Veterans Affairs

March 6, 1989

The President today announced his intention to nominate Anthony Joseph Principi to be Deputy Secretary of Veterans Affairs at the Veterans Administration. This is a new position.

Mr. Principi has been Republican chief counsel and staff director of the Senate Committee on Veterans' Affairs, 1984 - 1988. He was majority chief counsel and staff director for Senator Alan K. Simpson, 1984 - 1986, and Deputy Administrator for Congressional, Intergovernmental, and Public Affairs for the Veterans Administration, 1983 - 1984. Mr. Principi entered the United States Navy in 1967 and has served as senior staff counsel and professor of military law for the U.S. Pacific Fleet in San Diego, CA, 1978 - 1980, and chief defense attorney for the Naval Legal Service Office, 1975 - 1978.

Mr. Principi graduated from the United States Naval Academy (B.S., 1967), and Seton Hall University School of Law (J.D., 1975). He resides in Rancho Sante Fe, CA.

Nomination of Gerald L. Olson To Be an Assistant Secretary of Health and Human Services

March 6, 1989

The President today announced his intention to nominate Gerald L. Olson to be an Assistant Secretary of Health and Human Services (Legislative Affairs). He would succeed Mary T. Goedde.

Since 1978 Mr. Olson has been vice president for government relations for the Pillsbury Co., in Minneapolis, MN. Prior to this he was executive director for government and community relations at the Cummins Engine Co., 1975 - 1978. He was vice president and division manager for Irwin Management Company, 1971 - 1975, and assistant to the chairman of Cummins Engine Co., 1969 - 1971. Mr. Olson was special assistant and presidential campaign director for Governor Nelson A. Rockefeller, 1967 - 1969, and campaign manager and legislative liaison for Governor Harold LeVander, 1966 - 1967.

Mr. Olson graduated from Mankato State University (B.S., 1958). He was born December 3, 1933, in Sioux Falls, SD, and resides in Deephaven, MN.

Announcement of the Continuation of Roberts T. Jones as an Assistant Secretary of Labor

March 6, 1989

The President today announced that Roberts T. Jones will continue to serve as an Assistant Secretary of Labor (Employment and Training).

Mr. Jones currently serves as Assistant Secretary of Labor at the Department of Labor, 1987 to present. He was Deputy Assistant Secretary of Labor, 1985 - 1987, and Senior Administrator for Job Training Programs, 1972 - 1985. From 1968 to 1972, he served as administrative assistant for Congressman Marvin L. Esch and Congressman Charles E. Wiggins.

Mr. Jones graduated from the University of Redlands with a bachelors degree in psychology, 1962. He was born April 24, 1940. He is married, has three children, and resides in Alexandria, VA.

The President's News Conference

March 7, 1989

The President. Well, as you know, we got canceled out of Lancaster, Pennsylvania, and Wilmington today. And so, I thought it might be an opportune moment to stay indoors, take a few questions. The Lancaster trip has been rescheduled for the 22d of March; and I look forward to going there, talking to the people, and really discussing that community participation in drugs.

I want to take this opportunity to restate my belief that free collective bargaining is the best means of resolving the dispute between Eastern Airlines and its unions. I continue to feel it would be inappropriate for the Government to intervene and to impose a solution. This dispute has gone on for more than 17 months, and it's time for the parties involved to get down to serious business and reach an agreement. The action-forcing event, in this case, is the strike. And that is the tool at the disposal of labor, and they're properly going forward with that. Management and the labor now have to find a settlement.

But let me just say that I hope my position on secondary boycotts is well-known. Thankfully, these boycotts have not yet materialized, and I hope they don't. Temporary restraining orders have been in effect yesterday and today in the New York and Philadelphia areas. But even when those restraining orders lapse, I remind all parties that secondary boycotts are not in the public interest. And I will send legislation to Congress to forbid them if that is necessary. It is not fair to say to a commuter on a train coming in from Long Island that you're going to be caught up and victimized by a strike affecting an airline -- simply isn't fair, in my view.

Secretary [of Transportation] Skinner has been monitoring the situation from the very beginning -- my view on top of it. The Department of Transportation and the FAA have taken every precaution to ensure airline safety during this period. And I understand that the pilots are talking about a work slowdown beginning today. Certainly, I must recognize their special concerns for safety during this period, but I also would urge them not to make the innocent traveling public a pawn in this dispute.

So, that's my view on the airline strike. And I hope that it is settled in the traditional way -- management, labor sitting down and working out an agreement.

Wait a minute! We've got to go to -- protocol has -- sorry about that.

Administration Accomplishments

Q. Mr. President, your struggle to win the confirmation of Senator Tower and the seeming lack of direction has caused a lot of criticism that your administration is in drift, there is malaise. What is your response and what are you going to do about it?

The President. My response is that it's not adrift, and there isn't malaise. And I talked to a fellow from Lubbock, Texas, the other day, which is the best phone call I've made; and he said, ``All the people in Lubbock think things are going just great." And so -- and he is a very objective spokesman, a guy that -- [laughter].

Q. Do you really think you're doing fine when nobody knows where -- --

The President. I think we're on track.

Q. -- -- and nobody knows where your administration is going -- --

The President. Well, let me help you with where I think it's going. First place, in a very brief period of time, we addressed ourselves to a serious national problem: the problem of the S&L bailout. That is still moving forward; it takes a little time. I've challenged the Congress to act. Secondly, we came up in a very short period of time with great amount of detail, far more than the two previous administrations, regarding the budget -- sound proposals. The number one problem facing this country, in my view, is getting this Federal budget deficit down. Not only did we address it but we addressed it in considerable detail, and talks are going on right now to try to solve that problem.

I've taken a substantive foreign policy trip that took me not only to 3 countries, but where I met with, I think, some 19 representatives of 19 countries and talked about their objectives and mine for foreign policy. Our Secretary of State [James A. Baker III] has not only touched base with all the NATO leaders but has had a productive meeting with Mr. Shevardnadze [Soviet Foreign Minister]. The defense reviews and the other foreign policy reviews are underway. And I will not be stampeded by some talk that we have not come up with bold new foreign policy proposals in 45 days -- not going to be.

So, I think plenty of substantive things are going on. And then I have made clear -- you saw my statement on the CFC's [chlorofluorocarbons] on the environment. Our environmental man is over there, Bill Reilly [Environmental Protection Agency Administrator], a very able administrator, attending a conference that will then lead, in my view, to unilateral proposals by the United States, not in terms just of CFC's but other global environmental matters. We are confident of the confirmation of Bill Bennett, and he is charged with a 6-month's mandate to do something -- map out the drug program. And he will be very serious about going forward on that.

I appointed early on an ethics commission which has been meeting and will be coming out with, I think, sound proposals. And so, we'll start moving forward legislatively there. I spelled out in my speech an education agenda, and that will be followed -- the speech -- very shortly with legislative initiatives. We're moving forward with our volunteer approach -- the organization to

pursue national service -- under Gregg Petersmeyer [Deputy Assistant to the President and Director of the Office of National Service] here in the White House. Our Secretary of HUD [Jack F. Kemp] has taken some fact-finding trips and made some good comments, speeches, about our objectives in terms of the homeless.

So, I would have to urge -- and everyone here is familiar with my position on child care. That's going to take legislation, but I think the Congress clearly knows where we want to go there. So, I would simply resist the clamor that nothing seems to be bubbling around, that nothing is happening. A lot is happening. Not all of it good, but a lot is happening.

Human Rights

Q. Mr. President, you mentioned your Asian trip. Now, one of the issues that arose there was kind of a disagreement or a dispute with China over a dissident attending your dinner. And it seemed that you failed to raise human rights in your meetings with Chinese leaders. Is this going to be your preference for conveying harmony rather than confrontation over human rights?

The President. No, it was raised. When Marlin spoke to you -- the beginning of the trip there in China -- and said it hadn't been raised, he was right. It hadn't been raised publicly in the meetings that I'd had up to that moment. I believe Deng Xiaoping was the one -- where he spoke, but it was raised by me personally.

But you know, there's two schools of how you do the human rights agenda. I think that President Reagan was correct when he raised the human rights agenda with the Soviets privately rather than beating his breasts and doing it publicly. And I think the results have been rather penetrating -- still a long way to go with the Soviets. But I have not only raised them, but the very invitation to that dissident, that they thoroughly disapproved of, shows our public commitment to it. And there was a reference to it in a speech. So, it all depends how you, how -- in our toasts -- so it all depends, you know, what approach you take. But I think quiet discussion is a good approach to try to effect the human rights objectives that I feel very strongly about.

Q. On that regard, on human rights, will it always be the first thing you mention with the Soviets, as it was under President Reagan?

The President. I don't recall it always being the first thing. Because the last meeting I attended with him and Mr. Gorbachev, it was raised, but it wasn't the first thing. But it will be high on our agenda -- I confidently expect that Jim Baker will continue to raise it. And, yes, it will be an agenda item.

Eastern Airlines Strike

Q. Mr. President, on the air strike, your opposition on Capitol Hill, many of the Democrats up

there, wanted you to intervene in the strike. Should you have to go to Congress for emergency legislation to deal with secondary boycotts, it is likely they are going to say, ``No, no, we want you to intervene first." If the Eastern pilots succeed and the machinists succeed in imposing secondary boycotts, you seem to be on a collision course there. Will your policy hold firm?

The President. It will hold firm. The Secretary [Samuel K. Skinner] is testifying, I think, at this very moment about the kind of legislation you're talking about and some wanting to compel the President to convene this Board. So, there are two schools of thought. I still feel that the best answer is a head-on-head, man-to-man negotiation between the union and the airline. And I think that is better and more lasting, incidentally -- the agreement that would stem from that -- more lasting than an imposed government settlement which could cause the airline to totally shut down. So, I think there could be some, you know, confrontation. But I will stick with my view; and if, indeed, innocent parties are threatened through the secondary boycott mechanism, I will move promptly with the Congress. And I don't want to buy into a lot of hypothesis here, but you would have an outcry from the American people on the basis of -- that I mentioned about that commuter. It is not fair to, you know, have innocent people victimized by a struggle between Eastern Airlines and the machinists' union. So, there may be a closely fought contest, and I know there are some widely differing views on this.

Q. If that should happen, sir, you must recognize that there'd be great pressure on you to at least stop it for 60 days. Are you intent on not doing that?

The President. I'm intent on staying with what I've outlined is our administration's policy. And it is the correct policy. And I think it's the best way to have a solution to this question.

We'll go right across here and then start -- go ahead.

Secretary of Defense-Designate Tower

Q. Mr. President, back to Helen's [Helen Thomas, United Press International] question, this sort of sense that's developing that -- let's say the John Tower fight is sapping you of your ability to get on with other issues. How long are you willing to fight this fight, let the debate go on? Are you ready to now call for them to have a vote, say, today or tomorrow, just to get this behind you, one way or the other?

The President. No, no, because Lesley [Lesley Stahl, CBS News], first place, there's two major principles: fairplay and, secondly, the right of the President to have -- historical right -- to have who he wants in his administration. And I've heard a lot of judgments on Tower based on reports -- hearing people reading the same report and coming out with different judgments. I want him. I believe he is the best man for the job. There are a lot of historical precedents behind my desire to have him and, you might say, right to have him, barring any very clear reason not to; and therefore, I will stay with it. And secondly, it's the Senate that controls when they vote or not.

And I will leave that to Bob Dole and George Mitchell, both of whom I think are conducting themselves very well.

There's a followup. Yes?

Q. May I ask you a question about the chain-of-command question? Because the Senator admits to excessive drinking, which would disqualify him for a job in the so-called chain of command, does this not disturb you at all that that's the qualification for a job?

The President. No, I think he'll measure up to that qualification. Indeed, he has said he'd never touch another drop of liquor, and you'll have 25,000 people in the Pentagon making sure that's true. So, what I mean, here's a, I'd say, a fail-safe guarantee. Doesn't bother me. And I -- --

Q. The past?

The President. No, I think when you look at the record and look at the testimony as I have -- and I haven't had one single Senator, not one, served with him over the years, say, I have seen him, my firsthand evidence is, this man is ineligible because of his consumption of spirits -- not one. And isn't that a little bit unusual? So, I go right back to the President's right to have his choice. Let's keep it on a nonpartisan basis. I would just urge that both Senator Nunn and George Mitchell have told me, ``Wait a minute, this isn't a partisan fight." And I would simply ask that they keep reiterating that to those Senators who may not have made up their minds with finality and let's go to a vote. But I'm not going to pull back on this.

And, Lesley, it isn't iron-willed stubbornness. There's a question of fundamental principle here. And I've spelled out my call for fairplay, and I'm going to keep reiterating it. So, let the Senate work its will; it's not going to hurt. And this concept that you can never work in the future because people disagree with you in the Senate -- I simply don't accept that.

Q. Mr. President, you have said that the FBI report guns down the accusations against Senator Tower. And yet you have also said that there can be no release in practical terms because of the confidentiality of people interviewed. Had you given consideration, given the problem with the nomination, to asking those interviewed to waive the right of confidentiality so that the public doesn't have to take your word for it as to the degree to which this report exonerates the Senator or the opponent?

The President. Or the word of the opponents? Yes, we have thought about that. And I'm not sure where our Counsel's office stands on it. But I'll tell you that the precedent is troubling. When you take testimony and then -- and certainly you can't go ahead and release -- I mean, I just could not do that. And I think it's very damaging in the future. So, I'm saying I have read it; this is my view. And it's inhibiting because it does confine the debate on the floor. But I really worry about the precedent. So, I have not been pushing for sanitization and then release, or for

selective release, or for -- I hadn't thought about this concept of going to somebody and say, ``Would you release us from confidentiality?'' I think that would chill future proceedings.

Let's go back in the back. We're not -- right in the middle back there.

Department of Defense Review

Q. Mr. President, you mentioned yesterday in the speech to the VFW that this 90-day deadline that you had imposed on yourself for the strategic review might slip because you said that the results wouldn't be rushed. Is there going to be a new deadline? And is the fact that you don't have a sitting Defense Secretary contributing to that?

The President. I hope there's not going to be any slippage. I want that; I want the budget review. I want the management review completed by then. And look, not having a Defense Secretary in place -- no question that it's an inhibiting factor. But I went over to the bureau the other day, I mean the Defense Department, in a trip that was interpreted for one purpose; and what I went over, really, for was another purpose. And the purpose I went over there for was -- please, understand we've got to keep these reviews going forward. And I am very grateful to those people, some of whom won't be there in a new administration, all of whom -- or most of whom had served in the past administration, for seriously addressing themselves to these various reviews. I hope we can make the target. The minute the target is made and the review comes, then we have a lot of decisionmaking. But I don't want to be foot-dragging. And therefore, I'm going to try to keep the heat on without slippage there.

Eastern Airlines Strike

Q. The head of Eastern Airlines, Frank Lorenzo, is from Houston, Texas. Is he a friend of yours? Did he give money to your campaign? And one of his vice presidents is on your staff as head of congressional relations. Is he giving you advice?

The President. He has recused himself, as I understand it, from the Eastern Airlines; and he's not giving me advice. I know Frank Lorenzo, and in all probability he gave money to the Bush-Quayle campaign.

Now, followup?

Q. Does that influence you in any way?

The President. No, it does not influence me in any way.

War on Drugs and Gun Control

Q. Mr. President, the theme of the week is drugs this week, and you mentioned again this morning your commitment to ridding the country of drugs. But your designate for drug czar, William Bennett, has said that as part of the way that he would like to help end drug violence would be to consider a ban on semiautomatic weapons, which is opposed to your own viewpoint. And we're getting more and more evidence from doctors and police that there's gunfire in the streets and wounds that they haven't seen since the Vietnam war because of these weapons. What do you say to people whose families have been maimed by these kind of weapons?

The President. I say the same thing I say to a person whose family has been maimed by a pistol or an explosive charge or whatever else it might be -- fire. This is bad, and we have got to stop the scourge of drugs. And I talked to Bill Bennett about that, because I said, ``Bill, what can be worked out with finality on AK - 47's? What can be done and still, you know, do what's right by the legitimate sportsman?" I'd love to find an answer to that, Rita [Rita Beamish, Associated Press], because I do think that there has to be some assurance that these automated attack weapons are not used in the manner they're being used. And I told Bill -- I said, ``Look, don't worry about what you said up there." I said, ``I can identify with what was behind your thinking on that very, very easily." I'd like to find some accommodation. The problem, as you know, is that automated AK - 47's are banned and semiautomated are not. So, in they come, and then they get turned over to automated weapons through some filing down. It isn't as easy as it seems to those who are understandably crying out: Do something! Do something!

But I've tasked Bill. I've said, ``Bill, work the problem. Find out. And I'm not so rigid that if you come to me with a sensible answer that takes care of the concerns I've felt over the years I'll take a hard look at it, and I'll work with you to that end."

Speaker of the House Jim Wright

Q. Mr. President, do you support the Republican Congressional Committee's decision to make Jim Wright its number-one target next year? And doesn't that conflict with your -- --

The President. Hey, listen, I've got enough fights on my hands now, Dave [David Montgomery, Fort Worth Star Telegram]. [Laughter] I'm not looking for any more. Let the Congress do its thing, and I'll just stay right where I am, plugging away on a matter of principle for a battle that's going on in the -- I'll let you know if I want to take on any more.

Soviet-U.S. Relations

Q. Mr. President, on foreign policy, there is some confusion about how you feel about linking Soviet good behavior, particularly in Central America, to granting them technological transfers and economic credits. If Gorbachev helps you in Central America, specifically in Nicaragua, are you willing to help him economically?

The President. Look, the more cooperation we can get on regional objectives -- in this instance, the democratization of Central America -- the more help we can get towards that end by the Soviets with pulling back their large amount of military support, the better it would be between relations. So, there is linkage, but when it gets to the specifics of what I'll be willing to do -- that will come under this whole policy review. But we are not going to back away from agenda items, including regional tensions. And when something good happens, give some credit. When Soviets come out of Afghanistan, which happened here not so long ago, give them credit for that. When you get lightening up a little bit on the question of Soviet Jews or something of that nature, give some credit. So, don't know exactly how to help you in terms of how much linkage there is, but there's clearly got to be some linkage.

Q. Sir, you've been getting cables back from Vienna from Secretary of State Baker, he's been meeting with Foreign Minister Shevardnadze. Is Shevardnadze saying anything encouraging along this line?

The President. Well, I haven't seen the overnight cable from Baker reporting on that meeting, so I can't comment. I read some reports of what Shevardnadze said in terms of conventional forces, and it looks to me like he's moving towards the oft-stated public position of NATO in this regard, and that is good. Where it's not a question of numbers you take out, it's a question of the numbers that are left when you finish taking troops out. So, I think there's been some encouraging -- but I have not yet seen the Baker report, and I haven't talked to him since his visit.

Aid to the Contras

Q. Mr. President, nonmilitary aid to the contras will run out at the end of the month. Do you plan to propose new aid to the contras and some package of carrots and sticks for the Sandinistas?

The President. Well, I hope there is some understanding on the Hill that these people must not be left without humanitarian aid. And we have already -- through the Secretary of State before he left -- pointed out that that was my inclination was to strongly support the appeal for humanitarian aid. We simply cannot, and I will not, leave the contras out there with no humanitarian aid at all -- ability to stay alive at this juncture.

Q. But will the package include some promise of renewed military aid depending on the Sandinistas' behavior at this point?

The President. We are talking, as I think the Secretary said the other day, about how best to move the process of democratization forward. I had a very interesting talk with Mr. Cervezo [President of Guatemala] on that. And I am hopeful that before the 90-day period is up, you know, on the Presidents coming out, that we can get some very clear statements. But in terms of humanitarian aid, I don't think there will be much resistance to that at all.

Terrorist Raids in Israel

Q. Mr. President, on another regional question, Yasser Arafat [Palestine Liberation Organization chairman] has refused to criticize any of the raids within Israel that have been carried out. Is he backing down on his promise against terrorism?

The President. I hope not, and I'd like to see him forthrightly condemn any terror that might be perpetrated by the Palestinians. I stop short of saying he's condoning it or that he is furthering it. I'm not saying that. But I'd like to see him speak out. It would do wonders. It would be very good for future dialog.

Q. Well, is he jeopardizing the dialog as it sits now?

The President. To the degree terroristic acts are condoned, it doesn't help the dialog.

Administration Accomplishments

Q. There is a school of thought in Washington, Mr. President, that perception is often reality or becomes reality. The perception is that your administration is floundering, that the White House staff is inept. How do you deal with that? How do you turn that around?

The President. I ask for your forbearance and leadership in this regard, pointing out all the things that I spelled out in the beginning, comparing that with the terms of appointments. I've spared you the statistics on appointments, which I had prepared, because one of the hits is, you haven't sent up any names. You haven't done anything about names. And so, I would refer to my notes, Gerry [Gerald Boyd, New York Times], if that's all right. And I have lost my notes on this -- no, here they are. And in terms of the Reagan-Bush administration, at this juncture, 55 names as of March 6th had been announced. On the Bush-Quayle administration, 67 had been announced. So, it's not bad. We're a little bit ahead in terms of announced names. Now, you've got some different problems here because one is nomination, the other is intent to nominate. And intent to nominate means there's still some more paperwork to be done. But in terms of who we want in place, we're moving along all right. I'd like to see it faster, of course.

But that's one of the allegations -- disarray. First, I have great confidence in my staff. And every Chief of Staff goes through this drill, where he gets saluted for his brilliance, and a month later gets attacked for his something else. And I have total confidence in John Sununu; he knows the way this town works. He has the respect level that comes from being -- there he is -- [laughter] -- the respect level that comes from being a Governor. And so, we're all used to this. Hey, this is light compared to what is was like about a year ago in my case. So, that's why I still feel relaxed.

But the point is, if you would just write down all those wonderful things I told you that are

happening and get it out to that wide readership, it would be very helpful to me. And also, I refer you to the phone call in Lubbock. [Laughter] And that is: Never get too uptight about stuff that hadn't reached Lubbock yet. And be sure that there's some accomplishments going on -- --

Q. Is that your Peoria?

The President. -- -- accomplishments going on that people can say, ``Wait a minute, there's quite a bit happening here."

Q. If I could follow up: Is there a danger here, sir? Is there a potential danger if the perception lingers?

The President. You're in a better position to answer that than I am. However, you know, I come back to the Tower -- I think people are fair. They are not making up their minds on perceptions, make them up on facts. And I am one who felt that way coming out of the campaign. That's why I go back to that. It was a very important thing to me -- what happened out there about a year ago. And here I stand here. And so, I don't think the American people make up their minds on perceptions. I think they make up their minds on facts. Now, you can have various waves of approval or disapproval, but I think if we can just get our message out on the facts the way I've spelled them out here I think we'll do fine. But I've -- --

Federal Budget

Q. Mr. President, I'd like to ask you about one of the facts that you cited in your list. You said the budget that you sent to the Hill has more detail than any budgets of the last two administrations. I'm a little confused about that. What are you referring to, since yours did not list any of the domestic -- --

The President. More detail has been sent to the Hill at this time in our administration -- let me clarify that -- than at any time for either the Reagan administration in 1981 or the Carter administration in '77. They hadn't gone up with near this amount of detail to the Hill. And we have a document that we should pass out to you because it is quite important that this be understood.

One more.

Q. Mr. President, you've -- --

The President. Make it two. Two more -- one, two. Sorry.

Administration Accomplishments

Q. Thank you, sir. You've heard the commentaries and read the articles about the -- as have been described here -- the foundering and the lack of ideas of the administration. I'm wondering what your reading is on the motivation for all of this at this point in the administration.

The President. The motivation for these groundless stories? [Laughter] Let me see what it would be.

Q. They're coming from Republicans and Democrats.

The President. Well, who are some of the sources? Help me, and then I can give you the motivation. Give me two Democratic sources and two Republicans that have said this, and then let me try to -- --

Q. Kennedy.

The President. Ted Kennedy? Enough said.

Q. You have David Gergen's commentary.

The President. And do you have him down as an objective journalist or a Republican?

Q. Maybe both.

Q. Republican.

The President. Republican? Well, I think he's wrong. [Laughter]

Q. But what do you think the motivation is, coming at this particular point -- --

The President. Look, I told you what I think. Go back and look at history; it kind of goes in cycles. But I'm not deterred at all. And I've seen them, and I've seen some of the things that are cited in the stories as evidence of this, and I just disagree with the facts. So, keep on doing your job; that's my answer.

Q. Well, sir, one more crack at the ``hitting the ground crawling'' concept here. [Laughter]

The President. I read that -- I give -- sorry about that. Go ahead.

Policy Reviews

Q. You made much, sir, during your campaign of how close you were to President Reagan 8

years, you were very much involved, and so on. What is the need then, sir, for these 90-day reviews that you keep referring to? Why do we need 3 months to review our strategic policy, our foreign policy?

The President. Because it is a prudent thing to do. You have new people in the administration. You have rapid change inside the Soviet Union; you have certain things going on inside the Soviet Union we're not particularly sure about. And it is prudent at the beginning of any new administration, with new people involved, to have strategic and management reviews in the Defense Department. It's prudent to take a hard, new look at some of the problems that plague us in terms of the Third World. It is prudent in terms of some of our domestic objectives, although they're quite a bit clearer, Ellen [Ellen Warren, Knight-Ridder Newspapers], it seems to me. And we just have a question now of getting legislation to match those objectives that I spelled out in that report to the Congress.

Q. Well, then, to follow up, sir: In terms of the prudent review, have you come up with any novel or remarkable new approaches to old problems?

The President. Well, the reviews aren't completed yet. Stay tuned. We might well do just that. Really surprise the socks off you.

U.S. Economy

Q. Can we have an economics question?

Q. One economic question?

The President. No, those are the ones that get you in trouble -- [laughter] -- those economic questions. I feel pretty good about the economy, though.

Howard University Student Protest

Q. How about an Atwater question?

The President. An Atwater question?

Q. Yes. You're going tomorrow to speak to the United Negro College Fund. Right now the students at Howard are protesting Atwater on the board of Howard. Do you think they have a legitimate grievance about Atwater's conduct during the campaign?

The President. No. No, and I think it's a good thing he's on the board. I think it's a good thing he's going to talk to these students. And I think that will work out just fine. He's doing a first-class job.

Secretary of Defense-Designate Tower

Q. Would you like to see John Tower defend himself before the actual Senate board?

The President. I would not presume to recommend to the Senate what it should do, but Bob Dole knows that he has my full confidence in the way he's handling this matter in the Senate.

Q. Even though it's almost unique, would you like to see it happen?

The President. I have told you my answer. I don't think the White House -- I think we've got to be very careful here that we don't try to dictate procedures to the Senate. I have full confidence that the leader, if he decides to propose that with finality, will be doing what he thinks is best; and I will strongly support him.

Q. Have you found any other Democrats?

Q. See you in Lubbock.

The President. You didn't even ask for my source, which I would have traded you for some of yours.

Note: The President's sixth news conference began at 11:10 a.m. in the Briefing Room at the White House. Marlin Fitzwater was the President's Press Secretary.

Nomination of Thomas J. Collamore To Be an Assistant Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate Thomas J. Collamore to be an Assistant Secretary of Commerce (Administration). He would succeed Katherine M. Bulow.

From 1987 to January 1989, Mr. Collamore was Assistant to the Vice President for Operations in the Office of the Vice President, where he also served as liaison to the transition offices of the President-elect and the Vice President-elect. From April 1985 to February 1987, Mr. Collamore was Deputy Assistant to the Vice President and Staff Secretary, where he created and managed a staffing system for all action items from the Vice President. Mr. Collamore served from December 1982 to April 1985 as Special Assistant to the Secretary of Commerce, where he served as the Secretary's adviser on Cabinet affairs and White House liaison. In 1982 Mr. Collamore was deputy director for operations for the Rome for Governor campaign in Connecticut. He served from 1981 to 1982 as a confidential assistant to the Secretary of Commerce. From June 1979 to March 1980, Mr. Collamore was a staff member for George Bush for President in Connecticut. And in 1978 he served as the personal aide to Lewis Rome, a candidate for Governor in Connecticut.

Mr. Collamore was born in Hartford, CT, and graduated magna cum laude with a bachelor of arts degree from Drew University in Madison, NJ, in 1981. He resides in Washington, DC.

Nomination of William Douglas Fritts, Jr., To Be an Assistant Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate William Douglas Fritts, Jr., to be an Assistant Secretary of Commerce (Congressional Affairs). He would succeed Marc G. Stanley.

Since 1985 Mr. Fritts has been director of political affairs for the Health Insurance Association of America in Washington, DC. He was Senior Assistant to the Commissioner of the Social Security Administration, 1985, and Senior Adviser to the Secretary of Health and Human Services, 1984 - 1985. Mr. Fritts was manager of Federal Government relations for Philip Morris, Inc., 1982 - 1984. From 1981 to 1982, he was Special Assistant to the Deputy Assistant Secretary for Legislation at the Department of Health and Human Services. He was executive assistant and legislative director to Senator Robert Dole, 1979 - 1981, and assistant director of the Joint Republican Leadership Office and special assistant to House Minority Leader John Rhodes, 1977 - 1979.

Mr. Fritts graduated from the University of Vermont (B.A., 1974). He was born November 13, 1950, and resides in Arlington, VA.

Nomination of Deborah Wince-Smith To Be an Assistant Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate Deborah Wince-Smith to be Assistant Secretary of Commerce (Technology Policy). She would succeed D. Bruce Merrifield.

Since 1984 Mrs. Wince-Smith has served as the Assistant Director for International Affairs and Global Competitiveness in the White House Office of Science and Technology Policy. Prior to this she served as program manager for international programs at the National Science Foundation.

Mrs. Wince-Smith graduated from Vassar College and received her master's degree from Cambridge University.

Nomination of J. Michael Farren To Be an Under Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate J. Michael Farren to be Under Secretary of Commerce for International Trade. He would succeed W. Allen Moore.

Mr. Farren served as deputy director of President Bush's transition team from November 1988 to January 1989. He was counsel at the law firm of Wiggin & Dana in New Haven, CT, since September 1988. Mr. Farren previously served as Deputy Under Secretary of Commerce for International Trade from September 1985 to July 1988 and was responsible for management and policy development for the International Trade Administration. Prior to that Mr. Farren served as Counselor to the Secretary of Commerce from March 1985 to September 1985, advising the Secretary on policy development and Cabinet matters. From June 1983 to March 1985, he served as Director of the Office of Business Liaison at the Commerce Department, where he served as the Secretary's primary contact with the business community. He was director of White House liaison and executive assistant to the deputy chairman of the Republican National Committee from August 1981 to June 1983. Mr. Farren also served as vice president of the Greater Waterbury, Connecticut, Chamber of Commerce from December 1978 to August 1981. From March 1974 to November 1978, Mr. Farren was district representative and campaign director for U.S. Representative Ronald A. Sarasin.

Mr. Farren was born in Waterbury, CT, holds a juris doctor degree from the University of Connecticut School of Law, and is admitted to the practice of law in Connecticut and the District of Columbia. He holds a master's degree in public policy analysis from Trinity College and a bachelor of arts degree in political science from Fairfield University. Mr. Farren resides in Washington, DC.

Nomination of Susan Carol Schwab To Be an Assistant Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate Susan Carol Schwab to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service. She would succeed Lew W. Cramer.

Since 1986 Miss Schwab has been legislative director for Senator John C. Danforth in Washington, DC, and chief economist and legislative assistant, 1981 - 1986. She was a trade policy officer and international economist for the U.S. Embassy in Tokyo, Japan, 1980 - 1981, and an international economist and trade negotiator for the Office of the U.S. Trade Representative, 1977 - 1979.

Miss Schwab graduated from Williams College (B.A., 1976) and Stanford University (M.A., 1977). She was born March 23, 1955, in Washington, DC, and resides in Maryland.

Nomination of Thomas J. Duesterberg To Be an Assistant Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate Thomas J. Duesterberg to be an Assistant Secretary of Commerce (International Economic Policy). He would succeed Louis F. Laun.

Mr. Duesterberg was director of operations of the transition for Vice President Dan Quayle. Prior to this he was administrative assistant for U.S. Senator Dan Quayle, 1983 - 1988, and legislative assistant, 1981 - 1983. He was senior research analyst for International Business Services, Inc., 1979 - 1981; associate instructor in the department of history at Stanford University, 1978 - 1979; and teaching assistant in the department of history at Indiana University, 1974 - 1978.

Mr. Duesterberg graduated from Princeton University (B.A., 1972) and Indiana University (M.A., 1974; Ph.D., 1979). He is married, has one child, and resides in Washington, DC.

Nomination of Richard Thomas Crowder To Be an Under Secretary of Agriculture

March 7, 1989

The President today announced his intention to nominate Richard Thomas Crowder to be Under Secretary of Agriculture for International Affairs and Commodity Programs. He would succeed Daniel G. Amstutz.

Since 1975 Dr. Crowder has been with the Pillsbury Co., serving in several capacities, including president of the Distron division for the Burger King Corp., 1987 - 1988; executive vice president and chief financial officer of the restaurant group, 1987 - 1988; senior vice president and corporate risk officer, 1987 - 1988; senior vice president for strategic planning, 1983 - 1987; and vice president and corporate economist, 1975 - 1983. Dr. Crowder was manager for economic analysis and operations research for Wilson & Co., 1971 - 1975, and manager for economic analysis, 1968 - 1971.

Dr. Crowder graduated from Virginia Tech (B.A., 1960; M.S., 1962) and Oklahoma State University (Ph.D., 1967). He served in the U.S. Army in Germany, 1962 - 1964.

Remarks to Members of the Woodrow Wilson International Center for Scholars

March 7, 1989

Well, thank you all very, very much; and Barbara and I are pleased, indeed, very pleased, to be here this evening. Yogi Berra, philosopher, said: ``You can observe a lot by just watching." [Laughter] And I'm watching the Secretary of State [James A. Baker III] to see how in heaven's name he can stay awake -- [laughter] -- because it wasn't but a handful of days ago that he was covering 14 countries, or something of that nature, in Europe. A few days less than that, he and I embarked on a trip to Japan and China and then Korea. He's only back 3 days, and off he goes to Vienna. And so, I will be watching him, observing to see how he survives. But I am delighted to be introduced by him in this building. He'll be a great Secretary of State. And you watch, I made a good choice, a real good choice.

I want to thank Mr. Blitzer and Mr. Baroody, Dwayne Andreas, and all responsible for this lovely evening. Ever since I said I want to become the ``Education President," I've had more than a few things to say about accountability in education. Well, Woodrow Wilson did once serve as president of Princeton University. And legend has it that one day a worried mother approached him and questioned him closely about what Princeton could do for her son. And he's said to have answered -- historians may dispute this, but nevertheless, he's said to have answered -- and here's the quote: ``Madam, we guarantee satisfaction, or you will get your son back." [Laughter]

Well, I'm very glad to be back amongst the Wilson scholars, an honor to be here, celebrating the anniversary of this wonderful institution. The law establishing this national memorial to Woodrow Wilson called for a ``living institution" to express his ideals and his concerns. And this one certainly does. In this alliance of scholars, now world-renowned for exploring some of the most vital issues that confront mankind, Woodrow Wilson's ideals find their highest and most effective expression.

The pursuit of knowledge and understanding that the center is committed to will be all the more crucial in coming years. We're going to depend more than ever on the counsel of learned men and women in a world that is changing rapidly, a world interconnected as never before in history. New ideas, new technologies, and the diplomatic and trading relationships that they spawn, are developing at literally an outstanding pace.

Barbara and I went back to China -- my fifth visit and her sixth since we left there in the midseventies, 1975 -- astounding the change and the excitement in that place. And Jim -- just filling me in briefly on a chat that he has had with the Foreign Minister of the Soviet Union, Mr. Shevardnadze. This is an exciting era in which we are living: new ideas, new technologies -- very important to what's going on. And we weave a tapestry of shared concerns and relations

worldwide. Threads are many -- social, economic, environmental. Now world conscience -- what the world conscience -- has environmental questions out there, geopolitical, and really grows broader every day.

And much of what is occurring in the world presents us, I think, with remarkable opportunities. I said China is one. China really continues to experiment with free market capitalism -- dramatic change. We're carefully, but optimistically, watching these internal changes in the Soviet Union that many in this room are interested in and, indeed, an area where many in this room have pioneered. And all over the world, opportunities are rising for new directions in foreign policy and trading arrangements, and new challenges are being issued to our competitive status in world markets.

During this recent trip to the Far East, I had many opportunities to observe and think about competitiveness. And there are many theories about the reasons for the industrial success that some of our Asian friends are enjoying today. But no one questions the importance of one factor: the highly skilled, highly motivated, and educated work forces in those countries. And out of the devastation of war, they had the courage to recognize how their future was tied to the quality of educations that their nations provided. And as this country prepares to -- what are we, 11 years short of a new century? -- to enter that century, we, too, must recognize how essential the education of the next generations has become to our economic future. Perhaps the highest praise that coming generations might bestow upon us is that we understood the changes that are occurring in the world and that we prepared them for the challenges we knew they would face.

And so, you who comprise the Wilson Center are devoted to the life of the mind. And I imagine you'll agree with me if I say that young minds will make or break the future of this and every other country. And I have two concerns about those young minds that I want to just share briefly this evening. The young people will have to be better educated than the previous generation. And to be so, they've got to be free of the scourge of drug abuse. You know, no matter what the problems we face, as I look at our country today, and really, indeed, internationally look around, this terrible scourge of drug abuse has got to be in the forefront. And it's fundamental, these things affect us all. Their solution is not a question of ``whether," it's a question of ``when." And so, I want to think -- education, drug abuse -- think of tonight as a celebration, but also a challenge. Consider what we've got to do.

Where the state of the schools is concerned, you've all heard the surveys. Last month's report from the National Science Foundation and the Department of Education over here put American seventh-graders -- American seventh-graders -- at the bottom of an international comparison of math and science skills. And who's to blame? Too late; that's not the issue. We all must be accountable for the quality of education in America. And to assure the competitive future of this nation and the overall standard of living enjoyed by its people will demand the best kind of collective effort. All of us must get involved.

I want to launch a crusade for excellence in American education. And, yes, we are living in a time of cramped resources; but we've got to do it. The crusade has to be driven largely by local energy and initiative, drawing on people from both the public and the private sectors, and determined to establish a culture of high expectations in our schools.

At the Federal level, I've made some proposals. I want to reward excellence and success by rewarding superior teachers, recognizing these Presidential merit scholars that make real progress in these merit schools. We will establish benchmarks for achievement and both commend and reward teachers and schools that succeed. I want to establish a National Science Scholars Program, to encourage students to succeed in science. It is incumbent upon us to restore the honor, indeed, the nobility, of good teaching in this country. And it won't escape the eyes of the young if we can show them how much we value learning in the way we value teachers.

And secondly, I want to put resources where they count, targeting Federal dollars to help those most in need, to places where support can really make a difference. We will also use funds in ways that build the right links between the university and government and industry, research labs to promote scientific education and basic research. And I intend to hold firm in our effort to double the National Science Foundation's budget by 1993.

And third, I want to promote choice and flexibility by devoting $100 million in new funding for magnet schools. These are the schools that increase choice, who expand opportunities for children, and generate healthy competition among the schools.

And lastly, I'm going to push for greater accountability at all levels -- among students, among teachers, administrators, and principals -- to assure that students are actually receiving the highest quality education. For this is what excellence demands. It means setting high standards, standards that the rest of the world are going to look to. And it means constantly measuring yourself against those standards and not resting until you meet the standards. It means discipline -- says, if we don't get it right the first time, we're going to try again and again until we do get it right.

But excellence in education will not be fully realized until we free our young people from that second problem I mentioned: the scourge of drugs, drugs that kill hopes and ambitions and kill kids. And to rid our schools and our streets of this scourge, I've proposed nearly a billion dollars in new outlays for antidrug programs. I've got to confess, I wish it were more. That's what we've proposed; it's a lot of money.

With the help of our new drug czar, Bill Bennett, I'm going to be implementing a comprehensive national drug control strategy. He has 6 months from the day he's confirmed to come up with a whole new plan. And our strategy will deal with both supply and demand, by educating and inspiring in our young an attitude of zero tolerance, reclaiming lives through more effective treatment, stopping drugs at their source, and enforcing tougher penalties.

You know, last week we did get some news on the drug front. In 1988, use of cocaine declined among high school seniors. In fact, student usage of almost every illegal drug, as well as alcohol, appears to be on the decline. So, in our schools the message is beginning to get out, but we have no reason to be complacent. The drug problem is much worse among high school dropouts. And international cultivation of the opium poppy and coca leaf increased sharply last year.

So, when I talk about a war on drugs, I mean more than a rhetorical war. I seek engagement on all fronts. And the Wilson Center is known as a vital point of contact between the thinkers and the doers of this country, and a number of scholars have shed new light on this drug problem. And I've heard great things about the conference that you all held on drug trafficking in the Americas last fall. And the proceedings of that conference provoked a great deal of thought. And for my part, the thoughts are haunting.

Sadly, the cores of many societies have been permeated by drug gangs and cartels and organized crime. Consider it economic; call it social; call it cultural; but consider it an international peril. And if we're to stop it, we've got to stop it together. And I encourage you in this great institution to continue searching for long-term solutions. In a city that's preoccupied by short-term policy issues, the Wilson Center encourages the longer view. And in a city preoccupied by politics, you draw support from all parties and all quarters, with funding from both the public and the private sectors.

And in this nation's efforts to educate its young and see them clear of the threat of drugs, you're in a position to help us make our battles winning ones. We need our young people to succeed. Our ability to empower them will reflect our character and our ideals as a nation. Woodrow Wilson put it this way: ``The beauty of a democracy," he said, ``is that you never can tell when a youngster is born what he's going to do, and that no matter how humbly he's born he has got a chance to master the minds and lead the imaginations of the whole country."

Well, I guess our challenge will be to give all young people the chance to fulfill their highest ambitions and their God-given potential. And I think it falls to us -- and maybe more heavily on you all, interested in this marvelous center -- to prove that Woodrow Wilson is right.

Thank you all. God bless you. Now the souffle, and then Senator Pat Moynihan. You've got it made. Thank you all very much.

Note: The President spoke at 9:10 p.m. in the Dining Room at the Department of State. In his opening remarks, he referred to Charles Blitzer, William J. Baroody, and Dwayne Andreas, Director, Chairman of the Board of Trustees, and Vice Chairman of the Board of Trustees, respectively.

Inaugural Address

January 20, 1989

Mr. Chief Justice, Mr. President, Vice President Quayle, Senator Mitchell, Speaker Wright, Senator Dole, Congressman Michel, and fellow citizens, neighbors, and friends:

There is a man here who has earned a lasting place in our hearts and in our history. President Reagan, on behalf of our nation, I thank you for the wonderful things that you have done for America.

I've just repeated word for word the oath taken by George Washington 200 years ago, and the Bible on which I placed my hand is the Bible on which he placed his. It is right that the memory of Washington be with us today not only because this is our bicentennial inauguration but because Washington remains the Father of our Country. And he would, I think, be gladdened by this day; for today is the concrete expression of a stunning fact: our continuity, these 200 years, since our government began.

We meet on democracy's front porch. A good place to talk as neighbors and as friends. For this is a day when our nation is made whole, when our differences, for a moment, are suspended. And my first act as President is a prayer. I ask you to bow your heads.

Heavenly Father, we bow our heads and thank You for Your love. Accept our thanks for the peace that yields this day and the shared faith that makes its continuance likely. Make us strong to do Your work, willing to heed and hear Your will, and write on our hearts these words: ``Use power to help people." For we are given power not to advance our own purposes, nor to make a great show in the world, nor a name. There is but one just use of power, and it is to serve people. Help us remember, Lord. Amen.

I come before you and assume the Presidency at a moment rich with promise. We live in a peaceful, prosperous time, but we can make it better. For a new breeze is blowing, and a world refreshed by freedom seems reborn. For in man's heart, if not in fact, the day of the dictator is over. The totalitarian era is passing, its old ideas blown away like leaves from an ancient, lifeless tree. A new breeze is blowing, and a nation refreshed by freedom stands ready to push on. There is new ground to be broken and new action to be taken. There are times when the future seems thick as a fog; you sit and wait, hoping the mists will lift and reveal the right path. But this is a time when the future seems a door you can walk right through into a room called tomorrow.

Great nations of the world are moving toward democracy through the door to freedom. Men and women of the world move toward free markets through the door to prosperity. The people of the world agitate for free expression and free thought through the door to the moral and intellectual satisfactions that only liberty allows.

We know what works: Freedom works. We know what's right: Freedom is right. We know how to secure a more just and prosperous life for man on Earth: through free markets, free speech, free elections, and the exercise of free will unhampered by the state.

For the first time in this century, for the first time in perhaps all history, man does not have to invent a system by which to live. We don't have to talk late into the night about which form of government is better. We don't have to wrest justice from the kings. We only have to summon it from within ourselves. We must act on what we know. I take as my guide the hope of a saint: In crucial things, unity; in important things, diversity; in all things, generosity.

America today is a proud, free nation, decent and civil, a place we cannot help but love. We know in our hearts, not loudly and proudly but as a simple fact, that this country has meaning beyond what we see, and that our strength is a force for good. But have we changed as a nation even in our time? Are we enthralled with material things, less appreciative of the nobility of work and sacrifice?

My friends, we are not the sum of our possessions. They are not the measure of our lives. In our hearts we know what matters. We cannot hope only to leave our children a bigger car, a bigger bank account. We must hope to give them a sense of what it means to be a loyal friend; a loving parent; a citizen who leaves his home, his neighborhood, and town better than he found it. And what do we want the men and women who work with us to say when we're no longer there? That we were more driven to succeed than anyone around us? Or that we stopped to ask if a sick child had gotten better and stayed a moment there to trade a word of friendship?

No President, no government can teach us to remember what is best in what we are. But if the man you have chosen to lead this government can help make a difference; if he can celebrate the quieter, deeper successes that are made not of gold and silk but of better hearts and finer souls; if he can do these things, then he must.

America is never wholly herself unless she is engaged in high moral principle. We as a people have such a purpose today. It is to make kinder the face of the Nation and gentler the face of the world. My friends, we have work to do. There are the homeless, lost and roaming. There are the children who have nothing, no love and no normalcy. There are those who cannot free themselves of enslavement to whatever addiction -- drugs, welfare, the demoralization that rules the slums. There is crime to be conquered, the rough crime of the streets. There are young women to be helped who are about to become mothers of children they can't care for and might not love. They need our care, our guidance, and our education, though we bless them for choosing life.

The old solution, the old way, was to think that public money alone could end these problems. But we have learned that that is not so. And in any case, our funds are low. We have a deficit to bring down. We have more will than wallet, but will is what we need. We will make the hard

choices, looking at what we have and perhaps allocating it differently, making our decisions based on honest need and prudent safety. And then we will do the wisest thing of all. We will turn to the only resource we have that in times of need always grows: the goodness and the courage of the American people.

And I am speaking of a new engagement in the lives of others, a new activism, hands-on and involved, that gets the job done. We must bring in the generations, harnessing the unused talent of the elderly and the unfocused energy of the young. For not only leadership is passed from generation to generation but so is stewardship. And the generation born after the Second World War has come of age.

I have spoken of a Thousand Points of Light, of all the community organizations that are spread like stars throughout the Nation, doing good. We will work hand in hand, encouraging, sometimes leading, sometimes being led, rewarding. We will work on this in the White House, in the Cabinet agencies. I will go to the people and the programs that are the brighter points of light, and I'll ask every member of my government to become involved. The old ideas are new again because they're not old, they are timeless: duty, sacrifice, commitment, and a patriotism that finds its expression in taking part and pitching in.

We need a new engagement, too, between the Executive and the Congress. The challenges before us will be thrashed out with the House and the Senate. And we must bring the Federal budget into balance. And we must ensure that America stands before the world united, strong, at peace, and fiscally sound. But of course things may be difficult. We need to compromise; we've had dissension. We need harmony; we've had a chorus of discordant voices.

For Congress, too, has changed in our time. There has grown a certain divisiveness. We have seen the hard looks and heard the statements in which not each other's ideas are challenged but each other's motives. And our great parties have too often been far apart and untrusting of each other. It's been this way since Vietnam. That war cleaves us still. But, friends, that war began in earnest a quarter of a century ago, and surely the statute of limitation has been reached. This is a fact: The final lesson of Vietnam is that no great nation can long afford to be sundered by a memory. A new breeze is blowing, and the old bipartisanship must be made new again.

To my friends, and, yes, I do mean friends -- in the loyal opposition and, yes, I mean loyal -- I put out my hand. I am putting out my hand to you, Mr. Speaker. I am putting out my hand to you, Mr. Majority Leader. For this is the thing: This is the age of the offered hand. And we can't turn back clocks, and I don't want to. But when our fathers were young, Mr. Speaker, our differences ended at the water's edge. And we don't wish to turn back time, but when our mothers were young, Mr. Majority Leader, the Congress and the Executive were capable of working together to produce a budget on which this nation could live. Let us negotiate soon and hard. But in the end, let us produce. The American people await action. They didn't send us here to bicker. They ask us to rise above the merely partisan. ``In crucial things, unity'' -- and this, my

friends, is crucial.

To the world, too, we offer new engagement and a renewed vow: We will stay strong to protect the peace. The offered hand is a reluctant fist; once made -- strong, and can be used with great effect. There are today Americans who are held against their will in foreign lands and Americans who are unaccounted for. Assistance can be shown here and will be long remembered. Good will begets good will. Good faith can be a spiral that endlessly moves on.

Great nations like great men must keep their word. When America says something, America means it, whether a treaty or an agreement or a vow made on marble steps. We will always try to speak clearly, for candor is a compliment; but subtlety, too, is good and has its place. While keeping our alliances and friendships around the world strong, ever strong, we will continue the new closeness with the Soviet Union, consistent both with our security and with progress. One might say that our new relationship in part reflects the triumph of hope and strength over experience. But hope is good, and so is strength and vigilance.

Here today are tens of thousands of our citizens who feel the understandable satisfaction of those who have taken part in democracy and seen their hopes fulfilled. But my thoughts have been turning the past few days to those who would be watching at home, to an older fellow who will throw a salute by himself when the flag goes by and the woman who will tell her sons the words of the battle hymns. I don't mean this to be sentimental. I mean that on days like this we remember that we are all part of a continuum, inescapably connected by the ties that bind.

Our children are watching in schools throughout our great land. And to them I say, Thank you for watching democracy's big day. For democracy belongs to us all, and freedom is like a beautiful kite that can go higher and higher with the breeze. And to all I say, No matter what your circumstances or where you are, you are part of this day, you are part of the life of our great nation.

A President is neither prince nor pope, and I don't seek a window on men's souls. In fact, I yearn for a greater tolerance, and easygoingness about each other's attitudes and way of life.

There are few clear areas in which we as a society must rise up united and express our intolerance. The most obvious now is drugs. And when that first cocaine was smuggled in on a ship, it may as well have been a deadly bacteria, so much has it hurt the body, the soul of our country. And there is much to be done and to be said, but take my word for it: This scourge will stop!

And so, there is much to do. And tomorrow the work begins. And I do not mistrust the future. I do not fear what is ahead. For our problems are large, but our heart is larger. Our challenges are great, but our will is greater. And if our flaws are endless, God's love is truly boundless.

Some see leadership as high drama and the sound of trumpets calling, and sometimes it is that. But I see history as a book with many pages, and each day we fill a page with acts of hopefulness and meaning. The new breeze blows, a page turns, the story unfolds. And so, today a chapter begins, a small and stately story of unity, diversity, and generosity -- shared, and written, together.

Thank you. God bless you. And God bless the United States of America.

Note: The President spoke at 12:05 p.m. at the West Front of the Capitol. Prior to his address, the oath of office was administered by Chief Justice William H. Rehnquist. The address was broadcast live on radio and television.

Remarks to White House Visitors

January 21, 1989

The President. Good morning, everybody. [Applause] Thank you. Thank you all very much. Let me just say that I know some of you have been up all night long. And so, what we want to do is not delay this but take whoever is first. And I gather that's been sorted out by whoever got first in line into the -- --

Visitors. No!

The President. Not quite?

Visitors. No!

The President. Okay, so there's some injustice out there. [Laughter]

Visitor. We love you, George! I love you!

The President. No, but this is the people's house, and it just seemed appropriate on this first day that we welcome as many as we can. I have a little hiatus in the middle because I do have to go over to this building. I'm sure most of you recognize that as the West Wing, and then the office you see in the corner is the President's Oval Office. And I have to go sign one or two things and at least start to work over there, and then I will come back. Barbara will be here -- some of our kids inside. But we just wanted to wish you well and welcome you to the people's house.

Thank you all very, very much. Thank you. We'll scoot on in.

Note: The President spoke at 8:05 a.m. at the Executive Entrance of the White House.

Question-and-Answer Session With Reporters

January 21, 1989

The President. Good morning, Helen [Helen Thomas, United Press International].

First Day as President

Q. How are you? How does it feel to be President?

The President. It feels just fine -- setting in now, after the glamour and excitement of the inauguration. It's a great joy to have my mother here, the leader of our family, a great joy to have our ten kids over there last night. One got sick, so I had the duty at about 6 a.m. this morning. Ellie LeBlond -- pumped a half a Tylenol into her, and she's looking good. Ate two pancakes -- what you'd call a rapid recovery.

Q. Which one was ill, sir?

The President. Ellie, Doro's daughter, the Thousand Points of Light kid that ran across in the commercial. No, but it's so exciting over there and just a joy to have the family all there. They'll start leaving. We have a luncheon today with 240.

Mrs. Bush. Oh, really?

The President. Yes, 240 -- family.

Mrs. Bush. Oh, my Lord!

Q. Are you responsible for all that? Are you responsible for 240?

Mrs. Bush. No. [Laughter]

Q. What are your thoughts, Mrs. Bush?

Mrs. Bush. What did you say?

Q. What are your thoughts about today?

Mrs. Bush. Oh, I think it's the most exciting day of my life so far. It's just been wonderful. Everything has been perfect. Everything is so beautifully arranged.

The President. This is the one that told me not to brag about myself and to bend my knees when I volleyed. Right here, you're looking at her. [Laughter]

American Hostages

Q. Mr. President, you seem to be holding out an olive branch to Iran or the Shi'ites in terms of Terry Anderson and the hostages. Were you hinting a movement there, or a change of policy, or -- --

The President. No, Helen, I don't think it's a change of policy, but I wanted to be sure I mentioned in that speech my absolute determination not to forget either category: POW - MIA or these hostages. And I wanted that right in there. It was one of the few specific points in an otherwise thematic speech. And in terms of your question, I hope it was heard around the world. You know, we keep hearing rumors that countries want to have improved relations with the United States. I wanted to make clear to them that good will begets good will. I also know enough about the situation to think, in fairness, that because of the nature of the hostage-holding you can't finger any one country for holding Americans hostage against their will. But people have, in the past, facilitated the release of our citizens, and I'd love to see that happen again. And I won't forget it. Having said that, we're not going to escalate the currency of holding Americans hostage. We're not going to have people feel that we are going to make concessions in order to free those precious lives. We simply can't.

Q. You talk about a fist, sir.

The President. Yes. That is a broad term to indicate that the United States will stay strong, and occasionally Presidents are called upon to use force in one situation or another around the world. And this President will be no different. It wasn't in the context of the people held against their will necessarily.

Relations With Congress

Q. Do you plan any official business today, Mr. President?

The President. There just is -- no, today -- --

Q. Like the ethics order, for instance.

The President. -- -- I haven't talked to John Sununu. We had one or two formal things we were going to do, I think.

Mr. Sununu. Yes, but ethics is not today.

The President. Ethics won't be today. We're going to talk to the leadership early next week -- the bipartisan leadership of the Congress -- on how we proceed on the budget. We're contemplating how we best make clear to the Hill my determination to do one of the things I talked about yesterday and try to reach for bipartisanship in foreign affairs. And so, we're thinking of a meeting that will say to those who have shown the most interest in that in Congress, Look, we're ready. The President has unique responsibilities under the Constitution for foreign policy and for the national security. But we want, through consultation, to have the Congress in as much as possible on the takeoff. We've got to figure out how we do that.

There was a very good letter sent to me before I was elected President by David Boren and Senator Danforth -- Senator Boren and Senator Danforth. I'm sure that has been released. There's been some editorial comment on it, and that caught my imagination. And I wrote him back and said, ``Okay, let's talk about it.'' We can't do it one way. The President has certain unique responsibilities, and I intend to carry those out. But we can, I think, do a better job of having the Congress understand initiatives that we might take. Certainly, in some difficult areas I need their advice. I welcome it, but I'd love to think we could go back to the Vandenberg days, partisanship stopping at the water's edge. But I'm not naive. I know they're very difficult.

One thing, however, having said all those sweet and nice things, I am concerned, as a lot of Congressmen are, as a lot of Senators are, about the erosion of Presidential power, and I have been. And so, I want to talk with reasonable Members in the Senate and the House, Democrat and Republican. Some have told me they share that concern. And I say, what do we do about it? How do we work with you people in consultation not only to avoid the erosion of power but to reestablish in the Presidency the firm hand that I think the Constitution gave the President?

Q. Well, the Constitution also lets Congress declare war.

The President. Well, that's right.

Q. And Vietnam was the part of the not keeping Congress really informed as they made these moves. So, don't you think that what you're really saying is, you want something different from the Reagan administration.

The President. I'm saying I've just spelled out what I want for the Bush administration.

Inaugural Address

Q. Sir, there was criticism of your speech that there wasn't any meat in it, that it set a tone, but that you didn't have any specific initiatives. What do you say to that?

The President. I haven't heard too much criticism about that. I've been very pleased with the wonderful -- well, put it this way -- very overly, perhaps, generous response, at least from the

Members of the Hill. But I say, stay tuned. February 9th we'll have something a little different, if that's the date that's settled on.

Q. Is that the State of the Union?

The President. Yes. That'll be up there with the Congress.

Communications With Foreign Leaders

Q. Mr. President, often, a President on his first day makes some kind of communications with foreign leaders. Have you spoken or sent notes to any of the allies or to Mr. Gorbachev, or has he tried to contact you?

The President. Well, he has contacted me through a nice, very generous letter, pledging to work for world peace, something of that nature. And clearly I will respond not only to that communication from Mr. Gorbachev but to expressions of good will from all around the world. It's been very heartwarming, and I want to be sure we do get these responses out.

President Reagan's Farewell Note

Q. What did the President's note say?

The President. Grab it out of the drawer there, Tim. Tim, could you get the note from the President there?

Mr. Fitzwater. Wait. Wait. Let's restore the lights here. The stills are okay.

The President. Am I violating any rules here, Marlin?

Q. They're your rules, sir. They're your rules.

The President. Oh, I set the rules. Okay, but we've established one thing, haven't we: that this is not a ``photo op."

Q. That's right.

Q. Whatever you say, sir.

The President. No, that was -- Marlin, help me.

Mr. Fitzwater. That's right. We've talked earlier and said you'd have a chance for a discussion

here and questions and -- --

Q. We don't care what you call it, just so you answer the questions.

The President. No, no. I care what I call it because I don't want to demean your profession further by making you raise your voice, Helen. I love it when it's tranquil and peaceful like this.

Q. We do, too.

The President. I know you do.

Q. I know about Presidential power.

The President. Let me see if I can -- [laughter]. And I know about UPI [United Press International] -- [laughter] -- let's see whether I dare read you this:

``Dear George'' -- this is from President Reagan -- ``You'll have moments when you want to use this particular stationery. Well, go to it. George, I treasure the memories we share and wish you all the very best. You'll be in my prayers. God bless you and Barbara. I'll miss our Thursday lunches. Ron''

The heading on the paper is ``Don't let the turkeys get you down.'' So, nobody here should take personal to this at all. I mean, this is a broad, ecumenical statement: ``Do not let the turkeys get you down.''

Q. That's not written.

The President. Don't know who he's speaking about there. And it shows a bunch of turkeys trying to get an elephant down. And it says ``Boynton'' on the bottom.

First Day as President

Q. How does it feel, sir, to be in the Oval Office the first day?

The President. It's wonderful. I can't wait to get to work -- I mean, serious work. And we're going to do some here today with the Chief of Staff -- go over some. But it really feels wonderful, and I know how to begin. And we're going to start right in Monday, and then we'll have a good, full schedule on Tuesday. And I couldn't wait to come over here this morning. I did because we had some people, you know, come through the White House just to symbolically open the door of the people's house. I must say that was kind of interesting, the expressions. I was saying to myself, Now, what does it take for somebody to stay awake all night to come into

the White House? What kind of people are they? Well, they were all different kinds of people: a lot of kids, a lot of young people, some older, some with their children, a couple of families. Three had been to one of these balls -- black ties -- and just pitched -- you know, like we used to do when we were little, maybe -- slept out there. But the common thread was that they felt they were lucky to be there, which amazed me, in a sense, because I thought we were so lucky to have people that would care that much.

Q. Do you feel the same way, sir?

The President. A lot of people -- I do. I do. All right.

Q. Have you gotten lost?

The President. What?

Q. Have you gotten lost?

The President. I got lost in the White House yesterday evening when we came in, trying to find a couple of kids' rooms, yes.

Q. Thank you.

The President. Thank you all.

Q. And there was one for every room?

The President. Ten children. I mean -- five kids and ten spouses and ten grandchildren, and then Paula, who has lived with us for 29 years.

Q. It's a nice hotel, isn't it?

The President. It's unbelievable, Helen. It's unbelievable.

Note: The exchange began at 9:09 a.m. in the Oval Office at the White House. John H. Sununu was Chief of Staff to the President. In his remarks, the President referred to Timothy McBride, Assistant to the President, and Marlin Fitzwater, Assistant to the President and Press Secretary.

Remarks to Campaign Staff Members and Political Supporters

January 21, 1989

Thank you, Governor Sununu. And let me say at the outset -- I'm sure you all know John Sununu, but I am very grateful that he has agreed to -- having just left the Governorship of his State -- to be our Chief of Staff. And I know he'll do a superb job over there. In fact, he already put me to work this morning signing things. The Republic is still in reasonably good shape, I think, but I signed a bunch of stuff and -- [laughter] -- looked official in there.

And it is a wonderful feeling. We have a tremendous -- Barbara's not here. And I called her on the phone a minute ago, and I said, ``Bar, are you coming over to the State Department -- going to the State Department?" She said, ``We have 240 family members coming here at 12 o'clock, and you'd better be back." [Laughter] So, she's not here, but we have one representative: the singing and dancing star the other day at Bar's, Noelle Bush from Miami. You get over there. I don't want to be upstaged. [Laughter]

But look, I will be very informal because I look around the room and see just so many people from here, from Puerto Rico, from out in the Pacific and all 50 States; people that have made it possible for me to take on this new responsibility. And people say to you -- we had a press group over at the White House. I took my mother over there to the Oval Office, and then we took some questions from the press. And they asked a very appropriate question that seems very obvious: But has it all sunk in yet? And I guess the answer is: When you spend the first night in the White House and then when you go to work in that Oval Office, it does sink in, but it sinks in in a wonderful way.

I opened the top drawer of my desk now -- a beautiful, historical Presidential desk -- and here was a really lovely, warm note from my predecessor, which I think demonstrates more than the continuity. It says a lot because it said a lot about our own personal friendship, and it said a lot to me -- though he, the modest, now former President, would never say it -- but a lot of how I got the chance to be in this job. And so, it was emotional, and yet it had a very nice steady feeling to it: that the Presidency goes on. I heard, when he got to California, that President Reagan said he left me a note over where the underwear goes -- [laughter] -- or wherever that top right hand drawer, but I haven't found it yet. I'll have to keep looking. [Laughter]

But I wanted to come over and thank the movers and shakers of the Team 100 -- Larry Bathgate of the National Committee, and Mel and Joe and Wally Ganzie -- Mel Sembler and Joe Zappala, Wally Ganzie -- who these three I single out with some trepidation in this room because there are various other stages along the way to the White House. Each and every one of you came out and did disproportionately more than his or her share. Bobby Holt is here, who has blossomed forth from being not only one of the classic arm-twisters and -- [laughter] -- persistent

fundraisers, but now his new horizons are frightening in that he was kind of running parades and running all kinds of marvelous events -- [laughter] -- to save the Republic. And I'm very grateful to him. I don't know that Penne Korth is here, but she was our peripatetic -- I've just learned what that means -- [laughter] -- everywhere, never lets up, always around cochairman. And she did an outstanding job as well.

But to each and every one of you, really, I am very, very grateful to you. A serious note -- I said some of it yesterday, perhaps with less specificity than I will when I address the Joint Session of the Congress in early February. And what I wanted to say is: Yes, the problems are big out there. There's no question of it. And I did single out the Federal budget deficit yesterday. I talked about the new relationship with the Soviet Union. But let me just say a word on each.

I'm convinced that if we approach it properly with the Congress, without rancor, that we can get it done. I know it's not going to be easy, and I know they're not going to accept even some of the fundamental premises upon which I was elected. I'm sure of that. But I also know that with Governor Sununu at my side coming out of the political process, and with me in a sense a creature of Congress as well, that we're going to try. And I think maybe we can make the headway that the American people are really properly demanding in terms of addressing ourselves to this one fundamental remaining problem.

I put the trade deficit in a different category because I think if we get demonstrable progress on the Federal budget deficit that will send a psychological signal to world markets that will help us enormously in terms of the expense of interest, for example, on the Federal debt. So, we're going to start, and we're going to reach out. And on Tuesday of next week, we're going to have our first meeting with the bipartisan leadership -- House and Senate, Democrats and Republicans -- to start addressing this. We're not expecting miracles, but I want them to know we are going to try. I'm going to try to do that which I said, in that speech on the west front of the Capitol, I wanted to do.

And then the second point -- we're standing in this spectacular building which George Shultz so ably led and that now will be led by my friend of such long standing, Jim Baker. And somebody -- there was an editorial in the Times the other day that said the Vice President -- or the President-elect has been dealt a good hand on foreign affairs. I think that's true. We've got some tough problems in our own hemisphere. We're got some problems we're watching very carefully in Africa. We've got problems in the subcontinent in terms of nuclear proliferation.

So, you've plenty of problems to go around. But because of the reestablished credibility of the United States, because our word is seen as good, because our determination is not doubted, I think I have been dealt a very good hand. And I salute, obviously, President Reagan and men with whom I worked, women of ability in the trade areas or in the defense areas or wherever is it, because I think I come in with a stronger hand now, and I think the horizon is bright. I'd talk to kids in the campaign, and I'd tell them, listen, if I were in your shoes, I'd be optimistic that I

might grow up in a land less afraid of nuclear holocaust, less worried about regional conflagration, more optimistic about human rights worldwide.

So, the agenda, though fraught with some problems, is one that I look forward to tackling. We already had a first meeting -- Governor Sununu and Brent Scowcroft and me -- this morning. We met first with the Director of the Central Intelligence and one of our regular briefers, and then Bob Gates, the new Deputy over there, joined us. And you begin to get the sense where we should start, what areas we should tackle first, and again going right back with the Congress, trying to do a better job in letting them understand.

The President has a unique responsibility. I am concerned about the erosion of Presidential power, particularly in the field of national defense and foreign policy. But I want to work with Congress. They want in on the takeoff -- fine. I've got to make the decision. I have constitutional responsibility, and they have theirs -- largely in the purse strings and whatever -- and responsibilities there. But again, we're going to approach it with openness, with firmness, but with a spirit that, look, we really should try to return to the Vandenberg days of partisanship stopping at the water's edge.

So, this challenge, this one of foreign affairs and working so Noelle back here can grow up in a world much more peaceful, so the kids don't have to worry quite as much about the tensions that perhaps their mom and dad had to do, is a good one. And we're ready for it, and we're putting together a first-class team.

Lastly -- again, thank you -- but lastly, this morning Barbara and I, having attended I think it was 14 events last night -- [laughter] -- there's somebody behind the scene. You say, who's responsible for this? [Laughter] I looked around and can't find anybody. The only body that's come close to taking credit is Bobby Holt, and he even jumped sideways on me there a time or two at the end of the 12th event the other night. But so, we got home last night -- I say ``home'' -- we did, climbed into bed. And I -- nervous guy, you know, tension and work -- my system working on the 6 o'clock call. So, they got the coffee. And I looked out the window of the White House, and here were people all over the darn place. [Laughter] They'd spent the night there, literally, in the cold, some of them later coming through the receiving line with their blankets. And some of them had been there for 12 hours, staying out there. Some of them got there -- I know one -- I said, ``What time did you get there?'' And he said, ``4 o'clock.'' He's near the end of the line, so I don't know whether that means you had to be there before 4 o'clock, but a lot of them literally had spent all night long there. And they came to the White House, and they were thanking us for giving them this fantastic opportunity to spend all night -- [laughter] -- outside when it got colder than the devil. But there is something wonderful about that. It made a tremendous impression on both Barbara and me. I should have known it because we see the lines along here all the time -- probably out there right now if the place is still open for the tours. But it said something wonderful about the stability, the continuity, and the greatness of the United States.

Thank you. Thank you all.

Note: The President spoke at 11:12 a.m. in the Diplomatic Reception Room at the State Department. In his remarks, he referred to John H. Sununu, Chief of Staff to the President; Laurence E. Bathgate, finance chairman of the Republican National Committee; Wally Ganzie, Mel Sembler, and Joe Zappala, members of the State Election Committee; Bobby Holt and Penne Percy Korth, cochairmen of the American Bicentennial Inauguration Committee; Brent Scowcroft, Assistant to the President for National Security Affairs; and Robert Gates, Deputy Assistant to the President for National Security Affairs.

Letter to Congressional Leaders on Deficit Reduction Efforts

January 21, 1989

Dear XXXXX:

Yesterday, in my Inaugural Address, I suggested that together we should begin the process of working to achieve a deficit reduction plan -- and that we should do so soon. I had previously stated that I would lead such an effort on behalf of the Executive branch and that I would begin the process promptly upon taking office.

In accord with that commitment and our discussions, I extend to you today an invitation to join me in a meeting at the White House on Tuesday, January 24. At that meeting, I would hope we could discuss how best to proceed toward deficit reduction. I would also like to take the opportunity to follow up on suggestions made by you and your colleagues on ways we can move towards effective bipartisan support for our foreign policy.

In addition, I would like to confirm my request, which you indicated could be honored, for the opportunity to address a joint session of the Congress on Thursday, February 9.

Again, let me say how much I look forward to our working together on these critical issues. I am sure the American people expect that concerns of such national import should be tackled in a spirit of bipartisan cooperation, and am hopeful that we may prove worthy of the confidence they have placed in us.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives; George J. Mitchell, majority leader of the Senate; Robert Dole, minority leader of the Senate; Thomas S. Foley, majority leader of the House of Representatives; and Robert H. Michel, minority leader of the House of Representatives.

Remarks and an Informal Exchange With Reporters During a Walk With Family Members

January 21, 1989

The President. This is going to be the scene of a lot of real action. Marlin, do you think this would be an appropriate time to mention the first exhibition match?

Q. Yes.

The President. It has nothing to do with betting. This is a very important announcement: that this spring sometime a match that was rained out last year is going to be played here. And the players are Pam Shriver and Chris Evert versus Marvin Bush and Neil Bush. These women, confident of their own ability, have suggested that the Bush boys will not get over two games a set. And yesterday Chris Evert renewed the bet, renewed the challenge.

I am absolutely confident that the Bush boys will get over two games a set. [Laughter] And reliable tennis authorities, like Jeff Austin, the brother of Tracy Austin, thinks that those two Bush boys have a reasonable chance to beat Chris Evert and Pam Shriver. And there's going to be a tremendous match right here on this court as soon as spring is here. And it's going -- --

Q. What's the -- --

The President. Did you get all that down? It is 6 - 2, 6 - 2, and it's Evert and Shriver versus Bush and Bush. [Laughter] That's true. They are dead serious.

Q. What's the prize?

The President. Well, we don't bet on the White House grounds. I don't know what's going on on the off-the-record kind of a thing. I'll tell you there's going to be a lot of hostility on this one, a lot of -- building. The pressure's mounting.

Q. Where are you going to put the horse-shoe pit?

The President. We're looking for the horseshoe place right now.

Note: The President spoke at 11:40 a.m. on the South Lawn of the White House. In his opening remarks, he referred to Marlin Fitzwater, Assistant to the President and Press Secretary. A tape was not available for verification of the content of these remarks.

Remarks at the Swearing-in Ceremony for Members of the White House Staff

January 23, 1989

Well, that official act having been completed, we all now are about to embark on a really great adventure. And I've often said that I see responsibilities in life as missions defined, and so I want to just say a few words, first welcoming all of you to what I know will be a superb White House staff. And we have a tremendous opportunity to make life better for people in this country, better in so many ways. And I think we can, by hard work, make this a safer and a more secure country.

The long hours and hard work that's associated with the White House staff are well-known. But these long hours can result in a country with more opportunity for all. And we've got to tackle, as you know -- some of you actively involved in this already -- the budget deficit and ensure an economy that is sound and stable. We can do a lot through the wonder of the White House to exhort, to use government resources widely, to make the educational system second to none.

As I mentioned in the Inaugural Address, many of you here will be involved in what I mentioned, which was the antinarcotics effort. And I said in the Inaugural Address we've got to get rid of the scourge, and some of you will be involved in all of that. We've got to challenge all elements of government and the private sector in the environment, to do better in protecting our land and water so these kids back here will grow up in a happy, sound -- I'm glad they're somebody else's kids, I'll tell you. [Laughter] You ought to have been around here the last 48 hours; it's been fantastic. [Laughter]

But the mission is great. But it really has to be accomplished in the finest tradition of our nation: pride, honesty -- spirit of idealism when it comes to public service, knowing that our actions must always be of the highest integrity. It's not really very complicated. It's a question of knowing right from wrong, avoiding conflicts of interest, bending over backwards to see that there's not even a perception of conflict of interest.

And so, I know that we'll all set a high standard in that regard. We've got to try. I am very proud of all of you. I think we have a wonderful team, and I'm confident that when our time is over in this marvelous place, I'll be just as proud of you. I'm delighted to see the families here today, and I would simply ask for your understanding because your spouses, husbands and wives, are embarking on an ordeal that is known to be a time-consuming killer in a lot of ways. The lights burn brightly well after dark around this place. And I just hope you'll be understanding because the system works that way. Work is really never done. And I thank you all for sharing your spouses with us.

I want you to know that all of you are important also as part of a team. Those who work in the White House make the personal commitment, and with that comes this sense of personal sacrifice. And I know that you all will be struggling at times with the give-and-take that goes hand in hand with assignments like this.

Barbara understands this. She set a good example, it seems to me, in a lot of volunteer action, and I hope that all of us in the White House and outside will do our part in terms of encouraging the volunteer sector, the Thousand Points of Light that I plan to keep on talking about. Government itself can't do it all.

So, I really came over with the Vice President to thank you all, to encourage your understanding, those here and to all of you here standing up here with me. I'm very, very proud to have you on our team. And now I understand there is going to be a little chance to browse through the room and wander down there and have a cup of coffee. But let's go to work!

Thank you all, and God bless you.

Note: The President spoke at 8:20 a.m. in the East Room at the White House. Prior to his remarks, Vice President Quayle swore in the members of the White House staff.

Remarks to Participants in the March for Life Rally

January 23, 1989

Good afternoon, ladies and gentlemen. This is George Bush in the Oval Office. And before you begin your march today, on this first Monday of my Presidency, I wanted to take just a few brief moments to restate my firm support of our cause and to share with you my deep personal concern about our American tragedy of abortion on demand.

We are concerned about abortion because it deals with the lives of two human beings, mother and child. I know there are people of good will who disagree, but after years of sober and serious reflection on the issue, this is what I think. I think the Supreme Court's decision in Roe versus Wade was wrong and should be overturned. I think America needs a human life amendment. And I think when it comes to abortion there's a better way: the way of adoption, the way of life.

I know that this morning several of your leaders had a meeting in the White House with Vice President Quayle. I know, too, that you and hundreds of thousands with you across the country have raised a voice of moral gravity about abortion, a voice of principle, a voice of faith, a full voice that properly asserts and affirms the basic dignity of human life. I'm confident that more and more Americans every year -- every day -- are hearing your message and taking it to heart.

And, ladies and gentlemen -- and, yes, young people as well -- I promise you that the President hears you now and stands with you in a cause that must be won. God bless you all, and God bless life.

Note: The President spoke at 12:05 p.m. from the Oval Office at the White House via a loudspeaker hookup with the rally site. Participants had gathered on the Ellipse for a march to the Supreme Court on the 16th anniversary of the Court's decision of ``Roe v. Wade,'' which legalized abortion.

Interview With Gerald Boyd of the New York Times and Katherine Lewis of the Houston Post

January 25, 1989

Abortion

Q. We just had a few things we wanted to get your views on.

Q. What has Sullivan [Secretary of Health and Human Services-designate] told you about his views on Roe versus Wade? Can you straighten that out?

The President. Exactly what you heard him say when he was announced. He has supported my position 100 percent.

Q. Even privately on Roe versus Wade?

The President. One hundred percent. The only thing he said, and that's what he said.

Q. So, you don't envision dropping him under any circumstances?

The President. None. And I've not heard anyone suggesting that he will not be confirmed. I haven't heard one single person suggest that.

Q. If Roe versus Wade is overturned, as you support, how concerned would you be about women being allowed to have abortions in cases of rape, incest, and -- --

The President. We'll have to wait and see what the decision is on Roe versus Wade. Obviously you have to comply with the law, and what the law is is defined by the courts.

Savings and Loan Crisis

Q. What about this new Brady [Secretary of the Treasury-designate] option we're hearing about on S&L's -- the idea of charging for insurance for depositors?

The President. That's one option. It hasn't come to me as a formal recommendation. And so, I'm not going to say what I'm going to do, but that is one option.

Q. Would that not be a tax?

The President. I will answer the question with a question. Is it a tax when the person pays the fee to go to Yosemite Park?

Q. Well, on that point -- --

The President. Using the park -- there will be a lively debate on this, but I would simply leave that rhetorical question out as one way of answering your question.

Q. Well, Governor Sununu [Chief of Staff to the President] is -- --

The President. I don't want to signal that this is what we're going to do. I'm not trying to suggest that.

Q. But it sounds like you're receptive to the idea, though?

The President. I'm receptive to any idea that will solve this problem. I'm not receptive to a tax increase.

Tax Increases

Q. Governor Sununu said over the weekend -- he was talking about whether your no-tax pledge increase is a 1-year increase or is it throughout your term. Can you sort of clarify your thinking on that?

The President. I'm not thinking beyond anything other than to say I will not raise taxes, and I've got to stay with that approach. And again, we're going to, you know, just send a proposal up there that solves this budget problem without raising taxes. And the fundamental reason for that is, I want to keep the economy going. I want to keep the recovery -- not recovery, but the growth going in this economy. I do not want to kill off investment or employment opportunity. And the higher the taxes, the more you do that. So, I really feel strong on that particular point, and I haven't thought beyond 1 year, Jerry, or anything of that nature.

Q. So, no timeframe.

War on Drugs

Q. You mentioned in your Inaugural Address that you wanted to eliminate the scourge of drugs. How can you do that? I mean, what do you have in mind when President Reagan was unable to eliminate drugs?

The President. I think the elimination of drugs is going to stem from vigorous change in the

society's approach to narcotics. It's going to be successful only if our education is successful. The answer to the problem of drugs lies more on solving the demand side of the equation than it does on the supply side, than it does on interdiction or sealing the borders or something of that nature. And so, it is going to have to be a major educational effort, and the private sector and the schools are all going to have to be involved in this.

Q. More money on that?

The President. I don't know what resources are going to be available yet. I would like to think that we can funnel more money into it, but I also have this overriding problem of the deficit to contend with. So, the question is, we cannot permit the measure of concern on any issue -- drugs or education or environment -- to be determined simply by how much Federal money goes after the problem. We can't do it. We have got to use this office to encourage all elements in our society to participate in the fight against drugs, in the fight to improve education, or working to make the environment better. Because we're dealing with scarce resources in terms of Federal money. And the law has constraints on all of us in that regard.

Human Rights Summit Meeting

Q. Secretary [of State-designate] Baker said in the confirmation hearing that he was concerned about going ahead with the Moscow summit on human rights in 1991. Are you concerned about that?

The President. Well, I think that we need to look for performance. And there will be time in which to see performance in that regard. And I think the Soviets know that we feel this way after the Secretary's testimony. And I think that Mr. Gorbachev knows of my commitment to human rights because I had several meetings with him. And I'd say that there has been definite improvement in some ways there. But let's see what develops as we move towards that conference date.

Interest Rates and Inflation

Q. What are your views on Mr. Greenspan's [Chairman of the Board of Governors of the Federal Reserve System] comments on inflation from yesterday?

The President. I haven't read them yet, and I want to be sure to read them. I must say I'm encouraged that the markets, at least recently, have been saying that things are reasonably stable and certainly not there's no signals out there in the markets that this economy is in real trouble. I haven't talked to Alan lately, but I don't want to see us move so strongly against fear of inflation that we impede growth. We have to keep expanding opportunities for the working men and women of this country. I just saw this little summary of what Greenspan said.

Mr. Fitzwater. I think his comments were a lot closer to our position than was reported, too.

Q. That's what I was told.

The President. That's why I don't want to get into commenting on his -- --

Visit to China

Q. Are we going to China?

The President. Stay tuned.

Q. Sounds like yes.

The President. We may have it. We may have something on that -- you know, yea or nay -- before the close of business today. But I just don't know yet.

President's Agenda

Q. There's talk that you're hitting the ground walking.

The President. Where'd you get ``we''? Are you going?

Q. Yes, she's going.

The President. Oh, great. Oh, that's right, you don't go off till -- --

Q. November.

The President. Oh, November.

Q. There's a lot of talk that you're hitting the ground walking rather than running, that you're taking -- or that you're starting slow. Are you concerned about that?

The President. In what sense starting slow? In sense of -- talking about -- --

Mr. Fitzwater. You missed the 7 a.m. starts at the South Ground races.

Q. No, but you're not moving ahead on the budget. You're not moving ahead on any agenda.

The President. Moving ahead on the budget -- I mean, we're spending a lot of time on it. I know

we've got some meetings -- meeting with budget team, 10 a.m. Can't do anything about that for 15 minutes. But you mean in terms of sending up legislation or -- --

Q. Yes, and that there's no sort of an active agenda that you're pursuing from day one and that you're putting things off, you're studying things, you're waiting.

The President. Well, I've been a President since January 20th, and I think it's a little early to make conclusions one way or another on all that.

Environmental Issues

Q. The environmentalists say they're going to be making a litmus test out of ANWR [Arctic National Wildlife Refuge]. Is there any chance you're going to reconsider the Interior seat?

The President. I'm in favor of prudent development there. I remember the pipeline. I remember the arguments against it. And I also know the effect it did not have on the caribou. You may remember that. Phrases that lived on from campaign history about caribou bumping up against the pipeline. [Laughter]

Mr. Fitzwater. We've got to stop.

Mr. President. No -- so, I mean, I think I'm determined to be an environmentalist. I am one, and I'm concerned that we not do irreparable damage to the environment. On the other hand, I remember some of the same arguments being made against the Alaska pipeline. And we have some national security interests at stake here, and I'm one who believes we can find the balance between environmental interests and national security interests that dictate prudent development of our domestic oil and gas resources.

President's Style

Q. A lot's been made about how you're doing things differently -- you have a different way of doing business. Was it important to you to particularly demonstrate that in this first week in office?

The President. Not to do it differently, but it's important to me to do it my way. And that's what we're trying to do, and what I will do. I have to do that. Like the old advice from Jackman -- you remember the guy that came out -- character. He says, ``And then I had some advice: Be yourself." That proved to be the worst advice -- [laughter] -- I could possibly have. And I'm going to be myself -- do it that way.

Note: The interview began at 9:38 a.m. in the Oval Office at the White House. Marlin Fitzwater was Assistant to the President and Press Secretary.

Remarks on Signing the Executive Order Establishing the President's Commission on Federal Ethics Law Reform

January 25, 1989

Well, I want to -- especially at the opening of these brief remarks -- thank Judge Wilkey and Judge Bell, former Attorney General, for joining me today and for agreeing to take on this critical task.

Our National Government depends for its success on the excellence and the integrity of those who serve the public. And in choosing officials from my administration, I have sought out individuals of unquestioned competence and the highest integrity. But along with these high standards of selection, we need an unambiguous code -- a code of conduct -- to ensure that those who serve the public trust avoid any actual or apparent conflict between their personal and public interests.

As we've seen in the recent debates about ethics legislation, current Federal ethics rules do not adequately serve to eliminate abuse of public office for private gain. And the current framework is fragmented; it's confusing; and most important, does not incorporate sufficient safeguards to protect the public interest in honest and fair government. It's the difficulty of these issues that leads me to create the President's Commission on Federal Ethics Law Reform.

Judge Wilkey, thank you, sir, for taking on the arduous responsibilities of Chairman. And Judge Bell, thank you for agreeing to be the Vice Chairman. You both come to this task with extensive experience in public service and a deep interest and understanding of these interests in, and understanding of, ethics matters. And I'm asking you and other members of the Commission to take a fresh look at the ethical standards that apply to all three branches of the Federal Government and to give me your recommendations by March 9th, if you can. I know this does not give you a lot of time, but I'm eager to move forward with reform, and I'm confident that you can get this job done.

Before I issue this Executive order, let me leave you with four key principles to guide you as you take up your efforts. One, ethical standards for public servants must be exacting enough to ensure that the officials act with the utmost integrity and live up to the public's confidence in them. Two, standards must be fair. They must be objective and consistent with common sense. Three, the standards must be equitable all across the three branches of the Federal Government. And the fourth one -- we cannot afford to have unreasonably restrictive requirements that discourage able citizens from entering public service.

The task of reforming and revitalizing Federal ethical standards is really of the highest

importance to me and to the American people. And I'll await your recommendations with great interest.

And now I'll sign this Executive order.

Note: The President spoke at 2:36 p.m. in the Roosevelt Room at the White House. The Executive order is listed in Appendix E at the end of this volume.

Nomination of Donald J. Atwood To Be Deputy Secretary of Defense

January 25, 1989

The President today announced his intention to nominate Donald J. Atwood to be Deputy Secretary of Defense. He would succeed William H. Taft IV.

Mr. Atwood has been vice chairman of the board of General Motors, 1987 to the present, and a member of the finance committee and the executive and administration committees. He was appointed president of Delco Electronics Corp. in 1988. He has served as executive vice president of General Motors and a member of the corporation's board of directors since January 1, 1984, and president of GM Hughes Electronics Corp., since 1985. Mr. Atwood was vice president and group executive in charge of the worldwide truck and bus group, 1981 - 1984.

Mr. Atwood attended the Massachusetts Institute of Technology. He served in the U.S. Army, 1943 - 1946. He was born May 25, 1924, in Haverhill, MA.

Nomination of W. Henson Moore To Be Deputy Secretary of Energy

January 25, 1989

The President today announced his intention to nominate W. Henson Moore to be Deputy Secretary of Energy. He would succeed Joseph F. Salgado.

Mr. Moore has served as a Member of the U.S. House of Representatives from the Sixth Congressional District in Louisiana, 1975 - 1987. He has served on the Energy and Commerce Committee, Ways and Means Committee, and the Budget Committee and has worked extensively in both energy and tax policy. Mr. Moore has also been a partner with the law firm of Sutherland, Asbill, and Brennan, an Atlanta/Washington-based firm since January 1987. He was also a Republican candidate for U.S. Senate in 1986. Between 1987 and 1988, he also served as one of three American commissioners of the Panama Canal Consultative Committee created by the Panama Canal Treaty.

Mr. Moore graduated from Louisiana State University (B.A., 1961; M.A., 1973) and Louisiana State University Law School (J.D., 1965). He served in the U.S. Army, 1965 - 1967. He was born October 4, 1939, in Lake Charles, LA. He is married to the former Carolyn Ann Cherry of Franklin, LA, and has three children.

Nomination of Susan S. Engeleiter To Be Administrator of the Small Business Administration

January 25, 1989

The President today announced his intention to nominate Susan S. Engeleiter to be Administrator of the Small Business Administration. She would succeed James Abdnor.

Mrs. Engeleiter has served as the senate minority leader in the Wisconsin State Senate since 1984, and served as assistant minority leader, 1982 - 1984. She was first elected to the State senate from the 33d district of Wisconsin in 1980. She also was a candidate for the United States Senate, 1987 - 1988.

Mrs. Engeleiter received a bachelor of science degree from the University of Wisconsin and a juris doctorate degree from the University of Wisconsin Law School. She was born March 18, 1952, in Milwaukee, WI. She is married and has two children.

Nomination of William M. Diefenderfer III To Be Deputy Director of the Office of Management and Budget

January 25, 1989

The President today announced his intention to nominate William M. Diefenderfer III to be Deputy Director of the Office of Management and Budget. He would succeed John F. Cogan.

Mr. Diefenderfer is currently a partner in the law firm of Wunder & Diefenderfer in Washington, DC. Prior to this he served as chief of staff and counsel to the chairman of the Senate Finance Committee, 1985 - 1986. From 1983 to 1984, he was a partner with the law firm of McNair, Glenn, Konduros, Corley, Singletary, Porter & Dibble in Washington, DC. He was chief counsel of the Senate Committee on Commerce, Science, and Transportation, 1979 - 1983, and administrative assistant/legal counsel for Congressman Bruce Caputo, 1977 - 1979. He was Assistant Director for the Domestic Council at the White House, 1976 - 1977.

Mr. Diefenderfer graduated from Dickinson College (B.A., 1967); Duquesne University School of Law (J.D., 1973); and Kings College, University of London (L.L.M., 1974). He served in the U.S. Army, 1970 - 1972. He was born May 3, 1945. He is married, has two children, and resides in Great Falls, VA.

Nomination of Paul D. Coverdell To Be Director of the Peace Corps

January 25, 1989

The President today announced his intention to nominate Paul D. Coverdell to be Director of the Peace Corps. He would succeed Loret M. Ruppe.

Mr. Coverdell is currently president and chief executive officer of Coverdell & Co., Inc., in Atlanta, GA. He has served in the Georgia State Senate since 1970; as senate minority leader since 1974; and chairman of the Fulton County senate delegation, 1974 - 1984. He was chairman of the Georgia Republican Party, 1985 - 1987, and was president and a member of the board of directors of the Urban Study Institute of Georgia and the Georgia Health Foundation.

Mr. Coverdell received a bachelor of arts degree from the University of Missouri. He served as a captain in the U.S. Army. He is married to the former Nancy Nally of Atlanta, GA.

Nomination of Constance Berry Newman To Be Director of the Office of Personnel Management

January 25, 1989

The President today announced his intention to nominate Constance Berry Newman to be Director of the Office of Personnel Management. She would succeed Constance Horner.

Ms. Newman has been a codirector for outreach programs in President Bush's transition office. Prior to this she was deputy director of national voter coalitions for the Bush-Quayle '88 campaign. She has also served as Assistant Secretary of Housing and Urban Development, Director of VISTA, Commissioner of the Consumer Product Safety Commission, and president of the Newman & Hermanson Co., a consulting firm.

Ms. Newman received an A.B. degree from Bates College and a bachelor of science degree from the University of Minnesota Law School.

Nomination of Bruce S. Gelb To Be Director of the United States Information Agency

January 25, 1989

The President today announced his intention to nominate Bruce S. Gelb to be Director of the United States Information Agency. He would succeed Charles Z. Wick.

Mr. Gelb is currently vice chairman of the board of directors of Bristol-Myers Co. Mr. Gelb became president of Bristol-Myers consumer products group in 1981 and was named executive vice president in charge of both Bristol-Myers consumer products and health care groups in 1984. He is a member of the Public Sector Committee of the USIA, and vice president and a board member of the Proprietary Association.

Mr. Gelb graduated from Yale University (B.A., 1950) and Harvard University (M.B.A., 1953). He is married and has four children.

Nomination of Fred M. Zeder II To Be President of the Overseas Private Investment Corporation

January 25, 1989

The President today announced his intention to nominate Fred M. Zeder II to be President of the Overseas Private Investment Corporation, U.S. International Development Cooperation Agency. He would succeed Craig A. Nalen.

From 1987 to 1988, Mr. Zeder was senior adviser for President Bush's transition office. He served on the committee on special projects and surrogate speakers panel for the Bush-Quayle '88 campaign and on the finance committee of the George Bush for President campaign. Prior to this he was President Reagan's personal representative for Micronesian status negotiations serving with the rank of Ambassador, 1982 - 1987. He has also served as Director of Territorial Affairs at the Department of the Interior, 1975 - 1977.

Mr. Zeder attended the University of Michigan and the University of California at Los Angeles. He served in the U.S. Army Air Force, 1941 - 1946, and Air Force Reserve, 1946 - 1950. He is married, has 5 children and 10 grandchildren.

Remarks to Members of the Senior Executive Service

January 26, 1989

Mr. Vice President, thank you for that very warm welcome. Mr. Vice President and members of the Cabinet and designees and ladies and gentlemen: Let me first recognize especially the recipients of the Presidential Distinguished Rank Award who are with us here today. And it's great to be here with all of you, the men and women whom I regard as certainly among America's finest. You're the first group that I am addressing as President outside the White House, and you're one of the most important groups I will ever speak to.

And you know, I wanted to be fully briefed before I came, so I asked one of my staff, ``When does open season begin?'' [Laughter] And he says, ``For you, sir, it begins as soon as the honeymoon ends.'' [Laughter]

We're all wise in the ways of Washington, especially you who've served this country with such distinction. And we know there are ups and downs. But I must say, there is a nice feeling around today in the country. I think people, when a new President comes in, do root for him regardless of partisan politics. That comes up tomorrow. But for today, why, I think there's a good mood out there, and I thank you for that welcome to me and to the members of my Cabinet and designees and others that are here with us on this platform. Pundits agree, regardless of party, that of all the candidates I had the best Form 171. [Laughter] But really, what we do have in common is that each of us is here to serve the American people. Each of us is here because of a belief in public service as the highest and noblest calling. And each one of us, on our first day, took a solemn oath: We pledged to defend the Constitution of the United States. And that is exactly what we shall do.

And our mandate comes from the people, because as Abraham Lincoln said: ``No man is good enough to govern another man without that other's consent.'' And so, now that the people have spoken, I'm coming to you as President and offering my hand in partnership. I'm asking you to join me as full members of our team. I promise to lead and to listen, and I promise to serve beside you as we work together to carry out the will of the American people.

Our principles are clear: that government service is a noble calling and a public trust. I learned that from my mom and dad at an early age, and I expect that that's where many of you learned it -- there or in school. There is no higher honor than to serve free men and women, no greater privilege than to labor in government beneath the Great Seal of the United States and the American flag. And that's why this administration is dedicated to ethics in government and the need for honorable men and women to serve in positions of trust.

Yesterday I appointed a bipartisan commission, headed by Judge Wilkey and former Attorney General Griffin Bell, to develop ethics reform proposals which will include all branches of the

Federal Government. The guiding principle will be simply to know right from wrong, to act in accordance with what is right, and to avoid even the appearance of what is wrong. Our duty is to serve, and my strong conviction is that we must do it only for the right reasons, as you do: out of a sense of service and love of country. Government should be an opportunity for public service, not private gain. And I want to make sure that public service is valued and respected, because I want to encourage America's young to pursue careers in government. There is nothing more fulfilling than to serve your country and your fellow citizens and to do it well. And that's what our system of self-government depends on.

And I've not known a finer group of people than those that I have worked with in government. You're men and women of knowledge, ability, and integrity. And I saw that in the CIA. I saw that when I was in China. I saw it at the United Nations. And for the last 8 years, I saw that in every department and agency of the United States Government. And I saw that commitment to excellence in the Federal workers I came to know and respect in Washington, all across America, and, indeed, around the world. You work hard; you sacrifice. You deserve to be recognized, rewarded, and certainly appreciated. I pledge to try to make Federal jobs more challenging, more satisfying, and more fulfilling. I'm dedicated to making the system work and making it work better.

Starting 8 years ago, I led a task force to remove unnecessary regulation of the private sector, to free up the energies of the American people. But I think we also need to continue to remove unnecessary and counterproductive regulation of Federal workers and senior executives. I believe that there is tremendous pent-up energy in the Federal Government, a powerful force for good that needs to be released. And I want to be the President to do that, to release the Federal manager from bureaucratic bondage so that together we can, as I said on the steps of the Capitol, use power to serve people.

I think Connie Horner has done an outstanding job at OPM, at the Office of Personnel Management. And I'm delighted that my new Director of OPM will be Connie Newman. She is an outstanding executive. I have great confidence in her, and I think she's learned a few things on her way up since 1962 -- that's the year she began in Federal service as a clerk-typist at the Department of the Interior. And just as the award winners here today represent the best and the brightest, I think in choosing Connie I found one of the best and brightest, as well.

Now, as the Cabinet Secretaries staff their agencies -- particularly the senior positions -- they'll be looking for ability, for people committed to fulfilling the mandate we received from the American people and to doing it with excellence. And if we find that the best choice for an appointment is a career government executive, I am for that, and I hope that my selection of Tom Pickering to be our Ambassador at the United Nations is underlining that point.

I have a conservative vision of government. I ran and was elected on those terms. And I see no strain or tension between those values and the values of a professional civil service whose

highest principle is one of patriotism, whose foremost commitment is to excellence, whose experience and expertise is in itself a national resource to be used and respected. I urge all my appointees to build a spirit of teamwork between the political and career officials. And each of you has a special role to play here. You've reached the top of your profession, and you're skilled managers, knowledgeable in your fields, respected by your colleagues. And I'm asking you to join with our political appointees not only in setting an example of cooperation but, again, one of excellence as well.

To those who work outside Washington, I would send a special message. At times it may be frustrating when it seems that the head office is thousands of miles away and the message is not getting through. But if I may, I'm going to issue a verbal Executive order: We're going to listen, because the heart of our government is not here in Washington, it's in every county office, every town, every city across this land. Wherever the people of America are, that's where the heart of our government is. And since, in any organization, so many of the best ideas come from the bottom up, I hope the people in this room will listen, listen closely, to the people who work for you. The civil servants on the front lines know what works because they're right there. Whether they're working with disadvantaged children, promoting American exports, or managing our public lands, they are in touch with the American people.

And there's much we need to accomplish for America. There is a mandate to fulfill, and there are problems to solve. We have work to do in promoting education, protecting the environment, and certainly in fighting crime. We have work to do in our cities and on our farms, and we have a war on drugs to win. We must provide for the common defense, strive for a lasting peace, and we must keep our economy growing so it can keep producing jobs and opportunity. Above all, we have a compact with the American people. They pay for excellent government, and they deserve to receive it. And together we can assure that that is done.

And there's one more thing we need to do. The Government is here to serve, but it cannot replace individual service. And shouldn't all of us who are public servants also set an example of service as private citizens? So, I want to ask all of you, and all the appointees in this administration, to do what so many of you already do: to reach out and lend a hand. Ours should be a nation characterized by conspicuous compassion, generosity that is overflowing and abundant. And you can help make this happen outside of your workplace, in your communities and your neighborhoods, in any of the unlimited opportunities for voluntary service and charity where your help is so greatly needed.

Well, I'm honored to be with you, to work with you, you here in Washington, your colleagues in the Federal service around the nation. They're some of the most unsung heroes in America. The United States is the greatest nation in the world because we fulfill that mission of greatness one person at a time, as individuals dedicated to serving our country.

And as we embark on this great new chapter in our nation's history, I want to tell you -- came

over here to tell you -- that I am proud of you and very glad that we will be working to write this chapter together. Thank you all, and God bless you in your important work. Thank you very, very much.

Note: The President spoke at 2:10 p.m. at DAR Constitution Hall.

The President's News Conference

January 27, 1989

The President. Harmony and peace in here. [Laughter] First, I sound worse than I feel. Let me -- --

Q. What's wrong with you?

The President. Slight cold. But it's been a full week since the inauguration. I just wanted to stop by under our new policy, give you an update.

I've been talking this week about ethics and the emphasis is not, believe me, a fad or some passing fancy. We're going to be hearing more about it -- I think a lot more. In broader terms, I'm trying to set high standards for government service: duty, honor, personal sacrifice for the common good. And I want to assemble a government that the people of this nation can be proud of. That's our goal; that's our mission. We did appoint this week, as you know, a new commission on ethics. We've got two able Chairmen, Vice Chairmen: Judge Wilkey and [Attorney] General Griffin Bell. That commission started a fresh, constructive dialog with Congress on both sides of the aisle. I'm pleased with the way those initial meetings have gone. So, we're ready to roll.

I think it's been officially announced that we're going to -- certainly to Tokyo, then on to China, and I'm looking forward to it very much. And then, also, we'll be stopping for a relatively brief stop in Korea on the way back from China. We've had other invitations. That's about all we can do. And in a nostalgic basis, needless to say, Barbara and I are looking forward in a very personal way to going back to Beijing.

Now, with no further ado, I'll be glad to take some questions.

Terry [Terence Hunt, Associated Press]?

Federal Pay Raise

Q. Mr. President, you said before you became President that you supported Ronald Reagan's decision on a 50-percent pay raise for Members of Congress and that you'd have something more to say about it once you'd get to the Oval Office. Most of the polls show that a vast majority of Americans oppose that pay raise.

The President. Yes.

Q. Now you're President, what's your view on that pay increase?

The President. Well, I did say I supported it, and I do support it. A raise is overdue. There's no question about that. There are some good things in this. The reform of the honorarium, payments for these speeches, I think, is very, very good. I think it's good government. It's a complicated formulation. There are some elements that bother people, including me. But the President did consider all this carefully. He went forward with the Commission's [Quadrennial Commission on Executive, Legislative, and Judicial Salaries] recommendation, and because of the way it works on Congress -- and the ball is clearly in their court -- it leaves us with either the Commission recommendation or nothing. And so, seeing the problems as I do, I still feel that I should not go about undoing the Reagan decision.

Yes, Helen [Helen Thomas, United Press International]?

Savings and Loan Crisis

Q. Mr. President, your trial balloon on the S&L's taxing savings and checking accounts has fallen like a lead balloon. Are you dropping that plan? Do you have any other plans?

The President. First place, I think it's a little absurd to be commenting on a facet, a possible facet, of solving a problem when it hasn't even come to me. You're talking about speculating on something that hasn't even reached the desk of the President even as an option -- say nothing of its being a proposal.

Q. Well, it certainly has come from your people.

The President. Well, as an option, not as a proposal. And I think you're right. There seems to be some controversy around it. But that doesn't mean that any thinking along those lines should cease. But I'm going to reserve comment until I actually have it presented to me. And I expect this is the first of many such things that's going to happen of this nature. I will say this: that the savings and loans deposits are backed by the full faith and credit of the Government. And they are sound; they are good -- dollar good. And I just want to assure the American people of that, and nothing is going to change in that regard. But in terms of this one idea, let them float around. It doesn't bother me for a lot of ideas to be considered and debated.

Q. The reaction is very negative -- the public reaction, congressional reaction. Will that enter into your decision?

The President. Anything I do on savings and loans or when we get into this budget deficit reduction program -- look, I don't expect it's all going to be sweetness and harmony and light. The minute we get those proposals up there on February 9th, I expect we're going to have other firestorms swirling around. But I have not made decisions on this one. I'll wait until I get all the facts, call them as I see them, and hope that we can convince the American people that that's the

way to go.

Relations With Congress

Q. Mr. President, you've set a tone of high-mindedness and propriety this week with your emphasis on ethics, also of bipartisanship in your discussions with Congress. Beyond those matters of process and tone, sir, what would you like the country and the world to say is the message of your first week in office as to what your administration is about?

The President. Reaching out to the Congress. I really am serious about this trying to get more of a bipartisan foreign policy, for example. And though we haven't addressed that specifically in terms of issues, I have addressed it in broad terms to the Members of Congress with whom I've met here and with whom I met over in the Residence. And so, I'd like to signal an era of real openness with Congress.

Look, I know we're going to have conflicts, Brit [Brit Hume, ABC News]. And I know we're going to run up against each other. But I want to start with that approach. And we're in a broad review -- as you've heard from my various nominees as they appear before the Senate -- on specific areas of foreign policy. A message would be taking steps to make clear to the congressional leadership that that's what I want to do. The other one, as I mentioned, is trying to set a tone, in terms of conflict of interest, that I hope will serve us in good stead.

Visit to China

Q. What signal do you think it may send the world, sir, that you're making your first visit to China -- after, of course, the ceremonial trip to Tokyo -- while Soviet leader Gorbachev, having asked for early talks, is still waiting for a response?

The President. Well, I don't know what signal it sends in that regard. But let me just remind you that I'm the one who does not believe in ``playing the Soviet card'' or ``playing the China card.'' We have a strong bilateral relationship with the People's Republic of China. I have a personal acquaintance with the leaders with whom I will be meeting there, including Deng Xiaoping [Chairman of China's Central Military Commission], and being that close -- it just seemed like an appropriate visit, but not to signal a playing of the card to go one up on Mr. Gorbachev. There's nothing of that nature in this visit. That is a strong, important strategic and commercial and cultural relationship that we have with the Chinese -- the largest number of people in the world, in that country. And so, the visit stands on its own and does not have any signaling that should be detrimental to anybody else's interest.

Going right across here. How do we get in the back here, Marlin?

Soviet-U.S. Relations

Q. Mr. President, your national security adviser, Brent Scowcroft, said last week on television that the Cold War was not over and that he felt that Mr. Gorbachev was trying to make trouble for the Western alliance. What is your view, sir?

The President. Well, I'm not sure that's an exact -- I should let the General defend himself. But I've expressed my view not only in the campaign context but in several times afterward, and also to Mr. Gorbachev. And our administration position, in which General Scowcroft is in total agreement -- indeed, he'll be one of the leaders in this reassessment -- is: Let's take our time now. Let's take a look at where we stand on our strategic arms talks; on conventional force talks; on chemical, biological weapons talks; on some of our bilateral policy problems with the Soviet Union; formulate the policy and then get out front -- here's the U.S. position.

And I don't think the Soviets see that as foot-dragging. I'm confident they don't. Indeed, I made that clear to General Secretary Gorbachev just this week in a rather long talk with him. So, I want to try to avoid words like ``Cold War'' if I can because that has an implication. If someone says Cold War to me, that doesn't properly give credit to the advances that have taken place in this relationship. So, I wouldn't use that term. But if it's used in the context of do we still have problems; are there still uncertainties; are we still unsure in our predictions on Soviet intentions? I'd have to say, yes, we should be cautious.

Yes, Lesley [Lesley Stahl, CBS News]?

Tax Increases

Q. Mr. President, there seems to be some question about just how long your no-tax pledge applies. Is that a 1-year pledge, a 2-year pledge, a 4-year pledge?

The President. I'd like it to be a 4-year pledge.

Q. Is it a 4-year pledge? Are you -- --

The President. I'd like it to be a 4-year pledge, yes.

U.S. Contact With the PLO

Q. Mr. President, Yasser Arafat [Chairman of the Palestine Liberation Organization] has been over in Europe meeting with Foreign Ministers of Spain, France and Greece. Marlin has said, and so has Mr. Scowcroft, that it's too early for Arafat to meet with Secretary of State-designate Jim Baker. On what level would it be appropriate for Arafat to meet with an American official? An Assistant Secretary of State, for example?

The President. As we changed the policy on the Middle East on dealing with -- I mean, as the change came about in the policy on communicating with the PLO, it was based on their acceptance of three principles. As long as they stay hooked and stay committed to those three principles, we will have, when appropriate, meetings with the PLO.

I haven't given any thought at all to when a meeting with the Chairman -- Arafat with an American official -- is appropriate. And I would wait to see how we go forward. The point in talking to them is to try to facilitate peace in the Middle East. And it seems to me that if there's some logical step that requires high-level sign-off by various participants over there, then, and then only, would it be proper to elevate the meetings to that level. You crawl before you walk. We're just starting to talk to them because they have, dramatically I'd say, agreed to the principles that are part of our policy.

U.S. Foreign Policy Initiatives

Q. Let me ask you if I can in that regard: You said in a wire service interview the other day that you needed to have some foreign policy initiative early in your administration. It seems the Soviet relationship is going on the back burner while you discuss the nuclear force structure, for example. In what area are you going to try to move forward? Central America? The Mideast? Where?

The President. All of them. But we've got to have a little time. We're not going to let this Soviet thing put us in the mode of foot-draggers. We're going to be out front. There's no reason to suggest that all we have to do is react to a speech by the General Secretary. I want to take the offense in moving this relationship forward and taking steps that are in the interest of freedom around the world, whether it's in Eastern Europe or in strengthening our alliance.

But there's plenty of troublespots -- one of them, as you mentioned I think, Central America. But we need to complete the reviews. But I can't tell you, John [John Cochran, NBC News], where you will see the first major initiative -- whether it's going to be the Middle East, whether it's going to be Central America. We've got problems, of course, that afflict the whole continent and other continents in this Third World debt problem, and then, of course, the Soviet Union.

But, no, I don't want to play defense, and I don't want to look like we're foot-dragging, just waiting around to, you know, let others set the agenda, but prudence is the order of the day. And when you're gunning for something as important as a bilaterally supported policy in Central America, it does take a little time. I've only been here less than a week.

Yes, Owen [Owen Ullmann, Knight-Ridder]?

Minimum Wage

Q. As you know, the minimum wage has been frozen for even longer than congressional pay raises. Since you support a large increase in pay for the most affluent 1 percent of the country, would you favor pushing for an increase in the minimum wage, which would benefit the lowest income groups of the country, as part of your promise in your Inaugural Address to reach out to all the people?

The President. I've always said that my position on minimum wage is that I would want it linked to a training wage, to a differential of sorts, so that you don't throw people out of work by raising the minimum wage. And I'm not one who has felt that the minimum wage is the key to economic prosperity for people on the lowest end of the economic spectrum. But as I indicated, a certain flexibility on that question -- and again I'll wait for Elizabeth Dole -- takes office next couple of days -- to come in with her recommendation.

Saul [Saul Friedman, Newsday]?

Followup Questions

Q. If I could just follow: Do you -- --

The President. Now, let me ask you to stop the proceedings. Don't take it out of their time. What would be the fair and noble way to handle followup questions as we do these things? Would it be good to have them or not have them?

Q. Handle them. Handle them, yes.

Q. There should be one followup.

Q. One followup.

The President. But then if we do it, everybody else doesn't get a chance to ask a question, and I'm about to pull the ripcord on this thing. [Laughter] No, seriously, how do we -- I want some -- --

Q. Stay longer. [Laughter]

Q. If you make the statement and just leave and not have anyone follow it up, it just hangs out there.

The President. Yes.

Q. Suppose you don't answer the question?

The President. You mean my first answer is less than precise? [Laughter]

Q. Yes -- [laughter] -- on occasion. [Laughter]

The President. On occasion. No, but I'm asking. I'd like to get -- because here we are, all these -- --

Q. One followup.

Q. Make a deal: one followup.

Q. You'll just have to be more precise.

The President. -- -- women and men who have a Leubsdorf area there -- untested on the question. [Laughter]

Q. And the standee!

Q. Spread it out.

The President. And the standees have gotten no time at all, so -- --

Q. When, in fact, it's a true followup.

The President. Instead of yet another question, you mean?

Q. Yes.

Q. Right, right.

Q. A real followup.

Q. Exactly, you decide. If you think somebody's playing games with you, say, I'm sorry.

The President. Say I've already answered that? Then what happens? [Laughter]

Saul?

Q. Wait a minute. Where's my followup?

Q. You're finished. [Laughter]

The President. You didn't have a follow -- --

Q. The first row gets to follow up? That wouldn't be fair.

The President. All right. I've already answered that one.

Yes, Saul? [Laughter]

Q. I yield to Owen first.

Federal Pay Raise and the Minimum Wage

Q. Are you concerned from the standpoint of perception you're supporting a pay raise for a high-income group and not pushing on an equal basis for a lower income group to give the public the perception that you're lobbying for a wealthy sector of the country?

The President. No, I'm not concerned about that perception, but I am troubled by certain aspects of the proposal, as I think I've indicated -- the pay raise proposal. But we're down to the crunch here: recommendations up there on the Hill. It's yea or nay. I mean it's one way or another. But I don't think that would be fair at all.

I think the main thing in terms of the question you raise: Jobs -- how do we continue to create jobs, keep it going? And I've given you one ingredient that I think has to be a part of any consideration of the minimum wage. But as I've indicated, I'm flexible on how that should be accomplished.

I'm not sure that one can make a connection between the minimum wage and more employment. If you raise the minimum wage without this differential, I think you will reduce employment. So, I think the main thing in the area you're talking about is: How do we increase economic opportunity? And maybe there is a way to do it, but I don't think it would be fair to say when you take a pay raise that affects a tiny fraction -- judges and Congressmen -- that that has a broad economic impact on the country. I've expressed some concern about it, but for other reasons.

Strategic Defense Initiative

Q. Do you agree with Senator Tower's [Secretary of Defense-designate] testimony in which he doesn't seem to believe that the SDI program, as envisioned by President Reagan, is likely? And if you do agree with it, can you expand on that, please?

The President. No, I think I should wait and see a little more what John Tower means. My position has not changed on SDI.

Q. Which is? I mean, John Tower has said that he doesn't believe that a large-scale SDI to protect the population, as envisioned by Reagan -- --

The President. I'd better -- --

Q. -- -- is likely.

The President. Saul, before I comment on Tower's testimony, I'd better read it. If he's talking about a shield so impenetrable that that eliminates the need for any kind of other defense, I probably would agree with that, certainly short-run. But I'd better cover by waiting until I see what he said.

The standees, two standees?

Afghanistan

Q. Thank you. The first action taken by your Secretary of State was to order the boarding up of the Embassy in Kabul. Does that indicate that this administration, this country, then, has no influence with the rebels and you are now fearful of chaos and massacres there? And to what extent did you discuss this with Gorbachev the other day?

The President. Did not discuss it with him the other day. And what it indicates is a prudent policy to protect a handful of American life. And it's a step that other countries have taken. In Afghanistan, certainly, I think we'd all agree there is uncertainty about what follows. I'm convinced the Soviets will continue their withdrawal, and well they should. But it is simply a prudent way in which to protect life, I think. We've had meeting after meeting with Afghan rebels, and there's no question in their mind how we feel about, say, a Soviet presence in that country. But I think there's a lot of uncertainty. And there's enough uncertainty that a Secretary of State was taking prudent action in this regard.

Q. What role do you see for the United States after the Soviets withdraw in that country?

The President. Catalytic role for helping bring about stability hopefully in a government where the people have a lot of say. And it won't be easy.

Yes, Tom [Tom DeFrank, Newsweek]?

Federal Pay Raise

Q. Mr. President, I'd like to try the pay raise one last time. As you just said, it's not just for Members of Congress and not just for Federal judges. It's for a lot of senior officials of the Government, political appointees. You also have told some reporters in recent days that you're concerned about the long-term pension implications of all these larger salaries. Wouldn't you be happier with a pay raise that's a little bit less rich than 50 percent?

The President. I don't have that option to get into that now. I have, I think, expressed myself in the past on separating out some of these categories, but regrettably you're never dealing with just the way I would like it to be. And so, I'll just leave it that -- my earlier statement.

First Days as President

Q. Sir, this is a thematic question. You've had a week on the job. Has it been easier or tougher than you expected? Any surprises? And did you find the note in your underwear drawer? [Laughter]

The President. No note in the underwear, and it's been a good, easy week. And I expect it will change dramatically in the days ahead. But my view is to -- if it weren't for the cold -- smile and enjoy it while you can, because I can already sense, you know, looking forward to a little more confrontation out there.

Q. Have there been any surprises, sir?

The President. None particularly, no. And I think one of the reasons is that I've been around here in a different role for 8 years and then in and out on other jobs. But there's still the wonder of it all. I mean, it still feels different, but not surprises.

Q. A followup, sir?

The President. You already had a followup. Nice try. [Laughter]

Rita [Rita Beamish, Associated Press]?

Drug Control Policy Director Bennett

Q. Mr. President, there seems to be some brouhaha about the fact that Bill Bennett's not an actual member of the Cabinet, as are the USTR [U.S. Trade Representative] and the OMB [Office of Management and Budget] Director. In light of the fact that you emphasized drugs as an overriding consideration in your campaign and also that public opinion polls show consistently this is among the top priorities of the public, why isn't he in the Cabinet? And do you foresee that you might change your mind on that?

The President. No. The reason he isn't in the Cabinet is that I tried to reduce down the numbers of full Cabinet members. And I think Bill Bennett's time is best spent not worrying about agricultural subsidies, when we have a meeting on agriculture, but concentrating on drugs. To the degree there's symbolism that this means I think it's less important, I'd like to knock that down hard. And I have to do that in substantive ways: sitting at his side as we meet with his peers at Cabinet level, making clear to them that I will be insisting on cooperation as he asks for the support of the Defense Secretary for military assets on interdiction, as he asks for the support of the Education Secretary on certain educational initiatives.

But the Cabinet rank is there, giving him the standing that I think the job not only requires but demands. And I think the idea of not sitting through Cabinet meetings that have nothing to do with that subject should be a rationale for having Cabinet level, but not being in all those meetings.

I'm glad he mentioned this because I think there's been some feeling, well, that means I'm less interested in drugs. That's not right. I'm very interested in the economic statistics, but our chief of economic advisers [Michael J. Boskin] is not a Cabinet member, as he's been designated by previous Presidents. Our Chief of Staff, in whom I have full confidence, is not a Cabinet member, but I think we have a very strong Chief of Staff setup.

Over here, way up in the window -- innovative standing.

Monetary Policy

Q. You just touched on the issue of Third World debt. There are many experts who are saying that if there's any danger for the U.S. economy it's in how greatly leveraged it is, both in terms of corporate indebtedness and Third World debt. And they say that the S&L crisis, for example, is simply a subsumed feature of this. Do you see this as a real problem that you're going to address aggressively, and what kind of steps would you take to overcome the high proportionality of debt to equity that exists in the U.S. economy now?

The President. The question of corporate debt -- on that one, the role of the White House and the role of the Federal Government ought to be to do its level best to keep a strong economy. And I don't believe that it's the government role to assign levels beyond which a corporation can't borrow. In terms of Third World debt, we do have a responsibility, and a lot of that's going to be working with the private banks and others. And again, we'll have some recommendations; we have to have them pretty soon on that question.

I'm not sure I got to the substance of your question -- separating out these two things.

Q. Try another one.

Q. -- -- reported differences that you have with Alan Greenspan's [Federal Reserve Chairman] testimony in Congress earlier this week with regard to interest rates and monetary policy.

The President. I'll be honest with you. I don't think I'm far apart from Chairman Greenspan at all -- far apart. There may be some differences. Because of plant capacity, utilization, he is more concerned about inflationary pressures than I am right now. Seems to me, there's an area of difference, but basically and generally speaking, I think we're fairly close together.

Government Ethics

Q. Mr. President, by spending your first week dwelling as you have on ethics, aren't you voicing an implicit criticism of the Reagan administration's ethical record?

The President. No.

Q. Why else was it necessary to declare National Ethics Week, so to speak?

The President. Because I feel strongly about it.

Q. Can I follow on that line, sir?

The President. No, she's in first, and then you. Need to cool off on that one. [Laughter]

Savings and Loan Crisis

Q. Mr. President, given your strong antitax ban in the campaign, why are you allowing Mr. Brady [Secretary of the Treasury-designate] to consider as an option for the S&L's a tax increase?

The President. I'm not. He has thrown out a lot of different possibilities in discussions we've had. We have people that are experts on what a tax is. I would refer you to Richard Darman, who is the head of the OMB. And he's the guy that defined that very well up there with the duck test on the Hill and -- --

Q. So, you're not thinking of a tax?

The President. Well, I'm just saying I'm not prepared to say what I think on it right now till I hear from it, because the more I discuss it, the more you all go out and say this is something that I'm considering when I'm not. It hasn't come to me yet. But I've been around for a long time, and I don't remember hearing people talk about the fee that went into covering the FDIC [Federal Deposit Insurance Corporation] or FSLIC [Federal Savings and Loan Insurance Corporation] as

a tax. I don't remember people writing that before. But -- not trying to get into the fight anymore right now. I'll be back.

Government Ethics

Q. You've mentioned ethics in a number of ways, and you've talked about the value of service this year. The last 2 days we've picked up the headlines in the papers, and they've read President Reagan has a $5 million book deal. He's got a $50,000 a speech deal. With all respect for the office and the former President, do you think it's appropriate to cash in on the Presidency?

The President. I don't know whether I'd call it cashing in. I expect every President has written his memoirs and received money for it. Indeed, I read that a former President -- was it Grant? Grant got half a million bucks. That's when half a million really meant something. [Laughter] I mean, you know, so I think there is plenty of tradition that goes with Presidents' writing memoirs and being paid for it.

Q. But you've also talked about perceptions. Is there a perception problem here?

The President. No, because I think there has been a long history of that, and I don't think it's ever been challenged as inappropriate.

Secretary-Designate Sullivan

Q. Mr. President, would you try to clear up the continuing controversy over the reported disagreements on abortion between your nominee for Health and Human Services and yourself? Are you in sync?

The President. Yes.

Q. Is he in sync with you? Does it matter? Do you have to be absolutely in sync as long as once in office he would support your position?

The President. Well, I think that last point is the important point, but also, we are in sync. And so, I have a person who has stood in front of you all when I nominated him and said that, and I have no reason to think anything differently.

Tax Increases

Q. Mr. President, a few moments ago you talked about -- on your no-new-taxes pledge -- the idea that you'd like it to be a 4-year pledge, and that does appear to be a softening of language from the campaign. I wonder, has anybody -- Mr. Darman or any of your advisers -- told you to change your mind about the duration of that pledge -- revenues needed and so on?

The President. No, that hasn't changed my mind -- anything in the last few days of talking like that.

Abortion

Q. Mr. President, we've heard a lot about your position on abortion this week because of Mr. Sullivan. Are you planning any initiatives from the White House related to abortion? Or are you going to wait and see what the Supreme Court does, number one? And number two, as a person who's always, from what we know, had the financial and emotional resources to know that you could raise your children comfortably, do you feel any awkwardness about telling other people, whose situations you don't know, how they should run their lives?

The President. Not when it comes to the question of life. I do feel an awkwardness in terms of having been able to take care of my kids when they were sick or raise them properly or something like that. I feel a certain privilege. I was very fortunate in that regard, and I know a lot of people aren't. But on this issue, I think we're talking here of principle. And I sure would like to put the emphasis on adoption, and that means a broader acceptance of that principle.

Q. Are you going to have any White House initiatives, or are you going to wait for the Supreme Court?

The President. I think probably wait, but I have been pledged, as you know, to an amendment. But I'd like to see the Supreme Court decision as soon as possible.

One, two, three.

Iran-U.S. Relations

Q. Mr. President, a Teheran radio report this morning seems to indicate that they are rejecting your statement of a week ago today that good will would beget good will. While you didn't specifically mention Iran by name in your speech, what would your message to them be on relations, and what would your message be to them about helping get the hostages out?

The President. Well, I would make a broad appeal, transcending Iran, to anybody that can be helpful to get the hostages out. I haven't seen the wire copy, but if there is such a story by them, maybe they're saying, Well look, we're not holding your hostages. And I'd have to say, Well, from our intelligence, our information, that's probably correct -- probably correct. In terms of the future -- there was a period of time when we had excellent relations with Iran, and I don't want to think that the status quo has to go on forever. But I do think that the renunciation of terror in any form and a facilitating to the degree they can the release of the hostages would be a couple of good steps they could take.

Q. A followup, Mr. President -- follow up on that?

The President. No, you don't get to follow his question. [Laughter] Ann [Ann McFeatters, Scripps-Howard] and then here. We've got to get these ground rules -- sure.

Affirmative Action

Q. Mr. President, you've spoken frequently about reaching out to blacks, that you want that to be an important goal of your administration. This week the Supreme Court issued a decision that may kill many of the minority set-aside programs that have been so helpful to blacks across this country. Does that concern you? Are you worried about these programs?

The President. It didn't kill all set-asides, and it didn't kill off affirmative action. I have been committed to affirmative action. I want to see a reinvigorated Office of Minority Business in Commerce. I want to see our SBA [Small Business Administration] program go forward vigorously. And so, I would say that decision spoke to one set of facts -- in Richmond, I believe it was -- but I will not read into that a mandate to me to stop trying on equal employment and on affirmative action generally.

Capital Gains Taxes

Q. You said during the campaign, Mr. President, that you would roll back taxes on capital gains if elected. Now that you've begun to look at the budget numbers, is that going to be a promise you can keep when you make your submission to Congress, or is that no longer affordable?

The President. I hope it's affordable; it gains you revenue. And we've got a big argument with some people about that. They don't want to go back and look at what happened in 1978. It gains revenue. Now, I know we've got all kinds of bureaucracies around here that doesn't agree with that, but that was discussed in the campaign. I'm convinced it will bring in additional revenue and, in the process, create additional jobs for men and women. So, I would like to see it a fundamental part of whatever we do.

Now, if your question is: Can I get it done? -- that's something else again. But I want to see it done. There was an issue in our campaign where there was a clear difference. That was when there was a clear difference. The opposition was saying: My opponent is proposing something that'll cost the taxpayer $30 billion. And I'm saying: It'll create jobs. And indeed, I've seen estimates by intelligent people thinking it'll bring in revenues in excess of $4 billion. And so, I'm going to keep pushing that, because I know it's right, and I ran on it.

Federal Pay Raise

Q. Mr. President, once more on the pay raise. You've portrayed yourself as a latecomer on the issue who has no real power to affect it. But in point of fact, I believe that you do have the power, if you want to, to limit the pay raises that would otherwise automatically go to your own staff. Will you do that, number one? And number two, do you think both Houses of Congress ought to vote on this?

Q. Sununu already -- --

The President. Well, I think in the best of all worlds -- [laughter] -- wait until I get -- --

Mr. Fitzwater. It's a trick question, sir. [Laughter]

The President. He's a fairminded guy. [Laughter] No, I think our Chief of Staff has tried to hold the line in increases in hiring people. And I think you're all aware of that. And I think he's done a very good job on it. I don't know how the law affects the staff in terms of automatic increases, but there's a nice little problem that if you do go forward with automatic increases, or any money that has to be appropriated some way. So, we'll have to talk about what we'll do.

What was the other part of it?

Q. Do you think both Houses of Congress ought to vote on this issue?

The President. In a perfect world, in a world where you're starting over, yes, I'd have to say I do. But that isn't the proposal that's up there, and it's all or nothing. And in my view, I've told you where I come down on that.

We've got time for a couple of more, because it's 3857.89, 58.80 -- this thing is buzzing away up here.

Yes, go back -- --

Hostages in the Middle East

Q. Mr. President, a few minutes ago on the answer concerning the hostages, you indicated that Iran was probably not holding the hostages. Did you mean to say that we believe that Iran exercises no control over the people who are holding the hostages?

The President. No, I mean to say they are not holding the hostages. Do they have any control? I think you can get varying degrees of intelligence on that, various assessments as to how much control they have over Hizballah [radical Shi'ite terrorist group] or these families or whoever it is. And also, you've got different groups involved in the holding of these hostages. But, no, I'm glad to get a chance to clarify it because, unless the information I have is wrong, Iran itself, the

government, is not actually holding these people. And if they were, I would just reiterate my view that the way to improve relations is to let them go, give these people their freedom. They didn't do anything wrong.

Q. And a followup, Mr. President. Do we believe that Iran can exercise influence to gain the hostages' release?

The President. I think they can have influence.

Defense Spending

Q. You inherited a budget from President Reagan that calls for something like a 2-percent real increase in defense spending. In the campaign, you seemed to think that maybe zero real growth in defense spending would be adequate. With deficit pressures, do you think there's some room for reduction in the Reagan defense budget to fund some of the other programs, like the S&L problem that you've got to worry about?

The President. We're wrestling with that problem right now. I'm committed to a strong defense. I did say certain things in the campaign that fit into our flexible freeze concept. And so, I will have to address that with some detail on February 9th, and I will. We've got time for just a couple of more.

War on Drugs

Q. Mr. President, just the other day that education was the main way of dealing with drugs.

The President. Yes.

Q. Isn't that a backing away from your commitment on drugs? Certainly there are other things than education to deal with the problem.

The President. Absolutely. And I was surprised when I read that some interpreted what I said as suggesting that interdiction is not important, or cooperation with foreign governments in terms of eradication at the source is not important. They are very important. My point is: We are not going to solve the problem of drug use in this country through interdiction alone, through cutting off the supply alone. And a larger component of this solution lies in education, and in that whole demand side of the equation: law enforcement at home -- these things.

Last one here. This is a followup?

Q. It is a followup. But, Mr. President, how much money are you going to spend on drugs? If it's

a major problem that you say it is, certainly education is just one very small part of it, isn't it?

The President. It's not a small part; it's a tremendous part. And the Federal Government can spend some on it, and the private sector has got to spend enormous amounts. The media has done a good job in terms of pro bono advertising, and that's got to be enormously stepped up. So, look, it has got to be a tremendous increase not only on the money but the emphasis on the educational side. I do want to find a way to step up the total funding on antinarcotics.

And I want to go back to what I said on Bill Bennett, because this question of Cabinet rank and whether that shows less an interest in narcotics troubles me. You will see me side by side with Bill Bennett, on putting the proper emphasis from the Oval Office on my determination to do everything in the Government's power, Federal Government's power, to eliminate this scourge.

Last one.

President's Agenda

Q. Mr. President, you and your aides have talked about the need for a fast start, and you've talked all week about ethics and about bipartisanship. And yet the week has been marked by unexpected controversies over Dr. Sullivan's views on abortion and then the S&L issue, which is sort of a self-inflicted wound. Are you finding it harder to control the agenda here than you thought you would?

The President. No, no. I'm just getting a preview of coming attractions, and it's been lovely. [Laughter] And it's going to change, and I know it. But, no, I think it's been a wonderfully harmonious week, and these are just little ripples on the surface of an otherwise calm pond.

Q. You're not concerned that if you just talk about things that -- I mean, everyone approves of ethics, just about, and everyone approves of bipartisanship. Isn't there a danger of people saying that there's not much meat behind the words?

The President. There's a danger of that, yes, but people realize that we've been here 4 days of this week, or 5 -- this is the fifth day in office after the weekend. And they understand that in things like the foreign policy area that it's prudent to have a review. They understand that we've got to get our people in place. And so, there's some danger I guess, Carl [Carl Leubsdorf, Dallas Morning News], but I wouldn't say an overwhelming danger. I mean, we just go forward. If we just sat around and did nothing except be pleasant to people on the Hill or something, why I expect that would grow a little old for you all.

But we're going to -- [laughter] -- I think we set a certain tone and certain outreach and then go forward. As soon as these specific proposals start up there, whether it's on education or antinarcotics or on foreign policy or on some bilateral foreign visitor coming in, there will be

plenty of time for controversy and plenty of time for lively debate on substance. But I would simply say that'll follow, and follow pretty soon.

Thank you all very much.

Note: The President's first news conference began at 11:02 a.m. in the Briefing Room at the White House. Marlin Fitzwater was Assistant to the President and Press Secretary.

Remarks at the Swearing-in Ceremony for James A. Baker III as Secretary of State

January 27, 1989

The President. Well, if I could ask the Secretary of State and Mrs. Baker and Chief Justice to come forward, we'll get on with the program here.

[At this point, Secretary of State Baker was sworn in.]

Mr. Vice President, distinguished Members of the United States Senate and House, Mr. Speaker -- Mr. Chief Justice, thank you, sir, for doing the honors today.

This is a very special occasion for me because, as you all know, Jim and I have been friends for a long time, going back perhaps more years than either of us would care to admit -- long, really, before our public lives began. And we've served in government together, campaigned together, traveled a long way through some rough and tumble times. And it's well known that the new Secretary of State is my friend. I have great confidence in him. And judging from how he sailed through the confirmation process -- thank you, gentlemen -- the United States Senate shares that confidence.

And as Secretary of State, he will be my principal foreign policy adviser. As I pledged in my Inaugural Address a week ago, my Presidency will usher in the age of the offered hand, and that applies certainly to foreign policy. I've also spoken of a new engagement. Nowhere is the need for a new engagement greater than in foreign policy.

The postwar generation has come of age, and today we live in a distinctly different world than that which we were born into: a world that demands new strategies and new solutions. And today we see a process of change in the Soviet Union and Eastern Europe, in the Middle East. A changing situation creates new possibilities as well as dangers. In southern Africa and in Indochina, there is diplomatic progress. And in Central and South America, totalitarian forces still threaten to undermine the will of the people. We must keep democracy on the march. And we're faced with change and the potential for change all over the world. And it's up to us to guarantee that the United States remains an engaged power for positive change.

In another era, the Secretary of State's role was largely confined to matters of war and peace. Today's world is much more complex than that -- more dangerous, too. Today's Secretary of State must be prepared to work with our allies to solve such global threats as the international narcotics trade, terrorism, the degradation of the world's environment, and the economic distress of developing countries. And that's why I chose James Baker. He's savvy; he's sensitive; he's tough -- a rare combination, indeed. And so, Jim, you've got a big job ahead of you, leading;

coming up with bold, new initiatives; helping all of us fulfill the President's special role in foreign policy. We will also try to restore bipartisanship to foreign policy. It will be a bipartisanship based on trust, open communication, and consistency of action.

This is a time for America to reach out and take the lead, not merely react. And this is a time for America to move forward confidently and cautiously, not retreat. As the freest and the fairest and the most powerful democracy on the face of the Earth, we must continue to shine as a beacon of liberty, beacon of justice, for all the people of the world.

And those of you who are here today -- Jim Baker's family, closest friends -- know something that many other people will soon learn for themselves: Jim Baker will be a great Secretary of State.

Jim, congratulations! The floor is yours.

Secretary Baker. Mr. President, Barbara, Mr. Vice President, Mr. Speaker, Mr. Chief Justice, distinguished Members of the Congress, my friends -- most of whom are relatives -- [laughter] -- I am truly honored and privileged to stand before you today. Many of you have come a long distance to be here, and as you mentioned, Mr. President, you and I have come a long distance together. I hope to continue to merit your confidence. I know I will continue to enjoy our friendship. One other thing: I hope that in foreign policy we're going to make a better team than we oftentimes did on the tennis courts in Texas. [Laughter]

Ladies and gentlemen, the taking of an oath is always a solemn moment. Yet I cannot help but think that there will be even more solemn moments to follow, because it's been my experience for 8 years here now in Washington that after the swearing-in, sooner or later, comes the swearing at. [Laughter]

Mr. President, through your choice and the Senate's consent, I will occupy an office that dates from the infancy of our Republic. Over the last few weeks, I've learned a lot about the job. I find the more I learn about it the more humble I become. Yet mixed with that humility is a pride -- not in myself but in our great country.

One of his statutory duties of the Secretary of State is to be the custodian of the Great Seal of the United States. We're all pretty familiar with the great eagle holding the olive branches -- but also holding the arrows. There's a reverse side to that seal, however, that interests me. And on it is an unfinished pyramid. And on the bottom, a Latin inscription which means, ``A new order of the ages." It's dated 1776. To me this expresses our forefathers' conviction that our country offers something new. Our Constitution, our democracy is a new order of human activity. And the unfinished pyramid is a symbol of strength, and it's a symbol of continuity.

America rests on the broadest possible base which, of course, is the contribution of every

American. But the work of America -- to perfect our society, to strengthen and extend freedom -- is really never finished. So, as I stand here today, very grateful to you, Mr. President, I recognize that we are entering a new era of international relations. One that's filled with more than its share of promise, but perhaps more than its share of perils as well. I also recognize that our country is ever new in our capacity to meet the challenge and to advance the cause of freedom.

I enter this office secure in the knowledge that under your leadership, Mr. President, and with the support of the Congress and the support of the American people we can continue successfully what we began two centuries ago.

Thank you very, very much.

Note: The President spoke at 5:02 p.m. in the East Room at the White House.

Remarks at the Swearing-in Ceremony for Elizabeth H. Dole as Secretary of Labor

January 30, 1989

The President. Well, first, my respects to the former Secretaries of Labor who are here. Secretary Usery I know is here and Secretary McLaughlin, Secretary Brock, and I hope I'm not missing others -- maybe they're there. So, I bid welcome to all of you, certainly to our new Secretary Elizabeth Dole and her mother and others that are here with us today -- certainly to her husband, Bob Dole, who is with us up here. And, Reverend, thank you, sir, for those lovely, lovely words of prayer. Actually, I've been planning to come over to the Labor Department since last year to play it safe. I figured if I won the election I want to be here for Elizabeth's swearing-in, and if I lost the election I'd come by to fill out an unemployment form. [Laughter]

But I've come here to introduce the new Secretary of Labor, something that I did back in 1985, when Bill Brock took his office, which he did so well. And then last year, I was a guest of Ann McLaughlin here in the building. So, I have some familiarity with your work. I'd be remiss if I -- as I look around this crowd -- if I didn't single out Lane Kirkland and say how pleased I am that he's here to welcome our new Secretary, too. You've heard of Elizabeth Dole. [Laughter] She obviously will be my top adviser on labor issues per se. And I will also call upon her advice as counsel, as a key policy adviser on my economic team, because, indeed, the economic side of the labor issue is tremendously important.

To the people of this Department: You do touch the lives of virtually every American. And if at times you feel like you're taken for granted, let me just say whether you're the newest clerk-typist who just started or whether, like Jim Taylor -- [laughter]. Now, where is Jim? Is he here? There he is, right there. You've got to see this guy. He's been here since the days of Secretary Frances Perkins -- [laughter] -- and it looks like he's still running about 10 miles a day, too. [Laughter]

Mr. Taylor. It's my second wind.

The President. That's good. But there's something about Jim's being here and new people, as well, to show the continuity of this Department. But let me just say sometimes, I expect, you wonder if people care. I want you to know that this President does not take you for granted and never will. And when people need you, you have been there. And what you do in the Labor Department is a good example of the many different ways in which government serves the American people. From enforcing child labor laws to protecting retirement pension rights, from job training to workers compensation, you look out for the working people of America.

And I want this administration to be about working people. Part of that will come from

excellence and responsiveness in government. Part of that will be holding the line on taxes so working people, like you and the people you serve, can keep more of the money that you earn. Part of it will be a new voluntarism: people helping people. And I know a great many of you on your own time do work for your churches and in your communities and for charities. And I want to thank you, and I want to encourage everybody to be involved in this kind of work. From long talks with Elizabeth Dole, I know of her commitment to this whole concept of American helping American.

I believe in government service. I believe that it plays a vital role. But it must complement individual service. And nothing can replace personal commitment, both in our jobs and in our private lives. Many people look to you, the people in government, to do all things and solve all problems. Well, I think as a people we need to renew our sense of commitment, to take greater responsibility not only for ourselves but for one another. John Kennedy challenged us to ask ourselves what we could do for our country. And let us also each day ask: What can I do for another person? How can I make someone else's load a little lighter? How can I help to go a little farther? How can I be a friend to someone lonely or a comfort to someone in pain? Each of us can make this a kinder and gentler nation just by the way we treat one another each day.

I believe in government that is excellent and people who are compassionate. I think of the mine safety experts from this Department who after the Mexican earthquake were able, with their special skills to find people -- still alive -- who had been trapped under the rubble. But I also think of the secretary who after a day at the office takes that time to volunteer and help a child in the neighborhood learn how to read.

Now, the position of Secretary of Labor is a very important one, and our outgoing Secretary, Ann McLaughlin, certainly left big shoes to fill. All of you have been doing an excellent job in so many ways, and there's a lot to feel good about on the labor front. The economy is growing, producing jobs and opportunity. Those of you handling unemployment claims can see those rolls going down, and I want to keep it that way with sound economic policies.

But there are important tasks that lie ahead, and I don't think that the working people could hope to have a greater champion than Elizabeth Dole. She is smart. She is effective. She cares deeply about people. You know, earlier in her career she worked as a lawyer. Her first case -- not exactly profound, nor did it reach the Supreme Court -- [laughter] -- was to defend a fellow accused of annoying animals in the zoo. [Laughter] He was charged with, among other things, patting a lion. [Laughter] Elizabeth won the case -- [laughter] -- arguing that ``without the lion in court as a witness there was no way to tell whether or not he was annoyed by that." [Laughter]

Secretary Dole. How did you find out about that?

The President. So, you can see that early on she made a career out of standing up for the little fellow against the lion. [Laughter] And at the Federal Trade Commission, and again at the White

House, she showed real leadership and effectiveness. And in her 4\1/2\ years in the Cabinet, she distinguished herself. She was our longest serving Secretary in the Department of Transportation and certainly one of the best. And she took the lead on transportation safety, and she made a valuable contribution to her country -- to our country. And I know that she will do a great job over here working with all of you.

America faces important challenges as we prepare the work force for tomorrow. There will be jobs in abundance, but we'll have to make sure that our workers have the skills that they need to fill those jobs with excellence. We have a new generation of workers, a new generation of families, who are finding new ways of balancing the responsibilities of the workplace and the home. And there are new competitive forces in the world economy that demand a commitment to excellence from every American worker so we can continue to lead America into the next century.

I can think of no one better qualified to head the Department of Labor during this exciting challenge than Elizabeth Dole. And, Elizabeth, it will be a great pleasure to have you in my Cabinet. And now, we're going to watch you take the oath of office one more time. Congratulations!

[At this point, Secretary Dole was sworn in.]

Secretary Dole. Thank you very much, ladies and gentlemen. What a joy to see you all here today. Mr. President, thank you for your gracious remarks, for your expression of confidence, and for the opportunity to serve the most valuable resource this country has: its people -- the American work force.

And as Secretary McLaughlin and Secretary Brock, Secretary Usery -- all who made such enormous and positive contributions to our nation -- to Lane Kirkland and other leaders of labor who are here today; to our Members of Congress, who have been kind enough to take time to join us; to my minister, Edward Bauman; my Harvard law classmate, Chief Judge Judith Rogers; and to each of you -- my family; my husband, of course; my friends; my coworkers and colleagues -- I just thank you -- a heartfelt thanks for joining me in an occasion that, of course, is very special to me today.

Like you, Mr. President, I have built my life on the ideal of public service. And this opportunity represents to me much more than a job or a career choice; rather, it's a personal commitment akin to a special calling. The mission of the Department of Labor is well-known and very clear: to foster, promote, and to develop the welfare of working men and women. How we define and fulfill that mission will help determine America's place in the 21st century. The policies, programs, and regulatory responsibilities of this Department are front and center in assuring the continued growth of the American economy and a vital increase in our productivity and the ability of the United States to compete effectively on a global basis.

Demographic projections indicate that our work force will grow at a much slower pace than in the past. In a tight labor market, for American businesses to compete successfully abroad, they must first compete successfully for workers at home. This is good news for U.S. working men and women. It means that issues once defined as social problems will be dealt with more out of economic necessity. In tighter labor markets, employers cannot afford to discriminate. They can't afford to put workers at health and safety risk. In tighter labor markets, they cannot afford to ignore workers' obligations to family. Employers who do will simply lose out to employers who don't. Just a week ago, in my confirmation hearing, I stressed that the goal of the Department of Labor must be to coordinate a strategy of growth-plus; that's continued economic growth plus policies to help those for whom the jobs of the future are now out of reach because of the skills gap or because of family pressures or due to a lack of supportive policies.

With the talents of the outstanding civil servants of this Department, I believe that we can get the job done in five broad areas: first, ensuring that American workers are the world's best trained and most highly skilled, placing special emphasis on the disadvantaged; second, developing policies that make work and family complementary; third, establishing sound and comprehensive pension and retirement policies; fourth, seeing to it that the American workplace is as safe, as healthy, and as secure as we can possibly make it; and fifth, encouraging management and labor to continue to move beyond confrontation and conflict, to work together on behalf of interests held in common.

Ladies and gentlemen, we have a chance to fulfill a dream: that every person in America who wants a good job can have a good job if they have the proper skills. We don't have unlimited funds, which means we must make those funds we do have work for us. But it won't be enough to be efficient if we're not effective. If we think big, if we select the right goals, if we target our initiative, if we work smart -- in short, if we redouble our efforts without duplicating our efforts -- we can assure that all of our people get their foot on the first rung of that economic ladder. And what could be more effective in the war on drugs, alcoholism, crime, and poverty, than a good job?

The ideal of independence has always been one of the cornerstones of the American experience. And today we're here to celebrate the independence, the strength, the self-reliance, and the sense of purpose that only meaningful work can provide.

What a joy it was for me this morning to hear a Job Corps graduate and Department of Labor employee, Lois Best, introduce the President of the United States. And to lay my hand and take my oath on a Bible held by Tony Bond, President of the Potomac Job Corps class. And I just might add, Tony, that that Bible is one of my most cherished possessions. It belonged to my grandmother who lived to within 2 weeks of her 100th birthday. Imagine that 2 more weeks, she would have been 100 years old. And she was a beautiful woman of great faith. To have so many students from Potomac and Chesapeake Job Corps Centers with us today brings an extra measure of excitement to Job Corps' 25th anniversary. With over 100 centers nationwide, this

partnership of business, labor, and government has touched the lives of well over a million young men and women and made them part of a great American success story.

It's time to add new chapters to that success story. Two-thirds of the work force of the year 2000 is already on the job. Those trying to balance work and family deserve our support. Those who are older and who wish to work, but face barriers to reentry, we must enlist. Those who've been dislocated as jobs change, we must retrain. Our challenge will be to reach more of our people, whether young, old, disadvantaged, dual-career, or disabled, to give them the skills and the support they need so they can seize their share of prosperity and help to create more of it.

Yes, we have within our reach the fulfillment of a long-awaited dream: that every American who wants a good job can have a good job. But this is not a visionary idea; it's a practical challenge, a challenge for each of us in this Department. Our government's strength lies in the quality of those who do their jobs outside the headlines and without great fanfare. As John Gardner has said: ``Democracy is measured not by its leaders doing extraordinary things but by its citizens doing ordinary things extraordinarily well.'' I was told, and I'm convinced, that Department of Labor employees are a strong team of men and women dedicated to doing their job extraordinarily well.

With their help, Mr. President, and by working with a vital new generation of young people like these Job Corps members, by working with the Congress, with labor, with schools, private enterprise and community groups, by coordinating carefully with other Federal departments and State and local government, by working together as people of indomitable purpose and collective will, we can build a culture of high expectations, and we can surely help fulfill those expectations. I'm confident that we can advance from the promise of full employment to the promise of fulfilling employment for every working man and woman in this great nation. And I believe there can be no higher calling as we approach the 21st century.

Thank you, each of you, for being here today, and God bless you all. Thank you.

Note: The President spoke at 10:12 a.m. in the Great Hall at the Department of Labor. In his remarks, he referred to Edward Bauman, pastor of Foundry United Methodist Church; Lane Kirkland, president of the American Federation of Labor-Congress of Industrial Organizations (AFL - CIO); and James F. Taylor, who had been an employee of the Department of Labor since 1941.

Remarks to the Crew of the U.S.S. America and Naval Shipyard Employees in Norfolk, Virginia

January 31, 1989

Admiral Dunleavy, thank you very much, sir, for that welcome to America, and thank all of you for that response. Admiral Trost, and to our Secretary of the Navy, and all involved in this wonderful day, I say thank you. I want to single out to Members of Congress who are here, many members of the Armed Services Committee, and others who've been strong backers -- have a strong military for this country, and I'm delighted to see them here. I'm pleased to be on one of the greatest ships in the world, with a crew that knows the meaning of the words, ``my ship, my country,'' the crew of the America.

You know, as an old carrier pilot, today is a very special day for me -- the Admiral touching on that. I can't help thinking of the carrier I once sailed on, the U.S.S. San Jacinto, namesake of which is right next door here. Carriers weren't as big in those days. Technology was very different: narrow deck; slower planes; strictly visual contact with the LSO, the landing signal officer; no electronics. But some things stayed the same. And Admiral Dunleavy touched on it; and I've, as Vice President, had a chance to visit the fleet. And you can't help but sense that same spirit of camaraderie, devotion to duty, patriotism, service to country. We knew then, in those days, just as you know now, how much we owed to the men and women in the bases, in the shipyards. And from the day of the Revolutionary-era sloops to the most modern supercarriers, none have written a prouder chapter in the history of the United States Navy than the Norfolk Naval Base. All over the world, those who love the sea and the ships that sail on it know that Norfolk, or Hampton Roads, if you will, stands for excellence -- a national treasure. And let me just say to all assembled: We are going to keep it that way!

My visit today is the final stop on what you might call an inaugural trip. For the past several days I've been visiting with the men and women who are my colleagues in service to our nation, from senior appointments in the administration to rank-and-file civil servants. Most are outstanding; most do a superb job. But still you might say, with no disrespect to others, that I've saved for last those whose service demands the most. And I mean you, the men and women who keep our ships and guard our shores, the men and women who serve with the Armed Forces of the United States.

In the months ahead, I'll be taking a great deal of time to talk about service, not service that is compelled but service that is given freely and openly, the service of the strong heart and the questing soul. I will speak about those who give their time and love to their communities, to help those who cannot fully help themselves. Long ago it was written that the quality of mercy is not strained, and I will speak of those who dedicate a portion of their lives to mercy for humanity. And I'll speak about you, in a way that every American knows and every man, woman and child in our land salutes. You stand here today setting an example for our nation's standard of service.

And let me start right now by recognizing one of your own, your Sailor of the Year, Aviation Ordinanceman 1st Class Joseph Robinson. Joseph was awarded this honor for two reasons. First, for his contributions to the running of this ship, but Joseph has also been recognized for his contributions to his community, where he helped establish a Neighborhood Watch -- called it a watch program and devoted over 100 hours to its success. Now, Joseph is right here, and if you'll come forward, sir, I'd be proud to shake your hand and present you with a letter of commendation. Congratulations!

What a wonderful example for us all. All of you keep the peace on the frontiers of freedom around the world. And in every corner of the globe, millions recognize you, and the flag you carry is their symbol of hope. And, yes, wherever you go, you take America and all it represents with you; and you do it with a pride and dedication that few have ever matched. I know some say that it's just a job. But when a sailor must put to sea for 6 months or more at a time and come home to find that a child who could barely crawl, can walk and say a few words, that's more than a job -- that is service and, more importantly, sacrifice. When a soldier spends long hours on cold night's sentry duty at the DMZ or at Checkpoint Charlie in Berlin, he's not just filling a job, but he's answering the call of service. And the mechanic who inspects the plane's engine or ship's power plant one last time and makes double and triple sure that every screw, every hose, every weld is as it should be, that mechanic is dedicating himself or herself not simply to a job but to a concept of service to country that is the highest in the world. Around the world, others have seen and know what your dedication to service means.

You remember, maybe, last year the Soviet Union's top military man at the time, Marshal Akhromeyev, visited the United States. He spent a day on a carrier, not unlike yours, as it went through exercises in these waters. And he visited installations across our nation. And he saw much of the amazing weaponry and machinery in our arsenal, and when he finally came to visit the White House, he let it be known that he was impressed. And what most impressed him was not our miraculous technology or incredible firepower but the enlisted men and women that he had met on these tours. He couldn't believe that we gave our enlisted men and women jobs that only officers would be permitted to handle in his own military. He couldn't believe the obvious dedication of America's enlisted men and women to their jobs, their knowledge of the machinery they handled and their readiness and ability to answer questions. In short, he couldn't believe your dedication to service.

I know you've heard it from your parents. Those of you who are married have heard it from your husbands or wives and from your children; but it goes from everyone across the country. Let me just say that we are all very, very proud of you and of the job you're doing. In the years ahead, I want to make sure that those who build our ships, planes, and weapons live up to the standards of service and dedication and duty that this crew and this base has set.

I've been inside a submerged submarine while depth charges were going off all around it. And I know what it's like to hear the vessel strain and shake and pray to God that the people in charge

of buying and building cared as much about the vessel as you do. And I believe that the overwhelming majority of procurement officers and defense contractors do care that much. And I am determined to make sure that every single one of them does. My message to them will be just this simple: Don't think it's just anyone out there. Think it's your son or daughter and remember that their lives depend on the things you make. And if you're not ready to care that much and work that hard, you are not ready to do business with the United States Government.

Let me give you an example: cost overruns. Overruns didn't start just yesterday. The first dry dock ever built for our Navy is still operating, I'm told, not far from here, in this yard. And it was finished more than a century and a half ago. And the actual final cost was three times the original estimate. But even if overruns are not new, they are still wrong and hurt the national security, particularly when budgets are tight. We want tighter controls and higher standards in weapons procurement, and we will get tighter controls and higher standards in weapons procurement. You deserve the very best equipment and weapons. You are getting them most of the time now, and we're determined that you will get them all of the time.

And one other thing: I am determined to expand the national consensus that is necessary for proper support for our nation's defense. I'll do this because the first bulwark of our national defense is our national will. And if our will is ruptured, our ship of state cannot sail, or at least sail safely. I firmly believe that the vital first step to broadening our national consensus on defense is to wring the last drop of waste and mismanagement out of the way we buy our weapons. And that's what we intend to do. It's what you might call my bond to you. When a family sends a son or husband to sea or to boot camp or to flight school to defend our nation, they are making a sacrifice, and it is a great and noble sacrifice. Think of all the good all those sacrifices added up to together and what they have meant around the world in the last few years.

When the record of our time is finally written, I hope it will be the story of the final triumph of peace and freedom throughout the globe, the story of the sunrise in the day of mankind's age-old aspirations. And on that day, ``Who were the heroes?'' -- generations to come will ask. ``Who drove the chariots of fire across the sky? Who brought the day to the Earth?'' And the answer will be you. During the next 4 years, I will not be just your Commander in Chief but your friend. And together we will work to spin the gossamer thread of human dreams into a sturdy fabric of peace that will last for generations to come.

Thank you for your incredible service to this, the greatest, freest, and most wonderful country on the face of the Earth. God bless you all.

Note: The President spoke at 11:01 a.m. on the deck of the U.S.S. ``America.'' He was introduced by Adm. Richard Dunleavy, Commander of Naval Air Forces, Atlantic Fleet. In his opening remarks, the President referred to Adm. Carlisle A.H. Trost, Chief of Naval Operations, and Secretary of the Navy William L. Ball III.

Message on the Observance of National Afro-American (Black) History Month, February 1989

February 1, 1989

Since 1976, the month of February has been designated National Black History Month, a time for all Americans to celebrate the rich heritage of Afro-Americans and their contributions to our nation.

Despite first slavery and then segregation, Afro-Americans have overcome seemingly insurmountable odds to be at the cutting edge of change and progress in American society. From the winning of Independence -- when Crispus Attucks gave his life in the Boston Massacre and Benjamin Banneker helped draw the plans for our nation's capital -- to the present day, Black Americans have played a vital role in the development of the United States. One thinks of Dr. Daniel Hale Williams performing the first successful heart surgery and of George Washington Carver revolutionizing southern agriculture with his countless innovations.

There have been so many more. This month gives us all a chance to reflect on how much Afro-Americans have contributed, a chance to learn from the past in order to look confidently toward a new century, with a commitment to lasting harmony between the races and a bright future for Americans of every background.

Barbara joins me in commending all of you for your observance of Black History Month 1989, and in sending you our best wishes.

George Bush

Nomination of Kenneth Winston Starr To Be Solicitor General of the United States

February 1, 1989

The President today announced his intention to nominate Kenneth Winston Starr to be Solicitor General of the United States, Department of Justice. He would succeed Charles Fried.

Since 1983 Judge Starr has been a judge of the U.S. Court of Appeals for the District of Columbia. Prior to this he was Counselor to the Attorney General at the Department of Justice, 1981 - 1983. He was an associate partner with Gibson, Dunn & Crutcher in Washington, DC, 1977 - 1981, and a law clerk to Chief Justice Warren E. Burger of the U.S. Supreme Court in Washington, DC, 1975 - 1977. From 1974 to 1975, Judge Starr was an associate with Gibson, Dunn & Crutcher in Los Angeles, CA.

Judge Starr graduated from George Washington University (B.A., 1968), Brown University (M.A., 1969), and Duke University (J.D., 1973). He was born July 21, 1946, in Vernon, TX. He is married and has two children.

Continuation of John W. Vessey, Jr., as Special Presidential Emissary to Hanoi for POW/MIA Affairs

February 1, 1989

The President has asked General John W. Vessey, Jr., USA, Ret., to continue in his role as Special Presidential Emissary to Hanoi for POW/MIA Affairs. General Vessey has served in this capacity since being named to the position by President Reagan in February 1987.

Beginning with his initial visit to Hanoi in August 1987, General Vessey's efforts have resulted in substantial progress in resolving this pressing humanitarian issue and ending the uncertainty for the families of our missing in Southeast Asia. The President is pleased that General Vessey has agreed to continue to serve his country in this position of great importance to all of us.

Message to the Congress Transmitting a Report on the Establishment of the National Space Council

February 1, 1989

To the Congress of the United States:

I hereby transmit my report outlining the composition and functions of the National Space Council to be established by Executive order.

1. Composition. The National Space Council will be composed of the following members:

1. The Vice President

2. Secretary of State

3. Secretary of Defense

4. Secretary of Commerce

5. Secretary of Transportation

6. Director of the Office of Management and Budget

7. Chief of Staff to the President

8. Assistant to the President for National Security Affairs

9. Director of Central Intelligence

10. Administrator of the National Aeronautics and Space Administration

The Chairman of the Joint Chiefs of Staff, Assistant to the President for Science and Technology, heads of other Executive Departments and agencies, and other senior officials in the Executive Office of the President shall participate in meetings of the Council as appropriate.

The Council will be chaired by the Vice President. The Council will meet subject to the call of the Vice President.

The Vice President may authorize the Executive Secretary of the Council to establish such

Council Working Groups, composed of senior designees of the above members and chaired by the Executive Secretary, or another official, as may be appropriate.

2. Functions. The National Space Council will oversee the implementation of the objectives of the President's national space policy and be the principal forum for coordination of U.S. national space policy and related issues. The Space Council will also review and recommend modifications of national space policy to the President where deemed necessary or appropriate. The Council will address major space and space-related policy issues in the two governmental sectors (civil and national security), as well as those policy issues involving the third, nongovernmental sector (commercial) that are affected by Government actions.

The Council will provide a means to foster close coordination, cooperation, and technology and information exchange among the sectors to avoid unnecessary duplication and to advance our national security, scientific, technological, economic, and foreign policy interests through the exploration and use of space.

George Bush

The White House,

March 1, 1989.

Remarks at the Annual National Prayer Breakfast

February 2, 1989

My special thanks to Bob Stump and Doug Coe, to our honored guests throughout this country and from our foreign lands, and it is a pleasure for Barbara and me to be here once again.

There is no greater peace than that which comes from prayer and no greater fellowship than to join in prayer with others. And coming to the prayer breakfast is, for us at least, like coming home. The Lord works in mysterious ways. There is nothing mysterious, however, about His priorities. I'm the one with the laryngitis, and Sandy Patti is the one that lifted our spirits with that magnificent voice, clear as the finest crystal. We're grateful to her. And the Lord works in very mysterious ways, but I wonder why it is that under the protocol sense of things I always have to follow my friend Al Simpson. [Laughter]

Let us all thank the Lord for having granted us this day, making it possible for us to spend this time together. Billy Graham, my dear friend, tells me that when he was a boy living on a farm in North Carolina one of his jobs was milking cows. And one day he was sent out to milk one of their cows named Brindle, a cow he'd never milked before. And he was told that it was a gentle cow, that it would be very cooperative. When he sat down on the stool to milk the cow, she switched her tail, slapped him in the face, nearly put his eye out, a few minutes later kicked the bucket all the way across the barn, and then tried to kick him. And at that point, he began to wonder if the person who described this kind and gentle cow had ever sat down next to her in the barn. [Laughter] And I've thought of that story in the light of my request for America to become a kinder and gentler nation. It's one thing to request it, and it's another thing to see it actually happen. And maybe a lot of folks out there, cynics, are thinking, well, if you people in Washington will stop trying to milk us, we'll stop kicking. [Laughter]

But we're facing some serious opportunities and some great opportunities in our country -- tough problems and great opportunities. And I believe that a wonderful resource in dealing with them is prayer -- not just prayer for what we want but prayer for what is in the heart of God for us individually and as a nation. And shouldn't we also remember, with all that we have to be grateful for, to pause each day to offer a prayer of thanksgiving. All of us should not attempt to fulfill the responsibilities we now have without prayer and a strong faith in God. Abraham Lincoln said: ``I've been driven many times to my knees by the overwhelming conviction that I have nowhere else to go." Surely he was not the first President, certainly not the last, to realize that.

It's not just Presidents. I heard about a little boy whose elderly grandmother came to live with them for the winter. And the first day the little boy played hard inside the house, and he wanted to turn the heat down. But grandmother insisted on keeping it high. And when he opened the windows, she closed them. And for several days it went on like this, up and down, back and

forth, with the little boy too hot and the grandmother too cold. After about a week, the little boy knelt beside his bed one night and prayed, ``Lord, bless mother and daddy, and make it hot for grandmother." [Laughter]

Well, I suppose there may be some people in Washington, around the country, who have already begun to pray, ``Make it hot for George." [Laughter] Those prayers will be answered over time. Be patient. [Laughter] But I can also tell you from my heart that I freely acknowledge my need to hear and to heed the voice of Almighty God. I began my Inaugural Address with a prayer out of a deep sense of need and desire of God's wisdom in the decisions we face. And if we're to walk together toward a more caring, more generous America, let us all share in paving the way with prayer.

Thank you all, and God bless you.

Note: The President spoke at 9:18 a.m. in the International Crystal Ballroom at the Washington Hilton Hotel. In his remarks, he referred to Representative Bob Stump; Doug Coe, an associate of the National Prayer Breakfast Movement; gospel singer Sandy Patti; Senator Alan K. Simpson; and evangelist Billy Graham.

Remarks Following Discussions With Prime Minister Noboru Takeshita of Japan

February 2, 1989

The President. Mr. Prime Minister, ladies and gentlemen, let me begin by expressing once again on behalf of the American people the condolences on the passing of Emperor Showa, a most gentle man of great learning. And I look forward to calling on the new Emperor when I visit Japan later this month.

It has been a pleasure and honor for Barbara and me to welcome you, Mr. Prime Minister, Mr. Takeshita, to the White House. You are one of our first official visitors, and this reflects the importance I place on the relations between our two countries, the strength of our nations' ties, and the promise that our relationship holds for the future of the world.

Two weeks ago, here in Washington, the United States conducted a ritual that spoke of both continuity and change. For the 41st time in 200 years, the United States swore in a new President. And in the transition from one President to the next, we Americans reaffirmed the strength of our democracy and our commitment to values on which it was built. Japan and the world can count on the United States to continue to work for peace, democracy, freedom, and justice around the world. The scope of America's vision is global, and we will continue to shoulder the obligations that belong to a global power.

Continuity will also be the mark of relations between the United States and Japan. On occasion, we may have differences, but these are the differences of friends. And in the last 40 years, our two nations have been truly close friends. The peace and prosperity we both enjoy today are among the fruits of that friendship. Simply put, we respect one another. We need one another, and we will continue to work together for the good of our peoples and of all humanity.

During this visit, the Prime Minister and I worked on the continuing business of the friendship between our countries. We confirmed that the treaty of mutual security and cooperation is the foundation of our relationship. I noted the importance of allies assuming greater responsibilities in the cause of peace. The Prime Minister and I agreed that these responsibilities take many forms. In this regard, I applaud Japan's pledge to make further significant increases in Overseas Development Assistance programs.

At the same time, we believe that the most powerful engine for economic development and growth -- in fact, the only engine that works -- is the entrepreneur, large and small. And entrepreneurship is a product not of massive aid packages but of free and open economies that do not carry crushing burdens of taxation and regulation and that maintain the rule of law, including contract and property law.

Along these lines, we agreed on the importance of supporting democracy and sustained growth and reform in the Philippines. Toward this end, we pledge to make every effort to launch the Multilateral Assistance Initiative for the Philippines this year.

The Prime Minister and I reviewed the progress our nations have achieved in bringing our economies into better balance and in further opening our markets to each other's goods and services. We also recognize the need for continued policy efforts in these areas. The Prime Minister reaffirmed Japan's determination to promote strong domestic growth and structural adjustments. And I told him that I am determined to reduce our budget deficit.

In the area of multilateral cooperation, we agreed that we would continue to coordinate policies through established settings, especially the economic summit. We will look forward to the next summit meeting, which will be held in Paris. We also agreed on the importance for continued global prosperity of a successful Uruguay round. And we agreed on the importance of frequent consultation at all levels on economic issues.

All in all, our talks were positive and forthright, befitting close allies. The Prime Minister and I first met some time ago, and this week's meetings have helped us become even better acquainted. We've laid the groundwork for close cooperation, as we deal with the issues and the opportunities of the last decade of the 20th century.

We're glad you came our way, sir.

The Prime Minister. Thank you, Mr. President, for your heartwarming remarks. Mr. President, I wish to convey on behalf of the Japanese people my deepest appreciation to the Government and people of the United States for their expression of sympathy and condolences on the demise of Emperor Showa. The people of Japan are also deeply touched that you and Mrs. Bush will attend the funeral ceremony.

Mr. President, looking back upon the 43 years since the end of the war, I am reminded anew of the friendship and cooperation the American people have consistently extended to us through the years. Mr. President, I am truly grateful that you have so graciously invited us to Washington at this busy time, so soon after your inauguration.

I appreciate the remarks you have just made on the thoughts we shared in our first meeting. Our first meeting was truly promising in opening the perspective into our future. I believe it marked a new start for U.S.-Japan cooperation, which will serve to help ensure peace and prosperity for the world, as we move towards the 21st century. Fortunately, the basis of our cooperative relationship is firm and sound. The Japan-U.S. security arrangement upon which this relationship rests has never been better. The successful solutions we have been able to achieve regarding bilateral economic issues have demonstrated the resilience of our relationship. Thus, through a dialog, issues between our two countries can be resolved.

In sustaining noninflationary growth of the international economy and in reducing external imbalances in our economies, the President and I shared the view that macroeconomic policy coordination is of crucial importance. I stated to the President that the Japanese economy will continue to grow through strong domestic demand, that imports are expected to continue to increase, and that structure adjustment efforts will be further enhanced. The President stated that he will make determined efforts to reduce the budget deficit.

The world faces a number of challenges, but is rich with promises. In your words: The new breeze is blowing. Mr. President, you and I share the conviction that now is the time for Japan and the United States to further strengthen policy coordination and to joint endeavors in order to create a better world. We will consult closely on our policies toward the Soviet Union, which offers new challenges and opportunities for East-West relations. We will work together to ensure peace and prosperity in Asia, the Middle East, Central and South America, and other parts of the world. We will work together to strengthen the free trading system and agree to cooperate closely for the progress of the Uruguay round negotiations.

No nation can substitute the United States as the leader of the democracies around the world. I look to you, Mr. President, for wise and firm leadership, and you will have my full support. For my part, I will continue to pursue my diplomatic goal of Japan contributing more to the world.

Japan and the United States have a number of common tasks ahead. Together we must take those initiatives to solve the many problems facing our world. Our meeting today confirmed that if our two peoples work together, hand in hand, there is nothing we cannot achieve.

Thank you very much.

Note: The President spoke at 1:30 p.m. at the South Portico of the White House. The Prime Minister spoke in Japanese, and his remarks were translated by an interpreter. Earlier, the President and the Prime Minister met in the Oval Office and then attended a luncheon in the Residence.

Nomination of Richard R. Burt for the Rank of Ambassador While Serving as United States Negotiator for Strategic Nuclear Arms

February 2, 1989

The President today announced his intention to nominate Richard R. Burt for the rank of Ambassador during his tenure of service as United States Negotiator for Strategic Nuclear Arms. He would succeed Stephen R. Hanmer. Since 1985 Mr. Burt has been Ambassador to the Federal Republic of Germany. Prior to this he was Assistant Secretary of State for European and Canadian Affairs, 1983 - 1985. He was Director of the Bureau of Politico-Military Affairs at the Department of State, 1981 - 1982. From 1977 to 1980, he served as a correspondent for the New York Times in Washington, DC. He was also assistant director at the International Institute for Strategic Studies in London, England, 1975 - 1977.

Mr. Burt graduated from Cornell University (B.A., 1969) and Fletcher School of Law and Diplomacy (M.A., 1972). He was born February 3, 1947, in Sewell, Chile. He is married and has one child.

Nomination of Ivan Selin To Be an Under Secretary of State

February 2, 1989

The President today announced his intention to nominate Ivan Selin to be Under Secretary of State for Management. He would succeed Ronald I. Spiers.

Dr. Selin is the founder and chairman of the board for American Management Systems, Inc., a computer systems, services, and consulting firm. From 1986 to 1988, Dr. Selin was a member of the advisory board on the U.S.S.R. and Eastern Europe at the National Academy of Sciences. Prior to this he was a member of the board on telecommunications and computer applications at the National Academy of Sciences, 1985 - 1988.

Dr. Selin graduated from Yale University (B.E., 1957; M.S., 1958; Ph.D., 1960). In 1962 he also received a degree from the Universite de Paris.

Nomination of Edith E. Holiday To Be General Counsel of the Department of the Treasury

February 2, 1989

The President today announced his intention to nominate Edith E. Holiday to be General Counsel for the Department of the Treasury. She would succeed Mark Sullivan III.

Since 1988 Ms. Holiday has been an Assistant Secretary (Public Affairs and Public Liaison) of the Department of the Treasury and Counselor to the Secretary. Prior to this she was chief counsel and national financial and operations director for the Bush-Quayle '88 Presidential campaign and served as director of operations for George Bush for President. She was also special counsel for the Fund for America's Future and Executive Director for the Quadrennial Commission on Executive, Legislative, and Judicial Salaries, 1984 - 1985. Ms. Holiday practiced law with the firm of Dow, Lohnes & Albertson, 1983 - 1984 and with the firm of Reed, Smith, Shaw & McClay, 1977 - 1983. She also served as legislative director for then-U.S. Senator Nicholas F. Brady.

Ms. Holiday graduated from the University of Florida (B.S., 1974; J.D., 1977). She was born February 14, 1952, in Middletown, OH. She is married to Terrence B. Adamson and currently resides in Atlanta, GA.

Nomination of Richard Thomas McCormack To Be an Under Secretary of State

February 2, 1989

The President today announced his intention to nominate Richard Thomas McCormack to be Under Secretary of State for Economic and Agricultural Affairs. He would succeed Allen Wallis.

Since 1985 Ambassador McCormack has been the Permanent Representative of the United States to the Organization of American States. Prior to this he was Assistant Secretary of State for Economic and Business Affairs, 1983 - 1985. He has also served as a Consultant on International Economics at the Department of State, 1981 - 1982.

Ambassador McCormack graduated from Georgetown University (M.A., 1963) and the University of Fribourg in Switzerland (Ph.D., 1971). He was born March 6, 1941, in Bradford, PA. He is married and has two children.

Nomination of Robert Michael Kimmitt To Be an Under Secretary of State

February 2, 1989

The President today announced his intention to nominate Robert Michael Kimmitt to be Under Secretary of State for Political Affairs. He would succeed Michael Hayden Armacost.

Since October 1987 Mr. Kimmitt has been a partner with the law firm of Sidley & Austin in Washington, DC. Prior to this he was General Counsel for the Department of the Treasury, 1985 - 1987. He was Executive Secretary and General Counsel of the National Security Council at the White House, 1983 - 1985, and a member of the National Security Council, 1978 - 1983. In March 1988 Mr. Kimmitt was appointed by President Reagan to a 6-year term as a United States member of the Panel of Arbitrators of the International Centre for the Settlement of Investment Disputes.

Mr. Kimmitt graduated from West Point in 1969. He served in the 173d Airborne Brigade in Vietnam, earning three Bronze Stars, the Purple Heart, the Air Medal, and the Vietnamese Cross of Gallantry. He is currently a lieutenant colonel in the Army Reserve. Mr. Kimmitt was born December 19, 1947. He is married, has five children, and resides in Arlington, VA.

Nomination of Reginald Bartholomew To Be an Under Secretary of State

February 2, 1989

The President today announced his intention to nominate Reginald Bartholomew to be Under Secretary of State for Coordinating Security Assistance Programs. He would succeed Edward J. Derwinski.

Since 1986 Ambassador Bartholomew has been the United States Ambassador to Spain. Prior to this he served as the United States Ambassador to Lebanon. He was Director of the Bureau of Politico-Military Affairs at the Department of State in 1977 and was detailed to the National Security Council at the White House, 1977 - 1979. From 1974 to 1977, he served as Deputy Director of Policy Planning Staff at the Department of State.

Ambassador Bartholomew graduated from Dartmouth College (B.A., 1958) and the University of Chicago (M.A., 1960). He was born February 17, 1936, in Portland, ME. He is married and has four children.

Nomination of Morris Berthold Abram To Be United States Representative to the European Office of the United Nations

February 2, 1989

The President today announced his intention to nominate Morris Berthold Abram to be the Representative of the United States of America to the European Office of the United Nations, with the rank of Ambassador. He would succeed Joseph Carlton Petrone.

Since 1970 Mr. Abram has been a partner in the firm of Paul, Weiss, Rifkind, Wharton & Garrison in New York City. Mr. Abram has been the chairman of the National Conference on Soviet Jewry, 1983 to present. From 1984 to 1986, he was Vice Chairman of the Commission on Civil Rights. He served as a member of the President's Commission for Study of Ethics in Medicine and Biomedicine and Behavioral Research, 1979 - 1983, and Chairman of the Moreland Act Commission on Nursing Homes and Residential Facilities, 1975 - 1976. From 1968 to 1970, Mr. Abram was president of Brandeis University in Waltham, MA.

Mr. Abram graduated from the University of Georgia (A.B., 1938), the University of Chicago (J.D., 1940), Oxford University (Rhodes Scholar) (B.A., 1948; M.A., 1953), and Davidson College (LL.D., 1972). He was born June 19, 1918. He is married and has five children.

Remarks on the Savings and Loan Crisis

February 3, 1989

The President. While we have the quick exposure here, let me just thank you all, Mr. Speaker, Leader Mitchell, Dole, Bob Michel, for coming down here. This is a listening session. We've got a big problem in this savings and loan. There are no easy answers and no worrying about the blame -- plenty to go around. I want to see the problem solved. We've had a lot of consultation up on the Hill, and good consultation. And Treasury will come, I think, to meet me tomorrow to present their views, but they're not being presented here with this stacked deck. We need ideas, and if we're overlooking something, we want to know what it is.

But I think we all agree that it's time to get on with the problem. And so, what I wanted to do this morning is simply ask your advice and listen. And whatever we come up with will not be popular. And I expect then whatever you come up with will not be popular, but we've got to get on and get the problem solved. And I appreciate your coming down here early to discuss this today, and then I'll be meeting, as I say, some more today. And then tomorrow I think we have more final recommendations. I'll go out with it publicly probably early next week -- I think that's the plan -- and see where we go from there.

But, Speaker, if you can talk, you're entitled a rebuttal. [Laughter]

Speaker Wright. I'm not sure, Mr. President, that any rebuttal is necessary. We're here to listen, and we're here to join with you in trying to find some creative solution to a very serious problem.

Majority Leader Mitchell. I think the Speaker has expressed it for all of us, Mr. President. We want to work with you. This is a serious problem for the country; it's not just for us. We've got to do the best we can to come up with the fairest, most efficient way to solve it.

The President. Before we break up here to start on our consultations, let me say -- and I think I speak for everybody here -- that the safety of those deposits is guaranteed, will continue to be guaranteed, and that there should be no feeling around the country that some solution will do anything to diminish the credit of the United States being behind the deposits in the FSLIC [Federal Savings and Loan Insurance Corporation], FDIC [Federal Deposit Insurance Corporation], whatever it is. And I thought I'd just take this occasion to make that statement. Thank you all very much, and now let's all go to work.

Note: The President spoke at 8:04 a.m. in the Cabinet Room at the White House, prior to a meeting with congressional leaders. In his opening remarks, the President referred to Jim Wright, Speaker of the House of Representatives; George J. Mitchell and Robert Dole, majority and minority leaders of the Senate, respectively; and Robert H. Michel, ranking minority

member of the House of Representatives.

Remarks at the Swearing-in Ceremony for Robert A. Mosbacher as Secretary of Commerce

February 3, 1989

The President. Thank you for that warm welcome. This is a very special occasion for me because, as most -- I'd say please be seated, but -- [laughter] -- I don't think that would go over too well back there. What a wonderful, wonderful turnout for our new Secretary. But this is a special occasion, Bob Mosbacher and I have been friends for a quarter of a century -- more. And I trust his advice; I respect what he's accomplished in business. And I know he will be a very valuable member of our economic team.

It's also an honor for me to participate in this swearing-in in a hall that's named after another dear friend of mine: Mac Baldrige. He was a tremendous Secretary of Commerce, and I know he would have been so pleased to see that this Department, which meant so much to him, will be in such capable hands.

When what was then called the Department of Commerce and Labor, established back in 1903 -- Congressman Charles Cochran described what he believed were the ideal qualifications for the Secretary. He said: ``Above everything, he should be a man of affairs, acquainted with the vast subject with which he must deal, vigilant, enterprising, resourceful, and possessed of the sagacity which distinguishes the American man of business from all others."

Well, ladies and gentlemen, those of you who know anything about Bob Mosbacher know that he fits that description to a tee. And he's a savvy international businessman, an entrepreneur who built his own extraordinarily successful business and kept it on solid footing even during tough economic times. He also is known as a world-class sailor -- won international and national championships. And to use a sailing analogy, he will now take the helm at Commerce and help chart America's economic course into a new era of prosperity.

It's Bob's mission to foster, promote, and develop the foreign and domestic commerce of the United States, a mission that's easily stated, but not so easily executed. As Secretary, he will promote American exports aggressively, continue our support of R&D, research and development, operate an export control program balanced between safeguarding security and encouraging exports, responsibly manage our vast national fisheries resources, and play an important role in this administration's efforts to clean up the oceans and America's coastlines. I know that preserving and protecting the environment is a special concern of Secretary Mosbacher's. Bob will work with business to create innovative programs and achieve scientific breakthroughs in manufacturing, transportation, communications, and other areas to guarantee that the United States maintains its leadership role in the world marketplace.

Both Bob and I are committed to making America more competitive than ever before. Our businesses can compete with anyone, anywhere in the world, if we're given a fair chance. Our commitment to free and fair trade will enable us to ensure that our trading partners respect our right to compete in their marketplace, while they compete fairly in ours.

Bob has a big job ahead of him. But whether it's trade or tourism or NOAA or the Bureau of Standards, Minority Business Development, the Census -- any of the important areas of this Department -- I know that he has a great team behind him, willing to give 100 percent. And one of the reasons I wanted to come here to the Department is to express my confidence in those of you who have worked as careers for the Federal Government.

The growth of commerce, both nationally and internationally, is the key to guaranteeing that America's most productive and prosperous days are still ahead. As a fellow Texan said recently: ``Bob Mosbacher is the right man to do the job that has to be done." So, I came over here to wish him well -- wish all of you well.

Mr. Secretary, congratulations, good luck, and God bless you!

And now Secretary [of State] Baker will do the honors.

[At this point, Secretary Mosbacher was sworn in.]

Secretary Mosbacher. Mr. President, Secretary Baker, if I may digress for a second: two wonderful, wonderful Americans who this country is so proud of and so lucky to have, friends of over 30 years. Thank you, sir -- and, of course, my family and, of course, all of us who are going to work together, fellow employees of the Department of Commerce. I look forward with great enthusiasm to addressing the challenges and opportunities the American people have in several vital, important walks of our national life.

Mr. President, on behalf of this Department of Commerce, we accept our mission. Of course, it's a mission -- and a major objective of ours at this Department is to promote our economic growth and competitiveness. We must ensure that trade is a two-way street for American business by expanding overseas markets for top U.S. goods and services while ensuring fair competition through effective enforcement of our trade laws.

Another vitally important mission is to improve the beauty and quality of our oceans, shorelines, and estuaries. Our fine people in the National Oceanic and Atmospheric Administration -- NOAA, as it's known to all of you and now many of us -- are already working vigorously at cleaning up our oceans. But of course, even though they're working on this, more work can and must be done because we have been blessed with an abundance of beautiful natural resources, including our oceans, estuaries, our beaches, our shoreline; and we must do all in our power to preserve and protect these precious assets.

Third, as an old sailor, I know how vitally important it is to keep our weather forecasts accurate and our warnings early. You know, Mr. President, there are a lot of people in this country who view Willard Scott as our weatherman. [Laughter] But we in this Department know that NOAA is the bureau that serves as the provider of the meteorological data to the Nation's weathermen, and so, we are really your weathermen.

We must also enforce our national capability to develop the best in modern technology. We must pursue policies that will speed commercialization of technology. Our new technology administration will be in the forefront of this effort. Our colleagues in economic affairs must continue their diligent efforts to measure efficiently and accurately the successes and failings of our diverse economy. In the same vein, we must ensure an accurate and fair census in 1990.

A challenge? Sure, and a tough one. But to do anything less than to strive to succeed as never before would not be right.

Finally, let me say, Mr. President, you have given us -- and to me and to all of us here -- a special assignment that is near and dear to your heart. We know this. Specifically, we're going to strengthen the Minority Business Development Agency so that all Americans will have the fullest opportunity to participate and enjoy the great American dream. It's important, and it must happen.

I'm humbled by the challenges that lie before us and confident that together we will offer our hands to help achieve our President's goals. As Reverend Parker said: ``If we work together, all is possible."

Again, my thanks to you, sir, to the family I love, and to all of you. Together we can do the job. God bless you.

Note: The President spoke at 10:40 a.m. in the Malcolm Baldrige Great Hall at the Department of Commerce. Reverend Diana Parker delivered the invocation.

Remarks at a White House Luncheon for Business Leaders

February 3, 1989

The President. Ladies and gentlemen, thank you very, very much for being with us today. Before I make some remarks, I just want to introduce you to some of the people with whom I'm working here in the White House, with whom a lot of you will be interacting one way or another.

I know you know our Secretary of Labor over here, Liddy Dole. Roger Porter is going to be doing a lot in our domestic policy. Over at this table is Bonnie Newman, who has got a major management responsibility in the White House. And Andy Card is the Deputy to the Chief of Staff. And Boyden Gray many of you have worked with in regulatory relief. He's the General Counsel to the President and is heading a lot of the issues as it relates to ethics. Steve Studdert over here and Dave Demarest are in our outreach and our communications end of things. General Scowcroft most of you know -- I don't want to date him, but most of you know him from previous incarnations -- [laughter] -- is the national security adviser. Richard Breeden over here worked very closely with me in the past on regulatory matters. He's now wrestling with the savings and loan problem. So, if he looks discomforted, why, it wasn't the food. [Laughter] Gregg Petersmeyer at this table, here from Colorado, back in the White House after quite a few years absence, but he is handling this concept of voluntarism, national service. I can't see over here who we -- oh, Marlin Fitzwater is our Press Secretary, and with him, Joe Hagin, fresh from Ohio, who is handling the scheduling. Michael Boskin is head of our Council of Economic Advisers. And Bobbie Kilberg, sitting over here, is part of our major outreach to the different communities. And Jim Cicconi is the Staff Secretary that keeps everything moving inside the White House. And of course, on my left here is John Sununu, our Chief of Staff.

And if I missed somebody, it's the glare. [Laughter] It's not that I don't know the names of the people with whom I work. [Laughter] But listen, I wanted to thank you all for being here. It's great to see so many old friends. Having made my living in the hydrocarbon business -- that's a polite name for what's left of the oil business -- [laughter] -- I do have some appreciation of what some of you all face in business.

And today we're in the midst of a long peacetime economic recovery. Productivity is up; real family income is up. A higher percentage -- you know this litany -- percentage of the work force at work than any time in history and a lot of job creation, better than Europe and Japan. So, I am very proud of what the business sector has accomplished. And we are the most prosperous and most generous and most productive Nation. But I would say that we've still got a long, long way to go, and we've got some big problems out there. But if we need a reminder of who we are, you can look around this room and see the creativity of business and see how you have added tremendously to the GNP of our country.

Lately we've been talking a lot publicly -- the last couple of weeks -- about ethics. And I need your help in establishing and then achieving the highest possible standards and then performance in the field of ethics. It isn't just government. I think we need to set the best possible example in corporate America, in the workplace itself, and then, certainly, in government service. We've got to do better in terms of eliminating conflicts of interest for those who serve. And we need to assemble a government that the people can be proud of: a government, to a large extent, already comprised, I'd say, of honorable men and women who share conviction that a public office is, indeed, a public trust.

So, my emphasis on ethical public service is not some fad or passing fancy. It's something that I would like to see our administration institutionalize as best we can. Having said that, I am concerned about the excesses. And I'm talking to some right here in this room. I don't think we ever want to make it so it's impossible for men and women who have accomplished something to come and serve because of perception -- it might throw a conflict of interest out there. And so, as we try to achieve our standards now and as we try to codify these standards, I hope we can do it without discouraging men and women from coming to Washington to serve.

Last week, I appointed a bipartisan commission headed by former judge and now our Ambassador Malcolm Wilkey. Cochairman of that is Griffin Bell, who is favorably known to everybody in this room, a former great Attorney General of this country -- to develop ethics reform proposals that are going to address all the branches of the Federal Government. And again, we welcome from the business community the advice and counsel on this effort.

Some of you have sent Boyden Gray, my General Counsel, your own codes of ethics and worked with him in this regard, and that's been very helpful to us. It's because some businesses are way out front on setting standards that I think will have good relevance for the Federal Government. We have to simultaneously assure that our public servants have the highest possible ethical standards at the same time we ensure that we don't create this bureaucratic quagmire that keep honorable men and women from serving. And this one, as I just mentioned, is not easy. It is a delicate balance.

The American people know that we're facing some very tough choices in the weeks and months ahead. I still feel that they want us to hold the line on taxes and that they want us to keep this economic engine going. They realize that that's mainly a function of the private sector. But we in government have a responsibility to see that we don't enact things that inadvertently slow down the economic engine of this country. I've got to have as a prime goal seeing the creation of more jobs, more growth. And so, next week we're going to have to come forward with some tough decisions when I send a budget message up there to the Congress a week from yesterday.

We want to keep this deficit heading downward. And I've heard from a lot of you here the importance of having what we send up there credible so that world markets will understand that

this is for real. And if the world markets understand that it's for real -- it doesn't have to happen overnight -- then I think we're going to see a very salutary effect on interest rates. So, we want to keep the deficit heading downward. And I'm pledged, obviously, to that goal.

There's another thing about the people of this country. Americans have long been committed to helping people at home and abroad in achieving literacy, housing, and safety -- a commitment that stems from our innate sense of fairplay as a people, innate sense of justice, if you will. So, there's more than altruism involved. And when I talk about a kinder and gentler nation, I realize that you cannot legislate kindness. The President can't sign an Executive order and decree that we have a gentle nation.

But the Presidency does provide an incomparable opportunity to set a tone, to lead a movement. And so, I wanted to ask all of you to do that which so many of you are already doing: Involve yourselves in this vast cooperative movement, unparalleled in magnitude, certainly unparalleled in its nobility of purpose. And I'm talking about the concept of voluntarism, the concept of national service. It's going to be a movement whose leadership extends from the South Lawn of the White House to the grassroots of America. But really, it's the other way around because it's the communities and it's neighbors that really have the line action on this concept -- a movement that respects the dignity of the individual and that is steeped in the values that have made this country great for more than 200 years. And it is this spirit that deTocqueville found when he looked at this country of neighbor helping neighbor that has made us decent and generous, more so, I'd say, than any other country. And if we can revitalize the embers of that spirit, we will be this kinder and gentler place to live.

And that's where many of you, as I say, have already starred. As I look around this room -- and I'm not going to start singling out the examples that are represented here of your commitment to literacy or fighting drugs or whatever it is -- and you can do it far better, far more effectively than the Federal Government in Washington, DC. The essence of our government, of course, a democracy of and for and by the people.

To be successful, our movement on national service has got to be exactly the same thing. And the challenges are great. Government, as I say, cannot do everything, certainly can't do it alone without the will of the people. It really can't do anything.

But we've opened here now an Office of National Service. Gregg Petersmeyer, under the Chief of Staff, has the lead on that. It will be in the White House. It will help lead the community and national service programs. We will not only build on what was known as the private sector initiatives, which President Reagan began and which many of you in this room were actively involved in, but, actively, I'll be seeking your leadership and involvement on specific initiatives; one, the Yes to America Foundation, Youth Entering Service, which I talked about last fall and which I'm determined to implement this winter.

I don't want the Federal Government getting in the way, incidentally, of the tens of thousands of volunteer programs that work effectively. I simply want to encourage more voluntarism. You know, each of us is shaped in life by little events or things that he or she encountered. And I remember 8 years ago -- or maybe 10 now, campaigning in John Sununu's State, and being told of the Meals on Wheels program in Salem, New Hampshire -- that the volunteer aspect of that program had been eroded out by Federal legislation and that the regulations were drawn in such a way that the neighbors that had been helping older neighbors no longer were free to participate and volunteer. So, I certainly think we have to avoid that kind of crowding out on the part of the regulators, on the part of my administration, or on the part of the United States Congress.

During the past several months, you've heard me speak of a Thousand Points of Light. That's given the cartoonists a wide array of new material -- [laughter] -- the best one being a Thousand Pints of Lite keg -- [laughter]. But other people are beginning to understand what I perhaps very inarticulately talked about. I've been using that phrase as shorthand for the fact that we're a nation of communities, thousands of business and professional and religious and ethnic communities and in this diversity is our key to success, it's our strength.

The community, next to the family, is the most important unit of our nation. And I've got to remember that as we kind of come up with urban policies -- or Liddy and I work together on child care, or whatever else it is -- a community has got to be more than just the bricks or mortar. Our community, our town, our neighborhood: It's where we live, where we work, where the kids play, and it's where we invite friends over. And so, we've got to keep these communities strong by whatever kinds of policies we spell out in our administration.

I'm committed to dramatically increasing, and a lot of this is simply exhortation, community participation in order to pragmatically address the difficult problems that are challenging our country. We need to build this community spirit in every community, large and small. And we need to tap America for its very best in terms of dedication and the leadership.

You all have been more active than most, I know, in community service and so I again want to say thank you. You have my heartfelt respect. We need your work. We need your experience. And to those of you who are still looking for ways to help, I just would urge you to come on in, the water's fine. We need you to help us face this challenge. It's not just your money, individually and corporate, it's time and, again, it's exhortation on the part of the leaders of the business community. So, I would welcome your help on all of that.

Let me just end by a quick update. I know it's of interest to people here, the visit yesterday with the Japanese Prime Minister went well. Prime Minister Takeshita was our first official formal foreign visitor to come here to this country. And during our discussions yesterday we simply reaffirmed our responsibilities in the cause of world peace. We also reviewed the progress that our nations have achieved in bringing the economies into better balance and in further opening our markets to each other's goods and services. We, in this country, carry a disproportionate

responsibility for the defense requirements of free countries. Japan, given its economic standing today, is willing to accept much more in the way of responsibility for helping in the whole development aid side of things.

So, we had a good chance to discuss that. We did not go into every trade problem that faces our country. Both of us are realistic men, the Japanese Prime Minister and me, and we realize we're going to have some confrontation at times or certainly some differences of opinion. But I'm going to do my level best, working with our good new trade team, to be sure that we are treated fairly, that we have access, that we are not operating under standards that favor one side to the detriment of the other.

But the visit went well, and I think Prime Minister Takeshita wants very much to have that cooperative relationship. And we don't want to take these things for granted. It's not the reason I'm going to Japan for the funeral to pay my respects on behalf of the American people to the Emperor, but it has something to do with it that's broader. I should be doing that -- looking to the present and to the future. But I just wanted to assure you that the visit yesterday had gone reasonably well.

In the meantime, we still are under study in terms of our relationship with the Soviets. I know everyone here is very much interested in that relationship. I am confident that General Secretary Gorbachev knows that our review is not a foot-dragging operation. I don't want to miss an opportunity, but I don't want to do something that's imprudent either. And so, with our Secretary of State, ably backed up and assisted by my National Security Adviser, we are undertaking a policy review with the Soviet Union. There will be no great shocks. There will be no turning our back on the potential for progress. But there will be taking the proper amount of time so that when we do go forward, whether it's on conventional arms control, or strategic arms, or whatever else it is -- the economic front, regional problems, human rights -- we're going to be marching together in this administration.

And the Soviets, I think, now understand that there's no foot-dragging. But I wanted you to know that I understand the importance of this relationship and that I am determined to see us move forward. I want to see us get out in front if we possibly can, but I don't think that we have to be just restless because General Secretary Gorbachev made a very interesting set of proposals at the United Nations a few months -- now a month or so ago. So, we're going to look at the whole array of these issues. In the meantime, we're taking a look at the hemisphere.

Some of you have read about trying to work with the Congress. I'm very serious about it, and the product of the Congress in some ways -- I realize that maybe we can wait until February 9th, which is only 6 days away, before we go after each other on things. But we're realists, and we know there is going to be differences on what I send up. But I think most people that understand the Congress certainly would give them credit, and I do, for a willingness at this juncture to talk.

We had a very interesting, and I'd say productive, meeting with the leaders of key committees -- Ways and Means and Finance and Banking and Banking -- and then the leaders today and this question of facing this savings and loan problem. And they're not going to agree with everything I propose next week, but we've had a chance to consult and to listen to them, and I'm determined to try that, carry that forward. And I think it will be good for domestic policy, and I'm absolutely convinced that it is vital for foreign policy because we've been sending confusing signals around the world of two major branches of government that can't ever quite get together on something important. I'm not naive. I know we're going to have differences, but I just wanted you to know I think that approach is certainly worth a try. And so, that's about where we stand.

I'm delighted you all are here. Again, I ask for your help, and lest you be unpersuaded by what I've said, I would now like to be one who has been -- invite one to come in here who has been dubbed by no less an authority than Time Magazine as the Silver Fox because -- [laughter] -- she's worked for so many of you in education that I want her to come in and say thank you if she's here. Barbara, enter. I've got all your education crowd around.

Mrs. Bush. Thank you.

The President. I've been making a pitch for voluntarism.

Mrs. Bush. I heard you.

The President. And they're going to do it.

Mrs. Bush. I heard you. I heard him. I heard what he said. And what I really came in to say was use me. I'm willing to come. If you'll do what he asks, I'll come and help in any way I can -- literacy, the homeless -- anything. You call, and I'll come. Thank you very much.

Note: The President spoke at 1:03 p.m. in the East Room at the White House.

Remarks Congratulating the Super Bowl Champion San Francisco 49'ers

February 3, 1989

The President. Welcome. Please be seated. Jack -- that's our Cabinet star, Jack Kemp. Did you all get a chance to see him? Good.

Well, Eddie DeBartolo and Coach Walsh and the staff and all the players here from the 49'ers, let me just say first congratulations to all of you and welcome to the White House. This victory last month of the 49'ers as indisputably the world's champion sets you up as that in every sense of the word. And with this, your third Super Bowl title in 8 years, you rewrote the record books and raised the game of football to a new level of excellence. In devising your game plan, Bill Walsh proved once again why he's considered one of the greatest coaches ever, and in leading your team 97 yards in the final 3 minutes, Joe, you once again showed your grace under pressure. I guess we all wonder why did it take so long -- [laughter] -- but nevertheless the country saw it.

And, Jerry Rice, what can I say that hasn't already been said? I've heard there is a new TV series coming out based on your Super Bowl performance -- Miami Rice. [Laughter] Available in every city in the country except one -- [laughter] -- Cincinnati, that is. [Laughter] And Joe and Jerry handled the aerial attack, but when your team needed the tough yardage on the ground you turned to Roger Craig. And in his years as a 49'er, Roger has given a whole new meaning to the words ``gold rush," and when he runs the football, the chances are he is headed for paydirt.

It wouldn't be fair to mention the offensive stars without also giving great credit to the defense. And during the first half, when the offense was having a tough time, the defense kept you in that ballgame with their cool, smart, hard-hitting football.

And speaking of tough times, in all of the hoopla surrounding the Super Bowl victory, most people have forgotten the adversity that you overcame just to get there. But you never gave up, you pulled together as a team, you came back step by step, game by game, and you eliminated mistakes, never stopped striving for excellence. And there is a lesson in that for -- I think for all of us, but maybe particularly for the student body presidents and athletes that are here in the audience with us today.

And that's why I wanted you to share in this ceremony. To the young people here and across the country, I'd like to remind you that what you achieve in your life depends a lot on what you achieve in school during the next few years. And if I could offer one piece of advice, it would be this: Strive for excellence in all things and don't accept mediocrity. Being satisfied with mediocrity might be the easy way, but striving for excellence is the only way up.

Some of you have already achieved excellence in football and perhaps in other sports as well. And I can tell you and the 49 players, I'm sure -- 49'ers -- will agree, I am sure, that being good in sports is not enough to achieve excellence. You just have to be educated for excellence. The main ingredient in each person's success is individual initiative. It always has been, and it always will be. So I would say, if you're willing to work hard and make sacrifices, you can accomplish just about anything you set your mind to. And that's what the American dream is all about.

And, again, to all the 49'ers, and to you, Coach Walsh, and to all the 49'ers -- my congratulations to you! And thanks for setting a superb example for our country. Thank you and God bless all of you.

Mr. DeBartolo. Mr. President, it's a great honor being here. And there's a few presentations that Coach Walsh and the players want to make. I want to just make one announcement that we did find out that your ring size is 11 and a half. And we're going to give you the first ring that comes out of production because we want you to be an honorary member of our team. And we're with you a thousand percent in everything you do. And God bless you and all that you do and thank you, sir.

The President. Thank you.

Mr. Montana. Thank you. Mr. President, first let me congratulate you also on your victory. And secondly, I also would like, on behalf of my teammates, say thank you for your hospitality here this afternoon. It means a lot to all of us. Not very often do I get to see many of these guys in ties. [Laughter] And thirdly, we'd like to present you with a little token of our appreciation, little autographed balls from the Super Bowl, and say best of luck to you. We wish you the best and thank you.

The President. Thank you, that's great. Thank you very much.

Mr. Rice. Mr. President, we're glad to be here. We'd like to thank you for bringing us out into your wonderful home. [Laughter] You know, I looked forward to this day and I just hope that we get an opportunity to come back next year and stand right here before you. And on behalf of the San Francisco 49'ers, I'd like to present you with this ball and -- --

The President. Thank you so much -- the real thing. [Laughter]

Mr. Rice. That's the real thing from the Super Bowl.

The President. Thank you very much. Thank you so much. Good luck to you.

Mr. Walsh. Mr. President, we have also -- we know you're a runner, so we have a running suit.

I'm not sure we suggest running the streets of Washington, DC, in this suit. [Laughter] In fact, we're somewhat concerned we're sort of -- a little bit of overkill here. Remember, the Redskin fans are all around us. [Laughter] But we do feel so proud to be part of this, to have won a world's championship, but also, to be in your presence because we think you're going to do the greatest job we've seen in many, many years as President of the United States. Thank you very much.

Note: The President spoke at 3:05 p.m. in the East Room at the White House. Edward J. DeBartolo was the owner of the San Francisco 49'ers.

White House Statement on Secretary of Health and Human Services-Designate Louis W. Sullivan

February 4, 1989

Louis W. Sullivan, M.D., Secretary-designate of Health and Human Services, has requested the executive committee of the board of the Morehouse School of Medicine to grant him an unpaid leave of absence as a professor of medicine. Such an action by the executive committee would suspend any salary payments by the school to Dr. Sullivan while he served as HHS Secretary.

Morehouse School of Medicine, like most academic institutions, affords its faculty a paid leave of absence based upon years of service. After 13 years of uninterrupted service, Dr. Sullivan had earned, and was granted, a paid sabbatical leave of absence.

Dr. Sullivan made the following statement in connection with his request to the Committee to forego the paid leave: ``President Bush has called on all of those in his Cabinet, and indeed throughout the Federal Government, to set the very highest ethical standards and to avoid even the appearance of potential conflicts of interest. I agree emphatically with the President, that it is crucial to establish the highest ethical tone, and it will be my intention to uphold those same high principles at HHS if I am confirmed as Secretary. Accordingly, I have requested the executive committee of the board of the medical school to grant an unpaid leave of absence during the time I may serve as HHS Secretary. In this way, I intend to preclude even the remotest possibility of any appearance that my actions as Secretary might be influenced due to any outside income. I look forward to many productive years of service at HHS. And I believe that an unpaid leave of absence from Morehouse Medical School will help establish a firm groundwork for such service to begin."

Remarks at the Swearing-in Ceremony for Carla A. Hills as United States Trade Representative

February 6, 1989

The President. Well, it is a great pleasure for me to be here for the swearing-in of our friend, Carla Hills, as U.S. Trade Representative. This is a position of great importance to our country. And with the emergence of a truly global economy, trade issues have taken on a new prominence. And I think, as Lord Macaulay so rightly said, that ``Free trade is one of the greatest blessings which a government can confer on a people."

I have great confidence in the ability, the wisdom, and the toughness of Carla Hills, which is why I chose her in the first place for this critically important post. This is her second Cabinet position, and she won universal respect for her service as Secretary at the Department of HUD, Housing and Urban Development. And I know that she'll win strong support in this important current role. She's a skilled negotiator with a strong international background and extensive experience in government. Trade issues involve listening to many voices within our nation while working with the full breadth of government and maintaining a clear sense of mission. As I said when I nominated her, I can think of no one better suited to be America's trade minister at home and abroad.

And Carla will have a very committed and talented group of people at USTR who work hard and bargain hard for the people of our country. I greatly respect, incidentally, the dedication and expertise of those with whom Carla will be working at USTR, and I'm glad that many of you are here with us today.

America, as the world's number one trading nation, has the largest stake in the continued expansion of world trade, which has been one of the key factors in our growing prosperity. In addition, our trade relationships are a vital factor in America's international alliances that help secure freedom and stability for so much of the world. We will apply firmness to help promote what is fair, but we will always remember that our major trading partners are not our enemies but, indeed, they are our allies.

We have a leading role to play in modernizing a trading system that has served the world well for over four decades. There's a new and dynamic international order in the economy that offers the chance for higher levels of prosperity for all nations which freely participate in this international economy. We want to do more to remove trade barriers; to address the issue of agriculture; and to bring the benefits of free trade to new areas, including services, investment, and the protection of intellectual property. The current Uruguay round of the GATT [General Agreement on Tariffs and Trade] talks holds many opportunities for progress in multilateral negotiations. There's also a new international impetus for trade expansion created by our U.S.-Canada free-trade agreement. This agreement can serve as a model, and it proves that freer trade

between nations is the wave of the future.

Ladies and gentlemen, the goal of this administration's trade policy, simply put, is to open markets, not close them; to fight protectionism, not to give in to it. We don't want an America that is closed to the world. What we want is a world that is open to America. We're going to work to promote American exports and to see to it that in dealing with the United States other nations play by the rules. As Carla said during her own confirmation hearings, we will open foreign markets with a crowbar where necessary, but with a handshake whenever possible.

And, Carla, it is now my pleasure to witness you take the oath of office. And we're very fortunate that Judge Scalia, one of our Supreme Court Justices, is here with us today.

[At this point, Ambassador Hills was sworn in.]

Ambassador Hills. Mr. President, Justice Scalia, Members of Congress, distinguished guests, and dear friends, I thank you one and all for being here. And I especially want to thank the members of my wonderful family for their enormous support, and I confess that I am absolutely thrilled that they're all with me today.

I am honored, and I look forward to serving as the United States Trade Representative. And to all of you I pledge to devote all of my energies to carrying out the trade policy goals that you, Mr. President, have just outlined. We will seek to open markets, not close them; and we will fight protectionism, not give in to it. You can be certain -- absolutely certain, Mr. President -- that those are the goals of the Office of U.S. Trade Representative. We seek free trade not just for a more prosperous America, we seek it as a part of our great quest for a freer, fairer, and more prosperous world. Rather we seek to have our foreign markets opened to the entire community of nations, rich and poor, and from that unfettered commercial exchange comes healthy world growth and increased prosperity for all people. As a nation, we seek open trade because that goal is as morally correct as it is economically beneficial.

During the past week, I have had the opportunity to meet with and work with the extraordinarily talented and dedicated women and men at the U.S. Trade Representative's office; and, Mr. President, with this group of splendid professionals, we can meet the challenge that you have given us. Our office will work closely with other Federal agencies and with Congress. And I know that you, Mr. President, share my gratitude for the commitments that Members of both the House and the Senate have made to work alongside of our trade negotiators. And we all have gained immeasurably in drawing upon the experience and the commitment of the private sector. Together we can build an expanding multilateral trade system based upon equitable, clear, and enforceable rules. We can strengthen our bilateral relationships, and we can uphold our trade laws. In short, we can do great things together.

Now, last month, Mr. President, you called your Cabinet together to receive your very clear

marching orders. Your first commandment was: Think big. Well, the Office of the United States Trade Representative is small, but its talent and dedication is enormous, and your commandment is our motto. And in that spirit, Mr. President, we offer you a token of our wholehearted commitment to your goals and our great affection. And so, if I could just give you -- [laughter] -- --

[At this point, Ambassador Hills gave the President a sweatshirt that read: Think Big.]

The President. I have a funny feeling, having worked with Carla and knowing her ability, that that handshake, backed up by a lot of conviction, is going to get the job done for the most part. But I was thinking the other day, when we had the Prime Minister of Japan here and he met Carla -- perhaps not for the first time, but the first time officially with her new role about to unfold as USTR -- and maybe I was dreaming something, but I thought I saw him looking her over very carefully. [Laughter] And I just have a funny feeling that that combination of the handshake and the crowbar is going to be tremendously successful. [Laughter]

Ambassador Hills. Thank you very much. Thank you all for being here.

Note: The President spoke at 1:45 p.m. in the Indian Treaty Room of the Old Executive Office Building.

Remarks at the Swearing-in Ceremony for Samuel K. Skinner as Secretary of Transportation

February 6, 1989

The President. Well, Barbara and I are delighted to be here. And, Governor Thompson, delighted to see you, sir. But I'm here today to welcome into our Cabinet a man who I believe is destined to go down in history as one of the truly outstanding Secretaries of Transportation: Sam Skinner. He does indeed have big shoes to fill. And I see one of his predecessors sitting over here, Jim Burnley, who did an outstanding job.

And he comes here having made a name for himself as a miracle worker of sorts in transportation. Several years ago, Governor Thompson put him in charge of the Regional Transportation Authority of Northeastern Illinois. And at that time, the RTA, as it is known, was plagued with financial troubles and declining levels of service. And some said that Sam was inheriting an impossible job. But he rolled up his sleeves and set to work, and in short order, he put the RTA on a sound financial footing for the first time in years.

His expertise in transportation doesn't stop there. He's an instrument-rated pilot who has flown in and out of Chicago's O'Hare Airport, one of the busiest in the Nation -- [laughter] -- more times than he can count. And here he is. [Laughter] But when it comes to air travel, he'll bring a pilot's perspective to the highest levels of our government, and that means a perspective that puts safety first, above all other considerations.

You'd think all this would be enough, but I haven't quite finished his qualifications for the job. Besides overseeing the Federal Government's role in maintaining and improving our nation's transportation system, the networks, the Secretary of Transportation has another critical duty: He commands the Coast Guard. And the Coast Guard serves on the front lines of our war on drugs. And I can't think of anyone in America who has Sam Skinner's background in transportation and has been a distinguished U.S. Attorney, prosecuting a number of major cases -- outstanding combination.

And, yes, he is the ideal man for a job that will, in the years ahead, present extraordinary challenges. I'm sure that I don't need to remind anyone in this audience of the high priority my administration places and intends to place on the war on drugs. I pledged in my Inaugural Address that this scourge will stop, and I really mean that. I'm determined to see that happen. Sam will be working closely with Bill Bennett [Director of National Drug Control Policy], and I know that they're going to make a great team.

And let me mention another area in which Sam will face challenges; that's aviation. The U.S. is the safest place in the world to fly, and it is getting safer. And that safety record is your record.

This Department carries a great deal of the responsibility for the safety of the skies, and carries it with ability and certainly justifiable pride. And I know that you join with me in saying that we won't rest until every possible step has been taken to make air travel in America as safe as it possibly can be.

By the way, in one area critical to safe skies, Sam is hitting the ground running. Next week he will head a delegation to the ICAO, Montreal, the special session of the Council of the International Civil Aviation Organization. He has my mandate to do all he can at that meeting to hasten the day when the international community puts an end to terrorism in the sky.

Aviation is not, of course, the only area in which Secretary Skinner and you will work together for a better America. I look forward to his leadership in the other areas: highways and bridges and urban mass transit, intercity rail, and maritime transportation. And I think once you get to know him you'll see why I say that I can't think of anyone I'd rather have in charge than Sam Skinner.

And having said so much about him, let me now say a few words to our new Secretary about how I feel about you all. It would be hard, Sam, to find a more dedicated group of people in the entire Government than the men and women in the Department of Transportation. And thanks in part to their effort, America's transportation is the best system in the world. And they represent a long and proud tradition of reaching back to the very founding of our Republic, for roads, shipping, and protecting our coasts from smugglers have been concerns of our government from the very beginning.

Somebody said of Sam that he's a visionary who thinks big. Well, I expect that you'll find that your new colleagues are visionaries who think big as well. And I know you're as proud to serve with them as I am.

And so, as they say in the railroad business, welcome aboard. It's great to have you on the team. And so, now let's get on with the swearing-in. Congratulations!

[At this point, Secretary Skinner was sworn in.]

Governor Thompson. Following the bril-liant career in Federal law enforcement of which the President so eloquently spoke, Sam Skinner has served the people of Illinois for the past 12 years with rare fidelity, integrity, and honor. He made things move, and he got things done. And it is with the high hopes born of that experience that we in Illinois now proudly give him to the Nation. Ladies and gentlemen, the Secretary of Transportation.

Secretary Skinner. Thank you, Mr. President, for your kind words and for making me part of your team. I want to personally acknowledge all my friends here, especially Barbara Bush, my good friend for many years; my family, my mother and my brother; the Governor; my good

friend Judge Flaum; and all of you. I wouldn't be here if it weren't for your efforts, and I know it.

Mr. President, the Department of Transportation's team is, in fact, made up of many members. Each one plays an important role. I have asked some of these outstanding members of that team to join us, from each of our units, and I would like to introduce them to you now. They're on the left. And maybe to break a little protocol here, they can -- which I think I'm allowed to do, at least at my swearing-in ceremony -- I'm going to ask them to stand forward a little bit. Maybe, Mr. President, you could shake their hands.

Muriel Clarke. Muriel is the financial specialist for the Urban Mass Transportation Administration's New York regional office. She has won many awards for her performance in government and has been involved in voluntary community efforts for over 40 years.

Frank J. Mammano, a 29-year veteran in the Federal Highway Administration, has been a leader in the development of Pathfinder, a cooperative effort by the Federal Highway Administration, the California Department of Transportation, and General Motors that applies advanced technology to solve metropolitan area congestion problems.

Romell Cooks of the National Highway Traffic Safety Administration has energized a network of health professionals to act as allies with government in the safety belt usage and anti-drunk driving campaigns.

Barbara Schroeder, one of the two female wage-grade employees at the Saint Lawrence Seaway Development Corporation -- in a nontraditional job as a labor-line handler and as a single parent with three daughters, she gives freely of her time to numerous volunteer efforts.

Donald Simonds of the FAA, is a full-performance-level air traffic controller and has been actively involved in the recruitment of minority candidates for that critical job.

Anthony A. Schiavone, Superintendent of the James River Reserve Fleet at the Maritime Administration, maintains custody of approximately 125 oceangoing merchant-type vessels that are on ready reserve for national defense purposes.

Susan Hedgepeth, Chief of the Exemption Branch in the Office of Hazardous Materials Transportation, develops special requirements for the transportation of hazardous materials.

Sondra F. Talbert of the Federal Railroad Administration, moved into the Department's Upward Mobility Training Program in 1975 and is the first female inspector at the Interstate Commerce Commission in the Federal Railroad Administration.

United States Coast Guard Petty Officer Kelly M. Mogk, was recently awarded the Coast Guard Air Medal for heroic achievement in aerial flight while serving as a helicopter rescue swimmer

on January 2, 1989.

Let's give these outstanding employees a round of applause. [Applause]

Mr. President, these individuals' achievements reflect the spirit of this Department. They are our unsung heroes, the dedicated public servants who serve the American traveler, the pilot, the truck driver, the boater, and the commuter.

The Department's team faces many challenges. We must be in the forefront in the fight against terrorism. We must do everything we can to stop the flow of drugs into this country. We must keep our aviation system both safe and competitive. And we must maintain our significant and important presence in the maritime industry. We must also continue to build and maintain our infrastructure. And I want to acknowledge -- as I look on the next step -- are Congressman Martin, are Congressman Mineta, Congressman Coughlin. We must work with Congress, and I will work with Congress to develop a visionary and comprehensive transportation policy for the 21st century, a policy that recognizes the transportation system is the essential lifeblood of our economy and also for our defense.

These goals cannot be achieved without the energy and commitment of thousands of team players like those you have met today. I know already from my brief introduction to this Department that this team is ready, willing, and able to do this important job. The American people have selected you as their President, and you have asked me to be your wing man. I am humbled by your offer. I accept, and I am ready to roll up my sleeves and get the job done.

Thank you very much.

Note: The President spoke at 2:42 p.m. in the Federal Aviation Administration auditorium. Secretary Skinner was sworn in by U.S. District Judge Joel M. Flaum.

The President's News Conference

February 6, 1989

The President. Well, for the more than half a century, the U.S. has operated a deposit insurance program that provides direct government protection to the savings of our citizens. This program has enabled tens of millions of Americans to save with confidence. In all the time since creation of the deposit insurance, savers have not lost one dollar of insured deposits, and I am determined that they never will.

Deposit insurance has always been intended to be self-funded. And this means that the banks, the savings and loans, and credit unions that are insured pay a small amount of their assets each year into a fund that's used to protect depositors. In every case, these funds are spent to protect the depositors, not the institutions that fail.

For the last 20 years, conditions in our financial markets have grown steadily more complex, and a portion of the savings and loan industry has encountered steadily growing problems. These financial difficulties have led to a continuous erosion of the strength of the Federal Savings and Loan Insurance Corporation, FSLIC. Economic conditions have played a major role in this situation. However, unconscionable risktaking, fraud, and outright criminality have also been factors. Because of the accumulation of losses at hundreds of these thrift institutions, additional resources must be devoted to cleaning up this problem. We intend to restore our entire deposit insurance system to complete health.

While the issues are complex and the difficulties manifold, we will make the hard choices, not run from them. We will see that the guarantee to depositors is forever honored. And we will see to it that the system is reformed comprehensively so that the situation is not repeated again. To do this, I am today announcing a comprehensive and wide-ranging set of proposals. The Secretary of the Treasury, Nicholas Brady, will describe these proposals to you in detail in a few minutes. However, I think it's important to summarize some of the major points. The proposals include four major elements.

First, currently insolvent savings institutions will be placed under the joint management of the FDIC [Federal Deposit Insurance Corporation] and FSLIC pursuant to existing law. This will enable us to control future risktaking and to begin reducing ongoing losses.

Second, the regulatory mechanism will be substantially overhauled to enable it to more effectively limit risktaking. The FDIC would become the insurance agency for both banks and thrifts under this system, although there's no commingling of funds. The insurer will have the authority to set minimum standards for capital and accounting. Uniform disclosure standards will also be implemented. The chartering agency for thrifts would come under the general oversight of the Secretary of the Treasury.

Third, we will create a financing corporation to issue $50 billion in bonds to finance the cost of resolving failed institutions, which will supplement approximately $40 billion that has already been spent. All of the principal of these bonds and a portion of the interest on them will be paid from industry sources. However, the balance would be paid from on-budget outlays of general revenues. Hopefully, some of these revenues will be recovered in the future through sale of assets and recovery of funds from the wrongdoers.

Fourth, we plan to increase the budget of the Justice Department by approximately $50 million to enable it to create a nationwide program to seek out and punish those that have committed wrongdoing in the management of these failed institutions. These funds will result in almost doubling the personnel devoted to the apprehension and prosecution of individuals committing fraud in our financial markets.

As you can see, these proposals are based upon several overriding principles. First, I will not support any new fee on depositors. Second, we should preserve the overall Federal budget structure and not allow the misdeeds and the wrongdoings of savings and loan executives and the inadequacy of their regulation to significantly alter our overall budget priorities. And third, I have concluded that this proposal, if promptly enacted, will enable our system to prevent any repetition of this situation. And fourth, I have decided to attack this problem head-on with every available resource of our government because it is a national problem. I have directed that the combined resources of our Federal agencies be brought together in a team effort to resolve the problem. And fifth, I believe that banks and thrifts should pay the real cost of providing the deposit insurance protection. The price the FDIC charges banks for their insurance has not been increased since 1935. We propose to increase the bank insurance premium by less than 7 cents per $100 of insurance protection that they receive. Every penny collected would be used to strengthen the FDIC so that the taxpayers will not be called on to rescue it a few years from now.

And I make you a solemn pledge that we will make every effort to recover assets diverted from these institutions and to place behind bars those who have caused losses through criminal behavior. Let those who would take advantage of the public trust and put at risk the savings of American families anticipate that we will seek them out, pursue them, and demand the most severe penalties.

In closing, I want to just say a word to the small savers of America. Across this great land, families and individuals work and save, and we hope to encourage even greater rates of savings to promote a brighter future for our children. Your government has stood behind the safety of insured deposits before, it does today, and it will do so at all times in the future. Every insured deposit will be backed by the full faith and credit of the United States of America, which means that it will be absolutely protected.

For the future, we will seek to achieve a safe, sound, and profitable banking system. However,

integrity and prudence must share an equal position with competition in our financial markets. Clean markets are an absolute prerequisite to a free economy and to the public confidence that is its most important ingredient.

I've determined to face this problem squarely and to ask for your support in putting it behind us. I have ordered that the resources of the executive branch be brought to bear on cleaning up this problem. I have personally met with the leadership of Congress on this issue. My administration will work cooperatively with Congress as the legislation that we will submit in a few days' time is considered. I call on the Congress to join me in a determined effort to resolve this threat to the American financial system permanently, and to do so without the delay.

I welcome the leaders that are with me here on this platform. I think their support says a lot about the efficacy of our proposal. And now I propose to take just a few questions. On the technical aspects, I will defer to these people, and then I'll be glad to turn this over to Secretary Brady. I believe we start with Helen [Helen Thomas, United Press International] and then Terry [Terence Hunt, Associated Press], and then get going -- --

Q. Mr. President, are you guaranteeing that the extra costs -- premiums, increases, and so forth -- will not be passed on to the depositors and taxpayers? And also, what is your responsibility in this debacle -- I mean, the Reagan-Bush zeal for deregulation of business and banking?

The President. On the first place, we're not guaranteeing that. I would hope that wouldn't happen, but there is no guarantee what the institutions will do. Secondly, there is enough to be said for everybody in this together trying to solve this problem, so I can't equate any personal -- not inclined to go into any personal blame, simply to say that we've got to solve this problem, and we're on the path to doing that.

Federal Pay Raise

Q. Mr. President, the House votes tomorrow on that controversial pay raise plan, and the Senate has already voted against it. Would you sign a bill that vetoes the pay raise not only for the Members of Congress but also for Federal judges and other high officials in the Government?

The President. I've said I support it.

Savings and Loan Crisis

Q. Mr. President, there is a feeling that part of this problem is attributable to deregulation of the financial industry. In retrospect, do you think that deregulation might have gone too far in the last 10 years or so? And in the future, is your marching order to your administration to be a little more careful in regulating this particular industry?

The President. Jerry [Gerald Boyd, New York Times], I don't know the answer. I'd be most interested to know what our experts here feel about how much of the problem could be attributed to deregulation. I just don't know the answer to your question, so I can't reply.

Government Ethics

Q. Mr. President, you have placed considerable stress in these early days of your Presidency on ethics and propriety, yet in recent days there has been controversy on Capitol Hill concerning the propriety of some of Tower's [Secretary of Defense-designate] alleged behavior; questions raised over the weekend about the financial investments on the private funds of the man in charge of ethics, your counsel, Boyden Gray; and other questions involving members of the administration, or members-to-be of the administration. And I wonder, sir, what's happened here? Is it too harsh behavior on our part, too lax behavior on your part? What?

The President. I don't think anything has happened. I learned long ago in public life not to make judgments based on allegations. But having said that, I want to have my administration aspire to the highest possible ethical standards. And we have appointed a commission to go out there now and try to detail what these standards should be. And we are in a new era on these matters. Matters that might have been approved and looked at one way may have a different perception today.

And so, what I want to do is finalize our standards and then urge everybody in all branches of government to aspire to those standards. But I do think, Brit [Brit Hume, ABC News], that it's fair that we not reach judgment on Senate hearings before the Senate hearings are concluded because it's very hard to filter out fact from fiction, spurious allegations from fact. And I am not about to make a judgment based on a sensationalized newspaper story. I'm simply not going to do that. That wouldn't be fair, and I'm not sure how ethical it would be. So, let's wait and see this -- you're referring to the Tower matter up there. That matter has been looked at by the FBI. The committee now has that. They have the responsibility to make determinations, and I'll be very interested to see what they say. But I am not going to jump to conclusions based on stories that may or may not have any validity at all.

Secretary of Defense-Designate Tower

Q. Mr. President, even if, as your spokesman says you do, you continue to back Senator Tower for the position, there are those you've heard who say that the best thing he could do for you is to step aside because even if confirmed he then would become damaged goods, weaker in administering a very, very tough job on your behalf. How do you respond to that suggestion?

The President. Well, I think people would not want a person to step aside -- [inaudible] -- rumor, particularly if the rumor is baseless. And the process is taking a little longer than I would like. And yet I think the Senate has got to do what they're doing: looking at these allegations very

carefully. But you know, as I said here at this same podium a while back, the American people are basically fair. And if these allegations prove to be allegations without fact behind them, I think the people are going to say: Wait a minute! What went on here? How come it was all this? We read this one day, and then kind of a puff of smoke the next. And so, I don't think -- in your substantive question, though -- that if the Senate committee gives its endorsement to the Senator, particularly after all of these allegations, that there is any danger at all of damage to his credibility or his ability to do the job.

Q. Mr. President, there are new and substantive allegations that Senator Tower lost control over the highly classified security documents and computer disks that were used in Geneva under his watch. If those allegations prove to be founded, would you then withdraw his nomination?

The President. I would not answer hypothetical questions of that nature. You're telling me something that I haven't heard before. And we did have access to FBI reports. So, if this matter is now before the Congress, let them investigate it. But I can't go into a hypothesis. All I would be doing would be adding to, I think, speculation that is not helpful at this juncture.

Q. But, sir, will you pursue these allegations in the executive branch? Are you going to track what the FBI is looking into? Are you going to personally surveil these kinds of allegations yourself?

The President. Every rumor and every innuendo? No, but if there's some substantive allegation of this nature, of course, it would concern me.

Savings and Loan Crisis

Q. Mr. President, back to S&L's if we might. Millions of -- [laughter] -- millions of Americans save alternatively. That is they save in mutual funds, stocks, and that kind of thing. As I read it, you've now outlined a plan that places a lot of the S&L bailout on the backs of the general Treasury. How fair is that?

The President. We've got a major problem, and something has to be done. And this is the fairest system that the best minds in this administration can come up with. And so, I again would ask you to ask the specifics of the Treasury burden to the Chairman of the Federal Reserve [Alan Greenspan] or the Secretary of the Treasury [Nicholas F. Brady]. Ask how they see that. But look, as I've said, there is no easy answer to this. All I want to do is make a sound proposal, work to put it into effect, and have that proposal such that the country won't have to face this problem again.

Q. Mr. President, you said you dropped the deposit fee idea, but this plan you've given us has an increase in premiums that may be paid by consumers, as well as a large amount of taxpayers' funds. Isn't that the same thing: Consumers and taxpayers are still going to have to pay the price

for this?

The President. Well, as I indicated earlier on, there is no guarantee of passing this on to the consumer, nor is there a guarantee it won't be passed on. But this arrangement has been there for 50 years, and you might argue whether it's been passed on or not. I just don't know. I haven't seen the flow-through in the industry, but nothing is without pain when you come to solve a problem of this magnitude.

Q. Mr. President, you've talked to several Members of Congress in various receptions and dinners and personal conversations over the past couple of weeks, and in many of them, you have discussed your plan for this problem. What is your feeling of the reception that it's going to get on Capitol Hill and of the selling job that awaits you to get it passed?

The President. We may have a big selling job, but I've been encouraged so far with the spirit epitomized by the Members of Congress, particularly at the joint leadership meeting the other day. We didn't go into every detail of this. These plans were still being formulated, and I wanted to get their views. I was encouraged by what Bill Seidman [FDIC Chairman] told me earlier on about what he felt the receptivity of the plan will be. But I don't think it's fair to the Congress to say that they have signaled to me that they are going to be enthusiastic on this plan, although I hope they are.

I'm going to take about three more and then turn this over to these gentlemen here, who are prepared to go into as much detail as you want.

Secretary of Defense-Designate Tower

Q. Mr. President, these allegations that surround Tower now, at least variations on the theme, surfaced early in the transition -- allegations of womanizing and taking money from defense contractors, that sort of thing. Have you satisfied yourself that he is still the nominee you want? Can you give us at this time a full-hearted endorsement of Tower?

The President. Yes, I can, and I will right now because some of the very same allegations that were floated that long ago apparently have been looked at and examined by the best possible examiners -- and I'm talking about the FBI -- and found to be groundless. So, therefore, I'm not about to change my view. If somebody comes up with facts, I hope I'm not narrowminded enough that I wouldn't take a look. But I am not going to deal in the kinds of rumors that I've seen reported and then knocked down -- and then reported and then knocked down.

One -- two to go.

Central America

Q. There have been hints that Gorbachev may propose steps to diffuse the situation in Central America. I wonder if you see the possibility of superpower deals in Central America, and, if so, if you could suggest what would be acceptable for you?

The President. I don't know about a deal, but I can see a possibility of cooperation in Central America because I would like the Soviets to understand that we have very special interests in this hemisphere, particularly in Central America, and that our commitment to democracy and to freedom and free elections and these principles is unshakeable. And I don't think they really have substantive interests in this part of the world, certainly none that rival ours. So, I would like to think they would understand that. And there are so many areas where we could demonstrate a new spirit of cooperation, and this would clearly be one of them. So, I'd like to think that is the way that the matter would be approached by the Soviets.

Yes, followup?

Q. If I could follow up and ask you whether you'd be willing to include abandonment of aid to the contras as part of such an understanding?

The President. I wouldn't make a deal on that with the Soviets, nor would that come up. I don't believe we'd ever have a -- I can't see a situation of that nature arising, knowing as I do what will be negotiated and discussed with the -- so I think that's so hypothetical as to not even be a possibility of any kind.

Yes, Charles [Charles Bierbauer, Cable Network News]? And then I do have to run.

Savings and Loan Crisis

Q. Mr. President, we still don't know what the taxpayers' burden is in here out of this $40 billion. It says first from S&L funds and the shortfall from Treasury funds. How big is it; and have you, in going through your budget, had to knock out some things to pay for this?

The President. We've had to knock out a lot of things on the overall budget for a lot of different reasons. But I'd like to leave this for Dick [Richard G. Darman, Director of the Office of Management and Budget], for the questioning, to give the specific amounts. It is shared, as I've indicated, and he can give you the amounts that are involved.

Listen, thank you all very much, and now I'm going to turn this over to Secretary Brady. And then in order, I guess they'll refer to each of these others.

Q. Mr. President, one more word for the small -- --

Q. -- -- seats back here, Mr. President?

The President. What was that substantive question? [Laughter]

Q. In the back -- we didn't see you get back in this area.

The President. We didn't get that far back, no. But if there's been an egregious offense to those in the back benches, I will take one parting question. And inasmuch as you raised it, fire away.

Government Ethics

Q. Thank you very much, sir. Back on the ethics issue, a couple of -- --

The President. Mindful that the last question always does get you in great trouble -- [laughter] -- go ahead.

Q. One of your perspective nominees and your Counsel have just recently changed their minds on matters that would have violated the ethics rules under the Reagan administration. Did you have difficulty in getting the word out that times would be tougher under your administration?

The President. No. I don't think so. For example, if you're referring to the Boyden Gray [Counsel to the President] matter, which I think you are, that matter was reviewed every single year by the Office of Government Ethics, and he was deemed in compliance every single year. But now we've got a new ballgame here. He's the General Counsel here in the White House, and I'm the President. And I've set out, rhetorically, the highest possible standards, and we're trying to back that up by findings from this Commission. And so, I do think that we've got to be very careful about perceptions of impropriety when it comes to conflict of interest -- not rumors or innuendoes of one sort or another. I don't think I should deal in those things. But when it comes to perceived conflicts of interest, I'd like our people to bend over backwards.

And I think that's what has happened in both the question of Lou Sullivan [Secretary of Health and Human Services-designate]. All he did was ask: Am I entitled to continue these arrangements with this small university? And all Boyden did, in my view now, is to try to go a step beyond what the Government Ethics Office has said to avoid the perception of impropriety. So, I think it might be different now. I have to approach it differently as President. Not that you have lower standards. But I just think that, again, this whole question of perception -- we've got to look at it very, very carefully.

But I want to be fair. I do not want to have the loudest charge, no matter how irresponsible, be that that sets the standards. We've got to achieve more objective standards. And that's why I'm putting a lot of faith in the -- hope to put a lot of faith in the findings of Judge Wilkey and former Attorney General Griffin Bell. And they will be looking at all these matters in terms of reality, and then, to some degree I'm sure, in terms of perception. So, what might be legal and

might be perfectly sound ethically might have to be altered, given this new approach because of perception. It's a delicate one.

I don't want to have the standards set in such an irresponsible way that good people just throw up their hands and say: Look, who needs that kind of grief, who needs it? Why should I have to give up all my whatever it is -- a health plan from the XYZ company. And yet on the other hand, we're in a different time now. We're in a time when we've got to try to set these standards as high as possible. So, I think Dr. Sullivan did the right thing in asking what was proper. I think Boyden Gray did the correct thing every year in asking what was proper and reviewing his own personal holdings in a family company with the Ethics Office, but now taking another step because of perception in this case. So, we've got to work with these individuals to find the proper answer, and we've got to work with the Commission to try to codify these standards.

Q. Sir, by following, you said during the campaign very clearly that your staffers would not take outside income. I wonder why they need a legal opinion to understand that?

The President. They had a legal opinion saying it was perfectly proper from this family company, and so, now we're changing that and saying, Look, there is this different perception problem here in this new era, so let's bend over as far backwards as we possibly can, you know, to recognize that.

Thank you all very much.

Q. What about leveraged buy-outs, Mr. President?

The President. There's your LBO man right there.

Note: The President's second news conference began at 4:10 p.m. in Room 450 of the Old Executive Office Building.

Statement by Press Secretary Fitzwater on the Acquisition of Monsanto Electronic Materials Company by a West German Firm

February 7, 1989

The President today decided against intervening in the proposed acquisition of Monsanto Electronic Materials Company (MEMC) by Huels AG of West Germany. MEMC manufactures silicon wafers for use in making semiconductors.

The President based his decision on the results of the investigation by the Committee on Foreign Investment in the United States (CFIUS), chaired by Treasury Secretary Nicholas Brady. The CFIUS conducted a thorough investigation of various issues related to silicon wafers, including reliability of supply, technology transfer, and the relationship of the transaction to the semiconductor industry research consortium SEMATECH. CFIUS staff and policy-level officials also met with representatives of SEMATECH, of Monsanto, and of Huels.

The Huels-MEMC investigation was the first formal investigation by the CFIUS under section 5021 of the Omnibus Trade and Competitiveness Act of 1988. That provision, known as the Exon-Florio provision, authorizes the President to investigate and, if necessary, to suspend or prohibit a proposed foreign acquisition of a U.S. business engaged in U.S. interstate commerce. The criteria to suspend or prohibit are that the President must find:

credible evidence to believe that the foreign investor might take actions that threaten to impair the national security, and

that existing laws, other than the International Emergency Economic Powers Act and the Exon-Florio provision, are inadequate and inappropriate to deal with the national security threat.

Statement on Signing the Bill Rescinding Proposed Increases in Executive, Legislative, and Judicial Salaries

February 7, 1989

Today I am signing H.J. Res. 129, passed overwhelmingly by both the Senate and House of Representatives, which rescinds the proposed pay increase for Members of Congress, executive branch officials, and our Federal judges. I recognize this legislation has been a source of considerable public controversy with much concern about the process by which this pay increase was considered. I applaud the Members of Congress in both the House and the Senate for taking their recorded votes on this measure. The American people deserve to have had this issue openly discussed, debated, and voted upon.

I believe that some level of pay increase is in order, and I will be working with the House and Senate leadership to develop proposals to achieve that end. I would also like to express my special concern about the level of compensation for members of our Federal Judiciary.

George Bush

The White House,

February 7, 1989.

Note: H.J. Res. 129, approved February 7, was assigned Public Law No. 101 - 1.

Remarks at the Swearing-in Ceremony for Manuel Lujan, Jr., as Secretary of the Interior

February 8, 1989

The President. It is a pleasure to be here today. Mr. Justice Scalia and distinguished Members of the United States Senate and House of Representatives, and all the distinguished guests here, thank you. I'm proud to be over here for the swearing-in of my friend Manuel Lujan as the 46th Secretary of the Interior. I've known Manuel from the days when we first came to Washington and served in the United States House of Representatives together. He's an extremely capable man, a very fair man -- you'll find that out -- and a man dedicated to his country. And I also have to mention what a great contribution his wife has made over these many years.

Manuel Lujan has long experience with the important issues that face this Department. He served with distinction as the ranking member of the House Committee on Interior and Insular Affairs, and he's demonstrated commitment to public service with some 20 years in the United States Congress. And through his work with his constituents and with those who came before his committee, he's been in very close touch with the people of our country, the people who are affected by the policies of the United States Government. And that quality of receptiveness, being a good listener, is so essential because government must serve the people. And that's what we are all here for.

Manuel knows how much I enjoy going fishing -- got his priorities sorted out here -- [laughter] -- no favoritism. If I'm fishing in a national park, I don't expect special treatment upstream so the 12-pounders come my way. [Laughter] I want to fight for my rights like every other American.

But the Department of the Interior is our nation's principal conservation agency. And I think you know how deeply I care about issues of conservation and the wise management of our public land. Secretary Lujan has my total confidence.

Together we've laid out a 10-point agenda called Stewardship that speaks to the broad responsibilities of your Department. From environmental and resource issues to our commitment to the dignity and well-being of Native Americans in the territories, I know that this Department will continue to demonstrate leadership, sensitivity, and professionalism. I want to recognize the outstanding work done by all of you at the Department of the Interior, and certainly the men and women who are working for this Department all across our country. There's also a great contribution being made by volunteers who participate in the many programs to keep America beautiful and to make it possible for more Americans to use and enjoy the outdoors.

I believe, as you do, in clean air and clean water and the protection of American wildlife. I also want to see our nation's public lands preserved so that this generation and future generations can

use and enjoy our natural bounty: the great outdoors. You know, I have to say, it's only in Washington that the agency that handles the great outdoors would be called the Department of the Interior. [Laughter] But whether it's managing wildlife and fisheries or our national parks or administering the lands that constitute a third of our nation, I want to be sure that our grandchildren will be able to enjoy that same natural abundance that we enjoy today.

One of my favorite Presidents was Teddy Roosevelt, and he said that ``A grove of giant redwoods or sequoias should be kept just as we keep a great and beautiful cathedral." Well, I think we all agree with that, and I know that Manuel feels the same way. I think he's going to be a superb Secretary of the Interior. I know he's going to be a very valuable member of my Cabinet. So, it is my pleasure to see him now take the oath of office as Secretary of the Interior. Justice Scalia, would you do the honors please, sir?

[At this point, Secretary Lujan was sworn in.]

Secretary Lujan. Mr. President, Justice Scalia, Father Haddad, Members of Congress, Jean, my family and friends and fellow Interior employees, I'm deeply honored and, of course, humbled by the opportunity to serve you, Mr. President, and the American people as the 46th Secretary of Interior.

I wasn't going to say anything, but since you mentioned that you didn't want any special treatment on your fishing trips, you should have told us that before you went down to the Everglades National Park -- [laughter] -- and we made arrangements for you to catch that 13-pound bonefish. [Laughter] We won't do it again, I promise.

Mr. President, I grew up in New Mexico, where love of the land, if not inbred, is one of the earliest lessons of life. One thing that a native of any Western State also learns very early is that the Department of Interior has vast power over much of the land and its resources. Never did I dream back then that I would someday have the opportunities and the responsibilities for stewardship of such treasures.

And as you have stated, Mr. President, how well we carry out our stewardship responsibilities today will determine how well people will live in the future. You have emphasized, Mr. President, our goals for stewardship cannot be accomplished without teamwork between those of us in your administration and the career professionals. In meeting with my new Interior family, I have shared with them the commitment and the goals that you and I share for this Department. Each employee received this brochure which outlines the 10-point Stewardship program you and I agreed upon. As you can see, it's not chiseled in stone, but we are referring to it as the ``Ten Commandments." [Laughter]

You should feel quite at home here, Mr. President, as I do, because within this audience are people who have devoted their careers and their lives to the environmental ethic represented in

these 10 points. All of us share your love and your reverence for our great natural heritage. Your words have touched our hearts. Your vision of America has inspired our spirits. We will put both our heart and our spirit into the task before us. Thank you for this magnificent opportunity to serve you and this country. Thank you very much, Mr. President.

Note: The President spoke at 10:15 a.m. in the Department of the Interior auditorium. In his opening remarks, the Secretary referred to his wife, Jean; and to Reverend Norman Haddad, who delivered the invocation.

Remarks at the Swearing-in Ceremony for William K. Reilly as Administrator of the Environmental Protection Agency

February 8, 1989

The President. Well, I'm told that this is the first time that a President has visited the EPA. Well, not exactly the EPA, but all the stores underneath the EPA. [Laughter] And I think I should, at the outset of these brief remarks, just express my appreciation to the merchants and to the others who have this vibrant mall in their custody -- [laughter] -- thanking them for the opportunity to have this ceremony here so we could meet with as many of the EPA employees as possible.

I'm delighted to be here. And in my search for a new, first-rate EPA Administrator, one of my top priorities was to find someone with strong credentials as a leader in the environmental community, and that man is our new Administrator, William Reilly. He's got big shoes to fill, though. I know that, and I have great respect for those that have preceded him. Lee Thomas did an outstanding job here, and I want those who worked with him to know how strongly I feel about that. I want to salute the members of the diplomatic corps who were nice enough to be with us today. I think that puts appropriate emphasis on the fact that many of the problems that we face in the environment are global problems. And I'm delighted that they're with us here today -- pleased to see Senator Chafee and other Members of the United States Senate and Members of the House with us as well.

I hope it is plain to everyone in this room and around the country that among my first items on my personal agenda is the protection of America's environment. I am pledged to improving the quality of life: for improving the quality of the air we breathe and the water we drink and the land that, as Father O'Reilly said, God has entrusted to us.

I have just come from the swearing-in of Manuel Lujan, our new Secretary of the Interior. EPA and Interior have got to work as partners, keeping our land and our air and our water clean -- public land secure. And I'm sure all of you know by now Bill Reilly's incredible background in environmental protection: president of the Conservation Foundation, one of the Nation's outstanding environmental think tanks; president of World Wildlife Fund, U.S. And I'm pleased that my friend Russell Train is still talking to me, having moved in on that cozy arrangement that served the private sector so well.

Mr. Reilly began his career in this field as a senior staff member of the President's Council on Environmental Quality, the CEQ, in the early seventies and then as executive director of the Task Force on Land Use and Urban Growth. A leader in one of the other major environmental organizations has said of Bill that he has, and I'm quoting now, ``without question the most personal knowledge of the substance of issues of any of the CEO's of any of the conservation

organizations." And that gives you an idea of why we are very lucky to have him here and why I selected him.

I thought I'd tell you a story that will tell you something more about why I picked him. About a year and a half ago, he convened a forum on the wetlands crisis. He brought together 25 people who, as the Washington Post put it, would normally have difficulty agreeing even on a place for dinner. Environmentalists, developers, industrialists, State and Federal regulators all were there. And the result: Well, by the time he was through with them, which took more than a year, they put aside differences and called for no net loss of wetlands, and they agreed on 100 reforms to achieve that goal.

I spoke the other day about wanting to broaden the consensus for defense, but that's not the only consensus that I would like to broaden. I want to broaden the consensus for a clean environment, and I believe doing that requires finding ways to clean up the environment without stifling the economy. During the campaign I noted that environmental action has too often been marked by confrontation among competing interests. Well, the fact is that more often than not there is common ground if the parties will make an effort to find it. Our great common desire is a better life for all Americans. And I believe that economic growth and a clean environment are both part of what all Americans understand a better life to mean. I also believe that the American people are impatient for results. They won't accept excuses anymore. And they won't accept finger pointing. They want us to get all the sides together and find a way to achieve both their goals.

By the way, the other day I got a little lesson in how impatient the American people are. In the morning mail, this marvelous mail that comes in to the President of the United States, I found letters from seventh graders at a church school in California. I thought I'd share one with you. It was dated Inauguration Day, January 20th; and it said, and remember this was just on the day that I was taking office,``Dear Mr. President, Would you please do something about pollution. I'm not saying you're doing a bad job, but could you put a little more effort into it." [Laughter]

Well, with William Reilly at the helm here, we're going to put a hell of a lot more effort into it. And now, Bill, let's do the honors.

[At this point, Administrator Reilly was sworn in.]

Administrator Reilly. Mr. President, on behalf of all 15,000 of my closest and most valued new colleagues, welcome to EPA. And great thanks to all of you who worked so hard to make this event possible this morning. We had to reschedule the opening of Black History Month. I'm pleased to say that that has been rescheduled. We appreciate all the effort that has gone into accommodating this event in these halls. We chose the place that would accommodate the very largest number of the EPA staff, and this is the place. And we put nice blue bunting in front of the lingerie store -- [laughter] -- and Roy Rogers. And we're grateful, as the President said, to everybody who worked to make this come off so well.

Well, it's just great to have you here, Mr. President. Several Senators asked me during last week's confirmation hearings about EPA's access to the White House, and that, of course, is a very crucial question. But I would add just one reassurance to my answer: Mr. President, you will always have complete access to us here at EPA. [Laughter] So, feel free to drop by any time. [Laughter] Our door will always be wide open to you, won't it, my friends? It will also be wide open to you, my friends in the Congress -- Senator Burdick, Senator Chafee, Senator Wilson, Senator Baucus.

We, as the President said, are beginning, I think, on a great note. We've had great cooperation through the confirmation period, and I appreciate that very much.

Well, it is clearly a very great honor to serve as Administrator of the Environmental Protection Agency. I thank you for your confidence in me, for nominating me, Mr. President. I thank you, Chairman Burdick, Senator Chafee, members of the Environment and Public Works Committee, for the great many courtesies that were extended to me over the past weeks in the course of the confirmation. I feel equally honored to be able to serve, to look forward to working with this very fine EPA staff. I wish all of them could be here today. I have got to say, I've been enormously impressed with the capabilities of the dozens or so of people who have come into contact with me in the course of the last several weeks. I can honestly say that EPA professionals began shoring me up and bailing me out a full month before my confirmation, and now is no time to stop. [Laughter] I will need all the help that I can get. I should say I owe a special debt of gratitude to those hard-working souls who assisted me in handling the written questions that followed our hearing on the Hill. We were pleased to be able to move the confirmation very fast. But in the course of doing that, we were given some 315 written questions, the answers to which were due 24 hours later, and many of you stayed up through the night. I was able to tap off the answers to 305 or so of these, of course, with no difficulty. [Laughter] But those last ten -- I really did appreciate your help, and we met that deadline.

Well, for the staff here today, let me reassure you: You are not dreaming. This is the President of the United States. [Laughter] He is standing here at the headquarters, or as close as we could get him to it, of the Environmental Protection Agency. And he's not up for reelection for another 4 years. [Laughter] I think, as a matter of fact, he's probably smiling for all three of those reasons. [Laughter] The President is here for a very simple reason: He cares. He cares urgently about protecting the environment. He said so during his campaign, and his commitment came through to me in my very first meeting with him. And it has since been reinforced in countless ways, only one of which is the fact that he's here with us today.

This powerful statement, this important symbol of the President's interest in the environment, may not, in fact, make our jobs here any easier. If anything, I think our work will be judged by even higher expectations than ever before. But isn't it encouraging to have an environmentalist in the White House who comes here to signal his close and public commitment to the work of the Environmental Protection Agency? Mr. President, I know that you appreciate -- as I do and

as Russ Train was saying in his remarks before you arrived -- that life is not easy on the front line of environmental protection. Probably no other Federal agency touches so many lives as EPA touches. Probably no other Federal agency faces so many complex and fiercely controversial decisions.

Looking out over this group, you can almost see the powder burns. I don't think it's simply that it's Ash Wednesday today. [Laughter] By the way, I don't know if there's any symbolism in this, but we are taking office on the very first day of Lent. [Laughter] So, to my friends and colleagues here at EPA, let me say simply this: Through the end of the century and on into the next, the quality of human life and of the environment will be very powerfully influenced by your energies, your imagination, and your dedication. The public demand for a safe, clean environment has probably never been firmer. And so, the demands that you face, that we face, have probably never been greater.

In the confirmation hearing, there were two themes that were sounded again and again from across the political spector [spectrum]: ``The Environmental Protection Agency should be an advocate for the environment," the Senator said. ``EPA should enforce the laws of the land," we heard. And so we shall.

I think, as I stand here, about the extraordinary sweep of the responsibilities we here at EPA exercise. I think of so many places in America that have touched me and my family in a very special way, as I was growing up with my parents and my sister, who I'm proud to say are here today, and later on with my wife and children and friends, many of whom are also here today, Lake Michigan, the Rio Grande and the Gulf of Mexico, Narragansett Bay, Cape Cod, and the Chesapeake -- these we lived on or near.

And it's personally stirring for me to have some responsibility for them now, for them and for other resources of air, water, and land in a country where the real crown jewels are the wonders of nature. And now even the stratosphere is receiving our attention. And we're called upon to offer the ideas and experiences of the United States to other nations in a search for environmental policies that may be crucial to keeping this planet habitable. The cause of the environment is so vital and so personal that working in this vineyard is its own reward.

One of the hallmarks, I think, of this agency is that many of the people who work here are very powerfully motivated: motivated to help the environment. The idealism and the commitment to a better environment makes you EPA's employees very, very special, and it makes the prospect of working with you here for me a very, very happy one. So, I could not be more pleased or more proud to have the opportunity to work for the environment, to work for President Bush, and to work with you, my EPA colleagues. I think that we are going to do great things together.

Thank you very much.

Note: The President spoke at 10:43 a.m. at Waterside Mall. In his remarks, he referred to Lee M. Thomas and Russell Train, former Administrators of the Environmental Protection Agency. Rev. William H. O'Reilly delivered the invocation.

Statement on the Economic and Domestic Policy Councils

February 8, 1989

Today I am announcing that I will use the Economic Policy Council and the Domestic Policy Council to advise me in the formulation, coordination, and implementation of economic and domestic policy. Along with the National Security Council, the Economic Policy Council and the Domestic Policy Council will serve as the primary channels for advising the President on policy.

The close interrelationship between the U.S. and international economies illustrates the need to review economic policy issues in a comprehensive manner that best serves the national interest of the United States. The Economic Policy Council will serve as the primary channel for advising me on the formulation, coordination, and implementation of economic policy, both domestic and international.

The important social issues facing our nation require thoughtful and creative solutions. The Domestic Policy Council will serve as the primary channel for advising me on the formulation, coordination, and implementation of domestic and social policy.

My commitment to this Cabinet Council structure reflects my conviction that effective decisionmaking depends on the President receiving the best information available from his senior advisers. I believe that these policy councils will effectively coordinate advice from the various departments and agencies.

Remarks and a Question-and-Answer Session With Reporters Prior to a Meeting With William J. Bennett

February 8, 1989

The President. Let me say this. This is not what we call a normal photo op. It's somewhere in between a press conference and what we call a press availability. We'll try to define that for you later on. But the purpose of this meeting is to visit with our new czar, the antinarcotic czar who has come in here, I'm told, with a million ideas, which is typical of him and what I want him to do as we start spelling out how this administration is going to do what this country wants; and that is to fight against and win the fight against narcotics.

And Bill Bennett has a big assignment -- a big one. And a lot of it is coordinative. The law is very unclear on how we use his imagination and ability to bring together all agencies of this government in this fight. So, that's what the meeting is about; that's what we're about to start on.

And I'd like to just take this opportunity to say that this isn't a question of whether the law spells out specifically how he does the job -- can't get bothered with those details. He is shoulder-to-shoulder with the President as the top official charged with this responsibility. And we're going to figure out a way to live under the drug czar law -- and to make it work. And so, we've got a big job ahead. But that's what this little meeting is all about.

Now I'd be glad to take a couple of questions. Then we've got to get on with that.

Secretary of Defense-Designate Tower

Q. Could you comment, Mr. President, on the controversy surrounding the Tower nomination?

The President. Which controversy?

Q. The fact that some of the committee members -- --

The President. Can you qualify that for me a little, because yesterday when I had a press conference, or last week when I had a press conference, they were asking me about some allegation on national security? And the question was phrased, ``Would you be concerned if this hypothetical charge against Tower proved to be true?'' And I said I don't like to deal in hypothesis, but subsequently, that charge has been looked into -- found to be without validity. And that has happened to this man over and over and over again. And I have seen nothing, not one substantive fact, that makes me change my mind about John Tower's ability to be Secretary of Defense, and be a very good one. And so, I have to ask you, because there's always some other allegation. And to my knowledge, each one of them has been reviewed and shot down in

flames. So, what's fair? What is fair in the American process? That's the question I would rhetorically ask in defense of my nominee.

Now, if somebody has some hard information, if somebody has something other than rumor and frenzied speculation, please get it to the FBI, or get it to the White House staff, or certainly get it to the committee in the Senate. But let us be fair enough that we do not deal in rumor after rumor.

Q. What about the question -- --

Q. What about Senator Nunn's comments today? He said he believes that Senator Tower may still have an alcohol problem and he fears it might impair his running the Department of Defense.

The President. And if he feels that way, they should do exactly what he is doing: look into it. But it ought not to be tried in public by people that don't have any evidence at all to support the fears that Senator Nunn appropriately expressed. If he's got those fears, I have no problems with his expressing them. And I know him to be a fair man, and I know that he will look into that and satisfy himself or not satisfy himself. But it doesn't help for me to speculate on something when there's no evidence that's been presented to me.

Q. What about these new allegations that surfaced yesterday afternoon that have now held up the investigation? Could you tell us anything about these, the seriousness of them?

The President. No, I think I know what you're talking about. And the problem you get is that some allegations are laid to rest, and then in another form, they come back again, but without any foundation in fact that I know of. But look, the process has to be thorough. I'm not agitated about that, just as long as it's fair. But what I think has been a little unfair is that people are asked across the country to make up their minds without the evidence, without the facts. And so this, I will confess, troubles me some. And yet I'm not challenging the integrity of the people that are seized with properly doing the hearing work for the United States Senate. They've got to do their job.

Q. Sir, how do you explain the fact that Senator Nunn presumably has reviewed the same information that you have and he and some of the others have expressed reservations and say that this evidence presents enough of a question in their mind that they couldn't support Tower? And you're saying that having reviewed -- --

The President. But then my appeal would be: If you've made up your mind, let the process go forward; let's have the vote. Each Senator has a vote; there's 100 Senators. On this committee there are fewer, but they have an obligation to vote their conscience, to look at the facts and vote their conscience. Now, if your question is to me, have I seen any facts or has anything in the FBI

report made me want to change my mind as one who would be concerned about insobriety or about failure to be ready for duty 24 hours a day, the answer is no, I have not. But if somebody else sees the evidence -- --

Q. But yet you've seen the same facts.

The President. Yes, and if somebody else has seen some evidence that they want to interpret differently, that's not only their right but their obligation. But I don't think it helps for us to sit here discussing allegations in any detail, where none of the American people have had access to the facts. And I have had access to the facts.

Q. Why do we have -- there are so many allegations?

The President. I don't know. I'm troubled by that, and I just don't know the answer. So, my plea would be for prompt fulfillment of the responsibilities of the Senate committee, prompt action by the United States Senate, and then a broad appeal for fairplay. Put yourself in the position, each person, if you were charged with certain of these charges out there with no evidence to substantiate it so the American people could fairly make up their mind. Then let's err on the side of fairplay. That's all I'm saying.

Q. Apparently, you will not get a vote this week. They've recessed for the week. Is this going to hurt if it's going to be this delayed?

The President. It doesn't hurt my confidence.

Q. Do you object to the fact that the Senators have spoken out in public on this matter?

The President. I have no objection at all.

Q. Has the investigation gone too far? Personal standards and morality not appropriate?

The President. Well, what's gone too far is allegations that the Senators themselves would agree are totally unfounded to have been floated around for a long period of time and damaged the integrity and honor of a decent man. And that is not good. And I don't know what you do about it, but it's not good. And everyone here knows it's not fair. And so, I don't know what you do about it. But when there's a new allegation -- look, the Senator has an obligation; the Justice Department has an obligation to follow up if it has any substance to it. And so, some of the allegations have been looked at and found nonsubstantive.

And I would urge you to go back and look at the transcript of the last press conference I had -- that's the full-blown job we do over on the other side there -- and there you will see that one questioner raised a question to me about some alleged security violation. I heard Senator Nunn

today say that he had no evidence of any kind to substantiate such an allegation. And yet I think it's fair to say that because that very question was raised publicly -- and maybe it was my fault in responding to it and everybody else's discussing it -- there's been an allegation floating around Senator Tower that, in one way or another, he was less than prudent in terms of national security matters. And I don't think it's fair. I do not think that is fair.

So, how you do your business, and to go the extra mile to get the facts out there, you've got to sort that out. And how I conduct myself in even discussing this, I've got to sort it out a little more clearly because I may have contributed -- even though I think I refused to answer this guy's question -- by even taking it, to this frenzied air of speculation that does not help anybody. It doesn't help the national security of our country. It doesn't help Senator Tower. It doesn't help the standing of the United States Senate. It might not help the way this President is viewed because I do not want to be out there as less than fully supportive of my nominee. And that's where I stand. And thank you, and this -- --

Q. Are you mad?

The President. Not mad -- I'm calm and contained. I don't get mad easy anymore.

Hey listen, we've got to get one drug question, please.

Q. Secretary Bennett, have you given up smoking?

Mr. Bennett. I won't comment on that allegation. [Laughter]

Q. Are you thinking about sending U.S. troops to Latin America?

The President. Is that a drug question? Nobody's discussed that with me. And you're talking about one who is very wary of committing U.S. troops overseas. But I said in the campaign, that there could be times, working cooperatively with leaders in the hemisphere, that American assistance would be sought and American assistance would be granted in wiping out insidious factories that send poison in to poison our kids. And it has happened in the past. You recall U.S. choppers were used in cooperation -- I think it was either Bolivia or Peru -- Bolivia, I think, and it was effective. So, you don't rule something out.

But I think in reply to your question -- stems from some planning that supposedly is going on that we make some big strike somewhere. And I know nothing about that and would be very reluctant to prove some -- until I've given it a lot of thought.

Thank you all very much.

Note: The President spoke at 2:25 p.m. in the Oval Office at the White House. William J.

Bennett was National Drug Control Policy Director-designate.

Address on Administration Goals Before a Joint Session of Congress

February 9, 1989

Mr. Speaker, Mr. President, and distinguished Members of the House and Senate, honored guests, and fellow citizens: Less than 3 weeks ago, I joined you on the West Front of this very building and, looking over the monuments to our proud past, offered you my hand in filling the next page of American history with a story of extended prosperity and continued peace. And tonight I'm back to offer you my plans as well. The hand remains extended; the sleeves are rolled up; America is waiting; and now we must produce. Together, we can build a better America.

It is comforting to return to this historic Chamber. Here, 22 years ago, I first raised my hand to be sworn into public life. So, tonight I feel as if I'm returning home to friends. And I intend, in the months and years to come, to give you what friends deserve: frankness, respect, and my best judgment about ways to improve America's future. In return, I ask for an honest commitment to our common mission of progress. If we seize the opportunities on the road before us, there'll be praise enough for all. The people didn't send us here to bicker, and it's time to govern.

And many Presidents have come to this Chamber in times of great crisis: war and depression, loss of national spirit. And 8 years ago, I sat in that very chair as President Reagan spoke of punishing inflation and devastatingly high interest rates and people out of work -- American confidence on the wane. And our challenge is different. We're fortunate -- a much changed landscape lies before us tonight. So, I don't propose to reverse direction. We're headed the right way, but we cannot rest. We're a people whose energy and drive have fueled our rise to greatness. And we're a forward-looking nation -- generous, yes, but ambitious, not for ourselves but for the world. Complacency is not in our character -- not before, not now, not ever.

And so, tonight we must take a strong America and make it even better. We must address some very real problems. We must establish some very clear priorities. And we must make a very substantial cut in the Federal budget deficit. Some people find that agenda impossible, but I'm presenting to you tonight a realistic plan for tackling it. My plan has four broad features: attention to urgent priorities, investment in the future, an attack on the deficit, and no new taxes. This budget represents my best judgment of how we can address our priorities. There are many areas in which we would all like to spend more than I propose; I understand that. But we cannot until we get our fiscal house in order.

Next year alone, thanks to economic growth, without any change in the law, the Federal Government will take in over $80 billion more than it does this year. That's right -- over $80 billion in new revenues, with no increases in taxes. And our job is to allocate those new resources wisely. We can afford to increase spending by a modest amount, but enough to invest

in key priorities and still cut the deficit by almost 40 percent in 1 year. And that will allow us to meet the targets set forth in the Gramm-Rudman-Hollings law. But to do that, we must recognize that growth above inflation in Federal programs is not preordained, that not all spending initiatives were designed to be immortal.

I make this pledge tonight: My team and I are ready to work with the Congress, to form a special leadership group, to negotiate in good faith, to work day and night -- if that's what it takes -- to meet the budget targets and to produce a budget on time.

We cannot settle for business as usual. Government by continuing resolution, or government by crisis, will not do. And I ask the Congress tonight to approve several measures which will make budgeting more sensible. We could save time and improve efficiency by enacting 2-year budgets. Forty-three Governors have the line-item veto. Presidents should have it, too. And at the very least, when a President proposes to rescind Federal spending, the Congress should be required to vote on that proposal instead of killing it by inaction. And I ask the Congress to honor the public's wishes by passing a constitutional amendment to require a balanced budget. Such an amendment, once phased in, will discipline both the Congress and the executive branch.

Several principles describe the kind of America I hope to build with your help in the years ahead. We will not have the luxury of taking the easy, spendthrift approach to solving problems because higher spending and higher taxes put economic growth at risk. Economic growth provides jobs and hope. Economic growth enables us to pay for social programs. Economic growth enhances the security of the Nation, and low tax rates create economic growth.

I believe in giving Americans greater freedom and greater choice. And I will work for choice for American families, whether in the housing in which they live, the schools to which they send their children, or the child care they select for their young. You see, I believe that we have an obligation to those in need, but that government should not be the provider of first resort for things that the private sector can produce better. I believe in a society that is free from discrimination and bigotry of any kind. And I will work to knock down the barriers left by past discrimination and to build a more tolerant society that will stop such barriers from ever being built again.

I believe that family and faith represent the moral compass of the Nation. And I'll work to make them strong, for as Benjamin Franklin said: ``If a sparrow cannot fall to the ground without His notice, can a great nation rise without His aid?'' And I believe in giving people the power to make their own lives better through growth and opportunity. And together, let's put power in the hands of people.

Three weeks ago, we celebrated the bicentennial inaugural, the 200th anniversary of the first Presidency. And if you look back, one thing is so striking about the way the Founding Fathers looked at America. They didn't talk about themselves. They talked about posterity. They talked

about the future. And we, too, must think in terms bigger than ourselves. We must take actions today that will ensure a better tomorrow. We must extend American leadership in technology, increase long-term investment, improve our educational system, and boost productivity. These are the keys to building a better future, and here are some of my recommendations:

I propose almost $2.2 billion for the National Science Foundation to promote basic research and keep us on track to double its budget by 1993.

I propose to make permanent the tax credit for research and development.

I've asked Vice President Quayle to chair a new Task Force on Competitiveness.

And I request funding for NASA [National Aeronautics and Space Administration] and a strong space program, an increase of almost $2.4 billion over the current fiscal year. We must have a manned space station; a vigorous, safe space shuttle program; and more commercial development in space. The space program should always go ``full throttle up." And that's not just our ambition; it's our destiny.

I propose that we cut the maximum tax rate on capital gains to increase long-term investment. History on this is clear -- this will increase revenues, help savings, and create new jobs. We won't be competitive if we leave whole sectors of America behind. This is the year we should finally enact urban enterprise zones and bring hope to the inner cities.

But the most important competitiveness program of all is one which improves education in America. When some of our students actually have trouble locating America on a map of the world, it is time for us to map a new approach to education. We must reward excellence and cut through bureaucracy. We must help schools that need help the most. We must give choice to parents, students, teachers, and principals; and we must hold all concerned accountable. In education, we cannot tolerate mediocrity. I want to cut that dropout rate and make America a more literate nation, because what it really comes down to is this: The longer our graduation lines are today, the shorter our unemployment lines will be tomorrow.

So, tonight I'm proposing the following initiatives: the beginning of a $500 million program to reward America's best schools, merit schools; the creation of special Presidential awards for the best teachers in every State, because excellence should be rewarded; the establishment of a new program of National Science Scholars, one each year for every Member of the House and Senate, to give this generation of students a special incentive to excel in science and mathematics; the expanded use of magnet schools, which give families and students greater choice; and a new program to encourage alternative certification, which will let talented people from all fields teach in our classrooms. I've said I'd like to be the ``Education President." And tonight, I'd ask you to join me by becoming the ``Education Congress."

Just last week, as I settled into this new office, I received a letter from a mother in Pennsylvania who had been struck by my message in the Inaugural Address. ``Not 12 hours before," she wrote, ``my husband and I received word that our son was addicted to cocaine. He had the world at his feet. Bright, gifted, personable -- he could have done anything with his life. And now he has chosen cocaine." ``And please," she wrote, ``find a way to curb the supply of cocaine. Get tough with the pushers. Our son needs your help."

My friends, that voice crying out for help could be the voice of your own neighbor, your own friend, your own son. Over 23 million Americans used illegal drugs last year, at a staggering cost to our nation's well-being. Let this be recorded as the time when America rose up and said no to drugs. The scourge of drugs must be stopped. And I am asking tonight for an increase of almost a billion dollars in budget outlays to escalate the war against drugs. The war must be waged on all fronts. Our new drug czar, Bill Bennett, and I will be shoulder to shoulder in the executive branch leading the charge.

Some money will be used to expand treatment to the poor and to young mothers. This will offer the helping hand to the many innocent victims of drugs, like the thousands of babies born addicted or with AIDS because of the mother's addiction. Some will be used to cut the waiting time for treatment. Some money will be devoted to those urban schools where the emergency is now the worst. And much of it will be used to protect our borders, with help from the Coast Guard and the Customs Service, the Departments of State and Justice, and, yes, the U.S. military.

I mean to get tough on the drug criminals. And let me be clear: This President will back up those who put their lives on the line every single day -- our local police officers. My budget asks for beefed-up prosecution, for a new attack on organized crime, and for enforcement of tough sentences -- and for the worst kingpins, that means the death penalty. I also want to make sure that when a drug dealer is convicted there's a cell waiting for him. And he should not go free because prisons are too full. And so, let the word go out: If you're caught and convicted, you will do time.

But for all we do in law enforcement, in interdiction and treatment, we will never win this war on drugs unless we stop the demand for drugs. So, some of this increase will be used to educate the young about the dangers of drugs. We must involve the parents. We must involve the teachers. We must involve the communities. And, my friends, we must involve ourselves, each and every one of us in this concern.

One problem related to drug use demands our urgent attention and our continuing compassion, and that is the terrible tragedy of AIDS. I'm asking for $1.6 billion for education to prevent the disease and for research to find a cure.

If we're to protect our future, we need a new attitude about the environment. We must protect the

air we breathe. I will send to you shortly legislation for a new, more effective Clean Air Act. It will include a plan to reduce by date certain the emissions which cause acid rain, because the time for study alone has passed, and the time for action is now. We must make use of clean coal. My budget contains full funding, on schedule, for the clean coal technology agreement that we've made with Canada. We've made that agreement with Canada, and we intend to honor that agreement. We must not neglect our parks. So, I'm asking to fund new acquisitions under the Land and Water Conservation Fund. We must protect our oceans. And I support new penalties against those who would dump medical waste and other trash into our oceans. The age of the needle on the beaches must end.

And in some cases, the gulfs and oceans off our shores hold the promise of oil and gas reserves which can make our nation more secure and less dependent on foreign oil. And when those with the most promise can be tapped safely, as with much of the Alaska National Wildlife Refuge, we should proceed. But we must use caution; we must respect the environment. And so, tonight I'm calling for the indefinite postponement of three lease sales which have raised troubling questions, two off the coast of California and one which could threaten the Everglades in Florida. Action on these three lease sales will await the conclusion of a special task force set up to measure the potential for environmental damage.

I'm directing the Attorney General and the Administrator of the Environmental Protection Agency to use every tool at their disposal to speed and toughen the enforcement of our laws against toxic-waste dumpers. I want faster cleanups and tougher enforcement of penalties against polluters.

In addition to caring for our future, we must care for those around us. A decent society shows compassion for the young, the elderly, the vulnerable, and the poor. Our first obligation is to the most vulnerable -- infants, poor mothers, children living in poverty -- and my proposed budget recognizes this. I ask for full funding of Medicaid, an increase of over $3 billion, and an expansion of the program to include coverage of pregnant women who are near the poverty line. I believe we should help working families cope with the burden of child care. Our help should be aimed at those who need it most: low-income families with young children. I support a new child care tax credit that will aim our efforts at exactly those families, without discriminating against mothers who choose to stay at home.

Now, I know there are competing proposals. But remember this: The overwhelming majority of all preschool child care is now provided by relatives and neighbors and churches and community groups. Families who choose these options should remain eligible for help. Parents should have choice. And for those children who are unwanted or abused or whose parents are deceased, we should encourage adoption. I propose to reenact the tax deduction for adoption expenses and to double it to $3,000. Let's make it easier for these kids to have parents who love them.

We have a moral contract with our senior citizens. And in this budget, Social Security is fully

funded, including a full cost-of-living adjustment. We must honor our contract.

We must care about those in the shadow of life, and I, like many Americans, am deeply troubled by the plight of the homeless. The causes of homelessness are many; the history is long. But the moral imperative to act is clear. Thanks to the deep well of generosity in this great land, many organizations already contribute, but we in government cannot stand on the sidelines. In my budget, I ask for greater support for emergency food and shelter, for health services and measures to prevent substance abuse, and for clinics for the mentally ill. And I propose a new initiative involving the full range of government agencies. We must confront this national shame.

There's another issue that I've decided to mention here tonight. I've long believed that the people of Puerto Rico should have the right to determine their own political future. Personally, I strongly favor statehood. But I urge the Congress to take the necessary steps to allow the people to decide in a referendum.

Certain problems, the result of decades of unwise practices, threaten the health and security of our people. Left unattended, they will only get worse. But we can act now to put them behind us.

Earlier this week, I announced my support for a plan to restore the financial and moral integrity of our savings system. I ask Congress to enact our reform proposals within 45 days. We must not let this situation fester. We owe it to the savers in this country to solve this problem. Certainly, the savings of Americans must remain secure. Let me be clear: Insured depositors will continue to be fully protected, but any plan to refinance the system must be accompanied by major reform. Our proposals will prevent such a crisis from recurring. The best answer is to make sure that a mess like this will never happen again. The majority of thrifts in communities across the Nation have been honest. They've played a major role in helping families achieve the dream of home ownership. But make no mistake, those who are corrupt, those who break the law, must be kicked out of the business; and they should go to jail.

We face a massive task in cleaning up the waste left from decades of environmental neglect at America's nuclear weapons plants. Clearly, we must modernize these plants and operate them safely. That's not at issue; our national security depends on it. But beyond that, we must clean up the old mess that's been left behind. And I propose in this budget to more than double our current effort to do so. This will allow us to identify the exact nature of the various problems so we can clean them up, and clean them up we will.

We've been fortunate during these past 8 years. America is a stronger nation than it was in 1980. Morale in our Armed Forces has been restored; our resolve has been shown. Our readiness has been improved, and we are at peace. There can no longer be any doubt that peace has been made more secure through strength. And when America is stronger, the world is safer.

Most people don't realize that after the successful restoration of our strength, the Pentagon budget has actually been reduced in real terms for each of the last 4 years. We cannot tolerate continued real reduction in defense. In light of the compelling need to reduce the deficit, however, I support a 1-year freeze in the military budget, something I proposed last fall in my flexible freeze plan. And this freeze will apply for only 1 year, and after that, increases above inflation will be required. I will not sacrifice American preparedness, and I will not compromise American strength.

I should be clear on the conditions attached to my recommendation for the coming year: The savings must be allocated to those priorities for investing in our future that I've spoken about tonight. This defense freeze must be a part of a comprehensive budget agreement which meets the targets spelled out in Gramm-Rudman-Hollings law without raising taxes and which incorporates reforms in the budget process.

I've directed the National Security Council to review our national security and defense policies and report back to me within 90 days to ensure that our capabilities and resources meet our commitments and strategies. I'm also charging the Department of Defense with the task of developing a plan to improve the defense procurement process and management of the Pentagon, one which will fully implement the Packard commission report. Many of these changes can only be made with the participation of the Congress, and so, I ask for your help. We need fewer regulations. We need less bureaucracy. We need multiyear procurement and 2-year budgeting. And frankly -- and don't take this wrong -- we need less congressional micromanagement of our nation's military policy. I detect a slight division on that question, but nevertheless -- [laughter].

Securing a more peaceful world is perhaps the most important priority I'd like to address tonight. You know, we meet at a time of extraordinary hope. Never before in this century have our values of freedom, democracy, and economic opportunity been such a powerful and intellectual force around the globe. Never before has our leadership been so crucial, because while America has its eyes on the future, the world has its eyes on America.

And it's a time of great change in the world, and especially in the Soviet Union. Prudence and common sense dictate that we try to understand the full meaning of the change going on there, review our policies, and then proceed with caution. But I've personally assured General Secretary Gorbachev that at the conclusion of such a review we will be ready to move forward. We will not miss any opportunity to work for peace. The fundamental facts remain that the Soviets retain a very powerful military machine in the service of objectives which are still too often in conflict with ours. So, let us take the new openness seriously, but let's also be realistic. And let's always be strong.

There are some pressing issues we must address. I will vigorously pursue the Strategic Defense Initiative. The spread, and even use, of sophisticated weaponry threatens global security as never

before. Chemical weapons must be banned from the face of the Earth, never to be used again. And look, this won't be easy. Verification -- extraordinarily difficult, but civilization and human decency demand that we try. And the spread of nuclear weapons must be stopped. And I'll work to strengthen the hand of the International Atomic Energy Agency. Our diplomacy must work every day against the proliferation of nuclear weapons.

And around the globe, we must continue to be freedom's best friend. And we must stand firm for self-determination and democracy in Central America, including in Nicaragua. It is my strongly held conviction that when people are given the chance they inevitably will choose a free press, freedom of worship, and certifiably free and fair elections.

We must strengthen the alliance of the industrial democracies, as solid a force for peace as the world has ever known. And this is an alliance forged by the power of our ideals, not the pettiness of our differences. So, let's lift our sights to rise above fighting about beef hormones, to building a better future, to move from protectionism to progress.

I've asked the Secretary of State to visit Europe next week and to consult with our allies on the wide range of challenges and opportunities we face together, including East-West relations. And I look forward to meeting with our NATO partners in the near future.

And I, too, shall begin a trip shortly to the far reaches of the Pacific Basin, where the winds of democracy are creating new hope and the power of free markets is unleashing a new force. When I served as our representative in China 14 or 15 years ago, few would have predicted the scope of the changes we've witnessed since then. But in preparing for this trip, I was struck by something I came across from a Chinese writer. He was speaking of his country, decades ago, but his words speak to each of us in America tonight. ``Today," he said, ``we're afraid of the simple words like `goodness' and `mercy' and `kindness.'" My friends, if we're to succeed as a nation, we must rediscover those words.

In just 3 days, we mark the birthday of Abraham Lincoln, the man who saved our Union and gave new meaning to the word ``opportunity." Lincoln once said: ``I hold that while man exists, it is his duty to improve not only his own condition but to assist in ameliorating that of mankind." It is this broader mission to which I call all Americans, because the definition of a successful life must include serving others.

And to the young people of America, who sometimes feel left out, I ask you tonight to give us the benefit of your talent and energy through a new program called YES, for Youth Entering Service to America.

To those men and women in business, remember the ultimate end of your work: to make a better product, to create better lives. I ask you to plan for the longer term and avoid that temptation of quick and easy paper profits.

To the brave men and women who wear the uniform of the United States of America, thank you. Your calling is a high one: to be the defenders of freedom and the guarantors of liberty. And I want you to know that this nation is grateful for your service.

To the farmers of America, we appreciate the bounty you provide. We will work with you to open foreign markets to American agricultural products.

And to the parents of America, I ask you to get involved in your child's schooling. Check on the homework, go to the school, meet the teachers, care about what is happening there. It's not only your child's future on the line, it's America's.

To kids in our cities, don't give up hope. Say no to drugs; stay in school. And, yes, ``Keep hope alive."

To those 37 million Americans with some form of disability, you belong in the economic mainstream. We need your talents in America's work force. Disabled Americans must become full partners in America's opportunity society.

To the families of America watching tonight in your living rooms, hold fast to your dreams because ultimately America's future rests in your hands.

And to my friends in this Chamber, I ask your cooperation to keep America growing while cutting the deficit. That's only fair to those who now have no vote: the generations to come. Let them look back and say that we had the foresight to understand that a time of peace and prosperity is not the time to rest but a time to press forward, a time to invest in the future.

And let all Americans remember that no problem of human making is too great to be overcome by human ingenuity, human energy, and the untiring hope of the human spirit. I believe this. I would not have asked to be your President if I didn't. And tomorrow the debate on the plan I've put forward begins, and I ask the Congress to come forward with your own proposals. Let's not question each other's motives. Let's debate, let's negotiate; but let us solve the problem.

Recalling anniversaries may not be my specialty in speeches -- [laughter] -- but tonight is one of some note. On February 9th, 1941, just 48 years ago tonight, Sir Winston Churchill took to the airwaves during Britain's hour of peril. He'd received from President Roosevelt a hand-carried letter quoting Longfellow's famous poem: ``Sail on, O Ship of State! Sail on, O Union, strong and great! Humanity with all its fears, With all the hopes of future years, Is hanging breathless on thy fate!" And Churchill responded on this night by radio broadcast to a nation at war, but he directed his words to Franklin Roosevelt. ``We shall not fail or falter," he said. ``We shall not weaken or tire. Give us the tools, and we will finish the job."

Tonight, almost half a century later, our peril may be less immediate, but the need for perseverance and clear-sighted fortitude is just as great. Now, as then, there are those who say it can't be done. There are voices who say that America's best days have passed, that we're bound by constraints, threatened by problems, surrounded by troubles which limit our ability to hope. Well, tonight I remain full of hope. We Americans have only begun on our mission of goodness and greatness. And to those timid souls, I repeat the plea: ``Give us the tools, and we will do the job."

Thank you. God bless you, and God bless America.

Note: The President spoke at 9:07 p.m. in the House Chamber of the Capitol. The address was broadcast live on nationwide radio and television.

Message to the Congress Transmitting the Fiscal Year 1990 Budget

February 9, 1989

To the Congress of the United States:

I hereby transmit a supplement to the Message I am delivering to the Joint Session of the Congress tonight. It is titled ``Building a Better America," and it contains further description of the plans and proposals mentioned in the Message. I urge the Congress to give favorable consideration to these proposals and renew my invitation to the congressional leadership to work together to assure that America is united, strong, at peace, and fiscally sound.

George Bush

The White House,

February 9, 1989.

Remarks and a Question-and-Answer Session With Reporters Following a Luncheon With Prime Minister Brian Mulroney in Ottawa, Canada

February 10, 1989

The President. Let me just say on behalf of Mrs. Bush, our Secretary of State, and others, this has been a good visit. It is an important visit because it symbolizes the importance that we place on the relationship with Canada. We're each other's largest trading partners. We are friends. We share a long, peaceful border, and we have many common interests. And today we had an opportunity to discuss not just the bilateral relationship that is very, very strong and very good but we had a chance to talk about the East-West relationship. I had a chance to talk about the problems on trade; indeed, our trade ministers are talking right now, you might say. And so, I felt the visit was outstanding.

The Prime Minister and I reviewed the concerns that he has about acid rain; and I referred him to what I said last night to the American people: my determination to move on forward with setting limits, with legislation, and then moving to discussions with Canada, leading to an accord that I think will be beneficial to both countries. And so, that problem -- and it has been a problem -- is one that we are both determined to move forward towards solution. In terms of the trade agreement, we, of course, have saluted the courageous position taken by the Prime Minister of Canada. We have great respect for that in the United States; and we want to now do our part, part of the United States, to follow through with whatever implementation is required.

So, the mood was upbeat, the spirit good, and I am very glad that this was my first visit outside of the continental United States as President. And we will keep in touch, and each of us has pledged to see that this strong relationship becomes even stronger.

I think we both agreed we'd take a question or two at what we affectionately call a scrum. [Laughter] I've been looking for words to describe what we do at press occasions like this down across the border, and that's an appropriate word.

Acid Rain

Q. Mr. President, to what degree did you assure the Prime Minister of your feeling of confidence that the Congress will go along with you on your acid rain request last night?

The President. I think the Prime Minister is aware of the political divisions and political waves there in our country on this issue. But I assured him that the time for just pure study was over and that we've now approached the time for legislative action. And I pledged that in the campaign. And so, to the degree there is disparity, a lack of uniformity in the Congress, I think

the Prime Minister sees it as my responsibility to try to move forward to do that which I said I wanted to do.

Agricultural and Environmental Issues

Q. -- -- concern that the Arctic blast that just swept across the continent following on last summer's drought has created some permanent damage in the agricultural regions on both sides of the border? I wonder if you discussed that at all and whether there could be a cooperative way of dealing with this and maybe at some point making a proposal to get some of the surplus Canadian water down into the drought-stricken regions of the U.S.?

The President. We did not discuss water diversion. We did not discuss the effects of the Arctic cold air. We did talk about the need for a global approach to environmental concerns.

Do you want to add something to that, Mr. Prime Minister?

The Prime Minister. No.

Q. Mr. President, were you -- --

The President. The gentleman right here, and then I'll be right over.

Acid Rain

Q. Do you have an estimate of how long it will take, assuming the Congress goes along with your legislative program, before you are ready to talk about a bilateral accord?

The President. No, but we're going to press forward with this right away. We have a brand new Administrator of EPA. We've got a legislative team to propose the legislation I talked about last night. And we've gotten some reasonable levels of funding. So, we're on the move. But we did not discuss an exact timeframe. I would be misrepresenting or understating things if I didn't say that the Prime Minister once again impressed on me the urgency of moving as fast as we can, but we didn't set a time.

Who had one back in here?

Q. Yes, sir, you were saying, Mr. President, that you weren't in a position yet to discuss a specific timetable and targets for reduction of acid rain.

The President. We will be discussing targets, and we will get agreement on that, I'm sure. But I have an obligation now to recommend to our Congress the setting of certain limits, so we will

move forward with that much specific.

Q. Mr. President, what kind of reductions and what kind of timetable do you have in mind?

The President. I have in mind as fast as possible.

Q. Mr. Prime Minister, I wondered, sir, if you are satisfied with the steps that the President has outlined to deal with the acid rain question or whether you have asked for more here?

The Prime Minister. Well, I think that this represents quite substantial progress. You know, it wasn't so long ago that Canada was sort of going it alone in many ways in this area. The President's position puts a great impetus for action domestically in the United States, which is a condition precedent, and the President is signaling, as well, subsequent discussions that will lead to an acid rain accord to benefit both the United States and Canada. This, I think, is real progress. And while I suppose I'm like a lot of people who would like it done tomorrow in this area, I know it's not going to happen, but this represents a very measurable progress. And I view it as evidence of the commitments that the President gave during the campaign and has referred to since, including his speech to the Congress last night, which is, for a neighbor and friend troubled by this problem for some time, very encouraging.

Q. Presuming you and the President reach an agreement, could you begin to discuss an accord before the full U.S. program is in place on acid rain, or will it be necessary to wait until its legislation is through Congress?

The Prime Minister. The Americans will, of course, deal with their own problems domestically, free from any comment by me about what happens internally. But clearly, what the President is saying is that he has a two-pronged approach: one that will summon the legislative authority of the Congress of the United States to put in place those mechanisms that are required there; and secondly, an arrangement which will be negotiated with Canada to conclude an accord which will deal, hopefully, in a definitive manner with this.

Q. How soon can those negotiations -- --

Q. Would you prefer to undertake negotiations immediately with the United States instead of waiting for them first to pass laws?

The Prime Minister. First, it is necessary for the President to talk about this with legislators and that the Americans are prepared to pass their own laws for the purification of their atmosphere in this domain. In the second place, as the President has just indicated, we are on the way to advance, rapidly I hope, towards the conclusion of the negotiations for a bilateral accord about the international environment. Therefore, we are encouraged by the developments and the declarations of President Bush today.

U.S. Economy

Q. Back at home today, both consumer prices and bank prime rates went up. To the extent that that goes against your assumptions in the budget, how badly do you see that hurting your budget?

The President. You've got to wait to see how long interest rates stay different from that which we've projected. But I would not make assumptions based on one monthly release of figures on either the CPI [Consumer Price Index] or in this instance -- I guess you're talking about the Producer Price Index -- because we've found that they jump around some. And I am not overly concerned about inflation, at this point, in the United States. I don't like the figures; but I'm not concerned, long-run, about inflation in our country. We still have excess plant capacity. The economy is growing, and I think that's good.

I pointed out last night that we expect revenues in 1 year of $82 billion -- I think is the figure -- more just from growth. So, it is important we keep growing. Any President should be concerned if there are persistent signs of inflationary pressures to come. But I don't see the signs now that had me worried at all. So, I would hope that these figures would prove to be just a blip on an otherwise rather calm and hopeful radar screen.

Canadian Steel Exports

Q. Prime Minister, did you discuss the steel issue, and did you make any mention of keeping Canada out of the voluntary export program that the steel lobby in the United States wants?

The Prime Minister. There is a meeting going on now between Ms. Hills [U.S. Trade Representative] and Minister [of International Trade] John Crosbie in regard specifically to that. But as you know, Canada is a fair trader, and we should not in any way be impacted by that kind of proposition. We wouldn't deserve in any way to be included within its purview. And that would be the position that Mr. Crosbie will be explaining to Ms. Hills.

Une derniere question, a final question, Mr. President, and then -- --

The President. Derniere?

The Prime Minister. Une derniere question pour le President?

The President. Mais oui. [Laughter] C'est fine pour moi. [Sure, this is fine for me.] It's colder than hell. Yes, sorry about that. [Laughter]

Acid Rain

Q. In 1995 or the year 2000 -- for a 50-percent cut in acid rain?

The President. Qu'est ce que c'est la question? [What is the question?] Je ne comprends pas. [I don't understand.] [Laughter]

Q. Would you like 1995 or the year 2000 for a 50-percent cut in transporter emissions on acid rain?

The President. Too early to answer that.

Q. Will negotiations start this year, Mr. President?

The President. I hope so.

East-West Relations

Q. Were you on the same wavelengths on East-West relations in your discussions this morning?

The President. Certainement! [Laughter]

The Prime Minister. May I introduce my Quebec -- [laughter].

The President. No, we were. And I have great respect for the Prime Minister's views. I have great respect for his understanding with his experience of the alliance and its importance. I value his judgment on what's happening inside the Soviet Union. And so, we had a long, I think productive, discussion about that. And I had an opportunity to explain to him that our review of our national security policies, our foreign policy objectives -- it's a serious thing. It is not a foot-dragging operation. It is not trying to send a signal to Secretary Gorbachev that we want to move backwards. It is simply prudent. And I am absolutely convinced that the Soviets understand this; and I'm also convinced that the -- I don't want to put words in his mouth -- but the Prime Minister of Canada, a very important part of all of this, understands it as well.

The Prime Minister. Thank you very much.

Note: The President spoke at 3 p.m. in the Prime Minister's residence. Prior to the luncheon, the President met with the Prime Minister and U.S. and Canadian officials. Following the exchange, the President and Mrs. Bush went to Kennebunkport, ME, for a weekend stay.

Remarks to Members of the Business and Industry Association of New Hampshire in Manchester

February 13, 1989

Thank you, ladies and gentlemen. Thank you, Governor. Thank you for that welcome back. Judd, thank you for that warm introduction, and thank all of you for that welcome. I want to thank Bill Gingrich and others at BIA for arranging on relatively short notice this wonderful meeting. I want to pay my respects to our outstanding congressional delegation -- our two Congressmen are here -- and our senior Senator Warren Rudman, here with us today. But you're well represented in Washington with these four outstanding individuals. I'm very sorry if I'm late -- a little trouble parking the 18-wheeler. [Laughter]

A few things have happened since I spoke to you 2 years ago at the BIA. For one thing, I got a new job. And so did Bonnie Newman. [Laughter] And I'm very pleased on both counts. It really is great to be back and see so many old friends.

Last week I made an address to the joint session of Congress, spelling out my policies and my priorities as America moves into a new decade -- a whole new century 11 short years away. And I offered my hand to the Congress in a spirit of bipartisan cooperation and said, ``Together we can build a better America."

And this week, I'm traveling to different parts of the country to talk as directly as possible to the American people. And it's no coincidence that this very first stop is here in New Hampshire. Actually, I thought we were heading south. But John Sununu, you know, the new Chief of Staff, had his way, and here we are. [Laughter] Some said I just wanted to come back and drink with the boys at the Alpine Club again right here. [Laughter] What a great evening that was, I'll tell you.

A year ago at about this time, I was here in New Hampshire under different circumstances -- literally a year ago. I had just been defeated in Iowa. I was up at 6:50 a.m. my first morning here, outside on a cold day -- a little colder, as I remember, than today even -- holding my coffee in one hand and shaking hands with some of the guys at the factory in another. And the columnists had begun to write my political obituary. Well, I knew things seemed worse than they actually were. And let me tell you why I say that. I knew we were strong here. Governor Sununu was at my side, Judd Gregg and, of course, his dad, Hugh. And I had so many people, including many in this room, who helped me assemble a statewide organization, A - 1 in every single way. And you never can forget in American politics the importance of people being involved.

And I also had a message, a message that the people of New Hampshire, and then all America, understood: Sensible ideas work; we can do the job, and we can do it without new taxes. And the

foundation that we built held firm; it never cracked or crumbled. And the steadfast support that I received gave me the chance to pick myself off of that canvas, and the rest, as they say, is history. And so today, now that I've returned to your State for the first time as the 41st President of the United States, let me repeat those four little words that I said on election night: ``Thank you, New Hampshire."

But as Judd reminded us, the journey goes back longer than just a year ago today. It goes back to '79 and '80, when I first ran for President. In 1980 things were different in America. Our economy was stagnant. Inflation and interest rates were peaking at unprecedented highs for our country. Our workers were out of jobs. And America's respect around the world was on the decline.

And since then, under the leadership of a great President, America is once again proud and prosperous. And our economy is now in its 75th month of expansion -- the longest period of uninterrupted economic growth during peacetime in our nation's history. And our people are back at work. In fact, the proportion of Americans with jobs is at a post-World War II high. And America is once again respected around the world as a resolute force for peace and freedom. And because we did strengthen this country, I am optimistic about our chances to enhance the peace worldwide. We're headed in the right direction, and I mean to keep us headed in the right direction. We've made tremendous progress, and I mean to build on that progress.

Last Thursday night, I presented to the Congress a realistic plan for dealing with the Federal budget. And my plan has four broad features: attention to urgent priorities, investment in the future, an attack on the deficit, and no new taxes. And this budget plan represents a commitment to meet our national priorities and at the same time keep faith with our promise to the American people on the tax front of no new taxes. There are some areas in which we would all like to spend more, but we cannot until we get our fiscal house in order and bring the Federal budget deficit down.

In the next fiscal year, under current law with no changes or new taxes, revenues will grow by over $80 billion -- $80 billion more revenue to the Federal Government in 1 year under existing law. And that's an increase of nearly 8\1/2\ percent. And that should be enough to finance our priorities and bring the deficit down without taxes.

The Federal budget will not be balanced overnight, but our plan is a realistic one. And right here I'd like to salute Warren Rudman for his role in disciplining both the executive branch and the Congress by being a part of that historic Gramm-Rudman-Hollings bill. It's very important legislation. Yes, it requires tough choices. Mine is a budget plan that will work, but not with business as usual. It will require a partnership with the Congress. And as I said on Thursday night, my team and I are prepared to work with the Congress; to negotiate in good faith with the leadership; to work day and night, if that's what it takes, to meet budget targets; and to produce a budget on time.

I've spoken about priorities; let me just share with you briefly what those priorities are. First, let's make sure that America remains the greatest and the most productive nation on the face of the Earth. We should begin to invest now in ways that will make America more competitive in the future. And that means continuing America's leadership in the knowledge business: more funds for basic research; a permanent tax credit for R&D, for research and development; a strengthened role for science and technology in our national policy deliberations.

When I was Vice President, I chaired a task force on regulatory relief, which was intended to help survey the wilderness of government regulation to determine which rules were hurting private productive activity and which were helping. And we did a lot of good early on. We got rid of some needless regulation, and still protecting the safety in the workplace and things of that important nature. But the work of this task force will continue, and its mission expanded, however. The Vice President, Dan Quayle, will head this new task force on competitiveness to explore a range of issues, from regulatory reform to training for the work force of the future.

I've also asked the Congress for its cooperation in passing what I believe is the most important competitiveness package of all: a package of bills to improve education in America. You know, Louis Pasteur once said: ``Chance favors only the prepared mind." Our children deserve every break that we can give them because they do represent our future. And so, for America to be prepared for the future, our children must be educated for the future.

And part of our education effort must be in the area of drugs. Education is still our best means of prevention. And we will fight drugs on all fronts, not only education but treatment, interdiction, and law enforcement. But for those who are already hooked on drugs, we've got to expand treatment. For those who are dealing drugs, I want them to know how serious we are about stopping them. And I have asked for and will insist on tougher penalties. And, yes, that does include the death penalty for those drug kingpins. I believe it will inhibit the continued flow of drugs into this country. And I think the dealers who prey on our kids should know what's coming when they get caught. The kids of America will not become the broken debris of a failed war on drugs -- period. We simply can't have that. And a drug-free America has to be the foundation of a healthy, stronger America.

We also must protect our environment: the air we breathe, the water we drink, the beautiful land we live on. And we do need a new attitude, a new commitment to preserving our planet.

We must protect those members of our society who are the most vulnerable: the infants; the pregnant women; children living in poverty; and, yes, the elderly. And we must protect the homeless. Greater support is needed for emergency food and shelter, for health service, and for clinics for the mentally ill. And I've asked for those funds to confront the problems of the homeless, recognizing that most of the work in this field, as in education, will be done at the local and the State and the neighborhood level. We must never let the Federal Government preempt and push aside the activities of our citizens at the family and neighborhood level. The

Government, as I said the other night, cannot stand on the sidelines -- not in the face of the national shame of the homeless or the depressed stage of our education.

What I also want to say is that government is not the only answer, though. Government has a role. Government's got to do its part, but it can't do everything. And without the will of the people, it really can't do anything. The essence of our government is that it is a democracy of, for, and by the people. To be successful in the years ahead, our mission must also be of, for, and by the people. And really, that's why I've come here today: to look back one final time and to let you know I know why I'm here and how I got here. I don't think there's ever anything wrong in life for saying, ``Thank you very much."

And that's exactly what I wanted to do when I came here today: say thank you; but more importantly, now that I am the 41st President of the United States, to look ahead, to thank you for what you can do in the future, and encourage you to give it your all. Join me with a spirit that I know is the spirit of not only this BIA but also the people of New Hampshire, generally, and together we will keep America moving forward, always forward, on a journey that leads to a better America of absolutely limitless opportunities. Thank you all, and God bless you. And it's so nice to be here. Thank you very much.

Note: The President spoke at 9:31 a.m. in the Armory at the Center of New Hampshire Holiday Inn. In his remarks, he referred to Gov. Judd Gregg; William Gingrich, chairman of the Business and Industry Association of New Hampshire; Representatives Charles Douglas and Robert C. Smith; Bonnie Newman, Assistant to the President for Management and Administration; and Hugh Gregg, former Governor of New Hampshire. Following his remarks, the President returned to Washington, DC.

Remarks to Representatives of the Boy Scouts of America

February 13, 1989

Well, I'm just delighted to see all of you here, and to my friend of longstanding, Harold Hook, delighted he's here. Mr. Graves -- Earl, Mr. Love -- Ben, Boy Scouts and Scouters, and to you three guys who presented these honors to me in a report to me, I'm very grateful to you.

First, I want to thank you for having me now be the honorary president of the Boy Scouts. And I want to thank you for that annual report. But even more, I want to thank you for the good turns -- as you call them -- the good turns that you do, as your own motto says. Boy Scouts are helping, as Mr. Graves said, the homeless and disabled and the elderly and, in short, the most vulnerable in our society. And to those that have been left behind, you guys are saying, ``Hey, we're going to help you catch up." And to those who have given up on themselves, you say as Scouts and Scouters, ``We've not given up on you." And you made a difference, helping to combat drug abuse, child abuse, hunger, illiteracy -- working with the homeless, unemployment.

You believe in America's greatest treasure -- its ability to care. And for nearly a century now, the Boy Scouts have cared about our children. And you've helped them, enriched them, and helped our children enrich mankind. And so, I want to come by and say: Keep up the good work! I think if we do this enough and if I make the point how strongly I feel about what you do, I think the country will understand very clearly what I mean when I talk about One Thousand Points of Light, because I think of the Scouts, and I think of what you all do to help others. And it's clear, bright light, bright and shining, and you're an inspiration to all of us. And I'm grateful that you came here, and I'm proud to have my gold card here that I promise I'll keep right there in that desk in the Oval Office to remind me of the good work that the Scouts do for everybody.

Thank you very much.

Note: The President spoke at 2 p.m. in the Roosevelt Room at the White House. In his opening remarks, he referred to Harold S. Hook, Earl G. Graves, and Ben H. Love, president, commissioner, and chief executive, respectively, of the Boy Scouts of America. Boy Scout representatives presented the President with a certificate naming him the honorary president of the Boy Scouts, a gold lifetime membership card, and a copy of the Boy Scout Handbook.

Remarks at the Swearing-in Ceremony for Jack F. Kemp as Secretary of Housing and Urban Development

February 13, 1989

The President. I'd say be seated, but I don't want to win the Smart Aleck of the Year Award. [Laughter] Thank you very much. I open with a question: Jack, now that you're going to be in charge of Federal housing, does that make you my landlord? [Laughter]

It's a pleasure, it's a real pleasure for me to be here for the swearing-in of Jack Kemp as Secretary of Housing and Urban Development. I've known Jack a long time -- Joanne, too. And I've seen him in action, and I think he's going to be a great HUD Secretary. For Joanne, she's an important part of everything he does. And I think of the Thousand Points of Light that I'll keep talking about. No one is more engaged in helping others than Joanne Kemp -- doing a great job out there. They'll be a wonderful team.

You know, Jack served nine terms in the House. He was an all-pro Congressman -- [laughter] -- voted by his colleagues three terms as chairman of the House Republican Conference. And Jack's record is an impressive one: more completed passes than any other Member of Congress. [Laughter] I count the tax rate reductions of '81 and '86 as being touchdown passes, a couple of his ideas that got across the goal line, incidentally. And the tax cuts did more than put points on the board: They helped produce the longest peacetime expansion ever recorded.

Both Jack and I are dedicated to making America, to the fullest extent possible, an opportunity society. And that means an economy that's thriving and creating jobs; cities that are filled with enterprise and offer residents a good life and a good living; neighborhoods that are vibrant and safe, with affordable houses going up, old ones being restored. It means giving people -- working people, poor people, all our citizens -- control over their own lives. And it means a commitment to civil rights and economic opportunity for every American. The chance for a greater America lies before us, and we're going to seize that chance.

To all the fine people here at HUD, I want to say that I greatly respect you and the work that you do. You face tough problems every day, and you do it with a tremendous sense of commitment. I think you're a great team, and I think in Jack Kemp you'll have a great quarterback. I also want to pay my respects to Sam Pierce, his predecessor, a faithful, loyal member of the President's Cabinet, who did an outstanding job here. And, Jack, I know you can fill those big shoes.

Jack's a man of ideas, and I've made clear that I want him to apply his creativity and energy to the area of housing and urban policy, which are among the most important and challenging issues in America today. These problems require a compassionate strategy, and that's the reason that I thought of Jack immediately and asked him to take this job. While still in Congress, he

developed some innovative ideas, many of which won support from Members on both sides of the aisle.

Our plan is to use enterprise zones to bring jobs, investment, and opportunity to depressed areas. And I believe that, given a chance, economic freedom can bring a revival to the inner city; and it can create jobs and housing and dignity for every citizen. I want to use urban homesteading to enable public housing residents to gain a stake in their own communities and in their own futures. And I want to work toward giving tenants in Federal housing the right to manage and buy their own homes and apartments. Where whole neighborhoods have been blighted and boarded up, sometimes by misguided policies -- I want to change those policies and empower residents to rebuild their neighborhoods, with the public and private sectors working together. And I think you know how strongly I feel, but let me say it again: I am committed to equal housing opportunity for all our citizens and to the strong enforcement of the laws against discrimination.

And I want to see us finally end the tragedy of homelessness. I do favor full funding for this McKinney Act. We've got to care for those who for various reasons are unable to care for themselves, and we must identify and remove the obstacles that prevent people from being able to acquire housing.

So, these are our goals. And for these ideas I have clicked off here today -- Jack Kemp has been out front for those very principles for a long, long time. A lot of the most innovative thinking on the inner city has come from him. Throughout his political career, he reached out to work with talented people of every race and background, and he's made his commitment to inclusion something visible, something important in everything he has done. And I want him to continue working to open the doors wider, with more opportunity for everyone.

And so, before we go to work, there's one important thing to do, and that is the official swearing-in of the new Secretary of Housing and Urban Development, Jack Kemp.

Thank you all very much.

[At this point, Secretary Kemp was sworn in.]

Secretary Kemp. Thank you for that standing ovation. [Laughter] Thank you, Mr. President, not only for being here today but for the inspiring mission and exciting goals you've laid out for the Department of Housing and Urban Development. I particularly like the part, Mr. President, about a kinder, gentler quarterback in Jack Kemp. That's going to -- [laughter].

Thank you, Justice O'Connor. What an honor it is to have Sandra Day O'Connor here to do me the high honor of swearing me in as the new Secretary of HUD. Special thanks to my good friend, the Reverend Keith Butler, of Detroit, who's come down to deliver his moving

invocation. To my friend, the NFL [National Football League] Hall of Famer, former Oakland Raider, enemy -- [laughter] -- and dear friend now, leader of the NFL Players Union -- I was the former president of the American Football League Players Union, and he is the executive director of the NFLPA [National Football League Players Association], Gene Upshaw -- very honored for him to be here, leading us in the Pledge of Allegiance.

I want to take a moment to introduce each and every one of you to my precious family and my inspiration. First, my wife, Joanne. [Applause] Our daughter -- you don't need to applaud for every one of them, but I have a -- [laughter]. Our daughter, Judith, who worked in the Reagan-Bush White House -- stand up, Judith. Our daughter, Jennifer, who's a public school teacher. Her fiance, Scott Andrews. They're getting married in May, which we're all excited about. Our son, Jimmy, who just recently signed a football -- notice I said a football -- scholarship to Wake Forest, and we're very proud of Jimmy. [Laughter] Our oldest son, Jeffrey, and his wife, Stacy, could not be here today. They're in Seattle, and he's preparing for his ninth season as an NFL quarterback. Joanne Kemp is the only wife and mother of an NFL quarterback in history, so -- [laughter].

President Bush, as I said, it's a particular honor to have you with us today and to have other members of your team. I'm very pleased that Secretary of Treasury [designate] Brady is here, Secretary of Transportation Skinner, Secretary of Labor Elizabeth Dole, Secretary of Health and Human Services [designate] Lou Sullivan. I'm honored that Chairman [of the House Committee on Banking, Finance and Urban Affairs] Gonzalez is with us today to give evidence of bipartisan support for HUD. I want to thank each and every one of them for coming -- family and friends from all over the country.

President Bush spoke eloquently about HUD's special mission. We operate in a market that contains the most visible symbol of the American dream: home ownership. Our mission, I believe, is to inject oxygen and seed corn and new life and new hope into those distressed inner cities. Mr. President, you talked about free enterprise zones, which include dramatic, some would say radical, tax incentives for entrepreneurship and the creation of new jobs in those areas. You talked about the need to empower the poor with home ownership and equity through initiatives like tenant management and urban homesteading, an idea which Kimi Gray [president of the Kenilworth/Parkside Resident Management Corp.] has helped make work in the District of Columbia and I believe can be a model for other cities, and most importantly, for other people.

You talked, Mr. President, of helping recapture the American dream for first-time homebuyers, young families just starting out. And you asked us at HUD to lead an all-out public and private effort to help end the appalling tragedy of homelessness, which really is a reflection of the tragedy of hopelessness for which housing is just only part of the solution. And we at HUD will carry more than our share of the load in helping end this tragedy.

This is a compassionate society, and we'll be compassionate at HUD. In a Judeo-Christian society, the ultimate compassion, however, is not measured by how many people are on welfare or government assistance. As the philosopher Maimonides said in the 12th century, ``the noblest charity is to prevent people from having to take charity in the first place."

We here at HUD know that there are other challenges facing us: the need to build better public and private partnerships to promote economic development and entrepreneurship; the need to ensure that we expand the number of eligible families receiving housing assistance and housing opportunities; the need to change the red lines around distressed areas of our cities into green lines, where there can be success and jobs and entrepreneurial opportunity.

We want to work with local officials to reduce the barriers to growth and that opportunity not only in the days and months ahead but in the years ahead. And of course, Mr. President, you have challenged us here at HUD with the obligation -- indeed, I consider it an opportunity -- to fully, effectively, and vigorously implement the civil rights laws with regard to the new Fair Housing Act; and I pledge my best efforts in that regard.

I want to, for just a moment, speak about a more personal challenge facing you and me -- each and every one of us as public servants and keepers of the public trust. You said, Mr. President, when you recognized the fine people and dedicated public servants who work here at HUD and the rest of the Federal Government, that government service is a noble calling and a public trust. Indeed, it is. You said that you learned from your parents, your mother and your father, that there is no higher honor than to serve free men and free women, that there is no greater privilege than to labor in government beneath the Great Seal of the United States and the American flag. Well, I agree. Not only do I agree but I applaud your recognition, Mr. President, of the dedicated public servants in the Federal Government of the United States of America.

With that in mind, let me set out two touchstones for our work here at HUD. First, we need to adhere to the very highest standards of integrity, ethics, and the law. President Bush, you've made this standard the watchword of your administration. And I want to help you and help you at HUD make this an agency in which it is enthusiastically and vigorously upheld. Second, to my colleagues at the Housing and Urban Development agency, we all must keep our minds, our work, and our hearts focused on those we are meant to serve: not just the homebuilder but the homebuyer, not only public housing authorities but the public housing resident, not just mayors and city managers but the poor and those who live temporarily on the streets or in shelters.

We need to keep them foremost in our minds and our hearts because our job is to give them what Dr. King called a stake in the American dream: a helping hand, the equality of opportunity to build a better future for themselves and their children. No one has to lose in this equation. America is not a zero-sum game of static conditions on this Earth in which one gains at another's expense, or someone's job must come at another's loss, or someone must profit while others must lose. I don't see America that way. I don't believe in the perpetuity of poverty.

So, I'm excited about the challenge ahead. I'm thrilled and honored to have the opportunity to help implement George Bush's agenda for the nineties here at HUD, an agenda of compassion and opportunity, of hope and the promise of a better and brighter future for America in housing, economic development, in home ownership, and in jobs.

Today is special -- special for me -- and special not only because President Bush is here at HUD but also because it's the day after the 180th anniversary of the birthday of Abraham Lincoln. So, I want to close with one of my favorite quotes from Abraham Lincoln. One day in New England, Mr. Lincoln addressed some shoemakers who happened to be on strike. He told them he didn't believe in laws that prevented men from getting rich. He said it would only do more harm than good. Mr. Lincoln went on to say he did not propose any war on capital, but that he wanted to allow the humblest man an equal opportunity to get rich with everyone else. He went on to say, when one starts poor, as most people do in the race of life, in a free society it is such that that person knows that he can better his condition, that he knows that there's no fixed condition of labor for his whole life.

Well, ladies and gentlemen, that's our mission. That's our mission here at HUD and in America: to give every American man, woman, and child, regardless of their race or creed or their economic or their social condition, the opportunity to be what God meant them to be. And I believe we can make this system work. Indeed, I believe we have the moral and profound obligation to make it work. We can make it work together. We have the tools. And as you said, Mr. President, we know what works. Now we need to put it to work in our cities. We can't leave people behind. Mr. Lincoln said: ``America cannot exist half slave, half free.'' In the 19th century, today, the next century, we can't have this country half or three-quarters prosperous and some folks left behind. The Good Shepherd would not have it be that way.

So, HUD is open for business. Let's get moving. God bless you here at HUD, and God bless America. Thank you very, very much.

[At this point, the band began playing.]

Now, one second, one second. Ladies and gentlemen, band leader, thank you. [Laughter] Well, that was gentle and kind and -- [laughter]. It would not be a Kemp event -- not that this is -- [laughter] -- but it wouldn't be Kemp at an event if we didn't do something a little bit different and special. And having Gene Upshaw here is symbolic of my many years in pro football and my friendship with him. And I asked a special guest to come here. I know you're excited about seeing Gene. But I asked a young man who is probably one of the great heroes of this town to bring a football on your behalf to the President from the Washington Redskins. Join with me in greeting Joe Gibbs, the coach of the Washington Redskins. [Applause]

Note: The President spoke at 4:18 p.m. in the cafeteria at the Department of Housing and Urban Development.

Letter to Congressional Leaders Transmitting the Report on International Agreements

February 14, 1989

Dear Mr. Speaker: (Dear Mr. Chairman:)

Pursuant to Section 708 of Public Law 95 - 426 (1 U.S.C. 112b(b)), I transmit herewith a report prepared by the Department of State concerning international agreements.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Nomination of Roy M. Goodman To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

February 14, 1989

The President today announced his intention to nominate Roy M. Goodman of New York to be a member of the Board of Directors of the Overseas Private Investment Corporation, U.S. International Development Cooperation Agency, for a term expiring December 17, 1991.

Mr. Goodman currently serves as a member of the New York State Senate, representing the 26th district in Manhattan. He chairs the New York Senate's committee on investigations, taxation, and government operations, and the legislative commission on public-private cooperation. State Senator Goodman is also a member of the senate's standing committees on rules, finance, education, cities, transportation, and crime and correction. He is vice chairman of the senate special committee on the culture industry and holds the post of assistant majority leader.

Mr. Goodman graduated from Harvard College (A.B., 1951) and Harvard Graduate School of Business Administration (M.A., 1953). He was born March 5, 1930, in New York City. He is married, has three children, and resides in Manhattan, NY.

Remarks to the South Carolina State Legislature in Columbia

February 15, 1989

Thank you, members of the legislature, for that really friendly South Carolina welcome. And thank you, particularly, Governor Campbell, my friend; Lieutenant Governor; Mr. Speaker; Members of the Congress that are with us here today, Senator Thurmond, Floyd Spence -- and maybe I'm missing some. If so, I apologize. And ladies and gentlemen, thank all of you. It's a great honor to be addressing this joint session of the general assembly, and I really mean that. This is a chamber rich in history and tradition, and I'm grateful for the privilege of joining you in the hall today.

There's something wonderful about how the United States comes together. And driving in on that great big, long car and having the school kids and others out there really demonstrating their respect for the institution of the Presidency is something that was special to me. And I think of it as something that South Carolinians understand very, very well, indeed. I was just saying this to the Lieutenant Governor.

One very concrete way that I plan to express my appreciation is by not going on too long. [Laughter] If I exceed my limit and we start to press up against lunchtime, I expect that the spirit of the late Speaker Blatt will rise up, and in this chamber will echo with the words: ``It's cornbread and buttermilk time."

Now, I speak to you today with great respect and in accordance with the plan of our Founding Fathers designed two centuries ago: as a President of the United States addressing the freely elected government of a sovereign State. And I speak to you in the spirit of bipartisanship. I've got to; you've got us outnumbered. [Laughter] And I realize that some of you people favor the Tigers and others favor the Gamecocks and, of course, some favor one or another set of Bulldogs; but as President, I must remain neutral. I stand with the people. [Laughter] And this morning, in that same spirit of neutrality, Lee Atwater [chairman of the Republican National Committee], as far as I'm concerned, will be thought of simply as one native son of South Carolina who happens to be a rhythm and blues guitarist. God save the Republic! But I don't have to be neutral now in recognizing and thanking for appearing and congratulating the Division I - AA national football champions, the Furman Paladines. I just met them downstairs; and we are all, nationwide, very proud of that team and what it's accomplished.

A President can't stand here without noting that the great State of South Carolina has one of the oldest histories in our Republic, spanning nearly five centuries. But with all of South Carolina's great sense of tradition, this has also in recent years been the site of dynamic economic growth that has so greatly improved the lives of the people of this State. And I believe that South Carolina is proof that an abiding respect for traditional American values is not a hindrance to

success in a modern economy but, in fact, it is essential to it. And I want to keep the economy expanding so that it reaches every person in South Carolina and in the Nation.

And there are a number of very sound provisions South Carolina uses in this whole budget process which I think our nation as a whole would benefit from now. I think it is long overdue for the Federal Government to catch up with South Carolina by giving the Chief Executive a line-item veto and by adding a balanced budget amendment to the Constitution of the United States. These are essential elements, disciplining the executive branch as well as the legislative branch for controlling government spending. You have them; you use them; they work. And they help protect the pocketbooks of the working people, men and women, of South Carolina. I believe that the rest of the American people deserve the same at the Federal level, and they deserve a budget process that they can point to with pride. And I will work for the budget reforms that we need.

Your Governor, Carroll Campbell, has been an innovative leader who has set an example that is being acknowledged around the country. He and you, working together, have made South Carolina a model of what can be accomplished with sound policies and wise leadership. I particularly want to recognize and applaud your Governor's plan for promoting even greater economic growth by modernizing your tax code and by cutting the State capital gains tax.

Our experience at the national level is clear: Reducing the capital gains rate has resulted in more revenue to the Federal Government, not less. And it spurs investment; and investment means more jobs. And jobs mean more opportunity. And opportunity is the foundation of American progress. And a lower capital gains rate helps our international competitiveness -- all of our biggest trading partners, including Japan and West Germany, tax capital gains modestly if at all. Even as you're taking up this issue in South Carolina, my proposal at the Federal level is to cut the capital gains rate down to 15 percent for investments held for 3 years or more.

Now, as you know, last week I proposed a budget plan for the Federal Government. You may have heard about it. It's getting some attention. And I'm pleased to say no one has said that it's DOA. If anyone does, I'll interpret that as: ``Defining Opportunity for Americans." [Laughter]

But when it comes to the Washington budget process, so much of the rhetoric is, as you know, a bit extravagant. Once in the heat of budget politics, a former member of this chamber, Goat Leamond, stepped back from the fray to utter the now-immortal words: ``When in doubt, run in circles, scream and shout." Washington all over again. [Laughter]

But in Washington, with all the shouting that sometimes occurs, the words don't mean the same things that most people think that they mean. When they talk about budget cuts in Washington, that usually doesn't mean that spending is going down. And this is the key point. It seems to be the obvious meaning, but it's not. It usually means that spending is going up, but at a slower pace. Senator Rudman of New Hampshire said this week: ``Washington is the only town where

a man making $20,000 can go in and ask his boss for a raise of $10,000, and then when the boss gives him instead a $5,000 raise, the story comes out: `Man's Salary Cut by $5,000.'" [Laughter]

On the revenue side, I've taken a pledge to the American people, and I'm going to keep it: No new taxes! You see, I believe that is what the people of this State and the people of America voted for as a whole. And the bottom line in the Federal budget is that it's not my money, it's not the Congress' money, it's the American peoples' money.

And one group in Washington, Citizens for a Sound Economy, commissioned the Roper organization to conduct a poll on taxes, spending, and the budget deficit. And three out of four Americans surveyed said that the way they want us to reduce the deficit is by holding down spending, controlling the growth of spending. Only 5 percent in this national survey wanted to do it by raising taxes.

My budget is based on a flexible freeze with no tax increases. This budget recognizes that there are three ways government must serve the people: first, by not taking any more of their hard-earned money than is absolutely necessary; secondly, by creating the environment that permits economic growth, new jobs, and greater opportunity; and finally, by doing the very best to help people with the money that is spent by government, caring for those in need, protecting what we hold in common, and serving the people with efficiency and, yes, compassion.

Even in times when reducing the deficit means tough choices, we must still set priorities. And my budget is a realistic plan that does more for education, more for the environment, and more for the space program. And it makes a larger investment in scientific research to help keep America competitive into the next century. It spends more on the Head Start program to help make America strong into the next generation. And there is another $1 billion in outlays to fight drugs, because we cannot let this menace rob our children of their future. And we propose a new child care initiative, targeted at low-income families and designed to give real choice to families. The family unit is vital to the economic fabric of our society. And government must not discourage parental choice and family involvement. And in this budget, we also restore and double the tax deduction for adopting special-needs children. And we commit a billion dollars to deal with the problems of the homeless. And we don't touch Social Security -- that's off-limits.

And we keep our defenses strong. Defending America is one task which is an absolute responsibility for the Federal Government. And this budget enables our national defense to keep up with inflation. It's gone down, net terms, for 4 out of the last 4 years. When our young men and women make a commitment to join our Armed Services, they have the right to know that we will give them the tools to defend themselves and to defend America.

This budget helps assure a sound economy not by raising taxes but by cutting the Federal deficit by more than $75 billion. That will not only meet the Gramm-Rudman-Hollings targets but it does even better than that. This budget will bring the deficit as a percentage of gross national

product to its lowest level since the 1970's.

Now, already some people have asked me how is it possible to do all this without raising taxes. The answer is straightforward, and it needs to be emphasized again and again: Because of economic growth -- and you've seen this here in South Carolina -- because of economic growth, tax revenues are going up with no new taxes. Our projections show that without raising taxes, the Federal Government will get an additional $80 billion to spend. The Congressional Budget Office, using their own set of economic assumptions, predicts -- not my estimate, but theirs -- that Federal tax revenues will increase next year by even more, by $86 billion. I think our number is closer, but whether you use the Congress' number or the OMB number, that's enough money to reduce the deficit down to the levels required by Gramm-Rudman-Hollings and to spend more money on priority programs.

But to do this does require that choices be made, which is what this budget does. And I'm prepared to work with the Congress to make those hard choices. We weren't sent to Washington -- any of us up there -- to sit on our hands, either to pass the cost of indecision on to working Americans by raising their taxes or to fail to reduce the deficit, which will cause the cuts to be done automatically under the law. And that's why we must make choices that keep the economy growing, preserve our national defense, and allow government adequately and compassionately to perform the services which it should do. And if we do, we can get the job done -- but not with business as usual.

One of the great United States Senators, John C. Calhoun, once said: ``The very essence of a free government consists in considering offices as public trusts, bestowed for the good of the country, and not for the benefit of an individual or a party." And it's in that spirit that I will seek to work with the United States Congress, not as members of competing political parties but as cooperating public servants.

And the members of this legislature, all of you, have a vital role to play. You're closer to the people -- you really are -- than those of us in Washington. You not only serve your constituents, you're their neighbors. And you speak with the authority of people who know that government firsthand. And as we form the Federal budget and reduce this deficit, I want your voices to be heard. We need your leadership. And working together, we can make a great difference for all America.

You know, I've visited South Carolina enough times to learn that the State flower is the yellow jasmine. And I've been told that it was selected not just for its fragrance but for its resilience. And the budget debate is important, but even more important is the knowledge that America is strong and she is great and, yes, she is resilient. And we're thriving as a nation, thriving in the world -- we're the envy of the world. And we're providing for our people -- got to do better. As Americans, we don't seek a world without challenges, but rather a chance to overcome the challenges that are before us and to leave this nation that we love a little better for our having

passed this way. I'm glad that you and I are passing this way together.

Thank you, members of this assembly, and God bless each and every one of you. And God bless the United States of America. Thank you.

Note: The President spoke at 11:25 a.m. in the house chamber of the State capitol. He was introduced by Gov. Carroll A. Campbell. In his opening remarks, the President referred to Lt. Gov. Nick Theodore, Speaker of the House of Representatives Robert J. Sheenen, and Representative Floyd Spence. Prior to the remarks, he met with the Furman University football team and was given a team jacket and football by coach Jimmy Satterfield. Following his remarks, the President attended a luncheon at the Governor's Mansion and then returned to Washington, DC.

Nomination of Richard J. Kerr To Be Deputy Director of Central Intelligence

February 15, 1989

The President today announced his intention to nominate Richard J. Kerr to be Deputy Director of Central Intelligence. He would succeed Robert M. Gates.

Mr. Kerr joined the Central Intelligence Agency in 1960 and has served in several capacities, most recently serving as Deputy Director of Intelligence. Prior to this he served as Deputy Director for Administration. In 1982 he was Associate Deputy Director for Intelligence. From 1976 to 1982, Mr. Kerr was Deputy Director, then Director of offices responsible for regional and political analysis worldwide. He has also served as the Directorate of Intelligence's representative in Honolulu.

Mr. Kerr graduated from the University of Oregon, receiving a bachelor of arts degree. He is married and has four children.

Appointment of Francis S.M. Hodsoll as Executive Associate Director and Chief Financial Officer of the Office of Management and Budget

February 15, 1989

The President today announced the appointment of Francis S.M. Hodsoll as Executive Associate Director of the Office of Management and Budget and Chief Financial Officer. Mr. Hodsoll will have responsibility for OMB management functions. His responsibilities will also include advising the Director of OMB on procurement policy and privatization, as well as selected issues associated with OMB's division of national security and international affairs. It is the President and the Director's intention, working closely with Congress, Federal departments and agencies, to strengthen the management of Federal agencies, building on the initiatives of the Reagan administration in this area.

Mr. Hodsoll is currently Chairman of the National Endowment for the Arts, where he has served since November 1981. He was previously Deputy Assistant to President Reagan and Deputy to White House Chief of Staff James A. Baker III. Mr. Hodsoll has held senior positions in a variety of Federal agencies, including the State Department, the Department of Commerce, and the Environmental Protection Agency. He is an attorney and former managing director of a British trading company in the Philippines.

Mr. Hodsoll has degrees from Yale, Cambridge, and Stanford Law School. He is married to the former Margaret McEwen, has two children, and resides in Arlington, VA. He was born May 1, 1938.

Remarks at the Swearing-in Ceremony for Clayton Yeutter as Secretary of Agriculture

February 16, 1989

The President. Thank you, Peter, and all the members of the Cabinet, the Members of the United States Congress here, distinguished Ambassadors, and others. I've come over here today for the swearing-in of our Secretary. Clayton Yeutter is about to make an enduring commitment to this Department. And I should acknowledge the fact that I think five of his predecessors are here today, Democrats and Republicans, which I think gives him an extraordinarily good send-off.

There's a difference, you know, between involvement and commitment. You all know it. Remember the old farmer making eggs and bacon. The chicken is involved, but the pig is committed. [Laughter] And it's a particular pleasure here today because yesterday marked the 100th anniversary of Cabinet status for this Department. As the distinguished former Secretaries that are joining us today know, the Agency has met many difficult challenges over the past century, and this really is just a beginning. There are many more challenges that this Department will encounter over the next hundred years. And who better to lead the Department at this time than Clayton Yeutter.

Somebody reminded me Yeutter rhymes with fighter. And that's what he is -- tough as nails, knowledgeable. And that's why I picked him. And I know he's going to fight hard for farming, for fair trade, and for all the other important responsibilities of this Department. And I know that everyone here is familiar with his outstanding tenure as United States Trade Representative. The list of things he's accomplished just in the past year is truly, truly impressive: bringing down barriers to American beef and citrus in Japan, ushering a comprehensive trade bill through Congress, concluding the free trade agreement with Canada and moving that through the Congress, and pressing forward on the Uruguay round of multilateral trade negotiations. And now he's putting down the trade portfolio and taking up the agricultural portfolio. But, as all of you know, that's hardly a change.

Agriculture is one of the most difficult areas in our trade talks, and agriculture is an area to which we attach an extraordinarily high priority in international discussions. I'm confident that our partners in the Uruguay round of talks will see Clayton's appointment as just what it is: a signal that this administration has an extremely strong sense of purpose and determination in these crucial negotiations. He's going to be working closely with our USTR, with our Trade Representative Carla Hills, who I spotted a minute ago; but where is she? Maybe I didn't spot her. Right, here she is -- with Carla to make sure our objectives in agriculture are achieved.

And I said in the campaign and let me repeat: As President, I want to work to level the playing field. We've got to knock down barriers, and we will relentlessly pursue negotiations to end subsidies that distort markets and that restrict trade. Fair, free, and open world markets -- that's

what we want; that's what we're working for; and in the end, that's what we are determined to get.

Trade may be a hot issue right now; but the Department, as you all know better than any, has many other critical responsibilities: our nation's farm and soil conservation programs, forestry, nutrition, rural diversification and rural development, the environment. You're involved in all of these important questions. And you perform your work in all these areas with energy and dedication. The ``Ag'' Department has a long, proud history, and each of you helps to continue that tradition.

And I know you'll find that Clayton Yeutter is your kind of guy: dynamic, always has been. When he graduated from the University of Nebraska, he was named the Outstanding Animal Husbandry Graduate in the Nation. And later, he finished first in his class in law school and then took a Ph.D. in agricultural economics. And I've heard that he's said it isn't all that far from the farm he grew up on to a Ph.D. or trade ambassador. On the farm, he said, he developed physical stamina and learned self-discipline, and those have come in handy ever since. And there's one other thing about Clayton that I'm very happy about. Many kids want to grow up to be President; not Clayton. [Laughter] When he was a boy, he wanted to be Secretary of Agriculture. And here he is, and that's a lucky break for America.

Now the oath of office.

[At this point, Secretary Yeutter was sworn in.]

Secretary Yeutter. Thank you very much, ladies and gentlemen. It's really a marvelous privilege and pleasure and opportunity for me to be here this morning. And as I look out over this audience, I see a multitude of longtime friends, and I'm so pleased and gratified that all of you were willing to take time out of your hectic and demanding schedules to be here and share this occasion with us.

I'm not going to make any profound policy pronouncements this morning. I'm not sure that I could make them in any case, but I'm not even going to try. I'd like to basically concentrate in my very short time with you on some comments about people.

First of all, on behalf of everyone here, Mr. President, we want to thank you for coming over to participate in this ceremony. We know how much it carves time out of your schedule to do so, and it's a tremendous personal gesture on your part to do that. It's an honor not only for those of us in the Cabinet who are experiencing this privilege but it's an honor for the folks in all the Departments, including USDA this morning, who have an opportunity to see you up close, first hand, as a part of this ceremony. So, thank you for coming.

And although you've all heard lots of great things about President Bush during the campaign and

through the inaugural period, I want to just embellish those, if I may, for just a few seconds by saying that -- confirming and ratifying, if I may -- that without question this is one of the best prepared Presidents that we've ever had in the history of the United States, one of the most substantive Presidents we've ever had in the history of the United States. Both those attributes and characteristics are going to serve us all well, indeed, in the coming years. But more importantly, George and Barbara Bush are two of the finest human beings on the face of this Earth, and that's why it's a distinct pleasure for all of us to be a part of this government.

Then I want to say a word about Justice O'Connor, and if she'll forgive me for telling this anecdote one more time, I'm going to do so. First of all, it's a great privilege for me to have her swear me in again for the second time now. She did the honors 3\1/2\ years ago, when I was sworn in as U.S. Trade Representative, and she very graciously consented to come here this morning and do them again. Dick Lyng was just saying in the waiting room that she also did the honors for him when he became Secretary. So, I think you're an honorary member of this Department by now, Justice O'Connor.

But I wanted to share an anecdote with you which reflects the nature of this fine and distinguished lady. Back in 1972, I was involved in the Presidential campaign and was working on the agricultural campaign nationwide; and I paid a visit to Phoenix, Arizona, where the Arizona chairman of the Presidential campaign was a leading businessman in that city. The cochairman that year happened to be a lady whose name was Sandra O'Connor. And I met with those two folks during the day, as we were getting organized in the campaign. And at one particular point during the day, I said to the gentleman who was campaign chairman, ``Where in the world did you get Sandra O'Connor? She is just fantastic." And he said, ``You're absolutely right. She is fantastic." This was 1972, remember. And he went on to say at that time, he said, ``Someday she's going to become the first woman on the U.S. Supreme Court." That was a remarkably prescient comment, as you know, because a decade or so later she became, deservedly, the first woman on the U.S. Supreme Court.

Then I want to say a word about my wife, Jeanne. She doesn't know that this is coming. [Laughter] But I think everyone here of my generation would appreciate the fact that 30 years ago, or thereabouts, when we were coming out of college ready to go to work, it was still a man's world. And in some respects, it's still a man's world today. But that's changing very rapidly. I think it's important for all of us as we share and enjoy all of these fine honors -- being named Cabinet members and doing fascinating things around the world -- a little humility is sometimes in store. And I think it's important for some of us to recognize that we have spouses who, but for that generation gap of 30 years ago, might be standing in front of this microphone accepting honors as appointments as members of the Cabinet just as easily and deservedly as we. And Jeanne fits that category.

And a word about Kim, since she's up here, too. You can tell by what she had to say in the invocation that she has her head screwed on right, at least we hope so. This is a little parental pride coming out there. And I mention this for a particular reason. Kim has just finished a double

masters degree program, getting a masters in business and a masters in international relations. And although she doesn't speak Japanese as well as Ambassador Matsunaga does yet, she's working hard at it. That's the way that we have to educate at least some of our children if we're going to be competitive, Mr. President, in the world in which we find ourselves going into the next century. And we hope Kim is prepared for that.

And finally a word to Peter Myers, who is also sharing the area here with us this morning, because Peter has so graciously handled this ceremony and so graciously handled the transition from one administration to another.

Then moving very rapidly out to the distinguished guests here. We don't have time to introduce them all or comment on them all, but I want to say how appreciative I am of my fellow members of the Cabinet coming over to join in the ceremony this morning -- a good number of Ambassadors who are here and a substantial number of Members of Congress, even though they probably ought to be out in their home districts right now. I'm glad that they're here joining in on the ceremony, and I'm honored to have them here.

I'm not going to introduce them all, but I want to pay special attention to just three who are here. Congressman Tom Foley -- Tom, don't stand up. You're comfortable; stay there. But a particular mention to Tom, because as all of you know, he's the distinguished majority leader of the House and former chairman of the House Agriculture Committee, a longtime great friend. And I know he postponed a trip back home for a day just to be here this morning. So, Congressman Foley, it's especially nice to have you here.

And I want to say the same for Congressman -- sorry -- Senator Jesse Helms, who's been a Senator for a long time, likewise, distinguished chairman of the Senate Agriculture Committee. Our relationships go back many, many years; and, Senator Helms, it's great to have you here.

And then, finally, Bob Dole. Senator Dole has been Mr. Agriculture in the Midwest, distinguished Senate career, Presidential candidate, and a great friend for a long period of time.

And then, finally, mention of the former Secretaries of Agriculture who are here. I will not have you all stand up either; but for those of you who are out here, you'll have a chance, hopefully, to say hello to them as we have the reception in a few minutes. But with us here this morning are Jack Knebel, Bob Bergland, Jack Block, Dick Lyng, and Cliff Hardin. I want to make special note of Dick Lyng, my predecessor, because I worked for Dick when I first came back here in 1970. And a special note of Cliff Hardin, because Cliff was my mentor, Mr. President, way back in my days as a young faculty member at the University of Nebraska, when he was chancellor at that time. And it was Cliff who brought me here to Washington, DC, in 1970, when he was Secretary of Agriculture here.

And just one final closing comment, Mr. President. I first came here almost 20 years ago in the

South Building, which is over thataway, in my first position as Administrator of what was then the Consumer and Marketing Service. And I had some of the same misgivings about the Federal bureaucracy then that most people do when they come to Washington. And you've heard all those stories also, Mr. President. They come up when we discuss things like increases in salaries back here in Washington, DC, because a lot of folks think those are undeserved. I happen to think they are deserved, and I learned that by experience. I was a bit wary and skeptical, Mr. President, about whether you can move the bureaucracy back here in Washington. And when I came, I took over an agency, Mr. President, that had about 16,000 employees, and I think there were about 2 of us in that 16,000 who were political appointees at the professional level. And I thought, oh, my God, you know, how are a couple of people going to change a 16,000-person bureaucracy? And I wasn't sure it could be done. But as Cliff Hardin and Dick Lyng will remember, it could be done because we made some major changes in those years in a very successful way.

What I discovered, Mr. President, was that folk here at USDA at least -- I won't speak for the rest of the Government -- but folks here at USDA will listen if you have something worthwhile to say. They listened to me back in 1970, and they've been listening to a lot of folks who have given them leadership since then. And I discovered that they'll not only listen, Mr. President, but they'll respond. They are responsive to leadership. That's true of most human beings in this world, as a matter of fact, and we have to remember that that's the way to achieve progress in this country.

So, in closing, Mr. President, my commitment to you, my commitment to the folks from USDA who are here this morning, and my commitment to the folks out in farm country who are watching this program, is a very simple one: I promise you that we will put together a team at the top echelon of USDA that will be strong, competent, and energetic. And I promise you that we will provide leadership. You may not always agree with the leadership that we provide, but we're going to lead. And I hope that you'll be with us as we attempt to do that and as we work with you, Mr. President, over the next few years.

Thank you all for coming very much, and please join in the reception in just a few minutes. Thank you. Godspeed.

Note: The President spoke at 10:10 a.m. on the patio at the Department of Agriculture. He was introduced by Deputy Secretary of Agriculture Peter C. Myers. Kim Yeutter delivered the invocation.

Remarks on Afghanistan and a Question-and-Answer Session With Reporters

February 16, 1989

The President. Let me just say, I am going to hand you all, or Marlin will provide it later on, a statement on Afghanistan. I'll just give you a little summary of it at the outset here.

We support the Afghan efforts to fashion a stable, broadly based government, responsive to the needs of the Afghan people. Throughout the long, dark years of Afghanistan's occupation, the international community has been steadfast in its support of the Afghan cause, and this certainly has been true for the United States. Our commitment, the commitment of the United States to the people there, will remain; and it will remain firm, both through our bilateral humanitarian aid program and through the United Nations efforts to remove the mines and resettle the refugees and help reconstruct the war-torn economy.

So, we would call upon the Soviet Union to refrain from other forms of interference in Afghan affairs. The Soviet Union has nothing to fear from the establishment of an independent, nonaligned Afghanistan. And they do bear a certain special responsibility for healing the wounds of this war. And I would hope that the Soviet Union would generously support international efforts to rebuild Afghanistan.

And there will be a fuller statement on this later on.

Q. Were you hoping also that the rebels would not conduct a bloodbath once they get in the ascendant and really take power?

The President. Yes.

Q. I mean, it's a two-way street, isn't it? In victory, magnanimity. Is there any sense that you would like to convey that to the rebels, or do you think it's just a one-way street for the Soviets?

The President. Well, I don't think a bloodbath is in anyone's interest. And I think if we had a catalytic role, I would hope it would be, along with others, working towards reconciliation and towards a peaceful resolution now to all the problems. There's been enough of a bloodbath there. And so, I think you raise a good point, Helen [Helen Thomas, United Press International]. And, yes, I feel strongly that the time for recrimination is over, the time for bloodbaths is over. And I would like to see the various factions get together and come up with recommendations that would lead to a peaceful Afghanistan with no more bloodbaths.

Q. Mr. President, the Soviet Union is calling for an immediate cease-fire in Afghanistan and an

embargo on arms shipments. Would you go along with that idea?

The President. Here's one of the complicating factors on that call. There is some concern about what we call stockpiling; and it would not be fair to have tremendous amounts of lethal supplies left behind and then cut off support for resistance and -- thus, leaving an unacceptable imbalance. And so, before one could do anything other than appeal for peaceful resolution, which I've done, one needs to know the real facts on this question, this troublesome question of stockpiling.

Q. So, does that mean that you will continue to aid the rebels?

The President. That means we will do what we need to do to see that there is a peaceful resolution to this question, that one side does not dominate militarily, and we will be encouraging reconciliation.

Nicaragua

Q. Mr. President, what is your reaction, sir, to the action by the Central American countries yesterday that appears to undermine the standing of the contras, to say the least, and leave them in a very vulnerable position? And was your administration, as has been reported, caught off-guard on that?

The President. Let me say, Brit [Brit Hume, ABC News], on that one, that there's some positive elements of what's taking place there. There are also some troublesome elements. Positive because the Nicaraguans appear to be taking steps in accord with the Esquipulas agreements; they're talking about national reconciliation and full freedoms, including complete freedom of the press and free and fair elections and an end to subversion. To the degree that rhetoric goes forward and is enacted, that's good. But there's 90 days now in which to finalize arrangements. And what's troubling to me is that claims like this have been made at one time, only to see those claims repudiated -- promises made, promises broken. And so, I think we have to be wary of supporting any positive elements like commitments to democracy and yet say, Wait a minute, let's be sure that we not leave the resistance standing alone, leave them twisting out there without fulfillment of the commitment to democracy on the part of the Sandinistas.

So, in terms of being caught off-guard, we are in the midst of a review of our whole policy there. If you ask me would I have predicted that the five Presidents would have worked out agreement in this detail at this time, I'd have to tell you that, having talked to President Azcona, having our Secretary of State deal with two foreign ministers just recently, I think within the last 10 days, that I wouldn't have said that they'd do exactly what they did do. But as I say, there's some positive elements to it, and there's some troublesome elements.

Q. How does that note of caution, sir, translate into policy and action on your part?

The President. You mean from the future? Work here in the next 90 days with the leaders to see that there's not just some fluffy promises out there but that there's some teeth in the promise of democratization. And that is what has to be done. And so, we are going to keep our resolve to have the people of Nicaragua have what these other countries have there: democracy. And we're talking about freedom of the press, freedom of elections, freedom of worship. And it's fine to spell these things out in generalities, but now let's get down to how we proceed. What does a free and fair election mean? I want to see some certification of the election process. But we've got time now, little bit of time now, in which to make very clear that our resolve, our commitment to democracy is still there.

Q. Mr. President, how do you intend to stand by your commitment to the resistance? And might that mean a request for additional nonlethal aid, at the end of which -- --

The President. It could mean that. It could mean that. But again, I think we've got to work with this process now the best we can. But I don't think anybody would want to suggest that we would leave people with no humanitarian aid. I can't imagine anyone taking that view.

Q. Will you intend to ask Congress to approve of that aid?

The President. Well, we have some time on that, too. But I obviously want to know what the status quo is at the time. But I have every intention of seeing that these people receive humanitarian support, but how that comes about, we'll just have to wait and see.

Appointments and Nominations

Q. Mr. President, have you been dismayed at all at the slow pace of filling jobs in the State Department and, of course, in the Defense Department, elsewhere in your government? Has it slowed you down at all?

The President. I worry a little about it, but not dismayed. The ground rules have changed. I was talking yesterday to one of our appointees who I will leave -- the way you like to put it -- who asked to remain anonymous. And he told me that to fill out the forms required 36 hours, and the forms are different in different departments. I hope that this new Ethics Committee that we've got will take a look at this and try to see if we can't do better. The ground rules have changed from 8 years ago.

And there's one other substantive point here. I don't worry about it as much as I would have if I were President 8 years ago, when we came in on the wake of an administration that I was opposed to and everything. I've come in as President to build on the record of an administration of which not only I was a part of but whose objectives I strongly support. And so, the people that are running the various departments now are people who generally are good people and share

my objectives for this country. So, it's not like you're having to worry that your departments are going to be coming out with a lot of last-minute rules and regulations that will be an anathema to everything you believe in.

So, that's a substantive point. The nature of the clearance process is a substantive point. But back to your question, I do worry about it. I am concerned about it. And I'd like to see if we can't speed the system up in some way. We're getting good people to nominate. There used to be a real quick turnaround on what they call a name check, but now, under the new procedures, that takes a lot longer. So, there's some frustrations. I don't want to mislead you, but for the reasons that I gave you, I don't think it's hurting the Government. I think our Cabinet appointments -- I want to get them done as soon as possible, all of them.

Government Ethics

Q. Sir, could we take up a question you said a couple days ago: Why is it that the ethics questions get so complex in practice and yet were so simple in your campaign language? Why is it that straightforward questions of accepting outside income now require a legal opinion?

The President. Well, give me an example of what you mean ``straightforward'' about outside income. Maybe I can answer it by rhetorical question. Take the case of Lou Sullivan [Secretary of Health and Human Services-designate], who had earned a pension from a medical school, working not for exorbitant sums, as the president of a black medical college. And it is now suggested that -- if he accepts money from a pension that he earned -- that he is doing something illegal. We have other questions of that nature. Some people who are interested in being in the Government find that they have to give up medical benefits that they earned from a major company, lest it be seen that they are beholden to that major company. So, I've set the goal to have high standards, but in doing that, all kinds of cases of this nature are coming out. And I don't think that in those two cases I've given you, if the status quo remained, that that should disqualify somebody. In Lou Sullivan's case, though -- and he can't afford it -- he bends over backwards to avoid the perception that some people in politics and in the media lay on him for accepting benefits from a medical school that he worked his life for.

Q. But Baker was -- --

The President. So, these are different, these are different questions.

Q. Could we ask, however -- the perception is out there. The perception is apparent. It's why -- --

The President. Apparent to what?

Q. Apparent to anyone looking at the situation that acceptance of money in any form is acceptance of money. The question is not whether or not Mr. Sullivan deserved the money. The

question is whether or not he could accept it when you had said no members of your Cabinet would accept outside income.

The President. Earned income -- I didn't say outside income. If a person has some trust fund that pays -- blind trust that distributes funds to him, I've never said that. See, I think there are some perception problems that maybe I need to help clear up, and this gives me an opportunity here today to do it. All I say is: I want high ethical standards, but I don't want to have it so it goes so far, bends over so far backwards, that a person that knows something about a subject matter is disqualified from serving, or a person that has some means is disqualified from serving, or a man that worked his heart out building a black medical college is made to feel that there's some perception of immorality if he keeps a pension that he's earned. I worry that I may have created something that's -- certainly I know it needs clarification, and our commission will help do that. And secondly, I hope I haven't created something that just carries things too far. For one day a guy gets a ruling from the Ethics Office that a way of treating with one's asset is acceptable. It's given a stamp of approval. And then because of what you properly call perceptions, a person has to change the ground rules.

Q. But you're not thinking it was wrong for Baker to -- --

The President. No, I said I think he made the right decision. But what I think is wrong to do is to go back in retrospect and have him twisting in the wind out there because we use a 90/90 hindsight on the poor guy when he's gone far beyond what he might have done, and who -- everybody that knows Jim Baker knows that he is highly ethical. But to suggest there's a perception here that is looked at differently today, now, than used to be when he asked for a ruling from the Government Office of Ethics, that he's done something wrong, I do reject that, Helen.

Mr. Fitzwater. We're going to take a couple of more questions, if you have any other subjects.

Interest Rates and the Budget

Q. Are you concerned that the Fed is increasing interest rates at this point? And how much time do you think you have to cut a deal with Congress on budget negotiations?

The President. The best thing to do -- you coupled them just right because if we can get a -- well, I don't think the American people see that, so let me expand a little bit. The best thing to do about interest rates is to get a budget agreement. And in my view, once that's there, particularly if it's along the lines that I have suggested to the Congress, I can almost guarantee you the pressure is going to come off on the interest rates. So, that's the way to solve the problem of concern about higher interest rates. The interest rates will be lower if we can promptly get a budget agreement.

So, do I worry about it? I don't see the inflationary pressures as so bad or enough to warrant a substantially higher interest rate. I don't see that. I've looked at the economic numbers. And people, I think, like to try always -- whoever's President -- drive a wedge between the President and the Chairman of the Fed. It's one of the best fights in town. You all love it. All politicians love it. All bankers like it. All editorialists for the Wall Street Journal love it. But I want to avoid that because we aren't far apart. And I will keep in touch in my own way. Our top people here will with the Chairman of the Fed, for whom we all have great respect. And maybe we'll get into a fight down the road. But I don't think it's at hand, and I don't think Greenspan and I are far apart. And I think he would also confirm that.

NATO Unity

Q. Mr. President, West Germany wants to postpone the modernization of the shorter range missiles. Obviously, this is not the American position. They want also to open negotiations with the Soviets on that. How do you respond to that? If you don't agree with that, are you concerned by the unity of NATO?

The President. I would respond to it this way: The Secretary of State is talking to all the NATO leaders; he'll be back in town over this weekend. I will sit down here in this chair and talk to him about what he has found. In the meantime, I am inclined to feel that we are far closer to West Germany than the public perceptions might be. And I have been in touch with Helmut Kohl [Chancellor, Federal Republic of Germany], and there have been opportunities for him to express to me inordinate concerns on this question. And other German leaders have been here recently, and the Secretary of State's been there. So, I would use this opportunity to shoot down the concept that there are major divisions between ourselves and the Federal Republic on this question.

But I'm not worried about NATO unity. You always worry that you have your act totally together, and that's one of the reasons I wanted these early consultations. And then, I think now, as a result of our Secretary of State's wonderful trip over there -- and I say wonderful because he's touched a lot of bases and the cables are most encouraging along the lines of NATO unity -- that having said that, that the mood is pretty good. I don't worry too much about divisions in NATO, and I do then feel that we will be in a position with a united NATO to move forward in consultation with the Soviet Union. That's the next step, and we have certain leadership responsibilities that all of us here are prepared to accept in that regard.

Q. One last question -- --

The President. Ann [Ann McDaniel, Newsweek], and then Brit. And then I'll quit.

Iran Arms and Contra Aid Controversy

Q. It appears that the Oliver North trial will go forward next week now. Are you aware of secrets so damaging to our national security that might come out in that trial that would be so damaging that you would ask the Attorney General to halt the prosecution?

The President. I think the Attorney General knows everything I know, and I think he's handled it very well.

Q. Are you concerned about the trial going forward? Do you think national security can be -- --

The President. Not under the existing agreements.

Q. Do you think the trial -- --

The President. I think Dick Thornburgh took a very difficult question and balanced interests and has worked out an agreement that hopefully is workable. But we'll see, because there are legitimate national security interests that he is obliged to protect. And he understands this, but he also understands that the judicial system should be operative and the trial should go forward. And I think we'll just say that all parties have worked towards that end, and it looks like agreement has been reached.

Yes, last one -- Brit?

President's Budget Proposal

Q. Some congressional Democrats are now saying, sir, that you have outlined and gotten some considerable credit for a lot of spending increases while leaving open the question of where cuts would be made, particularly in an area where a kind of net freeze is being asked for. And they are saying that you really have been vague and have left it to them to do the dirty work. How do you react to that?

The President. Slowly -- [laughter] -- and very carefully. I don't think that is the informed opinion of the key leaders in Congress today. And the reason I say that is I think that Dick Darman [Chairman, Office of Management and Budget] and Nick Brady [Secretary of the Treasury] and our Chief of Staff, John Sununu, have all done a good job in not only presenting broad parameters to the Congress but have gone into a considerable amount of detail with them. And I would readily say, yes, there's a lot of negotiation that needs to be done to get all the T's crossed and every I dotted. But I don't think, Brit, that that's a commonly held view of the leadership. But if I said it was the commonly held view of the Democratic leadership -- I know it's not of the Republican -- then we will redouble our efforts to be sure they understand that there's no validity to that.

But having said that, yes, there's a lot more detail that has to be hammered out and ironed out,

and we will work with them to satisfy their interest and to find out what they want to do. It's a two-way street. And so, I'm going to start working here, getting together meetings with the leaders down the road fairly soon, and we'll have a chance to explore that. If some feel that way, it would be a good opportunity to discuss it. So, it's going better than I thought it would, and I'm pleased generally with the reception.

I said ahead of time that I didn't expect everybody would jump up and down and say this was the greatest thing since sliced bread. But for the most part, I think it's fair to point out there has been a responsible look given this budget. The Republicans have generally been enthusiastic, some reservations on the part of some. The Democrats, though not endorsing it quite as much, have seen some positive direction and some positive objectives in that budget. And so, I've been pleased with the reception to that, and I've been pleased with the reception of the savings and loan.

Both of these two were major -- I won't say hurdles -- but major things that we had to accomplish, and I think we have. We've got a good proposal out there on the savings and loan, and we've got a sound budget proposal that is not meeting with everybody's acceptance and -- or put it this way, with anybody saying what we've suggested is perfect. But there's enough solid food for thought there for the executive branch to be in a very sound position when we go into an open negotiation that we want.

And it gets right back to the overall economy. It's important that we go forward and go forward soon. And so much of the economy today is on perception as opposed to reality. This recovery is real; business is good. The insured deposits of depositors in savings and loan and banks are solid -- dollar good, strong. But there are some perceptions out there that can best be turned around by a quick, or relatively quick, resolution of the budget question. It's the firm projecting down of the deficit that will result in lower interest rates which will guarantee continuation of this, the longest expansion in our history, and continue expansion at lower rates of interest.

So, I'm not euphorically optimistic. I'm certainly not pessimistic. And I think we're off to a pretty good start. And I credit not just the Republican leaders on the Hill but the spirit that the Democratic leaders have demonstrated. And I've been very pleased with it. And I've had an opportunity to tell them that.

Gun Control

Q. Mr. President, even though there's been a cutoff, there is something called guns that is so rampant in this country -- --

The President. Helen, it's been a great pleasure. The last question -- --

Q. Why won't you answer the question, because this is one of the most clearly -- --

Mr. Fitzwater. Thank you.

The President. What was your question?

Q. The question is: Are you going to exert any leadership in trying to forestall these -- --

The President. Do you know that there are laws on the book outlining the import of AK - 47's -- automatic -- --

Q. No, I didn't.

The President. Well, see, there's a fact. So, where does that lead you? You already had laws that prohibit the import of fully automated AK - 47's. That law is on the books. So, are we talking about law enforcement? Are we talking about -- --

Q. We're talking about semiautomatic AK - 47's, sir. We're talking about semiautomatic guns.

The President. What do you mean by semi?

Q. I mean no cocking, pull the trigger, the gun fires each time I pull the trigger.

The President. Look, if you're suggesting that every pistol that can do that or every rifle should be banned, I would strongly oppose that. I would strongly go after the criminals who use these guns. But I'm not about to suggest that a semi-automated hunting rifle be banned. Absolutely not. Am I opposed to AK - 47's, fully automated? Am I in favor of supporting the law that says they shouldn't come in here? Yes. But Helen, with all her experience, didn't even know it was there. Nor did I until I looked it up. [Laughter]

Q. I don't know how you -- when did you find out? I don't know how you can read the paper every day -- 13 deaths on Valentine's Day.

The President. Exactly, which concerns me enormously.

Q. What will you do -- --

The President. When you let a guy out of jail to commit a crime like this, it's outrageous. Two of these people were people that already had -- have -- help.

Q. So, you think it's okay for people to have guns?

The President. To have guns? Yes, I do. Do I think it's all right for people to have fully automatic AK - 47's? No, I think the law should be -- --

Q. Sir, the issue is the -- in Stockton, that was a semiauto. That was not a fully automatic weapon.

The President. Well, but I've answered your question on that question. I'm not about to propose a ban on service .45's or something like that.

Q. On semiautomatics -- right?

The President. No, I'm not about to do that. And I think the answer is the criminal. Do more with the criminal. Look, the States have a lot of laws on these things. Let them enforce them. It's hard, very hard, to do. But that's my position, and I'm not going to change it.

Q. Is there nothing you can do about the murder capital of the United States? As the number one resident?

The President. Well, we need the help of all the press to do something about it.

Q. When did you find out that they were banned? Today? [Laughter]

The President. Slightly before you did, put it that way -- slightly before you did.

Note: The exchange began at 2:24 p.m. in the Oval Office at the White House. Marlin Fitzwater was the President's Press Secretary. In his remarks the President referred to Patrick Purdy who, armed with a semiautomatic AK - 47, shot and killed six schoolchildren on a playground in Stockton, CA, on January 17.

Statement on the Soviet Withdrawal From Afghanistan

February 16, 1989

Today marks the start of a new chapter in the history of Afghanistan. For the first time in over 9 years, Soviet forces no longer occupy that country. This development marks an extraordinary triumph of spirit and will by the Afghan people, and we salute them for it.

Much remains to be done, however. For the Afghan people, the struggle for self-determination goes on. We support Afghan efforts to fashion a stable, broadly based government, responsive to the needs of the Afghan people. We call upon Afghan resistance leaders to work together towards this end. As long as the resistance struggle for self-determination continues, so too will America's support.

Throughout the long, dark years of Afghanistan's occupation, the international community has been steadfast in its support of the Afghan cause. This is also true for the United States. U.S. support for the Afghan people and the subsequent Soviet military withdrawal from Afghanistan constitute a powerful example of what we Americans can accomplish when Executive and Congress, Republican and Democrat, stand together. The Government and people of Pakistan also can take particular satisfaction from this event; their courage and solidarity contributed significantly to the Afghan struggle.

Now, more than ever, the Afghan people deserve the continuing help of the international community as they begin the difficult process of reclaiming their country, resettling their people, and restoring their livelihood. The commitment of the United States to the Afghan people will remain firm, both through our bilateral humanitarian aid program and through United Nations efforts to remove mines, resettle refugees, and reconstruct Afghanistan's war-torn economy. We call upon other nations to contribute all they can and hope that the United Nations and the resistance can come to mutually acceptable arrangements for the nationwide distribution of needed food supplies.

The Soviet Union has now fulfilled its obligation to withdraw from Afghanistan. We welcome that decision. We call upon the Soviet Union to refrain from other forms of interference in Afghan affairs. The Soviet Union has nothing to fear from the establishment of an independent, nonaligned Afghanistan. At the same time, the U.S.S.R. bears special responsibility for healing the wounds of this war, and we call upon it to support generously international efforts to rebuild Afghanistan.

Written Responses to Questions Submitted by the Kyodo News Service of Japan

February 16, 1989

Japan's International Role

Q. What kind of role will the Bush administration expect Japan to play in the global economic and Western national security spheres?

The President. First of all, a word about the global role of the United States during my administration. Japan and the world can count on America to continue to work for peace, democracy, freedom, and justice around the world. The scope of America's vision is global, and we will continue to shoulder the obligations that belong to a global power.

At the same time, of course, it is important that our allies assume greater responsibility in the cause of global peace and prosperity. It is not for me to prescribe Japan's role in the world. The decision is up to the Government and people of Japan. During Prime Minister Takeshita's recent visit to Washington, he and I agreed that there are many ways Japan can contribute to global peace and prosperity. Our defense cooperation is one of those ways; another is foreign economic assistance.

I welcome Japan's pledge to make further significant increases in overseas development assistance programs. Along these lines, Prime Minister Takeshita and I agreed on the importance of supporting democracy and sustained economic growth and reform in the Philippines. Toward this end, we pledged to make every effort to launch the Multilateral Assistance Initiative for the Philippines this year. I also welcome Japan's decision to take part in peacekeeping operations and your generous offers of financial support for the relief and resettlement in Afghanistan and southern Africa. Those are also ways to contribute.

The United States and Japan, the world's two largest economies, have special responsibilities to sustain free trade. Prime Minister Takeshita reaffirmed in Washington Japan's determination to promote strong domestic growth and structural adjustments. In the area of multilateral cooperation and global economic growth, we agreed that we would continue to coordinate policies through established fora, especially the economic summit. We look forward to the next summit meeting, which will be held in Paris. We also agreed on the importance of a successful Uruguay round [multilateral trade negotiations]. And we agreed on the importance of frequent consultation at all levels on economic issues.

Japan-U.S. Relations

Q. How do you envision U.S.-Japan relations under your administration? Some of your advisers have recommended forming a ``new partnership'' with Japan. What are your feelings about this recommendation?

The President. We have used the word ``partnership'' to describe our relationship for a number of years now, and during the course of the Reagan administration, we gave new meaning to that term. Our partnership is bilateral, regional, and global. We consult frequently and cooperate closely on virtually every issue of importance. This is not a ``new partnership'' but a continuing one that has developed over 40 years of cooperation. I am confident it will continue to develop and acquire new meaning, but rather than a ``new partnership,'' it will be a continually ``renewed partnership.''

Japan's Defense Role

Q. Defense Secretary-designate Tower said Japan should extend its sealane defense beyond the present 1,000-mile limit. Do you support this view? Would you ask Japan to beef up its defense? If so, how much of its GNP should Japan allocate for defense spending?

The President. We are fully satisfied with the mutually agreed division of defense roles and missions in our security arrangements, under which Japan has primary responsibility for defending its territory, seas and skies, and sea lines of communication. We are also encouraged by Japan's continued and steady progress in improving its defense capability within the framework of those roles and missions, recognizing there is still room for greater improvement, especially in the area of sustainability. Further, we appreciate Japan's increasing contribution to the cost of maintaining U.S. forces in Japan. Rather than engage in a sterile exercise of measuring security in arbitrary terms such as GNP, the United States and Japan are putting our efforts toward a much more productive and important purpose: that of working together to attain defense capabilities which will ensure our mutual security.

Japan-U.S. Trade

Q. Would you support a U.S.-Japan free trade agreement modeled after the U.S.-Canada free trade agreement? The U.S. deficit with Japan has been on the rise again in recent months. Do you favor the yen's further appreciation against the dollar?

The President. The U.S. and Japanese Governments agree on the need to pursue multilateral and bilateral efforts to create a more open international trading system. We will stress the multilateral approach.

We are always open to new ideas. But in our view, the key now is to work hard for the success of the Uruguay round. At the recent G - 7 meeting, the financial authorities of the major countries agreed the global economic situation and outlook remain positive and that no changes

in their commitment to cooperation on exchange rate policies were needed.

During our recent meeting, Prime Minister Takeshita and I noted progress that both the United States and Japan have made toward reducing external imbalances, but we also agreed that further policy efforts are needed. The Prime Minister assured me that Japan remained determined to encourage strong domestic growth and structural reform. And I reaffirmed our strong determination to reduce our budget deficit.

Soviet-U.S. Relations

Q. A reduction of conventional arms is said to be the top priority of the Bush administration in the U.S.-Soviet arms negotiations. What is your response to President Gorbachev's announcement to cut 500,000 Soviet troops? Do you foresee a U.S.-Soviet summit by next summer?

The President. It is true that a major priority of my administration is in the area of conventional arms control. Thus we welcome and look forward to the Negotiations on Conventional Armed Forces in Europe (CFE). We, along with our NATO allies, will seek in CFE to enhance stability and security at a lower level of forces. To that end, NATO will seek the elimination of the Warsaw Pact's substantial superiority in Europe. Accordingly, we welcome the announcement of Soviet force reductions as a positive step in the right direction and look forward to the full implementation of the force cuts described by Chairman Gorbachev. Even with these reductions, however, the Warsaw Pact has far to go to correct the conventional forces imbalance in Europe.

Regarding a summit, both sides, of course, want to be well-prepared before engaging in a summit. We are in the process of reviewing elements of our policy toward the Soviet Union and consulting closely with our allies and friends to ensure that we have a sound foundation for long-term progress in East-West relations. Secretary of State Baker and Foreign Minister Shevardnadze will have several opportunities in the months ahead to begin addressing the many issues between our countries. Thus, while I am confident a summit will take place sometime in the future, it is too early to discuss a specific date.

Note: The questions and answers were released by the Office of the Press Secretary on February 22.

Written Responses to Questions Submitted by Xinhua News Agency of China

February 16, 1989

International Relations

Q. What is the general assessment on the current world situation? Since there exists a wide disagreement on whether the process of detente is irreversible, I would like to know your views on this question.

The President. I am cautiously optimistic. The one constant in today's world is change. For the most part, the direction of change is positive from the standpoint of America's values and interests. Around the globe, I see increased respect for and interest in democratic values of openness, human dignity, pluralism, democracy, individual initiative, and entrepreneurship. I see a worldwide trend toward greater recognition of the need for cooperative solutions to worldwide concerns, such as peaceful resolution of conflicts, environmental issues, and ensuring global economic growth. Balance has been restored in the international system by a Western policy of strength and realism.

Important differences based on fundamental values and interests continue to guide the policies of nations, both toward their own citizens and toward other members of the international community. Being fundamental, these differences must not be minimized, nor do they lend themselves to easy resolution. In addition, our world still is a tumultuous, dangerous place. Just as we appear to be making headway in reducing the threat of nuclear war through the arms reduction process, we must grapple with the proliferating dangers to civilized society from terrorism, the use and spread of chemical and biological weapons, together with sophisticated delivery systems, ballistic missiles, and international drug trafficking.

Yet I would argue that the world is significantly less turbulent and less dangerous today than it would otherwise be, thanks to the farsighted statesmen in recent decades. China's leaders were some of the first to contribute to this effort, and as chief of the U.S. Liaison Office in Beijing in the 1970's, I was privileged to have been part of this historic process. Today we find ever-broader acceptance of the proposition that in our increasingly interrelated world, national security cannot be achieved through military means alone. Moreover, through their own experience, more and more nations are realizing that the freeing of market forces and human creativity is the true basis for sustained prosperity and national success.

Nothing in this world is irreversible from a political, military, economic, or social perspective. That is why America's foreign policy is grounded on values that abide and a realistic determination to safeguard our interests and those of our allies and friends. Finally, I would say

that any man with 11 grandchildren is a cautious optimist by definition. He has a big stake in the future.

Arms Control

Q. With regard to disarmament, in which area do you think breakthrough will be most feasible, the nuclear, conventional, or biochemical? And it is widely reported here that your administration might slow down the SDI program. If that is the case, doesn't it mean the U.S.-Soviet talks on concluding a START agreement will be accelerated? What is the prospect of an early START agreement?

The President. The United States is committed to progress in all aspects of arms control -- nuclear, conventional, and chemical. Our goals include a strategic arms agreement which will enhance strategic stability and security; conventional arms reductions in Europe which will result in stability at lower levels of conventional forces; and a comprehensive, truly global and effectively verifiable chemical weapons ban. One cannot predict which arms control negotiations will meet with the earliest success, but I hope for significant progress in all fields. My administration is reviewing the current status of negotiations in each of these areas even as I visit your country.

Chemical weapons have been much in the news recently. Unfortunately, over the past decade, the world has witnessed an accelerated erosion of respect for international norms against the use of chemical weapons. The United States seeks to reverse this trend. Our first objective is the negotiation of a comprehensive, truly global, and effectively verifiable CW ban. In this connection, I am proud to have presented to the Geneva Conference on Disarmament (CD), in 1984, a U.S. draft treaty to ban chemical weapons, which remains the basis of the CD negotiations for such a ban. The United States is also working to stem the proliferation of CW and to restore respect for and strengthen the norms against illegal CW use. The Paris conference on chemical weapons use, held in January, was a helpful step in this regard.

In the conventional area, new negotiations on conventional armed forces in Europe will begin in Vienna in March. At present, the Warsaw Pact has a more than 2-to-1 advantage in tanks and artillery over NATO. While I welcome the recently announced Soviet conventional reductions as a step in the right direction, even with these cuts, Warsaw Pact forces will still retain substantial conventional superiority over NATO. Redressing this military imbalance in forces will be a prime objective of NATO at the upcoming talks.

In the START talks, U.S. and Soviet negotiations have made solid progress, including the development of the outline of an effective verification regime, an absolute necessity for a successful START agreement. While the strategic arms reduction process will be a major focus of my administration's review of U.S. arms control positions, the United States is committed to working toward a START agreement which will improve strategic stability and reduce the risk

of war.

As to the Strategic Defense Initiative, it is an important program which is designed to contribute to stability. We will continue our research in this area to help us understand how and when we might move in the direction of a greater reliance on defenses.

Korean Peninsula

Q. As the two parts of Korea are prepared to hold high-level talks, the protracted tensions on the peninsula seem somewhat relaxed. So, do you think the time is coming for the United States to respond positively to the DPRK's demand for the withdrawal of U.S. troops from South Korea?

The President. I am encouraged by regional trends affecting Korea, particularly China's positive role in seeking reduced tensions on the peninsula. While the atmosphere has improved somewhat, hard realities remain. North Korea has a very large standing army stationed well forward. It would be far too optimistic at this time to suggest that tensions have been reduced to the point where the deterrence provided by U.S. forces in Korea is no longer needed. At the request of the Republic of Korea, our forces are in Korea to deter aggression from the North. They will remain as long as the Government and the people of South Korea want us to remain and as long as we believe it is in the interest of peace to keep them there.

Regional Conflicts

Q. Thanks to the efforts made by the parties concerned, some hot spots in the world are cooling off. As a result, the world public opinion is focusing its attention on the Middle East and Central America, where the United States has remarkable influence. Do you intend to make some readjustment to the U.S. policies toward these two regions and more actively make use of your influence to help promote early and just solutions to the problems there?

The President. The United States continues to seek a just solution to conflicts in Central America, based on democracy, respect for human rights, and security. In El Salvador, the popularly elected government of President Duarte has worked, with our support, to institutionalize democracy, despite an organized military assault by Communist forces. There has been considerable success in curbing human rights abuses from the far right and within the military. We will continue to support the Government of El Salvador in its efforts.

In Nicaragua, the Sandinistas still seek to consolidate their totalitarian control and regional hegemony. The press and church remain harassed. Political opponents are jailed. And the economy continues in a downward spiral while the Sandinistas maintain by far the largest army in Central America. A just peace can come to Nicaragua only when the Sandinistas negotiate in good faith with the democratic resistance and the civic opposition and cease to threaten the neighboring Central America democracies.

In Central America, the United States Government continues to support the Esquipulas II agreement in all of its provisions, which include provisions calling for democratic freedom of the press; labor rights; freedom for opposition groups to organize, hold meetings, demonstrations, etc. We believe that all the commitments, including those to democracy, must be complied with if there is to be lasting peace in the region. In verifying compliance with all the principles of Esquipulas II, there also needs to be an enforcement mechanism to promote adherence to its provisions, particularly concerning democracy and cessation of support for subversive groups in the region. In this regard, economic aid to Nicaragua should be conditioned on actual performance, not just on words but deeds.

The Arab-Israeli conflict is among the most difficult of regional conflicts. The United States has long been committed to a just settlement of this dispute based on the principles embodied in UNSC Resolutions 242 and 338. Our commitment to a negotiated settlement will not waver; we will continue to work closely with the parties to forge a common basis that will facilitate negotiations among them and a durable settlement.

There are also a number of difficult and dangerous problems in the Middle East. We must find a way to deal with the missile proliferation, chemical and biological weapons, the conventional arms race, as well as other conflicts, such as Lebanon and the Gulf. These are problems in which the international community can play a leading role.

Free and Fair Trade

Q. Your country is still playing a leading role in the fields of economy and technology, but the challenges from Japan and Western Europe are getting serious. How do you evaluate the challenges, and what would you do to handle them during your tenure?

The President. The Japanese and European economies are indeed growing strongly, as are the newly industrialized economies which follow free market practices. We regard this growth as a highly positive development. It has been a priority of our foreign policy since World War II to encourage the economic development of friendly countries. We take some justified satisfaction, I think, in the current success of free and open world trading and financial systems. The vigorous competition in world markets has been, and will continue to be, a driving force for the improvement of world living standards. By keeping world markets open, we will reward those entrepreneurs and managers and workers who can adapt most quickly to changing markets. I have every confidence in American business and American labor. They will handle the challenges, and we expect to continue to be the world's leading economy.

China-U.S. Relations

Q. What do you think should be and could be done to make the current Sino-U.S. relationship,

which is healthy, even better and more solid?

The President. First let me say that I certainly agree that the current state of our relationship is healthy. Both countries have come so far since my stay in China 13 years ago. We now cooperate in many areas -- political, economic, scientific, cultural, educational, and military. U.S.-China trade is booming, and U.S. companies are making a strong and growing contribution in China. Thousands of Chinese and American students and professors are involved in educational exchanges with some of the finest institutes and universities in both our countries. American tourists are visiting China by the hundreds of thousands. And perhaps most importantly, our two governments maintain a serious and cooperative dialog on a wide range of bilateral and international issues, finding that we have many interests in common.

To improve relations further and make them more solid, I think we should build on what we have already accomplished. We need to keep up the dialog between our two governments on political issues of mutual concern: global peace, regional conflicts in Asia and elsewhere, arms control, how to combat the scourges of terrorism and drugs, and the multiple threats to the global environment. We see eye-to-eye on many of these. We also need to encourage more people-to-people contacts, which have grown so dramatically in the last decade. These promote understanding and trust.

We should also seek to expand our economic relationship. The opportunities for trade and investment between our countries are enormous. We have to find ways of taking advantage of them. To do this will require efforts on both sides. Continued steps by China to make its trade practices compatible with those of its major trading partners and remove barriers to trade and investment are important if China is to expand commerce and attract capital for its modernization. For example, improvements in intellectual property protection, a less regulated trading system, and more effective legal protections for investors could have a very favorable effect. The United States, for its part, must keep its markets open to Chinese exports and continue to give China access to advanced technology needed for modernization.

Science and technology cooperation should also expand. We have developed a unique relationship in this field. Cooperation involves some of our best scientists and most advanced technical facilities and covers a wide range of important endeavors in such fields as fusion energy, public health, and the environment. Both countries have a lot to gain from these joint activities.

Cultural and educational exchanges in other fields should grow as well. A good example of successful bilateral cooperation in education is the Management Training Center at Dalian. Since the U.S. and the Chinese Governments established the center in 1980, with the help of U.S. corporations and universities, it has produced over 2,300 graduates trained in modern business and management practices. The Dalian center has become a model for other management centers in China. It can also serve as a model for bilateral cooperation in other fields.

In addition to the positive developments in our political and economic relations, I think it is especially noteworthy that friendly cooperation is also taking place between our defense forces. We are looking forward to continuing and expanding these activities in the future.

The United States recognizes that Taiwan is an important issue for the Chinese Government and people. We are pleased to see that the growing opportunities for trade and travel between both sides of the Taiwan Strait have contributed to a climate of relaxed tensions, and hope these trends will continue. The United States is committed to abide by the three communiques of 1972, 1979, and 1982, which provide a firm basis for the further development of our relations.

One final point on building relations for the future: When differences arise between us, as they inevitably will, we need to continue to approach them in a constructive spirit. If we do, I think we will build a strong foundation for bilateral ties and see expanding cooperation in new fields that will benefit both our peoples.

Note: The questions and answers were released by the Office of the Press Secretary on February 25.

Written Responses to Questions Submitted by the Yonhap News Agency of the Republic of Korea

February 16, 1989

South Korean Foreign Relations

Q. Would you tell me your views on South Korean efforts to increase economic cooperation and political relations with Socialist countries?

The President. I support these efforts. President Roh's opening to the Soviet Union, Eastern Europe, and China is aimed at fostering world peace and understanding. Today almost every country recognizes South Korea's great economic importance. I am sure more countries in time will move from economic ties to full political and diplomatic ties with the Republic of Korea.

Conference on Korean Reunification

Q. In his address before the U.N. General Assembly in October last year, President Roh proposed a six-party conference, calling for South and North Korea, the United States, Japan, China, and the Soviet Union to discuss a peaceful reunification of the divided Korean Peninsula. What is the U.S. position on the proposal?

The President. President Roh's six-party conference idea is an imaginative, forward-looking proposal. It is another example of the Republic of Korea Government's new approach of reconciliation and accommodation in dealing with peninsular political and security problems. Obviously, such a conference would require careful preparation and a cooperative attitude by all participants.

North Korea-U.S. Relations

Q. While seeking improved relations with China and the Soviet Union, the South Korean Government has asked the United States to open its doors to the isolationist North Korea, hoping that exchanges between Washington and Pyongyang will contribute to reduction of tension on the Korean Peninsula. Have you seen any fruits of progress in U.S. efforts to help North Korea to get rid of its isolationist policy?

The President. We have long supported North-South dialog as the key to peace and reunification of the peninsula. President Roh's initiatives to that purpose in July 1988 and in his October speech at the United Nations were most welcome. In the spirit of these measures, the United States announced last October 31 some new steps to encourage private academic, cultural, and other nongovernmental exchange with North Korea. We also authorized the export of

humanitarian goods to North Korea and again authorized substantive exchanges between our diplomats in neutral settings. Since then, the United States and North Korea have had substantive contacts in Beijing on December 6 and January 24. There has been greater academic exchange between the United States and North Korea as well. Several American universities plan to host North Korean scholars this year. I do not know how far these academic and diplomatic contacts will go, but they are useful first steps.

U.S. Forces in South Korea

Q. Radical Korean students with anti-American sentiment are demanding the withdrawal of U.S. troops from South Korea. At the same time, I know that there are some American experts on northeast Asian affairs who speak of a symbolic or gradual reduction of the troops. Do you envision any possibility of the troop withdrawal in the near future in light of the security situation on the Korean Peninsula?

The President. There are no plans to reduce U.S. forces in Korea. Our soldiers, sailors, airmen, and marines are there at the request of the Republic of Korea to deter aggression from the North, and their presence contributes to the peace and stability of northeast Asia. They will remain in the Republic of Korea as long as the Government and the people of South Korea want us to remain and as long as we believe it is in the interest of peace to keep them there. Our two governments periodically review the appropriate strength and composition of U.S. forces stationed in Korea under our mutual defense treaty obligations.

South Korea-U.S. Trade

Q. The United States has continued to ask South Korea to open its markets fully for more U.S. exports. The Korean people have an understanding of U.S. efforts to reduce its large trade deficits, but they think that current U.S. pressure is excessive. I would like to hear your views on trade friction existing between the two countries.

The President. Korea has enjoyed very open access to the American market, especially in cars, consumer electronics, and machinery. This has been crucial to Korea's achievement of the world's highest economic growth rate during the last 3 years. We seek access to all world markets. A free market enhances a country's standard of living. Consumers benefit from lower prices and a wider variety of goods and services. The United States and Korea have prospered together on the strength of a free world trading system. I believe it is in Korea's self-interest to work to preserve this system. Therefore, I do not see U.S. market-opening efforts in Korea or elsewhere as excessive.

President's Trip to China

Q. Your visit to Beijing will be followed by the visit by Soviet leader Mikhail Gorbachev, which

is expected in April or May, for the first Sino-Soviet summit talks in three decades. Do you have any special reasons for your decision to go to China after attending the funeral of the late Japanese Emperor? Do your discussions with Chinese leaders include the problem of the Korean Peninsula?

The President. Having represented my country in China, I have fond memories and close ties there. Barbara and I are looking forward in a very personal way to going back to Beijing. We also have important matters to discuss with the Chinese leaders. I am sure our talks will touch on issues affecting the Korean Peninsula.

Note: The questions and answers were released by the Office of the Press Secretary on February 25.

Nomination of Elaine L. Chao To Be Deputy Secretary of Transportation

February 17, 1989

The President today announced his intention to nominate Elaine L. Chao to be Deputy Secretary of Transportation. She would succeed Mary Ann Dawson.

Since 1988 Ms. Chao has been Chairman of the Federal Maritime Commission in Washington, DC. Prior to this she was Deputy Administrator of the Maritime Administration at the Department of Transportation, 1986 - 1988. She has also served as vice president of syndications for Bank-America Capital Markets Group in San Francisco, CA, 1984 - 1986. Ms. Chao was a White House fellow in the Office of Policy Development at the White House, 1983 - 1984. From 1979 to 1983, she was senior lending officer, European banking division for Citibank, N.A., in New York City.

Ms. Chao graduated from Mount Holyoke College (A.B., 1975) and Harvard University Graduate School of Business Administration (M.B.A., 1979). Ms. Chao currently resides in Washington, DC.

Remarks to Students at Washington University in St. Louis, Missouri

February 17, 1989

Thank you, Chancellor Danforth; Chairman Liberman; our distinguished Governor, John Ashcroft; and Senator Bond; Congressman Buechner here; and to your student body president, Cynthia Homan; and other student leaders that have given me this warm reception. I really am pleased to be here, and I've looked forward to sharing this occasion with you.

Mark Twain once wrote: ``In Boston, they ask, How much does he know? In Philadelphia, Who were his parents? In New York, How much is he worth?" [Laughter] But Mark Twain was a Missourian. He would agree with me that you couldn't put a pricetag on this morning. Believe me, I'm delighted to be here, back in St. Louis and back at this university of excellence; the home of the State of Missouri; the home of ragtime and aerospace, agriculture; the State whose native sons include Omar Bradley and Harry Truman and that master linguist, Yogi Berra -- [laughter] -- the State -- oh, I love to quote Yogi. Do you remember when he said: ``Let's pair 'em off in three's"? -- [laughter] -- and, nevertheless, this State whose citizens embody the best of America and know that the heart of America is good, working, serving others, hoping and dreaming.

For 136 years your excellent university has played a part in that effort. Your community has built a pioneering effort in science and math. Your teaching, research, and soaring admission applications tell a story summed up best by two words: academic excellence. But there's another side of it, another side of the story that Washington University has to tell, a story from which all America can learn. It's a story about investing in America's future, how as students and faculty, administrators and alumni, you have shown that service and voluntarism can enrich education and enrich America. You work with the Special Olympics. Sunday's Special Olympics is but one chapter in that wonderful story. And around the Nation, other chapters are being written every day. And we're writing another chapter -- trying to -- in Washington, by opening in the White House the Office of National Service, which will lead my administration's community and national service programs. And our goal is simple: more Americans helping others by effectively serving their communities and the Nation. And these symbols, these signs around this room, I think, sum up what I talk about when I talk about a Thousand Points of Light: It is neighbor helping neighbor. It is kid helping kid. It is friends holding out their hand to other friends.

From now on, in America any definition of a successful life must include serving others -- in a child care center, the corporate boardroom, in the Rotary or Little League or a tutoring program or a church or a synagogue. Our new initiative will reflect that spirit, once called America's genius for great and generous deeds. And I take special pride in our YES, our YES program, Youth Entering Service, which I proposed last fall to encourage American youth to give of themselves to help others in need. And I'm convinced that we can help alleviate many national

problems by substantially increasing the involvement of young Americans in voluntary service. And the establishment of the YES Foundation will help lead that effort. Together, we can show that what matters in the end are not possessions. What matters is engaging in high moral principle of serving one another. And that's the story of America that we can write through voluntary service.

Eight days ago, in a joint session of Congress, I proposed a budget to complement voluntary efforts to help serve the gentler impulses of mankind. I listed four national objectives: to bring the deficit down, to invest in America's future, to find solutions to an urgent set of national priorities, and no new taxes. And our budget curbs the growth of Federal spending while providing for the most vulnerable among us. It is responsive and responsible, and it will ensure a strong and stable economy. Our budget balances social concern with fiscal sanity and leaves power in the hands of the people. It shows that we can have a government with a heart as well as a head.

And when it comes to reducing the deficit, some people say it can't be done without neglecting our urgent social needs. It can be done, but it can't be done with business as usual. Next year alone, thanks to economic growth -- it's essential we keep the economic growth going in this country -- but thanks to economic growth next year alone, Federal tax revenues under existing law will rise by more than $80 billion -- more than $80 billion in new revenues under existing law in 1 year alone. And our job is to allocate these new resources wisely: to reduce the Federal deficit by more than 40 percent, with no new taxes, and yet investing in key priorities.

Budget consultations with the Congress, as some of you may have read, are already underway; and we are making progress. And yesterday I called the five congressional leaders and invited them to come to the White House for another round of budget talks next Tuesday morning. I am committed to working closely with my friends on the Hill to help them meet the target date set by Gramm-Rudman-Hollings for an April 15th budget resolution. And together, we've got to make the process work.

There are certain priorities that demand attention. And, yes, we can afford to increase spending -- modestly, selectively, but only after tough choices are made. And we must spend enough to protect our national security, and that is a chief responsibility of every President of the United States. And certainly we must not fall back on the tax-and-spend policies of the past. But programs that can work must be protected and, in some cases, funding increased. Our budget is fair to recipients, fair to taxpayers, and fairminded in its strategy. It embodies two qualities which are always in season: the common sense that Justice Learned Hand termed ``the eventual supremacy of reason'' and America's capacity to care.

Most Americans believe that in the America of the 1990's our challenges must be met in several ways -- by government, by thousand upon thousands of other institutions, and by the people themselves working together -- or they won't be met at all. The Government's contribution is

critical, but by itself is insufficient to solve all of our national problems. And yet most Americans believe that our efforts must reach beyond government to care about our communities and to assist our neighbors. I called it, in a speech earlier on, a Thousand Points of Light; and some of the columnists have had fun with that, interpreting it as a Thousand Pints of Lite. I'm surprised you didn't get that one here in Missouri. But I think people are beginning to understand what I mean by a Thousand Points of Light. And if they'd look at these signs and talk to some of you responsible for them, I think they'd understand it without contradiction. I believe that government can be an important catalyst in that process of helping individuals, helping our communities, helping our nation.

And our budget does more, for instance, for environment, more for the space program, invests almost $2.2 billion for the National Science Foundation -- a lot of that going to universities to help basic research. It increases funding for the Head Start Program and allocates $1 billion more in additional outlays to stop the deadly scourge of drugs. We have got to fight the drug fight on two fronts -- supply and demand -- to reclaim the lives of addicts who want help, educate young people about the dangers of drugs, and then enforce our laws. All this is what I mean when I speak of investing in the future.

To minority Americans, this budget says: Education means opportunity, and bigotry will not be tolerated anywhere in the United States of America. To the homeless, this budget targets $1 billion, saying: Our nation must leave no one out. To the elderly, this budget vows: Your dignity and concerns will be respected. And to the Nation's youth, the budget says: The promise of tomorrow lies in the children of today.

Consider this: We've proposed a new child care initiative. It's not going to take care of everybody. It's targeted at low-income families. We've restored and doubled the tax deduction for adopting special-needs children. We want those kids in families of love. And even more, we've made education the Gateway Arch of the Bush administration. For our pursuit of excellence is central to the future of America; and if excellence breeds achievement, then excellence must be rewarded in grade school, in high school, and in the colleges and universities of America.

Last Thursday, I asked Congress to begin a $500 million program to reward America's best schools, merit schools, and to establish a special Presidential award for the best teachers in every State. I urged expanded use of what are known as magnet schools, giving families and students a choice in education. And I proposed a new program to encourage what we call alternative certification. It is wrong if one of you guys who graduate from this school of excellence, one of you wants to go and give of yourselves to teach in some urban area in a public school -- it is wrong to have this excellence go to waste because of some hidebound restrictions having to do with too many certifications that keep idealistic young people for [from] teaching. I want to change that and have alternative certification.

We must bring more of our best minds back to the teaching profession. And through a new program of National Science Scholars, we can inspire their students, also giving America's youth a special incentive to excel in science and mathematics. In short, I wish to achieve nationally what this university has done historically: to make excellence in learning a national way of life. Education can ennoble the American story. It's the best way to invest in our future and to make this better, more selfless, and a more tolerant world.

And, yes, in some areas, I've got to confess, I wish we did have more money to spend -- key areas like drugs and education. I will candidly admit that the Federal Government could use more resources to bring to bear on these problems. But we've had to set priorities; we've had to make the tough choices. And I believe we have set the right priorities in this budget. Ours isn't the total answer, but in this budget, we've made a good beginning. And now I've asked the Congressmen to come -- the leaders to come -- meet with me and, in a spirit of bipartisanship, get on with the Nation's business of getting a quick and early resolution to this budget crisis. And now we have work to do. There are many problems that must be solved in America today, and I remain confident that our nation can solve them. But America must go far beyond the Federal budget to achieve its goals. We've got to forge strong partnerships between all levels of government and voluntary organizations and business corporations and individuals, to lend a hand and mend a wound and help the less fortunate.

Next week, Barbara and I are going to embark on a long journey. We're going to be trying to pursue peace and friendship, a journey that's going to take us across the Pacific to Japan and China and to Korea. And we go to attend the funeral of the late Emperor and to consult with the leaders of many of America's allies and friends there in Tokyo, who will be attending those ceremonies. And my visit to China is a bit of a sentimental journey to a country where I served as America's equivalent then of Ambassador 14 or 15 years ago. And several days ago, preparing for our trip, I came across these words of an old Chinese proverb: ``One generation plants the seed; another gets the shade." Think of the investments that we make in our future as America's seeds. And we can lift hearts; we can change lives. And we can shape the 1990's, just one decade before a whole new century.

It's a tall order, but it has been the American story for over 200 years. And let's write it together. And let me say in conclusion, just being here, just seeing these symbols of voluntarism, make me absolutely convinced that if we take this spirit evident in this gym here today and then multiply it by those thousands we can do the job. Let's write the next chapter together. Thank you all for this wonderful welcome, and God bless you all. Thank you very much.

Note: The President spoke at 10:33 a.m. in the university field house. Following his remarks, the President returned to Washington, DC.

Nomination of Sidney Linn Williams To Be a Deputy United States Trade Representative

February 17, 1989

The President today announced his intention to nominate Sidney Linn Williams to be a Deputy United States Trade Representative, with the rank of Ambassador. He would succeed Alan F. Holmer.

Since 1985 Mr. Williams has been a partner with the law firm of Gibson Dunn & Crutcher in Tokyo, Japan, and Washington, DC. Prior to this he was vice president and general counsel for Sears World Trade, 1984 - 1985, and vice president and general counsel for Overseas Private Investment Corporation, 1981 - 1984. Mr. Williams practiced law with a Washington, DC, law firm from 1975 to 1981.

Mr. Williams graduated from Princeton College (B.A., 1968), Harvard Law School (J.D., 1971), and Cambridge University, Fulbright Scholarship (1972 - 1974). He is married, has two children, and resides in Yokohama, Japan, and McLean, VA.

Letter to Congressional Committee Chairmen Transmitting the Report on Appropriations for Strategic Weapons

February 17, 1989

Dear Mr. Chairman:

The provisions of the fiscal year 1989 Defense Authorization and Appropriations Acts require that I submit to the Committees on Armed Services and Appropriations of the Senate and House of Representatives a report on the ``anticipated obligations for the remainder of the fiscal year 1989 for the Small ICBM, the MX Rail Garrison program, and other ICBM Modernization programs; and the purposes those obligations are intended to accomplish." Until April 3, 1989, I anticipate obligating no more than $250 million of the $600 million appropriated for the fiscal year 1989 MX Rail Garrison program.

Between now and April 3, we will be reviewing various ICBM modernization options in the context of my recently announced national security strategy review. The modernization of our land-based strategic forces has raised a number of issues that will necessitate consultations with you and other members of Congress before any final proposals are made on this critically important matter.

Sincerely,

George Bush

Note: Identical letters were sent to Sam Nunn and Les Aspin, chairmen of the Senate and House of Representatives Committee on Armed Services, respectively, and Robert C. Byrd and Jamie L. Whitten, chairmen of the Senate and House of Representatives Committee on Appropriations, respectively.

Nomination of Rufus Hawkins Yerxa To Be a Deputy United States Trade Representative

February 17, 1989

The President today announced his intention to nominate Rufus Hawkins Yerxa to be Deputy United States Trade Representative, with the rank of Ambassador. He would succeed Michael A. Samuels.

Mr. Yerxa is the assistant chief counsel of the Committee on Ways and Means, U.S. House of Representatives, and has been the staff director of the Subcommittee on Trade, since 1984. Mr. Yerxa joined the Committee as a professional staff member in 1981. From 1977 to 1981, he was a legal adviser for the U.S. International Trade Commission.

Mr. Yerxa received his undergraduate degree from the University of Washington, his law degree from the University of Puget Sound, and a master's degree in international law from Cambridge University in England.

Statement by Press Secretary Fitzwater Concerning Secretary Baker's Report to the President on Meetings With NATO Allies

February 18, 1989

The President today, at Camp David, received a report by telephone from Secretary of State James A. Baker III on the Secretary's recent trip to NATO capitals. The President will receive a personal report from Secretary Baker at Camp David on Sunday.

President Bush asked Secretary Baker to undertake this mission in order to emphasize that the North Atlantic alliance is central to our foreign and security interests. European leaders, in turn, told the Secretary that their countries are firmly committed to the alliance as the key to the continent's past and future security.

The President reviewed at length with the Secretary a variety of issues that had been discussed with the allies, including the generally shared view that East-West relations are now clearly proceeding on the basis of the West's agenda. The President expressed his conviction that NATO unity is strong and his confidence that the allies will move together in addressing the major questions of international stability. In particular, the President noted that he looks forward to meeting with his allied counterparts at an early date to further advance the Western strategy to promote world peace and security. At the close of the Secretary's report, the President expressed appreciation to him for undertaking this very important but arduous trip and complimented him on his effective demonstration to our allies of the high value we place on a closer, cooperative relationship.

The President's News Conference

February 21, 1989

Representative Bill Grant of Florida

The President. With me is Congressman Bill Grant, from the second district of Florida, and his wife; new chairman of the Republican Party in the State of Florida, my old friend, Van Poole; and our chairman of the national committee, Lee Atwater. And I just wanted to bring Congressman Grant in here to say how pleased I am that he is switching over to become a Republican. Florida is on the move. The Nation, I think, benefits from this. And Bill can answer any questions. He has a short statement, but this is good news for our party not only in Florida; not only in the South but nationally. And I welcome him to the party.

The way it will work is: I've asked him to say a few words, and then I'm going to step back in and take a couple of questions and then turn it over to Bill for follow-on. And Lee Atwater will be with him.

Congressman Grant, welcome.

Representative Grant. Thank you, Mr. President.

The President. I'm pleased you're here under these circumstances, too.

Representative Grant. Thank you very much. Well, I'm here this morning to announce that I intend to reregister as a Republican in my hometown of Madison, Florida, this afternoon. After a period of prolonged and careful deliberation, I've determined that I can better represent the values and the priorities of north Floridians in the State of Florida as a Republican.

Please understand, I've been a Democrat all of my adult life. And I want the people who've sent me to the Congress to understand that my actions are not going to change me as a person. It will not change my heritage. This action is not going to change my values nor will it change the way that I vote. I'm registering as a Republican because I can best serve the people of Florida's second congressional district in a working partnership with this President, with this administration, and with this Republican Party. I've been assured by President Bush that he will work closely and cooperatively with me to ensure that the force of his administration is brought to bear to improve the lives of the people that I represent.

I'm reregistering as a Republican because I share this party's commitment for inclusion for all of the American people. I'm reregistering as a Republican because I share the values for which the party stands. Those values include a commitment to a strong national defense, where we're assured that our friends love us and our enemies fear us; a commitment to fair and equal

opportunity for all of the citizens of our land; and an unswerving commitment to fighting the crime and drug abuse that plague our society. I believe that these values are shared by the people that I represent, and I am convinced that I can best serve them as a Republican. And I'm proud to make this announcement today. Thank you.

The President. Now, I'll be glad to take a couple of questions. As you know, we're leaving on this trip tomorrow, and there may be some on that, which I doubt. [Laughter]

Salman Rushdie's ``The Satanic Verses''

Q. Mr. President, what's your reaction to Iran's death threat against the British author Salman Rushdie? And do you think that the British allies -- or that the Western allies should impose economic sanctions against Iran in retaliation?

The President. Well, I strongly support the EC - 12 declaration in response to the Iranian threats against Rushdie. However offensive that book may be, inciting murder and offering rewards for its perpetration are deeply offensive to the norm of civilized behavior. And our position on terrorism is well known. In the light of Iran's incitement, should any action be taken against American interests, the Government of Iran can expect to be held accountable. And so, that is my view on it, and I think the EC - 12 did the right thing.

Q. How about the economic sanctions part of it?

The President. They will be discussing that, I'm sure, but I don't know where we go from there. As you know, we have certain economic sanctions. I know I'll be talking to [French] President Mitterrand, and I expect this subject will come up, and maybe others. I'm not sure exactly of the bilaterals we're having, but it'll be a matter --

Helen [Helen Thomas, United Press International], and then we'll start moving around, trying to get to the back of the room.

Q. Yes.

U.S. Foreign Policy

Q. Basically, in a way, a question about your trip: There is a widespread perception that you don't have a foreign policy, that you have permitted the Russians to move into the vacuum in the Middle East -- you were surprised on Central America -- that your go-slow attitude really says: Let the Russians grab the ball.

The President. Well, I've never heard such outrageous hypothesis. [Laughter] The fact that the Soviets -- you fail to point out that the Soviets moved out of Afghanistan; some good things

happening. I don't worry about a trip by Mr. Shevardnadze to the Middle East. I have no worry about that.

Q. That was pre-Bush.

The President. No, it happened just this week, and they're out of there. I don't worry about that. And we have a foreign policy. We are reviewing appropriately East-West relations, the way we look at South America. But this doesn't trouble me one bit. We've established and are following on with certain principles that are out there. And I think that [Secretary of State] Jim Baker, when he came back, made very clear that the NATO alliance still looks to the United States. I'll have an opportunity to discuss a lot of things as we go on this particular trip. So, I simply don't agree with that. I really hadn't ever heard such a negative approach to foreign policy.

Q. Well, what is your Middle East policy?

The President. Middle East policy is to encourage discussions between King Hussein and the Israelis and to build on the progress that has been made already. I've already said that I think it was very useful -- the changes that the PLO [Palestine Liberation Organization] advocated. Now we want to see that there's some follow-on there.

So, the policy is set. I campaigned on what the policy is, and I think it's quite clear. The question is what specific steps we take next. And I don't want to be rushing out because Mr. Shevardnadze went to the Middle East. I'd like for the first step we take of that nature, to be a prudent step. So, the principles are there, and I think we're -- you know, we've got to now flesh that out and figure out what we do specifically.

Secretary of Defense-Designate Tower

Q. Mr. President, the FBI's final, or presumably final, report on Senator Tower is now in. You are reported to have read some of it. The Senate Committee has it. I would like to know what you got from it, and also whether you have any reason to believe that the Senate will go forward -- any reason from private conversations with members of the Armed Services Committee -- will go forward with a favorable vote on this nomination?

The President. What I got from it -- and I reviewed some of the parts that related to some of the allegations against Tower -- what I got from it was that there has been a very unfair treatment of this man by rumor and innuendo, over and over again rumors surfacing with no facts to back them up. And I saw this as a reaffirmation of what I felt all along, and that is that John Tower is qualified to be Secretary of Defense. He will be a good Secretary of Defense, although the report didn't answer that. But the allegations against him that have been hanging over this simply have been gunned down in terms of fact. And so, that's positive. And I had had a little preview -- so, when I held my thumbs up, I was glad to get that report, and I hope that the Senate will move

forthrightly on this nomination. And I don't know, Brit [Brit Hume, ABC News], where it stands. I had some of the leaders down this morning, but the only one I got to talk to on this was Bob Dole. And I'd like to see it go forward, obviously.

Q. If I might follow up -- --

The President. I've never wavered in my support for John Tower.

Q. If I could follow up, sir: There is a report in the Wall Street Journal this morning that Senator Tower promoted a Federal judgeship for the son of a man with whom he had done business to his own personal benefit. And I was wondering if that was news to you, sir, or did it trouble you in any way?

The President. I never heard such a report. And you know, one thing after another, and you're telling me something I don't know anything about.

State Representative David Duke

Q. Mr. President, does this announcement by Congressman Grant this morning overcome the embarrassment to the party of the election Saturday of David Duke, a former member of the Ku Klux Klan? You came out for his opponent in the election; so did former President Reagan. What does the party do next about David Duke?

The President. Well, I'll leave that to Lee; but I strongly support what our National Chairman, Lee Atwater, has said in this matter. And maybe there was some feeling in Metairie, Louisiana, that the President of the United States involving himself in a State legislative election was improper or overkill. I've read that, and I can't deny that. But what I can affirm is: I did what I did because of principle, and Lee has done what he's done because of principle. And this man -- his record is one of racism and bigotry -- and I'm sorry, I just felt I had to speak out. But whether it helped or hurt, I don't know.

Strategic Defense Initiative

Q. Mr. President, you said during your speech to the Joint Session of Congress that your support to the Strategic Defense Initiative was unqualified; but the Office of Management and Budget Director, Richard Darman, when he briefed on your budget, said that it was conditional on the outcome of this 90-day review that's coming up. Is it or is it not conditional, and would you rule out curtailing the program to an accidental launch protection?

The President. I'm not ruling anything in or out. I have stated my support for the principle of SDI. I have not favored what some would call premature deployment, but, on the other hand, I will be very interested in seeing what this overall review comes up with. And I'm not going to

close any doors or open any in regards to this or any other systems. We're going to have to make some tough choices on defense; I'm aware of that. And so, let's wait and see what the review produces.

Secretary of Defense-Designate Tower

Q. Mr. President, back on John Tower, if we could. You said that the process has been unfair. And I'd like to ask you specifically about Sam Nunn, who some people say will now run defense policy because John Tower has been so weakened and damaged by this drip, drip, drip of allegations.

The President. I think Sam Nunn would be the first to deny that. I think he's been fair and have so stated before.

Q. So, who's been unfair?

The President. The rumors. And he's not been promulgating a lot of endless rumors that prove to have no basis in fact -- none. So, but the idea that he will run defense policy -- I think he'd be the first to say that's not true. He will be a key player in it, and I hope that he'll be able to support Senator Tower.

Q. Is Senator Tower damaged in his ability to speak out for the Pentagon now that he's had such a lengthy process?

The President. No. Anybody that's been through this ordeal will be stronger, not weaker.

Q. But Senator Nunn is concerned about these reports of Senator Tower's drinking problems. The FBI report acknowledges that the Senator apparently did have a drinking problem in the 1970's. Do you think he's overly concerned? And why are you so convinced that this won't present a problem?

The President. Because I know Senator Tower. I've talked to a lot of people that have worked with Senator Tower. I've seen the report on Senator Tower. And I see nothing in there that would make me, if I were a Senator, vote against Senator Tower. Now, Senator Nunn, he's got to reach his own conclusions, and I think he's been fair. And I think he is approaching it in a very professional manner, but I hope he reaches the same conclusion that I've reached.

Urban Violence

Q. Mr. President, Washington, DC, and other big cities have been besieged with violence lately. Do you see any role at all that the Federal Government can play to help in that area?

The President. Well, I hope so. But certainly in Washington we have a responsibility. It's a Federal city, and a lot of the funds obviously come from the Federal Government. But there isn't any easy answer to that. And yet I campaigned strongly on enforcing existing law, on being tough on criminals, on more prison space; and I think that those things all will be caught up in our new antidrug effort that I'm looking to Bill Bennett [National Drug Control Policy Director] to lead. And so, it's a complicated problem, where everybody in the country has a stake in it. Everybody should be trying to do something about it. And, yes, I think the Federal Government has a role in that.

Q. If I may follow: Is there any Federal money for it? Is this something that you really do not have the resources to attack on the Federal level?

The President. Yes, there will be Federal money, and I wish we had more.

Q. Mr. President -- --

The President. How far do we go to be democratic here? No, that's too far. Here. [Laughter]

The Middle East

Q. Mr. President, you've said in answer to Helen's question that you wanted your first step in the Middle East to be prudent. What do you mean by a prudent step? What do you have in mind?

The President. What I have in mind is: I don't want to just send somebody charging off on a mission to counter Mr. Shevardnadze's trip to see Mubarak and others. Let's do something that's going to hopefully have results. And I'm not saying we have to know that a trip by the Secretary or instructions to an ambassador are going to result in a settled policy. Everything's settled in the Middle East, but I don't want to be stampeded by the fact that the Soviet Foreign Minister takes a trip to the Middle East. So, in my view, that's a good thing.

Q. What role do you think Mr. Shevardnadze and the Soviets could and should be playing?

The President. I think it should be a limited role, and I think that's what it's going to be. And that's exactly the way it should be, and I think the people in the Middle East feel that way. But the fact that he goes there really shouldn't be bad.

West Germany and the NATO Alliance

Q. Mr. President, if the West Germans refuse to modernize short-range weapons, will that hurt the alliance in the long run and perhaps result in the denuclearization of Europe?

The President. Too hypothetical a question, Gerry [Gerry Watson, Chicago Sun-Times] for me to answer.

Q. Mr. President, I'll ask you a Japan question.

The President. Shoot.

Foreign Investment in the U.S.

Q. With the summit starting tomorrow, how do you reassure those Americans who are afraid of Japanese economic power, who think they are buying and are owning too much of the United States economy?

The President. I tell them that the Japanese are the third largest holder of investment in the United States, behind the U.K. and the Netherlands. I tell them that it is important if we believe in open markets that people be allowed to invest here, just as I'd like to see more openness for American investors in other countries. I tell them that we have to do a better job in knocking down barriers to American products in the various markets. I tell them, don't get so concerned over foreign ownership that you undermine the securities markets in this country. We have horrendous deficits, and foreign capital joins domestic capital in financing those deficits. I also tell them I have a responsibility as President in terms of our technology, in terms of our national security, and I intend to exercise that responsibility.

Secretary of Defense-Designate Tower

Q. Yes, Mr. President, I think what concerns some people about Senator Tower is the fact that he has admitted that he had a drinking problem in the seventies, and he hasn't really had any kind of treatment program or been enrolled in any kind of treatment program. What do you say to people about the potential of a relapse?

The President. I say that there is no evidence of any kind of the disease alcoholism. None, none whatsoever. And that would be something that your question is addressed to. And I'd say that I looked at the reports with this in mind, and I didn't listen to rumors; I didn't listen to mindless allegations. I was fair enough to look at the facts. And I've known Senator Tower and known him professionally and known him as a friend, and I do not think that these charges -- that are tried and then shot down and then tried again and then shot down again -- have helped the process. And so, I am not about to make a judgment on some rumor or some innuendo. And we've looked at the facts, and I think the report speaks to the fact that a lot of the charges -- most -- well, I'd say all of these charges that we've read about have been rumor, and a lot of it vicious rumor. And, so, I am convinced that he is not only capable of doing this job but will do it in an outstanding way.

Q. Mr. President -- --

Q. Can I follow up on that?

The President. How many more we got?

Mr. Fitzwater. One more.

Q. Mr. President -- --

Q. Question.

The President. Who is that voice I hear in the back? [Laughter] Could it be Sarah McClendon? [Laughter]

Q. In the back -- --

Q. Yes, sir.

The President. Sorry, it's a democracy.

Gun Control

Q. Mr. President, I want to ask you about gun control. All over the country -- --

The President. Oh. [Laughter]

Q. -- -- the parents and the people -- now don't leave me, don't leave me. [Laughter]

The President. Sarah.

Q. All over the country, the parents now are going to city hall about this. Cleveland has just had a vote. Polls are being taken. Mothers are up in arms about this. Something is going to have to be done about stopping guns. And you say you're for them.

The President. For what?

Q. You said the other day that you were not going to be for the ban on gun control.

The President. I'd like to find some way to do something about these automated weapons. I'd like to see some way to enforce the laws that are already on the books about automated AK - 47's

coming into this country. And I'd like to find a way to be supportive of the police who are out there on the line all the time. And maybe there is some answer to it, but I also want to be the President that protects the rights of people to have arms. And that -- --

Q. So, you don't want -- --

The President. -- -- so you don't go so far that the legitimate rights on some legislation are impinged on -- --

Q. Sir, that's what we said last year, but now -- --

The President. But, Sarah, look at the laws on gun control and you'll find where some of the most stringent gun control laws exist, that weapons are procured there and weapons are used there. So, you're not going to get me to do anything other than to say, Look, I'm very concerned about this. I'd like to find a way to do something about this; and we're going to take a hard look to see what we can do about it, if anything, that would be helpful. But whenever there is a crime involving a firearm, there are various groups -- some of them quite persuasive in their logic -- that think you can ban certain kinds of guns. And I am not in that mode; I am in the mode of being deeply concerned and would like to be a part of finding a national answer to this problem.

Now we've got time for one more, right in the middle. You two fight about it.

Salman Rushdie's ``The Satanic Verses''

Q. Speaking of rights, I want to ask you if it disturbs you at all that American booksellers were intimidated into taking Mr. Rushdie's book off the shelves and if you've given any thought to some sort of Federal protection to help them defend the -- --

The President. The answer is yes. And Federal protection would be to enforce the laws that exist against people doing violence. And of course, I'm concerned about that. Who wouldn't be?

Owen [Owen Ullman, Knight-Ridder Newspapers] gets to follow up, and then I'm leaving.

Q. Follow up on that.

The President. I know there's an overwhelming -- Owen has got the last question, and I got the last word. [Laughter] Just a second -- sorry.

Q. You've been asked about Iran. My followup will be on the budget.

The President. Get out of there. [Laughter] You may ruin it for everybody, because what we're

going to do then is stay with one question. I'm thinking very hard about this, and I know that there's -- no?

Q. No.

The President. Go ahead. [Laughter]

Q. Do you plan to take any unilateral action toward Iran because of these death threats? Since Karen [Karen Hoestler, Baltimore Sun] mentioned American booksellers have had to already -- as a precaution they claim -- to remove books from their shelves, there is an American connection. And you've also been slow to speak out about that.

The President. Our Secretary of State spoke out on my behalf the other day. We're speaking out here today. My view is that we are an open society. None of us like everything that's written, but certainly people should have protection of the law if they decide to go ahead and sell a book of this nature. That's the answer I'd give to it.

And as to the Iran factor, I've just laid down how I feel in terms of this case: the Imam [Ayatollah Khomeini] exhorting people to go out and commit murder.

Q. Where's Sununu?

Q. Mr. President, about the budget -- --

Q. Mr. President, Alan Greenspan [Federal Reserve Board Chairman] has just testified on the Hill that he's going to tighten credit. President Bush, Alan Greenspan has just testified on the Hill that he's going to tighten credit.

The President. I've got to go. Thank you all.

Chief of Staff to the President

Q. Where's Sununu?

The President. Has an important meeting with an important element of the Washington press, Jerry [Gerald Boyd, New York Times].

Note: The President's third news conference began at 10:31 a.m. in the Briefing Room at the White House. Marlin Fitzwater was the President's Press Secretary.

Appointment of G. Philip Hughes as Executive Secretary of the National Security Council

February 21, 1989

The President today announced the appointment of G. Philip Hughes as Executive Secretary of the National Security Council.

Prior to assuming his current duties, Mr. Hughes served as the first Assistant Secretary of Commerce for Export Enforcement, where he was primarily responsible for directing enforcement of the provisions of the Export Administration Act. Prior to joining the Commerce Department, Mr. Hughes served as Deputy Assistant Secretary for Political-Military Affairs at the Department of State from 1986, with responsibility for policy problems involving strategic trade and technology transfer. Mr. Hughes began his tenure in the Reagan administration, serving as Vice President George Bush's Deputy Assistant for National Security Affairs from February 1981 to September 1985, when he joined the National Security Council staff as Director for Latin American Affairs. Mr. Hughes served previously as Assistant Director for Intelligence Policy in the Office of the Secretary of Defense from 1979 to 1981, as research fellow in defense policy studies at the Brookings Institution from 1978 to 1979, and as assistant analyst in the national security and international affairs division of the Congressional Budget Office from 1975 to 1977.

Mr. Hughes received a B.A. in political science from the University of Dayton in Ohio; a M.A. in law and diplomacy from the Fletcher School of Law and Diplomacy, Tufts University; and a masters of public administration degree from the Kennedy School of Government, Harvard University. He is married to the former Victoria Knipper, and they reside in Falls Church, VA.

Appointment of William L. Roper as Deputy Assistant to the President for Domestic Policy and Director of the White House Office of Policy Development

February 21, 1989

The President today announced the appointment of William L. Roper to be Deputy Assistant to the President for Domestic Policy and Director of the White House Office of Policy Development.

Since 1986 Dr. Roper has served as Administrator of the Health Care Financing Administration, Department of Health and Human Services (HHS). In this position, he has directed all Federal health care financing programs under Medicare and Medicaid. Prior to HHS, Dr. Roper served at the White House, where he was Special Assistant to the President for Health Policy from 1983 to 1986. From 1977 to 1983, Dr. Roper was health officer of the Jefferson County Department of Health in Birmingham, AL, serving also from 1981 as assistant State health officer. Between 1979 and 1983, he served in several positions on the faculty of the University of Alabama at Birmingham in the school of public health, department of pediatrics, and the graduate program in hospital and health administration. On leave from his Alabama health position, he was a White House fellow in the White House Office of Policy Development from 1982 to 1983, with responsibility for health policy.

Dr. Roper was born July 6, 1948, in Birmingham, AL. He received an associate of arts degree from Florida College in 1968; a bachelor of science degree from the University of Alabama in 1970, where he was elected to Phi Beta Kappa; a doctor of medicine degree from the University of Alabama School of Medicine in 1974, where he was president of his class all 4 years; and his M.P.H. from that institution's school of public health in 1981. He is board certified in pediatrics and in preventive medicine and is licensed to practice medicine in Alabama. Dr. Roper resides in Arlington, VA, with his wife Maryann Roper, a pediatric oncologist.

Appointment of Shirley Moore Green as Special Assistant to the President for Presidential Messages and Correspondence

February 21, 1989

The President today announced the appointment of Shirley Moore Green to be Special Assistant to the President for Presidential Messages and Correspondence.

Since July 1987 Mrs. Green has been Deputy Associate Administrator for Communications at the National Aeronautics and Space Administration. Prior to this she was Director of Public Affairs for NASA. From 1981 to 1985, Mrs. Green held the position of Deputy Press Secretary to Vice President George Bush. In that capacity, she was responsible for planning and coordinating media activities for the Vice President on domestic policy, including the Task Forces on Regulatory Relief and Drug Interdiction. She also accompanied Vice President Bush to 62 foreign countries. Mrs. Green served previously as a member of the George Bush for President campaign staff in 1979 - 80, as public affairs director for the Texas Federation of Republican Women from 1969 to 1973, on the staff of Congressman Bob Price in 1967, and on the headquarters staff of the Texas Republican Party from 1965 to 1967. She was a local campaign chairman for numerous Republican candidates in Texas, including President Gerald Ford in 1976 and James A. Baker in 1978.

Mrs. Green received a bachelor of business administration degree from the University of Texas in 1956. She is a member of the American Newswomen's Association, Women in Communications, and Executive Women in Government. Mrs. Green was born December 21, 1933. She has two daughters and resides in Washington, DC.

Message to the Congress Transmitting the Switzerland-United States Social Security Agreement

February 21, 1989

To the Congress of the United States:

Pursuant to Section 233(e)(1) of the Social Security Act, as amended by the Social Security Amendments of 1977 (P.L. 95 - 216, 42 U.S.C. 433(e)(1)), I transmit herewith the Supplementary Agreement Amending the Agreement between the United States of America and the Swiss Confederation on Social Security (``Supplementary Agreement''), which consists of two separate instruments -- a principal agreement and an administrative agreement. The Supplementary Agreement was signed at Bern on June 1, 1988.

The U.S.-Switzerland agreement is similar in objective to the social security agreements in force in Belgium, Canada, France, the Federal Republic of Germany, Italy, Norway, Spain, Sweden, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to overcome the problems of gaps in protection and of dual coverage and taxation for workers who move from one country to the other. The present Supplementary Agreement would amend the original agreement with Switzerland to update and simplify several of its provisions in view of changes in U.S. and Swiss law and to simplify the method of computing U.S. benefit amounts.

I also transmit for the information of the Congress a comprehensive report prepared by the Department of Health and Human Services, which explains the provisions of the Supplementary Agreement and the effect on social security financing as required by the same provision of the Social Security Act. I note that the Department of State and the Department of Health and Human Services have recommended the Supplementary Agreement and related documents to me.

I commend the U.S.-Switzerland Supplementary Social Security Agreement and related documents.

George Bush

The White House,

February 21, 1989.

Nomination of John D. Negroponte To Be United States Ambassador to Mexico

February 21, 1989

The President today announced his intention to nominate John D. Negroponte to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico. He would succeed Charles J. Pilliod, Jr.

Ambassador Negroponte has most recently served as Deputy Assistant to the President for National Security Affairs at the White House, 1987 - 1989. Prior to this he was Assistant Secretary of State for Oceans and Environmental and Scientific Affairs, 1985 - 1987. From 1981 to 1985, he was United States Ambassador to Honduras; Deputy Assistant Secretary of State for East Asian and Pacific Affairs, 1980 - 1981; and Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, 1977 - 1979. Ambassador Negroponte was consul general in Thessaloniki, Greece, 1975 - 1977, and counselor for political affairs in Quito, Ecuador, 1973 - 1975. From 1970 to 1973, he was a staff member for the National Security Council, and served as a member of the U.S. delegation to the Paris peace talks on Vietnam, 1968 - 1969. In 1960 he entered the Foreign Service, serving in Hong Kong and Vietnam.

Ambassador Negroponte graduated from Yale University (B.A., 1960). He was born July 21, 1939, in London, England. He is married, has two children, and resides in Washington, DC.

Remarks to Armed Forces Personnel at Elmendorf Air Force Base in Anchorage, Alaska

February 22, 1989

Thank you very much, Governor Steve Cowper and Senator Murkowski; my friend, Congressman Don Young; and Lieutenant General McInerney; and all the citizens of Alaska; all the men and women of the Armed Forces in Alaska. Thank you for this wonderful turnout.

As I climbed off the airplane, I was thinking of the Inaugural Address of President William Henry Harrison. I believe it was he who spoke for 3\1/2\ hours, or close to it, caught pneumonia, and died some 30 days later. [Laughter] I will be brief. [Laughter] But I am pleased to have this opportunity, however brief, to speak here at Elmendorf to the members of our Armed Forces, their families, and to the people of this great State.

I also want to wish a belated but nevertheless happy birthday to Alaska, this great land. What you have accomplished in your 30 years of statehood is something all Alaskans can be proud of. I thank all of you again for this very warm greeting here at Elmendorf. Elmendorf has long served as the departure point for Presidents en route to the Far East. And I want it to serve as an arrival point for a President to come fishing in this great State. But as I make my first journey to Asia as President of the United States, I'm especially pleased to draw on this fantastic support and your obvious good wishes. My only regret is that I will not have an opportunity, at least on this trip, to see Alaska in all its glory. After all, there's nothing quite like the ``Fur Rondy."

I know that it's been a bitter winter, even by Alaskan standards. As one Alaskan put it, ``It's not too bad at 45 below, but 60 below takes it out of a fellow." [Laughter] I'll take his word for it. But from what I've heard, any battle between Alaskans and the elements is no contest. The cold is no match for the vibrant sense of community that all Alaskans share. We often think of frontier values, you know, as being summed up in the phrase ``rugged individualism." Now, I'm sure Alaskans possess plenty of both. But the real frontier creed, as all of you know, is the community, and that is the key. And whether it's the Alaskan Native or the families whose forebears came here generations ago or the last-arriving newcomer from the lower 48, you stand ready to welcome all into the family of Alaskans. Adverse conditions bring out the best in Alaskans. When the temperature drops, you close ranks, pull together, pitch in; and that's the American spirit at its very best, and it's an inspiration to us all.

In the minds of most Americans, Alaska is our last frontier -- vast, untamed, with plenty of room for opportunity and optimism. And at the same time, Alaska is a vital source of energy for the Nation as a whole. Alaska's abundant resources -- in all their diversity -- are, indeed, a sacred trust. But I am convinced that our natural resources can be developed without spoiling our environment. The plan to open the coastal plain of the Arctic National Wildlife Refuge meets these twin objectives. And I know, as a businessman formerly and now as President of the

United States, that we can and must develop our energy resources for the sake of economic development and particularly for the sake of the national security of the United States. There is too much dependence on foreign oil as it is. And as a sportsman, though, with a love and respect for our country's unparalleled natural beauty, I could never support development that failed to provide adequate safeguards for land and wildlife.

And Alaska, so rich in resources, also serves as the gateway to Asia. Let me speak for a moment about this trip I'm about to embark on, our trip to the Far East. I'm here on my way to Japan for the funeral of the late Emperor. It was here, as General McInerney reminded us, here at Elmendorf in Hangar 5, that he became the first Emperor of Japan's long history to set foot outside his homeland 18 years ago.

Alaskans understand that America is as much a Pacific nation as it is an Atlantic one and that the Pacific region is of great and growing importance in international affairs. The timing of my trip is dictated by the passing of the Japanese Emperor, to whom I and other heads of government will pay our final respects. It is, as well, a measure of our respect for a valued ally and a fellow democracy that I make this trip.

In China, then, I hope to build on the friendly and stable and enduring relationship that now exists. This will be my fifth trip back since Barbara and I left there in 1975 and her sixth trip back to China since we left, that long ago. And there's something more than symbolism. That relationship is fundamental in any foreign policy equation of the United States. We don't want to take our friends for granted -- be they Japan, be they China, be they Korea -- as we wrestle with the problems that face our new Secretary of State [James A. Baker III] and General Scowcroft [Assistant to the President for National Security Affairs], who's here with me today, and this President. We wrestle with the troubled areas of the Middle East, the East-West relations -- what's going to happen in Europe, how do we handle matters south of the Rio Grande? These are important policy decisions we'll be facing, important areas. But we don't ever want to neglect our friends.

And, yes, things in the Pacific seem to be going reasonably well. But we are a Pacific power, and this visit will demonstrate that we tend to stay a Pacific power. In Korea, I'll meet leaders of a nation that is rapidly joining the ranks of the world's first-tier economies, and one where democratic institutions are gaining strength each day. And at each stop, I aim to strengthen key relationships with our friends and partners in the Pacific regions.

And finally, a word to the airmen and their families who serve here at Elmendorf, the soldiers and their families who are here today from Fort Rich. As I look around this crowd -- I'm probably leaving some people out -- but let me put it this way to all the members of the Armed Services: Your service and sacrifice deserve special notice. And from this President who proudly served in the Armed Forces for several years -- many, many years ago, I will admit -- I know that your duty is demanding. But I also know that the reward is great -- the respect and the

gratitude of your country.

And make no mistake about the importance of your task. Alaska's strategic position, at the point where the Far East and the Western Hemisphere and the Arctic meet, is proof enough that the missions you perform here are vital to our national security. You're the forward edge, the cutting edge, if you will, of our national defense. And we rely on you to keep the watch and to hold the line. And your dedication and your vigilance and your sense of duty help our nation remain safe and secure. As your Commander in Chief, I salute you. And rest assured that I will do everything in my power to see that the United States continues to prosper, continues to remain strong, continues to remain free and at peace. Thank you all, each and every one, and God bless you.

Note: The President spoke at 9:47 a.m. in Hangar 5 at the base. In his remarks, he referred to Lt. Gen. Thomas G. McInerney, Commander of the Alaska Air Command. Following his remarks, the President and Mrs. Bush traveled to Tokyo, Japan.

Nomination of John E. Robson To Be Deputy Secretary of the Treasury

February 22, 1989

The President today announced his intention to nominate John E. Robson to be Deputy Secretary of the Treasury. He would succeed M. Peter McPherson.

Since 1986 Mr. Robson has been dean and professor of management, school of business administration, at Emory University in Atlanta, GA. Prior to this he was a member of the U.S. Aviation Safety Commission, 1987 - 1988. He was president and chief executive officer for G.D. Searle & Co., 1984 - 1985; executive vice president and chief operating officer, 1983 - 1984; and executive vice president, 1977 - 1982. He also served as chairman of the U.S. Civil Aeronautics Board in Washington, DC, 1975 - 1977. From 1970 to 1975, Mr. Robson was a partner and member of the executive committee for the law firm of Sibley and Austin in Chicago, IL, and Washington, DC.

Mr. Robson received his B.A. degree from Yale University and his J.D. degree from Harvard University Law School. He served in the U.S. Army, 1955 - 1957. Mr. Robson is married and has two children.

Nomination of Robert R. Glauber To Be an Under Secretary of the Treasury

February 22, 1989

The President today announced his intention to nominate Robert R. Glauber to be an Under Secretary of the Treasury. He would succeed George D. Gould.

Dr. Glauber is currently a consultant to the Department of the Treasury in Washington, DC. Prior to this he was chairman of the advanced management program and a member of the finance department at Harvard Business School. Dr. Glauber joined the Harvard faculty in 1964 and became a full professor in 1973. He has also served as a visiting professor at Stanford University's Graduate School of Business. Dr. Glauber also served as Executive Director of President Reagan's Task Force on Market Mechanisms (1987 - 1988).

Dr. Glauber received a bachelor of arts degree from Harvard College and his doctorate in finance from Harvard Business School. He was born March 22, 1939, in New York City. He is married, has two children, and resides in Arlington, VA.

The President's News Conference in Tokyo

February 24, 1989

The President. I've got to get a ruling on whether this is a -- this is not a photo op. This is what we call a press availability, and I'll be glad to take two or three questions -- not many because we're late. But let me make a little comment, if I might, Helen [Helen Thomas, United Press International]. And then I'll be glad to take questions. This has been a very moving day in a lot of ways, and I simply want to thank our Japanese hosts, who managed this complicated logistics and put on a marvelous pageant in honor of the late Emperor, beautifully staged and beautifully carried off, on schedule, working against the elements, but nevertheless with a dignity and a ceremony that was appropriate. And I have great respect for what they did and the way in which they did it, and I am proud to have represented the United States of America here today.

Now, Helen.

Secretary of Defense-Designate Tower

Q. Well, on the question of Senator Tower, it looks like he's going down the drain. Are you going to continue to back him, or do you think he ought to pull out?

The President. I'm going to strongly continue to back Senator Tower, and I do not believe he is going down the drain. Nobody has challenged his ability and knowledge to be a good Secretary of Defense, and I'm hoping that the debate that will follow next week will clear up any questions that the Members at large may have. And so, I wish the committee vote had been different, but I have not considered any options. I stand strongly with John Tower. I know of nobody else whose knowledge in defense matters can equal his, whose knowledge of how the Hill works can equal his? So, he is my choice, my only choice, and I am standing with him.

Q. Do you still think Sam Nunn [chairman of the Senate Armed Services Committee] was fair?

Q. Why would the end result in the Senate be any different than the result in committee?

The President. Because I think they're going to have a lively public debate in the Senate.

Q. What plan do you have, sir, for trying to bring that debate around to your side?

The President. Well, I think the Republican leaders -- Bob Dole is already contemplating what to do on the Senate floor, but he knows, because I've talked to him, that when I get back -- and I will be back before the vote -- he knows that I will do whatever I can to talk to individual Members and have them know how strongly I feel about it and hopefully persuade some who have looked at evidence so far and may have a different opinion. So, there's no animosity; it's

simply a question of fighting for something I believe in.

Q. Is this purely politics in your opinion, and is Sam Nunn responsible for this personally?

The President. I wouldn't say that.

Q. Do you still think he's been fair?

Q. Is it party line? I mean, is it partisan? Is it politics?

The President. Well, is it party line when all Democrats voted one way and all Republicans voted another? I suppose without acrimony it could be said that that was a party line vote. But do I suggest that there's no chance to pick up Democrats next week? No, I don't. I believe that I can do that, and I believe that the Senators that are for it -- --

Q. You haven't got them yet.

Q. Is the honeymoon over, Mr. President?

The President. No, the honeymoon's still going fine, and I'm not going to get total agreement on every issue. I hope I can get agreement on this question. But I've never expected -- nobody's suggested they were going to do it just my way. But this one's important; it's important to our country. And I want somebody in that Defense Department that has Tower's expertise and who knows the defense mechanism as well as he does, and he's the only one that comes to mind.

Q. Mr. President, why would there be such a difference -- interpretation between -- --

Q. -- -- Senators to break with Sam Nunn?

The President. I don't know. Go ask the people that voted. I'm halfway around the world.

Q. Don't you risk an even more damaging defeat by taking it to the Senate -- --

The President. I don't look at it as defeat or victory. I look at doing what's right, supporting somebody I believe in and looking at the facts. And that's exactly what I'm doing.

Q. Do you still think Senator Nunn has been fair?

The President. I am not going to challenge Senator Nunn's motives at all. I never have, and I've never expressed anything other than my strong support on the merits after reviewing the information for Senator Tower. And that's the way I'm going to continue to do this.

Q. Have you talked to Tower at all?

The President. Since I've been over here?

Q. Since the vote.

Q. Well, since all of this has happened today.

The President. I talked to him the day before we left, but I haven't talked to him since then.

Q. Senator Nunn says that -- --

The President. I've got time for one or two more, and then I've got to go clean up and warm up and go to the next reception and keep working this diplomacy that I thought you all would be interested in.

Q. How much of a problem -- --

Q. Senator Nunn says that Tower -- --

The President. Wait just one minute, I'll just be right over there. Can't see, but I'll be there.

Q. How much of a problem has the delay in getting Senator Tower or somebody to run the Defense Department created for your review of foreign policy and your conduct of foreign policy?

The President. Well, the review is going forward. I would like to have the Secretary of Defense in place. There's no question that the Department needs a new leader. But it isn't interfering with our challenge to the Department to participate in these reviews. In fact, we've ordered a certain number of reviews -- they're going to be started. But I'm not going to mislead you. I want my Secretary of Defense in place to further these reviews, to enhance the studies that are going forward, and to have our input on these studies, to input the person that I select to be Secretary. In the meantime, I'll have to credit Will Taft, who I told the other day, I said, ``Will, you are doing a very good job, and it isn't easy." But he is doing -- yes, Lesley [Lesley Stahl, CBS News], and then please, I must go forward.

Let me get down here so I can hear this.

Q. Thank you. Senator Dole said that this vote was a real kick in the teeth to you while you're off representing the United States abroad. Do you see it that way?

The President. I see it as the Senate expressing themselves. And inasmuch as I want this man confirmed, I can't say it's a pat on the back. But on the other hand, I have no acrimony about it. I'm convinced that when the Senate gets into full debate on this that reason and logic are going to prevail. And so, I can't say I'm happy with what the committee did because I would like to have seen the same kind of approval given John Tower's nomination that was given to [Secretary of Health and Human Services] Lou Sullivan. It was widely reported that Dr. Sullivan was in serious trouble -- I've seen that over and over again. And he gets universal approval, one abstention -- very good, and I thank the Senate for that.

Now I hope that they give this due deliberation in the full Senate and they do what's right. In this instance, I think approving my nominee is right. But I have no acrimony, and I'm not going to be drawn into name calling or a political accusation here. I'm not going to do that. I've got to work with the Senate on a lot of issues. But I want them to know how strongly I feel. And I feel it's not a personal win or lose; it's what's right: who best to run the Defense Department. And that's what's at stake.

Q. Aren't you whistling in the dark?

The President. And I'm going to win this battle.

Q. Mr. President, so much of this seems to depend on different interpretations of that FBI report.

The President. It does.

Q. Obviously that'll be a factor in the Senate debate. If you see it as being in your favor and your side's favor in this, is there anything you can do to make that public, sir?

The President. Well, I'd like it to be as public as possible, the debate, because I think then there will be plenty of Senators that will want to defend Senator Tower against these allegations which I feel have been -- and I'll use the expression again -- ``gunned down." Now, clearly some have looked at the evidence, and I'm sure in their opinion they differ with me on that. But that's what a good, lively debate can do on the floor. And Senator Tower is entitled to that kind of debate on the issues -- not on hearsay. Nobody will be able to sustain an objection based simply on hearsay or on some rumor. So, that's why I look forward to a fair, open debate. And let the Senators who've made up their minds in opposition to what I'm advocating spell out for their constituents and for the country why they feel as they do. And I expect others will stand up and take a different side. That's what our process is all about. So, I don't fear it; I welcome it. I welcome it.

Q. If that report is still secret, though, sir, how are people to know who is right about it?

The President. Well, it's not secret from the Senators, and how much they refer to it, I don't know. We'll have to look into that when I get back, Brit [Brit Hume, ABC News]. I don't know

what the ground rules are on how much people can refer to those reports. But the more open it is, the better I like it. Now, whether what precedents are set, I'd have to think very carefully about that. But we're not worried about this debate.

President's Physical Condition

Q. Are you tired?

The President. I thought I'd be more tired. No, I feel like a spring colt, ready to charge.

Q. Ask us.

The President. No, now come on! [Laughter]

Note: The President's fourth news conference began at 6:30 p.m. in the U.S. Ambassador's residence.

The President's News Conference in Tokyo

February 25, 1989

The President. I have had an extremely useful set of meetings with leaders familiar with the problems and prospects of the major geographic areas of the world. And as all of you are aware, international affairs have entered an extraordinarily interesting period, a period of fluidity in which several regional problems -- Afghanistan, Cambodia, Angola, the Middle East, to name just a few -- have renewed prospect for resolution. Many of the parameters of these complex regional problems are in flux. And therefore, it is important to converse with the men and women who are the most influential leaders on the scene.

I enjoyed meeting with the European leaders. During my lunch with President Mitterrand and in discussions with President Cossiga of Italy, with the King of the Belgians, with President Soares of Portugal, King Juan Carlos of Spain, the President of the Federal Republic of Germany, Prime Minister Ozal of Turkey, I emphasized that our relationship with Europe and the North Atlantic alliance remains central to our foreign policy and our security interests. And they all assured me that their countries shared this strong commitment to the alliance and considered it the key to their past and their future security.

The meetings with the Presidents of Egypt and Israel and with the King of Jordan form part of a larger effort to bring peace to the Middle East. And I made clear the continuing readiness of the United States to facilitate this effort in a manner that's consistent with the security of Israel and the security of our Arab friends in the region as well. We discussed what new opportunities may exist for our diplomacy, the importance of moving forward to take advantage of the positive elements in the current situation.

The meeting with Prime Minister Bhutto of Pakistan, an important new leader, addressed a number of important issues, including our common interest in promoting Afghan self-determination in the aftermath now of the Soviet troop withdrawal. The emergence of democracy in Pakistan is something that we Americans all salute. Consistent with this development, we also discussed what might be done to promote greater prosperity and security in south Asia and particularly between Pakistan and India.

With the President of India we talked about the good nature of our relationship and the opportunities for improving the climate of peace in the region. He expressed to me his interest in the talks that their Prime Minister has had with the Prime Minister of Pakistan.

In my discussion with Prime Minister Chatichai of Thailand, with Lee Kwan Yew of Singapore, and President Corazon Aquino of the Philippines, we had a chance to talk about the latest developments in the area, with particular emphasis on Kampuchea, on Cambodia. What remains clear from these discussions is the absolute requirement that we maintain ASEAN [Association

of South East Asian Nations] unity and support for a political settlement in Cambodia featuring an interim government led by Prince Sihanouk, with whom I'll be meeting, I believe, in China -- I believe that's set. The goals as ever are twofold: full and permanent Vietnamese withdrawal from Cambodia and the permanent prevention of a return to power by the Khmer Rouge.

I also met with President Mobutu of Zaire. We discussed important economic issues and the new prospects for peace and self-determination in Angola and Namibia. I'll shortly be discussing the problems and opportunities of development with the President of Brazil, President Sarney, and the President of Nigeria -- I'll be meeting with him in just a few minutes.

Throughout all of our discussions on a variety of issues, I found a shared sense of satisfaction that East-West relations -- they all were interested in this -- that East-West relations are now clearly proceeding on the basis of an agenda favorable to the United States, its allies, and its friends. And as a result of my discussions, I feel more confident than ever that we and our allies will move together to promote global peace, prosperity, and security. And in all these sessions, though highly concentrated, have been very useful to me overall and have provided me with an opportunity to exchange views with many of the most important world leaders.

And then, I should add, Barbara and I and Secretary Baker had an opportunity to pay our respects just now to the new Emperor and to express to him our pleasure at being here. It was right and proper that the United States be represented in this way and to give, in a personal sense, our condolences to him, to the Empress, and to his family.

Now I'd be glad to take some questions.

Secretary of Defense-Designate Tower

Q. Mr. President, back home, the burning issue clearly is the nomination of John Tower. I understand you're going to be doing some personal lobbying when you return. With whom are you going to meet? What could you possibly tell them that they haven't heard already? And isn't this too little, too late?

The President. No, it's not too little, too late. The matter will be decided on the Senate floor. I think everybody knows I am committed to John Tower. There is no fallback; there is no option. And I'll be talking to whomever has any kind of an open mind on this question. I'll do it personally, and I'll do it as forcefully as I can. And I will encourage people to look at the facts. I heard some comment yesterday about, well, there were these perceptions out there. That's not enough. That's not a fair enough or a high enough standard when it comes to the confirmation of an important nominee of this nature. So, I have made some calls. And I will be talking to whoever, as I say, remains openminded. We'll just work our way across here.

Q. Mr. President, on the FBI report, did you think that Mr. Tower does not have a current

drinking problem? Is there any way of getting that out into the public? Are you talking about a sanitized version that you would release to the public, or maybe an unsanitized version? There's this problem of confidentiality.

The President. Well, that is the problem. And people that were asked to give interviews were assured that that testimony or that witnessing or whatever you want to call it would be confidential. And so, that presents a real problem. It doesn't present a problem for individual Senators to go take a look at the report. But in terms of your question, I had hoped there was some way of sanitizing or something, and maybe there still will be. But I was reminded that confidentiality is vital here and that the people who have been interviewed have been guaranteed such confidentiality. And I think in the long run the process is best served by that. But in short run, I would like to see every Senator personally take a look and not make up his or her mind on perception, but to do it on reality. And that, I think, is only fair.

Q. Mr. President, another subject.

The President. Hooray!

Interest Rates and Inflation

Q. I thought you might enjoy it, but we'll see. The Federal Reserve has increased the discount rate again. I'm wondering if you still feel that you and Mr. Greenspan [Federal Reserve Board Chairman] are not that far apart on how to solve our economic problems and if you think this move is going to begin to hurt your effort to reduce the deficit.

The President. Well, obviously higher interest rates are not helpful in deficit reduction. But what I would say is, this argues even more forcefully than I've been able to argue that we need to get an agreement on the budget. The sooner we get an agreement with the Senate and have the country have a budget agreement, you will see an amelioration or a lightening up on these interest rates. So, that is the only positive thing. It sends a strong signal. Let's get on with solving the problem of how we're going to bring the deficit down.

I don't think Greenspan and I are far apart. I talked to him -- what was it, just the day, I think, before we left, we talked about this. He was more concerned about, I think -- although I haven't talked to him personally on this part -- with the last CPI figures. But I don't think you can make a judgment on one month. I've gone back and looked over the ups and downs on the CPI. But look, if he's right on inflation, his concerns -- if they're a little more than mine, we should be alert to that. But I gave you my reasons on why I am not overly concerned about inflation, and I haven't changed my mind on that.

Q. The markets think we should raise the rate even more. Would you support that?

The President. I don't know that the markets think that at all.

Secretary of Defense-Designate Tower

Q. Mr. President, back on Tower. It seems to come down, really, sir, to a contest between you and your clout on this issue and that of Senator Nunn [chairman of the Armed Services Committee]. Obviously, you can't be happy with Senator Nunn's vote or his statement yesterday. And I was wondering if there comes a time, sir, when you think you might have to come out and criticize him, indeed, perhaps attacking the record for which you must feel is an unfair approach to your nomination.

The President. I don't see any point in making this personal. I have enough respect for Senator Nunn to know that he is not pursuing a frivolous course in this matter at all. And I know everyone would like to see a great confrontation and love to hold my coat and maybe hold his as we get into a big brawl, but there's no need for that. I want to talk on the merits here and encourage Senators, all of them, to take a look at the facts, not at the rumor, not at the innuendo; and therefore, there's no point getting into a fight. We're going to have to work together on a lot of other issues.

This one is important to me. And there is no pulling back as far as I'm concerned. And I have made up my mind firmly, and I'm going to fight it right through to the end. But I'm not going to then jump off and start hurling charges against any Member of the United States Senate with whom I will work constructively in the future. But I would simply ask that everybody review the evidence, and I expect Senator Nunn feels he's done that. And now I would appeal to every other Senator to do just that.

Q. Doesn't that create the possibility that Members of the Senate will see that it is not possible to attack your nominee and, indeed, you indirectly and pay no price for it?

The President. No, I don't think it raises that at all. This is just the beginning.

Q. What do you think the prospects are of winning this battle, and hasn't it really thrown a cloud over your Asian trip? They say this is the second time you've been shot down over the Pacific. [Laughter]

The President. An interesting analogy. [Laughter] I think people that are serious students of foreign policy and are interested in foreign policy objectives are not going to view this trip in the context of the flap over the John Tower nomination. I think there's much more serious points in foreign policy to be made, and if it's beclouded by some political battle back home right now, so be it. But what we're doing is laying the groundwork for the security interests of the United States, for the mutual interests of a lot of our bilateral relationship. What we've done is reemphasize the importance we place on the Japanese relationship. We're going to have, I'm

sure, fruitful discussions in China. So, I think what we're talking about here -- this turmoil over Tower and the nominating process there -- will give way, whatever the result, to the importance of this mission and the talks we've had.

Q. Do you have a head count? Do you have any possibility of winning?

The President. Well, I wouldn't be in a fight that I felt we were going to lose.

Interest Rates and Inflation

Q. Mr. President, you've said that what's happened to the interest rate sends a strong signal that we need to go down and address the deficit problem. How much danger is there, sir, that the tightening of credit will choke off economic growth and throw the economy into recession?

The President. Well, I think that Chairman Greenspan would be very wary of an interest-rate policy that would choke off growth. He is not antigrowth in order to kill inflation. That is not the Greenspan position. So, I am not worried about that. But I can't say I'm happy about the rise in interest rates. But I don't want to overstate his position, on the other hand.

Human Rights

Q. Yes, Mr. President, the U.S. has been very firm with the Soviet Union in recent years on human rights issues. Do you intend to be equally firm with the Chinese? And are you taking a list to them of dissidents? And whose cases are you interested in?

The President. I think our position is so well known to the Chinese -- indeed, they have had an opening, a glasnost, if you will, that I wouldn't have thought possible, and -- you know, if you set the clock back to when I was Ambassador there -- whether there's any specific list, I'm not familiar with that right now. I'll be briefed on the approaches we'll take as we fly to China. But I think both the Soviet Union and China know of our commitment to human rights. And it is beholden on any American President to reiterate our commitment to human rights.

Secretary of Defense-Designate Tower

Q. Mr. President, you seem quite committed then to Senator Tower in your support. But some other White House staffers seem a little bit less strong in their support. Last night, for instance, Secretary Baker gave an interview, and he said he supposed that you would go to a full floor fight. Are some of your aides suggesting to you it's time to pull the plug, that the political costs are too great to continue this?

The President. No, and obviously Secretary Baker is not. And he can speak for himself, which he does very eloquently. And so, I think you ought to be careful about interpretations. And if

you would put a name next to some of my staffers who are feeling this, I would like to kick some serious -- [laughter] -- hide on this question because I am committed. And I saw some stories out there that staffers are known to feel this and that. And I'm calmer now, Ann [Ann Compton, ABC News], than you remember from the campaign, and I'm going to remain that way. It's a whole new feeling inside. But I must confess to a certain irritation when I see comments like that that I think have no validity. Obviously, some that print them think they have validity, but let me at them. Let me at the staffers that say that. They will be history; they will be looking for another line of work. But I can't ever find them.

Q. Let me just follow up by asking: Do you have any members of your staff -- advise to you not to continue the fight for John Tower?

The President. Not one single member of my staff has said that. And maybe that's because they know how strongly I feel, but I don't think so. I think they all agree. I mean, I know all our top-level people agree that this is a fight that is important to wage, and it's one that I perceive it to be on the merits, on principle, not on rumor, not on innuendo. We cannot have a matter of this seriousness decided because, well, there used to be the perception of this or that. That isn't good enough now. It isn't fair enough. And so, I don't know of any staffers that feel that way. And yet I'm sure you have your sources, but please tell me who they are.

Q. Does that mean if Tower said, Enough, I'm worn out, that you would indulge him on -- --

The President. He's not going to do that. And I don't go into such far-fetched hypothesis.

Jerry [Gerald Boyd, New York Times]?

Emperor Hirohito's Funeral

Q. Mr. President, I'm just curious whether you, as a World War II veteran who was shot down not all that far from here, felt any sense of unease yesterday appearing before the coffin and bowing before the Emperor and the new Emperor?

The President. No, I didn't. And I can't say that in the quiet of the ceremony that my mind didn't go back to the wonder of it all, because I vividly remember my wartime experience. And I vividly remember the personal friends that were in our squadron that are no longer alive as a result of combat, a result of action. But my mind didn't dwell on that at all. And what I really thought, if there was any connection to that, is isn't it miraculous what's happened since the war. And I remember the stories, in reading as preparation for this visit -- the visit of MacArthur and the former Emperor here. That was historic, and that set a whole new direction. And MacArthur's decision at that time proved to be correct in terms of Japan's move towards democracy.

And so, I honestly can tell you that I did not dwell on that and didn't feel any sense other than my mind thinking of personal relationships and things of that nature, but nothing to do about whether it was right to be here. I was certain from the day that I committed to come here that this was correct for the United States. And perhaps having been in combat in World War II, maybe the decision was more correct; maybe it was more profound to be here. It leaves out my experience.

I'm representing the United States of America. And we're talking about a friend, and we're talking about an ally. We're talking about a nation with whom we have constructive relationships. Sure, we got some problems, but that was all overriding -- and respect for the Emperor. And remember back in World War II, if you'd have predicted that I would be here, because of the hard feeling and the symbolic nature of the problem back then of the former Emperor's standing, I would have said, ``No way." But here we are, and time moves on; and there is a very good lesson for civilized countries in all of this.

Middle East

Q. Mr. President, you referred in your opening statement to your talks with Middle East leaders and new opportunity as a positive element in the region. Can you elaborate on that and perhaps tell us when you conclude your review when you're going to take some -- --

The President. In which area are you talking about?

Q. In the Middle East?

The President. In the Middle East? Sure. You mean, what I see as positive in there? Well, I think the whole acceptance by Arafat of the conditions for talks is positive, and I think that is seen as a very positive signal in the Arab world. And I think that there's a recognition in the part of Israel that with the Intifada and the difficulties on the West Bank that something needs to be done. And I think there's a readiness on the part of other Arab States to get serious about negotiation and discussion. And I think Egypt's new standing in the area is a very important ingredient that could lead to where they could be more of a catalyst for peace. So, all of these are ingredients that I think offer opportunity. And I think everybody understands that before we just go rushing out to do something for the sake of doing something that we take a step that is prudent.

I've been in this job for 1 month, and this problem has been there for year after year after year. But when I talk about the underlying potential for peace, I think that's widely accepted now. There's still some very tough elements. You've got some radical elements in what I would say the far left of the PLO. You have a couple of countries that have not been overly constructive towards the peace movement. But that's overridden, it seems to me, by these elements that I've just described.

Interest Rates and Inflation

Q. Mr. President, you keep on saying that you and Mr. Greenspan aren't that far apart on inflation, but he keeps on nudging up interest rates. Do you think it would be advisable if the two of you got together and sat down and hashed this out?

The President. Well, we have gotten together; we haven't hashed it out in total agreement. He hasn't done it exactly my way, nor am I about to change what I've said. Ask him; I don't think we're far apart at all. We've got a little difference of interpretation at this point as to how you read the indicators on inflation, and that's the only difference we've got. We share the common objectives of needing to get the deficit down. And I still maintain we are not far apart. And I think where we have total agreement is -- regardless of what the Fed has done and regardless if I would have done that or not had I been the independent Chairman of the Fed -- we have total agreement that we need to get the budget deficit down and that that itself would be the best way to lighten up on these interest rates. So, the areas of agreement far outweigh the nuances of difference, in my view.

President's Health

Q. How do you feel?

The President. Feel all right. I've done my exercise every day. I didn't go running, but they had a bike over there, and I've been pedaling on that thing, which is very important. It really makes a difference in how I feel. I'm looking forward to the next stop on this trip. And I know that there's been a preoccupation. You've got editors, and you've got interest at home. But I'm telling you we've laid some good groundwork here. I think the Secretary of State feels that way. I think General Scowcroft, [Assistant to the President for National Security Affairs] feels that way. And that'll help us as we move along. It'll help our country as we move along now and go down the road. So, I'm encouraged so far, these talks we've had. And I'll get back and get into the fray on this other matter that seems to be overriding.

This better be the last because we have another meeting in 4 minutes.

China-U.S. Relations

Q. You said you wouldn't believe the opening that has occurred in China when you were the U.S. Envoy there. How does it feel to be back as President of the United States?

The President. Well, I don't know. But I'm looking forward to it. This will be my fifth visit back since leaving China and Barbara's sixth. And I am told that the Chinese leaders are looking forward to this return visit. I'm excited about it, and I think that the relationship with China is strong. We obviously have differences with them, and they'll have something to say about that,

I'm sure. I know I will marvel at the changes. I did on the last visit, and people have told me that just in the last 2 years there's been even more change. There is an openness in China today that I never would have predicted 15 years ago, and I can't wait to have the discussions with these top leaders because this relationship is very important. And we spend a lot of time when we're back home properly worrying about and being concerned about NATO and East-West relations, in the sense of U.S. versus Soviet; but we must never neglect our friends in the Pacific.

And this visit will be a way to talk about common objectives and hammer out the difference -- working on the differences that we may have on trade or whatever else it is. But we've passed the day on the U.S.-China relationship where anyone talks about ``playing a card.'' That was a term that was highly offensive to the Chinese, and properly so. And our relationship, the China-U.S. relationship, stands on its own in terms of cultural exchange and trade and on common strategic interests and on the way we view most of the world -- not all of it, because we have some big differences with them on some areas. But what I want to do is to strengthen that and to build on those common perceptions and to make them understand that we will never take for granted this relationship and that we will never do anything in dealing with the Soviets that would inure to the detriment of our Asian friends, be they Chinese, be they ASEAN, be they Japanese. And that's an important point to make because we're going to have some very interesting work to be done with the Soviet Union. But I think the Chinese understand that, but I will make the point that we're not going to move forward in a way that would denigrate their interests or diminish the bilateral relationship between China and the United States, that it stands on its own. So, we've passed the days of ``playing a card'' and where only discussion with China had to do with the strategic equation -- Moscow, the United States, Beijing. And it's past that now. We want to find ways to build.

So, we talk to Deng Xiaoping about this and Zhao Ziyang and Li Peng, President Yang, and then I can talk to you later on about what we might have accomplished or what big problems remain out there. The relationship is strong, and I'd like to strengthen it.

Soviet-China Relations

Q. Are you pleased to see them drawing closer to the Soviets themselves?

The President. I have no problem with this. I said this to Mr. Gorbachev before I became President. And this visit next spring is a good thing, and it's nothing detrimental to the interests of the United States in that regard. And even if there was -- I mean, we should try to go about it in my view. But there isn't. So, if the question gets into this equation: Do you worry that the Soviets and the Chinese will get back to a Khrushchev era, almost unanimity on everything? No, I don't. There's a fierce independence in China today, and they've moved out early on in terms of market incentive and in terms of -- oh, lots of things: privatization, no more communes in their agriculture, for example. And these are dramatic changes, and they haven't fully felt the effect of these changes. Now, they have some economic problems that go with fast economic change.

Inflation is concerning them, and how you handle rapid growth is concerning them, but they're moving in this market-oriented way that we think is a very good thing.

And so, I'm not concerned, John [John Cochran, NBC News], about their going back to a relationship that was almost two against one automatically. It's not that kind of a thing anymore. And I don't think that's a concern we have.

Well, thank you all very much.

Note: The President's fifth news conference began at 10:30 a.m. in the U.S. Ambassador's residence. In his remarks, he referred to Deng Xiaoping, Chairman of the Central Military Commission; Zhao Ziyang, General Secretary of the Chinese Communist Party; Li Peng, Premier of the State Council; and Yang Shangkun, President of China. Following his remarks, President Bush traveled to Beijing, China.

Toast at the Welcoming Banquet in Beijing

February 25, 1989

Well, President Yang and Premier Li, distinguished guests, Barbara and I are delighted to be returning once again to China. I first came here in 1974 and departed at the end of 1975. And since then, including this visit, I have been back five times, and Barbara six times. And each time we come, we are fascinated by the dynamic change and growth, all of which takes place against an extraordinary, unchanging backdrop of a great culture several thousand years old.

There's a Chinese proverb that says: ``One generation plants a tree; the next sits in its shade." And there's a timeless wisdom in that. But thanks to your courageous reforms -- and I don't minimize the difficulties -- the Chinese people are planting great and sturdy trees, some of which are bearing fruit right now for this generation.

Today the people of China have more opportunities to express themselves and to make important decisions in their personal and professional lives. And your new and farsighted economic program is already improving the lives of the people, as it will for generations to come. The expansion of your international relationships is also creating new possibilities for peace, prosperity, and world leadership, and the United States welcomes the enlarged role that China has taken in the world.

When I first arrived in Beijing in 1974, it was a period when our two countries were just beginning to renew contact after almost a quarter of a century of estrangement. And it wasn't easy. There were great differences between us. But in the principles of the historic Shanghai communique, signed 17 years ago this coming Monday, we found a common basis for moving beyond those differences to find our shared interests. So, together, we helped to plant a tree, and we should keep planting trees.

We value the new relationship our two countries have established with each other. Our friendship is continuing to develop, and that's good, for a relationship must be strong enough to tackle the areas of disagreement as well as those of common interest. And it must be based on respect for the individual as well as the integrity of the states. We remain firmly committed to the principles set forth in those three joint communiques that form the basis of our relationship. And based on the bedrock principle that there is but one China, we have found ways to address Taiwan constructively without rancor. We Americans have a long, historical friendship with Chinese people everywhere. In the last few years, we've seen an encouraging expansion of family contacts and travel and indirect trade and other forms of peaceful interchange across the Taiwan Strait, reflecting the interests of the Chinese people themselves. And this trend, this new environment, is consistent with America's present and longstanding interest in a peaceful resolution of the differences by the Chinese themselves.

The United States and the People's Republic of China have also found common interest in a growing economic relationship. When I came here in 1974, our two-way trade totaled about $900 million, and now it is some $14 billion. And for this we must credit the reforms China embarked upon 10 years ago under Chairman Deng Xiaoping's farsighted leadership.

And we've seen greater exchanges in education as well, with tens of thousands of Chinese students now studying in the United States, just as thousands of U.S. scholars have studied and taught in the farthest corners of China.

And we've developed an active program of military cooperation that is forging ties of friendship between our defense establishments, even as we've found a diplomatic unity in our shared opposition to policies of international aggression and domination. Our two countries, as nuclear powers, as permanent members of the United Nations Security Council, have a special responsibility for preserving world peace. We owe it to mankind to work together for peace and international stability.

The United States has pressed forward with the Soviet Union in the arms reduction process, achieving under the INF treaty an agreement to eliminate U.S. and Soviet intermediate-range nuclear missiles, on our insistence, from Asia as well as Europe. We are mindful of the danger posed to other countries by the proliferation of deadly weapon technologies, including chemical weapons, particularly in the regions of the world that are marked by conflict.

The prospect of improved relations between China and the Soviet Union inspires hope for new progress in the search for self-determination and peace for the Cambodian people and stability for Korea.

There can be little doubt that even as the people of our two countries are watching this meeting, the world as a whole is watching the larger movement of our two great nations as we build even firmer bonds across the vast ocean that joins us.

Barbara and I have had the great good fortune to travel around your vast and beautiful land as guests of the Chinese people. We went from the high plateau of Tibet to the great city of Chengdu, where we visited the home of your Tang poet Dufu and where we later personally opened the first American Consulate in the western part of the People's Republic of China. And we then had the unforgettable experience of traveling by boat through the hauntingly beautiful and historic Yangtze, the Gorges, where we relished the history of the Three Kingdoms and could almost hear the poet Li Bo's description of ``the monkeys who screamed from the two sides without stopping." And then on to Wuhan and the first bridge to span the Yangtze, and finally Guilin and the beautiful Li River, where we saw the mountains and waters of your paintings and poetry.

Barbara and I are grateful for the friendship and kindness that we have been shown over the

years by the Chinese people. And the expanding relationship between your country and ours has been a source of satisfaction to us as well. Let us continue then to work together, to plant trees together, so that the next generation, ours and yours, can sit together in the shade.

So, please, let me ask all of you to join me and Barbara in a toast: To the health of President Yang; to the health of Premier Li; to the health of Chairman Deng and General Secretary Zhao; to Barbara's and my dear close friends here tonight; and to Sino-American friendship: Ganbei. [Cheers.]

Note: The President spoke at 8:15 p.m. in the Western Hall of the Great Hall of the People.

Remarks at Chongmenwen Christian Church in Beijing

February 26, 1989

Pastor Kan and Pastor Shi and Pastor Yin, thank you, and thank this congregation for your generosity. You have met Barbara, but I want you to meet the Secretary of State of the United States. He and Barbara and I are members of the same church in Houston, Texas, in the United States. Jim Baker here, our Secretary of State.

It is a special pleasure for Barbara and me to return to this special place of worship. We have so many fond memories of our time in Beijing and the warmth of its citizens and the hospitality shown to us; the enduring friendships we made; and, yes, the place in history that those days represented. Perhaps our most quiet and personal memory is about this church. The building is different, but the church itself is the same; the spirit is the same. Our family has always felt that church is the place to seek guidance and seek strength and peace. And when you are away from home, you realize how much that means. This church, in a sense, was our home away from home. It's a little different, though. Today we came up with 20 motorcars in a motorcade, and I used to come to church on my bicycle, my Flying Pigeon. [Laughter] But it doesn't matter how you come to church; the important thing is that the feeling is the same, the feeling of being in the spirit of Jesus Christ. And, yes, our daughter, Dorothy, now the mother of two children, was baptized in this church; and that gives us a special feeling of identity and warmth.

Today the relationship between China and the United States is good. We are launching satellites together. The students of both countries study at each other's great universities. And Chinese and Americans enjoy the cultural treasures of both nations. We compete against each other on the athletic field and in the economic arena, but we compete as friends.

Much is different since Barbara and I journeyed to Beijing so many years ago, but some things have not changed, for example, what this church has represented over the years: that sense of community, family, and faith that binds us together as friends and neighbors. And in this accelerating world, that bond is a precious bond. Sometimes our problems can seem bigger than life itself, intractable and fearsome. But I am convinced that with each other, with our faith in God, we can meet any challenge, and we will.

Thank you for welcoming us back, and God bless each and every one of you. And now Barbara and I would like to make a small presentation to this church that means so much to us. This is a bigger Bible -- [laughter] -- but it comes to you with our heartfelt thanks and our love.

Note: The President spoke at 8:30 a.m. during morning prayer services. In his opening remarks, he referred to the Reverends Kan Xueqing, Shi Zesheng, and Yin Jiceng.

Remarks to American Embassy Employees in Beijing

February 26, 1989

Well, I want to thank Secretary [of State] Baker for that warm introduction and, on his behalf and mine and Barbara's and all those traveling with us, express our gratitude to each and every one of you in the Embassy. I'm proud to be greeted by the marines, proud to have been greeted before them by several of our Chinese friends, coworkers that worked with Barbara and me right in this very house.

You know, there's something about seeing familiar, friendly faces when you walk in a place that does make you feel at home, and then to see all of you. I don't know who the admin officer is here, who runs the administrative end of things, and those of you poor, suffering souls who work with him or her -- [laughter] -- but I will simply say -- it is a her. I can't see her, but they tell me it is a she. [Laughter] Please stand up. Oh, she is standing up. Sorry. [Laughter] But let me thank you from the bottom of my heart because I know something about surviving a visit from a President. We had one when I was out here, before this was an embassy. [Laughter] And I was sure glad to see him go. [Laughter] And if that wasn't enough, we survived two from Henry Kissinger. Try that one on for size. [Laughter] You think we're bad, now, listen! [Laughter]

But to the Chinese employees here and to the families and to all -- --

[At this point, the President was interrupted by a crying baby.]

Oh, it's not that bad, kid. Wait a minute; it's going to get -- [laughter]. To all of you here, really, I did want to say my special thanks. You serve a long way from home. This relationship, as I told Chairman Deng Xiaoping and others, is vital. It is absolutely essential to the foreign policy interest of the United States and, I'd say, in our own security interests as well. And so, you're doing a wonderful job for our country, and we are extraordinarily grateful to each and every one of you. And sometimes when you're halfway around the world, you expect nobody really gives much of a damn, but I do. And I care about it because I've been a part of an Embassy once, and when you've done that you know how people pull together. I have respect for the Foreign Service. I have respect for those in the military who serve abroad. And I have respect for those in the other departments that make up a great Embassy like this. And I might say, I have great respect for this Ambassador and for what he's done in building on this extraordinarily important relationship. And so, Barbara and I give our thanks to Betty and to Winston.

We're running behind schedule, and so, we've got to go off for yet another meeting. I was looking forward to this one, though, and I apologize. And part of the reason we're late is I had to stop at the International Club. I had to see those guys that I played tennis with because I read in the paper a terrible thing. Mr. Wong -- modest man that he is, and some of you may know him -- the tennis guy up here at the club, reported erroneously that he beat me regularly in tennis.

[Laughter] And this was in the New York Times. [Laughter] And I had to stop off and talk to him about that story, and so, I apologize for being late.

But let me end by saying Barbara and I are thrilled to be back here. We've had a wonderful visit. And it is more than the symbolism; it is important that we make clear to our Chinese friends that we value this relationship, that we're going to work to strengthen it. And once again, that's where all of you come in.

So, thank you, and God bless each and every one of you for what you're doing for the greatest, the freest, and the best country on the face of the Earth: the United States of America. Thank you all.

Note: The President spoke at 1:55 p.m. at the U.S. Ambassador's residence. In his remarks, he referred to Administrative Officer Dorothy Sampas, Ambassador Winston Lord, and Mrs. Betty Lord.

Interview With Chinese Television Journalists in Beijing

February 26, 1989

China-U.S. Relations

Q. Mr. President, I'm sure millions of Chinese people are watching this program now. I wonder if you would like to say a few words to them first.

The President. Well, I do have an opening statement, but first let me thank you for this unique opportunity. It's a great honor for me to be the first American President to speak to the Chinese people in a live broadcast. And I feel as if I were talking to old friends who, while out of sight, have never, never been out of heart and mind.

Fourteen years ago, Barbara and I came to your beautiful land when I was, as you said, Chief of the United States Liaison Office. And for us, returning to Beijing is a homecoming. Our work here was a source of great personal satisfaction, a happy, challenging time in our lives. And we actually went to church here; indeed, our daughter was baptized in our faith here. And we rode bicycles down the hutongs [narrow streets] of Beijing and came to have a general feeling of affection for the Chinese people. And we knew then that the relationship that we would establish between our two nations would be a special one indeed.

And we were right. Today the bridges that started with the Shanghai communique years ago -- today that relationship has joined our peoples together in friendship and respect. And our two countries continue to weave an increasingly rich fabric of relations through our expanding trade and cultural and scientific exchange. American students study at many of your finest universities, and we welcome thousands of Chinese students and researchers to educational institutions in the United States. The understanding and friendship that these students have developed will only help to improve and deepen relations between our two countries in the years ahead.

I've spoken to the American people about a new breeze blowing in the world today. And there's a worldwide movement toward greater freedom: freedom of human creativity and freedom of economic opportunity. And we've all begun to feel the winds of change sweep us toward an exciting and challenging new century. These winds -- new, sometimes gentle, sometimes strong and powerful. China was one of the first nations to feel this new breeze, and like a tree in a winter wind, you've learned to bend and adapt to new ways and new ideas and reform.

Many challenges lie before our two nations. And together, we must find political solutions to regional conflicts. We must foster global growth. And together, in order to make life better for

future generations, we must seek solutions to worldwide concerns, such as our planet's environment, the threat to all people from international terror, the use and spread of chemical and biological weapons, and international drug trafficking. I know your leaders share with me a determination to solve these and other problems, and as President of the United States, I look forward to continuing to work closely with them as I have done in the past.

The Americans and Chinese share many things, but perhaps none is more important than our strong sense of family. Just a few weeks ago, Barbara and I were blessed by a new grandchild. And when I think of her and I think of the beautiful children of China, my commitment to peace is renewed and reaffirmed.

I am confident that when future generations of Chinese and Americans look back upon this time they'll say that the winds of change blew favorably upon our lands. Thank you for your friendship, your hospitality, and the many warm memories of this wonderful country that Barbara and I take with us as we return tomorrow to the United States. Thank you all.

Q. Mr. President, you've been in office for just a month, and many people are probably surprised that you've decided to come to China so soon. Why now?

The President. Now because, you see, I view the relationship between China and the United States as highly significant, as one of the very most important relationships that we have. And so, it has a lot to do with bilateralism, with our trade and our cultural exchanges and what I said here about the children. But it's more than that. It really has, because of China's importance and ours, a lot to do with world peace. And so, before much time went by, I wanted to reaffirm the importance that the United States places on this bilateral relationship, and I wanted to pledge to the Chinese leaders -- and I've met the top four leaders in the last day and a half -- that this relationship will grow and it will prosper. And we have economic problems, and China has some. But together we're going to solve them, and we're going to move forward.

Q. Well, this is your second day in China. How do you assess your time here? What specifically have you achieved on this trip?

The President. Well, really it's been a period to -- just in that short period of time -- to visit with the Chinese leadership and Chairman Deng Xiaoping and others -- Zhao Ziyang and Li Peng, Chairman Yang -- all of these men giving a lot of their time to explain the reforms in China, the new directions that China is taking in world affairs. We had an interesting exchange on the forthcoming visit of General Secretary Gorbachev coming here. And it is important that they understand what I'm thinking in terms of the Middle East or the subcontinent or our relations with the Soviet Union on arms control, and it's important I understand theirs. So, it hasn't been a visit that has three points on an agenda. It's a visit with a much broader perspective and a reaffirmation of a relationship that's strong.

Q. Mr. President, you know perhaps as well as anyone about the development of relations between your country and China. How would you say that relationship contributes to world peace and development?

The President. Well, I think it contributes a lot, because in the first place, we in the United States have a disproportionate responsibility for discussions on strategic weapons, for example, and we want to go forward with the Soviet Union, in this instance, on negotiations. But we don't want to do that in a way that would jeopardize the interests of any other country. And so, in that one area, we can have discussions with the Chinese, just as our Secretary of State, Jim Baker, had with the European leaders.

Another area is the economy. And we have some economic problems at home, and I wanted to assure the Chinese leaders that I am going to do my level best to get our deficit down. The Chinese people might say, Well, what in the world does that have to do with me living in Beijing or down in Shanghai or out further in the countryside? Well, the economies of the world are interlocked in a way. And if I can do my job properly, that might mean lower interest rates. And what does that mean to the average man on the street in China? That might mean that eventually his goods come to him at a lower price. So, I just come back to the fact that the visit is a chance to explore in depth the complicated international relationships and to build on this bilateral relationship.

China-U.S. Trade

Q. Well, it's said there's vast potential in strengthening both the economic and technological cooperation between China and the United States. How do we best tap that potential, and how do we overcome problems such as the restrictions on the transfer of technology?

The President. Well, in the first place, I had an opportunity just a minute ago -- I was almost late for your program because I was talking to Zhao Ziyang, a very impressive leader, about the economy and about reforms. We congratulate the Chinese leaders in the steps they've taken towards economic reform.

Now, in terms of something technical like technological exchange, I made clear to the Chinese leaders, particularly in a conversation with Li Peng, that we are prepared to go the extra mile in terms of investment, in terms of business, exports and imports. You know, when I was here in China 15 years ago, total trade was $800 million. And now, depending on how one accounts for it, we would say we would use a figure of $14 billion. So, we're going to move forward. We will advance technology to China as much as we possibly can under what is known as the COCOM [Coordinating Committee for Multilateral Export Security Controls] arrangement. There are some highly sensitive, highly sophisticated military technologies that I'm not even sure China is interested in, but that we are prohibited from exporting under the law. Having said that, we have exported some highly sophisticated technology to China, and as President, I want to continue to

do that. And that will benefit the life of the average Chinese citizen.

We're in an information society in many ways in the United States, and clearly that is going to come to China -- computer knowledge and education techniques that are coming to the average Chinese kid from computers. And we've been blessed by advanced technology, and now we want to share it as much as we can.

Q. Well, you know there are reforms in China right now -- --

The President. I know it.

Q. -- -- and the Chinese Government is trying to attract more foreign investment. So, does your administration have or plan to have any specific measures to encourage American businesses to invest in China?

The President. Well, we had a chance to talk about that here today with the Chinese leaders, and I did point out to them that there are certain things that we'd like to see China move forward on that would enhance further investment here. I'd like to see an investment treaty between the two countries of some sort -- an agreement, not a treaty but a bilateral agreement on trade. We -- like we do not just with China but many other countries -- talk about copyright and patent protection, and yet I find on this visit that China is moving forward with a new patent code and now drafting copyright legislation, which would be very helpful.

So, there are some artificial barriers. And the good thing about a visit like this is we can sit and talk to the leaders in a dispassionate way. And where they disagree with me, they will tell me, and where I disagree with them, I'm obliged to tell them. And that's what a good frank relationship can do.

But I told them that I must work to get the budget deficit in the United States now, because that does have an adverse impact on international interest rates. So, there are things that we can do, and there were things that I've asked China to do in terms of facilitating business. Sometimes I think your country is as bad as mine is on red tape. And to get the best flow of investment, China needs to do better on red tape, and so do we. It's a two-way street.

Q. Well, I've got more questions -- --

The President. Go ahead.

Q. -- -- but the time is up.

The President. Oh, dear.

Q. And I'm afraid you have another important activity right after this, so we have to end this interview right now.

Thank you very much, Mr. President. It's been a pleasure to have you here.

The President. Well, this has been a unique opportunity. And let me just conclude my part of your broadcast by again saying as President of the United States, the growing relationship between China and the United States is vital to my country. It is important to my country. And I hope it will benefit the people in China. I am confident that it will, and I know it will benefit world peace as well.

Q. Thank you very much, Mr. President.

The President. Thank you, ma'am.

Note: The interview began at 6:02 p.m. at the CCTV Studios. In his remarks, the President referred to Zhao Ziyang, General Secretary of the Chinese Communist Party; Deng Xiaoping, Chairman of the Central Military Commission; Li Peng, Premier of the State Council, and Yang Shangkun, President of China. Following his remarks, the President traveled to Seoul, Republic of Korea.

Statement by Press Secretary Fitzwater on the President's Trip to China

February 27, 1989

The President and Mrs. Bush were delighted by the warm reception in China. The entire range of Chinese leadership met with the President, showing their respect for him personally and for the United States. The luncheon hosted by Chairman Deng Xiaoping and the President's live appearance on Chinese national television were both quite unusual and underscored the Chinese appreciation for the trip.

The President feels the visit was successful in several ways. Both countries underscored their desire to move forward on bilateral issues, noting our bilateral trade level up from $10 - 14 billion, more Chinese students in the United States, a developing military relationship, and a large and growing science and technology relationship. The President expects both countries to move forward in all of these areas.

There are problems on both sides, of course. They are concerned about Taiwan and what they consider to be excessive United States export controls. In addition, we hope for more progress in human rights.

The President felt the talks on international issues went very well, especially the discussions on Cambodia. Both China and the United States agreed the liberalization of China's investment regulations is desirable, and the Chinese are pursuing this approach. The Chinese said they had completed a patent law and are working on a new copyright law, both of which are necessary to protect intellectual property rights.

The President and Mrs. Bush also shared a personal excitement about the private aspects of the trip. They were especially moved by the Sunday morning church service, the warmth of the Chinese people, and the many changes that have been made in Chinese society in recent years.

Remarks Following a Meeting With President Roh Tae Woo in Seoul

February 27, 1989

Well, President Roh and I had very useful, wide-ranging discussions. We reviewed the political situation in this part of the world. I told him about my China visit, and we had a chance to review our relations with the Soviet Union as well. We are both pleased by trends toward relaxations of tension in this part of the world. President Roh's nordpolitik -- reaching out to China, the Soviets, and Eastern Europe -- and his initiatives toward North Korea contributed importantly to these trends.

The U.S. fully supports Korea's creative diplomacy. Despite such positive policies, some hard realities remain. Among these is that North Korea maintains the world's fifth largest military force, a force deployed just 25 miles north of here. And the United States remains committed to the security and freedom of the Republic of Korea. And I had an opportunity to make that point very clearly to President Roh. Perhaps some of the confidence-building measures that we've proposed, measures that have worked well in Europe, will also be applied to the Korean Peninsula.

Besides the diplomatic and security issues, we discussed ways to strengthen the free world economic system. We had a frank discussion of economic problems -- Korea being a very important trading partner with the United States. Korea has benefited from U.S. open markets, and I think we both agree we need to move as quickly as possible to fully open markets. We must expect fair access to the markets here. And I believe that President Roh understands that.

But all and all, the trip has been too short. The hospitality has been wonderful. And inasmuch as I do not want to make the Assembly mad -- the elected leaders in the various parties that represent Korea's democracy -- we should go.

But thank you, Mr. President, very much for an unforgettable visit.

Note: President Bush spoke at 2:49 p.m. at the Blue House, the official residence of President Roh.

Remarks to the National Assembly in Seoul

February 27, 1989

Thank you, Mr. Speaker. Thank you, and I hold out my hand to you, to the Government of Korea, and to the people of Korea. Mr. Speaker and Members of the National Assembly of the Republic of Korea and distinguished guests, I am honored by your invitation to address this body today. I stand in your Assembly as Presidents Eisenhower, Johnson, and Reagan have stood before me. And I reaffirm, as they did, America's support, friendship, and respect for the Republic of Korea and its people.

As a former Member of a body like this, of the House of Representatives of the United States, I take particular pleasure in coming back to this legislative chamber, where the freely elected representatives of Korea's own democratic success story meet to debate and implement the will of the Korean people. I know there must be times when this body, just like the United States Congress, is full of noise and contention and emotion. But that is the sound of democracy at work, and we wouldn't have it any other way. As the great statesman Winston Churchill once said: ``Democracy is the worst form of government except for all others."

This is my first major address on foreign soil since becoming the 41st President of the United States of America. And my visit here today reflects the importance that I place on the relations between our two countries, the strength of our nations' ties, and the promise that our relationship holds for the future of the world. My inauguration as President a month ago represented a tradition in the United States that speaks of both continuity and change. Continuity and change will also be the guideposts of relations between the United States and Korea in the years ahead. Where change is needed or inevitable, let us be a positive force for change. Where continuity is our mandate, let us go forward, resolute in our commitment to freedom and democracy. Throughout, let our close economic and strategic relationship remain as it is: a pillar of peace in East Asia.

I first came to the Asian Pacific region during World War II, more than 45 years ago. I was a teenager, 19 years old. I was flying torpedo bombers in the United States Navy. It was then, for the first time in my life, that I truly appreciated the value of freedom and the price that we pay to keep it. Believe me, I have never forgotten.

In the early years following World War II, the future of Korea and of all Asia was very much in doubt. It was a time of great struggle between Korea's hope for freedom, Korea's hope for prosperity, and the twin menaces of war and invasion. On a June morning in 1950, the Communist army of the North smashed into the Republic of Korea, intent on destroying your nation. And without hesitation or delay, American and U.N. forces rushed to your aid. And together, Americans and Koreans fought side by side for your right to determine your own future. And I do remember the devastation of your country. Your cities lay in rubble. Your

factories were in shambles. Millions of your people wandered the streets homeless and hungry. And in 1951, in the midst of the war, General Douglas MacArthur addressed a joint session of our Congress. And he spoke of Korea, saying, ``The magnificence of the courage and fortitude of the Korean people defies description." And as he spoke those words,

our Congress interrupted him with applause, sustained applause, for you and your people.

And after the war, you overcame every imaginable hardship. History will long record your story: how in less than a generation you stepped into the light of liberty and economic opportunity. You can be proud of the miracle that you've achieved. And we are proud to be associated with you.

Today Korea is a rising nation; a vibrant, dynamic nation; a nation riding the crest of the wave of the future. And never before has the pride and the progress of your nation been more evident than last summer when this magnificent city played host to the 24th Olympic games. Nearly 10,000 athletes from 160 nations were here. Another 3 billion people watched on television. And what they saw from the moment Sohn Kee Chung carried the torch into your Olympic Stadium until the last embers of the Olympic flame were extinguished at the closing ceremonies was an incredibly spectacular sports festival. You played host to the world, and what a truly gracious host you were. Congratulations!

The past several years have witnessed the emergence of the entire Asian-Pacific region. My trip -- beginning in Japan, stopping in China, and concluding here in Korea -- stands as testimony to the reality and what it means to the future of the world. Today Asia is one of the most dynamic areas on Earth -- economically, politically, diplomatically. The Republic of Korea stands at the fore. You're a world-class economic power. Your commitment to democracy is demonstrated daily right here in this chamber. And your bold diplomacy, your nordpolitik [South Korean contact with Socialist States], is reshaping relations in and beyond the Asia-Pacific region.

In my meetings with Prime Minister Takeshita of Japan, China's Deng Xiaoping and the three other top leaders, and with you and your leaders, I've discussed challenging bilateral, global, and regional issues. And our discussions have been marked at all times by a spirit of friendship and cooperation.

I've come here today as the leader of a faithful friend and a dependable ally. And I'm here today to ensure that we continue to work together in all things. Our most important mission together is to maintain the freedom and democracy that you fought so hard to win. As President, I am committed to maintaining American forces in Korea, and I'm committed to support our Mutual Defense Treaty. There are no plans to reduce U.S. forces in Korea. Our soldiers and airmen are there at the request of the Republic of Korea to deter aggression from the North, and their presence contributes to the peace and stability of northeast Asia. And they will remain in the Republic of Korea as long as they are needed and as long as we believe it is in the interest of

peace to keep them there.

In the years ahead, we must work together as equal partners to meet the evolving security needs of the Korean Peninsula. Peace through strength is a policy that has served the security interests of our two nations well. And we must complement deterrence with an active diplomacy in search of dialog with our adversaries, including North Korea. The American people share your goal of peaceful unification on terms acceptable to the Korean people. It's for that reason that we actively support the peaceful initiatives of President Roh to build bridges to the North. And I will work closely with the President to coordinate our efforts to draw the North toward practical, peaceful, and productive dialog to ensure that our policies are complementary and mutually reinforcing.

I've spoken of the need for vigilance, strength, and diplomacy to deter aggression and preserve peace. There's another source of strength, and it is well-represented in this Assembly. The development of democratic political institutions is the surest means to build the national consensus that is the foundation of true security.

Just as we must work together to achieve better security within a democratic framework, we must also work together to achieve greater economic prosperity within the system of free and open international trade. The progress of the Korean economy is an inspiration for developing countries throughout the world. By unleashing the energies and creativity of your talented people, you've led Korea into an era of unprecedented opportunity and prosperity. Korea has become an industrial power, a major trading power, and a first-class competitor. You are fulfilling the prophecy of the Indian poet Tagore who wrote: ``Korea, once a bright light of the golden age of Asia, if it is relit, it will be the light of the East." Korea has achieved great prosperity through participation in the international trading system that has made the nations of free Asia the envy of the world. And all Koreans can take pride in what you, as a people, have achieved.

And yet we also cannot overlook that your economic success has created concern in the management of our bilateral economic relations. For the American people and for the Korean people, as well, reducing our bilateral trade imbalance will be both a challenge and an opportunity. The challenge will be to resist the calls for protectionism; the opportunity will be to expand the prosperity of both our countries. And we both, you and I, have a lot at stake. You are our seventh largest trading partner, larger than many of our traditional European trading partners, and our trade is growing. The United States is both Korea's largest market and second largest source of imports. And we're also a leading source of the investment and technology that you will need to fuel further economic growth and development.

Korea's economy has benefited greatly from the free flow of trade. And yet today, in many countries, there is a call for greater protectionism. And I'm asking you to join the United States in rejecting these short-sighted pleas. Protectionism is fool's gold. Protectionism may seem to be

the easy way out but is really the quickest way down. And nothing will stop the engine of Korea's economic growth faster than new barriers to international trade.

We've made progress in this area. American exports to Korea are up. Korean tariffs are down, and its nontariff barriers are down, too. And the service sector is opening. And let me be candid. I want you to have this direct from me. If we are to keep our bilateral relationship growing even stronger, much more needs to be done. And I am confident that our two nations working together can accomplish the tasks still before us.

As one of the world's major trading powers, the Republic of Korea sets an example for other nations who are watching what you do. As an emerging economic leader, you inevitably shoulder important responsibilities to ensure the continued strength and stability of the global marketplace. You, the representatives of the Korean people, will face the challenge to improve living standards, to continue to open domestic markets, and to adopt appropriate international financial and exchange rate policies that reflect your standing as a prosperous and powerful trading nation. The United States shares similar responsibilities for the well-being of the world economy. Our two peoples should, at all times, bear in mind that our trading system is truly an international joint venture and that we share a special responsibility for its continued success.

My friends -- and we are truly friends -- I began today by talking about my inauguration as the new President of the United States of America just a few short weeks ago. The tradition of passing the torch of leadership from one American President to another is a time when we celebrate the strength of our democracy and a time when we renew our commitment to the values on which it is built. Today I am renewing my commitment to you, as the leader of one sovereign state to the elected legislative body of another. I am renewing my commitment to you to work together for the good of our peoples and of all humanity.

And as I reflect over the last 40 years of Asian history, the trend is remarkably positive. At the end of the Second World War, Asia lay in ruins. Through the 1950's and the 1960's, the forces of radical revolution at times appeared to be the wave of the future. And now, in the 1980's, human aspirations for basic political and economic freedoms have become almost universal. And as we gather here in your National Assembly, these aspirations are no longer a far-off dream for your great country, for Korea. Instead, through your devotion and hard work, they've become a reality, and we celebrate your triumph. In the years ahead, the United States will stand with you against the forces of oppression and for the forces of peace, prosperity, independence, and democracy.

And so, on behalf of my wife, Barbara; of our Secretary of State, Jim Baker, who is with me here today; and others, our leaders in our government, I came to observe, I came to reaffirm. And from the bottom of my heart, I thank you for the warmth and the hospitality you have bestowed upon all of us. Thank you, and God bless you all.

Note: The President spoke at 4:01 p.m. in the National Assembly Hall. In his opening remarks, he referred to Kim Jaison, Speaker of the National Assembly. Following his remarks, the President returned to Washington, DC.

Remarks Upon Returning From a Trip to the Far East

February 27, 1989

Let me just say that it's great to be back home again at the conclusion of a productive and rewarding trip to Japan, China, and Korea, a trip which underscored that America is and will remain a Pacific power.

There were important symbols. I'll never forget that solemn moment when we paid our nation's respect to the late Emperor of Japan, and the warm and genuine handshakes between old friends in Beijing's Great Hall of the People, the opportunity for the freely elected leader of a 200-year-old nation to address the freely elected legislature of a blossoming democracy, Korea.

But we laid out an important substantive course: thoughtful and candid conversations with world leaders, over 20 of them, leaders from Asia -- China, Japan, Korea, Thailand, Singapore, India, Pakistan, and the Philippines -- and our allies from Europe -- France, Belgium, Italy, Portugal, Turkey, Germany, and Spain -- and leaders from the Middle East -- Egypt, Israel, and Jordan -- and the Presidents of Brazil, Nigeria, and Zaire. And so, I return tonight pleased with the progress made toward lasting and mutually beneficial relationships with our allies and friends. Of course, differences remain. Work is yet to be done: opening foreign markets to U.S. competition, continuing to encourage the growth of democracy and human rights, and strengthening of our alliances. But common ground was found.

In Japan, we have our most important Asian ally and one of our largest trading partners. Our discussions there emphasized the responsibilities we share in the field of defense. But we also spoke of ways in which the world's strongest and most innovative economies can cooperate more closely to fuel growth not only at home but also in the developing world.

In China, I talked with the leaders that I'd known nearly 15 years ago, when I served as Chief of the U.S. Liaison Office. And it is clear from my trip that China approaches its thaw with the Soviets with caution and realism. We agreed that the Soviets must be judged not by their rhetoric but by their actions, such as whether the Soviet Union actually draws down its military forces along China's border and persists in encouraging Vietnam to completely withdraw from Cambodia. We also agreed that after Cambodia has achieved a genuine end to Vietnam's occupation, free elections should be held under a coalition government led by Prince Sihanouk, with whom I met in Beijing. The United States remains committed to a result that precludes a return to power by the Khmer Rouge. And the Chinese leaders appreciate our concern and are willing to work toward a peaceful coalition.

On the final leg of my journey I went to Korea, where I saw both democracy and economic liberty work in a country whose security is assured by our joint efforts in vigilance. Thirty years ago such progress was unimaginable, and it stands as a testament to the Korean people and our

commitment to them.

From these 4 days of intensive discussions, I return with one especially vivid impression: The world looks to America for leadership not just because we're militarily strong, not just because we have the world's largest economy, but because the ideas we have championed are now dominant. Freedom and democracy, openness, and the prosperity that derives from individual initiatives in the free marketplace -- these ideas, once thought to be strictly American, have now become the goals of mankind all over Asia.

The success of our nation's foreign policy is the responsibility of the President, with the counsel and support of the Congress. And this important trip has only underscored for me what can be achieved through a strong and bipartisan working relationship between the White House and Congress. I'm anxious to sit down with congressional leadership to brief them on details of these critical visits, and together we must ensure that this initial success is only a first step down a long path of peace and understanding with our friends and allies. If common ground can be found halfway around the world in the shadow of Mt. Fuji, the historic Great Hall of the People, or the garden of Korea's Blue House, surely it can be found at home among men and women of common purpose. We must respect each other and join together as one in pursuing a foreign policy that ensures the security of our country, its economic opportunity, and freedom and individual rights around the world.

It's great to be home. God bless the United States of America. Thank you all very much.

Note: The President spoke at 6:34 p.m. on the tarmac of Andrews Air Force Base in Camp Springs, MD.

Statement on the United Nations Human Rights Commission Report on Cuba

February 27, 1989

I wish to express my support for the U.N. Human Rights Commission's report on human rights in Cuba. We find the report full, balanced, and objective. Consideration of Cuba marks a watershed in the U.N. treatment of human rights abuses. For too long, the U.N. has focused on small countries which lack extensive support within the organization. Many of those countries today are either functioning democracies or have taken significant steps on the road toward full democracy. Meanwhile, longstanding violators of human rights have enjoyed immunity from scrutiny and have even fostered human rights investigations into other countries.

For more than 30 years, the people of Cuba have languished under a regime which has distinguished itself as one of the most repressive in the world. Last year the international community won an important victory when the U.N. Human Rights Commission decided to conduct a full investigation into the situation in Cuba. The report which was released in Geneva is based on firsthand testimony about persistent violations of human rights in that country and is the culmination of that investigation.

The United States firmly believes that this report should begin a long-term effort to bring about true and lasting changes in the Cuban Government's performance on human rights. In the year since the U.N. Human Rights Commission decided to investigate Cuba, there have been slight and superficial improvements. But much more needs to be done before the Cuban people can truly be said to enjoy the rights guaranteed them by the Universal Declaration of Human Rights. I call upon other members of the Commission and all countries that value freedom to maintain pressure on the Cuban Government by continuing U.N. monitoring of the human rights situation in Cuba. The people of Cuba and oppressed people everywhere look to the U.N. as their last best hope. We must not disappoint them.

Remarks and a Question-and-Answer Session With Reporters Following a Cabinet Meeting

February 28, 1989

Bookstore Bombings

The President. I have a brief statement. But lest there be any confusion about this occasion, this is what we called a modified press availability, unlike a photo op in which I do not take questions and will not take questions. So, this is a change, and I've explained this and asked the indulgence of our Cabinet, with whom we've just had an opportunity to brief and to talk about the trip that Secretary Baker and I and others are just back from. So, we've had a full meeting. But let me just read a statement relevant to current events here.

A press building in New York City and two bookstores in Berkeley have been targets today of bomb attacks. And while the details surrounding these incidents and the motives of those who carried them out are still unclear, I think that it is important to take this occasion to state where the U.S. Government and, I'm convinced, the American people stand on violence and on our rights. This country was founded on the principles of free speech and religious tolerance. And we fought throughout our history to protect these principles. And I want to make unequivocally clear that the United States will not tolerate any assault on these rights of American citizens. Should it appear that any Federal laws have been violated in these bombing attacks, I've asked Dick Thornburgh, our able Attorney General here, to use all of the resources of the FBI and all other appropriate resources of this government to identify and bring to justice those responsible.

We don't yet know if the bombings are related to the book ``The Satanic Verses." But let me be clear: Anyone undertaking acts of intimidation or violence aimed at the author, the publishers, or the distributors of ``The Satanic Verses" will be prosecuted to the maximum extent of the law. And, yes, some of the Muslim faith can interpret that book as highly offensive, and I can be sensitive to that, but we cannot and will not condone violence and lawlessness in this country. And I think our citizens need to know how strongly I feel about that.

I'll be glad to take a couple of questions before we have to go on to other -- --

Human Rights

Q. Mr. President, the Chinese Foreign Ministry has been suggesting that the incident involving Mr. Fang could have been avoided if the guest list for your dinner had been presented to them in advance. As a matter of policy, do you believe when you invite dissidents from countries to a social event that you should clear in advance with the host Government?

The President. No, and I think they understand that. They may have a point, that it might have been avoided; but that's not the whole question when it comes to the United States commitment to human rights.

Secretary of Defense-Designate Tower

Q. Mr. President, do you have any reason to believe that you will get the five votes or more necessary to get the Tower nomination through?

The President. I'm working hard at it, and I hope so, and all of us are. I am committed. I'm committed on two grounds, and I've just told my Cabinet this. One of them has to do with who best to run the Pentagon, and I haven't heard one single voice challenge this man's knowledge and his ability. And I've known John Tower a long time -- longer than many that are criticizing him out there in various walks of life. And so, who best to do the job that I want done and that the country needs done.

And then the second one is America's innate sense of fairplay. There's a certain fairness, and I don't believe anybody should be pilloried on the basis of unfounded rumor. And so, if somebody has a specific objection, fine, they have every right in the world to state it. But I don't think it is fair to permit perception to be the guideline. And therefore, I will continue to fight for this man that I believe in.

Q. Have you picked up any Democratic Senators?

The President. Who knows?

Note: The President spoke at 2:40 p.m. in the Cabinet Room at the White House.

Nomination of Jack Callihan Parnell To Be Deputy Secretary of Agriculture

February 28, 1989

The President today announced his intention to nominate Jack Callihan Parnell to be Deputy Secretary of Agriculture. He would succeed Peter C. Myers.

Since 1987 Mr. Parnell has been director of the California Department of Food and Agriculture. Prior to this he was director of the California Department of Fish and Game, 1984 - 1987. From 1966 to 1983, he was a pedigree livestock auctioneer. He was also owner and publisher of the California Cattleman's Magazine, 1966 - 1972, and field editor for Pacific Stockman and Stockman Weekly, 1964 - 1966. Mr. Parnell has also managed and operated diversified agricultural operations.

Mr. Parnell attended Healds Business College in San Francisco, CA, and Sacramento City College. He was born May 7, 1935, in Leavenworth, WA. He is married, has three children, and resides in Auburn, CA.

Nomination of Constance Horner To Be Under Secretary of Health and Human Services

February 28, 1989

The President today announced his intention to nominate Constance Horner to be Under Secretary of Health and Human Services. She would succeed Donald M. Newman.

Since 1985 Mrs. Horner has been Director of the Office of Personnel Management in Washington, DC. Prior to this, she was Associate Director for Economics and Government in the Office of Management and Budget, 1983 - 1985; Director of VISTA and Acting Associate Director of ACTION, 1982 - 1983; and Deputy Assistant Director for Policy, Planning, and Evaluation of ACTION, 1981 - 1982. Mrs. Horner was a member of the Department of Education transition team in the Office of the President-Elect, 1980 - 1981. She currently serves as a Commissioner on White House fellowships and on the President's Commission on Executive Exchange.

Mrs. Horner graduated from the University of Pennsylvania (B.A., 1964) and the University of Chicago (M.A., 1967). She is married, has two children, and resides in Washington, DC.

Nomination of Mary Sheila Gall To Be an Assistant Secretary of Health and Human Services

February 28, 1989

The President today announced his intention to nominate Mary Sheila Gall to be an Assistant Secretary of Health and Human Services (Human Development Services). She would succeed Sydney J. Olson.

Since 1987 Miss Gall has been Chair of the President's Task Force on Adoption, and Counselor to the Director of the United States Office of Personnel Management, 1986 - present. Prior to this she was Deputy Domestic Policy Adviser in the Office of the Vice President, 1981 - 1986. She was a senior legislative analyst at the House Republican Study Committee, 1980 - 1981; a member of the Reagan-Bush Presidential campaign and transition team, 1980 - 1981; and director of research for the George Bush for President campaign, 1979 - 1980. From 1971 to 1979, Miss Gall served in various legislative positions on the staffs of several Members of the Senate and House of Representatives.

Miss Gall graduated from Rosary Hill College in Buffalo, NY. She has two children and resides in Arlington, VA.

Appointment of Debra Rae Anderson as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs

February 28, 1989

The President today announced his intention to appoint Debra Rae Anderson as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs.

Since January 1977 Miss Anderson has been a State representative in the South Dakota House of Representatives. In that capacity, she has served as speaker of the house, assistant majority whip, and chairman of the health and welfare committee. Miss Anderson was also named Legislator of the Year in 1987 by the National Republican Legislators' Association. She also served as executive director of the George Bush for President campaign in South Dakota.

Miss Anderson graduated from Augustana College (B.A., 1971). She was born June 13, 1949, in Watertown, SD.

Message to the Congress Transmitting the Annual Reports on Highway and Motor Vehicle Safety

February 28, 1989

To the Congress of the United States:

The Highway Safety Act and the National Traffic and Motor Vehicle Safety Act, both enacted in 1966, initiated a national effort to reduce traffic deaths and injuries and require annual reports on the administration of the Acts. This is the 21st year that these reports have been prepared.

The report on motor vehicle safety includes the annual reporting requirement in Title I of the Motor Vehicle Information and Cost Savings Act of 1972 (bumper standards).

In the Highway Safety Acts of 1973, 1976, and 1978, the Congress expressed its special interest in certain aspects of traffic safety that are addressed in the volume on highway safety.

The national outrage against drunk drivers, combined with growing safety belt use and voluntary cooperation we have received from all sectors of American life, have brought about even more improvements in traffic safety.

In addition, despite large increases in the number of drivers and vehicles, the Federal standards and programs for motor vehicle and highway safety instituted since 1966 have contributed to a significant reduction in the fatality rate per 100 million miles of travel. The rate decreased from 5.5 in the mid-60's to the 1987 level of 2.4, the lowest in our history.

The important progress we have made is, of course, no consolation to the relatives and friends of those 46,386 people who, despite the safety advances and greater public awareness, lost their lives in 1987. But it is indicative of the positive trend established toward making our roads safer.

The loss of approximately 127 lives per day on our Nation's highways is still too high. Also, with the increasing motor vehicle travel, we are faced with the threat of an even higher number of traffic fatalities. Therefore, there is a continuing need for effective motor vehicle and highway safety programs.

We will continue to pursue highway and motor vehicle safety programs that are most effective in reducing deaths and injuries. We are convinced that significant progress in traffic safety can be achieved through the combined efforts of government, industry, and the public.

George Bush

The White House,

February 28, 1989.

Nomination of Douglas P. Mulholland To Be an Assistant Secretary of State

February 28, 1989

The President today announced his intention to nominate Douglas P. Mulholland to be an Assistant Secretary of State (Intelligence and Research). He would succeed Morton I. Abramowitz.

Since 1988 Mr. Mulholland has served as an analyst for domestic policy and research for the George Bush for President Committee. Between 1956 and 1979, he was employed by the Central Intelligence Agency serving in various capacities, including Special Assistant to the Secretary of the Treasury for National Security, 1982 - 1987; Inspector at the Office of the Inspector General, 1979 - 1982; and Director of the Office of Current Operations, 1978 - 1979.

Mr. Mulholland graduated from Michigan State University (B.A., 1955; M.A., 1956). He is married and resides in Rockville, MD.

Nomination of Calvin G. Franklin To Be Director of the Federal Emergency Management Agency

February 28, 1989

The President today announced his intention to nominate Calvin G. Franklin to be Director of the Federal Emergency Management Agency. He would succeed Julius W. Becton, Jr.

Since 1981 General Franklin has served as Commanding General of the District of Columbia National Guard. Prior to this appointment, he was the marketing manager, advanced systems and special programs, of the electronics division of the General Dynamics Corp. His military career began in 1948, when he enlisted as a private in the California Army National Guard.

General Franklin received a bachelor of arts degree from National University and his master's from United States International University. He is married, has three children, and resides in Camp Springs, MD.

Nomination of James O. Mason To Be an Assistant Secretary of Health and Human Services

February 28, 1989

The President today announced his intention to nominate James O. Mason to be an Assistant Secretary of Health and Human Services (Health). He would succeed Robert E. Windom.

Since 1983 Dr. Mason has been the Director of the Centers for Disease Control (CDC) in Atlanta, GA, and administrator of the Agency for Toxic Substances and Disease Registry, 1983 to present. He was executive director of the Utah Department of Health, 1979 - 1983, and associate professor and chairman of the division of community medicine of the University of Utah, 1978 - 1979. He was also deputy director of health of the Utah Division of Health, 1976 - 1978.

Dr. Mason received his undergraduate and medical degrees from the University of Utah and his master's and doctoral degrees in public health from Harvard University.

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Dr. Mason received his undergraduate and medical degrees from the University of Utah and his master's and doctoral degrees in public health from Harvard University.

Nomination of John H. Kelly To Be an Assistant Secretary of State

February 28, 1989

The President today announced his intention to nominate John H. Kelly to be an Assistant Secretary of State (Near East and South Asian Affairs). He would succeed Richard W. Murphy.

Since 1988 Ambassador Kelly has been the principal deputy director of the policy planning staff at the Department of State. Prior to this he was the United States Ambassador to Lebanon, 1986 - 1988. Ambassador Kelly has held several positions at the Department of State since 1964, including Principal Deputy Assistant Secretary of State for European and Canadian Affairs, 1983 - 1985, and Senior Deputy Assistant Secretary for Public Affairs, 1982 - 1983.

Ambassador Kelly was born in Atlanta, GA, in 1939. He graduated in 1961 from Emory University with a degree in history. He is married, has one son, and resides in Washington, DC.

Nomination of Richard L. Armitage To Be an Assistant Secretary of State

February 28, 1989

The President today announced his intention to nominate Richard L. Armitage to be an Assistant Secretary of State (East Asian and Pacific Affairs). He would succeed Gaston Joseph Sigur, Jr.

Since 1983 Mr. Armitage has been Assistant Secretary of Defense for International Security Affairs in Washington, DC. Prior to this he was Deputy Assistant Secretary of Defense, International Security Affairs for East Asia and Pacific Affairs, 1981 - 1983. In 1979 he established a Washington-based consulting firm specializing in Asian affairs. He also served as administrative assistant to Senator Robert Dole, 1978 - 1979.

Mr. Armitage graduated from the U.S. Naval Academy in 1967. He served in the U.S. Navy from 1967 to 1973. He is married, has seven children, and resides in Vienna, VA.

Nomination of John R. Bolton To Be an Assistant Secretary of State

February 28, 1989

The President today announced his intention to nominate John R. Bolton to be an Assistant Secretary of State (International Organization Affairs). He would succeed Richard Salisbury Williamson.

Since 1988 Mr. Bolton has been Assistant Attorney General of the Civil Division at the Department of Justice. Prior to this, he was Assistant Attorney General in the Office of Legislative Affairs at the Department of Justice, 1985 - 1988. He was a partner with Covington & Burling, 1983 - 1985, and executive director of the Committee on Resolutions for the Republican National Committee, 1983 - 1984. He was Assistant Administrator for Program and Policy Coordination, 1982 - 1983, and General Counsel, 1981 - 1982, at the Agency for International Development.

Mr. Bolton graduated from Yale College (B.A. 1970) and Yale Law School (J.D., 1974). He currently resides in Bethesda, MD.

Nomination of Bernard William Aronson To Be an Assistant Secretary of State

February 28, 1989

The President today announced his intention to nominate Bernard William Aronson to be an Assistant Secretary of State (Inter-American Affairs). He would succeed Elliott Abrams.

Mr. Aronson is founder and director of the Policy Project, a consulting firm headquartered in Washington, DC. Prior to this he was director of policy for the Democratic National Committee, 1981 - 1983, and director of the Democratic National Strategy Council. From 1977 to 1981, he was Special Assistant and Speechwriter to the Vice President at the White House. Mr. Aronson has also been assistant to the president of the United Mine Workers of America International Union, 1973 - 1977.

Mr. Aronson graduated from the University of Chicago (B.A., 1967). He has served in the U.S. Army Reserves. He was born May 16, 1946. Mr. Aronson is married, and resides in Takoma Park, MD.

Nomination of Jewel S. Lafontant To Be United States Coordinator for Refugee Affairs

February 28, 1989

The President today announced his intention to nominate Jewel S. Lafontant to be United States Coordinator for Refugee Affairs and Ambassador at Large while serving in this position. She would succeed Jonathan Moore.

Mrs. Lafontant has been a senior partner with the corporate and labor law firm of Vedder, Price, Kaufman & Kammholz in Chicago, IL. From 1973 to 1975, she was Deputy Solicitor General of the United States. Mrs. Lafontant has also served as United States Representative to the United Nations, 1972.

Mrs. Lafontant graduated from Oberlin College (B.A., 1943) and received a doctor of law degree from the University of Chicago in 1946. She has one child and resides in Chicago, IL.

Statement by Press Secretary Fitzwater on the Review of Management Practices at the Department of Defense

March 1, 1989

The President has directed the Department of Defense to undertake a review of management practices throughout the Department. Together with this defense management review, the President has requested a plan which will accomplish full implementation of the Packard commission recommendations and realize substantial improvements in the acquisition process and in defense management overall.

The agenda for the management review closely parallels that of the original Packard commission. The focus now is to identify specific actions to address problems already clearly identified. These actions include both those which can be taken internally in the Department of Defense and subsequent actions the Congress could take to contribute to the more effective operation and management of the Department of Defense.

Examples of problems to be addressed include:

People and Organization: Identifying ways to improve the capabilities of military and civilian acquisition personnel, spelling out the appropriate role for the Under Secretary of Defense for Acquisition, strengthening the notion of individual accountability, and streamlining the acquisition management chain for major programs;

Improved Planning Processes: Reviewing the role of the Under Secretary of Defense for Policy in defense planning and in policy implementation and developing means to better link national security strategy and objectives to the overall defense program;

Practices and Procedures: Identifying improvements in the process of defining military needs and their links to national strategy, developing options for overseeing new program starts, identifying ways to better use commercial-style acquisition practices, finding means to reduce cost through improved production efficiency, and finding means to enhance stability in defense programs;

Government-Industry Relations: Developing strategies to encourage contractors to cut costs; improving government oversight through increased coordination, sharing of information, and clearer delineation of responsibilities; and identifying opportunities for improved implementation of standards of conduct for government acquisition personnel.

The plan resulting from this review is to be presented to the President by May 10, 1989.

Remarks to Members of the Small Business Legislative Council

March 1, 1989

Thank you all for that welcome, and thank you all for being here. And to Secretary [of Commerce] Mosbacher and other dignitaries here and all of you, I am grateful for this opportunity.

Before beginning to talk a little bit about the area that brings us together -- business climate, business community, emphasis small business, entrepreneurship -- I want to comment on an issue of particular currency in Washington. Three guesses. [Laughter]

No, the debate over John Tower's nomination as Defense Secretary should clearly be based on principle and on policy, and it ought not to be based on rumor and innuendo. And no one denies that Senator Tower is well-qualified, hardnosed, tough, experienced. No one denies that he knows the Pentagon well, and he knows the Congress. Those are the facts.

And Americans, whatever their policies -- and I'll bet all of you agree with this -- and whatever their politics, are committed to the concept of fairplay and are committed to decency. And all I am asking in the name of fairplay is that the man be judged on the facts, not on misperceptions. And this is a tough town -- a lot of rumors out there. Public service is not made easier by claims that cannot be substantiated. It's made tougher.

Proceedings are starting in the Senate, as they should, and I've made my call. I've looked at the record. I've known this man since 1959, and my support is unequivocal. And John Tower is, in my view, the best man for this job. And so, my pitch, my appeal to the Senators, has been: Look, do what you've got to do, but remember fairplay; remember decency and honor; and then remember also historically the concept of advise and consent where reasonable doubt is given historically to the President of the United States who, after all, is responsible for the executive branch of this government.

So, that matter -- I wanted to just speak to you on it. I know it's a matter that obviously concerns everyone because it's dominating the news.

But now, back here, you've heard from Gregg Petersmeyer [Deputy Assistant to the President and the Director of the Office of National Service], I know, Richard Breeden [Assistant to the President for Issues Analysis] and Secretary Mosbacher; and these are three key members of my team here in Washington -- able members. And now that you have a feeling for their ideas and their priorities, let me ask and encourage you to work with them. Tell them what you're thinking. They know how to work with the private sector, and they're looking for ways to make this a

responsive government, a government by and for the people. And all three of these men have been highly successful in the private sector.

While I was in Asia, this recent trip, I had a chance to think seriously about what sets our trading partners apart from us, and I realized that we may have erected a barrier to our own success and deprived ourselves of vital long-term investment that our competitors have always enjoyed.

In a few minutes, I'm going to have a suggestion for those who argue in favor of protectionist intervention. You know, there are some who say that Asia could become the economic center of the world. Some even suggest that America's power is on the wane. And, well, for them I have news: The 21st century can well be the next American century if we understand the challenges before us and move together to meet them.

More than ever, the world is connected, interdependent, changing rapidly. Barbara and I lived in China 14 years ago for a year and a half, and I've been back there -- this is the fifth time since leaving China. And some of you have been there. But every time you go, you feel it, you feel the movement, and you feel the change. And that's just one part of this highly complex, highly interconnected world. More than any point in our human history, societies and economies rely upon one another. So, competitiveness, which is on everybody's minds these days, takes on a challenging new angle; and it means more than just market share and earned income. And it's more than a zero-sum, winner-take-all game.

Since 1980 the world trade volume is up nearly 40 percent, and almost a fifth of our industrial production is now in exports. Goods and services circle the globe overnight. [Secretary of the Treasury] Nick Brady told me just a while ago over in the Oval Office that clearing in the world markets every night is a trillion dollars' worth of securities -- a trillion dollars one single evening. Instant transfers of funds around the world -- capital, as I say, changes hands in seconds. In a world like that, all nations stand to benefit from the growth of their trading partners, and as long as markets are free and open.

So, I have two key priorities: to promote economic growth through low tax rates and to encourage the kind of free trade that makes all nations better off. General Brent Scowcroft [Assistant to President for National Security Affairs] is here with me, and he was on this trip with me. And at every stop, we made the point to some weary interlocutors, I might add, of the need for keeping these markets open. The goal of competitiveness is not simply to disadvantage the competition, it's to better deploy the advantages that we have and to create new ones.

And that's why the work that you all do is so important. American small business has always been our most creative source of innovation and economic growth. And you, we, have created 19 million new jobs in this country since the recovery began. Relative to population, that's more than twice the number of jobs created in Japan. And in the U.S. private sector, small businesses are responsible for two out of three jobs created -- two out of three. Businesses like yours make

America work. By creating jobs, you create opportunity, and while I'm President, government won't interfere with that.

We've got to do more in the field where Richard Breeden spent several years of his life trying to simplify the regulatory process. I'm going to try hard. We will assure you that you have the freedom you need to do what you do best. And I am still determined -- I have not changed my mind on this next one -- to hold the line on taxes, because if the experience of the last 8 years has proven anything, that lower taxes do mean a stronger economy.

Competitiveness demands two things: flexibility in the marketplace, and the right kind of investment at home. So, we want to give the employers and employees the flexibility to work out their own solutions on issues like parental leave and health insurance. And we intend to promote the kind of investment that will allow every American to share in prosperity and help to create more of it. And that's the idea behind a new proposal of mine. I believe that with the proper incentives, small businesses can help lead America's urban renewal. And so, to the entrepreneur, I say this: Start your business in an inner city where the need for jobs is greatest, and we will cut your Federal tax rates. We will create these enterprise zones, which I think would be the best antidote to poverty in the inner city. After all, you'll be saving the Government money by reducing the need for items like welfare and subsidized housing. And you'll help us bring urban enterprise zones to life in cities all across this country.

You know, decisions made and actions taken at the local level very often better serve the interests of those involved. What I'm talking about here is a fundamental American freedom: the freedom to choose, make up your own mind. And that's the driving principle behind the proposal I've made on child care. We want to establish a new, refundable children's tax credit for low-income parents and make the existing child care tax credit refundable as well. We mean to avoid burdensome Federal standards and regulation that would limit family, limit church, and limit community-based care. We will examine the liability insurance barriers for businesses interested in providing child care options. We've got to do something about this liability menace, you might say, which has gotten out of hand. And we need some advice from you on how to accomplish this. We've got some good ideas on proposals that can well be made. We'd like to put solutions and dollars in the hands of parents. We intend to promote choice. And this one is very important with me. As I look at urban America and I look at the complexity of society today, it's right back to the basics: strengthen the family, strengthen the community, strengthen the churches and other groups that are out there trying to help.

You know, flexibility can also promote risk-taking. It's always been the basis for real achievements in business. And so, we need to find new ways to encourage men and women to take risks. We need entrepreneurs who will invest their time, talents, and resources to build the businesses, unlock new markets, unleash new technologies, create new jobs. People who bring to the marketplace competitive products and quality services that are second to none in the world -- they need to be encouraged. You know what the challenges are.

Last year a large survey of CEO's suggested that while American business leaders are inherently optimistic, they're aware that we have new and important work to do. Ninety percent of them said that American business is still too short-term oriented.

And, along with many here -- I better not start telling you my war stories about business or you'll tell me yours, and we'll be here all night. [Laughter] But I have helped build a business from scratch. I happen to think that's a good criterion for being President of the United States, as a matter of fact. And I know that it can be extraordinarily tough. And I understand the pressures, I think, from having been there in a tiny little business many years ago -- the pressures that you face. So, you don't need a lecture on the importance of savings and long-term investment. You need government that enables you to do what's good for business and good for America. And often, that means kind of getting out of the way.

Competitiveness demands the right kind of investment, yes. For a long time now, I've been saying that we must have a competitive capital gains tax rate. If we're to retain the American edge, we must give entrepreneurs and small businesspeople the incentive to keep dreaming and keep taking risks and keep creating good jobs for America. I see a capital gains rate cut as an important way to free up American businesses without distorting world markets. The economies of the Pacific rim -- the ``Four Dragons'' of Hong Kong, Singapore, Taiwan, and South Korea -- all exempt long-term capital gains from tax -- total exemption. Japan also had no tax on capital gains during its meteoric rise to economic power.

And so, I call on anyone who talks about protectionism to consider this: By taxing capital gains, we impede our own progress, and we turn the playing field into an uphill climb. Restoring the capital gains differential would be a powerful incentive for businesses to invest, to innovate, to grow, and to create jobs. The Treasury estimates that the cut that I have proposed will add $4.8 billion a year to the revenue side of the ledger. So, let those out there charge me of taxes that are favoring the rich. I know that in proposing a capital gains differential, I am favoring innovation and risk-taking, and in the process, I am favoring jobs. And that's what it's all about. I'm committed to government policies that will allow business to invest with an eye toward the long term to assure our competitive future.

In my budget, I've proposed a 13-percent increase for science and technology programs in 1990. And we intend to stay on track in our effort to double the National Science Foundation budget by 1993; to develop engineering and scientific computing research centers; and to build the right links between university, government, and these industry labs. We're recommending a permanent extension of that R&E -- research and experimentation tax credit, to keep us at the forefront of technological innovation, especially when it comes to basic research. And we want to encourage more domestic research by multinationals by stabilizing the R&E expense allocation rules. The uncertainty brought on by expiring temporary rules has gone on for two decades -- hard to plan when you don't know what the rules of the ballgame are. Businesses should be able to make long-term research plans in a stable climate. And because of the

tremendous taxing power of the Government, creating that climate is something government can, should and will do.

We're determined to bring down this budget deficit with my pledge on no new taxes. And we've proposed a major budget reform to put our fiscal policy on a sound footing once and for all. We need to do away with this wonderland concept of current services budgeting -- a land of expanding baselines, where programs are assumed immortal, and cuts are actually increases. Federal policy should not start out with the presumption that the Government spending should go up and up and up.

Senator Rudman -- I was riding with him the other day, and he described the Washington wonderland very well. He said, ``Washington is the only city where I've ever seen -- for a fellow who's making $20,000, goes to his boss, asks for a $10,000 raise. The boss says, `No, you can have a $5,000 raise.' And the story says, Man Gets $5,000 Cut." [Laughter] And that's the way you look at it now in terms of these programs. But the most important investment that we can make to assure this competitive future is in training and education. Jobs are becoming more demanding. You all know that. The competition is getting tougher. Labor markets are getting tighter. So, we'll need to do more to develop a highly skilled, highly motivated, highly educated work force.

You know, when I was in the oil business, we invested heavily -- my little company -- in what was then a new technology -- offshore drilling. That was back in the mid-fifties -- brand new technologies coming out. And early on -- I'll never forget it -- we had three drilling rigs. And a hurricane came up in the Gulf of Mexico, and it just wiped out a brand-new -- in those days $6 million, today I think the same thing would cost about $80 million -- piece of drilling equipment. It was gone. I've never looked for something so hard that my eyeballs actually ached. [Laughter] And they really did. And we went out, and this piece of equipment was totally vanished, not a trace of it, one-third of our assets. And I knew that whenever you consider an investment you rightly tend to focus on the risks that are involved. But technology moved forward, and now the risks are much less. Where training and education are concerned, the biggest risk is not to get involved.

American public education needs more of our support. All of us -- teachers, parents, administrators, local officials and, yes, private industry -- all of us have a responsibility to ensure that our educational system is second to none. We should look to the vitality of our system and work to build strength through diversity. Successful schools happen everywhere, from rural communities to inner city neighborhoods. And they're shaped by people with high expectations, from both the public and private sector, who work within the schools to bring about the needed improvements. And this way of looking at it means that we are all accountable for the quality of our schools.

We need to strengthen incentives to do better, and we have a mandate to do just exactly that. I

want to expand Head Start, reward schools that improve, recognize outstanding teachers right here in the White House. We're going to establish a National Science Scholars Program. We're going to work to free our schools -- we've got to, all of us -- from the pestilence of drugs. And we're going to be looking to you for help and guidance because good schools are good for business. Many of you are already involved with your own local schools, doing important work for the future of your communities and your country. But my pitch: More can be done. More must be done. And I know you'll be there when your community, your State, your country really needs you.

To compete successfully abroad, many of you will find yourselves competing for workers at home. I know managers who are seriously starting to worry about shortages of talented people. And there is a larger, untapped source of talent in this country. Such people are to be found and fostered among the young and the underskilled, who need training; the older and more experienced, who need retraining; the disadvantaged, whose lives can be turned to advantage; disabled workers, who ask only for a chance to prove their ability; dual career families, who need options. Opportunity doesn't necessarily knock on the door. It may be leaning against the wall or standing on the street corner, needing only to be seen for what it is. And in this, we need your leadership. The very heart of our ability to compete may depend on how well we enlist those who have, until now, been on the outskirts of economic growth. They will be needed.

Together, we can build businesses that outwit, outmaneuver, outproduce, and outperform the competition. We can achieve the kind of competitive advantage that comes from collective will. And we can make sure that the words ``Made in the United States of America'' simply mean the best that there is.

So, thank you very much for coming here today. I hope this will be the first of several visits that we have right here in the White House with this group, a group that I deem very, very important to the future of the United States of America. Thank you all, and God bless you, and thanks for coming.

Note: The President spoke at 2:41 p.m. in the East Room at the White House.

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

March 1, 1989

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384, I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question.

At this early point in my Administration, let me first reconfirm that the United States has a fundamental interest in assisting the people of Cyprus in the search for a lasting and just settlement. Over the years, American governments have come to appreciate that such a settlement can come only through a process of negotiation that expresses the desires and aspirations of the Cypriot people.

At the same time, there is a legitimate role for outside parties to play in supporting this negotiation process. Under my Administration, we will continue high-level attention to Cyprus. To assure day-to-day senior officer involvement with the issues and provide a point of contact with the Congress, the Department of State created the post of Special Cyprus Coordinator in 1981 and has assigned this responsibility continuously to a policy-level officer since that time.

To provide a basic framework for negotiations between the two communities, the best and most viable approach has been and continues to be the effort led by the Secretary General of the United Nations, Javier Perez de Cuellar. The United Nations has been involved with the Cyprus question for 24 years because the international community has recognized that the United Nations is uniquely placed to deal with the issue. The current Secretary General, Javier Perez de Cuellar, has considerable personal experience with the Cyprus question and a mandate from the U.N. membership to use his good offices to work for a solution. We share this high regard for his patience and abilities, have given him unwavering support, and will continue to do so.

We will take every advantage of opportunities to make constructive contributions to the Secretary General and to the parties. We believe it is important that the parties give full participation to the negotiating process and that the atmosphere between them be improved through contacts and confidence-building measures to help bring the two communities together. We also support efforts to achieve a workable plan for reducing military tensions.

We will continue to develop our long-standing relationships of confidence and respect with both parties to the dispute. The previous Administration also consulted frequently with allies and friends, particularly such interested parties as Greece, Turkey, and the United Kingdom. We plan

to pursue such consultations and discussions vigorously.

With specific reference to the most recent 60-day period since the last report on Cyprus, Secretary General Perez de Cuellar continues his efforts to help the Cypriot parties reach a solution to the conflict. As agreed at the November 22 - 23 New York meetings hosted by the Secretary General, the two sides initiated a second round of talks in Nicosia on December 19 with the assistance of the Secretary General's Special Representative, Oscar Camilion. Discussions in Nicosia are continuing and will be followed by another meeting in April with the Secretary General to review progress.

In his latest report to the Security Council on U.N. operations in Cyprus (for the period June 1 through November 30), a copy of which is attached, the Secretary General observed that the talks that began last August mark ``the first time in the past quarter of a century that the leaders of the two communities have committed themselves to such a personal and sustained effort to achieve an overall settlement and to endeavor to do this by a specific target date." He continued that a ``good working relationship" had developed between the two leaders. The Secretary General also suggested that the two sides should begin exploring ``a wide range of options for each of the issues that must be resolved."

Both sides responded to the Secretary General's suggestion with proposals. There are constructive elements in the ideas presented by both parties, and we hope that they will continue to examine new and/or expanded options in a spirit of constructive compromise.

I note that military deconfrontation is the subject of one of the papers presented by the Turkish Cypriot community and that both sides have indicated agreement in principle with the concept.

The Secretary General expressed concern that the ``troops of both sides continue to be in dangerous proximity to each other" in Nicosia. Such proximity was the immediate cause of the death of a Turkish Cypriot soldier on December 12, 1988, and a Greek Cypriot National Guardsman on July 31, 1988, both killed by gunfire from the opposite side of the buffer zone. The United Nations is now working with the two parties to achieve some adjustments of military positions in Nicosia to ease this situation. We strongly support this effort as we have supported past efforts to reduce tensions and prevent further serious incidents.

The Secretary General's previous report also commented on the dangers of demonstrations close to the buffer zone. In his most recent report, he states that, in response to the expression of U.N. concerns about these events, the Government of Cyprus has given assurances that ``it will in future do whatever is necessary to ensure respect for the status quo in the buffer zone."

As we enter 1989, peoples worldwide are reaching out for the wisdom to forge new understanding with old foes. Experience has given the people of Cyprus an intimate appreciation of the cost of bitterness and enmity. They are now engaged in a difficult negotiation that is the

only route to reconciliation and peace. They merit America's continued support and have our most sincere wishes of success in their endeavor.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Appointment of Mark Albrecht as Director of the National Space Council

March 1, 1989

The President today announced his intention to appoint Dr. Mark Albrecht as the Director of the staff of the National Space Council, which is to be created by Executive order.

Since 1982 Dr. Albrecht has been national security adviser to United States Senator Peter Wilson (R-CA), a member of the Senate Armed Services Committee. Prior to this he was with Science Applications, Inc., serving in various capacities, including deputy program manager of a major research effort on national command authority crisis management, 1981 - 1982, and senior policy analyst, 1980 - 1981. He was a senior research analyst for the Director of Central Intelligence in Washington, DC, 1978 - 1980. Dr. Albrecht was a member of the Rand Graduate Institute for Public Policy Analysis at the Rand Corp., 1972 - 1978, earning a Ph.D. in public policy analysis, 1978.

Dr. Albrecht graduated from the University of California at Los Angeles (B.A., 1971; M.A., 1972). He is married, has three children, and resides in Falls Church, VA.

Nomination of William Pelham Barr To Be an Assistant Attorney General

March 2, 1989

The President today announced his intention to nominate William Pelham Barr to be an Assistant Attorney General (Office of Legal Counsel). He would succeed Douglas W. Kmiec.

Since 1985 Mr. Barr has been a partner with the law firm of Shaw, Pittman, Potts & Trowbridge in Washington, DC, and an associate, 1983 - 1985. Prior to this he was Deputy Assistant Director for Legal Policy in the Office of Policy Development at the White House, 1982 - 1983. He was an associate with Shaw, Pittman, Potts & Trowbridge, 1978 - 1982; and a law clerk to the Honorable Malcolm Richard Wilkey, U.S. circuit judge, 1977 - 1978. From 1973 to 1977, Mr. Barr was a member of the Central Intelligence Agency in Washington, DC.

Mr. Barr graduated from Columbia University (B.A., 1971; M.A., 1973) and George Washington University National Law Center (J.D., 1977). He was born May 23, 1950, in New York City. He is married and has three children.

Remarks at a Reception for Participants in the National Endowment for the Humanities Teacher-Scholar Program

March 2, 1989

Almost everybody here is a teacher. I was coming through the line, and who was it from Tennessee spoke to me? Right there. [Laughter] And we started comparing notes, and she says, ``Well, I'm a country music fan." And I said, ``So am I. Guess who's staying with us in the White House?" And I said, ``Crystal Gayle." And she said, ``I don't believe it." So, I'm going to ask Crystal to stand up, and if any of the rest of you -- [applause].

So, that is the last of our formal introductions. And I just wanted to say that I'm flattered to be in the company of the most accomplished members of a most important profession. And I know Barbara is, too. And without you, our links to the past and our vision for the future -- all that we are, all that we've accomplished, all that we would be -- would lay dormant in the minds of our kids. And I thank you for your dedication.

As you know, I've just come back from a long trip with Barbara to the Far East -- Japan and China and Korea. And let me tell you, as fascinating as it is to travel, it's nice to be back in the States. And I think you'll like Baltimore; it's wonderful here. [Laughter] I'm a little jetlagged still. We're recovering.

But it was a vital trip, and it has laid the future for our future relations with our friends and our allies. In Japan, as all of you know, I saw a nation that has risen in 40 years from a postwar destruction to becoming a leading economic power. And I think it was right that the President of the United States pay our respects to the present and to the future by going there to the funeral of the late Emperor. In the Republic of Korea, I saw an industrial power just beginning to explore the measure of its future greatness. It's exciting what's happening there. And in China, where Barbara and I lived 14 years ago for a year and a half or so -- just let me say that there have been spectacular changes in China since I represented our country there in Beijing, amazing.

In each of these countries, education has been an important ingredient for economic success. And our educational system has an equally critical role to play in ensuring the intellectual creativity, the economic opportunity, and the basic freedoms of our next generation. American teachers have a big job, and, I'd say, even a bigger responsibility. To educate the children of such a vast, diverse nation as ours requires men and women of talent and dedication to our children and the teaching profession both.

You in this room exemplify the kind of teachers that we need nationally, our very best. And as I read about the many subjects that you'll be studying next fall, I had two feelings: one, respect,

and the other, delight that I'd already graduated -- [laughter] -- Shakespeare, Chinese literature, Hispanic literature, the Harlem renaissance, American Indian culture. And I realize that together you encompass the diversity of America. And that diversity gives our nation and our educational system a vibrance of spirit --

[At this point, the President was interrupted by a crying baby.]

That kid's making me feel at home. [Laughter] You should have seen it when we had our 10 grandchildren playing around this place the day we came in here. But anyway, that vibrance has produced men and women with inquisitive minds, dogged determination, and big dreams. And I'm sure you recall that I made a pledge during the campaign to become the education President, to try hard in this field. And I'm pleased to see Larry Cavazos here, our distinguished Secretary of Education, from whom I expect to learn a lot, but certainly who shares our commitment to educational excellence. And it's a pledge that I made that I intend to keep by working with you and thousands like you in classrooms from Connecticut to California.

You and I know that education is our most enduring legacy. You and I know that education is nothing less than the very heart of our civilization. And that's why I am bound and determined to use this office as a bully pulpit for progress in our schools. I'll make a renewed push for a shift in some of our priorities to concentrate resources on those who need help the most.

This nation grew into greatness because early Americans understood the value of education. In the one-room schoolhouse and the land-grant college -- these were the crowning achievements of the pioneers. No less important were the urban pioneers who schooled the children of the ghettos. The challenge that faced our ancestors was not an easy one: to build a national public educational system from scratch. But they did it with blood, sweat, tears, and, always, joy. They were dedicated individuals whose traditions have come full circle in each of you here today.

With the dawn of a new century only 11 short years away, we're faced with a new challenge: to revitalize and restore the system our forebears bequeathed to us, to ensure that American education is second to none. And I've made a number of proposals to work toward this goal. Among them is my request to reward those schools whose students show measurable progress in educational achievement while maintaining a safe and drug-free environment. I've also asked for an annual fund of $100 million in new appropriations to help create magnet schools to broaden the educational choice of parents and students. And yet another one of our proposals is to allot a special $60 million fund over 4 years to develop endowments of historically black colleges and universities through a matching grant program. And during the coming weeks, I'll transmit comprehensive legislation to the Congress detailing our proposals and asking for cooperation in strengthening American education.

Today I want to single out one other aspect of my educational program, and that is rewarding the brightest and the most motivated teachers. Teachers don't choose their professions certainly

because of financial reward. That has got to be the classic understatement of the day. [Laughter] But you know it, and I know it, and the Nation knows it. And there are too many other ways to make a living, and some might say even a better living. But teachers enjoy the immense satisfaction of raising the sights of the next generation. And their work makes our horizons longer and certainly our futures brighter. I consider one proposal to be critically important: the President's Award for Excellence in Education. This award combines the recognition of your profession and the respect of your colleagues with financial reward, an idea whose time has come.

With this in mind, I've proposed $7.6 million to be spent as $5,000 cash awards to top teachers in every State. Eligible teachers will be selected from all subjects and every grade level. I hope that this teacher's award program keeps all levels of our educational system focused on the need to show good teachers that we appreciate their dedication. I realize in something as large as our own national school system across this country that this may not seem tremendous. But I do think it's a good beginning to recognize and pay our respects in this manner to excellence.

Of course -- and you know this and I certainly know it -- public funds are tight at all levels of government. And as we develop new ways to reward and keep good teachers, we must also look to combine the resources of the public and private sectors. And this is precisely what the NEH-Reader's Digest Teacher-Scholar Program accomplishes. And I salute those people with vision who have created and are implementing this program.

I'm very grateful to our friend, Lynne Cheney, who's here, of NEH, and for all they've done. And I want to thank George Grune, to ask him to convey my gratitude and admirations to those who had the foresight to contribute to this effort. In making this grant, you've planted the seeds of literacy, and the learning curve as well, that will benefit our country for generations to come. And if it's of any collateral interest, you've sure made the First Lady, Barbara Bush, very, very happy because she is specializing in trying to help everybody in this room in raising our awareness as to how it would be very good if we could become a literate nation, battling against the functional illiteracy that is too widespread today.

But together, these two organizations have rewarded you with the most precious gift that can be bestowed on the teachers: time -- time away from the report cards, library fines, hall passes; time to learn, to master a subject; time to write, hopefully publish; time to meditate, and just plain time to think. And so many will benefit. What you'll learn and accomplish and pass on to our children will ripple across the years like a stone across a still pond. And in perusing the list of your projects, my eye settled on one in particular, a project proposed by Barbara Whittaker, of Traverse City, Michigan, entitled, ``The Origin of the American Dream and Its Development in Literature." I am sure Barbara will reveal deep insights into the American novel, but there's a larger point. I believe we can trace the origin of the American dream to a very ordinary place: It can be found between the hours of 8 a.m. and 3 p.m. in every classroom, in every city, and in every town in America.

And so, for all that you do, you have my highest respect, my gratitude, and in this instance, my sincerest congratulations. Thank you all for coming to the White House. God bless you all. Thank you.

Note: The President spoke at 3:10 p.m. in the East Room at the White House. In his remarks, he referred to Lynne V. Cheney, Chairman of the National Endowment for the Humanities, and George Grune, chief executive officer of the Reader's Digest.

Remarks on Drug Trafficking Prior to a Luncheon With Administration Officials

March 3, 1989

Let me just say this: We are gathered here, and we're going in to lunch in a minute. Thus, I will refer any questions to my able Press Secretary Marlin Fitzwater.

But the purpose of this luncheon is to really talk with the top people in our government interested in narcotics -- Bill Bennett, who has gone beautifully through the hearings; Attorney General; Secretary of State; General Counsel; and national security adviser -- about drugs and then give a proper send-off to Dick Thornburgh, who will be doing in South America that which he did in Europe: going, emphasizing the importance we place on the international fight against drugs, coming back, and reporting to me. And obviously, at my side will be our new drug czar -- by then, hopefully, in office -- Bill Bennett. And we will be formulating our drug plan, and the findings of the Attorney General will be cranked into it. And it's Colombia, Bolivia, and Peru. We go not in anger, but we go to ask for their total cooperation and support. And I'm confident that this mission of the Attorney General will be fruitful. But it will show dramatically, I think, the feeling of the American people transcends politics -- the American people's determination to cooperate in a way that will reduce the flow of drugs into this country, and to help them with their problems. You know, Dick, that's a part of this. I mean, these countries that thought this was the rich consumers in the north, the only ones that had the problem, have realized that it is decimating their own economies and their own stability.

So, it's an important trip, and then when he gets back -- with Bill Bennett -- we'll be talking about not only the international implications but how that will fit into the overall drug plan. So, bon voyage, and have a good trip. And my respects to the Presidents you'll be meeting with and the various ministers you'll be seeing.

Note: The President spoke at 12:12 p.m. in the Oval Office at the White House. In his remarks, he referred to William J. Bennett, Director-designate of National Drug Control Policy; Attorney General Richard L. Thornburgh; Secretary of State James A. Baker III; C. Boyden Gray, Counsel to the President; and Brent Scowcroft, Assistant to the President for National Security Affairs.

Remarks to the Winners of the Westinghouse Science Talent Search

March 3, 1989

Thank you, Mr. Marous, and all of what you at Westinghouse do for this outstanding concept. Doctor Press -- last time I saw Frank Press -- maybe it wasn't the last time, but he'd just received an honorary degree at a graduation ceremony where there were 50,000 people present, at Ohio State University -- well-deserved honor, that he well deserved, as a matter of fact, for prestige he's given to science in this country. And when he salutes a group like this, why, it makes a big impression on me as well.

I want to thank you all, Dr. Seaborg, whose reputation is well-known to everybody here, and John as well, for explaining some of the exhibits to me. [Laughter] I had done a lot in the field of the viability of MVM Parvo Virus. [Laughter] And then at night I like to curl up with a book on mapping mutants. [Laughter] And every once in a while, when I have some spare time, Barbara and I read aloud about the behavior of the inhibitions of sialidases. [Laughter] So, we have a lot in common with these researchers here. [Laughter] But I'll tell you, I'm glad there's no quiz. [Laughter]

And I am so impressed, and I expect everybody here has had a chance to look at these studies. And I'll tell you, it just reaffirms your basic faith in the young people of this country and, I'd say also, in the academic process. Yesterday we saluted some teachers over at the White House, and boy, I wish I'd seen this before I'd been over there to pay my respects to the teachers who help these young minds.

But really, what all of you have accomplished is really something to be proud of. Not only is it a great achievement but you really earned these honors. Thomas Edison said that genius is 1 percent inspiration and 99 percent perspiration. Well, each of you, with your academic diligence and your intellect and a lot of hard work, have won the oldest and largest national high school competition in the entire country. And past winners of the Westinghouse Talent Search have distinguished themselves in every field of science and mathematics. And your predecessors have received every major honor and award in their fields, including the Nobel Prize and the National Medal of Science. And what you've done is important for America. Scientific and technological advancement have always been at the very heart of our nation's pioneer spirit, pushing the boundaries of our knowledge, creating economic opportunity, and certainly increasing our standard of living and making this a healthier and safer world in which to live.

It is scientific advancements that made us aware of the damage to our Earth's protective ozone layer and the need to reduce CFC's [chlorofluorocarbons] that deplete our precious upper atmospheric resources. As a result of these advances, the United States and other nations have led the way, through the Montreal protocol, toward reductions of CFC's. And that protocol will

reduce CFC's to 50 percent of 1986 levels by the year 1998. But recent studies indicate that this 50-percent reduction may not be enough. And I thought some of you interested in that field might like to know that I today asked Bill Reilly, our new EPA Administrator, to join with other nations this weekend as he goes abroad in supporting the call for the elimination of CFC's by the year 2000, provided, you know, that safe substitutes are available. And of course, such a phaseout must be guided by the scientific, economic, and technological assessments under the protocol.

As a nation, we have no natural resource more precious than our intellectual resources. In fact, it's only thanks to human knowledge and ingenuity that crude oil became a valuable fuel and that fields of grain become methanol or that grains of sand become silicon chips. Scientific knowledge must be renewed and expanded in each generation. Many of the miracles that we take for granted in everyday life originated in defense and space research. This investment in new technologies and new plant and equipment helps expand our competitive edge as a nation, and thereby assuring future opportunities for America's next generation in science, engineering, and manufacturing. But for our country to maintain its technological and scientific excellence, no investment in machines or laboratories, as vital as that may be, will by itself be sufficient. There have to be the people who have the knowledge and the commitment, and that will be men and women like yourselves who will lead America into the next century.

You know, by one estimate, it takes 10,000 high school students expressing an interest in a science or engineering major to assure us of 20 men and women who will go on to receive doctorate degrees. And I hope that each student in this room gets a doctorate or pursues a career of one kind or another in science and technology and that some of you consider returning to the classroom as teachers to inspire a new generation of scientists for the future. The fruits of investing in science and scientists are evident. Human intelligence has explored the vastness of outer space and the inner frontiers of the particles of the atom. Diseases have been cured. Knowledge has been harnessed. And energy -- I was going to say that energy has been created, but then I remembered the laws of thermodynamics. So, let's just call it a wash -- [laughter] -- and say that energy has neither been created nor destroyed. [Laughter] And please don't debate me on that, Glenn. [Laughter]

But we truly have seen the scientific knowledge developed in the United States vastly improve the lives of our citizens and of people around the world. And today international scientists and science students are coming here to America to do research, to study, to teach. And this is something that our country greatly benefits from. Yet, still, as a nation, let's face it, we've got to do better. We're not producing enough scientists and mathematicians and engineers. American universities confer only about 77,000 engineering degrees a year at the undergraduate level. And that's about the same number that Japan produces with a total population of only half our size.

Initiatives from Washington are important, but they're not enough. Students and parents and teachers will determine the direction our young people take and, ultimately, what direction, therefore, that our country takes. And there's only one goal that is worthy of us as Americans,

and that is to be the very best in the world, to be number one. That's our history, but it is also, I believe, our destiny. Our national qualities of intellectual curiosity and innovation, our frontier spirit and our habit of problemsolving, all uniquely equip America for the great technological age that is dawning.

To help us move in that direction, the Federal budget I propose would, as Frank said, increase funding for -- maybe he didn't cover this point -- but for NASA [National Aeronautics and Space Administration] by 22 percent, would also advance us toward our goal of doubling the budget for the National Science Foundation by 1993. I also proposed full funding for the superconducting supercollider -- and even though I'm from Texas, people seem to understand -- [laughter] -- and as an incentive for private industry, a permanent research and experimentation tax credit.

But one of the most important investments that I want us to make is in science education. So, I have proposed a National Science Scholars Program that would provide 570 scholarships a year. And these would be for up to $10,000 a year, for 4 years. And this program would be based on merit, and it would draw at least one young scientist from every congressional district -- 435 across the entire United States -- providing local inspiration and national leadership for the study of science. And I think no one proves better than all of you just how much our students are capable of and how important it is to provide the encouragement and resources that you need. And when you couple this modest Federal effort with what Westinghouse and others are doing in this area across the country, we do have something significant and, I'd say, unique in our country.

So, I came over here to congratulate the sponsors, to congratulate the scientists who have given their blessing to this innovative program, and especially to congratulate all of you achievers. I think all of you are destined for great things. And if you've got any skeptics out in the audience, go next door and take a look, and you'll see exactly what I mean. Thank you, and God bless all of you.

Note: The President spoke at 2:20 p.m. at the National Academy of Sciences Building. In his opening remarks, he referred to John C. Morous, Jr., chairman and chief executive officer of Westinghouse Corp.; Frank Press, president of the National Academy of Sciences; and Glenn Theodore Seaborg, chemist and Nobel Prize winner.

Statement on the Labor Dispute Between Eastern Airlines and the International Association of Machinists and Aerospace Workers

March 3, 1989

The National Mediation Board has recommended that I appoint an emergency board before March 4, pursuant to section 10 of the Railway Labor Act, as amended, to investigate the dispute between Eastern Airlines and the International Association of Machinists and Aerospace Workers. I have decided not to accept this recommendation.

The National Mediation Board has for many months attempted unsuccessfully to bring the parties to an agreement, and I have no reason to believe that an additional investigation or the 60-day delay that would be entailed would produce such an agreement. In light of the well-publicized threats of a strike and related activities, the Department of Transportation will monitor the situation and will, in addition, take whatever steps are needed to protect the safety of the traveling public.

I urge responsible labor officials not to try to influence resolution of this dispute by disrupting the Nation's transportation systems through secondary boycotts against uninvolved parties. Such boycotts would unfairly burden millions of citizens, not only preventing necessary travel but also affecting shipment of consumer goods and the ability of many workers to earn a living. For these reasons, secondary boycotts are not permitted in any other sector of the economy.

Accordingly, if secondary boycotts threaten to disrupt essential transportation services, I will submit, and urge that Congress promptly enact, legislation making it unlawful to use secondary picketing and boycotts against neutral carriers. We cannot allow an isolated labor-management dispute to disrupt the Nation's entire transportation system.

Remarks at the Annual Conference of the Veterans of Foreign Wars

March 6, 1989

Well, thank you very much, Larry. I remember when Larry Rivers first took over. I was Vice President -- came in to greet me. I wasn't sure he knew what he was getting into. But he's holding up real well -- [laughter] -- and doing a first-class job, and you're lucky to have this dynamic young man as your leader.

You know, it's a pleasure to be here. I also want to express my best wishes to a real institution of the VFW; you know who I'm talking about -- Cooper Holt. I can't believe it, I can't believe that he's stepping down this year, after more than a quarter of a century of distinguished service as the executive director. But let me tell you something: Members of the VFW -- others who stand for a strong defense, whoever they may be -- Cooper has earned the gratitude of veterans everywhere for making the VFW his life-long cause, but also the way he has conducted himself in Washington and elsewhere in this high office. He has my respect and my friendship, and I don't know what it's going to be like without him around here, I'll tell you.

I want to pay my respects to General Al Gray, member of the Joint Chiefs of Staff, a Commandant of the Marine Corps, outstanding soldier -- outstanding marine, I should say. Sorry, Al. [Laughter] Really know how to hurt a guy, but -- [laughter] -- an outstanding leader. And also, to my former colleague and dear friend, the veterans' friend, Congressman Sonny Montgomery, over here.

Before I begin -- and I want to talk to you about two or three major issues -- but before I begin, let me just say a word about an issue that is of particular importance, I'd say, to the people in this room. You know John Tower as a fellow veteran, and you know him as a lifelong public servant. And you also know him as a fighter. And he's fought for his country as a 17-year-old enlisted man in the United States Navy. And now he and I are fighting for what I think are some very important principles, principles that the American people understand, like fairness and truth, and principles like the prerogative of a President of the United States to assemble the most talented and qualified team to guide this nation forward.

And I have asked the Senate to vote on this nomination with those principles in mind, asked the Senate to put aside partisanship. I've asked them to use their own experience with John Tower as an expert on defense issues; as a former colleague; and as a tough, hardnosed negotiator to guide them as they move towards a vote on this nomination. It is very interesting that not one single United States Senator has challenged John Tower's knowledge on defense matters or his experience to do this job -- not one single Senator.

And I stand by this man, I stand by him because he is uniquely qualified as the right man to take charge of the Pentagon. Enough of that now. [Laughter] I wanted to get it off my chest. I'm getting sick and tired of some of the rumors and the innuendoes that are used against this decent man. Back to the gentler and kinder message. [Laughter]

Look, it's always an honor to meet with fellow members of the VFW. The love of liberty is the birthright of all men, certainly all Americans, and that's why our nation owes a special debt of gratitude to its veterans, who freely and courageously took up the defense of freedom. I am especially pleased to welcome the Department of Veterans Affairs to a place in the Cabinet, and it's a cause, I might add, that you were in the lead on. And it's a sign of America's commitment to her veterans, of the importance we place in repaying in some way the sacrifice that veterans have made in answering their country's call. And in my view, it is important that the first Secretary is someone who is close to the President, who has the President's full confidence on a personal basis, and Ed Derwinski, my former colleague in Congress and my friend of longstanding, fits that description to a tee. He will be an outstanding Secretary.

Some facts: Today there are six times as many veterans alive as there were when the VA was created in 1930. Ed already has come to see me to discuss some of the challenges facing us in these programs. With the pressure the country is under -- and let's make no mistake about it, the pressures are great -- to solve our massive Federal deficit, we may not be able to do everything we'd like to do in the way of adding resources, but I can tell you that Ed is your strong advocate. And like me, he understands the needs, including the crying need for strong health care for the veterans. He already is an advocate for that.

I want to speak this morning about a matter of the utmost importance to the VFW -- keeping America strong -- today and then, just 11 years from now, into the 21st century. Opinion is nearly unanimous that today is a time of transition in world affairs. That means our powers of observation and analysis, our ability to sort out change and continuity, will be put to the test. And when it comes to predicting the future, Winston Churchill's rule is the best. It is: ``I always avoid prophesying beforehand because it's much better policy to prophesy after the event has already taken place." You've got to think about that one for a while, and maybe I'm the guy to do that. Last year I told the American Legion about Pearl Harbor being on September 7th. [Laughter] Just think, if Franklin Roosevelt had listened to me, think what we could have spared the Nation. [Laughter]

You know, maybe you've read and maybe you haven't that we are in the midst of a series of systematic strategic reviews, and I've asked the members of my national security team to look hard at the international landscape and to look forward to assess the combination of security threats, technological change, and political and economic developments that will shape our security horizon well into the next century. And I am convinced that this important review, this important exercise, will have lasting benefits to our national security. In my address to Congress last month, I set a 90-day deadline for this important work. And I won't rush the final results. The insights we will gain into the problems we will face in the decades ahead are worth waiting

for. And the other day I went over to the Pentagon and met with certain members of the Joint Chiefs and those running that building, and I must tell you, I'm very pleased these reviews are going forward.

But today I want to speak about the foundations of an adequate national defense program, about the world we live in, and the challenges and opportunities we'll encounter, and about the approach I'll take on issues integral to our own national security.

First, the foundations: A month ago, I presented to the Congress a sound defense spending plan that makes sense, strategically and fiscally. As a sign that my administration is serious about the deficit, I called for a freeze in defense spending in 1990, adjusted only for inflation. And I'm well aware that our national strength rests ultimately on the health and vigor of the American economy. And we need a strong defense, and we need a strong economy. And I mean to preserve both, but our crucial military modernization plans and the diverse defense commitments that we must keep cannot be achieved without additional defense funding. And that's why the budget plan follows the freeze for 1990 with real increases -- albeit they're small -- with real increases: 1 percent in 1991 and 1992, and a 2-percent increase for 1993. And my aim is to put defense spending on a modest, manageable growth path, one that we can afford and then one that will allow us to modernize and maintain forces that are formidable, flexible, and ready.

But in the defense debate, what we can and can't afford isn't just a matter of economics. It's a matter of vital national security. And I say we can't afford to continue the downward trend in defense spending. 1989 -- now listen carefully to this -- 1989 will be the fourth straight year that budget authority for defense has declined in real terms. And we've worked hard to rebuild America's strength, and it's paid off. Today America is strong; its voice is heard. Its forces are ready, and the values we stand for are more secure.

Secondly, we can't afford to mistake a more stable international environment as proof that we can spend less on national defense. The secret to our success can be summed up in a single word: strength. And let's sustain the military strength that helped turn the world situation around.

And finally, we can afford adequate defenses. The defense budget that I'm calling for in 1990 represents 5.5 percent of our annual gross national product. And that's a far smaller share of our national wealth than the United States spent on defense at any point throughout the 1950's or the 1960's -- periods of rapid and sustained economic growth though they were. The bottom line is not a question of cost or a question of resources: It's simply a question of will. And you have my word, as long as I am President: America will stand fast on the front line in defense of freedom.

Today around the world, a number of longstanding regional conflicts are closer now to resolution than ever before. The stirrings of freedom and the advance of democratic rule are evident and undeniable. In the economic sphere, the free market is increasingly seen as an engine of growth and development unmatched by any other system. And freedom is on the

march. But there are still forces arrayed against it, regimes whose interests and systems are at odds with our own and with those of our allies. And then there's the spread of chemical and biological weapons, along with the means to deliver them. It's likely to make the flashpoints that always exist more dangerous than ever before.

And the key issue of change within the Soviet Union -- there are still far more questions than answers. There is no doubt that the changes taking place are significant and far-reaching, but it is equally true that the ultimate outcome of the events unfolding in the U.S.S.R. remains certain [uncertain]. My view is this: We should press for progress that contributes to a more stable relationship between the United States and the Soviet Union, but we must combine our readiness to build better relations with a resolve to maintain defenses adequate to secure our interests.

America and her allies must recognize that even in light of the military cuts proposed by President Gorbachev the Soviet Union remains the most formidable military power facing the free world. We must be ready to cope with change and favorable opportunities and ready in any event to defend our interests and ideals. And what this means in terms of our national security should be clear. We need to maintain and modernize our forces, nuclear and conventional. For America and its allies, a survivable nuclear force will remain the ultimate deterrent of aggression.

We need to make a concerted effort to turn our technological strengths into a source of advantage to our national security. And that includes, in my view, vigorous pursuit of the Strategic Defense Initiative.

And we need to make an active effort in arms control, to strive for increased stability at lower levels of armaments. But I will strongly oppose legislative attempts to withdraw U.S. troops from Europe unilaterally. Imprudent unilateral reductions are not the path to peace and security and freedom.

And I've been listening to General Gray. We need to keep our forces ready and well-trained. The dedicated men and women who serve our country deserve no less.

We need to reform our procurement process to deliver a dollar's worth of defense for every dollar we spend. And the way to do that is to begin to follow through on the sensible reforms suggested in the Packard commission report and the findings of the defense management review now underway. I'll look carefully at those management review findings and then move to implement them.

And we need to maintain the alliance of like-minded nations in Europe and Asia that have helped us keep peace in the postwar era. As strong as we are -- and we are strong -- as strong as we are, the United States of America in this complex world cannot go it alone. Keep our alliances strong.

Before I close, I want to focus for a moment on a threat no less real than the adversaries you have battled. And I'm speaking about not a military threat; I'm speaking about the insidious threat to our society and our values: drug abuse. The notion that America is a nation at peace is only partly true as long as the violence and destructive power of drugs assault our communities.

As I talk, our Attorney General is holding a series of talks with three South American Presidents and their attorney generals or their ministers, seeking their full participation in this war and offering our full cooperation. My able drug czar, Bill Bennett -- some of you know him, able man -- he will be confirmed as my hard-hitting point man to be at my side in the White House to keep the focus on winning this unconditional war; and I mean to mobilize all our resources, wage this war on all fronts. We're going to combat drug abuse with education, treatment, enforcement and, yes, interdiction and, yes, with our nation's armed services. When that prudently can be done and when that's what it takes, we are going to have to go all-out. We need to break the deadly grip of drugs and prevent the drug scourge from taking hold.

And the VFW can help. Many of you have already started. Many of your posts are actively involved. You've got 2.3 million members, 750,000 auxiliary members, 10,000 chapters nationwide. The VFW is, and always will be, a respected member of communities across our country; and today I call on you to form a community of action. ``For America, whatever it takes'' -- that's the motto of the VFW. And you've fought for your nation once, and your nation needs you again. And today I want to enlist you in the antidrug campaign. Meet with other leaders in your community -- church, clergy, law enforcement officers -- tell them the VFW volunteers are ready to help. And go to the schools and put the full weight of this magnificent organization behind the antidrug education effort that provides our kids with the reasons and willpower that they need to resist drugs. Speak to your State and local elected officials. Urge them to make the passage of strong antidrug legislation a priority.

I am reaching out to you, so I want to extend my help as well. Bill Bennett stands ready to meet with the VFW leadership to share ideas that can help you map a strategy. VFW has proven many times over its dedication to the health and well-being of our nation, proven it over and over and over again. And the 50 young people that you've honored here today, with whom I had a chance to meet very briefly a minute ago, underscore the VFW's interest in our nation's youth and in our future. I know that we can count on the veterans of America all across this country to help us wage and win the war on drugs. Your country needs you once again.

Veterans share a special bond. We've seen the face of war; we know its terrible costs. Americans never willingly choose conflict. But we know, as well, that we must be ready and willing to respond when our interests and our ideals come under threat.

Let me be very clear. I prefer the diplomatic approach. Nations can and should explore every avenue toward working out their differences without resorting to force or military intimidation, but I'm also a realist. I know that there is no substitute for a nation's ability to defend its ideals

and interests. And too often we hear that we face a stark choice in coping with conflict. We can pursue a diplomatic situation, or we can seek a resolution through military means. One, we're told, is incompatible with the other.

Well, this doesn't square with real-world experience. Diplomacy and military capability are complementary; they're not contradictory. Creative diplomacy can help us avert conflict. Negotiations stand the greatest chance of success when they proceed from a position of strength. The fundamental lesson of this decade is simply this: Strength secures the peace. America will continue to be a force for peace and stability in the world provided we stay strong.

Let me close with a word to these young people, who you appropriately are honoring here today. If I were in your shoes, I'd be an optimist. I'd be an optimist about world peace, changes in the Soviet Union. As I said earlier in this talk, nobody is talking about the Socialist model or the Communist model as to a way to solve their problems. But never forget that, when a President of the United States goes to the negotiating table, the way to enhance our values, the way to enhance the principles that everybody in this room holds dear, is to be dealing from a position of a strong America. We have the ideals. Keep America strong! Thank you all, and God bless you. And good luck to you guys.

Note: The President spoke at 11:08 a.m. in the Sheraton Ballroom at the Sheraton Washington Hotel. In his remarks, he referred to Larry W. Rivers and Cooper T. Holt, national commander in chief and executive director of the Veterans of Foreign Wars, respectively; Gen. Alfred M. Gray, Commandant of the Marine Corps; Representative G.V. (Sonny) Montgomery, chairman of the Veterans' Affairs Committee; and Edward J. Derwinski, Secretary-designate of the Department of Veterans Affairs.

Message on the Observance of St. Patrick's Day, 1989

March 6, 1989

It is a pleasure to send greetings to everyone celebrating this St. Patrick's Day.

The feast of the Apostle of Ireland occupies a special place on our calendar because it is a fitting time to celebrate the vibrant heritage of millions of Irish Americans, as well as the many contributions they have made to our country. Among the first of immigrant groups, the Irish overcame poverty and prejudice to become productive members of the American workforce and an influential voice in United States politics.

Today, our Nation continues to be inspired by the deep faith, strong family life, and hard work of Irish Americans. Their legendary sense of humor and resolve are an example to us all.

Barbara joins me in commending all of you on keeping alive the joyous spirit of St. Patrick's Day. May God bless you.

George Bush

Nomination of Anthony Joseph Principi To Be Deputy Secretary of Veterans Affairs

March 6, 1989

The President today announced his intention to nominate Anthony Joseph Principi to be Deputy Secretary of Veterans Affairs at the Veterans Administration. This is a new position.

Mr. Principi has been Republican chief counsel and staff director of the Senate Committee on Veterans' Affairs, 1984 - 1988. He was majority chief counsel and staff director for Senator Alan K. Simpson, 1984 - 1986, and Deputy Administrator for Congressional, Intergovernmental, and Public Affairs for the Veterans Administration, 1983 - 1984. Mr. Principi entered the United States Navy in 1967 and has served as senior staff counsel and professor of military law for the U.S. Pacific Fleet in San Diego, CA, 1978 - 1980, and chief defense attorney for the Naval Legal Service Office, 1975 - 1978.

Mr. Principi graduated from the United States Naval Academy (B.S., 1967), and Seton Hall University School of Law (J.D., 1975). He resides in Rancho Sante Fe, CA.

Nomination of Gerald L. Olson To Be an Assistant Secretary of Health and Human Services

March 6, 1989

The President today announced his intention to nominate Gerald L. Olson to be an Assistant Secretary of Health and Human Services (Legislative Affairs). He would succeed Mary T. Goedde.

Since 1978 Mr. Olson has been vice president for government relations for the Pillsbury Co., in Minneapolis, MN. Prior to this he was executive director for government and community relations at the Cummins Engine Co., 1975 - 1978. He was vice president and division manager for Irwin Management Company, 1971 - 1975, and assistant to the chairman of Cummins Engine Co., 1969 - 1971. Mr. Olson was special assistant and presidential campaign director for Governor Nelson A. Rockefeller, 1967 - 1969, and campaign manager and legislative liaison for Governor Harold LeVander, 1966 - 1967.

Mr. Olson graduated from Mankato State University (B.S., 1958). He was born December 3, 1933, in Sioux Falls, SD, and resides in Deephaven, MN.

Announcement of the Continuation of Roberts T. Jones as an Assistant Secretary of Labor

March 6, 1989

The President today announced that Roberts T. Jones will continue to serve as an Assistant Secretary of Labor (Employment and Training).

Mr. Jones currently serves as Assistant Secretary of Labor at the Department of Labor, 1987 to present. He was Deputy Assistant Secretary of Labor, 1985 - 1987, and Senior Administrator for Job Training Programs, 1972 - 1985. From 1968 to 1972, he served as administrative assistant for Congressman Marvin L. Esch and Congressman Charles E. Wiggins.

Mr. Jones graduated from the University of Redlands with a bachelors degree in psychology, 1962. He was born April 24, 1940. He is married, has three children, and resides in Alexandria, VA.

The President's News Conference

March 7, 1989

The President. Well, as you know, we got canceled out of Lancaster, Pennsylvania, and Wilmington today. And so, I thought it might be an opportune moment to stay indoors, take a few questions. The Lancaster trip has been rescheduled for the 22d of March; and I look forward to going there, talking to the people, and really discussing that community participation in drugs.

I want to take this opportunity to restate my belief that free collective bargaining is the best means of resolving the dispute between Eastern Airlines and its unions. I continue to feel it would be inappropriate for the Government to intervene and to impose a solution. This dispute has gone on for more than 17 months, and it's time for the parties involved to get down to serious business and reach an agreement. The action-forcing event, in this case, is the strike. And that is the tool at the disposal of labor, and they're properly going forward with that. Management and the labor now have to find a settlement.

But let me just say that I hope my position on secondary boycotts is well-known. Thankfully, these boycotts have not yet materialized, and I hope they don't. Temporary restraining orders have been in effect yesterday and today in the New York and Philadelphia areas. But even when those restraining orders lapse, I remind all parties that secondary boycotts are not in the public interest. And I will send legislation to Congress to forbid them if that is necessary. It is not fair to say to a commuter on a train coming in from Long Island that you're going to be caught up and victimized by a strike affecting an airline -- simply isn't fair, in my view.

Secretary [of Transportation] Skinner has been monitoring the situation from the very beginning -- my view on top of it. The Department of Transportation and the FAA have taken every precaution to ensure airline safety during this period. And I understand that the pilots are talking about a work slowdown beginning today. Certainly, I must recognize their special concerns for safety during this period, but I also would urge them not to make the innocent traveling public a pawn in this dispute.

So, that's my view on the airline strike. And I hope that it is settled in the traditional way -- management, labor sitting down and working out an agreement.

Wait a minute! We've got to go to -- protocol has -- sorry about that.

Administration Accomplishments

Q. Mr. President, your struggle to win the confirmation of Senator Tower and the seeming lack of direction has caused a lot of criticism that your administration is in drift, there is malaise. What is your response and what are you going to do about it?

The President. My response is that it's not adrift, and there isn't malaise. And I talked to a fellow from Lubbock, Texas, the other day, which is the best phone call I've made; and he said, ``All the people in Lubbock think things are going just great." And so -- and he is a very objective spokesman, a guy that -- [laughter].

Q. Do you really think you're doing fine when nobody knows where -- --

The President. I think we're on track.

Q. -- -- and nobody knows where your administration is going -- --

The President. Well, let me help you with where I think it's going. First place, in a very brief period of time, we addressed ourselves to a serious national problem: the problem of the S&L bailout. That is still moving forward; it takes a little time. I've challenged the Congress to act. Secondly, we came up in a very short period of time with great amount of detail, far more than the two previous administrations, regarding the budget -- sound proposals. The number one problem facing this country, in my view, is getting this Federal budget deficit down. Not only did we address it but we addressed it in considerable detail, and talks are going on right now to try to solve that problem.

I've taken a substantive foreign policy trip that took me not only to 3 countries, but where I met with, I think, some 19 representatives of 19 countries and talked about their objectives and mine for foreign policy. Our Secretary of State [James A. Baker III] has not only touched base with all the NATO leaders but has had a productive meeting with Mr. Shevardnadze [Soviet Foreign Minister]. The defense reviews and the other foreign policy reviews are underway. And I will not be stampeded by some talk that we have not come up with bold new foreign policy proposals in 45 days -- not going to be.

So, I think plenty of substantive things are going on. And then I have made clear -- you saw my statement on the CFC's [chlorofluorocarbons] on the environment. Our environmental man is over there, Bill Reilly [Environmental Protection Agency Administrator], a very able administrator, attending a conference that will then lead, in my view, to unilateral proposals by the United States, not in terms just of CFC's but other global environmental matters. We are confident of the confirmation of Bill Bennett, and he is charged with a 6-month's mandate to do something -- map out the drug program. And he will be very serious about going forward on that.

I appointed early on an ethics commission which has been meeting and will be coming out with, I think, sound proposals. And so, we'll start moving forward legislatively there. I spelled out in my speech an education agenda, and that will be followed -- the speech -- very shortly with legislative initiatives. We're moving forward with our volunteer approach -- the organization to

pursue national service -- under Gregg Petersmeyer [Deputy Assistant to the President and Director of the Office of National Service] here in the White House. Our Secretary of HUD [Jack F. Kemp] has taken some fact-finding trips and made some good comments, speeches, about our objectives in terms of the homeless.

So, I would have to urge -- and everyone here is familiar with my position on child care. That's going to take legislation, but I think the Congress clearly knows where we want to go there. So, I would simply resist the clamor that nothing seems to be bubbling around, that nothing is happening. A lot is happening. Not all of it good, but a lot is happening.

Human Rights

Q. Mr. President, you mentioned your Asian trip. Now, one of the issues that arose there was kind of a disagreement or a dispute with China over a dissident attending your dinner. And it seemed that you failed to raise human rights in your meetings with Chinese leaders. Is this going to be your preference for conveying harmony rather than confrontation over human rights?

The President. No, it was raised. When Marlin spoke to you -- the beginning of the trip there in China -- and said it hadn't been raised, he was right. It hadn't been raised publicly in the meetings that I'd had up to that moment. I believe Deng Xiaoping was the one -- where he spoke, but it was raised by me personally.

But you know, there's two schools of how you do the human rights agenda. I think that President Reagan was correct when he raised the human rights agenda with the Soviets privately rather than beating his breasts and doing it publicly. And I think the results have been rather penetrating -- still a long way to go with the Soviets. But I have not only raised them, but the very invitation to that dissident, that they thoroughly disapproved of, shows our public commitment to it. And there was a reference to it in a speech. So, it all depends how you, how -- in our toasts -- so it all depends, you know, what approach you take. But I think quiet discussion is a good approach to try to effect the human rights objectives that I feel very strongly about.

Q. On that regard, on human rights, will it always be the first thing you mention with the Soviets, as it was under President Reagan?

The President. I don't recall it always being the first thing. Because the last meeting I attended with him and Mr. Gorbachev, it was raised, but it wasn't the first thing. But it will be high on our agenda -- I confidently expect that Jim Baker will continue to raise it. And, yes, it will be an agenda item.

Eastern Airlines Strike

Q. Mr. President, on the air strike, your opposition on Capitol Hill, many of the Democrats up

there, wanted you to intervene in the strike. Should you have to go to Congress for emergency legislation to deal with secondary boycotts, it is likely they are going to say, ``No, no, we want you to intervene first." If the Eastern pilots succeed and the machinists succeed in imposing secondary boycotts, you seem to be on a collision course there. Will your policy hold firm?

The President. It will hold firm. The Secretary [Samuel K. Skinner] is testifying, I think, at this very moment about the kind of legislation you're talking about and some wanting to compel the President to convene this Board. So, there are two schools of thought. I still feel that the best answer is a head-on-head, man-to-man negotiation between the union and the airline. And I think that is better and more lasting, incidentally -- the agreement that would stem from that -- more lasting than an imposed government settlement which could cause the airline to totally shut down. So, I think there could be some, you know, confrontation. But I will stick with my view; and if, indeed, innocent parties are threatened through the secondary boycott mechanism, I will move promptly with the Congress. And I don't want to buy into a lot of hypothesis here, but you would have an outcry from the American people on the basis of -- that I mentioned about that commuter. It is not fair to, you know, have innocent people victimized by a struggle between Eastern Airlines and the machinists' union. So, there may be a closely fought contest, and I know there are some widely differing views on this.

Q. If that should happen, sir, you must recognize that there'd be great pressure on you to at least stop it for 60 days. Are you intent on not doing that?

The President. I'm intent on staying with what I've outlined is our administration's policy. And it is the correct policy. And I think it's the best way to have a solution to this question.

We'll go right across here and then start -- go ahead.

Secretary of Defense-Designate Tower

Q. Mr. President, back to Helen's [Helen Thomas, United Press International] question, this sort of sense that's developing that -- let's say the John Tower fight is sapping you of your ability to get on with other issues. How long are you willing to fight this fight, let the debate go on? Are you ready to now call for them to have a vote, say, today or tomorrow, just to get this behind you, one way or the other?

The President. No, no, because Lesley [Lesley Stahl, CBS News], first place, there's two major principles: fairplay and, secondly, the right of the President to have -- historical right -- to have who he wants in his administration. And I've heard a lot of judgments on Tower based on reports -- hearing people reading the same report and coming out with different judgments. I want him. I believe he is the best man for the job. There are a lot of historical precedents behind my desire to have him and, you might say, right to have him, barring any very clear reason not to; and therefore, I will stay with it. And secondly, it's the Senate that controls when they vote or not.

And I will leave that to Bob Dole and George Mitchell, both of whom I think are conducting themselves very well.

There's a followup. Yes?

Q. May I ask you a question about the chain-of-command question? Because the Senator admits to excessive drinking, which would disqualify him for a job in the so-called chain of command, does this not disturb you at all that that's the qualification for a job?

The President. No, I think he'll measure up to that qualification. Indeed, he has said he'd never touch another drop of liquor, and you'll have 25,000 people in the Pentagon making sure that's true. So, what I mean, here's a, I'd say, a fail-safe guarantee. Doesn't bother me. And I -- --

Q. The past?

The President. No, I think when you look at the record and look at the testimony as I have -- and I haven't had one single Senator, not one, served with him over the years, say, I have seen him, my firsthand evidence is, this man is ineligible because of his consumption of spirits -- not one. And isn't that a little bit unusual? So, I go right back to the President's right to have his choice. Let's keep it on a nonpartisan basis. I would just urge that both Senator Nunn and George Mitchell have told me, ``Wait a minute, this isn't a partisan fight." And I would simply ask that they keep reiterating that to those Senators who may not have made up their minds with finality and let's go to a vote. But I'm not going to pull back on this.

And, Lesley, it isn't iron-willed stubbornness. There's a question of fundamental principle here. And I've spelled out my call for fairplay, and I'm going to keep reiterating it. So, let the Senate work its will; it's not going to hurt. And this concept that you can never work in the future because people disagree with you in the Senate -- I simply don't accept that.

Q. Mr. President, you have said that the FBI report guns down the accusations against Senator Tower. And yet you have also said that there can be no release in practical terms because of the confidentiality of people interviewed. Had you given consideration, given the problem with the nomination, to asking those interviewed to waive the right of confidentiality so that the public doesn't have to take your word for it as to the degree to which this report exonerates the Senator or the opponent?

The President. Or the word of the opponents? Yes, we have thought about that. And I'm not sure where our Counsel's office stands on it. But I'll tell you that the precedent is troubling. When you take testimony and then -- and certainly you can't go ahead and release -- I mean, I just could not do that. And I think it's very damaging in the future. So, I'm saying I have read it; this is my view. And it's inhibiting because it does confine the debate on the floor. But I really worry about the precedent. So, I have not been pushing for sanitization and then release, or for

selective release, or for -- I hadn't thought about this concept of going to somebody and say, ``Would you release us from confidentiality?'' I think that would chill future proceedings.

Let's go back in the back. We're not -- right in the middle back there.

Department of Defense Review

Q. Mr. President, you mentioned yesterday in the speech to the VFW that this 90-day deadline that you had imposed on yourself for the strategic review might slip because you said that the results wouldn't be rushed. Is there going to be a new deadline? And is the fact that you don't have a sitting Defense Secretary contributing to that?

The President. I hope there's not going to be any slippage. I want that; I want the budget review. I want the management review completed by then. And look, not having a Defense Secretary in place -- no question that it's an inhibiting factor. But I went over to the bureau the other day, I mean the Defense Department, in a trip that was interpreted for one purpose; and what I went over, really, for was another purpose. And the purpose I went over there for was -- please, understand we've got to keep these reviews going forward. And I am very grateful to those people, some of whom won't be there in a new administration, all of whom -- or most of whom had served in the past administration, for seriously addressing themselves to these various reviews. I hope we can make the target. The minute the target is made and the review comes, then we have a lot of decisionmaking. But I don't want to be foot-dragging. And therefore, I'm going to try to keep the heat on without slippage there.

Eastern Airlines Strike

Q. The head of Eastern Airlines, Frank Lorenzo, is from Houston, Texas. Is he a friend of yours? Did he give money to your campaign? And one of his vice presidents is on your staff as head of congressional relations. Is he giving you advice?

The President. He has recused himself, as I understand it, from the Eastern Airlines; and he's not giving me advice. I know Frank Lorenzo, and in all probability he gave money to the Bush-Quayle campaign.

Now, followup?

Q. Does that influence you in any way?

The President. No, it does not influence me in any way.

War on Drugs and Gun Control

Q. Mr. President, the theme of the week is drugs this week, and you mentioned again this morning your commitment to ridding the country of drugs. But your designate for drug czar, William Bennett, has said that as part of the way that he would like to help end drug violence would be to consider a ban on semiautomatic weapons, which is opposed to your own viewpoint. And we're getting more and more evidence from doctors and police that there's gunfire in the streets and wounds that they haven't seen since the Vietnam war because of these weapons. What do you say to people whose families have been maimed by these kind of weapons?

The President. I say the same thing I say to a person whose family has been maimed by a pistol or an explosive charge or whatever else it might be -- fire. This is bad, and we have got to stop the scourge of drugs. And I talked to Bill Bennett about that, because I said, ``Bill, what can be worked out with finality on AK - 47's? What can be done and still, you know, do what's right by the legitimate sportsman?" I'd love to find an answer to that, Rita [Rita Beamish, Associated Press], because I do think that there has to be some assurance that these automated attack weapons are not used in the manner they're being used. And I told Bill -- I said, ``Look, don't worry about what you said up there." I said, ``I can identify with what was behind your thinking on that very, very easily." I'd like to find some accommodation. The problem, as you know, is that automated AK - 47's are banned and semiautomated are not. So, in they come, and then they get turned over to automated weapons through some filing down. It isn't as easy as it seems to those who are understandably crying out: Do something! Do something!

But I've tasked Bill. I've said, ``Bill, work the problem. Find out. And I'm not so rigid that if you come to me with a sensible answer that takes care of the concerns I've felt over the years I'll take a hard look at it, and I'll work with you to that end."

Speaker of the House Jim Wright

Q. Mr. President, do you support the Republican Congressional Committee's decision to make Jim Wright its number-one target next year? And doesn't that conflict with your -- --

The President. Hey, listen, I've got enough fights on my hands now, Dave [David Montgomery, Fort Worth Star Telegram]. [Laughter] I'm not looking for any more. Let the Congress do its thing, and I'll just stay right where I am, plugging away on a matter of principle for a battle that's going on in the -- I'll let you know if I want to take on any more.

Soviet-U.S. Relations

Q. Mr. President, on foreign policy, there is some confusion about how you feel about linking Soviet good behavior, particularly in Central America, to granting them technological transfers and economic credits. If Gorbachev helps you in Central America, specifically in Nicaragua, are you willing to help him economically?

The President. Look, the more cooperation we can get on regional objectives -- in this instance, the democratization of Central America -- the more help we can get towards that end by the Soviets with pulling back their large amount of military support, the better it would be between relations. So, there is linkage, but when it gets to the specifics of what I'll be willing to do -- that will come under this whole policy review. But we are not going to back away from agenda items, including regional tensions. And when something good happens, give some credit. When Soviets come out of Afghanistan, which happened here not so long ago, give them credit for that. When you get lightening up a little bit on the question of Soviet Jews or something of that nature, give some credit. So, don't know exactly how to help you in terms of how much linkage there is, but there's clearly got to be some linkage.

Q. Sir, you've been getting cables back from Vienna from Secretary of State Baker, he's been meeting with Foreign Minister Shevardnadze. Is Shevardnadze saying anything encouraging along this line?

The President. Well, I haven't seen the overnight cable from Baker reporting on that meeting, so I can't comment. I read some reports of what Shevardnadze said in terms of conventional forces, and it looks to me like he's moving towards the oft-stated public position of NATO in this regard, and that is good. Where it's not a question of numbers you take out, it's a question of the numbers that are left when you finish taking troops out. So, I think there's been some encouraging -- but I have not yet seen the Baker report, and I haven't talked to him since his visit.

Aid to the Contras

Q. Mr. President, nonmilitary aid to the contras will run out at the end of the month. Do you plan to propose new aid to the contras and some package of carrots and sticks for the Sandinistas?

The President. Well, I hope there is some understanding on the Hill that these people must not be left without humanitarian aid. And we have already -- through the Secretary of State before he left -- pointed out that that was my inclination was to strongly support the appeal for humanitarian aid. We simply cannot, and I will not, leave the contras out there with no humanitarian aid at all -- ability to stay alive at this juncture.

Q. But will the package include some promise of renewed military aid depending on the Sandinistas' behavior at this point?

The President. We are talking, as I think the Secretary said the other day, about how best to move the process of democratization forward. I had a very interesting talk with Mr. Cervezo [President of Guatemala] on that. And I am hopeful that before the 90-day period is up, you know, on the Presidents coming out, that we can get some very clear statements. But in terms of humanitarian aid, I don't think there will be much resistance to that at all.

Terrorist Raids in Israel

Q. Mr. President, on another regional question, Yasser Arafat [Palestine Liberation Organization chairman] has refused to criticize any of the raids within Israel that have been carried out. Is he backing down on his promise against terrorism?

The President. I hope not, and I'd like to see him forthrightly condemn any terror that might be perpetrated by the Palestinians. I stop short of saying he's condoning it or that he is furthering it. I'm not saying that. But I'd like to see him speak out. It would do wonders. It would be very good for future dialog.

Q. Well, is he jeopardizing the dialog as it sits now?

The President. To the degree terroristic acts are condoned, it doesn't help the dialog.

Administration Accomplishments

Q. There is a school of thought in Washington, Mr. President, that perception is often reality or becomes reality. The perception is that your administration is floundering, that the White House staff is inept. How do you deal with that? How do you turn that around?

The President. I ask for your forbearance and leadership in this regard, pointing out all the things that I spelled out in the beginning, comparing that with the terms of appointments. I've spared you the statistics on appointments, which I had prepared, because one of the hits is, you haven't sent up any names. You haven't done anything about names. And so, I would refer to my notes, Gerry [Gerald Boyd, New York Times], if that's all right. And I have lost my notes on this -- no, here they are. And in terms of the Reagan-Bush administration, at this juncture, 55 names as of March 6th had been announced. On the Bush-Quayle administration, 67 had been announced. So, it's not bad. We're a little bit ahead in terms of announced names. Now, you've got some different problems here because one is nomination, the other is intent to nominate. And intent to nominate means there's still some more paperwork to be done. But in terms of who we want in place, we're moving along all right. I'd like to see it faster, of course.

But that's one of the allegations -- disarray. First, I have great confidence in my staff. And every Chief of Staff goes through this drill, where he gets saluted for his brilliance, and a month later gets attacked for his something else. And I have total confidence in John Sununu; he knows the way this town works. He has the respect level that comes from being -- there he is -- [laughter] -- the respect level that comes from being a Governor. And so, we're all used to this. Hey, this is light compared to what is was like about a year ago in my case. So, that's why I still feel relaxed.

But the point is, if you would just write down all those wonderful things I told you that are

happening and get it out to that wide readership, it would be very helpful to me. And also, I refer you to the phone call in Lubbock. [Laughter] And that is: Never get too uptight about stuff that hadn't reached Lubbock yet. And be sure that there's some accomplishments going on -- --

Q. Is that your Peoria?

The President. -- -- accomplishments going on that people can say, ``Wait a minute, there's quite a bit happening here."

Q. If I could follow up: Is there a danger here, sir? Is there a potential danger if the perception lingers?

The President. You're in a better position to answer that than I am. However, you know, I come back to the Tower -- I think people are fair. They are not making up their minds on perceptions, make them up on facts. And I am one who felt that way coming out of the campaign. That's why I go back to that. It was a very important thing to me -- what happened out there about a year ago. And here I stand here. And so, I don't think the American people make up their minds on perceptions. I think they make up their minds on facts. Now, you can have various waves of approval or disapproval, but I think if we can just get our message out on the facts the way I've spelled them out here I think we'll do fine. But I've -- --

Federal Budget

Q. Mr. President, I'd like to ask you about one of the facts that you cited in your list. You said the budget that you sent to the Hill has more detail than any budgets of the last two administrations. I'm a little confused about that. What are you referring to, since yours did not list any of the domestic -- --

The President. More detail has been sent to the Hill at this time in our administration -- let me clarify that -- than at any time for either the Reagan administration in 1981 or the Carter administration in '77. They hadn't gone up with near this amount of detail to the Hill. And we have a document that we should pass out to you because it is quite important that this be understood.

One more.

Q. Mr. President, you've -- --

The President. Make it two. Two more -- one, two. Sorry.

Administration Accomplishments

Q. Thank you, sir. You've heard the commentaries and read the articles about the -- as have been described here -- the foundering and the lack of ideas of the administration. I'm wondering what your reading is on the motivation for all of this at this point in the administration.

The President. The motivation for these groundless stories? [Laughter] Let me see what it would be.

Q. They're coming from Republicans and Democrats.

The President. Well, who are some of the sources? Help me, and then I can give you the motivation. Give me two Democratic sources and two Republicans that have said this, and then let me try to -- --

Q. Kennedy.

The President. Ted Kennedy? Enough said.

Q. You have David Gergen's commentary.

The President. And do you have him down as an objective journalist or a Republican?

Q. Maybe both.

Q. Republican.

The President. Republican? Well, I think he's wrong. [Laughter]

Q. But what do you think the motivation is, coming at this particular point -- --

The President. Look, I told you what I think. Go back and look at history; it kind of goes in cycles. But I'm not deterred at all. And I've seen them, and I've seen some of the things that are cited in the stories as evidence of this, and I just disagree with the facts. So, keep on doing your job; that's my answer.

Q. Well, sir, one more crack at the ``hitting the ground crawling'' concept here. [Laughter]

The President. I read that -- I give -- sorry about that. Go ahead.

Policy Reviews

Q. You made much, sir, during your campaign of how close you were to President Reagan 8

years, you were very much involved, and so on. What is the need then, sir, for these 90-day reviews that you keep referring to? Why do we need 3 months to review our strategic policy, our foreign policy?

The President. Because it is a prudent thing to do. You have new people in the administration. You have rapid change inside the Soviet Union; you have certain things going on inside the Soviet Union we're not particularly sure about. And it is prudent at the beginning of any new administration, with new people involved, to have strategic and management reviews in the Defense Department. It's prudent to take a hard, new look at some of the problems that plague us in terms of the Third World. It is prudent in terms of some of our domestic objectives, although they're quite a bit clearer, Ellen [Ellen Warren, Knight-Ridder Newspapers], it seems to me. And we just have a question now of getting legislation to match those objectives that I spelled out in that report to the Congress.

Q. Well, then, to follow up, sir: In terms of the prudent review, have you come up with any novel or remarkable new approaches to old problems?

The President. Well, the reviews aren't completed yet. Stay tuned. We might well do just that. Really surprise the socks off you.

U.S. Economy

Q. Can we have an economics question?

Q. One economic question?

The President. No, those are the ones that get you in trouble -- [laughter] -- those economic questions. I feel pretty good about the economy, though.

Howard University Student Protest

Q. How about an Atwater question?

The President. An Atwater question?

Q. Yes. You're going tomorrow to speak to the United Negro College Fund. Right now the students at Howard are protesting Atwater on the board of Howard. Do you think they have a legitimate grievance about Atwater's conduct during the campaign?

The President. No. No, and I think it's a good thing he's on the board. I think it's a good thing he's going to talk to these students. And I think that will work out just fine. He's doing a first-class job.

Secretary of Defense-Designate Tower

Q. Would you like to see John Tower defend himself before the actual Senate board?

The President. I would not presume to recommend to the Senate what it should do, but Bob Dole knows that he has my full confidence in the way he's handling this matter in the Senate.

Q. Even though it's almost unique, would you like to see it happen?

The President. I have told you my answer. I don't think the White House -- I think we've got to be very careful here that we don't try to dictate procedures to the Senate. I have full confidence that the leader, if he decides to propose that with finality, will be doing what he thinks is best; and I will strongly support him.

Q. Have you found any other Democrats?

Q. See you in Lubbock.

The President. You didn't even ask for my source, which I would have traded you for some of yours.

Note: The President's sixth news conference began at 11:10 a.m. in the Briefing Room at the White House. Marlin Fitzwater was the President's Press Secretary.

Nomination of Thomas J. Collamore To Be an Assistant Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate Thomas J. Collamore to be an Assistant Secretary of Commerce (Administration). He would succeed Katherine M. Bulow.

From 1987 to January 1989, Mr. Collamore was Assistant to the Vice President for Operations in the Office of the Vice President, where he also served as liaison to the transition offices of the President-elect and the Vice President-elect. From April 1985 to February 1987, Mr. Collamore was Deputy Assistant to the Vice President and Staff Secretary, where he created and managed a staffing system for all action items from the Vice President. Mr. Collamore served from December 1982 to April 1985 as Special Assistant to the Secretary of Commerce, where he served as the Secretary's adviser on Cabinet affairs and White House liaison. In 1982 Mr. Collamore was deputy director for operations for the Rome for Governor campaign in Connecticut. He served from 1981 to 1982 as a confidential assistant to the Secretary of Commerce. From June 1979 to March 1980, Mr. Collamore was a staff member for George Bush for President in Connecticut. And in 1978 he served as the personal aide to Lewis Rome, a candidate for Governor in Connecticut.

Mr. Collamore was born in Hartford, CT, and graduated magna cum laude with a bachelor of arts degree from Drew University in Madison, NJ, in 1981. He resides in Washington, DC.

Nomination of William Douglas Fritts, Jr., To Be an Assistant Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate William Douglas Fritts, Jr., to be an Assistant Secretary of Commerce (Congressional Affairs). He would succeed Marc G. Stanley.

Since 1985 Mr. Fritts has been director of political affairs for the Health Insurance Association of America in Washington, DC. He was Senior Assistant to the Commissioner of the Social Security Administration, 1985, and Senior Adviser to the Secretary of Health and Human Services, 1984 - 1985. Mr. Fritts was manager of Federal Government relations for Philip Morris, Inc., 1982 - 1984. From 1981 to 1982, he was Special Assistant to the Deputy Assistant Secretary for Legislation at the Department of Health and Human Services. He was executive assistant and legislative director to Senator Robert Dole, 1979 - 1981, and assistant director of the Joint Republican Leadership Office and special assistant to House Minority Leader John Rhodes, 1977 - 1979.

Mr. Fritts graduated from the University of Vermont (B.A., 1974). He was born November 13, 1950, and resides in Arlington, VA.

Nomination of Deborah Wince-Smith To Be an Assistant Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate Deborah Wince-Smith to be Assistant Secretary of Commerce (Technology Policy). She would succeed D. Bruce Merrifield.

Since 1984 Mrs. Wince-Smith has served as the Assistant Director for International Affairs and Global Competitiveness in the White House Office of Science and Technology Policy. Prior to this she served as program manager for international programs at the National Science Foundation.

Mrs. Wince-Smith graduated from Vassar College and received her master's degree from Cambridge University.

Nomination of J. Michael Farren To Be an Under Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate J. Michael Farren to be Under Secretary of Commerce for International Trade. He would succeed W. Allen Moore.

Mr. Farren served as deputy director of President Bush's transition team from November 1988 to January 1989. He was counsel at the law firm of Wiggin & Dana in New Haven, CT, since September 1988. Mr. Farren previously served as Deputy Under Secretary of Commerce for International Trade from September 1985 to July 1988 and was responsible for management and policy development for the International Trade Administration. Prior to that Mr. Farren served as Counselor to the Secretary of Commerce from March 1985 to September 1985, advising the Secretary on policy development and Cabinet matters. From June 1983 to March 1985, he served as Director of the Office of Business Liaison at the Commerce Department, where he served as the Secretary's primary contact with the business community. He was director of White House liaison and executive assistant to the deputy chairman of the Republican National Committee from August 1981 to June 1983. Mr. Farren also served as vice president of the Greater Waterbury, Connecticut, Chamber of Commerce from December 1978 to August 1981. From March 1974 to November 1978, Mr. Farren was district representative and campaign director for U.S. Representative Ronald A. Sarasin.

Mr. Farren was born in Waterbury, CT, holds a juris doctor degree from the University of Connecticut School of Law, and is admitted to the practice of law in Connecticut and the District of Columbia. He holds a master's degree in public policy analysis from Trinity College and a bachelor of arts degree in political science from Fairfield University. Mr. Farren resides in Washington, DC.

Nomination of Susan Carol Schwab To Be an Assistant Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate Susan Carol Schwab to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service. She would succeed Lew W. Cramer.

Since 1986 Miss Schwab has been legislative director for Senator John C. Danforth in Washington, DC, and chief economist and legislative assistant, 1981 - 1986. She was a trade policy officer and international economist for the U.S. Embassy in Tokyo, Japan, 1980 - 1981, and an international economist and trade negotiator for the Office of the U.S. Trade Representative, 1977 - 1979.

Miss Schwab graduated from Williams College (B.A., 1976) and Stanford University (M.A., 1977). She was born March 23, 1955, in Washington, DC, and resides in Maryland.

Nomination of Thomas J. Duesterberg To Be an Assistant Secretary of Commerce

March 7, 1989

The President today announced his intention to nominate Thomas J. Duesterberg to be an Assistant Secretary of Commerce (International Economic Policy). He would succeed Louis F. Laun.

Mr. Duesterberg was director of operations of the transition for Vice President Dan Quayle. Prior to this he was administrative assistant for U.S. Senator Dan Quayle, 1983 - 1988, and legislative assistant, 1981 - 1983. He was senior research analyst for International Business Services, Inc., 1979 - 1981; associate instructor in the department of history at Stanford University, 1978 - 1979; and teaching assistant in the department of history at Indiana University, 1974 - 1978.

Mr. Duesterberg graduated from Princeton University (B.A., 1972) and Indiana University (M.A., 1974; Ph.D., 1979). He is married, has one child, and resides in Washington, DC.

Nomination of Richard Thomas Crowder To Be an Under Secretary of Agriculture

March 7, 1989

The President today announced his intention to nominate Richard Thomas Crowder to be Under Secretary of Agriculture for International Affairs and Commodity Programs. He would succeed Daniel G. Amstutz.

Since 1975 Dr. Crowder has been with the Pillsbury Co., serving in several capacities, including president of the Distron division for the Burger King Corp., 1987 - 1988; executive vice president and chief financial officer of the restaurant group, 1987 - 1988; senior vice president and corporate risk officer, 1987 - 1988; senior vice president for strategic planning, 1983 - 1987; and vice president and corporate economist, 1975 - 1983. Dr. Crowder was manager for economic analysis and operations research for Wilson & Co., 1971 - 1975, and manager for economic analysis, 1968 - 1971.

Dr. Crowder graduated from Virginia Tech (B.A., 1960; M.S., 1962) and Oklahoma State University (Ph.D., 1967). He served in the U.S. Army in Germany, 1962 - 1964.

Remarks to Members of the Woodrow Wilson International Center for Scholars

March 7, 1989

Well, thank you all very, very much; and Barbara and I are pleased, indeed, very pleased, to be here this evening. Yogi Berra, philosopher, said: ``You can observe a lot by just watching." [Laughter] And I'm watching the Secretary of State [James A. Baker III] to see how in heaven's name he can stay awake -- [laughter] -- because it wasn't but a handful of days ago that he was covering 14 countries, or something of that nature, in Europe. A few days less than that, he and I embarked on a trip to Japan and China and then Korea. He's only back 3 days, and off he goes to Vienna. And so, I will be watching him, observing to see how he survives. But I am delighted to be introduced by him in this building. He'll be a great Secretary of State. And you watch, I made a good choice, a real good choice.

I want to thank Mr. Blitzer and Mr. Baroody, Dwayne Andreas, and all responsible for this lovely evening. Ever since I said I want to become the ``Education President," I've had more than a few things to say about accountability in education. Well, Woodrow Wilson did once serve as president of Princeton University. And legend has it that one day a worried mother approached him and questioned him closely about what Princeton could do for her son. And he's said to have answered -- historians may dispute this, but nevertheless, he's said to have answered -- and here's the quote: ``Madam, we guarantee satisfaction, or you will get your son back." [Laughter]

Well, I'm very glad to be back amongst the Wilson scholars, an honor to be here, celebrating the anniversary of this wonderful institution. The law establishing this national memorial to Woodrow Wilson called for a ``living institution" to express his ideals and his concerns. And this one certainly does. In this alliance of scholars, now world-renowned for exploring some of the most vital issues that confront mankind, Woodrow Wilson's ideals find their highest and most effective expression.

The pursuit of knowledge and understanding that the center is committed to will be all the more crucial in coming years. We're going to depend more than ever on the counsel of learned men and women in a world that is changing rapidly, a world interconnected as never before in history. New ideas, new technologies, and the diplomatic and trading relationships that they spawn, are developing at literally an outstanding pace.

Barbara and I went back to China -- my fifth visit and her sixth since we left there in the midseventies, 1975 -- astounding the change and the excitement in that place. And Jim -- just filling me in briefly on a chat that he has had with the Foreign Minister of the Soviet Union, Mr. Shevardnadze. This is an exciting era in which we are living: new ideas, new technologies -- very important to what's going on. And we weave a tapestry of shared concerns and relations

worldwide. Threads are many -- social, economic, environmental. Now world conscience -- what the world conscience -- has environmental questions out there, geopolitical, and really grows broader every day.

And much of what is occurring in the world presents us, I think, with remarkable opportunities. I said China is one. China really continues to experiment with free market capitalism -- dramatic change. We're carefully, but optimistically, watching these internal changes in the Soviet Union that many in this room are interested in and, indeed, an area where many in this room have pioneered. And all over the world, opportunities are rising for new directions in foreign policy and trading arrangements, and new challenges are being issued to our competitive status in world markets.

During this recent trip to the Far East, I had many opportunities to observe and think about competitiveness. And there are many theories about the reasons for the industrial success that some of our Asian friends are enjoying today. But no one questions the importance of one factor: the highly skilled, highly motivated, and educated work forces in those countries. And out of the devastation of war, they had the courage to recognize how their future was tied to the quality of educations that their nations provided. And as this country prepares to -- what are we, 11 years short of a new century? -- to enter that century, we, too, must recognize how essential the education of the next generations has become to our economic future. Perhaps the highest praise that coming generations might bestow upon us is that we understood the changes that are occurring in the world and that we prepared them for the challenges we knew they would face.

And so, you who comprise the Wilson Center are devoted to the life of the mind. And I imagine you'll agree with me if I say that young minds will make or break the future of this and every other country. And I have two concerns about those young minds that I want to just share briefly this evening. The young people will have to be better educated than the previous generation. And to be so, they've got to be free of the scourge of drug abuse. You know, no matter what the problems we face, as I look at our country today, and really, indeed, internationally look around, this terrible scourge of drug abuse has got to be in the forefront. And it's fundamental, these things affect us all. Their solution is not a question of ``whether," it's a question of ``when." And so, I want to think -- education, drug abuse -- think of tonight as a celebration, but also a challenge. Consider what we've got to do.

Where the state of the schools is concerned, you've all heard the surveys. Last month's report from the National Science Foundation and the Department of Education over here put American seventh-graders -- American seventh-graders -- at the bottom of an international comparison of math and science skills. And who's to blame? Too late; that's not the issue. We all must be accountable for the quality of education in America. And to assure the competitive future of this nation and the overall standard of living enjoyed by its people will demand the best kind of collective effort. All of us must get involved.

I want to launch a crusade for excellence in American education. And, yes, we are living in a time of cramped resources; but we've got to do it. The crusade has to be driven largely by local energy and initiative, drawing on people from both the public and the private sectors, and determined to establish a culture of high expectations in our schools.

At the Federal level, I've made some proposals. I want to reward excellence and success by rewarding superior teachers, recognizing these Presidential merit scholars that make real progress in these merit schools. We will establish benchmarks for achievement and both commend and reward teachers and schools that succeed. I want to establish a National Science Scholars Program, to encourage students to succeed in science. It is incumbent upon us to restore the honor, indeed, the nobility, of good teaching in this country. And it won't escape the eyes of the young if we can show them how much we value learning in the way we value teachers.

And secondly, I want to put resources where they count, targeting Federal dollars to help those most in need, to places where support can really make a difference. We will also use funds in ways that build the right links between the university and government and industry, research labs to promote scientific education and basic research. And I intend to hold firm in our effort to double the National Science Foundation's budget by 1993.

And third, I want to promote choice and flexibility by devoting $100 million in new funding for magnet schools. These are the schools that increase choice, who expand opportunities for children, and generate healthy competition among the schools.

And lastly, I'm going to push for greater accountability at all levels -- among students, among teachers, administrators, and principals -- to assure that students are actually receiving the highest quality education. For this is what excellence demands. It means setting high standards, standards that the rest of the world are going to look to. And it means constantly measuring yourself against those standards and not resting until you meet the standards. It means discipline -- says, if we don't get it right the first time, we're going to try again and again until we do get it right.

But excellence in education will not be fully realized until we free our young people from that second problem I mentioned: the scourge of drugs, drugs that kill hopes and ambitions and kill kids. And to rid our schools and our streets of this scourge, I've proposed nearly a billion dollars in new outlays for antidrug programs. I've got to confess, I wish it were more. That's what we've proposed; it's a lot of money.

With the help of our new drug czar, Bill Bennett, I'm going to be implementing a comprehensive national drug control strategy. He has 6 months from the day he's confirmed to come up with a whole new plan. And our strategy will deal with both supply and demand, by educating and inspiring in our young an attitude of zero tolerance, reclaiming lives through more effective treatment, stopping drugs at their source, and enforcing tougher penalties.

You know, last week we did get some news on the drug front. In 1988, use of cocaine declined among high school seniors. In fact, student usage of almost every illegal drug, as well as alcohol, appears to be on the decline. So, in our schools the message is beginning to get out, but we have no reason to be complacent. The drug problem is much worse among high school dropouts. And international cultivation of the opium poppy and coca leaf increased sharply last year.

So, when I talk about a war on drugs, I mean more than a rhetorical war. I seek engagement on all fronts. And the Wilson Center is known as a vital point of contact between the thinkers and the doers of this country, and a number of scholars have shed new light on this drug problem. And I've heard great things about the conference that you all held on drug trafficking in the Americas last fall. And the proceedings of that conference provoked a great deal of thought. And for my part, the thoughts are haunting.

Sadly, the cores of many societies have been permeated by drug gangs and cartels and organized crime. Consider it economic; call it social; call it cultural; but consider it an international peril. And if we're to stop it, we've got to stop it together. And I encourage you in this great institution to continue searching for long-term solutions. In a city that's preoccupied by short-term policy issues, the Wilson Center encourages the longer view. And in a city preoccupied by politics, you draw support from all parties and all quarters, with funding from both the public and the private sectors.

And in this nation's efforts to educate its young and see them clear of the threat of drugs, you're in a position to help us make our battles winning ones. We need our young people to succeed. Our ability to empower them will reflect our character and our ideals as a nation. Woodrow Wilson put it this way: ``The beauty of a democracy," he said, ``is that you never can tell when a youngster is born what he's going to do, and that no matter how humbly he's born he has got a chance to master the minds and lead the imaginations of the whole country."

Well, I guess our challenge will be to give all young people the chance to fulfill their highest ambitions and their God-given potential. And I think it falls to us -- and maybe more heavily on you all, interested in this marvelous center -- to prove that Woodrow Wilson is right.

Thank you all. God bless you. Now the souffle, and then Senator Pat Moynihan. You've got it made. Thank you all very much.

Note: The President spoke at 9:10 p.m. in the Dining Room at the Department of State. In his opening remarks, he referred to Charles Blitzer, William J. Baroody, and Dwayne Andreas, Director, Chairman of the Board of Trustees, and Vice Chairman of the Board of Trustees, respectively.

Nomination of John Chatfield Tuck To Be Under Secretary of Energy

March 8, 1989

The President today announced his intention to nominate John Chatfield Tuck to be Under Secretary of Energy. He would succeed Donna R. Fitzpatrick.

Mr. Tuck has served in several capacities at the White House in Washington, DC, from 1986 to January 1989. He was Assistant to the President and Director of the Office of the Chief of Staff, July 1988 to January 1989. Prior to this he served as Deputy Assistant to the President and Executive Assistant to the Chief of Staff, April 1987 to July 1988. Mr. Tuck has also served as Deputy Assistant to the President for Legislative Affairs from October 1986 to April 1987 and Special Assistant to the President for Legislative Affairs, 1986. Mr. Tuck has also served as Assistant Secretary for the Majority of the United States Senate, 1981 - 1986. From 1977 to 1981, he served as the chief of Republican floor operations. Mr. Tuck has also assisted the Republican leadership of the House of Representatives in various positions from 1974 to 1977.

Mr. Tuck graduated from Georgetown University School of Foreign Service (B.S., 1967). From 1968 to 1973, he was on active duty in the U.S. Navy, serving on destroyers for 3 years and then at the Bureau of Naval Personnel for 2 years. He is currently a captain in the Naval Reserve and is assigned to the Deputy Chief of Naval Operations for Service Warfare. He was born May 28, 1945, in Dayton, OH. Mr. Tuck is married to the former Jane McDounogh of Garden City, NY. They have three children and reside in Arlington, VA.

Nomination of Donna R. Fitzpatrick To Be an Assistant Secretary of Energy

March 8, 1989

The President today announced his intention to nominate Donna R. Fitzpatrick to be an Assistant Secretary of Energy (Management and Administration). She would succeed Lawrence F. Davenport.

Since 1988 Miss Fitzpatrick has been Under Secretary of Energy in Washington, DC. Prior to this she was Assistant Secretary for Conservation and Renewable Energy, 1985 - 1988, and Principal Deputy Assistant Secretary for Conservation and Renewable Energy, 1984 - 1985. She was sole practitioner of law and consultant to the Secretary and Under Secretary of the Department of Energy, 1983 - 1984. She was also an associate attorney with O'Connor & Hannan, 1980 - 1983. In 1980 she served the office of the President-elect as a member of the transition team for the National Science Foundation. From 1976 to 1980, she was a legal assistant with O'Connor & Hannan.

Miss Fitzpatrick graduated from American University (B.A., 1972) and George Washington University (J.D., 1980). She is a native of Washington, DC, where she currently resides.

Nomination of David W. Mullins, Jr., To Be an Assistant Secretary of the Treasury

March 8, 1989

The President today announced his intention to nominate David W. Mullins, Jr., to be an Assistant Secretary of the Treasury. He would succeed Charles O. Sethness.

Dr. Mullins has been a professor of business administration at the Harvard University Graduate School of Business Administration. He has been faculty chairman of Harvard's corporate financial management program, an executive program for senior financial officers of major corporations. Dr. Mullins has also served as a consultant to a wide variety of firms and governmental agencies.

Dr. Mullins received a B.S. degree in administrative sciences from Yale University and a S.M. degree in finance from the Sloan School of Management at the Massachusetts Institute of Technology (MIT). He received his Ph.D. in finance and economics at MIT. Dr. Mullins was born April 28, 1946, in Memphis, TN.

Remarks at the Swearing-in Ceremony for James D. Watkins as Secretary of Energy

March 9, 1989

The President. Thank you very, very much. Of course, my thanks to the marines. I didn't get your name, but you're sure good on the ``Star-Spangled Banner." [Laughter] And thank you for that wonderful rendition.

Chief Justice, and to the distinguished Members of the House and the Senate that are here today, to the members of my Cabinet who are here, and I think most of all today to the Watkins family, and to you who will be working with one of the outstanding Americans, the new Secretary, Jim Watkins, my greetings to all of you.

It is a pleasure to come over here for this swearing-in. And as I see it, the responsibilities before this Department have never been greater than today, and I have total confidence that Jim Watkins is the best man to meet the challenges ahead. For over four decades, he's demonstrated an unswerving commitment to our country and to the call of service. A graduate of Annapolis, he went on in his distinguished naval career to serve in such key posts as Commander of the Sixth Fleet, Commander in Chief of the Pacific Fleet, Vice Chief, and then later as Chief of Naval Operations. And most recently, the Admiral took on a difficult and important assignment as Chairman of the Nation's AIDS commission, performing brilliantly in that capacity, taking a piece of work that some were saying couldn't possibly succeed; but succeed he did. And throughout his long career, Jim has shown a mastery of complex organizations and issues, and he's demonstrated an outstanding concern for the people who have served under him. And you here at this Department are about to find that out.

To the 16,000 men and women of the Department, from Juneau to Georgia, and your 130,000 contract workers, I want to tell you how much I admire you. And I told Jim, who has already told me about his respect for you, that one of the reasons I wanted to come over here was to make that very clear to the men and women of this Department. I admire your professionalism, your loyalty, your tremendous technical expertise. And there's been talk in the past that perhaps this Department was not necessary, was redundant, or its responsibilities could be taken over by others. Let me say, you have important work to do; you're on the cutting edge now; and this Department is here to stay and will have the full support of this President.

You have broad responsibilities. The most pressing challenge that you face -- I guess you might feel they're all pressing, and I think maybe I do, too -- but the most pressing challenge is to manage the modernization of America's nuclear weapons production plants. This task is critical to maintaining in every way, perfecting our deterrent force which ensures our security and, thus, a safe and stable world. But we also have a major environmental challenge: We need to clean up the pollution that's been created at these plants. These problems developed over time, and they'll

be fully solved only over time, but we'll waste no time in getting started on fixing these problems.

Admiral Watkins is well-qualified to take on these complex issues. He's an extremely capable manager, highly respected in this city and around the country, knowledgeable about nuclear energy, with considerable experience in the Navy's nuclear-powered submarine program, from bringing a new reactor plant on line to commanding a nuclear-powered submarine to managing nuclear programs right here in Washington, DC.

Jim and I have also spoken about our commitment to protecting the environment while assuring that our energy requirements and national security requirements are fully met. We need nuclear power, hydropower, oil, gas, coal to meet the total energy requirements of the United States. And we need to improve energy efficiency as well as develop competitive renewable technologies. No one or two sources would be sufficient alone, nor would they provide us with the flexibility that is necessary. For reasons of national security, we need to have domestic production in each area. And we will institute policies to promote that by restoring incentives and also through deregulation.

I want to see a recovery in the domestic oil and gas production. Our great economic expansion will not be complete until every area of our country is reaping its benefits. And I also want to see continued development of this clean-coal technology; a generation of safe nuclear energy; and also R&D, research and development, of alternative fuels and new technologies. And again, let me emphasize conservation methods as well. Energy is the most important basic ingredient in everything we produce, everything we consume, everything we import or export. For America's economy to be competitive, we need sound energy policies and competitive energy industries. And for our national security to be guaranteed, we need the strongest possible national energy policy.

The Energy Department has big challenges ahead. Issues of national security and competitiveness, environmental quality -- they're all on the agenda. And so, I selected a big man to do a big job. So, Jim, we'd better get going -- better swear you in and let you get to work. [Laughter] And thank all of you for the support I know you will give the newest Secretary of Energy.

Now on to the formalities here.

[At this point, Secretary Watkins was sworn in.]

Secretary Watkins. Mr. President; Mr. Chief Justice; Members of the Congress; my colleagues in the Cabinet; distinguished guests; my wife, Sheila; and family and friends. It's a great honor for me to appear before you today as your new Secretary of Energy. It's also a great personal honor to have been asked to serve in this capacity by a President who, by witness in the remarks

we have just heard, has such an in-depth personal knowledge of this nation's energy needs and resources.

Mr. President, in your ``Building A Better America," which was your budget message to the Congress only a few days ago, you affirmed the importance of energy security, safety, and environmental protection as coequal national priority. As your Secretary of Energy, I pledge to support and promote those policies. And Mr. President, we are particularly edified today by your commitment to the Department of Energy as the viable Federal entity to do the energy job for the long haul.

Now, to all of you in the Department of Energy, I recently transmitted a memorandum to all hands outlining key policy areas that we will pursue in the very near term, giving you therein my philosophy of the importance of personal excellence and contribution to the Nation.

My Senate confirmation hearing statement and related followup questions and answers to the Congress have also been made available to you. These documents, along with my forthcoming 90-day message, will set policy direction for the Department, ones that I intend to take as Secretary. I want each of you to know what I'm doing so that you, in turn, can be important participants in the solution-finding process. There will be demands on you. But I, in turn, also will take personal interest in the well-being of our employees. For example, one of the first things that I will do here in headquarters is accelerate the opening of our child day-care center to help working parents. And Sheila has asked to join our parents committee as an added guiding force behind that project.

In addition, my long history of interest in education for America's youth will be put to work to bring our many and diverse activities across the Nation into a more visible and effective partnership with the private sector in order to inspire the very young to seek careers in mathematics, in science and engineering, so important to the Department of Energy and so many other facets of our society today, and giving particular emphasis in this regard to inspiring minorities to come into these fields. We simply have too few of them serving in these areas today, and we can do a lot more and inspire the Nation.

By so doing, we will do our part in helping to assure the President and the Nation that we can have a topnotch technical work force well into the 21st century. And as you can glean from my own biography and the program today, my training and experience began in the early days of the peaceful use of nuclear energy, where I learned the important principles of safe and reliable application of nuclear technology. But I also learned the importance of the human component, that is, individual responsibility for strict application of standards. Nuclear power demands no less than the best from all who control it.

This, then, is exactly what I ask of my Department: a commitment to excellence. So, I ask you to help me forge a workplace culture that rejects the mediocre and the substandard and create one

that excites excellence in each employee. Our mission is an important one, but we'll only find success when each of us feels a personal ownership in mission control.

Among our special guests today, Mr. President, are people from all parts of this Department, from mailroom workers to our adopted Woodrow Wilson High School principal and students to security guards and secretaries, all of whom strive to excel in their daily work. Some of their contributions in the past may have gone unnoticed, but I can assure you that on my watch they will not.

The Department of Energy is one Department clearly involved in America's future, as the President so beautifully stated. We've been given a great and important job to do, and we are at a unique time in history to do it. And with your guidance, Mr. President, in full partnership with the Congress and industry, we will succeed.

In closing these brief remarks today, I first want to thank all of those responsible for preparing our cafeteria so beautifully for this very special ceremony. Second, I'd like to thank each one of you for coming today and taking the time to spend a few moments with us. And finally, I would like you to all rise and join me in paying tribute to our President, thanking him as he departs today for sharing a few of his precious moments with us on this very special occasion. [Applause]

Note: The President spoke at 10:13 a.m. in the cafeteria at the Department of Energy. In his opening remarks, he referred to the Marine Corps Band. Cynthia Gains, an employee of the Department, sang the national anthem at the ceremony.

Statement on the Negotiations on Arms Reduction and Security in Europe

March 9, 1989

Today marks the beginning of a process of great importance for the people of Europe, the United States, and Canada, and for all who share the hope of a safer and more secure Europe. In Vienna, the Nations who are members of the Conference on Security and Cooperation in Europe and the members of the North Atlantic alliance and Warsaw Pact will begin two negotiations whose goal is to reduce the threat of conventional weapons in Europe: one on conventional armed forces in Europe and another separate negotiation on further confidence-and-security building measures.

The negotiations on conventional forces in Europe offer a new opportunity to redress the imbalance in military forces which strongly favors the Warsaw Pact and which has been a source of tension since the end of World War II. The NATO allies aim to eliminate the capability for launching surprise attack and for initiating large-scale offensive actions.

The negotiations on confidence and security building measures will address the problem of mistrust in the military and security spheres and the risk of confrontation arising through miscalculation. Our aim is to lift the veil of secrecy from certain military activities and forces and thus contribute to a more stable Europe.

Although these two negotiations have different participants and aim at different kinds of accords, they share a common purpose. That purpose is to make Europe safer, to reduce the risk of war, and strengthen stability on the continent that has seen more bloodshed in this century than any other part of the world.

We and our NATO allies share a common commitment to democratic values, respect for each others' sovereignty, and support for a strong defense. NATO's approach to these negotiations, therefore, rests on two important principles: that maintaining strong and modern defenses is essential to our security and freedom, and that negotiated and effectively verifiable agreements can enhance our security and the prospects for lasting peace.

Of course these negotiations are part of a larger process, one which must address the causes as well as the symptoms of the current divisions in Europe. Progress in the military field alone is not enough to bring enduring peace. What is needed is genuine reconciliation and an end to the division of Europe. True security cannot exist without guarantee of human rights and basic freedoms for all people.

The negotiations on security in Europe offer new promise for the future. We embark on them with the hope that we can build a lasting framework for a more stable and secure future, but we

are realistic about the difficulties ahead. With a renewed dedication to a constructive dialog, we can make progress. The commitment of the United States to this effort is unswerving.

Nomination of Michael Philip Skarzynski To Be an Assistant Secretary of Commerce

March 9, 1989

The President today announced his intention to nominate Michael Philip Skarzynski to be an Assistant Secretary of Commerce (Trade Development). He would succeed James P. Moore, Jr.

Since 1986 Mr. Skarzynski has been with Motorola, Inc., in Schaumburg, IL, serving as director of business development, 1988 to present, and director of marketing in the communications sector of the international group, 1986 - 1988. Prior to this, he was with G.D. Searle and Co., serving as director of finance of the consumer products group, 1985 - 1986; director of financial planning and analysis, 1984 - 1985; manager of corporate planning and development, 1982 - 1984; and corporate planner, 1980 - 1982. He was an associate with the Center for Strategic and International Studies, 1979 - 1980. He has also served as an economic consultant for economic consulting services of Clark, Gardner and Wolf International, 1978 - 1979.

Mr. Skarzynski received a bachelor of science of foreign service from Georgetown University and a master of management degree from Northwestern University.

Letter to the Speaker of the House of Representatives and the President of the Senate on Nuclear Cooperation With EURATOM

March 9, 1989

Dear Mr. Speaker: (Dear Mr. President:)

The United States has been engaged in nuclear cooperation with the European Community for many years. This cooperation was initiated under agreements concluded over 2 decades ago between the United States and the European Atomic Energy Community (EURATOM), which extend until December 31, 1995. Since the inception of this cooperation, the Community has adhered to all its obligations under those agreements.

The Nuclear Non-Proliferation Act of 1978 amended the Atomic Energy Act of 1954 to establish new nuclear export criteria, including a requirement that the United States has a right to consent to the reprocessing of fuel exported from the United States. Our present agreements for cooperation with EURATOM do not contain such a right. To avoid disrupting cooperation with EURATOM, a proviso was included in the law to enable continued cooperation until March 10, 1980, if EURATOM agreed to negotiations concerning our cooperation agreements, which it did.

The law also provides that nuclear cooperation with EURATOM can be extended on an annual basis after March 10, 1980, upon determination by the President that failure to cooperate would be seriously prejudicial to the achievement of U.S. non-proliferation objectives or otherwise jeopardize the common defense and security and after notification to the Congress. President Carter made such a determination 9 years ago and signed Executive Order No. 12193, permitting nuclear cooperation with EURATOM to continue until March 10, 1981. President Reagan made such determinations in 1981, 1982, 1983, 1984, 1985, 1986, 1987, and 1988, and signed Executive Orders Nos. 12295, 12351, 12409, 12463, 12506, 12554, 12587, and 12629 permitting nuclear cooperation to continue through March 10, 1989.

In addition to numerous informal contacts, the United States has engaged in 14 rounds of talks with EURATOM regarding the renegotiation of the U.S.-EURATOM agreements for cooperation. These were conducted in November 1978, September 1979, April 1980, January 1982, November 1983, March 1984, May, September, and November 1985, April and July 1986, September 1987, and September and November 1988. Further talks are anticipated this year.

I believe that it is essential that cooperation between the United States and the Community continue, and likewise, that we work closely with our allies to counter the threat of nuclear explosives proliferation. A disruption of nuclear cooperation would not only eliminate any

chance of progress in our talks with EURATOM related to our agreements, it would also cause serious problems in our overall relationships. Accordingly, I have determined that failure to continue peaceful nuclear cooperation with EURATOM would be seriously prejudicial to the achievement of U.S. non-proliferation objectives and would jeopardize the common defense and security of the United States. I intend to sign an Executive order to extend the waiver of the application of the relevant export criterion of the Nuclear Non-Proliferation Act for an additional 12 months from March 10, 1989.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks to Drug Enforcement Administration Officers in New York, New York

March 9, 1989

Thank you, Bob Stutman, and to Commissioner and, I guess, all our distinguished guests. Secretary Bennett -- this is my man here on the left, the man that I have selected, and that the country, I think, overwhelmingly approves, to be the first drug czar in the history of this country. I'm glad he came up here with me today. And to all of the prosecutors, and especially each one of you out there on the cutting edge, on the front line, thank you for being here. And you have important work to do, and Bob gave you the time frame: short, but to me, very important. I have a chance to say hello to Ms. Hatcher -- I wish the circumstances were different -- but also to listen and learn when we finish here, listen to some of those who are out there every single day risking their lives.

In the empty streets of an island borough, the life of Everett Hatcher was ended with some four cowardly shots. And the echoes of those four shots were heard in Washington and, I'd say even more important, all across this country, where decent men and women share your sense of loss and share your sense of outrage. Here in New York, as in other cities across the country, the war is no metaphor. Before we could -- I say ``we," as a country -- bury Everett Hatcher last week, another officer was gunned down, felled by a single shot fired pointblank beneath his bulletproof vest. And as we speak, those accused of ambushing Eddie Byrne, one of New York's finest, are standing trial in this city. And this week, the DEA group that helped handle security for Everett's funeral is in yet another New York courtroom, testifying about the attempted murder of Special Agent Bruce Traverse.

You know that my personal interest and the interest of the Nation goes beyond today's visit. As Vice President, I wrote to Bruce Traverse while he was in the hospital, and now, Bruce -- all of us are glad that he's recovering so well. Last week, Matthew Byrne, the dad to Eddie Byrne, came down to the White House for dinner with Barbara and me, joining us for a private dinner there. He couldn't believe he was in the White House, and I couldn't believe I was, either. [Laughter] So, we had a nice private dinner. But it was important to me that he come. Earlier today, as I said, I had the pleasure to -- privilege, put it that way, of visiting with Mary Jane, a woman of enormous dignity and strength -- she and her two kids and husband's mother and sisters.

And so, it's been quite an education. And I understand, I think, the special and dangerous challenges that all New York drug enforcement officers face. This area leads the Nation in overall consumption, distribution, the importation of narcotics, run by a well-armed cross-section of drug traffickers as diverse as this city itself. Your role in this battle is very special. You put your life on the line every day. And if the legions of State and local patrolmen represent the infantrymen in this effort -- and I salute them at every occasion -- then you are something

like the Special Forces, the Green Berets, if you will, of narcotics enforcement.

Like Everett Hatcher, many of you have worked undercover, in effect, operating, if you want to use the conventional war analogy, behind enemy lines. And I admire your courage. When I was a kid in World War II, I was behind enemy lines only briefly, sick and paddling in a little raft to get away from a Japanese-held island. But it was enough to know what it feels like -- and I'll confess it -- to be scared. And each of you probably has been there. You know the dry mouth and the moist palms and the ball of ice that grips your stomach.

And you know, it used to be unthinkable to shoot a cop. And no longer -- Bob was telling me this upstairs -- no longer. Today narcotics agents are sometimes the first ones shot, targeted by criminals armed with a staggering array of battlefield weaponry. The explosive, expensive lesson of the past year in New York is that the rules of the game have dramatically changed.

Well, we've got to deliver some news to the bad guys. The hunting season is over. The rules on our side have changed, too. And we still need more change in those rules. But they're changing fast, and it's about time.

The scales of justice are becoming more balanced because of the newly enacted Federal drug laws. New York policemen and all of you in this room deserve all the protection that tough laws can offer. I've asked Bill Bennett to look into what can be done to prevent these fully automatic assault weapons from falling into the hands of the criminals that you face. Drug dealers need to understand a simple fact: You shoot a cop, and you're going to be severely punished -- fast. And if I had my way, I'd say with your life.

Drug traffickers used to know that. But it's been over 25 years since anyone has faced the death penalty in this State, and they may have gotten a little forgetful. But I want you to know that I have not changed my view. I strongly support the death penalty for the crimes we're talking about here today. And I want to have it as Federal law, and I want to see it swiftly and firmly, fairly enacted. The killing's got to stop.

I wish Senator D'Amato had come up with me today. He couldn't leave the Senate, and it was legitimate Senate business. He's been in the forefront, though, down there, of the drug question -- a strong leader, a tough, no-nonsense fighter against drugs. And he has been very helpful to me in having me understand the problems that you face. I understand that this State is the home to an estimated 260,000 heroin addicts -- half of all those in the United States. And in the city alone, another 600,000 people are believed dependent on crack or cocaine.

And not surprisingly, the seizures that you've made are correspondingly huge. DEA New York is responsible for 30 to 50 percent of all heroin seized by the DEA nationwide each year. And last year, you seized more than 10,000 kilograms of cocaine in or destined for New York, almost 20 percent of the entire DEA nationwide total. In January, you recovered nearly $20 million from a

furniture store delivery van, said to be the largest cash seizure in the world. And these impressive figures are a credit to your talent and dedication and to the effective working relations you've forged with your Federal, State, and local counterparts.

And still, we in Washington understand that the importance of a case cannot be measured merely by the size of the seizures or the numbers of arrests. Statistics in the drug war become mind-numbing as well as mind-boggling. And wars aren't won by statistics. We know wars are won by winning battles, and in this war, battles are won by putting particular drug organizations out of business. It's done the old-fashioned way, one group at a time.

And you in New York have done just that. And the names are as familiar to you here as the battlefields of World War II are to my generation: United States versus Torres, Monsanto, LIDO, Based Balls -- Bob was explaining this to me just a minute ago -- the Flying Dragons, Lai King Man, Reiter-Jackson. These are more than buy-busts, more than just another news conference with powder on the table, no matter how impressive those conferences are. Each of these cases represents an entire organization put behind bars, out of business. And most importantly, each of these cases involved sophisticated, long-term investigations. And several were among the first cases in the entire country to make use of the new drug kingpin statutes. Nearly all involved task force cooperation and the pioneering use of forfeiture laws, in some cases to spectacular effect. The forfeitures from the Torres brothers, I'm told, may ultimately total $30 to $50 million.

And just as the death penalty for cop killers helps even the odds, stripping the enemy of their ill-gotten gains turns the tables in a dramatic and highly effective way. Perhaps you heard Woody Allen's wry observation: ``Organized crime in America takes in over $40 billion a year and spends very little on office supplies." Philosopher, that he is.

Experts have estimated that today drugs alone count for $110 billion -- an industry right here in our own country. We're hurting the drug kingpins where they live when we take their money, and we're going to get even better at taking it. We've got to be. Ladies and gentlemen, we do intend to prevail. The scourge will end. I will lead the fight. Bill Bennett, our nation's first drug czar -- tenacious, unafraid -- is going to be right there at my side.

And although we meet on a crucial battlefield of this war, you might say, it is a war that is being waged on many fronts. Last month I spoke to Congress about four areas: rehabilitation, education, interdiction, and enforcement. And in a time of budget constraints -- and regrettably, we are living in such a time -- I asked for an increase of $1 billion in budget outlays to fund these new efforts. And for you in Federal law enforcement, our proposal budgets a record $4.1 billion, fully 70 percent of the total. By 1995, we also intend to reduce present prison overcrowding by 50 percent.

And beyond enforcement, other monies will go to expanded treatment for the innocent and the

poor, like the over 5,000 babies born in New York last year already addicted to drugs. Other new funds will go to cut the waiting time for the treatment programs, perhaps along the lines of the innovative oral methadone program at New York's Beth Israel Hospital, designed to get the addicts off the needles as well as heroin.

Mary Jane Hatcher spoke with eloquence last week about the responsibility mainstream America and so-called casual cocaine users must bear for the death of her husband. Well, $1.1 billion of our request will go for prevention and education, to let the casual users know the risk they take and the price they may have to pay and to tell our children that drugs are wrong.

While there may not be light at the end of the tunnel, there does seem to be some light coming in under the door. At the Apollo Theatre in Harlem one Wednesday last month, the amateur night performances were interrupted by spontaneous antidrug messages from the stage and then supportive chants from the crowd. And things like this don't happen because of government programs: They happen because attitudes are beginning to change, and they are changing because the American people are behind your efforts all the way.

Attitudes are beginning to change overseas as well. Your boss, the Attorney General [Richard L. Thornburgh], returns today from meetings with officials in Colombia, Bolivia, and Peru. And Bill and I will meet with him as soon as he gets back. I think we're having lunch tomorrow at the White House to be briefed on this trip. And I know that some of you have also served or will serve your own tours in South America, a tribute to our increased cooperation there.

When I first became Vice President 8 years ago, several South American Presidents told me: ``It's your problem. You're the consumer. If it weren't for the rich gringos to the north, we wouldn't have the problem." But now they see that the narcotics have affected their own kids, their own society. Look at Colombia, where the Supreme Court Justices were mowed down like tenpins.

Obviously, the race is far from won. But there is power in us yet. And we in Washington will continue to understand, to learn -- but certainly to support your work here. The Adamita trial, the Johnny Kon and Brooks Davis cases, the new seizure program in which whole apartment buildings are wrested back from the crack lords who control them -- they're all important to this fight. But first and foremost, the killing must stop. And we must repeat it until we're hoarse, repeat it until we're heard, from the Apollo Theatre to the halls of Congress to anyone who doesn't seem to understand what it is you are up against out there on the street. The killing must stop!

And what happened on the streets of Staten Island last week was a horrible tragedy which means -- you knew it all along -- that you have an important task ahead. The cowards who murdered Everett Hatcher should be given no rest. But be careful out there. Remember the tearful salute of 9-year-old Zachary, and find these criminals. Bring them to justice. Nobody -- nobody but

nobody is going to beat the DEA.

May God bless you all, and thanks for what you're doing for the United States.

Note: The President spoke at 4:19 p.m. in the auditorium at the Drug Enforcement Administration. He was introduced by Robert Stutman, Special Agent in charge of the New York City field office. In his opening remarks, the President referred to New York City Police Commissioner Benjamin Ward and William J. Bennett, Director-designate of National Drug Control Policy.

Remarks at the United Negro College Fund Dinner in New York, New York

March 9, 1989

Thank you, Michael Jordan, for that introduction. Barbara and I are delighted to be with you, speaking before the olives, the celery, the raw carrots. [Laughter] But we've got to get back to Washington fast -- [laughter] -- the Senate is still in session, and our dog is pregnant. [Laughter]

I want to just add my voice of congratulations to Gus Hawkins and Larry Rawl and Paul Simon. You honor three good people. And I want to thank Hugh Cullman, who gives so much of himself to the United Negro College Fund, and, of course, salute Chris Edley, a friend of longstanding. You know, Paul Simon once wrote a song called simply, ``Old Friends." And I'm delighted to see my old friends Bill and Vi Trent here with us tonight.

You know, as Michael said, my association with the UNCF got started there at Yale University in '48. And Bill Trent came up to New Haven and talked to a lot of young idealistic people about his vision for higher education, and he did a superb job. And so today, when he and Vi flew up with me on Air Force One, I had this great feeling of nostalgia. And his 79th birthday I think is tomorrow, but in any event, it's great to be with this old friend way down on the end of the line. Also with us on Air Force One was another executive director of the UNCF, Art Fletcher, who's here somewhere. But we had good representation. And you talk about the hard sell, they're still doing it. [Laughter]

Tonight, flanked by old friends and, in a real sense, family -- because my brother, John, is active in this crusade, and I consider many of you here family -- I am grateful for your company. During my student days at Yale, I first saw the fund invest in higher education and in America. And then, as now, it insisted that excellence become a way of life and a higher learning a bequest. And as an undergraduate, I came to grasp what Churchill talked about when he said, ``Personally, I am always ready to learn, though I do not always enjoy being taught." [Laughter]

Well, for nearly half a century, this fund has taught so that America could learn, and the gentler impulses of mankind was high on the teaching agenda. And you have helped society's disadvantaged cast off despair and poverty. And through such friends as Bill Trent and now Chris and then Frederick D. Patterson -- and, yes, he is still sorely missed -- you have endorsed liberty, opportunity, and the dignity of work.

But most of all, you really have shown how the conscience and education can fulfill the promise of America: to right wrong, to love freedom, to demand equality for all. And for that, I congratulate you. And yet I challenge you, too. Black and white, together -- we know that America will not be a good place for any of us to live until it is a good place for all of us to live.

Most Americans, I'm convinced, believe that government can be an instrument of healing. There are times when government must step in where others fear to tread. My friends, I share those beliefs, and as President, I will act on them.

I'm delighted that my Secretary of Education, our distinguished Secretary of Education Larry Cavazos, is with us here tonight, sitting over here. For America, it seems to me, means pride -- individually, culturally, racially. And America means, in the words of Dr. King, that ``injustice anywhere is a threat to justice everywhere." And it does mean opportunity for those who need jobs and who dream of owning homes. And it means the hope that tomorrow will be brighter than today. How can we best inspire that hope and secure the promise of America? I do believe that the answer is in education. Education knows no barriers, accepts no limits. Education is a ladder; it embodies self-respect, not dependency. Education can give minorities a greater voice and then make sure that that voice is heard.

Since 1944, when Dr. Patterson founded the UNCF, your voice has resounded from colleges like Tuskegee and Morehouse and Spellman and Fisk. And I'm going to hurt a lot of feelings here tonight, because I was in a receiving line, and I was so impressed with the names that came flowing back as I met the presidents of these distinguished universities. Black colleges have ennobled such Americans as Leontyne Price, Frank Yerby, Azie Taylor Morton, and our next Secretary of Health and Human Services, my dear friend, Dr. Lou Sullivan, who is here with us tonight.

It is said that the woman who Time calls the Silver Fox -- [laughter] -- was responsible for Lou Sullivan's being appointed to this Cabinet, and I'll give her some credit. [Laughter] I want to gun down the rumor, though, that I appointed Lou Sullivan to be Secretary because when as president of Morehouse Medical School he was working my wife to death as a board member. And it's rumored I just wanted him to get out of there to let up on her -- not true. [Laughter]

As you know, in September 1981, President Reagan signed that Executive Order 12320, committing the Federal Government to increase its support of historical black colleges and universities. And our goal was to identify and eliminate unfair barriers to participation in federally sponsored programs. And our means was to involve the private sector and to motivate the 27 Federal agencies which provide nearly all the Federal funding.

And did it work? Did it ever -- in fiscal '81, historical black colleges received $545 million; fiscal year '87, $684. And moreover, research and development, which includes funds for nonscientific institutional development, comprised nearly half of all funding for historically black colleges. Our White House Science and Technology Advisory Committee fostered science, math, and engineering programs and curricula. And this comprehensive HBCU effort has attacked the four horsemen of the American night: illiteracy and inequality, indigence and fear. Great beginnings -- crawling before we walk and then run. Great beginnings, and now let's build on them. And we have done much, but there remains so much more left to do.

My friends, 8 weeks ago I think it was, there in the White House complex, I met with the presidents of many of the colleges represented here tonight to probe exactly where we are going and how. And we discussed faculty development and merit scholarships, community college grants and institutional planning. And from that meeting, and others like it, came six new initiatives which will help do nationally what you have done historically: enrich education so that education can enrich our lives. And after listening to your presidents, I proposed that Congress fund $60 million over 4 years in endowment-matching grants. We put our money on the table. And now I want to challenge the private sector. It's a beginning. We need the help of the private sector; the time has come.

And secondly, if excellence breeds achievement, that excellence should be rewarded in grade schools, in high school, and at our colleges and university. And so, I want Congress to create a $500 million program to reward America's merit schools, the schools which improve the most.

And thirdly, I want it to create special Presidential awards for the best teachers in every State.

And next, I want to see the expanded use of magnet schools to give parents and students the freedom of choice.

And I've also proposed a new program to encourage alternative certification: to allow talented Americans from every field to teach in America's school classrooms. Consider that today, in many areas, a John Updike or an Alex Haley could not qualify to teach high school creative writing. There is something wrong, and we've got to change that system. My point is that when rules are so inflexible that creativity and talent and imagination aren't welcome in our schools it's time to change those rules.

And finally, through a new program of National Science Scholars, I seek to give America's youth a special incentive to excel in science and math. The National Science Foundation predicts a shortage of 400,000 scientists by the year 2000. Through excellence in education, we must and will reverse that trend. And I see the historical black colleges as an enormous resource to do just exactly that.

And yet I recognize that these proposals -- all of this isn't enough; it never is. As Americans, we never are satisfied. We know that when a dream comes true it gives rise to even bigger and better dreams. And so, my appeal tonight is that we work to build a better America. I feel deeply in my heart about the United Negro College Fund. And I came up to tell you, at this highly successful dinner that Hugh and Chris and Michael and others here at this dais and all of you out there worked so hard on to make so successful, I want to help. I want the United States Government to help. And Barbara and I as individuals want to join you in this enormous power of the private sector to do all we can to help you achieve your goals and your ideals.

And thank you all, and God bless you.

Note: The President spoke at 7:51 p.m. in the Imperial Ballroom at the Sheraton Center Hotel. In his remarks, he referred to Michael H. Jordan, Hugh Cullman, Christopher S. Edley, William Trent, and Frederick D. Patterson, member of the board of directors, chairman of the board of directors, president and chief executive officer, first executive director, and founder of the United Negro College Fund, respectively. Representative Augustus F. Hawkins of California; Lawrence G. Rawl, chairman of Exxon Corp.; and entertainer Paul Simon were given the Frederick D. Patterson Distinguished Leadership Award. Following his remarks, the President returned to Washington, DC.

Statement on the Failure of the Senate To Approve the Nomination of John Tower as Secretary of Defense

March 9, 1989

John Tower has devoted his life to service of country. Whether in the U.S. Senate, at the arms control negotiating table, or in the privacy of his counsel to Presidents, he has always held the interests of this nation above all else. John Tower has been steadfast in his advocacy of a strong defense and consistent in support of the many principles for which he fought throughout his career. He is and will remain my friend.

I have read Senator Tower's statement regarding the decision of the Senate and find its dignity and lack of rancor to be typical of the man whose leadership, knowledge, and experience would have benefited the Department of Defense and the Nation.

Instead of the recompense of a grateful nation, John Tower's lot in the past weeks has been a cruel ordeal. For this, I am truly sorry for both him and his family.

The Senate has made its determination. I respect its role in doing so, but I disagree with the outcome. I am also concerned by the way in which perceptions based on groundless rumor seemed to be the basis on which at least some made up their minds in judging a man well-qualified to be my Secretary of Defense. Now, however, we owe it to the American people to come together and move forward.

Nomination of Wendell Lewis Willkie II To Be General Counsel of the Department of Commerce

March 9, 1989

The President today announced his intention to nominate Wendell Lewis Willkie II to be General Counsel of the Department of Commerce. He would succeed Robert H. Brumley II.

Mr. Willkie was counsel in the office of the President-elect, 1988 - 1989, and has served as special counsel to Bush-Quayle '88. He was General Counsel at the Department of Education, 1985 - 1988, and Chief of Staff and Counselor to the Secretary of the Department of Education, 1985. Mr. Willkie was Associate Counsel to the President at the White House, 1984 - 1985, and General Counsel for the National Endowment for the Humanities, 1982 - 1984. He was also an associate with the law firm of Simpson, Thacher & Bartlett in New York City, 1978 - 1982.

Mr. Willkie graduated from Harvard College (B.A., 1973); Oxford University, Rhodes Scholarship (B.A., 1975; M.A., 1983); and the University of Chicago (J.D., 1978). He was born October 29, 1951, in Indianapolis, IN. He is married and resides in Washington, DC.

Nomination of Michael Rucker Darby To Be an Under Secretary of Commerce

March 9, 1989

The President today announced his intention to nominate Michael Rucker Darby to be Under Secretary of Commerce for Economic Affairs. He would succeed Robert Ortner.

Since 1986 Mr. Darby has been Assistant Secretary for Economic Policy at the Department of the Treasury in Washington, DC. He was also a member of the National Commission on Superconductivity, 1988 - 1989. Prior to this he was at the University of California at Los Angeles, serving as professor, John E. Anderson Graduate School of Management, 1987 to present; professor of the department of economics, 1978 - 1987; associate professor, 1973 - 1978; and visiting assistant professor, 1972 - 1973. Mr. Darby has been vice president and director of Paragon Industries, Inc., 1964 - 1982.

Mr. Darby graduated from the Dartmouth College (A.B., 1967) and the University of Chicago (M.A., 1968; Ph.D., 1970).

Nomination of Dennis Edward Kloske To Be an Under Secretary of Commerce

March 9, 1989

The President today announced his intention to nominate Dennis Edward Kloske to be Under Secretary of Commerce for Export Administration. He would succeed Paul Freedenberg.

Since 1987 Mr. Kloske has been Deputy Under Secretary of Defense for Planning and Resources in Washington, DC, and serves concurrently as Special Adviser for Armaments to the Deputy Secretary of Defense. Prior to this he was detailed to the White House as Adviser to the Special Counselor to the President, 1987. From 1985 to 1987, Mr. Kloske served as Special Adviser for Armaments to the United States Ambassador to NATO and concurrently served as Special Adviser for NATO Armaments to the Deputy Secretary of Defense, 1986. From 1983 to 1985, he served as Special Assistant to the U.S. NATO Ambassador. Mr. Kloske has also served as director of strategic planning at the Georgetown Center for Strategic and International Studies.

Mr. Kloske graduated from Harvard College (B.A., 1976). From 1977 to 1979, he attended Oxford University as a Rhodes Scholar. In January 1989, he received the Medal for Distinguished Public Service, the highest civilian award in the Department of Defense. Mr. Kloske was born September 11, 1954, in Rome, Italy.

Nomination of Eric I. Garfinkel To Be an Assistant Secretary of Commerce

March 9, 1989

The President today announced his intention to nominate Eric I. Garfinkel to be an Assistant Secretary of Commerce (Import Administration). He would succeed Jan W. Mares.

Since 1988 Mr. Garfinkel has been a member of the transition team for the office of the President-elect. Prior to this he was Vice President and General Counsel of the Overseas Private Investment Corporation in Washington, DC, 1987 - 1988. He was a partner with the law firm of Anderson, Hibey, Nauheim, and Blair in Washington, DC, 1983 - 1987. Mr. Garfinkel has served as Deputy Assistant Director for Commerce and Trade in the Office of Policy Development at the White House, 1982 - 1983, and attorney-adviser in the Office of the U.S. Trade Representative, 1981 - 1982. He has also served as an associate with the law firm of deKieffer, Berg, Creskoff, 1980 - 1981.

Mr. Garfinkel graduated from the University of Maryland at College Park (B.A., 1976) and Emory University (J.D., 1979). He is married, has two children, and resides in Chevy Chase, MD.

Nomination of Michael Paul Galvin To Be an Assistant Secretary of Commerce

March 9, 1989

The President today announced his intention to nominate Michael Paul Galvin to be an Assistant Secretary of Commerce (Export Administration). He would succeed Michael E. Zacharia.

Since 1978 Mr. Galvin has been a partner with the law firm of Winston & Strawn in Chicago, IL. He has served as president of the National Strategy Forum and has been involved in various civic and political activities.

Mr. Galvin graduated from Boston College (B.S., 1974) and Illinois Institute of Technology/Chicago-Kent College of Law (J.D., 1978). He was born July 8, 1952. He is married, has two children, and resides in Chicago, IL.

Nomination of Robert P. Davis To Be Solicitor of the Department of Labor

March 9, 1989

The President today announced his intention to nominate Robert P. Davis to be Solicitor of the Department of Labor. He would succeed George R. Salem.

Since 1985 he has been a partner with the law firm of Anderson, Hibey, Nauheim, and Blair. Mr. Davis served as Chief of Staff to Secretary of Transportation Elizabeth Hanford Dole, 1983 - 1985. He also served as a Special Assistant to the Deputy Attorney General at the Department of Justice, 1974 - 1980.

Mr. Davis graduated from Brown University (A.B., 1971), Boston University (M.A., 1972), and Georgetown University (J.D., 1980). He is married, has two children, and resides in Alexandria, VA.

Nomination of Dale Triber Tate To Be an Assistant Secretary of Labor

March 9, 1989

The President today announced his intention to nominate Dale Triber Tate to be an Assistant Secretary of Labor (Public and Intergovernmental Affairs). She would succeed Jerry D. Blakemore.

Since 1985 Mrs. Tate has served as deputy press secretary to Senate Majority/Minority Leader Robert Dole and has served as spokesperson for Senator Dole's Presidential campaign. Prior to this she was the chief economics reporter for Congressional Quarterly, 1979 - 1985, and was the congressional editor for the Oil & Gas Journal, 1975 - 1979.

Mrs. Tate received a bachelor of journalism degree from the University of Missouri (1969).

Nomination of Jennifer Lynn Dorn To Be an Assistant Secretary of Labor

March 9, 1989

The President today announced his intention to nominate Jennifer Lynn Dorn to be an Assistant Secretary of Labor (Policy). She would succeed Michael E. Baroody.

Since 1987 Mrs. Dorn has served as the director of strategic planning for the Martin Marietta Corp. Prior to this she was an Associate Deputy Secretary at the Department of Transportation and served as Chief of Staff, 1985 - 1987. Mrs. Dorn was the Director at the Office of Commercial Space Transportation at the Department of Transportation, 1984 - 1985.

Mrs. Dorn received a B.A. from Oregon State University and an M.P.A. from the University of Connecticut. She is married and resides in Bethesda, MD.

Remarks at the Swearing-in Ceremony for Louis W. Sullivan as Secretary of Health and Human Services

March 10, 1989

The President. To Members of the United States Congress here, Senate and House; members of the President's Cabinet; to Judge Higginbotham, who'll be doing the honors here in a little bit; and old friend, Senator Ed Brooke, whom I'm so glad to see; distinguished dais guests; and of course, the Sullivan family, just let me say that Barbara and I are very pleased to be over here. I know the Sullivans, but I didn't know that Halstead Sullivan, outstanding student, president of his school, I believe, the University of Virginia, could sing. But you heard him not miss a note -- unbelievable.

But, Lou, before beginning, I do want to make an announcement today. I think it's one that concerns people and everyone in this room. It's about a public health issue that I know this audience particularly can appreciate. Then a few words about our new Secretary. But this one relates to the health and well-being of our environment. I want to announce an important step that we're taking to address an environmental issue of great concern, and that is the transboundary movement of hazardous wastes.

During the past year, there have been many accounts of the risks to human health and the environment, too, posed by certain exports of hazardous waste, particularly to developing countries. And the U.S. has been a world leader in requiring the informed consent of receiving countries before allowing such exports of hazardous waste. And I intend to continue and to extend this leadership role by seeking new legislation that will give the United States Government authority to ban all exports of hazardous waste except where we have an agreement with the receiving country providing for the safe handling and management of those wastes. We're determined to work with other concerned governments to exercise wise stewardship over our environment, particularly where matters of health are concerned.

Now, on to the business at hand. The swearing-in of Dr. Louis Sullivan is a proud day for all involved: for this Department, whose dedicated workers are welcoming as their new leader a man of energy, enthusiasm, and intellect; for Dr. Sullivan's family -- Ginger, Paul, Shanta, and Halstead -- whose share in Lou's success has been beyond measure; and for all of us who know Lou, admire him, and consider him our friend. Dr. Sullivan has enjoyed a distinguished career as physician, scientist, scholar, teacher, administrator. But what sets Lou Sullivan apart is that something extra he brings to his work -- a sense of mission.

As the first president of Morehouse -- in this instance, Morehouse School of Medicine -- Lou made it his goal not only to train a new generation of minority physicians but to instill in them this sense of service, a commitment to minister to communities in our inner cities and in rural America, where health care facilities are stretched thin and doctors are in short supply. In the

past 7 years, Barbara and I have taken a special interest in the work being done by Dr. Sullivan at Morehouse. I knew that a man of his vision could contribute to our national well-being in much the same way he contributed to the health and well-being of so many people throughout his career in medicine.

Lou, the assignment that you are about to undertake is among the most diverse and difficult public service has to offer. The Department of HHS is involved in a vast enterprise. You command a $400 billion budget and 114,000 employees. And in all, your responsibilities range from regulating food and drugs and conducting major medical research to providing support and care for the elderly, the disabled, and the disadvantaged. What this Department does affects the life of each and every American, and especially the lives of the least advantaged among us.

I know, Lou, that we spoke about the scope of the administrative challenges that you face here at HHS, but I'm not sure I mentioned to you that your budget ranks fourth in the world -- behind the U.S., the Soviet Union, and Japan. Then comes HHS -- [laughter] -- do not declare your independence. [Laughter]

We look to you and the HHS team to meet a number of major challenges in the years ahead. We ask you to work to get better value for health care dollars, targeting effective services, finding ways to contain the escalating costs of medical care without compromising the quality of health service. Work to sustain programs like AFDC -- Aid to Families with Dependent Children -- and Head Start that help build the foundation for families and children to overcome disadvantages and difficult circumstances, to succeed and grow strong. Advance our understanding of the AIDS virus, and move us towards a cure. And to that end, I've directed HHS to pull together 23 separate AIDS projects now in progress into a more focused effort under the direction of the Public Health Service. I've called on Congress to provide $1.6 billion for the Public Health Service efforts in 1990. That's an increase of 24 percent over 1989. And finally, Lou, I know you'll take a position right on the front line, joining, I'd say, everybody in our Cabinet and certainly all here in the war on drugs. Too many lives have been imperiled or lost to drugs, too much human potential is being ground up and wasted. I've said it before, but this scourge must stop.

And I'll need you to train scientists, to conduct the right kind of research. I'll look to you to assess the data on drugs and tell us where and how to respond. And I'm counting on you to see that State organizations and hospitals, volunteer groups get the kind of technical assistance they need to help us win this battle. I'm asking you to work with me, with Bill Bennett, to find solid strategies for the prevention of drug abuse and effective treatment for those already caught in the trap.

And so, Mr. Secretary, I hope these and the many challenges that I have not named will be enough to keep you busy. Rest assured you'll have help. The staff over here is among the most talented and dedicated in the Federal service. And they understand the importance of the work

that they do and the differences that HHS makes in the lives of the many millions of Americans served by this Department.

HHS is the Department that, more than any other at the Federal level, gives shape and form to the promise that America makes its people, the promise I've made to you: to fashion for ourselves, yes, a kinder and gentler nation and to take care of those in need, especially our children and the elderly, to steady those who seek only an opportunity to better themselves and their families.

So, it is noble work that you all are engaged in. And, Mr. Secretary, as you make this responsibility your own, you have our sincere best wishes, my complete confidence, and my full support.

And now on to the brief, but important, formal ceremony of swearing in Lou Sullivan as the next Secretary.

[At this point, Secretary Sullivan was sworn in.]

Secretary Sullivan. Mr. President, Mrs. Bush, friends and colleagues, let me thank all of you for being here. As you might imagine, this is a special moment for the Sullivan family. Mr. President, thank you for your friendship, your trust, and your confidence. Mrs. Bush, as a friend, for your work as a trustee of the Morehouse School of Medicine, for your efforts to advance literacy, for your help to those in need, thank you for reminding all of us of the importance of love, compassion, and care for our fellow man. I'm also grateful to Senators Dole, Simpson, Mitchell, Bentsen, Packwood, Kennedy, and Hatch, Thurmond, and many others for their assistance in the Congress. Congressman Newt Gingrich and the entire Georgia delegation, I'm grateful for your support.

God has been good to Lou Sullivan for the past 55 years. And things have been particularly bright since I had the good sense to marry Ginger some 34 years ago. I've been blessed with a fine family. And for 21 years, I learned, practiced, and taught medicine and conducted research in some of the Nation's finest medical institutions. Then in July of 1975 I accepted the opportunity of a lifetime: to develop a medical school that would concentrate its energies on the education of those minorities who had been overlooked. It was a chance to see that young blacks, Hispanics, Native Americans, who might otherwise not have an opportunity, were given the same opportunities that I had received as a young man.

There's a special place for the Morehouse School of Medicine in the hearts of Lou and Ginger Sullivan. There's a special place in the hearts of the Sullivans for the people who worked so hard and unselfishly to make that school a reality, many of whom are here today and we count among our friends. When I was installed on July 1, 1981, as the first president of the medical school upon its gaining independence from Morehouse College, it never entered my mind that I would

ever consider doing anything else. But one day a friend called. So, here I am, Mr. President. [Laughter]

There is no title, no award, no recognition which can compare to the trust of a friend. The honor of that call, Mr. President, will never be forgotten. You have given me the opportunity to serve -- to serve you and our nation. You've given a challenge to me and to this Department, and I want you to know we will meet that challenge.

We will work to assure the ongoing solvency of programs like Social Security and Medicare. We will work hard to find ways to contain escalating medical costs without sacrificing our goal of quality health care for all. We will continue to look for ways to better serve our nation's poor and help them work their way out of poverty. Those programs like Aid to Families with Dependent Children and Head Start, which have been so beneficial to our disadvantaged citizens, will be sustained.

Mr. President, we are challenged to continue a strong biomedical research effort in our quest for a cure for AIDS, this disease which destroys our youth and saps our nation's vitality. We will continue our assault against cancer, heart disease, diabetes, arthritis, and the many other disorders afflicting our citizens.

The issue of drugs in our society is a problem that affects us all. It eats at the fiber of our families and at our very social structure. President Bush, today this Department joins with me in a commitment to work with you and with our drug adviser in doing all that we can to halt this terrible epidemic.

With your challenge, Mr. President, you've given us the opportunity to shape the future -- to shape the future through the development of health promotion and preventive medicine strategies, to shape the future through the implementation of last year's welfare reform legislation. We will seek ways to strengthen family life in our country and to restore our sense of community, our shared sense of responsibility and commitment to each other.

We have been given the opportunity to stress the value of every life through the promotion of adoption and by focusing our efforts on the poor, the disadvantaged, and the neglected in our society. We have the opportunity to see that rural and inner-city health needs are not forgotten, that the poor of our nation are cared for properly and with dignity. The health of our minority citizens -- black, Hispanic, Native American -- and those others who have yet to fully realize the American dream is the concern of us all.

Mr. President, you've called for a kinder and gentler nation, a goal which I support with enthusiasm. As you have noted, there's no other department or agency of our government where that call can be more directly implemented than here in Health and Human Services. Health and Human Services is the hub of a vast wheel whose spokes radiate out to touch all Americans,

from the onset of life through health and sickness, from the foods we eat to the medicines we take. Our children, our parents, our youth, our seniors -- all are affected by the activities of this vast agency.

During my tenure, the offices of the Department will have a human face. The regulations promulgated will carry a gentle touch. Health and Human Services employees will be bound by the hallmark of service and take their pride in the health and assistance offered their fellow Americans.

Mr. President, you have delivered today a challenge; you have granted an opportunity. I'm grateful to you, sir. I accept your challenge. I cherish the opportunity. I will keep your trust. Thank you, Mr. President.

Note: The President spoke at 10:18 a.m. in the Great Hall at the Department of Health and Human Services. Halstead Sullivan sang the national anthem at the ceremony.

Remarks to Members of the National Conference of State Legislators

March 10, 1989

It's good to see all of you. Listen, nice welcome, thank you. To our Secretary, Secretary Dole, my greetings -- delighted to see you here. And Andy Card and our -- ripped off right out of the ranks of one of your States, the former speaker, Deb Anderson here, who I'm delighted to see in her official duties. And I'm pleased to be here. And I would like to thank the president and past officers for your gracious invitation -- Sammy Nunez, Lee Daniels, Ted Strickland. I thank all of you.

The last time I spoke, we were in the middle of America, in the middle of summer, and in the midst of a tough campaign year. Fate has smiled since that July day in Indianapolis. Then we were all candidates, probably everybody in this room -- maybe an overstatement. Today everyone in this room is a winner. And for those of you who are Republicans, you discerning devils -- [laughter] -- I've got to admit, there was a time when I thought I'd drag all of you down, but here we are. [Laughter] And for those of you who are Democrats, I'd like to claim credit, but I can't figure out how at all. But anyway, well done! And in all sincerity, I do want to congratulate every legislative leader in this room, Democrat and Republican alike, because you did win more than a political victory. The highest honor of all you won -- opportunity to serve. And I feel that way, have always felt that way about public service. And certainly you do, or you wouldn't be here today.

The problems that confront our country as we near the end of this century often seem bigger than our individual ability to solve them -- and they are big. And if we face these problems as only partisans -- Democrats or Republicans -- or parochial members of a region, or a faction, or an interest group, we've got real problems. But by working together as Americans, we can, I believe, lick any problem, no matter how big, how complex, or how deeply rooted it may be.

There are always naysayers who believe we're going to never clean up the environment or never shelter the homeless, never end that age-old affliction of mankind, poverty -- poverty of knowledge and skills, of opportunity, and the poverty of hope. But the cynics never take into account one of the great success stories of our times. And I am talking about State government. In this decade, power flowed from Washington to Austin, to Atlanta, to Sacramento, and to every other State capital. And with it came new responsibilities. I'm talking, of course, of the concept of federalism. And history will remember that you met these broadened responsibilities with distinction.

I know that funds at all levels of State government are tight -- all levels of Federal Government are tight. And I know that you're called on every day to make the hard choices, as I am. But by and large, you are meeting the challenge of a frugal age by devising creative new solutions to

these age-old problems of care and concern for the very young, the very elderly, the disadvantaged, the dispossessed. So, whenever I see a problem that some say is insurmountable, I draw inspiration from what you are already doing in the States.

The resilience of the State governments in the eighties vindicates, in my view, the wisdom of the Founding Fathers and forever discredits those who would have Washington do it all. And let me assure you, I will preserve and protect a healthy balance, a sharing of power, between the States and Washington, because I fervently believe that federalism works.

And I remember meetings that I had with Governors at the time of the campaign, discussing the social issues. And I learned more from the briefings -- this happened to be in a partisan context of a campaign -- but I learned more from the briefing by the Governors than any of the people here in Washington to whom I had access because I was Vice President. And I thought about why it made such a difference and why I learned so much from them. And it was because they're on the cutting edge; they are out there working with you all to solve the problems, to figure out what works, to make the changes. And so, that may sound elementary to some, but I think you must know what I mean. Governors have to deal in what works, and they get that from you all, with the representation you give in your districts.

As you know, one policy area clearly designated to us here is national defense. And so, perhaps the appeal I'm going to make to you today will be all the more unprecedented. The time has come for me to enlist your energy and expertise in another national security crisis. And you know what it is, and I know what it is and the American people know what it is. And I'm talking, of course, about the threat of drug abuse to the health and the very future of our nation.

I wish that each and every one of you could have been with me yesterday in New York when I went to the DEA headquarters and I talked -- with the widow of the latest victim of the drug criminals at my side -- talked to the agents there. But the best part was the meeting afterward, talking in a very private setting to those agents who are undercover, couldn't be out there in public, but who told me, case by case, of the problems they face. And I don't want to get away from the text here too far, but the thing that really impressed me -- and I expect some of you who have had leadership roles in your States could talk to this -- is that the culture has changed. They say it used to be if you came in and identified yourself as a Fed or a police officer of any sort and drew a weapon on these people, they'd give up. And now they automatically shoot; they go to the barricades. And there's some reasons for that. They get the same penalty for killing a police officer as they get for being caught with a certain amount of narcotics.

We've got to do something about that. Crack, heroin, PCP -- these drugs are a plague that leaves an aftermath of shattered minds and, you know, totally wasted potential. No State in the Union is immune to this plague. And drug crimes have claimed thousands of lives, and having seen some of the barricaded crack houses that have been knocked down by the battering rams of the police, it's everywhere. Los Angeles -- I went out there one evening and took a look with Daryl Gates at

what his officers face every day, and I'll tell you, it really drives it home.

As with every battle this country's ever fought, we are in it together as Americans. And as with a war, we've got to have a strategy, and ours is education, rehabilitation, law enforcement, and then doing better in interdiction. I'm encouraged to see so many State governments forming these intrastate drug task forces and interstate panels to share resources and intelligence. And I would appeal to every State to join these efforts. Every State should look for ways to toughen its drug laws.

The Federal Government, just like the States, is animated by a new get-tough attitude on drugs. And we've stiffened the Federal sentence for drug trafficking to a maximum of life. We've toughened penalties for dealers who use children to deal drugs or sell drugs to the kids. And if you commit a drug-related murder or kill a cop, the toughest sentence you can receive is now the toughest sentence there is, and that is the death penalty. And we've also increased our resources as we've stiffened the sentences.

Since 1981 the Federal antidrug budget has grown by nearly 370 percent. But more was needed, so I'm asking the Congress for $6 billion for our antidrug program in 1990. More than $4 billion will be spent to provide grants to the State and local law enforcement agencies to beef up the Federal enforcement, to enhance our prosecution, detention, and intelligence capabilities. And this includes sustaining the 150 million drug grant programs so that the Department of Justice can help State and local law enforcement agencies catch criminals and warn kids away from drugs.

Another shining example of Federal and State cooperation: the seizure and forfeiture of assets from drug dealers. State agencies that cooperate in drug cases will share the benefits from the sale of yachts, planes, and cars used in drug deals. Again, my experience yesterday -- the head of the DEA showed me a table -- $20 million of cash that they had gotten in -- a part of it. I don't think all $20 million was on that table, but a lot of it was, in small bills, incidentally, twenties, tens, that kind of thing. They had taken this money in one -- caught one truck loaded with $20 million, and nobody claimed it. Nobody even inquired about it. Obviously, they didn't want to get in too much trouble. [Laughter] But there was no undercover inquiry; that's just the cost of doing business. So, $20 million is down the tube, and go on about our business. Same as they dump their airplanes in the water off the Bahamas -- the cost of business. Three Cessnas, and that's the cost of getting the stuff in here.

But even with these programs, the campaign against drug abuse will be hard-fought. It's a war, and it's going to last for years. And perhaps we should take inspiration from a nation at war almost 50 years ago. As Britain faced an adversary that tested the courage and character of its people, Winston Churchill vowed never to surrender. And in today's wars against the pushers, we must draw from these same deep wells of national purpose to summon the spirit of defiance.

Our single most important task is to keep the kids off of drugs and out of trouble, and toward this end I am proposing a $1.1 billion allocation for drug education and prevention -- a 16 percent increase over 1989. Some $367 million of this is going to go to the drug-free schools and communities program to help keep the drugs out of our schools, campuses, and neighborhoods -- an increase of $12 million here. The programs are many. You're going to be able to take the lead in this effort since more than 80 percent of the funds of the drug-free schools and communities will be allocated to the States and territories.

As you may have heard, we can already take heart from some good news from the classrooms. According to the 1988 national high school senior survey, the proportion of seniors using illicit drugs during the prior year fell from 42 percent in '87 to 39 percent -- a modest drop, but at least a decrease. This compares with the peak year of '79, incidentally, when an astounding 54 percent of all American high school seniors used drugs.

Still, 39 percent is horrible. And we're going to spend money to get the job done, but we need to change something. We've got to have a national attitude of intolerance. Let me tell you, Presidents don't normally speak out in favor of intolerance, but the day must soon come when the Nation is utterly intolerant of this casual drug abuse. Back to yesterday, one of the undercover agents telling me about the white collar use -- this guy was down somewhere on Wall Street, and it was just considered normal in the firm in which he was operating to -- at the end of the day -- to offer to the people doing the clerical work there some kind of line of cocaine if they would stay for an extra few hours. I mean we've got to change that whole toleration, that whole cultural identity that suggests that this is the fast lane or the easy way or that it's okay.

Over the next 4 years we're going to face a lot of common challenges. The environment -- I do want to do something on that. With the help of the States, I'm convinced we can here. To our prosperity -- we're going to ask your forbearance as we call for some tough measures to face down this Federal budget deficit. To our compassion -- for those who have yet to participate fully in the American dream.

And the challenge of drug abuse is going to test our resolve and our mettle as a people. So, I just wanted to tell you and pledge to you, leader to leader, that I want to work with you in the State Governments in this struggle. Bill Bennett, our new drug czar, is charged with coming up with a national strategy, a national direction, in 6 months after he takes office. He'll be good. He'll be tough. He's got a difficult assignment because of the way government works -- picture in your own State governments. It's not a very neat and easy way to draw the organization chart, because he has to not only get the attention of the Defense Department or the Attorney Generals without the protocol standing over them, he's got to get their attention and have us all marching in the same direction. So, what that means is the President is going to have to be shoulder-to-shoulder with Bill Bennett. And I'm prepared to spend the time and devote the energy necessary to give it that stature because it won't happen if it just bogs down in some kind of bureaucratic turf fights over who's going to do what on interdiction or education or crime-fighting or whatever it is.

So, I wanted to tell you we do want to work with the States. War tested America and her allies in the forties, and so our people are undergoing a test of national will today. To paraphrase Churchill again, we shall not flag or fail. We're going to keep going to win the fight against the scourge of drugs. And I'm confident; I believe it can be done because I sense a change in the country. I sense people; it's more than rhetoric now. I think it's into every community, every State, and certainly all through the Federal Government.

So, we're not going to give up on this one. We need your help; we need your leadership; we need your ideals. I wish that we had more funds to put in a program here or support of an initiative there. But I don't want to mislead you. We're dealing in a time of very constrained Federal resources. So, we've got to do a lot, working with you and working with the programs that I refer to as the Thousand Points of Light: the willingness of one citizen out there willing to help another.

And so, thank you for what you're doing. Thank you for coming here to the White House. I'm delighted to see each and every one of you. God bless you all. Thank you.

Note: The President spoke at 11:11 a.m. at a briefing in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Secretary of Labor Elizabeth H. Dole; Andrew Card, Assistant to the President and Deputy Chief of Staff; Debra Anderson, Assistant to the President and Director of Intergovernmental Affairs; Sammy Nunez, president of the Louisiana State Senate; Lee Daniels, minority leader of the Illinois State House of Representatives; and Theodore Strickland, president of the Colorado State Senate.

Nomination of Michael Hayden Armacost To Be United States Ambassador to Japan

March 10, 1989

The President today announced his intention to nominate Michael Hayden Armacost to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Japan. He would succeed Michael Mansfield.

Since 1984 Ambassador Armacost has been Under Secretary for Political Affairs at the Department of State in Washington, DC. Prior to this he was Ambassador to the Philippines, 1982 - 1984. He has served as Principal Deputy Assistant Secretary of State for East Asian and Pacific Affairs, 1980 - 1981, and Deputy Assistant Secretary for Defense for International Security Affairs, 1978 - 1980. He has served as senior staff member for East Asia for the National Security Council at the White House, 1977 - 1978; a member of the policy planning staff at the Department of State, 1974 - 1976; Special Assistant to Ambassador Robert Stephen Ingersoll in Tokyo, Japan, 1972 - 1974; and a member of the policy planning staff at the Department of State, 1969 - 1972.

Ambassador Armacost graduated from Carleton College (B.A., 1958) and Columbia University (M.A., 1961; Ph.D., 1965). He was born April 15, 1937, in Cleveland, OH. He is married, has three children, and resides in Bethesda, MD.

Nomination of John Theodore Sanders To Be Under Secretary of Education

March 10, 1989

The President today announced his intention to nominate John Theodore Sanders to be Under Secretary of Education. He would succeed Linus D. Wright.

Since 1985 Mr. Sanders has been State superintendent of education in Springfield, IL. Prior to this he was State superintendent of public instruction in Carson City, NV, 1979 - 1985, and an adjunct professor in the College of Education of the University of Nevada at Reno, 1984 - 1985. He has also held several positions at the New Mexico Department of Education in Santa Fe, including assistant State superintendent for instruction, 1976 - 1979, assistant State superintendent for administration, 1975 - 1976, director of the Mutual Action Project, 1973 - 1975, and mathematics specialist, 1971 - 1973.

Mr. Sanders graduated from Wayland University (B.S., 1964), Washington State University (M.A., 1970), and the University of Nevada (Ph.D., 1987). He was born September 19, 1941, in Littlefield, TX. He is married, has four children, and resides in Springfield, IL.

Nomination of Nancy Mohr Kennedy To Be an Assistant Secretary of Education

March 10, 1989

The President today announced his intention to nominate Nancy Mohr Kennedy to be Assistant Secretary for Legislation at the Department of Education. She would succeed Frances M. Norris.

Since 1983 Ms. Kennedy was Special Assistant to the President for Legislative Affairs (Senate) at the White House in Washington, DC. Prior to this she was Administrative Assistant for the White House Office of Legislative Affairs, 1981 - 1983. She has also served in the congressional relations office for the transition of the President-elect, 1980 - 1981. Ms. Kennedy was Administrative Assistant to the Chairman of the Federal Elections Commission, 1979 - 1980, and Administrative Assistant for the Senate Republican Policy Committee, 1977 - 1979. She was Executive Assistant to the Assistant to the President for Legislative Affairs, 1969 - 1977, and deputy caseworker for the Republican leader of the Senate, Everett McKinley Dirksen.

Ms. Kennedy attended the University of Maryland at College Park. She is a native of Illinois and currently resides in Bethesda, MD.

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Transmitting a Report on Arms Control Agreements Compliance

March 10, 1989

Dear Mr. Speaker: (Dear Mr. Chairman:)

I am pleased to transmit the enclosed report on the adherence of the United States to obligations undertaken in arms control agreements and on problems related to compliance by other nations with the provisions of bilateral and multilateral arms control agreements to which the United States is a party.

This report, updating last year's report, meets the requirements of Section 52 of the Arms Control and Disarmament Act, as amended by the Arms Control and Disarmament Amendments Act of 1987. It was prepared by the Director of the U.S. Arms Control and Disarmament Agency in coordination with the Secretary of State, the Secretary of Defense, the Secretary of Energy, the Chairman of the Joint Chiefs of Staff, and the Director of Central Intelligence.

In previous reports to the Congress, the United States has made clear its concerns about Soviet noncompliance. These concerns remain. The United States Government takes equally seriously its own commitments to arms control agreements and sets rigid standards and procedures for assuring that it meets its obligations. The United States has been and remains in compliance with all current treaty obligations and political commitments.

This report is unclassified and suitable for general release. However, a classified attachment, providing additional information not available in unclassified form, is being provided under separate cover.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

The President's News Conference

March 10, 1989

The President. Well, good afternoon. I am happy to be here this afternoon to present my nominee to be Secretary of Defense, Congressman Dick Cheney of Wyoming.

Dick is a widely respected man of principle, served his country with distinction for many years. I've known him as a Chief of Staff, government manager -- all under President Ford, '75 and '76. I worked with him closely since he's been a part of the Republican leadership. In both the executive branch and in Congress, he's dealt with the problems of national defense. He struggled with the budget -- some things every President has to do. And he's weighed the difficult national defense priorities that have come before the Congress. He's been a member of the Intelligence Committee for, I think, 5 years and -- a leader in that area. I've heard his thinking on arms control, Central American policy, strategic defense posture, and on the difficult challenges that he knows he faces of reforming procurement process in the Pentagon.

He's a thoughtful man, a quiet man, a strong man -- approaches public policy with vigor, determination, and diligence. And this afternoon, we discussed the defense needs of this nation and the heavy responsibilities that go with being Secretary of Defense. And Dick Cheney is a trusted friend and adviser, and I'm convinced that he's going to be a great leader of our nation's military forces.

And now I'd like to ask him to say a few words, and then he and I will be around to respond to a few questions. So, Dick, welcome aboard, and thank you for undertaking this very complicated and difficult assignment. You'll do great.

Representative Cheney. Well, thank you very much, Mr. President. Obviously, things have moved rather rapidly in the last 24 hours. I'm honored to be asked by the President to join his administration. I look forward very much to working with him; and especially also with Brent Scowcroft [Assistant to the President for National Security Affairs], who's an old friend of many years standing; and Jim Baker [Secretary of State], who's an old friend of many years standing, in the difficult assignment ahead. And I think the next 4 years hold significant challenge in terms of U.S. defense policy and foreign policy, and I am glad to be a part of the team and eager to get to work in terms of helping the President address some of those very important issues.

Q. Congressman, two questions. First, could you give us an update on your health, and also what can you tell us about the depth of the expertise you feel you have on defense?

Representative Cheney. Well, first of all, with respect to my health, I have, in the past, been a heart patient. Many of you know I underwent bypass surgery in August of last year. I was, after that surgery, back at work in about 3 weeks. I skied at Christmastime at Vail, if anybody's

curious. Skiing was very good at Vail at Christmastime. And I talked just this afternoon with my cardiologist, who's followed my case for several years, to make certain he was aware of this and so that he would be in a position to say, as he has, as he did tell me just today, that there's absolutely no medical reason why I cannot undertake this assignment. I have no restrictions at this point in terms of my own activities.

With respect to my background in the defense area, it's a set of issues that I've been interested in for a long time -- obviously had some exposure to them during the Ford years when I served as White House Chief of Staff and sat in on all the National Security Council meetings. I've had an active interest in it in the Congress and currently serve as the senior Republican on the Budget Subcommittee of the Intelligence Committee, which authorizes all of our intelligence programs and the activities of many defense agencies, such as the National Security Agency, Defense Intelligence Agency -- all of the tactical intelligence programs across all the services in the Pentagon. So, obviously, there are areas that I need to know and I'll have to work hard on to master, but I feel that I do have a depth of understanding now in very specific areas that come within the general jurisdiction of the Defense Department and the national security in general.

Q. You said that Senator Tower was the best qualified for this job. Where does Congressman Cheney stand in this priority assessment?

The President. I said that on December whatever it was. And now we're in March whatever it is, and as of today, Dick Cheney is the best and the proper choice.

Senate Vote on the Tower Nomination

Q. Now, do you agree with the Vice President in his harsh indictment of the vote on Tower?

The President. I haven't read the harsh indictment. I expect he felt as strongly as many of the Senators, having served in the Senate. But look, that's history. We're moving forward with a new nominee. I told the Senators yesterday when they called -- both Senator Mitchell and Senator Nunn -- I think Marlin had the release on that -- that I was going to work with the Congress. Dick Cheney and I have discussed that. He's confident he can work with the Congress, both Senate and House. And so, there's no point in my dwelling on what happened yesterday. I've got my own views about it. But we've got a big problem out here, and we need to work cooperatively in defense with the Senate and with the House. And we're going to do just that, as Dick Cheney has confirmed.

Secretary of Defense-Designate Cheney

Q. Mr. President, you said when you originally picked your Cabinet that you didn't want to pick anybody from the House or Senate because you didn't want to deplete the ranks of Republicans in Congress. Now you've picked Mr. Cheney. What happened to that rule?

The President. This is the exception that proves that rule. [Laughter]

Q. For Mr. Cheney. You've said many times that you've enjoyed your work in Congress. Why would you give up a post on the leadership ladder in the House? Are you frustrated because you think that the Republicans are going to be in a minority position ad infinitum, or why have you suddenly decided now to go into the executive branch?

Representative Cheney. Well, first of all, John [John Mashek, Boston Globe], I'm optimistic about the future of the Republican Party in Congress. I think we will become a majority within the next few years. Obviously, I've loved the House of Representatives. I've enjoyed it immensely. I thought that that's where I would spend the bulk of my political career. But when the President asks you to consider a proposition such as this one, you have to take it seriously. And when you look at the challenge that's involved, the importance that he assigns to the problems that have to be addressed in this area, and the basic attraction of taking on a difficult task after I agonized over it -- and I did agonize; it was not an easy decision -- I decided that I would, in fact, accept the post as Secretary of Defense.

Q. Mr. President, can you give us the timetable of how you reached the decision? When did you first start assembling a short list? How long was the short list? And you've taken so many people from the Ford administration, do you have any role for former President Ford? [Laughter]

The President. In inverse order, no. I talk to President Ford -- get good advice from him. In terms of how long, I moved fast on this one. I was telling you the truth when I said I have not considered anybody else during the last days of the Senate debate. I wasn't about to shift gears or send a signal that wasn't true, that I was interested in anything other than the confirmation of John Tower. That's history; that's done. So, when it became clear yesterday that the votes weren't there yesterday, I began to think and talk to my top advisers here, get opinions from them. They reached out a little bit. And then I called Dick today, and he came over and visited with me about 1 p.m., I think it was. And I said I want to make a decision fast on this, because I know him well and have known him over the years well. And so, that's about the way it evolved.

He wants a followup. [Laughter]

Representative Cheney. If I may, John [John Cochran, NBC News], I was first contacted late yesterday afternoon by General Scowcroft and Governor Sununu. We had a discussion at that point that initiated my consideration of it, and I just discussed it with the President today.

Q. Mr. President, have you talked about this selection yet with Senator Nunn and Senator Mitchell? If so, can you describe their reaction a little bit? Did you get into kind of a commitment about the timing of confirmation hearings?

The President. Jerry [Gerald Boyd, New York Times], what we did on that was divide up here just recently the names to talk to, and I believe General Scowcroft talked to Senator Mitchell and to Senator Nunn. And I would let them characterize their reaction to it. And I've talked to the Speaker. The only one of the kind of hierarchy that we haven't reached is Bob Michel. And it's very important that he be notified, but I expect he will be by all of this. [Laughter] But nevertheless, we divided it up, and the reaction from the people that we've contacted -- the understandable ones -- has been very, very positive.

Q. Mr. President, about the hearing schedule -- --

The President. Oh, I don't know. John, did you talk about timing?

Mr. Sununu. I asked Senator Mitchell to evaluate how quickly it could be done, and we will talk again in the next day or two about what kind of schedule they can produce.

The President. Yes, and we've started the clearances. The name check has been completed -- rapid-fire time -- and Dick has undergone two thorough, full field checks. And he's had -- has there been another one since those?

Representative Cheney. In '69 and '74.

Mr. Sununu. Preliminary check today.

The President. Yes, and the preliminary check today. So, I think that will go very well.

Senate Vote on the Tower Nomination

Q. Mr. President, can I ask more about the Quayle speech? He is out in Indianapolis this afternoon accusing Senate Democrats of using McCarthy-like tactics in the defeat of John Tower. With respect to your comments about putting the Tower nomination behind you, would you tell us if Mr. Quayle speaks for you?

The President. I haven't seen what he said, so I can't tell you whether he speaks for me. I speak for myself. He speaks for himself. But I explained why -- that he feels strongly about it. I feel strongly about it, and I'm determined to move forward. And I think that this nomination will set that tone, and we'll see how we go from here.

Defense Budget

Q. Mr. President, one of the things that Senator Tower did in this period was work up a strategy which, apparently, you approved of, which was you would squeeze the defense budget down into the limits set by the Congress if the Congress would let you make some of the -- or all of the

choices. Is this strategy going to be passed along to Dick Cheney, and do you plan to pursue a similar strategy?

The President. I'm going to have to defer answering that because, though we talked about budget generally and making tough choices generally, we didn't go into that much detail yet. And I think he's entitled to giving me his views on it before we do.

Secretary of Defense-Designate Cheney

Q. Mr. President, have you asked the Congressman the obvious questions: Is there anything in his background that would be prohibitive or embarrassing or anything like that? How much detail have you gone into?

The President. Yes, and I'm satisfied on that.

Q. Mr. President -- --

Q. Mr. President, can you -- --

The President. Can't hear you, Sarah [Sarah McClendon, McClendon News Service]. Go ahead, please.

Q. Sorry. You've got me so flustered, I forgot my question. [Laughter]

The President. I'll come back. That's not fair.

Senate Vote on the Tower Nomination

Q. Mr. President, if we could go back to Mr. Quayle just for a second, I'm not sure that the American public really understands the difference between speaking for himself and speaking for you, since he is your Vice President. And he is out in Indianapolis, has used the words, ``McCarthy-type tactics," and yet you're here wanting to have things go smoothly for the Congressman. I'm just wondering how you can square your desire to have peace with Congress and what your Vice President is saying in Indianapolis.

The President. Please don't ask me to comment on something I haven't read. That's what I'd say to that one.

Defense Policy

Q. A question for Congressman Cheney about defense policy: Does he have a view on the

Strategic Defense Initiative? Does he believe America can erect a perfect defense or something more modest?

Representative Cheney. I have extensive views on defense policy, but I don't believe I'll share those today. It seems to me it's appropriate for me to discuss those matters before the Senate committee during the confirmation process and not in this forum.

Q. Star Wars? You support Star Wars? You always have, haven't you?

Senate Vote on the Tower Nomination

Q. Sir, there's been an incredible amount of analysis about what happened in the Tower nomination, as you're aware, and I think we've all heard your views about the Senate. But what I'm particularly interested in is whether you feel that your administration bears any responsibility whatsoever in the fact that Tower did not get confirmed?

The President. I have read that we made mistakes. I don't, I think. And if so, I would be glad to say so, but I don't know exactly. I can't think of a specific that we might have done differently in this circumstance. You have to remember, one of the allegations was I took too long to send it up. But what we were trying to do was the same thing that overtook events once it got to the Hill -- gunning down groundless rumors.

So, you know, that's what took the time to begin with. Every time we'd get ready to go up with a nomination which I felt was a good one, there'd be some other allegation printed out there -- not by the Senate, but just floating out there. And we'd have to say, what is this? Please send the investigators to Geneva to see if, indeed, the East Texas -- not East Texas -- [laughter] -- the East German spy was true, you know. And then we'd find it wasn't true. And we'd be ready, and there'd be some other allegation. So maybe I made a mistake in not just going ahead. But what I wanted to do, and told our general counsel, is, look, I think we have an obligation to have the FBI look at these. I think that may -- and I would have to bear full responsibility for that -- maybe set a tone up there that then encouraged leaks, counterleaks, and investigation of rumor and innuendo.

So, I'd have to accept some responsibility for that, I think. And there may have been some other tactical things that went wrong; but please remember that when that nomination went up there, it was very well received generally and, indeed, Senator Nunn, I think, said on the floor that he was -- you know, had been fully prepared to vote for it.

So, I don't know. But in that area I think there might -- I may have made a mistake.

Q. Mr. President -- --

The President. She has a followup.

Q. Some of the things that have been analyzed have centered on the fact that it takes any new White House staff some time to get his act together and that this crisis came at one of the worst times it could have come for you in terms of having the same kind of weak and inexperienced staff that any President would have at this stage of the game. And we've all read things about some of the Senators weren't contacted and that you did not really go all out in terms of twisting arms and sort of appealed to fairness. Is there anything along this line that you think might have worked differently?

The President. I don't think I would do it differently to do over again, and I certainly am not going to fault my staff. I think this was historic in the -- and I'm not -- I don't think the time is appropriate to start trying to assess blame. I mean, I think there will be a lot of aftermaths in what happened. But we're going to go forward. And I, frankly, feel that I've given you a long list of things that make me feel the administration is moving forward appropriately. We're moving swiftly on this nomination. And I'm one who has a rather broad perspective of how things are in Washington, and tomorrow it'll be some other problem. And I will work with the Congress. And I think I will continue to keep this feeling that I can work with the Congress. And I'll keep fighting. And if we lose one, we'll be back and fight again. And I fought hard for John Tower because I believed in him. And I told you, I didn't think a lot of it was fair, but that's over, that's history. And now we are going to go forward. And I take Senator Mitchell and Senator Nunn at their word. They have given me their word, and that means a lot with me. And they want to move forward together, too.

We've got time for just a couple of more and then I've got to go.

Q. Mr. President, please -- back here.

Strategic Defense Initiative

Q. Mr. President, to follow up on the strategic defense question, are you and Congressman Cheney of one mind on the matter of strategic defense, particularly deployment, or is there some distance between the two of you?

The President. Well, we're in general agreement. And I think as Dick gets over there and gets into the details, he's going to have to make up his, after he's confirmed, make up his mind on the -- after the budget review is complete -- as to exactly what can be done and how fast it can be done. There's no question of his support for SDI, nor mine. But we aren't there yet, Tom [Tom Raum, Associated Press], because we have to wait until the reviews that we talked about are finished before we, either of us, can definitively address levels of funding or where we might go on those things.

Secretary of Defense-Designate Cheney

Q. Mr. President, do you assume that this nomination will receive clear sailing in the Senate?

The President. Yes, I do.

Q. Mr. President -- --

The President. I believe it will go very fast, and I believe that it will have smooth sailing. Why? Because of Dick Cheney, because of the merits, not because of anything that happened in the past -- the merits. And we are going to try, incidentally, getting back to Mr. Duffy's [Michael Duffy, Time] question -- I think it was or Jerry's -- to accelerate the clearance process and get that moving. We've got to do that. It is very important. Too much time has been wasted here. And I believe we can do it. We may have to take FBI resources off of a series of other investigations for other appointments, but it's this important to the country. And so, we'll move very, very fast.

Q. Mr. President -- --

The President. Now, Marlin tells me that that was the last question, but out of respect for Sarah McClendon, who is persistent, but who -- I will make a new announcement of press policy, Sarah. The squeaking wheel will not always get the grease in life, and the loudest voice won't always get recognized because it isn't fair to the others. And you all have been very cooperative with me on the policy on shouting over helicopter blades, and I hope it's been good for you. And I will continue to try, but I cannot identify people -- I don't think it's fair to the others -- who stand up and yell while others sit and raise their hands. But I don't mean to be pedantic about this or in some lecturing mode, but you and I have known each other a long time, and so this is the last time that I can succumb to the tendency to go to the loudest or most frantic wave. I can't do it, and it's not fair to calmer souls. But, Sarah, have you got a question? [Laughter]

Q. I want to know if -- --

The President. We've known each other so long, I can address her in this forthright manner. Yes?

Q. And thank you very much. And I wanted to ask your new man what he feels -- --

The President. Go ahead. [Laughter]

Representative Cheney. Never have I seen the press so well behaved as they are now. The President's got them -- --

Q. Give us some of your thinking about the troops out there that you'll have to command now. Do you think you're going to have a problem with recruiting and pay and benefits to keep these people going, or do you think that you'll have to cut back on the forces?

Representative Cheney. Sarah, those are very important questions, but they really are the kinds of things that I should not discuss until I have the opportunity to appear before the Committee and until I have the opportunity in many cases to discuss them at length with the President. Thank you all very much.

Note: The President's seventh news conference began at 4:06 p.m. in the Briefing Room at the White House. Marlin Fitzwater was the President's Press Secretary, and John H. Sununu was Chief of Staff to the President.

White House Statement on Secretary of Defense-Designate Richard B. Cheney

March 10, 1989

Secretary of Defense-designate Dick Cheney has served in the House since 1978 as the Representative from Wyoming, and has served in each succeeding Congress. In December 1988 he was unanimously elected House Republican Whip for the 101st Congress, the second-ranking leadership position. He is a member of the House Committee on Interior and Insular Affairs. He is also a member of the House Permanent Select Committee on Intelligence, serving as the ranking Republican on its Subcommittee on Program and Budget Authorization. He was ranking Republican in the 15-member House Select Committee to Investigate Covert Arms Deals with Iran.

Mr. Cheney began his public service in 1965, when he served as an intern in the Wyoming State legislature in Cheyenne. In 1966 he was selected by the National Center for Education in Politics to intern on the staff of Warren Knowles, then-Governor of Wisconsin. In 1968 the American Political Science Association selected him for its Joseph E. Davies Congressional Fellowship, which he served as an assistant to the late Congressman William A. Steiger (R-WI). In May 1969 Mr. Cheney began several years of Federal service under Presidents Nixon and Ford. From 1969 to 1970, he was Special Assistant to the Director of the Office of Economic Opportunity; from 1970 to 1971, he was Deputy Assistant to the President; and from 1971 to 1972, he was assistant director for operations of the Cost of Living Council. In March 1973 he left government service to become vice president of Bradley, Woods & Company, Inc., an investment advisory firm. In August 1974, when Gerald Ford assumed the Presidency, Mr. Cheney served on the Ford Transition Team, and beginning in September, as a Deputy Assistant to the President. In November 1975 he was named Assistant to the President and Chief of Staff.

Mr. Cheney was born in Lincoln, NE, on January 30, 1941. He attended Yale University in New Haven, CT, and Casper College in Casper, WY. In 1965 he earned a bachelor's degree from the University of Wyoming, and in 1966 earned a master's degree from the same university. He is married to the former Lynne Ann Vincent, and they have two daughters.

Nomination of Skirma Anna Kondratas To Be an Assistant Secretary of Housing and Urban Development

March 10, 1989

The President today announced his intention to nominate Skirma Anna Kondratas to be an Assistant Secretary of Housing and Urban Development (Community Planning and Development). She would succeed Jack R. Stokvis.

Since 1987 Ms. Kondratas has been Administrator of Food and Nutrition Service at the Department of Agriculture. She served as Director of the Office of Analysis and Evaluation, Food and Nutrition Service, at the Department of Agriculture, 1986 - 1987. Prior to this she was a policy analyst for the Heritage Foundation, 1984 - 1986. She has worked for the Republican National Committee as an economic analyst, 1981 - 1982, and deputy director of research, 1982 - 1984.

Ms. Kondratas graduated from Harvard University (B.A., 1965), Boston University (M.A., 1969), and George Mason University (M.B.A., 1981). She was also a Fulbright fellow in history at the University of Poznan, Poland, 1965 - 1966. She resides in Springfield, VA.

Remarks to Members of the National Association of Attorneys General

March 13, 1989

Well, I am just delighted to see this illustrious group here. I wanted you to meet Bill Reilly, who is our Administrator of the EPA and a man whose reputation many of you know about. And I've prepared just a few remarks that I want to make on a couple of subjects where this group has been out front. And when I finish, Bill will say a few words.

I would ask your forbearance. I just couldn't pull myself away from watching the Discovery take off, and it's now airborne and appears to be going well. So, I think that is always a rather tense moment; but the flight is underway.

I would say to Bob and everybody else that this association -- as I look at your agenda, it's clear to me that this association and the White House are fighting the same battles and on the same agenda. Your reports on environmental protection and also on drug control strategies got you way out front on these two issues. And I think it's a good thing. And we are determined to have those as two prominent agenda items right here in the White House. Now, the approaches that you've taken reinforce my conviction that, together, where we have these shared concerns, we're going to find solutions, and we've got to find State and Federal roles that work. We're going to apply limited resources -- and again, I wish they weren't as limited, particularly in these two areas -- but we've got to apply the limited resources in a coordinated manner.

At the Federal level, I'm convinced that on many issues the time for study has passed -- on these environmental issues -- and I know that Bill agrees with me. So, we are proposing legislation to reauthorize the Clean Air Act. And I want to work with the Congress on a comprehensive acid rain program. And again, I think working with you all, we can do a lot on throwing the book at those who engaged in illegal ocean dumping. Bill is just back from a highly successful international conference that was opened by Margaret Thatcher in the U.K., and he can tell you perhaps a little about what went on there. But in these broad areas of global warming, we've got to do better, and we will.

Over the last decade, the States have taken on a key role, the lead, I might add, in many areas, in terms of protecting the environment. And I view that as good news. I believe that. I still believe strongly in federalism, and I think that's very, very important. So, I want to work with you on those environmental questions where we share responsibility. We need to step up that Superfund cleanup process and improve enforcement. We must assure compliance with the hazardous waste laws. And where enforcement of all the laws that protect our environment are concerned, I'd like you to think about the most serious cases, where you've got to move beyond civil penalties toward criminal enforcement, both as a sanction and as a deterrent.

In a few minutes, as I say, Bill will give a little more detail on our environmental agenda, and you will see in him what I have seen: that he is an expert here, an outstanding ally, and a fellow soldier in this struggle. He also understands the differences between the State responsibility and the Federal, but they need to work together.

So, let me just touch on the other subject that I mentioned up front before turning this over to him. We've got to see that the great cities -- indeed, some of rural America -- that they are no longer held hostage to the crack dealers. Our schools must not be locked in a state of siege. And you know, drugs are like chemical weapons that a society turns on itself. And they breed the most insidious forms of domestic terrorism. And they've got to be stopped, and we've got to vow that they will be stopped.

The budget that I sent up to the Congress a few weeks ago is a realistic, fiscally responsible plan that identifies key priorities requiring our immediate attention. One of these priorities is combating the scourge of drugs. And that's why I am asking for $1 billion in new outlays for the antidrug program. That's a 47-percent increase over 1988, for a total of $6 billion in budget authority for 1990. Most of that money, 70 percent of it, will beef up Federal enforcement; provide grants to State and local law enforcement agencies; build up our prosecution, detentions, and intelligence-gathering strength.

As chief legal officers, you know about enforcement, and you know how vital it is. And as my budget makes clear, I wanted to vote unprecedented resources to enforcement. But clearly, we've got to do more. This war won't be won by police work alone. Where there's demand, supply will always rise to meet it. And where there's no demand, supply is useless. And that's why I was glad to see your ``Blueprint for Drug Control Strategies'' broadens the goals of enforcement. You say that reducing demand must be the ideological cornerstone of any coherent drug enforcement policy. And you're right; enforcement strategies must look beyond effects to causes. Drug education, treatment, prevention provide our best hope for long-term solution, especially with our kids. And we need to tell them, of course, to say no; but we've also got to give them the wisdom to know why and the skills to know how to say no.

I want to ask you to continue looking closely at these drug enforcement programs. How can they help reduce demand? Less demand means more success on the war on drugs. And to the extent you can cut demand, you can make your jobs, my job, and those of everyone involved, a whole lot more rewarding. Our financial resources may be limited, but our resolve is unlimited. And with that limitless resolve, I know that we can inspire every child, teacher, and parent, every community group, religious institution, and tenant association, and every business and professional organization in this country. And then, united in common resolve, we will be truly invincible.

I've said before that we have more will than wallet, but the only limits on our will are the limits we place on ourselves. We can, we must, build a culture of zero tolerance. And then we'll send a

message loud and clear to those who take drugs, and take our leniency for granted: The party is over.

And so, I will simply end by telling you about a visit I had to the DEA [Drug Enforcement Administration] up in New York. It was most interesting, and it was addressing all our agents. And I know many of you have worked with them, and like you, I was very much impressed by the caliber of the young men and women. You wonder what does it take to be a person that knows now that the culture has changed, that their lives are literally on the line.

After meeting with the big group, we went into a small meeting room and talked to the agents themselves, those that were undercover. And one of them explained it to me this way. It used to be if there was a drug bust people would say ``police'' or ``DEA'' or ``FBI'' or whatever it is, and the bad guys would stop what they were doing and, you know, submit to arrest. Now the culture has changed: The bad guys turn around and start shooting.

And so, it really drove home to me the need to support these enforcement officers with changes in the law and whatever else it's going to take. The penalty in some areas for killing a policeman is the same as being caught with x ounces of drugs on you. And so, how can there be any incentive if we don't have some differentiation? This is your business; you know this, but we would welcome recommendations to our Attorney General and to the White House on how best to effect the kind of changes that are going to be necessary in that aspect of the problem.

Now, back to the first agenda item: the environment. Bill has got a good way of building bridges between people. He's the first kind of certified environmentalist to be in this important post, and he's been called the Great Includer. You can figure that out when you listen to him. But he's devoted his career really to protecting our land, air, and water. He has my complete confidence. I expect when you've dealt with him for a while he'll have yours. I ask that you give him your full cooperation because, again, like the whole question of the second agenda item, this first one, the environment and the need to preserve it and to hand our kids something a little better than we found, is absolute priority.

So, with no further ado -- and the only regret, that I won't have a chance to visit more informally with each and every one of you -- thanks for coming. And let me introduce you to Bill Reilly, who I know will have your full support. Bill, all yours.

Note: The President spoke at 10:02 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Robert Abrams, president of the association.

Remarks Following the Swearing-in Ceremony for William J. Bennett as Director of National Drug Control Policy

March 13, 1989

The President. Mr. Vice President and members of the Cabinet -- Justice Scalia, I believe, was here somewhere.

Justice Scalia. I'm here.

The President. There he is -- present. But I cite that because he just did the honors over in the Oval Office for the swearing-in of Bill Bennett.

Honored guests and ladies and gentlemen, I'm delighted to be here. It's an honor for me to be here, with the Cabinet behind me, for this important occasion. There really is no greater test of America's greatness than its challenge on meeting this great challenge of drugs. And today I've come from the swearing-in, from Bill Bennett, the man who's going to lead this mission. We're going to need your help and the will and spirit of the American people to succeed.

Last month before a joint session of Congress, I said Bill Bennett and I will be shoulder-to-shoulder leading this charge, and here we are. And he has just been sworn in, and we are shoulder-to-shoulder, and the Cabinet will be shoulder-to-shoulder with him in this important effort. To free our nation from drugs is going to require teamwork and coordination between all levels of government, private enterprise, and then the voluntary organizations as well. It will mean building on your labors as activists, officials, public servants. For while you've done much, there remains so much more to be done. Most of all, it's going to require a sense of urgency to act now.

Drugs threaten what we are as a nation and as a family. And they chain the human soul, and they destroy the lives of our children. And so, Bill, I know that you share these beliefs. As Secretary of Education, Bill showed what worked, told us what didn't, broke a little china in the process -- [laughter] -- but challenged the establishment in a lot of ways; and that was a tremendous plus. And in the process he created a record of stunning achievement, and like you all, he's been a strong voice for excellence. And now you must work together.

Bill is the first Director of the National Drug Council Policy -- you, soldiers of this crusade. And drug abuse assaults the mind and the spirit of America, leaving damaged lives and destroyed careers. So, we've got to mobilize our moral, spiritual, and economic resources to force a decline in drug trafficking and in drug abuse. We're going to seek to encourage the over 23 million Americans who last year used illegal drugs to get clean and stay clean.

And in that budget speech, I spoke about four critical areas: education, testing, interdiction, and enforcement. And I asked for an increase of $1 billion in budget outlays. In 1990 we're requesting $6 billion in new funding to fight this war. And some money will be used to expand treatment for the poor and to young mothers, and this will help many of the innocent victims of drugs, like the thousands of babies that are born addicted or with AIDS because of the mother's addiction. Some money will be used to cut the waiting time for treatment and to help prevention efforts in urban schools, where the emergency seems to be the greatest. And much of it will be used to protect our borders, helped by the Coast Guard and Customs Service and Departments of State and Justice and the U.S. military. To spread the word and thus stem demand, we're going to need more money for education and prevention. Our request totals $1.1 billion. And we need to educate, involve parents, teachers, and communities. And finally, to stop drug criminals, we will support unequivocally our drug enforcement officials: local, State, and Federal.

You know, we've talked a lot about zero tolerance. Well, it's not a catch word. It means, quite simply, if you do crime, you've got to do time. And our budget proposes $4.1 billion -- the drug budget -- fully 70 percent of the entire drug budget for law enforcement purposes. I want judges who strictly apply the law to convicted drug offenders, and then severe sentences for the dealers who hire kids to sell and carry these drugs. I want a new offensive against organized crime, and enhanced drug prosecution, detection, enhanced intelligence capabilities. We need increased prison sentences for drug-related crimes. And the death penalty -- I believe in it firmly for drug kingpins who order and those who commit these drug-related murders.

Now let me speak very frankly about one other aspect of the fight on drug abuse. The effectiveness of the Federal Government's efforts to combat drugs has been hampered -- sometimes severely -- by inadequate cooperation and coordination among the many departments and agencies involved in this antidrug effort. There have been struggles over turf and budgets, and too often preoccupation with parochial interests.

Well, the soldiers in the drug battle have been risking their lives. Too often bureaucratic conflict here in Washington has hobbled our national effort. So, this has got to end. No war was ever won with two dozen generals acting independently. And I have chosen Bill Bennett to be the commanding general in the drug war. It is his responsibility, working with the departments and agencies headed by those you see here with me and others, to develop a strategy for this war. So, I charge him with putting all the parts of the Federal Government in harness, pulling together in a life-and-death struggle against a deadly enemy. I will not tolerate, and the country cannot afford, bureaucratic infighting that forces us to fight this battle with one arm tied behind our back.

And so, Bill has my total support. I call upon all of the parts of the Government to get behind him in charting our course toward victory. We must not waver in our resolve to overcome drug abuse. And we're going to need fortitude, patience, compassion, and certainly the support of all

America. Without the people, we can't do anything, And with the people, we can do great things.

This morning, then, I ask all of you to work with Bill and with businesses, churches, families, and schools. Thank you very much for being here. And now the man of the moment, the man in whom I've placed great confidence and who I know will do a superb job: Bill Bennett.

Mr. Bennett. Ladies and gentlemen, members of the Cabinet who are so kind to be here this morning, thank you. And Mr. President, thanks especially to you for your kind words, for the trust you've placed in me, and for the firm commitment you've made to the work that I now begin.

No one who has fought this fight until now, no brave law enforcement officer, no teacher, no doctor need be told how hard and cruel America's drug problem has become. They know; we know. But those here and across the country who join me today in our just war against drugs may take some renewed confidence in our prospects for success because the President of the United States has placed this struggle at the top of his administration's agenda, at the top of our common national agenda where it needs to be.

The President has asked for total effort. He has asked for action on each and every front. He has asked for a sharp increase in funding to make that action possible. He has asked for an end to the petty bureaucratic bickering that has too often hampered Federal initiatives here in Washington. He has asked me to lead and to honor his mandate. Well, with your support, Mr. President, with your backing, much, indeed, can be done. I promise to give my all.

My office is already conducting an exhaustive review of our national fight against drugs on both supply and demand sides. Where past strategy has succeeded, we will see to it that it's continued. Where past strategy has failed, we will see that it's replaced or modified. And my Office will review the Federal drug budget. I plan no cut-rate, bargain basement initiative, but I also plan no bloated pork-barrel project, either. We will ask for what makes sense, no more, no less. And as you've instructed me, we will not play politics with drugs. That's one game the American people simply will not afford.

All this will mean change, substantial change in some cases. And change takes time and long, hard work, especially in Washington. We'll do it where necessary. We want to see waiting lines for drug treatment reduced and prison cells for drug pushers increased. We want to see the drug violence on the streets of our cities and the streets of our Nation's Capital stopped. And we want those overseas, too, to know that we mean business.

As the President has made abundantly clear, this administration wants to work with all the good citizens of America to win the war. There is good news, and we shouldn't ignore it. Drugs are no longer a thing of glamour. Our media and our culture now portray drugs accurately. They portray them for the death and ruin and despair that they are and that they bring. As the President

sadly reminds us, 23 million Americans still use drugs regularly, but another 220 million Americans do not use drugs and never have.

We see the violence that drugs create. We see the damage drugs do to our economy, to our communities, and to our children. And the American people are made angry and determined, and that is a good thing. In neighborhood schools and churches across America there is a movement against drugs, and it's making a difference. Drug use is down among high school seniors. It is still too high, but it is going down. I believe that a persistent national commitment to this fight can and will bring it down further.

Many people have told me in recent weeks and months that my job will prove to be an impossible job. I think that's wrong; today I act on the assumption that that is wrong. I did not take this job to sit at stalemate. The people I'll be working with, including and especially the people seated behind me, and the people who lead our antidrug efforts here in Washington and across the country are men and women of great ability, dedication, and purpose. And best of all, the American people are with us. So, Mr. President, I have the best allies a man can have.

Mr. President, again I want to thank you for giving me the opportunity to make a difference on one of the critical issues of our time. And, ladies and gentlemen, members of the Cabinet, I thank you for your good wishes and for the help I know you'll give, because I'm going to ask you for it.

Now, ladies and gentlemen, I've been asked to invite you all to follow us to the Indian Treaty Room for a brief reception. Thank you all for coming. Thank you, Mr. President.

Note: The President spoke at 11:16 a.m. in Room 450 of the Old Executive Office Building.

Message to the Senate Transmitting the Yugoslavia-United States Consular Convention

March 13, 1989

To the Senate of the United States:

I am transmitting, for the Senate's advice and consent to ratification, the Consular Convention between the United States of America and the Socialist Federal Republic of Yugoslavia signed at Belgrade June 6, 1988. I am also transmitting, for the information of the Senate, the report of the Department of State with respect to the Convention.

The signing of this Convention is a significant step in the process of improving and broadening the relationship between the United States and Yugoslavia. Consular relations between the two countries are not the subject of a modern bilateral agreement. This Convention will establish firm obligations on such matters as the notification of consular officers of the arrest and detention of their citizens and permission for consular officers to visit their citizens who are under detention and to protect the rights and interests of their nationals and juridical persons.

The people of the United States and Yugoslavia enjoy a long tradition of friendship. I welcome the opportunity through this Consular Convention to improve further relations between our two countries. I urge the Senate to give the Convention its prompt and favorable consideration.

George Bush

The White House,

March 13, 1989.

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Moshe Arens of Israel

March 13, 1989

President Bush met with Israeli Foreign Minister Moshe Arens for approximately 30 minutes in the Oval Office. Also attending were Israeli Ambassador Moshe Arad, Policy Adviser to the Foreign Minister Sallai Meridor, Secretary of State Baker, National Security Adviser Scowcroft, and Chief of Staff Sununu.

The President emphasized the United States strong and enduring commitment to the security of Israel. The discussions focused on the intentions of both countries in moving the Middle East peace process forward. President Bush said the United States wants progress, new ideas, and looks forward to the visit by Prime Minister Shamir. President Bush emphasized that the United States does not want to miss an opportunity for peace in the Middle East and still believes in direct talks as the best path to peace.

Appointment of Burton Lee III as Physician to the President

March 13, 1989

The President today announced the appointment of Dr. Burton Lee III as Physician to the President.

Since July 1960 Dr. Lee has been with the Memorial Hospital for Allied Diseases at the Memorial Sloan-Kettering Cancer Center in New York, where he was the senior attending physician, fellow, and resident. In that capacity, he served on the combined leukemia-lymphoma service, the largest and oldest lymphoma service in the United States. In addition, Dr. Lee served as a member of the Presidential Commission on the Human Immunodeficiency Virus Epidemic from September 1987 to July 1988. Dr. Lee has been the principal or contributing author of 127 research publications to date.

Dr. Lee graduated from Yale University in 1952 and from Columbia University College of Physicians and Surgeons in 1956. He was born March 28, 1930, in New York, NY, and is married to the former Ann Kelly.

Appointment of Charles Nicholas Rostow as Special Assistant to the President for National Security Affairs

March 13, 1989

The President today announced the appointment of Charles Nicholas Rostow as Special Assistant to the President for National Security Affairs and Legal Adviser to the National Security Council at the White House.

Mr. Rostow held the same position during the last year of the Reagan administration, after having served as the National Security Council's Deputy Legal Adviser since March 1987. Prior to this he was Special Assistant to the Legal Adviser at the Department of State. Mr. Rostow also served as Counsel to the President's Special Review Board, providing legal counsel on all aspects of the Board's work and participating in the drafting of the Board's report. From October 1982 to July 1985, Mr. Rostow was associated with the firm of Shearman and Sterling in New York.

Mr. Rostow received his B.A., Ph.D., and J.D. degrees from Yale University. His published work is in the field of international law and diplomatic history. He is married to the former Ariana van der Heyden White.

Appointment of Karl D. Jackson as Special Assistant to the President for National Security Affairs

March 13, 1989

The President today announced the appointment of Karl D. Jackson as Special Assistant to the President for National Security Affairs and Senior Director for Asian Affairs.

Since 1986 Mr. Jackson was Deputy Assistant Secretary of Defense (East Asia and Pacific Affairs). Prior to this he was Deputy Director for Policy Planning, Office of the Assistant Secretary of Defense, 1983 - 1984, and assistant for the Philippines and Indochina in the Office of the Assistant Secretary of Defense, 1982 - 1983. Mr. Jackson has lived and conducted research in Indonesia, 1968 - 1969, and in Thailand, 1977 - 1978. He was editor of ``Cambodia 1975 - 1978: Rendezvous with Death," ``Political Power and Communication in Indonesia," ``ASEAN Security and Economic Development," ``ASEAN in Regional and Global Context," and ``United States-Thailand Relations." As a professor of political science at the University of California at Berkeley, he has written on the politics, national security, and economic development of Southeast Asia. He is the author of ``Traditional Authority, Islam and Rebellion."

Appointment of Robert D. Blackwill as Special Assistant to the President for National Security Affairs

March 13, 1989

The President today announced the appointment of Robert D. Blackwill as Special Assistant to the President for National Security Affairs and Senior Director for European and Soviet Affairs. He will succeed Nelson C. Ledsky.

A career Foreign Service officer, Mr. Blackwill served as Principal Deputy Assistant Secretary of State for Politico-Military Affairs, 1981 - 1982, and for European Affairs, 1982 - 1983. From 1983 to 1985, Mr. Blackwill was associate dean and faculty member at the Kennedy School of Government at Harvard University. He was the United States Ambassador and chief negotiator at the negotiations with the Warsaw Pact on mutual and balanced force reductions, 1985 - 1987. He then rejoined the faculty of the Kennedy School, 1987 - 1989. Mr. Blackwill's overseas assignments have included Kenya, the United Kingdom, and Israel. Mr. Blackwill is a member of the International Institute for Strategic Studies and the Council on Foreign Relations.

Mr. Blackwill is a graduate of Wichita State University. He is married to the former Anne Heiberg and has three children.

Appointment of William W. Working as Special Assistant to the President for National Security Affairs

March 13, 1989

The President today announced the appointment of William W. Working as Special Assistant to the President for National Security Affairs and Senior Director for Intelligence Programs at the White House.

In 21 years as a professional intelligence officer, Mr. Working has served in the Air Force, the Defense Intelligence Agency, and on the Intelligence Community Staff of the Director of Central Intelligence. He has also served as a staff member of the Senate Select Committee on Intelligence as the staff designee of Senator Jake Garn (R-UT). In 1987, he became the Director of the Program and Budget Office of the Intelligence Community Staff. Prior to this he worked with technical collection systems and operations.

Mr. Working graduated from the University of Tennessee and was commissioned in the Air Force in 1967. He is a lieutenant colonel in the Air Force Reserve. Mr. Working was born August 8, 1945, in Santa Monica, CA.

Appointment of David C. Miller, Jr., as Special Assistant to the President for National Security Affairs

March 13, 1989

The President announced the appointment of Ambassador David C. Miller, Jr., as Special Assistant to the President for National Security Affairs and Senior Director for International Programs and African Affairs. He would succeed Tyrus W. Cobb in International Programs and Ambassador Herman J. Cohen in African Affairs.

In 1988 President Reagan appointed Ambassador Miller to the Board of the African Development Foundation. He was Ambassador to Zimbabwe, 1984 - 1986, and Ambassador to Tanzania, 1981 - 1984. During his tenure in Zimbabwe, Ambassador Miller also served as the Director of the Southern African Working Group at the Department of State. He was a White House fellow and a Special Assistant to the Attorney General, 1968 - 1970.

Ambassador Miller was born in Cleveland, OH. He received his B.A. degree from Harvard University and a J.D. degree from the University of Michigan Law School. He is married to the former Mary Johnson Lake and has three children.

Appointment of Virginia A. Lampley as Special Assistant to the President for National Security Affairs

March 13, 1989

The President today announced the appointment of Virginia A. Lampley as Special Assistant to the President for National Security Affairs and Senior Director for Legislative Affairs at the White House.

From 1983 to 1989, Ms. Lampley was a client executive with the Washington-based firm of DGA International, representing international corporations in the United States. Concurrently he served as a U.S. Air Force Reserve officer in the Directorate of International Security Assistance. Ms. Lampley served on active duty in the U.S. Air Force from 1974 to 1983. She spent 6 years in staff and management positions in Air Force Intelligence from squadron to Air Force headquarters level. From 1980 to 1983, she was assigned to Air Force legislative liaison and completed her active-duty military career as Air Force deputy director for the Senate liaison.

Ms. Lampley graduated from Miami University with a degree in political science and received her masters degree from Georgetown University in national security studies.

Appointment of Richard N. Haass as Special Assistant to the President for National Security Affairs

March 13, 1989

The President today announced the appointment of Dr. Richard N. Haass as Special Assistant to the President for National Security Affairs and Senior Director for Near East and South Asian Affairs.

Since 1985 Dr. Haass has been a lecturer in public policy at Harvard University's John F. Kennedy School of Government. Prior to this he was Deputy in the Bureau of European and Canadian Affairs (Policy) and Special Cyprus Coordinator, Department of State, 1982 - 1985; Director of the Office of Regional Security Affairs in the Bureau of Politico-Military Affairs, Department of State, 1981 - 1982; Special Assistant to the Deputy Under Secretary for Policy Review, Department of Defense, 1979 - 1980; research associate at the International Institute for Strategic Studies in London, 1977 - 1979.

Dr. Haass was born in Brooklyn, NY, on July 28, 1951. A Rhodes Scholar, Dr. Haass earned a bachelor's degree from Oberlin College, and he earned master and doctor of philosophy degrees from Oxford University. In addition to his doctoral thesis on U.S. foreign policy toward Southwest Asia between 1969 and 1976, Dr. Haass is the author of ``Congressional Power: Implications for American Security Policy'' (1979) and ``Beyond the INF Treaty: Arms, Arms Control and the Atlantic Alliance'' (1988). He is also coeditor of ``Superpower Arms Control: Setting the Record Straight'' (1987). Dr. Haass resides in Washington, DC.

Nomination of Kathleen M. Harrington To Be an Assistant Secretary of Labor

March 13, 1989

The President today announced his intention to nominate Kathleen M. Harrington to be Assistant Secretary of Labor (Congressional Affairs). She would succeed Francis J. Duggan.

Since 1988 Ms. Harrington has been Assistant Administrator for Public Affairs at the Federal Aviation Administration. Prior to this she was director of the office of Elizabeth Dole for the Robert Dole for President campaign, 1987 - 1988. She has also served as administrative assistant for Congresswoman Nancy Johnson, 1983 - 1987, and administrative assistant for Congressman Jim Dunn, 1981 - 1983.

Ms. Harrington graduated from Colgate University (B.A., 1972) and Catholic University of America (M.A., 1977).

Nomination of Roderick Allen DeArment To Be Deputy Secretary of Labor

March 13, 1989

The President today announced his intention to nominate Roderick Allen DeArment to be Deputy Secretary of Labor. He would succeed Dennis Eugene Whitfield.

Since 1986 Mr. DeArment has been a partner with the law firm of Covington and Burling in Washington, DC. Prior to this he was chief of staff for the Senate majority leader's office, 1985 - 1986. He has served in several capacities for the Senate Committee on Finance, including chief counsel and staff director, 1983 - 1984; deputy chief counsel, 1981 - 1984; and deputy chief minority counsel, 1979 - 1981. From 1973 to 1979, Mr. DeArment was an associate with the law firm of Covington and Burling.

Mr. DeArment graduated from Trinity College (B.A., 1970) and the University of Virginia School of Law (J.D., 1973). He was born March 3, 1948, in Fort Sill, OK. He is married, has two children, and resides in Great Falls, VA.

White House Statement on the Report of Presidential Emergency Board No. 218 Concerning a Railroad Labor Dispute

March 13, 1989

On March 8, 1989, the report of Emergency Board No. 218 was submitted to the White House. This Board, which was created on January 6, 1989, by Executive Order 12664, investigated a dispute between the Port Authority Trans-Hudson Corporation (PATH) and certain of its employees represented by the Brotherhood of Locomotive Engineers. The establishment and activities of the Board were governed by section 9A of the Railway Labor Act of 1926, as amended, 45 U.S.C. 159a. Its members were Robert J. Ables, Chairman; Herbert Fishgold; and Robert E. Peterson.

The same dispute was previously investigated by Emergency Board No. 216, and the task of Emergency Board No. 218 was to select the most reasonable final offer for settlement of the dispute proposed by the parties. The Board selected PATH's offer as the most reasonable. The main features of this offer are 5-percent annual wage increases over the 3-year term of the contract, the addition of Martin Luther King's birthday as a holiday, and increases in insurance coverage and meal allowances.

Statement on the Sudanese Civil War

March 13, 1989

Sunday, March 12, was the National Day of Concern for Sudan. It was organized by groups of Americans who are deeply distressed about the continuing human tragedy in Sudan. I want to add my support to this demonstration of concern for the Sudanese victims of war and starvation.

A month ago, Secretary of State Baker appealed to the warring parties to adopt a cease-fire, facilitate delivery of relief to those in need, and move the conflict to the negotiating table. The United States remains strongly committed to these goals.

All friends of Sudan, of which I am one, urge those responsible for the continuation of this war to agree to an early cease-fire, to place peace above military and political considerations, and to negotiate peace. I hope that the most recent political events in Sudan will enable the various donors to help those in that country who desperately require humanitarian assistance.

Remarks to Members of the Anti-Defamation League of B'nai B'rith

March 14, 1989

This is what they call a cameo appearance. [Laughter] I'm here very briefly before rushing off to the Hilton Hotel, but I just can't tell you how pleased I am to be with you. I told Abe Foxman here, ``Why, we're practically going steady!'' [Laughter] Because he was down here just last -- was it Thursday of last week with the head of a lot of these most prominent organizations. And I'm delighted to be here with all of you today.

I don't want to speak too long because Bobbie Kilberg, I think, is next, and she'll kill me. [Laughter] But I might say she is doing an outstanding job -- a friend of longstanding and now in an outreach capacity here, high level at the White House, and performing with the expertise that we have come to expect of her. I understand that Secretary [of Housing and Urban Development] Kemp is coming, or maybe -- has he been, or coming over -- and [Attorney General] Dick Thornburgh, I think, and our Chief of Staff [John H. Sununu]. So, you'll have a full program.

But I'm pleased to be here. I look at these briefing sessions as a two-way street. I hope that you'll have a chance to exchange views, get questions and answers with some -- but in any event, an opinion at a forum for sharing of information and ideas. Certainly, the meeting that we had with Abe and those from the organization of presidents was that kind of meeting. And as I look around the room, I see many familiar faces and am delighted to be here.

For three quarters of a century, the Anti-Defamation League has played a central role in preserving and protecting that sacred right of religious freedom. And there is no single greater contribution that one organization can make to the Nation, and for that you've earned our gratitude, certainly my respect.

From the time the pilgrims landed at Plymouth Rock, the principle of religious freedom and the notion of America as a haven for those who seek to exercise that freedom has been deeply rooted in the American heritage. But the ADL knows well that, however well-established religious freedom may be, it can never be taken for granted. And our national conscience must take note whenever that freedom is violated, and all Americans then must rush in to the defense of that freedom. As one of our forefathers wrote nearly 200 years ago, the Government of the United States gives to bigotry no sanction, to persecution no assistance. May the children of the stock of Abraham sit in safety under his own vine and fig tree, and there should be none to make him afraid.

I know that the ADL recently issued its annual report, detailing rising incidents of anti-Semitism

in 1988. And I want to come over here to tell you that we must condemn all attacks on the Jewish religion, the Jewish heritage -- clearly, unequivocally, and without exception. This Nation must stand for tolerance, for pluralism, and a healthy respect for the rights of all minorities.

And I know many of you, and we've worked together in various common causes many times over the years, and I hope you know how deeply I cherish the principle of religious freedom. And I know how hard you've fought not only for your own beliefs but to protect the principle that recognizes the rights of all men and women to worship as they believe right. So, we must continue to work together as we have in the past to zealously protect these rights for all Americans. Rest assured that my administration will work to uphold this principle as the very cornerstone of our freedom. And sometimes they question the power of the President, and I understand that. But they should never question the President's willingness to use the bully pulpit of the White House, as Teddy Roosevelt called it, to speak out for what is just and right.

I've concentrated today here on just these brief remarks on antidiscrimination or other subjects of enormous concern. I wish you could have been there yesterday in the Oval Office to hear a representative of the Ethiopian Jews, a man who's living in Israel now, make this plea from the heart to continue the flow of the people there who are still not able to join their families in Israel. There's that subject.

We had a fascinating meeting with Mr. Arens yesterday where I reassured him of the United States commitment to Israel as a strategic ally and, of course, a lasting friend. And I think he understands that. I hope that when the Prime Minister of Israel [Yitzhak Shamir] comes here that we can move forward in some way toward the peace that everybody here really hopes that Israel and its neighbors will achieve. So, we're moving.

Thank you for letting me drop in in this cameo appearance. And keep up your commitment, keep up that commitment to fight against bigotry wherever it may surface. Thank you all very, very much.

Note: The President spoke at 9:50 a.m. at a briefing in Room 450 of the Old Executive Office Building. In his remarks, he referred to Abraham H. Foxman, national director of the league, Bobbie Kilberg, Deputy Assistant to the President for Public Liaison, and Israeli Foreign Minister Moshe Arens.

Remarks to the National Legislative Conference of the Independent Insurance Agents of America

March 14, 1989

Thank you all very, very much. Larry understands -- [laughter] -- but if I look a little frantic, our dog is expecting. [Laughter] And if you think I look frantic, you ought to see the Silver Fox! [Laughter] That's Barbara. No, but I'm delighted to be here; appreciate that warm welcome, complete with a few scattered Texas flags in the audience. And it is an honor to be before this group.

In this city, the currency of status is measured in titles, honorifics: Senator, Ambassador, Secretary. But in my book, this group holds one of the most impressive titles of all: entrepreneur. And I know that the hunger that you feel to own a firm of your own, start from scratch, build it, watch it grow. And I know the satisfaction of matching resources to needs and meeting deadlines and meeting payrolls.

A few years after World War II, when I got out of college, I moved out to west Texas; and a couple of years after that, the early fifties, started my own business. And it was a very small firm -- not too small to teach me the facts of economic life. But we got started by risk-taking -- got the business education by helping others make that company grow. And our company was a high-risk venture. There was new technology that was unproven, full of half-starts and failures in that -- it was all called the off-shore drilling business. And we took a gamble, and we invested in new technology. And then we eventually succeeded in pioneering a new way to find America's energy.

And it wasn't always easy, even in the years that the company did reasonably well. And I recall our despair one time, and some of you in your business know what I'm talking about when you think of insurance. When one of those hurricanes swept through the Gulf of Mexico and one-third of our company's assets were invested in a brand-new drilling rig, with brand-new technology -- a hurricane swept through the Gulf. And I went out with our drilling engineer and rented a little Piper, maybe it was a twin-engine plane, but anyway -- in the aftermath of the hurricane and looked and looked and looked. And the rig had totally vanished. People had been taken off before the storm, but the rig was gone. One-third of the investment of our company totally disappeared. But from that and other such similar events, I learned some very important lessons. When that rig went down and people lost their jobs -- when we rebuilt, there was the satisfaction of seeing people go back to work. And I saw the strain on the faces of the family breadwinners, but I also saw the joy.

So, Washington may not always appreciate the role of small business in creating jobs, but I do. And I think -- you know, I used to get needled about the resume to bring to be President of the United States. But like you, I think one of the most important things is the private sector: taking

risks, competing, starting small businesses. And I hope I never forget the lessons that I learned as a small businessman.

I also appreciate this industry's role in society. Without insurance, the loss of spouse could mean the loss of a home. Without insurance, the loss of a parent could keep a child from attending college. We cannot offer protection against fate, but we can prevent the compounding of a tragedy so that a death or an illness doesn't leave a bitter legacy of poverty or despair for a whole family. You prevent that kind of double tragedy, and you add a little bit of comfort to the grieving and predictability for those who are victims of the unpredictable.

So, this is your service to society. It's as crucial a service as that of any social welfare agency. And you cannot continue to perform it if your industry is hamstrung by excessive regulation. And that's why we have worked to remove excessive regulations -- the job's not done -- to free the creative energies of small firms by ordering a review of more than 100 government regulations. The task force on regulatory relief, which I chaired as Vice President, saved the private sector more than 600 million man-hours of paperwork and billions of dollars in government compliance costs. And I want to work now to continue to work to free small businesses of the remaining excesses of regulation. My philosophy is this: that when it comes to necessary regulation of business, I'm committed to letting the States take the lead, not the Federal Government.

Reducing the regulatory burden is important, but we've got to take action on other fronts, as well, if we're going to do our part in keeping American small business strong. And that's why I've also proposed a cut in the capital gains tax rate. Most of our major trading partners do not tax long-term capital gains. They understand that a high capital gains tax unnecessarily hurts our competitive position by drying up the formation of capital, business, and jobs.

In 1978, when the Congress cut the maximum tax rate on capital gains, the result was an explosion of new companies and new revenues. The critics were still out there, back in '78, saying: ``If you do this, you're going to lose revenues. If you do this, it's an advantage for the rich." Didn't work out that way. The Treasury estimates that the new cut that I am proposing will add $4.8 billion to the revenue side in fiscal year 1990 alone. So, let the critics carp. I am going to push for this idea that will stimulate jobs, risktaking, capital formation. And it's good for the economy, and it is not a special tax break for the rich.

Small businesses with less than 500 employees employ more than half of the U.S. workers. You understand this, but I don't believe many people in the United States understand it. So, any onerous new burden on small business will also throw workers out of their jobs. And it's for that reason that I oppose this kind of mounting movement towards mandated employee benefits.

In an area of tight budgets, there's always the temptation to drop the burden of social programs on the backs of the employers. But these policies, borne, I would say, of the best of intentions,

can have unintended and counterproductive consequences. It's up to business and labor to negotiate their differences. And make no mistake, I support the right of labor to negotiate as an equal, but burdensome mandated benefits serve neither business nor labor. We've seen what happens in other countries, where mandated benefit programs create obstacles to productivity and growth and, thus, to new job creation. We cannot build a better America if we weigh down our own productive sector with mandated new burdens.

And let me address one other area that concerns your business and that, perhaps, you in this room are much more sensitive to than others. And I'm talking about tort reform. Of course, there are many litigants who deserve a jury's sympathy. We can start from that premise, but when local governments cannot install playgrounds, when businesses are bankrupted, when mothers struggle to find an obstetrician, when volunteer organizations -- Boy Scouts and Girl Scouts and others -- have to pull back for fear of excessive claims leveled against them, then it is time to consider limiting some of these outrageous settlements. Tort reform is critical to the health of businesses and volunteer organizations alike.

All of our policies are directed toward a single goal: building a better America. And to achieve this goal, my plan has four broad objectives: attention to urgent priorities, an attack on the deficit, hold the line on taxes -- no new taxes -- and an investment in the future. And without a strong private sector, our nation would be mired in the past, doomed to fail.

The entrepreneur is the man or the woman who is not only ready for change but who relishes the thought of it. And this thought leads me to speak to you in more general terms now about my Presidency, the challenges I hope to meet, the accomplishments that I hope we can make for our country.

I'm a man of this century. I fought in the century's greatest war and raised a family and built a business during the mid-century of America's greatness. But I want to be a President who is remembered for preparing our country for the next century. This is my entrepreneurial definition of leadership: to see the shape of things to come and to prepare for that 21st century world only 11 years away. By the year 2000, we will have experienced change as swift and fast as a torrent -- change in the American family, in our work habits, change in technology, and change in the world economy, change in the rate of change itself. The makeup of our remarkable nation has been evolving constantly, but the qualities on which it was founded are timeless and true. And one of those constants is that we are an entrepreneurial people, at our best when we are challenged and when we boldly face the future.

And so, my agenda is this: to confront the emerging problems of the future today. A complacent society is doomed to comfortable decline, and we are not complacent. A dynamic society is one that keeps pace with the times. So, call it that if you will: a dynamic America. But recognize in the restless drive and vision of the American entrepreneur our best qualities as a nation.

A complacent nation would take comfort that America is free in a world at peace. But world events are moving too swiftly for us to relax in set ways and to cling to smug assumptions. The question we must answer is: Will American foreign policy be flexible enough to meet the emerging and potentially dramatic new world developments? And with this question in mind, I've asked all the appropriate agencies -- State Department, Defense, other agencies -- to reassess our foreign policy and defense strategy. And this comprehensive review will set the basis for our future actions and guide America into the next decade and toward the next century.

I see a couple of kids here. I believe they have a chance to grow up in a more peaceful world. I believe we have, with the changes in the Soviet Union, great challenge, but also great opportunity. But the answer is not to rush in. The answer is to take a prudent reevaluation and then move forward with the leadership that only the United States of America can provide the rest of the free world.

On economic policy, I've submitted to the Congress a budget that is fiscally responsible. This budget does four things: It substantially reduces the deficit; it includes no new taxes; it addresses key priorities; and it still provides for important investments which will help make us more competitive in the future. My speech to Congress, incidentally, was accompanied by 193 pages of specific recommendations for the budget. And looking back in the history books, if you will permit a comment about -- it might sound a little bit prideful -- we found that no other President in recent history has presented quite so much information to Congress at such an early date.

And I've also submitted a proposal to solve a festering problem that threatens our future prosperity: a plan to restore the integrity of our nation's savings and loan institutions. It's an enormous problem, and our plan has been well-received on both sides of the aisle on Capitol Hill. I've asked the Congress to take action within 45 days; challenged them, now that we've come up with the proposal, to move forward. This problem requires prompt and prudent action.

The changing nature of American society to more working parents is putting pressure on our most basic social institution. I'm talking about the family. How will we respond to this change? We simply cannot afford to create some massive new entitlement program, and that's why I am proposing a child-care plan that combines tax credits and private sector resources to offer parents a choice. I want to empower parents, not government, to seek the best and safest environment for their children. And the underpinning of my plan is the family -- strength in the American family.

But many other areas of change. Homelessness affects a small proportion of Americans, but concerns us all. I drove here today -- or when you look out the window of the White House and see the ragged, pathetic figures huddled over the steam grates of the Ellipse, I see an affront to the American dream, a national shame, if you will. And we must seek the root causes of and devise the most practical solutions for the homelessness.

The environment, once the concern of a farsighted few, is now a top priority of my administration at home and abroad. You know, this isn't a conservative or a liberal question -- the question of the environment. I think of Teddy Roosevelt as one of the great conservationists, one of the great environmentalists. The time has come to lay aside partisan approach to these enormous environmental questions. We must devise a global approach to the problem of ozone depletion and global warming. We intend to make rapid progress on acid rain and see that a new clean air bill is produced. And we've already broken ground in joining with other nations to call for the elimination of the CFC's [chlorofluorocarbons] in adopting a tough new policy on the export of hazardous waste.

And there's drugs: The scourge of drug abuse will test our resolve and a mettle as a people. I'll bet you if I could talk to each one of you in a family setting that you'd tell me the things that concern you the most is the question of drugs -- how it's affecting your schools, how it's affecting your own children or your grandchildren. And I'm concerned, as well. And I'm asking the Congress for $6 billion for our antidrug program in 1990 to beef up drug education, rehabilitation, law enforcement and, yes, interdiction.

And I'm also pleased that we have a strong, new drug czar. I'm a little confused as to why, in the United States -- [laughter] -- we want a strong, new leader, we call him a czar. [Laughter] But nevertheless, I'll defer to the Congress on this one. [Laughter] We've got a strong one. Call him a leader, call him a czar -- Bill Bennett. And he's at my side, shoulder-to-shoulder to guide and coordinate this all-out effort against drugs. And it's not easy. When you look at the complexity of the Federal Government and the number of the agencies that are involved in this question of antinarcotics, it is a massive executive, coordinative job. And Bill Bennett will be superb as the first drug czar.

And finally, I want to single out one area which in so many ways is preeminently important to our nation. I am sure it is of particular importance to your family. We have got to protect and strengthen our schools. You and I know that education is our most enduring legacy. And you and I know that education is nothing less than the very heart and soul of our civilization. I want that control to remain with the families and the PTA and the local school boards and the States before the Federal Government when it comes to the control of our educational process, of our curriculum. And I will resist any effort to centralize all the answers for education here in Washington, DC.

But you know, education is this enduring legacy. And as we face a new decade and a new century, we also face a new challenge to revitalize and restore the system that our forebears bequeathed to us to ensure that American education is second to none. And I've made a number of proposals to work towards this goal, work with the States and the local to achieve that goal. Among them is my request to reward those schools whose students show measurable progress in educational achievement while maintaining a safe and drug-free environment. I've also asked for an annual fund of $100 million in new appropriations to help create magnet schools to broaden the educational choice of parents and students. And I've made many other proposals, including

programs to strengthen the historically black colleges and universities, to reward our best teachers. And I appeal to you to get active in your schools, to share your knowledge, expertise, and resources where it is most needed.

I've laid out in broad terms, then, this agenda for building a better America. And, yes, it is ambitious; but it is no less ambitious, no less dynamic than the American people themselves. And as the business men and women, you can help me to fulfill this agenda, to meet the challenges that face our country. By working together, we can achieve absolutely anything. And so, the problems seem big at times out there, but believe me, never underestimate the ability of the American people if we together set our sights on achieving certain goals. I need your help.

I'm delighted to be here, and thank you for inviting me.

Note: The President spoke at 10:18 a.m. in the Presidential Ballroom at the Capital Hilton Hotel. In his opening remarks, he referred to Lawrence E. Hite, president of the Independent Insurance Agents of America.

Message to the Congress Transmitting the Annual Report of the United States Arms Control and Disarmament Agency

March 14, 1989

To the Congress of the United States:

I am pleased to transmit the 1988 Report of the United States Arms Control and Disarmament Agency. It reviews all aspects of last year's arms control policies, negotiating efforts, and the activities conducted in the process of meeting the statutory requirements of the Arms Control and Disarmament Act, as amended.

Of special interest are the sections on conventional arms control, the implementation of the INF Treaty, Nuclear Testing Talks, and the chemical weapons ban. The role of verification, a crucial element in any arms control agreement, is highlighted throughout the report.

The INF Treaty is a significant step in the quest for arms reductions. Reaching agreements with the Soviet Union on a START Treaty and a conventional arms control treaty are important objectives. We must also seek solutions to the serious problems of nuclear and chemical weapons proliferation.

While I endorse the broad approach to arms control taken in the past year, I am still reviewing specific details of the U.S. negotiating position. Statements of Administration views in the attached report, therefore, should be considered to be authoritative statements of past positions that may be subject to future modification following review.

I strongly believe that arms control should play a significant role in enhancing the security of the United States and its allies. The United States will continue to work toward effectively verifiable and stabilizing arms reductions.

George Bush

The White House,

March 14, 1989.

Nomination of John B. Taylor To Be a Member of the Council of Economic Advisers

March 14, 1989

The President today announced his intention to nominate John B. Taylor to be a member of the Council of Economic Advisers. He would succeed Michael Mussa.

Since 1984 Dr. Taylor has been a professor of economics at Stanford University, and a professor of economics and public affairs at Princeton University, 1980 - 1984. He was a visiting professor of economics at Yale University, 1980. He has served in the department of economics at Columbia University as professor of economics, 1979 - 1980; associate professor of economics, 1977 - 1979; and assistant professor of economics, 1973 - 1977. Dr. Taylor previously served as a senior staff economist for the Council of Economic Advisers, 1976 - 1977.

Dr. Taylor graduated from Princeton University (A.B., 1968) and Stanford University (Ph.D., 1973). He was born December 8, 1946, in Yonkers, NY. He is married, has two children, and resides in Stanford, CA.

Remarks at the Swearing-in Ceremony for Edward J. Derwinski as Secretary of Veterans Affairs

March 15, 1989

Thank you all. Mr. Vice President and members of the President's Cabinet that are here; distinguished Members of the Senate and the House; and service Secretaries; and I see at least one member of the Joint Chiefs, General Vuono there, and distinguished guests over here, including Bill Mauldin: I'm just delighted to be here to salute Ed Derwinski, he with his family -- Bonnie, Maureen, and Michael. I heard Maureen and Michael -- I thought maybe President Reagan was back. [Laughter] But, no, this is the Derwinski clan.

And, Ed, I want to thank you for not wearing that gold and black checkered jacket with that tomato-red beret. [Laughter] I'm reliably informed that the White House camera crew would have gone on instant strike. We don't need another strike. [Laughter]

From where we're standing, most of the landmarks of this town are almost a stone's throw away. That's one of the beautiful things that Barbara and I have rediscovered, but discovered principally from living in the quarters above here. Just to the west of us Abraham Lincoln reposes majestically in his chair of stone. Straight ahead, Thomas Jefferson commands our respect, a bronze giant underneath a dome of marble. And the Washington Monument rises above the level of the surface of the Mall, much as our first President dominated his time. We glorify our greatest leaders, but we do not build these ivory temples to honor them alone. We honor the enduring principles for which they stood, and we honor the millions of men and women who have been ready throughout the history of our nation to defend those principles.

There've been four calls to arms in the living memory of most Americans or their parents. From the South Lawn of the White House, one can see a flaming sword, a tribute to the courage of the soldiers of the Army's 2d Division who fought so bravely in World War I. At the Iwo Jima Memorial just across the river, a fleeting moment of victory, first captured in an Associated Press photograph, is now cast for the ages in bronze. No one who lived through that war will ever forget that picture or what it meant to us. And we have yet to honor the veterans of the Korean war in such a way, although I'm glad to see that planning for a memorial is moving forward. But 3 weeks ago I saw a living monument to these brave Americans: the Republic of Korea itself, a newborn democracy aided by American sacrifice, protected by American strength. Just below the horizon, to our right, are the simple lines and chiseled names of the Vietnam Veterans Memorial, a somber salute to those who fell and to all who answered the call to duty. May we never cease to honor them, in name and deed.

And let us never forget those men and women in the Armed Forces who, even in peacetime, risk their lives in a hardship post or a dangerous assignment, whether it's standing on the deck of a carrier off the Persian Gulf or an antiterrorist unit waiting for a call that we hope never comes.

The meaning of a monument, as Lincoln said of the battlefield at Gettysburg, is ``far above our poor power to add or detract." These words are carved in stone in the Lincoln Memorial. But Lincoln himself acknowledged that speeches and statuary are inadequate repayment for those who made the ultimate sacrifice.

And our obligation is also for the living. If you go to the front entrance of the Veterans Affairs Department, you'll see another quote from Abraham Lincoln, cast in a plate of steel, calling on us ``to care for him who shall have borne the battle and for his widow and his orphan." This is the mission of the new Department of Veterans Affairs, which today officially assumes the duties of the Veterans Administration.

I consider the new Department to have a vital mission. In fact, it is so vital that there's only one place for the veterans of America: in the Cabinet Room, at the table with the President of the United States of America. And as the first Secretary of this new Department, Ed Derwinski will set a precedent. He is uniquely suited for this role, having served with distinction in both the legislative and the executive branches of government.

My friendship with Ed goes back to my days as a freshman Congressman from Houston, Texas. Ed, a Congressman from Illinois then, was already a veteran of some tough congressional battles. And I know that for Ed the House of Representatives is still a second home with many, many friends. No former colleagues of Ed can ever forget his unfailing good humor and his concern for people. Nor will veterans forget his good work: Ed's handling of a heavy burden of casework, cutting redtape so that thousands of veterans could receive their pensions, medical benefits, deserved military honors.

At the State Department, Ed packed the achievement of a whole career into a few years. He worked with Congress; conducted special international negotiations with Canada, Iceland, the Pacific nations; acted as a senior official for refugee policy and programs; and prevented the diversion of the sensitive technology that belongs to the United States to unfriendly nations.

In short, Ed Derwinski has the skill of a seasoned legislator, the patience of a practiced administrator, the finesse of a diplomat, and the heart of a man who knows what it means to start his government career as a private in the United States Army. This is a unique combination of experience and skills. And make no mistake, this new job requires someone with Ed Derwinski's backgrounds and talents.

This new Department must manage its vast resources to meet vast needs. Almost one out of every three U.S. citizens is a potential VA beneficiary -- count among them 27 million veterans and 53 million dependents and survivors. Ed will oversee a Department with almost a quarter of a million employees -- the second largest civilian task force in the Government -- administrating a budget of more than $29 billion. And the Department of VA provides compensation to service-disabled veterans; pensions for low-income, disabled veterans, and survivors; educational

assistance; and vocational rehab. It guarantees the home loans for 12 million families and operates the fifth largest life insurance program in America. It also runs the Nation's largest medical system, with 172 hospitals and hundreds of outpatient clinics and nursing homes. But the best resource of the new Department is its people, men and women who live up to the highest ideal of public service every day. And they have my sincerest gratitude for a job well done.

It is only appropriate to note one other task assigned to the Veterans Affairs Department: to tend and care for 112 national cemeteries across America. There's no power, no glamour in such a job, but there is caring and respect for those who are gone and for those who grieve. In those gardens of stone sleep the heroes -- men and women of every service, marine, soldier, sailor, airman -- lost youth that can only be measured in centuries. A President could have no more poignant a reminder that he is charged with a great trust.

It is my duty as the Commander in Chief to see to it that our Armed Forces are so strong and our diplomacy so wise that we will never again need to erect another monument to the casualties of war. A free America in a world at peace -- together we have achieved that goal; together we can preserve it. And if we do, then surely that peace will be the truest monument to our veterans.

Ed, congratulations! Thanks for all that you have already done, and we've got a big job ahead. And I look forward to working closely with you in the years to come. Thank you all, and God bless the United States of America.

Note: The President spoke at 1 p.m. on the South Lawn at the White House. In his opening remarks, he referred to Bill Mauldin, syndicated cartoonist and author.

Statement on Proposed Child-Care Legislation

March 15, 1989

Child care is one of the key issues facing the Nation. All of us -- business, labor, nonprofit organizations, and governments at all levels -- must play a role in helping families meet this important challenge. Our policy must have the family as its focus. We must put choices in the hands of parents and not in the hands of government. Increasing the range of child care options available to parents, particularly those who head families of modest means, will benefit the Nation's children, their parents, and the country as a whole.

Today I am transmitting to the Congress legislation to fulfill my commitment to child care. These legislative proposals will help us to invest in the future by investing in our children. When I presented my plan for ``Building a Better America'' on February 9, I urged that we help working families cope with the burden of child care. The legislative proposals I am forwarding to Congress today recognize that even at a time of fiscal restraint we can invest in priorities. These proposals implement ideas that I put forward to the American public during the campaign. These proposals were debated and contested, and the American people spoke.

My legislative proposals are based on four fundamental principles that must guide the Federal Government's role in child care:

First, parents are best able to make decisions about their children and should have the discretion to do so. Assistance should go directly to parents. They, not the government, should choose the child care they consider best for their children.

Second, Federal policy should not discriminate against families in which one parent works at home to care for their children.

Third, Federal policy should increase, not decrease, the range of choices available to parents. The Federal Government should not become involved in licensing decisions, and Federal financial support should not be made contingent upon State licensing decisions. Local governments are perfectly capable of addressing licensing issues. Churches play a vital role in making child care available. Neighbors and other family members can provide excellent care. Our policy should not discriminate against them.

Fourth, Federal support for child care should be targeted to the most in need -- low and moderate income families -- particularly those with young children, because they face the greatest difficulty in meeting the needs of their children. Our plan will benefit all low income working families with children, not just those who participate in government-sponsored child care.

These are the principles which underlie my proposals. These are the principles by which I will

evaluate the congressional deliberations on my plan. I will be flexible in the details, but firm in my devotion to these principles.

The legislation submitted today will expand child-care assistance to low-income families by making a refundable tax credit available to families with children under age 4. The tax credit would equal 14 percent of earnings up to a maximum of $1,000 per child. The maximum credit would be phased out gradually, initially for families with incomes between $8,000 and $13,000, and by 1994 for incomes between $15,000 and $20,000. I propose to make the current dependent-care credit refundable so that low-income families with no income tax liability would still be eligible for assistance.

I am also proposing to expand the resources available to the Head Start Program by $250 million over the current level. This expansion would increase the range of child care choices available to poor families and meet my commitment to include more poor 4-year-olds in this program. In fiscal year 1990 these funds would extend the ladder of opportunity to as many as 95,000 more children who most need the assistance Head Start offers.

In addition, I have directed the Secretary of Labor to determine the extent to which market barriers or failures prevent employers from obtaining liability insurance necessary to provide child care on or near their employees' worksites.

At the center of my plan is parental choice. The future of this country is in the hands of its families. To the extent we can make their burden lighter and enable them to pursue the path they find best, we will be building a better America. I urge the Congress to act promptly on this legislation.

Note: A fact sheet entitled ``Building a Better America: President Bush's Child-Care Proposal" was issued by the Office of the Press Secretary on March 15. In addition to covering the material found in this statement, the fact sheet also contained the following points:

``The [new child tax] credit would be provided in addition to the Earned Income Tax Credit (EITC) and would be available, as the EITC is, in advance as a payment in parents' paychecks.

``The current [dependent-care tax] credit would be an alternative to the new child credit. For each eligible child, parents could claim the one credit that best meets their needs and circumstances.

``The cost of the two [tax credit] proposals is estimated at $187 million for FY 1990, increasing to $2.5 billion by FY 1993."

Message to the Congress Transmitting Proposed Child-Care Legislation

March 15, 1989

To the Congress of the United States:

I am submitting the enclosed child care legislative proposals prepared by the Secretaries of the Treasury and Health and Human Services for consideration by the Congress. I urge the Congress to act promptly on these important proposals.

The proposals, entitled the ``Working Family Child Care Assistance Act of 1989'' and the ``Head Start Amendments of 1989,'' are a key part of my commitment to assist parents in making critical decisions about their children's care.

George Bush

The White House,

March 15, 1989.

Nomination of James Roderick Lilley To Be United States Ambassador to China

March 15, 1989

The President today announced his intention to nominate James Roderick Lilley to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China. He would succeed Winston Lord.

During his government career, Ambassador Lilley has worked in Washington and in a number of American missions in East Asia, including the Philippines, Taiwan, Cambodia, Laos, Thailand, Hong Kong, and the People's Republic of China. In 1975 he was appointed national intelligence officer for China, the senior post in the intelligence community on Chinese affairs. In 1981 he served as political coordinator and senior East Asian specialist on the National Security Council. From 1984 to 1985, he was a consultant on international security affairs at the Department of Defense. He was Deputy Assistant Secretary for East Asian and Pacific Affairs in the Department of State, 1985 - 1986. In October 1986 he was appointed Ambassador to Korea and served there until January 1989. Ambassador Lilley has also served as an adjunct professor at Johns Hopkins School for Advanced International Studies for 3 years.

Ambassador Lilley graduated from Yale University (B.A., 1951) and George Washington University (M.A., 1972). He served in the U.S. Army, 1945 - 1946, and in the U.S. Air Force as a first lieutenant in the reserves. He also attended the National War College in 1972. Ambassador Lilley is married and has three children.

Nomination of Kay Coles James To Be an Assistant Secretary of Health and Human Services

March 15, 1989

The President today announced his intention to nominate Kay Coles James to be Assistant Secretary of Health and Human Services (Public Affairs). She would succeed Stephanie Lee-Miller.

Since 1985 Mrs. James has been director of public affairs for the National Right to Life Committee in Washington, DC, and has served as president of Black Americans for Life. Prior to this she was personnel director for Circuit City Stores, Inc., 1983 - 1985. She was director of community education and development for Housing Opportunities Made Equal, 1981 - 1983, and assistant to the housing coordinator, 1980 - 1981. From 1978 to 1979, she was conference coordinator for the State of Virginia Developmental Disabilities Protection and Advocacy Office. Mrs. James has served on the White House Commission on Children and the Task Force on the Black Family.

Mrs. James graduated from Hampton Institute (B.S., 1971). She was born June 1, 1949, in Portsmouth, VA. She is married to Charles E. James. They have three children and reside in Annandale, VA.

Remarks at the Electronic Industries Association's Government-Industry Dinner

March 15, 1989

Thank you for that warm welcome. I'm glad Pete was listening. I thought he thought I said a thousand pints of Lite -- [laughter] -- and that's why -- [applause]. I'm delighted to be here, Chairman Little and President McCloskey. And I loved the invocation by Peter's brother. I want to greet the distinguished Members of Congress that are here tonight: I see Jerry Lewis over here and, of course, our distinguished majority leader, Tom Foley; Larry Welch, member of the Joint Chiefs; and, of course, one down from Pete, my colleague in the White House, our head of the National Security Council, Brent Scowcroft. And on my right, affectionately known as the Silver Fox.

I'm speaking before the olives, before the celery, and here's why: This is the most relaxed I've seen Barbara since our dog got pregnant. [Laughter] And we've got to go back to the White House. And I said to her, ``Are you coming with me to Texas tomorrow morning?" She said, ``No. What do you mean? Millie is expecting." So, you'll excuse us if we hit-and-run here. But I did want to say how pleased I am to be back with the members of the Electronic Industries Association, all you distinguished guests. Thank you, Pete, for the introduction.

Bishop Fulton Sheen once said: ``The proud man counts his newspaper clippings; the humble man counts his blessings." Well, I am proud indeed to address this annual dinner. But let me confess: Tonight, flanked by colleagues and friends, and many of you all who I've known over the years, I am more grateful for my blessings.

And let me first congratulate the man with whom Bar and I just met, this year's EIA Medal of Honor recipient, Sid Topol. And I want also to say a word about this organization, the oldest and largest exploring the new horizons of America's technological future. Today, nearly 2 million Americans work in your industry. You're leading America's newest industrial revolution. You're helping us outwork and outperform the competitors around the world. And tonight we meet as neighbors and fellow businessmen, and our goal is a fairer, more productive, and ennobling life, not merely in our time but for the generations to come.

A more ennobling life can mean many things. It means education and opportunity. It means a nation of responsive citizens not only willing but eager to share, and it means the economic development which makes this sharing possible. For prosperity depends on growth, and growth depends on freedom. My friends, the freedom to dare, to risk, to defy the odds forms the heart of free enterprise, just as free enterprise is central to the American dream.

Freedom can give our kids a better land than we ourselves inherited. But to preserve it, we've got

to protect it. And that's why I've proposed two major goals for objectives to build a better America: First, reduce that deficit; second, invest in America's future. And to round them out, address the problems of the present; the problems that cannot wait. And last, but not least: No new taxes!

And, yes, America faces immediate problems, problems like ocean dumping, the homeless, illiteracy. And, yes, I pledge to you we will address them now, not somewhere down the line. But as we do, let's move beyond the immediate. For today America is prosperous and at peace. And to be sure, there are enormous challenges, many opportunities presented by changes that are favorable to democracy, to liberty, to free markets, favorable to the principles this country has always stood for. And therefore, let's recognize that we stand at a special moment in our history. It's a moment not for complacency, not to sit back and reflect upon what's been, but to reflect on what might be. And it's an opportunity to look into the future and plan for it so that America's place and the well-being of her people are ensured for generations to come. We must remember the American tradition as we invest for the future of our own children.

My four objectives will allow America to honor that heritage and seize her moment. And together they will solidify economic freedom. They will expand that freedom. But above all, they will empower more people, more fully, to partake of the American dream. Reducing the deficit will free our children from interest debt which haunts their future. Investing in that future will prepare us as a people for a new century and its challenges. Focusing on urgent priorities will free government to marshal its resources. And no new taxes reflects that innately American quality, good old-fashioned common sense. These four objectives will build on the progress of the last 8 years. They will build a better America, and they will reaffirm our strengths, diffuse ticking time bombs, and reorient us as a nation. Above all, they form a new approach which looks to tomorrow, not just to today.

As President, I'm committed to this new approach. And that is why last month I proposed an agenda to cut the Federal deficit; help ensure our financial future; and thus enhance business' ability to plan, expand, and build. And I proposed to cut that deficit not by increasing the tax burden on the American people but by controlling spending and continuing economic growth so that as more people are working, revenues will rise as tax rates remain the same.

Next year alone, thanks to economic growth, Federal tax revenues will rise by more than $80 billion -- more than $80 billion, even with no new taxes. And my plan will use that new revenue to slash the Federal deficit by more than 40 percent, in keeping with the Gramm-Rudman targets, bringing the deficit literally below the target.

And as you know, we've begun the budget process. The administration has acted. And now, in fairness, we are acting in a good bipartisan spirit on Capitol Hill to get action. Our task is to keep the economy going and growing. And only then can we create the investment that's so crucial to America to increase new jobs, to unlock new markets and, yes, to unleash new technologies. In a

sense, this is typically American. For we're restless; we're never satisfied. We look to the next week and next year, not to the year 2000. Government's role challenges to harness that ambition by looking beyond a day.

Last year a large survey of CEO's revealed that, while American business leaders are inherently optimistic, they believe -- in this poll by nine to one -- that we're too short-term oriented. My plan speaks to the long-term and to a stable business climate. It says that to remain competitive we've got to look beyond the next quarterly statement. It says yes to America's standard of living and to her standing in the world.

For instance, let me address the investment that will result from cutting the maximum rate on capital gains. My plan supports reducing it to 15 percent on long-held assets. And moreover, it effectively eliminates the capital gains tax on people making less than $20,000. In 1978 this organization, following the leadership of my late departed friend, Bill Steiger, worked to reduce the capital gains tax. Well, today we've got to fight that battle all over again. We need the capital gains tax differential. Restoring the capital gains differential will lift revenues, help savings, and free American businesses without distorting world markets. Consider on the one hand, those competitors who tax capital gains punitively. By punishing risk takers, they stifle opportunity. Less opportunity means less capital to invest. Less capital, in turn, makes countries less competitive. It's a vicious cycle, a bit of a catch-22, and above all, an economic dead end.

On the other hand, keep in mind that some of the most successful economies of the Pacific rim -- Hong Kong, Singapore, Republic of Korea -- exempt capital gains from taxes. And our second biggest trading partner, Japan, scarcely taxed during her meteoric rise. As businessmen, you know this economic history. You know its lessons are clear. And like me, you hear a lot about competitiveness these days. Nothing can make America more competitive than restoring this differential. America's entrepreneurs should not have to run an uphill race against the rest of the world.

Tonight I challenge the Congress to join with me and level that playing field. I ask it to expand the marketplace and assist development. I urge it to increase competitiveness and link reward and risk. And the way you do that, once again, is by lowering the tax rate on capital gains.

My friends, the Treasury estimates that this cut in capital gains -- restoring that differential -- will add $4.8 billion to the revenue side of the ledger in fiscal year 1990. So, let us use it to expand economic freedom and help people help themselves. And let us build upon the over 19\1/2\ million new jobs created in this country since November of 1982 -- five times the number created in Japan.

Accordingly, my plan to build a better America recommends a permanent extension of the research and experimentation tax credit. It'll increase domestic research by multinationals and end the uncertainty of expiring temporary rules. And by adopting Federal enterprise zones, it'll

help those untouched by the economic recovery. Enterprise zones are a pioneering initiative to create a number of federally targeted zones or areas in these economically distressed communities. By providing tax breaks in the relief from regulation, these zones foster a climate where businesses are founded and existing businesses expanded. Enterprise zones, like lowering the tax on capital gains, will invest in America's future.

And so will other investments. Investments, for instance, in education or the environment, in our children and in space. As a Texan, I know firsthand the role of space exploration. I know of your industry's involvement, your role in its success. My plans allocate an increase of $2.4 billion for the space program. This is as much an investment in our technological future as it is a reaffirmation of our national character. It supports affordable access to space through the National Aero-Space Plane Program and nine space shuttle flights by 1990. It funds space station Freedom, planned for operation in the mid-1990's. And I'll also elevate the status of the President's Science Adviser.

You cannot look into the next century without emphasizing the importance of science. All the unexplored frontiers are not in space. Many are found closer to home, as we seek to push back the frontiers of human knowledge. Toward that end, let us invest in the superconducting supercollider -- a bold new experiment fusing science, technology, and education. And let us expand the work which will leverage America's technological prowess in such areas as microcomputers and automative electronics, bioprocessing, and then this high-definition TV. And because science is critical, as I have said, I intend to double the National Science Foundation budget. These investments are not some riverboat gamble in a distant future but a steadfast way to ensure the future.

And yet, my friends, remember that future is going to depend above all on our most precious resource -- America's children. We've got to make sure that the kids are educated, the very definition of long-term investment in America's future. And that's why I want Congress to create a $500 million program to award merit schools. I intend to create special Presidential awards in every State. I urge expanded use of magnet schools, giving parents and students freedom of choice. And I propose a program to spur alternative certification, allowing talented Americans from every field, especially science and math, to teach in America's classrooms. It is simply a shame that the brightest among you men and women here tonight, coming out of science, wanting to give of yourselves to teach the kids, couldn't qualify because you didn't have the required number of formal education degrees. It is time we take a new look and permit those who want to give of themselves to teach in our public schools.

And you can't talk about a better America without worrying about the dangers of drugs. We propose the YES program, or Youth Entering Service, to involve our kids in the communities. My friends, our children can make the 21st century a new American century. So, let's help them, guide them. And let us understand that we are one community -- proud, united, and unafraid of the future.

A quote is attributed to Albert Einstein saying: ``Everything that is really great and inspiring is created by individuals who labor in freedom." For more than 200 years, Americans have invested their labor, their talent, their compassion, and their vision to preserve freedom, to seize the moment and sustain our way of life. And I ask you, with America's tomorrow at stake, can we do anything less today?

God bless you all. Thank you very much for letting Barbara and me come to this outstanding dinner. We are very grateful to you. And God bless the United States of America. Thank you very much.

Note: The President spoke at 8:16 p.m. in the Grand Ballroom at the J.W. Marriott Hotel. He was introduced by Peter F. McCloskey, president of the association. Rev. Joseph M. McCloskey delivered the invocation. In his remarks, the President referred to William G. Little, chairman of the board of the association; Representative Jerry Lewis of California; and the late Representative William A. Steiger of Wisconsin.

Nomination of Rockwell Anthony Schnabel To Be an Under Secretary of Commerce

March 16, 1989

The President today announced his intention to nominate Rockwell Anthony Schnabel to be Under Secretary of Commerce for Travel and Tourism. He would succeed Charles E. Cobb, Jr.

Since 1985 Ambassador Schnabel has been the United States Ambassador to Finland. Prior to this he served as deputy chairman of the investment banking firm of Morgan, Olmstead, Kennedy & Gardner, Inc., in Los Angeles, CA, 1983 - 1985. In 1965 he joined Bateman Eichler, Hill Richards, Inc., serving in various senior management positions, including president of the firm's holding company. He has been very active in a number of civic, political, professional, and cultural organizations in Los Angeles, CA.

Ambassador Schnabel was born in 1936 in Amsterdam, The Netherlands, and attended Trinity College, 1952 - 1956. In 1957 he relocated to the United States and subsequently became a U.S. citizen and served in the U.S. Air National Guard Reserve, 1959 - 1965. Ambassador Schnabel is married and has three children.

Remarks at a Luncheon Hosted by the Forum Club in Houston, Texas

March 16, 1989

The President. Well, thank you all for that warm welcome back; and thank you, Dick, for the introduction, sir. I thank you and Dick Johnson for putting this little lunch together. I never saw such a wonderful crowd. They say that Texas is a state of mind, but it's still good to set both feet down on Texas earth and come back home to Houston. And I'm very pleased to be here.

This is my first trip back to the State since taking the oath of office some 55 -- 56 days ago. My mind raced back as I was coming in on beautiful Air Force One to about 29 years ago, approximately -- saw the medical center. And Barbara, I recall, was there awaiting the birth of our daughter, Dorothy. And now Barbara is not here -- she is not expecting, but our dog is. [Laughter] And I think her priorities may be slightly askewed, but she doesn't. [Laughter]

But in any event, I am pleased to be back at this Forum Club, which has really contributed so much to the public debate on the important issues of the day. And I am delighted that Bob Mosbacher is with me, a past president of the Forum Club, now handling a difficult assignment there as Secretary of Commerce -- not surprisingly for those who know him, and that's most of the people in this room -- doing a superb job. And let me just say this: It's nice to have a person at Commerce who understands firsthand what it means to have built a business, to take risks; who understands that excessive regulation can be counterproductive in terms of job creation in this country. And also on a very personal side, it is very nice to have someone who you can kick your shoes off with and discuss the problems of the moment. So, I'm delighted that he is here with us today, and you should all be proud of the job he is doing. In addition to Dick O'Shields and Dick Johnson, I want to thank Judge Lindsay, Mayor Kathy Whitmire, and Lee Hogan for being here and welcoming me.

And I take great pride in what's happening here in Houston and, indeed, in our State. Houston has clearly turned the corner. I've looked at the statistics, and they're impressive: 280 new companies last month and nearly 90,000 new jobs in the area in the past 2 years. And the unemployment rate is almost half what it was just 2 years ago. And best of all, the new Houston is being built on a very broad economic base. And I've come here to Texas to tell you that we're hard at work in Washington; we are making progress. By the way, I came to Houston to share that news with you because they already heard it out in Lubbock. [Laughter]

We're working to drive down the deficit. We can, indeed, we must; but we can bring Federal spending under control and into balance with our resources. And under our budget, we'll have $80 billion in new revenue in 1990. You don't touch the tax structure, and you have $80 billion more in revenues to the Federal Government. We can stay on track to meet these Gramm-Rudman targets, and we can do it without raising the taxes on the working man and woman of

this country. The key to building a better America is realistic -- it's a realistic and workable budget, like the one we sent up to the Congress 5 weeks ago.

We're working now on a plan that will help developing nations cope with the burden of debt, a solution that promotes growth and stability in world markets. And frankly, it isn't just Latin America -- take a look at Africa; take a look at Eastern Europe. Other countries have staggering debt problems; and we of the United States have to take the lead; and indeed, under the [Secretary of the Treasury] Brady ideas at the end of last week, we have stepped out to take the lead in trying to bring some solution to that very complex problem.

We're waging a war on drug abuse on every front -- just gearing up now with our new drug czar in place -- more effective education and awareness efforts to dry up the demand for illegal drugs, tougher law enforcement and interdiction to cut off suppliers and put the dealers behind bars where they belong. It's not going to be done just by the Federal Government. I might say parenthetically that I do want to find a solution to the so-called AK - 47 assault weapon problem, one that protects the rights of the legitimate sportsman, but also protects the lives of our police officers who are laying their lives on the line for us every single day.

But as I say, this problem isn't a problem just for the Federal Government. I know that some may know the phrase, a Thousand Points of Light. In Washington, one wag called it a thousand pints of Lite, and I took umbrage with that. But I'm going to keep talking about a Thousand Points of Light because it is this volunteer spirit of American helping American that really has the most to do about solving this drug problem. And I salute Houston -- with Houston Crackdown, a program that is such an effort of elected officials joining leaders in the community and education and labor and business and whatever to do something about this.

Another problem: We're working to establish a 6-month training wage as part of a package that raises the minimum wage from $3.35 to $4.25 an hour. And let me be clear and send this message to those Members of Congress that might be tuned in: $4.25 is my first and last offer. There will be no compromise on that figure. Anything higher will actually cost jobs by raising costs for many employers and will have an adverse affect on inflation and on productivity. A training wage does just the opposite. It provides the now-jobless, especially youth and minorities, a chance, a handhold on the economic ladder, a means of moving up.

And we're working on a serious problem that Texans are aware of -- the threat to our financial system that's posed by insolvent savings and loans. Less than 3 weeks after taking office, we were faced with the enormity of this problem, and I announced a comprehensive set of proposals to take effective action on this problem. And we must clean up the S&L system so that the questionable practices and the outright illegalities that caused the current crisis will never happen again.

Nationwide, insolvent S&L's still in operation are incurring operating losses at a rate of about

$300 million a month. That's almost $1 million during the course of this lunch. And if I speak too long, you can make that $2 million -- during the course of this lunch. It's a very serious problem. Some of these savings and loan -- the innocent victims -- have changed economic times, but some, an outright violation of the norms of reasonable business behavior. Three weeks ago, I sent the Congress a bill that will enable us to take action to halt the dollar drain and move forward on stabilizing our savings and loan system. It is a sound and comprehensive plan. It has been well received. And I want to see that bill passed with its central provisions intact within the 45-day timeframe which I have challenged Congress to act upon -- and there's no excuse for delay.

Once the legislation is enacted, we must turn our attention to careful and responsible handling of the assets of the failed S&L's. Let me be clear on a key point: Insured depositors, those across our great State and across this country whose deposits are insured, are not at risk. They are fully protected and will continue to be fully protected by Federal guarantees. Our solution must ensure the least possible disruption to local markets and, at the same time, keep costs to a minimum. And let me say clearly: We must see to it that those S&L officials guilty of criminal actions are pursued and punished for the losses that they've caused.

These are serious challenges, ticking time bombs that we need to defuse without delay, and we're trying to do just exactly that. These are by no means the only issues that demand leadership and prompt action. We're entering the 1990's, a horizon decade, threshold to a whole new century.

For people my age, and for people a good deal younger, the 21st century has been the place in our minds that we put all the fantastic ideas, all the discoveries and inventions we couldn't dream of experiencing in our own time. The 21st century was just another name for a future that seemed as distant as a voyage to the Moon. Here in Houston, we have a better sense of how we can cover that distance and transform a distant future into our destiny. The truth is the 21st century isn't far away at all. I graduated from school in the class of 1942. Our first graders today will be the class of 2000. The 21st century is here in our kids. The essential question today: What are we doing to prepare for the new world that begins 11 short years from now? And that's what my agenda is all about. Building a better America means laying the foundations today for the kind of future that we want.

Preparing for our future means investment in our economy and in our schools. It means safeguarding the environment against shortsighted actions that do long-term damage. It means finding ways to preserve and strengthen indispensable institutions like the family in the midst of social change. As I look at the fabric of society, and then look at the instability of family relationships, I see a real threat to our future. And so, a President, this President at least, should have everything he does be guided by how do we strengthen the American family? or put it in reverse: How do we keep from weakening the fabric of our society that is represented by the family?

Preparing our future means taking a long-range look at the international landscape to determine what policies and approaches will keep us free, prosperous, and at peace in the 21st century, as we are today. And speaking of freedom, it means formulating a multisource energy policy that, in the long run, will make us less dependent on the will of countries halfway around the world.

These aren't minor matters or unimportant issues. These are concerns that will determine what kind of world we live in and whether we as a people live up to our American ideals, and they're at the center of my agenda for the new American Century.

To prepare for the future, we've got to invest in our economy. We've got to create incentives for new investment and aggressive R&D programs that are catalysts to technological advance. And I have called for a permanent R&E -- research and experimentation -- tax credit to create that incentive and a 13-percent increase in federally funded science research. We've got to cut the capital gains tax -- and I've asked the Congress to join with me on this -- to spur the entrepreneurial activity that means new products, new industries, and new jobs. I've been hit in the political arena on this one, saying this is a tax cut for the rich -- no such thing. It is opportunity and hope for those that want a job and don't have a job. And that's what this capital gains tax differential will do if we can get the Congress to promptly move forward.

Free enterprise is the engine of growth that can lead us into the next century. And it's up to the Government to maintain a climate that is hospitable to growth, competitiveness, productive investment, one that gives free enterprise as much free rein as possible. And by the way, that capital gains tax differential I talked about will bring in, in 1 year alone -- estimate of the Department of the Treasury -- will bring in, in 1 year alone, $4.8 billion more in new revenue if we go forward and enact what I am calling on the Congress to do.

To prepare for the future, we must protect our environment. Whether we're talking about the disposal of nuclear or other hazardous wastes or the discharge of CFC's [chlorofluorocarbons] into our atmosphere, the United States -- on our own and more in concert with other nations -- must make a clean environment a top priority. And what I've done so far is show that this isn't talk; we are taking action. And incidentally, maybe some of you saw it? This morning I talked to the astronauts, the Discovery group up there in outer space. And the need for us to all act on the environment was brought home to me again today when, in the Oval Office, I found myself talking to that spaceship and hearing from the crew that from their very special vantage point, looking down on planet Earth, the need was very clear to those five people that we must protect the global environment.

To prepare for the future, we must encourage and improve education. We must recognize and reward excellence in education: in our schools, our teachers, our students. My merit proposals for teachers, schools, and our nation's best young science scholars will reward the best and encourage others then to follow their example. Our National Science Scholarships alone will provide 570 top students up to $10,000 a year to attend the college of their choice.

And we can also strengthen our schools by introducing an element of competition into education. Magnet schools give parents and students the power to choose their schools, and that will serve as a powerful incentive for schools to improve their performance. This has been tested and tried, and it works. And that's why I've urged Congress to provide $100 million to help with the startup costs for new magnet schools.

Preparing for the future means confronting the changing nature of our society. What are we doing in the age of the single parent and the two-career household to help the family survive and prosper? I've called on Congress to adopt a set of child-care initiatives aimed at strengthening the American family, giving parents a choice. I don't want to regulate grandmothers. I don't want to regulate things from Washington so that church groups can't get together and provide day care service. I don't want the regulators to push the churches and the private groups out of the child-care business. We must preserve choice for the parents and diversity so that the kids can go and be in these child-care centers that their parents want them to be in. Our 1990 budget requests a 20-percent increase in the funding of the very successful Head Start program and institutes this child-care tax credit that I've referred to for low-income households to make balancing the responsibilities of work and family less difficult.

But let me just parenthetically mention a problem. I sent a bill to the Congress yesterday with choice intact; it's a beginning. It can fit into a very tough budget on the spending side, and I think the initial year proposal is, say, a quarter of a billion dollars. And the very day that that goes up there, the Congress -- one of the committees over there on the Senate side comes out, or the House side -- can't remember which -- comes out with a budget ten times that much for the first year. And then they say, ``What are we going to do about getting the deficit under control?'' We've got to have some discipline in the Congress if we're going to meet the deficit needs and still start to provide the needs for the child care and other social causes that should really have a command on our resources.

To prepare for the future, we've got to map a national security strategy that ensures our freedom and gives due weight to each factor of change in the international scene. And that's the aim of this series of these defense and policy reviews that I've instructed my national security team to conduct. And some are saying, ``You'd better hurry up. You don't want Mr. Gorbachev to capture the high ground with his speech at the United Nations, don't want him to mold public opinion further in Europe.'' Far more important is that we do a prudent review of our foreign policy, of our national security requirements, and then -- in concert with our allies -- move forward. We are prepared to lead this alliance, as the United States has in the past. But I am not going to be pushed into speedy action because Mr. Gorbachev gives a compelling speech at the United Nations, and I hope the Soviets understand that.

So, this is an American agenda for the long-term, and we aren't going to clean up the environment, turn our education system around, or create a more responsible business climate in one single day. But if we begin today and make steady progress, we will succeed. And in this

kind of work, more is going on than meets the eye or makes the headlines.

The proof will come when we look back from the year 2000. And I'm confident we will be able to look back with pride on work we did to get ready for a new century provided we look forward today. We must enter the 21st century as a strong and trusted partner in the alliance of free nations and a frontline leader in the defense of freedom. We must enter the 21st century as a productive, energetic, and innovative member of the global economy, second to none in the technological competition that will determine economic leadership in the decades ahead. We must enter the 21st century as a nation whose people enjoy freedom, opportunity, and equality of life that fulfills the American promise: a society that draws its strength from the individual, the family, the community; and a government wise enough to respect those institutions as the cornerstone of our democratic system.

We've got work to do, work that won't wait, great work to ensure that the next century now on the horizon will be the American century. Thank you all very much. It's a great pleasure to be back, and I'll be glad to take a few questions. Thank you very much.

Decontrol of Natural Gas

Q. First off, of considerable interest is the topic of natural gas decontrol. Congress seems to be looking at this question again. And although it's been talked about much for several years, do you expect action this year, and will you actively work toward that goal?

The President. I am strongly for it; I've made this very clear to the Congress. There is a bill, I believe, being marked up on the House side right now. I think it has the best chance certainly in the last 20 years to get passed. And the administration will send no confusing signals on this one. I believe it is in our national security interest, as well as in the interest of freeing up markets that I've talked about here earlier on -- so it will be priority. And I have a feeling that it is more apt to happen than any time since -- well, certainly in the last 8 years that we've watched it and followed it and run into snags. But I'm for it; the administration is solid behind it. And the climate in Congress is much better today for this.

And some of it is environmental, and much of it is that people now realize we are becoming more and more dependent on foreign oil -- it's getting close to 50 percent now. And most people, even if they don't come from an oil-producing State or a hydrocarbon-producing State, understand that that is not in the national interest of the United States. So, I'm optimistic about it.

U.S. Space Policy

Q. Mr. President, could you comment on your feelings about the future of NASA, particularly with respect to the space station and a manned mission to Mars by the end of this century.

The President. On the space station, I am strongly for it. We have taken the steps, budgetwise, to go forward on that. I have not reached a conclusion on whether the next major mission should be a manned mission to Mars. And so, I'd have to say it's not on hold, but we're asking the space council that has been reconstituted -- or constituted now to come forward with its recommendations. The Vice President's chairing it. He'll be in Houston in about 2 weeks from now. So, no decision is made -- what happens beyond the space station itself, and I will make that decision when I get their recommendations. And I would have to say this as a word of caution: Even though we've increased -- or requested that NASA's budget be increased, there are constrained resources that I have to deal with as President, and so, I can't pledge instant commissioning of this follow-on mission to Mars.

Government Ethics

Q. Is the increased attention being given to the private lives of public officials and candidates a good thing or a bad thing for politics and government in this country?

The President. Well, I think there are excesses. I think there are intrusions into people's private lives that go beyond the public trust or go beyond one's ability to serve. And I don't like the excesses.

And I think you all here know how I feel about the recent proceedings regarding Senator Tower -- didn't like that because I think it was unfair. I don't think it is fair to a man who has been in public life and has served his country with honor to be tried by perception and rumor. That is not the American way. And people say to me, ``Well, didn't it drag your administration down to stand with Senator Tower?'' The answer is no, and I'm very pleased the Senate committee moved this morning on our new nominee, Dick Cheney. But the answer is: I wasn't about to move away from John Tower. People are entitled to fairplay; they are entitled to have the rumor laid aside and people to make up decisions based on fact, not perception. And so, whether it damages me 5 percentage points or 10 doesn't matter.

I think it is proper to have full disclosure, particularly on financial conflicts of interest. We've just received a report from a nonpartisan ethics commission with Griffin Bell and Judge Malcolm Wilkey of Houston as a matter of fact -- its Chairmen. There's some good recommendations in there. I want to have the highest possible ethical standards, but I think in some areas most people realize that we may have gone too far in terms of the intrusion on people's private lives.

U.S. Naval Power and World Peace

Q. Mr. President, we have time for one additional question. Would you discuss the future of the 600-ship U.S. Navy? Will we continue to rely on submarine-based nuclear defense?

The President. Well, submarine-based nuclear defense is and will continue to be a very important part of our deterrent. There's no question about that. There is nothing going on in the field of arms control thinking that would convince me to have anything other than to preserve our technology and our ability to deter war through preserving, strengthening that kind of defense.

In terms of the 600-ship navy -- it's a goal. I've been for it, will continue to be for it. But I have to defer now to this budget review and strategic review and administrative review that I've tasked the Defense Department to come up with. And it's serious business. They will report back soon, and then we'll have to make our budget choices. And so, I would have to defer answering how much more will be done on a 600-ship Navy within the next budget cycle. But as a goal, as an objective, I am for that. I believe naval power is a significant deterrent to aggression.

I might say this, inasmuch as that's the last question: We've got 11 grandchildren, and I expect, looking at the age lines on some of the men around here -- notice that one -- [laughter] -- some of you may have some grandchildren. When you get to be President, one of the main concerns you have has got to be how do you feel about world peace. What can you do to strengthen it? Are you optimistic or pessimistic about the world moving away from confrontation towards more peaceful resolution of problems?

We're in the process of reviews, as I said, and I've met Mr. Gorbachev several times. I am convinced that I can say to our 11 grandchildren we have a real opportunity now to make this year 2000 and beyond, that I was talking about, more peaceful. The changes in the Soviet Union are profound. Gorbachev himself will tell you when you ask him about perestroika -- he said it'll never go back to the way it was. Changes in China are profound. Barbara and I are just back from there. It will never go back to the days when the Soviet Union and China were in lockstep together. But we're facing a challenge in the United States -- we've got to figure it out. We've got to measure Soviet intentions and then come forward with proposals that will enhance the peace for our kids and our grandkids.

But I wanted to leave you, my neighbors and friends, with this thought: There is reason to be optimistic because of the changes inside the Soviet Union and some of the changes that you're seeing surface now in Eastern Europe. And you saw the relief of regional tensions in Angola. Hopefully it will come to be brought to bear in Central America. So, I would say to you, my friends and neighbors, if we do it right, if we keep strong and are not naive in it, if we don't make drastic cuts in the security accounts of this country, I think all of us can look forward over that horizon to a much more peaceful world with the United States still in the forefront of what's right for democracy and freedom.

Thank you all very, very much.

Note: The President spoke at 12:30 p.m. at the George R. Brown Convention Center. He was

introduced by Dick Johnson, president of the club. In his opening remarks, the President referred to Secretary of Commerce Robert A. Mosbacher; Dick O'Shields, chairman of the club; Jon Lindsay, Harris County judge; Kathryn J. Whitmire, mayor of Houston; and Lee Hogan, president of the Greater Houston Partnership. The President then traveled to Colorado Springs, CO.

Remarks at the Junior Achievement National Business Hall of Fame Dinner in Colorado Springs, Colorado

March 16, 1989

Thank you for that warm Colorado welcome. Thank you all. I am simply delighted to be here. A wonderful day -- it started in the Oval Office about 8 a.m., when I talked to the astronauts up there in the space shuttle. And I listened to them very carefully as they shared with me their view from their special vantage point about the need of doing more for the world environment, and that meant obviously, more education -- then to Houston, Texas, which for Secretary [of Commerce] Mosbacher and I was returning home. And I'm delighted that he's with me here today. It's wonderful to have a Secretary of Commerce who knows what it is to take risks, build, succeed, and work to help others. Bob Mosbacher is doing an outstanding job, and I'm delighted he's with me. And then on out here tonight for this very special occasion.

In Washington -- you know the old saying: ``If you want a friend, get a dog." [Laughter] And Junior Achievement has a different motto. They say: ``If you want a friend, sign up Lod Cook." And what a job this guy's done.

And I, too, want to pay my respects to the six award winners, the six laureates honored tonight. And then when you look at that distinguished list, as Dinah and I were reviewing there in this program, you can't help but be impressed -- the achievements that they've made and then what they're doing to help others achieve. And if it wouldn't be too subjective on my part, I would like to say how thrilled I am to see -- perhaps he's the dean of the laureates. He's certainly one that the Bush family holds in great regard; we have him as a role model. And I'm talking about Mr. Erik Johnson, over here, from Dallas, Texas. And so, it's a special occasion for me to see him again.

I want to pay my respects to the great Governor of this State, Governor Romer, who is here with us tonight, and thank him for being with us. And to Congressman Joel Hefley who just arrived, but we're in his congressional district, and I want to thank him for being here as well.

And, Lod, thank you for the kind words in that introduction. I've been an admirer of Junior Achievement and all it's done to advance economic education for many years. And Lod has taken what is already a strong program and made it that much better. And going into that classroom to make the meaning of economics a little clearer is a tough assignment. I've heard about the volunteer who asked his class what the gross national product was -- the boy who said ``that's the most disgusting thing made in America." [Laughter] It's answers like that that make teaching a rewarding experience. [Laughter] But there's no doubt that Junior Achievement has a positive impact. In fact, based on what Lod's told me about the program, and others as well, I'm going to have to add a point or two to our GNP estimates as soon as I get back to Washington. [Laughter]

While all of you here tonight share in this success story, I want especially to commend Jim Hayes of Fortune. Jim, I know that you and a number of your staff have been actively involved in this Project Business -- Junior Achievement's Project Business, taking your skills and talents into classrooms throughout New York City. The work you're doing with those junior high students is opening their eyes to a whole new world.

And Junior Achievement is a phenomenally successful enterprise by any measure. The numbers alone tell the story. You reach over a million children each year, from 4th through 12th grades, in more than a thousand communities across the country.

And I've spoken many times about the Thousand Points of Light, the dedicated and diverse volunteer organizations that contribute so much to American life. Those of you involved in Junior Achievement know exactly what I'm talking about. In fact, Lod tells me that a Thousand Points of Light doesn't begin to describe your efforts and that the 100,000 men and women involved in Junior Achievement is a supernova of volunteers. Let's agree that the volunteer ethic is the North Star. As long as that sense of service guides us, we'll be strong, a self-reliant people, as ready to help each other as we are to help ourselves.

Our young people especially can bring an energy and enthusiasm and ability to the volunteer effort. That's the idea behind our administration's new initiative that I call YES, Youth Entering Service, a new concept for the Federal Government's participation that encourages young people to help those less fortunate than they are themselves. And it's a good concept, and we've selected Gregg Petersmeyer of Colorado, now back in the White House, to run this program. And when we get going -- it is, as Lod talked about, a public-private partnership -- we're going to ask your help. It is important that young people have inculcated into them early in life a sense of service. And I believe the program will be good in helping those kids who haven't had an equal place at the starting line.

Tonight I want to talk to you just a little about education, the issue at the heart of your mission. First, a word about the lesson in applied economics that are the hallmark of JA. In your creative hands, economics is anything but the dismal science, as some have called it. You give economics life, and you give our young people a real understanding of the stake that we all have in economic enterprise.

Like many in this room, I know what it means to have started a business and try to help build it. And I know the risk and the worries late at night, the responsibilities that you feel for the employees that are in it with you. And I don't need to tell all of you it's something you never forget. I also know the feeling that comes with some success: the pride; the exhilaration you feel when your business is on its feet and running; the feeling you get when you take an idea, something that exists only in your mind maybe, and turn it into something real, a common enterprise that meets the test of the marketplace, that carves out a little place in the larger

economy. And all of you here today are helping people experience that same sense of accomplishment through their involvement with Junior Achievement. You're awakening the entrepreneurial spirit of a new generation.

All of you have heard me say that I intend to be the ``Education President." And let me say now, I can't think of any issue that is larger or more far-ranging in its impact than the education of our young people. Think about the great issues of the day. Do we want to talk about America's place in the world? Then we'd better think about education. Do we want to talk about competitiveness and how we can improve it? Again, we'd better think about education. About productivity -- how to keep it on the increase. Again, education. It's a matter of our horizons -- our ability to see how we can meet and master the challenges we face, now and in the future. Planning for today -- simply for tomorrow -- is a guarantee for stopgap solutions. Education is long-range planning at its best. It's a solution for the next century, for problems we haven't even begun to recognize.

In 11 short years, we'll stand on the threshold of a new century. We know now that the world is in the midst of a technological revolution. We can see the pace of change always accelerating. And what will our world look like in the century ahead? Who will lead America a generation from now? Who will hold the top positions in government and in the private sector? Who will be the new pioneers in the fields of medicine, science, and engineering? And who will display the creative genius that will challenge, excite, and inspire us?

We don't know their names, but I can tell you where to find them: from 8 a.m. to 3 p.m., every day, in the schools all across this country. Look for that fifth-grader, who 40 years from now will find him or herself in the position that you're in today. Look for the 5-year-old, whose curiosity about everything is the first sign of a budding scientific mind. Look into the classrooms across this country today, where the spark of interest kindles a lifelong involvement in exploring, in expanding, and in advancing our knowledge. So, let's not make the mistake of underestimating education's importance on our national agenda. When it comes to our nation's future, education is the key. It is the best investment that we can make.

And now, we've all seen the studies -- discouraging, some -- that show American students trailing those of other nations in science and math skills. We all read the stories about the kid who can't even find America on a map. We all know the dropout rate, abysmally high. And it's high where it hurts -- some of these minority communities across this country. We all know that the level of literacy is too low. We know that we must do more to open the door to advancement for our disadvantaged youth by helping them, providing them educational opportunities they deserve.

And the answer isn't to sit and wring our hands. We need to roll up our sleeves and take an active part in making our schools better. And that requires a totally cooperative effort involving all levels of government, the public and the private sector. I understand and I believe it's right that in our Federal system education is a shared responsibility. Federal policy must never, ever,

crowd out local control -- it's parents; it's local boards; it's PTA; it's State efforts. All have, themselves -- all of them -- important parts to play. All the primary responsibility rests with the States and the local school systems. The Federal Government can still serve as a catalyst for change -- fresh thinking about how to build the best possible education system.

And so, I have built into my first budget a number of education initiatives that I believe can enhance the quality of our schools. Let me just mention four.

First we must recognize excellence, and we must reward it because excellence breeds excellence -- reward it wherever it is found. And that's why I've proposed a $500 million dollar program, merit schools, it's called, and a Presidential Award for Excellence in Education for our best teachers. We must never forget the teachers who are out there on the cutting edge.

Secondly we've got to strengthen scientific education. My budget includes an initiative called the National Science Scholarship Program. Each year, beginning in 1990, a total of 570 American high school seniors, at least one from every congressional district across this country, will receive up to $10,000 a year in scholarships to the college of their choice, renewable for 4 years.

And third, we need to remove the barriers that can keep talented teachers out of the classroom. Think of the knowledge assembled in this room this evening -- the business acumen, the hands-on economic experience that you all possess. I was thinking of unleashing my Third World debt program here. Ron? Lod, I've got you down for a billion. [Laughter] Erik, half a billion. We can solve it right here. No, but seriously, think of the experience in this room.

Look at that honor roll. Measure it in terms of success and creativity and innovativeness, the hands-on economic experience that you possess. Junior Achievement makes it possible for you to pass that on to our schoolchildren. But what about people with similar schools of knowledge? Their entry into teaching as a profession is barred in our country by the excessive requirements of certification, requirements that many in this room, the brightest here, could not meet. And you could be a Ph.D., a tremendous success in business, and yet the layers of requirements for teaching in our public schools keeps you from volunteering, sabbatical year basis, for helping the young people of this country. Regulations make it impossible for schools to hire people with the capabilities that are represented in this room tonight. Teachers-by-training aren't the only ones who can teach. I'm not saying you don't need some education courses, but I urge the State and local school systems to take a look at their certification systems and make sure we open up our schools to those with a lifetime of experience outside the classroom, who are ready and willing to share what they know with our young people.

This was driven home to me when I moved to Odessa, Texas, in 1948. And I had done reasonably well at Yale -- didn't bring my Phi Beta Kappa key along, but it's here -- and went to volunteer to teach in a community college. Couldn't do it; didn't need that kind of help because I hadn't passed enough of the formal education requirements. We've got to change this. We're in

changing times. ``We've got to think anew," as Lincoln said.

And fourth, we must use competition to spur excellence in education. I support the use of magnet schools to introduce an element of choice into education. And I've requested $100 million to help with the startup costs of new magnet schools. We all know the value -- you all know it better than I -- the value of competitiveness in the business world. Challenging schools to strive to match the best among them can push them all to new heights. Competition might just provide the quality schools that we are all looking for. And where it's been tried -- parental choice -- it has helped not only the kids but it has helped the schools that were achieving at the lower rates. It's a good idea; choice for parents works.

America -- we're well positioned to remain productive and competitive in the world marketplace, but our strong suit is our abundant supply of the most inexhaustible resource on the planet: human ingenuity, and, of course, a system that gives that ingenuity free rein. We have the raw materials. We have the opportunity. What we need is a new sense of resolve, a commitment to shape our future by preparing today the children who will lead us into that 21st century.

Thank you all very much for what you are doing to lift the sights and give opportunity to the young people of the United States of America. Thank you, and God bless you all.

Note: The President spoke at 8:40 p.m. in the ballroom at the International Center. He was introduced by Lodwrick M. Cook, chairman and chief executive officer of ARCO and chairman of the National Business Leadership Conference. In his remarks, the President referred to entertainer Dinah Shore; Erik Johnson, founder of Texas Instruments; Charles G. Petersmeyer, Deputy Assistant to the President and Director of the Office of National Service; and James B. Hayes, publisher of Fortune magazine. The President stayed at the Broadmoor Hotel overnight and returned to the White House, the following morning.

Nomination of Gilbert E. Carmichael To Be Administrator of the Federal Railroad Administration

March 16, 1989

The President today announced his intention to nominate Gilbert E. Carmichael to be Administrator of the Federal Railroad Administration, Department of Transportation. He would succeed John H. Riley.

Since 1961 Mr. Carmichael has been an automobile dealer for VW, Mazda, Chrysler, and Mercedes Benz and has been actively involved in real estate development. In 1973 he was appointed to the National Highway Safety Advisory Committee; and became Chairman of the Advisory Committee, 1974 - 1976. From 1976 to 1979, he was a Federal Commissioner for the National Transportation Policy Study Commission.

Mr. Carmichael graduated from Texas A&M University (B.S., 1950). He was also a fellow at the John F. Kennedy School of Government, Harvard University, 1976. He was born June 27, 1927, in Columbia, MS. He served in the U.S. Coast Guard, 1944 - 1945; 1951 - 1953. Mr. Carmichael is married, has one son, and resides in Meridian, MS.

The President's News Conference

March 17, 1989

The President. -- have my green tie when I climb off. How are you guys?

Japan-U.S. Jet Fighter

Q. Do you think you're going to approve the FSX?

The President. No decision on that yet.

Q. But do you think that it -- is it a hard decision for you to make? Very complicated?

The President. Well, it's a good one to be sure you listen carefully to all sides of it, and that's what we were doing. We had a meeting on it just the other day, and I may have another one when we get back. Certainly I'll be talking about it over the weekend. Tom [Tom Baden, Newhouse Newspapers], it's -- you know, you're torn several ways on it, but we'll make the right decision. No decision has been made.

Q. Have you generally decided to go ahead with the project?

The President. I just said I haven't made any decision at all, and I will, you know, wait until we have the benefit of all the Cabinet officers weighing in. The first meeting was very helpful. It went on a long time, and we'll have another one now. I've asked certain Cabinet members to get certain pieces of information.

Q. Some of your aides have suggested that the basic decision has been made and it's just a matter of you signing on -- --

The President. Well, help me with what aide has told you that, because I'd like to speak to him about it.

Q. So, you're still -- --

The President. Any aide told you that? Has he got a name to -- --

Q. We don't want to name any names.

The President. Is this a vicious assault on Marlin Fitzwater? [Laughter]

Q. Not on Saint Patrick's Day.

Mr. Fitzwater. I deny everything. [Laughter]

Q. Just so we know that no decision -- --

The President. I told you the answer. I make this decision. And so, some aide -- if you would help me with that, he'd be looking for employment at the Associated Press, because he's not going to -- [laughter]. I'm serious. I mean, I see all this stuff.

Terrorism

Q. Let me ask you a question. Have you decided that the Chilean grapes and fruit ought to now start coming in?

The President. I was told that we're going to lighten up on that, and I think that's fine.

Q. Do you think that restricting all those fruit imports was too severe?

The President. No, I think when the health of the American people might be threatened you've got to take prudent action. And I think HHS, working with others, have done a good job on this. It has caused some economic hardship, which I regret, but these are just some of the things you have to address yourself to.

Q. This wasn't an overreaction?

The President. Well, I don't think so. If one person had been adversely affected healthwise, maybe the charge would be the other way. So, I don't think so.

Q. What do you make of this grape scare? It's sort of one of those what's-this-world-coming-to questions.

The President. I know it; it worries you. Well, it ties into the whole concept of terrorism. When you try to effect change by action -- you know, political change by action on the terrorist front -- there is a similarity here, if the calling-in is accurate. You never know on a case like this. I mean, that's the trouble.

Q. On this same subject, apparently, Pan Am had been warned to watch for tape recorders that could be bombs.

The President. I haven't been briefed on that, so I'd be very careful about responding until I get

the facts.

Gun Control

Q. Mr. President, do you have any reaction to the decision by Colt to ban sales of its own semiautomatic -- --

The President. Who?

Q. By Colt, the maker of the PR - 15.

The President. I don't know whether they're totally banned or whether they're waiting to see what happens on this import decision. No, but I'm certainly not going to differ with that decision.

Q. There's a story today that actually the administration considered a ban on a number of about 25 other weapons along with what Secretary Brady -- --

The President. They've not discussed that with me.

Q. Do you think the temperature of the national debate over assault weapons has gotten too hot, or do you think -- --

The President. Yes, a little bit.

Q. How so?

The President. Just because it's gotten pretty hot. But we'll make our decisions from the administration in you know, a cool way, based on facts and not swayed one way or another by the temper of the debate. But I can understand when kids are shot down by a semiautomated weapon or automated -- whichever it was -- why, I can certainly understand the public outcry.

Q. Are you looking at a whole package of other things to do?

The President. Well, we'll let you know what we decide. We've got a brand new drug czar who has been in there about a week now, and so, we'll be sure to let you guys know when we make more decisions on this line. It's important.

American Hostages in Lebanon

Q. Sir, as you know, the hostage, Terry Anderson, started a fifth year of being held yesterday.

Do you foresee any reformulation of our hostage policy?

The President. No.

Q. What are your thoughts about the plight of these people? President Reagan -- --

The President. I think it's terrible. It's with me every single waking hour. Very, very concerned about it. And any time anyone, particularly Americans, are held against their will, it is an enormous concern. But I'll stick with my answer in terms of reformulation of policy.

Q. Do you foresee any reissuing of the statement you made in your inaugural speech -- ``good will begets good will'' -- anything along those lines that you would say to those people?

The President. I think those people know how I feel, and I'd just leave it right there. I've really tried to make that very clear then, and I think it was.

Secretary of Defense-Designate Cheney

Q. Mr. President, have you been in contact with Mr. Cheney in recent days, since his -- --

The President. Dick Cheney? I talked to him 2 days ago, but I didn't talk to him since the committee acted. Very pleased the way it's going.

Q. I don't know -- have your heard whether Cheney's -- --

Mr. Fitzwater. They were getting ready to, but they hadn't as of about an hour ago.

The President. I thought they were going to vote about 1 o'clock.

Q. Are you tempted to swear him in days -- plan to get him on board?

The President. That's not a bad thought. He'll go to work right away, whether he's officially sworn in or not. What I've been doing with most of the Cabinet officers is going to the Cabinet Departments, and I think it does show an interest on the part of the President in those Departments. It might be a very important thing to do with Defense, given the delay that's taken place. But I'm very pleased about it, and I'm convinced he'll be a wonderful Secretary of Defense. I'm very happy with the public reaction, people that are in the decisionmaking process on the Hill and people he'll be working with at the Pentagon. It's been very well-received.

Inflation

Q. Mr. President, the Producer Price Index was up a full 1 percent this morning for February. That's the second month in a row it's been 1 percent, or more than 12 percent annual inflation so far, on wholesale prices. How do you view these figures? Do you still contend that inflation is not increasing substantially?

The President. My view is that you have to always be vigilant against inflation, always vigilant. As you know, there were other figures earlier this week that sent out a different message -- plant capacity. And actually, these figures are based on mainly food and energy prices from a couple of months ago.

Having said that, I'd make two points: We can never relax in our concerns about inflation. And the best thing to do about it is to get the budget deficit down and to have speedy action along the lines of the budget proposals I've made. And I'll say this -- I don't want it to come out that I think there's foot-dragging, because the meeting we had this week, Tom, with the leadership of the budget committees, appropriations committees, finance committees, was a very good meeting. And the leaders themselves are trying to be -- on both Republican and Democrat -- want to be cooperative. So, I can't fault the Congress at this point. But I do think that a signal of this kind, PPI, should not be overlooked and should be another clarion call for doing something about the deficit. We'll just keep saying that.

Q. Fed -- [inaudible] -- interest rates?

The President. I'm not about to fight with the Fed. I think there's a lot of indications that the economy is still in good shape, but that doesn't mean that we shouldn't be vigilant against inflation. But anytime there's an indication of this nature, I would say please, let's everybody -- executive branch, congressional branch -- go the extra mile on getting this deficit down. It's the best answer to it by far.

Gun Control

Q. Mr. President, can I go back to the gun issue one more time? There have been some news reports that charged that a decision by your administration this week to halt the imports represents for you a change in position on gun control. What's your reaction to that charge?

The President. It represents, certainly, a heightened concern on my part about AK - 47's.

Q. But not a reversal -- --

The President. It's a pulse change.

Q. What's that?

The President. Pulse change -- we're enforcing the law. Incidentally, it talks about the suitability of weapons for sporting purposes. And we're not changing the law by doing this or trying to have a different interpretation of the law.

Q. Some gun store owners say that they had no demand for this until the media hyped the issue, and that's why -- --

The President. Well, then they should address that to you, not to me. I'm not in the media.

Q. The police had a concern long before the media started talking about it.

The President. Absolutely, the police have been very concerned about this, and we've got to find an accommodation between the police and the sporting interest. In my view, there can be an accommodation. There must be an accommodation, but that's the way I look at it.

Aid to the Contras

Q. Mr. President, are you ready with a contra aid package?

The President. Not as of this minute. I think we'll be talking about that -- I talked yesterday to Jim Baker [Secretary of State] and Brent Scowcroft [Assistant to the President for National Security Affairs] just before I left; we had an early meeting in the White House. And I've not talked to them since we've been gone, but I expect it will be awaiting me when I get back. I want to see something worked out where America speaks with one voice. It is not helpful to the foreign policy objectives to have divided voices: the Congress going in one direction and the Executive, who is responsible for foreign policy, going in another. So, we're trying to work all that out. And I think Jim Baker has been well received on the Hill from both Republicans and Democrats.

Q. I've got a really long question once we change this tape. [Laughter]

The President. How about a long answer while she's changing? [Laughter] Come on, a little hustle!

President's Personal Schedule

Q. While they're changing tapes, we were wondering whether you'll have a full weekend your first whole weekend in the White House?

The President. We're going to unleash all the athletic events. Horseshoes are ready, although the official opening of the pit -- we now refer to it as the horseshoe pitching court -- will take place probably 2 weeks from tomorrow in a very big gala opening with horseshoe pitchers from across

the country coming, some of the very best. And that event will be, weather permitting, in a couple of weeks. I think the date is close to being set for Saturday, 2 weeks from tomorrow. But in the meantime, there'll be some preliminary pitching, which we would welcome participation from those who claim to have credentials in this sport right here. But then the tennis court, I'm going to hit today and tomorrow -- tomorrow and the next day, I think. Might get the running going again -- I felt pretty good yesterday. Although, I ran out of oxygen there, so I had to go down to less than the 2 miles -- I like to run, but I'm going to do that. We've got great machines for that, too, incidentally -- the Schwinn Aerodyne and the Pacer's latest running track, both of those are at the White House. So, I am excited. We have a lot of events going on.

Q. And you have the grandkids coming in next weekend?

The President. Next weekend -- big event. That'll probably be at Camp David, though, Easter Sunday.

Q. How you been able to get in as much exercise as you had expected to?

The President. Yes, I can get it in. But I had that hiatus in there because of the lingering flu that I've never had before. So, I cut down on the running. A little overweight, but I really feel good. I was up early this morning, which was not early DC time, but went for a long walk out there. And wanted to tee it up on their golf course, it looked so good.

Q. Do you have the caged-in feeling -- --

The President. No.

Q. -- -- living in the White House that some of your predecessors complained about?

The President. Not yet. I don't think I will.

Q. -- -- living over the store, as President Reagan used to -- --

The President. No. It's wonderful -- get to work quicker.

Visit to Cheyenne Mountain High School

Q. What did you and the kids talk about yesterday, running around the track? Conversation seemed to be -- --

The President. Well, one of them had just come back from China -- a big, tall guy on my left. And he was asking me -- I was very impressed with the guy; he kept hanging in there. I'm not

sure he was their most athletic student because he was breathing even harder than I was. [Laughter] But he asked me which school would be the best to go to for foreign policy and things of that nature. He was talking about Lewis and Clark and Stanford. I said, Well, they're both fine schools, but I think the Fletcher School or Georgetown is also good in that regard. Another little guy, the guy on my right, heavy-set kid -- he's going to Baylor next year, and he started talking a little about Texas. And we got into a long discussion of different sports out there and what's popular in Colorado -- lacrosse coming in now and soccer, mainly in the girls, but coming up in the men's side, too -- hockey. It was wonderful. The baseball team was working out. So, it was mainly that kind of thing. But they were very nice, and they didn't seem to think I was disrupting their events.

President's Dog

Q. How many puppies are you going to have?

The President. If I had to bet -- and we've done no sonograms -- I would bet six.

Q. Are you going to keep any of them?

The President. Millie is one of eight -- I don't think so. A tremendous demand out there, Tom, enormous demand for these puppies. And I'm particularly interested in the op-ed page in one of the great newspapers the other day, where they had two English spaniel breeders saying this was the most outrageous thing they'd ever seen -- the attention to having these puppies there at the White House. And then, off-setting opinion, counterpoint, came by an 85-year-old woman who has written a book on English spaniels, who announced that this was one of the greatest things that had ever happened. So, it's causing a very lively debate, much like the AK - 47 debate -- [laughter] -- a tremendous interest in this.

Q. So, you'll be happy when it's over.

The President. Yeah. It's changed my life. Seriously, you think I'm kidding about that. It's awful. Can I tell them what Barbara told me on the phone?

Mr. Fitzwater. Sure.

The President. She said, ``Tonight, you're in the Lincoln bed, alone." I said, ``Well, why?" She said, ``Well, Millie had a very bad night last night, thrashing around, and you would be irritable." So, I'm being sent down the hall, which just suits the heck out of me.

Q. Well, who's in the doghouse? You or the dog?

The President. The dog refuses to go to the doghouse is the problem. There's a beautiful pen

made for her to have this blessed event in. It's wonderful -- little shelf built out so that the puppies can scurry under there and they don't get rolled on by the mother. I never thought we'd go through something like this again, after the 6 kids and 11 grandchildren. But it's a whole new thing.

Q. Is this worse?

The President. In a way, it is. In a way, it is. It's mainly because of Barbara's biding interest in it. She can't move without the dog being 2 feet away from her. But it's exciting, and we're real thrilled. Millie's mother gave birth on the Farish bed at night. He woke up, and he heard a little squeak, and there were three pups and more arriving -- right on the bed. So, we're trying to avoid that. It's wonderful -- [laughter] -- great new dimension to our lives.

But, no, there's no -- at least at this juncture -- any confinement or all of that. I mean, you move and go out and do stuff, and the Secret Service are very -- you know, they do their job, but they're very flexible in approach if you want to go someplace. You all have been most cooperative, for which I'm very grateful. Nobody's griping about it if we decide to do something on short notice.

Is that it? Painless. Does this get credit now -- what is this? A photo-op? We're trying to count up the -- a mini press conference?

President's Press Conferences

Q. I think this is the equivalent of the airport-Oval Office -- --

The President. What is it called?

Q. Plane-up.

The President. Plane-up?

Q. Yes. We came up with a new rule. These are unlimited.

The President. These are? [Laughter]

Q. We're used to the big East Room news conferences.

The President. I was talking to Marlin about that. I think we probably ought to do both. But I don't feel under any -- I don't -- put it this way, I don't think that my side of it is not getting out, and therefore, the thing is I need some other form of press. On the other hand, I don't want to

deny everybody wearing the bright dress and the fancy necktie having the opportunity to get the question on TV -- [laughter] -- that kind of thing.

How do you all feel about it? Do you think there should be more of those -- big, formal thing?

Q. We like it daytime.

The President. You like the day better?

Q. Absolutely!

The President. Wonder whether you could do a formal one in the daytime -- more formal?

Q. Jimmy Carter used to do them at 4 p.m., in the afternoon, on a regular basis, saying he wanted -- I think the evening ones are kind of fun if you've got something to announce or -- --

The President. I think there ought to be something to peg it to so it's not just some kind of an extravaganza. But we were just talking about that this morning, as a matter of fact.

Q. President Ford tried to have them out on the South Lawn and over in the Rose Garden, various different -- --

The President. Press conference on the South Lawn? How did that work? I don't remember that.

Q. It was early in his administration. They watered the grass that morning and all of us were knee-deep in mud.

The President. The press room, I think that's probably as good as you could do. I mean, most people have a little time to get there, and it always seems to be full.

Q. It doesn't become an extravaganza. That's probably part of the appeal.

The President. I don't know whether we get as good a coverage, but I would think so, except for the time. Prime time versus afternoon. I don't know.

But, no, we're going to have a good weekend if the weather holds. I hope you all do. I would have liked to have stuck around out here.

Easter Egg Roll

Q. -- Easter Egg Roll? [Laughter]

Q. With puppies?

The President. I don't know what's happening on the Easter Egg Roll. It's being worked on, I know that. I went last year. It's kind of a push. It's a push.

Q. -- families wait for hours.

The President. To get in there? Yes, well, I haven't seen the grassroots side of it. I just kind of walk down the center aisle.

Well, back to work. We've got to go.

Q. Have a good weekend, sir.

The President. We will.

Note: The President's eighth news conference took place aboard Air Force One en route to Washington, DC, from Colorado Springs, CO. Marlin Fitzwater was the President's Press Secretary.

Nomination of Kate Leader Moore To Be an Assistant Secretary of Transportation

March 17, 1989

The President today announced his intention to nominate Kate Leader Moore to be Assistant Secretary of Transportation (Budget and Programs). She would succeed Janet Hale.

Since January 1989 Miss Moore has been a policy consultant in the Office of Policy Development of the Executive Office of the President. Prior to this she was deputy director for planning in the office of policy development for the office of the President-elect, 1989, and deputy director of domestic policy for Bush-Quayle '88. Prior to this she was director of the Office of Policy, Planning, Research, and Budget for the National Endowment for the Arts, 1981 - 1988. She has also served as Special Assistant to the Chief of Staff at the White House, 1981; media coordinator for the Reagan-Bush Committee, 1980; and director of the advocate speakers program for the George Bush for President Committee, 1980. She was assistant product manager for Post Cereals for General Foods Corp., 1977 - 1980, and sales and promotion manager for Bellerophon Books, 1973 - 1975.

Miss Moore graduated from Yale College (B.A., 1973) and Stanford Graduate School of Business (M.B.A., 1977). She was born in Los Angeles, CA, and currently resides in Washington, DC.

Nomination of Galen Joseph Reser To Be an Assistant Secretary of Transportation

March 17, 1989

The President today announced his intention to nominate Galen Joseph Reser to be Assistant Secretary of Transportation (Governmental Affairs). He would succeed Edward R. Hamberger.

Since 1985 Mr. Reser has served as the director of the Office of the Illinois State Governor James R. Thompson in Washington, DC. Prior to this he held two positions in the Office of United States Senator Charles H. Percy of Illinois: director of legislation and projects, 1980 - 1984, and director of Illinois projects, 1979 - 1980.

Mr. Reser graduated from Bradley University School of Arts and Humanities (B.A., 1973). He currently resides in Alexandria, VA.

Nomination of Jeffrey Neil Shane To Be an Assistant Secretary of Transportation

March 17, 1989

The President today announced his intention to nominate Jeffrey Neil Shane to be Assistant Secretary of Transportation (Policy and International Affairs). He would succeed Gregory S. Dole.

Mr. Shane is currently a Deputy Assistant Secretary for Transportation Affairs at the State Department, serving in that capacity since 1985. Prior to this, he served at the Department of Transportation as a Deputy Assistant Secretary for Policy and International Affairs, 1983 - 1985, and Assistant General Counsel for International Law, 1979 - 1983.

Mr. Shane graduated from Princeton University (A.B., 1962) and Columbia University School of Law (LL.B., 1965). He was born March 27, 1941, and currently resides in Washington, DC.

Nomination of David Philip Prosperi To Be an Assistant Secretary of Transportation

March 17, 1989

The President today announced his intention to nominate David Philip Prosperi to be Assistant Secretary of Transportation (Public Affairs). He would succeed Wendy Monson DeMocker.

Since 1988 Mr. Prosperi has been deputy press secretary in the office of the President-elect. Prior to this he was press secretary to Republican Vice Presidential nominee Senator Dan Quayle, 1988. He was assistant to the Secretary of the Interior and Director of Public Affairs, 1985 - 1988, and manager of government affairs for the Superior Oil Co. and Superior Farming Co., 1982 - 1984. Mr. Prosperi has served as Assistant Press Secretary to the President at the White House, 1981 - 1982, and press aide for the 1980 Reagan for President campaign, 1979 - 1981.

Mr. Prosperi graduated from the University of Illinois (B.S., 1975) and the George Washington University (M.B.A., 1983).

Nomination of Phillip D. Brady To Be General Counsel of the Department of Transportation

March 17, 1989

The President today announced his intention to nominate Phillip D. Brady to be General Counsel of the Department of Transportation. He would succeed B. Wayne Vance.

Since January 1989 Phillip Brady has been Deputy Assistant to the President and Director of Cabinet Affairs at the White House in Washington, DC. Prior to this Mr. Brady served at the White House as Deputy Counsel to the President, 1988 - 1989, and Deputy Assistant to the Vice President, 1985 - 1988. Mr. Brady has also served at the Department of Justice as Acting Assistant Attorney General for the Office of Legislative and Intergovernmental Affairs, 1984 - 1985; Associate Deputy Attorney General, 1983 - 1984; and Director for Congressional and Public Affairs, Immigration and Naturalization Service, 1982 - 1983. Other positions Mr. Brady has held include regional director, Region IX, ACTION, 1981 - 1982; legislative counsel for Representative Daniel E. Lungren, 1979 - 1981; deputy attorney general, California Department of Justice, 1978 - 1979; and an associate in the law firm of Spray, Gould and Bowers in Los Angeles, 1976 - 1978.

Mr. Brady graduated from the University of Notre Dame (B.A., cum laude, 1973) and Loyola University School of Law (J.D., cum laude, 1976). He was born May 20, 1951, in Pasadena, CA, and is married, has three children, and resides in Arlington, VA.

Nomination of Terence A. Todman To Be United States Ambassador to Argentina

March 17, 1989

The President today announced his intention to nominate Terence A. Todman to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina. He would succeed Theodore E. Gildred.

From 1983 to 1988, Ambassador Todman served as Ambassador to Denmark. Prior to this he was Ambassador to Spain, 1978 - 1983. He has served as Assistant Secretary of State for Inter-American Affairs, 1977 - 1978. He was also Ambassador to Costa Rica, 1974 - 1977; Ambassador to Guinea, 1972 - 1974; and Ambassador to the Republic of Chad, 1969 - 1972. He is a career member of the Senior Foreign Service.

Mr. Todman graduated from Inter-American University (B.A., 1951) and Syracuse University (M.P.A., 1952). He was born March 13, 1926, in St. Thomas, VI. Mr. Todman is married and has four children.

Accordance of the Personal Rank of Ambassador to C. Travis Marshall While Serving as Chairman of the United States Delegation to the International Telecommunication Union Conference

March 17, 1989

The President today accorded the personal rank of Ambassador to C. Travis Marshall, of Maryland, during the tenure of his service as chairman of the United States delegation to the 1989 Plenipotentiary Conference of the International Telecommunication Union.

Mr. Marshall is a 35-year veteran of the telecommunications industry. A 1948 graduate of the University of Notre Dame, he is presently senior vice president of Motorola, Inc. Prior to this he served in the U.S. Army from 1944 to 1946. From 1948 to 1951, he was with the Firestone Tire and Rubber Co., until he was again called to active military duty, serving from 1951 to 1952. He joined the Hallicrafters Co. as an assistant radio sales manager in 1952 and rose to the position of general sales manager by 1965. From 1965 to 1970, he was vice president of marketing for the E.F. Johnson Co. Mr. Marshall joined Motorola, Inc., in 1970, where his first position was as vice president and director of marketing operations for Motorola Communications and Electronics, Inc. In 1972 he was named director of government relations, and in 1974 was promoted to vice president and corporate director of government relations. In 1985 he was promoted to senior vice president and is presently serving in this same capacity.

Mr. Marshall was born January 31, 1926, in Apalachicola, FL. He is married, has three children, and resides in Bethesda, MD.

Nomination of James Buchanan Busey IV To Be Administrator of the Federal Aviation Administration

March 17, 1989

The President today announced his intention to nominate James Buchanan Busey IV to be Administrator of the Federal Aviation Administration, Department of Transportation. He would succeed T. Allan McArtor.

Since 1987 Admiral Busey has been Commander in Chief of Allied Forces in Southern Europe, and Commander in Chief of U.S. Naval Forces in Europe. Prior to this he was Vice Chief of Naval Operations, 1985 - 1987. He has served as Commander of the Naval Air Systems Command, 1983 - 1985, and Commander of the Light Attack Wing Pacific, 1982 - 1983. From 1980 to 1982, he was Deputy Chief for Resource Management at Headquarters of Naval Material Command. He was Auditor General of the Navy of the Office of the Under Secretary of the Navy, 1978 - 1980. He entered the U.S. Navy in 1952.

Admiral Busey received a B.S. and M.S. degree in management from the Naval Postgraduate School. He was born October 2, 1932, in Peoria, IL. He is married and has three children.

Nomination of Melvin Floyd Sembler To Be United States Ambassador to Australia

March 17, 1989

The President today announced his intention to nominate Melvin Floyd Sembler to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia. He would succeed Laurence William Lane, Jr.

Mr. Sembler is currently one of the Nation's leading shopping center developers. In addition, he now sits on the executive committee of the International Council of Shopping Centers board of trustees and is serving as ICSC's international public service chairman. He also served as the president of the International Council of Shopping Centers from 1986 to 1987. In 1988 Mr. Sembler was a Presidential appointee to the White House Conference for a Drug Free America and was also a member of the Bush Coalition for a Drug Free America.

Mr. Sembler graduated from Northwestern University (B.S., 1952). He was born May 10, 1930, in St. Joseph, MS. Mr. Sembler is married and has three children.

Nomination of John Giffen Weinmann To Be United States Ambassador to Finland

March 17, 1989

The President today announced his intention to nominate John Giffen Weinmann to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Finland. He would succeed Rockwell Anthony Schnabel.

Since 1988 Mr. Weinmann has been a member of the national finance committee for George Bush for President, and Louisiana State finance chairman for George Bush for President/Louisiana Victory '88. Mr. Weinmann has been president and director for Waverly Oil Corp., 1979 to the present. He was chairman of the board of Eason Oil Co., 1977, and director, 1961 - 1980. He has been involved in numerous professional and civic organizations.

Mr. Weinmann graduated from Tulane University (B.A., 1950; J.D., 1952). He was born August 29, 1928, in New Orleans, LA. He is married, has five children, and resides in New Orleans, LA.

Nomination of Jerry A. Moore, Jr., To Be United States Ambassador to Lesotho

March 17, 1989

The President today announced his intention to nominate Jerry A. Moore, Jr., to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho. He would succeed Robert M. Smalley.

Since 1946 Reverend Moore has been pastor of the Nineteenth Street Baptist Church in Washington, DC. He was chaplain for the DC Detention Facility, 1984 - 1988. He has been a councilman for the District of Columbia, 1969 - 1984; instructor for the Washington Baptist Seminary, 1964; and Baptist chaplain for Howard University, 1958. He has served on numerous business, government, and civic organizations and committees.

Reverend Moore received a B.A. degree from Morehouse College and B.D. and M.A. degrees from Howard University. He was born June 12, 1918, in Minden, LA.

Nomination of Joseph Zappala To Be United States Ambassador to Spain

March 17, 1989

The President today announced his intention to nominate Joseph Zappala to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain. He would succeed Reginald Bartholomew.

Mr. Zappala is currently the chairman and chief executive officer of Joseph Zappala and Associates. He served as cochairman for the State of Florida on the George Bush for President National Steering Committee and National Finance Committee. He recently served as the national cochairman of finance for the American Bicentennial Presidential Inaugural. Mr. Zappala is the chairman of Home Town Investors, Inc., and owner and chairman of Tucson Greyhound Park in Tucson, AZ. He founded and was chairman of the board of the First National Bank of Seminole in Pinellas County, FL. In addition, he was cofounder and serves as president of Straight, Inc., a drug treatment and rehabilitation program for adolescents. Mr. Zappala serves on the board of the College of Veterinary Medicine at the University of Florida and on the board of the Police Athletic League. He is also the past chairman of the Pinellas Association for Retarded Children.

Mr. Zappala graduated from the New York Institute of Finance. He is married and has four daughters.

Nomination of Frederick Morris Bush To Be United States Ambassador to Luxembourg

March 17, 1989

The President today announced his intention to nominate Frederick Morris Bush to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg. He would succeed Jean Broward Shevlin Gerard.

Since 1979 Mr. Bush has been principal professional fundraiser for George Bush, serving as deputy finance chairman for the George Bush for President Committee; finance director of the Fund for America's Future; executive cochairman of the Presidential Trust and Victory '88 for the Republican National Committee; and senior adviser for the Team 100 Program for the Republican National Committee. He was president of the consulting firm of Bush and Co. in Washington, DC. He has served as Deputy Chief of Staff to the Vice President at the White House, 1982 - 1984, and Assistant Secretary of Commerce for Tourism, 1981. He was assistant for administration in the office of the Vice President-elect, 1980 - 1981, and national finance director for the George Bush for President Committee, 1979 - 1980.

Mr. Bush graduated from the University of Colorado (B.A., 1971) and American University (M.A., 1974). He is married, has four children, and resides in Chevy Chase, MD.

Statement on Meeting With Prime Minister Charles Haughey of Ireland

March 17, 1989

There are many excellent reasons for celebrating St. Patrick's Day. Traditionally this happy occasion provides a special opportunity to spotlight the Irish heritage in America and to affirm the ties of kinship and values which the American and Irish people share. On this St. Patrick's Day, 1989, we again pay tribute to the warm relationship between Ireland and America. We are honored to welcome to the White House the Prime Minister of Ireland, the Taoiseach, Mr. Charles Haughey, whose presence adds a special significance to our celebration.

St. Patrick's Day also provides a special opportunity to pay tribute to U.S.-Irish cooperation in the international arena in the cause of justice, peace, and progress, and to declare that working together to solve international problems encourages the development and maturation of our traditional bilateral relationship.

In the presence of the Taoiseach, I would also like to thank Ireland for its contribution to peacekeeping efforts around the world and to extend the appreciation and condolences of the American people to the families of the Irish soldiers who have given their lives in the cause of peace.

Today I express America's appreciation for Ireland's efforts to promote economic development, justice, security, and reconciliation in Northern Ireland. The U.S. supports the efforts of the Irish and British Governments to use the Anglo-Irish accord and the International Fund for Ireland to address the problems which have too long plagued Northern Ireland. We will continue to support efforts to promote fair employment and investment in Northern Ireland.

I call on the American people to support all those who seek justice and peaceful settlements to disputes in Northern Ireland. In the same spirit, I call on all Americans to reject those who seek to impose settlements anywhere through terror.

The comprehensive political, diplomatic, and economic ties between our two countries require recognition that U.S.-Irish relations are the responsibility of all Americans. Therefore, millions of Americans of many heritages and from all walks of life join in observing this fine day and in paying tribute to the friendship and cooperation between Ireland and America. Americans do not have to be Irish to treasure Ireland's contributions or to celebrate St. Patrick's Day.

Remarks at the Swearing-in Ceremony for Thomas R. Pickering as United States Representative to the United Nations

March 20, 1989

The President. We were reminiscing in the Oval Office with the Pickerings. And Barbara and I had visited them in four different posts: Jordan, Israel, Nigeria, and El Salvador. And in all likelihood, we will be visiting them in a fifth post. [Laughter]

But this is a proud day, I think, for the country, certainly for Tom and Tom's family, and for the Foreign Service. Ambassador Pickering, as we all know, is a skilled diplomat, a veteran of high-priority, tough assignments. He is one of only five FSO's that hold the rank of Career Ambassador. He's had extensive global experience, diplomatic experience that includes in a broad sense the Middle East, Central America, Africa. And now he's assuming a very important job.

I take the U.N. very seriously, and I'm pleased with the changes that have been taking place there. I salute, incidentally, his predecessor, my friend Dick Walters, who is with us today, for helping effect some of the changes, particularly on the financial side. I believe that the Secretary-General, an old friend of ours, Javier Perez de Cuellar, is doing a good job; and he deserves our support.

The U.N.'s Nobel Peace Prize for peacekeeping is a sign of new respect for the organization. And the U.N. is on the right track for reform. It is now certainly a more effective organization, and I expect under Tom's prodding that will continue -- that reform momentum. Signs of greater political seriousness must continue. A case in point has been the approach to Cuba and human rights. As a result of the recent U.N. Commission on Human Rights meeting in Geneva, Cuba's human rights record will be in the spotlight. I'd like to have seen a continuation of that mission, but nevertheless, it has been spotlighted there. And I'm counting on Tom Pickering to make sure that the question of human rights in Cuba maintains an appropriately high profile and stays high on the United Nations agenda.

The U.N. can be a force for peace, a forum for resolving conflict. And as proof of this, consider its instrumental role in the Soviet withdrawal from Afghanistan, in the Iran-Iraq war -- a very important role there. It's an important place in the international arena. There was a time when a lot of us got pessimistic about the U.N. role in peacekeeping -- our interests mainly in the economic and social end. But I think both now are on the track towards significant improvement.

My point man there at the U.N., working with the Secretary and me, will be Tom Pickering, an able, articulate advocate for our administration's foreign policy. And so, it's a delight for me --

and I seldom speak for the Secretary of State or the Vice President, but it's a delight for all of us, we three -- to join his family and all of you in saluting Tom Pickering. And now, with no further ado, Jim, if you would do the honors, I will grab my toe mark here. [Laughter] Here we are. Here's your toe mark. [Laughter]

[At this point, Ambassador Pickering was sworn in.]

Ambassador Pickering. President and Mrs. Bush, Vice President Quayle, Secretary Baker, family and friends. Thank you very much, Mr. President, for your very kind words and your strong and ringing endorsement. And thank you both for being here with me this morning at this very important event in my life and in my hope to serve our country as well as possible.

Your faith and confidence in me and through me and the American Foreign Service is a special mark of honor for me and for all of us, many of whom are here with me today, who serve in the American Foreign Service. I think I share with Jim Lilley, who will soon be the next Ambassador in Beijing, a unique and historical distinction. We will be the first Ambassadors in American history to serve a President who knows just everything -- more about our jobs than we do. [Laughter] That's a heavy load, but I will be on my toes in New York to try to do the best I possibly can in this endeavor. And I think it's symbolic that just a few minutes ago, Mr. President, a number of members of the Cabinet staff took all the dead wood out of this office. [Laughter]

Because this administration has already shown its interest, there is a new excitement in New York at the United Nations. As an institution under the able leadership of the Secretary-General, who was a companion and colleague of yours, it has made real progress over the last few years in peacemaking and in peacekeeping: in Afghanistan, in the Iran-Iraq war, and now in the Angola-Namibia settlement. It has supported free elections everywhere and the benefits of the market economies. It has helped with programs in the area of narcotics, in international terrorism, in human rights, and in national development. And it has begun building a program of far-reaching reforms.

This has been a result not only of our own policies but of changing views in the Soviet Union and elsewhere, and particularly the work of a number of my distinguished predecessors. And I want to mention particularly Dick Walters, who is here with us this morning. He has been a terrific predecessor, a great man to break in a new Ambassador, and -- along with the very able staff of the mission in New York and the people who work on this subject at the State Department -- has been an enormous help. Mr. Secretary, John Bolton, I look forward to working very closely with you in the days ahead on our policy at the United Nations.

It is a time for us to look ahead, cautiously but, I think, optimistically, in New York. U.N. reform can and should continue. Peacemaking in areas as remote, but as important, as Cambodia and the Western Sahara, and even in Cyprus, now show some sign of progress. Peacekeeping

tasks are likely to continue to grow. Help in Central America will certainly be important in verifying a balanced agreement which includes the provisions for democratic processes in Nicaragua, dealing with global climate change with the environment, with human rights. And as you mentioned, Mr. President, especially for Cuba, where for the first time it is prominent in the world's agenda of human rights questions -- will be high on my agenda, and I accept your instruction and will certainly proceed to continue to keep it there. Similarly, narcotics and terrorism, chemical weapons, and many other issues will be on our plate in New York.

Mr. Secretary and Mr. President, you are both here in this place sending a special signal, a special signal of support for me and our foreign policies in the U.N. I don't know how this will be received in New York, but I can assure you that for the first time in my history 110 percent of my family has taken this opportunity to attend a swearing-in. [Laughter]

I'm delighted as well to see so many friends here. But I do want to mention one special friend and supporter, without whom this day would not be possible. Alice has been part of a foreign service team with me for many years. She has done a fantastic amount of work around the world, much of it unsung. Indeed, I feel often I get the recognition and she gets the tough jobs. However that may be, I hope you will all consider with me that this is her day today as much as it is anyone else's. And I want to thank her from this platform for all that she has done; because she represents, as many others in the Foreign Service represent, the best in the way of loyalty and devotion to the ideals of the United States in unstinting service to our country. She very much took the oath with me, as she has six times before. And I'm delighted that she is here, and I hope that she will share in the recognition that's being accorded to me here today.

Thank you again, all of you, for being here. Tomorrow we leave for New York to take up a new assignment. I know I can say with safety that we will see all of you there from time to time -- [laughter] -- and I say with genuine sincerity that we look forward to seeing you there. Thank you again, very, very much.

The President. Barbara and I are going to ask Alice and Tom to come into the Oval Office, and it might be a nicer way to greet all of you that have come over to pay your respects to him. And so, if you don't mind kind of filing through, we'd like to welcome you there, and just a quick handshake and then you'll be summarily thrown out by -- [laughter] -- Joseph Reed, who knows how to do this because he's been at the U.N. for a long time.

Note: The President spoke at 10 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Vernon A. Walters, former U.S. Representative to the United Nations, and Joseph Reed, Chief of Protocol-designate at the Department of State and former Under Secretary-General of the United Nations. Secretary of State James A. Baker III administered the oath of office. In his remarks, the Ambassador referred to his wife, Alice Pickering, and to John Bolton, Assistant Secretary of State-designate for International Organizations.

Remarks and a Question-and-Answer Session With the State Legislators Working Group

March 20, 1989

The President. Well, let me just say in the beginning here I'm delighted to see all of you here -- forerunner of things to come in the electoral process -- because we do have to shift gears and look ahead to redistricting and to all the political process that you've participated in and in which you have been leaders. And so, we don't want to neglect anything that has to do with building our numbers. I'm glad to see Lee Atwater down there. And I can say that he and Jean -- where's Jeannie Austin? Do I see her here? But in any event, they have done a fantastic job getting going at the Republican National Committee. And I'm glad to see Mary here, and of course Deb Anderson here, coming out of your elected ranks, here in the White House now. So, I hope that we'll have a sensitive White House: a White House sensitive to the political requirements out there from people that are seeking election. And one thing I wanted to urge was recruitment: getting good candidates in the State races, as well as those that are for Federal office. And I wanted to let you know that we want to assist in every way possible on that.

In terms of Washington, DC, I think things are off to a reasonably good start. I got here, and with the help of Governor Sununu down there and many others in this room, why, we addressed ourselves right up front with one of the -- I guess the biggest problem, and that is how we feel the deficit should be brought down. And we're going to keep plugging away, working with the Congress. We have to do that, want to do that, will do that to get this problem solved. And it is one that there will be some give-and-take on it, but the ideas we've proposed are sensible. They are in keeping with the way I ran for office and the way many of you that ran this time ran for office. And I am convinced that we can get a good deal, project that budget deficit down with finality, and do it without doing what the American people don't want, and that is raising taxes. We've got to do it with holding the line on taxes, not raise them. And I believe that the proposals we made are very sensible in that regard.

But in any event, we're off and running on that. Our Cabinet's in place. We're doing reasonably well in terms of our other agenda. I'm very pleased with the start that our drug czar is making -- first testing waters, in a sense, because this is a new job. It's a coordinative job. But Bill is a good, strong leader, and he will certainly meet the deadline of coming up with a plan that is required under the law in 6 months. But it's going to be more than that, because in the meantime, we're -- as you've seen -- taking certain actions in the administration that I think are appropriate in this regard. We're moving forward with legislation on education that I'm pledged to go forward with. I think our environmental leader, Bill Reilly, is off to a good start -- went to a conference in Europe, in England, and in a meeting with Margaret Thatcher, put the U.S. out front on the whole CFC [chlorofluorocarbons] question.

And so, we're moving. But we need your suggestions. We are going to be reaching out to you

all. And I'm just delighted to see you here. And I'll be glad to take a question or two before we turn the agenda back. John, did I interrupt? Were you in the middle of something?

Mr. Sununu. No.

The President. But this is an important meeting for us. We want to keep you tuned in, and we want to ask your support and leadership out across the country.

Gubernatorial Elections

Q. Mr. President, I'm from Virginia. As you know, Virginia has a very important election this year for Governor, Lieutenant Governor, and attorney general. And I know that your high priority is to get back to Virginia and New Jersey this year, but I thought the members of the press might want to know how important you consider this. [Laughter]

The President. Nice slow ball. [Laughter] No, I do, and as you know, there are these two States that have the special timing here. And I've said all along -- said it last year before I was elected -- the importance that we place on Governors because we believe in the federalist system. Some of the soundest advice in the campaign came from the Governors and from State reps and leaders in the various State legislatures, because they're out on the delivering end. They're out on the cutting edge. And so, this Governor's race in Virginia -- we have an opportunity to pick up a seat. In New Jersey we want to hold -- Tom Kean leaving. So, we will put the proper emphasis from here. Lee Atwater's already begun working on setting our priorities and how much help we can give from the national [committee] on that. But I'm glad you raised it because it is key.

Women/Gun Control/War on Drugs

Q. Mr. President, two things: Number one, as a legislator who in the past has always had the NRA [National Rifle Association] backing, I want to applaud you for the action you've taken on the Federal level. As a State legislator, I think that's the only place that semiautomatic weapons can be dealt with, and I just want to tell you that I think that mainstream America is really with you on that action. And I hope that it will lead to something further. I don't know exactly what that should be.

The second point I want to make is that, although I think the bread-and-butter issues are really the women's issues just as much as men, I think many women experience poverty that men do not experience. I think also impressions are reality, perception is reality, as we know in politics. And giving lots of advice in the future with your other appointments -- I've been very pleased with the appointments that you've made for women, for minorities. And I just want to encourage you to continue that if the Supreme Court or any openings there -- that you would give, and I'm sure you will, enough consideration to other people of color, or a woman, for example. So, it's not just like the one woman on the Supreme Court -- thank goodness that Mr. Reagan put Sandra

Day O'Connor there -- but that you, too, will continue your efforts to bring women and people of color into your administration.

The President. Well, we want to do that. We are doing it. I'd like to be further along. Recognizing that the subject might come up, we did a little homework in terms of an administration in which I proudly served. At this juncture they had -- we had, I should say, because I was a part of it, something like 8 percent of the jobs for women -- high-level jobs -- and we're up at about 21. But we want to keep moving. I think we've done about 12 or 15 percent overall of the jobs, so we want to keep our sights set on doing the best possible job on appointments. And I think that is important, and I think -- to the degree there is that visibility -- I think it'll help in this recruitment that I asked you to engage in. I mean, I think the people see good signs here, and I think that they'll involve themselves -- more apt to get into the electoral process. So, I think they are linked.

On the NRA, of which I'm a member -- a proud member, I might add -- I believe we can find accommodation between the legitimate interest of the sportsman and the interest of the police chiefs in protecting their people who put their lives on the line every single day. And Bill Bennett made this recommendation to me on these shipments coming in. That's well within the law. What we're doing is enforcing the law, determining the suitability for sporting purposes. That's the way the law reads. And so, I appreciate your support on that.

We haven't found the ideal answer. I know some of your State legislatures are working on this right now -- California having moved out -- and I'm interested that you have the NRA support, and I think you'll keep it, given the position you've stated, because the country needs to know that there is some answer to this. And I don't yet know what it is, and I was interested in your frankness saying you don't. And some of the legislators in California that voted for it or opposite the bill -- they're not sure where it ought to go. But we're in very different times now, and I am convinced that reasonable men and women can work together to find an answer to the problem of these automated weapons. And I think we've already had some signs in the sporting community that there is support for what we've done, but we're going to keep working it.

I am very serious about this drug fight, and it's going to be fought on all different fronts. And we have got to give the police proper support when they lay their lives on the line for us. And so, we'll find some answer that is constitutionally sound and that also protects the lives, as best one can from Washington, of these officers. I'd like to tell you I think the solution can be found right here, and that'll solve it. But that's not true. It's going to be found in various ways out in the States, in my view. But we have a responsibility, and I appreciate the support for the action that we have taken.

Family Issues

Q. I was particularly pleased of your emphasis on family issues during the campaign. As I said

to people, as a legislator working in the area of family and children's issues, that it is really encouraging because it is the first Presidential campaign that has really focused on family issues. While I don't think the Federal Government is the place to solve all those problems, I do think it's important for the Republican Party, and important for women in families in Pennsylvania, though, that those issues remain high priority to the administration and that direction, money is given to the States so that we can deal effectively with some of the issues that are particular, I think, to families today, with the breakdown in traditional family structure.

The President. Lois, I couldn't agree more. And we are not going to deemphasize the importance that I place on families. And indeed, one of the major tests right now is going to be the question of the approach one takes to child care. And we're talking about choice. We're talking about doing it in a way in which the family is emphasized and is strengthened. And so, there'll be this. There'll be other issues that come along. But I'm glad you raised it, and believe me, I have not diminished my interest in all of this. In fact, as you look at the problems facing society, so much of it gets back to the weakening of the family. So many of the problems are out there because of this new trend towards single-parent families and all of this. And it's a tragic thing in a way.

So, we are not going to depart from the traditional values. We're going to keep emphasizing them, and when it comes to Federal legislation, be sure that what we propose will strengthen, not weaken, the family group. And even things like education -- as much choice as possible is a good thing there.

Yes? I've got time for just a couple of more, I've been told here.

Mrs. Bush's Literacy Efforts

Q. Yes. Mr. President, I wanted to tell you, first of all, I think those of us who are in the house and senate in the States who are Republican, first of all, would like to tell you that we think one of the biggest assets both the Republican Party and you have is Mrs. Bush.

The President. I agree with that.

Q. I'm particularly interested in her cause on literacy, and wonder if by any chance there has been any work done in any of the prisons? I have personally gone into our prisons and have found out that about 75 to 80 percent of our prisoners are functionally illiterate and, consequently, cannot be trained to do something. They can't even read the want-ad in order to get a job.

The President. I don't know that Barbara's done anything on that end of it. She's starting now a brand-new foundation that will help enormously in this whole private sector end. I know our Secretary of Education is very much interested in the education for the prison population. I don't know that Bar has gotten any of her volunteer work involved in that segment, but I expect she'd

love to hear from you on it, because she is keeping up that interest.

Q. Mr. President, first of all, my daughter asked me to ask you if any of the puppies were left. [Laughter]

The President. The demand is intense, let me tell you. [Laughter]

Gasoline Taxes

Q. There's a good deal of concern in southern California, where there is high growth, rapid economic growth, but also concern on transportation. And it has been said that there's a possibility that the gasoline tax may be raised in order to help this budget reduction financing. Our concern, of course, is if this were to happen, what would happen then to the opportunity for California to go forward with gasoline tax increases in order to support our infrastructure needs, and would this be in conflict and perhaps cause us a problem?

The President. There are no plans for that, and I don't know where that is coming from. But the administration has no plans to raise the gasoline tax.

Ocean Dumping

Q. We appreciate your coming to the Jersey shore and just want to report that in this election year for our Governor in New Jersey the environment continues to be the number one issue. And certainly any support you can give us for a tough approach to polluters of our very precious ocean would be appreciated.

The President. We're going to continue. And as I say, I have great confidence that Bill Reilly, the new Administrator [Environmental Protection Agency], is going to be good in that sense, very good. And we're following up. I think we even have some legislation now in the mill that will be helpful on that ocean dumping. But I'll keep talking about it. I'll keep encouraging the States in this regard.

One more?

Republican Party Minority Participation

Q. There are many concerns in all of our States, but I think that we must get more Hispanics and blacks involved to run for office. And I think we have to put across to the people throughout the country that the Republican Party is the people's party.

The President. You make a good point, and I think that Lee Atwater, Mary, others here agree with you on that. And we've started moving out. How it gets into the recruitment business I

would leave to our political people here. But that emphasis is important, and I agree with Lee that much progress can be made. And the issues that we're talking about -- including inner-city fight on narcotics -- we're on the proper side. These people are outraged by what's happening in their communities. They are concerned, Lois, about the disintegration of family in some of these areas.

And so, I hope it will mean that we can get our message out better by having quality candidates out there. So, we're going to keep trying. I've been pleased with the support so far, though I no longer live and die by the polls like I used to when you and I were working side by side in New Hampshire. But I've been pleased with the openmindedness, in the figures in terms of support for the President from groups where historically we haven't done well. That could change, but I want to keep doing it.

I think some of the reason for that is the beginning that the national committee has made. And so, we will try here, Deb Anderson, Bobbie Kilberg, and me, working with the Chief of Staff, to do what we can from this building to encourage that. But the field is open, there's an openmindedness in some of these areas -- the blacks and Hispanics and other areas -- that I think means that our ideas and our direction for the country makes a certain degree of sense. Now, I know we're up against formidable history in this regard. We've got to keep trying; we've got to keep reaching out. And I believe that we can do better -- much, much better.

Listen, thank you all very much for your attention and for being here and for what you're doing. And I repeat: I do think it's important. Sam Rayburn talked about the critics of either him or the President at that time. He says, ``Well, that fella's one of the severest critics." He says, ``That guy's problem was he never ran for sheriff." [Laughter] And it was a very profound statement, I mean, because when you are in the arena and you do have to take your case to the people, why, you have a certain sensitivity to the government processes. And so, I think this group can do an awful lot. You all run for sheriff. Indeed, you've been elected -- not sheriff, but something else. [Laughter]

So, thank you very, very much for being here today. And we appreciate the support, and we'll work hard to merit your continuing confidence. Thank you.

Note: The President spoke at 11:11 a.m. during a briefing in the Indian Treaty Room of the Old Executive Office Building. In his remarks, he referred to Lee Atwater, Jeannie Austin, and Mary Matalin, chairman, cochairman, and chief of staff of the Republican National Committee, respectively; Debra R. Anderson, Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs; John H. Sununu, Chief of Staff to the President; William J. Bennett, Director of National Drug Control Policy; Lois Sherman Hagarty, State representative from Pennsylvania; and Bobbie Kilberg, Deputy Assistant to the President for Public Liaison.

Nomination of Julius L. Katz To Be a Deputy United States Trade Representative

March 20, 1989

The President today announced his intention to nominate Julius L. Katz to be a Deputy United States Trade Representative, with the rank of Ambassador. He would succeed Michael Brackett Smith.

Mr. Katz is a Deputy United States Trade Representative, serving with Sidney Linn Williams and Rufus Hawkins Yerxa. Since 1987, Mr. Katz has been chairman of the Government Research Corp., in Washington, DC. Prior to this he was vice president for the Consultants International Group, Inc., 1985 - 1987. He was with Donaldson, Lufkin and Jenrette Futures, Inc., formerly ACLI International Commodity Services, Inc., serving in several capacities, including chairman, 1982 - 1985; president and chief executive officer, 1981 - 1982; and senior vice president, 1980 - 1981. He has also served as Assistant Secretary of State for Economic and Business Affairs at the Department of State, 1976 - 1979; Senior Deputy Assistant Secretary of State, 1974 - 1976; and Deputy Assistant Secretary of State for International Resources and Food Policy, 1968 - 1974. From 1950 to 1968, he served in several positions at the Department of State, including Director of International Trade, Director of International Commodities, and Economic Adviser in the Office of Eastern European Affairs.

Mr. Katz graduated from George Washington University, receiving a bachelor of arts degree.

Nomination of Jerry Ralph Curry To Be Administrator of the National Highway Traffic Safety Administration

March 20, 1989

The President today announced his intention to nominate Jerry Ralph Curry to be Administrator of the National Highway Traffic Safety Administration, Department of Transportation. He would succeed Diane K. Stead.

Before retiring, General Curry was deputy commanding general of V Corps in Frankfurt, West Germany. He has served as the commanding general of the U.S. Army Test and Evaluation Command in Aberdeen Proving Ground, MD, and commanding general of the U.S. Army Military District of Washington, DC. General Curry has also served as Deputy Assistant Secretary of Defense for Public Affairs.

General Curry received a bachelor's degree in education from the University of Nebraska at Omaha, a master's degree in international relations from Boston University, and a doctorate degree from Luther Rice Seminary. He is a graduate of both the U.S. Army War College and the Command and General Staff College. He is married, has four children, and resides in Virginia Beach, VA.

Remarks at the Swearing-in Ceremony for Richard B. Cheney as Secretary of Defense

March 21, 1989

The President. Mr. Vice President, members of the President's Cabinet, distinguished Members of Congress, the Joint Chiefs, I am very pleased to participate in the administration of the oath of office to our new Secretary of Defense, Dick Cheney.

This is a proud day for Dick's family: his wife, Lynne, who heads a vital effort of another sort -- safeguarding our cultural heritage at the National Endowment for the Humanities -- and their daughters, Elizabeth and Mary. I also want to welcome Dick's mom and dad, who are here from Wyoming, other family members as well, who came to join Dick on this very important day.

Let me outline some of the crucial responsibilities that Secretary Cheney is taking on in his new assignment: defense strategy and management, procurement reform, the day-to-day operations of our Armed Forces, and the long-range planning that will keep us free and secure into the next century. In a building where it can be a challenge getting from the A Ring to the E Ring without getting lost, the challenges that you'll face, Mr. Secretary, are truly enormous. Confession time: Dick told me that he's already gotten lost in the garage of this place -- [laughter] -- but things can only go up from there. [Laughter]

The challenges may be enormous, but so, Mr. Secretary, are the skills and talents that you bring to the job. Dick Cheney knows his way around Washington. He knows how things work on Capitol Hill and in the White House. And he'll draw on that wealth of experience to help make things work right here at the Pentagon. Dick and I worked together in the Ford administration on national security issues -- he was the White House Chief of Staff and I was then Director of Central Intelligence -- and teamwork paid off then, and he was the best at it. And, Dick, you'll have help from the best Armed Forces in the world and a civilian staff equally dedicated to our national defense. I know they're ready to work with you and for you.

And I'm convinced the international scene today is defined by opportunity: a chance to advance America's interests and ideals, and to strengthen the forces of freedom now gaining a foothold in many places around the world. Dick shares my belief that the chief national security lesson of this decade is simply this: strength secures peace. That fact remains true, even in the present time of transition in world affairs.

Consider the key issue of change in the Soviet Union. I take a very positive view of the changes there, but there are still more questions than answers about the ultimate outcome of those changes. And until these questions are answered, we should continue our successful policy of flexibility, combined with strength and firm resolve. We must be ready to seize favorable

opportunities to improve relations with the Soviet Union, but we must also remain ready and able in any event to secure our national interests. And let me say clearly, now is not the time for America and its allies to make unilateral reductions to relax our defense efforts.

Everyone here knows that we're facing tough choices on defense programs. We must move ahead with plans to modernize our strategic and conventional forces. We must continue to turn the nation's technological capabilities to our strategic advantage, in SDI and other programs. But our need to deal with the deficit means that we're working with limited resources. And, Dick, your task is to sort out those priorities -- which programs should continue, which we can't afford in the current fiscal climate. I'm convinced these difficult choices can be made in a way that preserves our defense capabilities.

Close cooperation with the Congress is absolutely essential, and Dick's high standing on Capitol Hill will be an enormous plus. Procurement reform is a case in point. Our aim should be a more stable and streamlined acquisition system. But procurement reform can't be confined to the Pentagon alone. We will work with the Congress, our partners in the process, to move forward with the Packard commission reforms, to adopt a 2-year budget cycle, and to expand multiyear procurement for major weapons systems.

And stability begins with a commitment to maintain a steady, moderate, and affordable increase in defense spending, an increase we must have in order to maintain and continue to modernize our forces. Following the freeze for 1990, that means growth -- 1 percent -- '91, '92, rising to 2 in '93, 2 percent. For too long, defense spending has ridden a roller coaster: unpredictable ups and downs, a recipe for waste and inefficiencies. Stable spending makes it possible to plan for the long term, and that's the basis of a more efficient and effective defense posture. And that long-term view is the one we must take, with the 21st century only 11 years away.

I'm convinced that in the years ahead the United States can take the lead in building a more peaceful international environment, in laying the foundations for a new American Century, where freedom and democracy will flourish. I am confident that Dick Cheney will play a pivotal part in keeping America strong and secure, free and at peace.

Secretary Cheney, congratulations. You have my complete confidence and my sincere best wishes as you undertake this extraordinarily important task for the greatest country on the face of the Earth.

[At this point, Secretary Cheney was sworn in.]

Secretary Cheney. Mr. President, distinguished guests, men and women of America's Armed Forces, ladies and gentlemen, it is a humbling experience to assume office as the Nation's 17th Secretary of Defense. Mr. President, I thank you for the confidence you've placed in me. I will do my best to justify your trust.

This transition comes at a time of significant change, change that may portend a more peaceful and prosperous world in the years ahead. Nations whose political and economic systems, like ours, are based on principles of freedom, democracy, individual liberty, and market economics are thriving. Those nations which derive their legitimacy from the authoritarian suppression of the human spirit are in retreat.

It's become clear in the last few years that freedom works. The Soviet Union is being forced to question its basic assumptions in light of its obvious failure to produce a prosperous economy at home or to enable it to compete abroad. Developing nations no longer look to the Soviets or their allies for a model upon which they can build successful economies. And in place of a hostile Soviet Union seeking to expand its empire by military means, we see an empire beset by difficulties, withdrawing from Afghanistan and talking about significant troop reductions in Eastern Europe.

In part, this change is attributable to more realistic leadership inside the Soviet Union. But it is also due in part to the success of the strategy of the United States and our allies. Containment has worked. Deterrence has held. Principle has paid off. Still, dangers abound. There are those who want to declare the Cold War ended. They perceive a significantly lessened threat and want to believe that we can reduce our level of vigilance accordingly. But I believe caution is in order. However real the reform rhetoric coming out of the Kremlin, Moscow's armaments compel caution on our part. To date, there's been no reduction in the strategic systems targeted against the United States. Until we see a significantly lessened military capability on the part of the Soviets, we cannot possibly justify major reductions in our own. We must guard against gambling our nation's security on what may be a temporary aberration in the behavior of our foremost adversary.

Mr. President, the military and civilian professionals of the Department of Defense stand ready to do everything possible to provide for the Nation's security with the resources the American people entrust to us. To that end, our strategy and policies must be carefully calibrated to an ever-changing international landscape. Our force is designed and equipped to meet the full range of likely contingencies, and our needed munitions acquired as efficiently as possible.

Today I would like to address myself to several key groups. To the men and women of America's Armed Forces: I am honored to serve with you in the defense of freedom. Every individual soldier, sailor, airman, and marine contributes to America's strength, and I pledge to do my utmost to provide you the quality, equipment, and support you must have to do the job we ask you to do for all of us. You, our uniformed men and women, are my number one priority. You and your families are the mind, body, and soul of America's military might.

To America's friends and allies around the world: I look forward to working with you in our common quest. Collective security is the only strategy for our democracies. We, therefore, must deepen our cooperation, especially to stretch scarce defense resources. And where we have

differences, we must deal with them in recognition that cohesion is the most potent power and weapon of free nations.

To the United States Congress: Fresh as I am from your ranks, I appreciate your constitutional responsibility for America's defense. I pledge my full cooperation as, together, we wrestle with a shared challenge: too many claims on too few dollars. I've got to make the hard choices, and I seek your support so that these can be the right choices.

To America's defense industry: U.S. national security is vitally dependent on our defense industrial base. We must have top-notch firms willing to compete for defense contracts and able to fulfill those contracts with high-quality work efficiently delivered. Don Atwood and the rest of my staff are anxious to work with the defense industry to improve productivity, reduce costs, and advance new technologies. Defense acquisition is a partnership, and that spirit must guide our actions.

Finally, to the American people: The first obligation of the Federal Government is the defense of the Nation. You support that aim with your tax dollars and the sacrifices of your sons and daughters in uniform. We who are appointed to lead these defense preparations owe you, the American people, a high return on your investment and great care for the lives of your loved ones who serve. I accept that responsibility. And with the support of my family and the President of the United States, and with many other dedicated Americans sharing the solemn stewardship, I am ready and eager to serve.

Note: The President spoke at 2:16 p.m. in the Center Courtyard of the Pentagon. In his remarks, the Secretary referred to Deputy Secretary of Defense-designate Donald Atwood.

Statement by Press Secretary Fitzwater on the Establishment of the Outer Continental Shelf Leasing and Development Task Force

March 21, 1989

The President announced today the establishment of the Outer Continental Shelf Leasing and Development Task Force.

In accordance with his address to the joint session of Congress on February 9, 1989, he has directed the establishment of the task force to examine in detail the concerns over adverse impacts of lease sales in three environmentally sensitive areas:

1. Lease sale 91 off the coast of northern California;

2. Lease sale 95 off the coast of southern California; and

3. Lease sale 116 off southern Florida, south of 26 degrees north latitude.

The President feels that oil and gas development of America's offshore areas is necessary to ensure a reliable supply of energy and provide for the Nation's economic and national security. He is committed to continued Outer Continental Shelf oil and gas development in an environmentally sound manner.

The task force will consist of the Secretary of the Interior, the Secretary of Energy, the Director of the Office of Management and Budget, the Administrator of the Environmental Protection Agency, and the Administrator of the National Oceanic and Atmospheric Administration, or their designees. The National Academy of Sciences will provide the task force with the necessary scientific and technical analysis. The Secretary of the Interior will serve as Chairman of the task force, which should report its findings to the President by January 1, 1990.

Nomination of Janice Obuchowski To Be an Assistant Secretary of Commerce

March 21, 1989

The President today announced his intention to nominate Janice Obuchowski to be Assistant Secretary of Commerce for Communications and Information. She would succeed Alfred C. Sikes.

Ms. Obuchowski is currently the executive director of international affairs for NYNEX. Prior to this she served in several capacities at the Federal Communications Commission, including Senior Adviser (International Affairs) to the Chairman of the FCC; chief of the FCC's International Policy Division of the Common Carrier Bureau, 1982 - 1983; and legal assistant to the chief of the Common Carrier Bureau, 1981 - 1982. Ms. Obuchowski was an associate with the law firm of Bergson, Borkland, Margolis and Adler, 1976 - 1980. From 1978 to 1980, she chaired the legislation committee of the American Bar Association's litigation section. Ms. Obuchowski is also an adjunct professor of international telecommunications law at Georgetown University Law Center.

Ms. Obuchowski graduated from Wellesley College (B.A., 1973) and Georgetown University Law Center (J.D., 1976). Ms. Obuchowski is married to Albert Halprin, and they reside in McLean, VA.

Nomination of Daphne Wood Murray To Be Director of the Institute of Museum Services

March 21, 1989

The President today announced his intention to nominate Daphne Wood Murray to be Director of the Institute of Museum Services, National Foundation on the Arts and the Humanities. She would succeed Lois Burke Shepard.

Since 1987 Ms. Murray has been director of development for the Houston Museum of Natural Science in Texas, and held various positions with the Contemporary Arts Museum in Houston, 1982 to present. From 1967 to 1987, she served in several capacities for the Museum of Fine Arts in Houston, including elective trustee, 1975 - 1986; secretary, 1982 - 1984; vice chairman, 1977 - 1980; vice president, 1975 - 1977; advisory trustee, 1969 - 1974; and Junior League representative, 1971.

Ms. Murray attended Finch College, 1959 - 1960; Villa Mercedes, University of Florence, Italy, 1958 - 1959; and the Master's School, 1958. She was born July 22, 1940, in Houston, TX, where she currently resides.

White House Fact Sheet on the President's Minimum-Wage Proposal

March 21, 1989

The President's Proposal

A 27-percent increase in the minimum wage over 3 years to $4.25 for most workers.

Maintaining the current $3.35 minimum for all new employees of a firm on the job for less than 6 months, regardless of age or previous employment.

An increase in the small business exemption to include all firms, not just retail and service establishments, with gross sales under $500,000, up from the current $362,500.

An increase in the tip credit from 40 percent to 50 percent.

Fundamental Principles Guiding the President's Proposal

Provide higher earnings for long-term minimum-wage employees.

Minimize the adverse economic impact of an across-the-board increase in the minimum wage.

Maximize job opportunities for those who need it most, particularly young people, those with limited work experience or skills, and members of minority groups.

Provide sensible exemptions to minimize the burden of the minimum wage on small businesses and on service firms, where tips are an important part of compensation.

Why Not Increase the Minimum Wage to $4.65?

To Save Jobs. An increase in the minimum wage to $4.65 would cost 650,000 job opportunities.

The President's proposal would save well over 400,000 of these job opportunities. The smaller increase, to $4.25, saves 200,000 job opportunities. The training wage saves up to an additional 170,000 job opportunities. The tip credit and small business changes save 54,000 job opportunities.

What Other Economic Effects Would Result From a $4.65 Minimum Wage?

The 40-cent increase between $4.25 and $4.65 would mean a $0.6 billion increase in the Federal deficit.

The 40-cent increase between $4.25 and $4.65 would increase costs to the consumer by $6.5 billion.

Chairman Greenspan of the Federal Reserve has stated that raising the minimum wage would make the battle against inflation more difficult. A higher minimum wage could result in higher interest rates.

A higher minimum wage would raise production costs, thus reducing the competitiveness of American manufacturers in international markets.

A higher minimum wage would have an additional effect on employment costs, as many fringe benefits costs are tied to wages.

Why Have a 6-Month Training Wage?

To Save Jobs. Under the President's proposal, the 6-month training wage could save 170,000 job opportunities.

A 3-month training wage would save only half as many job opportunities.

An increase in the minimum wage without an adequate training-wage provision means that many potential workers will have much greater difficulty getting their feet on the ladder of economic opportunity. Employers would be discouraged from creating new jobs at a higher wage for inexperienced workers.

Those hurt the most without a training wage are the poor, many of whom are young, and minorities.

Why Not Have the Training Wage Apply Only to a Worker's First Job Instead of Each New Job?

To Save Jobs. A new-hire training wage, such as the President proposed, could save four times as many job opportunities as would a first-job training wage: 170,000 vs. 40,000.

New jobs require new skills. Someone who may have spent a few months on a different job may need time to learn new skills.

Why Not Limit the Training Wage to Teenagers?

To Save Jobs. Many new workers, including people trying to escape from welfare, are in their twenties or older.

The President's universal approach is administratively simpler and less likely to foster compliance problems.

Won't An Even Higher Minimum Wage Help Cure Poverty?

The minimum-wage population and the poverty population are composed largely of different people. Sixty percent of those earning the minimum wage are young people. Sixty-six percent work part time. Seventy-two percent are single.

Only 336,000 heads of households living in poverty earned the minimum wage. That is less than 2 percent of the working-age poverty population.

The job opportunity losses from a universal $4.65 minimum wage may actually increase poverty by denying jobs to members of families living in poverty. Poor families would also be forced to pay the higher consumer and other costs associated with a higher minimum wage.

Won't a Higher Minimum Wage Increase Job Opportunities and Wages?

Since 1982, with no increase in the minimum wage, the economy has added more than 19 million jobs. Yet the number of minimum-wage jobs has declined by 2.6 million, or 40 percent.

In the last 7 years, 18.4 million jobs (an increase of 80 percent) paying more than $10 per hour have been added. Five million jobs paying between $5 and $10 have been added. The number of jobs paying less than $5 per hour has declined by 30 percent.

With a constant minimum wage, the unemployment rate has been reduced to 5.1 percent, the lowest in 15 years.

A higher minimum wage hurts small business the most. These firms are the key to future employment growth and opportunity for the economy. United

Statement on the Death of John J. McCloy

March 21, 1989

Barbara and I extend our sincere condolences to the family and many friends of John J. McCloy. We share your loss. The American people join you in mourning the passing of one of the giants and true heroes of this country.

John J. McCloy helped shape American policy and perspectives during the past fifty years -- in public service and in private life -- as few others have. He was a trusted adviser of American Presidents from Franklin D. Roosevelt to Ronald Reagan. I shall miss the privilege of his counsel. But he also never flagged in pursuing the public good in the many private trusts he held. His energy and interests were boundless. So were his accomplishments.

Recalling his work as chairman of the Ford Foundation, of the Council of Foreign Relations, of the Salk foundation, of the Fund for Modern Courts in New York State, and of the American Council on Germany -- to name but a few of his responsibilities -- one cannot but stand in awe of this great man of humble origins. Not only his talents and experience, but also his dedication and sense of fair play, were rare indeed. We are poorer for his passing. But we as a country are so much richer for having had him with us for 93 years.

John J. McCloy was not only a prominent American, but also a citizen of the world. He served as President of the World Bank at a crucial time in that institution's history. In later years he became intensely involved with the United Nations Development Corporation.

He was also a pioneer in the field of arms control. In addition to being President Kennedy's chief disarmament adviser and negotiator, John J. McCloy served for a dozen years as Chairman of the General Advisory Committee on Disarmament Agency. His aim -- which now is the long-established position of the West as well as part of the declared ``new thinking'' in the East -- was to establish security at lower levels of armament.

But perhaps John J. McCloy's greatest mark was left by his service in Germany. I know he believed it was among the most important of his assignments. As the United States Military Governor and then High Commissioner from 1949 to 1953, John J. McCloy helped rebuild the economic structure of a nation in rubble, directly touching and assisting millions of Germans living in a country devastated by war. In perhaps his most lasting contribution, he helped establish the democratic tradition of the Federal Republic of Germany and the unbreakable bonds of friendship and solidarity between the German and American peoples.

As Chancellor Helmut Kohl has written of John J. McCloy: ``He deserves much of the credit for the high quality of German-American relations which we today take for granted, but which at that time only a trusting friend of our people like John McCloy could see as an objective worth

pursuing."

Friend of Germany, friend of Europe, friend of peace, America's friend to the world: John McCloy is a friend who will be missed.

Remarks to Students at Conestoga Valley High School in Lancaster, Pennsylvania

March 22, 1989

Chad, thank you, and Mr. Wirth, thank you, sir, for having us here. I'm sorry we had a little bad weather a week or two ago, and postponing this visit. Thinking back, regrettably quite a few years, to my own school days, I can imagine one thought that might have run through your mind: I hope he comes back -- anything to get out of class. [Laughter] So, I apologize for any inconvenience on the tests. But I want to thank the students; the parents; the teachers here; Mr. Wirth, your principal; and Chad Weaver, the student body president. Listening to him and his poise up here, I don't know how Senator Specter or Governor Casey or even I might feel. This guy might run against us someday. He sounds terrific -- [laughter] -- pretty tough.

I am particularly grateful to the Governor of the Commonwealth for being here with us and Senator Specter, a most respected leader in the United States Senate, for taking the time out to come here. Your own Congressman has a vote, an important vote, on our side of the aisle -- his side -- today that keeps determining the leadership there that keeps him. I think he planned to be with us if that vote hadn't taken place. But I do want to pay my respects to Bob Walker. And then my special introduction to you -- one who you know well and who has been a symbol of propriety and leadership and enthusiasm for Pennsylvania -- and that, of course, is your own ex-Governor and now the Attorney General of the United States, Dick Thornburgh. What a job he is doing! And the other -- I'm not sure he's been here, but he's been almost every place else; I expect he's been to Lancaster. But Bill Bennett, a former Secretary of Education, is now the first drug czar. Why in the United States we use the word ``czar'' to establish a real leader, I don't know. But he's tough as the czars were, and he is going to help us whip the scourge of drugs. And here he is, Bill Bennett. [Applause]

You know, we often think of drug abuse as an urban, inner-city phenomenon. Millions of Americans think of their own communities, and they say it can't happen here. Well, the people of rural Pennsylvania know that's not true. And in the past couple of years, drug abuse has escalated here. And the good news is you're fighting back. Your community is too proud, your traditions here too deeply rooted for an invader to threaten your safety and well-being without a fight. And when drugs come here to the Conestoga Valley, that's proof that the drug epidemic is a national problem. Look, Lancaster is a strong community, a place where small town values is not a cliche. It's a way of life. And you know what matters: family and faith and being a good neighbor and a member of the community. The rising problem here simply shows how vulnerable every American city and town is to the menace of drug abuse. And recognizing this fact is the first step towards finding a solution. And Lancaster is on its way.

This morning you heard from Thomas Hipple and Peter True, two young men who for reasons of their own have made a commitment to help others understand the lasting damage that drugs can

do and prevent their peers from making what can be a life-shattering choice. What Tom and Peter are doing takes tremendous courage and commitment. And I'm here to say that you're not alone in this -- battling the drug problem. You have partners in your community and in others across the United States, and you have partners in the war on drugs in Washington, right there on Pennsylvania Avenue. And as I said in my Inaugural Address -- and I will keep saying it because I feel driven by this commitment -- I am committed to the ending of the scourge of drugs across the United States of America, and I need your help.

Our task is not just to deplore the drug problem but to take action against it. What the banners that I've seen here say to me is that this valley and the people of Lancaster are ready to take action to stop the drug scourge. And one of the most powerful weapons against drug use is education.

And of course, there's another side to the drug program. I'm going to be going down with Dick Thornburgh and Bill Bennett, down to Wilmington later on, on my way back to Washington. And there we'll be talking about interdiction, stopping drugs from coming in, and also enforcement, the law enforcement side that Dick Thornburgh has the responsibility for -- our effort to stop the illegal drugs, shut down the trade. But this morning, I want to talk to you all on the means of prevention, on drying up the demand for illegal drugs.

Antidrug education and awareness can help provide the kids and the young adults with both the reasons and the willpower to resist the lure of drugs. And that's the aim of an antidrug education program called DARE -- D-A-R-E -- Drug Abuse Resistance Education, and that's helping, as the people involved with DARE like to say, ``drug-proof'' our children. The program was pioneered, incidentally, by the Los Angeles Police Department and the L.A. public school system. I've been out there and witnessed the program in action, and DARE sends these police officers into the classroom to work with the kids, build their self-esteem, teach them that they can refuse when they're pressured to try drugs. And the DARE program is teaching youngsters something else: that the police and their schools are united in a common effort to stop drug abuse. In the 6 years since the program began in California, DARE has caught on nationwide. And this year, in 1,200 communities in 45 States, 3 million children will participate.

DARE is just one example of the kind of program that can provide our children both the reasons and the willpower to resist the lure of drugs. There is no one right answer when it comes to battling drug abuse. Each community will find what works best, and we'll learn from each other.

I'm told that right here in Lancaster you have a program called High-Risk Youth in the elementary schools and another called SCIP, the School Community Intervention Program, in place -- that one's in the high schools and in the junior highs. And they aim at identifying young people whose circumstances and family situations make them most vulnerable to the lure of drugs. Targeting these youth for special attention is crucial, and with High-Risk Youth and SCIP, you're doing something to stop drug problems before they begin.

For my part, I'm going to see that drug education receives the funding it needs. Most of the funding, as you know, comes from local school boards and States. I think it's 7 percent of the funding is Federal. But our budget this year for 1990 calls for a full $1.1 billion for drug prevention and antidrug education activity. And even in these tight budget times, that's up 16 percent over 1989. I've urged Congress to provide $392 million for the Drug Free Schools and Communities program, funds that go to the States and institutions of higher education.

And then as I mentioned earlier with great pride, and I'll say it again, I have selected Bill Bennett to serve as the Director -- this is his official title, I told you the nickname -- the Director of the Office of National Drug Control Policy to map the strategy and oversee the antidrug campaign. And I'll tell you, I picked him because he's knowledgeable, he's tough, and he is determined and, most importantly though, he cares deeply about the young people of this country.

These initiatives are important, and they're going to have an impact. But there's a role for each of us in the war on drugs, and I hope you'll join me in asking what you can do to help, especially to advance the antidrug education and awareness. You know, we can all play a part in increasing awareness about the ravages of drug dependency. We must get the message across that drugs are not a form of entertainment or a helpless, harmless means of escape. Drugs are a poison, to users and to our communities. But a widespread awareness of the dangers of drug abuse depends on sending consistent signals, on sending a clear message that using drugs is not fashionable, is not fun, and above all else, it is not safe.

For too long -- and this isn't the fault of the young people here -- because for too long, our culture, our popular culture glorified drug use. I think that's changing now, and that's a real change for the better. Consider the anti-drug- abuse campaign on television. Not long ago, I was told a story about a little girl, 4 years old, who's getting the message. She got up from in front of the television to tell her parents something important. ``Drugs," she said, ``fry your brain like an egg." We've all seen that commercial the little girl was talking about. Whether you're 4 or 14 or 40, the message gets across. And let's carry that message, all of us. And I would say right here: I hope that the movie producers and the movie directors and those involved in the entertainment business will stop, will put an end to the glorification or its humorous treatment of narcotics.

And let's shed some of the perceptions about the drug problem that are comforting, but are completely incorrect. There's no room for saying, ``Drug abuse doesn't affect me." Think about the costs of drug abuse: the lost time, the waste, the crime, the accidents that can be traced to the influence of drugs. Twenty-three million Americans used illegal drugs last year. Countless thousands died. And the fact is that none of us -- none of us -- is immune to the problems that drug abuse can cause. So, together, let's you and me send a message on drug abuse to the so-called casual user: Face up to the fact that your so-called recreational drug use contributes to the drug culture -- to the crime, the death, and degradation associated with the drug trade.

The other day I was in New York, and I talked to a group of DEA agents, drug enforcement

agents, who lay their lives on the line for us, as they try to interdict narcotics and stop it right there in the street. But there was a team that had worked in a white-collar business, in the brokerage business, of all things, down on Wall Street. They looked like they belonged on Wall Street -- nice clean-cut guys, you know -- a wonderful looking young man and a young woman. And they said that in that culture there, if people stayed over and worked overtime, their reward might be some cocaine to stay on a little later in the office. It isn't just the impoverished; it isn't just those who are fighting trauma in their lives. There's this whole concept that recreational drug use has been condoned, and we've got to stop it. We have got to make people understand, whatever walk of life you're in, that drug use is bad, it's death, it is degradation. And so, the fight is not going to be just in the ghettos, where the impoverished and the hopeless are; it's going to be all across the board.

To parents: Your children know more than you realize about drugs. Make it your business as a parent to know about drug abuse yourself. Educate yourselves. Don't hide from the reality of drug abuse in our communities and then hope for the best -- hope that someone else will solve the problem. Your children depend on you to help separate the fact from the fiction, to help them make a choice and then stick with it, when it comes to resisting drugs.

To the kids: Let's send the message that drugs are dangerous; that you don't need drugs to feel good about yourself or to win approval from others; that your parents, the people in your schools and your community care. But most of all, you must understand that the decision against drugs is yours to make, no one else's. When it's time to draw the line against drugs, the final choice is yours.

I get a lot of mail. Some of it is very serious, some of it very disturbing, and some of it quite amusing. Get a lot of letters from school kids. I got one not long ago from a girl in California -- fifth grader. She told me how she wanted to change the world -- wonderfully idealistic -- and that making the world a better place meant putting an end to drug abuse. And then she wrote, ``I don't know if I can do it all by myself. I need your help." Well, she does, and she's going to get it. And, yes, I can help, and so can all of you. And that's the answer we owe our children. But there's something else that the little girl who wrote that letter needs to know. There is something that she can do, that all of us here can do, to bring ourselves one step closer to winning the war on drugs. We can take a stand and say, ``We don't do drugs." And anytime anyone of us takes that stand, that is another battle won. As a community, we must work to make it as easy as possible for our children to make the choice against drugs. We can do it by creating an environment -- a safe, secure space, if you will -- where our kids can acquire a sense of self and self-confidence so secure that no amount of peer group pressure can push them into taking drugs.

I mentioned that I'm going to talk about enforcement later on today, but I don't want to leave here without saying to you the enforcement side of this equation is absolutely essential, whether it's in the corridors of this outstanding high achievement school or whether it's downtown Lancaster or wherever it is. The authorities must enforce the law, and we must make an example

of those who are pushing drugs onto the lives of the others around here. You know, most Americans want to see their towns restored to a time when drugs came in from the prescriptions from the local doctor. But with your hard work and commitment, that day will come sooner. It must come.

So, my message to you today is: Don't do drugs. Keep fighting back. Fight for your community, for your children. The war on drugs will ultimately be won one day, one battle at a time -- the battles each and every one of us wage to keep our families and communities free from drug abuse. We've learned a hard lesson. Unless we join together and fight, it can happen here. But if we do work as a team and as a community, it won't.

And so, let these banners be a battle cry -- and that Conestoga Valley, in Lancaster, in communities like yours all over the country, we will join together, turn the tide, and bring the drug epidemic to an end with finality -- over -- history. Now, we need your help.

Thank you very much. Thank you all.

Note: The President spoke at 9:17 a.m. in the gymnasium. He was introduced by Chad Weaver, president of the student body. Prior to his remarks, the President met with participants in a drug rehabilitation program and their families.

Remarks at a Meeting With Amish and Mennonite Leaders in Lancaster, Pennsylvania

March 22, 1989

The President. Let me say in the beginning I appreciate you all taking time from your busy day. And one of the reasons I want to come here, accompanied by our Attorney General and former Secretary of Education, who has been charged with the whole program on fighting drugs, Bill Bennett, is to salute you, because as we look at a national drug problem, we find that in communities such as yours, because of your adherence to family values and faith, the problem appears to be close to nonexistent -- hopefully nonexistent. And I have been over at the school talking there, and met with some kids where regrettably it isn't nonexistent. And I said in my comments there that these values of neighborhood and family and faith -- somehow they come back to me, anyway, if we engage in this national crusade, to be fundamentally important.

So, I wanted to start by saying that, though this is an antinarcotics swing, this stop is to maybe hear from you all as to how your community manages to stave off the scourge of drugs. And anyway, that was one of the things. I don't know who wants to take the lead here, but we're very pleased to be with you.

Mennonite Leader. We thank you for coming here. First of all, we wish the Lord to bless our meeting here. And we are happy to have you here, but we are also somewhat saddened that it takes the drug issue and alcohol to bring you here.

My wife and I have eight children, two of which are married. And two are with a youth group. Three are going to school here. Our 18-year-old son was driving with a man one time, and he said, ``Do you mind if I smoke pot?''

The President. Your kid was driving with -- yes.

Mennonite Leader. In a pickup, he was driving along with the pickup -- and ``Do you mind if I smoke pot? Will you tell the boss?'' He said, ``I sure will.''

So, it makes me almost quiver in my boots when I think that that youth could have been tempted to do that because he was exposed to it. And it's by the grace of God that we have what we have -- what we have as values, that you were just talking about, handed down to us from our fathers. When they came to this country, it was the Indians and the bears that they feared for life. Now it's the highway with alcohol and the drug influence. When we drive down the road, we don't know what shape that man is that's coming towards us, and we are concerned.

What could we do as Christians to maintain that value? We do not want to uphold ourselves that

we have something that we worked for and that we deserve, but it is by the grace of God that we have been given it through our parents and have withstood -- took their stand to this day. And we would like to ask you what we could do as Christians to help to stop that flow from Lancaster County?

The President. Well, in terms of the interdiction of the flow, I would think that that would largely be the responsibility, to some degree, of local law enforcement, because I'm told that even in a marvelous rural community, some of the fields are used for illicit drops. And you know, they signal the plane, and the plane goes on. So, in that area, encouraging your local law enforcement people would be very important.

We realize that we have -- the three of us and Senator Specter here and our Chief of Staff, John Sununu -- a disproportionate responsibility in the interdiction. I say ``we," the Federal Government, because we're talking about at the borders. And Dick Thornburgh is just back from meeting with various heads of government in Central America, where a lot of the crops, as you know, are grown.

But I guess what I'd say -- and then I'd like to ask Bill Bennett, who, as you know, was formerly our Secretary of Education, to say a word -- but I guess what I'd say is: keeping moral underpinnings with your community and then, hopefully, having others see that as an example. I don't want to argue with you because you're too good a host, but I think it is important I'm here because it gives us a chance to have a conversation like this and to understand a little better why it is -- and you've already touched on it -- faith -- why it is that you all have been able to withstand the pressure when others have not.

Mennonite Leader. My concern is how can we maintain that? We have a preschool son, four-year-old. When he is 18 and the problem is exploding, so to speak -- --

The President. Exactly. Well, that's what our whole new -- I don't want to say the word ``crusade," that's a little like a cliche -- but I view it as that in terms of both the demand and the supply side. You mentioned interdiction, and that's the supply. But the whole demand side -- I have gotten to use the White House as a bully pulpit to argue and to encourage people all across the country on the demand side.

Mennonite Leader. We appreciate your concern.

The President. We met with some kids -- we've got to do it.

But, Bill, now, you've fought this in the education role and now as our drug czar. Why don't you add some to that?

Mr. Bennett. Well, I just -- --

The President. That was a very good question you raised.

Mr. Bennett. -- -- wonder what your children say or your grandchildren say about this. Is it their sense that -- as they report to you -- that things are better, worse, or more temptation to do this out there, or less? What are the kinds of things that they report on this? As you see this threat -- I think we all take it very seriously -- but for me, a lot of the way I see the threat is through the eyes of young people. They are really there on the line.

Mennonite Leader. They're concerned.

Mr. Bennett. And I wonder what they are telling you in terms of things. Are things better than they were 5 years ago? Are they worse than they are?

Mennonite Leader. In my opinion, it would be worse, because our two oldest sons work at public places and they both were exposed to drugs and had opportunity to buy. Now, what I'm concerned about is, like I said, the four-year-old. By the time he comes of age, will he be able to say no?

Mr. Bennett. Yes.

Mennonite Leader. Will he continue to maintain that value that we are trying to plant into our children that was implanted into us, as President Bush just said about values. This is what we uphold more than money. I don't want to take much of your time, but we want to teach our children there's more of a greater value to go to bed with a clear conscience than to make money on drugs or to get high on it.

Mr. Bennett. Well, we have found in all the drug studies that the best community, the best protection for a young person, is what one of the people writing has called the internal compass in the sense of high aspiration: deeply rooted values, faith, and a closeness to family. These are the things, if you wanted to design a system which would protect the children.

And I don't think, whatever kind of drug we see, whatever kind of onslaught you see, that those rules will change. It seems to me that has been the case throughout history in terms of the best things we can do for our young people. One of the things that we see is a very strong affirmation on the part of young people who have experimented with drugs, in many cases, have almost been destroyed -- they come back and reaffirm what we've seen. They tell us, having gone through the trial, having gone through the fire, that what was missing in their lives was this.

The President. May I tell you one other additional -- this gets a little bit off, but it gives you an idea of how we're looking at this. I don't want to see Federal legislation that diminishes the family. We've got a big, new thing on child care now. And I think the Federal Government does

have some responsible role in child care. But our approach is to give the families the choice, to give the families -- well, put it this way, some religious institutions are new day-care services. I don't want to see the Federal law defined so narrowly by the bureaucracy in Washington that it erodes out the community, religious institutions, or family from child care. And yet I do think the Federal Government has a role in helping the private sector, helping the States in the question of child care.

So, philosophically, you say what does this have to do with drugs? Because I think you are a shining example of what family and faith can do. Where we have responsibilities at the Federal level, we must see that inadvertently we don't weaken the role of family or weaken the role of, I'd say, faith in our country. I believe in separation of church and state; but I don't want to see the church people get together in a church community and take care of the other guy's kids -- work from whatever it is, and then have them denied that because of Federal money serving as a magnet that has to go into some federally certified, rubber-stamped institution down the street. So, we will be working at the Federal level to see that we don't impose on communities legislation that, even though it isn't intended that way, would diminish and weaken the family. And it isn't easy, but there are other areas, I think, where we're going to be able to -- Dick, you want to say something?

Attorney General Thornburgh. Well, I, as you know, am in the law enforcement side of the effort to deal with drugs. President Bush -- I'm sure you've heard it said -- has established a goal of providing a kinder and gentler America. And I think that's one that we support to a man or woman throughout this country. But a kinder, gentler America is not one where drugs are abused and where drug traffickers rule the streets of some of our communities. I've told the President that if we're going to have a kinder, gentler America, we're going to have to be rougher and tougher with some Americans: those who are drug traffickers, those who are the urban terrorists that have captured so many of our communities. And that's a job for law enforcement. The President's supporting tougher laws. He's supporting more resources for our police and prosecutors, and supporting a tougher attitude toward those countries in the international community where these substances are grown and produced. And we'll do our share in helping to interrupt the flow of drugs into your community.

But for my two cents' worth, I just want to underscore what the President has said: even from a law enforcement view, how important it is for the types of values that you've enunciated and practiced in your communities to gain currency in every community across the United States so that the appetite for drugs and the consumption of drugs, the demand for drugs, is diminished to a point where we don't have this problem.

But we're very grateful for the opportunity to visit with you, learn from you, and carry the message that's exemplified by your communities elsewhere. Thank you.

Mennonite Leader. We're very happy for your concern and what you're doing for the sake of the

young people of the U.S. And I think the fact that we have no trouble with drug addiction is because of the close family ties; and the children are taught obedience at a very young age and self-denial, that they don't have everything they wish as they're growing up; and because they are taught of God, and urged to pray, and in school have prayer and Bible reading. And as they grow up, they have a sense of value that they're not just out seeking thrills and drugs or any other. We appreciate it much for the warnings on the tobacco ads: harmful to the body -- wish it were on the alcoholic drinks. And we surely appreciate your efforts.

Another thing that I think why we have no drug problem is for things we do not do. We do not have television, radio; and as I understand, almost -- coming into the homes of sexual things and robbers, and children growing up in that atmosphere. It's just that they're at a disadvantage, I think.

You read in the Bible of the people who do not seek after God, and that God is not in all their thoughts. I think that is why the young people of America are going astray with drugs. We wish God would be more in their thoughts, and you respond to a higher power.

Mennonite Leader. I also welcome President Bush. We feel kind of honored to be here. And as for us, as a people, as we are -- it's one advantage that we have strived for, and that is like Aaron there said, that we don't have television and recorded music. We feel sorry that our Constitution or our courts have taken the prayer and Bible reading out of schools. Then, after that has left, we also have this rock music. And those things just enter into the mind, that the child will do things that they had not intended to do, and then they are turned to drugs. It leads to that.

Now, if our moral fiber -- not ruin it through removing the prayer and Bible, we'd have a stronger America today. But that is the thing. This is why we feel what we have is because we try to avoid this recorded music, rock music, and those things that the child has control -- the spirit can be -- rather than it being entertained by the music of the world and some of the -- as you all know, that hard music is -- well, you know all about it. And that's where we shy away strongly, because it just does something to a person. And that's from our stand of viewpoint. That's where we feel we have some advantage with our children, because they are not exposed to that point, that they have more self-control.

The President. You know, it's interesting on the music. I think of the action that Susan Baker, who is the wife of our Secretary of State, and Tipper Gore, who is the wife of a man who ran for President last year and a United States Senator -- they got outraged by just some of the really bad lyrics in this music. And they took their fight -- aware of the right of people to speak out and the freedom of speech amendment -- but they took this fight to the public, and indeed they were ridiculed for this in a lot of high, sophisticated quarters, even though the lyrics were so bad and so awful that they would challenge any family. And they went through a real tough time, but they have not let up on it. And they've got the most sophisticated, liberal communities -- get all over them, thinking that they're violating somebody's right to speak. And I was quite supportive

in talking to them and know what they're doing.

I think we have an obligation as President -- you do have to be careful of violating somebody's freedom of speech. But I think there are some certain excesses that have cropped in now that we've come to condone, that under the same Constitution would have been condemned years ago.

So, I think these are interesting warnings you're putting out here. I want to preserve freedom of speech and freedom of expression. But I think it's fine when citizens are up in arms about it and try to express their viewpoint. Maybe we've gone too far in some things. I mean, I don't like seeing the American flag down on the floor, either. I know how this President looks at it. But maybe that's a little reactionary, but that's exactly the way I feel about it. And so, we'll see.

Mennonite Leader. President Bush, of course, we don't want you to leave here feeling we are making demands or telling the bad side. We also wanted to express appreciation for what you and former Presidents have done for us in the past. We want you to realize that we do feel grateful for what has been done for us. I thought maybe we could just relate a thought that seemed to be some of our teaching, that the hand that rocks the cradle, it rules the Nation. Not only speaking to the young people, maybe the parents, if they could some way -- that parents could plant this in their children at a younger age -- would often go a far way.

Mennonite Leader. We are not so politically involved as some groups are, but we spiritually support our country, and we pray for them at every church service. We pray for our government and thank God for the freedom we have in religion and so forth. And I'm afraid we do not appreciate this as much in our thoughts or in our actions as far as confessing to be Christians in our way of looking at things.

Mr. Bennett. If I may, I know you wouldn't say it -- I think that we could all take pride -- I'm not sure there's ever been a President or a First Lady who were better parents to teach by their example what it means to be parents and grandparents. And I think this is a lesson in all these areas, whether you're talking about drugs or alcohol or anything else. I know I learned at the Department of Education -- not every teacher is a parent, but every parent is a teacher, a child's first teacher. So, I think we have a special blessing that this President and this First Lady are as splendid parents, very splendid teachers, as well -- if you'll allow me, Mr. President.

The President. These things are important, and you have to find the balance, I mean, in the Presidency or in the responsibility as an Attorney General. And now we don't want to be disrespectful of people's right to differ and people's right, as I say, of freedom of expression. But I know, I am absolutely certain, that family values and community and faith -- where those abound, the problems that we're talking about over in that school of fighting narcotics, the fight is easier and the problem less big.

No one's immune. You mentioned the kid of yours, driving along with the pressure. Who knows who's going to succumb, no matter how strong their faith. And this is what -- I mean, everybody's waxing philosophical here, but when you see kids born into this world with really one-part family with very little love and very little hope -- I mean, it's tough for a child. Then off in the school system, and it's very, very tough. I'm not suggesting that it's easy and that everybody that is not blessed with the faith of your community should automatically be perfect. But somehow, we have got to find ways to strengthen the American concept of family and faith. And it can't be legislated. Once we start legislating, there's a threat to you in that kind of thing, threat to your kind of community. But somehow we've got to find ways to point out our nation's historic reliance on these things.

Did I interrupt? You were going to say something.

Amish Leader. No.

The President. No? Anybody else?

Amish Leader. I think perhaps the public should be urged, as well as ourselves, to probably get back to the Bible.

Amish Leader. I'm about worn out. I'm 90 years old. But I thank you for coming to Pennsylvania, Lancaster County. The President visits Lancaster County -- I thank you.

The President. Don't sound worn out at all.

Mennonite Leader. He can't understand much.

The President. Really? That's loud and clear. There's something about the Presidency -- leave out the fact that George Bush is President -- that when you go around in that big automobile and you see people who may vote for you or may have not voted for you turning out to salute the Presidency, it is a very emotional experience, and it's a wonderful thing. I remember as a young guy, rushing out to see Presidents of another party. It has nothing to do with party. It has to do with the respect for the institution or an emotional commitment to the institution of the Presidency.

So, when we see those kids and those signs -- we were talking about that coming over with the Senator and the Governor and the Secretary and John Sununu -- it's very emotional. You almost get tears in your eyes. But it always has to be that. It always has to be -- we fight in these elections and then we come together as a country. And as you mentioned coming here, sir -- but it's a great pleasure for us to be here.

Amish Leader. That's my father.

The President. Is that your dad? Ninety years old. Well, my mother is 87. She's going pretty strong, not quite as strong as you are, though.

Mennonite Leader. I think the fact -- going across the U.S. -- that you're against drugs will help a lot. Just that fact. We just hope the people will stand to you. Years ago, Israel had a good King Solomon -- the Lord spoke to the people: ``My people that are called by my name, humble themselves and pray and seek my face and confess -- and turn away from their sins, them I will hear from in Heaven and heal their name." I think a great responsibility is in the families to help you along in your wonderful work.

The President. You know, I'll share with you something. We're getting philosophical near the end of our visit here. But Barbara and I went to China as your emissary -- not ambassador then, because we didn't have, as you remember, full relations with China. And we went there in 1974, and then I was there in '75. And we had wondered about the family in China -- Communist country, totalitarian -- and the common perception was that there had been an erosion of the strength of family. We knew that there had been a banning -- almost entire banning on practicing and teaching Christianity. That was a given. But I wondered more fundamentally about family.

Then we got there. And then you'd see on their festival days -- you'd see the granddad and the grandson and the sons and daughters all together -- strong. And finally, when they dared talk to you -- and they didn't do much then because this was right after the Cultural Revolution -- they kept separating out from Westerners -- but when you did, when you'd get a little glimpse of it through sports or through somebody -- my language teacher -- it was family. My son is sick; we care about that. My husband is in the hospital. I mean, it was a family thing.

And we'd go to a little church service there. Indeed, our daughter was christened in a church service where there was maybe 10 or 12 Westerners and 5 or 6 faithful Chinese who were permitted in what used to be the YMCA to have this Sunday service, mainly for diplomats, you see. Now, that was in 1975 that she was christened there. In 1989 I went back there as President of the United States. The church had moved even. Now it was in what they call a hutong, an alley. But it moved into an even bigger building. There was close to 1,000 people in it. The choir had vestments. They were able to have hymn books. And the Bible was read from. And the message that I got from all of this is not that there's freedom of worship in China yet -- there's not -- but that it is moving. The family has never been weakened in China; it's always been strong. A totalitarian state can't stamp that out, and that faith can't be crushed by a state doctrine. It can't be crushed by it. And you're beginning to see more expressions of worship there. And I am absolutely convinced it's going to continue. And you see it in the Soviet Union.

So, what molds you together in the community, your family and your faith, is something that transcends -- my point is: It transcends liberal-conservative, Republican-Democrat, American-Soviet. I mean, it is there, and it is strong. And maybe it's what you said, sir: We've got to keep

talking about values, and hopefully, that will help the enforcement end and the education end and the interdiction and all these kinds of things that we have to continue to do on the drug fight.

But that China thing -- every family has experienced something that sticks in their hearts. And this one is something that -- I tell you, when I got up to speak there, I was all choked up. They welcomed me back, and they said, ``How is our sister, Dorothy?'' -- that's our daughter who was baptized in that faith. And it was a great lesson for me: the strength of faith. Somehow it just keeps coming up.

Amish Leader. We appreciate that feeling for our leader of the country.

The President. Well, thank you all.

Attorney General Thornburgh. Mr. President, my fellow Pennsylvanians and I have a sentiment that I think they would permit me to share with you during your visit. Astan un freund [You've got a friend] in Pennsylvania.

The President. I understand that. I studied German I, II in school. But ``You have a friend in Pennsylvania.'' [Laughter]

Amish Leader. A lot of friends in Pennsylvania.

The President. Thank you all for taking the time.

Mennonite Leader. Say ``hello'' to the Fletcher family. They came -- my parents -- one that's the head of the shuttle.

The President. Oh, Jim Fletcher.

Amish Leader. Make a greeting to Mrs. Bush.

The President. Well, she is working hard, and she's into -- works a lot with the Secretary on literacy. Learned a lot from him, and now she is continuing her interest in literacy because, again, it gets down to how you appreciate these things. When you can't read, it's pretty hard to -- --

Mennonite Leader. We want to appreciate our government more than we ever did because of your interest.

The President. Well, we want to give you something to be proud of. We want to set examples where we can. We've talked about some of the problem areas, but we're living in tough fiscal

times and all of that. I think we're in optimistic times in terms of peace. If we can keep ourselves vigilant, I think we have a good chance now, with the changes in the Pacific, but in the Soviet Union -- that if we find a way to move properly, I think we could ensure the kid you were talking about and the other seven a more peaceful future. And that, of course, a President has to be thinking about.

Mennonite Leader. God bless you, those in the family. The family that prays together stays together.

The President. That's right.

Mennonite Leader. We want to keep that theme, ``In God We Trust," which is stamped on our money.

The President. It's staying there. Nobody can knock that off. And I very openly advocated the fact of prayer in the schools. And it's got to be voluntary so some minority kid doesn't feel discriminated against. It's got to be obviously nondictated by the state. But I am not going to change my mind about it. I'm absolutely convinced that it is right. It drives political opponents right up the wall. They just don't understand it, but I feel strongly about it -- end of speech. Thank you all.

Note: The President spoke at 10 a.m. in the meeting room at Penn Johns Elementary School. In his opening remarks, he referred to Attorney General Dick Thornburgh. Following his remarks, the President traveled to Wilmington, DE.

Question-and-Answer Session at the Wilmington Cluster Against Substance Abuse Program in Delaware

March 22, 1989

Mr. Mustafa. Mr. President, I'm sure the kids have some questions they'd like to ask you, so why don't you have a seat.

The President. Okay, now, what's happening here, you guys? Who's got a question, or tell me something about how this is working. I mean, this is wonderful.

War on Drugs

Q. What can I do to stop drugs?

The President. Well, that's a good question, and the answer is to stand -- I mean for your individual self -- is to avoid the pressure that comes when those guys come around with the drugs, I mean, just to encourage yourself and the guys like this that are in training here to stay away from it -- to stay totally away from it. And then get other friends, and get them to turn down drugs. So, when the guy comes into the neighborhood peddling the drugs, why, you take a role like an individual leader, and you say no, I'm not going to do that. I'm going to go the clean way. I'm going to go that -- and then you want to help other guys do it.

And what we've got to do in the Government -- like in Washington and then Governor Castle here and the State government and your mayor and the local police guys -- we've got to help as private citizens. We've got to help you in the law enforcement side of things. And then, our drug czar, who is with us today, Bill Bennett -- he's the big guy over here, and he was in education. He was the Secretary of Education and in charge for the Federal Government in education. And he's going to help work with the schools and others in terms of the education side for all kids, in the classrooms, to just say, ``Look, this is wrong; this is bad; don't come in here telling me it's okay."

You've got to listen to Rashid, your able instructor here. It's his whole life. He's given a lot out of his own life to not only train you and discipline you guys but help on the education side himself, just by his time that he gives you guys. So, it's kind of hard for one individual, but every guy can make a difference. And if somebody in your family does it, you've got to say, ``Hey, that's wrong." Even sometimes when it's unpopular. You know, they say, ``Hey, come on, you. What's the matter with you? Come on." And you've got to be the guy that stands up to it, says, ``No, I don't want that." Come on over here and work out and do what you've got to do.

Q. Have you ever been offered drugs?

The President. No. See, you know, I'll tell you something. They had drugs around when I was a little guy, but I hate to tell you how old I am. It wasn't as much -- there wasn't the pressure on the kids in schools. It's just kind of come in more lately, you know? And so, when I was your age, the pressures and the temptations on all kids was much less in terms of the drug threat you guys face up to now. Have you ever been offered them?

Q. Yes, once.

The President. Did you? Did you tell the guy to bug off?

Q. Yes.

Athletics

Q. When you were younger, have you ever been in an activity like karate or a different -- other things -- basketball, gym?

The President. A lot of athletics, not karate. I watched you guys. I'm not sure I could have done that. [Laughter] That was pretty good, and -- --

Q. Do you know where drugs come from?

The President. Yes, I know that. I'll get to that one in a minute. But sports -- yes, I love sports -- still do play. I love to play baseball, and I played soccer. I don't know whether you've ever played that, but I did a little bit of football in grade school. So, sports I think helps. It keeps your body going good and keeps your mind cleaned out for you.

What did you say?

War on Drugs

Q. Do you know where drugs come from?

The President. Yes. They come from all over the world, unfortunately. Picture a map and see where you are in Delaware. And then you go way down south to the Rio Grande River, and then on down south into South America. A lot of them come from down there.

And our Attorney General [Richard L. Thornburgh] right here, he can tell you where he was for some of this. Tell him where you were, Dick, just recently.

The Attorney General. I was in three countries where they grow drugs. If you look at the map of

South America, one of them is Bolivia -- high in the Andes Mountains. And then right next door to that is Peru. And then just north of that is Colombia. In all three of those countries, they grow the plants that produce the materials that are made into drugs, and they sell them for a lot of money in this country. But they wouldn't be able to sell any of them if nobody wanted to use drugs. And that's what the President is saying. He says the best thing we can do is to turn our back on those people who want us to use drugs and put the money into the pockets of the crooks who handle the drugs.

The President. Some people, they grow it here sometimes in the United States, too. It's terrible. So, then the law enforcement guys have to go out and try to crack down on them and stuff.

Q. Are they legal in the other countries?

The President. I don't think they're ever legal. I don't know for sure. Bill, maybe you can tell them. I don't think they're legal. They turn their back on it in some places and condone it -- well, we did in this country for a while.

Attorney General Thornburgh. There are 108 countries that signed the U.N. drug convention, Mr. President, and that means there are 108 countries that are your working partners in the effort to deal with the drug problem around the world. There aren't many places where the drug dealers or the drug traffickers are going to get much in the way of approval.

The President. Here's another one for this guy. How about these quiet guys down there? Go ahead.

Q. Mr. President, as I learned as I was in school, they took a lot of drugs that were good, like narcotics and stuff that heal some people's wounds, like cocaine and stuff that numbs.

The President. Yes. Like morphine to keep the pain away and stuff.

Q. Yes, keep your pain away, and sometimes marijuana for different things. But as my teacher told me, drugs were good until somebody took them and abused the drugs. They used them on their body as the wrong thing.

The President. Good point. Good point. You know, when a guy lying out on the battlefield was shot, fighting for his country or something, and they'd give him a shot of morphine to take the pain down, well, that was some kind of narcotic effect on them. And so, there are some uses -- very narrow medical uses -- that people, well, doctors would say this could help save a life or help a person bear the pain of a wound. But then it got abused. Your teacher was absolutely right about that.

Q. Do you know exactly how long the drugs have been around?

The President. No, because you go back in history and you look in the opium wars that go over into China years ago, and you've got -- so, I don't know, but I expect long, long ago in history it started. But whether society condones it, whether there's a growing -- what they call permitting it -- permissiveness that permits that to happen to a society. You know, you go back into ancient history now -- Rome, and when Rome got corrupt with a lot of alcohol abuse and that kind of thing. And so, it isn't something brand new in our history, but it's something that's become because people have just turned the other cheek and just kind of let it happen in their neighborhoods. And then, when parents do it, why, then it's hard for the kid, even though he's taught the right things, right in this very room, right over there on those mats -- taught the right thing. In the home, maybe the pressures are tough on you at home, and it's hard for a little guy to stand up. That's why you need to be company on this -- stand together in fighting against it.

Q. Have you ever been offered drugs?

The President. I haven't. No. No, I haven't been offered that. Have you?

Q. No.

The President. Never did? How about you?

Q. Where do drugs come from?

The President. Well, you didn't hear. He asked it. A lot of the basic plants are grown in South America, sometimes over in Burma and in what they call the Golden Triangle over there. And some right here in this country -- marijuana plants illegally grown out in the forests and out in the woods. And Alabama -- the Governor was in to see me the other day -- the Governor of that State. And he said it's hard to find the plants because people sneak out and cultivate them. And then it's hard. You have to find them from helicopters. So, a wide array of places they come from.

Mr. Mustafa. Well, Mr. President, I'd like to make a comment. I'd like to say that the WACASA program, or Wilmington Cluster Against Substance Abuse here in this State -- we have made a pledge to live a drug-free lifestyle and to help these youth become the hope for the future. And they understand that a mind is a terrible thing to waste and that they are the hope of the future and that their present thoughts determine their future actions. And they all have made that pledge to live that lifestyle.

The President. That's wonderful, Rashid.

Q. Our teacher said when he was growing up, when he was a little kid -- --

The President. Yes, a little guy?

Q. Yes. He said while other little kids were wanting to buy drugs and they couldn't -- he said they used to go to the store and buy airplane glue and sniff it.

The President. They did. That's right. Duco -- what was it called? Something like that? Yes. And it would give you some drug effect. That's true.

The Attorney General. It's not good for you.

The President. No. And then they'd damage their brain, and it would be very bad.

Wilmington Cluster

Q. Mr. President, how do you feel about the WACASA program?

The President. Well, I'm going to talk about it at lunch. I don't know all of the details of it. But I feel that programs like that -- and I'm going to mention it because the Governor and others have told us that it's making a real move, being successful -- that in there lies a lot of the answer. Federal Government -- Washington, DC -- they can't design all these programs. I mean, what works here is good. Nobody can tell your instructor here, ``You're going to have to do this nationwide. Everybody at 2 o'clock in the afternoon, or whatever it is, is going to have a karate lesson." But it's all different kinds of answers.

I talked about the concept of 1,000 points of light -- 1,000 different programs, multiplied by 1,000, all working in their own way and in their own community. So, I would just say, Hey, go for it. Participate. Get others to do it, too. And that's part of it.

Q. Do you think the WACASA program would be in existence at least another 4 or 5 years?

The President. Yes, because I don't think this whole program is going to be whipped. I mean, the whole drug thing is -- I wish I could tell you differently, but we're going to make some moves. I've got 4 years as President, and I want to be able to look back -- and not just for the country, but also I'd like to be able to say to my grandchildren -- about the age of some of these guys here -- we worked hard to make it better. It's not going to be solved. We need to keep these programs going.

War on Drugs

Q. Mr. President, how can I, one person, help?

The President. Out at schools and everyplace? Yes, you've got to encourage others not to use them. You've got to participate in the programs. And other kids that are down there, other kids in the neighborhoods, they'll see this, and they'll see you working out here, and they'll say hey, maybe these guys have got something.

Q. Mr. President, have you ever went to anybody's funeral that used drugs?

The President. Went to a funeral where the person died from drugs? I don't think so, but I've been to ceremonies honoring people whose lives were taken by the drug pushers and the drug criminals, like law enforcement people. And you go, and you give a medal -- like when I was Vice President -- you give a medal to a family, a widow, a woman whose husband had been killed trying to protect your neighborhood and mine from drugs. And that's sad, I'll tell you -- people to give their lives, to fight so you guys can have a good environment and we all can.

What's that guy's name?

Q. Mr. President, what do you do to keep drugs out of your life?

The President. Keep them out of your life? Well, kind of getting along in my level of life here, the pressures aren't quite that big. You don't have a lot of guys coming up to you in daily life saying, hey. So, I don't have the temptations and the pressures that you've got, like young guys in school and all of that. But I think if I did I'd try to do what you're doing: I'd try to have that lifestyle going in such a way and helping the education programs and helping the law enforcement so people wouldn't be tempted to offer up those narcotics.

But I'm not saying it's the same. Now, like I'm President. It would be pretty hard for some drug guy to come into the White House and start offering it up, you know. It's different. We've got a lot of Secret Service guys there -- hey, throw them right out of there. But it's different in a school or a community. And so, the pressures -- I think I understand them, but I can't say that it's the same when you're in this job on that kind of thing. But I bet if they did, I hope I would say hey, get lost. We don't want any of that.

Mr. Smith. Besides the program they have set up here in Delaware, I think that you've really set the example by appointing one person in charge of it, which nobody has ever done before -- to have somebody of the caliber of William Bennett, with his track record that he's done in education, to be in charge of it. I think he's going to inspire more people to start -- --

The President. And your Senators here, both Senator Roth and Senator Biden, have been in the forefront of that kind of battle. And so, it's a new office, and it's a tough deal for Bill because the statutory authority is blurred. Attorney General Thornburgh has direct responsibility as Attorney General, and yet, he's got to work cooperatively with the drug czar, the new leader of the fight. So, it's a job that is just being defined. This man is the first man in the whole country to have the

responsibility under the law for coordinating all this drug policy and setting the policy. How would you like such a big job as that? [Applause]

Rashid, can I give you these to give to these kids? I guess we've got to go on. I'd much rather talk to you guys, I think. But that was wonderful.

Did you ever get kicked with a flying heel there when you're out there on the mat or anything? I'll be honest. I was a little nervous when I first got here, although I knew he wouldn't let you boot me around.

Thanks a lot.

Note: The President spoke at 11:55 a.m. in the gymnasium at the Young Men's Christian Association. Rashid Mustafa and Jeff Smith were karate instructors and counselors at the Wilmington Cluster Against Substance Abuse program. Prior to his remarks, the President viewed a karate demonstration. The President gave Mr. Mustafa patches that read ``Kick Drugs Out of Your Life'' for each child.

Remarks to the Law Enforcement Community in Wilmington, Delaware

March 22, 1989

Thank you, ladies and gentlemen, thank you all. Honored guests, thank you all very much. Thank you, Governor Castle, for the introduction, and all of you for the pleasure of your company. And let me say what an honor it is to be here among Delaware's finest and among friends.

I want to pay my respects to Lieutenant Governor Dale Wolf, and in particular, I want to salute four friends who share this platform. Bill Roth, your senior Senator -- he's been a force for peace and prosperity. He and I were classmates in the Congress, both elected on the same day in 1966. We've been friends ever since, and I've been watching him in action. And not only is he known for his economic prowess and knowledge but he has been strong in fighting the use of crack and cocaine and other narcotics.

[Attorney General] Dick Thornburgh, America's chief law enforcement official, is here -- say more about that in a minute. Our first Drug Control Policy Director -- I'm trying not to say czar. [Laughter] There is something -- I don't want to say un-American about it, but -- [laughter] -- it just doesn't ring why we set up a czar of baseball or a czar of the narcotics battle. But nevertheless, we've got a strong, tough guy; and if we were electing a czar, he might well qualify. [Laughter] But nevertheless, you're going to see him in action over the next 4 years. Both Dick and Bill are combating this menace which endangers us all.

And then as chairman of the Senate Judiciary Committee, your own Senator, Joe Biden. He was one of the principal architects of the legislation that created this new drug post. And he's been a tireless fighter out there, leading the way in the Senate. So, Bill Bennett, Bill Roth, Dick Thornburgh, Joe Biden, and I will work together to shape this drug strategy to really try to nurture a safer, fairer, and more decent land. I told Bill Roth, incidentally, if he didn't tell the ostrich joke, I wouldn't make him hear about Millie and the puppies. [Laughter]

Earlier today, several of us were up over in Lancaster, Pennsylvania. And then I've just come right here now from your Y, from the Wilmington YMCA, where kids are learning karate and learning to avoid drugs through the Wilmington Cluster Against Substance Abuse program. And the message there in that group is: ``Kick drugs out of your life." And sure enough, there they were. I almost got hit by a couple of heels flying by me. [Laughter] But I got a kick out of those kids. And come to think of it, the karate out there reminded me of a family dinner at Kennebunkport with our 11 grandchildren. I've never seen so much mayhem. [Laughter]

But there was a stronger message from those kids. You know, here they are, perhaps some of

them out of underprivileged backgrounds, joined together, led by volunteers and others out there, teaching them to stay out of the drug culture. And I don't care whether you're President of the United States, a worthy citizen of Wilmington, just a plain guy coming off the street somewhere, it couldn't help but make a tremendous impression on anyone if you had a chance to see that program, see these little guys out there with discipline and energy and spirit, trying to do their part in this fight on drugs. It was an inspiration to me, and I won't forget it.

Getting ready for this visit, I thought of a poem that captured the spirit of this gathering and the true genius of America. The poet was Carl Sandburg, the poem entitled, ``The People, Yes."

``The People, Yes." They're retired laborers, textile workers, and pillars of the law.

``The People, Yes." They live on the prairies in Nebraska, in the central valley of California, in the small burgs and factory towns of the first State of Delaware.

``The People, Yes."

These Americans support their police and respect our legal system. And they cherish the decent stability which makes justice possible and our lives secure. My friends, nothing -- nothing -- threatens the stability of our families and our nation more than the scourge of drug abuse. And as a candidate for the office I now hold, I pledged to undertake a mission to try to make America free from drugs. Well, my selection of Secretary Bennett to direct the newly created Office of the National Drug Control Policy shows that I meant exactly what I said. As Secretary of Education, Bill was a crusader for excellence, challenging the educators all across this country to do better. And as America's first Drug Control Policy Director, he's engaged in an even greater struggle: America's war on drugs. He's going to do just fine.

This war seeks to educate all Americans on the inherent evils of drug abuse, and it'll encourage those caught in the trap of drug addiction to get clean and stay clean. And this war pledges increased support for those tasked with the dangerous job of stopping the flow of drugs into America. And it vows to enforce our drug laws.

Last month before a joint session of Congress, I spoke about four critical areas in the war on drugs: education, treatment, interdiction, and enforcement. And I asked for an increase of $1 billion in budget outlays -- to nearly $6 billion in 1990 to escalate this war. Some money will be used to expand treatment to the poor and addicted young mothers. Some money will be used to cut the waiting time for treatment and to help urban schools where the emergency is the greatest. And $1.1 billion of my request will go for education.

And here in Delaware, you have shown the way. And it hasn't been easy. After all, Interstate I - 95 is a major, major avenue of illicit drug trafficking -- intersects the greater Wilmington area right here. But Delaware law enforcement officers -- like one who is with us today, I'm told,

Delaware State Police Corporal Durnan and many of you -- are aggressively fighting this war. Where is the Corporal? And all the rest of them. I single him out, but I know he'd say it's everybody here, and all across this State, that are waging this fight. Under Governor Castle, your ``Above the Influence'' campaign is combating alcohol and drug abuse. And the Wilmington Cluster program aims to pull students together and help the communities help themselves. And for that, I congratulate you.

Delaware is waging war against drugs. And it's a war we must and will win. For while more than 200 million Americans didn't use illegal drugs last year, over 23 million Americans did. And that means we must stop those who produce and buy and traffic drugs. And that, in turn, means an all-out fight in enforcement and interdiction.

As you know, in the last year, the global production of coca and marijuana, opium poppies, hashish, increased sharply. And that supply abroad imperils our kids at home. It threatens countries like those that have been long friendly to the United States, and it reaffirms the need to stop drugs before they reach our borders and to eradicate them at their source.

I mentioned Bill Bennett, but let me just say a word about your neighbor, Mike Castle's former compadre, Governor Thornburgh. He's been on the cutting edge as the Governor, you see, fighting the problem at the State level. And the Governors are those out there delivering the services and working the problems of backing their law enforcement people. So, he's been through all that. And there is no one I can think of in the United States better suited now to be the chief law enforcement officer of the United States than Dick Thornburgh, your neighbor and our friend.

Two weeks ago, I asked Attorney General Thornburgh to go to South America to meet with the Presidents and top officials in Colombia and Bolivia and Peru. And the topic? How to curb drug production and arrest, convict, and destroy trafficking cartels. He came back with a very interesting and, in ways, troubling report. The Presidents may want to cooperate, and yet some of their communities are so wrecked by crime that it is extraordinarily difficult for them, no matter how good their intentions, to stand up against these illegal cartels and these armed gangs that seem to control the crops that destroy the lives of our kids. We hope to work more closely with our hemispheric neighbors in this vital effort. We're not going to give up on that at all.

And I'm glad to tell you that Dick reported to me that in these countries -- and then through his contacts in others -- they are much more eager now to get on with the task. Heretofore, I believe that the Presidents of the South American countries always felt that it was our problem and if it weren't for the rich Norte Americanos consuming the product, that then the problem would go away. But today, sadly, their own societies are adversely affected by drug use. And so, it isn't just the consuming United States. We are in this with our friends south of the border, and we're going to fight it in an international multilateral concept. We've got to destroy the crops and the labs that process the crops in these drug-producing countries. We've got to protect our borders;

and that isn't easy, as you know, given the enormous length of the borders.

Our budget proposes $690 million for Coast Guard drug interdiction, which plays a major role in coordinating the identification and search of suspicious planes and vessels. We've also proposed more than $300 million in interdiction funds for the Department of Defense. All told, fully 70 percent of our drug budget is for law enforcement purposes. In particular, we want to significantly increase funding for Federal prisons. Why? Because prison overcrowding has caused too many convicts to go scot-free. And I will act also -- and I'll need your help and backing -- to enforce tougher sentences.

You know, I've talked a lot about zero tolerance. ``Zero tolerance'' is not a catchword. It means, quite simply, if you do crime, you do time. And that means judges who strictly apply the law to convicted drug offenders and severe sentences for dealers who hire children. And it means increasing Federal drug prosecutions. And, yes, it means strict enforcement -- and I mean strict enforcement -- of the Antidrug Abuse Act of 1988. I want increased prison sentences for drug-related crimes and, yes, the death penalty for drug kingpins and those who commit these drug-related murders. We owe our police officers nothing less than that. I was very pleased that yesterday the Supreme Court validated drug testing. I hope this will help achieve our goal of a drug-free workplace.

A secure community is the right of every American. Toward the end, guns can be imported under current law only if they are adapted for sporting purposes. That's the way the law reads now. We've recently taken a step and temporarily suspended the import of these AK - 47's and certain other semiautomatic weapons into this country, as we continue to search for a solution to this difficult and complex problem.

I do believe -- and I expect many in the room like me are sportsmen -- I do believe in the legitimate right of sportsmen and others who own guns. But I also believe in supporting our police officers who lay their lives on the line. And I am convinced that the vast majority of sportsmen want to find a way to support our law enforcement officers, and I want to be with them in finding a solution to this problem. I said yesterday that I'm a member of the NRA [National Rifle Association], and I am. I have nothing to be ashamed of there. But I happen to believe that the vast majority of NRA members support the position I've just taken: that the time has come to do something about these automated weapons that are threatening the lives of these people behind me. And I'm going to see that it takes place.

You know, many issues involve shades of gray. Crime is not among them. Drug trade is not among them. It involves good guys and bad guys, white hats and black hats, good and evil. And many of you, I'm sure, have heard of Everett Hatcher -- I'll bet these guys have -- Federal agent involved in an undercover drug investigation. He was only 46 years old, the father of two. Barely 3 weeks ago, an hour after radioing colleagues that he was driving to a new site to meet a drug dealer, he was found shot to death in Staten Island. And earlier this month I met with his

widow, Mary Jane -- a very emotional moment. And we have offered $250,000 for information leading to the apprehension of the man wanted in connection with this murder. But it brought it home to me, loud and clear: We have got to win the war on drugs for Everett Hatcher and all those of your profession who have given their lives to free America of drug abuse.

To build a better life, to make tomorrow free of drugs, will require the will and spirit of the American people -- people like Everett Hatcher, people like Corporal Durnan, people like you. And of this I am certain: As Americans, nothing lies beyond our reach. The people, yes. The future, yes. By serving one, let us seize the other.

And thank you for inviting me and for your many kindnesses. And God bless you all, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 12:35 p.m. in the Delaware Ballroom at the Radisson Hotel. He was introduced by Gov. Michael N. Castle. Following his remarks, the President returned to Washington, DC.

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President-Elect Alfredo Cristiani of El Salvador

March 22, 1989

President Bush spoke earlier today with Alfredo Cristiani, the winner of the Salvadoran Presidential election, to congratulate him on his victory. The President assured Mr. Cristiani that the United States would continue to work closely with El Salvador to help the Salvadorans create and protect a durable democracy there. Mr. Cristiani affirmed his recent public statements that he and his administration will be committed to respect for human rights. President Bush invited Mr. Cristiani to visit Washington at an early date.

On Sunday, March 19, hundreds of thousands of Salvadoran peasants, working people, business men and women, and citizens from every walk of life defied threats of death and terror from Marxist guerrillas to vote in that country's Presidential election. This was the sixth national election El Salvador has held under international supervision in the last 7 years. What we witnessed last Sunday should leave no doubt: The people of El Salvador are passionately committed to the democratic rights and liberties they have fought for and won with U.S. support in recent years.

Our policy in El Salvador, forged through bipartisan consensus and with bipartisan support, is clear: We are committed to continue democratic progress and the defense of human rights. There must be no turning back to the dark and terrible past. We expect, and the Salvadoran people clearly desire, continued steady progress toward establishing the rule of law, an effective judicial system, and security against political violence from either the right or the left. There is also a message for the FMLN [Farabundo Marti National Liberation Front] guerrillas in Sunday's election: The Salvadoran people clearly yearn for an end to the terrible violence to which they have been subjected.

The time has come to end the violence and secure an honorable peace that will protect the rights and security of all Salvadorans, regardless of their political views, to participate in a safe and fair political process. If the FMLN would embrace that goal, we are confident that this tragic war can come to an end. The President welcomes Mr. Cristiani's stated commitment to continue the dialog with the FMLN guerrillas and hopes the guerrillas accept his offer. Moreover, the guerrillas will not succeed in obtaining the political victory in the United States that they cannot win among the people of El Salvador. The United States is committed to the defense of democracy and human rights in El Salvador. So long as El Salvador continues on that path, the United States will remain a firm and steady ally.

A final note: Last Sunday's election heralds the final months of the Presidency of Jose Napoleon

Duarte, a great patriot and champion of democracy. The President salutes President Duarte for his courage, his patriotism, his steadfast commitment to democracy, and for his enormous and lasting contribution to building an authentic democratic process in his country.

Nomination of Kenneth W. Gideon To Be an Assistant Secretary of the Treasury

March 22, 1989

The President today announced his intention to nominate Kenneth W. Gideon to be Assistant Secretary of the Treasury (Tax Policy). He would succeed O. Donaldson Chapoton.

Since 1986 Mr. Gideon has been a partner with Fried, Frank, Harris, Shriver, and Jacobson in Washington, DC. Prior to this he was in practice with Fulbright and Jaworski, 1983 - 1986. He served as Chief Counsel for the Internal Revenue Service, 1981 - 1983. Mr. Gideon has served in several capacities on the American Bar Association including council member elected for a term to end 1990; chairman of the committee on government relations, 1984 - 1986; and chairman of the committee on court procedure, 1979 - 1981. He was the cochair of the task force on civil tax penalties, 1988.

Mr. Gideon graduated from Harvard University (B.A., 1968) and Yale Law School (J.D., 1971). Mr. Gideon resides in Washington, DC.

Nomination of Quincy Mellon Krosby To Be an Assistant Secretary of Commerce

March 22, 1989

The President today announced his intention to nominate Quincy Mellon Krosby to be Assistant Secretary of Commerce (Export Enforcement). She would succeed G. Philip Hughes.

Since 1982 Mrs. Krosby has been with the Department of State, serving in several capacities, including economic officer (energy attache) for the U.S. Embassy in London; Special Assistant to the Under Secretary for Security Assistance, Science and Technology; Special Assistant to the Counselor of the Department; economic counselor for the U.S. Embassy in Bulgaria; and political -- economic officer in the Office of East European and Yugoslav Affairs. Between 1973 and 1981, she was a consultant in London and Oslo for private firms and U.S. Government agencies and served as an adjunct college teacher for Union College, University of Minnesota, the London School of Economics, and Oslo University.

Mrs. Krosby received a bachelor of arts and a master of arts degree from the University of Minnesota and the London School of Economics and Political Science (Ph.D., 1979).

Nomination of Edward Martin Emmett To Be a Member of the Interstate Commerce Commission

March 22, 1989

The President today announced his intention to nominate Edward Martin Emmett to be a member of the Interstate Commerce Commission for a term expiring on December 31, 1992. He would succeed Frederic N. Andre.

Since 1986 Mr. Emmett has been executive director of the Texas Association to Improve Distribution. Prior to this he was executive director for the North Houston Association, 1983 - 1986. From 1979 to 1983, he was the owner of the Public Affairs Group. He was a State representative from Texas, 1979 - 1987, serving as chairman of the House Committee on Energy, 1985 - 1987, and a member of the House Committee on Transportation, 1979 - 1987. From 1976 to 1979, he was a policy analyst for Exxon Corp.

Mr. Emmett graduated from Rice University (B.A., 1971) and the University of Texas at Austin (M.A., 1974). He was born August 14, 1949, in New London, TX. Mr. Emmett is married, has four children, and resides in Round Rock, TX.

Nomination of Shirley D. Peterson To Be an Assistant Attorney General

March 23, 1989

The President today announced his intention to nominate Shirley D. Peterson to be Assistant Attorney General (Tax Division). She would succeed William S. Rose, Jr.

Since 1969 Mrs. Peterson has been in practice with Steptoe and Johnson and has been a partner since 1978. She currently serves in several capacities on the American Bar Association, including chair of the estate and gift tax committee of the tax section and member of the real property, probate and trust law section committee. She is also a fellow of the American College of Probate Counsel, serving on the board of regents, the nominating committee, the estate and gift tax committee, and as chair of the transfer tax study committee. In addition, Mrs. Peterson served on the Assistant Attorney General's Advisory Committee on Tax Litigation, Department of Justice, 1982 - 1984.

Mrs. Peterson graduated from Bryn Mawr (A.B., 1963) and New York University School of Law (LL.B., 1967). She was born September 3, 1941, in Holly, CO. Mrs. Peterson is married, has two children, and resides in Bethesda, MD.

Nomination of E. Patrick Coady To Be United States Executive Director of the International Bank for Reconstruction and Development

March 23, 1989

The President today announced his intention to nominate E. Patrick Coady to be U.S. Executive Director of the International Bank for Reconstruction and Development for a term of 2 years. He would succeed Robert Brendon Keating.

Mr. Coady was chief financial officer for the Acacia Group in Washington, DC, 1985 - 1988. Prior to this he was managing general partner with the investment banking firm of Coady and Co. in New York City, 1981 - 1985. Mr. Coady was senior vice president with Dillon, Read and Co., Inc., in New York City, 1966 - 1980.

Mr. Coady graduated from Massachusetts Institute of Technology (B.S., 1960) and Harvard Graduate School of Business (M.B.A., 1966). He served in the U.S. Navy, 1960 - 1964. He is married, has three children, and resides in Great Falls, VA.

Remarks to the National Association of Manufacturers

March 23, 1989

Thank you, Dick, and thank all of you. Thank you very much for that warm welcome. Thank you for that warm welcome back. And Dick, thank you, sir, for introducing me and for what you're doing leading the NAM. I want to pay my respects to your president, former secretary, Sandy Trowbridge, who continues to do an outstanding job. Harry Truman used to say: ``If you want a friend in Washington, buy a dog." [Laughter] And I'm here to disagree with him, because I feel in Dick, your chairman, and in Sandy, your president, and in the membership of this illustrious organization, that our administration has a friend not only in Washington but all across the country.

And I am very grateful for that, and I normally would not dare to speak for our new illustrious Secretary of Commerce, Bob Mosbacher, but in this regard I expect I'm saying exactly what he feels. And I might say to you, the members of the NAM, it is a wonderful thing to have him at my side, a successful businessman who knows what it means to take risks, knows what it means to try to keep the costs down, and knows what it means to add to the productivity of this country. And Bob Mosbacher is already doing a superb job.

After one tough football game, somebody asked Knute Rockne why Notre Dame had lost. And he answered, ``I won't know until my barber tells me on Monday." [Laughter] Well, nobody is second-guessing American manufacturing anymore. And clearly, you all are playing a winning game.

And I'm here today to tell you that deindustrialization that we read about is a myth. And manufacturing, as a share of our national output, is as strong today as it has ever been. And I think many people in this room deserve great credit for that. Thanks to the hard work of you people, who are the brains and the muscle of our basic industries, we're producing more products with a smaller percentage of our population than ever before. And that, my friends, is productivity. And that is why since 1982 our manufacturing output has gone up twice as fast as Western Europe and has kept pace with Japan. You're the producers -- is somebody's heart beating very fast over there or what the heck's going on? [Laughter]

[The President referred to a thumping noise coming from the back of the room.]

In the technological age in which we're living, I'm sure we can -- [laughter]. No, but you are the producers who are building a better America. And I think that your presence demonstrates that you are fighting to win the international struggle for continued growth. You've demonstrated that you can make America more competitive and that you can keep America more competitive.

So, I'm not saying you're going to have to do it alone. There's a role for government; sometimes

political leadership is needed, for example, to keep international trade free and fair. But I will tell you that this government will not confuse involvement with interference.

And there's a lot of talk about competitiveness going around these days, and in a way that's a very good thing. But competitiveness is more than just the latest trade figures or the latest quarterly earnings or the latest poll -- or the latest election, for that matter. Surely our success can be measured by better methods than these. This is a good time for us to look towards a larger horizon. And we stand at a special moment in our history. We're prosperous. We are at peace. And at such a point, we've got to set our sights higher. And we must look farther ahead. It's hard for us to believe, but the 21st century is only 11 years from now.

And you've called this conference the New Leadership Summit. Leadership is certainly found in those like you who keep the great engines of American industry turning. In creating jobs and building businesses and meeting needs, our nation's manufacturers have shown the qualities that will carry us into the future. And make no mistake, the challenges we face will test your vision and your capacity to define an agenda for action. So, today I'd like to address that very point by outlining my agenda for the next American century.

To build a better America, one of the most important priorities for this government will be to encourage savings and long-term investment, to get our fiscal house in order -- and that means, priority, bringing down the Federal budget deficit.

And last month, one of the very first things we did was to submit a budget to Congress with a clear agenda to cut the Federal deficit and enhance business' ability to plan, expand, and build. And next year, under current law -- there are no changes in the revenue laws -- the economic growth we are currently enjoying will increase Federal revenues by more than $80 billion without increasing the tax rates. And our plan will hold the line on spending, using some of those new revenues to slash the deficit by more than 40 percent and meeting those Gramm-Rudman-Hollings targets.

To encourage long-range investment in businesses of all sizes, it's time that we restored the capital gains differential by reducing the capital gains rate to 15 percent on long-held assets. And this really is a case where less means more: more revenue to the Federal Government. The Treasury now estimates that my proposal would bring in $4.8 billion of new revenues in 1990. That's the Treasury estimate. And the critics all say, and have climbed on us in saying, ``This is a tax cut for the rich." I say, cut the capital gains rate, and you'll have more jobs for the poor and others, and more growth and opportunity for the whole country. Competitiveness, opportunity, saving and investing for the long term -- this is why we need a capital gains tax rate cut. And it's why we need one now. And I am going to keep on fighting to see that the Congress gives the people that which they deserve: more opportunity and more jobs.

To spur investment in basic research, we've proposed a permanent research and experimentation

tax credit. We've also proposed a 13-percent increase for science and technology programs and intend to double the National Science Foundation's budget by 1993 to guarantee that America's technology is number one.

A strong economy needs a safe and secure banking system. And that's why we proposed a comprehensive plan to solve the difficulties of our savings and loan industry; and I'm delighted that our very able Secretary of the Treasury, Nick Brady, was over here this morning talking to you about the broad principles of that plan. Frankly, the plan has been pretty darn well received on both sides of the aisle on Capitol Hill. And in my speech to the Congress I challenged the Congress to act within 45 days. This is a matter of considerable national urgency.

We want to ease the pressures now building on the most important organization in America -- the family -- by promoting choice on issues like child care. So, last week I sent legislation to Congress that puts money and options in the hands of parents rather than in the hands of the bureaucracies. And we are going to keep on pushing for that concept. I do not want to have my administration identified with one single initiative that diminishes parental choice or in any way weakens the family. The Government must do what it can to strengthen family.

I'd say, though, that the most powerful key to long-term competitiveness is education. A strengthened education system is the essential ingredient for America's prosperity into the next decade, into the next century. But no one suggests that education is a minor matter on the national agenda. It is vital to everything we are and can become. Make no mistake about it, I understand the historic role of the communities and of the States, and I understand the limited role that is properly assigned the Federal Government. So, I don't want you to feel that I'm moving towards centralizing control over our schools in Washington, DC.

There are no quick fixes in education. Like most of the long-term issues on the national agenda, American education won't be fixed with a bolt of lightning or a puff of smoke. It's going to take collective effort at all levels, public and private, to get it right. And those businesses that are involved with local schools -- developing the work force at its source -- are making fail-safe investments. And they stand to reap the greatest rewards.

I wish Barbara were here to talk to you a little bit about her interest in literacy and to salute as she does the business community for its involvement. I talk about a Thousand Points of Light. And if there's ever an example of that, it is the wide array of business people and business interests that are out there helping in the field of education. I didn't much like it when I talked about a Thousand Points of Light and some cynic around here made some reference, ``What he really is talking about is a thousand pints of Lite." [Laughter]

But I do salute you for your outreach. For those workers that are already on the line, we must build new skills and flexibility, as jobs change, through training and retraining. The NAM policy position that you adopted last year said that ``investment in human resources is at least as

important as investment in equipment and technology." And you're absolutely right on that one. Machinery and technology alone don't improve productivity; people do.

Another issue where we plan to play for keeps -- we're determined, and we are going to keep working at this one -- to get the drugs out of the workplace. Drug and alcohol abuse in the workplace costs $60 billion every year, putting productivity and lives at risk.

Drug abuse in America really must stop, and we're off to a fast start. Last month I talked to the Congress about four decisive issues: education, treatment, interdiction, and enforcement. And I asked for an increase of $1 billion in budget outlays -- to nearly $6 billion in 1990 -- to escalate this effort. But we'll also be looking to you to set effective, well-reasoned drug policies in your businesses.

Employers can teach their people to recognize the signs of substance abuse in their coworkers and understand how drug abuse hurts the nonusers on the line. I've called for a drug-free workplace. And Tuesday's Supreme Court decision, one that just came down the day before yesterday, affirms drug testing. And that's going to give this concept of a drug-free workplace a much better chance of success.

Any long-term agenda must also ask how we can leave the Earth we've inherited a little better than when we found it. And I was delighted to see Russ Train here, Bill Ruckelshaus here, and I understand they did a first-class job in addressing themselves, with their background of experience, to this question.

We've got to devise answers to the problems of ozone depletion and global warming and acid rain. We've already joined with other nations to call for the elimination of CFC's [chlorofluorocarbons] and the development of environmentally safe substitutes, as well as adopting a tough new policy on the export of hazardous waste. We can do these things without stifling the economic growth that is necessary, indeed, essential for our nation's economic health. The time has come to set aside partisan approaches to these and these other enormous environmental questions. We've got to ensure that our grandchildren can fish on the same lakes we've enjoyed.

And in this agenda for the new American century, I've asked you to consider a broad vision, a vision that relies on the dynamic spirit that is America: the spirit that says buildings should not stand empty while people lack shelter; jobs should not go unfilled while young men and women stand idle on the street corners; no one should go hungry in the richest Nation on the face of the Earth. And we must promote local efforts to assure that every American can seize a share of this prosperity and help to create more of it, whether through the constellation of local community groups already at work or through new ideas, like our program to encourage our nation's youth to become involved in community service. I'm absolutely convinced that, with the proper leadership from the White House and across the business community and elsewhere, we can

encourage those young people who are more fortunate than some of their peers to pitch in and help those that are less fortunate.

We're going to rely less on the collective wallet -- we have to, to do what I told you I want to do on the budget -- less on the collective wallet and more on the collective will. But this does not mean lowering our sights or our expectations. It's just exactly the opposite of that. In the era of tight budgets, we're not going to simply ``make do with less.'' We're going to learn how to do more with less -- and do it better. In the factory, you call it productivity. Across our country, I call it the national spirit.

And, yes, we're a prosperous country, and we are at peace. But such quiet moments often become pivotal in the Nation's history. The choices we make now are going to determine whether the door to the next American century is closing or opening wide, for all who dare to dream.

Thank you for your leadership. Thank you for the support of our administration. And aren't we lucky to be living in 1989 in the United States of America, the best, the freest, the greatest country on the face of the Earth? Thank you all, and God bless you.

Note: The President spoke at 1:23 p.m. in the Grand Ballroom at the Mayflower Hotel. In his remarks, he referred to Richard E. Heckert and Alexander (Sandy) B. Trowbridge, chairman and president of the association, respectively; and Russell E. Train and William D. Ruckelshaus, former Administrators of the Environmental Protection Agency.

Nomination of Walter J.P. Curley To Be United States Ambassador to France

March 23, 1989

The President today announced his intention to nominate Walter J.P. Curley to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France. He would succeed Joe M. Rodgers.

Since 1977 Ambassador Curley has been with W.J.P. Curley, Venture Capital, in New York City. Prior to this he was U.S. Ambassador to Ireland, 1975 - 1977. From 1958 to 1975, Ambassador Curley was with J.H. Whitney and Co., Venture Capital, in New York City. He was with California Texas Oil Co. in India and Italy, 1948 - 1957. Ambassador Curley also served as commissioner of public events and chief of protocol for New York City, 1973 - 1974.

Ambassador Curley attended Yale University (B.A., 1944); the University of Oslo in Norway, 1947; Harvard University (M.B.A., 1948); and Trinity College (LL.D., 1976). He served as a captain in the U.S. Marine Corps, 1943 - 1946. He is married, has four children, and resides in Bedford Village, NY.

Nomination of Franklin Eugene Bailey To Be an Assistant Secretary of Agriculture

March 23, 1989

The President today announced his intention to nominate Franklin Eugene Bailey to be Assistant Secretary of Agriculture (Government and Public Affairs). He would succeed Wilmer D. Mizell, Sr.

Since 1987 Mr. Bailey has been a government relations representative of the National Cotton Council of America in Washington, DC. Prior to this he was executive director of the southeast area for the Agriculture Stabilization and Conservation Service of the Department of Agriculture in Washington, DC, 1985 - 1987; Deputy Director of Administration, Personnel Policies and Budget, 1983 - 1985; agricultural programs coordinator, 1981 - 1983; and a senior policy specialist, 1978 - 1981.

Mr. Bailey received a bachelor of science degree and a master of public administration degree from James Mason University. He was born July 31, 1949, in Phenix, VA. He is married, has two children, and resides in Fredericksburg, VA.

Nomination of Jo Ann D. Smith To Be an Assistant Secretary of Agriculture

March 23, 1989

The President today announced his intention to nominate Jo Ann D. Smith to be Assistant Secretary of Agriculture (Marketing and Inspection). She would succeed Kenneth A. Gilles.

Since 1958 Mrs. Smith has been an operating partner, secretary, and treasurer of Smith Brothers Farming and Ranching in Wacahoota, FL. In addition she served as vice president of Smith Construction Co., 1962 - 1988, and as a marketing and public relations consultant for White Meat Packers, 1981 - 1988. Mrs. Smith served as chairman of the Cattlemen's Beef Promotion and Research Board from 1986 to 1988 and president of the National Cattlemen's Association in 1985. She has also served as chairman of the board for the Federal Reserve Bank of Jacksonville, FL, 1984 - 1986, and as a member of the board of governors for the Chicago Mercantile Board of Trade, 1985 - 1987. She was a member of the U.S. Advisory Committee for Trade Negotiations, 1985 - 1987, and a member of the Governor's Task Force on the Future of Florida Agriculture, 1984 - 1986. Mrs. Smith has served on the executive committee of the National Cattlemen's Association, 1982 - 1988.

Mrs. Smith was born May 9, 1939, in Gainesville, FL. She is married, has two children, and currently resides in Micanopy, FL.

Nomination of James E. Cason To Be an Assistant Secretary of Agriculture

March 23, 1989

The President today announced his intention to nominate James E. Cason to be Assistant Secretary of Agriculture (Special Services). He would succeed George S. Dunlop.

Since 1985 Mr. Cason has been Principal Deputy Assistant Secretary for Land and Minerals Management at the Department of the Interior in Washington, DC. Prior to this he was Special Assistant to the Director for the Bureau of Land Management, 1982 - 1985. Mr. Cason was operations manager for Fred Meyer, Inc., in Portland, OR, 1981 - 1982; a partner, office manager, and salesman for ACM Real Estate, Inc., 1979 - 1981; and campaign manager with the committee to elect Lynn Engdahl, 1979 - 1980. Mr. Cason has also served as vice president for Cascade Overview Development Enterprises, Inc., 1978 - 1979, and project manager with the Western Environmental Trade Association, 1976 - 1978.

Mr. Cason graduated from Pacific University (B.A., 1976). He currently resides in Falls Church, VA.

The President's News Conference

March 24, 1989

The President. Well, let me first welcome the congressional leadership -- Speaker, majority leader, and Senator Dole, Senator Michel, Congressman Foley -- to the White House.

In my Inaugural Address, I advocated a bipartisan foreign policy; and today we, the Executive and the Congress, Republicans and Democrats, will be speaking with one voice on an extremely important foreign policy issue: Central America. We've signed today in the Cabinet Room a bipartisan accord on Central America which sets out the broad outlines of U.S. policy toward the region. We're seeking the same goals as those of the people of Central America: democracy, security, and peace.

In order to meet the challenge of realizing those goals, we must work together with Latin American democratic leaders, with the support of our European friends. Under the Esquipulas accord, insurgent forces have the right to reintegrate into their homeland under safe, democratic conditions with full civil and political rights, and that is the desire of the Nicaraguan resistance.

To achieve our objectives the bipartisan leadership of Congress has agreed to support my request for continued humanitarian assistance at current levels through the elections in Nicaragua scheduled for February 28, 1990. We do not claim the right to order the politics of Nicaragua; that is for the Nicaraguan people to decide. The Esquipulas accord requires a free, open political process in which all groups can participate. The playing field must be level. The burden of proof is on the Sandinista government to comply with the promises that it has made since 1979. And if they comply, we have an opportunity to start a new day in Central America.

The Soviet Union also has an obligation and an opportunity to demonstrate its ``new thinking." In other regional conflicts, it's adopted a welcome new approach, but in Central America, what we've seen to date is only ``old thinking." The Soviet Union has no legitimate security interests in Central America; the United States has many. We reject any doctrine of equivalence in the region. The Soviet Union and Cuba have an obligation to stop violating the provisions of Esquipulas.

Some see violence and despair in Central America, but I have a different view of its future. I can see a democratic Central America in which all nations in the region live in peace, where resources are devoted to social ends instead of military defense. I hope the Esquipulas accord and the bipartisan accord that we've signed here will someday be seen as the first step toward that future.

And now I'd like to ask Secretary Baker to say a word, and then I think the leaders would each like to say something. And they will respond to your questions.

Mr. Secretary, and thank you gentlemen, very much. Mr. Speaker, thank you, sir.

Speaker Wright. It's been a pleasure.

The President. Bob, thank you.

Reporter. Mr. President, does this mean the end of the war in Nicaragua?

The President. I'd refer the questions to the leadership and to the Secretary of State.

Note: The President's ninth news conference began at 10:25 a.m. in the Briefing Room at the White House.

Bipartisan Accord on Central America

March 24, 1989

The Executive and the Congress are united today in support of democracy, peace, and security in Central America. The United States supports the peace and democratization process and the goals of the Central American Presidents embodied in the Esquipulas Accord. The United States is committed to working in good faith with the democratic leaders of Central America and Latin America to translate the bright promises of Esquipulas II into concrete realities on the ground.

With regard to Nicaragua, the United States is united in its goals: democratization; an end to subversion and destabilization of its neighbors; an end to Soviet bloc military ties that threaten U.S. and regional security. Today the Executive and the Congress are united on a policy to achieve those goals.

To be successful the Central American peace process cannot be based on promises alone. It must be based on credible standards of compliance, strict timetables for enforcement, and effective on-going means to verify both the democratic and security requirements of those agreements. We support the use of incentives and disincentives to achieve U.S. policy objectives.

We also endorse an open, consultative process with bipartisanship as the watchword for the development and success of a unified policy towards Central America. The Congress recognizes the need for consistency and continuity in policy and the responsibility of the Executive to administer and carry out that policy, the programs based upon it, and to conduct American diplomacy in the region. The Executive will consult regularly and report to the Congress on progress in meeting the goals of the peace and democratization process, including the use of assistance as outlined in this Accord.

Under Esquipulas II and the El Salvador Accord, insurgent forces are supposed to voluntarily reintegrate into their homeland under safe, democratic conditions. The United States shall encourage the Government of Nicaragua and the Nicaraguan Resistance to continue the cessation of hostilities currently in effect.

To implement our purposes, the Executive will propose and the bipartisan leadership of the Congress will act promptly after the Easter Recess to extend humanitarian assistance at current levels to the Resistance through February 28, 1990, noting that the Government of Nicaragua has agreed to hold new elections under international supervision just prior to that date. Those funds shall also be available to support voluntary reintegration or voluntary regional relocation by the Nicaraguan Resistance. Such voluntary reintegration or voluntary regional relocation assistance shall be provided in a manner supportive of the goals of the Central American nations, as expressed in the Esquipulas II agreement and the El Salvador Accord, including the goal of democratization within Nicaragua, and the reintegration plan to be developed pursuant to those

accords.

We believe that democratization should continue throughout Central America in those nations in which it is not yet complete with progress towards strengthening of civilian leadership, the defense of human rights, the rule of law and functioning judicial systems, and consolidation of free, open, safe, political processes in which all groups and individuals can fairly compete for political leadership. We believe that democracy and peace in Central America can create the conditions for economic integration and development that can benefit all the people of the region and pledge ourselves to examine new ideas to further those worthy goals.

While the Soviet Union and Cuba both publicly endorsed the Esquipulas Agreement, their continued aid and support of violence and subversion in Central America is in direct violation of that regional agreement. The United States believes that President Gorbachev's impending visit to Cuba represents an important opportunity for both the Soviet Union and Cuba to end all aid that supports subversion and destabilization in Central America as President Arias has requested and as the Central American peace process demands.

The United States Government retains ultimate responsibility to define its national interests and foreign policy, and nothing in this Accord shall be interpreted to infringe on that responsibility. The United States need not spell out in advance the nature or type of action that would be undertaken in response to threats to U.S. national security interests. Rather it should be sufficient to simply make clear that such threats will be met by any appropriate Constitutional means. The spirit of trust, bipartisanship, and common purpose expressed in this Accord between the Executive and the Congress shall continue to be the foundation for its full implementation and the achievement of democracy, security, and peace in Central America.

George Bush

President of the United States

James C. Wright, Jr.

Speaker of the House

George J. Mitchell

Senate Majority Leader

Thomas S. Foley

House Majority Leader

Robert Dole

Senate Republican Leader

Robert H. Michel

House Republican Leader

The White House,

March 24, 1989.

Statement on the Bipartisan Accord on Central America

March 24, 1989

The President of a Central American democracy was asked recently what is the most important step the United States can take. He said: ``Speak with one voice." Today, for the first time in many years, the President and Congress, the Democratic and Republican leadership in the House and Senate, are speaking with one voice about Central America.

In my Inaugural Address I reached out my hand to the leadership of Congress in both parties asking them to join with me to rebuild a bipartisan foreign policy based on trust and common purpose. Today I am gratified that the Speaker and the majority and minority leaders of the Senate and House have extended their hands back to me.

We have signed today together a bipartisan accord on Central America. It sets out the broad outlines of U.S. policy towards that troubled region and commits both the Executive and Congress to work together to achieve it.

The goals we seek are the goals which the people of Central America yearn for: democracy, security, and peace. Those are the pledges made by the Central American Presidents in the Esquipulas II accord. That agreement is an integrated whole: All of its provisions must move forward together if any of them are to be fulfilled. Our challenge now is to turn those promises into concrete realities on the ground.

The only way we can meet that challenge is if Latin democratic leaders and the United States work together, with the support of our European friends and allies, as true partners with candor and mutual respect. I believe Latin leaders are asking for that kind of relationship as we confront together the many challenges facing our hemisphere. As President, I pledge the United States is ready to respond.

Under this Central America agreement, insurgent forces have the right to reintegrate into their homeland under safe, democratic conditions with full civil and political rights. That is the desire of the Nicaraguan resistance. It is what they are fighting for. We hope and believe it can be achieved through a concerted diplomatic effort to enforce this regional agreement. To achieve these goals, the bipartisan leadership of Congress has agreed to support my request for continued humanitarian assistance to the Nicaraguan resistance through the elections scheduled in Nicaragua for February 28, 1990.

There will be extensive consultations and review with respect to these funds effective November 30, 1989 by the bipartisan leadership and relevant committees. However, I have been assured that the leadership in both Houses supports the extension of this assistance through the Nicaraguan elections, barring unforeseen circumstances.

There is no shortcut to democracy, no quick fix. The next weeks and months will demand patience and perseverance by the democratic community and the hard, technical work of ensuring compliance with the Esquipulas accord. The United States will work in good faith to support that kind of diplomatic effort, but we will not support a paper agreement that sells out the Nicaraguan people's right to be free.

We do not claim the right to order the politics of that country; that is for the people of Nicaragua to decide. We support what the Esquipulas accord requires: free, open political processes in which all groups can fairly and safely compete for political leadership. That means the playing field must be level; all, including the current government, must respect the majority's decision in the end; and the losers must also retain the political rights to operate as a legal opposition and contest again for political authority in the next recurring election contest.

The burden of proof is on the Sandinista government to do something it has steadfastly refused to do from 1979 to 1989: to keep its promises to the Nicaraguan people to permit real democracy, keep its promises to its neighbors not to support subversion in Central America, and keep its obligation to this hemisphere not to permit the establishment of Soviet-bloc bases in Central America. If those promises are kept, we have an opportunity to start a new day in Central America; but if those pledges continue to be violated, we hope and expect that other nations will find ways to join us to condemn those actions and reverse those processes.

The Soviet Union also has an obligation and an opportunity: to demonstrate that its proclaimed commitment to ``new thinking'' is more than a tactical response to temporary setbacks, but represents instead a new principled approach to foreign policy. In other regional conflicts around the world, the Soviet Union has adopted a welcome new approach that has helped resolve longstanding problems in constructive ways. In Central America, what we have seen from the Soviet Union and Cuba can only be described as ``old thinking.''

In the last decade, the Soviet bloc has poured at least $50 billion in aid into Cuba and Nicaragua. Soviet and Cuban aid is building in Nicaragua a military machine larger than all the armies of the other Central American nations combined and continues to finance violence, revolution, and destruction against the democratically elected government of El Salvador. Indeed, Soviet-bloc military support for the Marxist guerrillas has increased since the United States ended military support for the Nicaraguan resistance, and Soviet military aid to the Government of Nicaragua continues at levels wholly uncalled for by any legitimate defensive needs. The continuation of these levels of Soviet-bloc aid into Central America raises serious questions about Soviet attitudes and intentions towards the United States.

The Soviet Union has no legitimate security interest in Central America, and the United States has many. We reject any doctrine of equivalence of interest in this region as a basis for negotiations. Instead, the Soviet Union and Cuba have an obligation to the leaders of Central America to stop violating the provisions of the Esquipulas accord, which the Soviet Union and

Cuba both pledged to uphold. The time to begin is now.

In signing the Esquipulas accord, President Oscar Arias of Costa Rica said: ``Without democracy, there can be no peace in Central America." He is right. But with democracy and peace in Central America can come new hope for economic development in which all of the people of the region can share. One can look at the terrible violence ravaging Central America and despair, but I have a different vision of its future. I can see a democratic Central America in which all of the Nations of the region live in peace with each other; where the citizens of the region are safe from the violence of the state or from revolutionary guerrillas; where resources now devoted to military defense could be channeled to build hospitals, homes, and schools. That is not a dream if all the people and nations of the Americas will it to be true. I hope the Esquipulas accord and perhaps, also, the bipartisan accord will someday be seen as the first step toward its fulfillment.

Remarks on Greeting the Crew of the Space Shuttle Discovery

March 24, 1989

The President. Dr. Fletcher and Admiral Truly, Commander Mike Coats and crew, friends and families: First, let me just take a second to salute Dr. Fletcher, whose name has become almost synonymous with NASA's. And as you know, he will be retiring on April 8th, and I want to thank him for his example, for his leadership, and for his commitment to this space program. He's been an inspiration to everybody not just in this administration and in government but all across the country, and we all owe him a vote of great thanks. [Applause]

And I think Jim, like these gentlemen with me, show that America is a family. And there are moments when we celebrate as a family would -- moments of remembrance and moments of pride. And last Saturday, nearly half a million people welcomed these gentlemen's return to Andrews -- Andrews -- Freudian slip -- [laughter] -- Edwards Air Force Base. And they were there to pay America's respects to your courage and to your enterprise. And today, we, too, salute the story that you've written. You've shown once again that teamwork works. And in a sense, though, your triumph is personal. After all, it's you who braved the elements and performed the tasks which made this mission such a success.

But in a larger sense, the story of Discovery is as American as ``Opening Day,'' timeless as our history. And it says that, to Americans, nothing lies beyond our reach. It speaks to our capacity to dare and to dream the impossible. My friends, this quality has graced every great moment of the American story. And by enriching our lives and our children's lives, it can shape America's dreams of the 21st century.

On the flight of Discovery, you showed anew America's genius in science and technology. By conducting the protein crystal growth experiments, you furthered advancements in medical research. And you used the IMAX camera to study this planet's environmental damage. And I hope that this will lead -- I'm confident it will -- to our knowledge base and that that, in turn, will lead to reducing the threat to our Earth's environment. And you launched a TDRS [tracking and data relay] satellite, which completes the satellite communications network that will allow us more effectively and efficiently to relay data from all of our scientific satellites to Earth. And in short, you showed exactly where we are going and why. And we're exploring the new horizons of this nation's technological future. For as Americans, we are driven always by a restlessness to do better. This desire links the generations and has pushed back the frontiers of research and exploration.

For evidence, I point to two students here today. They show how tomorrow's technological promise lies in the youth of today. John Vellinger was in ninth grade when he started work on an experiment using chicken embryos to study how tissues develop in weightlessness. And last

week his experiment flew on shuttle Discovery. And so did the work of Andrew Fras. His experiment studied microgravity's effect on the healing of bones. John and Andrew show how America's future will depend, in space and on Earth, on our most precious resource: our youth.

You know, Adlai Stevenson once spoke of the awful majesty of outer space. This voyage of the shuttle Discovery is over, but its spirit lives, linking the majesty of outer space with the greatness of America. And we're going to forge even stronger links as we reaffirm our commitment to the shuttle program, as our science missions open up new horizons of knowledge, and as space station Freedom symbolizes the promise of man. As we do, we will honor the spirit of Discovery, the spirit which throws open the possibilities of tomorrow and which points us toward the stars.

Gentlemen, your mission is accomplished. Your nation says, well done! Thank you, God bless you, and God bless America. Thank you, fellas.

Commander Coats. Well, thank you, Mr. President. We deeply appreciate your words of support for our country's space program. We represent thousands of people that work very hard to get the shuttle off the ground each time. And the encouragement you've shown is deeply appreciated.

We also appreciate your words talking about family and the importance of youth. All of us on this crew are very proud of our wives and of our children. And when we're not working in the space program, we're talking about our families. And it's been very encouraging to us to see you and Mrs. Bush and the emphasis that you place on family. We think it's wonderful, and we applaud that, sir.

We presented Mrs. Bush with a gold shuttle charm on a necklace earlier this morning. When it became obvious that we would be flying the first flight of this administration, we had a lot of discussion about what to fly for the President. And it became apparent quickly that we really wanted to fly something for Mrs. Bush as well. She's obviously a very special lady and she's very special to us. And we presented that with her this morning, and we'd like to thank you for a very special First Lady.

When we discussed what to fly for our new President, most of us, of course, being home-ported in Houston, Texas, wanted to fly a Texas flag. It became obvious that, as proud as we are of our new President being from Texas, it probably wasn't appropriate to give you a Texas flag, sir, since you're now President of all these United States. So, we did fly a United States flag, and we'd like to present that to you right now, sir. And with it goes this plaque that says, ``Presented to the President of the United States of America, George Bush. This United States flag was flown in the official flight kit aboard the orbiter Discovery, STS 29, March 13th through 18th, 1989." And each of the crew members have signed it. Sir, thank you very much.

The President. That's lovely. Well, thank you for the special -- that actually went? Thank you all. Let me get the wives to come up. Come up here, ladies, so they can get a fitting group picture here. Pick out a husband. [Laughter]

I'd like to ask the Members of Congress that are here to come and say hello to these gentlemen before they head on back to Houston, Texas, which I understand they're fixing to do right after this. So, I see some right here. Come on, you guys. Jim, Jamie, and the Senator -- come on. We'll just say a quick hello to these people, because I don't know if they're going to have the chance -- Congress is out -- to go up to the Hill. Here's Jim Sensenbrenner here. This is the chairman. Be nice to this guy. [Laughter]

Note: The President spoke at 11:30 a.m. in Room 450 of the Old Executive Office Building. In his closing remarks, he referred to Representatives F. James Sensenbrenner, Jr., of Wisconsin and Jamie L. Whitten of Mississippi, and Senator Quentin N. Burdick of North Dakota. The space shuttle ``Discovery'' was launched on March 13 from the Kennedy Space Center in Cape Canaveral, FL, and returned to Edwards Air Force Base, CA, on March 18. The members of the crew were: Capt. Michael L. Coats, USN, flight commander; Col. John E. Blaha, USAF, mission pilot; Col. James F. Buchli and Col. Robert C. Springer, USMC, mission specialists; and James P. Bagian, physician and mission specialist.

Nomination of William H. Taft IV To Be United States Permanent Representative to the North Atlantic Treaty Organization Council

March 24, 1989

The President today announced his intention to nominate William H. Taft IV to be the U.S. Permanent Representative on the Council of the North Atlantic Treaty Organization with the rank and status of Ambassador Extraordinary and Plenipotentiary. He would succeed Alton Keel.

Since 1984 Mr. Taft has been Deputy Secretary of Defense in Washington, DC. Prior to this he was General Counsel at the Department of Defense, 1981 - 1984. Mr. Taft was a partner with the law firm of Leva, Hawes, Symington, Martin and Oppenheimer in Washington, DC, 1977 - 1981; General Counsel at the Department of Health, Education, and Welfare, 1973 - 1976; Executive Assistant to the Director in the Office of Management and Budget, 1972 - 1973; and Special Assistant to the Deputy Director in the Office of Management and Budget, 1970 - 1972. He was attorney adviser to the Chairman of the Federal Trade Commission, 1970, and an associate with Winthrop, Stimson, Putnam and Roberts of New York City, 1969 - 1970.

Mr. Taft graduated from Yale College (B.A., 1966) and Harvard Law School (J.D., 1969). He was born September 13, 1945, in Washington, DC. He is married, has three children, and resides in Lorton, VA.

Nomination of Joseph B. Gildenhorn To Be United States Ambassador to Switzerland

March 24, 1989

The President today announced his intention to nominate Joseph B. Gildenhorn to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland. He would succeed Philip D. Winn.

Since 1962 Mr. Gildenhorn has served as president and director of JBG Real Estate Associates, Inc., in Washington, DC. He has also been a senior partner with Brown, Gildenhorn, and Jacobs in Washington, DC, 1958 to present. Prior to this Mr. Gildenhorn served as an attorney with the Office of the General Counsel of the Securities and Exchange Commission in Washington, DC, 1956 - 1958. Mr. Gildenhorn has served in several capacities with the United Jewish Appeal Federation of Greater Washington, including president, 1987 - 1989; vice president, 1986 - 1987; and major gifts chairman, 1981 - 1983.

Mr. Gildenhorn graduated from the University of Maryland (B.S., 1951) and Yale University Law School (LL.B. and J.D., 1954). Mr. Gildenhorn was born September 17, 1929, in Washington, DC. He is married, has two children, and currently resides in Washington, DC.

Nomination of Paul Matthews Cleveland To Be United States Ambassador to Malaysia

March 24, 1989

The President today announced his intention to nominate Paul Matthews Cleveland to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Malaysia. He would succeed John Cameron Monjo.

Since 1986 Mr. Cleveland has served as Ambassador to New Zealand and Ambassador to Western Samoa. Prior to this Mr. Cleveland served as Deputy Chief of Mission at the U.S. Embassy in Seoul, South Korea. Mr. Cleveland has served in several capacities at the Department of State, including Director of Korean Affairs, 1981 - 1982; Director of Thai Affairs, 1980 - 1981; Deputy Director and Director of Regional Affairs, East Asian Bureau, 1977 - 1980; political counselor in Seoul, South Korea, 1973 - 1977; Special Assistant to the Assistant Secretary for East Asian Affairs, 1970 - 1973; economic officer at the Office of Fuels and Energy, 1968 - 1970; and economic officer in Jakarta, Indonesia, 1965 - 1968.

Mr. Cleveland graduated from Yale University (B.A., 1953) and Fletcher School of Law and Diplomacy (M.A., 1965). He was born August 25, 1931, in Boston, MA. Mr. Cleveland is married, has four children, and resides in McLean, VA.

Nomination of Chic Hecht To Be United States Ambassador to the Bahamas

March 24, 1989

The President today announced his intention to nominate Senator Chic Hecht to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of the Bahamas. He would succeed Carol Boyd Hallett.

Senator Hecht served in the United States Senate, representing the State of Nevada from 1983 to 1989. Senator Hecht served in the Nevada State senate and was senate minority leader, 1967 - 1975. He also served as a special agent in the U.S. Army Intelligence Corps, 1951 - 1953.

Senator Hecht graduated from Washington University (B.S., 1949). He was born November 30, 1928, in Cape Girardeau, MO. He is married, has two children, and resides in Las Vegas, NV.

Nomination of Richard H. Solomon To Be an Assistant Secretary of State

March 24, 1989

The President today announced his intention to nominate Richard H. Solomon to be Assistant Secretary of State (East Asian and Pacific Affairs). He would succeed Gaston Joseph Sigur, Jr. Richard L. Armitage, who was previously announced for the position as Assistant Secretary of State (East Asian and Pacific Affairs), has been asked by the President to remain at the Department of Defense in a senior position which will be announced at a later date.

Since 1986 Dr. Solomon has been the Director of the Policy Planning Staff of the Department of State. He previously served from 1976 to 1986 as head of the Rand Corporation's political science department and also directed the corporation's research program on international security policy from 1977 to 1983. From 1971 to 1973 he was senior staff member for Asian Affairs on the National Security Council and was professor of political science at the University of Michigan from 1966 to 1971.

Dr. Solomon graduated from the Massachusetts Institute of Technology (S.B., 1960, and Ph.D., 1966). He was an international affairs fellow of the Council on Foreign Relations in 1971 and served as a consultant to the President's Commission on Foreign Language and International Studies from 1978 to 1980.

Accordance of the Personal Rank of Ambassador to John J. Maresca While Serving as Chief of the Delegation to the Conference on Confidence and Security Building Measures and Disarmament in Europe

March 24, 1989

The President today accorded the personal rank of Ambassador to John J. Maresca, of Connecticut, a career member of the Senior Foreign Service, Class of Minister-Counselor, in his capacity as Chief of the United States Delegation to the Negotiations on Confidence and Security Building Measures.

Since 1986 he has been serving as the Deputy Assistant Secretary for European and NATO Policy at the Department of Defense. Mr. Maresca graduated from Yale University (B.A., 1959). He served in the U.S. Navy from 1959 to 1965, and his foreign languages are French, Italian, and Dutch. Mr. Maresca is married, has one child, and resides in Chevy Chase, MD.

Nomination of Edward Noonan Ney To Be United States Ambassador to Canada

March 24, 1989

The President today announced his intention to nominate Edward Noonan Ney to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada. He would succeed Thomas Michael Tolliver Niles.

Since 1986 Mr. Ney has served as the chairman of PaineWebber/Young & Rubicam Ventures and vice chairman of PaineWebber, Inc. Prior to this he was chairman, president, and chief executive officer of Young and Rubicam, Inc. In April 1984, Mr. Ney was appointed to the Board for International Broadcasting. He was a member of the Grace commission and the Commission on National Elections. He is a member of the services policy advisory committee of the United States Trade Representative and serves on the advisory board of the Center for Strategic and International Studies.

Mr. Ney graduated from Amherst College and served as an ensign in the Navy Air Corps during World War II. He currently resides in New York City.

Nomination of Charles Edgar Redman To Be United States Ambassador to Sweden

March 24, 1989

The President today announced his intention to nominate Charles Edgar Redman to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden. He would succeed Gregory J. Newell.

Since 1986 Mr. Redman has served as the Assistant Secretary of State for Public Affairs. Mr. Redman entered the Foreign Service in June 1974. He served first in the State Department Operations Center and then as staff assistant in the Bureau of European Affairs. In December 1976 he began a tour of duty as political officer at the U.S. Embassy in Paris. He then served from 1979 to 1982 on the NATO international staff as Deputy Director of the Private Office of the Secretary-General of NATO. Following a 2-year assignment as political officer in Algiers, he returned to Washington in August 1984 to become Deputy Director, and then Acting Director, of the Office of European Security and Political Affairs. Since July 1985 Mr. Redman has served as Deputy Spokesman for the Department of State. On October 12, 1986, he also became the Deputy Assistant Secretary for Public Affairs at the Department of State.

Mr. Redman graduated from the United States Air Force Academy (B.S., 1966) and Harvard University (M.A., 1968). He served in the U.S. Air Force until 1974, including assignments in Vietnam and on the air staff in Washington as Special Assistant to the Assistant Chief of Staff for Intelligence. Mr. Redman was born December 24, 1943, in Waukegan, IL. He is married, has three children, and resides in Bethesda, MD.

Nomination of William G. Rosenberg To Be an Assistant Administrator of the Environmental Protection Agency

March 27, 1989

The President today announced his intention to nominate William G. Rosenberg to be Assistant Administrator of the Environmental Protection Agency for Air and Radiation. He would succeed J. Craig Potter.

Since 1982 Mr. Rosenberg has been chairman of the Investment Group in Ann Arbor, MI, and Washington, DC. Prior to this he was president of Rosenberg, Freeman and Associates, 1977 - 1982. He was Assistant Administrator for Energy Resource Development at the Federal Energy Administration, 1975 - 1977, and chairman of the State regulatory commission of the Michigan Public Service Commission, 1973 - 1975. Mr. Rosenberg was executive director for the Michigan State Housing Development Authority, 1969 - 1973, and an attorney with the law firm of Honigman, Miller, Schwartz, and Cohn in Detroit, MI, 1965 - 1969.

Mr. Rosenberg graduated from Syracuse University (B.A., 1961), Columbia University School of Law (J.D., 1965), and Columbia University Graduate School of Business (M.B.A., 1965). He was born December 25, 1940, in New York City. He is married, has three children, and resides in Chelsea, MI.

Nomination of Alfred A. DelliBovi To Be Under Secretary of Housing and Urban Development

March 27, 1989

The President today announced his intention to nominate Alfred A. DelliBovi to be Under Secretary of Housing and Urban Development. He would succeed Carl D. Covitz.

Since 1987 Mr. DelliBovi has been Administrator of the Urban Mass Transportation Administration at the Department of Transportation in Washington, DC. He has served as Deputy Administrator, 1984 - 1987, and as Regional Administrator in New York, 1981 - 1984. Mr. DelliBovi served four terms as a member of the New York State Assembly, 1971 - 1978, and director of the public relations unit, 1969 - 1971.

Mr. DelliBovi graduated from Fordham College (B.A., 1967) and Baruch College (M.P.A., 1973). He is married, has two children, and currently resides in Burke, VA.

Nomination of John C. Weicher To Be an Assistant Secretary of Housing and Urban Development

March 27, 1989

The President today announced his intention to nominate John C. Weicher to be Assistant Secretary of Housing and Urban Development for Policy Development and Research. He would succeed Kenneth J. Beirne.

Since 1987 Dr. Weicher has been Associate Director for Economic Policy in the Office of Management and Budget. Prior to this, he was Deputy Staff Director for the President's Commission on Housing, 1981. He has served in several capacities at the Department of Housing and Urban Development, including Deputy Assistant Secretary for Economic Affairs, 1975 - 1977; Director for the Division of Economic Policy, 1973 - 1974; and prepared the National Housing Policy Review, 1973. He has also served as an associate and assistant professor of economics at Ohio State University, 1967 - 1977, and an assistant professor of economics at the University of California at Irvine, 1965 - 1967.

Dr. Weicher graduated from the University of Michigan (A.B., 1959) and the University of Chicago (Ph.D., 1968). He was born March 8, 1938. He is married, has two children, and resides in Washington, DC.

Nomination of Francis Anthony Keating II To Be General Counsel of the Department of Housing and Urban Development

March 27, 1989

The President today announced his intention to nominate Francis Anthony Keating II to be General Counsel of the Department of Housing and Urban Development. He would succeed J. Michael Dorsey.

Mr. Keating is currently Associate Attorney General at the Department of Justice in Washington, DC, and serves as chairman of the law enforcement coordinating group of the National Drug Policy Board. Prior to this, he was Assistant Secretary of the Treasury for Enforcement, 1985 - 1988. In 1981 he was a United States Attorney for the Northern District of Oklahoma. Mr. Keating was a member of the law firm of Blackstock, Joyce, Pollard and Montgomery in Tulsa, OK, 1972 - 1981.

Mr. Keating graduated from Georgetown University (B.A., 1966) and the University of Oklahoma Law School (J.D., 1969). He is married and has three children.

Nomination of Ronald Frank Lehman II To Be Director of the United States Arms Control and Disarmament Agency

March 27, 1989

The President today announced his intention to nominate Ronald Frank Lehman II to be Director of the U.S. Arms Control and Disarmament Agency. He would succeed William F. Burns.

Ambassador Lehman is currently serving as Assistant Secretary of Defense for International Security Policy. He has served as the U.S. chief negotiator for strategic nuclear arms (START) at the U.S.-Soviet nuclear and space arms talks in Geneva. Prior to this, he served as Deputy Assistant to the President for National Security Affairs (Defense Policy) at the White House, deputy U.S. negotiator on strategic nuclear arms, Special Assistant to the President for National Security Affairs, and Senior Director for Defense Programs and Arms Control on the National Security Council staff at the White House. Ambassador Lehman has also served as Deputy Assistant Secretary of Defense and as a senior adviser to the United Nations Special Session on Disarmament.

Ambassador Lehman graduated from Claremont Men's College (1968) and Claremont Graduate School (Ph.D., 1975). He is married and currently resides in Arlington, VA.

Remarks and an Informal Exchange With Reporters Following a Meeting With Administration Officials

March 28, 1989

The President. Well, let me just say that we've had a very good meeting here, and I've asked the Secretary of Transportation, Sam Skinner; Mr. Reilly, who's the head of the EPA; and the Commandant of the Coast Guard [Adm. Paul A. Yost] -- all three of whom are here with us now -- to go up to Alaska to take a hard look at where this disaster stands.

There are many Federal agencies involved -- some 14 Federal agencies -- under the national response team, which is cochaired by the Coast Guard and by EPA. And so, a lot is going on. Exxon is in charge, at this moment, of the cleanup, but many of the facilities, much of the equipment that is being used has been promptly furnished by the Coast Guard. And some of the top Coast Guard people in charge of this kind of matter are on the scene.

But I think it's important that these top officials now -- Federal officials -- accompanied by the Commandant, go there, and then they will report to me after they've had a chance to assess the situation on the ground. The congressional delegation and the Governor, of course, have strong feelings on these matters, and we've been in touch with them. But this is a matter of tremendous concern to Alaskans and, indeed, to all of us. The conservation side is important; the energy side is important. And I'll feel much better after Sam Skinner and Bill Reilly and the admiral get a chance to report back.

Alaskan Oil Spill

Q. Mr. President, is Exxon doing enough, do you think, in the cleanup?

The President. Well, I've just had a report that they're certainly making a good beginning here. But there's been some conflicting reports on that, and I don't want to prejudge that. I think one of the things we're interested in hearing is exactly how our top officials feel the cleanup is going.

Q. Mr. President, can civil penalties be imposed against Exxon in addition to having to pay for the cost of the cleanup?

The President. I don't know the answer to that.

Q. Can the Government bring suit?

The President. Sam?

Secretary Skinner. Yes, they can; they can do that. There are civil penalties. There's a variety of legal options that are available. But right now the primary consideration is to make sure everything is being done possibly, and the President has directed us to assess that the oil is being contained and that the oil that remains on the tanker is being off-loaded as quick as possible. That is our primary objective, as mandated by the President -- to assess how that is going. We'll then, later on, worry about who's going to pay for the damage. But there are significant penalties and provisions for reimbursement.

The President. The main thing is to get it cleaned up, to protect a very precious environment up there, and to be sure that everything is being done to clean up this disaster, and then figure out all these penalties and all that other -- --

Q. Does this demonstration -- --

Q. Mr. President, has this changed your opinion on development of the Alaska National Wildlife Refuge?

The President. No. I see no connection.

Q. So, you consider this as being an isolated incident?

The President. Well, they've been shipping oil out of here for a long, long time and never had anything of this magnitude or this concern. So, the big thing is to correct it. I don't know how you design against what appears to be the cause here. You have a ship that's out of the channel, going 12 knots, and ripping the bottom out of the most modern tanker that's ever been built to haul this oil. But I think we need to assess the matter and judge it on its demerits and make our conclusions later on.

Q. Is the Government taking over the cleanup one of the options that you're considering?

The President. There is an option for federalization. And then the question is: Is that the most prudent way to go? And that's one of the recommendations I'll be awaiting from Secretary Skinner, Mr. Reilly, Admiral Yost.

Q. When do you anticipate a report, Mr. Secretary, to the President on this?

Secretary Skinner. Our plan is to report by phone as soon as we get up there and get an assessment. We'll be departing in the not-too-distant future, within hours, and hopefully, we'll be reporting to him late this evening or early in the morning, at the very latest.

Q. How long do you expect to be up there at this point?

Secretary Skinner. We're going to be up there as long as it takes to find out what the President has asked us to find out so we can report back to him.

Bipartisan Accord on Central America

Q. Mr. President, can you give us your reaction when you read Boyden Gray's [Counsel to the President] comments in the New York Times Sunday morning -- his public dissent about the Central America agreement?

The President. No, but I shared my reaction with Boyden, which is the way I handle things. [Laughter]

Japan-U.S. Jet Fighter

Q. What's the state of play on the FSX, Mr. President?

The President. Still churning around out there, but we're not ready to say where it stands. We've asked for certain -- insisting on certain clarifications, and we'll let you know. But we're not ready to have an announcement.

Q. Still expect it to be nailed down by Friday?

The President. I don't know, Norm [Norman Sandler, United Press International], whether it will be done by then or not. It's going back and forth a little bit. But all I want to know is that the agreement is clear -- no point in having an unclear agreement. And we have a lot at stake here, a lot at stake in terms of the common defense; we have a lot at stake in terms of commerce; we have a lot at stake in terms of technology. And so, all I'm asking is to be clear. The United States will keep its word, but the United States, properly, is insisting on clarity in the agreement. And that's about where we stand right now. And I just can't give you my view as to when that will be completed.

Q. Well, there are these reports of increasing Japanese concern that this is going to cause some kind of severe damage to relations between the United States and Japan. Are you troubled by those reports?

The President. No, I'm not troubled by them.

Note: The President spoke at 9:40 a.m. in the Oval Office at the White House.

Remarks and a Question-and-Answer Session With Students at James Madison High School in Vienna, Virginia

March 28, 1989

The President. I happen to believe that education is going to be the key to our future. You look at the whole world, and you see our need to compete, and it gets right back down to education. And then you see some of the problems in the less affluent areas in the country, and then you find out, well, the way to give a guy a break that's trying to get out of poverty is education. And it goes for everything. It goes right across the board. And you're hearing a lot more now on math and science, and I wanted to ask you about that because it is important. But I really kind of -- you learn from these visits.

Last week we were in a rural school out in Lancaster, Pennsylvania, and then we went to a school attended mainly by the Amish kids, coming out of a very closely knit religious and family background. And who knows where we'll be next week? But I'm delighted to be here. And what I really wanted to do is ask you all how you view the importance of what you're doing, answer any questions that you might have. We can have a two-way street. I don't know how we want to get this thing going, but I'll be glad to respond to questions on the Government.

But let me ask you: How many of you all take math and science? Does everyone have to do that here, or is that -- --

Audience. Yes!

The President. You do. And is that considered among the tougher disciplines, or not necessarily? Is it hard?

Audience. Yes!

The President. How many do the computer stuff? How many are computer literate? About half. Is that considered hard, or is that considered advanced, or is it considered average kind of -- --

Audience. Average.

The President. Average kind of a course. Because as you look at it, I was impressed by what they're doing, the programming of some of your classmates, I guess. But the importance of it in the future is just -- you can't underestimate that.

How about questions? Anybody got any questions about my line of work? [Laughter]

President's Dog

Q. How are the puppies?

The President. They're doing just fine. [Laughter] They're doing fine. I'll tell you something about that. I don't want to get too clinical, but it was a very emotional experience seeing that take place.

President's Schedule

Q. How does the President have time to come to a high school?

The President. The question is: How does a President have the time to come to a high school? Very good question, because a lot of what you do is trying to formulate -- take education -- formulate the legislation or see that the various Departments of Government that have an input on this have the education package ready.

We're perfecting now an education package. I'll tell you how it works. In a campaign, you give certain themes of what you think is right for education. The reason I mentioned computers -- I think it is important that people be computer literate. I think math and science are important. I favor magnet schools. We favor trying to set up a system to reward the better teachers, even though the teacher pay and all is the responsibility of the local school boards.

But I think you learn something from every step outside of the White House that you take, and it's more that. It's symbolic in some sense, but you also pick up information as you go along. And last week we were in this school I mentioned in Pennsylvania, and here was a rural area where people think -- well, they don't have much to do about narcotics out there. And yet we found, in talking to some of the kids, that the pressures on the young people in that school were very high when it comes to this stupid use of drugs and substance abuse. So, you have to take the time to get outside of the White House, but you have to balance that in terms of your overall responsibilities.

Next week we're going to probably have several foreign leaders here, in that venue -- shift the emphasis to foreign affairs. But all the time -- every morning -- I meet, for example, with our national security adviser. So, we have an ongoing input on foreign affairs and what we're going to do and how we're going to handle our relations with the Soviet Union, or in this case next week, the emphasis will be on the Middle East. So, all of that goes on every day. This morning, I was talking to Brent Scowcroft [Assistant to the President for National Security Affairs] about the visit of these Middle Eastern leaders that are coming.

But you have a great responsibility in terms of taking the point on questions like education, so you have to find time to get out of there. It's not easy to balance, as a matter of fact.

Q. Do you enjoy getting out and being able to meet all the students and want to see -- --

The President. I do. I do. There's a certain recognition on my part that it's not the same as if a parent dropped in on a class or something. [Laughter] They don't come with this much attention. So, it's different. But you know, you can get a feel for things, whether it's in sports or education or wide array of other subjects.

I'll tell you one that really moved me -- and I think they liked the visit -- it was these DEA, Drug Enforcement Agency people that are working on the streets of New York. And I went up there and talked to 300 or 400 of them, people that are out there fighting the drug battle under DEA's banner, you see. But then afterwards, you meet with 6 or 8 of them -- some of them not much older than you -- who are people that, just out of belief they can help society, are out there putting their lives on the line trying to bust up these drug rings and trying to intervene in the sale of all these narcotics.

And some would say, well, there's a little show business in that -- the President meeting with these 8 agents, but I learned from that. I learned just from listening to this guy tell me about his software that he put in on a car rental business now into that computer. So, you pick something up at each stop of the way. And the President has to do certain things of that nature to be sure that you just don't get it all from your own staff.

Regional Conflicts

Q. You said, like, next week you're going to deal with the Middle East. Is that, like, the main issue with that chemical plant in the Middle East?

The President. No, it's a very important issue, but it's a peripheral issue. You're thinking of the chemical plant in Libya. And that Libyan leader, Qadhafi, does have a role, a very disruptive role, as a matter of fact, in Middle Eastern affairs. But what we're talking about next week is the -- Mubarak of Egypt and Shamir of Israel, the two top -- President Mubarak and the Prime Minister of Israel coming here. And we will be probing as best we can and making suggestions to them as to what the U.S. can do in trying to bring about peace in the Middle East.

As you know, and all of you know, I'm sure, that has just been in turmoil for years and years, particularly since the '67 war -- war that took place in 1967, and the resolution of which has escaped us all, escaped the world, even though things moved forward with the Camp David accords. Remember the Camp David accords? That was something that happened under President Carter. It was a step in the right direction, but you still see a lot of killing. You see on the television the Intifada [Palestinian uprising in the West Bank and Gaza] fighting on the West

Bank.

And so, we have a particularly important role there. We are the only country that can be a substantial catalyst for peace there, and it's difficult. And so, I sit and talk -- the way it works on the thought process, the State Department will be coming with strong ideas, and our national security adviser, the trade people, and the Treasury fits into this in some ways, as we look at the economic problems of the countries involved. And then the administration comes together, and then the President is given some good thoughts as to what to present to the leaders. And they'll come in; we'll have one-on-one meetings with them. And then we'll meet with a group of our top Cabinet people and the top leaders from Israel or from Egypt.

And recently, there was an election down in El Salvador that you may have seen. And we are determined that that democratic process go forward. They had certifiably free elections. I say certifiably -- the President chooses a delegation in this case to go down to Nicaragua -- I mean, in this case, to Salvador, and watch the elections. And they came back, and Democrats and Republicans on the delegation all saying this was a very good election, very free.

Now we've got to deal with the newly elected President of Salvador and convince him that he should go down the democratic road, turn his back on the death squads, but give the man a chance, give him an opportunity to follow through on what he said in his campaign. And so, he'll be coming up here -- Mr. Cristiani.

That part of it is all very interesting, and it takes a lot of teamwork.

Congressional and Judicial Pay Raise

Q. How did you justify giving Congress a 51-percent pay raise when the budget and deficit are so huge right now?

The President. Very hard to do, and a lot of my thinking on it was that it was connected to the pay raise for the judiciary. My feeling is -- and I would like to have some proposal on this -- that the judiciary, particularly, needs an increase in pay. The justification for that very large increase was made on the basis of inflation. In my view, in retrospect, it was too big a bite at once, and the country didn't support it at all. So, to accommodate the legitimate needs for a raise it has to be done differently. And that was a good lesson out of that one.

War on Drugs

Q. Are you thinking of working to get -- like, in Washington, people were just killed -- --

The President. Oh, yes, question on the -- what do you do about fighting to see that more people don't lose their lives on this drug fight? This young -- well, fairly young -- in my school of

thought, young; in yours, old -- guy that lost his life the other day in that hostage thing -- and it's happening, regrettably, across the country.

I had to hold my arm around the shoulder of a woman whose husband had -- at this DEA thing I mentioned -- whose husband had been gunned down the week before, just blown away by these narcotics people. And we just have got to keep working on not only the interdiction side, which is to try to keep the drugs from coming in, but on the education side. If as more people get caught up in the view that this is wrong and bad and terrible, then the problem will be well on its way to solution.

And we got to change the way this problem has been looked at. For a while in our country, it seemed to be we condoned those things we should condemn. And we went through a period where the treatment, for example, of the use of cocaine in movies was done in a humorous vein or some kind of, well, harmless -- but made the user look like some kind of silly idiot, but nothing, not condemnatory. And so, we've got to mobilize the entertainment media, and say, ``Look, don't put out great emotion in favor of -- or treat these -- in favor of cocaine or other drugs."

So, a lot of it is educational because this is not going to be solved from the White House. It's going to be solved by the American people, young and old, saying enough is enough. This is poisoning our society. So, when it comes to people that have lost their lives, we've got to show support for the police officers.

We're having a lively debate now about these automated weapons. And there's a lot of laws on the books that need to be enforced, and maybe there's a need for more laws. But you have to balance out all these interests. But the White House has a role; the President has a key role. But it's got to be a shared responsibility, with all the people in this country working the problem. And I think we can make headway on it. We've got to; we cannot permit narcotics and substance abuse to undermine the fabric of our society.

Education

Q. Madison High School seems to be one of them that has been lucky about this, but in America the student dropout rate is 25 percent. What are your proposals to try and curb this number -- a quarter of our students not even completing high school?

The President. It's outrageous, and the answer is: Encourage people to stay in school, and excellence in education. And what we're doing at the Federal level -- you see, about 7 percent of the funds that go for schooling comes from the Federal Government, and the rest from State and local governments. For our part, we are emphasizing parental choice; we're emphasizing magnet schools. We're trying to use an award system for excellence so others will aspire to excellence. And we've got a program of about -- more emphasis on Head Start, more funding -- and a very

difficult period for Federal money because of the question that was asked over here on, got close to asking, about the deficit. Very complicated, we've got to get the Federal deficit down. We do not have the money to spend on everything we want.

But in spite of that, we are proposing substantially more money for Head Start, which is the best antidote, I think, from the Federal level, for dropouts. And a lot of it happening in some of the minority communities. I know in the Hispanic communities in our State, my State of Texas, the dropout rate is disproportionately high. And that's one of the reasons I'd like to see continued support for bilingual education. You bring a kid in whose family speaks only Spanish, throw him into a school where he instantly has English only, and it's hard for him to keep up. And the dropouts have been high. I think we can do better in both Head Start, which gradually gets them into the system, starting early, and bilingual.

Q. What would you like to see students and faculty members in public schools do to help you curb the drug problem? What can we do for you?

The President. I think you can put the emphasis on the peers of the students, and indeed, the faculty can be very helpful in this: each student on his peers, in just rejecting this concept of drug use. I mean, we have condoned that which we could condemn. People used to talk about legalizing narcotics, and that was some very serious people. And I just think it's 180 degrees wrong.

And I know what peer pressure is, and I think a lot of it is education in the schoolroom itself about the damage that comes from substance abuse. And I really believe a lot of the answer is here. We're going to have a new proposal that I talked about in the campaign that we're just fleshing out now called Youth Entering Service. And it is a concept that appeals to the best in American kids, which is: Look, you're doing pretty good; now you ought to really get in and help those who aren't. It's the old propensity of one American to help another that De Tocqueville talked about when he came to America years ago. And it's this concept that young people who have the advantage of family -- good teachers teaching them against substance abuse, then they themselves taking that concept to others in other areas, in other school districts. So, the resistance to peer pressure, if peer pressure is leaning towards drug use, is very important; and then the outreach, reaching out to others, both in the education side and in the exhortation side.

Easter Balloons

Q. Just yesterday my church volunteered, and we were working on the balloons at the Easter Egg Roll. And we wanted to take some of the balloons to Ghana for our mission trip that we're going on. And they wouldn't let us take them because they were government property. I was just wondering what you do with 10,000 balloons that say, ``A Family Easter at the White House, 1989''? [Laughter]

The President. If only I had known about it, you'd have been able to carry more than that one with you.

Q. Can you sign my card for me?

The President. Sure. Bring it over here. No, I don't know what the bureaucratic hangup was on that because you're right. I saw a lot of them soaring off into the sky, so you might as well have them with you. They really wouldn't let you take them out? What did they say? What did they say the reason was, just for the heck of it?

Q. Government property.

The President. Government property?

Q. So, a bunch of bureaucratic -- --

The President. I see.

Terrorism

Q. In many of our government classes we've been studying a book called ``Profiles in Terrorism." And in that you gave your definition of terrorism. I was wondering what type of programs you have in mind to combat terrorism overseas and if you have any worries that terrorism will start to occur on a larger scale within our own borders?

The President. We're always concerned about it. We have been through a period in our history where we had what I would call terrorism, and it's probably before you were born, or maybe about that time. You remember the hijackings of airplanes in this country to go to Cuba? We forget that, we forget that we went through a rash of those hijackings, which indeed are -- it's not international terror so much, but it's domestic terror. To hijack an airplane at gunpoint and instruct the pilot to go elsewhere, fly to Cuba -- that's international terror. So, we have been through that.

I want to get your name and how to get to you what I'm going to send you, because we have a good antiterrorist program. And a lot of it is insisting that we do better on interdiction -- I mean, on having people sent out from the countries where they're caught. It is very hard. Extradition it's called. It's very hard, for example, to get drug kingpins in Colombia extradited to the United States when the cartel down there goes in and murders a supreme court justice. I think you had 9 or 10 justices killed there. You had an attorney general fleeing for his life in Colombia, caught somewhere over in Hungary or somewhere in Eastern Europe and gunned down.

And so, we've got to do more in extradition. We've got to do more in the sharing of intelligence. We've got to do more in punishing those who practice international terror, if you can find them. It's pretty hard to track it down with definition. It is very hard to single out and punish the state leader that condones it. The attack on Libya did that, and I strongly support that. But in the rest of these cases, a lot of these cases, it is very hard to do. But we do have a good program, and yet I wish I could tell you I thought it alone would solve the problem of international terror. As long as you have a handful of people or a large group of people that use this relatively new instrument to effect political change, it's going to be hard to control, because it's like dealing with fog: You can't get a hold of it very well. And they're protected at times by governments, although the governments themselves don't sponsor it.

But let me send you -- if Tim will get the address, and maybe you can share it with others -- this policy. It will show you -- and a lot of good people went -- this was last year it came out, but it's still valid, as to what governments contend with when they try to formulate an antiterrorism policy. It's tough, but we've got to keep doing it.

We've got Americans held against their will right now -- hostages. Hard to even know where they are, as good as our intelligence is. And incidentally, it is still the best in the world, in my view. But when you're dealing with something like this, this new approach to changing things, it is very difficult for any government to singlehandedly cope. And even when you're working with friendly governments, it's hard to cope.

She has what they call a followup.

Q. Do you think by fortifying our own borders you'll be able to keep terrorism out of -- at least out of -- occurring within our boundaries?

The President. By what we're doing? You said -- --

Q. By fortifying our borders.

The President. No, I don't think that is an answer. I think being sure that the intelligence is widely shared of people coming in is very important. But I don't think fortification -- if I'm using the right picture of fortification -- of our borders is feasible, and I don't think it's appropriate. But interdicting at the borders in a better way, a more efficient way, of terrorists is very important. And that's where this sharing of intelligence is a key to doing what you've suggested. But I don't think living inside a fortressed America concept, where you have bristling armaments along the Rio Grande River, for example, or across Canada, makes sense for the United States.

Mr. Ryan. We have time for one more question.

The President. Then I want to know what's on for lunch. [Laughter] All right, I saw two hands

up there -- one and then two, and then we'll go peacefully.

Aviation Safety

Q. I was wondering, this concern over the recent incidents in the aviation industry, I was just wondering what your thoughts were on our industry and aviation?

The President. Aviation generally, you mean? Or are you talking about the safety of the skies for international travelers?

Q. Yes, I guess so. [Laughter] I can't believe I'm talking to you, that's why I'm just -- [laughter].

The President. No, but you ask a good question, because modernization of the facilities for air control is very important. And there's funds now in our budgeting to accomplish that. In terms of one of the hot subjects, of warnings of -- you know, when you get a phone call saying that some terrorist act is going to take place, you have to sort through that in an intelligent way, because you cannot have some crackpot shutting down the air travel in this country, some prankster calling in, and thus the Government insisting that flights not take off. So, again, I come back to the sharing of intelligence, and the best possible intelligence is the answer to that, to the tranquillity of the skies, and in terms of securing for the traveler not only the best information available but not scaring them to death in the process.

Voluntarism

Q. During your campaign I heard a lot of people wonder and talk about what exactly you mean by the Thousand Points of Light? [Laughter]

The President. Some of the opposition weren't quite bright enough to get it, so let me help -- [laughter] -- I want to help them.

Q. All right.

The President. A Thousand Points of Light -- you could make it a million. It's a good -- no, it's a very good question she asked, because what I'm talking about in a Thousand Points of Light -- I talked about it just a minute ago -- didn't define it as such. You going out and helping some kid that may be tempted to use narcotics. Somebody else mentioned her church group doing something. There's a second point of light. And you can go on and on and on. It's the Red Cross; it's day care centers of a voluntary nature; it is the Boy Scouts; it is Christian Athletes. It is almost anything you can think of that comes under the heading of voluntarism.

Now, when a President talks about voluntarism, there are a few cynics around who suggest he's trying to escape the responsibility of the Federal Government, he's trying to say let somebody

else do it. I'm saying, and I believe it with fervor, that this narcotics problem in this country is not going to be solved without the Thousand Points of Light. Not just a thousand organizations, but literally a million efforts to get out there and try to work the problem. It isn't going to be done by the Government. We aren't going to care for the poor. And in education, there's a lot of room. As I mentioned, this Youth Entering Service -- that's a point of light. It's a new concept; it's a government-private foundation that we're going to be proposing here very soon, which I've already talked about in the campaign.

But you're right, and the reason you have that in your mind is that it was somewhat ridiculed. And maybe I didn't express it clearly in the campaign. It was somewhat ridiculed in one of the debates we had. And yet I have a feeling the American people know what I'm talking about, because family is involved in this, religious institutions are involved in it, outreach of all kinds in the communities are involved -- one American helping another; groups of Americans helping others. And it's true in the law enforcement; it's true in the poor; it's true everyplace -- this idea that we are a giving nation, we're a caring nation, and we're going to help each other. And that's what I mean by it. And I think it's getting a little better focus now than it did in the campaign. I think people are beginning to understand it more. And I'll be talking about it a lot from the White House, because it is very, very important.

And every time you bring in somebody -- I had a group of marines in there that help with presents for kids, underprivileged kids -- it's a point of light. And then they'll leave, and it will be somebody else with something. So, we've got to keep emphasizing it. We can't make you; we can't say you've got to go out after school and help this kid learn to read. But somehow it's moving, and people say, ``Look, we're a giving nation; we're a caring nation; we're going to help."

Persistence gets the last one.

Q. It's just a quick question. How busy is your schedule around the 15th of June? Because if you're not too busy, we'd really be honored if you'd speak at our graduation. [Laughter]

The President. Thank you for the invitation. I don't know how busy it is. I don't even dare look till tomorrow, but thanks for the invite. Thanks a lot.

Note: The President spoke at 11:20 a.m. in the school library. Prior to his remarks, he visited an advanced-placement computer science class. In his remarks, the President referred to Special Assistant to the President Timothy J. McBride. Following his remarks, the President had lunch in the cafeteria and then returned to the White House. Edward J. Ryan was the principal of the school.

Nomination of Carol T. Crawford To Be an Assistant Attorney General

March 28, 1989

The President today announced his intention to nominate Carol T. Crawford to be Assistant Attorney General for the Office of Legislative Affairs. She would succeed Thomas M. Boyd.

Since 1985 Ms. Crawford has been Associate Director for Economics and Government at the Office of Management and Budget at the White House. She has served at the Federal Trade Commission as Director of Bureau of Consumer Protection, 1983 - 1985, and as executive assistant to the Chairman of the Federal Trade Commission, 1981 - 1983. Prior to this she was an attorney at Collier, Shannon, Rill and Scott, 1979 - 1981. Ms. Crawford has been a trustee with the Barry Goldwater Chair of American Institutions, Arizona State University since 1983, and she served as a senior adviser to the Reagan-Bush transition team, 1980.

Ms. Crawford graduated from Mount Holyoke College (B.A., 1965) and American University, Washington College of Law (J.D., 1978). She was born in Mount Holly, NJ, on February 25, 1943. She resides in McLean, VA.

Nomination of Roger Bolton To Be an Assistant Secretary of the Treasury

March 28, 1989

The President today announced his intention to nominate Roger Bolton to be Assistant Secretary of the Treasury for Public Affairs and Public Liaison. He would succeed Edith E. Holiday.

Since 1988 Mr. Bolton has served as a Special Assistant to the President for Public Liaison and Director of the Economic Division at the White House in Washington, DC. Mr. Bolton has also served as Assistant U.S. Trade Representative for Public Affairs, and private sector liaison for the Office of the U.S. Trade Representative, July 1985 - 1989. Prior to this he was Deputy Assistant Secretary for Public Affairs at the Department of the Treasury, 1984 - 1985. Mr. Bolton was director of speechwriting for Reagan-Bush '84, 1984; press secretary for the Joint Economic Committee of Congress, 1983; and Deputy Director of Government Affairs for the National Transportation Safety Board, 1983. Mr. Bolton has also served as administrative assistant for Congressman Clarence J. Brown, 1977 - 1983, and as press secretary, 1975 - 1977. From 1972 to 1975, he was a political reporter for the Marion (Ohio) Star.

Mr. Bolton graduated from Ohio State University (B.A., 1972). He is married to the former Lynne Melillo. He was born June 12, 1950, is a native of Cincinnati, OH, and currently resides in Reston, VA.

Continuation of Henry Anatole Grunwald as United States Ambassador to Austria

March 29, 1989

The President today announced that Henry Anatole Grunwald will continue to serve as United States Ambassador to the Republic of Austria.

Since 1987 Ambassador Grunwald has been the United States Ambassador to the Republic of Austria. Prior to this he was with Time, Inc., in New York City serving in several capacities: editor-in-chief, 1979 - 1987; corporate editor, 1977 - 1979; managing editor, 1968 - 1977; assistant managing editor, 1966 - 1968; foreign news editor, 1961 - 1966; senior editor, 1951 - 1961; and staff writer, 1945 - 1951.

Ambassador Grunwald graduated from New York University (A.B., 1944). He was born December 3, 1922, in Vienna, Austria. He is married, has three children, and resides in New York City.

Nomination of John Cameron Monjo To Be United States Ambassador to Indonesia

March 29, 1989

The President today announced his intention to nominate John Cameron Monjo to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia. He would succeed Paul Dundes Wolfowitz.

Since 1987 Ambassador Monjo has been the United States Ambassador to Malaysia. Prior to this he was Senior Deputy Assistant Secretary for East Asian and Pacific Affairs at the Department of State, 1985 - 1987. He was Deputy Assistant Secretary for East Asian and Pacific Affairs, 1983 - 1985. He has served in several other capacities at the Department of State: Deputy Chief of Mission in Jakarta, Indonesia, 1982 - 1983; and Deputy Chief of Mission in Seoul, Korea, 1979 - 1982. Ambassador Monjo was country director in the Office of Philippine Affairs, 1978 - 1979; principal officer for Casablanca, Morocco, 1976 - 1978; and a political officer in Jakarta, Indonesia, 1971 - 1976. From 1969 to 1971, he was a special assistant in the Office of the Under Secretary for Political Affairs; an international relations officer in the Office of Japanese Affairs, 1967 - 1969; and a political officer in the Department of the Army in Naha, Okinawa, 1965 - 1967. Ambassador Monjo has also served as an economic officer, 1964 - 1965; a commercial officer in Tokyo, Japan, 1961 - 1962; and a political officer in Phnom Penh, Cambodia, 1958 - 1961.

Ambassador Monjo graduated from the University of Pennsylvania (B.S., 1953). He served in the United States Navy, 1953 - 1956. He was born July 17, 1931, in Stamford, CT. He is married, has two children, and resides in Bethesda, MD.

Nomination of Peter F. Secchia To Be United States Ambassador to Italy

March 29, 1989

The President today announced his intention to nominate Peter F. Secchia to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Italy. He would succeed Maxwell M. Rabb.

Currently Mr. Secchia serves as chairman of the board of The Universal Companies, Inc.; and as vice chairman of the Republican National Committee in the Midwest. He also served as host chairman of the 1985 Republican National Committee midwest leadership conference in Grand Rapids, MI. Mr. Secchia founded the Lake Michigan conference and is a member of the executive committee of the Gerald R. Ford Foundation. In addition, he was the founding president of the West Michigan Lodge of the Order Sons of Italy.

Mr. Secchia received a business administration degree from Michigan State University. He is married, has four children, and resides in East Grand Rapids, MI.

Remarks and a Question-and-Answer Session With High School Students From the Close Up Foundation

March 29, 1989

The President. Welcome to the White House. Famous personalities roam the corridors of this famous house. Play your cards right and you can see our dog, Millie, in a few minutes, coming down the stairs. [Laughter] But I'm delighted that you all are here in Washington. And I hope you're gaining an understanding of something that really matters, and that is good government.

I met today with a very prestigious group headed by Paul Volcker, and many others -- the former Secretary of State, Mr. Muskie; and several Ambassadors; and Bruce Laingen, who you may remember was held hostage for a while over there in Iran. And the thrust of their report was the need to encourage more people to be involved in government service. And I hope you'll have a chance to see it. I'm sure there will be some press on it tomorrow.

But in addition to that -- and I want to encourage in every way I can those who serve their country, whether it's military or civilian, in the civil service, or wherever else -- I want to encourage that kind of service. But also, particularly in a group like this, to urge you to save some time in your lives for the political process. Some feel it's a demeaning line of work, and I happen to think that it is absolutely fundamental. Because 200 years ago, a great experiment really began on this continent that began with the profound idea that the power should reside with the people. And that sounds, I'm sure, to you who are bright and able students, as perhaps trite or a cliche. But it isn't when you look at today's world.

We take for granted that the power comes from the people in this country. But it isn't true in some of the totalitarian systems. Certainly, it's not true in the Marxist system. And it's fascinating now to see what's happening in the Soviet system as they lighten up a little and begin to have the elective process that we've taken for granted throughout our history. But the fundamental principle of freedom that built our democracy has served us well for these two centuries, and it's all the more vital that we preserve the freedom as we look to the future.

Some historians have called the 20th century the American century, but the 21st century is less than a dozen years away. And I've been talking with several different groups now about the future, charting a course for the next American century. And really, it's your future and your century. And so, we've been talking about what we as a government can do to not only set the agenda but what we can accomplish now that will guarantee that that century be more peaceful, more productive, and certainly a century in which the freedoms that I talked about earlier are provided -- or preserved.

So, I guess we could say that everything we do now today with the Congress in terms of

legislation is investing in your future. And we've got to solve some short-range problems that I'm sure you've heard a lot about -- the budget deficit, because it does affect your future -- how big a mortgage on your future if we continue to spend beyond our means today. Drugs in the streets: If we don't do better in battling this scourge of narcotics, it has an adverse affect on your future. Threats to the environment: We're seeing now an oil spill up in Alaska. But there's many, many other -- global warming and things -- that really do seem remote, but have a vital affect on the kind of century you're going to be living in. So, we have to address those problems, and that's the role of a President, and certainly it's the role of the Congress. And I'm still intent on working with the Congress to move forward as we get closer and closer to the next century.

I think from what I'm told about you all that you are much more aware of these things than the average young person in this country. This Close Up program is a great place to hone your ability to think, to question, to form reasoned opinions. And I want to find out about that in a minute because I'm told this has been billed for me at least as a listening session. And so I hope you will give me your ideas, and I'll try to conduct the discussion in such a way that you feel free to do that.

When you understand our political traditions and the questions of public policy, you can ensure that we preserve what works and that we work for change where it's needed. In my book, that's the best kind of citizenship. Government is not a spectator sport. You've got to be involved -- needs people, bright people like you to make it succeed. And so, you have it within you all to be leaders in the next century wherever you decide to apply these talents. I don't want to say just public service or just politics because one of the themes that I'm talking about a lot and believe in is this concept of a better educated America. And that leads me to encourage those in the teaching profession to be the very best and then to encourage people to go into that profession as well. It takes hard work; it means asking questions of people; it means looking deeper. It means investing time and energy to learn all you can, now and in the future. You never stop learning. Heaven knows, I hope I don't. We've had fascinating meetings today on a wide array of subjects that -- important to expand your horizons, and they've been very helpful to me.

Education is all about this. And I've been proposing new ways to make the schools more responsive. I really believe that choice is important. Choice -- parental choice, student choice -- can lead to excellence not just in the school that's chosen, but in those that maybe aren't chosen. So we've got to find ways to encourage choice.

I want to encourage excellence through programs like merit schools that some of you are familiar with -- giving awards to outstanding teachers. The major responsibility, incidentally, as you know, in education lies at the local and State level. An overwhelming percentage of the funds come from the local and the State level. But we can, even in these tough budget times, give a system of awards for the outstanding teachers, thus giving them hope, and others seeing them trying to aspire to higher levels of production and levels of concern for the kids.

So, I believe in accountability. I think the educational process is somewhat -- been somewhat devoid of accounting for its successes and failures, and I would like to see that. Over the past year, I've asked teachers and parents and administrators, political leaders at all levels to get involved. And they are. And I think it's beginning to show what's been going on the last few years in striving for excellence.

But you know, these are your schools, and they exist to serve you. And you have the right to demand the best from your teachers and from your schools. And you can expect excellence from your schools, and you can make them work for you. So where school is concerned, it's not a matter of like it or leave it. It's like it or help change it. And you're the bright ones; I hope that you'll never lose interest in the school system itself.

I wanted to meet with you. I have some ideas -- these are what I've spelled out here on education and others, as well. I am told that you have ideas of your own, so why don't we get ahead with the give-and-take part of this, where you tell me what's on your minds. I noticed some notes. It's always formidable when you see notes having been written down here. [Laughter] But it's a good time to speak to me and I guess, with these cameras listening, be sure never to end a sentence with a preposition, because it will be duly reported all across the country by these guardians of the -- [laughter].

But nevertheless, really, feel relaxed about it, and I hope you'll fire away. And I guess I get to sit down and listen. I'll conduct this, but just go ahead.

Q. Thank you, Mr. President. My name is Molly Evans, and I'm from Wooster High School in Wooster, Ohio. I'd like to thank you first for allowing Close Up the opportunity to question you and thank you -- --

The President. No, I'm questioning you. You've got it wrong, Molly. Go ahead. [Laughter]

Federal Role in Education

Q. Okay. Mr. President, in the past, the schools have traditionally held jurisdiction over the educational issues. But now that it's become a serious national problem, do you believe that the Federal Government should have more power on making decisions over the educational issues?

The President. No. I don't believe that the power in determining curriculum, in determining teachers' pay, in determining standards for schools ought to be set by the Federal Government. I believe in the genius of diversity. I believe that one set of standards has much more applicability to one area than to another. And so I don't think the Federal Government should be looked to as the final arbiter, or the one that's going to set the policies for the local school districts.

I believe instead in more parental participation. I believe in local school boards having the final

authority and State departments of education having their say. And the Federal Government, which I think provides 7 percent of the funding, as opposed to 93 percent coming from other sources, has about that percentage in terms of dictating things. I don't see the Federal Government in a dictatorial role; I don't see it as the dominant role. I see this pulpit here -- what Teddy Roosevelt referred to as the bully pulpit -- being used to encourage excellence, encourage choice, encourage the good teachers, but not dictate to the schools.

Illiteracy

Q. My name is Jennifer Bean. I'm from Danvers High School, Danvers, Massachusetts. I know Mrs. Bush is involved in the campaign against illiteracy. There are many high school students that graduate from high school and are functionally illiterate. As the ``Education President,'' what are you going to do to eliminate this problem?

The President. Again, I don't think the Federal Government can eliminate it. I do think it becomes the responsibility of everybody. And we are unveiling a program in a week or two that I've talked about earlier called Youth Entering Service. It's a concept, a concept of one kid, a bright kid -- you perhaps -- helping somebody in another area that doesn't have the advantage that you've had in terms of education.

My wife is involved in this whole concept of fighting against illiteracy, and in that, she's encouraging corporations and others to be thoroughly involved. You may have seen some of the pro bono advertising on a couple of the networks in terms of fighting against illiteracy.

So, I think the Federal Government has a substantial role. I think in the programs the Federal Government does do, that it can put emphasis on stamping out illiteracy. But again, I'd be misleading you if I had you believe that the problem could be solved from the White House or from Congress, itself. It can't be; it's got to have -- scratch one newsman -- [laughter]. Did anybody get hurt? But that's the way I look at it. And so I will be encouraging this hortatory, encouraging in every way we can.

And when I talk about accountability -- promoting those who -- you might be classmates -- that you know can't read. It doesn't do that kid any good -- needs special training, special help, special concern. So we've got to do better on it, but the Federal Government can help, can exhort, but can't solve it alone.

Q. Thank you, Mr. President. My name is David Hardin. I'm from Horizon High School in Scottsdale, Arizona.

The President. Where's your suntan? [Laughter]

Q. I get sunburned. [Laughter]

The President. Do you?

War on Drugs

Q. The drug problem that's infiltrated the United States educational system has proven to be a catalyst that's destroying the American youth. What do you think needs to be done to solve this problem?

The President. Well, we're making a whole new push against the scourge of drugs. The Congress passed legislation calling for a drug czar. You're all bright students of history, I'm sure. And why we use the term ``czar'' in the United States to determine a strong leader, I don't know.

But nevertheless, we're implementing that legislation as best we can in the executive branch. The appointment of Bill Bennett, who, I think set very high standards for education, shows that I think that a lot of the drug problem can be solved through the demand side of the equation -- through teaching, through education, through getting peer to stand with peer and say, ``No, we can't go forward with it.''

We've got to change the culture that condoned the use of narcotics. Yesterday, I challenged through a meeting somewhat like this, challenged the entertainment media who, heretofore, has almost condoned narcotics by emphasizing the silly side of somebody being high on some substance or another. So we've got to change the culture, we've got to change the demand, and at the same time we've got to have much more enforcement of laws. We may need new laws, but we have existing laws that have not been enforced in terms of drug use. We're going to have to expand our prison space because it is frustrating to a law enforcement official who lays her or his life on the line to make a bust and then see that person out on the street again because there is no room in the prison. I believe severe sentencing is called for for drug kingpins. We've got to do more on the sentencing side, more on the enforcement side, and then we've got to do -- and education side -- and then we're trying to step up our cooperation with South American countries, particularly in terms of interdiction.

Somebody asked the question yesterday, and maybe it's on you all's minds about closing the borders, of fortifying the borders. We can't do that in the United States. In the first place, the borders are too long; we don't have that much money. Secondly, that isn't the concept we want with friendly countries -- Mexico to our south, Canada to the north. But we've got to do better in terms of interdiction.

Last point -- we are not going to solve the drug problem by stopping the flow. It's not going to be solved -- in my view, it's going to be -- that'll help, but we've got to do more on the demand side. Both sides, incidentally, our new drug czar, Bill Bennett, is working on. And for those of you who follow the intricacies of government, it isn't that easy because he is dealing with the

Secretary of Defense and the Attorney General and the Secretary of State. And they are statutorily in command of their departments. So, he comes in, working for the President with a Cabinet rank, but without the statutory power of some of the Cabinet officers. So, he's got a job of persuasion and coordination. But we've got a man -- if anybody can do it, he can.

Federal Role in Education

Q. Thank you, Mr. President. My name is Shawndra Miles. I attend Crenshaw High School in Los Angeles, California. In recent years, there have been significant cutbacks in Federal money for education. I would like to know how would you address this problem, since the students today are leaders of tomorrow?

The President. In the first place, we have a crunch. I think your figures are wrong. I don't think there have been substantial cutbacks. I don't think there have been cutbacks. I think the budget for the Department of Education is higher than it was 8 years ago -- or 6 years ago -- and will be this time. There have been some programs that have been curtailed. There has been some means testing in terms of student loans.

Let me give you an example of that. I don't believe as President that the Federal Government has an obligation to pay for the education of all kids that are qualified to go to college. That's my philosophy. That's what I ran on with this kind of an underpinning of that in terms of being elected by the people of the United States to be President. I do think that the Federal Government has a role in helping those who can't afford to get to college. And so, tightening up on the means test for student loans, for example, was considered by some to be cutting educational funds. And I'm sure some programs have been taken out.

But generally speaking, I just come back to the fact -- and I don't know that you all knew this, and I'm pretty sure I'm right on the figure -- 93 percent comes from all sources, and 7 percent of the funds come from the Federal Government. So in times of tough budget money, I've got to get this budget deficit down. The best hope, antidote to poverty, is a job, and the best way to have a job is to have a vibrant economy. And the way to do that is to be sure these interest rates don't go sky high. And this gets into the whole economic question, but all of which -- it comes back to me as President in terms of priority: Get the budget deficit down. And that means we can't spend all the money that I'd like for that 7 percent.

There are some programs I'd like to fund more. But somebody asked me yesterday -- I don't think it's come up yet today -- on the question of dropouts. One of my answers to that is, do as much as we possibly can for Head Start. I think Head Start is a good program. And so we've increased, in tight financial times, the funds for Head Start. So, you know, it's like -- I don't know what would be a parallel in your lives -- is how you sort out priorities. But I am faced with a strong Secretary of Education who says we've got to spend more for this program or that. I've got a strong budget director on the other hand saying, ``Wait a minute! We can't do that if your

objective is to get the budget deficit down." So, you just do the best you can, and then you exhort. You encourage the private sector and the States and everybody to do as much as they can. No clear answer, and a very tough and good question.

You had one here, and then I'll go in the back. We're cutting out all the back bench guys. Go ahead. Did you have a question?

Q. Me?

The President. Yes, I thought I saw your hand. Yes?

Q. Thank you, Mr. President.

The President. Janel, if you're too polite in life you get stomped on. [Laughter] You're doing just great, but I didn't want you to have it. I thought you thought I had recognized you. Go ahead.

Q. My name is Janel McCurtis. I'm from Business Management Center in Dallas, Texas. And I was wondering how you feel about the Federal Government playing a more -- a role in education.

The President. More of a role? Well, as I say, I think it's got to be State and local, the way our system works, because I don't want that highly centralized control. I've confessed here to Shawndra I'd like to see us be able to do more things, but I don't want the role -- I don't want education to be federalized. That's the fundamental philosophical underpinning that I have with me as I approach public education and private education. I don't want the Federal Government to tell you, your school board, or your teachers what you're going to get taught in class. I don't want them to set the pay from on high -- Washington, DC. We don't know much about Dallas. I do, coming from Houston.

But that's my philosophy, and I think it's right. I think -- it's federalism, decentralization. We're strong that way. And I probably, when I was little, was wondering, why do we have all these different overlapping functions of the State government? And then I realized that it preserves our Union and strengthens our system by diversity -- Scottsdale having a different answer than Los Angeles, and a different answer than Dallas and wherever else it is.

Who's got some in the back? We've got to -- fire away, you two guys back there.

Q. Hello, Mr. President. My name is Joseph Thrill, and I go to the Hawaii Preparatory Academy in Hawaii. And I was wondering, I go to a private school and my parents pay tuition directly to the school. But yet part of their taxes which they pay to the Federal Government go to the public school system, even though I do not attend a public school. Should they get a tax break on that?

The President. No, they shouldn't. And I think it is the obligation of all taxpayers to support a public education system. We want it to be the best. And I think in many ways it is the best, although I'm disturbed when I see some kids underachieving -- not being able to identify where the United States is on a globe or something of that nature. But, no, I think that that's your parents' choice, and I think that they shouldn't.

I have been intrigued with the concept of tuition tax credits. And some say, ``Well, should that include parochial schools?'' And I've said yes, but the problem again is that we are -- and that gets really to your philosophical underpinning of your question -- we can't afford to do that. So, I think that everybody should support the public school system. And then, if on top of that, your parents think that they want to shell out, in addition to the tax money, tuition money, that's their right, and that should be respected. But I don't think they should get a break for that.

Study Abroad

Q. Thank you, Mr. President. I'm Max Kalhammet, from Cairo, Egypt. And recently there's been a lot of publicity about the advantages of studying abroad, especially in your college career. The advantages would be traveling, being exposed to new cultures, et cetera. With your interest in reviving education domestically, do you support this?

The President. Yes, I support it, but again, we're talking about sparse funds. Not only do I support it, but I think it is enormously useful for our foreign affairs, and for understanding around the world about the United States of America. So, I strongly support it.

One of the things in my background that really helped shape my life a lot was living in China. Right after the Cultural Revolution, or right before the renaissance, or before the capitalistic -- or quasi -- you've got to be careful when you talk about China -- quasi-capitalistic experimentation -- incentive, moving away from the commune system for farm. And living there was very helpful to me and broadening -- I was then Ambassador -- but broadening out my own horizons, understanding the importance of China in the world scheme of things.

And I think it's true for students. I think not only does the student himself or herself gain a dimension on the world it might not have otherwise, but I think the people with whom you interact abroad do. And I strongly favor, as much as we can afford it, bringing kids from other countries over here. I believe firmly that any student that comes to the United States can no longer return to his or her country without some respect for democracy -- for the underpinnings that I talked about in the remarks -- you can't do it. You come out of a totalitarian system and you see the freedoms that you and I take for granted every day in our lives -- see them every day one way or another. You see the bounty of this country, and you see the concern that Americans have for their fellow American, and it's bound to make an impact on them.

And I hear all kinds of griping about the United States all over the world. And I've traveled to I

don't know how many countries. Now, I would guess -- well, as Vice President, it was 85 just in that one job. And then I did business all around the world, from Brunei to the Persian Gulf to South America. And you hear complaints about the Americans, and you sit around and you interact. But you also have the sense that people say, yes, we may be griping about it or criticizing, but we'd like a little piece of the action.

And the more those students come here on the kind of thing you're talking about, the more understanding they have about us. And it is a really remarkable, remarkable thing. And I saw that most when I was the Ambassador at the United Nations, interacting with then the Ambassadors from 134 countries. And we were, you know, the host country. You got to know a lot of them.

I know the point you're bringing up is, I guess by the question, is very, very important. And so I would encourage not only travel abroad, but I would try in every way I can to do as much as we can do in terms of support for these people going to different countries and bringing students here. A lot go to the Soviet Union. They have a very active program of taking people, particularly from Eastern Europe -- but it's much more widely spread than that -- to the Soviet Union. And until recently, I think that could have been in some ways counterproductive. They have a big propaganda thing in their education, major propaganda offensive. But then, when those kids get back home and then they interact with freer countries, it rubs off pretty easily. Today, in the Soviet Union, they're still doing quite a bit of this, and I'm sure that the students going there see it ferment a change that's taking place through both perestroika and the openness and glasnost.

So, I would encourage people doing it. I would encourage those foundations -- International Education Institute, and those things that help bring people to live with American families. The Federal Government has some role in this, and I think it's very important. And I wish I had time to ask you what your view is because I would expect it would parallel.

I mean, I have been to Egypt, and I think there is a good feeling in Egypt about the United States. There are some concerns about certain aspects of our policy that I'll hear about next Monday and Tuesday when President Mubarak is here right in this very house. But I can tell you -- here he is, the President of that country, coming in for Sadat, and there's a certain feeling -- the United States can effect change. The United States can move things forward in the peace process. The United States has a certain economic system that we'd like to aspire to in Egypt.

And so never apologize for it. And share it, spread it around as best you can -- goodwill that comes from being very bright, bright kids. Share it with foreigners as much as you can because we are, I'll still say -- and I got accused of being a little bit overly patriotic, but I've been to these, a lot of them -- we are the freest, we are the most honorable and caring country, I think, in the whole world. And so we ought to have others understand that.

And I will say this, that as President -- you know, they ask, ``Well, what is your aim, priorities?'' We talk here about education and civics and all of that, but I want to try hard to enhance world peace. We talk about a new century. How old are you, Eric?

Q. I'm 17.

The President. Okay, 17. In the year 2000, you'll be 28. I'd like to think that because we were here and worked the problem hard, that the world will be somewhat more peaceful. And let me say this: The changes in the Soviet Union are encouraging. I'm an optimist about it. But if those changes keep going forward, you guys have a much better chance to -- I don't need that -- [laughter] -- to live in a more harmonious world. So we'll try our hardest, and you all stay involved.

Mr. Janger. Mr. President, on behalf of all of us at the Close Up Foundation, these young people and young people throughout the United States, I know you understand how wonderfully motivating your exchange of ideas has been. Your special focus on education is inspiring, and we thank you for your time today.

Note: The President spoke at 2:18 p.m. in the East Room at the White House. In his opening remarks, he referred to Paul Volcker, Chairman of the National Commission on Public Service. The event was broadcast live on the Cable Satellite Public Affairs Network. The participants were part of the Close Up Foundation program, a nonpartisan educational foundation providing secondary school students opportunities to study the American political system. Stephen A. Janger was president of the foundation.

Remarks to Members of the American Association of Community and Junior Colleges

March 30, 1989

To Dale Parnell and Jess Parrish, others, thank you for that warm reception for Barbara and for me. And I'm just delighted to be here. I understand we do have two Governors here: Jim Martin, whom I saw over here, and somebody told me Carroll Campbell was here. And I want to pay my respects to them, both leaders in the field of education.

Before making my remarks, I do want to make a comment on a subject that is of concern to all Americans today. I know that you, like most Americans, are concerned about this massive oil spill off the coast of Alaska. And there's no doubt this is a major tragedy, both for the environment and for the people up there.

This morning I met with the Secretary of Transportation, Sam Skinner; with our new able EPA Administrator, Bill Reilly; with our Coast Guard Commandant, Admiral Yost. And they've just returned from surveying the damage and assessing the progress of the cleanup effort. And we're doing all we can at the Federal level to speed up this undertaking.

I've directed the Department of Transportation and the Environmental Protection Agency and the Coast Guard to continue to give this matter top priority. I've directed Bill Reilly to report back to me as soon as possible regarding the severity of damage to the environment, particularly to marine life and the Alaskan coastline, with suggestions as to what we might do to ameliorate the situation. The cleanup will not be easy. It's in remote areas, and it's very complicated. But as with other serious disasters, we must and we will work together at all levels, public and private, to remedy the damage that has been done, and then to safeguard the precious environment for the future.

But I wanted you to know that we did have a good meeting. The report was not all negative, but there -- lets be frank, there's some very serious problems up there right now. But I'm confident with this able team and with the work of the Alaskan citizens there who are concerned, that we can do our very best to see that the damage is restricted.

Now on to the business at hand. I am delighted, Barbara, that this distinguished group has recognized your efforts. Or put it in the third person -- I'm grateful to all of you that have recognized her efforts to promote literacy. And to think, all this time I thought she was cheating at Scrabble. [Laughter] It has been said by some cynic -- maybe it was a former President -- ``If you want a friend in Washington, get a dog." [Laughter] Well, we took them literally -- that advice, as you know. [Laughter] But I didn't need that because I have Barbara Bush -- your honoree.

As you know, Bar has taken the lead in promoting literacy, as you so, I think, properly pointed out, for more than 8 years now, traveling to the schools across this country. And one day she came back from Boston and told me that she'd seen a gentleman sitting in a chair in the corner of a schoolroom surrounded by children who were enraptured by his storytelling and his good-natured kidding. Every now and then, this man would ask a child to spell a word by tracing the letters in the palm of his hand, and he would tell them whether they got it right or not. Barbara thought that this is strange -- wondered if this was some new kind of teaching technique that you may have designed. And, no, the superintendent told her, ``He has to teach this way. You see, he's blind." Think of it. He's retired. He could have found a thousand excuses to retreat into his own world of darkness. And yet, he ventured out into the light to teach children to read books that he would never again see. And it's moments like these that make her efforts on behalf of literacy so very rewarding.

We are deeply moved by the plight of those who lack the skills that most of us just simply take for granted. And rest assured, we're going to continue to work with you, those of you out there on the cutting edge, to promote literacy skills. You've bestowed on Barbara an honor that will be treasured by all in our family for years to come. And still, she and I can't get over the feeling that we should be giving you, the people in this room, an award. After all, you provide adult basic education on a scale that is nothing short of heroic.

This nation grew into greatness because early Americans met the challenge of building an educational system second to none. And with the dawn of a new century only 11 years away, we're faced with a new challenge: to revitalize and restore that system that our forebears bequeathed to us; to ensure that an American education is once again the best, the very best in the world. In this important mission, we can look to leadership from an American innovation in education -- our nation's community colleges, more than a thousand strong.

Whole communities are enriched and enlightened by the cultural resources you provide: vast libraries and night schools and stages for local theatrical productions and on and on it goes. This attitude toward education as something more than a requirement of an industrial society, as an embellishment of life, rather, is uniquely American.

I believe secondary and even elementary schools can learn a lot from your success, starting with your policy of flexibility. And by this I mean the way in which you tap local talent and draw on the knowledge of experts from the private sector. When a Ph.D. on sabbatical cannot volunteer as a teacher in many of our schools, something's wrong. And that's why I've proposed alternative teacher certification, to open classrooms to every qualified person with the talent, and the knowledge, and mainly the desire to help the kids, to teach.

We must all pitch in to restore our educational system. Business must get involved, work with our schools to ensure American competitiveness. Students must understand the value of a solid education and personal responsibility in today's market. And education at all levels must follow

the example set by you, by the community colleges, which are directly accountable to the needs of students, communities, and businesses. This principle of accountability should be universally applied to all educational institutions. You also serve a particular need with the disadvantaged and the disabled -- providing opportunity and choice for older citizens, women, minorities, and the handicapped.

But excellence in education is our most basic shared principle. We share the conviction that there is no such thing as an expendable student. We will never accept the notion that vast numbers of illiterate and undereducated Americans can be offset by a well-educated elite. That is not the American way. For years, rescuing underachieving students has been a quest of the heart. And today, it's also a test of our national will, a test critical to the very future of America. This may sound like an overstatement. America, after all, is still a world leader when it comes to producing Nobel Prize winners in physics, in economics, and literature. But what's the advantage for a nation with Nobel Prize-winning novelists, if their books cannot be read by 27 million functional illiterates in their own country?

I am committed to increased investment in basic research, but America can continue to lead the world in theoretical science and still lose the race in the application of knowledge. H.G. Wells wrote that ``Human history becomes more and more a race between education and catastrophe." Catastrophe may not be around the corner, but what had a ring of truth in the 1920's sounds ominously true in the 1980's, with our highly competitive international market. Let me share a few stark facts with you.

In Japan, levels of functional literacy and student achievement are extremely high, while the Japanese drop-out rate remains very low. In America, however, functional literacy is much lower. About one in five American high school students drop out. And of those Americans who do graduate from high school, almost one in five cannot read or write at the intermediate level.

While many Americans become less educated, the standards of the workplace are becoming ever more rigorous. And the balmy days of the baby boom are passing us by. Between now and the year 2000, we're going to face a baby bust; a shrinkage of the basic labor pool for this country. According to Business Week, we will have to train or retrain as many as 50 million workers in the next dozen years alone. Think of it -- 50 million.

There is more opportunity today than ever before, but only for those who are prepared to take advantage of it. For those workers who lack skills and basic education today, a comfortable middle-class existence will be harder and harder to come by. And when some high school grads can't find jobs in a market begging for workers, then we've got a serious social imbalance; we have an education gap. Let's bridge that gap. Let's bridge it as fast as we possibly can.

You're doing it. Community colleges provide such a bridge to higher education, a ready resource for vocational training and adult remedial education. You provide access for precisely the very

people who are being summoned to alleviate the coming labor shortage. Some of your programs spell opportunity for the most disadvantaged members of the work force. But they also spell opportunity for business at the same time. The disadvantaged and business are coming together in hundreds of programs -- from Colorado to Kansas to Kentucky -- called employer-college partnerships. And this friendly merger of business and academia is a sweeping force for social improvement. Everyone must work together if America is to remain prosperous and competitive in the years ahead.

Let me conclude by paraphrasing a few words of advice offered at the turn of the century, but so appropriate for our modern quest for excellence in education: ``Make no little plans. They have no magic to stir men's blood and probably in themselves will not be realized. Make big plans; aim high in hope and work, remembering that a noble idea once recorded will never die, but long after we are gone will be a living thing."

These are the words of Daniel Burnham, who was the architect of such a big plan -- Washington's Union Station, which stands out as a visual delight in a city already crowded with great monuments and statuary. Burnham's legacy is a truly living monument, with its vaulted ceilings and its gilded geometry above bustling crowds of shoppers and commuters. But it would be nothing but a wreck, an eyesore, if it had not been lovingly restored. As important as it is to reclaim our civic capital of burnished brass and polished marble, how much more important it is to reclaim our human capital.

Think, then, of our educational system in this way: as a vast and beautiful inheritance which must be lovingly restored -- not once, but every generation. And in this effort, make no little plans. Think big; aim high in hope and work. Continue to work together as a community, to help your students, to lift their vision and lengthen their horizon.

For this, and all you are doing, and for those that walked across this platform, a hearty thanks for all you have done. For this, for all you do and for what you have done, you have earned and you are earning the gratitude of a nation. Thank you. God bless you. And God bless America. Thank you all very, very much.

Note: The President spoke at 1:42 p.m. in the International Ballroom at the Washington Hilton Hotel. In his opening remarks, he referred to Dale Parnell, president of the association; Dr. Jess H. Parrish, president of Midland College; Governors James G. Martin of North Carolina and Carroll A. Campbell, Jr., of South Carolina.

Nomination of Richard Anthony Moore To Be United States Ambassador to Ireland

March 30, 1989

The President today announced his intention to nominate Richard Anthony Moore to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland. He would succeed Margaret M. O'Shaughnessy Heckler.

Since 1975 Mr. Moore has been associate producer for the McLaughlin Group in Washington, DC. He served as Special Counsel to the President at the White House, 1971 - 1974. In 1970 Mr. Moore was a confidential assistant to the Attorney General. From 1962 to 1970, he organized and was head of a number of television enterprises. He also served as chief executive officer for the Times Mirror Broadcasting Co., 1951 - 1962. He is also cofounder and chairman of the Television Bureau of Advertising.

Mr. Moore graduated from Yale College (B.A., 1936) and Yale Law School (LL.B., 1939). He served in the U.S. Army, 1942 - 1946. He was born January 23, 1914, in Albany, NY. Mr. Moore has five children and resides in Washington, DC.

Nomination of Della Newman To Be United States Ambassador to New Zealand and Western Samoa

March 30, 1989

The President today announced his intention to nominate Della Newman to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand and to serve concurrently as Ambassador to Western Samoa. She would succeed Paul Matthews Cleveland.

Currently Ms. Newman is president and owner of Village Real Estate, Inc., in Seattle, WA; treasurer of Pacific Factors Ltd., Inc.; and proprietor of Braemar Associates. She has served as international corporate president of Executive Women International. Ms. Newman has been actively involved in various political activities on the national and State level, including Republican National Convention delegate, 1988; chairman of the Washington State George Bush for President campaign, 1987 - 1988; cochair Reagan-Bush finance committee, 1984; special events director for the Washington State Reagan-Bush campaign, 1980; and Republican National Convention delegate, 1980. In addition, Ms. Newman serves on the board of directors for the Washington Institute for Policy Studies.

Ms. Newman is married to Wells B. McCurdy, and she resides in Seattle, WA.

Remarks and a Question-and-Answer Session at a White House Luncheon for Journalists

March 31, 1989

The President. Well, first, let me just say, welcome to Washington. And I've been traveling some, but I like this much better -- you all coming here. And we're delighted that you are here.

We've got a broad cross-section of both print and broadcast journalists here, and what I really want to do is to take your questions. I'm delighted that you heard from our drug czar, Bill Bennett, this morning, and Roger Porter, as well. And I'll be glad to follow on to any subjects that you have taken up with them. Our Chief of Staff John Sununu came over here with me -- hey, you don't get off that easy, Joe. You haven't heard my speech. [Laughter]

No, I'm not going to spend a lot of time, but I do want to indicate that certain important things have taken place at the outset. We went up with a good budget agreement -- we hope we'll get an agreement -- a good budget proposal. We've thrown an idea, a plan out there for the savings and loans, and I think that is an important thing to have happen. We've introduced a child-care initiative in keeping with the philosophical approach that I talked about in the campaign: parental choice. We've done that one. We've made a vigorous start in the narcotics area, and I want to congratulate Bill Bennett, who really -- antinarcotics area -- hit the ground running. And he has to formulate under the law a specific plan, but we're not going to wait for that to move forward in various ways.

Next week, we'll be sending up new legislation on ethics and education. The ethics guidelines will enable us to sustain an honesty and integrity in public service. I've been talking some about my belief in public service: those not that are in and out on the political basis, but those who serve in a career basis. Though we have no legislation on that, I want to keep saying how important I think that is.

We recognize that the major problem facing us is the budget deficit. And Dick Darman is doing a very good job. Nobody declared our budget dead on arrival, which pleased me very, very much. Nobody has anointed it, either, in every possible way. [Laughter] But nevertheless, we are making progress.

On the national security-foreign affairs side, we're going to have a vigorous week next week with President Mubarak here, Prime Minister Shamir here. And then we're going to have several of the Central Americans up here very soon. You've seen our new approach, you might say, on Nicaragua, where we are working with the Congress, we're together with Congress. One of my regrets is that we were sending two signals. We'd have one signal out of the executive branch and then another signal coming out of Capitol Hill. And I think that now we've laid that to rest,

and we're going to do what we can to move forward -- help move forward the democracy that I believe the people of Nicaragua want and the democracy that they've been denied.

So, we've got a big agenda there with forthcoming meetings on Europe, on the NATO summit coming up at the end of May, and then, of course, we'll have a big meeting in Paris in July. So, the agenda is full. We're moving forward on our national security reviews. I remain optimistic about working with the Soviets, but I've said and I'll repeat to you all: I'm not going to precipitously move just to have some meeting going on out there. There's a lot happening, and when I come forward with a proposal, I want it to be sound. I want it to have the full support of the NATO alliance, and I want it to have a credibility, an instant credibility that shows our commitment, not only to enhancing the peace but to preserving the alliance and keeping it strong.

So, there's a lot happening out there. I'm just delighted all of you are here. And now let's just go to the questions.

Substance Abuse and Alaskan Oil Spill

Q. Mr. President, I was wondering whether you, in the light of the Alaskan oil spill, whether you think the Federal Government should take measures in perhaps two areas: one, to tighten up the requirements -- the restrictions on alcohol and drug abuse by the people who are in charge of these ships, and perhaps more importantly, to ensure that there is a quicker response on the cleanup efforts?

The President. I would certainly support constitutional steps in the former area. I feel that substance abuse is wrong. I want to see a drug-free workplace, and I would certainly think we could expand that to reasonable requirements in terms of people who are fulfilling important functions like taking crude oil through straits.

I will say it's awful hard to guard against abuse of this nature when you're making laws. And I think one of the things I learned from our meeting with our EPA Administrator [William K. Reilly] and the head of the Coast Guard [Adm. Paul A. Yost] and our able Secretary of Transportation [Samuel K. Skinner] was that this strait was pretty wide and that I don't think there is any way you could plan, as you're making the pipeline, against this kind of abuse. But in terms of testing, I do favor that. You noticed I used the word ``constitutional."

What was the second part, Joe? [Joseph Day, WNEV - TV, Boston]

Q. Regarding the cleanup, sir. There's been criticism in Alaska that, for a number of reasons, that the cleanup didn't begin -- --

The President. I think there were some reasons that it didn't go fast enough, and yes, I think we

will have to do everything we can to see that the Federal Government, working with the States and private industry, has as rapid response time as possible. And I will say, I feel very concerned about the environmental damage up there. When you look at those pristine shores and then see the threat to the fisheries and certainly the loss of life that's taken place so far -- birds and animals -- you have to be concerned about the environmental damage. And we have a very able Administrator of EPA, a man with unquestioned credentials in environment. And I expect that he and his people will learn from this, and then maybe there are things we can do to guarantee quicker cleanup. Gabe? [Gabe Pressman, WNBC - TV, New York]

Nuclear Proliferation

Q. Mr. President, Iraq is reported as seriously engaged in a program to build nuclear warheads and missiles. Does the prospect of this tiny, sometimes warlike nation being able to wage nuclear war -- does it give you great concern for the future?

The President. Well, one, I don't want to give credibility to the reports. Two, I strongly stand against the proliferation of nuclear weapons. We must strengthen IAEA [International Atomic Energy Agency] safeguards to be sure that there is as much inspection as possible. But I don't want to give credence to the fact that Iraq is in the process of building nuclear weapons. I cannot confirm that. And so, I don't want to go beyond that, Gabe. Anytime you see representations that there will be nuclear proliferation it has got to concern us. And we will be making those representations, if we feel it's about to take place, to any country.

Q. Is it a matter that you feel that the Soviet Union and the United States should take action on in connection with small countries developing -- other countries developing those weapons?

The President. Well, I think we do agree with the Soviet Union, who has also made its statements against proliferation. And you look around the world and there's some very worrisome areas. You know our position on Pakistan. Pakistan's very concerned about Indian proliferation. And so you can just keep going and find areas that we have to be alert to the dangers, and then try to find ways to see that nuclear proliferation does not happen. But I just don't want to be pushed into giving credence to the reports.

Oil Exploration and Drilling

Q. Mr. President, if I might follow up on the Alaskan situation for just a moment.

The President. Please.

Q. Might this cause you to review and possibly change your support for oil exploration and/or drilling in the northeastern part of Alaska, near that wildlife refuge up there? Might you now review the policies on this because of this oil spill?

The President. No.

Q. No? [Laughter]

The President. You asked me if I would review the policies about ANWR [Arctic National Wildlife Refuge], about somebody bringing oil out of a strait 10 miles wide who was allegedly intoxicated. And the answer to your question is no.

Q. The reason I ask is because environmentalists now are very concerned, as they were after the Santa Barbara spill of 1969, which I think you remember -- --

The President. I do.

Q. -- -- about transporting this oil from Alaska down the coastline.

The President. Well, we have to transport oil. We are becoming increasingly dependent on foreign oil. And that is not acceptable to any President who is responsible for the national security of this country. So what we will do is not go backwards; what we will do is redouble every effort to provide the proper safeguards. And I think most people are reasonable enough and fair enough to look back at the record over the years in terms of the pipeline, and found that there had been very little damage, if any. Certainly there's been no lasting environmental damage.

Now you have a ship that runs on a reef at 12 knots and driven by somebody or in command by a person who allegedly had been under the influence. And I'm not sure you can ever design a policy anywhere to guard against that. The logical suggestion would be, well, should we shut down the Gulf of Mexico? Should we shut down the oil fields off of Louisiana because of this? And the answer would be no, that would be irresponsible.

So what you do is do the best you can, express the genuine concern that you feel on the environment -- and I do feel a concern -- but not take irresponsible action to guard against an incident of this nature.

War on Drugs

Q. Mr. President, I'll ask you a question I asked Mr. Bennett earlier today. We've seen a number of antidrug programs -- --

The President. You didn't like his answer? [Laughter]

Q. -- -- in the last couple of decades, and my question is: Are you confident that the Federal

Government, working with local governments and -- I'm here in Washington at WMAL -- that you will be able to come up with something this time that will actually have an impact on the Nation's drug problem?

The President. I hope so. I would never suggest that the Federal Government will design a program and implement it that will be imposed on every locality. We can't do that. I believe the Federal Government has a certain role, and I believe that the control and power rests with the States and the localities.

But we have a responsibility, and there's no better person to fulfill that responsibility than Bill Bennett in making suggestions in terms of training programs, or educational programs, or enforcement programs, or programs that relate to prison space, programs that relate to utilization of the military assets -- and we are using them in the interdiction field -- than Bill Bennett.

American Hostages in Lebanon

Q. Mr. President, what is the administration's plan to obtain the freedom of the American hostages in Lebanon?

The President. The plan to do it?

Q. Well, what is the plan? What is the administration's plan -- --

The President. The administration's plan is to do its level best to try through intelligence to find who is holding these hostages and where they are, and then to do what we can to release them. The plan is not to knuckle under to demands that will put American citizens at risk all around the world. That's the plan.

Two Forks Dam

Q. Mr. President, I gather you had a meeting this morning with Senator Armstrong of Colorado about the Two Forks Dam. Are you willing to ask the EPA to change its decision on that dam at all? What do you have to say to the people who feel they haven't been given a fair shake by the EPA?

The President. Well, I have a feeling that -- you ask what I plan to do -- I heard from Bill Armstrong a very strong presentation representing the need to go forward with the dam. And what I have asked is that our Administrator, Bill Reilly, be there for that presentation. He was, and he will be back in touch with me. It is a matter that is decided by the EPA Administrator, and I was very anxious that Bill Armstrong have him in attendance so that he hear this side of it. And I have confidence that Bill Armstrong, a very fair individual -- and we'll just see what is recommended. But it was a good meeting, and I was given a lot more detail on it than I had had

before. But there's -- no final decision has been taken on that matter.

Dependence on Foreign Oil

Q. Mr. President, during the campaign, the general and primary, you were asked several times to protect the textile industry from foreign imports. Invariably, your response was that you would enforce existing laws. Since you've come into office, can you point to a single specific instance in which you have taken some action to -- --

The President. No, no, I can't.

Q. The question is on U.S. dependency on foreign oil. Would -- --

The President. Let me go back. Existing laws, to my knowledge, are being enforced. I can't think of any new existing law that's in force that wasn't before.

Q. Okay. On the question of U.S. dependency on foreign oil, can we reach a point where your administration would take steps such as an oil import fee or other stances that would help the domestic oil industry?

The President. Well, the domestic oil industry is doing a little better now, the price of crude oil having risen to some $20 or $18 -- I don't know what west Texas crude is today -- $18.50, something of that nature. The industry is doing a little better; the rig count is still very low. I repeat: There is no security for the United States in further dependency on foreign oil. I have made proposals that would stimulate domestic production and I'd like to see the Congress move on those proposals. And so I have not changed my view on the oil import tax.

Drug Abuse Education

Q. Mr. President, what do you envision for the role of education, especially in the fight against drug abuse? Do you see a blending together of the two?

The President. I think it is absolutely essential. We are not going to win the fight against narcotics on the interdiction front alone. And I think Bill Bennett agrees with me that the demand side is the place where we've got to do better, and that means education.

Representative Gingrich of Georgia

Q. Mr. President, we've been hearing about the new whip in the House, and all we hear is: He's a pretty tough guy. Are you going to meet the Congressman, and are you going to talk to him -- I mean, talk to him about the style that he's known for with respect to what you have at stake in legislation over there?

The President. I am absolutely convinced, having known Newt Gingrich, that we are going to work together very, very well. I don't think he needs any lectures from me. I think that every Congressman that I've talked to since then feels that he'll be what he said he'd be: a team player. He's not going to suddenly become a shrinking violet, but we don't want that. He's going to be a good leader. And I'm going to work with him, and I'm going to work with him productively. He's got his style, and I got mine.

Private Enterprise and the Space Program

Q. Mr. President, a few days ago, a small company out of Houston called Space Services launched a private rocket. What are your plans to incorporate private enterprise in space? How is that going to work with NASA?

The President. It's going to work that we're going to encourage it. I've had a feeling -- and I can't document this -- that there has been some reluctance in some quarters of the government against privatization, against the commercial aspects of this. David Hannah, who was the founder, certainly one of the key honchos in that company, has risked a lot of capital. He's gone out and done what he believed in. He had one dramatic failure -- and a lot of people were giving him grief over that -- and he stayed with it. And he's had a successful launch -- he and Deke Slayton and others -- and I applaud them.

My role will be to tell the bureaucracy, NASA, that we want to encourage the privatization. NASA has a role that's a government role, and it'll continue to be a government role. But when you have enterprise like this, I think it is nothing but good for the United States. And we need alternate ways to put things into space, and this is good.

Q. Can I just follow that up, Mr. President?

The President. Yes.

Q. Are you saying then, that at some time private enterprise will take over NASA's role of the R&D?

The President. No.

Q. Do you see that coming?

The President. No. No, I don't. But I see NASA making room for a significant private role in terms of putting things into space. And I don't sense, at the highest levels of NASA, a total resistance to this. But I've had a feeling that some involved in the process, not just in NASA but along the way, have not been pushing the concept of privatization -- not being as cooperative as

we might. So, I see NASA's role continuing in R&D. And I see it continuing in its shuttle business, space station business. I hope to see come to fruition, but I just think that we need to support and applaud those who, in the private sector, have big dreams like David Hannah has had.

Aid to the Contras

Q. Mr. President, you have come under criticism in some conservative circles due to your policy toward the Nicaraguan contras. The fact that apparently you have no plans to request military aid for the contras -- is that a tacit admission on your part that the Reagan administration policy, which you had a part in for 8 years -- of asking for military aid for the contras -- was a failure in forcing out the Sandinista government or making it make reforms in Nicaragua?

The President. No, I think the Reagan policy brought the Sandinistas to the table. And I think, had there been no pressure, the Sandinistas would have gone about their merry revolutionary ways without keeping their commitment to the Organization of American States, a commitment for free press, for freedom of worship -- democratization, if you will. So, I think now we are -- the problem we had is you go to recommend aid and you have a different foreign policy set on Capitol Hill. Now we're saying -- and my own view is there was no way, not a snowball's chance in hell, of getting a dime for lethal aid -- military aid -- from Congress. And I think anybody that's familiar with Congress would acknowledge that.

So, what we've done is get together with the Congress -- with strong conservative support, I might say. I'm not suggesting your question is wrong, because I hear some voices out there hitting us. But it's not bad; the policy has been well received. And we're speaking with one voice, and we are going to push for democratization. And by getting humanitarian aid that goes through this election, I am hopeful that the Nicaraguans will go forward and do that which they give rhetorical support for, but that which they've failed to implement, and that means democracy -- free, certifiable elections.

And you hear some criticism of Salvador and what's taken place down there recently. You don't hear it from me because I want to give Cristiani a chance. Those elections were certifiably free -- Democrats and Republicans on our commission going down there and saying that. So, we will treat the Salvadoran winner on his word: that he wants to continue the democracy; that we salute Duarte for moving forward; that he stands against the extremes. And I think he's got some big problems with these Marxist-backed guerrillas coming at him. But we're going to support that, just as we're going to support the Central American Presidents as they now, hopefully, push Ortega to do what Ortega should have done long before now.

Foreign Trade

Q. Secretary Yeutter and Ambassador Hills, Mr. President, go to Geneva next week for very

important trade negotiations that I've been told will determine the shape of the U.S. foreign policy in the next decade and how the world reads it. What are your expectations from that meeting? Are you optimistic?

The President. Well, it's hard to say. So far, I've been pleased with what came out of Canada, for example. I had a talk with both Clayton Yeutter and Carla Hills two days ago. I would say that Carla expressed a certain optimism about moving forward with the agenda, and that would include agriculture. But I'd just say I'm reserved on it. I'm reserved on how that's going to come out. But I think it is very, very important, if you believe as I do in free trade. I also think we need to get the emphasis on fair trade. And so I'm hopeful that they can make more progress. But I think they think there will be progress, if I had to give you the judgment of both the Secretary of Agriculture and the USTR.

Q. Did you give them any advice that you could share with us?

The President. No. I just said I hope they're right, and they're both professionals. They know my view on opening up agricultural markets. They know my view on fair trade. They know my abhorrence to more protectionist measures, but they also know that I support selective shots. I supported the wheat flour shot that was fired several years ago. And where the United States is being unfairly treated, I think we have every right to fire a selective shot, but I don't want to see us unleash the hordes of protectionist legislation. It gets back to the textile question: I'm not supporting legislation. Fortunately, that industry is doing fairly well right now.

District of Columbia War on Drugs

Q. Can you be more specific about your intentions in dealing here in Washington with drugs and drug-related crime?

The President. Well, I'd have to defer to Bill Bennett in more specificity. But it's going to be across the board where we can help: education, law enforcement, prison -- maybe expansion of prisons and prosecutors and judges, if we can help on that area. I'd say those are some broad fields, but I really would have to, on a 5-point program, defer to Bill Bennett on that.

Tritium Production

Q. The Department of Defense has expressed concern over tritium supply to fuel nuclear weapons and such.

The President. What was that?

Q. The tritium supply to fuel nuclear weapons.

The President. Yes, sir.

Q. Do you plan to have the Savannah River Plant be started this year, and what is -- --

The President. I'm waiting to hear from Secretary [of Energy] Watkins on that, but I do share the concern about it. I am one who believes that it is important that we not -- in this era where some are proclaiming no need, almost, to keep our guard up -- that we not succumb to that and that we recognize we have got to have a tritium production capability. But I can't give you a time frame yet or anything of that nature.

Illinois Foreign Trade

Q. Mr. Bush, thank you for calling on me. I have a regional question to ask you. Governor Thompson [of Illinois] is in Moscow to establish a trade bureau with the Soviets there. I'd like to know if he went with your blessing, and do you encourage similar initiatives on the parts of other States? And why didn't the Republican Party support Ed Vrdolyak in the Chicago mayoral race?

The President. Very good questions -- somewhat unrelated, but let me try to help. [Laughter] I have absolutely nothing but admiration for those Governors that try to expand trade between their States, thus the country, and other countries. We have certain laws governing them and Jim Thompson is very familiar with them. I must confess that I personally did not bless this mission because I wasn't familiar with it. He's done other such missions that he's done on his own, as a Governor of a State should do. So that would handle the Thompson one. The other one was on Ed Vrdolyak?

Chicago Mayoral Race

Q. Fast Eddie.

The President. Fast Eddie?

Q. -- -- support of the Republican National Party as Rich Daley with -- be a -- Democrats. So, we were wondering why didn't the committee support him -- --

The President. Well, I don't know. We'd have to refer that to Lee Atwater. If you want to know whether I'd support the Republican nominee, I do -- Ed Vrdolyak amongst the nominees. And he supported me, and I don't forget those things. If the question is, how much in the way of assets or stuff, I really would have to refer you to the National Committee.

Federal Aid to Cities

Q. Mr. President, I've just come from Philadelphia, where the mayor last night unveiled the most austere budget they've seen in decades, and he's planning on eliminating city services that have been long protected. And the feeling is that much of the problem is the elimination of revenue sharing and other forms of Federal aid, that cities are being abandoned by Washington. What hope can you offer the mayor of Philadelphia and the citizens there that Washington will begin to help them with some of the social problems they're trying to deal with?

The President. Well, first, I'd tell there isn't any revenue to share, and say it respectfully, but make sure he understands that. And the best hope that we can do for Mayor Goode or for anybody else, is to get our Federal deficit down, because that's going to have a major impact on interest rates in this country. So we've got to get an agreement. And I would ask people who are pressed for funds and certainly a majority of a major urban area would fit that description -- not just Philadelphia, a lot of cities -- but you say what can we do? What we can do is get the Federal budget deficit solved and get the deficit going downward in accordance with Gramm-Rudman-Hollings.

And that is the best thing to do because if we do that we keep the economic growth going -- the longest in a long, long time in American history. That means job creation -- the new job creation reached, I think it was 20 million jobs, in the last announcement that I have seen. Interest rates have been creeping up, and this worries me. We've got to always be on guard against inflation, but I don't want to see an interest crunch slow down this economy. And that means then that we are going to have to do the best we can on the spending side. And we are going to have $80 billion more revenue to the Federal Government this year than last -- under existing law, no change in law -- $80 billion more coming in.

Now some programs have claim on that, many in the entitlements area, I will concede that. But we've got to take that money and use some of it to meet our obligations to get this deficit under control. And that is the best thing -- that is the priority thing that the Federal Government can do for any city. And there are a lot of programs that are still amply funded or well funded, and we're going to try to continue as many of those as possible.

Medicare

Q. Mr. President, you promised a kinder, gentler nation, yet your budget calls for a $5 billion cut to Medicare beyond the current law. How can that help but not adversely affect beneficiaries?

The President. Well, what we want to do is take it out of the side on terms of efficiency, of delivering services, and that's what the proposals that we have sent up to the Congress and that Dick Darman is discussing with the various committees -- that's the emphasis that our recommendations take. And I hope they'll be implemented. There will probably be some give-and-take on that recommendation, I think.

Q. Won't there be adverse effects, though, to beneficiaries with such a deep cut?

The President. Well, as I'm saying, it needn't be. It depends what's worked out with the Congress. Our proposal took it out mainly on the side of services, so we're not talking about drastic cuts of monies to families.

Last one. Once, twice, then I'll go peacefully.

Former Presidents

Q. Your resident scholar, Dr. Porter, gave us a brief history lesson this morning on the Presidency. And he recalled a conversation he had with you about the great Presidents of the past, and why we don't have great leaders today -- talking about Jefferson and Monroe and Madison. Who are your two favorite great Presidents?

The President. First, I'd make a point that everybody looks better over time. [Laughter]

Q. But who are your two?

The President. Herbert Hoover looks better today than he did 40 years ago, doesn't he?

Q. No.

The President. People remember -- [laughter] -- not to you, but to a lot of people, they do. They remember the compassionate side of the man. You couldn't even talk about that 30 or 40 years ago.

Q. Is he your model?

The President. No he's not. [Laughter] But I was trying to make the point that time is generous to people. I remember the hue and cry around Harry Truman from guys like me and Republicans. Now we're all kind of moderated and think the good things and leave out some of the contentious matters.

So history is basically kind to American Presidents. A model, I think -- I was talking to some people the other day about it -- would be Teddy Roosevelt. He comes out of the same elitist background that I do. [Laughter] And he had the same commitment to the environment I did, although the rules on hunting have changed dramatically since he used to shoot with no limits out there in South Dakota, or North Dakota.

But he was a man of some action; he was a person that understood government, didn't mind

getting his hands dirty in government. I remember part of his life being on the Police Board in New York City. Ask Gabe Pressman about that. Probably combat pay was required in those days. So, he was an activist.

I have great respect for Eisenhower. I'm not trying to compare myself to any of these people, but in Eisenhower's case, he was a hero. He was a man that, I'm old enough to remember, was our hero. He led the Allied Forces, and helped free the world from imperialism and nazism. And he brought to the Presidency a certain stability. Others may have had more flair, and he presided, I will concede to you -- and I take it you're a student of history -- in fairly tranquil times, but he did it. He was a fair-minded person, strong leader, and had the respect of people. And I think he was given credit for being a compassionate individual. So, those are two who I would throw out there. And you can't live in this house and do as I do: have my office upstairs, next door to the Lincoln Bedroom in which resides one of the signed, handwritten copies of the freedom doctrine that will live forever -- Emancipation Proclamation -- right there in our house. So I think all of us -- I think almost all Americans put Lincoln on that list some place.

Q. Any Democrats in your pantheon, sir?

The President. Well, there could well be. Sure.

Q. One?

The President. Well, I respect certain things about Harry Truman. He liked to go for walks. [Laughter] But he was tough -- said what he thought and had respect from people. Won them over, did it his way, and I respect him being a fighter. They had him written off in '48. I bet 10 bucks against him and on Tom Dewey. And I lost. So did a lot of other people who thought that the polls were going to be correct. So I respect a guy that fights back, and Truman did that.

So there's -- and you can walk down -- I had a lot of differences with Lyndon Johnson, but there are certain things about him that were good. And he was certainly a very gracious freshman Congressman in those days to Barbara and me. So, we had a little insight that came from a personal knowledge of the man. And he got all caught up in Vietnam, but people forget that -- for his legislative agenda -- he got through what President Kennedy couldn't get through. We ought to give a little credit for somebody that can do that. He controlled both Houses of the Legislature, which is slightly different than the 41st President is facing.

But it's interesting, because when you live in the house here, you think about the question that you just asked. And again, I'm no student of history. You can't live here without becoming more of a student of history, but you learn the redeeming features. You begin to pick up the redeeming features of those that maybe you hadn't had down as a hero, or hadn't even thought much about in the history of this country.

So I don't think that -- I would argue with your premise. I could just go on forever here -- [laughter] -- but I would argue with what I thought was the premise that great leaders were all back there somewhere. I'm not sure of that.

Let me just end on one that -- I learned a lot from Ronald Reagan. And one thing I was telling these guys at lunch here: One thing I learned from him is, I never once in 8 years, no matter how difficult the problem, heard him appeal to me or to others around him for understanding about the toughest, loneliest job in the world -- how can anybody be asked to bear the burden singlehandedly? Never -- and when Reagan left office, you never heard the Presidency is too big for one man -- never heard it.

Back in 1980, people like Lloyd Cutler, for whom I have great respect, were saying, look, this is so complex today that maybe we need a parliamentary system. He wasn't proposing it; he was saying it ought to be looked at. Reagan came in, stood on certain principles, stayed with them, and never asked for sympathy or never asked for understanding of the great overwhelming burden of the Presidency, and left with 61 percent of the people saying, ``Hey, wait a minute! He did a good job." Good lesson right here in modern history.

Last one.

Federal Drought Relief

Q. Thank you, Mr. President. In the State of Kansas, about a third of the wheat crop has already been destroyed by drought, and there were indications that the rest may be in jeopardy. Given the current budget problems, what's realistic for those farmers to expect in the way of disaster aid?

The President. I can't give you any numbers on it. Current law addresses itself to disaster aid, and we can fulfill our obligations there. But I really am not up to speed enough to tell you exactly what I can propose on that, or what will be proposed in terms of disaster aid.

Q. Are you aware Senator Dole and Senator Kassebaum are trying to get some -- --

The President. Well, they're talking to our Secretary of Agriculture right now in terms of trying to come up -- but I just can't tell you what the administration is going to come up with on it.

Fairness Doctrine

Q. Are you going to sign the fairness doctrine -- passed by Congress -- expect to veto?

The President. I never talk about what I'm going to sign until I know exactly what's in it -- read the fine print. Or better still, given the size of some of this stuff that comes around, have

somebody else read the fine print that you have confidence in.

Thank you all. Listen, I've got to run. Thank you all very, very much. Hope you've enjoyed your stay.

Note: The President spoke at 12:45 p.m. in the East Room at the White House. Roger Porter was Assistant to the President for Economic and Domestic Policy.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Carlos Andres Perez of Venezuela

April 1, 1989

President Bush this morning had breakfast in the Residence with Venezuelan President Carlos Andres Perez. The breakfast and meeting focused on the Venezuelan debt situation. President Perez described the economic reforms being undertaken in Venezuela. President Bush encouraged President Perez to continue those reforms. The two leaders also discussed the situation in Central America and the new United States bipartisan agreement. President Bush emphasized keeping diplomatic pressure on the Sandinistas, and he asked for Venezuelan support in that effort.

The breakfast and meeting began at 8 a.m. and lasted approximately 90 minutes. Participating on the U.S. side were the President; Vice President Quayle; Secretary of State James Baker; Secretary of the Treasury Nicholas Brady; Chief of Staff John Sununu; National Security Adviser Brent Scowcroft; Bernard Aronson, Assistant Secretary of State-designate for Latin American and Caribbean Affairs; and Robert Pasterino from the National Security Council staff. Participating from the Venezuelan side were President Perez, Foreign Minister Enrique Tejera-Paris, Minister of Planning Miguel Rodriguez, Chief of Staff Reinaldo Figueredo, Ambassador to the United States Valentin Hernandez, and Ambassador-designate to the United States Simon Alberto Consalvi.

Statement by Press Secretary Fitzwater on the President's Meeting With the Families of the Victims of Pan American Flight 103

April 3, 1989

President Bush met this morning for approximately 1 hour and 5 minutes with representatives of the families of victims of Pan Am Flight 103. President Bush expressed his sorrow and deep concern with respect to the families of the victims of this tragic incident. President Bush said he had read some of the letters from families and was generally aware of their concerns.

The following representatives attended: Burt Ammerman, Joe Horgan, Paul Hudson, Wendy Geibler, and Vicki Cummock. The group discussed their concern for airport security and various efforts that might be taken to improve it. They had discussed these matters with Secretary of Transportation Samuel Skinner. Secretary Skinner will address many of these concerns, along with other announcements on airport security, at a press conference later today. The group also discussed the Government's liaison with them in the aftermath of the incident.

President Bush asked Secretary Skinner to remain in contact with the group and to keep them advised of security issues of concern to them. The meeting was sensitive, solemn, and productive. The families appreciated the President's sincerity and the opportunity to discuss the issue with him. Also attending the meeting were Secretary Skinner, Governor Sununu [Chief of Staff to the President], and General Scowcroft [Assistant to the President for National Security Affairs].

Remarks Following Discussions With President Mohammed Hosni Mubarak of Egypt

April 3, 1989

President Bush. Well, it was a special pleasure for me to welcome our good friend, President Hosni Mubarak, to the White House this morning. Our personal relationship goes back several years, from the days we were both Vice Presidents, then through my visit to Cairo in 1986, and then our most recent meeting in Tokyo in February. I am glad for this early opportunity to discuss with President Mubarak the vital interest of my administration in moving the peace process forward.

Egypt's pivotal role in the Middle East and our strong bilateral partnership remain key to achieving that goal. President Mubarak's visit is particularly timely. For over 15 years, Egypt has been our partner in the peace process, and 10 years ago, Egypt and Israel signed their historic treaty of peace. Egypt's continued commitment to expanding that peace is a source of great encouragement for all of us who seek a comprehensive resolution to the Arab-Israeli conflict. The reemergence of Egypt as a respected leader of the Arab world attests to President Mubarak's statesmanship and ability, as well as to Egypt's wisdom in pursuing the path of peace. In our discussions, we spent a considerable amount of time talking about the Middle East peace process. We share a sense of urgency to move toward a comprehensive settlement through direct negotiations.

Ten years of peace between Egypt and Israel demonstrate that peace works, and it can work for Israelis and Palestinians as well. There's a need now for creativity, demonstrable commitment and the application of sound principles -- creativity in order to look again at old problems and then devise imaginative ways of solving them; commitment to face the challenges and risks of making peace rather than throwing up our hands and giving up; and adherence to sound principles, like the United Nations Security Council Resolutions 242 and 338. A new atmosphere must be created where Israelis and Arabs feel each other's willingness to compromise so that both sides can win. Violence can give way to dialog once both sides understand that the dialog will offer political gain. Egypt and the United States share the goals of security for Israel, the end of the occupation, and achievement of Palestinian political rights. These are the promises held out by a sustained commitment to a negotiated settlement, towards which a properly structured international conference could play a useful role at an appropriate time.

We also had a chance to review some important elements of our own bilateral relationship. They've been sealed at the highest levels, these special ties that we have with Egypt. They're forged by the global imperatives of peace, stability, and development in the region. They are strong and flexible, reaffirmed by every administration, and resilient to withstand turbulent times for the region and for the world.

President Mubarak enjoys our full support as he implements courageous reform measures to strengthen Egypt's economy for future generations. And under the inspired stewardship of President Mubarak, Egypt has grown in stature and in strength, and we in the United States welcome this development. We are proud of our partnership with Egypt, and I look forward to working closely with President Mubarak in carrying out our common vision of peace, stability, and development in the Middle East.

Mr. President.

President Mubarak. Once again, I meet with my old friend, President Bush, in an atmosphere of genuine friendship and mutual understanding. I have known the President for many years, and I have always found him a man of honor and commitment. His vast experience and profound understanding of international problems have been skillfully employed for the good of his country and the cause of world peace.

Today we discussed a wide range of issues of common concern. Naturally, we focused on matters related to the bilateral relations and the situation in the Middle East. I'm happy to say that we concluded this round of talks with a note of optimism and hope. We are quite satisfied with the state of U.S.-Egyptian cooperation. Our steadily increasing interaction between our two peoples constitutes a cornerstone of the policy of our two countries. We are equally determined to cement this friendship even further.

As President Bush said, our commitment to the promotion of peace in the Middle East is a paramount one that takes priority over any other concern. To us, peace is not only a cherished ideal but also a practical necessity. We believe that the area stands at an historic crossroads that is certain to affect the future of many generations. It's our sacred duty to exert maximum effort in order to widen the scope of peace and remove the remaining obstacles to a just and a comprehensive settlement.

The past few months have witnessed several breakthroughs. The PLO [Palestine Liberation Organization] has accepted unequivocally the requirements for peace. An Arab consensus has emerged in favor of peace and reconciliation. The United States initiated a dialog with the PLO, thus enabling itself to communicate directly with all parties to the conflict. A majority of the Israeli people is shaping up in support of peace. Worldly powers are adopting constructive policies designed to help the parties reach agreement. In short, the situation is right for an active effort more than ever before. The United States has contributed greatly to the process of bringing about this remarkable change. It remains highly qualified to play a pivotal role during the months ahead.

We found ourselves in agreement on most issues at stake. Together, we believe that for any settlement to be durable it should be a comprehensive one that addresses all aspects of the

dispute, particularly the Palestinian problem. That settlement should be achieved through direct negotiations between Israel and all Arab parties within the framework of the international peace conference. The basis of the negotiation is Security Council Resolutions 242 and 338: the principle of land for peace, security for all parties concerned, and the realization of the legitimate national rights of the Palestinian people. We are both opposed to the annexation of the occupied territories as firmly as we stand against any irredentist claims and vengeful acts. We reject the policies that result in the continuation of violence and escalation of tension.

I discussed with President Bush some ideas designed to activate the peace process and to facilitate starting the negotiations. On the other hand, we expressed deep concern over recent developments in Lebanon and agreed to double our efforts in order to help the Lebanese people put an end to their tragedy and resume their peaceful mission.

Last, but not least, we discussed certain African problems. And I was pleased to find President Bush aware of the urgent need for a concerted action on southern Africa and the debt problem.

Again, I enjoyed the meeting with our dear friend President Bush today, and I'm looking forward to pursuing with him our friendly talks tomorrow. Thank you.

Note: President Bush spoke at 12:10 p.m. in the Rose Garden at the White House, following a meeting with President Mubarak in the Oval Office. After their remarks, the two Presidents traveled to Baltimore, MD, to attend the opening game of the baseball season.

Nomination of Alan Charles Raul To Be General Counsel of the Department of Agriculture

April 3, 1989

The President today announced his intention to nominate Alan Charles Raul to be General Counsel of the Department of Agriculture. He would succeed Christopher Hicks.

Since 1988 Mr. Raul has been General Counsel for the Office of Management and Budget in Washington, DC. Prior to this he was Associate Counsel to the President at the White House, 1986 - 1988. He was an associate with Debevoise & Plimpton in New York City and Washington, DC, 1981 - 1986. He has also served as a law clerk to the Honorable Malcolm R. Wilkey, U.S. Court of Appeals for the District of Columbia Circuit, 1980 - 1981.

Mr. Raul graduated from Harvard College (A.B., 1975), Harvard University's Kennedy School of Government (M.P.A., 1977), and Yale Law School (J.D., 1980). He was born September 9, 1954, in the Bronx, NY. Mr. Raul is married to Mary Tinsley Raul, and they currently reside in Washington, DC.

Remarks at a Ceremony Commemorating the 40th Anniversary of the North Atlantic Treaty

April 4, 1989

Your Excellencies and fellow citizens, 40 years ago today, some of the most accomplished and farsighted statesmen of their or any other generation -- men such as Robert Schuman and Lester Pearson, Paul-Henri Spaak, Dean Acheson, Ernest Bevin -- gathered here in Washington under the watchful eye of Harry Truman to take an historic step. They signed a solemn declaration of collective security, a treaty to safeguard the peace and the prosperity of the community of free nations. That treaty proved to be the foundation of the most successful alliance in modern history. And gathered here today are many distinguished Americans who as officials or Members of Congress or private citizens have served the Atlantic community and the ideals that it embodies; and we pay tribute to them.

The North Atlantic Treaty at its signing symbolized a bold commitment to safeguard against new dangers the very freedoms for which we had fought so hard only a few years earlier. Equally, it embodied the shared values of our civilization, values which have given form to many other historic political milestones of the postwar period, from the U.N. Charter to the Helsinki process. And while planting firmly the banner of freedom, the North Atlantic Treaty, because of the strength it mobilized, became the basis of the longest peace -- matched by an unparalleled prosperity -- that Europe has known. By any standard, NATO has been a resounding success. Like any human institution, it is continually tested and challenged; but we've held together.

And next month, I'll travel to Europe to attend the NATO summit in Brussels, as well as to visit allied leaders in Rome, Bonn, and London. This will be an historic occasion not only for the anniversary it commemorates but also for the hopeful changes it can mark, changes made possible by the strength and solidarity of the Atlantic alliance.

Today in a changing world, our alliance not only keeps the peace and freedom of the Atlantic world, it has made possible the common effort to build a more constructive relationship with the East. Europe is entering a period of unprecedented change and enormous hope. Without our moral and political unity over four decades, this would never be happening.

Our values of freedom and democracy turn out to be the most powerful political force around the world today, most particularly in Europe. On this anniversary, I join my fellow Americans and citizens of the 15 other allied countries in saluting what has been accomplished. Equally, we salute a bright future and recommit ourselves to the shared vision of a Europe undivided in which security and peace are assured for all the nations of the continent on the basis of freedom, true democracy, human rights, and the rule of law, fulfilling the dream and vision of 40 years ago.

And now I would like to invite the NATO Ambassadors to come forward for a group photo, and then I hope we'll all have a chance to say hello. Please?

Note: The President spoke at 11:04 a.m. in the Rose Garden at the White House.

Designation of Joseph E. DeSio as Acting General Counsel of the National Labor Relations Board

April 4, 1989

The President today designated Joseph E. DeSio to be Acting General Counsel of the National Labor Relations Board. He would succeed Rosemary Collyer.

Since 1972 Mr. DeSio has been Associate General Counsel in the Division of Operations-Management of the National Labor Relations Board in Washington, DC. He has served in several capacities for the National Labor Relations Board since 1955, including Deputy Associate General Counsel in the Division of Operations-Management; Assistant General Counsel of the Time and Performance Branch; serving in the Division of Law, the Appeals Branch, and as a field attorney in the Kansas City Regional Office. In 1979 Mr. DeSio became a charter member of the Senior Executive Service. He is a recipient of the President's Meritorious Rank Award for Senior Executives.

Mr. DeSio graduated from Fordham University (A.B.), Fordham University Law School (LL.B., 1947), and New York University Law School (LL.M., 1955). He was born October 11, 1916, in Geneva, NY. He has four children and currently resides in Springfield, VA.

Remarks at a White House Briefing for Members of the American Business Conference

April 4, 1989

The President. Welcome. Thank you for the welcome, and welcome to all of you. Roger Porter told me he'd had a chance to visit with you all, and I'm just delighted to be with you again. I think I've met three times with this group over the last 8 years. As far as I'm concerned, at least, every meeting has been, for me, helpful, either from garnering what's on your mind from the question or, in one or two more kinder and gentler meetings, we had a chance to visit around a little bit.

But among the friends -- I think many friends -- that I have in this organization, I want to single out your former Vice Chairman, now the Secretary of Commerce, Bob Mosbacher. And like everyone in this room, he knows what it means to take risks, start a business, make it grow, and keep competitive. And I am just delighted that he is here in Washington with us, giving up his private enterprise, for a while at least, to be Secretary of Commerce. He's on the cutting edge of our national effort to build a better America. And for those of you who were with him in this organization -- that's most in the room -- he's really doing a superb job.

To be sitting in this room today, you've had to keep your earnings at three times the growth of the economy, I'm told -- three times the growth of the economy plus inflation -- a tremendous goal. I hope that last category will not make it more difficult for you to achieve -- [laughter] -- but we can talk about that later on. But now we're relying on Mosbacher to make that happen not just for ABC but for every business in America. And so, in a time where the United States creates positions of czar -- something that escapes me as to why we turn to that nomenclature to solve our problems -- we have a drug czar -- we will anoint Bob Mosbacher as the business czar, and then the rest of us can all pursue our favorite pastimes. Mine is fishing, and you guys can speak for yourselves. [Laughter]

I don't know -- Mike, have you talked to this distinguished group yet?

Dr. Boskin. Tomorrow morning.

The President. Tomorrow morning. I see Dr. Michael Boskin [Chairman of the Council of Economic Advisers] here, and I am very proud to have him on our team. He and I have a very direct relationship, a personal relationship. And he calls them as he sees them, as the umpires over in Baltimore said yesterday. And he's very knowledgeable on how the private sector works. So, he combines that knowledge and the gut instincts that come from that with his enormously good credentials in academia. And so, I think here in this CEA, with him heading it, we have a sensible approach to economics. And I can just tell you that I already have valued the advice and

experience we're getting from him. And I'm glad that tomorrow you can have a give-and-take.

Now, you run these high-growth businesses that do represent the most dynamic entrepreneurial segment of our economy. And we know better than to try to fix that which is not broken. So, this afternoon, let me just mention a couple of areas: the economics of enterprise and then the need for education reform.

You know the same lessons that I learned as a businessman. You've got to have capital to grow. And what you don't need, in my view, is higher taxes on the earnings or higher taxes on the workers or higher taxes on those who invest money in the businesses. And right now the Government is making too big a claim on America's capital to cover our deficit. And that capital should be invested in American businesses. And the best way to channel more capital into productive investment is not through higher taxes.

And we're going through a real struggle right now: trying to have enacted a budget which I sent to the Hill a while back that did hold the line on taxes. And it's tough; it's a difficult negotiation. But I can tell you, I have been pleased with the way the budget document was received by the Congress. Nobody jumped up and seconded the motion and agreed that it ought to be passed exactly as it was presented by me and then by Dick Darman. But the response has been good. And I think that signifies that the Congress, as well as the executive branch, are listening to the American people -- people saying we've got to do something about the deficit.

So, the answer: spending restraint. And again, I would readily tell you that it's very, very difficult. The working paper that you released last month was another reminder that the deficit ought to be brought under control. Accountability in government demands that we put an end to the spending spiral.

You know, when George Kaufman, that famous wit from the Algonquin Round Table, was at a party, he heard a self-made millionaire boasting to a circle of people, ``I wish I was born into the world without a single penny." And Kaufman answered, ``Oh really? When I was born, I owed $12." [Laughter]

Well, we don't have to let the deficit play a cruel joke on future generations. Next year alone, fiscal year 1990 -- and most of you are familiar with this figure -- but Federal revenues will rise by more than $80 billion with no tax increase -- $80 billion more coming into the Government just under the existing tax structure. And so, what we're going to do is meet or beat the Gramm-Rudman targets.

Our budget consultations with Congress so far have been going well. We're determined to work with the Congress, as I said, and we're going to continue to approach the matter in one of cooperation. There will be some tough, you know, dividing points along the way. But I think Dick Darman [Director of the Office of Management and Budget] would tell you that so far

we've been pleased.

To spur greater investment, there is one area where we need to bring taxation down -- and I remain convinced that'll mean more revenues to the Federal Government -- and this is our proposal to bring down the rate on capital gains. We've got to get it more in line with our trading partners. In the budget we've proposed, we want to restore the differential to 15 percent on long-held assets.

And I think many of you know, as you built your businesses, that you could not walk up to a bank and automatically get startup costs. You can't do that -- or at least, you couldn't when I started a small business. Most of you probably raise capital by offering people a share of the business, a stake in the outcome.

And cutting the capital gains rate means more of that can happen. It'll give businesses much more of the capital they need to grow, and it'll bring in $4.8 billion -- this is the estimate now, with no arm-twisting, I might add, of the Treasury -- this is their estimate -- that'll bring in $4.8 billion more in tax revenues in 1990. It will in the process -- and this is preaching to the choir -- create new jobs. And that is no tax break for the rich. That's a fair shake for every American. And they all come after me, saying this is a tax break for the rich. And I'm going back saying, Steiger amendment, 19 -- what was it, '78 -- worked just the opposite: it brought in more revenues to the Federal Government and created more jobs.

We want to build on the energy and the initiative of American business without burdensome mandates that only enforce solutions of uniform mediocrity. Now, we don't want to limit the flexibility of managers and workers, who are trying to find their own best solutions. Many are already succeeding, as you know.

The Chamber of Commerce estimates suggest that workers are receiving more fringe benefits than ever before. Total benefits in 1987 were up 163 percent in a decade. And it is the market, in our system -- it is the market, not government, that is responsible for most of this growth. Nearly 70 percent of growth in benefits is due to voluntary action by employers, only 30 percent mandated government requirements. And I want to keep it that way. Our friends in Europe have tried mandated benefits, and they haven't had much success. And I've talked to the political leaders, and I'm sure you've talked to many of the business leaders. And I expect almost to a person, man or woman in business, they agree with that. They're now looking for ways over there to free up enterprise American-style and make it more flexible, not less. And for us to go toward mandated benefits would be, as Yogi Berra put it, ``Like deja vu all over again." [Laughter]

America is going to be more competitive if we continue to resist the temptation to heap burdensome mandates on the productive private sector. And so, they go after me for an unwillingness to support a wide menu of mandated benefits. But I don't think there is anything

kinder and gentler about rendering businesses noncompetitive in world markets, because that will mean fewer jobs. And that is the worst thing that we need in economic times such as these.

A hallmark of this administration, I hope, will be our focus on the future: the importance we attach to making the right kinds of investment. There can be no investment more urgent than education. And in this, all of us have a stake. So, a word about that.

As labor markets continue to get tighter in the coming years, many of you are going to be facing shortages of skilled people. Some managers are already worried about a scarcity of science and engineering graduates. And you've all read the surveys that show many foreign students outperforming our own. Although our best students can compete with anyone in the world, the challenge we face is to adapt our educational system so that all of our students receive the skills they need to share in that prosperity.

My administration has made, rhetorically, and now wants to make in terms of action, education a national priority. Our program is based on four principles: rewards excellence; helps those most in need; demands accountability; and supports greater flexibility in parental choice. And tomorrow, we're going to send to the Congress our education package. We want to reward merit schools that make progress in terms of raising student achievement and reducing drug use and dropout rates. We're promoting parental choice and educational quality through these magnet schools of excellence that some of you are familiar with in your own communities. We want to provide alternative certification of teachers and principals to broaden the pool of talent that's available, President's awards to outstanding teachers, urban emergency grants to provide comprehensive help in fighting drugs for school districts that are literally under siege today, and then a National Science Scholars program for high school seniors, and additional endowment matching grants for these historically black colleges and universities which do occupy -- I believe we would all agree -- a unique and vital position in American higher education.

We're committed to a program of reform that will give our young people a solid foundation for the future. But to make lasting improvements, we need to get all of the players -- administrators, school boards, local business leaders, parents, teachers' unions -- around the table working together, and this will demand accountability from all of us. It's going to require the best kind of collective effort from all directions, but it holds the promise of real progress.

Many of you have been prime movers, spending a remarkable amount of your own time making good on that promise. More than a third of you serve on local school boards, public or private, on the board of a local college or a university. We talk about funds at the Federal level. The Federal Government puts up 7 percent of the total tab for educational funding, and the total -- I just came from lunch with Larry Cavazos, our Secretary of Education -- I believe the figure he used, the amount that's being spent on education today, is something like $330 billion.

So, it isn't necessarily a shortage of funds, and that's what some of these ideas that I'm talking

about here take into consideration. Several of you have established a program with a local community college or you've adopted a school or taught part-time or promoted science education across a school district. And that is the kind of involvement that, while it isn't always easy, leads to the kind of educational reform that lasts. And it places you among the Thousand Points of Light that I talk about that do spread hope and opportunity. We're not going to whip the educational problem in this country by everybody running over to the Department of Education. It is a Thousand Points of Light. It is parents that care and school boards and PTA's and good administrators and teachers at the local level.

And so, I would simply encourage you to continue an active role in your communities. There isn't a better answer. By investing your time and talents towards the education of our young, you're helping to bring about something vital: a fundamental cultural shift that reasserts the value of learning in this country. You're breathing new life into an idea that's always been a testament to the American spirit: that doing well demands doing good. So, nothing I might tell you would say it better than your own mission statement, which says ABC executives ``believe their own business success carries with it a responsibility to help expand economic opportunity throughout the economy." As leaders not only in business but all across the board in every sector of our society, you know that the national interest requires us to invest in the future. Education is the best investment we can make if we really want to build a better America. And I want to do my part in all of that.

Thank you all for coming, and I'd be glad to take a few questions. Who is first?

Baltimore Orioles Opening Game

Q. Mr. President, Red Scott from southern California.

The President. Yes, sir?

Q. Was that pitch a curve or wasn't it, yesterday?

The President. That pitch -- you mean at the Baltimore game? [Laughter] I got into the locker room and warmed up with Mickey Nettleton [Tettleton], the catcher. Sixty-four -- your old arm gradually got a little looser. But it was high and outside. But here's my problem. [Laughter] He stepped in front of the plate before it could break down across the inside. That's my side of it, and I'm going to stick with it.

I'll tell you, there's a little Walter Mitty in me, and I've always loved sports. Walk out there, and you're always wondering about getting booed when -- any politician that goes to a ballgame. I don't want to get diverted here, but Reggie asked a good question. So, last year, I go to the All Star Game in Cincinnati -- and we're in the middle of the campaign -- saying this is suicide, man, what are you doing going out here? You know you're going to get booed. So, right there as I was

about to walk out, I saw two little leaguers -- one 11-year-old kid, big, tall guy, you know, and a little 8-year-old blonde girl. And I said, ``Who are these?'' And they said, ``Well, these are the little leaguers. They're going out first.'' So, I got with them, and I said, ``You guys nervous?'' [Laughter] And I said, ``Well, why don't we all walk out together?'' [Laughter] There wasn't a boo in the house -- [laughter] -- it worked!

Okay. Sir?

Minimum and Training Wages

Q. Mr. President, do you believe the training wage proposal will pass?

The President. For the first time, the training wage -- well, I refer to it also as a differential -- is getting strong support on both sides of the aisle. The problem I face as President is that I went up with a 6-months training wage and a $4.25 minimum wage. And we've talked about it, Michael Boskin and I and Roger Porter and others, and we wrestled with the economics of it. And we figured this is the best offer. And so, unlike the normal trading that goes on here, we said, let's -- and our Secretary of Labor wanted us to do it this way, too -- Liddy Dole, a very able woman -- let's go with our best shot, and let's make very clear in the testimony that that is our best shot. Now, what we saw in the Congress was a pretty good bipartisan support for our proposal -- not enough to get it through, but I've got to hold the line on the grounds of economics, on the grounds of making people understand that I was serious about that being the best offer.

And so, I think that if I do what I've just told you I will do, that there is a good chance to get a differential with a reasonable increase on the minimum wage. But I talked here about -- I don't want to see a proliferation of new mandated benefits. This is a -- you might say mandated, but I think we've got to be very concerned about the inflationary aspects. I think we have to be concerned about the counter-job aspects in some of these low-paying, labor-intensive businesses, particularly in the service sector.

And I think our proposal would make a necessary adjustment, but having the minimum wage would lessen the likelihood of more unemployment. So, I hope it works. I know we're going to have to go through some kind of a disagreement with Congress, because the House has passed a bill that frankly is unacceptable to me. But at least we told them the truth ahead of time: look, we can't go with that.

Relations With Congress

Q. Mr. President, it's been suggested by some of our meetings with Members of Congress that a far greater use of the Presidential veto might be exercised, particularly when spending plans are proposed that obviously are going to not meet either Gramm-Rudman or your own targets. Like, as I understand it, President Reagan only vetoed 5 bills out of 170 in 8 years.

The President. I'm not sure that's correct -- the numbers. I do know that -- as a member of the previous administration, a proud member -- that part of the problem was the size of the bill that comes down here. The one that comes to mind that he did veto was the defense appropriations bill. And there were all kinds of statements of concern that that would unravel the military and all of that. And it didn't; the Congress went back and made an adjustment.

So, we do not control -- my party -- either side of the Congress. And I think there will be times when we have to say, look, this is what I believe, and then rally our third to defend the President's position, and then go back.

I was using some rhetoric that was kinder and gentler than veto when I described my standing on the minimum wage just a minute -- but let the Congress not misunderstand my determination. And this one will be one where we have said, this is what we can do. And I, with respect, would recognize the position of other Members of Congress on it, but I've got to stay with this. And I'm going to stay with it. And I hope it'll send the kind of signal that will have an ameliorating effect on other pieces of legislation.

I'll tell you, there is an ingredient out there today that's quite different. There's a recognition on the part of Members -- both sides of the aisle -- that the deficit really has to be brought down and that some of the programs -- we're going to have to constrain the spending growth.

Now, I was in Congress 20 years ago, and I really see a different mood on the Hill. And the Secretary -- again, the Secretary of Education and I had lunch -- we talked about the propensity of Congress to add, you know -- if you're for education, you propose $1 billion; if you're really for education, make it $2 billion; you're for clean water, where you propose $11 billion, make it $12 billion. I mean, there's a tendency now on both sides to recognize we cannot go down that road. I will have to do some of what you suggest, I know, because they're not going to, obviously, want to do it just exactly my way. But if we demonstrate a fairness, in some areas, a place for compromise -- but when there is no room for compromise, be very frank about it, and be up front about it. I hope that we can get along together. But it's going to take doing some of what you talked about here.

President's Agenda

Q. Mr. President, is there any chance that your administration might lead the way towards a tax on consumerism rather than taxes on savings, such as a value-added tax or something of that type?

The President. Well, I don't want to even discuss the tax on consumerism. There's a wide array of suggestions been made, including a horrendously prolific value-added tax, which kind of is painless at first, and then you wake up and realize that you've increased the cost of a lot of goods

out there. You have the suggestion that people put a fuel tax on, or an import tax on oil coming into this country. But I really don't believe we should do that.

I have got to get this 1990 budget down without increasing taxes. There's a lot at stake. I think, in fairness, most Members of Congress, whether they agree with me or not, recognize that; and thus they'll understand my fighting for a budget that does not include a consumer tax or a tax on investment-saving capital or anything else. If you want to have a philosophical discussion, I take your point, because I think it is important that if you presented me a hypothesis -- you've got to do that, or you've got to do that -- and I would accept it and understand the political risk I'd be involved if I showed any flexibility at all in even discussing it. [Laughter]

I would have to say that you make a very valid point in your question, because as I tried to indicate in my remarks, it's job creation -- and that is subtraction of capital -- that is really the best antidote to poverty. The best poverty program is a job in the private sector, where a family can hold their heads up with a certain dignity.

And so, I have got -- and that's why when these mandated benefits come down here they have good titles on them, they have things we're concerned about: parental leave or child care, whatever it is. And I'm sympathetic with many of the objectives. But as I weigh them, I have a responsibility to say what kind of an effect are they going to have on this best antidote to poverty, and that's a job. And so, we've got to resist some of the call for these good things that have good titles if they undermine the fundamental thing, which is our ability to create jobs. So, I will keep trying, keep that philosophy in mind, as we try to answer these pressing social problems.

One word on child care, and then I promise to go peacefully, Bobbie [Bobbie G. Kilberg, Deputy Assistant to the President for Public Liaison]. [Laughter] But you know, business and religious groups and family groupings and communities have started moving pretty actively into the child-care business. And you have a different family structure now. You have many two-parent workforce people there -- husband and wife at work. And so, I recognize this, and I recognize the demand for child care. But as we formulated our policy, we wanted to get something that would fit within the budget, but we wanted to get something that would not rule out the diverse answers that I mentioned in the beginning: crowd businesses out because they had to turn to highly regulated, centralized child-care centers. Say to a religious group, you can't do this any more; that violates the ABC child care act. Say to a cluster of parents in a neighborhood that alternate taking care of the kids, you can't do any of that because you're not subject to our regulation. And so, what I want to do on something -- a mandated benefit of this nature, if you will, is keep it as flexible as possible, preserve parental choice, and recognize this genius of diversity that is our American way.

And it's not just child care; there's a whole array of other mandated benefits that are coming down the pike that we have to address ourselves to. Some we just say, look, we can't do it; we

can't afford that. And others we're going to have to say, well, we can do a little here, but it's got to preserve this diversity, and it's got to strengthen family. I am tremendously concerned about the erosion of the family unit in this day and age. And when you look at some of the troubles we have on dropouts or look at some of the troubles we have in keeping our kids out of the grips of these crack pushers, you really have to go right back to the fundamentals in terms of the family unit.

And you know, people say, well, you're privileged; you're blessed in that area. I am. And so, I can't profess to know what it is just from firsthand experience in the inner city, when a family is divided and there's only one parent. But whatever we do at the government level has got to see that we don't diminish family units and, frankly, find a way to strengthen them. And that's why this concept of parental choice, I think, is absolutely essential, that it be woven into everything we do, wherever possible.

Listen, thank you all very much. Didn't mean to end with a sermon, but thanks a lot for coming.

Note: The President spoke at 2:10 p.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Roger B. Porter, Assistant to the President for Economic and Domestic Policy. The President also referred to the Algonquin Round Table, an informal literary circle that met at the Algonquin Hotel in New York City. Charles R. (Red) Scott, president and chief executive officer of the Intermark Corp., in La Jolla, CA, asked the first question.

Nomination of Delos Cy Jamison To Be Director of the Bureau of Land Management

April 4, 1989

The President today announced his intention to nominate Delos Cy Jamison to be Director of the Bureau of Land Management at the Department of the Interior. He would succeed Robert F. Burford.

Since 1985 Mr. Jamison has been a legislative adviser on the National Parks and Public Lands Subcommittee for the Committee on Interior and Insular Affairs for the U.S. House of Representatives. Prior to this he was district field director for Congressman Ron Marlenee from Montana. He has been a House liaison for the Secretary of the Interior, 1983 - 1984, and a Republican consultant on the Oversight and Investigations Subcommittee for the Committee on Interior and Insular Affairs for the U.S. House of Representatives, 1981 - 1983. He was a legislative affairs specialist for the Montana State Office of the Bureau of Land Management in Billings, MT, 1980 - 1981.

Mr. Jamison graduated from Eastern Montana College (B.S., 1971). He was born April 12, 1949, in Billings, MT, and currently resides in Washington, DC.

Nomination of Richard Schmalensee To Be a Member of the Council of Economic Advisers

April 4, 1989

The President today announced his intention to nominate Richard Schmalensee to be a member of the Council of Economic Advisers. He would succeed Thomas Gale Moore.

Since 1967 Dr. Schmalensee has served in various capacities at the Massachusetts Institute of Technology, including Gordon Y. Billard professor of economics and management, 1988 to present; professor, department of economics, 1986 to present; professor, school of management, 1979 to present; associate professor, school of management, 1977 - 1979; assistant professor, school of management, 1970; and an instructor, school of management, 1967 - 1969. Prior to this he was with the University of California at San Diego as an associate professor, department of economics, 1974 - 1977, and assistant professor, department of economics, 1970 - 1974. He also served on the President's Council of Economic Advisers as a junior economist, 1967.

Dr. Schmalensee graduated from the Massachusetts Institute of Technology (S.B., 1965; Ph.D., 1970). Dr. Schmalensee resides in Brookline, MA.

Nomination of Thomas Michael Tolliver Niles To Be United States Representative to the European Communities

April 4, 1989

The President today announced his intention to nominate Thomas Michael Tolliver Niles to be the Representative of the United States of America to the European Communities with the rank and status of Ambassador Extraordinary and Plenipotentiary. He would succeed Alfred Hugh Kingon.

Since 1985 Ambassador Niles has been the United States Ambassador to Canada. Prior to this he was Deputy Assistant Secretary of State for European and Canadian Affairs, 1981 - 1985. He was Director for Central European Affairs, 1979 - 1981, and served in the United Nations Office for International Organizations at the Department of State, 1977 - 1979. From 1976 to 1977, Ambassador Niles was a student at the National War College. He was director of commercial affairs in Moscow, 1973 - 1976; a political officer for the U.S. mission to the North Atlantic Treaty Organization (NATO) in Brussels, 1971 - 1973; and an economic officer in Moscow, 1968 - 1971. He also served at the U.S. Embassy in Belgrade, Yugoslavia, 1963 - 1965.

Ambassador Niles graduated from Harvard University (B.A., 1960) and the University of Kentucky (M.A., 1962). He was born September 22, 1939, in Lexington, KY. He is married, has two children, and resides in Washington, DC.

Nomination of Melvyn Levitsky To Be an Assistant Secretary of State

April 4, 1989

The President today announced his intention to nominate Melvyn Levitsky to be Assistant Secretary of State for International Narcotics Matters. He would succeed Ann Barbara Wrobleski.

Since 1987 Ambassador Levitsky has been Executive Secretary and Special Assistant to the Secretary at the Department of State in Washington, DC. Prior to this he was U.S. Ambassador to Bulgaria, 1984 - 1987. He has been Deputy Director for the Voice of America, 1983 - 1984. Ambassador Levitsky was Deputy Assistant Secretary for Human Rights and Humanitarian Affairs at the Department of State, 1982 - 1983; Director of the Office of U.N. Political Affairs, 1980 - 1982; and Deputy Director, 1978 - 1980. He was an officer-in-charge for bilateral relations in the Office of Soviet Union Affairs, 1975 - 1978, and a political officer in the U.S. Embassy in Moscow, 1972 - 1975. He entered the Foreign Service in 1963 and has served in Germany and Brazil. Ambassador Levitsky also received the Presidential Meritorious Service Award in 1986.

Ambassador Levitsky graduated from the University of Michigan (B.A., 1960) and the State University of Iowa (M.A., 1963). He was born March 19, 1938, in Sioux City, IA. He is married and has three children.

Nomination of Catalina Vasquez Villalpando To Be Treasurer of the United States

April 4, 1989

The President today announced his intention to nominate Catalina Vasquez Villalpando to be Treasurer of the United States. She would succeed Katherine D. Ortega.

Since 1985 Ms. Villalpando has been a senior vice president and partner of Communications International, Inc., in Washington, DC. She is currently national chairman for the Republican National Hispanic Assembly and has served in this capacity since 1987. Prior to this Ms. Villalpando served as Special Assistant to the President for Public Liaison at the White House, 1983 - 1985. She was the voter groups coordinator for the Republican Party of Texas, 1981 - 1983; Staff Assistant in the White House Office of Presidential Personnel, 1980 - 1981; and vice president of Mid-South Oil Co., 1979 - 1980.

Ms. Villalpando was born April 1, 1940, in San Marcos, TX. She currently resides in Washington, DC.

Toasts at a State Dinner Honoring President Mohammed Hosni Mubarak of Egypt

April 4, 1989

President Bush. Ladies and gentlemen, it is an honor to welcome the President and First Lady of the Arab Republic of Egypt to the United States. And it's a pleasure for me to greet an old friend and colleague as one of my first visitors to the White House and to this, our first dinner in the State Dining Room.

These last 2 days have been productive, a time for seeking common ground in approaching the peace process, as well as a good time to discuss the bilateral issues. We've also shared some insights into each other's cultures, including the most American of pastimes, baseball. [Laughter] And my dear friend, President Mubarak, there's a great philosopher in baseball, a great baseball player named Yogi Berra. [Laughter] And Yogi Berra once said, ``You can observe a lot by just watching." [Laughter] And, Mr. President, baseball is a game in which coordinated effort, patience, and a spirit of teamwork provide the winning edge -- in a phrase, the spirit of teamwork.

And you and I share a special bond. Both of us have been tested as seconds-in-command. Both of us have assumed the Presidency at a time when we are challenged to fulfill the promise of past diplomacy.

In fact, there have been favorable developments since your last visit to the United States, just 15 months ago. In Afghanistan, 10 years of foreign occupation have been swept away by a brave people. The cease-fire between Iran and Iraq is a first step towards lasting peace. And we have recently seen an enhanced and well-deserved recognition of Egypt's leadership role in the Arab world, a role that has been enhanced by your perseverance and your commitment to peace. And as I said yesterday, we must work to create a new atmosphere where Palestinians and Israelis put aside violence in favor of words. A dialog for peace is the best way to establish Israeli security and give the Palestinians their legitimate political rights.

Mr. President, just 1 week ago we observed the 10th anniversary of Egypt's historic peace treaty with Israel. And our task today is to extend that peace to all the nations in the Middle East. Such an undertaking will require great patience and immense trust. But I firmly believe that peace will prevail if we continue to work with a common purpose, in the spirit of teamwork. The United States, I assure you, remains willing to help in this important quest.

Mr. President and Mrs. Mubarak -- your beautiful Suzanne, I raise my glass in your honor, proud of your friendship, thankful for your leadership. And God bless you, and God bless the peoples of America and Egypt.

President Mubarak. Mr. President, Mrs. Bush, dear friends, let me first express my sincere appreciation for the warm and the friendly reception which we received since we came to your lovely capital, Washington.

My meeting yesterday with you, Mr. President, has a special significance, for it is a beginning of a new era in our friendship and cooperation over the years. Over the years, and in the different roles you assume, Mr. President, you have been a great friend of Egypt and an active participant in the shaping of the Middle East future. Your thoughtful gesture of inviting me to meet with you here in Washington at this early stage, after we had met only a few weeks ago in Tokyo, did not go unnoticed. As we met with you yesterday, and with your able assistants, we look to the future with great optimism. Your deep knowledge of the region and your keen interest in promoting peace assure us of a better and safer future for the whole area.

The American people have chosen you as the torchbearer at a unique and historical junction. The whole world is yearning for an easing of tensions. People in all four corners of the world are seeking a just resolution to disputes and termination of all wars. They want to be better equipped to cope with the awesome challenge they confront today and tomorrow. Issues like underdevelopment and environment require urgent remedies.

Your pledge to make this great land a kinder and gentler nation will certainly contribute to making the whole world a kinder and gentler place for our children and the generations to come. We appreciate your role and the role of the American people as partners in peace and development in the area.

A few days ago, we celebrated, as you mentioned, Mr. President, the 10th anniversary of the peace treaty which was signed here in Washington. That event coincides with the successful conclusion of the Taba dispute, with your help and assistance. These events constitute a living testimony to the validity of the premises that nations can solve all their differences throughout negotiations and other peaceful means. On the other hand, they represent a tribute to the American role as a peacemaker and conciliator.

Over the last two decades, four distinguished Americans, namely former Presidents Richard Nixon, Gerald Ford, Jimmy Carter, and Ronald Reagan -- and their assistants played a pivotal role in order to help the parties of the Middle East conflict achieve peace. We are grateful to these men and to every American for their genuine concern and moral commitment. Today President Bush has already begun to put the mark on the peace process, only a few weeks after he had assumed office. We have full faith in President Bush, his sense of fairness and sound judgment. Your leadership, Mr. President, and your commitment as an active partner in the peace process reinforce hope in the heart of every Arab and Israeli who yearn for peace. No one is better equipped than yourself, Mr. President, to influence the course of events in this troubled region.

Egypt is ready to work hand-in-hand with you in the pursuit of that worthy goal. With your knowledge and vision, we can develop all our friendship to a higher plateau of shared views and the common interests. Above all, we share a vision of a Middle East where all countries and people coexist in harmony and cooperate as good neighbors, ushering in a new era in which the enemies of yesterday become partners in the pursuit of peace and prosperity.

Mr. President, our bilateral relations and friendship have been growing over the years, as we talked yesterday about the consolidation of our cooperation in all fields. I am glad to state that our relations have never been better and that our cooperation is proceeding steadily and very smoothly. We value your cooperation, especially at a time when we are exerting great efforts in order to achieve both economic reform and growth. Our cooperation in various economic fields is essential for achieving our goal of improving our economic performances and enhancing productivity.

In our discussions yesterday, Mr. President, as in our previous meetings in Washington, Cairo, and elsewhere, I have sensed the depth of your sentiments towards the friendship that binds our two countries. We in Egypt share those feelings. We are both nations that attach a great value to friendship and loyalty to our friends. Together, we have an opportunity to make the Middle East a much safer and more stable place, to the benefit of all its people and that of the entire world.

Let me, Mr. President, extend my invitation to you and to Mrs. Bush to visit Egypt when you find it convenient and at a suitable time for you, Mr. President and Mrs. Bush. We share with you a great vision of the future for a better and safer world which is within our grasp. We count on your partnership and on your leadership to sail together to that bright destination.

In conclusion, permit me to ask you, ladies and gentlemen, to raise in tribute to President and Mrs. Bush, who are leading this great nation in a new era of hope and dynamism, in tribute to all friends present here, and in tribute to each American on this land, and in tribute for the good friendship between the United States of America and Egypt.

Note: President Bush spoke at 9:35 p.m. in the State Dining Room at the White House.

Remarks at the Presentation Ceremony for the National Teacher of the Year Award

April 5, 1989

Thank you, ladies and gentlemen, Governor, distinguished Members of the Congress. Well, it is my pleasure to welcome so many distinguished guests here to the White House, to honor a teacher who epitomizes excellence in education.

What goes on in the schools is important to me, and I like to get out of the office and talk with the kids whenever the chance presents itself. Last week I was over here in James Madison High in Vienna, Virginia, and had lunch in the cafeteria there. I found the students interested and well informed, the teachers engaged and energetic, but the pizza -- [laughter] -- enough said!

But to the business at hand. The 1989 National Teacher of the Year has made the journey to Washington from Bethel High School in Hampton, Virginia, many times before to give her social studies students a firsthand look at how government really works. But in a more important respect, the journey for this year's winner, Mary Bicouvaris, began almost 30 years ago and 5,000 miles away. Mary, or Mrs. Bic, as her students call her -- and I will, too -- was born in Greece, came to the United States as a college student, and then chose to stay. Ms. Bic was inspiring good citizenship in her students before she herself was an American citizen. And her secret is using the real world as her classroom: getting her students involved in programs like the model U.N. and in political campaigns and bringing people involved in politics in to speak to her students.

And so, now I'd like to ask Barbara to bring Mrs. Bic up here and present this award. Congratulations!

[At this point, Mrs. Bush gave Mrs. Bicouvaris a crystal apple.]

And now let me just take this opportunity, with so many distinguished educators, and Governors, Members of Congress present, to lay out a plan for what we on the Federal level can do to improve our nation's schools.

Six years ago this month, this report that all of us remember, ``A Nation At Risk," was first published, and America awakened to the crying need for fundamental change in our educational system. We're at a point today where there's an emerging consensus on education reform and an energy of purpose to take up the challenge. The stakes could hardly be higher. Today's first graders will be high school graduates in the year 2000, a generation on the threshold of a new century. And so, we ask ourselves what can we do today to build accountability into our education system to make sure we don't pass the problem kid who need extra help up through

the system, out of the schools and then into the society without the skills that they need? What can we do to make sure our children stay in school, graduate, and get that diploma instead of dropping out and falling into a cycle of chronic joblessness?

I had lunch yesterday with Secretary Cavazos and talked about some of the problems in the severely disadvantaged areas and some on reservations and others where the dropout rates are simply intolerable. What can we do to make sure America has the additional 400,000 scientists -- the National Science Foundation say that we're going to need by the year 2000? What can we do to guarantee that graduates in the year 2000 have the skills and knowledge to make this nation competitive in the global marketplace? And all of these are good questions. And then there's the one I often hear when education is the issue and budget constraints becloud everything on the horizon. And the question is: Well, what are you going to do about it? A fair question. We're going to take action to make excellence in education not just a rallying cry but a classroom reality. And we can start by rewarding what works. We can help those most in need. We can promote choice and flexibility for parents and school administrators. And we can raise expectations and hold ourselves accountable for the results.

These four simple ideas -- rewarding excellence, helping those in need, choice and flexibility, and accountability -- are at the heart of the legislation that I'm sending to the Congress today: Educational Excellence Act of 1989. And I want to take a moment to detail this seven-point plan.

First, merit schools -- if our aim is excellence in education, we've got to single out excellence and reward it, whether that means raising test scores, lowering that dropout rate, or making progress of another kind. My merit school proposal will provide cash awards to schools with a proven formula for success and serve as a powerful incentive to encourage other schools to follow their lead.

Second, merit awards for our top teachers -- I'm asking Congress to fund a President's Award for Excellence in Education, to recognize first-rate teachers in every State and reward them for a job well done.

Third, science scholarships for our best high school seniors -- these awards will go to 570 of the best young scientific minds, at least one from every congressional district across the country. National Science Scholars will receive up to $10,000 a year for 4 years, to be used at the schools of their choice.

Encouraging excellence means more than rewarding successful schools and teachers and students. It means introducing into our educational system elements of flexibility, choice, and competition that will help promote quality education. And that's the idea behind the next two initiatives: magnet schools and alternative certification for teachers.

Magnet schools are an important instrument of choice, a means of promoting healthy competition to attract students and create an incentive for educational innovation. My initiative calls for $100 million a year for each of the next 4 years to help with magnet school start-up or the expansion costs.

Alternative certification is a way to expand the pool of talented teachers and administrators. Not all people who can teach are teachers by training. Whether you're an acclaimed author like Alex Haley or John Updike, who aren't certified to teach the literature courses in which their books are read, or a businessman from Odessa, Texas, anxious to go into the classroom to share what you know, our schools ought to offer that opportunity. And that's why my education package includes $25 million to fund State efforts to encourage more flexible certification systems for teachers and principals.

Above all, our children deserve a chance to learn, especially the least advantaged among us. And the final two initiatives, then, are aimed at securing that change for children in schools plagued by the drug problem and for college-age minority youth.

Drug-free schools -- now, this initiative involves funding urban emergency grants to help our hardest hit school districts rid themselves of drugs. The plain fact is kids can't succeed in the classroom if there's drug dealing in the corridors. Our aim must be to get the drugs out, get back to basics, and let students and teachers get down to the business in an environment where learning can take place.

And the last and not the least of initiatives is expanded Federal help to these historically black colleges and universities in the form of matching grants to build the endowments at these vital institutions, endowments that are lagging far behind many other schools. Historically black schools have served as an avenue of opportunity for millions of young men and women, and they do deserve Federal help.

Each of these seven initiatives are going to make a difference. Let me just mention quickly three more efforts: one, Head Start program for disadvantaged preschool children; the tax-free college savings bond program to help our low- and middle-income families cope with the costs of sending a child to college; and the reauthorization of the Carl D. Perkins Vocational Education Act.

The budget I introduced a couple of months ago calls for a $250 million increase to expand Head Start so that more children from disadvantaged backgrounds enter school ready to learn. I'm pleased to say that the House has moved very swiftly to approve the increase. The college savings bond plan that I called for over a year and a half ago is already on the books, and that's a tribute to the foresight of many of the Members of Congress that are here today. And the legislation we will soon propose for voc-ed, for vocational education, will advance the principles of accountability and flexibility and excellence. Good work was done in the 100th Congress.

The 101st can build on that work and advance education reform another step.

These education initiatives don't constitute a cure-all, a quick fix for whatever ails our education system. Real reform, lasting improvement, occurs one step at a time, one student at a time.

And I don't have to tell you about the current Federal budget situation. Money is tight. And we wish that more funds were available to spend on all levels of education. I'm one who recognizes the Federal role and, I think, got it properly in my mind that the States and local governments and private institutions across the country bear the significant responsibility. But the Federal Government has a role. It's important that we measure our success, though, not simply by the resources that we put into the effort but by the kind of students that our schools turn out. For our schools, that's the only test that counts.

I've said before that education is long-term planning at its best. And we'll see the payoff from the work we do in schools today years from now. But there are few tasks that demand more urgent attention than the education of our kids.

Let me share a story with you, a story about two ways to look at the future, told by the French. The master of a house was planning his garden and told his gardener to plant a certain kind of tree. And the gardener objected. And he explained that the tree was slow growing and would take 100 years to reach its full growth. It's the master's response that I find interesting. ``In that case," he said, ``there's no time to lose. Plant it this afternoon." [Laughter]

And that's why I really do believe that's the way we ought to look at education. As the teachers here today know, the work you do, the seeds you plant, bear fruit across a lifetime. And there's no time to lose in shaping the next generation and no better time to begin than today. And so, we're taking a step forward, and I ask all of you to work with me to advance excellence in education in every possible way.

Secretary Cavazos, why don't you, if you would, sir, bring Senator Kassebaum and Congressman Goodling and our distinguished Governors up here. And Mrs. Bic, if you'll join us, too. And we will sign this, and then I'll have a chance to say hello.

Note: The President spoke at 11:41 a.m. in the Rose Garden at the White House. In his remarks, he referred to Governors Thomas H. Kean of New Jersey, Michael N. Castle of Delaware, Rudy Perpich of Minnesota, and Gerald L. Baliles of Virginia. At the close of his remarks, the President signed the message transmitting his legislative proposal to the Congress.

Message to the Congress Transmitting Proposed Legislation on Educational Excellence

April 5, 1989

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the ``Educational Excellence Act of 1989," a bill to provide incentives to attain a better-educated America. I believe that greater educational achievement promotes sustained economic growth, enhances the Nation's competitive position in world markets, increases productivity, and leads to higher incomes for everyone. The Nation must invest in its young people, giving them the knowledge, skills, and values to live productive lives. The ``Educational Excellence Act of 1989" would move us toward this goal.

The initiatives included in this bill embody four principles central to my Administration's policies on education and essential for further education reform. These principles are:

1) Recognition of excellence. Excellence and achievement in education should be recognized and rewarded.

2) Addressing need. Federal dollars should be targeted to help those most in need.

3) Flexibility and choice. Greater flexibility and choice in education -- both for parents in selecting schools for their children and local school systems' choice of teachers and principals -- are essential.

4) Accountability. I support educational accountability, and toward this end, I am committed to measuring and rewarding progress toward quality education.

This legislation builds on the accomplishments of the last Congress, which enacted into law the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988. That law took significant steps toward improving elementary and secondary education by improving program accountability, reauthorizing the magnet school program and expanding parental choice, providing greater flexibility to local school districts in the implementation of bilingual education programs, enhancing parental involvement in programs for disadvantaged children, and stimulating education innovation and reform. My proposals have distinct differences from current law, but complement in numerous ways the important work of the 100th Congress in pursuing educational excellence.

The Educational Excellence Act of 1989 includes seven specific legislative initiatives aimed at

fulfilling these important principles:

(1) The Presidential Merit Schools program would reward public and private elementary and secondary schools that have made substantial progress in raising students' educational achievement, creating a safe and drug-free school environment, and reducing the dropout rate. This program would provide a powerful incentive for all schools to improve their educational performance.

(2) A new Magnet Schools of Excellence program would support the establishment, expansion, or enhancement of magnet schools, without regard to the presence of desegregation plans in applicant districts. Magnet schools have been highly successful at increasing parental choice and improving educational quality.

(3) The Alternative Certification of Teachers and Principals program would assist States interested in broadening the pool of talent from which to recruit teachers and principals. Funds would assist States to develop and implement, or expand and improve, flexible certification systems, so that talented professionals who have demonstrated their subject area competence or leadership qualities in fields outside education might be drawn into education.

(4) President's Awards for Excellence in Education would be given to teachers in every State who meet the highest standards of excellence. Each award would be for $5,000.

(5) Drug-Free Schools Urban Emergency Grants would provide special assistance to urban school districts that are disproportionately affected by drug trafficking and abuse. These funds would be used for a comprehensive range of services appropriate to the needs of individual communities.

(6) A National Science Scholars program would provide scholarships to high school seniors who have excelled in the sciences and mathematics. These scholarships, of up to $10,000 a year, would recognize recipients' academic achievement and encourage them to continue their education in science, mathematics, and engineering. The President would select recipients after considering recommendations made by Senators and Members of the House of Representatives.

(7) I am proposing to provide additional endowment matching grants for Historically Black Colleges and Universities, institutions that occupy a unique position and have a major responsibility in the structure of American higher education.

I urge the Congress to take prompt and favorable action on this legislation. Taken together, these seven initiatives, for which I have proposed adding $422.6 million in the 1990 budget, would help us advance toward the goal of a better-educated Nation.

In addition to these initiatives, I have proposed a budget amendment for $13 million in new

funds for experiments and data collection in support of education reform. I am also asking the Congress to fund fully the authorization in the Stewart McKinney Homeless Assistance Act. This includes $2.5 million to fund for the first time the Exemplary Grants program and $2.7 million in additional funding for literacy programs for homeless adults.

George Bush

The White House,

April 5, 1989.

White House Fact Sheet on Proposed Educational Excellence Legislation

April 5, 1989

The President outlined today a program for fostering excellence in education. The need for reform is evident:

America is in an increasingly competitive world, where investment in people, in human capital, is becoming a critical factor in a country's potential for economic growth and prosperity.

Many of our young people are performing well below their capacity and below the levels of young people in other countries in such important subjects as science and math.

Outstanding achievement by schools, teachers, and principals too often goes unrecognized and unrewarded.

Achieving excellence in education requires high expectations, low dropout rates, and safe and drug-free schools.

Parents lack adequate choice in the education of their children.

Schools often find that it is difficult to hire capable teachers and administrators, even though many people possess outstanding subject matter knowledge and management skills.

Projections of the future indicate an increasing shortage of people with advanced training in science and mathematics.

Our country's historically black colleges and universities struggle to maintain their commitment to educational excellence.

The Educational Excellence Act would authorize several initiatives designed to address these problems.

This legislation builds on the accomplishments of the last Congress, which enacted into law the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988. That law took significant steps toward improving elementary and secondary education by improving program accountability, reauthorizing the magnet school program, and expanding parental choice, providing greater flexibility to local school districts in the implementation of bilingual education programs, enhancing parental involvement in programs for disadvantaged children, and stimulating education innovation and reform. The

President's initiative proposes new efforts, but complements in numerous ways the important work of the 100th Congress in pursuing educational excellence.

This legislation is based on four basic principles. These are:

1. Recognition of Excellence. Recognizing and rewarding our best schools, teachers, and students will serve as an incentive for all schools, teachers, and students to improve their performance.

2. Addressing Need. This administration believes that Federal dollars should assist those most in need.

3. Flexibility and Choice. Greater flexibility and choice in education, both parental choice in selecting schools for their children and local school systems' choice of teachers and principals, are important to providing the means and incentives for achieving educational excellence.

4. Accountability. The administration supports objective measurement and reward of progress toward quality education.

The Educational Excellence Act includes seven legislative initiatives aimed at fulfilling these important principles. Highlights of the individual initiatives follow.

Presidential Merit Schools

Program

The Presidential Merit Schools program would provide cash awards to public and private elementary and secondary schools that have made substantial progress in raising student educational achievement, creating a safe and drug-free school environment, and reducing the dropout rate. This program would provide a powerful incentive for all schools to improve the educational achievement of their students.

Funding

The legislation would authorize $250 million for fiscal year 1990, increasing to $500 million by 1993. These funds would be allocated by formula to the States, with State allocations based on school-aged population and State shares of funding under the Chapter 1 Basic Grants program.

The amount of each merit award would depend on State-established criteria, including criteria related to the size of the school and the composition of the student body.

Implementation

Presidential Merit Schools would be selected by the State, assisted by a special State review panel, using State and Federal criteria. These criteria would focus on schools' progress in improving students' educational performance, creating or maintaining a safe and drug-free environment, reducing the dropout rate, and other State-determined factors. States could also give special consideration to schools enrolling substantial numbers or proportions of children from low-income families.

A school selected as a Presidential Merit School would use its award for any purpose that furthers its educational program, including development or implementation of special educational programs, purchase of computers and other materials and equipment, and bonus payments to teachers and administrators. Private schools would be prohibited from using Presidential Merit Schools funds to provide religious instruction or for other sectarian purposes.

The bill would also prohibit the reduction of other Federal, State, or local support to a school because of its receipt of a Presidential Merit Schools award.

Magnet Schools of Excellence

Program

Currently, the Department of Education makes Magnet Schools Assistance grants to school systems undergoing court-ordered or voluntary desegregation. Because of the success of magnet schools in increasing parental choice and improving educational quality, the bill would create a Magnet Schools of Excellence program to support the establishment, expansion, or enhancement of magnet schools, without regard to the presence of desegregation plans.

Funding

The bill would authorize $100 million for Magnet Schools of Excellence for fiscal year 1990 and each of the 3 succeeding fiscal years.

Implementation

Local educational agencies, intermediate educational agencies, or consortia of such agencies would apply directly to the Department for competitive grants. Applications would be selected for funding on the basis of the quality of the proposed project, the likelihood of its successful implementation, and the likelihood of its strengthening the educational program of the district or districts.

The Department would encourage applications that recognize the potential of educationally

disadvantaged children to benefit from magnet school programs and applications to establish, expand, or enhance magnet schools which enhance the diversity of educational offerings to students.

No magnet school could be supported under the program for more than 2 years or if the award would result in segregation or impede the process of desegregation.

Alternative Certification of Teachers and Principals

Program

The bill would provide assistance to States interested in expanding the pool of talent from which to draw teachers and principals. Funds would support such activities as training, program development, and evaluation. The bill would provide incentives for States to develop, expand, or improve flexible certification systems designed to draw into education talented professionals with demonstrated subject-area competence or leadership qualities.

Funding

The legislation would authorize $25 million for fiscal year 1990 only, for one-time grants to the States. States would apply for the amount of funds they need or an amount that is proportional to their school-aged population, whichever is less; excess funds would be reallocated on the basis of demonstrated need.

Implementation

Grants could support the design, development, implementation, testing, and evaluation of strategies for the alternative certification of teachers and principals, as well as training and recruitment activities.

States would be required to consult with teachers, principals, parents, and others in developing their applications. Subgrants to school districts, intermediate educational agencies, colleges and universities, and consortia of these agencies would be authorized.

President's Awards for Excellence in Education

Program

The success of American education depends heavily on the Nation's teachers. Because teachers who meet the highest standards of excellence deserve public recognition, respect, and appropriate financial rewards, our bill includes authorization for a new program of Presidential awards for excellent public and private school teachers. The amount of each Presidential award

would be $5,000. Teachers receiving awards would be permitted to use their awards for any purpose.

Funding

The bill would authorize $7.6 million for each of the fiscal years 1990 through 1993. Funds would be allocated to the States on the basis of the number of full-time equivalent public school teachers in each State.

Implementation

In each State, winners of Presidential awards would be selected by a statewide panel, selected by the Governor, from nominations made by local educational agencies, public and private schools, parents, teachers, teacher associations, associations of parents and teachers, private businesses, business groups, and student groups. In making selections, the panel would use selection criteria developed by the State, subject to approval by the Secretary.

Each State would be permitted to use up to 5 percent of its allocation for administrative expenses, including the cost of convening the statewide panel.

National Science Scholars

Program

The National Science Scholars program would encourage achievement in the sciences by providing scholarships to graduating high school students who have excelled in the sciences and mathematics and engineering. The scholarships would recognize the academic achievement of these students and would encourage them to continue their education in these academic areas at the postsecondary level.

Funding

The bill would authorize $5 million for fiscal year 1990. The amount authorized would increase in increments of $5 million per year to a total authorization of $20 million for fiscal year 1993. These funding levels would ensure that the scholars would be supported throughout their undergraduate study and that a new group of 570 scholars would be selected each year.

Implementation

National Science Scholars would receive up to $10,000 a year for each year of undergraduate education.

Each State would nominate between 4 and 10 students per congressional district to receive scholarships. The President would select a total of 570 scholars, after considering the recommendations of an advisory board (30 scholarships) and the recommendations of Senators and Members of the House of Representatives (540 scholarships). The scholars would be nominated in accordance with specific academic achievement criteria that would be developed by the Secretary in consultation with a panel of experts in the sciences, mathematics, and engineering.

Drug-Free Schools Urban Emergency Grants

Program

Prevention and education programs are frequently inadequate in urban areas with the most severe drug problems. More concentrated and comprehensive approaches are required. The bill would amend the Drug-Free Schools and Communities Act of 1986 to authorize a program of Urban Emergency Grants.

Funding

The bill would authorize $25 million for each of the fiscal years 1990 - 1993 for Urban Emergency Grants.

Implementation

This amendment would authorize a small number of special, competitive grants to urban districts that have the most severe drug problems so that these districts can develop and implement comprehensive approaches to solving those problems.

Historically Black Colleges and

Universities

Program

Historically Black Colleges and Universities (HBCU's) play a vital role in the American system of higher education. In the past, these institutions offered many Black Americans their only opportunity for a higher education. Today HBCU's enrich the range of educational choice. These institutions enroll approximately 220,000 students.

Many HBCU's are financially weaker than comparable institutions. This bill would strengthen HBCU's by providing additional support for endowment matching grants. Endowment building

is an especially effective way to create financial strength and long-term financial security for HBCU's.

Funding

The bill would provide additional authorizations of $10 million for fiscal year 1990, $20 million for both fiscal year 1991 and fiscal year 1992, and $10 million for fiscal year 1993.

Implementation

Federal funds would be available to match private sector contributions to the school's endowment fund. Income from the endowment fund could be used to improve academic programs as well as administrative management.

All HBCU's currently eligible under title III of the Higher Education Act of 1965 would be eligible to apply for grants.

Message to the Congress Transmitting the Annual Report on International Activities in Science and Technology

April 5, 1989

To the Congress of the United States:

In accordance with Title V of the Foreign Relations Authorization Act for Fiscal Year 1979 (Public Law 95 - 426), I am transmitting the annual report on international activities in science and technology (S&T) for Fiscal Year 1988.

I firmly believe that the economic advances of the 21st century are rooted in the research and development (R&D) performed in laboratories around the world today. Innovation and dedication of resources and people, both public and private, to scientific and technological advances are essential to economic progress. Our future well-being as a nation is dependent upon the continuous transfer of technology from basic science into commercial goods and services.

Over the past 5 years, this concept -- the linkage of our science and technology enterprise to our future global competitiveness -- has become a dominant theme in the United States. Because of this linkage, some have challenged our historical subscription to an open, unimpeded R&D system, claiming that such a system transfers valuable R&D results to other countries for commercialization and eventual sale in the United States. I, and President Reagan before me, believe that the United States benefits, and our global competitive position is improved, by international cooperation in research and development based on balance, reciprocity, and comparable access. We have actively promoted this policy through multilateral fora and bilaterally with our trading partners and advanced developing countries.

For example, a major accomplishment of FY 1988 was winning multilateral endorsement for key themes of President Reagan's Executive Order No. 12591 of April 10, 1987, on ``Facilitating Access to Science and Technology.'' At the Ministerial Meeting of the Organization for Economic Cooperation and Development (OECD) in Paris in May 1988, the ministers endorsed a new framework of common principles for international S&T cooperation, originally introduced by the President's Science Adviser, Dr. William R. Graham. The framework endorses adequate investment and excellence in basic sciences; reciprocity and balanced access as a solid foundation for science and technology cooperation; improved universal protection of intellectual property rights (IPR); and effective protection of sensitive knowledge. I am convinced that the new OECD framework establishes a firm, future-oriented foundation for sustainable cooperation in science and technology.

On the bilateral front, under the guidance of the Economic Policy Council, the Administration developed a coordinated policy to reshape our S&T relationship with Japan based on the principles of shared responsibilities, equitable contributions, adequate protection and fair disposition of intellectual property rights, acknowledged security obligations, and comparable access to government-sponsored and -supported R&D facilities and programs. The culmination of this effort came in Toronto in June 1988, when President Reagan and Prime Minister Takeshita signed the new umbrella S&T Agreement. We view this as a model agreement and now are incorporating its principles into all our science and technology bilateral agreements.

Maintenance of our global competitiveness requires adequate and effective protection and equitable allocation of intellectual property rights. The commercial development of a new technology requires large investments of time, money, and talent. Continued investments in research and development require the ability to derive economic benefits from the new technology. Therefore, in FY 1988, we initiated numerous bilateral and multilateral dialogues on the benefits accruing to all partners from effective protection and equitable disposition of IPR.

With the view that balanced and reciprocal cooperation in S&T benefits the United States and the world at large, at the December 1987 Washington Summit, President Reagan and General Secretary Gorbachev agreed to further cooperation in the areas of transportation, global climate change, ocean studies, and nuclear reactor safety, as well as to continue a multilateral conceptual design effort in thermonuclear fusion. As a result, in April 1988, we signed a protocol with the Soviets on cooperation in maintaining the safety of civilian reactors. This agreement, which was stimulated by Chernobyl, covers the design and operation, health, environmental, and regulatory aspects of the reactor safety problem. In addition, in January 1989, we signed a U.S.-USSR Framework Agreement for Cooperation in Basic Scientific Research, which is serving as the model for other U.S.-USSR agreements to ensure policy consistency among all our extensive interactions with the Soviets in science and technology.

Sustainable international cooperation in science and technology is good for the Nation, particularly when projects that are in the national interest are enhanced by or intrinsically require multilateral effort. Examples are the Space Station Freedom, the superconductor super collider (SSC), AIDS research, and global climate change.

In December 1987, the Secretary of Energy invited our major allies to contribute to building the world's most advanced high-energy particle accelerator, the SSC, and to participate in its utilization. We now look forward to extensive collaboration in the project.

In September 1988, a final agreement was signed among the United States, member states of the European Space Agency (ESA), and the Governments of Japan and Canada on the Space Station Freedom's design, development, and operation.

AIDS is a major worldwide public health concern. The United States Government, particularly

the Agency for International Development and the Public Health Service, is engaged in a substantial international program working with the World Health Organization and others to develop national plans to combat AIDS and to utilize research findings and technologies as they become available.

The policy question of human impact on the global environment in the past few years has moved out of the confines of scientific papers and conferences to become a front-page issue. Recent events, such as the 1985 discovery of the Antarctic ``ozone hole'' and the 1988 North American drought, have created much debate regarding the relative contributions of human-induced and natural processes on global climatic and environmental change. Bearing these concerns in mind, in April 1988, the United States ratified the Montreal Protocol on Substances that Deplete the Ozone Layer, which provides for reductions in production and consumption of principal ozone-depleting chemicals.

Significant uncertainties remain about the magnitude, timing, and regional impacts of global climate change. During FY 1988, the United States has made major contributions to international plans to reduce those uncertainties. The FCCSET Committee on Earth Sciences prepared a strategy for the U.S. Global Change Research Program, which I have endorsed. Prepared in close collaboration with other national and international planning groups and activities, the U.S. research strategy calls for an integrated approach in partnership with international organizations such as the World Meteorological Organization, the United Nations Environment Programme, and the International Council of Scientific Unions. The Intergovernmental Panel on Climate Change launched its multilateral effort in November 1988 with U.S. participation and support.

Believing that the R&D of today is the goods and services of tomorrow, and believing that further discoveries in superconductivity hold enormous potential for applications, President Reagan signed into law on November 19, 1988, the ``National Superconductivity and Competitiveness Act of 1988,'' which establishes a framework for a national program in superconductivity. He also named a National Commission on Superconductivity to provide guidance over the long term, as the real benefits from superconductivity may take years or decades to fully realize. Our goal as a nation is to lead the world in superconductivity R&D and in translating this new technology into useful products.

Strong U.S. involvement in international S&T requires excellence in the administration and implementation of our S&T policies around the world. Therefore, in response to President Reagan's Executive Order No. 12591 of April 10, 1987, the Department of State has sought to strengthen the technical expertise of its S&T officer corps by intensified recruitment from United States Government technical agencies, academia, and industry, and has recently established a specific career track for S&T officers. In addition, the Department of State, in cooperation with the National Science Foundation and the Department of Commerce, initiated the S&T Reporting and Information Dissemination Enhancement Project (STRIDE) in order to improve international scientific reporting.

As President, I intend to continue to build on the solid foundation in science and technology laid by President Reagan and his Administration. I believe that sustainable cooperation in science and technology is good for America and good for the world. Therefore, as the technology gap narrows, as internationalization of scientific and technological progress becomes the accepted norm, we must be concerned that the competitive drive for technological leadership not lead to protectionism in science, even as we are removing barriers to free and open trade. The challenge facing us in the years ahead is how to maintain and expand an open, mutually beneficial world system of exchange and cooperation in science and technology without undercutting our national competitiveness or jeopardizing our security interests and responsibilities. Articulating and responding to that challenge is a high priority of my Administration.

George Bush

The White House,

April 5, 1989.

Statement by Press Secretary Fitzwater on the Polish Roundtable Accords

April 5, 1989

Seven years ago, Americans lit candles in support of Poland's freedom in the hope that darkness of repression would someday be lifted. Today Solidarity signed accords which will lead to its relegalization and which will allow it to resume its rightful place in Polish life.

This is a great day for the Polish people and for freedom. The discussions have been long and arduous. We welcome the roundtable accords and see them as an historic step towards pluralism and freedom which we hope will eventually take Poland far from totalitarianism and towards a better political and economic future.

We are following the developments in Poland closely and are consulting with Congress and our friends and allies on this issue. In September 1987, then Vice President Bush visited with Lech Walesa and General Jaruzelski concerning the Polish political situation. The Vice President at that time urged dialog and reconciliation to bring about economic growth and political freedom.

The President today is very pleased by the accords that started Poland on this new path of reconciliation.

Note: Marlin Fitzwater read the statement to reporters at 1:32 p.m. in the Briefing Room at the White House.

Statement by Press Secretary Fitzwater on Soviet Policy in Central America

April 5, 1989

We listened carefully to what President Gorbachev had to say in Havana yesterday. While his words about not exporting revolution are welcomed, they are not matched by deeds which would give those words credence.

Today we call upon the Soviets to cut off their half-billion-dollar annual military aid to Nicaragua. The Soviets continue to pour arms into Nicaragua, a country whose army is already larger than those of all their neighbors combined. This is hard to fathom. It is a key issue in resolving the conflict in Central America. Our bipartisan plan for peace in Central America has the support of the Central American democracies. It is time for the Soviet Union to join us in supporting that plan.

If President Gorbachev means his words, the Soviets should demonstrate through their behavior that they are adhering to this principle, and they should pressure their client states and revolutionary groups that they support to do the same. We note that the Soviets and Cuba have concluded a friendship treaty that apparently commits both parties to the peaceful resolution of conflicts in the region. We trust that the Soviets will follow these words with concrete actions.

We believe, however, that to demonstrate his commitment to Esquipulas, President Gorbachev could have proposed a cutoff of military supplies to all irregular forces in the region. That is what Esquipulas calls for: an end to outside support to the guerrilla forces. This would have suggested a ``new thinking'' in Central America.

The United States is in compliance with Esquipulas. We are not providing military aid to the Nicaraguan resistance. The Soviet bloc, particularly Nicaragua and Cuba, continue to supply military and logistical support to the FMLN [Farabundo Marti National Liberation Front, El Salvador] and other irregular forces in Central America.

As the President and the Secretary of State have said, we reject the idea of equivalence between legitimate U.S. interests and the Soviet presence in Central America. We provide support, including military assistance, to the democratic Governments of Central America. These governments are not involved in subversion of their neighbors.

Note: Marlin Fitzwater read the statement to reporters at 1:32 p.m. in the Briefing Room at the White House.

Statement by Press Secretary Fitzwater on the Suspension of Semiautomatic Weapons Imports

April 5, 1989

I want to announce an action that the Treasury Department is taking today with regard to suspension of imports of certain semiautomatic weapons.

In recently approving a temporary suspension of imports of certain semiautomatic weapons, the President sought to foster a climate in which reasonable, well-intentioned people on all sides of the firearms issue could work out a solution without infringing on the rights of law-abiding hunters and sportsmen. In an effort to ensure that existing laws are being enforced to the fullest extent possible, he ordered the Treasury Department to review the suitability of these weapons for sporting purposes. To date, the Treasury review has disclosed 24 additional types of imported firearms which, by virtue of their general appearance and capabilities, compete directly with those firearms for which import permits were previously suspended. To ensure an orderly and fair review process, the President has authorized the Secretary of the Treasury to expand the temporary import suspension to include these additional 24 types of weapons.

This action will accomplish two things. First, those importers whose permits have already been suspended will not suffer a loss of market to importers of similar weapons during the review period. Second, this action will preclude imports of firearms which might later be found unsuitable for sporting purposes.

The President believes that by working closely with law enforcement groups, sportsmen, concerned citizen groups, and the Congress, we can reach a solution to these problems.

Note: Marlin Fitzwater read the statement to reporters at 1:32 p.m. in the Briefing Room at the White House.

Remarks Following Discussions With Prime Minister Yitzhak Shamir of Israel

April 6, 1989

The President. Well, the Prime Minister Shamir and I have had a very productive meeting. My message to him and, through him, to the Government and the people of Israel was clear: We are friends, strategic partners, and allies. And the mutual interests that bind together the people of the United States and Israel are broad and deep. The Prime Minister and I dedicated ourselves to maintaining and, where possible, improving the relationship between our two countries. Both of us are committed to this goal.

Throughout the world, old enemies are finding ways to talk to one another and to end conflicts in a manner that preserves the basic interests of all concerned. This can and must happen in the Middle East. The Arab-Israeli conflict can be resolved. Peace, security, and political rights can be attained through direct negotiations. The status quo serves the interests of no one. In this spirit, I reiterated to Prime Minister Shamir the resolve of the United States to assist the parties of the Middle East in their pursuit of a comprehensive settlement of the Arab-Israeli conflict. Our responsibility as friends and as partners in the search for peace is to help develop approaches that enhance peace prospects. Problems do not resolve themselves; leaders acting with courage and vision solve problems. Menachem Begin and Anwar Sadat demonstrated this truth a decade ago at Camp David. Today's leaders can afford to do no less.

I reassured the Prime Minister that the fundamental basis of our approach to a Middle East settlement has not changed. The United States is committed to a comprehensive peace achieved through direct negotiations based on U.N. Security Council Resolutions 242 and 338. This remains the building block for a viable negotiation for a durable settlement. This is our goal. With regard to final status issues, I reaffirmed to the Prime Minister that we do not support an independent Palestinian state nor Israeli sovereignty or permanent occupation of the West Bank and Gaza.

To move the peace process forward, I discussed with the Prime Minister, as I had earlier this week with President Mubarak, an ambitious but realistic approach. Progress will require meaningful steps to reduce tensions, political dialog between Israel and Palestinians, and clear indications that all concerned are prepared to think creatively about key substantive issues. Israel has an obligation to contribute to this process, but it cannot be expected to assume the entire burden. The Palestinians, the Arab States, and other interested parties must demonstrate that they, too, are willing to make peace a reality.

I stressed that no peace process can succeed in a political vacuum. I believe it is in Israel's interest to engage in a serious dialog with Palestinians that address their legitimate political rights. The United States believes that elections in the territories can be designed to contribute to

a political process of dialog and negotiation. We urge Israel and the Palestinians to arrive at a mutually acceptable formula for elections, and we plan in the days and weeks ahead to work toward that end.

In negotiations, Israel understands that Palestinians will be free to bring their own positions and preferences to the bargaining table. The Prime Minister assured me that Israel is committed to negotiating an agreement on final status that is satisfactory to all sides. And he made it clear that interim arrangements on Palestinian self-rule are not the end of the road but are directly linked to a broader political process that includes negotiating and concluding an agreement on final status.

I'm encouraged by the Prime Minister's assurance that all options are open for negotiation. The Prime Minister and I agreed that our governments would remain in close touch to ensure that everything possible is being done to promote the prospects for peace in the Middle East. And speaking for myself and for the American people, I want to assure everyone that the United States is committed to promoting this goal.

Mr. Prime Minister, we're delighted you're here. The floor is yours, sir.

The Prime Minister. Thank you, Mr. President. I am honored to be here today. Let me first, on behalf of the people of Israel and on behalf of my wife and myself, express our warm wishes on your assuming the mantle of leadership of the United States and the free world. We have cherished your personal friendship and warm humanitarian concern for many years. We shall never forget the help you have extended our brothers and sisters in distress, just as we shall always remember the role the United States has played in our history.

Our alliance is based on common values and shared interests. Our agreements on strategic cooperation and free trade area benefit both countries. They help us continue as a vanguard of democracy in the Middle East. I am confident that under your administration our bonds of friendship and cooperation will grow even stronger.

Our two nations share the values and ideas of the free world and the ideals of democracy and freedom. What we do not share is a neighborhood. For us the carnage in Beirut, the use of poison gas against civilians, and acts of terrorism and fanaticism are not news from afar, for as they are events happening around the corner, they are our daily reality. If there is one mistake Israel cannot afford to make, it is the mistake of forgetting where we live.

I would like to reiterate here what I said to you in private: We shall make the greatest possible efforts to achieve peace, short of endangering the security of our state. We consider the establishment of a Palestinian state west of the Jordan River, which is an objective of the PLO [Palestine Liberation Organization], a mortal threat to our security. I have assured you that we would sit with anyone, anytime, anywhere, without preconditions if we thought it would advance the cause of peace. But we cannot lend ourselves to any steps that will result in a

Palestinian state, which is a prescription not for peace but for war. I can assure you we will be forthcoming. We believe the Camp David accords based on Resolutions 242 and 338 are the cornerstone of peace in our region. We faithfully abide by your agreements, and we expect others to do so as well.

Mr. President, to advance the cause of peace, we have put forward a four-point peace initiative. First, we propose an effort to make the existing peace between Israel and Egypt based on the Camp David accords a cornerstone for expanding peace in the region. We call upon the three signatories of the Camp David accords at this 10th anniversary of the treaty of peace to reaffirm indeed their dedication to the accords.

Second, we call upon the United States and Egypt to make it clear to the Arab Governments that they must abandon their hostility and belligerency toward Israel. They must replace political warfare and economic boycott with negotiations and cooperation.

Third, we call for a multinational effort under the leadership of the U.S. and with substantial Israeli participation to finally solve the Arab refugee problem perpetuated by Arab Governments, while Israel absorbs hundreds of thousands of Jewish refugees from Arab countries. All these refugees should have decent housing and live in dignity. This process does not have to await a political solution or to substitute for it.

Fourth, in order to launch a political negotiating process, the proposed free democratic elections, free from an atmosphere of PLO violence, terror, and intimidation among the Palestinian Arabs of Judea, Samaria, and Gaza -- their purpose is to produce a delegation to negotiate an interim period of self-governing administration. To shape modalities and participation in the elections will have to be discussed. The interim phase will provide a vital test of coexistence and cooperation. It will be followed by negotiations for a permanent agreement.

All proposed options will be examined during these negotiations. This is an outline of our comprehensive plan for peace. It is based on democratic principles. It addresses the real issues. Together, I believe we can achieve these goals.

May God lead us to the right decision. Thank you, Mr. President.

Note: The President spoke at 12:15 p.m. at the South Portico of the White House. Prior to their remarks, the President and the Prime Minister met in the Oval Office.

Notice of the Continuation of the National Emergency With Respect to Panama

April 6, 1989

On April 8, 1988, by Executive Order No. 12635, the President declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Noriega/Solis regime of Panama. Because the Noriega/Solis regime has continued its actions and policies, the national emergency declared on April 8, 1988, must continue in effect beyond April 8, 1989. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Panama. This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

April 6, 1989.

[Filed with the Office of the Federal Register, 2:36 p.m., April 6, 1989]

Note: The notice was printed in the Federal Register of April 7.

Message to the Congress on the Continuation of the National Emergency With Respect to Panama

April 6, 1989

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Panamanian emergency is to continue in effect beyond April 8, 1989, to the Federal Register for publication.

The actions and policies of the Noriega/Solis regime in Panama continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. If the Panamanian emergency were allowed to lapse, the current sanctions imposed against the Noriega/Solis regime, including the blocking of Panamanian governmental assets, would also lapse, impairing our Government's ability to apply economic pressure on the Noriega/Solis regime. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed to deal with the situation in Panama.

George Bush

The White House,

April 6, 1989.

Message to the Congress Reporting on the Economic Sanctions Against Panama

April 6, 1989

To the Congress of the United States:

1. I hereby report to the Congress on developments since the last Presidential report of October 14, 1988, concerning the national emergency with respect to Panama that was declared in Executive Order No. 12635 of April 8, 1988. This report is submitted pursuant to section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), and section 204(c) of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)).

2. Since the last report of October 14, 1988, there has been one amendment to the Panamanian Transactions Regulations, 31 C.F.R. Part 565 (the ``Regulations''), administered by the Office of Foreign Assets Control (``FAC'') of the Department of the Treasury. Effective January 3, 1989, persons owing funds to the Government of Panama may apply for a specific license authorizing the crediting of the amounts owed, plus applicable interest, to a blocked reserve account on their books or with a commercial bank. These procedures are designed to serve as alternatives to payment of the amounts owed into a blocked account at the Federal Reserve Bank of New York (the ``FRBNY''). At the same time, they will enable FAC to maintain a record of payments withheld from the Noriega/Solis regime. Any persons who have already made payments into the FRBNY and who wish to credit the funds instead to a blocked reserve or bank account may also apply for a license authorizing such a transfer.

With this report, I am enclosing a copy of the amendment to the Regulations. 54 Fed. Reg. 21 (Jan. 3, 1989).

3. FAC continues to monitor compliance with the Regulations and advise affected parties of their provisions. FAC is currently in the process of notifying by letter over 170 companies with subsidiaries in Panama of the latest amendment to the Regulations permitting the establishment of blocked reserve or bank accounts and advising them that they must either establish such an account on their books or with a commercial bank by license from FAC or transfer monies owed to the Government of Panama to the FRBNY. Information received from Panama indicates that certain U.S. firms with operations in Panama may have failed to withhold Panamanian taxes from employee paychecks in possible violation of the Regulations. FAC has notified the responsible corporate officers that a written explanation of company practices would be required. Responses are due in the near future.

4. The objective of Administration policy remains support for a return to civilian constitutional rule and the development of an apolitical military establishment in Panama. In furtherance of our

policy, the Administration has imposed economic sanctions against the Noriega/Solis regime. Our judgment remains that the root cause of the current crisis is the fact that the Panamanian people have lost confidence in a political system widely perceived as corrupt, repressive, and inept. A genuine Panamanian resolution of the political crisis is necessary to restore confidence in the Panamanian economy, a precondition to the return of economic stability and growth in Panama. Accordingly, our efforts have been directed at supporting Panamanian efforts to resolve the underlying political crisis as rapidly as possible.

5. The expenses incurred by the Federal Government in the 6-month period from October 14, 1988, through April 1, 1989, which are directly attributable to the exercise of powers and authorities conferred by the declaration of the Panamanian national emergency are estimated at $411,960, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Federal Reserve Board, the National Security Council, and the Department of Defense.

6. The policies and actions of the Noriega/Solis regime in Panama continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Panama as long as these measures are appropriate and will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

George Bush

The White House,

April 6, 1989.

Appointment of Mary McClure as Special Assistant to the President for Intergovernmental Affairs

April 6, 1989

The President today announced the appointment of Mary McClure to be Special Assistant to the President for Intergovernmental Affairs with responsibility for liaison with State legislators.

Senator McClure was elected to the State senate of South Dakota in 1974. She was the first woman to serve as senate president pro tempore, as well as national chairman for the Council of State Governments, since 1979. Senator McClure has served on the executive board of the Legislative Research Council since 1977, and was on the executive committee of the National Conference of State Legislatures (NCSL), 1982 - 1985 and in 1988. She also chaired the NCSL education committee in 1986 and the NCSL government operations committee in 1987. Prior to her service in the South Dakota legislature, Senator McClure was a teacher.

Senator McClure received a bachelor of arts degree from the University of South Dakota; a Fulbright Scholarship to the University of Manchester, England; and a master's of public administration in 1980 from Syracuse University. She was born April 21, 1939, in Milbank, SD. She is married to Donald James McClure, and they have one daughter.

Continuation of Leonard H.O. Spearman, Sr., as United States Ambassador to Rwanda

April 6, 1989

The President today announced that Leonard H.O. Spearman, Sr., will continue to serve as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Rwanda.

Since 1988 Ambassador Spearman has been the United States Ambassador to the Republic of Rwanda. Prior to this he was a distinguished professor of psychology at Texas Southern University, 1986 - 1988. He was president of Texas Southern University, 1980 - 1986, and a professor of psychology at Southern University, 1960 - 1970. From 1970 to 1980, Ambassador Spearman worked for the U.S. Office of Education, Department of Health, Education, and Welfare in the following capacities: Associate Deputy Assistant Secretary for Higher and Continuing Education, 1980; Associate Deputy Commissioner for Higher and Continuing Education, 1978 - 1980; Acting Deputy Commissioner for Higher and Continuing Education, 1976 - 1978; Associate Commissioner for Student Assistance, 1975 - 1978; Director of the Division of Student Financial Assistance, 1972 - 1975; Director of the Division of Student Special Services, 1970 - 1972.

Ambassador Spearman graduated from Florida A&M University (B.S., 1947) and the University of Michigan (M.A., 1950; Ph.D., 1960). He was born July 8, 1929, in Tallahassee, FL. He is married and has three children.

Toasts at a Dinner Honoring Prime Minister Yitzhak Shamir of Israel

April 6, 1989

The President. Mr. Prime Minister, it has been my pleasure -- our pleasure -- to welcome you to Washington and to renew a friendship that I cherish -- that we all cherish -- and to reaffirm, more importantly even, the friendship between our two nations. And the value of these visits goes beyond the meetings of state to the experience we gain from the time spent among the people of Israel and America.

I recall the trips that I've made to your country -- first, I think, Barbara and I in 1979 and then in the summer of 1986. And I recall the deep longing for peace that I found on the part of the people there in Israel. And I'm grateful for your visit now in the first days of our brand new administration; and also, because you see Washington in springtime, which some say is its most beautiful season, and because you had a chance to go to the Air and Space Museum today, where we saw many American tourists. And for those of you who weren't with us, it was a wonderful thing, because you heard people saying to the Prime Minister, Shalom. You know, I thought they were all tourists from Texas. But no -- [laughter] -- they knew that much. And I think they expressed the affection that we all feel for Israel and for you, sir.

But the friendship, the alliance between the United States and Israel is strong and solid -- built upon a foundation of shared democratic values, of shared history and heritage that sustain the moral life of our two countries. The emotional bond of our peoples goes -- it transcends politics. Our strategic cooperation -- and I renewed today our determination that that go forward -- is a source of mutual security. And the United States' commitment to the security of Israel remains unshakable. We may differ over some policies from time to time, individual policies, but never over this principle.

Mr. Prime Minister, the great unsolved challenge that concerns us both is peace in the Middle East, and we know peace is possible. Last month we marked the 10th anniversary of the treaty between Israel and Egypt, and that treaty was the product of the remarkable courage and leadership of two men -- and also -- I want to say right here in this White House -- and also will give credit to the strong-principled, mediating efforts of President Carter, too. Those qualities, courage and leadership, are no less necessary today in the effort to advance the cause of peace in the Middle East. We also know there's much more to do. Mr. Prime Minister, the discussions that we've had and then those I had earlier this week with President Mubarak give me reason to hope that in the Middle East today, there is leadership, courage, and vision, capable of transcending the historic animosities that have long stood as obstacles on the path towards peace. The United States is proud of the role it has played in the search for peace. We know a partnership with Israel in peace can work, and we stand ready today to take another step for the cause of peace in the Middle East.

Mr. Prime Minister and Mrs. Shamir, I raise my glass to the abiding friendship between our two nations and lasting peace among the peoples of the Middle East, and to life -- L'Chaim.

The Prime Minister. Mr. President, Mrs. Bush, distinguished Secretaries, Members of the Senate, the House of Representatives, judges, ambassadors, ladies and gentlemen. It is almost exactly a year ago since you, Mr. President, graciously entertained my wife and me and my colleagues at dinner in your previous capacity as Vice President. At that time we were both facing elections. [Laughter] You were already very much on the campaign trail, and I was preparing to set out on mine. It was a demanding but interesting experience. And here we both are. [Laughter]

Permit me, Mr. President, to extend the heartfelt congratulations of all the people of Israel on your election to the most important office in your country and, I venture to suggest, in the world. The people of Israel know you and Mrs. Bush. They respect and admire you. They are grateful for your longstanding friendship, support, and efforts for our people, especially those who have been struggling for the right to leave the Soviet Union and return to their homeland. And, Mr. President, your name is permanently linked with the saga of the rescue of many thousands of Ethiopian Jews who 5 years ago started out on an exodus and returned to their ancient homeland after a very long separation. But several thousand Ethiopian Jews remained behind, and we must solve their problem and especially the human tragedies of family separation. I hope that we will soon find an answer.

Mr. President, an awesome responsibility rests upon you as you set out on the new road that lies before you. As leader of the United States of America, you are the leader of the free world who has to find a way to prevent global conflicts. We acknowledge and applaud your efforts to ensure that the great advances in technology are not abused and exploited for evil designs that could cause devastation to millions of people. In your Presidency, it will be necessary, I am sure, to reach further agreements on the elimination of the new and growing threat of gas, chemical, and biological weapons which are being developed at an alarming pace, especially in our part of the world.

My responsibility is more limited, but equally awesome. I must find a way to achieve comprehensive and lasting peace for my nation and country. That is my overriding goal and ambition. We are not content with the status quo, because we firmly believe that peace is achievable.

Mr. President, 10 days ago, we completed a decade of peace between Israel and the leading Arab country, Egypt. That peace was the first and, so far, still the only breakthrough in the otherwise ongoing hostility of Arab States against Israel. Ten years ago not many believed that we would be standing here today and looking back on a decade of peace with all its shortcomings and deficiencies. Our relationship with Egypt is not yet regular and normal. It must be deepened. It

must be enriched.

Mr. President, ladies and gentlemen, it is now almost 50 years since the start of World War II, in which we were the principal victims and paid relatively the highest price. And it is now 40 years since we renewed our national life in our ancient homeland. In that period, six wars were forced upon us, and we have faced permanent terrorism against our civilian population. Few nations in the annals of humanity had to endure such perils and to pay such a price. It is, therefore, only natural that we never stop searching for the road to peace.

The yearning for peace is ingrained in the national tradition and character of our people. We pray for peace three times every day. We despise violence and war. We refuse to believe that a military confrontation is a valid way to solving disputes, but we cannot permit our abhorrence of war to be used against us by terrorists and dictators to force us to submit to their demands. We want to devote and utilize the talents and skills of our people for creativity, for scholarship, for science, for medicine -- not for developing more and more sophisticated instruments of war. But until today we have had no choice. Therefore, in the absence of peace, we must be strong as you are.

In one of our prayers we use the words, ``The Lord will give His people strength. The Lord will bless His people with peace." First strength, then peace.

We are grateful to the United States for its great contribution to enable our small nation to develop a deterrent capacity in the face of a bloc of 20 Arab countries with a population of 120 million people and a land mass twice the size of the United States. In our view the United States can play a useful role in advancing the search for peace because it enjoys the confidence of the parties in the Middle East. We are ready at all times to explore new ideas and study new proposals together with you and to reach understanding on how to proceed.

Mr. President, today we celebrate the beginning of the month of Nisan. Nisan is the month of miracles, the month of deliverance, because it was established in the Jewish calendar some 3,500 years ago, on the eve of the great Exodus of the 12 tribes of Israel from bondage in Egypt. Since then our people have carried an eternal message to humanity. The message is that all human beings are equal and were created in the image of God, that no man should be enslaved by his fellow men, that human life is sacred, and that peace on Earth is the loftiest of goals. Our people have lived by these principles through triumph and exile, from Babylon to Auschwitz. We were ravaged but never destroyed, because our message and our spirit are eternal and indestructible. And now, in our renewed homeland, we aspire to nothing more than the total achievement of these same principles. Our two democracies, our two peoples, share these values, cherish these ideals, long for similar objectives.

Mr. President, I wish you a successful term of office. May the United States prosper under your leadership. May it enjoy peace and avoid conflict. May it continue to stimulate and lead the free

world and stem the tide of evil. We pray, Mr. President, that under your leadership the relationship between our two countries will continue to be solid, strong, deep, and enduring.

Ladies and gentlemen, please join me in this toast to the President of the United States and Mrs. Bush, and the people of this great country: L'Chaim.

Note: The President spoke at 9:35 p.m. in the State Dining Room at the White House.

The President's News Conference

April 7, 1989

The President. I have a statement, and then would be glad to take a few questions, and then refer them to our experts here.

But virtually every American is familiar with the tragic environmental disaster in Alaskan waters. And more than 10 million gallons of oil have been spilled, with deadly results for wildlife and hardship for local citizens. We all share the sorrow and concern of Alaskans and a determination to mount a sustained cleanup effort. Our ultimate goal must be the complete restoration of the ecology and the economy of Prince William Sound, including all of its fish, marine mammals, birds, and other wildlife.

The Exxon Corporation has acknowledged responsibility for this spill and its liability for the damages. Exxon should remain responsible for both damages and for employing civilian personnel necessary to control further damage. However, Exxon's efforts standing alone are not enough. And after consulting with the congressional delegation -- Senator Ted Stevens, Senator Frank Murkowski, Congressman Don Young -- I have determined to add additional Federal resources to the cleanup effort, in addition to the considerable Federal personnel and equipment already on the scene. And this new effort will focus on the job of helping recover oil now in the water and restoring beaches and other damaged areas. This effort should not in any way relieve Exxon from any of its responsibilities or its liabilities.

I've asked Sam Skinner, our Secretary of Transportation, to serve as the coordinator of the efforts of all Federal agencies involved in the cleanup and to work with the Alaskan authorities and Exxon. Admiral Paul Yost, the Commandant of the Coast Guard, will return to Alaska to assume the personal oversight of developments. As we all know, the Coast Guard has many assets in place right now. Also at my direction, Defense Secretary Dick Cheney will make available U.S. Armed Forces personnel and equipment to assist in the cleanup. The military will provide personnel for direct cleanup activities, as well as assisting with the needs of logistics related to the cleanup.

And of course, these efforts must be undertaken carefully, so that further damage to fragile areas will not occur. Intensive planning now going on, as well as appropriate cleanup training, will be completed before ground units are actually deployed. In addition to the Department of Defense personnel, I've asked my staff to develop plans to enable volunteers to participate in cleanup activities. By summer we hope to have developed facilities to enable us to accommodate a corps of Alaskan volunteers. And when I say develop facilities, as these gentlemen will tell you, we're dealing with very remote areas in some cases here.

I've asked EPA Administrator Bill Reilly to coordinate the long-range planning to restore the

environment of the Sound. EPA will draw on the expert of leading scientists and oil spill experts in this work, and it will also consult with other Federal agencies that are assessing scientific data regarding the effects of the spill.

We'll not forget the residents of Alaska who have suffered extraordinary economic loss. And when you talk to these Congressmen, as I have, and get it brought home on a case-by-case basis, we have to be concerned, and we are concerned. In addition to paying damage claims against it, we encourage Exxon to increase its local hiring for the cleanup efforts. Secretary Skinner will also work with Exxon and appropriate agencies to develop appropriate loan assistance programs to assist those who have suffered economic injury. This situation has demonstrated the inadequacy of existing contingency plans. And consequently, I have directed a nationwide review of contingency plans of this type to determine improvements that may be necessary.

In describing these measures, we should not be under any illusions. The job of cleaning up the oil from both the sea and the affected land areas will be massive, prolonged, and frustrating. Nothing we can do will totally resolve this problem in the short term. Rather, we must be prepared for a long, sustained effort.

Learning from this experience, we also rededicate ourselves to transportation safety and to realistic planning for accidents that do occur. At the same time, our national security interests in the domestic energy supplies should not be forgotten. The excellent safety record that was recorded prior to this incident must be restored and maintained consistently into the future.

Secretary Skinner and Administrator Reilly will make brief statements and they, Secretary Cheney, and others will be available to answer questions. Prior to that, let me just take a couple of questions, and then I want to keep the focus, if possible, on this. So, fire away.

Q. Mr. President, if -- --

The President. My protocol -- sorry, about that.

Iran Arms and Contra Aid Controversy

Q. Thank you, Mr. President. If I could try another subject: How do you reconcile your efforts to arrange third-country military aid for the contras with the spirit of the ban by Congress on aid to the rebels?

The President. Look, I am not going to comment on any aspect of the North trial while it's in progress. If I even commented on your question, it could prejudice the trial. That would be totally unfair. And I would note that of all the material that you seem to be referring to and has been introduced, all the material that was introduced yesterday, material you're referring to, has been available to the Independent Counsel and the Iran-contra committee and has been reviewed

by them for any special significance. So, I believe the legal process ought to run unfettered, without you or me endangering the trial process that's going on right now. And that's the last question I'll take on that subject.

U.S. Foreign Policy Review

Q. Do you have any reply to Mr. Gorbachev's contention that the foreign policy review is taking too long?

The President. This is an environmental briefing here, and we're concerned about the Alaska oil spill. But the answer is no. Let me simply say we're the United States of America; we're making a prudent review, and I will be ready to discuss that with the Soviets when we are ready. And Mr. Gorbachev knows that there is no foot-dragging going on, so I am not concerned in the least.

Alaskan Oil Spill

Q. A number of local officials in Alaska, as well as Alaskan residents, have been complaining, virtually since this spill took place, for a greater Federal role. I guess my question would be, why has it taken so long to reach this conclusion, and hasn't valuable time been lost during your deliberations?

The President. Well, as you may recall, action started immediately. The big thing was to stop the hemorrhaging and get that ship moved. I immediately asked the head of the Coast Guard, the head of the Department of Transportation, and Bill Reilly to go up there. They came back and, upon sound advice, recommended that we not federalize. And let me be clear: We are not federalizing this operation. There is no demand from reasonable people to federalize this operation. And that is not going to be done.

So, what have we done? The flow was stopped. And let me be very clear: I give great credit certainly -- and some of those that are working out there -- volunteers, private side, local citizens, company and everything else -- for stopping. But I also give great credit to the Coast Guard and to military assets that have already been used in moving equipment thousands of miles to stop the flow. And I'll tell you, a lot has been done. I've had a talk here with Bill Reilly about protecting the hatcheries. And I don't want to make premature judgments on this, but it looks like the five hatcheries may have been saved. And now -- is that an overstatement? And now the cleanup phase comes, and it's the time when we can step up some activity.

So, something has gone on. I'm not about to defend the status quo, but there is no desire on our part to federalize. We're not going to do it. And I think it's fair to point this out: I think the priorities were right. There is four times as much oil in that ship as spilled out of that ship. And it was important to guarantee, even in rough elements up there, that no more escape. And so, some things have happened. It was prudent to contain that spill. And so, the process is going

forward.

Q. Mr. President, do you have a sense yet of how much this Federal effort is going to cost? And will you try to recover from Exxon that amount?

The President. As I said, Exxon is liable, and they will continue to be liable. And we don't, at this point, have a full assessment.

Q. Are you going to take them to court on that, sir?

The President. Sir?

Q. Does that mean you're going to follow up -- you would take them to court or do whatever -- --

The President. I think Exxon has assumed liability, and I'm not going to stand here and suggest otherwise.

Q. Mr. President, Mr. Gorbachev today made another arms control gesture, saying that he'll stop production of weapons-grade uranium and shut down two plutonium plants. What's your response or reaction?

The President. I've given you my response. We'll be ready to react when we feel like reacting and when we have prudently made our reviews upon which to act.

Q. I meant: What do you think of his proposal or his offer? Is this a big step forward? Are you impressed?

The President. I haven't seen it analyzed, Lesley [Lesley Stahl, CBS News] so I honestly can't tell you that I know the full significance.

Iran Arms and Contra Aid Controversy

Q. Sir, I know you don't want to talk about it, but former Senator Muskie, who was a member of the Tower commission, says he was not aware of this effort to involve the Hondurans or of your role. You have said this was available to the Tower commission. Do you want to reply to that without prejudicing Oliver North?

The President. No, because I don't want to prejudice a trial, John [John Cochran, NBC News]. It would be imprudent for us to do that, and we're not going to do it. And I stand by my statement about the Iran-contra Committee.

Q. Will you speak after the trial, then?

The President. That's it.

Middle East Peace Process

Q. Mr. President, the conventional wisdom is that an American President never has much to gain by getting personally involved in the Middle East. But I was thinking that maybe you were an exception, given your initial round this week. Can you tell us what's in your mind about the Middle East, if you see yourself getting very personally involved over the course of your Presidency in trying to solve this?

The President. Look, if I felt that being immersed in it would help solve the problem of peace in the Middle East, I would do that. And I think you're right: there have been times when it appears that the President shouldn't be fully involved. But we've had two visits here now this week -- President Mubarak [of Egypt], Prime Minister Shamir [of Israel]. We'll have a forthcoming visit from King Hussein [of Jordan]. And I'm going to give the same assurances to him I've given to Mubarak and Shamir, and that is that if I personally can be helpful, I want to do it. And in the meantime, why, I will say that -- I can't say I'm elated, but in the Middle East, a little step sometimes can prove to be fruitful. And I think the climate is better than it's been in a while. But I would simply say it is not a time where a lot of high-visibility missions on the part of the President can be helpful in the process. But I want to leave you with the view that it is of deep concern to us, particularly the violence in the West Bank. And so, I think both leaders that I've talked to so far know my personal feelings on this, and we're not despairing. In fact, I hope the two visits have moved things forward a little bit.

Saul [Saul Friedman, Newsday]?

Iran Arms and Contra Aid Controversy

Q. Yes. Do your statements today mean that you won't discuss this contra affair -- --

The President. Yes, it means I've said all I want to say about it. Look, we're having a briefing on Alaska, and with all respect -- did I cut you off? [Laughter]

Q. Mr. President, does this mean -- --

The President. Come on, Saul. [Laughter]

Q. Does this mean you won't discuss it until the end of the Ollie North trial or -- --

The President. It means I've said all I want to say about it, because I really believe, on the advice

of lawyers, that that's the last thing we ought to do -- is even be kicking it around to this end. So, please accept it when I said I don't want to talk about it anymore. And I'm not going to. So, nice try. [Laughter]

Q. Until after -- --

The President. No, just let it stand. Go back and interpret what I said.

Middle East Peace Process

Q. Do you believe the PLO [Palestine Liberation Organization] should have a role in those independent elections in Israel -- or in the West Bank?

The President. I think that the answer is to get on with the elections. And I'd like to. We haven't fully resolved exactly who's going to have a role, but I think that's a matter to be determined between the parties. But I'd leave it right there. I'd leave it right there. The PLO has people living on the West Bank, as you know, and we want to see elections that are free and fair there.

Yes, David [David H. Hoffman, Washington Post]?

Q. Mr. President, was your statement this week about Israel ending the occupation intended as sort of a diplomatic nudge to Prime Minister Shamir? Should we read something into that?

The President. I wouldn't read anything into it. I do not feel that the provisions of Security Council Resolution 242 and 338 have been fulfilled, and I wanted to be clear to all the parties in the Middle East that that is my view. And I will hold the -- as best the U.S. can -- hold the parties to a full implementation of those resolutions. And so, what I was signaling is that the territory that has been ceded for peace is not the end; it simply isn't.

Yes, Ellen [Ellen Warren, Knight-Ridder Newspapers]? And then Tom. And then we'll go up here.

Oil Drilling and Exploration

Q. Mr. President, you've used words like ``deadly,'' ``tragic,'' ``disastrous'' to describe the oil spill. During the campaign you said you were an environmentalist. Have you had any opportunity to rethink your commitment to drilling in the Arctic Wildlife Refuge as a result of this disaster?

The President. Yes, I've had the opportunity.

Q. And what have you decided, sir?

The President. No, I don't think that you compromise the genuine national security interests of this country. And I don't think that you can predicate a sound national energy policy on an aberration that seemed to have taken place in Prince William Sound. And my -- if for those that do, I say, please let me follow logically: Are you suggesting, because of the alleged human error of a pilot of a ship in Prince William Sound, that we shut down all the offshore production in the Gulf of Mexico? Is that the suggestion? If so, I oppose it. And I think we've got to do what I said in this statement: do everything humanly possible here and elsewhere, on land and on sea, to see that we have the soundest environmental practice and reserve in terms of putting out fires or stemming the flow of oil that leaks out, gets away. But I am not going to suggest that because of this we should rethink a policy of trying to get this country less dependent on foreign oil.

Alaskan Oil Spill

Q. Mr. President, you said earlier that you don't want to defend the status quo in Alaska. You sounded sometimes like you're defending Exxon. Are you satisfied with their performance since the spill?

The President. No.

Q. What have they done wrong? What could they have done better?

The President. Let these experts tell you.

Q. Mr. President, you have said -- --

The President. I'm not satisfied with anything about it when we have a risk to the environment like this. Because Ellen was telling you correctly: I feel very, very strongly about the damage to our environment there -- to the fisheries, to the lives of people involved there, and to all of that. So, I am not totally satisfied.

Yes. I'm going to take two more. We're taking too much time away from the people that are really most thoroughly involved with this. And besides that, we're getting off Marlin's schedule.

Q. Oh.

The President. Thank you for your understanding. [Laughter] Go ahead.

Minimum and Training Wages

Q. Let me make one more subject change, if I may, sir. You've said a couple of times your minimum wage offer is your last and best. Does that mean you feel that the package being debated on the Hill now, the Democrats' package, is worse than no bill at all, sir?

The President. Well, there are several packages being debated. But I've told you, in terms of the increase and the length of time for the training wage, we did something unusual. We fired our best shot and last shot and only shot first. And I'd like to take this opportunity to say what I heard several of our leaders saying yesterday after the meeting: I have no intention of budging 1 inch on this, and I've got too much at stake to change right now, and I'm not going to. And so, that's what we've done, and I know it's an unusual procedure. The Secretary of Labor made her position very, very clear in this, and there we are.

Alaskan Oil Spill

Q. I was just going to ask one last question on this spill. You said that the cleanup would be protracted. How long do you think it's going to take -- number of years -- and is there any real expectation this will ever be cleaned up?

The President. Well, I think we've got to hope that it is. I think Santa Barbara, I would say, has been pretty well cleaned up. I'd say that the spill, the Amoco Cadiz, which was six times as big as this, has been cleaned up. And so, we've got to aspire to standards that make me able to tell the people of Alaska and people that are concerned all over this country: Yes, we can shoot for that standard, and we have history to point to. But I think what we do now will determine how fast we can say that it has been done. And that's why we want to move as quickly as -- we've got to.

All right, last one. In the middle. Owen [Owen Ullmann, Knight-Ridder Newspapers]? Sorry, Tom.

Polish Roundtable Accords

Q. Can you tell me if you believe the political agreement reached in Poland this week could be a model for political reforms throughout Eastern Europe? And can we anticipate another visit to either Poland or Eastern Europe by you this summer or this spring?

The President. No two Eastern European countries are the same. The striving for change in some, if not all, of these countries is the same. But I would say that the roundtable development there in Poland is very positive, and I would certainly commend the parties getting together there. I go back to when we were there not very many months ago, and many of you were with me on that trip. I think the situation has moved so fast since that trip that I took a year or two ago that it's mind-boggling.

And to think that you'd see Jaruzelski [Chairman of the Council of State] shaking hands with Lech Walesa [Solidarity leader] -- we couldn't have predicted that a couple of years ago. Why? Because I was lectured very firmly about the Solidarnosc being ``outlawed.'' So, things are moving. And I think it's a sign of the change that democracy and democratization, if you will -- and elections and parliaments and congresses -- is on the move. And this is recognition of a trade union's rights to bargain.

This is all very encouraging. But what it means to the other Eastern European countries, Owen, I simply can't tell you. In terms of my own plans, we have not formulated any plans yet. I'd love to go back to Poland sometime. I'd love to go back there, but there's no such plans.

I really do have to run. And I'll just turn this over now to Sam Skinner and the Congressmen and Senators.

Note: The President's 10th news conference began at 10:50 a.m. in the Briefing Room at the White House.

White House Fact Sheet on Federal Assistance for the Alaskan Oil Spill Cleanup

April 7, 1989

The oil spill in Prince William Sound, simply put, is one of the greatest environmental tragedies in American history. More than 10 million gallons of oil went into the waters of the Sound. The spill has been deadly to marine life, mammals, and birds on a substantial scale. Adding to the threat of the situation was the possibility that more than 40 million additional gallons of oil still in the ship might have been discharged if further damage to the ship, still on the reef in exposed waters, had occurred.

The remaining oil on the Exxon Valdez has now been unloaded to the extent possible and the tanker refloated. Thus, the danger that this tragedy could have been magnified by several times in size has now been removed. Now it is time to focus private and public resources on the job of cleaning up the oil, protecting fragile areas from the spreading pollution, and restoring damaged areas.

The Exxon Corp. has acknowledged its responsibility, and it will be held strictly accountable for all damages caused by this incident to the maximum extent of the law. Exxon is currently conducting extensive operations designed to recover spilled oil. In addition to Exxon's current efforts, a substantial Federal response has been mounted, coordinated by the United States Coast Guard. At present, this effort involves almost 400 Coast Guard personnel, as well as vessels, aircraft, helicopters, and large quantities of equipment.

The President has determined, however, that this effort should be expanded; and he has today directed a series of additional measures.

Accelerating Cleanup

1. The President has asked Secretary of Transportation Samuel Skinner to serve as the President's personal liaison to the cleanup efforts. Secretary Skinner will be responsible for mobilizing and coordinating all Federal Government Departments and Agencies as necessary. Adm. Paul Yost, Commandant of the U.S. Coast Guard, and Vice Adm. Clyde Robbins will assume personal oversight direction of the cleanup effort, working with Exxon and the Governor of Alaska.

2. The Department of Defense has been directed by the President to make available all facilities, equipment, and personnel that can be effectively utilized in assisting the cleanup of spilled oil. Planning for this effort, which will be coordinated by Maj. Gen. J.D. Smith, the Director of Military Support, has already begun. Elements of all military services will be available as

necessary to support oil cleanup operations.

The operations that are anticipated will include utilization of Armed Forces ground personnel in the cleanup of affected beach areas, additional personnel and equipment to assist in skimming and booming activities related to oil in the Sound, and construction of facilities for civilian and military personnel participating in the cleanup efforts.

As on-site coordinator of cleanup efforts, the Coast Guard has been assured of the availability of necessary Department of Defense assets. It has been charged by the President with the responsibility of utilizing the maximum practicable effort to begin the restoration of affected land and water areas.

Use of military forces will not displace civilian employment by Exxon or by Federal Agencies. By constructing facilities in remote areas, the military effort will facilitate future use of civilian personnel in cleanup-related work.

3. The President calls on Exxon to increase the number of civilian employees and locally owned vessels employed in oil cleanup operations. The President believes that simple, expeditious, and nonexclusive claims procedures should be established by Exxon for those damaged as a result of the spill. This assistance should include temporary funds pending resolution of permanent claims.

4. The President has directed that a program for volunteers willing to assist cleanup efforts be established during the coming summer months. Volunteers and other civilian assistance will supplement military personnel in cleanup operations.

Promoting Recovery

5. In addition to these immediate cleanup efforts, the President has named EPA Administrator William Reilly to coordinate efforts to promote the long-term revival of the ecology of Prince William Sound. EPA will draw on the expertise of leading scientific and oil spill experts in developing long-term recovery plans.

6. The National Oceanic and Atmospheric Administration (NOAA) of the Department of Commerce, the Department of Interior, and the Department of Agriculture have already commenced a scientific assessment of the ecological damage from the oil spill and the development of a plan for long-run restoration, rehabilitation, and replacement of the damaged natural resources. As a part of this effort, the Departments will assist in the development of plans for restoring fish and wildlife stocks and habitats.

7. The President will shortly submit comprehensive oil spill liability and compensation legislation, and he urges Congress to consider and act upon such legislation promptly. In

addition, the President believes ratification of pending international oil spill agreements should receive priority attention by the Senate.

8. The President has directed Secretary Skinner, working with Exxon, the Alaskan congressional delegation, State authorities, and other agencies, to develop appropriate loan programs to assist those who have suffered economic losses, and to report back to the President on such programs within 10 days.

9. Finally, the tragic consequences of the Exxon Valdez situation have demonstrated the inadequacy of contingency planning for emergencies of this type. As a result, the President has directed a review of contingency plans of this type nationwide to determine their adequacy in light of the lessons of this situation and the critical importance of an adequate capacity for a timely response. The National Response Team, established pursuant to the Clean Water Act and the Comprehensive Environmental Response, Compensation, and Liability Act, has been directed to undertake this reevaluation of existing planning and to report findings and recommendations within 6 months.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Alfredo Cristiani of El Salvador

April 7, 1989

President Bush met with Salvadoran President-elect Alfredo Cristiani and Vice President-elect Francisco Merino in the Oval Office for 30 minutes today. The President again congratulated Mr. Cristiani for his first-round electoral victory on March 19. The President said he looked forward to establishing the same sort of working relationship that he and President Reagan had with President Duarte. In furtherance of that goal, the President issued an invitation to Mr. Cristiani to come to Washington in late summer for an official working visit. Mr. Cristiani accepted the President's offer and expressed his hope of enhancing our mutual cooperation.

The President stated in strongest terms his commitment to support Salvadoran democracy and his admiration of the commitment of the Salvadoran people who risked death or injury by guerrilla threats to interrupt the vote. A U.S. observer team from both political parties, as well as electoral observers from other countries, have certified the election as free and fair. The President noted that El Salvador's democratic institutions stand in marked contrast to those of Nicaragua. The Salvadoran press is free. Political groups mount demonstrations without government interference. And the Government has granted a total amnesty.

For the past 8 years, our commitment to El Salvador has reflected a bipartisan consensus. Nevertheless, there have been some voices that have prejudged Mr. Cristiani and who are pessimistic about the future. The President stated his view that Mr. Cristiani should be given the chance to prove his dedication to democracy, peace, and human rights. Mr. Cristiani has already proven his ability to run a fair campaign, which inspires our confidence about the future.

The President and Mr. Cristiani noted the importance of human rights in El Salvador. The President noted with satisfaction Mr. Cristiani's role in helping to overturn the decision of a judge who released rightwing elements accused of involvement in kidnapings. The President offered continued U.S. assistance to improve Salvadoran judicial institutions.

Mr. Cristiani warmly endorsed the bipartisan accord on Central America as a contribution to peace and said that the focus must remain on Nicaraguan democratization. The President indicated that we would consult El Salvador, as well as the other Central American democracies, on peace issues.

Letter to Congressional Leaders on the Release of Additional Funds for the ICBM Rail Garrison Program

April 7, 1989

Dear Mr. Chairman:

As you know, I am committed to an open and full review of the ICBM modernization issue. I am confident the review will provide the basis for development of consensus on ICBM modernization. To this end, I want to ensure nothing is done to prejudge the results of the review by favoring one or the other of the alternatives.

As I indicated in my February 17, 1989 letter regarding the ICBM modernization program, we have ensured obligations for the Rail Garrison program will not exceed $250 million before April 3, 1989. Since the national security strategy review will not be completed by that date and since the FY 1989 Authorization and Appropriations Acts allow release of additional ICBM modernization funds after February 15, 1989, I intend to release $120 million to the Rail Garrison program in April.

This will ensure the viability of the Rail Garrison program while not affecting the Small ICBM program, which can proceed without additional funds until the national security strategy review and amendments to the FY 1990/1991 budget are completed.

This obligation of additional funds for Rail Garrison must occur in order to prevent program disruption, substantial cost increases, or significant schedule delays.

This action keeps both programs viable and provides us the flexibility to proceed with the programs as deemed appropriate after completion of the strategy review.

Sincerely,

George Bush

Note: Identical letters were sent to Robert C. Byrd and Jamie L. Whitten, chairmen of the Senate and House of Representatives Committees on Appropriations, respectively, and Sam Nunn and Les Aspin, chairmen of the Senate and House of Representatives Committees on Armed Services, respectively.

Remarks on Signing the National Volunteer Week Proclamation

April 10, 1989

Well, what a great privilege it is to have you here in the Rose Garden. You're taking on the most difficult challenges that we face as a nation. You're fighting poverty, drug abuse, illiteracy, teen pregnancy, the alienation of young and old. And you're winning because you refuse to believe that it can't be done. And so, I'm here to thank you. You've lived up to an ideal, once given voice by Horace Mann, that I've always admired: ``Be ashamed to die," he said, ``until you have won some victory for humanity."

Well, recently I received a letter from a man in Indiana who was forced to retire on disability because of heart problems. He was only 45 years old. And he wrote to explain that, while he couldn't take a job, he was giving his time to a nearby mental health center, a local school, and his county environment department. And he wrote this: ``I guess what I'm trying to say is this: I'm disabled, but not an invalid. And I enjoy being able to be of help." Then he went on, ``I hope in some small way that I'm still able to make a contribution to this great nation of ours and, indeed, to the world as a volunteer. I hope and pray that you and I and, indeed, millions of others will strive to truly make this a kinder and gentler nation. We need that very much."

What an inspiration! The good that voluntarism does in this country every year wins countless victories for humanity, large and small. And here at the White House, we benefit from the tireless efforts of volunteers. And seated to my right are people motivated much the way you are. And I include my wife, Barbara, in that. And then there's Ella Miller sitting in the front row, who continues to serve her community, her church, and in local schools. And she is 108 years old.

And I'm told that over half of adult Americans, 80 million, actively volunteer in some way in their communities. And last year that was worth almost $150 billion in man- and woman-hours. But what you're doing goes above and beyond dollars and cents. Your work and the work of many others as motivated as yourselves is a testament to a powerful idea: that along with the many rights and privileges that distinguish us as Americans is the shared responsibility to look after one another. I always like to remember that there is no exercise better for the human heart than reaching down and lifting someone else up. You understand that helping the less fortunate is in everyone's best interest; that the most powerful gift we can offer anyone is a sense of purpose, a path to self-esteem; that the fabric of the family, like that of society, must forever be renewed and rewoven.

At the Inaugural, I spoke of a new engagement in the lives of others. We must seek common points where the practical and the compassionate converge. Yours is an example we seek to spread across every community, every town, every city in America.

This week I challenge every American who cares about the future of this country to get involved. Find a place or an organization or even a single life where you can make a difference for someone else. From now on in America, any definition of a successful life must include serving others. It's not simply volunteering but the personal act of helping another individual in need which gives us membership in a community. Giving and expecting nothing in return is what it means to be a citizen. When you volunteer, you confirm your citizenship. Volunteering is an act -- it's an act of heroism on a grand scale, and it matters profoundly. It does more than help people beat the odds; it changes the odds. You might say it puts the unity in community.

And today I'll be signing a proclamation to make this National Volunteer Week. But week in and week out, it will be people like you who bring the era of the offered hand to life. And I'll be establishing a program encouraging youth enterprise and service to America. But it will be your challenge to open your organizations to young people seeking meaningful service to their communities; to match need with need; to find a calling for every volunteer; and to keep reminding us that each one of us has something to give, each one of us has a gift to give -- which reminds me of an old story that Barbara likes to tell about a minister who was given a jar of peaches soaked in brandy by one of his admiring parishioners.

This minister opens the jar, takes a whiff, and says, ``Oh, dear lady, you don't know how grateful I am for this gift." ``Really," says the lady, ``it's such a small present." ``Ah," says the minister, ``it's not the gift that counts. It's the spirits in which it's given." [Laughter]

Well, the spirit of voluntarism in America is stronger than ever -- stronger than it's ever been. You know, Alfred North Whitehead once said, ``With all its limitations, life in America is better and kinder than anywhere on Earth that I've ever heard of." And that's true, but we can make it better still. We must lift away more of the limitations that remain and tap the limitless potential of the American people through countless small victories for humanity. Together, let us give honor to the phrase, ``I volunteered."

And now I'd like to ask Barbara and the group of kids and volunteers on the dais here to join me as I sign the proclamation making this National Volunteer Week. And I do it with great respect for everybody here and gratitude in my heart, as well. Thank you.

Note: The President spoke at 11 a.m. in the Rose Garden at the White House.

Remarks on Signing the Whistleblower Protection Act of 1989

April 10, 1989

Well, today I am pleased to sign S. 20, the Whistleblower Protection Act of 1989. We used to think of a whistleblower as some guy in a funny hat running around on a field with a black and white shirt on, always throwing down the flag. But that might well be an apt comparison for the business at hand because whistleblowing is, after all, the one who cries foul to waste, to fraud, and to abuse. And in short, a true whistleblower is a public servant of the highest order. And I share the determination of the Congress that we do everything possible to ensure that these dedicated men and women should not be fired or rebuked or suffer financially for their honesty and good judgment.

This bill will go a long way toward this goal by strengthening the protections and procedural rights available to those Federal employees who report misdeeds and mismanagement. Toward this end, the bill I am signing today is a significant improvement over legislation enacted by the Congress last year. Indeed, the fact that the legislative and executive worked together to eliminate major constitutional flaws in this bill is, indeed, a reflection of our joint commitment to good government.

Through their diligence and hard work, the Attorney General, along with Senator Levin and Congressman Frank Horton and others in the Congress, were successful in clarifying the burden of proof on employees; eliminating independent litigating authority in the Office of Special Counsel; and then, thirdly, retaining current law which provides that the Special Counsel may only be removed for inefficiency, neglect of duty, or malfeasance. These three issues were at the root of last year's disagreement over this legislation. And I am tremendously pleased that these valid constitutional concerns were addressed in the bill that I am signing here today. As a result, this legislation will enhance the authority of the Office of Special Counsel to protect whistle-blowers and other employees victimized by prohibited personnel practices. Whistleblowers will also now be allowed to take their cases to the Merit System Protection Board.

Let me also reaffirm my confidence in the competence and skill of our senior executive and career managers and supervisors, both civilian and military. And let us remember that most government managers respond promptly and effectively to problems like those disclosed by whistleblowers, even without special provisions of the law.

And finally, this bill is an example of how the Congress and the administration can work together to sharpen and to improve legislation.

For this and many other reasons, I am delighted to now sign S. 20, and I would invite the

members of the Congress that are with us today to come forward as I do so. And I appreciate very much you all being here.

Note: The President spoke at 2:05 p.m. in Room 450 of the Old Executive Office Building. S. 20, approved April 10, was assigned Public Law No. 101 - 12.

Statement on Signing the Whistleblower Protection Act of 1989

April 10, 1989

Today I am pleased to sign S. 20, the ``Whistleblower Protection Act of 1989." This bill will strengthen the protections and procedural rights available to those Federal employees, often called ``whistleblowers," who report waste, fraud, or abuse in Federal programs. It will ensure that those employees will not suffer adverse personnel actions because of their whistleblowing activities.

Federal employee whistleblowers can make a valuable contribution to the Administration's commitment to ensure effective and efficient use of tax dollars by the Government. My Administration shares the view in the Congress that whistleblowers should be protected from punitive action against them in reprisal for their disclosures.

The bill I am signing today will enhance the authorities and responsibilities of the Office of Special Counsel to protect whistleblowers and other employees victimized by prohibited personnel practices. It also provides whistleblowers with a new independent right to take their cases to the Merit Systems Protection Board.

S. 20 addresses the chief constitutional concerns raised by earlier versions of this legislation. The most substantial improvement in the bill is the deletion of provisions that would have enabled the Special Counsel, an executive branch official, to oppose other executive branch agencies in court. Under our constitutional system, the executive branch cannot sue itself. Article II and Article III of the Constitution require that disputes between executive branch officials or agencies be resolved within the executive branch.

The second major improvement in the bill is its clarification of the burden of proof that an employee must meet in establishing a claim that an adverse personnel action was taken because of whistleblowing. The bill clarifies that an employee must show that whistleblowing activity was a ``contributing factor" in the decision to take the personnel action. The employee must demonstrate that his or her whistleblowing actually contributed to the agency's decision to take the adverse personnel action. The agency may rebut proof that whistleblowing was a ``contributing" factor in the decision by showing that it would have taken the action in the absence of any whistleblowing.

Several provisions of the bill must be construed carefully in order to avoid constitutional problems. Among these is new section 1217 of title 5, United States Code, which provides that information transmitted by the Special Counsel to the Congress ``shall be transmitted concurrently to the President and any other appropriate agency in the executive branch." New

section 1213(j) similarly provides that certain information that comes into the hands of the Special Counsel shall be transmitted to the President's National Security Advisor as well as specified committees in the Congress. I do not interpret these provisions to interfere with my ability to provide for appropriate prior review of transmittals by the Special Counsel to the Congress.

In signing S. 20, I wish to reaffirm my confidence in the competence and skills of our senior executive and career managers and supervisors, both civilian and military. These individuals' day-to-day devotion to duty is what makes the Government work. Although whistleblowers clearly can and do contribute to better government, these managers respond regularly to a variety of problems, including those disclosed by whistleblowers, without special statutory provisions and procedures.

I also have confidence that agency heads and the Special Counsel will help address the problems of fraud, waste, or abuse by ensuring that reprisals for whistleblowing will not be tolerated.

S. 20 will contribute to this effort, and I believe it is a constructive measure that will serve the public interest. I am pleased that the Administration was able to work in a spirit of cooperation and bipartisanship with both Houses of Congress to resolve our differences and enact this important legislation.

George Bush

The White House,

April 10, 1989.

Note: S. 20, approved April 10, was assigned Public Law No. 101 - 12.

Designation of John Charles Gartland as Chairman of the National Commission for Employment Policy

April 10, 1989

The President today designated John Charles Gartland as Chairman of the National Commission for Employment Policy. He would succeed Trudy McDonald. Mr. Gartland has served as a member since March 3, 1987.

Since 1979 Mr. Gartland has served as director of Washington affairs for the Amway Corp. in Washington, DC. From 1974 to 1976, he served as Executive Assistant to the Secretary of the Treasury, and as a congressional administrative assistant, 1977. He currently serves as chairman of the Jefferson Foundation.

Mr. Gartland graduated from Villanova University (B.S., 1963) and received a master of arts degree in financial management from George Washington University. He is a native of Cleveland, OH.

Nomination of Diane Kay Morales To Be an Assistant Secretary of Energy

April 10, 1989

The President today announced his intention to nominate Diane Kay Morales to be an Assistant Secretary of Energy (Environment, Safety and Health). She would succeed Ernest C. Baynard.

Most recently, Ms. Morales has served as head of her own firm, analyzing legislative and national policy issues concerning complex weapons systems and arms control issues. She has also coauthored a long-term acquisition plan for ICBM modernization. From 1986 - 1988, Ms. Morales has served as vice president for government affairs for the Earth Technology Corp., a geotechnical and environmental services firm in Alexandria, VA, and Los Angeles, CA. Between 1981 and 1986, she was a Board Member of the Civil Aeronautics Board and Committee Chairman of the Native Hawaiian Study Commission. She has served as Deputy Assistant Secretary for Policy at the Department of the Interior, and was a consultant for the Office of Information and Regulatory Affairs in the Office of Management and Budget and for the Consumer Product Safety Commission.

Ms. Morales graduated from the University of Texas at Austin (B.A., 1968). She was born in Houston, TX.

Remarks at the Presentation Ceremony for the President's Volunteer Action Awards

April 11, 1989

The President. Welcome, honored guests, ladies and gentlemen. First, I'm pleased to see so many members of our Cabinet present here today, Members of the United States Congress, Senator. And welcome to all of you, our most honored guests.

Let me add that I have a slight confession to make. It's been said -- and I know this will shock you -- that sometimes I don't speak in very good English and that I have a hard time being understood. I'll admit it; it's true. And all I can say is that I'm in pretty good company, though. Look at Yogi Berra. [Laughter] When asked if he had seen ``Dr. Zhivago," he said, ``No, I feel fine." [Laughter] And Danny Ozark, baseball's master of the malaprop, once observed of his ballplayers, ``Contrary to popular belief, I've always had a wonderful repertoire with them." See what I mean? It's not just me. Everybody does it; even these silver-tongued orators have the meaning blurred.

But today this group here makes me realize the message isn't blurred -- certainly not the message that brings us together. Let it ring loud and clear: America is great because America is good. And America's greatest deeds come from the basic decency and compassion of her people, each of you here today. And we see that decency and compassion everywhere -- in a child-care center, the Rotary, the Little League, synagogue or church. It means lending a hand, tending a wound, and helping the less fortunate.

And this is Volunteer Week, a time to celebrate those qualities. And it's my honor today to present the 1989 President's Volunteer Action Awards. These awards were first presented in 1982, and since then 148 Americans have been recognized and honored. And I've said that from now on any definition of a successful life must include serving others. And today's award recipients embody that definition.

Eleven years ago, Rose Tichy began tutoring adults through a church-sponsored literacy program in Middleburg Heights, Ohio. And she loved her work, but there weren't enough adult-level books to fit her students' needs. So, she got out her pen and enriched the printed page, and since 1978 she's written 32 books and edited the more than 100 books developed by her writers group.

Down in Huntsville, Alabama, my dinner partner, my very same Chessie Harris, once took several abandoned children into her two-bedroom home. And when the welfare department demanded a boarding license, the Harrises built a house on land purchased with money from the sale of a family farm. And since 1958, that site has been a home for more than 800 children, or

about 10 for each of Chessie's 82 years. Eight hundred children -- sounds like a weekend with my grandkids in Kennebunkport, Maine, but nevertheless -- [laughter].

Allison Stieglitz, 15 years old -- listening to her at lunch, sounds a little older than that. But nevertheless, she was only 12 when she asked her parents to use the money they had planned to spend on her Bat Mitzvah to provide Thanksgiving baskets for needy families. And that first year, she gave out 15. In 1980, she donated 75. And in Miami, Allison has begun a Sunday breakfast and bag lunch program in two local temples.

Rose and Chessie and Allison and this year's 15 other President Award winners were chosen from nearly 1,500 nominations. And let's face it, the 15 just barely scratched the surface of people that are volunteering and helping all across the country. You know that prosperity without purpose means nothing. Instead, you revere what matters: simple, fundamental values like decency, goodness, self-discipline, compassion, caring.

And as President, I want to promote those basic values because they form the heart of voluntarism and of these President's Awards. And that is why we have opened the Office of National Service, which is leading our administration's national service movement. This Office will encourage partnerships between all levels of government, private enterprise, and the voluntary organizations. It's going to take things that work and carry them to the Nation. And it will enlist new volunteers in community-based efforts to combat urgent social needs. And toward that end, soon I will announce our administration's Y-E-S, or YES to America program -- Youth Entering Service. Here American youth can give of, not to, themselves. By saying yes to America, they can define a successful life.

Of course, that's what you already have done. And you know that voluntarism never asks, ``What can I do for myself?'' It asks, ``What can I do myself for others?'' And, yes, government can and should be a catalyst of caring. Its role is critical. But we have surpassed -- far surpassed -- the limits of what government alone can do. Voluntarism says that it is the private sector which has the responsibility, the understanding and, yes, the resources to confront issues like hunger, health care, homelessness, illiteracy, teen pregnancy, and drug abuse. Our challenge is to use that understanding and those resources to meet our responsibility. For we are a nation and a family, helping, enriching, and caring for each other. And as a family, we are committed to a nationwide effort. Voluntarism says that individuals, like communities, can join hands and exchange talents for the good of America. One person can tutor an inner-city student. That boy or girl can someday become an engineer or an artist. The child-turned-adult will then become a role model to others.

Fellow volunteers, each of you has been a role model. You have enriched the American spirit. And in that spirit, let me close on a personal note -- about a hero, if you will.

Lou Gehrig was a Hall of Fame first baseman in the 1920's and the 1930's. He played in 2,130

straight games, a record which still stands. But more than that, he was a good and decent man about whom a teammate said, ``Every day, any day, he just went out and did his job." Fifty years ago, Lou Gehrig was stricken by a form of paralysis which today bears his name: Lou Gehrig's disease. And even so, he told the crowd at Yankee Stadium, ``I consider myself the luckiest man on the face of the Earth."

This story has become -- certainly among sportsmen and, I think, even more widely -- an American parable. But less known is that after he left the Yankees, for much of the last 2 years of his life, he served his fellow man. He was dying, weaker by the day; he could barely move his body. But as a parole commissioner for the City of New York, he counseled and inspired kids. And they called him the Iron Horse, the Pride of the Yankees. And he was a hero.

To serve others, to enrich your community -- this truly defines a successful life. For success is personal, and it is charitable, the sum not of our possessions but of how we help our neighbors. My friends, on that score, you all have hit a grand-slam home run. Congratulations to each of you, the award-winners, and thank you for coming today. And may your example inspire and uplift others.

And now it is my distinct pleasure to present the 1980 awards. And to help me is another real volunteer, certainly the lead one in our family, Barbara Bush.

And I'd like to ask Donna Alvarado, the head of ACTION, and my dear friend, Mr. Volunteer himself, Governor George Romney, to come forward to help Barbara with these presentations. And then to all of you, our most heartfelt thanks.

Mrs. Bush. The United Auto Workers, Local 31, of Kansas City, Kansas -- Bud Carroll, Local 31 president, accepting. The United Auto Workers, Local 31, of Kansas City, Kansas, joined forces with General Motors, the city council, and other union locals to raise $100,000 and remodel its former union hall into a facility for the homeless. UAW members and retirees now volunteer at the center.

Samuel and Nanette Evans. Samuel and Nanette Evans, of Arlington, Virginia, formed the Northern Virginia Patriots, an award-winning marching band whose 450 young members perform in colonial costumes at many nationally known parades and events.

Senior Master Sergeant Apolonio E. (Ed) Garcia, of Enid, Oklahoma, tutors Spanish-speaking immigrants in English as a second language and has assisted over 50 Hispanics to get their temporary resident papers.

Chessie Harris. Chessie Harris, of Huntsville, Alabama, founded Harris Home for Children in 1958, a facility which has provided a home for over 800 abandoned children. She and Mr. Harris, who died in 1988 at the age of 93, raised the building and operating funds and managed

the home.

The Judeo Christian Health Clinic -- Rhea Hurwitz accepting. The Judeo Christian Health Clinic, Tampa, Florida, organized in 1972 by a Presbyterian church and now managed by a group of local churches, involves over 400 volunteer physicians and other professionals in providing health care to low-income people who do not qualify for public assistance.

The Great American First Savings Bank, You Miss School -- You Miss Out program -- James Schmidt, vice chairman, accepting. The Great American First Savings Bank, You Miss School -- You Miss Out program, San Diego, is designed to increase school attendance by involving bank employees in school activities through Adopt a School programs, drawings for cash incentives for perfect attendance, and special community events.

Walter Maddocks, of Lancaster, Kentucky. Walter Maddocks headed Rotary International's Polio Plus program, a long-term commitment to eradicate polio in developing countries. Polio Plus has raised over $168 million in cash and provided vaccines for children in 79 countries to date.

The Association of Junior Leagues, New York City -- Maridel J. Moulton accepting. The Association of Junior Leagues, New York City, founded in 1921, provides personal development and issues training for members, advocacy at the national level on subjects of interest to women and children, and special programs emphasis on such topics as teen pregnancy and women and alcohol.

Habitat for Humanity, International -- Amy Parsons accepting. Habitat for Humanity, International, based in Americus, Georgia, involves over 35,000 volunteers in 324 sites, who develop simple, decent, affordable housing for low-income families. Habitat provides no-interest loans, and the buyers provide sweat equity.

Inner City Development, Incorporated -- Patti and Rod Radle accepting. Inner City Development, Incorporated, organized to offer hope to the Hispanic residents of San Antonio's inner city, provides a food and clothing bank, a tutoring program, family counseling, the city's largest recreation program, and a Christmas toy program that allows parents to purchase toys for 10 percent of their actual price.

The Virginia Power Volunteer Program -- Dr. James T. Rhodes, president and chief executive officer, accepting. The Virginia Power Volunteer Program provides an organized way for company employees and retirees to volunteer in community activities through 60 volunteer team councils. Employees participated in more than 1,500 projects, totaling over 100,000 hours of service in 1988.

Covenant House -- Father Bruce Ritter accepting. Covenant House, founded in New York in

1968 by Father Bruce Ritter to provide shelter to runaway and abandoned children, involves over 300 volunteers a month as tutors, staffing recreation programs, providing counseling and operating outreach programs, There are also Covenant Houses in Houston, Fort Lauderdale, New Orleans, and Toronto.

Compeer, Inc. -- M. Norton Rosner, chairman of the board, accepting. Compeer, Inc., based in Rochester, New York, matches training caring volunteers in one-to-one relationships with over 10,000 mental health clients in 120 communities.

REACH -- David Schaff, vice president of REACH program accepting. REACH -- Responsible, Educated Adolescents Can Help -- of Scottsbluff, Nebraska, involves 30 junior and senior high school students who develop and deliver a strong drug and alcohol abuse message to elementary school students.

The California Marine Mammal Center -- Mary Jane Schramm accepting. The California Marine Mammal Center, based in Sausalito, involves over 330 volunteers out of a staff of 350 in rescuing, rehabilitating, and returning to their environment sick, injured, and distressed marine mammals.

The Clothing Bank: New Clothes for the Homeless -- Edward Shapiro accepting. The Clothing Bank: New Clothes for the Homeless was developed in 1986 by the J.M. Kaplan Fund and New York City Mayor's Voluntary Action Center. The Clothing Bank has provided over 1.25 million items of new clothing worth over $6 million to the city's homeless through 250 nonprofit agencies.

Allison Stieglitz. Allison Stieglitz, of Miami, Florida, developed the Thanksgiving Basket program when she was 13 years old, a program that now provides 75 baskets each Thanksgiving. She also helped to develop a Sunday breakfast program that feeds 250 homeless people each week.

Rose Tichy. Rose Tichy, of Middleburg Heights, Ohio, began her work in literacy as a tutor and has since written 32 books geared to the skills of a beginning adult reader on topics such as obtaining a driver's license, AIDS, and books of interest to Ohio readers.

The President. Congratulations, but much more important, thanks for what you do to set this example in our great country.

But finally we come to a man I'm pleased to honor now. Twenty-two years ago, having moved to the East Village in New York to help the urban poor, Father Ritter opened his door one night to see six children; and they were asking for a place to stay. And eventually, as you heard, Father Ritter founded Covenant House to provide a shelter for abandoned and runaway children. Today his program involves over 1,200 volunteers each month, and it offers shelter to more than 25,000

children each year. My friends, because of Covenant House, a child has escaped heroin addiction; another no longer yearns for a decent meal; still another views the world as a warm, not sullen place. And it is an American success story almost without parallel.

Last year a new award was created to honor the individual or organization whose contribution to voluntarism is greatest among those winning the Volunteer Action Awards. And so, I am pleased to announce Father Ritter as this administration's first recipient of an award named for a great President and our dear friend, the Ronald Reagan Award for Volunteer Excellence.

And to Father Ritter and all of you, our warmest congratulations. Thank you all very much for coming.

Note: The President spoke at 1:20 p.m. in the East Room at the White House. In his opening remarks, he referred to Senator Dave Durenberger of Minnesota.

Continuation of Eugene J. McAllister as an Assistant Secretary of State

April 11, 1989

The President today announced that Eugene J. McAllister will continue to serve as Assistant Secretary of State (Economic and Business Affairs) at the Department of State. He was appointed on April 1, 1988.

Mr. McAllister was an Assistant to the President at the White House in Washington, DC, 1986 - 1988, and Executive Secretary for the Economic Policy Council, 1985 - 1988. Prior to this he was Deputy Assistant Director for Economic Affairs at the Office of Policy Development, 1983 - 1985. He was senior policy analyst at the Office of Management and Budget, 1981 - 1982. Mr. McAllister has also served as a Walker fellow in economics at the Heritage Foundation in Washington, DC.

Mr. McAllister graduated from Loyola University of Los Angeles (B.A., 1974) and the University of California at Davis (M.A., 1976). He was born May 20, 1952, in Bronx, NY.

Statement by Press Secretary Fitzwater on President and Mrs. Bush's 1988 Income Tax Return

April 12, 1989

The President and Mrs. Bush's 1988 tax return shows that they paid $62,106 in Federal income tax on an adjusted gross income of $287,171, of which $115,000 was the President's salary as Vice President. In addition to the Vice Presidential salary, the Bushes also reported $155,662 in income from their blind trust: $7,147 in interest income and $12,362 in income from other sources. A capital loss from the blind trust of $3,000 also was reported.

The President and Mrs. Bush claimed $65,365 in itemized deductions, which included $12,250 in contributions to 39 charities and $218 to charities through the blind trust. The blind trust is managed by Bessemer Trust Company, N.A., New York City.

The President and Mrs. Bush's tax return has been reviewed by the Office of Government Ethics and will be filed in the Philadelphia Regional Office of the IRS.

Remarks Congratulating the University of Michigan Wolverines on Winning the NCAA Basketball Championship

April 12, 1989

The President. Where's Bo? Is your Athletic Director here?

Coach Fisher. Bo's not here. We have our Associate Athletic Director.

The President. All right. Please, be seated. My briefing paper was wrong. [Laughter] Glad to see you back.

Well, President Duderstadt and Coach Fisher and all you Wolverine players and staff; and members of the Michigan congressional delegation; and players and coaches of the Dunbar, Highpoint, and Archbishop Carroll High School teams; above all, friends, welcome to the White House. Let me recall, first, that this was once the home of a Michigan alumnus -- the home court, you might say. [Laughter] And I know that this morning -- that Gerald Ford would join me in saying that Michigan basketball, like America, is truly number one. And secondly, let me welcome you here to 1600 Pennsylvania Avenue. For nearly 200 years, this has been America's house. And in 1989, you have become America's sports heroes.

And you know, it was another sports hero, Yogi Berra -- I love to quote Yogi -- who once said at a state dinner right here in this building: ``How could you get a conversation started in there? Everybody was talking too much." [Laughter] Well, today America is talking, and they're talking about you all and your incredible championship. And they're calling it Wolverine Wonder or the Michigan Miracle or basketball's Impossible Dream. And the 1989 Wolverines, indeed, had it all: depth and quickness, shooting and intelligence, and that strength of character which embodies a champion.

For example, there's Terry Mills and Loy Vaught and Mark Hughes, who combined for 27 points in that great semifinal game against Illinois; or Sean Higgins, who scored the winning basket against the Fighting Illini; and, yes, Bo Schembechler, you did get Illinois, and I wish you were here to join us today. [Laughter] And then there's Rumeal Robinson, of whom Sports Illustrated said -- and Jerry Ford would love this one -- ``He looks and plays like a fullback." And against Seton Hall, your two free throws -- I expect the sports fans in the country will never forget them -- those two free throws with 3 seconds left won Michigan's first-ever national basketball championship.

And don't worry. I'm not forgetting Glen Rice. [Laughter] This year he became the Big Ten all-time leading scorer and the NCAA tournament's most valuable player. And, Glen, in the

tourney's 6 games, you scored 184 points to break the old record held by a guy who works up the Hill here: Princeton's Bill Bradley.

And finally there's Steve Fisher, new permanent coach at Michigan. Steve, compared with you, Walter Mitty was a hum-drum existence -- [laughter] -- and your success even Ripley would disbelieve. But in 3 amazing weeks, you became the first rookie coach to win a national basketball championship. And you helped Michigan become the first school to win the Rose Bowl and NCAA basketball title in the same year. And last Monday night, surrounded by your wife and two boys, you showed that nice guys can finish first. And Thursday night, Steve and his wife were here walking the dog at the White House -- [laughter] -- and he did a good job on that. [Laughter] So, we're glad you're back. And 8 weeks ago, following a last-second loss to Indiana -- forgive me -- Dan Quayle insisted that I bring that one up. [Laughter]

The Vice President. Yes, you guys remember that? [Laughter]

The President. Glen Rice said that every Michigan player was ``going on a mission." Well, last week, in Steve Fisher's words, that mission reached basketball's ``promised land." And today, schools from Syracuse to North Carolina to UCLA salute your story. And today, ``Hail to the Victors" is the number one basketball hit parade song. Mission impossible? Yours has been a mission accomplished.

And thanks for coming here. God bless you all, and God bless the United States.

And now, Rumeal, I have a prop for you -- a basketball. And where is it? Here. All right. Go for it. Right here, we've got a little demonstration. [Laughter] You want to fire one off? Oh, wait a minute, hold off. I'm getting something, don't go away. [Laughter]

[At this point, Rumeal Robinson and the President each shot basketballs into a hoop.]

That ÿ7Eÿ7Epressure ÿ7Eÿ7Emust ÿ7Eÿ7Ehave ÿ7Eÿ7Ebeen ÿ7Eÿ7Esomething.

Coach Fisher. Mr. President, it's with great pride that our basketball staff, coaches, and administrators present you with a Michigan Number One jersey to join us and these high school athletes to let you know how proud we are to be here. And we are all number one today alongside you. Thank you very much.

The President. Thank you, Steve.

Note: The President spoke at 11:05 a.m. in the Rose Garden at the White House. Dr. James J. Duderstadt was president of the university.

Remarks Announcing the Nomination of Richard Harrison Truly To Be Administrator of the National Aeronautics and Space Administration

April 12, 1989

The President. Mr. Vice President and distinguished Members of the Congress and Admiral Truly and Dr. Fletcher and Dale Myers and NASA officials: today I'm pleased to announce my intention to nominate Admiral Dick Truly to serve as the Administrator of NASA.

This marks the first time in its distinguished history that NASA will be led by a hero of its own making, an astronaut who had been to space, a man who has uniquely experienced NASA's tremendous teamwork and achievement. And Dick has given 20 years of his life to NASA's work. In April '81, he piloted shuttle Columbia in America's first shuttle flight. And since 1986 he served as the Associate Administrator for Space Flight. He led the recovery team immediately following the Challenger accident and headed the return to flight team that redesigned the solid rocket boosters and then revamped NASA's safety and quality assurance efforts.

I am fully mindful that because Dick Truly is an active duty naval officer that I will need the assent and cooperation of the Congress to make this appointment. And I would like to say thanks in advance to the congressional leaders here today for their willingness to assist in moving this important nomination forward. Dick is already a busy fellow. He's going to leave this ceremony to go down to the flight readiness review for the next shuttle launch. He's going to the Cape, I believe.

Admiral Truly. Yes, sir.

The President. And on that mission, the shuttle Atlantis will carry the Magellan Venus Radar Mapper which will revolutionize knowledge about Earth's sister planet. The launch of Magellan is the first in a series of long-planned space science missions scheduled for 1989. I personally place a great deal of importance in our nation's civil space program. And NASA's scientific achievements have been enormous, and its future promises equally important discoveries. NASA's work is a source of inspiration and a challenge to the young people in this country. And the excitement and interest of space exploration has encouraged many young Americans to study technical fields. NASA's accomplishments are a source of pride to all Americans.

And in closing, I would be remiss, indeed, if I didn't thank Dr. Fletcher once again for an outstanding job as NASA Administrator. I can tell you, I seldom speak for the Congress, but he has been an inspiration to all of us. Jim, your return there gave NASA the stability and leadership that it needed to believe in itself again. And for your sacrifices and those of your family, too, we thank you.

So, Dick, you know you've got a tough act to follow, and I certainly know something about following a class act myself. [Laughter] But you are going to do a terrific job. And we are very, very grateful at your willingness to undertake this. And Dan and I look forward to working with you. Congratulations!

Admiral Truly. Mr. President, let me first just thank you for the faith you show in me to take over from a person of Jim Fletcher's caliber in running NASA. NASA is premier in aeronautics and space science and exploration and taking men and women to space to do important jobs for our country. And I really look forward to -- with your leadership, in working with the Vice President at the space council and contributing what I can. And thank you so very much.

Note: The President spoke at 2:35 p.m. in the Roosevelt Room at the White House. In his opening remarks, he referred to James C. Fletcher and Dale D. Myers, former Administrator and Deputy Administrator, respectively, of the National Aeronautics and Space Administration.

Nomination of Richard Harrison Truly To Be Administrator of the National Aeronautics and Space Administration

April 12, 1989

The President today announced his intention to nominate Richard Harrison Truly to be Administrator of the National Aeronautics and Space Administration. He would succeed Jame C. Fletcher.

Since 1986 Rear Admiral Truly has served as Associate Administrator for Space Flight at the National Aeronautics and Space Administration in Washington, DC. Prior to this he was first Commander of the Naval Space Command in Dahlgren, VA, established on October 1, 1984. Rear Admiral Truly began his career in 1959 as a Navy ensign and was designated a naval aviator in 1960. From 1963 to 1965, he was first a student and later an instructor at the U.S. Air Force Aerospace Research Pilot School at Edwards Air Force Base in California. In 1965 he was among the initial military astronauts selected to the USAF manned orbiting laboratory program in Los Angeles, CA. He became a NASA astronaut in August, 1969 and was a member of the astronaut support crew and capsule communicator for all three of the manned Skylab missions in 1973 and the Apollo-Soyuz test project in 1975. In 1977 he was a pilot for one of the two-man crews that flew the 747/Space shuttle Enterprise approach and landing test flights. His first flight in space was November 12 - 14, 1981, as the pilot of the space shuttle Columbia, the first manned spacecraft to be reflown in space. August 30, 1983, to September 5, 1983, he was commander of the space shuttle Challenger, the first night launch and landing in the shuttle program.

Rear Admiral Truly has received the American Astronautical Society's Flight Achievement Award, 1977; the Air Force Association's David C. Shilling Award, 1978; and the Society of Experimental Test Pilots' Ivan C. Kincheloe Award, 1978. He has also received the Defense Distinguished Service Medal, the Defense Superior Service Medal, the Navy Distinguished Flying Cross and the Meritorious Service Medal; and the NASA Distinguished Service Medal.

Rear Admiral Truly received a bachelor of aeronautical engineering degree from the Georgia Institute of Technology in 1959. He was born November 12, 1937, in Fayette, MS. He is married and has three children.

Nomination of James R. Thompson, Jr., To Be Deputy Administrator of the National Aeronautics and Space Administration

April 12, 1989

The President today announced his intention to nominate James R. Thompson, Jr., to be Deputy Administrator of the National Aeronautics and Space Administration. He would succeed Dale D. Myers.

Since 1986 Mr. Thompson has served as Director of the National Aeronautics and Space Administration's Marshall Space Flight Center in Huntsville, AL. He has served in various positions with NASA at the Marshall Space Flight Center, including associate director for engineering in the science and engineering directorate; manager of the space shuttle main engine project in the shuttle projects office; liquid propulsion system engineer, 1963; lead engineer in the space engine section; and chief of the space engine section, 1968. He was chief of the man/systems integration branch, 1969 - 1974; manager of the main engine project of the shuttle projects office, 1974 - 1982; and associate director for engineering directorate, 1982 - 1983. He was deputy director for technical operations at the Princeton Applied Physics Laboratory, 1983 - 1986. He served as the vice chairman of the NASA task force inquiring into the cause of the space shuttle Challenger accident.

Mr. Thompson graduated from the Georgia Institute of Technology (B.S., 1958) and the University of Florida (M.S., 1963). He received the NASA Medal for Exceptional Service in 1973, and the NASA Medal for Distinguished Service in 1981. He was born in Greenville, SC.

Message to the Congress Transmitting Proposed Legislation on Government Ethics

April 12, 1989

To the Congress of the United States:

I am pleased to submit for your consideration and enactment a bill entitled the ``Government-Wide Ethics Act of 1989." This legislation reflects my commitment to ensuring the protection of the public interest in the integrity of the Government.

The ``Government-Wide Ethics Act of 1989" would constitute the first major revision of the Ethics in Government Act of 1978 and covers a broad spectrum of ethics issues. Federal personnel financial disclosure reporting requirements would be revised to strengthen the public disclosure process. The general conflict-of-interest and post-employment restriction statutes would be strengthened and expanded to cover, with stated exceptions, officers and employees in all three branches of Government. The bill also includes numerous other important provisions addressing such matters as: deferral of tax liability associated with divestiture of assets in order to avoid conflicts of interest; outside earned income limitations for senior officials; extension to the Congress of the independent counsel statute; and restrictions on the use of excess campaign contributions.

The proposals represent an effort to communicate definitive ethical standards to Federal employees throughout our Government. The people who dedicate their lives selflessly to serving this country and the citizens who rely on the integrity of their public servants deserve no less.

George Bush

The White House,

April 12, 1989.

White House Fact Sheet on the President's Ethics Reform Proposals

April 12, 1989

Today the President sent to the Hill his ethics reforms legislation and signed an Executive order establishing strict ethical standards for the executive branch. The bill and order reflect the President's strong commitment to integrity in government and incorporate many of the recommendations of the President's Commission on Federal Ethics Law Reform, established by President Bush in January 1989. These proposals follow the four principles the President had set forth to guide the Commission:

1. Ethical standards for public servants must be exacting enough to ensure that the officials act with the utmost integrity and live up to the public's confidence in them.

2. Standards must be fair, objective, and consistent with common sense.

3. Standards must be equitable all across the three branches of the Federal Government.

4. We cannot afford to have unreasonably restrictive requirements that discourage able citizens from entering public service.

The President recognizes that the order may need to be amended, depending on what is ultimately enacted as law, but he signed the order today to avoid any delay in implementing ethics reform in the executive branch.

In separate legislation sent to the Hill today, the President proposed a 25-percent pay increase for judges, and the proposed ethics bill itself includes a limitation on receipt by judges of honoraria. The President will be working with the Congress separately on the questions of honoraria for Members of Congress, a possible congressional pay raise, and a pay raise for certain executive branch positions, including specialized jobs like those at the National Institutes of Health.

Governmentwide Ethics Act of 1989

Financial Disclosure

Financial reporting and review requirements would be uniform across the three branches of government.

In place of the current system in which individuals disclose only the category of value of their

assets and income, the bill would require individuals to disclose the actual value of each asset and source of income rounded to the nearest thousand dollars. (Where the actual valuation is unknown or not easily determined, a good faith estimate could be supplied. In the case of stock, an individual could report the number of shares held.)

Employees would no longer be exempted from reporting liabilities for home mortgages and loans from relatives other than spouses, parents, brothers, sisters, and children.

Commissioned officers in the Executive Office of the President (not including advisory committee members) would be added to the list of those required to file public financial disclosure reports.

To reinforce the independence of the trustee of a qualified blind trust, such a trustee could not be an individual or an entity owned in its entirety by an individual.

The legislation would create an advisory commission to study ways of simplifying the forms that need to be filled out in the Presidential appointment process and to report back to the President within 90 days.

Conflicts of Interest

The proposal would extend coverage of the general conflict-of-interest statute, 18 U.S.C. 208, to the judiciary and to non-Member officers and employees of the Congress (but not to Members themselves).

Members of Congress would be included in the portion of 18 U.S.C. 208 that prohibits an official from taking actions that affect entities with which he is negotiating for employment.

The Internal Revenue Code would be amended to authorize deferral of tax liability when an individual is required by his/her agency to divest assets in order to avoid conflicts of interest.

The President would be given the authority to grant conflict-of-interest waivers when the national interest so requires.

Advisory committee members would be allowed conflict-of-interest waivers if the appointing official determines, after review of confidential financial disclosure reports, that the need for a member's expertise outweighs the potential of conflict of interest. The proposal would require public disclosure of the waiver and the information from the report about the financial interest necessitating the waiver.

The Office of Government Ethics would receive the authority to issue regulations providing for waivers, across-the-board, for inconsequential and remote financial interests.

Honoraria, Outside Activities, and Gifts

The current statute barring supplementation of the salaries of executive branch officials would be extended to the judicial branch; this would have the effect of barring the receipt of honoraria for speeches, writings, and other appearances in their official capacity by judges and other judicial branch employees.

The legislation would impose a cap -- set at 15 percent of an Executive Level I salary -- on the outside income that could be earned by senior officials in all three branches. (In view of the pending discussion with Congress regarding honoraria, congressional honoraria would not count against the cap.)

The legislation would bar senior officials in all three branches of government from serving on the board of directors of a for-profit enterprise. Requests by such employees to serve on the boards of nonprofit organizations would be subject to case-by-case review to avoid conflicts of interest.

The legislation would include uniform governmentwide rules for agencies and individuals concerning the acceptance of reimbursement of travel expenses.

The legislation would prohibit employees in all three branches, except pursuant to reasonable exceptions provided by regulation, from accepting a gift or other item of monetary value from anyone seeking official action from their agency or whose interests may be substantially affected by the performance or nonperformance of the employee's official duties.

Postemployment Restrictions

The lifetime prohibition against making representations to the Government in a particular matter involving specific parties would be extended to the judicial branch.

The bill would abolish ``compartmentalization'' of the Executive Office of the President (EOP) for postemployment purposes. Thus a senior employee leaving a job in any agency within the EOP would be subject to a 1-year cooling-off period before he or she could attempt to influence any official anywhere within the EOP.

The existing 1-year postemployment cooling-off period for senior executive branch employees would be extended to cover senior personnel in the legislative and judicial branches. (During the cooling-off period, former employees are generally not permitted to contact their former agencies.) Members of Congress and legislative staff would be barred from contacting Members or staff in either House of Congress during the cooling-off period. Compartmentalization rulings would be possible for legislative staff, but not for Members.

A proposed new provision would limit damaging ``side-switching'' by Government employees by prohibiting former executive and legislative personnel, for 2 years after leaving the Government, from disclosing specified nonpublic government information, including specified information pertaining to U.S. strategy in international negotiations.

Enforcement and Structure

The independent counsel statute would be extended to cover the Congress. Other changes to the statute would include the selection of an independent counsel from a list of 15 individuals submitted by the Attorney General.

Misdemeanor and civil penalties would be included as sanctions for violations of the criminal conflict-of-interest statutes, while retaining and enhancing felony sanctions for willful violations of these laws.

The Attorney General would be given authority to seek injunctive relief for violations of these laws, and administrative debarment authority against former Government employees who violate the postemployment restrictions would be expanded.

The bill would authorize an exemption from the Federal Advisory Committee Act facilitating the creation of a White House Ethics Council to advise White House and Cabinet officials, in conjunction with the Counsel to the President, on ethics matters.

Campaign Financing

The bill would prohibit the use of excess campaign contributions for personal use and office expenses.

Executive Order

The new Executive order would set forth 14 fundamental principles of ethical conduct for the executive branch.

Full-time noncareer Presidential appointees in the executive branch would be prohibited from receiving any earned income for outside employment during their Presidential appointments.

The Office of Government Ethics would be responsible for administering the order by:

-- Consolidating all executive branch standards of conduct regulations into a single set of regulations, and developing and periodically updating a comprehensive executive branch ethics manual.

-- Issuing regulations (with the concurrence of the Attorney General) interpreting the general statute prohibiting actions in matters in which employees have financial interests (18 U.S.C. 208) and the statute prohibiting supplementation of salaries (18 U.S.C. 209).

-- Issuing regulations (as previously authorized) setting forth a system for nonpublic (confidential) financial reporting for executive branch employees to supplement the public disclosure system.

Agency responsibilities include:

-- Supplementing the standards provided by law, the Executive order, and the comprehensive regulations issued by the Office of Government Ethics. Any supplements must be prepared as addenda to the comprehensive branch-wide regulations, and be approved by the Office of Government Ethics.

-- Consulting with the Office of Government Ethics, where practicable, prior to granting waivers of conflict-of-interest requirements, and providing that office with a copy of any waiver granted.

-- Obtaining approval from the Office of Government Ethics for annual plans for training and awareness activities.

-- Providing mandatory annual training briefings on ethics for all senior officials as well as other designated employees. All Executive Office of the President staff would be included.

-- Assessment of the ethics program in each agency and provision of adequate support, including the use of a separate line item in the budget, where practicable.

The order would provide that the Executive Office of the President may not be compartmentalized for the purpose of the 1-year postemployment cooling-off restriction.

The order reaffirms existing delegations of authority to issue conflict-of-interest waivers for certain Presidential appointees.

Remarks to the American Society of Newspaper Editors

April 12, 1989

The President. Thank you all very much. John, thank you -- please. Well, I'm delighted to be here and look forward to taking a few questions. I've been getting such a ribbing about my highly stylized prose; I thought it only appropriate for me to share a few recent headlines with you. [Laughter] I'm sure nobody here would write things like this, but -- ``Dentist Receives Plaque'' -- that was one -- [laughter] -- ``Actor Sent to Jail for Not Finishing Sentence'' -- [laughter] -- and ``The Rest of the Year May Not Follow January.'' I'm tempted to gloat. If that's the standard, I'm not doing too bad. [Laughter]

Adlai Stevenson said: ``An editor is a person who separates the wheat from the chaff and prints the chaff.'' [Laughter] So, I know I'm probably responsible for providing my fair share of chaff, but after all, I am the guy that said during the campaign, ``A kitchen in every pot'' -- [laughter] -- and also that ``America's freedom'' -- I was reminded by some of these back here -- ``America's freedom is the example by which the world expires.'' [Laughter]

So, let no one miss the message: As editors you uphold a certain ethical standard in your newsrooms, and you've got to do that because a newspaper is only as good as its word. And I think this is no less true of government. High ethical standards are central to this administration, and we're going to enforce them strictly, comprehensively, fairly, and to the letter and spirit of the law.

And we've got to work together to reform a public code of conduct that at times appears to be in disarray. And it's not logical or fair -- a code -- it's both too harsh and too lenient. And it elevates detail over substance, precept over principle.

And so, today I want to talk to you about some proposals of our administration, because such a system as now constituted ultimately breeds cynicism and contempt for the law. To truly reform it, we must remember that standards of trust and honesty are not dictated from regulations written in Washington, DC. Ethics in public service derive from the natural integrity of the American people. They are to be found in the everyday conduct of working men and women, in the postman checking up on the elderly resident at home or in the cashier who runs after the customer that's been overcharged. The millions of Americans who meet their obligations honestly and teach their kids to do it the same way see nothing extraordinary about asking the same of their government. The American people are troubled when they hear of officials in every branch of government, at whatever level of government, who show a brazen contempt for the letter or spirit of the law. And the American people do not understand why certain behavior is considered criminal when committed by an executive branch official -- are perfectly legal when committed by someone in another branch of government. Is not a crime a crime? Should there not be an underlying standard of integrity for all?

And as President-elect, I heard about talented men and women who, though perfectly honest, declined to come to serve in government out of fear -- fear of the sheer complexity of Federal ethics laws, fear that a simple, honest mistake could lead to a public nightmare. And these concerns led me to issue an Executive order [No. 12668] creating the President's Commission on Federal Ethics Law Reform. And I asked its members to recommend steps to foster full confidence in the integrity of all Federal public officials and employees.

And on March 9, as you may remember, this Commission filed its report and its recommendations. It was chaired by Judge Wilkey, co-chaired by former Attorney General Griffin Bell. In fact, the legislation now resulting from their recommendations and other ideas that I have -- the legislation is being sent to the Congress today. And just this morning, I issued an Executive order [No. 12674] announcing ethical principles for the conduct of executive branch employees.

Both actions seek a common end: to raise ethical standards, to avoid conflicts of interest, and to ensure that the law is respected in fact and in appearance.

There are those, of course, who say that public ethics and values cannot be legislated -- and I'm inclined to agree. You're never going to legislate away impropriety or through legislation guarantee that everybody lives beyond the, you know, perception of criticism -- but these values and ethics can be encouraged, respected, and adhered to in government. Public service must reflect the best values of America. And let me add that most public servants, in my view, do that. And I have served in the Congress, and I have served in the executive branch as well.

Jefferson said: ``The whole art of government consists in being honest." And yet too often, simple honesty is not enough. Government rules have worked at cross-purposes. Our regulations have been complicated and unequally applied. Our laws have been contradictory and unclear. And we've spent more time trying to understand Federal ethics laws than we have trying to live by them.

My ethics program seeks to remedy these defects. How? By setting four objectives: first, to establish clear ethical principles; second, to ensure uniform standards among all three branches of government; third, to insist that these standards be fair and reasonable; and fourth, to ensure that these standards attract, not drive out, talented men and women to government.

My ethics program first insists that ethical standards must be exacting enough to ensure that officials act with the utmost integrity, for the public's confidence is not ours to inherit. We must earn that confidence, and it must be constantly renewed. With this in mind, I have placed a ban on outside income for noncareer Presidential appointees in the executive branch, including all employees in the immediate White House Office. I am proposing expanded financial disclosure for all three branches of government. And I have instructed my staff to perform a comprehensive review of Federal campaign finance laws.

Regarding the last, I have already reached one determination. Congress should extend for all Members the prohibition against the conversion of political contributions for personal or office use. Political donations should not become a sort of individual retirement account for Members of the United States Congress. And I call on Congress to close this loophole, and to close it this year.

Modern democratic government works best when organized by strong political parties. And yet we've allowed our parties to become weakened and overshadowed by special interests. And we can best restore the role of the parties by limiting political action committees. PAC's weaken the parties, restrain competition, and deaden the political debate. And I believe we should eliminate contributions to candidates by political action committees, and I'll be consulting with the Congress about that. And I also oppose Federal funding of congressional campaigns. My legislative proposal also strengthens the rules against abusing the revolving door for private gain at the expense of public trust. These rules must not make Government service a bar to productive work in the private sector, but they must prohibit the appearance of profiting from Government service, and this must include the legislative branch as well.

I'm proposing a 25-percent pay raise for Federal judges, while restricting their acceptance of honoraria. I also believe that honoraria for Members of Congress should be banned. And I believe Congress should have a pay increase. And I will not make a formal proposal on Congress until after I consult with the leaders of Congress on the issue of congressional pay. There is no point, absolutely no point, in putting Congress through another traumatic bashing like the one just completed. And I will include in those consultations the question of a pay increase for certain executive branch positions, including specialized jobs like those out there at the National Institute of Health. And I will strongly support pay increases for these jobs which are so important to this country.

My ethics program's second goal recognizes that ethical consistency demands equitable standards across all three branches of government. And under our Constitution, every branch of government is equal and none warrants preferential treatment. The same standard that applies to a staff person at HUD should also apply to housing subcommittee staff on Capitol Hill. And a practice is either ethical or it is not. And if Washington is to be a level playing field, then every player should be treated the same. And therefore, I am proposing that we must extend the independent counsel statute to cover the Congress. I am also proposing that the Federal statute that prohibits employees from taking actions that enhance their own financial interest be extended to cover legislative and judicial branch employees. There should also be an independent ethics office for Congress, to be headed by a clearly nonpartisan official, confirmed by both Houses. And I ask that the existing 1-year postemployment cooling-off period for the senior executive branch employees also apply to the legislative and judicial branches.

And then there's the third objective of this ethics program. It insists that standards be reasonable and reflect good old-fashioned common sense. Some financial interests, for example, are too

minor to create any meaningful conflict of interest at all. So, I want the Office of Government Ethics to have the authority to issue regulations authorizing waivers from these conflict of interest statute. But at the same time, we're urging tougher penalties when intentional violations of criminal conflict of interest laws occur. We're asking officials from all three branches to simplify the forms that must be completed by prospective appointees. And I'm also requiring mandatory annual briefings on ethics for Presidential appointees.

My program's fourth objective is to attract and keep the best people in government by keeping Federal ethics laws fair and balanced.

An ethics law is not a weapon -- a blunt instrument with which to pound a public servant. It's not a gag with which to silence the outspoken. It's a tool to ensure a government as honest as the American people. We must not allow overly restrictive requirements to be abused or to keep talented people from entering public service. And that is why we have carefully crafted new postemployment restrictions. And that's why we want to allow persons who are required to divest assets to defer their tax liability.

My ethics program shows exactly where we are going and why. We seek to attract and keep the best and brightest in government. And by helping others, by building a better America -- honorably, ethically -- we seek to show how public service is not the sum of our perks or possessions but a measure of how we conduct ourselves and what we achieve.

Come to think of it, this is a good code for all occupations, from high school to the highest callings in journalism and government. I am delighted to have the opportunity to present to you the principles of this ethics package and obviously -- I don't want to see this powerful crowd escape without a pitch -- I'd like to have your editorial support for the objectives that I've outlined here today.

Thank you all very much, and I'd be glad to take your questions.

Minorities in the Presidency

Q. Mr. President, my daughter thanks you for the autograph you gave us last week, and I'm asking this question on her behalf. She is a 12-year-old 6th grader -- and I'm a little nervous here -- 12-year-old 6th grader at Shepherd Elementary School. And she asked me after I left the White House, ``Daddy, will I ever be President? Will I have a chance to be President like Mr. Bush?'' She's black and also female. Do you envision, sir, a time when this country might be prepared to elect a black and/or female as President?

The President. Yes, I do. I'd say to her: If I can make it, she can make it. But nevertheless -- [laughter] -- no, but seriously, Ben [Benjamin Johnson, Jr., managing editor of the Columbia-Missourian], of course we're in changing times here; and the great thing is that she might, by her

question, aspire to be President. And I hope that I can keep alive, for at least the time I'm in the White House, the concept -- the honor of public service, the obligation to put something back into the system, and also the fact that if you get into the arena you get a very different perspective than when you're sitting outside.

I'll always love what Sam Rayburn said. And this is a little off your question for your daughter. But as he was listening to some debate with a bunch of staffers, I think it was, up on the Hill, he said, ``Well, the problem is they never ran for sheriff." And it makes a difference. So, I hope that the question means she is interested, and I hope that the progress this country has made and will make in the future will guarantee that a black teenager today, female, might well be President of the United States.

Secretary of Defense-Designate Tower

Q. How do you square that excellent program you've just outlined to us, sir, with the Tower nomination and your support right to the end?

The President. I see no contradiction whatsoever. As you know, I don't want to relive the Tower question, but I believe that judgments should be made on reality, not on perception. I didn't like what happened, and I don't think that it is any conflict at all with any of the four points I made here today. So, I'd simply -- and nothing convinced me from the hearings of that, because I don't think that there was anything that was pointed out to definitively -- that conflicts with what we've talked about here. So, I just would respectfully disagree with the conclusion that the United States Senate reached. And I'm going to work with them. We're going forward now. And they promptly confirmed Dick Cheney. But I just don't see any there at all.

Fairness Doctrine

Q. Mr. President, this week the House committee reported out a bill which most of the people in this room think would severely limit and hamper the first amendment. It would pass into law the so-called fairness doctrine. The head-counters say that it will probably go through both chambers quite comfortably. Will you stand with your predecessor in vetoing that bill should it come to you?

The President. Well, I don't want to indicate a veto would be necessary, but I will stand with the previous position that I was a part of in the last administration.

Press Coverage of Presidency

Q. Mr. President, since you've taken office, you've greatly increased the access to the Presidency on the part of the press, and you've taken such initiatives as hosting small dinners in your private residence with reporters and editors. This has sparked some debate, and if I can frame it, if you'll

permit me to frame it in the spirit of our morning session with Morton Downey and Geraldo Rivera [television talk-show hosts] and others: Is he trying to woo us, and may he succeed in seducing us? Mr. President, if you would explain your philosophy to press coverage of the Presidency and the relationship with your administration? I realize that some of the debate is probably our ability to complain, no matter what kind of access we get. But I'd like to hear your views of your relationship to the media.

The President. Well, in the first place, when Barbara and I invite a reporter and her spouse or a reporter and his spouse to the White House for an upstairs dinner, we're doing that not to seduce the press -- [laughter] -- treating them as human beings. And one of the reasons -- you've asked my press policy -- one of the reasons I don't take questions over the sound of the helicopter blades out there is: I want to treat the press with the dignity to which it is entitled. And if you have to get your question answered by screaming at me when I don't want to answer it, you don't look very good. And I don't think it's very good for the White House.

And so, what I've tried to do is have enough availability. In fact, I'm going to cross this one up as a press conference for the record. One more notch so I can go to those doubters -- [laughter] -- and say, look, we want to be accessible. But I would separate out -- you know, I don't know what we'll do at Christmas. So, what Barbara and I try to do at our house is say, hey, you and Joan and Gene, or whoever it is, come on to the Christmas party -- and not have to have it all categorized and so afraid that somebody thinks I'm trying to seduce some reporter that you have to be treated as something so different than anybody else. And so, availability -- don't get mad when they ask stuff you don't like, and treat people as you would whatever walk of life or whatever occupation they come from. And if it's misinterpreted, fine. You don't have to come.

And so, I understand. I remember back a few years ago when one of the great news organizations said, ``Okay, we're no longer going to be used. We're not going to any backgrounders or off the record." It lasted about 30 seconds, and those reporters came trooping back in. [Laughter] But I respected that if they want to do it; but please believe me that when we do it this way, it's what we feel is appropriate. And if it's not, I'll sure -- I think we'll take a hit, but I'm unpersuaded by the gentle logic of Morton Downey -- [laughter] -- and whoever that other guy was that was here.

Speaker of the House Wright

Q. Mr. President, since you've announced this ethics program for the executive branch, I'd like to ask your comments about another situation involving ethics.

The President. Oops. Nice try, Jack [Jackson B. Tinsley, editor and vice president of the Fort Worth Star-Telegram]. [Laughter] Go ahead.

Q. That is the long running Ethics Committee investigation of House Speaker Jim Wright. The

Washington Times reported this morning that the findings of this committee would be turned over to the Justice Department for investigation of possible Federal law violations. And also, there is a belief by some in Texas that since the rejection of John Tower as your first nominee for Secretary of Defense, that there might be an attempt by the Republican Party to retaliate against Speaker Wright. Would you comment on that, please?

The President. Well, let me comment on the last part first, and I know of no such retaliatory action. I think it would be impossible to do anyway. And it would be wrong, and certainly I would condemn anyone in our administration that had any hand in anything of that nature. Secondly, there is nothing in this ethics package -- when I call for an even playing field -- Congress, executive branch, and judicial branch do have the same standards that should in any way, directly or indirectly, be interpreted as intervening in the matter now before the House Ethics Committee. And surely, Jack -- and I know there's this interest, particularly in your area and in my State. And I think it's wider than that now in the matters that are going forward there. But the last thing I want to do is involve myself in any way.

And please believe me, there is no -- on my view, I answered the first question as frankly as I could about the John Tower matter. But in terms of getting even or something of that nature by unfairly intervening into a process that is now being handled by the Ethics Committee in the House, I simply wouldn't condone that at all, and I would condemn it. So, I want to separate out what's happening there from this package, and certainly, in response to your question, from any politics of retaliation because of my view that the Tower matter was not handled the way I would like to have seen it handled.

Oliver North

Q. At this point in time, would you call Ollie North a real American hero?

The President. Anybody that gets a Purple Heart and sheds his blood fighting for his country deserves to be called an American hero. And it was in that context that I made those claims, and in that context that I will repeat them. And the last thing I want to do is intervene in that matter that is now before the courts. But that's how I feel about those who risk their lives to save this country.

Texas

Q. In view of the fact that there's a program on the table to put a space establishment in Houston and the supercollider is going to be built in Jack's backyard, or has been selected to be built in Jack's backyard, and two or three of the top administrative officials are from Texas, is there a real backlash developing because of that? We saw the Georgia Mafia. We saw the California Mafia talked about by the press. Is this going to happen? And is it going to hurt your program?

The President. No. [Laughter] No, we've made appointments that are excellent in my view, men and women of standing. And the fact that some of them come from my home State -- hey, what's wrong with that? And the supercollider decision was made by President Reagan. It's a good decision. I want to support it. The space center was made by -- I guess when President Johnson was in office, or maybe under President Kennedy -- I'm not sure. And it should have strong support. But I don't see any risk of backlash at all, provided you get people that measure up. And that's what I'm trying to do.

Q. Mr. President, I apologize. I've neglected the far left, which some would say is out of character for me. [Laughter]

The President. Note that he said that, not I. [Laughter] Go ahead.

Alaskan Oil Spill

Q. Mr. President, I live and work in a State with a 2,500-mile coastline, a coastline that includes an oil terminal as well as the village of Kennebunkport. I'm wondering why it took so long for the Government to move on the Alaskan oil spill. Why didn't the Government -- the Federal Government -- move more boldly, more quickly to clean up the spill?

The President. I think the Federal Government moved much more quickly and more boldly than it gets credit for. I consider the United States Coast Guard a part of the United States Government. And the Coast Guard moved very rapidly. What we did not want to do -- and I'm convinced now, even in retrospect, that this decision is correct -- was to relieve the Exxon Corporation of its liability by federalizing. And when I promptly sent our able EPA Administrator [William K. Reilly] and our head of the Coast Guard, Admiral Yost, and Sam Skinner, the Secretary of Transportation, up there, they came back with the unanimous recommendation that federalizing wasn't appropriate. The Federal assets -- we have moved forward now on the cleanup. The first was containment, and now it's mainly in the cleanup phase, although there still are some containment problems.

Subsequently -- and maybe I should accept some criticism on whether I should have done this a week before we did, or something of that nature; I'm giving you the reasons -- but I think that the Federal Government is properly involved, but we should not have done what some are urging upon us: federalize that whole cleanup. And you know, it's a tough one. I do know the corner of the Maine coast you're talking about and something about the pristine nature of Prince William Sound. And I do have a great concern about the environment. I want to do better. I want to do better and set higher standards in the environment. But I also happen to believe that the national security needs of this country are served by having a production offshore and by producing oil from the North Slope. And it is awful hard to guarantee against a contingency in a 10-mile-wide channel after thousands and thousands and thousands are -- put it millions of barrels have gone through there safely, and now, apparently, what human error seems to have caused this

aberration. It's hard to have a contingency plan against that.

And the other day, they asked me about that and said -- well, you know, because there were some saying, ``Well, you ought to shut down the oil coming out of Prince William Sound, coming out of the Port of Valdez." And I said, ``Well, to guarantee against what happened, should shut down all the production off of Louisiana and Texas." I'm not sure I understand the difference. And I think we have got to do everything we can to learn from this. We've got to do everything we can to have a plan that is based not on a third of this bill but on the totality of this bill in terms of recovery. But I simply do not want this disaster to -- this isn't all your question, but projecting a little -- to weaken the national security interest by making us further and further dependent on foreign oil. We're about up to 50 percent now, and that is not a good enough standard. So, let's learn from this; let's do better in protecting the environment. If there's a lesson here that one agency or another might have moved faster, I will be the first to learn from that. But we've got to keep a certain perspective.

And I am very pleased that the Federal Government is as involved as it should be now. I also would like to see more volunteers involved. And therein, I would make a pitch for strong support for revision of our liability laws. Some, I am told, in volunteer groups, are kept from helping out -- maybe not on this one but in many other areas -- because of the fear -- outrageous liability claims. So, this is a good -- we can maybe learn that much from this disaster up there. But I think maybe we should take some blame. But I think we've had prudent action, and I hope it's been timely.

Iran Arms and Contra Aid Controversy

Q. Mr. President, when the North trial is over, will you tell the American people if you were the so-called discreet emissary sent to Honduras during the Iran-contra affair and, if you were, give a full accounting of what you did there?

The President. I think I've given a full accounting. I would refer you, sir, to what -- incidentally, in today's paper -- to what was said by Ambassador Negroponte [U.S. Ambassador to Mexico] and also Tony Motley [former Assistant Secretary of State for Inter-American Affairs], who sat in on that meeting. And having said that, every attorney that advises the President has advised me not to do something that inadvertently would cause a mistrial or would disturb the process that is underway. And so, I don't like reading charges that I happen to feel are untrue, but I have to stand on that. And that just goes with the territory. And I am confident that the process that has gone on, and the process that undoubtedly will go on after this trial is over, will say that anything I have heretofore said is correct. But I do not want to be pushed into doing something for self-aggrandizement that would be ruled by some judge to have aborted a trial that is underway.

Well, thank you all very much.

Note: The President spoke at 1:35 p.m. in the Grand Ballroom at the J.W. Marriott Hotel. He was introduced by John Seigenthaler, president of the American Society of Newspaper Editors.

Remarks at the Congressional Fire Services Institute Dinner

April 12, 1989

The President. Members of the fire service community and ladies and gentlemen and friends, what a wonderful evening this is. Let me say, it's a great privilege to be, as Yogi Berra might say, in such extinguished company -- [laughter] -- all fired up. [Laughter] I want to thank you, though, for that warmth of your reception here and for your kindness. And let me just first congratulate some who are responsible for this first, massively successful event. I'm referring, of course, to the International Associations of Fire Chiefs and Fire Fighters, the International Society of Fire Service Instructors, the National Fire Protection Association, the National Volunteer Fire Council, and the Volunteer Firemen's Insurance Services.

And I want to also salute the individual representatives of the fire service community and then the members of the Congressional Fire Service Caucus, now the third-largest, I believe, technically. But if I know Congressman Curt Weldon, you're going to be number one. Let me salute the members of Congress that are gathered here, and particularly singling out not only the firefighter's best friend, Congressman Curt Weldon -- he talked about a sleeping giant awakened; you try sleeping -- [laughter] -- with Curt Weldon on your case, giving you a hot foot -- but Congressman Doug Walgren here and Sherry Boehlert on this side here at the head table. I single them out for their special leadership and interest in the affairs that bind us all together tonight here.

And finally, I want to say that you've chosen a wonderful time of year to hold this first annual Congressional Fire Services Institute dinner. After all, just think of it. Spring is in the air. Washington is alive with visitors. Baseball's Orioles are still in the pennant race -- something we couldn't have said last year at this time -- [laughter] -- the season's a week old. [Laughter] Our dog has had her puppies. [Laughter] And my wife got a nice clean bill of health today out of Walter Reed Hospital.

So, we meet together in a special week, for this is Volunteer Week, a time which celebrates the selfless character of the American people. And looking toward tonight, I was struck by the fact that 85 percent of our nation's fire protection is indeed supplied by volunteers. And it occurred to me that both you and your paid colleagues -- professionals -- for both give time and of yourselves -- provide the definition of a successful life. For any definition of a successful life, it seems to me, must include serving others. A successful life means that we're partners, not islands unto ourselves, the sum not of our possessions but of how we treat our neighbors. For more than 200 years, firefighters have been this nation's neighbor in word and deed, the backbone of America. And you've met local emergencies through volunteer and paid fire and emergency service networks. And today, you meet them still -- three million members strong.

And you know, being here tonight reminds me of a story that I heard which happened back in Prohibition days. It seems that 25 of Boston's top bootleggers were rounded up in a surprise raid. And as they were being arraigned, the judge asked the usual question about occupation. And the first 24 men were engaged in the same profession: each claimed to be a firefighter. Well, naturally, the judge asked the last prisoner, ``And what are you?" And ``Your Honor," he replied, ``I'm a bootlegger." And surprised, the judge laughed and asked, ``Well, how's business?" The guy said, ``Well, it'd be a hell of a lot better if there weren't so many firefighters around." [Laughter]

What I'm getting at -- even back in Prohibition, your numbers turned the tide. [Laughter] And so, they can today, and must, too, in the future. We've come a long way since Benjamin Franklin founded one of the first volunteer fire companies in 1736. And now, let's go forward and help achieve your goal: a better, more secure, more firesafe America.

Let me just share a few thoughts with you, and then you can get on with the dinner. First, this administration believes the fire service network deserves a Federal Government which understands and values its place in the American community. Almost every municipality has some sort of emergency fire organization. At the 4th of July celebration or Memorial Day parade, the fire service is there. At senior citizens centers and service clubs, the fire service is there. And when fire raged at Yellowstone, the fire service was there. And so, too, when you become the first responder not only to fire but to accidents and floods and cave-ins and collapsed buildings, you deserve the Government's respect. And in my administration, you have it.

Second, this administration believes that you deserve the Government's support. Fifteen years ago, the National Fire Prevention and Control Administration was created to ensure that your concerns would be heard by every level of government. I intend for those concerns to be heard. And tonight, I commend the U.S. Fire Administration for pursuing with vigor its rightful role as the fire services Federal advocate and for providing a national clearinghouse to deal with these fire service issues. We want the National Fire Academy to retain its prominence as a national training center. And like the previous administration, we want the original intent of the Federal Fire Act of 1974 to be maintained.

You know, every profession -- you know this and I know it -- every profession has its ups and downs. And perhaps former hockey coach Harry Neale put it best: ``Last season we couldn't win at home, and we were losing on the road." He said, ``My failure as a coach was that I couldn't think of anyplace else to play." [Laughter]

Well, the difference is that few professions display that special brand of skill and heroism that is found in the fire service. I'm thinking, for example, of how last May, Richard Shiah, an off-duty battalion chief, arrived at the scene of a burning pickup truck that was overturned in a ditch. And with no protective clothing on, risked his life -- suffered second-degree burns on his face and wrists -- to save a father and two sons. Chief Shiah shows, like every firefighter, that heroism

American-style is not going out of style, and tonight let us pledge that it never will. And to achieve that goal, let us act specifically to help the fire services in protecting our citizens from loss of life and property.

Each year, more than 6,000 lives are lost in fires, and over $10 billion lost in property damage. And to combat such tragedy, we must foster greater public awareness of fire problems by supporting the Federal fire safety program. But we must also act when tragedy does occur. And toward that end, last year, as part of the Omnibus Drug Act of 1988, we raised the death benefit for fallen firefighters from $50,000 to $100,000.

We've done much, but we must do more. And as we do, we'll show how voluntarism can join hands with government to renew the promise of America. And that's why I have opened at the White House the Office of National Service. This office is leading my administration's community and national service efforts. And yesterday, I saluted the 18 recipients of the 1989 President's Volunteer Action Awards. And soon, I will announce our administration's Y-E-S, or YES Program, Youth Entering Service. And this program will encourage all young Americans to get involved in community service, to reignite the concept of one young person helping another.

And I have said I like what works. Well, voluntarism works. In a recent Gallup Poll, nearly 50 percent of the population was involved in community service. And today millions of people are lending a hand, tending a wound, helping the less fortunate, in a homeless shelter, in an inner-city school, or in our fire and emergency services.

And some of you may know, Teddy Roosevelt is among my favorite Presidents. Let me relate what his dad said to him on the eve of his 16th birthday: ``All that gives me most pleasure in the retrospect is connected with others. We are not placed here to live exclusively for ourselves." And my friends, you, as well as anyone, embody those words. By saving lives, you have defined a successful life. And for that, I thank you. And yet I challenge you, too. And so, let us build on our beginnings. Let us continue to strive for a firesafe America. And as we do, all Americans will say, as I do tonight: The horizons of America have no limit. The best for America still does lie ahead.

Thank you for this evening. Thank you for inviting me. God bless you, and God bless the United States of America. Thank you all very much.

Note: The President spoke at 7:08 p.m. in the Sheraton Washington Ballroom at the Sheraton Washington Hotel.

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee on the Continuation of Arms Sales to Saudi Arabia

April 12, 1989

Dear Mr. Speaker: (Dear Mr. Chairman:)

I am writing to you with respect to Section 1307 of the National Defense Authorization Act, Fiscal Year 1989, which prohibits the sale of any defense articles subject to Section 36(b) of the Arms Export Control Act to any nation which has acquired intermediate-range ballistic missiles made by the People's Republic of China. Section 1307(b) includes a provision that this restriction will cease to apply if the President certifies to the Congress that the nation which has purchased the missiles does not have chemical, biological, or nuclear warheads for those missiles.

After a review of the information available to the United States Government, I have certified that Saudi Arabia does not possess chemical, biological, or nuclear warheads for its intermediate-range ballistic missiles purchased from the People's Republic of China.

A copy of my certification pursuant to Section 1307 of the National Defense Authorization Act, Fiscal Year 1989, is enclosed. Additional information concerning this action is contained in the enclosed justification.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee. The letter was released by the Office of the Press Secretary on April 13.

Presidential Determination No. 89 - 13 -- Arms Sales to Saudi Arabia

April 12, 1989

Memorandum for the Secretary of State

Subject: Certification with Respect to Section 1307 of the National Defense Authorization Act, Fiscal Year 1989

Pursuant to Section 1307 of the National Defense Authorization Act, Fiscal Year 1989, I hereby certify that Saudi Arabia does not possess biological, chemical, or nuclear warheads for the intermediate-range ballistic missiles purchased from the People's Republic of China.

You are hereby authorized and directed to publish this certification in the Federal Register.

George Bush

Note: The Presidential determination was released by the Office of the Press Secretary on April 13. It was printed in the ``Federal Register'' of April 25.

White House Statement on Arms Sales to Saudi Arabia

April 13, 1989

Although Saudi Arabia has acquired intermediate-range ballistic missiles from the People's Republic of China, based on information available to the U.S. Government, there is no credible intelligence reporting indicating that Saudi Arabia possesses nuclear, chemical, or biological weapons. We are not aware of production facilities for chemical munitions, chemical warfare agents, or biological warfare agents in Saudi Arabia. Saudi Arabia possesses no significant nuclear facilities. In addition, the Saudis and the Chinese have told us that the missiles will not be equipped with nuclear warheads. The Saudis have also assured us that the missiles will not be equipped with chemical warheads. This commitment is reaffirmed by Saudi Arabia's adherence to the Nuclear Non-Proliferation Treaty, the 1925 Geneva Protocol, and the Biological Weapons Convention.

We remain concerned about the possible proliferation of these types of weapons in the Middle East and will continue to watch developments closely. Any evidence that Saudi Arabia has acquired chemical, biological, or nuclear warheads after the date of certification will be notified to the Congress, as required by section 1307(a)(2) of the National Defense Authorization Act, Fiscal Year 1989.

Nomination of H. Lawrence Garrett III To Be Secretary of the Navy

April 13, 1989

The President today announced his intention to nominate H. Lawrence Garrett III to be Secretary of the Navy. He would succeed William Lockhart Ball III.

Mr. Garrett is currently the Under Secretary of the Navy. Prior to this, he served as General Counsel of the Department of Defense, 1986 - 1987; Associate Counsel to the President, the White House, 1983 - 1986; Regional Director, Merit Systems Protection Board, 1982 - 1983; executive assistant to the president and chief operating officer, U.S. Synthetic Fuels Corp., 1981 - 1982; and Assistant Counsel in the Office of the Counsel to the President, 1981. Mr. Garrett also served as a member of the President's Commission on Compensation of Career Federal Executives, 1987 - 1988.

Mr. Garrett graduated from the University of West Florida (B.S., 1969) and the University of San Diego School of Law (J.D., 1972). He enlisted in the U.S. Navy in 1961, was commissioned in 1964, and retired in 1981. Mr. Garrett was born June 24, 1939, in Washington, DC. He is married, has two children, and resides in Oakton, VA.

Nomination of Frank Henry Habicht II To Be Deputy Administrator of the Environmental Protection Agency

April 13, 1989

The President today announced his intention to nominate Frank Henry Habicht II to be Deputy Administrator of the Environmental Protection Agency. He would succeed A. James Barnes.

Mr. Habicht is currently a principal with William D. Ruckelshaus Associates and a senior attorney in the environmental and natural resources department of Perkins Coie in Washington, DC. Prior to this he served as Assistant Attorney General of the United States for the Land and Natural Resources Division, 1983 - 1987. From 1982 to 1983, Mr. Habicht was Deputy Assistant Attorney General for the Land and Natural Resources Division. He was Special Assistant to Attorney General William French Smith, 1981 - 1982, and an associate with Kirkland and Ellis, 1978 - 1981.

Mr. Habicht graduated from Princeton University (A.B., 1975) and the University of Virginia (J.D., 1978). He was born April 10, 1953, in Oak Park, IL. He is married and has two children.

Nomination of Eddie F. Brown To Be an Assistant Secretary of the Interior

April 13, 1989

The President today announced his intention to nominate Eddie F. Brown to be Assistant Secretary of the Interior for Indian Affairs. He would succeed Ross O. Swimmer.

Since 1987 Dr. Brown has been director of the Arizona Department of Economic Security in Phoenix, AZ. Prior to this he was director of community affairs and associate professor for Arizona State University in the office of the vice president of academic affairs and the school of social work, 1986 - 1987. From 1985 to 1986, he was Division Chief for the Bureau of Indian Affairs, Division of Social Services, at the Department of the Interior. He has also served as assistant director for the Arizona Department of Economic Security, 1979 - 1985; an associate professor for the graduate school of social work for Arizona State University, 1975 - 1979; and an assistant professor for the school of social work and Native American studies at the University of Utah, 1972 - 1975. He has also served as director of the United Council on Urban Indian Affairs in Salt Lake City, UT, 1972.

Dr. Brown graduated from Brigham Young University (B.S., 1970) and received a master of social work degree, 1972, and a doctor of social work degree, 1975, from the University of Utah. He was born December 26, 1945, in Ajo, AZ.

Nomination of Martin Lewis Allday To Be Solicitor of the Department of the Interior

April 13, 1989

The President today announced his intention to nominate Martin Lewis Allday to be Solicitor of the Department of the Interior. He would succeed Ralph W. Tarr.

From 1959 to 1988, Mr. Allday has been with the law firm of Lynch, Chappell, Allday and Alsup in Midland, TX, and a managing partner, 1971 - 1983.

Mr. Allday graduated from the University of Texas Law School at Austin (J.D., 1951). He served in the U.S. Army, 96th Division, 1944 - 1946. He received the Good Conduct Medal, the Purple Heart, and the Combat Infantryman's Badge. Mr. Allday was born May 30, 1926, in Eldorado, AR. He is married, has three children, and resides in Midland, TX.

Nomination of Frank A. Bracken To Be Under Secretary of the Department of the Interior

April 13, 1989

The President today announced his intention to nominate Frank A. Bracken to be Under Secretary of the Interior. He would succeed Earl E. Gjelde.

Since 1987 Mr. Bracken has been chairman of the board of directors for Ball-InCon Glass Packaging Corp. in Muncie, IN. He has served in several capacities with the Ball Corp., including group vice president for the glass containers division, 1981 - 1988; vice president and general manager for the commercial glass division, 1980 - 1981; vice president of administration, 1979 - 1980; vice president and general counsel, 1974 - 1979; general counsel and assistant secretary, 1973 - 1974; and associate general counsel, 1972 - 1973. He was Legislative Counsel at the Department of the Interior, 1969 - 1972, and was in the private practice of law, 1960 - 1969.

Mr. Bracken graduated from Carleton College (B.A., 1956) and the University of Michigan (J.D., 1960). He was born March 29, 1934. He is married, has four children, and resides in Muncie, IN.

Remarks to Participants in Project Educational Forum in Union, New Jersey

April 13, 1989

Thank you, ladies and gentlemen. Thank you very much, Secretary Cavazos. Dr. Cavazos is doing an outstanding job as our Secretary of Education, and I'm so pleased he came up here with me today.

I want to pay my respects to your Governor, who has been a great inspiration to me, not just in education but in many other ways. And when I think of the Governors across this State, no one has a greater claim on doing a lot for education than your own Tom Kean. He has been outstanding, and I'm delighted to have him here today.

I want to salute the three Members of Congress who are here today and those who are actively involved. I know some are here who are actively participating in the political process -- Democrats and Republican alike. You have a Governors' race up here, and several of those candidates -- here with us. And I want to congratulate them and say to the young people here: I hope when you finish school and then go on and finish your education that you will save time for public service and participating in politics. So, let's welcome those who not only are Members of Congress but others who are so -- participating right here with us today. [Applause]

And of course, I listened carefully to the four superintendents who were selected to represent the point of view of the superintendents. And I can understand why there's a great new hope in the United States today for quality education. They did an outstanding job, and thank you, gentlemen. Thank you very, very much.

You know, when you come here, walking into the building or being here in the room, you can't help but feel that you don't really have to worry about the future of our young people. I see staunch advocates -- met with some dedicated professionals and determined students -- who know what an education in America can be. And today is about excellence -- and I am told that the brightest and best achievers, many of them in the school level, are right here in this room -- but it's also about hard work.

And I wanted to mention a little visit we had on the corner with one of Union's own, Gina Marie Sisco. She wrote me a letter. It's a surprise I got the mail. That's the way it's working these days. [Laughter] But nevertheless, she said, ``I'm a resource room student for math and English, and I have a learning disability. And there are many kids like me," she goes on, ``and we all have to work harder than most kids." But she said, ``Union is showing you their best in intelligence, but Union also has the best in trying the hardest, like us kids in resource room." So, it's excellence, and it is hard work.

I'm delighted that Barbara Bush is with me today. She got a good, clean bill of health yesterday from Walter Reed Hospital, I might add. But I'm taking another look at our doctor. He told her, ``It's okay to kiss your husband, but don't kiss the dogs." [Laughter] So, I don't know exactly what that means. [Laughter]

No, America can be the very best in education. I know a few skeptics have doubted that. For instance, somebody once asked Mahatma Gandhi what he thought in general about Western civilization, and he said, ``I think it would be a good idea." [Laughter]

You know, this nation was founded by people who sought out unexplored frontiers. At first that meant, as you history students know, perilous ocean crossings. And then the West in the United States offered the challenge of vast, new, uncharted lands, expanses. And recently, we've found new directions in space exploration and astrophysics, taking us to the farthest reaches of the universe. And we've always taught our children about these frontiers. They're part of the American world view, part of our idea of human progress, part of our picture of ourselves. But we must now draw the attention of a new generation to a larger, almost limitless horizon: the frontier of the mind. Our goal for education must be as ambitious as it's been for the West or for space or for any other American frontier. And we have a new manifest destiny: to develop America's young minds to their fullest, because if we lose the mind and we lose the spirit of even one young person, we will have lost something precious, forever.

Many of our students are among the best in the world, and I'm told many right here in this room fit that description. Let's hear it for yourself. You've got it. [Applause] But all aren't so fortunate, and Barbara knows this because of her dedicated work for literacy. Too many still graduate unable to read their own diplomas. Too many don't get the skills they'll need to fill the jobs for the future. And let's not forget, as well, that there's a lot that's right about American education, and we heard from four superintendents that spelled that out loud and clear right here today.

So, how do we build on the good and eliminate the bad? The way to do it is with people like you in this room, through partnerships at the State level, with the National Governors' Association, teachers, administrators, parents, private industry councils, local businesses, and then the students themselves. And by thinking ahead, by working creatively, we can build a culture of high expectations. We can open up the frontier of the mind to every kid who enters a classroom.

And you know, somebody once asked Mae West what she wanted to be remembered for. And she said, ``Everything." [Laughter] Well, my goal is a little more modest. But I do want to be remembered, as Secretary Cavazos mentioned, as the education President -- someone who used the bully pulpit of the White House, the bully pulpit of the Presidency of the United States, to help you all improve American schools. And my ideas about education are based on four principles -- tapping the kind of creativity that's already at work in local communities like this one.

First, our administration will reward excellence through awards to schools that demonstrate significant improvement, rewards for good teachers -- and God bless our teachers -- and a new scholarship program for outstanding math and science students. Our schools have always recognized athletic excellence. And that's great. But it's also good to hear about groups like the Montrose Academic Booster Club and the Presidential Academic Fitness Awards, which reward excellence in scholarship. Some of those winners are with us today.

And second, we want to promote flexibility and choice through magnet schools and by removing some of the overregulation of education. And I listened to those superintendents as they called for regulatory simplification. We seek alternative certification for good people who want to teach, but are now kept out of the classroom by needless regulations. And we're considering more school-based management to give the local control that you heard these superintendents call for. This government will in no way -- the Washington administration will in no way try to dictate curriculum. Let's not get too experimental. I worry that somebody is going to produce a new-age ``Hamlet." [Laughter] And the famous oration will start like this: ``To be, or what?" [Laughter] We don't need to set the curriculum in Washington, DC. It's better done right here.

And third, we want to help those most in need, targeting Federal resources -- restricted and limited though they must be in these days of budgetary deficit -- targeting those where they can do the most good. And we want to waive some of the regulations for poorer communities, allowing them to pool State and Federal funds in exchange for higher accountability and performance -- a kind of performance-driven, partial deregulation of education, if you will. And we'll give you the flexibility, and you show us the results. And I bet they'll be outstanding.

And fourth, we need to promote accountability in education for everyone. And that means teachers. Yes, and we want to work with educators -- how to objectively and fairly measure results. But it's much broader than that. The problems our schools face won't be solved by assigning blame or applying a puff of smoke here, some bolt of lightning there. Only a united effort can lead to the kind of education reform that lasts.

And this means that all of us are accountable for the quality of American schools. And that means business leaders, who understand that their ability to compete depends on the quality of the new talent that they help develop and who set up outstanding public-private ventures, like the Sci-Tech Center in Liberty State Park, where students will learn about science and engineering, but in a hands-on way. Accountability also extends to superintendents who can create a clear mandate for improvement and gain support for their priorities. And parents who get involved through programs like ``Books and Beyond" in Paramus, where reading at home to the kids has cut time in front of the TV by over 70 percent, or the ``Very Important Parent" award to Jersey City parents who get involved with their kids' local schools.

And there are other unexpected sources of untapped talent that can help improve our schools. In New York City, where thousands of volunteers are helping in hundreds of schools, my wife

Barbara met with a group helping Cambodian children learn English. And while she was there, one older lady told Barbara how desperately lonely she had been until she volunteered. And her eyes filled up with tears at the memory. Then her face lit up as she told Barbara, ``I have never been lonely a day since." Helping others made this woman's life have so much more meaning.

One need matches another, and a wonderful thing happens: you come up with an answer that money simply cannot buy. And that's one reason we need to rely less on the collective wallet, and more on our collective will. A society that worships money or sees money as a cure for all that ails it is a society in peril. But we're not that kind of people. And we must do more than wish we had more to spend, because the challenge of education reform suggests something much more fundamental than money.

As a nation -- this may surprise you -- but as a nation, we already spend $330 billion a year on education. And that's more than we spend on national security, on defense. We devote more money per capita to education than any of our most advanced competitors. That includes France and Germany, Great Britain, the Soviet Union, and Japan. A billion here, a billion there -- as Everett Dirksen once said, ``It all someday -- pretty soon adds up to real money." [Laughter]

One lesson I learned in school is that sometimes there's more than one right answer. More spending isn't the only right answer or even the best answer. What we need is a better value for what we spend. And what we need, and what this conference is all about, is a shared determination on the part of every American to get involved with our schools. We must reestablish the value of teaching and learning in this country.

Like every new landscape we've explored in American history, the frontier of the mind will be won by individuals of courage and determination. And you know, frontier stories are full of tales about brave individuals. So, let me just share one little story with you that I heard -- a study, if you will, in determination.

This week I heard about a young woman who'd been poor and on welfare all her life. And she enrolled in a program for pregnant high school girls in Memphis. And things were going fine until the last day of the exams, when she realized that her baby had other plans for her that day. And she wouldn't leave. And she took her last two final exams in the nurse's office. And only then did she let them rush her off to the hospital. And she made B's on the two exams. And she had a boy. And she'll graduate in May. And she's landed a job at a university, with child care, where she's also going to take classes. Now, if the rest of us can summon even a fraction of that kind of courage against the odds, we can make sure that every young American gets a solid education.

Good schools in America are a social responsibility and, yes, in this competitive age we're living in, an economic necessity. And we share the conviction that there is no such thing as an expendable student. We will never accept the notion that vast numbers of illiterate and

undereducated Americans can be offset by a well-educated elite. That is not the American way. You know, every young American deserves the best chance. And I'm asking you to join me, in renewed determination, to help this generation -- and every generation -- develop and triumph in the frontier of the mind.

Thank you for what you are doing, and thank you for what you will do. And God bless you all, and God bless the United States of America. Thank you very much.

Note: The President spoke at 1:40 p.m. in the gymnasium of Union High School. In his opening remarks, he referred to Representatives Marge Roukema, Jim Courter, and Matthew J. Rinaldo; and school superintendents James Caulfield, of Union, NJ; Harry Galinsky, of Paramus, NJ; James Wilsford, of Orangeburg, SC; and Edgar Melanson, of White Mountain, NH. Following his remarks, the President traveled to Kennebunkport, ME, for a weekend stay.

Letter to the Speaker of the House of Representatives and the President of the Senate Reporting on the Generalized System of Preferences

April 13, 1989

Dear Mr. Speaker: (Dear Mr. President:)

I am writing concerning the Generalized System of Preferences (GSP) and two current beneficiary countries, Burma and the Central African Republic. The GSP program is authorized by the Trade Act of 1974, as amended.

I intend to suspend indefinitely Burma and the Central African Republic from their status as GSP beneficiaries for failure to comply with section 502(b)(7) of that Act concerning internationally recognized worker rights. My decision will take place at least 60 days from the date of this letter.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Memorandum on Amendments to the Generalized System of Preferences

April 13, 1989

Memorandum for the United States Trade Representative

Subject: Actions Concerning the Generalized System of Preferences

Pursuant to subsections 502(b)(4) and 502(b)(7) and section 504 of the Trade Act of 1974, as amended (the Act) (19 U.S.C. 2462(b)(4), 2462(b)(7), and 2464)), I have determined to modify the application of duty-free treatment under the Generalized System of Preferences (GSP) currently being afforded to certain beneficiary developing countries, to make a determination concerning the alleged expropriation without compensation by a beneficiary developing country, and to make findings concerning whether steps have been taken or are being taken by certain beneficiary developing countries to afford internationally recognized worker rights to workers in such countries.

Specifically, after considering a private sector request for a review concerning the alleged expropriation by Venezuela of property owned by a United States person allegedly without prompt, adequate, and effective compensation, without entering into good-faith negotiations to provide such compensation or otherwise taking steps to discharge its obligations, and without submitting the expropriation claim to arbitration, I have determined to continue to review the status of such alleged expropriation by Venezuela.

Second, after considering various private sector requests for a review of whether or not certain beneficiary developing countries have taken or are taking steps to afford internationally recognized worker rights (as defined in subsection 502(a)(4) of the Act) to workers in such countries, and in accordance with section 502(b)(7) of the Act, I have determined that Israel and Malaysia have taken or are taking steps to afford internationally recognized worker rights, and I have determined that Burma and the Central African Republic have not taken and are not taking steps to afford such internationally recognized rights. Therefore, I am notifying the Congress of my intention to suspend the GSP eligibility of Burma and the Central African Republic. Finally, I have determined to continue to review the status of such worker rights in Haiti, Liberia, and Syria.

In the case of Israel, I did not review worker rights matters concerning the West Bank and Gaza Strip because they are not a part of the ``country'' of Israel as contemplated in section 502(b)(7) of the Act. The United States has consistently refrained from formal determinations that would have the effect of recognizing, either impliedly or expressly, the de jure incorporation of the occupied territories into Israel.

Further, in order to convert and implement prior decisions taken in terms of the Tariff Schedules of the United States (TSUS) into the nomenclature structure of the Harmonized Tariff Schedule of the United States (HTS) and after consideration of a private sector request for a waiver of the application of section 504(c) of the Act (19 U.S.C. 2464(c)) with respect to certain eligible articles from Mexico, I have determined to modify the application of duty-free treatment under the GSP currently being afforded to certain articles and to certain beneficiary developing countries.

Specifically, I have determined, pursuant to subsection 504(d)(1) of the Act (19 U.S.C. 2464(d)(1)), that the limitation provided for in subsection 504(c)(1)(B) of the Act should not apply with respect to certain eligible articles because no like or directly competitive article was produced in the United States on January 3, 1985. Such articles are enumerated in the list of HTS subheadings in Annex A.

Second, pursuant to subsection 504(c)(3) of the Act, I have determined to waive the application of section 504(c) of the Act with respect to certain eligible articles from certain beneficiary developing countries. I have received the advice of the United States International Trade Commission on whether any industries in the United States are likely to be adversely affected by such waivers, and I have determined, based on that advice and on the considerations described in sections 501 and 502(c) of the Act (19 U.S.C. 2461 and 2462(c)), that such waivers are in the national economic interest of the United States. The waivers apply to the eligible articles of the beneficiary developing countries that are enumerated in Annex B opposite the HTS subheadings applicable to each article.

Finally, I have determined, pursuant to subsection 504(c)(2) of the Act and after taking into account the considerations described in sections 501 and 502(c) of the Act, that certain beneficiary developing countries have demonstrated a sufficient degree of competitiveness (relative to other beneficiary developing countries) with respect to certain eligible articles. Therefore, I have determined that subsection 504(c)(2)(B) of the Act should apply to such countries with respect to such articles. Such countries are enumerated in Annex C opposite the HTS subheadings applicable to each article.

These determinations shall be published in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 10:43 a.m., April 14, 1989]

Note: The determinations were printed in the ``Federal Register'' of April 18.

Remarks Announcing the Bipartisan Budget Agreement

April 14, 1989

The President. Well, I'm joined here by the Speaker, the majority leaders of the Senate and House; the Republican whips of the Senate and House; the chairmen and ranking Republican members of the Appropriations, Finance, and Budget Committees; and members of the bipartisan budget negotiating group. And we've come together in support of a bipartisan budget agreement for fiscal year 1990.

When I presented my budget to the Congress on February 9th, I said we could and should meet several tests. We should meet fundamental obligations for protection of national security and the support of the needy. We should provide sufficient funds to advance high priority initiatives. And we should, at the same time, restrain the overall growth of spending so that we can meet the Gramm-Rudman-Hollings targets on time without tax increases. And this plan allows us to meet those tests.

It would provide for the same revenue level as I requested in my February 9th budget. It would provide $299.2 billion in defense outlays, compared with the $300.6 billion that I requested -- very close -- and $17 billion in outlays for international affairs, compared with my request of 17.3 -- again, very close. And it would save $7.3 billion through entitlement reforms. And it would firmly cap domestic discretionary program growth at an overall growth rate of 5.9 relative to the previous year. In total, it would reduce the estimated fiscal year 1990 deficit by about $24 billion, as OMB would estimate the savings, and $28 billion, as the CBO [Congressional Budget Office] would estimate, relative to the Gramm-Rudman-Hollings baseline. It would thus bring the deficit down to $99.4 billion and that, of course, would be a $64 billion reduction relative to the current estimate of the fiscal year 1989 deficit.

The budget agreement does not complete the whole deficit reduction job that is to be done by fiscal year 1993, not by a long shot. But I am convinced that we will only be able to complete that job if we tackle it in manageable steps, on an orderly basis, in a constructive, bipartisan spirit. And this is a first manageable step, and this budget agreement is the first such agreement reached ahead of schedule and not framed in the context of crisis. This is not an insignificant point; it shows that we can make the system work, even with the branches of government controlled by different parties, and if we approach our jobs responsibly and are willing to stay with it, to stick with the task.

On February 9th, I said that we were prepared to negotiate day and night, in good faith, in a true bipartisan spirit, recalling that the American people wanted us to rise above partisan bickering and to produce. And Mr. Speaker and Mr. Majority Leader, you have joined us in good faith and in bipartisan spirit, for which we are grateful; and I believe the American people will be grateful. And I'm particularly grateful to the negotiators, the chairmen, the members, ranking members,

who participated in these long, long negotiations. And I commend them for their spirit of bipartisanship and I'm grateful to each and every one.

And so, may I ask you, Mr. Speaker and Mr. Majority Leader, as well as the ranking Republicans here, the Republican whips, and the majority leader of the House, to say a few words; and then the negotiating group will be glad to take questions inside.

Mr. Speaker?

Speaker Wright. Mr. President, thank you. This is not an heroic agreement. It's quite austere. It is not really adequate to address some of the truly serious domestic problems of our country, such as affordable housing, a crumbling public infrastructure, and a need to revitalize American industry through encouragements to additional research and development and modernization of American plant and machinery. But if we begin with the assumption that there can be no significant major increase in revenue, this agreement is probably about as good as we could do.

It is bipartisan; both ideological extremes have yielded. It does provide funds for some of the specific priority initiatives that the President has recommended and Congress wholeheartedly embraces, things like day care, Head Start, funding for the drug war, and a few of those specific priority initiatives. It does reach the Gramm-Rudman deficit reduction targets. And it does permit us to stay on schedule and begin our process immediately for our appropriations bills and pass them again, as we're determined that we shall, on time. So, in those ways, it's a very good start in the direction of better cooperation and better performance.

Senator Mitchell. The most significant aspect of this agreement is its existence, and that is no small accomplishment. For the first time, early in the process, outside the atmosphere of last-minute crisis, a genuine, good-faith effort has been made, and an agreement has been reached on significant deficit reduction. It does not go as far and do as much as any of us would like. But in establishing an atmosphere of cooperation and bipartisanship, for which the President deserves great credit, it sets us on the right course.

No one should be deluded into thinking that this is the end of a process. It is the beginning of a process. Very hard choices lie ahead; much sterner measures will be required in the future. But if we approach those difficult tasks with the same positive spirit that has been exhibited in reaching this agreement, then we will solve them, for there is no problem that Americans cannot solve if they work together in good faith.

And, Mr. President, we commit ourselves to implementing this agreement in good faith and to working with you in the future, when you and we will face much more difficult decisions.

Representative Foley. Mr. President, I want to express our appreciation to you, sir, to the Speaker, to Senator Mitchell, to the Republican leadership of the Senate and the House for

authorizing the efforts to come together with a budget negotiating group. Secretary Brady and Mr. Darman, the leadership of the Senate and House, budget committees on both sides of the aisle have taken several weeks to hammer out this agreement. It's been said before -- I'll repeat it: It's not as much as each of us individually might have wished; it does represent a very important movement on the part of the Congress and the executive branch, Republicans and Democrats, to establish an early consensus on the budget resolutions which will make possible the action on the appropriation bills in a timely manner.

Beyond that, it represents our continued determination to work together to deal with the tough budget issues that lie ahead that have been mentioned by others before me. But I particularly want to underscore the cordiality and cooperation of our efforts, which I think express a new mood of bipartisan determination to make this government -- a Republican administration, Democratic leadership in the House and the Senate, with their Republican colleagues -- prove that we can address serious problems of the country productively and well.

Thank you, sir.

Senator Simpson. Mr. President, I appreciate your not letting me slip completely into the tulip patch there. And sometimes in these kinds of things we forget the beauty of days like this. This is really an extraordinary day of beauty in the blossoms and the Sun, but that's not why I'm here. [Laughter] I'm just here on behalf of -- no, don't look at your watch, that's all right. It shouldn't take over 45 minutes. I'd like to talk about the fate of the domestic uranium industry in America. [Laughter] No, it's all right.

Let me say on behalf of Senator Dole, who could not be present today, that this is a very significant thing. We take it seriously; it is the beginning. Senator Byrd described it as that this morning. It is a first step, and that is indeed what it is. So, I'm very proud and pleased to be a part of it. The Republicans will be participating and doing everything they can to see it come to fruition.

It will take a great deal of pressure off of us who legislate. We are legislators, that's our job. And with this pressure off of us, we can go about our work, as we have done in recent days, with a bipartisan agreement on Central America, other things out there -- so many things need to be addressed. And every one of us here know exactly what we have to do with the budget, and this is a start toward the honesty of doing it -- entitlements and things like that that must be dealt with.

So, thank you, and on behalf of the Republican leader, thanks to all of those who have worked so hard. It is a daunting and terrible job and a tremendous physical and mental drain that it takes on the Democrat and Republican chairmen of these committees. I thank them.

Representative Gingrich. Thank you, Mr. President. On behalf of Mr. Michel, the Republican

leader in the House, who could not be here, I want to say that we are very strongly supportive of this agreement. We agree with the sentiments that have been expressed; it is a very important bipartisan step towards a balanced budget. And I just want to say, for a moment, for the more conservative viewpoint, it is very solid on defense; those who care about defense should be supportive of this agreement.

It is a major step towards a balanced budget, recognizing that we're going to need bipartisan cooperation over the next several years to get there. It is a very prudent agreement, and I would hope that most Americans would be grateful for this kind of bipartisan teamwork which has, in fact, taken us one more step in the right direction towards a balanced budget. And we'll do all we can in the House to help pass it.

Thank you, Mr. President.

The President. There's been one oversight, and that is that I did not properly thank Dick Darman and Secretary Brady for their representing the administration so effectively in these negotiations.

Again, Mr. Speaker and Mr. Leader, my thanks to you as leaders of the Congress for their cooperation. And they will be available for questions in a bit. Many thanks.

Note: The President spoke at 10:24 a.m. in the Rose Garden at the White House. In his remarks, he referred to Senators George J. Mitchell, majority leader; Alan K. Simpson, Republican whip; James R. Sasser, chairman of the Budget Committee; Pete V. Domenici, ranking Republican of the Budget Committee; Robert C. Byrd, chairman of the Appropriations Committee; Mark O. Hatfield, ranking Republican of the Appropriations Committee; Lloyd Bentsen, chairman of the Finance Committee; and Bob Packwood, ranking Republican of the Finance Committee; Representatives Jim Wright, Speaker of the House of Representatives; Thomas S. Foley, majority leader; Newt Gingrich, Republican whip; Jamie L. Whitten, chairman of the Appropriations Committee; Silvio O. Conte, ranking Republican of the Appropriations Committee; Leon E. Panetta, chairman of the Budget Committee; and Bill Frenzel, ranking Republican of the Budget Committee; Secretary of the Treasury Nicholas F. Brady; and Richard G. Darman, Director of the Office of Management and Budget.

White House Statement on the Bipartisan Budget Agreement

April 14, 1989

In March 1989 the President, the Speaker of the House, the majority leaders of the Senate and House, the Republican leaders of the Senate and House, joined by the chairmen and ranking Republican members of the Appropriations, Ways and Means, Finance, and Budget Committees, and by the Secretary of the Treasury, the Chief of Staff to the President, and the Director of the Office of Management and Budget, concurred in a recommendation to establish a special budget negotiating group. The group was charged to explore the possibility of reaching an agreement on a budget framework for fiscal year 1990 and to report upon its progress to the President and the joint leadership of Congress. The group was composed of the chairmen and ranking Republican members of the Senate and House Budget Committees, the Majority Leader of the House, the Secretary of the Treasury, and the Director of the Office of Management and Budget. The attached agreement is the product of that negotiating group, as developed in accordance with the guidance of the leadership group.

Bipartisan Budget Agreement Between the President and the Joint Leadership of Congress

1. The elements of this agreement provide for deficit reduction amounts that, for fiscal year 1990, are currently estimated to meet the deficit target of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987.

2. The budget framework is approved by the President, the Speaker, and the Majority and Republican Leadership of Congress.

3. The President and the Leadership of Congress will carry out this agreement.

4. The following procedures will be utilized to implement this agreement: Congressional implementation will follow, as much as possible, the regular budget and legislative procedures. The House and Senate Budget Committees will each report a concurrent resolution on the budget for fiscal year 1990 consistent with this budget agreement. The budget resolution will contain reconciliation instructions and 302(a) allocations consistent with this budget agreement. The House and Senate Committees with jurisdiction over matters necessary to implement the agreement will be responsible for developing 302(b) allocations, legislation, and budget levels consistent with this budget agreement. Regular House and Senate procedures applicable to the consideration of budget resolutions, appropriations bills, reconciliation legislation, and other measures will apply.

5. Congress shall present the revenue portion of the reconciliation bill to the President at the

same time as the spending reduction provisions of the reconciliation bill.

6. Agreed-upon fiscal year 1990 budget levels are as follows for each of

(TABLE START)the three discretionary appropriations categories:

[In billions of dollars]*

@h1Category:

@h1BA

@h10

Domestic .... $157.5 .... $181.3

Defense (050)** .... 305.5 .... 299.2

International Affairs .... 19.0 .... 17.0

Footnote: *Congressional enforcement of these discretionary levels in the legislative process will be based on CBO scoring.

Footnote: **Functional total includes mandatory spending.

(TABLE END)

7. The Budget Committees, CBO, and OMB shall use the ``Scorekeeping Guidelines for the Bipartisan Budget Agreement of April 14, 1989," and shall work together to resolve any new scorekeeping issues that may arise.

8. Within the domestic discretionary amount, the budget resolution will provide sufficient funding for subsidized housing contract renewals (without prejudice to the form or length of such renewals).

9. Deficit reduction to be implemented in accordance with this agreement is specified in the attached ``Deficit Reduction Plan." For both budget scorekeeping and Gramm-Rudman-Hollings, final scoring will necessarily depend on the review of legislation by the scorekeepers, as provided in the Congressional Budget Act and Gramm-Rudman-Hollings.

10. The specific measures composing the governmental receipts figure will be determined

through the regular legislative and Constitutional process. Agreements reached between the Administration and the Congressional tax-writing committees on revenue legislation reconciled pursuant to this agreement will be advanced legislatively when supported by the President of the United States.

11. Neither the Congress nor the President shall initiate supplementals except in the case of dire emergency. When the Executive Branch makes such a request, it shall be accompanied by a presidentially-transmitted budget amendment to Congress.

12. Both the President and the Congress have addressed the need for additional domestic discretionary spending priorities for the fiscal year 1990 budget. It is agreed that any funding of priorities will be within the domestic spending levels set forth in paragraph 6 of this agreement.

13. The President and the Congressional Leadership will continue to consult closely to seek opportunities for further deficit reduction and to explore policy and process changes which would reduce the deficit to meet the deficit targets of the Gramm-Rudman-Hollings law and balance the Federal budget by fiscal year 1993. In order to facilitate progress toward that objective, the bipartisan Budget Committee Leadership, the Secretary of the Treasury, and the Director of Office of Management and Budget shall continue discussions in consultation with the bipartisan leadership of the appropriate committees of the House and Senate.

Attachments:

Deficit Reduction Plan

Estimated Budget Levels@c3,tp9,p7,8/8,i1,s10,4.3,4.3

DEFICIT REDUCTION PLAN*

[Fiscal Year 1990, in billions of dollars]

@h1

@h1CBO scoring

@h1OMB scoring

Baseline Deficit .... $147.3 .... $126.6

Adjustment for estimating differences .... 19.9 .... 3.5@rn,s

Adjusted Baseline Deficit .... 127.4 .... 123.1

Revenues:

Revenue Measures .... 5.3 .... 5.3

IRS Compliance** .... 0.5 .... 0.5

User Fees and Offsetting Collections .... 2.7 .... 2.7@rn,s

Subtotal, revenues .... 8.5 .... 8.5

Spending:

Defense (Function 050) .... 4.2 .... 1.7

International Discretionary .... 0.0 .... +0.1

Domestic Discretionary .... 0.3 .... +2.4@s2

Entitlements/Mandatory:@s0

Medicare .... 2.7 .... 2.7

Agriculture .... 1.9 .... 2.2

Veterans' Loan Sales .... 0.5 .... 0.6

Federal Pension & Postal Reform .... 1.1 .... 1.3

Other Entitlements .... 0.6 .... 0.5@rn,s

Subtotal, Entitlements/Mandatory .... 6.8 .... 7.3

Pay Offset, Retirement Contributions .... +0.4 .... +0.3

Adjustment: Postal Budgetary Treatment*** .... 1.8 .... 2.2

Debt Service .... 1.1 .... 1.1@rn,s

Subtotal, spending .... 13.8 .... 9.5

Asset Sales .... 5.7 .... 5.7@rn,s

Total Deficit Reduction Measures .... 28.0 .... 23.7@rn,s

Final Deficit .... 99.4 .... 99.4

Footnote: *Estimates as of April 14, 1989.

Footnote: **Predicated on IRS compliance funding sufficient to achieve the additional revenues specified.

Footnote: ***Predicated on postal reforms.

(TABLE END)@c3,tp9,p7,8/8,i1,s10,4.3,4.3

BUDGET LEVELS

[Fiscal Year 1990, in billions of dollars]

@h1

@h1CBO estimates

@h1OMB estimates

Budget Authority:

Domestic Discretionary .... $157.5 .... $157.5

Defense (Function 050) .... 305.5 .... 305.5

International Discretionary .... 19.0 .... 19.0

Estimated Outlays:

Domestic Discretionary .... 181.3 .... 181.3

Defense (Function 050) .... 299.2 .... 299.2

International Discretionary .... 17.0 .... 17.0

Entitlement/Mandatory .... 556.4 .... 539.7

Net Interest .... 181.0 .... 173.2

Offsetting Retirement Receipts .... 32.8 .... 33.4

Fees, Collections, and Asset Sales .... 8.4 .... 8.4@rn,s

Total Estimated Outlays .... 1,193.8 .... 1,168.7

Estimated Receipts .... 1,074.4 .... 1,065.7

Adjustment for estimating differences .... 19.9 .... 3.5@rn,s

Deficit .... 99.4 .... 99.4

(TABLE END)

Nomination of Paul Dundes Wolfowitz To Be an Under Secretary of Defense

April 14, 1989

The President today announced his intention to nominate Paul Dundes Wolfowitz to be Under Secretary of Defense for Policy. He would succeed Fred Charles Ikle.

Since 1986 Ambassador Wolfowitz has served as the United States Ambassador to the Republic of Indonesia. From 1982 to 1986, Ambassador Wolfowitz was Assistant Secretary of State for East Asian and Pacific Affairs. Prior to this he was Director of Policy Planning for the Department of State, 1981 - 1982. He was Deputy Assistant Secretary of Defense for Regional Programs, 1977 - 1980. He has also served in several capacities for the Arms Control and Disarmament Agency, including Special Assistant for SALT in the Office of the Director, 1976 - 1977; deputy assistant director for the Verification and Analysis Bureau, 1976; special assistant to the Director, 1974 - 1975; and a staff member in the Evaluation and Policy Division of the Plans and Analysis Bureau, 1973 - 1974. From 1970 to 1973, he was an assistant professor of political science at Yale University.

Ambassador Wolfowitz graduated from Cornell University (A.B., 1965) and the University of Chicago (Ph.D., 1976). He was born December 22, 1943, in New York. He is married and has three children.

Nomination of David George Ball To Be an Assistant Secretary of Labor

April 14, 1989

The President today announced his intention to nominate David George Ball to be an Assistant Secretary of Labor (Pension and Welfare Benefit). He would succeed David M. Walker.

Since 1974 Mr. Ball has been with Amex, Inc., in Greenwich, CT, serving in several positions, including senior vice president and president, Amex Central Services, 1987 - 1988; senior vice president and secretary, 1983 - 1987; vice president for investor relations and secretary, 1977 - 1983; and secretary, 1974 - 1977. He was assistant secretary and assistant counsel for the Babcock and Wilcox Co., 1970 - 1974, and general counsel for the Southeastern Public Service Co., 1969 - 1970. He has also served as an attorney with White and Case, 1964 - 1969.

Mr. Ball graduated from Yale College (B.A., 1960) and Columbia Law School (J.D., 1964). He is married, has five children, and resides in Greenwich, CT.

Nomination of Bryce L. Harlow To Be Deputy Under Secretary of the Treasury, and Designation as an Assistant Secretary

April 14, 1989

The President today announced his intention to nominate Bryce L. Harlow to be Deputy Under Secretary of the Treasury (Legislative Affairs). He would succeed John K. Meagher. Upon confirmation the President intends to designate him as an Assistant Secretary of the Treasury (Legislative Affairs).

Since 1986 Mr. Harlow has served as Special Assistant to the President for Legislative Affairs at the White House in Washington, DC. Prior to this he was Associate Director for Legislative Affairs for the Office of Management and Budget, 1985 - 1986. He has also served as Special Assistant to the President for Legislative Affairs at the White House, 1985, and Director of the Office of Congressional Relations for the Federal Trade Commission, 1981 - 1985. He was Special Assistant to the Administrator and Acting Director of the Office of Legislation, 1981; director of governmental relations for the Grocery Manufacturers of America, Inc., 1976 - 1981; and a legislative specialist for the Environmental Protection Agency in Denver, CO, 1972 - 1976. From 1969 to 1971, Mr. Harlow was a staff assistant to Senator Howard H. Baker, 1969 - 1971.

Mr. Harlow graduated from George Washington University (B.A., 1971). He was born January 21, 1949, in Oklahoma City, OK. He is married, has two children, and resides in Vienna, VA.

Nomination of Thomas D. Larson To Be Administrator of the Federal Highway Administration

April 14, 1989

The President today announced his intention to nominate Thomas D. Larson to be Administrator of the Federal Highway Administration, Department of Transportation. He would succeed Robert Earl Farris.

Since 1987 Dr. Larson has been a faculty member and administrator at the Pennsylvania State University. Prior to this he was secretary of transportation for the Commonwealth of Pennsylvania, 1979 - 1987. From 1962 to 1979, he served as a faculty member and administrator at the Pennsylvania State University: professor of civil engineering, 1969; director of the Pennsylvania Transportation Institute, 1968; an associate professor of civil engineering, 1964; and an assistant professor of civil engineering, 1962. Dr. Larson also served in the U.S. Navy Civil Engineering Corps, 1954 - 1957.

Dr. Larson graduated from the Pennsylvania State University (B.S., 1952; M.S., 1959; Ph.D., 1962). He currently resides in University Park, PA.

Nomination of Brian W. Clymer To Be Administrator of the Urban Mass Transit Administration

April 14, 1989

The President today announced his intention to nominate Brian W. Clymer to be Administrator of the Urban Mass Transportation Administration, Department of Transportation. He would succeed Alfred A. DelliBovi.

Mr. Clymer currently serves as vice chairman of the board of directors for the Southeastern Pennsylvania Transportation Authority, and he has served in various capacities for SEPTA, including chairman of the budget and audit committee, 1983 to present; member of the committee, 1981 to present; member and former chairman of the pension committee, 1980 to present; member of the transit committee, 1980 to present; former chairman of the professional services committee, and member of ad hoc privatization. He also founded Clymer, Merves & Amon, Certified Public Accountants, 1982.

Mr. Clymer graduated from Lehigh University (B.S., 1969). He is married, has two children, and resides in Swarthmore, PA.

Nomination of Jacqueline Knox Brown To Be an Assistant Secretary of Energy

April 14, 1989

The President today announced his intention to nominate Jacqueline Knox Brown to be an Assistant Secretary of Energy (Congressional and Intergovernmental Affairs). She would succeed C. Anson Franklin.

Mrs. Brown most recently served as a senior policy analyst with the Commission on Executive, Legislative and Judicial Salaries in Washington, DC. Prior to this she was a senior policy analyst for the Presidential Commission on the Human Immunodeficiency Virus Epidemic, 1987 - 1988. Mrs. Brown has also served as staff director for the Minority Subcommittee on Aging, Committee on Labor and Human Resources, of the United States Senate, 1986 - 1987; and a legislative assistant to the Honorable Thad Cochran (R - MS), 1979 - 1986.

Mrs. Brown graduated from Howard University (B.A., 1983). She was born November 20, 1952, in Washington, DC. She is married and has one daughter.

Nomination of Joseph G. Schiff To Be an Assistant Secretary of Housing and Urban Development

April 14, 1989

The President today announced his intention to nominate Joseph G. Schiff to be an Assistant Secretary of Housing and Urban Development (Public and Indian Housing). He would succeed J. Michael Dorsey.

Since 1985 Mr. Schiff has been manager of the Louisville Office of the U.S. Department of Housing and Urban Development in Louisville, KY. Prior to this he was managing partner of Elaine Schiff Realtors in Louisville. He has served as deputy county judge-executive for Jefferson County, KY, and as a legislative assistant to Congressman William O. Cowger.

Mr. Schiff received a bachelor of arts degree from American University and a juris doctorate degree from the University of Louisville. He is married to the former Polly Sherman. They have two sons and reside in Louisville, KY.

Continuation of Frank E. Young as Commissioner of Food and Drugs at the Department of Health and Human Services

April 14, 1989

The President today announced that Frank E. Young, M.D. will continue to serve as Commissioner of Food and Drugs at the Department of Health and Human Services.

Dr. Young has served as Commissioner of the Food and Drug Administration since July 15, 1984. While Commissioner he has served as a member of the U.S. delegation to the world health assembly in Geneva, Switzerland, 1985 - 1986, and led the U.S. delegation to the third U.S./Israeli symposium on health in Jerusalem, 1985. He has served as chairman of the executive hospital committee of Strong Memorial Hospital, 1979 - 1984; chairman of the medical advisory committee for Monroe Community Hospital, 1979 - 1984; and a pathologist for Strong Memorial Hospital, 1974 - 1984. He was dean of the school of medicine and dentistry, and director of the medical center of the University of Rochester, 1979 - 1984, and vice president for health affairs, 1981 - 1984.

Dr. Young graduated from Union College, the medical center of the State University of New York (M.D.), and Case Western Reserve University (Ph.D). He is married and has five children.

Remarks to Citizens in Hamtramck, Michigan

April 17, 1989

Cardinal Szoka, your Eminence. Bob, thank you for the warm greeting to your wonderful community. Governor Blanchard -- it's an honor to have the Governor of the great State here. And I want to pay my respects to the members of the Michigan congressional delegation that came out here with me -- Senator Riegle and several distinguished Members of the House of Representatives sitting over here -- and also to Senator John Engler, who is the majority leader of the Michigan State Senate, and to other elected leaders not only from your community but in other parts of this State.

I'm delighted to be here. Bread and salt are both of the Earth, an ancient symbol of a life leavened by health and prosperity. And in this same spirit, I wish you all the same. And now, if I may, I want to address, at this important gathering, the health and prosperity of a whole nation -- the proud people of Poland. You know, we Americans are not mildly sympathetic spectators of events in Poland. We are bound to Poland by a very special bond: a bond of blood, of culture, and shared values. And so, it is only natural that as dramatic change comes to Poland we share the aspirations and excitement of the Polish people.

In my Inaugural Address, I spoke of the new breeze of freedom gaining strength around the world. ``In man's heart," I said, ``if not in fact, the day of the dictator is over. The totalitarian era is passing; its old ideas blown away like leaves from an ancient leafless tree." I spoke of the spreading recognition that prosperity can only come from a free market and the creative genius of individuals. And I spoke of the new potency of democratic ideals: of free speech, free elections, and the exercise of free will. And we should not be surprised that the ideas of democracy are returning with renewed force in Europe, the homeland of philosophers of freedom, whose ideals have been so fully realized in our great United States of America. And Victor Hugo said: ``An invasion of armies can be resisted, but not an idea whose time has come." My friends, liberty is an idea whose time has come in Eastern Europe, and make no mistake about it.

For almost half a century, the suppression of freedom in Eastern Europe, sustained by the military power of the Soviet Union, has kept nation from nation, neighbor from neighbor. And as East and West now seek to reduce arms, it must not be forgotten that arms are a symptom, not a source, of tension. The true source of tension is the imposed and unnatural division of Europe. How can there be stability and security in Europe and the world as long as nations and peoples are denied the right to determine their own future, a right explicitly promised by agreements among the victorious powers at the end of World War II? How can there be stability and security in Europe as long as nations which once stood proudly at the front rank of industrial powers are impoverished by a discredited ideology and stifling authoritarianism? The United States -- and let's be clear on this -- has never accepted the legitimacy of Europe's division. We accept no

spheres of influence that deny the sovereign rights of nations.

And yet the winds of change are shaping a new European destiny. Western Europe is resurgent, and Eastern Europe is awakening to yearnings for democracy, independence, and prosperity. In the Soviet Union itself, we are encouraged by the sound of voices long silent and the sight of the rulers consulting the ruled. We see new thinking in some aspects of Soviet foreign policy. We are hopeful that these stirrings presage meaningful, lasting, and far more reaching change. So, let no one doubt the sincerity of the American people and their government in our desire to see reform succeed inside the Soviet Union. We welcome the changes that have taken place, and we will continue to encourage greater recognition of human rights, market incentives, and free elections.

East and West are now negotiating on a broad range of issues, from arms reductions to the environment. But the Cold War began in Eastern Europe, and if it is to end, it will end in this crucible of world conflict. And it must end -- the American people want to see east and central Europe free, prosperous, and at peace. With prudence, realism, and patience, we seek to promote the evolution of freedom -- the opportunities sparked by the Helsinki accords and the deepening East-West contact. In recent years, we have improved relations with countries in the region. And in each case, we looked for progress in international posture and internal practices -- in human rights, cultural openness, emigration issues, opposition to international terror. While we want relations to improve, there are certain acts we will not condone or accept, behavior that can shift relations in the wrong direction -- human rights abuses, technology theft, and hostile intelligence or foreign policy actions against us.

Some regions are now seeking to win popular legitimacy through reforms. In Hungary, a new leadership is experimenting with reforms that may permit a political pluralism that only a few years ago would have been absolutely unthinkable. And in Poland, on April 5th, Solidarity leader Lech Walesa and Interior Minister Kiszczak signed agreements that, if faithfully implemented, will be a watershed in the postwar history of Eastern Europe.

Under the auspices of the roundtable agreements, the free trade union Solidarnosc was today -- this very day, under those agreements -- Solidarnosc was today formally restored. And the agreements also provide that a free opposition press will be legalized, independent political and other free association will be permitted, and elections for a new Polish senate will be held. These agreements testify to the realism of General Jaruzelski and his colleagues, and they are inspiring testimony to the spiritual guidance of the Catholic Church, the indomitable spirit of the Polish people, and the strength and wisdom of Lech Walesa.

Poland faces, and will continue to face for some time, severe economic problems. A modern French writer observed that communism is not another form of economics: It is the death of economics. In Poland, an economic system crippled by the inefficiencies of central planning almost proved the death of initiative and enterprise -- almost. But economic reforms can still

give free rein to the enterprising impulse and creative spirit of the great Polish people.

The Polish people understand the magnitude of this challenge. Democratic forces in Poland have asked for the moral, political, and economic support of the West, and the West will respond. My administration is completing now a thorough review of our policies toward Poland and all of Eastern Europe, and I've carefully considered ways that the United States can help Poland. And we will not act unconditionally. We're not going to offer unsound credits. We're not going to offer aid without requiring sound economic practices in return. And we must remember that Poland still is a member of the Warsaw Pact. And I will take no steps that compromise the security of the West.

The Congress, the Polish-American community -- and I support, I endorse strongly Ed Moskal and what he is doing in the Polish American Congress, I might say; and I'm delighted he's here, good Chicago boy right here in Hamtramck -- that the Congress, the Polish-American community, the American labor movement, our allies, and international financial institutions -- our allies all must work in concert if Polish democracy is to take root anew and sustain itself. And we can and must answer this call to freedom. And it is particularly appropriate here in Hamtramck for me to salute the members and leaders of the American labor movement for hanging tough with Solidarity through its darkest days. Labor deserves great credit for that.

Now the Poles are now taking steps that deserve our active support. And I have decided as your President on specific steps to be taken by the United States, carefully chosen to recognize the reforms underway and to encourage reforms yet to come now that Solidarnosc is legal. I will ask Congress to join me in providing Poland access to our Generalized System of Preferences, which offers selective tariff relief to beneficiary countries. We will work with our allies and friends in the Paris Club to develop sustainable new schedules for Poland to repay its debt, easing a heavy burden so that a free market can grow.

I will also ask Congress to join me in authorizing the Overseas Private Investment Corporation to operate in Poland, to the benefit of both Polish and U.S. investors. We will propose negotiations for a private business agreement with Poland to encourage cooperation between U.S. firms and Poland's private businesses -- both sides can benefit. The United States will continue to consider supporting, on their merits, viable loans to the private sector by the International Finance Corporation. We believe that the roundtable agreements clear the way for Poland to be able to work with International Monetary Fund on programs that support sound, market-oriented economic policies. We will encourage business and private nonprofit groups to develop innovative programs to swap Polish debt for equity in Polish enterprises, and for charitable, humanitarian, and environmental projects. We will support imaginative educational, cultural, and training programs to help liberate the creative energies of the Polish people.

You know, when I visited Poland in September of 1987, I was then Vice President, and I told Chairman Jaruzelski and Lech Walesa that the American people and Government would respond

quickly and imaginatively to significant internal reform of the kind that we now see -- both of them valued that assurance. So, it is especially gratifying for me today to witness the changes now taking place in Poland and to announce these important changes in U.S. policy. The United States of America keeps its promises.

If Poland's experiment succeeds, other countries may follow. And while we must still differentiate among the nations of Eastern Europe, Poland offers two lessons for all. First, there can be no progress without significant political and economic liberalization. And second, help from the West will come in concert with liberalization. Our friends and European allies share this philosophy.

The West can now be bold in proposing a vision of the European future. We dream of the day when there will be no barriers to the free movement of peoples, goods, and ideas. We dream of the day when Eastern European peoples will be free to choose their system of government and to vote for the party of their choice in regular, free, contested elections. And we dream of the day when Eastern European countries will be free to choose their own peaceful course in the world, including closer ties with Western Europe. And we envision an Eastern Europe in which the Soviet Union has renounced military intervention as an instrument of its policy -- on any pretext. We share an unwavering conviction that one day all the peoples of Europe will live in freedom. And make no mistake about that.

Next month, at a summit of the North Atlantic alliance, I will meet with the leaders of the Western democracies. The leaders of the Western democracies will discuss these concerns. And these are not bilateral issues just between the United States and the Soviet Union. They are, rather, the concern of all the Western allies, calling for common approaches. The Soviet Union should understand, in turn, that a free, democratic Eastern Europe as we envision it would threaten no one and no country. Such an evolution would imply and reinforce the further improvement of East-West relations in all dimensions -- arms reductions, political relations, trade -- in ways that enhance the safety and well-being of all of Europe. There is no other way.

What has brought us to this opening? The unity and strength of the democracies, yes, and something else: the bold, new thinking in the Soviet Union, the innate desire for freedom in the hearts of all men. We will not waver in our dedication to freedom now. And if we're wise, united, and ready to seize the moment, we will be remembered as the generation that made all Europe free.

Two centuries ago, a Polish patriot, Thaddeus Kosciusko, came to these American shores to stand for freedom. Let us honor and remember this hero of our own struggle for freedom by extending our hand to those who work the shipyards of Gdansk and walk the cobbled streets of Warsaw. Let us recall the words of the Poles who struggled for independence: ``For your freedom and ours." Let us support the peaceful evolution of democracy in Poland. The cause of liberty knows no limits; the friends of freedom, no borders.

God bless Poland. God bless the United States of America. Thank you all very much. Niech Zyje Polska! [Long live Poland!] Thank you very much.

Note: The President spoke at 11:53 a.m. at Hamtramck City Hall. In his opening remarks, he referred to Cardinal Edmund C. Szoka, the Archbishop of Detroit, and Robert Kozaren, mayor of Hamtramck. He also referred to Edward Moskal, president of the Polish-American Congress. Following his remarks, the President attended a luncheon at the Eagle Restaurant. Following the luncheon, he returned to Washington, DC.

A fact sheet entitled ``Support for Polish Reforms'' was also released by the Office of the Press Secretary. In addition to covering the material on this subject found in these remarks, the fact sheet also contained the following points concerning U.S. policy toward Poland:

``Once authorized, OPIC [Overseas Private Investment Corporation] and the Polish Government will negotiate an investment incentives agreement detailing OPIC's rights and the GOP's [Government of Poland's] responsibilities for OPIC-assisted investment.

``In the absence of GSP [Generalized System of Preferences], OPIC would make an independent determination that Poland is taking steps to adopt and implement worker rights. We will work closely with Solidarity."

Remarks at the National Conference of the Building and Construction Trades Department of the AFL - CIO

April 18, 1989

Thank you for that warm welcome. Thank you, Bob Georgine, for that warm welcome. Since the election is over, the story can now be told: a proud story about all the help this guy gave me in the last two elections. [Laughter] No, here's the way it worked, really. [Laughter]

In this very room, I'm at an Italian-American dinner in 1984, sitting up here at the high -- you know, the big dais here and everything. Georgine comes over -- very pleasant to my wife, who could well be his campaign manager if he has higher aspirations. [Laughter] And he says, ``You've got to understand, George," he tells me, ``you've got to understand. Don't you realize Geraldine Ferraro is an Italian? Don't you understand that?" I said, ``Yes, I understand, so I was waiting for 1988." [Laughter] See him at the same dinner, same place, looking at him. ``Hey, come on." And he says, ``You've got to understand." I looked at his nametag. I'm running against Michael Dukakis, famous Greek-American. I see his nametag -- Bob Georgapolis -- [laughter] -- little much.

But look, here I am, and I appreciate very much the tone with which your outstanding leader set the agenda here today and the warm welcome that you gave me. And I do have great respect for Bob Georgine. I've told him this. The door will be open over there to him, to the leaders here, and to all of you, whom he represents so well. And he doesn't hide behind the differences. We get them out there on the table. But there's a lot more to the relationship between the White House and the labor organizations than one issue or another.

And I think of this group, and I think of patriotism. I think of love of country. I think of family and the values that have always made this country great. And so, I came over here to salute you and to express my great appreciation and to tell you a couple other things. The puppies are fine. [Laughter] And even more important, my wife's health is great, and I appreciate that.

So, I think we all have a lot to be grateful for, and I'm honored by the presence of many friends here today. I have great confidence in and respect for and obvious friendship with our Secretary of Labor Elizabeth Dole, who's with me here today and who's going to speak in just a minute. And I appreciate the cooperation so many of you have given her already. I want to salute Tom Ridge, a friend of mine of long standing, and I don't think labor has a better friend in the Congress. Of course, there's others up here: the Teamsters president Billy McCarthy down there, a friend of mine; and Buddy Ruel and John Bowden of the Iron Workers; Bill Dugan and John Bertrand of the Operating Engineers; Eddie Brubeck, Indianapolis Building Trades, and many, many others. I'm going to make an omission and thus hurt feelings, and I don't want to do that. But I want to thank everybody.

We hold elections in this country -- it's a good thing -- and then we move on. Leadership assumes office; it exerts its influence. But it must never presume that it does any more than speak and act for the people, and we have had honest differences. But we agree on goals, and what matters is that we make progress on issues of shared concern.

So, I begin today with a special word of thanks. Your Dad's Day event is a shining example of voluntarism in action. And it's a reminder of how we in America must learn to measure success: not by the sum of our possessions but by the good we do for others. And on Father's Day, the Building Trades will be winning a victory for humanity, large and small.

Your theme for this magnificent conference is ``Building for the Future.'' And so, today I want to share just a few thoughts on how we can build a better America. We're a prosperous nation. Thank God we're at peace. And you've heard the numbers: 76 months of recordbreaking economic growth -- a growth rate that outstrips the nations of Europe, exceeding all expectations -- and nearly 20 million new jobs. Unemployment at a 15-year low; real family income at all-time high; output of goods and services up over 27 percent since the end of '82. But we have to remember what's driving the economic growth: the enterprise and the energy of people like yourselves. You build a better America every single day.

Anyone who forgets that the working men and women drive this economy ought to take a lesson from the guy with the circular saw who runs over his own power cord. The guy may think he's headed in the right direction, but he's headed for a real shock. [Laughter]

Our economy is healthy. But to keep the momentum going, to keep America competitive, and to keep the building trades strong, we must keep inflation and interest rates down; and moreover, we must bring them down further. The way to do that is to bring the budget deficit down. And it isn't fun working at it, but I am going to succeed. We've got to bring that deficit down.

I'm pleased to say that we've reached a budget agreement with Congress. And I'd add that this is the first such agreement reached ahead of schedule and not framed in the context of crisis. This is only a first step, but it is an important step. This budget agreement meets our fundamental obligations to protect national security and support the needy. It provides funds to advance high-priority initiatives, but it also -- and this is the hard part -- it restrains the overall growth of Federal spending so that we can meet these Gramm-Rudman-Hollings deficit targets. Next year alone, Federal revenues will rise by more than $80 billion, with no tax increase. And that's an agreed revenue increase -- I believe it's agreed by both the CBO [Congressional Budget Office] and our own estimates. This agreement should bring the deficit for 1990 down to $99.4 billion, and that is a $64 billion reduction in 1 year.

And let me say this -- I did keep a promise I made, and it was alluded to by Bob Georgine: We have not raised taxes on the working men and women of this country. And I'm going to hold the line on those taxes. What the budget does do is put our priorities in the right place. It puts the

focus on the kind of investment we need to build on economic growth and stimulate competitive enterprise, and that means -- and I know this one is controversial -- but it means restoring the capital gains differential to 15 percent.

Whatever else you've heard, the capital gains cut will make us more competitive with our major trading partners who tax capital gains lightly, if at all. It will bring in $4.8 billion more in tax revenues in 1990, according to the Treasury Department, and it will help American enterprise grow. But the big thing about it is: More people will start businesses; more people will help join in creating jobs and competitiveness, opportunity and growth, saving investment for the long-term, and more jobs. And that is what we are all fighting for. So, I must make clear why it is I am fighting for that one provision, that change in the Tax Code.

Construction-related jobs are vital to a strong economy; but as we work to create those jobs, we need to make sure that every person who takes a construction job is as safe as we can make them. And one step -- we've established a new Office of Engineering Support in OSHA [Occupational Safety and Health Administration] to work more closely with you for better accident investigation and prevention.

Along with keeping workers safe, building a better, more competitive America demands that the workers are skilled. And we need to ease some of the shortages of talent already developing in your trades and many others. So, we're looking to the only long-term solution: comprehensive education and training. Over 50 million Americans -- this is a mind-boggling figure -- 50 million Americans will need some kind of training or retraining before the end of this century, and meeting that need will demand real partnerships between employers and workers and between government and industry.

The construction trades have a history of outstanding training and development efforts. Job Corps, the Job Training Partnership Act have also had outstanding results. And I'll be looking to Secretary Dole, as she finds new solutions, to help those who aren't yet prepared for the jobs of the future because of skills gap and family pressures or a lack of supportive policies. Let me say she has in this my full support.

You know, back a thousand years ago, when Barbara and I left the East and moved out to west Texas -- Odessa-Midland area -- in the late forties, I learned something about building a business and meeting a payroll, and lived a few of the lessons that you're supposed to get out of books about supply and demand and risk and reward and profit and loss. But I also learned something about the trust that must exist between workers and managers. And our working men and women face real challenges now. And to meet them, our spirit has got to be one of cooperation, or motivation, if you will, for the common good. And there will be honest differences, and that's why we need a National Labor Relations Board of knowledgeable individuals whose neutrality and integrity are above reproach. And let me assure you: People I'm going to nominate meet these standards. My appointments will not be antilabor or antibusiness -- or, as I say,

antibusiness. They will be based on fairplay.

We must keep the ball in play. Like Mark Twain said: ``It's not good sportsmanship to pick up lost golf balls while they're still rolling." [Laughter] I can't figure out who was the better philosopher, Yogi Berra or Mark Twain. You remember Yogi: ``Okay, now pair them off in threes." [Laughter]

Yesterday, I saluted the members and leaders of the American labor movement for hanging tough with Lech Walesa in Solidarnosc through the darkest days. Democratic forces in Poland have asked for the support of the West, and the West will respond. The Congress, the Polish-American community, the American labor movement, our allies, and international financial institutions all must work together if Polish democracy is to take root and to endure. Brighter days may be dawning in Eastern Europe, in Poland, in Central America. Wherever the free trade movement is threatened, so, too, is democracy and freedom itself. And I put this in here about Poland and the changes that are taking place because when I think of freedom and the American people's understanding of freedom, I do think of your great organizations -- you understand it.

One of the things I most admire when I talk with members of the building trades is this underlying sense of patriotism. Among you here today are many veterans -- World War II, Korea, and Vietnam. And you want to talk about freedom? No one appreciates it more than someone who's put their lives and limbs at risk in its defense, and many of you in this room have done just exactly that.

And, now, you may figure that politicians come and go. Well, the kind of people that are essential to a free and prosperous society with a competitive economy are people like yourselves. You bear the tools, the skills, and the will to build a better America and to keep this great nation free. I want this door at the White House to stay open. I want to work with you to advocate, to negotiate -- and to count on you, most importantly, as neighbors and friends who share the family values that I think are so vital to the survival and strength of the United States of America.

You know, speaking of Yogi Berra, again, someone once asked him if he was a fatalist. And he answered, ``No, I never collected postage stamps." [Laughter] We are the United States of America. We have no time for fatalism in the face of our good fortune. And like every American, I am grateful for all of the blessings that the builders of America have built as monuments to our labor and our freedom. I came over here to salute your leadership and to thank each and every one of the building trades members.

Thank you all. God bless you, and most of all, God bless the United States of America.

Note: The President spoke at 10:16 a.m. in the International Ballroom at the Washington Hilton Hotel. In his remarks, he referred to Robert Georgine, president of the department, and

Representative Thomas J. Ridge of Pennsylvania.

Message to the Congress Reporting Budget Deferrals

April 18, 1989

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report five revised deferrals of budget authority now totaling $649,663,811.

The deferrals affect programs in the Departments of Agriculture, Defense-Civil, Energy, Health and Human Services-Social Security Administration, and Justice.

The details of the deferrals are contained in the enclosed report.

George Bush

The White House,

April 18, 1989.

Note: The attachments detailing the deferrals were printed in the ``Federal Register'' of April 27.

Remarks and a Question-and-Answer Session With Agricultural Journalists

April 18, 1989

The President. Thank you, Clayton Yeutter, our distinguished Secretary of Agriculture. And, Gary, thank you for monitoring us here and, Brenda, thank you for those words of welcome.

You know, American farmers got good news at the GATT [General Agreement on Tariffs and Trade] agricultural talks in Geneva a couple of weeks ago. G-A-T-T, known as GATT, was set up to provide these international rules of trade. And there was a renewed commitment by the 96 participating nations to long-term agricultural reform, benefiting farmers, consumers, and taxpayers all around the world. And there was a new road map for the final 2 years of negotiations.

America's goals for this trade round have not changed. Clayt, you fought for this when you were the U.S. Trade Representative and now as Secretary of Agriculture. The goals haven't changed; the bottom line is fairness for the American farmer. And we seek a level playing field for our farmers: the eventual elimination of export subsidies, import barriers, and other devices that distort trade and create bogus incentives to grow products for which no markets exist. On a level playing field, where neither side has the home team advantage, American farmers can compete with anybody in the world. And we'd have an export boom if we had that kind of international market.

The American people are behind you in these negotiations. We will not take actions, short-term or long-term, that aren't matched by the European Community and the other developed nations. We're not about to disarm unilaterally in agriculture. And we want to get rid of the impediments that keep us from exporting.

The American public is also deeply concerned about economic conditions in our rural communities. And that means, need to diversify in our rural economies -- creating more jobs in these rural areas. In a response, we're developing a new working group on rural development. It's chaired by the Secretary of Agriculture, and I know he'll be glad to talk about that. It'll have senior leaders from every arm of government with outreach to rural America. And to the listeners today, we would welcome your ideas. Economic stress in rural areas is not just numbers and statistics and bushels of wheat: It's people and pride and sweat and families that need help now.

And then lastly, to provide some extra money to farmers early in the crop year, today we are announcing additional advance deficiency payments for farmers who sign up for the 1989 wheat, feed grain, rice, and upland cotton programs. This will mean an additional 10 percent of

projected deficiency payments, or a total of about $850 million for American farmers.

And this the final thought, before we go to the questions from the farm broadcasters: A breakthrough budget compromise was reached with Congress on Friday. It came early, and that's good news for all Americans.

We're listening. We are with the American farmer in these tough times. And we're here today to take some questions, and thank you very much.

Agricultural Exports

Q. Mr. President, I'd like to pursue the area of agricultural trade. Until this morning, we had been using our agricultural trade through the Export Enhancement Program to maintain, and perhaps to gain, some new markets. There are those who say that we should use our food exports as a foreign policy tool as well. Do you and your administration see using the food that we can produce for other countries as a foreign policy tool?

The President. No, sir, not if I'm interpreting your question correctly, because when I think of foreign policy tool, my mind goes back to singling out agriculture in a trade embargo against the Soviet Union. And I will not do that as President of the United States. I know our able Secretary of Agriculture is on the same side of this one. We will not use food as a diplomatic tool. We are rebuilding confidence in American agriculture in terms of reliability in foreign markets, and we're going to have to continue to do that. And one way to reverse that out and set back exports would be to use food as a diplomatic tool. And I'm not going to do that.

Drought Relief

Q. Mr. President, all the farm broadcasters appreciate your openness and Secretary Yeutter's openness to American agriculture. You mentioned the advanced deficiency payment increases, and being the fact that Kansas crop, especially wheat, so devastated by the drought conditions -- will this be the sum total of Federal action for producers who've lost crops to drought -- increase in deficiency payments?

The President. Well, I wouldn't say the sum total. And I'd let Secretary Yeutter share with you, as he did with me in the Oval Office, his views on his recent trip to Kansas, where he saw firsthand the suffering and the concern of American farmers. So, I wouldn't say this will be all that can be done. I do think that because farmers are still experiencing these dry conditions in the Midwest and in other parts of the Nation that this program will help -- advancing the payments. But on the other hand, I'd leave to Clayton what steps further we might take, but I can tell you this: Because of his standing in the agricultural community and his day-to-day contact with farmers, I will be very openminded over in the White House if he comes over with additional suggestions or recommendations. So, this should not be viewed as the definitive answer. We

hope it is something that will help the farm family.

Secretary Yeutter. I'll do just a quick supplement to that so that we don't cut into the valuable time of the President of the United States. But just to say, as you know, Mark [Mark Vail, Kansas Agriculture Network, Topeka, KS], I visited Kansas, along with Senators Dole and Kassebaum and Congressman Roberts, on Friday. Governor Hayden [of Kansas] accompanied us. The Governor has submitted a followup letter already. It came in today. We're going to analyze all that very carefully over the next few days, and we'll see what we can do. Clearly, we don't have an open spigot that just spits out Federal dollars in any situation today. I made that point clear when I was in Kansas. But we'll be as sympathetic and accommodative as we can be within rather severe budgetary constraints.

Agriculture Budget

Q. Good afternoon, Mr. President. And by the way, greetings from the Concho Valley and the Permian Basin. Since your budget announcement Friday, there has been a lot of concern voiced by Congressmen de la Garza and Stenholm on the House Agriculture Committee that agriculture is being asked to take more than its fair share of cuts in spending. Now, in your campaign, you assured farmers that the budget would not be balanced on their backs, and I just wonder, how do you react to these concerns?

The President. Well, Roddy [Roddy Peeples, Southwest Agriculture Network, San Angelo, TX], first, greetings to Tom Green County out there, and I'm delighted to be talking to you. Secondly, my view is this: We are in perilous budget deficit times. We have got to get the deficit down, and the best thing we can do to help the American farmer is to get these interest rates down. And the best way to do that is to make the tough decision on the spending side of our budget. Now, having said that, I feel that farmers are fairplay. I mentioned earlier the grain embargo. One of the things that irks the farmers -- properly -- is that they were asked to carry the whole burden, and here we're not. Yes, ag has taken a hit, but so has a wide array of programs across the board. And I think what we've done here is fair.

The program is still there and vigorous and high levels of spending -- $11 billion I think is the figure. And so, I hope that nobody feels that this is an unfair approach to getting the deficit down. But I can guarantee you that if we are successful -- and I've done this, incidentally, this first step, without raising taxes on the American farmer -- if we are successful here, then you're going to have the biggest benefit to the farmers at all: You're going to have a lower interest rate, a continued growing economy. And then, if we succeed overseas, you're going to have a vigorous new market for ag products. So please, I can understand Chairman de la Garza, my friend from south Texas, and -- who was it? -- Charlie Stenholm, who is out there from east and north of you; but I'll tell you I think in the final analysis, we'll convince them that this is an equitable approach to our budget.

Agricultural Exports

Q. Mr. President, it's a real privilege to have this opportunity to visit with you today. And I'd like to return to what you opened with, and that's the good news of the GATT talks and the effect that might be seen on the new farm bill. I know that Secretary Yeutter has referred to that; he said he may want to alter the content, have more leverage in the GATT negotiations. Would you comment on that, please?

The President. Well, Dix [Dix Harper, Tobacco Network, Raleigh, NC], first, thank you, sir, for the greeting, and I'll let Clayton in a minute go into a little more detail. But what happened over there was that an international community reluctant to discuss agriculture has finally understood that we've got to go forward. Now, we have agricultural Export Enhancement Program. Others have had that for a long time. Others gripe when the United States farmer gets the same incentive built into the system that they themselves have enjoyed for a long time. We understand that. We understand the screams coming from them. But the good news is we've got this on the agenda; we will be able to move forward now to freer markets and to less protection.

And so, the upcoming farm bill can indeed be used as leverage, you might say, because we are not going to unilaterally disarm, if you will. We're not going to take cuts unilaterally based on some verbal assurance from people that have excluded our products from their market. So, we've moved forward at GATT. We've got a farm bill where we're not going to back away and make unilateral concessions to others. But the climate is better. And I'll let Clayton, if he will, fill in a little bit more detail on that.

Secretary Yeutter. As you know, we've got 20 months to go in these negotiations, as they wrap up on time at the end of 1990. We hope they will, and we believe that the agreement that was reached in Geneva just a few days ago is going to contribute to that end. We had a good week in Geneva. We got the kind of long-term commitment we wanted, and now we simply have to fight this out at the negotiating table.

But as President Bush said, we certainly want to do the right things in next year's farm bill to contribute to that negotiating environment. In other words, we sure don't want to give away any negotiating leverage, and if possible, we've got to try to enhance it. In that regard, by the way, I'm going to be testifying to the Senate Ag Committee tomorrow morning in the first hearing that'll be held on the farm bill. You may want to take a look at my testimony when it's available tomorrow, because it'll have some statements on this subject that'll be quite definitive and specific.

Q. Mr. President, you frequently linked ag and exports in public comments and once suggested that Secretary Yeutter was hardly changing his job in moving from USTR [U.S. Trade Representative] to Agriculture. With the steep debt we've got and with the favorable import balance agriculture brings, should U.S. producers be worried the Government's use for them now

is strictly as earners of currency to stanch the flow of assets out of this country?

The President. No, they shouldn't have any concern on that because we are -- let me just repeat, using this phrase ``unilateral disarmament'' -- we are not going to unilaterally disarm. And I still feel deep in my heart that if we can get fewer barriers the American farmer can compete in all kinds of areas. And I'm including dairy in this, where we haven't competed much before. And so, we're not going to take unilateral hits in agriculture, because agriculture in many areas is benefiting our whole international trade position.

Secretary Yeutter. And we do want to be big export earners, as a matter of fact. Gary [Gary Digiuseppe, Brownfield Network, Centertown, MO], as you well know, the more markets we can open up overseas, the more exports we'll have. And agriculture will continue to make a very positive contribution to the trade balance. And that'll be good because that'll also result in higher farm incomes. And that's what all of us want, and the President's strongly supportive of that.

Secretary of Agriculture Yeutter

The President. Gary, there was one person that wasn't sure that Secretary Yeutter was doing exactly the same thing, and that was Mrs. Yeutter. Because I think they had had plans to go back to the private sector. And I got with Clayton, and I said, ``Look, it is absolutely essential to our country that you agree to serve as Secretary of Agriculture.'' And it was one of the best decisions, I think, that I've made. And of course, I was grateful that he set aside his private-sector plan -- and his wife very graciously understood this -- so he once again could serve, and did it in a portfolio here that is just vital, and not just in your area of question, international trade, but to our whole economy. So, I'm grateful the Secretary did differentiate here.

Secretary Yeutter. Thank you, Mr. President. That's a very gracious and generous comment and a true story. Your time with us is up, I'm sorry to say, Mr. President. But on behalf of everybody in American agriculture, I want to thank you for coming, and then I'll stay on and answer a few more questions.

The President. Well -- and I would apologize to those whose questions I didn't get to take. And I was talking to Clayt -- he came over to the White House. And I wish that all of you who love nature and love the Mother Earth could have been with Clayton Yeutter and me as we walked through the beautiful Rose Garden area of the White House. It is at its most beautiful this time of year. And I get a kick out of seeing all the tourists from middle America and agricultural America and everyplace coming to the ``people's house.''

But having said all that, we were talking about this first program of this nature. And I told Clayt that, if agreeable and if we didn't foul it up too bad in this first session, that I would welcome coming back here to this little studio in the Ag Department to take questions from you, the important voices of agriculture in America. So, thanks for your hospitality. And as Douglas

MacArthur said, ``I shall return." Thank you very much.

Note: The President spoke at 1:18 p.m., during the Farm Radio Broadcast, in the Department of Agriculture broadcasting studio. In his opening remarks, he referred to announcers Gary Crawford and Brenda Curtis.

Remarks Upon Signing the Bill Implementing the Bipartisan Accord on Central America

April 18, 1989

Please be seated. And distinguished leaders of the Congress here today, my thanks for joining us. Four weeks ago, for the first time in many years, the President and Congress, the Democratic and Republican leadership in the House and Senate, spoke with one voice about Central America. And by signing a bipartisan accord on Central America, we joined hands for the good of that troubled region, and by placing principle above party, we reaffirmed the cornerstone of America's foreign policy.

Last week the Congress passed legislation to implement the bipartisan accord, and today I am very proud to sign this legislation. My friends, you've shown that bipartisanship works. And I want to thank you for acting quickly, honorably, and in the national interest.

Our objective in Central America is a democratic Nicaragua which does not subvert or threaten its neighbors and whose people enjoy the social and economic fruits of a free society. Our continued assistance to the Nicaraguan resistance represents the commitment of the United States both to Esquipulas -- the peace process -- and to sustain those who struggle for freedom and democracy. Under the Esquipulas accord, insurgent forces have the right to reintegrate into their homeland under safe, democratic conditions with full civil and political rights. And that's the desire of the Nicaraguan resistance. And we will support it through concerted diplomatic efforts to reinforce this regional agreement.

Here, in particular, let me thank the Congress. For by supporting my request for continued assistance at current levels through the elections in Nicaragua, scheduled now for February 28, 1990, you have reaffirmed the will of this government to ensure peace and freedom in Central America.

The success of the Central American peace process and the prospects of national reconciliation in Nicaragua depend on full and honest Sandinista compliance with their repeated pledges of democracy and freedom. We've yet to see genuine Sandinista compliance; thus far, they've refused to negotiate with the opposition regarding the necessary conditions for fair elections. It's clear that close international scrutiny and sustained pressure will be critical to induce Sandinista compliance. It's also clear that the Soviet Union must match its rhetorical support for the peace process with concrete action to halt military aid, to end subversion in that region, and to promote genuine democracy in Nicaragua.

It is fitting to recall what Franklin Roosevelt said when he addressed the Nation in 1940: ``Today we seek a moral basis for peace. It cannot be a lasting peace if the fruit of it is

oppression or starvation or cruelty or human life dominated by armed camps."

Our accord envisions a democratic Central America and a more just and tranquil hemisphere. And above all, it points us toward the future -- for America and for the people of Central America.

So, let us seize the moment. Thank you, Mr. Speaker and Mr. Majority Leader, minority leaders, distinguished Members of the Congress; and thank all of you for being here. And now it's my pleasure to sign the legislation implementing the bipartisan accord on Central America. Thank you all.

Note: The President spoke at 2:18 p.m. in the Rose Garden at the White House. In his closing remarks, he referred to Jim Wright, Speaker of the House of Representatives; George J. Mitchell and Robert Dole, majority and minority leaders of the Senate, respectively. Thomas S. Foley and Robert H. Michel, majority and minority leaders of the House of Representatives, respectively. H.R. 1750, approved April 18, was assigned Public Law No. 101-14.

Statement by Press Secretary Fitzwater on the Situation in Lebanon

April 18, 1989

President Bush is deeply concerned about the growing violence in Lebanon and the escalating suffering of the Lebanese people. The President calls for all internal parties and Syria to cease shelling and to step back from confrontation. The President strongly supports efforts currently underway, such as the one by the Arab League, to bring about a cease-fire and an end to the violence.

In addition, yesterday President Bush and President Mitterrand of France discussed by telephone steps that the United Nations could take to calm the situation. Both Presidents stressed their concern about the loss of life, injuries, and deterioration of the situation in Beirut. The two Presidents stressed the need for international support for efforts to bring about a peaceful solution.

Statement on Maternal and Child Health Care Proposals

April 18, 1989

I look forward to meeting today with Secretary Sullivan to discuss our effort to improve the health of mothers and children.

As part of that effort, we are today forwarding to the Congress our maternal and infant health proposals. I hope the Congress will enact this legislation and will also act on my other Medicaid commitments: full funding of the ongoing Medicaid program in FY 90 and an additional appropriation of $20 million to build our understanding of how best to improve maternal and infant health.

Infant and maternal health is an area where we must invest in the future. It is also an area where we must all be committed to improvement. I am particularly disturbed by the fact that the infant mortality rate for black infants is nearly twice that for whites.

This legislation does not do all that we want to do, but it does do what we can do at this time. In my February 9 address to the Nation, I said the budget we were submitting represented my best judgment of how we can address our priorities. This legislation shows that principle at work. Investing in the health of pregnant women, infants, and children is our highest priority for the Medicaid program. And that is why, at a time like today when resources are tight, when we have more desires than funds, we must move resources from certain lower priorities to the higher priority of maternal and infant health.

Maternal and infant health is equally important to Secretary Sullivan. He knows the issues; he knows the problems. I'm confident that his effort to put all the knowledge and talent in the Department of Health and Human Services behind this issue will yield substantial rewards for our nation's effort to improve maternal and infant health.

White House Fact Sheet on Maternal and Child Health Care Proposals

April 18, 1989

The administration today forwarded to the Congress proposed legislation to make Federal programs better serve pregnant women, infants, and children. The legislation carries out commitments the President made in his February 9 address, ``Building a Better America.'' The President's proposals also include funds for improving the delivery of health care services; this request does not require new legislation.

The legislation would expand significantly the population Medicaid serves, making Medicaid available to 1.9 million more women when they become pregnant. The legislation also takes steps to make Medicaid more effective by bringing more eligible women and infants into the program. The legislation is part of an overall approach to health care for the disadvantaged that calls for full funding for Medicaid, $37.6 billion for FY 1990, an increase of $3.3 billion or 9.6 percent over the FY 1989 level.

The President's Principles

The President is committed to improving health care for lower income Americans by focusing first on the populations most at risk: mothers and their babies. Expansions in the Medicaid program contemplated under current law will do much to meet these needs.

The most cost-effective means must be used to achieve our goals. Adequate prenatal care and immunization against childhood diseases are both the most effective and least costly means to good health early in life.

Greater personal responsibility for good health must be fostered. Mothers must be encouraged to seek prenatal care; to avoid the use of cigarettes, alcohol, and drugs; and to obtain good nutrition. The effects of the expanded Medicaid eligibility in the administration proposal will be undermined if mothers make unhealthy choices.

States and community groups have a vital role in improving child health care and must be given flexibility in using their resources to meet their own specific problems. The Federal Government should continue to provide support through State-administered programs such as Medicaid.

The President's Proposals

The legislation transmitted to the Congress today would:

increase by 374,000 the number of pregnant women and children eligible for Medicaid.

foster greater participation in Medicaid by eligible pregnant women by providing services to pregnant women who are presumed eligible for Medicaid before a formal eligibility determination is made, and requiring States to operate outreach programs in areas of high infant mortality.

entitle all children under age 6 who are receiving food stamps to Medicaid coverage for immunizations.

make the Federal match rate for State administrative expenses a uniform 50 percent by gradually reducing special administrative match rates ranging from 75 to 100 percent. The savings that result would allow the legislative eligibility changes proposed by the President to be implemented within the current programs' spending level.

The President has also proposed investing $20 million in both FY 1990 and FY 1991 for a new demonstration program. The demonstrations would implement improved coordination among three Federal programs: Medicaid; Maternal and Child Health; and the Women, Infants, and Children (WIC) nutrition programs. The results of the demonstrations are intended to serve as the basis for future reform of service delivery under these programs.

Infant Health in America

Progress in improving infant health is most often described in terms of infant mortality statistics. The United States has made significant progress since World War II in reducing infant mortality. Infant mortality has dropped from 29.2 deaths per thousand births in 1950 to 10.4 in 1986, the most recent year for which final data is available.

In recent years, the United States has not made as much progress as other countries. As a result, the United States has dropped from 19th in 1980 to 22d in 1985 among the nations of the world when ranked by infant mortality rates.

Infant mortality rates for black Americans have been and remain higher than those for whites. The black infant mortality rate stood at 43.9 deaths per 1,000 births in 1950; in 1985 it was 18.2 deaths. While this is a significant improvement, it remains nearly twice the 9.3 deaths per 1,000 births among white Americans.

Medicaid alone is not sufficient to assure proper medical care. In a survey of the poorest areas of New York City, where infant mortality is high, 68.5 percent of the mothers were Medicaid recipients, but 39 percent of the mothers received late or no prenatal care. In such areas, drug and alcohol abuse are often the greatest threat to maternal and infant health.

The goal of healthier babies depends on mothers making intelligent choices during pregnancy: avoiding smoking, drugs, and alcohol. The President's proposal to fund demonstrations that encourage better coordination of Federal programs will lead to more effective program designs and form the basis for future Federal program changes.

Medicaid and Infant Health: Current Law and the Administration's Proposals

Under current law, by July 1, 1990, every State Medicaid program must cover pregnant women and infants (up to age 1) with incomes not exceeding 100 percent of the Federal poverty line. States may elect to cover women and infants with incomes up to 185 percent of the poverty line.

Under the administration's proposal, States would be required, by April 1, 1990, to provide coverage to pregnant women and infants whose income does not exceed 130 percent of the poverty line. The option for coverage up to 185 percent of the poverty line would remain unchanged.

Under the President's proposals, a single pregnant woman with an income of up to $10,426 would be eligible; $13,078 for a household of two; $15,730 for a household of three; and $18,382 for a household of four.

Current law provides that States may grant presumptive Medicaid eligibility to pregnant women. Under this option, States designate qualified providers who, based on a preliminary assessment of the woman's income, may determine her to be eligible. These providers are facilities that have a high proportion of eligible women in their clientele and include community health centers, public health departments, and maternal and child health clinics. A woman who is presumptively eligible is entitled to ambulatory care for up to 45 days, during the first 14 of which she is expected to apply for Medicaid. Twenty States have adopted this option.

The administration proposes to require that all States offer presumptive Medicaid eligibility. This will increase the number of pregnant women who will receive coverage and obtain prenatal care early in their pregnancies. Any woman with a valid food stamp card would be presumptively eligible. The period of presumptive eligibility would be set at 60 days. States would be required to demonstrate efforts to make the presumptive eligibility process work in all areas of the State. In addition, the State would be required to demonstrate outreach and public education efforts in areas with high rates of infant mortality.

Remarks Following Discussions With King Hussein I of Jordan

April 19, 1989

The President. Well, I've had the pleasure and honor of an intimate discussion with an old friend, His Majesty King Hussein of Jordan. The relationship between Jordan and the United States has deep roots; it's founded on a commonality of interests and mutual respect. And it is in this spirit that His Majesty and I reviewed the situation in the Middle East and, in particular, the search for Arab-Israeli peace. We talked also of the concerns that we both have about Lebanon.

Few individuals can match the dedication of His Majesty King Hussein to the cause of peace, for his is a commitment to explore opportunities, examine options, pursue possibilities. And I explained to him our thinking on the need to diffuse tensions, to promote dialog, to foster the process of negotiations that could lead to a comprehensive settlement. And I reiterated my belief that properly designed and mutually acceptable elections could, as an initial step, contribute to a political process leading to negotiations on the final status of the West Bank and Gaza. I also reaffirmed to His Majesty our longstanding commitment to bring about a comprehensive settlement through negotiations based on U.N. Resolutions 242 and 338 and the principle of territory for peace. Through these negotiations, peace and security for Israel and all states, and legitimate Palestinian political rights, can be realized. In addition, a properly structured international conference could serve, at the appropriate time, as a means to facilitate direct negotiations between the parties.

The time has come to encourage fresh thinking, to avoid sterile debate, and to focus on the difficult but critical work of structuring a serious negotiating process. His Majesty committed Jordan to this task, and I commit the United States to this task. An important part of this effort and of the stability of the Middle East as a whole will be the continued economic and military strength of Jordan. Jordan's security remains of fundamental concern to the United States, and I have reassured His Majesty that the United States will do its utmost to help meet Jordan's economic and military requirements. His Majesty King Hussein and I delved deeply into the broader regional and internal problems, and as always, I benefited greatly from the wisdom of my friend. Together we pledge to continue the close cooperation and coordination that mark the relations between Jordan and the United States.

And in closing, I would like to express my best wishes to King Hussein and to the people of Jordan for an auspicious month of Ramadan and a blessed 'Id holiday. Thank you.

The King. Thank you, Mr. President. It's a great pleasure, as always, to return to the United States, a country with whom Jordan has enjoyed a special relationship for so many years. It is even a greater pleasure on this occasion to be meeting with you, Mr. President, a treasured friend of long standing. Your dedication to the service of your great country has been a source of

inspiration, respect, and admiration to me, as it is to all who know you.

Mr. President, I know how devoted you are to the cause of peace. I share this devotion. I sincerely hope that through our common devotion to peace we can, with those who are equally devoted, finally bring peace to the Middle East.

You are the sixth President with whom I've joined to pursue that peace. I first visited this historic house in 1959 to meet with President Eisenhower. It marked the beginning of a warm and productive relationship between our two countries, a relationship which has flourished because of our shared values, shared interests, and shared goals. It is a relationship which my country and I cherish. I am heartened that the talks we are engaged in will contribute to a deepening of this relationship.

One of our goals, which despite 22 years of efforts we have yet to achieve, is a comprehensive settlement of the Arab-Israeli conflict. The principles for that settlement were established many years ago: United Nations Security Council Resolutions 242 and 338. These resolutions provide for the withdrawal of Israeli forces from the territories occupied in 1967 in return for the establishment of peace, arrangements for secure and recognized borders, and negotiations under appropriate auspices to implement these provisions.

Your recent expressed reaffirmation of American support for the end of Israeli occupation in return for peace and for the political rights of the Palestinian people -- integral part of any comprehensive settlement -- both constructive and commendable. As a result of a recent decision by the Palestine Liberation Organization to accept the right of Israel to exist, to negotiate a settlement with Israel based on Security Council Resolutions 242 and 338, and to renounce terrorism, a significant contribution to peace has been made.

This historic decision has the overwhelming support of the Arab world. The decision by the United States to undertake substantive discussions with the PLO has further improved the prospects for peace. I hope this will prompt Israel to respond similarly to the requirements of peace and recognize the legitimate representative of the Palestinian people. Peace can neither be negotiated nor achieved without PLO participation.

Mr. President, I believe the bases for peace are already established. What is required is to implement them. The forum for a negotiated comprehensive settlement is a peace conference under the auspices of the United Nations. In my opinion, any steps taken should lead to such a conference, if our efforts to arrive at a comprehensive settlement are not to be diverted. All the people in the Middle East need peace and an end to this tragic and interminable conflict. The rewards of peace are limitless and far outweigh any advantage which might be gained by any party from continued controversy and conflict. The conditions for peace exist. We all must display the vision and determination to capitalize on them.

Mr. President, allow me to say, as one of your many friends and as one who knows well your qualities, abilities, devotion and dedication to the cause of peace, that you are the right leader in the right office at the right time. I know the high esteem with which you are held throughout the Middle East. You are in a unique position to help the protagonists in our area to engender the needed trust and hope and to assist us in bringing the conflict to a just and durable conclusion. I can assure you that I fully support you and all your efforts in this regard.

May God bless you, Mr. President, your dear family, and the friendly people of these great United States. Thank you.

Note: The President spoke at 10:34 a.m. in the Rose Garden at the White House. Prior to their remarks, the President and the King met in the Oval Office. Following their remarks, the President and the King toured Mount Vernon and took a cruise on the Potomac River, which ended at Bolling Air Force Base.

Message on the Observance of National Nursing Home Week, May 14 - 20, 1989

April 19, 1989

National Nursing Home Week is a time for us to remember in a special way the millions of older Americans who reside in the 19,000 nursing homes and long-term care facilities throughout the United States. This week we also salute the thousands of dedicated healthcare professionals and volunteers who work tirelessly to provide care and support to residents and their families.

This year's theme: ``Nursing Homes: A Tradition of Caring,'' is a succinct description of the history and focus of these institutions. The residents of our nursing homes are men and women who helped make the 20th century the American Century. They are our mothers and fathers, our aunts and uncles -- people who raised strong families, who plowed fertile fields, who built great cities and defended the free world from the threat of totalitarianism. Now in their senior years, these generous, hardworking men and women need special care and attention. Nursing homes provide that care, helping to ensure that ill or infirm seniors are able to live with the dignity and comfort they deserve. Such service -- while in the finest American tradition of compassion and concern for all members of our society -- is but small repayment toward the tremendous debt we owe older Americans.

I encourage all Americans to join in observing National Nursing Home Week and saluting the unsung heroes who care for our Nation's elderly. I also urge every American to remember those who live in our Nation's nursing homes -- to show them our love and appreciation -- not only this week but also throughout the year.

Let it always be said that America honors and cares for her citizens in their golden years.

George Bush

Nomination of Morton Isaac Abramowitz To Be United States Ambassador to Turkey

April 19, 1989

The President today announced his intention to nominate Morton Isaac Abramowitz, a career member of the Senior Foreign Service, Class of Career Minister, as Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey. He would succeed Robert Strausz-Hupe.

Since 1986 Ambassador Abramowitz has been Assistant Secretary of State for Intelligence and Research. Prior to this, he was Director of the Bureau of Intelligence and Research, 1984 - 1985, and representative of the United States of America to the mutual balanced force reduction negotiations, with the rank of Ambassador, 1983 - 1984. He joined the Foreign Service in 1960 as consular/economic officer and served in this position until 1962. From 1962 to 1963, he took language training in Tai Chung. From 1963 to 1966, he was political officer at the U.S. Consulate General in Hong Kong. He served as an international economist at the Department of State, 1966 - 1968, and as special assistant in the Office of the Secretary, 1969 - 1971. He was a student at the Institute for Strategic Studies in London, England. From 1971 to 1972, he was a Foreign Service inspector, and foreign affairs analyst at the Department of State, 1972 - 1973. He served as political adviser to CINC-PAC [commander in chief, Pacific Command] in Honolulu, Hawaii, 1973 - 1974. From 1974 to 1978, he was on detail as Deputy Assistant Secretary of Defense for International Affairs. He has served as Ambassador to the Kingdom of Thailand, 1978 - 1981; served in the Bureau of East Asian and Pacific Affairs, 1981 - 1982; and was a foreign affairs fellow at the Rand Corp., 1982 - 1983.

Ambassador Abramowitz was born January 20, 1933, in Lakewood, NJ. He graduated from Stanford University (B.A., 1953) and Harvard University (M.A., 1955). He served in the U.S. Army in 1957. He is married and has two children.

Toasts at a State Dinner Honoring King Hussein I of Jordan

April 19, 1989

The President. You are among friends, sir, your lovely Queen, and among admirers. And your visit here gives me and Barbara a chance, in a very small way, to tell you how much we appreciated your special hospitality to us when we visited you at your lovely home at Aqaba, as well as your beautiful home in Amman itself, not so many months ago.

This magnificent picture of Abraham Lincoln that I know you're all admiring was painted by George Healy in 1869. Upstairs in my office -- excuse me, a little slight cold -- upstairs in my office there's another marvelous picture of Abraham Lincoln, and that was also painted by George Healy 4 years earlier. And I took His Majesty to see it today. It's called ``The Peacemakers," and the picture shows Lincoln in exactly the same pensive pose as this magnificent picture. But in the picture upstairs, there's a window right over his left shoulder, and out that window one can see this beautiful rainbow. And the picture depicts Lincoln with his generals -- three generals -- right near the end of the war that threatened our Union and pitted brother against brother. The rainbow in the picture by Healy symbolized the hope of peace, the imminent end to hostilities that near bled us as a nation to death. And so, Your Majesty, it is my fervent hope that by working together we can guarantee that there will be a rainbow over the Middle East. And war must give way to peace. And whether it's the turmoil or the fighting in the West Bank that plagues us all or the heart-rending hostilities that we now all feel so strongly about in a fractured Lebanon, we must all recommit ourselves to lasting peace in the Middle East.

And this visit today by the King of Jordan comes at a crucial moment in your region's history that -- we feel it, we in the United States feel it. And I think the King summed it up well when he told me today that the time is right. But let me assure you, sir, that we can sense an urgency to the quest for peace now. Our task is to use that urgency to seize the moment. And toward that end, Your Majesty, I look forward to working with you as old friends. And I mean that; it's not a diplomatic use of the word. Let us find new ways to bridge the deep differences that exist. Let's reduce suspicions and prepare the way for negotiations that will lead to the comprehensive settlement that everybody wants. And I pledge to work with you, sir, first to bring the rainbow of hope to the wonderful people of Jordan, and to all your neighbors, and then, with that rainbow clearly in view, to finalize a peace so secure that not a single child will know the horrors of battle.

And so, my friends, I ask you to join me in a toast to the goal of peace and to raise your glasses to the health of His Majesty King Hussein and to Queen Noor, of whom America is so especially proud, and to the lasting friendship between Jordan and the United States of America.

The King. Mr. President, Mrs. Bush, distinguished guests, and dear friends. I thank you, Mr. President. I am deeply moved by the generosity of your remarks and the affection and hospitality with which you and Mrs. Bush received Noor, myself, and my colleagues. We are most appreciative. It is clear that the kinder, gentler America of which you have spoken begins in this house. I was also genuinely gratified, Mr. President, by the assurances you gave this morning of your commitment to the security and well-being of Jordan. We, indeed, feel very much at home, which befits friends.

The friendship between Jordan and the United States has indeed been special. It began 30 years ago when I first came to the White House to meet President Eisenhower. I have since dined in this lovely room as the guest of Presidents on more occasions than I can count. If that is a record, it is one of which I am proud. These have all been memorable occasions, but none more so than tonight as your guest, Mr. President, and the guest of Mrs. Bush.

But our friendship is not only personal, which I treasure, it is based as well on the common values which our two nations share: freedom, equality, and human dignity. Friendship deserves the most serious consideration of those who enjoy it. When there is joy, one calls upon friends to celebrate. When there is sorrow, friends come to comfort one. When there is a task to be done, friends join together in common effort. There is honor and pride and true friendship, as is evident here tonight.

One of the sorrows which we share is the continuous tragedy of that of the Arab-Israeli conflict. To end this tragedy is the focus of our visit. I was interested in your explanation this morning, Mr. President, of the American viewpoint regarding steps to further the cause of peace in our area. And as I assured you this morning, Jordan will cooperate closely with the United States to achieve a just, durable, and comprehensive peaceful settlement. We will support you in all your endeavors to achieve a comprehensive, just, and lasting peace in the Middle East. And God willing, we will see that rainbow, and so will people in our part of the world. And God willing, it will be our contribution for a better future for generations to come on all sides in that area of the world.

Mr. President, we share with you an unusual fact: the names of our founding capitals. Philadelphia was the birthplace of your independence. Philadelphia was, as well, the ancient name of our capital, Amman. The meaning of both is the same: brotherly love. In this spirit, I would like to convey the best wishes and warmest greetings from the people of Jordan to you, Mr. President, and Mrs. Bush, and to all of your fellow Americans.

Ladies and gentlemen, my dear friends, may I ask you to join me in a toast to the President of the United States and Mrs. Bush.

Note: The President spoke at 9:42 p.m. in the State Dining Room at the White House.

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting the Report on Activities of United Nations Member Countries

April 20, 1989

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to title V, section 527 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989, as contained in Public Law 100 - 461, I am transmitting herewith the report on the activities of countries within the United Nations and its specialized agencies.

This report assesses the degree of support of United States foreign policy in the United Nations context by the governments of countries that are members of the United Nations.

In addition, this report includes the report required of the Secretary of State under section 117 of Public Law 98 - 164 on the performance of U.N. member countries in international organizations.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Interview With Members of the White House Press Corps

April 20, 1989

Iran Arms and Contra Aid Controversy

The President. Fire away.

Q. Mr. President, what are you going to do about the fact that sensitive and relevant documents were not reviewed by the Iran-contra committees?

The President. In the first place, I have great confidence that A.B. Culvahouse [Counsel to President Reagan] and those charged with cooperating with Congress were cooperative; I've seen nothing to indicate they weren't. Secondly, I would offer full cooperation to any request made of this administration, and I just can't confirm the hypothesis of your question at all.

Q. But you mean you would turn over any documents that they now want to see? Is that what you're saying by ``full cooperation''?

The President. Well, procedures were set up to determine what documents would be made available. Those procedures were agreed to by the Congress. Certainly, I would see that if any documents are in control of this administration -- relevant documents -- that we would live assiduously by those guidelines. But I have no reason to believe that the previous administration, the lawyers in it who worked closely with Congress, did not fulfill their obligations.

Q. Mr. President, were you an emissary to Honduras, as has been alleged?

The President. I went to Honduras, sure. That's a matter of public record.

Q. And did you have a quid pro quo deal?

The President. I've told you that I am not going to discuss that until the trial with North is over.

Q. But the jury is being sequestered today, sir, and it's -- --

The President. No, I might have something to say on it when the trial is over, but I would simply ask you to understand that this is a request of the lawyers. And I'm not going to do something that inadvertently will -- but put it this way: My conscience is clear.

Q. Well, there have been suggestions that -- on the documents -- that there might have been an

oversight, either on the part of the FBI, the part of the White House staff. As far as you can tell, was there an oversight by any of those two bodies, or was it a question of -- the Congress was not pushing the right buttons to get the documents?

The President. Well, I'm not sure. I don't know. All I can just state is the confidence that I feel in Culvahouse and company. But we've received the letter down here, and I will take this opportunity to tell them we'll cooperate fully. But who controls the documents and all of that -- you'll have to talk to the lawyers about that.

Q. Mr. President, when you say -- --

The President. I think they're in the control and in the custody of the Archives archivists, but I'm not sure.

Q. When you say you'll cooperate fully with -- I presume you mean Senators Mitchell and Inouye [member and chairman of the Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition, respectively]. In their letter -- --

The President. Everybody.

Q. Does that mean -- they've asked you, I think, to launch an investigation to find out exactly what happened. Are you saying you will launch an investigation or that you have?

The President. I don't remember ``launching an investigation." Was that part of their request?

Q. I think the language is ``an immediate and thorough investigation" which essentially asks whether and why documents were not provided.

The President. Well, I would refer them to the people that were in charge of the documentation, which would be Mr. Culvahouse and company, in whom I have great confidence. But if there's anything we can do to encourage that -- absolutely.

Q. Mr. President, when you say your conscience is clear, do you mean that the interpretation that has been made of the documents in this trial, which I gather were made by Mr. North himself, are not entirely accurate?

The President. I'm not discussing anything about my role in this except to say that everything I've said I'll stand behind.

Q. You won't even -- since they're sequestered -- just give us a -- --

The President. I've just told the gentleman that I'm not going to go into that. So, please, don't ask me to do that which I've just said I'm not going to do, because you're burning up time. The meter is running. Throw the sand on you -- --

Semiautomatic Weapons

Q. Right. Assault weapons.

The President. And I am now filibustering, so -- [laughter].

Q. Sir, can I ask you about assault weapons?

The President. Oh, no, you've already used up your time.

Q. No, no, no. Assault weapons. You know, William Bennett, your drug czar, has made a proposal that you treat them like machineguns, which would mean people would register and they'd have their names on file and so forth. First off, what do you think of that idea? And secondly, when are you going to tell us your next step on that?

The President. Well, we're having a meeting this afternoon with certain Members of Congress on this. The standards that are set up in existing law about import are: ``suitability for sporting purposes." And we're being very careful here, but we're going to make a determination using that as a standard. And, Lesley [Lesley Stahl, CBS News], I can't say exactly when it will be, but I've expressed my concern about these weapons and their suitability. So, stay tuned. I don't know exactly when it will be, but there is a meeting here today that's just ongoing, and I have great confidence in Bill Bennett.

We've talked to a wide array of people on this. We've gone to some of the think tanks -- that very intelligent, thoughtful paper from Ed Feulner's [president, Heritage Foundation] group over at Heritage, very thoughtful. And so, our package will be -- I guarantee it will include more on law enforcement. And I'm sure that Bill Bennett will be totally on board. But we haven't gotten the final administration position yet.

Q. Mr. President, will you apply the same standard to domestically made weapons that you apply to imported weapons?

The President. We're in the process of discussing that now and what role the administration has -- whether it's strictly restriction of imports or something broader than that.

Q. At this point, are you convinced that any package that deals with drug violence and crime must also include some aspect that deals with assault weapons?

The President. Well, no, I can't say that. I can't go that far, because we really haven't gotten that far in determining it.

President's Popularity

Q. Mr. President, the CBS-New York Times poll this morning puts your approval rating at about 61 percent but suggests there is more style than substance. What do you think about that evaluation? And I think that you and Governor Sununu have been briefed by a Teeter poll that's been taken. Does that contain the same sort of information?

The President. No, the Teeter poll -- I'm not sure it's just because the committee paid for it -- is much stronger. [Laughter]

Q. Higher ratings?

Q. What about the Iowa?

The President. Higher, higher, higher. I'm not sure. I don't want this to be considered a vicious assault on CBS. [Laughter] They're entitled to their polling figures. But the others were -- look, these things -- you know me on polls, John [John Mashek, Boston Globe]. You've heard me on this subject before, and I haven't changed my view. It's not a question of polls, but a question of what's going on, achieving what you're trying to do.

And we're making some progress here. I'm very pleased that the Senate did what it did on the savings and loan bill, pleased that we got a budget agreement that many cynics thought we could never achieve at all, no matter of what scope, whatsoever -- that took place. And so, I've been very pleased with the recent talks on the Middle East with three leaders there. And so, things are moving. But I don't feel under any pressure to meet somebody else's standard on what is progress or not. I know what I'm doing, and I think one thing is the country senses that. Otherwise, there wouldn't be that kind of support.

Aid to Cambodian Non-Communists

Q. Mr. President, are you going to offer military aid to the non-Communist resistance in Cambodia?

The President. No, no discussion of that yet, no decision taken on that yet.

Q. Mr. President, we're coming -- --

The President. I'll continue to give good support to the process and certainly to [President]

Sihanouk's efforts.

Q. Did you say no decision or no discussion on that?

The President. No decision and -- not with me -- can't recall, but I'm not anywhere close to making a decision of that nature.

Administration Accomplishments

Q. We're coming up to the 100-day mark on your Presidency, which -- if you'll look over the past 50 years, every other President, or almost every other President, has come into office at times of crisis, and crisis has been kind of a stage on which we watch Presidents perform. How would you assess your first 100 days so far?

The President. About the same as Martin Van Buren's.

Q. Uh-oh.

Q. Can you elaborate on that? [Laughter]

The President. Martin came in; he was not radically trying to change things. But then, that's about where the parallel ends, because I don't know what he did in his first 100 days. [Laughter]

Q. -- -- or any of the other 900 days.

The President. We got an agenda, and I've clicked off things that I think demonstrate progress. And I left out the whole question of an ethics package that I think is a very good one. We've had many visitors from foreign lands. We've moved forward on -- I want to add now to what I was saying -- moved forward on Third World debt in a positive way.

So, I think that we're moving reasonably well. And I don't even think in terms of 100 days because we aren't radically shifting things; this is the Martin Van Buren analogy. We didn't come in here throwing the rascals out to try to do something -- correct all the ills of the world in 100 days. Now, there's some ills of the world; there's some unsolved problems. And I'm methodically, I think, pragmatically moving forward on these. So, I really don't measure it in terms of 100 days.

Q. I guess we are the ones who measure the 100 days.

The President. You are.

Foreign Policy

Q. Foreign policy has been kind of held back. You've had visitors, but do you expect the pace of your foreign policy to pick up after this?

The President. I'm not sure I understand the question.

Q. Well, the pace -- --

The President. The pace of it? No, I don't. The pace of it is pretty intense -- numbers of visitors, amount of time I spend on foreign policy, initiatives taken by the Secretary of State, attention given to this in the White House, every single day. So, you see, I think we've got prudent foreign policy. We've set into forward motion certain reviews that are moving towards completion. And so, I don't feel a need for some precipitous and dramatic initiative in order to salve the consciences of those who are saying you've got to do something in 100 days.

Q. Let me go back -- --

Q. These reviews won't trigger something then?

The President. It could; it might. But I think Gorbachev -- on the Soviet East-West relations -- understands what we're about. I, frankly, thought that what we said on Poland the other day was new and a strong initiative. But that takes time to sort out these things. But I didn't do it because I wanted to get in under the 100-day wire. Now, the question is: We've spelled out what we want to do, and I've got to move our bureaucracy to see that we do it.

And you know, it's that kind of concept on the Middle East -- spent a lot of time on the Middle East. And I think King Hussein was right when he said yesterday that the time is right for some kind of action. But now we've got to assess, after he leaves here, where we go, what next step we take. We've got something out there on elections that offers some promise. We haven't backed away from historic positions on conference or whatever. And so, we move -- we take whatever the next step is.

I wish I could give you a more dramatic answer to the Lebanon, because this is one that really does hurt. And I'm very, very concerned about it. And here all I can say to you is that we have encouraged the Secretary-General to go forward, to try this mission of peace. There's some stumbling blocks to that; I'm told we will renew our call for removal of all foreign troops and for a cease-fire.

But here is one where I wish that there was some dramatic plan in which the players in the area could agree to, and it's not there. And we've talked to the Middle Eastern leaders. But I cite this one because I really feel it -- about the Lebanon, of the divisions in Lebanon. We've talked to the

Brits about it. We've talked to the French about it -- and President Mitterrand the other day. And the people at the U.N. are trying to figure. But there is not a dramatic plan that can bring peace to Lebanon right now.

Q. Is that a problem that defies solution?

The President. The problem -- the short-run of it -- how you stop this firing, the shelling, how you get factions to stop warring -- has certainly in recent times defied solution. But we can't give up on it. We simply are not going to -- --

Q. How has the U.S. managed to provide any kind of influence in the situation?

The President. That's the problem: We don't have great influence in Lebanon, with the factions that are fighting. We do have good influence with many of the countries out there. In fact, I think our standing with the moderate Arab countries is as good today as any time in recent history. And I feel strongly about that. And back to the Martin Van Buren theory -- I mean, we're building still, coming back out of a time that hit a bit of a low 3 or 4 years ago. Then we restored some prestige by the way we acted in the Gulf. Then you see a cease-fire in the Gulf. We have, I think, much better communication now with Jordan. We've kept good cooperation and coordination with the Egyptians. The Israelis themselves attest to the fact that they have great confidence in our administration. We have some differences with all three of those countries, but, no, I think it's moving. But, Norm [Norman Sandler, United Press International], I wish there was a short-term answer to stop the killing in Lebanon.

Strategic Weapons Modernization

Q. -- -- you missed a couple of deadlines -- --

Q. Mr. President, could I -- --

Q. You've missed a couple of deadlines on the MX missile, on what you're going to do to modernize the strategic arsenal -- go MX, Midgetman. And Mr. Cheney gave you some recommendations this week, and a decision is expected this week. What are you going to do on that?

The President. Don't know yet. We'll obviously be talking to Cheney when he comes back from NATO. But no decision has been taken.

Q. Any leaning?

The President. Well, can't tell you that. I'm listening -- because this exercise yesterday in this Cabinet Room was not just a semantic drill of some sort. When I talk about cooperation with

Congress, I mean it -- consultation with Congress, I mean it. And some of what yesterday was about was getting the views of various Members of Congress on this decision that's facing the President. But how do you -- you know, what do you do about SDI and levels of funding? What do you do about MX or Midgetman? And I have to make the call, the recommendation, from here; but I wanted to get their input. Now I want to get renewed talks with Dick Cheney when he comes back. The national security adviser has provided me with a lot of thinking on this, had several important briefings on it. And I will be prepared very soon to make a decision on it. But we haven't -- I can't go any further than that.

Middle East Peace Process

Q. Mr. President, you met now with [Egyptian President] Mubarak, [Israeli Prime Minister] Shamir, and [Jordanian King] Hussein. What is the next step in the Middle East peace process?

The President. Not sure now. On the table is the election process, and one other thing would be how we flesh that out, taking into consideration the concerns about it that have been expressed by Mubarak and by King Hussein and also by Mr. Shamir. So, how we do that -- what the modalities are of that -- a lot of thought will be going into that: who's represented; making clear that this isn't a final step, that that isn't going to solve the Middle East problem; making clear that it's a step, but we want it to be a constructive step; and exploring other options as well.

Q. What is the structural procedure for doing that?

The President. On the U.S. side, we'll use the National Security Council procedures to do that. And of course, I plan to be in touch with the various leaders. I've told them I want to do that as President. And I do plan to talk personally with some of the leaders out there on these matters -- --

Q. Is this a high priority?

The President. -- -- in addition to the ones I've already talked to. For example, I talked to King Fahd [of Saudi Arabia] the other day, and think that that is useful, to be sure. Now, after this round of visits, what do they think? A lot of these countries can be important players here, and the more agreement we can get on the next step, the more likely it is to succeed.

U.S.S. ``Iowa''

Q. Mr. President, on the Iowa: Is it time to say that 50-year-old battleships are, in fact, obsolete and begin taking them out of service? Is that the lesson here?

The President. No, that's -- --

Q. Or if not, what's your lesson on it?

The President. That's not -- well, my lesson is that -- to find out what happened in infinite detail, check all procedures to be sure that safety is at the highest point, and -- but not -- I wouldn't jump to the conclusion that because that kind of powder was put into these turrets in that way that that makes a useful platform obsolete. I'm not going to go that far.

Drug Testing

Q. Could you indulge me one quick question because of a conflict that the Attorney General suggested yesterday?

The President. John, give me a break.

Q. One quick one. The Attorney General -- --

The President. Is this for TV or is this for the print?

Q. TV.

Q. Both. The Attorney General suggested yesterday that it might be appropriate to drug-test people in public housing. HUD took immediate exception to that. What do you think?

The President. I'd have to talk to him about it because I don't know, and I'm not going to go off on some tangent here until I know exactly the thinking of our key Cabinet people. We've got a good Cabinet system, and I encourage people to speak out. But the decisions on something of that nature will be made right here in that room, and they're not going to be made until I have all the facts.

Q. You don't favor a drug -- --

Interest Rates

Q. Do you expect interest rates to come down now that you've got a budget agreement?

The President. I was very pleased at the market reaction to the budget agreement. It seems to have been underreported, but nevertheless, it's very heartening, Terry [Terence Hunt, Associated Press].

Q. How about the interest rates? You said you were going to campaign -- --

The President. I'm not heartened by the interest rates. [Laughter]

Drug Testing

Q. Is there still going to be those drug tests for the Federal employees?

The President. Selectively, yes, absolutely.

Q. Selectively? To everybody?

The President. Well, we've already got some patterns out there -- well, widely. If we're talking about a drug-free workplace, we've got to have some testing, and I support that. This idea that this is a total infringement on everybody -- I don't agree. Now, in some cases -- I mean, I don't want it to be so widespread, but I do think that selective drug testing is very important, and nobody will change my mind on that one.

Q. Civil rights? Human -- no?

The President. Civil rights is very important, too -- and so is the law.

Note: The interview began at 10:20 a.m. on the Oval Office patio at the White House. The following journalists participated in the interview: Lesley Stahl, CBS News; James Angle, National Public Radio; Terence Hunt, Associated Press; Norman Sandler, United Press International; Lawrence McQuillan, Reuters; Pascal Taillandier, Agence France-Presse; Michael Duffy, Time; John Mashek, Boston Globe; and Tim McNulty, Chicago Tribune.

Remarks Congratulating the University of Tennessee Lady Volunteers on Winning the NCAA Basketball Championship

April 20, 1989

The President. Well, beautiful Rose Garden day -- sorry we're a little late getting started. I heard that there was a little security problem, a little backup going through these devices that -- Bridgette Gordon's jewelry getting through the metal detectors out there. [Laughter]

No, we're just delighted you all are here, and I'm particularly pleased to see the president, former Governor Lamar Alexander, here with us today. I know I speak for Dan Quayle when we give him a warm welcome back to Washington. Coach Summitt, Athletic Director Cronan, families and friends and fans, Members of Congress, and then our own local teams that are here today, the White House is proud to host Tennessee's Lady Volunteers, the 1989 NCAA champions. It's a great pleasure having you here.

After you won in Tacoma and after the tears of joy and victory and remembrance, Pat Summitt told a cheering nation that ``This one belongs to the family." And it's quite a family, these Lady Volunteers -- five freshmen, two sophomores, three seniors. And before this season, only the seniors had ever played college ball. And the L.A. Times called your victory ``beyond the imagination of most." And archrival Auburn's coach dubbed the Lady Vols a ``Who's Who roster of excellence": Melissa McCray, Sheila Frost, Daedra Charles; players like Carla McGhee, who came back from a 1987 car accident after they said she'd be lucky ever to run again; and there's Tonya Edwards and Dena Head.

And now, I admit, the Bush family is generally pretty happy when Texas wins something. But your midseason loss to Texas is also when -- it proved that this team had character as well as talent. Tonya, the 1987 Most Valuable Player, who led the Vols to Tennessee's first championship, got hurt. Dena, a little-known freshman, came off the bench and emerged as SEC Rookie of the Year. And don't worry, I'm not forgetting Bridgette Gordon, All American, Most Valuable Player, MVP. The papers call her the best woman in college basketball. And when Auburn closed to within three in that final game, she stepped in and sank three straight jumpers. Maybe you heard what the losing coach said about her: ``God bless her, graduate her, and get her out of Tennessee." [Laughter] You'll note there is no basket here today in the Rose Garden. That's on purpose. I'll be darned if I want to go head-on-head with her out there on the foul line. [Laughter]

And then the coach, a silver medalist as a player in 1976, Coach Summitt -- she coached America's Olympic team to a gold in 1984. And in 13 years she brought Tennessee to the final four 10 times, winning it twice. Later on we're going down to that fountain over here that you all

can see, to see if literally she can walk on water. [Laughter] There's been some speculation about that. And the most rare, the most important stat of all: in 14 years as coach, her players have a 100-percent graduation rate. And all five -- Lamar would kill me if I didn't point this out -- all five of this year's freshmen are on the dean's list. One, Debbie Hawhee, has a 3.95 GPA in medical technology. What in the world did she get the A-minus in? [Laughter]

Ms. Hawhee. English.

Mr. Alexander. English.

The President. Well, she speaks Tennessean. And so, we're going to get her a -- every sport has legendary teams from its early days, and I have a feeling that, years from now when they go back -- as sports fans do and historians do -- and talk about the legends of women's basketball, it'll be this team, your team, the 1989 NCAA champions from Tennessee, that sets the highest standard. As the years unfold, you will always remember that championship season that brought you to the White House. Tomorrow's news clippings that'll be yellowed with age are going to be read by grandchildren born in a different century. And it's a story that began on summer nights, not so long ago -- years before college, though -- when these champions were themselves kids, shooting until twilight in obscure barns or out in driveways scattered across the deep South and the Middle West -- young girls unknown to one another, but dreaming the same dream that this month became real.

So, this is a great opportunity to say thank you all for coming here. Hold fast to your dreams yet to come. Congratulations to all of you. And God bless you, and God bless the U.S.A. Thank you all very, very much.

Coach Summitt. This is a great honor for us. And I think throughout this year, this has been a real special team because we have been family. And we talked about all the highlights that we experienced as a team and as a staff and as a family. And certainly, winning a national championship was a great highlight. I know Debbie Scott, one of our freshmen, said her highlight this year was getting lost in New York City -- [laughter] -- until she found out we got to come here, and she said it would be to see the puppies. [Laughter]

So, we are delighted and honored to be here. I am extremely proud of our academic success. We have won two national championships in the last 3 years, but the most important statistic for our team and our program is 100-percent graduation rate, of which we will hold our heads very proudly. And I know Lamar's excited about that too, but we all are. We have had great leadership, and I don't think you win without leadership. And you don't win without great people, and we've had both. And today we'd like for our three seniors, who have been very instrumental in leading the University of Tennessee to four consecutive NCAA appearances, to come forth and present you with a little gift. And that's Bridgette Gordon -- she wants to deposit her gold, I think, today -- [laughter] -- Sheila Frost, and Melissa McCray.

The President. Come on -- here we go -- who is which, now?

Ms. McCray. I'm Melissa McCray. Nice to meet you.

The President. That's Bridgette. Good to see you all. Who's going to give the speech?

Ms. McCray. Okay, I will. [Laughter] I certainly want to echo what our coach has said. I think it's indeed an honor and a privilege to be here. It's nice to see Mrs. Bush out and certainly nice to see Dan Quayle, the Vice President. We have a jacket here for you. Now, I realize you're not going to be playing any basketball. But maybe once when you're out walking through the garden and playing with your puppies, you might think about the Lady Vols from Tennessee, all right? I hope you enjoy it.

The President. Oh, yes, that's beautiful. Thank you so much. She'll come -- come on, Bar.

Ms. Frost. Mrs. Bush, we have something for you also. I'd like to echo just about the same thing that Melissa said. Thank you for inviting us out. And this is a little something -- when you both go out to see the puppies, you'll be matching. [Laughter]

Mrs. Bush. That's so sweet. Thank you.

Ms. Frost. Thank you.

Coach Summitt. Yes, oh, they want to see the puppies.

The President. They really do want to see them?

Mrs. Bush. You're all invited to see the puppies, but they're not. [Laughter]

Coach Summitt. Okay, we got that. It's our secret.

Ms. Gordon. I have ``The Summitt Season'' here. It's a book written about Pat and our team.

The President. Great.

Ms. Gordon. The year that we lost to Louisiana Tech, but -- [laughter].

The President. There she is.

Ms. Gordon. And this is for Mr. Quayle -- a T-shirt.

The President. Great.

The Vice President. Thank you.

Ms. Gordon. And I have an autographed poster of myself. [Laughter]

The President. Let's see that. Hey! Oh, this is neat. Thank you.

Ms. Gordon. You're welcome.

The President. Here, we've got to get this all set for our -- here, I'll hold it so it doesn't get bent.

Ms. Gordon. Okay.

The President. Loaded up with -- well, I think that I want to ask the Members of Congress that are here to come up and congratulate you all. We've got some good Tennesseans out there. And congratulations to all of you. And Barbara means it. She'll arrange to take you over to see the -- if you're really interested. You don't have to be interested, but you -- --

Team Members. Oh, yes, we are, we are.

The President. They are so cute.

Coach Summitt. There's one thing -- I want you to meet my mom.

The President. Oh, we want to see her. Now, you guys come say hello.

Note: The President spoke at 11:05 a.m. in the Rose Garden at the White House. In his remarks, he referred to Athletic Director Joan Cronan and Representatives John J. Duncan, James H. Quillen, Jim Cooper, Bob Clement, Bart Gordon, and Don Sundquist.

Remarks on Signing the Executive Order Establishing the National Space Council

April 20, 1989

The President. Well, to the Members of Congress here and Members of the Joint Chiefs, distinguished guests, thank you. It's a great pleasure to be here on an occasion of this nature. And I want to thank all of you for being here. You're helping to fulfill a promise that I made 18 months ago in Huntsville, Alabama, at the George C. Marshall Space Flight Center. I pledged then, and I'm proud now, to reestablish the National Space Council.

I've asked Vice President Quayle to serve as Chairman. Under his able leadership, I'm confident that the Space Council will bring coherence and continuity and commitment to our efforts to explore, study, and develop space. I look to the Council to coordinate our civil, military, and commercial efforts. We must establish a permanent manned presence in space by building the space station Freedom. We must encourage private initiatives in investment, and we must ensure our national security through effective defense activities in space.

You know, when people talk about space exploration, what it represents to us in this country, some say that it captures the American imagination. But it's much more than that. Our efforts in space unleash the imagination. And 20 years ago, an entire generation of Americans was inspired by the space program. We must continue on the path we've blazed in earlier decades with a renewed dedication.

Space is vitally important to our nation's future and, I would add, to the quality of life here on Earth. And it offers a technological frontier, creating jobs for tomorrow. And space programs inspire an interest in math and science, engineering in young people, knowledge so important for a competitive future. Space offers us the chance to unlock secrets billions of years old and billions of light years away. Space is the manifest destiny of a new generation and a new century.

Mr. Vice President, I plan to sign this Executive order with one objective in mind: to keep America first in space. And it's only a matter of time before the world salutes the first men and women on their way outward into the solar system. All of us want them to be Americans.

And now I'd like to ask the Vice President to say a few words, and then I'll be honored to sign this declaration.

The Vice President. Thank you very much, Mr. President, and welcome back to your former office. It's about 100 days ago, a little less, that you were here to witness the official signing of the Vice President's desk, and we welcome you back today as you establish the Space Council.

I certainly look forward to getting involved with the Space Council, working with the Members of Congress to develop a coherent space policy and space strategy for this country. Space is certainly the frontier. It is a frontier that we understand, and we're going to be there. Space is important to us from an economic point of view, from a national security point of view, and certainly from a point of view of technology. So, Mr. President, we take your charge with a great deal of seriousness. We will be working with all deliberation and cooperation with Members of Congress and the space community -- that we will work and present a very good space policy and strategy for the future of this nation.

Thank you very much.

Note: The President spoke at 1:08 p.m. in the Vice President's office in the Old Executive Office Building. The Executive order is listed in Appendix E at the end of this volume.

Nomination of D. Allan Bromley To Be Director of the Office of Science and Technology Policy

April 20, 1989

The President today announced his intention to nominate D. Allan Bromley to be Director of the Office of Science and Technology Policy. He would succeed William R. Graham.

Since 1972 Dr. Bromley has been a Henry Ford II Professor of Physics at Yale University in New Haven, CT. Since 1960 he has served in several capacities at Yale University, including chairman of the physics department, 1970 - 1977; director of the A.W. Wright Nuclear Structure Laboratory, 1963 to present; professor of physics, 1961 to present; associate director of the Heavy Ion Accelerator Laboratory, 1960 - 1963; and associate professor, 1960 - 1961. Prior to this, he served as a senior research officer and section head of Atomic Energy of Canada, Ltd., in Chalk River, Ontario, Canada, 1958 - 1960, and associate research officer, 1955 - 1957. He has served as assistant professor in the physics department of the University of Rochester, 1953 - 1954, and as an instructor, 1952 - 1953.

Dr. Bromley graduated from Queen's University at Kingston, Ontario (B.S., 1948; M.S., 1950) and the University of Rochester (M.S., 1951; Ph.D., 1952). He has been a recipient of the National Medal of Science, 1988. He has served as a member of the White House Science Council, 1981 to present, and as a member of the Advisory Board for the National Academy of Sciences and the National Science Foundation. Dr. Bromley was born May 4, 1926, in Westmeath, Ontario, Canada. He is married, has two children, and resides in New Haven, CT.

Statement by Press Secretary Fitzwater on the Assassination of Lieutenant Colonel James N. Rowe in the Philippines

April 21, 1989

This was a cowardly and heinous act. Colonel Rowe was in the Philippines to help the Filipino people in their efforts to defend democracy. We will work closely with the Filipino Government in their efforts to track down and bring to justice those responsible for this assassination.

The U.S. Government support for Philippine democracy is unshaken. As President Bush has said, ``President Aquino has our total support in her effort to maintain national unity, revitalize democracy, and counter the Communist insurgency." President and Mrs. Bush extend their deepest sympathy to the family and friends of Colonel Rowe.

Note: Marlin Fitzwater read the statement to reporters at 9:39 a.m. in the Briefing Room at the White House.

Remarks on Signing the Law Day, U.S.A., Proclamation

April 21, 1989

Well, let me welcome Senator Thurmond and Congressman Jack Brooks, representing the Judiciary Committees on the Hill, and Bob Raven, the president of the ABA, American Bar Association. For more than 30 years, Presidents have designated May 1st Law Day, and I'm honored to continue that tradition. On that day, we celebrate the American legal system's vital role in helping to maintain the balance between freedom and order, the principled and yet practical balance that makes democracy possible.

And this year, our Law Day celebration will focus on access to justice. Let me quote the oath that every Federal judge takes before assuming office: ``To administer justice without regard to person and do equal right to the poor and the rich." Now, that oath reflects our nation's deep commitment to equal justice for all, a commitment that every citizen's claim shall be judged on its merit, not on the basis of his status or place or standing in society. It's the very core of the democratic idea, the distinction that sets democracy apart from all other systems of government. And we can all take pride in our nation's ability to give life to that ideal.

And yet our work is not done -- the work of ensuring that recourse to justice is within the reach of every individual in this nation. For the poor, especially, the legal process can be a costly, complex, and extremely cumbersome route to the justice that they deserve. And today I call on all of you -- on all Americans -- to perfect the promise of that judicial path. Each of you can contribute. Each of you can help people understand the legal system and to use it responsibly. You can encourage the resolution of disputes without recourse to the legal system when that serves the interests of the parties involved. And each of you can make the highest standards of justice your own standard.

But access without quality is in the interests of no one. We must recruit and retain this nation's best legal talent on the Federal bench. I have submitted to Congress a legislation that would raise the salary of the judges by 25 percent, an increase that, in my view, is long overdue. I urge each of you and all those out there listening to give your strongest possible support to see that that measure wins quick approval.

The rule of law -- equal for all -- is the central concept of our democratic system. I'm pleased to sign the proclamation declaring May 1st as Law Day, 1989. And thank you all for coming.

Note: The President spoke at 11:05 a.m. in the Roosevelt Room at the White House. The proclamation is listed in Appendix E at the end of this volume.

Designation of James J. Carey as Acting Chairman of the Federal Maritime Commission

April 21, 1989

The President today designated James J. Carey to be Acting Chairman of the Federal Maritime Commission. He would succeed Elaine L. Chao.

Since 1981 Mr. Carey has been Federal Maritime Commissioner, and Vice Chairman since 1983. Prior to this, he was an international business development manager for Telemedia, Inc., in Chicago, IL, and a management consultant for Telemedia, Inc., and Coordinated Graphics, 1978 - 1979. He was president and chief executive officer for Coordinated Graphics, 1976 - 1978; executive vice president for Total Graphic Communication, Inc., 1974 - 1976; and president and chief operating officer of Chicago Offset Corp., 1972 - 1974. He was senior account executive for I.S. Berlin Press, 1966 - 1972. Mr. Carey served in the U.S. Navy, 1962 - 1965, and is a rear admiral in the Naval Reserve. He has received the Meritorious Service Medal, the Navy Commendation Medal, and the Naval Reserve Association National Award of Merit.

Mr. Carey graduated from Northwestern University (B.S., 1960). He was born April 9, 1939, in Berlin, WI. He is married, has two daughters, and resides in Alexandria, VA.

Designation of David W. McCall as Chairman of the National Commission on Superconductivity

April 21, 1989

The President today designated David W. McCall to be Chairman of the National Commission on Superconductivity.

Dr. McCall has served in various capacities at AT&T Bell Laboratories since 1953, including director of the chemical research laboratory, 1973 to present; assistant chemical director, 1969 - 1973; head of the department of physical chemistry, 1962 - 1969; and a member of the technical staff, 1953 - 1962. Dr. McCall is a member of the American Chemical Society, and he has served on the executive committee of the division of physical chemistry, 1967 - 1969; and as program chairman, 1971; chairman, 1971 - 1972; and alternate councilor, 1973.

Dr. McCall graduated from the University of Wichita (B.S., 1950) and the University of Illinois (M.S., 1951; Ph.D., 1953). Dr. McCall was born December 1, 1928, in Omaha, NE.

Notice of the Continuation of the National Emergency With Respect to Nicaragua

April 21, 1989

On May 1, 1985, by Executive Order No. 12513, President Reagan declared a national emergency to deal with the threat to the national security and foreign policy of the United States constituted by the situation in Nicaragua. On April 25, 1988, the President announced the continuation of that emergency beyond May 1, 1988. Because the actions and policies of the Government of Nicaragua continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, the national emergency declared on May 1, 1985, and subsequently extended, must continue in effect beyond May 1, 1989. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Nicaragua. This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

April 21, 1989.

[Filed with the Office of the Federal Register, 4:55 p.m., April 21, 1989]

Letter to the Speaker of the House of Representatives and the President of the Senate on the Continuation of the National Emergency With Respect to Nicaragua

April 21, 1989

Dear Mr. Speaker: (Dear Mr. President:)

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Nicaraguan emergency is to continue in effect beyond May 1, 1989, to the Federal Register for publication. A similar notice was sent to the Congress and the Federal Register on April 25, 1988, extending the emergency beyond May 1, 1988.

The actions and policies of the Government of Nicaragua continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. If the Nicaraguan emergency were allowed to lapse, the present Nicaraguan trade controls would also lapse, impairing our Government's ability to apply economic pressure on the Sandinista government and reducing the effectiveness of our support for the forces of the democratic opposition in Nicaragua. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed in the process of dealing with the situation in Nicaragua.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to the Speaker of the House of Representatives and the President of the Senate Reporting on the Economic Sanctions Against Nicaragua

April 21, 1989

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on developments since President Reagan's last report of November 9, 1988, concerning the national emergency with respect to Nicaragua that was declared in Executive Order No. 12513 of May 1, 1985. In that order, the President prohibited: (1) all imports into the United States of goods and services of Nicaraguan origin; (2) all exports from the United States of goods to or destined for Nicaragua except those destined for the organized democratic resistance; (3) Nicaraguan air carriers from engaging in air transportation to or from points in the United States; and (4) vessels of Nicaraguan registry from entering United States ports.

1. The declaration of emergency was made pursuant to the authority vested in the President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act, 50 U.S.C. 1701 et seq., and the National Emergencies Act, 50 U.S.C. 1601 et seq. This report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c).

2. The Office of Foreign Assets Control (FAC) of the Department of the Treasury issued the Nicaraguan Trade Control Regulations implementing the prohibitions in Executive Order No. 12513 effective May 7, 1985, 50 Fed. Reg. 19890 (May 10, 1985).

3. Since the report of November 9, 1988, fewer than 40 applications for licenses have been received with respect to Nicaragua, and the majority of these applications have been granted. Of the licenses issued in this period, some authorized exports for humanitarian purposes, covering donated articles beyond the scope of the exemption to the export ban to assist in the rebuilding of houses and churches that were destroyed by Hurricane Joan in 1988. Many more exports intended to relieve human suffering caused by Hurricane Joan were deemed to fall within the exemption to the export ban and were cleared for export without application for or receipt of a specific license from FAC. Other licenses extended authorizations previously given to acquire intellectual property protection under Nicaraguan law. Certain licenses were issued that authorized the exportation of equipment to La Prensa, the major opposition publication in Nicaragua, as well as to other opposition press groups.

4. Since the last report, the Department of the Treasury completed two significant enforcement actions. The U.S. Customs Service seized a U.S.-controlled Panamanian-flag oil tanker for its role in transshipping U.S.-origin aviation fuel to Nicaragua. A second seizure of the same tanker

was effected on the basis of a separate transshipment of aviation fuel from the United States to Nicaragua. Civil forfeiture action against the vessel has been initiated in the United States District Court for the District of Puerto Rico.

The second action involved four principals of two U.S. trading and investment firms who pleaded guilty to criminal charges related to the operation of several front companies that exported computer software and other commercial goods to Nicaragua through Panama. The case was brought in the United States District Court for the Southern District of Florida. One principal received 4 years' incarceration (3 - \1/2\ years suspended), 5 months' attendance at a community training center, and 225 hours of community service. The other three individuals were each sentenced to 3 years' incarceration (2 - \1/2\ years suspended), 5 months' attendance at a community training center, and 225 hours of community service.

5. The Treasury and State Departments were sued in the United States District Court for the Southern District of Texas by an organization and certain individuals seeking to donate food, medicine, clothing, vehicles, and other items to Nicaragua. Under the International Emergency Economic Powers Act, articles such as food, clothing, and medicine, intended to be used to relieve human suffering, are exempt from export prohibitions. The Government took the position that vehicles, such as passenger cars, trucks, and buses, are fit for a variety of uses and thus do not automatically fall within the exempt category for food, medicine, clothing, and other articles whose intended use is confined to the relief of human suffering. Consequently, Treasury would not permit the transfer of the vehicles to groups in Nicaragua without a specific license. The trial court rejected the Government's position and on September 29, 1988, issued a judgment declaring that the President has no authority to regulate or prohibit, directly or indirectly, donations to an embargoed country of articles that the donor intends to be used to relieve human suffering and that can reasonably be expected to serve that end. The Government has decided against seeking an appeal of this adverse decision and is currently conducting a policy review of the humanitarian relief area.

6. The trade sanctions are an essential element of our policy that seeks a democratic outcome in Nicaragua by diplomatic means. The Sandinista regime made numerous commitments to democratization and national reconciliation when it signed the Esquipulas Agreement in 1987. The Government of Nicaragua reiterated these commitments February 14 at Tesoro Beach, El Salvador, and, in addition, promised to hold free, fair, and open elections in February 1990. I do not believe that current conditions in Nicaragua justify lifting the trade sanctions. If Nicaragua implements its Esquipulas commitments and holds free, fair, and honest elections, I believe the emergency that prompted the prior administration to impose the trade sanctions would largely be resolved.

7. The expenses incurred by the Federal Government in the period from November 1, 1988, through May 1, 1989, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Nicaraguan national emergency are estimated at $213,577.62, all of which represents wage and salary costs for Federal personnel. Personnel costs were largely

centered in the Department of the Treasury (particularly in the Customs Service, as well as in FAC and the Office of the General Counsel), with expenses also incurred by the Department of State and the National Security Council.

8. The policies and actions of the Government of Nicaragua continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Nicaragua as long as these measures are appropriate and will continue to report periodically to the Congress on expenses and significant developments pursuant to 50 U.S.C. 1641(c) and 1703(c).

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Press Secretary Fitzwater on the President's Meeting on the Situation in Lebanon

April 21, 1989

President Bush met at 2:15 p.m. today with Lebanese-American leaders and Lebanese officials to discuss the current situation in Lebanon. President Bush expressed the deep concern of the United States for the violence now going on in Lebanon. He expressed his personal anguish over the many victims of the war that permeates through many parts of that country. The President referred to his telephone conversation with President Mitterrand of France and their mutual interest in finding a solution to the Lebanese problem.

President Bush said that the United States remains committed to an independent, free Lebanon and the restoration of Lebanon's unity, sovereignty, and territorial integrity, with the disbandment of militias and the withdrawal of all foreign forces. The President expressed his support for a cease-fire.

Remarks on Presenting the Congressional Gold Medal to Mary Lasker

April 21, 1989

The President. Welcome, Mrs. Lasker. Mr. Speaker, it's nice to have you back. Distinguished Members of Congress -- pleased to greet Congressmen Early and Conte and our other friends who are here. And a very special welcome, Tip, to you, sir.

You've heard me talk about a Thousand Points of Light, a metaphor that I've used to celebrate the extraordinary selflessness of Americans who give so much to the service of others. And we're here today to honor a veritable beacon of light, a woman who has focused an enormous amount of energy on finding solutions to life-threatening diseases, Mary Lasker. She's president of the Albert and Mary Lasker Foundation, which she started with her husband in 1942 to encourage medical research and to raise public awareness of major diseases which cripple and kill. Today the Lasker Foundation's Medical Research Award is one of the most prestigious honors in American medicine.

Mary's contribution to medicine -- they've not stopped with the important work of the Lasker Foundation. Dr. Jonas Salk said: ``When I think of Mary Lasker, I think of a matchmaker between science and society." Business Week magazine called her the fairy godmother of medical research. And she's worked extensively in many diverse causes, from supporting cancer research to preventing heart disease to working with those with cerebral palsy -- and believe me, I am only naming a few here. And the list is so long because her good works and tireless efforts are legion.

And I cannot resist a special word of thanks and praise for Mary's leadership here in Washington. Senator Claude Pepper calls Mary the driving force behind the creation of the National Cancer Institute, the first of the National Institutes of Health, and of subsequent institutes. Her generosity and association with NIH continues today. Her work in urging legislation to expand Federal cancer research culminated in a 1971 bill that made the conquest of cancer a national goal. In 1984 Congress honored Mary Lasker by naming a center for her out at NIH: the Mary Woodard Lasker Center for Health Research and Education.

Not only is she well-known for advancing medical research but for her contributions to the arts and for her many public plantings that allow others to share her love of flowers. Through the Society for a More Beautiful Capital, she's donated extensive plantings in Washington, including over a million daffodil bulbs for Rock Creek Park and Lady Bird Johnson Park.

Mary, your gifts of health and beauty have left the country very much in your debt. In 1987 it was with gratitude and great pride that the United States Congress voted to honor your

humanitarian contributions to the areas of medical research and education, urban beautification, and the fine arts.

Now it is my pleasure to thank you on behalf of the Nation and to present you with this token of our gratitude, the Mary Woodard Lasker Congressional Gold Medal. Congratulations.

Mrs. Lasker. Mr. President, ``thank you'' is much too small a word to describe this honor. Without your help and that of Congress, no success would be possible. This medal belongs to so many people, for the triumph and hope that medical research brought to this country. Mr. President, you know how and why medical research is so important. We look to you now, Mr. President, for leadership in helping to support research at the National Institutes of Health.

Cancer still kills 500,000 people a year in this country -- more people than have been killed in all our wars combined. The strength of our nation depends on the health of our people. This medal recognizes the priority which we must once again place on research. It's good for trade, good for jobs, and vital for all Americans. Medical research is our hope for our children and for the building of a healthy America. Thank you.

Note: The President spoke at 2:59 p.m. in the Rose Garden at the White House. In his remarks, he referred to Jim Wright, Speaker of the House of Representatives, and Thomas P. O'Neill, Jr., former Speaker of the House of Representatives.

Remarks at the Memorial Service for Crewmembers of the U.S.S. Iowa in Norfolk, Virginia

April 24, 1989

We join today in mourning for the 47 who perished and in thanks for the 11 who survived. They all were, in the words of a poet, the men behind the guns. They came from Hidalgo, Texas; Cleveland, Ohio; Tampa, Florida; Costa Mesa, California. They came to the Navy as strangers, served the Navy as shipmates and friends, and left the Navy as brothers in eternity. In the finest Navy tradition, they served proudly on a great battleship, U.S.S. Iowa.

This dreadnought, built long before these sailors were born, braved the wartime waters of the Atlantic to take President Roosevelt to meet Winston Churchill at Casablanca and anchored in Tokyo Harbor on the day that World War II ended. The Iowa earned 11 battle stars in two wars. October of '44, off the coast of the Philippines -- I can still remember it -- for those of us serving in carriers and Halsey's Third Fleet, having Iowa nearby really built our confidence. And I was proud to be a part of the recommissioning ceremony in 1984. And now fate has written a sorrowful chapter in this history of this great ship.

Let me say to the crew of Iowa: I understand your great grief. I promise you today we will find out why, the circumstances of the tragedy. But in a larger sense, there will never be answers to the questions that haunt us. We will not -- cannot, as long as we live -- know why God has called them home. But one thing we can be sure -- this world is a more peaceful place because of the U.S.S. Iowa. The Iowa was recommissioned and her crew trained to preserve the peace. So, never forget that your friends died for the cause of peace and freedom.

To the Navy community, remember that you have the admiration of America for sharing the burden of grief as a family, especially the Navy wives, who suffer most the hardships of separation. You've always been strong for the sake of love. You must be heroically strong now, but you will find that love endures. It endures in the lingering memory of time together, in the embrace of a friend, in the bright, questioning eyes of a child.

And as for the children of the lost, throughout your lives you must never forget, your father was America's pride. Your mothers and grandmothers, aunts and uncles are entrusted with the memory of this day. In the years to come, they must pass along to you the legacy of the men behind the guns. And to all who mourn a son, a brother, a husband, a father, a friend, I can only offer you the gratitude of a nation -- for your loved one served his country with distinction and honor. I hope that the sympathy and appreciation of all the American people provide some comfort. The true comfort comes from prayer and faith.

And your men are under a different command now, one that knows no rank, only love, knows no

danger, only peace. May God bless them all.

Note: The President spoke at 9:23 a.m. in Hangar LP - 2 at the Norfolk Naval Air Station. Following his remarks, the President traveled to Chicago, IL.

Remarks at the Associated Press Business Luncheon in Chicago, Illinois

April 24, 1989

Thank you all for that warm welcome. And my friend, Bill Keating -- friend from Congress days -- thank you for that most generous introduction. I also want to thank your able -- I don't know whether I should say leaders or deputies of the Associated Press. Lou Boccardi, sitting over here, and Jim Tomlinson -- and thank them and you for including me in this AP luncheon, given at the time of the Newspaper Publishers Association meeting. And I also want to say how pleased I am to be with you once again.

I've just come from Norfolk, a very moving ceremony paying tribute to the 47 young men that died in the turret aboard Iowa -- and it was indeed moving. And it made me once again realize how precious human life is and how sometimes you can't control things the way you'd like. And that leads me to just say a word about Terry Anderson, because in a meeting just now, in the greeting by Lou and Bill Keating, they brought up with me, once again, with this sense of urgency that all in the Associated Press feel about Terry Anderson -- the question of the hostages [in Lebanon].

And I just want to say, without being able to give you any good news, that we are concerned; we will follow every intelligence lead; we will go the extra mile to do what we can. And I vowed when I came into the Presidency not to talk about the burden of the Presidency, the loneliness of the job or the great toughness that nobody understands. I learned that from my immediate predecessor -- 8 years and I never once heard a call for sympathy or a call for understanding along those lines. But I will say that when you do take that oath of office you do feel perhaps a disproportionate concern for a fallen sailor or an individual held hostage against his or her will anywhere in the world. And so, we will continue to keep this question of these hostages on the front burner.

I know the news business is a serious and sometimes extraordinarily dangerous business. Mark Twain liked to recall that Napoleon once shot at a magazine editor. He missed him, but he killed a publisher. [Laughter] Twain says: ``It seems his aim was bad, but his intentions were good." [Laughter]

You all know Jefferson's tribute to the importance of the press: ``Were it left for me to decide whether we should have a government without newspapers or newspapers without a government, I should not hesitate a moment to prefer the latter."

And now, despite the fact that there are days when I think that all we really need is a sports page -- [laughter] -- both of us, government and the news media, need one another; we owe each other

a measure of respect, honesty, and integrity equal to the work we're engaged in.

It's been a little over 3 months since I took the oath of office, and I am pleased with the progress that we've made in a short time. And I'll say more about that shortly, but before I do, I'd just like to share with you some impressions of the past 3 months.

People often ask me, understandably, what's it like -- how the Presidency compares to the expectations you bring to it. I can sum up the thing that's made the deepest impression on me so far, in one word, and it's history, a sense of history all around you. And you can't live in the White House and you can't sit at the desk in the Oval Office, or upstairs in the office that I have now right next to the Lincoln Bedroom, without constantly experiencing the history of the place, without thinking of the Presidents we all know, but perhaps in a different light.

And I think of Washington, working to define the Presidency, to mix power and restraint in a way that created a Chief Executive consistent with democratic government. This Sunday I'm going to go up to New York to join in the ceremonies marking the 200th anniversary of Washington's swearing in. Each of those 200 years is lasting testimony to the solid foundation laid by Washington.

And I find myself thinking a lot of Teddy Roosevelt -- his limitless energy; his mental, moral, and physical toughness. I want the record to show it's not just that he was an elitist, like me. [Laughter] I think of his dedication to serve his nation, a dedication instilled in earliest childhood, this sense of service, and then, I guess most of all, his love of nature, passion for reform and preservation.

I think of Harry Truman, a man who spoke his mind, a practical problemsolver, a fighter who never gave up. And I learned that one the hard way, because I'm old enough to have bet 10 bucks on Tom Dewey back in 1948.

And there's Ike, Dwight Eisenhower, hero to a generation, a man who, once he became President, didn't appear to seek the spotlight. He understood the value of quiet, steady leadership and led this nation through a decade of growth and progress and prosperity.

And of course, I do think of the man that I served for 8 years, Ronald Reagan -- his commitment. People wondered: What was it? Why was he successful? It was his commitment to a handful of principles, a commitment to his beliefs, plus his great faith in the American people and then this unshakable optimism that he brought to the job. The opportunities open to us today, to my administration today, were made possible by the peace and prosperity that Ronald Reagan left as his legacy.

We used to hear a lot about the Presidency being too big for one man. Indeed, a very distinguished Washington lawyer wrote just at the end of the Carter Presidency, just as President

Reagan was coming in -- there was talk, because of the frustration abounding, that what we might need is a parliamentary system. That talk stopped when Ronald Reagan became President. Different men, different methods, different circumstances -- proof, as I see it, that the Presidency is ample enough to accommodate the strengths and styles of our nation's rich political history.

In the past 3 months, these thoughts have framed my own approach in dealing with the pressing problems that confront us -- some of them decades in the making -- and in working to put the United States on a steady course for the decade ahead and the new century beyond it. I do not feel compelled or pressed because of a column here or a column there to reach out for something dramatic. The first step in every initiative that I've undertaken is to square our action with enduring American principles. Whatever the problem, we can count on public support so long as our policy and principles share a common root.

And these principles are: freedom for individuals, for nations -- self-determination and democracy; fairness -- equal standards, equal opportunity -- a chance for each of us to achieve and make our way on our own merits; strength -- in international affairs, strength our allies can count on and our adversaries must respect -- and at home, strength and a sense of self-confidence in carrying forward our nation's work; excellence -- the underlying goal in the collective efforts that we undertake, and accountability for the work we do; and in the workings of government, a firm sense of the responsibilities and powers of government and the private sector that lies beyond its limits.

My starting point has been a respect for American institutions -- for Congress, for the dedicated civil servants in the executive branch, for State and local governments, for the concept of public service -- and a firm belief in the constitutional powers of the Presidency. Each has its role; each can be enlisted in the work at hand. The emphasis is on cooperation, not confrontation, as the surest route to progress.

I've read more than a few news stories before and after the election -- you can remember them -- said that the new President and the Congress could not possibly work together after a bitter campaign that made cooperation impossible. I didn't believe that then, and I think we're proving it wrong now. When I took office, I told the Congress that the American people hadn't sent us to Washington to bicker. They sent us to govern, to work together to solve the urgent problems that confront us, and to shape the long-term strategies to ensure peace and prosperity in the future. I think the work we've done these past 3 months demonstrates the value of tough, principled negotiations between this administration and the Congress.

The bipartisan budget agreement that we worked out 10 days ago is a key example. That agreement -- ahead of schedule, on target with Gramm-Rudman, and with my ``no new taxes'' pledge intact -- is a strong first step towards dealing with the deficit problem and keeping our economy -- 76 straight months of expanding, uninterrupted growth -- on track. Difficult decisions lie ahead. I'm well aware of that, but the important first step, an important agreement,

has been reached.

And of course, there's the accord we reached on Central America. The people of Nicaragua -- like their neighbors in the region, like people everywhere -- deserve to live in peace, with freedom. The United States is now speaking with one voice and standing behind a plan that will put the Sandinistas to the test. And this unity has encouraged leaders like President Oscar Arias of Costa Rica to support -- strongly support -- the U.S. policy. And the support of the leaders in that area, in Central America, those democratic leaders surrounding Nicaragua, is vital if we're to succeed.

And in 3 short months, we've made a good start coming to grips with issues demanding urgent attention and decisive action, and we've taken that action.

Action to stabilize the troubled savings and loan system -- the reform plan that I sent to Congress will restore stability and put the savings and loan system back on its feet in sound fiscal order. My plan guarantees that depositors will be fully protected -- they are today, and they will be in the future. The S&L system must be reformed so that the questionable practices and outright illegalities that caused the crisis will not happen again. And those S&L officials found guilty of criminal actions will be punished for the losses that they have caused. Last week the Senate passed my plan by 91 to 8, and I urge the House to act promptly and pass this S&L reform bill with its central provisions intact.

Action to strengthen ethics in government -- the ethics reforms that I've sent to Capitol Hill this month will uphold honesty and integrity in government service, and they will apply an evenhanded ethics standard across all branches of government.

Action in the war on drugs, where we're advancing on all fronts -- education, treatment, interdiction, and tougher law enforcement -- the antidrug effort, even in these tight budget times, will receive almost $1 billion in additional funding in 1990, a 21-percent increase in the outlays over what we'll spend in 1989. We've imposed a temporary ban on the import of certain semiautomatic rifles, weapons all too often used in drug-related killings. And we're tackling the drug epidemic in the District of Columbia, a test case for a full range of innovative antidrug measures.

Of course, dealing with problems that demand immediate attention is only part of the picture. We need to look to the long-term as well, to focus now on the kind of future we want to see for ourselves and our nation. And investing in that future is high on our national agenda.

First and foremost, that does mean improving education. Investing in the rising generation is long-range planning at its best. Our future in this technological age depends upon the qualities and capabilities of the American worker, and not just the most talented among us but each individual member of the work force. The seven-point program on education reform that I sent

to Congress early this month will help us reward excellence, reach out to students most in need, increase choice, and introduce a healthy element of competition and accountability that will promote quality in our schools.

I have no intention of shifting the emphasis to Washington, away from the localities, away from the States, away from the diversity that is one of the hallmarks of our educational system. But I do want to use the White House as a bully pulpit to encourage excellence in every way and to encourage the private sector in every way. And I would say to you publishers here: I salute those of you who have already taken up the cause of education -- be it literacy or dropout rates or whatever it is -- you can do the Lord's work in no better way. The seven-point program is going to help us reward excellence, and you can do an awful lot as well.

Preparing for the kinder, gentler future I've spoken of means helping Americans cope with the changing nature of society, helping fundamental institutions like the family remain strong and prosper. We have big differences. We talk now about child care. I want the family to remain strong, and that's the guiding aim of my child-care initiatives: a tax credit proposal designed to expand the options of low-income families, keeping the ultimate choice of who will care for the children in their hands. One of my greatest concerns as President of the United States is the diminution, the denigration in some ways of the family structure. We in government must see that everything we do is aimed at strengthening, not weakening, the families.

Preparing for the future has got to mean protecting our environment. Teddy Roosevelt put it best when he said: ``I do not recognize the right to rob, by wasteful use, the generations that come after us." Roosevelt spoke those words almost 80 years ago. And now, a little more than a decade away from the 21st century, safeguarding our environment is a national and international imperative. And we've taken the first important steps. We've urged Congress to enact legislation enabling us to ban the export of hazardous wastes to nations where safe handling of those dangerous substances cannot be guaranteed. And in response to growing concern about global warming, the U.S. will work in concert with other nations to end the discharge of CFC's [chlorofluorocarbons] into the atmosphere by the year 2000. And in the case of this Alaskan oil spill, we've taken steps to ensure a Federal role that is strong -- a Federal role in oversight of the cleanup effort and to explore ways to prevent such spills in the future or to react more promptly if they should occur.

And finally, we've launched an initiative to strengthen the international strategy on Third World debt, which has already received broad international support from both the industrialized and the developing countries. We've set our course with this policy, and now I want to see this Third World debt a success on a case-by-case basis. I want to see us successful as we negotiate with Mexico, with Venezuela, and with other countries as well.

We've examined and I've made decisions on U.S. strategy for Afghanistan, Poland, Central America, and other problems and opportunities needing prompt attention. We have moved there.

Within a few weeks, nearly all of the far-reaching and systematic defense and foreign policy reviews will be complete. And I've already made some decisions. Others, including arms control, will be forthcoming soon.

We're mapping strategies for a period of remarkable change in international affairs, change more wide-ranging and rapid than at any time in the postwar period. While we will lead, we also intend to consult and listen to our friends abroad and to consult and work with -- listen to the United States Congress. I've met with the leaders of 34 nations, renewing my acquaintance with many of them, establishing a working relationship with the others. Secretary of State Jim Baker has met once with Foreign Minister Shevardnadze of the Soviet Union. He will meet again next month in Moscow to continue that dialog. And as with the bipartisan agreement on Nicaragua, I will work closely on all international matters with the Congress. We have had several meetings already with the leaders of Congress to discuss, in a nonstructured way, consultation -- not only the process of consultation but we've begun it on individual areas around the globe.

Last Monday in Michigan I announced a new policy towards Poland in recognition of the positive changes taking place there. We'll be watching events in Poland closely -- the fate of Solidarnosc, the followthrough on the free elections promised by the Polish Government. Freedom is proving a powerful force in world affairs, a force for peace and stability. The United States must seize opportunities to strengthen and support developments that advance the cause of freedom, and we will do exactly that.

I think we've made a good start these first 3 months, and there's more to come. The completion of our defense and foreign policy reviews in late May, draft legislation for a new Clean Air Act, a new strategy to curb the increased use of lethal weapons by drug dealers and other criminals, and new initiatives to combat the problem of homelessness -- all are on the near horizon.

You know, some of my toughest critics are not in your line of work. Quite often, they're the kids, the children who write to me at the White House. I want to share with you a letter from a young seventh-grader from Torrance, California. He wrote asking me to take action on pollution, toxic waste, smog, littering -- and a very detailed list, if you will, of environmental concerns. And he says in his letter: ``I'm not saying you're doing a bad job, but could you put a little more effort into it?" [Laughter] That letter was written on January 20, 1989 -- Inauguration Day. [Laughter] And I have no way -- maybe I ought to check on it as we go to California -- I don't know whether I've satisfied that guy or not. But I can say, I got his message. And as I said before, I'm a practical man; I like what's real. I'm not much for the airy and the abstract, and I like what works.

And there's a running debate now on what it takes to move a nation forward. Some will tell you it's ideology that matters. Some say it's a question of competence. And others say that issues are the issue. But the fact is, what it takes to move a nation can't be captured in one word. It's a matter of principles and performance, ideology and action on the issues. And this administration

understands that the American people expect all of this and something more: They expect results.

And so, while I'm pleased with what's been done and what we've accomplished in these 3 months, there is a long road ahead of us. And I am optimistic that our reforms will produce lasting results, that the long-range planning we do today will pay off in the future, that our consultations with Congress will result in progress in domestic and international affairs as well. But most of all, this nation is ready to move forward to meet the central challenges that we face: keeping America free, prosperous, and at peace -- tomorrow and into the century ahead. Thank you very, very much.

Note: The President spoke at 12:17 p.m. in the Grand Ballroom at the Hyatt Regency Hotel, during the annual conference of the American Newspaper Publishers Association. In his opening remarks, he referred to William J. Keating, chief executive officer of the Detroit Newspaper Agency; Louis D. Boccardi, president and general manager of Associated Press; and James F. Tomlinson, vice president and assistant to the president of Associated Press. Following his remarks, the President traveled to Bismarck, ND.

Remarks at the Dedication Ceremony for the Centennial Grove in Bismarck, North Dakota

April 24, 1989

I'm so pleased to be here. Thank you, Tom Kleppe. When Secretary -- and I say ``Secretary'' because North Dakotans know that Tom served so well as Secretary of the Interior -- former Congressman, but called me about this marvelous project of yours, he's right, I accepted in a hurry. And I'm very grateful to Governor Sinner and all involved in the preparations for this wonderful visit. I want to pay my respects not only to Governor and Mrs. Sinner, [former] Governor Link, Senator Conrad, Congressman Dorgan, and other distinguished leaders of the North Dakota Legislature. Thank you for inviting me.

It has been a very emotional day for me. I understand that lost on the Iowa was the grandson of a Bismarck family, and if that family didn't attend today's services, I can attest firsthand how moving it was and what a wonderful job our Navy did in holding the loved ones close to them, giving them comfort that I know all Americans would want given to these families. It was a very moving day. And the flags I see at half-mast here are appropriate tribute to those young men who lost their lives. I'm also proud to see that POW and MIA flag flying, Governor, right here at this magnificent State capital, because we must never forget the POW's and the MIA's.

When I accepted your invitation to come here, I had no idea that part of the program was to put me to work. ``A sapling,'' they said, ``all you'll have to do is to plant a sapling.'' No one told me that the sapling is about 12 feet tall over there. But I think we can figure it out. This hardy elm is a descendant of a tree planted on the White House lawn by John Quincy Adams. And now, its seedlings will be a part of North Dakota forever.

And just a few years before this State was carved out of the Dakota territory, a young man from New York City set aside a prominent career in politics to become a North Dakota rancher. Having lost his wife and mother in one single day, he came to these parts almost insane with grief. No tenderfoot, he worked the range in the harshest weather, always leading and never following. And he wore a sheriff's badge, and he roamed the Badlands to singlehandedly bring the worst characters to justice. And, in short, Teddy Roosevelt became a man in North Dakota; and he became something else, a guardian of nature. When he went back East and back to politics, Teddy Roosevelt took with him an understanding that the seemingly endless resources of the West were threatened by the unfettered exploitation of man. As President, Teddy Roosevelt wrote these words to schoolchildren on Arbor Day, 1907: ``A people without children would face a hopeless future; a country without trees is almost as hopeless.''

So, let us honor the coming 100th birthday of North Dakota and the memory of the Nation's first true environmentalist by dedicating this centennial bur oak along with this White House elm. Before the year 2000, your State will plant 100 million trees, almost half as many new trees in

one State as there are Americans in the Union. May each tree add to the abundance of the good life in North Dakota, cleaner air for North America. This forestation effort is just one of 600 ambitious centennial projects North Dakotans are taking on. You are fulfilling the spirit that I call One Thousand Points of Light: the spirit of voluntarism, from projects to help senior citizens, to the building of local and community centers, to a memorial for the North Dakotans who fell in the war.

This year you're also honoring those who settled here before North Dakota became a State by honoring their children: the sons and daughters of the pioneers, some 3,000 strong. And let us especially remember, in word and deed, those great peoples and great cultures here well before anyone else -- the Native Americans of North Dakota. These Americans knew the Plains when buffalo ranged in the millions. We can learn then from a special, poignant knowledge that they taught us, that nature once violated is forever altered.

Around the world there's a growing recognition that environmental problems respect no borders. In these first few months in office we've begun to act on our own and in concert with other nations to face up to this fundamental fact. We've agreed that all nations must get together to ban CFC's [chlorofluorocarbons] and to prevent global warming. And as the world wakes us to these problems -- and believe me, it is awakening -- North Dakota, you're already at work planting trees that exchange carbon dioxide for fresh oxygen. What a fitting way to celebrate this magnificent centennial -- by getting ready for the next 100 years.

As you've shown, we do not have to accept as inevitable the spoiling of our air, our rivers, our wetlands, and our forests. When North Dakotans celebrate their bicentennial, these 2 trees will be mammoth, almost 50 feet tall, as hardy and strong as the people they represent. Let them stand as a symbol of our commitment to a clean and healthy environment. May we always have the priceless resource of the outdoors for the enjoyment of our children and our children's children.

Thank you for asking me to be with you today at this wonderful celebration. I just can't tell you how moved I was when I came in from the airport to be greeted by so many of your neighbors, so many citizens of this great State. The respect for the institutions that we hold dear, in this case, the Presidency. It has nothing to do with the President -- the respect for the institution was clear and evident for all to see, and I am grateful for that warm welcome. And so, I will watch with interest and lend a hand where I can, as this tree grows and develops, just like the Peace Garden State.

Happy birthday North Dakota! God bless you, and God bless the United States of America. Thank you all very much.

Note: The President spoke at 4:35 p.m. in the Great Hall of the State capitol. Following the remarks, he participated in a tree planting ceremony on the capitol lawn. Following the

ceremony, the President traveled to San Jose, CA, where he stayed overnight.

Remarks to Ford Aerospace Space Systems Employees in Palo Alto, California

April 25, 1989

The President. Thank you, Don, very much. And my respects to our congressional representatives that are here today -- Pete Wilson, our United States Senator with us today; and Congressman Campbell especially; other Members of Congress that are here -- and all of you at Ford. I want to thank Don Petersen for coming from Detroit for this occasion and thank everybody involved in this visit. And I know what a logistical headache a visit like this might be. [Laughter] So, we promise to go on time. [Laughter] Thank you, gentlemen from the Navy. And, Don, thanks for the introduction, and all of you for the generous welcome. It's a pleasure to be back in the Bay Area, among friends. I'm taking a chance by quoting him in north California, but it was that noted gourmet, Dodger manager Tommy Lasorda -- [laughter] -- who conceded -- --

Audience. Oh!

The President. I knew I was taking a chance. [Laughter] ``I'm on a seafood diet. I eat all the food I can see," he said. [Laughter] Well, he's not like most of us; he never met a meal he didn't like. And if you ask, he'll insist that food ranks among his most precious investments. It uplifts his performance, mentally and physically. It enhances his ability to compete and, indirectly, to keep his ball club in contention. And I'm sure you've all heard the old saying: ``Never invest your money in anything that eats or needs repainting." [Laughter]

Well, today I want to talk briefly about a different kind of investment -- investments which prize the new horizons of America's technological future; investments which can create new jobs, unlock new markets and unleash new technologies; investments, in short, which will make us more competitive and keep America number one.

In a sense, this attitude is typically American. For we are, at heart, a very competitive people. We measure life by today's Dow Jones average or by how our ball club did most recently, or whatever the statistic. And as Americans, we expect short-term results, and historically, we get them. Government's role is to unleash America's ambition, to make us more competitive, by pointing toward the 21st century, ensuring long-term results.

The best investment in the future is to slash the Federal budget deficit. And every dollar the Government does not borrow means more capital available for sound, productive investment. Recently I unveiled an important bipartisan budget agreement with Congress to reduce the deficit. It is but a first step, but the very fact of it was important -- agreement between the executive branch and the Congress. And our accord will narrow this deficit to $99.4 billion in

the fiscal year that began October 1st. And that's far below the $163 billion estimated for the current fiscal year. And now, this plan's an agreed outline -- tough talks still lie ahead. And we will resume consultations soon on a plan aimed at balancing the budget by 1993.

Think of the deficit reduction as exercise, like walking the dog every day. Believe me, I know: Exercise keeps you at the top of your game. And so will another investment to build a more competitive America, one of many that I'll be asking Congress to make. And I am talking about getting Congress to restore the capital gains differential, a step which, according to Treasury estimates, will raise $4.8 billion in new revenue.

I listen to all the criticism, and I've heard, as you have, the criticism of people who ridicule cutting the capital gains tax as somehow a tax break for the rich. Well, they couldn't be more wrong. Lower capital gains taxes will create jobs for those who don't have jobs, will help build a better America. It worked once before, and it will work again. So, I would urge everybody here to give strong support, contacting your Members of the United States Congress to help me restore the capital gains differential.

Consider, on the one hand, those countries that cripple opportunity. They know firsthand the damage caused by excessive taxation on capital gains. And then consider that our second-largest trading partner, Japan, with whom you are working very closely, has taxed them little, if at all. And so, the lesson then, again, is self-evident: Restoring the capital gains differential will make America more competitive. Our plan supports reducing it to 15 percent on long-held assets. So, let us act to lift revenue, help savings, and free American businesses without distorting world markets.

You know, ordinarily, I take statistics with a grain of salt. I've seen too many of these polls. These political polls go up and down. And I guess if I'd have listened to them and gotten discouraged by them I wouldn't be standing here as President of the United States of America. But I like what Woody Hayes said -- remember Woody Hayes, the coach at Ohio State? He put it best: ``Statistics always remind me of the fellow who drowned in a river whose average depth was only three feet." One statistic, though, does bear reciting. Since November 1982, nearly 20 million new jobs have been created in this country. And many have been created right here in the Silicon Valley. Well, through investments to increase competitiveness, I know that we can do even better.

For instance, we have proposed a permanent extension on the research and experimentation tax credit. America must remain in the front lines of technological innovation. And we want to actively increase domestic research by multinationals and end the uncertainty of expiring temporary rules. These steps and others can help us walk the unexplored frontiers of high technology. For high tech is potent, precise, and in the end, unbeatable.

The truth is it reminds a lot of people of the way I pitch horseshoes. Would you believe --

[laughter] -- would you believe some of the people? [Laughter] Would you believe our dog? [Laughter]

Look, I want to give the high-five symbol to high tech, and I want to do it by investing in competitiveness. And that's why I've asked Congress for an increase of $2.4 billion for NASA, as it moves ahead with the space station Freedom. We have selected a new Science Adviser, and I will elevate his status. It is important that the President's Science Adviser have access to the President and that his views be considered in a wide array of important issues. I've also just reestablished the National Space Council, headed by the Vice President, to coordinate our future space efforts.

But we can't stop there; our future won't allow it. So, let us also invest in the superconducting supercollider, a bold new experiment fusing science, technology, and education. Because science is so critical, let us double the National Science Foundation budget by 1993. And let us use our own technological prowess to expand free and fair trade. I'm talking about excellence in such fields as microcomputers and superconductivity and, yes, aerospace.

In aerospace, we can point to satellites whose technology is American, point with pride to satellites like the Superbird satellite, among the largest, 5,500 pounds. The most powerful communications satellites yet developed -- 5,500 pounds -- that's even bigger than the 49'ers' offensive line. [Laughter] Today America's satellites are among the most competitive spacecrafts for customers who want affordable high-powered communications satellites. And they are providing regular and cable television access, telephone lines, newspaper transmission, and other telecommunications services. And best of all, they're just a preview of the next generation of satellites. In the 21st century, they will keep America as number one.

You know -- remember Satchel Paige -- great black pitcher, self-proclaimed philosopher? They asked him what was the secret of his competitiveness. You remember what he said. ``Don't look back. Somebody might be gaining on you." Well, Satchel, like high technology, knew that as Americans we do look ahead and not back. We always have, and we must now, more than ever. For the coming decade will see and shape a rapidly changing work force. To invest its talents will be our challenge as a nation.

According to the National Science Foundation, for instance, by the year 2000 the college-age population will have shrunk almost 20 percent. Among college-age youth, minorities will comprise one-third. And women, minorities, and immigrants will total almost two-thirds of the new entrants into the labor force. These facts demand a new investment to build a more competitive America. It's an investment different from lower capital gains taxes or more funds for space and other high tech, but it is vital. And I'm referring, of course, to child care.

At Ford Aerospace, officials are responding to changing demographics and the needs of its employees. By increasing parental options, Ford's Employee Assistance Program is helping to

keep us competitive. And it is involving community agencies as child care resource referrals, like the YMCA Child Care Center in Palo Alto, approved and supported by the United Way.

Now, I salute this example, and I applaud its emphasis on choice. There are some congressional child-care initiatives, well-meaning, I am sure, but which don't reflect this emphasis. Our new child-care initiative -- mine, the one that I've sent up to the Congress -- does. And our proposal urges a new tax credit to make child care more affordable. And it puts money in the hands of the low-income parents, limits Federal intervention, and increases options. A church can help, or grandparents or professional nursery. When it comes to child care, we say: Let the parents decide. Keep the family strong. And we must do that.

For in the end, it's decisions we come down to: decisions to say yes to child care, more funds for space and other high technology; decisions which serve the entire community -- workers, investors, students, parents; decisions to invest in America so that we can create a more competitive America.

As Californians, you know what I'm talking about. You've always believed in daring, aspiring, and charting unexplored frontiers. And you look ahead, not back. And you know that nothing is impossible. And by giving of yourselves and to your country, you give lift to the American dream.

Thank you for that. Thank you for a fascinating day in the laboratories here. Thank you for your kindness and your generosity. God bless you, and God bless the United States of America. Thank you all very much.

Note: The President spoke at 9:27 a.m. in the facility's cafeteria courtyard. He was introduced by Donald Rassier, president of Ford Aerospace Space Systems Division. Donald E. Petersen was chairman of the board of the Ford Motor Co. Following his remarks, the President traveled to Los Angeles, CA.

Remarks to Law Enforcement Officers in Orange County, California

April 25, 1989

Thank you very much, Sheriff Gates. And thank all of you, the supervisors, law enforcement community, thank you for that warm Orange County welcome. And it's good to be here. And I'm very proud that our great Attorney General is with me, Dick Thornburgh, who's doing a superb job in this battle against drugs and against crime all across the board. Dick, welcome. To Willie von Raab, the Commissioner of the Customs, I am delighted he is here. Sheriff Gates very generously telling me of the superb cooperation between the U.S. Customs and the sheriff's office here. And that's what it's going to take if we're going to have further victories in this war.

I'm delighted to be here with Senator Pete Wilson, an outstanding leader in the Senate, a man who has been really a conscience of the Senate in terms of antinarcotics, and Mike Hayde as well. And may I pay my respects to -- I know four Members of the United States Congress are here today -- Bill Dannemeyer and Congressman Cox. I believe I'm a little insecure in my lines here. I think we're in Chris' district, unless we flew over it. So, I'm glad to be hosted by Congressman Cox and then Congressman Bob Dornan, Congressman Gallegly as well.

So, I'm delighted again to be here. And let me just say this: that somewhere out here are 50 undercover narcotics agents; and let me say to you, you are the unsung heroes in this war, risking your lives almost every single day behind enemy lines, if you will, to save our kids' lives. And you know who you are, and we salute you and thank you for laying your lives out there for the rest of us. All of you are fighting fierce battles in one of the largest and toughest drug markets in the country. And somebody dies every other day in Orange County as a result of drugs. I don't know how many of you have seen the visuals, the display, but there is a penetrating chart that demonstrates dramatically the amounts of lives that are lost in Orange County from narcotics. And these people that have lost their lives -- they've ranged from an 82-year-old man to a 1-month-old child. It doesn't spare anyone. But you're not backing down; you're not giving up.

And that's one of the reasons I wanted to come here today. The communities here in Orange County are united. Law enforcement agencies crossed over sometimes competitive lines and banded together. And you're an example of hope, determination, and the true American spirit. You know, we won't build a better America until we win this war on drugs. And so, today I want to touch on both sides of the equation -- education, to cut off demand for drugs, and enforcement, to cut off the supply.

And I might say, parenthetically, that our new drug czar, Bill Bennett, former Secretary of Education, is tackling the problem on both sides of the equation -- education and interdiction. And I'm just delighted that he is doing the job he is in Washington. I wish he were here with us

today so I could brag on him in public.

Demand for drugs is driven by a sense of hopelessness. Last year -- this is so sad -- an 18-year-old member of one of these gangs, in this instance the L.A. Crips gang, was asked: ``If you could change the world, how would you do it?" And he said: ``I wouldn't know what to do. I wouldn't know what to change." And later he was asked: ``What do you think you'll be doing in 10 years?" And he said: ``I don't think I'll be alive in 10 years." And that is life without hope, without meaning. And we're looking at a desperation that money alone will never cure. We won't win this one with our wallets alone. We will only win it through our collective effort and our collective will. And that means education -- cutting off demand through community involvement at all levels.

Mike Hayde and Sheriff Gates and so many others, your Drug Use Is Life Abuse Program is one outstanding community awareness effort. And you've got business, government, schools, religious groups, families, and law enforcement all personally committed to halting demand. There are the students that Brad was telling me about who produced the antidrug video that runs before the movies start, the workers who roll by on a sanitation truck painted on its side ``Drugs Are Garbage," and every L.A. Ram -- no matter who you're for -- but I commend the Rams in this one -- every L.A. Ram with a Drug Use Is Life Abuse patch on his uniform, over 22,000 student athletes on teams in Orange County who will wear the same patch. And then there's my friend, Reverend Robert Schuller, who's got churches all over the county delivering a sermon on drug abuse every 3 months, and again the students, distributing tens of thousands of cards for people to sign, making a personal commitment against drugs. And that idea came from a 16-year-old girl who says: ``The only thing I own is my name. I don't take signing my name lightly." Well, I want to join her. I want to proudly sign one of these cards, too, and I hope we can after this.

So, many are getting the word out. But I'd like to enlist one other group in the L.A. area that has a special responsibility: those in the entertainment industry. Television, films, and music are a positive influence. And my advice to them -- my entreaty is: Use that influence wisely to do good. I know that many in the business are already concerned and active, but I never want to see a movie again that makes drug use into something humorous. It is time that they got behind this crusade. This community has raised your voices; you've raised your voices so effectively in the cause of so many issues. Can you not raise them once more in support of a cause so important? In the work you do and the lives you lead, help us send a strong message, the right message, to a new generation of Americans: We want a drug-free America!

You get some marvelous mail in my line of work here as President, unbelievable. I quoted one yesterday from some kid, an eighth-grader or something, who said: ``Well, you've got to do better. You've got to do better on the fight against drugs and helping the environment." He wrote it on January 20th, the day I was sworn in. [Laughter] But nevertheless, he has a point. But here's one, a young woman: ``I have a brother who has wasted time, opportunity, and finally his mind. I've watched my mother and father cry and spend years of energy and effort on their

addicted son instead of themselves. I hate drugs. Drugs have virtually destroyed my family." She deserves better; we all do. With the strongest means of enforcement we can devise, we must disarm, dismantle, and destroy the drug market in America.

You heard Brad Gates, the sheriff, tell us something of the history of this ground that we stand on. It was the core of an international marijuana and cocaine smuggling ring. How many lives, how many families, how many hopes and dreams have been destroyed with these chemical weapons of death and destruction -- drugs? Death bought and sold by the ton -- this operation had commercial packing equipment, underground storage vaults, large vans with hidden compartments, jet aircraft, ocean-going vessels. Once a warehouse of death, now it is a source of hope. Rancho del Rio has been reclaimed. Thanks to the Comprehensive Crime Control Act of 1984, pushed through by your former Congressman, Dan Lungren, we can now seize drug dealers' assets and use them in the war on drugs. And this is the first piece of forfeited drug property turned over for use by local officials in Orange County. It's going to serve as an International Narcotics Training Center and as a reminder to these merchants of death: Your money won't help you; in fact, we're going to use it against you.

So, what you see on these tables behind us is over $4 million -- line up -- [laughter] -- $4 million of laundered drug money recently seized by U.S. Customs and the regional narcotics suppression program in Operation Shackle. And today I'd like to formally turn these funds over to Sheriff Gates to help fund the Rancho del Rio project. I hope that all of you can help make this project a reality. I'm also pleased to present another $6 million in drug money -- confiscated through a joint DEA-local sting operation in California and Arizona -- to fund more effective, cooperative efforts between local, State, and Federal enforcement agencies. This money then, totaling $10 million, is the bounty of defeated drug criminals. And we won't stop until we nail every coward who deals in death and put them where they belong.

Now, you have had outstanding results over the last 2 years, thanks to the team efforts of local, State, and Federal agents: nearly 40 million in cash confiscated, the equivalent of 9 million injections of heroin and 38 million doses of cocaine seized. And that's 15 doses for every man, woman, and child in Orange County. Do we need any other reason than that to win this war? Let these funds go then to fighting the war they once financed. Let us raise awareness and build strength through a constellation of concerned Americans in every town, city, and community in this country. And let us send a message, loud and clear, to every drug merchant in America: You're going to be out of business! That is our message. That is my message to you today. Keep up the good work and continue to set an example for the rest of our great country.

Thank you. God bless you. And God bless the United States of America.

Note: The President spoke at 12:23 p.m. outside of the main house at Rancho del Rio. He was introduced by Orange County Sheriff Brad Gates. In his remarks, he referred to Michael K. Hayde, president of Drug Use Is Life Abuse, and Robert Schuller, pastor of the Crystal

Cathedral. Prior to his remarks, the President toured the facility. Following his remarks, he attended a working luncheon with law enforcement officers at the ranch.

Remarks to Members of the Hispanic-American Community in Los Angeles, California

April 25, 1989

Thank you very much. And, Mr. Schwartz -- Murray, thank you, sir, for the warm welcome back to this campus, and I am so delighted to be here. This is a nonpartisan appearance. And therefore I will resist any partisan commentary except to make note that it was here, not in this very room, but right on this campus -- Murray Schwartz referring to my last visit here that was highly politicized, perhaps one of the most dramatic moments in our whole campaign cycle, but certainly in my life. And so, I have a feeling, a good feeling, and very pleased to be welcomed back by two people who give so much to UCLA.

I would just give a word of welcome to all of you. And I'm delighted to salute UCLA, one of our great universities. I would simply say that expressing gratitude is not always easy. But I do want to express my gratitude for this warm reception. I had a chance to meet with some of the organizers early on to tell them how grateful I am for this wonderful get-together on relatively short notice.

You know, a Hispanic patriot of our hemisphere once said: ``I am America's son. To her I belong." Well, let me speak for Barbara, who regrettably is not with us here tonight. I feel that we belong, for we've spent a lot of our adult lives in -- Barbara and I -- in Texas, seeing close up, firsthand, the strength of the Hispanic communities there. Hispanic values touched us: discipline, caring, patriotism, love of God. And of course because of Jeb's wife, Columba, we feel doubly blessed as a family because the Hispanic culture is our culture, too.

And tomorrow I'm going to meet with one of our greatest Presidents. And I'm talking about California's always-favorite son and my good friend, Ronald Reagan. And I can't help recalling the words that he once said about Hispanic-Americans: ``Just as their forefathers sought a dream in the new world, Hispanic-Americans have realized their dream in our great nation and will continue to do so. Their dedication to higher purposes reflects what is best in the American spirit."

Well, my friends, that spirit brought your parents and your grandparents and some of you to the United States. And they and you came in search of a better life, and you're finding it. And you came to build a better America, and you're sure helping build it. And you're building it through family, through church, through love of country and belief in the value of hard work -- you know, building it in the school also, a new spirit, I'd say, of public service that is sweeping our educational system, from grade school to grad school, building it through excellence and through such leaders now as we have in Washington: Secretaries Lujan [Interior] and Cavazos [Education], who so enrich our administration.

It was over a year ago at a LULAC [League of United Latin American Communities] meeting in Texas where I said time had come, long since, that we have Hispanics in the President's Cabinet. And now we have two outstanding Secretaries: Manuel Lujan and Lauro Cavazos.

I don't want to embarrass this guy, but it was here at UCLA, on one of these questions they ask you at these debates out of a clear blue sky -- and they asked me: Name a couple of contemporary heroes, or who are your heroes? I've found that in this line of work you always get psychoanalyzed -- [laughter] -- and you're stretched out on a theoretical couch for people to figure out what makes you tick -- that just goes with the job. But this question came out of the clear blue sky, and it had something to do with your heroes. And I cited, quite proudly, Tony Fauci, who is one of the researchers and now top people at the National Institutes of Health who is doing so much in AIDS and cancer research and all of this. What immediately came to my mind was Jaime Escalante, who is here with us today. And I -- here he is -- I told Jaime -- I said, ``Look'' -- I saw him later; I think it was back at the White House or somewhere -- I said: ``I hope I didn't throw you into some kind of partisan limelight there because what I really wanted to do, though, is express my feeling of contribution, my feeling of respect for the contribution that you have made in this -- what we're talking about here today -- excellence in education." So, right amongst us again is one of my genuine heroes.

I see many business people here, people that know what entrepreneurship means and have taken the lead in starting businesses and building them. And you are creating new jobs and cutting unemployment in the process -- here, California, many of you from across the country. And as America's fastest growing minority in the 21st century, you, more than ever, will help tell the American story. And so is the promise that our kids will inherit a better land than we inherited true. It is very, very true -- and I'm convinced of it.

And I haven't been President very long, but I remain an optimist about the United States of America. The problems are big, but we can solve them. And when I look to the values that give us the underpinning for everything we do in society, I come right back to the Hispanic community. And I'm grateful to you.

Some people say that the younger generation is selfish. I don't believe this. I have much more confidence in the young people than to say they're selfish. And young people of this country hunger to return to America a measure of what America has given us all. The people in this room care about the disadvantaged, about the environment. And under this administration, we are going to work together to transform our caring into a commitment for action. Let us pledge, then, not simply to knock at the door of opportunity, let's throw that door wide open and keep it open! And let's remember that we are one nation under God and that we honor Him with the lives we lead.

People are asking me now that you've been President, what are some of your major concerns? And one for me is the diminution of American family. It's more than a sociological textbook

kind of a concern. I worry about it. And I want to say to you in this room -- because I think of the Hispanic culture in America, in the United States, is family-oriented; strength coming from the family -- I will have nothing to do with any Federal legislation that diminishes the strength of the American family. We've got to find ways to strengthen it, and I think I've learned a lot of that right here from people in this room.

We are rural and urban; native-born and foreign-born; Hispanic and non-Hispanic; brown, black, white -- but most of all, we are Americans. So, my plea is: Let's join our hands together, for the future is ours. And as we do, please accept my thanks for this wonderful occasion. I do want to have an opportunity now to come and greet as many as I possibly can. God bless you. Thank you all, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 5:28 p.m. in the Galleria at the James West Alumni Center on the campus of the University of California at Los Angeles. In his remarks, he referred to Murray Schwartz, executive vice chancellor of the university; John and Columba Bush, his son and daughter-in-law; and Jaime Escalante, a calculus teacher at Garfield High School in east Los Angeles. Prior to his remarks, the President attended a reception in the alumni center for leaders of the Hispanic community. Following his remarks, he stayed overnight at the Four Seasons Hotel.

Nomination of Richard L. Armitage To Be Secretary of the Army

April 25, 1989

The President today announced his intention to nominate Richard L. Armitage to be Secretary of the Army. He would succeed John O. Marsh.

Mr. Armitage has served in several capacities at the Department of Defense, including Assistant Secretary of Defense for International Security Affairs, 1983 to present, and Deputy Assistant Secretary of Defense for International Security Affairs for East Asia, 1981 - 1983. From 1979 to 1983, Mr. Armitage established a Washington-based consulting firm specializing in Asian affairs, and he worked in the foreign policy office of the Reagan Presidential campaign. Mr. Armitage has served as administrative assistant to Senator Robert Dole of Kansas, 1978 - 1979; consultant to the Pentagon, 1975 - 1976; and Naval and Marine Corps adviser with the U.S. Defense Attache Office in Saigon, 1973 - 1975. He is a member of the Association of Asian Studies and the World Affairs Council.

Mr. Armitage graduated from the U.S. Naval Academy in 1967, where he received a commission as an ensign in the U.S. Navy. Mr. Armitage was born in 1945, in Boston, MA. He is married, has seven children, and resides in Vienna, VA.

Nomination of William Lucas To Be an Assistant Attorney General

April 25, 1989

The President today announced his intention to nominate William Lucas to be an Assistant Attorney General (Civil Rights Division). He would succeed William Bradford Reynolds.

Since 1987 Mr. Lucas has been an attorney with Evans and Luptak in Detroit, MI. He served as chief executive officer in Wayne County, MI, 1983 - 1987, and he served in the Wayne County Sheriff's Department, 1968 - 1983. Mr. Lucas served as a Special Agent in the Federal Bureau of Investigation, 1963 - 1968; Civil Rights Division of the Justice Department, 1962 - 1963; and in the New York City Police Department, 1954 - 1962. He was a teacher and social worker in New York City, 1952 - 1954. In addition, Mr. Lucas was chairman of the Republican National Committee Coalition Outreach Committee.

Mr. Lucas graduated from Manhattan College (B.S., 1952) and Fordham Law School (J.D., 1962). In addition, he was a fellow at the John F. Kennedy School of Government at Harvard University. Mr. Lucas resides in Detroit, MI.

Nomination of Robert Davila To Be Assistant Secretary of Education and Nell Carney To Be Commissioner of the Rehabilitation Services Administration

April 25, 1989

The President today announced his intention to nominate Robert Davila to be Assistant Secretary for Special Education and Rehabilitative Services and Nell Carney to be Commissioner of the Rehabilitation Services Administration. Both positions are in the Department of Education. Dr. Davila would succeed Madeleine Will, and Dr. Carney would succeed Susan Suter.

Concurrently, the Department of Education announced today the appointment of Michael Vader as Deputy Assistant Secretary in the Office of Special Education and Rehabilitative Services and Judy Schrag as Director of the Office of Special Education Services.

Robert Davila has served in several capacities at Gallaudet University, including vice president for precollege programs, 1978 to present; professor, department of education, 1980 to present; acting dean, Model Secondary School for the Deaf, 1979 - 1980; and director, Kendall Demonstration Elementary School, 1974 - 1978. Dr. Davila graduated from Gallaudet University (B.A., 1953), Hunter College (M.S., 1963), and Syracuse University (Ph.D., 1972). He is married, has two children, and resides in Washington, DC.

Since 1987 Dr. Carney has served as assistant director at the Virginia Department for the Visually Handicapped and as assistant regional manager, 1985 - 1987. She has also served in several other capacities in the education field, including instructor, Washington, DC, public schools, 1984 - 1985; vocational rehabilitation administrator, Washington State Department for the Blind, 1979 - 1984; rehabilitation counselor, 1978 - 1979; and instructor, Nashville public schools, 1975 - 1978. She graduated from Peabody College for Teachers (B.S., 1974; M.A., 1975). She is married and resides in Richmond, VA.

Appointment of Bonnie Guiton as Director of the Office of Consumer Affairs at the Department of Health and Human Services

April 25, 1989

The President today announced his intention to appoint Bonnie Guiton to be Director of the Office of Consumer Affairs at the Department of Health and Human Services. In that capacity she will be the principal adviser to the President on consumer issues. She would succeed Virginia H. Knauer.

Dr. Guiton was appointed by President Reagan on June 18, 1987, as Assistant Secretary for Vocational and Adult Education at the Department of Education. Prior to the appointment, she served as vice chairman of the U.S. Postal Rate Commission, 1984 - 1987. She also served as vice president and general manager of Kaiser Center, Inc., and Kaiser Center Properties. She has served as the executive director of the Marcus A. Foster Educational Institute and was formerly an assistant dean of students, interim head of the ethnic studies department, and a lecturer at Mills College.

Dr. Guiton received a bachelor's degree from Mills College, a master's degree from California State University at Hayward, and a doctorate in education from the University of California at Berkeley. She was born in Springfield, IL, on October 30, 1941, and she resides in Falls Church, VA.

Question-and-Answer Session With Reporters Following a Meeting With Former President Reagan in Los Angeles, California

April 26, 1989

President Bush

Q. President Reagan, how do you think your successor is doing in his first hundred days? There seems to be some discussion about that.

President Reagan. Well, I'm not a part of that discussion because I think he's doing just fine. And he was a major part of everything that we did for the preceding 8 years. I'm very pleased to have him here.

Q. President Reagan, there's been some suggestion that President Bush has been a little slow in reacting and responding to Mr. Gorbachev. How do you feel about that, sir?

President Reagan. As I say, I think he's doing just fine.

Iran Arms and Contra Aid Controversy

Q. Mr. President, what do you feel about Ollie North these days, now that he's built a legal defense on an assertion that he was only following orders the entire time in the Iran-contra affair?

President Reagan. Here's one where I think we're both in the same boat. With this before a jury now, I don't think any comment is appropriate or proper with regard to that.

Q. Were you aware, Mr. President, that documents were not seen by the Iran-contra committees on the Hill?

President Reagan. Well, again, as I say, I just don't think this is a time to comment.

Death of Lucille Ball

Q. President Reagan, would you comment on the passing of Lucille Ball today?

President Reagan. Well, yes, I've issued a statement on that. I think it's a great tragedy, and all of us are affected. She was a friend; we loved her dearly, and she's truly going to be missed.

Defense Budget

Q. Mr. President, what do you think of President Bush's decision to cut money for Star Wars and military aid to the contras?

President Reagan. Well, having had, for 8 years, some of the same problems he's facing now, I'm not going to comment on that. I think that I can rest assured that he means to maintain our national security. There are many problems to contend with.

Abortion

Q. President Bush, the Supreme Court today will be considering an abortion case. Would you like to see that be the first step in a move to ban abortion in this country?

President Bush. Yes.

Q. President Reagan? Same question.

President Reagan. I think we've been agreed on that. You know my position on abortion.

Advice From President Reagan

Q. President Bush, are you looking for any tips today or anything in this meeting?

President Bush. Always.

Q. On what?

President Bush. ``Life its own self," as Dan Jenkins said -- ``life its own self." Figure that one out, Norm [Norman Sandler, United Press International]. But what it means is: I have a lot more to learn from President Reagan. As I've told you all over and over again, I learned a lot in 8 years. I learned a lot about principle; I learned a lot about the world as it really is. And so, I want to talk to him about the changes that are taking place abroad -- Japan, NATO [North Atlantic Treaty Organization], Europe, all over the place -- and get his advice. So, that's what I hope this visit will be about.

Q. Can you give us a sense of what he's told you here today, sir?

President Bush. Well, we just started. He told me you were coming in. He said there would be two waves and we were going to take questions at the second wave. That was all we've said so

far after we said ``hello."

Q. Would you like to enlist President Reagan's support for anything in particular -- missions, special -- --

President Bush. Yes.

Q. Can you tell us about it?

President Bush. No specific mission, but strong support. And I want to keep him fully informed. The respect for him around the world knows no bounds, and I've encountered that when I've met with 36, I believe it is, heads of state so far. And so, I hope I can talk him into various missions or assignments as time goes by. But I'm respectful of his own private life and what he's doing, but there will be plenty of opportunity to stay in touch, and that I'm determined to do.

White House Press Corps

Q. President Reagan, do you think your successor has a kinder, gentler press corps? More so than you had? [Laughter]

President Reagan. Oh, I think we're familiar with that. One thing I want to tell you that I proved to him before you came in, if you're curious about that -- I proved to him I was a Californian. We stood in the window, and I showed him that you could see Catalina from here.

President Bush. That's right. That's right. What a view! Have you all checked it? It's worth a look out there.

Offshore Oil Drilling

Q. You don't want any offshore oil drills out there, do you?

President Bush. Any what?

Q. Offshore oil drills out there.

President Bush. Out where?

Q. Out there at that view?

President Bush. Well, I don't know that anyone is proposing that right now, but you know my position on that -- strong environmental concerns and strong concerns about this country

becoming further dependent on foreign oil. And I'm convinced that the proper balance can be found.

Views on the Presidency

Q. Do you miss the White House, sir?

President Reagan. No, it's in good hands.

President Bush. I can tell you they miss him, because the people there are the same. They're the same wonderful group that you told me were first-rate, and they talk very fondly about you and Nancy.

Note: President Bush spoke at 9:48 a.m. in the Office of former President Ronald Reagan at Fox Plaza. Following their meeting, President Bush traveled to Austin, TX.

Remarks to the Texas State Legislature in Austin

April 26, 1989

Thank you very, very much for that warm welcome. Mr. Speaker, thank you, sir, for presenting me to this esteemed body. And, Lieutenant Governor Hobby, my respects and thanks to you and to Bill Clements. It's a good thing it isn't his birthday. [Laughter] I'm not sure another plaid day in the Texas Legislature is in order. But a belated happy birthday, anyway.

I'm delighted to be back in Austin with so many friends. And I'll want to discuss a few issues facing Texas and all of America. But let me just say a few words about what it means to be a Texan. My credentials: I have my driver's license here, and I have my Texas hunting license here, and, somewhere, my voter registration slip. And it is true, I like Kennebunkport, but I am a Texan. And so, I just want to clear the air and say a few words about that.

You know, like the former kingdom of Hawaii, Texas is a nation that had to reconcile itself to being a State. But like Hawaii, we'll never reconcile ourselves to being ordinary. From the Pecos to the Pedernales, from the Rio Grande to the Red River, there is no place on Earth like Texas, nor is there another capitol in America quite like this one, built of this rose-tinged granite that blushes in the low sun. And this being Texas, we had to build a capitol that is exactly one foot taller than the one in Washington. And so, I hope it's not too much of a cliche to say that Texas stands tall in the heart of this President.

Perhaps for this reason, Larry McMurtry, who was at the White House the other day -- he's one of my favorite writers -- in ``Lonesome Dove'' he describes the mythic Texas and conjures that sense of the place we all know so well. And I'm inspired by a man of letters who can convincingly adopt the voice of the cowboys and the outlaws, men whose only schooling was in dodging bullets, whose only lessons were in how to run or rustle cattle.

But unlike Davy Crockett, I first set out for Texas not on horseback from Tennessee but from Connecticut in a red Studebaker in June of 1948. And more than 40 years later, that trip is still a vivid memory: Highway 80, neon Pearl Beer signs appearing in the desert twilight -- and see, I've got a note here -- and stopping at a cafe -- I'll admit it I didn't know if chicken-fried steak was a chicken fried like a steak or a steak that tasted like a chicken, but I've learned. [Laughter]

And still, Bar and I settled in Texas, as did many before us. We raised five kids and helped get into the business world -- helped start a business. And in that span of 40 years, I've watched with pride as this State has grown into even greater glory. And in my lifetime, I've seen the oil wealth of west Texas help finance the building of great cities, the expansion of great universities and colleges -- the origins of a Texas renaissance, if you will. The energy business helped make Texas what it is today: the third coast of the United States.

This Texas renaissance lasted for years, even decades. But you also know another more recent chapter of the Texas story: oil cheaper than some of this fancy mineral water, skylines of sometimes empty buildings, expensive homes to be had just for the monthly payments, and thousands of laid-off workers. Now, I'm no cowboy; I pitch horseshoes for a living, but I don't ride these broncos. I understand, though, that cowboys have a term for the most dangerous and cunning bronco of all, and they call it a sunfisher. And those broncos will rebel against a rider by adopting a motion not unlike the sunfish: a full-force leap into the air, back arched high, flank twisting the rider to the left, head and upper torso twisting the rider to the right in an attempt to tear him apart. And let me suggest that not so many months ago, the whole State of Texas, our State, felt like it had been on just such a ride. But strong men and women are challenged by adversity, and I believe Texas has proven that. And there may be a few more bumps and bruises ahead, but make no mistake: Texas is back -- back in the saddle, strong in every way.

State unemployment has dipped to its lowest level in 4 years, signaling, I think, the diversification of the Texas economy. In 1970 the energy sector accounted for nearly 25 percent of State output -- 25 percent. And last year it accounted for 11.4 percent. And yet Texas has more than regained the 208,000 jobs it lost from 1986 to 1987, with employment in plastics and aviation, electronics, space, and computer programming leading the way. More people are at work in Texas today than ever before in our history. And the Dallas-Fort Worth Metroplex leads in defense and aviation and technology; Houston in space and biomedical research; Austin, microelectronics. Another sign that Texas is becoming a world center of technology is the selection of Ellis County as the site of the Superconducting Supercollider. And when built, the SSC will enable us to study elemental particles with names like quarks and mesons and neutrinos -- sounds like a breakfast cereal that these grandkids of ours are into these days.

But as Tom Luce, chairman of the Texas National Research Laboratory Commission, said: ``With a little imagination, you can conclude that future research in the field of high energy could some day help us conquer cancer or discover a way to boost the amount of information on a microchip or answer questions that eluded Einstein, giving us a glimpse of the forces that bind the universe together." The SSC is a key to understanding nature and to developing the technologies and industries of the 21st century. Let me assure you: I will back the construction of the SSC because it is good for the entire United States of America. And let me also salute you, the members of the Texas house and senate, and the voters of this State, for having the vision to take an early lead on this project. Texas got its act together and made an outstanding presentation early on.

Still, no matter how diversified and high tech that we become, a strong domestic energy industry is important, still important, to the future of this State and, in my view, to the future of all America. I find it disturbing that nearly 50 percent of America's oil is imported. This is not good for the national security of the United States of America. And now some are questioning the future of America's energy production in the aftermath of the wreck of the Exxon Valdez off Alaska. I am as concerned as anyone, as all Americans are, by the environmental tragedy in Prince William Sound. We're using Federal resources intelligently to clean it up. We're working

with industry to develop an improved plan in the event of a future spill. But shutting down our domestic energy production is no answer and would merely increase our dependence on foreign oil. We must, and we will, maintain a strong domestic energy industry.

To reduce our dependence on foreign oil, we must return to high levels of exploratory drilling. I propose to stimulate domestic drilling with tax credits and other incentives. We need more research -- this isn't just a function of the Government, incidentally -- but we need more research to learn how to recover more of our secondary and tertiary oil. And I want to do something else. Texas has a 65-year supply of one of the cleanest forms of energy known to man: natural gas. And I call on the United States Congress, at long last, to fully decontrol natural gas. And I believe that's going to happen soon.

We need a national energy policy that relies not only on oil but on other sources as well. I believe we can and must use safe nuclear power. I believe that coal has a bright future. And you know my confidence in natural gas. As we all become increasingly concerned about the need for clean air, we must look more to natural gas and to nuclear power. We must press forward with clean-coal technology, and we must produce more of our corn crop to produce -- switch more of our corn crop to produce ethanol; more of our natural gas to produce methanol. And the greater use of these alternate fuels will rapidly improve the air quality of our most heavily polluted cities. And I'm talking about Los Angeles, Denver; I'm talking about Houston, Texas, and other heavily impacted areas.

I know there are still a few dark clouds remaining on our economic horizon. I know that you're concerned about the continuing crisis in many of the savings and loan institutions. And I've asked for measures to restore these institutions to financial health. And I've asked for $37 million in 1989 funds for the Justice Department so that those who willfully abuse the trust of the small savers can expect to be pursued, tried, and, if guilty, put into prison. We must go after the white-collar criminal in this country as well as the others. The United States Senate has acted expeditiously on the savings and loan bill that I put forward -- strong support on both sides of the aisle, Democrats and Republicans alike. And I now call on the House of Representatives to pass a responsible savings and loan bill as soon as possible.

Texas, like all America, faces many challenges. But I believe that by working together, as Republicans and Democrats, as Federal and as State officials, we can lick any problems down the path. Federalism works; federalism works because of your leadership and your initiative. The old dictum of the best government being that which is closest to the people applies here, right here in this chamber, right here in Austin, Texas -- right here at the Capitol. True, some problems of the recent past linger on. Some areas of the State are recovering more slowly than others.

But the way is clear to a future as bright and promising as the blue Texas sky: a new reliance on a diversified economy and the technologies of the next century. And this is the secret of the

Texas turn around, and its unfolding is a tribute not just to the entrepreneurial spirit of Texans themselves but to the leadership of Governor Clements, Senators Gramm and Bentsen, the congressional delegation, and the men and women of the Texas legislature. Texas is starting to feel like its old self again. And there's a feeling now that anything is possible. I'm not standing here trying to underestimate the problems of education or health or urban blight, but there is a new feeling abroad. Who knows, the Astros might win in the National League, and, yes, under enlightened new leadership -- [laughter] -- the Texas Rangers might even win in the American League. Good luck!

Seriously, as we face our future in the White House, Barbara and I take with us memories of people and places from a State that has been home for most of our lives -- all of my adult life, if you will. We remember those 12 years in west Texas. It's a dry heat. You don't feel it -- [laughter] -- my eye! We were there for 12 years. But the people -- I feel their strength and fierce independence to this very day. And I remember driving the kids across Texas. We moved down from west Texas down to the gulf coast, slowing down to take in the fields of the blue bonnets and Indian paintbrush. I don't think you can drive through that country without thinking of yourself as a naturalist or an environmentalist, or at least counting your blessings. And I remember the people of Houston, many of them mature and skeptical, but who nonetheless listened to a very green young man and sent him to Congress in 1966. And I remember Lyndon Johnson at his ranch back in 1969, when I went over there -- an elder Democrat, retired from the Presidency, giving neighborly advice to a young Republican, while his very special Lady Bird held out her hand in hospitality.

Barbara and I treasure these 41 years as Texans -- the sights and sounds of our adult lifetime, the trust of many friends, and the love of a family. And all this and more we remember when we think of home.

You know, I've been thinking about it. Ann Richards was right. [Laughter] Why do you think that I said we could cancer conquer? [Laughter] Look, I kept putting that silver foot in my mouth -- [laughter] -- all along the way. But the bottom line is when they ask, ``Where's George?", say he's in Austin, among friends. And I'm very proud to be back. Thank you all. God bless you. And God bless the United States of America.

Note: The President spoke at 4:35 p.m. in the house chamber of the State Capitol. He was introduced by Gib Lewis, speaker of the house of representatives. In his closing remarks, the President referred to State treasurer Ann Richards, who spoke at the 1988 Democratic national convention. Following his remarks, the President traveled to Miami, FL.

Statement on the Death of Lucille Ball

April 26, 1989

Lucille Ball possessed the gift of laughter, but she also embodied an even greater treasure: the gift of love. She appealed to the gentler impulses of the human spirit. She was not merely an actress or comedienne; she was ``Lucy," and she was loved. I want to extend my deepest sympathy to the family of Lucille Ball. Their loss is immeasurable, but so is her legacy of laughter. It is timeless. It spans the generations.

No television program in history was better named than ``I Love Lucy". Mrs. Bush joins me in mourning the death of this legendary figure. We, too, loved Lucy; so did the world.

Remarks at the International Drug Enforcement Conference in Miami, Florida

April 27, 1989

And let me, at the outset, pay my respects to Governor Martinez, the Governor of Florida, who's with me here today, with all of us here -- and Senator Connie Mack, vitally interested, as is the Governor, in the war against drugs. And of course, my great respects to the Attorney General, who is taking a very prominent leadership role in this common fight. And it's a pleasure to see -- out of Alaska for a change -- the Commandant of the Coast Guard, Paul Yost, who is doing an outstanding job half a world away up there in Alaska, but whose organization is doing such a superb job for the United States in this whole concept of interdiction. And so, we have a distinguished group here.

``This scourge will stop." Those were the words that Dick alluded to; those were the words with which I opened my Presidency. And it's the continuation of that promise that brings me to Miami today. And I am honored to be here to talk with you. And I am very grateful to Jack Lawn and the -- whose head of the, as you all know, head of the DEA -- and the other distinguished enforcement chiefs who have come throughout the Americas, along with our friends and observers from Europe, to join forces in a new tradition of international cooperation. And I had a visit just a second ago with Jack -- just took a minute, but he was filling me in on his hopes for this conference and telling me of the cooperation that his organization was receiving from all of you. And so, let me, at the outset, say thank you.

I'm here today to talk about war: first, to see cocaine trafficking for what it is -- an attack aimed at enslaving and exploiting the weak; second, to confront what's become a world war; and third, I hope to help end a nasty chapter in that war -- the diversion of precursor chemicals.

In the 19th century, the scourge of the Americas was slavery, a struggle of good and evil in which some sought to enrich themselves by enslaving the most downtrodden of their countrymen. Today the scourge of this hemisphere is called cocaine. As commanding officers, you know the havoc of which we speak. You see it every day on the streets of your cities and in mountain villages, in the haunted eyes and the broken dreams of a generation of youth, of children who have fallen victim to a seductive, nightmarish new form of dependency and slavery. Our countries have suffered a terrible toll, many far worse than the United States.

Drug traffic is called the world's second most dangerous profession. The most dangerous really is yours, law enforcement, drug enforcement. Earlier this year, I had a glimpse of what must be all too familiar to many of you sitting around this table. I joined Mrs. Everett Hatcher to grieve for the death of her husband, a veteran DEA agent who was executed by cocaine cowards in the back streets of New York. A woman of considerable dignity, she put responsibility for Mr. Hatcher's death squarely on those once naively excused as casual users of cocaine. Well, cocaine

users can no longer claim noncombatant status. There is blood on their hands. And thanks in part to the demand-side programs like those you're going to be talking about later this morning, this message has begun to sear the consciences of the stockbrokers and the students, the lawyers and the homemakers and the athletes who finance our common enemy.

There are many ironies. Drug addiction does not discriminate against a person because of race, religion, or financial status. It's the great equalizer, sharing sons and daughters of the rich, the poor, the middle class. Sometimes the opposite occurs, and kingpins are reduced to paupers. The opulence of Carlos Lehder's lifestyle is but memory now, as he begins his journey to the grave -- life without parole -- in an Illinois penitentiary. The notorious Felix Gallardo, once boasting of his power and wealth, is also behind bars in Mexico. Stripped of blood money, they are nobodies, no longer the stuff of myth.

Your business, then -- our business -- is to pursue these outlaws to the ends of the Earth, to create a world without refuge, to leave no sanctuary, in your countries or in mine. And I've said it before: The war on drugs is no metaphor. We've been slower to recognize that it is also a world war, leaving no nation unscathed, one in which Hong Kong bankers and Bolivian growers and Middle Eastern couriers and west coast wholesalers all play insidious roles. And it is especially acute in this hemisphere, where an explosive cycle of drugs, dependency, and dollars has escalated clear out of control.

The time for blame -- the time for assigning blame is behind us. For too long, a sharp divide has been drawn between producing and consuming nations. Well, denial is a natural part of human nature, and probably part of a country's nature as well. But let's face it; Americans cannot blame the Andean nations for our voracious appetite for drugs. Ultimately, the solution to the United States drug problem lies within our own borders -- stepped-up enforcement, but education and treatment as well. And our Latin American cousins cannot blame the United States for the voracious greed of the drug traffickers who control small empires at home. Ultimately, the solution to that problem lies within your borders.

And yet good neighbors must stand together. A world war must be met in kind. And so, today, as this conference winds down and concludes, we are presented with an historic opportunity. Allies in any war must consult -- as partners. And just as you have gathered on seven occasions for IDEC, I ask that the leaders of the Western Hemisphere, whose nations are afflicted by this scourge, join with me to work together toward a hemispheric compact on drugs, a mutual commitment of resources and energy to ensure a brighter day for the children of America. And I mean by that all the Americas. And I have directed that our nation's new drug czar, William Bennett, take the lead in coordinating this vital initiative.

IDEC demonstrates that we will put aside national differences to do what must be done. And together you have put cartels out of business, reduced the supply of cocaine, and increasingly educated our children about the dangers of drug use and trafficking. And I do commend Jack

Lawn and each of you for having the foresight to establish this organization and for demonstrating the collective commitment to work together.

I've spoken often of the horrors of chemical warfare. Well, chemical abuse is also chemical warfare, poisoning our streets, as deadly as mustard gas. And today we're opening a new campaign to rid the world of these toxics. We're going to start right here in the United States, because all too often that's the original source of the basic industrial chemicals needed to produce cocaine. Now, U.S. chemical companies are justly proud of their products that vastly improve and help to extend life here and abroad. But few Americans are aware that illegally diverted barrels of dangerous chemicals -- clearly marked with U.S. corporate logos -- are routinely seized in the jungles of Colombia. IDEC held a panel discussion this Tuesday. And those gathered here -- you understand its importance. Traffickers have hit us where it hurts. And now we're going to exploit their vulnerabilities, crimping the flow of the materials without which they cannot produce -- no chemicals, no cocaine.

We know it works in the field. Many of you participated in IDEC Six, the operations last August, when the combined efforts of 30 nations saw the seizure of 155,000 pounds of highly flammable ether, almost 450,000 pounds of acetone, over 50,000 pounds of hydrochloric acid, and nearly 14,000 pounds of MEK. This past January, Colombian antinarcotics officers under General Munoz Sanabria, who I understand is here today -- is he? I hope -- congratulations, General, for that, and thank you for what you're doing for all of us in that regard. They destroyed 25 cocaine laboratories and enough chemicals to make approximately 88 metric tons of cocaine.

The damage that's done when 88 tons of cocaine hits the United States streets is pretty obvious. What's not so well understood is the widespread environmental damage that precursor chemicals wreak when they are dumped in the forests of the Amazon Basin. One of today's delegates, the director of narcotics enforcement for Peru's national police, has told the DEA that as much as 175,000 pounds of sulfuric acid is dropped into the tributaries of the Upper Huallaga Valley each year. And anyone concerned about the legacy of defoliation in Southeast Asia ought to go see what illegally diverted chemicals are beginning to do the Andes right now.

Nor are these chemical timebombs unique to South America. The problem here is so severe that last year's drug bill authorized funds for the Environmental Protection Agency to clean up hazardous waste at clandestine U.S. drug labs. In January, DEA task force agents busted a heavily armed houseboat located on California's Sacramento River. And the lab -- here it was, right on the Sacramento River -- had been dumping hydrochloric acid and other raw waste directly into the water, within splashing distance of swimming kids and within casting distance of those out there fishing for salmon or stripers or whatever. And so, today I pledge to you that the United States will lead the fight against illicit shipments of precursor chemicals. And I have asked Dick Thornburgh, our able Attorney General, to take a principal role in this new effort.

By and large, the chemical industry has supported us. Let's be clear: We have been getting good

support from most of the chemical industry. And as a result of last year's omnibus drug law, regulations are not being drafted to tighten controls on the chemicals needed to refine cocaine. And we are dedicating the resources necessary to the task. Whatever needs to be done will be done.

Of course, unilateral action by us is not going to solve this problem. And that's why we commend those governments, like Venezuela and Colombia, that have already adopted strict chemical controls. And we urge other nations to do so quickly, as well as to approve the landmark U.N. Convention, which includes precursor chemical controls.

You know, many U.S. companies, including some chemical companies, have long recognized how drug abuse threatens productivity, corporate image, and ultimately profits. And many in the American corporate community have donated countless hours and millions of dollars to stopping drug abuse. My Miami son, our son living here in Miami, Jeb, talks about the successful Business Against Drugs program right here in Miami. The American people are proud of these efforts, and I can tell you, our visitors from other countries, that breaking out all across this country are new such efforts, efforts by civilians, just plain concerned parents -- others all around the country beginning to come together in their communities to join in this fight.

Industry has got to do more, and I hope that parents' groups and stockholders are listening today. We should demand that United States corporations act responsibly and that they not tolerate their chemicals ending up in criminal hands. We would like to see U.S. chemical manufacturers demonstrate their courage and civic responsibility by entering into a true partnership with our government as we try to stop narcotics at the source. These companies can make an important contribution to our nation's fight against illegal drugs. They should make it their job to join in. No one -- not parents, not churches, not bankers, and certainly not chemical makers -- can afford to be a.w.o.l. in the war on drugs.

With so many cultures represented right here in this room, it is inevitable that there are going to be differences. But we share at least one compelling experience. Wherever you call home -- Bonn or Bogota or Boston -- people around the world are beginning to hear the cries of the kids, the cries of our children, pleading with us to stop drugs. Here in Miami last month one elementary teacher told of a writing assignment that she gave to her sixth-grade kids in school. The topic was ``If I Were In Charge Of The World.'' And every single one of these 36 children, those sixth-graders, wrote that they would get rid of drugs if they were in charge of the world. They'd get rid of those people who are breaking the law, and they would put more effective policemen on the streets.

My favorite speechwriter -- I don't know how well-known he is in some of your countries, but he's well-known here -- is a baseball great named Yogi Berra. And he's been kidded for describing the 1969 Mets as ``overwhelming underdogs.'' Well, maybe that's not such a bad description for the good guys in the fight against drugs. Sure, tough challenges remain, but the

children are with us, and the times are beginning to change -- and Yogi's underdogs did win the World Series.

So, thank you for joining us here today; thank you all for coming to the United States. And please, tell your leaders, your Presidents, whoever else you need to have involved, that we are anxious to work with them. God bless you, and Godspeed in your noble work to save the children of the world. Thank you all very, very much.

Note: The President spoke at 9:55 a.m. in the Grand Ballroom at the Biscayne Bay Marriott Hotel. In his remarks, he referred to National Drug Control Policy Director William J. Bennett, and John C. Lawn, Administrator of the Drug Enforcement Administration.

Remarks at the Drug Command Coordination Control and Intelligence Center Dedication Ceremony in Miami, Florida

April 27, 1989

Commissioner Von Raab, my thanks to you, sir, for that warm introduction. My respects to Admiral Yost, who has not neglected the Coast Guard's significant role in interdiction, but has found time to take a crucial leadership role as we battle against the environmental disaster up thousands of miles away in Prince William Sound, where the Coast Guard has performed in a superb fashion. I'm delighted to see Admiral Kelso here, and of course, it is most appropriate that Dick Thornburgh, our outstanding Attorney General, be at my side today, as he was, along with the Commissioner, 2 or 3 days ago in California, where we were reviewing a site in a peaceful mountain area that had been taken over by a drug warlord in this country.

And the effort had been broken up by the cooperative efforts, some of which we see on display here today. And so, it's a pleasure, Dick, that you joined us once again. To my friend, Governor Martinez. I want to say to him I am grateful for the effort that Florida is putting into this effort. This war, this effort, will not be successful without the involvement of States and local communities and the private sector. And Bob Martinez has led the way and, I might say, ably assisted at the national level by Senator Gramm and Senator Mack, who are with us today, too. And I'd be remiss if I didn't single out two United States Congressmen -- if I hurt feelings, sorry, I just missed you -- but Congressman Bilirakis and Congressman Young, two of Florida's greats, are with us here today as well.

The dedication of this facility -- I am privileged to have a part in that. And as I do, let me lay to rest just one popular misconception that's brought home to me by the drill we saw inside. You know, in this country, there's an image of a drug smuggler, some still think of as a grizzled character with some Hawaiian shirt, leather jacket, perhaps the long hair, beard tucked underneath an aviator's hat -- beard tucked underneath his helmet from some secondhand shop -- expected to be flying in a jump plane by the seat of his pants. And you know best, you here, how that popular image lacks reality. All too often, the drug smuggler is an excellent pilot or seaman, with a jet or an expensive boat equipped with the latest communications and other sophisticated equipment. In short, he has everything that drug money can buy. And junking an airplane at sea can just be the cost of doing business on one run.

To identify and interdict this new breed of sophisticated drug smugglers, we must do more than match the resources of the multibillion-dollar drug empire. And that's what we've done here, at C - 3 - I East, a nerve center in this war on drugs. Think of this as one of America's drug war situation rooms, as our early warning network against narcotics. This facility, jointly commanded by the U.S. Customs Service and the Coast Guard, is an important part of our grand

strategy in the war on drugs. And from here, we will be able to detect, track, identify, and apprehend suspected smugglers operating vessels and aircraft. This is the second such facility to come on-line, joining one in Riverside, California, to guard more than 3,600 miles of our nation's southern flank. In time, this facility alone will watch the skies from Brownsville, Texas, to Puerto Rico and across the entire eastern seaboard.

Four years in planning and construction, this facility is dedicated to the principles of unity and cooperation, principles that are essential to repel the drug invasion of America. This facility provides the best example of how agencies will work together to wage the war on drugs. From this site, civilian and defense radars will work together, under the watchful eye of the Coast Guard and Customs duty officers, who will coordinate interception by Federal, State, and local law enforcement agencies -- whether that means scrambling a jet fighter, Coast Guard cutter, speedboats guided by the Blue Lightning Strike Force.

America's response to airborne smuggling is especially dramatic, growing from a ragtag collection of twin-engine planes that were seized, in the first instance, from the smugglers into a highly sophisticated fleet of aircraft equipped with sensors designed for a unique law enforcement mission. And Customs has a fleet of chase planes and Black Hawk helicopters on loan from the Army. The Coast Guard operates Falcon jets with infrared sensors and interceptor radars just like those on the F - 16. These are just some of the birds of prey that will relentlessly search the skies for drug smugglers.

As impressive as this high-tech effort is, it's only as effective as the men and women who manage it. And it is with this in mind that I salute those in the field, who are at risk every single day in the war against drugs. But I also want to salute the officers who will staff this post, for every technician in this room and this area knows that the lives of his colleagues will be on the line. This is a special responsibility that takes a special kind of courage.

Our purpose is simple and close to home: to keep drugs out of the lockers, the classrooms, and off the playgrounds of our schools; to redeem the children of America from the scourge of drugs. In the months and years ahead, you will count kilos of cocaine and mountains of marijuana seized from the ships and the planes. And you'll never know how many lives will be saved by your efforts. But never forget that saving lives is what this is all about; saving lives is exactly what you are doing.

So, Commissioner and Admiral, I thank you, and I salute from the bottom of my heart the men and women of Customs and the Coast Guard for all that they have done and for all that they will do. Thank you all, and God bless you. Thank you very much.

Note: The President spoke at 11:40 a.m. in front of the facility. In his opening remarks, he referred to William von Raab, Commissioner of the U.S. Customs Service; Adm. Paul A. Yost, Commandant of the U.S. Coast Guard; and Adm. F.B. Kelso III, USN, commander in chief of

the U.S. Atlantic Fleet. Prior to the ceremony, the President observed a simulated drug interdiction on the operations floor of the facility. Following his remarks, the President traveled to Clearwater, FL.

Remarks at the Dedication Ceremony for the Michael Bilirakis Alzheimer's Center in Palm Harbor, Florida

April 27, 1989

Thank you, Mike. Thank you very much for this warm welcome, and I am pleased to be here. Governor Martinez and Senator Mack and Congressman Bill Young, our neighboring Congressman from here, I'm just delighted to be here. And I want to congratulate Ed and Reverend Fresh and everybody else that has been instrumental, and so creative in this marvelous project that we're here to honor.

But first, I want to say how much Barbara and I treasure the friendship with your Congressman Mike Bilirakis and his lovely Evelyn. And in case you didn't know it, you're pretty lucky. And since we're in a wonderful health facility, I'll give you a report on the Silver Fox. She's doing very well. And so are the puppies, though I will be glad when they go on to their new owners. But, Evelyn and Mike, thank you for the warm welcome back.

I'm here today to really thank Mike for what he has done in this Thousand-Points-of-Light fashion and his private devotion in seeking support and solutions for Alzheimer's patients. And for his dedicated work, we are all very, very grateful. It's a special honor to be here on behalf of a cause that matters so deeply to so many.

Alzheimer's extracts a devastating toll on its victims and on those who love them. And by the time this century ends, more than one out of four Americans will be over 50 and will face some risk of being stricken with this disease. The Michael Bilirakis Alzheimer's Center is designed to care for Alzheimer's patients all the way from that original diagnosis to caring for them in their most difficult days. And this center will serve as a place of hope and a source of comfort until a cure is found. And while the disease may ravage its victims, it makes heroes and heroines, in my view, out of all who care for them. And while it challenges the very fabric of the family, it also demands a new strength -- a strength in each other -- that we might not have known we had.

But above all, this disease is a reminder of what ought to be the American birthright: that we should be able to live our lives as engaged, productive, and full participants in this community of citizens. In a nation that looks after its own, that birthright entails its own responsibility: that any definition of a successful life must include serving others. And that success is not, cannot, be measured by the sum of our possessions but by the good we do for others -- and that whatever life and health and love we have within us, we must share with others.

Older Americans represent a phenomenal reserve of talent and experience -- qualities that this country sorely needs. And so, even as I join you in dedicating a place of refuge and comfort for those stricken with this deadly disease, I would ask all of you who have health and determination

to consider how much we gain when we give of ourselves.

In New York City -- I'll never forget it; hearing about it from her -- Barbara met with a group helping young Cambodians to learn English. And while she was there, an older lady told Barbara how desperately lonely she had been before she volunteered. And her eyes filled with tears at remembering it, and then her face lit up as she told my wife: ``I've never been lonely a day since." Well, one person's need matches another's, and a wonderful thing happens. I always like to remember that there is no exercise better for the human heart than reaching down and lifting someone else up. The rest of your life really should be the best of your life.

At the Inaugural, which seems like months ago, but it wasn't that long ago -- I keep getting reminded it was about 100 days ago -- [laughter] I spoke of a new engagement in the lives of others. And today I challenge those of you who can to get involved and to stay involved. Find a place or an organization or someone else's life where you can make a difference. And so many of you here -- I feel like I'm preaching to the choir -- so many of you already have. Some of you do volunteer work at local hospitals or in one of the constellation of community groups in and around Palm Harbor. I understand a number of the people here today have been helping boys in trouble at the sheriff's youth ranch. And many of you at St. Mark's are donating your time to helping out on the Alzheimer's unit.

And to those of you who are making the lives of the less fortunate a little easier, I offer my admiration and my thanks. ``The young know the rules," Oliver Wendell Holmes once said, ``but the old know the exceptions." Many of you today already are exceptions -- and exceptional. And I cheer you on, and I encourage you. And I thank you for what you do to help others.

Thank you. God bless you. And God bless the United States of America. Thank you very much.

Note: The President spoke at 2:11 p.m. in the courtyard of St. Mark Village, a senior citizen facility. In his opening remarks, he referred to Edgar E. Hutfliz II, executive director of St. Mark Village, and Rev. James H. Fresh, senior pastor of St. Mark Lutheran Church and chairman of the board of the village. Following his remarks, the President returned to Washington, DC.

Statement on the Presidential Elections in Panama

April 27, 1989

The people of Panama clearly yearn for a free and fair election on May 7th so that their country can again take its rightful place in this hemisphere's community of democratic nations. Only the threat of violence and massive fraud by the Noriega regime will keep the Panamanian people from realizing that aspiration for democracy.

Free and fair elections on May 7th, and respect for the results, can produce a legitimate government in Panama which will end that nation's political and economic crisis and international isolation. That is clearly what the people of Panama deserve and desire.

The Noriega regime promised that free and fair elections would in fact take place May 7th and that international observers would be permitted to observe them. In recent weeks, the Noriega regime has taken steps to commit systematic fraud. Through violence and coercion, it threatens and intimidates Panamanian citizens who believe in democracy. It is attempting to limit and obstruct the presence of observers from around the world and the ability of journalists to report freely on the election.

Nevertheless, many observers intend to travel to Panama to shine the spotlight of world opinion on the Panamanian elections just as they did previously in nations like the Philippines and El Salvador. We admire their commitment to democracy and their courage, and will fully support their efforts.

The days of rule by dictatorship in Latin America are over. They must end in Panama as well. There is still time for Panama to resolve its current crisis through free and fair elections. The people and Government of the United States will not recognize fraudulent election results engineered by Noriega. The aspirations of the people of Panama for democracy must not be denied.

Remarks to the American Legislative Exchange Council

April 28, 1989

Thanks for that welcome, and thank all of you for being here today. And, Representative Halbrook, Mr. Brunelli, and ladies and gentlemen, friends -- Secretary Dole, who is doing an outstanding job for this administration, here she is -- and of course sitting over my left shoulder, Deb Anderson, the former speaker out there in South Dakota -- so, you'll have some kindred spirits here to talk to in the White House. And some of you may recognize Andy Card, who's our Deputy Chief of Staff, from Massachusetts -- and also everybody performing so well.

But I'm delighted to once again meet with this group, one of our nation's largest organizations of State legislators and, in my view, one of the most sensible -- [laughter] -- but I'm entitled to my opinion on that. And congratulations on this marvelous turnout! And I also want to thank all of you for your past support and, really, for kind of keeping us together, everybody across the country -- as best you can -- the matrix, if you will, for traditional values.

Your ``conservative in free enterprise agenda'' is helping us return power to the people. And on issues like federalism, tax policy, education and, yes, the environment, you're helping keep our country number one. And you know, a politician once reminded me of the saying: ``Problems are really opportunities in disguise.'' But then he added, laughing: ``There are times I feel there are more opportunities running around in disguise than I really deserve.'' [Laughter] It's true. Problems can get the upper hand, and our task is to confront them, as you do daily, and turn them into opportunities that are real. And that means realizing that in terms of problemsolving Washington -- unlike Robert Young -- does not automatically know best.

And I have just come back from a swing that took me to the Texas -- appearing before a joint session of the Texas legislature and then a marvelous, uplifting day in North Dakota and then several other events in California and Illinois and Florida. And it is a very important thing for a President to get outside the White House and move around this country. And some of the friends that were traveling with us didn't seem to understand that. But I can tell you, I learned a lot from it. [Laughter] And it was a good thing to do, and I'm going to keep doing that. But I learned from the legislators who are on the front line.

But cooperation between the public and private sectors, between the executive branch, Congress, and the States is vital. The one line -- I readily confess I'm not the world's greatest orator -- but the line in the Inaugural Address that seemed to evoke an instant response from the American people was that the people didn't send us here to bicker; they sent us here to get things done. And our problems are too severe for bickering. And we are seeing that kind of cooperation with the Hill. It's not going exactly the way I want it, but we've started off with some cooperation from the Congress. That bipartisan budget agreement you've read about is a good agreement. It reduces the deficit. It's going to narrow the deficit to $99.4 billion in the fiscal year. And that's

coming down from $163 billion estimated for the current fiscal year. And I've said I like what works; this agreement works. And it's a very important step.

And I looked over my shoulder the other day to read how widespread the confidence was that we could reach this agreement 2 months ago, and I didn't find many voices thinking that this agreement could be achieved. So -- it has been. And all of you know that at times you have to work with those that differ with you on issues to get something done.

And so, I like what works. But let's be clear -- and I know all of you are interested in this -- rough times lie ahead, rough go lies out there. Because though, ahead of schedule -- we did meet the Gramm-Rudman taxes, and I kept that ``no new taxes'' pledge. But we still have a ways to go because we've got to move dramatically down in the next fiscal year to meet the Gramm-Rudman targets, which I'm determined to do. And that does mean we have to have fiscal restraint in a lot of areas where, very candidly, I wish we could do more. But we have set certain priorities in this budget agreement, and I'm happy with it.

You know, in America, nothing -- I'm one who still believes -- and I get kidded a little bit about it in the press -- but I still am very optimistic about our country. And I believe that nothing is impossible. Craig Nettles, remember the former major leaguer, put it best. He says: ``When I was a little boy, I wanted to be a baseball player and join the circus. With the Yankees, I've accomplished both.'' [Laughter]

Well, deficit reduction can help achieve our goals. It's going to lower interest rates -- I'm confident -- lift savings rates, and help business invest. And so will this second step I'm talking about that we must and can take together -- and I really believe in this one -- that an additional aspect of not just another budget agreement but a key to all of this, an additional step is restoring the capital gains differential. And I've heard, as you have, a lot of people criticizing cutting the capital gains tax, and jumping on everybody as a tax for the rich. It is not a tax for the rich when you separate that differential.

They just are wrong on the facts. Our plan -- and I'm going to keep pushing it -- supports reducing the capital gains differential to 15 percent on long-held assets, a step which, according to the Treasury, the estimators over there, will raise $4.8 billion in new revenue in fiscal year 1990. And lowering the capital gains rate and restoring the differential will encourage the savings and investment needed to create new jobs and reduce this budget deficit. It brings in revenue, and this is something that the critics simply are not willing to recognize. Ours is a struggle for a more prosperous America. We can win it, and I am determined that we will.

There's another struggle, and of course that's the one that I've been spending a fair amount of time on lately, feel strongly about, and that is one that everyone in this room is concerned about; and that's this war on drugs. And I've just returned from this 4-day trip, and in Los Angeles and Miami, particularly, I had experiences there and saw things there that just renewed my

commitment to win this battle.

I told them that the scourge of drugs must stop, and it has got to. Two months ago, before a joint session of the Congress, I asked for an increase of $1 billion in budget outlays, bringing it up to nearly $6 billion in 1990. And that would be earmarked for escalating this war on drugs. Some money is going to be used to expand treatment to the poor, to addicted young mothers, and some money is going to be used to cut the waiting time for treatment. About a billion-one of this request is going for education. I still remain firmly convinced that we are going to win this fight on the demand side, on the education side. And because over 23 million Americans used illegal drugs last year, we've got to stop those who produce, buy, and traffic illegal drugs. And so, that means an all-out fight in law enforcement and backing up our local people as best we can in this. And of course, it means a renewed concentration on the interdiction side as well.

I've talked a lot about zero tolerance. Well, zero tolerance, I hope you all realize, is much more than just a catchword. It means, quite simply, if you do crime, you do time. And I think our law enforcement people really are out in front, with that very much in their mind. But they need to be backed up by some changes in the law. They need to be backed up in other areas -- certain sentencing provisions in the law. And certainly, they need to be backed up by increasing the funding for Federal prisons. We want judges who strictly apply the law to the convicted offenders. And I want increased prison sentences for drug-related crimes. And I still am convinced that the death penalty for drug kingpins and those who commit drug-related murders will be an inhibition to future criminals.

My friends, I do believe that these actions will make America a safer place. But again, as in everything, we need your help. The Federal Government cannot do it alone. And that's why this week I've been talking about how the States and the localities can join in the crusade, because I am convinced that we can help America get clean and stay clean when it comes to these deadly narcotics. And I'm talking here really about cooperation, about America as one family and our role as family members.

The kind of a cooperation exists in a lot of areas. Incidentally, nobody -- I think most people now know what I mean by the concept of a Thousand Points of Light. And when you get into this -- they used to say -- the wags around here -- what he really means is a ``thousand pints of Lite". But that's not what it is. It's a Thousand Points of Light. And you don't have to explain it anymore, because people understand that we are going to win this fight on drugs through a lot of local programs, a lot of community programs that I've been witnessing in the last few days and local law enforcement and State efforts. And it isn't all going to be done in Washington, DC.

But the kind of cooperation exists, I believe for another area; and that is our administration's new child-care initiative. And again, I salute [Secretary of Labor] Elizabeth Dole not only for this but for the sound position she has taken on many issues, including the minimum wage.

Let me just tell you on that one -- we had a conference. I took her advice. And it was sound advice -- that we do something that most of you all don't do. You fire your best. We fired our best shot and only shot, first. And we made it very clear to the Congress that I had made a commitment to raise the minimum wage, but we selected a prudent level, one that will not have deleterious inflationary effects. On the advice of my Secretary of Labor, we put in a 6-month training wage, which I strongly support -- this minimum wage differential, we used to call it. And it is a good, sound package.

And now you see speculation on the Hill: Well, the President's going to cave in. He can't argue over a dime or 15 cents on this. And they are just as wrong as they can be. And I'm going to do it the way this Secretary told me. Both of us like our jobs and want to stick around. [Laughter] And so, we're going to do what we said we're going to do. And this may be a first: going up there with your best and only shot, first. But it's going to set a tone that I think will be important for the rest of our administration.

So, anyway, that exists -- cooperation -- maybe not on that one, but there does exist in child-care initiative. I feel strongly about that. We had a chance to talk with some of you all in the campaign about that one. Our proposal urges a new tax credit to make child care more affordable, starting for those who need it the most. And it puts money in the hands then of the low-income families. It limits the counterproductive Federal intervention with its long list of federally mandated regulations. And it increases options; it increases choice. And here we say: Let the parents decide. And I know Elizabeth agrees with me on this one, and Deb, too, and Andy and everybody. But the more you're in this area here of responsibility and all the areas that we have of Federal responsibility, the more important you realize is the underpinning of society that comes from the family. And I do not want to see one piece of legislation passed that diminishes the family choice or that weakens the family in any way, whether it's welfare legislation, child-care legislation, or whatever legislation.

The Federal role has got to be -- when legislation is passed -- to look at it to see that not only it doesn't weaken the family but if it can strengthen the family, as our child-care proposal does, by providing for alternate -- groups getting together so a grandmother can maybe take care of one grandkid and then some other kids in the community -- that's good. And we want to find ways to have it strengthen the family unit, and we want to leave the choice with the parent. So, any help you can give us on this concept, we really would appreciate it.

We unveiled an education program, incidentally, which does parallel many of your suggestions that we've gotten in. We want to reward achievement, demand accountability, and spur again flexibility and choice. And we support also alternative certification. This is a concept that really is in your hands more than mine as President of the United States. But somehow, it seems to me a little antiquated, a little out-of-date, that a physicist who wants to take a sabbatical leave and help in some elementary physics class in a public school, would be denied the ability to help out because of some antiquated certification rules. So, I would urge you who are on the cutting edge of local legislation and State legislation to back us as best you can in working towards this

alternative certification.

We've also put forward a program to award the best teachers in every State -- and again, the emphasis being the pursuit of excellence is central to America. And the Federal Government's going to help. We're going to lead in terms of setting objectives, but we are a partner in this question of education and in all these other issues. For America's genius -- and I feel this one very strongly at the end of, or maybe it's 99 days, as opposed to 100 -- but America's genius doesn't lie solely, or even mostly, in Washington. It is out across the country.

And so, I wanted to come over here and wish you all well. Thank you for what you do. You know, Will Rodgers once said: ``I love a dog. He does nothing for political purposes." [Laughter] Well, let's, too, rise above politics as we go to serve the public and build a better, more decent, more prosperous land. I am very excited about that prospect. I think things are going reasonably well. There are plenty of problems out there, but so what's new? If I start telling you mine, you'll tell me yours, and yours are going to be closer to the people you represent just by the nature of your jobs. So, let's just agree that we live in the greatest country in the world, and we can make things happen.

And thank you all very much for being here today.

Note: The President spoke at 11:28 a.m. during a briefing in Room 450 of the Old Executive Office Building. In his remarks, he referred to David Halbrook, chairman of the board of directors of the council; Samuel Brunelli, executive director of the council; Debra R. Anderson, Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs, and actor Robert Young.

Remarks on Signing the Executive Order on Historically Black Colleges and Universities

April 28, 1989

First, my respects to our two Secretaries here today, Secretary Cavazos, our Secretary of Education; Secretary Sullivan of HHS; and to our special guests, all of you fit that description; and particularly to the presidents and supporters of a noble educational tradition who honor us with their presence this afternoon. All of you, welcome to the Rose Garden.

Graduations are coming up, and I know you're looking forward to the free advice you'll get from the parents. I suggest the response of one English schoolmaster: ``If you promise not to believe everything your child says happens at this school, I'll promise not to believe everything he says happens at home." [Laughter]

For over 100 years, the historically black colleges and universities have been a special part of our heritage. At a time when many schools barred their doors to black Americans, these colleges offered the best, and often the only opportunity for a higher education. And today, thank heavens, most of those barriers have been brought down by the law. And yet historically black colleges and universities still represent a vital component of American higher education, enriching a great tradition of educational choice and diversity in this country. As one educator put it: ``We must see that every child has an equal opportunity to become different, to realize their unique potential of body, mind, and spirit."

Nine days before I became President, a number of you met with me across the way in the EOB to discuss new ways to ensure that every black child has that chance. Several of your colleagues -- Gloria Scott and Van Payton, Leroy Keith come to mind. They asked that, first and foremost, the administration establish an advisory committee to make sure that your voices continue to be heard. It was a sound idea and one that I am pleased to put into effect in a few moments when the new Executive order I'm signing creates the President's Board of Advisors on Historically Black Colleges and Universities. Staffed by the Department of Education, this new board will assist Secretary Cavazos in developing annual plans to increase participation by your schools in federally sponsored programs. It also guarantees that each of you, every president of a historically black college or university, be given an opportunity to comment on these plans before they reach my desk in the Oval Office. We will continue to listen. Your voices must and will be heard.

As many here have requested, today's order also incorporates the most useful provisions of its predecessor. But more importantly, it contains new initiatives that will increase the private sector role in ensuring the long-term viability of the distinctive institutions that you represent. Now, that's just bureaucratese for the volunteer spirit, a tradition of helping one's neighbors well-known to black Americans. This tradition was perhaps best exemplified by Bill and Camille

Cosby's singular gift to Spellman last fall. The New York Times called the Cosby donation ``as much a challenge as a gift." Well, we're trying to sweeten that challenge. Some of you reminded me in January that perhaps the most important support that the Government can provide is through incentives to increase endowments. And that's why we have requested a total of $60 million during the next 4 years over and above the existing programs for endowment matching grants for the special schools you represent.

They say the universities usual state can be summed up by the lady who noted, ``I have enough money to last me the rest of my life, unless I buy something." Well, the new endowments program represents a commitment to the long-term. It's not a quick fix, and it's flexible, producing new contributions and ultimately new income, permitting each of your schools to decide where its money is best spent. These budget proposals, like the new advisory committee, our support for the crimes bill, and the appointment of capable officials like Lauro Cavazos and Lou Sullivan, are but another part of this administration's commitment to see that the promise of the civil rights movement -- a fair society for all Americans -- becomes real.

In that regard, I know that Dick Thornburgh, our Attorney General, and our nominee to head the Civil Rights Division, Bill Lucas, are unshakeable in their commitment to equal rights and to the vigorous enforcement of the laws which guarantee those rights to all Americans.

And finally, it doesn't do much good to educate our young people if they can't get good jobs when they get out. They need work opportunities while still students, which can also provide another way to help finance their education. By this order, we also direct that the Office of Personnel Management, working together with Secretary Cavazos and Secretary Dole, our Secretary of Labor, develop a program to improve recruitment of your students for part-time and summer positions in the Federal Government. America needs and wants their creativity, their talent, their diversity.

We've just returned from a journey across this great country, from Florida, North Dakota, to Texas -- California, Virginia -- something like 7,500 miles in less than 4 days. And as we circled the continent, I thought of the coming commencements at the schools across our land. And it is a time of new beginnings for those kids -- new dreams. And they are exciting times for all young Americans, and especially, I think, for those black Americans -- those young kids that you have nurtured with a wonderful education. Out of a century that began with their people still bound by the remnants of slavery, this generation is emerging into a time rich with opportunities unimaginable to their grandparents. And you and the teachers -- oh, God bless the teachers that work with you -- are the fulfillers of your students' dreams and of your nation's destiny.

And so, bless you in your mission. And now, with great pleasure and really a great sense of personal pride, I want to sign this Executive order to launch these new initiatives, recognizing it is only a beginning. I think it's a good one. I want to work with you. God bless you all.

Note: The President spoke at 2:10 p.m. in the Rose Garden at the White House. In his remarks, he referred to Gloria Scott, president of Bennett College, in Greensboro, NC; Benjamin F. Payton, president of Tuskegee Institute, in Tuskegee AL; and Leroy Keith, president of Morehouse College, in Atlanta, GA. The Executive order is listed in Appendix E at the end of this volume.

The President's News Conference

April 28, 1989

Well, I have a brief statement that I'd like to read. And then at the end of this, why, experts will be available to take your questions.

I'm pleased to announce that the Governments of the United States and Japan have reached understandings that will allow us to proceed with joint development of the FSX fighter aircraft. I'm ready to submit the FSX agreement to Congress for its review.

We've been conducting talks with the Japanese to clarify both sides' understandings of this agreement. I'm convinced that the codevelopment of this aircraft is in the strategic and commercial interests of the United States. And we weighed this matter from the standpoint of trade, of our industrial growth, and technology transfer, as well as strategic and foreign policy considerations.

This aircraft will improve the basic F - 16 design and will contribute to the security of the United States and our major ally, Japan. There will be no cost to the American taxpayer, and at the same time, the Japanese will improve their ability to carry their share of the defense burden. The U.S. will have a 40-percent work share in the initial development stage of this aircraft, and we will have a similar share when the aircraft goes into production.

We did have several initial concerns about the agreement, but I want to assure you that sensitive source codes for the aircraft's computer will be strictly controlled, access will be granted to only those codes that are essential to complete the project.

In conclusion, the United States is the world's leader in aircraft manufacturing. I believe this aircraft will improve the defense of the United States and Japan, and this agreement also helps preserve our commitment that U.S. aerospace products of the future will continue to dominate the world markets.

That's the end of the statement, and thank you all very much.

Note: The President's 11th news conference began at 4:55 p.m. in the Briefing Room at the White House.

Remarks at the Bicentennial Celebration of George Washington's Inauguration in New York, New York

April 30, 1989

Thank you, Senator, and Chief Justice Burger, Secretary Lujan, Ambassador Pickering, Archbishop Iakovos, Senators Moynihan and Lautenberg, and Mayor Koch, fellow citizens of the United States. Two centuries ago, standing here, a man took an oath before a new nation and the eyes of God -- an oath that I, like 40 before me, have since had the privilege to take. Everyone here today can still feel the pulse of history, the charge and power of that great moment in the genesis of this nation. Here the first Congress was in session, beginning a tradition of representative government that has endured for 200 years. Here the representatives of 13 Colonies struggled to find balance, order, and unity between them. And here our first President issued a solemn address.

One who was there wrote: ``This great man was agitated and embarrassed more than ever he was by the leveled cannon or pointed musket. He trembled and, several times, could scarce make out to read." Well, as Representative Boggs pointed out, who wouldn't have felt some trepidation, undertaking a task which has never been tried in the world's history?

And on that day, Washington spoke of his conflict of emotions. He admitted his anxieties and deficiencies, as honest men will. But then, as his first official act, he turned to God fervently for strength. For he knew that the advancement of America, while it might rely on its Presidents, would surely depend on providence.

How unlikely it must have seemed then that we might become united States -- how uncertain that a Republic could be hewn out of the wilderness of competing interests! How awesome the prospect must have seemed to the man charged with guiding the new Republic made possible by his leadership in battle.

But George Washington defined and shaped this office. It was Washington's vision, his balance of power and restraint as he watched over the Constitutional Convention in 1787, that gave the delegates enough confidence to vest powers in a Chief Executive unparalleled in any freely elected government, before or since. It was Washington's vision, his balance, his integrity that made the Presidency possible. The Constitution was, and remains, a majestic document. But it was a blueprint, an outline for democratic government, in need of a master builder to ensure its foundations were strong. Based on that document, Washington created a living, functioning government. He brought together men of genius, a team of giants, with strong and competing views. He harnessed and directed their energies. And he established a precedent for 40 Presidents to follow.

For all of the turmoil and transformation of the last 200 years, there is a great constancy to this office and this Republic. So much of the vision of that first great President is reflected in the paths pursued by modern Presidents.

Today we reaffirm ethics, honor, and strength in government. Two centuries ago, in his first Inaugural Address, Washington spoke of a government ``exemplified by all the attributes which can win the affections of its citizens and command the respect of the world." Today, we say that leaders are not elected to quarrel but to govern. On that spring day in 1789, Washington pledged that ``no party animosities will misdirect the comprehensive and equal eye which ought to watch over this great assemblance of communities and interests."

Today, we seek a new engagement in the lives of others, believing that success is not measured by the sum of our possessions, our positions, or our professions, but by the good we do for others. Two hundred years ago today, Washington said there exists ``in the economy and course of nature, an indissoluble union between virtue and happiness, between duty and advantage." And so, today we speak of values. At his inauguration, Washington said that ``the foundations of our national policy will be laid in the pure and immutable principles of private morality." And over the last 200 years, we've moved from the revolution of democracy to the evolution of peace and prosperity.

But so much remains constant; so much endures: our faith in freedom -- for individuals, freedom to choose, for nations, self-determination and democracy; our belief in fairness -- equal standards, equal opportunity, the chance for each of us to achieve, on our own merits, to the very limit of our ambitions and potential; our enduring strength -- abroad, a strength our allies can count on and our adversaries must respect, and at home, a sense of confidence, of purpose, in carrying forward our nation's work.

My starting point has been a respect for American institutions -- for Congress, and I salute the members of the House and Senate with us today; for the judiciary, and through Chief Justice Burger, I pay my respects to the judiciary; for the executive branch, represented here today by Secretary Lujan and Ambassador Pickering; and for government at all levels -- and a firm belief in maintaining the powers of the Presidency. The Presidency, then as now, in oath and in office, derives from the strength and the will of the people.

George Washington, residing at Mount Vernon, felt himself summoned by his country to serve his country -- not to reign, not to rule, but to serve. It was the noblest of impulses because democracy brought a new definition of nobility. And it means that a complete life, whether in the 18th or 20th century, must involve service to others. Today, just as Washington heard the voice of his country calling him to public service, a new generation must heed that summons; more must hear that call.

And today we stand -- free Americans, citizens in an experiment of freedom that has brought

sustained and unprecedented progress and blessings in abundance. As we dedicate a museum of American constitutional government, let us together rededicate ourselves to the principles to which Washington gave voice 200 years ago. Let our motivation derive from the strength and character of our forefathers, from the blood of those who have died for freedom, and from the promise of the future that posterity deserves. Let us commit ourselves to the renewal of strong, united, representative government in these United States of America.

God bless you, and may God forever bless this great nation of ours. Thank you all very, very much.

Note: The President spoke at 12:53 p.m. outside of Federal Hall. In his remarks, he referred to Senator Alfonse M. D'Amato; Warren Burger, former Chief Justice of the Supreme Court; Thomas R. Pickering, Ambassador to the United Nations; Archbishop Demetrios A. Iakovos of the Greek Orthodox Archdiocese of North and South America; Senators Daniel P. Moynihan and Frank Lautenberg; and Edward Koch, mayor of New York City. Following his remarks, the President returned to Washington, DC.

Remarks to the United States Chamber of Commerce

May 1, 1989

Thank you, ladies and gentlemen. I want to thank Bill Kanaga for those kind words and commend you on the fine job that you've done as chairman. And I also want to congratulate the chamber's incoming chairman, John Clendenin, and of course say hello to the chamber's long-time president, media star -- [laughter] -- household word around DC, Dick Lesher. What a job he does for the chamber!

And I also want to thank the chamber for providing me a chance to deliver a May Day message, American style. On May Day, I always think about the celebration in the Soviet Union -- all those red banners, the big military parade. Even the Economic Planning Ministry had a unit in the parade: 200 economists marching along yelling, ``May Day! May Day!'' [Laughter] Today that is beginning to change. Even the Socialist world is beginning to see that socialism isn't just another economic system: it's the death of economics. And there is a new breeze blowing. Nations the world over are coming to realize and recognize that free enterprise is the wave of the future, and that's a promising forecast for prosperity and for world peace.

In the United States -- let me just say in that regard, though, whenever in the world there is economic reform, the United States should be hoping that that reform succeeds. Economic reform, with its emphasis on incentive and market economics, leads to more freedom. You know, I made clear to Mr. Gorbachev up there in New York -- Governors Island, when we met -- that we wanted to see perestroika succeed in the Soviet Union. And likewise, we want to see success for the economic reforms in China. Incentive, economic reforms, market economies, private ownership are indeed replacing Socialist dogma in many countries, large and small. And that is an exciting trend, and in my view, it will continue.

In the United States, the single most significant economic indicator of this decade is up today. We've enjoyed 77 full months of the longest peacetime economic expansion in American history. Without a doubt, this long-running economic expansion has been good for American business and for the American worker. In the past 77 months -- and the chamber has been very helpful getting this message out -- we've added nearly 20 million new jobs. And more Americans have moved up on the pay scale. Since 1982 the number of jobs paying less than $5 an hour is down 25 percent, while jobs paying $10 or more an hour have increased by 95 percent. Unemployment is at its lowest point in the past 15 years. During the economic expansion, America's industrial output is up 33 percent, overall growth up 26 percent. For those with an eye on the international competition, that's more than double Europe's industrial output growth. And the expansion has been just as good to the average American family. Per capita personal income is up 19 percent, and that's take-home, after-tax pay, adjusted for inflation. Real median family income has reached a new high, and that's quite an economic success story.

Our challenge now is to keep it going. We can, and we will. We've all heard the nay-sayers. I think there are a few out there whose predictions of economic disaster are now in their 78th straight month. [Laughter] And the nay-sayers are wrong. But why? What they've underestimated is the resilience, the remarkable responsiveness of the free enterprise system. And you can focus on government so long that you forget that it's the private sector that's home to the innovation and the economic creativity that powers this expansion.

I've been a small businessman, starting out with an idea and then working with others and building it into a successful business. And I know the risks and the rewards and the payoff in pride when you succeed. Entrepreneurs know this simple truth: nothing wagered, nothing won. And that's why I want a government that prompts entrepreneurs to take risks, not a government that forces them to take refuge. That doesn't mean that government's only job is simply to stand back and step out of the way. There's plenty for the Government to do to make sure commerce is free and fair and to maintain a climate where free enterprise can take place and prosper.

And today the Federal Government's number one economic priority is dealing with the deficit. We've made a good start. The budget agreement Congress and my administration concluded 2 weeks ago can keep the Federal deficit below the Gramm-Rudman target. And we haven't sacrificed our social or national security responsibilities in the progress. The budget level we've agreed on will allow us to discharge the critical duties of government. We'll be able to provide for our national security, meet the needs of the disadvantaged, and fund high-priority programs.

Our agreement is a first, important step. It sends a signal to the American people and to our trading partners: We're serious about getting that deficit down. And the deficit is coming down not only in straight dollar terms but as a percentage of our annual gross national product. You know, by the end of this fiscal year, we will have cut the deficit in half, from 6.3 percent of gross national product in 1983 to an estimated 3.1 percent in 1989. I urge the two Houses of Congress to pass the bipartisan budget resolution so we can keep the deficit coming on down.

One word more about the budget agreement for 1990. We've agreed to $5.3 billion in new revenues as part of the deal. And let me say a word about that $5.3 billion. I mean to live by what I've said: no new taxes. And let me tell you what my favorite source of new revenue is -- three guesses for this crowd. We don't have to raise taxes; we have to release the energies of free enterprise. In a growing economy, tax revenues will take care of themselves. In fiscal 1990 alone, thanks to the expanding economic activity, the Treasury will take in more than $80 billion in increased revenues not through higher taxes but under the existing tax structure -- $80 billion more in 1 year.

So, let's not be hunting for ways to wring another dollar in taxes out of our economy. Let's concentrate on creating conditions for continued growth. And that's why I've called on Congress to restore the capital gains differential. I am absolutely convinced that in 1990 alone this step would bring an extra $4.8 billion into the Treasury, and that doesn't count increased economic

activity that is spurred by a lower tax rate. That $4.8 billion is the lion's share of the $5.3 billion we need in the way of new revenues under our budget agreement.

Let's take a look at what our competitors are doing. Canada's maximum capital gains rate is about half of the U.S. rate. And how about Japan's rate? For entrepreneurs who built their businesses from scratch, a scant 1 percent. West Germany exempts all long-term capital gains on securities from any tax whatever. And the newly industrialized economies of the Pacific Rim -- Singapore, Hong Kong, South Korea -- have no capital gains tax at all. Among our competitors, those low rates contribute to low capital costs. Cutting our own capital gains rate would encourage productive investment in addition to generating the new revenues that we need to meet our deficit reduction agreement.

I think the case for a capital gains cut is a strong one, but there are several other economic issues that I want to discuss here today. First, a pressing problem with important consequences for our long-term fiscal health, and that is the S&L situation -- savings and loan. This administration recognized the immediate need to take action to stabilize the S&L system, and less than 3 weeks after taking office, we proposed a comprehensive S&L reform plan, one designed to stop the dollar drain and deal with the insolvent thrifts and restore confidence in the S&L system. The Senate passed an S&L package with a resounding majority. I think it was 91 - 8. I urge the House to move quickly to give us the tools we need to reform the savings and loan system by passing my bill quickly, with its central provisions intact.

Now, I have a second message for the Congress as it debates an increase in the minimum wage. I've indicated my support for increasing the wage over 3 years to $4.25 an hour. I also want to establish a 6-month training wage for new workers at the current $3.35 rate and expand the exemption for minimum wage requirements for all small businesses with annual sales under a half a million dollars. It's time for those who want a higher wage to move out beyond the rhetoric and take a look at the consequences. We all know the studies that show that each 10-percent increase in the minimum wage will cost America between 100,000 and 200,000 jobs, and they're jobs for those who need them the most. What happens when minimum-wage workers open that pay envelope expecting a fatter paycheck and find a pink slip instead? An irresponsible increase in the minimum wage will cost jobs, as employers cut back to compensate for increased costs -- $4.25 is as far as I can go. It is my first and final offer, and I repeat that here today.

We must guard against conferring benefits by government mandate and leaving employers to cope with the costs. I share your concerns about legislative efforts to mandate medical and parental leave. I also believe that choice in child care is best made by parents and not by government. And I know, because I've talked to Dick Lesher and others, that the Chamber supports the concept of choice. There are some child-care initiatives up on Capitol Hill -- well-intentioned, I would readily concede -- well-intentioned initiatives that would increase government intervention and crowd out parental choice.

You know, as I look at government, I feel an obligation to look at every piece of legislation to see that it strengthens rather than weakens the family unit in this country. Now, cost is yet another issue. We're determined to hold the line on government spending, so it is important that money allocated for child-care assistance goes for child-care assistance. Under the ABC bill, for example, much of the money would be used to set up another Federal bureaucracy instead of getting financial help directly to parents. The child-care tax credit initiatives that I've proposed do preserve choice, letting parents decide whether to place their child in the care of a relative or in a church-run center or in a public day care facility or in their own home. Let's let parents decide what's right for themselves.

And finally, I'll close with a brief comment on an issue I know is vital to those of you here today -- vital, in fact, to all Americans in our evolving economy -- and I'm talking about international trade. The global economy is a fact of life. It is no longer possible to draw a sharp line between domestic and international markets. This administration is committed to securing an open and fair world trading system because fair trade provides opportunities for America's competitiveness to come to the fore. We have the ingenuity to be preeminent. We have the drive to succeed. Entrepreneurs like you are our ace in the hole. Our challenge, then, is to make the most of this competitive edge.

And that's why we will work vigorously to break down barriers abroad while keeping markets open here at home. If any country, including the United States, is fooled into thinking that a closed market can be a prosperous one, they're wrong. Closed markets mean closed doors to opportunity, and that means less prosperity. The Chamber of Commerce has always stood for economic freedom, and I know you share my view that there is no surer route to prosperity and progress than the system of free enterprise.

The message of the past 77 months is clear: We can keep the economy strong, sustain the longest peacetime expansion in American history, and ensure America a prosperous and productive future, provided that government policies preserve the greatest possible freedom for American enterprise to innovate, to create, and to compete. I am pledged to those goals.

Thank you. God bless you all. And God bless the United States of America. Thank you all very much.

Note: The President spoke at 10:20 a.m. at DAR Constitution Hall.

Remarks at the Swearing-in Ceremony for Susan S. Engeleiter as Administrator of the Small Business Administration

May 1, 1989

The President. Well, welcome, Susan and family and Members of the United States Congress -- delighted you all are here. You know, I'm glad that you all could come as Susan takes the oath as Administrator of SBA. This is a very special occasion for Susan and for her husband and for her kids here, and it is for me as well. I have a wonderful place in my heart for small business people, having been in that category myself. And I think because I once was, I do understand the challenges and the opportunities that face the smaller firms in this country.

As President, I certainly understand, as do all of us, the vital importance of small enterprises to our nation's economic growth and to the employment statistics -- so many jobs held by small business. Many of you are aware of the truly impressive contribution that small business makes to our overall economy: half of our workers employed by small business. During the last decade, small business has produced two out of every three new jobs. So, it's the SBA's mission to help the smaller firms to continue and expand this record. The SBA does play a vital role in our effort to keep America's economic engine strong.

And so, I am pleased that this agency will be led by such a strong, articulate advocate of small businesses. During her 14-year -- I should have let this front row talk about this -- but her 14-year career in the Wisconsin legislature, Susan has been a pioneer: the youngest woman in the country elected to a State legislature when she took office at 22, first Republican woman to serve in the Wisconsin Senate, first woman of any party to hold a major elected leadership post in the Wisconsin Legislature. And her talents, therefore, have been well-recognized early on. She was selected as one of the 10 best Republican legislators in the Nation by the National Republican Legislators Association. She has also been justifiably honored for her contributions to small businesses, both rural and urban. And last year she was named Guardian of Small Business by the National Federation of Independent Business.

And that's not all. She grew up in a small business family, working alongside her brothers in the family's flooring business in Milwaukee. And so, she observed an ethos of hard work and success from youth onward, from the ground up. She was voted one of the outstanding women in Wisconsin history at one point, and I'm delighted to welcome this outstanding woman to our team. I am confident that she will soon be recognized as one of the truly outstanding members of this administration.

So, congratulations, Susan, on this important day. Congratulations to your family. And incidentally, thanks for making this grandparent -- [laughter] -- feel like he's right at home! And

now let's go with the Oath of Office. We've asked Chase Untermeyer to do the honors.

[At this point, Administrator Engeleiter was sworn in.]

The President. Congratulations!

Administrator Engeleiter. Thank you very much, Mr. President, for choosing me. I'm very honored to be the new Administrator of the SBA, and I look forward to the challenge. And thanks to all of you for being here today, and I very much look forward to being part of your team, to being a champion of small business around the country. So, thank you all very much for being here on this very important day to me.

Note: The President spoke at 11:22 a.m. in the Roosevelt Room at the White House. Charles G. Untermeyer was Assistant to the President and Director of Presidential Personnel. In his closing remarks, the President referred to a child's voice in the background.

Message to the Congress Transmitting the Republic of Korea-United States Fishing Agreement

May 1, 1989

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith an agreement effected by exchange of notes February 17, 1989, and March 27, 1989, extending for the period of 2 years from July 1, 1989, until July 1, 1991, the Agreement between the Government of the United States of America and the Government of the Republic of Korea Concerning Fisheries off the Coasts of the United States, signed at Washington on July 26, 1982, as amended and extended. The exchange of notes together with the present agreement constitute a governing international fishery agreement within the meaning of section 201(c) of the act.

Several U.S. fishing industry interests have urged prompt consideration of this agreement. Because of the importance of our fishing relationship with Korea, I urge the Congress to give favorable consideration to this agreement at an early date.

Since 60 calendar days of continuous session, as required by the legislation, may not be available before the current agreement is scheduled to expire, I recommend the Congress consider passage of a joint resolution.

George Bush

The White House,

May 1, 1989.

Nomination of Donald B. Rice To Be Secretary of the Air Force

May 1, 1989

The President today announced his intention to nominate Donald B. Rice to be Secretary of the Air Force. He would succeed Edward C. Aldridge, Jr.

Since 1972 Mr. Rice has been the president and chief executive officer of the RAND Corp. Prior to this he was Assistant Director of the Office of Management and Budget, 1970 - 1972. He has served as a senior consultant to the Defense Science Board since 1984, and as a member, 1977 - 1983. From 1969 to 1970, he was Deputy Assistant Secretary of Defense for Resource Analysis; and was Director of Cost Analysis in the Office of the Secretary of Defense, 1967 - 1969.

Mr. Rice received a bachelor's degree in chemical engineering from Notre Dame in 1961, a master's degree in industrial administration from Purdue in 1962, and a doctoral degree in economics from Purdue in 1965. From 1965 to 1967, he served in the U.S. Army. He was born June 4, 1939, in Frederick, MD.

Remarks to the Council of the Americas

May 2, 1989

Thank you very much, Mr. Secretary. And I am pleased to find myself here, surrounded by friends and in such high-powered company, once again, to be with David Rockefeller, the chairman of this illustrious Council; Ambassador Landau and Jim Flower, Bernie Aronson. And also I want to point out that I was accompanied over here by a man who is doing a superb job, a friend to many in this room, Brent Scowcroft. They couldn't find a seat for him, but there he is, standing over there -- and delighted he's here.

But looking around the world today, in developing countries and even in the Communist bloc, we see the triumph of two great ideas: the idea of free government and the idea of free enterprise. And certainly Latin America and the Caribbean are proving fertile ground for these ideas. Democracy, a decade ago the exception, I think we would all agree, is today the rule. And the symbol of this new breeze is the ballot box. And by year's end, 14 national elections will have been held across the Americas.

And let's remember what it means to vote in some countries when democracy itself is at stake. We're not talking about people who may stay home from the polls because it's raining or rush-hour traffic is heavy. We're talking, in some cases, about people literally risking their lives to exercise their democratic right.

And listen to the words of a Salvadoran man on the eve of last month's Presidential elections in that country -- elections that guerrilla forces vowed to disrupt: ``Of course I'm going to vote, although I have to admit it's very scary. Here, going to the grocery store can be dangerous, but you have to do it. And you have to vote, too. We just can't roll over and play dead each time we're threatened." That's the voice of democracy speaking, and it's the voice of courage and hope.

Economically, although there is mounting concern about international debt, there are encouraging signs as well. Mexico has joined GATT and is moving toward a more open and internationally oriented economy. In Costa Rica and Brazil and Venezuela, new ventures are creating export opportunities that promise a broader economic base for those countries. You in the business community are among the pioneers and partners in these changes. And you're contributing to Latin America's increased productivity; you're helping the region to fulfill its potential for progress.

The historic shift in political and economic thinking now underway in Latin America is good news for us all. Our task is clear: to make the most of the new opportunities open to us, we must improve our working partnerships in this hemisphere -- between countries north and south; between government, business and labor; and in the U.S., between the different branches of the

Federal Government. We share common interests -- must work towards a common aim.

My administration will work to build a new partnership for the Americas, a partnership built on mutual respect and mutual responsibilities. And we seek a partnership rooted in a common commitment to democratic rule. The battle for democracy is far from over. The institutions of free government are still fragile and in need of support. Our battlefield is the broad middle ground of democracy and popular government; our fight, against the enemies of freedom on the extreme right and on the extreme left.

As a result of the recent bipartisan accord on Central America, the United States is speaking with one voice on a matter of crucial importance to peace in Central America: bringing democracy to Nicaragua and peace to the region. And I want to salute our Secretary of State for hammering out this bipartisan accord when many, 2 or 3 months ago, said that it could not be done. Let me take this opportunity to make several observations on steps that are vital to peace, security, and democracy in Central America.

First, Nicaragua's effort to export violent revolution must stop. We cannot tolerate Sandinista support -- which continues today -- for the insurgencies in El Salvador and Guatemala, and terrorism in Honduras as well. Peace in the region cannot coexist with attempts to undermine democracy.

And second, we call upon the Soviet Union to end Soviet-bloc support for the Nicaraguan assault on regional democracy. The United States ended military aid to the Nicaraguan resistance 2 years ago. And yet, since that time, the Soviets continue to funnel about a half a billion worth of military assistance a year to the Sandinista regime, about the same rate as before we stopped our military aid to the contras. And furthermore, Cuba and Nicaragua, supplied by $7 billion in Soviet-bloc aid, have stepped up the arms flow to the Salvadoran guerrillas. Soviet-bloc weapons, such as AK - 47's, are now being sent through Cuba and Nicaragua to the guerrillas; and that aid must stop. The Soviet Union must understand that we hold it accountable for the consequences of this intervention and for progress towards peace in the region and democracy in Nicaragua. As the bipartisan accord makes clear, continued Soviet support of violence and subversion in Central America is in direct violation of the Esquipulas agreement, concluded by the nations of Central America a year and a half ago.

Finally, within Nicaragua, we want to see a promise kept: the promise of democracy, withheld by the Sandinista regime for nearly a decade. To this end, the United States will continue to supply humanitarian aid to the Nicaraguan resistance through the elections scheduled in Nicaragua for February of 1990. The conduct and the outcome of those elections will demonstrate to Nicaragua's neighbors and the international community whether it means to deliver on democracy.

But the Sandinistas' recent attacks are ominous. April 25th was the benchmark date for

Nicaragua to have in place electoral laws consistent with free and fair elections. Instead, restrictive new election and press laws have been pushed through the Sandinista-controlled legislature. These laws have been unilaterally imposed, and the proposals of Nicaragua's opposition parties have been ignored. The result is a stacked deck against the opposition and stacked rules of the game.

The election law mandates unilaterally that half of all foreign political contributions go to the Supreme Electoral Council, which remains under Sandinista control, and ignores proposals put forward by the opposition to provide for unlimited freedom of access for international election observers. In effect, that is a stacked deck against freedom. The new law governing press conduct gives excessive controls to the Interior Ministry to police violations against what they call national integrity and continues the prohibition of private sector ownership of television stations.

If there's to be peace in Nicaragua, the Sandinista regime must work with the opposition, including the resistance, to put in place election and press laws that are truly free and fair. And that means to have free and fair elections with outside observers given unfettered access to all election places and to all proceedings. It means a secret ballot on election day, the freedom to campaign, to organize, to hold rallies and to poll public opinion, to operate independent radio and TV stations as well. It means the absence of intimidation either from a politicized Sandinista military or police, or from those neighborhood block committees that control people's ration cards. It means an end to the arrests and bullying of opposition leaders. It means freeing all political prisoners jailed under the Sandinista rule, not just a handful of former Somoza soldiers. And if the Sandinistas fail this test, it will be a tragic setback and a dangerous one. The consolidation of tyranny will not be peace, it will be a crisis waiting to happen.

I want to mention several other Latin American nations where elections can signal positive change. In El Salvador, last month's free and fair elections proved another ringing affirmation of that nation's commitment to democracy. We expect ARENA [National Republican Alliance] to exercise its political power responsibly. And I have conveyed personally to President-elect Cristiani our commitment to human rights in El Salvador. I honestly feel that he shares my concern, and he deserves our support.

In Paraguay -- the only country whose dictator had held power longer than Fidel Castro -- elections have just taken place, the first hopeful sign that Paraguay is on its way to joining the democratic mainstream. And we do congratulate President-elect Rodriguez on his electoral victory and look forward to working with him. This democratic opening must continue.

In Panama, however -- Jim [Secretary of State James A. Baker III] spoke to you all about this yesterday -- the forecast for freedom is less clear. A free and fair vote in the elections scheduled for this Sunday would enable Panama to take a significant step towards ending the international isolation and internal economic crisis brought on by the Noriega regime. And in spite of

intimidation from authorities, Panama's opposition parties have, with great courage, taken their campaign to the Panamanian people. The Noriega regime's candidates are trailing in poll after poll by margins of two to one. Unfortunately, as Secretary Baker told you yesterday, it is evident that the regime is ready to resort to massive election fraud in order to remain in power. The Noriega regime continues to threaten and intimidate Panamanians who believe in democracy. It's also attempting to limit the presence and freedom of action of international observers and to prevent journalists from reporting on the election process in Panama.

Let me be clear: The United States will not recognize the results of a fraudulent election engineered simply to keep Noriega in power. All nations that value democracy -- that understand free and fair elections are the very heart of the democratic system -- should speak out against election fraud in Panama. And that means the democracies of Europe -- they ought to be speaking out about this, as well as nations in this hemisphere struggling to preserve the democratic system they've fought so hard to put in place. It is time for the plain truth: The day of the dictator is over. The people's right to democracy must not be denied.

A commitment to democracy is only one element in the new partnership that I envision for the nations of Americas. This new partnership must also aim at ensuring that the market economies survive and prosper and prevail. The principles of economic freedom have not been applied as fully as the principle of democracy. While the poverty of statism and protectionism is more evident than ever, statist economies remain in place, stifling growth in many Latin nations. And that is why the U.S. has made a new initiative to reduce the weight of the debt, as Latin governments and leaders take the difficult steps to restructure their economies.

Economic growth requires policies that create a climate for investment -- one that will attract new capital, one that will reverse the flight of capital out of the region. We welcome the broad, broad international support that has been expressed for our ideas to strengthen the debt strategy. We urge the parties involved -- the international financial institutions, debtor countries, commercial banks -- to make a sustained effort to move this process forward. We recognize the competing claims debtor governments must try to satisfy as they work to advance economic reform, service their debt, and respond to the needs of their citizens. However, we also understand that progress can be an incremental process, case by case, step by step, provided there is a clear commitment to economic reform. I want to see some case-by-case successes in this hemisphere. To that end, we've started discussions, as you know, with Mexico and Venezuela and other countries as well.

Finally, our common partnership must confront a common enemy: international drug traffickers. Drugs threaten citizens and civil society throughout our hemisphere. Joining forces in the war on drugs is crucial. There is nothing gained by trying to lay blame and make recriminations. Drug abuse is a problem of both supply and demand. And attacking both is the only way we can face and defeat the drug menace. I believe that there is much more understanding on this point in this hemisphere south of our border than there used to be. It is my view that countries to the south felt for many years that this was simply the problem of a U.S. market for this insidious product.

Now, they see that their own societies are being undermined by drug use. Now, they see that their own sense of order is being undermined by those trafficking in narcotics. So, I would call for much more cooperation between the countries in this hemisphere to combat the menace of narcotics.

There's a place in this new partnership for all of you in the Council of the Americas. Thomas Paine said that ``The prosperity of any commercial nation is regulated by the prosperity of the rest." Your efforts do contribute -- they contribute directly to the greater prosperity of all of the nations of the Americas. The challenge I've spoken of today won't be easy. But all of us -- north and south, in government and in the private sector -- can work together to meet the challenges and master them. We know we've got a lot of work to do. And you know you've got a lot of work to do -- work that won't wait -- to ensure that all the Americas enjoy the peace, the freedom, and the prosperity that we cherish.

Thank you for what you're doing -- redouble your efforts. And I promise you, we'll do our level best in the executive branch of this government. Thank you very, very much.

Note: The President spoke at 11:08 a.m. in the main auditorium at the Department of State. In his opening remarks, he referred to Secretary of State James A. Baker III; George W. Landau, president of the council; Ludlow Flower III, director of the Washington, DC, office of the council; and Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs-designate.

Nomination of David J. Gribbin III To Be an Assistant Secretary of Defense

May 2, 1989

The President today announced his intention to nominate David J. Gribbin III to be Assistant Secretary of Defense (Legislative Affairs). He would succeed M.D.B. Carlisle.

Since 1979 Mr. Gribbin has worked in the House of Representatives and has most recently served as chief of staff to the Republican whip. In 1987 he served as executive director of the Republican Conference, and in 1986 as executive director of the Republican Policy Committee. From 1979 to 1986 he was the administrative assistant to Congressman Dick Cheney. Between 1967 and 1979, Mr. Gribbin worked in a variety of managerial capacities for the National Automobile Dealers Association.

Mr. Gribbin graduated from the University of Wyoming (1966) and Wesley Theological Seminary (1976). He also served in the U.S. Army from 1961 to 1964. Mr. Gribbin was born in San Francisco, CA, in 1939. He is married and has two children.

Continuation of Keith Lapham Brown as United States Ambassador to Denmark

May 2, 1989

The President today announced that Keith Lapham Brown will continue to serve as Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark.

Since November 1988 Ambassador Brown has served as United States Ambassador to Denmark. From 1984 to 1988 he was self-employed. From 1982 to 1983 he was Ambassador to the Kingdom of Lesotho. He was president of Brown Investment Corp. in Denver, CO, 1970 - 1982, and a vice president for Caulkins Oil Co., 1955 - 1970. He was with the law firm of Lang, Byrd, Cross, Ladon, and Oppenheimer, 1949 - 1955.

Ambassador Brown graduated from the University of Texas Law School (LL.B., 1949). He was born June 18, 1925, in Sterling, IL. He served in the U.S. Navy, 1943 - 1946. He is married and has three children.

Continuation of William Andreas Brown as the United States Ambassador to Israel

May 2, 1989

The President today announced that William Andreas Brown will continue to serve as Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel.

Since November 1988 Ambassador Brown has served as United States Ambassador to Israel. Prior to this he was Ambassador to the Kingdom of Thailand, 1985 - 1988. He served as Principal Deputy Assistant Secretary of State for East Asian and Pacific Affairs, 1983 - 1985. He was visiting professor at the University of New Hampshire, 1982 - 1983; Deputy Chief of Mission in Tel Aviv, Israel, 1979 - 1982; Deputy Chief of Mission, Charge d'Affaires, and Acting Director of the American Institute in Taipei, Taiwan, 1978 - 1979. Ambassador Brown has also served as political counselor in Moscow, 1977 - 1978, and Special Assistant to the Administrator of the Environmental Protection Agency, 1974 - 1976. He attended the National War College, 1972. He was Deputy Director of the Office of Asian Communist Affairs at the Department of State, 1970 - 1972. He has also served as a political officer in New Delhi, India, and Moscow, and as principal officer in Kuching, Sarawak. He entered the Foreign Service in 1956.

Ambassador Brown graduated from Harvard College (B.A., 1952) and Harvard University (M.A., 1955; Ph.D., 1963). He served in the U.S. Marine Corps, 1952 - 1955, and the U.S. Marine Corps Reserve, 1954 - 1969. He was born September 7, 1930, in Winchester, MA. He is married and has four children.

White House Statement on Wheat Exports to the Soviet Union

May 2, 1989

The President today approved a proposed sale of 1.5 million metric tons of wheat to the Soviet Union under the Export Enhancement Program (EEP). The wheat is intended for delivery in May and June.

The EEP was created in 1985 to enable U.S. exports of commodities to be sustained in the face of subsidies offered by foreign governments. It is intended to support our efforts to negotiate an international understanding on the removal of subsidies and other impediments to trade in agriculture. The President concluded that the dual objectives of maintaining market share for our farm exports and advancing international negotiations warrant the use of the EEP in this case.

Nomination of Louis A. Williams To Be an Assistant Secretary of Defense

May 2, 1989

The President today announced his intention to nominate Louis A. Williams to be an Assistant Secretary of Defense (Public Affairs). He would succeed J. Daniel Howard.

Since 1986 Mr. Williams has served as press secretary and legislative assistant to Congressman Dick Cheney. Mr. Williams has been involved in the Wyoming Futures Project, a joint public-private effort to help Wyoming plan for its future economic needs, 1985 - 1986. He was a news director and a radio and television reporter in Wyoming for 10 years. He has also served as a member of the board of directors of the Radio-Television News Directors Association for 6 years. Mr. Williams has received the First Amendment Award of the Society of Professional Journalists of the Rocky Mountain Region. In addition he has served on the staff of former U.S. Senator Clifford P. Hansen of Wyoming.

Mr. Williams was born in 1952, in Casper, WY, and he graduated from Stanford University (1974).

Appointment of Zvi Kestenbaum as a Member of the Commission for the Preservation of America's Heritage Abroad

May 2, 1989

The President today announced his intention to reappoint Zvi Kestenbaum to be a member of the Commission for the Preservation of America's Heritage Abroad for a term of 3 years.

Zvi Kestenbaum has served as the leader of the Opportunity Development Association to assist the Hasidic community with the social and economic disadvantages suffered by this group. Rabbi Kestenbaum was born in Uyfeherto, Hungary in 1922. He studied as a rabbinical student until World War II, surviving a Nazi concentration camp. He served as chairman of the economic planning board in Azor, Israel, and chairman of the city council. He then immigrated to the United States in 1955 from Israel. He has also been involved in the preservation of the Jewish cemeteries and holy sites both in Eastern Europe and throughout the world, and served as a member of the Presidential Commission to Preserve America's Heritage Abroad.

Mr. Kestenbaum has received the U.S. Small Business Administration Advocate of the Year Award, 1984; the Presidential Recognition Award, 1985; and the U.S. Secretary of Commerce William C. Verity Award for outstanding efforts on behalf of the Hasidic community in 1988.

Remarks Following a Meeting With Polish and Chilean Human Rights Leaders

May 3, 1989

Well, it's a great honor to welcome to the White House today two outstanding individuals, truly heroes of democracy. Jacek Kuron has been a key leader in Solidarity's struggle in Poland. Solidarity has just won an important victory in Poland, not only its own legislation but a program of other democratic reforms as well. As Poland moves towards more freedoms for all of its people, greater economic opportunity and strength, the world will be watching and applauding. And this is especially true for the United States.

Monica Jimenez de Barros founded and directed the Crusade for Citizen Participation in Chile. She educated and mobilized millions of voters in Chile's plebiscite election last October. Due in part to her efforts, Chile is on a road toward democracy. We do not deceive ourselves that this is an easy road, but we believe Chile is on an irreversible course. And Chileans who seek democracy deserve the support of everybody in the United States -- everybody that loves democracy around the world.

Mr. Kuron and Mrs. Jimenez are in Washington this week to receive the Democracy Award from the National Endowment for Democracy. We salute you, and we salute the kind of personal courage that you both have shown in the face of great obstacles. You've shown that tenacity and faith and courage in the name of democracy can make a difference for millions of people.

As I said in my Inaugural, the day of the dictator is over. All over the globe freedom is a fact now, more than at any other time in modern history. The National Endowment for Democracy -- in these awards and in its other good work -- is giving expression to the oldest and noblest tradition of this country: the devotion to freedom for all humanity. And thus, it is a special honor today to welcome you two outstanding democracy builders.

Congratulations! Well done. Keep it up. Congratulations to both of you, and thank you for coming to the White House at the end of what I understand has been a very good conference.

Note: The President spoke at 9:45 a.m. in the Roosevelt Room at the White House.

Message to the Congress Transmitting the European Economic Community-United States Fishing Agreement

May 3, 1989

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith an agreement effected by exchange of notes on September 15, 1988, and February 27, 1989, extending for the period of 2 years from July 1, 1989, until July 1, 1991, and amending to conform with current U.S. law, the Agreement between the Government of the United States of America and the European Economic Community Concerning Fisheries off the Coasts of the United States, signed at Washington on October 1, 1984. The exchange of notes together with the present agreement constitute a governing international fishery agreement within the meaning of section 201(c) of the act.

U.S. fishing industry interests have urged prompt consideration of this agreement, and, similarly, I request that the Congress give favorable consideration to this agreement at an early date to avoid disruption of ongoing cooperative ventures.

Since 60 calendar days of continuous session, as required by the legislation, may not be available before the current agreement is scheduled to expire, I recommend the Congress consider passage of a joint resolution.

George Bush

The White House,

May 3, 1989.

Message to the Congress Transmitting the Iceland-United States Fishing Agreement

May 3, 1989

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith an agreement effected by exchange of notes on November 23, 1988, and January 17, 1989, extending for the period of 2 years from July 1, 1989, until July 1, 1991, and amending to conform with current U.S. law, the Agreement between the Government of the United States of America and the Government of the Republic of Iceland Concerning Fisheries off the Coasts of the United States, signed at Washington on September 21, 1984. The exchange of notes together with the present agreement constitute a governing international fishery agreement within the meaning of section 201(c) of the act.

U.S. fishing industry interests have urged prompt consideration of this agreement, and, similarly, I request that the Congress give favorable consideration to this agreement at an early date to avoid disruption of ongoing cooperative ventures.

Since 60 calendar days of continuous session, as required by the legislation, may not be available before the current agreement is scheduled to expire, I recommend the Congress consider passage of a joint resolution.

George Bush

The White House,

May 3, 1989.

Nomination of Sean Charles O'Keefe To Be Comptroller of the Department of Defense

May 3, 1989

The President today announced his intention to nominate Sean Charles O'Keefe to be Comptroller of the Department of Defense. He would succeed Clyde O. Glaister.

Since 1981 Mr. O'Keefe has been on the staff of the United States Senate Committee on Appropriations, and serves as the minority counsel for the defense subcommittee. He served as the staff director for the defense subcommittee until 1987. Mr. O'Keefe served in principal analyst positions on the staff for operations and maintenance, shipbuilding, and aircraft procurement appropriations. He has also served as a Presidential management intern in 1978.

Mr. O'Keefe graduated from Loyola University with a bachelor of arts degree in political science and received a master of public administration degree from Syracuse University. He was born January 27, 1956. He is married, has one daughter, and resides in Arlington, VA.

Remarks at the Annual National Prayer Breakfast

May 4, 1989

Dr. and Mrs. Bright and reverend clergy, and members of the National Day of Prayer Committee, distinguished Members of the Senate and the House of Representatives, and ladies and gentlemen: You know, it's often said of a group or individual that he hasn't got a prayer. [Laughter] Well, those of us interested in sports keep hearing that all of the time. But I'm delighted to address an audience about which that will never be said.

And first, I want to say what a pleasure it is to welcome you on this special day. America's religious, civic, political leaders welcome you to this very special place, America's house. We come as friends, as believers in a humane and loving God, and we meet on a special day for America -- a National Day of Prayer.

You know, a little boy once uttered this simple prayer: ``God bless mother and daddy, my brother and sister, and, oh, God, do take care of yourself because if anything happens to you, we're all sunk." [Laughter] Well, I expect this George Healy portrait of Lincoln gets to the margins of that prayer, and I expect he felt that way -- perilous times for our country. And I'm sure all of us have shared those sentiments at one time or another -- something in our own lives, something facing our country.

Certainly the Continental Congress did, for it was they who in 1775 issued the first official proclamation of a National Day of Prayer. In 1952 Congress decreed that a specific date be set aside each year for Americans to gather in homes and places of worship in order to pray. And since then, every President has declared a National Day of Prayer. And so, this morning, like my predecessors, I am proud to continue that tradition. But I am pleased to note that today marks a departure from the norm, for 1989 marks the first year of an official permanent date of designation: from now on, the first Thursday of every May.

My friends, I'm glad that together we could commemorate this event, and just for a few moments let me focus on what to me, and I hope to you, this observance means. It does mean, I'm sure we would all agree, that we believe in separation of church and state, but not in the separation of morality, or moral values and state. While the government must remain neutral towards particular religions, it must not, certainly it need not, remain neutral toward values that Americans support. And yes, we believe in pluralism. And I just want to reassure you I believe in pluralism -- certainly in mutual tolerance, for we are one nation under God. And we were placed here on Earth to do His work. And our work has gone on now for more than 200 years in the Nation -- a work best embodied in four simple words: In God we trust. And it was to that higher being that George Washington looked when in 1776 he was addressing his troops, and he said, ``The fate of unborn millions will now depend, under God, on the courage and conduct of this army."

Lincoln believed in divine providence. Leaving Springfield to take over, to assume the Presidency, he told the people of his hometown that the God which helped General Washington must now help him. ``Without the assistance of the divine being," Lincoln said, ``I cannot succeed. With that assistance, I cannot fail." And some of you may be too young to remember D-day. Not many of you, but some of you may be too young. [Laughter] Over a nationwide network, Franklin Roosevelt prayed for the safety and success of our invading force. ``Our sons," he said, ``pride of our nation, lead them straight and true. Give strength to their arms, stoutness to their hearts, steadfastness in their faith."

Our history tells us what our hearts confirm: As Americans, we are a religious people. We prize compassion and self-sacrifice. We know that America is great because America is good, and as President, I am reminded of that constantly. Several weeks ago, I was sharing this with Mrs. Bright and Mr. Zeoli. Barbara and I went up to -- or did you go to Lancaster, PA? She didn't make the traveling squad. [Laughter] I went to Pennsylvania, and I went to a local high school in a relatively affluent rural area, Lancaster, and there we discussed a problem which is America's problem -- the rising use of drugs. If you ever need to pray about something and ask for strength and guidance, it is this: that we succeed in our antinarcotics efforts.

But then, after meeting with this relatively affluent group, and hearing that drugs were in their corridors and in their playgrounds, I went a few miles over -- just the same community -- to meet with the Amish and Mennonite leaders. And wonderful people, and kind -- living their own lives -- and they don't have a drug problem. And they made very clear to me why: family and faith. Against them, drugs don't have a chance.

And I am convinced that faith and family can help us honor God in a most profound and personal way -- daily, as human beings -- by the conduct of our lives. They teach us not only to revere but to practice the Golden Rule. And they also help us reflect the internal values of decency, humility, kindness, and caring. I thought of those values last Sunday when I was in New York to mark the 200th anniversary of George Washington's first Inaugural Address. For it was then that, like Washington two centuries ago, Barbara and I prayed at St. Paul's Chapel, there where in 1789 a prayer service was offered by the chaplains of Congress for the United States of America. To me that day -- some of you may have seen it -- was moving, intimate, but there was something special about that church service 200 years ago. This Washington realized that political values without moral values, without that moral underpinning, cannot sustain a nation.

And so, this strong yet gentle man knew that the advancement of America, while it might rely on its President, would surely depend on providence. And so, what Washington believed so strongly over 200 years ago -- it really is just as true today. For without God's help, we can do nothing, and with it, we can do great things -- for our children, for the world.

So, let me just thank you all for coming. Barbara and I are delighted to have you here. We will

do our best in the people's house to hold these values high that are shared by everybody here regardless of our denomination, regardless of our own personal commitments. We welcome you, we are pleased you're here. And if you have an extra minute for a prayer when the going gets a little tough, remember the Congress. They need it, too. [Laughter] And Barbara and I know we do, too.

Thank you all very, very much. Thank you for coming.

Note: The President spoke at 8:45 a.m. in the State Dining Room at the White House. In his remarks, he referred to Vonette Bright, chairwoman of the National Day of Prayer Committee; and Billy Zeoli, president of Gospel Films.

Nomination of Reggie B. Walton To Be Associate Director for National Drug Control Policy

May 4, 1989

The President today announced his intention to nominate Reggie B. Walton to be Associate Director for National Drug Control Policy (Bureau of State and Local Affairs). This is a new position.

Since 1986 Mr. Walton has been deputy presiding judge of the criminal division for the Superior Court of the District of Columbia. He was an associate judge for the Superior Court of the District of Columbia, since 1981. He has served as executive assistant United States attorney for the District of Columbia, 1980 - 1981; assistant United States attorney for the District of Columbia, chief of the career criminal unit, 1979 - 1980. He was assistant United States attorney for the District of Columbia, 1976 - 1980; and a staff attorney for the Defender Association of Philadelphia, 1974 - 1976. He has also served as an instructor for the National Institute of Trial Advocacy of Georgetown University Law School, 1983 to present.

Mr. Walton graduated from West Virginia State College (B.A., 1971) and American University, Washington College of Law (J.D., 1974). He was born February 8, 1949.

Remarks and a Question-and-Answer Session With Reporters Following a Luncheon With Prime Minister Brian Mulroney of Canada

May 4, 1989

The President. May I just, at the outset of this scrum, in which we each answer questions, say what a joy it's been to have Prime Minister Mulroney back here with his very special Mila. Barbara and I froze them to death on the balcony. It's warm now, but 20 minutes ago, it was cold -- temperature; warm in terms of the feeling that existed at that little lunch and, indeed, over in the Oval Office.

And I cite that because the relationship between the United States and Canada remains strong. Our respect for the Prime Minister and his objectives remains strong. The fact that he fought hard for this breakthrough free trade agreement has the respect for him at an altogether high level. And so, I can report that the conversations that we had that touched on a wide array of subjects -- on the environment, and on the importance of the NATO meeting, and on the bilateral relations -- was good. And we found that we can look each other in the eye and talk out any differences with no rancor. And we salute him and welcome him as a good friend.

And now, Mr. Prime Minister, the stand-up mike is all yours.

The Prime Minister. Thank you, Mr. President. We had a very delightful and effective meeting, I thought, with President Bush and his colleagues. And Mila and I had an especially delightful lunch with Barbara and the President.

Our discussions today on the agenda dealt with the environment, which is very important, and I applaud the leadership the President is giving to the environment, particularly on the question of acid rain.

We discussed, as well, something that Margaret Thatcher has described as a model for the rest of the world, and that's the Canada-United States free trade agreement, which is in its infancy, is growing and growing strongly, and I think to the benefit of both of our nations.

And we discussed the role of NATO and the importance of the Western alliance in the world -- the role of the United States in that alliance. The position of Canada is unequivocal in that regard.

Thank you, sir.

Arms Control

Q. Mr. President, are you willing to compromise your position now on short-range missiles in terms of starting negotiations with the Soviet Union on that area?

The President. I want the NATO summit to be a success. And we will be working with the Germans and with others to see that there is a common NATO position. This is no time for one to compromise or somebody not to compromise. We've made proposals to the Germans; I expect we'll be hearing from them soon. And I'd prefer to do whatever negotiation amongst allies that is required in private, recognizing that we all want the NATO summit to be successful. And there's a lot of public discussion of this issue, and that's fine. I don't plan in detail to join in on that public discussion. The U.S. position is well-known. NATO's last stated public position is well-known. And we're prepared to go from there.

Q. It sounds like you're ready to negotiate.

The President. Well, I'm always willing to negotiate. But we're not going to go for any third zero or getting SNF [Strategic Nuclear Forces] out of whack in terms of negotiations. So, let's be clear on that. But certainly, I'll be willing to discuss these issues, as we did in a very constructive way with the Prime Minister.

Q. Prime Minister Mulroney, what did you say to the President about the SNF issue?

The Prime Minister. What I said to the President was that NATO was founded on, in my judgment, two concepts: first, solidarity; and secondly, the American leadership of the Western alliance. And it's the solidarity that has brought about the success that the West has engendered thus far. And we have to stick together on all of these fundamental questions, and we will.

NATO is a grouping of sovereign independent nations. There is going to be vigorous debate, unlike the Warsaw Pact. In NATO, there are independent nations who get together, and who come together willingly under a common shield to achieve common objectives. And so, while there has to be this kind of debate, in the end, there must be solidarity, total solidarity. And there must be a common view of leadership, which has served the world so well for 40 years. Now, we're going to Brussels to celebrate the achievements of NATO. And that's exactly what we are going to be doing, and that is why we look forward to President Bush's presence there -- to celebrate that particular achievement in which the United States has played such a pivotal role.

Q. -- -- how public opinion in Europe to have NATO -- --

Q. Did you urge the President to begin negotiations on SNF reductions, sir? Did you urge the President to begin negotiations on SNF reductions?

The Prime Minister. I'm sorry?

Q. Did you urge the President to begin negotiations -- to at least back negotiations on SNF reductions?

The Prime Minister. I've just said what the position of Canada is in regard to -- there's one NATO position. This is not an association where everybody freelances.

Q. -- -- different views on this, though.

The Prime Minister. We have a common NATO position, and while there are divergence of views that emerge from time to time, the object of our getting together is to harmonize those views into one position. And that's what we're going to be able to do.

Q. You told us that NATO was very good -- --

Iran Arms and Contra Aid Controversy

Q. Mr. President, the Oliver North jury is supposed to return a verdict momentarily. I was wondering if now you would discuss with us your trip to Honduras -- as they're about to come in, and you couldn't affect their verdict one way or the other -- and what happened there -- whether or not you made some arrangements to give a quid pro quo for Honduras help.

The President. How do we know the North -- I haven't heard -- it's going to be in at 2 o'clock with a decision? Honduras -- there was no quid pro quo. Everybody that attended the meeting says there was no quid pro quo. And for those who suggest there was, the onus is on them. The word of the President of the United States, George Bush, is there was no quid pro quo. The records of the meeting demonstrate that there was no quid pro quo. Thank you for asking that question.

Q. Mr. President, was there any implication -- --

The President. No implication, no quid pro quo, direct or indirect, from me to the President of Honduras on that visit.

Q. Why did you go down there for then?

Q. In that meeting, did you discuss aid to the contras -- the Hondurans' compliance with our request that they help the contras and -- --

The President. We are going to -- I am going to insist that the congressional committees, now

that the jury is in or out, be briefed fully on the confidential cables that bring up every fact of that meeting.

North Atlantic Treaty Organization

Q. Mr. President, can we go back to NATO a second?

The President. Yes. For me or -- --

Q. For you, sir. Mr. President, you were very careful, I thought, to say you didn't want the third zero. That still allows for the possibility of reducing the number of short-range nuclear weapons.

The President. Look, my emphasis will be on conventional force reductions. And we will be talking very soon with the Germans on a proposal we made to them. We've listened very carefully in a very -- to the constructive suggestions that Prime Minister Mulroney has raised, and that's really all I care to say about it. I want the NATO meeting to be a success. And one way you guarantee success is not to go out and fine tune nuance differences that may exist between various staunch allies. And so, the German position was made public last week. And I will continue to work with the leaders of the NATO countries to see that we have a successful summit.

Q. Mr. President -- --

Q. Mr. Prime Minister -- --

Q. Mr. President, did you discuss a bilateral accord -- --

The President. Here's what we're going to do to be fair. We're going to rotate these questions. The next one is for the Prime Minister of Canada -- if you want equal time. [Laughter]

The Prime Minister. I don't insist on equal time, Mr. President. [Laughter]

The President. You're entitled to it. You've got to have it.

Acid Rain

Q. -- -- any new commitments on acid rain?

The Prime Minister. I'll take it. [Laughter] All right. We'll rotate.

Q. How about bilateral accords?

The Prime Minister. We'll rotate, but I've got to get a chance to answer.

Acid rain -- we had an excellent discussion on that. The President has made a very strong statement in regard to his intentions in acid rain, which will involve legislation and cooperation with the Congress. We look forward to that and once that is achieved, we look forward to the conclusion of a mutual accord which will allow our countries to bring to an end, hopefully, a problem that has been a major challenge to both of our governments and one that has blighted the environments of the United States and of Canada. So, we're moving along on that. I'm pleased with what the President had to say today. I met with congressional leaders, including Senator Mitchell, earlier this morning. And as the Prime Minister of Canada, I'm pleased with the manner in which this very important matter is going.

Q. Mr. President, do you support a bilateral accord, sir?

Fusion Energy

Q. President Bush, with regard to all of the reports of the new developments of fusion energy, which is a clean form of energy that could make the whole acid rain issue moot, do you plan to take any role in helping to determine whether this breakthrough or potential breakthrough is real, and the Government would play a role in helping to develop it?

The President. I will be talking to my National Science Adviser about that in the next few days.

Q. Prime Minister Mulroney --

[At this point, a question is asked and answered in French.]

Q. Mr. President -- --

Q. Mr. Prime Minister -- --

The President. My turn, my turn! The gentleman over here.

Q. Translation, Mr. President?

Elections in Panama

Q. Mr. Gingrich this morning suggested if the Panama election is as fraudulent as many think it will be that perhaps you shouldn't give back the Canal. What's your view on that? What's your response to him?

The President. My view on that is to warn Panama that the world will be looking at them, not just the United States. In terms of these elections and deciding what to do if the elections are fraudulent -- calling on them for free and fair elections -- there will be international observers there, and then we will cross whatever hypothetical bridge we may have to cross later on. But it's too hypothetical, Charles [Charles Bierbauer, Cable News Network], at this point to go beyond that. But this does give me an opportunity to say that I have been very disturbed by the reports that the election will be less than free and less than fair and less than open. And I simply want to encourage the people in Panama to do everything they can to guarantee free and fair elections. And what pressures they can bring to bear on the PDF [Panamanian Defense Force] leader, Mr. Noriega, I don't know. But I would hope, with the world watching, they would insist on free and fair elections.

Health Care in Canada

Q. -- -- about the health system in Canada.

The Prime Minister. Pardon me?

Q. I want to ask you, are you worried about this exodus of doctors from Canada to the United States, where they make more money? Are you worried that that will hurt your wonderful health system in Canada?

The Prime Minister. Well, we're always -- we don't like to lose any talented Canadians. But we're very proud of the special health care system that we've developed over the years. It's an integral part of our citizenship. We strengthen it every opportunity we can, and we don't see it under any challenge or attack.

Q. Could you explain that to Mr. Bush so we can get that same health system in the United States?

The Prime Minister. Well, Mr. Bush is very, very well acquainted with the Canadian system, as with others, and I can only speak for ours. I know of your interest in this area. And as far as we're concerned, we've developed our own system, which we prize very highly. Others have their own, of which they're proud, no doubt.

Iran Arms and Contra Aid Controversy

Q. Mr. President, Senator Mitchell and others among the congressional leadership are adamant in pressing for answers on why they did not get certain documents or certain versions of documents related to the Iran-contra matter during their investigation. What will you undertake to do to meet their inquiries? What role will you take?

The President. Well, I've made clear to the Congress that we will cooperate in every way requested and referred them to a man in whom I have great confidence, Mr. Culvahouse [Arthur B. Culvahouse, former Counsel to President Reagan], who handled those documents for the previous administration. And hopefully, they can resolve it between themselves.

Acid Rain

Q. -- -- about acid rain once again, sir?

Q. Senator Mitchell mentioned this morning that Canada should be pushing for a bilateral accord on acid rain consecutively, while the administration introduces its legislation on acid rain. Was there any talk about that and will you be pushing for that?

The Prime Minister. Well, I think the President knows my position full well. We know that there have to be legislative changes here in the United States to kind of equate the initiatives taken in Canada. And once that is done, or while -- in the process of that being done, then there has to be an international accord that is an enforceable document, by which we can measure our progress and enforce delinquency in that event. And so, President Bush is known as a strong environmentalist. He's made some very significant statements in regard to not only acid rain but its impact on our bilateral relationship and his resolve to clean it up. So, I'm very encouraged.

Q. President Bush, can we ask you, sir, about acid rain? Did you make any undertakings in your lunch in terms of what's going to be in your clean air legislation that's going to help this acid rain problem?

The President. We didn't go into the specific amounts. As the Prime Minister said, he knows of my commitment. He knows now that we are in the final stages of formulating our recommendations to the Congress -- the Clean Air Act. And indeed, we'll be prepared, after those recommendations go forward, to discuss in more detail the subject that you're asking about. So, we did have a chance to do what you asked about. And look, if there's anything that the Prime Minister of Canada has been clear with me about -- and he's been clear with me on everything -- it is this subject. So, I don't think there's any -- he forcefully brings it up, and I tell him where we stand.

Arms Control

Q. Prime Minister Mulroney, the President said you made concrete suggestions on the issue of short-range missiles. Can you give us an idea, sir, what some of those suggestions entailed?

The Prime Minister. Well, Mr. Clark [Canadian Secretary of State for External Affairs] has been in touch with Secretary [of State] Baker and others in regard to how this matter might be broached. We don't -- we discuss it privately with our allies and that's what we have tried to do.

But the position of Canada -- the one I've set out is -- it deals with the effectiveness of NATO being predicated on our solidarity and the leadership, a very particular role of leadership, by the United States in that equation. And we think that within those parameters, we can resolve differences of degree and emphasis that will come up from sovereign states from time to time. And we think that this is what the President and I and Secretary Baker and Minister Clark have been working on and will continue to work on.

Iran Arms and Contra Aid Controversy

Q. Mr. President, when you say that there was no quid pro quo at the meeting that you had with the Honduran President, are you willing to give us the same assurances that there was no quid pro quo between this Government and the Honduran Government in that time period?

The President. As far as I know of, as far as I know -- to my knowledge. But the allegation that's been made on me was that I went to Honduras and talked to President Suazo about some quid pro quo. I can now state declaratively, without any fear of contradiction, that there wasn't. And that's all I'm going to tell you.

[At this point, a question is asked and answered in French.]

Q. Mr. President, you've made it pretty clear there was no quid pro quo. Can we go beyond that to the whole question of Iran-contra? You have declined in the past to discuss that, sir, because of confidentiality vis-a-vis President Reagan. Now, you're the President, the Oliver North jury is now delivering its verdict on all the counts -- is this the time to set this at rest? Just to go through and say -- --

The President. I think it was set to rest in the last election. I think I have been singled out for a specific question here that I've answered. Do you have a specific question? I'll be glad to try to respond to it at your next turn, which does not come now, however. [Laughter] But I would be glad to try to do that. And that's the way it's going to be. And we'll have plenty of opportunities to answer questions, and I may or may not, depending on what they are, answer them. I've answered this one, where there has been much needless, mindless speculation about my word of honor, and I've answered it, now, definitively.

Acid Rain

Q. Mr. President, your good friend Michael Dukakis said the other day to the Prime Minister that he expected -- he thought that it was possible for an acid rain treaty between Canada and the United States to be signed within a year. I don't know what your feelings are on this, but could you give us kind of a timeframe? Do you think it's possible that there might be a treaty signed at least before you leave or the next election?

The President. Well, there will be great progress made. Whether the treaty proves to be the vehicle for demonstrating that progress, I don't know, and I can't say.

Environmental Issues

Q. Mr. Prime Minister, was there any discussion of a global warming convention, and if so, what direction did it take?

The Prime Minister. Yes, the President and I had an excellent discussion of the entire environmental formula. I expressed the view as well that there can be little progress in terms of the environment unless there's a very strong leadership role played by the United States. And I've already indicated to you President Bush's very strong commitment to the environment in all of its related and ancillary and principal dimensions, and this is a very, very important one. But you know, you can hold all the conferences you want, but if the principal players are not there, then progress can be fairly modest. So, President Bush indicated to me, as he did in Ottawa, his intention to play a very significant leadership role in all aspects of the environment, and I think we're all very encouraged by that.

Thank you very much.

The President. Last question for the President -- the Prime Minister having handled his last one beautifully.

China-U.S. Relations

Q. Different subject, on China. Your administration has been very outspoken in promoting democratic efforts in places like Poland and Nicaragua and around the world. But you haven't really said anything about China. Do you have some words of encouragement for the students who are defying a government ban in order to protest in favor of freedom and democracy?

The President. I have words of encouragement for freedom and democracy wherever, and I would like to see progress in China, in the Soviet Union, and in other systems that have heretofore not been in the forefront, to put it mildly, of human rights or of democratic rights. And I wouldn't suggest to any leadership of any country that they accept every demand by every group. But I will say that as I reviewed what the demands are today, we can certainly, as the United States, identify with them. When they talk about more free press, we would encourage that, wherever it might be. When they talk about -- I forget what the list was of every demand, but a lot of them had my enthusiastic backing, in a broad, generic sense. And I would like to encourage China or the Soviet Union or other totalitarian countries -- countries that have not enjoyed democratic practices -- to move as quick as they can down democracy's path.

And I've been pleased with some of the changes in China. It's changed dramatically since I was

living there. But they've got a ways to go, and other countries in this hemisphere have a long ways to go, and countries over in Europe have a long way to go. And so, I would encourage them all: Democracy is on the move. And this is one thing that the Prime Minister and I talked about. When we go to that NATO meeting, we're going to be on the side that is winning and the side that is right, fundamentally right. Freedom, democracy, human rights, these are the things we stand for. So, I would encourage every government to move as quickly as they can to achieve human rights.

Thank you.

Note: The President spoke at 1:55 p.m. on the South Portico at the White House. Earlier, the President and the Prime Minister met in the Oval Office.

White House Statement on the President's Meeting With Violeta Chamorro of Nicaragua

May 5, 1989

The President today met with Mrs. Violeta Chamorro, publisher of the Nicaraguan newspaper La Prensa. Mrs. Chamorro is in Washington at the invitation of the National Endowment for Democracy. Mrs. Chamorro and La Prensa have become symbols of freedom of expression and the struggle against tyranny and dictatorship throughout Latin America, beginning with the struggle against the Somoza government.

During the meeting, the President expressed his deep regard for Mrs. Chamorro and her unceasing efforts to carry on the tradition of her assassinated husband over the last 10 years, in the face of Sandinista harassment and intimidation. The President told Mrs. Chamorro that he shared her disappointment and concern that the new media law promulgated by the Sandinistas does not guarantee the free functioning of the media and unrestricted political expression. The new law gives the Ministry of Interior wide latitude for prosecuting and punishing the media for such ill-defined concepts as violating ``national integrity'' and for publishing ``injurious, defamatory and false news.'' Rather than relaxing existing controls and increasing freedom of expression, the law is a more systematic compilation of existing restrictions and sanctions.

The Sandinista media law, as well as the recently approved electoral law, do not comply with the letter or the spirit of the Esquipulas and El Salvador agreements signed by Central American leaders. The President and Mrs. Chamorro expressed their hope that international leaders would use their influence to persuade the Sandinistas to fulfill their commitment.

Remarks at a Cinco de Mayo Celebration

May 5, 1989

Welcome to this Rose Garden celebration. [Laughter] But even the weather couldn't put a damper on a wonderful event like this, and I'm delighted to be here. I salute Mexico's Ambassador to the United States, who honors us with his presence. And next to him, my trusted friend, John Negroponte, who is going to be our next Ambassador to Mexico. So, we're well-represented here today.

Secretary [of Education] Cavazos, thank you, sir, for, in a sense, sponsoring this wonderful program. But isn't it a great sight to see the folklore and the traditions of a proud past so refreshingly alive in these kids! And you're all from Toledo, Ohio? [Laughter] Are you? That's fantastic. The whole scene -- the costumes, the music, the pageantry -- reminds me of my days as a Congressman in Houston, or indeed, some of my times in West Texas. Cinco de Mayo is a big one down in Texas, as I'm sure many of you in this room know, just as it is throughout the United States. And, in my view, it's becoming more significant or more celebrated each year, and the reason is obvious: We and Mexico are bound by ties of family, culture, and friendship. This is keenly appreciated in the Bush family. Barbara and I have always felt at home in the Hispanic community, and living in Texas, we are impressed by those values -- caring, patriotism, love of God.

What is true of a family is true of a nation. Hispanic culture is growing deep roots into American life, and that's why the Hispanic community plays such a pivotal role in our national culture and in this administration. Not only do we have two highly respected Hispanic leaders -- Lauro Cavazos and Manuel Lujan [Secretary of the Interior] serving in the Cabinet -- but key advisers, six senior members of the White House staff sharing your Hispanic heritage and pride. And I see that several of our new appointees are with us today -- Hispanic Americans whose service to their country will add to that pride. We deeply respect your commitment to family, honor, and tradition. We need the advice and the involvement of everybody here. You are leaders, and this is the age of empowerment. Empowerment is economic as well as political. Since 1982 more than two-and-a-half million Hispanic Americans have joined the job market, but this is not enough. We will not be satisfied until every Hispanic man and woman can make the most of their drive and their talent in the United States of America.

And on this day we also recognize something else that binds together the United States and Mexico. We are two former European colonies whose independence has been hard won. Less than 1 week ago, I joined in the celebration of the 200th anniversary of the swearing-in of George Washington in New York. How appropriate it is for us to now observe the victory of another champion of liberty, Benito Juarez. Like Washington, he possessed a homespun dignity, a simple eloquence, and a commanding presence. Both were men of peace who were forced to fight for freedom.

So, this is a day for all of us to look southward -- to memories of home and hearth for some, to memories of friendship and respect for the rest. Think of the 5th of May as not a national holiday of another country only but as the celebration of ideals that know no border -- ideals of pride, family, and tradition. And this is the spirit of the Hispanic community, and this is the spirit of all Americans, north and south of the Rio Grande.

Thank you for being with us today. Happy Cinco de Mayo, and welcome.

Note: The President spoke at 2:15 p.m. in the East Room at the White House. In his remarks, he referred to Gustavo Petricioli, Mexican Ambassador to the U.S., and Benito Juarez, the first President of Mexico. A mariachi band performed prior to his remarks.

Message on the Observance of Cinco de Mayo, 1989

May 5, 1989

It is with great pleasure that I join the people of Mexico and all those of Mexican heritage in the United States in celebrating Cinco de Mayo.

The historic victory at the Battle of Puebla clearly showed the unbeatable determination of a people struggling for independence. Though badly outnumbered by the French, the Mexican people fought bravely for the freedom of their country. With the beacon of democracy giving them hope and inspiration, their cause could not be denied.

Every American immediately identifies with that cause and shares in the pride and happiness Mexicans feel on this day. Our country is proud of the long-standing friendship that has existed between the United States and Mexico and prouder still of the wonderful contributions Mexican Americans have made to our Nation.

On this special day, I send congratulations and good wishes to the people of Mexico and to our citizens of Mexican descent. May we remember in gratitude and admiration the sacrifices your ancestors made for liberty, and may their brave legacy be a reminder to us all of the eternal vigilance that freedom demands.

God bless you.

George Bush

Message to the Congress Transmitting a Report on Radiation Control for Health and Safety

May 5, 1989

To the Congress of the United States:

In accordance with section 360D of the Public Health Service Act, I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act during calendar year 1988.

The report recommends that section 360D of the Public Health Service Act that requires the completion of this annual report be repealed. All the information found in this report is available to the Congress on a more immediate basis through congressional committee oversight and budget hearings. This annual report serves little useful purpose and diverts agency resources from more productive activities.

George Bush

The White House,

May 5, 1989.

Continuation of Malcolm Richard Wilkey as Ambassador to Uruguay

May 5, 1989

The President today announced that Malcolm Richard Wilkey will continue to serve as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Oriental Republic of Uruguay.

Since 1985 Ambassador Wilkey has served as Ambassador to the Oriental Republic of Uruguay. From 1969 to 1973, he was a member of the Advisory Panel on International Law for the Legal Adviser at the Department of State. From 1970 to 1985, he was U.S. Circuit Judge for the DC Court. From 1975 to 1979, he served on the Judicial Conference of the U.S. Committee on Rules for Admission to Practice in the Federal Courts. Since 1985 Ambassador Wilkey has also been a visiting fellow at Wolfson College in Cambridge, England.

Mr. Wilkey was born December 6, 1918, in Murfreesboro, TN. He received his A.B. in 1940 from Harvard College and his J.D. in 1948 from Harvard Law School. He served in the U.S. Army from 1941 to 1945, and in the U.S. Army Active Reserve from 1948 to 1954. Mr. Wilkey is married to the former Emma Secul.

Statement by Press Secretary Fitzwater on the Resumption of Arms Control Negotiations in Vienna

May 5, 1989

Today marks the resumption in Vienna, Austria, of both the negotiations on Conventional Armed Forces in Europe (CFE), which involves all 23 nations of NATO and the Warsaw Pact, and the talks on Confidence and Security Building Measures (CSBM) among the 35 participants in the Conference on Security and Cooperation in Europe (CSCE).

In the CFE negotiations, the United States and its allies are seeking a stable and secure balance of conventional forces in Europe at reduced levels, the elimination of destabilizing disparities of forces, and the elimination of capabilities for surprise attack and large-scale offensive action. NATO's approach reflects a continuing commitment to realizing these goals through a realistic, militarily significant, and verifiable agreement. The work ahead is complex. The United States and its allies are, however, encouraged by the seriousness with which the Soviet Union and its allies have entered into this negotiation. What is needed now is for them to join NATO in exchanges that are frank and constructive and enhance the chances for success. In the CSBM's talks, NATO has tabled a set of proposals which build upon and expand the Stockholm document. The centerpiece of the NATO proposal is an annual exchange of information on military organization, manpower, and equipment in Europe, and a corresponding system to evaluate the information that is exchanged. These and other NATO proposals apply equally to all participating states, in contrast to the Eastern proposals that clearly seek to constrain NATO's ability to train and reinforce its troops.

During this second round, NATO will be elaborating the practical details of its proposals to demonstrate their effectiveness, feasibility, and the contribution they can make to furthering openness, transparency and predictability about military organization and activities in Europe.

Remarks on Signing the Asian/Pacific American Heritage Week Proclamation

May 8, 1989

Welcome to the Rose Garden, ladies and gentlemen and fellow Americans. You know, an Asian proverb says: ``Intelligence consists in recognizing opportunity.'' Well, if that's true, it's clear that we are recognizing opportunity in putting the flag back where it belongs. [Laughter] No, intelligence consists in recognizing opportunity, and it's clear that you may be one of the most intelligent groups that we've welcomed to the White House, for you've recognized opportunity and seized it. And I am just delighted to be with you.

I'd like to welcome a very special visitor, President Hammer DeRoburt of Nauru out in the Pacific -- a friend of the United States. Welcome, sir. And I think it's appropriate he's here, head of an island state in the Pacific -- most appropriate that you join us here today, sir. Thank you.

We gather in a special week: Asian/Pacific American Heritage Week. And yesterday marked the 146th anniversary of the day the first Japanese immigrated to America; and Wednesday celebrates the 120th birthday of an event that Chinese-Americans made possible, the driving of the golden spike to complete the first transcontinental railroad. And we meet, too, as special friends. And in particular, I want to thank three people: Jeanie Jew, who created the idea for this week and is the granddaughter of a Chinese pioneer who helped build that railroad; Frank Horton, the chief sponsor of the Heritage Week legislation; and Ruby Moy, chairman of the Congressional Asia/Pacific American Heritage Week Caucus. Perhaps most of all, we assemble here for a special reason -- to salute the millions of refugees and immigrants from Asia and the Pacific who braved the unknown and ventured to our shores, and to salute a community which has enriched America's community socially, culturally, economically, spiritually.

Ladies and gentlemen, as we proclaim this Asian/Pacific American Heritage Week let me observe that you have earned this recognition. You've done it through excellence, with the value of your lives. Those values are, of course, discipline and self-sacrifice, humility and compassion, an abiding belief in work, a soaring love of freedom -- values which brought your parents, your grandparents, and some of you right here to America -- values which are now uplifting America.

I think, for example, of pioneers like Gerald Tsai, Jr.; or Jenlane Gee, the California Teacher of the Year; or Henry Tang and I.M. Pei; of our own Sichan Siv, who fled the killing fields of Cambodia and a daring escape -- now at work right here in the White House. Let me mention my trusted adviser, Lehmann Li, who's been at my side for a long time. You talk about a bright individual -- he's a walking encyclopedia.

My friends, they -- you -- are building a better America and creating new jobs. You're enhancing

our medical schools, the law, our small and large businesses -- in short, honoring your heritage by the lives you lead; and for that I congratulate you.

And in a personal sense, I want to thank you, too, for as Chief of the United States Liaison Office in China, I came with Barbara to love that heritage and, in countless ways, with countless friends, to see and share what lies at its center: the family. Ten weeks ago on a trip back to Asia and to the Pacific Rim, Barbara and I visited the nondenominational church that we'd attended in Beijing. And it's different now -- it's bigger; but the values, the heritage, are the same, and the memories are even better. And I'll never forget when our own daughter was baptized right there in China.

Yes, the Asian/Pacific community has a special place in my heart, and so does an old Chinese proverb which I've often cited. It goes: ``One generation plants the trees, another gets the shade." For decades, Asian Americans have planted the trees of prosperity, opportunity, and human dignity. And in coming years, more than ever, I know that my children, America's children, will thank you for the shade.

And finally, before I sign this proclamation declaring this week as Asia/Pacific American Heritage Week, it gives me great pleasure to announce two nominations that I will submit to the Senate for confirmation to positions within my administration. I'll be sending the name of Julia Chang Bloch to the Senate to be the next -- [applause] -- United States Ambassador -- please -- [laughter and applause] -- the next United States Ambassador to Nepal, and the name of Kyo Jhin to be Chief Counsel -- Kyo -- Chief Counsel for Advocacy in the SBA [Small Business Administration]. And I salute, also, Katherine Chang Dress, sworn in today as an Assistant Secretary of the Interior. We are so lucky. And we welcome these qualified, capable individuals to our team.

God bless all of you. Thank you for coming here to Washington on this beautiful day. And now, let's sign this proclamation. Thank you very much.

Note: The President spoke at 10:15 a.m. in the Rose Garden at the White House. In his remarks, he referred to Gerald Tsai, Jr., member of the board of directors of Primerica; Henry Tang, vice president of Solomon Brothers; I.M. Pei, architect; and Sichan Siv, Deputy Assistant to the President for Public Liaison. The proclamation is listed in Appendix E at the end of this volume.

Nomination of Julia Chang Bloch To Be United States Ambassador to Nepal

May 8, 1989

The President today announced his intention to nominate Julia Chang Bloch to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Nepal. She would succeed Milton Frank.

Since 1981 Ms. Bloch has served in several capacities for the Agency for International Development, including Assistant Administrator for the Asia and Near East Bureau, since 1987; Assistant Administrator for the Food for Peace and Voluntary Assistance Bureau, 1981 - 1987; and Special Assistant to the Administrator, 1981. Prior to this she was a fellow at the Institute of Politics of the Kennedy School of Government at Harvard University, 1980 - 1981. She has also served as Deputy Director of the Office of African Affairs for the International Communication Agency, 1977 - 1980; and chief minority counsel for the Senate Select Committee on Nutrition and Human Needs, 1976 - 1977. Ms. Bloch served as a staff member for the minority staff of the Senate Select Committee on Nutrition and Human Needs, 1971 - 1976. She served in various capacities with the Peace Corps, including evaluation officer, 1968 - 1970; training officer for the East Asia and Pacific Region, 1967 - 1968; and a volunteer in Sabah, Malaysia, 1964 - 1966. Ms. Bloch was awarded the Woman of the Year Award from the Organization of Chinese American Women, 1987; the Leader for Peace Award from the Peace Corps, 1987; and the Humanitarian Service Award from the Agency for International Development, 1987.

Ms. Bloch graduated from the University of California (B.A., 1964) and Harvard University (M.A., 1967). She was born March 2, 1942, in Chefoo, China. She is married and resides in Washington, DC.

Nomination of Kyo Ryoon Jhin To Be Chief Counsel for Advocacy at the Small Business Administration

May 8, 1989

The President today announced his intention to nominate Kyo Ryoon Jhin to be Chief Counsel for Advocacy at the Small Business Administration. He would succeed Frank S. Swain.

Since 1986 Dr. Jhin has been an international trade consultant for Metro Investment Group in Bethesda, MD. He served as assistant superintendent for educational technology for the District of Columbia Public Schools, 1983 to present. He was a senior associate in the Office of Educational Research and Improvement for the Department of Education, 1981 - 1983; and an administrative officer in the Office of School Improvement, 1979 - 1981. Dr. Jhin was executive director for the Top of Alabama Regional Education Service Agency, 1971 - 1979. He has served as a member of the National Advisory Council on Adult Education, and vice-chairman, 1977 - 1978; and chairman of the Committee on Legislative and Government Relations, 1978 - 1979.

Dr. Jhin graduated from David Lipscomb College (B.A., 1960), New York University (M.A., 1965), Boston College (M.A., 1967), and Auburn University (Ed.D., 1971).

Remarks at the Presentation Ceremony for the Small Business Persons of the Year Awards

May 8, 1989

To the Members of Congress here and all the distinguished guests, first let me welcome Susan Engeleiter, the Administrator of SBA [Small Business Administration], as well as all the State small business people and their families who came here today. I've participated in these ceremonies before, and I'm especially pleased and honored to present these awards today.

As you probably know, I -- long ago -- was a small businessman myself, and I think, therefore, I know some of the worries that you share -- the what-ifs when you're the one in charge. And I know how it feels to start something from scratch, work with it day and night, and hopefully see it succeed. Success goes to those who work hard, refuse to give up, and learn from their mistakes. And there's a saying: If I had my life to live again, I'd make the same mistakes, only sooner. [Laughter] I think small business men and women can understand those words.

You don't have to sell me on the value of small business. The work you do is vital to this nation's economic well-being. And I brought along some statistics to back that up. Small businesses employ more than half of America's private sector work force. Small businesses account for over a third of our gross national product. And I've saved the best statistics for last. During the past decade, small businesses have created two out of every three new jobs in our economy. And for me, that's the bottom line. Small business is on the business end of growth and at the cutting edge of the economic expansion that's 77 months old and still going strong.

Let me take a moment right here to mention an issue that should be on the top of the list for all small business people: the question of child care. As you know so well, you're more likely to find small business owners sitting around a kitchen table than in a big corporate boardroom someplace. A small business is less a corporation than a family. And like a family, people engaged in a small business enterprise share common aims, a common outlook, and certainly have common interests. And that's the perfect workplace environment for innovative approaches to meet the concerns and needs of employees. I urge America's small businesses to take the lead in developing creative solutions in child care. I think, for example, of pioneers like Gerald Tsai, Jr., or Jenlane Gee and others who we honored out there today, Asians who have a strong bearing and support in their families for child care. I will do nothing as President of the United States, absolutely nothing, that weakens our family structure. And I encourage small businesses to do everything they can to strengthen the family structure by getting together in a cooperative fashion.

My child care tax credit program is going to benefit small businesses, I believe. I do not believe in these mandated government benefits. I think it has to be decided by the Federal Government, making as flexible as possible the use of child-care tax credits. So, I wanted to take this

opportunity, a little off the beaten path, you might say, of honoring these honorees today. But it is very, very important that all of you who are out there trying to produce at competitive rates, competitive ways, help as best you can. You know the value of freedom and flexibility. And so, I just want to see us work together to preserve that freedom in child care and in other issues that affect the way we live and work.

A moment ago, I cited some statistics on the large impact of small business in the American economy. Ceremonies like this one are important because they honor the individuals behind the statistics -- the small business people who conceive the idea, take the chance, and make it work. So, today we recognize the best that small business has to offer. And I want to turn now to the awards.

This year there is no fourth place finisher. Instead, we have a tie for third place. And I'll start with Chad Olson of Utah. Chad produces a highly successful line of professional and collegiate sports merchandise. He's marketed franchises in 40 States already. And I understand he's got his eye on all 50. He's got international ambitions as well, with franchise plans for Canada and U.S. military bases overseas. Now, do we do this right now? All right. Chad? Well done.

And sharing this third place award with Chad is Carolyn Stradley of Georgia. She started out as a bookkeeper for a paving company and left that company to do what many here have done -- start out on her own. She used a loan from her brother to buy her truck, built her business by taking the small jobs that no one else thought worthwhile; and today she's a success, and equally important, an inspiration to businesswomen everywhere. And so, congratulations to you.

The winner of this year's second place award comes from Kansas -- Richard Barlow. Dick is well-known to gourmet cookie makers as the manufacturer of REMA insulated bakeware. He started his business with a family friend just 6 years ago selling these cookie sheets in Oklahoma -- in Kansas. And today REMA bakeware is sold in all 50 States and Japan. And so, congratulations to you, Richard. Well done.

And now the 1989 winner, this year's Small Business Person of the Year, Tad Bretting of Wisconsin. I wondered why Senator Kasten was over here. [Laughter] Tad's got business in his blood. His family has been in the machinery business for three generations -- almost 100 years. He joined the family business in 1958. And those 30 years have seen the Bretting Company grow and prosper from 11 employees back in 1958 to 260 today, from $120,000 in sales each year to $30 million. And today his company is the world's leading producer of high-tech, custom-designed machinery for making paper products. And the secret of Tad's success is the one small business people know so well: it all comes down to taking good care of customers. And so, congratulations to you, Tad.

So, there you have our four winners. This room, though, is full of success stories today. It's in this nation's small businesses that the American spirit, entrepreneurial spirit, takes root and

grows. And so, our nation needs you -- your drive, your dynamism, your creativity, and your can-do attitude. Congratulations to all of you, and especially to you winners with us here today. Thank you all very much.

Note: The President spoke at 1:40 p.m. in the East Room at the White House. In his remarks, he referred to Gerald Tsai, Jr., member of the board of directors of Primerica, and Jenlane Gee, California Teacher of the Year, 1988.

Message to the Congress Transmitting the District of Columbia Budget Request

May 9, 1989

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the District of Columbia Government's FY 1990 Budget and FY 1989 Budget supplemental.

The District's General Fund 1990 operating budget request is $3,071 million. Total Federal payments anticipated in the District's budget are $498 million. The District's FY 1989 budget supplemental contains $106 million in cost increases and $79 million in budget authority rescissions, for a net increase of $27 million. This transmittal does not affect the Federal budget.

There are four District budget issues to which I would direct your attention. First, I would encourage you to continue the abortion funding policy that the Congress established in the District's 1989 appropriations bill that prohibits the use of both Federal and local funds for abortions.

Second, the 1990 Budget reproposes an initiative that would require the District of Columbia to charge Federal establishments directly for water and sewer services. The lump-sum appropriation provided in recent years to the District for water and sewer services in Federal buildings increases the deficit unnecessarily because Federal agencies' budgets already contain funds to pay these costs. I urge the Congress to enact this needed reform. Direct billing also reduces appropriated Federal payments for nongovernmental entities, such as the American Red Cross and the Pan American Union, as well as for entities outside the appropriations process such as the Postal Service and the Federal Savings and Loan Insurance Corporation. It would encourage Federal agencies to assure the accuracy of bills received and to pursue conservation policies.

Third, I request reinstatement of Presidential apportionment authority over the Federal payment to the District of Columbia. Directing immediate disbursement of the Federal payment at the start of the fiscal year increases Treasury's cost of borrowing. Further, the Congress very clearly did not intend to exempt the District of Columbia from sequestration in the original Gramm-Rudman-Hollings Act, and there is no reason for doing so via an appropriations bill.

Finally, in a related Federal Budget request, I will include a $1 million supplemental reimbursing the District Government for additional Presidential inaugural expenses incurred above the $2.3 million appropriated.

I look forward to working with the Congress on these matters.

George Bush

The White House,

May 9, 1989.

White House Fact Sheet on the President's Child-Care Principles

May 9, 1989

Four basic principles underlie the President's approach to child care:

Parents, who are best able to make decisions about their children's care, should have the discretion to make these decisions.

Federal policy should not discriminate against parents who work at home.

Federal policies should act to increase, not decrease, the range of child care choices available to parents.

New Federal assistance should be targeted to families most in need.

Myths and Facts about Child Care Today

Myth: Religiously affiliated day care will benefit from new Federal day care programs such as the ABC bill.

Fact: As many as one-third of formal day care centers are religiously affiliated. ABC prohibits assistance ``for any sectarian purpose or activity, including sectarian worship and instruction." This implies that to be eligible under ABC, the child care services provided by religiously affiliated centers might be required to be indistinguishable from those provided by wholly secular providers. To meet this standard, facilities could be required by the courts or by Federal or State regulatory bodies to remove religious symbols, end the teaching of religious values and avoid such practices as prayer before meals and the singing of religious songs. Furthermore, even those centers which adhered rigorously to these standards would be subject to potential litigation over their receipt of ABC funds.

Myth: Most young children are being cared for in day care centers.

Fact: Less than 11 percent of children under 5 are cared for in child care centers. Only 46 percent of children under 5 have employed mothers. Even among those mothers who are employed, the great majority use relatives or neighbors as child care providers. For parents with young children who prefer to care for their children themselves while their spouses work, the President's proposals will shift the economics of work and child care in their favor. The President's proposals discriminate neither against day care centers nor mothers caring for children at home.

Myth: Aiding child care centers will primarily help low- and moderate-income working families.

Fact: Subsidies biased toward center-based care will naturally tend to help those who are comparatively better off. In 1986 a majority of mothers in married-couple families earning less than $20,000 chose to stay at home to provide child care while less than one-third of the mothers in families making over $20,000 made the same choice. Furthermore, approximately 80 percent of children in center-based care come from two-earner families.

Myth: Federal day care standards are necessary because day care is largely unregulated.

Fact: All States currently regulate day care to some extent. Every State licenses child care centers, and all but one regulate some or all family day care homes. State and local governments are best able to determine what standards are needed for child care. Federal standards, proposed in the past, will not work. Congress, realizing this, prohibited implementation of Federal standards in 1980.

Myth: Unregulated child care is unhealthy and unsafe for children.

Fact: The typical ``unregulated'' day care provider is a mother caring for one or two other neighborhood children, along with her own child. In contrast, in day care centers, the average ratio of children to staff is five to one. According to an ABT Associates report, ``The National Day Care Home Study,'' unregulated family child care is ``stable, warm, and stimulating . . . it caters successfully to the developmentally appropriate needs of children in care; parents who use family day care report it satisfactorily meets their child care needs . . . [the study's] observers were consistently impressed by the care they saw regardless of regulatory status.''

The ABC Bill Does Not Meet the President's Principles

The Senate is likely to turn soon to the ``Act for Better Child Care,'' sponsored by Senator Dodd. This bill, ``ABC,'' does not meet the President's principles for increasing child care options and parental choice:

Parental choice: ABC puts its trust in government, not parents. No money goes directly to parents. All money goes to the States. The States then fund providers, not parents, through grants, contracts, and certificates that they, not parents, arrange or approve. It is the States, not parents, who have the ultimate decision-making power on the care children will receive under ABC.

Encourages options: ABC imposes Federal day care standards on all providers who receive public assistance. All States currently regulate day care to some degree, ensuring a healthy and safe environment for children. These costly Federal requirements will put some current child

care providers out of business, keep potential providers from offering care, and drive up the cost of care available for all parents. Parents who want their children to be taught and guided by the religious values that are central to their lives would not be able to receive assistance: All caregivers, including relatives, are prohibited from engaging in sectarian activities, worship, or instruction in providing services under ABC.

In fact, parents could not use their ABC eligibility to have anyone other than a grandparent, aunt, or uncle care for their children unless (1) the State rules in each individual case that the person was an eligible child care provider, (2) the person and his/her home meets Federal standards, and (3) the person submits to governmental grant, contract and paperwork requirements.

Nondiscrimination: ABC serves two-parent families only if both parents are employed, perpetuating the discrimination against two-parent families in which one parent stays at home to care for the children.

Targeted to families most in need: ABC is not well targeted and would serve only a fraction of families most in need. Families with incomes as high as 4 times the poverty level are eligible for ABC. Only a small number of eligible children would actually receive care under ABC -- 6 percent in 1990 according to the sponsors' estimates, and there is no guarantee that they would be from families most in need. Only one million children, the sponsors say, would receive child care services from the States -- far less than the number of children in the 3.5 million families that would initially benefit from the President's tax credit proposals.

Note: The fact sheet also contained information concerning the President's visit to the Shiloh Child Development Center.

Question-and-Answer Session With Teachers at the Shiloh Child Development Center

May 9, 1989

The President. Well, tell me how it's going. That's what I wanted to find out. And it seems -- where are we? What are we in?

Ms. Omachonu. This is in the chapel -- --

The President. The chapel?

Ms. Omachonu. And this is a special place where many of our youth come -- --

The President. I see.

Ms. Omachonu. -- -- on Sundays.

The President. Lovely, isn't it? Then the big church is right on this side?

Ms. Omachonu. It's right on the other side, yes.

The President. I haven't been here in a while, but I've known your pastor for a long time. Tell me about how it's going. One reason we wanted to do this is that I do feel that there is a role, a national role, for the kind of child care center that you all have run for -- what, how many years? -- some years.

Ms. Omachonu. A long time.

The President. Yes, a long time -- because I do not want to see the Federal legislation erode out this kind of participation -- in this instance, by a church. And I worry that some of the legislation up there would say to a church, if you want to get Federal help, you can't have a religious underpinning to your day care center. And I don't think that's good.

But anyway, that's the Bush view. But I'm anxious -- more interested in listening and getting your views on this. Who wants to start?

Ms. Omachonu. First of all, I would like to say that the traditional philosophy of the center is based on meeting the direct needs of young children. And this developmental program is designed to meet the child's physical, social needs. And we do plan activity in different learning areas, and also we do celebrate religious programs -- for example, Christmas. And children do

learn that Christmas means sharing, caring, and loving, besides celebrating the birth of Jesus Christ. And also we encourage our children to say their grace before each meal. And we have show-and-tell period: when they come to school on Monday, they tell us about their experiences at the Sunday school; they have opportunities to sing religious songs on Monday morning.

The President. Well, that's good, that's very good. Are the kids that come here all -- their families all parishioners of Shiloh?

Ms. Omachonu. No.

The President. Not necessarily. Who else?

Ms. Nickerson. I believe we have one minister's child in the 4-year-old group. But we recognize and we also respect religious philosophies from -- --

The President. Diversity, yes.

Ms. Nickerson. Yes. We have different backgrounds -- --

The President. And do you have kids from different -- obviously, nondenominational. But do you have kids that come out of religions that are not Christian? I mean, like -- --

Ms. Omachonu. Yes, we do. We have two children whose parents are Muslim. We also have another child whose parents belong to the Jehovah Witness, the whole family. But we do sort of -- with activities, we seek their permission that their children participate in the activities or exclude them out of activities. They've been very supportive. They say, ``Go ahead, let them participate."

The President. Well, it's a concept that is so important. And I believe strongly in separation of church and state, and so does the pastor; but we're not talking of that here. We're talking about your right to diversify -- to do it in a diverse way and not have the central government dictate exactly what you can do on this. And you know, our -- I won't go into detail on the proposals, but my thought is choice, to help the parents with choice. If they want to send a kid to this facility, fine. Give them a little help -- those that need it the most. And if they want to go to some other kind of facility where there's no religious reference, fine, let them do that, too. But I worry that if we have one piece of legislation that defines all the standards and leans over so far backwards on the separation of church and state, that you just erode out the participation of one of the best forces in the community for teaching these kids values.

You didn't have a say. I've been doing too much of the talking.

Ms. Johnson. I'm Ms. Johnson, and I have the 2-year-old class. And I teach them finger play, a

lot of songs -- have to keep them busy, because they don't keep still at all. But you have to really keep them busy. And, you know, I love them -- I love them.

The President. What's the time now, what do they do? Parents go into work, mother will bring the kid here -- or dad -- and leave them off at what time?

Ms. Omachonu. Okay, around 7 a.m.

The President. Seven?

Ms. Johnson. Yes, we open at 7 a.m.

The President. And then do they pick them up at different times or -- --

Ms. Johnson. Yes, they have different times. They start picking them up around 4:30 p.m., and we close at 6 p.m. So between 4:30 p.m. and 6 p.m., they're picking the children up.

The President. Yes. And they pay -- I think my briefing paper -- what did it say?

Ms. Johnson. Fifty-five dollars a week.

The President. Fifty-five dollars? And they have a meal in there?

Ms. Johnson. Yes, they have hot breakfast, and they have hot lunches. Nothing packed. Everything is straight from the stove.

Ms. Omachonu. And a 1:00 p.m. snack.

The President. -- -- p.m. snack? What, end of the day kind of thing?

Ms. Omachonu. End of the day.

Reverend Gregory. I think this is so important, too, because the focus is on the whole person. And our center strives to emphasize health and wellness, nutrition, skills development, and also values clarification -- values education, so the children will learn the difference between right and wrong. And most of all, the community I think is so important, and they have a sense of identity -- who they are -- and the opportunities -- --

The President. Oh, yes.

Reverend Gregory. And the community becomes like a extended family member.

The President. Some probably have -- like in any part of the society -- divided families, so they get an extra dimension of love here that they might not be getting at home.

Reverend Gregory. Exactly.

Ms. Nickerson. Well, the parents are pretty supportive in our program also. They help out in whatever way -- whatever we teach is extended to the family setting. So, moral standards are a very strong criteria that we concentrate on in terms of social skills; they're going to need to develop these in the future.

The President. What's the oldest kid -- age -- that you get in the day care, or child care?

Ms. Omachonu. Up to 5 years of age.

The President. Five would be -- then they go off to regular?

Ms. Omachonu. Regular school. But we do have an after-school program where they come here in the afternoon.

The President. The little guys -- I mean, 6, 7 years old? That kind of thing?

Ms. Omachonu. Yes.

The President. What's your end of all of this madhouse?

Ms. Gerald. I'm Ms. Gerald, and I work with the 3-year-olds.

The President. Three-year-olds?

Ms. Gerald. Yes. And we have our daily activities. In the morning, we have our opening. We do reading and sharing. And they have math -- we do numbers. We do our finger plays and our songs. We just have -- go through the day.

The President. Do most of the kids that come to your center -- do they have a family that goes, if not to Shiloh, to some church, or not? Is there a church -- like a religious theme that runs through these various families, or some of them just totally out of that?

Ms. Omachonu. I wouldn't say totally. They are definitely from religious families.

The President. They are?

Ms. Omachonu. Yes.

Reverend Gregory. Mr. President, would you like to see some of the children?

The President. I'm kicking myself. I should have brought a couple of the little puppies out of that basket.

Ms. Johnson. They would have loved that.

The President. Except I wouldn't want to clean up your rugs around here. [Laughter] I should have done that because kids just love those little fuzzy things. And we're about to -- I was telling the Reverend, they're about to leave home.

Note: The President spoke at 10:45 a.m. in the chapel of the family life center. Participants in the session included: Florence Omachonu, director of the center; teachers Yvette Nickerson, Joan Johnson, and Justina Gerald; and Rev. Henry Gregory III, pastor of Shiloh Baptist Church.

Remarks by Telephone to Astronauts Aboard the Space Shuttle Atlantis

May 9, 1989

The President. Hello. Captain Walker, can you hear me?

Astronauts. [Inaudible]

The President. Well, I'm just checking in to wish you five the very best and to thank you for a mission so well done. I've got to make a slight complaint on our communications, because you guys can send something off to Venus, but I couldn't get ahold of you on the airplane flying back to Houston. But that's a minor complaint from the Oval Office.

But how are you feeling? And we are so proud of the job you all did.

Astronauts. [Inaudible]

The President. No, after -- --

Astronauts. [Inaudible]

The President. I mean, just on the physical side, is there any comparison to jet lag, or do you just really feel up to speed now?

Astronauts. [Inaudible]

The President. Mary, it sounds like you. But, look, how was the actual deployment thing? That went smoothly, as I recall.

Astronauts. [Inaudible]

The President. Yes, yes, yes.

Astronauts. [Inaudible]

The President. That's amazing -- 1990 arrival? Is that something like that?

Astronauts. [Inaudible]

The President. August of -- is it true that the Soviets have had great difficulty probing out that far?

Astronauts. [Inaudible]

The President. What'd they do -- lose communication? Was it Venus? It was, wasn't it?

Astronauts. [Inaudible]

The President. Mars. Yes, have they done anything towards Venus?

Astronauts. [Inaudible]

The President. Is that right? I know our expectations are very high on the degree of resolution on this. It sounds like -- hey, tell me just a little -- have you got a couple of more seconds -- tell me a little about the computer lab you all are setting up -- the repair shop up there. Did everything end up being okay?

Astronauts. [Inaudible]

The President. Yes, well, it was. I think that captured the imagination of a lot of Earthlings, to think that something like that could be accomplished up there. What's next for you all?

Astronauts. [Inaudible]

The President. [Laughing] Just so you don't find the flight instructor, because I saw a couple of those sheets, and I'm a little embarrassed for you all to see them, frankly. I hope that -- --

Astronauts. [Inaudible]

The President. Well, you may have trouble being that selective. But, listen, are you coming to Washington, because we'd love to see you here in the Oval Office or -- and I know Barbara would like to say hello. And if there are no plans for that, why, I expect I'll be -- well, I know I'm coming down to Houston at the end of the week. But I'd love to have you all here. Are there any plans for that?

Astronauts. [Inaudible]

The President. It is. Hey, listen, it's an invitation, and -- well, let's work it out. I'll work through Admiral Truly [Administrator of the National Aeronautics and Space Administration] and set it up, because I'd like very much to have you here soon, and I'll talk you in the corner about hiding

the flight sheets from my naval aviator days. But, really, you -- --

Astronauts. [Inaudible]

The President. Do I -- sure I want to hear it?

Astronauts. [Inaudible]

The President. You got it -- you got it. But the trouble is, unless you get here -- well, you can't do it because I'm leaving Thursday. I was going to say, unless you hurry up, the puppies are gone. They're heading on out to their various -- no, a couple of them will be here. Three of them will be in the neighborhood, but one's already gone to Texas -- Texas Rangerette, they call her -- and she's there with our son in Dallas. And then one heads to Florida; one goes to Kentucky Thursday; but the other three will be in the neighborhood. For you we might reassemble them. But we'll work this out; I want you to come here. And we're very proud of the job you all did. So, we'll check with Admiral Truly and see that we get a time that's convenient for all of you -- you and spouses as well.

Astronauts. [Inaudible]

The President. Well, I believe very much -- and my only worries -- and they are worries that affect absolutely everything that I want to do -- is the budgetary constraints. But we've got some, I think, reasonably good figures in here now for NASA in which I totally believe, so we'll try to do our part from this end.

But, anyway, I'll let you all go and get some rest, but we will look forward to seeing you.

Astronauts. [Inaudible]

The President. And well done, and thank you. We're very, very proud of all five of you. Over and out.

Note: The President spoke at 2:17 p.m. from the Oval Office at the White House. The remarks of the astronauts were not included in the White House press release, and a tape was not available for verification of the content of this conversation. The crew of the ``Atlantis'' included: Capt. David M. Walker, USN, commanding officer; Lt. Col. Ronald J. Grabe, USAF, pilot; Mary L. Cleave, mission specialist; Maj. Mark C. Lee, USAF, mission specialist; and Norman E. Thagard, mission specialist.

Interview With Members of the White House Press Corps

May 9, 1989

Panamanian Elections

The President. Well, let me first make a brief statement: I'd like to comment on the Panamanian elections. I met with the Murtha delegation to hear their report, and I have now received the preliminary report from President Ford and President Carter. President Carter and his whole delegation will be here shortly to give me a full report. In addition, we have the report of other observer groups, including that of the Archbishop of Panama, which demonstrate clearly that despite massive irregularities at the polls the opposition has won a clear-cut, overwhelming victory. The Panamanian people have spoken, and I call on General Noriega to respect the voice of the people. And I call on all foreign leaders to urge General Noriega to honor the clear results of the election.

And I might add that I applaud the statement by Peru's [President] Alan Garcia, who has spoken out against the fraud. I noted with interest that the Archbishop of Panama felt that 74 percent of the vote went to the opposition. And I understand that President Carlos Andres Perez of Venezuela is talking to some of the neighboring countries there to encourage a joint statement against the fraud that has taken place and calling on Noriega to honor the results of this election.

Q. What kind of military force are you considering? We were told that that's one of the options.

The President. The election results have not been handed in, formally announced, and until they are, I will not discuss the options of the United States. I will simply again call on General Noriega to honor the will of the people.

Q. Mr. President, you called on him a year ago to do precisely the same thing, as did Mr. Reagan, and nothing happened. Why should it be any different this time?

The President. Because there has been a massive voice of the people heard. There has been a statement for democracy so loud and so clear that perhaps even General Noriega will listen to it. And I would like to think that he will heed the call of the people and that he would listen to the international outcry that is building and that he would step down from office, in which case, the relations with the United States would improve dramatically and instantly.

Q. Have you spoken to foreign leaders? Do you plan to speak with foreign leaders?

The President. I probably will, and without going into who I've spoken to, the answer is yes.

You know, we've had foreign visitors here and talked to them and -- --

Q. Do you really think you have a military option? And on what basis could you go into someone else's country?

The President. Helen [Helen Thomas, United Press International], I'm not going to say what our options are. I've not discussed that here today. I have obviously discussed options with my own top advisers. I listened very intently to the Members of Congress that came in, and some of them had specific suggestions. But I want to see General Noriega do what I've just encouraged him to do and what other foreign leaders apparently are encouraging him to do.

Q. Did you put yourself in a box here by making such a public point of being upset about these elections, and if Noriega decides to stay anyhow, that it looks like the United States has been ineffective?

The President. I don't think the United States is ever in a box when it speaks out in favor of free, fair elections and honoring the will of the people. That's what we stand for. And so, I don't think there's any box involved.

Q. Some Members of Congress have called for the abrogation of the Canal treaty. Is that in any way a possibility in your mind, an option?

The President. I want to see General Noriega do what I have just encouraged him to do. I want to see the will of the people honored.

Q. But under any circumstances would you -- --

The President. I'm not going to go into hypothetical questions at this point.

Q. Have you talked to him? Have you given him any personal ultimatum?

The President. Put it this way: General Noriega knows my position.

Q. How?

The President. Never mind. He knows. And it's been told -- --

Q. Did you call him up?

The President. -- -- in recent -- he knows about it through recent contacts.

Q. Have you issued any orders regarding the military on the bases in Panama? Are they in a state of alert? And are you anticipating increasing their numbers?

The President. I will discuss at the appropriate time what course of action I will take. But I'm not going to do that now. What I want to do now is encourage this last moment for General Noriega to heed the appeal of those people who favor democracy and to heed the will of the Panamanian people. So, I don't want to go beyond that in terms of deployment of U.S. force.

Short-Range Nuclear Forces in Europe

Q. Are you any closer to an SNF agreement with the Germans?

The President. I have a good feeling that there's been a lot of smoke out there and that we'll have a smooth summit.

Q. Have you talked with [West German Chancellor] Kohl again?

The President. Oh, I never discuss all these talks I've had.

Q. That means you're willing to compromise, right?

The President. It might mean people are willing to do it our way -- with the United States.

Q. Doesn't sound that way.

The President. Well, don't believe everything you read in the UP. [Laughter]

Q. Will it be settled tonight with the Dutch?

The President. I don't know. We'll be talking to Mr. Lubbers [Prime Minister of The Netherlands] over here, a friend of long standing and a man with whom I can talk very, very frankly about SNF.

Q. You can talk frankly with us.

The President. And I didn't talk to him this morning about it. We talked about other subjects. But I've added an additional hour so we can do just exactly that. But this alliance is not going to fall apart. It is going to stay together and be strong.

Iran Arms and Contra Aid Controversy

Q. What do you think about the North verdict, Mr. President?

The President. What?

Q. What do you think about the North verdict?

The President. As you know, I wanted all along to see him exonerated. And that matter is now under appeal, and thus, I will have nothing more to say about it while it is.

Q. Well, do you think he was innocent?

The President. Well, I'm not going to argue with the courts, but the process is being appealed. He's entitled to the right of appeal without a lot of editorial comment from me on it.

Q. You don't believe in shredding documents, surely?

The President. No, I believe in taking them with me. [Laughter]

Note: The interview began at 3:20 p.m. in the Oval Office at the White House. George Condon, of Copley News Service; Julia L. Malone, of Cox News Service; Helen Thomas, of United Press International; and Charles D. Goodgame, of Time, Inc., participated in the interview.

Statement by Press Secretary Fitzwater on the President's Physical Examination

May 9, 1989

President Bush will undergo a routine physical examination at Bethesda Naval Hospital at approximately 8 a.m. on Wednesday, May 10, 1989. The President will depart the White House aboard Marine One at 7:50 Wednesday morning and return following the examination at approximately 12:30 p.m.

The President will undergo the following tests: chest x ray, hearing tests, eye examination, electrocardiogram (EKG), allergy examination, urinalysis, dermatology examination, and a complete history and personal examination by Dr. Burton Lee, the President's personal physician. Dr. Lee has taken several blood samples earlier in the week which will be analyzed as part of the examination.

The entire physical will be under the direction of Dr. Lee with assistance from the physician staff of Bethesda Naval Hospital, which will include Capt. Ralph Sawyer, ophthalmologist; Capt. Kevin O'Connell, urologist; Capt. Harry Parlette, dermatologist; and Capt.'s Cheryl Rosenblatt and William Ebbeling, allergists. A written description of the results will be available Wednesday afternoon.

Statement by Press Secretary Fitzwater on the Results of the President's Physical Examination

May 10, 1989

President Bush today completed a routine physical examination at Bethesda Naval Hospital and is in excellent health. The President's examination lasted approximately 3 hours. The physical was under the direction of Dr. Burton Lee, the President's personal physician.

``President Bush is in extremely sound physical condition," Dr. Lee said. ``He keeps fit through a number of physical activities, which we recommend he continue on a regular basis. Today's examination shows him to be in excellent health. He has no significant symptoms related to any of his organ systems."

In general, the results of the tests are as follows: chest x ray, normal; x rays of hips show mild degenerative osteoarthritis, which has been present for several years; eye and ear examinations, unchanged; electrocardiogram (EKG), normal; urinalysis shows no abnormalities; blood samples all appear normal; allergy tests showed excellent protective antibody levels; and dermatology examination showed no significant problem or change.

A sebaceous cyst on the third finger of his right hand was drained. The President is wearing a Band-Aid on the finger, which he can remove within the next few hours. This cyst has been present for many years and does not present a medical problem.

Assisting Dr. Lee from the physician staff of Bethesda Naval Hospital were Capt. Ralph Sawyer, ophthalmologist; Capt. Kevin O'Connell, urologist; Capt. Harry Parlette, dermatologist; and Capt.'s Cheryl Rosenblatt and William Ebbeling, allergists.

Remarks and a Question-and-Answer Session With Reporters on the Situation in Panama

May 11, 1989

The President. Well, I have a statement here, and then I'll be glad to take a couple of questions, and then I will turn the meeting over to General Scowcroft for any followup.

The people of Latin America and the Caribbean have sacrificed, fought, and died to establish democracy. Today elected constitutional government is the clear choice of the vast majority of the people in the Americas, and the days of the dictator are over. Still, in many parts of our hemisphere, the enemies of democracy lie in wait to overturn elected governments through force or to steal elections through fraud. All nations in the democratic community have a responsibility to make it clear, through our actions and our words, that efforts to overturn constitutional regimes or steal elections are unacceptable. If we fail to send a clear signal when democracy is imperiled, the enemies of constitutional government will become more dangerous. And that's why events in Panama place an enormous responsibility on all nations in the democratic community.

This past week, the people of Panama, in record numbers, voted to elect a new democratic leadership of their country; and they voted to replace the dictatorship of General Manuel Noriega. The whole world was watching. Every credible observer -- the Catholic Church, Latin and European observers, leaders of our Congress, and two former Presidents of the United States -- tell the same story: The opposition won. It was not even a close election. The opposition won by a margin of nearly 3 to 1.

The Noriega regime first tried to steal this election through massive fraud and intimidation and now has nullified the election and resorted to violence and bloodshed. In recent days, a host of Latin American leaders have condemned this election fraud. They've called on General Noriega to heed the will of the people of Panama. We support and second those demands. The United States will not recognize nor accommodate with a regime that holds power through force and violence at the expense of the Panamanian people's right to be free. I've exchanged these views over the last several days with democratic leaders in Latin America and in Europe. These consultations will continue.

The crisis in Panama is a conflict between Noriega and the people of Panama. The United States stands with the Panamanian people. We share their hope that the Panamanian defense forces will stand with them and fulfill their constitutional obligation to defend democracy. A professional Panamanian defense force can have an important role to play in Panama's democratic future.

The United States is committed to democracy in Panama. We respect the sovereignty of Panama,

and of course, we have great affection for the Panamanian people. We are also committed to protect the lives of our citizens, and we're committed to the integrity of the Panama Canal treaties, which guarantee safe passage for all nations through the Canal. The Panama Canal treaties are a proud symbol of respect and partnership between the people of the United States and the people of Panama.

In support of these objectives and after consulting this morning with the bipartisan leadership of the Congress, I am taking the following steps: First, the United States strongly supports and will cooperate with initiatives taken by governments in this hemisphere to address this crisis through regional diplomacy and action in the Organization of American States and through other means. Second, our Ambassador in Panama, Arthur Davis, has been recalled, and our Embassy staff will be reduced to essential personnel only. Third, U.S. Government employees and their dependents living outside of U.S. military bases or Panama Canal commissioned housing areas will be relocated out of Panama or to secure U.S. housing areas within Panama. This action will begin immediately. It will be completed as quickly and in an orderly a manner as possible. Fourth, the State Department, through its travel advisory, will encourage U.S. business representatives resident in Panama to arrange for the extended absences of their dependents wherever possible. Fifth, economic sanctions will continue in force. Sixth, the United States will carry out its obligations and will assert and enforce its treaty rights in Panama under the Panama Canal treaties. And finally, we are sending a brigade-size force to Panama to augment our military forces already assigned there. If required, I do not rule out further steps in the future.

The United States and all democratic nations in this hemisphere hope that a peaceful resolution can be found to the crisis in Panama. And we urge all those in Panama -- every individual, every institution -- to put the well-being of their country first and seek an honorable solution to this crisis. The way is still open.

Thank you. God bless.

Q. Mr. President, are you willing to drop the drug charges against Noriega if it will mean that he will leave the country or at least give up control in a quid pro quo?

The President. No.

Q. Mr. President, do you recognize Mr. Endara as the President-elect, and what steps should the United States take to help him get inaugurated?

The President. We have not made any formal recognition determination at this point.

Q. Mr. President, I understand that you've been trying -- --

The President. We have been talking to other countries in the hemisphere on that point, I might

add, Terry [Terence Hunt, Associated Press], but we have made no official determination.

Q. I understand you've been trying today, sir, to get other leaders in the hemisphere to agree on a joint statement of condemnation of Noriega, and I wonder if you could give us a progress report on that diplomatic effort, sir?

The President. Well, one, I have not -- by joint statement -- encouraged a joint statement in which the United States would participate. Some of the leaders in this hemisphere are working on getting a joint statement, and indeed, I'm told authoritatively that there might be a joint statement out of some European countries. But we would encourage countries in this hemisphere to either jointly or personally make strong statements. And I believe that -- I want to say 10 countries have already made individual statements. And now, I think the next collective diplomatic action is going to be at the OAS.

Q. Sir, how many troops will that mean, and will they be quartered in the military compound? Will they stay there quietly and just be there, or will they be out on the streets patrolling?

The President. We will assert our treaty rights, enforce our treaty rights. And I will let General Scowcroft answer the question, but my estimate of the troops would be about 2,000.

Q. Mr. President, what is your justification for sending the brigade of troops? What are you worried about?

The President. I'm worried about the lives of American citizens. And I will do what is necessary to protect the lives of American citizens. And we will not be intimidated by the bullying tactics, brutal though they may be, of the dictator, Noriega.

Q. Mr. President, your statement just now about defense forces -- would that be a signal that the United States would look favorably on a coup attempt?

The President. I have asserted what my interest is at this point: it is democracy in Panama; it is protection of the life of Americans in Panama.

I'm going to take two more, and then I'm going to go.

Q. Sir, we've been calling around to these Latin American Embassies. We find no enthusiasm for the dispatch of American troops there, and the Mexican Embassy even said that they warned against intervention. Are you disappointed at the reaction you're getting from Latin America?

The President. We've had good reaction from the Latin Americans. I haven't talked to them on that particular point, but we have had very good reaction from them. And I have been impressed with the role of several of the Latin American leaders. I think for the first time there is a total

understanding on their part of the threat to democracy from the stealing of this election, or the threat to democracy in the hemisphere from totalitarianism; and it's brought home by this theft of the election.

So, they don't -- I might add, on the troops: I have a profound obligation as Commander in Chief of the Armed Forces and as President, and that is to protect American life. And I'm going to do what is prudent and necessary to do this. And so, we have a different obligation. We also have certain treaty rights and obligations. I'm prepared to fulfill our treaty obligations, and I am prepared to see that our treaty rights are exercised. And so, I'd leave it right there in terms of the troop deployments.

Last one.

Q. Mr. President, in the Reagan administration there was a very formal negotiating process with General Noriega over terms under which he might leave. Is there any possibility that that might repeat itself now, that there might be some sort of formal discussions between yourselves and the Panamanian Government and General Noriega about conditions under which he might leave?

The President. Oh, he knows my position on the fact that if he does leave we would have the instant restoration of normal relations with Panama. That has been conveyed to him very, very recently. But look, I will be openminded about seeing what it might take to see him leave. I'm not going to go back and do what Helen [Helen Thomas, United Press International] asked about in dropping these indictments. I'm not going to do that. That has profound implications for our fight against narcotics, which has got to be worldwide. But if there's something short of that, the door is open to understand what it is that would be required. But I don't think the Panamanian people should be asked to compromise in terms of their election, which was won 3 to 1 by those opposed to Noriega. So, there would be certain things, other nonnegotiable things, but I don't think -- that's between Noriega and the Panamanian people.

Thank you all very much. And Brent will take the remaining questions.

Q. How is Endara? Is he in the hospital?

The President. He was out, and then I think he's back in. But now I don't know whether he's gotten out later on or not.

General Scowcroft. I think he's back.

Q. Is Noriega capable of -- --

Q. Are you concerned about him taking hostages?

The President. I'm concerned about protecting the lives of Americans, and that is exactly why I've taken the action I have here today.

Note: The President spoke at 4:07 p.m. in the Briefing Room at the White House.

Nomination of James Franklin Rill To Be an Assistant Attorney General

May 11, 1989

The President today announced his intention to nominate James Franklin Rill to be an Assistant Attorney General (Antitrust Division), Department of Justice. He would succeed Charles F. Rule.

Mr. Rill is currently a practicing attorney in Washington, DC, serving as an antitrust and trade regulation counsel to RJR Tobacco; lead counsel for Cyclops Corp., the Detroit Auto Dealers, and Safeway Stores, Inc.; and an antitrust counsel for various companies and trade associations. Mr. Rill has served in various capacities in the antitrust section of the American Bar Association, including chairman, 1987 - 1988; finance officer, 1984 - 1986; and council member, 1981 - 1984.

Mr. Rill graduated from Dartmouth College (A.B., 1954) and Harvard University (LL.B., 1959). He was born in Evanston, IL, on March 4, 1933.

Nomination of Janet Dempsey Steiger To Be a Federal Trade Commissioner, and Designation as Chairman

May 11, 1989

The President today announced his intention to nominate Janet Dempsey Steiger to be a Federal Trade Commissioner for the term of 7 years from September 26, 1988. She would succeed Daniel Oliver. After appointment she will be designated Chairman.

Since 1987 Ms. Steiger has been Chairman of the Commission on Veterans Educational Policy. Prior to this, she has served in several capacities for the Postal Rate Commission, including Chairman, since 1982; Acting Chairman, 1981 - 1982; and Commissioner, since 1980. She was vice president for the Work Place, 1975 - 1980, and a legislative correspondent in the office of the Governor of Wisconsin, 1965.

Ms. Steiger graduated from Lawrence College (B.A., 1961) and did postgraduate study at the University of Reading, England, 1961 - 1962, and the University of Wisconsin, 1962 - 1963. She was a Woodrow Wilson scholar and a Fulbright scholar, 1961. She was born June 10, 1939, in Oshkosh, WI. Ms. Steiger has one son.

Nomination of Deborah Kaye Owen To Be a Federal Trade Commissioner

May 11, 1989

The President today announced his intention to nominate Deborah Kaye Owen to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1987. She would succeed Margot E. Machol.

Since 1986 Ms. Owen has served as a managing partner with McNair Law Firm, P.A., in Washington, DC. Prior to this she served in various capacities, including Associate Counsel to the President at the White House, 1985 - 1986; general counsel to Chairman Strom Thurmond for the Senate Committee on the Judiciary, 1983 - 1985; minority counsel for the House Committee on the Judiciary, 1980 - 1982, and as an attorney with Piper and Marbury, 1977 - 1979.

Ms. Owen graduated from the University of Maryland (B.A., 1972) and Harvard Law School (J.D., 1977). In addition, she was a Marshall scholar in political philosophy at the University of Edinburgh in Scotland, 1972 - 1974. Ms. Owen resides in Columbia, MD.

Statement on International Discussions Concerning Global Climate Change

May 12, 1989

The United States delegation to the steering group of the Response Strategies Working Group on Climate Change carried instructions to move the international community forward in establishing a process for considering how to respond to climate change. I am pleased to note that the nations meeting in Geneva have agreed to a workshop this fall, looking at the range of financial, economic, technical, and legal issues for responding to climate change. The United States looks forward to playing a significant role in efforts to assess and respond to global climate change.

I expect that these efforts will lead to formal negotiations on the establishment of a framework convention on global climate. It is important that this process lead to international scientific consensus on the seriousness of the issue for the environment and for the world economy. At the same time, we should ensure that the interests of developing countries are taken into account in this process.

The United States will host a meeting under the auspices of the Response Strategies Working Group this fall that is intended to advance our understanding and promote consensus. I look forward, personally, to reviewing its results.

Remarks at the Texas A&M University Commencement Ceremony in College Station

May 12, 1989

Thank you, Governor. Thank you all very much for that welcome. Good luck, good luck to you. Thank you, ladies and gentlemen, thank you all. Chairman McKenzie and Dr. Adkisson and Dr. Mobley, thank you for having me here. And to the Singing Cadets, thank you for that very special treat. And to my Secretary of Commerce, Bob Mosbacher, I'm delighted that he's with me today.

I want to pay my special respects to our Governor, Bill Clements; to your Congressman from this district, Joe Barton; and then, of course, to Senator Phil Gramm. He said he taught economics here and in Congress. It's hard to be humble. But nevertheless -- [laughter] -- the point is the guy's telling the truth, and we are grateful to him every day for his leadership up there in Washington, as we are for Joe Barton as well. So, we've got a good combination -- Phil Gramm in the Senate and today Joe Barton in the United States Congress -- a wonderful combination, with these Aggie values in the forefront.

I was brought here today by an Aggie, and I brought him here to this marvelous ceremony with me. He was mentioned by Congressman Barton, but I would like to ask the pilot of Air Force One, Lieutenant Colonel Dan Barr, to stand up so you can see another Aggie all suited up, up there. And you met my day-to-day inside Aggie, Fred McClure. We work every minute of the day on matters affecting the legislative interests of this country, but I won't reintroduce Fred. But I am delighted to be back among my fellow Texans and friends. And for those of you who are Democrats, there is no truth to the rumor that Phil Gramm and I are ready to take our elephant walk. [Applause]

My sincerest congratulations go to every graduate and to your parents. In this ceremony, we celebrate nothing less than the commencement of the rest, and the best, of your life. And when you look back at your days at Texas A&M, you will have a lot to be proud of: a university that is first in baseball and first in service to our nation. Many are the heroes whose names are called at muster. Many are those you remember in Silver Taps.

We are reminded that no generation can escape history. Parents, we share a fervent desire for our children and their children to know a better world, a safer world. And students, your parents and grandparents have lived through a world war and helped America to rebuild the world. They witnessed the drama of postwar nations divided by Soviet subversion and force, but sustained by an allied response most vividly seen in the Berlin airlift. And today I would like to use this joyous and solemn occasion to speak to you and to the rest of the country about our relations with the Soviet Union. It is fitting that these remarks be made here at Texas A&M University.

Wise men -- Truman and Eisenhower, Vandenberg and Rayburn, Marshall, Acheson, and Kennan -- crafted the strategy of containment. They believed that the Soviet Union, denied the easy course of expansion, would turn inward and address the contradictions of its inefficient, repressive, and inhumane system. And they were right -- the Soviet Union is now publicly facing this hard reality. Containment worked. Containment worked because our democratic principles and institutions and values are sound and always have been. It worked because our alliances were, and are, strong and because the superiority of free societies and free markets over stagnant socialism is undeniable.

We are approaching the conclusion of an historic postwar struggle between two visions: one of tyranny and conflict and one of democracy and freedom. The review of U.S.-Soviet relations that my administration has just completed outlines a new path toward resolving this struggle. Our goal is bold, more ambitious than any of my predecessors could have thought possible. Our review indicates that 40 years of perseverance have brought us a precious opportunity, and now it is time to move beyond containment to a new policy for the 1990's -- one that recognizes the full scope of change taking place around the world and in the Soviet Union itself. In sum, the United States now has as its goal much more than simply containing Soviet expansionism. We seek the integration of the Soviet Union into the community of nations. And as the Soviet Union itself moves toward greater openness and democratization, as they meet the challenge of responsible international behavior, we will match their steps with steps of our own. Ultimately, our objective is to welcome the Soviet Union back into the world order.

The Soviet Union says that it seeks to make peace with the world and criticizes its own postwar policies. These are words that we can only applaud, but a new relationship cannot simply be declared by Moscow or bestowed by others; it must be earned. It must be earned because promises are never enough. The Soviet Union has promised a more cooperative relationship before, only to reverse course and return to militarism. Soviet foreign policy has been almost seasonal: warmth before cold, thaw before freeze. We seek a friendship that knows no season of suspicion, no chill of distrust.

We hope perestroika is pointing the Soviet Union to a break with the cycles of the past -- a definitive break. Who would have thought that we would see the deliberations of the Central Committee on the front page of Pravda or dissident Andrei Sakharov seated near the councils of power? Who would have imagined a Soviet leader who canvasses the sidewalks of Moscow and also Washington, DC? These are hopeful, indeed, remarkable signs. And let no one doubt our sincere desire to see perestroika, this reform, continue and succeed. But the national security of America and our allies is not predicated on hope. It must be based on deeds, and we look for enduring, ingrained economic and political change.

While we hope to move beyond containment, we are only at the beginning of our new path. Many dangers and uncertainties are ahead. We must not forget that the Soviet Union has acquired awesome military capabilities. That was a fact of life for my predecessors, and that's

always been a fact of life for our allies. And that is a fact of life for me today as President of the United States.

As we seek peace, we must also remain strong. The purpose of our military might is not to pressure a weak Soviet economy or to seek military superiority. It is to deter war. It is to defend ourselves and our allies and to do something more: to convince the Soviet Union that there can be no reward in pursuing expansionism, to convince the Soviet Union that reward lies in the pursuit of peace.

Western policies must encourage the evolution of the Soviet Union toward an open society. This task will test our strength. It will tax our patience, and it will require a sweeping vision. Let me share with you my vision: I see a Western Hemisphere of democratic, prosperous nations, no longer threatened by a Cuba or a Nicaragua armed by Moscow. I see a Soviet Union as it pulls away from ties to terrorist nations like Libya that threaten the legitimate security of their neighbors. I see a Soviet Union which respects China's integrity and returns the northern territories to Japan, a prelude to the day when all the great nations of Asia will live in harmony.

But the fulfillment of this vision requires the Soviet Union to take positive steps, including: First, reduce Soviet forces. Although some small steps have already been taken, the Warsaw Pact still possesses more than 30,000 tanks, more than twice as much artillery, and hundreds of thousands more troops in Europe than NATO. They should cut their forces to less threatening levels, in proportion to their legitimate security needs.

Second, adhere to the Soviet obligation, promised in the final days of World War II, to support self-determination for all the nations of Eastern Europe and central Europe. And this requires specific abandonment of the Brezhnev doctrine. One day it should be possible to drive from Moscow to Munich without seeing a single guard tower or a strand of barbed wire. In short, tear down the Iron Curtain.

And third, work with the West in positive, practical -- not merely rhetorical -- steps toward diplomatic solution to these regional disputes around the world. I welcome the Soviet withdrawal from Afghanistan, and the Angola agreement. But there is much more to be done around the world. We're ready. Let's roll up our sleeves and get to work.

And fourth, achieve a lasting political pluralism and respect for human rights. Dramatic events have already occurred in Moscow. We are impressed by limited, but freely contested elections. We are impressed by a greater toleration of dissent. We are impressed by a new frankness about the Stalin era. Mr. Gorbachev, don't stop now!

And fifth, join with us in addressing pressing global problems, including the international drug menace and dangers to the environment. We can build a better world for our children.

As the Soviet Union moves toward arms reduction and reform, it will find willing partners in the West. We seek verifiable, stabilizing arms control and arms reduction agreements with the Soviet Union and its allies. However, arms control is not an end in itself but a means of contributing to the security of America and the peace of the world. I directed Secretary [of State] Baker to propose to the Soviets that we resume negotiations on strategic forces in June and, as you know, the Soviet Union has agreed.

Our basic approach is clear. In the strategic arms reductions talks, we wish to reduce the risk of nuclear war. And in the companion defense and space talks, our objective will be to preserve our options to deploy advanced defenses when they're ready. In nuclear testing, we will continue to seek the necessary verification improvements in existing treaties to permit them to be brought into force. And we're going to continue to seek a verifiable global ban on chemical weapons. We support NATO efforts to reduce the Soviet offensive threat in the negotiations on conventional forces in Europe. And as I've said, fundamental to all of these objectives is simple openness.

Make no mistake, a new breeze is blowing across the steppes and the cities of the Soviet Union. Why not, then, let this spirit of openness grow, let more barriers come down. Open emigration, open debate, open airwaves -- let openness come to mean the publication and sale of banned books and newspapers in the Soviet Union. Let the 19,000 Soviet Jews who emigrated last year be followed by any number who wish to emigrate this year. And when people apply for exit visas, let there be no harassment against them. Let openness come to mean nothing less than the free exchange of people and books and ideas between East and West.

And let it come to mean one thing more. Thirty-four years ago, President Eisenhower met in Geneva with Soviet leaders who, after the death of Stalin, promised a new approach toward the West. He proposed a plan called Open Skies, which would allow unarmed aircraft from the United States and the Soviet Union to fly over the territory of the other country. This would open up military activities to regular scrutiny and, as President Eisenhower put it, ``convince the world that we are lessening danger and relaxing tension." President Eisenhower's suggestion tested the Soviet readiness to open their society, and the Kremlin failed that test.

Now, let us again explore that proposal, but on a broader, more intrusive and radical basis -- one which I hope would include allies on both sides. We suggest that those countries that wish to examine this proposal meet soon to work out the necessary operational details, separately from other arms control negotiations. Such surveillance flights, complementing satellites, would provide regular scrutiny for both sides. Such unprecedented territorial access would show the world the true meaning of the concept of openness. The very Soviet willingness to embrace such a concept would reveal their commitment to change.

Where there is cooperation, there can be a broader economic relationship; but economic relations have been stifled by Soviet internal policies. They've been injured by Moscow's practice of using the cloak of commerce to steal technology from the West. Ending

discriminatory treatment of U.S. firms would be a helpful step. Trade and financial transactions should take place on a normal commercial basis.

And should the Soviet Union codify its emigration laws in accord with international standards and implement its new laws faithfully, I am prepared to work with Congress for a temporary waiver of the Jackson-Vanik amendment, opening the way to extending most favored nation trade status to the Soviet Union. After that last weighty point, I can just imagine what you were thinking: It had to happen. Your last day in college had to end with yet another political science lecture. [Laughter]

In all seriousness, the policy I have just described has everything to do with you. Today you graduate. You're going to start careers and families, and you will become the leaders of America in the next century. And what kind of world will you know? Perhaps the world order of the future will truly be a family of nations.

It's a sad truth that nothing forces us to recognize our common humanity more swiftly than a natural disaster. I'm thinking, of course, of Soviet Armenia just a few months ago, a tragedy without blame, warlike devastation without war. Our son took our 12-year-old grandson to Yerevan. At the end of the day of comforting the injured and consoling the bereaved, the father and son went to church, sat down together in the midst of the ruins, and wept. How can our two countries magnify this simple expression of caring? How can we convey the good will of our people?

Forty-three years ago, a young lieutenant by the name of Albert Kotzebue, the class of 1945 at Texas A&M, was the first American soldier to shake hands with the Soviets at the bank of the Elbe River. Once again, we are ready to extend our hand. Once again, we are ready for a hand in return. And once again, it is a time for peace.

Thank you for inviting me to Texas A&M. I wish you the very best in years to come. God bless you all. Thank you very much.

Note: The President spoke at 3:05 p.m. in G. Rollie White Coliseum. In his opening remarks, he referred to William McKenzie, Perry Adkisson, and William H. Mobley, chairman of the board of regents, chancellor, and president of the university, respectively. The President also referred to Frederick D. McClure, Assistant to the President for Legislative Affairs.

Nomination of Jerry M. Hunter To Be General Counsel of the National Labor Relations Board

May 12, 1989

The President today nominated Jerry M. Hunter to be General Counsel of the National Labor Relations Board for a term of 4 years. He would succeed Rosemary M. Collyer.

Since 1986 Mr. Hunter has served as the director of the Missouri State Department of Labor and Industrial Relations. Mr. Hunter served as labor counsel for the Kellwood Co., St. Louis, MO. He served with the Equal Employment Opportunity Commission in St. Louis as a senior trial attorney, 1980 - 1981, and as a trial attorney, 1979 - 1980. Mr. Hunter was a field attorney for the National Labor Relations Board in St. Louis, 1977 - 1979.

Mr. Hunter graduated from the University of Arkansas (B.A., 1974) and the Washington University School of Law (J.D., 1977). He was born July 5, 1952, is married, and currently resides in Jefferson City, MO.

Remarks at the Alcorn State University Commencement Ceremony in Lorman, Mississippi

May 13, 1989

Thank you all, and especially, my thanks to you, Dr. Washington. You know, last month we commemorated the bicentennial of the American Presidency. And, Walter, I have to tell you, after all these actors in powdered wigs, it is a relief to stand beside someone who really is President Washington. [Laughter] Good morning.

But to you and your wonderful faculty here at Alcorn, I just say I am delighted to be here. Incidentally, Dr. Washington's ears should have been burning, because when I rode down on the helicopter from Jackson with the two United States Senators from Mississippi, they were telling me in considerable detail -- more than I knew from my briefing papers -- of this man's commitment to excellence. And so, I salute him and his service to this wonderful university.

Lieutenant Governor Dye, it's a pleasure to be with you, sir. I'm, of course, delighted that Thad Cochran and Trent Lott are with us today, a tribute to all here. I'm very pleased that my good friend, Sonny Montgomery, a Congressman whose home is in Meridian, is here. We're in Congressman Mike Espy's district, and I salute him. Congressman Mike Parker is here, and many other distinguished guests. I also want to say thanks to all of them.

Congratulations also to the families and the friends and the fans of these students. But I think most of all, to the Alcorn State University Class of 1989, we salute you, and I'm proud to be with you. You've been part of what they call the Alcorn family. And this is a day for the family. But it's your own individual families, the mothers and fathers and grandparents gathered here, that I want to congratulate. In a very private way, your years of hard work and your years of sacrifice and, yes, love for your sons and daughters have brought this moment to pass. And although the first round of applause has died now, I think you all really deserve the first round of applause -- the parents and the grandparents of the graduates here today.

I know how deadly long graduation speeches can be. I'll never forget Yale University where I went. A man got up, he says, ``I'm going to give you a brief graduation speech. And I will choose, because our school has a short name, Y. Y is for youth." He went on for about 30 minutes. ``And then it's A, altruism" -- [laughter] -- another 20; L, loyalty -- rushed that off in about 18 minutes; and then, of course, E, for excellence. He concluded about an hour and a half after he started. And there was one person left, his head bent in prayer. And the minister, the speaker, very touched by it, said, ``Well, sir, I see that you are praying for these values." The man said, ``No, no." He said, ``I wasn't praying for the values. I was giving thanks to the Lord that I did not go to Alcorn State University in Lorman, Mississippi." [Laughter] I'll try to be a little more considerate.

Dr. David Matthews, in his lovely invocation, alluded to family. He alluded to some of the problems that we face. And the American family has been under siege in recent times. But as the months unfold, I've become more and more certain that the answer to our problems can be found in the strength of the American family. Looking around this room, you can sense the feeling of pride, and it's a powerful force for good. And as President, I will do everything I can to promote the family: excellence in education, to protect the family in the fight against narcotics, and to reaffirm the family values that brought your kids through these 4 challenging years.

For some American families -- those fortunate families where children are raised assuming that they'll have the opportunity to go to college -- the drama of today's ceremony is difficult to appreciate. Many of you are the first, though, in your families ever to attend college, let alone stay the course through graduation. And the economic transformation wrought by the historically black colleges such as Alcorn is nothing less than astounding. While 85 percent of the United Negro College Fund alumni come from blue-collar families, almost all go on to professional or managerial positions, and in many cases, they're the first blacks to hold these particular positions. It's an exciting tradition and one of the most underappreciated success stories in America.

It's also a tradition that is close to my heart, because way back in 1948, when I was a senior at Y-A-L-E, 41 years ago, my wife, Barbara -- still my wife, Barbara; then she and I had been married just a few years -- we began participating in the United Negro College Fund. And in the 40 years since then, we've continued to try to do our small part. And even before becoming President, back in January, just a week before the inauguration, Dr. Washington and some of his colleagues came to Washington, DC, met with me to talk about how the new administration can best support this unique tradition. And some good ideas came out of that gathering, and several are already in effect -- begun last month in the meeting that he alluded to, when Dr. Washington and others joined me in the Rose Garden to launch the President's Board of Advisors on Historically Black Colleges and Universities.

And now I understand that several of today's graduates are going to be joining in Federal service -- in agriculture, defense, transportation, and other critical areas. And I'm proud of you, and we welcome you. And we need excellence in Federal service; America needs your talents. And that's not just idle talk. Last month's order also directed that the Federal personnel office develop a program to improve recruitment at Alcorn and similar colleges for part-time and summer positions to help people get started in the concept of Federal public service. And I understand that a campaign is underway here now to raise a half a million dollars through a Federal challenge grant program. Recently, I signed an order bringing $60 million in new funds to boost the endowment matching grants available to schools like Alcorn. As I told the college Presidents who gathered at the White House last month, these new initiatives are just a start. More must be done.

But on a day like today, there is much of which we can be proud. Alcorn has come a long way

since 1948. That was the landmark year that Alcorn first earned its ``A'' rating as an accredited college. And that was the year ``The Stretch'' was finally paved, a milestone that was resoundingly cheered by the graduating class.

Do you know how many graduated back in 1948? Trivial Pursuit question -- how many? Sixty in number, barely a fifth of the total receiving degrees today, a ceremony so small that it fit comfortably into the Oakland Chapel. And like my classmates in Connecticut, many of the men at Alcorn in 1948 were veterans, soldiers who had fought for democracy, many of them serving in segregated units. And like many of you today, the Alcornites of 1948 were graduating with skills that would enable them to feed the hungry, nurse the sick, and reach out to help the young through education.

Future Pittsburgh Steeler Jack Spinks, the first black pro athlete to come out of Mississippi, was getting ready to start his freshman year. He would soon be practicing in a ramshackle wooden building that everyone called the ``Old Chicken Coop.'' And Jack says that when it rained during basketball games, the roof leaked so bad that people had to keep their umbrellas open. The modern field house in which we're gathered today was not then even a dream. And Jack, I am told, is somewhere out here today, and I understand that his youngest son is part of the graduating class.

But these 40 years of schooling that separate father and son -- the years that separate them embrace an era of tremendous change for Alcorn and for the United States of America, a time of upheaval and, finally, a time of growth, and maybe something like wisdom.

Not everything has changed: the threads woven through the fabric at Alcorn, and anyplace where excellence is sought, are what used to be called simple family values. We're not talking about two sets of values; family values are the same regardless of race, color, or creed. Family values -- they're not complicated: honesty, faith, frugality, acceptance of responsibility, the importance of work, a tradition of helping one's neighbor. Martin Luther King argued that ``intelligence is not enough.'' He said, ``Intelligence plus character -- that is the goal of the true education.''

Well, you here at Alcorn are lucky. This is a place where, as your old football coach put it, ``the air is a little bit cleaner, the grass is a little bit greener, and the water is a little bit sweeter -- it's just a little bit closer to heaven.'' You see, this place has character. It is a university with a mission. And to paraphrase a new song that's climbing the charts this month, this special, secluded college has been ``the wind beneath your wings.'' And for you and for young Americans graduating all across this country this month, it is time for you to take that wind and soar. And for some of you, I hope there comes a day when you ride those winds into the political arena to fight for what you believe in, to grapple not only with your own dreams but also those of your countrymen.

But politics is hardly the only arena where a new breeze is blowing. Some of you will land in

business, maybe even start a business where you can create jobs adding to the opportunity of other Americans. And that's public service, too. Now, business can be pretty rough-and-tumble. But America is successful because we're a nation of risktakers. The Alcorn Braves know that you can't steal second base and keep one foot on first. That's profound. [Laughter] Others will teach the next generation and put wind beneath their wings. Your touchstone should be excellence, accountability, and choice. The educational system must offer parents quality choice in education. Alcorn's a good example. But our schools must also be more accountable, and those of you who will know the joy of helping a child learn are an important part of that responsibility. Others are headed for health care, agriculture, journalism, the professions. Whatever you choose, it is within you to change the world; and any definition of a successful life must, of course, include serving others.

As each of you begins a new life today, you may fairly ask, will my future be secure? This isn't just a domestic question; it's a foreign policy question. For the past 40 years, the United States and the Soviet Union have been engaged in a struggle because the Soviets have chosen to stand apart from and opposed to the world family of nations. Yesterday I announced a new policy for the 1990's, one that moves beyond our country just trying to contain the Soviet Union. It sets a goal of bringing the Soviet Union into the world community, a policy of reintegration, if you will. And if we succeed, I can guarantee to you and your kids that the future you know is going to be safer and the world you know will be freer. This I see as a primary objective of any President of the United States of America. As the Soviet Union moves towards greater openness and democratization and as they meet the challenge of responsible international behavior, we will match their steps with steps of our own.

Today every senior here is an educated man or woman, proud, self-assured. With all the cockiness of youth, some of you -- I hope most of you -- must be feeling like anything is possible today. Well, trust those instincts. Everyone has a dream. Everyone has something to give.

Last month I saw a new movie -- maybe some of you all saw it -- a movie about baseball and about faith, in which Burt Lancaster ponders the power of hope. And he asks: ``Is there enough magic out there in the moonlight to make this dream come true?" Well, I have come to Mississippi today because the magic of America and the magic of our times means believing that your best days -- that our best days -- are still to come. Born in an era of peace and educated in times of relative prosperity, your generation can look to a new century rich with unimaginable opportunities.

And, yes, there is enough magic out there, enough for all Americans. And, yes, you can seize the magic with the power of your own hands and with the skills bequeathed to you by this special university. And, yes, just as Alcorn's 1988 yearbook was dedicated to Dr. King, you can honor his memory by doing what he taught this nation to do: to have a dream and to work every day to make that dream come true.

America is proud of you and of your families that you represent. God bless you in the challenge to come, and God bless the United States of America. I am honored to be your guest today. Thank you.

Note: The President spoke at 11:15 a.m. in the Health and Physical Education Building. In his remarks, he referred to Walter Washington, president of the university; Lt. Gov. Brad Dye; Senators Thad Cochran and Trent Lott; and David Matthews, president of the General Missionary Baptist State Convention of Mississippi.

Interview With Members of the White House Press Corps on the Situation in Panama

May 13, 1989

The President. Let me take a couple of questions. But first, a word about Panama, just to be very clear. And if I were speaking to the Panamanian people, I would tell them that the affection of the American people for the people of Panama is still very much intact, strong. Secondly, I would say to the Panama Defense Forces, the PDF, they have a useful role to play, and they will in the future of Panama have a useful role to play. The problem is not the PDF, per se; the problem is Noriega.

And if Noriega were to leave office, we would have good relations with Panama. We would have good relations with the Panama Defense Force. And clearly, the good feelings between the American people and the people of Panama would grow and prosper. And so, I would hope that Noriega would leave and that the results of this election would be recognized. The fraud in the election has been condemned by people all across the world; the European Community, leaders in our hemisphere, all the way to Japan -- people speaking out in indignation against this thuggery and against what the man has done.

So, I just want to be sure that the people of Panama understand that relations can quickly return to normal if Mr. Noriega will leave and set aside his dictatorship and permit democracy to prevail.

Q. Do you think they have any doubt about that? And aren't you calling for a coup on the part of the PDF? I mean, the Catholic Church in Panama also has basically been saying the same thing to the PDF. Are you saying -- --

The President. That I just said?

Q. Are you saying that you would like the PDF to get Noriega out?

The President. I would love to see them get him out. We'd like to see him out of there -- not just the PDF, the will of the people of Panama.

Q. It sounds like you're calling on the people of Panama to rise up and basically have a revolution. Is that what you're trying to say?

The President. A revolution -- the people rose up and spoke in a democratic election, with a tremendous turnout, said what they wanted. The will of the people should not be thwarted by this man and a handful of these Doberman thugs. That's what I'm saying.

Q. What do you think the people should do now?

The President. The people should do everything they can to have the will of the people respected. They ought to heed the international calls, and they ought to just do everything they can to get Mr. Noriega out of there.

Q. Have you been in conversation and contact with President Cerezo and others? Venezuela apparently has offered Noriega asylum. Have you been in contact with the Venezuelans, and do you have thoughts on when and where Noriega should go?

The President. No, but I have no doubt that countries would receive him.

Q. Why, have you had any assurances indirectly on that?

The President. Well, I have a habit of not liking to go into detail with what I talk to others about. But I'm just confident that they would receive him, and I think Noriega knows this, too.

Q. You said the other day that you would not favor dropping the drug indictments. But if he were to go to someplace that, either through prearrangement or postarrangement, did not have extradition arrangements with the U.S., how would you feel about that?

The President. Well, that could well be an answer. That could be a solution.

Q. What? Going to a country that -- --

The President. Yes, because if he has -- no, he was saying, if there was a country that prohibited extradition -- and he ought to think about that.

Q. Would you allow him to go to a country -- --

The President. -- -- think we have any control over that.

Q. Would you allow him into a country that didn't have an extradition -- --

The President. He can go anywhere he wants. But I am obligated as the President of the United States to respect our laws and to go forward on fulfilling obligations under the law. But if he went to a place where there wasn't any extradition treaty, then that would be a different situation than if he went to a place where there was an extradition treaty.

Q. Do you care which one he does?

The President. Yes, I'd like him to -- well, I care that he does whatever it is that it takes to get him out of there right now. And that's what I'd like to see happen.

Q. -- -- more than getting him -- --

The President. I think it's right for the people of Panama. It's right for the democracies in this hemisphere. You cannot have an election that is blatantly stolen, where people that win are beaten up by thugs.

Q. So far, you have struck out -- and so did President Reagan -- in trying to get him out of power. Do you have any other options?

The President. No.

Q. Well, they haven't been successful.

The President. Still at the plate, and we'll stay at the plate until we can help the people of Panama have the democracy for which they spoke so articulately in an election. And we're not going to give up on it.

Q. This effort will not be a success until he leaves, right?

The President. No effort can be a success until he leaves. That's right.

Q. A couple of days ago, you said that the goal of your sending those extra troops down there was to protect American lives. Now you seem to be adding a new, much more outspoken dimension to your intention here, which is to see Noriega leave and leave -- --

The President. I'm not changing the definition of the role of the American troops at all.

Q. Have you had any contact with him indirectly, sir, in the last 2 days?

The President. Last 2 days? No.

Q. How about directly -- --

The President. No, you asked the question properly.

Q. How does it feel personally, after over a year of seeing this drag on -- [inaudible] -- now this thing comes to a head? How does it feel when you read the accounts and see the pictures?

The President. See, I think there's a whole new ingredient in Panama, regarding the relationship with Panama. And the ingredient is the election. And I think the election made so clear that the people want democracy and made so clear that that democracy is being thwarted by one man that that in itself could be the catalyst for removing Noriega.

Now, why do I say that? Because, heretofore, you have not heard the neighboring countries around Panama speaking up. Now they're speaking up loud and clear. You have not heard the Church as indignant as it is now. You have not seen the EC [European Community], our friends in Europe, speaking up and denouncing what happened. And I think the Japanese weighed in on this. So, I think this is a very different climate now and one much more conducive to possible change, because the people spoke so overwhelmingly, and heretofore, that has not been quite as clear. Never underestimate the power of the people, even though their will seems to have been frustrated short-run.

Q. Do you think the OAS [Organization of American States] will do something on Wednesday?

The President. Helen [Helen Thomas, United Press International], I would hope so, and I think it would be helpful if they did. And I'd love to see a very powerful and strong statement coming out of there, and I'd like to see it as unanimous. But I'm not sure what will come out of it. But I think it's well worth the effort.

Q. Mr. President -- you're worried about the people in Panama and what they've gone through, and it's in their hands. Are you concerned, though, about any violence that might be started by anything that the people would do to change the situation where innocent lives may be lost or children would be hurt and families disrupted as they try to make a change for democracy?

The President. I always worry about the loss of innocent human life. And I would be worried about that.

Q. What about American -- --

Q. Would you caution them against rising up in violence?

The President. American life? We will protect American lives in every possible way. That is a solemn responsibility of the President, and that's one of the reasons I augmented our forces in Panama -- is the reason I augmented them.

Q. Are you concerned that the situation there -- with your calls and mounting pressure internationally -- would lead to a situation right now in Panama that might lead to violence that would, in fact, endanger American lives more than they would be otherwise?

The President. Well, it's too hypothetical. I mean, I would be concerned about any escalation of

violence that would endanger American lives. And I think we're in a good position to protect our American lives and interests.

Q. Mr. President, your words could be seen, though, as inciteful, basically saying to the Panamanian people that it's up to them: Don't let it die. Your will seems to have been thwarted, but you've got to hang tough. The people could see that as inflammatory, like it's a call to -- [inaudible] -- to revolt. Would you add any words of caution -- --

The President. No, I would add no words of caution. The will of the people should be implemented. And if I wanted to increase the rhetoric, strengthen it, I would do so. But I think I've phrased it just about the way I feel.

Q. And the will includes -- --

The President. What?

Q. And the will includes -- [inaudible] -- demonstrations in the street? What form would you say -- --

The President. Look, I'm not about to get into proposing a three-point action plan for the people of Panama. All I want them to know is that if they get rid of Noriega they will have an instant normalization of relationship with the United States and there will be a useful role for the Panamanian Defense Force. And I think there has been some doubt about that, perhaps in the Panamanian Defense Force itself, as to how we now view the Force, because of the thuggery of its leader. And this gives me an opportunity to clarify that specific point, as well as to repeat my support for Endara and Calderon and Guillermo Ford, who was so brutally beaten.

Q. Are you contemplating sending even more American troops down there now?

The President. Well, if I were, it would be unlikely I would announce it here, just before landing in Starkville, only because I think it would be prudent to do it differently. But I'll answer your question, though: I have no short-run plans, but that doesn't preclude anything I'll do in the future.

Q. You know Noriega. Is it strictly power that he wants or is there a point where he could be negotiated out?

The President. I don't know, Helen. I think it's power that he has wanted, but I don't know what his view is now that he's seen a total repudiation of his rule. And you see, I keep coming back to the fact that what happened the other day in the election is something quite different than has been on the table before. So, I just don't know the answer to it. It might be now he'd like to find a way to get out. I would hope that would be the case, but I don't know that for a fact. He has lost

all support, all respect -- the man is considered just out of it, an outlaw, by the world community now as a result of what happened. But I don't know. It's a good question, yet I don't know how to answer. I don't have an answer for it.

Q. Are you saying that the United States at this juncture has, more or less, done what it could and that now what we're going to do is lend moral support to whatever the Panamanians decide? That we really can't from the outside do anything further?

The President. No, what I've said is that we've taken certain action to protect American lives. I have now spelled out, although I hope it had been understood before, what it would take to have good relations with the United States; and I will continue my own efforts internationally. You see, I do think it's important that it not be the United States, the Colossus of the North, coming down there to try to dictate to the people of Panama. And that's one of the reasons I spent a lot of time last week working with the international community and instructing the State Department to do the same thing. So, we will continue our international efforts.

Q. Are you disappointed in the response to that of the PDF and some of the Panamanians to why you sent the troops down there? Are you disappointed in their response?

The President. Well, I'm not sure I know what their response has been. The PDF response?

Q. Yes. I mean, you've come out here to clarify your views.

The President. No, I'm not disappointed in the response. What I'm trying to do is make clear to the Panamanian Defense Forces that there's no vendetta against the Panamanian Defense Forces as an institution. There is clearly the desire to see Mr. Noriega get out of office. I don't know how they've reacted to the American forces.

Q. Mr. President, how long can the people of Panama be expected to put up with Noriega?

The President. About 4 days ago -- [laughter] -- when they demonstrated loud and clear they don't want any more. They've had it; and their will should be respected and honored. So, we've got to find a way to have that magnificent expression of democracy be honored.

Q. Are there certain things that you and the administration are sending them immediately, once Noriega leaves?

The President. Oh, sure. We'd recognize immediately the Endara government. As soon as he's sworn in, we would return our Ambassador; we would remove our economic sanctions; we would, in essence, have normalized relations with a country for whom we have great affection and whose people have great affection for us.

If you talk to those two delegations that came back, both of them -- the liberal members of the delegation, the conservative members, the Republicans, the Democrats -- all of them certified, stipulated that the people of Panama have great affection for our country and for our people. So, you'd see an instant release of this oppression; and you'd see an effort by the United States to help Panama go down the road to democracy and to help them economically, as best we could, and to welcome them as they rejoin the family of democracies in this hemisphere. That would happen instantly. We wouldn't need a lot of delaying or thinking about it either. But it has to have the -- with that -- it's the departure of Noriega and the recognition of the people's will; those two have to go together.

It has been lovely. It has been delightful here.

Q. Was there some development this morning or some intelligence that you got that caused this today?

The President. No, but I know because I was talking to General Scowcroft [Assistant to the President for National Security Affairs] yesterday and talked to Secretary [of State] Baker this morning. And I've had an uneasy feeling that perhaps what I've told you here today was not known clearly there. And it gives me a chance to -- well, the question as to how we view the Panamanian Defense Force itself, what would happen if Noriega left, vis-a-vis the United States of America, and I hope it's known that Endara -- --

Q. You think that -- --

The President. Well, I think in a situation of this nature, where the head of the PDF has become such a pariah, that there perhaps -- been misunderstanding there as to how we view the institution itself and other of its officers. But if they come in there and Noriega goes and they respect the will of the people, I -- you know, we see a very useful role for the Panamanian Defense Force, in their own internal security and for their own -- any threat they might feel they had to the external security.

Q. Mr. President, has the PDF -- --

The President. I really do have to go.

Q. If the PDF asked for U.S. military help, how can we respond? What would we do?

The President. Asked for it to do what?

Q. If they asked for military support -- if the PDF asks for military support from the United States.

The President. Support for what?

Q. Military troops.

The President. For what purpose?

Q. To move in on Noriega.

The President. If the PDF asks for support to get rid of Noriega, they wouldn't need support from the United States to get rid of Noriega. He's one man, and they have a well-trained force. That's my -- --

Q. What about if -- [inaudible] -- opposition asked for military support?

The President. I've outlined what we're doing. I've outlined what we're doing. I'd love to see this be resolved diplomatically. And when you have overwhelming world opinion on your side, maybe something is possible in the short-range future that has not been possible over the difficult past.

It's been a great pleasure.

Q. Do you still expect a smooth summit in terms of resolving the missile issue?

The President. We'll work it out.

Q. This is Panama day.

The President. No, no, it's a good question. It will work out. This alliance is strong.

Note: The interview began at 1:21 p.m. on board Air Force One. Helen Thomas, United Press International; Rita Beamish, Associated Press; Frank Sesno, Cable News Network; Joe Walsh, NBC/Mutual Radio; and Steve Kurkjian, Boston Globe, participated in the interview.

Remarks at the Mississippi State University Commencement Ceremony in Starkville

May 13, 1989

Congratulations to you. Thank you all very much. President Zacharias and members of the board of trustees, members of the distinguished faculty, administrators, friends, soon to be graduates, I can't tell you how much I appreciate that warm Bulldog welcome. Before I get too far into these remarks, I don't believe I've ever heard a more beautiful or remarkable rendition of the ``Star Spangled Banner." Richard Gaddis -- just wonderful. And thank you all for the warmth of this welcome here today. And I am very honored and privileged to address your commencement.

I was at Alcorn State, another part of this great State, earlier on. And I told them that I was reminded of my own graduation, because I could see on the faces of some of these kids the apprehension about the President coming here and how long they might have to endure the message. And I was reminded of a graduation at Yale, and the speaker got up and went on and on. He finally -- at the beginning he said, ``Yale -- Y is for youth." He talked about that for 20 minutes; ``A is for altruism" -- 18; ``L is for loyalty" -- 32 minutes; ``E is for excellence." Finished his speech -- there was only one person left, head down in prayer. And the speaker said, ``Were you praying for those values?" He said, ``No, sir, I was giving thanks that I didn't go to Mississippi State University." [Laughter]

I want to say what a great honor it is to see a long-time family friend, one of the great patriots of this or any other era, the Honorable John Stennis, who resides right here on this campus. Judge Stennis, Senator Stennis, call him what you will. He doesn't merely hail from Mississippi: He is Mississippi. And his service to the United States of America will not be forgotten. Now, I wondered whether we could ever fill those big shoes. But I say this not as a partisan but as an observer of some time, as President Zacharias said, of the public scene. And you have two great United States Senators in Thad Cochran and in Trent Lott, and I'm proud to be with them here today.

And I salute the two Members of Congress that are with us today. One of them, Congressman Montgomery, and I were elected to Congress on the same day. I'm delighted he's here. His great-grandfather, Colonel W.B. Montgomery, was instrumental in rebuilding Mississippi after the war, and he played a major role in founding this university. And so, this afternoon I want to recognize those pioneering efforts and to salute my dear friend, the colonel's great-grandson, your own Congressman, Sonny Montgomery. He always kids me that I win only when I'm wearing my Mississippi State shorts. I brought them along today with a plea: Can't we do better than this? [Laughter] Twenty years. If you don't do better than that by me, you're going to get this. [Laughter]

[At this point, the President held up an old, worn pair of Mississippi State exercise shorts and

indicated that if they were not replaced by something better that he would wear shorts from the University of Mississippi, a rival school.]

You know, I come from a State where we like to sing ``The Eyes of Texas Are Upon You." Well, today, my friends, the eyes of America are upon Starkville, Mississippi. For we meet, to begin with, at a special school, special because for 109 years MSU has made education a lasting legacy and opportunity its bequest. We gather, also, in a very special State, special for its people. You realize that who we are matters more than what we have. And you value home and family and tradition and service to country.

I thought of that today as Air Force One brought me to Mississippi, and of how, for me, this afternoon also marks another journey, back to some of my own pivotal years, the years I spent as an undergraduate. It was 41 years ago next month that I, too, received my degree, 1948. In 1948 there were only 172,000 television sets owned in the entire United States of America. Milton Berle was ``Mr. Television," taking pies in the face. Harry Truman was Mr. President, giving 'em hell. And in many ways, it was a different America: less congestion, less pollution, less high tech. Pac Man was a camper, not a video game. [Laughter] And we had problems, sure: at home, gas shortages and housing problems and veterans adjusting to domestic life after World War II. Abroad, the Cold War had turned frigid. The Communist bloc was solidifying. China and the Middle East were rent asunder by war. And in a Europe torn by conflicting ideologies, the Soviets were blockading West Berlin.

And yet, with the end of World War II, America was unified as few could have imagined. I'm sure many of you have seen that famous Life magazine photo that captured the spirit of those times: the sailor in Times Square embracing a woman in the mass exultation of V - J Day, a victory for freedom that came after so much sacrifice. Like the woman swept off her feet, the spirit of rejoicing, and more importantly the limitless possibilities of America, swept us all. And I, too, felt that sense of idealism and opportunity and headed on out with Barbara -- headed out to Texas to make the most of the American Dream.

But today I look back upon those times, and I am struck by the wonder of how much this country has achieved. What newly married vet in his early twenties could have envisioned just how wide the golden door of opportunity would swing in four short decades? And I ask myself, what made this achievement possible? What caused America's technological and scientific advance, a prosperity and power unprecedented in world history? One thing, I believe, is what Mississippi's own William Faulkner called ``the old verities and truths of the heart." My friends, it is these verities that in 1948 allowed us to meet our problems together. We took pride in our identity as a nation and solace in our faith in God. And above all, we believed in the simple, the basic truths like kindness and civility, self-sacrifice and courage, compassion and concern for others, timeless values which span the generations, values which show that America is great because America is good.

An old saying notes how ``the world has turned over many times." It has since I graduated. The postwar period has given way to a new world, a world still perilous, but alive with prospects for peace and with the certainty of change. Yesterday at Texas A&M in Bryan, Texas, I talked of that change, of a new policy that moves beyond containment of the Soviet Union. And the new policy seeks to bring the Soviet Union into the family of nations, a policy, if you will, of reintegration. And as the Soviet Union moves toward greater openness and democratization, and as they meet the challenge of responsible international behavior, we will match their steps with steps of our own. And if we succeed, the future of every graduate today is going to be safer. The world we know will be more free. We can dedicate ourselves then to helping others even more.

Yet there are some things that haven't changed since 1948. Our values haven't. We see these values everywhere: a church-based child-care center, choir practice, or the PTA. And they uplift American society, for they reflect the tenets of ``do unto others," tenets I respect and which I will try hard to serve as President of the United States. And they are the values of America's good, quiet, decent people, Americans who know that we are not the sum of our possessions but of how we conduct ourselves. And these people form the heart of our society, and they enrich its central unit, the family. Here these values play a special role, for they teach that life is not a celebration of self and our fate is not divisible.

As I mentioned to the graduating class at Alcorn, I will do nothing as President, nothing at all, to weaken our society by weakening the fundamental role of family in our society. Instead, I will do all I can to emphasize its importance and to reinforce its role. I've been very lucky -- a wonderful wife and five great kids. They're through college. And I remember receiving letters from them, and there would always be that ``P.S." at the bottom, those three little words, ``Please send money," that special bond between parents at home and kids away at school. I expect these parents have never, ever received a letter like that.

Five kids and 11 lively grandkids -- and by themselves, they could field the Bulldogs' entire pitching staff. And I understand you people with the earphones staying plugged in to the baseball game. [Laughter] If I were sitting up there, I'd be doing exactly the same thing. [Laughter] Never say that Mississippians do not have their priorities sorted out right. [Laughter]

But like all kids, ours provide a Rubik Cube of questions. And like most families, they supply that love and allegiance which make us more fulfilled. And, believe me, sometimes we need that loyalty. I'm reminded of the alumnus who sent his coach a telegram before the big game. It read: ``Remember, coach, we're all behind you -- win or tie." [Laughter]

The individual is important, but the family unit can be our secret weapon and our shield. And as President, I want to strengthen it. To help the family, we must keep America prosperous, strong, and free. We must stop the scourge of drug abuse, and we will. We must build an educational system which invests in our children. And for those who, for whatever reason -- sickness, poverty, the death of a loved one -- feel alone and isolated, let us become their family, not in a

legal sense but in a human sense: helping, supporting, caring for our neighbor.

Today millions of Americans are doing just that: giving of themselves and helping others. And we term their work voluntarism, or community service. For they show how the definition of a successful life must include serving others.

The French writer Jean Cocteau was once asked what he would take if his house were on fire and he could remove only one thing. ``I would take the fire," he replied. [Laughter] He liked what worked. Well, so do I. Community service works because it's real, not abstract. It makes achievements feasible. Compassion helps one child escape heroin addiction. Generosity allows another to eat a decent meal. And through faith in God, still another overcomes the curse of bigotry and hatred.

And that's why I have created the Office of National Service, which will enlist new volunteers to help meet unmet social needs. Project Victory, or Mission Impossible? Look to the heroes of today for an answer -- look to David Pettry, an MSU agronomist who has traveled around the world to nurture soil management; or Steve Cooper, who works in Starkville's Help Find the Children campaign; or Donnie Prisock -- Dr. Donnie -- a quadriplegic who earned his Ph.D. and who counsels handicapped students right here at this school. Heroes? Every one; for they know that the private sector -- and individuals -- have the resources and the responsibility to confront issues like hunger and health care, drug abuse and teen pregnancy. A famous adage says that ``Luck is the residue of design." Well, America's luck can be the residue of voluntarism's design.

My friends, you've worked hard and studied and struggled for 4 years, and now you've endured the hardest part: listening to the commencement address. [Laughter] And I haven't even begun. Let's see, Y - M - I - S. [Laughter]

But let me leave you with the thought that Mississippi has given America some indelible leaders: in politics, John Stennis; in publishing, Eugene Butler; in entertainment, country's Jerry Clower. And always, you've treasured Faulkner's ``verities and truths of the heart." Community service -- national service -- reflects those verities: ``love and honor and pride and compassion and sacrifice," values which can ennoble the family and American society at large. So, let Faulkner's ``verities of the heart" be our values, not merely for this generation but for future generations. And inspired by America's good, quiet, decent people, let us help enrich America so that America can continue to enrich the world.

Good luck to each one of you. My heart-felt congratulations! May your future be worthy of your dreams. And may you always say, as I do now, God bless the United States of America. Thank you for inviting me. Thanks a lot.

Note: The President spoke at 3:22 p.m. on Thurman field. He was introduced by Donald W. Zacharias, president of the university. Following his remarks, the President traveled to

Lexington, KY.

Remarks at a Fundraising Reception for Senator Mitch McConnell in Lexington, Kentucky

May 13, 1989

What a great United States Senator you have, and how impressive this turnout is, which will guarantee his reelection! I couldn't be more pleased to be here, and I'm pleased to see these three distinguished Members of the Congress here. You may not remember this ancient history, but Hal Rogers was my Kentucky State chairman in my quest for the Presidency. And what a job that guy did, I'll tell you. And I want to pay my respects to your own Congressman -- your own on the turf right here, those of you from the Lexington area -- Larry Hopkins, who's with us tonight and doing a great job in Washington. And long before he got into politics, I was a Jim Bunning fan. And now I'm even more of a Jim Bunning fan, I'll tell you. And I want to pay my respects to Bob Gable, our current State party chairman. I'm delighted he's here, and the other party officials. And of course, I'd be remiss if I didn't in a personal way pay my respects to Will and Sarah Farish and to my old friend, Lee Brown -- give them a job to do, and it gets done. And I am just delighted to be here with all three of them.

Spring in the Bluegrass State, racing at Churchill Downs, and voting for Mitch McConnell -- it doesn't get much better than that, wherever you are. Senator, your supporters have tonight given very generously to your campaign, and I know what it is that everyone here wants from me in return. Too late -- all six puppies are spoken for. [Laughter] But I'll let you in on a secret. The biggest secret in town is that Will Farish's springer spaniel -- or English spaniel -- is actually Millie's boyfriend. [Laughter] Up to now we've tried to keep his name out of the press, though. [Laughter] I think it's okay now, though, to reveal his name -- Tug Farish III. [Laughter] Just what my elitist image name -- puppies with Roman numerals after their names. [Laughter]

But here we are in Kentucky. You may have read that the pups are sleeping, or have been, on the Washington Post and the New York Times -- [laughter] -- the first time in history that those papers have been used to prevent leaks. [Laughter]

Will and I -- you got to -- we'll confess it: we're partial to those English spaniels -- Millie, Tug, the puppies, and all that. But when I arrived in Kentucky tonight, I saw the strangest thing: bloodhounds, everywhere, searching for your former Senator still. They have not found him yet. But they know where this one is. He's in Washington, doing the people's business, and I've never seen a guy work harder for the people that sent him up there than Mitch McConnell. He's never forgotten how he got to Washington.

And I might say -- and this is a matter of at least note to me -- and that is that Mitch McConnell was the first United States Senator to be in my corner to endorse me when I ran for the Presidency of the United States -- the very first one. And I say that because he has always stood up for his convictions, a man of principle and character, the courage of those convictions. One of

the reasons I am here tonight is -- I will never forget and will always appreciate -- the fact that Mitch McConnell stood out early, took a position, and stayed with it. He's that kind of guy; he's that kind of Senator.

In a very short time in the U.S. Senate, he's gained the kind of clout that Kentucky needs in Washington. And he's achieved the stature that caused me to choose him as chairman of our delegation to El Salvador to monitor those very important elections. And I knew I could count on Mitch for this sensitive foreign policy assignment. And I'll be looking to him for his advice and counsel as we chart America's course in the years ahead.

And speaking of delegations monitoring elections, let me just make a reference to Panama, because we had two delegations down there monitoring these elections -- one headed by former Presidents Ford and Carter; one headed by Congressman Murtha of the United States House of Representatives and Senator McCain of Arizona. And both of them came back and said the following: One, the affections of the people of Panama about the United States is intact. Two, the election was clearly fraudulent. There's nobody that's looked at the election down there that has anything to say other than that it was fraudulent and free. They made the point that it would be in the interests of peace and freedom and democracy around the world if the Panamanian people could be granted their wish to have Mr. Endara be the new President of Panama.

And let me just assure you of this: I will act prudently in Central America. I will act as much as we possibly can in concert with the nations of Central and South America. We do not want to return to the days of the imperialistic gringos of the North. But let everybody be clear on one point: I will protect the lives of Americans in Panama, whether they're military or civilian. We will not let Americans' lives be put at risk by a dictator down there.

I mentioned Mitch's interest in foreign policy and his leadership there. But on domestic issues as well -- important issues like keeping the economy strong -- he's right out there. You see, there is great mutual respect between us. Mitch understands words like principle and loyalty. And as you know, those words are very, very important to all of us. Certainly, I say they're very important to me. So, take it from me, I know from experience you can count on Mitch McConnell.

Let me simply say, I know you haven't even eaten yet, and I've had two graduation speeches and a couple of miles of running over in Houston before going to Mississippi, and I'm just really delighted to be here. But let me just say a word about -- [laughter] -- let me just say one other serious word, because yesterday I gave a speech over at Texas A&M in Bryan, Texas, about our relationship with -- do I hear a couple of Aggies in the crowd down there? -- a speech about our relationship with the Soviet Union. And there are some young people here tonight, and I'd like to address myself to them and say I think you've got a wonderful chance to live in a more peaceful world, to grow up without the fear that some of your parents have had about nuclear holocaust or a world at war. And yesterday I made this proposal that we offer to the Soviets a chance to be reintegrated back into the family of nations. And that is going to be a driving goal of my

Presidency. But we're not going to do it from naivete. We're not going to do it based on promises or bold proposals. We're going to do it on the facts. And I'm going to keep the United States of America strong, but I am not going to miss an opportunity to discuss global peace and to work for the relief of regional tensions with Mr. Gorbachev. We are going to do that, but we're going to do it in a timely fashion, a prudent fashion, with the interests of the free world foremost all the time.

These are exciting times, and we are the United States of America. And we have always led the alliance, and we're going to continue to lead the alliance. But I would conclude I am optimistic not only about the future of the alliance but I am optimistic about the changes that are taking place in the Soviet Union. And I'll do my level best -- working with the three Congressmen that are here, with the Senator that is here -- to enhance United States standing and to make clear to everyone in the world that we are committed to world peace, that we're going to stay strong in the pursuit of that peace.

Thank you all very much. Thank you very, very much for your support of this outstanding Senator. I'm delighted to be with you. God bless you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 9:25 p.m. in the reception tent at Lane's End Farm. Following his remarks, the President returned to Washington, DC.

Message on the Observance of Police Week and Police Officers' Memorial Day, May 1989

May 13, 1989

America has a long tradition of excellence in law enforcement. Throughout the country, in each and every community, citizens expect the highest standards of conduct and character in those men and women who work in this field: honor, integrity, diligence, bravery, and professionalism. Police Week is a fitting time to show our special appreciation for these individuals who render an indispensable service to all of us and who set a splendid example of selflessness and valor.

Police Officers' Memorial Day poignantly reminds us that law enforcement officials face great danger every day of the year. Whether responding to an accident on a dark snow-covered rural highway, or arresting drug dealers in the inner-city, police officers save lives -- often at the risk of their own. Today, we honor those who have fallen in the line of duty. They have paid the greatest price possible for our safety, and this observance is but a small repayment toward the lasting debt we owe to each of them.

I encourage all Americans to join me in expressing our heartfelt respect and gratitude to the Nation's law enforcement officers, not only during Police Week and Police Officers' Memorial Day, but also throughout the year. These dedicated individuals who uphold the law and protect our lives and property deserve our constant support.

George Bush

Remarks at the National Peace Officers' Memorial Day Ceremony

May 15, 1989

Thank you, Suzy. If it doesn't start clearing up, we're issuing snorkels to everybody out there. [Laughter] Thank you, Suzy Sawyer, and of course, to Dewey Stokes and Craig Floyd, my respects as well. You have great leadership, and I salute them. I want to say how pleased I am that the Secretary of the Treasury is with me, Nick Brady; our Attorney General, the able Dick Thornburgh; and our drug czar, Secretary Bill Bennett. The fact that we four are here is intentional. It sends the signal of our commitment and of our interest. And I know Members of Congress are here as well. I spotted my own Senator, Senator Phil Gramm of Texas, and Senator Pete Wilson. But I'm going to be in trouble because I can't see over there -- who else is there. But I know many are sitting right over here, and we salute them. I see Senator Ford and others, and we're just delighted that they are here today.

Last fall a retired New York police lieutenant gave me badge number 14072, and I have it with me today -- the badge his son wore the day he was gunned down by a gang of cocaine cowards. Matt Byrne asked me to keep Eddie's badge as a ``reminder of all the brave police officers who put their lives on the line for us every single day." Matt, your son's badge, as I have told you, is kept in my desk at the Oval Office. And during the debate on gun-related violence that has raged in this country the past several months, neither it nor what it represents has ever been far from my mind. I've heard the many voices, the courageous and the compassionate, the wounded and the widowed, and I salute the survivors that are here today.

We gather today to respond to those voices and to honor the fallen by launching a national strategy, a partnership with America's cities and States, to take back the streets. It calls for a return to common sense. And it begins with a clear-eyed vision of the kind of problems we face, the kind of people we are, the kind of values that we hold, and the kind of nation we intend to bequeath to our children.

The problem is violent crime, and in particular, the blood that's been shed by increasingly sophisticated guns in the hands of a new class of criminals. Usually, but not always, the deaths are tied to a cycle of dollars and drugs and dependency. The principles are simple. My generation well remembers what some believe was FDR's finest speech: the ``Four Freedoms," an address to a joint session of the Congress. And the last, often forgotten, but arguably the most fundamental of those freedoms was simply this: freedom from fear. Our sworn duty to ``insure domestic Tranquility" is as old as the Republic, placed in the Constitution's preamble even before the common defense and the general welfare. And so, when we ask what kind of society the American people deserve, our goal must be a nation in which law-abiding citizens are safe and feel safe.

To achieve this goal, people must be held accountable for their actions, and that's common sense. Most Americans are law-abiding, and most believe that there is such a thing as right and wrong, good and evil. And whether it's the brutalization of a young runner in a park or terrorizing a young man onto a crowded highway, these are acts that cannot be excused or explained away. A commonsense approach to crime means that if we're going to affect people's behavior we must have a criminal justice system in which there is an expectation that if you commit a crime you will be caught; and if caught, you will be prosecuted; and if convicted, you will do time. For far too long, a privileged class of violent and repeat offenders have calculated that crime really does pay, that our criminal justice system is a crapshoot where the risks are worth the rewards. Well, it's time we change the odds and up the stakes enormously.

And we will lead the way. We'll do our part and then some. But no Federal effort can succeed without the full partnership of the cities and the States that you so nobly represent. Unfortunately, nowhere is your front-line role more evident than in the honor roll that will be read today: of 161 officers killed in the line of duty last year, 152 were State or local cops. And you are the first line of defense, and your respective governments have an obligation to adopt tough legislation and provide the resources -- in police, prosecutors, and prisons -- to fully back you up.

At the trial of Eddie Byrne's executioners, there was testimony that the hit was ordered from prison to send a message to the people behind the badge. And one witness said that they hoped to see the attack on the television news at Riker's Island. Well, today we have a message of our own: We're going to take back the streets by taking criminals off the streets. And it is an attack on all four fronts: new laws to punish them, new agents to arrest them, new prosecutors to convict them, and new prisons to hold them.

I am announcing today -- and there is no more fitting place than right here -- a comprehensive new offensive for combating violent crime -- for Eddie Byrne, for every officer we honor here today, and for America. The first front of this campaign, new laws, starts with the semiautomatic and so-called assault weapons that criminals have taken as their gun of choice. And again, common sense has to play an important part in this discussion. The fact of the matter is, nearly half the households in this country have guns, and guns are already out there. And the overwhelming majority are legitimately owned, for legitimate purposes. But in contrast to legitimate gun ownership is the chilling fact that something like 80 percent of all firearms used by felons are stolen or otherwise unlawfully obtained. Throughout our nation's history, the hard lesson we've learned is that criminals will get guns. And so, let me be very clear about our response: The right to own a gun is not a license to harm others.

And so, first I am calling on Congress today to do for dangerous firearms what it has wisely done for dangerous drugs: to double the mandatory minimum penalties for the use of semiautomatic weapons in crimes involving violence or drugs. And the math is simple. Anyone who uses a semiautomatic for crime, or so much as has one on them during a crime, will do an automatic 10 extra years in Federal prison -- no probation, no parole, no matter which judge they

get.

And secondly, we just can't plea-bargain away the lives of your loved ones, the lives of our cops and kids. And I'm directing the Attorney General to advise America's prosecutors to end plea bargaining for violent Federal firearms offenses. Those who use guns will do time -- hard time.

And third, when a criminal carries a gun and someone dies, they must pay with their own lives. We are calling on Congress today to enact the steps necessary to implement the death penalty and to newly designate the use of a firearm as an aggravating factor for determining whether the death sentence should be imposed.

And I call on America's Governors to match this Federal initiative and propose these same three standards at home: mandatory time, no deals without cooperation, and the death penalty where appropriate. Your States owe it to those here today, and to the American people.

And fourth, 2 months ago, at my direction, the Bureau of Alcohol, Tobacco and Firearms suspended the importation of certain so-called assault weapons. ATF is continuing its examination to determine which, if any, of those weapons are not acceptable under standards in existing law. And at the conclusion of this study, and after careful consideration, we will permanently ban any imports that don't measure up to these standards.

Recently the U.S. News cover story on guns summed up a related challenge: ``the difficulty in drafting laws that will separate assault weapons used in crime from semiautomatics frequently used for legitimate hunting and sport." And there is substantial controversy and debate on this point. You're all well aware of that. But one thing that we do know about these assault weapons is that they are invariably equipped with unjustifiably large magazines. The notorious AKS - 47, for example, comes with a magazine that pumps off 30 explosive bullets without reloading. And that is why -- fifth -- we stand on the steps here in front of the Capitol and ask its support for legislation prohibiting the importation, manufacture, sale, or transfer of these insidious gun magazines of more than 15 rounds.

The current debate was first sparked when an unstable gunman in Stockton, California, purchased an AKS - 47 over the counter and used it to lay waste to an elementary school playground. Patrick Edward Purdy had no business buying that gun. He was arrested on his first weapons charge before his 15th birthday. And by his fourth firearms arrest, Purdy had finally turned 18, and with it chalked up the first of two adult convictions. Although for violent and weapons offenses, both convictions were misdemeanors. Purdy crawled through the loophole that bars only felons from buying guns and got that deadly AKS - 47. That is outrageous.

And therefore, we also propose that Congress close this Purdy loophole and others like it that allow deadly weapons to fall into deadly hands. Again, that's just plain common sense. We must not allow deadly weapons to fall into deadly hands.

But we need to do more than just enact new laws. And in a recent movie about the L.A. gang wars, a woman shouts encouragement to a cop on patrol, telling him: ``You get them off the street." And he answers: ``Lady, we're trying." And the woman offers a four-word solution: ``You need more help." And believe me, we know it. Our police need more help. And I'm here today to tell you that we're prepared to match rhetoric with resources and call on our cities and States to do the same.

The second front, if you will, of our new offensive calls for increased manpower and a new strategy on guns, a strategy based on models of proven effectiveness. I have directed the Attorney General and the Treasury Secretary, working together with State and local enforcement, to launch a comprehensive, coordinated offensive against our nation's most violent criminals. And I am requesting funding for hiring 825 new Federal agents and staff -- 375 at ATF, 300 at the FBI, and 150 Deputy U.S. Marshals. Many of these hirings will permit experienced investigators from all three agencies to promptly combat violent crime in the field.

Of course, arresting these thugs doesn't help if we don't have the muscle to prosecute each criminal to the fullest extent of the law. And that's why the third front of this campaign calls for Congress to back up these new troops with 1,600 new prosecutors and staff. And now, there probably isn't a police officer here who hasn't seen a case where a dangerous felon -- properly arrested, fully prosecuted, and sentenced to the maximum -- walked out of jail early, sometimes years early, because prisons are bursting at the seams. That is not right.

Part of our commonsense approach is a simple recognition that it doesn't do any good to provide new Federal agents, new assistant U.S. Attorneys, and new laws with long-term penalties if we don't have the prison cells to keep criminals where they belong. A chain is only as strong as its weakest link. And so, as the fourth front in this comprehensive effort, I am calling on the Congress to authorize an additional $1 billion, over and above the $500 million already slated for 1990, for Federal prison construction. These 24,000 new beds will boost Federal prison capacity by nearly 80 percent.

Not since Lincoln has a President stood in front of the Capitol and been just a few miles from the front lines of a war. Never was the toll more visible than in the faces of the brave men and women, the families, gathered here today. And when I first stood here as President, over there, only moments after taking the oath of office, I made a promise: ``This scourge will stop." And that's a promise that we intend to keep.

Ladies and gentlemen, I offer my condolences for your fallen loved ones and for your fellow officers. And I salute your commitment, and I salute your courage, and as a citizen -- grateful for the protection you have provided for me and my family and my fellow countrymen -- I thank you, and I wish you Godspeed. Thank you all, and God bless the United States of America. Thank you very much.

Note: The President spoke at 12:29 p.m. at the West Front of the Capitol. In his opening remarks, he referred to Suzy Sawyer, executive director of the Fraternal Order of Police Ladies Auxiliary; Dewey Stokes, national president of the Fraternal Order of Police; and Craig Floyd, president of the National Law Enforcement Officers Memorial Fund.

White House Fact Sheet on Combating Violent Crime

May 15, 1989

The President outlined today a comprehensive program to combat violent crime. The program is designed to strengthen the Nation's criminal justice system and the Federal, State, and local law enforcement partnership. The program is grounded in the President's belief that greater certainty of apprehension, prosecution, and punishment will help deter crimes of violence. It includes proposals to strengthen current Federal, State, and local laws, to step up enforcement and to hold perpetrators of crimes fully accountable for their actions.

The President is proposing a commonsense approach to crime with initiatives to limit access to weapons by criminals, to reform the criminal justice system, to enhance enforcement and prosecution, and to expand prison capacity to ensure both the certainty and severity of punishment.

Fundamental Principles

Four principles underlie the goals of our criminal justice system and the means for accomplishing them.

A primary purpose of government is to protect citizens and their property. Americans deserve to live in a society in which they are safe and feel secure.

Those who commit violent criminal offenses should, and must, be held accountable for their actions.

Our criminal justice system must have as its objective the swift and certain apprehension, prosecution, and incarceration of those who break the law.

Success in accomplishing our criminal justice system goals requires a sustained, cooperative effort by Federal, State, and local law enforcement authorities.

The President today proposed a comprehensive four-part program to strengthen current laws, enhance enforcement and apprehension of criminals, facilitate prosecutions, and expand Federal prison capacity.

Comprehensive Crime Control Act of 1989

I. Strengthening Current Laws

To ensure that those who commit violent criminal offenses are held fully accountable for their actions, it is essential to eliminate certain gaps in existing law and to strengthen some existing statutes.

A. Enhanced Penalties for Firearms Violations

The President proposed seven changes in Federal firearms laws which would:

1. double the mandatory penalty from 5 to 10 years under 18 U.S.C. 924(c) for the use of a semiautomatic firearm during the commission of a violent crime or drug felony;

2. amend the Armed Career Criminal statute to count as predicate offenses acts of juvenile delinquency which if committed by an adult would constitute a serious drug offense; many youthful repeat offenders now escape the enhanced career criminal penalties because most of their prior offenses were charged as juvenile delinquency;

3. allow for pretrial preventive detention of defendants in cases involving certain serious Federal firearms and explosive offenses;

4. authorize criminal penalties and mandatory minimum sentences for theft of a firearm;

5. enhance penalties for smuggling firearms into the United States while engaged in, or in the furtherance of, drug trafficking;

6. require mandatory revocation of Federal supervised release for those possessing a firearm anytime before the term of their supervised release expires;

7. double the current penalty for a knowing and materially false statement on ATF Form 4473 to a maximum sentence of 10 years imprisonment.

The President also urged all States to adopt model legislation providing mandatory minimum sentences for criminal offenses involving firearms to parallel Federal mandatory minimum provisions.

He directed the Attorney General to provide the States with related technical assistance through the Law Enforcement Coordinating Committees (LECC's). At present, 30 States have some provision for mandatory terms of imprisonment for use of firearms in the commission of a crime.

The President proposed providing a 5-percent bonus to the formula portion of drug law enforcement grants for those States which adopt this model legislation.

B. Restricting Plea Bargaining

If our criminal justice system is to achieve its objective of ensuring that those who commit violent firearms offenses are held fully accountable for their actions, plea bargaining practices nationwide must be reformed. Too often, serious felons walk away from court after pleading guilty to minor offenses and misdemeanors because overburdened prosecutors have accepted plea agreements rather than going to trial. The lesser charges result in lesser sentences or probation, and repeat offenders continue to beat the system. To speed an end to such plea bargaining:

1. The President directed the Attorney General to issue and fully implement guidelines for Federal prosecutors regarding plea bargaining under the Sentencing Reform Act to ensure that Federal charges always reflect both the seriousness of the defendant's conduct and the Department's commitment to statutory sentencing goals and procedures. This will ensure that Federal prosecutors seek minimum mandatory penalties for all violent firearms offenses.

2. The President urged State and local governments to reform their plea bargaining and sentencing practices along similar lines and to devote increased resources to prosecutions.

C. Enacting Death Penalty Procedures

The criminal justice system must accord paramount importance to the protection of innocent life. The murderous assault-weapon-armed gang member, the terrorist, the traitor, and the assassin, who threaten American lives and the Nation's security, must know that they will face the death penalty for their crimes.

The President proposed to restore an enforceable death penalty for the most aggravated Federal crimes. His proposal includes adequate standards and constitutionally sound procedures for applying the Federal death penalty provisions that now appear in Federal statutes for homicide, espionage, and treason. It would also authorize the death penalty for a number of new offenses, such as murder for hire. In direct response to the increase in firearms-related violence, the proposal specifies that the use of a firearm in committing the offense or a previous conviction of a violent felony involving a firearm constitute aggravating factors justifying capital punishment.

D. Restricting Imported Weapons

When the study of imported weapons by the Bureau of Alcohol, Tobacco and Firearms is completed, the administration will make permanent the temporary suspension on the imported weapons, if any, that fail to meet the criteria specified in the Gun Control Act of 1968 (18 U.S.C. 925).

E. Preventing Circumvention of Import Laws

The administration will propose an amendment to ensure that actions taken under the provisions of the Gun Control Act of 1968 shall not be circumvented by domestic assembly of such weapons or any combination of domestic and foreign assembly of such weapons.

F. Restricting Gun Clips and Magazines

The administration will propose legislation prohibiting the importation, manufacture, transfer, or sale of gun magazines of over 15 rounds for use by private citizens.

G. Limiting Access to Weapons by Criminals

In addition to greater penalties for misusing firearms, it is also important to limit access to weapons by criminals. This can be facilitated in three ways:

1. Strengthening and Expanding Prohibitions on Access to Weapons by Criminals.

a. The President proposed to bar the sale of firearms to, or possession of firearms by, persons convicted of any violent offense, expanding the existing prohibition to cover individuals convicted of violent misdemeanor offenses.

b. The President also proposed to bar the sale of firearms to, or possession of firearms by, persons who are convicted of any serious drug offense.

2. Improving Mechanisms for Identifying Criminals Who Attempt to Purchase Firearms. The Anti-Drug Abuse Act of 1988 requires the Attorney General to develop a system for the immediate and accurate identification of felons and others who attempt to purchase firearms, but are barred by Federal law [18 U.S.C. 922(g)(1)] from buying or possessing firearms. The initial stage of the study must be completed by November 18, 1989.

a. The President directed the Attorney General to expand the National Criminal Records Identification System Implementation study to include a review and evaluation of State and local procedures which have effectively limited criminal access to firearms and, based on that review and in consultation with the Bureau of Alcohol, Tobacco and Firearms, to develop recommendations for model State legislation and procedures to complement and enhance efforts to reduce felons' access to firearms.

Model State legislation or procedures might include a reasonably structured waiting period or use other devices to facilitate accuracy in determining whether an individual seeking to purchase a weapon from a licensed gun dealer is ineligible by reason of Federal law. At present, more than 20 States have waiting periods, identification requirements, or other procedures which effectively limit criminal access to weapons.

b. The President urged States to transfer criminal history conviction, sentencing, and other case disposition records to the proper Federal authorities. He also directed the Attorney General to recommend additional improvements in the criminal records data system. The quality of criminal history data is a critical factor in crime control and prevention. At present, the only criminal history records consistently reported by States and localities are arrest records.

Timely and accurate reporting of conviction, sentencing, and other case disposition records is essential to the effective operation of the Nation's criminal justice system.

To improve the national data base, States should make such criminal record reporting mandatory and take steps to ensure that centralized State criminal history repositories are adequately funded and managed. In addition, States should maintain records and report on all serious crimes committed by juveniles, who frequently continue their criminal careers into adulthood but often escape early identification as repeat offenders and recidivists because their juvenile records are not reported.

3. Eliminating Loopholes and Clarifying Existing Offenses. The President also proposed to eliminate loopholes and clarify existing offenses related to the sale or transfer of firearms, in order to:

a. facilitate the prosecution of unlicensed gun dealers engaged in illegal weapons transfers to aliens or transients;

b. expand Federal jurisdiction to permit prosecution of transactions in stolen firearms and weapons lacking serial numbers in cases where the firearms have previously moved in interstate or foreign commerce (present law requires the firearms be moving in interstate commerce at the time of the offense);

c. provide a uniform standard to determine whether a person is under Federal firearms disabilities based upon State convictions;

d. require that persons convicted under State law of a serious drug offense or violent felony apply to Federal authorities in order to have their firearms rights restored;

e. amend provisions regarding the disposal of forfeited firearms; and

f. clarify the definition of burglary in the Armed Career Criminal Act to eliminate loopholes caused by differing State laws.

H. Making Drug Testing a Condition of Release

The President also proposed to authorize and fund nationwide implementation in 1990 of drug testing as a mandatory condition of Federal probation, parole, or supervised release. It is estimated that 81,500 people will be on some form of Federal supervised release in 1990. The Justice Department and the Federal Judiciary will coordinate implementation of this program.

The President urged States to adopt similar mandatory drug testing programs as a condition of parole.

II. Augmenting Enforcement

A primary purpose of government is to protect citizens and their property. This requires the sustained cooperative commitment of Federal, State, and local law enforcement officials. Apprehending violent offenders requires increased enforcement personnel, improved cooperation among law enforcement authorities, and not permitting the exclusion of evidence on legal technicalities.

A. Additional ATF Special Agents

The President proposed to increase funds for the Bureau of Alcohol, Tobacco and Firearms to provide for the hiring, training, and equipping of 375 ATF special agents, inspectors, and support personnel to investigate assault weapon and other firearms violations by armed career criminal and repeat offenders.

B. Additional U.S. Marshals

The President proposed to increase funds for the U.S. Marshals to provide for about 150 additional positions for the Marshals Fugitive Investigations and Court Orders Program. This would direct greater Federal efforts to capturing fugitives and career criminals.

C. Additional FBI Agents

The President proposed to increase funds for the FBI to provide for about 300 additional positions for the Bureau's Violent Crime and Major Offenders Program and Organized Crime Program and to assist States and localities to improve their efforts in fighting violent crime through greater Federal/State cooperation.

D. Coordinated Task Forces

The President directed the Attorney General and Secretary of the Treasury to develop a coordinated strategy for the deployment of the additional U.S. Marshals, ATF and FBI agents. Their deployment will emphasize working closely with State and local authorities in task forces to target and investigate career criminals who are subject to prosecution as repeat offenders

under Federal firearms laws and related statutes.

E. State and Local Resources

The President urged State and local authorities to increase their law enforcement resources devoted to identifying and apprehending violent criminal offenders.

F. Exclusionary Rule Reform

The President proposed to establish a general ``good faith'' exception to the exclusionary rule which would permit evidence to be admitted if the officers carrying out a search or seizure acted with an objectively reasonable belief that their conduct was in conformity with fourth amendment requirements. The reform legislation would clarify that, in the absence of explicit statutory authority for doing so, Federal courts may only exclude evidence on the basis of constitutional violations.

III. Enhancing Prosecution

In order to assure that criminals are held accountable for their offenses, certainty of prosecution must accompany severity of punishment. Federal, State, and local authorities must expand and coordinate their prosecutorial efforts.

A. Additional Assistant U.S. Attorneys

The President proposed to increase funds for the U.S. Attorneys Offices to support 1,600 additional positions to handle the increased number of Federal defendants and to prosecute more drug cases, weapons offenses, and other priority matters.

B. Additional Criminal Division Attorneys

The President proposed to increase funds for the Justice Department Criminal Division to support 168 additional positions to focus on drug cases, weapons offenses, and other priority matters, including activities to foster State and local cooperation and coordinated law enforcement strategies.

C. Additional Housing for Unsentenced Prisoners

The President proposed additional funds for the U.S. Marshals Service to provide transportation and 300,000 added jail days for unsentenced prisoners and pretrial detainees.

D. Additional Judicial Branch Resources

The President proposed increasing the administration's budget request for the Judiciary by $40 million for FY 1990 to cover costs associated with processing increased numbers of criminal defendants and for additional Federal criminal prosecutions.

E. Habeas Corpus Reform

The President proposed immediate enactment of habeas corpus reform to establish a general 1-year time limit on Federal applications by State prisoners and to require deference in Federal proceedings to the results of fair and reasonable State court determinations. This will correct the existing system of review, under which over 10,000 cases are annually filed in Federal court.

IV. Expanding Prison Capacity

Prison overcrowding remains a national problem. The most acute problem is at the Federal level. At both the Federal and State level prison overcrowding is a factor in sentencing. At the State and local levels it is often responsible for the early release of convicted criminals.

A. Expanding Federal Prison Construction

The President proposed an additional $1 billion for Federal prison construction, bringing the total 1990 budget to over $1.5 billion. This will increase prison capacity by about 77 percent, adding over 24,000 new Federal prison beds. The present rated Federal prison capacity is 30,951 beds; the present Federal prison population is approximately 48,000.

B. Converting Unused Federal Properties

The President directed the Secretary of Defense, the Secretary of Education, and the Administrator of the General Services Administration to work with the Attorney General to identify expeditiously properties and facilities suitable for conversion for use as Federal prisons or jails.

C. Deporting Criminal Aliens

The President proposed to provide the Attorney General with $14 million for the Immigration and Naturalization Service (INS) and the Executive Office for Immigration Review in order to expedite the deportation of convicted criminal aliens.

Crimes committed by aliens are rising disproportionately in relation to the general population and entailing more violent and drug-related crime.

The Federal Bureau of Prisons has identified 9,254 aliens in its facilities, 20.6 percent of its total

inmate population.

D. Encouraging State Prison Construction

The President commended and encouraged State prison construction efforts. States currently have construction of 63,452 new bedspaces underway. An additional 78,094 bedspaces are planned, and funding has been secured for their construction. Moreover, States have requested construction of 72,190 additional bedspaces.

E. Review of Court-Ordered Prison Caps

The President directed the Attorney General to conduct a review of the role of court orders and consent decrees in prison crowding situations, including an assessment of the scope of judicial authority in formulating and issuing such orders, the impact of such orders on the operation of prison systems and public security, and nonjudicial means of addressing prison crowding. The Attorney General will report his findings to the President and recommend any necessary remedial actions.

Legislation to implement elements of this initiative will be transmitted

(TABLE START)shortly by the Attorney General.

FUNDING SUMMARY

@h1

@h1

Enforcement:

BATF .... $18.8 million

U.S. Marshals .... $12.0 million

FBI .... $19.5 million

Prosecution:

U.S. Attorneys .... $49.6 million

Criminal Division .... $5.4 million

Unsentenced Prisoner Support .... $13.0 million

Courts .... $40.0 million

Drug Testing:

Mandatory Testing .... $10.7 million

Criminal Alien Deporta- tion:

INS .... $12.5 million

EOIR (Executive Office for Immigration Review) .... $1.6 million

State Grant Bonus:

Office of Justice Programs (Bonus) .... $6.0 million@rn,s

Subtotal (nonprison) .... $189.1 million

Prisons:

Federal Prison Construction .... $1.0 billion@s1

This will bring the total 1990 prison construction budget to over $1.5 billion, which includes $115 million available from the Special Forfeiture Fund available to the Office of National Drug Control Policy, and $401 million in the original Bush Budget.@s0

Total Increase .... \1\$1,189.1 billion

Footnote: \1\This total can be accommodated within the overall domestic discretionary spending cap set in the Bipartisan Budget Agreement.

(TABLE END)

White House Statement on the President's Meeting With Cornelio Sommaruga of the International Committee of the Red Cross

May 15, 1989

The President met today with Cornelio Sommaruga, president of the International Committee of the Red Cross (ICRC). The visit provided an opportunity for President Bush to express American appreciation for the impressive humanitarian and human rights work of the ICRC around the world. ICRC efforts on behalf of refugees, the hungry, the displaced, political prisoners, and prisoners of war are well-known and well-respected.

The President and Mr. Sommaruga specifically discussed ICRC activities in Afghanistan and Sudan, and Mr. Sommaruga thanked President Bush for the recent special contribution of $10 million as a humanitarian gesture for ICRC activities in these countries.

Remarks to the Crewmembers of the Space Shuttle Atlantis and the Winners of the Orbiter-Naming Competition

May 16, 1989

I'd say please be seated, but I don't -- well, you all, please be seated. And to our Senators and Congressmen here, a special warm welcome. And Admiral Truly, I'm very delighted to see you, sir. And of course, to Captain David Walker and Ron and Mary and Mark and Norm, let me say this: that Commander Walker and crew, friends and families of the shuttle Atlantis, distinguished members, we are just pleased that you all are here and sorry that the weather did not cooperate.

You know, the late Jackie Gleason immortalized the words, ``And away we go.'' Well, it's a pleasure to be here with Americans who, by exploring the horizons of outer space, have made those words reality. And so, we gather here today to celebrate the continuity of our space program and really of our country itself, of America herself. In a sense, today's setting reflects the continuity. You are pioneers pushing back the boundaries of our technological future. And this house embodies the greatness of America's present and past.

And the two space programs that we celebrate -- they, too, reflect America's continuity. For in Atlantis' deployment of Magellan, we salute achievement which has come to pass; and in Endeavor, the glory which still lies ahead. Some of you may recall that Winston Churchill said, ``The farther backward you can look, the farther forward you are likely to see.''

Well, Magellan was named after the seafaring explorer of the 16th century. And as the first U.S. planetary mission since 1978, it marks the rebirth of America's planetary program. From Magellan, we're going to learn more about Venus and, thus, ourselves. For Venus, I am told, is the planet most like Earth.

To Commander Walker and his outstanding Atlantis crew, and to the entire NASA organization, my heartfelt congratulations. Every time I talk to one of these astronauts, they always point out the support they get from a magnificent team that for a fleeting moment they leave behind on Earth. So, my salute goes to everybody involved in this important work. We salute the courage and enterprise of this crew especially, but also all who are on this team. You've reaffirmed your nation's genius in science and technology; and yet, I think we would all agree, it really is only just a beginning: 4 more solar system missions through the mid-1990's, 13 more shuttle flights in 1989 and '90. These flights will chart new frontiers in science and exploration. And we'll explore those frontiers through the leaders of tomorrow.

And so, we see some of those leaders in the students we have here today from Mississippi and

from Georgia. For in a nationwide orbiter-naming competition, involving over 71,000 students and 6,100 entries from elementary and secondary schools, you showed how the possibilities of tomorrow point us onward and upward.

My friends, you know, choosing a name can be a thankless task. Consider the new father who was once reproached by Sam Goldwyn. ``You're going to call your son William?'' he said. ``What kind of a name is that? Every Tom, Dick, and Harry is called William.'' [Laughter]

Well, somehow you all fared much better than that. Both of your schools chose the name Endeavor, which Webster's defines as ``to make an effort, strive; to try to reach or achieve.'' And each of your schools has lived that definition. In the division 1 category, kindergarten through grade 6, the national winner is a team of 9 fifth-graders from Senatobia Middle School, in Senatobia, Mississippi. And through your team, younger elementary students learned about space up close and personal, like simulating a space camp's wireless communications or trying on a team-made spacesuit. And then in division 2, grades 7 through 12, the winning team came from a nearby State: Tallulah Falls Schools, Inc., in Tallulah Falls, Georgia. Here students developed a math magazine, ``Math Exploration With James Cook,'' and then created a play comparing Cook's 18th-century sea exploration to Endeavor's 20th-century space exploration.

The orbiter-naming contest was, and is, a partnership between NASA and the Council of Chief State School Officers. The CCSSO played a key role in organizing this tremendous contest. And I'd like to thank its members and also my good friend, Congressman Tom Lewis, whose legislation created the event. But most of all, I want to thank you, Commander Walker; the crew; and the students. For you've acted not for us alone but for generations to come. And in so doing, you're making possible, now and tomorrow, that picture of the orbiter lifting off, its rise a swirl of magic, and of Americans cheering its safety and success and dreaming of the new worlds and faraway heavens which form America's destiny. And that is the continuity of America and of our space shuttle program, which points us toward the stars.

And so, thank you; my heartfelt congratulations. God bless you all, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 1:17 p.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Adm. Richard H. Truly, Administrator of the National Aeronautics and Space Administration. The crew of the ``Atlantis'' included: Capt. David M. Walker, USN, commanding officer; Lt. Col. Ronald J. Grabe, USAF, pilot; Mary L. Cleave, mission specialist; Maj. Mark C. Lee, USAF, mission specialist; and Norman E. Thagard, mission specialist.

Message to the Congress Transmitting the Annual Report of the National Science Foundation

May 16, 1989

To the Congress of the United States:

I am pleased to transmit the annual report of the National Science Foundation for Fiscal Year 1988. This report describes research supported by the Foundation in the mathematical, physical, biological, social, behavioral, and computer sciences; engineering; and education in those fields.

Achievements such as the ones described here are the basis for much of our Nation's strength -- its economic growth, national security, and the overall well-being of our people.

Federal investments in research and development should be increased even beyond the current strong levels. Such investments should focus on basic research.

As we move into the 1990's, the Foundation will continue its efforts to expand our Nation's research achievements, our productivity, and our ability to remain competitive in world markets through innovation and discoveries.

I commend the Foundation's work to you.

George Bush

The White House,

May 16, 1989.

Nomination of Robert D. Orr To Be United States Ambassador to Singapore

May 16, 1989

The President today announced his intention to nominate Robert D. Orr to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Singapore. He would succeed Daryl Arnold.

In 1980 Governor Orr was elected Governor of Indiana, and reelected in 1984. Prior to this he was elected Lieutenant Governor of Indiana in 1972. He has also served as a member of the Indiana State Senate, 1968 - 1972. Governor Orr is the former chairman of the Republican Governors' Association and has served on the National Governors' Association executive committee.

Governor Orr graduated from Yale University (A.B., 1940). He was born November 17, 1917, in Evansville, IN. He served in the U.S. Army during World War II and was awarded the Legion of Merit. He is married and has three children.

Remarks to Members of the American Retail Federation

May 17, 1989

Thank you so much for that warm welcome. And let me just say to Don Seibert and Joe O'Neill that I'm delighted to be here. It gives me a chance to express to all of you my appreciation for the support that this organization has given us already and the support that you gave to the previous administration, of which I was very proud to have been a part. I heard John Sununu [Chief of Staff to the President] refer to the minimum wage, and that's what I wanted to talk to you about and solicit your support on today.

We're moving, as you know, toward a very different business climate in this country, and our view of what it takes to compete must change. You know, I think we've heard enough about the shop-worn liberal agenda of more government: mandated government, more broad attempts to run the businesses, and intrusive campaigns to legislate competitiveness. That tired agenda doesn't work. The notion that the Government should control business decisions has never made much sense, and it makes very little sense to me today. So, it is time to move on to the real issue: building a better, more competitive United States -- and not through the intrusion of government but through the energy and the will of the American people. And I still believe that free markets work. I know that there is no such thing as pure free trade in the world today, but we believe in free trade, and obviously in fair trade as well.

What the world has learned over the last 40 years is that government intervention cripples economies, creates barriers for business, kills innovation; and in the final analysis, it costs jobs. And yet, even as the world is beginning now to recognize this truth and you see the changes going on, even in many of the Socialist economies, there are those who are still trying to keep the agenda of government intervention alive and active here at home. And many are well-intentioned, but you know what they say about good intentions. Let me assure you, we are not going down that road.

And we've already made progress in limiting excessive paperwork and regulations, and that work has got to continue -- can't begin to tell you I think it's finished. I'd be thrown out of here by you people that have to wrestle with some of these forms. Drawing on the creative energy of the private sector, I believe we can reach a regulatory balance that is flexible and responsive at the lowest possible cost to business.

And so, thanks to American enterprise and a government that got out of the way, we've created almost 20 million new jobs since the recovery began in 1982. And employment, as you all know, is at record levels. This brings its own challenges. With labor markets getting tighter, opportunities for jobs abound. Many businesses are scrambling for people, with labor shortages driving up wages. Entry-level jobs in some regions of the country with low unemployment start at $5.00 an hour. And this is a case where the market alone is doing more than the Government

could do or should do.

Across America, the skills gap is eclipsing the wage gap, and that's the real problem. And that's a problem where I think the Government does have a role. Caught up in the politics of the minimum wage, it's too easy to forget who it is we're trying to help, and how. The issue is not minimum wage: it's a question of minimum skills. And we're entering a new era of opportunity. Impending labor shortages offer the promise of a job for everyone who is serious about wanting a job -- if they're prepared. My difference with the majority in Congress is not about 30 cents an hour on the minimum-wage legislation: it's about hundreds of thousands of people -- largely young people, largely unskilled people -- who won't have a job to go to if the minimum wage legislation before the Congress now becomes law.

Artificial wage hikes simply mean the entry-level jobs are cut back on. The first to go are the young and the disadvantaged who are just beginning to develop workplace skills. It is haunting how thousands of young Americans in the inner cities believe that they have no stake in our system, no future, no hope. Believing they have nothing to lose, they act as if they have absolutely nothing to gain. And we can't allow this to continue, and it won't if we make sure that more of them can find jobs. I am absolutely, firmly convinced that the best poverty program is a job with dignity in the private sector. And the vast majority of minimum-wage workers are young secondary earners from families with incomes well above the poverty line, if you look at the statistics. And the fact is, fewer than 1 in 10 minimum-wage earners are heads of households and in poverty. They deserve our help, and raising the minimum wage may help some of them. But the cost will be measured in lost jobs, losses that will weigh hardest on the minimum-wage earners who are young and disadvantaged. And most need the experience that those entry-level jobs can provide.

So, I say to Congress: If you want to help the poor, don't take away their jobs. And there are other better strategies to help the working poor that won't cost them their jobs. And I've proposed an effective training wage -- we've had a long battle about that. Minimum-wage differential, it used to be called; now we call it a training wage that would preserve jobs, promote skills development, and give more Americans access to work experience.

We've proposed, also, a new child-care tax credit to enhance the incomes of poorer working families with young children, and enable them to take, or train for, a real job. And I might say that, in the process, we have preserved the concept of parental choice, which I think strengthens the family, as opposed to the legislation on child care being proposed by others up there, which mandates standards from Washington, DC and restricts parental choice.

The jobs we're creating demand higher levels of skills than ever before, so we've set up a package of educational reforms to promote parental choice and encourage excellence and to make our educational system more accountable. We've proposed alternative certification for teachers and principals so that interested, capable people from business or science or engineering

and other professions can go ahead and help teach in the public schools. It's a shame when somebody wants to take a sabbatical out of business or elsewhere, is prohibited by almost meaningless regulations that have been promulgated over the year by the education establishment. So, we're trying to move forward in terms of alternative certification, and I would enlist the support of all of you for this worthy goal.

We're proposing significant improvements in the Job Training Partnership Act, already so effective at linking public and private efforts to help those young people that are most at risk get the training that they need for productive lives.

But the best way to make disadvantaged youth and the working poor part of a competitive, opportunity-based economy is to continue to create jobs and prepare people to fill them. And we must limit any increase in the minimum wage so that it won't extract an excessive cost in lost jobs and that it won't increase inflation in the United States. And then we have to have that effective training wage to preserve opportunity for those who need it the most.

And I have a choice to make. I can sign the legislation pending in Congress and go back to the tired agenda of government intervention that so often hurts the very people that it attempts to help, or we can step forward to keep America on the path to a competitive future, a future that is bright with opportunity. And for me, the choice is very clear: If the majority in the Congress rejects my offer of a reasonable compromise -- and we have made such a proposal -- a veto is going to be inevitable. And one thing I will not compromise: I will not compromise the future of the working poor, and that is what's at stake in this legislation before Congress today. And I'm not going to compromise either a generation of young people. They deserve more than the false promises and failed ideas that hurt their chances to have a job. They deserve a job in a growing, noninflationary economy, and I'm going to do my level best to see that everybody has that opportunity.

I thank you, and I refuse to leave here without soliciting your help in sustaining my veto, if that is required. And I would also solicit your help for my parental choice child-care initiative that I think many would find far superior to the legislation that's being created on the Hill that would have the Government mandate to local communities, to churches, to whatever, all the standards. We cannot go that route in this country if we're to preserve the strength of the family and of the community in our social structure. So, I solicit your support for that. And again, looking over my shoulder, I thank you for all the support you've already given us. Thank you all very, very much.

Note: The President spoke at 10:03 a.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Donald Seibert and Joseph P. O'Neill, chairman of the board and president of the federation, respectively.

Continuation of Roland R. Vautour as an Under Secretary of Agriculture

May 17, 1989

The President today announced that Roland R. Vautour will continue to serve as Under Secretary of Agriculture for Small Community and Rural Development.

Since September 1987, Mr. Vautour has served as Under Secretary for Small Community and Rural Development at the Department of Agriculture in Washington, DC. Prior to this, he served as the Farmers Home Administration State Director for Vermont, New Hampshire, and the U.S. Virgin Islands, 1981 - 1987. He was owner and principal broker for Sterling Realty, 1969 - 1981, and vice president and general manager of the Madonna Mountain Corp., 1964 - 1969.

Mr. Vautour received a bachelor of science degree in business administration from the University of New Hampshire. He is married and has four children.

Continuation of Charles E.M. Kolb as a Deputy Under Secretary of Education

May 17, 1989

The President today announced that Charles E.M. Kolb will continue to serve as Deputy Under Secretary of Education for Planning, Budget, and Evaluation.

Since September 1988, Mr. Kolb has served as Acting Deputy Under Secretary in the Office of Planning, Budget, and Evaluation at the Department of Education in Washington, DC. Prior to this, he served as the Deputy General Counsel for Regulations and Legislation at the Department of Education, 1986 - 1988, and Assistant General Counsel for the Office of Management and Budget, 1983 - 1986. He was an associate with Foreman and Dyess in Washington, DC, 1982 - 1983, and an associate with Covington and Burling in Washington, DC, 1979 - 1982. He also served as a law clerk to the Honorable Joseph H. Young, United States District Judge in the U.S. Court House in Baltimore, MD, and as an associate with Cahill, Gordon, and Reindel in New York, NY.

Mr. Kolb graduated from Princeton University (A.B., 1973); Balliol College, Oxford University (B.A., 1975; M.A., 1980); and the University of Virginia (J.D., 1978). He was born in Salisbury, MD, on November 6, 1950. He resides in Alexandria, VA.

Nomination of Antonio Lopez To Be an Associate Director of the Federal Emergency Management Agency

May 17, 1989

The President today announced his intention to nominate Antonio Lopez to be an Associate Director of the Federal Emergency Management Agency (National Preparedness Directorate). He would succeed George Woloshyn.

Mr. Lopez most recently served as Special Assistant to the President and Director of the White House Military Office in Washington, DC. Prior to this he served on the George Bush for President and Bush-Quayle 1988 campaigns. From 1985 to 1987, Mr. Lopez was self-employed in Covington, TN, as an international business development consultant. He served as manager for business development, Latin America, for the Vollrath Co. in Sheboygan, WI, 1982 - 1985.

Mr. Lopez received a bachelor of science degree in mechanical engineering from the University of Colorado at Boulder, and a master of science degree in systems management from the University of Southern California at Los Angeles. He served in the U.S. Air Force from 1955 to 1982, retiring as a colonel. Among his many military decorations, Mr. Lopez was awarded the Defense Superior Service Medal, the Distinguished Flying Cross, and 12 air medals. He is a Vietnam war veteran and flew 389 combat missions. He was born in Los Angeles, CA. Mr. Lopez is married to the former Ruth B. Fryer. They have four children and four grandchildren.

White House Statement on the Proposed Foreign Acquisition of the ABB-Westinghouse Joint Venture

May 17, 1989

The President today decided against intervening in the possible acquisition by ASEA Brown Boveri Ltd. (ABB), a Swiss/Swedish firm, of Westinghouse Electric Corporation's interest in an ABB-Westinghouse joint venture for the manufacture, distribution, sale, and servicing of electrical transmission and distribution equipment in the United States.

The President based his decision on the results of the investigation by the Committee on Foreign Investment in the United States (CFIUS), chaired by Treasury Secretary Nicholas F. Brady. CFIUS conducted a thorough investigation of various issues relating to the manufacturing and maintenance of extra-high voltage (EVH) transformers. During the investigation, ABB reconfirmed its intention to continue the manufacture, servicing, repair, research, and design in the United States of these high voltage transformers.

The ABB-Westinghouse investigation was conducted pursuant to section 5021 of the Omnibus Trade and Competitiveness Act of 1988. That provision, known as the Exon-Florio provision, authorizes the President to investigate and, if necessary, to suspend or prohibit a proposed foreign acquisition of a U.S. business engaged in U.S. interstate commerce. The criteria to suspend or prohibit a transaction are that the President must find:

-- credible evidence to believe that the foreign investor might take actions that threaten to impair the national security;

-- that existing laws, other than the International Emergency Economic Powers Act and the Exon-Florio provision itself, are inadequate and inappropriate to deal with the national security threat.

Remarks on Signing the Martin Luther King, Jr., Federal Holiday Commission Extension Act

May 17, 1989

Mrs. King. President Bush, Vice President Quayle, Members of the Cabinet and the Congress, and to all of my friends and supporters, ladies and gentlemen, this is a great occasion for those of us who have struggled to make a reality the dream of Martin Luther King, Jr., and this is a continuing effort in that direction to institutionalize his teachings and his great legacy. It is a great honor to join with you on this historic occasion in this ceremony today.

First, I want to thank Congressman John Conyers on the House side and Senator Sam Nunn on the Senate side for all of their outstanding leadership as sponsors of the Martin Luther King, Jr., Federal Holiday Legislation Extension Act, and all of the congressional cosponsors from both sides of the aisle who helped to pass this legislation extending the Martin Luther King Federal Holiday Commission. I can say that it was genuinely a great bipartisan victory in the spirit of President Bush's Inaugural Address, and I want to thank all of the Members who have cooperated so beautifully. With pride and the highest hopes for the future, it gives me greatest pleasure to thank our President for his outstanding leadership in helping to make our newest national holiday all that it should be, all that it must be if we are to fulfill the promise of democracy.

The observance of this holiday is both an important learning experience and a call to action to address injustice anywhere. Through the holiday, we can learn about the values and responsibilities of our democracy. We can learn about how a great vision and a great nation began to confront and nonviolently challenge institutional racism. We can honor our obligation to protest evil and injustice as one of the highest traditions of our American heritage. We can learn about the values of tolerance and compassion and develop a greater sense of responsibility to the poor and suffering, and even to each other. We can learn about the values of brotherhood and sisterhood, love, peace, reconciliation, community service, honesty, courage, freedom, and self-discipline. These values transcend politics, ideology, and national boundaries; for they speak to the essence of the human soul in a way that can only be universally uplifting and challenging.

May the Almighty God bless this occasion and all that it represents. May He enable us to apply the gifts and talents He has given us in the service to others. May His grace strengthen us to work with order and patience, with forgiveness, gratitude, and joy, as we seek to make this a better nation and world so that generations yet unborn will continue to sing with pride: America, God shed His grace on thee, and crown thy good with brotherhood and sisterhood from sea to shining sea.

The President. Coretta, thank you for those inspiring words. I know I speak for everybody in

paying tribute to you for your steadfast support of this most worthwhile Commission. I planned on welcoming you all to the tropical rain forest -- [laughter] -- that we call the Rose Garden. But the East Room has an advantage: leakproof -- if anything in the White House can be leakproof. [Laughter] At least it's dry. And we're delighted that Coretta Scott King and Dexter and so many others are here.

I want to welcome the members of the Commission, the King Federal Holiday Commission; the Members of Congress that are here, the leadership in the Senate and in the House. And I'm just delighted that you all are here, and thank you for your important role in all of this. I salute the party leaders that are here. I see Lee and others -- Lee Atwater -- and everybody joining in a tribute to Dr. Martin Luther King, Jr., and his ideals.

The bill that I'll be signing shortly underscores the importance of honoring the memory and the shining ideals of a great American hero, Martin Luther King, Jr. And all of us know his creed of faith, centered firmly in the great heritage of American ideals. On the steps of the Lincoln Memorial, Dr. King issued his challenge in the words of Thomas Jefferson: ``We hold these truths to be self-evident, that all men are created equal." And he was a reformer and a crusader. His mission was to move America closer to the ideal, to bring the promise of equality and liberty and justice for all within the reach of all.

The Martin Luther King, Jr., Federal Holiday Commission plays a central role in preserving a great national treasure. And over the past 5 years, the Commission's done a great deal to make observance of the King holiday a national and international event. And our agenda for the next 5 years must be to build on that beginning, to see to it that the third Monday of every January becomes a day of hope, renewal, and rededication to the ideals of Dr. King, those that he upheld -- a day dedicated to the memory, if you will, of a man who campaigned for peaceful change; of a man who stood for human dignity and certainly the fulfillment of individual excellence; of a man determined, committed, mind and heart, to march, to live, and to die for those -- America's ideals.

So, Reverend King once wrote: ``Injustice anywhere is a threat to justice everywhere." And simple words expressing a great truth: Justice is indivisible. And all of us must draw on the best in ourselves to make justice for all our cause. We've made great progress. But the memory of all that Dr. King stood for reminds us that our work is not done. So, let's continue his work towards a society that treats all men and women, whatever their origin, whatever the color of their skin, with dignity and respect. Let's ensure that our communities, where our children can learn, live, and grow, are free from the fear of violence and, yes, the lure of drugs. And let's work together towards a society that extends great opportunities and awakens hope to build a better America for all of us. And let's pass the King legacy on to our children, whose ideals and attitudes will shape our society into the next century.

I want to share with you a few words from the prizewinning essay on Martin Luther King,

written by a young man -- in this case, a fifth-grader -- in Seattle. He writes: ``I am only 11 years old, so I cannot really stop the racism. But I can control what happens in my heart and what I do with my life." That kid may only be 11, but there's wisdom in those words for all of us: A truly free society is within reach if, in our hearts, we abolish bias and bigotry and discrimination. And so, let's make that society, one with freedom and equality for all, our living memorial to a great man and a great American.

And now, Coretta, Mrs. King, if you will join me, I will sign this bill formally reauthorizing the Martin Luther King, Jr., Federal Holiday Commission.

Note: The President spoke at 1:31 p.m. in the East Room at the White House. In his remarks, he referred to Dexter King, son of Martin Luther King, Jr., and president of the King Center in Atlanta, GA, and H. Lee Atwater, chairman of the Republican National Committee.

Discussion With Teachers at the Wilson Magnet High School in Rochester, New York

May 18, 1989

Ms. Johnston. You've already been somewhat introduced. I'm especially pleased that you asked for an opportunity to meet with the teachers of Wilson, really for a couple of reasons. Primary in the whole development of Wilson is very much akin to your message of accountability. It was a real driving force in our development. And the other reason is that, really, from my perspective, in terms of school reform, in school improvement, the real critical key role is the teacher role. It's creative and loving talent of teachers that really make a difference between a school that is just adequate and a school that really stretches for excellence for all kids.

This is a wonderful group of people, and I think that you're going to be able to have an opportunity to hear a lot of different perspective. I'd like to start with Mr. Hathaway, who's on your left. Eddie's with us since about 1980.

Teacher. Right, 10 years. [Laughter]

Ms. Johnston. Ten of your best, right, Eddie? Mr. Hathaway, I think, can give you a little overview of the building.

The President. Yeah. I'd love to know about the change and all that, too.

Teacher. Well, Mr. President, Wilson is one building that's made up of three houses, three programs, if you will, but with one common goal. You know the building, of course, is Wilson Magnet, but the three houses that we have in here -- the Academy of Excellence, which meets the needs of the humanities and languages -- is our draw. We have a house known as Transition Tech, which meets the special needs of students in special need, and we also have the School of Science and Technology. I'm a part of that program. And in that program, we teach and emphasize computers and science. Our goal though, of course, is total commitment to the students. We've been fortunate here in the Rochester community because we have a total commitment from everybody. And we're trying to meet the needs of society by using the whole community as a team: industry, the outside forces right here in the community, higher education, and of course, the hard-working staff here at Wilson. That's Wilson in a nutshell.

The President. Well, it's important, and it's impressive.

Teacher. We've been successful for many reasons. Gary, do you want to mention -- --

Teacher. Well, we're a small school and -- --

The President. Like numbers?

Teacher. Well, under a thousand. That makes a successful school. Teachers care, and that's what kids like. I've read papers by kids -- I teach English -- and some of the papers that the seniors are writing this year -- they're talking about -- the Wilson teachers care about kids. And kids like to know that there's somebody there that cares about them.

Teacher. Another part of Wilson that really helps make it such a success is our home aids guidance program. We take on a group of youngsters, about 20, from the time they enter the building until the time they graduate; and we become almost parents, surrogate parents. You could talk to anyone on this staff, and they would have stories for you, a lot of the different, wonderful things that are done for our kids, with our kids.

The President. Do you ever run into any parental resentment? You get 20 kids, and you find somebody that maybe needs some love and attention and caring, as Gary said. But do you ever run into some parent that doesn't want that kind of involvement?

Teacher. I never have. As a matter of fact, a particular situation that I'm involved in right now -- I have nothing but parents who are very supportive of everything that we're doing.

The President. I think they all would be. I just wondered if some felt that intrusion -- don't worry, we'll take care of our kids at home; you look after them at school -- because the program goes into the homes, too, or not?

Teacher. Yes, definitely. Mr. Geraci will tell you, we've worked a number of times with students that we've had difficulties with at home. And one of the emphases here at Wilson is the team approach, again. If I have a difficult student -- well, go ahead, Bill.

Teacher. Back to your point on the parents, do they resent teachers getting involved? I think parents for so long have been divorced, so to speak, from the process that their kids go through during the day. And finally, somebody is coming to them and asking for their input. And it is a refreshing thing for them to finally have the teachers want their involvement. And that's a big reason why this school has been successful. The community around the school has put a commitment in. The teachers have put a commitment in. The school district has put the commitment in. And really, what we've done here is we've put together commitments from seven or eight different areas -- business, college, parents, teachers, kids -- put them all together. And over the course of the last 8 or 9 years, during the transition of this building, we've seen quite a bit of success here.

Teacher. We've been lucky, Mr. President, in that the staff works very hard here; just about everybody is willing to go out to the homes and meet with the families, regardless of what the

family situation can be. And it can be difficult at times.

The President. A kid doesn't show or is a dropout factor and all that?

Teacher. Every day we can run into that, but we're always there to help the kids.

Teacher. I think part of the commitment idea is being helped with this school-based plan that's been instituted by the school district. This involves a team of people -- parents, students, administrators, and teachers together -- working for what's best for the school. And we have an outstanding team of 21 individuals, which myself and Eddie are a member of.

The President. Wait a minute! That's a faculty committee?

Teacher. It's a combination committee of parents, students -- there are two student members, three parent members, some administrative members, and teaching members. And we are a team that has this commitment, and we realize that for a school to be successful you need all three groups working together -- the parents and community, the students, and the faculty and staff. And that is something we've instituted this year through the auspices of the school district. But it's something that I think is going to fit our school very well. And we've had some successes now, and we're starting to move forward with our team.

Teacher. To get back to your original question about parents: Every day we have to make some parental contacts, but most of the time, just about every time, it's been with success. They say thanks for calling, thanks for calling, which could have been rare in other instances, until we instituted some of these programs out here.

Teacher. As a writing assignment, I asked the seniors to write their parents a letter and tell them how much they appreciated things that they've done for them over the years. And I've gotten calls, a couple of calls already. And one father said, ``I'm not an emotional man, but this really touched me." He said that it really did.

Teacher. Similar to that, I'm a senior class adviser this year, and in the last will and testament, which usually ends up being kind of a real funny kind of thing, most of the kids are leaving love and thank you to teachers -- --

The President. That helped them and stuff?

Teacher. -- -- throughout the building.

The President. That's fantastic.

Teacher. It's been mentioned, I think a couple of times, about industry getting involved. And we

have a program called PRISM, Program for Rochester Students in Science and Math. And we take students who are not motivated in those areas, and even though I don't have a home base, I work with the parents through that particular program. And that's been very helpful in getting some of the students to raise their levels of self-esteem. Some of them come in with low self-esteem or low self-expectations for themselves. So, we bring in role models. And they go to industry, and they can see certain areas that they could get into. And it's been a real help as far as trying to motivate some of the students to raise their levels of expectations and working with the parents to give them that idea that, yes, they can achieve this particular goal.

The President. Has this obvious commitment -- you can't sit here, but feel that from the beginning -- but has this resulted in lower incidence of vandalism or drugs and this kind of thing in the school than in some other schools, would you say? I know everywhere there are problems, everywhere, in all levels of society. But I just can't help but feel that with what you're describing -- --

Teacher. Mr. President, undoubtedly, it does in the sense that when you lay the districtwide demographics of suspensions or attendance or any of the incidences that is implied in the question against this school, the culture of caring here works against that kind of behavior, and it shows up in the districtwide statistics.

Your first question about the history -- 10 years ago this was a school where to show up here was to fail. The politics of the community were so negative about coming here that if you were a child whose parents had any power, they had you somewhere else. I mean before. And the 10 years involvement, including tremendous Federal magnet support, gave authority and cooperation opportunities under strong leadership, massive community participation, outstanding involvement by staff people. And they have grown a culture here where there are now waiting lists, and to come here is to assume I will succeed. And then you are picked up and literally carried -- pushed -- through the system.

The President. How wide is your first strike-zone orbit to come here? What is it, Monroe County that -- --

Teacher. It's a city magnet school.

The President. So, it's citywide then?

Teacher. Yes.

The President. A magnet attracts people from -- --

Teacher. Well, we've gone to schools of choice since systemwide -- the whole 912 programs -- there are no neighborhood schools. But this is one of the models of why to do that. I mean one of

the questions I constantly run into with the staff is that the greatest strength of being here is that the students have chosen, the parents have chosen, to come here. That's a piece of the relationship that's very powerful as you start a relationship.

Teacher. Mr. President, we don't skim; we don't take the top 10 percent. We don't get the cream of the crop all the time. We want to pull in different -- an A person, not always an A student, somebody who says, I'm interested in this program; I want to go to this magnet, even though -- --

The President. Who decides that? Who decides who gets in? If you have more applications than you have spaces, is there a board that decides that, or is there -- --

Teacher. In the early days of recruitment, we really had to go recruit -- an application got you here. Since then, as the applications have come up, there's been a constant revision in terms of what role the school plays in the acceptance and what role the central system plays. What we end up doing now is monitoring the distribution of race and sex and previous achievement. And you're absolutely right: This school takes pretty much a cross-section and yet has been able to maintain both the support and the excellence.

The President. A cross section of the economic base.

Teacher. Because the teachers take on the ownership -- [inaudible].

Teacher. I teach special education. I meet the needs of learning-disabled and disturbed students. And what that means to me is that I can offer them the least restrictive environment. And because of the teachers here -- the staff has been so supportive in meeting my needs and my students' needs, in terms of physics or biology, something I couldn't offer to them in the classroom. So, the teachers here offer a cognitive as well as affective education for the students. It's just not academics, and that's where you really get the support of also Wilson Magnet High School.

Teacher. Mr. President, the commitment you're seeing in this community is that the community is trying to make the commitment to raise the level of all students. Wilson Magnet is a leadership school in that process, but it's one school among many where we're trying to raise the level for every kid, including the special-ed kids, the kids in this school, and the kids in the rest of the system. And that's one of the things that makes Rochester unique, because it's such a broad-based effort to do it -- total, systemwide -- that's got the support of the business community, the social agencies, working with a very responsive school system.

The President. I got a touching letter when I was in New Jersey, to a school of excellence, a really good-achieving high school. I got a letter from this girl who had been standing out on the -- she said: ``Well, don't forget those of us that'' -- I forget how she phrased it -- ``aren't bright, but try harder.'' And we were saluting, in this instance, excellence, and listening carefully and

hoping to use what we learned there to make a national example, as we'd like to do, from this experience. But it was a very moving and touching letter because, you know, what she was saying is, well, we're not the brightest, but we try harder, and we're going to work hard. This was one who was not a high achiever, but was disadvantaged.

Teacher. The skimming concept was a discussion we had before you came in saying -- [laughter] -- saying we as a community are not interested, I don't believe, in a skimming system, but in a system that raises everybody.

The President. Yes, well, that's what I thought of what Ed said.

Teacher. I've just been given a signal that indicates that there are I think about 350 wonderful Wilson students that are most anxious to meet you, Mr. President, so I have to -- --

The President. Well, let's do it. I'm sure glad our Congressmen -- both Congressman LaFalce and Congressman Horton came up with us on Air Force One. And I don't dare speak for Congressmen, but in this instance we were talking about how much we were looking forward to it, and they telling me how much I would enjoy it. And they're right. So, I'm glad they're with us here today.

Teacher. And we're glad, too. Thank you.

Teacher. Thank you, Mr. President.

The President. Thank you all very much. Well, I'm just sorry Barbara's not here because she loves -- and she really is trying hard to help on this whole volunteer sector thing. Her main focus has been literacy, but she's -- you know, everything ties into literacy. So, she's really working hard at it. But today, I was telling Sue, we're having the President of the French Republic come to our house. So, first she bawled me out about that. And secondly, because the house has been closed all winter -- it's up on the seashore -- so she's up trying to get everything ready.

Teacher. You just brought up a good point: literacy. We've got to be working as a team always, always.

The President. Yes. It gets through everything -- work force and to our competitiveness and being able to compete abroad and to retraining when industries -- you know, one's a loser and another's a winner -- the whole retraining. It's almost -- and you know far better than I -- some of the examples are so tragic: people that fight it and hide it and because of pride and not wanting their kids to know. It's just -- but anyway, I'll fill my wife in on all of this.

Teacher. And please bring her.

The President. She'd love to. I know she'd love to come sometime.

Teacher. We'd love it.

The President. We'll try, we'll try. I've often thought what it would be like to live in times where you didn't have any budget problems in the Federal Government because there are so many worthwhile things. Thank you all very much -- nice to see you.

Note: The President spoke at 10:48 a.m. in the school library. Suzanne Johnston was the principal of the school, and William Geraci, Joseph Baldino, Darlene Sauerhafer, Edward Hathaway, Reggie Simmons, and Barbara Drmacichi were teachers who participated in the discussion. Gary Simon was a school administrator.

Remarks to the Students at the Wilson Magnet High School in Rochester, New York

May 18, 1989

Thank you all very much. That is the best educated, brightest Wildcat I've ever seen in my entire life, and I've seen a lot of Wildcats. First, Suzanne Johnston, your able leader, has told me that, in addition to this enthusiastic gathering -- and we're plugged in by overflow TV, and so what I want to do is, at the outset, thank those kids and teachers and others who are watching this gala performance from some other room. And I'm sorry that we will miss the personal connection, but I just wanted you to know -- I can tell them in here eyeball-to-eyeball, but I wanted the rest of you to know how pleased I am to be here in this great school. And thank you all for this warm welcome. And if ever we need a cheerleader for a serious proposal to go to the Congress, I'm going to call up Walter Jahnke and get him down there and he can -- no wonder the guy's staying so fit -- anybody going through all those gyrations. [Laughter] And then, as for this cheerleading, I commend you on your timing. Had it been off, you would have taken the head off of the guy next to you. [Laughter] So, I saw that, and I use this cheering squad here to simply say I am pleased to be here. I'm sorry Barbara is not with me because her interest in this Excellence in Education is really good, and she's really fascinated with this concept and hopes to be able to help this concept of magnet schools. And so, I salute you all.

You know, when I was in school a thousand years ago, they kept telling -- you know, study hard, do my work every day, and that way I'd be prepared to choose a field to go into. The only problem is, the teachers were talking about a field of endeavor, politics or law or something, and I was talking about a field -- right field, left field, center field, or something of that nature. But then it became clear that sports are important, but it's even more important to make a strong commitment to education -- your education -- to the future -- to your future. And that is why I wanted to come here today.

I've done a little homework, and I know of the reputation of this school in the Rochester area, and indeed nationwide. And I think that if this visit does nothing else but to encourage others to use this model to achieve excellence it will have been well worth it. And so, I'm delighted to be here. And I've just met with some of the teachers -- and an impressive group of people. And I don't expect every kid here to get up and give a testimony about how great the teachers are, but I can speak to it because they are sensational. And when you just were in there and listened to that, commitment was the word that kept coming through. And not only do they have it but they were telling us that you all have it, and I salute you -- I wish you well.

And I can tell you, I hope that this visit, Sue, hasn't been a terrible drain on the facilities here and on all these advance people and security people and telephone people. But I promised her I would leave on time so you can get back to normal. But I won't forget this visit, because what you're doing is an example for the entire country. And I'm going to do my level best as President

-- leave aside the politics -- as the President of the United States to get this message of excellence and commitment and magnet schools way even beyond the confines of New York, all the way to the West Coast and up to Alaska. You're the future. And I congratulate you, and I thank you very, very much.

Note: The President spoke at 11:16 a.m. in the school gymnasium. In his opening remarks, he referred to Suzanne Johnston, principal of the school, and Walter Jahnke, a math teacher who led the students in cheering. Prior to his remarks, the President attended robotics arm and computer demonstrations by the students.

Remarks to Supporters of the Brainpower Coalition in Rochester, New York

May 18, 1989

President Whitmore, thank you for that warm Rochester welcome. And to President Whitmore and Congressman LaFalce, Congressman for this district, Frank Horton, my friend of long time, I'm just delighted to be here. I want to especially thank the Governor of the State for the courtesy that he shows me, and I thank all of you for coming here today. And I appreciate his taking the time to come and join hands as we salute not just the program that Kodak has, the program of participation, partnership, but the program that we saw just a few minutes ago at the Wilson Magnet School. And I want to take this opportunity to thank all of them, too, for this welcome.

You know, some of you may remember, [former Senator] Barry Goldwater was a talented amateur photographer. And one day he took a picture of President John F. Kennedy and sent it to him, requesting an inscription. And back it came, dutifully inscribed: ``For Barry Goldwater, whom I urge to follow the career for which he has shown so much talent -- photography." [Laughter] ``From his friend, John Kennedy." Well, Barry didn't take his friend's advice. He fashioned a brilliant career in politics, not photography.

But today I am really delighted to be back in a city -- Rochester -- and at a company -- Eastman Kodak -- which has become synonymous with the career that President Kennedy alluded to. And it is a pleasure to join you. And I came here because Rochester and Kodak embody the notion that helping others through cooperation -- partnership agreements between all levels of government, private enterprise, voluntary organizations -- is America at her best. And locally, this kind of cooperation has made possible such landmarks as the Eastman Theatre and the Al Sigal Center and helped Rochester become a bastion of commerce and make the Flower City among America's highest cities in terms of corporate participation and corporate giving.

And your story, of course, is well-known locally. But I want this message to get out to the entire Nation. For in being here today, I honor the countless individuals and companies across America who are following your example. And I was telling Kay coming over here -- Mr. Whitmore, in the car -- that I hope that this visit will symbolize the importance that we place on these partnerships and that the message will be received across our entire country. For those not yet involved, I challenge you to get involved. And for America's public and private sectors, they can exceed the sum of their parts.

In a sense, this is what George Eastman had in mind when he founded Eastman Kodak in 1880. For he knew that cooperation begets productivity and that productivity would enrich America's standard of living and her standard in the world. As President, I intend to spur the partnerships which nurture that productivity. And that is why recently I unveiled a bipartisan partnership with Congress that will cut the Federal deficit by $65 billion over the coming fiscal year. Productivity

is the reason, too, that I favor the creation of urban enterprise zones, a partnership with business.

And each of these partnerships will help productivity propel America, and so will an even nobler partnership -- and I'm talking here about the one you're involved in -- education, a partnership with the future. For ultimately the greatest productivity stems from a creative mind.

Here at Eastman Kodak, you celebrate that fact. For you know what George Eastman said in 1924 is even truer today: ``The progress of the world depends almost entirely on education." Kay Whitmore is even more succinct in talking about your own company. ``Kodak's future depends on its work force," he said. And he's absolutely correct about that.

And some of you may recall the television series, ``Dragnet," and how Sergeant Friday -- remember him -- was fond of saying, ``Just the facts, ma'am." [Laughter] Well, the fact is that Rochester's education challenges parallel the Nation's. The challenges that you face in these school -- very much the same in many parts of the country. And the fact is that unless we act our children will be ill-equipped to read, to write, or understand new technologies -- to compete in the workplace. And the fact is that education partnerships can help us act boldly and urgently to keep America number one.

Let me share a story with you, a story about two ways to look at education. The master of the house was planning his garden and told his gardener to plant a certain kind of tree. And the gardener objected, explaining that the tree was slow growing and would take a hundred years to reach its full growth. The master's response -- that I found interesting -- he says, ``In that case, there's no time to lose. Plant it this afternoon." [Laughter]

And that's the way that Rochester and Eastman Kodak look at education. And that explains why a few years back your business and community and education leaders sat down, faced their problems head-on, and decided to act. And looking at your city's public schools, they didn't like what they saw: a dropout rate of -- I was told it was 30 percent; a third of all the ninth-graders dropped out before graduation from high school; and nearly two-thirds of all ninth-graders tested 1 to 2 years below the grade levels.

And these problems demanded the solutions that only partnerships can achieve. So, in 1986 a community task force, headed in this case by the Urban League, issued its report. It was called, ``A Call To Action" -- to uplift the quality of the public schools. And to make that dream a reality, you came up with a great idea: a new partnership called the Rochester Brainpower Coalition, a partnership anchored by Eastman Kodak which understood that the private sector has the resources and responsibility to help make education better, to help education help America.

And earlier today, as I mentioned, and as Kay said, we were over at the Wilson Magnet High School, where I saw just how much progress has been made. It's hard to choke back a tear or two

when you see the commitment of those children and the spirit of the teachers over there. Ten years ago, that school was beset by crime and plunging grades and urban flight. But today, helped by Rochester Brainpower, Wilson is the ninth-ranked school in the State of New York by the Department of Education.

And what made such progress possible? Teamwork between students, parents, and teachers to raise standards and increase accountability, and Rochester's Brainpower support -- creative and monetary -- of your school district's pioneering plan, which U.S. News terms ``a model for educational reform." And some of you -- I had a chance to talk to some of your colleagues that are over there helping these kids. And that was inspiring as it could be.

You know, in 1988 Rochester Brainpower received the President's Citation for Private Sector Initiatives. Well, seeing Wilson firsthand today, it is easy to understand why that happened. For it, like other schools, has benefited from the coalition's programs which blend creativity and just plain common sense. One program, for instance, says to the kids: ``If you excel now in school, we'll give you a job when you graduate from school." And another program vows: ``If you hit the books, local companies will offer college scholarship aid." A third program helps the teachers -- God bless the teachers -- and helps them hone their skills. And through another, business provides management help to local schools. And a huge media campaign perhaps says it best, as two billboards urge: ``Stay In School. You're Too Good To Lose," and ``Help A Teacher Help A Child." What marvelous sentiment is reflected on those two billboards. I hope that we see those springing up all across the United States.

And, yes, already Rochester Brainpower has united the community. In the future, its impact will lift the community. And its heart will be Eastman Kodak, not only in 1989 but well into the 21st century -- you know, not only in this community but in communities across the country, if they learn the Kodak partnership message and then execute.

Like the wise man planting a tree for future generations, Kodak is planting its own seeds. For it is you who are lending people and equipment, at company expense, to teach kids engineering and robotics, and providing other long-term financial aid to help at-risk youth discover the meaning of an education. It's Kodak which has given some $125 million to more than 1,000 colleges and universities and which is now more involved than ever at the precollege level, enhancing the academic excellence so central to America.

My administration supports that goal. And accordingly, last month I sent a major new education package to the Congress which demands excellence. We will achieve excellence through greater accountability -- and I heard that today from the teachers at Wilson -- and by spurring local flexibility and parental choice. And I saw that today at Wilson -- the concept of choice in action. And above all, our program, like yours, says that if excellence breeds achievement, then excellence should be rewarded.

We're asking the Congress, for instance, to create a program to recognize and reward the schools that have demonstrated substantial educational improvements and a new Magnet Schools of Excellence program to encourage more schools like Wilson. We're proposing to create urban emergency grants to help school systems hit hardest by drug abuse and trafficking. And through scholarships, we want to give America's youth a special incentive to excel -- science, math, and engineering.

No, our program isn't a be-all and an end-all. We're living in times of complicated resource allocation. But it is a commitment, a commitment to help business and academia make America much more productive, a commitment to partnerships, a commitment which you obviously share. And for that, I thank you. And I'd like to think that George Eastman is proud of you, too, looking down, no doubt, through the latest telephoto lens from wherever he may be. [Laughter] For he knew that giving -- he exemplified this in his life -- he knew that giving was a two-way street.

One day in 1924 -- year that I was born -- George Eastman gave away $30 million to the University of Rochester, M.I.T., Hampton, and Tuskegee -- a rather amazing gift, I'd say. That was when $30 million was $30 million -- [laughter] -- but all in 1 day. But he began giving to nonprofit institutions -- this is the key point -- when his salary was $60 a week. Even then he knew that profit and philanthropy were not mutually exclusive.

And I've said repeatedly that from now on in America, any definition of a successful life must include serving others. For while few of us can give away $30 million, all of us can help -- can take pride in helping -- an inner-city child overcome, perhaps, poverty, to become a productive citizen. Giving means more than money: It means making a commitment to someone else's life. And that is how George Eastman defined success. And that is why when he died the New York Times proclaimed, ``George Eastman was a stupendous factor in the education of the modern world." And he showed that productivity could nurture generosity and that generosity could help us all. And then, through the promise of partnerships, let us, too, increase America's productivity so that America's generosity can enrich not merely our age but generations to come.

I salute Kodak for your looking into the future. I salute Wilson for coping with the problems of the present so those kids will have a great future. I salute the farsighted school board that encourages this kind of new thinking. I salute the Members of Congress who have been helpful in pushing forward these objectives. It's a great pleasure for me to be here, and I thank you for inviting me and for this wonderful occasion. I won't forget it. God bless you all. God bless the United States of America. Thank you very much.

Note: The President spoke at 12:01 p.m. in Building One of the Elmgrove Eastman Kodak facility. He was introduced by Kay Whitmore, president of the coalition. In his remarks, the President referred to Gov. Mario Cuomo. Following his remarks, the President attended a luncheon in the facility's lunchroom and then traveled to Kennebunkport, ME.

Statement by Press Secretary Fitzwater on the Savings and Loan Crisis Financing Plan

May 18, 1989

The Ways and Means Committee vote would put the S&L financing plan nominally on-budget, but would waive the entire amount from Gramm-Rudman-Hollings. This amounts to a direct assault on Gramm-Rudman-Hollings budget discipline. It creates an artificial accounting approach that is called on-budget, but is in effect off-budget in terms of the way the spending is counted.

Finally, the committee action creates a contentious issue for the House floor and the conference with the Senate. That means delay, and every day we wait costs at least $10 million. The Senate completed its action a month ago. The House must act and act quickly.

Statement by Press Secretary Fitzwater on the Student Demonstrations in China

May 20, 1989

President Bush this morning received his daily intelligence briefing, including an update on the status of events in China. The situation remains uncertain. Both sides have exercised restraint, and we urge that restraint to continue. The United States stands for freedom of speech and freedom of assembly, and President Bush commented yesterday on the inexorable march of democracy in China. The demonstrations of the last few days indicate that the hunger for change remains strong. We remain hopeful that a dialog between the Government and the students is possible.

Remarks at the Boston University Commencement Ceremony in Massachusetts

May 21, 1989

Thank you, President Silber. And President and Madame Mitterrand, it's a great honor to have you here today. And to Governor Dukakis, my respects -- the chief executive of this great State and my friend as well, to Mayor Flynn, His Eminence Cardinal Law, and Dr. Metcalf, Dr. Wiesel, and, yes, Kimberly, to you for that wonderful speech earlier on, and to Nancy Joaquim, who rendered both ``The Marseillaise'' and ``The Star-Spangled Banner'' in such fine way.

It's a pleasure to be back in Boston, back in one of my home States -- [laughter] -- and I am delighted and honored to receive a doctor of laws from Boston University along with President Mitterrand. Doctor of laws -- does this now make us a couple of Boston lawyers, my friend, Mr. Mitterrand? [Laughter] Who knows? I also would like to salute another most distinguished visitor: Prime Minister Mahathir of Malaysia, a friend to the United States, whose son is graduating today. We're honored to have him here. And I want to congratulate Barbara on a BU degree of her very own. [Laughter] And now that you're an alumna, take note: this kinder and gentler America that I'm speaking of does not always include the Terriers. [Laughter]

My sincerest congratulations go to every Boston University graduate and to all you proud parents cooking out along the 50-yard line there. [Laughter] And as Boston University graduates, you take with you a degree from a great institution, and something more: knowledge of the past and responsibility for the future. And take a look at our world today. Nations are undergoing changes so radical that the international system you know and will know in the future will be as different from today's as today's world is from the time of Woodrow Wilson. How will America prepare, then, for the challenges ahead?

It's with your future in mind that, after deliberation and a review, we are adapting our foreign policies to meet this challenge. I've outlined how we're going to try to promote reform in Eastern Europe and how we're going to work with our friends in Latin America. In Texas, I spoke to another group of graduates of our new approach to the Soviet Union, one of moving beyond containment, to seek to integrate the Soviets into the community of nations, to help them share the rewards of international cooperation.

But today I want to discuss the future of Europe, that mother of nations and ideas that is so much a part of America. And it is fitting that I share this forum with a very special friend of the United States. President Mitterrand, you have the warm affection and high regard of the American people. And I remember well about 8 years ago when you joined us in Yorktown in 1981 to celebrate the bicentennial of that first Franco-American fight for freedom. And soon I will join you in Paris, sir, to observe the 200th anniversary of the French struggle for liberty and equality. And this is just one example of the special bond between two continents.

But consider this city -- from the Old North Church to Paul Revere's home nestled in the warm heart of the Italian North End, to your famous song-filled Irish pubs, the Old and New Worlds are inseparable in this city -- but as we look back to Old World tradition, we must look ahead to a new Europe. Historic changes will shape your careers and your very lives.

The changes that are occurring in Western Europe are less dramatic than those taking place in the East, but they are no less fundamental. The postwar order that began in 1945 is transforming into something very different. And yet certain essentials remain, because our alliance with Western Europe is utterly unlike the cynical power alliances of the past. It is based on far more than the perception of a common enemy; it is a tie of culture and kinship and shared values. And as we look toward the 21st century, Americans and Europeans alike should remember the words of Raymond Aron, who called the alliance a moral and spiritual community. Our ideals are those of the American Bill of Rights and the French Declaration of the Rights of Man. And it is precisely because the ideals of this community are universal that the world is in ferment today.

Now a new century holds the promise of a united Europe. And as you know, the nations of Western Europe are already moving toward greater economic integration, with the ambitious goal of a single European market in 1992. The United States has often declared it seeks a healing of old enmities, an integration of Europe. And at the same time, there has been an historical ambivalence on the part of some Americans toward a more united Europe. To this ambivalence has been added apprehension at the prospect of 1992. But whatever others may think, this administration is of one mind. We believe a strong, united Europe means a strong America.

Western Europe has a gross domestic product that is roughly equal to our own and a population that exceeds ours. European science leads the world in many fields, and European workers are highly educated and highly skilled. We are ready to develop with the European Community and its member states new mechanisms of consultation and cooperation on political and global issues, from strengthening the forces of democracy in the Third World to managing regional tensions to putting an end to the division of Europe.

A resurgent Western Europe is an economic magnet, drawing Eastern Europe closer toward the commonwealth of free nations. A more mature partnership with Western Europe will pose new challenges. There are certain to be clashes and controversies over economic issues. America will, of course, defend its interests. But it is important to distinguish adversaries from allies, and allies from adversaries. What a tragedy, what an absurdity it would be if future historians attribute the demise of the Western alliance to disputes over beef hormones and wars over pasta. We must all work hard to ensure that the Europe of 1992 will adopt the lower barriers of the modern international economy, not the high walls and the moats of medieval commerce.

But our hopes for the future rest ultimately on keeping the peace in Europe. Forty-two years ago, just across the Charles River, Secretary of State George Marshall gave a commencement address

that outlined a plan to help Europe recover. Western Europe responded heroically and later joined with us in a partnership for the common defense: a shield we call NATO. And this alliance has always been driven by a spirited debate over the best way to achieve peaceful change. But the deeper truth is that the alliance has achieved an historic peace because it is united by a fundamental purpose. Behind the NATO shield, Europe has now enjoyed 40 years free of conflict, the longest period of peace the Continent has ever known. Behind this shield, the nations of Western Europe have risen from privation to prosperity, all because of the strength and resolve of free peoples.

With a Western Europe that is now coming together, we recognize that new forms of cooperation must be developed. We applaud the defense cooperation developing in the revitalized Western European Union, whose members worked with us to keep open the sealanes of the Persian Gulf. And we applaud the growing military cooperation between West Germany and France. And we welcome British and French programs to modernize their deterrent capability and their moves toward cooperation in this area. It is perfectly right and proper that Europeans increasingly see their defense cooperation as an investment in a secure future. But we do have a major concern of a different order: There's a growing complacency throughout the West.

And, of course, your generation can hardly be expected to share the grip of past anxieties. With such a long peace, it is hard to imagine how it could be otherwise. But our expectations, in this rapidly changing world, cannot race so far ahead that we forget what is at stake. There's a great irony here.

While an ideological earthquake is shaking asunder the very Communist foundation, the West is being tested by complacency. We must never forget that twice in this century American blood has been shed over conflicts that began in Europe. And we share the fervent desire of Europeans to relegate war forever to the province of distant memory. But that is why the Atlantic alliance is so central to our foreign policy. And that's why America remains committed to the alliance and the strategy which has preserved freedom in Europe. We must never forget that to keep the peace in Europe is to keep the peace for America.

NATO's policy of flexible response keeps the United States linked to Europe and lets any would-be aggressors know that they will be met with any level of force needed to repel their attack and frustrate their designs. And our short-range deterrent forces, based in Europe and kept up to date, demonstrate that America's vital interests are bound inextricably to Western Europe and that an attacker can never gamble on a test of strength with just our conventional forces. Though hope is now running high for a more peaceful continent, the history of this century teaches Americans and Europeans to remain prepared.

As we search for a peace that is enduring, I'm grateful for the steps that Mr. Gorbachev is taking. If the Soviets advance solid and constructive plans for peace, then we should give credit where

credit is due. And we're seeing sweeping changes in the Soviet Union that show promise of enduring, of becoming ingrained. At the same time, in an era of extraordinary change, we have an obligation to temper optimism -- and I am optimistic -- with prudence.

For example, the Soviet Foreign Minister informed the world last week that his nation's commitment to destroy SS - 23 missiles under the recently enacted INF treaty may be reversible. And the Soviets must surely know the results of failure to comply with this solemn agreement. Perhaps their purpose was to divide the West on other issues that you're reading about in the papers today. But regardless, it is clear that Soviet ``new thinking'' has not yet totally overcome the old.

I believe in a deliberate step-by-step approach to East-West relations because recurring signs show that while change in the Soviet Union is dramatic, it's not yet complete. The Warsaw Pact retains a nearly 12-to-1 advantage over the Atlantic alliance in short-range missiles and rocket launchers capable of delivering nuclear weapons and more than a 2-to-1 advantage in battle tanks. And for that reason, we will also maintain, in cooperation with our allies, ground and air forces in Europe as long as they are wanted and needed to preserve the peace in Europe. At the same time, my administration will place a high and continuing priority on negotiating a less militarized Europe, one with a secure conventional force balance at lower levels of forces. Our aspiration is a real peace, a peace of shared optimism, not a peace of armed camps.

Nineteen ninety-two is the 500th anniversary of the discovery of the New World, so we have five centuries to celebrate nothing less than our very civilization -- the American Bill of Rights and the French Rights of Man, the ancient and unwritten constitution of Great Britain, and the democratic visions of Konrad Adenauer and Alcide de Gasperi. And in all our celebrations, we observe one fact: This truly is a moral and spiritual community. It is our inheritance, and so, let us protect it. Let us promote it. Let us treasure it for our children, for Americans and Europeans yet unborn. We stand with France as part of a solid alliance. And once again, let me say how proud I am to have received this degree from this noble institution, and to have shared this platform with the President of the French Republic, Francois Mitterrand.

Thank you very, very much. Vive la France and long live the United States of America! Thank you very much.

Note: The President spoke at 12:33 p.m. at Dickerson Field on the campus of the university. In his opening remarks, he referred to John Silber, president of Boston University; Bernard Cardinal Law, Archbishop of Boston; Arthur G.B. Metcalf, chairman of the university's board of trustees; Elie Wiesel, Andrew Mellon Professor in the Humanities; and Kimberly Sudnick, a graduating student and commencement speaker.

The President's News Conference With President Mitterrand of France

May 21, 1989

President Mitterrand. Ladies and gentlemen, the French guests here and myself -- we're coming to the end of our stay in the United States; and this meeting with the press is, more or less, the last event. And the journalists who have been good enough to follow us during the last 24 hours will have appreciated, I think, that we've had a very full day. But you will, of course, be able in a moment to ask the questions which you feel most suited to the requirements of the day. And President Bush and myself will be at your disposal to reply to them.

But personally, and also on behalf of my country, I would like to say how very deeply sensitive we are to the way in which Mrs. Bush and President Bush have received us, my wife and myself. They received us in a very warm, homely family, and restful atmosphere; but at the same time, we were able to have some intensive, political, serious conversations which were given, as it were, more life -- thanks to the forest air and the sea breeze that we were able to breathe.

Now President Bush will be saying a few words, and then we'll be open to questions. But I'd like to personally thank all those who have been good enough to accompany us during our stay and comment on what we have done.

President Bush. Thank you, Mr. President. Well, first, let me just say what a pleasure it was having President Mitterrand and Madame Mitterrand as our guests in Maine. We've just come from the commencement of Boston University. And nothing better symbolizes the strength of the friendship and the common values which we share -- which our two nations share -- and which really the President celebrated with us 8 years ago, when he came to Yorktown, celebrating the 200th anniversary of that battle.

So, the weekend was not all work and no play; it provided a good opportunity for us to discuss many of the main issues on the international agenda. And by the end of this week, both of us will be traveling to Brussels for the NATO summit. We agreed on the central role the Atlantic alliance has played in keeping the peace for the past four decades, the enduring value of this partnership in the common defense in the years ahead. And we also agreed on the critical contribution the nuclear deterrent has made in keeping us free and secure and at peace.

We also talked about the opportunities that lie before us in the light of the changes now taking place in the Soviet Union and in Eastern Europe. And both of us will watch developments in the Soviet Union, seeking signs of lasting change. Of course, we discussed the dramatic events now taking place in Beijing, in China. The President, I believe, shares my view -- I'll let him speak for himself -- that our goal should be a bold one, to move beyond containment, towards the

integration of the Soviet Union into the community of nations. And of course, we discussed how the United States will relate to France and the rest of Western Europe in the years ahead.

I sensed an excitement on his part about the future. We exchanged views about the themes that I touched on in my earlier remarks here at BU: America's readiness for a more mature transatlantic partnership, the vision of a commonwealth of free nations as a bridge to overcome the divisions of Europe. And we also discussed the potential for improved cooperation with the EC [Commission of the European Communities] as we approach 1992 and the single European market, as well as the prospects for greater Western European cooperation in addressing the political and global issues around the world. And I heard his clarion's call for cooperative action on the environment, and I salute him for that.

Beyond the NATO summit and East-West relations, we exchanged views on so many subjects, many of which will be on the agenda at the Paris economic summit. We agreed that more needs to be done in practical, realistic ways to deal with the environment and to deal with the problems of global warming. And we also reviewed ways of advancing the peace process in the Middle East, the urgent need to try to find, or be helpful in finding, a solution to the situation in Lebanon.

On the question of peace and democracy in this hemisphere, in Central America, we share the view that democracy must be restored in Panama and that the commitments undertaken at Esquipulas are the key to peace and democracy in the region.

Now we'd be glad to take questions.

Student Demonstrations in China

Q. Mr. President, the students in China have been told to leave Tiananmen Square or face military attack. What's your reaction to that, and do you have any message for the students, other than that the United States supports freedom of speech and freedom of assembly?

President Bush. We do support freedom of speech, freedom of assembly, freedom of the press; and clearly, we support democracy. I don't want to be gratuitous in giving advice, but I would encourage restraint. I do not want to see bloodshed. We revere the model of Martin Luther King in this country for his peaceful protest; and so, I might suggest a familiarization with that for the people in China. And I would urge the Government to be as forthcoming as possible in order to see more democratization and to see a peaceful resolution of this matter.

Short-Range Nuclear Forces in Europe

Q. President Mitterrand, do you think that progress has been made in bringing French and American views -- well, in hoping to bring German and American views closer together on the

question of modernization of nuclear short-term weapons in Europe? And do you think that you are there to act as an intermediary, a conciliator?

President Mitterrand. The only role I play is the role that is my natural role as a member of the alliance. But I am not particularly there to act as a mediator. Obviously, I'm happy if views can be reconciled and believe, I think, that they can be reconciled. I think that we have now the elements of ideas that could form a decision that will be taken just in a week's time. And I think that the decision that will be taken will be found positive from the point of view of all members of the alliance. You know what my suggestions on the subject are because I made them clear in Paris.

Q. Mr. President, on that point, the indication out of Bonn today was that the West Germans have not accepted the explicit conditions that were handed to Mr. Stoltenberg [West German Finance Minister] on Friday for talks on SNF. A West German spokesman said that those conditions were merely -- I think he said -- a basis for further dialog. Is the U.S. position negotiable at this point, and how do you sum up the likelihood of resolving this before the NATO summit?

President Bush. I think great progress has been made. One way to guarantee there will not be progress is to lock each other in, in public statements, so I do not intend to comment on the specifics. The report I saw from Bonn was somewhat more encouraging than the way you phrased this one, in terms of being very, very close together with the Germans. This is an alliance that contains many countries, and we are in active consultation with the Germans and others. And of course, I had the benefit over this weekend of hearing directly from President Mitterrand on his views, but I think that we could well have this resolved before the summit.

U.S. Immigration Laws

Q. You spoke about the common bond between the United States and France and the economic changes that will be coming about in 1992 and, of course, the obvious benefit to the United States. Yet we have an immigration law at the present that disfavors Europeans. Do you see this matter being resolved so that Europeans can continue to contribute to the United States?

President Bush. I want to see the immigration matter resolved, and yes, I do foresee it being resolved.

Student Demonstrations in China

Q. Mr. Bush, you have a personal interest in China and the Chinese people, yet your statements have seemed to be very cautious and diplomatic. Have you made any private representation to the Chinese leadership or given any suggestions to them on how to resolve -- or what you might help with in the democracy movement in China?

President Bush. We have been in touch with our Ambassador on this very key question. I think this perhaps is a time for caution because we aspire to see the Chinese people have democracy, but we do not exhort in a way that is going to stir up a military confrontation. We do not want to have a situation like happened in Burma or some other place. And so, as we counsel restraint and as we counsel peaceful means of effecting change -- that is sound advice. And I think to go beyond that and encourage steps that could lead to bloodshed would be inappropriate.

For President Mitterrand -- his next question, unless you've exhausted them all. I'll take a couple of -- --

Short-Range Nuclear Forces in Europe

Q. It's really primarily for President Bush, but of course, if President Mitterrand wishes to add on -- [laughter]. Mr. President, you said we could well have agreement on SNF before the summit. I gather you're talking about the West Germans, because we're getting reports out of London that Mrs. Thatcher is not, as the English say, best pleased about this. And this is confusing, because we also understand that you took Mrs. Thatcher's wishes into account when you were formulating your counterproposal and that, in fact, you were in rather close touch with the British. Do you think we could go to Brussels with the British not having signed on to this, and yet you would have agreement with the West Germans?

President Bush. Mr. President Mitterrand?

President Mitterrand. Well, I can appreciate exactly what kind of a dialog you were hoping to achieve, but the rules of the game are that it's my turn to answer. Well, you may be asking for an opinion, but I would say this: that within the Atlantic alliance, there is full equality among all partners. And on this problem, like on other problems, at the outset, people have diverging views, different opinions. But the important thing is to come to a meeting of the minds and to achieve a common answer, and this has always been the case in the alliance. A particular view will only carry more weight if it carries more wisdom and more common sense. So, I'm not going to sit here and award prizes to this view or that view. There's no particular view which would prevail. The important thing is that the general interest of the alliance should prevail, and it will.

Student Demonstrations in China

Q. Mr. President, you called for restraint in China, and you said that the lessons of Martin Luther King could well be heeded here. Do you believe the protesters should go home? Do you think there is a revolution underway in China now?

President Bush. I don't think that it would be appropriate for the President of the United States to

say to the demonstrators and the students in Beijing exactly what their course of action should be. That is for them to determine. They know the United States commitment to democracy, to the commitment to freedom, to the aspiration we have that all people will live in democratic societies. But I'm not about to suggest what I think they ought to do, except to spell out peaceful and continue to fight for what you believe in, stand up for what you believe in, but beyond that, I cannot go.

No, go ahead. Follow-on?

Q. How unstable is the situation?

President Bush. Well, I don't know. I think we have to wait and see. There's certainly an enormous expression on the part of many people -- students and others -- for change, toward movement toward democracy. I lived there; I saw a society totally different than the one that exists in China today. China has moved, in some areas, towards democracy. Now, the quest is -- and the appeal from these kids is -- to move further. And so, I am one who feels that the quest for democracy is very powerful, but I am not going to dictate or try to say from the United States how this matter should be resolved by these students. I'm not going to do it.

As for John's [John Cochran, NBC News] question, we have been in very close touch with Mrs. Thatcher. And I listened attentively and with great interest to what President Mitterrand said, and I agree with him: that we can get together on this vexing question. There are strong-willed people from strong countries, and they each have an opinion. But my role has been to try, behind the scenes, to be helpful for working this problem out. And I should salute the President of France, as he has tried to be extraordinarily helpful in working this problem out. Now, your job is to know every step of the way the nuances of difference that exist between the parties, and mine is to see if we can't iron out those differences. And that's exactly what I'm doing, what Secretary [of State] Baker is doing, and what others are doing.

East-West Relations

Q. Mr. President, you were talking about the attitude we should have towards the Soviet Union, particularly on the part of the allies. Do you think that the Cold War has come to an end, and if so, has it come to an end once and for all?

President Mitterrand. People seem to want us to play the role of crystal-gazers, which we are not. It's like a revolution, you only know afterwards if a thing turned out to be a revolution. As far as the Cold War is concerned, one thing is clear, and that is that we are moving out of the Cold War. And the chances are that this will be true for a very long time. There will be moments when things will be more difficult, doubtless, but I don't see us slipping right back into the Cold War. Of course, anything is possible -- a lot will depend on the trend of developments within the Soviet Union.

Q. Mr. President, you said in your speech today that you're grateful for some of these proposals with Secretary Gorbachev, yet some in your administration have made no secret of their disdain for some of these proposals. In talking about ``beyond containment,'' did the recent proposals of Secretary Gorbachev on conventional and nuclear weapons meet any of your tests for going beyond containment?

President Bush. Yes. I not only encourage him to continue to make proposals but I'd encourage him to unilaterally implement the proposals. Many of them address themselves to conventional forces where they have an extraordinary, preponderant imbalance -- where they have the weight on their side. And so, I'd like to see that, but I don't think anybody is criticizing the specific proposals. All we want to see is real progress. And when you have the historic imbalance that exists on conventional forces, yes, I welcome the proposals and like to see them implemented. And it's in that area that we're looking for reality versus rhetoric. And I know that some are quite restless about the pace that I have set in dealing with the Soviet Union, but I think it's the proper pace. And I will be prepared when Jim Baker goes back to talk some more. I'm most anxious to be sure that the alliance is together on these questions.

And so, we have time, and in the meantime, I welcome not only the change of openness and the change of reform but I want to see it continue. And I welcome the proposals, but I would like to see them implemented. And that would still leave a large imbalance in favor of the Soviets on many of these proposals -- not all of them. Some of them talk to get where we need to be engaged, because they talked to getting down to equal numbers. But no, I salute the man, as I said, for certain kinds of steps that he has taken. But I hope I'll be forgiven for being cautious and for being prudent and not for being stampeded into something that might prove to be no good for the alliance or not good for the United States.

Soviet President Gorbachev of the Soviet Union

Q. For President Mitterrand and also for President Bush. Mr. Gorbachev has been described by the President's spokesman as a ``drugstore cowboy.'' Do you agree with this description? -- a question for both Presidents.

President Mitterrand. I think that one must be wary of caricatures. Mr. Gorbachev is worth very much more than that.

President Bush. So much for Marlin. In fairness to the man -- --

Mr. Fitzwater. No, don't defend me.

President Bush. No, don't defend you? Which I would be perfectly prepared to do.

Boston Harbor Cleanup

Q. Mr. President, being back in Boston, does it encourage you to do anything about restoring the money for the Boston Harbor that the Congress -- --

President Bush. Hey, I'm pleased that the cleanup seems to be going forward. How's that for an answer?

U.S. International Influence

Q. This is a question, I guess -- it's a question for both people. Do you believe that the American public is aware of the limits of American power and of your ability to really influence political events like those in China, Panama, and Europe?

President Mitterrand. Well, I think on these questions of influence -- influence can be of a material kind and military or peaceful. But it can also be of a moral kind and psychological. There's a whole rainbow, a whole range, of possibilities. Of course, the first problem that you're always up against is the problem of noninterference in other people's affairs. That being said -- but it's a question of human rights. One mustn't stop at that, and I think one must give priority to the public assertion of the basic principles of human rights, and that is what must be prevailed.

So, I think that, with reference to the countries you are mentioning, these principles should be recalled to the countries concerned. But recourse to arms is probably not the kind of method that is fully in tune with the requirements of our day. And to think that you can win whole populations over to your way of thinking by threatening them with guns or tanks is obviously wrong.

What is also very important, and more important, is to win over international public opinion, to mobilize public opinion, both within and without the country, so that those governments which fail in the respect of human rights will be, both within and without, with their backs to the wall on the subject. That being said, I know of no miracle cure in these matters, no unfailing method that always works. And if I were able to come here to Boston and someone could give me the golden key that would open all these doors, well, I'd be very happy and perhaps somewhat surprised.

American Hostages in Lebanon

Q. Mr. President, in your discussions this weekend concerning Lebanon, did you discuss the situation concerning the hostages, and have you any news concerning avenues that could be pursued towards their eventual release?

President Bush. On the hostages -- any avenues to pursue on that?

Q. Did you discuss it this weekend?

President Bush. Well, it was just touched on because -- but we discussed Lebanon in depth. And the hostage situation obviously continues to be on our mind, and President Mitterrand was most sympathetic -- the French people held various times against their will. And so, that underlies the concerns that I feel. But Lebanon transcends just our own keen interest in the hostage question: to see a once-peaceful country, where various factions could live together, now ripped asunder by war and by outside pressures, demands world action. And yet again, when you look at the alternatives, they aren't that clear. And we have called for the cease-fire, supporting the Arab League posture: getting foreign troops out of Lebanon and trying to have the election process go forward so you can have an elected president that fulfills the will of the people.

President Mitterrand was very helpful because he has a unique view of Lebanon, with France's history there. And yet I don't think either of us came up with a simple answer. I saluted what he tried to do when he encouraged the Secretary-General of the United Nations to go there. But for various reasons, that did not work out. So, we did talk about a couple of other specific approaches that we might take, which I think should remain confidential. But it was discussed in detail. It is a matter of enormous urgency. And in the United States, of course, you heard Cardinal Law [Archbishop of Boston] today appropriately singling out Lebanon because of the religious divisions there. And I wish there was an easy answer to it, and the United States stands ready to help, if we can.

We're off. Thank you.

President Mitterrand. Thank you.

Note: President Bush's 12th news conference began at 1:28 p.m. on Dickerson Field at Boston University. President Mitterrand spoke in French, and his remarks were translated by an interpreter. Marlin Fitzwater was President Bush's Press Secretary. Following the news conference, President Bush returned to Washington, DC.

Remarks on the Observance of Cuban Independence Day

May 22, 1989

What a great pleasure, and thank you for that warm welcome. It's I who should be welcoming you to celebrate this wonderful occasion, the 87th anniversary of Cuban independence, and, you know, a special day. But you know, I would be delighted to be here on any day, for we Americans owe a debt of gratitude to the Cuban people. And that debt goes back to 1776, when George Washington's troops were short of food and supply.

Some of you may remember how the women of Havana banded together and raised 1.2 million livres for the cause of American freedom. And 126 years later, another people fought bravely for the cause of freedom. For it was on May 20th, 1902, after a long and brutal struggle, that the Cuban Republic was born. And we gather here to remember that victory and the fact that freedom knows no boundaries. Perhaps it was Cuba's George Washington, that great President, Jose Marti, who said it best: ``To beautify life is to give it an object."

My friends, our object is human liberty and a free, united, and democratic Cuba. And as President I am unalterably committed to a free, united, democratic Cuba; and I'm not going to ever falter in that support. I know that you all are with me in that, and so is our country, for we oppose those who mock the very rights that we treasure: freedom of speech, religion, assembly, economic freedom. And in response, our demand is plain and simple: democracy and respect for human rights -- not sometime, not someday, but now.

And this afternoon I call on Fidel Castro to free all political prisoners and to conform to accepted international standards regarding human rights. And I challenge him to allow unrestricted access to the United Nations and other organizations monitoring their compliance, and a policy of nonintervention in the internal affairs of other states. And on this celebration of Cuban Independence Day I challenge him, Fidel Castro, to take concrete and specific steps leading to free and fair elections and full democracy.

A useful first step would be to accept a proposed plebiscite in Cuba. I also strongly believe that Cubans who wish to leave Cuba should be allowed to do so -- a fundamental human right guaranteed by free nations. And I challenge Castro -- [applause] -- and I challenge him to show that Cuba is truly independent by sharply reducing the Soviet military presence there. And this I pledge: Unless Fidel Castro is willing to change his policies and behavior, we will maintain our present policy toward Cuba. Knock off this wild speculation as just that -- some suggesting that our administration is going to unilaterally shift things with Fidel Castro. I am not going to do that, and I'm glad you're here to hear it directly from me.

And until we see some of these changes I'm talking about, we will continue to oppose Cuba's reentry to the Organization of American States. And this too I promise: To help break down the monopoly on information that Castro has maintained for 30 years, we will continue Radio Marti, and we will push forward our proposal on TV Marti. It is important that the people of Cuba know the truth, and we will see that the people of Cuba do know the truth about their dictator and about the world.

And the thirst for democracy is unquenchable. And totalitarian systems everywhere are feeling new pressures from the people. You see it today on the television sets, coming out of China. We've seen those beginnings of it in the Soviet Union and many, many other countries around the world. And so, don't tell me that Cubans don't want freedom and democracy; they do. And I challenge Fidel Castro to let the will of the people prevail.

In short, what we want to do is to advance that day when Cuban Independence Day achieves a new and a richer meaning: freedom from the evil of tyranny and oppression; freedom from the economic misery wrought by the Communist misrule -- the freedom that can liberate lives and lift the human heart -- and, yes, the freedom of democracy.

To achieve that freedom, heroes must lead the way. In a sense, they already have, and are. For Cuba can claim many, many heroes -- those who struggled valiantly almost 90 years ago and those who struggle today -- unsung heroes, for example, like longtime political prisoner Alfredo Mustelier Nuevo, who refuses to give up; heroes like Dr. Claudio Benedi, here on stage, who has condemned eloquently -- repeatedly -- Castro's violation of human rights; or another great patriot of the Western Hemisphere, a hero of mine, a hero of our times, and I'm referring, of course, to Armando Valladares. Let the American people see him now -- 22 years in Castro's prisons. And he wrote a book about that ordeal. It meant a lot to the entire Bush family and has certainly been an inspiration to me. You've all read it, I hope. And if not, why, we can boost the sales by recommending it. [Laughter] It's called ``Against All Hope," and it describes how he, how Armando, survived beatings and starvations and unspeakable horror. And I'm sure many of you have read it, but it's a tribute to the arching human spirit, to that will to live, which helped endure the cruelest of regimes; a tribute, also, to the courage of the Cuban people, resolute and unafraid.

I had a discussion -- I told Armando, I think, this -- with one of the great leaders in this hemisphere. And he wondered why we were doing what we were doing in Central America. And I said, ``Well, I'll tell you why. It's a book called `Against All Hope.' That book relates to the deprivation of human rights in Cuba." And he said, ``Well, what does that have to do with Central America?" I said, ``Read the book, and you'll see. Read the book, because you'll understand that a deprivation of human rights in a Cuban prison is no different than the deprivation of human rights in a prison in Nicaragua." And he did, and I hope it's made a difference in that country's approach to foreign policy. But whether it did or not, the respect I have for Armando and the courage he has shown really knows no bounds. It is absolutely without limits, and the fact that he headed our delegation fighting for human rights, I think, said

an awful lot about our commitment, the commitment of every American to human rights and to freedom.

And so, the courage that is demonstrated by these -- and I risk offending by failing to mention others right here in this room -- but that courage has helped you and your families endure. And one day it will, I am convinced -- I really believe this -- unite a million free Cuban Americans with their long-suffering Cuban brothers. And if hope can stay alive in the heart of Armando Valladares, surely we will see Cuba free again.

Thank you for coming. God bless you, and God bless America. Thank you very, very much.

Note: The President spoke at 2:34 p.m. during a briefing in Room 450 at the Old Executive Office Building.

Nomination of Thomas Joseph Murrin To Be Deputy Secretary of Commerce

May 22, 1989

The President today announced his intention to nominate Thomas Joseph Murrin to be Deputy Secretary of Commerce. He would succeed Donna F. Tuttle.

Mr. Murrin was president of Westinghouse Energy and Advance Technology Group, 1983 - 1987. From 1952 until 1987, he served in various capacities for Westinghouse Electric Corp., including president of the Public Systems Co., 1974; senior vice president of the Public Systems Group, 1974; executive vice president of the Defense and Public Systems Group, 1971; group vice president of defense, 1967; and corporate vice president of manufacturing, 1965. In 1959 he was appointed European manufacturing representative, based in Geneva, Switzerland, and was superintendent of factory planning for the new distribution transformer plant in Athens, GA, in 1955. He joined the Carnegie Mellon University as distinguished service professor in technology and management.

Mr. Murrin graduated from Fordham University (B.S., 1951). He is married, has eight children, and resides in Pittsburgh, PA.

Remarks at a White House Dinner Honoring the Nation's Governors

May 22, 1989

Good evening, everybody. Fellow public servants, politicians, stemwinding orators -- [laughter] -- it's a tough group to speak with, but look, it's an honor to welcome you to what Franklin Roosevelt called the house owned by all the people and which Harry Truman termed the finest prison in the world. [Laughter] Incidentally, Barbara and I don't feel that way about this magnificent place. We love it, and please, don't any one of you attempt to do anything about that. [Laughter]

I want to commend Governor Baliles for his leadership of the NGA [National Governors' Association], and let me pass our best wishes to Terry Branstad, who's coming in. As you know, Henry Bellmon -- I didn't see Henry tonight, but he'll like this one -- his fellow Oklahoman Will Rogers once said, ``Politics isn't worrying this country one-tenth as much as parking space." [Laughter] What he meant was that often Washington loses perspective and we forget what matters: people and their concerns. I concluded long ago that as Governors you are where the action is. And there's always a budget to be balanced or a school to be built, or you've got to find what works. And I, too, like what works. And I try to understand your problems; and if I didn't, I have a hunch that one of your own, John Sununu, my able Chief of Staff, would help me out on that.

But as we gather here tonight beneath a painting which forms a study in how problems can be met and overcome -- and I'm talking of course about Healy's magnificent painting of Abraham Lincoln about the end of the War Between the States -- it makes a profound impression on me. Incidentally, there's another variety of this painting upstairs that some of you have seen, and it's the exact same pose. But in the one upstairs, he's conferring with his three generals, but in exactly the same pose as this one, except there's a rainbow, which signifies the end of this war that divided us and symbolizes hope for the future.

But Lincoln, as I'm sure for others of you, is one of my favorite Presidents, and I know most Americans feel that way. But I'm reminded daily of him, for so often we pass the room which served as his office upstairs. As he abolished slavery, he saved the Union, and he preserved for future generations the canons of democracy. And in this painting you get a feeling, I think, of his agony and his greatness. In fact, all around it, you feel a sweep of history when you're in this marvelous building, and of the men and women who acted boldly, courageously to write the pages of our history. I believe that our pages, too, can be extraordinary, pages that you all are writing -- Barbara and I in some way might be writing.

You look around at the world today -- and we were chatting about this here -- the fascinating changes that are taking place -- obviously in the Soviet Union, but clearly today in China. Bar

and I lived there in 1974 and 1975, and if anybody had predicted that the force of democracy was such that you'd see a million kids in Tiananmen Square -- and nobody would have believed it back then, and here they are. You look at the changes inside the Soviet Union. You look at the accord in Angola. You look at Panama, where really almost for the first time you've seen this tremendous expression of the democratic will of the people, and then see that aborted by a totalitarian -- and then see the countries in Central America unite in a resolution at the OAS [Organization of American States], condemning this kind of behavior, because they themselves sense this inexorable move to democracy. And we are living in very, very exciting times.

And around the globe, leaders are learning what you already know: To survive, government must be responsive and responsible, for if not, the people are gonna find leaders who are. And that's why we have the marvelous device called a free election. And it's not easy, of course.

But sometimes you, I know, must feel as Lincoln did. One night, a stranger found him in the street with two of his sons, both of whom were sobbing uncontrollably. ``Whatever is the matter with the boys, Mr. Lincoln?" a stranger asked. He sighed and observed, ``Just what's the matter with the whole world. I've got three walnuts, and each wants two." Well, that's the way our business is. That's the way it is for Governors, and that's the way it is with the President of the United States. We're pulled in countless directions, but we treasure these American lessons. Democracy works; our system works. It works in Dover or in Des Moines; it works in Portland, Richmond -- Portland, Oregon; Portland, Maine. And it works because when it comes to problemsolving Washington does not know best; the people do.

Jefferson wrote: ``The God who gave us life, gave us liberty at the same time." Let us use that liberty to find solutions, to find what works, enrich our lives. And in that spirit, I ask all of you to raise your glasses to the American people and to you, the Governors, their trustees, and to the American system that remains after 200 years the greatest in the history of the world, the model for nations struggling to be free this very day.

Thank you all for being with us. Jerry, and to you, sir, and all the Governors, Barbara and I salute you and extend to you our most profound respects.

Note: The President spoke at 9:40 p.m. in the State Dining Room at the White House. In his remarks, he referred to Governors Gerald L. Baliles of Virginia and Terry Branstad of Iowa, chairman and vice chairman of the National Governors' Association, respectively, and Gov. Henry Bellmon of Oklahoma.

Letter to Congressional Leaders on Savings and Loan Financing Legislation

May 22, 1989

Dear XXXXX:

I am writing to secure the assistance of the House leadership in resolving the current crisis in the savings and loan industry. At present, several hundred insolvent savings and loans cannot be permanently restructured or closed without passage of new legislation. As Secretary Brady has indicated, each day's delay adds more than $10 million to the cost of this enormous problem. Delay also jeopardizes the confidence in our financial system that expeditious enactment of this legislation was intended to sustain.

On February 6, I asked the Congress ``to join me in a determined effort to resolve this threat to the American financial system permanently, and to do so without delay." During my address to a Joint Session of Congress on February 9, I asked that this vital legislation be enacted within 45 days. Shortly thereafter my Administration forwarded comprehensive legislation to Congress to implement this program.

The Senate moved rapidly and, on April 19, 1989, passed legislation very similar to our proposal. In the House, the legislation has been thoroughly debated in the full Banking Committee, the Financial Institutions Subcommittee, and the Ways and Means Committee. Now is the time for the House to act, yet this vital measure still has not been scheduled for floor consideration. At the estimated rate of ongoing losses, more than $330 million in additional taxpayer costs have been incurred since Senate passage.

I ask your cooperation to secure the following actions:

First, the legislation should be reported promptly to the House floor under a rule that expedites passage. Further delay in final House passage of this bill would be both costly and unnecessary.

Second, I ask the leadership of the House to hold absolutely firm against any attempt to weaken those vital elements of the legislation which protect the American taxpayer from additional costs. Such elements include higher capital requirements, sound accounting principles, and strengthened civil and criminal penalties against wrongdoing in insured institutions.

Third, I ask that the interests of American savers and taxpayers be held paramount. Special interest amendments that could weaken the safety and soundness of our financial system, or provisions that impose additional costs for otherwise worthy purposes such as housing subsidies, do not belong in this bill and should be deleted.

Finally, I urge Congress to resist efforts to reformulate the financing program adopted by both the House and Senate Banking Committees. Such efforts can only delay final passage of the legislation and could have undesirable economic consequences. This urgently needed legislation should not become the vehicle for undermining the spending discipline established by the Gramm-Rudman-Hollings law, which proved beneficial in the recent successful budget discussions between Congress and my Administration. This discipline will be essential to achieving our mutual budget deficit reduction goals in the future.

To date, Congress and the Executive Branch have worked cooperatively to protect our financial markets from instability and to avoid unnecessary costs. Indeed, bipartisan majorities in both the Senate and House have defeated determined special interest lobbying against the tough capital standards needed to protect American taxpayers from a repeat of this tragedy. I look forward to working with Congress in passing responsible legislation to resolve the current savings and loan crisis and to insure that this situation will not be repeated.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives; Thomas Foley and Robert H. Michel, majority and minority leaders of the House of Representatives, respectively; and Tony Coelho and Newt Gingrich, majority and minority whips of the House of Representatives, respectively. The letter was released by the Office of the Press Secretary on May 23.

Statement by Press Secretary Fitzwater on the President's Meeting With Chairman Wan Li of China

May 23, 1989

The President today met with Wan Li, Chairman of the Standing Committee of the National People's Congress, from 2:30 p.m. to 3:30 p.m. Following the plenary meeting, Wan Li visited the Residence to greet Mrs. Bush.

The Chinese leader briefed the President on the outcome of the recent Sino-Soviet summit and on the student demonstrations in China. ``We are strongly committed to democracy around the world," the President said. ``It is the underpinning of our being as a nation. I urge nonviolence and restraint in your present situation. I urge that Voice of America not be jammed and that reporters be given open access."

The President told Chairman Wan that he remains personally committed to expanding the normal and constructive relations the United States enjoys with China. The world has a stake in China's economic progress, national security, and political vitality. The United States hopes to see the continuing implementation of economic and political reforms, which undoubtedly will also help advance these goals.

Nomination of Mark L. Edelman To Be Deputy Administrator of the Agency for International Development

May 23, 1989

The President today announced his intention to nominate Mark L. Edelman to be Deputy Administrator of the Agency for International Development, U.S. International Development Cooperation Agency. He would succeed Jay F. Morris.

Since 1987 Mr. Edelman has served as Ambassador to the Republic of Cameroon. Prior to this, he was Assistant Administrator for Africa at the Agency for International Development, 1984 - 1987, and senior adviser to the Administrator, and Executive Secretary, 1983 - 1984. He was Deputy Assistant Secretary for the Bureau of International Organization Affairs at the Department of State, 1981 - 1983, and a program analyst for the Agency for International Development, 1981. He was a legislative assistant to Senator John C. Danforth in Washington, DC, 1977 - 1981. Mr. Edelman has served as State budget director in Jefferson City, MO, 1973 - 1976; budget examiner for the Bureau of the Budget in the Office of Management and Budget, 1968 - 1972; and a management intern and Africa budget analyst for the U.S. Information Agency, 1965 - 1967.

Mr. Edelman graduated from Oberlin College (A.B., 1965). He was born June 27, 1943, in St. Louis, MO. He is married to the former Nancy M. Wasell.

Message to the Congress Reporting on the National Emergency With Respect to Iran

May 23, 1989

To the Congress of the United States:

I hereby report to the Congress on developments since the last report of November 15, 1988, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9. This report covers events through March 28, 1989, including those that occurred since the last report under Executive Order No. 12170 dated November 15, 1988. That report covered events through October 1, 1988.

1. Since the last report, there have been no amendments to the Iranian Assets Control Regulations, 31 C.F.R. Part 535 (the ``IACRs''), or the Iranian Transactions Regulations, 31 C.F.R. Part 560 (the ``ITRs''), administered by the Office of Foreign Assets Control (``FAC''). The major focus of licensing activity under the ITRs remains the importation of certain non-fungible Iranian-origin goods, principally carpets, which were located outside Iran before the embargo was imposed, and where no payment or benefit accrued to Iran after the effective date of the embargo. Since October 1, 1988, FAC has made 583 licensing determinations under the ITRs.

Numerous Customs Service detentions and seizures of Iranian-origin goods (including carpets, caviar, dates, pistachios, and gold) have taken place, and a number of FAC and Customs investigations into potential violations of the ITRs are pending. Several of the seizures have led to forfeiture actions and imposition of civil monetary penalties. An indictment has been issued in the case of United States v. Benham Tahriri, which is now pending in the United States District Court for the District of Vermont.

2. The Iran-United States Claims Tribunal (the ``Tribunal''), established at The Hague pursuant to the Claims Settlement Agreement of January 19, 1981 (the ``Algiers Accords''), continues to make progress in arbitrating the claims before it. Since the last report, the Tribunal has rendered 22 awards, for a total of 418 awards. Of that total, 308 have been awards in favor of American claimants: 193 of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 115 were decisions adjudicated on the merits. The Tribunal has dismissed a total of 25 other claims on the merits and 56 for jurisdictional reasons. Of the 29 remaining awards, two represent withdrawals and 27 were in favor of Iranian claimants. As of March 28, 1989, awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at $1,136,444,726.00.

As of March 28, 1989, the Security Account has fallen below the required balance of $500 million 25 times. Each time, Iran has replenished the account, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. Iran has also replenished the account once when it was not required by the Accords, for a total of 26 replenishments. The most recent replenishment as of March 28, 1989, occurred on March 22, 1989, in the amount of $100,000, bringing the total in the Security Account to $500,011,034.15. The aggregate amount that has been transferred from the interest account to the Security Account is $624,698,999.39. The amount in the interest account as of March 28, 1989, was $128,220,636.82.

Iranian and U.S. arbitrators agreed on two neutral arbitrators to replace Professor Karl-Heinz Bockstiegel and Professor Michel Andre Virally, who had submitted letters of resignation. On December 16, 1988, Professor Bengt Broms of Finland replaced Professor Bockstiegel as Chairman of Chamber One, and on January 1, 1989, Professor Gaetano Arangio-Ruiz of Italy replaced Professor Virally as Chairman of Chamber Three. Professor Bockstiegel had also served as President of the Tribunal. After Iran and the United States were unable to agree on a new President of the Tribunal, former Netherlands Supreme Court Chief Judge Charles M.J.A. Moons, the appointing authority for the Tribunal, appointed Professor Robert Briner to the position on February 2, 1989. Professor Briner, who has been a member of the Tribunal since 1985, will continue to serve as Chairman of Chamber Two.

3. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for $250,000 or more. Over 68 percent of the nonbank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 169 such claims on the docket. The largest of the large claims, the progress of which has been slowed by their complexity, are finally being decided, sometimes with sizable damage awards to the U.S. claimant. Since the last report, nine large claims have been decided. One U.S. company received an award on agreed terms of $10,800,000.

4. The Tribunal continues to process claims of U.S. nationals against Iran of less than $250,000 each. As of March 28, 1989, a total of 362 small claims have been resolved, 82 of them since the last report, as a result of decisions on the merits, awards on agreed terms, or Tribunal orders. One contested claim has been decided since the last report, raising the total number of contested claims decided to 24, 15 of which favored the American claimant. These decisions will help in establishing guidelines for the adjudication or settlement of similar claims. To date, American claimants have also received 56 awards on agreed terms reflecting settlements of claims under $250,000.

The Tribunal's current small claims docket includes approximately 185 active cases. It is anticipated that the Tribunal will issue new scheduling orders later this spring to bring its active docket to approximately 225 active cases.

5. In coordination with concerned government agencies, the Department of State continues to present United States Government claims against Iran, as well as responses by the United States Government to claims brought against it by Iran. Since the last report, the Department has filed pleadings in eight government-to-government claims, and presented one claim at a hearing before the Tribunal. In addition, two claims have been settled.

6. Since the last report, nine bank syndicates have completed negotiations with Bank Markazi Jomhouri Islami Iran (``Bank Markazi," Iran's central bank) and have been paid a total of $11,235,741.87 for interest accruing for the period January 1 - 18, 1981 (``January Interest"). These payments were made from Dollar Account No. 1 at the Federal Reserve Bank of New York, (``FRBNY"). Moreover, under the April 13, 1988, agreement between the FRBNY and Bank Markazi, the FRBNY returned $7,295,823.58 of Iranian funds to Bank Markazi. That transfer represents the excess of amounts reserved in Dollar Account No. 1 to pay off each bank syndicate with a claim for January Interest against Bank Markazi.

7. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States properly to implement the Algiers Accords. Similarly, the Iranian Transactions Regulations issued pursuant to Executive Order No. 12613 continue to advance important objectives in combatting international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

George Bush

The White House,

May 23, 1989.

Remarks at the Annual White House News Photographers Association Dinner

May 23, 1989

Marlin says it's okay to talk; this will be a modified photo op. [Laughter] Actually, I dropped in to see if my prints were ready. [Laughter] It's no secret that I'm a great fan of the White House photographers. After all, the first 100 days were saved by those puppy pictures. [Laughter] An animal lover like me doesn't lightly bestow a fond nickname like ``photo dogs.'' I know that your space is cramped there in the West Wing. Some of the photographers, as a matter of fact, asked if they could set up a darkroom someplace where nothing much is happening. I was all for it until they suggested the Oval Office. [Laughter]

And you know, Larry asked me to help hand out the awards a little later on here. And I saw the list, and, yes, it's an impressive group, but some key categories got overlooked. And so, I talked it over with the photo general of the United States, David Valdez, and tonight I'm proud to announce the first annual Presidential Photographers Awards -- very serious business here. With Oscars, you get a gold statuette; Grammys, a record player; and Golden Globes. And here it is, this 9-inch step ladder -- [laughter] -- highly coveted. This is the highly coveted Golden Step Ladder Award. [Laughter]

We start with the photo dog fashion awards. I asked Director of the CIA Bill Webster why Air Force One never gets taken over by terrorists. And he said, ``The bad guys take one look at the way the photographers are dressed and figure that the plane's already been hijacked.'' [Laughter]

There are some exceptions. The first runner-up for this coveted award for the best dressed photographer goes to Time's Diana Walker, affectionately known as Lady Di. She has that ``12 days on safari in Botswana'' look that you're all striving for. [Laughter] She's the one that did that photo essay last week called ``Twelve Hours With George Bush.'' She claimed it felt like the first 100 days.

But anyway, the winner of this coveted award -- she only was runner-up -- goes to one of Diana's colleagues, Dirck Halstead. [Laughter] Now, Dirck has never been suspected of being a terrorist because the Secret Service says that, while terrorists do at times wear Guccis, rarely if ever are their blue jeans starched and pressed. [Laughter]

Now, there's a corollary of Murphy's Law, which White House photographers have a knack for proving: Under any conditions, anywhere, whatever you are doing, there is some ordinance under which you can be booked. And so, the 1989 First Amendment Award, coveted award for freedom of expression, goes to the CNN [Cable News Network] cameraman arrested on a pool stakeout this month outside a high security installation -- Joe & Mo's. [Laughter] And let's hear

it for Albert Certo of CNN. [Applause] Can someone please remove his handcuffs, because we want him ready for the picture.

Those looking for proof of a kinder and gentler America need only look around the White House press room at the number of people napping. [Laughter] And I stopped speaking at photo ops because I was afraid I'd wake up the dozing cameramen. But we call the next award the Rip Van Winkle Award, coveted award given each year to the photographer who earns the most overtime while asleep. [Laughter] The competition in this category was tough. [Laughter] And the final rankings -- and this was scientifically done -- are John Bullard of ABC -- [laughter] -- Percy Arrington of NBC, and CNN's Hank Disselkamp. Win, place, and show -- a photo finish if there ever was one. Sleep on, out there.

Now, that's not an easy job. Two months ago, a U.S. News and World Report photographer took a fall off the East Room press platform. He said he was okay until I said, ``Scratch one newsman." But then he bounced back and carries more equipment than any other three photographers combined. Or from U.S. News and World Report, the winner of this year's Arnold Schwarzenegger Award -- [laughter] -- Darryl Heikes.

The competition is intense among the news magazines. It was Darryl himself who suggested that U.S. News come out with its first annual swimsuit issue. [Laughter] Can't quite see Mort Zuckerman in thongs, but -- [laughter].

And I'm constantly impressed by the ingenuity of this White House press corps. Take the runner-up for our last award, lighting man Marvin Purbaugh of NBC. Marvin recently became the first American to actually produce a Thousand Points of Light. [Laughter] He lit the Roosevelt Room by bouncing the kleigs off Marlin's head. [Laughter]

And our final award is named for the well-known Milo Minderbinder, the irrepressible entrepreneur on ``Catch-22." The winner -- you guessed it -- has sold keychains to tourists -- [laughter] -- luggage tags to local reporters, press passes to foreign media. [Laughter] And so, give me a hand for this unanimous winner of the 1989 Milo Award, Mr. Opportunity Society himself, the guy that's giving entrepreneurship a bad name -- [laughter] -- Newsweek's own Larry Downing, the only guy who gets his trips on Air Force One counted as frequent flyer miles. [Laughter] No, one of the things I do like about Larry, though, is his loyalty. In Beijing, the microphones picked up his patriotic challenge to some Chinese security guards: ``Stop pushing me," he said. ``Our President may sound like an idiot, but he's our President, and we're going to take pictures of him." [Laughter] Thanks a lot, Larry. [Laughter]

Marlin will see that you receive these coveted awards. But right now, I'd like all these lucky winners to stand up. Diana and Dirck, Albert, John, Percy, Hank, Darryl, Marvin, and Larry. Bad sports -- only two of them stood up.

No, but as these awards suggest, the various characters -- and I use the word advisedly -- assembled in this room probably make up about as diverse a collection of personalities as ever found in a single profession. But over the years, I've observed certain qualities that you do have in common: the determination as well as the ability to work hard; take an elbow, give one in return, Cynthia; a willingness to go the extra mile, even on the slimmest chance that it will produce a memorable shot; grace under pressure -- and I mean it -- and a total belief in your work. And more importantly, more personally, the very name that I've bestowed, ``photo dogs'' -- and you've adopted -- say a lot about the good-natured relationship that we enjoy and the good will that's shared on both sides.

And I will say this from the bottom of a grateful heart: knowing the Bush family as you do now, I have always appreciated the thoughtfulness and the consideration and the kindness that you have shown to our family and, indeed, the kindness and consideration that you have shown in our quest for privacy from time to time. And that means a great deal. So, thank you all. It's time to declare a lid. And any followup questions can go to Rich Little -- and I'm scared to death. [Laughter] Thank you all. And lights, please.

Note: The President spoke at 9:20 p.m. in the International Ballroom at the Washington Hilton Hotel. In his remarks, he referred to Marlin Fitzwater, the President's Press Secretary; Larry A. Rubenstein, chairman of the awards dinner and assistant picture editor at Reuters; David Valdez, the President's photographer; Cynthia Johnson and Dirck Halstead, photographers for Time magazine; and entertainer Rich Little.

Statement by Press Secretary Fitzwater on the President's Meeting With Defense Minister Yitzhak Rabin of Israel

May 24, 1989

The President just completed a productive half-hour meeting with Israeli Defense Minister Yitzhak Rabin. President Bush reaffirmed the U.S. commitment to a close relationship with our long-term friend and strategic partner Israel. Toward this end, the President made clear his determination to provide Israel with the resources necessary for its security.

The two leaders also discussed the situation in the West Bank and Gaza. The President told Defense Minister Rabin that the recent elections proposal put forward by the Government of Israel constitutes an important contribution to a process that has the potential to bring about negotiations leading to a comprehensive settlement consistent with Israeli security and Palestinian political rights. The President noted that the Israeli elections proposal gives us something to work with, and we are now looking for a constructive Arab response to it. The President also voiced his deep concern over the escalating violence in the occupied territories and expressed the strong hope that all parties would exercise maximum restraint.

Remarks at the United States Coast Guard Academy Commencement Ceremony in New London, Connecticut

May 24, 1989

Thank you all very much. And Mr. Superintendent, my friend, Rick, thank you for inviting me here. Thank all of the -- particularly those in the white uniforms who are fixing to move on -- for that warm welcome. To Admiral Yost, the Commandant, and Secretary [of Transportation] Skinner, Dr. Alex Haley, and all the distinguished, broke, but happy parents sitting over here -- [laughter] -- this is a special day. I want to single out Admiral Cueroni, who will be leaving the service that he has served so well. And it was my pleasure as Vice President of the United States to work directly with him when he headed the south Florida effort fighting narcotics. And he showed us a lot of class then, and he showed the country a lot of class for his many years in service to the Coast Guard.

I want to congratulate each member of this year's class on receiving your commission into such a proud service. You mention the Coast Guard, and most people think about lives saved at sea, daring rescue operations; but those daily acts of heroism are just one part of the vital work that this Coast Guard performs. Right now, in Prince William Sound, the Coast Guard continues to work around the clock in a major environmental cleanup. And let me at this point, on behalf of a grateful nation, commend Admiral Yost. Through his personal commitment, his involvement, and the leadership that he has shown, he has served his country in the finest tradition of the United States Coast Guard. And those of us who care about the environment -- and that is 250 million Americans at a minimum -- he's showing us the way. And your service -- backing him up in every way. And I am very proud of what Paul Yost has done.

Right now, off the Florida coast, Coast Guard patrols are chasing down drug smugglers, helping to keep the drugs off the streets. And that may be all in a day's work for the Coast Guard, but it is absolutely vital to our national health, our well-being, and our security.

I'm sure on that long first day of Swab Summer that you never thought 4 years could pass so quickly, but they have; and you've worked hard. Billet Night has come and gone -- [laughter] -- and you're ready -- Semper Paratus, in the words of your motto -- ready to enter the Coast Guard service, enter the world. And the truth is, that's what commencement is all about. The world is yours, and today's ceremony is really part of the change of command from one generation to the next.

Today our world -- your world -- is changing, East and West. And today I want to speak to you about the world we want to see and what we can do to bring that new world into clear focus.

We live in a time when we are witnessing the end of an idea: the final chapter of the Communist experiment. Communism is now recognized, even by many within the Communist world itself, as a failed system, one that promised economic prosperity but failed to deliver the goods, a system that built a wall between the people and their political aspirations. But the eclipse of communism is only one half of the story of our time. The other is the ascendancy of the democratic idea. Never before has the idea of freedom so captured the imaginations of men and women the world over, and never before has the hope of freedom beckoned so many -- trade unionists in Warsaw, the people of Panama, rulers consulting the ruled in the Soviet Union. And even as we speak today, the world is transfixed by the dramatic events in Tiananmen Square. Everywhere, those voices are speaking the language of democracy and freedom. And we hear them, and the world hears them. And America will do all it can to encourage them.

So, today I want to speak about our security strategy for the 1990's, one that advances American ideals and upholds American aims. Amidst the many challenges we'll face, there will be risks. But let me assure you, we'll find more than our share of opportunities. We and our allies are strong, stronger really than at any point in the postwar period, and more capable than ever of supporting the cause of freedom. There's an opportunity before us to shape a new world.

What is it that we want to see? It is a growing community of democracies anchoring international peace and stability, and a dynamic free-market system generating prosperity and progress on a global scale. The economic foundation of this new era is the proven success of the free market, and nurturing that foundation are the values rooted in freedom and democracy. Our country, America, was founded on these values, and they gave us the confidence that flows from strength. So, let's be clear about one thing: America looks forward to the challenge of an emerging global market. But these values are not ours alone; they are now shared by our friends and allies around the globe.

The economic rise of Europe and the nations of the Pacific Rim is the growing success of our postwar policy. This time is a time of tremendous opportunity, and destiny is in our own hands. To reach the world we want to see, we've got to work, and work hard. There's a lot of work ahead of us. We must resolve international trade problems that threaten to pit friends and allies against one another. We must combat misguided notions of economic nationalism that will tell us to close off our economies to foreign competition, just when the global marketplace has become a fact of life. We must open the door to the nations of Eastern Europe and other Socialist countries that embrace free-market reforms. And finally, for developing nations heavily burdened with debt, we must provide assistance and encourage the market reforms that will set those nations on a path towards growth.

If we succeed, the next decade and the century beyond will be an era of unparalleled growth, an era which sees the flourishing of freedom, peace, and prosperity around the world. But this new era cannot unfold in a climate where conflict and turmoil exist. And therefore, our goals must also include security and stability: security for ourselves and our allies and our friends, stability in the international arena, and an end to regional conflicts.

Such goals are constant, but the strategy we employ to reach them can and must change as the world changes.

Today the need for a dynamic and adaptable strategy is imperative. We must be strong -- economically, diplomatically, and, as you know, militarily -- to take advantage of the opportunities open to us in a world of rapid change. And nowhere will the ultimate consequences of change have more significance for world security than within the Soviet Union itself.

What we're seeing now in the Soviet Union is indeed dramatic. The process is still ongoing, unfinished. But make no mistake: Our policy is to seize every -- and I mean every -- opportunity to build a better, more stable relationship with the Soviet Union, just as it is our policy to defend American interests in light of the enduring reality of Soviet military power. We want to see perestroika succeed. And we want to see the policies of glasnost and perestroika -- so far, a revolution imposed from top down -- institutionalized within the Soviet Union. And we want to see perestroika extended as well. We want to see a Soviet Union that restructures its relationship toward the rest of the world -- a Soviet Union that is a force for constructive solutions to the world's problems.

The grand strategy of the West during the postwar period has been based on the concept of containment: checking the Soviet Union's expansionist aims, in the hope that the Soviet system itself would one day be forced to confront its internal contradictions. The ferment in the Soviet Union today affirms the wisdom of this strategy. And now we have a precious opportunity to move beyond containment. You're graduating into an exciting world, where the opportunity for world peace, lasting peace, has never been better. Our goal, integrating the Soviet Union into the community of nations, is every bit as ambitious as containment was at its time. And it holds tremendous promise for international stability.

Coping with a changing Soviet Union will be a challenge of the highest order. But the security challenges we face today do not come from the East alone. The emergence of regional powers is rapidly changing the strategic landscape. In the Middle East, in south Asia, in our own hemisphere, a growing number of nations are acquiring advanced and highly destructive capabilities -- in some cases, weapons of mass destruction and the means to deliver them. And it is an unfortunate fact that the world faces increasing threat from armed insurgencies, terrorists, and, as you in the Coast Guard are well aware, narcotics traffickers -- and in some regions, an unholy alliance of all three.

Our task is clear: We must curb the proliferation of advanced weaponry. We must check the aggressive ambitions of renegade regimes, and we must enhance the ability of our friends to defend themselves. We have not yet mastered the complex challenge. We and our allies must construct a common strategy for stability in the developing world.

How we and our allies deal with these diverse challenges depends on how well we understand the key elements of defense strategy. And so, let me just mention today two points in particular: first, the need for an effective deterrent, one that demonstrates to our allies and adversaries alike American strength, American resolve; and second, the need to maintain an approach to arms reduction that promotes stability at the lowest feasible level of armaments.

Deterrence is central to our defense strategy. The key to keeping the peace is convincing our adversaries that the cost of aggression against us or our allies is simply unacceptable. In today's world, nuclear forces are essential to deterrence. Our challenge is to protect those deterrent systems from attack. And that's why we'll move Peacekeeper ICBM's out of fixed and vulnerable silos, making them mobile and thus harder to target. Looking to the longer term, we will also develop and deploy a new highly mobile single-warhead missile, the Midgetman. With only minutes of warnings, these new missiles can relocate out of harm's way. Any attack against systems like this will fail. We are also researching -- and we are committed to deploy when ready -- a more comprehensive defensive system, known as SDI. Our premise is straightforward: Defense against incoming missiles endangers no person, endangers no country.

We're also working to reduce the threat we face, both nuclear and conventional. The INF treaty demonstrates that willingness. In addition, in the past decade, NATO has unilaterally removed 2400 shorter range theater warheads. But theater nuclear forces contribute to stability, no less than strategic forces, and thus it would be irresponsible to depend solely on strategic nuclear forces to deter conflict in Europe. The conventional balance in Europe is just as important and is linked to the nuclear balance. For more than 40 years -- and look at your history books to see how pronounced this accomplishment is -- for more than 40 years the Warsaw Pact's massive advantage in conventional forces has cast a shadow over Europe.

The unilateral reductions that President Gorbachev has promised give us hope that we can now redress that imbalance. We welcome those steps because, if implemented, they will help reduce the threat of surprise attack. And they confirm what we've said all along: that Soviet military power far exceeds the levels needed to defend the legitimate security interests of the U.S.S.R. And we must keep in mind that these reductions alone, even if implemented, are not enough to eliminate the significant numerical superiority that the Soviet Union enjoys right now.

Through negotiation, we can now transform the military landscape of Europe. The issues are complex, stakes are very high. But the Soviets are now being forthcoming, and we hope to achieve the reductions that we seek. Let me emphasize: Our aim is nothing less than removing war as an option in Europe.

The U.S.S.R. has said that it is willing to abandon its age-old reliance on offensive strategy. It's time to begin. This should mean a smaller force, one less reliant on tanks and artillery and personnel carriers that provide the Soviets' offensive striking power. A restructured Warsaw Pact, one that mirrors the defensive posture of NATO, would make Europe and the world more

secure.

Peace can also be enhanced by movement towards more openness in military activities. And 2 weeks ago, I proposed an ``open skies'' initiative to extend the concept of openness. That plan for territorial overflights would increase our mutual security against sudden and threatening military activities. In the same spirit, let us extend this openness to military expenditures as well. I call on the Soviets to do as we have always done. Let's open the ledgers: publish an accurate defense budget. But as we move forward we must be realistic. Transformations of this magnitude will not happen overnight. If we are to reach our goals, a great deal is required of us, our allies, and of the Soviet Union. But we can succeed.

I began today by speaking about the triumph of a particular, peculiar, very special American ideal: freedom. And I know there are those who may think there's something presumptuous about that claim, those who will think it's boastful. But it is not, for one simple reason: Democracy isn't our creation; it is our inheritance. And we can't take credit for democracy, but we can take that precious gift of freedom, preserve it, and pass it on, as my generation does to you, and you, too, will do one day. And perhaps, provided we seize the opportunities open to us, we can help others attain the freedom that we cherish.

As I said on the Capitol steps the day I took this office as President of the United States: ``There is but one just use of power, and it is to serve people.'' As your Commander in Chief, let me call on this Coast Guard class to reaffirm with me that American power will continue in its service to the enduring ideals of democracy and freedom. Congratulations to each and every one of you. Thank you, and God bless the United States of America. Thank you all very much.

Note: The President spoke at 12:13 p.m. on Nitchman Field at the Academy. He was introduced by Rear Adm. Richard P. Cueroni, Superintendent of the U.S. Coast Guard Academy. In his opening remarks, the President referred to Adm. Paul A. Yost, Jr., Commandant, U.S. Coast Guard; Secretary of Transportation Samuel K. Skinner; and author Alex P. Haley, who received an honorary doctor of humane letters degree from the Academy. Following his remarks, the President returned to Washington, DC.

Nomination of C. Austin Fitts To Be an Assistant Secretary of Housing and Urban Development

May 25, 1989

The President today announced his intention to nominate C. Austin Fitts to be an Assistant Secretary of Housing and Urban Development (Federal Housing Commissioner). He would succeed Thomas T. Demery.

Since 1978 Mr. Fitts has served in several capacities with Dillon, Read & Co., Inc., in New York City, including managing director, 1986 to present; senior vice president, 1984 - 1986; vice president, 1982 - 1984; and an associate, 1978 - 1982.

Mr. Fitts graduated from Bennett College (A.A., 1970), the University of Pennsylvania (B.A., 1974), and the Wharton School of Business (M.B.A., 1978). He was born in 1950 in Philadelphia, PA, and resides in New York City.

Appointment of Barbara Hackman Franklin as a Member of the Advisory Committee for Trade Policy and Negotiations

May 25, 1989

The President today announced his intention to appoint Barbara Hackman Franklin to be a member of the Advisory Committee for Trade Policy and Negotiations for a term of 2 years. She would succeed Lawrence A. Bossidy.

Ms. Franklin is currently president and chief executive officer of Franklin Associates, a Washington-based management consulting firm, which she founded in 1984. Since 1979, she has been senior fellow of the Wharton School of Business of the University of Pennsylvania; and for 8 years she served as director of the Wharton government and business program. Ms. Franklin has served two terms on the Advisory Committee for Trade Negotiations, 1982 - 1986, and has chaired its Task Force on Tax Reform. In addition, Ms. Franklin serves in various capacities, including member of the Services Policy Advisory Committee; adviser to the Comptroller General of the United States; and a member of the board of visitors of the Defense Systems Management College. In 1973, Ms. Franklin served as one of the first Commissioners of the U.S. Consumer Product Safety Commission.

Ms. Franklin graduated from Pennsylvania State University (B.A., 1962) and Harvard Graduate School of Business Administration (M.B.A., 1964). She was born in Lancaster, PA. She is married to Wallace Barnes, and the couple resides in Washington, DC.

Designation of Linda Arey Skladany as Acting Chairman of the Occupational Safety and Health Review Commission

May 25, 1989

The President today designated Linda Arey Skladany to be Acting Chairman of the Occupational Safety and Health Review Commission. She would succeed Elliot Ross Buckley.

Since 1988 Mrs. Skladany has served as Commissioner for the Occupational Safety and Health Review Commission. She has served as the Republican candidate for Congress for the Fifth District of Virginia, 1987 - 1988. She has served on the Advisory Committee for Trade Negotiations, 1988 - 1989, and as Special Assistant to the President and Deputy Director for Public Liaison at the White House, 1985 - 1987. She was Director of the Executive Secretariat at the Department of Transportation, 1984 - 1985; Special Assistant to the Deputy Secretary at the Department of Transportation, 1983 - 1984; Special Assistant at the Department of Justice, 1982 - 1983; and as a Special Assistant to the Executive Secretary at the Department of Education, 1981 - 1982.

Mrs. Skladany graduated from the College of William and Mary (B.A., 1966); Wake Forest University (M.A., 1975); and the University of Richmond School of Law (J.D., 1977). She was born November 25, 1944. She is married and resides in Alexandria, VA.

Nomination of Fred T. Goldberg, Jr., To Be Commissioner of Internal Revenue

May 25, 1989

The President today announced his intention to nominate Fred T. Goldberg, Jr., to be Commissioner of Internal Revenue at the Department of the Treasury. He would succeed Lawrence B. Gibbs.

Since 1984 Mr. Goldberg has served as Chief Counsel for the Internal Revenue Service. He served as a partner with Latham, Watkins, and Hills in Washington, DC., 1982 - 1984. He served as Assistant to the Commissioner of the Internal Revenue Service, 1981 - 1982; Acting Director of the Legislation and Regulations Division, Office of the Chief Counsel, Internal Revenue Service, 1982; and partner with Latham, Watkins and Hills in Washington, DC., 1981. He has also served as an associate with Latham, Watkins and Hills, 1973 - 1981; as an instructor in political science and economics at Yale College, 1971 - 1973; as assistant dean, Calhoun College, Yale University, 1971 - 1973; and as special assistant to the Assistant Director for Programs Planning and Evaluation of the Office of Economic Opportunity, 1970.

He graduated from Yale University (B.A., 1969; J.D., 1973). Mr. Goldberg was born on October 15, 1947. He is married, has four children, and resides in Bethesda, MD.

Nomination of Edward Joseph Perkins To Be Director General of the Foreign Service

May 25, 1989

The President today announced his intention to nominate Edward Joseph Perkins, a career member of the Senior Foreign Service, Class of Career Minister, to be Director General of the Foreign Service at the Department of State. He would succeed George Southall Vest.

Since 1986 Ambassador Perkins has served as Ambassador to the Republic of South Africa. Prior to this he served as Ambassador to the Republic of Liberia, 1985 - 1986. He was Director of the Office of West African Affairs in the Bureau of African Affairs at the Department of State, 1983 - 1985; deputy chief of mission for the U.S. Embassy in Monrovia, Liberia, 1981 - 1983; counselor for political affairs in Accra, Ghana, 1978 - 1981; and management analysis officer for the Office of Management Operations at the Department of State, 1975 - 1978. He was administrative officer for the Bureau of Near Eastern and South Asian Affairs, 1974 - 1975; personnel officer in the Office of the Director General, 1972 - 1974; and deputy assistant director for management of the U.S. Operations Mission in Thailand, 1970 - 1972.

Ambassador Perkins served in the U.S. Army for 3 years and the U.S. Marine Corps for 4 years. He graduated from the University of Maryland (B.A., 1967) and the University of Southern California (M.P.A., 1972; D.P.A., 1978). He is married and has two children.

Remarks Upon Departure for Europe

May 26, 1989

Well, I depart for Europe this morning to meet with all our North Atlantic allies and also to pay visits to Italy, Germany, and the United Kingdom for discussions with leaders of those alliance nations on issues of common interest. I'm especially pleased that my first visit to Europe as President is to celebrate the 40th anniversary of NATO. America is a proud partner in the Atlantic alliance, and American interests have been well served by the alliance.

Twice in the first half of this century Europe was the scene of world war, and twice Americans fought in Europe for the sake of peace and freedom. Today Europe is enjoying a period of unparalleled prosperity and uninterrupted peace, longer than it has known in the modern age, and NATO has made the difference. And the alliance will prove every bit as important to American and European security in the decade ahead. The importance of the alliance and its democratic underpinnings is the message I now take to Europe. NATO has been a success by any measure, but success breeds its own challenges. Today dramatic changes are taking place in Europe, both East and West. For us, those changes bring new challenges and unparalleled opportunities.

For too long, unnatural and inhuman barriers have divided the East from the West. And we hope to overcome that division, to see a Europe that is truly free, united, and at peace. We are ready to work with a united Europe, to extend the peace and prosperity we enjoy to other parts of the world. And we hope to move beyond containment: to integrate the Soviet Union into the community of nations. We welcome the political and economic liberalization that has taken place so far in the Soviet Union and in some countries of Eastern Europe. We will encourage more changes to follow.

Many common concerns confront us. Beyond the traditional economic and security spheres, we and our partners in the alliance are working hard on a growing international agenda, from a common approach to environmental protection to cooperation against drug trafficking and against terrorism. We also welcome Europe's progress towards a truly common market and a growing European cooperation on security issues as the basis of an even more dynamic transatlantic partnership. As we approach 1992, it is essential that we work with our European partners to ensure an open and expanding world trading system, and that we take strong steps to prevent trade disputes from obscuring our common political and security concerns. NATO is based on the many bonds between us: our shared heritage, history, and culture; our shared commitment to freedom, democracy, and the rights of the individual. Barbara and I are looking forward to visiting Europe.

Thank you all very much.

Note: The President spoke at 7:07 a.m. on the tarmac at Andrews Air Force Base in Camp Springs, MD.

Statement on United States Action Against Foreign Trade Barriers

May 26, 1989

Today the United States Trade Representative [Carla A. Hills] will submit to the Congress a report concerning actions to be taken under the so-called Super 301 provisions of the Omnibus Trade and Competitiveness Act of 1988. Those provisions provide that priority practices and countries shall be identified for the self-initiation of investigations under section 301.

I have discussed this matter extensively with Ambassador Hills and the other members of the Economic Policy Council. We agreed that the Super 301 provisions should be used (1) as a tool to open foreign markets and (2) in support of the objectives of the United States in the ongoing Uruguay round of trade negotiations of the General Agreement on Tariffs and Trade. This approach is designed to be consistent with the intent of Congress in drafting the legislation.

The list below indicates the specific priority practices and countries that can most effectively be the subjects of investigations under section 301. The priority practices are grouped under headings that correspond to major types of trade barriers and distortions the United States is working to eliminate in the Uruguay round. The priority countries have been selected on the basis of the number and pervasiveness of significant barriers to U.S.

(TABLE START)exports.

Super 301 Priority Practices and Countries

@h1

@h1

Quantitative restrictions/import licensing

1. Licensing of agricultural and

manufactured products .... Brazil

Government procurement

2. Satellites .... Japan

3. Supercomputers .... Japan

Standards

4. Forest products .... Japan

Services

5. Insurance .... India

Investment

6. Investment restrictions .... India

(TABLE END)

A satisfactory resolution of the above issues will significantly advance the objectives of U.S. trade policy. Our goal is to open markets and to eliminate trade barriers. We oppose protectionism in any and all forms. Therefore, I urge the Governments of Japan, India, and Brazil to work constructively with us to resolve these issues expeditiously. The process of investigating and negotiating with priority countries on each of the priority practices will begin by June 16.

We also considered carefully a large number of practices that are not listed. In several cases, we decided that we could best pursue remedying these practices multilaterally in the GATT or in the Uruguay round of trade negotiations. Two examples are EC airbus subsidies and Japanese rice quotas.

The Uruguay round of the GATT continues to be the centerpiece of our trade strategy. While the lack of effective multilateral rules and enforcement mechanisms has forced us to resort to section 301, we look forward to the day when such actions will be unnecessary.

Finally, I want to announce today a separate administration initiative with Japan. I have directed the Secretaries of State and Treasury and the U.S. Trade Representative to form a high-level committee to include Commerce, Labor, and other interested agencies to propose negotiations with Japan on structural adjustment matters. Such matters include structural impediments to trade, balance-of-payments adjustment, and such issues as bid-rigging, market allocation, and group boycotts. These negotiations would initially focus on major structural barriers to imports, such as rigidity in the distribution system and pricing mechanisms. The negotiations sought by the United States in this Structural Impediments Initiative will address broader issues and will

take place outside section 301, which appropriately deals with the investigation and resolution of particular unfair trade practices.

Remarks at the Welcoming Ceremony in Rome

May 26, 1989

Well, let me begin by thanking all of you and my personal friend, my good friend, Prime Minister De Mita, for welcoming us to Italy at this late hour. Since ancient times, the saying goes, ``All roads lead to Rome,'' and that's still true. And it is very fitting that here I begin my first step on this first trip to Europe as President of the United States. Italy has long been a wellspring of Western culture and Western values, fostering the alliance and a more unified Europe. I hope that our visit to Rome will demonstrate just how strongly the United States respects and appreciates Italy's role as a staunch ally and as a constant friend.

When our common security has been threatened, you have been ready to strengthen the alliance. And when Europe appeared ready to loosen the ties that sustained it, you kept these important transatlantic ties alive and strong. And when conflict has threatened, you have been in the front ranks of those searching for solutions. The bond between the United States and Italy runs deep. It's a bond of family, of culture, of shared interests and common vision. The world around us is changing, but we can be sure that our friendship will endure.

Mr. Prime Minister, when we last met, we talked of new developments around the world: of change in the East, of new opportunities for arms reduction, of the growing unity of Europe. And in recent weeks, I've spoken of America's vision for world peace. I have said that we are prepared to move beyond containment, toward policy that works to bring the Soviet Union into the community of nations. We will be actively engaged in Eastern Europe, promoting measures to encourage political and economic liberalization in Poland. The United States welcomes a stronger and more united Europe. We believe, as I know you do, that European unity and the transatlantic partnership reinforce each other.

Over the next 2 days, we'll have the opportunity to engage in renewed dialog, as partners, certainly as friends. And I hope that our conversations are shaped by our shared expectations for the future and by our determination to see our future succeed. I am delighted to be back in Rome. Thank you again for this warm welcome.

Note: The President spoke at 10:27 p.m. on the tarmac at Ciampino Airport.

Remarks Following an Audience With Pope John Paul II in Vatican City

May 27, 1989

His Holiness. Mr. President, your visit this evening represents the latest of many contacts between the United States of America and the Holy See. A number of your predecessors and many other illustrious Americans have been welcomed here before you. Our meeting offers me the opportunity to reciprocate the much-appreciated hospitality that I received in your country and to recall the kind, personal attention that as Vice President you showed me as I left Detroit in September 1987, the year of the bicentennial of your Constitution.

Our encounter this time has also a special historical context, coming as it does in a year that now commemorates the 200th anniversary of your first Congress under the Constitution and, likewise, the 200th anniversary of the establishment at Baltimore of the first Catholic diocese in your land. For the Holy See, this is an occasion to express again its esteem for all the American people and for two centuries of that ethnic and fraternal experience in history called the United States of America.

Thirteen years ago, your country celebrated another historical bicentennial connected with your Declaration of Independence. It was then that my predecessor, Paul VI, spoke words that are applicable once again and that merit new attention. ``At every turn," he said, ``your bicentennial speaks to you of moral principles, religious convictions, unalienable rights given by the Creator." We honestly hope that this commemoration of your bicentennial will constitute a rededication to those sound moral principles formulated by your Founding Fathers and enshrined forever in your history.

It is America's dedication to the great heritage that is hers, to those values of the spirit, a number of which you alluded to earlier this year in your Inaugural Address, that offers hope and confidence to those who look to her with friendship and esteem. In that inaugural address, Mr. President, you made reference to power as existing to help people, to serve people. This is true at different levels, including power at the political and economic level. We see this, too, at the level of each community, with its power of fraternal love and concern. In all these areas, an immense challenge opens up before the United States in this third century of her nationhood. Her mission as a people engaged in good works and committed to serving others has horizons the length of your nation and far beyond -- as far as humanity extends.

Today the interdependence of humanity is being reaffirmed and recognized through world events. The moral and social attitudes that must constitute a response to this interdependence is found in worldwide solidarity. In treating this question in a recent encyclical, I have stated that solidarity is not a feeling of vague compassion or shallow distress at the misfortunes of so many people both near and far. On the contrary, it is a firm and persevering determination to commit

oneself to the common good; that is to say, to the good of all and of each individual, because we are all really responsible for all. Truly, the hour of international interdependence has struck. What is at stake is the common good of humanity.

Mr. President, I know how deeply committed you are to the efforts being made to liberate the youth of America from the destructive forces of drug abuse and to alleviate poverty at home and abroad. Material poverty and drug abuse, however, are only symptoms of a deeper moral crisis eating away at the very texture of society in almost every part of the world. All men and women of good will are called to take up the challenge and assume their responsibilities before the human family to address this crisis and to counteract the spiritual poverty that lies at the base of so much of human suffering.

By reason of her history, her resources, her creativity, but above all by reason of the moral principles and spiritual values espoused by her Founding Fathers and institutionally bequeathed to all her citizens, America truly has the possibility of an effective response to the challenges of the present hour: justice for all her citizens; peaceful relations beyond her borders; international solidarity; and in particular, a worldwide solidarity in the course of life, in the course of every human person.

Leaving Detroit and in saying goodbye to America in 1987, I expressed these thoughts: Every human person, no matter how vulnerable or helpless, no matter how useful or productive for society, is a being of inestimable worth, created in the image and likeness of God. This is the dignity of America, the reason she exists, the condition for her survival; yes, the ultimate test of her greatness: to respect every human person, especially the weakest and most defenseless ones, those as yet unborn.

Mr. President, may God bless America and make her strong in her defense of human dignity and in her service to the Almighty.

The President. Your Holiness, Mrs. Bush and I are deeply honored to meet with you once again. Late in 1987 -- as you said, it was in Detroit, at the close of your second pastoral visit to our country, I had the honor, the privilege, of thanking you on behalf of my fellow citizens for the insightful message that you brought to our shores. And you inspired us, and you challenged us. And this evening, during our private discussion, I've benefited once again from your wise counsel.

When I became President, I did say in my inaugural speech that a new breeze is blowing. And there is no doubt we are witness to dynamic changes in much of the world, changes that move toward greater freedom and basic human rights. In your New Year's greeting to the Vatican diplomatic corps, representing over 100 nations, you stressed the fundamental importance of religious freedom. And when people are free to worship God, they prepare a ground in which a commitment to all human rights can grow strong. Religious freedom is a right that governments

must protect, not threaten.

The United States also shares the Holy See's concern for world peace. While we're still far from realizing the biblical injunction to turn our swords into plowshares, we've made progress in reducing armaments and in decreasing the threat of war. And that progress must continue, and it will continue. Fortunately, in Europe our efforts to maintain peace have been successful. And as we look around the world, we're pleased to see that tensions have been reduced in parts of southern Africa and Asia. We're working hard to help bring peace and greater freedom to Central America.

We've heard your eloquent appeals for an end to the violence in Lebanon. And my heart, too, aches for the people of that once peaceful land. And I can assure you that we will continue to do everything we can to help bring peace and to help restore Lebanon's unity, sovereignty, and territorial integrity, with the disbanding of militias and the withdrawal of all foreign forces.

Your Holiness has said several times that peace is more than an absence of war, and we agree. History teaches us that there is no true, lasting peace until human rights are recognized and people are free to develop their full potential. Your Holiness, this spring, in the land of your birth, a historic roundtable agreement was reached which opened the paths to greater freedom and opportunity. That accord is a tribute to the spirit of the Polish people, as well as to the determination of the Polish Church and, indeed, the Holy See. And just this month, due in large part to your leadership, the Church was legalized in Poland. This triumph represents the first full normalization of church-state relations in any Communist state, and it is a tribute to your enduring commitment to freedom.

As you know, I recently announced a package of financial measures that signal our active engagement in encouraging economic and political reform in Poland and elsewhere in Eastern Europe. We hope these programs will help the Polish people achieve the economic recovery and political participation they so rightly deserve.

Your Holiness, I am grateful for this opportunity to visit with you, to share in your wisdom. And I assure you of our intent to work ever more fervently for peace, justice, and freedom throughout the world. On behalf of all of us, thank you very much.

Note: His Holiness Pope John Paul II spoke at 7:10 p.m. in the Papal Library.

Remarks to Students at the American Seminary in Vatican City

May 27, 1989

What a neat welcome, thank you. [Applause] I've got to go to supper, come on here. [Applause] What a wonderful welcome. You remember the old American expression, often said of a group or an individual, ``He hasn't got a prayer.'' Well -- [laughter] -- I am delighted to meet an audience about whom that will never be said. [Laughter] What a wonderful, wonderful welcome!

I'll just say a couple of things. Barbara and I want to thank you for this warm welcome, this touch of America to our European tour -- and we're touched. When I heard from my friend, Frank Shakespeare, our Ambassador, how many would be here, I was surprised and touched.

As you know, I've just had an audience with His Holiness Pope John Paul II. He was so generous with his time and so generous with his thinking and imparted to me once again his views on world peace and his views on how perhaps we can all work together to help in that regard. He has devoted his whole life to serving God, and the things that we focused on in this meeting were broad questions of peace and freedom and justice as they apply, or might be applied, all around the world. So, it's a talk that I'll long remember. I leave once again inspired by his moral and spiritual leadership, and I know that that same leadership inspires everyone here -- all of you, certainly -- as well as has your faith, I might say, in an Almighty through whom all things are possible.

I wish you well. I'd like -- lest you don't recognize him -- to introduce not all of my colleagues but our distinguished Secretary of State, my friend Jim Baker over here. Next to him is my Chief of Staff, Governor John Sununu. And then next to him is General Brent Scowcroft, my national security adviser. I'm sure most of you recognize our Ambassador to the Vatican, Frank Shakespeare, and his daughter with him.

Bless you all. Thank you for this warm, warm welcome.

[At this point, the seminarians spontaneously sang ``God Bless America.'']

Bless you all, thank you for this warm, warm welcome. And it makes me determined to leave here, inspired as I am, redouble our efforts in every way possible for world peace, for strength, for the family, for freedom of religion, and all the things that everybody here believes in. Thank you for such a warm, cordial welcome. I can't tell you how good it makes me feel.

Note: The President spoke at 7:18 p.m. in the Sala Clementina at the Vatican.

Toast at a Dinner Hosted by Prime Minister Ciriaco De Mita in Rome

May 27, 1989

Mr. Prime Minister and leaders of the legislative branch, distinguished guests, it's a very great honor for me to be welcomed in such a warm and generous way by the Italian people and their government. You know, Barbara and I have been to this marvelous country, this beautiful country, many times; and as always, we've been received with kindness and generosity. This trip is my first visit to Europe as President of the United States. And I think of no place that is better to begin than right here in Italy and to be right here in Rome.

Mr. Prime Minister, it is traditional when visiting Italy for American leaders to note the millions of our citizens who claim an Italian background, so I will brag -- now 12 million and rising. And among the many Italian-Americans, there are Fiorello La Guardia -- some old enough to remember -- Joe DiMaggio in sports; Tony Fauci, now at the National Institutes of Health; and of course, our Supreme Court Justice Antonin Scalia. And Italian-Americans are one link that binds the United States and Italy -- but only one. For we are united by our belief in individual liberty, human dignity, and the rule of law, and by the shared values of family, faith, and work.

We also admire your country's record of success in combating terrorism and organized crime. And I'm especially grateful for your help in stopping the scourge of narcotics, which torments both our nations. We're going to continue our intense cooperative efforts to fight terrorism and narcotics and to protect air travelers. And just as this cooperative effort brings our peoples even closer together and helps to strengthen our already excellent bilateral relations, so, too, will the action that I'm pleased to announce tonight.

After studying ways to relax U.S. visa requirements, we will soon begin a pilot program to end these requirements for your citizens. In the future, Italians who wish to visit our country, whether as tourists or on business, will no longer need to apply for visas; and we look forward to that day.

But along with our domestic initiatives, I think, too, of the strong military ties between our two countries and within the Atlantic alliance, the most enduring alliance in the history of man. And to protect that alliance and the shared commitment to freedom which underlies it is our continuing mission not merely as Americans or Italians but as believers in democracy. Of this, I am certain: We will do our part, and I know Italy will do its part.

For when our common security has been in danger, you have stood ready to defend the alliance. And when the need arose for NATO to relocate that 401st Tactical Fighter Wing within southern Europe, Italy welcomed it. And when strategic interests were at risk in the Persian Gulf and in

Lebanon, Italy sent ships and peacekeeping forces. And when NATO confronted widespread Soviet deployment of these multiple-warhead SS - 20 missiles, Italy stood tall in response. And at times when Europe seemed ready to turn inward, you have reinforced our transatlantic ties. And for that, Mr. Prime Minister, Italy has our gratitude and our profound respect. So, together, let us reaffirm the ties that bind us, and let's continue to build peace and the commonwealth of free nations not for ourselves but also for our children -- the kind of peace and freedom which lasts.

And in that spirit, Mr. Prime Minister, I ask all of our guests tonight to rise and raise their glasses. To Italian-American friendship, our transatlantic heritage, and to the Western alliance and the shared values of freedom and democracy that have made that alliance strong, and to your health, Mr. Prime Minister, and the peace and prosperity of your great country.

Note: The President spoke at 9:20 p.m. in the dining room at Villa Madama.

White House Fact Sheet on the Nonimmigrant Visa Waiver Pilot Program

May 27, 1989

The Nonimmigrant Visa Waiver Pilot Program (NVWPP) is a 3-year test program mandated by law (section 313 of the Immigration Reform and Control Act of 1986) to waive, under certain conditions, temporary visitor visas. The administration must report back to Congress on the pilot program in the summer of 1990.

The countries are selected by the Secretary of State and the Attorney General. They are countries with the highest volume of nonimmigrant visa issuance and which offer reciprocal treatment of American citizen travelers. The purpose of the program is to promote tourism and reduce visa processing costs.

The program was instituted in the United Kingdom and Japan in 1988. Italy is the third country to qualify for the program. Under the program, nationals of these countries, during the duration of the pilot program, will not be required to obtain visas to visit the United States for up to 90 days for tourism and business.

We will work with the countries that participate in the program to ensure the safety of air travelers and to thwart terrorism and drug trafficking.

Remarks at a Memorial Day Ceremony in Nettuno, Italy

May 28, 1989

Mr. Prime Minister, thank you for honoring us today at this service. We gather today to mark Memorial Day in America, to honor the thousands of young men and women buried here and elsewhere who put themselves in harm's way so that others might live in freedom.

As we gather, it's dawn in America, Memorial Day weekend, the first days of summer. And soon, the screen doors will slam; parks are going to sound with the crack of the baseball bat; children's voices will rise in the summer breeze pungent with the scent of barbecue smoke. And the rites of summer are marked by American tradition. As morning comes to Indianapolis, the smells of coffee and gasoline will mingle in the heat rising off that sun-baked raceway. And further west, there's going to be another race, as the blast of a ship's whistle sends the riverboats Huck Finn and Tom Sawyer steaming down the Mississippi off the docks of St. Louis.

Memorial Day weekend -- by the time today's ceremony concludes, the first rays of sunlight will streak across the Potomac, flashing first atop the monument to the founder of our Republic, then reaching down to touch the silent rows of white markers on the green Virginia hillside that is Arlington Cemetery. And soon the gathering light will reveal a lone figure, a man in uniform, standing guard at the Tomb of the Unknown Soldier, a round-the-clock vigil unbroken in more than 50 years. Another moment and the dawn will flood the park that lays beneath the gaze of Lincoln, embracing the candles that flicker each night along the walls of the Vietnam Memorial. And soon the plaintive sound of taps will rise in the wind in cities and hamlets all across America, heard by veterans of four wars as they gather to salute the fallen. In town after town, the ritual at sunrise will be the same, as first the flag is raised, then slowly lowered to half-mast.

The thoughts of some will turn eastward toward the Sun, across the ocean, across four decades, to this grassy plain above the shores of the Mediterranean, where 45 years ago, the U.S. 3d Infantry Division, among the most decorated in World War II, led the bloody advance toward the liberation of Rome. And on that Memorial Day weekend, 1944, I wasn't yet 20 years old, flying torpedo bombers off the U.S.S. San Jacinto on the other side of the world, as she headed from Wake Island to Saipan. But like Americans everywhere, the men aboard our ship had eagerly followed the news of the Italian campaign.

And during 4 long months of 1944, the combatants of World War II were locked near Nettuno in a deadly embrace. But before the week was out, the face of the world's greatest conflict would be changed and the fate of the enemy sealed. On June 4th, American troops entered Rome, the streets lined by cheering Italians, and by midnight General Mark Clark's 5th Army stood on the banks of the Tiber. And the word went out to a waiting America: For the first time since the landings at Salerno in September of 1943, the enemy was in full retreat. It was the beginning of the end. And 2 days later a new front opened with D-day, the Normandy landing.

The fight to liberate Italy was as fierce and heroic as any seen in the war. The dangers to each adversary -- the danger was such that the outcome of the war itself seemed to hang at that moment on the valor and vigor of each man who struggled near the water's edge. One such soldier was Sergeant Sylvester Antolak, an Ohio farmboy, the youngest son of Polish immigrants. On a drizzly morning some 45 years ago this week, he led Sergeant Audie Murphy and others in a bold charge through the rain and the ruin near Cisterna, one man against a machinegun nest that blocked the road to Rome. And three times he was cut down by fire; three times he got back up, tucking his gun under his shattered arm. And by the time he disabled the gunners, 10 enemy soldiers surrendered to this man whom their bullets could not stop.

Sergeant Antolak fell near Cisterna that same day. He rests here beneath the pines of Nettuno with nearly 8,000 soldiers, his grave one of two marked with our Congressional Medal of Honor. Joined by the names of another 3,000 missing etched in the white marble of the chapel, they come from every American State from Texas to Maine, Alaska to Florida, New York to California. And these white crosses and Stars of David ring the world -- across the battlefields of Europe and the jungles of Asia, the deserts of North Africa and the hillsides of our homeland -- in silent tribute to America's battles for freedom in this century.

It was with the memory of the sacrifices of the American, British, and French soldiers who fell during the campaign to liberate Italy and the sacrifices of millions of other Europeans and Americans in the cause of freedom fresh in mind that NATO was created after the war.

As I reflect on this scene and anticipate the dynamic and forward-looking Europe of the 1990's, I think of generations of young people on both sides of the Atlantic who have grown up in peace and prosperity. With no experience in the horror and destruction of war, it might be difficult for them to understand why we need to keep a strong military deterrent to prevent war, and to preserve freedom and democracy. The answer is here, among the quiet of the graves.

The cost of maintaining freedom is brought home to us all when tragedy strikes, as it did last month aboard the U.S.S. Iowa. The loss of those fine sailors, the tears of their families and the loved ones, remind all of us of the risk and sacrifice in human terms that security sometimes demands. And let me add how impressive were the many expressions of sympathy that I received from leaders around the world, and particularly by the eloquent words of Italy's distinguished President, President Cossiga, as he shared the sorrow of our loss.

Sergeant Antolak also understood the cost of freedom. Today in his hometown of St. Clairsville, Ohio, population 6,000, the townspeople will gather by the local courthouse to dedicate a white granite memorial to the county's Medal of Honor winners. George and Stanley Antolak will be there to remember their brother -- their hero and ours. It's the kind of scene that will be repeated today and tomorrow in parks and churchyards all across America.

A bit north of Mark Twain's Hannibal, just up the Mississippi from that steamboat race I

mentioned, lies the town of Quincy, Illinois. When World War II came, Quincy offered up her sons in service. Three brothers: Donald, Preston, and William Kaspervik joined the Army Air Corps. And their story is a common one, and yet uncommon in the way of all those who answered the call to serve.

The first brother, Donald, was killed when the two bombers collided on maneuvers in New Mexico, and their mother grieved. Preston, the second brother, died just south of here in Sicily shortly after Patton's successful invasion. And their mother was overcome once again. And 10 days later, the third brother, William, went down during a dangerous bombing mission over the mountains of central Italy. On the day of his death, his mother received a letter from him urging her not to worry. When the third telegram came, she couldn't bring herself to go to the door. William and Preston Kaspervik are buried here in soil that they helped free. Brothers in life, brothers in arms, brothers in eternity.

Their mother died 20 years ago, but back home in Quincy, the extraordinary sacrifice of this ordinary American family is still remembered. And today, as they do every year, the VFW and the American Legion will honor Quincy's fallen natives with a hometown parade down Main Street, high above the banks of the Mississippi.

As we gather today, it is dawn in America, Memorial Day weekend. And as the Sun rises and the summer begins, the images both here and at home are of countries that are prosperous and secure, countries confident of their place in the world and aware of the responsibility that comes with that place. Soon that lone soldier at Arlington will resume his paces, 21 steps in each direction, the changing of the guard precisely on the half hour. And at Gettysburg, the schoolchildren will scatter flowers on other unknown graves, blue and gray, side-by-side, Americans.

On Memorial Day, we give thanks for the blessings of freedom and peace and for the generations of Americans who have won them for us. We also pray for the same strength and moral reserve demonstrated by these veterans, as well as for the true and lasting peace found in a world where liberty and justice prevail.

And with that prayer, I ask that you join in your own silent prayers as we place a wreath to commemorate the sacrifice of those buried here at Nettuno and the sacrifice of all men and women who have given their lives for freedom. Thank you very much.

Note: The President spoke at 10:41 a.m. at the Sicily-Rome American Cemetery.

Remarks to the American Embassy Employees and Their Families in Rome

May 28, 1989

Thank you, Mr. Secretary, and thank all of you for that warm Memorial Day weekend welcome. First, to Ambassador Rabb and Ruth, let me simply add our profound thanks for a job well done. I'll tell you, you stay around Max for about 24 hours, and that exhausting energy level is something. And it all has been steered into improving relations -- this energy of his -- improving relations between Italy and the United States.

And yesterday, when I met with the Italian leaders, I told them I don't believe this bilateral relationship has ever been stronger. And I think a large bit of the credit for that goes to our able Ambassador and his wife. And then I'd have to add to every single one of you that works here in the United States Embassy: Thank you for a job superbly done!

I will say just a word about our new Ambassador, Pete Secchia, a good friend of both the Secretary's and mine. He'll do a good job -- energetic. He knows what he doesn't know. He knows he's going to have to learn a lot from the staff here, but you're going to like him, and I'm convinced the Italians will, as well. I believe the Senate will act promptly on that nomination. And he and his Joan -- that Jim Baker and I know very well -- will be along; but what remarkably big shoes they have to fill.

Thanks, in large measure, to your efforts -- I agree with Max -- this visit has gone well. I saw Barbara Watson, who is the admin officer of the United States Embassy. And I looked at her very carefully before I went over and shook hands. And I wanted to see if she looked in a high state of irritation -- [laughter] -- or if she looked perfectly normal. And I would say this -- I saw her -- it wasn't that she looked on edge at all. [Laughter] But I told her that we would leave on time, and she smiled from ear to ear and was very gracious. [Laughter] And I say all that because I have been on the receiving end -- when I served in China -- the receiving end of a visit from a President of the United States, and I know what it's like: a pluperfect pain. [Laughter]

No, she was very pleasant about it. And it gives me the occasion to thank all of you -- the admin and the security and the political side of the Embassy and commercial or military, whatever -- for the superb cooperation. Our people tell me they've never seen a more cooperative effort, and I think it has shown through in the way this visit has gone. And I might say, parenthetically, my thanks to the members of the U.S. Navy for providing us that wonderful music here on this very celebratory day.

Now, we've had good talks here -- substantive talks with President Cossiga and then, of course, with the Prime Minister, the Foreign Minister. We had a gala evening last night and then -- I

agree with the objective side of what Max said about the ceremony at Nettuno. Oh, I'm sure most of you all have been there. And if you haven't, you've got to see it. You've got to see that tribute to those who gave their lives fighting for our country, fighting for freedom. It was very, very moving for Barbara and me. And I expect any American who goes and takes a look at that beautiful cemetery will have that with them for the rest of their lives. And so, I want to thank those who handle that end of our visit, those who serve to keep up that beautiful memorial to our fallen brothers.

I know, as I say, that this has been a complicated event. And now, as you know, we go on from here to NATO, to the meeting there that is very, very important for the alliance. I happen to believe this alliance has never been stronger. And I salute my immediate predecessor, President Reagan, for his role in guaranteeing the strength of the alliance.

So, we go there in a time of great optimism, a time when our values, worldwide, are winning -- the values of freedom and democracy and all the things that we believe in and things these kids learn about in school every single day and get from their families. So, it's an optimistic time for the alliance. And it's a great time for the United States of America.

I look forward to that part of it. But there was something more than symbolic about Italy being my first stop, because I think it signals to the Italian people how important we view not only their participation in NATO and their willingness to undertake complicated NATO assignments but the strength of our bilateral relationship that so many of you have worked many years to encourage and to strengthen. So, I'm grateful again for that. And please make no mistake: When we chose Italy, we did it very, very carefully. And we came here to symbolize exactly this: the strength of the friendship between our two peoples.

Now, thank you all very much. What I really want to do -- and I don't know that we can talk these kids into it -- but what I really want to do is see if we can get the kids -- and to be a kid, you've got to be -- [laughter] -- you guys are out -- you've got to be, what, about 15, to come so we can have a group picture taken up here. And if anybody feels offended, we've got to do that. But in the meantime, let me end this way -- because this is a marvelous Memorial Day weekend -- and let me simply say thank you, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 2:30 p.m. at the U.S. Ambassador's residence. He was introduced by Secretary of State James A. Baker III. In his opening remarks, the President referred to Ambassador Maxwell M. Rabb, Mrs. Ruth Rabb, and Ambassador-designate Peter F. Secchia. Following his remarks, the President traveled to Brussels.

Remarks Upon Arrival at the North Atlantic Treaty Organization Summit Meeting in Brussels

May 28, 1989

Mr. Prime Minister, it is really a pleasure to be back once again in Brussels. And I'm especially pleased that my first visit as President of the United States comes as the nations of NATO celebrate 40 years of alliance and the longest period of peace and freedom that Europe has known in the modern age.

Americans and Belgians share the memories of war and hard-won peace in this century. Flanders, the battle of Ardennes, Bastogne -- those names are part of our history as well as your own, part of our shared heritage of freedom and the sacrifices it requires. Belgium, no stranger to conquest and division, recognized from the first the importance of alliance in the postwar world. And today, as permanent home to NATO and the European Community, Brussels stands at the center of a Europe free, at peace, and prosperous as never before, a Europe that is steadily moving toward the single market and unprecedented political and economic opportunities. In Brussels, the signs of this European renaissance are everywhere.

Belgium has been a good friend and a valued ally, one that has always acted with alliance interests in mind. Early in this decade, Belgium was one of five NATO nations that made the difficult decision to base INF systems on its own soil. And those deployments gave us the leverage that we needed to negotiate the first-ever nuclear arms reduction treaty; indeed, one that banned an entire generation of nuclear weapons. That's the kind of courageous and realistic approach that explains NATO's success. NATO is at once ready to ensure the common defense and to reduce arms and seek to diminish tensions with the East.

As I've said a number of times, we seek to move to a policy beyond containment. We want to see an end to the division of Europe, and we want to see it ended on the basis of Western values. We will join Western European nations in encouraging the process of change in the Soviet Union, pointing to the day when the Soviet Union will be welcomed as a constructive participant in the community of free nations.

I'm looking forward to important discussions with the King of the Belgians, King Baudouin, and the NATO heads of government. I look forward, as well, to my meeting with Prime Minister Martens, my friend, my discussions also with Mr. Delors of the European Community, and Secretary-General Woerner at NATO.

The future of NATO depends on the alliance's ability to deal with our enduring security concerns and our evolving economic relationship. We look to Belgium to continue to play its important role in our close and cooperative transatlantic partnership. I am delighted to be back,

and thank you, Mr. Prime Minister, for this warm welcome.

Note: The President spoke at 6:07 p.m. on the tarmac at Brussels International Airport. In his remarks, he referred to Jacques Delors, President of the European Communities Commission.

Remarks Announcing a Conventional Arms Control Initiative and a Question-and-Answer Session With Reporters in Brussels

May 29, 1989

The President. I'll have a brief statement before taking some questions. This morning I met with the other NATO leaders and shared with them my views on the role of the North Atlantic alliance in a changing Europe. NATO, we all agree, is one of the great success stories, and it's guaranteed the peace in Europe, provided a shield for 40 years for freedom and prosperity. And now our alliance faces new challenges at a time of historic transition as we seek to overcome the division of Europe.

I call it ``beyond containment,'' and today I'm proposing a major initiative to help move us toward that momentous objective. If it were accepted, it would be a revolutionary conventional arms control agreement. I believe the alliance should act decisively now to take advantage of this extraordinary opportunity, and I urge that NATO adopt a 4-point proposal to bring the Vienna negotiations to a speedy conclusion.

First, lock in Eastern acceptance of the proposed Western ceilings on each side's holdings of tanks and armored troop carriers. Additionally, we would seek agreement on a similar ceiling for artillery, provided there's some definitional questions that have to be resolved there. But all of the equipment reduced would be destroyed.

We would then, number two, expand our current NATO proposal so that each side would reduce to 15 percent below current NATO levels in two additional categories: Attack and assault, or transport helicopters and all land-based combat aircraft. All of the equipment reduced would be destroyed.

And third, propose a 20-percent cut in combat manpower in United States-stationed forces and a resulting ceiling in U.S. and Soviet ground and air forces stationed outside of national territory in the Atlantic-to-the-Urals zone at approximately 275,000 each. This manpower ceiling will require the Soviets to reduce their forces in Eastern Europe by about 325,000 people. Withdrawn soldiers and airmen on both sides would be demobilized.

And then, fourthly, accelerate the timetable for reaching a CFE [conventional armed forces in Europe] agreement along these lines and implementing the required reductions. I believe that it should be possible to reach such agreement in 6 months or maybe a year and to accomplish the reductions by 1992 or 1993.

Now, if the Soviet Union accepts this fair offer, the results would dramatically increase stability

on the Continent and transform the military map of Europe. We can and must begin now to set out a new vision for Europe at the end of this century. This is a noble mission that I believe the alliance should be ready to undertake. And I have no doubt that we are up to the task.

And incidentally, in addition to these arms control proposals, I mentioned in there that we are prepared to change our no-exceptions policy on trade. And I called again for a ban on chemical weapons. And I would reiterate my support for our open-skies proposal, and in the meeting it was discussed by the Prime Minister of Canada.

Helen [Helen Thomas, United Press International]?

Q. Mr. President, does this revolutionary plan signal the end of the Cold War?

The President. Well, I don't know what it signals, except it signals a willingness on our part to really put Mr. Gorbachev to the test now. And so, I don't like to dwell in antiquated history. But I do like to get the idea that we are out front as an alliance -- because this has broad alliance support -- in challenging Mr. Gorbachev to move forward now more quickly on the most destabilizing part of the military balance, and that is on conventional forces.

Q. Well, were you pressured by him and the allies?

The President. No, I think I said when I first came in we were going to take our time and we were going to study and we're going to think it out, and we did exactly that. And you know and I know that some voices were raised in Congress that we were going too slow. But we knew exactly what we were doing all along, and we've now said: ``This is what we suggest, and this is the way we plan to lead the alliance and lead the free world."

Q. Mr. President, why is it possible to make such drastic cuts in conventional weapons and not move on nuclear aircraft -- nuclear ground-based short-range missiles, which seems to disturb the Germans and really a majority of the alliance?

The President. Because the conventional forces, the existing imbalance, is so great that that is the most urgent problem and the most destabilizing.

Q. Following up on that question: If the Soviets accept this proposal, would that enable us to talk about reducing or eliminating short-range forces?

The President. After agreement was reached and after there was some implementation, yes. We are not unwilling to negotiate on SNF.

Q. What was the reaction of the NATO leaders this morning when you told them? Did you consult with all the allies before you put it on the table?

The President. We had widespread -- and I would think everyone was consulted. I know we had widespread consultation and -- --

Secretary Baker. The answer is yes.

The President. The answer is yes to all NATO members, and -- it's been done over the last few days.

Q. What did they tell you about it? Why did they find it appealing?

The President. Well, I'll leave it to them to wax euphoric. But I'll tell you, I was very, very pleased with the response in the meeting just concluded.

Q. Mr. President, can you ever see a time when you might not have nuclear forces in Europe?

The President. No.

Q. Never?

Q. Mr. President, is there any indication -- --

The President. We need the concept of flexible response, and I can't in the foreseeable future see us getting away from that.

Q. Is there any indication that this disagreement with the West Germans over the SNF issue will be resolved here at the NATO summit?

The President. Well, I'm not really at liberty to go into too much on that, because right now we put together a working group to try to work out some resolution. But you see, this bold proposal -- in terms of conventional forces -- should give those who have had difficulty with our position on SNF a chance to regroup and rethink and give them a little leeway that they haven't had heretofore.

Q. Do you expect early negotiation by the Secretary of State with Mr. Shevardnadze or Mr. Gorbachev on this proposal, Mr. President?

The President. The sooner the better.

Q. There's been some criticism in Congress, as you mentioned, about that you have been too cautious in approaching the Soviet Union. Was that sentiment expressed today by anyone, and

how did they -- was there any mention of how the West should respond to Gorbachev?

The President. No, it wasn't mentioned by anyone in there. And generally, when it was -- your question about how to respond to Gorbachev -- without putting words into the mouths of various participants, there was enthusiastic endorsement. Now, I can't speak for everybody, but for those who have intervened so far.

Q. Mr. Bush, have you ``costed out'' this proposal? And did the budgetary constraints play any part in your decision to try to -- --

The President. No, the budgetary constraints didn't, and I haven't seen a full cost analysis. Some of this would be quite expensive for us, short-run -- the pulling people out. But we did check militarily; I did not want to propose something that was militarily unsound. And our top military people are for this. Our SACEUR Commander [General John Galvin, Supreme Allied Commander, Europe], who wears many hats, who represents many countries, obviously, is for this. And so, we checked it in that sense.

Q. Mr. President, in some of your early policy speeches, you expressed deep skepticism about what was going on in the Soviet Union. You said this new relationship cannot be bestowed; it must be earned. Your Secretary of Defense [Cheney] said he felt Gorbachev would fail. What prompted change in your thinking to make a proposal like this?

The President. This is to put it to the test. This is to say: Here we go, we're out there now with a proposal that the United States puts forward and that has widespread alliance support. Now test it. How serious are you? Are you -- really want to reduce the imbalances that exist in all these categories, or do we want rhetoric? And so, what we're saying -- we're not changing; I'm not changing my mind. I've said I want to see perestroika succeed. I said I want to see us move forward in arms reductions. Indeed, we've set a date for the resumption of the START [strategic arms reduction] talks -- but eyes wide open. And here we go now, on the offense with a proposal that is bold and tests whether the Soviet Union will move towards balance, or whether they insist on retaining an unacceptable conventional force imbalance.

I've got time for -- is this a followup?

Soviet Political and Economic Reforms

Q. This is a followup. On the subject of Mr. Gorbachev, do you believe he will fail?

The President. I want to see him succeed -- and I've said that, and I'll repeat it here. I'm not making predictions as to what's going to happen inside the Soviet Union. Those are hard tea leaves to read. But I would like to see him succeed. He seems stronger now than he has been earlier on; but he faces enormous problems. And I hope he looks at this proposal as a way to

help solve some of those enormous problems. It gets to the question of finance to maintain this number of troops outside of his country.

Conventional Arms Control Initiative

Q. Mr. President, does this four-point proposal represent your conditions that the Soviets must accept before you will open talks on the short-range missiles?

The President. Well, as I said earlier, we've got to have a reduction in conventional forces and then some implementation of that proposal.

Q. Mr. President, you described this as a proposal to the other allies. Do you expect it's going to be adopted as a formal alliance position at the end of this meeting, and then will you put it on the table at CFE very soon?

The President. I can't answer procedurally. I'd like to see it adopted, but I don't know that the people have had enough time to really -- do you know what's planned on that, Al [Alton G. Keel, Jr., Ambassador to NATO]?

Ambassador Keel. I think, clearly, the alliance will adopt it, Mr. President, in terms of the concept, but then will assign it to the proper mechanism here at NATO to finish the details on it.

Q. Why actually destroy the equipment and demobilize the troops?

The President. Well, because then we get verified -- we hope -- verified reductions that last. You can't just juggle around the players on the chessboard.

Q. Mr. President, following Helen's earlier question, there's been a lot of talk at the White House recently about public relations gambits. Do you believe that this initiative by the United States puts Mr. Gorbachev on the defensive, and does it in any way put the United States back on the top of any public relations war that might be going on?

The President. Well, one, we've eschewed getting involved in a public relations battle. This is too serious a business. Alliance security is too serious; the safety and security of American forces, for which I have direct responsibility as Commander in Chief, is too serious to be jeopardized by feeling we always have to be out front on some public relations gambit. And I think we all know that in certain quarters in the United States, my administration has taken a little bit of a hammering for not engaging in the public relations battle.

But what we've been doing is formulating what I think is a very prudent plan, and now that plan is out there on the table. So, I really can't comment on the public relations aspect. What I'm interested in is the security aspect and the strength of the alliance and then the future -- the

ability of the alliance to move beyond containment.

Q. A long-term benefit of this proposal would obviously be a decrease in defense spending. Now, how much of this proposal was driven by budget considerations?

The President. Well, I thought I answered that, but let me try again to be clearer: None. What drove the proposal was the military and alliance considerations. And I would agree that if this proposal is fully implemented -- longer-run, as you put it -- it would result in less spending, particularly if these troops and weapons are demobilized, as we say.

I've got time for one more and then I've got to go to a luncheon.

Q. Mr. President, just to be clear on one point, what you're proposing is an agreement with the Warsaw Pact, not anything that you will do unilaterally; that you won't take any of these steps yourselves outside an overall agreement with the -- --

The President. This is a NATO proposal, and it would be negotiated with the Pact. But it means that -- obviously, when you're dealing with the Pact -- that the Soviet Union is going to have to be the key player. And this part of the proposal, as it relates to U.S. troops, clearly is one where both the Soviet General Secretary and I have to have agreement; but I want to keep the negotiations and the initiatives inside of the alliance.

We came over here to say the alliance has worked. It's kept the peace for 40 years, and we want to continue to keep it strong. And that's one reason I am very pleased with the alliance response to our proposal. They don't see it as soloing off there, taking care of U.S. interest; they see it as in the interest of the alliance. And again, I believe I speak -- I believe -- well, I know most of the people there feel that way, and I hope all of them.

This is the last one, and then I'm going in peace.

Q. A tick-tock question: When did you make the final decision to accept this idea? How did it evolve?

The President. Twelve days ago.

Summit With President Gorbachev

Q. One last one, sir. Do you have any interest in discussing this with Mr. Gorbachev at a summit meeting? Do you have any interest or intention of discussing this proposal or other arms proposals with Mr. Gorbachev at a summit meeting?

The President. When I have a summit meeting with Mr. Gorbachev, I expect we'll discuss a wide

array of subjects.

Q. Do you anticipate that this year?

The President. When that happens, I will have wide, far-flung discussions; and no date has been set for that.

Q. Why 12 days ago?

Q. Is it likely to be speeded up, though, Mr. President, because of this proposal?

The President. Hadn't thought of it, Jack [Jack Nelson, Los Angeles Times], in this connection, but I would not rule that out. But we'll see how it's digested there in Moscow -- I hope favorably.

Q. Isn't it time for a summit now, sir, now that you've laid this out?

The President. Baker's got some more work to do.

Note: The President spoke at 12:24 p.m. in the United States Mission Annex at NATO Headquarters.

Declaration of the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Brussels

May 30, 1989

I

NATO's 40 Years of Success

1. As our Alliance celebrates its 40th Anniversary, we measure its achievements with pride. Founded in troubled times to safeguard our security, it has withstood the test of four decades, and has allowed our countries to enjoy in freedom one of the longest periods of peace and prosperity in their history. The Alliance has been a fundamental element of stability and cooperation. These are the fruits of a partnership based on enduring common values and interests, and on unity of purpose.

2. Our meeting takes place at a juncture of unprecedented change and opportunities. This is a time to look ahead, to chart the course of our Alliance and to set our agenda for the future.

A Time of Change

3. In our rapidly changing world, where ideas transcend borders ever more easily, the strength and accomplishments of democracy and freedom are increasingly apparent. The inherent inability of oppressive systems to fulfill the aspirations of their citizens has become equally evident.

4. In the Soviet Union, important changes are underway. We welcome the current reforms that have already led to greater openness, improved respect for human rights, active participation of the individual, and new attitudes in foreign policy. But much remains to be done. We still look forward to the full implementation of the announced change in priorities in the allocation of economic resources from the military to the civilian sector. If sustained, the reforms will strengthen prospects for fundamental improvements in East-West relations.

5. We also welcome the marked progress in some countries of Eastern Europe towards establishing more democratic institutions, freer elections and greater political pluralism and economic choice. However, we deplore the fact that certain Eastern European governments have chosen to ignore this reforming trend and continue all too frequently to violate human rights and basic freedoms.

Shaping the Future

6. Our vision of a just, humane and democratic world has always underpinned the policies of this Alliance. The changes that are now taking place are bringing us closer to the realization of this vision.

7. We want to overcome the painful division of Europe, which we have never accepted. We want to move beyond the post-war period. Based on today's momentum of increased cooperation and tomorrow's common challenges, we seek to shape a new political order of peace in Europe. We will work as Allies to seize all opportunities to achieve this goal. But ultimate success does not depend on us alone.

Our guiding principles in the pursuit of this course will be the policies of the Harmel Report in their two complementary and mutually reinforcing approaches: adequate military strength and political solidarity and, on that basis, the search for constructive dialogue and cooperation, including arms control, as a means of bringing about a just and lasting peaceful order in Europe.

8. The Alliance's long-term objectives are:

-- to ensure that wars and intimidation of any kind in Europe and North America are prevented, and that military aggression is an option which no government could rationally contemplate or hope successfully to undertake, and by doing so to lay the foundations for a world where military forces exist solely to preserve the independence and territorial integrity of their countries, as has always been the case for the Allies;

-- to establish a new pattern of relations between the countries of East and West, in which ideological and military antagonism will be replaced with cooperation, trust and peaceful competition; and in which human rights and political freedoms will be fully guaranteed and enjoyed by all individuals.

9. Within our larger responsibilities as Heads of State or Government, we are also committed

-- to strive for an international community founded on the rule of law, where all nations join together to reduce world tensions, settle disputes peacefully, and search for solutions to those issues of universal concern, including poverty, social injustice and the environment, on which our common fate depends.

II

Maintaining our Defence

10. Peace must be worked for; it can never be taken for granted. The greatly improved East-

West political climate offers prospects for a stable and lasting peace, but experience teaches us that we must remain prepared. We can overlook neither the capabilities of the Warsaw Treaty countries for offensive military action, nor the potential hazards resulting from severe political strain and crisis.

11. A strong and united Alliance will remain fundamental not only for the security of our countries but also for our policy of supporting political change. It is the basis for further successful negotiations on arms control and on measures to strengthen mutual confidence through improved transparency and predictability. Military security and policies aimed at reducing tensions as well as resolving underlying political differences are not contradictory but complementary. Credible defence based on the principle of the indivisibility of security for all member countries will thus continue to be essential to our common endeavour.

12. For the foreseeable future, there is no alternative to the Alliance strategy for the prevention of war. This is a strategy of deterrence based upon an appropriate mix of adequate and effective nuclear and conventional forces which will continue to be kept up-to-date where necessary. We shall ensure the viability and credibility of these forces, while maintaining them at the lowest possible level consistent with our security requirements.

13. The presence of North American conventional and nuclear forces in Europe remains vital to the security of Europe just as Europe's security is vital to that of North America. Maintenance of this relationship requires that the Allies fulfill their essential commitments in support of the common defence. Each of our countries will accordingly assume its fair share of the risks, roles and responsibilities of the Atlantic partnership. Growing European political unity can lead to a reinforced European component of our common security effort and its efficiency. It will be essential to the success of these efforts to make the most effective use of resources made available for our security. To this end, we will seek to maximize the efficiency of our defence programmes and pursue solutions to issues in the area of economic and trade policies as they affect our defence. We will also continue to protect our technological capabilities by effective export controls on essential strategic goods.

Initiatives on Arms Control

14. Arms Control has always been an integral part of the Alliance's security policy and of its overall approach to East-West relations, firmly embedded in the broader political context in which we seek the improvement of those relations.

15. The Allies have consistently taken the lead in developing the conceptual foundations for arms control, identifying areas in which the negotiating partners share an interest in achieving a mutually satisfactory result while safeguarding the legitimate security interests of all.

16. Historic progress has been made in recent years, and we now see prospects for further

substantial advances. In our determined effort to reduce the excessive weight of the military factor in the East-West relationship and increasingly to replace confrontation by co-operation, we can now exploit fully the potential of arms control as an agent of change.

17. We challenge the members of the Warsaw Treaty Organization to join us in accelerating efforts to sign and implement an agreement which will enhance security and stability in Europe by reducing conventional armed forces. To seize the unique opportunity at hand, we intend to present a proposal that will amplify and expand on the position we tabled at the opening of the CFE negotiations on 9th March. [France takes this opportunity to recall that, since the mandate for the Vienna negotiations excludes nuclear weapons, it retains complete freedom of judgment and decision regarding the resources contributing to the implementation of its independent nuclear deterrent strategy.] We will

-- register agreement, based on the ceilings already proposed in Vienna, on tanks, armoured troop carriers and artillery pieces held by members of the two Alliances in Europe, with all of the withdrawn equipment to be destroyed. Ceilings on tanks and armoured troop carriers will be based on proposals already tabled in Vienna; definitional questions on artillery pieces remain to be resolved;

-- expand our current proposal to include reductions by each side to equal ceilings at the level 15 per cent below current Alliance holdings of helicopters and of all land-based combat aircraft in the Atlantic-to-the-Urals zone, with all the withdrawn equipment to be destroyed;

-- propose a 20 per cent cut in combat manpower in US stationed forces, and a resulting ceiling on US and Soviet ground and air force personnel stationed outside of national territory in the Atlantic-to-the-Urals zone at approximately 275,000. This ceiling would require the Soviet Union to reduce its forces in Eastern Europe by some 325,000. United States and Soviet forces withdrawn will be demobilized;

-- seek such an agreement within six months to a year and accomplish the reductions by 1992 or 1993. Accordingly, we have directed the Alliance's High Level Task Force on conventional arms control to complete the further elaboration of this proposal, including its verification elements, so that it may be tabled at the beginning of the third round of the CFE negotiations, which opens on 7th September 1989.

18. We consider as an important initiative President Bush's call for an ``open skies'' regime intended to improve confidence among States through reconnaissance flights, and to contribute to the transparency of military activity, to arms control and to public awareness. It will be the subject of careful study and wide-ranging consultations.

19. Consistent with the principles and objectives set out in our Comprehensive Concept of Arms Control and Disarmament which we have adopted at this meeting, we will continue to use arms

control as a means to enhance security and stability at the lowest possible level of armed forces, and to strengthen confidence by further appropriate measures. We have already demonstrated our commitment to these objectives: both by negotiations and by unilateral action, resulting since 1979 in reductions of over one-third of the nuclear holdings assigned to SACEUR in Europe.

Towards an Enhanced Partnership

20. As the Alliance enters its fifth decade we will meet the challenge of shaping our relationship in a way which corresponds to the new political and economic realities of the 1990s. As we do so, we recognize that the basis of our security and prosperity -- and of our hopes for better East-West relations -- is and will continue to be the close cohesion between the countries of Europe and of North America, bound together by their common values and democratic institutions as much as by their shared security interests.

21. Ours is a living and developing partnership. The strength and stability derived from our transatlantic bond provide a firm foundation for the achievement of our long-term vision, as well as of our goals for the immediate future. We recognize that our common tasks transcend the resources of either Europe or North America alone.

22. We welcome in this regard the evolution of an increasingly strong and coherent European identity, including in the security area. The process we are witnessing today provides an example of progressive integration, leaving centuries-old conflicts far behind. It opens the way to a more mature and balanced transatlantic partnership and constitutes one of the foundations of Europe's future structure.

23. To ensure the continuing success of our efforts we have agreed to

-- strengthen our process of political consultation and, where appropriate, co-ordination, and have instructed the Council in Permanent Session to consider methods for its further improvement;

-- expand the scope and intensity of our effort to ensure that our respective approaches to problems affecting our common security are complementary and mutually supportive;

-- renew our support for our economically less-favoured partners and to reaffirm our goal of improving the present level of co-operation and assistance;

-- continue to work in the appropriate fora for more commercial, monetary and technological co-operation, and to see to it that no obstacles impede such co-operation.

Overcoming the Division of Europe

24. Now, more than ever, our efforts to overcome the division of Europe must address its underlying political causes. Therefore all of us will continue to pursue a comprehensive approach encompassing the many dimensions of the East-West agenda. In keeping with our values, we place primary emphasis on basic freedoms for the people in Eastern Europe. These are also key elements for strengthening the stability and security of all states and for guaranteeing lasting peace on the continent.

25. The CSCE process encompasses our vision of a peaceful and more constructive relationship among all participating states. We intend to develop it further, in all its dimensions, and to make the fullest use of it.

We recognize progress in the implementation of CSCE commitments by some Eastern countries. But we call upon all of them to recognize and implement fully the commitments which all CSCE states have accepted. We will invoke the CSCE mechanisms -- as most recently adopted in the Vienna Concluding Document -- and the provisions of other international agreements, to bring all Eastern countries to:

-- enshrine in law and practice the human rights and freedoms agreed in international covenants and in the CSCE documents, thus fostering progress towards the rule of law;

-- tear down the walls that separate us physically and politically, simplify the crossing of borders, increase the number of crossing points and allow the free exchange of persons, information and ideas;

-- ensure that people are not prevented by armed force from crossing the frontiers and boundaries which we share with Eastern countries, in exercise of their right to leave any country, including their own;

-- respect in law and practice the right of all the people in each country to determine freely and periodically the nature of the government they wish to have;

-- see to it that their peoples can decide through their elected authorities what form of relations they wish to have with other countries;

-- grant the genuine economic freedoms that are linked inherently to the rights of the individual;

-- develop transparency, especially in military matters, in pursuit of greater mutual understanding and reassurance.

26. The situation in and around Berlin is an essential element in East-West relations. The Alliance declares its commitment to a free and prosperous Berlin and to achieving improvements

for the city especially through the Allied Berlin Initiative. The Wall dividing the city is an unacceptable symbol of the division of Europe. We seek a state of peace in Europe in which the German people regains its unity through free self-determination.

Our Design for Co-operation

27. We, for our part, have today reaffirmed that the Alliance must and will reintensify its own efforts to overcome the division of Europe and to explore all available avenues of co-operation and dialogue. We support the opening of Eastern societies and encourage reforms that aim at positive political, economic and human rights developments. Tangible steps towards genuine political and economic reform improve possibilities for broad co-operation, while a continuing denial of basic freedoms cannot but have a negative effect. Our approach recognizes that each country is unique and must be treated on its own merits. We also recognize that it is essentially incumbent upon the countries of the East to solve their problems by reforms from within. But we can also play a constructive role within the framework of our Alliance as well as in our respective bilateral relations and in international organizations, as appropriate.

28. To that end, we have agreed the following joint agenda for the future:

-- as opportunities develop, we will expand the scope of our contacts and co-operation to cover a broad range of issues which are important to both East and West. Our goal is a sustained effort geared to specific tasks which will help deepen openness and promote democracy within Eastern countries and thus contribute to the establishment of a more stable peace in Europe;

-- we will pursue in particular expanded contacts beyond the realm of government among individuals in East and West. These contacts should include all segments of our societies, but in particular young people, who will carry the responsibility for continuing our common endeavour;

-- we will seek expanded economic and trade relations with the Eastern countries on the basis of commercially sound terms, mutual interest and reciprocity. Such relations should also serve as incentives for real economic reform and thus ease the way for increased integration of Eastern countries into the international trading system;

-- we intend to demonstrate through increased co-operation that democratic institutions and economic choice create the best possible conditions for economic and social progress. The development of such open systems will facilitate co-operation and, consequently, make its benefits more available;

-- an important task of our co-operation will be to explore means to extend Western experience and know-how to Eastern countries in a manner which responds to and promotes positive change. Exchanges in technical and managerial fields, establishment of co-operative training

programmes, expansion of educational, scientific and cultural exchanges all offer possibilities which have not yet been exhausted;

-- equally important will be to integrate Eastern European countries more fully into efforts to meet the social, environmental and technological challenges of the modern world, where common interests should prevail. In accordance with our concern for global challenges, we will seek to engage Eastern countries in co-operative strategies in areas such as the environment, terrorism, and drugs. Eastern willingness to participate constructively in dealing with such challenges will help further co-operation in other areas as well;

-- East-West understanding can be expanded only if our respective societies gain increased knowledge about one another and communicate effectively. To encourage an increase of Soviet and Eastern studies in universities of our countries and of corresponding studies in Eastern countries, we are prepared to establish a Fellowship/Scholarship programme to promote the study of our democratic institutions, with candidates being invited from Eastern as well as Western Europe and North America.

Global Challenges

29. Worldwide developments which affect our security interests are legitimate matters for consultation and, where appropriate, co-ordination among us. Our security is to be seen in a context broader than the protection from war alone.

30. Regional conflicts continue to be of major concern. The co-ordinated approach of Alliance members recently has helped toward settling some of the world's most dangerous and long-standing disputes. We hope that the Soviet Union will increasingly work with us in positive and practical steps towards diplomatic solutions to those conflicts that continue to preoccupy the international community.

31. We will seek to contain the newly emerging security threats and destabilizing consequences resulting from the uncontrolled spread and application of modern military technologies.

32. In the spirit of Article 2 of the Washington Treaty, we will increasingly need to address worldwide problems which have a bearing on our security, particularly environmental degradation, resource conflicts and grave economic disparities. We will seek to do so in the appropriate multilateral fora, in the widest possible co-operation with other States.

33. We will each further develop our close co-operation with the other industrial democracies akin to us in their objectives and policies.

34. We will redouble our efforts in a reinvigorated United Nations, strengthening its role in conflict settlement and peacekeeping, and in its larger endeavours for world peace.

Our ``Third Dimension''

35. Convinced of the vital need for international co-operation in science and technology, and of its beneficial effect on global security, we have for several decades maintained Alliance programmes of scientific co-operation. Recognizing the importance of safeguarding the environment we have also co-operated, in the Committee on the Challenges of Modern Society, on environmental matters. These activities have demonstrated the broad range of our common pursuits. We intend to give more impact to our programmes with new initiatives in these areas.

The Future of the Alliance

36. We, the leaders of 16 free and democratic countries, have dedicated ourselves to the goals of the Alliance and are committed to work in unison for their continued fulfillment.

37. At this time of unprecedented promise in international affairs, we will respond to the hopes that it offers. The Alliance will continue to serve as the cornerstone of our security, peace and freedom. Secure on this foundation, we will reach out to those who are willing to join us in shaping a more stable and peaceful international environment in the service of our societies.

Note: The communique was not issued as a White House press release.

North Atlantic Treaty Organization Communique: A Comprehensive Concept of Arms Control and Disarmament

May 30, 1989

1. At Reykjavik in June 1987, Ministers stated that the arms control problems facing the Alliance raised complex and interrelated issues that needed to be evaluated together, bearing in mind overall progress in arms control negotiations as well as the requirements of Alliance security and of its strategy of deterrence. They therefore directed the Council in Permanent Session, working in conjunction with the appropriate military authorities, to ``consider the further development of a comprehensive concept of arms control and disarmament".

2. The attached report, prepared by the Council in response to that mandate, was adopted by Heads of State and Government at the meeting of the North Atlantic Council in Brussels on 29th and 30th May 1989.

A Report Adopted by Heads of State and Government at the Meeting of the North Atlantic Council in Brussels on 29th and 30th May 1989

I. Introduction

1. The overriding objective of the Alliance is to preserve peace in freedom, to prevent war, and to establish a just and lasting peaceful order in Europe. The Allies' policy to this end was set forth in the Harmel Report of 1967. It remains valid. According to the Report, the North Atlantic Alliance's ``first function is to maintain adequate military strength and political solidarity to deter aggression and other forms of pressure and to defend the territory of member countries if aggression should occur". On that basis, the Alliance can carry out ``its second function, to pursue the search for progress towards a more stable relationship in which the underlying political issues can be solved". As the Report observed, military security and a policy aimed at reducing tensions are ``not contradictory, but complementary". Consistent with these principles, Allied Heads of State and Government have agreed that arms control is an integral part of the Alliance's security policy.

2. The possibilities for fruitful East-West dialogue have significantly improved in recent years. More favourable conditions now exist for progress towards the achievement of the Alliance's objectives. The Allies are resolved to grasp this opportunity. They will continue to address both the symptoms and the causes of political tension in a manner that respects the legitimate security interests of all states concerned.

3. The achievement of the lasting peaceful order which the Allies seek will require that the

unnatural division of Europe, and particularly of Germany, be overcome, and that, as stated in the Helsinki Final Act, the sovereignty and territorial integrity of all states and the right of peoples to self-determination be respected and that the rights of all individuals, including their right of political choice, be protected. The members of the Alliance accordingly attach central importance to further progress in the Conference on Security and Cooperation in Europe (CSCE) process, which serves as a framework for the promotion of peaceful evolution in Europe.

4. The CSCE process provides a means to encourage stable and constructive East-West relations by increasing contacts between people, by seeking to ensure that basic rights and freedoms are respected in law and practice, by furthering political exchanges and mutually beneficial cooperation across a broad range of endeavours, and by enhancing security and openness in the military sphere. The Allies will continue to demand full implementation of all the principles and provisions of the Helsinki Final Act, the Madrid Concluding Document, the Stockholm Document, and the Concluding Document of the Vienna Meeting. The latter document marks a major advance in the CSCE process and should stimulate further beneficial changes in Europe.

5. The basic goal of the Alliance's arms control policy is to enhance security and stability at the lowest balanced level of forces and armaments consistent with the requirements of the strategy of deterrence. The Allies are committed to achieving continuing progress towards all their arms control objectives. The further development of the Comprehensive Concept is designed to assist this by ensuring an integrated approach covering both defence policy and arms control policy: these are complementary and interactive. This work also requires full consideration of the interrelationship between arms control objectives and defence requirements and how various arms control measures, separately and in conjunction with each other, can strengthen Alliance security. The guiding principles and basic objectives which have so far governed the arms control policy of the Alliance remain valid. Progress in achieving these objectives is, of course, affected by a number of factors. These include the overall state of East-West relations, the military requirements of the Allies, the progress of existing and future arms control negotiations, and developments in the CSCE process. The further development and implementation of a comprehensive concept of arms control and disarmament will take place against this background.

II. East-West Relations and Arms Control

6. The Alliance continues to seek a just and stable peace in Europe in which all states can enjoy undiminished security at the minimum necessary levels of forces and armaments and all individuals can exercise their basic rights and freedoms. Arms control alone cannot resolve longstanding political differences between East and West nor guarantee a stable peace. Nonetheless, achievement of the Alliance's goal will require substantial advances in arms control, as well as more fundamental changes in political relations. Success in arms control, in addition to enhancing military security, can encourage improvements in the East-West political dialogue and thereby contribute to the achievement of broader Alliance objectives.

7. To increase security and stability in Europe, the Alliance has consistently pursued every opportunity for effective arms control. The Allies are committed to this policy, independent of any changes that may occur in the climate of East-West relations. Success in arms control, however, continues to depend not on our own efforts alone, but also on Eastern and particularly Soviet readiness to work constructively towards mutually beneficial results.

8. The immediate past has witnessed unprecedented progress in the field of arms control. In 1986 the Stockholm Conference on Disarmament in Europe (CDE) agreement created an innovative system of confidence and security-building measures, designed to promote military transparency and predictability. To date, these have been satisfactorily implemented. The 1987 INF Treaty marked another major step forward because it eliminated a whole class of weapons, it established the principle of asymmetrical reductions, and provided for a stringent verification regime. Other achievements include the establishment in the United States and the Soviet Union of nuclear risk reduction centres, the US/Soviet agreement on prior notification of ballistic missile launches, and the conduct of the Joint Verification Experiment in connection with continued US/Soviet negotiations on nuclear testing.

9. In addition to agreements already reached, there has been substantial progress in the START negotiations which are intended to reduce radically strategic nuclear arsenals and eliminate destabilising offensive capabilities. The Paris Conference on the Prohibition of Chemical Weapons has reaffirmed the authority of the 1925 Geneva Protocol and given powerful political impetus to the negotiations in Geneva for a global, comprehensive and effectively verifiable ban on chemical weapons. New distinct negotiations within the framework of the CSCE process have now begun in Vienna: one on conventional armed forces in Europe between the 23 members of NATO and the Warsaw Treaty Organization (WTO) and one on confidence- and security-building measures (CSBMs) among all 35 signatories of the Helsinki Final Act.

10. There has also been substantial progress on other matters important to the West. Soviet troops have left Afghanistan. There has been movement toward the resolution of some, although not all, of the remaining regional conflicts in which the Soviet Union is involved. The observance of human rights in the Soviet Union and in some of the other WTO countries has significantly improved, even if serious deficiencies remain. The recent Vienna CSCE Follow-up meeting succeeded in setting new, higher standards of conduct for participating states and should stimulate further progress in the CSCE process. A new intensity of dialogue, particularly at high-level, between East and West opens new opportunities and testifies to the Allies' commitment to resolve the fundamental problems that remain.

11. The Alliance does not claim exclusive responsibility for this favourable evolution in East-West relations. In recent years, the East has become more responsive and flexible. Nonetheless, the Alliance contribution has clearly been fundamental. Most of the achievements to date, which have been described above, were inspired by initiatives by the Alliance or its members. The Allies' political solidarity, commitment to defence, patience and creativity in negotiations

overcame initial obstacles and brought its efforts to fruition. It was the Alliance that drew up the basic blueprints for East-West progress and has since pushed them forward towards realisation. In particular, the concepts of stability, reasonable sufficiency, asymmetrical, reductions, concentration on the most offensive equipment, rigorous verification, transparency, a single zone from the Atlantic to the Urals, and the balanced and comprehensive nature of the CSCE process, are Western-inspired.

12. Prospects are now brighter than ever before for lasting, qualitative improvements in the East-West relationship. There continue to be clear signs of change in the internal and external policies of the Soviet Union and of some of its Allies. The Soviet leadership has stated that ideological competition should play no part in inter-state relations. Soviet acknowledgement of serious shortcomings in its past approaches to international as well as domestic issues creates opportunities for progress on fundamental political problems.

13. At the same time, serious concerns remain. The ambitious Soviet reform programme, which the Allies welcome, will take many years to complete. Its success cannot be taken for granted given the magnitude of the problems it faces and the resistance generated. In Eastern Europe, progress in constructive reform is still uneven and the extent of these reforms remains to be determined. Basic human rights still need to be firmly anchored in law and practice, though in some Warsaw Pact countries improvements are underway. Although the WTO has recently announced and begun unilateral reductions in some of its forces, the Soviet Union continues to deploy military forces and to maintain a pace of military production in excess of legitimate defensive requirements. Moreover, the geo-strategic realities favour the geographically contiguous Soviet-dominated WTO as against the geographically separated democracies of the North Atlantic Alliance. It has long been an objective of the Soviet Union to weaken the links between the European and North American members of the Alliance.

14. We face an immediate future that is promising but still uncertain. The Allies and the East face both a challenge and an opportunity to capitalise on present conditions in order to increase mutual security. The progress recently made in East-West relations has given new impetus to the arms control process and has enhanced the possibilities of achieving the Alliance's arms control objectives, which complement the other elements of the Alliance's security policy.

III. Principles of Alliance Security

15. Alliance security policy aims to preserve peace in freedom by both political means and the maintenance of a military capability sufficient to prevent war and to provide for effective defence. The fact that the Alliance has for forty years safeguarded peace in Europe bears witness to the success of this policy.

16. Improved political relations and the progressive development of cooperative structures between Eastern and Western countries are important components of Alliance policy. They can

enhance mutual confidence, reduce the risk of misunderstanding, ensure that there are in place reliable arrangements for crisis management so that tensions can be defused, render the situation in Europe more open and predictable, and encourage the development of wider cooperation in all fields.

17. In underlining the importance of these facts for the formulation of Alliance policy, the Allies reaffirm that, as stated in the Harmel Report, the search for constructive dialogue and cooperation with the countries of the East, including arms control and disarmament, is based on political solidarity and adequate military strength.

18. Solidarity among the Alliance countries is a fundamental principle of their security policy. It reflects the indivisible nature of their security. It is expressed by the willingness of each country to share fairly the risks, burdens and responsibilities of the common effort as well as its benefits. In particular, the presence in Europe of the United States' conventional and nuclear forces and of Canadian forces demonstrates that North American and European security interests are inseparably bound together.

19. From its inception the Alliance of Western democracies has been defensive in purpose. This will remain so. None of our weapons will ever be used except in self-defence. The Alliance does not seek military superiority nor will it ever do so. Its aim has always been to prevent war and any form of coercion and intimidation.

20. Consistent with the Alliance's defensive character, its strategy is one of deterrence. Its objective is to convince a potential aggressor before he acts that he is confronted with a risk that outweighs any gain -- however great -- he might hope to secure from his aggression. The purpose of this strategy defines the means needed for its implementation.

21. In order to fulfill its strategy, the Alliance must be capable of responding appropriately to any aggression and of meeting its commitment to the defence of the frontiers of its members' territory. For the foreseeable future, deterrence requires an appropriate mix of adequate and effective nuclear and conventional forces which will continue to be kept up to date where necessary; for it is only by their evident and perceived capability for effective use that such forces and weapons deter.

22. Conventional forces make an essential contribution to deterrence. The elimination of asymmetries between the conventional forces of East and West in Europe would be a major breakthrough, bringing significant benefits for stability and security. Conventional defence alone cannot, however, ensure deterrence. Only the nuclear element can confront an aggressor with an unacceptable risk and thus plays an indispensable role in our current strategy of war prevention.

23. The fundamental purpose of nuclear forces -- both strategic and sub-strategic -- is political: to preserve the peace and to prevent any kind of war. Such forces contribute to deterrence by

demonstrating that the Allies have the military capability and the political will to use them, if necessary, in response to aggression. Should aggression occur, the aim would be to restore deterrence by inducing the aggressor to reconsider his decision, to terminate his attack and to withdraw and thereby to restore the territorial integrity of the Alliance.

24. Conventional and nuclear forces, therefore, perform different but complementary and mutually reinforcing roles. Any perceived inadequacy in either of these two elements, or the impression that conventional forces could be separated from nuclear, or sub-strategic from strategic nuclear forces, might lead a potential adversary to conclude that the risks of launching aggression might be calculable and acceptable. No single element can, therefore, be regarded as a substitute compensating for deficiencies in any other.

25. For the foreseeable future, there is no alternative strategy for the prevention of war. The implementation of this strategy will continue to ensure that the security interests of all Alliance members are fully safeguarded. The principles underlying the strategy of deterrence are of enduring validity. Their practical expression in terms of the size, structure and deployment of forces is bound to change. As in the past, these elements will continue to evolve in response to changing international circumstances, technological progress and developments in the scale of the threat -- in particular, in the posture and capabilities of the forces of the Warsaw Pact.

26. Within this overall framework, strategic nuclear forces provide the ultimate guarantee of deterrence for the Allies. They must be capable of inflicting unacceptable damage on an aggressor state even after it has carried out a first strike. Their number, range, survivability and penetration capability need to ensure that a potential aggressor cannot count on limiting the conflict or regarding his own territory as a sanctuary. The strategic nuclear forces of the United States provide the cornerstone of deterrence for the Alliance as a whole. The independent nuclear forces of the United Kingdom and France fulfill a deterrent role of their own and contribute to the overall deterrence strategy of the Alliance by complicating the planning and risk assessment of a potential aggressor.

27. Nuclear forces below the strategic level provide an essential political and military linkage between conventional and strategic forces and, together with the presence of Canadian and the United States forces in Europe, between the European and North American members of the Alliance. The Allies' sub-strategic nuclear forces are not designed to compensate for conventional imbalances. The levels of such forces in the integrated military structure nevertheless must take into account the threat -- both conventional and nuclear -- with which the Alliance is faced. Their role is to ensure that there are no circumstances in which a potential aggressor might discount the prospect of nuclear retaliation in response to military action. Nuclear forces below the strategic level thus make an essential contribution to deterrence.

28. The wide deployment of such forces among countries participating in the integrated military structure of the Alliance, as well as the arrangements for consultation in the nuclear area among

the Allies concerned, demonstrates solidarity and willingness to share nuclear roles and responsibilities. It thereby helps to reinforce deterrence.

29. Conventional forces contribute to deterrence by demonstrating the Allies' will to defend themselves and by minimising the risk that a potential aggressor could anticipate a quick and easy victory or limited territorial gain achieved solely by conventional means.

30. They must thus be able to respond appropriately and to confront the aggressor immediately and as far forward as possible with the necessary resistance to compel him to end the conflict and to withdraw or face possible recourse to the use of nuclear weapons by the Allies. The forces of the Allies must be deployed and equipped so as to enable them to fulfill this role at all times. Moreover, since the Alliance depends on reinforcements from the North American continent, it must be able to keep open sea and air lines of communication between North America and Europe.

31. All member countries of the Alliance strongly favour a comprehensive, effectively verifiable, global ban on the development, production, stockpiling and use of chemical weapons. Chemical weapons represent a particular case, since the Alliance's overall strategy of war prevention, as noted earlier, depends on an appropriate mix of nuclear and conventional weapons. Pending the achievement of a global ban on chemical weapons, the Alliance recognises the need to implement passive defence measures. A retaliatory capability on a limited scale is retained in view of the Soviet Union's overwhelming chemical weapons capability.

32. The Allies are committed to maintaining only the minimum level of forces necessary for their strategy of deterrence, taking into account the threat. There is, however, a level of forces, both nuclear and conventional, below which the credibility of deterrence cannot be maintained. In particular, the Allies have always recognised that the removal of all nuclear weapons from Europe would critically undermine deterrence strategy and impair the security of the Alliance.

33. The Alliance's defence policy and its policy of arms control and disarmament are complementary and have the same goal: to maintain security at the lowest possible level of forces. There is no contradiction between defence policy and arms control policy. It is on the basis of this fundamental consistency of principles and objectives that the comprehensive concept of arms control and disarmament should be further developed and the appropriate conclusions drawn in each of the areas of arms control.

IV. Arms Control and Disarmament: Principles and Objectives

34. Our vision for Europe is that of an undivided continent where military forces only exist to prevent war and to ensure self-defence, as has always been the case for the Allies, not for the purpose of initiating aggression or for political or military intimidation. Arms control can contribute to the realisation of that vision as an integral part of the Alliance's security policy and

of our overall approach to East-West relations.

35. The goal of Alliance arms control policy is to enhance security and stability. To this end, the Allies' arms control initiatives seek a balance at a lower level of forces and armaments through negotiated agreements and, as appropriate, unilateral actions, recognising that arms control agreements are only possible where the negotiating partners share an interest in achieving a mutually satisfactory result. The Allies' arms control policy seeks to remove destabilising asymmetries in forces or equipment. It also pursues measures designed to build mutual confidence and to reduce the risk of conflict by promoting greater transparency and predictability in military matters.

36. In enhancing security and stability, arms control can also bring important additional benefits for the Alliance. Given the dynamic aspects of the arms control process, the principles and results embodied in one agreement may facilitate other arms control steps. In this way arms control can also make possible further reductions in the level of Alliance forces and armaments, consistent with the Alliance's strategy of war prevention. Furthermore, as noted in Chapter II, arms control can make a significant contribution to the development of more constructive East-West relations and of a framework for further cooperation within a more stable and predictable international environment. Progress in arms control can also enhance public confidence in and promote support for our overall security policy.

Guiding Principles for Arms Control

37. The members of the Alliance will be guided by the following principles:

-- Security: Arms control should enhance the security of all Allies. Both during the implementation period and following implementation, the Allies' strategy of deterrence and their ability to defend themselves, must remain credible and effective. Arms control measures should maintain the strategic unity and political cohesion of the Alliance, and should safeguard the principle of the indivisibility of Alliance security by avoiding the creation of areas of unequal security. Arms control measures should respect the legitimate security interests of all states and should not facilitate the transfer or intensification of threats to third party states or regions.

-- Stability: Arms control measures should yield militarily significant results that enhance stability. To promote stability, arms control measures should reduce or eliminate those capabilities which are most threatening to the Alliance. Stability can also be enhanced by steps that promote greater transparency and predictability in military matters. Military stability requires the elimination of options for surprise attack and for large-scale offensive action. Crisis stability requires that no state have forces of a size and configuration which, when compared with those of others, could enable it to calculate that it might gain a decisive advantage by being the first to resort to arms. Stability also requires measures which discourage destabilising attempts to re-establish military advantage through the transfer of resources to other types of

armament. Agreements must lead to final results that are both balanced and ensure equality of rights with respect to security.

-- Verifiability: Effective and reliable verification is a fundamental requirement for arms control agreements. If arms control is to be effective and to build confidence, the verifiability of proposed arms control measures must, therefore, be of central concern for the Alliance. Progress in arms control should be measured against the record of compliance with existing agreements. Agreed arms control measures should exclude opportunities for circumvention.

Alliance Arms Control Objectives

38. In accordance with the above principles, the Allies are pursuing an ambitious arms control agenda for the coming years in the nuclear, conventional and chemical fields.

Nuclear Forces

39. The INF Agreement represents a milestone in the Allies' efforts to achieve a more secure peace at lower levels of arms. By 1991, it will lead to the total elimination of all United States and Soviet intermediate range land-based missiles, thereby removing the threat which such Soviet systems presented to the Alliance. Implementation of the agreement, however, will affect only a small proportion of the Soviet nuclear armoury, and the Alliance continues to face a substantial array of modern and effective Soviet systems of all ranges. The full realisation of the Alliance agenda thus requires that further steps be taken.

Strategic Nuclear Forces

40. Soviet strategic systems continue to pose a major threat to the whole of the Alliance. Deep cuts in such systems are in the direct interests of the entire Western Alliance, and therefore their achievement constitutes a priority for the Alliance in the nuclear field.

41. The Allies thus fully support the US objectives of achieving, within the context of the Strategic Arms Reduction Talks, fifty percent reductions in US and Soviet strategic nuclear arms. US proposals seek to enhance stability by placing specific restrictions on the most destabilising elements of the threat -- fast flying ballistic missiles, throw-weight and, in particular, Soviet heavy ICBMs. The proposals are based on the need to maintain the deterrent credibility of the remaining US strategic forces which would continue to provide the ultimate guarantee of security for the Alliance as a whole; and therefore on the necessity to keep such forces effective. Furthermore, the United States is holding talks with the Soviet Union on defence and space matters in order to ensure that strategic stability is enhanced.

Sub-Strategic Nuclear Forces

42. The Allies are committed to maintaining only the minimum number of nuclear weapons necessary to support their strategy of deterrence. In line with this commitment, the members of the integrated military structure have already made major unilateral cuts in their sub-strategic nuclear armoury. The number of land-based warheads in Western Europe has been reduced by over one-third since 1979 to its lowest level in over 20 years. Updating where necessary of their sub-strategic systems would result in further reductions.

43. The Allies continue to face the direct threat posed to Europe by the large numbers of shorter-range nuclear missiles deployed on Warsaw Pact territory and which have been substantially upgraded in recent years. Major reductions in Warsaw Pact systems would be of overall value to Alliance security. One of the ways to achieve this aim would be by tangible and verifiable reductions of American and Soviet land-based nuclear missile systems of shorter range leading to equal ceilings at lower levels.

44. But the sub-strategic nuclear forces deployed by member countries of the Alliance are not principally a counter to similar systems operated by members of the WTO. As is explained in Chapter III, sub-strategic nuclear forces fulfill an essential role in overall Alliance deterrence strategy by ensuring that there are no circumstances in which a potential aggressor might discount nuclear retaliation in response to his military action.

45. The Alliance reaffirms its position that for the foreseeable future there is no alternative to the Alliance's strategy for the prevention of war, which is a strategy of deterrence based upon an appropriate mix of adequate and effective nuclear and conventional forces which will continue to be kept up to date where necessary. Where nuclear forces are concerned, land-, sea-, and air-based systems, including ground-based missiles, in the present circumstances and as far as can be foreseen will be needed in Europe.

46. In view of the huge superiority of the Warsaw Pact in terms of short-range nuclear missiles, the Alliance calls upon the Soviet Union to reduce unilaterally its short-range missile systems to the current levels within the integrated military structure.

47. The Alliance reaffirms that at the negotiations on conventional stability it pursues the objectives of:

-- the establishment of a secure and stable balance of conventional forces at lower levels;

-- the elimination of disparities prejudicial to stability and security; and

-- the elimination as a matter of high priority of the capability for launching surprise attack and for initiating large-scale offensive action.

48. In keeping with its arms control objectives formulated in Reykjavik in 1987 and reaffirmed

in Brussels in 1988, the Alliance states that one of its highest priorities in negotiations with the East is reaching an agreement on conventional force reductions which would achieve the objectives above. In this spirit, the Allies will make every effort, as evidenced by the outcome of the May 1989 Summit, to bring these conventional negotiations to an early and satisfactory conclusion. The United States has expressed the hope that this could be achieved within six to twelve months. Once implementation of such an agreement is underway, the United States, in consultation with the Allies concerned, is prepared to enter into negotiations to achieve a partial reduction of American and Soviet land-based nuclear missile forces of shorter range to equal and verifiable levels. With special reference to the Western proposals on CFE tabled in Vienna, enhanced by the proposals by the United States at the May 1989 Summit, the Allies concerned proceed on the understanding that negotiated reductions leading to a level below the existing level of their SNF missiles will not be carried out until the results of these negotiations have been implemented. Reductions of Warsaw Pact SNF systems should be carried out before that date.

49. As regards the substrategic nuclear forces of the members of the integrated military structure, their level and characteristics must be such that they can perform their deterrent role in a credible way across the required spectrum of ranges, taking into account the threat -- both conventional and nuclear -- with which the Alliance is faced. The question concerning the introduction and deployment of a follow-on system for the Lance will be dealt with in 1992 in the light of overall security developments. While a decision for national authorities, the Allies concerned recognize the value of the continued funding by the United States of research and development of a follow-on for the existing Lance short-range missile, in order to preserve their options in this respect.

Conventional forces

50. As set out in the March 1988 Summit statement and in the Alliance's November 1988 data initiative, the Soviet Union's military presence in Europe, at a level far in excess of its needs for self-defense, directly challenges our security as well as our aspirations for a peaceful order in Europe. Such excessive force levels create the risk of political intimidation or threatened aggression. As long as they exist, they present an obstacle to better political relations between all states of Europe. The challenge to security is, moreover, not only a matter of the numerical superiority of WTO forces. WTO tanks, artillery and armoured troop carriers are concentrated in large formations and deployed in such a way as to give the WTO a capability for surprise attack and large-scale offensive action. Despite the recent welcome publication by the WTO of its assessment of the military balance in Europe, there is still considerable secrecy and uncertainty about its actual capabilities and intentions.

51. In addressing these concerns, the Allies' primary objectives are to establish a secure and stable balance of conventional forces in Europe at lower levels, while at the same time creating greater openness about military organization and activities in Europe.

52. In the Conventional Forces in Europe (CFE) talks between the 23 members of the two alliances, the Allies are proposing:

-- reductions to an overall limit on the total holdings of armaments in Europe, concentrating on the most threatening systems, i.e. those capable of seizing and holding territory;

-- a limit on the proportion of these total holdings belonging to any one country in Europe (since the security and stability of Europe require that no state exceed its legitimate needs for self-defence);

-- a limit on stationed forces (thus restricting the forward deployment and concentration of Soviet forces in Eastern Europe); and,

-- appropriate numerical sub-limits on forces which will apply simultaneously throughout the Atlantic to the Urals area.

These measures, taken together, will necessitate deep cuts in the WTO conventional forces which most threaten the Alliance. The resulting reductions will have to take place in such a way as to prevent circumvention, e.g. by ensuring that the armaments reduced are destroyed or otherwise disposed of. Verification measures will be required to ensure that all states have confidence that entitlements are not exceeded.

53. These measures alone, however, will not guarantee stability. The regime of reductions will have to be backed up by additional measures which should include measures of transparency, notification and constraint applied to the deployment, storage, movement and levels of readiness and availability of conventional forces.

54. In the CSBM negotiations, the Allies aim to maintain the momentum created by the successful implementation of the Stockholm Document by proposing a comprehensive package of measures to improve:

-- transparency about military organization,

-- transparency and predictability of military activities,

-- contacts and communication,

and have also proposed an exchange of views on military doctrine in a seminar setting.

55. The implementation of the Allies' proposals in the CFE negotiations and of their proposals for further confidence and security-building measures would achieve a quantum improvement in

European security. This would have important and positive consequences for Alliance policy both in the field of defence and arms control. The outcome of the CFE negotiations would provide a framework for determining the future Alliance force structure required to perform its fundamental task of preserving peace in freedom. In addition, the Allies would be willing to contemplate further steps to enhance stability and security if the immediate CFE objectives are achieved -- for example, further reductions or limitations of conventional armaments and equipment, or the restructuring of armed forces to enhance defensive capabilities and further reduce offensive capabilities.

56. The Allies welcome the declared readiness of the Soviet Union and other WTO members to reduce their forces and adjust them towards a defensive posture and await implementation of these measures. This would be a step in the direction of redressing the imbalance in force levels existing in Europe and towards reducing the Warsaw Pact capability for surprise attack. The announced reductions demonstrate the recognition by the Soviet Union and other WTO members of the conventional imbalance, long highlighted by the Allies as a key problem of European security.

Chemical Weapons

57. The Soviet Union's chemical weapons stockpile poses a massive threat. The Allies are committed to conclude, at the earliest date, a worldwide, comprehensive and effectively verifiable ban on all chemical weapons.

58. All Alliance states subscribe to the prohibitions contained in the Geneva Protocol for the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare. The Paris Conference on the Prohibition of Chemical Weapons reaffirmed the importance of the commitments made under the Geneva Protocol and expressed the unanimous will of the international community to eliminate chemical weapons completely at an early date and thereby to prevent any recourse to their use.

59. The Allies wish to prohibit not only the use of these abhorrent weapons, but also their development, production, stockpiling and transfer, and to achieve the destruction of existing chemical weapons and production facilities in such a way as to ensure the undiminished security of all participants at each stage in the process. Those objectives are being pursued in the Geneva Conference on Disarmament. Pending agreement on a global ban, the Allies will enforce stringent controls on the export of commodities related to chemical weapons production. They will also attempt to stimulate more openness among states about chemical weapons capabilities in order to promote greater confidence in the effectiveness of a global ban.

V. Conclusions:

Arms Control and Defence Interrelationships

60. The Alliance is committed to pursuing a comprehensive approach to security, embracing both arms control and disarmament, and defence. It is important, therefore, to ensure that interrelationships between arms control issues and defence requirements and amongst the various arms control areas are fully considered. Proposals in any one area of arms control must take account of the implications for Alliance interests in general and for other negotiations. This is a continuing process.

61. It is essential that defence and arms control objectives remain in harmony in order to ensure their complementary contribution to the goal of maintaining security at the lowest balanced level of forces consistent with the requirements of the Alliance strategy of war prevention, acknowledging that changes in the threat, new technologies, and new political opportunities affect options in both fields. Decisions on arms control matters must fully reflect the requirements of the Allies' strategy of deterrence. Equally, progress in arms control is relevant to military plans, which will have to be developed in the full knowledge of the objectives pursued in arms control negotiations and to reflect, as necessary, the results achieved therein.

62. In each area of arms control, the Alliance seeks to enhance stability and security. The current negotiations concerning strategic nuclear systems, conventional forces and chemical weapons are, however, independent of one another: the outcome of any one of these negotiations is not contingent on progress in others. However, they can influence one another: criteria established and agreements achieved in one area of arms control may be relevant in other areas and hence facilitate overall progress. These could affect both arms control possibilities and the forces needed to fulfill Alliance strategy, as well as help to contribute generally to a more predictable military environment.

63. The Allies seek to manage the interaction among different arms control elements by ensuring that the development, pursuit and realisation of their arms control objectives in individual areas are fully consistent both with each other and with the Alliance's guiding principles for effective arms control. For example, the way in which START limits and sub-limits are applied in detail could affect the future flexibility of the sub-strategic nuclear forces of members of the integrated military structure. A CFE agreement would by itself make a major contribution to stability. This would be significantly further enhanced by the achievement of a global chemical weapons ban. The development of Confidence- and Security-Building Measures could influence the stabilising measures being considered in connection with the Conventional Forces in Europe negotiations and vice versa. The removal of the imbalance in conventional forces would provide scope for further reductions in the sub-strategic nuclear forces of members of the integrated military structure, though it would not obviate the need for such forces. Similarly, this might make possible further arms control steps in the conventional field.

64. This report establishes the overall conceptual framework within which the Allies will be seeking progress in each area of arms control. In so doing, their fundamental aim will be enhanced security at lower levels of forces and armaments. Taken as a whole, the Allies' arms

control agenda constitutes a coherent and comprehensive approach to the enhancement of security and stability. It is ambitious, but we are confident that -- with a constructive response from the WTO states -- it can be fully achieved in the coming years. In pursuing this goal, the Alliance recognises that it cannot afford to build its security upon arms control results expected in the future. The Allies will be prepared, however, to draw appropriate consequences for their own military posture as they make concrete progress through arms control towards a significant reduction in the scale and quality of the military threat they face. Accomplishment of the Allies' arms control agenda would not only bring great benefits in itself, but could also lead to the expansion of cooperation with the East in other areas. The arms control process itself is, moreover, dynamic; as and when the Alliance reaches agreement in each of the areas set out above, so further prospects for arms control may be opened up and further progress made possible.

65. As noted earlier, the Allies' vision for Europe is that of an undivided continent where military forces only exist to prevent war and to ensure self-defence; a continent which no longer lives in the shadow of overwhelming military forces and from which the threat of war has been removed; a continent where the sovereignty and territorial integrity of all states are respected and the rights of all individuals, including their right of political choice, are protected. This goal can only be reached by stages: it will require patient and creative endeavour. The Allies are resolved to continue working towards its attainment. The achievement of the Alliance's arms control objectives would be a major contribution towards the realisation of its vision.

Note: The communique was not issued as a White House press release.

Statement on the Death of Representative Claude Pepper

May 30, 1989

Claude Pepper gave definition and meaning to the concept of public service. He fought for the poor and the elderly in his own determined way. Those who agreed with him were proud to follow his banner. Those who disagreed with him always respected him. Claude Pepper was a gentleman, a noble human being. America will miss him. Barbara and I will miss him, too.

The President's News Conference Following the North Atlantic Treaty Organization Summit Meeting in Brussels

May 30, 1989

The President. Good afternoon. First, I want to pay my respects to Manfred Woerner and thank him for the way in which this meeting has been conducted, for his thorough staff work, and for his able leadership in the hall. And I think that the successful results at this summit have given us a double hit -- both conventional forces and short-range nuclear forces. And taken in tandem, it demonstrates the alliance's ability to manage change to our advantage, to move beyond the era of containment.

Our overall aim is to overcome the division of Europe and to forge a unity based on Western values. The starting point, of course, is to maintain our security while seeking to lessen tensions and adapt to changing circumstances. Our conventional parity initiative seeks to capitalize on the opportunity we have and to do so without delay. We want to finally free Europe from the constant threat of surprise attack. We want to free Europe from the political shadow of Soviet military power. And we want to free Europe to become the center of cooperation, not confrontation. We want to open up opportunities for greater U.S.-European cooperation on the other great issues of our day -- for example, on environment and regional conflicts. A reduced military presence, when combined with a less threatening Soviet presence in Europe, can create a stronger basis for engagement in Europe over the long haul.

America is and will remain a European power. Similarly, our SNF [short-range nuclear forces] agreement demonstrates our ability to adapt to change while remaining true to our core security principles. We've agreed to future negotiations after the implementation of a conventional forces agreement -- after the implementation of the agreement is underway for the conventional force agreement. Any negotiated SNF reductions will not be carried out until the CFE [conventional armed forces in Europe] agreement is implemented. And we've underscored that our objective in negotiations is to achieve partial reductions, clearly leaving an SNF deterrent at lower, equal, and verifiable levels. Partial means partial.

We also stress that our strategy of deterrence requires land-, sea-, and air-based nuclear systems, including ground-based missiles, for as far as we can foresee. And while we will not take the modernization decision until 1992, the allies recognize the value of continued U.S. funding for the research and development of the follow-on to the Lance system.

And lastly, we are placing great emphasis on a rapid negotiated reduction of the conventional asymmetries that threaten Europe. Based on results in that area, we can negotiate SNF reductions, as well, while ensuring the continued presence of the nuclear deterrent.

And now I would be glad to take some questions. Excuse me, we've got to start with our U.S. protocol. Those of you from the non-U.S. press, excuse me if I go first to the UP [United Press International] and then to the AP [Associated Press].

Short-Range Nuclear Forces in Europe

Q. Mr. President, the communique says that chemical weapons are abhorrent, and you called for total elimination. Most people think nuclear weapons are totally abhorrent. Why not totally eliminate them, as your predecessor had called for?

The President. Well, the communique addresses itself to where nuclear forces are concerned -- blah, blah, land, sea, air-based systems, including ground-based missiles. In the present circumstances, as far as can be foreseen, they'll be needed in Europe. And I would just stand by that. This is a decision that has been thoroughly consulted with the military and that's the way it is.

Q. Mr. President, your spokesman said today that the formula for negotiations on short-range nuclear missiles was a very strong victory for the United States and the NATO alliance. How can it be a victory for the United States without being a defeat for Chancellor Kohl and Mr. Genscher [West German Foreign Minister], given that the United States and Germany were on such opposing sides of this issue?

The President. Well, they strongly supported it, it's my understanding. And I don't view it as a victory for the United States; I view it as a victory for the alliance. So, they can speak for themselves, but I'm very pleased that it worked out and that there was alliance harmony on this very important question.

Q. Did both sides make concessions, sir?

The President. Well, I can only speak for the United States, and we had certain broad parameters that -- I've addressed part one of them, and that was this question of partial reduction, no third-zero question. The other one was to agree to begin the negotiations on SNF following tangible implementation. That was one of our strong conditions, or strong negotiating points, if you will. And then no implementation of agreed reduction on SNF forces before completion of these reductions. So, I'm very happy.

But I want to -- put it this way, we're here as part of an alliance, and I don't think we ought to have winners and losers out of a summit that everybody concedes has been very, very unified. And so, it's an alliance victory or an alliance decision, and I'm proud to have had a part in that.

West Germany and the Alliance

Q. Mr. President, all politics may be local, but hasn't the continued insistence of the Germans been damaging to the alliance?

The President. Talk to the people that have been around here for a long time, and they'll tell you that they've never seen more unity and more upbeat feeling after a meeting.

Q. Do you think the Foreign Ministers who missed dinner last night would agree with you on that? [Laughter]

The President. No, they probably would dissent, but they went along today, kept their eyes open.

Short-Range Nuclear Forces in Europe

Q. Mr. President, is it possible that you could start negotiations on SNF missiles before the modernization decision has been made? And do you think that's a good way to go into negotiations without a commitment to upgrade these -- the Soviets say, okay, if we don't have a commitment, we'll get rid of all of them -- and where's your position?

The President. Well, the modernization decision doesn't need to be taken until '92. And we have spelled out the procedures for negotiating on SNF, and that will come after the agreement on the conventional forces.

And that is the important point. I don't believe the layman -- I know we've got a lot of experts on this side, and I don't want to restrict my questions to those of us like myself who are not longtime arms control expert -- but I can tell you that most people in our country don't realize the imbalance that exists on these conventional forces, and it is destabilizing. And the question is SNF, short-range nuclear forces, where they've got, in terms of launchers, what, 1,200 or something of that nature to our 88. Why don't they just negotiate -- just unilaterally reduce to equal numbers? Now, there would be a good challenge.

So, we've got this order set up as to how we're going to go about it. The alliance has taken a firm position, and so I'm not going to go into a hypothetical question of that nature.

Q. On this question -- --

The President. Oh, sorry, Brit [Brit Hume, ABC News]. Go ahead, Carl [Carl Leubsdorff, Dallas Morning News], and then Brit.

Q. On this question of partial, the word is underlined for emphasis in the document. Was that done at our behest, or Mrs. Thatcher's [Prime Minister of the United Kingdom] behest, or whose behest?

The President. If we can wake up [Secretary of State] Jim Baker, you'll have to ask him. But I would simply say there was total agreement on it, and it speaks for itself. Partial is partial, and to try to interpret it some other way misses the boat.

Conventional Arms Control

Q. Mr. President, in light of the fact that you have added several new weapons categories to the NATO bargaining position and to the conventional arms talks, is it realistic to suppose that these talks can be carried out successfully in the brief period of time that you have now asked for?

The President. Well, yes, we can meet that timetable. We've challenged the Soviets to meet us, you might say -- the alliance. NATO is tasked to be back on September 7th with our internals to be farther along. And so, I would certainly say yes, let's do that. We all remember September 7th, don't we? [Laughter]

Short-Range Nuclear Forces in Europe

Q. Mr. President, you've said that the modernization decision has been put off until 1992, but you have a commitment to keep the weapons systems up to date. When are changes to be made?

The President. Not before 1992.

Public Opinion

Q. Mr. President, you've said that your efforts here are not a public relations battle with Soviet leader Mikhail Gorbachev, but if this were a battle, who's winning, yourself or Mr. Gorbachev?

The President. Too hypothetical, Ellen [Ellen Warren, Knight-Ridder] -- too hypothetical. I've read who some think is winning, but that was yesterday.

Q. Well, do you expect the hammering about your alleged lack of leadership in the United States to quiet down now as a result of your performance here?

The President. I haven't felt under siege in the United States because I've known exactly what we wanted to do. And I made statements to that effect earlier on: that we were going to have a review and then have proposals. And we did exactly that. So, I will concede I've read such reports, but they haven't troubled me any.

Soviet Defense Budget

Q. Mr. Gorbachev has apparently for the first time revealed specific defense budget figures in Moscow today. And he also says he is proposing to cut defense spending by 14 percent over 1990 and '91 -- that's equal to about $17.3 billion. Is that a lot? Is that meaningful? What do you think about it?

The President. Well, this will help him -- this proposal. If he hits our bid, that should save him a lot of money in the long run, because he has a disproportionate number of conventional forces. And therein, as you know, that's where a lot of the expense for defense comes from. So, I don't know, but it sounds like a substantial number to me -- but again, I hadn't seen that. I will say this for those who may wonder what the Soviet reaction has been -- and it's very preliminary -- but the initial contact with our Embassy in Moscow was -- I would put fairly positive. Brent [Assistant to the President for National Security Affairs], is that about right?

General Scowcroft. Cautious.

The President. Cautious, but we're leading on the side of saying it's positive. In other words, they didn't really slam the door and come in on a negative vein.

Summit With President Gorbachev

Q. On that point, Mr. President, wouldn't it seem that if you want to strike this agreement even as early as 6 months, that there would be a summit meeting with Mr. Gorbachev before the end of the year?

The President. Well, again, if there was something constructive to come out of such a meeting, I would certainly be prepared to meet, and I believe that Secretary Baker has conveyed that to [Foreign] Minister Shevardnadze.

Q. Has Mr. Gorbachev responded to your letter of Sunday?

The President. No, sir.

NATO Summit

Q. Mr. Bush, you used some strong language yesterday about leading the alliance and leading the free world -- that wasn't your term, but did you feel it was important -- if not for yourself, then for the alliance, for the United States -- to assert yourself in a strong way at this particular summit -- this time?

The President. Yes, I think it is highly important that the United States -- to be seen as fully engaged, trying to come up with creative proposals, and fulfilling its historic leadership responsibilities. I would like to put it in terms of alliance unity, though, and what -- all these

decisions. There's plenty of room for credit out there, and I would insist that it's to the degree we got unanimity -- an alliance victory.

Short-Range Nuclear Forces in Europe

Q. Mr. President, the stress you put on the speed of negotiations -- 6 months to a year -- and the decision to wait until '92, modernization, are there some progress points if there are no negotiations or progress in the negotiations within a year to reexamine the 1992 deadline?

The President. To be honest with you, I don't know the answer to that question. I expect -- --

Q. Do I get another one?

The President. No, you don't get another one, either. [Laughter] That was too hard. But my own personal view would be that if there were some dramatic change somewhere that changed the theses that underlined this agreement that we'd want to review things; but I'm not predicting that. I want to see it go forward.

Q. To follow up, Mr. President -- --

The President. Follow up?

Q. Yes, sir, it is a followup.

The President. Is it directly related?

Q. Directly. Following tangible implementation -- that's being read as obviously not complete implementation. Can you tell us how far tangible is?

The President. No, I can't tell you how far it is, but it has to be so that you and I would look at it and we'd both agree that there had been sincere implementation.

Q. Mr. President, in the Comprehensive Concept it states that ground-based missiles will be needed as far as can be foreseen. Now, even though the modernization decision has been put off, is there any alternative to modernizing those missiles?

The President. Is there any alternative to modernizing it? We will cross that bridge in 1992.

Conventional Arms Control

Q. As you know, Mr. Gorbachev is coming to Bonn soon, and his operative style has been to try

to up the ante when the U.S. makes a proposal. On your conventional arms proposal, do you think you've gone down as far as the West can safely go in reducing conventional forces, and can you go no further than what you've proposed yesterday?

The President. I see no reason talking about further cuts and further reductions when we have just tabled a sound proposal that addresses ourselves to this enormous imbalance, so I just would defer on that.

Q. Mr. President, you were criticized early on for a slow start. Now this proposal is being described as bold; you yourself said revolutionary. I wonder if there is any element of I-told-you-so in your attitude now to reaction to these proposals?

The President. Not really. [Laughter] Not really. No, listen, I'm not going to get into that game with Congress or anyone else. [Laughter]

Q. Mr. President, looking ahead, what impact do you think your proposals will have on U.S.-Soviet relations, and specifically on strategic arms talks?

The President. I hope that these proposals have an ameliorating effect, that things will get only better. I think it's a serious proposal. I think they see a solid, united alliance, and that is important in this. And so, I would hope that it would have a good effect on whatever follows on, and strategic arms reduction talks follow on. I have never questioned whether Gorbachev knew that we were serious and wanted to move forward with him. I've read speculation on this, but I have reason to believe that he knows that we have been serious, taking our time to formulate proposals. I do think that this one will be tangible evidence of this. And so, I hope it would lead to -- if a conventional forces talks can be catalytic for strategic talks, so be it. But I hope that the seriousness of all of this and the unity of the alliance will be persuasive to him, to make him know that we do want to go forward.

Q. Mr. President, as you know, the United States has strongly opposed -- and so has NATO -- including aircraft in these negotiations up to now. Could you tell us what your thinking was in deciding to reverse that position and to propose the 15-percent cut?

The President. Trying to correct disparity -- and it was really that simple. And I realize there have been some concerns of -- we are very understanding of the French reservation in this regard -- I might say very diplomatically and beautifully expressed by President [Francois] Mitterrand. But it is simply that: disparity.

East-West Relations

Q. Mr. President, Secretary-General Woerner spoke about the future being as important or more important than the past for the alliance. He spoke about NATO vision. Does NATO's vision

include East-West alliance?

The President. I don't see an East-West alliance, but I see a Europe much more free, and one whose innate desire to have more democracy comes to the surface. But I don't see it as an East and West joining in some formal alliance, if that was what the question was.

Q. I believe the game is called a followup question -- --

The President. You learn fast. [Laughter]

Q. NATO exists because of the perceived threat that the Soviet Union provided. Now the Soviet Union isn't perceived as a threat anymore. Surely, an East-West alliance would then exist for a perceived threat from elsewhere -- --

The President. Well, I've answered my question on -- you asked me whether I felt there would be some formal alliance between Pact countries -- I guess you meant between Warsaw Pact and NATO. And I don't think it would require a formal alliance in order to have much, much better relationships that include security considerations; but we're a long way from there. We're just beginning to see the differentiation in Europe, and our whole policy for the United States -- let me set aside NATO for a minute -- will be to watch for those changes and try to facilitate them and work with those who are willing to move towards freedom and democracy.

Indeed, we've made some proposals on Poland. I will be going to both Poland and Hungary, and I will make clear that if they move toward these Western values that have served the alliance so well for a long time that, speaking for the United States, we will be ready to have much better relations.

Arms Reduction

Q. Mr. President, can you say this morning that there will be no third zero? And if you can say it, why cannot the Comprehensive Concept say it?

The President. I thought I already did say it.

Q. I didn't think so.

The President. There will be no third zero. There will be no third zero. [Laughter] Partial means partial.

Eastern European Reforms

Q. Mr. President, Vice President Quayle, in an interview with a reporter the other day, said that if some of these Eastern European countries move too far toward Western values that the Soviets might intervene militarily and that we have not planned how we might respond to that. He said we ought to do that. Do you agree that that's a -- he called it a big risk. Do you agree it's a big risk, and do you think that we ought to be deciding what to do if the Soviets should -- --

The President. I'm old enough to remember Hungary in 1956, and I would want to do nothing in terms of statement or exhortation that would encourage a repeat of that. And so, I would leave it right there. I'd like to think that the situation will move in the opposite direction. But who would have predicted the kind of public, up until now peaceful demonstration in Tiananmen Square? Who would have predicted the kind of move inside the Soviet Union on perestroika and, indeed, glasnost? So, when you're dealing with things as complex as relations between countries, I think prudence is the order of the day, and I've said that all along. But back to your question, I don't think anyone knows the answer to that. I mean, we're not certainly predicting that.

Q. Well, then, do you disagree with the Vice President?

The President. I don't even know what he said. And, Jack [Jack Nelson, Los Angeles Times], I learned long ago not to comment on things that I haven't read personally when we're trying to get one member of an administration to be juxtaposed against another. It's bad business, and I'm not going to do that. But I have great confidence in the Vice President, I might add, and I think his pronouncements on foreign policy have been very sound.

Conventional Arms Control

Q. Mr. President, notwithstanding the obvious fact that they all work for you anyway, how much of a problem, if any, did you have getting the Pentagon on board on these proposals?

The President. The Pentagon did what it should have done. And they looked at various options from the military standpoint, and they analyzed it. And the Joint Chiefs were fully engaged in the process, and my contacts were principally, but not exclusively, with Bill Crowe [Chairman of the Joint Chiefs of Staff]. One of the things I wanted to do in talking to our alliance partners was assure them that our military was behind the final proposal. Indeed, I was very pleased in talking to General Galvin [Supreme Allied Commander, Europe] before this proposal was tabled to have his assurances that what we have proposed here is sound militarily. And that made it a much better position to present to the alliance.

Q. Do you expect any foot-dragging or grumbling or maybe even a little leaking along the way as you go forward?

The President. In our own leak-proof bureaucracy? No, I don't expect that. [Laughter] And I would discourage it. But is it apt to happen? I would hope not.

Last one. Charles [Charles Bierbauer, CNN]?

Q. Mr. President, were you, at any point, unhappy with the pace and the projections of that slow and lengthy policy review to the extent -- as you described, you had a 12-day sort of crash course in some of these new proposals. Can you give us some of your personal sense of how you got to this point?

The President. Well, first we undertook these reviews. I'm not sure everyone here understands that. And I said that I needed some time when I became President -- new President, January 20th -- to review not only this subject, the NATO-related subjects, but a wide array of subjects. We're almost through all of the reviews. And during what Mr. Bierbauer is referring to, during this time, I came under some fire for being recalcitrant, reluctant to move forward. Indeed, when Mr. Gorbachev would make one of his many proposals, they would be coming to me and saying, ``Well, don't you think you have to do something?'' And I would say, ``No, we want to take our time and act in a prudent manner.''

I had in my mind that what we wanted to do was to be sure that the alliance was together on any -- or would come together on any proposal we made to the alliance. But I think there was some feeling in Congress, some criticism of my speed, or lack of it, in the United States Congress; but I'm so immune to political criticism that I just kind of write it off. I was elected to do what I think is right. And I think we've come up with a good proposal here.

And I will end, this being the last question, not with a filibuster but simply to say I have been told by others here that the alliance really has never had a meeting that's more upbeat and where we've taken rather significant steps in unity. And so, whatever the wait, whatever the political arrows might have been fired my way, it's all been worth it, because I think we have something sound and solid to build on now.

And again, I end by thanking my colleagues, the other heads of government, chiefs of state that were here, for the total cooperation and the spirit in which these proposals were received and discussed and the way in which NATO adopted its final position. I think it's a good thing: it's good for NATO; I really happen to believe that it's good for the entire free world.

Thank you all very much.

Note: The President's 13th news conference began at 12:49 p.m. in the Luns Press Theatre at the North Atlantic Treaty Organization Headquarters. In his opening remarks, he referred to Manfred Woerner, Secretary-General of NATO.

Remarks at the American School in Brussels

May 30, 1989

Thank you all very much. I love this enthusiasm -- anything to get out of school. [Laughter] And here we are. [Laughter] But speaking of which, first, let me thank Dr. Beckwith, Jennifer Beckwith, for extending us this hospitality: a large one-room schoolhouse and the great American tradition of basketball. But I also want to pay my respects to, and recognize, Ambassador Glitman over here. You all know every one of these three, but I am so grateful to each one of them for the leadership they've given the various embassies -- Mike Glitman; Al Keel, whom we've been living with for 48 hours; and of course, my old friend, Al Kingon. So, I want to say to them that I am deeply grateful to each of them for the job he is doing.

And I hope that this result of this NATO meeting today will make your lives here much better, because I do think that the alliance, having come together in this meeting, sent a strong signal. And many of you in this room, although you might be in Brussels, or you might be in Al Kingon's office, helped work on this whole NATO initiative and helped spend your time working at NATO. So, I'm grateful to those who have been a part of all of this -- but in a way, you all are, because under [Secretary of State] Jim Baker, we have an outstanding team.

Let me say, I have great respect for those of you in the Foreign Service. And you're talking to one who was supported so strongly when I first went up to the United Nations as Ambassador -- didn't really know what I was walking into, and here was this fantastic, dedicated service ready to carry out the instructions of the Secretary of State and help this new Ambassador. And it made a profound impression on me. And then I saw it again when I was in China as the head of the liaison office there. So, I have respect for the Foreign Service. I have respect for those of you who are attached to the embassies, be it as career people, from Commerce, and certainly our military, USIA [U.S. Information Agency], and many other organizations. Public service is a noble calling, and you who serve overseas exemplify its very best. So, thank you all very much for what you do all the time.

I didn't quite know how to receive the welcome that I received when I went in here to one of Jennifer's offices, right there outside the girls' locker room. [Laughter] This one caught my eye: ``Yo, President Bush!" [Laughter] I think that's what it said. [Laughter] ``I think you're really cool." I want the press to listen to this one. ``You make all the right decisions," and ``I'm glad you're coming to school," and ``I love your hair." [Laughter] I wonder -- that might have been for Barbara -- that might have been yours. Maybe that was for the Silver Fox -- who knows? Anyway, it was signed ``Kohl K.," and both Bushes appreciate it.

And this one caught my eye out there -- I didn't have long to digest these: ``Dear President Bush, remember me?" [Laughter] Funny thing is, I do. ``I am Margaret Hogg. I have come to the last three Christmas parties when you were Vice President." And yes, she did, her dad being a

distinguished naval officer. ``The first one we came to, my brothers and I ate all the strawberries." [Laughter] ``The second time, we took five big candy bars -- five each when we were only supposed to take two." It really would -- but nice to see you. ``We're waiting for you across the road. We'll be waving," she said. Well, what better welcome can a President have? [Laughter]

But we are heading on to Bonn in just a minute, but I really wanted to just pop in here and tell you that you are not forgotten -- you are loved; you are respected. And thank you all very much. And to you, Jennifer, thank you for taking the lead in this trilingual -- I thought I heard -- maybe it was only two -- but nevertheless -- [laughter] -- teaching these kids. And I tell you, one of the things that has been marvelous about this summit is the understanding that our values, the alliance's values -- but our values are winning the battle around the world. There's no longer a question of whether we've been on the right side on democracy and freedom and those things; we are. And now the beautiful thing about it is, I think, as we look at Eastern Europe and we look in other places in the world, we see that it's the American values that are prevailing. And I think that right here in this wonderful school, the kids -- in addition to their families, they get it right here in this school, inculcating in them the values that are carrying the day worldwide for the great United States of America.

Thank you all, and God bless you.

Note: The President spoke at 2:40 p.m. in the school gymnasium. In his opening remarks, he referred to Dr. Jennifer Beckwith, principal of the school; Maynard W. Glitman, U.S. Ambassador to Belgium; Alton G. Keel, Jr., U.S. Ambassador to NATO; and Alfred Kingon, U.S. Ambassador to the Commission of the European Communities.

Remarks and a Question-and-Answer Session With Reporters Following Discussions With Chancellor Helmut Kohl in Bonn, Federal Republic of Germany

May 30, 1989

The Chancellor. Mr. President, ladies and gentlemen: allow me to welcome you, Mr. President, very cordially here to the Federal Republic of Germany. This is a good day for us. A few days ago we celebrated the 40th anniversary of the Federal Republic of Germany, and these 40 years were also 40 years of friendship and partnership with the United States. Over these four decades, American soldiers defended, together with our troops, freedom and peace in our country. And a lot of what was decisive for the early history of our country was initiated by the United States, and we always received support by the United States.

I would like to welcome you very cordially as a proven friend of our country, as a personal friend who has always stood ready to help me in difficult times. And yesterday and today we met in order to celebrate the 40th anniversary of NATO. We jointly discussed in the spirit of friendship difficult questions which are now important for our future. Your initiative, your new proposal for disarmament, is an enormous step into the future, and it shows the inspiration emanating from the leadership role of the United States. Mr. President, that was a wise, a right decision at a very important point in time. And now it's up to the other side to actually take that hand which has been extended to it, and then that will be a great work of peace.

We have taken up already our talks. I would just like to mention two points on our agenda. First of all, we talked about the foundation of the European Community and then about the completion of the internal market of the European Community by the 31st of December, 1992. This will lend a new quality to European policy, and you know the Federal Republic of Germany has been a motor, an engine, behind this development.

But we are also a motor for open world trade. And if from time to time I hear reports and read reports from the United States that people are afraid and we would isolate ourselves against the rest of the world, drawing up barriers to trade, I say to people: This will not happen in any case, and certainly not receive the support of the Federal Republic of Germany. On the contrary, I firmly believe that in the next years to come, the European Community and the United States of America will enjoy deepened relations -- political relations and economic relations.

For us, the relationship with the United States is of existential importance. And therefore, we also discussed another very important point which goes beyond day-to-day politics, that is to say, the fact that we want to intensify the exchange of pupils and students. We want as many young Germans as possible to go to the United States and to get to know the country. And we also would like to see as many young Americans as possible come over here to our country. And

to use an image that's out of this planting of young trees: A forest may grow which stands as a symbol of the solid friendship between our two countries. To put it quite simply, Mr. President, we're glad you're here. You are a friend among friends.

The President. Let me just be very brief and first thank Chancellor Kohl for this warm reception. I told him that I don't believe German-American relations have ever been better. And secondly, I am very pleased with the reaction to the NATO decision that was taken. I think it shows NATO to be together; it shows NATO to be strong. And indeed, I think in challenging Mr. Gorbachev to come forward now, we have moved in the right direction in unity. It is in the interest of NATO; it is clearly in the interest of the United States and all the members in NATO -- the Federal Republic. And I happen to believe that what we've proposed is in the interest of the Soviet Union.

So, we will see what the reaction is, but this was a wonderful celebration of the 40th anniversary of NATO. And, Chancellor Kohl, once again my sincere thanks to you, sir, for your hospitality and for the total cooperation between the United States and the Federal Republic.

Short-Range Nuclear Forces in Europe

Q. Mr. Chancellor, sir, do you consider yourself a winner? Do you consider yourself a winner or a loser on the short-range missiles? Did you get what you wanted, or is it a real compromise?

The Chancellor. I think we were all just winners in Brussels. I think that the alliance has given itself the best kind of birthday present it could have given. After difficult discussions, we came to a joint decision, and this decision is what applies. I think we've -- all of us -- had the personal experience of having to make compromises, and I think that this is a good thing. And we also came to a compromise here. And just as one concrete answer to your question, there are only winners; and actually that's a very rare experience for a politician, and I relish that.

Q. Is this compromise enough for you to win the election next year? [Laughter]

The Chancellor. I am completely certain as to the result of the elections in 1990. And as a very concrete answer to your question, I think it is very helpful with regard to the majority of the German people that we have here a government and a head of government who has proved his friendship with the United States over the course of the years. So, insofar, yesterday and today will indeed be helpful.

Q. Mr. President, when will you go to Berlin?

The President. The answer is, I don't know; and you can have another question. [Laughter]

Q. Would you expand the Berlin initiative of your predecessor?

The President. Defend it?

Q. No, expand it, enlarge it?

The President. We might well; we might well. We might have something to say about that tomorrow in Mainz.

Thank you very much.

Note: The Chancellor spoke at 6:21 p.m. in the Chancellery. He spoke in German, and his remarks were translated by an interpreter. Prior to their remarks, the President and the Chancellor participated in a bilateral meeting with U.S. and West German officials.

Toast at a Dinner Hosted by Chancellor Helmut Kohl in Bonn, Federal Republic of Germany

May 30, 1989

Mr. Chancellor, and ladies and gentlemen, it is a very great honor for us to be in this magnificent room and to be received so warmly by the Chancellor of the Federal Republic of Germany and by all of you. I would have enjoyed my first visit here as President regardless of its timing, for I have often visited this wonderful country. And always, Barbara and I have marveled at the kindness of your people.

But there is a special significance to this visit, for it coincides with two dates of great importance to both our countries: the 40th anniversary of the founding of the Federal Republic of Germany and the Atlantic alliance. For four decades, each event has enriched the other. And today it is hard to imagine a NATO without a democratic Germany, for yours has been, and remains, a success story almost without parallel. It is also hard to envision Germany without NATO, for this alliance has been, and remains, a citadel of freedom at the center of American foreign policy.

The history of postwar U.S.-German relations is of allies resolute and strong, united by the values of family, faith, human rights, and democracy, and ties -- economic, cultural, military -- that bind our democracies; a common dedication to the cause of peace -- that, too, unites us -- and the knowledge that Western unity is central to that cause. In 1989 we are nearer our goals of peace and European reconciliation than at any time since the founding of NATO and the Federal Republic, but we will achieve them only if we uphold the principles which have guided our friendship and the Atlantic alliance for 40 years.

Winds of change are blowing in Eastern Europe, including in the Soviet Union. And it's happening, in part, because Mr. Gorbachev has seen that our society works and that his does not. And we welcome these changes and are prepared to move beyond containment to a policy that seeks to integrate the Soviet Union into the community of nations. And we're encouraged by changes in Eastern Europe, particularly in Poland and in Hungary. To encourage fundamental economic and political reform, we will respond with a more active engagement of Eastern European governments and peoples.

And if hope exists for ending the division of Europe, it is because we have for 40 years been willing to defend our own freedom. In the future, let us learn from the past, and that past tells us that preserving a strong defense offers the greatest hope of easing Europe's division and ensuring Europe's freedom. For peace through strength will give the Soviet Union continued incentive to seek its security through democratization, economic reform.

The United States and its allies share a vision of a less militarized Europe, where great armies no longer face each other across barbed wire and concrete walls. And that is why I put forward my conventional arms control initiative yesterday at the NATO summit. We seek a Europe without barriers, united by free markets, united by democracy.

And tonight I'm pleased to make a modest announcement. Beginning shortly, holders of passports of the Federal Republic of Germany visiting the United States as tourists or on business will no longer be required to obtain U.S. visas. I hope this is a modest demonstration of the ever closer relationship between our two countries.

Forty years ago, the world marveled at perhaps Germany's finest profile in courage. Some have termed it ``the cradle of the American-German friendship.'' And I refer, of course, to the Berlin airlift. And together, we stood as allies against the forces of tyranny. And today we must stand again, and will. Apart, we cannot succeed. Together, we cannot fail. And in that spirit, I ask you all to rise and raise your glasses: To the Federal Republic of Germany on its 40th anniversary, to German-American friendship; to the most enduring alliance in the history of man; and to the health of my dear friend and colleague, the Chancellor of the Federal Republic.

Note: The President spoke at 8:51 p.m. in the dining room at Redoute Castle.

Message to the Congress on Trade With Hungary and China

May 31, 1989

To the Congress of the United States:

I hereby transmit the documents referred to in Subsection 402(d)(5) of the Trade Act of 1974 with respect to a further 12-month extension of the authority to waive Subsections (a) and (b) of Section 402 of the Act. These documents constitute my decision to continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of Section 402. I also include my determination that continuation of the waivers applicable to the Hungarian People's Republic and the People's Republic of China will substantially promote the objectives of Section 402. The attached documents also include my reasons for extension of the waiver authority, and for my determination that continuation of the waivers currently in effect for the Hungarian People's Republic and the People's Republic of China will substantially promote the objectives of Section 402.

George Bush

The White House,

May 31, 1989.

Presidential Determination No. 89 - 14 -- Memorandum on Trade With Hungary and China

May 31, 1989

Memorandum for the Secretary of State

Subject: Determination Under Section 402(d)(5) of the Trade Act of 1974 -- Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93 - 618), January 3, 1985 (88 Stat. 1978) (hereinafter ``the Act''), I determine, pursuant to Subsection 402(d)(5) of the Act, that the further extension of the waiver authority granted by Subsection 402(c) of the Act will substantially promote the objectives of Section 402 of the Act. I further determine that the continuation of the waivers applicable to the Hungarian People's Republic and the People's Republic of China will substantially promote the objectives of Section 402 of the Act.

This determination shall be published in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:39 p.m., June 23, 1989]

Note: The determination was printed in the ``Federal Register'' of June 27.

Statement on the Resignation of Speaker of the House of Representatives Jim Wright

May 31, 1989

The Speaker and I are both from Texas. We have been friends for many years. In spite of the present situation, I believe the Wright tenure was one of effectiveness and dedication to the Congress of the United States, and I recognize his distinguished service to the people of his congressional district. Barbara and I wish Jim and Betty well in whatever lies ahead.

Remarks to American Embassy Employees and Their Families in Bonn, Federal Republic of Germany

May 31, 1989

The President. Thank you, Mr. Secretary, and let me just say a word about our Ambassador here in Bonn. We Bushes have known Dick Walters for many years. And I really can't think of any public servant who has served his country in so many diverse assignments, always with excellence, and in whom I have more confidence than Dick Walters. And he is a great Ambassador, a great advocate for the United States; and he can advocate the United States in about 11 different foreign languages, including in German, and I think that's a wonderful thing. And, Dick, thank you for your hospitality and for your leadership in this country that is so vitally important to the United States.

I see a sign up here from Bonn Elementary. And it says -- show me what the sign -- it says, ``We are the world.'' And you know, they're right -- they are absolutely right about that. And the youth are the world. And what happened in NATO a couple of days ago I hope guarantees a more peaceful future for those that are the world -- for you young people here. And for that action, I give great credit to the United States authorities that were involved: our Secretary of Defense [Cheney]; our Secretary of State [Baker] stayed up till all hours of the night achieving what now is seen as a wonderful arrangement; my National Security Adviser, who -- some of you would recognize his name -- is with me here today, Brent Scowcroft, General Scowcroft; our Chief of Staff [Sununu]; and on and on it goes, because this U.S. position was a cooperative position -- we worked it out through the entire bureaucracy. And it seems to have captured the imagination certainly of the free world and I hope, eventually, of the Soviet Union.

And so, we came to Bonn in the wake of a very successful NATO meeting. But it isn't a victory for the United States. Ours was a team effort in going to NATO, and the result was a team victory. The victory was for NATO in coming together in unified fashion, demonstrating its solidarity after 40 years of keeping the peace in Europe.

To each of you in the Embassy, whether you be Foreign Service or attached to the Embassy with one of the other services -- Commerce, whatever else -- USIA [U.S. Information Agency] -- so many others, and certainly to our military, let me pay my respects. I normally try to single out the admin officer. And because we've been rushing around, I don't know who that poor embattled soul is in Embassy Bonn -- --

Q. Harry Geisel.

The President. Harry? There he is, he's still smiling. [Laughter] And some of that is because we told Harry we were leaving on schedule and getting out of his way. [Laughter] And now he's

giving three cheers for that. But I cite him because I was on the receiving end of some of these visits when I lived halfway around the world in China, and I know that they can be a pluperfect pain. And so, I would only think, Harry, and then everybody else in the political and the economic and every section -- communications -- every section of this tremendous and effective Embassy that has been involved in this visit, Barbara and I are very grateful to each and every one of you. And this hospitality, even though we enjoyed it for such a short time, really rang through loud and clear from the very moment we got here.

I can tell you that we've just finished talks with the Chancellor, and Jim with the Foreign Minister. And I can say that a lot because of your work, your professionalism and -- in the military sense, your dedication to duty -- the relationship between the Federal Republic and the United States has never been better. And for that same conviction on the part of many of you here, the relationship and the strength of NATO has never been stronger.

So we really dropped by to say hail and farewell and thank you from the grateful heart of this President of the United States. Many, many thanks, and God bless the United States of America. Thank you all very much.

Note: The President spoke at 11:20 a.m. at the residence of Rita Suessmuth, President of the Bundestag, the West German Parliament. In his opening remarks, he referred to Vernon A. Walters, U.S. Ambassador to West Germany. In his closing remarks, the President referred to Harold W. Geisel, administrative officer at the U.S. Embassy in Bonn; Secretary of State James A. Baker III; and West German Foreign Minister Hans-Dietrich Genscher.

Remarks to the Citizens in Mainz, Federal Republic of Germany

May 31, 1989

Thank you, Chancellor Kohl. At the outset, let me tell you that -- lest you think that he has forgotten his home State because he is the Chancellor of the Federal Republic -- I will only tell you that in the last 24 hours Chancellor Kohl has been convincing me that when I came to this State and to Mainz, I would be coming to heaven. [Laughter] And having gotten here, I think he may just about be right, I'll tell you. Thank you all very much.

Dr. Wagner and Lord Mayor, distinguished hosts, I want to also thank these two bands, West German and American, for that stirring music. And Chancellor Kohl, I especially want to thank you again for inviting me to this beautiful and ancient city on my first Presidential trip to the Republic of Germany -- the Federal Republic. And Herr Kohl and I have concluded now our deliberations at the NATO summit in Brussels, an excellent start to our working partnership as Chancellor and President.

And here in Mainz, by the banks of the Rhine, it's often said that this heartland of mountain vineyards and villages embodies the very soul of Germany. So, Mainz provides a fitting forum for an American President to address the German people. Today I come to speak not just of our mutual defense but of our shared values. I come to speak not just of the matters of the mind but of the deeper aspirations of the heart.

Just this morning, Barbara and I were charmed with the experiences we had. I met with a small group of German students, bright young men and women who studied in the United States. Their knowledge of our country and the world was impressive, to say the least. But sadly, too many in the West, Americans and Europeans alike, seem to have forgotten the lessons of our common heritage and how the world we know came to be. And that should not be, and that cannot be.

We must recall that the generation coming into its own in America and Western Europe is heir to gifts greater than those bestowed to any generation in history: peace, freedom, and prosperity. This inheritance is possible because 40 years ago the nations of the West joined in that noble, common cause called NATO. And first, there was the vision, the concept of free peoples in North America and Europe working to protect their values. And second, there was the practical sharing of risks and burdens, and a realistic recognition of Soviet expansionism. And finally, there was the determination to look beyond old animosities. The NATO alliance did nothing less than provide a way for Western Europe to heal centuries-old rivalries, to begin an era of reconciliation and restoration. It has been, in fact, a second Renaissance of Europe.

As you know best, this is not just the 40th birthday of the alliance, it's also the 40th birthday of

the Federal Republic: a republic born in hope, tempered by challenge. And at the height of the Berlin crisis in 1948, Ernst Reuter called on Germans to stand firm and confident, and you did -- courageously, magnificently.

And the historic genius of the German people has flourished in this age of peace, and your nation has become a leader in technology and the fourth largest economy on Earth. But more important, you have inspired the world by forcefully promoting the principles of human rights, democracy, and freedom. The United States and the Federal Republic have always been firm friends and allies, but today we share an added role: partners in leadership.

Of course, leadership has a constant companion: responsibility. And our responsibility is to look ahead and grasp the promise of the future. I said recently that we're at the end of one era and at the beginning of another. And I noted that in regard to the Soviet Union, our policy is to move beyond containment. For 40 years, the seeds of democracy in Eastern Europe lay dormant, buried under the frozen tundra of the Cold War. And for 40 years, the world has waited for the Cold War to end. And decade after decade, time after time, the flowering human spirit withered from the chill of conflict and oppression; and again, the world waited. But the passion for freedom cannot be denied forever. The world has waited long enough. The time is right. Let Europe be whole and free.

To the founders of the alliance, this aspiration was a distant dream, and now it's the new mission of NATO. If ancient rivals like Britain and France, or France and Germany, can reconcile, then why not the nations of the East and West? In the East, brave men and women are showing us the way. Look at Poland, where Solidarity, Solidarnosc, and the Catholic Church have won legal status. The forces of freedom are putting the Soviet status quo on the defensive. And in the West, we have succeeded because we've been faithful to our values and our vision. And on the other side of the rusting Iron Curtain, their vision failed.

The Cold War began with the division of Europe. It can only end when Europe is whole. Today it is this very concept of a divided Europe that is under siege. And that's why our hopes run especially high, because the division of Europe is under siege not by armies but by the spread of ideas that began here, right here. It was a son of Mainz, Johannes Gutenberg, who liberated the mind of man through the power of the printed word. And that same liberating power is unleashed today in a hundred new forms. The Voice of America, Deutsche Welle, allow us to enlighten millions deep within Eastern Europe and throughout the world. Television satellites allow us to bear witness from the shipyards of Gdansk to Tiananmen Square. But the momentum for freedom does not just come from the printed word or the transistor or the television screen; it comes from a single powerful idea: democracy.

This one idea is sweeping across Eurasia. This one idea is why the Communist world, from Budapest to Beijing, is in ferment. Of course, for the leaders of the East, it's not just freedom for freedom's sake. But whatever their motivation, they are unleashing a force they will find difficult

to channel or control: the hunger for liberty of oppressed peoples who've tasted freedom.

Nowhere is this more apparent than in Eastern Europe, the birthplace of the Cold War. In Poland, at the end of World War II, the Soviet Army prevented the free elections promised by Stalin at Yalta. And today Poles are taking the first steps toward real election, so long promised, so long deferred. And in Hungary, at last we see a chance for multiparty competition at the ballot box.

As President, I will continue to do all I can to help open the closed societies of the East. We seek self-determination for all of Germany and all of Eastern Europe. And we will not relax, and we must not waver. Again, the world has waited long enough.

But democracy's journey East is not easy. Intellectuals like the great Czech playwright Vaclav Havel still work under the shadow of coercion. And repression still menaces too many peoples of Eastern Europe. Barriers and barbed wire still fence in nations. So, when I visit Poland and Hungary this summer, I will deliver this message: There cannot be a common European home until all within it are free to move from room to room. And I'll take another message: The path of freedom leads to a larger home, a home where West meets East, a democratic home, the commonwealth of free nations.

And I said that positive steps by the Soviets would be met by steps of our own. And this is why I announced on May 12th a readiness to consider granting to the Soviets temporary waiver of the Jackson-Vanik trade restrictions if they liberalize emigration. And this is also why I announced on Monday that the United States is prepared to drop the ``no exceptions'' standard that has guided our approach to controlling the export of technology to the Soviet Union, lifting a sanction enacted in response to their invasion of Afghanistan.

And in this same spirit, I set forth four proposals to heal Europe's tragic division, to help Europe become whole and free.

First, I propose we strengthen and broaden the Helsinki process to promote free elections and political pluralism in Eastern Europe. As the forces of freedom and democracy rise in the East, so should our expectations. And weaving together the slender threads of freedom in the East will require much from the Western democracies.

In particular, the great political parties of the West must assume an historic responsibility to lend counsel and support to those brave men and women who are trying to form the first truly representative political parties in the East, to advance freedom and democracy, to part the Iron Curtain.

In fact, it's already begun to part. The frontier of barbed wire and minefields between Hungary and Austria is being removed, foot by foot, mile by mile. Just as the barriers are coming down in

Hungary, so must they fall throughout all of Eastern Europe. Let Berlin be next -- let Berlin be next! Nowhere is the division between East and West seen more clearly than in Berlin. And there this brutal wall cuts neighbor from neighbor, brother from brother. And that wall stands as a monument to the failure of communism. It must come down.

Now, glasnost may be a Russian word, but ``openness'' is a Western concept. West Berlin has always enjoyed the openness of a free city, and our proposal would make all Berlin a center of commerce between East and West -- a place of cooperation, not a point of confrontation. And we rededicate ourselves to the 1987 allied initiative to strengthen freedom and security in that divided city. And this, then, is my second proposal: Bring glasnost to East Berlin.

My generation remembers a Europe ravaged by war. And of course, Europe has long since rebuilt its proud cities and restored its majestic cathedrals. But what a tragedy it would be if your continent was again spoiled, this time by a more subtle and insidious danger -- Chancellor referred to -- that of poisoned rivers and acid rain. America's faced an environmental tragedy in Alaska. Countries from France to Finland suffered after Chernobyl. West Germany is struggling to save the Black Forest today. And throughout, we have all learned a terrible lesson: Environmental destruction respects no borders.

So, my third proposal is to work together on these environmental problems, with the United States and Western Europe extending a hand to the East. Since much remains to be done in both East and West, we ask Eastern Europe to join us in this common struggle. We can offer technical training, and assistance in drafting laws and regulations, and new technologies for tackling these awesome problems. And I invite the environmentalists and engineers of the East to visit the West, to share knowledge so we can succeed in this great cause.

My fourth proposal, actually a set of proposals, concerns a less militarized Europe, the most heavily armed continent in the world. Nowhere is this more important than in the two Germanys. And that's why our quest to safely reduce armament has a special significance for the German people.

To those who are impatient with our measured pace in arms reductions, I respectfully suggest that history teaches us a lesson: that unity and strength are the catalyst and prerequisite to arms control. We've always believed that a strong Western defense is the best road to peace. Forty years of experience have proven us right. But we've done more than just keep the peace. By standing together, we have convinced the Soviets that their arms buildup has been costly and pointless. Let us not give them incentives to return to the policies of the past. Let us give them every reason to abandon the arms race for the sake of the human race.

In this era of both negotiation and armed camps, America understands that West Germany bears a special burden. Of course, in this nuclear age, every nation is on the front line, but not all free nations are called to endure the tension of regular military activity or the constant presence of

foreign military forces. We are sensitive to these special conditions that this needed presence imposes.

To significantly ease the burden of armed camps in Europe, we must be aggressive in our pursuit of solid, verifiable agreements between NATO and the Warsaw Pact. On Monday, with my NATO colleagues in Brussels, I shared my great hope for the future of conventional arms negotiations in Europe. I shared with them a proposal for achieving significant reductions in the near future.

And as you know, the Warsaw Pact has now accepted major elements of our Western approach to the new conventional arms negotiations in Vienna. The Eastern bloc acknowledges that a substantial imbalance exists between the conventional forces of the two alliances, and they've moved closer to NATO's position by accepting most elements of our initial conventional arms proposal. These encouraging steps have produced the opportunity for creative and decisive action, and we shall not let that opportunity pass.

Our proposal has several key initiatives. I propose that we lock in the Eastern agreement to Western-proposed ceilings on tanks and armored troop carriers. We should also seek an agreement on common numerical ceiling for artillery in the range between NATO's and that of the Warsaw Pact, provided these definitional problems can be solved. And the weapons we remove must be destroyed.

We should expand our current offer to include all land-based combat aircraft and helicopters by proposing that both sides reduce in these categories to a level 15 percent below the current NATO totals. Given the Warsaw Pact's advantage in numbers, the Pact would have to make far deeper reductions than NATO to establish parity at those lower levels. Again, the weapons we remove must be destroyed.

I propose a 20-percent cut in combat manpower in U.S.-stationed forces and a resulting ceiling on U.S. and Soviet ground and air forces stationed outside of national territory in the Atlantic-to-the-Urals zone at approximately 275,000 each. This reduction to parity, a fair and balanced level of strength, would compel the Soviets to reduce their 600,000-strong Red Army in Eastern Europe by 325,000. And these withdrawn forces must be demobilized.

And finally, I call on President Gorbachev to accelerate the timetable for reaching these agreements. There is no reason why the 5-to-6-year timetable as suggested by Moscow is necessary. I propose a much more ambitious schedule. And we should aim to reach an agreement within 6 months to a year and accomplish reductions by 1992, or 1993 at the latest.

In addition to my conventional arms proposals, I believe that we ought to strive to improve the openness with which we and the Soviets conduct our military activities. And therefore, I want to reiterate my support for greater transparency. I renew my proposal that the Soviet Union and its

allies open their skies to reciprocal, unarmed aerial surveillance flights, conducted on short notice, to watch military activities. Satellites are a very important way to verify arms control agreements, but they do not provide constant coverage of the Soviet Union. An open skies policy would move both sides closer to a total continuity of coverage while symbolizing greater openness between East and West.

These are my proposals to achieve a less militarized Europe. A short time ago, they would have been too revolutionary to consider, and yet today we may well be on the verge of a more ambitious agreement in Europe than anyone considered possible.

But we're also challenged by developments outside of NATO's traditional areas of concern. Every Western nation still faces the global proliferation of lethal technologies, including ballistic missiles and chemical weapons. We must collectively control the spread of these growing threats. So, we should begin as soon as possible with a worldwide ban on chemical weapons.

Growing political freedom in the East, a Berlin without barriers, a cleaner environment, a less militarized Europe -- each is a noble goal, and taken together they are the foundation of our larger vision: a Europe that is free and at peace with itself. And so, let the Soviets know that our goal is not to undermine their legitimate security interests. Our goal is to convince them, step-by-step, that their definition of security is obsolete, that their deepest fears are unfounded.

When Western Europe takes its giant step in 1992, it will institutionalize what's been true for years: borders open to people, commerce, and ideas. No shadow of suspicion, no sinister fear is cast between you. The very prospect of war within the West is unthinkable to our citizens. But such a peaceful integration of nations into a world community does not mean that any nation must relinquish its culture, much less its sovereignty.

This process of integration, a subtle weaving of shared interests, which is so nearly complete in Western Europe, has now finally begun in the East. We want to help the nations of Eastern Europe realize what we, the nations of Western Europe, learned long ago: The foundation of lasting security comes not from tanks, troops, or barbed wire; it is built on shared values and agreements that link free peoples. The nations of Eastern Europe are rediscovering the glories of their national heritage. So, let the colors and hues of national culture return to these gray societies of the East. Let Europe forgo a peace of tension for a peace of trust, one in which the peoples of the East and West can rejoice -- a continent that is diverse yet whole.

Forty years of Cold War have tested Western resolve and the strength of our values. NATO's first mission is now nearly complete. But if we are to fulfill our vision -- our European vision -- the challenges of the next 40 years will ask no less of us. Together, we shall answer the call. The world has waited long enough.

Thank you for inviting me to Mainz. May God bless you all. Long live the friendship between

Germany and the United States. Thank you, and God bless you.

Note: The President spoke at 1:16 p.m. in the Rheingoldhalle, an auditorium in Mainz. In his opening remarks, he referred to Dr. Carl-Ludwig Wagner, Minister-President of Rheinland-Pfalz, and Lord-Mayor Herman-Harmut Weyel.

Remarks to Military Personnel and Their Families in Frankfurt, Federal Republic of Germany

May 31, 1989

Thank you very much for that welcome back. Some of you may have all been around here a couple years ago, and my only regret is, I won't get to go running on the track here this time. [Laughter] But I was here about 3 years ago as Vice President, and things have changed since then. Now, there's a new number one: the Rhein-Main Rockets. [Applause] But Secretary [of State] Baker and I and General Scowcroft [Assistant to the President for National Security Affairs] and our Chief of Staff, John Sununu, and Barbara and all the rest of our traveling squad are just delighted to be here, heading off to London right now and then -- eat your hearts out -- the good old U.S. of A. on Friday afternoon.

But let me be serious for just a minute and say that it is an honor to stand before an audience of men and women who serve the Armed Forces of the greatest country on the face of the Earth. And for over four decades now -- NATO having celebrated its 40th anniversary just 2 or 3 days ago -- people like you have left home, often family and loved ones, and you've served as guardians to this gateway to freedom. And your presence here inspires a deep admiration and gratitude -- certainly from me personally, that is -- we saw at that NATO meeting from people all around the world. And so, thank you for all you're doing to keep freedom secure. You've been directly responsible, each in his own way, for the longest peace that Europe has known in centuries -- over 40 years of peace. And that's an achievement that the world now applauds and that history will honor.

You know, people talk often about the ``right stuff," but the heroism and the humanity of American soldiers at Rhein-Main and other bases are the stuff of legend. Your dedication, I believe, is constant and enduring, day after day. And I've been told about some instances where your own humanity touches the lives of so many.

This is a special place, a place whose spirit of service reaches back to the tense days 40 years ago of the Berlin airlift, when a pilot named Gail Halverson, during his repeated runs, parachuted bags of candy to the children of Berlin. They called him Uncle Wiggley-Wings or the Chocolate Bomber, and he was a man who brought kindness to the cruelest of times.

And standing among you today is his son, Major Brad Halverson, who organized the Armenian airlift -- children injured in that devastating earthquake. And I was told by a high-ranking Soviet official that that outreach to the people of Armenia said as much to the Soviet Union as any message that any President could possibly send. And there's Captain Dawn Oerichbauer, the medical crew director, who said, ``The whole mission was worth it when I saw the hope and the hurt in the faces of the children."

And I know that also with us today is Major Bob Anderson, chief of the mental health clinic, a quiet hero who in his own way has helped so many on this base deal with the aftermath of terrorist threats. He's put lives back together, warded off the chill of fear.

And I single out a few because they represent the many. Here at Rhein-Main, with lifesaving medical evacuation missions, triumphant hostage returns, the normal day-to-day mission of flying in the crowded skies of Europe -- for you, heroism with a human touch is really the meaning of this mission. And you've seen the tears of those devastated by tragedy, and you've seen the tears of joy stream down the faces of those returning to freedom and of those who love them. And you've performed that everyday acts of vigilance that make preparedness possible. I think of all the security people -- some guy out guarding a C - 5 all night, supply clerk makes calls all day to find a part that's needed, flight-line attendant deicing planes at 4 a.m. on days something unlike this one.

And just this year, as NATO celebrates its 40th anniversary, we begin to sense new opportunities for coexistence. We may be seeing the dawning of a new age, but the reasons why you are here have not changed. There've been signs of progress from the Soviet Union; and though we hope for more, the nations of the alliance still face a Soviet Union with preponderant and awesome military power. And your presence in West Germany, your contribution to the security of Western Europe, is absolutely essential.

And I might add that I left Germany today feeling that the relations with the Federal Republic and the United States, our bilateral relations, have never been better. And I want to thank each one of you for the way you interact with our German friends. It does show the best side of America to the people in the Federal Republic of Germany. And I know that it's not easy serving away from home, but because of you and the sacrifices, our world is indeed safer and more secure.

You know, in a letter to John Adams, Thomas Jefferson once wrote: ``I've seen enough of one war never to wish to see another." And out there today, I know, are a number of children, some of them third generation of Americans stationed here at Rhein-Main, who have never seen war, and I hope they never do. The power to wage war is the power to prevent it, and that's our mission here. And we must remain prepared for war even as we work hard for peace. And believe me, we will strive hard to achieve the lasting peace.

So, carry on. Thank you all. God bless you, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 5:43 p.m. on the tarmac at Rhein-Main Air Force Base. Following his remarks, the President traveled to London.

Remarks and a Question-and-Answer Session Following Discussions With Prime Minister Margaret Thatcher in London

June 1, 1989

The President. Let me just thank the Prime Minister on behalf of our entire traveling squad. She and I talked in detail about a wide array of issues. I want to thank her, and I want to assert here that the special relationship that has existed between the United Kingdom and the United States is continuing and will continue. And once again, Madam Prime Minister, my sincere thanks to you for a very encouraging and frank exchange that we had. It's only with friends that you can take off the gloves and talk from the heart. And I felt that I was with a friend today, and I can assure the people in the United Kingdom that, from our side of the Atlantic, this relationship is strong and will continue to be.

The Prime Minister. Thank you very much, Mr. President. Ladies and gentlemen, the President comes here after a very, very successful NATO summit due to the leadership of the United States under the Presidency of George Bush. We talked about the followup to these matters. We talked also about the very difficult situation in the Middle East. We talked about the situation in China. We talked about matters in South Africa. And we have talked about matters in the Argentine and in Central America.

And so, I think you'll agree we have covered an extremely wide range of subjects, and yet the morning has been too short. We spoke together for about an hour and three-quarters and then joined our foreign ministers and Mr. Scowcroft [Assistant to the President for National Security Affairs]. And they, too, had considered some of these matters and others. We then also talked about the problems in Cambodia and the problems with the Vietnamese boat people still going to Hong Kong.

So, you can see that we have compressed a great deal into the time. We think very much the same way, which isn't surprising. And we're absolutely delighted that we have in President Bush a President of the United States who is staunch and steadfast on everything which is of fundamental value to democracy, freedom, and justice -- necessary to keep our country secure, and yet forever stretching out the hand of friendship with other nations across the European divide, trying to extend to the world some of the benefits which we enjoy but take for granted.

We are in a period when -- as the President has said in some of his most excellent speeches -- it's the end of containment. It's freedom on the offensive -- a peaceful offensive -- throughout the world. I think they have been some of the most valuable and happy talks I've had for a very long time, and we thank and congratulate the President.

Q. Mrs. Thatcher -- --

Q. Mrs. Prime Minister -- --

The Prime Minister. No, no, now, one at a time.

Q. All right, Mrs. Thatcher, can I ask, first of all -- --

The Prime Minister. One moment. You question me frequently. What about the President?

European-U.S. Relations

Q. Well, perhaps I can ask both of you: Is Britain America's most important ally in Europe?

The Prime Minister. I think you might put it more tactfully. [Laughter] America has allies throughout Europe and throughout the free world. I would like to think that we pride ourselves of being among the foremost of United States friends, and we will always be. I think it's quite wrong that because you have one friend you should exclude the possibility of other friendships as well. And I'm sure the President doesn't, and I don't. We both have many friends in Europe.

The President. Very good answer.

Q. Mr. Bush, can I ask you: Do you think that West Germany and France will increasingly share the spotlight in the so-called special relationship you have with Mrs. Thatcher?

The President. I think that the special relationship that I referred to in my opening remarks speaks for itself. And I think the remarks that the Prime Minister just made about U.K.'s propensity for friendship with other nations and the United States' friendship with other nations -- those remarks speak for themselves. And so, I would simply say I expect this relationship to continue on the steady keel because it is so fundamentally based on common values. And the NATO alliance, for example, is not going to divide up into inside cliques of who is the closest friend to whom.

But the point I want to make here is that I value the judgment, the conviction, the principled stance of Prime Minister Thatcher. I've been privileged to know her and work with her in a -- for me, a lesser capacity, for 8 years. And this visit alone -- as we crossed many, many borders and discussed the problems -- reassures me and just reaffirms what I've always felt: that we have a very, very special relationship. But it needn't be at the expense of our friendship with other countries.

The Prime Minister. Just one more. That's the other television channel. One more.

Eastern Europe

Q. Mr. Bush, what exactly can Britain do to bring about this further freedom in Eastern Europe that you said you want to see?

The President. Well, they've already done one step, and that is to help NATO come out with a very sound proposal. I can tell you that the Prime Minister and her able Foreign Minister [Sir Geoffrey Howe] helped shape this whole NATO proposal, which both of us think is a very forward-looking document, adhering to principles. So, it's not a question of the future; they've already performed, since I've been here in the last few days, a very useful role. And there are many other areas where, just on bilateral basis, that I'm sure the United Kingdom can influence and encourage this trend to democracy that the Prime Minister referred to -- many other areas. The U.K. is widely respected in Eastern Europe.

The Prime Minister. Thank you. I think Mrs. Bush awaits. No, that was the last question. Thank you for coming.

Note: The President spoke at 12:40 p.m. at 10 Downing Street, the Prime Minister's residence. Prior to their remarks, the President and the Prime Minister participated in a bilateral meeting with U.S. and British officials.

Remarks to American Embassy Employees and Their Families in London

June 1, 1989

The President. Thank you so much for that warm welcome back. Thank you, Mr. Secretary. I'd like you to meet some that have been traveling with us to NATO and Italy, and then to Germany. I see General Scowcroft standing over here, who I know most of you feel you know because of his many years of public service -- Brent Scowcroft. In that far corner over there is a household word for those who plug into CNN: Marlin Fitzwater, my esteemed -- standing right over there. I don't see our Chief of Staff, John Sununu, but maybe he branched off. [Laughter] But in any event, I owe them a tremendous vote of thanks, to say nothing of our able Secretary of State, for the job that they did as a team representing our interests -- the United States interest and, I think, the interest of the free world -- at NATO. Their support was absolutely superb -- their imagination, their creativity. Jim Baker, who gets tired when he drives to work in the morning -- [laughter] -- stayed up until about 1:30 hammering out in the darnedest way an agreement that has received strong support around the world. And I am grateful to him and, as I say, Brent and all those who are part of our team, to say nothing of the support of Bob Blackwill and others who are with us who did an awful lot of heavy lifting.

So, we come in here today feeling encouraged, not overconfident. But I think the alliance is strong; I think it's together. And I think now we have to follow up and do those things that our joint communique committed us to do. And of course, we will be needing the support of the able Foreign Service offices in every post to get this job done.

I have standing next to me -- or I did before I came to this podium -- our mystery guest. [Laughter] And I know that all of you -- it doesn't matter what your religious convictions are -- have the same respect and love for Billy that Barbara and I have -- Billy Graham, Dr. Graham, who is here once again doing the Lord's work. And I ran into him downstairs, not just by accident, because if he hadn't come to see me, we'd have darn sure gone to see him. And so, I just wanted to welcome the great son of North Carolina.

I want to thank everybody in this Embassy. We're now shifting to bilaterals, as we say, because I have been on the receiving end of Presidential visits. And they can be a pluperfect pain. [Laughter] What is your admin officer?

Audience member. Larry Russell.

The President. Larry Russell. Is Larry still speaking to me? Where is he? [Laughter] But I want to thank him, wherever he is, because these admin officers bear a disproportionate share of the load. I don't want to single him out, because I know there is political; I know the military play a

part in all of this; security plays a part on it; communicators are overworked. And the only thing I can say is, you can breathe easy tomorrow about 10, because I promise to leave on schedule. [Laughter] But thank you, in the meantime, for the fantastic support of this, one of the greatest embassies that the United States has anywhere in the world.

I meant what I said about the Foreign Service. I think you have had an outstanding DCM [deputy chief of mission] here, and the fact that he will be assuming very, very high-level responsibilities back in Washington is of enormous comfort to me. And Ray is going to do a superb job back there, taking on the breadth of responsibilities that not many have in that department. And I personally look forward to working with him, and I know I can learn an awful lot from what you taught him right here in this Embassy. [Laughter]

I want to mention the Marines -- sometimes we forget them, but I don't. And I have great respect for them, and I want to thank them for the job they do. And let me also mention the citizens of the U.K., with whom we all work in the Embassy. And I expect some are here, but you can't tell them from us. [Laughter] And that's one of the great things about it. [Laughter]

But really, I am indebted to each of you, because I know you never lose your allegiance to your own country -- you never should. But the contribution you make to an embassy of this nature is simply incalculable, and I am grateful to all of you. And I hear from the Ambassador and from all of those with whom I have contact back home of the great job that the Brits do who are part of our Embassy. And I hope you feel loved and wanted, because that's the way we feel about you. So, thank you for your contribution to the American foreign policy and to the success of this Embassy.

I, too, want to mention what Jimmy said about -- Secretary Baker, I mean, said about -- [laughter] -- Marie Burke. We can't dwell on it, but she was a valued member of the Foreign Service, and I was told that -- serving since 1971 in a number of posts. And all I can do is express my condolences to her friends and, obviously, her family, and my sympathy. And I would like to think that someday the culprit can be found and all of that. But the main thing is, I know you all miss her, and I want you to know that I respect that concept of service that she epitomized.

This Embassy has got a new Ambassador, and I have known Henry Catto and his wife, Jessica, for a long time. And he will be an outstanding Ambassador to the United Kingdom. It is one of the very most important posts we have. And the fact that I asked him to come here and that he accepted I hope sends a signal to our British friends that in him they have somebody who is very, very close to this President and who has my full confidence. And I hope that's something that brings joy to you, because I think an Ambassador often is seen as the President's personal representative in these countries. That's the way the law has it, and that's the way it is. And Henry has my full confidence, and as you come to know him, get used to his eccentricities. [Laughter] I don't know who to blame for the cow on the front yard at Winfield House, but

nevertheless -- Jessica? [Laughter] No, Jessica and Henry are going to do a first-class job here, and I just wanted you to know from me that I have full confidence in them.

We came here just a few days ago, it seems. We went to Italy, and there we not only had a marvelous bilateral visit, but I had the opportunity to go to Nettuno and there honor our war dead, those who fell at Anzio beachhead. And the spirit of the Italian people -- not just at Anzio but in Rome itself -- for the American flag as it went by was really wonderful; and I think our relations are good there. And in Belgium, of course, the emphasis was multilateral, although again, we have good relations with Belgium. The emphasis was on trying to bring NATO together and project ourselves out into an optimistic future with strength. And as I say, I think that was accomplished.

We have a big job to follow up on all that now. And again, the political section here, I know, will be asked to present accurately and fully, as will our military here, our position to our friends in the United Kingdom. We've got to stay on the same wavelength with them, and we will. We've been strong, Margaret Thatcher being extraordinarily gracious in her comments about this U.S. initiative and this NATO collective decision. So, that went well.

Yesterday in Germany -- I wish all of you could have been with us, not just for the trip that Barbara and I had down the Rhine on a beautiful sunny day, getting to -- excuse me, Billy -- kiss the wine princess and things like that. [Laughter] But again, you'd have been proud, because all along the way, and these castles and tourist hotels, where the American flags were out for about 2 hours -- going down the Rhine River on this marvelous cruise boat not only with the Chancellor of the Federal Republic and the Foreign Minister but many of the leaders of Germany.

And so, I can report to you -- and I think I can sort through cosmetics and reality -- that it's real. The job that many of you have done when posted on the Continent itself is paying off, because the bilateral relationship with Germany is strong. And then today our meetings with Margaret Thatcher went very well, indeed. And of course, we just were honored to be received by Her Majesty the Queen. And we had a delightful luncheon at which the Queen presented Barbara with a picture of the Queen and one of our puppies that she just saw down in Kentucky. [Laughter]

So, it's been a wonderful day, and I will simply end where I began by thanking you -- all of you -- whatever end of this complex Embassy you're in, for your service to the greatest, freest, most wonderful country on the face of the Earth. Thank you, and God bless all of you.

Note: The President spoke at 3:15 p.m. at the U.S. Ambassador's residence in London. He was introduced by Secretary of State James A. Baker III. In his remarks, the President referred to Brent Scowcroft, Assistant to the President for National Security Affairs; Marlin Fitzwater, Press Secretary to the President; Robert D. Blackwill, Special Assistant to the President for

National Security Affairs; evangelist Billy Graham; Raymond Seitz, Assistant Secretary of State-designate for European Affairs; and Marie Burke, a Foreign Service officer murdered while serving in the U.S. Embassy in London.

White House Statement on the Anniversary of the Signing of the Intermediate-Range Nuclear Forces Treaty With the Soviet Union

June 1, 1989

One year ago today, on June 1, 1988, the President of the United States and the President of the Soviet Union exchanged the instruments of ratification bringing into force the intermediate-range nuclear forces (INF) treaty, the first in history to bring about actual reductions in nuclear arsenals.

The goal of the INF treaty -- the complete elimination of INF missile systems under conditions of strict verification -- is being accomplished. Since the summer of 1988, when eliminations began with the destruction of a Soviet SS - 20 at Kapustin Yar and an American Pershing II at Longhorn, Texas, both sides have continued to eliminate INF missiles, launchers, and support equipment in the presence of inspectors from the other side.

The achievement of the INF treaty was a signal victory for NATO solidarity and political resolve and a contribution to greater security for our allies. It established the long-held alliance principles of asymmetrical reductions to reach equality of forces and effective verification as essential components of arms control agreements. These principles remain keystones of our approach to arms control.

The agenda ahead is even more challenging as we move forward with NATO's conventional force proposals and the President's initiative this week for added reductions. Further, we seek stabilizing reductions in strategic arsenals and increased reliance on strategic defenses, and a truly global and effective verifiable ban on chemical weapons. We will spare no effort to achieve agreements that will reduce the risk of war and strengthen the foundations for peace.

Statement by Press Secretary Fitzwater on Landsat Satellite Program Funding

June 1, 1989

The President today announced he had approved funding for continued operations of Landsat satellites 4 and 5 and for the completion and launch of Landsat 6. The President's action endorsed a recommendation from the National Space Council, chaired by Vice President Dan Quayle. The President also directed the National Space Council and the Office of Management and Budget to review options with the intention of continuing Landsat-type data collections after Landsat 6.

Landsat, which takes detailed photographs of the Earth, is the U.S. Government's civil, space-based, land-remote sensing program. Landsat-type imagery data is important for such applications as global change research, environmental monitoring, law enforcement, natural resource estimates, national security, and a variety of private sector uses. In addition, Landsat provides a visible symbol of the U.S. commitment to, and leadership in, the use of space for the common good.

Over recent years, it has become increasingly evident that commercializing the entire Landsat program would not be feasible until at least the end of the century. Since earlier government planning was based on commercializing the entire program, the absence of near-term commercial viability threatened continuity of Landsat and jeopardized continuity of Landsat data. The National Space Council, at its first meeting on May 12, recommended the action endorsed by President Bush today.

Continued operation of Landsat 4 and 5 will require an additional $5 million in FY 89 and $19 million in FY 90. Cost of completion and launch of Landsat 6 by 1991 has already been included in the Commerce Department budget.

Nomination of Timothy B. Atkeson To Be an Assistant Administrator of the Environmental Protection Agency

June 1, 1989

The President today announced his intention to nominate Timothy B. Atkeson to be Assistant Administrator of the Environmental Protection Agency (International Activities). He would succeed Jennifer Joy Manson.

Mr. Atkeson is currently a partner with Steptoe and Johnson in Washington, DC. From 1975 to the present, he has been in private practice. Mr. Atkeson served as General Counsel for the Council on Environmental Quality in the Executive Office of the President, 1970 to 1973, and General Counsel to the Office of Technology Assessment, United States Congress, 1974.

Mr. Atkeson graduated from Harvard College (B.A., 1947); Oxford University (B.A., 1949; M.A., 1954); and Yale Law School (LL.B., 1952; J.D., 1951). He was born April 18, 1927, and resides in Washington, DC.

Nomination of Shirley Temple Black To Be United States Ambassador to Czechoslovakia

June 1, 1989

The President today announced his intention to nominate Shirley Temple Black to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czechoslovak Socialist Republic. She would succeed Julian Martin Niemczyk.

Ambassador Black has served as a Representative to the 24th General Assembly of the United Nations, 1969 - 1970. She has also served as United States Ambassador to Ghana, 1974 - 1976; and as Chief of Protocol at the White House, 1976 - 1977. She was a Member of the U.S. Delegation on African Refugee Problems in Geneva, 1981; and a Member of the Public Advisory Commission, United Nations Conference on Law of the Sea. She was Deputy Chairman, U.S. Delegation, United Nations Conference on Human Environment in Stockholm, 1970 - 1972. Ambassador Black has also served as Special Assistant to the Chairman of the President's Council on Environmental Quality, 1972 - 1974.

Ambassador Black was born April 23, 1928 in Santa Monica, CA. She is married to Charles A. Black.

Continuation of Michael Ussery as United States Ambassador to Morocco

June 1, 1989

The President today announced that Michael Ussery would continue to serve as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morocco.

Since 1988 Mr. Ussery has served as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morocco. Prior to this, he served as Deputy Assistant Secretary for Near Eastern and South Asian Affairs, Department of State, 1985 - 1988; Special Assistant for White House Liaison, 1983 - 1985; Special Assistant in the Bureau of International Organization Affairs, Department of State, 1981 - 1983; and administrative assistant for Congressman Carroll Campbell, 1979 - 1981. In addition, he has served as planner for the South Carolina Disaster Preparedness Agency, 1975 - 1976; and as a legislative aide in the Georgia House of Representatives, 1973 - 1975.

Mr. Ussery graduated from Newberry College (B.A., 1973). He was born January 20, 1951, in Columbia, SC. He is married and resides in Alexandria, VA.

Nomination of C. Howard Wilkins, Jr. To Be United States Ambassador to The Netherlands

June 1, 1989

The President today announced his intention to nominate C. Howard Wilkins, Jr., to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of The Netherlands. He would succeed John Shad.

Mr. Wilkins is the founder of Maverick Development Corp. and has served as the president since 1975. He has also served as chairman of the board for Maverick Restaurant Corp. since 1981. Mr. Wilkins was vice chairman of the board, Pizza Hut, Inc., 1974 to 1975; founder of Pizza Hut Corp. of America and president and chairman of the board, 1970 to 1974; and franchise director, then vice president of Pizza Hut, Inc., 1968 to 1970.

Mr. Wilkins graduated from Yale University (B.A., 1960). He was born in 1938 in Wichita, KS. Mr. Wilkins is married, has five children, and currently resides in Wichita, KS.

Continuation of Richard Wood Boehm as United States Ambassador to Oman

June 1, 1989

The President today announced that Richard Wood Boehm would continue to serve as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sultanate of Oman.

Mr. Boehm has served as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sultanate of Oman since 1988. Prior to this, he served as diplomat-in-residence and visiting professor at Howard University in Washington, DC, 1987 - 1988; United States Ambassador to Cyprus, 1984 - 1987; Deputy Examiner in the Bureau of Examiners for Foreign Service, Department of State, 1984; Adviser to the United States Delegation to the United Nations General Assembly in New York, 1983; and was appointed career member of the Senior Foreign Service, 1981. In addition, he has served as Public Affairs Adviser at the Bureau of Economic Affairs, Department of State, 1969 - 1971.

Mr. Boehm graduated from Adelphi University (A.B., 1959) and George Washington University (M.A., 1969). He was born June 25, 1926, in New York, NY. He has two children.

Nomination of Morris Dempson Busby for the Rank of Ambassador While Serving as Coordinator for Counterterrorism

June 1, 1989

The President today announced his intention to nominate Morris Dempson Busby to be accorded the rank of Ambassador during his tenure as Coordinator for Counterterrorism.

Since 1987 Ambassador Busby has served as Roving Ambassador and Special Envoy for Central America. He has also served as Principal Deputy Assistant Secretary for Inter-American Affairs, 1987 - 1988, and headed a special State Department office to oversee the assistance program to the Nicaraguan resistance, 1987. From 1984 to 1987 he served as Deputy Chief of Mission in Mexico City. Ambassador Busby joined the Department of State in 1973, serving in various capacities, including Director of the Office of Oceans and Polar Affairs, Deputy Assistant Secretary for Oceans Affairs, and Ambassador of the United States for Oceans and Fisheries Affairs. From 1981 to 1983 he was Alternate Representative to the Conference on Disarmament in Geneva, Switzerland.

Ambassador Busby graduated from Marshall University and received a master's degree from George Washington University. He was a naval officer for 15 years. He attended the U.S. Naval Destroyer School, the Defense Intelligence School, and the Naval War College. He has been awarded the Meritorious Service Award, the Navy Commendation Medal, and the Bronze Star. He is a native of Huntington, WV. Ambassador Busby is married and has two children.

Designation of Roger B. Porter as Acting Chairman of the President's Commission on White House Fellowships

June 1, 1989

The President has designated Roger B. Porter to be Acting Chairman of the President's Commission on White House Fellowships.

Currently Mr. Porter is Assistant to the President for Economic and Domestic Policy. Prior to this, Mr. Porter served as IBM professor of government and business at Harvard University and faculty chairman of the program for senior managers in government; Deputy Assistant to the President and Director of the White House Office of Policy Development; Executive Secretary of the Economic Policy Council, 1974 - 1977; and as Counselor to the Secretary of the Treasury. In addition, he has served as Executive Secretary of the Cabinet Council on Economic Affairs, 1981 - 1985; assistant dean and tutor in politics at the Queen's College, Oxford, 1971 - 1972; and associate director of the Utah local government modernization study, 1972.

Mr. Porter received his B.A. degree from Brigham Young University, B.Phil. from Oxford University, and his M.A. and Ph.D. from Harvard University. He is married, has three children, and resides in Washington, DC.

Toast at a Dinner Hosted by Prime Minister Margaret Thatcher in London

June 1, 1989

Well, Prime Minister and Mr. Thatcher and distinguished ladies and gentlemen, Barbara and I and all of our traveling squad are just delighted to be here. And let me start by thanking you, Madam Prime Minister, for your thoughtful and gracious comments. And I also want to thank you for inviting us here and especially for the marvelous chat that we had today and for the extraordinary hospitality of this evening. And I'll speak for Barbara, which I normally don't do -- [laughter] -- thank you for your kind words about Barbara, and she is doing very well indeed at home, thank you. And I am not in the least bit jealous. I wonder when we finish a press conference and Helen Thomas of the UPI says, to end it, ``Thank you, Barbara's husband." [Laughter] But nevertheless, thank you for your warm words about her, and we're very proud of her.

This is a most distinguished gathering, and if I start singling out the excitement that Barbara and I felt about meeting the various individuals around here, I'd get into serious trouble. I love politics, and we've got some good, competitive politics around this table. Neil [Neil Kinnock, British Labor Party leader], nice to see you, sir, and the associates on the other side. I love sports, and I could learn about that stiff left arm and looking at the pin and not getting nervous on putting from one distinguished guest here, or bending my knees and volleying properly from another. And so, you have adequately accommodated my insatiable quest for being the name-dropper of the year by the distinguished guests here. [Laughter]

But I want to single out one. In 1971 or 1972, I was the Ambassador at the United Nations, and a distinguished former Prime Minister was the Foreign Minister of the United Kingdom. And he was in New York for a very high-level meeting. And I was the new boy on the block at that time, just out of Congress, representing our country at the U.N. And Sir Alec had solved some terribly important business at the moment, but it was a Sunday in New York. And Barbara and I were sitting in our luxurious Embassy high atop the Waldorf, and I said to her, ``I wonder what Sir Alec Douglas-Home is doing this morning?" She said, ``Don't you dare." And I said, ``No, I'm going to call him up." And we had only shook hands with him in a long line of other worshipers.

And darned if he didn't say, ``Yes, I'd love to go out to Greenwich and see the birds and the sanctuary." And that marvelous gesture on his part of accepting the hospitality of a lowly Ambassador, and certainly a new one in foreign affairs -- we've never forgotten it. And I don't know whether his wife has forgotten my boosting her across the fence into the bird sanctuary. But nevertheless, I saw an intimacy there -- the affection that the people -- I saw why the people of the United Kingdom have this enormous affection for Sir Alec. So, I will single him out and say how pleased we are to see him again. I expect I could still have an awful lot to learn from

him.

Margaret, the talks that we held today I found, not in a diplomatic sense but just in a personal sense and an important sense, extraordinarily useful -- not just because we're colleagues but we do represent two great nations. This visit -- if you're interested in trivial pursuits, a little historic trivia -- represents, I think, your and my, at least, 10th meeting -- maybe more -- six in London alone, I'm sure. And every time I meet with you all's distinguished Prime Minister, I'm reminded of something that Disraeli once said: ``There is no wisdom like frankness.'' And your Prime Minister's honesty, her candor, is an enormous resource not just for the United Kingdom but for the West. And I'm sure it's a reason for this success that she's had as Prime Minister.

Mrs. Thatcher is a seasoned leader, with 10 years of demonstrable success in office, and I do value her judgment and her insight. Americans look to you, Madam Prime Minister, with great admiration for all you have done for Britain and all that you have done for the alliance and all you have done for those who value freedom, wherever they may be in the world.

As Sir Antony Acland knows, we lived for 8 years as Vice President right next door to the British Embassy. I say he knows it because he's been extraordinarily tolerant when our helicopter would come in at 12 a.m. or 1 a.m. or 2 a.m. from some campaign trip. He never filed a protest -- [laughter] -- and Jenny, indeed, was very tolerant also. And I'm just delighted that they are in Washington. You're being so ably represented there, and I only regret we don't live next door anymore. But nevertheless, every morning and every night, I'd pass your Embassy grounds with this lifesized, marvelous statue of Winston Churchill, cast of rugged iron to withstand our rains and the cold, and the figure is really beautiful, as stoic as the man was in real life.

And Winston Churchill was America's first such partner in leadership really, when we were challenged together by war. And true, the challenge of today is a different one than Churchill and Roosevelt felt at the time, but it is one that really asks no less of us. I do believe that this profound change that's sweeping the nations of the East offers enormous potential. And we in the West support these forces of change. We want them to succeed; we want these changes to endure. And if progress continues, we will work together to move beyond containment of the Soviet Union, to draw the peoples of the East into the commonwealth of free nations.

It was in this very city that, a little more than a century ago, Karl Marx died, leaving behind ideas that were to bear his name. It was in this city, and indeed in some of these same rooms, that a succession of British Prime Ministers worked with my predecessors to stem Marxism at full-tide. But today we can explore possibilities for peace that would have seemed wildly unrealistic just a handful of years ago. With NATO's new conventional arms control initiative -- and it is NATO's, and there is no quest for credit -- we are an alliance. We are a partnership; we are together. We seek to free Western Europe from the shadow of Soviet military power. And similarly, with our agreement in NATO on short-range nuclear forces, we demonstrated that we

can manage change while doing what your Prime Minister has urged on all of us: remaining true to our strategy of deterrence, true to our principles. The recent summit showed NATO at its unified best, a triumph for all who yearned to move beyond a divided Europe -- a Europe of armed camps -- to a Europe that is whole, a Europe that is free.

And in this quest, I will be looking for our part to our friends in London. Ladies and gentlemen, I ask you to rise and raise our glasses to a British Prime Minister who holds the reins of history, to a friend, a dear friend of the United States of America, our respected friend, the Prime Minister, Margaret Thatcher: to your health and our relationship.

Note: The President spoke at 10:13 p.m. at 10 Downing Street, the Prime Minister's residence.

Informal Exchange With Reporters

June 2, 1989

The President. Thank you all. Great trip; enjoyed it.

Q. How do you feel, Mr. President?

The President. Feel pretty good, feel pretty good -- can't wait to take a day off, but -- --

Q. We're hearing about some more bold new moves, such as the one you made -- [laughter].

The President. Hey, listen, I'll let you know in the same fashion we let you know on the first one.

Q. -- -- of your political career?

Strategic Arms Reduction Talks

Q. START talks -- --

The President. What, Anne?

Q. START talks. Do you think the START talks will now move faster?

The President. Well, I don't know. We haven't really begun them. But I'm determined to get our proposals in shape and go there in a constructive spirit. I don't know that I see a connection at all, although I'm still pleased with what we're hearing from the Soviets. So, maybe there's some linkage.

Excuse me, Helen [Helen Thomas, United Press International]?

NATO Summit Meeting

Q. First, have you heard from Gorbachev? And do you think this is the biggest political success of your long career?

The President. No. [Laughter]

Q. Well, when you're the President -- --

The President. Now we're talking, now we're talking. [Laughter]

Q. Have you heard from Gorbachev?

The President. No, not directly. See Brent [Scowcroft, Assistant to the President for National Security Affairs] on here, but I don't think we have, no. It will be a while. I mean, it's normal. You don't expect an instant answer. We hear from him on things, and we don't feel compelled to respond within 24 hours. But I'm confident we will, and I hope it's positive.

Q. Do you think you have a little more respect at home after this trip?

The President. I never felt kind of -- you mean, along like Rodney Dangerfield kind of thing? [Laughter] I've not suffered from lack of respect. These fellows have all been very pleasant. [Laughter] Haven't you guys? Thank you very much.

Summit Meeting With President Gorbachev

Q. You and Gorbachev will both be in Europe at the same time this summer. Any chance -- --

The President. Well, it might make a case for closer -- but I don't have any plans to cross paths in the summer when he's, like, on his way to Paris or we are. There are no plans. We'll just be -- --

Q. Sound like a good idea?

The President. No. I mean, I don't feel it sounds like a better idea than it was before the NATO meeting. But I've always felt that we eventually will get together, and should.

President's Trip to Poland

Q. What about your trip to Poland? Do you think this is a really crucial time for a trip going to Poland?

The President. Yes. I think my being in Poland is very, very important -- just being there, to say nothing of the substance that I hope to talk to the leadership about. The substance is important, and being there. The American President going to Poland by itself is important, given my feelings about the changes in Europe as a whole, and aspirations for a Europe that will be freer and more democratic and with which we will have better relations. So, it is important, but that visit is not going to solve all the economic problems that are afflicting that nation -- by a long shot.

House of Representatives

Q. There's a scent of a war going on on the Hill right now in the House. How do you feel about that? Is that good for the -- --

The President. I don't like it.

Q. What do you think they ought to do, or do you have any suggestions or ideas?

The President. I think the last thing they need is advice from the executive branch as to how to proceed. I have made some broad suggestions, but on these recent events, I said what I wanted to say about Jim Wright, which is saluting his service, and leaving it at that. Do I like it? No, I don't.

Q. Have you talked to him?

The President. No, I have not.

NATO Proposals

Q. You seemed to be hinting in the Washington Post interview you had -- [inaudible] -- proposals up your sleeve.

The President. Not very far -- I mean, not very far along.

Q. [Inaudible]

The President. Helen, here's the basic problem with answering your question as frankly as I normally would. The process requires consultation with so many people that it is impossible to divulge ahead of time what we might or might not do, because the idea -- including this last one -- might well get gunned down before you have a chance to really flesh out the proposal. But I don't mean to be mysterious, there's no grand design out there right now. We just want to move forward.

I think the first priority is to follow through on the collective decision that NATO has taken and try to meet these very ambitious time sequences -- September 7th -- and then moving forward and then, of course, vigorous negotiations. So, we've got some work to do to make this NATO decision into a reality. But I'm determined to kick our bureaucracy and the NATO bureaucracy as best I can, push it forward.

Q. A lot of people seem to think -- [inaudible].

The President. Well, they're entitled to their opinion. I'm a little more optimistic than their

pessimistic assessment. Thank you all.

Weekend Plans

Q. What are you going to do for the rest of the day?

The President. Got to take a look at the ocean, and I could tell you. Just a minute. It's clear enough, I expect I'll be out on Fidelity in about 2 hours.

Q. Do you want company?

Q. Are you going out to dinner tonight?

The President. No, we're not going out to dinner tonight. That's a promise. [Laughter]

Q. You're not going to Florida, are you? Not going to Florida -- --

The President. Oh, no. For the funeral? No.

Note: The exchange took place aboard Air Force One en route from London to Pease Air Force Base, ME. In his remarks, the President referred to his boat, ``Fidelity." He also referred to the funeral of Representative Claude Pepper of Florida.

Remarks on Arrival in Portsmouth, New Hampshire

June 2, 1989

Well, thank you very, very much. What a surprise and wonderful welcome back; I am delighted and overwhelmed. Thank you so very much.

In the last week, Barbara and I have been to Rome and the Vatican, Brussels, Bonn, and London; and working with our allies in Europe, we set a course for the future. And we must move to fulfill that promise, moving beyond containment, moving beyond the era of conflict and cold war that the world has known for more than 40 years, because keeping the peace in Europe means keeping the peace for America.

Our alliance seeks a less militarized Europe, a safer world for all of us. And I'm now returning from Europe with a message for the American people, a message of hope. We have a great and historic opportunity to shape the changes that are transforming Europe. This chance has been delivered not just because of our strength and resolve but also because of our power of ideas, especially one idea which is sweeping the Communist world: democracy.

For the last 6 weeks, I've presented, in a series of speeches, ways to deal with these changes to make the most of this opportunity. And let me summarize: In Michigan, I stressed that the United States will actively encourage peaceful reform led by the forces of freedom in Eastern Europe. The Texas speech explains America's commitment to a balanced approach in our relationship with the Soviet Union: that we must remain strong and realistic -- judge their performance, not their rhetoric -- all the while seeking a friendship with the Soviets that knows no season of suspicion. And at Boston University the focus was our partnership with a more united Western Europe, of how a strong Europe means a strong America. And then at the Coast Guard Academy, I said that America is ready to seize every -- and I do mean every -- opportunity to bring the Soviet Union into the community of nations.

And then, with my colleagues in Brussels, on the 40th anniversary of the founding of the North Atlantic alliance, we celebrated NATO's 40 years of success in preserving the peace in Europe, the longest period without war in all the recorded history of that continent. And we were reminded that once again the future of so many nations depends on NATO's unity and resolve. We were reminded that NATO must remain strong and together, and we were challenged to seize this new opportunity for progress while staying true to the principles that got us here.

Well, we met that challenge. We agreed to strive, to hope for a Europe that is whole and free. At the Rheingoldhalle in Mainz, in the heart of Germany, I said that the Cold War began with the division of Europe and it must end with a reconciliation based on shared values, where East joins West in a commonwealth of free nations.

And that is my vision for the future, and here is how we get there. The Warsaw Pact has a lot more planes, a lot more arms, a lot more troops in Europe than the NATO alliance; and we challenge the Soviets, if they are serious, to reduce to equal numbers. Our proposal is bold but fundamentally fair, and every single one of our allies agreed with our proposal. We proposed a new initiative for more comprehensive and faster negotiated cuts in conventional arms to lift the West at last from the shadow cast over Europe since 1945 by massive Soviet ground and air forces, and our allies agreed. And we proposed that Berlin, East and West, become a center of cooperation, not confrontation; and our allies agreed. And we proposed that we strengthen the Helsinki process to support free elections in Eastern Europe, and our allies agreed.

Because the threat of environmental destruction knows no borders, we proposed that the West enlist the countries of Eastern Europe in one of the great causes of our time: the common struggle to save our natural heritage.

And with our agreement in NATO on our short-range nuclear forces in Europe, we demonstrated as an alliance that we can manage change while remaining true to the strategy of deterrence which has kept the peace.

In short, this week's NATO summit in Brussels showed that we are ready to help shape a new world. In this period of historic change, the NATO alliance has never been more united, never been stronger; and we issued a summit declaration detailing our vision for the future and plan of action. And ours is not an arrogant challenge to Mr. Gorbachev, it's an appeal in good faith. The summit was a triumph for the alliance, a triumph of ideas, and most of all it was a triumph of hope.

And let me say it is truly gratifying that all of this was understood so well at home and abroad. While keeping our defenses up and our eyes wide open, we must go forward. We must stay on the offensive. We must get to work now to end the Cold War. The world has waited long enough. And if we succeed, the world your children will know, the world of the 21st century, will be all the better.

We are delighted to be here. I salute the men and women of Pease Air Force Base, who help keep the peace. I thank my friends and neighbors from New Hampshire, and I even spot a few from Kennebunkport, Maine, here. I thank the two Governors and the Members of the United States Congress that came out to greet us. And I particularly thank a former Governor of the State of New Hampshire standing over here, my able Chief of Staff, John Sununu; our Secretary of Defense, Dick Cheney; our Secretary of State, Jim Baker; and my very able friend and adviser, the head of the National Security Council, General Brent Scowcroft.

Listen, Barbara and I are overwhelmed by this welcome home. Thank you all. God bless you, and God bless the United States of America. Thank you very much.

Note: The President spoke at 12:15 p.m. at Pease Air Force Base.

Statement on the Chinese Government's Suppression of Student Demonstrations

June 3, 1989

It is clear that the Chinese Government has chosen to use force against Chinese citizens who were making a peaceful statement in favor of democracy. I deeply deplore the decision to use force against peaceful demonstrators and the consequent loss of life. We have been urging -- and continue to urge -- nonviolence, restraint, and dialog. Tragically, another course has been chosen. Again, I urge a return to nonviolent means for dealing with the current situation.

The United States and People's Republic of China over the past two decades have built up through great efforts by both sides a constructive relationship beneficial to both countries. I hope that China will rapidly return to the path of political and economic reform and conditions of stability so that this relationship, so important to both our peoples, can continue its growth.

White House Statement on the Death of the Ayatollah Khomeini

June 4, 1989

The official Iranian news agency has confirmed the death of the Ayatollah Khomeini. With his passing, we hope Iran will now move toward assuming a responsible role in the international community.

The President's News Conference

June 5, 1989

The President. During the past few days, elements of the Chinese Army have been brutally suppressing popular and peaceful demonstrations in China. There has been widespread and continuing violence, many casualties, and many deaths. And we deplore the decision to use force, and I now call on the Chinese leadership publicly, as I have in private channels, to avoid violence and to return to their previous policy of restraint.

The demonstrators in Tiananmen Square were advocating basic human rights, including the freedom of expression, freedom of the press, freedom of association. These are goals we support around the world. These are freedoms that are enshrined in both the U.S. Constitution and the Chinese Constitution. Throughout the world we stand with those who seek greater freedom and democracy. This is the strongly felt view of my administration, of our Congress, and most important, of the American people.

In recent weeks, we've urged mutual restraint, nonviolence, and dialog. Instead, there has been a violent and bloody attack on the demonstrators. The United States cannot condone the violent attacks and cannot ignore the consequences for our relationship with China, which has been built on a foundation of broad support by the American people. This is not the time for an emotional response, but for a reasoned, careful action that takes into account both our long-term interests and recognition of a complex internal situation in China.

There clearly is turmoil within the ranks of the political leadership, as well as the People's Liberation Army. And now is the time to look beyond the moment to important and enduring aspects of this vital relationship for the United States. Indeed, the budding of democracy which we have seen in recent weeks owes much to the relationship we have developed since 1972. And it's important at this time to act in a way that will encourage the further development and deepening of the positive elements of that relationship and the process of democratization. It would be a tragedy for all if China were to pull back to its pre-1972 era of isolation and repression.

Mindful of these complexities, and yet of the necessity to strongly and clearly express our condemnation of the events of recent days, I am ordering the following actions: suspension of all government-to-government sales and commercial exports of weapons, suspension of visits between U.S. and Chinese military leaders, sympathetic review of requests by Chinese students in the United States to extend their stay, and the offer of humanitarian and medical assistance through the Red Cross to those injured during the assault, and review of other aspects of our bilateral relationship as events in China continue to unfold.

The process of democratization of Communist societies will not be a smooth one, and we must

react to setbacks in a way which stimulates rather than stifles progress toward open and representative systems.

And I'd be glad to take a few questions before our Cabinet meeting, which starts in a few minutes.

Student Demonstrations in China

Q. Yes, Mr. President. You have said the genie of democracy cannot be put back in the bottle in China. You said that, however, before the actions of the past weekend. Do you still believe that? And are there further steps that the United States could take, such as economic sanctions, to further democracy in China?

The President. Yes, I still believe that. I believe the forces of democracy are so powerful, and when you see them as recently as this morning -- a single student standing in front of a tank, and then, I might add, seeing the tank driver exercise restraint -- I am convinced that the forces of democracy are going to overcome these unfortunate events in Tiananmen Square.

On the commercial side, I don't want to hurt the Chinese people. I happen to believe that the commercial contacts have led, in essence, to this quest for more freedom. I think as people have commercial incentive, whether it's in China or in other totalitarian systems, the move to democracy becomes more inexorable. So, what we've done is suspended certain things on the military side, and my concern is with those in the military who are using force. And yet when I see some exercising restraint and see the big divisions that exist inside the PLA; I think we need to move along the lines I've outlined here. I think that it's important to keep saying to those elements in the Chinese military: Restraint -- continue to show the restraint that many of you have shown. And I understand there are deep divisions inside the army. So this is, we're putting the emphasis on that side of it.

Q. Have you had any personal contact with the Chinese leadership? Why do you think they moved in the way they did? And why did you wait so long?

The President. Well, I don't think we've waited so long, Helen [Helen Thomas, United Press International]. I made very clear, in a personal communication to Deng Xiaoping [Chairman of China's Central Military Commission], my views on this. I talked to the Ambassador last night, Jim Lilley. He's been in touch constantly with the Chinese officials, and so, I don't feel that we've waited long, when you have a force of this nature and you have events of this nature unfolding. We are the United States and they are China; and what I want to do is continue to urge freedom, democracy, respect, nonviolence, and with great admiration in my heart for the students. So, I don't think we've waited long.

What was the other part of your question?

Q. What impelled the Chinese Government? They did wait a long time, more than we expected really, and -- --

The President. Yes, they did.

Q. -- -- then they finally moved in. What do you think is the impetus?

The President. I'm glad you raised that point. We were, and have been, and will continue to urge restraint, and they did. The army did show restraint. When Wan Li was here, he told me -- and this is very Chinese, the way he expressed it -- the army loves the Chinese people. And they showed restraint for a long time, and I can't begin to fathom for you exactly what led to the order to use force, because even as recently as a couple of days ago, there was evidence that the military were under orders not to use force. So I think we have to wait now until that unfolds.

Q. Mr. President, could you give us your current best assessment of the political situation there, which leaders are up, which are down, who apparently has prevailed here, and who apparently has lost?

The President. It's too obscure, it's too beclouded to say; and I would remind you of the history. In the Cultural Revolution days, Deng Xiaoping -- at Mao Zedong's right hand -- was put out. He came back in 1976. He was put out again in the last days of Mao Zedong and the days of the Gang of Four. Then he came back in, and to his credit, he moved China towards openness, towards democracy, towards reform. And suddenly we see a reversal, and I don't think there's anybody in this country that can answer your question with authority at this point. It doesn't work that way in dealing with China.

Q. But Mr. President, there have been reports that Deng was behind the move to order the troops, and other reports that he's ailing and in a hospital. What do you know about that, sir?

The President. Don't know for sure on either, and I've talked to our Ambassador on that, as I say, last night, and we just can't confirm one way or another -- on the other.

Q. Mr. President, you spoke of the need for the U.S. to maintain relations with China; but given the brutality of the attacks over the last couple of days, can the U.S. ever return to business as usual with the current regime?

The President. I don't want to see a total break in this relationship, and I will not encourage a total break in the relationship. When you see these kids struggling for democracy and freedom, this would be a bad time for the United States to withdraw and pull back and leave them to the devices of a leadership that might decide to crackdown further. Some have suggested I take the Ambassador out. In my view, that would be 180 degrees wrong. Our Ambassador provides one

of the best listening posts we have in China; he is thoroughly experienced. And so, let others make proposals that in my view don't make much sense. I want to see us stay involved and continue to work for restraint and for human rights and for democracy. And then down the road, we have enormous commonality of interests with China, but it will not be the same under a brutal and repressive regime. So, I stop short of suggesting that what we ought to do is break relations with China, and I would like to encourage them to continue their change.

Q. Mr. Bush, you're sending a message to the military and to the Government. A couple of weeks ago, you told the students to continue to stand by their beliefs. What message do you want the students to hear from what you're saying right now?

The President. That we support their quest for democracy, for reform, and for freedom -- and there should be no doubt about that. And then, in sending this message to the military, I would encourage them to go back to the posture of a few days ago that did show restraint, and that did recognize the rights of the people, and that did epitomize what that Chinese leader told me, that the army loves the people. There are still vivid examples of that.

Q. Should the students go home? Should the students stop trying to fight the army?

The President. I can't dictate to the students what they should do from halfway around the world; but we support the quest for democracy and reform, and I'd just have to repeat that.

Iran

Q. Mr. President, I'd like to ask you about the other development in Iran. What is your assessment of who is in charge, and what opportunities the changes in Iran create for the U.S.?

The President. We're not sure yet. Khamenei [President Hojatolislam Ali] appears to be the anointed successor, the will having been read by Khomeini's son. But, again, in a society of that nature, it's hard to predict. I would simply repeat what I said on January 20th, that there is a way for a relationship with the United States to improve, and that is for a release of the American hostages. But, Charles [Charles Bierbauer, CNN], I can't give you an answer on that one. No experts here can yet, either.

Q. Well, do you plan any overture?

The President. I just made it.

Q. Do you plan any overtures or any other kind of opening toward Iran, towards the new government?

The President. No, absolutely not, they know what they need to do. They have been a terrorist

state. And as soon as we see some move away from oppression and extremism of that nature, we will review our relationship.

Student Demonstrations in China

Q. Would you elaborate, Mr. President, on the question of economic sanctions -- back to China. Did you consider economic sanctions for this morning's announcement, and what will you do if the violence escalates?

The President. I reserve the right to take a whole new look at things if the violence escalates, but I've indicated to you why I think the suspension of certain military relationships is better than moving against -- on the economic side.

Q. Mr. President, do you feel that the Chinese leadership cares what the United States does or thinks right now?

The President. I think they are in the sense of contradiction themselves right now. China has historically been less than totally interested in what other countries think of their performance. You have to just look back to the Middle Kingdom syndrome. And you look back in history when outsiders, including the United States, were viewed as barbarians. So historically, China, with its immense pride and its cultural background and its enormous history of conflict -- internal and external -- has been fairly independent in setting its course.

I have had the feeling that China wants to be a more acceptable -- acceptable in the family of nations. And I think any observer would agree that indeed, until very recent events, they've moved in that direction. So, what I would like to do is encourage them to move further in that direction by recognizing the rights of these young people and by rebuking any use of force.

Q. Mr. President, more than most Americans, you understand the Chinese. How do you account for the excessive violence of this response? Once the army decided to act, that they would drive armored personnel carriers into walls of people, how can you explain that?

The President. I really can't. It is very hard to explain, because there was that restraint that was properly being showed for a while on the part of the military, challenged to come in and restore -- what I'm sure they'd been told -- order to a situation, which I expect they had been told was anarchic. And so I can't explain it. I can't explain it, unless they were under orders, and then you get into the argument about, well, what orders do you follow? And so I condemn it; I don't try to explain it.

Let me take these next two rows, and then I'll go peacefully. Sorry about you guys back there.

Q. Will you, Mr. President, be able to accommodate the calls from Congress for tougher

sanctions? Many lawmakers felt you were slow to condemn or criticize the violence in China before now, and many are pushing for much tougher action on the part of this country.

The President. I've told you what I'm going to do. I'm the President; I set the foreign policy objectives and actions taken by the executive branch. I think they know, most of them in Congress, that I have not only a keen personal interest in China, but that I understand it reasonably well. I will just reiterate to the leaders this afternoon my conviction that this is not a time for anything other than a prudent, reasoned response. And it is a time to assert over and over again our commitment to democracy, emphasize the strength that we give to democracy in situations of this nature.

And I come back to the front line question here: I do think this change is inexorable. It may go a couple of steps forward and then take a step back, but it is on the move. The genie will not be put back in the bottle. And so, I am trying to take steps that will encourage a peaceful change, and yet recognize the fact that China does have great pride in its own history. And my recommendations are based on my knowledge of Chinese history.

So, I would argue with those who want to do something more flamboyant, because I happen to feel that this relationship is vital to the United States of America, and so is our adherence to democracy and our encouragement for those who are willing to hold high the banner of democracy. So we found, I think, a prudent path here.

Q. Do you think that the events in China can have a chilling effect on democratic reforms occurring in other Communist countries, particularly in the Soviet Union and Eastern Europe, when they look at the kind of uprising that was sparked in China?

The President. No. I think the moves that we're seeing in Eastern Europe today, and indeed, in the Soviet Union, are going to go forward. And I think people are watching, more with horror, and saying: How, given this movement towards democracy, can the Chinese leadership react in the way they have? And so, I think this may be a sign to others around the world that people are heroic when it comes to their commitment to democratic change. And I would just urge the Chinese leaders to recognize that.

Q. Mr. President, there are reports that the Chinese military is badly divided and that, with this crackdown, the authorities brought in some troops from the Tibet conflict. If that's the case, how does suspending these military relationships encourage any kind of change? I mean, could you explain what the point of doing that is -- --

The President. I already did, David [David Hoffman, Washington Post]. You missed it. I explained it because I want to keep it on the military side. I've expressed here, rhetorically, the indignation we feel. I've recognized the history of China moving into its own Middle Kingdom syndrome, as it's done in various times in its past, and I want to encourage the things that have

helped the Chinese people. And I think now the suspension is going to send a strong signal. I'm not saying it's going to cure the short-range problem in China. I'm not sure any outside country can cure the short range, the today-in-Tiananmen- Square problem. But I think it is very important the Chinese leaders know it's not going to be business as usual, and I think it's important that the army know that we want to see restraint. And this is the best way to signal that.

Q. Would you fear conflict? You talked about the divisions within the Chinese Army. Do you or your advisers fear that there could actually be a civil conflict between army commanders?

The President. Well, I don't want to speculate on that, but there are differences, clearly, within the army in terms of use of force. Otherwise, they wouldn't be doing what David Hoffman properly pointed out is happening: units coming in from outside.

And it is not, incidentally, just in Tiananmen Square that this problem exists. It is in Shanghai, it's in Chengdu today; it's in Guangzhou, I'm told, in a much smaller scale. But they brought the troops in from outside because the Beijing troops apparently demonstrated a great sensitivity to the cause of the young people and disciplined though they were, they opted for the side of democracy and change in the young people. So, those others came in. But I certainly don't want to speculate on something that I don't have -- I can't reach that conclusion, put it that way.

Q. There were some news reports that some of the soldiers' units had burned their own trucks in -- have you received the same type of intelligence reports?

The President. I just saw speculation. I haven't got it on any -- I don't believe the intelligence said that. But there are reports that it is very difficult for some of the military, who are much more sympathetic to the openness, to the demonstrators. And I, again, go back to the original question here that Tom asked. I think, with the change that's taken place so far, we're beyond kind of a Cultural Revolution response. I think the depth of the feeling towards democracy is so great that you can't put the genie back in the bottle and return to total repression. And I think what we're seeing is a manifestation of that in the divisions within the PLA. But I certainly want to stop short of predicting a civil war between units of the People's Liberation Army.

Thank you all very much. I have a Cabinet meeting at 10 a.m.

Elections in Poland

Q. What about Poland? What do you think of the elections?

The President. Well, to make a profound statement, I think they were very interesting. We haven't seen the final results, but Communist bureaucrats beware in Poland. It looks to me like there's quite a move, moving towards the freedom and democracy.

Note: The President's 14th news conference began at 9:40 a.m. in the Briefing Room at the White House.

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

June 5, 1989

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384, I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question.

During the past 2 months the two Cypriot parties have continued their efforts, under the auspices of the United Nations Secretary General, to assemble the basic elements of a settlement in Cyprus. Following numerous meetings between the two leaders in Nicosia, they met with the Secretary General in New York, April 5 - 7, to review progress. On April 6, the United Nations issued a communique that noted that the Secretary General and the two leaders ``reviewed the second round of talks whose objective was to develop a common understanding of the issues and to explore a range of possible options. They shared the Secretary General's view that the efforts made so far have been useful. They agreed to continue the talks with the objective of achieving results by June 1989."

The communique also noted that the objective in the coming weeks would be to prepare ``a draft outline of an overall agreement in which the goals to be achieved for each of the elements of the outline would be described. . . . The two leaders accepted the Secretary General's invitation to meet with him again in June, if necessary, to complete the draft outline, to consider its status, and to decide how to proceed."

The United States Permanent Representative to the United Nations, Ambassador Thomas Pickering, met with both leaders during their visit to New York. They reiterated to Ambassador Pickering their confidence in the Secretary General, their appreciation of his commitment to solving the Cyprus problem, and their intention to continue working with the Secretary General and his representatives toward a negotiated solution.

We continue vigorous efforts to consult with and offer advice and assistance to key interested parties to the Cyprus dispute. I met with Prime Minister Ozal in Tokyo in February, as did Secretary of State Baker. Secretary Baker also has held meetings with the Prime Ministers and Foreign Ministers of Greece and Turkey and with the Foreign Minister of the Republic of Cyprus. The Department of State Special Cyprus Coordinator, M. James Wilkinson, traveled to Cyprus, Greece, and Turkey March 23 - April 4 and is consulting regularly with concerned European allies.

In my previous report to the Congress, I noted that the United Nations was working with the two parties to adjust the military positions in Nicosia of Greek and Turkish Cypriot soldiers. I am pleased to report that the U.N.'s deconfrontation plan went into effect on May 17, greatly alleviating the probability of incidents posed by the dangerously close proximity of the two sides' military units in the Nicosia area. The United States worked hard in support of this U.N. effort. Congratulations are due to the Secretary General's political and military representatives on the island and to the parties themselves. We are hopeful that this achievement will prove the prelude to further progress, in terms both of immediate steps and the difficult questions underlying the Cyprus problem.

Finally, I would like to note that Major General Clive Milner of Canada became the new commander of the U.N. Peacekeeping Force in Cyprus (UNFICYP) on April 10, 1989, replacing Major General Guenther Greindl of Austria, UNFICYP's commander since 1981. I welcome the choice of General Milner for this important position and commend General Greindl whose performance under difficult and frustrating conditions was exemplary. He deserves the gratitude and appreciation of all those countries, groups, and individuals who benefited from his outstanding leadership.

Sincerely,

George Bush

Note: Identical letters were sent to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Nomination of Edward C. Stringer To Be General Counsel of the Department of Education

June 5, 1989

The President today announced his intention to nominate Edward C. Stringer to be General Counsel at the Department of Education. He would succeed Wendell L. Willkie, II.

Since 1980 Mr. Stringer has served in various capacities at the Pillsbury Company, including senior vice president and general counsel, 1980 - 1982; executive vice president and general counsel, 1982 - 1983; and executive vice president, general counsel, and chief administrative officer, 1983 - 1989. Prior to this, Mr. Stringer served as a partner with the law firm of Briggs and Morgan in Minneapolis, MN, 1969 - 1980; and as an associate and partner with Stringer, Donnelly, and Sharood, in Minneapolis, MN, 1960 - 1969.

Mr. Stringer graduated from Amherst College (B.A., 1957) and the University of Minnesota Law School (LL.B., 1960). Mr. Stringer resides in Minneapolis, MN.

Nomination of Constance Bastine Harriman To Be an Assistant Secretary at the Department of the Interior

June 5, 1989

The President today announced his intention to nominate Constance Bastine Harriman to be Assistant Secretary for Fish and Wildlife at the Department of the Interior. She would succeed Becky Norton Dunlop.

Since 1987 Ms. Harriman has served as an associate with the law firm of Steptoe and Johnson in Washington, DC. Prior to this, she served in various positions, including Associate Solicitor for Energy and Resources at the Department of the Interior, 1986 - 1987; Special Assistant to the Solicitor, 1985 - 1986; associate with Sheppard, Mullin, Richter and Hampton, 1980 - 1985; and attorney adviser in the Office of Legal Policy at the Department of Justice, 1982.

Ms. Harriman graduated from Stanford University (B.A., 1970; M.A., 1973) and the University of California (J.D., 1980). She resides in Bethesda, MD.

Appointment of Everett Ellis Briggs as Special Assistant to the President for National Security Affairs

June 5, 1989

The President today announced the appointment of Everett Ellis Briggs as Special Assistant to the President for National Security Affairs at the White House. Ambassador Briggs will be Senior Director for Latin America and the Caribbean at the National Security Council.

Since 1986 Ambassador Briggs has served as Ambassador to Honduras. Prior to this he was selected to be the Vice President of the National Defense University in Washington, DC. He served as United States Ambassador to Panama, 1982 - 1986; Deputy Assistant Secretary for Inter-American Affairs, 1981 - 1982; and Deputy Coordinator and Country Director for Mexican Affairs at the Department of State, 1979 - 1981. He served as deputy chief of mission in Asuncion, Paraguay, 1974 - 1978; deputy chief of mission in Bogota, Colombia, 1978 - 1979; and Consul General in Luanda, Angola, 1972 - 1974. Ambassador Briggs has served in the State Department in the Inter-American, European, and International Organizations bureaus.

Ambassador Briggs was born in Cuba. He graduated from Dartmouth College and George Washington University. He is married, has five children, and resides in New Hampshire.

Appointment of Deane E. Hoffman as Special Assistant to the President for National Security Affairs

June 5, 1989

The President today announced the appointment of Deane E. Hoffman as Special Assistant to the President for National Security Affairs and Senior Director for International Economic Affairs at the National Security Council.

Mr. Hoffman served as National Intelligence Officer for Economics at the National Intelligence Council in Washington, DC. Mr. Hoffman is a career intelligence officer who has served in several positions within the Intelligence Directorate of the Central Intelligence Agency.

Mr. Hoffman was born in Norwood, MA, in 1942. He graduated from Babson College (B.A., 1966) and the University of Maine (M.A., 1978). He is married to the former Janet MacQuilken of Boston, MA, and has one daughter.

Appointment of Arnold Kanter as Special Assistant to the President for National Security Affairs

June 5, 1989

The President today announced the appointment of Dr. Arnold Kanter as Special Assistant to the President for National Security Affairs and Senior Director for Defense Policy and Arms Control at the National Security Council.

Since 1985 Dr. Kanter was a senior staff member at the RAND Corp. in Santa Monica, CA. Prior to this, he served for 8 years in the Department of State, most recently as Deputy Assistant Secretary of State for Politico-Military Affairs, and as Deputy to the Under Secretary of State for Political Affairs. Dr. Kanter was a member of the faculty of Ohio State University, 1971 - 1972, and the University of Michigan, 1972 - 1977. He is a member of the Council on Foreign Relations and the International Institute of Strategic Studies.

Dr. Kanter graduated from the University of Michigan and Yale University with a M.Phil. and Ph.D. in political science. He was born in Chicago, IL. Dr. Kanter is married to the former Anne Elizabeth Strassman, and they have two children.

Statement on the Observance of World Environment Day

June 5, 1989

Over the last several years, people all over the world have become more and more concerned about the global environment, the warming of the world's climate, the depletion of the ozone layer, the loss of plant and animal species, our mounting waste disposal problems, and the pollution of the oceans. These are enormous challenges which cannot and should not be minimized.

But at the same time, on this anniversary of World Environment Day, I am optimistic about the future. Here in the United States we have made remarkable progress in cleaning up our air and water. We have shown what we can do when the will is there and we work together. I believe that the world community of nations can, and indeed must, make that same kind of progress on a global scale. We may speak different languages and worship God in different ways, but we all share the same Earth. If we can probe the depths of space and engineer the genetic building blocks of life, we can surely protect the quality of our environment. We just need the will to do it.

I would like to take this occasion to announce that the United States intends to ban the importation of elephant ivory from all countries. We do this out of mounting concern for the rapid decline of the wild elephant, one of nature's most majestic creatures. If their populations continue to diminish at current rates, the wild elephant will soon be lost from this Earth. We urge the nations of the world to join us in this ban. We further urge the countries responsible for the elephant to practice sound stewardship of these precious creatures so they will not be lost to future generations.

Accordance of the Personal Rank of Ambassador to Peter Tomsen While Serving as Special Envoy to the Afghan Resistance

June 5, 1989

The President today accorded the personal rank of Ambassador to Peter Tomsen, of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, in his capacity as Special Envoy to the Afghan Resistance.

Mr. Tomsen entered the Foreign Service in 1967. He has most recently completed an assignment as the deputy chief of mission of the U.S. Embassy in Beijing. He served in the political-military office of the U.S. Embassy in Bangkok, 1967 - 1968. After a year of Vietnamese language training in Washington in early 1969, he was assigned to the U.S. Civilian-Military Advisory Organization in Vietnam, 1969 - 1970. He was a political officer of the U.S. Embassy in New Delhi, 1971 - 1975; a political officer of the U.S. Embassy in Moscow, 1977 - 1978; and a political officer of the U.S. Embassy in Beijing, 1981 - 1983. From 1984 to 1987, he served in the Department of State as office director of India, Nepal, Sri Lanka, Bhutan, and the Maldives.

Mr. Tomsen was born November 19, 1940 in Cleveland, OH. He graduated from Wittenberg University (B.A., 1962) and received a master's degree from the University of Pittsburgh in 1964. He served in the Peace Corps in Nepal, 1964 - 1966. Mr. Tomsen is married and has two children.

Continuation of Peter W. Rodman as Special Assistant to the President for National Security Affairs

June 5, 1989

The President today announced the reappointment of Peter W. Rodman as Special Assistant to the President for National Security Affairs and National Security Council Counselor.

Since March 1986, Mr. Rodman served in several capacities on the National Security Council at the White House: N.S.C. Counselor and Special Assistant for National Security Affairs, 1987, and Assistant to the President for National Security Affairs (Foreign Policy), 1986 - 1987. Prior to this Mr. Rodman served as Director of the Policy Planning Staff at the Department of State, 1984 - 1986. He was a fellow in diplomatic studies and a principal research assistant to Dr. Kissinger at the Center for Strategic and International Studies at Georgetown University, 1977 - 1983. Mr. Rodman was a member of the National Security Council staff and special assistant to Dr. Kissinger and special assistant to General Brent Scowcroft, 1969 - 1977.

Mr. Rodman was born November 24, 1943, in Boston, MA. He graduated from Harvard College (A.B., 1964), Oxford University (B.A., M.A., 1966), and Harvard Law School (J.D., 1969). He is married, has two children, and resides in Washington, DC.

Remarks at the Annual Meeting of the Business Roundtable

June 5, 1989

Thank you very much, Ed. Thank you so much. Barbara and I are delighted to be here. And, Ed, to you, my sincere thanks not just for the invitation and the introduction but for all you do for education. My respects to John Akers, who is the chairman of your human resources task force. My respects to the Members of the Senate and the House that are here tonight and to members of my Cabinet. I see our Secretary of Education here, Larry Cavazos, who is doing an outstanding job -- Larry, delighted to see you. And one of your own, or one from industry, Bruce Gelb, I see sitting here, who's now heading the U.S. Information Agency, taking on a very important job. So, I'm going to stop right there before I get in trouble. [Laughter]

But I spent some time today just thinking about the trip that was just completed and then how I would tie that in to what I'd be saying here tonight. But let me just say a word on the European trip. I am convinced that the alliance that is so vital to American interests -- and, I think, to interests of every Western European country -- are in good shape. I think the alliance itself is together, perhaps stronger, and more united than it's ever been. The spirit of Brussels was one of change and opportunity and the challenge we face in moving towards a future of freedom, prosperity, and peace; and I've labeled it ``beyond containment."

And many of you people in this room know very well what I'm talking about when I talk about a relationship with the Soviet Union that goes beyond containment. And admittedly, a lot has to be done in terms of performance. But I think, with the alliance together -- the challenge now to Mr. Gorbachev to come forward and make these serious reductions to parity in U.S. and Soviet forces -- I think we're on the move; I think we're on the offense. And I must say I was very, very pleased by the firm and united reaction from our European allies.

But even as we talked about the matter of arms control and arms reductions, the subject that joins us here tonight, the subject of education, came up -- everybody recognizing that we're moving into a much more competitive age. And education is a means of equipping ourselves to excel in an increasingly competitive global marketplace. That is one of the things we're facing. Education can be the root of mutual understanding and can make an enormous step towards peace in the world.

And so, before I mention a subject which I told Ed I'm a little reluctant to talk about with Larry Cavazos here and with many of you already involved in it, let me just say a word about another subject, the one that has dominated the news for the last 48 hours, and before, as well. I'm talking about the tragic, deplorable events taking place in China. I have a special affection for the Chinese people. I've kept up my knowledge of China and my relationship with various leaders there. I've been back to China five times since Barbara and I left in 1975. And she's been

back six times. And it is with a saddened heart that I, joining many of you, watched the proceedings in Tiananmen Square.

I was so moved today by the bravery of that individual that stood alone in front of the tanks rolling down the main avenue there. And I heard some speculation on the television on what is it that gives a young man the strength, gives him the courage, to stand up in front of a column of tanks right there in front of the world. And I'll tell you, it was very moving, because all of us have seen the bravery and the determination of the students and the workers, seen their commitment to peaceful protest. And that image, I think, is going to be with us for a long time. And all I can say to him, wherever he might be, or to people around the world is: We are and we must stand with him. And that's the way it is, and that's the way it's going to be.

I know that many in this room do what we have encouraged you to do -- do business with the People's Republic of China. And I don't want to disturb that. I don't want to hurt the very business community in China and here that has moved things forward toward democracy. I did take some steps that some of you may have seen in the military side today. I am convinced that there are many in the People's Liberation Army who are sympathetic to the demonstrators. But I think the way to move, to take action, and to express the outrage we feel is on that military supply side. And I'm very hopeful that this message we sent today will be strong enough to convince the leaders of the Chinese military to go back to the policy of restraint and negotiation and peace, as opposed to this crushing of the human spirit in Tiananmen Square.

Tonight, I want to focus on the partnership that we can build to create the world-class education system that this country needs. A gathering like this is a very, very good sign -- all of you busy. And you've got the Business Roundtable; the chamber; the NAM, National Association of Manufacturers; the American Business Conference coming together on this matter of urgent concern to our great country. And our schools are in trouble; they're in real trouble. And that means our kids are in trouble, too. So, what are we going to do about it?

Well, together we can lead a nationwide crusade for excellence in education. You won't find too many times when the subject is education that I'll come out against studying, but this is one of them. We've spent plenty of time studying the problem, hundreds of studies in the past few years alone, showing that our schools simply do not measure up. And we've all heard the stories about the kids who can't find the U.S. on a map, and we've seen the low test scores. And so, I really believe that the time for study is past, and it's time to take action.

Improving our schools is going to take a national effort, one that involves all levels of government, parents, local communities, the private sector as well. And it's going to take an honest effort. And if we're serious about excellence in education, we've got to put the politics on the back burner. And Ed was telling me about the magnificent program you had here today with people from all elements in the educational community, and I think that's a very, very good thing.

I've heard plenty of complaints that we're not spending enough. The typical Washington reaction says, well, if you've got a problem, double the spending, and that'll take care of it. The fact is that we spend more per capita than many of our toughest competitors. And as a nation, we devote more than $300 billion a year to educating our children. And that's not stingy; it's staggering. And the resources are there, and it's how we put those resources to work that counts.

And there's something more that we need to recognize: We can multiply success. There's no monopoly on ideas, no one right answer when it comes to improving our schools. We can learn from each other. Look at the States, today's entrepreneurs of education policy, if you will. We're witnessing the emergence of 50 laboratories of reform -- 50 States, 50 laboratories of reform. And, yes, Federal leadership is crucial; and as you know, we've introduced a package of education initiatives designed to reward excellence, improve accountability, and promote quality schools through choice. I expect our ideas to get full and fair hearings when Congress begins working on our bill next week.

And right now, I want to highlight an idea that's proved its value in the business world, an idea that can play a central role in education as well -- and I'm talking about competition. The business world knows that competition brings out the best in individuals and institutions. And the same is true for our schools; proof already exists. America's postsecondary education system is widely recognized as the strongest and most successful system in the world, and it's also extremely competitive. Schools compete to attract the best students and first-rate faculties, and the plain fact is that this competition is good. Superior schools inspire others to reach for excellence. And our elementary and secondary schools are the weak links in our system. Competition and choice can help us make them stronger.

But what government can do is only part of the story. In the private sector and in this business community, hundreds of companies, thousands of employees are going into the classrooms to help children learn. And you didn't wait for a signal from Washington; you saw an opportunity, and you got involved. And the numbers are impressive: 186 corporations from the Business Roundtable alone and hundreds of others as well. And that tells me that the great American tradition of serving others is alive and thriving in corporate America.

Improving our schools is a national problem, but the search for solutions must take place on the local level, in our communities. Local solutions work. Last month, just before I went abroad, I was up in Rochester to visit the Wilson Magnet School, a school that just turned itself around. And 10 years ago, Wilson was plagued by crime and plunging grades and, indeed, urban flight. And today that Wilson Magnet School is one of the top-ranked high schools in the State of New York, a night-and-day change. And you might say, well, how did it happen? Over and over, everyone that I asked there said, I have one answer, and that answer: commitment. They used that word over and over again -- commitment on the part of parents, teachers, students, and commitment on the part of the corporation that calls that community home. Eastman Kodak contributed the equipment and the expertise that helped bring learning alive for the kids at

Wilson.

And I saw those Kodak employees sitting side by side with the students at the computers, pitching in, doing a whale of a job. And today Wilson has many more applicants than it has space for students. And it's a success story that I'd like to see repeated all across this country. And business, it was you; it was business that played this key role. Efforts like the one at Wilson, like the ones that many of your companies are now engaged in, are producing real, lasting results -- one school at a time, one student at a time. And all of us know the magnitude of the challenge, and all of us can do our part to strengthen our schools.

And that's why I'm announcing tonight the creation of an advisory committee, my first as President, to focus on education: the President's Education Policy Advisory Committee. And I'll call on this Committee to bring me innovative ideas, to bring together leaders from business and labor, educators at every level, State and local government officials, and the media in a partnership to improve our schools.

The students who need our help can't wait. It's early June; school's about to end for this year. And on graduation day, how many kids won't be walking across that stage to get their diploma? How many kids who walk out of that classroom a few weeks from now won't be back in September? How many will get that degree and go out into the world, come to work in your companies without the skills they need? Even a single young man or woman is one too many, and yet there are millions.

Everyone in this room, I know, shares my concern. And tonight I want to issue a challenge, a corporate call to action, if you will: four ways that you can make a real difference. Start by raising the literacy levels. Someone once asked Ben Franklin who he thought was the most pitiful man in the world, and he said, ``A lonesome man on a rainy day who does not know how to read." And Franklin understood that literacy is an open door to opportunity and self-knowledge, to history, culture, and a world of experience. But make no mistake, reading isn't just a rainy day diversion: It's a survival skill. And how can young people do the job if they can't read the job application?

Some of you have spoken to me about this problem. I know many of you have been engaged with Barbara in her effort to help make this country more literate. And tonight, I ask all of you to start at home and your offices, on the shop floor; make it your business to help every employee who can't read but wants desperately to learn.

And second, let's raise our sights and our standards. All of you know the kind of new employees that you're looking for, and that's why it makes sense to work with the schools to create programs that develop skills for the real world, for the millions of new jobs that our economy is creating each year. And all of you know how difficult it is for your companies to keep pace in a world where change is measured in milliseconds. And we must do all we can to equip our

children, our future work force, with the thinking skills they'll need to make careers in the information age.

You can't start too early. IBM is working in partnership with Head Start in Baltimore, teaching 4-year-olds how to use computers. And listen to what one mother says: ``The computer will be just like the telephone; everyone will have one. My kids have to learn this, and so do I." That may be a good sales program for John Akers, but it's also a whale of a good education program, I'll tell you. [Laughter]

We have to understand, and we have to be involved. And many of us grew up in a time when a worker would spend an entire career in the same job, and those days are ending. Workers entering the economy today can expect to train and retrain several times to keep pace with changed working conditions. And it's up to our corporations to create a working environment where employee education and retraining and training never stops. From now on, in America, learning must be a lifelong occupation.

And third, I challenge every CEO in this room to get involved -- personally involved -- with the schools in your own community. Walk into the classroom not as a CEO but as a concerned parent, as a good citizen, right there in the community. And I know you and your companies are doing a great deal now to improve our schools, but it's got to be personal. Be a catalyst for change.

Let me tell you about a businessman I know in New Orleans who did exactly that -- Patrick Taylor. He walked into one of the worst schools in New Orleans and made a promise to the entire eighth grade class, over 200 kids. And he told them if they kept up a B average and graduated he'd guarantee that they go to college. And here's how he looks at it: You don't always get from individuals what you expect. But if you expect nothing, you're going to get nothing. And Pat Taylor is telling those kids that they've got a future, and he's ready to help them get there.

And now the last challenge: Everyone in this room is here because you know how much education matters. And I want you to take a message to the companies who aren't here tonight. Reach out, bring others in this business community on board. I want to see all of America's corporations involved in a truly common effort.

And I know that you've got the energy and the ingenuity to meet these challenges. Start now! I want to hear from you by next Labor Day -- see the report card, if you will, your action plan for excellence in education. And if I don't hear from you, I'll get Barbara Bush on your case. [Laughter] She's told me over and over again about many of you, of your personal and your company's interest in literacy and in education in general. And she has been inspired by what so many of you have already done. She's your cheerleader -- for those who are already constructively involved. You've taken your skills and resources into our classrooms because you

know the bottom line: We can't have a world-class economy with second-class schools.

So, take the challenges to heart, build on the fine work that's already started and that's already going on in a big way. And thank you for all you are doing, and thank you for what I'm confident all of you will be doing in the future. Thank you all very, very much.

Note: The President spoke at 7:12 p.m. in the Capitol Ballroom of the J.W. Marriott Hotel. In his opening remarks, he referred to Edmund T. Pratt, Jr., chairman of the Business Roundtable.

Remarks at the Welcoming Ceremony for Prime Minister Benazir Bhutto of Pakistan

June 6, 1989

The President. Prime Minister Bhutto, Mr. Zardari, and distinguished guests, Franklin Roosevelt once called this the house owned by all the American people. Well, on behalf of all the American people, Barbara and I are honored to welcome you to the White House.

Your visit marks an occasion for both of us to celebrate and renew the ties of friendship between democratic Pakistan and the United States and to chart new ways to strengthen old bonds in the many years to come. These bonds are formal, but they are also personal, for you are no stranger to America nor to Americans themselves. We remember you as a college student, eager to learn, eager to teach us about your homeland. And I remember first meeting you at your father's side at the United Nations, as he pleaded the cause of Pakistan with such eloquence. And we remember your visits as a courageous opposition leader, tireless in your zeal to foster democratic change. And now we are proud to greet you as Prime Minister and leader of a great nation.

Woodrow Wilson once said: ``I believe in democracy because it releases the energies of every human being." And Madam Prime Minister, the people of Pakistan have chosen you to help democracy flourish in Pakistan. This return to democracy under your leadership deserves and has won America's profound admiration. It has strengthened America's already firm resolve to work closely with Pakistan. And I congratulate you and the people of Pakistan, and I salute those in your country, civil and military, whose adherence to the constitutional process was so important in bringing about democracy in Pakistan.

Madam Prime Minister, your visit is a time to reaffirm an historic relationship, newly forged on the anvil of democracy; but it is also a time to look ahead, to reaffirm liberty and freedom. And both our governments are in their first year, and let us use that to our advantage by building on the fundamental strength of our friendship. Let us craft new ideas, new initiatives to meet the challenges of our changing world.

I have looked forward to this meeting very much. And you will find us frank and open, as befits old friends, and attentive listeners who value your judgment. To America, you are a woman of great personal courage and faith. To America, you are a wise leader who embodies the very spirit of her people. And to all of us, you are a living symbol of those who risk all and sacrifice much so that others might know democracy and freedom.

Madam Prime Minister, welcome to the United States of America.

The Prime Minister. Mr. President, Mrs. Bush, and distinguished guests, I'm delighted to be in

Washington, the capital of freedom, as the guest of a President who knows Pakistan well and has been its friend. I recall our first meeting in 1971 at the United Nations, at a crucial turn in Pakistan's history. The U.S.-Pakistan friendship has grown in strength; we are friends and partners.

Standing here on this beautiful lawn, one sees the monuments which recall America's odyssey of freedom. As I look at these monuments, I think of Pakistan, which too has traveled a long and difficult way along the path of freedom. It was not so long ago that Pakistan was a dictatorship and I was in prison. But as you said, Mr. President, giving heart to all those living under tyranny, the day of the dictator is over.

Today I am privileged to stand here as the elected Prime Minister of the Islamic Republic of Pakistan, a woman Prime Minister of a Muslim country, whose people have given a verdict against tyranny and for freedom, progress, and human dignity, for justice and for the rule of law. Our two nations are united in a partnership inspired by common goals and shared interests, a partnership now bound by democracy.

The United States and the people of Pakistan have also stood together as partners over the last difficult decade, helping restore freedom and independence to Afghanistan. Our countries have developed a vital security relationship and a major program of economic cooperation. This has enabled Pakistan to work with confidence for peace in our region. And today, Mr. President, we begin our discussions of a new partnership. We are here today with new priorities to talk to the world's greatest democracy. New challenges confront us in the closing but complex phase of the Afghan war and as we focus on the economic, social, and educational needs of our people. We come to talk about how we, together, as partners, may take our relationship and our people into the 21st century.

And as we begin on this auspicious day in this magnificent country of freedom, achievement, and opportunity, I offer a simple prayer: May God bless all countries of the world with the enduring values of freedom, achievement, and opportunity that we see in this great country of yours. I thank you, Mr. President.

The President. Thank you very much.

Note: The President spoke at 10:11 a.m. at the South Portico of the White House, where Prime Minister Bhutto was accorded a formal welcome with full military honors. Following the ceremony, the President and the Prime Minister met in the Oval Office.

Remarks Following Discussions With Prime Minister Benazir Bhutto of Pakistan

June 6, 1989

The President. Well, it was a special pleasure for Barbara and me to welcome Prime Minister Bhutto to the White House this morning. In fact, our relationship goes back to 1971, when she attended Harvard and came with her dad to the United Nations. And I have often remarked that her father's 1971 appeal was literally one of the most moving speeches that I ever heard at the United Nations. And more recently, we met in Tokyo last February, where I believe that we were the most newly elected heads of government.

Pakistan and the United States have enjoyed a long history of good relations -- friends since the time that Pakistan became an independent nation. And I welcome this opportunity to reaffirm those ties and to reassure the Prime Minister of our continued commitment to assist in Pakistan's security and its economic and cultural development.

The Prime Minister knows our country well, and she has many friends here. And on behalf of the American people, I congratulated her on Pakistan's historic return to democracy last year, a development of which the people of Pakistan can be truly proud. We discussed how important it is for all elements of Pakistan society to ensure that democracy isn't just an abstract concept, but that it works.

And the Prime Minister and I reviewed the situation in Afghanistan. For the last decade, the U.S. and Pakistan cooperated in supporting the Afghan resistance in its fight against foreign occupation. And Pakistan deserves great credit and admiration for its extraordinary, extraordinary humanitarian efforts in support of the millions of Afghan refugees during this period. The effectiveness of our mutual policy was proven last February, when the last Soviet troops withdrew from Afghanistan. And we agreed, however, that the job is not done. The Mujahidin continues, and their struggle for self-determination goes on, a goal that both the United States and Pakistan continue to support. Prime Minister Bhutto and I discussed ways to encourage a political solution in Afghanistan that will lead to a nonaligned, representative government, willing to live in peace with its neighbors, to replace the illegitimate regime in Kabul. The United States and Pakistan will continue to explore any serious avenue towards this end.

The Prime Minister and I also reviewed our efforts to enhance stability in south Asia, an important objective of both governments. And I expressed our strong support for Pakistan's efforts, and India's as well, to improve relations, and stressed the critical importance of avoiding a regional nuclear arms race in the subcontinent. And she assured me that Pakistan's nuclear program is committed to peaceful purposes. I underlined my administration's commitment to discourage proliferation of nuclear and chemical weapons, ballistic missiles, in the south Asia

region and around the world.

We also shared our concern about the scourge of drug production and trafficking. Not much detail yet on that, but we're going to go into that one in much more detail later on. It's a matter of grave concern to the United States. I applauded her tough stance on eradicating the opium cultivation and expressed our appreciation for the extradition of alleged drug trafficker Saleem. To effectively combat this menace, we've got to undertake a vigorous enforcement campaign, offering U.S. assistance wherever possible.

And let me say that, as far as I'm concerned, these discussions have been productive. And let me note, too, that that ceremony outside today, the first since I've been President, was a wonderful way to welcome the Prime Minister. And we just walked by the Rose Garden, which also is a lovely setting, and as the Prime Minister has observed, roses have a very special meaning in her life. And when she was younger, her father would bring back roses every time he traveled abroad, and in time, her family's gardens became filled with varieties of color. And during her own detention, she struggled bravely to keep the gardens alive, for as she has written, ``I could not bear to watch the flowers wither, especially my father's roses."

And so, Madam Prime Minister, you've described your time among the roses and the cool shade of the gardens as ``the happiest hours of my life." And now, as a gesture of friendship between our people and to continue your father's tradition, it is my privilege to present you with this American rosebush. May it -- and you -- prosper in the years to come. And welcome again.

The Prime Minister. I'm very grateful to President Bush for the kind invitation to pay an official visit to the United States, and I'd like to thank the President for his consideration in giving me one of the rosebushes from the White House. It shall always remind me of this very useful, productive, and helpful visit -- supportive visit -- of mine to the United States.

My presence here underlies the great importance that Pakistan attaches to our relations with your country. This is not only because geopolitical realities require a close relationship but, more importantly, because of the ideals and the objectives that we share. As you know, this is not my first visit to Washington or, indeed, to the United States. I have pleasant memories of my student days at Radcliffe, past visits to Washington, one of the great citadels of democracy. But it is a special privilege and honor to be here as the democratically elected leader of a country which has traditionally enjoyed close, friendly ties with your country.

Over the last 10 years, Pakistan has been in the forefront of two great struggles. We have actively supported the cause of the Afghan people and their brave fight against foreign military intervention, and at the same time, at home in Pakistan, we've struggled against military dictatorship to establish a system based upon democratic values and the respect for human rights. In both these epic struggles, we received from the United States unwavering support, and material as well as moral encouragement. It has, therefore, been a special pleasure and privilege

to come to Washington and to thank President Bush and the Government and the people of the United States for their friendship and their generosity.

The President and I have had wide-ranging discussions on a number of issues, and I am convinced that this exchange will be of immense benefit to the bilateral relations that exist between us and also to the cause of world peace. President Bush has just returned to Washington from a spectacularly successful visit to Europe, and where he has launched a series of initiatives which could open an entirely new era in international relations, with the exciting prospect of a genuine and durable peace. Pakistan, which is situated in one of the more sensitive geopolitical regions of the world, will contribute towards these objectives and efforts.

While the withdrawal of Soviet forces has brought a welcome change in Afghanistan, the continued fighting and prolonged presence of over 3\1/2\ million Afghan refugees pose serious threats to the peace and stability of the region. The President and I have reviewed the situation in the light of the prevailing circumstances, and we are in complete accord, both in terms of our analyses as well as the future policies that need to be evolved. Pakistan remains committed to a political solution of the Afghan problem, whereby the brave people of Afghanistan will have the right to freely choose their own government without interference from outside. Pakistan's commitment to peace and democracy are fundamental.

In thanking President Bush for the valuable support that the United States has rendered to us in the pursuit of these objectives, I have assured him of our continuing efforts towards maintaining peace in the south Asian region and of our determination to strengthen the process of nuclear nonproliferation by seeking accords, both bilateral and international, within the regional context.

The President and I discussed measures to increase our cooperation in the fight against drugs. We have already achieved some success in this direction in Pakistan, but much remains to be done.

In conclusion, I would once more wish to thank President Bush for the generous hospitality, for the warmth and the friendship with which we have been received. I go home greatly encouraged by our constructive and fruitful discussions. I look forward to the opportunity of reciprocating in Pakistan some of the warmth, kindness, and hospitality that my husband and I have been privileged to receive from the President and Mrs. Bush in Washington. Thank you very much.

Note: The President spoke at 11:33 a.m. in the East Room of the White House.

Nomination of Michael J. Astrue To Be General Counsel of the Department of Health and Human Services

June 6, 1989

The President today announced his intention to nominate Michael J. Astrue to be General Counsel of the Department of Health and Human Services. He would succeed Malcolm M.B. Sterrett.

Since 1988 Mr. Astrue has been Associate Counsel to the President in the Executive Office of the President in Washington, DC. Prior to this he was Counselor to the Commissioner for the Social Security Administration, Department of Health and Human Services, 1986 - 1988; and Acting Deputy Assistant Secretary for Human Service Legislation, 1985 - 1986. He was an associate with Ropes & Gray, 1984 - 1985; and a law clerk with the Honorable Walter J. Skinner, 1983 - 1984.

Mr. Astrue graduated from Yale University (B.A., 1978) and Harvard Law School (J.D., 1983). He resides in Belmont, MA.

Statement on the 45th Anniversary of D-Day

June 6, 1989

Today we remember those who fought for freedom 45 years ago at Normandy in the Allied invasion that hastened the liberation of Europe. In so doing, we remember all Americans who have fought to keep us free, and the young men and women who today act as guardians of the peace and freedom that America's veterans achieved through courage and sacrifice.

The alliance of Americans, Canadians, British and French, and others who fought together that misty morning was forged in the fire of battle. Last week in Europe, that alliance, now greatly broadened, was further cemented by an extraordinarily successful NATO summit. The mutual agreement of the allies on a future course for Europe has the potential to brighten the prospects for peace -- real peace -- and freedom.

From the vantage point of 1989, after four decades of peace in Europe, it is difficult to remember that on the morning of June 6, 1944, General Eisenhower carried in his pocket a draft message declaring the invasion to have been a failure and taking personal responsibility for that failure. He never needed to use that draft, of course, because all the years of painstaking preparations bore the fruit of victory. The turmoil and confusion of battle that day belied the calm purposefulness with which freedom confronts tyranny. In recent days, the face of the world has again been marked by dramatic occurrences -- winds of change -- that signify the determination with which freedom confounds its adversaries. As with General Eisenhower then, we cannot know with certainty today whether the forces of freedom will prevail soon or in every instance. Yet the ultimate victory of freedom and democracy is inevitable. The new breeze of democratic change will bring mankind to better, more tranquil times.

Last week's success of allied unity; the first free elections in Poland in more than 50 years; and even the momentous, tragic events in China give us reason to redouble our efforts to continue the spread of freedom and democracy around the globe, to end the division of Europe, to broaden the community of free nations, and to reaffirm the rights of man.

In light of the striking events in the world of the past week, and in remembrance of those brave Americans who fought at Normandy on this date 45 years ago, several lines often quoted by Winston Churchill in the darkest days of World War II seem especially apt today:

For while the tired waves, vainly breaking,

Seem here no painful inch to gain,

Far back, through creeks and inlets making,

Comes silent, flooding in, the main.

And not by eastern windows only,

When daylight comes, comes in the light,

In front, the sun climbs slow, how slowly,

But westward, look, the land is bright.

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting a Report on the Export-Import Bank of the United States

June 6, 1989

Dear Mr. Speaker: (Dear Mr. President:)

This report is being transmitted pursuant to Section 7(a)(2) of the Export-Import Bank Act of 1945, as amended (12 U.S.C. 635e(a)(2)).

Based on the information supplied by the Export-Import Bank, I have determined that for fiscal year 1989 (i) the amount of direct loan authority available to the Bank is sufficient and (ii) the amount of guarantee authority available to the Bank may be greater than needed.

Although there could be substantial excess guarantee authority, I believe that its continued availability will be advantageous. Guarantees represent an important means of support for U.S. exports and involve only a limited subsidy. Moreover, a portion of any unused 1989 authority will be carried over into 1990 when demand may be higher.

Therefore, I do not seek legislation to rescind any authority of the Bank. I have concluded that the statutory fiscal year 1989 limits for the Export-Import Bank authority should remain unchanged.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement on the Elections in Poland

June 6, 1989

Sunday's elections in Poland marked an important step toward freedom and democracy. I am encouraged by the responses of both the Polish Government and members of the opposition to the election results. I hope the movement toward political pluralism will continue to follow the responsible, constructive path it has taken since the historic roundtable agreements in April.

As I said in my speech in Hamtramck, Michigan, April 17, the Polish people are now taking steps that deserve our active support. We will work in concert with our allies to help Polish democracy take root anew and sustain itself. The Polish people face a difficult task ahead, but their first steps have been firmly in the right direction.

Nomination of Sherrie Sandy Rollins To Be an Assistant Secretary of Housing and Urban Development

June 6, 1989

The President today announced his intention to nominate Sherrie Sandy Rollins to be an Assistant Secretary of Housing and Urban Development (Public Affairs). She would succeed Harry K. Schwartz.

Since 1985 Ms. Rollins has been vice president of communications for the Oliver Carr Co. in Washington, DC. She served as director of network support for the 1988 Republican National Convention. She was assistant press secretary and media liaison for the Presidential Inaugural Committee, 1984 - 1985; state press coordinator and media liaison for the Reagan-Bush 1984 Campaign, 1984; executive director for the Business and Professional Association of Georgetown, 1981 - 1984; and an account executive for the public relations firm of Gleason and Thomasson, 1980 - 1981.

Ms. Rollins graduated from the University of Virginia (B.A., 1980). She is married and resides in Alexandria, VA.

Nomination of Roy M. Goodman To Be a Member of the National Council on the Arts

June 6, 1989

The President today announced his intention to nominate Roy M. Goodman to be a member of the National Council on the Arts, National Foundation on the Arts and the Humanities, for a term expiring September 3, 1994. He would succeed C. Douglas Dillon.

Currently State Senator Goodman is serving his 10th term in the New York Legislature, representing the 26th District. He also served as chairman of the senate committee on investigations, taxation, and government operations, 1978 to present. From 1969 to 1978, he was chairman of the senate committee on housing and urban development. Mr. Goodman was chairman of the New York State Charter Revision Commission for New York City, 1972 - 1975, and finance commissioner and treasurer of the City of New York, 1966 - 1968. In addition, Mr. Goodman was appointed by President Reagan to be a Commissioner of the National Commission of Fine Arts, 1985.

Mr. Goodman was born March 5, 1930, in New York City. He graduated from Harvard College (A.B., 1951) and Harvard Graduate School of Business Administration (M.A., 1953). He served in the U.S. Navy, 1953 - 1956. He is married, has three children, and resides in Manhattan, NY.

Toasts at the State Dinner for Prime Minister Benazir Bhutto of Pakistan

June 6, 1989

The President. Prime Minister Bhutto, Mr. Zardari, it's a great pleasure and an honor for Barbara and me to welcome you to the United States and to the White House. I also want to welcome a third honored guest not here tonight, the master, Bilawal Zardari. [Laughter] He's 9 months old. He had to go to bed early, so he couldn't come to the White House. And we're all heartbroken, but I hope he's having a good time in the United States.

Madam Prime Minister, I've had many years of dealings with the Pakistani people, and always I've marveled at that blend of warmth and kindness best embodied in your phrase, Zindabad -- ``Long live the friendship.'' And this evening it is my great pleasure to return that friendship and to say what a privilege it is to salute a woman whose reputation for eloquence and intelligence and courage is all here -- we'll see in a moment -- is eminently well-deserved. And in that context, I should note how one observer said that it was an asset to today's talks that the leaders of both our countries are fluent in the same tongue. [Laughter] That was very nice. Fluency in English is something that I'm often not accused of. [Laughter]

But we've just concluded a round of very frank discussions -- meaningful. And I don't mean it in the diplomatic sense, the U.N. sense, that we used to talk about, but meaningful discussions on a matter of traditional importance. And I think it's a fair characterization to say that the Prime Minister has flatly refused my latest offer: She's not going double or nothing on this year's Harvard-Yale game. [Laughter]

What we did, though, agree to was the steadfast conviction that the cooperation between our countries will grow stronger by the year and to address regional and international issues in the spirit of our shared commitment to liberty, individuality, and democratic ideals. And as you know, I have just returned from Europe, where those ideals strengthen the already close ties between America and her European allies. And that same commitment to democracy joins Pakistan and America as we move towards a more stable and prosperous Asia.

We also talked at length about the plague of drug abuse which afflicts both America and Pakistan. And neither country can afford to allow the scourge of drugs to continue. And throughout our talks we reaffirmed the values which bind us, bind the United States and Pakistan -- values of faith and family and the dignity of work. And we pledge to continue our work together to bring peace and freedom to Afghanistan, stability to all of south Asia.

Madam Prime Minister, our goals are great goals, worthy goals. And together our countries have already done much. And in particular, let me simply salute your role in Pakistan's return to

democracy. It was the great Pakistani poet-philosopher Muhammad Iqbal who once observed, simply, ``Love is freedom and honor.'' And, Madam Prime Minister, your entire life shows the meaning of those words. And in that spirit, I ask all of us here tonight, all our guests, to rise and raise their glasses to Pakistan-American friendship; to a safer world for your son and for all children; and to your health and what you symbolize, both for Pakistan and for the rest of the world. God bless you, and good luck.

The Prime Minister. Thank you. I thank you, Mr. President, for the warm and gracious words that you have spoken about Pakistan and about me, personally. We hold you in high esteem because of your exceptional experience in world affairs, the moderation of your approach to the problems facing mankind, and the wisdom and moral quality of your statesmanship.

It is an honor for me to be in this world capital of freedom, in this historic room as the elected leader of the Islamic Republic of Pakistan. Yet standing here before you, I cannot help but remember the darker days, the days of dictatorship. I feel gratified that our faith, our determination, and our commitment to the universal principles of human dignity and freedom sustained us to this glorious evening, to this glorious day.

Mr. President, I stand with the leader of the world's greatest democracy. I look forward to a new partnership between your country and mine, with democracy giving a fresh dimension to our relationship. Pakistan and the United States have been friends of longstanding. With the triumph of democracy, the relationship is now at the threshold of a new vitality.

This springs from the reservoir of good will that has been nourished by our sustained joint endeavor in support of a worthy cause in Afghanistan: the cause of freedom. We look forward to the day when real peace and stability will return to Afghanistan, when power is transferred to a genuinely representative government. This will allow millions of refugees who have sought sanctuary in Pakistan to return to their homes in honor and dignity.

We now need to look at broader horizons. The people of Pakistan seek peace and stability in their region and a world free of tensions. We would like to see mankind progress and prosper. Pakistan would like to strengthen its friendship with the United States, which shares these objectives.

We have come here with new priorities, Mr. President, new priorities to take our nation and our people into the 21st century. We have come to enrich our friendship and strengthen the partnership between our two nations. Mr. President, I wonder whether you know -- I didn't until very recently -- that we have something in common. We are born, apparently, under the same star. And when I was in Pakistan and the government had just been formed, we weren't allowed much of a political honeymoon by the press. I believe you weren't allowed much of a political honeymoon, either. But I'm glad to know that your trip to Europe in connection with NATO was a big success, because if you've had a successful trip, I must have one, too.

Ladies and gentlemen, I studied at Harvard, and believe me, I didn't know until tonight that Yale ever produced charming men. I'm glad I met the only one. [Laughter]

May I now request you to join me in a toast to the health of the President of the United States and Mrs. Bush, to the strength and prosperity of America and friendship between our people.

Note: The President spoke at 10:16 p.m. in the State Dining Room at the White House.

Message on the Observance of National Fishing Week, June 5 - 11, 1989

June 7, 1989

America is a land blessed by bountiful natural resources. Enjoying our outdoor treasures has always been an indelible part of the spirit of our people. That is why it gives me great pleasure to pay tribute to one of our most popular outdoor leisure activities -- recreational fishing -- during National Fishing Week. For some, fishing is a full-time occupation. But for most of the 60 million Americans who fish, it is a means of renewing our bonds with nature and sharing special moments with family and friends.

Fishing is an especially valuable experience for our younger generation. Today, more than ever, it is important to instill in our children a sense of appreciation and responsibility for stewardship of our lands and waters. One brisk morning spent fishing on a misty lake can bring home to a child the beauty, drama, and fragility of our natural heritage in a way a thousand classroom presentations never could.

Our nation's public investment in fishery conservation, restoration, and enhancement is, in great part, paid for by fishermen through taxes on fishing equipment. Last year, government agencies working with many private organizations successfully completed a National Recreational Fisheries Policy. This effort was an important first step in focusing attention on the social and economic importance of sport fishing.

By continuing to work together, we can ensure that generations to come will have the opportunity to experience the pleasures found in fishing. As an avid fisherman, I'm happy to send a special salute to all my fellow ``anglers'' during National Fishing Week.

George Bush

Nomination of Michael R. Deland To Be a Member of the Council on Environmental Quality, and Designation as Chairman

June 7, 1989

The President today announced his intention to nominate Michael R. Deland to be a member of the Council on Environmental Quality. He would succeed A. Alan Hill. Upon confirmation he will be designated Chairman.

Since 1983 Mr. Deland has been Regional Administrator for Region I of the Environmental Protection Agency in New England. Prior to this he was an environmental counsel and consultant with Environmental Research and Technology, Inc., 1976 - 1983. From 1971 to 1976, he served in several capacities for the Environmental Protection Agency in New England, including chief of the enforcement branch for Region I, 1973 - 1976; chief for the legal review section, 1972 - 1973; and as an attorney, 1971 - 1972. Mr. Deland has also served as a staff assistant and legal counsel to the president of the University of Massachusetts, 1971.

Mr. Deland graduated from Harvard College (A.B., 1963) and Boston College Law School (J.D., 1969). He served in the U.S. Navy, 1963 - 1965. He is married, has two children, and resides in Boston, MA.

Remarks to Members of Ducks Unlimited

June 8, 1989

Thank you, Harry, very, very much, and all of you for that warm welcome. Every member of Ducks Unlimited can eat his heart out -- or hers -- and I say that because you should be very jealous of me. You ought to see the beautiful carvings that you all gave to me carved by Bill Veasey -- two ducks -- one of the most spectacular pieces of duck artwork that I believe I've ever seen. And so, I'm grateful to all of you for that presentation that Harry made.

I want to salute the Members of Congress that are here. I want to pay my respects to the head of the EPA, Bill Reilly. We are very fortunate to have him leading our Environmental Protection Agency. I want to pay my respects to our Secretary, Manuel Lujan, who is going to do a fantastic job for us. I served with him in the Congress, and he rates and merits your confidence. Mike Deland was supposed to be here, and he -- showing the fact that he's human -- he is caught up at the airport in Washington right now -- [laughter] -- so I expect we'll see him in a while. But most of you know him. And I would simply say that the Members of Congress and friends -- it's a real pleasure to be here.

One of my greatest pleasures is going fishing with my grandchildren and seeing the Grand Tetons through the eyes of a 10-year-old grandson or teaching our 6-year-old twin granddaughters -- now Texans again -- the wonders of the ocean -- makes life really sing for me. And when I am out in the great outdoors with my own kids or grandkids, I realize how true it is that our children will inherit the Earth. And so, any vision of a kinder, gentler America -- any nation concerned about its quality of life, now and forever, must be concerned about conservation. It will not be enough to merely halt the damage we've done; our natural heritage must be recovered and restored. And we saw it at Mount St. Helens, and we see it now at Yellowstone Park and in the growth of spring: nature healing its wounds, coming back to life. We can and should be nature's advocate. And that means an active stewardship of the natural world. And it's time to renew the environmental ethic in America and to renew U.S. leadership on environmental issues around the world. Renewal is the way of nature, and it must now become the way of man.

And that's why I so readily accepted when Harry invited me, and that's why I wanted to talk to you today. When this organization was founded over 50 years ago, in the Dust Bowl days, there was just a handful of you committed to preserving and restoring our wetlands. And just about that time, a few hunters got together and formed a little group called Ducks Unlimited; and thank goodness they did. And since then, you've set aside, I am told, over 5 million acres as habitat, raised nearly half a billion dollars, started wetlands projects in each of the 50 States, for a simple reason: 75 percent of the remaining wetlands in the continental U.S. are privately owned. We can't do it without your help. The partnerships you've set up with State and Federal agencies and with conservation groups like the Nature Conservancy and the Wildlife Foundation have been

outstanding.

And that's good news for ducks. Remember, though, what Dick Darman [Director of the Office of Management and Budget] said about taxes. Anything that looks like a duck or walks like a duck or quacks like a duck is going to hear from him. [Laughter] The poor guy; the very thought of Ducks Unlimited keeps him up at night. [Laughter] But your work is even better news for America, for what you're doing represents just the kind of local, on-site private sector initiative that we must bring to every environmental challenge.

As you know too well, our wetlands are being lost at a rate of nearly half a million acres a year. So, every year, fewer mallards and pintails make it to the pothole country. You may remember my pledge, that our national goal would be no net loss of wetlands. And together, we are going to deliver on the promise of renewal, and I plan to keep that pledge. I've set up an interagency task force, under our Domestic Policy Council, to work with you, with governments at all levels, with the private sector, to stop the destruction of those precious habitats. Their first task is to develop a united Federal policy for the North American Waterfowl Management Plan here, and in Canada as well -- and Canada has lost over 40 percent of her wetlands. And the time has come to simply say, ``Stop!"

And to support the plan, this week Secretary Lujan proposed a new trust fund, using interest from the Pittman-Robertson Fund, that would contribute about $10 million. And our goal is to restore a fall flight of more than 100 million birds. And we're looking at legislation from Senators Mitchell and Chafee, Congressmen Dingell and Conte, and there are a few details to be worked out, but the basic thrust of the legislation is sound. I look forward to signing a bill to conserve North American wetlands this year. And we've asked for nearly $200 million in new funding for acquisitions under the Land and Water Conservation Fund. We've also increased funding for coordinated water quality programs to protect the wetlands we already have, and for the first time in 7 years, some of those dollars will go towards acquiring wetlands.

But we're looking far beyond the Federal role. We want to improve the management of federally owned wetlands by leasing them to concerned groups like yours. And you know, the local momentum is picking up. Just last month, Maryland's Governor Schaefer approved the Nation's first State nontidal wetlands law, and it's an outstanding piece of work. Bill Reilly emerged as a key supporter for that bill, and I certainly would encourage him to do more; but in his case, he's the one that's encouraging me to do more all the time. And again, I'm grateful for his leadership.

We're working with American farmers through the farm bill program to provide technical assistance for wetland conservation. Wherever wetlands must give way to farming or development, they will be replaced or expanded elsewhere. It's time to stand the history of wetlands destruction on its head. From this year forward, anyone who tries to drain the swamp is going to be up to his ears in alligators. [Laughter]

Let me just spend a few minutes outlining our environmental philosophy. Our approach to wetlands conservation is driven by a new kind of environmentalism, a set of principles that apply to all of the environmental challenges that we face. We believe that pollution is not the inevitable byproduct of progress. So, the first principle is that sound ecology and a strong economy can coexist. But let's remember: The burden of proof is on man, not nature. And the fact is, our ecology and the economy are interdependent. Environmentalists and entrepreneurs must see how much their interests are held in common. It's time to harness the power of the marketplace in the service of the environment.

The second principle is that a true commitment to restoring the Nation's environment requires more than just a Federal commitment. The tradition of purely Federal, ``top-down'' directives will never again be enough. So, we're working to promote more creative State and local initiatives, drawing on the energy of local communities and the private sector into the cause -- pulling them into the cause of conservation. All of you in this room have made that commitment, and now it must be made an all-American commitment.

And our third principle is obvious, but too rarely acted on: that preventing pollution is a far more efficient strategy than struggling to deal with problems once they've occurred. For too long, we've focused on cleanup and penalties after the damage is done. It's time to reorient ourselves, using technologies and processes that reduce or prevent pollution -- to stop it before it starts. In the 1990's, pollution prevention will go right to the source.

Technology has given us tremendous, awesome power to alter the face of the Earth. We must use it to do good. Environmental soundness, industrial design must be partners. Industry is making -- and must continue to make -- environmental soundness an essential fact of American industrial life.

We've already taken several steps in that direction. And as you know, I've called for the elimination of CFC's [chlorofluorocarbons] by the year 2000. And we've also reviewed the Corporate Average Fuel Economy, those CAFE standards. We've tightened the standard, as the law originally intended. More efficient cars are good for our environment and good for our energy security. We're going to promote the use of alternative ``neat'' fuel technology. And I've proposed full funding to develop clean coal technology.

The fourth principle is a recognition that environmental problems respect no borders. I'm delighted to see the Ambassador from Canada here. So, we're working with nations around the world to provide leadership in finding cooperative international solutions. From Japan to Brazil, we're discussing ways to reverse rainforest devastation. And we've recommended a ban on international shipment of hazardous waste unless an agreement is signed that makes sure waste is disposed of safely. In Germany 2 weeks ago, I announced our intention to provide technical assistance and new technologies to the nations of Eastern Europe to help them handle pollution problems. And some of the rivers in those countries are now so polluted they can't even be used

for industrial cooling because they're too corrosive. And even our recommendation to ban the importation of elephant ivory underscores this new international emphasis.

The fifth and final principle is that existing environmental laws will be vigorously and firmly enforced. And I've requested funds to hire more environmental prosecutors at the Justice Department. And next week, Bill Reilly will deliver to Congress a report on overhauling the Superfund program for hazardous waste. Our message about environmental law is simple: Polluters will pay.

And finally, on Monday, I will unveil the most sweeping changes to the Clean Air Act since it was last amended 12 years ago. And it will allow us to recover and restore precious forests, lakes, and streams. And whether Americans live near factories or in cities or in high woodland country, it'll significantly improve every North American's quality of life.

So, those are our five principles: harnessing the power of the marketplace, State and local initiative, promoting prevention, international cooperation, and strict enforcement.

But behind all of the studies, the figures, and the debates, the environment is a moral issue. For it is wrong to pass on to future generations a world tainted by present thoughtlessness. It is unjust to allow the natural splendor bestowed to us to be compromised. It is imperative that we preserve the Earth and all its blessings -- to meet the challenge of renewal.

Some 40 years ago, a man named Aldo Leopold wrote a book that some of you may have heard of. It was called ``A Sand County Almanac." And in it, he talked about values, values that you and I share. ``That land is to be loved and respected," Leopold wrote -- let me start -- ``That land is to be loved and respected is an extension of ethics." That was 40 years ago. And since then, millions of acres of wetlands, habitat for so many plants and animals, have disappeared. And they continue to vanish at an alarming rate, some one-half million acres a year.

And I want to ask you today what the generations to follow will say of us 40 years from now. It could be they'll report the loss of many million acres more, the extinction of species, the disappearance of wilderness and wildlife; or they could report something else. They could report that sometime around 1989 things began to change and that we began to hold on to our parks and refuges and that we protected our species and that in that year the seeds of a new policy about our valuable wetlands were sown, a policy summed up in three simple words: ``No net loss." And I prefer the second vision of America's environmental future.

A man I greatly admire, Theodore Roosevelt, was the first President to act on that ideal. And when he set aside the Grand Canyon as a national monument of nature, his words of warning were driven by great personal conviction. ``Leave it as it is," he said. ``You cannot improve on it. The ages have been at work on it, and man can only mar it. What you can do is keep it for your children and your children's children."

Recovery, restoration, and renewal -- that is our moral imperative. And from today forward, it is the ethical legacy we must inspire in every American.

To one of the great private sector organizations in America, I thank you. God bless you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at the Sixth International Waterfowl Symposium at 1:10 p.m. in the Arlington Ballroom at the Crystal Gateway Marriott in Arlington, VA. In his opening remarks, he referred to Harry D. Knight, president of Ducks Unlimited, and Michael R. Deland, member-designate of the Council on Environmental Quality.

Nomination of Debra Russell Bowland To Be Administrator of the Wage and Hour Division at the Department of Labor

June 8, 1989

The President today announced his intention to nominate Debra Russell Bowland to be Administrator of the Wage and Hour Division at the Department of Labor. She would succeed Paula V. Smith.

Mrs. Bowland is currently Deputy Director of the Women's Bureau at the Department of Labor. From 1985 to 1988, she was a Special Assistant to the Assistant Secretary of Policy, Department of Labor; the Deputy Under Secretary for Employment Standards, Department of Labor; the Assistant Secretary for Vocational and Adult Education, Department of Education; and a member of the Federal Labor Relations Authority. Mrs. Bowland was director of the department of citizens' service in Baton Rouge, LA, 1985; executive director in Louisiana for Reagan-Bush '84, 1984; owner of Debra Bowland and Associates, 1982 - 1984; and the secretary of labor for Louisiana, 1980 - 1982.

Mrs. Bowland attended the University of Wyoming, 1963 - 1965, and Louisiana State University, 1975 - 1976. She was born January 24, 1944, in Dayton, OH. Mrs. Bowland is married, has three children, and resides in Fairfax, VA.

Nomination of William C. Brooks To Be an Assistant Secretary of Labor

June 8, 1989

The President today announced his intention to nominate William C. Brooks to be an Assistant Secretary of Labor (Employment Standards Administration). He would succeed Fred William Alvarez.

Since 1973 Mr. Brooks has served in several capacities for the General Motors Corp., including executive director of personnel administration, since January 1989; manager of executive recruiting; director of education systems and program services; director of personnel planning, industrial relations staff; director of personnel, Fisher Body Division engineering center; general director of personnel and public relations, Delco Moraine division; general director of personnel administration; and executive director of the personnel analysis group. Prior to this, Mr. Brooks held several positions in the Federal Government: in the Office of Management and Budget in the Executive Office of the President, the Department of Defense, the Department of Labor, and the Department of the Air Force.

Mr. Brooks received a bachelor of arts degree from Long Island University in Brooklyn, NY, and a master's degree in business administration from the University of Oklahoma, Norman, OK. He is also a graduate of Harvard Business School's advanced management program and has received an honorary doctor of humane letters degree from Florida A&M University. Mr. Brooks was born in Ste. Genevieve, MO. He is married, has three children, and currently resides in Detroit, MI.

The President's News Conference

June 8, 1989

The President. Welcome to the East Room. Please be seated, and we shall proceed.

Helen [Helen Thomas, United Press International]?

China-U.S. Relations

Q. Mr. President, cutting off military sales to China does not seem to have made an impression on the rulers there, and they've become more repressive. What else are you going to do to express this nation's outrage? And do you have any other plans?

The President. Helen, I think that the position we took, aiming not at the Chinese people but at the military arrangements, was well received around the world and was followed by many countries. Right after we did that, many of the European countries followed suit. The events in China are such that we, obviously, deplore the violence and the loss of life, urge restoration of order with recognition of the rights of the people. And I'm still hopeful that China will come together, respecting the urge for democracy on the part of the people. And what we will do in the future, I will announce at appropriate times; but right now, we are engaged in diplomatic efforts, and other countries are doing the same thing. And let's hope that it does have an ameliorating effect on this situation.

Q. Does your support of human rights and democracy extend to other places in the world, like South Africa, the West Bank, where they've been fighting a lot longer than in China against repression?

The President. Yes, it does; it certainly does. Concern is universal. And that's what I want the Chinese leaders to understand. You see, we've taken this action. I am one who lived in China; I understand the importance of the relationship with the Chinese people and with the Government. It is in the interest of the United States to have good relations, but because of the question that you properly raised, we have to speak out in favor of human rights. And we aren't going to remake the world, but we should stand for something. And there's no question in the minds of these students that the United States is standing in their corners.

I'll tell you a little anecdote: When our cars went out to the university to pick up some of the students and bring them out, they were met by universal applause. And then the students in this country have been quite supportive of the steps that I have taken. We had a few into the Oval Office the other day, and I must say my heart goes out to them. They cannot talk to their families, and it's very difficult.

But, yes, the United States must stand wherever, in whatever country, universally for human rights. And let me say, you mentioned South Africa? Absolutely appalling. Apartheid must end.

Yes, Terry [Terence Hunt, Associated Press].

Q. Mr. President, can the United States ever have normal relations with China as long as the hardliners believed responsible for the massacre, such as Deng Xiaoping [Chairman of the Central Military Committee] and Premier Li Peng, remain in power? In other words, what will it take to get U.S.-Chinese relations back to normal?

The President. It will take a recognition of the rights of individuals and respect for the rights of those who disagree. And you have cited two leaders, one of whom I might tell you is -- you mentioned Deng Xiaoping. I'm not sure the American people know this: He was thrown out by the Cultural Revolution crowd back in the late sixties; came back in; 1976, was put out again because he was seen as too forward looking. And all I'm saying from that experience is: Let's not jump at conclusions as to how individual leaders in China feel when we aren't sure of that.

But the broad question that you ask -- we can't have totally normal relations unless there's a recognition of the validity of the students' aspirations. And I think that that will happen. We had a visit right here, upstairs in the White House, with Mr. Wan Li [Chairman of the Standing Committee of the National People's Congress]. Now, I don't know whether he's in or out, but he said something to me that I think the American people would be interested in. He said, ``The army loves the people." And then you've seen soldiers from the 27th Army coming in from outside of Beijing and clearly shooting people. But having said that, I don't think we ought to judge the whole People's Liberation Army of China by that terrible incident.

What I want to do is preserve this relationship as best I can, and I hope the conditions that lie ahead will permit me to preserve this relationship. I don't want to pass judgment on individual leaders, but I want to make very clear to those leaders and to the rest of the world that the United States denounces the kind of brutality that all of us have seen on our television.

Right here, Brit [Brit Hume, ABC News].

House Speaker Foley

Q. Mr. President, I want to ask you about the now infamous memorandum the Republican National Committee distributed concerning Speaker Foley. First, do you think it's credible that this memorandum, which you called disgusting, was not known about by anybody above the level of the staffer who wrote it? And second, do you think it's enough, sir, for this staffer to resign and for everyone then to simply say that the matter is closed?

The President. Well, in the first place, I have great respect for Tom Foley. And he's the one that

says the matter should be closed, and he's right. And let me just repeat: It was disgusting. It's against everything that I have tried to stand for in political life. But I discussed that matter with Lee Atwater [Republican National Committee Chairman]. He looked me right in the eye and said he did not know about it. He moved promptly to remove the person that did know about it. And so, I accept that.

But I think that Speaker Foley, a most honorable man, who obviously was done a terrible ill service to by this, is correct when he says, ``Let's get it behind us." And I'd like to shift the gears and move into ethics legislation, all the time being sure we try to avoid this kind of ugliness on either side.

Is this a followup question?

Negative Politics

Q. Speaker Foley has indicated that he'd like to change the atmosphere, which has been somewhat poisonous on Capitol Hill this year. Some Democrats have said that you as the leader of your party here in town should do something to try to get the Republicans to join in that effort. What do you say to that call, sir?

The President. I don't think the atmosphere is caused by one part or another. I expressed the same kind of outrage -- that I've just expressed about Speaker Foley -- about John Tower. I think any fairminded person, no matter how the situation worked out -- but you know and I know that he was vilified by rumor and innuendo -- vilified. And I don't like it there, and I didn't like what happened to Mr. Foley. And, yes, Brit, I hope I can find a way to elevate it and keep it on the issues.

You know, I'm a realist; I've been around this track for a long time. But we've got to do better. This ugliness of this climate is bad, and I don't like it. And I'd like to think that I could help -- maybe this itself will help.

China-U.S. Relations

Q. Mr. President, I'd like to return to China for a moment. You mentioned that your goal is to preserve our relationship with the Chinese Government. But what do you say to the American people who might wonder why we are not more forceful in being the world's leading advocate of democracy? And are we not living up to that responsibility in this situation?

The President. Well, some have suggested, for example, to show our forcefulness, that I bring the American Ambassador back. I disagree with that 180 degrees. And we've seen, in the last few days, a very good reason to have him there. In fact, one of your colleagues, Richard Roth of CBS, was released partially because of the work of our Embassy, of Jim Lilley, our very able

Ambassador.

Some have suggested, well, you've got to go full sanctions on economic side. I don't want to cut off grain, and we've just sold grain to the People's Republic of China. I think that would be counterproductive and would hurt the people.

What I do want to do is take whatever steps are most likely to demonstrate the concern that America feels. And I think I've done that, and I'll be looking for other ways to do it if we possibly can.

Asylum for Chinese Dissident

Q. Mr. President, Chinese dissident Fang Lizhi has taken refuge in the U.S. Embassy, apparently fearing for his own safety. The Chinese Government has called that a wanton interference in internal affairs and a violation of international law. What is your reaction to that? And will the United States grant Fang political asylum in the United States?

The President. First, let me remind the audience here that we do not discuss asylum. It's almost like a public discussion of intelligence matters. But in terms of your question, we have acted in compliance with the international law as an extraordinary measure for humanitarian reasons. His personal safety was involved here, he felt. And then we try, historically, to work these things out in consultation with the sovereign state. So, we are not violating international law, in the opinion of our attorneys. And it is awful hard for the United States, when a man presents himself -- a person who is a dissident -- and says that his life is threatened, to turn him back. And that isn't one of the premises upon which the United States was founded. So, we have a difference with them on that, you're right, but I hope it can be resolved.

Fair Employment Standards

Q. Mr. President, this week the Supreme Court reversed an 18-year standard for fair employment decisions. Now, under the old standard, employers had to justify as legitimate practices that excluded women and minorities. The Court's decision now puts the burden of proof on the plaintiffs to show that the practices they're challenging are not legitimate. Civil rights advocates say that the decision makes it much more difficult for women and minorities to challenge practices that exclude them. Do you support efforts to restore the old standard?

The President. I have not yet received the memo from the General Counsel on this decision, and thus I really have to defer. I wish I could tell you; but I am one who, when the Supreme Court makes a ruling, figures that the President of the United States must adhere by the law as determined. But we're getting that analyzed. And then sometimes you can take remedy in suggested legislation.

Iran-U.S. Relations

Q. Mr. President, the Iranian government, of course, has changed. And the question to you is: Is there hope that there might be restored some kind of relations with that country? As you know, today the Iranians set forth, informally, an offer for some kind of a deal: that if the Americans would help free some Iranians held by the Phalangists that they might help us free some of our prisoners as well -- or our hostages. Is there any hope for any change in the near future?

The President. For a change in relationship? I stated the other day what it would take to have improved relationships, and that would be a renunciation of terror. We can't have normalized relations with a state that's branded a terrorist state. And secondly, they must facilitate the release of American hostages. And so, that is what it would take. And there was a case a while back where Iran asked for information regarding their hostages -- never accused us, properly so, of holding people hostage or in any way condoning that -- we condemn it. And we've supplied them information. But it's going to take a change in behavior. We don't mind name calling. They keep calling us the Great Satan -- that doesn't bother us. Sticks and stones -- remember the old adage -- will hurt your bones. The names don't hurt you; but performance is what we're looking for. And I don't see so far any sign of change.

I held out the olive branch at my inauguration speech, and I said, look, we want better relations with Iran. I remember when we had good relations. We like the Iranian people; we have a lot of Iranians living in this country. And I said, look, you want better relations, do what's right, do what's right by people that are held against their will. And we've seen no movement. I would repeat that offer tonight.

China-U.S. Relations

Q. Mr. President, the other day you picked up the phone and talked to Richard Nixon about China. I'm wondering, since you know some of the Chinese leaders personally, why you don't pick up the phone and talk to them.

The President. I tried today. Isn't that a coincidence that you'd ask that question? [Laughter]

Q. And what did you learn?

The President. The line was busy. [Laughter] I couldn't get through.

Q. And Mr. President -- --

The President. Oh, yes, you've got a followup. Go ahead.

Q. Well, I'm wondering if you learned anything from those phone calls about who's really

running China?

The President. I said I couldn't get through. And I talked to our Ambassador, knowing that we'd understandably get questions on China tonight, and the situation is still very, very murky. And that's the way it's been.

I remember, Johanna [Johanna Newman, USA Today], I remember being in China when the way we'd tell who was winning and who was losing, who was up and who was down -- we'd send people out around town to count the red-flag limousines. And then they'd say, ``Oh, there's 30 of them gathered here; there must be an important meeting." And everybody would hover around trying to see who emerged or who stood next to somebody on a parade on festival day. And it's opened up much more than that. There have been dramatic changes since then.

But in terms of our trying to figure out their internal order, it is extraordinarily difficult. And I did try to contact a Chinese leader today, and it didn't work; but I'm going to keep on trying. I want them to know that I view this relationship as important, and yet I view the life of every single student as important.

Defense Spending

Q. Mr. President, during the 1988 campaign, the Republicans ran ads featuring Chuck Yeager [former test pilot] saying that thousands of defense jobs would be lost with the election of Michael Dukakis. Yet your defense budget would cut several thousand jobs in your home State of Texas, including the elimination of the V - 22 Osprey. Is there an inconsistency or conflict with your defense -- --

The President. None whatsoever, none whatsoever. Do you want to follow up? Go ahead.

Q. Is there any hope for revitalizing those programs that are going to be cut?

The President. Well, not programs that the Secretary of Defense [Richard B. Cheney], in consultation with the White House -- that felt were less than priority. And you know, when you go to assign priorities, it isn't easy. And we had a program on to facilitate a way to close bases. And lo and behold, everybody in whose district there was no base thought it was a wonderful idea. And everybody in whose district there was a base, or whose State -- felt, well, we ought to fine-tune this one; they don't seem to understand.

It is hard to do this, Dave [David Montgomery, Fort Worth Star-Telegram]. And I know there's some people who are thrown out of work. But our defense budget is, in my view, ample for the national security needs of this country. But the Defense Secretary has had to make certain tough calls on systems. And, yes, some people have been thrown out of work. But if this economy keeps moving, I expect they'll find work, because we do have a strong level of defense spending.

Chinese Politics

Q. Earlier, sir, you made reference to Deng Xiaoping, suggesting that he may, if I read you right, not necessarily have been responsible for the actions. You said that he was a reformer, twice out, back in. What were you trying to say? Do you have information that he is not -- --

The President. I was trying to say that I don't know. And I'm trying to say you don't know, and he doesn't know, and she doesn't know. And nobody knows -- outside. And that's the way the Chinese system works. So, for us to read every day some new name out there -- it just isn't right. And I don't want to misrepresent this to the American people, but what I do know is that there's events over there that -- it doesn't matter who's in charge -- we condemn. And there's a relationship over there that is fundamentally important to the United States that I want to see preserved. And so, I'm trying to find a proper, prudent balance, not listening to the extremes that say, take your Ambassador out; cut off all food to the Chinese people so you show your concern. And I think we found a proper avenue there, but I cannot -- and you ask a good question -- I simply cannot tell you with authority who is calling the shots there today.

Q. Let me follow by asking you this, then: When you were in China earlier in the year, you met with Li Peng, and I believe you told him that China was exempted from your policy review because you knew China, you understood China. Have you been let down personally? Have you been misled in any way?

The President. I feel a certain sense of personal disappointment. But they weren't exempt from the norms of behavior that are accepted internationally in terms of armed people don't shoot down unarmed students. Nobody suggested that.

There was an interesting point in there -- and I don't want to delve into the detail of private conversations -- but one of the Chinese leaders, a very prominent name, told me, ``We want change, but people have to understand it's very complicated here, how fast we move on these reforms. We've come a long way." And indeed, they did move dramatically faster on economic reforms than I think any of us in this room would have thought possible.

But what hasn't caught up is the political reforms and reforms in terms of freedom of expression. The freedom of press caught up a little bit; but it hadn't gone, obviously, near far enough, and now there's martial law and censorship. But we were cautioned on that visit about how fast China could move. Some of it was economic, and clearly, some of the message had to do with how fast they could move politically.

AIDS Testing

Q. Mr. President, turning your attention to a matter that's devastating here at home and all over

the world, the question of AIDS. Respected experts are now starting to suggest that instead of the anonymous testing that has existed in the past, there should be mandatory reporting of new cases by name and numerous followups on sexual partners and needle-sharing partners. Do you favor such an approach, sir?

The President. I've spoken at an international AIDS conference, at which I was roundly booed, 2 years ago or so, advocating certain kinds of testing. And I don't want to have -- you said mandatory for everybody?

Q. Yes, or at least an end to the anonymity of it?

The President. No, I don't favor that. I think there is a certain right to privacy that we should respect. And so, in terms of anonymity, I would like to suggest that records of that nature should be kept private. There's a lot of suffering for AIDS victims. There's a lot of human tragedy that we haven't really focused on too much. And I think something less than very discreet handling of that information would not be helpful. But do I encourage people to come forward and talk to their doctors and all about partners that may affect others? Yes, I do think you need that kind of frankness, and I do favor certain kinds of testing.

Lesley [Lesley Stahl, CBS News]?

China-U.S. Relations

Q. Mr. President, back to China. There are reports tonight that the Government there has begun rounding up the student leaders, who face at the very least, persecution; at the most, possibly charges of treason and whatever punishment that will bring. You have talked tonight about your strong desire to keep this relationship going and to keep the dialog and all our business as usual moving forward. If the -- --

The President. Not all of them. Excuse the interruption -- --

Q. Well, except for the military -- --

The President. Yes.

Q. Except for the military, sir. If we find out that the people who perpetrated the killings in Tiananmen Square and who were rounding up these students are running the Government, can the United States maintain fairly normal relationships with them, given our aim to foster human rights and promote democracy?

The President. It would make it extraordinarily difficult; but the question is so hypothetical that I'm going to avoid answering it directly. But anything that codifies the acceptance of brutality or

lack of respect for human rights will make things much more difficult -- there's no question about that.

Visa Extensions for Chinese Students

Q. I have one followup. There are 20,000 Chinese students in the United States.

The President. Yes.

Q. Many of them have spoken out. Are you prepared to grant them political asylum in this country, should these -- --

The President. They're not seeking asylum. I'll tell you why I answer the question that way. They're not seeking asylum. We had four of them in the other day. And the first thing that one of them -- Jia Hao said, ``I love my country." And he wants to go back to his country. But what I have done is extend the visas so that people are not compelled to go back to our country. He's not seeking asylum. This man is not going to turn his back on his own country. He wants to change things; but he also wants to know that he is going to be safe, and I don't blame him for that. So, it's not a question of all these people -- asylum is a legal status, and that's not what they're looking for.

Q. -- -- in light of the student roundups. I mean, if they face -- --

The President. I think it's appalling, and so I would simply say that what we've already done would say to these people, you don't have to go back. But I'm not going to ask them to turn down the flag that they love and turn their back on China. These are patriotic young people who fear because of seeing their own brothers and sisters gunned down, but they're not seeking asylum. They don't want to flee China; they want to help change China.

Soviet Union

Q. Mr. President, we can discuss another Communist country for a while. Your attitude towards the Soviet Union seems to have shifted a bit since you became President, from deep skepticism to seeming acceptance of their intentions. Do you now accept Mr. Gorbachev's sincerity in regard to his pledge of new thinking? And can you tell us a little bit about why you've changed -- --

The President. I don't think it's shifted as much as you think, Michael [Michael Gelb, Reuters]. I don't think it's shifted as much. What I did was to say, we need a time to make some prudent investigation and discovery and then to go forward with a proposal. And we've done exactly that. The proposal we made at NATO has unified the alliance, and some of the leaders told me that it's more unified than it's been in history. We've made a good proposal now, and I hope the

Soviets will take it on good faith, and I am encouraged by the response so far.

Having said that, in dealing with the Soviet Union, I am going to continue to keep my eyes wide open. I will also say I want to see perestroika succeed. I want to see it succeed, not fail; And I told Mr. Gorbachev that one-on-one last fall at Governors Island. So, I don't think he believes that I view this as some kind of a Cold War relationship, or that I want to see perestroika fail. He did say that he felt there were some elements in this country that did, but I hope that now he knows that I don't look at it that way.

Q. Well, let me just follow up. Do you accept that he is sincere in terms of -- are you operating on the assumption that he is sincere when he says he's interested in new thinking in international affairs?

The President. He's already demonstrated that he's interested in new thinking. Who would have thought that we would sit here and, on television, see a relatively lively debate? It's nothing like our Congress, but it had some similar aspects to it. And so, I think he has already demonstrated his commitment to change and to reform.

But there's ways now to solidify these changes. They have 600,000 troops, and we have 305,000. And I made an offer to him. I said the best way to guarantee stability and less warlike attitude is to go to equal numbers. And they are being asked to take out many, many more troops than we are. But I've said, ``What's wrong with being equal? The United States will have 275,000 troops deployed, and you, sir, will have 275,000." So, here's a test now. Nobody can argue the inequity of that, particularly since we've put aircraft and helicopters and these other categories on the table.

And I am inclined to think that if I do my work properly and we keep NATO moving forward on this quick timetable, that we can succeed. And if we do, he will once again have demonstrated his desire for change.

First Lady

Q. Mr. President, first, at the great risk of appearing to be trying to make points, please convey birthday wishes to Mrs. Bush.

The President. You've made them. She asked not be reminded of her birthday, but she's doing very well, and thank you.

And if I could editorialize here one minute, there have been a lot of expressions, unrelated to her birthday, about her health. And may I say that we have been very moved by that and that she is doing just fine. And I think her doctors would say the same thing. She's got this Grave's disease under control. Please, excuse the personal interruption there.

Panama Situation

Q. Mr. President, some of your critics say that, despite your rhetoric, General Noriega can sit in Panama for as long as he wishes, in effect laughing at you, sir, laughing at the United States. Can you do anything about it? Should you?

The President. You know, as you look around the world and you see change, respect for the election process, I would simply say Panama is not immune. We're all traumatized -- and properly -- by the terrible excesses in Tiananmen Square. But I haven't forgotten the brutal beating of Guillermo Ford in Panama [opposition Vice Presidential candidate], and the world hasn't forgotten it. And European public opinion has changed dramatically as they look at Mr. Noriega now. And it is my fervent hope that the Organization of American States will stay with their mission and will keep working on their mandate until Mr. Noriega leaves.

And let me repeat an important point here. I think there is some feeling in Panama that we are against the PDF, the Panama Defense Forces. We have no argument with the PDF. Many of their people have trained in the United States. We respect the Panamanian people. And so, the problem is Noriega. And if he gets out and they recognize the results of a freely held election -- and certifiably freely held, I will say -- they would have instant improved relations with the United States.

So, I am not going to give up on this. I think we're proper to use multilateral diplomacy in this instance, as well as doing what we can bilaterally; and I intend to protect our treaty rights, for example, and certainly the best I can to guarantee the safety of Americans.

Trude [Trude Feldman, Trans-Features]?

Short-Range Nuclear Forces in Europe

Q. Mr. President, turning to NATO -- --

The President. Can't hear you, Trude.

Q. The agreement between Bonn and Washington on the nuclear issue only temporarily bridges the differences. At what point do you visualize the Lance missile going into Germany, and can any German Government accept it?

The President. Well, that matter has been properly deferred under the agreement at NATO. Research can go forward, but the deployment matter has been properly deferred, and let us just go forward on the NATO arrangements that were announced in Brussels. And, yes, there are differences -- you're absolutely right. There are differences in Germany on this whole question,

not just of the Lance follow-on but a whole difference there on the question of SNF, short-range nuclear forces. And it is in our interest to quickly move forward, because if we can get implemented, within our timeframe, the agreement on conventional forces, that will take a tremendous amount of pressure off the Germans on short-range forces.

Q. Thank you.

The President. Time flies when you're having fun.

Q. Could I just follow that up?

The President. All right, this is the followup, and then if it's 30 minutes -- --

Q. Poland -- there was no question about Poland. I'm a Polish reporter. Maybe you would answer a question about -- what are you expecting from your visit to Poland?

The President. She's got a followup. You've misunderstood; she's got a followup question.

Q. NATO was regarded as your success because of your initiatives there and -- but isn't the West German challenge just the first of many, now that the Soviet threat is diminishing in Western Europe?

The President. Well, but let me use this question to reply to the question about Poland, too. There will be new challenges for NATO, as the level of concern about armed conflict reduces. I will keep reminding our friends, and they will keep reminding me, that we must keep whatever force is required to deter war. But part of what's happening -- and I'm glad the gentleman raised Poland -- is this quest for democracy in Poland. And if that goes forward, I can see a much better relationship for the United States with Poland, in one that will, in Poland itself, convince the people that they have less of a stake in military confrontation or in a East bloc confrontation with the West.

So, it is fascinating -- the change that is going on there -- it is absolutely fascinating. And we should be positioned. And I'm going there to tell this to the leaders: We want to work with you. You've got to reform your economy. We don't feel that you have any bad intentions toward the United States, but we want to see this policy of differentiation continue. When a country moves like Poland did, down democracy's path, the United States should respond as best it could.

Helen [Helen Thomas, United Press International], thank you very much.

Note: The President's 15th news conference began at 8 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.

Appointment of the 1989 - 1990 White House Fellows

June 9, 1989

The President today announced the appointments of the 1989 - 1990 White House fellows. This is the 25th class of fellows since the program was established in 1964. Fourteen fellows were chosen from nearly 1,000 applicants who were screened by 11 regional panels. The President's Commission on White House Fellowships, chaired by Roger B. Porter, interviewed the 33 national finalists prior to recommending the 14 persons to the President. Their year of government service will begin September 1, 1989.

Fellows serve for 1 year as Special Assistants to the President's principal staff, the Vice President, and members of the Cabinet. In addition to the work assignments, the fellowship includes an education program that parallels and broadens the unique experience of working at the highest levels of the Federal Government. The program is open to U.S. citizens in the early stages of their careers and from all occupations and professions. Federal Government employees are not eligible, with the exception of career Armed Forces personnel. Leadership, character, intellectual and professional ability, and commitment to community and national service are the principal criteria employed in the selection of fellows.

Applications for the 1990 - 91 program are available from the President's Commission on White House Fellowships, 712 Jackson Place, NW., Washington, DC, 20503.

The 1989 - 1990 White House fellows are:

Antonio M. Angotti, of New York. Mr. Angotti is the head of sovereign debt for Security Pacific National Bank, concentrating primarily on the third world debt problem. He has also adapted the debt-for-equity conversion concept to the needs of private nonprofit organizations. Mr. Angotti graduated from the University of California at Berkeley (B.A., 1981) and later undertook graduate studies in foreign policy at Cambridge University and the Johns Hopkins School of Advanced International Studies (SAIS). He was born January 15, 1958 in Whittier, CA.

Thomas P. Bostick, of Fort Leavenworth, Kansas. Major Bostick is presently a student in the U.S. Army Command and General Staff College (CGSC) at Fort Leavenworth, KS, and has been an instructor at the U.S. Military Academy. He graduated from the United States Military Academy in 1978 and earned an M.S. degree in both mechanical and civil engineering at Stanford University in 1985. Major Bostick was born September 23, 1956 in Fukuoka, Japan.

John W. Danaher, of California. Dr. Danaher is a senior medical resident at Stanford University Hospital and has been selected to be chief medical resident in 1990 - 91. He graduated from Trinity College (B.S., 1980) and the Dartmouth Medical School (M.D., 1986). Dartmouth Medical School awarded him the Julian and Melba Jarrett Memorial Award for humanitarian

achievement. Dr. Danaher was born September 1, 1958 in Torrington, CT.

Barry R. McBee, of Texas. Mr. McBee is deputy general counsel to Governor William P. Clements, Jr., Austin, TX. He graduated from the University of Oklahoma (B.A., 1978) and Southern Methodist University School of Law (J.D., 1981), where he was editor-in-chief of the law review and Order of the Coif. Mr. McBee was born July 28, 1956 in McAlester, OK.

John McKay, of Washington. Mr. McKay is an attorney with Lane, Powell, Moss & Miller in Seattle, WA. He has served as legal counsel and consultant to numerous political campaigns and currently is the president of the Washington Young Lawyers division. He is the founder and director of the Northwest Minority Job Fair. He graduated from the University of Washington (B.A., 1978) and Creighton University (J.D., 1982). Mr. McKay was born June 19, 1956 in Seattle, WA.

John W. Orrison, of Florida. Mr. Orrison is special assistant to the president, CSX Transportation, in Ponte Verde Beach, FL. He is a scoutmaster and district commissioner for the Boy Scouts, as well as national chairman for the committee on continuing education of the American Railway Engineering Association. He graduated from Auburn University (B.S., 1980) and Harvard University (M.B.A., 1985). Mr. Orrison was born January 15, 1957, in Oak Ridge, TN.

Daniel P. Poneman, of Virginia. Mr. Poneman is an attorney with Covington & Burling in Washington, DC. He is the author of ``Nuclear Power in the Developing World," his first book, and ``Argentina: Democracy on Trial," which he wrote following a year of study in that country. He has also written articles which have appeared in numerous books, journals, and newspapers. He graduated from Harvard College (A.B., 1978), Oxford University (M. Litt., Politics, 1980), and Harvard Law School (J.D., 1984). Mr. Poneman was born March 12, 1956 in Toledo, OH.

Joyce J. Rayzer, of Kentucky. Ms. Rayzer is deputy director, office of human services, Louisville, KY. She has been an active participant in Teenage Life Choices, an organization established to provide social guidance to adolescents. She graduated from the University of Louisville (B.A., 1974) and the University of Cincinnati School of Planning & Design (B.S., 1986). Ms. Rayzer was born December 30, 1950 in Clarksville, TN.

Wayne Tuan, of New Jersey. Mr. Tuan is vice president, Capital Markets Group, Goldman, Sachs & Company, Jersey City, NJ. During his career, he has worked as an economic consultant for CARE and has assisted in developing programs more directly focused on economic development as compared to economic relief. He graduated from the University of Chicago (A.B., 1981; M.B.A., 1982). Mr. Tuan was born January 19, 1961 in Belleville, NJ.

Leigh Warner, of Connecticut. Ms. Warner is manager, corporate planning, General Foods Corp., White Plains, NY. While managing the Post Natural Raisin Bran business, she established

the National Park Enhancement Fund, the first public/private partnership focused on contributing to the entire National Park System. She graduated from Cornell University (B.A., 1976; M.B.A., 1978). Ms. Warner was born October 20, 1955 in Camden, NJ.

Wade T. Dyke, of Ohio. Mr. Dyke is an assistant professor of public administration, school of public administration, at the Ohio State University. He graduated from the University of Wisconsin (bachelor of business administration, 1980), and received a Rhodes scholarship to study at the University of Oxford, where he received an M.A. in politics and economics and a doctorate in politics. Mr. Dyke was born October 11, 1957 in Madison, WI.

Gregory P. Hess, of Florida. Dr. Hess is president and CEO of Emergency Medicine Physicians in Longwood, FL. He graduated from Skidmore College (B.A., 1978) and Albany Medical College (M.D., 1984). Dr. Hess recently took a sabbatical from his emergency practice to complete a fellowship in the field of sports medicine. He is also consulting in practice management and medicolegal issues. Dr. Hess was born October 24, 1956 in Troy, NY.

Michael D. Klausner, of Washington, DC. Mr. Klausner is an attorney with the Washington, DC, office of Gibson, Dunn & Crutcher. Following his graduation from law school, he served as a law clerk to Justice William Brennan of the United States Supreme Court. He was one of the first Americans to teach law in the People's Republic of China. He graduated from the University of Pennsylvania (B.A., 1976) and Yale University (J.D. and M.A., 1981). Mr. Klausner was born December 12, 1954 in Philadelphia, PA.

Robert G. Marbut, Jr., of Texas. Mr. Marbut is president, XIII AAU Junior Olympic Games Committee, San Antonio, TX. Prior to his association with the Games committee, he was the top staff person to the mayor of San Antonio. Robert was a CORO fellow and is very active with dyslexia and learning disorder organizations. He graduated from Claremont Men's College (B.A., 1983) and Claremont Graduate School (M.A., 1985). He was born May 5, 1960 in Savannah, GA.

Nomination of Thomas Patrick Melady To Be United States Ambassador to the Holy See

June 9, 1989

The President today announced his intention to nominate Thomas Patrick Melady to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Holy See. He would succeed Frank Shakespeare.

Since 1986 Dr. Melady has been president of the Connecticut Public Expenditure Council in Hartford, CT. He was president of Sacred Heart University, 1976 - 1986. Dr. Melady has also served as a consultant to the U.S. Secretary of Education, 1982 - 1984, and an Assistant Secretary for Post-secondary Education, 1981 - 1982. He was Ambassador to the Republic of Burundi, 1969 - 1972, and Ambassador to the Republic of Uganda, 1972 - 1973. Dr. Melady was a professor at Seton Hall University, 1973 - 1974; a consultant for the National Urban League in New York, 1968 - 1969; and chairman of Seton Hall University, 1967 - 1969. He was an adjunct professor at Fordham University, 1966 - 1969; an adjunct professor at St. John's University; and president of the Africa Service Institute in New York, 1959 - 1967.

Dr. Melady graduated from Duquesne University (B.A., 1950) and Catholic University of America (M.A., Ph.D., 1954). He was born March 4, 1927, in Norwich, CT. He served in the U.S. Army, 1945 - 1947. Dr. Melady is married and has two children.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Soeharto of Indonesia

June 9, 1989

The President met with President Soeharto of Indonesia for a half hour this afternoon in the Oval Office. President Bush expressed his appreciation for the hospitality extended by President Soeharto and the Indonesian Government during the Vice President's trip to Jakarta in April.

The two Presidents discussed the situation in Cambodia. President Bush reaffirmed the need for a comprehensive settlement, including verified withdrawal of all Vietnamese troops, prevention of Khmer Rouge return to power, and self-determination for the Cambodian people. The President reiterated the U.S. economic and military role in the development of Southeast Asia. President Bush stated that he looks forward to greater two-way trade and investment and praised Indonesia's debt management as an example of the Government's sound economic policies.

Statement by Press Secretary Fitzwater on the Murder of Jose Antonio Rodriguez Porth of El Salvador

June 9, 1989

The President strongly condemns the vicious murder of Salvadoran President Cristiani's newly appointed Salvadoran Minister of the Presidency, Jose Antonio Rodriguez Porth. Mr. Rodriguez died of wounds suffered earlier today when assailants machine-gunned him and his party as they were traveling through a residential neighborhood in San Salvador.

The President noted a pattern of violence against government officials in El Salvador by those who seek to destroy the democratic gains made in that country. This brutal assassination follows the recent killing of President Duarte's Attorney General, Roberto Garcia Alvarado, and attacks on the homes of other government and military officials.

We hope the Salvadoran police forces will find those responsible for this despicable act. We note that the security forces uncovered on May 30 the largest cache of Soviet-bloc weapons ever captured in El Salvador, including almost 250 AK - 47 assault rifles.

The President again calls on extremist groups to put an end to the violence in El Salvador, noting that only through the renunciation of terrorism and war, and the acceptance of democracy, will there be peace.

Vice President Quayle will personally deliver the President's condolences to the Rodriguez Porth family and to President Cristiani when he arrives in San Salvador next week.

Remarks Announcing Proposed Legislation To Amend the Clean Air Act

June 12, 1989

Well, in this room are Republicans and Democrats, leaders from both sides of the aisle in Congress, Governors, executives from some of the most important companies and business organizations in America, leading conservationists, and people who have devoted their lives to creating a cleaner and safer environment. And I've invited you here today to make a point. With the leadership assembled in this room, we can break the stalemate that has hindered progress on clean air for the past decade; and with the minds, the energy, the talent assembled here, we can find a solution.

So, let me tell you the purposes of this morning's gathering. First, I'd like to lay on the table my proposals to curb acid rain and cut urban smog and clean up air toxics. And second, I want to call upon all of you to join me in enacting into law a new Clean Air Act this year. But first, we should remember how far we've come and recognize what works.

The 1970 Clean Air Act got us moving in the right direction with national air quality standards that were strengthened by amendments in 1977. Since 1970, even though we have 55 percent more cars going 50 percent farther, in spite of more utility output and more industrial production, we've still made progress. Lead concentrations in the air we breathe are down 98 percent. Sulfur dioxide and carbon monoxide cut by over a third. Particulate matter cut 21 percent; even ozone-causing emissions have been cut by 17 percent. And still, over the last decade, we have not come far enough.

Too many Americans continue to breathe dirty air. And political paralysis has plagued further progress against air pollution. We have to break this logjam by applying more than just Federal leverage. We must take advantage of the innovation, energy, and ingenuity of every American.

The environmental movement has a long history here in this country. It's been a force for good, for a safer, healthier America. And as a people, we want and need that economic growth, but now we must also expect environmental responsibility and respect the natural world. And this will demand a national sense of commitment, a new ethic of conservation. And I reject the notion that sound ecology and a strong economy are mutually exclusive. So, last week I outlined five points of a new environmental philosophy: one, to harness the power of the marketplace; two, to encourage local initiative; three, to emphasize prevention instead of just cleanup; four, to foster international cooperation; and five, to ensure strict enforcement -- polluters will pay.

We know more now than we did just a few years ago. New solutions are close at hand. It's time to put our best minds to work; to turn technology and the power of the marketplace to the

advantage of the environment; to create; to innovate; to tip the scales in favor of recovery, restoration, and renewal. Every American expects and deserves to breathe clean air, and as President, it is my mission to guarantee it -- for this generation and for the generations to come. If we take this commitment seriously, if we believe that every American expects and deserves clean air, and then we act on that belief, then we will set an example for the rest of the world to follow.

Today I am proposing to Congress a new Clean Air Act and offering a new opportunity. We've seen enough of this stalemate; it's time to clear the air. And you know, I think we will. We touched a lot of bases as we prepared this bill, and we've had the benefit of some good thinking on the Hill. And we've met with business leaders who see environmental protection as essential to long-term economic growth, and we've talked with environmentalists who know that cost-effective solutions help build public support for conservation. And we've worked with academics and innovative thinkers from every quarter who have laid the groundwork for this approach. And just this morning I spoke by phone with Prime Minister Mulroney of Canada. I believe he's excited about the prospect, too. I have no pride of authorship. Let me commend Project 88 and groups like the Environmental Defense Fund for bringing creative solutions to longstanding problems, for not only breaking the mold but helping to build a new one.

And we've had to make some tough choices. And some may think we've gone too far, and others not far enough; but we all care about clean air. To the millions of Americans who still breathe unhealthy air, let me tell you, I'm concerned -- I'm concerned about vulnerable groups like the elderly and asthmatics and children, concerned about every American's quality of life; and I'm committed to see that coming generations receive the natural legacy they deserve.

We seek reforms that make major pollution reductions where we most need them. First, our approach is reasonable deadlines for those who must comply. It has compelling sanctions for those who don't. It accounts for continued economic growth and expansion; offers incentives, choice, and flexibility for industry to find the best solutions; and taps the power of the marketplace and local initiative better than any previous piece of environmental legislation.

This legislation will be comprehensive. It will be cost-effective; but above all, it will work. We will make the 1990's the era for clean air. And we have three clear goals and three clear deadlines. First, we will cut the sulfur dioxide emissions that cause acid rain by almost half, by 10 million tons, and we will cut nitrogen oxide emissions by 2 million tons, both by the year 2000. We have set absolute goals for reductions and have emphasized early gains. And that means 5 million tons will be cut by 1995, and the degradation caused by acid rain will stop by the end of this century. To make sure that coal continues to play a vital role in our energy future, we've provided an extension of 3 years and regulatory incentives for the use of innovative, clean-coal technology. We've set an ambitious reduction target, and applying market forces will be the fastest, most cost-effective way to achieve it. So, we're allowing utilities to trade credits among themselves for reductions they make, to let them decide how to bring aggregate emissions down as cost-effectively as possible. Cleaner fuels, better technologies, energy conservation, improved

efficiency -- in any combination, just as long as it works.

There's a wisdom to handing work to those most qualified to do it. Four hundred years ago Montaigne wrote: ``Let us permit nature to have her way. She understands her business better than we do." Well, it's true. Acid rain must be stopped, and that's what we all care about. But it's also true that business understands its business better than we do. So, we're going to put that understanding to work on behalf of clean air and a sound environment. We've provided the goals, but we won't try to micromanage them. We will allow flexibility in how industry achieves these goals, but we stand firm on what must be achieved.

Second, this Federal proposal will cut the emissions that cause urban ozone, smog, virtually in half. This will put the States well on the road to meeting the standard. Twenty years ago, we started on the job. And if Congress will act on the clean air reforms that I'm offering today, 20 years from now, every American in every city in America will breathe clean air. Today 81 cities don't meet Federal air quality standards. This legislation will bring clean air to all but about 20 cities by 1995, and within 20 years, even Los Angeles and Houston and New York will be expected to make it.

In the nine urban areas with the greatest smog problems, we propose bold new initiatives to reconcile the automobile to the environment, ensuring continued economic growth without disruptive driving controls. We'll accomplish this through alternative fuels and clean-fueled vehicles. We propose to put up to a million clean-fueled vehicles a year on the road by 1997. But we're also proposing flexibility on the means, even as we remain firm on the goals. A city can either request inclusion in the program or, if they show they can achieve these ambitious reductions through other measures, we will scale back the clean-fuel vehicle requirements accordingly. Also, we're sensitive to the problems of smaller cities, whose own ozone problems are due largely to pollutants that are generated in other areas, other regions, other cities. They will not be penalized for pollution problems outside their control.

Our program incorporates a mix of cost-effective measures to cut emissions from cars, fuels, factories, and other sources. But I'm asking the EPA to develop rules like those we're employing on acid rain to allow auto and fuel companies to trade required reductions in order to meet the standard in the most cost-effective way. Our challenge is to develop an emissions trading plan; their challenge is to meet the standards.

The third leg of our proposal is designed to cut all categories of airborne toxic chemicals by three-quarters within this decade. Our best minds will apply the most advanced industrial technology available to control these airborne poisons. The very best control technology we have will determine the standard we set for those plants. And until now, because of an unworkable law, the EPA has been able to regulate only 7 of the 280 known air toxics. The bill I am proposing today will set a schedule for regulating sources of air toxics by dates certain. In addition, it will give the dedicated people of the EPA the right tools for the job, and it will make

state-of-the-art technology an everyday fact of doing business. And that's the way it should be.

In its first phase, this initiative should eliminate about three-quarters of the needless deaths from cancer that have been caused by toxic industrial air emissions. And we plan a second phase to go after any remaining unreasonable risk. People who live near industrial facilities should not have to fear for their health.

And for 10 years, we've struggled to engage a united effort on behalf of clean air, and we're now on the edge of real change. Nineteen eighty-nine could be recorded as the year when business leaders and environmental advocates began to work together, when environmental issues moved out of the courts, beyond conflict, into a new era of cooperation. And this can be known as the year we mobilized leadership, both public and private, to make environmental protection a growth industry and keep our ecology safe for diversity. The wounded winds of north, south, east, and west can be purified and cleansed, and the integrity of nature can be made whole again. Ours is a rare opportunity to reverse the errors of this generation in the service of the next; and we cannot, we must not, fail. We must prevail. I ask for your support. We need your support to make all of this into a reality.

Thank you all, and God bless you, and thank you very much for coming.

Note: The President spoke at 11:15 a.m. in the East Room of the White House.

Remarks Announcing Proposed Legislation To Amend the Clean Air Act

June 12, 1989

Well, in this room are Republicans and Democrats, leaders from both sides of the aisle in Congress, Governors, executives from some of the most important companies and business organizations in America, leading conservationists, and people who have devoted their lives to creating a cleaner and safer environment. And I've invited you here today to make a point. With the leadership assembled in this room, we can break the stalemate that has hindered progress on clean air for the past decade; and with the minds, the energy, the talent assembled here, we can find a solution.

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The 1970 Clean Air Act got us moving in the right direction with national air quality standards that were strengthened by amendments in 1977. Since 1970, even though we have 55 percent more cars going 50 percent farther, in spite of more utility output and more industrial production, we've still made progress. Lead concentrations in the air we breathe are down 98 percent. Sulfur dioxide and carbon monoxide cut by over a third. Particulate matter cut 21 percent; even ozone-causing emissions have been cut by 17 percent. And still, over the last decade, we have not come far enough.

Too many Americans continue to breathe dirty air. And political paralysis has plagued further progress against air pollution. We have to break this logjam by applying more than just Federal leverage. We must take advantage of the innovation, energy, and ingenuity of every American.

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advantage of the environment; to create; to innovate; to tip the scales in favor of recovery, restoration, and renewal. Every American expects and deserves to breathe clean air, and as President, it is my mission to guarantee it -- for this generation and for the generations to come. If we take this commitment seriously, if we believe that every American expects and deserves clean air, and then we act on that belief, then we will set an example for the rest of the world to follow.

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state-of-the-art technology an everyday fact of doing business. And that's the way it should be.

In its first phase, this initiative should eliminate about three-quarters of the needless deaths from cancer that have been caused by toxic industrial air emissions. And we plan a second phase to go after any remaining unreasonable risk. People who live near industrial facilities should not have to fear for their health.

And for 10 years, we've struggled to engage a united effort on behalf of clean air, and we're now on the edge of real change. Nineteen eighty-nine could be recorded as the year when business leaders and environmental advocates began to work together, when environmental issues moved out of the courts, beyond conflict, into a new era of cooperation. And this can be known as the year we mobilized leadership, both public and private, to make environmental protection a growth industry and keep our ecology safe for diversity. The wounded winds of north, south, east, and west can be purified and cleansed, and the integrity of nature can be made whole again. Ours is a rare opportunity to reverse the errors of this generation in the service of the next; and we cannot, we must not, fail. We must prevail. I ask for your support. We need your support to make all of this into a reality.

Thank you all, and God bless you, and thank you very much for coming.

Note: The President spoke at 11:15 a.m. in the East Room of the White House.

Designation of Kenneth M. Carr as Chairman of the Nuclear Regulatory Commission

June 12, 1989

The President has designated Kenneth M. Carr as Chairman of the Nuclear Regulatory Commission, effective July 1, 1989. He would succeed Lando W. Zech, Jr.

Since 1986 Commissioner Carr has served as a member of the Nuclear Regulatory Commission. Prior to this, he served in the U.S. Navy as Deputy and Chief of Staff to the Commander in Chief, Atlantic Command, and the Commander in Chief of the U.S. Atlantic Fleet, retiring as a vice admiral in 1985. From 1977 to 1980, he commanded the submarine force of the Atlantic Fleet and served as Vice Director of Strategic Target Planning at Offutt Air Force Base, NE. In 1972 he was assigned as chief of staff to the commander of the submarine force of the Atlantic Fleet, and in 1973, assumed duties of Military Assistant to the Deputy Secretary of Defense. Commissioner Carr enlisted in the Navy in 1943.

Commissioner Carr graduated from the U.S. Naval Academy in 1949. He has received the Distinguished Service Medal, the Legion of Merit, the Presidential Unit Commendation, and the Defense Distinguished Service and Meritorious Service Medals. He was born March 17, 1925, in Mayfield, KY. He is married to Molly Pace of Burkesville, KY.

Remarks to Students at the Teton Science School in Grand Teton National Park, Wyoming

June 13, 1989

Sorry, Manuel mentioned my birthday -- it's so nice to be in Wyoming. Nobody, not one person -- your Governor, the Senators, our new Congressman -- no one has said, And now you can ride the subway in Jackson Hole for half-fare. [Laughter] I'm delighted, and thank you for your tolerance. But, Manuel, thank you for that warm introduction. Secretary Lujan and I served in Congress. And I liked very much what Lorraine said about him, and I know he'll do a first-rate job with all the responsibilities that the Secretary of the Interior has. I want to thank all of you for one of the best birthday presents a person could possibly have, and that was going fishing yesterday on Lake Jackson with my grandson. The score: caught six, ate two -- not bad for 45 minutes worth of work out there.

And I am really thrilled to be here. I'm just sorry that the Silver Fox is not here. That's my wife, Barbara. But some have inquired about her health, and she's doing very well, thank you. And she's off doing the good works for literacy in New York City, I think it is, this evening. I wish she were here. She was with me last time, and she'll never forget your hospitality, either.

I want to thank Governor Sullivan, who showed us the extraordinary courtesy of coming over across the line into Montana to greet us yesterday and -- [laughter] -- was with us here and then had his beautiful daughter come out -- and we could see a little more of that wonderful Sullivan family. I'm glad that Senator Malcolm Wallop, a friend of longstanding, is with us. Our new Congressman who's going to do a great job for this State, Craig Thomas, is here. And then I had to put up with [Senator] Al Simpson. [Laughter] You see, every January or so, he and I go fishing, but not in Wyoming. And we have to listen for two straight nights to him lying about Wyoming fishing to those of us fishing in Florida. [Laughter] But nevertheless, I'm glad he's here. And I also want to just single out another friend, a friend of my dad's, a friend of mine, who I'm told is here. And I didn't actually see, but Al tells me that Cliff Hansen is here. He and Martha -- one of the great Wyoming Senators -- Governor, everything else. There he is -- right over there -- looking younger than a spring colt.

Yesterday I announced our proposals for the Clean Air Act -- how to improve it, but protecting the environment requires good people as well as good laws. And I'm especially pleased today to announce that my nominee for the Director of the U.S. Fish and Wildlife Service is one of Wyoming's own. His Triangle X Ranch I passed just a minute ago up the road. He's president of the State senate. He's here with us today, your own, my friend, Senator John Turner, who's going to take on this very important responsibility. And, Jack, I want to thank you and Lorraine and all the other troopers out there and the Park Service people, who do such a superb job for the entire country.

I want to just visit with you today on some concepts of the environment. It's well-known that Wyoming's first tourist was a trapper named John Colter, a veteran of the Lewis and Clark expedition. In 1808 Colter was captured by the locals, stripped naked, and hotly pursued -- given a chance to run for his life. Seven days later he arrived at a Spanish fort, sore feet and a sunburned back. And today George P. and I, my grandson and I, are awful glad that Wyoming's attitude towards visitors -- [laughter] -- is, what's the phrase? -- kinder and gentler. [Laughter]

We meet in the heart of an environmental success story, part of a tradition that began when Abraham Lincoln granted Yosemite Valley to California, set aside as a preserve, and continued through Teddy Roosevelt and others who found inspiration in these majestic American peaks. And creating national parks was an American idea, an idea imitated all around the world. And it was one of our very best ideas. Five generations of Americans have since enjoyed Yellowstone and the Tetons, the largest intact natural area in the temperate zones of the Earth. And yesterday afternoon I toured the fire areas north of here, saw how Yellowstone is coming back, and marveled at nature's regenerative power.

But whether restoring a forest or the air that flows above it, nature needs our help. And yesterday I stood in the majestic East Room at the White House to announce the proposal designed to ensure that we do our part to improve and preserve our natural heritage, the very air we breathe, from coast to coast and beyond, for another five generations and beyond. And today, with our backs to the Pacific and the jewels of the American Rockies, I look east across this fertile and productive land and call on the American people and on the Congress to join me in this new initiative for clean air.

I've said it before, when talking about issues like drug abuse, crime, and national security, the most fundamental obligation of the Government is to protect the people -- the people's health, the people's safety, and ultimately our values and our traditions. And nowhere are these traditions more real, more alive, than here in the western reaches of Wyoming. It is a land of legend, campfire tales of brave Sioux warriors, of Butch Cassidy and the Union Pacific Railroad, or range wars between cattlemen and the ranchers.

And just over that ridge to the east lies the headwaters of the Wind River, one of the settings -- the epic western ``Lonesome Dove." And the book, by McMurtry, begins with the famous passage from T.K. Whipple: ``All America lies at the end of the wilderness road, and our past is not a dead past, but still lives in us. Our forefathers had civilization inside themselves and the wild outside. We live in the civilization they created, but within us the wilderness still lingers. And what they dreamed, we live, and what they lived, we dream."

Frontier legends have filled America's movie screens and our imagination for most of this century, but the frontier is not the end of the road. It is quite simply our inspiration. The frontiers we face in the final decade leading to the year 2000 are different from those that our forefathers faced in the mountains and meadows of the American Rockies. What we face are the frontiers of

the mind -- scientific, geographic, cultural -- that remain to be crossed. And so, let's cross them.

Last summer I called 1988 the year the Earth spoke back. Time dubbed ``Spaceship Earth'' the planet of the year. And although, ultimately, medical waste on beaches or that wandering garbage barge may not present as grave a danger as the ozone holes that we cannot see, touch, or smell, they helped provide the jolt that we needed as a nation.

And some say we're running out of time -- wrong! The only thing we are running out of is imagination and the will to bring what we can imagine to life. And, yes, there is a new breeze blowing. And borne upon that wind is a new breed of environmentalism. Our mission is not just to defend what's left but to take the offense, to improve our environment across the board.

But it cannot be an American effort alone. As I said in Europe last month, environmental destruction knows no borders. And as the mistrust of the Cold War begins to give way to a new recognition of our common interests, international environmental challenges offer model opportunities for cooperation. I talked about this at the NATO summit to Francois Mitterrand, to Margaret Thatcher and Helmut Kohl. And it is universal -- the concern, international concern -- about the environment. Last fall two whales were saved off American shores by a Soviet icebreaker, a Japanese-built tractor, and a group of determined American Eskimos with saws and boathooks. And, yes, there is a new breeze blowing. And as we speak it is carrying a 156-foot schooner from the Statue of Liberty to Leningrad, an East-West voyage for the environment. And a week ago the airwaves rocked with a 5-hour benefit concert -- I confess I didn't listen to all of it -- broadcast around the world from New York, London, and Brazil -- for environmental challenges and our common future.

And many such international events are symbolic, but here at home the substance awaits. It's in my new proposals to Congress, proposals for cleaner air, for an end to acid rain, urban smog, and other toxic emissions. Congress has been deadlocked on clean air for a long time, and when these proposals pass, it will mark the first improvement in the act in 12 years. And other attempts have failed; competing interests have jammed the avenue to action, and there's been a gridlock.

And I understand the traffic jam -- before deciding on these proposals, I met with representatives of business and energy, and mining and chemical groups, and Members of Congress. And I met with people like you who share my passion for the great outdoors. And just last Thursday I sat down with the leaders of every major environmental group in the United States. And I've listened to these competing voices -- sometimes strident, sometimes thoughtful, always well-intentioned.

And now, no group is going to get everything it wants. Some say we're asking too much, too fast. And others say: Not enough, too slow. But today there's some important common ground, because there is one thing everyone agrees on: We need action, and we need it now. Every

American deserves to breathe clean air, and you shouldn't have to drive 2,000 miles to come out here to do it. Environmental gridlock must end!

And now, this isn't the first time Congress has had to struggle with questions about the kind of America we're going to bequeath to our children. And it's not even the first time the debate was carried right into the Tetons. More than 100 years ago, in the summer of 1883, a storm was brewing in Congress over the future of the park. And President Chester Arthur boarded a train headed west. In Chicago, they warned that any reporters who followed would be dropped off the next railroad bridge. Marlin Fitzwater -- very interesting. [Laughter]

On August 5th that train stopped about 100 miles south of here, at the banks of the Green River. And they embarked by mule wagon for the Wind River Valley, and there the roads ended. And there began a 350-mile odyssey by horseback, as the President traversed the Tetons and Yellowstone. And winding through Jackson Hole, he was followed by nearly 200 pack animals and 75 cavalry troops. So, I hope you'll excuse me -- a little parade that came in here -- we were very considerate. [Laughter] President Arthur emerged from the Tetons and returned to Washington with a new vision of the West, and unlike me, 105 pounds of trout. And you know how the story ended. You're looking at it: a scene so unspoiled that it is little different from the view that John Colter first saw in 1808.

And yet today even the Tetons cannot escape the threat of pollution. It comes not from steam engines and logging saws but from the very west wind that shaped those peaks, bearing the often invisible poisons that gust in from the Sun-baked smog of our cities. And it's ironic that, as I've visited with people in these mountains, again and again people say how nice it is to get away from urban air pollution. Well, the bad news is, it can follow you here. But the good news is, we are not going to put up with it any longer -- not here, not at home where you summer visitors live most of your lives. We are not. And the clean air initiatives that we launched yesterday at the White House mark a new chapter in the tradition of protecting our people and our parks. And our aim is to reduce the ``big three'' in air pollution: acid rain, urban smog, toxic emissions.

And to stop acid rain, we will cut sulfur dioxide emissions nearly in half -- 10 million tons -- and cut nitrogen oxide by 2 million tons before the century is out. And to reduce the emissions that cause smog, we've set an ambitious reduction goal. Our plan will cut emissions from cars and factories. It will promote alternative fuels. And it will launch us towards the goal of clean air in every American city -- and that goal will be reached. And on toxics, our plan is designed to cut all categories of airborne toxic chemicals by as much as the best technology we know of will allow, which should be over three-fourths -- again, before the century is out. Wherever the next generation may find your children, our goal is nothing less than an America where all air breathes as clean as morning in the Rockies.

June marks the beginning of summer, a family time, a time of remembrance and tradition. An estimated 290 million visitors will come to America's national parks this year. And, yes, I know

it sometimes seems like most of them are camped out at your campsite. [Laughter] And with each new day, American families clamor across the craggy trails above us, around Jenny Lake, Paintbrush Canyon, and the aptly named Rock of Ages. And people return from these spaces rejuvenated, confident, somehow younger.

America's national parks are also living laboratories, where our boundless curiosity is challenged by nature's unbridled forces. Robin Winks, a professor at one of those eastern Ivy League schools with which I am familiar, Yale University, has said: ``Our parks are universities." They are a whole world of wonder, where family and friends can watch nature at work. And yesterday, as we stopped on the helicopters, as we landed at one of the burned-out areas between here and West Yellowstone, leaned down to look at that charred soil, and you could see -- coming out of that black, charred soil little tiny green shoots -- nature at work, the power of nature.

Our stewardship of the Earth is brief. We owe it to those who follow to keep that in perspective, to be responsible passengers along the way. They have a saying in the Himalayas: ``To a flea, alive for 80 days, a man is immortal. And to a man, alive for 80 years, a mountain is immortal. Both are wrong."

And we stand in the shadow of the Tetons, still an unspoiled frontier thanks to the vision of leaders no longer alive. But it's not the last frontier. After the Sun went down last night, we got a glimpse of the frontier beyond. It was up there beyond the peaks, past the clear mountain air that we want to preserve for all Americans, up there in the stars. And as we closed our eyes to rest, we saw the frontier beyond the stars, the frontier within ourselves. In the frontiers ahead, there are no boundaries. We must pioneer new technology, find new solutions, dream new dreams. So, look upon these American peaks and at the American people around you and remember: We've hardly scratched the surface of what God put on Earth and what God put in man.

Thank you all for what you do every single day to preserve the environment for all mankind. Thank you, and God bless you. Thank you very much.

Note: The President spoke at 9:10 a.m. outside of the school. In his remarks, he referred to Lorraine Mintzmeyer, Director of the Rocky Mountain Region of the National Park Service; Prime Minister Margaret Thatcher of the United Kingdom; President Francois Mitterrand of France; and Chancellor Helmut Kohl of West Germany. Following his remarks, the President traveled to Lincoln, NE.

Nomination of John F. Turner To Be Director of the United States Fish and Wildlife Service

June 13, 1989

The President today announced his intention to nominate John F. Turner to be Director of the United States Fish and Wildlife Service, Department of the Interior. He would succeed Frank H. Dunkle.

Mr. Turner is currently a partner with Triangle X Ranch, a third-generation family business in Jackson Hole, WY. He has served in various advisory capacities, including as a member of the National Wetlands Policy Forum, 1987 - 1988, and as a member, then vice chairman of the board for the National Wetlands System Advisory Board, 1983 - 1987. He has also served in the Wyoming State Senate as president, 1987 - 1989; senate majority floor leader, 1985 - 1987; and vice president, 1983 - 1985. He was assistant director for the University of Notre Dame foreign studies program in Innsbruck, Austria, 1964 - 1965.

Mr. Turner graduated from the University of Notre Dame (B.S., 1964) and the University of Michigan at Ann Arbor (M.S., 1970). He was born March 3, 1942. Mr. Turner is married, has three children, and resides in Moose, WY.

Nomination of Stella Garcia Guerra To Be an Assistant Secretary of the Interior

June 13, 1989

The President today announced his intention to nominate Stella Garcia Guerra to be an Assistant Secretary of the Interior (Territorial and International Affairs). She would succeed Janet J. McCoy.

Since 1985 Ms. Guerra has served as a member of the board of directors of the Mexican-American Cultural Center. In addition, Ms. Guerra has served as a member of the advisory board for Friends of the Philippine General Hospitals, 1986 to present; member of the Presidential Task Force for Women for the Minorities and the Disabled in Science and Technology, 1987 to present; and member of Federally Employed Women, 1983 to present. She also serves as a member of the National Association of Elected and Appointed Officials, 1982 to present, and as a member of the National Federation of Republican Women, 1982 to present.

Ms. Guerra graduated from Del Mar College (A.A., 1965), the University of Texas A&I (B.S., 1967), Our Lady of the Lake (M.A., 1973), and the Federal Executive Institute, 1984. She was born January 31, 1945, and resides in Texas.

Remarks at the University of Nebraska in Lincoln

June 13, 1989

Thank all of you -- Governor Orr, distinguished leader of this State, for those kind words, that warm introduction. My thanks also to Dr. Roskens, Chancellor Massengale, Chairperson Hoke, and all the other officials at this wonderful institution. And I also want to thank Dr. Peter Jenkins, my tour guide, who runs the Center for Engine Technology here at the University of Nebraska. And also my special thanks to three members of my Cabinet -- Secretary Watkins, Secretary Lujan, and Secretary Clayton Yeutter -- for joining me here today.

I hope that this symbolizes to all of you the importance that we place not just on the research that's going on here at the university, at this wonderful university, but the importance of agriculture and Nebraska -- the two go together. And we're here to salute you. And Secretary Yeutter, as we've heard, is a graduate of this fine school, and let me put it this way: I'm delighted to have a Cornhusker in my Cabinet. And we have several Members of Congress traveling with me today. Your own Doug Bereuter is here, Congressman from Nebraska -- someplace over here -- and then three Wyoming officials, Senator Wallop, Senator Alan Simpson, and Congressman Craig Thomas over here -- maybe they'd stand up. And lastly, I'd like to thank the Air Force Band from Offutt -- first-class music. Anybody who can keep you all awake for 2 hours must have something going for them. So, thank you, sir, thank you very much. Thank you so much for being with us.

I would have made it here a few minutes earlier, but we've been driving around looking for a parking place. [Laughter] Actually, I've come from Dr. Jenkins' lab, where I got a short seminar on engine testing and alternative fuels -- fascinating, trailblazing work. You can't help but see it to realize that we have a window to the future. And I'm a believer in alternative fuels and conservation. This winter I'm putting windmills in Washington. [Laughter] Henceforth, hot air is going to heat the entire city.

Let me tell you a bit about the pathbreaking work that I've just seen in this engine lab. They've got two cars hooked up to emissions monitors, one running on gasoline, the other on new ethanol blend that they're working on; and the results are impressive. The proof is right there before you in the readout: the car runs cleaner on the ethanol mix. And they're confident down there. I asked about performance, and they told me to take a car out on a test drive. I don't do a lot of driving these days, so I'm not sure that I'm the best judge, but I enjoyed the ride. And it had a lot of pickup -- certainly got more pickup than the 14,000-pound limousine sitting outside this place. [Laughter]

Many of you know that yesterday I announced some sweeping changes to the Clean Air Act -- the first amendments to that landmark legislation in more than a decade. And whether you live in the city or in the country or on a farm or near a factory, the changes that we're calling for are

going to improve the quality of the air we breathe and, therefore, the quality of life for all Americans.

This is a nation rich in the majesty of nature. In the past 24 hours, I've seen some of the magnificent sights that this great land has to offer: nature renewing itself in Yellowstone after those devastating fires; the Tetons rising up, postcard-perfect, from the Wyoming plateau. Sights like those make me all the more determined that this nation dedicate itself to the restoration and renewal of our natural heritage.

My approach is driven by a new kind of environmentalism, built on five principles: harnessing the power of technology and the marketplace, promoting State and local environmental initiatives, encouraging a common international effort, concentrating on pollution prevention, and strict enforcement of environmental standards. Today I want to focus on the first of these five, on ways that we can harness the power of technology in service to our environment.

The work you're doing here puts Lincoln on the leading edge of that effort. Alternative fuel is going to help us reconcile the automobile to our environment. And right now, 81 American cities exceed Federal clean air standards. Expanded use of alternative fuels is a key element in my plan to guarantee that 20 years from now every American, in every city across this country, will breathe clean air. Alternative fuels are going to help us get there. In the nine urban areas with the worst ozone pollution, we're requiring a million clean-fuel vehicles on the street by the year 1997 -- a million a year by the year 1997. Our clean air plan also calls for cities with the worst carbon monoxide problems to use oxygenated fuels to cut emissions during peak winter months.

And our plan preserves flexibility. The urban areas targeted for cleanup can opt out of requirements, provided they find other ways to make equivalent cuts in pollution levels. And although we're proposing some tough pollution control measures, we're going to develop ways to allow automobile manufacturers and fuel companies to trade emissions reductions credits among themselves, so long as the overall emissions standard is met. And our goal -- clean air. And we're going to achieve it in the most efficient way possible, but make no mistake about it: we are going to achieve our goal.

I came out to the University of Nebraska to get a firsthand look at one of the clean air technologies of tomorrow: an alternative fuel called ETBE, made from ethanol and Nebraska corn. I thought I left all those acronyms behind me in Washington. Incidentally, ETBE is short for ethyl tertiary-butyl ether -- maybe the acronym isn't so bad after all. [Laughter] But ETBE isn't quite a household word, but it may just become one, based on what I've seen today. Right now, ethanol-blend fuels account for only a fraction of America's overall gasoline consumption -- about 8 percent. And that's going to change in the years ahead. Gasohol, ETBE, natural gas-based fuels like methanol, CNG, and MTBE -- all are going to play a role in a transition to cleaner, more efficient engines.

Cutting auto exhaust is an effective avenue to cleaner air. Motor vehicles produce about two-thirds of all the carbon monoxide emissions and about 40 percent of all ozone pollution -- chemical threats to our environment that we have all had to live with. And we're learning every day that pollution respects no borders. There's no safe haven from the damaging long-term effect of chronic environmental abuse. Exhaust pollution isn't just a big-city problem anymore. We know it's time to cut exhausts, and the question then is: How?

In this great country of ours, we shouldn't have to choose between clean air and continued progress, between sound ecology and sustained economic growth. The answer isn't to shut off our engines and throw away our keys. That's a horse-and-buggy solution to a 21st-century problem, and we can do better than that. We've got to follow your lead, push forward technologies that promise cleaner fuels for the future. And there is more the automobile industry can, and will, do; but it's time now to produce cleaner fuels our cars will burn in the future.

Let me tell you just a little of what I learned in your lab. Results so far show that gas blended with ETBE additive lowers environmentally harmful emissions and increases engine performance. That's a promising combination. Think about what that means: ETBE and other alternative fuels can help us meet more stringent air quality standards and strengthen our domestic energy industry at the same time.

And America must work towards energy independence. You know, last year 37 percent of the oil that America consumed was imported, and so far this year, that figure's up to almost 40 percent. And that trend means trouble. We worked hard to cut our consumption of foreign oil, and I will not stand by and watch our country slip back into a dangerous state of dependency, wide open to the next oil shock from some country halfway around the world. We're not going to do that in this country. We've got to plan for the future now. We need secure, reliable sources of energy right here at home. Alternative fuels are an American answer.

And take a look at ETBE. It's made from ethanol, which I've long supported. And ethanol's made from corn and other grains we grow in abundance. And that's good for American farmers, and it's good for all American taxpayers who are now paying more than $5 billion a year in corn price supports. Ethanol is a homegrown energy alternative. And that's good for national security, and that's good for our trade deficit. And ethanol produces a fuel that burns cleaner. And that's good for our environment -- just plain and simple, good for our environment. A source of energy that's clean, abundant, and made right here in the United States -- three good reasons why ethanol and ETBE are fuels of the future.

I've got great faith in farm country. Some folks might be surprised to see the kind of work going on here, to see Nebraska leading the way on alternative fuels; but we all know the heartland's been high tech for a long time. The American farmer has long been the most productive and efficient in the world. You've put food on America's table, and now you're going to help America fill up its tank. The modern farmer is as comfortable talking about gene splicing and

biotechnology as he is taking the wheel off a tractor -- you've been pioneering in agriculture for years. And I'm not surprised to see you moving from agriculture to energy -- and a car that runs on corn.

And Nebraska's going to make it work. These alternative fuels are going to take the market by storm -- kind of like the Big Red [University of Nebraska football team] rolling into Norman, Oklahoma. You know, what you're doing here will mean cleaner air in Los Angeles and New York and dozens of cities in between now plagued by smog and air pollution. And that's the kind of environmental impact that can improve the quality of life across America and around the world.

And we won't stop with alternative fuels. In the future, we're going to be using other technological alternatives, like biodegradables in the battle against litter and waste disposal, to ease the threats to our environment. Out here there's always been a strong environmental ethic. In this part of the country, taking care of the land is a way of life -- it's natural. And that's why I know when I call on all Americans to make renewal and restoration our new environmental watchwords, I can count on you.

So, let me say to all of you here today in this magnificent auditorium, stadium, area of combat -- [laughter] -- all Nebraskans should be proud of the pioneer work being done here at this great university. It's been a privilege for me as President of the United States to visit this great State, to listen, to learn, to catch a glimpse of progress in the making.

And for those of you in the overflow room and those along the streets from the airport into the city, let me thank you for that warm Nebraska welcome -- I'll never forget it. God bless you, and God bless the United States of America. Thank you very much.

Note: The President spoke at 3:25 p.m. in the Bob Devaney Sports Center on the campus of the university. In his opening remarks, he referred to Ron Roskens, Martin Massengale, and Nancy Hoke, president, chancellor, and chairperson of the board of regents of the university, respectively; Secretary of Energy James D. Watkins; Secretary of the Interior Manuel Lujan, Jr.; and Secretary of Agriculture Clayton Yeutter. Prior to his remarks, the President toured university facilities. Following his remarks, he returned to Washington, DC.

Message to the House of Representatives Returning Without Approval the Fair Labor Standards Amendments of 1989

June 13, 1989

To the House of Representatives:

I am returning herewith without my approval H.R. 2, the ``Fair Labor Standards Amendments of 1989."

This bill would increase the minimum wage by an excessive amount and thus stifle the creation of new job opportunities. It would damage the employment prospects of our young people and least advantaged citizens. It would accelerate inflation. It would not help those in poverty. And thus it would fail to properly reflect the thought behind this measure: to help our lowest paid workers.

H.R. 2 would increase the minimum wage to $4.55 an hour and would provide a training wage only for 60 days and only for a temporary period. Economists universally agree that such an increase in the minimum wage will result in the loss of job opportunities. This is because, as the minimum wage rises, employers in today's highly competitive marketplace must respond. Some close their doors. Some automate. Others reduce their work force or cut the services they provide to their customers.

That is why I made it clear that I could accept an increase only if it were a modest one, and only if it were accompanied by a meaningful training wage for new employees of a firm, to help offset the job loss. As I have said many times, I could sign into law an increase in the hourly minimum wage to $4.25, phased in over 3 years, which preserves job opportunities through a 6-month training wage for all new hires. The bill the Congress has sent to me fails to meet these standards.

The increase in the minimum wage I said I could accept amounts to 27 percent -- totalling 90 cents an hour in three equal annual increments of 30 cents. The increase in H.R. 2 exceeds that amount by a full one-third. In the interest of preserving job opportunity, I cannot approve this legislation.

I wish to be clear about this. My difference with the Congress is not just about 30 cents an hour. It is about hundreds of thousands of jobs that would be preserved by my Administration's approach, as opposed to those that would be sacrificed under the excessive increase included in this legislation.

The ``training wage'' included in H.R. 2 is ineffective. Its 60-day limitation is too short and unrealistically restrictive. The principal justification for a training wage is preservation of opportunity -- for jobs and for training. This can be accomplished only through a permanent trainee differential. H.R. 2 provides only temporary training wage authority that would expire in 3 years. This means that within 4 years the minimum wage for trainees would rise to the regular minimum wage. That defeats the job-saving purpose of the training wage. This provision of H.R. 2 would do little to save jobs. I cannot support it.

Minimum wage jobs are for the most part entry-level jobs -- those jobs that give our workers the valuable work experience and basic training they will need for advancement to future opportunities. When those jobs are lost, the losers are the young and disadvantaged, grasping for the first rung on the ladder of economic opportunity.

I am also deeply concerned that an excessive increase in the minimum wage will increase inflation, which has rightly been called the cruelest tax. Inflation is hardest on those living on fixed incomes, many of whom are poor and elderly. As the minimum wage increases, employers' costs rise, and they must charge the consumer more for goods and services just to break even.

The Federal budget deficit also would increase. The jobs lost due to a large minimum wage increase would have generated tax revenues for the Federal Government. Certain Government programs are tied directly to the minimum wage; other Government expenditures are indexed to inflation. As the minimum wage and inflation increase, those expenditures will increase, and so will the budget deficit.

H.R. 2 provides for a Minimum Wage Review Board, which threatens to compound the bill's inflationary effect. The Board would be permanent; it would be required to make annual recommendations to the Congress for increasing the minimum wage in light of increases in wages and prices since any previous minimum wage adjustment. This has been termed, accurately, a ``back-door'' indexing provision. It is unacceptable.

Contrary to what proponents of H.R. 2 have been saying, increasing the minimum wage is not an effective way to help the poor. The poverty population and the minimum wage earners are, by and large, different people. Most minimum wage earners are young, they are single, they live in households with other workers, and most importantly, they are not poor.

We must never forget that a healthy and growing private economy is essential to remedying poverty. We are now in the 78th month of an unprecedented economic expansion. Over the last few months, the unemployment rate has been lower than at any time since 1974. Since the beginning of this economic expansion at the end of 1982, our economy has created nearly 20 million new jobs. Since 1981 the number of workers earning no more than the Federal minimum wage has been cut in half -- from 7.8 million to 3.9 million last year. Now is not the time to turn back or halt the progress we have made.

In the contemporary American market, wages rise -- not because of mandated increases, but because of market forces and the changing nature of America's workplace, which demand higher skills and offer better pay to the workers who possess them. An excessive increase in the minimum wage would reduce any chance for hundreds of thousands of less skilled workers to get entry-level employment and experience the on-the-job training and advancement opportunities that go with it.

Most, though not all, of those denied the opportunity would be young people. I remain, as I have said before, haunted by the fact that by the thousands, young Americans in inner cities believe they have no stake in our system, no future, no hope. Believing they have nothing to lose, they act as if they have nothing to gain. We cannot let this continue. Work can give them something to gain -- and we cannot sit by, destroying opportunity with well-intentioned but misguided policies -- jinxing another generation -- and live easily with ourselves.

It is regrettable that this debate must end with a veto; once the majority in the Congress determined to reject my offer of compromise on minimum wage legislation, however, it also became inevitable.

In the discussions of this issue, my objectives have been and remain twofold: first, to preserve job opportunities for entry-level workers seeking to get their feet on the ladder of economic opportunity; and second, to increase the take-home pay of the heads of low-income households. My proposal was designed to accomplish those twin objectives.

If the Congress remains unwilling to support this job-saving approach, I am prepared to examine with the Congress, within the confines of our fiscal limitations, changes in the Earned Income Tax Credit, which could better help the heads of low-income households.

I renew my invitation to the Congress to work with the Administration, in a cooperative and bipartisan way, on what I believe is the compelling work force challenge. We need to improve American education so Americans of all ages can prepare for the more demanding jobs that this economy is creating. Growth offers opportunity for those prepared to seize it. For those not now prepared and lacking the basic skills of language and literacy, computation skills, and the like, we need to provide or refine our training programs.

I have proposed a package of educational reforms to enhance our Federal approach to elementary and secondary education. We can offer a better quality of education to our children than we do and a wider degree of educational choice to them and their parents.

My Administration has also proposed a package of reforms in vocational education that can improve this system, so vital to training and retraining our Nation's work force. We should move quickly to improve the quality of vocational education, to simplify it, to expand choice, to make the system more accountable, and, importantly, to integrate it better with other job training

efforts.

We will be proposing significant improvements in the Job Training Partnership Act. These will include a package of youth initiatives to increase the targeting of critical training resources on those in need of help. These initiatives will also offer improvements in the quality of training made available to ``at-risk'' youth and incorporate higher standards for achievement and competency after training.

We continue to believe that proposals such as these and our child tax credit are preferable and more effective measures for assisting low-income working families. Unlike a minimum wage increase, they can be much more precisely targeted to help only those who need the help, with none of the job-loss or inflationary effects of raising the minimum wage.

The Congress this year has the opportunity to move these legislative proposals in a concerted way. We need to refine our basic skills training, literacy, and remedial education, not just job training, to prepare youth for a lifetime of productive work, not just a job. Let us approach these separate statutes and programs not separately, but as parts of a whole, as components of an integrated Federal policy on real workplace needs.

As I said in my Inaugural Address, I wish to proceed together with both parties in both Houses of Congress. For those of us whose legislative priorities include the real needs of America's work force, there can be no more important items on that agenda than education and skills preparation.

During this year, and this Congress, even with limited budget resources -- we can make a difference. Let us get started.

George Bush

The White House,

June 13, 1989.

White House Statement on the President's Meeting With Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia

June 14, 1989

The President met today with Prince Sa`ud al-Faysal, Foreign Minister of Saudi Arabia, to discuss the efforts of the Arab League to resolve the Lebanon crisis. The President welcomed the collective efforts of Saudi Arabia, Morocco, and Algeria and expressed U.S. support for their mandate to pursue urgently a political process in Lebanon leading to elections, reforms, and a new national consensus. The President pledged the commitment of the United States to do all it can to promote a political solution that would bring Lebanon's turmoil to an end.

The United States encourages the Arab League's efforts to foster a political dialog among the Lebanese. Such a dialog, in the context of a cease-fire, is the necessary first step toward a solution of Lebanon's suffering, which has gone on too long. The President reaffirmed the commitment of the United States to Lebanon's unity, sovereignty, and territorial integrity, with the withdrawal of all foreign forces and the disbandment of the militias.

The President said that the United States believes that all parties to the conflict in Lebanon must show restraint and flexibility at this crucial point. All concerned must do their part to promote a genuine political process, devoid of threats and coercion. Outside interests must not add to Lebanon's misery.

Message to the Congress Transmitting the Denmark-United States Fishing Agreement

June 14, 1989

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith an agreement effected by exchange of notes at Washington on March 28, 1989, extending for the period of 2 years from July 1, 1989, until July 1, 1991, and amending to conform with current U.S. law, the Governing International Fishery Agreement between the Government of the United States of America of the one part and the Home Government of the Faroe Islands and the Government of Denmark of the other part Concerning Faroese Fishing in Fisheries off the Coasts of the United States, signed at Washington on June 11, 1984. The exchange of notes, together with the present agreement, constitute a governing international fishery agreement within the meaning of section 201(c) of the act.

U.S. fishing industry interests have urged prompt consideration of this agreement and, similarly, I request the Congress give favorable consideration to this agreement at an early date to avoid disruption of cooperative ventures.

Since 60 calendar days of continuous session, as required by the legislation, will not be available before the current agreement is scheduled to expire, I recommend the Congress consider passage of a joint resolution.

George Bush

The White House,

June 14, 1989.

Continuation of Richard Schifter as an Assistant Secretary of State

June 14, 1989

The President today announced that Richard Schifter will continue to serve as Assistant Secretary of State for Human Rights and Humanitarian Affairs.

Since 1985 Mr. Schifter has been the Assistant Secretary of State for Human Rights and Humanitarian Affairs. He is a member of the board of directors of the U.S. Institute of Peace and serves as the Department of State representative on the Commission for Security and Cooperation in Europe. He also served as Deputy United States Representative in the Security Council of the United Nations, with the rank of Ambassador, 1984 - 1985, and as the U.S. member of the United Nations Human Rights Commission, 1983 - 1986. Prior to this Mr. Schifter was a practicing attorney in Washington, DC.

Mr. Schifter graduated from the College of the City of New York in 1943 and received his LL.B. from Yale Law School in 1951. He served in the U.S. Army, 1943 - 1946. He was born in Vienna, Austria, in 1923. He is married and has five children and eight grandchildren.

Exchange With Reporters Following Discussions With Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia

June 14, 1989

Q. When is the initiative, Mr. President?

Q. -- -- prospect for Lebanon, sir?

The President. -- -- with the Foreign Minister of Saudi Arabia on that. But they are engaged in a mission that comes with the greatest of intentions and met with the strong enthusiastic support of the United States, as they try to be helpful in bringing peace to Lebanon, and that's something we're all very much concerned about.

Note: The President spoke at 10:09 a.m. in the Oval Office at the White House. He referred to the Arab League's effort to bring peace to Lebanon. A tape was not available for verification of the content of the exchange.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jacques Delors of the Commission of the European Communities

June 14, 1989

The President held a working lunch today with Jacques Delors, President of the Commission of the European Communities (EC). President Bush had invited President Delors for the luncheon when they met in Brussels on May 30. The two, who were accompanied by senior advisers, discussed ongoing cooperation between the United States and the EC Commission on issues of mutual interest, including the implications of the EC's 1992 integration program; international trade and the Uruguay round; the efforts toward political and economic reform in Eastern Europe and the Soviet Union; and transnational problems, such as the urgent need to protect the environment.

The President reiterated his support for European integration and the EC's single-market program. He reaffirmed that a stronger Europe means a stronger America. He also noted that there will be new challenges as the EC carries out its single-market program. He stressed the importance of open markets in a more closely integrated Europe and said that the United States would work with the EC Commission and the member states to ensure that U.S. interests are taken fully into account in the 1992 process. The President underlined the need for both the United States and the EC to continue to combat protectionism and to conclude the current round of trade negotiations successfully by the end of 1990.

The President reiterated a key point in his Boston University speech -- that the United States and the European Community must strengthen their dialog and cooperation. He stressed the importance of the annual U.S.-EC Ministerial meeting in December as an opportunity for a high-level review of all aspects of the relationship. He also said that other channels, such as the sub-Cabinet consultations held in November 1988, can help to broaden U.S.-EC understanding.

The President said that he looked forward to seeing President Delors again next month at the Paris economic summit.

Remarks Prior to a Meeting With the Congressional Leadership on Savings and Loan Crisis Legislation

June 14, 1989

The President. What I want to do was to first welcome two new members of the congressional leadership team, Dick Gephardt and Bill Gray. And just let me say, I look forward to working with you, arguing with you, working with you -- and I do mean that. And I congratulate both of you.

The purpose of the meeting today: I wanted to discuss this savings and loan bill that's going to be on the House floor. And I think that every American citizen has every right in the world to be disturbed and shocked by this situation. Tens of billions of dollars are going to have to be spent to clean up this whole matter of savings and loan, and our estimate is that it's costing about $10 million a day for every day that action is not taken. And now some of the smaller -- or the weaker S&L's, I would say, are demanding the right to continue to treat goodwill as capital, even though goodwill has no tangible value. And the result could be that -- up to $600 billion in loans without one dollar in real capital for decades to come. And in my view, it is time for the American public and our administration to say that enough is enough, and to earnestly ask for the support of the Congress. We've had good support on the Hill, and now it's getting critical. And I would simply like to ask you as leaders, both Republican and Democrat, for your support.

I wanted you to know how strongly I feel about it. I have a certain sense of obligation to the American people to get legislation through that is going to protect the people against the abuses of the past and to fix it, and fix it for once and for all. So, this is what I wanted to do. But, Mr. Speaker, I want to hear from you on this to start with, and then the leader.

Speaker Foley. Mr. President, we certainly share your view that this is critical legislation. The House will take up the rule and proceed with general debate today, and will finish the bill this week. We intend to work as long as it's required tomorrow and on Friday to see to it that the amendments are all considered and voted upon and the final action on the bill is taken before this week ends. And I can give you that assurance.

There are amendments that the House will have to consider -- 15 of them in number, down from about 107 that were requested. But I'm satisfied, Mr. President, that when the week comes to an end, there will be a strong bill from the House of Representatives and that, together with the Senate, we can send you at an early date legislation that you'll be proud to sign.

The President. Senator Dole, do you want to add anything?

Minority Leader Dole. Well, there are a lot of experts in the room here -- men, in this case, who

have dealt with it from day one. But it seems to me it's sort of a time bomb that might go off one of these days unless we have a very strong piece of legislation, stripped of all the special interest amendments, and knock out the goodwill wherever you can. There isn't much good will for S&L's, I find, around. [Laughter] Most of the people have been taken for a ride long enough.

So, I think I -- first, thank the President for again emphasizing the importance of this and the obligation he has to the American people. It doesn't get a lot of attention. It's only a $200 billion or $300 billion problem. But it's heartening to hear Tom Foley indicate the House is going to be tough and give us a strong bill. I know that Senator Garn and Senator Riegle and others on our side will be working toward that end in conference.

The President. It has gone through the Senate. And I would like to take this opportunity to thank Chairman [Senate Banking, Housing, Urban Affairs Committee] Riegle and Jake Garn, the guys who have raised that, and those around the table here and now -- Senator Cranston, Senator Simpson -- all. But I'm not singling out the House, but that's where the action is today.

And thank you, Mr. Speaker, for your determination to move this thing.

Note: The President spoke at 1:40 p.m. in the Cabinet Room at the White House. In his remarks, he referred to Representatives Richard A. Gephardt of Missouri and William H. Gray III of Pennsylvania, and Senators Donald W. Riegle, Jr., of Michigan and Jake Garn of Utah.

Remarks at the Unveiling Ceremony for the Design of the Korean War Memorial

June 14, 1989

Thank you all. Thank you, General Davis and General Stilwell; General Goodpaster; our Commandant, General Gray; Secretary Lujan; members of the Commission; winners; second place winners; third place winners; fellow veterans; distinguished guests; leaders of the Congress. It is a pleasure to welcome you to the White House, and I want to thank you for the privilege of sharing this occasion.

Woodrow Wilson once said: ``A patriotic American is never so proud of his flag as when it comes to mean for others, as to himself, a symbol of liberty." Well, fittingly, we meet here on Flag Day and the day of the U.S. Army's founding, and as patriotic Americans, to publicly unveil the winning design of a symbol of liberty -- the Korean War Veterans Memorial.

And there are, of course, many such symbols in this great Capital of ours, memorials which rightly hail veterans from Bunker Hill to Gettysburg to the rice paddies of Vietnam. And they are a part of our history and of our lore, monuments to the dead and the living. But until recently, the Korean war was not formally remembered, nor were the over 5.7 million American servicemen and women who were directly and indirectly involved. And today we say: No more! It's time to remember, for we are here to pay tribute to America's uniformed sons and daughters who served during the Korean conflict and to recall an American victory that remains too little appreciated and too seldom understood.

We recall that when the war began the forces of totalitarianism seemed ready to overrun all of Asia; but it never happened. For Korea was the first allied effort in history to contain communism by combining strength. Fighting side by side under the flag of the United Nations, the freedom-loving countries of the United States and the Republic of Korea and other allies strove to halt aggression. And we succeeded and built a stable peace that has lasted for more than 35 years. And together, we held the line.

And today we are still holding it -- and let me salute those American troops who guard the 38th parallel. And I want to salute our allies, for they, too, have sacrificed on freedom's behalf. And what will happen in much of Asia, we can't be sure; but of this we are certain: In retrospect, the policy of containment so exemplified by the Korean conflict created the conditions for the tide toward democracy now changing and uplifting our globe.

The design we unveil today honors that democracy and the American men and women who took up arms and bore our burden so that freedom could survive. And our nearly 5 million Korean war veterans alive today -- we honor them. Our 103,000 wounded in the conflict -- we honor

them; our more than 8,000 missing or unaccounted for; the 54,246 Americans who gave their lives, who gave, as Lincoln said, ``the last full measure of devotion."

This day marks another step toward the memorial that Korea's veterans deserve and will have, a process which began when President Reagan signed legislation authorizing the creation of a Korean War Veterans Memorial in the District. And last September a site was approved for the Washington Mall. The memorial will be built in Ash Woods, a grove of trees near the Lincoln Memorial, across the reflecting pool from the Vietnam Memorial. And its existence will be due to a number of friends. Among them are members of both parties who helped pass this legislation and, of course, the sponsors of this memorial. And in that context, I would like to thank the Battle Monuments Commission -- ably chaired by General Goodpaster, who was years ago, right in this building, the Staff Secretary to President Eisenhower -- and also the Korean War Veterans Memorial Advisory Board.

And now let me thank the men and women who chose this design. And to Chairman Ray Davis, my special thanks for chairing the committee. I want also to repeat, as General Stilwell has noted, that every dollar of this funding has been privately financed; and to commend, as he did, Max Jamiesson, whose company donated $1 million, and then Abby -- ``Dear Abby," Abigail Van Buren, whose readers raised, almost unbelievably, $330,000 for the veterans memorial.

General Davis has observed how the design for their -- rather, for your memorial was crafted by four professional architects and designers on the faculty of Penn State, the department of agriculture [architecture]. You met them -- Dr. Leon, Oberholtzer, and John and Veronica Lucas. And to all of them, my congratulations. Somehow it seems that you might even eclipse Joe Paterno [football coach at the university] and the Nittany Lions as Penn State's most noted team.

But let me add that I look forward to the day when the memorial itself is unveiled, for it will stand as America's lasting tribute to those who fought so valiantly in an unknown land, as liberty's Horatio at the bridge. And as you view it, think of such names as Ridgway and Van Fleet, MacArthur, shell-torn uplands, Pork Chop, Bloody Arrowhead. Remember Panmunjom and, yes, Inchon and the heroism of the soldiers who fought across the rugged, snow-covered hills.

Think of men like James Garner, Neil Armstrong, or the many Members of the United States Congress who served in Korea -- Warren Rudman among them, and John Glenn -- and John's wingman, Ted Williams -- Ballgame Teddy, they called him, greatest hitter who ever lived -- or General Al Gray, sitting right here, who volunteered twice to serve on the front line, first as an enlisted marine and later as a commissioned officer, courageously leading an infantry platoon -- heroes who showed that ours would not be the land of the free if it were not also the home of the brave.

And, yes, think of them, honor them, remember how they served from Pusan to Pyongyang,

heroes like Rosemary McCarthy, a courageous Army nurse; or our good friend -- my good friend -- Pete McCloskey, who endured superior forces to charge up and take his hill and whose troops so admired him that they named a baseball field in his honor in Korea; or Wally Lukens, who braved enemy fire to replace another platoon leader, then picked up a gravely wounded infantryman and carried him to the rear. His effort to save that life was in vain, but his selfless devotion to his men -- his grit and his guts -- lives on in the souls of all Americans in uniform today.

To my right sits such an American -- stands such an American -- he's supposed to be seated -- Ray Davis. He was a lieutenant colonel during the war, received the Congressional Medal of Honor. And 37 years ago, in this very place, President Truman, himself a veteran, presented the medal; and then he said, ``Colonel, I'd rather have this than be President.'' Ray Davis won his medal for you and for me and our country, and he's wearing it today.

And it makes us proud, and so will this design of the veterans memorial. It speaks of walking toward freedom and toward home, in the cold that was Korea. Mike McKavitt was a fighter pilot in Korea, and he tells me he couldn't sleep for 3 nights after first seeing this memorial. And now we all are about to see why. So, could we move over and do the honors.

Note: The President spoke at 2:14 p.m. in the Rose Garden at the White House. In his remarks, he referred to Gen. Raymond G. Davis, USMC, Ret.; Gen. Richard G. Stilwell, USA, Ret.; and James D. ``Mike'' McKavitt, vice chairman, chairman, and member of the Korean War Veterans Memorial Advisory Board, respectively; Gen. Andrew J. Goodpaster, USA, Ret., Chairman of the American Battle Monuments Commission; Gen. A.M. Gray, Jr., Commandant of the Marine Corps; Secretary of the Interior Manuel Lujan, Jr.; Max Jamiesson, executive vice president and chief operating officer of Hyundai Motor America; actor James Garner; astronaut Neil Armstrong; Senators Warren Rudman of New Hampshire and John Glenn of Ohio; Ted Williams, former member of for the Boston Red Sox; and Paul N. ``Pete'' McCloskey, Jr., former Representative from California.

Nomination of Chas. W. Freeman, Jr., To Be United States Ambassador to Saudi Arabia

June 14, 1989

The President today announced his intention to nominate Chas. W. Freeman, Jr., to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia. He would succeed Walter Leon Cutler.

Mr. Freeman joined the Foreign Service of the United States in 1965. After service in Madras, India, and in Taiwan, he was assigned to the mainland China desk at the Department of State. He was the principal American interpreter during President Nixon's visit to the People's Republic of China in February 1972. From 1974 to 1975, he was a visiting fellow at Harvard University's East Asian Legal Research Center. He then served successively as the Department of State's Deputy Director for Republic of China (Taiwan) Affairs, as Director of Public Programs, and as Director of Plans and Management in the Bureau of Public Affairs. In 1978 Mr. Freeman became Director of Program Coordination and Development at the U.S. Information Agency, and in 1979 he was named Deputy U.S. Coordinator for Refugee Affairs. In the summer of 1979, Mr. Freeman became Director for Chinese Affairs. From 1981 to 1986, he was successively deputy chief of the U.S. missions at Beijing, China, and Bangkok, Thailand. In 1986 he was named Principal Deputy Assistant Secretary of State for African Affairs.

Mr. Freeman received a bachelor of arts from Yale University and a juris doctorate from the Harvard Law School. He was born March 2, 1943, in Washington, DC. He is married, has three children, and resides in Washington, DC.

Nomination of Warren A. Lavorel for the Rank of Ambassador While Serving as United States Coordinator for the Multilateral Trade Negotiations

June 14, 1989

The President today announced his intention to nominate Warren A. Lavorel to the rank of Ambassador during his tenure of service as the U.S. Coordinator for Multilateral Trade Negotiations.

Since 1987 Mr. Lavorel has served as the U.S. Coordinator for Multilateral Trade Negotiations in the Office of the U.S. Trade Representative in Washington, DC. Prior to this, he served as deputy chief of mission in Geneva, Switzerland, for the Office of U.S. Trade Representative, 1981 - 1987; financial attache for the U.S. Mission to the European Community, 1980 - 1981; and U.S. Representative to GATT [General Agreement on Tariffs and Trade] in Geneva, 1978 - 1980. Mr. Lavorel was a negotiator for the multilateral trade negotiations in Geneva, 1975 - 1977, and he served as an economic/commercial officer at the U.S. Embassy in Luxembourg, 1973 - 1975. He served in the Trade Agreements Division at the Department of State, 1970 - 1973, and as an economic/commercial officer at the U.S. Embassy in Paris, 1967 - 1969.

Mr. Lavorel graduated from the University of California (B.A., 1961) and Stanford University (M.A., 1970). He was born October 29, 1935, in Oakland, CA. He served in the U.S. Army, 1958 - 1960. Mr. Lavorel resides in California and has two children.

Nomination of Edward T. Timperlake To Be an Assistant Secretary of Veterans Affairs

June 14, 1989

The President today announced his intention to nominate Edward T. Timperlake to be an Assistant Secretary of Veterans Affairs (Congressional and Public Affairs). This is a new position.

Mr. Timperlake most recently served as director of Veterans for Bush and codirector of the national security task force on the campaign staff of Bush/Quayle '88. Prior to this he was the commanding officer of VMFA 321 from 1985 - 1987. Mr. Timperlake was the principal director of mobilization, planning, and requirements (SES - 2) in the Office of the Secretary of Defense, 1984, and the national director of the Vietnam Veterans Leadership Program, 1981 - 1983. Mr. Timperlake was also the section manager at the Analytic Sciences Corp., 1978 - 1981, and a business analyst for Exxon Enterprises, Inc., 1977 - 1978.

Mr. Timperlake graduated from the U.S. Naval Academy (B.S., 1969), Naval Air Training Command (1971), and Cornell Graduate School of Management (M.B.A., 1977). He was a captain in the U.S. Marine Corps, 1969 - 1975. Mr. Timperlake was born November 22, 1946, in Perth Amboy, NJ. He is married, has two daughters, and resides in Oakton, VA.

Nomination of Raoul L. Carroll To Be General Counsel of the Department of Veterans Affairs

June 14, 1989

The President today announced his intention to nominate Raoul L. Carroll to be General Counsel of the Department of Veterans Affairs. This is a new position.

Since 1986 Mr. Carroll has been a partner with Bishop, Cook, Purcell and Reynolds in Washington, DC. Prior to this he was a partner with Hart, Carroll and Chavers, 1981 - 1986. He was an associate member of the U.S. Board of Veterans Appeals, 1980 - 1981, and an Assistant United States Attorney in the Office of the United States Attorney, 1979 - 1980. He was an appellate defense attorney for the Defense Appellate Division, U.S. Army Legal Services Agency, 1977 - 1979.

Mr. Carroll graduated from Morgan State College (B.S., 1972) and St. John's University School of Law (J.D., 1975). He was born March 16, 1950, in Washington, DC. He served in the U.S. Army, 1975 - 1979. He is married, has two children, and resides in Washington, DC.

Remarks at the Annual Republican Congressional Fundraising Dinner

June 14, 1989

What a spectacular evening. Thank you, Don, and thank all of you. Thank you so very, very much. Barbara and I are delighted to be here. Thank you. Senator Nickles, thank you for that introduction and the great job that you're doing as head of the Senate campaign committee. That is important work, and Don is doing a superb job.

Way down there, Marilyn Quayle -- Marilyn, it's a delight to be with you on this evening. And I want to welcome back your husband, Dan, from Central America. And thank you, Mr. Vice President, once again for taking our message of hope and democracy to our important friends and neighbors. Dan Quayle is doing an outstanding job for the United States of America, and I am proud he is at my side in the White House.

And the warrior of all times, David Murdock -- thank you for your dedication, not just for this evening, but especially for this evening -- making this event possible. What a job you've done -- and your cochairmen and their cochairmen -- and there's never been a political event like this in the history of the country, and I'm grateful to you from the bottom of my heart. Thank you, sir. And as to our able chairman of the House campaign committee, Guy Vander Jagt, great to see you, and thank you for your work. I want to thank Mary Hart and Willard Scott. Willard, may your future be free of cumulus clouds. [Laughter] And may I thank the members of my Cabinet. I am so lucky, as President of this country, to have the support of an outstanding Cabinet -- men and women of excellence -- total dedication to our country. And believe me, I count my blessings every day for that.

It was at the last President's Dinner that Ronald Reagan, then the 40th President of the United States, stood before us and formally challenged all of us to hold on to the Presidency, no matter how tough the odds. And since then, President Reagan has returned to his beloved California, and you and I have fought shoulder-to-shoulder, battling our way to a 40-State win on election day. And I'm grateful to every one of you for that support.

But none of us here, not one of us, fought the battle we fought -- we didn't put ourselves and our families through the turmoil of a campaign simply to win an election. And we fought because we believed in certain ideas and certain ideals. We fought because we believe that together we can build a better America. The American people defined our mission, and in the 5 months since the Inaugural -- without fanfare or partisan furor -- we have worked together to quietly follow our assigned mission, to achieve what was considered to be outlandishly impossible.

The American people want action on the budget deficit, and we reached an agreement with the

Congress to reduce the deficit by a whopping $65 billion. And we aim to achieve this without raising the taxes on the working men and women of this country.

The American people want action on a festering problem -- the hemorrhaging of the savings and loan system. And our reform plan will restore stability, eliminate unsafe and extravagant practices, and punish those who abuse the trust of the depositors. The American people will have to pay billions of dollars to clean up this mess. And we must make sure that it never happens again. And the Senate, under the able leadership of Bob Dole and Jake Garn and others, approved our plan 91 to 8. And now I call on the House of Representatives to follow suit.

The American people want action on ethics. And clearly, it is time for an evenhanded ethics approach across all branches of government. This is the goal of our ethics proposal that I sent to the Congress in April. We must all -- all -- be equal before the law.

And as President, I will strive for a constructive working relationship with the new Speaker, Speaker Foley; the leader in the Senate, Senator Mitchell; and the rest of the Democratic leadership. But while we are in competition with each other, we will keep that competition on the issues and fighting for what we believe in. For we Republicans are bound together in a common purpose: to wage a vigorous debate on the important issues that unite us. We are confident that in taking our message of peace and prosperity to the American people in an open, honest, and direct manner we will become the majority party in America.

The American people -- Republican, Democrat, young and old -- want action on the environment. And yesterday, surrounded by the natural jewels of the Grand Tetons, enjoying that crisp, pristine mountain air, I called on Congress to join me in a quest for cleaner air -- an end to acid rain, ozone depletion, and other harmful emissions. You shouldn't have to become a mountain man just to breathe good, clean air.

And, oh, how the American people want action on crime. This administration will not rest until we've lifted the shadow of fear from the homes and the shops and the streets and the neighborhoods of America. And that's why I called last month for tough new laws, more law enforcers and prosecutors to back them up. This administration is going to lead the charge to take back the streets -- take them back from the criminals who threaten our neighborhoods and our families -- not just in the cities but all across this country. We are going to win the battle against the criminal.

And the American people want action on foreign policy, a sensible, yet bold plan to deal with the changes sweeping through the Communist world. And our bipartisan agreement with Congress on Central America allows the United States to speak with one clear message, one voice. Let freedom ring in Managua. Let freedom ring throughout the Communist world, from Beijing to Budapest to Warsaw. In Brussels, at our historic NATO meeting, I said that we face an historic opportunity to move beyond containment of the Soviet Union. I said that the world

has waited long enough, that Europe can be whole and free, that we can move beyond armed camps divided by suspicion and fear. And we asked the Soviets -- challenged them -- to join us in a peace of trust over a peace of tension. And we offered our vision for a future of peace and freedom, the spirit of Brussels.

But this, the first 5 months of this administration, is just a start. We must work together to protect what is already the longest peacetime expansion in our history, to keep America competitive, at work, on the job. We must fight drug abuse on every front to redeem thousands of children -- it's the children that hurt the most -- to return promise to their lives.

And we must revitalize our schools so that a solid education is once again the birthright of every American kid. And to make this kind of progress will require more than a government program or another grant initiative. Republicans believe that it will take the active involvement of parents and students and teachers and business and local government and churches, yes, and our schools. And this is what we mean by a Thousand Points of Light. As powerful and resourceful as government is, government alone cannot come close to overcoming these problems.

And next week, I'll announce a major initiative to challenge our young people to serve their communities. From now on, the definition of the good life in America must include service to others. But as you know, achieving our highest goals depends to a large extent -- you heard it here tonight -- on winning elections in Congress. We must take our case to the American people, precinct by precinct, block by block. And I believe it is no coincidence that our party slipped to minority status in the House as we became a minority in the State legislatures.

Today Democrats now have a redistricting advantage in States that compose about 90 percent of the seats in Congress. And that is why we Republicans must make solid gains at the State level. Critical gubernatorial and legislative races in the eight largest States alone will determine whether Republicans will be treated fairly in the drafting of 209 congressional districts. From Springfield to Sacramento, from Austin to Albany, we must win the fight for fair competition. A majority or even a large minority of Republicans in State legislatures can join with Republican Governors to sustain the veto of outrageous gerrymandering schemes, strengthening our numbers in the U.S. House. Bob Michel, our able leader in the House, is outgunned, outmanned. So, let's help him by picking up more seats in the House of Representatives.

Strong State parties can help us win back the U.S. Senate, one of our most critical goals. And I salute our leader, Bob Dole. What a job he is doing as Republican leader in the Senate, but he needs more troops. He needs some help over there. So, let's win back the Senate. Let us again make it a Republican Senate, and that will be good for the United States of America.

In the next election, we have a good shot at making big gains. And of course, the party that controls the White House is often expected to do poorly in midterm elections, but there are no ironclad rules in politics. After all, if there were, I would never have become the only living

member of the Martin Van Buren Society.

With your support and leadership, the leadership of so many great Republicans -- I don't want to embarrass him, but in his work tonight and the support he's given me and so many other elected officials in this room, men like Carl Lindner of Ohio, who has done a superb job here -- we can again defy the precedents; we can again make history. In order to win, we must work together as a team, not as an association of acronyms -- the RNC or the NRCC or the RGA or the NRSC. These are top-notch, well-managed organizations staffed by the best people in politics today, but our Republican Party must be greater than the sum of its parts. We must be inspired by a common purpose. We must bring opportunity to new constituencies and campaign in their neighborhoods, in the inner cities, the barrios once considered to be the exclusive domain of the opposition. And I salute our Secretary of Housing and Urban Development for taking this message right into the inner city -- Jack Kemp.

And our party chairman, Lee Atwater, who's doing a great job. And he's been a strong voice and a correct voice, arguing that we Republicans need to reach to minorities and the disadvantaged. And these groups can benefit the most from our philosophy, which simply maximizes opportunity and rewards initiative. And that is a message I believe in, and it's a message that we as a party must be prepared to act upon.

To win, we must also recruit the very best men and women to represent our party as candidates and as officeholders.

And so, these are my strategies for victory, but strategies are useless without a great purpose. And we have such a purpose: to build a better America for today and for the new century ahead. And we've shed a lot of blood, sweat, tears to rebuild the Republican Party since the early seventies. The best way to keep our party growing is to win more elections in 1990, from the courthouse to the statehouse to Capitol Hill. And with your help, let's prove to the Democrats that the successes of the 1980's are not a fluke, that they in fact spell the beginning of the end of Democratic dominance in the United States Congress.

Thank you all, each and every one of you, for your unbelievable contribution to these goals -- thank you. Barbara and I send you our best wishes. Good night, and God bless each and every one of you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 9:45 p.m. in Hall A at the Washington Convention Center. In his remarks, he referred to weatherman Willard Scott, who led the Pledge of Allegiance, and television host Mary Hart, who sang the national anthem. He also referred to the Republican National Committee (RNC), the National Republican Congressional Caucus (NRCC), the Republican Governors Association (RGA), and the National Republican Senatorial Committee (NRSC).

Letter to the Speaker and the Minority Leader of the House of Representatives on the Financial Institutions Reform, Recovery and Enforcement Act of 1989

June 14, 1989

Dear XXXXX:

Today the House of Representatives begins floor consideration of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA). This legislation will provide vitally needed funds to restructure or close insolvent thrift institutions. The legislation would also overhaul the existing system of thrift regulation. Inadequacies in capital rules, accounting practices and supervisory oversight in the past were fundamental causes of this disaster.

In addition to protecting depositors, passage of this bill will allow us to begin reducing the ongoing losses in the S&L industry. This program will cost the American public tens of billions of dollars to replace deposits of the public lost through speculation, criminality, fraud and irresponsible risk-taking.

I am determined that in the future federally-insured institutions should have to put their own money at risk before that of the insurance fund and the taxpayers. This is an essential element in protecting against any future repetition of this problem.

The capital provisions of the legislation adopted by the Banking Committee recognize the need for a new core capital requirement to protect the public. Thrifts that fail this capital standard would be required to submit a prudent business plan, and they would generally be subjected to closer supervisory oversight and limitations on excessive future growth.

Unfortunately, amendments have been offered that would allow as much as $20 billion of ``supervisory goodwill'' to be included in the computation of tangible net worth, even though it has no tangible value. Any such amendment could permit a relatively small group of firms to maintain $600 billion in loans without investing one dollar in tangible capital. Under this approach the American public could be required to carry 100% of this risk for decades.

I adamantly oppose each of the proposed amendments that will be debated on the House floor concerning supervisory goodwill. Giving recognition to goodwill as capital or creating procedural changes that could have the same effect is not justifiable. There should be no mistake. This matter goes to the very heart of my determination to clean up the abuses of the past among the savings and loans, about which every voter is entitled to be outraged. Each of the amendments to the tough capital standards proposed by the Banking Committee would render this bill unacceptable to me.

In financing the thrift plan, the Administration's proposal, as adopted by the Senate and the House Banking Committee, preserves the Gramm-Rudman-Hollings (GRH) process. It properly scores on-budget all Treasury payments, while industry contributions to the financing package are kept out of the budget. The alternative proposal by the Ways and Means Committee requires a waiver of $44 billion to GRH, which is our only statutory bulwark for fiscal discipline. Maintaining bipartisan efforts to control our budget process is a critical objective to continuing a positive domestic and international economic climate.

The legislation I submitted also seeks a number of other important provisions to strengthen our supervisory system. These include a substantial increase in civil and criminal penalties for those who have committed wrongdoing in insured institutions. As the legislation moves forward, I ask each Representative to review carefully the specific items outlined in the Administration Statement of Position as well as my letters of May 22 to the House leadership.

As I stated in today's meeting, I am firmly committed to these principles and offer again my support to your efforts to enact responsible legislation. The United States Government must seek to ensure the safety and soundness of the thrift industry once and for all, as well as to protect the trust of insured depositors and the interest of the American public.

Since I sent my proposed legislation to the Congress, more than $1.1 billion in potentially avoidable losses have occurred. The industry had total losses of $3.4 billion in the first quarter alone, on top of more than $13 billion in 1988. This financial hemorrhage continues to mount at a cost of more than $10 million every day. I urge Congress to complete its work and pass an effective and responsible bill that reflects adequately my concerns, and those of the American public.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley and Robert H. Michel, Speaker and minority leader of the House of Representatives, respectively. The letters were released by the Office of the Press Secretary on June 15.

Message to the Congress Transmitting Proposed Legislation To Combat Violent Crime

June 15, 1989

To the Congress of the United States:

Today I am pleased to transmit proposed legislation entitled the ``Comprehensive Violent Crime Control Act of 1989." As the American people are aware, our Nation is experiencing a surge of violent criminal behavior, linked in no small degree to the scourge of illegal drugs currently prevalent in our border areas, our cities, and our neighborhoods.

On May 15, 1989, I outlined a comprehensive program, consisting of both legislative and non-legislative items, to combat violent crime. This program is a logical approach to the violent crime problem that focuses on four major objectives: strengthening current laws; augmenting enforcement; enhancing prosecution; and expanding prison capacity. The seven-title proposal that I am sending you today represents the actions that we believe the Congress should take in each of these areas. Its enactment would help reduce the incidence of violent crime in our society.

Dealing with crime is not a novel problem, nor is it one with which we can ever expect fully to succeed. Nevertheless, assuring the physical safety of our citizens and inhabitants is among the very highest responsibilities of government, and it is a top priority of my Administration.

Traditionally, dealing with violent crime has been, and should properly remain, primarily the function of State and local law enforcement authorities. Yet it is clear that the Federal Government also has an important leadership role to play.

The Federal Government cannot properly discharge its duties in this regard, however, unless the Nation's criminal laws, the essential backbone of the Federal justice system, are modernized and strengthened. A substantial strengthening of our laws would help all elements of the Federal criminal justice system -- law enforcement officials, prosecutors, judges, and correctional authorities -- to execute their responsibilities with maximum effectiveness.

In recent years, substantial progress has been made toward this goal. Each of the last three Congresses, with the participation of the previous Administration, passed a major bipartisan piece of anti-crime legislation. Together, these enactments have served greatly to assist in the struggle against violent and drug-related crime.

But much remains to be done to create the statutory framework necessary to cope with the still rising incidence of drug-related violent crime. Now is the time for this Congress to act -- before

the end of this year -- on the proposed legislation I am transmitting today. Long-range solutions also lie in other directions, such as better education and job opportunities for our citizens. Our immediate task, however, and the one with which the present set of proposals is concerned, is to improve the Federal criminal justice system to render it able to dispense swift, sure, and fair justice. Persons who endanger society through the commission of violent offenses must know that their behavior will not be tolerated.

The present bill would improve the criminal justice system in several important ways.

First, the laws relating to firearms possession and use need to be carefully scrutinized to insure that, while the legitimate rights of firearm owners are protected, illegitimate use and possession of firearms are subject to proper punishment. In this regard, the Congress passed a major firearms statute in 1986, which generally struck a proper balance in this area. But our examination has revealed a number of instances in which the provisions of that law should be strengthened.

For example, I do not think it was the intention of the Congress to permit convicted felons, imprisoned for dangerous crimes, to be able to purchase firearms immediately upon their release from prison, merely because State law generally restores rights of citizenship to persons who have served their sentences. Yet that result may be required under the Federal statute as it is written today. Similarly, persons who use a semiautomatic weapon to commit a violent or drug felony are punished no more severely under present law than if an ordinary handgun had been employed. Existing Federal law also contains no penalty for stealing a firearm and lacks a clear definition of the offense of burglary. These defects and others would be remedied under a package of proposed firearms amendments that is included in the proposed legislation.

Second, building on the work of the 100th Congress, which, for the first time in recent memory, created a limited Federal death penalty for certain drug-related killings, this proposal would establish procedures necessary to institute a capital sanction for murders committed in violation of other Federal statutes, such as those involving murder-for-hire and the murder of a kidnap victim or a Federal prison guard. The proposed provisions are in compliance with all relevant Supreme Court decisions, and their enactment is long overdue. I believe it is absolutely essential to bring Federal law into conformity with the law in the more than three-quarters of the States that have passed statutes to reinstate the death penalty for a limited number of heinous crimes.

Third, the proposal includes provisions designed to impose severe restrictions on ammunition clips and other ammunition feeding devices frequently used to enable so-called ``assault weapons'' to fire a large number of rounds rapidly and without reloading. Under my Administration's proposal, a magazine or other ammunition feeding device with a capacity of greater than 15 rounds would be subject to strict regulation and generally could no longer be imported, manufactured, received, or possessed. Persons already in possession of such devices would be allowed to retain and use them lawfully. No transfer to another owner would be

permitted unless a record was made of that transfer, which would permit tracing in the event of a criminal misuse.

Limited manufacture or importation for purposes of export or for sale to Government agencies would be authorized, but such large-capacity devices, like a firearm today, would be subject to identification by requiring serial numbers. While an ammunition feeding device, like a firearm itself, is not inherently evil, the enhanced potential for danger to law-abiding citizens posed by the unlawful use of weapons equipped with such devices in criminal hands makes it necessary to impose these restrictions in the interest of public safety.

Fourth, My proposal would establish a nationwide program of mandatory drug testing for defendants on post-conviction release, including probation, parole, or supervised release. It is estimated that upwards of 81,000 individuals will be on some form of Federal supervised release in 1990. The known association between criminal behavior and drug abuse is such that drug testing as a condition of release for convicted persons is an essential precaution to help enhance the public safety, while also promoting rehabilitative goals. I have proposed that $10.7 million be appropriated for this activity in fiscal year 1990.

Fifth, the proposal contains provisions to reform the so-called ``exclusionary rule." Under this rule, Federal courts today exclude or suppress probative evidence obtained by searches and seizures conducted in good faith by law enforcement officials. The result is that factually guilty individuals avoid conviction and punishment. Under my proposal, any evidence that is obtained as a result of a search or seizure undertaken in objectively reasonable good faith, as determined by a court, would be admissible at trial, notwithstanding that a magistrate or judge later found that the search did not satisfy constitutional requirements.

Suppression of evidence in criminal trials -- which are supposed to represent a search for truth on the issue of a defendant's guilt or innocence -- is not an appropriate remedy to redress innocent mistakes. Law enforcement officers must frequently make split-second decisions on matters involving difficult constitutional issues on which even judges may disagree. Enactment of this proposal is necessary in order to make the justice system work effectively.

The exclusionary rule would remain, under my proposal, as a permissible sanction for intentional violations, but no longer would a criminal escape punishment because of a technical mistake in conducting a search or seizure. The House of Representatives last year passed a similar proposal, which unfortunately was deleted in the conference agreement on the Anti-Drug Abuse Act of 1988. The proposal should be enacted this year.

Sixth, the proposed bill would restore an appropriate degree of finality to State and Federal criminal convictions by curtailing abuses of the writ of habeas corpus. Under current interpretations of Federal statutes, defendants whose convictions have been affirmed by courts of appeals may nonetheless later seek to relitigate in Federal courts the claims previously raised or

waived on direct appeal. Not infrequently, defendants with nothing to lose exercise this novel opportunity, which is afforded by no other civilized society in the world, through several rounds of litigation lasting many years and tying up our already overburdened Federal courts.

With the massive delays in many Federal districts occasioned by an overwhelming caseload, we can no longer afford the luxury of this system of excessive opportunity for review of ``final'' criminal judgments. An effective justice system requires that final adjudications not be subject to continuous review. No innocent individual should be denied an avenue through which to petition the Federal courts to review his or her conviction. But at the same time, those persons who have been tried and found guilty, and whose legal claims have been rejected after full and fair consideration, should not be allowed to relitigate endlessly in the Federal courts.

Under the proposed amendments, the opportunity for certain kinds of collateral attacks upon a conviction would be limited by a time period of 1 or 2 years, with due exceptions for the assertion of rights newly created or facts newly discovered. Similarly, Federal courts would be admonished to give presumptive validity to any full and fair determination of a factual issue by a State court.

A nearly identical proposal was overwhelmingly passed by the Senate in 1984. Its enactment this year would improve the justice system and relieve the Federal courts, thereby freeing them to hear other cases and to dispense justice to others more promptly.

Seventh, and finally, the proposed bill would authorize appropriations for several activities of the Department of Justice to augment Federal law enforcement personnel, increase prosecutorial efforts, and expand prison capacity. These appropriation authorizations, along with the increased funding I have requested for the Judiciary and the Bureau of Alcohol, Tobacco and Firearms in the Department of the Treasury -- a total government-wide increase of about $1.2 billion in 1990 -- will make possible a tougher, more vigorous and more effective fight against violent crime.

When I stood before the United States Capitol on May 15 and addressed the families of the brave and valiant peace officers who gave lives in the battle to rid America of drugs and crime, I promised them -- as I did the American people on the day I assumed this office -- that ``this scourge will stop.'' Enactment of the set of proposals that I present to you today, as well as implementation of the other initiatives that I announced last month, will be a major step in keeping that promise. I urge that these important proposals promptly be considered and enacted. We owe the people of our great Nation no less.

George Bush

The White House,

June 15, 1989.

Remarks to Law Enforcement Officers at the Federal Training Center in Glynco, Georgia

June 15, 1989

I don't want to do anything less than solemn on an occasion like this, but I'll be darned if I'm going to sweat up here. I'm going to take my coat off, and I hope all you will, too.

Well, thank you all very much. In a sense, there's a little nostalgia in the air, because just 44 and a half years ago, Barbara and I had our honeymoon 14 miles from here, or just a few miles from here. So, I feel like it's coming back in a sense.

And I want to thank Charlie Rinkevich, who has really epitomized what cooperation stands for between law enforcement agencies. And I worked with him, as Nick Brady said, hand-in-hand, as we did battle against narcotics in south Florida. And the South Florida Task Force was a success. And one of the reasons that this place here has been a demonstrable success is that Charlie brought those same skills that he had of getting people working together and has applied them right here at Glynco.

I want to salute our Attorney General [Richard L. Thornburgh], who really is doing a superb job, shaping for me an anticrime package that I want to talk with you a bit about today. I want to salute Secretary Brady -- many don't realize that the Secretary of the Treasury has tremendous responsibilities in the field of law enforcement, and Nick's doing an outstanding job.

And then on the political front, I wasn't quite sure that anybody could ever fill the shoes of Bo Ginn, who's over here, your own. And sure enough, [Representative] Lindsay Thomas, who flew down with us on Air Force One, is doing a superb job for Georgia; and he's right here with us today, and I want to say I'm pleased he's here.

And unrelated though it is to battling crime, we brought with us another son of Georgia, and that is the Honorable Paul Coverdell, who had been a member of the State senate here, and is now the Director of the Peace Corps, worldwide -- Paul, over here.

And the last thing I would like to do -- those of you in the back can't see them -- but one of the things this center does is offer training in certain anticrime techniques and self-preservation techniques to Ambassadors. And I see that several of those who I have selected to be United States Ambassadors serving in foreign countries are here with us today, and I'd like to ask them to stand. [Applause]

This is such a warm summer day, I think Charlie ought to take you all over to Pam's. [Laughter] Sorry about that, Charlie. [Laughter]

We've had a lot of talk about the various kinds of training that our law enforcement people from all different agencies go through, and they were telling me about the shooting range. I also hear that a distinguished graduate of one of the courses was a predecessor in the ambassadorial training -- Shirley Temple Black was here, soon to be our Ambassador to Czechoslovakia, a tough assignment which she'll do very well. But I'm told that in shooting she had an almost perfect score: four shots right on the target. The target was a picture of a tourist with a camera. [Laughter] She's going to do well in Czechoslovakia.

But when you graduate from this center, the Federal Law Enforcement Training Center, you're going to leave, you graduates, with a knowledge that you've already confronted the hardest questions that any peace officer must face. You will have already been tested under fire. And you will know, from the firearm training center, whether or not you would shoot when you must shoot and if you would hold your fire when the apparent bank robber turns out to be a child with a toy gun. And you will know from ``Hogan's Alley'' just how fast your reaction time really is. And in short, you will have been tried and tested, all of your reflexes -- physical, mental and moral. And when you return to duty -- whether your duty is at the Federal courthouse in Atlanta, the mountain hollows of West Virginia, or the city streets of New York -- you will take with you a confidence and a self-assurance that can only be earned, never bestowed.

And you might guard a NASA rocket, a witness under the threat of a murder contract, or a visiting Prime Minister. Or you might be a member of the U.S. Customs, the Secret Service, or practically any Federal agency. Or you might be a local or State law enforcer. But wherever you're from, whatever you do, you wear a badge over your heart, a badge of service, a badge of honor. And I came here to salute each and every one of you.

This center is dedicated to a special partnership between every man and woman with a badge. The bulk of law enforcement is provided by one partner: the States and localities, those closest to the streets and homes of America. The other partner, the Federal Government, is best equipped to fight specialized crimes, from interdicting drugs on the high seas to putting prison stripes on high-rolling crooks that are now in pinstripes. And the Federal Government is adept at yet another task: training. And that's why this center is so well suited to this special partnership.

This center is renowned for its high-tech, state-of-the-art facilities and many talented instructors. And it was my pleasure just now to meet several of those talented instructors. But it's more than your ample resources and your excellent faculty that make Glynco one of the most unique law enforcement training facilities in the world. It's also your singular and unwavering commitment to fighting crime. And you teach many agencies, but you are one academy with one purpose: to catch today's criminals with tomorrow's methods and to lift the shadow of fear from our neighborhoods, from our communities -- yes, from our entire country.

And here, investigators learn how to track down insurance or telecommunications fraud, money laundering, computer crimes. Glynco's Financial Fraud Institute will allow agencies to keep up

with a boom industry, the quiet larcenies of white-collar crime. And let me just say parenthetically: If we are going to be fair about it, the white-collar criminal has got to pay along with the common street criminal.

But right here, State law enforcers work with Federal agents to learn how to crack a drug ring. And here, our U.S. Ambassadors learn to recognize and avoid terrorists. Investigators and regulators -- they learn how to work together to track down those who would poison our lakes and our rivers.

And nowhere else do law enforcers from so many agencies train together. You may be a security officer from the State Department or a U.S. Marshal. At this center you learn that there are many agencies that fight crime, but you are all members of one team, the united forces of justice.

The Peace Officers Memorial here at Glynco is a somber reminder of this shared cause and shared sacrifice. Thirty-nine names, thirty-nine slain Federal officers. All were graduates of this Center. Among the names is one that I recognize and knew well: Ariel Rios, a Special Agent of the Bureau of Alcohol, Tobacco and Firearms, graduated from the Center in March 1979 and gunned down, shot to death, while working undercover trying to break up a drug ring in south Florida just 3 years later, in December of 1982. Julie Cross, Special Agent, U.S. Secret Service -- her name marks a poignant distinction. When she was killed in Los Angeles in June of 1980 while working a criminal counterfeit investigation, Julie became the first female Secret Service Agent to die in the line of duty. And sadly, these are not the only names of slain officers. Of 161 officers killed in the line of duty last year, 152 were State or local officers. More than 1,500 law enforcement officers have been killed in the past 10 years. And that is almost one death every 2 days. And one death for every 2 days -- that is too much.

I'm here today to deliver a message. And I said it in New York, after the murder of Special Agent Everett Hatcher. And I came here to Georgia to lay a wreath and to repeat a warning: Better that you had never been born than to attack one of America's finest. We are going after those who kill or wound our police officers.

And so, I've also come here to send a message to the United States Congress: We can work together to protect those who protect us. And I've come here today to sign a transmittal, an official message to Congress detailing our crime package. Usually, this would entail nothing more than a quick flourish of the pen and then sending an aide on a 10-minute car ride up from Pennsylvania Avenue, 1600, on up to Capitol Hill. But when it comes to fighting crime, you deserve more than business as usual. And that's why I have come almost a thousand miles to this wonderful Center to let you know we intend to back you where it counts -- on the streets and in the courtroom.

And first, I call on Congress to do for dangerous firearms what it has wisely done for dangerous drugs. I propose to double the mandatory penalties for the use of semiautomatic weapons in

crimes involving violence or drugs. And those who use a semiautomatic weapon in Federal crimes, or so much as have one during the commission of a crime, will do an automatic 10 years in Federal prison -- and I mean 10 years -- no excuses, no probation, no parole. And let's put the handcuffs on the criminals, not on the criminal justice system.

Secondly -- and I know our able Attorney General agrees with this -- we can't plea-bargain away the lives of your loved ones, the lives of fellow cops and kids. And I have directed the Attorney General to advise America's Federal prosecutors to end plea-bargaining for violent Federal firearms offenses. Our message: Pack a gun, and we will pack you away. No plea-bargaining for that kind of crime.

And third, when a criminal commits a crime with a gun and someone dies, justice demands something in return: the ultimate penalty, the death penalty. And I call on Governors to match this Federal initiative and propose these same three standards at home -- mandatory time, no deals without cooperation, and the death penalty for these kinds of crime.

Fourth, at my direction, the Bureau of Alcohol, Tobacco and Firearms suspended the importation of certain assault weapons. ATF is continuing its examination to determine which, if any, of these weapons are not acceptable under the standards in existing law. And the standard talks about suitability for sporting purposes -- and you're hearing this from one who prides himself on being a sportsman, and have been a hunter all my life. And at the conclusion of this study, and after careful consideration, we will permanently ban any imports that don't measure up to these standards. I am going to stand up for the police officers in this country.

And toward this end, I am proposing the prohibition of the importation and manufacture of gun magazines of more than 15 rounds for citizens' use. I just don't believe that sportsmen require these 30-round magazines if the legitimate purpose is sports.

And finally, I am requesting funding for the hiring of 825 new Federal agents and staff: 375 at Alcohol, Tobacco and Firearms; 300 at the FBI; and 150 new deputy U.S. marshals. And these new law enforcers should be matched by 1,600 new prosecutors and staff. And we're asking for an additional $1 billion, over and above $500 million already slated for 1990, for Federal prison construction. This will mean 24,000 new beds to boost Federal prison capacity by nearly 80 percent. In short, I am proposing more law enforcers to catch criminals, more staff to prosecute them, and more prisons to keep them off the streets.

You here at Glynco play a major role in this war on crime. And to say it exists to ``foster interagency cooperation'' is a forgivable understatement. It creates a bond between you and your roommates, your classmates, your fellow officers of the law. And this is a bond that can be known only by those who put themselves on the line every day in the service of a great cause. In a country where criminals threaten to erode the very liberties that we hold so dear, you here at Glynco are domestic freedom fighters in this war on crime. And for this reason, you have a

friend in the majestic Oval Office, and you have the gratitude and the support of the American people.

Thank you. God bless you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 11:41 a.m. in the Steed Building. Prior to his remarks, he participated in a wreath-laying ceremony at the Peace Officers Memorial. In his remarks, the President referred to Charles F. Rinkevich, Director of the Center, and Pam's, a local bar. At the conclusion of his remarks, the President returned to Washington, DC.

Nomination of Stephen A. Wakefield To Be General Counsel of the Department of Energy

June 15, 1989

The President today announced his intention to nominate Stephen A. Wakefield to be General Counsel of the Department of Energy. He would succeed Francis S. Ruddy.

Since 1986 Mr. Wakefield has served as a senior partner in the law firm of Baker and Botts in Houston, TX. Prior to this, he served as vice chairman and general counsel of United Energy Resources, Inc., 1985, and in 1985 when United Energy Resources, Inc., merged with the MidCon Corp., he became an executive vice president and member of the board of directors. He served as an attorney with the law firm of Baker and Botts in Houston, 1974 - 1985; Assistant Administrator for International Affairs at the Department of Energy, 1974; and Assistant Secretary of the Interior for Energy and Minerals, 1973. Prior to this, he served in various positions, including assistant to the General Counsel of the Federal Power Commission and Deputy Assistant Secretary of the Interior, 1970 - 1973.

Mr. Wakefield graduated from the University of Texas and the Texas School of Law. He was born in Olney, IL. He is married, has six children, and resides in Texas.

Nomination of J. Michael Davis To Be an Assistant Secretary of Energy

June 15, 1989

The President today announced his intention to nominate J. Michael Davis to be an Assistant Secretary of Energy (Conservation and Renewable Energy). He would succeed John R. Berg.

Since 1986 Mr. Davis has served as president of GlowCore Colorado, Inc., in Englewood, CO. Mr. Davis served as vice president of Sunbelt Energy Corp. in Englewood, CO., 1982 - 1986. Mr. Davis has served in several positions with the Solar Energy Research Institute in Golden, CO, including manager of planning and special programs, 1981 - 1982; acting associate director for analysis and applications, 1981; and buildings division manager, 1980 - 1981. Mr. Davis also served as a division manager at the Department of Energy in Washington, DC, 1977 - 1980.

Mr. Davis graduated from the U.S. Air Force Academy (B.S., 1969) and the University of Illinois (M.S., 1970). He served with the U.S. Air Force, 1969 - 1977, achieving the rank of captain and receiving the Bronze Star and the Vietnam Honor Medal. Mr. Davis has three children and currently resides in Lakewood, CO.

Nomination of Luigi R. Einaudi To Be Permanent United States Representative to the Organization of American States

June 15, 1989

The President today announced his intention to nominate Luigi R. Einaudi to be the Permanent Representative of the United States of America to the Organization of American States, with the rank of Ambassador. He would succeed Richard Thomas McCormack.

Since 1977 Dr. Einaudi has been Director of the Office of Policy Planning Coordination at the Bureau of Inter-American Affairs at the Department of State, and a member of the Policy Planning Staff, 1974 - 1977. Dr. Einaudi was visiting professor at the University of California at Los Angeles, 1964 - 1974. He served as a senior social scientist for the Rand Corp., 1962 - 1974, and was a teaching fellow and tutor in government at Harvard University, 1960 - 1961.

Dr. Einaudi graduated from Harvard College (A.B., 1957) and Harvard University (Ph.D., 1966). He was born March 1, 1936, in Cambridge, MA. He served in the U.S. Army, 1957 - 1959. He is married, has four children, and resides in Bethesda, MD.

Remarks at a Reception for Participants in the Very Special Arts International Festival

June 15, 1989

Thank you, Jean, for that warm introduction; and Barbara and I are just delighted to be here. I'm only sorry that the six puppies are not here. [Laughter] We'd have had a heck of a good time with them. But, Jean, thank you for all you do -- you and everyone else involved in this Very Special Arts program.

Let me tell you how pleased that Barbara and I are to have front-row seats for a program like this. I'll tell you, I used to be a Kenny Rogers fan -- I've got to admit it -- and I still am. But I'm also a Phong Sak fan -- [laughter] -- Phong Sak Meunchanai, the son of Thailand -- what a magnificent performance! Maybe it's not such a long journey from the streets of Thailand, of Bangkok, to the South Lawn at the White House. It tells us all that there's no limit to how far we can go or what we can achieve. And here at the White House, we're very privileged -- every President is -- to have the great artists come to this magnificent home, the people's home. And it's a special treat for us to see, Jean, so many talented young people, from across the country and around the world, bring your art, your special abilities, here to Washington. And I only wish that every performer here -- and I know there's a lot -- could have performed right here on this stage.

You're all well on your way to the kind of life that I want to see for every American: a life of independence and opportunity and productive involvement in our mainstream. And that means a commitment on society's part to end discrimination, to increase access and opportunity in our schools, on the job, and in every aspect of our society. You guys don't let any disabilities stand in your way, and so it's up to us to make sure that discrimination doesn't stop you. And Federal law must protect individuals with disabilities, and I'm going to do my level best to see that it does.

I want to share, in conclusion, just one little story told to me by Jean Kennedy Smith about a blind young man, a sculptor. Jean met him in Ireland several years ago, and she watched as this sightless boy sculpted a face from clay, a marvel of detail, masterful expression. And what Jean said made an impression on me: ``Art gave that boy the power to see for the rest of us." And that's true -- all art is a vision that comes from within; and each of you has a very special talent to make us see what you see, feel what you feel, hear what you have to say.

And so, share your gift, and it will grow. And you've made this a very, very special afternoon at the White House. Thank you, and God bless each and every one of you. Thank you very much.

Note: The President spoke at 2:43 p.m. on the South Portico at the White House. In his remarks,

he referred to Jean Kennedy Smith, founder of the Very Special Arts Foundation, and Phong Sak Meunchanai, a participant in the Festival who sang prior to the President's remarks.

Remarks at a Briefing on Law Enforcement for United States Attorneys

June 16, 1989

Welcome to the White House. Thank you all very much. Thank you, Dick, and thank all of you for that warm welcome here. But let me welcome you to the White House. I'm just delighted to have the U.S. attorneys here.

First, a word about our able Attorney General. I feel very confident about our Justice Department under his able leadership. And the integrity that Dick brings to this job is known nationwide, and I know it's going to enhance the work that you all are involved in every day of your lives, serving this country. So, I want to thank the Attorney General for all he is doing and to salute him in front of you who work closely with the Department and with him.

This is a time where we get around and tell lawyer's jokes. [Laughter] I was thinking of having Frank Donaldson come up -- Alabama's own -- to tell a few -- [laughter] -- but this is a kinder and gentler White House, and I'm not sure we need that. But -- [laughter].

You know, when I flew out to Wyoming on Monday, I got off Air Force One out there -- beautiful -- and Richard Stacy was there to shake my hand. And he said, ``I'm here to represent rural America." [Laughter] Simple, dramatic words. So, my name is George Bush, and I represent the United States. [Laughter] And with words like these, you and your assistants begin a Federal criminal trial. And it's a great and rare honor to represent the United States, and I'm honored to share that distinction with you. I share the pride that you feel every time you say that.

Two hundred years ago, a few months after becoming President, George Washington signed the act that gave birth to the offices that you hold. And it's a distinguished tradition. And one of the reasons that I was so delighted when Dick arranged for this little meeting was that I wanted to be able to tell you the respect I feel for the job that you all do. And, in the words of a former Attorney General, you represent ``one of the most powerful peacetime forces known to man."

Peacetime? Well, I expect some of you would debate that. The situation in our streets has been aptly compared to a shooting war -- and that's why you're here, for an assembly unprecedented in modern times. And I did want you to know how strongly I feel -- and I'm grateful to Dick for his comments on this -- about violent crime in America, and how firmly I support what you all do every single day.

The problem today is violent crime -- some call it blood and thunder -- involving these high-powered weapons of a new class of criminals who impose the law of the jungle out of the barrel of a gun. And the fundamental responsibility for protecting America's streets and neighborhoods

from violent crime must remain with our cities and States. But there's an increasing and important Federal role in fighting violent crime. And when leadership is called for, we've got to respond, we've got to seize the day.

One month ago, on a really somber, rainy day here, I was standing in front of the Capitol to commemorate the police officers who were slain in the line of duty. And many were agents or officers who had worked with you or the prosecutors that you supervise. And to honor their sacrifice, I called upon the United States Congress to join me in launching a new national strategy, a new partnership with America's cities and States, to take back the streets. And to do that we must raise our voices to correct an insidious tendency -- the tendency to blame crime on society rather than on the criminal.

And let me be extra clear on my own beliefs here today. I, like most Americans, believe that we can start building a safer society by first agreeing that society itself doesn't cause the crime -- criminals cause the crime. And we are foursquare behind the men and women like you who make sacrifices every day to protect the vulnerable, to safeguard the law-abiding, and to ensure that those who scorn justice are brought to justice. And we must hold people accountable for their actions. And I said it at the Capitol: A commonsense approach to crime means that criminals must know that if they commit a crime, they will be caught; and if caught, they will be prosecuted; and if convicted, they will do time.

A plain-speaking predecessor of mine was Harry Truman. And he said it pretty well 37 years ago when he met with the U.S. attorneys here at the White House. And he summed it up: ``We don't want any crooks left out of jail when they do crooked things." And nowhere is this precept more critical than in combating violent crime. The killing must stop, and it must stop now. And I'm here to ask your help -- to ask you to take a leadership role in your districts in helping put away our nation's most wanted: the privileged class of violent, repeat, and fugitive offenders hellbent on proving that crime really does pay.

The comprehensive plan that we sent to Congress seeks to take violent criminals off the streets with an attack on four fronts: new laws to punish them, new agents to arrest them, new prosecutors to convict them, and new prisons to hold them. And all four are essential. Your role is essential. A chain is only as strong as its weakest link.

The first link is some tough new laws, and everyone here is familiar with title 18's section 924(c). And, well, we have asked Congress to do for dangerous firearms what it has wisely done for dangerous drugs -- double the mandatory penalties. As we've said, the math is simple. Anyone using a semiautomatic for crime, or so much as having one in hand during a crime, will do an automatic 10 extra years in Federal prison -- no probation, no parole, no matter which judge they get.

And I'm asking each of you to see that this message is brought to life in the streets and

courtrooms of your cities and towns. Because for these laws to be effective, we can't plea-bargain away the lives of our cops and our kids. And I want and expect that when suspects are arrested with serious weapons, that they'll face serious weapons charges. And so, last month, I directed the Attorney General to issue guidelines to ensure that, in all but the most exceptional cases, all firearms offenders are prosecuted to the fullest extent of the law.

And those guidelines are being distributed today, I'm told, and you've been summoned to Washington to hear it from the top. No more loopholes, no conditional surrender, no more rolls of the dice -- if a criminal carries a gun, all deals are off. And when a criminal carries a gun and someone dies, I firmly believe that that person should pay with his life.

We're going to up the stakes for those who calculate that our criminal justice system is a crapshoot where the risks are worth the rewards. And when criminals think about reaching for a gun, they're going to know, and they're going to learn, that they will do time -- hard time. And yes, this policy may mean more trials. And I understand that firearms cases, like narcotics cases, are not always very popular with some on the bench. But it can be done and, in fact, already is being done -- even in districts with these overcrowded dockets like the Southern District of New York, where plea bargains for 924(c) violations have been banned since 1987.

And yes, we recognize that more offenders serving longer sentences obviously means more prison space. And here again we've matched our rhetoric with resources: an unprecedented $1.5 billion building program for federal prisons, boosting present capacity by 80 percent. These are tough budgetary times, as everybody here knows. But $1.5 billion is what I want to see go into this program.

And finally, yes, we also know how understaffed and overworked your offices are. And we've called in the cavalry -- Federal reinforcements are on the way. And if Congress will move -- and move quickly -- in addition to 825 new agents to investigate violent crime, I have asked the Congress to provide funding for 1,600 new prosecutors -- new positions for your district -- the largest one-time expansion in U.S. history -- with increases in both prosecutors and then the support staff. And we're also seeking over 150 new attorneys at this end, adding more muscle to the Department's Criminal Division.

These forces must be marshaled effectively. And the Attorney General is proposing to consolidate the strike forces so that they are led not from distant Washington, but by you -- the commanders at the front lines. And of course, new laws and new manpower aren't the only tools at your disposal. Your leadership on the law enforcement coordinating committees has already produced new initiatives to meet the challenge of violent crime. In Chicago, Tony Valukas has led a cooperative effort to rid the community of dangerous offenders by charging gang leaders and other repeat offenders under tough Federal armed-career-criminal laws. And in the last 2 years, working together, we've jammed the revolving door on 20 such criminals -- all are now serving life without parole in Federal prisons. And one of Tony's counterparts, the director of the

Illinois State Police, responded to the Federal initiative by launching a violent crime task force. Similar partnerships on violent crime are being led by U.S. attorneys like Benito Romano up in New York, Jay Stephens right here in the District, Rob Bonner in L.A., whose promotion to the Federal district court was recently confirmed by the Senate.

And there are other innovations. To attack the profusion of gang and street violence, you may use some of your new slots to recruit seasoned ADA's or others trained in prosecuting gunshot crime. In those States where police are not protected by death penalty provisions, we should make full use of those Federal laws that permit the death penalty for cop-killers. And we should always use our unique Federal resources and expertise to wipe out the kind of violent crime that operates beyond the reach of any one State -- like the Rukn street gang whose members were convicted of conspiring with Libya to acquire military weapons for terrorist operations in America.

And in addition to my directive on plea bargaining, there's a second important message that I ask you to bring home to your districts. Your colleagues in State and local law enforcement need the same tools we've proposed for you: mandatory time for weapons offenders, no plea bargaining on guns, the death penalty for heinous crimes, and the kind of increased resources -- police, prosecutor, prisons -- that ensure these vicious thugs will be pursued, prosecuted, and put away for good.

United States attorneys are a breed apart -- invariably bright, committed, tenacious public servants. I really believe the country understands that about all of you. Four former U.S. attorneys hold leadership roles in our administration: Dick Thornburgh of Western Pennsylvania, [Secretary of Transportation] Sam Skinner of Northern Illinois, [Director of Central Intelligence] Bill Webster of Eastern Missouri, and [Director of the Federal Bureau of Investigation] Bill Sessions of Western Texas. And we hope to see yet another -- Bob Fiske of New York, joining our ranks here soon.

Your efforts against violent crime are important, but no less important than the other law enforcement priorities that you have so ably addressed. And over the years, America has watched in admiration, and sometimes awe, as the accomplishments of your offices roll across America's television screens. And we're not going to tolerate the corruption of labor by organized crime, as the landmark Teamster settlement proved. And crime is crime, whether committed with a briefcase or a gun. And we will not tolerate greed over honest business, whether the business is defense contracting -- Operation Ill Wind; Wall Street -- where you're owed congratulations on last week's convictions; banking -- Polar Cap was the largest money laundering case in history; savings and loans -- where the legislation we've proposed will give you the tools you need to wipe out the financial fraud that has devastated that industry.

Nor will we tolerate civil rights violations, as the recent Klan convictions in Alabama prove. And as the recent indictments against two major drug gangs right here in Washington show, we

will not tolerate the corruption of our youth by the poison they call cocaine. This scourge will stop. I said it in my Inaugural Address and I'll repeat here: This scourge will stop.

And it's easy to understand why our people are so grateful to those of you who have sacrificed to serve on the firing line -- whether in court or on the streets. And day and night your skypagers and mobile phones are active, as those you command monitor court-authorized intercepts or move undercover into the breach. It is exciting and principled work, an integral link in a system of justice that remains the envy of the world. In today's new effort, and in all your efforts, you have the gratitude, the respect, and the support of the American people -- and certainly of me. For your kids, for mine, for America's kids: Take back the streets.

And thank you for coming here today. Godspeed in the challenges ahead. And God bless you, your families, and the Nation that you work so ably to protect. Thank you for coming to the White House.

Note: The President spoke at 10:09 a.m. in the East Room at the White House. In his remarks, he referred to Frank W. Donaldson, U.S. Attorney for the Northern District of Alabama, and Richard A. Stacy, U.S. Attorney for the District of Wyoming.

Remarks Congratulating the Wichita State University Shockers on Winning the NCAA Baseball Championship

June 16, 1989

First, let me salute the two Kansas Senators, Senator Dole, Senator Kassebaum; members of the Kansas congressional delegation; President Armstrong; Coach Stephenson; Shocker players; staff; friends; secret admirers. Welcome to the White House, and heartfelt congratulations on wrapping up and winning the NCAA Baseball Championship. And nothing personal at all in your having kicked the Texas Long-horns out to pasture. [Laughter] I'd forgotten that.

But it's a special treat to be here, for as you may have heard, I love the game. In fact, watching Greg Brummett's fastball last weekend reminded me of another one from the olden times -- threw that high, hard fast one -- the fabled Dizzy Dean, St. Louis Cardinal fame. As a player, he fractured the opponents' bats; but later, as a broadcaster, he fractured the English language. [Laughter] And he said once, of a homerun hitter: ``He's standing confidentially at the plate." [Laughter] And then he delighted listeners with his trademark quote that I'm sure even young guys remember: ``That runner slud into third." [Laughter]

Well, by winning Wichita State's first-ever national baseball title, you have slud headfirst into the sports hearts of America. And they're calling it Shocker Success or Midwest Magic. And remember how Judy Garland once said of Kansas, ``There's no place like home"? Well, with apologies to Senator Dole and Senator Kassebaum, you've proven there's also no place like Omaha and the College World Series.

If you'll excuse a personal reminiscence, I played in 1947 in the first College World Series finals. It started in Kalamazoo, Michigan. I think they played there 2 or 3 years before a move to Omaha. And next year, '48, again our Yale team reached the finals, but there was one problem. We had a good coach -- great National League baseball player, Ethan Allen; and we walked the eighth hitter, bases loaded, I think, to get to the ninth hitter. The ninth hitter was their pitcher, Jackie Jensen, who went on to be one of the greatest sluggers the Boston Red Sox ever had. And he hit a ball that's still rolling in Kalamazoo, Michigan. [Laughter] So, we lost both times. So, baseball can keep you humble.

But in 1989, you were the ones that kept your opponents humble -- 58 - 14 they were -- 58 - 14 on the regular season. Five victories in the College World Series, batting, pitching, fielding -- all of it right into the history books. Greg Brummett, of course, now famous nationally, led you there: only the seventh pitcher to win three games in a College World Series. Greg, the pickoff move of yours would nab Ricky Henderson [New York Yankees player]. And help came, too, from the Shockers' answer to the question, ``How do you spell relief?" Well, Jim Newlin, only

the fourth college pitcher to get three saves in a College World Series. And then there's Eric Wedge, your catcher; shortstop Pat Meares, clubbing a homerun in the title game -- called NASA this morning, and that ball's still in orbit. And Jim Audley, Todd Dreifort -- each of the four, All-Tournament selections.

So, don't worry; I'm not forgetting Mike Wentworth here. One week ago, you started reading the comic that covers a piece of bubble gum, and you came upon this fortune: ``Something magical will happen." And hours later, you belted a three-run homer to help beat top-seeded Florida State. And the next day, Gene Stephenson's team completed the magic act, becoming the first NCAA baseball champion in 23 years not located in California, Texas, Arizona, or Florida. And last week, Gene said, ``We wanted to prove to people all over the country that somebody outside those States can play baseball." Don't worry, Coach; they got the message.

And in that final game, Bryant Winslow had to leave because of a stress fracture in his right leg -- one of four major injuries to hit this ball club. He had, as we all would, tears in our eyes at a difficult situation like that. He didn't want to leave, but he led his teammates from the bench.

And a writer once observed, ``The Kansas spirit is the American spirit double-distilled." And my friends, you embody that spirit. And it -- and you -- have made the Shockers number one.

The Vice President and I are delighted to be here to salute you, along with our distinguished Members of the Congress. Congratulations to a team of champions -- well done! Thank you.

Note: The President spoke at 11:03 a.m. in the Rose Garden at the White House. In his remarks, he referred to Warren B. Armstrong, president of the university, and Gene Stephenson, coach of the team.

Nomination of Stephen John Hadley To Be an Assistant Secretary of Defense

June 16, 1989

The President today announced his intention to nominate Stephen John Hadley to be an Assistant Secretary of Defense (International Security Policy). He would succeed Ronald F. Lehman II.

Since 1981 Mr. Hadley has been a partner with Shea and Gardner, Attorneys at Law, in Washington, DC. Prior to this he was an associate with Shea and Gardner, 1977 - 1981. Mr. Hadley served on the National Security Council staff in the Office of Program Analysis, 1974 - 1977, and as a member of the analysis group for the Assistant Secretary of Defense (Comptroller), 1972 - 1974.

Mr. Hadley graduated from Cornell University (B.A., 1969) and Yale Law School (J.D., 1972). He was an active-duty U.S. naval officer, 1972 - 1975. Mr. Hadley was born February 13, 1947, in Toledo, OH. He is married, has two children, and resides in Washington, DC.

Nomination of Henry S. Rowen To Be an Assistant Secretary of Defense

June 16, 1989

The President today announced his intention to nominate Henry S. Rowen to be an Assistant Secretary of Defense (International Security Affairs). He would succeed Richard Lee Armitage.

Mr. Rowen is currently a professor of public policy studies at Stanford University's Hoover Institution on War, Revolution, and Peace. Mr. Rowen served as Chairman of the National Intelligence Council at the Central Intelligence Agency, 1981 - 1983. He has served as a member of the Defense Science Board since 1983. Mr. Rowen served as president of the Rand Corp., 1967 - 1972; Assistant Director of the Bureau of the Budget, 1965 - 1966; and Deputy Assistant Secretary of Defense for National Security Affairs, 1961 - 1964. He also served as an economist with the Rand Corp. from 1950 to 1961.

Mr. Rowen received his bachelor of arts degree from the Massachusetts Institute of Technology, 1949, and his master's degree from Oxford University, 1955. He served in the U.S. Navy, 1943 - 1946, in the Pacific theater of operations. He was born October 11, 1925, in Boston, MA.

Nomination of Andrew Camp Barrett To Be a Member of the Federal Communications Commission

June 16, 1989

The President today announced his intention to nominate Andrew Camp Barrett to be a member of the Federal Communications Commission for the term expiring June 30, 1990. He would succeed Mark S. Fowler.

Since 1980 Mr. Barrett has been commissioner for the Illinois Commerce Commission. Prior to this he was assistant director of the Illinois Department of Commerce and Community Affairs, 1979 - 1980. He was director of operations for the Illinois Law Enforcement Commission, 1975 - 1979; executive director for the Chicago branch of the NAACP, 1971 - 1975; and associate director for the National Conference of Christians and Jews, 1969 - 1971.

Mr. Barrett graduated from Roosevelt University of Chicago and received his master's degree from Loyola University of Chicago. He currently resides in Chicago, IL.

Nomination of Sherrie P. Marshall To Be a Member of the Federal Communications Commission

June 16, 1989

The President today announced his intention to nominate Sherrie P. Marshall to be a member of the Federal Communications Commission for the remainder of the term expiring June 30, 1992. She would succeed Dennis R. Patrick.

Since 1989 Ms. Marshall has been a partner with Wiley, Rein and Fielding in Washington, DC. Prior to this she was an attorney with the White House Counsel's Office in the office of the President-elect, 1988 - 1989. She was Director of the Office of Legislative Affairs at the Federal Communications Commission, 1987 - 1988; an attorney with Wiley, Rein and Fielding, 1986 - 1987; and Executive Secretary for the Department of Treasury, 1985 - 1986. She served as Associate Counsel to the President, 1982 - 1985; Special Assistant to the President for Legislative Affairs, 1981 - 1982; and executive assistant to the Chairman of the Federal

Election Commission, 1979 - 1981. She has also served as the minority counsel for elections for the Senate Committee on Rules and Administration, 1978 - 1979; and as an attorney in the Office of the General Counsel for the Federal Election Commission, 1977 - 1978.

Ms. Marshall graduated from the University of North Carolina (A.B., 1974) and the University of North Carolina School of Law at Chapel Hill (J.D., 1977).

Statement by Press Secretary Fitzwater on Hungarian Political Reforms

June 16, 1989

The United States welcomes the announcement of the Hungarian Government's intention to begin discussions with the opposition as a first step to multiparty elections. On April 17, in Hamtramck, MI, the President pledged support to East European countries which embarked upon the path of fundamental political and economic reform. In view of Hungary's progress, the President will seek legislation to accord Hungary GSP (Generalized System of Preferences) and to permit the Overseas Private Investment Corporation (OPIC) to operate in Hungary.

Continuation of Edward L. Rowny as Special Advisor to the President and Secretary of State for Arms Control Matters

June 16, 1989

The President today announced that Edward L. Rowny will continue to serve as Special Advisor to the President and Secretary of State for Arms Control Matters.

In 1985 Ambassador Rowny was named Special Representative for Arms Control and Disarmament Negotiations at the U.S. Arms Control and Disarmament Agency. From 1981 to 1985, he served in Geneva as chief negotiator and head of the first U.S. delegation for strategic arms reduction negotiations. From 1941 to 1979, he served in the U.S. Army, retiring with the rank of lieutenant general. He commanded units from platoon through corps, serving in Africa and Italy in World War II; in Korea, 1950 to 1952; and in Vietnam, 1962 to 1963. In 1971 he was assigned to Brussels as the Deputy Chairman of the NATO Military Committee,

where he set up the mutual balanced force reduction (MBFR) negotiations. From 1973 to 1979, General Rowny was the Joint Chiefs of Staff representative to the Strategic Arms Limitation Talks (SALT) in Geneva.

Ambassador Rowny graduated from Johns Hopkins University (B.S., 1937); the U.S. Military Academy, second lieutenant, Corps of Engineers, 1941; Yale University (M.A. and M.S., 1949); and American University (Ph.D., 1977). From 1980 to 1981, he was a fellow at the Woodrow Wilson Center of the Smithsonian Institution. He was born April 3, 1917, in Baltimore, MD.

Remarks at the Presentation Ceremony for the Drug-Free Schools Awards

June 19, 1989

Thank you, Secretary Cavazos. Mr. Vice President, students, parents, teachers, and friends: Welcome to the White House, the steamy Rose Garden. [Laughter] We're delighted you're here. I thought long and hard about what to say today, how to talk about the importance of drug education and prevention, and of how we can save our schools and our children from drugs. And then I read the judges' reports about this year's Drug-Free Schools Award winners, and these reports were simply incredible. So, today I'd like to just tell some American stories, stories about drug-free schools and, really, some American heroes.

Let's start with Spingarn High School, right here in Washington, DC. Spingarn is in one of Washington's worst drug areas -- a tough area -- and one teacher said: ``Five years ago, teachers were afraid to go out in the hall between classes. There's no fear here now." One man, a teacher named Frank Parks, saw the drug

dealers in the hallways, the expensive clothes; he smelled the marijuana in the bathrooms and the locker rooms. So, he started Operation SAND -- Student Activities, Not Drugs -- and recruited popular athletes as peer counselors. And he set up these ``rap rooms" for kids to confidentially talk about the drug problems. And he founded a program that worked; he found answers. And he's here today, and despite the fact that his office was bombed a year ago. And I'm told he and his wife are available 24 hours a day for the kids, as they have been for years. And I hope that the students will be lucky enough to have him for years to come. Mr. Parks, thank you, and congratulations.

And next, let me tell you about St. John the Baptist School in Brooklyn, New York. Here's what one of the judges who visited the school wrote: ``This school is a total drug-free oasis in a sea of crack dealers. This crusade to be a beacon of hope in a neighborhood of burned-out buildings and frequent killings is taken with serious risk. The school is almost the last liferaft available to families whose neighborhood peace and quiet has been overturned by the violence of alcohol and drugs. And if this school is not a model of a drug-free school, then no such model exists."

But keeping their school drug free was not enough for the St. John's students. They've asked Mayor Koch to deliver the neighborhood a drug-free community -- to declare it a drug-free community, telling him about the crack houses and of the horror and despair they see during breaks. Drug dealers recently broke into the office of Sister Mary Jane Raeihle, the principal, ransacking it, breaking into the safe where the school's money is kept. But they left the money on her desk as a warning, as a message to the school to stop its activities, but St. John's has not stopped. And just last week, during graduation practice, the brave nuns stood between the drug dealers and the children to protect them as they marched to the church. Sister Raeihle says:

``We're very proud of the children. Even the little ones know what it's all about, which is a shame. We have good will and kids with a lot of hope. It's so hard for them, and they have so much hope." God bless you, Sister, and God bless the children.

Roosevelt Vocational School, from Lake Wales, Florida -- local police say this school is ``sitting in the middle of a drug supermarket." The students there are ``high-risk" for drug use, many with difficult disabilities. And yet some ride 2 and 3 hours to get to Roosevelt. Let me tell you why: Less than 10 years ago, only 10 percent of Roosevelt's graduates got and held jobs. But students soon realized that in order to get the jobs they'd been trained for, they had to be drug free. So, they looked to the Kennedy Space Center which you can see from the school windows, and adopted the motto, ``Aiming for the Highest." And they kicked drugs out of the school, stopped feeling sorry for themselves, turned their attention to others who needed help, adopting a local family whose father has Lou Gehrig's disease and raising thousands of dollars to help them make ends meet -- and now 75 percent of the students are employed after graduation. And they aimed for the highest and made it, and they're here today, too.

In fact, I heard a story about the principal, Harold Maready, who made a bet with the students during Red Ribbon Week, when students who are drug free wear red ribbons and clothes. He bet them that if at least half the school wore red -- that is, were drug free -- he'd paint his bald head with the words ``Just Say No." Well, 225 out of 295 showed up in red -- [laughter] -- and guess what happened? I wore this red ribbon today and this red tie because I think Mr. Maready had a great idea, and I'm looking for Marlin Fitzwater [the President's Press Secretary] here somewhere. [Laughter]

Finally, a story from out West -- Live Oak, California, is a small town that started as a railroad stop serving ranchers. The residents fill only five pages of the phone book -- one traffic light; no hospital; no jail -- just a drugstore, a few restaurants, a post office. A quiet, small town? No, not at all. Drugs arrived over the border, brought by transient workers. This county is now one of California's major producers of methamphetamines and a major contact area for drugs arriving from Mexico. The drugs got into the school and things went downhill fast. And during the last 4 years, however, this school developed a drug-free education program that is gradually influencing the face of the entire community. Students, parents, business leaders, and teachers came together and changed it from what we used to call the three R's to the four R's: respect, responsibility, recognition, and recreation.

And what made the difference was a temporary principal, Mrs. Paulla McIntire, assigned to the school for 4 months in 1985. Temporary -- she's still there. [Laughter] And one judge called her ``the visionary dynamo behind the progress" at one of the most overwhelmed and understaffed schools around. She and a teacher, Michael Dahl, beat the odds by ``vision, no-nonsense leadership, compassion, and professional expertise." Mrs. McIntire and Mr. Dahl, thank you for making the trip today, all this way, and thank you for a job so well done.

As I look around here today, I see some of the top commandos in the war on drugs: our teachers, principals, community leaders, parents, and students. You're the ones winning this war because you are the ones looking to tomorrow. You're the ones who know that it takes a clear mind to get a good education and lead a productive life. You understand that students have a right to learn in drug-free schools. And I know that school's out for the summer, but there's one last lesson all America can learn from the courage and commitment and, yes, the downright stubbornness of each of these heroes here today who never gave up: Every school in this country can win; every school in this country can be safe and drug free. Thank you, and God bless you all, and congratulations!

And now I'd like to welcome the students that are here from each school and join the Vice President and Secretary Cavazos in presenting these awards, or at least shaking hands before you get to the main event -- the award from our great Secretary of Education. Thank you very much.

Note: The President spoke at 10:04 a.m. in the Rose Garden at the White House.

Message to the Senate Transmitting the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances

June 19, 1989

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, done at Vienna on December 20, 1988. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Convention.

The production, trafficking, and consumption of illicit narcotics have become a worldwide menace of unprecedented proportions. Narcotics trafficking and abuse

threaten the developing and industrialized nations alike, eroding fragile economies, endangering democratic institutions, and affecting the health and well-being of people everywhere. The profits made from the international drug trade are consolidated in the hands of powerful drug lords who operate with impunity outside the law. The widespread corruption, violence, and human destruction associated with the drug problem imperil all nations and can only be suppressed if all nations cooperate effectively in bringing to justice those who engage in illicit trafficking and abuse.

Patterned after many existing U.S. laws and procedures, the present Convention represents a significant step forward in international efforts to control the illicit traffic in narcotic drugs and psychotropic substances. The Convention obligates states party to the agreement to cooperate in suppressing illicit traffic and to take specific law enforcement measures and enact domestic laws, including those relating to money laundering, confiscation of assets, extradition, mutual legal assistance, and trade in chemicals, materials, and equipment used in the illegal manufacture of controlled substances. These and other provisions seek to establish a comprehensive set of laws and guidelines for a concerted and more effective effort on an international basis to combat illicit trafficking.

Having taken 4 years to complete, work on the Convention began in 1984 under United Nations auspices, and it was adopted at an international conference held in Vienna in November and December 1988. The United States and 43 other nations signed the Convention at that time, and 16 others have signed since then. The Vienna Convention is a tribute to the United Nations and represents the broadest and most far-reaching set of laws and agreements ever adopted in this field. It is strongly indicative of the political will of the states that adopted it and puts those who profit from this evil trade on notice that it will no longer be tolerated. It is clear the Convention

has enthusiastic support in the international community, and it is expected that all states will unreservedly endorse this major step to unify and internationalize the fight against drugs and to generate universal action.

I recommend, therefore, that the Senate give early and favorable consideration to this Convention and give its advice and consent to ratification.

George Bush

The White House,

June 19, 1989.

Statement on the Resumption of the Soviet-United States Nuclear and Space Arms Negotiations

June 19, 1989

Today marks the opening of round XI of the nuclear and space talks in Geneva. Ambassador Richard Burt, the chief negotiator to the strategic arms reduction talks, heads the U.S. delegation. Ambassador Henry Cooper is our chief negotiator to the defense and space talks. My objective for these negotiations is to achieve verifiable agreements that improve our security while enhancing stability and reducing the risk of war. In the strategic arms reduction talks, our emphasis will be on creating a more stable nuclear balance and strengthening deterrence by reducing and constraining those strategic nuclear forces which pose the greatest threat to security and stability. We will pursue complementary goals in the defense and space talks, seeking an agreement on a cooperative transition to a more stable nuclear balance that relies increasingly on defenses.

After extensive deliberations with my advisers, I have approved instructions for the U.S. START delegation. These instructions reaffirm much of the treaty text negotiated with the Soviets by the previous administration. Modifications will be proposed in some cases. The United States will be prepared to address all the issues on which the two sides have not reached agreement, as the negotiations proceed. In addition, I have reserved the right to introduce new initiatives aimed at further enhancing security and strategic stability.

Of all the outstanding START issues, verification may be the most complex. It will be especially critical in determining whether START enhances U.S. security and strategic stability. As part of our overall negotiating effort, as the talks resume in Geneva, the United States will also propose that the two sides make a special effort to agree on, and to begin implementing as soon as possible, certain verification and stability measures drawn from proposals that both sides have already advanced in START or other contexts. These measures will enhance verification of a START treaty and contribute to strategic stability. Early agreement and implementation of them will speed resolution of outstanding issues and give added momentum to the efforts of our two countries to conclude expeditiously a START agreement.

Our approach to these arms negotiations and to our force modernization programs are complementary and mutually reinforcing. Maintaining credible and effective nuclear deterrent forces is essential both to our security and to our ability to negotiate sound and stabilizing agreements. A successful START treaty will reduce the risk of war, but will not diminish our need to rely on modernized, effective strategic forces for continued deterrence. Indeed, our security would be reduced rather than enhanced if we do not modernize our forces while the Soviets continue to modernize theirs. We must continue to pursue both our force modernization and arms control and not make the mistake of treating one as a substitute for the other.

Our negotiators return to the bargaining table with my firm pledge that we will work vigorously to achieve fair and far-reaching agreements that strengthen peace. Nothing has higher priority. I am heartened by the growing evidence that the Soviet Union is prepared to negotiate seriously about agreements that promise to reduce the risk of war. Much has already been accomplished in the negotiations; much remains to be done. Our commitment is unwavering. We must build on our achievements thus far to reach agreements that fulfill our objectives of reducing the risk of war and enhancing security and stability.

Remarks at the Cheltenham High School Commencement Ceremony in Wyncote, Pennsylvania

June 19, 1989

Thank you, Hang Nguyen, for that introduction and that welcome to this wonderful school. And thank you all for that very generous reception. Mr. Secretary, Dr. Stefanski, Mr. Rodgers, Mr. Bell, members of the board, faculty and administrators, parents -- grateful parents -- students, I am delighted to be here. And, Jeffrey, I can see why they elected you president. You did a first-class job there representing your class in that word of welcome. Thank you very much. And I'm delighted we have so many distinguished guests. But I want to single out one: my friend of longstanding, the Congressman from this district, Congressman Larry Coughlin, your own, who came here with us tonight from Washington. Larry -- delighted he's here.

Last night, under the able leadership, you might say, of John Denver, at the White House -- we have a program that goes on four times a year, and it's called ``In Performance at the White House," where they had some musical talent. And you'll see what we saw last night live -- you'll see it, I think, on July 5th on PBS [Public Broadcasting Service]. But I think they could all take a lesson from the vocal ensemble over here who did a -- whoops, they're gone, but they were great.

And so, I'm here from Washington -- a privilege to be at the magnificent success that is Cheltenham High School and to say, paraphrasing Mark Twain, that reports of your reputation have not ``been greatly exaggerated." You know, as Marine One flies, it's about 120 miles from Washington to Philadelphia. And on the way up here, Secretary Cavazos, my friend and that ardent champion of American education, detailed for me your superb record of achievement in social services and music and the academics and the humanities. And now that I've seen you -- a little bit of you -- up close and personal, I can say that Mr. Trimble is right: Cheltenham, ``you are beautiful."

And I am enjoying my first visit here, and I want you to enjoy today. And it's hot in here! [Laughter] And I promise I'll be relatively brief. After all, you've worked and studied and struggled for 4 years, and now comes the hard part: listening to a commencement address.

I'll never forget at Yale University, a graduation speaker, a minister, got up at my old college and said, ``And now I will give your commencement address." And he picked Yale -- Y is for youth -- went on about 25 minutes on youth. [Laughter] A is for altruism -- took about 18. L is for loyalty -- 37 minutes on loyalty. [Laughter] And of course, E for excellence -- finished in 17 minutes. And when he finished, there was one person left praying. [Laughter] And he said, ``How lovely that you're praying. Were you giving thanks for my words?" He said, ``No, I'm just thanking God that you didn't speak at my high school graduation at Cheltenham High School." [Laughter]

Let me assure you, I do remember how it feels. For it seems like only yesterday that I, too, was listening to a commencement speech at my graduation. Believe me, I wish it were only yesterday, but nevertheless, in school I loved history and English and major league baseball -- not necessarily in that order. But most of all, I loved the possibilities and horizons of the rainbow called tomorrow, a rainbow that, here at this magnificent school, you color blue and gold. And today I'd like to talk about your possibilities as individuals and our horizons as a great nation. I do so believing that you can enrich the world, charitably and courageously, through your choices and your deeds and through a few things that I've learned that I would like to share with you -- things about America, things about her people.

And I've learned, for instance, that we are not black and white, rural and urban, the privileged and the poor. We are -- as Dr. Stefanski said -- we are Americans. And I've learned that any definition of a successful life insists that we help those for whom the American dream seems like an impossible dream. And I have learned that for different generations this help may take different forms, for conditions vary, challenges change. And yet what does not, must not, change is our capacity -- responsibility -- to assist society at large.

Two centuries ago, for instance, our forefathers banded together to secure independence. Their challenge was to found the Colonies and then push back the wilderness. And 90 years later, the challenge for many of your great-great-great-grandfathers was to preserve the Republic so that, united, we stood. A later generation helped pull us out of the Depression, and still another placed a man on the Moon. And at times, we've been ragged in goods, but we've always been rich in spirit. Even in 1933, with 25 percent of America's work force out of work, President Franklin D. Roosevelt could say, surveying the Republic: ``Our troubles concern, thank God, only material things."

FDR knew then, as we know now, that life is measured not by what's in our bank account but by holding ourselves to account for the well-being of our community. And this belief is as timeless as the spirit of 1776. It embodies what President Eisenhower meant when he said: ``We must be willing, individually and as a nation, to accept what sacrifices may be required of us."

As Americans, we've made those sacrifices -- eagerly, selflessly -- for over 200 years. Think of Bunker Hill and Bastogne, where we upheld the tenets of democracy, or the Marshall plan, where we rebuilt postwar Europe, or groups like the Peace Corps, the Salvation Army, or UNICEF.

You know, a student told me a while ago that high school is a great place to learn about personal risktaking. I asked him,``How do you figure?" And he said, ``Have you ever tasted cafeteria food?" [Laughter]

Well, my friends, I ask you today to take a risk for a cause larger than ourselves. It's the cause of

Clara Barton and the Red Cross; Raoul Wallenberg, who helped refugees escape oppression; Mary McLeod Bethune, who made higher learning a bequest. It's the cause of helping others and, thereby, helping America. It's the cause of democratic ideals.

Abroad, this cause insists that we help, by word and by deed, the young people who demand such rights as assembly, religion, press, free speech -- the rights our ancestors secured for us and that we too often take for granted in this country. Look to the Soviet Union, where brave people press for religious, intellectual, and political liberty. Look to Poland, where Solidarity's long struggle has borne fruit in the results of free elections. The free election process in Poland makes me count my blessings for the free election process that we take for granted right here in the United States. And, yes, look to China, where students have demanded freedom -- a demand that will not, and must not, be stilled.

Who will ever forget the picture of that young Chinese, solitary and vulnerable, facing down an entire column of tanks? That vivid, unforgettable image illustrates how precious is the freedom that underlies everything that we stand for. We don't have to stand in front of tanks in America, thank God, but we do have to summon the same courage to confront the evil that exists in the world. We have to stand in front of the forces of cruelty and violence, and confront the dark powers of poverty and despair. We have to summon the courage to face down the scourge of drugs that stalks and harms our young people. And fortunately, we Americans have an advantage. We have a heritage of bravery, of faith in God, of liberty and human dignity, and the Golden Rule: Do unto others as you would have them do unto you.

In recent weeks, at college commencement speeches, I've spoken of these values and called for the right of peoples everywhere for free expression. Well, those values also guide our challenge at home not merely to ensure free expression -- for the most part, that war has already been won -- rather to win the struggle not yet decided: the fight for justice, equality, and hope. To win that fight will require you and you and you and others enlisting in our crusade. And it will demand the little-noted deeds that make headlines not in the national magazines but in the local weekly, deeds that once moved Lafayette, in his early twenties, when he led Washington's troops at Yorktown, to write of America: ``What most charms me is that all the citizens are brethren."

And we term these deeds voluntarism, or community service, and they're central to our fabric as a nation and as a people. And, no, they aren't as dramatic as the profiles in courage of Warsaw or the gulags or of Tiananmen Square, but they reflect the same sense of sacrifice and of concern -- concern for country, decency, and our fellow man. This concern uplifts voluntarism groups and individuals, groups like the Youth at Risk Program; the Boy Scouts; and your United Way Youth Council chapter; individuals like Anneke Cooper, who assists a neighborhood nursing home; or Keithe Damsker, translating materials into Korean for the American Cancer Society; or two Jennifers, Payes and Lowe, who serve at Moss Rehabilitation Center and Holy Redeemer Hospital.

And the thing is, at Cheltenham that's just a partial reading. The list is endless; their deeds go on. And another thing: Across America we need to expand this roll of volunteers, for they can combat -- nationally, as you are doing locally -- issues like hunger and health care, drug abuse and homelessness. To achieve that aim, our administration recently created the Office of National Service. And this week we're going to take another step. For by announcing our administration's new YES, or YES to America initiative -- Youth Entering Service -- we will refute those who speak of the ``me generation." Instead, this program can build a cathedral of the spirit and help yours become a global ``we generation."

Let me tell you a story about that generation and its spirit. One day a man stepped aboard a train. And as he did, a shoe slipped off and landed on the track. Unable to retrieve it as the train was moving, the man calmly took off his other shoe and threw it back along the track in the direction of the first one, and his fellow passengers were amazed. Smiling, Mahatma Gandhi explained his action: ``The poor man who finds the shoe lying on the track will now have a pair that he can use." Gandhi knew, as we must, that the ``we generation" rejects a new gilded age of mindless self-gratification. But only we -- not me -- only we can define a successful life both for the individual and the Nation.

Remember those beliefs and treasure them. And remember, too, two signs which I'm told are posted right here in this gym. One suggests that ``Success is a journey, not a destination," often perilous, even cruel, but possessed of the challenges and values linking the students of this high school with the students of the world. And the other sign reads, ``If a man never fails, it may be because he never tries." My friends, some of you may try for President. I hope you do -- great; but whatever, do something truly inspiring. Become a doctor, like your alumnus, Michael Brown; become a teacher, like Lew Shaten, retiring tomorrow after 32 years, committed to broadening the minds of thousands of young people; an artist, like Edward Hergelroth, who has painted my own house up in Kennebunkport; or writers, like Levinson and Link.

Whatever you decide, whatever, you will act not for yourselves alone but for a larger community, whether in Cheltenham or China. And in that spirit, let me close with another story, a story about the most famous Pennsylvanian of them all. Two hundred and two years ago, Benjamin Franklin looked at the President's chair on the last day of the Constitutional Convention, and addressing a friend, he made a confession. Often, Franklin admitted, he'd wondered during Philadelphia's long, hot summer whether the Sun painted on the chair -- remember -- was rising or setting. But at last he said he had the pleasure to know that it was a rising, not a setting, Sun.

For America, for this high school, for you as individuals, our Sun is rising too. In coming years, expand America's possibilities; enlarge her horizons as a people. Say yes to liberty and to the dignity of man. And as you do, remember that your inheritance is the future -- guard it, cherish it. And together, let us shape tomorrow in the image of our dreams, not merely for this generation but for the generations to come.

Good luck to each and every one of you graduating here this evening. My most heartfelt congratulations. And God bless you, and God bless your parents, and God bless this wonderful school, and God bless the United States of America.

Note: The President spoke at 7:07 p.m. in the school gymnasium. In his remarks, he referred to Hang Nguyen, an honors student; Secretary of Education Lauro F. Cavazos; Charles F. Stefanski and James Bell, superintendent of schools and president of the Cheltenham Township School District, respectively; Joseph W. Rodgers, principal of the school; Jeffrey Schwarzschild, president of the graduating class; and Robert Trimble, teacher and director of external education at the school. Following his remarks, the President returned to Washington, DC.

Remarks Congratulating the Detroit Pistons on Winning the National Basketball Association Championship

June 20, 1989

Well, I see we have the two Senators from Michigan and much of the congressional delegation here, and we want to welcome Senator Levin and Senator Riegle, Congressmen Schuette, Broomfield, and etcetera, etcetera. And I'm just delighted you all are here. Commissioner Stern, welcome, sir. And then I want to welcome the unsung heroes, the heroines, of the Detroit Pistons, the players' wives; and owner Bill Davidson; and then the -- I think they all got in in spite of the weather -- D.C. Police Boys and Girls Club. Welcome! Who is with that? Right around here? You guys right here. Great. Right there? That guy? Okay. That's wonderful.

And you may have noticed my special greeting from Bill Laimbeer. He and his wife Chris were with him in October, and he told me back in October that he'd see me at the White House in June. Actually, he was sure he'd be here, not so sure about me. [Laughter] But sure enough, there they are.

And to all our guests today, I'm just delighted that you've joined me to congratulate the world champions of basketball, the Detroit Pistons.

You guys won it in style -- four straight, four straight over the [Los Angeles] Lakers. And I know you had a special incentive to make it a sweep. Just think of Chuck Daly's dry cleaning bill for a seven game series. [Laughter] You know, Chuck's known as the Dick Clark of the NBA, 59 going on 29 -- [laughter] -- but don't let those youthful looks fool you. He's waited 35 years for this day, for a coach's dream come true.

And he's got a team loaded with talent and determination. No team goes a full 82 games and into the playoffs without a few injuries along the way, and the Pistons were no exception. The difference is that somehow the Pistons managed to keep all the parts in working order. Isaiah Thomas played hurt -- played hard -- with a broken hand for the past 2 months. And credit a couple of championship-sized assists to your trainer and team physician, Mike Abdenour and Dr. Benjamin Paolucci.

And someone once said basketball is ballet with a backboard. Whoever it was definitely wasn't under the boards with Laimbeer and Mahorn when a shot goes up there. I would not liken that to Swan Lake -- [laughter] -- but your brand of bump-and-run basketball is a winner.

And I know that your aggressive style has given the Pistons something of a reputation. But Commissioner Stern told us also something else about the work that you do in the Detroit community with the Special Olympics, muscular dystrophy -- many other worthy causes. And

you may be to some the bad boys of basketball, but off the court, people see the kinder, gentler side of the Detroit Pistons. [Laughter]

And now, you can have all the talent in the world, but you can't win it all unless you've got that one special ingredient -- nicknames. And the Pistons have some league leaders: the Microwave, Vinnie Johnson -- he heats up in a hurry -- [laughter] -- the Spider and Worm, John Salley and Dennis Rodman, a couple of superheroes off the bench. And then there's the guy without the nickname, the most valuable player, Joe Dumars, the pride of Lake Charles, Louisiana. Here's a man who keeps quiet and lets the scoring do the talking. Take game three: 21 points in 12 minutes -- sounds more like pinball than basketball. [Laughter]

But all of you have accomplished the extraordinary. And some of the best players in the NBA go an entire career without winning that ring. And it takes a team to win -- talent, drive, and dedication that goes 12 men deep. And that's the secret of success of any kind, and it's the winning formula. You kids watch and learn from all of that -- the winning formula that made the Detroit Pistons the world champs.

Thank you for visiting us. I'm glad you are now out of low orbit around the airfield out here. And once again, congratulations to all of you, to the city of Detroit, and to the State of Michigan. I am delighted that you are here at the White House. Thank you very much for coming.

Note: The President spoke at 11:50 a.m. in Room 450 at the Old Executive Office Building.

Remarks at the Presentation Ceremony for the Presidential Scholars Awards

June 20, 1989

Thank you all, and welcome to the White House. Ronna, you're in charge of keeping the rain off. [Laughter] Secretary Cavazos and Ronna Romney and members of the Commission, sponsors, guests, distinguished teachers, and Presidential Scholars: Let me officially welcome you to the White House.

You know, that great English leader, Benjamin Disraeli, once said: ``Youth of a nation are the trustees of posterity." And the poet James Lowell was moved to write: ``If youth be a defect, it is one we outgrow only too soon." Well, as this year's Presidential Scholars, you remain the trustees of our posterity. And I hope you'll accept some counsel from one who is a little long in the tooth, maybe. If youth is a defect, treasure it as many years as you can.

We meet here on the 25th anniversary of the Presidential Scholars program, and to honor some of the best and the brightest students in American education. This marks the highest scholastic honor that a President can bestow, and I am honored to bestow it. For while already you have done much, I know you will do more, and not for yourselves alone but for nation and neighbor -- learning, caring, helping education lead the way.

I believe in education. And so do you, for the evidence is your lives. And you come from backgrounds of every race and creed, and from all 50 States, the District of Columbia, U.S. territories, and families living abroad. And you've excelled in the classroom and outside it, through leadership, character and, yes, community service. You know, as I do, how education can unleash your talents. Take Presidential Scholar Eben Hewitt, of Muncie, Indiana -- he started a Shakespeare Club at his high school; or another scholar, Clarity Haynes, of Washington, DC's Ellington School of the Arts -- she is fluent in Portuguese and Spanish. I'm a little jealous -- some say I'm not even fluent in English.

Education can be the great uplifter -- individually, and for America. Perhaps Meath Bowen, a Presidential Scholar from Anchorage, Alaska -- I think I see her -- put it best: ``An educated person," she said, ``has choices, alternatives, and can exercise freedom of mind in all areas of life."

Now, I know what you're thinking: It won't be easy. And you're right, there'll be roadblocks along the way. And I'm reminded of how once, marking an examination paper written shortly before Christmas, the noted scholar teaching at Yale, William Lyons Phelps, came across this note: ``God only knows the answer to this question. Merry Christmas!" [Laughter] Phelps returned the paper with the annotation: ``God gets an A. You get an F. Happy New Year!"

[Laughter]

Roadblocks? Sure, you bet. But you can overcome them, and as you do, remember that an educated person also has duties and responsibilities. I've said that in America the definition of a successful life must include serving others. Well, that goes double for America's best. Many have labored to share their knowledge with you, and you can give them no greater gift than to share your knowledge with others.

In that spirit, a number of people have brought you here, and they deserve our thanks -- like Ronna Romney sitting right here, Chairman of the White House Commission on Presidential Scholars, and the Commission sponsors. And let me salute the 47 Commission members, whom I just met with, who chose you, 141 honorees, from America's high school graduates. But most of all, I want to thank, and ask you to thank, all of those people who form the fabric of your life. Today and in the years to come, remember that favorite teacher -- the history instructor who was a friend and mentor; the biology teacher who did the impossible -- helped you dissect a frog. And remember the guidance counselor who cared or the football coach who gave of his time and of himself as well.

And remember those who love you most and point you toward the stars, what scholar Christine Oh, of Bellville, Georgia, has called ``the backbone of my success: my family." My friends, this is your day, but it is also their day. So, let me close with a story your family might appreciate about learning and teaching and scholars of all ages. The story goes that physicist James Franck was professor at Gottingen University in Germany when Robert Oppenheimer, then only 23, was being examined for his doctorate. On emerging from the oral exam, Franck remembered -- this is the professor -- Franck remembered, ``I got out of there just in time. He was beginning to ask me questions." [Laughter]

Well, in coming years, you'll ask many questions, questions about your faith and future, problems and priorities, about what we can become, why we are here. Education can provide some answers, and so can the people who believe in it and you -- your lifelong local minister, the father who trudged his son to Little League, the mother who toiled night and day so that her daughter could go to college. Trust these people; make them proud. Honor them by the lives you lead. And as you do, remember how their values, which are education's values, can make ours a better, richer, most decent world.

To every Presidential Scholar, Barbara and I and our great Secretary, Larry Cavazos, give you our heartfelt congratulations! And to all of you here, thank you for coming to the White House. God bless you, and God bless our great country. Thank you all very, very much.

Note: The President spoke at 2:37 p.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Education Lauro F. Cavazos.

Continuation of Frank G. Wisner as United States Ambassador to Egypt

June 20, 1989

The President today announced that Frank G. Wisner will continue to serve as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Arab Republic of Egypt.

Since 1986 Mr. Wisner has served as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Arab Republic of Egypt. Prior to this he served as Senior Deputy Assistant Secretary for African Affairs, 1982 - 1986, and Ambassador to Zambia, 1979 - 1982. He was Deputy Executive Secretary of Southern African Affairs, 1977 - 1979, and Director of the Office of Southern African Affairs, 1976 - 1977. Mr. Wisner has served as special assistant to the Under Secretary for Political Affairs, 1975 - 1976, and special assistant and then Deputy Director for the Interagency Task Force on Indochina Refugee Affairs. In addition he served as the Director of the Office of Plans and Management, Bureau of Public Affairs, 1974; chief of the political section in Dacca, Bangladesh, 1973 - 1974; and chief of the economic/commercial section at the U.S. Embassy in Tunis, 1971 - 1973.

Mr. Wisner graduated from Princeton University (B.A., 1961). He served in the Foreign Service from 1961 to 1968. Mr. Wisner was born July 2, 1938, in New York. He is married and has four children.

Nomination of S. Anthony McCann To Be an Assistant Secretary of Veterans Affairs

June 20, 1989

The President today announced his intention to nominate S. Anthony McCann to be an Assistant Secretary of Veterans Affairs (Finance and Planning). This is a new position.

Since 1986 Dr. McCann has been Assistant Secretary of Management and Budget at the Department of Health and Human Services in Washington, DC. Prior to this he was senior health analyst and division leader for the Committee on the Budget of the United States Senate, 1985 - 1986, and a staff member for the Committee on the Budget of the United States Senate, 1981 - 1985.

Dr. McCann graduated from Lake Forest College (B.A., 1966) and Syracuse University (M.A., 1969; Ph.D., 1972).

Continuation of Henry E. Hockeimer as an Associate Director of the United States Information Agency

June 20, 1989

The President today announced that Henry E. Hockeimer will continue to serve as an Associate Director of the United States Information Agency (Management).

Since 1988 Mr. Hockeimer has served as an Associate Director of the U.S. Information Agency (Management) in Washington, DC. Prior to this he was Assistant Director of the U.S. Information Agency in Washington, DC, 1987 - 1988, and Deputy Director of the Television and Film Service for USIA, 1986 - 1987. He also served as president of Ford Aerospace and Communications Corp., 1975 - 1985.

Mr. Hockeimer graduated from the RCA Institute (1947) and New York University (1949). He was born April 3, 1920, in Winzig, Germany. He served in the U.S. National Guard, 1947 - 1949. He is married and has two children.

Nomination of Wade F. Horn To Be Chief of the Children's Bureau

June 20, 1989

The President today announced his intention to nominate Wade F. Horn to be Chief of the Children's Bureau, Department of Health and Human Services. He would succeed Dodie Truman Livingston.

Since 1986 Dr. Horn has served as director of outpatient psychological services in the department of psychiatry for Children's Hospital National Medical Center; vice chairman of the department of psychology for Children's Hospital National Medical Center; and an associate professor of psychiatry and behavioral sciences and of child health and development at George Washington University School of Medicine in Washington, DC. Dr. Horn served in several capacities at Michigan State University, including adjunct faculty member in the department of pediatrics, College of Human Medicine, 1983 - 1986; director of the pediatric psychology specialty clinic, 1984 - 1986; associate director for the psychological clinic, 1984 - 1986; and assistant professor in the department of psychology, 1982 - 1986.

Dr. Horn graduated from American University (B.A., 1975) and Southern Illinois University (Ph.D., 1981). He was born December 3, 1954, in Coral Gables, FL. He is married, has two children, and resides in Gaithersburg, MD.

Nomination of Susan M. Coughlin To Be a Member of the National Transportation Safety Board

June 20, 1989

The President today announced his intention to nominate Susan M. Coughlin to be a member of the National Transportation Safety Board for the term expiring December 31, 1993. She would succeed Lemoine V. Dickinson, Jr.

Since 1987 Mrs. Coughlin has been Deputy Administrator of the Federal Railroad Administration at the Department of Transportation in Washington, DC. Prior to this she was Acting Vice President for the Export-Import Bank of the United States, Office of Public Affairs and Publications, 1986 - 1987, and Deputy Vice President, 1983 - 1986. She was an officer for intergovernmental relations at the Department of Transportation in the Office of the Secretary, 1981 - 1983.

Mrs. Coughlin graduated from Moravian College (B.A., 1972).

Statement by Press Secretary Fitzwater on United States Sanctions Against the Chinese Government

June 20, 1989

The President today directed that the U.S. Government suspend participation in all high-level exchanges of government officials with the People's Republic of China, in addition to the suspension of military exchanges previously announced. This action is being taken in response to the wave of violence and reprisals by the Chinese authorities against those who have called for democracy. The United States has supported the legitimate democratic aspirations for freedom of peoples throughout the world. The United States will continue to voice its concern and its support for these aspirations.

The United States hopes that the current tragedy in China [can] be brought to a peaceful end and that dialog will replace the atmosphere of suspicion and reprisal. China is an important state with which we hope to continue productive relations.

In addition to the ban on exchanges, the United States will seek to postpone consideration of new international financial institutions' loans to China. The situation in China is of international concern, as witnessed by the variety of voices that have spoken up on the issue. We urge continued international expressions of concern.

Continuation of Stephen M. Duncan as an Assistant Secretary of Defense

June 20, 1989

The President today announced that Stephen M. Duncan will continue to serve as an Assistant Secretary of Defense (Reserve Affairs).

Since 1987 Mr. Duncan has served as Assistant Secretary of Defense for Reserve Affairs. From 1973 to 1987, he was engaged in the private practice of law in Denver, CO, most recently as a partner in the firm of Hopper, Kanouff, Smith, Peryam, Terry and Duncan. He also served as an assistant U.S. attorney, 1972 - 1973, and as assistant professor of naval science at Dartmouth College, 1967.

Mr. Duncan graduated from the U.S. Naval Academy (B.S., 1963), Dartmouth College (M.A., 1969), and the University of Colorado (J.D., 1971). He was born March 28, 1941, in Oklahoma City, OK. He is married and has two daughters.

Continuation of Robert W. Page, Sr., as an Assistant Secretary of the Army

June 20, 1989

The President today announced that Robert W. Page, Sr., will continue to serve as an Assistant Secretary of the Army (Civil Works).

Since 1987 Mr. Page has served as Assistant Secretary of the Army for Civil Works in Washington, DC. Prior to this, he served in several capacities with Kellogg Rust, Inc., including chairman and chief executive officer, 1982 - 1987; president and chief executive officer with M.W. Kellogg Co., 1981 - 1983; and president and chief executive officer for Kellogg Rust, Inc., 1983 - 1984. From 1976 to 1981, he was president and chief executive officer with the Rust Engineering Co. He was president and chief executive officer for George A. Fuller Co., 1972 - 1976, and vice president of construction for Rockefeller Family and Associates, 1967 - 1972. He was assistant general manager for the Bechtel Corp., 1962 - 1967, and vice president for the Southeast Drilling Co., 1961 - 1962.

Mr. Page graduated from Texas A&M University (B.S., 1951). He served in the U.S. Navy in the Pacific theater during World War II. He was born January 22, 1927, in Dallas, TX. He is married and has four children.

Remarks Announcing the Youth Engaged in Service to America Initiative

June 21, 1989

You'd better watch that guy, he might be President someday. [Laughter] Well, first let me thank Mike Love and Bruce, the Beach Boys, for being with us and providing this marvelous presence and entertainment -- Robert Lamb as well. We're privileged they give of themselves to help others, and I'm just delighted that they're here with us today. I also want to thank Carissa and Dale and Michael and Ron. Thanks for sharing those stories with us, those remarkable stories.

You know, this is a wonderful sight. The guy I was sitting next to up here said, ``There's a lot of people here." And he's right -- a lot of people, but your problems and possibilities are as diverse as the Nation itself. But all of you share a precious inheritance because, as I see it, you are the future of America. But to understand the future, sometimes we need to look to the past. So think back for a moment with me to a small town tradition that America must never forget, a simpler time: a time when if there was trouble or a neighbor needed help every town had a way to send that message out to all the townspeople. Someone raced to the top of the townhall or the church steeple and rang a bell, and when people heard that bell, they didn't stop to ask why it was ringing, they just came -- horseback or foot, by buggy or bicycle, honking the horn of a Model T -- they just came. Whatever the problem, whoever was in need of help, they were ready to help.

And I've asked you here today, invited you to this marvelous White House lawn, because I need your help, because America needs your help. And the bells have been silent too long; so, let them ring in your hearts and across the land. And I know you're ready, whatever the problem, whoever is in need. We need you now.

And I know that Presidents have called on the young people of this country before. In time of war, our young have rushed to answer the call, to fight and die for our freedoms, if necessary. Today we're fortunate. We live in a time of peace, a time of great and growing prosperity. And there's no need for that kind of call to arms, but it is time for a call to action. It's a time of need for millions of Americans. The storm clouds of war fortunately are not on the horizon, but you and I know that the storm clouds of a different kind are gathering.

A simple fact in America today is that too many people are free falling through society with no prospect of landing on their feet. No one -- young, old, white, brown or black -- should be permitted to go through life unclaimed. You must show us how to reclaim these lives. We need you. And so, today I call on you to commit yourselves -- listen to the bells -- make it your mission to make a difference in somebody else's life.

And I don't have to tell you that youth gets blamed -- its share, and more -- for society's

problems. Pick up the newspaper, turn on the television, and there's another story about youth gone wrong. You don't hear often enough about the good that you can do, the good that you already are doing. And I know better, and you know better. Your commitment can convince yourselves and your nation that you're not the problem; you are the solution.

Take a look at what's happening today, what's happening to kids like you. One-third of all victims of violent crime haven't reached their 20th birthday -- one-third. The three leading causes of death for teenagers are accidents -- many involving drugs or alcohol -- suicide, and murder. On a tragically typical day, almost 1,700 high school students drop out, over 4,000 teenagers run away from home, 2,700 become pregnant, over a dozen will take their own lives. And these aren't simply cold statistics; some of them are kids in your school, kids who live on your street. Some of them are your friends. And some of them may be about you right here today.

You heard Michael Johnson and his Big Brother, Dale. You heard Carissa and Ron. You heard their message, how much it means to know that someone cares, and how much it means to care for someone else. And you can carry that message across this country, from the inner city out to farm country and every community in between. You can let the phrase ``one-to-one'' symbolize all America's commitment to each other. And regardless of the life that you are living, there is something special about each and every one of you. And your gifts are all different, but you each have a gift that America needs, and I'm asking you to give that gift now.

You know, I've talked to hundreds of kids over the years, and my own kids growing up. And I've asked them: What is it you're looking for? What is it that you want to be? What is it that you want from life? And so many times I hear the same answer. It isn't money -- it's how you look, what kind of car you drive. You've all thought about it. You know that's not what it's all about. When it comes right down to it, what you want, what all of us want out of life, are two things: meaning and adventure. Meaning: a sense of purpose in life, to be a part of something that counts, something that matters. And adventure -- excitement -- matters, too. There are lots of ways to find adventure. Some are self-destructive, and some bring a sense of self-enrichment and satisfaction beyond belief. The choice is up to all of you. And I'm telling you today, you can find what you're looking for in helping others. If you walk this path with me, I can promise you a life full of meaning and adventure.

And that's why I've asked you all here. You represent millions like you, all across this country. That's why I'm asking you to be a part of an initiative that Mike mentioned, called Youth Engaged in Service to America, YES to America. I'm not talking about another government program. Another bureaucracy is the last thing we need -- believe me, I understand that. Youth Engaged in Service is a movement, a way of looking at life. And tomorrow I'm going up to New York to announce a nationwide initiative for national service, to encourage volunteers of all ages, all backgrounds, all abilities. But today let me tell you what YES is all about and what it's for, who it's for.

It's for young people of all ages, 5 to 25. Even the youngest of us have gifts to give. Let me ask you today. Don't worry whether it's a lot or a little; do what you can. Get in the habit of helping others, and that's one habit that you'll never ever break. And all of you have something to offer -- kids from tough neighborhoods, kids from broken homes, kids who have grown up on food stamps and hand-me-downs -- and maybe you think you've got nothing anyone wants. You're wrong. The gifts I'm talking about are more precious: your energy and experience, your time and talents -- gifts that come right here, from the heart. And if you've got the will to help, you really have all that you need.

So, first, YES is voluntary, truly voluntary. You don't need to be bribed with incentives and threatened with penalties to get engaged in community service. And that's not what the idea of service is all about anyway -- service is its own reward, satisfaction guaranteed. Didn't you feel it when those kids were talking to us a few minutes ago?

And second, serving others shouldn't be a detour on your career path. It's not something you do when you're young and then outgrow when you're a little bit older. It's a way of life, something you start when you're young and stick with it, all life long.

And third, YES means getting involved where you know you can make a difference in your own community. I want service organizations in the cities and towns where you live to open their doors, to make room for people your age to contribute.

And some of you may be saying, ``Oh, I know it, I can hear it. Mr. President, I'm ready, I'm willing, I'm able. But what can I do, what should I do?'' The fact is, you don't have to go far to find people who need your help. They're right there in your own community. There's an elderly man, facing nothing but empty days and isolation, and he needs you. There's a man who can't read, living behind a locked door of illiteracy -- that person needs you. There's a family with no home, no place to sleep -- that family needs you. There's a boy or girl less fortunate than you, without family, without a friend, without hope in the future, and they need you. I ask you, what would it be like going through life without one single friend? You can be that friend. There's a woman in a hospital bed, battling hard against her illness -- she needs you. Millions of people -- people in the cities and towns where you live -- just like them -- America needs you.

Maybe you've never been asked before. Well, I'm asking you: Say YES to America. Make a commitment: reach out a hand to people in need. Build a better future for yourselves, a better future for America.

So, listen to the sound of those bells, like long ago, ringing in the hearts of Americans across this country -- ringing in the inner city, out in farm country, and every community in between. And I ask each of you, all young people in America: Answer the call. From now on, make it your mission to serve others in need.

Thank you. Thank you for coming to the White House. God bless you, and God bless America. Thank you all very, very much.

Note: The President spoke at 11:24 a.m. on the South Lawn at the White House. In his opening remarks, he referred to Ron Brooks, who spoke earlier. He also referred to entertainers Mike Love, Bruce Johnson, and Robert Lamb, and volunteers Carissa Griesinger, Dale Long, and Michael Johnson.

Nomination of John J. Easton, Jr., To Be an Assistant Secretary of Energy

June 21, 1989

The President today announced his intention to nominate John J. Easton, Jr., to be an Assistant Secretary of Energy (International Affairs and Energy Emergencies). He would succeed David B. Waller.

Since 1987 Mr. Easton has been an attorney with Miller, Eggleston and Rosenberg, Ltd., Attorneys at Law, in Burlington, VT. Prior to this he was vice president for Syn-Cronamics, Inc., 1986 - 1987. He was in the private practice of law in 1985. In 1984 Mr. Easton was the Republican candidate for Governor of Vermont. He was the attorney general for the State of Vermont, 1981 - 1985; director of the division of rate setting for the agency of human services, 1978 - 1980; and assistant attorney general for the chief of the consumer protection division, 1975 - 1978. He was an attorney with Davison and Easton, 1972 - 1975, and Paterson, Gibson, Noble and Brownell, Attorneys at Law, 1970 - 1972.

Mr. Easton graduated from the University of Colorado (B.S., 1964) and Georgetown University Law Center (J.D., 1970).

Nomination of Victor Stello, Jr., To Be an Assistant Secretary of Energy

June 21, 1989

The President today announced his intention to nominate Victor Stello, Jr., to be an Assistant Secretary of Energy (Defense Programs). He would succeed Sylvester R. Foley, Jr.

Since 1986 Mr. Stello has been Executive Director for Operations for the Nuclear Regulatory Commission in Washington, DC. He has held several positions with the Nuclear Regulatory Commission, including Deputy Executive Director for Regional Operations and Generic Requirements, 1981 - 1986; Director of the Office of Inspection and Enforcement, 1979 - 1981; Director of the Division of Operating Reactors, 1976 - 1979; Assistant Director for Reactor Safety, 1973 - 1976; and Chief of the Reactor Systems Branch, 1972 - 1973.

Mr. Stello received a bachelor of science degree and a master of science degree from Bucknell University. In 1988 he was awarded the Distinguished Rank Award.

Remarks to Members of the Family Motor Coach Association in Richmond, Virginia

June 21, 1989

Thank you all very much. I'd like full credit for having cleared it up here. [Laughter] Thank you very, very much for that warm welcome. And Richard, thank you and Karen for your hospitality and for inviting us to come here today. I want to pay my respects to Senator Warner, an outstanding Member of the United States Senate, who you welcomed a minute ago, and my dear friend, the Congressman from this area, Tom Bliley. We've got two good ones with us here today.

You know, at the White House I hear a lot about technological achievements. Scientists tell me about our latest advances in electronics and computers and biogenetics. And that's all very interesting, but I still can't get over the fact that here in America we have houses that can do 55 miles an hour into a headwind. [Laughter]

You may remember in ``The Wizard of Oz'' how Auntie Em's house got lifted up and carried off by a tornado -- America's first airborne RV. But she had the advantage of a tailwind. Your mileage may vary. [Laughter]

It is wonderful to be visiting with such an outstanding group of Americans on the move. And I might say, I'm very pleased to see Derrick Crandall here, who has been a good friend of mine and who has shown me the wonders of some of our most beautiful parks, borrowing, I am sure, the vehicles to house us from some of you sitting right here. But nevertheless, welcome and thank you, sir, for your leadership in this marvelous recreational outdoors usage.

When this organization was founded by a handful of families in 1963, no one could have predicted that 26 years later you'd be 65,000 strong and still growing. But you're an example of a longstanding tradition in this country, and that began 150 years ago, when Americans set out to explore the lands west of the Mississippi River. And today you continually rediscover the miracle of America's abundance through the romance of the road. And every morning, when a convoy picks up and takes off, you give a happy new meaning to the phrase, ``There goes the neighborhood.'' [Laughter]

You've come to know the America that most of us only hear about now and then. You've traded in real estate for wheel estates, traveled to and through towns with names like Dime Box, Texas; Scratch Ankle, Alabama; Truth Or Consequences, New Mexico; Gnawbone, Indiana -- and one of my favorites -- Nameless, Tennessee. [Laughter]

And whether you escape for weekends or migrate for months at a time, all of you have found

and fostered a special fellowship in the camaraderie of the road. And I saw it tonight, just as we drove into this park -- people out there in front of their homes giving us a friendly welcome, standing neighbor to neighbor.

You know, as those miles roll out beneath you, it seems that your ideals, traditional American ideals, become ever more firmly rooted. And they're the ideals of freedom, self-reliance, the love of nature and of this nation, and above all, the nurturing of family values. Today these fundamental American values must be reaffirmed. We're at a point in our history when there can be no standing still. We must either move forward or risk sliding backward.

And it's time to renew our commitments, both to nature and to our fellow man. The American spirit of exploration must be joined with the new sense of restoration. And the natural world that supports us and the society that sustains us both need our help. The natural beauty that you and I enjoy today is a sacred trust. So, we must do more than simply limit the damage that we've already done. We must work to preserve and restore the integrity and richness of this continent's natural splendor.

You never feel that more fully than when you see the great outdoors through the eyes of a child or of a grandchild. And I had the pleasure of seeing it once again in Lake Jackson through the eyes of our 13-year-old grandson just the other day. Barbara and I had been with him a year or two ago in the same spot. And that's one reason that I believe it's time to renew the environmental ethic in America.

Henry David Thoreau's ideal was that if you borrow an axe, you should return it sharper than when you got it. And President Eisenhower probably had that in mind when he decided to buy some farmland with rundown soil near Gettysburg to let nature's restoration take its course. And he lived to see his experiment working. ``There are enough lush fields," he said, ``to assure me that I shall leave the place better than I found it." And that must be every American's goal.

And that's why we need to do more for our national parks. The idea of a ``national" park is an American original that the rest of the world has come to admire and to imitate, because those parks are wide open, for everybody to enjoy. And it was once said that ``The national parks are America's unique contribution to the democratic ideal." And it's true: Our parks are our most open institutions -- 80 million acres of the most spectacular terrain on the planet, open to the wind, the sky, and the stars -- and open to every traveler with the sense and spirit to stay a moment and appreciate nature's beauty.

We need to make that kind of experience available to even more Americans, in more parts of America. So, I've proposed to Congress an increase of nearly $200 million a year for recreational land acquisitions in 27 States through the National Park Service and Fish and Wildlife Service and BLM -- the Bureau of Land Management -- and the Forest Service. And these funds will go for everything from ``Parks for People" in urban areas to valuable habitats as

close by as the James River and the Eastern Shore here in Virginia. Some of the other acquisitions range all the way out to Big Hole River in Montana, the Bizz Johnston Trail in California, Pelican Island in Florida, Mount Baker in Washington. And many of you will see those places. Take a few pictures for me, if you will -- they don't let me out enough. [Laughter]

But I want to preserve our scenic byways, those picturesque roads that offer powerful views of the Nation's natural splendor. These are the roads that Americans love, and such scenic roads can and should be designated for the enjoyment and the convenience of travelers. And we've already designated 43 national forest scenic byways in 25 States. And the Chief of the Forest Service expects to set aside many more. By the end of this week, the Bureau of Land Management expects to identify about 25 new back-country byways nationwide, and we will do more.

As I look around this crowd, I recognize the profile of some that might fit the description of hunters. I'm one -- hunted and enjoyed the outdoors all my life, and I'm interested in the wetlands. And to protect our wetlands, we've set up a Federal task force to deliver on my pledge of no net loss of wetlands, no net loss of these precious habitats. And we've asked for nearly $200 million in new funding for acquisitions under the Land and Water Conservation Fund. And I'm looking to Congress to provide a comprehensive wetlands bill that I can sign this year.

Ten days ago, I outlined badly needed reforms to the Clean Air Act. And if Congress will pass that legislation, the degradation to our lakes and streams caused by acid rain, and the damage to our forests caused by windblown urban ozone will stop by the end of this century. All categories of airborne industrial toxic chemicals will be cut by three-quarters by the end of this century. And 20 years from now, every American, in every city in America, will breathe clean air, and that should be a national goal.

And it's good to hear that so many of you are reaffirming the ethic of conservation by getting involved in the Take Pride in America program, promoting the careful stewardship of our public lands and resources. I know that Barbara is delighted to be chairing a panel of judges for that program. And we need to get the word out that our national parks and other Federal land management agencies depend on volunteers. This is just the kind of voluntary local effort that it will take to bring us into a better partnership with nature.

Many of you are already involved with voluntary environmental efforts, so let me pay my respects to a great group of rambling recyclers out there, the San Diego Can Crushers -- let's hear it for the San Diego Can Crushers. [Applause] Now, we can do better than that. [Applause]

But I mentioned a second commitment a few minutes ago -- to our fellow man. We must take that commitment to heart as well. For even as we work to restore nature to its balance, we must also restore the fabric of our society, reweaving the threads of lives torn by poverty and despair and alienation. And that means renewing our neighborhoods; restoring shelter to those who have

lost it; providing the power of literacy to those who lack it; and offering support and an example to children who need it; and lending a hand to the vulnerable, the infirm, the forgotten.

Many of you have already put your belief in the value of shared strength and strong family life -- put it to work, reaching out to help the homeless through the Better Homes Foundation with transitional housing, day care, medical care, counseling, and job training. And out there I know today that there are members of Achievers International, who do outstanding work with the disabled. And other FMCA members have joined forces with the Literacy Volunteers of America -- one of Barbara's very special programs that she does so much to help with -- that program in a ``Roundup of Literacy'' campaign is getting your help, provides tutoring through 350 community programs in 38 States. And I'm told that in the past 2 years alone the numbers of students and volunteers grew by 47 percent. One former student said, ``I see the world in a totally new way.'' And another said, ``I feel as though a light has been turned on in my life.'' As good as that student felt, imagine what it felt like for the tutor -- there is no greater feeling than to have someone depending on you and to live up to their expectations.

Your involvement makes you part of a constellation of concerned citizens committed to building a better America, both in her natural beauty and in the qualities of her citizens. And so, let me add my voice to those thanking you, and let me encourage you to do even more. It won't be easy, but it will be worth it.

And many of you have probably read the book about life on the road called ``Blue Highways.'' It's written by a man who travels all over America, avoiding the interstates, deliberately taking the older, smaller roads -- the blue ones on his map. And there's a lesson there that so many of you have already learned and are living, a lesson that more Americans must heed. More of us must feel ourselves compelled to look beyond the wide and easy path, to follow a less traveled, perhaps older route. And sometimes it's more difficult. It's often more time consuming. But it's always more rewarding.

It's a path where progress is measured by the good we do for others. On that score, many of you are like Vena Hefner, who is with us today, a great lady -- 76 years old. She served as a driver for Secretary Marshall during World War II, and after suffering a motorcycle accident, she helped found the Paralyzed Veterans Association and has been a key member of the Disabled American Vets. And since her accident, she has found time to drive over 1 million miles, in every State in the lower 48. By her tough, inspirational example, Vena has helped disabled Americans across the country, sharing her strength along the road.

Those who have traveled widely and have seen America's broad expanses know how much we have been given as a people, and their spirits have grown accordingly. The expansive spirit of America has boundless capacity to do good. And so, I'll leave you with a simple request. In whatever effort you make to restore this country's natural beauty or to help other Americans in need, make it a pilgrimage with a purpose -- work to make a difference. And I'd ask you that you

stop not simply to smell the flowers along the way but to help them grow. We are privileged to live in the greatest, freest, most inspirational country in the entire world. Let's make it all a little better.

Thank you. God bless you, and God bless the United States of America. Thank you all very much.

Note: The President spoke at 5:41 p.m. at the Virginia State fairgrounds. In his remarks, he referred to Richard H. Hammann, president of the Family Motor Coach Association, Inc.; Mr. Hammann's wife, Karen; and Derrick Crandall, president of the American Recreation Association.

Statement on Signing the Puyallup Tribe of Indians Settlement Act of 1989

June 21, 1989

Today I am signing into law H.R. 932, the ``Puyallup Tribe of Indians Settlement Act of 1989." This bill resolves long-standing land, fishing, and jurisdictional disputes between the Tribe and the local non-Indian community in the area of Tacoma, Washington. Disagreements over land ownership have resulted in uncertainty for many local landowners and economic development of the region has been hindered.

Negotiations to resolve these disputes were initiated over 4 years ago between the Tribe and local non-Indian parties to the settlement. Resolving the disputes through negotiation rather than litigation was accomplished due to the diligent, good-faith efforts of all parties involved.

While H.R. 932 was pending in the Congress, the Administration expressed concern about the extent of the Federal contribution to the settlement, in light of the marginal risk of Federal liability related to the Puyallup claims. The Federal Government will, nevertheless, commit substantial resources to settle these claims pursuant to H.R. 932. Although the Administration favors negotiated settlements over litigation, careful attention must be paid when Federal taxpayers are asked to contribute substantially more than they might otherwise pay as a result of litigation involving the Federal Government's alleged breach of specific trust responsibilities.

The Administration expects to continue to work toward settlements of legitimate Indian land and water rights claims to which the Federal Government is a party. These efforts will recognize the importance of settling legitimate claims brought by tribes against States, private entities, and the Federal Government. We will also strive to ensure that all responsible parties make appropriate contributions to a settlement. In this regard, H.R. 932 provides for State, local, and private, as well as Federal, contributions to the Puyallup Tribe settlement.

Indian land and water rights settlements involve a complicated blend of law, treaties, court decisions, history, social policies, technology, and practicality. These interrelated factors make it difficult to formulate hard-and-fast rules to determine exact settlement contributions by the various parties involved in a specific claim.

In recognition of these difficulties, this Administration is committed to establishing criteria and procedures to guide future Indian land and water claim settlement negotiations, including provision for Administration participation in such negotiations.

George Bush

The White House,

June 21, 1989.

Note: H.R. 932, approved June 21, was assigned Public Law No. 101 - 41.

Nomination of Claire E. Freeman To Be an Assistant Secretary of Housing and Urban Development

June 21, 1989

The President today announced his intention to nominate Claire E. Freeman to be an Assistant Secretary of Housing and Urban Development (Administration). She would succeed Judith L. Tardy.

Since 1984 Ms. Freeman has been Deputy Assistant Secretary (Civilian Personnel Policy) at the Department of Defense in Washington, DC. Prior to this, she was Deputy Assistant Secretary for Community Planning and Development at the Department of Housing and Urban Development, 1981 - 1984. She was the housing and community development manager for the California Association of Realtors, 1978 - 1980, and the human affairs supervisor for the City of Inglewood, California, Housing, Community and Development Division, 1973 - 1977.

Ms. Freeman graduated from the University of California at Riverside (B.A., 1969) and the University of Southern California (M.S., 1973). She resides in Alexandria, VA.

Nomination of Gerard F. Scannell To Be an Assistant Secretary of Labor

June 21, 1989

The President today announced his intention to nominate Gerard F. Scannell to be an Assistant Secretary of Labor (Occupational Safety and Health). He would succeed John A. Pendergrass.

Since 1979 Mr. Scannell has served as director of corporate safety/fire/environmental affairs, worldwide responsibility, at Johnson and Johnson in New Brunswick, NJ. Prior to this, he served in various positions at the Department of Labor in Washington, DC, including Director of the Office of Federal Agency Safety and Health Programs, 1974 - 1979; Director of the Office of Standards, OSHA, 1972 - 1974; and Special Assistant to the Assistant Secretary of Labor for Occupational Safety and Health, 1971 - 1972. Mr. Scannell also served as the safety director at Rohm and Haas Co. in Bristol, PA, 1965 - 1971; safety manager at the Thiokol Chemical Corp. in Bristol, PA, 1962 - 1965; and supervisor of the safety engineering department at Aetna Casualty and Surety Company in Worcester, MA, 1958 - 1962.

Mr. Scannell graduated from the Massachusetts Maritime Academy (B.S., 1955). He served in the U.S. Navy as a safety officer, 1955 - 1958. He is married, has five children, and resides in Hampton, NJ.

Nomination of Richard A. Clarke To Be an Assistant Secretary of State

June 21, 1989

The President today announced his intention to nominate Richard A. Clarke to be an Assistant Secretary of State (Politico-Military Affairs). He would succeed H. Allen Holmes.

Since 1985 Mr. Clarke has been Deputy Assistant Secretary of State for Intelligence Analysis. Prior to this, he served in several capacities at the Bureau of Politico-Military Affairs in the Department of State, 1979 - 1985; as a senior analyst with Pacific Sierra Research Corp., 1978 - 1979; and in several positions in the Office of the Secretary of Defense, 1973 - 1977.

Mr. Clarke graduated from the University of Pennsylvania (B.A., 1972) and the Massachusetts Institute of Technology (S.M., 1978).

Remarks at a Republican Party Fundraising Dinner in Richmond, Virginia

June 21, 1989

Thank you all very, very much. Barbara and I are delighted to be here, but inasmuch as we're speaking before the olives and before the celery, I will be mercifully brief.

But first let me pay my respects to various stars here at this head table. I want to single out our congressional delegation -- the five Members that are here -- my able chairman, Tom Bliley, and Frank Wolf and Stan Parris and Herb Bateman, French Slaughter, and all of them are doing an outstanding job for this State. Of course, I'm delighted that Tom and I were joined -- or perhaps you might say led, inasmuch as we came from the Pentagon -- by the former Secretary, your great Senator. John Warner flew down with us on Marine One, and I'm very pleased that he is here. And I want to salute, of course, the three gladiators from the primary, all of whom I know and all of whom I respect: Paul Trible, Stan Parris, and Marshall Coleman.

And let me say, it's great to be back in Virginia. You know, on the way down here, I couldn't help -- as we looked out of the window of the helicopter -- but notice that King's Dominion [a local amusement park] was open for business. [Laughter] If I'm not mistaken -- although I could have been from the height of a thousand feet -- I could swear I saw the entire Virginia Democratic ticket riding Shockwave. [Laughter]

Now, we all know that as good Republicans we had to resolve a few differences. When I told Barbara I was hoping to visit some historic battlefield sites in Virginia, she said she didn't know if I was referring to the Civil War or to the Republican gubernatorial primary. [Laughter]

But, Marshall, you're our candidate. Certainly you have my full support, and you know Virginia better than I do, but let me give you a little free advice: Don't film your TV ads riding around in a tank. [Laughter]

But all kidding aside, with Stan, whom I see and work with in the Congress, with Paul, who served with such distinction in the Senate, and with Marshall Coleman, who's been at my side for a long, long time in my political efforts, in this competition, all three of them, one thing -- and I was an outsider at that; I don't believe in getting involved in primaries from the office I now hold -- but one thing was certain: with these three outstanding people, Virginia could not lose.

And, yes, I am pleased that Virginia held this primary, our first in 40 years. And, yes, there was a rough-and-tumble competition, and Republicans turned out in huge numbers, but we've proven once again that we are different than the other party. We are united by principles, by a great

cause; and that's why, now that the dust is settled, we are all still Republicans. And I am convinced we are going to win the gubernatorial seat in Richmond come fall.

And I do feel, and people have told me -- John, coming down here, the others as well -- that we were getting into a united frame of mind for this fall. And you can feel it, and I am delighted that we are uniting behind Marshall Coleman. It is absolutely essential, because as you remember, it is every 4 years that this State and one other are in the eyes of the entire Nation. They are going to be on us, looking for little straws in the wind regarding the 1990 nationwide elections. And so, unity behind our candidates here tonight is terribly important.

And let me say, I do believe from the bottom of my heart that Marshall will make a great Governor of the Commonwealth, for he is a Virginian through and through. From his Marine days to his service as a delegate and State senator, he's always been a trailblazer. And he knows best and can meet the challenges that are facing your State. And as I said, I will always be grateful to him for his early support, and I know that he can stand up for what he believes in.

This former attorney general has a tough, hardnosed plan for putting away violent criminals for good. And he has solid proposals dealing with the scourge of drugs, proposals that only a veteran crimefighter could conceive and implement. And what happens in Virginia will be of tremendous help to what happens across this country.

And then for 1990, Virginia is also going to be a battleground between the parties in the 1990's. And the question that comes: Will Virginia be fairly represented? We need a Republican watchdog in Richmond, protecting the fairness of the reapportionment process and vetoing liberal legislation.

And let me just say a word about the ticket that Marshall heads, a strong, impressive Republican ticket. I've known her for a long time -- up close and personal, as they say. Not that personal -- up close and friendly. [Laughter] But I had great respect for Eddy's husband, and I have great respect for her, and so does Barbara. And we know deep in our hearts that Eddy Dalton is going to make a great Lieutenant Governor for this Commonwealth. She's got the experience -- as a State senator, led the charge against the drug thugs, demanding mandatory sentencing for those convicted of selling drugs to minors. And her commitment to curbing State spending is so strong that she'll begin with the office of Lieutenant Governor the minute she takes over.

And you also have nominated another excellent candidate in State Senator Joe Benedetti for attorney general of this Commonwealth. You deserve a full-time attorney general who is willing to lead the fight on drugs and crime. And this ticket, with Joe on there for attorney general, offers leadership, great leadership, for Virginia.

But to win, it seems to me the Republicans have got to develop an appeal as diverse as this State. Virginia has changed, no longer simply what some thought of as a rural State. You now have

large metropolitan areas growing at both ends of this great State, and your State has changed in other ways, too. We Republicans must do more than recognize the change; we must take our message to every neighborhood and every community. And we will take our Republican message, a message of hope and opportunity, to the black and other minority voters of Virginia. Marshall Coleman and I agree: We will not concede a community, a precinct, or a single voter to the opposition.

And so, it's up to you people in this room -- doesn't matter who you were for in the primary -- to come together, because we must win. And I'm thinking nationally now. We must win in Virginia, as in New Jersey, to set the stage for 1990, the critical year, the year that my friend and your great Senator, John Warner, will be reelected to his third term; a year that these outstanding Virginia Congressmen will be reelected to the House of Representatives -- and as President, I can tell you, I wish we had more like them to deal with every single day up there; a year that will shape the future of American politics well into the next century.

But there are other reasons, some practical and some sentimental, why we want a victory in November. Every American, from Maine to Texas, looks to Virginia as the cradle of democracy. Every American heart quickens at the ideals of the builders of Monticello, Mount Vernon, and Montpelier. From the mountains of the Shenandoah to the rivers of the Tidewater, from the country lanes of Abingdon to the city lights of Alexandria, what Thomas Jefferson said is still true: ``Old Dominion is the mother of us all.'' Let's show what we can do come fall.

Thank you for inviting me to Richmond. God bless you, God bless our ticket, and God bless the United States of America. Thank you all.

Note: The President spoke at 7:32 p.m. in the first floor Exhibition Hall of the Richmond Center. Following his remarks, he returned to Washington, DC.

Nomination of Lou Gallegos To Be an Assistant Secretary of the Interior

June 22, 1989

The President today announced his intention to nominate Lou Gallegos to be an Assistant Secretary of the Interior (Policy, Budget and Administration). He would succeed Henry M. Ventura.

Since 1987 Mr. Gallegos has served as cabinet secretary of the human service department for Gov. Garrey E. Carruthers in the State of New Mexico. He was the Farmers Home Administration State Director for New Mexico at the Department of Agriculture, 1985 - 1986; executive director for the Republican Party of New Mexico, 1985; a candidate for the United States Congress, 1984; and director of field operations for Senator Pete V. Domenici, 1977 - 1984.

Mr. Gallegos attended the University of Maryland and New Mexico Highlands University. He currently resides in Sena, NM.

Nomination of Richard Burleson Stewart To Be an Assistant Attorney General

June 22, 1989

The President today announced his intention to nominate Richard Burleson Stewart to be an Assistant Attorney General (Lands and Natural Resources), Department of Justice. He would succeed Roger J. Marzulla.

Mr. Stewart is currently a Byrne professor of administrative law at Harvard Law School and a member of the faculty of the J.F. Kennedy School of Government, Harvard University. He has served as a visiting professor of law at the University of Chicago Law School, and as a visiting fellow at the European University Institute in Florence, Italy. He was a visiting scholar for the Environmental Protection Agency, 1980; visiting professor of law at the University of California at Berkeley, 1979 - 1980; professor of law at Harvard Law School, 1975 - 1984; and an assistant professor of law, Harvard Law School, 1971 - 1975. He was special counsel for the Senate Select Committee on Presidential Campaign Activities, 1973, and an attorney with Covington and Burling in Washington, DC.

Mr. Stewart graduated from Yale University (B.A., 1961); Oxford University Rhodes scholar, 1963; and Harvard Law School (LL.B., 1966). He is married, has three children, and resides in Cambridge, MA.

Nomination of Thomas E. Collins III To Be an Assistant Secretary of Labor

June 22, 1989

The President today announced his intention to nominate Thomas E. Collins III to be Assistant Secretary of Labor for Veterans' Employment and Training. He would succeed Donald E. Shasteen.

Most recently, in 1988, Mr. Collins was the Republican congressional candidate for Mississippi's Fourth District. Prior to this, he served as the executive director for the Mississippi veterans' farm and home board. Mr. Collins was the president and chief executive officer of Collins Investments, Inc., 1980 - 1981, and a member of the board of directors for Donnie Collins Properties, Inc., 1986 - 1987. Since 1973 he has actively pursued various private enterprises.

Mr. Collins graduated from Mississippi State University (B.S., 1959) and the University of Southern Mississippi (M.B.A., 1975). He served in the U.S. Air Force from 1959 to 1980. Mr. Collins was born in 1937. He is married and has two children.

Nomination of John D. Macomber To Be President of the Export-Import Bank of the United States

June 22, 1989

The President today announced his intention to nominate John D. Macomber to be President of the Export-Import Bank of the United States for a term of 4 years expiring January 20, 1993. He would succeed John A. Bohn, Jr.

Mr. Macomber is chairman of J.D. Macomber and Co. In addition, he serves as director of several private and public companies in the United States and Europe. He was chairman of the board and chief executive officer of Celanese Corp. and senior director of McKinsey and Co., Inc., in Paris, France.

Mr. Macomber graduated from Yale University in 1950 and received a master of business administration degree from the Harvard School of Business Administration in 1952. He was born January 13, 1928, in Rochester, NY. Mr. Macomber served in the U.S. Air Force for 2 years.

Nomination of Eugene Kistler Lawson To Be First Vice President of the Export-Import Bank of the United States

June 22, 1989

The President today announced his intention to nominate Eugene Kistler Lawson to be First Vice President of the Export-Import Bank of the United States for a term of 4 years expiring January 20, 1993. He would succeed William F. Ryan.

Since 1988 Dr. Lawson has been Deputy Under Secretary of Labor for International Affairs. Prior to this he was executive director for Russell Reynolds Associates, 1984 - 1988. He was Deputy Assistant Secretary of Commerce for East Asia and the Pacific, 1982 - 1984; Deputy Assistant Secretary of Commerce for East-West Trade, 1981 - 1982; and director of the China advisory group, Government Research Corp./National Journal, 1980 - 1981. Dr. Lawson has also served as director of the master of science in foreign service program, director of the program for China studies, and professorial lecturer in the school of foreign service at Georgetown University, 1977 - 1980; and Deputy Director of the Office for Special Bilateral Affairs at the Department of State, 1975 - 1977.

Dr. Lawson graduated from Princeton University (B.A., 1961) and Columbia University (M.A., 1967; Ph.D., 1982). He served in the U.S. Navy in the Pacific, 1961 - 1963. He is married, has three children, and resides in Washington, DC.

Continuation of Charles L. Grizzle as an Assistant Administrator of the Environmental Protection Agency

June 22, 1989

The President today announced that Charles L. Grizzle will continue to serve as an Assistant Administrator of the Environmental Protection Agency (Administration and Resource Management).

Since 1988 Mr. Grizzle has served as an Assistant Administrator of the Environmental Protection Agency. Prior to this, Mr. Grizzle served in various capacities at the Department of Agriculture, including Deputy Assistant Secretary for Administration, 1983 - 1988; Confidential Assistant to the Secretary of Agriculture; and staff assistant to the Director of the Office of Operations and Finance. In addition, Mr. Grizzle served as a banking officer for the First National Bank of Louisville, 1974 - 1981, and as executive director of the Republican Party of Kentucky.

Mr. Grizzle received his bachelor's degree from the University of Kentucky. He now resides in McLean, VA.

Informal Exchange With Residents of Covenant House in New York, New York

June 22, 1989

Reverend Ritter. Mr. President, may I just say very briefly, thank you again for visiting us. You probably don't know this yet, but the biggest gift you're giving our kids is hope. The fact that you and Mrs. Bush have cared enough to come and talk with them and understand them better and possibly help them means an awful lot to them and to us.

The President. Do you normally have this many cameras around for these guys? [Laughter]

Resident. Every day. [Laughter]

Resident. Normal occurrence.

Reverend Ritter. I've asked the kids not to talk to me, but to address themselves to you and the First Lady. And a good way of simply beginning the conversation is to pick any kid and ask them -- --

The President. How did you happen to come here?

Resident. Well, I was having problems, and I didn't really have anywhere to go. I met a friend, and he called Covenant House, and he told me about it.

The President. So, how long do you stay here? How long do you -- --

Resident. Well, right now I've been here for a month. And so, they find me a place here so I can go to school, and my daughter's here.

Reverend Ritter. How many of the kids here have lived on the streets for more than 3 or 4 years? [Most hands were raised.] And you're 18, 19 years old, so you lived on the street when you were 12 and 13 years old.

The President. Just for example, when you were a little guy -- a real little, young one, did you just come from New York or did you come from outside somewhere?

Resident. Well, I was born in California and raised in Japan. And my parents got divorced and then got remarried. My step-mom was, like, an alcoholic.

The President. She was drinking?

Resident. Yes. And she liked to sort of, like, call the cops on me and get me into jail, and that's where I've been for the past couple of years, in jail -- - in and out. And I got thrown out a couple times.

Mrs. Bush. How old are you?

Resident. Eighteen.

Mrs. Bush. You're a great-looking man.

The President. So, now what are your hopes? Have you got any hopes out here?

Resident. Well, I have a job right now in Fort Lauderdale, and I'm just trying to get my life straight -- I'm trying to get off of alcohol.

The President. Have you been in the drug scene a little bit?

Resident. I've been in -- yeah.

The President. Crack?

Resident. I smoked crack once.

The President. Crack is getting more and more, I gather, around here.

Resident. It sure is.

Reverend Ritter. How many kids here have used crack?

The President. What's the difference? I mean, is it just immediately addictive and you've-got-to-have-more-the-next-day kind of thing?

Resident. Kind of.

Resident. It causes all kinds of problems. It causes problems -- at first you get high, and it goes from problems to addiction.

The President. So, you have to get into horrible things to keep the habit up and make the money to do it, and you have to do bad stuff to do it?

Resident. You do what you got to do to get high.

The President. But how do you get the money to get it?

Resident. How?

Reverend Ritter. Rob, steal -- --

Resident. Some people rob, steal, prostitute, sell it. I used to sell it all the time, and that's how I used to get high.

The President. You have to do that, yes.

Reverend Ritter. Will you tell the President and Mrs. Bush what it's like for a kid to live on the street? And I'm not asking for your personal experiences, because that is personal, and that's private. But what's it like for a kid to live on the street?

Resident. It's rough.

Resident. Scary.

Resident. You live 1 day at a time.

The President. Were you worried -- I mean, were you scared of the law getting you, or are you scared of getting beat up?

Resident. Scared of the streets.

Resident. Scared of getting beat up or -- --

Resident. Scared of the streets, because you're forced to live there. You don't want to be there, but you know that there are other people who are out there, and you don't know where they're from or what they're into or what they can do to you.

The President. Can you ever make friends, or is it you're always worried about doing that, even?

Resident. You can't make friends on the streets.

Resident. Even if you meet someone you like, you can't call them a friend.

Resident. You can't make friends on the streets; you don't know how they are.

Resident. It's like a survival -- survive, you've got to learn how to survive.

Resident. You have to use the people you stay with. You practically have to use every means of survival that you have inside of you to try to do what you need to do. And it's scary because you can meet somebody -- they might even use you without you knowing it. But at the same time, you get what you need to do and leave and go to another place if you have to.

Resident. It's real hard to trust people.

Resident. Yeah.

The President. Just by example -- and again, I'm protecting the real personal stuff -- but I mean, say, in your case, how did you decide to come here? Did you just get so down you figured, there's got to be something better than this?

Resident. The thing that happened was -- I'm in New Orleans right now -- the thing that happened was I was living in a town close to New Orleans, and I was physically abused by my parents and everything. And the thing is I finally decided to leave. They would not let me leave until I turned the age of 18. And so, the thing is that when I left, a neighbor -- a really good Christian and everything -- she called some places, and Covenant House said they would take me in with no problems. So, I've been in the program for a year and 2 months now, and doing great.

The President. You're doing good?

Resident. Yes.

The President. That's great. How about you?

Resident. Well, when I turned 18, I moved to California because, like, back home I was in a drug scene -- and for me, in order to get out of that is to leave. And so, I left for California and went to school up there. And I came to Houston, and I found Covenant House, and they're helping me to finish school, because I'm going to college -- --

The President. Are you?

Resident. Yes, and I'm studying commercial art, and I graduate in December, thanks to Covenant House. So, without their help, I would have probably ended up back in the streets.

The President. Did you have your hand up when I mentioned the drugs thing? I mean, do you ever get -- goes not just for one guy -- but I mean the pressure to go back into the drug deal?

Resident. All the time.

Resident. Well, see, when you're in a drug situation, you do it for a reason. Some people do it to feed their family -- you know, that's kind of hard. You could go out and work, but it's easier to do that. Or if you have an addiction, you have to sell the drugs to keep yourself high, and you need it -- you need it, and you'll do anything for it, until you get to a point where you die, you quit -- --

Resident. Wind up in jail.

Resident. Or you end up in jail.

Resident. One of three places.

The President. Die or go to jail.

Resident. Not too much choice -- --

Resident. Lot of kids get on drugs -- --

The President. Crack? Yes.

Resident. You can be rich -- crack will put the rich, man, to the poorhouse. It's really bad news. You get really skinny -- it's like you're just a walking skeleton.

The President. Can you tell a guy -- now that you're kind of getting it out and getting it together -- can you look around and see somebody, without even knowing them, and say, that person is a crack addict?

Resident. Definitely.

Resident. Yes.

Resident. Definitely.

Resident. I've been sober 6 months now. I came to Covenant House. I was incarcerated. I got out, and I'm going to high school now; I'm working. And sobriety -- that's where it's at.

The President. So, you can just spot a guy, though, and -- --

Resident. Instantly.

Resident. Yes.

Resident. Just look in your eyes.

Resident. Just look at you and tell.

Resident. Their body. But see, it's not always a matter of people who are using the drugs, because I was never one of those people, fortunately, who was living on the streets. I had a lot of problems in the home, and I stayed stuck in the home until I could get out. Then when I finally left the home, I was in a situation where I didn't do drugs, but everyone around me was doing drugs.

Resident. Yes.

Resident. Such as these ladies -- and it still hurts you. And that's why I ended up in Covenant House. My boyfriend put me up in his aunt's house, and he got onto crack and messed up the relationship. And since I didn't know anyone, I had no one but myself, and I was living with his family. And there were other people in his family doing drugs badly. And eventually I had a problem with work. And they don't care about so much as you, but they need that money. So, once I no longer -- all I needed was a couple of weeks to get back on my feet with a new job and wait for the first check, but it's not a matter of that. So, it's not always people who are on the streets; it can be people in the homes being abused by people who use drugs or people who don't, who just have problems. There are many different problems.

The President. Let me ask you a personal question, and you don't have to take it. In the home, did you get beat up on, abused in your own home?

Resident. No.

The President. Nothing like that.

Resident. Well, all right, there was -- I say, no, not beaten up, because I was never struck extensively, but there was a time when -- I mean, at a young age, to be tied up and hanging over a staircase, a spiral staircase, just hanging there at a young age, that stays in your mind. But I say not abused that way, because that was nothing compared to other problems that go on for years sometimes, because when you're a child -- if you're of that age, you don't know what's going on, and you can be raised with certain problems.

The President. What do you want to say?

Resident. Just that I know there's a lot of kids out there that need help. And Covenant House has helped me a lot, and it has helped a lot of other people, and I would like them to know that there is someplace out there.

Reverend Ritter. When we talked last night, you mentioned something that surprised me and really bothered me: that you met a lot of young kids out there.

Resident. Yes.

Reverend Ritter. Tell the President about that.

The President. Real young?

Resident. Yes, when you go out there, a lot of the people, society itself, will look at somebody who's 12, 13 years old and say, well, they can't possibly be on the streets; they're too little. And I just came back from Fort Lauderdale, and there's a couple of kids down there, 13, 14 years old. In Chicago, my hometown, they're out there -- 11, 12 years old, no place to go.

The President. Prostituting and stuff?

Resident. Yes. They do anything. When you're on the street, you do anything to get by -- steal, prostitute, sell drugs, anything you can do to get money. You need it. And people are ignoring the fact that they're not only 18, 19 years old on the street, there are little bitty kids this tall on the street, too.

The President. And how did they get there to begin with? Just no homes?

Resident. Bad homes, bad homes. I was out of my house when I was 13.

The President. Were you really? Nobody cared about you, or they were just beating you up?

Resident. My old man was an alcoholic; he beat me up. He told me one day, ``Out of the house! I don't want you back." My mom put up no argument, and I haven't been back.

Resident. Sometimes it could even be the parents. Like my dad was there for 3 years when I was living with -- my daughter was born, and for 3 years he's been using drugs and crack and stuff. And it's just like -- the situation just gets worse. It's like you're living in some type of hell or something, because it just keeps hurting you and hurting you. You don't have no money; you don't have no way to get to school or to take care of yourself or your children. And then he'll get really aggravated because he don't got the money for the drugs, and he'll take it out on me or my sister or anybody.

The President. Physically -- sexually abuse you or more beaten up?

Resident. Physically -- because he don't have no money to get it. And he says he's going to stop, but it's right there, the drughouse is right there -- like three or four of them, where I lived in Brooklyn. And they'll close them down, and the next day they'll be right open again -- it seems like they could never stop.

Resident. Three blocks from here, there's a really popular area, 42d Street -- everyone knows about 42d Street. On 42d and 8th, there could be up to 20 drug dealers out there on the corner. And the police would call the sweep and get all of them off the street, and their backups will start up again -- not even tomorrow -- it could be by that evening.

Resident. Yes.

Resident. A couple of hours later.

The President. Do you get so you know them? There goes Joe over there -- --

Resident. No. I don't -- --

The President. No, but I mean, somebody -- --

Resident. -- -- but people do know them, yes. I have to walk through to get over to Lexington Avenue to work and stuff, and you see the same faces. And you could have just heard that they were arrested the night before.

The President. Are they rich guys now, I mean for selling this stuff?

Resident. Depending on if they do the drug. If they do the drug, they're wasting money.

Resident. They ain't rich. They ain't getting -- some guys out here, they ain't getting no money. They think they get money. But a lot of guys come in here, such as myself, which I needed some help, being the simple fact that all I know how to do is sell the drug -- that's all I know how to do. I'm 18, going on 19; I never had a job a day in my life, so all I did to get money was to sell drugs.

I see a lot of people that come off the streets, that come to Covenant House and want to stop selling and want to stop getting high, but then they get depressed here. And somebody else will talk them into it, and they go right back on 42d Street and do the same thing. I've seen a lot of guys who come and go, and all they do is go to 42d Street. And the next time I see them they be all -- --

The President. Well, tell me this. When a guy goes to 42d Street and he gets one of these sellers, and the guy says, ``Here's some stuff -- you go out and sell it and bring me back the money."

Resident. Yeah, that's just it.

The President. And you get to keep a little?

Resident. It's just that easy.

The President. And then if he doesn't turn the money in, he gets all beat up?

Resident. Killed.

Resident. And it pays more than working.

The President. Beaten or killed.

Resident. My brother got killed.

The President. Your brother got killed?

Resident. Shot in his heart with a .44 magnum.

The President. Because he what? Shortchanged the guy?

Resident. Okay, it was two of my brothers. They went to Ohio. They were selling drugs, and one of them stopped because he met a girl. And all of them came back to New York, and the one that stopped got killed -- his whole chest was blown up.

The President. But what -- --

Resident. Because I guess they shortchanged him. Since they said -- well, they'd gone -- well, he was with them before, and they said -- --

Resident. Little 10-year-olds, and everything -- they see what everybody else is doing. They say, ``Well, my friend has a car. He knows all the ladies, and he has money all the time, and he's always partying. I want to do that."

Resident. Because it pays more.

The President. That's down in -- you're talking New Orleans or everyplace?

Resident. That's everywhere.

Resident. The stuff is everywhere.

Resident. When you're on the street, you know everything from all parts of -- --

The President. The street experience -- what I'm getting at is the street experience in New Orleans is just an overlay of Chicago or California or New York.

Resident. It could be done in a different way, but it's -- --

Resident. It's all the same process.

Resident. -- -- all the same.

Resident. We all end up in the street. We don't have no place to go.

Resident. A lot of times -- like Walter -- we were talking last night, and he said one big thing is the only thing he knows how to do is sell drugs -- no other skills. Because he's selling the drugs, he had a car and all kinds of things, and that's the way everyone sees it. If you work and you're young, such as our ages, it's hard to get good jobs that pay. Working in McDonald's -- minimum wage -- you can't get anything from that.

Resident. I'm not working for $1.25 an hour, $1.10 -- there's no way -- for a whole week and sitting over a hot oven flipping hamburgers?

Resident. When you can go out there and sell drugs and get $2,000 in a couple of days.

The President. How old are you?

Resident. I'm 20.

The President. Twenty years old.

Resident. We struggle to work and everything, and you see people out there -- all they have to do is work a couple of hours -- they get a few thousand dollars. And we over here have to bust ourselves trying to do our best -- everything straight -- and they always end up poor. That's why so many people selling drugs.

Resident. And come home with $100.

Resident. One hundred dollars a week -- that ain't no money. I can make a hundred dollars in 15 minutes.

The President. You can?

Resident. I can make $100 in 15 minutes.

Mrs. Bush. But your three choices, though, are jail, death, and whatever the third one was.

Resident. Doesn't always happen, though.

Reverend Ritter. Mrs. Bush, the kids are bullet-proof.

Mrs. Bush. Oh, I forgot that.

Reverend Ritter. Really. The only problem with being a kid is that you don't really know that you are and you don't really think about consequences. You really have to live for the moment and you have to survive.

Resident. There has to be a down side, or else these people who were doing drug dealing or working for people wouldn't be trying to clean themselves up. They know that it's not the way.

Resident. Jail, too much jail.

Resident. Maybe it's a lot of money, but it's not the way. You can't retire on being a drug dealer.

Resident. You can't.

Reverend Ritter. I'll tell you what, you guys. This is the man, right? You'll never get a chance to talk to the President again, probably. What's really the most important thing you want him to know about street kids? What should he know?

Resident. Jobs are hard to get, and when you get them, sometimes they don't pay enough to stay off the street.

Resident. I would like him to know that there's people out there that help Ethiopia -- help outside people, outside the United States -- but there's a lot of people in the United States that need the help, people in the street that need somewhere to go. And we don't have nowhere to go but the street, and I think we really need that help.

Resident. We're funding everybody but us.

Resident. Yes.

Resident. We're funding every country that's got problems, except when you look down in the streets, there's all kids like us everywhere. And they're funding everyplace else.

Resident. Last night, Michelle and I took these people on a tour, and they couldn't believe the way we have bums and stuff sleeping outside. They don't have that as much. And we just went half a block from here, just to smoke a cigarette, and there was a lady pulling out her sheets and getting ready to go to bed out on the sidewalk. And they're staring at her, like, wow. And to us, it's, like, oh, that's normal -- we're used to it.

And as we're walking, we see over 20 people laying on the street -- some coupled together, some have missing limbs, some are all swollen from being unhealthy. And then when you think about all the money and funds that are going to another country -- that's wonderful, yes, great, help everybody -- but don't forget there are people here who need help.

Reverend Ritter. Let me ask a question a little more specifically. What does the street kid really need -- concretely, practically?

Resident. Education.

Resident. I think that the kids need a place to go where they can talk to a person and get help, and I found out that Covenant House can help a person. Like, say, you're 15, 16 years old -- the most important thing, I think, is to go to school, and Covenant House will let you do that. Because if you're on the street and you try to go back to school, they won't let you because you're not living with your parents; you ain't got a guardian.

The President. No legal rights.

Resident. No legal rights.

Resident. My mother and father have been dead -- my father has been dead since I was 1; my mother died 5\1/2\ years ago. And I stopped going to school for a little while for the simple fact I had to put up the money for my brothers and sisters. They went to foster care. Nobody else wanted me -- I was rejected. So, I just stayed out on the streets and sold drugs. Then I wanted to stop and go to school. Anytime I went to Louis D. Brandeis, I had to have a parent. I ain't got none -- what do you want me to do? Well, you can't go to school.

The President. We can't help you.

Resident. No, they can't help me. So, then that means -- I think, ``Well, if you don't want to help me, I'm going to be the person that you want me to be: a criminal." So, I came out here and did what I had to do to survive. I got shot; I got cut; I got stabbed; I got beat up -- and I did this to other people, too. I'm tired of doing things like that, because I see nothing but a wall waiting, a dead end. Like you said, life on the street is a dead end. And that's just what it is, and I'm just smart enough to open my eyes and see that that is exactly what it is.

The President. What do you want to be now?

Resident. What do I want to be now?

The President. What do you want to do? What do you want to be? Got any hope?

Resident. Yes. See, I want to learn electronics or carpentry, plumbing. I want a good job so I can get a house, a dog, a rabbit, a bird -- [laughter] -- a wife, and a baby. That's all I want. I don't want nothing else but a house, a dog, a rabbit, and a baby, and a house -- that's all I want out of life. I've had my fun; the fun time is over. It's time to get into reality.

Resident. Something else, too. They need rehabilitation -- rehabs for kids. There's a lot of kids out there that are on drugs -- and we need that.

Resident. Yes, but they got rehabs. You go to one, and they want all this money, all this money that you ain't got.

Resident. Right.

Resident. You're sleeping on the streets or you just got out of jail or prison or something, and you don't have the money. I was fortunate enough to find a rehab that they didn't ask for nothing. And they gave me this ring, a sign of my sobriety. They gave me a lot of tools that I use each and every day of my life.

The President. What are you doing now? What are you going to be?

Resident. I want to become a chef, a culinary artist.

The President. Are you?

Resident. Yes. But still it's -- you go to one of these places, Fair Oaks Hospital or something, and they want $18,000 - $20,000, and you don't even have a quarter in your pocket to make a phone call. Sure, they're going to bill you later. [Laughter] We'll bill you -- yeah, right.

Resident. One of the most important things for me, for most of the -- I speak also for most of the kids in New Orleans -- is a certain personal touch that most kids need -- --

Resident. Yeah.

Resident. -- -- to give them the self-confidence to get out there and do what they need to do. Because throughout their lives, they've been always told they were no good, they -- --

Resident. Dirt.

Resident. Losers.

Resident. -- -- they're not their children. They shouldn't be around them, and everything. And that's what I mainly needed when I went to Covenant House, and that's what I think should be -- --

The President. How many of your parents were into drugs and made that problem horrible for the home front? Almost everybody. You didn't have it -- you escaped that.

Reverend Ritter. Or alcohol.

The President. Substance abuse.

Reverend Ritter. That would be almost everybody.

Resident. Alcohol's a drug.

Reverend Ritter. That would be everybody. There's no mystery, Mr. President, why a kid leaves home.

The President. In other words, there's nothing -- I mean, it's just the environment in the home.

Reverend Ritter. It's too painful to stay.

Dr. Lee. Father Ritter, could I just say one thing? I want the President and Mrs. Bush to come away with this: My one thought is that no kid in this room and no kid in Covenant House wants to be here. Not one kid ran to this life; they are running from another life. And the last thing is: Whose children are they? Well, they're Father Ritter's, and I feel they belong to me. And I know what President and Mrs. Bush feel like.

Reverend Ritter. I'm getting all sorts of signals to sort of wrap this up and so forth, but let me

just conclude by saying that my kids have a number of things in common. And that's how good they are and how brave they are and how beautiful they are and how much they really want to make it back off the streets. Not many do unless they receive the help that they need.

And the fact that you and the First Lady came here today -- you have no idea of how much hope you create in these kids. I can only say that to a street kid, hope is sort of a handgrenade in their heart. It's a very dangerous thing; they've been disappointed so many times.

Resident. All we need is for someone to help us. All we need is unity, because everybody is all for themselves. I think the world would be a much better place to live in if we just help each other out and love one another.

Resident. Be treated like human beings.

Reverend Ritter. I'd like the President and the First Lady to go upstairs for just a moment and meet a couple of our really special kids with AIDS. I know they're very anxious to greet you briefly.

The President. Well, listen, good luck to all of you.

Resident. I'd like to say thank you for taking the time out of your busy schedule.

Resident. Yes.

Resident. Yes.

Resident. Nobody believed us when we called home to tell -- [laughter] -- President Bush is coming to Covenant House in New York. They never believed this. And I really appreciate that you took time.

The President. I just admire Father Ritter and what he's doing, and you guys for fighting -- --

Resident. We're doing the best we can.

The President. -- -- and trying to do something. I hope you make it, all of you.

Note: The exchange began at 11:35 a.m. Rev. Bruce Ritter is the executive director of Covenant House. Dr. Burton Lee III is the Physician to the President.

Remarks at a Luncheon Hosted by the New York Partnership and the Association for a Better New York in New York, New York

June 22, 1989

Distinguished guests and ladies and gentlemen, Barbara and I appreciate this wonderful turnout, this generous reception. And let me salute that magnificent film and thank you, Ray, for putting it together. I just stopped choking up coming from Covenant House, and now I had to go through it again here at lunch. But it was a moving call to action.

What a few weeks it's been! Things are moving on a lot of fronts: NATO moving in the right direction, China -- we're all very concerned about that. As I say, I just came from Covenant House, so I feel uplifted by that. And yesterday -- if I might make a very personal observation before addressing myself to the subject at hand, I want to comment on the Supreme Court decision about our flag. I understand the legal basis for that decision, and I respect the Supreme Court. And as President of the United States, I will see that the law of the land is fully supported. But I have to give you my personal, emotional response. Flag-burning is wrong -- dead wrong -- and the flag of the United States is very, very special.

It is indeed an honor to address the members and guests of the New York Partnership and also the Association for a Better New York, for already you've enriched fields from business and labor to education and the media. And we meet today to go still further -- to join hands and link hearts, as the film said, to light the American sky.

I begin with a single, simple statement: There is no problem in America that is not being solved somewhere. There is no problem in America that is not being solved somewhere -- think of that. Today millions of Americans, the quiet Americans, the selfless Americans, are giving of their time and themselves. And they work at day-care centers and inner-city schools, homes for the elderly, anywhere there's a need, anytime they are needed, making a difference in the lives of those for whom the American dream seems an impossible dream.

And already, this involvement -- what we term national or community service -- has helped countless Americans find self-respect and dignity, but the job is far from complete. Too many Americans still endure a living nightmare of want, a living nightmare of isolation -- and that must stop. Ladies and gentlemen, we must bring back those who feel unwelcome. We must reawaken their hope for the future.

We know that government can't rebuild a family or reclaim a sense of neighborhood. We know that during the past two decades we've spent more money on more social programs than at any time in our history, and some problems aren't better -- in fact, some are worse. Most Americans

understand that the key to constructive change is building relationships, not bureaucracies. And they know that those who say, ``It's government's problem," are really part of the problem themselves.

All my life I've believed that government could not substitute for ``do unto others." Barbara and I, like I told Lew and David and Jim Robinson -- it's like preaching to the choir here today -- that Barbara and I, like all of you here, have tried to pitch in, in some way do our small part. Midland, Texas -- I'll never forget it -- it was starting a YMCA, working with the United Way, coaching a little league ball team, helping to build a community theater -- and dating way back to my days in New Haven, raising funds for the United Negro College Fund. And I'm not going to give you equal time, because so many of you have done so much more.

We've all done these things, and as we participated, we fulfilled ourselves, learning that we are not what we drive or where we live or what kind of clothes we wear -- rather, learning that America's greatness rests on the goodness of her people. And these beliefs are beyond any individual; they're timeless. Today more than ever, we need community service to help dropouts, pregnant teens, drug abusers, the homeless, AIDS victims, the hungry and illiterate. Often they are disadvantaged, and as their communities disintegrate around them, they become disconnected from society.

Our challenge, then, is to raise their spirits and their expectations by engaging each citizen, school and business and church, synagogue and service organization and civic group. For this is what I mean when I talked about a Thousand Points of Light: that vast galaxy of people and institutions working together to solve problems in their own backyard.

I am here today to ask that both sectors, private and public, and all branches of all levels of government, join this great movement to extend national service into every corner of America -- for it's a movement, bold and unprecedented. This is not a program, not another bureaucracy.

Let me tell you the strategy of this movement: first, to issue a call to action and to claim problems as your own; second, to identify, enlarge, and recreate what is working; and third, to discover and encourage new leaders.

First, our call to action -- it is individual, and yet collective, and it begins this afternoon with you. So, today I ask all Americans and all institutions, large and small, to make service central to your life and work. I urge all business leaders to consider community service in hiring, compensation, and promotion decisions. I call upon nonprofit and service groups to open your doors to all those who want to help, irrespective of age, background, or level of experience. And leaders of high schools and colleges, I urge you to uphold the values of community service and to encourage students, faculty, and personnel to serve others. To every corporation, large and small, I say: Begin a literacy program that teaches each employee how to read. And to every member of a body of higher learning: Start a Big Brother or Big Sister program for kids in your

neighborhood. Of every church and synagogue, I ask: Become an around-the-clock community center. And of every restaurant and grocery store: Distribute surplus food to soup kitchens and local shelters.

And to the youth of America, I issue a special appeal. Yesterday on the South Lawn of the White House, we held a kickoff rally for a key element of our strategy: the YES Initiative, or Youth Engaged In Service to America. It was attended by thousands of kids, some of those Points of Light I like to talk about. And I challenged every young American to fight against self-absorption and to emulate those leaders who have shown that there is no problem in America that is not being solved somewhere.

Their presence reminded me of the saying, ``Life is not a state of time; life is a state of mind." So is our call to community service; it summons the young and the old. I believe Americans will listen to that call. Emerson once said, ``The greatest gift is a portion of thyself." Well, today, across our 50 States, groups and individuals are giving of -- not to -- themselves. Americans like these are missionaries, and they're heroes. And our mission is to achieve nationally what they're doing locally.

To complete it will require a catalyst. And so, that brings me to the second part of our strategy, and I am proud to announce it now: a new effort to identify service programs that work and then carry them to America. We call this catalyst the Points of Light Initiative, a foundation of which I will serve as honorary chairman and that will help make our movement a reality.

I will soon ask Congress for $25 million annually to support this initiative, which in turn will seek matching funds from the private sector. But I will also name an advisory committee to report to me within 45 days of its first meeting on the structure, composition, and legislation needed to achieve the foundation's goals. And I am very pleased and proud to announce today that Governor Tom Kean of New Jersey, one of this nation's most dedicated and caring public servants, has agreed to head this committee. Tom, thank you very much.

But look, a Federal effort alone cannot succeed. And therefore, today we invite each Governor, and through them the mayors of all municipalities, to join our movement by forming State and local Points of Light working groups composed of outstanding leaders. These individuals will become a vehicle to solve problems locally and to help solve problems nationally. The Points of Light Initiative will be a magnet for the best ideas and brightest programs in community service. For while countless service initiatives are already working successfully, they're too often isolated, too often unknown to others. Our foundation will change all that. By bringing success stories to other communities, we will repeat them across the nation.

We will repeat them through a foundation initiative to be called the ServNet Project. Professional firms, corporations, unions, schools, religious, civic, and not-for-profit groups will be asked to donate the services of some of their most important, talented, and promising people

for a period of time. These extraordinary individuals will form and lead peer-to-peer working groups -- for example, lawyers going to fellow lawyers, teachers to fellow teachers, union members to fellow union members. ServNet will provide training and technical assistance, showing what works and what doesn't.

But we also have to improve current methods of matching people with meaningful service opportunities. Volunteer centers should be directly accessible to all Americans in their neighborhoods. Such contact points may be in a place of worship or union hall or library or fire station, a business building, service group headquarters, neighborhood home -- you name it.

Over time, through an initiative called the ServLink Project, the foundation will stimulate the development through private sector resources of technology links between those who wish to serve and those needing service in the inquirer's own community. And in addition, we will ask banks, credit card users, telephone and utility companies to include in statement envelopes information about how people and their institutions can become engaged in serving others.

And like the foundation itself, these efforts can help individuals and institutions provide new hope to America. And so can the third part of our movement's strategy: our initiative to discover and encourage new leaders of every age in every town and city, and to inspire them to devote their talents and energies to national service, and then to honor those who excel.

Through the foundation, the YES Initiative will annually select two college-aged youth from each State as President's National Service Youth Representatives. And they'll spend 1 year traveling through their regions as service ambassadors, urging other young Americans to get involved. And Points of Light will convene youth and regional Presidential Leadership Forums, uniting young people, educators, and community activists.

From such action will come achievement. And such achievement should be rewarded. And so, we'll ask media from small-town weeklies to network television to profile the brightest stars of community service. And our foundation will also recognize successful community initiatives and outstanding leaders through two new Presidential awards: the National Service Youth Leadership Awards, given each year to individuals, and the Build A Community Award, honoring partnerships which work together to strengthen families and decaying neighborhoods in America.

All of this will help fulfill us as Americans by asking us to combat problems like loneliness and poverty and drug abuse and homelessness. We cannot afford to fail, and we won't. For as Americans, we know what is at stake. We know that voluntarism can help those free-falling through society. We know that as citizens and institutions we can use one-to-one caring to truly love thy neighbor. And we know, finally, that from now on any definition of a successful life must include serving others. And we must resolve to carry this belief to every person in the land.

Two centuries ago just last year, Alexander Hamilton sent a letter urging General Washington to seek the Presidency. And he wrote him: ``The point of light in which you stand will make an infinite difference." My friends, national service will succeed. It can make an infinite difference in the life of these United States, for a Thousand Points can light the lives of a people and a nation. Remember, there is no problem that is not being solved somewhere in America. You -- you in this room who have already done so much -- can prove that statement a thousand times over. It is in our hands.

God bless you. We need your help. And God bless our great country. Thank you.

Note: The President spoke at 1:35 p.m. in the Grand Ballroom of the New York Hilton Hotel. In his remarks, he referred to Ray Chambers, chairman of WESRAY Capital Corp.; Lewis Rudin, chairman of the Association for a Better New York; David Rockefeller and James D. Robinson III, founder and chairman of the New York Partnership, respectively. Prior to the President's remarks, a video on voluntarism was shown.

White House Fact Sheet on the Points of Light Initiative

June 22, 1989

Challenge

Though America is at peace and more Americans are enjoying a greater degree of prosperity than ever before in our history, we still have work to do. As long as millions of Americans are illiterates, dropouts, drug abusers, pregnant teens, delinquent or suicidal young people, AIDS victims, and among the homeless and hungry, America has not yet fulfilled its promise. Our challenge is to overcome the disintegration of communities, large and small. While the Government's role is critical, government cannot overcome this challenge alone.

Mission

The President believes in the readiness and ability of every individual and every institution in America to initiate action as ``a point of light." Meaningful one-to-one engagement in the lives of others is now required to overcome our most serious national problems. The growth and magnification of ``points of light" must now become an American mission.

Strategy

i. claim problems as your own

A. The President's Call for Action

The President calls on all Americans and all American institutions, large and small, to make service of central value in our daily life and work. The President calls on the heads of businesses and professional firms to include community service among the factors considered in making hiring, compensation, and promotion decisions. The President calls on newspapers, magazines, radio and television stations, cable systems, and other media institutions to identify service opportunities, spotlight successful service initiatives, and profile outstanding community leaders regularly. The President calls on State and local education boards to uphold the value of service and to encourage students, faculty, and personnel to serve others. The President calls on college and university presidents to recognize the value of community service in considering applicants; to uphold the value of community service; and to encourage students, faculty, and personnel to serve others. The President calls on not-for-profit service organizations to build the capacity to absorb increasing numbers of volunteers in purposeful roles. The President challenges all young people to lead the nation in this movement of community service through the YES (Youth Engaged in Service) to America Initiative. The President will call all young people to help overcome society's challenges by serving others through existing organizations or new initiatives.

He will also challenge:

leaders from all institutions to engage their organizations in the development of young people;

community leaders and students to reach out to alienated young people and develop community service opportunities which redirect their lives in a positive way;

community service organizations to build the capacity to absorb large numbers of young people in purposeful community service.

Through the foundation, the President will:

select the President's National Service Youth Representatives, who will lead other young people in community service in their regions, suggest ways that other young people can engage in community service, and assist in developing and implementing local programs;

initiate the President's National Service Youth Leadership Forums; and

present the President's National Service Youth Leadership Awards to honor outstanding youth community leaders.

YES to America is not a Federal Government program, but a nationwide service movement. It is:

a movement that is grassroots and community-based rather than devised in and imposed from Washington;

a movement that does not compensate people with Federal dollars for what should be an obligation of citizenship;

a movement that integrates service into young people's normal life and career pattern, developing in them a lifelong commitment to service rather than a temporary, 1- or 2-year involvement.

B. One-to-One Problem Solving

Every individual should ``connect'' with his or her institution -- businesses, professional firms, the media, labor, education, religion, civic groups, associations of all kinds, and not-for-profit service organizations -- and engage in the lives of others in need on a one-to-one basis. Examples of the kinds of engagement the President calls for include:

starting a literacy program to teach every employee or member who wants to learn to read;

adopting a school, class, or single student, providing tutoring, computers and other learning aids, food, clothing, or shelter for each student who needs them;

adopting a nursing home, offering comfort and cheer;

starting a one-to-one mentoring program for needy young people;

forming a consortium to make decent, affordable housing available to the homeless;

contributing and distributing surplus food to soup kitchens each day to feed the hungry.

Individuals wishing to help another in any of the above ways independently of an institution are encouraged to establish a one-to-one relationship with an individual in need.

ii. identify, enlarge and replicate what is working

The President will serve as Honorary Chairman of a foundation called the Points of Light Initiative. The President will convene an advisory committee to make recommendations (within 45 days of its first meeting) on the structure and composition of the foundation and the legislation most appropriate to accomplish the purpose of the President's national service initiative.

The President will seek a congressional appropriation of $25 million annually for the foundation, which will, in turn, seek to match that amount from private sector contributions.

The President will challenge each Governor to replicate this initiative in each State and encourage State and local leaders to develop Points of Light Working Groups composed of community leaders. These groups will marshal resources within their communities and deploy them to overcome local problems.

The President believes that virtually every problem in America is being solved somewhere. There are already countless service initiatives working successfully throughout America. However, these successful initiatives are too often isolated and unknown to others. These initiatives must be replicated over and over again by individuals and teams until everyone is connected to someone, one to one.

A. Peer-to-Peer Working Groups

Through a foundation initiative to be called the ServNet Project, corporations, professional

firms, unions, schools, religious groups, civic groups, and not-for-profit service organizations will be asked to donate the services of some of their most talented and promising people for a period of time. These extraordinary individuals will form and lead peer-to-peer working groups, e.g., lawyers going to fellow lawyers, teachers to fellow teachers, union members to fellow union members, bringing examples of successful initiatives and providing training, technical assistance, and other support to enable other institutions to devise similar initiatives.

B. Linking Servers to Needs

One of the foundation's objectives is to help to improve existing methods of matching would-be volunteers with purposeful service opportunities. Over time, through an initiative called the ServLink Project, the foundation will stimulate the development through private-sector resources of technology links between those who wish to serve and those who need service, e.g., telephone calls, interactive computers, etc.

Volunteer centers should be easily accessible to all Americans in their neighborhoods, matching people with service opportunities. Such contact points may be in a place of worship, union hall, library, fire station, business building, service group headquarters or neighborhood home. In addition, every bank, credit card issuer, telephone and utility company will be asked to include in billing and statement envelopes printed information about how people and their institutions can become engaged in serving others.

C. Recognition and Awards

In order to encourage others to engage in service, every newspaper, magazine, radio and television station will be asked to identify service opportunities, spotlight successful service initiatives and profile outstanding community leaders regularly.

The President's Build a Community Awards will honor those people and institutions who have worked together to rebuild families or to revitalize communities. Through the foundation, the President will recognize and present awards and other forms of commendation to talented community leaders and successful initiatives that are solving the Nation's most critical social problems.

iii. discover and encourage new leaders

America's community service movement must have the strongest, most creative leadership, nationally and locally. Such leadership must be constantly recruited. The foundation, with the help of existing organizations, will identify the most promising new leaders in all walks of life who are not now engaged in community service and encourage them to devote part of their talent and energy to community service. The foundation will give special attention to young people and to those who have not had the opportunity to fulfill their leadership potential.

iv. conclusion

The President's national service initiative focuses on the most critical domestic challenges facing the Nation today. These problems were long in coming and cannot be solved overnight. But if each American citizen and each American institution responds to the President's call to engage ``one to one'' in the life of another person in need, this initiative will be the most comprehensive and inclusive movement of our time. This movement can dramatically reverse negative trends on many fronts and ensure the fulfillment of America's promise.

Remarks at a Republican Party Fundraising Dinner in New York, New York

June 22, 1989

I am just delighted. Thank you all for that warm welcome. I look around this room, and I think to myself, okay, I'm President of the United States, but I know how I got here. And I see many, many people in this room to whom I will always feel indebted for that long-ago political action, and then when we all came together in the fall of 1988 for the election.

And so, I'm delighted to be here at this major political event. I want to thank Pat Barrett, my brother John, and Joe Fogg, outgoing chairman -- my friend Tony Colavita. And it's always great to be back in New York; it's the first place I've ever come to that they named a dessert for my wife -- just look at your program. I don't know what Bombe a la Barbara means -- [laughter] -- but nevertheless, we don't take that as a slight at all. We're pleased that you named it that. [Laughter] Maybe she does take it as -- no, no. [Laughter]

No, it's great to be back in New York. Where else can you find newspapers with headlines like ``Picked Pot Packed In Pickled Peppers'' -- that was out there -- or my personal favorite from the New York Daily News, a headline that accompanied before and after pictures of a famous actor that read, ``Brando Expando.'' [Laughter]

You're wondering why we're all dressed up. We're off to the Wall Street Journal 100th anniversary here in a few minutes, and the Wall Street Journal maintains a more dignified air with its no-photos policy. If they were ever to run a swimsuit issue, it would be Lee Iacocca in thongs. [Laughter]

I am here today to celebrate a new fact in American politics: the emergence of a strong, united New York State Republican Party. And we've had good times and bad, but this is due in no small measure to the leadership of our outgoing chairman, Tony Colavita. I'd like to give some credit, also, to my brother John, who fought the financial side of the equation.

And to the promise of success from your new cofinance chairman, Joe Fogg, an outstanding man who did a marvelous job on this dinner, and of course, to our new able Chairman Pat Barrett. Pat -- he's a friend to many here, and Barbara and I consider him a friend. He has everything in the world going for him upstate, and now he's taken on this major job. He's shown the proven ability to reach out and attract new voters to the Republican Party. Pat, you've worked wonders as the county chairman up there in Onondaga County, and we look forward to your work and this Barrett magic all across New York State, and every single one of you ought to help him every way you possibly can.

It is no surprise to me that New Yorkers, in particular minority and ethnic voters, are shifting -- they are shifting from automatic loyalty to the other party and voting Republican more and more. And it was, after all, the Republican Party that was the original party of civil rights, equal opportunity. It was the Republican Party that first attracted immigrants and the sons and daughters of immigrants into politics. Think of Mayor Fiorello La Guardia, The Little Flower of Italy.

And now we are proud to have a new generation of Republican leaders, with your great Senator, Alfonse D'Amato, heading our New York Republican delegation for a second term in the United States Senate. And I'm glad that his TV star of a mother is here. No United States Senator works harder, and I've seen them all in action. For 8 years I was President of the Senate; no United States Senator works harder for his constituents than Al D'Amato. And he will be reelected overwhelmingly, I'm sure, come 4 years.

Republicans take great pride in our New York Members of Congress, and you've got a good delegation, now 13 strong. I want to keep that number at 13 -- because Guy Molinari has decided to leave Congress to run for borough president, and I want him to win that race, and I want all of you to support him. But the Nation's loss is Staten Island's gain. And then with Susan already on the New York Council, the Molinaris will be even more of a powerhouse in the State, and I will always be grateful to Guy.

We are also justly proud of how far we've come as a party, so far that we now have a good chance -- and I mean a real good chance -- of winning the mayor's office in New York City, the most powerful local office in America. And it's a tremendous opportunity for the Republican Party to show that our commitment to executive leadership extends far beyond the executive branch in Washington, DC -- far beyond the White House, to the city streets and the sidewalks of New York, where the action really is. And accordingly, I would like to commend our three mayoral candidates, Rudolph Giuliani -- Rudy -- [laughter] -- sorry about that -- Ron Lauder, and Herb London -- for offering their considerable abilities to the voters.

And my plea, in advance of this September primary, is that we recognize that we can and will win the race if we pull together as a party. And that is my pitch to you tonight, and I hope every one of you will get behind whoever our nominee is.

And as we win the top executive job in America's top city, we will also make big legislative gains in Albany, keeping the State senate, making big strides in the assembly. The State senate has been our Republican watchdog in Albany, you might say, and it must be our first line of defense in the fight for fair representation in the 1990's. As I look around our country with a sense of fairness motivating me, it is absolutely essential that we block the gerrymandering ways of the Democratic Party in all 50 States. They've done it to us in the past, and we cannot let them do it to us again.

So, Pat, under your leadership -- a strong, united New York Republican Party with unity and with courage -- I know you'll go the distance. And the era of the Democratic dominance will be a story from the past.

So, I just wanted to come up here tonight with Barbara and wish you well; thank and salute your new leadership; thank all of you who have supported this, the most successful fundraiser that a party has had, as Pat said, in the State's history; and say to you, we are lucky to live in the greatest, freest country in the world. And part of all that freedom stems from our participation in politics, so don't think that there's something wrong with it. Roll up your sleeves and go to work, and let's win the mayor's race in the fall, and let's build this party so we pick up seats in the Congress in 1990.

Thank you all. God bless you, and keep up the good work.

Note: The President spoke at 7:16 p.m. in the Grand Ballroom at the New York Hilton Hotel.

Remarks at the Wall Street Journal Anniversary Dinner in New York, New York

June 22, 1989

Well, thank you, Warren, and all of you at Dow Jones, Wall Street Journal for inviting Barbara and me to be with you tonight; and I really am pleased to be here. I'm delighted to see so many friends, including this one right up here -- Lionel Hampton. This is a nonpartisan evening, but politically, we've been together for a long, long time.

Your 100th birthday -- talk about a big event. This morning, I saw Willard Scott on TV holding up a birthday snapshot of The Wall Street Journal. And speaking of television, Barbara and I have staying with us our grandson George P. -- our oldest grandson, from Florida. And I told him I'd be spending the evening with a lot of famous people in the media, the media elite. He asked me to get an autograph from Morton Downey. [Laughter] But seriously, Warren was telling me about this get-together, and this is an impressive audience. And as I look around, if anything catastrophic happened in the Winter Garden, the Fortune 500 would be lucky to keep in the just double digits.

But 100 years ago, what was it like? It wasn't cars but carriages that crowded the New York cobblestones on July 8, 1889. Telephones and electric lights were just catching on. It was the year that the Oklahoma Territory opened and the Johnstown flooded and Mark Twain penned ``A Connecticut Yankee." Another year would pass before Sitting Bull would perish in the Sioux uprisings. And as the Sun rose over Manhattan on that hot July Monday, John D. Rockefeller was preparing to celebrate his 50th birthday. And upriver -- I saw Eli Jacobs here, and he'll be interested in this -- upriver, 10,000 baseball fans filled the new Polo Grounds, with another 5,000 crowding the nearby bluffs, to see New York down Pittsburgh 7 to 5.

And from a modest office not far from where we stand, the Wall Street Journal was distributed to a few hundred readers for 2 cents a copy. And the first front page contained another historic first -- your first typo. [Laughter] It was in a story about John L. Sullivan's victory in the bare-knuckle heavyweight championship, won after 75 grueling rounds. It was to be the Nation's last such drawn-out, bare-knuckle fight until they invented leveraged buyouts and Presidential primaries. [Laughter]

From those modest beginnings, the Wall Street Journal emerged to become America's ledger sheet, chronicling war and depression and prosperity, as we grew from a frontier society to the frontiers of space -- the world's dominant financial power.

Arthur Miller observed that ``a good newspaper is a nation talking to itself." Well, in my view, the Journal is like that. In a changing world that offers 64 channels of cable television, the 6

columns of the Wall Street Journal are as familiar as the morning coffee at our breakfast tables. And its pages tell the story of our times. Only once in 100 years did it carry a banner headline. The day after Pearl Harbor, September 7th, 1941 -- [laughter] -- make that December 7th, 1941. But after the war, the Journal came to Texas the same year I did, 1948, when it began printing in Dallas. Your chairman, Warren Phillips, had been hired as a copyreader the year before, in time to see the first of the paper's 13 Pulitzers. Not that every article was a Pulitzer Prize winner. In 1967 a front-page story on China predicted the Communist government wouldn't last the year. A decade later, in 1979, the Wall Street Journal became the largest circulation daily in the Nation, but one rival complained that it was only because so many subscribers were at an age where they forgot to cancel. [Laughter]

Speaking of age -- and literally apropos of absolutely nothing -- Bob Hope told this story about aging at the Joe Gibbs charity dinner in Washington this week that Barbara and I attended, and that our guest here Kay Graham's son sponsored. Two men, two old men, sitting on a park bench -- and the first one said, ``Do you know how old I am?'' The second one said, ``Stand up, turn around, drop your trousers down. Now pat yourself on the back. Okay, pull up your trousers, sit back down here on this bench.'' The man said, ``Well, how old am I?'' He said, ``You're 93 years old, 4 months and 3 days.'' The first guy said, ``How did you know that?'' He said, ``You told me yesterday.'' [Laughter]

Well, anyway, on the day after the 1980 election, the lead editorial -- the 1980 election -- the lead editorial celebrated Ronald Reagan's mandate. And President Reagan told me, ``Well, one day your day will come.'' And it did. And the day after I was elected President, the headline read -- and I kid you not -- ``Jim Wright's Mandate.'' [Laughter] Go look it up. [Laughter]

I told Al Hunt, though, how much I enjoy the Journal. He asked if it's the front page, the conservative editorials, or the news coverage. I said, ``No, none of those, none of the above. It's because you don't carry ``Doonesbury.'' [Laughter]

All kidding aside, the Wall Street Journal has a proud and enviable tradition. And although you deal in the world's most perishable product -- news, polls have repeatedly shown that your paper is one of America's most trusted publications. A reputation like that can only be earned by adherence to your founders' pledge to always have the news ``honest, intelligent, and unprejudiced.'' In modern times, your reporters have carried this pledge beyond business reporting, in coverage of events like the civil rights struggle, the recent tragedy in Beijing -- carrying on a proud American tradition of braving intimidation to bring the truth into the light.

And many at the Journal have gone beyond their professional obligations and set examples of another old-fashioned tradition that is very much on my mind today: the tradition of public service. Three years ago, John Fialka wrote a column-one story entitled ``Sisters In Need,'' chronicling the poverty that had befallen the growing ranks of retired clergy in America, and it provoked a swell of readership response. And so, John and others at the Journal founded

``SOAR'' -- ``Support Our Aging Religious'' -- and raised more than $1 million to aid 30 different orders.

A similar public response occurred in 1987 after the publication of ``Urban Trauma,'' Alex Kotlowitz's moving account of 3 months in the life of a kid, Lafayette Wilson -- a kid, a 12-year-old boy struggling to survive in a dangerous Chicago project. And Alex stayed in touch with Lafayette. And last summer they passed the hat at the Journal and gave this kid and his brother a season of peace in the woods of a Wisconsin boy's camp.

Personal gestures, profound actions, sometimes life-changing in their effect -- these are the works of men and women who know that prosperity without purpose means nothing.

And earlier today, I announced a new initiative calling on all levels of government -- both sectors, public and private -- to enlist in a new crusade to bring national service into every corner of America. And that crusade begins with a simple truth: From now on, any definition of a successful life must include serving others.

And I may never have as important an audience to carry this message to as you who are gathered in the Winter Garden tonight -- the American business community, who has supported conservative policies. We're enjoying prosperous years, but not all Americans are part of that prosperity, and I ask that business do its part. Prosperity cannot be truly enjoyed unless the Points of Light about which I've spoken shine on every American in need. Many of you are CEO's [chief executive officers] with galaxies at your command. And it is my request -- and I believe, your obligation -- to donate the services of the talented and the enterprising within your ranks. Many of you are setting the pace; many of you are doing this now. Everyone should do this now.

And shortly after the Wall Street Journal was founded, 100 years ago, the Census Bureau declared that the frontier no longer existed in America. But the Wall Street Journal -- you've proven them wrong by advancing across ever-new frontiers of technology and geography and innovation. And I said it a week ago, looking eastward across America from the foot of those majestic Grand Tetons: The challenges ahead are in the frontiers of the mind and in the good that hard work and the human imagination can bring to pass.

Not long after bringing home the Journal's first Pulitzer Prize, William Grimes expressed a simple creed. He wrote: ``We believe in the individual, in his wisdom and his decency.'' Now, that's a worthy tenet, one we can all carry forth from tonight's celebration and on to a renewed commitment to service tomorrow. To all at the Journal, I send you my heartfelt congratulations on this landmark, wish you success as your second century begins. And to all here tonight: Thank you, God bless you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 8:49 p.m. in the Winter Garden at the World Financial Center. In his remarks, he referred to Warren Phillips, chief executive officer of Dow Jones & Co., Inc.; entertainer Lionel Hampton; television personalities Willard Scott and Morton Downey; Eli S. Jacobs, owner of the Baltimore Orioles; playwright Arthur Miller; Katherine and Donald Graham, chairman of the board and publisher of the Washington Post, respectively; and Albert Hunt, Washington bureau chief of the Wall Street Journal. Following his remarks, the President returned to Washington, DC.

Nomination of Five Members of the Defense Nuclear Facilities Safety Board, and Designation of Chairman and Vice Chairman

June 23, 1989

The President today announced his intention to nominate the following individuals to be members of the Defense Nuclear Facilities Safety Board, for the terms indicated. These are new positions.

Edson G. Case, of Maryland, for a term of 1 year. Since 1975 Mr. Case has been Deputy Director of the Office of Nuclear Reactor Regulation at the Nuclear Regulatory Commission in Washington, DC.

John T. Conway, of New York, for a term of 5 years. Upon confirmation, the President intends to designate Mr. Conway as Chairman. Since 1982 Mr. Conway has been executive vice president for corporate affairs for the Consolidated Edison Co. of New York.

John W. Crawford, Jr., of Maryland, for a term of 2 years. Since 1981 Mr. Crawford has been a consultant in nuclear engineering. Prior to this he was Principal Deputy Assistant Secretary for Nuclear Energy at the Department of Energy, 1979 - 1981.

A.J. Eggenberger, of Montana, for a term of 4 years. Upon confirmation, the President intends to designate Mr. Eggenberger as Vice Chairman. Since 1984 Mr. Eggenberger has been program director and leader of the Earthquake Hazard Mitigation Program for the National Science Foundation in Washington, DC; and since 1982, an expert consultant in nuclear safety for the International Atomic Energy Agency in Vienna, Austria.

Herbert Kouts, of New York, for a term of 3 years. Since 1976 Dr. Kouts has been with the Brookhaven National Laboratory in Upton, NY, most recently serving as senior physicist in the department of nuclear energy.

Statement on the 25th Anniversary of the Slaying of Civil Rights Activists James Chaney, Andrew Goodman, and Michael Schwerner

June 23, 1989

James Chaney, Andrew Goodman, and Michael Schwerner gave their lives in the struggle to guarantee one of democracy's most basic civil rights -- the right to vote -- for all Americans. The savage execution of these three brave men rightfully shocked our national conscience. The public outcry galvanized this country's progress on civil rights.

Today, 25 years later, we have not forgotten these three brave young men and their sacrifice. When they saw the promise of democracy unfulfilled in their homeland, they risked all so that others might know the joy of true freedom. We have come far because of James and Andrew and Michael. We can erect no greater monument to their memory than to ensure that the arrogance and bigotry that took their lives never again exists in America. The courageous family members whom I met this morning have embarked on a symbolic journey to commemorate the sacrifice of these American heroes, and I wish them Godspeed.

Message to the Congress Transmitting the Report of the Council on Environmental Quality

June 23, 1989

To the Congress of the United States:

I am pleased to transmit to the Congress the annual report of the Council on Environmental Quality, Environmental Quality 1987 - 1988. This report focuses on the Nation's air, land, and water resources that are particularly affected by the urbanization of our population and by other intensive uses. It presents CEQ's analysis of the historical trends, current status, and outlook for urban air quality, developed water resources, and the growing burden of municipal solid waste on the urban landscape. It also offers an assessment of the Federal lands reserved for our national defense installations, which present special environmental challenges.

Americans built great cities that have facilitated commerce and economic growth and prosperity, and provided homes to millions of new citizens from all over the world. Today nearly three-fourths of our people reside in communities classified as ``urban'', which make up only about 2 percent of this country's total land acreage. As our Nation has generally prospered by intensively developing these urban areas, expectations for human health and quality of the natural environment have also increased.

Hence, for nearly 2 decades, governments at all levels have increased their efforts to address pollution and environmental degradation. Parallel efforts in the private sector have accompanied government programs to protect the human environment. As a result, we can point proudly to improvements on a number of fronts. Some of these are reviewed in this CEQ report. For example, the Federal motor vehicle control program, which sets emissions standards for all new production vehicles, has brought about a clearly demonstrated improvement in the quality of the air in cities throughout the Nation.

But we can do better. That is why we are committed to cleaner air in the Nation's cities, and why we believe that a fresh approach to the Clean Air Act can help meet the Nation's environmental needs without compromising our record of unprecedented economic growth. It is now clear that different cities have varying climatic conditions, industrial mixes, and automobile use patterns. Cleaner air in our cities will thus require credible commitment, timetables, and strategies for the different regions of the country. Innovative solutions tailored to meet local circumstances will be required. Draconian limits on economic growth and on the use of the automobile should not be necessary in order to give Americans clean air at levels they are willing to pay for, but it will require significant Federal, State, and local leadership and innovative approaches from government and industry.

We must do better. This country must make every effort to stem the rising tide of garbage and industrial waste through a more aggressive use of waste minimization and recycling practices. America as a nation is filling landfills faster than it can establish new ones. The waste problem is not going away, and it can no longer be neglected. Waste minimization must start at home and in the local communities, by reducing household garbage and separating wastes for recycling. In many cases it is in the economic self-interest of industry to recycle its wastes, to minimize waste generation at the source, or to adopt less polluting processes. Innovative techniques that have proven effective in reducing wastes both in industry and in local communities should be widely shared.

We will do better. The development of America's abundant water resources has stimulated economic advancement in nearly all regions of the country and has facilitated growth in interstate commerce generally. Since 1972, a national expenditure of $350 billion for water pollution abatement and control has restored water quality in many places so that today some three-fourths of our rivers, lakes, and estuaries can fully support fishing and swimming. But the pollution that washed ashore on popular beaches last summer has again focused attention on the condition of the Nation's coastal waters. Abuses of the oceans and the Great Lakes must end and will end, and we will work closely with the States to enforce and strengthen the effectiveness of the Ocean Dumping Act and the Clean Water Act. We must also better protect America's wetlands, by working towards a goal of no net loss through a coordinated wetlands policy. We are also committed to protecting the Nation's surface and ground water resources from contamination by fertilizers and pesticides without jeopardizing the economic vitality of U.S. agriculture, and we will work with farmers to adopt environmentally sound production practices, safer chemicals, and biological pest controls.

Doing a better job of cleaning the air will make our cities more healthful. Doing a better job of solid waste management will make our landscapes safer and more attractive. Doing a better job of protecting our water resources will add importantly to the overall opportunities for outdoor recreation within and near our urban communities, closer to where most Americans spend most of their time. Recent studies of outdoor recreation have pointed out the enormous popularity of water-based recreation activities and have stressed the positive relationship between improvements in water quality and the effective use of urban lands available for outdoor recreation.

A better life for all Americans is our great common desire, and I believe that economic growth and a clean environment are both part of what all Americans understand a better life to mean. The protection of the environment and the conservation and wise management of our natural resources must have a high priority on our national agenda. Given sound research, hard work, sufficient public and private funds, and -- most important -- the necessary political will, we can achieve and maintain an environment that protects the public health and enhances the quality of life for us all.

George Bush

The White House,

June 23, 1989.

Remarks at the Annual Meeting of the American Association of University Women

June 26, 1989

Sarah, thank you very much for that introduction -- and all of you for that warm welcome -- and congratulations to you as you complete your distinguished term as president of AAUW. And welcome to Sharon Schuster, the new president. And may she run the meetings with the same iron hand -- [laughter] -- and put-down of dilatory proceedings, such as free debate -- [laughter] -- that Sharon did. I say all that because she told me coming in here that there was a harmonious meeting, and one that -- plenty of substance discussed -- that went very, very well indeed. So, congratulations!

There's another AAUW president, a past president, that I'd like to say hello to, from Des Moines, Iowa, and now the head of your educational foundation: Mary Grefe. Is it really Grefe? I didn't want to say grief. [Laughter] I pronounced it my way. [Laughter]

In America today, there is no greater imperative, moral or practical, than providing equal opportunity to every man, woman, and child. And this means equal opportunity in housing and jobs, and flexibility and parental choice in child care and education. And it means equal protection from hostile elements, whether criminal or environmental, and equal opportunity in service and community action, whether through public, private, or nonprofit organizations.

And today I'd like to talk about two issues in particular: education and public safety. Both are important to this association and to any thinking person who cares about the quality of life and opportunity in America. And both are the subject of major administration proposals now pending before the United States Congress.

And there's a third issue that I know you're familiar with: community action -- what I have called a Thousand Points of Light. And last week I traveled up and down the eastern seaboard, issuing a call to action for community service. And we carried the message from Main Street to Wall Street, enlisting young and old, black and white and brown -- America's diversity -- to join a movement predicated on one simple idea: From now on, any definition of a successful life must include services to others. For over a hundred years, your predecessors, and now you in this room, have built successful lives through community action. You were ahead of the curve, way out ahead of the power curve, by about a century. And often your service has addressed the very issues we're talking about today: education and public safety.

The AAUW foundation that Mary Grefe -- [laughter] -- now directs -- what is it about me and Iowa, where I'm always having trouble? -- [laughter] -- began handing out educational fellowships in 1888. And it's a great tradition, at once combining America's values of service

and education. And the scholarships you provide are more than just money in the hands of deserving students: They are money in the bank for the future of America. And your association represents 140,000 reasons why America will succeed.

Your contributions are important, and equally important is the recent and renewed commitment to an old-fashioned American idea: partnership between the Government and the community in seeking educational excellence. Government, and especially Federal Government, cannot provide all the answers, but it has an obligation to lead.

And earlier this year, I sent to Congress the Educational Excellence Act of 1989. And it proposes solutions based on some sound and time-tested ideas: rewarding excellence, helping those in need, accountability -- and one that's close to the traditions of this organization -- parental choice and flexibility. To achieve these goals, my new initiative proposes a seven-point plan: first, cash awards for merit schools; second, merit awards for America's best teachers -- [applause] -- a little dissent on that one -- [laughter] -- third, a new program for high school science scholarships; fourth, $400 million to boost magnet schools; fifth, new money for new teachers, using alternative certification to expand the pool of skilled educators; sixth, emergency grants to help our schools become drug free; and seventh, expanded Federal help to our historically black colleges and universities.

Given the number of experienced educators right here in this room, it will come as no surprise to learn that many of these initiatives were developed from the classroom success stories of teachers like those in your association. And other guidance came from people like Sarah Harder, who I met with in Washington following my election as President. And my administration is grateful for the benefit of your experiences and your views.

And today I'd like to talk briefly about four of these initiatives in particular. Two of the points call for merit awards -- cash incentives for our most successful schools and the top teachers in every State. I want the best teachers our educational system can attract, because teachers shape the minds that shape the future of the country.

Last year, at the centennial celebration of the first AAUW educational fellowship, Justice Sandra Day O'Connor received your Achievement Award. And when we talk about merit schools and merit teachers, there could hardly be a better example than this year's winner, the founder of the Westside Preparatory School in Chicago's inner city, Marva Collins. Says Marva, ``Any child can learn if they are not taught so thoroughly that they cannot." [Laughter] Think about that one, now.

She got results, working with students who have been written off by the public schools. It's said that 98 percent of her students go on to high school and then college. And her students got results. It was reported that one of Marva's 6-year-olds could recite Jesse Jackson's 1988 convention address from memory. [Laughter] Hmm. [Laughter] Now look, Marva, Jesse is a

very gifted speaker, and you're being too tough on those kids. [Laughter] Give them my convention speech, and I bet they can do it at age 3. [Laughter]

But I've also heard of one young girl who began pounding her lunch box on the desk in the middle of the class. Marva told the girl, ``No, darling, no one is going to be handing out good jobs to people who pound their lunch boxes on their desks. President Bush does not pound his lunch box on the desk." [Laughter] Obviously, Marva's never been to one of our Cabinet meetings. [Laughter]

America needs results, too. So, another part of my education plan calls for a similar kind of new incentive: science scholarships of up to $40,000 for more than 500 of our best high school seniors. And this is an idea that also resonates in your association. Last year you founded the Eleanor Roosevelt Fund -- what you call an intergenerational partnership -- to address the underrepresentation of women and girls in math and science.

And I know that many of you are familiar with ``Workforce 2000," which concludes that almost two-thirds of the new entrants to the labor force in the next 11 years will be women. To stay competitive in a competitive world, we must provide incentives and opportunities for this new generation of women to get the education and training they need to be second to none. And if we cannot compete with other countries in the classroom, we cannot compete with them in the boardroom.

And the last of our education initiatives calls for drug-free schools. And we've asked Congress to finance urban emergency grants to help our hardest hit school districts. And if we want to stop our kids from putting drugs in their bodies, we must first put character in their hearts and common sense in their heads.

Let me just stop here a minute. Barbara and I were up in Covenant House the other day in New York, and Barbara's good at this -- she can handle the emotion of the young kids; her husband is not. But if you'd seen it, and I expect some of you had, these kids -- the matrix joining the meeting was narcotics use, prostitution, and hopelessness, really -- and it was tragic. And it brought home to me, loud and clear, how much we have left to do in terms of offering hope, through education, to the young people afflicted by this scourge of narcotics. We've got to succeed as a nation.

So, as with education, the subject of drugs and crime, as well -- especially violent crime -- has been on my mind in recent weeks. And last month, I was out standing before the U.S. Capitol on a somber, rainy afternoon to call on Congress to join me in a new partnership with America's cities and States to take back the streets. And at the Federal level, we're going to do our part by taking violent criminals off the streets. And it's an attack on all four fronts: new laws to punish them, new agents to arrest them, new prosecutors to convict them, and new prisons to hold them. And incidentally, I feel just as strongly about the white-collar criminal that traffics in narcotics

as I do about the street criminal.

The comprehensive initiative that I'm talking about here is directed at violent crime and, in particular, the explosion of urban gunfire that often accompanies drug trafficking. But all too often, violent crime also means crime against women, and I am angered and disgusted by the crimes against American women and by the archaic and unacceptable attitudes that all too frequently contribute to those crimes. Whether it involves spouse abuse at home or violence in the street, these are evil acts that transcend racial and class lines. This war against women must stop, and I hope we can prove to be a constructive force for ending it.

Our cities and States must step up their efforts to combat violence against women, to treat victims with compassion and respect. And they must follow our Federal example of enacting tougher laws -- backed up by more police, prosecutors, and prisons -- to put away every violent offender.

Fundamentally, violence against women won't subside unless public attitudes change. We must continue to educate police and prosecutors, judges and juries. And we must engender a climate where the message our children get -- from television and films, from schools and parents -- is that violence against women is wrong. A kinder and gentler nation must protect all its citizens. And no matter how equal the opportunities in our schools and workplace, women will never have the same opportunities as men if a climate of fear leaves them justifiably concerned about walking to the campus library at night or reluctant to work late hours for fear of getting out of some parking lots safely.

I have a daughter and four daughters-in-law. And when we talk about what kind of schools and the kind of society we are shaping for the next century, I think about my own 11 grandchildren -- seven are girls. And it is unthinkable that any opportunity should be available to my pride and joy, our oldest grandson, George P., that isn't also out there for his cousin Jenna Bush.

And one opportunity -- and maybe I'm preaching to the choir here -- [laughter] -- that some women in this room should not overlook is rolling up your sleeves and running for public office. I encourage you to do that, and it is challenging and enormously satisfying. This day and age there seems to be more public flak and all of that, but believe me, I still feel strongly that public service is an honorable calling. And we've got to inculcate that into the life of every single child in this country, and you can help by running for office.

Over the years, I have had the privilege of working with many talented leaders like Carla Hills and Elizabeth Dole and Sandra Day O'Connor and Nancy Kassebaum, and their record of public service -- like the work of so many in your own association -- confirms the long-ago observation of one of the patron saints of community service, Alexis de Tocqueville. He wrote, ``If I were asked to what the singular prosperity and growing strength of the American people ought mainly to be attributed, I should reply: to the superiority of their women."

I am pleased to be the first President to address the AAUW and very honored -- maybe I'm getting a little out ahead of the power curve here -- to be awarded an official membership. [Laughter] Wait a minute! So, technically that makes me the first AAUW member to be President of the United States, but I know I won't be the last.

Thank you all, and God bless all of you. Thank you very much.

Note: The President spoke at 11:27 a.m. in the Sheraton Washington Ballroom at the Sheraton Washington Hotel. In his remarks, he referred to Sarah Harder, president of the association; U.S. Trade Representative Carla A. Hills; Secretary of Labor Elizabeth H. Dole; and Senator Nancy Landon Kassebaum of Kansas.

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Hiroshi Mitsuzuka of Japan

June 26, 1989

The President met with Japanese Foreign Minister Hiroshi Mitsuzuka in the Oval Office for 20 minutes this afternoon. The President congratulated the Foreign Minister on assuming his new post and reaffirmed the importance of the U.S.-Japanese relationship not only for the two nations but for the whole globe. Minister Mitsuzuka stressed the continuity of Japanese diplomacy and that the U.S.-Japan relationship will continue to be the cornerstone of Japan's foreign policy. There was a brief discussion of trade issues, and the President indicated that trade would be a major point of discussion in the upcoming economic summit in Paris. The President and Foreign Minister discussed the situation in China.

The Foreign Minister said Japan was encouraged by the President's experience in the region and hoped our two countries would keep each other informed on our views. The President said that we would continue trying to convince the Chinese leadership that it is in their interest to keep reform moving forward. During the course of the meeting, Foreign Minister Mitsuzuka invited Vice President Quayle to visit Japan in September, and the Vice President accepted in principle.

Remarks to New Members of the Republican Party

June 26, 1989

Thank you very much. And all of you, greetings, welcome to the Rose Garden. To Lee Atwater and Jeannie Austin -- delighted that the leaders of our party are here for this important occasion. And of course, to our special friend, Congressman Bill Grant of Florida -- a great, great pleasure to see you again and have you here with us. And to State officials, key elected leaders, fellow Republicans all -- welcome to the White House. And welcome officially -- you don't need it from me -- but welcome to the Republican Party!

It was once said that some men change their principles for their party, while others change their party for their principles. And since the election, scores of elected Democratic officials, men and women, have made the right choice and joined the Republican Party because the values and principles of the Democratic Party were not their values and principles, and I think many more will follow them.

The switch is on to the party in sync with the American principles. The switch is on to the Republican Party. In February -- seems like just yesterday -- Bill Grant, Congressman, came to the White House to announce his switch from Democrat to Republican. And now he's with the party of opportunity, the party of ideas, the party of the future -- because in the future, I honestly believe there will be many more Democrats joining our ranks.

And people say the Republican Party is on the move. Well, when I look around here today, I'd say that's true. We're moving in the right direction. But the Democratic Party is on the move, too: to the left and out of the mainstream. And as the greatest former Democrat of them all, President Reagan, once said: ``I didn't leave the Democratic Party. The Democratic Party left me.'' The Democratic Party is leaving droves of voters behind as it moves over onto the more liberal side, the left side of the political equation. And now many of those stranded voters have made a move on their own -- to the Republican Party, our party of family, faith, and the future.

And each of you here has made a courageous decision, sometimes a very tough political decision, to join us -- taking considerable political risk in the process. But you've also made a move to be on the winning side in the contest of ideas and issues in America. And when you made that bold choice to join us, we made a choice, too. We will support you; we will back you up in every way we can. You've made a tough decision -- the right decision -- and we're with you. And when you're out there on the front lines for us, you won't be fighting alone. This party will stand with you shoulder to shoulder.

As former Democrats, you are the most visible sign of the great sea changes that are going on in the American political scene. I'm told that since 1984, the Republican Party in Florida has increased its voter registration by nearly half a million; and in the last 60 days, Republicans have

been out-registering Democrats in that State by better than 3 to 1. And that's because mainstream Americans believe in peace through strength, and economic opportunity, traditional family values. And with the Republican Party, they're swimming with the current.

We know which party stands for a strong America and a growing economy, and Americans know that, too. And that's why with the able leadership of Lee Atwater, Jeannie Austin, the party will become the majority party in America. We can do it -- I want to help -- we will do it because of the courage of you and thousands like you. On behalf of Republicans everywhere, then, thank you, congratulations, welcome to the Republican Party. Thank you all very, very much for coming.

Note: The President spoke at 3:44 p.m. in the Rose Garden of the White House. In his remarks, he referred to H. Lee Atwater and Jeannie Austin, chairman and cochairman of the Republican National Committee.

White House Statement on the Soviet-United States Nuclear Testing Negotiations

June 26, 1989

Today marks the beginning of round IV of the nuclear testing talks (NTT) in Geneva between the United States and the Soviet Union. Ambassador C. Paul Robinson heads the U.S. delegation to the talks.

The U.S. approach to these negotiations complements our efforts to reach agreements that will strengthen our security and enhance stability. A priority for these step-by-step talks is to complete protocols to provide for effective verification of the Threshold Test Ban Treaty of 1974 (TTBT) and the Peaceful Nuclear Explosions Treaty of 1976 (PNET), neither of which has been ratified because they were not verifiable in their original form.

Much has been accomplished in the negotiations, and we will build on the progress that has been made. We have substantially completed the protocol to the PNET, and we will be working to complete the TTBT protocol, which governs nuclear weapons testing. Since the TTBT and PNET are complementary treaties, they and their protocols will be submitted to the Senate as a package for advice and consent to ratification.

Our approach to these negotiations is based on a realistic approach to our security: For the past four decades, a strong nuclear deterrent has been the foundation of our security and freedom. As long as we must rely on nuclear weapons, we must continue to test to ensure their safety, security, reliability, effectiveness, and survivability. We resume these negotiations determined to complete the task of concluding the verification provisions, which are essential to sound and stabilizing agreements.

Statement by Press Secretary Fitzwater on the Persecution of the Turkish Minority in Bulgaria

June 26, 1989

In the last month, over 60,000 people have either fled or been forcibly expelled from Bulgaria to Turkey -- many with nothing more than the clothes on their backs -- and more are arriving in Turkey every day.

This mass migration is the result of the Bulgarian Government's systematic denial of basic human rights to its Turkish minority. Since 1984 the Bulgarian authorities have been carrying out a campaign of forced assimilation of Bulgaria's ethnic Turkish minority, forcing its members to slavicize their names and denying them the right to speak their language and practice their religion. Members of the minority who have objected have been imprisoned without trial and treated with great brutality.

Over the past month, this campaign against ethnic Turks has taken on a new dimension, as Bulgarian forces have fired on peaceful demonstrators, killing some and wounding others. There are reports that the violence continues. We deplore Bulgaria's blatant violations of the human rights of its citizens, rights which Bulgaria has committed itself to protect as a signatory of the Helsinki accords and other international agreements. We urge the Government of Bulgaria to cease these violations and to allow for the orderly emigration of those ethnic Turks who desire to leave.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Mario Alberto Soares of Portugal

June 26, 1989

The President met today with Portuguese President Mario Soares. The President expressed his appreciation for Portugal's positive contribution to the North Atlantic alliance. The two leaders discussed the European Community, China, and Central America. Southern Africa was also discussed, particularly the Angola peace process. The meeting lasted 35 minutes. Deputy National Security Adviser Robert Gates and Deputy Secretary of State Lawrence Eagleburger also attended the meeting.

Nomination of Evelyn Irene Hoopes Teegen To Be United States Ambassador to Fiji, Tonga, Tuvalu and Kiribati

June 26, 1989

The President today announced his intention to nominate Evelyn Irene Hoopes Teegen to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Fiji and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Tonga, Tuvalu and Kiribati. She would succeed Leonard Rochwarger.

Ms. Teegen is presently the Republican national committeewoman for Minnesota and the executive director of the Minnesota Seat Belt Coalition. Since 1987 Ms. Teegen has also been vice president of Teegen and Associates in Minneapolis. She also served as a member of the U.S. delegation to the 25th anniversary of the independence of Kenya, 1988; as a member of the 15th Air Command/Civilian Distinguished Visitors trip, 1987; as a member of the National Academy of Science for the Study of the Benefits and Costs of the 55 MPH Speed Limit, 1986; as a member of the National Highway Safety Advisory Committee, 1982 - 1985; and as a member of the Republican National Committee delegation to the People's Republic of China, 1984. Ms. Teegen is a member of the board of directors of Africare and the Minnesota Safety Council, as well as a member of the American Coalition of Traffic Safety and the Minnesota Citizens Council on Crime and Justice.

Ms. Teegen graduated from Iowa State University with a bachelor of science degree, 1953. She was born November 17, 1931, in Muscatine County, IA. Ms. Teegen is married, has two children, and currently resides in Minneapolis, MN.

Nomination of Thomas F. Stroock To Be United States Ambassador to Guatemala

June 26, 1989

The President today announced his intention to nominate Thomas F. Stroock to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala. He would succeed James H. Michel.

Mr. Stroock is currently president of Alpha Exploration, Inc., and the Stroock Leasing Corp., in Casper, WY. In addition, he is a Wyoming State senator and serves as vice president, chairman of the Wyoming Senate Appropriations Committee, and cochairman of the Wyoming Joint Legislative Appropriations Committee. He has also served as director of Key Bank of Wyoming and as director of Key Bancshares of Wyoming. He worked for the National Public Lands Council, 1981 - 1984; the National Small Business Advisory Council, 1981 - 1983; and as director of Century Oil and Gas Co., 1976 - 1982. He has served as a member of the National Petroleum Council, 1970 - 1977; director of Mid-America/Great Plains Financial Corp., 1967 - 1973; and director of the Wycom Corp., 1968 - 1975.

Mr. Stroock graduated from Yale University (B.A., 1948). He was born October 10, 1925, in New York City. He is married, has four children, and resides in Casper, WY. He served in the U.S. Marine Corps, 1943 - 1946.

Nomination of Alexander Fletcher Watson To Be Deputy United States Representative to the United Nations

June 26, 1989

The President today announced his intention to nominate Alexander Fletcher Watson to be the Deputy Representative of the United States of America to the United Nations, with the rank of Ambassador Extraordinary and Plenipotentiary. He would succeed Herbert Stuart Okun. Mr. Watson is a career member of the Senior Foreign Service, Class of Minister-Counselor.

Ambassador Watson entered the Foreign Service in 1962. He initially served as a consular officer in Santo Domingo, 1962 - 1964, and Madrid, 1964 - 1966. Following these assignments he served in the Department of State as an intelligence analyst in the Bureau of Intelligence and Research, 1966 - 1968. In 1968 he attended graduate school at the University of Wisconsin at Madison. Ambassador Watson was a political officer in the U.S. Embassy in Brazil, 1969 - 1970; principal officer, American consulate in Salvador de Bahia, Brazil, 1970 - 1973; and country officer, Office of Brazilian Affairs, Bureau of Inter-American Affairs, Department of State, 1973 - 1975. In 1975 Ambassador Watson was named Special Assistant for Legislative and Public Affairs to the Assistant Secretary for Economic and Business Affairs. In 1977 Ambassador Watson became Deputy Director, and then Director, of the Bureau's Office of Development Finance. He then served as deputy chief of mission in the U.S. Embassies in Bolivia, 1979 - 1981; Colombia, 1981 - 1984; and Brazil, 1984 - 1986. Since 1986 Ambassador Watson has been serving as Ambassador to the Republic of Peru.

Ambassador Watson graduated from Harvard College (A.B., 1961) and the University of Wisconsin (M.A., 1969). He was born August 8, 1938, in Boston, MA. Ambassador Watson is married and has two children.

Continuation of Michelle Easton as Deputy Under Secretary of Education

June 26, 1989

The President today announced that Michelle Easton will continue to serve as Deputy Under Secretary for Intergovernmental and Interagency Affairs at the Department of Education.

Since 1988 Mrs. Easton has served as Deputy Under Secretary for the Office of Intergovernmental and Interagency Affairs at the Department of Education. Prior to this, she was Director of Intergovernmental Affairs at the Department of Education, 1987 - 1988, and Director of the Missing Children's Program in the Office of Juvenile Justice and Delinquency Prevention at the Department of Justice, 1985 - 1987. She was private voluntary organizations liaison officer for the Africa Bureau of the Agency for International Development, 1983 - 1985; Special Assistant to the General Counsel at the Department of Education, 1981 - 1983; and an attorney with the Department of Justice in the Office of the U.S. Trustee, 1981.

Mrs. Easton graduated from Briar Cliff College (B.A., 1972) and Washington College of Law, American University (J.D., 1980).

Nomination of Harry M. Snyder To Be Director of the Office of Surface Mining Reclamation and Enforcement

June 26, 1989

The President today announced his intention to nominate Harry M. Snyder to be Director of the Office of Surface Mining Reclamation and Enforcement, Department of the Interior. He would succeed Robert H. Gentile.

Mr. Snyder is resident vice president for State relations for CSX Corp. in Kentucky. He has served as director of finance and legal counsel and then executive director for the Kentucky Council on Higher Education. He has also been a member of the finance staff of the University of Kentucky and served as legal counsel and a professor of commercial and constitutional law at Georgetown College.

Mr. Snyder graduated from Georgetown College (B.S., 1963) and the University of Kentucky College of Law in 1966. He was born in Corbin, KY, in 1941 and grew up in London, KY. He has two daughters and resides in Lexington, KY.

The President's News Conference

June 27, 1989

The President. I have a brief opening statement, and then I'd be glad to take questions.

On Wednesday morning, the Supreme Court issued a decision which held that a person could not be convicted for desecration of our flag, the American flag, because to do so would infringe upon the right to political protest. Now, we've got to be very careful in our society to preserve the right to protest government action. However, I believe that the flag of the United States should never be the object of desecration. Flag-burning is wrong. Protection of the flag, a unique national symbol, will in no way limit the opportunity nor the breadth of protest available in the exercise of free speech rights.

And I have the greatest respect for the Supreme Court and, indeed, for the Justices who interpreted the Constitution, as they saw fit. But I believe the importance of this issue compels me to call for a constitutional amendment. Support for the first amendment need not extend to desecration of the American flag. And we are reviewing proposed language for a constitutional amendment. We are beginning consultation with Members of the United States Congress who hold similar views. And as President, I will uphold our precious right to dissent. But burning the flag goes too far, and I want to see that matter remedied.

China-U.S. Relations

Q. Mr. President, when you were last with us, you said that you had tried to contact the leaders of China, and the line was busy. You were unable to get through. In light of the fact that there's now a new party secretary, have you renewed that try? And also in light of what you just said, do you plan to ask Prime Minister Li Peng to return the Texas cowboy boots with the American flag on them that you gave him in China?

The President. I have no such plans, and I hope he doesn't ask for his bicycles back, either. But in terms of contacts, we are trying, through our Embassy, to have contacts. We have contact. Their Ambassador has access to, and contact with, our officials here; and so, there has been some exchange of views. But I have not, you know, renewed a phone call request, if that was your question.

Q. As a followup, Mr. President, do you intend to go ahead and send a Peace Corps team to China in the fall to teach English, or will you go along with the Chinese request that that be delayed?

The President. Well, you have no choice, Tom [Tom Raum, Associated Press]. If the Chinese say they're not welcome, they can't come in. And it's too bad, because one of the things that

moved forward the reforms was contact with Americans. And I don't want to see those contacts cut off, and I'm sorry that the Chinese have made that decision.

I would like to have seen those young volunteers go to China and help teach English to the Chinese, and I like these student exchanges. And I don't want to hurt the Chinese people. Now, I have expressed my concern about what went on in China. I reiterate my concern here today. But I reiterate also my desire not to do damage to the people themselves, because I believe that it was contact with the United States and others in the West that have moved the process of economic reform forward and, hopefully, someday will move the process of political reform forward.

Helen [Helen Thomas, United Press International]?

HUD Contracts

Q. Mr. President, while you were Vice President, millions were siphoned off from HUD through self-confessed influence-peddlers, many of whom were your friends. The homeless grew by the thousands. I have not heard one word of outrage about this from you. You seem to absolve Pierce [former HUD Secretary], who sat on this gold mine, permitted this kind of abuse for so many years, and -- not absolved him but you don't criticize him at all. Who was to blame? Where did the buck stop?

The President. That matter is being looked into by our very able, dedicated Secretary of HUD. And we are going to do everything we can to clean up any cronyism or see that matters of that nature not recur. But you're always looking for winners and losers, and I am not about to prejudge the Secretary himself. I assume that he would accept responsibility for what happened -- past tense -- in his Department, just as I would have to assume responsibility for something that goes on in my administration, whether I know about it or not. But let's not be trying to find winners and losers. Let's guarantee the American people that we are not going to have cronyism and special favors and giving contracts because of who you know, but keep it on the merits.

Q. But the people were the losers in this.

The President. Yes.

Q. And the Republican leaders -- apparently, their influence-peddlers and so forth were the winners. Where were you in 8 years?

The President. I wasn't handling HUD, Helen, in 8 years, and -- --

Q. I know you weren't handling HUD, but -- --

The President. -- -- but look, if this will give you a little relief, if you want to assign blame to the Vice President for what happened over the past 8 years, okay, that's fine. I accept it, but what I want to do as President is see that we don't have any recurrence. And I have total confidence that Jack Kemp is working to see that this not happen again, and I hope that the message has gone out loud and clear to every Cabinet officer that we want the highest possible ethical standards.

Q. Well, were you aware of any atmosphere? That's all I'm asking.

The President. No. Yes, Brit [Brit Hume, ABC News]?

Flag Desecration

Q. Mr. President, in light of your renewed concern about the display of proper reverence for the flag, I wonder if you think it helps the situation, sir, for you and other political figures of both parties to make the flag the kind of instrument of partisan politics that it was in your campaign last fall -- with a visit to Flag City and the tour of flag factories and flags at all the conventions and so on?

The President. I don't view that as partisanship. I think respect for the flag transcends political party. And I think what I've said here is American. It isn't Republican or Democrat; it isn't liberal or conservative; and I just feel very, very strongly about it. And perhaps I haven't been quite as emotional as I feel about it, but I want to take this opportunity to say protest should not extend to desecration of the unique symbol of America, and that is our flag.

Followup?

Q. You wouldn't dispute, would you, sir, that your visit to Flag City, U.S.A., and your visit to the flag factory last year were for the purpose of advancing your political campaign?

The President. Everything I did last year was the purpose of advancing my -- everything I did politically -- advancing my election. And of course, I'm not going to say that, but I didn't put it on the basis that Republicans are for the flag and Democrats are not.

John [John Mashek, Boston Globe]?

Government Ethics

Q. Mr. President, leaving aside the winners and losers question in the HUD scandal, isn't it fair criticism, nevertheless, that the laissez-faire sort of management exhibited by Sam Pierce was, as a matter of fact, encouraged by the President himself and that they really didn't pay attention to what was going on over there?

The President. John, something might be happening in some Department today that I know nothing about. We've got an enormous bureaucracy; we've got a tremendous bureaucracy that extends all around the world. And there might well be some corruption out there that's going on that I would be responsible for, but that I don't know about. But I am not going to try to assign blame; I want to look to the future. And that's the way I'm going to handle that one.

Yes, Lesley [Lesley Stahl, CBS News]?

Affirmative Action

Q. Mr. President, you've spoken out emotionally, obviously, about the Supreme Court's decision on the flag. I wonder if you'd like to take this chance to speak out emotionally on their affirmative action decisions which make it harder for women and minorities to sue for discrimination.

The President. I'm not sure that I agree with the hypothesis of your question. As I said at the last press conference -- formal press conference -- I was going to ask our Attorney General and our General Counsel to look into this matter. And I am strongly committed to equal opportunity for all Americans, and I am advised that nothing in these decisions jeopardizes that principle or calls into question affirmative action or minority outreach efforts. This is the opinion of the Attorney General, who I understand will be speaking on this at noon today. The Justice Department has told me that the decision reflects interpretation of the civil rights laws by the Court on technical subjects, and we're talking about burdens of proof and statutes of limitations. But that is the advice I am getting, and I will certainly support the Attorney General.

Q. All right. Constitutional scholars say, for instance, that if a minority student faces racial harassment at a private school they are no longer covered. There are some situations where people cannot sue for racial harassment, for instance, and there are other sort of niggling things. But it's really the question of your emotional response, because you jump out of the box on the flag.

The President. I've just given it to you. Affirmative action -- you know my position on that. Commitment to equal opportunity -- I hope people know my commitment on that, but we're getting into a technicality that neither you or I are competent to discuss. And you're going on the advice of who you call legal scholars, and I'm going on the advice of the Attorney General and a very fine General Counsel. So, I think we have a difference on the interpretation of what this means, and I've seen that some of the civil rights leaders disagree -- but I am committed. And if the decisions actually turn out to hamper civil rights enforcement along the lines you're talking about, obviously I would want to take steps to remedy the situation.

Q. But are you saying you won't support legislation -- --

The President. This is your third question. Come on, Lesley.

Q. I'm sorry.

The President. Go ahead.

Q. Are you saying you won't support legislation that -- --

The President. I'm saying that my advice from the Attorney General is that legislation isn't necessary.

Abortion

Q. Mr. President, you've expressed your strong feelings again on the Supreme Court decision on the flag-burning; but the Supreme Court is expected to make a decision this week on the abortion issue, which is among the most emotional in the country. And I wonder, going into that decision, if you view your role as a healer after this decision, as simply to enforce the law? What is your view, going into that decision as the President, and this very important emotional issue?

The President. It is an emotional issue, and I am firmly positioned in favor of overturn of Roe v. Wade. And that's my position, and I'm not going to change that position. But I don't want to see the divisiveness that that whole issue causes split this country. And yet the decision is going to be -- I don't know what they're going to decide, but my position on it is very clear.

Owen [Owen Ullman, Knight-Ridder]?

Balanced Budget Amendment

Q. During the campaign, you came out many times for a constitutional amendment to balance the budget. Yet I'm curious why now you've moved so quickly to call for a constitutional amendment concerning flag-burning, which is solely a symbolic issue, and yet you haven't moved at all on balancing the budget, in terms of a constitutional amendment, which is substantive and which a lot of people in this country think would accomplish a lot more for the economy. Can you explain that?

The President. Yes -- oh, easily. Let me take this opportunity to make a clarion call for a balanced budget amendment. [Laughter] Absolutely -- it has to be phased in, but I'd like to see it.

Q. Well, why do you have to be prompted to do that? Why do you give such a high priority -- --

The President. Because my position is so well-known on it, Owen.

Flag Desecration

Q. Why do you give such a high priority to the issue of flag-burning, and you haven't said anything until now about a balanced budget amendment?

The President. I've said a lot about it all last year. I thought you got tired of hearing it -- [laughter] -- but I will repeat it. But if you want to know -- I've got to confess, I do feel viscerally about burning the American flag, and therefore, I express it. And I feel viscerally about fiscal sanity, also. But this decision just came down, and it is one that causes, I think, the American people, and certainly this President, great concern. And I think it can be remedied without doing violence to a person's right to protest.

Economic Assistance for Poland

Q. Mr. President, you're going to Poland in a few weeks, and I wonder -- a lot's happened since your Hamtramck speech. We've had the free elections. Solidarity now may have a much bigger role in what happens in Poland. When you go, are you interested in bringing some expanded debt relief, financial aid? Walesa [Chairman, Independent Free Trade Union of Solidarity] has been saying to the world that he really needs help now. Do you think you are in a position to bring it?

The President. Yes, I'm in a position to discuss it; inasmuch as some of what I want to do will require legislation, that will not have been completed. But I called [Senator] Lloyd Bentsen, the chairman of the Finance Committee, to thank him over the weekend for his stance in the Finance Committee in terms of support for Poland. And so, we will have a package that I'm not prepared to discuss now in detail that I hope will help.

I know this will be a subject of great concern, after the visit to Poland, in our economic summit meeting. But the problem is, we would like very much to help Poland. I am very encouraged with what's happened in Poland, but I want to be sure that when we do offer the specifics and the specific plan to help Poland, that Poland itself will have taken the steps necessary to have the money well spent. I don't want to just push money down the drain. So, I think along with what we can offer will have to come from their side some reforms. And that, I want to talk to General Jarulzelski [Chairman, Council of State] about, and obviously Lech Walesa, and we'll see where we go.

President's Visit to Eastern Europe

Q. Let me follow on the Poland question. Both there and in Hungary, you're entering countries that are in a transition and in a very delicate situation, politically and vis-a-vis their own allies. What cautions do you take and do you exercise going in there so as not to be a negative catalyst?

The President. I think being there is the significant thing. It is important that the United States show its interest in these countries that are undergoing change. You don't want to over exhort; you don't want to over promise; you don't want to rally people to levels of political activity that might cause repression. And so, what I want to do is make clear where the United States stands in terms of our respect for freedom; encourage reform as much as possible; and then, back to David's [David Hoffman, Washington Post] question, offer some specifics where we can help on the economy.

My views on differentiation have not changed over the last few years. We will differentiate; we will support those that move towards us -- economically, politically, and in terms of human rights. And it's more on those general themes that I will be talking to the Hungarian leaders and the Polish leaders.

Q. If I could follow: Do you send any signal at the same time to the Soviet Union, or have you had any communication to them about the purposes of your visit?

The President. No, but I would not expect them to be uptight about it. Mr. Gorbachev goes to Western Europe and is well received; and I will go to Eastern Europe, and I will be well received. And I think it was a good thing, his trip to Germany. I've talked to Chancellor Kohl about it personally, and I don't get into some state of competition when I see Mr. Gorbachev get a good, warm response in Germany.

The NATO alliance is together. One of the things that came out of the Brussels NATO summit meeting was the fact that there is strong unity there. And so, it's a good thing for him to go to Western Europe, and it's a good thing for the President of the United States to go to Eastern Europe. And I want to see us move beyond containment. I want to see a much more open Europe. So, the importance of this visit is along that line, and it's not going to be we're going to solve the problem of the Hungarian economy or the Polish economy.

John [John Cochran, NBC News]?

Abortion

Q. Let me ask another question about abortion and Roe v. Wade. We may get that decision this week. As I understand your position, you're for a constitutional amendment regardless of which way the Supreme Court rules. Is that right?

The President. Yes, of course.

Q. Is that right? Now, if the Supreme Court strikes down Roe v. Wade and sends this back to the States, would it not be less divisive to let the States decide this rather than go through the whole long, tortuous process of constitutional amendment?

The President. John, I hate to not respond to your question. But the Court is probably going to make a decision very soon, and I would prefer to address myself to the question after the Court has decided.

Q. It is still your position, though, sir, that you favor a constitutional amendment regardless?

The President. My position on that abortion question has not changed.

Campaign Finance Reform

Q. Mr. President, you will soon be proposing some campaign finance reforms. What is it about the current system of campaign financing that makes you think some kind of broad reform is required? And if broad reform is important, why not go ahead and go all the way to public financing of campaigns or some kind of a limit on overall spending on congressional campaigns?

The President. I oppose public financing of these campaigns. I think people should be able to attract private support, and I think participation by individuals in the political process through financial support is very, very important. I don't want to see the eroding of participation by Americans in the political process. So, I will oppose, and have opposed, the public financing of all these campaigns. Now, there are proposals that I am not prepared to discuss in detail, though I see others have already started discussing what I might do on Thursday.

I will have specific proposals. And I think they'll be fairly far reaching, because I want to see reform -- real reform. And they'll be good proposals. But I'm not prepared to go into what I am going to do now except to say I will not support kicking the citizen out of the political process by saying that citizen cannot financially support the candidate of his or her choice.

Q. Well, if I could follow up: If the broad outlines of what you are going to do as reported are correct, there are going to be some accusations that they help Republicans more than Democrats. How are you going to respond?

The President. Why would anyone make a charge like that against me, when I'm looking at it as objectively as I can? Let's wait until you see what the proposals are. I mean, I would be outraged by a suggestion of that nature.

Soviet-U.S. Relations

Q. You and Mr. Gorbachev are touring each other's backyards in Europe. Now that you've finished your foreign policy reviews with regard to the Soviet Union, have you moved any closer to perhaps meeting with the General Secretary?

The President. I wouldn't say closer. That matter will be discussed again -- its having been discussed once by the Secretary [of State James A. Baker III] and Foreign Minister Shevardnadze. So, I guess I'd leave it right there. There will obviously at some point be a meeting, but I still feel I'd like the meeting to be seen as productive rather than just the meeting itself.

But let me say this: I feel comfortable about the wavelength we're on with the Soviet Union now, and I think they feel comfortable in the sense that I think they know we want to move forward with START [strategic arms reduction talks]. They know that we're prepared to move swiftly forward with rectifying the conventional force imbalance. And indeed, I got the feeling from talking to Chancellor Kohl that Mr. Gorbachev was not hung up on the timetable that we set.

So, we're coming closer on some of these broad-scale objectives. And then there are some very nice, smaller things: that Soviet ship helping with the cleanup; and our kids from Brooke's [Institute of Surgical Research, Brooke Army Medical Center] going over to help with the burn -- our specialized burn unit, really qualified people, the best in helping with burns -- going to the Soviet Union; and then the outreach at the time of Yerevan.

So, there are some atmospherics that I think are very, very important and harmonious that will help when we sit down to hammer out the details on the strategic arms talks or on these other matters.

Q. Could I ask you -- to follow up -- to perhaps define a little bit more what useful or progress would be, in terms of a meeting? Are you setting a precondition, as President Reagan did, that you need something to sign, or is there -- --

The President. No, I don't think it should be something to sign, but I would like to think that the governing criterion would be so that the world would see the meeting as having been successful, something good happening out of it. And it doesn't have to be signing, necessarily, although I've been around this track long enough to know that you can always whip out something to sign, a fishing agreement or something of this nature. [Laughter]

So, we could have that, but I'm not saying that it should be hung up on a major treaty of some sort before I would sit down with Mr. Gorbachev. Maybe we'll do it like this: say, hey, let's get together. And I'm interested in what he thinks about it. And we've had some communication back and forth, but all I want to say is, I think the relationship is going in the right general direction, albeit we have tremendous differences with the Soviet Union, still. And I still have -- guided by a certain sense of caution.

China-U.S. Relations

Q. Mr. President, you made much during the campaign and after your election of your relationship with China's leaders, and yet for the past several weeks you've been unable to contact them. And China appears to have ignored our calls for clemency and for dialog. Sir, do you not think the relationship was oversold?

The President. No, I don't think it was oversold.

Q. Then tell us what benefit we've gained from it.

The President. What we've gained is, China has a much more open economic system than when the Shanghai communique was signed quite a few years ago. What we've gained is 30,000 students right this minute, I think the figure is, studying in the United States -- Chinese kids that are going back there with a sense of what freedom and democracy is all about. What we have gained is helping China move out of a period of cultural revolution isolation. And this relationship is important. And I can continue to express my outrage about what happened in Tiananmen Square, and I will. But I am determined to do my level best to keep from injuring the very people that we're trying to help. And I'm talking about the Chinese people generally.

So, we've gained a lot from this relationship, and so have they. And I still think that it is in the strategic interests of the United States. I'm not talking about the old adage of playing the ``China card'' or something of that nature, playing the ``Soviet card.'' But if you look at the world and you understand the dynamics of the Pacific area, good relationships with China are in the national interest of the United States. Now, it's hard to have them. It's impossible at this moment to have what I would say normalized relations, for very obvious reasons. But I am going to do my level best to find a way to see improvement there that will help the Chinese people.

Q. If I could follow, sir, it's the personal relationship with China's leaders that I'm speaking of. I'm looking for the benefit when you cannot even complete a phone call to Deng Xiaoping. I'm wondering if the personal -- --

The President. The benefit is, I understand the situation. That's the benefit, and leaders are changing all the time over there -- I mean, recently. So, we've got to deal with who is there. We don't dictate to China about their leaders. We express our concerns, as other leaders have.

But let me be very clear: In my view, the United States has been out front. We've been out front on the steps we've taken, and I am very pleased that there has been broad support for the position I've taken.

And I heard it just today from the Prime Minister of Australia [Robert Hawke], one of the most knowledgeable men about China. The Australians, you see, have always had a -- they've been a little out front. They've had relations before we did, and they have almost a unique standing in China. They've done a lot of business with China; they've had a lot of exchanges with China.

Bob Hawke feels that he knows most of the Chinese leaders, the ones that we had been dealing with. And to be as supportive as he was today was very reassuring to me.

Q. Mr. President, how concerned are you that the political retreat that we've seen in China in recent weeks could be duplicated in the Soviet Union?

The President. Well, I did not predict what would happen in Tiananmen Square, and I don't know of any China expert, scholar or otherwise, who predicted that. And I guess the lesson is: Go forward as best you can. Keep your eyes open. Hold high the banner of values that we believe in -- the United States. We have a special responsibility around the world in terms of human rights and democracy, freedom. But keep your eyes open. That's what I've learned from this.

Q. Have you had any communications with Secretary Gorbachev on the situation in China?

The President. Not on China. Maybe others in the administration -- not Gorbachev personally, but I followed carefully the statements out of there. and obviously the Soviet Union has tried to -- with Gorbachev's visit to China -- tried to improve relations, but I think that's on a little bit of a hold, although maybe they're more accommodating than we are right now.

Violent Crime Against Women

Q. Mr. President, women's groups have been very pleasantly surprised and saluting you for your statements yesterday about violent crimes against women and spousal abuse. And a couple have asked the question whether you will be willing to take that message to men's groups -- those macho groups, such as the NRA [National Rifle Association], the American Legion, the Police Chiefs of America -- and ask them to get the word out to stop beating their wives and stop beating -- the generic ``they,'' not specific.

The President. Hey, listen, I'm a member of the NRA. You're hurting my feelings, as they say in China.

Q. And the question is whether you will take the message to men's groups instead of to the American Association of University Women.

The President. Jessica [Jessica Lee, USA Today], because of the line of work you all are engaged in, I hope that message got to every group. But I don't want to single out or acquiesce in the hypothesis here and say that NRA is against women or -- the other groups you singled out? Come on, Jessie.

Q. No, no, no, but you spoke -- --

The President. Come on, Jessie.

Q. But you talked about it to women who are very well aware of the problem. Your staffers here say they move their cars closer to the White House after dark and have someone walk out with them. So, women know about the problem. My question is whether you will go and take the message to the men's group and ask their help in eradicating the problem.

The President. I'm trying to take the message to the whole country. That's what our whole crime package is about, absolutely -- anybody that wants to listen.

Q. Now, you said also that you wanted -- --

The President. This is the followup. Yes?

Q. Please -- that you want to be sure that your seven granddaughters have the same opportunities that your pride and joy, George P., has. George P. is the one whom you take on fishing trips and to the back rooms with the boys and to the research camps at the University of Nebraska and things like that. I wonder if you're planning to take some of the granddaughters on some of these kinds of excursions where you're doing the business of the Nation to prepare them to be President.

The President. Yes. When they get older than about 3 -- [laughter] -- I will do that, because, now, I know -- now, don't you say it, I'll say it -- Jenna and Barbara are about 7. But that's a little young to go fishing at Jackson Hole with their grandfather and put up with Marlin Fitzwater and all these people. [Laughter] I mean, I want them prepared for the real world. I'm serious: I want them prepared. And I look forward to the day that those -- Noelle, who is just a couple years behind George P., she came up here. We had her with us, and she brought her cousin, and we had a wonderful time. And I want her to come back; indeed, they'll be with us this summer.

But, no, you raise a good point. My affection for our oldest grandson is just that he's there and he's ready and he plays ball and he does stuff. And we're going to the Orioles game tomorrow, I think it is. [Laughter] But it is not discriminatory. It is not discriminatory.

Q. The secret's out.

The President. Yes?

Q. Mr. President, if I could ask one last question.

The President. Oh, wasn't I not supposed to say that? [Laughter] What, about the ballgame? [Laughter] Come on.

HUD Contracts

Q. If I could ask one last question on the HUD scandal.

The President. Yes?

Q. I think that many people would think it's unfair to hold you responsible when you were Vice President for the things that were going on at HUD. But some of the people who have been implicated in this scandal are very close to you. I'm thinking of Frederick Bush, who was your chief fundraiser in the campaign, and Paul Manafort, who was an adviser to your campaign and a partner of Lee Atwater, your campaign manager. Have you made any effort to find out exactly what these people who are close to you were doing with HUD, or to express your views of it to them? Have you made any efforts in those regards?

The President. I'm not singling out any -- you know, going, ``Say, look for people that I know that may have done business with HUD in the past." What I'm trying to do is do it generically -- say: to the degree there was any breaking of the law, obviously the people should pay whatever the price is. To the degree we can guard against any abuse for the future, I want to go the extra mile to do that.

And one of the first things I did as President, unnoted though it was, was to meet with the Inspectors General in here and encourage them towards independence and thorough investigation. And so, that's the way I'm trying to handle that matter.

Q. And to follow up: Does this affect your relationship with these people -- to know that they were involved, apparently, in influence-peddling?

The President. Well, it doesn't improve things. But on the other hand, I want to be fair. I want to be sure that I don't jump at conclusions as to what guilt is and what it isn't, whether the law is broken or were people just out there doing what was permitted. I want to have the standard higher, though; even if it's permitted, I want to have the highest possible standard. But I haven't put it on that kind of a personal basis yet.

Child-Care Legislation

Q. Mr. President, the Senate has just passed a child-care bill that would spend almost $9 billion in Federal funds for child care.

The President. I know it.

Q. Your spokesman says that bill is a candidate for a veto. Do you intend to veto that bill, and what are your objections?

The President. I want to see what comes down here, but if there was one thing that was clear -- you've got to be careful of these [hand] gestures, the way Rich Little and these guys -- [laughter]. But if there was one thing that was clear, it was my position on child care: maximum choice through credits. And the ABC bill does not fit what I think is the proper description for child care. And for me to take the back seat and say I'm less concerned about child care because I'm unenthusiastic about the ABC bill, I don't accept that at all.

So, I remain convinced that what I have proposed is the right way to go about it. I would like to see what comes down here before I make further statements about what action I will take or won't take. I want to know the final piece of legislation that hits this desk.

Q. But you would veto the bill as it stands now.

The President. I've made my position clear on the ABC bill.

HUD Contracts

Q. You say you don't want to prejudge Secretary Pierce, but doesn't the evidence of mismanagement and influence-peddling make it evident to you that there were major problems there at the very top?

The President. Yes, yes.

Q. And what can be done about that?

The President. Well, that's what the Secretary is trying to do right now -- is to make guarantees and put out regulations to see that these kinds of abuses -- a woman sitting in Maryland ripping off $5 million from the American taxpayers, that's wrong. And I expect that's in the courts, I don't know. That's where it should be, in my view.

Yes, Frank [Frank Sesno, CNN]? Then I've got to go. We've got [Australian Prime Minister] Bob Hawke appearing, about whom I spoke highly because of his support for our policies. [Laughter]

Federal Pay Raise

Q. On the rescinding of the pay raise, you said that action was necessary for judges and top Federal officials. It's been some time now. I'd like to ask what you're doing about that and when you plan to propose some action? People are still quitting.

The President. Well, I know it, and I want to see that remedied. I still would like to see the separation of consideration for judges and other key executive branch posts -- I'm thinking of some of the researchers in the NIH [National Institutes of Health] and people of this nature. And I want to see it separated out so it doesn't get caught on the question of congressional pay.

Now, whether the Congress is willing to do what I've suggested, I don't know. But I will have suggestions when we make our announcements, I think, Thursday -- further announcements along this line -- as to what I think needs to be done. And I am not trying to dictate to the legislative branch, but I am going to have to make some recommendations. And maybe I can do that as a former Member of Congress who is concerned about what the legislative branch ought to do. This is a matter of considerable concern.

This is the last, and then one behind you. And then I've got to go, because Bob Hawke is appearing.

Q. Mr. President, are you -- --

The President. Next time, Sarah [Sarah McClendon, McClendon News]. I'm sorry. I've got two-thirds back there. Yes?

Q. Your suggestions will be specific pay raise proposals, and will they take the form of a proposed legislative bill?

The President. Excuse me?

Q. Will your suggestions, when you mention them on Thursday, be specific as to salary increases, and will they take the form of a bill?

The President. Yes, I think we will have specifics on the -- I haven't gone over this with the final recommendations internally, although I'm reading now what I've decided. [Laughter] And -- very clear. But there will be some specific recommendations with amounts.

Johanna [Johanna Neuman, USA Today]?

Gambling in Baseball

Q. Mr. President, a lot of Americans this summer are talking about Pete Rose [Cincinnati Reds manager]. And I wondered, without prejudging his case, what you think about betting on baseball and whether you think that that should be reviewed by the courts or the commissioner of baseball?

The President. I am not going to get into how that matter should be resolved. Baseball, a national

pastime, has sound rules regarding betting on baseball games, and I'm not going to get into that one. This is the last one, Mr. Matthews [Mark Matthews, Baltimore Sun], and then I'm going.

China-U.S. Relations

Q. Mr. President, are you concerned that a deterioration in the U.S. relations with China would disrupt the strategic balance between the U.S. and the Soviet Union? And is that of overriding importance in your reaction to events there?

The President. It is a matter that -- as you look at the whole Pacific area, you have to consider that. I have never been one who thinks that the relationship with China ought to be based on playing the ``Soviet card," or playing the ``China card." I will not overlook fundamental abuse of the human rights because of a strategic concern; but of course, when you look at all your relationships, a President must be concerned about the strategic importance of the relationships. And not only is our relationship with China of strategic importance, it has this whole cultural and educational and art and -- hopefully, someday -- human rights side of it.

So, you look at it in what is right between China and the United States, but of course, I'm concerned about the strategic implications. And it's not just the strategic implications vis-a-vis the Soviet Union. Take a look at what Deng Xiaoping used to call encirclement, and look at what he means. Just take a look at China on the map, and you'll understand why the Chinese leaders still, as recently as 3 months ago, talked about encirclement. And that gets you into the questions of the ASEAN [Association of South East Asian Nations] countries. It gets you into the question of what's happening in Cambodia today. It gets you into the question of, obviously then, Vietnam, the Korean Peninsula. And there's a lot of strategic interests involved here.

Q. Sir, why don't you do something about it? Why don't you let me have a question, then? [Laughter]

The President. A real short one, and I'll go.

Home Health Care

Q. All right. When you went out to see [Representative] Claude Pepper and he was dying, he rose up and said, ``Mr. President, when are we going to get home health care?" And you looked at him, and you wanted to cooperate with him. And I'm sure you are anxious to do something about that. Will you tell us if you're going to do something about it?

The President. Regrettably, we can't go the route that the late Claude Pepper wanted. But I hope we can have more emphasis on care at home, and I think that would be a very good way to approach the health care needs of this country.

Q. Thank you, sir.

The President. But we can't go totally with what Claude was suggesting.

Flag Desecration

Q. You didn't explain why you went the constitutional route instead of legislative on flag-burning.

The President. Because I am told that legislation cannot correct the -- in my view -- egregious offense: burning the American flag.

Q. How about the death penalty for teenagers and the retarded?

The President. I really do have to go.

Note: The President's 16th news conference began at 9:04 a.m. in the Briefing Room at the White House.

Remarks at the Welcoming Ceremony for Prime Minister Robert Hawke of Australia

June 27, 1989

The President. Prime Minister and Mrs. Hawke, Barbara and I are very pleased to welcome you as old friends to the United States and to the White House. We had the opportunity to enjoy Australia's renowned hospitality in 1982 during Australian-American Friendship Week. And so, Barbara and I are just delighted to try to return that marvelous hospitality.

And there's another reason why it is so fitting for Australia's Prime Minister to be among the first official guests. Our nations share a similar heritage: a pioneer heritage in the taming of two vast continents, a heritage of democratic ideas, and a heritage of common sacrifice in war and common efforts in peace. And in our last visit, Barbara and I joined your countrymen in the commemoration of one of the most costly battles of the Second World War, the Battle of the Coral Sea -- a poignant reminder of how much Americans and Australians have sacrificed four times in this century in the defense of freedom.

So, this is not just an alliance between two great powers. It is an intimate partnership between two peoples. And your visit reaffirms the vigor of this partnership, the enduring strength of our alliance.

The giant strides that we've made recently toward many of our common goals -- major progress in arms reductions; major progress in resolving conflicts in Afghanistan, Angola, and Cambodia -- all were made possible by the resolve of the West. Our countries prize peace, but recognize that peace comes only through Western strength and vigilance. And we must maintain our alliances and stand by our friends if we are to fulfill the promise of a new era of lessened tension and confrontation. And that is why the United States is so grateful for Australian leadership in our common defense.

America also admires Australia's bold leadership in foreign policy, both close to home and far from your shores. From the South Pacific to Africa, Australia is a force for economic growth and a beacon of democracy. And we value your contribution, your good judgment, and your advice.

Mr. Prime Minister, we have much to discuss at an important moment in history. Events in China call for close consultation among the free nations. And the United States and Australia have a longstanding tradition of such consultation on important issues, and I am interested in hearing your assessments of recent world events.

There are many pressing international issues. And, Mr. Prime Minister, your leadership in organizing global efforts to cope with the threat of chemical weapons is one position that is

greatly admired by Americans. The United States supports Australia's efforts, and you may be assured of our commitment to the early achievement of an effectively verifiable treaty banning these weapons.

And so, today we shall discuss world events, arms control, trade, Pacific regional cooperation, economic cooperation, other subjects. But, Mr. Prime Minister and Mrs. Hawke -- Bob and Hazel, if you will -- you have a busy schedule in your very brief time with us, but we hope to make your visit to Washington as pleasant and as memorable as ours was to your great country. Welcome to Washington, sir.

The Prime Minister. Mr. President, Barbara, it's an immense pleasure for me, in these 3 days in Washington, to renew our long friendship. And it is a special pleasure and privilege to join with you as the elected Chief of the greatest democracy in reaffirming the deep, abiding friendship of our two countries. In you, Mr. President, the Western World has an experienced and forward-looking leader. And in you, Australia has a valued and longstanding friend.

Today, as you've said, Mr. President, I look forward with you to continuing the exchange of views on all the issues affecting our countries in the spirit of friendship and of frankness which has always characterized our association and which befits the relationship and, if I may say, the partnership between Australia and the United States. As you say, Mr. President, we are meeting at a time of historic and far-reaching change across the world. There now exists unparalleled new opportunities, challenges, and, may I say, responsibilities for leadership and positive achievement on crucial issues of peace and security, East-West relations, economic progress, world trade, and the protection of the world environment.

You have already demonstrated, Mr. President, your determination to give leadership. Your constructive approach to East-West relations is demonstrated by your creative and bold proposal for the reduction of conventional weapons in Europe. In this and other arms controls endeavors aimed at reducing nuclear armaments and, as you importantly emphasize, banning chemical weapons, you know, Mr. President, that you can count consistently on the support of Australia.

In this new and challenging era, the constancy, the depth, and the vitality of the alliance between Australia and the United States will remain crucially important to the national interests of both our countries. But it has a wider regional and, indeed, global significance. Under ANZUS [Australia, New Zealand, United States security treaty], the joint Australia-United States defense facilities in Australia are significant elements in maintaining the peace and in supporting the effectiveness of arms control and disarmament agreements. Over recent years, our cooperation and consultations at the highest levels have been stronger, broader, and more productive than at any other time since ANZUS was formed.

But, Mr. President, as we both agree, our alliance goes far beyond our defense alliance. It encompasses dynamic economic links and broad and deep human and cultural associations. But

above all, it is based on the firmest of foundations: our shared commitment to democracy and to individual liberty within the rule of law.

Mr. President, it is precisely because of the depth and the maturity of our relationship that the differences of views that do exist between us can be faced openly and honestly -- as, for example, on some trade matters, particularly aspects of agricultural policy. I am quite confident that today we will be able to focus on ways to minimize, if not entirely resolve, such differences. I look forward to exploring with you means of cooperating in the current Uruguay round of multilateral trade negotiations to achieve some progress toward the goal that we both want: an international trading system based on free and fair competition.

I know that we both understand that moving in the opposite direction toward a world of separate and competing trade blocs would be economically disastrous and quite possibly strategically destabilizing. That is one of the reasons, I might add, why earlier this year I suggested the development of closer regional economic cooperation in the Asia-Pacific region. Implementation of my proposal could, I believe, improve significantly the chances for success in the Uruguay round, as well as acting for a catalyst for further growth in our dynamic region. I'm very keen, Mr. President, to exchange views with you on this proposal. And may I say, Mr. President, that I indeed welcome Secretary [of State] Baker's support last night for a new mechanism for multilateral cooperation among the nations of the regions as an idea whose time has come. I am delighted that the United States supports my call for a ministerial meeting this year as a first step if, as I hope and expect, there is consensus in the region.

Mr. President, I make this final point. The American presence has been a prime factor in creating and in maintaining the conditions for stability and prosperity in the Asia-Pacific region. America's continuing involvement in our region remains a key to its future progress. As you say, Mr. President, we have before us an imposing dialog that we have to deal with.

What gives this visit and our discussions their real substance, however, and what will make them so mutually beneficial is the sense of common purpose that we bring to these matters, based on our common national and international interests and on our common commitment to peace and to freedom.

Mr. President -- George -- I thank you again for the warmth of your welcome not merely today but since I have arrived. May I say, not just the warmth -- [laughter] -- we're used to that. And I know you have enormous power, perhaps more than any in the world, but I know there are limits to your power. [Laughter] That warmth is a coincidence, but, George, there is no coincidence about the personal warmth that you and Barbara have extended to Hazel and myself. For that, I thank you. And I conclude, George, by saying this: You have visited Australia, as you say, as Vice President; and I look forward to welcoming you to our country as President of the United States and as a true friend of Australia.

Note: The President spoke at 10:10 a.m. at the South Portico of the White House, where Prime Minister Hawke was accorded a formal welcome with full military honors. Following the ceremony, the President and the Prime Minister met in the Oval Office.

Message on the Observance of Independence Day

June 27, 1989

Growing up in Connecticut -- ``the Constitution State'' -- the Fourth of July represented the best of holidays. It held the promise of parades, picnics, and fireworks. More important, however, it introduced a small boy to the promise of America.

Everywhere I turned, I would see the red, white, and blue of our flag. As I grew older, I realized that the flag has reminded generations of Americans how fortunate we are to live in a free and democratic Republic. It is a banner respected around the world. The Fourth of July is a day to pause and thank God that men such as Thomas Jefferson and Ben Franklin had the strength, courage, and insight to forge a nation predicated upon the noble ideal, ``that all Men are created equal, that they are endowed by their Creator with certain unalienable Rights. . . .''

Today, as we celebrate the 213th birthday of our Nation's founding, let us recall the words spoken by President George Washington during his first Inaugural Address on April 30, 1789: ``The preservation of the sacred fire of liberty, and the destiny of the republican model of government, are justly considered as deeply, perhaps as finally staked, on the experiment entrusted to the hands of the American people.''

After 213 years, Americans can say that the experiment is a resounding success. The Fourth of July is a time to rejoice in this success, which has inspired all who seek to break the shackles of totalitarian rule and breathe in the life-giving air of liberty.

Experience has shown us that success can exact a heavy price. We must never forget that this experiment in self-government continues to thrive because our Nation is blessed with an abundance of brave men and women who proudly serve in its Armed Forces. These individuals stand guard on the ramparts of liberty so that all Americans can say with pride and confidence, ``I'm free.''

To every American citizen, here and abroad, Happy Fourth of July! God bless you and God bless America!

George Bush

Toasts at the State Dinner for Prime Minister Robert Hawke of Australia

June 27, 1989

The President. Mr. Prime Minister and Mrs. Hawke -- Bob and Hazel to us, to all of you -- we are just delighted to have this opportunity to welcome you back to Washington, sir. I would once more reminisce about the fondness with which I remember our visit to Australia a few years ago, and then, of course, your own previous visits to Washington, DC, as Prime Minister. And now we have been delighted with your gracious company during this all-too-brief stay.

And lest you wonder about the Prime Minister's travel plans, it is my understanding that he and Hazel go right to the airport, climb onto an airplane, and will be seen smiling and greeting the Chancellor of the Federal Republic of Germany about 1 p.m. Federal Republic of Germany time. So, we will be brief, and -- [laughter]. But I think the friendship that we feel towards our distinguished visitor is but a reflection of a deeper closeness.

Wilbur Garrett, the editor of the National Geographic, wrote that, ``Both America and Australia exert an enduring fascination on each other, like brothers growing up in different parts of the world." Well, we've borne great sacrifices as brothers in war, and now we share great responsibilities as brothers in peace. And in this century, Australia has risen in stature from a dominion of England to become a nation, a great nation, in culture and in the arts. The world has taken note: Australia, the rising star.

In classic films like ``Gallipoli" and ``Breaker Morant" and so many others -- Patrick White's Nobel Prize for literature -- are moving examples of why Australia is emerging as this leading light in world culture. Australia has an even more profound contribution to make to the world: the encouragement and spread of democracy. Australia is the shining light in the Pacific, a lamp of liberty for the oppressed peoples of the East.

And so, Bob, let me just take a moment to acknowledge your own outstanding personal leadership in the region. You've led with ideas to better organize the trading partners of the Pacific Basin, and you've been a champion of freedom's cause. Your nation's magnificent new Parliament building is a fitting monument to democratic principles. Little wonder that so many Americans, including Members of our own Congress, joined you for the inauguration of that building and even contributed to its architecture in a reaffirmation of our kinship. It's a kinship that is more profound than heritage, deeper than a shared language. It is the universal kinship, the brotherhood of democracy.

Recent events in the Asia-Pacific region show that it is not enough to let a man buy what he wants. He must be allowed to say what he believes. He must be allowed a voice in the governing

of the society. And economic freedom alone and political freedom, indeed, go hand in hand. They depend one on the other. And therefore, it is very timely for us to meet, consult -- and I mean consult in the real spirit of consultation -- and once again affirm the solidarity of our U.S.-Australian alliance.

The United States is fully engaged in Asia to support the forces of peace, democracy and, yes, human rights. And our abiding commitment to Australia and our friends and allies in the region is going to remain strong and abiding. And I know that you stand with us, sir, not just in favor of the free flow of goods but one of ideas and ideals of freedom.

So, ladies and gentlemen, let me say that Australia is a strong fellow democracy, a very close ally of the United States of America. This visit, in my view, sir, has been an outstanding success. We are delighted that you have been with us, you and Hazel.

And now I would like to offer a toast to Her Majesty, Queen Elizabeth, Queen of Australia.

The Prime Minister. Mr. President -- George and Barbara -- and friends, I think the people of this country probably imagine that they have a fair idea of the capabilities of their new President, as well they should. He has been in the public eye for a very many, many years. I may say that Barbara has given me a few insights into some aspects of his character that are probably -- [laughter] -- not so well known; but I want to assure you, my friends, that I've come to learn, just in the last 3 days, that he has a capacity for shrewdness which is almost limitless.

It occurred on the golf course. [Laughter] We were lined up there -- the President, the Prime Minister [Secretary of State] Jim Baker, and [House Minority Leader] Bob Michel. And I know that my friend, Jim Baker, will take no offense; and I, with my well-known modesty, take no offense in acknowledging that of the three of us, apart from the President, there was not a doubt that Michel is the best player. [Laughter] So, with an innocence which was all-belying, the President of the United States said, ``We will now work out who plays one with the other." So, I thought that there would be a fairly reasonable process that would be followed. It was very exotic, I can assure you. He gets his ball, and he takes a ball from each of us. He puts his on the ground, and he said, ``Now, here they go." He said, ``The ball nearest mine will be my partner." And there was no doubt which ball was nearest his; it was Michel's, of course. [Laughter] It was never going to be any other way -- a very, very shrewd operator. [Laughter]

Now, we have shrewdness in sport, too, in our country. George, I might say, I've had the opportunity of sitting next to -- here -- to Sarah, who shares my passion for racing. And I can tell you a brief, true story about horse racing in Australia, which will give an indication that there is certain shrewdness in sport in our country. It's a true story, I can assure you.

It was a country race meeting out in the bush in Australia, and this event was a three-horse race -- literally a three-horse race. This punter went up to the bookmaker and said, ``I'll have $5,000 on

Blue Vein." And the bookmaker took his $5,000 with a huge grin and shoved it into his bookmaker's bag and said, ``Thank you very much. That's my horse." To which the punter replied, ``It's going to be a bloody slow race, isn't it? I own the other two." [Laughter]

Well, my friend, George, coming to more serious matters, you and I and our two countries are not in a slow race. We're certainly not in a race in which we're not trying. It's an increasingly fast race. It's an increasingly serious race. It's a race which requires all of our commitments and our courage and devotion and best efforts.

George, you and I are both politicians. We've had a long experience in politics. It would be honest enough to say that there are times when you have to talk about persons, even perhaps some times when you have to talk about nations, and where there is no substance in the relationship with the person or the nation with which you're talking, as politicians you have to delve fairly deeply into the wells of rhetoric and platitudes to do justice to the situation.

But we're fortunately in the situation where we have to do nothing of that kind. Between our nations, there is an enormous, immeasurable substance. It's a substance, a relationship, which has been formed on the battlefields. On four occasions in this century, our soldiers have fought next to one another; they have died next to one another in defense of the fundamental beliefs that we share. And in the times of peace, our nations also have been as one in pursuing not only for the people of their own nations but for others the achievement of those ideals of freedom and liberty.

As for us as individuals, George, we have had the pleasure of not merely knowing one another but of being friends for the greater part of this decade, certainly a friendship which I cherish. And may I say to you, my friends, that in getting to know George Bush I've got to know a man whose integrity I admire, whose courage in defending lasting truths I admire, and whose boldness in testing new frontiers of experience I have also increasingly come to admire.

It is the case, George, that you and I, through the responsibilities of leadership in our nations, have the experience now of living at a point in history which I would suggest by almost any definition is at one and the same time the most exciting and challenging of any time in this 20th century -- certainly the most challenging and promising, in a sense, than at any time in the nuclear age.

We are entitled -- the rest of us in the world -- to say of the leadership of the United States in recent times that, by the discharge of your responsibilities, by the preparedness, as I say, to exercise boldness in testing new frontiers, that you have given us cause for a greater degree of optimism about the possibility of living in a world in peace than at any other time in the nuclear age.

When I was here 12 months ago, in speaking to a Joint Session of the Congress, I referred to that

thesis which had been gaining some currency: that this was a nation in some sort of relative decline. I said then that that was a thesis that I dispute, a concept that I reject, because all the evidence of recent times, in my analysis, points in the other direction. It is not merely a question of the continuation of your great economic might but, on all the evidence, of leadership that has been -- the courage of the previous administration of which you were such a leading part, and which you now, as President, have taken to new frontiers.

It is that courage, that leadership, that boldness which, with a certain responsiveness from the leadership in the Soviet Union, has offered to mankind, to this generation and to our children and to theirs, a greater hope for peace than at any other time in this nuclear age, which so frequently -- almost consistently -- has been fraught with the ultimate danger of obliteration.

And it takes courage, it takes strength, it takes leadership, it takes boldness to have done those things. And, George, I want to say to you that my country looks with enormous appreciation to what this country has done and what you now as President are doing. We thank you for the strength of our alliance. May I say in the presence of the Ambassador-elect, who I have just recently gotten to know -- Mel Sembler and his wife, Betty -- I thank you for your decision in choosing them as your representative in our country. We look forward to welcoming them, and I take your selection of Mel Sembler as an indication of the importance that you attach to our relationship.

Our friendship, as I say, the friendship of our two countries, forged in war and advanced in peace, rests on unshakable foundations. It involves a commitment to ensure that the peoples of our own nations, the United States and Australia, shall advance in prosperity and in security. But more importantly even than that, I think the strength of our relationship is in our commitment that we shall do everything in our power to see that those freedoms that we have nurtured and which have given us our strength, our pleasure, our hope for the future shall be freedoms and rights that increasingly, as a result of our efforts, shall be enjoyed by men and women around the globe. That is our great responsibility, it's our great opportunity, and our great challenge.

And may I say, George, for me, that it is an immeasurable pleasure that I have this opportunity at this stage of history of sharing with you the leadership of two great countries so firmly united.

Ladies and gentlemen, may I offer you a toast to the President of the United States and to the abiding friendship and partnership of the United States and Australia.

Note: The President spoke at 9:25 p.m. in the State Dining Room at the White House. In his remarks, the Prime Minister referred to Sarah Farish, a Bush family friend.

Continuation of David S.C. Chu as an Assistant Secretary of Defense

June 28, 1989

The President today announced that David S.C. Chu will continue to serve as an Assistant Secretary of Defense (Program Analysis and Evaluation).

Dr. Chu has served as the Assistant Secretary of Defense (Program Analysis and Evaluation) since July 1988. Prior to this Dr. Chu was the Director of Program Analysis and Evaluation in the Office of the Secretary of Defense, 1981 - 1988. Dr. Chu also served as assistant director for the national security and international affairs division in the Congressional Budget Office, 1978 - 1981; as associate head of the economics department at the Rand Corp., 1975 - 1978; and as a senior economist at the Rand Corp., 1970 - 1978.

Dr. Chu graduated from Yale University (B.A., 1964; M.A., 1965; M. Phil., 1967; Ph.D., 1972). He served in the U.S. Army from 1968 to 1970. Dr. Chu was born in New York City on May 28, 1944. He currently resides in Washington, DC.

Nomination of Alfred C. Sikes To Be a Member of the Federal Communications Commission, and Designation as Chairman

June 28, 1989

The President today announced his intention to nominate Alfred C. Sikes to be a member of the Federal Communications Commission for a term of 5 years from July 1, 1988. He would succeed Mary Ann Weyforth Dawson. Upon confirmation by the Senate he will be designated Chairman.

Since 1986 Mr. Sikes has served as Assistant Secretary of Commerce and Administrator of the National Telecommunications and Information Administration in Washington, DC. Prior to this he was president of Sikes and Associates, Inc., a broadcast management and media consulting company, 1978 - 1986. From 1977 to 1978, he served as an officer in a number of companies that owned and operated radio stations in Texas, Louisiana, and New Mexico. He was director of the Missouri Department of Consumer Affairs, Regulation, and Licensing, 1974 - 1976; director of the Missouri Department of Community Affairs, 1973 - 1974; director of the Missouri transition government for Governor-elect Bond, 1972 - 1973; and campaign manager for Christopher Bond for Governor, 1972. He also served as assistant attorney general for the State of Missouri, 1969 - 1972, and campaign manager for attorney general John C. Danforth, 1970. Mr. Sikes was an associate and junior partner in the law firm of Allen, Woolsey and Fisher, 1964 - 1968.

Mr. Sikes graduated from Westminster College (B.A., 1961) and the University of Missouri (LL.B., 1964). He was born December 16, 1939, in Cape Girardeau, MO. He is married, has three children, and resides in Bethesda, MD.

Statement by Press Secretary Fitzwater on a Proposed Constitutional Amendment Prohibiting Flag Desecration

June 28, 1989

The White House is working with Members of Congress to develop appropriate language for a constitutional amendment on flag-burning. When these consultations are complete, we hope to join with Members of Congress in supporting a proposal that will receive swift consideration. The language will not be ready today.

Remarks Following Discussions With President Mobutu Sese Seko of Zaire

June 29, 1989

President Bush. Zaire is among America's oldest friends, and its President, President Mobutu, one of our most valued friends -- entire continent of Africa. And so, I was honored to invite President Mobutu to be the first African head of state to come to the United States for an official visit during my Presidency.

I first met President Mobutu when I was Ambassador to the United Nations, and in that capacity, I first visited Zaire in 1972. And always, I have been impressed by his insight and his vision.

In our talks, the President and I have had the opportunity to review and renew the excellent bilateral relationship between our countries. And we've noted, to our mutual pleasure, that those ties continue to be beneficial and productive.

One of Africa's most experienced statesmen, President Mobutu has worked with six Presidents. And together, they -- and we -- have sought to bring to Zaire, and to all of Africa, real economic and social progress and to pursue Africa's true independence, security, stability as the bases for that development.

Over the years, President Mobutu has helped international councils from the United Nations to the OAU [Organization of African Unity] to the nonaligned movement address these issues sensibly -- and very effectively, I might add. And invariably, he has personally worked to bring about the peaceful resolution of conflicts. Just last week, he brought together, for the first time, in the presence of 18 African chiefs of state, the leadership of Angola's warring factions, setting the stage for national reconciliation in that country. And thanks to President Mobutu, we are nearer the goal long sought, yet long elusive: peace and opportunity in southwestern Africa.

We discussed that goal in our talks here, and the President and I also examined other important aspects of regional conflicts, especially the southern third of the African continent. And there we share goals of a rapid, peaceful end to apartheid; the full implementation of Security Council Resolution 435, leading to the independence of Namibia; and the total withdrawal of Cuban troops from Angola. Zaire's stake in these results is as enormous as its influence. My advisers and I found President Mobutu's analyses valuable, and we support him as he strives to peacefully resolve problems.

In addition to foreign affairs and regional matters, much of our discussion focused on Zaire's efforts to strengthen its economy. And I want to note that Zaire recently took the constructive step of signing an economic policy reform agreement with the International Monetary Fund.

Because we believe that strict adherence to its terms can produce a healthy economy for Zaire, we intend to support that effort.

During the President's visit, we also exchanged the instruments of ratification of a bilateral investment treaty. We hope that this treaty will encourage greater American investment in Zaire leading, in turn, to greater economic development.

In conclusion, we thank President Mobutu for coming to the United States at this critical time, and we thank him for his leadership in central Africa. And we look forward to continued cooperation between our countries. Mr. President, the strong ties of friendship between Zaire and the United States endure and prosper. And we are proud and very, very pleased to have you with us today. Thank you, sir.

President Mobutu. Ladies and gentlemen, it is an honor to state in turn that the friendship between Zaire and the United States is today 29 years old. I am particularly pleased to have been honored by the invitation extended by President Bush to come on an official working visit early on in his term of office. This has made it possible for us to hold talks marked by warmth and friendship. This occasion also gave us the possibility of assessing bilateral cooperation between our two countries and of identifying new goals to pursue together.

Thus, we spoke of disarmament, detente, the Third World debt and, more specifically, the African debt. We also spoke of the situation in southern Africa. In this connection, I informed President Bush of the results obtained following the summit held in Gbadolite on June 22d, which lay the groundwork for national reconciliation in Angola. I have asked President Bush to support this process so as to restore once and for all peace in this country which shares a 2,600-kilometer border with the Republic of Zaire.

I wish to express my satisfaction with the attention and the understanding shown by President Bush in addressing these problems. I also welcome the fact that President Bush, because of his long political and diplomatic experience, takes a special interest in African issues, in which, incidentally, he is thoroughly well-grounded.

Regarding my country, Zaire, I spoke to President Bush about the new agreement that I have just signed with the International Monetary Fund and the World Bank on a 3-year structural adjustment program. President Bush has renewed the support of his government to the Executive Council of Zaire in its effort to implement this program. In support of this, President Bush has committed his administration to promoting and encouraging American investment in the Republic of Zaire. This is the reason for which we proceeded to exchange instruments of ratification of the bilateral investment treaty between the United States and the Republic of Zaire. Furthermore, the President reaffirmed United States support for the program for stability and security in the Republic of Zaire.

Finally, I informed the President of the arrangements and measures of protection which have been set up in Zaire for some years now. These arrangements have made it possible for the United Nations Commission on Human Rights to withdraw Zaire from the list of those countries which it monitors for human rights. Since then, Zaire can be ranked among those countries which observe the rule of law, not to be confused or mistaken with any incidental mishaps that are attributable to an administration or to individuals.

The United Nations Commission on Human Rights and the Republic of Zaire invites all governments and organizations concerned with human rights to support by all means possible the efforts deployed by the Zairian Department of Human Rights and Freedoms of the Citizen for the defense and the protection of human rights in Zaire.

In concluding, we would like to thank President Bush and his advisers for the invitation that he extended to us to be the first African head of state to come on an official working visit since Mr. Bush has come to the White House.

Long live the United States of America. Long live Zaire. Long live friendship and cooperation between our two countries. I thank you.

Note: The President spoke at 1:17 p.m. at the South Portico of the White House. President Mobutu spoke in French, and his remarks were translated by an interpreter.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Mobutu Sese Seko of Zaire

June 29, 1989

The President met with President Mobutu Sese Seko of Zaire for 2 hours and 15 minutes today, including a private one-on-one meeting in the Oval Office, an expanded plenary meeting in the Cabinet Room, and a luncheon in the Residence.

We attach a great deal of importance to the visit to the United States of President Mobutu. Zaire is one of our oldest and closest friends in Africa. The President wanted to emphasize our excellent relations by inviting President Mobutu to be the first African head of state to come to the United States on an official working visit. President Mobutu recently organized and chaired the successful Gbadolite summit, which led to a cease-fire and the start of negotiations between UNITA [National Union for the Total Independence of Angola] and the MPLA [Popular Movement for the Liberation of Angola] in Angola. This considerable diplomatic feat -- along with his noteworthy contributions to regional stability in Chad, Burundi, and elsewhere over the years -- underscore his importance as an African leader and statesman.

President Mobutu briefed the President about the summit and the status of proceedings to arrange the talks which we hope will lead to national reconciliation in Angola. In addition to events in Angola, the two Presidents reviewed security issues elsewhere in Africa, U.S. assistance to Zaire, Zaire's recent decision to begin an IMF [International Monetary Fund] economic reform program, and human rights issues.

During his Washington stay, President Mobutu also had meetings with Treasury Secretary Brady, Defense Secretary Cheney, and Secretary of State Baker. Tomorrow, Vice President and Mrs. Quayle will be President and Mrs. Mobutu's hosts for a breakfast meeting. During this visit, President Mobutu has also met with Members of Congress, businessmen, and the media.

Remarks to Congressional and Administrative Interns Announcing Campaign Finance Reform Proposals

June 29, 1989

I can understand that warmth of the welcome. Look at it this way, the longer you are here, the longer you don't have to be there in the office working. [Laughter] I expect I speak for all of you when I turn to thank the marines for that warm welcome. They are magnificent -- always have been and always will be. Apologies to Mr. Billington, the head of the Library of Congress. I have to admit, I feel a little awkward giving a speech at this particular place after all those years of being told not to speak out loud in the library. [Laughter]

But the Library of Congress has indeed been called the diary of the American people. In truth, it's a diary of the human race. And in the million stories of achievement it has to tell, one truth is revealed above all others: that for all its blemishes, government of the people is the greatest achievement of all. And as I look around me, I see what I'm told are the best and the brightest of the new generation, and for you, this summer of independence is just a sweet taste of adulthood, of what lies ahead. And trust me, freedom is not as far off as it seems.

Whatever you do in Washington, page or intern, you are apprentices in what I steadfastly feel is a noble profession: public service. And we exalt public service because we do not exalt the primacy of our government. We keep government close to the people it's meant to serve.

And there's another fundamental concept in our way of governing: reform. Ours is not a perfect government; it's a government constantly perfected. A steadily improving government is the result of our open political system. And in this system, elections are more than the deadlines of democracy; they are the marketplace of ideas. They're not just contests between individuals; they are contests between philosophies. And when this sharp edge of competition is dulled, democracy is the loser.

In April, I proposed comprehensive ethics legislation for all branches of government, and today I call on the United States Congress to pass that package. But I also want to address other problems: how to free our electoral system from the grip of special interests, how to spur the free competition of ideas.

You've often heard me speak of the necessity of bipartisanship. And I do strongly believe that we must work together when dealing with the most difficult challenges facing our country, not as partisans but as Americans. But we will not, and should not, cease to be Republicans and Democrats. True, the Founding Fathers envisioned no role for parties, and yet 200 years of political experiences have shown their value. Political parties clarify and sharpen the debate. And they shape coalitions of like-minded people, giving millions of Americans an effective way

to support their beliefs and advance their candidates.

Parties are the indispensable organizers of democracy. And yet times have changed, and today's special interest political action committees [PAC's] and their $160 million war chests overshadow the great parties of Thomas Jefferson and Abraham Lincoln. And as the strength of our parties erodes, so does the strength of our political system. Distinctions between candidates get all mixed up; they become muddled. And congressional debate lacks coherence and lacks discipline. By necessity, Members of Congress engage in time-consuming and often degrading appeals for money outside the party structure. As vigorous competition between candidates and between ideas wanes, the clear winner in the race for PAC dollars is incumbency.

Some believe public or taxpayer financing is the best answer. I do not. If we exclude individuals, you see, if we exclude them from the process, we exclude the public. And this is the ironic result of taxpayer financing: It would force taxpayers to support extremist candidates they abhor. It would be a siphon from the U.S. Treasury, already in deficit, to campaign coffers. Taxpayer financing would do nothing to strengthen the parties. If anything, it would strengthen the status quo, and what the voters really need is more choice.

Spending limits are not the answer either. If we're to encourage individuals to participate in the electoral process, if we are to encourage candidates to bring their message to as many voters as possible, we should not have absolute limits on spending. The answer is reform. We need reforms that curtail the role of special interests, enhance the role of the individual, and strengthen the parties.

So, today I propose just that: a sweeping system of reform for our system. More than 90 percent of all PAC contributions come from PAC's sponsored by corporations, unions, and trade associations. So, the cornerstone of this reform -- of our reform -- is the elimination of those political action committees. I propose to curtail the proliferation of leadership PAC's by limiting all candidates for Federal office to one fundraising committee. And by also barring transfers between fundraising committees, we will further reduce the influence of special interest money in the electoral process.

I propose to end a practice that's known as bundling, where business and unions encourage or coerce contributions from employees or members and then give these contributions as one single donation. And as these reforms curtail special interest money, we must encourage the role of the parties -- encourage it. And I propose to more than double the amount of monies parties may donate to congressional campaigns. Increasing party donations to Federal candidates will allow legislators to spend more time legislating and less time raising money. And it will give challengers the means to compete with incumbents. And it will allow all candidates to avoid having to raise money from special interests.

And still, some PAC's must remain because they are protected under our Constitution by the first

amendment. And these independent PAC's account for about 10 percent of all contributions, but even these I would limit by halving their allowable contributions to Federal candidates from $5,000 to $2,500 -- reduce it from $5,000 to $2,500. And new laws must keep such PAC's unaffiliated and independent, so a business or labor group could not use them as a back-door means of influencing the process.

I also propose to strengthen the Supreme Court's Beck decision, which held that union members can't be forced to have their dues go to political causes or organizations they do not support. No American -- no American, not one -- should be compelled to give money to a candidate against his or her will.

We must do more to truly clean up the system. The basic strength of today's system is disclosure: being honest with the American people. Yet most money spent in American elections is not disclosed. This little-known area of campaign finance laws called soft money concerns dollars spent on voter turnout and registration efforts. And so, I call on the United States Congress today to join me in mandating full disclosure of all soft money contributions by the political parties, as well as corporations, unions, and trade associations.

Other laws govern, now, independent expenditure groups -- you know, which can spend any amount of money to elect or defeat a candidate so long as their activities are not coordinated with those of a particular candidate. Now look, some of these groups perform a public service, but too often they mask the motives of hidden contributors acting as mercenary character assassins. Often they deceive the public into thinking that they are a candidate's campaign. And yet, all independent expenditure groups, the good and the bad alike, are protected by the Constitution. In order to provide more information to the public, I propose that such groups be required to more clearly identify the person or organization behind them. Disclosure -- full disclosure -- that's the answer here.

The third and final area of reform directly concerns the powers of incumbency. Jefferson envisioned a Congress of citizen politicians who suspended their careers in law, in medicine, in agriculture to serve the Nation. Now, how far we've come from that simple vision: Today incumbents stay in office for decades, amassing huge war chests to scare off strong challenges in election after election. This is not democracy in the spirit of Madison and Jefferson. This is not the spirit of democracy at all. And so, I propose to end the rollover of campaign war chests, requiring any excess campaign funds to be donated to the parties, to a fund to retire the national debt, or to be given back to the contributors. And this would apply to all unspent campaign funds, whether it's a race for Congress or a race for the Presidency.

Under our current law, 190 House Members in office in 1980 can also use that leftover campaign money as a personal retirement fund, pocketing hundreds of thousands -- even millions of dollars when they leave office. Senators are allowed to convert these funds for official use. This practice must end. And this same principle should apply to Presidential

candidates as well.

Another advantage of incumbency arises from the way in which Members of Congress use the public frank to pay for mass mailings that amount to political advertising. The cost to the taxpayers, literally, runs into hundreds of millions of dollars. And the cost to our democracy is also very, very steep. I propose to prohibit the use of the frank for unsolicited mass mailings.

And yet another area in need of reform is redistricting: the way in which parties in power ignore community boundaries and draw district lines favorable to their candidates. No single factor is more basic to restoring competitive elections than ensuring fair redistricting. I propose a new criteria for redistricting without favor to party. To respect established community boundaries, we must draw district lines that respect the needs of the people, not tailor them to the political needs of either party.

And finally, in the next few days I will also send up legislation to ban honoraria and to address certain aspects of compensation for Federal officials. This package will include a 25-percent pay increase for judges, which I've previously recommended, and an increase for a limited number of specialized professionals, such as scientists and surgeons, where the executive branch is not competitive. And I'll also work with the Congress on the development of details for increasing the pay of those in the Congress, as well as other senior employees of the executive branch.

This year, as Congress observes its 200th anniversary, 11,000 Americans have served in the House and Senate in the history of our Republic. And I'm proud to have been one of them. And most have served in the great tradition -- Russell and Rayburn, Dirksen and Mansfield, Dole and Mitchell, Foley and Michel. And someday, who knows, you may elect, after your experience here this summer, to follow this path, the path to greatness and achievement through public service. And if you do, I hope the laws that govern our campaigns and our Congress, as well as our executive branch, are as just and honest as the majority of those who serve the public. You know, this vast and honest majority in Congress live the words of George Washington, who said, ``The noblest title in the world isn't President, Senator, or Congressman but honest man." Whatever you do in life, you can have no higher title than that.

Thank you all for listening. God bless you and God bless the United States of America.

Note: The President spoke at 2:06 p.m. in the auditorium at the Thomas Jefferson Building of the Library of Congress. In his opening remarks, he referred to the Marine Band.

White House Fact Sheet on the President's Campaign Finance Reform Proposals

June 29, 1989

Today the President announced a comprehensive campaign finance proposal designed to lessen the power of special economic interests and restore competition to American congressional elections. The package reflects the President's strong commitment to increasing the roles of individuals and the political parties in the electoral process. It is also designed to reform the system of campaign finance under which in the 1980's House incumbents have a 97.7-percent reelection rate and Senate incumbents an 85-percent reelection rate. The proposals follow general themes first articulated by the President in his April 12 speech to the American Society of Newspaper Editors:

Eliminating political action committees (PAC's) supported by corporations, unions, or trade associations, and prohibiting such entities from paying for the overhead or administrative costs of any independent PAC.

Strengthening political parties by increasing the amounts they can spend on behalf of congressional candidates. This source of funds would permit legislators to spend less time fundraising, would ensure that challengers have greater resources with which to challenge incumbents, and would further limit the role of special economic interests in elections.

Addressing the problem of the ``permanent Congress'' by reforms designed to reduce the unwarranted advantages of incumbency. Specifically, the proposals would prohibit the personal use of excess campaign funds, drastically reduce congressional mailings under the frank, ban the rollover of campaign funds from one election cycle to the next, and legislate fair neutral criteria for the redistricting of congressional and legislative lines that will follow the 1990 census.

Fully disclosing all ``soft money'' spent by the political parties and all labor unions, corporations, and trade associations to influence a Federal election.

The President's campaign finance reform package is as follows:

1. Contribution Limits

Curtailing Political Action Committees (PAC's)

The proposal calls for the elimination of PAC's sponsored by corporations, unions and trade associations. The bulk of PAC contributions come from these corporate, union, or trade association PAC's: They accounted for nearly 90 percent of the approximately $160 million

contributed by PAC's in the 1987 - 1988 election cycle.

Contribution limits for the remaining PAC's, i.e. those not sponsored by corporations, unions, or trade associations (the so-called nonconnected or independent PAC's), would be reduced from $5,000 to $2,500 per candidate per election. It appears that freedom of association guarantees under the first amendment make it impossible to eliminate these independent PAC's.

Corporations, unions, and trade associations would also be prohibited from using Treasury funds for nonconnected PAC administrative or overhead costs, including corporate or union subsidies for payroll deductions to fund a PAC.

PAC contributions to national and State political parties would stay the same ($15,000 per year). The remaining independent PAC's would also be able to continue funding such participatory activities as voter registration and get-out-the-vote programs, which would become fully reportable.

The proposal would codify the Beck Supreme Court decision, holding that union members cannot be forced to have mandatory union dues go to political causes or organizations they do not support.

Leadership PAC's, including those associated with Presidential candidacies, would be curtailed by limiting Federal candidates and elected officials to one fundraising committee and by prohibiting transfers between fundraising committees.

All but political party committees would be prohibited from bundling, the practice where an organization or its officials solicit contributions from its employees or members at a central location, ``bundles'' them, and sends them to a candidate without affecting the organization's contribution limits.

Independent expenditures would be subject to additional notice requirements. Any advertisement or other political communication paid for by independent expenditures would have to include additional disclosure throughout, identifying the person or organization funding it and stating that it is not authorized by any candidate.

Strengthening Political Parties

The proposal increases to $0.05 from $0.02 times the voting age population the coordinated expenditure limits that parties may spend on behalf of Federal candidates (ranges now from $92,000 to about $1.5 million, depending on population, for a Senate race; about $46,000 for a House race). This would allow a larger percentage of contributions to a candidate to come from political parties.

2. Reforming Unfair Advantages

Limiting the Use of Excess Campaign Funds

The rollover of excess campaign funds into the next election cycle would be prohibited by requiring that all campaign treasuries be zeroed out by January 31 following the election. All excess campaign funds would have to go to national or State party committees, the National Debt Retirement Account of the United States Treasury, or all campaign contributors as pro-rata refunds.

Presidential candidates would also be prohibited from using excess campaign funds from previous races to fund their Presidential efforts.

The proposal bans the conversion of excess campaign funds for personal use. With regard to the Congress, this would apply as follows: House Members who are grandfathered could no longer convert the funds to personal use. Senators would be precluded from supplementing official accounts with their own excess campaign funds.

Limiting the Use of the Frank

The proposal bans the use of the frank for unsolicited mass mailings.

Quarterly filings would be required by all Members of Congress regarding the amounts spent on franked mail. The reports would be due within 30 days of the close of the quarter.

Fairness in Redistricting

The proposal calls for the end of gerrymandering through the promulgation of criteria for fair redistricting in Federal elections. Such criteria will include requiring district lines to adhere to compactness standards and follow established community boundaries.

The legislation will emphasize the need for congressional and State legislative plans to follow the provisions of the Voting Rights Act.

3. Soft Money Disclosure

Full disclosure of all ``soft money'' contributions and expenditures by political party committees would be required under the proposal.

Labor unions, corporations, and trade associations would have to disclose all money spent to influence a Federal election, including voter registration and get-out-the-vote activities, as well

as any communications which advocate the election or defeat of any Federal candidate.

The proposal also calls for the adoption of realistic allocation guidelines to attribute the costs of party activities proportionately to Federal candidates. This will assure that non-Federal dollars are not used to support Federal candidates.

4. Honoraria Ban

Separate legislation will be sent to the Congress in the next few days to ban honoraria and to address certain aspects of compensation for Federal officials. This package will include a 25-percent pay increase for judges, which the President previously recommended, and an increase for a limited number of specialized professionals where the executive branch is currently not competitive, such as scientists and surgeons. The President will also work with Congress on the development of details for increasing the pay of Members of the Congress, as well as other senior employees of the executive branch.

Nomination of Joy A. Silverman To Be United States Ambassador to Barbados, Dominica, St. Lucia, and St. Vincent and the Grenadines

June 29, 1989

The President today announced his intention to nominate Joy A. Silverman to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of Dominica, St. Lucia, and to St. Vincent and the Grenadines. She would succeed Paul Russo.

Mrs. Silverman was a full-time, active participant in President Bush's 1988 campaign. From 1987 to 1988 she served as a member, and later as chairman of the Advisory Council to the New York State Commission on the Bicentennial of the United States Constitution. In 1986 Mrs. Silverman became a member of the New York City Mayor's Commission for Protocol. In addition to extensive work for various educational institutions, she has actively served with various charitable organizations in the New York metropolitan area.

Mrs. Silverman attended the University of Maryland. She is married, has two children, and currently resides in Manhattan, NY.

Nomination of Eugene P. Kopp To Be Deputy Director of the United States Information Agency

June 29, 1989

The President today announced his intention to nominate Eugene P. Kopp to be Deputy Director of the United States Information Agency. He would succeed Marvin L. Stone.

Since 1987 Mr. Kopp has been a government affairs consultant in the private sector. He served with the Union Pacific Corp. of New York in various capacities, including vice president of Washington affairs, 1981 - 1987, and as associate general counsel of Champlin Petroleum Co., a subsidiary, 1977 - 1981. From 1969 to 1977, Mr. Kopp served with the U.S. Information Agency as Acting Director, 1976 - 1977, and Deputy Director, 1973 - 1976. At the end of his previous service at USIA, Mr. Kopp received the highest award, the Distinguished Honor Award, for his contribution in the field of U.S. public diplomacy. He has also been a member of the board of directors at the Institute for Foreign Analysis since 1979.

Mr. Kopp graduated with honors from the University of Notre Dame (B.A., 1957; M.A., 1958) and the College of Law, West Virginia University (J.D., 1961). He was born November 20, 1934, in Charleston, WV. Mr. Kopp is married to the former Katherine Patricia Rogers of Lynchburg, VA. They have one son, Paul, a student at the College of William and Mary. Mr. Kopp and his wife currently reside in Alexandria, VA.

Continuation of Kathleen Day Koch as General Counsel of the Federal Labor Relations Authority

June 29, 1989

The President today announced that Kathleen Day Koch will continue to serve as General Counsel of the Federal Labor Relations Authority for a term of 5 years. She would succeed Dennis M. Devaney.

Since 1988 Ms. Koch has served as General Counsel of the Federal Labor Relations Authority. Prior to this she was Associate Counsel to the President at the White House, 1987 - 1988. She was senior attorney at the Department of Commerce, 1984 - 1987. She was an attorney with the United States Merit Systems Protection Board, 1979 - 1984, and at the Department of Housing and Urban Development, 1977 - 1979.

Ms. Koch graduated from the University of Missouri at St. Louis (B.S., 1971) and the University of Chicago Law School (J.D., 1977). Ms. Koch, a native of St. Louis, currently resides with her three children in Annandale, VA.

Nomination of Jean McKee To Be a Member of the Federal Labor Relations Authority, and Designation as Chairman

June 29, 1989

The President today announced his intention to nominate Jean McKee as a member of the Federal Labor Relations Authority for a term of 5 years expiring July 1, 1994. Upon confirmation, she is to be designated Chairman. This is a reappointment.

Since 1988 Ms. McKee has served as Acting Chairman of the Federal Labor Relations Authority, and has served as a member of the Authority since 1986. Prior to this she was Executive Director of the Federal Mediation and Conciliation Service, 1983 - 1986. From 1980 to 1983, Ms. McKee was director of government relations for the General Mills Restaurant Group. From 1979 to 1980, she was a public affairs consultant in New York and Connecticut. In 1979 she was appointed to a 3-year term on the Advisory Commission on Public Diplomacy; and was Deputy Administrator, then Administrator, of the American Revolution Bicentennial Administration in Washington, DC, 1976 - 1977. Prior to this she served in several capacities for New York Senator Jacob K. Javits, 1967 - 1975.

Ms. McKee graduated from Vassar College with a political science degree. She resides in Washington, DC.

Statement on the Death of Alan Woods

June 29, 1989

We are saddened by the loss of Alan Woods, a personal and professional friend who served his country with compassion and distinction.

Alan was committed to focusing AID's [Agency for International Development] work on promoting growth in developing countries. He was convinced that without basic economic growth permanent improvements could not be made in the quality of life and the elimination of poverty in those nations. He cared deeply for those people around the world who needed our help.

He served his country loyally and diligently under two Presidents. On a personal level, Alan was a good friend and family man. While he continued his battle against cancer, he also continued to promote the ideas and programs in which he believed.

Barbara and I send our sympathies to Cameron, Alexandra, and Caroline.

Remarks Announcing the Proposed Constitutional Amendment on Desecration of the Flag

June 30, 1989

Senator Dole, thank you, sir, and Senator Dixon, appreciate your coming all this way to join us on such short notice. To Congressmen Michel and Montgomery, my sincere thanks, and all the Members of the Senate and House that are here, Secretary of Defense and other distinguished civilians, the Defense Department, and of course I salute the members of the Joint Chiefs who have joined us here. I might say I'm delighted to see Admiral Crowe back from his very successful visit to the Soviet Union -- welcome back to the U.S. of A., Bill. And also our fellow citizens, citizens of this, the freest, most generous nation on God's Earth -- thank you for joining us.

And we stand today before a symbol of hope and of triumph. All across America -- above farmhouses and statehouses, schools and courts and capitols -- our flag is borne on the breeze of freedom. And it reminds Americans how much they've been given and how much they have to give. Our flag represents freedom and the unity of our nation. And our flag flies in peace, thanks to the sacrifices of so many Americans.

A woman in Florida recently shared with me a letter written by her cousin, a young soldier named Wayne Thomas. On December 16, 1966, he wrote: ``Every time we go out on patrol, it gets a little scarier. The only thing that gives us a sense of security is when we walk back into camp and our flag is still flying high." She told me that Wayne stepped on a landmine 11 days later and was killed. He was 18 years old. He understood this banner of freedom and ultimately gave his life for the flag to give others the freedom that it represents.

You know, she also pointed out to me, parenthetically, that she was a registered Democrat. And to me that simply states that patriotism is not a partisan issue; it's not a political issue. Our purpose today transcends politics and partisanship.

And we feel in our hearts, and we know from our experience, that the surest way to preserve liberty is to protect the spirit that sustains it. And this flag sustains that spirit, and it's one of our most powerful ideas. And like all powerful ideas, if it is not defended, it is defamed. To the touch, this flag is merely fabric. But to the heart, the flag represents and reflects the fabric of our nation -- our dreams, our destiny, our very fiber as a people.

And when we consider the importance of the colors to this nation, we do not question the right of men to speak freely. For it is this very symbol, with its stripes and stars, that has guaranteed and nurtured those precious rights -- for those who've championed the cause of civil rights here at home, to those who fought for democracy abroad.

Free speech is a right that is dear and close to all. It is in defense of that right, and the others enshrined in our Constitution, that so many have sacrificed. But before we accept dishonor to our flag, we must ask ourselves how many have died following the order to ``Save the Colors!'' We must ask how many have fought for the ideals it represents. And we must honor those who have been handed the folded flag from the casket at Arlington.

If the debate here is about liberty, then we cannot turn our backs on those who fought to win it for us. We can't forget the importance of the flag to the ideals of liberty and honor and freedom. To burn the flag, to dishonor it, is simply wrong.

And today we remember one of the most vivid images of our flag -- the one you see behind me -- Joe Rosenthal's stunning photograph immortalized in bronze. As you view this memorial, think of its flag and of these men and of how they honor the living and the dead. Remember their heroism and their sacrifice, giving of themselves and others of their lives, fighting bravely, daring greatly, so that freedom could survive.

The Battle of Iwo Jima wrote one of the greatest chapters in the story of America. And even now, it humbles us, inspires us, reminds us of how Henry Ward Beecher said, ``A thoughtful mind, when it sees a nation's flag, sees not the flag only but the nation itself.''

The Nation itself was ennobled by the Battle of Iwo Jima. It was fought in early 1945, fought on 8 square miles of sand, caves, and volcanic rubble. And it cost our Armed Forces almost 7,000 killed and more than 19,000 wounded -- almost a third of the landing force. But like Tarawa and Guadalcanal and the Philippines before, it had to be won. For victory at Iwo would be yet another step towards bringing that ghastly war to a close.

These marines wrote a profile in courage, enduring a torrent of shells, pushing their way up that extinct volcano. And they stormed Mount Suribachi. And when they reached the top, the five men behind me raised a piece of pipe upright, and from one end flew a flag. And in the most famous image of World War II, a photograph was taken of these men and that flag. And what that flag embodies is too sacred to be abused.

As Justice Stevens stated so eloquently in his dissenting opinion in the recent Supreme Court case: ``The ideas of liberty and equality have been an irresistible force in motivating leaders like Patrick Henry, Susan B. Anthony, Abraham Lincoln; schoolteachers like Nathan Hale and Booker T. Washington; the Philippine Scouts who fought at Bataan; and the soldiers who scaled the bluff at Omaha Beach. If those ideas are worth fighting for -- and our history demonstrates that they are -- it cannot be true,'' he says, ``that the flag that uniquely symbolizes their power is not itself worthy of protection from unnecessary desecration.'' The Justice is right.

And today I am grateful to the leaders here and the leaders of the Congress with us in this audience who have proposed a constitutional amendment to protect the flag. Its language is

stark, and it's simple and to the point: ``The Congress and the States shall have power to prohibit the physical desecration of the flag of the United States." Simple and to the point, this amendment preserves the widest conceivable range of options for free expression. It applies only to the flag, the unique symbol of our nation.

Senator Dole, Senator Dixon, Congressmen Michel and Montgomery, I know that you have already taken the lead, but please take the lead, working with others here today, in moving this bill forward. With the help of you Members of the Senate and House here today, and with the help of the many more of your colleagues who couldn't be with us today, I am confident that we will succeed. I've seen predictions that this will take a long time; it need not. It is simple, to the point, direct; and it addresses itself to only one thing: Our flag will not be desecrated.

Let me close with a letter from a man named Augusto Moreno. Born in Argentina, now a naturalized citizen, he likes to say that he's more proud to be an American than most of those born in this country. I'm not sure he's right about that, but that's what he likes to say, anyway. He's very serious when he states: ``I am proud to say that my blood is represented on our flag. I was wounded while fighting for democracy with the United State Marine Corps in Vietnam. I am now a disabled veteran. I am sure that there is not one day that goes by without you seeing the faces of those who were not so fortunate to return as you and I." And he says: ``We must continue our struggle to protect the flag now, as when we were in uniform -- if not for us, then for those fallen veterans. We've been entrusted by those who have fought for freedom before us to protect our flag. I cannot allow anyone to desecrate the only symbol of freedom in the world." And he ends saying, ``Sir, I realize that you're a Navy veteran, but Semper Fi anyway." [Laughter] Those darn marines, I'll tell you.

Well, Mr. Moreno, you have our word on it: For the sake of the fallen, for the men behind the guns, for every American, we will defend the flag of the United States of America.

Thank you. God bless this flag, and God bless the United States of America.

Note: The President spoke at 9:23 a.m. in front of the Iwo Jima Memorial in Arlington, VA. In his remarks, he referred to Secretary of Defense Richard B. Cheney and Adm. William J. Crowe, Jr., USN, Chairman of the Joint Chiefs of Staff.

Statement on Meeting With South African Anti-Apartheid Activist Albertina Sisulu

June 30, 1989

I have been pleased today to welcome to the White House Mrs. Albertina Sisulu, of Soweto, South Africa. ``Mama Sisulu," as she is known by her legion of admirers, is copresident of the United Democratic Front, a coalition of multiracial South African organizations opposed to apartheid. The UDF is among the organizations banned by the South African Government, and Mrs. Sisulu has been subjected to imprisonment, house arrest, and to government restrictions on her activities. However, she remains a strong advocate of nonviolence and of a nonracial South Africa.

Mrs. Sisulu has lived a life of sacrifice for the betterment of all South Africans. At age 70, she continues to be active in the service of others. Each day she travels more than an hour to reach her job as a nurse in a clinic which cares for the neediest residents of Soweto. She personifies the struggle for human rights and human dignity, and her presence here is an inspiration to us all.

As I told Mrs. Sisulu in our meeting, the United States also believes fundamentally in human rights and human dignity. We believe strongly that apartheid is wrong and that it must end. We want to see the creation of a nonracial and democratic South Africa as a result of negotiations among legitimate representatives of all of South Africa's people. We support the beginning of a process leading to a peaceful transition to democracy.

To achieve our goal, we intend to expand our assistance to black South Africans to help them both economically and politically so they can play their rightful role in determining the future of their country. We will work with the Congress to increase present programs and develop new ones to assist black South Africans in the critical areas of human rights, education, employment, housing, and community development. Such programs should not be misunderstood as our acquiescing in apartheid, but rather viewed as a determined effort to bring it to an end.

We will also work closely with our allies, particularly the British, Japanese, West Germans, and Portuguese, to develop mutually supporting policies and cooperative programs to resolve the political impasse created by apartheid and to assist in the advancement of black South Africans. These nations have important historical, cultural, and economic ties with South Africa, and their wisdom and influence need to be brought to bear on the problems of South Africa and the region.

Again, it has been an honor to be with Mrs. Sisulu here today. Her struggle and that of her husband, Walter, who remains in prison, and her children, remind us of the price of freedom and the hope which her example inspires in all of us.

Nomination of Jane A. Kenny To Be Director of ACTION

June 30, 1989

The President today announced his intention to nominate Jane A. Kenny to be Director of ACTION. She would succeed Donna M. Alvarado.

Ms. Kenny currently serves as Deputy Director of ACTION, the Federal domestic volunteer agency in Washington, DC, and also serves as Acting Associate Director of the Office of Domestic and Antipoverty Operations. In November 1988 she was appointed Deputy Director of the Office of Domestic Operations and administered the ACTION programs, including the Foster Grandparent, Senior Companion, and Retired Senior Volunteer Programs (RSVP); Volunteers In Service to America (VISTA); and ACTION Drug Alliance. Ms. Kenny joined ACTION in July 1986, serving as Director of VISTA. Prior to this, she was Director of the Executive Secretariat at the General Services Administration. She served in the Office of Vice President George Bush for 4 years, most recently serving as Special Assistant to the Vice President. Ms. Kenny has served as a staff assistant at the National Association of Schools of Public Affairs and Administration, and as a management analyst in the Department of Justice in Washington, DC.

Ms. Kenny graduated from the College of New Rochelle (B.A., 1967) and American University (M.P.A., 1977).

Remarks at a White House Ceremony Commemorating the 25th Anniversary of the Civil Rights Act

June 30, 1989

Well, thank you for that warm reception, and welcome to the White House. We're just delighted that you joined us for this important occasion. And of course, I'm very pleased to see several of our Cabinet members here, leaders of the United States Congress here. I'm particularly pleased to see our Attorney General, Dick Thornburgh, and, I might say, Bill Lucas, a friend of mine of longstanding, our nominee at Justice -- both of whom, I can tell you, are fully committed to the vigorous enforcement of civil rights.

And I might say I am just delighted that, among others representing the fine work of the Southern Christian Leadership Conference, we have their president, the Reverend Joseph Lowery, with us over here today. I don't know who the man sitting on his right is, but I'll try to -- [laughter]. Jesse [Jackson], you know the ground rules. [Laughter] But let me be very clear: I'm delighted you are here. It's most important that you be here today, too, sir.

We gather today not only to commemorate an anniversary but to celebrate a movement and to rededicate our efforts to the unfinished work of that movement. Some of America's mileposts are easy to date. In 1776, America invented itself, a nation founded upon an idea -- the self-evident truth that all men are created equal. And nearly a century later, our nation fought its bloodiest war that the promise of that Revolution might be extended to all people. But for many Americans, another hundred years were to pass before the promise would even begin to become a reality.

Like the first American Revolution, it began with the quiet courage of ordinary citizens. Perhaps it began on December 1, 1955, when Rosa Parks refused to give up her rightful place on a Birmingham bus. Or maybe, maybe it was October 1, 1962, when James Meredith took destiny into his hands and registered at the University of Mississippi. But by the summer of '64, the revolution had a name. It was called the civil rights movement, and that year marked a watershed for many Americans. The previous August had seen 250,000 gathered -- just beyond those windows -- to hear Martin Luther King, Jr., proclaim a dream that was due every American. And the following year would see the march on Selma, and Watts would burn.

But in 1964, the debate raged. Good people with honorable intentions struggled with issues as old as the Republic and as young as the movement's leadership. The breakthrough came when the Senate finally invoked cloture, ending the longest debate in its history and a 74-day filibuster. And the result was a statutory package -- soon to be bolstered by voting rights and open housing legislation -- that stands as a landmark in the civil rights movement.

But it wasn't the year's only milepost. That same summer, the brutal murder of three young civil rights workers, so singularly appalling in its savagery, shocked the conscience of this nation and became critical to our country's progress on civil rights. Twenty-five years later, these mileposts are important symbols of how far we've come as a nation and reminders of how far we must still go.

It's appropriate today that we rededicate ourselves to that most American of dreams: a society in which individuals are judged not ``by the color of their skin, but by the content of their character." That means vigilant and aggressive enforcement of all civil rights laws. It means the sensitive application of those laws when competing rights of innocent persons are at stake. The law cannot tolerate any discrimination, and my administration will not tolerate abuse of that principle.

And while celebrating our achievements and recommitting ourselves to their preservation, we must recognize that the full promise of the civil rights movement has still not been achieved. The hard lesson of the passing years is that it has not been enough to wage a war against the old forms of bigotry and inequality. The lives of the disadvantaged in this country are affected by economic barriers at least as much as by the remnants of legal discrimination. And for that reason, I continue to support affirmative action and minority outreach programs. And as I've stated before, we must move beyond the protection of rights to the creation of opportunity.

Creating opportunities for all Americans will require both public and private leadership. And it's time to move forward on a broader front. And we will be satisfied with nothing less than equal opportunity for all Americans and the removal of final barriers to self-reliance. And that's why -- that my administration has proposed new initiatives in education, the key to opportunity, to boost programs such as Head Start, merit schools, adult literacy and, of course, historically black colleges and universities. And we've asked Congress for emergency urban grants to help free our youth from a new form of enslavement: the slavery of drug addiction.

On other fronts, we're supporting landmark new legislation to extend the Nation's civil rights guarantees to those more than 36 million Americans with disabilities, bringing them into the mainstream of American society. And last week we added our voice to those calling for passage of the Hate Crimes Act. My administration's comprehensive crime package isn't just about law enforcement. Earlier this week, I spoke about the impediments to providing equal opportunities for women -- if a justifiable fear of violent crime leaves them concerned about walking to a campus library at night or reluctant to work late hours for fear of getting out of the parking lot safely.

And new programs in civil rights also means anticipating the future, a future in which more than 80 percent of those entering the work force will come from the ranks of women, minorities, and immigrants. The challenge of the future will not be just finding jobs for our people but, if you look at the demographics, finding people for our jobs.

And the work force of the future can also benefit from the unique abilities of persons with disabilities. The time-tested laws that give civil rights protections can and ought to be extended to persons with disabilities. This will involve, of course, a careful balance between the needs of persons with disabilities and the needs of business to make real progress towards opening the doors of the workplace.

In the 25 years since the summer of '64, we've seen much progress. It is time now to move forward on a broader front, to move forward into the century's final decade with a civil rights mission that fully embraces every deserving American, regardless of race -- whether women, children, or the aged; whether the disabled, the unemployed, or the homeless. And for all these reasons, I'm proud today to honor this year's anniversary by calling on Congress, respectfully, to join me in a new partnership to reauthorize the Civil Rights Commission, with the goal of launching a renewed civil rights mission.

Launching a civil rights mission that can keep pace with a fast-changing world and work force will require commitment, cooperation and, yes, creative thinking. And beyond government, and even beyond the private leadership of dedicated representatives such as those here in this room, achieving the long-delayed dream of civil rights for every citizen will require full support from our businesses, our schools, and families.

As President Kennedy proclaimed in a call to conscience when he proposed the landmark legislation in 1963, even the most comprehensive of laws could never meet the challenge of civil rights. The problem, he declared, ``must be solved in the homes of every American in every community across our country." And in this, I ask you and every American for a renewed commitment to this just cause.

And I thank you for coming to the White House today and for honoring the history of this movement -- a movement in which many of you here in this room today were in the very forefront of leadership for that movement. Thank you for coming. Now we've got some work to do in the 25 years ahead. Thank you all very, very much.

Note: The President spoke at 2:05 p.m. in the East Room at the White House.

Message on the Observance of Independence Day

June 30, 1989

Like most of you, Barbara and I will be celebrating Independence Day with family. Our Fourth of July wish for all Americans is a day of enjoyment, a day spent with family and friends, a day celebrated the traditional way, with picnics, parades, and fireworks.

But as you celebrate, I want to ask you to take a moment sometime before the last of the fireworks light the sky to think about what this day means, to think about how fortunate we Americans are. That first Fourth of July in 1776 was more than the birth of our nation. It was the first day of a new era, an era that changed the world, that proved that men and women could govern themselves in freedom.

Today, 213 years after the signing of the Declaration of Independence, the idea of democracy is stronger than ever in our nation and around the world. The symbols of liberty speak with power to people everywhere. Lady Liberty in New York Harbor, the goddess of democracy in Tiananmen Square, the flag -- our banner of freedom -- flying over thousands of town halls across America -- these symbols tell us, they tell the world, that the most momentous idea in all of human history -- freedom -- is alive and unconquerable.

I ask all Americans to remember the precious legacy of liberty we enjoy. Thank you. God bless all of you, and God bless the United States of America on this Fourth of July weekend.

Statement on Signing the Dire Emergency Supplemental Appropriations and Transfers, Urgent Supplementals, and Correcting Enrollment Errors Act of 1989

June 30, 1989

Today, I have signed into law H.R. 2402, the Dire Emergency Supplemental Appropriations and Transfers, Urgent Supplementals, and Correcting Enrollment Errors Act of 1989.

The bill provides emergency funding for several mandatory programs, including Veterans Compensation and Pension programs; Food Stamps; Guaranteed Student Loans; Foster Care; and firefighting programs. The bill also provides emergency funding for several discretionary programs, such as Veterans Medical Care; refugee programs; and U.N. Peacekeeping activities.

I am especially pleased that this bill will provide the long overdue additional funding for our Nation's veterans, particularly for the Veterans Medical Care program. The additional funds will be used to provide for more service to veterans at outpatient clinics; to treat more veterans in nursing homes; and to increase purchases of capital equipment, prosthetic appliances, and a variety of medical supplies.

I want to take this opportunity to commend the Congress for keeping the funding levels in this bill within acceptable bounds. The House, the Senate, and the Administration reached a satisfactory compromise that funds ``dire emergencies'' while also attending to our mutual responsibility to restore fiscal discipline.

George Bush

The White House,

June 30, 1989.

Note: H.R. 2402, approved June 30, was assigned Public Law No. 101 - 45.

Statement on Signing the Bill Extending Title I of the Energy Policy and Conservation Act

June 30, 1989

S. 694, which I signed into law today, extends until April 1, 1990, the authorization for the Nation's Strategic Petroleum Reserve (SPR). The bill also requires the Secretary of Energy to study alternative financing arrangements for expanding the SPR to a level of one billion barrels.

Although I would have preferred a simple 5 - year extension of the SPR authority, I believe that this bill represents an acceptable compromise. It provides for the uninterrupted operation of the SPR, which is important to our Nation's energy security. It also allows sufficient time for the Administration to complete an interagency study of the SPR's size. A study of both the SPR size and alternative financing arrangements is necessary if we are to make an informed decision on the Strategic Petroleum Reserve.

George Bush

The White House,

June 30, 1989.

Note: S. 694, approved June 30, was assigned Public Law No. 101 - 46.

Statement on the Supreme Court's Decision on Abortion

July 3, 1989

We welcome this decision. By upholding the Missouri statute, the Court appears to have begun to restore to the people the ability to protect the unborn. We continue to believe that Roe v. Wade was incorrectly decided and should be reversed.

Americans obviously differ over the difficult issue underlying this case -- the morality and appropriate legal status of abortion. Any decision in this area will stir strong feelings. Nevertheless, I have confidence that the American people will continue to express their deeply held convictions on this subject within the bounds of civility and our legal institutions.

Note: In ``Webster v. Reproductive Health Services'' the Supreme Court ruled that States had the power to restrict abortion on demand.

Statement on the Death of Andrey Gromyko

July 3, 1989

The President and Mrs. Bush extend their sympathies to the family of Andrey Gromyko and to Mrs. Gromyko. Andrey Gromyko's career paralleled the course of U.S.-Soviet relations for nearly 50 years. As Ambassador to the United States, as one of the architects of the United Nations, as Foreign Minister for nearly three decades, and finally as Chairman of the Presidium of the Supreme Soviet, Mr. Gromyko knew every U.S. President from Franklin Roosevelt to George Bush and every Secretary of State from Cordell Hull to James Baker. Andrey Gromyko's death marks the passing of a generation that witnessed many of the most historic events of this century.

The U.S. Government extends its condolences to the Government and people of the Soviet Union and to Mrs. Gromyko.

Interview With Polish Journalists

June 30, 1989

The President. Well, let me say at the outset of this interview that this visit is in no way intended to complicate the situation there -- rather to show American interest in Poland, to support the general desire that we feel for Poland to have improved relations with the United States and with the West in general. It is, obviously, as I will in every country -- give me a chance to give our views freely and openly about freedom and things of that nature, but it is not a visit that is trying to complicate matters between the Soviet Union and Poland, or anything else. It is in keeping with my view that Europe should be whole and free, and in saluting the changes that have taken place, and hopefully in contributing to Poland's quest for more democracy and economic reform. So, we're going in a constructive vein, not in some critical vein or not in some mode of trying to complicate things for somebody else.

President's Visit to Poland

Q. Mr. President, this group here -- the composition of this group is actually a testimony to the progress of pluralism, because we have Solidarity here on the Government's side. Yes, and isn't it, Mr. President, very interesting that you were in Poland about 1 year and 9 months ago, and now you are going to Poland again? Is there any particular reason that you make the second trip in such a short time?

The President. Well, in the first visit, we had an opportunity to meet with Mr. Walesa [Solidarity leader], and certainly I was accorded wonderful hospitality by General Jaruzelski [Chairman of Poland's Council of State]. At that time, as you point out, Ziggy, there was no real communication between Solidarnosc and the leadership. And again, I, in that visit, did not try to involve myself in the internal affairs of Poland. But by being there, and by being permitted to speak on the television and say what was in my heart, and able to meet with Jaruzelski -- I mean, with Walesa, even though Solidarnosc was then outlawed, it opened up for us a strong feeling for Poland, and you could sense the indications of change.

And now there has been change; there has been an evolution in these relationships. And so, it is appropriate that we go back and talk respectfully to the leaders about their aspirations for economic reform, my aspirations for an era of what we call in our East-West relations ``beyond containment," and in terms of the evolution of -- the moving of countries toward the West as much as they feel comfortable with.

So, it's a visit that makes sense because things are evolving, things are moving in the direction that we salute. And also, going there as Vice President, I am sure, is quite different than being President. There's only one President, and true, there's only one Vice President. But that isn't seen the same as the President going there to say how much an evolving relationship means to

the United States.

Q. So, let me ask maybe more precisely, Mr. President, what would you tell the Polish Nation about the American attitude toward our efforts to achieve self-determination, about all those free elections which took place recently in Poland, about our achievements in gaining free speech and the restoration of our free will in Poland?

The President. Yes, I'd simply say the visit is a symbol of our support for Poland as it moves toward greater democracy. And I had a chance to make that point a couple of years ago and will make it again. So, it's symbolic. I will state that we are encouraged by changes. I'll try not to look like I'm fine-tuning the internal affairs of Poland. I'm not going to do that, but I think I have every right to say I am encouraged by the changes we've seen.

Obviously, we followed the roundtable discussions and agreement, and salute that agreement. As you know, we are committed to representation by the people, of the people. And so, we see changes in the way elected representatives are chosen and go forward to represent their people -- we salute that.

So, it will be in this vein, this thematic vein, that I will be talking. And in Poland, you know, there's an historic opportunity now to help end the postwar division of Europe. I mean, Europe has been divided. And if we handle ourselves correctly with the Soviet Union and if the changes continue that we're seeing, we could see a Europe that is freer and more whole.

Q. That's what you said in 1983 in Vienna in your -- --

The President. Yes, and I talked about differentiation there. And, indeed, that Vienna trip led to my feeling very comfortable going with a similar message to Poland. So, it's evolutionary here.

Foreign Troops Deployed in Europe

Q. Mr. President, already during the first few minutes of this interview, you used, several times, the word ``change,'' because everybody now sees the changes taking place in Poland. For some, the changes are too slow; for some, are too quick.

The President. Yes.

Q. But as a very experienced politician, you certainly know that good policy requires not only change but also some elements of stability that prevent the change from erupting, from being blown up and leading to some kind of a deep crisis. Would you like to comment about what elements of continuity in central and Eastern Europe would you like to see?

The President. Well, I'd like to see respect for the will of the people. And I think as we -- I don't

want to -- well, let me start over. I will stand by that, obviously, but I would like to see -- very candidly -- I'd like to see Soviet troops -- we're talking about Poland now -- out. I don't think anyone, anymore, thinks that there's a danger of invasion from the West into Poland, for example. And I would like to see a continuation of the change that would result in the Soviets feeling comfortable in taking their troops out of there.

Having said that, I will not be trying to inflame change so that it does what you're talking about. The people seem to be handling it very nicely now, with elections and with discussions around a table. And I don't want to do something that would inadvertently do what you're talking about, or that you asked about; and that is, to have some crisis that will compel other answers. And I don't want that, and I'm not going to deliberately do anything that is going to cause a crisis.

I am going to feel free to speak out about -- as I did right now at the Iwo Jima Monument -- about what we hold dear and what Polish-Americans think and what we want to see about a freer, a more whole Europe. And so, I think we can do this, Daniel, without exacerbating tensions that I know exist in Poland. We're realistic; we know there are tensions still.

Q. But this shall mean that -- are you in favor of withdrawing foreign troops from all Europe, from all countries?

The President. I would like to see the start be withdrawing of the troops from Poland, because I think there is no danger at all of an invasion of Poland from the West. And I don't think anybody in Poland thinks there's a danger of invasion of Poland from the West.

But what I will do, in answer to your question, is to press forward with a very bold plan that we've laid on the table at NATO which substantially reduces U.S. and Soviet troops deployed outside their borders, and that sends a good signal. And then we go for whatever the next step might be; but as long as we have this tremendous disparity in Soviet-deployed troops or bloc troops versus NATO troops, it's pretty hard to visualize eliminating all troops. But I think we're on the right track, and we're on the right step here. And so, we'll go down that road.

U.S. Assistance for Poland

Q. Mr. President, let me go back to your coming back to Poland, if I may. In September you had a chance to talk to General Jaruzelski, who is both the man who introduced martial law, but also the roundtable talks and the first honest elections since the Second World War. What are you expecting of your conversation, of your forthcoming conversation now, with the General?

The President. Well, obviously, we've got a baseline. We have a point of departure, because with respect, he gave me probably a disproportionate amount of time. I was the Vice President; he was the head of the whole country. And thus, I remember with sincerity what I thought was great courtesy to me. And through that courtesy, we had more than a passing conversation; we had a

conversation about a lot of things that now have changed. We even had a chance to talk about Solidarnosc with Jaruzelski, his knowing my view and his making very clear to me his view at the time.

Now there's been an evolution of views. And what I think we ought to do is pick up from where we started and then say: All right, we've come along here. We want to help you in an economic sense. Some of that won't be easy, because the concept of reform -- economic reform -- to get full cooperation from these international institutions, monetary institutions, is essential. And I expect he'll be saying, I've tried to make reforms, and don't push me too far on all this.

And I'll understand that, but I'll say: Please understand my position. We want to help you with OPIC; we want to help you with privatization; we want to help you in the international institutions and with special trade benefits. But we need to know that you're going to be able to not only continue existing reforms but expand on reforms so that the economic system that works will be given a chance to work unfettered. And that's a big key, and that isn't easy for a lot of regimes all around the world. It's not just Poland and Hungary and Eastern Europe; it's many countries.

And so, I know that what I'll be talking about will not be easy for the regime to accommodate or, indeed, even for those who have been in opposition. And I'm talking now about newly elected people, too. But I think I owe the people with whom I meet our honest assessment, and I owe them my frank view of what we can do, and what it's going to take for us to be able to do it in terms of economic support.

Q. Just pressing this a bit, Mr. President, will you intend to set any specific conditions for the U.S. aid to Poland, and would you like to have control over implementing such conditions, if any?

The President. Not control -- we cannot try to control the internal affairs of another country -- but we've got to be clear that to get the kind of financial support from the outside world and the kind of private investment that I think can be enormously helpful, that certain reforms must go forward.

But I'm not going there in an arrogant mode, trying to say we've got all the answers. I mean, he might turn around and ask me about our debt -- [laughter] -- and then I'd be embarrassed.

Q. I have, Mr. President -- --

The President. In fact, he might; and if he did, that would be fine. I'll tell him what we're trying to do about it. And one of the things we're trying to do about it is to live within our means, and that gives us less money available to do many of the things I'd like to be doing around the world, you know. So, then we're kind of on a catch-22 on that one. [Laughter]

Q. I sometimes get the impression that both sides, Poland and the Western alliance countries, are expecting too much from each other. The West is expecting from us to change the system, to change the economic system, to introduce pluralistic democracy and, at the same time, to preserve the necessary level of stability and prevent the country from collapse. On the other hand, our country expects from the West such a significant assistance that would make all these changes possible to happen in a country which is so heavily indebted and its economy is in such a mess.

The President. Well, I think you raise a very interesting point -- and very carefully phrased, I noticed. But that's why I keep saying I don't want to exacerbate tensions. I don't want to make competing forces move apart inadvertently. I don't want to say something that would complicate the move that is taking place towards democratization and economic reform. I feel confident enough that both of those things are necessary for Poland -- for Poles to enjoy the freedoms that I think most Poles aspire to. But I'm not going to say hey, you've got to have a Senate with 100 people and a Congress with 435 and a President and a Vice President and 50 States. I mean, that's our system.

But I am going to say we've got common thoughts here. I think of the Polish people as treasuring freedom. I think of them fighting -- having a tough go there in World War II and standing up to the hordes that finally just were too much. I think of the patriotism of Poland. I think of the affection that Americans of Polish heritage have for Poland.

And I'd like to try to have the interlocutors, the people I talk to -- whether they're labor or whether they're in the regime -- understand that we want to help and that we do admire the changes that have taken place, and not put it into a great East-West mode all the time. We have problems. I'm keeping my eyes open, but we're going to try to improve relations with the Soviet Union.

But I can't look at these outrageous differences in conventional forces, for example, and then say to everybody in the United States, hey, we don't need to be concerned about Soviet intentions. They're modernizing their intercontinental stuff, their nuclear weapons. They've got disproportionate advantage in conventional forces. And so, I'm not going to be naive in suggesting that we have no differences between us, as it relates to the Soviet Union. And when Gorbachev talks about a European house, we say, yes, but let all the doors be open; let it be done so people can move from room to room in that house -- and that shouldn't antagonize anybody.

Q. Mr. President, you have been known as a conciliator, as a consensus-builder, as an adversary of extreme solutions. Can we write that George Bush, the President of the United States, is unequivocally in favor of an evolutionary change in Poland without outbursts, without breaking down of the dialog among the different social forces? Can we write that?

The President. Yes, you can write it. I don't want you to write it in such a way that I seem to

discourage those who may have differences. In other words, I don't want to discourage those that have felt out and are trying to get in, those who didn't participate over the past many years in elections and are now able to participate. I don't want to endorse the status quo -- I mean, that's not my role. Nor do I want to do what you're talking about, that your question asked about, which is exacerbate tensions.

What I want to do is say, ``Here's what we stand for." Here's what the United States stands for; and here are our aspirations for a relationship with the Soviet Union, which obviously is the superpower there. And here are my aspirations for Poland that come from my heart, because I can feel it strongly -- how those who came to our country from this country feel about their homeland. And I'd leave it there, Ziggy, rather than try to endorse the status quo. But I have to exhort and encourage as much economic reform as possible, as much political freedom as possible. And if I don't do that, I will not be leveling with the Polish people, and I will not be being a good President for my own -- for the United States.

So, I don't think it's as delicate as perhaps before, but I -- and it's important. You see, I have no hangups when Gorbachev goes to Germany or France -- fine, let him go. The better hand he gets and the better he is received there -- they're saying, ``Atta boy! Keep it up!" Keep what up? Keep reforming up; keep changing up. Who would have thought you'd hear lively debates in their own political process 2 years ago? So, it doesn't bother me as President of the United States that he gets a good standing on the applause meters over there in Western Europe. Nor should it bother him when I take this message of freedom and democracy to Eastern Europe. In my view, that doesn't come under the heading of his business, just as it doesn't come under the heading of mine if he goes to France or Germany.

And so, it's in that vein I go to -- not competitively. Saying you want one house? Fine. Let's get all the rooms open so we can all move around in there. And let's find out what works in the economy, what works in terms of free unions, what works in terms of free politics. And we think we can speak to that because we've had some success. We're not saying we have no problems in the United States, but in these things -- moving around, freedom to say what you think, freedom to form a union, freedom to have a voice in the politics by the people -- we think we know what we're talking about there. We want to share it with you. So, it's in that spirit that we'll be going.

Q. Mr. President, I think that Daniel has one personal question for you. Just one.

Q. Mr. President, last question of a little personal character. If you were a young Pole, would you now queue in front of an American consulate to emigrate to the United States, or would you rather stay in Poland and fight the difficult fight there?

The President. Well, I don't know what a young Pole would be thinking, but what I think -- what I'd like to think he'd be thinking -- is, look, I'm living in a time of dynamic change. This is the time of most hope for my country in a long, long time. And I want to be a part of it, and I want

to participate. I want to run for election; I want to join a free association; I want to be a part of a government to bring economic relief to my people. And I want to see Poland appreciated around the world -- its art, its culture, its heroism. And I want -- I, young guy Stanislaw, whatever my name is, at 21 years old -- I want to be a part of this. And that's the way I'd like to do it -- that's the way I would hope that some young kid could look at it.

Now, maybe that's a little much, because in economically difficult times, people kind of think, hey, the grass looks a little greener over there; the ocean doesn't look quite so wide. If I could just make it to Chicago, maybe I could do something. But even if he makes it to Chicago, he's got to have, beating in his heart, the love of his homeland. And so, I would hope that most would say, look, I want to be a part of the change that I feel in the air, you see.

Q. Thank you.

The President. Thank you all.

Note: The interview began at 10:10 a.m. in the Oval Office at the White House. Daniel Passent of Polityka, Zygmunt Broniarek of Trybuna Ludu, and Andrew Krajewski of Nowy Dziennik interviewed the President. The interview was released by the Office of the Press Secretary on July 3. A tape was not available for verification of the contents of the interview.

Statement by Press Secretary Fitzwater on Ronald Reagan's Riding Accident

July 4, 1989

Following is a statement by Mark Weinberg, press secretary to former President Reagan, issued this afternoon in Los Angeles:

``President Reagan was examined at Bliss Medical Center in Sierra Vista, Arizona, today following a minor riding accident at a private ranch in Mexico. The horse President Reagan was riding bucked wildly several times on a rocky downhill slope and eventually stumbled. X rays taken today revealed no serious injuries, and physicians who examined President Reagan report he is in excellent condition. President Reagan is comfortable and in good spirits and joked that the incident was `my own private rodeo.' At Bliss Medical Center, Mrs. Reagan was visited by June Scobee, wife of Challenger pilot Dick Scobee, who came by to wish the Reagans well and to tell Mrs. Reagan how much she appreciated her support and special kindness at the time of the Challenger accident. President Reagan will return to the ranch today, where he will celebrate Mrs. Reagan's birthday, Thursday, before returning to Los Angeles at the end of the week."

President Bush was notified of President Reagan's riding accident earlier this afternoon by the Secret Service before he left for afternoon boating. The information was sketchy at that time, but President Bush was assured that President Reagan had received only minor injuries. President Bush is obviously relieved that President Reagan's injuries are minor and that current plans are for President Reagan to be released from the hospital today. President Bush will call President Reagan at the appropriate time. President Bush remains boating at this time, 6:15 p.m., but is expected to return soon to Walker's Point. Mrs. Bush has also been informed of the incident.

Statement on the Media Advertising Partnership for a Drug-Free America

July 5, 1989

I welcome the news that the Media Advertising Partnership for a Drug-Free America is increasing its educational efforts against the use of illegal drugs. The partnership, under the leadership of Jim Burke, has pledged to increase its level of donated advertising to a value of $1 million a day by September 1, 1989.

This private effort delivered approximately $150 million last year in donated time and space for advertising aimed at reducing the demand for illegal drugs. Such voluntary support from the media to help educate the American people about the dangers of drug abuse will have a significant and positive impact, as we work together to overcome this insidious problem.

Nomination of Linda M. Combs To Be an Assistant Secretary of the Treasury

July 5, 1989

The President today announced his intention to nominate Linda M. Combs to be an Assistant Secretary of the Treasury (Management). She would succeed Jill E. Kent.

Since 1988 Dr. Combs has served as Acting Associate Deputy Administrator for Management at the Veterans Administration in Washington, DC, and holds the position of Deputy Associate Deputy Administrator for Management, 1987 to present. Prior to this she served as Governor Jim Martin's educational adviser in Raleigh, NC, 1986 - 1987. She has served as Deputy Under Secretary for Management at the Department of Education, 1984 - 1986; Executive Secretariat of the Department of Education, 1983 - 1984; and Deputy Executive Secretariat, 1982 - 1983. In addition, she was an elected member of the Winston-Salem/Forsyth County Board of Education.

Dr. Combs received a master's degree from Appalachian State University and a doctorate from Virginia Polytechnic Institute and State University. She was born in Lenoir, NC. She is married to David M. Combs, and they reside in Maryland.

Remarks at the Presentation Ceremony for the Presidential Medal of Freedom

July 6, 1989

I've really been looking forward to one of the most distinguished duties of this office: the privilege of presenting this nation's highest civilian honor, the Presidential Medal of Freedom. And I will make a few comments about each of the recipients before going forward with the formal citation and the presentation of the medal.

The first Presidential Medal recipients were chosen by President Kennedy. But soon after his death, they were awarded by President Johnson, along with some of the choices made by President Kennedy. And some of the first winners included Marian Anderson, Felix Frankfurter and, of course, a posthumous medal to President Kennedy -- all American heroes. And today I find myself standing with four more heroes who embody the achievement, vision, and dedication that is the greatness of this country. You have left an indelible mark as you've enriched this nation, and America is grateful.

Each one here today, indeed all five recipients, are pioneers. General James Doolittle, a trailblazer in modern aviation. Ambassador George Kennan, truly a visionary who foresaw the future of Soviet-American relations. Senator Margaret Chase Smith, a bold achiever who stood alone against the tide of extremism. Secretary Douglas Dillon, an unparalleled public servant who shaped American foreign and economic policy. And finally, a fifth great American who is not with us, the late Lucille Ball, First Lady of Television to uncountable millions, worldwide.

General Jimmy Doolittle is an American war hero, a recordbreaking pilot, and an innovator in modern aviation. After serving his country as a flying cadet in World War I, he made the first cross-country flight with only one refueling stop. He set land and seaplane speed records. He was the first to fly blind, by instruments only. Indeed, Jimmy Doolittle was the master of the calculated risk. And when the United States entered World War II, General Doolittle was assigned a top-secret mission that was perhaps the most daring combined operation of the whole war. He led the first offensive aerial strike on the Japanese mainland after Pearl Harbor. This courageous, one-way mission electrified the world and gave America's war -- the hopes that we had -- a terrific lift. During the war, General Doolittle also directed U.S. air power in the invasion of Africa and participated in 25 missions, including the first attack on Rome. General Doolittle is truly the father of modern aviation. For his dedication above and beyond the call of duty, for his bravery and valor, and for his innovation and daring, the Nation thanks him.

As a 27-year career diplomat, a renowned historian, astute professor, George Kennan has shaped the way Americans have thought about foreign policy in the postwar era. As head of the State Department's policy planning staff and as Counselor of the Department, and then as Ambassador to the Soviet Union, he helped our nation understand the dangers that it faced. He contributed

mightily to the political and economic reconstruction of Europe.

And after his retirement from government, Ambassador Kennan joined the Institute for Advanced Study at Princeton and turned his formidable talents to scholarship. His many books, which earned him the Pulitzer Prize and the National Book Award, among other honors, document the diplomatic history of our modern age. And through his writings and his guidance in the Kennan Institute for Advanced Russian Studies, he has added more to our understanding of the relationship with the Soviet Union than perhaps any other individual American. Today we stand on the threshold of a new era, a new era in our relationship with the Soviet Union, one that looks beyond the successful strategy of containment which George Kennan did so much to develop. And so, for his unique contributions to the national security of this country, the United States honors Ambassador George Kennan.

Margaret Chase Smith was the first woman in American history to be elected to both Houses of Congress, serving for 32 years, holding office under six Presidents beginning with Franklin Roosevelt. Her talent, intellect, and distinguished service to this country resulted in her becoming the first woman to have her name placed in nomination for President by a major political party. Senator Smith's finest hour came when she issued the ``Declaration of Conscience," an historic and courageous speech denouncing McCarthyism, and she spoke out when so many others remained silent. Senator Smith was instrumental in improving the status of women in the armed services and was an outspoken advocate of a strong nuclear deterrent in the face of the Soviet threat. We honor Senator Smith today for her commitment to truth and honesty in government and in America and to strengthening America at home and abroad. She looked beyond the politics of the time to see the future of America, and made us all better for it.

The brilliant achievements of Douglas Dillon raise the nobility of public service to new heights. He began his career as a businessman who later served in the Navy during World War II. While serving in the Eisenhower administration as Ambassador to France, and later as Under Secretary of State, Mr. Dillon pioneered an ambitious foreign aid policy. And in Latin America, his work with struggling economies strengthened the democratic forces there. In Western Europe, his determined foreign aid strategies led to the economic and military unity among the allies.

Douglas Dillon also served President Kennedy as Secretary of the Treasury and became one of the most influential members of that Cabinet. The Kennedy tax policy was revolutionary at the time, and Douglas Dillon was the man who developed those policies of lower taxes and policies that worked. But Douglas Dillon's dedication went beyond serving his nation as a public servant. Under his leadership as chairman, the Metropolitan Museum of Art became the second largest museum in the world after the Louvre. And Douglas Dillon dedicated himself to making America stronger as a diplomat, a public servant, businessman, and philanthropist -- truly a renaissance man. And for this, his countrymen salute him.

Lucille Ball was known as the First Lady of Television -- one of America's greatest

comediennes. The series ``I Love Lucy'' quickly made her a household name and kept generations of Americans laughing. In fact, according to TV Guide, her face was seen by more people more often than the face of any human being who ever lived. ``I Love Lucy'' -- that ran in over 80 countries, and the cumulative audience runs in the tens of billions. Who can forget Lucy? She was like everyone's next-door neighbor, only funnier. [Laughter] Her secret, she said, was to take everyday things and exaggerate them to funny absurdity -- and it worked. And she became an American success story and a brilliant businesswoman. Lucille Ball was a national treasure who brought laughter to us all. Love Lucy? Sure. This nation is grateful to her, and we will miss her dearly.

And now I am pleased to present the citations -- have the citations read and present the medals to our distinguished recipients. So, first, General Doolittle, if I could ask you to come forward, sir?

Aviation pioneer and military hero, James H. Doolittle is a symbol of vision and courage. His numerous contributions to aeronautical science, often at great personal hazard, extend from the earliest achievements in long-distance flying to the age of rockets. In the uniform of his country, General Doolittle's heroic leadership inspired the American people during the darkest hours of the Second World War. In public service, he continued to foster American advances in aeronautics, the cause to which he devoted his life. For extraordinary service to country, the American people salute one of their foremost heroes.

Now, Ambassador Kennan, if you would come forward, sir. May I say, welcome.

Career diplomat, historian, educator, George Kennan has helped shape American foreign policy since 1933. His many years in government service and a lifetime of scholarly writings revealed a deep insight into East-West relations, a recognition of the challenges of totalitarian expansion, as well as a man of extraordinary sensitivity. For his success in advancing our national security and for his many contributions to the study of international affairs, George Kennan's fellow Americans proudly honor him.

Senator Smith.

As the United States Representative for 8 years, as a three-term Senator, Margaret Chase Smith served the people of Maine and the Nation with distinction. She influenced greatly the development of our postwar foreign and domestic policies, and her abilities and independent spirit made her one of the most admired women in America. A firm believer in a strong national defense, her efforts to improve the status of women in the Navy earned her the affectionate title Mother of the Waves. And for many years of outstanding public service, America proudly honors her.

[C. Douglas Dillon.]

In a lifetime of responsible positions, C. Douglas Dillon has dedicated himself to bettering America and the world. By fostering European economic and military unity, he furthered the cause of democracy. Through his leadership on economic issues, he helped make possible the material advance of a generation. Through his dedication to the Alliance for Progress, he made real for millions America's determination to promote social development. For service to three Presidents and for commitment to his fellow man, America honors Mr. Dillon.

Gary, can I ask you to come forward -- Mr. Gary Morton -- you know Bar.

A gifted comedienne known and loved by generations of audiences around the world, Lucille Ball left a lasting impression of American entertainment. For over 50 years, she warmed the hearts of millions with her humor, both in films and later on television, where no program was better named than ``I Love Lucy." As president of her own production company, she set an example with her commitment to programming of quality for family enjoyment. Lucy's work continues to bring joy and laughter into American homes. And a grateful nation remembers her with love and appreciation.

And now I will present the medal to her husband, Gary Morton.

That concludes this brief, but heartfelt, ceremony. And we're delighted you all are here, and thank all of you for coming to honor these five individuals. Thank you very much.

Note: The President spoke at 11:58 a.m. in the East Room at the White House. Following his remarks, the President and Mrs. Bush hosted a luncheon in the Residence for the recipients.

The President's News Conference With Journalists From the Economic Summit Countries

July 6, 1989

The President. First I have a brief statement, and then I'd be glad to take your questions.

Our trip will take us first to Poland, then Hungary, two countries engaged in unprecedented efforts toward economic and political reform. The next stop, Paris, to join in the celebration of France's bicentennial and to participate in the 15th economic summit. Finally, our journey ends in The Netherlands for the first-ever visit by an American President to one of our oldest and closest allies.

In Poland and Hungary, our strong support for the democratic course these nations have chosen will be clear. Their efforts are not only a new beginning in their own countries but can be the beginning of an historic process of European reconciliation, of ending the artificial division of Europe. We want to help these countries toward an alternative future, a democratic alternative, and to help create a Europe that is whole and free.

Certainly, Poland and Hungary face serious economic problems, and no amount of outside assistance can substitute for their own sustained efforts. Our challenge is to help create the condition under which the Poles and the Hungarians can recover economically and make a successful transition towards democracy. And therefore, immediately following this session today, there's going to be a White House symposium on Eastern Europe. And our aim is to involve American private-sector leaders in the support of change in Poland and Hungary. In the long run, their participation is essential if a democracy is to succeed in Eastern Europe.

Our efforts during the economic summit in Paris are just as critical in helping end the economic and political division of Europe, and that's why we will propose ways to work together to assist economic recovery and democratic change in Poland and Hungary. We believe the Western democracies must coordinate their economic and technical assistance programs to provide real help at a time of historic change in these two countries, and help reintegrate their economies into the global economy.

Our key economic objective at the summit is to sustain noninflationary growth. And in order to move the international trading system into the next century, we need to commit to conclude the Uruguay round negotiations with substantial results in all areas, including agriculture, by the end of 1990.

We've already announced new measures to strengthen the international debt strategy through the Brady plan, with its emphasis on economic growth and investment. And to fulfill our

commitment at the Toronto economic summit, beginning October 1, the U.S. Government will forgive official development loans of the Sub-Saharan countries.

There are other challenges that need to be met. It is time that a summit address our natural heritage. And let Paris then be known as the summit which accepted the environmental challenge. The U.S. leads the world in environmental protection and research. We invite others to join in our efforts and to support our goal of a cleaner, healthier global environment.

Our trip is going to conclude with a visit to The Netherlands, where we will discuss with Dutch leaders our broad range of shared interests. This will also be an occasion for celebrating America's longest unbroken diplomatic relationship and for reaffirming the vitality of America's roots in Europe and the strength of our transatlantic ties. I'll be glad to take questions.

Short-Range Nuclear Forces in Europe

Q. Mr. President, Mr. Gorbachev challenged you again today to negotiate to eliminate short-range missiles in Europe. Is the answer still no and always no?

The President. The answer is to please read carefully what happened at Brussels, to look at the united NATO position and to go forward -- and we've had encouraging sounds from the Soviets on this -- go forward with the agenda at hand. And that will be the message. And I don't want to get off-track by reopening the SNF question when we have a good package that has wide support. The big thing on the post-NATO action is to move forward in meeting our timetables. And in fairness, I should say I was very pleased that Mr. Gorbachev made a comment -- I believe it was in Germany -- that timetable was not too ambitious.

Q. Sir, can I follow up on the same question? Mr. Gorbachev is asking about these tactical forces, who needs them? And the question does arise: What, if anything, NATO has to fear from accepting his offer of unilateral cuts on his side, considering that during the course of any such negotiations NATO would presumably retain its own tactical capability, as you have suggested, pending conventional cuts?

The President. If your question is: Would we welcome unilateral cuts on his side? -- certainly. Maybe that wasn't the question, but that's the answer. [Laughter] You left yourself open by leaving that part of it. Sure, we'd welcome that. That wasn't what he said, however, over there.

Environmental Issues

Q. From your remarks, sir, you say you want the Paris summit to accept the environmental challenge. You want polluters to pay. Does that mean that you are going with budgetary commitments and you want the other six nations as well to make budgetary commitments to make polluters pay?

The President. Well, I'm not sure we're going to get into that. I've given our proposals here in the United States for revisions of the Clean Air Act and things that we feel are important domestically. But we do support negotiations on other subjects, leading towards a framework, for example, a framework convention on global warming. We can focus our efforts on reducing or preventing pollution at the outset rather than cleaning it up afterwards. These are the broad questions we're going to be talking about.

I'm concerned about deforestation and tried to show some support for that in a trip I took to North Dakota and working with the head of our environment on reforestation. And I think here's a question that's going to have enormous interest in the summit. So, it's going to be on these broad tactics rather than trying to indicate to our European partners how they should handle their own domestic pollution problems.

Soviet-U.S. Relations

Q. Mr. President, despite your recent success at the NATO summit, Mr. Gorbachev seems to enjoy far greater popularity in Western Europe than you do. Why do you think that is, and what can you do about it?

The President. You know something? I don't really care about that. I'm not interested in that. I am delighted that he enjoys popularity in Europe. I am delighted when he goes to Germany. I am pleased when he goes to France. It is good for world peace that he takes those trips. And I expect he will be delighted when I go to Poland and when I go to Hungary, for we will be well-received in those countries.

So, we shouldn't view the relationships between East and West or between the United States and the Soviet Union on who seems to be popular at the moment. We're not going to get into the international poll business, even though I read with keen interest a recent poll taken by the U.S. Information Agency or somebody of that nature pointing out that the standing of the United States -- I'll try to be modest -- was pretty darn good in Europe following the NATO summit. But I would make a tremendous mistake as President of the United States if I was concerned about Mr. Gorbachev's popularity, vis-a-vis my own, in terms of some poll; it's irrelevant.

What's important is how are we going to handle these major questions that were asked here: arms control or economic recovery, and freedom and democracy in Eastern Europe. These are the questions. And I might add parenthetically -- you mentioned those figures or standings -- I don't know whether you're accurate or not. But even if they are, it doesn't mean I ought to go to Eastern Europe to try to go one-up, try to establish a popularity level in Poland or Hungary. That's not what sound foreign policy is about. We want to see these countries in Eastern Europe move more down the road towards democracy, down the road towards freedom.

And so, I have to resist getting into this popularity thing, other than to say I'm pleased -- I mean it -- I am very pleased that his standing is good in Europe, because that enables us then to work not only bilaterally but through NATO and the Pact to improve things for the people. So, it doesn't really concern me.

Polish Reforms and Western Assistance

Q. Mr. President, Solidarity has asked for Western aid of some $10 billion over 3 years to fend off what they call economic disaster. Is there any realistic prospect of the Paris summit coming up with that kind of sum from the West?

The President. I do not want to go into sums, but I doubt that there will be an instant grant of any $10 billion. But the summit, the G - 7, will be addressing itself, themselves, to this concept of what do we do to help economic recovery. But I said in these countries -- as I said in my opening statement -- though, I think there must be a recognition on the part of the Solidarnosc leaders and the part of the Government leaders from all stripes in Poland that economic reform is essential if the West, through multilateral institutions or bilaterally, can do its utmost. Economic reform is essential if we're going to be able to help the way we'd like. But I hadn't heard the $10 billion figure from Solidarnosc, but I don't want to raise expectations by saying I think we can achieve such a number, something of that nature.

Q. Solidarity began as a trade union organization. Do you see any realistic form of economic reform that is not going to include the kind of unemployment and inflation which would damage the interest of its trade union members?

The President. Well, I would hope I could foresee a kind of reform that would not include higher inflation. And I think we've seen in our own country reasoned positions by trade unionists, and I would hope that those positions would set some example for others. So, economic reform must not encompass ever-higher inflation. It's got to go just the other way, and that means a restraint on some demands at some place along the line. And I have a feeling that the Solidarnosc leaders understand that -- Solidarity leaders -- and I expect we will be discussing that.

Q. Mr. President, do you think that -- --

The President. No Americans. [Laughter] Two Americans -- go ahead. [Laughter]

Eastern European Reforms

Q. Do you think, Mr. President, that in Paris the G - 7 can reach a common position on encouraging democratic reforms in Eastern Europe? And in your opinion, sir, what should this position be?

The President. Well, I think we can have accommodation. But the last thing we ought to do is appear to be dictating and fine-tuning the political processes in these countries. I have a respect, built on some experience in foreign affairs, for the internal affairs of another country. So, what we ought to do in the summit, and what I ought to do as President of the United States when I go to Poland and to Hungary, is say here's what we aspire to. We find that privatization is the best way. We find that more market forces in the economy is the best way. Here's our record; here's why we feel it is best. Clearly, if there's lingering questions of human rights and exodus of people and these questions that the United States and our Western allies feel very strongly about, we ought to articulate those. But we ought to stop short of telling them -- because we couldn't get agreement between ourselves, I might add -- on how the political process works.

I'm not going to go over and say, now, what you need is a Democratic Party and a Republican Party, and you people over here be in one and you in another. I don't want to do that, and I don't want to be a part of that at the summit. But in terms of principles, we ought to say: Here's what works; here's what has been effective. And then I can be saying to myself -- and it's objectively right that you lighten up as much as you possibly can on human rights -- that you have as much participation as possible by the people in the political process.

So, it is a fine line here of spelling out what we find, as the G - 7, the best politics and the best way without, on the other hand, dictating on the internals of Poland and Hungary as they lead the pack in Eastern Europe towards reform. We want to keep it going, in other words. So, it's a good, tough question, and I'd leave it fairly general in how we exhort those to go forward with change.

Unfair Japanese Trade Practices

Q. Sir, the polls show that the Japanese people are rather upset about your naming Japan as the Super 301 [provision of the Omnibus Trade and Competitiveness Act of 1988] priority country. Do you still think the Super 301 process is worth the risk of antagonizing the people of Japan, for example?

The President. Well, certainly, we don't want to antagonize the people in Japan. I have certain responsibilities under our law, and I've fulfilled those responsibilities, I think.

But let me say this to the Japanese people, if you will. I am convinced that we can avoid further tension through serious negotiation on this whole subject -- 301 matters. I'm convinced that if we negotiate openly and fairly that we can avoid any exacerbation of these difficulties that you properly say exist. We have plenty of problems with Japan in terms of access to market. And neither you nor I have enough time to spell them all out here. But it is because we have these difficulties in getting access to Japanese markets, for example -- that doesn't mean that we are going to be in some big sulk around here.

What we're going to try to do is sit down through serious negotiations and work out the difficulties. And I'm confident that we can do that. The Japanese-U.S. relationship is very, very important to the United States. And my interest has to be, above all, what is in the national interest of the U.S. And one thing that's in the interest of the U.S. is a strong relationship with Japan.

So, I don't worry about it. I don't like it when we have difficulties that arise on this case or that or in, as you raise, this whole matter of 301. But we can overcome that. We're friends, and we've been through a lot together, and that relationship will be strong tomorrow.

U.S. Assistance for Poland and Hungary

Q. Mr. President, what kind of specific economic measures will you be taking to Poland and Hungary?

The President. I have to defer because we're not quite ready to talk about the specific package that I'll be discussing with both of those countries -- not finished yet, not signed off on it yet.

Yes, Helen [Helen Thomas, United Press International]?

Oliver North

Q. Surprise, Mr. President -- Oliver North. What did you think of the -- --

The President. Hungarian? Is this a question about Hungary, Poland, Europe? [Laughter]

Q. What did you think of the sentence imposed on Oliver North? Are you happy he's not going to jail? Have you ever considered a pardon?

The President. One, I'm happy he's not going to jail. Two, I'm not going to comment further because this matter is under appeal and it is in the Federal courts.

Short-Range Nuclear Forces in Europe

Q. Mr. President, how long do you think -- can you stick with your SNF position if we take into consideration that the pressure of our peoples on both sides of the Atlantic could increase dramatically on this issue because the allowing of [a] third zero option is very popular -- it's growing more and more popular?

The President. I think as long as we have a solid front in NATO, as long as the Germans have joined in with the other countries in NATO behind this common position, we should go forward

to try to implement that common position. And that isn't to say that someday, at some point, that other issue will be addressed. But we've got a good agenda, an agenda that will be strongly welcomed by the German people. This was an agreement that was hammered out, as you know, from night-long discussions that went on into the night. And I see no reason to stand here and try to change a collective decision taken by NATO.

East German-U.S. Relations

Q. You are going to improve your relations with Poland and Hungary. Do you see any preconditions to improved relationships with the German Democratic Republic in the foreseeable future?

The President. Yes, I do see preconditions.

Q. What are they?

The President. A little more democracy; a little more freedom; a little more openness -- come along with the flow. Things are changing in Eastern Europe. Don't be lagging way behind; get out front. Don't be afraid of democracy and freedom. It ain't going to hurt anybody, indeed, it's going to help your people -- that kind of free advice. And if that happens, why, the United States will be there. And the same could be said for Czechoslovakia or Romania or Yugoslavia, of course, having moved in some ways already.

So, we're looking for change. We have this policy that we call differentiation. And it's simply a policy that says, look, if you can move down that path towards democracy and openness and freedom of the political process some, why, we'll be there to try to help you, and so will others in the West.

You know, it troubles me in a sense, because I don't want to, again, get dictating the internal affairs, and yet there are some principles involved. And I can represent the United States, and I can say to the leaders in these various countries: If you can move in these directions, then we can do more with you. And if you can't, we can't do more with you, and we won't do more with you.

So, it's trying to find this common ground and catch this wave, this wave that's moving through Eastern Europe and, indeed, around the world, of freedom and democracy and things of that nature.

Environmental Issues

Q. Mr. President, you say that America is leading the way in environmental issues.

The President. Yes.

Q. All the time, we hear about polluted beaches and air that's not fit to breathe in the cities. What sort of challenges can you take to Paris that will be credible?

The President. I will take the package that I put forward for domestic consumption, the revisions of the Clean Air Act, which I think from our preliminary feel have been widely accepted and received in the countries whose leaders I'll be meeting with. I will say: Look, we all have to do a better job. And I think the fact that we have been out front on technology -- I'm not just talking about the billions that we've already spent trying to clean up the environment and the success we've had in reduction of emissions, for example -- but I'm just talking about our whole application of science; our whole approach to science has been out on the cutting edge of environmental reform and making things better. Again, not preaching or lecturing, but saying we want to share this.

I've instructed the head of our EPA, Bill Reilly, a sound conservationist, to convene a group at the technological level of scientists and high-tech people to see whether, through sharing information, we can make things better for countries that can't afford the science and technology. So, it's in this vein that we'll be talking about it, saying, look, we've got some polluted beaches. We're trying to do better in tracing the flow of illegal dumping, for example. We're trying to do better, but here's what we've done; here's how we have approached this problem. If you have similar problems, we want to share our advice with you, and we'd like to have you give us your advice. So, it will be in that spirit that I approach the summit in terms of the environment.

U.S. Trade Barriers

Q. Mr. President, on that trade and Super 301, a number of your summit partners objected to the American actions on the grounds that America itself maintains a number of trade barriers. I wonder if you would be able to demonstrate your free trade credentials by assuring them that you will be reducing trade barriers, in particular, the steel quotas -- whether you will be eliminating them or reducing them.

The President. I will be discussing our desire to move toward free trade by a complete success at the Uruguay round [multilateral trade negotiations]. And there's nobody pure in this field, not the United States, not France, not Germany, not England, not any other country -- no one is pure. Nor Japan, sir -- I don't want to leave you out -- [laughter] -- when it comes to free trade. But we think we do better than most, and we will continue to press for the elimination of barriers, including steel. But we've got to be sure that that playing field is level.

One that I really want to discuss over there is this question -- is agriculture; that one is key. And I think we can make some real progress there, and I'm very pleased that the negotiators got agriculture put on the agenda.

So, I think they have every right to raise the VRA's [voluntary restraint agreements], and then we are loaded with 25 cases over here. And then our big message is going to be: Come on, let's get rid of all this stuff. Let's be successful at the Uruguay round; let's compete one with the other without barriers. And we go there with a little vulnerability, but also with an awful lot of strength compared to some of our trading partners, in terms of this question of who is pure on free and fair trade. That's the open approach -- take a few shots, deliver a few. We're not getting anywhere here; let's make this Uruguay round successful.

Last one, Terry [Terence Hunt, Associated Press].

Soviet-U.S. Relations

Q. Mr. President, Mr. Gorbachev has rejected your call for a Soviet military troop withdrawal from Poland as purely propaganda. How do you plead to that? Is it a dead letter now, or where do you go with it?

The President. I didn't know that he rejected it; I just thought he said it was propaganda.

Q. Well, you don't take that as a rejection?

The President. Well, a lack of enthusiasm, perhaps -- [laughter] -- I wouldn't say rejection. I mean, he's just taken troops out of Hungary. And who would have said 2 years ago that that would happen? We salute that; we think that is good. And so, I'm not trying to exacerbate problems for him in Poland. I think I was asked the question, would you like to see the day when there are no troops in Poland, or something of that nature? And I said yes, and he viewed that as political. It's not political; it's a visceral feeling I have on the question. I think it would be nice to aspire to that kind of a situation -- where he wouldn't feel troops were necessary -- put it that way. And I would have a feeling that, at some point, the Polish people might feel that way.

But we're not trying to, as I say, make things more difficult for him, just as when he goes to France and Germany I don't think he's trying to make things more difficult for the United States. We're in a very interesting period of change, and I have said we want to see perestroika succeed, and I want to see glasnost succeed. And I'll repeat it here. And my trip over there is not to try to -- through that statement or anything else -- drive wedges between the Soviet Union and Eastern Europe; that's not what 1989 diplomacy is about. He's talking about a European home. And I'm saying that's a good concept, but let's be sure a guy can move from room to room. Let's be sure it's open. Let's be sure people can move around in this home.

So, we can discuss all these things, and I'm sorry he misinterpreted or elected to characterize my view as what you say is political. But that doesn't change my view, and I don't expect it changes the view of the people of Poland. But we're not going to be there trying to raise tensions. We're going to be there trying to help the Polish people, to encourage Poland towards reform, to

express the friendship and affection for Poland that exists in a tremendous quantity here in the United States.

And we will be carefully, very carefully, discussing these other relationships, mainly, I might add, with our European partners, as we did at the NATO summit. But we'll see eye-to-eye on that; it's going to take a little while. This is the last one. The moving last question. Yes?

President's Visit to Eastern Europe

Q. Mr. President, don't you feel that there is a problem because the President in Poland has not been elected yet, and you arrive with a -- really, a chief of state there?

The President. Slight complication -- but, no, that's a Polish affair. That's a matter for Poland to decide. It's not a matter for the United States to say, ``I'm not going there until you have this all ironclad, worked out." It's not our business. We will deal with the Polish leadership. And it complicates -- you know, your question is a very good one -- knowing what Mr. Jaruzelski's [Chairman of Poland's Council of State] plans may be with finality. But we'll have good discussions there with whoever our interlocutors are, because we're not trying to sort out those internal developments. That's not the role of the President of the United States. My role is along the lines of my answer to my last question -- to extend to them whatever help we can, to tell them we identify with reform and political openness, to salute the fact that Solidarnosc -- that was outlawed when I was in Poland not so many months ago, is now legal -- and to see how we can work with them as they move forward towards more reform and more openness.

So, I have to deal with what's there, with who is there, and do it with respect, and not look like, well, if you don't have all your internal political matters sorted out as you begin this march down democracy's road, well, we won't come to Poland. I mean, I'm going to deal with who's over there.

And I salute them -- these are difficult changes as they sort out who's going to stand for President and who's not. We've got to understand that in this country. And we've taken a long, long time to get to where we are, in terms of the stability that comes from elections every 4 years. But we can't impose or say if you don't agree with us on this formulation, that we're going to hold back or be reluctant to discuss with you the political situation with whoever you tell us, say, is going to come meet me or deal with us.

I really am looking forward to that. I'm looking forward to our trip to Hungary very, very much. And for those of you who may be new here, the affection for Poland and the affection for Hungary in broad communities in the United States is really high. It's really strong. And if I can do nothing else but explain that and say we want for you to succeed in the exchanges, that visit will be worthwhile, even if they haven't sorted out their internal political situation with every ``t" crossed and every ``i" dotted. It's going to be a good trip.

Thank you all very much.

Note: The President's 17th news conference began at 2 p.m. in Room 450 of the Old Executive Office Building.

Nomination of Eric M. Javits To Be United States Ambassador to Venezuela

July 6, 1989

The President today announced his intention to nominate Eric M. Javits to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Venezuela. He would succeed Otto J. Reich.

Mr. Javits currently serves as a senior partner with the firm of Javits, Robinson, Brog, Leinwand and Reich, P.C., and has been an attorney with the law firm of Javits and Javits since 1958. He is actively involved in several civic organizations. In 1981 Mr. Javits received Spain's Isabela La Catolica decoration from King Juan Carlos.

Mr. Javits graduated from Columbia College (A.B., 1952) and Columbia Law School (J.D., 1955). He was born May 24, 1931, in New York, NY. He is married, has two children, and resides in New York City.

Nomination of Michael G. Sotirhos To Be United States Ambassador to Greece

July 6, 1989

The President today announced his intention to nominate Michael G. Sotirhos to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece. He would succeed Robert Vossler Keeley.

Since 1985 Mr. Sotirhos has served as Ambassador to Jamaica. He served as a member of the National Advisory Council of the Small Business Administration, 1976, and as a member of the National Voluntary Service Advisory Council, 1973 - 1975. He is founder and former chairman of Ariston Group, Inc., an international commercial interior design firm.

Mr. Sotirhos graduated from City College of New York (B.B.A., 1950). He was born November 12, 1928, in New York. Mr. Sotirhos is married and has two children.

Remarks at a White House Symposium on Eastern Europe

July 6, 1989

Please be seated, and let me just welcome you to the White House for what we consider a very important get-together. Now, this Sunday, as you know, I'm going to sail forth on Air Force One heading for Warsaw, going to a couple of stops in Poland and then to Hungary. And this is an extraordinary time in east-central Europe, a time, that you know better than I, I'm sure, of unprecedented change and, I'd say, unparalleled opportunity in East-West affairs. Certainly, I view it as a time of unparalleled opportunity for the United States, with our interest in Poland and our interest in Hungary as it is.

And Poland -- we've just witnessed the freest elections in the postwar era and then the creation of this freely elected Senate in which candidates backed by Solidarnosc swept -- what was it, 99 out of the 100 seats. Under the terms of the roundtable agreement, these developments mark a true new beginning in the political affairs of Poland. And they hold promise for the transfer of Poland towards democracy, national self-determination.

Hungary also is on the path to democratic reform. The pattern is different. Really, they've been out front on the economic side of Eastern European countries, but the changes there are just as fundamental, equally as promising. And as the Communist Party undertakes a profound reappraisal of its role in Hungary, the outlines of a multiparty system -- genuine political pluralism -- are taking shape. The Hungarian economy, already the most open in Eastern Europe, is moving toward a free market, toward rejoining the whole world economy.

So, these are historic times. And what's at stake is not just movement towards economic and political liberalization in Poland and Hungary but the prospect of ending the postwar division of Europe. And Poland and Hungary -- yes, they're leading the way, but they face enormous economic and political problems. And they need our support in their efforts if they are to succeed. Simply showing our sympathy and our encouragement is not enough. We cannot solve all the problems that the Poles and Hungarians face, but we've got to be actively engaged. And we need to hold out the promise of an alternative future for central and Eastern Europe, a peaceful transition that should be our goal, a peaceful transition to a democratic future. And we need to back up that promise with some practical assistance.

So, in just a few days, I'm going to be speaking to the people of Poland and Hungary about what more the United States and other Western governments can do to help. But my message to you today is simply this: The movement toward democracy takes more than governments alone. Democracy's great strength lies in its private and public institutions, the institutions that you all -- almost to a man and a woman -- represent. What you do can make the difference for democracy in Hungary and Poland; it's what you do. And I've asked you here because all of you can help

open avenues of cooperation between East and West.

And I call on the American business community to encourage the movement toward free markets by working with private sector enterprises in Hungary and Poland. Private enterprise has been the engine of economic growth in the United States, and it can be the key to prosperity in Poland and Hungary. So, help it thrive. And I call on those of you in the educational community and with these private foundations to expand our exchanges with Hungary and Poland. Open the lines of communication between American universities and the great centers of learning in Budapest and Warsaw or Krakow, and let's learn from each other.

I want to see workers in Hungary, as well as those in Poland, benefit from the support of American trade unions. American labor and Solidarnosc have forged a strong relationship, a great chapter in the history of international labor. But there's more work to do, and it will be vitally important to the successful transformation of Poland and Hungary.

Together, right in this room, there is a cross-section of the institutions that make democracy work and that give meaning, really, if you will, to the word ``democracy.'' You're freedom in action, and you can help others along the path to freedom and democracy.

And so, in a few minutes you're going to hear from members of my administration, from some of the leading experts on Eastern Europe. And I'm going to be in real trouble for this, but in addition to the leaders here -- Carla, our very able USTR, and Brent Scowcroft -- I think he comes on at the end of all this -- and our other leaders here -- the top spokesman for the NSC, top spokesman for the State Department, we have a top spokesman for the OPIC sitting in the front row, Mr. Fred Zeder. But in addition to those who will be speaking as part of the administration, I do want to thank Zbig Brzezinski, who has earned his spurs in this national security arena, served with great distinction, and I understand he has agreed to share a few thoughts with you. So, when Bob and Larry and Carla and Brent and Fred get through, you'll have interspersed a nonofficial, but a man who knows an awful lot about what he is going to talk to you about.

So, I'm looking forward to this trip. I hope you'll find the next couple of hours exciting. And as I look back and sit [sit back and look] at the world and we see the difficulties in China, we see emerging opportunities in the Soviet Union. I think, with the Soviet Union, the focus quickly gets to Eastern Europe. And the feeling that many of you have as Hungarian-Americans or Polish-Americans must really be going through some sensational vibrations these days, because there is great opportunity. And our administration wants to be a part of the answer.

And so, I go to Europe not trying to complicate things for Mr. Gorbachev or try to seek advantage one way or the other. We're going there because we believe in reform and democracy and private markets and the ideas that have worked to help elevate the standards of living for people all over the world.

So, we need your help. We appreciate your interest in coming here. And I will try to represent the heartbeat of those in the room with great spirit when I go to Hungary and Poland. Thank you all very, very much for coming today. Thank you.

Note: The President spoke at 3:23 p.m. in Room 450 at the Old Executive Office Building. In his remarks, he referred to Brent Scowcroft, Assistant to the President for National Security Affairs; Zbigniew Brzezinski, author and former Assistant to the President for National Security Affairs (1977 - 1981); Robert D. Blackwill, Special Assistant to the President for European and Soviet Affairs; Lawrence S. Eagleburger, Deputy Secretary of State; and Carla A. Hills, U.S. Trade Representative.

Interview With Hungarian Journalists

July 6, 1989

President's Visit to Hungary

Q. Thank you, Mr. President. And I don't have to tell you how much we all appreciate this possibility of your time.

As you probably know, the Hungarian people are looking forward with great anticipation and, I have to tell you, with great expectations to this first visit of an acting American President. And being a sentimental nation, as we are, I would like to lead up with the first question. I was wondering, as most Hungarians are, what ideas come to your mind when you think of our nation, our country, which actually never played a significant role in American policy? Does your visit signify a change in American policy toward Hungary?

The President. Well, it does signify a change in the sense that it is important that an American President salute the Hungarian people and salute the changes that are taking place in Hungary. It is not an American President's role to say to those in another country, you have to have your system this way, matching our system, or else we can't do business with you. That is not my role. I have respect for, and enough experience to have respect for, the internal affairs of another country.

But as we see the movement towards more openness, if you will, and towards participation by the people more in the political process, and by the movement towards an economic system that we think eventually will benefit the people of Hungary, we should salute that change. So, it's historic in the sense of an affection level for the people of Hungary to those that focus on it being here. Nobody's ever challenged that recognition that Hungary went through times where officially we had great differences. But then as things move forward in terms of reform and change and openness, we salute that.

I have a combination of things in my mind as we move into this visit, just as I did when I was Vice President, but the evolution since then is even more marked. And I'm looking forward to meeting those of the new leadership that I don't know -- three out of the four that I do not know. Mr. Grosz [General Secretary of the Hungarian Socialist Workers' Party], I met, of course, as you know, when he was here.

And I noticed the passing of Mr. Kadar [former First Secretary of the Hungarian Communist Party]. Well, there were mixed feelings about Mr. Kadar in the Hungarian-American community in this country. But as you look at the whole record, one points out the area where we had differences; but then one points also, in his death, with respect to the changes that he was able to implement. And we might get all kinds of argument in our political right or our political left

about Mr. Kadar, but I look at him as a man who served his country. There was a time when we were frustrated and at odds back in the midfifties, as we all know. There's no point hiding that. But in death, give the man the credit for the things that he did accomplish. And he was most hospitable to me and able to discuss frankly the changes that were going there.

And so, I would hope to conduct myself as President not to exacerbate differences but to look to the future and where we can work in more openness together.

Hungary-U.S. Relations

Q. Mr. President, President Gorbachev had a very similar statement yesterday by saying that the Soviet Union is ready to accept the political system, whatever the Hungarian and the Polish people want. So, my question is that the United States would support with the same enthusiasm a new Hungarian government next year after free election if this government will be a leftist Communist-Socialist coalition, let's say?

The President. I have respect for the internal affairs of a country. We are not about to try to dictate how a demonstrably free election should come out. That's a matter for the people of Hungary. And I will, as President of the United States, deal with whoever is freely and openly elected and, in the process, welcome the fact that there will be evolution of the election process and party process, whatever happens. But it would be inappropriate for the President of the United States to try to fine-tune for the people of Hungary how they ought to eat -- how the cow ought to eat the cabbage, as we say in the United States. That's up to your people, and we will deal with whoever is elected.

Now, I also think that you have to recognize that as the economic system evolves towards more openness and more privatization, for example, that makes it much easier for the United States to be a full partner in economic development and economic reform.

Eastern Europe-U.S. Relations

Q. Mr. President, the differentiation policy of the United States is basically -- it was basically a strategy of fighting communism in that part of the world. Now a new type of government is being formed in Hungary and also in Poland. My question is whether -- is there a possibility to develop this policy of differentiation into a policy of support and contribution to East European democracies?

The President. Yes, and I think you've already seen that. And as I say, I salute Hungary for being in the forefront of the change that resulted in our stated policy of differentiation. So, I would say that the changes in Poland in an economic sense are coming, but they're coming after what Hungary has done. There are other countries in Eastern Europe who have not begun to reflect the kind of change that we see in Hungary in the forefront, and with Poland coming along very

strong now.

And what I would like to do is keep our standards, the way we keep our principles in shape -- say this is what we aspire to for peoples all over the world in terms of freedom and democracy and these things, but then draw a fine line on -- here's the internal affair of Hungary now; here's the internal affair of Poland. Respect it; but still encourage the kinds of economic formulation that will result in our ability to help more. But I'd say the answer to your question is a simple yes. We will move forward with countries that can do what Hungary has done and is trying to do.

Incidentally -- I don't think I'm betraying a confidence -- I had a very interesting phone call last night from [Australian] Prime Minister Bob Hawke, who has just been in Hungary. And I must say, he was very complimentary of the leaders with whom he met. And he was encouraging me, as the President of the United States, to go with an entirely open mind. And then he said: ``If you conclude as I have that there is an enormous opportunity for more closeness between Hungary and the West, or countries like Australia and the United States, let's all pitch in together and do what we can to help."

I think it would be a tribute to the people in Hungary and the government officials that he came away with such a very positive view of what he had seen and what his conversations led to. It was unsolicited. He just called me and said: ``You're going to Hungary. I want you to know how strongly I feel about it." And, of course, you know how I feel about Bob Hawke, because he was here and I had a chance to say it publicly.

Conventional Arms Reductions in Europe

Q. Mr. President, 2 months ago in Brussels, you made sweeping proposals to release conventional arms. How does Eastern Europe and Hungary fit into your security assessment, and how does it fit into the Soviet-American relationship?

The President. Well, I think what we proposed at NATO -- total solidarity agreeing to the U.S. initiative that quickly became the NATO proposal. I think with that on the table, it should be very reassuring to the people of Hungary. And it is a proposal that has received a reasonable comment from Mr. Gorbachev. It is a proposal that offers great hope for reducing tensions in Europe, and in both East and West. And it is a proposal that I look forward to discussing with the leaders in Hungary because I will convince them, I think, that it is in the interest of all countries, West and East, to see us promptly -- and I use that word very carefully -- but promptly, with these reductions in all these categoric conventional arms. They're the most expensive. They are destabilizing if you have lack of parity there.

And I'm very excited about the challenge that lies ahead. And the challenge is to meet these timetables and to move these troops out. And some of it's U.S. troops coming home; and some of

it is Soviet troops going out. Because I think if you have a balance between Soviet and U.S., the two largest powers, that reduces tension more than if it's just a reduction of Eastern forces or Western forces. So, it's an exciting proposal, and very candidly, I'm pleased the way the Soviets have received it, although they obviously have not endorsed it the way we put it on the table.

Economic Assistance for Eastern Europe

Q. Mr. President, a question that intrigues most Hungarians -- and Poles, for that matter, too: It seems, so far, the expectations and the need for short- and long-term Western financial economic aid might exceed by far the amount that the West is willing, or can do at the moment. I was wondering, are there merely economic restraints on your side, or also political considerations?

The President. There are no political constraints today that I can see. There's none that I can't handle as President of the United States with the Congress. And I say that with great confidence; and I don't say that about many subjects because Congress, as you know, can be very recalcitrant -- but the only constraints are economic. And, yes, we are burdened with our own economic problems here that I'm not going to ask the Hungarian people to be sympathetic to because we're a very wealthy country. But I'm going to be sure that your leaders know that there are certain confines within which I have to operate, but they are not political as it relates to Congress.

I think support for what's happening in Hungary is strong in the United States Congress. And that the borders -- what's happening when the tearing down of the barriers on the borders has gotten wide acclaim in this country -- I mean, strong support. The trying on the part of Hungary to move towards more of a market-oriented economy -- that has been receiving, and will continue to receive, strong support. The fact that Hungary is moving in its own way with political reform is getting strong support.

So, I don't think there is any problem in terms of support from the Congress, as it relates to Hungary politically. Now, people want to see performance. Those that are in charge of the purse strings on Capitol Hill want to be sure that the economic performance matches our expectations if we're going to give money or other countries are going to give money.

But I don't think Poland is looking for a handout. They're looking for a hand up, and I wish that I was going to be in a freefall in terms of the funds that we could bring to bear on the problem. We aren't. But we will try to have some ideas and some funds that can be helpful in some way to Hungary.

Eastern European and Soviet Reforms

Q. Mr. President, but there is one particular problem with Congress. Countries are put in different baskets, and Hungary is still in the basket of no-market economics -- countries with no-market economies, countries with nondemocratic system, and so on. And Hungary is

approaching now a status when these labels are somewhat different now. And can you foresee a time when a Warsaw Pact country can be called as a free, democratic system with a free-market economy?

The President. Well, I can certainly foresee such a time with great hope in my heart, and we're seeing dynamic change taking place today. We keep talking about Hungary and Poland, but they're the most visible example of this, Hungary having been in the forefront of the economic change, before Poland. But I can foresee that day, and I can foresee a rapid recognition of this change by the Congress, who has, as you say, with the support of administrations, placed these differentiating barriers on the various countries.

But we have our principles, and I don't think they're very much different than what the man on the street aspires to in Hungary. And I will be holding high our principles and saying, look, to the degree change can accommodate privatization or more market for us or more openness towards the West, then we can do more. And I think I have to do that. I don't want to go there and look like -- that there are no differences at all.

But I'm an optimist about the developments in Eastern Europe -- and with the Soviet Union, I might add. I'm an optimist, and I will do my best as President of the United States to help facilitate change. I want to see perestroika succeed in the Soviet Union. We're not dragging our feet on it. I'll use this occasion with you leading journalists to make the point: I want to see it succeed. And I am not going to Hungary to try to complicate life for Mr. Gorbachev. And nor do I suspect when he goes to Paris that he is there simply to complicate life for the United States. He is not, and I know that.

So, I will be there talking, however, about what we believe in. We're the United States, and I am the President of the United States, and I feel strongly on certain things that relate to the rights of the people to be heard and all of that. They don't want me to come there with some subdued message. I'm going there with a strong message.

Eastern Europe-U.S. Relations

Q. At least twice in its modern history, the Hungary people turned for help to the people of the United States -- at least twice. It was in 1848 and in 1956, and frankly saying, the American reaction was disappointing in those cases. My -- maybe a little apathetic -- question is -- --

The President. No, no.

Q. -- -- does this great country feel any kind of responsibility for the future of East Europe and for the future of Hungary?

The President. I can't say responsibility for -- I've got to be careful on translation. No, I don't feel

a responsibility for it, but I do feel a great empathy for the change and an affection for the heartbeat of the Hungarian people.

You mentioned 1956, and I know exactly what you're talking about, and I'm old enough to remember. A lot of our kids don't remember this -- people standing up for their freedoms and all. On the other hand, I think a country like the United States ought not to overpromise, ought not to overexhort for others to be like us, and thus cause problems to be worse for the people.

And I don't know what was expected in 1956 by the man on the street, but if the expectation was military confrontation with the Soviet Union, that expectation was, regrettably, too high. And yet we can identify with the kids that were at the barricades. We can identify with the aspiration for more freedom or more voice in their system; so can the people in the Soviet Union. Look at the changes that are taking place. So, my goal is not to go back and relive those times in the past but to salute the change in the present and then look into the future. And that's how I feel about it.

They asked me a question in the interview with the Polish journalists about young people who aspire to come to this country. And, look, we want people to aspire to come to the United States. I want the Statue of Liberty to stand for something all over the world. So it was the Statue of Liberty that momentarily held her arm up there in Tiananmen Square. But I also would say to the kids in Eastern Europe: Look, you're living in an exciting time. You're living in a time of dynamic change. And you love your country. And you're Hungarian, or you're Polish. And, yes, our doors are going to be open, and God forbid the day that they slam closed. But you've got an exciting future now, you 21-year-old guy at some university there in Hungary, and be part of the change, be part of what's happening in Eastern Europe or the Soviet Union.

And I say that hopefully, without looking like the welcome mat will be pulled back, because it won't be. But if I were a kid, 21 now and were living in Hungary, I'd say, God, this is exciting. I can be a part of all this. I might even get to be President.

Mr. Fitzwater. We've going to have to break, I'm afraid. A final question.

Q. May I have a last one?

The President. Yes.

Economic Assistance for Eastern Europe

Q. Mr. President, after your Budapest visit, you will stop in Paris with the seven nations to discuss how to help the Polish and Hungarian economy. Would you give us an idea what you expect and how the West together help these two nations?

The President. Well, I feel funny talking about it before I've met with them because the leaders of the G - 7 [the group of seven nations participating in the economic summit] are all very conscious of their own responsibilities and for their own economies and for working together -- for a decision coming out of the G - 7 to be a joint decision. So, I don't want to get out in front of the others.

But I would say this: that how the West can interact with Hungary or with Poland will be a star item on our agenda. And it isn't something that the U.S. is forcing on to the agenda, as strong as I feel about it. It's something that we touched on at the last NATO meeting, actually, and that subsequently other leaders have indicated to us that they want to continue to discuss. So, it will be treated there. I can't tell you what I think will happen. A lot of the discussion will revolve around the multilateral support, I'm sure, through multilateral agencies. And again, we come up against two thoughts. One is, what kinds of reforms are necessary for us to give all-out support from these multilateral institutions? And then the other one is: How much money is available; what are the funds?

Q. Mr. President, by thanking you, let me ask a very last question.

The President. You got it.

Q. Like Sarah McClendon.

The President. But you don't shout and wave your arms around.

Hungarian Political Reforms

Q. You said the cold war began in Eastern Europe; it will end there. What can we do for the Americans and your new junior partner, Hungary, to have the cold war really end in Eastern Europe?

The President. Continue the kinds of changes and openness that is taking place. When Bob Hawke told me he met with opposition leaders and they were fully engaged with the Government in terms of discussion about the freedom of the election process to come -- all of that is strong; all of that is good.

We've got a two-party system -- sometimes it seems like a twenty-party system, all the factions in the Republican Party, all in the Democratic. We're not going to say to you the only way you can have good relations with the United States is to have a two-party system and call one of them Republicans and another Democrats. I wouldn't inflict that on anybody. But I do think that, as the dynamics of the political change takes place, why, this plays right into the enthusiastic, welcoming hands of the United States, of our Congress, and of our administration.

So, my thing is: Keep it going. Keep it going, and it doesn't have to be to the detriment of anybody else. It's just what is best for the people in Hungary; what is the best for that surge of freedom and independence that Hungarians feel and have always felt. I mean, how do they participate the most and fulfill their dreams?

I can't wait to get there.

Note: The interview began at 10:22 a.m. in the Oval Office at the White House. The following journalists participated in the interview: Miklos Blaho of Magyar Nemzet, Pal Bokor of Magyar Hirlap, Andras Heltai of MTI-Hungarian News Agency, and Andras Kereszty of Nepszabadsag. Marlin Fitzwater was Press Secretary to the President. A tape was not available for verification of the contents of the interview. The interview was released by the Office of the Press Secretary on July 9.

Remarks on Signing the Proclamation Commemorating the Bicentennial of Bastille Day, the French Revolution, and the Declaration of the Rights of Man and the Citizen

July 7, 1989

The President. Well, let me just say that I am very pleased to see Ambassador de Margerie here, especially in the company of Senator Mathias. I'm looking forward very much to visiting France next week for the bicentennial -- this marvelous celebration that I will be privileged to witness and be a part of -- and then, of course, looking forward to the economic summit that will follow.

I want to thank Senator Mathias, whose committee has done this outstanding work in encouraging Americans to celebrate the bicentennial of the French Revolution. And this proclamation that I'm about to sign commemorates both the bicentennial of the taking of the Bastille and the close ties between our two countries.

And one example of these ties is the close connection between our Bill of Rights and the French Declaration of the Rights of Man and the Citizen. And the themes of liberty and human rights which run through these two documents are fundamental to our two nations and to the people of Eastern Europe, where I'm going to be visiting next week, as well.

And so, today, as 200 years ago, France and America are still partners in liberty. And thank you, Mr. Ambassador, thank you, Senator, for all you are doing to demonstrate this to the whole world.

And now I might sit -- we sign this first, I think.

[At this point, the President signed the proclamation.]

Reporter. Mr. President, would you take one question on your trip?

The President. Nope. [Laughter] I took 30 of them yesterday. Come on.

Q. But not from us.

Ambassador de Margerie. Thank you, Mr. President.

The President. I really look forward to it.

Q. The Polish officials are afraid of inciting a riot in Poland. Any comment on that?

The President. We'll be well received in Poland -- no riot.

Thank you, sir.

Note: The President spoke at 11:08 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Emmanuel Jacquin de Margerie, French Ambassador to the United States. The proclamation is listed in Appendix E at the end of this volume.

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting Proposed Legislation To Eliminate Congressional Honoraria

July 7, 1989

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to submit for your consideration and enactment the ``Honoraria Reform Act of 1989." This legislation would eliminate congressional honoraria over time by reducing the statutory ceiling on honoraria by 50 percent for calendar year 1990, and by eliminating honoraria altogether beginning January 1, 1991. Enactment of this legislation would put the legislative and executive branches on equal footing with regard to honoraria.

I have previously recommended a 25 percent pay increase for Federal judges, and today I am submitting separate legislation calling for pay increases for certain specialized professionals and other senior officials in the executive branch. The legislation to eliminate honoraria being proposed today is linked to the enactment by the Congress of a pay increase for Members of Congress. I will work with the Congress toward this end.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

White House Fact Sheet on Proposed Legislation To Eliminate Congressional Honoraria

July 7, 1989

Today the President submitted to the Congress legislation to ban congressional honoraria. The proposal calls for the elimination of honoraria over 18 months, with a 50-percent reduction in the statutory ceiling on honoraria in calendar year 1990 and a total ban effective January 1, 1991. Enactment of this legislation would result in the next Congress being honoraria-free.

Approximately $19 million in honoraria was paid to Members of Congress over the last 2 years. The most common form of honoraria are fees accepted by Members of Congress from interest groups for speeches and appearances. Hidden honoraria also come in the form of payments for travel, meals, and lodging. Moreover, under current law, honoraria in excess of the amounts allowable may be donated by Members to charities.

By Federal statute, Members of Congress are currently permitted to accept honoraria in any calendar year in an amount equal to 40 percent of their calendar year congressional salary. Members of the House are further subject to House rules which limit their total outside earned income, including honoraria, to 30 percent of their congressional salaries.

The proposal submitted by the President today would limit acceptance of honoraria by all Members of Congress to 20 percent of their congressional salaries effective January 1, 1990, and would institute a flat prohibition on honoraria after January 1, 1991.

Under the legislation being proposed today, as of January 1, 1991, Members of Congress and their staff would become subject to the same honoraria ban that currently applies to the executive branch. This would prohibit Members of Congress from diverting excess honoraria to charities and, absent specific statutory authorization, from accepting payment for travel, meals, and lodging.

The President has previously recommended a 25-percent pay increase for Federal judges, and today he is submitting separate legislation calling for pay increases for certain specialized professionals and other senior officials in the executive branch. The proposal being made today to ban honoraria is linked to the enactment by Congress of a pay increase for its Members. The President will work with Congress toward this end.

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting Proposed Legislation To Increase Federal Senior Executive Salaries

July 7, 1989

Dear Mr. Speaker: (Dear Mr. President:)

I am submitting for your consideration and enactment the ``Senior Executives Salary Act of 1989." This legislation would provide higher salaries to a small number of employees in positions requiring specialized and critical skills. It also provides for salary increases ranging from 8 percent to 25 percent for senior executive branch officials. In addition, the bill links receipt of the higher salaries to effective job performance.

The bill is the executive branch counterpart to the judicial salary proposal (the ``Judicial Salary Act of 1989"), which I submitted to the Congress in April calling for a 25 percent increase in the pay of Justices and judges.

The pay of senior Government officials has eroded significantly in relation to the pay of executives in comparable jobs in the private and not-for-profit sectors of the economy. This pay gap is affecting the Federal Government's ability to attract and retain the skilled and motivated senior executives necessary to direct the complex, wide-ranging, and critical functions of the Federal Government.

Prompt legislative action is needed to address pay deficiencies for employees with exceptional qualifications and to make pay more competitive at the senior levels of Government. It is equally important that we resolve issues connected with congressional pay and honoraria. I am also submitting today a proposal to ban congressional honoraria, and I want to work with the Congress to address compensation in all three branches of Government.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

White House Fact Sheet on Proposed Legislation To Increase Federal Senior Executive Salaries

July 7, 1989

The President submitted to the Congress today legislation providing for higher salaries for a small number of employees in positions requiring specialized and critical skills. The legislation also provides for salary increases ranging from 8 percent to 25 percent for senior executive branch officials. In addition, the bill links receipt of the higher salaries to effective job performance. The bill is the executive branch counterpart to the judicial salary proposal submitted by the President to Congress last April (the Judicial Salary Act of 1989) calling for a 25-percent increase in the pay of Justices and judges.

The pay of senior government officials has eroded significantly in relation to the pay of executives in comparable jobs in the private and not-for-profit sectors of the economy. Over the past 20 years, for example, the pay of Executive Level II (Deputy Cabinet head, such as the Deputy Secretary of Defense) has slipped from 66 percent to 39 percent of the pay of the lower range of private corporation executives. Key scientific, medical, and acquisition jobs remain unfilled due to uncompetitive pay, thus jeopardizing successful fulfillment of priority government tasks. In past years, the Government has been able to attract a number of Nobel laureates to Federal employment, but without adequate incentives, this critical expertise will be lost to the Nation.

The President is taking this action because of his concern over the effect the pay gap is having on the Federal Government's ability to attract and retain the skilled and motivated senior executives necessary to direct the complex, wide-ranging, and critical functions of the Federal Government.

Failure to provide competitive pay is also impeding recruitment and retention of the most qualified persons at the senior levels of government. A number of highly qualified candidates for sub-Cabinet positions in the Bush administration have declined acceptance because of low pay and family sacrifices. Departments and agencies, such as NASA, have lost highly skilled and experienced senior executives, in part because of inadequate and noncompetitive pay. High ranking local government officials in large metropolitan areas, such as school superintendents, now make more than key government leaders such as the Director of the National Institutes of Health, who is responsible for research on cancer and heart disease.

While strongly supportive of pay increases for senior government executives, the President also believes the higher salaries must be accompanied by a strengthened relationship between pay and job performance, and a higher level of accountability. This bill accomplishes those objectives by establishing a process in which senior government executives could continue to hold their positions only if they met a requirement to demonstrate excellent job performance.

The bill also provides for due process and Merit Systems Protection Board appeal so as to ensure that the new recertification provisions are not used for political or other proscribed purposes.

Description of Legislative Pay Proposal

The proposed legislation addresses three basic areas:

Higher salaries for specialized positions. Salaries not to exceed the rate for Level I of the Executive Schedule will be paid to not more than 200 critical positions in the executive branch that require unique qualifications and sustained exceptional performance in order to carry out effectively the functions of the position. The number of positions qualifying for the special salary rates would be allocated to the Departments and Agencies by the Office of Management and Budget, in consultation with the Office of Personnel Management, based on demonstrated evidence of need. Beginning in fiscal year 1991, the maximum salary payable would be adjusted annually by the same percentage as that applicable to Executive Schedule salaries.

Salary increases for senior executive branch officials. The following table shows existing rates as well as the rates proposed to be effective on the first day of the first pay period on or after January 1,

(TABLE START)1990:

@h1

@h1Existing

@h1Proposed

Vice President of the United States .... $115,000 .... $143,800

Offices and positions under the Executive Schedule in subchapter II of Chapter 53 of title 5, United States Code:

Positions at level I 99,500 124,400

Positions at level II 89,500 111,900

Positions at level III 82,500 103,100

Positions at level IV 80,700 100,900

Positions at level V 75,500 94,400

Positions in the Senior Executive Service under subchapter VIII of Chapter 53 of title 5, United States Code. (These new pay levels would also apply to the Senior Foreign Service):

Positions at ES - 6 .... 80,700 100,900

Positions at ES - 5 .... 78,600 93,700

Positions at ES - 4 .... 76,400 87,500

Positions at ES - 3 .... 74,900 82,700

Positions at ES - 2 .... 71,800 78,100

Positions at ES - 1 .... 68,700 74,500

(TABLE END)

Requirement for effective performance. As a condition for the higher salaries provided for in this bill, an employee holding a position under the Executive Schedule or the Senior Executive Service (except for Cabinet officers, agency heads, and those serving in positions in which they can be removed only for cause) will be required to receive every 3 years a certification of acceptable performance from his/her supervisor. Those judged not to be performing in the excellent manner expected of persons occupying senior executive positions would be reduced in pay if a noncareer employee, or reduced to the highest step of grade 15 of the General Schedule and placed in another position if a career employee. Career personnel not certified will have limited appeal rights to the Merit Systems Protection Board to ensure that the action was not a result of political, racial, nationality, gender, disability, or religious bias.

The President will be working with the Congress on passage of this legislation and to achieve a more rational pay structure for senior-level positions in all three branches of government, in conjunction with elimination of honoraria proposed under separate legislation.

Remarks at a White House Ceremony Commemorating the 50th Anniversary of Little League Baseball

July 7, 1989

Welcome to the White House! And we're looking for the person that's in charge of the weather -- a little warm out here -- not for you sluggers. But Doctor Hale and Mr. Keene, my old friend Bill Shea, Stan Musial, Mike Schmidt, Brooks Robinson, Joe Morgan, Jim Palmer, Gary Carter, Ted Sizemore, Little League players, coaches, officials, and fellow ball fans, welcome again to the White House. For today we celebrate the 50th anniversary of Little League baseball.

And in that spirit, let me recall a story about a baseball great. Forty-two years ago, the city of St. Louis held a Yogi Berra Day for its native son and Yankees catcher. And as usual, the noted philosopher proved equal to the occasion. Yogi began his remarks by saying: ``My friends, I want to thank all the people who made this night necessary." [Laughter] Well, I want to thank all of you for making this day necessary.

And first, let me salute the more than 4,000 Little Leaguers who are with us here this afternoon. And my special thanks to the seven busloads of Pennsylvanians who came down here today. I hear they've renamed Routes 15 and 83 the ``Williamsport Express." Welcome.

And I want to thank Creighton Hale, the president of Little League baseball, and Bill Shea, the president of the Little League Foundation, and such veteran officials as Luke LaPorta, Beverly Gray, John Lindenmuth, Fred Crabtree -- and a special tip of the cap to Jack Lundy. Fifty years ago, Jack sponsored the very first Little League team, and today, he's still contributing to America's love affair with baseball.

For me, this affair has been a lifelong pastime. For like these Little Leaguers, I played baseball when I was a kid and followed the game and memorized those box scores and saved the ball cards. And my favorite player, I've got to admit, was Lou Gehrig, the former first baseman of the New York Yankees. And some time later, I went to college and batted eighth -- you know, the second cleanup hitter. And it was there at Yale University that another Yankee hero had an impact on my life. One day in 1948, Babe Ruth came to present his papers, and I received his papers on Yale's behalf. And I'll never forget that moment. Nor the day, 1 year earlier, when the Babe, then dying of cancer, told the crowd at Yankee Stadium: ``You know, the only real game in the world, I think, is baseball. You've got to start from way down, when you're 6 or 7 years old, and if you try hard enough, you're bound to come out on top."

My friends, in that unforgettable speech, surrounded by the kids he loved, Babe Ruth defined why Little League baseball has become an American -- indeed, an international -- institution. And it all started -- and, Jack, you'll remember this -- with barely three dozen players and a

handful of adult volunteers in Williamsport. Uniforms for all three teams cost $35 at the local store. And that first diamond had bases made out of old feed bags stuffed with straw.

Well, since then the Little League has grown into the world's largest organized youth sports program. And at last count, more than 20 million youngsters have played in Little League, and countless other Americans have served as adult volunteer helpers -- and among them, several people who now live in this house. My four boys played it, I coached it, and Barbara -- back there when tens of thousands of Texas kids were in Little League -- and I'll confess, there were times when I thought Barbara was carpooling every single one of them. [Laughter] And not many nonbaseball players could properly score a baseball game. Well, Barbara Bush did that -- keeping that scorecard on most of the games. She did it to perfection, inning after inning.

And so, you see, like you I know what makes Little League so special. It's a feeling of sportsmanship, generosity, teamwork, a feeling of family -- fathers and daughters and mothers and sons. And around the globe, this feeling is bringing kids of all ages together -- this year alone, more than 2,500,000 players in 33 nations and 750,000 adult volunteers. They're learning or relearning the values of doing unto others and doing your best, and in the process, learning why perhaps nothing is more American than Little League baseball.

Over the next week, I'm going to be in several of those countries for the annual economic summit, and while there, I'm going to have the pleasure of officially helping import to Poland the program which helped produce such Americans as Bill Bradley and Tom Selleck and Discovery astronaut George Nelson. Little League came to Poland only earlier this year, but already it has more than a thousand players. And I know thousands more will come to love the game of champions, champions like two Polish-Americans that I'd like to salute today: Stan Musial, who is here in this audience -- standing over here, one of the greatest hitters who ever lived. And let me also mention my friend Carl Yastrzemski, number 8, Boston Red Sox, who 16 days from now will become the first former Little Leaguer inducted into the Baseball Hall of Fame.

So, now I want to consult this handy-size book of statistics. You guys can't live without some book like this. But let me tell you just a little bit about it. I looked it up here coming in here today: Stan Musial -- 3,026 ball games he played in, lifetime batting average -- .331. In 1948 this guy hit .376, 39 home runs -- a great champion. And you want me to look up ``Yaz'' for you? Okay. [Laughter] Here he is. You know when he was born? I've got it right here: August 22, 1939. In 1967 the guy hits .326 with 44 homers. Lifetime -- he played in a total of 3,308 games, 452 home runs. We honor the ``Yaz'' and Stan Musial today, and I'm going to be talking about them all over Poland about 2 or 3 days from now.

``Yaz'' knew -- and so did ``Stan the Man'' and so will those kids in Poland -- how baseball is the most democratic of sports. And of course, it's also the most Republican. [Laughter] For in baseball, in the Little League, all that matters is the size of your heart and of your dreams. And

ask these kids about it. Ask any of these youngsters here today.

On the field, some dream of becoming another Mike Schmidt or another Gary Carter -- former Little Leaguers. And others may dazzle them with their glove work -- good field, no hit. Believe me, I'm an expert on that. And still others dream of being big league pitchers like Little League alumni Jim Palmer and Nolan Ryan. And if so, remember Lefty Gomez' secret to pitching success: ``It's easy -- clean living and a fast outfield." Of course, a great infield also helps. And ask three other men who were with us: Brooks Robinson and Ted Sizemore and Joe Morgan. And, yes, dreams are the essence of America and of baseball, and Little League can propel those dreams.

But in the end, what matters is how we conduct ourselves off as well as on the field. And that's where Little League really connects by building courage and character. It belts a grand slam home run by doing those two things. That first year of Little League, 1939, future Hall of Fame manager Joe McCarthy observed: ``Give a boy a bat and a ball and a place to play, and you'll have a good citizen."

Well, Little League is America's ambassador of good will. And I am truly delighted to salute its golden anniversary. Thank you for coming. And let me leave you with two of the most beautiful words in any language: Play ball!

And now Dr. Hale and Jack Lundy, please step forward. Creighton, please accept this bat on behalf of Little League baseball. And Jack, your bat marks the half-century of service to all that Little League embodies. Thank you all. Fight for your own. Delighted to have you. Thank you all.

Note: The President spoke at 2:04 p.m. on the South Lawn of the White House.

Nomination of Arthur W. Fort To Be an Assistant Secretary of State

July 7, 1989

The President today announced his intention to nominate Arthur W. Fort to be an Assistant Secretary of State (Administration). He would succeed Sheldon J. Krys.

Mr. Fort has served as Commander of the Pacific division of the Naval Facilities Engineering Command and Commander of the Pacific Fleet Seabees. He has served as Director of Construction for the Office of the Secretary of Defense, Commander of all Navy Seabee operations in the Atlantic Ocean/Mediterranean area, and as an Assistant Commander of Construction and Contracts for the Naval Facilities Engineering Command. He has also served as an operations officer, executive officer, and commanding officer of a Seabee construction battalion.

Mr. Fort graduated from Auburn University (B.S., 1958) and Stanford University (M.S., 1967).

Nomination of Milton James Wilkinson To Be Deputy United States Representative to the United Nations Security Council

July 7, 1989

The President today announced his intention to nominate Milton James Wilkinson to be Deputy Representative of the United States to the United Nations Security Council, with the rank of Ambassador. He would succeed Patricia Mary Byrne.

Since 1985 Mr. Wilkinson has been Deputy Assistant Secretary of State for European and Canadian Affairs, serving also as Special Cyprus Coordinator. He entered the Foreign Service in 1962 and served initial tours in Canberra, Australia; Munich, Germany; and Bangkok, Thailand. In the mid-1970's, Mr. Wilkinson worked for 6 years on United States-Soviet relations, including 2 years at the U.S. Embassy in Moscow. After a second tour in Thailand as political counselor from 1979 to 1983, he was assigned as deputy chief of mission at the U.S. Embassy in Berlin.

Mr. Wilkinson graduated from the California Institute of Technology in 1958. He was born December 3, 1937, in Lancaster, NH. He served in the U.S. Army, 1959 - 1962. Mr. Wilkinson is married and has two children.

Nomination of John E. Frohnmayer To Be Chairperson of the National Endowment for the Arts

July 7, 1989

The President today announced his intention to nominate John E. Frohnmayer to be Chairperson of the National Endowment for the Arts, National Foundation on the Arts and the Humanities, for a term of 4 years. He would succeed Francis S.M. Hodsoll.

Mr. Frohnmayer practiced law with the firm of Johnson, Harrang and Mercer in Eugene, OR, 1972 - 1975. He joined the law firm of Tonkon, Torp, Galen, Marmaduke and Booth in Portland, OR. In addition, he is an accomplished singer, having appeared in recital, oratorio, and musical comedy in New York City, Chicago, Palo Alto, and throughout Oregon. He was director of the International Sculpture Symposium in Eugene, OR, 1974, and a member of the Oregon Arts Commission, 1978 - 1985, and chairman, 1980 - 1984. He has served on the National Endowment's Opera and Musical Theatre Panel, 1982 - 1983.

Mr. Frohnmayer was born in Medford, OR, in 1942. He graduated from Stanford University (B.A., 1964), University of Chicago (M.A., 1969), and the University of Oregon (J.D., 1972). From 1964 to 1965, he was a Rockefeller fellow attending Union Theological Seminary in New York. He served in the U.S. Navy, 1966 - 1969. He is married, has two children, and resides in Portland, OR.

Advance Text of Remarks Upon Departure for Europe

July 9, 1989

This morning, I depart for Europe, my second visit in 2 months to a continent in the midst of change, a time of unprecedented opportunity for peace, prosperity, and freedom. I'm especially pleased to make my trip at this time. Just 5 days ago, we celebrated the birth of our nation. Just 5 days from now, France will celebrate its rebirth as a modern nation -- the 14th of July. This year, it's a special celebration: the bicentennial of Bastille Day.

Two hundred years ago, the democratic revolution that began here in America crossed the Atlantic. The gates of the Bastille opened onto a new era, the era of the rights of man. In Europe, as in America, an idea was unleashed that would change the face of history, an idea that is still shaping our world today. That idea is democracy.

Then and now, freedom finds its allies everywhere. Lafayette and Rochambeau, Kosciuszko and Pulaski -- these names are engraved in American history, patriots not only in their own countries but in America as well. And the Revolution of 1789 had its roots in the spirit of 1776. Remember what James Monroe said about the French who fought at our side for America's independence: ``They caught the spirit of liberty here and carried it home with them." Today that spirit of liberty remains strong, and the United States remains the friend of any nation, any people, who love freedom and cherish the rights of man.

This morning I begin a journey that will take me to Europe -- East and West -- a journey that underscores the tremendous changes, challenges, and opportunities ahead of us. I travel first to Poland and Hungary, nations on the threshold of a new era, nations where the spirit of freedom is strong. In both countries, we're witnessing remarkable changes, welcome developments no one would have thought possible even a year ago. New voices are shaping the course of national affairs, and both countries are on the path towards economic rebirth and political pluralism. My visit underscores the growing importance our nation sees in the changing face of central Europe.

I will travel from Poland and Hungary to France, to join leaders from the six major industrial democracies in my first economic summit as President. Together, we are working to spread the benefits of political freedom and economic prosperity around the world. The summit is a unique opportunity to assess our progress. It's also an opportunity to show that we can forge a common response to new challenges, such as the need to protect the global environment.

Our agenda at the economic summit will include both political and economic issues of global impact. We will review the international economic scene, and we'll identify where we can improve coordination. We'll focus on the problem of debt in the developing world. I expect summit leaders to make a firm commitment to complete the Uruguay round of trade negotiations by December 1990.

And we will discuss ways of dealing with a number of critical environmental issues that affect us all, problems including global warming, deforestation, and the pollution of the world's oceans. We know there are no easy solutions. Provided we work together, I'm confident we can find common solutions to problems none of us can solve alone.

And finally, before returning home, I will visit an old and honored ally, the Netherlands. Our friendship with the Dutch is older than our own Constitution, with a nation whose long tradition of union and liberty shaped and inspired our own. Today our two nations are partners in commerce and common defense, and the common values that bind us have never been stronger.

Europe is at a turning point. A continent cruelly divided for more than four decades now dreams of being whole and free. Our task is clear: to see that we mend old divisions, that we fulfill the decades-old dream, and that the new Europe emerges secure, prosperous, peaceful, and free.

Note: The President spoke at 7:10 a.m. on the tarmac at Andrews Air Force Base, MD. The remarks as delivered were not released by the Office of the Press Secretary.

Remarks at the Welcoming Ceremony in Warsaw

July 9, 1989

Well, thank you, Mr. Chairman, for your hospitable and gracious words of welcome. To you and to the people of Poland, friends and cousins of so many in my homeland, we extend the heartfelt best wishes of the American people. And here in the heart of Europe, the American people have a fervent wish -- that Europe be whole and free.

In my first moments as President, I told my countrymen that a new breeze was blowing across the world. And the winds of change have surely touched the land here, where so much has happened since my last visit. It is wonderful to be back at such an exciting time. History, which has so often conspired with geography to deny the Polish people their freedom, now offers up a new and brighter future for Poland.

I listened carefully, sir, to your words of welcome, and yes, Poland has started along an ascending path of change -- democratic change. And this climb is exhilarating, but not always easy, and will require further sacrifices. But, if followed, it will lead to a renaissance for this remarkable nation.

These are great days for Poland. Solidarity is legal. The beginnings of a free press now exist. A new Parliament is in place. The Polish Senate has been restored through free and fair elections. And Poland is making its own history -- and America, and the whole world, is watching. The Government of Poland and you, Mr. Chairman, have shown wisdom and courage in taking the path of those roundtable accords. And the world is inspired by what is happening here.

Mr. Chairman, we do look forward to our talks with you and other representatives of the Polish Government, with the democratic opposition as well. While in your country, I want to hear the many voices of the people of Poland.

And as we begin these discussions, I carry with me many happy memories of my first visit to Poland. And my thoughts turn on this Sunday to the memory of another Sunday outside Warsaw, when we attended morning Mass at St. Margaret's Church in Lomianki. The cracks of her historic walls were filled with flowers, and the church itself was filled to overflowing with your countrymen, their devoted faces touched by tears of joy. And it reminds me of other churches that I've visited since that morning at St. Margaret's, churches like St. Adalbert's in Philadelphia, St. Hyacinth's in Chicago, churches built by Polish hands and nurtured by Polish dreams. In America and in Poland those dreams are as ancient and as fundamental as the courageous spirit of the Polish people.

And as we meet this evening in Warsaw, the Sun still shines on those churches across the sea. It's still Sunday afternoon there, and America's churches are filled with people in prayer. And as

we begin these discussions -- and as your country continues its hard journey up the path it has chosen -- my prayers and the prayers of the American people remain with Poland, as they have throughout its long struggle. And, yes, there is a good deal of work to be done, and we will work together to gain new ground, to expand our common ground and U.S.-Polish ties.

So, thank you again, sir, for this warm welcome. Rest well on this Sunday night. And long live Poland! Thank you very much.

Note: The President spoke at 10:25 p.m. on the tarmac at Okecie Airport. In his remarks, the President referred to Wojciech Jaruzelski, Chairman of Poland's Council of State. Following his remarks, the President and Mrs. Bush went to the Parkowa Guest House.

Statement by Press Secretary Fitzwater on the President's Meeting With Polish Chairman Wojciech Jaruzelski in Warsaw

July 10, 1989

President Bush and General Jaruzelski talked for more than 2 hours this morning, from 9:45 to 12:05, and discussed a full range of bilateral and international issues. President Bush outlined the economic program [proposals] that he will make to the Polish Parliament this afternoon. The President also discussed his conventional arms proposal made at the NATO summit. General Jaruzelski said the Warsaw Pact applauded the President's proposal and felt the timetable was achievable. General Jaruzelski spent a good deal of the time discussing the internal political situation in Poland. President Bush reiterated the United States desire to be helpful in Poland's reform efforts without being intrusive.

In the plenary session, Secretary of State Baker and Poland's Foreign Minister Olechowski amplified these same themes. Secretary Baker referred to the close and historic bonds between the two peoples. The Secretary outlined in some detail the President's economic incentives. The two Ministers discussed the full range of bilateral issues, including increased dialog between U.S. and Polish officials, technical and scientific exchanges, trade increases, environmental improvements, international fishing clarifications, and various economic prospects. President Bush felt the meeting was quite productive and friendly.

Note: At their meeting at Belweder Palace, the President and Chairman Jaruzelski signed agreements rescheduling Poland's debt payments.

Toasts at a Luncheon at the United States Ambassador's Residence in Warsaw

July 10, 1989

The President. First, my thanks to our host and hostess, our able Ambassador and his wife, for this informal, lovely luncheon. It's an honor and privilege to be with you here today.

Some of us met 2 years ago in Warsaw, and so much has changed. These are hopeful times for Poland. It's a special moment in Poland's history, perhaps the most profoundly challenging period in many decades. I told Chairman Jaruzelski this morning that my country and the world are inspired by Poland's success at the roundtable and by the implementation of the roundtable's provisions. And I hope you've noticed that today we are all sitting at round tables. [Laughter]

But look, we are also aware of the many difficulties and the economic pressures that lie ahead. And your challenge is to rise above the mistrust, to bring the Polish people together for a common purpose. The United States will stand with Poland; we will support Poland's hopeful mission, unparalleled in your history.

And so, with deep respect for you, Mr. Chairman, and your colleagues and for Solidarity and for the roundtable process and for all the guests at this luncheon that made that process work, I would like to lift my glass -- if I can find it -- [laughter] -- to the Nation and the people of Poland.

Chairman Jaruzelski. Mr. President, Mrs. Bush, Mr. Ambassador, Mrs. Davis, let me, first of all, thank you very much for this nice hospitality and for the fact that we could meet in this beautiful scenery and have this excellent lunch.

I have been taken by surprise by your President with the offer to come and speak to you. So, let me just share with you a few loose observations. But I consider as a significant fact that it is here at the residence of the U.S. Ambassador we could meet in such a pluralistic company. What is more, we were able to meet in a friendly atmosphere, and I believe we have felt well together.

One other personal reflection for me: I live perhaps 50 or 80 meters away from here for 16 years, and it is for the first time that I have come to this building and this residence. [Laughter] I think it is also a sign of time, and I and Mrs. Jaruzelski doubly appreciate this meeting.

Thank you, Mr. President, for your kind and well-wishing words. I value very highly these long conversations today with you. I believe they allowed us to better come to know each other and better understand each other, and I have no doubt that it will benefit the cooperation and friendship between our two countries and people.

Once again, thank you very much for this meeting today, and I wish you all the best. I know that the important person in this company according to the protocol is the U.S. President, but may I be allowed to fracture the protocol and follow the old Polish tradition of offering to everybody to raise our glasses to the good health of Barbara Bush and all the ladies present with us here today.

Mr. Geremek. Mr. President of the United States and Mr. Chairman, even this very beginning tells us of what Poland stands for now. A man from Solidarity, a member of Solidarity, I, who have been in this house several times in the past -- even though I don't live that far from it -- I can admit and say openly that something new is arising, emerging, in the ties between Poland and the United States.

Roughly 2 years ago, the Vice President of the United States and Mrs. Barbara Bush talked with members of Solidarity right in this house. And even though at that time we heard words of hope, I believe that none of us at that time expected that we would meet in 2 years in a situation like the present. Poland is still divided, but it's possible that what's taking place right now is actually taking place, that together we have the representatives of Solidarity, of the opposition, and of the authorities. We feel that what's happening now, what's taking place -- the political and economic reform, all of that, is in the interest of Poland, not just one particular side. And at moments like these, we think of the Founding Fathers of the United States, whose message about freedom has not lost any of its current significance.

First of all and above all, we seek understanding for what is happening in our country. The future of Polish reforms depends on Poles alone. We do not expect that they will be carried at somebody else's cost or by others' hands. But we believe that these reforms will be understood the world over as serving the whole world: serving the purposes of not only Poland but also of Czechoslovakia and Hungary and the interests of that part of the world and the whole world itself.

And in this house, the house of Helen and John Davis, who have done so much for the Polish cause, let me say that this is exactly what we expected from the President of the United States. The words he uttered, that the United States will support the reforms taking place in Poland, are the words that we were hoping for. And for that, let me propose a toast to the President of the United States and the United States of America.

Note: The President spoke at 1:15 p.m. on the patio of the U.S. Ambassador's residence. In his remarks, he referred to Ambassador and Mrs. John R. Davis, Jr.; Wojciech Jaruzelski, Chairman of Poland's Council of State; and Bronislaw Geremek, parliamentary opposition leader and a senior adviser for Solidarity. A tape was not available for verification of the contents of the remarks.

Remarks to the Polish National Assembly in Warsaw

July 10, 1989

Chairman Jaruzelski, Marshalls Kozakiewicz and Stelmachowski, Prime Minister Rakowski, and senators and delegates, on behalf of the people of the United States, I am honored to greet the newly elected representatives of the Polish Parliament. To be here with you on this occasion is proof that we live in extraordinary, indeed, thrilling times.

The power and potential of this moment was first made clear to me when I saw a photo, a worldwide photo, flashed all around the world: a photo of General Jaruzelski, senator leader Lech Walesa, shoulder-to-shoulder -- Solidarity leader Lech Walesa -- shoulder-to-shoulder at the opening session of this Parliament, committed to new progress in Poland. Believe me, that sent a wonderful signal all around the world.

Poland and the United States are bound, it is often said, by ties of kinship and culture. But our peoples are linked by more than sentiment. The May 3d Constitution of 1791 set Poland ahead of her peers, ahead of her time, in the pursuit of freedom and democratic ideas, just as our Constitution, the American Constitution of 1787, set new standards for protection of the rights of the individual. For decades, beginning with the Versailles Peace Conference, the United States has stood for Polish independence, freedom, prosperity. And we are proud of our early and longstanding commitment to Polish self-determination. As America's President, I am here today to reaffirm that proud commitment.

I understand something of the work you are commencing, for I began my own public service in the American Congress. Democratically chosen legislatures are among mankind's greatest forums for debate and dialog. And while I've been to Poland before, I did not expect to return so soon nor to such altered circumstances in your country. And so, too, perhaps many of you didn't expect to be here, serving in this or any Polish Parliament, and your achievement has surpassed all expectation and has earned all our admiration.

Our meeting today bears witness to the character of our age. Some 450 years ago, when the Polish astronomer Copernicus came to understand the natural order of the planets and had the courage to question accepted wisdom, the world was changed forever. From this year forward, as Poland works to reaffirm the natural order of man and government, so, too, will Poland be changed forever. For today the scope of political and economic change in Poland is indeed Copernican -- a fundamental change in perspective that places the people at the center, a new understanding that the governed are the true source of lasting social peace and economic prosperity around which government revolves, and exists to serve.

Poland has a rich democratic heritage. The May 3d Constitution was a stroke of genius. Today, at the dawn of that document's third century, you're called upon to match its genius with

contemporary action, to make a peaceful transition toward political and economic renewal through representative government that expresses the will of the people.

I said a few weeks ago, here in Europe, that East and West have arrived at the end of one era and at the beginning of another. Chairman Jaruzelski recently said of Poland that ``the life of the Nation has undergone deep changes; society has the full right to ask when a ray of sun will shine over Poland." In truth, this applies not just to Poland but to the entirety of relations between East and West.

A profound cycle of turmoil and great change is sweeping the world from Poland to the Pacific. It is sometimes inspiring, as here in Warsaw, and sometimes it's agonizing, as in China today. But the magnitude of change we sense around the world compels us to look within ourselves and to God to forge a rare alloy of courage and restraint.

The future beckons with both hope and uncertainty. Poland and Hungary find themselves at a crossroads. Each has started down its own road to reform, without guarantee of easy success. The people of these nations and the courage of their leaders command our admiration. The way is hard; but the moment is right, both internally and internationally, for Poland to walk its own path. On the day Solidarity was restored, I spoke of my support and admiration for the political experiment just getting underway in Poland. You've since proceeded further along that road, including holding the remarkable elections that produced this Parliament. And let us consider what your experiment may mean not just for Poland but for Europe and for the entire world.

The divided world of the modern age began here -- right here, in Poland -- 50 years ago this summer. Your country, and then nearly all of Europe, was first besieged and then occupied by totalitarian, despotic forces. A courageous Poland was our ally. And in that fearful time, Franklin Roosevelt and Winston Churchill devised the Atlantic Charter, which outlined principles on which we hoped to build a better world, including freedom from want and fear, and the right of peoples to choose the form of government under which they will live. But as you know better than anyone, the world that we sought then was not to be. Stalinist systems were imposed over a third of a continent -- the cold war began. The countries of the West organized themselves in defense of democratic principles, and we proposed that the Marshall plan include Eastern Europe, but again, that was not to be.

The Western strategy, our strategy of containment, was a means but was never an end in itself. It was no substitute for a free and united Europe, and we did not forget the frustrated and lost hopes of 1945 nor the promise of a better world -- neither did the Polish people. You have been a crucible of conflict; you're now becoming a vessel for change. Poland is where the cold war began, and now the people of Poland can help bring the division of Europe to an end. The time has come to move beyond containment to a world too long deferred, a better world.

And now, at long last, two developments have allowed us to redeem the principles of the

Atlantic Charter for which the United States and Poland fought as allies. One is the manifest failure of the classic Stalinist system; and the other is the indomitable will of the people -- through leaders in Poland and Hungary, who are working to overcome the mistakes of the past with honesty, creativity and, yes, courage. The world watches in admiration.

And now, in part because of what you are doing here, the genuine opportunity exists for all of us to build a Europe which many thought was destroyed forever in the 1940's. That Europe, the Europe of our children, will be open, whole, and free. We can make it so in two ways.

First, a new East-West relationship must rest on greatly reduced levels of arms. I notice what General Jaruzelski said on that point, and I support him. We in the West have proposed dramatic reductions in conventional armed forces in Europe, reductions that promise to transform the military map of Europe and diminish the very threat of war. The new willingness in Moscow to accept this Western framework for reductions in troops and tanks and aircraft and other categories of weapons gives us hope that the negotiations in Vienna will succeed. A good beginning has been made. Constructive proposals are being offered on both sides. We are determined to push hard for an early and successful conclusion to these talks.

Second, reductions in military forces will go further and be more sustainable if they take place in parallel with political change. Excessive levels of arms, we believe, are the symptom, and not the source, of political tensions. In Europe those tensions spring from an unnatural and cruel division. Poland's decision to embrace political reform and Hungary's movement in the same direction thus have great importance beyond their borders. By creating political structures legitimized by popular will -- by that, your reforms can be the foundation of stability, security, and prosperity not just here but in all of Europe, now and into the next century.

Mikhail Gorbachev has written: ``Universal security rests on the recognition of the right of every nation to choose its own path of social development and on the renunciation of interference in the domestic affairs of other states. A nation may choose either capitalism or socialism. This is its sovereign right." In principle, I agree, but I might well have said that the people of a nation may freely choose either a free-market economy or socialism -- that is their right. And so, the West works not to disrupt, not to interfere, not to threaten any nation's security but to help forge closer and enduring ties between Poland and the rest of Europe.

As a result of the roundtable accords, Poland's fate lies more than ever in Polish hands, and there it must ever remain. Your responsibility for your country's future is immense. Poland's friends, including the American people, want Poland to be free, prosperous, democratic, independent -- true to the best tradition of your nation's past. And this regime is moving forward with a sense of realism and courage in a time of great difficulty and challenge. Lech Walesa and Solidarity are deeply committed to institutions in Poland that will serve all its people. This Parliament, by its very existence, is advancing pluralism, and the church has served as a source of spiritual guidance and unity in turbulent times. But above all, there are the people of Poland, people who

are steadfastly working toward productive change.

And yet, even under the best circumstances, representative government has its own challenges. It requires patience, tolerance, and give-and-take between political opponents. But its virtue is that it grants legitimacy to leaders and their policies; it gives governments and societies the mandate to make hard choices. And through their involvement, it gives the people a stake in the choices that are made.

For over 200 years, Americans have wrestled over political and economic interests, over individual and civil rights, and the role of a loyal opposition. Democracy is not a conclusion; it's a process, and perfecting it never ends. But history has taught Americans one very clear lesson: Democracy works.

We understand in my country the enormous economic problems you face. Economic privation is a danger that can threaten any great democratic experiment. And I must speak honestly: Economic reform and recovery cannot occur without sacrifices. Even in an economy as productive as ours, we still debate the roles and limits of government: how to regulate the private sector without discouraging innovation; how to reduce our own enormous budget deficit; how to balance workers' needs and industrial efficiency; how to handle the painful disruptions of change for the sake of productivity, for the sake of progress, for the sake of prosperity.

The reform of the Polish economy presents an historic challenge. There can be no substitute for Poland's own efforts, but I want to stress to you today that Poland is not alone. Given the enormity of this moment, the United States stands ready to help as you help yourselves.

In Hamtramck, Michigan, 3 months ago, I outlined a policy of support for the reforms then just beginning in Poland. I proposed specific steps, carefully chosen, to recognize the reforms underway here and to encourage reforms yet to come. It is a policy built on dynamic interplay of progress in Poland and Western engagement, and not on unsound credits made without regard to necessary reforms. That was the record of the 1970's; Poland and the United States need not repeat that. Our efforts will be carefully targeted in support of an emerging new Poland. We've made progress on the steps announced at Hamtramck, and this is where we stand.

Legislation is well underway that will help Polish exporters compete more effectively in the U.S. market through Generalized Systems of Preferences and that will authorize our Overseas Private Investment Corporation to operate in Poland, providing investment insurance and setting up missions to stimulate U.S. investment and joint ventures here. The United States is proposing a private business agreement that will promote contacts between Poland's growing private business sector and its American counterparts. We hope to conclude an agreement soon to build on what promises to be an unprecedented opportunity.

There is great interest and excitement in the United States about what you're doing in Poland and

a clear-cut desire to help the reform process. I hosted a White House symposium on July 6th to bring together citizens of my country interested in promoting investment, trade, and academic exchange with Poland and Hungary. And I can assure you that, more than ever before, the American people will be involved in your democratic experiment.

I've said that as Poland reforms itself, the U.S. will respond. Much has happened even in the short time since Hamtramck. So, today I'm pleased to announce that we plan to do more and go farther for the sake of a stable and prosperous Poland.

First, I will propose at the upcoming economic summit in Paris that the nations of the summit, that Summit Seven, intensify their coordination and concerted action to promote democratic reform in Poland and Hungary and to help manage compassionately the process of change. We will work with our partners at the summit, moving quickly with increased Western aid and technical assistance. This concerted action will complement existing institutions like the World Bank, the Paris Club, and IMF [International Monetary Fund], and address needed economic reforms, credits, management and training initiatives, social safety nets, housing, and other issues important to Poland.

Second, I will ask the United States Congress to provide a $100 million fund to capitalize and invigorate the Polish private sector, and we will encourage parallel contributions from other nations of the economic summit.

Third, I will encourage the World Bank to move ahead with $325 million in economically viable loans to help Polish agriculture and industry reach the production levels they are so clearly capable of.

And fourth, I will ask my counterparts in the West to support an early and generous rescheduling of Polish debt. This could provide deferral of debt payments amounting to about $5 billion this year if our allies and friends in the Paris Club agree to join us in offering liberalized terms. I plan to discuss this issue with my colleagues at the Paris summit.

Fifth, economic progress should not come at the expense of our common heritage, our common inheritance -- the environment. In fact, sound ecology and a strong economy can and must coexist. Air and water pollution know no boundaries, and this concern is worldwide. Almost 2 years ago, I visited Krakow, your former royal capital, a city recognized by UNESCO as an international treasure. Today Krakow is under siege by pollution; its priceless monuments are being destroyed. Krakow must be reclaimed, and the United States will help. And I'll ask the Congress for $15 million for a cooperative venture with Poland to help fight air and water pollution there.

Sixth, and finally, when I begin my remarks -- when I began them, I mentioned the shared cultured heritage of our two nations. Today, I'm proud to announce that the United States will

establish a cultural and information center in Warsaw, and we'll ask Poland to establish a similar center in the United States. This will be the first time that either of our two countries will be able to conduct educational and cultural programs outside of our Embassies and consulates.

The elections which brought us -- all of us -- together here today mean that the path the Polish people have chosen is that of political pluralism and economic rebirth. The road ahead is a long one, but it is the only road which leads to prosperity and social peace. Poland's progress along this road will show the way toward a new era throughout Europe, an era based on common values and not just geographic proximity. The Western democracies will stand with the Polish people and other peoples of this region.

Democracy has captured the spirit of our time. Like all forms of government, though it may be defended, democracy can never be imposed. We believe in democracy -- for without doubt, though democracy may be a dream deferred for many, it remains, in my view, the destiny of man.

Two hundred years ago, democratic constitutions were adopted by three nations, embodying the powerful influence of the Enlightenment, as a testament to ideas that endure. The American Constitution was first and has stood the test of history for over 200 years of our existence as a republic. Constitutional democracy in France began two centuries ago this summer, and in a few days, leaders from all over the world will be in Paris to celebrate the anniversary of its birth.

On May 3, 1991, the Polish Constitution will also be 200 years old. Your Constitution of 1791 was crushed, but never forgotten. And now this generation's calling is to redeem the promise of a free Polish Republic. Poland has not been lost so long as the Polish spirit lives.

America wishes you well as you face the tough problems today. I salute General Jaruzelski for his leadership and his extraordinary hospitality to me. I salute the leaders and members of these two great legislative bodies. God, in His infinite wisdom and love, is with us in this chamber. May God bless you and your efforts. Long live Poland! Long live Poland! Thank you very, very much.

Note: The President spoke at 2:28 p.m. in the main chamber of the Parliament Building. In his opening remarks, he referred to Wojciech Jaruzelski, Chairman of the Council of State; Mikolaj Kozakiewicz, Speaker of the Lower House of the National Assembly; Andrzej Stelmachowski, Speaker of the Senate; and Prime Minister Mieczyslaw Rakowski. The Paris Club was a group of major Western industrialized nations that lent money to developing countries.

White House Fact Sheet on Proposed Assistance for Poland and Hungary

July 10, 1989

In his speech today to the Polish Parliament, the President presented a comprehensive package of six measures to help Poland meet the historic challenges of the 1990's. The measures take into account the ongoing, hopeful, democratic change in Poland.

The measures recognize that successful market economic reform and democratization in Poland, and elsewhere in East Central Europe, can lay the basis for European stability and security.

The package of measures consists of the following:

Intensified Concerted Western

Action for Poland and Hungary

Proposal

The President is proposing that nations of the Summit Seven intensify their concerted action to support economic reforms based on political pluralism in Poland and Hungary. Complementary efforts by leading industrial democracies will provide a powerful impetus to economic recovery and progress in these nations as they face a turning point. Other interested countries could contribute to this process as well.

Scope

Efforts will involve work with the Polish and Hungarian Governments, and with other official and independent organizations in those countries, to gather information and provide feedback on issues of mutual concern. Involved governments will also work as appropriate with representatives of the IMF, World Bank, EC Commission, and other multilateral and private sector institutions.

Specific issues addressed could include:

Needed economic reforms;

Timing and conditions for new credits; and

Concrete support for privatization and private business, environmental projects, management

and training initiatives, social safety nets to accompany restructuring, housing, etc.

These efforts would not undercut or replace existing institutions such as the World Bank, Paris Club, or IMF.

Next Steps

The President will discuss this proposal in Paris with the leaders of the other Summit Seven nations -- the United Kingdom, Federal Republic of Germany, France, Japan, Italy, and Canada.

Polish-American Enterprise Fund

Proposal

Poland's economic recovery will require a strong entrepreneurial sector, growing fast and generating wealth to benefit the whole nation. To support this process, the President has proposed the U.S. and Poland establish a Polish-American Enterprise Fund. The President is asking Congress to provide $100 million for this initiative. The Fund will be managed by a board of distinguished U.S. and Polish representatives.

Purpose

The Fund will promote the development of the private sector in Poland. It will be empowered to disburse hard currency loans or venture capital grants for approved projects, including:

Private sector development (business loans/grants, possible establishment of a private sector development bank);

Privatization of state firms (e.g., provide funding for entrepreneurs to buy into state firms);

Technical assistance or training programs in support of or run by Poland's private sector;

Funding of export projects partly or wholly private;

Joint ventures between private Polish and American investors (e.g., encourage participation of private Polish firms in joint ventures).

World Bank Loans

Proposal

The President will encourage the World Bank to approve two economically viable project loans for Poland totaling $325 million. The loans for industrial restructuring and agricultural industrial development are intended to improve the competitiveness of Poland's exports.

Background

The industrial restructuring loan ($250 million) is to be used for import of technology and equipment used in restructuring projects in plants producing chemical fibers, petrochemicals, polypropylene for packaging, particle board, and nitrogen; and the foreign currency costs associated with outside technical assistance for these projects.

The agricultural industrial development loan ($75 million) would be used for purchase of equipment and technology licensing abroad, and foreign exchange costs for technical assistance for plants engaged in frozen fruit and vegetable processing, meat and other food processing.

The loans are for 17 years with a 6-year period of grace before repayment begins.

A Polish bank will relend the money to individual firms. These loans to and repayment by sub-borrowers will be in dollars -- facilitating repayment of the overall loan to the World Bank.

U.S.-Poland Bilateral Rescheduling Agreements

Proposal

The President will ask his counterparts in the Paris Club to support an early and generous rescheduling of Polish debt.

Background

Poland's foreign debt of nearly $40 billion is owed mainly to Western government creditors.

The United States Government's share of this debt is about $2.2 billion, mostly in the form of credit guarantees extended by the Commodity Credit Corporation and the Export-Import Bank.

The Paris Club agreed to reschedule Poland's debt service to official creditors 4 times in the past 8 years.

However, until March 1989, Poland had not proceeded to negotiate and sign the bilateral agreements from the last two reschedulings, in late 1985 and 1987.

Negotiations on the two outstanding bilaterals were revived earlier this year when the

Government of Poland sought to resolve this issue with its creditors.

The Agreements and Next Steps

On July 10, the U.S. and Poland will sign the two pending bilateral agreements covering the 1985 and 1987 reschedulings.

This paves the way for further agreements between Poland and its creditors on rescheduling the country's official debt.

A Paris Club rescheduling on debt service obligations falling due in 1989 would allow Poland to defer payments of about $5 billion.

A new Paris Club rescheduling agreement would normalize Poland's financial relations and would provide export credit agencies a legal basis for resumption of credit if governments decide such credits are warranted.

Environmental Initiatives

Proposal

The President has stressed the need for fresh international efforts to preserve and improve the environment, humanity's common heritage. Following up on his Mainz speech, which singled out East-West cooperation on the environment, the President has proposed three environmental initiatives for Poland totaling $15 million, concentrated in the magnificent medieval capital of Krakow. This splendid city, designated by UNESCO as a world monument, is suffering from severe pollution.

Retrofit an Existing Coal-Fired Plant

This is a $10 million initiative to retrofit an existing coal-fired plant in the Krakow area with advanced clean coal technology. This retrofit will reduce sulphur dioxide emissions from a 100 MW plant by 60 to 65 percent. Nitrogen oxide emissions will also be reduced.

The initial phase of the project will include an assessment of the major coal-fired plants in the Krakow region to determine the best control strategies for these facilities. A specific plant would then be selected and the optimal technology for installation at this facility would be chosen.

Following selection, the project will proceed into the design phase. This would involve the fabrication and installation of the equipment.

The final phase of the project would include operation and analysis of the data. It is assumed that Poland will take over responsibility for the operation of the project and that the data would be made available to the U.S. The U.S. will provide technical support to Poland as needed.

Air Quality Monitoring Network

This is a $1 million project for an air quality monitoring network in the Krakow metropolitan area, as part of Poland's national air monitoring network, to include monitors and related equipment for measuring sulphur dioxide, nitrogen dioxide, particulate, carbon monoxide, ozone, and lead; and data storage/processing equipment.

Water Quality and Availability

This is a $4 million initiative to improve water quality and availability in Krakow.

Using the city's 1986 - 2010 program of environmental protection and water economy as a guide, EPA and Polish experts will perform a comprehensive assessment of Krakow's current and future drinking water and wastewater needs to select and test treatment methods best suited to local conditions.

To determine the optimal, least-cost engineering solutions, the program will examine streamflow records and data on the health of a variety of aquatic species, test for stream and drinking water purity, and identify water quality standards according to use.

The program will emphasize recycling, pollution prevention, and low-cost approaches such as land treatment of effluents.

Agreement on Exchange of Cultural Centers

Purpose

The President has called for the U.S. to support imaginative educational and cultural programs with Poland. The agreement signed on July 10 will allow the U.S. to establish a cultural and information center in Warsaw and allow Poland the right to establish a similar center in the United States.

Background

This will be the first time either country will be able to conduct public information and cultural programs at a site physically removed from the Embassies or consulates. The centers still will be considered an integral part of the diplomatic services of the two countries.

The American center in Poland will be under the direction of the U.S. Information Agency, which operates similar centers in many countries around the world.

A site in Warsaw still must be identified and renovated for the new American center, but we would hope to open it sometime in early 1990. First-year construction and operational costs are expected to be $1.1 million.

Operation

The centers will serve as focal points for a wide range of cultural and information activities, including:

Operating a full-service library including reference use and lending of books, periodicals, films, videocassettes, and other materials;

Sponsoring of concerts, recitals, exhibits, film, television, and video showings;

Seminars featuring professionals, scientists, and cultural personalities from various fields;

Courses of English or Polish language.

Note: The Paris Club was a group of major Western industrialized nations that lent money to developing countries.

Remarks to Polish Little League Baseball Players in Warsaw

July 10, 1989

Hey, listen, you guys sit down now! Everybody sit down. I'm not going to be that long, but it's more comfortable sitting.

First, I want to thank Ambassador and Mrs. Davis and Dr. Hale, who you just heard from -- Ann Kokoshko over here, who is the founder of the Polish Little League Foundation. And I really came to thank all of you, because I've been looking forward to this very much.

The Little League program has now come to Poland. And listen to these words from the Little League pledge: ``I trust in God. I love my country and will respect its laws. I will play fair to strive to win. But win or lose, I will always do my best." Remember those words, because their spirit is Poland's spirit.

You know, I don't know how closely you follow big league baseball in the United States, but I think of some great Polish-American ballplayers when I'm here today, legends in American sports: Ted Kluszewski, Greg Luzinski, Tony Kubek -- either he's pronouncing it wrong or I am -- I don't know which one. [Laughter] You remember the Niekro brothers? Does that ring a bell with any of you guys -- Phil and Joe? These are Polish guys. They won more games than any pair of brothers in big league history. I'm indebted to Rawlings for bringing this equipment. I want to thank the coaches that were here. And again, I want to thank Stan back here, of Windham, Connecticut, who is just -- his whole life is baseball.

You know, 13 days from now, in the United States, is a big day. For on that day, America's Baseball Hall of Fame will induct the first former Little Leaguer -- first guy to play Little League now going into the Hall of Fame. He's a Polish-American -- Carl Yastrzemski. [Laughter] He's a great ballplayer for the Boston Red Sox. We got any Red Sox uniforms? No, okay -- but anyway, a great player for the Red Sox. And in that Hall of Fame -- which is the big thing for our game -- he's joining three other Polish-Americans: Al Simmons, Stan Coveleski, and then Stan Musial. You know, he's been here in Poland. Last time I was here, I saw him here. That guy was already climbing toward Major League fame when the Little League began -- a humble winner, a gracious loser, a man of self-discipline and pride. And really, he became perhaps the most famous Polish-American athlete -- Stan Musial. And he put it very simply. He said: ``My greatest thrill was just putting on my uniform every day."

So, I just came on over to wish you well. I hope you feel the same way about baseball as Stan Musial did. And I just have a wonderful feeling that if I don't see you in the Olympics, I'm going to see some of you guys in the big leagues in the United States.

Good luck to you. All right, let's go over there now. Who's the best pitcher out here? [Laughter]

Note: The President spoke at 4:22 p.m. on the patio of the U.S. Ambassador's residence. In his opening remarks, he referred to Creighton Hale, president of the U.S. Little League Foundation.

Toast at the State Dinner in Warsaw

July 10, 1989

Mr. Chairman, Mr. Prime Minister, and members of the Polish delegation, thank you for your hospitality tonight and throughout our stay. We are very pleased and honored to be here.

The American people have a special and enduring interest in Poland. And in recent months, we have watched remarkable events unfold here. And so, this is not an ordinary visit, for in Poland these are not ordinary times. When I was last here, almost 2 years ago, our relations had just emerged from a long, chilly period. But we have made great progress and covered many issues: cultural, commercial, consular, scientific, communications, human rights, and others.

Mr. Chairman, the rewards for successful effort are, as always, more and greater challenges. Poland is entering a new era; it is beginning once again to command its own destiny. Polish energy and creativity are being tapped, and great steps have been taken already -- the remarkable roundtable accords, Solidarity's legalization, the holding of fair elections, the restoration of a freely elected Polish Senate. And more steps await on the road ahead. Poland has surpassed all expectations, and we respect you for that.

Reform is a difficult process, as you well know. And there are neither easy answers nor cost-free solutions, but there is a sound basis for hope. And today you have the good will of an expectant and hopeful world. We see hope not only for a new beginning in Poland but for the beginning of Europe's reconciliation -- for making Europe whole and free and at peace with itself. We want Poland to succeed in this historic effort, and we have outlined ways in which the United States can help Poland help itself. Both our governments have a great deal of work to do.

Our hearts, as always, will be filled with the abiding commitment the American people feel for this land and for her people. You know, over the past 2 years, we have celebrated the 200th anniversary of the United States Constitution, and yet not every American knows that a short time later the world's second written constitution was adopted by the Polish Parliament. And today I believe the spirit that produced the 3d May Constitution lives in Warsaw, in Krakow, and in Gdansk. And my wish for you is that 2 years from now, on the bicentennial of your Constitution, the Polish people will have achieved the kind of political transformation so long awaited, so long deferred.

Mr. Chairman, Mr. Prime Minister, let us lift our glasses to the progress we have made in relations and to our determination to proceed toward the better days and great achievements still to come. And may I say in closing to you and Mrs. Jaruzelski, our heartfelt thanks for your superb hospitality and the warmth of your welcome to me, to Barbara, and to all that are traveling with me.

Thank you. Long live Poland! To your health, sir.

Note: The President spoke at 8:55 p.m. in the Green Marble Dining Room at Radziwill Palace. In his opening remarks, he referred to Wojciech Jaruzelski, Chairman of the Council of State, and Prime Minister Mieczyslaw Rakowski. Following the dinner, the President and Mrs. Bush returned to Parkowa Guest House.

Letter to Secretary of Defense Richard B. Cheney on the Report on the Defense Management Review

July 10, 1989

Dear Mr. Secretary:

The Report of the Defense Management Review you submitted to me provides a blueprint for significant improvements in the management of the Department of Defense and in the Defense acquisition process. You will have my strong support in implementing its recommendations.

The American people need strong, capable armed forces that can protect our country, our allies, and our interests around the world. The American people also need to be sure that the tax dollars they devote to the Nation's defense are spent wisely. The reforms identified in your Report will help achieve these requirements through a stronger and more efficient Department of Defense.

I know you will ensure that the recommendations of the Defense Management Review are quickly and effectively implemented. The principal recommendations of the Report should be incorporated into my Management by Objectives (MBO) Program and you should propose specific actions that will be achieved in specified timeframes. I will look forward to quarterly reports and to periodic discussions to assess progress, and to identify additional actions that may be desirable. We should also move forward quickly with proposals to the Congress that are needed to implement the Report's key recommendations.

Successful implementation of the Report's recommendations will be a major step forward in fulfilling our promise to the American people to maintain our nation's strength and bring greater efficiency to government.

Sincerely,

George Bush

Letter to Congressional Leaders Transmitting the Report on the Defense Management Review

July 10, 1989

Dearxxxxx:

I am pleased to forward to you the Report on the Defense Management Review that Secretary Cheney has submitted to me.

This Report provides a basis for significant additional improvements in the management of the Department of Defense and in the defense acquisition process. Its recommendations have my strong personal support and I ask for your cooperation in their implementation.

Principal recommendations include continued reforms of the defense acquisition system, use of commercial products where feasible, streamlining and reducing regulatory and reporting guidance, and implementing a more flexible civilian compensation system for acquisition personnel. They also include eliminating unnecessary management layers and activities, a reform that will yield significant savings which can be applied to essential defense programs.

I have asked Secretary Cheney to propose detailed and substantive implementing actions to be achieved in specified timeframes, and plan to meet with him periodically to assess progress. I also will propose to the Congress specific legislation that is needed to implement the Report's key recommendations.

The Congress shares with us the responsibility to ensure that our nation has strong defense capabilities, efficient defense management and effective defense strategies. No amount of change within the Department of Defense or improvements in the performance of defense contractors will achieve our goals unless Congress also does its part. So, I ask for your help in making a sustained effort to move forward quickly with these needed improvements.

More specifically, I ask that the Congress:

-- Create a more stable funding environment for Defense programs by adopting a biennial Defense Budget process.

-- Increase the number of programs that qualify for multiyear procurement by eliminating Congressionally defined cost savings threshold requirements.

-- Streamline, simplify, and consolidate existing federal procurement laws into a single statute.

-- Reduce micromanagement of Defense programs and ease the burden on the Department of Defense created by onerous and unneeded reporting requirements that have grown dramatically in recent years.

We will shortly be providing you with additional details on these and other specific initiatives that Congress can take to make our Defense programs more responsive to national security needs while remaining within tightly constrained resources. We will need to work closely together and not allow the current problems, many of which are longstanding, to remain unsolved.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; George J. Mitchell and Robert Dole, majority and minority leaders of the Senate; and Richard A. Gephardt and Robert H. Michel, majority and minority leaders of the House of Representatives.

Continuation of Robert B. Barker as an Assistant Secretary of Defense

July 10, 1989

The President today announced that Robert B. Barker will continue to serve as Assistant to the Secretary of Defense for Atomic Energy at the Department of Defense.

Since 1986 Dr. Barker has served as Assistant to the Secretary of Defense for Atomic Energy. Prior to this he was Deputy Assistant Director of the Arms Control and Disarmament Agency for Verification and Intelligence, 1983 - 1986. He was Assistant Associate Director for Arms Control at the Lawrence Livermore National Laboratory (LLNL) in Livermore, CA, 1982 - 1983, and manager of the LLNL special projects division, 1978 - 1982. In addition, he designed, established, and ran the LLNL planning and evaluation division, 1973 - 1978; managed the LLNL strategic nuclear warhead design activities, 1971 - 1973; and served in several capacities at the LLNL from 1966 to 1973.

Dr. Barker graduated from Dartmouth College in 1960 and received a doctoral degree in physics from Syracuse University in 1966. He is married, has three children, and resides in Arlington, VA.

Remarks to American Embassy Employees and Their Families in Warsaw

July 11, 1989

Thank you all very much, and Barbara and I are delighted with this wonderful trip that we've been on. I know Susan and Jim Baker feel exactly the same way. So, we ought to start by singling out our Ambassador and his wife, who have done a superb job in all these deadly arrangements that go into a trip of this nature. [Laughter] I've never seen such wonderful hospitality and such a wonderful way of making people feel at home here. And so, I am grateful to both of them, and it's a great pleasure to be back here at this time of momentous change in Poland.

I want to thank everybody in the Embassy for the support of this visit. And as I keep pointing out as I travel abroad, I've been in an Embassy on the receiving end of a visit almost this bad -- [laughter] -- because, you see, I was in China when Henry Kissinger came to China. And you think we're bad and overdemanding and overloading your circuits? Try that on for size over in China. [Laughter]

But I know it does take a lot of work. I don't know who the admin officer is here. Right over here? Still speaking to us -- albeit through dark glasses. [Laughter] But I want to say thank you, sir, to you and your people, all the communicators, the political office and commercial office, and all those wrestling with the finances of the United States and Poland as we try to hopefully interact on a positive plane there.

I want to thank the Polish nationals that are here. Hold up your hands. Do we have some from here? I knew we did. [Laughter] And look, you're Poles; you are loyal to Poland. But you are a part of the American Embassy, and we are very grateful for what you do to make us a better Embassy. So, thank you very much for your terrific support -- the Ambassador telling me how much he relies on so many of you for the functions of this Embassy. So, we're a team, and I am grateful to recognize the team as one that's going forward and operating well. If the Little Leaguers I saw yesterday can turn out to be as good a team as this Embassy team, Poland may well win the Olympics in baseball a few years from now. [Laughter]

But, thank you, we're off now to Gdansk. I will say, for those who have been dealing with the political substance of this visit, that the talks I've had with Chairman Jaruzelski and the Solidarity leaders right here have been extraordinarily useful. I know the Secretary of State feels exactly the same way. We look to Ambassador Davis as the expert, and he told me that he is relatively pleased with the way things have gone so far. We recognize that the U.S. has a unique role to play in, hopefully, elevating the fortunes of Poland. But I think there is an understanding that -- on the part of the Polish leadership -- that continued reform is absolutely essential if we are going to be able to help Poland as much as we feel in our hearts we would like to help

Poland.

So, substantively, the visit has gone very well. I must say I was very moved by the greeting yesterday by both houses of their legislature. It was a very touching thing for an American President to be received with such warmth. And when they sang ``A Hundred Years," Mr. Jaruzelski pointed out to me that this had never been done for a political leader before -- de Gaulle and Khrushchev and Brezhnev having spoken in that interesting body. [Laughter] And so, it was quite an honor for our country. And you could feel not only the emotion of it, but you could feel the friendship that exists between Poland and the United States.

So, thank you all very much for what you've done. I promised everybody at the Embassy, in my heart, that I would leave on time, and thus you could breathe one collective sigh of relief. [Laughter] So, if I talk on longer I will violate that promise. But listen, Barbara and I are delighted and indebted to every single one of you for your part in this visit that we consider so successful. Thank you all very, very much.

And now maybe we can have all the children come up here so we can get a picture. Who is going to take -- here, David -- David takes the picture. You guys come up here, all you little guys. Anybody under -- how old are you? Under 12? Come up here. [Laughter] Come on, all you guys over here. You -- hey, come on, bring your flags. Come on, you guys: You've got to get over here. Face David, here we go, over here, here we are. Everybody look at David over here. Ready? Can you see? Wave your flag. We got it. Okay, thank you all. We'll send you these pictures -- to the Ambassador.

Note: The President spoke at 9:18 a.m. on the lawn of the U.S. Ambassador's residence. In his remarks, the President referred to Secretary of State and Mrs. James A. Baker III; U.S. Ambassador and Mrs. John R. Davis, Jr.; Mark Lijek, Administrative Counselor for the Embassy; and David Valdez, Director of the White House Photo Office. Following his remarks, the President traveled to Gdansk, Poland.

Question-and-Answer Session With Reporters Following a Luncheon With Solidarity Leader Lech Walesa in Gdansk

July 11, 1989

Q. Come this way.

Q. We can't hear you. How about coming over?

The President. He said he can't hear us. I'm not sure we want him to, do we?

Mr. Walesa. Mr. President, I am ready. I'll walk up.

The President. All right.

Q. What did you talk about?

The President. She wants to know what we talked about.

Q. And what did you decide?

Mr. Walesa. If that's what you need, I can briefly tell you. Poland has had major achievements now -- politically, but the problem centers on matching political reform with economic reform. Let's take the example of China, where the economic topics were not lined up properly with political ones. In Poland, there is a danger, too, but it's in reverse. Here the political problems have gotten ahead of the economic ones.

Meeting with the head of a superpower, a superpower in all areas -- in other words, a superpower economically and politically -- we hope that in this situation we have a chance to adjust our situation. We're not after any loans; we're after cooperation -- cooperation in which one partner would be $10 billion. If we succeed in opening branches of Western banks which would keep $10 billion and could strike a good deal in Poland, that would fix our economic problems. And this is what I asked Mr. President about, and that was my primary appeal and request.

Q. What about this $10 billion, Mr. President? What about it?

The President. You heard carefully what he said. He is not asking for $10 billion; he's asking for investment and the potential to build through the private sector to the tune of American banks

being in Poland carrying $10 billion. That could be American banks, other banks. And to me it's interesting and quite different than the interpretation that I've seen placed on this figure by other people.

We had a very good luncheon in the sense that it was -- having met Mr. Walesa before, I really rejoiced in his hospitality, he and his Danuta, giving us the hospitality of being in their home. And we talked about a wide array of issues. I clearly salute today, as I have in the past, his contribution to the enormous political reforms that have taken place, and I have told him that I want to work with him and with Poland in every way possible on the economic reforms.

So, now I will go to the economic summit. I will take with me the detail -- he gave me a detailed paper -- the details of his proposals, and we'll see where we come out. But in terms of his emphasis on the private sector and on job opportunity through private investment and private and competitive business practice, I must say I can give strong support to that -- standing right here in his yard.

Note: The President spoke at 1:50 p.m. at the Walesa residence. A tape was not available for verification of the contents of the remarks.

Remarks at the Solidarity Workers Monument in Gdansk

July 11, 1989

The President. Hello, Lech Walesa! Hello, Solidarnosc! Hello, Polska! And congratulations on what you've done since I last visited: the first free elections in modern Polska. Poland has a special place in the American heart and in my heart. And when you hurt, we feel pain. And when you dream, we feel hope. And when you succeed, we feel joy. It goes far beyond diplomatic relations; it's more like family relations -- and coming to Poland is like coming home. This special kinship is the kinship of an ancient dream -- a recurring dream -- the dream of freedom. ``They are accustomed to liberty," wrote a Byzantine historian about the Slavic people more than a thousand years ago. And the spirit of the Poles has been conveyed across the centuries and across the oceans, a dream that would not die.

That dream was severely tested here in Gdansk. Fifty years ago this summer, the predawn quiet of this peaceful Baltic harbor was shattered by the thunder from the 15-inch guns of Nazi warship Schlewswig-Holstein. Within the hour, iron panzers rolled across the Polish frontier, and Europe was plunged into darkness that would engulf the world. For Poland the choices were few: surrender to tyranny or resist against impossible odds. And in the brutal fighting that followed, you set a standard for courage that will never be forgotten. In World War II, Poland lost everything -- except her honor, except her dreams.

Before Poland fell, you gave the allies ``Enigma," the Nazis' secret coding machine. Breaking the unbreakable Axis codes saved tens of thousands of allied lives, of American lives; and for this, you have the enduring gratitude of the American people. And ultimately, ``Enigma" and freedom fighters played a major role in winning the Second World War.

But for you, the war's end did not end the darkness. The cold war brought a long and chilly night of sorrow and hardship -- and the dream was again denied. And yet there were glimmers of the long-awaited dawn. In the summer of 1980, you occupied the shipyards where we stand. And a patriotic electrician clambered over these iron gates and emerged as one of the heroes of our times -- Lech Walesa. And above your streets a graceful monument rose, in the tradition of our own Statue of Liberty, to become a symbol recognized around the world as a beacon of hope.

But the hope, like the dawn, proved fleeting. For under cover of darkness, the electrician was arrested and your movement outlawed. And in the icy cold of a savage winter, a modern nation was sealed off from the outside world.

But still the dream would not die. In the wintry darkness, candles appeared in silent protest, lighting the windows of your villages, of your cities. And as the years unfolded and as the world

watched in wonder, you -- the Polish people and your leaders -- turned despair into hope, turned darkness into dreams.

Hope and hard work were the foundation of Poland's resurrection as a state in 1918. Against enormous odds, confidence and determination made that dream a reality. And these same qualities have brought you to this new crossroads in history. Your time has come. It is Poland's time of possibilities; its time of responsibilities. It is Poland's time of destiny, a time when dreams can live again -- Solidarity reborn, productive negotiations between the Government of Poland and the Polish people, and the first fruits of democracy, elections. At another time, in another city, where the human spirit was being tested, a great American President spoke eloquently about the struggle for liberty. Today the world watches the inevitable outcome of that struggle.

Today, to those who think that hopes can be forever suppressed, I say: Let them look at Poland! To those who think that freedom can be forever denied, I say: Let them look at Poland! And to those who think that dreams can be forever repressed, I say: Look at Poland! For here in Poland, the dream is alive.

Yes, today the brave workers of Gdansk stand beside this monument as a beacon of hope, a symbol of that dream. And the brave workers of Gdansk know Poland is not alone. America stands with you.

Audience members. President Bush! President Bush! President Bush!

The President. Because Americans are so free to dream, we feel a special kinship with those who dream of a better future. Here in Poland, the United States supports the roundtable accords and applauds the wisdom, tenacity, and patience of one of Poland's great leaders -- Lech Walesa. And again -- --

Audience members. Lech Walesa! Lech Walesa! Lech Walesa!

The President. And we cheer a movement that has touched the imagination of the world. That movement is Solidarnosc. And we applaud those who have made this progress possible: the Polish people. We recognize, too, that the Polish Government has shown wisdom and creativity and courage in proceeding with these historic steps.

Poles and Americans share a commitment to overcome the division of Europe and to redeem the promise that is the birthright of men and women throughout the world. Poles and Americans want Europe to be whole and free. A more democratic Poland can be a more prosperous Poland. The roundtable provisions, as they continue to be carried out, can liberate the energy of a dynamic people to work together to build a better life.

We understand the legacy of distrust and shattered dreams as Poles of all political complexions travel together down the path of negotiation and compromise. Your challenge is to rise above distrust and bring the Polish people together toward a common purpose.

Speaking before the new Parliament and the Senate -- your freely elected Senate -- I outlined steps that America is prepared to take to assist Poland as you move forward on the path of reform. It will not be easy. Sacrifice and economic hardship have already been the lot of the Polish people. And hard times are not yet at an end. Economic reform requires hard work and restraint before the benefits are realized. And it requires patience and determination. But the Polish people are no strangers to hard work and have taught the world about determination.

So, I say follow your dream of a better life for you and for your children. You can see a new and prosperous Poland not overnight, not in a year -- but, yes, a new and prosperous Poland in your lifetime. It has been done by Polish people before. Hopeful immigrants came to that magical place called America and built a new life for themselves in a single generation. And it can be done by Polish people again. But this time, it will be done in Poland.

Just before I left a few days ago, I was asked in my beautiful Oval Office in the White House by one of your journalists if I would leave Poland and go to America, were I a young Pole. And I answered that in this time of bright promise, of historic transition, of unique opportunity, I would want to stay in Poland and be a part of it, help make the dream come true for all the Polish people. The magic of America -- --

Audience members. President Bush! President Bush! President Bush!

The President. The magic of America is not found in the majesty of her land. And, yes, our country has been blessed. But Poland, too, is a land of natural beauty -- ample timber and ore and water and coal, abundant agriculture potential -- and a talented, creative people that is determined to succeed.

No, the magic of America is in an idea. I described it in my first moments as President of the United States: ``We know what works: Freedom works. We know what's right: Freedom is right. We know how to secure a more just and prosperous land for man on Earth." And today you can rediscover a new land -- a land of your dreams, a land of your own making, a Poland strong and proud.

Poland is where World War II began. And Poland is where, and why, the cold war got started. And it is here, in Poland, where we can work to end the division of Europe. It is in your power to help end the division of Europe. I can think of no finer or more capable people with whom to entrust this mission. And just as a son of Poland has shown the world the heights of spiritual leadership in the Vatican, so the people of Poland can show the world what a free people with commitment and energy can accomplish.

A new century is almost upon us. It is alive with possibilities. And in your quest for a better future for yourselves and for those wonderful children that I saw coming in from the airport -- in that quest America stands shoulder to shoulder with the Polish people in solidarity. Americans and Poles both know that nothing can stop an idea whose time has come. The dream is a Poland reborn, and the dream is alive.

Poland is not lost while Poles still live. I came here to assure you we will help Poland. Goodbye, God bless you, and God save this wonderful country of Poland!

Note: The President spoke at 2:32 p.m. outside the Lenin Shipyard. In his remarks, he referred to Solidarity leader Lech Walesa. Earlier, the President participated in a wreath-laying ceremony at the monument.

Statement by Press Secretary Fitzwater on United States Technical Assistance for Poland

July 11, 1989

The President today announced a decision to provide technical assistance to Polish independent trade unionists, government officials, and employers to ease the burden of adjustment during the period of economic transition and reform. The workers of Poland will ultimately benefit from their country's reform efforts, but the difficult transition period could jeopardize the reform process, with unemployment possibly being a particularly acute problem.

The Department of Labor, working with the AFL - CIO and American business, will assist Poland in eight areas: training and retraining; job search and employment services; unemployment insurance; entrepreneurial development, self-employment and employee ownership; labor-management relations; labor statistics; worker safety and health, including mine safety; and women in the work force.

The Department of Labor will provide a mix of in-country technical assistance and U.S. domestic activities and, along with other U.S. Government agencies, will help develop policies and programs to set up an effective labor safety net in each of the eight priority areas. The cost of the initiative is approximately $4 million.

Advance Text of Remarks at the Departure Ceremony in Gdansk

July 11, 1989

This has been the first visit of an American President to Poland in almost 12 years. That, in itself, is something of a milestone. And it has been a great honor to be here. But what has made this visit most noteworthy, in my mind, are the extraordinary opportunities and challenges now faced by Poland and her people. In my 2 days here, I met with leaders of a government that is both responsive and responsible, and determined that Poland shall find her own road to recovery.

I met with the chairman of the Free Solidarity Trade Union, Lech Walesa, whose courage and moral guidance have carried Poland's people from the dark of night to the threshold of a brilliant future. I met with Senators and parliamentary leaders of a democratic opposition, now legalized. We discussed their new and weighty responsibilities as Poland enters a new era. And I met with Polish citizens from all walks of life, including the citizens of the great city of Gdansk, at a monument to courage and freedom.

Poland is blazing her own path to a better life for all of her people. With every meeting, with every conversation, we have had meaningful discussions about the possibilities and challenges of Poland's unique experiment in reform. I have explained that the United States will respond with specific, appropriate measures designed to encourage future economic and political reform, reform that is crucial to Poland's long-term economic health. But the real work begins now, as Poland joins the community of nations committed to open elections and open markets and the open exchange of ideas.

I add my voice to those of so many around the world who are impressed with Poland's courage and committed to help a great nation fulfill its destiny. Poland's wisdom and strength will be tested. But such a nation, fully engaged in such an enterprise, need only summon the will of her people to succeed. The world watches, confident that they will triumph.

Note: The President spoke at 4:50 p.m. on the tarmac at Gdansk Airport. The remarks as delivered were not released by the Office of the Press Secretary. Following his remarks, the President traveled to Budapest, Hungary.

Remarks at the Welcoming Ceremony in Budapest

July 11, 1989

Thank you, ladies and gentlemen. Thank you very, very much. Thank you, Mr. President. Is somebody going to translate this? I'm going to take this speech, and I'm going to tear it up. You've been out here too long.

Let me just speak to you from the heart, and I'll be brief -- tear that thing up. [Applause] Thank you. You've been standing here long enough. But Barbara and I feel the warmth of this welcome, and the rain doesn't make a darn bit of difference. We feel at home right here in this great capital.

And I salute the leaders of Hungary; I salute the reforms and change that is taking place in this wonderful country. And I want you to know that I am here as President of the United States because we have in our country a special affection and feeling for the people of Hungary. We are delighted to be here. We're only here for 2 nights and 1 day, but I am looking forward to my consultations and my discussions with the leaders of this great country. And I will be bringing them the warm greetings from the American people and the conviction of the people of the United States that we must work with Hungary. We want to work with Hungary to continue the changes and the reforms that are going forward in your great country as of today.

So, thank you very much for this welcome. You'll have to listen to me tomorrow, I'm sure, at some drier time and drier place. But once again, once again, long after this rain is gone, I'm going to remember the warmth of the welcome from the people of Hungary.

Thank you. God bless you, and God bless your great country. Thank you very much. Thank you all.

Note: The President spoke at 7:45 p.m. in Kossuth Square. In his remarks, he referred to Bruno Straub, President of Hungary's Presidential Council.

Toast at the State Dinner in Budapest

July 11, 1989

Well, thank you, sir, for those very warm words of welcome. And I'm delighted to have this opportunity to visit Hungary once again, to see firsthand the remarkable changes taking place here.

We live at a great moment in human affairs, an era when change is shaking the existing order. From Beijing to Budapest, from Tiananmen Square to the long delayed day of healing in Heroes Square less than a month ago, we're witnessing the expression of democratic idea whose appeal is universal, whose impact is worldwide. And here in the heart of central Europe, Hungary is at the center of change. Your nation is involved in an unprecedented experiment: a Communist system seeking to evolve towards a more open economy, towards a more open and pluralistic political system.

No one now denies that reform is the path of the future. In nation after nation, decades of experience have proven beyond any doubt the poverty of an idea: the idea that progress is the product of the state. On the contrary, progress is the product of the people. And state control simply cannot provide sustained economic growth, nor can it provide a regime the political legitimacy it needs to govern. Most of all, the state is in constant conflict with human liberty.

In Hungary today, there is a deepening consensus on the direction that reform must take, on a new model for state and society: in economics, the competitive market; in politics, pluralism and human rights.

The key to economic success is letting the market do its work, and that means an end to inefficient government intervention in the marketplace, an end to the dead weight that drags down overall economic growth. It means factories and enterprises of all kinds playing by the rules of the marketplace, according to the laws of supply and demand -- in other words, rules that work for the individual and the common good.

And economic competition has a parallel in the political sphere. Pluralism is nothing more than an open and honest competition between parties, a competition between points of view. Pluralism is what we in the West call the marketplace of ideas. The open elections that Hungary has promised will mark a great advance and allow your great nation to enjoy the benefits of pluralism. The hopeful process of Helsinki points the way to the enhancement of freedom in central Europe, to a new basis for security and cooperation in all of Europe.

All Hungarians should look to the future with confidence in what Hungary can be. This is only the beginning. I see in Hungary's future a country of hundreds of thousands of small enterprises -- sources of innovation, productivity, and prosperity. And I see in Hungary's future new voices

speaking out, shaping the course of national affairs. I see a Hungary at peace with itself, a Hungary assuming its rightful place as a vital part of an emerging Europe -- a Europe whole and free.

The road ahead will be difficult. There's no denying that. But I believe in Hungary; I believe in her ability to meet and master the challenge: to make reform succeed. The key is Hungary's most precious resource -- her people. Each individual is an infinity of possibilities, and in the capacity of those individual talents lies the future of your nation. So, now let us raise our glasses: To the future of Hungarian reform; to the friendship, the genuine friendship, between the American and the Hungarian people. And thank you for this warm welcome.

Note: The President spoke at 8:50 p.m. in Hunters Hall at the National Parliament Building. In his opening remarks, he referred to Rezso Nyers, Chairman of the Hungarian Socialist Workers Party. The President also referred to Heroes Square, the site where former Hungarian Prime Minister Imre Nagy, leader of the 1956 uprising against Soviet domination, was posthumously honored. Following the dinner, the President and Mrs. Bush went to the Hungarian Government Guest House, their residence during their stay in Budapest.

Nomination of Martin C. Faga To Be an Assistant Secretary of the Air Force

July 11, 1989

The President today announced his intention to nominate Martin C. Faga to be an Assistant Secretary of the Air Force (Space Policy), Department of Defense. He would succeed Tidal W. McCoy.

Mr. Faga served as a research and development officer in the U.S. Air Force from 1963 to 1968, working in the field of infrared reconnaissance equipment and the application of laser technology to reconnaissance. He worked briefly for the Perkin-Elmer Corp. in customer liaison before joining the MITRE Corp. in 1969 as a member of the technical staff working in the field of seismic and magnetic remote sensors. In 1972 Mr. Faga joined the Office of Development and Engineering at the Central Intelligence Agency, where he worked on advanced systems for intelligence collection by technical means. In 1977 Mr. Faga became a member of the professional staff of the Permanent Select Committee on Intelligence of the United States House of Representatives. He was assigned to the Program and Budget Authorization Subcommittee during that time, serving since 1984 as the head of the staff assigned to the subcommittee.

Mr. Faga graduated from Lehigh University with a bachelor's degree in 1963 and a master's degree in 1964. He was born on June 11, 1941, in Bethlehem, PA. Mr. Faga is married, has two children, and currently resides in Virginia.

Nomination of Raymond Charles Ewing To Be United States Ambassador to Ghana

July 11, 1989

The President today announced his intention to nominate Raymond Charles Ewing to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana. He is a career member of the Senior Foreign Service, Class of Minister-Counselor, and he would succeed Stephen R. Lyne.

Mr. Ewing entered the Foreign Service in 1957. From 1958 to 1959, he served as staff assistant to the Assistant Secretary of State for Economic Affairs, followed by an assignment as staff aide at the U.S. Embassy in Tokyo in 1959. He was the political officer at the U.S. Mission to the International Atomic Energy Agency in Vienna, 1962 - 1964, and was then detailed to the U.S. Information Agency and served as executive assistant in Lahore from 1964 to 1966. He returned to the Department of State in 1967 and was an international economist in the trade agreements division. Following a year of graduate study in economics at Harvard University from 1969 to 1970, he was posted to the U.S. Embassy in Rome as economic officer. He was the counselor for economic and commercial affairs, Bern, Switzerland, 1973 - 1975. In 1975 he returned to Washington and served as Special Assistant to the Assistant Secretary of State for European Affairs; Deputy Director, Office of Southern European Affairs, 1976 - 1977; Director, Office of Southern European Affairs, 1977 - 1979; member of the Executive Seminar in National and International Affairs, Foreign Service Institute, 1979 - 1980; and Deputy Assistant Secretary of State for European Affairs, 1980 - 1981. In 1981 Mr. Ewing was appointed Ambassador to Cyprus. From 1985 to 1987, he was the dean of the school of language studies at the Foreign Service Institute; and since 1987 Mr. Ewing has been serving as the Director, Office of Foreign Service Career Development and Assignments, Bureau of Personnel.

Mr. Ewing graduated from Occidental College with an A.B. in 1957 and received his master's degree in public administration from Harvard University in 1970. He was born September 7, 1936, in Cleveland, OH. Mr. Ewing is married, has four children, and currently resides in Virginia.

Continuation of Abraham D. Sofaer as Legal Adviser at the Department of State

July 11, 1989

The President today announced that Abraham D. Sofaer will continue to serve as Legal Adviser at the Department of State.

Since 1979 Judge Sofaer has served as a U.S. District Judge for the Southern District of New York. He served as hearing officer for New York State in an action by the department of environmental conservation from 1975 to 1976. Judge Sofaer served as an Assistant United States Attorney for the Southern District of New York, 1967 - 1969, and as a law clerk to the Honorable William J. Brennan, Jr., of the Supreme Court of the United States, 1966 - 1967.

Judge Sofaer graduated from Yeshiva College (B.A., 1962) and New York University (LL.B., 1965). He served on active duty in the U.S. Air Force, 1956 - 1959. Judge Sofaer was born on May 6, 1938, in Bombay, India. He is married, has four children, and resides in New York.

Appointment of Ronna Romney as a Member of the President's Commission on White House Fellowships, and Designation as Chairman

July 11, 1989

The President today announced his intention to appoint Ronna Romney as a member of the President's Commission on White House Fellowships. She will succeed James B. Stockdale. Upon her appointment Ms. Romney will be designated Chairman.

Ms. Romney is currently a senior partner at the law firm of Honigman Miller Schwartz and Cohn and has served as Chairman of the White House Commission on Presidential Scholars since 1985. She recently served as a Republican National Committeewoman, elected in 1984 and re-elected in 1988. Ms. Romney was also involved in the Bush for President Campaign in 1988 as a member of the national steering committee, and as a Michigan cochairman in charge of finance. In 1986 she was active at the Fund For America's Future, serving as cochairman for Michigan, treasurer for Michigan, and a member of the national finance steering committee. Ms. Romney became the first member of the Republican National Committee in the country to endorse George Bush for President in 1985 and was active in Reagan/Bush '84 as a cochair of finance in Michigan and as a charter member of GO-PAC. In 1982 she was cochairman and head of finance for the Headlee for Governor Campaign. From 1982 to 1985, Ms. Romney also served as Commissioner of the President's National Advisory Council on Adult Education.

Ms. Romney graduated from Stanford University, Michigan State University, and Harvard University. She was born on September 24, 1943, in Detroit, MI. Ms. Romney is married, has five children, and resides in Michigan.

Remarks to Students and Faculty at Karl Marx University in Budapest

July 12, 1989

Mr. President and Mr. Prime Minister and Mrs. Nemeth, ladies and gentlemen, Dr. and Mrs. Csaki, it is a great pleasure for Barbara and me to be back in Budapest. And I am very proud to be the first American President to visit Hungary. Some might find it ironic that I am speaking at a university named after Karl Marx. [Laughter] If you don't find it ironic in Hungary, try it on for size in the United States. But the fact that I am here today is less a cause for surprise than proof that America welcomes the unfettered competition of ideas. And I understand that 50 or so of the faculty from this great university have been as either students or teachers in the United States of America. And that is a very good thing for my country, and I'm glad you came our way.

The university's principal task is to promote a competition -- an unfettered competition of ideas. And that is the spirit that brings us together -- a spirit that guided a great teacher at Karl Marx University whose name was Imre Nagy. As his funeral proceeded in Heroes Square a few weeks ago, the rising voice of Hungary was heard reciting the ``Szozat.'' And in this simple, somber ceremony, the world saw something more than a dignified act, an act of reconciliation: We witnessed an act of truth. It is on this foundation of truth, more solid than stone, that Hungarians have begun to build a new future. A generation waited to honor Imre Nagy's courage; may a hundred generations remember it.

While Hungary rediscovers its natural role in the affairs of Europe, the world again looks to you for inspiration. A popular nonfiction book in my country today is entitled ``Budapest 1900.'' Dr. John Lukacs lovingly describes the Budapest of memory, with its proud stock exchange and great opera, a time when Europe's first electric subway ran underneath the handsome shops of Andrassy Avenue. A city that rivaled Paris in its splendor, Vienna in its music, London in its literature -- a center of learning that enlightened the world and gave America one kind of genius in Joseph Pulitzer, another in Bela Bartok. But for four decades, this great city, this great nation -- so central to the continent in every respect -- has been separated from Europe and the West.

And today Hungary is opening again to the West, becoming a beacon of light in European culture. And I see people in motion -- color, creativity, experimentation. I see a new beginning for Hungary. The very atmosphere of this city, the very atmosphere of Budapest, is electric and alive with optimism. Your people and your leaders -- government and opposition alike -- are not afraid to break with the past, to act in the spirit of truth.

And what better example of this could there be than one simple fact: Karl Marx University has dropped ``Das Kapital'' from its required reading list. Some historians argue that Marxism arose out of a humane impulse. But Karl Marx traced only one thread of human existence and missed

the rest of the tapestry -- the colorful and varied tapestry of humanity. He regarded man as hapless, unable to shape his environment or destiny. But man is not driven by impersonal economic forces; he's not simply an object acted upon by mechanical laws of history. Rather, man is imaginative and inventive. He is artistic, with an innate need to create and enjoy beauty. He is a loving member of a family and a loyal patriot to his people. Man is dynamic, determined to shape his own future.

The creative genius of the Hungarian people, long suppressed, is again flourishing in your schools, your businesses, your churches. And this is more than a fleeting season of freedom; it is Hungary returning to its normal, traditional values. It is Hungary returning home; voices long stilled are being heard again. An independent daily newspaper is now sold on the streets. Commercial radio and television stations will broadcast everything from the news to the music of Stevie Wonder. And Radio Free Europe is opening its first Eastern European bureau right here in Budapest.

Along your border with Austria, the ugly symbol of Europe's division and Hungary's isolation is coming down, as the barbed wire fences are rolled and stacked into bales. For the first time, the Iron Curtain has begun to part. And Hungary, your great country, is leading the way.

The Soviet Union has withdrawn troops, which I also take as a step in overcoming Europe's division. And as those forces leave, let the Soviet leaders know they have everything to gain and nothing to lose or fear from peaceful change. We can -- and I am determined that we will -- work together to move beyond containment, beyond the cold war.

One of the key steps in moving beyond containment is easing the military confrontation in Europe. To this end, the NATO allies joined, at the May summit meeting, in my proposal of a comprehensive conventional arms control initiative, an initiative that would cut the number of tanks, armored troop carriers, artillery, combat aircraft, attack helicopters, as well as United States and Soviet troops stationed on foreign soil in Europe -- all to lower, equal levels. The issues may be complex; but we're working, day and night, to get a solid, historic agreement to strengthen stability in Europe and reduce the risk of war. And we are determined to get it soon.

No, there is no mistaking the fact that we are on the threshold of a new era. And there's also no mistaking the fact that Hungary is at the threshold of great and historic change. You're writing a real constitution, and you're moving toward democratic, multiparty elections. And this is partly possible because brave men and women have formed opposition parties. And this is possible because Hungarian leaders are going to show the ultimate political courage: the courage to submit to the choice of the people in free elections.

But to succeed in reform, you'll need partners -- partners to help promote lasting change in Hungary. And I am here today to offer Hungary the partnership of the United States of America. Three vital spheres stand out in our partnerships: economics, the environment, and democratic

and cultural exchange. The United States believes in the acceleration of productive change, not in its delay. So, this is our guiding principle: The United States will offer assistance not to prop up the status quo but to propel reform.

Of course, the weight of the past still burdens Hungarian enterprise. There are remnants of the Stalinist economy -- huge, inefficient industrial plants and a bewildering price system that is hard for anyone to understand, and the massive subsidies that cloud economic decisions. All of this slows what you could otherwise achieve. It's an economic Rubik's Cone [Cube] that defies solution.

To make the transition to a productive economy will test your mettle as a people. The prices of some commodities may rise. Some inefficient businesses and factories will close. But the Hungarian Government is increasingly leaving the business of running the shops to the shopkeepers, the farms to the farmers. And the creative drive of the people, once unleashed, will create momentum of its own. And this will bring you a greater treasure than simply the riches you create. It'll give each of you control over your own destiny -- a Hungarian destiny. And as I said, the United States will be your partner in this transformation to a successful economy.

Last Thursday at the White House, I invited leaders from business, education, labor, and other fields to come to the White House and discuss the new private sector opportunities opening up in Hungary; and their response was enthusiastic. This was especially true of Hungarian-Americans, so proud to be building a bridge between their new country and their motherland. As long as our two governments ease the way, the people of America and Hungary can do the rest -- the people can do the rest.

And it is in this spirit that I want to announce the following measures. First, as I said in Warsaw, I will propose at the Paris economic summit concerted Western action for Poland and Hungary, to back your reforms with economic and technical assistance from the summit partners. Of course, our efforts for Hungary will be targeted to your needs.

And second, I will ask the United States Congress to authorize a $25 million fund as a source of new capital to invigorate the Hungarian private sector. I'll also encourage parallel efforts from the other nations of the economic summit.

And third, once your Parliament passes the new emigration legislation proposed by your Council of Ministers, I will inform our Congress that Hungary is in full compliance with the Jackson-Vanik amendments to our 1974 trade law. No country has yet been released from the restrictions of this amendment. So, I am pleased to tell you that Hungary will be the first. And this action will give Hungary the most liberal access to the American market for the longest terms possible under our laws.

Fourth, America is prepared to provide your country with access to our Generalized System of

Preferences, which offers selective tariff relief. Simply put, these last two measures will allow you to take advantage of the largest single market in the entire world.

And fifth, we've concluded a draft agreement to authorize the Overseas Private Investment Corporation -- OPIC we call it -- to operate in Hungary. And once our Senate passes the enabling legislation, OPIC will be able to provide insurance to encourage American investment in private enterprises in Hungary. Through OPIC, American business executives will see firsthand the great opportunity of Hungary. Private investment is critical for Hungary. It means jobs, innovation, progress. But most of all, private investment means a brighter future for your children, a brighter future for Hungary.

And yet, economic progress cannot be at the expense of the air we breathe and the water we drink. Six weeks ago, in Mainz, I proposed cooperation between East and West on environmental issues. And that is why I will ask the United States Congress to appropriate $5 million to establish an international environmental center for central and Eastern Europe, to be based right here in Budapest, which will bring together private and government experts and organizations to address the ecological crisis. After all, our shared heritage is the Earth. And the fate of the Earth transcends borders; it isn't just an East-West issue. Hungary has led Eastern and central Europe in addressing the concerns of your citizens for cleaner air and water. And now you can do even more, working with the West to build a bridge of technical and scientific cooperation.

Along these lines, I am also pleased to announce that the United States has proposed an agreement between our two countries to establish scientific and technical cooperation in the basic sciences and in specific areas, including the environment, medicine, and nuclear safety.

It is my hope that this visit will also lead to a wider exchange between East and West so our scientists, our artists, and our environmentalists can learn from one another; so that our soldiers and statesmen can discuss peace; and our students -- God bless them -- can discuss the future.

But to discuss anything requires a common language. The teaching of the English language is one of the most popular American exports. And as students, you know that English is the lingua franca of world business, the key to clinching deals from Hong Kong to Toronto. So, to open the global market to more Hungarians, I am pleased to announce that the Peace Corps will, for the first time, operate in a European country. And our Peace Corps instructors will come to Budapest and all 19 counties to teach English.

And in such exchanges, we want to help you in your quest for a new beginning as a democratic Hungary. So, the United States is also committing more than $6 million to cultural and educational opportunities in Eastern Europe. We will make available funds for a series of major new U.S.-Hungarian exchange programs -- among Congressmen and legislative experts; among labor-business leaders; among legal experts; among community leaders, educators, and young

people.

We are creating dozens of fellowships to enable Hungarians to study at American universities. And we will fund endowed chairs in American studies at your universities, and books -- many thousands of them -- to fill the shelves of your new international management center and the libraries of schools and universities across Hungary. And the United States will also open, within the next several years, an American House in the center of Budapest. Today the celebrated American architect Robert Stern is releasing his design for this center, which will be an open house of books, magazines, and video cassettes -- an open house of ideas.

And so, in conclusion -- in economic reform and democratic change, in cultural and environmental cooperation -- there are great opportunities and great challenges. Hungary has a lot of work ahead, and so do the United States and Hungary, working together to build this better future -- dynamic future.

Your challenge is enormous and historic: to build a structure of political change and decentralized economic enterprise on the ruins of a failed Stalinist system. And given the opportunity to show your characteristic initiative, creativity, and resourcefulness, I believe that the Hungarian people will meet the challenge. You stand on the threshold of a new era of economic development and, yes, political change.

And I believe with all my heart that you are ready to meet the future. I see a country well on the way. I see a country rich in human resources -- rich in the moral courage of its people. I see a nation transcending its past and reaching out to its destiny. I congratulate you for having come so far. And let us be equal to the opportunity that lies before us. Let us have history write of us that we were the generation that made Europe whole and free.

Thank you all. God bless each and every one of you. Thank you very much.

Note: The President spoke at 1:35 p.m. in Aula Hall at the university. In his remarks, he referred to Bruno Straub, President of Hungary's Presidential Council; Prime Minister Miklos Nemeth; Csaba Csaki, rector of the university; and Imre Nagy, former Hungarian Prime Minister and leader of the 1956 uprising against the Soviet Union. Prior to his remarks, the President participated in a discussion with students at the Old Prison on Castle Hill.

White House Fact Sheet on Proposed United States Assistance for Hungary and Poland

July 12, 1989

Hungary has entered a period of dynamic political and economic change. President Bush announced several measures to support Hungary's already considerable efforts to develop private enterprise and a freer political system.

Concerted Western Action

for Hungary and Poland

Proposal

The President is proposing that nations of the Summit Seven intensify their concerted action to support economic reforms based on political pluralism in Hungary and Poland. Complementary efforts by leading industrial democracies will provide a powerful impetus to economic recovery and progress in these nations as they face a turning point. Other interested countries could contribute to this process as well.

Scope

Efforts will involve work with the Hungarian and Polish Governments and with other official and independent organizations in those countries to gather information and provide feedback on issues of mutual concern. Involved governments will also work, as appropriate, with representatives of the International Monetary Fund (IMF), World Bank, European Communities Commission, and other multilateral and private sector institutions.

Specific issues addressed could include:

Needed economic reforms;

Timing and conditions for new credits; and

Concrete support for privatization and private business, environmental projects, management and training initiatives, social safety nets to accompany restructuring, housing, etc.

These efforts would not undercut or replace existing institutions such as the World Bank, Paris Club, or IMF.

Next Steps

The President will discuss this proposal in Paris with the leaders of the other Summit Seven nations: the United Kingdom, the Federal Republic of Germany, France, Japan, Italy, and Canada.

Hungarian-American Enterprise Fund

Proposal

Hungary has taken a number of steps to enlarge its private sector which can produce wealth that will benefit the entire Nation. At the President's initiative, the United States and Hungary will jointly establish a Hungarian-American Enterprise Fund. The President is asking Congress to provide $25 million for this initiative.

Purpose

The Fund will support the development of the growing private sector in Hungary. It will be empowered to disburse hard currency loans or venture capital grants for approved projects, including:

Private sector development (business loans/grants, possible establishment of a private sector development bank);

Privatization of state firms (e.g., provide funding for entrepreneurs to buy into state firms);

Technical assistance or training programs in support of or run by Hungary's private sector;

Funding of export projects partly or wholly private; and

Joint ventures between private Hungarian and American investors (e.g., encourage participation of private Hungarian firms in joint ventures).

Hungary: Most-Favored-Nation Status

Proposal

The President has announced that upon enactment of the new law on emigration by the Hungarian Parliament, he will inform the Congress that Hungary is in full compliance with the Jackson-Vanik amendment to the 1974 Trade Act. Hungary will be eligible to receive most-favored-nation (MFN) status for the maximum period allowable under our legislation, without

any need of annual waivers.

A Regional Environmental Center

Located in Budapest

Proposal

The President has proposed the establishment of a $5 million regional environmental center located in Budapest. This is a substantive followup to the President's initiative in Mainz to help Eastern and central Europe overcome its environmental problems.

Purpose

The center will provide a facility for cooperative research and activities between governmental and nongovernmental experts and public interest groups from the United States, Western Europe, and Eastern Europe concerned with the environment, including energy and nuclear safety.

Scope

The center would be an independent organization supported by both private and governmental funds. It would focus on developing the broadest human resource base for comprehensive environmental improvement and protection activities in the region.

The center would facilitate loans of lab equipment and organize workshops and other exchanges.

Specific emphasis would be placed on transboundary pollution problems, toxic waste disposal, alternative sources of nonpolluting energy, and promotion of nuclear safety technology and practices.

Although located in or near Budapest, the center's objective would be to attract funding and direct participation by both governmental and private entities and groups from East and West.

Exchanges With East-Central Europe

Proposal

The President has called for expanded and imaginative exchange initiatives. The U.S. Information Agency will allocate up to $6.1 million from 1990 resources in order to implement this new initiative to strengthen the trends toward democratic values and institutions through

significantly expanded academic, cultural, and people-to-people contacts.

The principal emphasis of this initiative will be in Hungary and Poland, but other countries in the region will also be involved. Hundreds will participate in the new government-sponsored exchanges in both directions over the next year.

The initiative has the following elements:

Political, Social, and Legal Institutions

The John Marshall Study Program in the Rule of Law. Visits to the United States by more than 50 legal scholars, judicial and parliamentary officials to examine the U.S. jurisprudence and legislative system;

Visits by congressional experts to consult with new democratic legislatures in Hungary and Poland;

Consultations for representatives of East-Central European political parties with U.S. party organizations to learn the mechanics of democratic electoral politics;

Samuel Gompers Labor Leader Exchanges. Travel and study programs for trade unionists in the United States;

Translation and distribution of up to 100,000 books, magazines, and videocassettes in local languages on the U.S. political and economic system;

Placement of U.S. specialists in law and public administration at East-Central European academic institutions; and

Visits to the United States by East-Central European ``future leaders'' under the age of 30. Approximately 100 participants are projected for this program.

Free Market Initiative

Alexander Hamilton Fellowships in Management. Internships, educational and training programs for at least 50 entrepreneurs and enterprise managers.

Consulting visits by U.S. executives and management specialists to advise private and cooperative enterprises.

Support of management training programs and institutes through U.S. instructors, curriculum

materials, and short-term seminars. Hundreds of East-Central European management specialists would benefit from this expanded effort.

Educational and Youth Exchange

Establishment of Noah Webster Chairs in American Language and Literature at central and Eastern European universities.

Citizen Exchange Initiative. Assistance to the U.S. private sector in developing youth and other people-to-people exchange activities in Eastern and central Europe. Several hundred American and European citizens would be involved in this intensified two-way exchange initiative.

Environmental Protection and Cultural Preservation

Two-day exchanges with specialists in the fields of environmental protection and cultural preservation.

Science and Technology (S&T)

Agreement With Hungary

Scope

The President has announced the U.S. intention to conclude an umbrella S&T agreement with Hungary. We envision a broad program of scientific and technological cooperation in such areas of joint interest and expertise as basic sciences, the environment, agriculture, medicine, energy, geology, and nuclear safety.

Purpose

The agreement would develop and implement high-quality cooperative research programs.

S&T cooperation recognizes Hungary's first-rate scientific establishment.

The agreement also complements the President's Eastern European environmental initiative by coordinating research activities, providing core funds, and encouraging contacts in the environmental area.

Next Steps

We expect to send a technical delegation to Hungary shortly to negotiate the final terms of the

agreement and work out detailed arrangements for funding.

Funding

Annual contributions of approximately $1 million or the equivalent in Hungarian currency from each side would implement the agreement.

The United States can expect reasonable and tangible returns that far exceed U.S. costs because such core money often returns much larger dividends in terms of scientific innovations and by stimulating additional funding by participating technical agencies.

This program will complement other existing and valuable U.S. S&T programs with Poland and Yugoslavia.

United States Peace Corps/Hungary

The Program

The United States and the Government of Hungary have agreed in principle to establish a Peace Corps program centered on assisting Hungarian efforts to develop and expand English language teaching.

The Peace Corps entry into Hungary represents a new era for American volunteers serving overseas. The Hungarian program, which could begin as early as the fall of 1989 with training for assignment in early 1990, eventually will involve teaching English in Budapest and all 19 of the country's counties.

The Volunteers

There are now nearly 6,000 volunteers and trainees in 65 nations in the Americas, Africa, Asia, and the Pacific. Hungary will be the first European country where U.S. volunteers are assigned.

Around the world, these Peace Corps volunteers offer skills in a wide variety of programs (e.g., maternal and child health, family nutrition, freshwater fisheries, agriculture extension, teacher training, small business consulting, public administration, natural resource development, energy, engineering, and industrial arts).

A volunteer must be a U.S. citizen at least 18 years old. There is no upper age limit, and currently, nearly 500 volunteers are over 50.

Training

All volunteers will receive language and cultural training within Hungary before being assigned to schools. Strong emphasis will be placed on learning Hungarian. Cultural studies include Hungary's history, customs, and social and political systems.

Note: This is an excerpt of a White House fact sheet released by the Office of the Press Secretary.

White House Fact Sheet on the Proposal to Reduce Conventional Forces in Europe

July 12, 1989

On July 13, at the Conventional Forces in Europe (CFE) Negotiations in Vienna, the NATO allies will table the specifics of their conventional force reduction proposal, based on the initiative President Bush put forward at the NATO summit. In formally tabling the President's proposal in Vienna, NATO is advancing the CFE process by providing the Warsaw Pact with details 2 months before the original Western target of September 7. This will allow the East to begin immediate examination of these details and hopefully allow the East to respond formally when the negotiations resume in Vienna in September.

At the May 29 - 30 NATO summit meeting, the alliance agreed on a far-reaching conventional arms control proposal which has now been incorporated into the NATO CFE proposal. It has the following elements:

To lock in Eastern acceptance of the proposed Western limits on tanks (20,000 for each side) and armored troop carriers (28,000 for each side) and artillery pieces (from 16,500 to 24,000 for each side, depending on the resolution of questions about definitions). Equipment reduced would be destroyed. This provision would oblige the East to destroy tens of thousands of weapon systems and eliminate its preponderance in these important components of military strength.

That the West expand its current proposal to extend, for the first time, the concept of conventional arms control to all land-based combat aircraft and helicopters in the Atlantic-to-the-Urals (ATTU) area to a level 15 percent below the current NATO total.

To establish a manpower ceiling of 275,000 each on U.S. and Soviet ground and air forces stationed outside of their respective national territory in the ATTU zone. The United States would take a 20-percent cut in combat manpower in U.S.-stationed forces, with a resulting ceiling in U.S. and Soviet ground and air forces stationed outside of national territory in the Atlantic-to-the-Urals zone of approximately 275,000 each. This manpower ceiling will require the Soviets to reduce their forces in Eastern Europe by about 325,000. The soldiers and air personnel withdrawn on both sides would be demobilized.

The updated NATO proposal to be tabled on July 13 will in addition state that in the case of combat aircraft each side would have no more than 5,700 aircraft. In the case of combat helicopters, each side would have no more than 1,900 helicopters.

NATO is proposing an accelerated timetable for reaching and implementing a CFE agreement along the above lines. The allies would like to reach an agreement within 6 to 12 months and

accomplish the reductions by 1992 or 1993. By tabling details of the Western proposal now, the allies demonstrate their commitment to giving greater momentum to the CFE negotiations.

Remarks at the Departure Ceremony in Budapest

July 13, 1989

Thank you, Mr. President. To distinguished leaders -- Mr. Nyers, Mr. Grosz, Mr. Nemeth, and others that came to see us off -- my profound thanks for the warmth of the hospitality to Barbara and me.

I was the first Vice President of the United States to visit your country 6 years ago, but now I'm especially honored to be the first American President to come to this beautiful land. During the past 2 days, we've met with Hungarians from every walk of life. I saw many thousand wet Hungarians turning out there at Kossuth Square, that square a reminder of the sacrifices of Hungary's past. And at Parliament, I met with the political leaders of the present -- leaders who have the courage to call for an historic election. And at Karl Marx University, I saw the hopeful face of Hungary's future and announced a series of American actions to engage my country more deeply in the future. But throughout, at every single event, I felt a deepening of the friendship between the American and Hungarian people.

In just a moment we're going to leave for Paris for an economic summit with Western leaders. And this will be an historic moment for Europe, for the nations of the economic community are moving steadily toward economic integration in 1992. And this should mean more than just a vast trade opportunity for Hungary. As your economy modernizes, you will play an even greater role in the evolution of a new Europe, a Europe that is whole and free.

While in Paris, we shall also celebrate the independence of that nation and the Declaration of the Rights of Man. But these rights are not French, nor are they American. You are proving here in the heartland of Europe that the rights of man are the proper birthright of us all. Thank you for a wonderful visit, for an unforgettably warm welcome. God bless you, and God bless Hungary.

Note: President Bush spoke at 8:45 a.m. at Budapest Airport. In his opening remarks, he referred to Bruno Straub, President of the Presidential Council; Rezso Nyers and Karoly Grosz, Chairman and General Secretary of the Hungarian Socialist Workers' Party, respectively; and Prime Minister Miklos Nemeth. Following his remarks, President Bush traveled to Paris, France.

Interview With Members of the White House Press Corps

July 13, 1989

Trip to Poland and Hungary

Q. You had a whole complement of jogging -- --

The President. I know it. They told me that one of -- the girl on my right that -- pretty looking -- she claims to be the 250th in the world in tennis. And she's struggling and trying to -- it's so wonderful -- practices 8 hours every day. And she's a pretty -- --

Q. -- -- on red clay?

The President. Yes, on that -- on red clay over there, yes. And then the kids are in a -- they train for what they call their national games or something there. The one that spoke the English, her dad was a coach in Kuwait. And she learned her English over there, and she's a high-jumper. But anyway, it was fun. It was -- --

Q. -- -- a good mood?

The President. Good mood. This visit to Hungary -- well, Poland also -- but both of them were very, very moving. And I just come away with this real acute sense now of the change that's taking place in Eastern Europe and a determination to play a constructive role in that change. The meetings with these Hungarian leaders -- the most recent visit -- were very good, very frank.

I've been to, what, 77, 79 countries, or something, as Vice President; and these talks were more than just diplomatic. I mean, you didn't rely on the printed card, and they didn't. I mean, they spoke right from the heart. They said what they thought; they made clear the difficulties that they were facing. And I tried to do the same thing. There was something very special and warm and personal about the meetings in both Poland and Hungary.

Q. Do you think you made a difference?

Q. I realize it wouldn't have been diplomatic for any of those leaders to say so, but did you hear any complaints in either place about the sufficiency of the packages you brought?

The President. No, and I think you're right: There may be a reason that they wouldn't say so. But I heard none at all, not one. And in fact, Walesa [Solidarity leader], who had been reported to be asking for $10 billion, moved off of that and said that what they wanted were more banks to

come in that would loan those kinds of money.

There was a paper written by a Solidarnosc economist that had the figure of $10 billion and had broken it down into x-number of dollars from the World Bank, x from the IMF, x -- and it added up to $10 billion. But there was no pressure of that nature, and then I see that subsequently Walesa was in the paper today or yesterday saying that there had not been a disappointment.

But I think they understand that we are restricted in what we can do in terms of aid, or dollars of support, for some very worthy project. The thing that's impressive is the determination on the part of all these leaders to move towards economic freedom and political freedom.

It was so clear in Poland. General Jaruzelski [Chairman of the Polish Council of State] -- who has had an image in the States earlier on that was not a very favorable one -- is really out front in the reforms. And conversations were very warm and very frank with him. We'd talk about differences, but we'd also talk about common objectives. And he went out of his way to be hospitable. And then the same thing on the -- what you'd call the private sector side -- Lech Welesa down there.

And the same was true here; we met with the leaders and then, again, the opposition. And then they were all together at a reception. It's -- change is absolutely amazing that's taking place in Eastern Europe.

Q. Do you think that you've made a difference?

The President. Yes, I do.

Q. What do you think that was?

The President. Well, I think the very fact that they can sit and talk to an American President in a reasonable way and I could tell them what I thought we would be able to do, how much we shared their desire for change -- I think was fruitful to them. And I think they saw the friendship and respect for the United States from their people -- the crowds on the street and the -- any time there was interaction with the people it was dramatic. And I'm sure that makes a difference to the leaders. I think it shores up their desire for change because I think it shows all of us the genuine affection for the United States that exists in these countries and, I would say, in the rest of Eastern Europe, too, although I can't speak as authoritatively. I've been to -- --

Polish Political and Economic Reforms

Q. Is Poland going to get a government soon?

The President. I don't know, Helen [Helen Thomas, United Press International], I don't know. I

would say yes, but I can't predict who the President's going to be.

Q. Did Walesa seem concerned?

The President. We discussed that very openly, but it's just something -- I can't predict the outcome.

Q. -- -- holding them up?

The President. Well, I think it takes some time after their elections for the Parliament, and I think that they're now trying to sort out, in an arrangement, who to support for President. And you've got several different options. But that's their business; that's the internal affair of Poland, and I ought not to try to get involved in that.

Q. Did Walesa express any concerns about calling upon workers to make the kind of sacrifices required? Because that's another problem area.

The President. He didn't express concern about that, but I had an opportunity to make clear in private that -- and publicly -- that reforms were essential. There's no point going there under false colors and to try to have everything sweetness and light -- as a message that -- but it isn't going to be easy. But that's part of the message. The rest of it is that change is in the winds, and I sense it so much more clearly from having been there.

Q. Do you feel the general -- I mean, you could see a man almost totally resigned -- --

The President. Did I feel what?

Q. Don't you feel that the general sees something besides the inevitable? I mean, he seems to have given up.

The President. I don't think it's a question of resignation. You see, as you see change take place in the Soviet Union, this opens the way for change -- vital change, vibrant change -- in the rest of Eastern Europe. And so, I didn't sense a dejection on his part; I sensed somewhat of an upbeat feeling that, yes, that these changes were possible now. And I certainly sense that in Hungary.

Q. -- -- odd man out?

The President. Well, let's wait and see.

Eastern European Reforms

Q. Do you think your opinions may have encouraged reform in some of the other countries, such as, maybe, Romania or Czechoslovakia or East Germany, or might there be a backlash -- --

The President. Well, you want to be careful not to conduct yourself in such a way as to encourage a backlash. But I would think that this visit in the neighborhood would be watched by countries where economic and political change are lagging behind Poland and lagging behind Hungary. That isn't true of the Soviet Union, and it isn't true of Yugoslavia. But there are other countries that are probably watching and wondering. I am firmly convinced that this wave of freedom, if you will, is the wave of the future. And I would expect that this visit has been watched by the people of other Eastern European countries and, hopefully, giving encouragement to those who want to go the path of reform -- political change, economic change -- that these other countries are now following.

Q. Do you think they'll feel that talk is cheap from the United States, and what about a little more aid to encourage their reform movement?

The President. I didn't sense that. That was their early question, and I didn't sense it. I expect everybody would like to have as much aid as everybody possibly can attract. But when you're tying your position into economic reform and incentive and ownership and private sector and entrepreneurship, it seems to have at least negated the public cry or diminished the public cry for more funds. I just did not encounter that. In fact, a couple of them -- and I'll leave their names out of it -- said: ``We didn't expect you to come here with a bag full of money'' was the way they put it.

Q. Are you going to tell the summit leaders that communism is dead?

The President. No. I'm going to tell them that there is dynamic change taking place in Eastern Europe, and I expect each one of them will want to tell me about their experiences with that. But I want to be sure that they know of our commitment to foster this change in a prudent way.

Paris Economic Summit

Q. [Inaudible]

The President. I haven't set up any yardsticks for that, Brit [Brit Hume, ABC News]. I don't think that there is a way to measure success at an economic summit. I mean, this isn't a summit where there is one major problem to be solved. There are problems on the agenda, but I expect at the conclusion of the meeting you'll see seven countries in harmony, pulling together on matters like the environment and, you know, the economies of the various countries, and trade. All these are contentious matters bilaterally, but I think we can reach common understanding. So, maybe that would be the yardstick.

Q. -- -- Gorbachev to what's going on in Eastern Europe -- approach seems to be -- development in Eastern Europe and that you are a partner, but a limited partner. Isn't it Gorbachev's revolutionary approach to the East-West relationship that has given these people license to move forward? Isn't he glad they're moving forward?

The President. I would think so, and maybe you missed what I said about Poland and giving them the flexibility to move forward. So, no, I would certainly say, and I mentioned four countries -- one of them was the Soviet Union. I don't think you were here when I started talking about that. So, we're very pleased to see the perestroika. And let me repeat for the umpteenth time: I want to see it succeed.

Q. When are you going to tell him that personally?

The President. I don't know.

Q. This year? Geneva?

The President. No plans for that right now.

Q. Do you think it would be useful?

The President. I don't think there is any misunderstanding on his part about the position of the United States in terms of his reforms. I think maybe if there is ever any doubt about it those doubts have been dispelled; and if there was any recent doubts about it, those doubts will be dispelled by his friends in Poland and in Hungary because I made very clear to them that, you know, we're not there to poke a stick in the eye of Mr. Gorbachev. Just the opposite -- to encourage the very kind of reforms that he is championing and more reforms.

Conventional Arms Reductions in Europe

Q. -- -- convinced that he understands what you're doing?

The President. Because there are so many contacts with him and because some of these leaders told me that. And they told me that in terms of our approach to arms also. There has been some suggestion we were dragging our feet on arms control, which is pure nonsense. And I'm convinced from talking to these people that Gorbachev knows that we're serious. Indeed, we have an opportunity now to encourage him to move along faster on conventional force reductions. The idea that some Soviet spokesman yesterday says they can't meet these timetables -- I don't want to believe that that's Mr. Gorbachev speaking. And I'm not going to believe it until I hear from him or until I hear authoritatively that that's who it is.

Q. Should we not believe Marlin?

The President. You can believe Marlin, yes, because he speaks with great authority. But this guy was not a -- I don't think it was a press spokesman. It was a -- --

Q. It was a lieutenant general that -- --

The President. Yes, a lieutenant general.

Q. -- -- political general.

General Scowcroft. He's their arms control guy.

The President. He's a couple of beats behind the pace here, because I don't think Gorbachev wants to slow down an agreement on conventional arms. If he does, he's wrong on that. But I don't believe he does. I think he wants to move forward there and on the strategic arms talks, and so do we.

Eastern European Reforms

Q. From your conversation, did you get any sense of what the bottom line is in Eastern Europe as far as political change? I mean, what are the two or three points that you can't cross?

The President. No, there doesn't seem to be a bottom line, because when you go to open, free, fair elections, who knows what's going to happen? Take a look at Hungary -- I mean at Poland. Take a look at those Polish elections. So, the change is so rapid and so devastating to old ways that I don't think you can put a bottom line on the thing.

Q. Perhaps Gorbachev is also looking at the elections?

The President. Probably looking at the elections at home, and that is a good thing. I tell you, the excitement of all this, you just feel it in talking to the leaders and feel it from the people.

Q. -- -- specific with both leaders -- that further economic reform -- for example, did you discuss with them the sale of state-owned business or getting private enterprise to the people in both Poland and Hungary?

The President. Yes, both, but in varying degrees of detail. Of course, Lech Walesa -- that was his whole thrust: privatization. And the talks with Mr. Jaruzelski -- we got into that. Mainly we were talking about joint ventures and partnerships, but also I had the opportunity to emphasize our conviction that state ownership is less productive than private ownership. And similarly, in a couple of the meetings -- maybe we did in all -- but in a couple of the meetings yesterday there

was discussion of privatization. No resistance, incidentally, it seemed like, in Hungary. But we had a very frank discussion about what percentage of their gross national product was in government and what in private sector, and Hungary still has a long way to go until it achieves privatization.

Q. -- -- any Communists or are they all, essentially -- they're all democratic, pluralistic -- --

The President. I met people that are caught up in this wave of historic change.

Q. What about -- --

Q. Are they changing their whole philosophy? They are Communists, aren't they?

The President. You asked whether one of the leaders made a big distinction between a Communist and a Socialist. And one of them pointed out that European socialism could well be the model of the future as opposed to the socialism that we equate with communism.

Q. What about the austerity side of this? Did you get into -- 2 years ago, the Poles would not get the votes they needed, and then you talk about belt-tightening. But did they talk to you about what they would do? And do you have any qualms that this might backfire -- that if these supports are removed, the Poles may not get the candy they need to keep supporting the system?

The President. I had some feeling after some of the talks that the reforms that would be required would be very difficult for them. That's not universal, but it did come up.

Soviet-U.S. Relations

Q. -- -- in any way communicate that to Gorbachev?

The President. No, except indirectly saying please tell Mr. Gorbachev this, that, or the other.

Q. Would you have any plans to contact him -- --

The President. Well, we have regularized contacts with the Soviet Union now, and we will continue on those. But there could be occasion to do that.

Polish Political and Economic Reforms

Q. Did Lech Walesa tell you about the powder-keg situation in Poland, as he told TV interviewers?

The President. Well, as I said, some of the interlocutors made clear that the kinds of reforms that are going to have to be taken will not be easy. It wasn't put in the context of powder keg.

Q. [Inaudible]

The President. Well, I think we spelled out some broad parameters: privatization, openness, free elections. And that's just the American way, that's just our belief as to what works. And to the degree those things take place, why, we will be able to do more.

Q. [Inaudible]

The President. Walesa? Yes. I'd met him before, and it's funny how you just meet one time and it establishes a certain personal warmth there.

Eastern European Reforms

Q. Mr. President, you talked about the changes, and you used the word ``amazing.'' Were you surprised by the things you saw?

The President. Not textbook surprised, but surprised at the feeling: the feeling and the emotion of it all and the frankness with which the leaders -- in Hungary particularly; well, and also Jaruzelski and Walesa -- talked about the change. I mean it was with emotion, and it wasn't your traditional ``I'll read my cards, and you read your cards'' kind of diplomacy. It was very special in that regard. There's an intensity to it, a fervor to it that moved me very much.

Q. [Inaudible]

The President. You mean like in Eastern Europe? Well, I think without the change in the Soviet Union it would have been highly unlikely that Eastern Europe would be achieving the kinds of changes or aspiring to the kinds of changes that it is aspiring to.

Q. [Inaudible]

The President. Oh, I don't know. I don't ever look for disputes, I look for calming the troubled waters. You know that.

Q. [Inaudible]

The President. I don't know that either.

Upcoming Presidential Trips

Q. [Inaudible]

The President. Well, I want to go to Africa, but there's no doubt -- I wouldn't say that would be the next, would you?

Eastern European Reforms

Q. -- -- keep this policy alive?

The President. I don't think it's the U.S. role to keep the change alive. I mean, I think this is something that's the business of the Poles and of the Hungarians. This is their business; this is their life, their country. I think it would be rather arrogant to suggest that it's the United States that has the sole responsibility. That's not your question. But it, to the degree we can encourage change without intervention in the internal affairs -- why, I'm all for that. But that's not our role. This is too fundamental: The people's aspiration for liberty and for free choice is too fundamental. And they can look to our system, look to our country, as a beacon for all these good values. But it's not our role to go in and dictate to any of these countries how they're going to run their business.

Arrival Ceremony in Budapest

Q. -- -- tore up that -- --

The President. I know that struck you the most about it, because you didn't have to stand out in the rain.

Q. He said they liked that.

The President. Did they really? Well, I mean, I had plenty of opportunity to pay my formal respects, which, in essence, was what that was about. And those people had been standing there a long time. I told them the next day -- one of the leaders was very complimentary of that. And I said it reminds me of an old adage that the United States -- the speech that you do not -- that was the one in the rain.

Israel-U.S. Relations

Q. Who are you going to send to Israel as an emissary?

The President. Well, there isn't any emissary going from the President of the United States. There's no determination of that at this point.

Q. -- -- a chance to talk at the Wallenberg Memorial. Have you had any contact at all with the Soviets on that question?

The President. Well, we chose to stop there because Wallenberg is a great international symbol of human rights. And I don't know -- what do you mean about contact about -- --

Q. I mean, it's a constant issue that U.S. officials are regularly asking of the Soviets -- --

The President. I have not personally asked of the Soviets that.

Q. Are you saying that the Secretary of State might send an emissary?

The President. Well, I'm saying that we have people go to Israel all the time and to other countries in the area. But when you say, ``Who am I sending as an emissary?'' -- I was putting that in the context of past high-level shuttle diplomats or something of that nature, and there are no plans for that. I reserve the right to send people anytime I think it's in the interest of the United States, but there are no plans for that kind of level -- diplomacy.

Q. Why is the U.S. making -- --

The President. But if somebody felt it was worthwhile, somebody over there would welcome a special emissary from the President, I'd be very openminded about that. But there are no plans. You asked me whether there are plans.

Q. -- -- find out what's going in terms of -- --

The President. We've got a very able Ambassador over there who knows a great deal about what's going on and has excellent contacts with the Government.

Q. What do you think is going on over there? [Prime Minister] Shamir has simply restated what his position has been all along. Why is the U.S. so shook up over this?

The President. I don't know that the U.S. is so shook up, but they know the United States policy. And the United States policy on settlements, for example, has not changed, and it is not going to change. And so, we might as well be frank with our friends, because that's what friendship is about. And so, I want to see things go forward in terms of the peace process over there, and we want to see the election process go forward. And if anybody can make a case for me that the recent deliberations in that party will enhance the election process, then I'd say, Great! But I'm afraid other people are looking at it, saying, ``What's happened does not enhance the possibilities of election.'' So, the U.S. policy is set. And I'm the President of the United States, and Israel is a friend and will remain a friend, but I have to say what our policy is -- and so, I don't think there's great heartburn here, but I want to just continue to articulate what we believe.

Q. -- -- Shamir said -- what should be important from the very start -- so I'm trying to figure out why the United States is so distressed.

The President. I'm not so distressed. I'm the President of the United States.

Q. I mean State Department.

The President. Well, you go ahead and talk to the State Department about that. You're talking to the President. I set the policy, after a lot of input from the State Department, and I want the U.S. policy to succeed. We've thought out very carefully what we think is best, and our support is for our principles. And they've got great difficulties inside of Israel. I understand that. I understand the political pressures. But I can't be varying U.S. policy every day to accommodate political change. I'm not going to do that.

Q. How about the Palestinian -- --

The President. Keep encouraging them to do what they ought to do: to participate in this election process -- absolutely -- and deplore the kind of violence that we see when a bus is carried over a cliff and carrying a lot of innocent people to their death, or innocent people getting killed in other ways -- on both sides. I mean we have to stand for something. And I'm going to continue to try to do that.

Q. When did you first decide you were President? When did it hit you?

Mr. Fitzwater. That sounds like an essay question to me. [Laughter]

The President. I don't know. But I'm deciding more and more that I am. Experience never hurt anybody, did it? Experience doesn't hurt. Thank you all.

Note: The interview took place aboard Air Force One en route to Paris, France. Brent Scowcroft was Assistant to the President for National Security Affairs, and Marlin Fitzwater was Press Secretary to the President. A tape was not available for verification of the contents of the interview.

Statement by Press Secretary Fitzwater on the Nitrogen Oxides Protocol to the Convention on Long-Range Transboundary Air Pollution

July 14, 1989

Yesterday the United States formally accepted the Nitrogen Oxides (NOx) protocol to the Convention on Long-Range Transboundary Air Pollution (LRTAP) by depositing its instrument of acceptance with the Secretary-General of the United Nations. This protocol is fully consistent with the goals set out by the President in his proposals for the Clean Air Act.

The LRTAP Convention was adopted in 1979, under the auspices of the United Nations Economic Commission for Europe (ECE). The ECE includes the United States, Canada, and the countries of Western and Eastern Europe, including the Soviet Union. The NOx protocol was signed last November by 25 ECE nations, including the United States. The United States is the third country to formally accept the agreement. When ratified by 16 nations, the protocol will require most participating countries to freeze NOx emissions or their transboundary flows at 1987 levels by the beginning of 1995.

The protocol allows nations such as the United States, which had already begun a NOx reduction program before the negotiations began, to use a different base year if they choose. The United States indicated at the time of signing that it would use 1978 as its base year. NOx emissions in the United States were 21.1 million metric tons (mmt) in 1978.

Joint Statement by the President and Prime Minister Sosuke Uno of Japan on Economic Issues

July 14, 1989

President Bush and Prime Minister Uno reviewed a range of bilateral and multilateral economic issues of mutual interest. They reaffirmed their commitment to work closely together to promote continued economic growth with low inflation, expansion of international trade and further reductions in current account imbalances. In this connection, they reaffirmed their commitment to economic policy coordination and noted the progress that had been achieved within this framework toward the above objectives.

In addition, President Bush and Prime Minister Uno agreed to complement the ongoing efforts by launching a new initiative. They agreed on a U.S.-Japan Structural Impediments Initiative to identify and solve structural problems in both countries that stand as impediments to trade and balance of payments adjustment with the goal of contributing to the reduction of payments imbalances. They agreed to establish a joint interagency working group to undertake these talks. The President and the Prime Minister have appointed tri-chairmen who will chair these meetings, which will be held at the sub-Cabinet level. These talks will take place outside Section 301 of the U.S. Trade Act. The bilateral working group will present a joint final report to the heads of government within a year, with an interim assessment to be made in the Spring of 1990.

Nomination of Allen B. Clark, Jr., To Be an Assistant Secretary of Veterans Affairs

July 14, 1989

The President today announced his intention to nominate Allen B. Clark, Jr., to be an Assistant Secretary of Veterans Affairs. This is a new position.

Since 1983 Mr. Clark has served as cofounder and president of Clark Preston, Inc., a real estate firm in Austin, TX. In addition, he has served as a real estate marketing consultant at NCNB Texas National Bank, 1987 - 1989. Prior to this, he served as president of Pressure Coring, Inc., 1981 - 1983, and as assistant to the president of Thomas D. Coffman, Inc., 1981 - 1983. He was special assistant to Gov. William Clements, Jr., of Texas, 1978 - 1981. Mr. Clark also served as portfolio manager of the Republic National Bank in Dallas, TX, 1970 - 1978.

Mr. Clark graduated from West Point (B.S., 1963) and Southern Methodist University (M.B.A., 1970). He served in the U.S. Army until 1968. He was born June 20, 1942, in McAllen, TX. He is married, has two children, and resides in Austin, TX.

Nomination of Anne Newman Foreman To Be Under Secretary of the Air Force

July 14, 1989

The President today announced his intention to nominate Anne Newman Foreman to be Under Secretary of the Air Force. She would succeed James F. McGovern.

Ms. Foreman is currently the General Counsel of the Air Force, and she has served in this capacity since 1987. Prior to this, Ms. Foreman joined the White House staff in 1985 and became Associate Director of Presidential Personnel for National Security. From 1979 to 1985, she was an attorney with the Houston-based law firm of Bracewell and Patterson. Prior to graduation from law school, Ms. Foreman was a clerk with the British solicitors Boodle, Hatfield Co., in London. With the U.S. Foreign Service, she served as a political officer to U.S. Embassies in Beirut, Lebanon, and Tunis, Tunisia, from 1973 to 1976, and as an economic officer to the U.S. Mission to the United Nations until 1977. She was a member of the U.S. delegation to the 31st session of the United Nations General Assembly and to the 60th session of the United Nations Economic and Social Council.

Ms. Foreman received a bachelor of arts degree in 1969 and a master of arts degree in 1975, both from the University of Southern California. She received her law degree from the American University's Washington College of Law in 1980. Ms. Foreman was born October 16, 1947, in Hollywood, CA. She is married, has two children, and resides in Potomac, MD.

Nomination of Herbert D. Kleber To Be a Deputy Director of the Office of National Drug Control Policy

July 14, 1989

The President today announced his intention to nominate Herbert D. Kleber to be Deputy Director for Demand Reduction, Office of National Drug Control Policy. This is a new position.

Dr. Kleber currently serves as professor of psychiatry, Yale University School of Medicine; director, substance abuse treatment unit, the Connecticut Mental Health Center; chief executive officer, APT Foundation, Inc.; director, NIDA clinical research center for treatment of opioid and cocaine abuse at Yale; and director, research training fellowship program in substance abuse. Prior to this, Dr. Kleber was associate professor of psychiatry, 1970 - 1975, and assistant professor of psychiatry, 1966 - 1970, at Yale University School of Medicine. He was director and founder of the drug dependence unit at the Connecticut Mental Health Center, 1968 - 1975, and executive director of the psychiatry emergency room service at Yale-New Haven Hospital, 1967 - 1968. Dr. Kleber also served as the outpatient and admissions coordinator at the Connecticut Mental Health Center, 1967 - 1968. From 1966 to 1967, he was the assistant chief of the Hill-West Haven division at the Connecticut Mental Health Center.

Dr. Kleber graduated from Dartmouth College (B.A., 1956) and Jefferson Medical College (M.D., 1960). He completed a rotating internship at Health Center Hospitals of the University of Pittsburgh, 1960 - 1961, and his psychiatric residency was served at Yale University School of Medicine, 1961 - 1964. Dr. Kleber was born June 19, 1934, in Pittsburgh, PA. He currently resides in Connecticut.

Nomination of Thomas C. Dawson II To Be United States Executive Director of the International Monetary Fund

July 14, 1989

The President today announced his intention to nominate Thomas C. Dawson II to be United States Executive Director of the International Monetary Fund for a term of 2 years. He would succeed Charles H. Dallara.

Since 1987 Mr. Dawson has been executive vice president of Regdon Associates in Alexandria, VA. Prior to that he was Deputy Assistant to the President and Executive Assistant to the Chief of Staff at the White House, 1985 - 1987. Mr. Dawson was Assistant Secretary for Business and Consumer Affairs at the Department of the Treasury, 1984 - 1985, and Deputy Assistant Secretary for Developing Nations at the Department of the Treasury, 1981 - 1984. He was an associate at McKinsey and Co. in Washington, DC, 1978 - 1981, and served in the Foreign Service of the United States, 1971 - 1976.

Mr. Dawson graduated from Stanford University (A.B., 1970) and Stanford Graduate School of Business (M.B.A., 1978). Mr. Dawson is married, has three children, and currently resides in Washington, DC.

Nomination of Johnny Young To Be United States Ambassador to Sierra Leone

July 14, 1989

The President today announced his intention to nominate Johnny Young to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Sierra Leone. He would succeed Cynthia Shepard Perry.

Mr. Young joined the Foreign Service in 1967 and was assigned as budget and fiscal officer at the U.S. Embassy in Antananarivo, Madagascar. This was followed by assignments in 1970 and 1972 as supervisory general services officer at Conakry, Guinea, and Nairobi, Kenya, respectively. In 1974 he was transferred to Doha, Qatar, and in 1977 was assigned as administrative counselor in Bridgetown, Barbados. He returned to Washington, DC, in 1979 and was assigned to the Bureau of Personnel as a career development officer. This was followed by service in 1981 as Executive Director for the Office of the Inspector General. Subsequent tours were as administrative counselor in Amman, Jordan, in 1983 and The Hague, Netherlands, in 1985. Mr. Young is presently a member of the 31st session of the Senior Seminar.

Mr. Young was born February 6, 1940, in Savannah, GA. He graduated from Temple University (B.A., 1966) and holds a certificate in accounting from Temple University. He is married, has two children, and resides in Chevy Chase, MD.

Nomination of William Lacy Swing To Be United States Ambassador to South Africa

July 14, 1989

The President today announced his intention to nominate William Lacy Swing to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of South Africa. He would succeed Edward Joseph Perkins.

Mr. Swing entered the Foreign Service in 1963, attending consular and African area studies at the Foreign Service Institute. He was vice consul in Port Elizabeth, 1964 - 1966. He then became an international economist in the Bureau of Economic and Business Affairs in the Department, 1966 - 1967. From 1968 to 1972, he was posted as head of the visa section, then chief of the consular section in Hamburg, Germany. He returned to Washington, DC, in 1972 and served as a desk officer for the Federal Republic of Germany until 1974. From 1974 to 1976, he was deputy chief of mission in Bangui. He attended the Harvard University Center for International Affairs from 1976 to 1977, and in 1977 he was assigned as Alternate Director of the Office of Central African Affairs in the Department of State. From 1979 to 1981, Mr. Swing was Ambassador to the People's Republic of the Congo. He served as Ambassador to the Republic of Liberia, 1981 - 1985. From 1985 to 1987, he was the Director, Office of Foreign Service Career Development and Assignments in the Bureau of Personnel. Since 1987 Mr. Swing has been the Deputy Assistant Secretary of State for Personnel.

Mr. Swing graduated from Catawba College (B.A., 1956) and Yale University (M. Div., 1960). He was born September 11, 1934, in Lexington, NC. Mr. Swing has one child and resides in Washington, DC.

Nomination of John W. Shannon To Be Under Secretary of the Army

July 14, 1989

The President today announced his intention to nominate John W. Shannon to be Under Secretary of the Army. He would succeed Michael P.W. Stone.

Since 1984 Mr. Shannon has been the Assistant Secretary of the Army for Installations and Logistics. Prior to this Mr. Shannon served as Deputy Under Secretary of the Army, 1981 - 1984. He was commissioned into the U.S. Army as a second lieutenant, infantry. He served on active duty from 1955 to 1978 and retired as a colonel.

Mr. Shannon graduated from Central State University (B.S., 1955) and Shippensburg State College (M.S., 1975). He is a graduate of the U.S. Army War College. He is married, has one child, and currently resides in Temple Hills, MD.

Nomination of Linda J. Fisher To Be an Assistant Administrator of the Environmental Protection Agency

July 14, 1989

The President today announced his intention to nominate Linda J. Fisher to be Assistant Administrator for Toxic Substances of the Environmental Protection Agency. She would succeed John Arthur Moore.

Ms. Fisher has served at the Environmental Protection Agency since January 1983. She currently serves as Assistant Administrator for Policy Planning and Evaluation and has served as Chief of Staff to the Administrator, 1985 - 1988, and special assistant to the Assistant Administrator for Solid Waste and Emergency Response, 1983 - 1984. Ms. Fisher was a law clerk for the firm Chester, Hoffman and Willcox, 1982 - 1983; associate staff member in the U.S. House of Representatives, House Appropriations Committee, 1979 - 1980; legislative assistant to Congressman Ralph Regula, 1976 - 1978, and to Congressman Clarence J. Brown, 1974 - 1976.

Ms. Fisher graduated from Miami University (B.A., 1974), George Washington University (M.B.A., 1978), and Ohio State University (J.D., 1983). She currently resides in Alexandria, VA.

Nomination of Gwendolyn S. King To Be Commissioner of Social Security

July 14, 1989

The President today announced his intention to nominate Gwendolyn S. King to be Commissioner of Social Security at the Department of Health and Human Services. She would succeed Dorcas R. Hardy.

Since 1988, Mrs. King has served as executive vice president of Gogol and Associates in Washington, DC. Prior to this she served as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs at the White House. President Reagan nominated her to be a member on the Board for International Food and Agricultural Development for a term expiring July 28, 1992. Mrs. King has served as senior legislative assistant to Senator John Heinz. She is also a founding member of Women Executives in State Government.

Mrs. King graduated from Howard University (B.A., 1962). She is married, has three children, and resides in Washington, DC.

Informal Exchange With Reporters Following a Meeting With British Prime Minister Margaret Thatcher in Paris

July 15, 1989

The President. This is what we call a modified photo-op in honor of our distinguished guest, who will be glad to take questions. But at the outset, let me just say that this visit we've had has gone very well, indeed; and I am so happy to have a good personal relationship that's existed for a long time with Britain's great Prime Minister. And I value her judgment; and this was, as far as I'm concerned, a very fruitful talk.

But the floor is yours. You are our guest.

The Prime Minister. We're very proud and pleased that the relationship continues, and we can talk very easily and very understandably about the great issues of the day. We have covered most of the spectrum of issues, as you'd expect, quickly -- the economic problems, including the debt. We also talked, obviously, about the Chinese problem because we have a special interest in Hong Kong. We talked about Middle East problems. We talked about Cyprus. We talked about some of the problems in Vietnam. Quite a lot to cover in about an hour.

Assistance for Poland and Hungary

Q. Do you think there will be joint action on Poland and Hungary?

The Prime Minister. Well, we had a long discussion last night at dinner over Poland and Hungary, and of course, we're all very anxious to help. And we're all helping, each in our own way. The President gave his excellent statement after he visited Poland and Hungary, and we have previously -- --

Q. So, it won't be a cooperative -- --

The Prime Minister. Well, we naturally cooperate. That's what the summit is all about. We would cooperate through the agencies. We thought the President had a marvelously successful visit to Poland and to Hungary. Then, of course, that's precisely what we'd expected, that it would be very successful, and it was.

Now I have to get to the summit before the President because that's the protocol. [Laughter] So, I'll just walk down to my car.

Hong Kong

Q. Are you afraid that Hong Kong will go back to the hands of the Chinese, when they're so oppressive?

The President. -- -- treated you very shabbily. I'm sorry -- --

Assistance for Poland and Hungary

Q. Mr. President, do you expect a concerted package or an action package on Poland or Hungary from the summit?

The President. We haven't been asking for that. That's not what the United States position has been.

Q. What do you want the summit to do or say?

The President. The summit -- you watch -- the summit will do exactly what it is I suggested yesterday it will do and what Margaret referred to today -- Prime Minister Thatcher referred to. And there seems to be a marvelous unanimity of opinion on how to treat with these Eastern European countries. And you heard her say, I think, that out here.

There's been some misconceptions that we would come in here with a dollar figure for a lot of aid programs. I managed to convey in Poland that that wasn't the case, and in fact, here it's not the case. But what is the case is you're going to see unanimity on the part of the summit leaders in wanting to assist Poland and Hungary. And the way we do it will be announced later on, but we're very happy with the discussion, very happy.

China

Q. Mr. President, how about the unanimity on China?

The President. Listen, I've got to go. Just stay tuned, and wait to see what the communique says on that.

Q. You're the one who left the impression of a concerted action.

The President. Did I?

Q. Yes, you did -- in several speeches.

The President. Well, wait until you -- I think you'll be happy when you see the communique, Helen [Helen Thomas, United Press International]. It will spell it -- it will vindicate me. It will vindicate me.

Note: The President spoke at 9:30 a.m. in the dining room at the U.S. Ambassador's residence. A tape was not available for verification of the contents of the exchange.

Paris Economic Summit: Declaration on Human Rights

July 15, 1989

In 1789, the rights of man and of the citizen were solemnly proclaimed. Just over forty years ago, the General Assembly of the United Nations adopted the Universal Declaration of Human Rights, which have been further developed and codified and are now embodied in the Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights.

We reaffirm our commitment to freedom, democratic principles and human rights. We reaffirm our belief in the rule of law which respects and protects without fear or favour the rights and liberties of every citizen, and provides the setting in which the human spirit can develop in freedom and diversity.

Human rights are a matter of legitimate international concern. We commit ourselves again to encouraging and promoting universal respect for human rights and fundamental freedoms.

Looking towards the future, we see opportunities as well as threats; this impels us to pledge our firm commitment to uphold international standards of human rights and to confirm our willingness to reaffirm them and to develop them further.

We stress the protection of freedom of thought, conscience and religion, and of freedom of opinion and expression; for without these freedoms, other rights cannot be fully realised.

We stress also respect for the rule of law and the plurality of opinion, for without them there can be neither representative government nor democracy.

We believe equally in freedom of association in a pluralist society.

We hold that the right of each individual to physical integrity and dignity must be guaranteed. We abhor and condemn torture in all its forms.

We believe that all human beings must act towards each other in a spirit of fraternity.

We believe that everyone has a right to equality of opportunity as well as to own property, alone or in association with others. Extreme poverty and exclusion from society violate the dignity of everyone enduring them. Those who suffer or are in need should be supported.

We stress that the rights of the child, the disabled and the elderly require special protection.

We consider that developments in the human sciences, for instance the progress achieved in

genetics and organ transplantation, must be applied in accordance with all human rights if the dignity of human beings is to be preserved.

We, the present generation, have an obligation to ensure that further generations will inherit a healthy environment.

We reaffirm our belief that these rights and freedoms cannot be properly safeguarded without the rule of law, impartial justice and genuine democratic institutions.

Note: The declaration was not issued as a White House press release.

Paris Economic Summit: Economic Declaration

July 16, 1989

1) We, the Heads of State or Government of seven major industrial nations and the President of the Commission of the European Communities, have met in Paris for the fifteenth annual Economic Summit. The Summit of the Arch initiates a new round of Summits to succeed those begun at Rambouillet in 1975 and at Versailles in 1982. The round beginning in 1982 has seen one of the longest periods of sustained growth since the Second World War. These Summits have permitted effective consultations and offered the opportunity to launch initiatives and to strengthen international cooperation.

2) This year's world economic situation presents three main challenges:

-- The choice and the implementation of measures needed to maintain balanced and sustained growth, counter inflation, create jobs and promote social justice. These measures should also facilitate the adjustment of external imbalances, promote international trade and investment, and improve the economic situation of developing countries.

-- The development and the further integration of developing countries into the world economy. Whilst there has been substantial progress in many developing countries, particularly those implementing sound economic policies, the debt burden and the persistence of poverty, often made worse by natural disasters affecting hundreds of millions of people, are problems of deep concern which we must continue to face in a spirit of solidarity.

-- The urgent need to safeguard the environment for future generations. Scientific studies have revealed the existence of serious threats to our environment such as the depletion of the stratospheric ozone layer and excessive emissions of carbon dioxide and other greenhouse gases which could lead to future climate changes. Protecting the environment calls for a determined and concerted international response and for the early adoption, worldwide, of policies based on sustainable development.

International Economic Situation

3) Growth has been sustained by focusing policies on improving the efficiency and flexibility of our economies and by strengthening our cooperative efforts and the coordination process. In the medium term, the current buoyant investment seen during this period should pave the way for an increased supply of goods and services and help reduce the dangers of inflation. The outlook is not, however, without risks.

4) Until now, the threat of inflation in many countries has been contained, thanks to the concerted efforts of governments and monetary authorities. But continued vigilance is required

and inflation, where it has increased, will continue to receive a firm policy response so that it will be put on a downward path.

5) While some progress has been made in reducing external imbalances, the momentum of adjustment has recently weakened markedly. There needs to be further progress in adjusting external imbalances through cooperation.

6) In countries with fiscal and current account deficits, including the United States of America, Canada and Italy, further reductions in budget deficits are needed. Action will be taken to bring them down. This may help reduce the saving-investment gap and external imbalances, contribute to countering inflation and encourage greater exchange rate stability in a context of decreasing interest rates.

7) Countries with external surpluses, including Japan and Germany, should continue to pursue appropriate macroeconomic policies and structural reforms that will encourage non-inflationary growth of domestic demand and facilitate external adjustment.

8) All our countries share the responsibility for the sound development of the world economy. Over the medium term, deficit countries have to play a key role in global adjustment through their external adjustment and increased exports; surplus countries have to contribute to sustaining global expansion through policies providing favourable conditions for growth of domestic demand and imports.

9) The emergence of the newly industrializing economies and the initiation of a dialogue with them are welcome. We call on those with substantial surpluses to contribute to the adjustment of external imbalances and the open trade and payments system. To that end, they should permit exchange rates to reflect their competitive position, implement GATT commitments and reduce trade barriers.

International Monetary Development and Coordination

10) Under the Plaza and Louvre agreements, our countries agreed to pursue, in a mutually reinforcing way, policies of surveillance and coordination aimed at improving their economic fundamentals and at fostering stability of exchange rates consistent with those economic fundamentals.

There has been progress in the multilateral surveillance and coordination of economic policies with a view to ensuring internal consistency of domestic policies and their international compatibility. The procedures to be used have been more clearly defined and improved in cooperation with the International Monetary Fund.

11) The coordination process has made a positive contribution to world economic development

and it has also contributed greatly to improving the functioning of the International Monetary System. There has also been continued cooperation in exchange markets.

It is important to continue, and where appropriate, to develop this cooperative and flexible approach to improve the functioning and the stability of the International Monetary System in a manner consistent with economic fundamentals. We therefore ask the Finance Ministers to continue to keep under review possible steps that could be taken to improve the coordination process, exchange market cooperation, and the functioning of the International Monetary System.

12) We welcome the decision to complete the work on the ninth review of the International Monetary Fund quotas with a view to a decision on this matter before the end of the year.

We note that the question of a resumption of S.D.R. allocation remains under consideration in the Executive Board of the International Monetary Fund.

13) Within the European Community, the European Monetary System has contributed to a significant degree of economic policy convergence and monetary stability.

Improving Economic Efficiency

14) We will continue to promote measures in order to remove inefficiencies in our economies. These inefficiencies affect many aspects of economic activity, reduce potential growth rates and the prospects for job creation, diminish the effectiveness of macroeconomic policies and impede the external adjustment process. In this context, tax reforms, modernization of financial markets, strengthening of competition policies and reducing rigidities in all sectors including energy, industry and agriculture are necessary. So are the improvement of education and vocational training, transportation and distribution systems and further policies aimed at giving more flexibility and mobility to the labour market and reducing unemployment. Within the European Community, the steady progress towards the completion by the end of 1992 of the program contained in the Single Act has already given a strong momentum to economic efficiency.

15) The decline of saving in some of our countries in this decade is a cause for concern. This lower level of saving can contribute to high real interest rates and therefore hamper growth. Inadequate saving and large fiscal deficits are associated with large external deficits. We recommend, within the framework of policy coordination, policies to encourage saving and remove hindrances where they exist.

16) Financial activities are being increasingly carried out with new techniques on a worldwide basis. As regards insider trading, which could hamper the credibility of financial markets, regulations vary greatly among our countries. These regulations have been recently, or are in the process of being, strengthened. International cooperation should be pursued and enhanced.

Trade Issues

17) World trade developed rapidly last year. Yet protectionism remains a real threat. We strongly reaffirm our determination to fight it in all its forms. We shall fulfill the Punta del Este standstill and rollback commitments which, inter alia, require the avoidance of any trade restrictive or distorting measure inconsistent with the provisions of the General Agreement and its instruments. We agree to make effective use of the improved GATT dispute settlement mechanism and to make progress in negotiations for further improvements. We will avoid any discriminatory or autonomous actions, which undermine the principles of the GATT and the integrity of the multilateral trading system. We also are pledged to oppose the tendency towards unilateralism, bilateralism, sectoralism and managed trade which threatens to undermine the multilateral system and the Uruguay Round negotiations.

18) The successful negotiation of the Trade Negotiations Committee of the Uruguay Round in Geneva last April, thereby completing the mid-term review, is a very important achievement. It gives a clear framework for future work in all sectors including the pursuit of agricultural reform in the short term as well as in the long term. It also gives the necessary framework for substantive negotiations in important sectors not yet fully included in GATT disciplines, such as services, trade-related investment measures and intellectual property.

Developing countries participated actively in these negotiations and contributed to this success. All countries should make their most constructive contribution possible.

We express our full commitment to making further substantive progress in the Uruguay Round in order to complete it by the end of 1990.

19) We note with satisfaction the entry into force of the Free Trade Agreement between Canada and the US, as well as more recent initiatives to intensify the close economic relations between the European Community and EFTA countries. It remains our policy that these and other developments in regional cooperation, should be trade-creating and complementary to the multilateral liberalization process.

20) It is the firm intention of the European Community that the trade aspects of the single market program should also be trade-creating and complementary to the multilateral liberalization process.

21) We note with satisfaction the progress that has been made in strengthening the multilateral disciplines on trade and aid distorting export credit subsidies. This effort must be pursued actively and completed in the competent bodies of the OECD with a view to improving present guidelines at the earliest possible date.

General Problems of Development

22) Development is a shared global challenge. We shall help developing countries by opening the world trading system and by supporting their structural adjustment. We shall encourage too economic diversification in commodity dependent countries and the creation of a favourable environment for transfers of technology and capital flows.

We underline the continuing importance of official development assistance and welcome the increased efforts of Summit participants in this respect. We note the targets already established by international organizations for the future level of official development assistance and stress the importance of overall financial flows to development.

We underline simultaneously the importance attached to the quality of the aid and to the evaluation of the projects and the programs financed.

23) We urge developing countries to implement sound economic policies. A vital factor will be the adoption of financial and fiscal policies which attract inward investment and encourage growth and the return of flight capital.

24) We note with satisfaction that there has been substantial progress in the multilateral aid initiative for the Philippines that was given special attention in the Toronto economic declaration.

25) Faced with the worrying economic situation of Yugoslavia, we encourage its government to implement a strong economic reform program that can command bilateral and multilateral support.

The Situation in the Poorest Countries

26) The enhancement of the International Monetary Fund Structural Adjustment Facility, the World Bank special program of assistance for the poorest and most indebted countries and the fifth replenishment of the African Development Fund are all important measures benefiting those countries having embarked upon an adjustment process. We stress the importance attached to a substantial replenishment of International Development Association resources.

27) As we urged last year in Toronto, the Paris Club reached a consensus in September 1988 on the conditions of implementation of significant reduction of debt service payments for the poorest countries. Thirteen countries have already benefitted by this decision.

28) We welcome the increasing grant element in the development assistance as well as the steps taken to convert loans into grants and we urge further steps to this end. Flexibility in development aid as much as in debt rescheduling is required.

29) We attach great importance to the efficient and successful preparation of the next general conference of the United Nations on the least developed countries, which will take place in Paris in 1990.

Strengthened Debt Strategy for the Heavily Indebted Countries

30) Our approach to the debt problems has produced significant results, but serious challenges remain: in many countries the ratio of debt service to exports remains high, financing for growth promoting investment is scarce, and capital flight is a key problem. An improvement in the investment climate must be a critical part of efforts to achieve a sustainable level of growth without excessive levels of debt. These improvements of the current situation depend above all on sustained and effective adjustment policies in the debtor countries.

31) To address these challenges, we are strongly committed to the strengthened debt strategy. This will rely, on a case-by-case basis, on the following actions:

-- borrowing countries should implement, with the assistance of the Fund and the Bank, sound economic policies, particularly designed to mobilize savings, stimulate investment and reverse capital flight;

-- banks should increasingly focus on voluntary, market-based debt and debt service reduction operations, as a complement to new lending;

-- the International Monetary Fund and World Bank will support significant debt reduction by setting aside a portion of policy-based loans;

-- limited interest support will be provided, through additional financing by the International Monetary Fund and the World Bank, for transactions involving significant debt and debt service reduction. For that purpose the use of escrow accounts is agreed;

-- continued Paris Club rescheduling and flexibility of export-credit agencies;

-- strengthening of the international financial institutions capability for supporting medium-term macroeconomic and structural adjustment programs and for compensating the negative effects of export shortfalls and external shocks.

32) In the framework of this strategy:

-- we welcome the recent decisions taken by the two institutions to encourage debt and debt service reduction which provide adequate resources for these purposes;

-- we urge debtor countries to move ahead promptly to develop strong economic reform programs that may lead to debt and debt service reductions in accordance with the guidelines defined by the two Bretton Woods institutions;

-- we urge banks to take realistic and constructive approaches in their negotiations with the debtor countries and to move promptly to conclude agreements on financial packages including debt reduction, debt service reduction and new money. We stress that official creditors should not substitute for private lenders. Our governments are prepared to consider as appropriate tax, regulatory and accounting practices with a view to eliminating unnecessary obstacles to debt and debt service reductions.

Environment

33) There is growing awareness throughout the world of the necessity to preserve better the global ecological balance. This includes serious threats to the atmosphere, which could lead to future climate changes. We note with great concern the growing pollution of air, lakes, rivers, oceans and seas; acid rain, dangerous substances; and the rapid desertification and deforestation. Such environmental degradation endangers species and undermines the well-being of individuals and societies.

Decisive action is urgently needed to understand and protect the earth's ecological balance. We will work together to achieve the common goals of preserving a healthy and balanced global environment in order to meet shared economic and social objectives and to carry out obligations to future generations.

34) We urge all countries to give further impetus to scientific research on environmental issues, to develop necessary technologies and to make clear evaluations of the economic costs and benefits of environmental policies.

The persisting uncertainty on some of these issues should not unduly delay our action.

In this connection, we ask all countries to combine their efforts in order to improve observation and monitoring on a global scale.

35) We believe that international cooperation also needs to be enhanced in the field of technology and technology transfer in order to reduce pollution or provide alternative solutions.

36) We believe that industry has a crucial role in preventing pollution at source, in waste minimization, in energy conservation, and in the design and marketing of cost-effective clean technologies. The agricultural sector must also contribute to tackling problems such as water pollution, soil erosion and desertification.

37) Environmental protection is integral to issues such as trade, development, energy, transport, agriculture and economic planning. Therefore, environmental considerations must be taken into account in economic decision-making. In fact good economic policies and good environmental policies are mutually reinforcing.

In order to achieve sustainable development, we shall ensure the compatibility of economic growth and development with the protection of the environment. Environmental protection and related investment should contribute to economic growth. In this respect, intensified efforts for technological breakthrough are important to reconcile economic growth and environmental policies.

Clear assessments of the costs, benefits and resource implications of environmental protection should help governments to take the necessary decisions on the mix of price signals (e.g., taxes or expenditures) and regulatory actions, reflecting where possible the full value of natural resources.

We encourage the World Bank and regional development banks to integrate environmental considerations into their activities. International organizations such as the OECD and the United Nations and its affiliated organizations, will be asked to develop further techniques of analysis which would help governments assess appropriate economic measures to promote the quality of the environment. We ask the OECD, within the context of its work on integrating environment and economic decision-making, to examine how selected environmental indicators could be developed. We expect the 1992 UN Conference on Environment and Development to give additional momentum to the protection of the global environment.

38) To help developing countries deal with past damage and to encourage them to take environmentally desirable action, economic incentives may include the use of aid mechanisms and specific transfer of technology. In special cases, ODA debt forgiveness and debt for nature swaps can play a useful role in environmental protection.

We also emphasize the necessity to take into account the interests and needs of developing countries in sustaining the growth of their economies and the financial and technological requirements to meet environmental challenges.

39) The depletion of the stratospheric ozone layer is alarming and calls for prompt action.

We welcome the Helsinki conclusions related, among other issues, to the complete abandonment of the production and consumption of chloro-fluorocarbons covered by the Montreal protocol as soon as possible and not later than the end of the century. Specific attention must also be given to those ozone-depleting substances not covered by the Montreal protocol. We shall promote the development and use of suitable substitute substances and technologies. More emphasis should be placed on projects that provide alternatives to chloro-fluorocarbons.

40) We strongly advocate common efforts to limit emissions of carbon dioxide and other greenhouse gases, which threaten to induce climate change, endangering the environment and ultimately the economy. We strongly support the work undertaken by the Intergovernmental Panel on Climate Change, on this issue.

We need to strengthen the worldwide network of observatories for greenhouse gases and support the World Meteorological Organization initiative to establish a global climatological reference network to detect climate changes.

41) We agree that increasing energy efficiency could make a substantial contribution to these goals. We urge international organizations concerned to encourage measures, including economic measures, to improve energy conservation and, more broadly, efficiency in the use of energy of all kinds and to promote relevant techniques and technologies.

We are committed to maintaining the highest safety standards for nuclear power plants and to strengthening international cooperation in safe operation of power plants and waste management, and we recognize that nuclear power also plays an important role in limiting output of greenhouse gases.

42) Deforestation also damages the atmosphere and must be reversed. We call for the adoption of sustainable forest management practices, with a view to preserving the scale of world forests. The relevant international organizations will be asked to complete reports on the state of the world's forests by 1990.

43) Preserving the tropical forests is an urgent need for the world as a whole. While recognizing the sovereign rights of developing countries to make use of their natural resources, we encourage, through a sustainable use of tropical forests, the protection of all the species therein and the traditional rights to land and other resources of local communities. We welcome the German initiative in this field as a basis for progress.

To this end, we give strong support to rapid implementation of the Tropical Forest Action Plan which was adopted in 1986 in the framework of the Food and Agricultural Organization. We appeal to both consumer and producer countries, which are united in the International Tropical Timber Organization, to join their efforts to ensure better conservation of the forests. We express our readiness to assist the efforts of nations with tropical forests through financial and technical cooperation, and in international organizations.

44) Temperate forests, lakes and rivers must be protected against the effects of acid pollutants such as sulphur dioxide and nitrogen oxides. It is necessary to pursue actively the bilateral and multilateral efforts to this end.

45) The increasing complexity of the issues related to the protection of the atmosphere calls for innovative solutions. New instruments may be contemplated. We believe that the conclusion of a framework or umbrella convention on climate change to set out general principles or guidelines is urgently required to mobilize and rationalize the efforts made by the international community. We welcome the work under way by the United Nations Environment Program, in cooperation with the World Meteorological Organization, drawing on the work of the Intergovernmental Panel on Climate Change and the results of other international meetings. Specific protocols containing concrete commitments could be fitted into the framework as scientific evidence requires and permits.

46) We condemn indiscriminate use of oceans as dumping grounds for polluting waste. There is a particular problem with the deterioration of coastal waters. To ensure the sustainable management of the marine environment, we recognize the importance of international cooperation in preserving it and conserving the living resources of the sea. We call for relevant bodies of the United Nations to prepare a report on the state of the world's oceans.

We express our concern that national, regional and global capabilities to contain and alleviate the consequences of maritime oil spills be improved. We urge all countries to make better use of the latest monitoring and clean-up technologies. We ask all countries to adhere to and implement fully the international conventions for the prevention of oil pollution of the oceans. We also ask the International Maritime Organization to put forward proposals for further preventive action.

47) We are committed to ensuring full implementation of existing rules for the environment. In this respect, we note with interest the initiative of the Italian government to host in 1990 a forum on international law for the environment with scholars, scientific experts and officials, to consider the need for a digest of existing rules and to give in-depth consideration to the legal aspects of environment at the international level.

48) We advocate that existing environment institutions be strengthened within the United Nations system. In particular, the United Nations Environment Program urgently requires strengthening and increased financial support. Some of us have agreed that the establishment within the United Nations of a new institution may also be worth considering.

49) We have taken note of the report of the sixth conference on bioethics held in Brussels which examined the elaboration of a universal code of environmental ethics based upon the concept of the ``human stewardship of nature".

50) It is a matter of international concern that Bangladesh, one of the poorest and most densely populated countries in the world, is periodically devastated by catastrophic floods.

We stress the urgent need for effective, coordinated action by the international community, in support of the Government of Bangladesh, in order to find solutions to this major problem which

are technically, financially, economically and environmentally sound. In that spirit, and taking account of help already given, we take note of the different studies concerning flood alleviation, initiated by France, Japan, the US and the United Nations Development Program, which have been reviewed by experts from all our countries. We welcome the World Bank's agreement, following those studies, to coordinate the efforts of the international community so that a sound basis for achieving a real improvement in alleviating the effects of flood can be established. We also welcome the agreement of the World Bank to chair, by the end of the year, a meeting to be held in the United Kingdom by invitation of the Bangladesh Government, of the countries willing to take an active part in such a program.

51) We give political support to projects such as the joint project to set up an observatory of the Saharan areas, which answers the need to monitor the development of that rapidly deteriorating, fragile, arid region, in order to protect it more effectively.

Drug Issues

52) The drug problem has reached devastating proportions. We stress the urgent need for decisive action, both on a national and an international basis. We urge all countries, especially those where drug production, trading and consumption are large, to join our efforts to counter drug production, to reduce demand, and to carry forward the fight against drug trafficking itself and the laundering of its proceeds.

53) Accordingly, we resolve to take the following measures within relevant fora:

-- Give greater emphasis on bilateral and United Nations programs for the conversion of illicit cultivation in the producer countries. The United Nations Fund for Drug Abuse Control (UNFDAC), and other United Nations and multilateral organizations should be supported, strengthened and made more effective. These efforts could include particular support for the implementation of effective programs to stop drug cultivation and trading as well as developmental and technical assistance.

-- Support the efforts of producing countries who ask for assistance to counter illegal production or trafficking.

-- Strengthen the role of the United Nations in the war against drugs through an increase in its resources and through reinforced effectiveness of its operation.

-- Intensify the exchange of information on the prevention of addiction, and rehabilitation of drug addicts.

-- Support the international conference planned for 1990 on cocaine and drug demand reduction.

-- Strengthen the efficiency of the cooperative and mutual assistance on these issues, the first steps being a prompt adhesion to, ratification and implementation of the Vienna Convention on illicit traffic in narcotic drugs and psychotropic substances.

-- Conclude further bilateral or multilateral agreements and support initiatives and cooperation, where appropriate, which include measures to facilitate the identification, tracing, freezing, seizure and forfeiture of drug crime proceeds.

-- Convene a financial action task force from Summit Participants and other countries interested in these problems. Its mandate is to assess the results of cooperation already undertaken in order to prevent the utilization of the banking system and financial institutions for the purpose of money laundering, and to consider additional preventive efforts in this field, including the adaptation of the legal and regulatory systems so as to enhance multilateral judicial assistance. The first meeting of this task force will be called by France and its report will be completed by April 1990.

54) International Cooperation Against AIDS

We take note of the creation of an International Ethics committee on AIDS which met in Paris in May 1989, as decided at the Summit of Venice (June 1987). It assembled the Summit Participants and the other members of the EC, together with the active participation of the World Health Organization.

55) We take note of the representations that we received from various Heads of State or Government and organizations and we will study them with interest.

56) Next Economic Summit

We have accepted the invitation of the President of the United States to meet next year in the United States of America.

Note: The declaration was not issued as a White House press release.

The President's News Conference in Paris

July 16, 1989

The President. Well, we've just concluded 2\1/2\ days of intensive and productive meetings with the summit counterparts on economic and political issues. And let me take this opportunity, first of all, to thank President Mitterrand for his most gracious hospitality.

The summit, in my view, was a clear success. We met in a time of sustained economic growth and agreed that the prospects are good for the continued expansion without inflation of that growth. It was against this backdrop that we conducted a wide-ranging discussion on critical global issues, from East-West relations to the growing environmental challenge that we face.

We came to Paris at a truly remarkable moment. The winds of change are bringing hope to people all around the world. And who would have thought just a few short years ago that we would be witness to a freely elected Senate in Poland or political pluralism in Hungary? I was really touched by what I saw and heard in those two countries -- people determined to keep their dreams alive, people determined to see a Europe whole and free. And that's why America brought to this summit our determination to support the reform movement in Hungary and Poland. People yearning for freedom and democracy deserve our support, and it's because of the community of values shared by these summit countries that we were able to agree to meet soon to discuss concerted action that will help Poland and Hungary.

Democracy and economic growth go hand in hand, whether in Eastern Europe, the Summit Seven, or the developing world. And therefore, much of our discussion here in Paris centered on economics. We reaffirmed our international economic cooperation and our whole policy coordination process. Our strengthened debt strategy was firmly supported. We reaffirmed our determination to maintain and improve the multilateral trading system, calling for the completion of the Uruguay round by the end of 1990 and extending the GATT to new areas, including agriculture.

This summit marked a watershed in the environment. And we agreed that decisive action is urgently needed to preserve the Earth. We committed to work together, as well as with the developing world, to meet our responsibility of global stewardship. The measures we've agreed to in Paris are timely, and they lay the groundwork for further specific steps when we meet again next year in the United States.

And finally, I was especially pleased to find that my colleagues share our sense of urgency and sense of the importance of the worldwide fight against drugs. Among other steps, we agreed to establish a financial action task force to find new ways to track and prevent the laundering of drug money. I look forward to meeting my summit colleagues in the United States next year as we continue working on these and other priority issues, build on the genuine progress that I think

was made here in Paris.

And I might say that I was very pleased that this meeting coincided with the Bicentennial here. It was a very moving experience for all of us.

Now I will be glad to take any questions.

Future Economic Summit Participants

Q. Mr. Gorbachev wants to play a part in the world economic discussions. Would he be welcome at the next economic summit table?

The President. Well, I think that's a little premature, but it was very interesting, I found, that a leader of the Soviet Union would address a letter to the French President as head of this year's summit. We talked about that letter a great deal. There's an awful lot that has to transpire in the Soviet Union, it seems to me, before anything of that nature would be considered. We're talking about free-market economies here. But I found fascinating the very fact of the letter. But there was no -- there certainly -- I don't think any indication that he will be attending the next summit. He'll get a very courteous and very thoughtful reply from Mr. Mitterrand.

Q. How about the poor countries -- Bangladesh? Would they ever be welcome?

The President. Well, this is an economic summit of countries whose economies -- drawn together by the free economies of the West, and so, I don't think there's a question at this point of expanding the summit. There is concern about the economies in the world that aren't doing so well. Bangladesh is a country that does need aid, and, indeed, the communique addressed itself to trying to help Bangladesh.

Summit With Soviet President Gorbachev

Q. Mr. President, you consulted with the NATO allies on military matters in Brussels, and then you had an economic summit here in Paris. What's left before you sit down with Mr. Gorbachev for a superpower summit?

The President. A little more time, I think.

Q. I mean, is there any more -- don't you have anything to discuss with him now that you've planted this groundwork?

The President. Yes. Let me explain, to those who aren't familiar with the policy, that Secretary Baker has met a couple of times with Mr. Shevardnadze [Soviet Foreign Minister]. There will be another such meeting of that nature, and at an appropriate time, I will have a meeting with Mr.

Gorbachev. But I don't think anything at the summit influenced that bilateral meeting.

Summit Environmental Issues

Q. Mr. President, the summit called for decisive action on the environment, but various environmental groups are saying that you did not take decisive action. Could you respond to that?

The President. Well, I did see one or two groups. They didn't think I took decisive action when I sent -- or took proper action when I sent a very far-reaching clean air proposal up to the Congress. And so, some have been critical.

Many have been supportive on the broad -- the very fact -- I'll tell you where we got a lot of support is the very fact that the communique addressed itself with some specificity to various environmental goals: the whole concept of cooperation on research, technology, and transfer to the LDC's [less developed countries]; the prevention of pollution; the idea of setting up monitoring stations so we can better predict and thus avoid environmental disaster.

There was a lot of common ground. In fact, I would say that on that and, perhaps, antinarcotics there was most fervor. And so, I think many environmental groups see the very fact that this matter was on the front burner as being very positive. And the summit did make strong enough statements to commit all of our members, and hopefully others around the world, to sound environmental practice. So you get criticized; but I think, generally speaking, it's been very, very forward looking.

Assistance for Poland and Hungary

Q. Mr. President, you promised in Poland and Hungary that you would seek concerted action on the part of the countries meeting here to help those countries. There seems to have been a pledge that there would be concerted consideration of action -- no dollar figure attached and no specified action promised -- and a meeting apparently planned. And do you feel you got what you wanted, sir?

The President. I think so. And you'll notice, Brit [Brit Hume, ABC News], that in both Poland and Hungary I stopped well short of setting dollar figures or of challenging others to meet dollar figures. But on this one, let there be no doubt there was unanimity that we should address ourselves to the problems of Poland and Hungary. And so, I was not disappointed. I didn't go in there with a specific package with dollar figures on it, and I think that an early meeting to do just that is good. It called for food aid to Poland. That's specific. Doesn't have a figure on it, but -- no, I think we got what we sought. And there was no rancor on that question and no division on the question. But there was unanimity that we have to move on it.

Soviet Role in Economic Summits

Q. Since you've said that you spent a lot of time last night talking about Mr. Gorbachev's letter, can you tell us a little bit about those discussions, and can you tell us what your view is? What is an appropriate response from the West to such an extraordinary request by Mr. Gorbachev to become part of the economy of the Western democracies?

The President. We would welcome any movement by the Soviet Union towards market-oriented, or Western economies. There's no question about that. And there's nothing begrudging about our saying -- in replying to Helen's [Helen Thomas, United Press International] comment, my replying to Helen's -- that I don't expect Mr. Gorbachev to sit as a member at next year's summit. But the discussion was -- it started off by: What do you think he means by this? And a lot of discussion -- we'll get the experts to analyze it -- and all of that took place. And people concluded that it was just one more manifestation of the changing world we're living in. And that, I think, was the main message.

And then, where we go from here -- some of that has been addressed in the communique, because we talked in there about help for the Third World. And some of his letter, as you know, was on that very subject. When it came in, Mr. Mitterrand read it off to the group there and then said: ``Well, what will we do?" And my suggestion was -- which he had intended to adopt anyway -- that he, as the man to whom the letter was addressed, would reply to it. So, that's the way it was. And the fact that it's happening, is taking place -- the President of the United States can go to Eastern Europe and witness the very kind of change we're talking about.

I'll tell you -- I want to reply to Carl's [Carl Leubsdorf, Dallas Morning News] question here -- that almost the most dramatic for me was when Mr. Nemeth, the Prime Minister of Hungary, handed me that piece of barbed wire -- tearing down the Iron Curtain between Hungary and Austria. Now who would have thought that possible? And this letter -- just one more manifestation of the exciting times we're in of change. They're moving towards our open system, our free system, our system of free elections. And that's the way I would look at the letter -- in that context.

Future Economic Summits

Q. Mr. President, in connection with next year's summit, there's been some talk among some of your people about possibly having it in your home State of Texas, possibly in San Antonio. And I wondered whether you'd like to see that.

The President. Well, I'd have to run that by the Dallas Morning News and see how they felt about it, but that's a distinct possibility. However, it's too early, no decision has been made. The fact that Jim Baker is from Houston and I'm from Houston and Bob Mosbacher's from Texas should have nothing to do -- [laughter] -- with where the next summit's going to be, and there

has been no decision.

Q. That wouldn't mean some discrimination against Dallas because of your roots?

The President. No, none whatsoever. Get that down. The fall elections are up in 19 -- Charles [Charles Bierbauer, CNN]?

Q. Let me follow on the question about summits. These things have gotten a lot bigger than they were originally planned to be -- hundreds of your people, thousands of us. It's your first summit, but you've got to host the next one. Have you given any thought to how you want to do it in terms of style?

The President. No, but, I'll tell you, the part -- and I'm the new boy, the new kid in school -- but the part I found most interesting was the unstructured part, the part where you sit with these other leaders, tell them what you think, listen carefully to what they think. And that happens sometimes in the corridors or sometimes before a structured seminar, sometimes at a meal. And I would like to think that the more emphasis we've placed on that kind of interaction, the better it would be.

But there was no discussion by the summit interlocutors on how to restructure it. Indeed, it went smoothly. And I will again say that Mr. Mitterrand handled the formal part very well. But for me, I'd like to see more just plain unstructured interaction between the leaders, where you don't just have to talk on the agenda items.

Space Exploration

Q. It'll be 20 years next Thursday that man first landed on the Moon. There are some people in your administration that would like for you to announce on Thursday that we're going to go back to the Moon, possibly even to Mars. Can you and Dick Darman find that kind of money in the budget?

The President. Well, you put your finger, John [John Cochran, NBC News], on some of the real problems -- the major problem -- on setting major goals for space exploration. And whether we will be ready by next week or later this week to make any momentous announcements, I'm not sure. I have not made a decision on what we will say on that historic day.

Q. Would it be too quick going in on it with the Soviets, though?

The President. Well, that has been suggested. And some, as you know, discussion have gone on -- not, I don't think, recently -- between us and the Soviets on this. But certainly the concept of international is not offensive to me. But we'll have to wait and see because no decision -- --

U.S. Economy

Q. Mr. President, Friday's economic indicators show some weakening of the U.S. economy. Apparently, some of your summit partners expressed some concern about that. What assurances did you give them and can you give us that we're not headed for a recession?

The President. Well, you know, ironically, none did express to me their concern about the U.S. economy stalling out. We really didn't get into that discussion. I must say that from time to time it is a matter of concern to me, and thus I've tried to think through with our Secretary of the Treasury and others the concept of how the interest rate structure should be. But I've had no indication from home, nor had we picked up any here, that they felt that the U.S. economy was going to move towards a recession. And that's the thing, of course, that you'd want to guard against.

Our growth has not been as robust as the growth in some other countries, but we're still moving. And when you have a several-trillion-dollar gross national product and you take a small percentage of growth, and it makes for enormous dollar figures in growth.

Soviet Role in Future Economic Summits

Q. Mr. President, how much change would the Soviet Union have to make before they could earn an invitation to next year's economic summit? If you can't answer that specifically, at least could you give us some sense of scale?

The President. Well, one, as you know, I have welcomed the reforms that are taking place in the Soviet Union. But I don't -- this concept of the Soviets coming to a G - 7 summit has never been, to my knowledge, thought much about until this letter appeared, so there's no standards for entrance into the G - 7.

The Soviet economy needs a lot of work. And I say that not to be critical, but certainly that's an objective judgment. The economy is in bad, bad shape -- far worse shape than the Western economies. And so, I think what we ought to do is to encourage the kinds of economic changes in Eastern Europe and -- to the degree the Soviets would not consider that an intervention into their internal affairs -- in the Soviet Union. Those should be the next steps.

Welcome the interest that was shown by this letter. This wasn't an application for admission to the G - 7. It was saying: Let's do something in a common way about solving problems around the world. And so, I wouldn't set a standard right now. I'd simply say: Let each of us try to get our economies in order. And as soon as that happens and as soon as we see the manifestations of freedom break out there, in terms of demonstrably free elections all over, then we start talking about democratic change, and then the day approaches. I think it's very premature to start laying down guidelines from here as to what we need to do on that.

Future of Europe

Q. Mr. President, you've talked about a whole and united Europe, and Mr. Gorbachev has talked about a common European home. Are they the same concept, or what is the difference? Is there a difference between the role of the U.S. in those two statements?

The President. Europe whole and free is our concept. His common European home is fine, so long -- as I said earlier -- you can move from room to room. And that means coming along further on human rights. That means much more openness. It means support them when you see them move towards perestroika and glasnost. But it means an evolution in the Soviet Union, and it means an evolution in Eastern Europe. And we've begun to see it.

A Europe whole and free does not visualize a Europe where you still have barbed wire separating people, where you still have human rights abuses in one or two of the countries that are egregious. And so, it is whole and free, and the common home theme is a good one. I mean, that's a very good theme, and we should encourage it. But we want to see these countries continue to move towards what works, and what works is freedom, democracy, market economies -- things of that nature.

Q. May I follow up? In the meeting of the G - 7, is there room -- or, did you sense the countries want U.S. leadership or they want the U.S. to be a coequal partner?

The President. You mean with the Soviets? No, I sense that those colleagues feel that we have disproportionate responsibility. I think there's a keen interest in how I will work with the Soviets. There's no question about that. I felt that very clearly.

Soviet Role in Future Economic Summits

Q. At the risk of seeming fixated by Mr. Gorbachev, when you discussed his letter, was there a suggestion from anybody that it might have been a bit of mischief or an attempt to get some publicity out of a Western summit?

The President. I can't say that that never occurred. [Laughter] But I don't think that, after people thought about it rationally, that anyone was prepared to say that and that alone was what motivated this letter.

There is change taking place. And I think for some time people really wondered whether I was a little begrudging in recognizing that change and encouraging that change. But I think now that has been laid to rest. So, when you see something of this nature, you take a look at it, and you assess it, and then you -- but you don't discount it in a cynical fashion.

But I think there was the timing. The summit has been planned for a long time, and this letter might have come in earlier on for more serious ``sherpa'' consideration, as every other issue was subjected to marvelous work by the ``sherpas'' -- who incidentally did a superb job -- and this one didn't. So, I think people would excuse a reasonable degree of cynicism -- but don't think the conclusion was cynical.

Eastern European Reforms

Q. Mr. President, going back to the other day in Poland, an elderly man said that when people talk to you folks about change, just remember that the Communists still have the bayonets. So, my question to you is: Do you believe that countries like Poland and Hungary are really going to have serious and permanent change, or is there a line that their leaders and that Moscow just won't go past?

The President. Well, no, I think that you've already seen serious change. I think you see the political situation in Hungary, for example, is absolutely amazing compared to the way we used to view Hungary. And if the Soviet Union, instead of taking their troops out of Hungary, had tried to tighten down, I don't expect we'd see the kind of change in Hungary that we're seeing today. And so, I'd say that we're a long way from what Gorbachev has spelled out as a common European home, but it's moving. So, let's encourage the progress. Maybe I missed the nuance of your question.

Q. That there is a course that's going to lead to a permanent change, or, again, the question is: Are the Soviets going to step in and pull the rug out from under at some point?

The President. Well, I would quote Mr. Gorbachev's words back to him on that, what he told me in New York, and what Jim Baker has heard from Shevardnadze, and what everybody who interacts with the Soviets hear, and that is that perestroika is for real. You cannot set the clock back. It is going to go forward. And so, I would see that as what guides now.

However, I have said as long as there are enormous imbalances in conventional forces and in certain categories of strategic forces, the West should keep its eyes wide open. And indeed, there was some reference to that in this communique. There was unanimity on the part of the NATO allies that we ought to be cautious and that we -- and so to answer your question, it's not a done deal; and that's, I think, what was being reflected there in Poland.

Q. Mr. President, I wonder, as you put all of this together, what you said about Poland and Hungary and Gorbachev asking to join the world economy. As a matter of policy, do you see the cold war over, and do you think the West has won it?

The President. I don't like to use ``cold war.'' That has a connotation of worse days in terms of East-West relationship. I think things have moved forward so that the connotation that those two

words conjure up is entirely different now. And yet I don't want to stand here and seem euphoric -- that everything is hunky-dory between the East and the West on arms or on differences in the economy or on how we look at regional problems. We have some big differences, still. But let's encourage the change. And then I can answer your question in maybe a few more years more definitively.

Economic Summit Accomplishments

Q. Mr. President, the Summit Seven leaders are celebrating a gathering that was so successful it went 2\1/2\ days instead of 3. Could you not find another half day's worth of problems to discuss and maybe resolve, sir? [Laughter]

The President. We're kind of running out of gas. I'll tell you, it's been a vigorous experience in physical fitness for me, and I try to stay in pretty good shape. But this one -- when you couple the summit with the [French] bicentennial and then tack on Poland and Hungary, I wasn't about to argue we needed more time, and nor was anyone else. I think the fact that this rather complex agenda was completed in harmony is the fact that ought to really carry the spotlight, not the fact that we finished in advance.

There's going to be plenty of opportunities to discuss a lot more problems that exist around the world. But we had an agenda; we addressed it. We finished it on time, and it was done harmoniously. So, I think that's why it worked out. And that is exactly what happened. We did complete it. And we had a lot more opportunity because of the bicentennial to have interaction with the other leaders, more so than at any other summit.

Q. Do you feel, sir, you accomplished all you could?

The President. We accomplished what we set out to accomplish.

Stealth Bomber

Q. Mr. President, the Stealth bomber had a couple of setbacks this week, and Senator Nunn, as I understand it, indicated he's not going to pay for a plane that just taxis. [Laughter] Do you have faith in this project, or are you alarmed by the recent developments?

The President. Well, Senator Nunn and 250 million other Americans that pick up the bill for it -- but he's not going to pay for it. I mean, it's a decision that the Congress is going to have to take collectively. If Senator Nunn decides that it isn't a good idea, it's going to be a whale of a fight. But I think that legitimate questions have been raised about the bomber, and Secretary Cheney has addressed them very forcefully, giving the administration's position. Being gone, I don't have quite as sensitive a feel as I would if I were at home of the nuances of the battle. But we have gone forward with our proposal, and now it's up to the Congress to decide what they're going to

do.

And when I saw Dick Cheney, in essence, saying make up your minds, I think he was doing the right thing. When I saw Senator Nunn expressing his reservations, we have to understand he's doing what he is obligated to do as chairman of that committee. But it will be sorted out, I think.

New Taxes

Q. Mr. President, you're giving away money to Poland and Hungary, and you're talking about spending more money on the environment. There are a lot of needs at home. And now you're in a new budget cycle. Is this the time -- and you promised today to reduce the deficit, the U.S. budget deficit -- is this the time to announce that it's necessary to raise taxes in the United States?

The President. No! [Laughter]

Q. How are you going to do it then? How are you going to meet -- --

The President. Well, we've already got a proposal up on the Hill, and look at it very carefully. And our Director of the OMB has done a very good job in sorting out priorities. He's worked, and our Cabinet has given him full cooperation. And the proposals that I have made can be and are included in our budget thinking -- not just for this year, but beyond.

But you put your finger on something that does trouble me when I come to countries like Poland and Hungary. I wish we did have more -- more funds with which to help others, encourage private investment and public-private partnerships and privatization. I wish we had much more to do there or speedily apply to environmental concerns or antinarcotics cooperation.

So, I don't want to sound like we have it all made at all. We've had to sort through priorities in a very complicated way. But to answer your question, you have to go up to the question that was earlier asked about the economy itself. And I do not want to risk screeching growth -- modest though it may be -- to a halt by raising revenues in the way that some have suggested.

Ms. Thomas. Thank you.

The President. Oh, thank you, Helen. Are you willing to give them a 4-minute extension? There are so many -- this is what gets it -- Marlin, what is your advice, as a man who has been through this every single day? [Laughter]

Mr. Fitzwater. Two more, sir.

The President. Two more. You weren't necessarily one of the two, but go ahead, Maureen

[Maureen Dowd, New York Times]. [Laughter] Far be it from me, in this land of delicacy and grace, to not recognize you. [Laughter]

Eastern European Reforms

Q. -- -- in Eastern Europe you talked about two themes constantly: one, encouraging democracy and moves to a market economy, and two, that you weren't there to try to raise tensions with the Soviet Union or challenge them in any way. But my question is: If what you want is carried out -- moves to democracy and a market economy -- aren't you really talking about the dissolution of the Soviet empire? And is that what you mean when you call for a Europe that's whole and free?

The President. Soviet empire? If you mean the imposition of a Marxist system or a socialism in their definition -- system on others -- yes, I'd like to see Europe whole and free. But with the Soviet moving towards market -- and they're not there -- towards more freedom, towards more openness; they themselves have recognized that their system doesn't work. So, you don't run the risks or have the same tensions that we might have had 10 years ago talking about the very same themes I talked about in Poland and Hungary.

I went to -- some of you were on this trip -- went to Vienna several years ago and gave a speech, and a man in -- the speech was on differentiation. And I will spare him identification. But a Hungarian official told me that he personally -- he befriended us, and we talked carefully -- had gotten a lot of grief over the fact that we had singled out Hungary as a country that was moving. Even then, even those short years ago, moving in a way that their changes could be accommodated by closer relationships with the West. And that conversation I had on this trip showed me how dynamic the change. So, I don't think there's a risk of -- if we're right in our assessment that change is going forward -- I don't think there is this risk.

Soviet Role in Future Economic Summits

Q. Is Mr. Mitterrand free to reply to the Gorbachev letter himself, or will it be circulated, or would you like to see the letter? How would you like that to go?

The President. No, I think that he should reply to it himself. He has a good relationship with Mr. Gorbachev. Gorbachev was here. They've had some followup, I believe, and the letter was addressed to him, albeit as the president of the summit. And so, I think it's fitting that he simply use his good judgment and reply to it in any way he wants. And that's exactly what he's going to do. Incidentally, that was discussed.

Q. And if next year's summit is in Texas, can it be very early? [Laughter]

The President. Parting -- walking shot.

Economic Summit Accomplishments

Q. Mr. President, in this summit, you achieved all your goals. Do you have the feeling of being the winner number one of this summit?

The President. Well, I pointed out before we came over here that something of this nature ought not to be judged in terms of winners and losers. Your question sounds very much like some that we engage in at home of who's up, who's down, who's ahead, who's winning, who's more popular, who's ahead in the poll -- Bush or Gorbachev -- in Eastern Europe or Connecticut. [Laughter] And it doesn't really have much to do with that. What -- --

Q. Are you satisfied -- --

The President. I am very satisfied. I am very satisfied that the summit achieved its goals. Every other summit leader tells me that it was the best summit they have attended, and I again would salute the President of the French Republic for the way in which he conducted the meetings. But, yes, I am very, very satisfied, and there aren't any winners or losers or who is up or who is down. We're together is how we approached the East. We're together is how we approached the environmental questions.

I didn't take a question here on Third World debt, but there was a strong endorsement for the Brady plan. And there was no dissension on that approach. So, it came together very, very well. And if the Brady -- and I shouldn't say this. I know this is going to get me in real trouble. But if the Brady plan looks like it's going to be successful, we may call it the Bush plan. [Laughter]

Thank you all very, very much.

Note: The President's 18th news conference began at 6:01 p.m. at the U.S. Ambassador's residence. A tape was not available for verification of the content of this news conference. The President traveled to Amsterdam, The Netherlands the following morning.

Remarks to Residents of Leiden, The Netherlands

July 17, 1989

Thank you, Mr. Mayor. Your Majesty and Your Royal Highness, Barbara and I thank you and the people of the Netherlands for the warm welcome that has been given to us. I'm not sure about some of those signs I saw coming in. It reminded me of my own university, however.

I'm glad to be back with my cousins, because we fondly remember Aunt Abigail back there those many years ago. [Laughter] And I want to first thank Mr. DeWolff and that magnificent orchestra and the choir from here, with that superb solo by Ms. Zedelius -- an outstanding performance. And Mayor Goekoop, thank you so much for that medallion, which we will treasure forever.

The Netherlands is an old friend, an honored ally of the United States. And the friendship between our nations is older than the American Constitution, and the United Provinces were one of the models that our founders looked to in creating a nation from 13 sovereign States.

And it's a pleasure to visit Leiden, a city whose very name has symbolized for centuries Dutch determination and the struggle for freedom against the forces of occupation. And for Americans, too, Leiden is a special city, a place where we trace our origins. So many of the individuals who shaped the modern world walked the cobbled streets of Leiden. And it was here that Hugo de Groot, known to the world as Grotius, the father of modern international law, studied in the Nation that is today the home of the International Court of Justice. And it was here that Rembrandt lived and worked and created a world of beauty that moves us still today. And it was here to Leiden that the Pilgrims came to escape persecution -- to live, work, and worship in peace. In the shadow of Pieterskerk, they found the freedom to witness God openly and without fear. And here, under the ancient stones of the Pieterskerk, the body of John Robinson, the Pilgrims' spiritual leader, was laid to rest.

And it was from this place the Pilgrims set their course for a New World. In their search for liberty, they took with them lessons learned here of freedom and tolerance. And the Pilgrims faced a dangerous passage; but carried on the winds of hope, they arrived. And on the rocky coast of New England, at the edge of a wild and unsettled continent, they planted the seeds of a New World, a world that became America.

And today, as when the Pilgrims left this city, a new world lies within our reach. Our time is a time of great hope and a time of enormous challenges. The new world we seek is shaped by an idea, an idea of universal appeal and undeniable force, and that idea is democracy. The power of the democratic idea is evident everywhere -- in the halls of government, in the hearts of people around the world. In the words of Victor Hugo: ``No army can withstand the strength of an idea whose time has come." And, ladies and gentlemen, freedom's time has come.

We, the people of the United States and the people of the Netherlands, are fortunate. The freedoms that others are struggling for are freedoms that we enjoy. But freedom never comes without struggle, and no struggle is without sacrifice. Americans and the Dutch both know that the cost of freedom is high. And that's why both of our nations are partners in an alliance of free nations that spans the ocean that the Pilgrims crossed. Our alliance, the NATO alliance, connects two continents, unites a hemisphere. But what connects us isn't merely a fact of geography. Ours is an alliance forged on common values, rooted in a shared history and heritage. It's a common kinship and culture, as well.

We are part of the commonwealth of free nations. Almost 2 months ago, I came to Europe to celebrate the fruits of our alliance: four decades of peace, prosperity, and freedom. At the time of NATO's founding, amid the airlift to besieged Berlin, few would have predicted a peace so strong and lasting. Here in the Netherlands and elsewhere, some people expected war to come again within their lifetimes. Instead, the NATO era has brought the longest period of peace that Europe has known in the modern age. And let me assure you, Americans know that to keep the peace in Europe is to keep the peace for America.

And today the Atlantic alliance, formed to contain the threat of Soviet expansionism, is creating new opportunities to ease tensions, to build a new world, to build an enduring peace. And thanks to NATO's strength and unity, we now have the opportunity to move beyond containment -- to integrate the Soviet Union into the community of nations. Thanks to NATO's steadiness of purpose and its commitment to maintain strong deterrent forces, the way is now open to real reductions in the level of arms that has long cast a shadow over this continent, the most heavily militarized on Earth.

And seizing these opportunities, reaching that new world, depends on the unity and strength of the entire alliance, not on the actions of one nation alone. The revival of the Western European Union, in which the Netherlands played a vital role; the growing cooperation on security issues between West Germany and France; British and French resolve to modernize their own nuclear forces -- each of these developments is a sign that Europe sees the wisdom of sustaining the collective strength that has kept the peace.

The lesson of our postwar experience is this: Strength has kept us safe and has created opportunities for change. And from these opportunities, we can create a new era of enduring peace. Let me say clearly: A stronger Europe, a more united Europe, is good for my country; it's good for the United States of America. And it's a development we welcome, a natural evolution within our alliance, the product of true partnership 40 years in the making.

This trend toward closer cooperation isn't limited to collective security alone. Around the world, countries are now recognizing that no nation -- no nation -- can prosper in economic isolation. And that's why we look forward to the single European market and a more integrated European Community. The world's major industrial democracies must work to maintain an open trading

system to preserve sustained economic growth.

And our progress at this recently concluded economic summit in Paris brought us closer to a more coordinated and common approach across a wide spectrum of critical global issues. The key is concerted action: bringing the collective strength of the West to bear on our common concerns.

Concerns like the environment -- global warming, acid rain, and pollution of the world's oceans: these are problems that know no borders, that no line on a map has the power to stop. And pollution crosses continents and oceans, and it's time for nations to join forces in common defense of our environment. The United States of America will do its part. A little over a month ago, in the United States, I announced a series of sweeping changes to our Clean Air Act, changes meant to ensure that every American, in the space of one generation, will breathe clean air. And shortly after I get back to the United States, after I return home, we will send our clean air legislation to Congress. And last week in Poland and Hungary, I announced initiatives to work with those two countries to combat their pollution problems. And the next step is clear: We must work together, take concerted action to combat this common problem -- clean up our environment for ourselves and for our children.

And the summit underscored the fact that it's time we take the next step in solving the debt problem to encourage conditions for global growth that will benefit the industrialized nations and the developing world alike. We must make progress on this because it's more than a matter of economic development. Democracy is at stake. Freedom can nourish the barren soil of poverty, just as the Pilgrims landed upon a desolate rock and laid the foundations of the freedom and prosperity that we know today. Economic and democratic development go hand in hand. And the steps we've taken towards a common strategy on debt will sustain a favorable climate for growth and for the flourishing of democracy in the developing world.

And there's Eastern Europe. Let me explain the approach that I take towards reform in Eastern Europe. We will never compromise our principles. We will always speak out for freedom, but we understand as well how vital a carefully calibrated approach is in this time of dynamic change. The Soviet Union has nothing -- nothing -- to fear from the reforms that are now unfolding in some of the nations of Eastern Europe. We support reform in Eastern Europe and in the Soviet Union, and we're seeing dramatic changes. General Secretary Gorbachev's recent letter 2 days ago to the economic summit is only the latest example of the Soviets moving in our direction, coming our way. I've said it many times -- that I want to see perestroika succeed. I want to see the Soviet Union chart a course that brings itself into the community of nations.

And my visits these last 2 months demonstrate how closely the United States is linked to Europe. For half a century, America has been deeply involved in the future of this continent. And U.S. involvement will be a strategic fact the next century, as it has been for this one. We will play a constructive role in Eastern Europe's economic development, in the development of

political pluralism, and in creating an international climate in which reform can succeed. And that is why America's relations with the Soviet Union are so important. Improved relations with the U.S.S.R. reduce pressure on the nations of Eastern Europe, especially those on the cutting edge of reform.

The new world we seek is a commonwealth of free nations working in concert, a world where more and more nations enter a widening circle of freedom. In the pulpit here at the Pieterskerk, 1 year after peace was restored in Europe, Winston Churchill spoke to the people of Leiden. The allies had triumphed over tyranny. The occupation was over. After 6 years of war and devastation, Churchill said: ``The great wheel has swung full circle." And Europe then stood at the threshold of a new era, an era whose hope Churchill expressed in a single, simple phrase: ``Let freedom reign."

And we all know what followed. Half of Europe entered that new era, and half of Europe found its path blocked, walled off by barriers of brick and barbed wire. The half of Europe that was free dug out from the rubble, recovered from the war, and laid the foundations of free government and free enterprise that brought unparalleled prosperity and a life in peace and freedom. And the other Europe, the Europe behind the wall, endured four decades of privation and hardship and persecution and fear.

And today that other Europe is changing. The great wheel is moving once more. And our time, the exciting time in which we live, is a time of new hope -- the hope that all of Europe can now know the freedom that the Netherlands has known, that America has known, and that the West has known. Our hope is that the unnatural division of Europe will now come to an end, that the Europe behind the wall will join its neighbors to the West, prosperous and free.

Poland and Hungary are on the cutting edge; they're on the forefront of this reform. And they've traveled far these past 12 months, farther than any of us once would have thought possible. In Warsaw, I spoke to the new Polish Parliament that includes 100 new freely elected Senators, elected to office in Eastern Europe's first truly free election in the postwar era. And in Hungary, I addressed the students and faculty of Karl Marx University, a university where the lessons of the free market are replacing the old teachings of ``Das Kapital." At the shipyards of Gdansk and at the statue of the great Hungarian hero Kossuth, tens of thousands of people -- literally tens of thousands filled the streets -- new voices, full of new hope. And theirs were the faces of pilgrims on a journey, fixed on the horizon, on the new world coming into view.

And they know, as we do, that ultimately, whatever the odds, freedom will succeed. It's a lesson the world has learned several times this century, a lesson that you know so well, that the Dutch know so well. The Netherlands will never -- I was talking at this lunch today with your able Prime Minister [Ruud Lubbers] -- the Netherlands will never forget the nightmare of occupation. Some of you here today suffered through those long years.

And even then freedom endured. Pieterskerk -- behind these walls, above the rafters -- resistance fighters, university students took refuge from the forces of occupation and found safe haven in this church. Daily acts of heroism -- the church sexton who brought them food, the neighborhood grocer who collected extra ration stamps -- kept them alive, kept the spirit of dignity and human decency alive throughout the Netherlands dark night.

And why? Why would people endanger themselves to save others? They did it for the simplest, most human of reasons. In the words of Jan Campert, poet of the Dutch resistance, they acted because ``the heart could not do otherwise." Freedom can never be extinguished -- not then, not now. Even in the Europe behind the wall, the dream of freedom for all Europe has never died. It's alive today in Warsaw and Gdansk, in Budapest and, yes, across the Soviet Union.

So, the challenge that we face is a very clear one. We must work together toward the day when all of Europe, East and West, is free of discord, free of division; a day when people in every city and every town across this continent knows the freedoms that we enjoy. And here in Leiden, where the Pilgrims dreamed their New World, let us pledge our effort to create a new world in Europe, whole and free, a new world now within our reach.

Once again, thank you, God bless the Netherlands, God bless the United States of America and the friends of freedom everywhere in the world. Thank you very, very much.

Note: The President spoke at 3:46 p.m. at the Pieterskerk. He was introduced by Cornelis H. Goekoop, mayor of Leiden. In his remarks, the President referred to Queen Beatrix; Prince Claus; Abigail Jenney, an ancestor of the President who was born in Leiden; Charles DeWolff, conductor of Amsterdam's Kamer Orkest; and Maria Zedelius, choir soloist.

Nomination of Lannon Walker To Be United States Ambassador to Nigeria

July 17, 1989

The President today announced his intention to nominate Lannon Walker to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Nigeria. He would succeed Princeton Nathan Lyman.

Mr. Walker is a career member of the Senior Foreign Service, Class of Minister-Counselor. He entered the Department of State in 1961 and attended Western Arabic Language School in 1962. From 1962 to 1964, he served as political officer at the U.S. Embassy in Rabat, Morocco. In 1964 he became principal officer at the American consulate in Constantine, Algeria. He returned to the Department of State in 1966 as a staff officer in the Executive Secretariat, and then became Deputy Director. In 1969 Mr. Walker took economic training at the Foreign Service Institute. From 1970 to 1971, he was economic counselor at the U.S. Embassy in Tripoli, Libya. He then became deputy chief of mission at the U.S. Embassy in Yaounde, Cameroon, 1971 - 1973; and served as administrative counselor at the U.S. Embassy in Saigon, Vietnam, 1973 - 1974. In 1974 he went to the U.S. Embassy in Kinshasa, Zaire; first as economic counselor and then deputy chief of mission, where he served until 1977. He returned to the Department of State as Office Director for Central Africa and later became Deputy Assistant Secretary in the Bureau of African Affairs, 1977 - 1982. He took a leave of absence from the Department of State, 1982 - 1983, and then became the president of Joint Services Group in Washington, DC. He returned to the Department of State in 1983 as Senior Adviser in the Bureau of African Affairs; and from 1984 to 1985, he was the Acting Inspector General. In 1985 Mr. Walker was appointed U.S. Ambassador to Senegal, where he served until 1988. Since 1988 he has been a diplomat-in-residence at the Carnegie Endowment for International Peace.

Mr. Walker received his B.S.F.S. in 1961 from the Georgetown University School of Foreign Service. He was born January 17, 1936, in Los Angeles, CA. Mr. Walker is married, has two daughters, and resides in Maryland.

Nomination of John A. Betti To Be an Under Secretary of Defense

July 17, 1989

The President today announced his intention to nominate John A. Betti to be Under Secretary of Defense for Acquisition. He would succeed Robert B. Costello.

Mr. Betti is currently the executive vice president of the Ford Motor Co. for technical affairs and operating staffs and a director of the company. Since 1962, he has served in a variety of increasingly responsible positions with the Ford Motor Co. in the United States and abroad. From 1952 to 1962, he was student engineer for the assistant chief engineer of the Chrysler Corp.

Mr. Betti received a bachelor's degree from the Illinois Institute for Technology in 1952 and a master's degree from the Chrysler Institute for Engineering in 1954. He completed postgraduate work at the University of Detroit in 1963. Mr. Betti is married, has four children, and resides in Bloomfield Hills, MI.

Nomination of Howard K. Walker To Be United States Ambassador to Madagascar and Comoros

July 17, 1989

The President today announced his intention to nominate Howard K. Walker to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Madagascar and to the Federal Islamic Republic of Comoros. He would succeed Patricia Gates Lynch.

Dr. Walker is a career member of the Senior Foreign Service, Class of Minister-Counselor. Since 1987 he has served as a senior inspector in the Office of the Inspector General at the Department of State. In 1985 he was the Director of the Office of West African Affairs in the Bureau of African Affairs. Dr. Walker was a foreign affairs fellow at the Foreign Service Institute of Washington in 1984, and in 1982 he was appointed U.S. Ambassador to the Republic of Togo. From 1970 to 1985, Dr. Walker held several assignments dealing with African and Middle East Affairs, including principal officer and consul at the U.S. consulate in Kaduna, Nigeria; Deputy Director of the Office of West African Affairs and political officer in Amman, Jordan; and deputy chief of mission in Dar-es-Salaam, Tanzania. From 1968 to 1969, he served as a United Nations adviser for the Bureau of African Affairs. Dr. Walker served as a research analyst, followed by an assignment as international relations officer in the Office of Inter-American Affairs, 1965 - 1968. In 1965 he joined the Department of State. Dr. Walker also served as an assistant professor at George Washington University, 1966 - 1968.

Dr. Walker graduated from the University of Michigan (A.B., 1957; M.A., 1958) and Boston University (Ph.D., 1968). He served in the U.S. Air Force from 1962 to 1965. Dr. Walker was born December 3, 1935, in Newport News, VA. He is married, has two children, and resides in New Jersey.

Nomination of Glen A. Holden To Be United States Ambassador to Jamaica

July 17, 1989

The President today announced his intention to nominate Glen A. Holden to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica. He would succeed Michael Sotirhos.

Since 1973 Mr. Holden has been the chairman, chief executive officer, and president of the Holden Group in Los Angeles, CA. From 1968 to 1973, he was president and director of the Variable Annuity Life Insurance Co. in Houston, TX. He was a general agent with Glen Holden Associates in Portland, OR, from 1956 to 1964, and an agent and agency supervisor with John C.F. Merrifield and Associates, 1951 - 1956.

Mr. Holden graduated from the University of Oregon (B.S., 1951). He was honorably discharged from the Navy in January 1946. Mr. Holden was born July 2, 1927, in Boise, ID. He is married, has three children, and resides in Los Angeles, CA.

Remarks Upon Returning From the Trip to Europe

July 18, 1989

Well, thank you for this warm welcome home. Barbara and I are delighted to be back, and we thank you for this warm welcome back. And I know you've seen some of what we experienced during this trip, but let me just share with you now some of the memorable moments of the last 10 days that will certainly stay in my mind: the open arms of the people of Poland; American flags waving in the square at the Lenin Shipyard in Gdansk; the faces of the people who lined the streets, greeting us with such joy; the thousands who endured a driving downpour in Budapest to welcome us to Hungary; the students I spoke to there, the hope of Hungary's future; and images we won't forget.

The warmth Barbara and I felt is a reflection of the warmth the people of Poland and Hungary feel for America and for our ideals. And then there was Paris, celebrating the bicentennial of the revolution that brought forth the Rights of Man. And how satisfying it was to witness the unity of purpose that emerged from the summit, ranging from East-West relations to the environment. And finally, the Netherlands and that church at Leiden, spiritual home of the Pilgrim Fathers and American ideals.

But of all these special moments, I want to share one with you that is truly special in its message. It's a story told by a Polish woman at a luncheon meeting that I hosted in Warsaw. Around the table sat members of Poland's Communist Party and members of Solidarity -- in some cases, men and women who had been imprisoned on the party's orders not so long ago and who were now elected members of the Polish Parliament. And it was remarkable proof of how far Poland has come; but in Poland, and in Hungary as well, progress hasn't come without heroic efforts -- a heroism that comes from deep within the heart. And this woman, who'd worked at personal risk for the release of many who had been jailed, was asked: How is it possible, after such a short time, to break bread with the men who ordered those imprisonments? Why the absence of bitterness? And she said: ``Our joy at what is now happening is more powerful than memory." And those are the words of someone who means to build a better future -- the desire to move forward towards a better life, a life of freedom. It's a source of tremendous strength.

It's the strength that enabled the Government and Solidarity to sit down at the roundtable to negotiate new political progress for Poland, the strength that enabled Lech Walesa [Solidarity leader] and General Jaruzelski [Chairman of the Council of State] to sit side by side at the opening of the new Polish Parliament. And it's a strength that in Hungary is enabling the Government and an emerging opposition to find a common ground in reform, to sit together in writing a new constitution and in planning truly free elections. And we must not forget that it was the strength and cohesion of our Western alliance that has helped make these dramatic changes possible.

Everywhere -- in Warsaw, Gdansk, and Budapest, among the leaders of the summit nations in Paris, and then in the Netherlands -- I found an enormous amount of excitement, excitement at the times in which we are living and the possibilities they offer: the chance we have in our lifetimes to move beyond containment, to end the division of Europe, to make that continent truly whole and free. Everywhere people seem to sense that we live at a moment when positive change is possible.

And as I said yesterday in the Dutch city of Leiden, history's great wheel is turning once again. And just as the wind of hope carried the Pilgrims to a New World, we, too, now find a new world within our reach, a world where the yearnings for freedom overcomes discord and confrontation; where freedom and democracy flourish for others, as they have for this great country of ours.

Thank you for this welcome home. It is good to be back. And God bless the United States of America. Thank you very much.

Note: The President spoke at 2:52 p.m. on the South Lawn at the White House.

White House Statement on the State Visit of King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia

July 18, 1989

King Fahd of Saudi Arabia called President Bush to request that the state visit scheduled for later this month be postponed due to the sensitive phase of the mediation on the Lebanese situation by the Heads of State Committee of which the King is a member.

The President expressed his understanding as well as his wishes for the success of the Committee's effort to bring peace and stability to Lebanon. Both leaders agreed that the state visit would take place as soon as could be arranged after September 1.

Message to the Congress Transmitting the Annual Report on Nuclear Nonproliferation

July 19, 1989

To the Congress of the United States:

I have reviewed the activities of the United States Government departments and agencies during the calendar year 1988 related to preventing nuclear proliferation, and I am pleased to submit my annual report pursuant to section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95 - 242).

As the report demonstrates, the United States continued its efforts during 1988 to prevent the spread of nuclear explosives to additional countries. This is an important element of our overall national security policy, which seeks to reduce the risk of war and increase international stability. I want to build on the positive achievements cited in this report and to work with the Congress toward our common goal: a safer and more secure future for all mankind.

George Bush

The White House,

July 19, 1989.

Message to the Congress Reporting on the National Emergency With Respect to Libya

July 19, 1989

To the Congress of the United States:

1. I hereby report to the Congress on developments since former President Reagan's last report of January 11, 1989, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (``IEEPA"); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c).

2. Since the last report on January 11, 1989, there have been no amendments to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the ``Regulations"), administered by the Office of Foreign Assets Control (``FAC") of the Department of the Treasury. Additionally, since January 11, 1989, there have been no amendments or changes to orders of the Department of Commerce or the Department of Transportation implementing aspects of Executive Order No. 12543 relating to exports from the United States and air transportation, respectively.

3. During the current 6-month period, FAC has issued a limited number of specific licenses to individuals and corporations to permit them to engage in activities that would otherwise be prohibited by the Regulations. Under FAC licensing procedures, 12 individuals registered to remain in Libya with immediate family members. Less than ten licenses were extended authorizing transactions in connection with U.S. persons' filings or renewals of Libyan patents, copyrights, and trademarks.

On January 19, 1989, President Reagan authorized the Treasury Department to modify specific licenses of five U.S. oil companies holding concessions in Libya to permit their resumption of operations in Libya or sale of their concessions to controlled or independent foreign nationals. The decision was made in order to protect U.S. interests from forfeiture or expropriation and to avoid the financial windfall that Libya has been receiving from the sale of U.S.-owned oil under the standstill agreements between the oil companies and Libya. Those agreements, which expired June 30, 1989, provided for a suspension of U.S. oil company operations in Libya to protect the companies from default on their contractual obligations to work their concessions in Libya. The decision to license reentry of the oil companies did not alter the sanctions against Libya; the U.S. trade embargo and the freeze of Libyan assets remain in effect, as do the bans on travel-related transactions and the use of U.S. passports for travel to Libya.

4. Various enforcement actions mentioned in previous reports continue to be pursued. In

addition, during the last 6-month period, FAC received payments of a $7,000 civil penalty from a U.S. broker and a $3,000 civil penalty from a Mexican exporter for their respective roles in an attempted transshipment in June 1988 of canned tuna through the United States to Libya.

5. During the 6-month period, the London Commercial Court directed the London branch of Manufacturers Hanover Trust Company to pay to a Libyan bank funds deposited in London and blocked pursuant to Executive Order 12544. In light of the rulings in this case and the 1987 Bankers Trust Company case, previously reported, FAC licensed Manufacturers Hanover Trust Company to pay the Libyan bank. Two further licenses were issued permitting payment of Libyan funds similarly blocked in the London branches of U.S. banks, as to which litigation was pending before the same London court.

6. The expenses incurred by the Federal Government in the 6-month period from January 11, 1989, through the present time that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at $449,471.60. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Department of Commerce, the Department of Justice, the Federal Reserve Board, and the National Security Council staff.

7. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya as long as these measures are appropriate, and I will continue to report periodically to the Congress on significant developments as required by law.

George Bush

The White House,

July 19, 1989.

Statement by the President on the Upcoming Elections in Nicaragua

July 19, 1989

Ten years ago, there was widespread satisfaction here and in Latin America that the anti-Somoza revolution in Nicaragua had triumphed and at long last democracy would be given a chance. The Sandinistas committed to the OAS [Organization of American States] in 1979 to establish a democracy and renewed that commitment when the Central American peace accord was signed nearly 2 years ago. Despite these promises, that commitment remains unfulfilled today.

The United States wanted to do its part for the success of the turn toward democracy. We had contributed to the overthrow of Somoza by cutting off military assistance. Encouraged by the Sandinistas' promise to the OAS, we provided $118 million in economic and humanitarian assistance to the new Nicaraguan government. This was substantially more than any other country gave the new regime and represented more aid than we had provided the Somoza government in the previous 4 years.

Despite our efforts to be supportive, as well as those of other democratic governments, the Sandinistas quickly embarked on a course which centralized power in their hands, brought economic ruin to their country, and forced hundreds of thousands to flee. They built up the largest army in Central America with aid from Cuba, the Soviet Union, and other Communist states. The security forces and Sandinista thugs harassed and imprisoned the opposition, including from the political parties, labor unions and businessmen, the Catholic Church, and the Miskito Indian community. Elections were postponed for 5 years, and when they were held, the Sandinista ground rules did not allow the opposition to compete freely and fairly.

Today, with the eyes of the world upon them, the Sandinistas have another opportunity to give peace and democracy a chance. But as the second anniversary of the commitments at Esquipulas approaches, what is evident is a renewed attempt to prevent a free and fair election. In strong contrast to its neighbors, who have chosen the democratic path, the Sandinista government continues to show that it fears free political competition.

The Sandinista electoral reform law, for example, was imposed upon the opposition over its objections and provides for an electoral council which is stacked in the Sandinistas' favor. Provisions for government campaign financing penalize parties that did not participate in the last election. To snuff out any chance that foreign contributions to the opposition could somehow offset official favoritism toward the Sandinista party, the law provides that 50 percent of foreign contributions be distributed to the electoral council. The Sandinista party is under no such constraints.

On paper, the electoral law permits foreign observers, but Sandinista practice to date indicates a desire to restrict them. The Sandinistas, for example, have branded National Endowment for Democracy representatives as CIA agents, expelled a Freedom House observer, and imposed visa restrictions on Americans so as to control who may report on the election. Two American diplomats were expelled for observing an opposition rally, and Sandinista restrictions on other members of the diplomatic corps provoked a protest by the EC representatives. These moves stand in sharp contrast to the Salvadoran experience, where observers from all sides were welcomed -- even those critical of the Government.

The new media law also fails to meet democratic standards, as it contains vague provisions that permit prosecution for defaming the Government, and enforcement is left to the Ministry of the Interior. Unlike the other Central American countries, the Government by law owns all television broadcasting. Moreover, only government-sanctioned polling is permitted, allowing the Sandinistas to hide from the people the true extent of their unpopularity.

The Sandinistas have also shown their fear of electoral freedoms in other ways. Several opposition marches have been canceled because the Government denied permits. Labor unions have been threatened, lest their display of economic power threaten the Sandinistas. Recently, several private sector leaders were stripped of their property, not for violations of law but in a transparent attempt to silence vocal critics of Sandinista policies.

Permeating all of these Sandinista measures is a government propaganda that equates opposition with disloyalty and criticism with allegiance to a foreign power. At every point, the Sandinistas have shown that they feel they can ignore opposition demands for dialog. Last week in San Jose, President Ortega indicated he might be willing to change. We look for him to do so, for there will be dim prospects for national reconciliation unless the internal opposition and the Nicaraguan resistance are made full partners in this process.

We also look to the Sandinistas to make other changes to comply with their Esquipulas commitments. Recently discovered arms caches in El Salvador show that the Sandinistas continue to subvert their neighbors. Despite our having halted lethal aid to the resistance, the Sandinista military buildup continues with new deliveries from Cuba and other Communist states. And now the Sandinistas are making common cause with the Noriega regime in Panama, a dictatorship in the style of Somoza.

The bipartisan accord with Congress offers an opportunity for better relations between our two countries. We want to see democracy and national reconciliation work in Nicaragua. We remain willing to respond positively if the Sandinistas fulfill their promises -- made to the OAS over 10 years ago at Esquipulas, and again last February in El Salvador -- to allow Nicaraguans to exercise their democratic rights. Despite the somber prospects, we remain committed to support free elections and democracy in Nicaragua, and our sincerest hope is that next year the Nicaraguan people will truly have something to celebrate.

Statement by Press Secretary Fitzwater on the Election of Wojciech Jaruzelski as President of Poland

July 19, 1989

We congratulate General Jaruzelski on his election to the Presidency of Poland. The choice of leadership is an internal matter for the Polish people. Our only concern is to see the political and economic reform process go forward, a point the President emphasized repeatedly throughout his trip.

The President was particularly struck by the overwhelming desire of the Polish people to work together to build a prosperous future. One of the goals of the President's trip was to express our hope that all the parties would take mutual action for the benefit of the Polish people.

Nomination of John A. Knauss To Be an Under Secretary of Commerce

July 19, 1989

The President today announced his intention to nominate John A. Knauss to be Under Secretary of Commerce for Oceans and Atmosphere. He would succeed William Evans.

Since 1962 Dr. Knauss has been a professor of oceanography at the graduate school of oceanography at the University of Rhode Island. He also served as dean of the graduate school of oceanography at the University of Rhode Island, 1962 - 1987, and as the provost for marine affairs at the University of Rhode Island, 1969 - 1982.

Dr. Knauss graduated from Massachusetts Institute of Technology (B.S., 1946), the University of Michigan (M.S., 1949), and the University of California, Scripps Institution of Oceanography (Ph.D., 1959). He was born September 1, 1925, in Detroit, MI.

Nomination of Sally J. Novetzke To Be United States Ambassador to Malta

July 19, 1989

The President today announced his intention to nominate Sally J. Novetzke to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta. She would succeed Peter R. Sommer.

Mrs. Novetzke has been an active political and civic volunteer in the State of Iowa. In 1986 she was commissioned to serve on the National Council on Vocational Education and has been serving as the legislative representative on that council. She also serves on the Kirkwood Community College Advisory Council for Career Education, the Kirkwood Community College Planning Council, the Cedar Rapids Symphony Board, and is a trustee of the Hoover Presidential Library. Mrs. Novetzke was vice chairman of campaign of the National Federation of Republican Women Advisory Board, 1987 - 1989; State cochairman of George Bush for President, 1988; member of the Iowa Federation of Republican Women Advisory Board, 1987 - 1989; precinct chairman, 1976 - 1988; State chairman, Republican Party of Iowa, 1985 - 1987; Republican State central committee, member from the 2d District, 1982 - 1985; and chairman of the Linn County Republican Party, 1980 - 1983.

Mrs. Novetzke attended Carleton College, 1950 - 1952. She was born January 12, 1932, in Stillwater, MN. Mrs. Novetzke is married, has four children, and resides in Cedar Rapids, IA.

Nomination of Loret M. Ruppe To Be United States Ambassador to Norway

July 19, 1989

The President today announced his intention to nominate Loret M. Ruppe to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway. She would succeed Robert D. Stuart.

Since 1981 Mrs. Ruppe has been Director of the Peace Corps in Washington, DC. Prior to this, she was the cochairman of the Reagan/Bush committee in Michigan, 1980, and chairman of the George Bush for President campaign for the State of Michigan, 1979 - 1980.

Mrs. Ruppe attended Marymount College and Marquette University. She was born January 3, 1936, in Milwaukee, WI. She is married, has five daughters, and resides in Bethesda, MD.

Nomination of Nicolas Miklos Salgo for the Rank of Ambassador While Serving as Special Negotiator for Property Issues

July 19, 1989

The President today announced his intention to nominate Nicolas Miklos Salgo for the rank of Ambassador in his capacity as the Special Negotiator for Property Issues.

Currently, Dr. Salgo serves as the Director of the Moscow Embassy Building Control Office at the Department of State in Washington, DC. Prior to this, he served as chief of the U.S. team for property negotiations with the German Democratic Republic, 1987 - 1988, and as Ambassador to Hungary, 1983 - 1986. He served as a member of the International Private Enterprise Task Force, 1983; consultant to the U.S. Information Agency, 1982 - 1983; and as chairman of the Watergate Companies in Washington, DC, 1977 - 1983. In addition, he was co-owner and president of the ZX ranch in Paisley, OR, 1966 - 1980; founder and limited partner of Watergate Improvement Associates in Washington, DC, 1960 - 1977; vice chairman and chairman of Bangor Punta Corp. and Subsidiaries in Greenwich, CT, 1960 - 1974; and founder and owner of Nicolas Salgo and Co. in New York, 1959 - 1983. Dr. Salgo has also served as president and chief executive officer of the Norbute Corp. in Butte, MT, 1954 - 1960, and executive vice president of Webb and Knapp, Inc., in New York, 1950 - 1957.

Dr. Salgo graduated from the University of Budapest (LL.D. and Ph.D., 1937). Dr. Salgo was born August 17, 1914, in Budapest, Hungary. He is married, has two children, and resides in Washington, DC.

Appointment of Joshua I. Smith as a Member of the Commission on Minority Business Development, and Designation as Chairman

July 19, 1989

The President today announced his decision to appoint Joshua I. Smith to be a member of the Commission on Minority Business Development (chief executive officer representative). This is a new position. Upon his appointment he will be designated Chairman.

Since 1978 Dr. Smith has served as founder, chairman of the board, and chief executive officer of the Maxima Corp. Prior to this, he served as vice president of Herner and Co. in Washington, DC, 1976 - 1978; executive director of the American Society for Information Science, 1970 - 1976; and manager of the Database Division Plenum Publishing Corp. in New York, 1969 - 1970. In addition, he served as assistant director for operations in the college information systems at the University of Akron, 1965 - 1969.

He graduated from Central State University (B.S., 1963). He received a doctor of humane letters degree from Bowie State College, 1987, and a doctor of humane letters degree from Central State College, 1986. He is married, has one son, and resides in Rockville, MD.

Nomination of Clifford R. Oviatt, Jr., To Be a Member of the National Labor Relations Board

July 19, 1989

The President today announced his intention to nominate Clifford R. Oviatt, Jr., to be a member of the National Labor Relations Board for the remainder of the term expiring August 27, 1993. He would succeed Wilford W. Johansen.

Since 1986 Mr. Oviatt has been a partner with McGuire, Woods, Battle and Boothe in McLean, VA. Prior to this, he was a partner and manager of Herrick and Smith in Boston, MA, 1985 - 1986. Mr. Oviatt was with Macdonald and McInerney, Washington, DC, 1984 - 1985; Cummings and Lockwood, Washington, DC, 1955 - 1984; and Moser, Johnson and Reif, Rochester, NY, 1953 - 1955.

Mr. Oviatt graduated from Wesleyan University (A.B., 1949) and Cornell Law School (LL.B., 1953). He was born May 25, 1926, in New Haven, CT. Mr. Oviatt served in the U.S. Navy, 1944 - 1946. He is married, has four children, and resides in Virginia.

Nomination of Donald F. Rodgers To Be a Member of the National Labor Relations Board

July 19, 1989

The President today announced his intention to nominate Donald F. Rodgers to be a member of the National Labor Relations Board for the remainder of the term expiring December 16, 1992. He would succeed John E. Higgins, Jr.

Since 1986 Mr. Rodgers has been the Special Coordinator for Senior Worker and Retiree Programs in the Office of the Secretary at the Department of Labor in Washington, DC. Prior to this he was a Special Assistant for Construction for the Occupational Safety and Health Administration at the Department of Labor, 1983 - 1986. Mr. Rodgers was appointed by President Reagan to the Federal Services Impasses Panel, 1982 - 1983. He also served as a consultant on government relations, labor, energy, and politics, 1981 - 1982; as a special consultant on labor and energy at the Office of Policy Development at the White House, 1981; as a labor adviser for the Reagan-Bush campaign, 1980; and as director of government relations and energy, International Brotherhood of Teamsters, 1974 - 1981.

Mr. Rodgers graduated from the Cornell University School of Labor Relations in 1952. He served in the U.S. Army during World War II. Mr. Rodgers was born October 1, 1926, in the Bronx, NY. He is married, has five children, and resides in Silver Spring, MD.

Nomination of Sheldon J. Krys To Be an Assistant Secretary of State

July 19, 1989

The President today announced his intention to nominate Sheldon J. Krys to be Assistant Secretary of State for Diplomatic Security. He would succeed Robert E. Lamb.

Since 1988, Mr. Krys has served as Assistant Secretary of State for Administration and Information Management. Prior to this, he served as Ambassador of the United States of America to the Republic of Trinidad and Tobago, 1985 - 1988. He served in several capacities at the Department of State, including Executive Assistant to the Under Secretary for Management in Washington, DC; Deputy Director for Management Operations, 1983 - 1985; and Executive Director of the Bureau of Near Eastern and South Asian Affairs, 1979 - 1983. In addition, he served as a Foreign Service inspector, 1977 - 1979; administrative counselor in Belgrade, Yugoslavia, 1974 - 1976; and Director of Personnel for Latin America, 1969 - 1974. He has served as special assistant to the U.S. Ambassador in London, 1966 - 1969; management officer in London, 1965 - 1966; educational and cultural affairs officer and Director of the Department of State Reception Centers, 1962 - 1965. Mr. Krys also served as a consultant to the Director of the Federal Mediation and Conciliation Service, 1961. In 1983 he received the Presidential Meritorious Service Award.

Mr. Krys graduated from the University of Maryland in 1955. He was a Distinguished Graduate of the National War College in 1977. He was born in New York in 1934. He is married, has three daughters, and resides in Washington, DC.

Remarks on the 20th Anniversary of the Apollo 11 Moon Landing

July 20, 1989

Thank you all very, very much. And thank you, Mr. Vice President, for your introduction and for undertaking to head the National Space Council and for already demonstrating your skill for leadership there. And thanks to all of you, who have braved the weather to join us today.

Behind me stands one of the most visited places on Earth, a symbol of American courage and ingenuity. And before me stand those on whose shoulders this legacy was built: the men and women of the United States astronaut corps. And we are very proud to be part of this unprecedented gathering of America's space veterans and to share this stage with three of the greatest heroes of this or any other century: the crew of Apollo 11.

It's hard to believe that 20 years have passed. Neil [Armstrong] and Buzz [Aldrin], who originated the moonwalk 15 years before Michael Jackson ever even thought of it. [Laughter] And Michael Collins, former director of this amazing museum and the brave pilot who flew alone on the dark side of the Moon while Neil and Buzz touched down -- Mike, you must be the only American over age 10 that night who didn't get to see the Moon landing. [Laughter]

And later this evening after the crowd disperses and the Sun goes down, a nearly full Moon will rise out of the darkness and shine down on an America that is prosperous and at peace. And for those old enough to remember that historic night 20 years ago, step outside tonight with your children or your grandchildren, lift your eyes skyward, and tell them of the flag -- the American flag -- that still flies proudly in the ancient lunar soil. And for those who were not yet born or then too young to recall -- you who are the children of the new century, raise your eyes to the heavens and join us in a great dream, an American dream, a dream without end.

Project Apollo, the first men on the Moon -- some called it quixotic, impossible -- had never been done. But America dreamed it, and America did it. And it began on July 16th, 1969. The Sun rose a second time that morning as the awesome fireball of the Saturn V lifted these three pioneers beyond the clouds. A crowd of one million, including half of the United States Congress, held its breath as the Earth shook beneath their feet and our view of the heavens was changed forevermore.

Three days and three nights they journeyed. It was a perilous, unprecedented, breathtaking voyage. And each of us remember the night. Barbara and our daughter, Dorothy, were with me in our red-brick house right here on the outskirts of Washington, where we moved up here to represent Houston in the United States Congress. Our 12-year-old kid, Marvin, was on a trip out West with family friends and remembers stopping at a roadside motel to watch. Second boy, Jeb,

16 that summer -- teaching English and listening by radio in a small Mexican village where electricity had yet to arrive.

The landing itself was harrowing. Alarms flashed, and a computer overload threatened to halt the mission while Eagle dangled thousands of feet above the Moon. Armstrong seized manual control to avoid a huge crater strewn with boulders. With new alarms signaling a loss of fuel and the view now blocked by lunar dust, Mission Control began the countdown for a mandatory abort.

America, indeed the whole world, listened -- a lump in our throat and a prayer on our lips. And only 20 seconds of fuel remained. And then out of the static came the words: ``Houston -- Tranquility Base here: The Eagle has landed."

Within one lifetime, the human race had traveled from the dunes of Kitty Hawk to the dust of another world. Apollo is a monument to our nation's unparalleled ability to respond swiftly and successfully to a clearly stated challenge and to America's willingness to take great risks for great rewards. We had a challenge. We set a goal. And we achieved it.

So, today is not only an occasion to thank these astronauts and their colleagues -- the thousands of talented men and women across the country whose commitment, creativity, and courage brought this dream to life -- it's also a time to thank the American people for their faith, because Apollo's success was made possible by the drive and daring of an entire nation committed to a dream.

In the building behind me are the testaments to Apollo and to what came before -- the chariots of fire flown by Armstrong, Yeager, Lindbergh, and the Wrights. And in the National Archives, across the great expanse of grass, are preserved the founding documents of the idea that made it all possible -- the world's greatest experiment in freedom and diversity. And here, standing between these twin legacies, is a fitting place to look forward to the future, because the Apollo astronauts left more than flags and footprints on the Moon; they also left some unfinished business. For even 20 years ago, we recognized that America's ultimate goal was not simply to go there and go back, but to go there and go on. Mike Collins said it best: ``The Moon is not a destination; it's a direction."

And space is the inescapable challenge to all the advanced nations of the Earth. And there's little question that, in the 21st century, humans will again leave their home planet for voyages of discovery and exploration. What was once improbable is now inevitable. The time has come to look beyond brief encounters. We must commit ourselves anew to a sustained program of manned exploration of the solar system and, yes, the permanent settlement of space. We must commit ourselves to a future where Americans and citizens of all nations will live and work in space.

And today, yes, the U.S. is the richest nation on Earth, with the most powerful economy in the world. And our goal is nothing less than to establish the United States as the preeminent spacefaring nation.

From the voyages of Columbus to the Oregon Trail to the journey to the Moon itself: history proves that we have never lost by pressing the limits of our frontiers. Indeed, earlier this month, one news magazine reported that Apollo paid down-to-earth dividends, declaring that man's conquest of the Moon ``would have been a bargain at twice the price." And they called Apollo ``the best return on investment since Leonardo da Vinci bought himself a sketch pad." [Laughter]

In 1961 it took a crisis -- the space race -- to speed things up. Today we don't have a crisis; we have an opportunity. To seize this opportunity, I'm not proposing a 10-year plan like Apollo; I'm proposing a long-range, continuing commitment. First, for the coming decade, for the 1990's: Space Station Freedom, our critical next step in all our space endeavors. And next, for the new century: Back to the Moon; back to the future. And this time, back to stay. And then a journey into tomorrow, a journey to another planet: a manned mission to Mars.

Each mission should and will lay the groundwork for the next. And the pathway to the stars begins, as it did 20 years ago, with you, the American people. And it continues just up the street there, to the United States Congress, where the future of the space station and our future as a spacefaring nation will be decided.

And, yes, we're at a crossroads. Hard decisions must be made now as we prepare to enter the next century. As William Jennings Bryan said, just before the last turn of the century: ``Destiny is not a matter of chance; it is a matter of choice. It is not a thing to be waited for; it is a thing to be achieved."

And to those who may shirk from the challenges ahead, or who doubt our chances of success, let me say this: To this day, the only footprints on the Moon are American footprints. The only flag on the Moon is an American flag. And the know-how that accomplished these feats is American know-how. What Americans dream, Americans can do. And 10 years from now, on the 30th anniversary of this extraordinary and astonishing flight, the way to honor the Apollo astronauts is not by calling them back to Washington for another round of tributes. It is to have Space Station Freedom up there, operational, and underway, a new bridge between the worlds and an investment in the growth, prosperity, and technological superiority of our nation. And the space station will also serve as a stepping stone to the most important planet in the solar system: planet Earth.

As I said in Europe just a few days ago, environmental destruction knows no borders. A major national and international initiative is needed to seek new solutions for ozone depletion and global warming and acid rain. And this initiative, ``Mission to Planet Earth," is a critical part of

our space program. And it reminds us of what the astronauts remember as the most stirring sight of all. It wasn't the Moon or the stars, as I remember. It was the Earth -- tiny, fragile, precious, blue orb -- rising above the arid desert of Tranquility Base.

The space station is a first and necessary step for sustained manned exploration, one that we're pleased has been endorsed by Senator Glenn, and Neil Armstrong, and so many of the veteran astronauts we honor today. But it's only a first step. And today I'm asking my right-hand man, our able Vice President, Dan Quayle, to lead the National Space Council in determining specifically what's needed for the next round of exploration: the necessary money, manpower, and materials; the feasibility of international cooperation; and develop realistic timetables -- milestones -- along the way. The Space Council will report back to me as soon as possible with concrete recommendations to chart a new and continuing course to the Moon and Mars and beyond.

There are many reasons to explore the universe, but 10 very special reasons why America must never stop seeking distant frontiers: the 10 courageous astronauts who made the ultimate sacrifice to further the cause of space exploration. They have taken their place in the heavens so that America can take its place in the stars.

Like them, and like Columbus, we dream of distant shores we've not yet seen. Why the Moon? Why Mars? Because it is humanity's destiny to strive, to seek, to find. And because it is America's destiny to lead.

Six years ago, Pioneer 10 sailed beyond the orbits of Neptune and of Pluto -- the first manmade object to leave the solar system, its destination unknown. It's now journeyed through the tenures of five Presidents -- 4 billion miles from Earth. In the decades ahead, we will follow the path of Pioneer 10. We will travel to neighboring stars, to new worlds, to discover the unknown. And it will not happen in my lifetime, and probably not during the lives of my children, but a dream to be realized by future generations must begin with this generation. We cannot take the next giant leap for mankind tomorrow unless we take a single step today.

To all of you here, our able director of NASA and others who've served so well -- to all of you here, and especially the astronauts: We wish you good luck in your quests, wherever that may take you. Godspeed to you, one and all, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 10:30 a.m. on the steps of the National Air and Space Museum. In his closing remarks, he referred to Richard H. Truly, Administrator of the National Aeronautics and Space Administration. Prior to his remarks, the President viewed the ``Apollo 11'' lunar module in the museum. Following his remarks, he participated in the unveiling of a stamp commemorating the ``Apollo 11'' mission.

Remarks at a White House Barbecue on the 20th Anniversary of the Apollo 11 Moon Landing

July 20, 1989

America's astronauts and spouses, friends in the United States Congress, NASA officials, and other honored guests: I say welcome -- but for most of you, welcome back to the White House. Barbara and I are delighted that you've joined us for this important anniversary. Planning the picnic was a little hectic. We didn't know whether you preferred hamburgers grilled or served out of a tube. But, nevertheless -- [laughter] -- and also, thanks for coming to the commemoration there, earlier on at the Air and Space Museum. I liked what I heard from our famous lunar astronauts. It's a pleasure, indeed, to welcome the present administrators at NASA and those who served so admirably in the past, running that fantastic organization.

All of you here, in one way or another, have had important roles in supporting the space program. And that support comes from many corners. Many of you have seen those wonderful Ad Council spots that highlight how space technology benefits all humanity. And I'd like to take a moment to recognize someone here who has contributed her time and talent to this campaign. We call her America's leading lady, and that is Helen Hayes, who is there somewhere -- right here. Helen, would you -- we are so grateful to her. And she's found the only cool place on the lawn, too. [Laughter]

As you might expect from a former Navy pilot who lived much of his adult life in Houston, I, too, am a longtime supporter of the space program and the fine work of the men and women gathered here. In our administration's first budget proposal, the largest single percentage increase is for the space agency. And thanks to you and your colleagues at NASA, 20 years after Apollo 11, we still live in a world that is alive with wonder. Two weeks ago, Voyager 2 discovered a new moon around Neptune. And we're still getting acquainted with neighborhoods that we didn't even know about.

On the way back from the Moon, Buzz Aldrin spoke of the never-ending wonder of space. ``This has been far more than three men on a voyage to the Moon," he said. ``This stands as a symbol of the insatiable curiosity of all mankind to explore the unknown." And I might add, that voyage, like the efforts that came before and the efforts that have come since, is also a symbol of all the men and women of unique talent and character who made it possible, a tribute to the commitment, ingenuity, and nerve of tens of thousands of people working all across the Nation. No one knows better than you, those assembled here today, that Apollo's missions to the Moon raised more questions than they answered.

My commitment today to forge ahead with a sustained, manned exploration program, mission by mission -- the space station, the Moon, Mars and beyond -- is a continuing commitment to ask new questions, to seek new answers, both in the heavens and on Earth.

I am delighted that my able Vice President, our able Vice President, is heading the Space Council. He's a young man, knows how to dream still, knows how to plan. And that Space Council is in very able hands.

James Michener was right when he told Congress: ``There are moments in history when challenges occur of such a compelling nature that to miss them is to miss the whole meaning of an epoch. Space is such a challenge," he said. Well, today's announcement is our recognition that the challenge was not merely one that belonged in the sixties; it's one that will occupy Americans for generations to come. And the American people have led the way on this. The American people, I'm convinced, want us back in space -- and this time, back in space to stay.

Somewhere out there, maybe on the Mall today, maybe listening on a radio somewhere, the Americans who will first walk on Mars are now only children, perhaps your children. And along with our congratulations to all of you, we leave you today with the hope of that day when another President stands with those pioneers and echoes the last words spoken to the departing Apollo 11: ``Good luck, and Godspeed." And so, once again, thank you for the contributions to the greatness of the United States of America. I'm just delighted you came our way. Thank you very, very much.

Note: The President spoke at 1:01 p.m. on the South Lawn at the White House.

Appointment of Five Members of the National Commission on Acquired Immune Deficiency Syndrome

July 20, 1989

The President today announced his intention to appoint the following individuals to be members of the National Commission on Acquired Immune Deficiency Syndrome.

The National Commission on Acquired Immune Deficiency Syndrome was established by Public Law No. 100 - 607 on November 4, 1988. The Commission has 15 members, 5 of which are appointed by the President. Of these five appointed members, three are the Secretary of Health and Human Services, the Secretary of Veterans Affairs, and the Secretary of Defense; and the other two are chosen from the general public. The members serve for the life of the Commission. Five members are appointed by the United States Senate and five are appointed by the House of Representatives.

Belinda Ann Mason, of Indiana. This is a new position. Since 1988 Ms. Mason has been president and a member of the board of directors for the National Association of People with AIDS (NAPWA) in Washington, DC. Since 1988 she has served as an AIDS educator and consultant, traveling throughout the country speaking to educational institutions, interest groups, health care professionals, and legislators.

David E. Rogers, of New Jersey. This is a new position. Since 1986 Dr. Rogers has served as the Walsh McDermott university professor of medicine at Cornell University Medical College. Prior to this, he was president of the Robert Wood Johnson Foundation in Princeton, NJ.

Richard Cheney, Secretary of the Department of Defense.

Edward Derwinski, Secretary of Veterans Affairs.

Louis Sullivan, Secretary of Health and Human Services.

Statement on the Crash of a United Airlines Jetliner in Sioux City, Iowa

July 20, 1989

Barbara and I extend our deepest sympathy to the families and friends of the victims of Flight 232. Our hearts -- indeed, the hearts of all Americans -- go out to them in their time of sorrow.

I am sure I speak for many when I commend the extraordinary efforts of the airport personnel, rescue teams, National Guardsmen, and local citizens who rushed to the crash scene to offer aid. The compassion and generosity demonstrated by the entire Sioux City community in the wake of this catastrophe has been overwhelming.

Today we pray for the passengers killed on Flight 232. Let us also ask God to bless their loved ones and those survivors who remain hospitalized. May they find strength and comfort in their faith and in the love of family and friends.

Letter to Congressional Leaders on Communications Support for Drug Interdiction

July 20, 1989

Dear XXXXX:

The enclosed report responds to the reporting requirement of Section 1103(b) of the FY 1989 National Defense Authorization Act.

The report focuses on the communications support for drug interdiction and the responsibilities for operating the communications network; provides a description of the funding approach to effect a secure interoperable interagency communications infrastructure to support drug interdiction efforts; highlights the fact that the communications network for drug interdiction is comprised of several communications subsystems and that the components of these subsystems serve a multipurpose function and are not necessarily dedicated for drug interdiction support.

A similar letter is being sent to the Chairman, House Committee on Armed Services, and the Chairmen of the House and Senate Committees on Appropriations.

Sincerely,

George Bush

Note: Identical letters were sent to Sam Nunn and Les Aspin, chairmen of the Senate and House of Representatives Committees on Armed Services, respectively; and Robert Byrd and Jamie L. Whitten, chairmen of the Senate and House of Representatives Committee on Appropriations, respectively.

Remarks at a Ceremony Commemorating Captive Nations Week

July 21, 1989

Thank you all for coming today to the White House. And I want to welcome you to the White House and to an occasion, Captive Nations Week, marked by sadness, but blessed by hope. And today we meet to signal our deep concern at the fate of nations, and peoples as well, whose liberty has been held captive. And we applaud the movement toward democracy taking place in the world and the changes yet to come.

Six months ago this week, I said in my Inaugural Address: ``In man's heart, if not in fact, the day of the dictator is over. The totalitarian era is passing, its old ideas blown away like leaves from an ancient lifeless tree." Well, I have just returned, hopeful and encouraged, from visits to Poland and Hungary, two nations on the threshold of historic change. And I can say to you: The old ideas are blowing away; freedom is in the air.

For 40 years, Poland and Hungary endured what's been called the dilemma of the single alternative: one political party, one definition of national interest, one social and economic model -- in short, one future, prescribed by an alien ideology. But in fact, that future meant no future. For it denied to individuals, choice; to societies, pluralism; and to nations, self-determination. And yet in Poland and Hungary, a courageous people would not yield to despair. There, as elsewhere, the light of liberty would not go out.

And 10 days ago, I watched thousands brave a driving rain to acclaim this love of liberty. They cheered for free assembly, free press and speech, and freedom of religion, and filled a square in Budapest named after a freedom fighter who believed in that democracy which linked the people of Hungary with the peoples of the world. Lajos Kossuth arrived in America in 1851 after Hungary's struggle for freedom had temporarily been lost. And yet in his remarks to the United States Congress, he was hopeful, not embittered. He spoke of his ``steady faith in principles" of self-government, opportunity, and individuality.

The heroism of such patriots inspires us and teaches us. For they embody the spirit of Captive Nations Week, the spirit which says that freedom around the world is not divisible, and which lives in the brave immigrants from captive nations who are beside me: Polito Grau de Aguero, for instance, a political prisoner in Cuba before fleeing to America, or Haing Ngor, who fled Cambodia after the Holocaust and won an Academy Award for his role in ``The Killing Fields." These seven people are heroes, for they have shown the power of courage and free expression.

And last week, I saw how the peoples of Poland and Hungary are leading the way toward this democratic future, casting rays of light on other nations that are not as fortunate. For within

these nations, men and women are standing up for the cause of liberty often at enormous cost, a cause the Czech writer Vaclav Havel once called the ``living in truth."

This truth forms the heart of Captive Nations Week, for it dictates that liberty be political and economic, religious and intellectual. ``Living in truth" suggests that democratic ideals can make all things possible for a nation and for its people, and that the individual, not the state, is the voice of tomorrow.

We see that truth in the successful return of democracy to Pakistan. And in Africa, where liberty lights those nations moving away from state socialism with new success. The hated system of apartheid is on the defensive. And in our hope for a Cambodia with self-determination for her people, and a complete and verified Vietnamese withdrawal with no return to power by the Khmer Rouge. And today the light of liberty is illuminating the face of Eastern and central Europe and reflecting the changes taking place within the Soviet Union toward greater openness at home and away from confrontation abroad. Such openness prompted the barbed wire fence between Austria and Hungary to be dismantled. And the portion I received -- sitting right here -- the portion I received as a gift is now on display, and I'd love to have you all take a look at it after this. And a spirit of renewal lights the Baltic States -- Latvia, Lithuania, Estonia -- striving to recapture their national history.

These nations know, as we know, that that tide is moving toward change, economic and political. For around the world, we see democracy opening markets and boundaries, freeing hearts, freeing minds.

And therefore, to nations of Eastern and central Europe striving to reclaim their national heritage, we say: America stands with you. And to the peoples of China and Vietnam and Laos, Ethiopia and Nicaragua, striving for freedom, we say: America stands with you. And to the ethnic Turks in Bulgaria uprooted from their homes and forced to flee across the border, we say: America stands with you. Indeed, to all nations, America proclaims that the truth cannot forever be intimidated by force. For history shows and the human will proclaims that liberty can light the darkest night.

Last Tuesday thousands filled the streets in Gdansk -- peacefully, movingly -- to honor the spirit of Solidarity. But their presence did more. It expressed the belief that democracy underscores the dignity of man. Among the celebrants was the patriot who, above all others, has made Poland's future possible. Astonished by the turnout, he found pride in freedom's past and hope in its tomorrow. As Poles -- cheering, many crying -- flanked our motorcade, Lech Walesa turned to me and said simply, ``This is fantastic." And he was moved and stirred by the wonder of the moment and the crowds that came out to pay their respects to the freedom that the United States of America epitomizes.

And in coming years, that wonder can uplift the world -- in Prague and Kabul, Tallinn, Riga,

Vilnius -- in the hopes and dreams of people who believe in an open and peaceful world, and who have endured much, and who will survive everything, through the triumph of the heart.

To love freedom, to overcome oppression -- this is their spirit and the meaning of Captive Nations Week. We love them, and we are with them, for we will never waiver nor surrender. And so, together, let us raise what Lajos Kossuth called ``the morning star of liberty,'' the star that can help all captive peoples know the dignity that sets men free.

Thank you for your participation in this wonderful occasion. I'll never forget it. And God bless you, and thanks for coming to the White House. And God bless the United States of America, and all that we stand for. Thank you very, very much.

Note: The President spoke at 10:02 a.m. in the Rose Garden at the White House.

Remarks on Transmitting to the Congress Proposed Legislation To Amend the Clean Air Act

July 21, 1989

Welcome to the steamy Rose Garden, Mr. Speaker and distinguished Members of the Congress.

Something that was truly striking during my recent travels in Europe was this genuine excitement and enthusiasm spreading about the environmental issues. And the economic summit in Paris was largely devoted to the environment and what it means for the quality of life on our planet. Our neighbors abroad feel a sense of shared commitment. They're cooperating to find solutions, and we're working very closely with them.

Around the world, in efforts to clean up the environment, we, the United States of America, are taking the lead. And the next step now is congressional action. And let me make one thing very, very clear: Clean air is too important to be a partisan issue. Anyone who allows political bickering to weaken our progress against pollution does a tragic disservice to every city in America and to every American in this country who wants and deserves clean air. And we've worked very hard on both sides of the aisle to craft a proposal that, for the first time in two decades, makes new progress for clean air.

The Clean Air Act that I'm sending to Congress today has been made possible thanks to the outstanding efforts and the bipartisan support of Republicans and Democrats alike. Protecting the world's shared natural heritage must be a global, universal priority. Just as environmental problems respect no borders, our solutions must transcend political boundaries. And that's why we're here today, and that's why this legislation is such good news: It brings us one step closer towards clean air.

The reforms we're proposing to the Clean Air Act represent thousands of hours of careful analysis, negotiation, and cooperation. And the right questions have been asked, and together, we are finding the right answers. To make the Clean Air Act effective, you all know the great range of concerns that have to be balanced. Economic growth and job creation, environmental protection, mobility, unfettered commerce are all priorities that have to be considered; and they have been in our work here. In drafting this legislation, we've reached out. We've heard from groups all across the spectrum, and we've listened to, appreciated, and certainly benefited from their comments. Environmentalists, industry leaders, Members of Congress, experts from the science and academic area -- leaders from every quarter have all shown the wisdom and will to make clean air the birthright of every American.

I am pleased and proud to see that many of you have decided to cosponsor this bill. and I can't thank you all enough, because clean air, once again, is a bipartisan issue. I've requested Senators

Burdick and Chafee and Congressmen Dingell and Lent -- Norm -- to be the bill's prime sponsors, and if this bill becomes law, all of you will have earned the gratitude and respect of generations to come.

This piece of legislation will see to it that every American, in every city in America, will breathe clean air. It will stop the degradation that's been caused by acid rain by the end of this century. And it will cut airborne toxic chemicals from major sources by at least 75 percent.

Those are the goals that I outlined back in June. But the bill does more than set bold objectives. It meets those goals in economically efficient ways -- tapping the power of the marketplace, encouraging flexibility, calling on American ingenuity in areas like alternative fuels, and relying on the talents and insights of those affected to find the solutions. This bill matches the letter and the spirit of my speech and the fact sheet on June 12th. And while I'll leave you to read the legislation, there are a few specifics that I want to just briefly touch on here.

First, this is one of the most aggressive pieces of environmental legislation competing on the Hill. It will, for example, reduce sulfur dioxide emissions by 2 million tons more than the most popular acid rain bill currently in the House.

And second, for the reductions in airborne toxic chemicals we seek, this legislation calls for some very tough standards. New sources must do more than match existing average-control technology. They must be as good as the best. Our regulations will ensure that every industrial plant in the country has the best available control technologies that we know of in practice.

And third, we've proposed a streamlined permit system for all of the Clean Air Act's requirements to ensure that each source meets all applicable limits for air toxics, smog, and acid rain.

And finally, this legislation has teeth. It provides tough sanctions for cities that don't make reasonable efforts and significant progress. And to deter future crimes against the air we breathe, any individuals who willfully violate the Clean Air Act will face felony-level criminal sanctions -- that will be carefully, definitively applied, however. This bill makes sure that the polluters will pay.

And it's time to break the gridlock on this issue. It is time to cooperate for clean air by passing a new Clean Air Act this year. Bill Reilly, our able [Environmental Protection Agency] Administrator, and trusted Secretary of Energy Jim Watkins and I will work closely with you Members on the Hill to make clean air the law of this land. Americans deserve it. I am absolutely convinced that this Congress can achieve it.

And thank you all for coming down here today. And now we'll formalize this by one signature, and thank you all.

Note: The President spoke at 2:02 p.m. in the Rose Garden at the White House. In his remarks, he referred to Thomas S. Foley, Speaker of the House of Representatives.

Message to the Congress Transmitting Proposed Legislation To Amend the Clean Air Act

July 21, 1989

To the Congress of the United States:

Today I am pleased to transmit proposed legislation entitled the ``Clean Air Act Amendments of 1989." This proposal reflects the first major clean air legislation proposed by the executive branch in a decade. It is designed to achieve consensus by complementing the important efforts of the Congress in recent years, so that we can move forward this year with a plan to protect our Nation's air.

On June 12, 1989, I outlined the highlights of my program to provide clean air for all Americans, the first sweeping revisions to the Clean Air Act since 1977. This legislation implements that program. While emissions of some pollutants -- such as lead and carbon monoxide -- have been reduced since the Clean Air Act was passed in 1970, progress has not come quickly enough and much remains to be done.

My proposal is designed to curb three major threats: acid rain, urban air pollution, and toxic air emissions. The seven-title proposal I am sending you today represents the actions that we believe the Congress should take in each of these areas. If this legislation is enacted, acid rain-related pollutants will be reduced by nearly one-half, all urban areas in the country will finally attain national air quality standards, and emissions of toxic air pollutants will be slashed.

My acid rain proposal would permanently cut sulfur dioxide (SO2) emissions by 10 million tons from 1980 levels and would result in a 2 million ton cut in nitrogen oxide (NOx) emissions from levels projected by the year 2000. All cities currently not meeting the health standards for ozone and carbon monoxide would be brought into attainment. Most cities would attain the standard by 1995, and the plan is designed to ensure attainment in all but the most severely impacted cities by the year 2000. New plants emitting toxic compounds into the air would be required to employ the best technology currently available so as to achieve a significant cut in pollutants suspected of causing cancer.

More important, this proposed legislation makes deep, early cuts in air pollution and continues that progress forward into the 21st century. During my campaign I promised the American people that my Administration would work to protect the environment and to ensure clean air for all Americans. Enactment of the proposal I present to you today will be a major step in fulfilling that promise. I urge these important proposals be promptly considered and enacted. We owe the people of our great Nation nothing less.

George Bush

The White House,

July 21, 1989.

Statement by Press Secretary Fitzwater on the Proposed Increase in Federal Disability Benefits

July 21, 1989

The President has said that he wants Federal programs to promote self-sufficiency for disabled persons and reduce barriers to employment, and that Federal programs should not perpetuate dependency.

We are today taking an important step in this direction through a regulation being proposed by Secretary Sullivan. Effective January 1990, this regulation would increase by two-thirds the amount an individual can earn and still receive benefits from the Federal Government's disability insurance and supplemental security income programs. This increase -- from $300 to $500 per month -- will provide an incentive for the 5.2 million workers on the disability rolls to take significant steps toward work and economic independence.

White House Fact Sheet on the Proposed Increase in Federal Disability Benefits

July 21, 1989

The ``Substantial Gainful Activity'' (SGA) Concept

The Social Security Act defines disability as the ``inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve months." Meeting this definition is the prerequisite for disabled persons to become eligible for the Federal Government's two largest programs offering cash assistance to the disabled, Social Security Disability Insurance (DI) and Supplemental Security Income (SSI).

The Secretary of Health and Human Services has set the ``substantial gainful activity'' (SGA) level for nonblind persons at $300 in earnings per month. Under the proposed regulation announced today, that amount will increase to $500 per month. (The level for blind persons is set by law, and is currently $740 per month and will not be affected by the regulation.)

The proposed regulation also affects the ``trial work period'' (TWP). Presently, if a DI recipient returns to work and earns more than $75 per month or exceeds 15 hours of self-employment, the individual enters a TWP. Under the proposed regulation, the levels that trigger entry into the TWP would rise to $200 or 40 hours.

In the DI program, if a disabled person begins to work, benefits continue during a 9-month trial work period (TWP), a 3-month grace period, and then during any months in a 36-month reentitlement period in which earnings fall below the SGA amount. The 3-month grace period begins whenever an individual has accumulated 9 months of trial work.

In the SSI program, a disabled recipient has his or her payment reduced $1 for each $2 in earnings beyond $65 per month. At the point where earnings reach the SGA level, benefits are continued under certain circumstances under the ``1619 program," named for the section of the Social Security Act that established it.

Numbers Affected, Costs, Populations

The increased SGA amounts are expected to allow up to 71,000 individuals to retain or regain SSI or DI benefits. FY '90 costs will be $60 million, rising to $197 million per year in FY '94, for a 5-year total of $699 million.

DI pays benefits to 2.83 million workers and 1.24 million husbands, wives, and children of

disabled workers. SSI makes payments to 3.03 million blind and disabled individuals, of whom 573,000 are age 65 or older.

DI makes payments to individuals insured under Social Security who have not reached the minimum age for old age benefits, regardless of income. SSI is a means-tested program.

Nomination of Charles Warren Hostler To Be United States Ambassador to Bahrain

July 21, 1989

The President today announced his intention to nominate Charles Warren Hostler to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Bahrain. He would succeed Sam H. Zakhem.

Since 1977 Dr. Hostler has been president of the Hostler Investment Co. and Pacific Southwest Capital Corp. in San Diego, CA. Prior to this, he served as Deputy Assistant Secretary for International Commerce at the Department of Commerce, 1974 - 1976; regional vice president of E-Systems Inc. for the Middle East and Africa in Dallas, TX, 1976 - 1977; and president of Hostler Investment Co. in Newport Beach, CA, 1969 - 1974. He also served as manager at McDonnell Douglas Corp. for international marketing for missiles and space, 1967 - 1969; and manager for the Middle East at Douglas Aircraft Co. international sales in Beirut, Lebanon, 1965 - 1967.

Dr. Hostler graduated from the University of California at Los Angeles (B.A., 1942), Georgetown University (M.A., 1955), American University at Beirut, Lebanon (M.A., 1952), and Georgetown University (Ph.D., 1956). He was born December 12, 1919, in Chicago, IL. He served in the U.S. Air Force, 1942 - 1963. He is married, has one child, and resides in San Diego, CA.

Nomination of Gordon K. Durnil To Be a Commissioner on the International Joint Commission -- United States and Canada

July 21, 1989

The President today announced his intention to nominate Gordon K. Durnil to be a Commissioner on the part of the United States on the International Joint Commission -- United States and Canada. He would succeed Robert C. McEwen.

Mr. Durnil has served as the State chairman of the Indiana Republican Party, 1981 - 1989. He has served in the fields of sales, small business management, government, and the general practice of law.

Mr. Durnil graduated from Indiana University School of Business with a bachelor of science degree and Indiana University School of Law with a doctor of jurisprudence. He was born February 20, 1936, in Indianapolis, IN. He is married, has two children, and resides in Indianapolis, IN.

Nomination of J. Clarence Davies To Be an Assistant Administrator of the Environmental Protection Agency

July 21, 1989

The President today announced his intention to nominate J. Clarence Davies to be an Assistant Administrator of the Environmental Protection Agency (Policy and Evaluation). He would succeed Linda J. Fisher.

Since 1976 Dr. Davies has been executive vice president for the Conservation Foundation in Washington, DC. Prior to this, he was a fellow for Resources for the Future, Inc., 1973 - 1976. He was a senior staff member for the Council on Environmental Quality, Executive Office of the President, 1970 - 1973. Dr. Davies has served as an assistant professor of politics and public affairs at Princeton University, 1967 - 1970; and chief examiner for environmental and consumer protection in the Bureau of the Budget in the Executive Office of the President, 1965 - 1967.

Dr. Davies graduated from Dartmouth College (B.A., 1959) and Columbia University (Ph.D., 1965). He was born November 16, 1937, in New York, NY, and currently resides in Bethesda, MD.

Nomination of Mark Gregory Hambley To Be United States Ambassador to Qatar

July 21, 1989

The President today announced his intention to nominate Mark Gregory Hambley to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Qatar. He would succeed Joseph Ghougassian.

Since 1986, Mr. Hambley has been counsul general in Alexandria, Egypt. Since joining the Department of State in 1971, Mr. Hambley has served at posts in Vietnam, Lebanon, Jordan, Saudi Arabia, Yemen, Tunisia, and Libya. He is a recipient of the Department of State's Meritorious Honor Award in 1976 and 1979. In 1982, he received the Director General's Award for Reporting. In 1985, he was elected as a participant in the Una Chapman Cox sabbatical leave program.

Mr. Hambley graduated from American University (B.A., 1969), attended American University in Beirut, 1967 - 1968, and received an M.I.A. degree from Columbia University. He was born February 12, 1948, in Boise, ID, and is married.

Nomination of David C. Williams To Be Inspector General of the Nuclear Regulatory Commission

July 21, 1989

The President today announced his intention to nominate David C. Williams to be Inspector General, Nuclear Regulatory Commission. This is a new position.

Since 1986 Mr. Williams has been Director of the Office of Special Investigations, General Accounting Office, in Washington, DC. Prior to this he was Director of Operations in the Office of Labor Racketeering at the Department of Labor, 1984 - 1986. He was supervisory staff investigator for the President's Commission on Organized Crime, 1983 - 1984; special agent-in-charge in the Office of Labor Racketeering at the Department of Labor in New York, NY, and Cleveland, OH; and a supervisory special agent in Chicago, IL, 1979 - 1984. He was a special agent for the U.S. Secret Service in Chicago, IL, 1975 - 1979.

Mr. Williams graduated from Southern Illinois University with a bachelor of science and the University of Illinois with a masters in education. He was born January 7, 1947, and currently resides in Alexandria, VA.

Remarks on the Defense Budget and a Question-and-Answer Session With Reporters

July 24, 1989

The President. I just wanted to just briefly say that -- as we begin the critical debate -- that I strongly support what we've sent up there to the Hill. SDI, in my view, is critical. It's critically important. We've got a good program there, and I think it's essential that it go forward. There's been a lot of discussion about the B - 2, but it is a revolutionary plane with revolutionary technology, and again, I would strongly urge your support for that. I know there's been some debate on the two missiles -- the rail garrison peacekeeper and the small ICBM -- but we need the utmost flexibility in terms of arms control. And then, of course, there's the survivability itself -- that's very important. And so, I want to urge full support for that one.

So, this is a complicated, expensive program. I salute our Secretary of Defense, who's made some important cuts in the defense budget that have not been easy. But I wanted to strongly urge the support from this most prestigious committee and the leaders around this table for the full program.

And I'd be glad to take just one or two questions -- --

Q. Mr. President, how can you justify -- --

The President. -- -- and then we're going to go on about our business here.

Q. How can you justify spending $70 billion on a plane when we have infant mortality rising, when the infrastructure in this country shows a serious breakdown on the social needs, the homeless, and so forth?

The President. I justify it because I think the prime responsibility of a President is the national security of the United States, and I'm determined to put forth a program that is sound in every way. And that's how I justify it. And I also justify it because, when you look at the full defense program, I want to have maximum flexibility as we have arms control negotiations.

Felix Bloch Espionage Investigation

Q. Mr. President, do you have any reaction to the espionage case against Mr. Bloch?

The President. Yes. Yes, I do. [Laughter]

Q. What is it?

The President. No, I think anytime there's allegations of this nature, it is most serious. And anytime the person is a potential -- I want to be careful because this matter is being investigated -- or allegedly involved in something like betraying his country, that, to me, is a very serious matter. And it will be thoroughly investigated, and I'll have nothing else to say about it until the facts are known. But I've known about this matter for some time, and the minute I heard about it, I was aggrieved because it is a very tragic thing, should these allegations be true.

Q. Mr. President, if it does turn out to be true, what does it portend for U.S.-Soviet relations?

The President. It doesn't help any, and it doesn't -- I think everybody around this table knows that espionage goes on. And I don't think it helps when you have high-visibility cases. But I think, regrettably, it says more -- if it's true -- about an individual who is alleged to have passed secrets to the Soviets, which is very bad.

Q. Have you heard that it goes back to the seventies?

The President. Well, I'm not going to, as I say, go into the details on it because I think, even in matters of this nature, everybody is entitled to a full and fair hearing.

One more, and then I've got to run.

Q. You said, Mr. President, that you've known about this for some time.

The President. Two more, and then I've got to run. What?

Q. You said you've known about this for some time. Did the disclosure of it on the TV news on Friday compromise the investigation in any way?

The President. I don't know the answer to that question. I haven't talked, since I've gotten back here this morning, to the people conducting the investigation.

Ann [Ann Devroy, Washington Post], last one.

Q. Have you any gauge of how seriously American security was hurt by this?

The President. Not yet.

Q. Do we know at this point what type or level of -- --

The President. I don't think anyone could give you a full damage assessment at this point.

Q. Why hasn't he been arrested?

The President. The investigation is going on. And these are very serious matters, and a thorough investigation takes a good deal of time.

Thank you all very much.

Capital Gains Taxes

Q. -- -- going to win the capital gains tax cut?

The President. Stay tuned.

Note: The President spoke at 10:05 a.m. in the Cabinet Room at the White House, prior to a meeting with Members of the Senate. Felix S. Bloch was a State Department official suspected of espionage.

Remarks at the Presentation Ceremony for the Take Pride in America Awards

July 24, 1989

Please be seated, if there are chairs out there. For those who have no chairs, eat your heart out. It's warm. [Laughter] Let me first thank Lee Greenwood and the Moodys for being with us today, and salute all you distinguished guests and the award recipients, fellow citizens of what a child once called the nearest thing to heaven, this America -- lots of sunshine, lots of places to swim, and peanut butter sandwiches.

I want to welcome you to the White House and to a city which takes pride in its contrariness. Only in Washington could they call the office that manages the great outdoors the Department of the Interior. [Laughter] And in particular, I want to thank the man who superbly leads that Department, Secretary of the Interior Manuel Lujan; and also Secretary Derwinski, the head of our Veterans Administration; and then I saw our able Peace Corps Director over here, Paul Coverdell -- but most of all, each of you who've taken pride in America and whom we take pride in saluting now.

Last month we celebrated the volunteer spirit, which is as timeless as America and as timely as today. For by launching the Points of Light Initiative, we sounded a nationwide call for each American to engage in community service. Well, this afternoon we renew that call in the cause of conserving our national and cultural resources and of enshrining our parks, forests, wildlife, waters, and monuments. For the great outdoors is precious, but fragile. To preserve it, we must protect it.

And now, as you may know, I, too, love the outdoors -- always have. Love to hunt and hike and go fishing in the Keys or out West. And you can just ask the honorary chairman of Take Pride in America, Barbara Bush. She might feel that she's a fishing widow at times, but she, too, loves to fish. And in fact, she's the only person I know who can read and fish at the same time. [Laughter] You might call it reading between the lines. [Laughter] I knew that was risky.

You know something? Among our greatest joys has been exploring the outdoors with our kids and our grandchildren, and seeing the Grand Tetons through the eyes of a 13-year-old grandson, or teaching George's twins, Jenna and Barbara, 6 years old, about the mysteries of the ocean. For it's at times like these, seeing the wonder in their eyes, that we are overwhelmed by nature -- when we realize, more than ever, that our children will, indeed,inherit the Earth.

And today, it is for them, America's children, that we've gathered here, for we know that our pride in America is central to their future in America. And that future demands that anyone concerned about America's quality of life must be concerned about conservation. For America

can only be as beautiful as her people are vigilant.

You know that, and so did one of my favorite Presidents. Over the years, I've often talked about Theodore Roosevelt, a vital man, a visionary, and one of America's great conservationists. It was Teddy who called our lands and wildlife ``the property of unborn generations." And he had this to say about America's redwoods and sequoias: They ``should be kept as we keep a great and beautiful cathedral."

Well, that's where you come in, the winners of the Take Pride in America Awards. Two years ago when I hosted the first Take Pride ceremony out at the National Arboretum, there were only 38 top winners. You know this year's number? One hundred and four. And let's not forget the other thousands of program participants in 48 States: military and Peace Corps volunteers and veterans, 11 agencies of the Federal Government, churches and businesses, inner-city groups and garden clubs, groups and individuals -- volunteers all.

I think, for example, of how in Page, Arizona, volunteers rally every year to clean up the nearby Glen Canyon Recreation Area and Navajo Reservation. Or -- how's this for a tongue twister? -- in Craig, Colorado, the High Country Cactus Kickers preserve archaeological sites. In Lilburn, Georgia, 12-year-old Vanessa Cline is passing out Pride in America brochures to ``each person around my neighborhood," she says. ``I want people to get the message." And in Kansas City, that message has moved Phillip Mendenhall and his best friend, Nathaniel Riley, both 11 years old, to start a conservation club. ``We formed it," Phillip writes, ``because we wanted to help our public lands."

Today, across America, millions of kids of every age have gotten the message: protecting and preserving America's cathedral of the outdoors. And they're restocking our forests and wildlife refuges and helping from campgrounds to playgrounds. And in rural and urban areas, where the environmental ethic and personal commitment are restoring the purity of our air and our waters and the beauty of our land -- for that, I thank you. I thank you for protecting the bounty of America, our soils, lakes, and forests, its teeming fisheries and mineral reserves. And yet I also challenge you -- challenge you not to rest but to move onward, always upward, preserving the splendor of America.

I began with a fishing reference, so, not surprisingly, I'd like to close with one. It concerns Mark Twain, who loved to brag about his fishing exploits. He once spent 3 weeks fishing in the Maine woods, ignoring the fact that the State's fishing season had closed. He had a great catch and, like all fishermen, couldn't wait to find someone to tell all about it. On the train back to New York, Twain got relaxing in the club car, and it was there that he came upon a stranger. And as he began to describe his catch, this stranger appeared at first unresponsive, then positively grim. ``By the way, who are you, sir?" Mark Twain wondered. And the stranger answered, ``I'm the State game warden. And who are you?" [Laughter] And with that, America's greatest writer nearly swallowed his cigar. ``Well, to be perfectly truthful, sir, I'm the biggest liar in the United

States of America.' [Laughter] Well, Mark Twain loved to brag, but then, he had much to brag about. And so do you, for you are helping to reclaim and recover America's precious environment for our posterity and for our children.

More than 130 years ago the poet Walt Whitman said, ``I hear America singing." And perhaps he was talking about Big Hole River in Montana or Pelican Island in Florida or treasures from Big Sur in California to the rocky coast of Maine. And today each of you is helping America sing, through your caring and your sacrifice and through deeds that are making America a more pristine and glorious place.

To every award recipient, my heartfelt congratulations. And let me leave you with these familiar words of Irving Berlin: ``From the mountains, to the prairies, to the oceans white with foam, God bless America, my home, sweet home." God bless you all, and thank you for taking pride in this country and enriching the beauty of this great, good, and beloved home, the United States of America. Thank you all very, very much.

Note: The President spoke at 2 p.m. on the South Lawn at the White House. In his opening remarks, he referred to country music entertainers Lee Greenwood and the Moodys.

Memorandum on Adoption

July 24, 1989

Memorandum for Heads of Departments and Agencies

Subject: Administration Support for the Adoption Option

The foundation of our nation is the American family, protector of our most valuable yet vulnerable resource -- our children. Sadly, thousands of American children do not have a family to call their own. They are children who may have been abandoned, neglected or abused, who have seen their childhood unfairly snatched away. We can give them back their childhood, simply by finding them a permanent adoptive family. This, I believe, is an effort worthy of our greatest commitment.

Everyone wins in adoption. It is time for the leaders of the Federal workforce to ensure that our government is pro-adoption. Adoption works -- for children who need homes, for people hoping to become parents, and for women facing a crisis pregnancy.

As the leaders of the Federal civilian and military labor force, we have the opportunity to positively affect the lives of Federal employees and to provide leadership for our entire nation. I am directing you and your staff to consider ways to provide such leadership to advance the adoption alternative.

Adoption can help to address some of our more pressing issues: teenage pregnancy, foster care, infertility, and welfare dependency. Most importantly, adoption provides a home and love to children who may have neither.

Consider just a few facts:

An estimated 15 percent of American couples of reproductive age are infertile.

About 60,000 children are adopted every year in this country. Of these, 10,000 come from foreign countries.

Right now, nearly 30,000 American children are legally available for adoption. Some of them are school-age, some are physically or emotionally handicapped, some are members of sibling groups that need to be placed in the same home, and some are minority children.

Each year nearly 25,000 American babies are given life and the chance to be loved when their mothers choose adoption over abortion or unwanted parenthood, yet the opportunity to consider adoption is often denied to pregnant women. I am told that as much as 40 percent of pregnancy

counseling does not even mention adoption.

I have instructed my Domestic Policy Council to develop a Presidential adoption initiative, and that process is well under way. To complement this effort, I am asking you to develop methods for supporting the adoption plans and needs of your employees and for promoting adoption among your workforce. Here are just a few ideas:

Use agency resources for employees who are considering adopting, who have adopted children, or who have a family member facing a crisis pregnancy. Employee Assistance Programs (EAPs) may be the most appropriate resource.

Begin planning now for agency-wide celebration and observance of National Adoption Week (Thanksgiving Week). Your agency's focus could be upon local children in need of adoptive homes.

Ensure that all employee supervisors are as flexible as possible regarding the adoption-related leave needs of employees. This might include incremental (hourly) leave needed to meet with adoption agency personnel or longer periods of leave to care for a newly adopted child.

Feature adoption articles in agency newsletters. These might include stories about employees who have adopted special needs children, infants, or children from other countries, as well as a regular column picturing a local waiting child.

I have instructed both the Department of Health and Human Services and the Office of Personnel Management to work with you in implementing these and other ideas.

A commitment to adoption is one we can all share. With just a small effort, we can help our own employees and, just as importantly, we can provide national leadership in support of adoption. Finding loving homes for waiting children is reward enough.

George Bush

Nomination of Michael P.W. Stone To Be Secretary of the Army

July 24, 1989

The President today announced his intention to nominate Michael P.W. Stone to be Secretary of the Army. He would succeed John O. Marsh, Jr.

Since 1988 Mr. Stone has served as the Under Secretary of the Army. Prior to this he was Assistant Secretary of the Army for Financial Management, 1986 - 1988. From 1982 to 1984, he served in several capacities for the U.S. Agency for International Development (AID), including Mission Director in Cairo, Egypt, 1982 - 1984, and Director of Caribbean Basin Initiative Affairs, 1984. Mr. Stone was president and director of Sterling Vineyards in Napa Valley, CA, 1964 - 1982, and vice president, director, co-owner, and president of subsidiaries of Sterling International, 1960 - 1977. He also served as assistant to the president of Utah International Co. in San Francisco, 1957 - 1959, and as an associate with McKinsey and Co., 1954 - 1957. He was president of Howard Rotavator Co. of Arlington Heights, IL, 1950 - 1954.

Mr. Stone graduated from Yale University with a bachelor's degree in 1948. He served in the U.S. Navy, 1943 - 1946. He was born June 2, 1925, in London, England. He is married, has two children, and resides in Washington, DC.

Continuation of Edward S.G. Dennis, Jr., as an Assistant Attorney General

July 24, 1989

The President today announced that Edward S.G. Dennis, Jr., will continue to serve as an Assistant Attorney General (Criminal Division).

Since 1983 Mr. Dennis was a U.S. Attorney for the Eastern District of Pennsylvania in Philadelphia. Prior to this, he served as chief of the narcotic and dangerous drug section in the Criminal Division of the U.S. Department of Justice, 1980 - 1983; Assistant U.S. Attorney for the Honorable Peter F. Vaira, 1975 - 1980; and as law clerk in the U.S. District Court, Eastern District of Pennsylvania, 1973 - 1975.

Mr. Dennis graduated from the U.S. Merchant Marine Academy (B.S., 1967) and the University of Pennsylvania Law School (J.D., 1973). He was born January 24, 1945, in Salisbury, MD. He is married and resides in Media, PA.

Remarks at a Ceremony Honoring Participants in the Job Training Partnership Program

July 25, 1989

Thank you, Elizabeth. Thank you all. Senators, thank you four for being with us today. Well, Senator Dole, thank you very much, and ladies and gentlemen -- [laughter] -- did I say Senator? [Laughter] Freudian slip. [Laughter] It's a good chance to thank Senator Dole for giving us one of the great Secretaries of Labor we've ever had -- I'll tell you -- permitting her to serve our great country. Somehow, I feel better about the United States Navy, too, Purtillia. I'm glad that you're over there.

Over the past few months, this marvelous Rose Garden has been the site for several ceremonies honoring victorious athletic teams. And today we're focusing on another kind of victory, a victory for all America: reducing youth unemployment. And what, after all, does employment mean? Income, yes, but also pride -- pride in self, pride in one's life. And our administration wants to bring this pride to every young person who wants to work. But desire without preparedness is like a sports car without an engine.

Well, since 1983 the Job Training Partnership Act has propelled America's engine, providing education and training for those lacking in basic skills or who are economically disadvantaged. And showing young people like Purtillia -- you've just heard that story -- how tomorrow can be brighter than today. I thought she did a first-class job. And she told me she was nervous, but you just couldn't tell it at all. She did a wonderful job there.

But already, this program has helped thousands escape dependency. And for that, let me thank our Vice President Dan Quayle, who I know was with some of you all this morning. And as a Senator, he authored and was one of the top leaders in the fight for the JTPA, the most successful job training program in American history. And you can all take pride in JTPA's winning percentage: Over 68 percent of the program graduates have found and held a job.

And I'm here today because I believe deeply in this program and because I want to salute the package of amendments that we've proposed to make the JTPA stronger and better. And these amendments can help give America's youth the skills employers need, youth like the 12 examples that you see with us here today.

And our package focuses on America's at-risk youth. It recognized that there's an urgent need for job training, but more than that, that we must provide basic remedial education, counseling, and -- as my Barbara advocates so well -- the literacy training that can open horizons and minds. These skills will prepare the kids of today for the jobs of tomorrow and provide not only hope but opportunity for the underprivileged. Our proposal will foster the dignity and the

independence that come from work, and help reject ills like drugs and crime and teenage pregnancy that assault the spirit and starve the soul.

Purtillia -- she knows what I'm talking about; she's only 21 -- 22 on Friday, they tell me. And so do the other JTPA award recipients, men like Tony MacKinnon, 23, who graduated from a Job Start program in Buffalo. And today he works for the Erie County Bar Association, giving legal assistance to low-income people. Or women like Amy Logan of Yakima, Washington. In the 10th grade, she dropped out of school, had a baby, got lost in drugs. But through JTPA, she got straightened out, found a good job, and will soon begin courses at a local community college. Amy wants to be a juvenile counselor. And you know what? I'll bet her dream comes true.

And today Amy Logan is 18 years old. And when I think of her, I recall how at an age near to that I heard Sir Winston Churchill implore America: ``Give us the tools, and we will finish the job." Well, Churchill was asking America for material to help England combat the forces of totalitarianism. And our task is to give kids like Amy and Purtillia and Tony MacKinnon the writing, reading, and reasoning tools to do the job of America.

To achieve that goal, let me say to Governors and mayors: Working together, Federal, State, and local governments can help JTPA overcome the roadblocks to economic opportunity. And to business and labor leaders across America, let me add: We need your help as well. Become involved in your local programs and your local school system. Give that first break, that first job, to a young person, just as someone once gave a break to you.

And last month I announced a Points of Light Initiative which calls on every American to bring this involvement and service to every corner of America, and today I want to renew that call. And in my Inaugural Address, I spoke of the era of the ``offered hand" and urged unity in crucial things. Well, today turning young lives around is not a Republican or Democratic issue. It's bipartisan, it's crucial -- crucial to the future of our great country.

To prove that point, our amendments have now been introduced in the House and the Senate, and the Senate's going to begin the markup tomorrow. And I want to thank Senators Hatch and Paul Simon and Congressmen Gus Hawkins and Bill Goodling for moving quickly on this package and express America's appreciation for working cooperatively to aid America's at-risk youth.

Almost 90 years ago, one of America's great Presidents saluted the pride that springs from labor. ``I wish to preach," he said, ``not the life of ignoble ease, but the doctrine of strenuous life." And it was also Teddy Roosevelt who said, ``The best prize life offers is the chance to work hard at work worth doing." So, under our legislation, and with the support of the public and private sectors, we can ensure the well-trained work force that is vital to America's new millennium and ensure that each American has the chance to win the prize of belief in tomorrow and belief in self. These beliefs form the heart of our amendments to the JTPA and of these young people.

And so, on their behalf, I now have the pleasure of presenting certificates to these 12 outstanding JTPA participants.

Thank you all for joining us today. God bless the young people of this country and their inheritance. Thank you all very, very much for coming, especially these four Senators who played such a key role in all of this. Thank you very, very much.

Note: The President spoke at 1:29 p.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Labor Elizabeth Dole and program participant Purtillia Bryant.

White House Fact Sheet on Proposed Legislation to Amend the Job Training Partnership Act

July 25, 1989

Although the Job Training Partnership Act (JTPA) has been highly successful (the Nation's most distinguished employment and training program ever), it can be made even better. Secretary of Labor Elizabeth Dole has proposed changes that will maintain the successful cornerstones of the current JTPA program while targeting assistance and training to those least skilled and most disadvantaged.

Enrollment in JTPA will target those most at risk among the disadvantaged. All youth and 50 percent of adult participants will be eligible only if they face additional barriers to employment, such as lack of basic skills, illiteracy, homelessness, and teen pregnancy. Youth and adult programs will direct funds to geographic areas with higher numbers of economically disadvantaged persons. A strengthened local partnership will be established between education, the job training system, and other local agencies serving the disadvantaged.

The quality of JTPA services will be enhanced by providing a support system to enable our most disadvantaged citizens to become employable. Services will be individualized and substantially intensified. Participants will be assessed to determine their specific education and training needs, and effective program strategies for helping at-risk youth will be put into practice. Followup support services may be provided for 1 year after graduates enter the labor market.

New provisions to increase accountability will be established. Specific performance standards will be set to evaluate each participant's progress based on the achievement of basic skills.

Five Basic Principles Guide the Job Training Partnership Act Proposal:

1. Maintaining the successful cornerstones of the current JTPA delivery system.

-- The highly successful private-public partnership will continue, with private industry councils responsible for planning and oversight of JTPA programs.

-- States and local service delivery areas will continue to have the flexibility to design programs tailored to their labor markets.

2. Targeting on youth and adults most at risk of failure in the job market by:

-- Focusing on those most at risk among the disadvantaged. In addition to being economically disadvantaged, as required by the current law, all youth and half of adults will be enrolled only if

they face additional barriers to employment, such as being basic skills deficient, having a poor school record, being a teen parent or homeless.

-- Authorizing a new challenge grant program to stimulate communitywide action targeted on youth in our country's most problem-ridden inner city neighborhoods and poor rural areas.

-- Creating new youth and adult programs, with separate formulas to direct funds to areas with large numbers of economically disadvantaged youth and adults.

3. Achieving a comprehensive, coordinated human resource program.

-- New State linkage and coordination grants will promote institutional change and leverage resources from other programs to better serve economically disadvantaged youth and adults. These grants will be awarded only to States that are willing to bring funds and systems to bear on achieving measurable goals, such as increasing high school completion rates.

-- A strengthened local partnership will be established between education, the job training system, and other local agencies who serve the disadvantaged.

4. Enhancing program quality.

-- JTPA services will be individualized and substantially intensified.

-- Participants must be assessed to determine the services they want and need.

-- Local JTPA programs will be encouraged to invest in program strategies and practices that are known to be effective in helping at-risk youth and experiment with new approaches as well.

-- Followup will be available for a year after a participant enters the labor market.

-- Youth will participate in year-round programs, and summer work experience will be available only to youth in those programs.

-- Support services will be enhanced to ensure participants can successfully complete training.

5. Increasing accountability.

-- Basic skills achievement will be an important part of performance standards for youth and adults.

-- Local programs will establish achievement objectives for participants in the program.

Note: This is an excerpt of a White House fact sheet released by the Office of the Press Secretary.

Statement on the Steel Trade Liberalization Program

July 25, 1989

Today I am establishing a Steel Trade Liberalization Program that will extend for 2\1/2\ years the voluntary restraint arrangements (VRA's) that limit steel imports into the United States. I am taking this step to permit the negotiation of an international consensus to remove unfair trade practices and to provide more time for the industry to adjust and modernize. This Steel Trade Liberalization Program is designed to restore free-market forces to, and end government interference in, global trade in steel. I am directing U.S. Trade Representative Carla A. Hills to oversee implementation of the program.

Ambassador Hills will negotiate a 2\1/2\-year transitional extension of the restraints that currently limit steel imports from VRA countries to 18.4 percent of the U.S. market. The extension will cover all major product categories. During this transition to an open market, the ceiling on imports from VRA countries will be increased at an annual rate of 1 percentage point. To support our efforts to achieve an international consensus, this increase will be allocated to countries that undertake and abide by disciplines to address trade-distorting practices.

I am also directing Ambassador Hills to seek to negotiate, through the Uruguay round of multilateral trade negotiations and complementary bilateral agreements, an international consensus to provide effective disciplines over government aid and intervention in the steel sector and to lower barriers to global trade in steel. The international consensus will contain three elements: strong disciplines over trade-distorting government subsidies, lowering of trade barriers so as to ensure market access, and enforcement measures to deal with violations of consensus obligations.

In extending the VRA's for a transitional period, I am mindful of the need to improve the availability of steel in the United States and to promote price competition. Accordingly, to ensure that adequate supplies of competitively priced steel are available on a timely basis, the Department of Commerce will expedite and streamline the existing short-supply mechanism.

Since 1984 the U.S. steel industry has made considerable progress toward improving its competitiveness and modernizing its production facilities. It has reduced capacity, cut costs, and modernized its equipment and technology. I urge the industry to continue its modernization and worker retraining programs, and will support legislation to that effect. The U.S. International Trade Commission will be asked to monitor and report regularly on developments in the carbon and specialty steel industries, including investment, wages, and executive compensation.

Consistent with this administration's commitment to free and open trade, the voluntary restraint arrangements will end on March 31, 1992. Thereafter, U.S. steel producers, like other American industries, will continue to rely on domestic trade laws as an ultimate assurance against the

effects of foreign unfair trade practices. The Department of Commerce will continue rigorously to enforce the laws against injurious dumping and subsidization.

For decades, governments have supported their steel producers through subsidies and import restrictions. Steel trade and the international trading system as a whole have suffered. This self-defeating rivalry must end. I urge our trading partners to work with us to restore free and fair trade to world markets.

Memorandum on Steel Imports and Exports

July 25, 1989

Memorandum for the United States Trade Representative

Subject: Steel Trade Liberalization Program

I have decided to establish a two and one-half year Steel Trade Liberalization Program and hereby direct the United States Trade Representative (USTR) to begin immediately its implementation. The program is designed to phase out in a responsible and orderly manner the voluntary restraint arrangements (VRAs) that currently limit steel imports into the U.S. market, and to negotiate an international consensus to remove unfair trade practices.

The Steel Trade Liberalization Program shall include the following elements:

1. Transitional Voluntary Restraint Arrangements. The USTR shall negotiate extensions of VRAs for a transitional period of two and one-half years. During this period, the overall ceiling on imports from VRA countries will be increased at an annual rate of one percentage point. This increase will be allocated to countries that undertake and abide by acceptable multilateral or bilateral disciplines with respect to unfair trade practices and market access. The allocation of this one-percentage-point annual increase may be delayed, if necessary, as leverage to achieve acceptable disciplines.

2. International Consensus. The United States Trade Representative shall seek to negotiate an international consensus to provide for both fair and open trade in steel. This consensus, which should be pursued through the Uruguay Round of Multilateral Trade Negotiations and complementary bilateral agreements, will provide effective disciplines over trade-distorting subsidies, as well as reductions in tariff and non-tariff barriers to international steel trade.

3. Expiration Date. The voluntary restraint arrangements will be terminated no later than March 31, 1992. Thereafter, U.S. steel producers will rely on domestic trade laws to remedy foreign trade-distorting practices.

4. Legislation. The Administration will support the extension of existing legislation to make such transitional voluntary restraint arrangements enforceable at our borders, as well as to encourage continued industry modernization and worker retraining.

5. Impact on Steel Users. The USTR shall implement the program in a way that recognizes the legitimate concerns of U.S. steel consumers. In particular, the existing short supply mechanism will be liberalized and streamlined.

6. Enforcement. The Department of Commerce shall continue to enforce rigorously our unfair trade laws to prevent injurious dumping and subsidization.

7. Monitoring. The United States International Trade Commission will be asked to continue to monitor the efforts of the steel industry to adjust and modernize, and to prepare an annual report for the President on those efforts.

The Steel Trade Liberalization Program described above is designed to establish the conditions for fair and open steel trade throughout the world, so that steel can be produced and traded on the basis of market forces, rather than governmental aid and intervention.

The USTR shall coordinate and implement this program in consultation with the appropriate Economic Policy Council agencies.

George Bush

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting the Strategic Force Modernization Report

July 25, 1989

Dear Mr. Speaker: (Dear Mr. President:)

Transmitted herewith is the report requested in section 908 of the FY 89 National Defense Authorization Act. Both classified and unclassified versions are provided.

The forces described in this report are illustrative only. They represent a range of forces that would be permitted by a treaty if it were concluded in accordance with the positions tabled by the United States at the strategic arms negotiations. In particular, the options that do not contain mobile ICBMs do not at present correspond with our fundamental goals for the ICBM forces and our Defense program. Each of the examples demonstrates the importance of continued, aggressive strategic force modernization of all three elements of the strategic triad.

It is inappropriate to make a recommendation from among these illustrations at this time. That should await both our own budget deliberations and further progress in the START negotiations.

I am fully committed to the strategic modernization program I have put forward. The modernization of our submarine, bomber and land-based missile force is essential to the continued strength of our deterrent and to the success of these very important negotiations.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Nomination of John M. Sayre To Be an Assistant Secretary of the Interior

July 25, 1989

The President today announced his intention to nominate John M. Sayre to be an Assistant Secretary of the Interior (Water and Science). He would succeed James W. Ziglar.

Since 1950 Mr. Sayre has been in the private practice of law in Boulder, CO, serving as a partner in the natural resources department since 1966. In addition, he served as city attorney for the city of Boulder, 1951 - 1955, and as general counsel to the Colorado Municipal League, 1956 - 1963. Mr. Sayre has been a member of several professional organizations, serving as a charter member and a member of the board of directors of the Colorado Water Congress and director of the Northern Colorado Water Conservancy District, 1960 - 1964. He currently serves as Colorado director of the National Water Resources Association since 1980 and was president, 1984 - 1986.

Mr. Sayre graduated from the University of Colorado (B.A., 1943; J.D., 1948). He served as an officer in the U.S. Navy, 1943 - 1946. Mr. Sayre resides in Colorado.

Nomination of Robert R. Randlett To Be an Assistant Administrator of the Agency for International Development

July 25, 1989

The President today announced his intention to nominate Robert R. Randlett to be an Assistant Administrator (Legislative Affairs) of the Agency for International Development, U.S. International Development Cooperation Agency. He would succeed W. Antoinette Ford.

Since 1977 Mr. Randlett has been with Allied-Signal, Inc., serving as director of public policy issues, 1985 to present, and director of legislative and regulatory affairs, 1977 - 1985. He was congressional liaison officer at the Department of Labor, 1973 - 1977. He was a Washington representative for PPG Industries, Inc., a manufacturer of glass, chemicals, and coatings, 1972 - 1973, and a staff assistant in the Federal Government affairs office, 1971 - 1972. He was a staff assistant to Representative James F. Battin, 1966 - 1968.

Mr. Randlett graduated from the American University (B.A., 1966; J.D., 1968) and Hershey Junior College (A.A., 1964). He served in the U.S. Army, 1968 - 1971. He is married and resides in Lebanon, NJ.

Nomination of Raymond G.H. Seitz To Be an Assistant Secretary of State

July 25, 1989

The President today announced his intention to nominate Raymond G.H. Seitz to be an Assistant Secretary of State (European and Canadian Affairs). He would succeed Rozanne L. Ridgway.

Since 1984 Mr. Seitz has served as Minister to London. Prior to this, he served in various capacities at the Department of State, including Executive Assistant to the Secretary, 1982 - 1984; Senior Deputy Assistant Secretary for Public Affairs, 1981 - 1982; and Deputy Executive Secretary for the Department of State, 1979 - 1981. In addition, he served as political officer at the U.S. Embassy in London, 1975 - 1979. Mr. Seitz served as the Special Assistant to the Director General of the Foreign Service at the Department of State and as a staff officer to the Secretariat, 1972 - 1975. In 1970 Mr. Seitz served as principal officer in Bukavu, Zaire; and in 1968 he served as a political officer in Nairobi, Kenya, and concurrently as vice consul to the Seychelles. Prior to this he served as a consular officer in Montreal, Canada, 1966 - 1968. In 1986, he received the Presidential Award for Meritorious Service.

Mr. Seitz graduated from Yale University in 1963. He joined the Foreign Service in 1966. He was born December 8, 1940, in Honolulu, HI. He is married, has three children, and resides in Texas.

Nomination of Stanley E. Morris To Be a Deputy Director of the Office of National Drug Control Policy

July 25, 1989

The President today announced his intention to nominate Stanley E. Morris to be Deputy Director for Supply Reduction, Office of National Drug Control Policy. This is a new position.

Since 1983 Mr. Morris has been the Director of the U.S. Marshals Service at the Department of Justice. He was the Associate Deputy Attorney General at the Department of Justice, 1981 - 1983. Mr. Morris was a senior fellow and lecturer at the Center for Business and Public Policy, College of Business and Management, University of Maryland, 1980 - 1981; Deputy Associate Director (Economics and Government) at the Office of Management and Budget, 1973 - 1979; and Director of Operational Planning, Office of the Secretary, Department of Health, Education, and Welfare, 1971 - 1973.

Mr. Morris graduated from San Jose State College (B.A., 1963) and Columbia University (M.A., 1964). He resides in Washington, DC.

Nomination of JoAnn Krukar Webb To Be Director of the National Cemetery System

July 25, 1989

The President today announced his intention to nominate JoAnn Krukar Webb to be Director of the National Cemetery System, Department of Veterans Affairs. This is a new position.

From 1985 to 1988, Ms. Webb served as a health care consultant for ACTION, the national volunteer agency. She served as the ACTION representative on the Federal Task Force on the Human Immunodeficiency Virus (HIV) Epidemic. During the 1988 Bush-Quayle campaign, Ms. Webb served as deputy director of the Seniors for Bush National Voter Coalitions. She served for 3 years on the Veterans Administration's Advisory Commission on Women Veterans. Ms. Webb also served as a management analyst and health care planner for the Veterans Administration.

Ms. Webb graduated from Pennsylvania State University in 1970, with a bachelor of science degree in nursing, and George Washington University, with a master's degree in health care administration. She served 5 years on active duty as an Army nurse in Vietnam, in Germany, and at the Walter Reed Army Medical Center in Washington, DC. For her service in Vietnam, Ms. Webb was awarded the Army Commendation Medal. She has three children and resides in Virginia.

Nomination of Barbara E. McTurk To Be Superintendent of the United States Mint at Denver

July 25, 1989

The President today announced his intention to nominate Barbara E. McTurk to be Superintendent of the Mint of the United States at Denver, Department of the Treasury. She would succeed Cynthia Jeanne Grassby Baker.

Since 1988 Mrs. McTurk has been a consultant for the Colorado House of Representatives. She has also served at the Jefferson County Community Center for the Developmentally Disabled, 1986 to present. Mrs. McTurk served as the Colorado State field director for George Bush for President, 1987 - 1988. She has been active in civic and political activities.

Mrs. McTurk is married, has two daughters, and resides in Lakewood, CO.

Nomination of John T. Martino To Be Superintendent of the United States Mint at Philadelphia

July 25, 1989

The President today announced his intention to nominate John T. Martino to be Superintendent of the Mint of the United States at Philadelphia, Department of the Treasury. He would succeed Anthony H. Murray, Jr.

Since 1986 Mr. Martino has been president of Keystone Data in Pennsylvania. From 1979 to 1986, he held several positions at the department of the Commonwealth, including deputy secretary of the Commonwealth, 1981 - 1986; deputy secretary of the department of community affairs, 1983 - 1984; and executive assistant to the secretary of the Commonwealth, 1979 - 1981. Prior to this, he served as assistant to Representative Robert S. Walker, 1977 - 1979, and as a marketing representative for IBM Corp., 1976.

Mr. Martino received a bachelor's degree from Franklin and Marshall College, and he was a master's candidate at Millersville University. He is married, has two children, and resides in Lancaster, PA.

Statement by Press Secretary Fitzwater on the National Aero-Space Plane Program

July 25, 1989

The President, acting upon the recommendation of the Vice President, has approved the continuation of the National Aero-Space Plane (NASP) program as a high-priority national effort to develop and demonstrate hypersonic technologies with the ultimate goal of single-stage-to-orbit.

The Government will complete the Phase II technology development program, and plans to develop an experimental flight vehicle after completion of Phase II, if technically feasible. The system will be designed to focus on the highest priority research, as opposed to operational, objectives. Unmanned as well as manned designs will be considered, and the program will be conducted in such a way as to minimize technical and cost uncertainty.

The President also approved an implementation plan to carry out this policy. The plan extends technology development until early 1993 to reduce technical and cost risks. It retains an experimental flight vehicle focused on research and technology objectives and retains a joint program management structure with participation by both the Department of Defense and NASA.

The Space Council recommendations approved by the President termed the National Aero-Space Plane a vital national effort which benefits the civil, commercial, and national security interests of the Nation. The NASP program promotes industrial competitiveness, fosters U.S. space leadership, and provides the technological basis for greatly expanded access to space in the 21st century. We call on Congress to join in fully implementing the Space Council recommendations and in moving forward with the important NASP program.

Remarks on Signing the Natural Gas Wellhead Decontrol Act of 1989

July 26, 1989

Thank you all very, very much, and thanks also to Jim Watkins, our distinguished Secretary, who is off to such an outstanding start as Secretary of Energy, and also, Martha, thanks to you -- Martha Hesse -- for her great efforts at the Federal Energy Regulatory Commission, and to the forward-looking leaders from both sides of the aisle.

Seeing this awesome array with my own two Senators, Lloyd Bentsen and Phil Gramm -- I'm going to get in serious trouble by exclusion -- but standing up here, of course, I'm delighted that Senator Bennett Johnston is here and Joe Barton, Phil Sharp, Don Nickles was -- there he is -- and all the rest of you. I want to single out, of course, John Dingell for his help and Norm Lent and Carlos Moorhead and so many others who have a keen interest in this subject.

Natural gas, methane, one of the best fuels on the world's energy menu -- it's clean, it's efficient, relatively abundant. But for 35 years, consumers and producers of natural gas have struggled under the burden of oppressive price regulations, and this was directly responsible, in my view, for the damaging natural gas shortages of the seventies and for gas market distortions that exist to this very day.

And it is instructive to look at what natural gas price controls brought us: shortages, not increased supplies; higher gas prices, not the lower consumer prices that their supporters promised. And what was true for oil deregulation in 1981 is also true for gas deregulation in 1989. Experience shows that deregulation works to serve consumers and to serve an expanding economy. And it's a tribute to the American political system that, after decades of disagreement over the merits of gas decontrol, we can gather here today to state a clear message for all to hear: We've learned from the past. We are united in the conviction that the best way to deal with our energy problems and serve the American people is to let our market economy work.

And so, today's legislation represents the bipartisan attainment of the administration's first major energy initiative: the elimination of an entire system of artificial price controls for one of America's cleanest energy resources. And this measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources.

Even at today's prices, it's estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond. And industry -- and I'm glad to see so many members of the industry here today, people that have been in the forefront for the battle of decontrol for many, many years -- industry and the Department of Energy are responding to this opportunity with

imagination, seeking to tap new sources of clean-burning natural gas and then developing new uses, like powering cars and buses. With prices set by market forces and improvements in gas exploration production technologies, natural gas can help power this nation well into the next century.

And it may be said by some that this legislation could only have happened when energy prices are relatively low. Not true. Legislation like this, relying on market incentives to produce domestic energy, can help keep prices low. And it's the best way to assure consumers of adequate and reliable supplies of clean energy at the lowest reasonable price.

And this is not just economical legislation; it is also environmental legislation. Natural gas burns much more cleanly than other fossil fuels and produces little air or water pollution, and it can play a larger role in our efforts to clean up our air and our water. The environmental opportunities can be global. When a free market for this fuel exists, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure for this fuel. And on this continent, across the Atlantic, across the Pacific, these are opportunities for cooperation that can be helped by a freer market. Where we can add diversity and flexibility, economy and security to the world's energy picture, we ought to do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. Our energy security problem continues. Conservation achievements are leveling off, domestic oil production continuing its downward trend, and petroleum imports are increasing. And our need for a cleaner environment is obvious to all. And so, today I want to make this announcement which, like the deregulation of natural gas, is good news for America's energy future.

I'm directing Jim Watkins, our able Secretary of Energy, to take the lead in developing a comprehensive, national energy strategy. We cannot and will not wait for the next energy crisis to force us to respond. And so, I've asked Jim to craft this strategy in close consultation with the Cabinet, leading Members of the United States Congress, and then with our cities and our States. Our task -- our bipartisan task -- is to build the national consensus necessary to support this strategy and to make this strategy a living and dynamic document, responsive to new knowledge and new ideas and to global, environmental, and international changes.

And I should say on this one parenthetically -- and I don't, again, want to single out only the Texans here -- but our Governor, who is with us today, has been in the forefront of urging upon us a national energy strategy for a long, long time. A keystone of this strategy is going to be the continuation of the successful policy of market reliance. And it's not going to be easy. We must balance -- achieve balance -- our increasing need for energy at reasonable prices, our commitment to a safer and healthier environment, our determination to maintain an economy that is second to none, and our goal to reduce dependence by ourselves and our friends and allies on potentially unreliable energy suppliers.

One important step towards protecting America from foreign energy supply interruptions is to provide more incentives for drilling right here at home. And though it is unlikely that Congress will, or maybe even can, act on that this year, I will continue to work to put more incentive into the Tax Code for domestic wildcat drilling. The bottom line is: A strong domestic drilling and producing business is essential to the national security of the United States of America.

And I am confident that America's can-do attitude and scientific know-how and old-fashioned plain common sense will prevail. By acting now, we can bequeath a legacy to the next century of a cleaner, more prosperous and, yes, more secure America. Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as an economic, clean, and convenient energy source.

And so, I congratulate all the Members of the United States Congress who have worked so hard and, in some cases, so long to bring this legislation to this desk. [Laughter] And with that, it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into the law.

Note: The President spoke at 2:12 p.m., in the East Room at the White House. In his remarks, he referred to Martha O. Hesse, Chairman of the Federal Energy Regulatory Commission; Senator Don Nickles of Oklahoma; Representatives Joe Barton of Texas, Philip R. Sharp of Indiana, John D. Dingell of Michigan, Norman F. Lent of New York, and Carlos J. Moorhead of California; and Gov. William P. Clements of Texas. H.R. 1722, approved July 26, was assigned Public Law No. 101 - 60.

Statement on Signing the Natural Gas Wellhead Decontrol Act of 1989

July 26, 1989

Today I am very pleased to sign into law H.R. 1722, the ``Natural Gas Decontrol Act of 1989." This legislation represents the bipartisan achievement of this Administration's first major energy initiative -- the elimination of natural gas price controls. Through bipartisan cooperation, we have moved forward toward our goal of a more stable domestic energy future.

For 35 years producers and consumers of natural gas have struggled under a pervasive scheme of wellhead price regulation. This regulation was largely responsible for the damaging natural gas shortages of the 1970s and for the gas market distortions that exist even today. H.R. 1722 will eliminate the remaining natural gas wellhead price controls by January 1, 1993.

This measure reflects a strong bipartisan belief that eliminating price controls on natural gas will help this Nation take maximum advantage of our abundant reserves of clean-burning natural gas. Even at today's prices, the Department of Energy estimates that the United States has 35 years worth of natural gas supplies. With prices set by market forces and improvements in our ability to produce gas from unconventional sources, natural gas could help power this country for decades.

The complete deregulation of natural gas wellhead prices will allow natural gas to reach its fullest potential as a competitive domestic alternative to imports of oil from insecure sources. Natural gas can also play a larger role in our efforts to clean up our air and water. It burns much more cleanly than other fossil fuels, and its combustion produces little air or water pollution.

This long-overdue legislation is an important step in enhancing domestic energy supplies. I congratulate those of you in the Congress, on both sides of the aisle, who have worked so hard to bring this legislation to my desk.

George Bush

The White House,

July 26, 1989.

Note: H.R. 1722, approved July 26, was assigned Public Law No. 101 - 60.

Nomination of Cindy Shinga Daub To Be a Commissioner of the Copyright Royalty Tribunal

July 26, 1989

The President announced his intention to nominate Cindy Shinga Daub to be a Commissioner of the Copyright Royalty Tribunal for a term of 7 years from September 27, 1989. She would succeed Edward W. Ray.

Since 1988 Ms. Daub has been national director of Asian-Americans for Bush/Quayle '88 in Washington, DC. Prior to this, she served in several capacities at the Department of Health and Human Services, including Director of the Office of Private Sector Initiatives, 1986 - 1987; policy coordinator in the Office of the Secretary, 1986; and Special Assistant to the Secretary, 1985 - 1986. Ms. Daub was a columnist for the Sun newspaper, 1980 - 1984. She was an administrative assistant to the chief of the engineering division for InterNorth, Inc., 1968 - 1970, and a language instructor at the University of Maryland overseas program in Seoul, Korea, 1966 - 1967.

Ms. Daub graduated from Ewha Women's University in Seoul, Korea (B.A., 1965). She resides in McLean, VA.

Statement on Signing a Bill Approving Diplomatic Relations Agreements With the Marshall Islands and Micronesia

July 26, 1989

I take great pleasure in signing into law H.R. 2214, which approves diplomatic relations agreements with the Republic of the Marshall Islands and the Federated States of Micronesia. Since 1986, these countries have been our partners in free association. Our ties to them go back to the last world war when American forces liberated their islands in some of the bloodiest fighting of the Pacific campaign. We administered the islands as part of a United Nations trusteeship until late 1986.

Under the agreements now approved, our current representative offices in Majuro, the Marshall Islands, and in Kolonia, Micronesia, will become full-fledged embassies with resident American ambassadors. The same welcome transformation will occur here in Washington, and our diplomatic community will be enlarged by the addition of ambassadors from the Marshall Islands and Micronesia. This change will portray accurately the nature of our relationship with these countries under the Compact of Free Association, the treaty linking our nations in a special partnership.

I would like to recognize the contributions of all those who labored to negotiate and conclude these two agreements. The one person who deserves special mention is Representative Bob Lagomarsino of California, who introduced this bill into the House and who has been a tireless supporter of the American position in the Pacific. I will also pay tribute to Their Excellencies Wilfred Kendall of the Marshall Islands and Jesse Marehalau of Micronesia. With the entry into force of the agreements, let me be the first to address them as Ambassador Kendall and Ambassador Marehalau.

George Bush

The White House,

July 26, 1989.

Note: H.R. 2214, approved July 26, was assigned Public Law No. 101 - 62. The statement was released by the Office of the Press Secretary on July 27.

Remarks to Representatives of the Future Farmers of America

July 27, 1989

I want to apologize for keeping you waiting. I'm blaming your six national officers -- [laughter] -- putting the blame squarely on them. It doesn't deserve to be there, but they gave me a warm greeting outside on your behalf -- a lovely plaque that I will treasure. And I see them here, and I want to say thank you publicly.

I want to salute my two able assistants and friends up here on the platform, both of whom are not only experts in agriculture but both of whom are shaping the destiny of our country in terms of agricultural policy. Cooper Evans, a former Member of the United States Congress, son of Iowa -- former Congressman from Iowa here in the White House on ag policy. And then Fred McClure, whom I'll refer to in a bit, but whose job is working with Congress as we try to move certain kinds of legislation through the Congress itself.

But I'm just delighted to welcome you to the White House. Thirty years ago this very week, President Eisenhower told the FFA, ``I always get a kick out of meeting with a bunch of young people." Well, today, with apologies to Cole Porter, let me say, ``I get a kick out of you." And I'm delighted you're here, and I remember the warm hospitality a year ago at Kansas City -- modest turnout of about 24,000, but nevertheless -- [laughter]. I'm delighted to see Tony and Larry once again, to be among so many new friends -- no longer just the Future Farmers of America, as impressive as that is, now also the future leaders of America.

And 2 days ago, I guess it was -- did you talk 2 days ago? I want to be sure of my facts -- Fred McClure, who handles, as I say, congressional liaison, talked to you all. Perhaps he didn't sing his own praises as a former national secretary and head of the Texas FFA. Like all Texans, he loves our State's memorable phrases. You know what we call catfish? Tourist trout. [Laughter] And we don't refer to animals as animals. The saying goes: They're critters, if they are friendly, and they are varmints, if they're not. [Laughter] And on and on it goes.

But whether you're from Texas or not, we know what to call the FFA. We call it America at her best, America at her most generous, an America embodied by your motto: learning to do, doing to learn; earning to live, and then living to serve. And these guys were telling me, in a nice presentation of this plaque, the emphasis on service. And I think it is appropriate, whether you're in FFA or whether you're President of the United States of America.

And last month I announced what we call a Points of Light Initiative, which asks every American to bring this service into every corner of our country. And today I want to renew that challenge, and I know that you will meet it, for since 1926 FFA has done much and served

many. And you have been a Point of Light, and today you're still shining -- all 50 States, nearly 8,000 chapters, more than 400,000 members. And you serve through faith in God, strength of character, and through the belief in family, which makes us whole. And you know that what we are matters more than what we have -- working with your minds, your hands, as farmers and as Americans.

And now, I know you like to spread the credit around. After all, that's rural America's way: modest and understated. And I'm reminded of how a noted comedian once bought a chicken farm. A friend was astonished. ``Do you know anything about breeding chickens?'' he asked. ``No,'' the comedian replied, ``but the chickens do.'' [Laughter] And the thing is -- I'm going to divert from my text to tell you one of President Reagan's favorite stories about the guy driving down about 50 miles an hour down the highway. And he sees a chicken run by the car, speeding on past him. ``My golly,'' he said, ``that chicken looked like it had three legs.'' So, he pulled into the -- screeched -- the chicken dashed into the farm, and the guy screeched on the brakes, turned into the farm, said to the farmer, ``I thought I saw a three-legged chicken run by my car a minute ago.'' And the farmer said, ``Well, yeah, we breed three-legged chickens. You see, there's me, my wife, and our kid here, and we all like drumsticks. And it's wonderful.'' [Laughter] He said, ``Well, how do they taste?'' He said, ``Well, I don't know. I've never been able to catch him.'' [Laughter]

But anyway, where were we? No, but seriously, the credit does belong to you and to your parents. This family matters. Two years ago -- it was two years? I thought it was just last year -- the Kansas City convention, the theme: ``Agriculture's New Spirit.'' I do remember that. And today, thanks to the hard work and self-reliance, now that spirit is still alive and well. Do you want evidence? Consider that only 4 years ago, the Congress passed a pioneering farm bill to help a whole community in crisis. And yet this year, farm income and agricultural exports are nearing record highs. Our surpluses of farm commodities have been drastically reduced, and most of our good land has been brought back into production. And the farm credit situation has greatly improved over the last decade.

This progress has occurred while cutting the cost of Federal farm programs in half. For when the farm economy is strong and government has to pay less, all America benefits. You have told government to tear down the roadblocks of tariffs and trade barriers, and that the wave of the future lies in competition and free enterprise. And given agriculture's commitment to these principles, I had an opportunity to take that message to the leaders of Western Europe, our close allies there, just a couple of weeks ago in Paris.

Our task now is to build upon that spirit, the spirit of ``America can,'' not ``Washington must.'' And we don't want government to spend more; we want people to earn more. And we must remember that next year when we write a new farm bill, these principles must be kept in mind, ensuring the many good features of the 1985 act and, at the same time, making what I think we all would agree are needed improvements.

You know, Will Rogers once said: ``A man in the country does his own thinking, but you get him into town and he soon will be thinking secondhanded." Well, our new farm bill must be evenhanded, levelheaded. And in response to market forces, producers must have more flexibility to decide what crops they grow. And regarding agriculture and the environment, we must see these concerns as compatible. Both, for example, need clean, safe, and quality water. But we can't stop there, for we must work to expand efforts. And the key to that achievement is the current round of these GATT talks. And, yes, we want free trade, but we will keep insisting that it be fair trade. And that's why, like the walls of Jericho, these barriers which distort world trade must come tumbling down.

As you well know from your studies and real-life experiences, ours is a global economy now, and America must be able to compete. And that means, as our relations improve, expanding our ties with the Soviet Union, already the third largest customer for U.S. agricultural commodities, and enlarging our trade with other countries who know and need the farming genius of America. At home, the need to compete means developing new crops and uses for agricultural commodities as raw materials for industry. And for you, our global economy means there has never been a better place nor more crucial time to start a career than in America today.

I'm sure all of you have read or been exposed to -- and most read in school -- Carl Sandburg. He was America's poet laureate, a graceful, lyric writer. And he spoke beautifully and movingly about American agriculture and about the vast horizons and beauty that form the heartland of our country. Once he said simply: ``The Republic is a dream. Nothing happens unless first a dream." And your dreams are big dreams: future farmers who will feed the whole world of tomorrow, future leaders whose character and commitment will enrich America's destiny not merely for your generation but for all the generations to come.

So, I came over here to thank you for coming to Washington, and may your dreams become a reality. God bless you, and Godspeed to the Future Farmers of America, and most of all, God bless the United States of America. Thank you all very, very much for coming.

Note: The President spoke at 11:09 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Cooper Evans, Special Assistant to the President for Agricultural Trade and Food Assistance; Frederick D. McClure, Assistant to the President for Legislative Affairs; and Tony Hoyt and Larry Case, program specialist and national adviser of the Future Farmers of America, respectively.

Remarks and a Question-and-Answer Session With Reporters During a Meeting With District of Columbia Police Chief Maurice Turner

July 27, 1989

The President. I just want to take this opportunity to welcome Chief Turner, whom I've known as a friend for several years, into the Republican Party. This is a significant switch. The man has been a lifelong Democrat, but he made a principled decision based on what he feels is the best answer to helping solve the problems of urban America. And I think we share the same family values that unite our party and with the chief himself. I feel very good about this day. I think it's a major step for our party as we try to broaden it out and have the broadest possible appeal. And so, welcome!

Mr. Turner. I thank you very much, Mr. President. It's an honor to be here, and I will hopefully add something to some of the problems -- especially the drug problems that we're having in this city and in most urban areas of the country.

The President. Well, I know we'd be working with you anyway, but Bill Bennett, who I'm sure will be as enthusiastic about this, and having you as close in as possible with your day-to-day experience in fighting drugs. And I think this is a very good move. But anyway, in any event, welcome.

Mr. Turner. Thank you again, Mr. President.

Q. You going to be running for mayor, Chief?

Mr. Turner. No, right now I'm just becoming a member of the Republican Party. I'm not running for mayor at this time.

Q. Have you given the job any consideration?

Jesse Jackson

Q. Mr. President, do you have some advice for Jesse Jackson if he wants to run for mayor of the District? Would you like to get involved in that?

The President. I gave Jesse my advice all last year -- [laughter] -- all during the campaign, in a gentle, kind way. And I might note, he gave me plenty, too -- and still is.

Q. Mr. President, since this seems to be sort of a question op -- --

The President. Yes, this is a limited photo-op, in which we will permit four questions.

Felix Bloch Espionage Investigation

Q. There has been some discussion that maybe the Felix Bloch case has shown up some need for change in our counterintelligence capabilities, and that maybe even in the defense bill some think you could go into putting more money into changing or tightening embassy security and whatnot. I just wanted to know if you think that there is a need for such change.

The President. Well, I ran the Central Intelligence Agency and the entire intelligence community for a year, and you are always concerned about people who are willing to betray their country. And I will say on this case, it's allegation at this juncture, and it's being investigated. I will also point out that it is the counterintelligence capability of our country that at least is bringing some of the facts to light so far. But the question is: Can we improve counterintelligence? We always want to be striving to do that. Can embassy security be improved? We go through this periodically, and the answer is, I'm sure it can. Nobody is sanguine. And even back then I was unrelaxed about moles or spies or people that would betray our country by dealing with the Soviets in this regard. But again, I want to be very clear: I am not passing judgment on this case which is under investigation.

Q. Are they going to be able to charge Mr. Bloch?

The President. As I say, this matter is under investigation, and I can add nothing more.

Third question. One to go.

Eastern European Reforms

Q. Mr. President, on another subject, are you at all concerned about the problems Mr. Gorbachev is having in the Soviet Union -- his ability to push reform and East Europe might be in jeopardy?

The President. I don't think the economic reform and political change taking place in Eastern Europe is in jeopardy. As you know, I have said time and again, and I'll repeat it here, we want perestroika and reform to succeed. And I think it might be somewhat inappropriate to comment on every problem inside the Soviet Union that Mr. Gorbachev is facing in this time of enormous change.

Thank you very much.

Note: The President spoke at 11:32 a.m. in the Oval Office at the White House. Felix S. Bloch

was a State Department official suspected of espionage.

Continuation of Dallas Lynn Peck as Director of the United States Geological Survey

July 27, 1989

The President today announced that Dallas Lynn Peck will continue to serve as Director of the Geological Survey, Department of the Interior. He was appointed on September 19, 1981.

Since 1981 Dr. Peck has served as the Director of the Geological Survey. Prior to this, he was Chief Geologist at the Geological Survey, 1977 - 1981, and a geologist with the same organization, 1954 - 1977. Dr. Peck was head of the delegation to the International Geological Congress in Moscow, U.S.S.R., 1984; U.S. delegate to the assembly in Durham, England, of the International Association of Volcanology and Chemistry of the Earth's Interior, 1977; and a delegate to Moscow, U.S.S.R., as a member of the U.S./U.S.S.R. Joint Commission on Scientific and Technical Cooperation, 1972. He is the current chairman for the Committee on Earth Sciences and has held this position since 1987.

Dr. Peck graduated from the California Institute of Technology (B.S., 1951; M.S., 1953) and Harvard University (Ph.D., 1960). He was born March 28, 1929, in Cheney, WA. Dr. Peck resides in Virginia.

Nomination of Pamela Talkin To Be a Member of the Federal Labor Relations Authority

July 27, 1989

The President today announced his intention to nominate Pamela Talkin to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 1, 1990. She would succeed Henry Bowen Frazier III.

Since 1986 Ms. Talkin has been Chief of Staff for the Equal Employment Opportunity Commission in Washington, DC. Prior to this, she was Assistant Regional Director for the National Labor Relations Board, Region 20, in San Francisco, CA, 1984 - 1986. She was Special Assistant to the Commissioner of the Equal Employment Opportunity Commission, 1984 - 1985; supervisory compliance officer for the National Labor Relations Board, Region 20, 1981 - 1983; national president for the National Labor Relations Board Union, 1977 - 1981; and labor-management relations examiner for the National Labor Relations Board, Region 20, 1973 - 1981.

Ms. Talkin graduated from the City University of New York, Brooklyn College (B.A., 1968; M.A., 1971). She currently resides in Washington, DC.

Appointment of Justin W. Dart, Jr., as Chairman of the President's Committee on Employment of People With Disabilities

July 27, 1989

The President today announced his decision to appoint Justin W. Dart, Jr., to be Chairman of the President's Committee on Employment of People With Disabilities. He would succeed Harold Russell.

Currently, Mr. Dart is chairperson of the Congressional Task Force on the Rights and Empowerment of Americans With Disabilities and member of the National Council on the Handicapped, 1988 to present. Prior to this, he was founder and chief executive officer of Japan Tupperware, Ltd. Mr. Dart has served as Commissioner of the Rehabilitation Services Administration, 1986 - 1987; member and Vice Chairperson of the National Council on the Handicapped, 1983 - 1986; member and chairperson of the Texas Governor's Committee for Persons with Disabilities, 1980 - 1985; and chairperson of the Governor's Long Range Planning Group for Texans with Disabilities, 1982 - 1984.

Mr. Dart graduated from the University of Houston (B.S., 1953). He was born in Chicago, IL, in 1930. Mr. Dart is married and resides in Washington, DC.

The President's News Conference

July 28, 1989

The President. Well, in the past 7 months, many distinguished Americans serving in congressional, State, and local offices across this country have decided to change their party allegiance from Democrat to Republican -- men and women of great diversity, but they're united by a deep devotion to this nation's traditional values, to building an economy that provides growth and opportunity, and to ensuring that America stands for peace with freedom in every corner of the globe. They represent a growing ground swell of support, a new majority that sees the Republican Party -- our Grand Old Party, the grand new party -- as best able to lead a strong America through the decade of the nineties into the new millennium.

And so, it is a great privilege for me to welcome to the Republican Party a man who stands by the faith of his principles and has helped keep America free: Arkansas Representative Tommy Robinson, a man of exceptional caliber. Tommy Robinson is a man of the people, a man who believes in straight talk, hard work, and getting the job done -- rebuilding our defenses; standing up for veterans, for small business; and fighting the war on drugs. So, Tommy, welcome to our party.

Representative Robinson. I'm on the wrong side. The Democrat -- he looks to his left. [Laughter]

The President. Well, I should -- my welcome -- your party, the Republican Party -- we look forward to working with you. And I'm going to ask the Congressman to say a few words, and then both he and I will respond to some questions. I might welcome my old colleagues, John Paul Hammerschmidt here and Guy Vander Jagt -- two classmates of mine in the Congress who feel as enthusiastic about this as I do, and also, of course, our party chairman [H. Lee Atwater].

All yours.

Representative Robinson. Thank you, Mr. President, for your kind words of welcome to the Republican Party. I am grateful for your confidence and support. I look forward to working closely with you in building an even stronger America in Arkansas.

Public service has been the cornerstone of my life. I have served at the local, county, State, and Federal levels for the past 30 years. I chose a life of public service because my parents taught me that if you work for the government, you work for the people, you serve people. My parents raised me in the tradition of Harry Truman: lunch-bucket Democrats and patriotism without apology.

But today, to best serve the people of Arkansas and to stay true to the values of my family and an ever-increasing number of Arkansans, I can no longer be a member of the national

Democratic Party. This is a very personal, private decision. It has been long in coming, because frankly, I hoped that the national Democratic Party would come back home and once again be in touch with the mainstream of the American people.

But even after losing five of the last six Presidential elections both nationwide and in Arkansas, the leadership of the national Democratic Party still is unwilling to listen to the majority of the American people. If I am to meet the needs of my people, I simply cannot wait any longer for the liberal leadership of the Democratic Party to see the light. The hard fact is that there is and will be no room for conservative Southern Democrats in today's national Democratic Party. Now my conscience is clear. I have made my decision. I am excited about our new partnership with President Bush. I know it will be good for the future of all the people of Arkansas.

Mr. President, I am proud to stand with you and the Republican Party, knowing we share the common goal of getting the job done for America and Arkansas. I am, as are most people in my State, impressed with the philosophy and the practical solutions you are presenting. I, too, believe in less government, not more. I, too, believe that we must first seek government efficiency and cut government waste before asking the American taxpayers to pay even more. I, too, believe that we must dramatically improve our educational institutions if we are to compete in the modern world. I, too, believe in the strong defense policy which has finally forced the Soviets to real negotiations. Mr. President, peace through strength is once again a proven concept. And I, too, believe in preserving the traditional family values that must be the moral backbone of the Nation.

Mr. President, today I am translating our shared beliefs into positive action by joining the Republican Party. I am enthusiastic about working with you. I know that my optimism about what this new partnership will mean for all the people of Arkansas is fully warranted.

Thank you, Mr. President. We in Arkansas are proud of you.

The President. Thank you, Tommy.

Now, I'll be glad to take questions, and I expect the Congressman will, so address them as you will. But we should start off with the AP [Associated Press], I think, today.

Defense Budget

Q. Mr. President, the House has just turned your Pentagon spending priorities inside out, and it's leaving a shambles that Congressman Aspin [chairman of the House Armed Services Committee] says is a Michael Dukakis defense bill. What movement are you willing to make to turn it back to a George Bush defense bill? And I have a followup.

The President. Put a lot of emphasis on the Senate. Work with people like Chairman Aspin, who

does not want to see the defense bill gutted. And I think that we will prevail for most of what we want. We have a strategic concept, and what I need is a strong SDI program, a strong B - 2 program. We're doing reasonably well on many of our conventional allocations there.

But I do not want to negotiate with the Soviet Union without as many cards in my hand as possible, so there's an arms control dimension to what we're talking about, too. But we've sent up a solid strategic program. I'm disappointed that the House did what they did. We have a Defense Secretary who has made some tough cuts and set some priorities and done that which many have failed to do, and that is to cut out some systems. But then the House, regrettably, is looking at it more narrowly than I am; and they have restored some of the very things that the Secretary of Defense and the Joint Chiefs felt that we could get along without. In fact, I see that they're even talking about trying to keep open some of the bases that we have suggested be closed, and it's not easy to close a base. So, I want to get support across the board in the Congress for our defense program. And yesterday was not the House's most memorable moment, but we're going to keep fighting on for what we believe in.

Q. You said that you think you can get most of what you want. Would you be willing to scale back on SDI, for example, to win back some money for the Stealth bomber, which you say is so critical?

The President. I will point out to the American people that SDI has already been cut in our own setting of priorities. We didn't want to do it. It was a tough decision for Secretary Cheney to make. I approved the decision. And we don't need further cuts in SDI.

Helen [Helen Thomas, United Press International]?

Possible Vetoes

Q. Mr. President, in the veto department, will you veto the S&L bill if a portion of the bailout is on the budget? And will you veto the flag desecration bill?

The President. It won't come to vetoing the S&L because we have 40-plus votes in the Senate that -- staying firm -- will see our proposal prevail. The House, as you know, has disagreed with us; but I'm confident that we will do all right on that one. I worry about bending and breaking the Gramm-Rudman limits, and I think it would send a very bad sign to international markets. So, I don't think there's a problem there.

And on this other one, different people have different ways of expressing their outrage about the desecration of the flag. It's very interesting to see a ground swell of support for the principle of protecting the American flag. And so, I will see what comes down here, but I will continue to push for the approach that I think is the best, given the Supreme Court decision.

Q. It sounds like you might sign it.

The President. Didn't say that.

Congressional Relations

Q. Mr. President, you have courted Members of Congress individually and collectively quite assiduously. You've been gentle in your criticism of them when things have not gone your way. You have been so again here today. In light of what is happening up there to these defense priorities and in light of what I think many Members of Congress would acknowledge is a lot of parochial politics being played with that bill, do you think it may now be time for some stronger medicine from you?

The President. Well, if I could think of a medicine that would cure the ill, I would certainly apply it, because I'm not sure name calling or questioning somebody's motives -- sometimes happens on the Hill, questioning my motives. Helen just asked about the flag. But I don't know that that's the approach that's going to be successful. We're going to keep working with the Congress, but -- here's Tommy Robinson, here's a good time to say, with the underpinning of the principles that I was elected on. And we're going to keep doing that. I'm not sure I need to get into the name calling. We'd be out here all day if I said what I felt on that.

Q. Are you not concerned, sir, that this affable approach to this sort of thing will make you appear weak?

The President. No, I'm not concerned at all. We have a Democratic majority in the Senate, a Democratic majority in the House. I have to work with these people; I will work with these people. I've never been too hot at being a name caller. And I think they know the principles upon which I stand, and I think we're going to prevail. And I am going to keep working for what I believe in, but it's a question of style, I think. But I'll take a shot at them once in a while if they get too outrageous.

Israeli Kidnaping in Lebanon

Q. I wondered about your reaction to the Israeli kidnaping this morning of Hizballah [radical Shi'ite Moslem group in Lebanon] leader Obeid, and whether you think that improves chances now for getting back Colonel Higgins or any of the other American hostages.

The President. Well, I don't know, because the freeing of Colonel Higgins is very much on my mind, and the freeing of the other hostages is. I can't tell you, Jackie [Jacqueline Adams, CBS News], whether I think these two things can interact, the kidnaping and perhaps the subsequent release of this man, whether that will benefit the Higgins case or not. I just don't know.

Q. Have you been in touch with the Israelis about the kidnaping, and do you approve of that?

The President. Well, I know that our people will be in touch. This just happened. I haven't, personally.

Assistant Attorney General-Designate Lucas

Q. Mr. President, during the John Tower controversy, you spoke out strongly and often in his defense. Right now, your nominee for Assistant Attorney General for Civil Rights, William Lucas, is under fire on the Hill, yet we haven't heard from you on the subject.

The President. You just haven't been listening or reading because -- let me use this occasion -- I'm glad you raised it. I strongly support Bill Lucas. I am convinced that much -- not all -- that much of the criticism of him is pure, gut American politics. And it started long before day one of the hearings. And here's a man that served as a Democrat, was widely respected, switched to the Republican Party, and then people piled on to a fare-thee-well. And he has my confidence, and I'm glad you gave me this opportunity to express that confidence more publicly.

But let the record show I've made phone calls for him. We had an interview with Owen Ullman [Knight-Ridder Newspapers] here and others -- sorry, Ellen -- [laughter] -- the other day on this subject. And so, I feel strongly about it. And I told Bill last night -- he was over at the house for dinner here -- and I told him, I am staying with you 100 percent, and it's going to be right there and solid.

Israeli Kidnaping in Lebanon

Q. Mr. President, back on the Israeli kidnaping. Does this help the cause of peace in the Middle East, particularly at a time when there seems to be a lot of behind-the-scenes activity with the PLO and the Israelis, passing messages in various ways?

The President. I don't think kidnaping and violence helps the cause of peace.

High-Technology Exports

Q. Mr. President, recently your Secretary of Commerce announced that we would sell computers to the Soviet Union. We hadn't sold them before -- and which drew a protest from Secretary Cheney. In light of the Felix Bloch case and the new allegations of possible spying, do you think it's time to begin relaxing our controls on technology?

The President. I don't want to send technology to the Soviet Union that will enhance their military capabilities. And we did have a difference inside the administration on this question. I'm confident that, after having looked at it subsequent to Secretary Mosbacher's decision, that this

will not enhance the technological -- or won't -- put it this way, that this will not endanger the legitimate national security needs of this country.

So, we have had a difference on it. I've talked to both Cheney and Mosbacher. I don't see any connection, however, to the allegations against Mr. Bloch.

Felix Bloch Espionage Investigation

Q. Sir, how concerned are you that the Bloch case will actually endanger national security? And can you give us any indication how long this has been going on, whether it's been a year or -- --

The President. I can't give you the facts on it. I don't want to go into it while it is being under investigation. I am very disturbed about the premature discussion and disclosure -- that means leaks -- on this matter because I think you can jeopardize the case itself and perhaps the man's ability to get a fair hearing. So, I am troubled by it, but I can't really help you on the facts on the matter.

Congressional Relations

Q. I'd like to continue with this kinder, gentler theme for a moment. You've tried this with Congress for the entire 6 months you've been in office, yet your crime bill has failed; your defense bill appears to have been savaged; your nominee for the civil rights post, whom you say is qualified, is being given a rough ride, to say the least; and the S&L bill you have great concerns about. How would you rate your own legislative success in your first 6 months?

The President. I'd be rating the Congress, wouldn't I, if I rated the legislative success; and I wouldn't give it very high marks. I sent a savings and loan bill up there, and it's been there for -- how many days? Since February 23d. And I challenged the Congress to get something done in 60 days, and it wasn't done. So, in not going after people in a very personal way, attacking some Congressman or Senator with whom I differ, that does not mean I'm happy or relaxed about the legislative calendar and the performance on legislation. I am concerned about it.

Every day the savings and loan sits out there unsolved, it's costing the American taxpayer -- some estimates go from $10 million to $30 million a day. I'll take the fault, responsibility, when we're slow getting legislation up. We've been criticized, and I think properly so, on a couple of subjects -- not getting the legislation there on time; but on this one, I think the Congress has taken too long to resolve the matter. And there are others. The defense budget's not a question of timing so much as it is the mix on our strategic system. So, I would not give Congress very high marks on doing what I want done on legislation. Putting their spin on it, why, that's something else.

Q. Do you think this is just a harbinger of things to come -- a Republican President working with

this Democratic Congress, converts notwithstanding?

The President. Nobody ever said it would be easy in this department.

Capital Gains Taxes

Q. On a related matter, there are some fairly intense negotiations on your capital gains tax cut proposal going on right now. Are you willing to accept some kind of an index on the capital gains rather than the cut you've asked for as an alternate that might be more acceptable to Democrats?

The President. Look, what I want to do is see capital income at different rates. I want what's known as the differential. And so, let's see what can be worked out. If there is some compromise that can spur investment, spur jobs, increase employment because of new jobs starting up, I'd be interested in it. And so, I want to see what could be worked out; I don't think I should ever say it's got to be done just this way in terms of the bills up there in the House Ways and Means Committee right now.

But I have a good, sound proposal, and it was tested -- it was one of the things, I think, that was clearly in focus in the campaign. And the other side, particularly the liberal Democrats, particularly, attacked me as having some kind of a tax favoring the rich. It's nothing like that at all. It will stimulate jobs. It will encourage small business creation, and I stand for it. And if there's some way that that can be achieved by changing the proposal I sent up there -- fine, I'm willing to listen.

Q. Is there a compromise in the works?

The President. Well, there's been some discussion, and I can't tell you how far along it is, but there has been some discussion. I want to see something happen. I don't want to fall on my sword. I want to see this country have more job creation, and that would be a part of this. And I want to get on with the job of balancing this budget eventually.

Representative Robinson's Party Affiliation

Q. Mr. President, when Senator Phil Gramm of your adopted State resigned his House seat, he switched parties and resigned his seat. Have you advised Congressman Robinson that that would be the noble thing to do, to see if the voters approve of that conversion you've just announced?

The President. Well, I don't know that he needs any advice from me, just like Phil didn't seek any from me in that regard. But you can ask him the question if you want.

Q. Congressman, do you plan to offer yourself for election as a Republican?

Representative Robinson. That sounds like a typical Democratic question.

Q. Awww!

Representative Robinson. Let me say this, let me say this: I represent 550,000 people in the Second District of Arkansas -- Democrats, Republicans, independents, and people, quite frankly, that don't care about any of the three above. We have no party registration in Arkansas. Republicans vote for me, Democrats, Independents, the like. I am not going to resign. I am going to be a good Republican Congressman over the rest of this session of Congress and work very hard for President Bush.

The President. Thank you.

Aviation Safety

Q. Mr. President, the airline passenger group would like to see the DC - 10 planes grounded in the wake of that accident in Sioux City. There have been other concerns about hydraulic problems with planes. Are you concerned at all about the safety of our fleet, and do you have any opinion about the grounding of the DC - 10's?

The President. I don't have an opinion about the grounding, but any time there are accidents of this nature you are concerned. The Safety Board is doing a thorough investigation, obviously, on the flight coming out of Colorado. And I expect the Department of Transportation has taken a hard look at this in the light of the two recent happenings, but I can't really give you a judgment as to whether I personally feel the answer at this juncture is the grounding of this fleet.

Flag Desecration

Q. On the flag desecration amendment, there was testimony to the Judiciary Committee that, however you word it, such a constitutional amendment would make an exception for the first time in 200 years to the first amendment. I wonder if you have any misgivings about the possibility that you may be weakening the first amendment?

The President. I thought about it, Saul [Saul Friedman, Newsday], because I don't want to weaken anything. But I feel so strongly that a very carefully drawn amendment can solve this problem that I don't worry about it, because I also fall back on the fact that the Founding Fathers did provide for the amendment process and -- but it's not a -- I mean, I don't have disrespect for those who want to find a different answer.

The thing that I think is heartening is that there's a wide array of support for doing something about this question -- people that have, maybe in the past, not been identified as I got to be over

some years in this department. So, I don't question motives on this one, but I know what I think is right; and I know what our attorneys have advised me is right, given the recent Supreme Court decision. And I also would say I don't think this does violation to the Constitution of the United States. If I did, I wouldn't be making this proposal.

Capital Gains Taxes

Q. Mr. President, if I could follow on capital gains. If the goal is to generate new investment in jobs, why not design the tax so that it only applies to new investment and long-term investment rather than providing a windfall for people who already hold assets?

The President. Because I think there are also revenue aspects of it, so when you turn over in accordance with this capital gains proposal, you're actually going to increase revenues to the Federal Government, as happened when the Steiger amendment was passed. So, it's not a revenue loser.

Counterespionage Measures

Q. Mr. President, without discussing the specifics of the Bloch case, could you tell us whether you would support random polygraphs or some other increased security measures to lessen the possibility that this might happen in the future -- that espionage might happen in the future?

The President. Well, when I was head of the intelligence community, I supported the polygraph program there in CIA. I'm not sure that it needs to be extended to other agencies. I am one who is very concerned about the security implications of this, but polygraphing, regrettably, has taken on a concept of being against somebody's rights, like drug testing in a sense. And I think it's got to be very careful, because you want whatever program you have to be effective. You don't want to discourage good people from signing up. But I haven't rethought my position, if that's the question, in the wake of the allegations against Mr. Bloch.

War on Drugs

Q. Customs Commissioner von Raab has said that the war on drugs by the Federal Government is a dismal failure, that the State Department is the Department that wasn't there, that Treasury Secretary Brady is disengaged and disinvolved in the war on drugs. I suspect I have an idea what your answer to that might be, but it is true that drug use is way up, that Congress has not funded the drug programs that have been passed in the last couple of years. What can you say, in light of those facts? How could you dispute Commissioner von Raab -- if, indeed, you'd like to do that?

The President. Well, I don't see much reason getting into a -- I want to phrase this very politely -- [laughter] -- a match of any kind with Willie von Raab as he leaves the Government. And I think he's worked very hard in his field at Customs. I worked with him when I was on the Vice

President's task force that I headed up.

Look, the answer is not to respond to criticism who goes after people that are working hard like Secretary Brady, who has my full confidence, but it is to do better. And that's what, I'm confident, the whole drug plan that Bill Bennett [Director of National Drug Control Policy] is coming up will address itself to: How do we do better?

You know, it's easy to sit without a tremendous amount of experience in foreign affairs and say, well, we ought to cut off Colombia; we ought to do no business with Colombia whatsoever, because an awful lot of this insidious stuff comes out of Colombia. The Colombian Government is trying. They are cooperating with us -- President Barco is. What I think we ought to do instead of taking that kind of action is find ways to help him more. And I talked about that, incidentally, with [British Prime Minister] Margaret Thatcher and [West German Chancellor] Helmut Kohl on the recent trip.

But look, I can't go into responding to the personal criticism. But I want to see us do better. We've got good proposals that -- some of which we have made and some that are on the drawing board right now. And no American can be relaxed about where things stand. But going around assigning blame to people that are trying hard -- I don't think that's the answer.

This is the last one.

Panama

Q. Mr. President, Noriega is still in charge in Panama. The GAO says the sanctions haven't worked. Where are you going on Panama? What are you going to do? Are you going to accept the situation the way it is?

The President. Well, the OAS meeting passed a resolution that offers some hope. The American position is, and will remain, that Noriega has to get out. I wish I could give you a much clearer answer, that there is some plan that is going to solve this problem in the way it must be solved. And the way it must be solved is: Noriega out, and a free, fair election recognized -- or, if the Panamanians decide to go with another election, held and recognized. But there is a great frustration level for me on this one; there's no question about that.

Thank you all. Ellen [Ellen Warren, Knight-Ridder Newspapers], are you feeling deprived because you thought I had pointed to you, and I -- go ahead, and then I'll do the walking exit here. [Laughter]

Alaskan Oilspill

Q. Exxon says it wants to take its cleaning equipment and go home -- the date certain. You said

during the campaign you're an environmentalist. Is there anything that you can do to convince them to finish the job?

The President. Well, Exxon -- I don't know whether John's [Sununu, Chief of Staff] talked to them or [Secretary of Transportation] Sam Skinner. An awful lot has been done, thank heavens, on this cleanup, and we will stay engaged and encourage whoever it is to stay engaged until this cleanup is complete. The reports on fishing and some of these matters are quite encouraging, I might add. So, we'll wait and see. You know, the final assessment won't be in for a long time.

But I don't want to see Exxon prematurely leave the scene or prematurely fail to live up to the firm commitments they made. I heard a statement -- again, it was only part of it -- which I took to be somewhat encouraging from an Exxon spokesman who referred to taking a look, once the weather was agreeable again, to the kind of work that needs to be done. But if I had the feeling Exxon was going to pull back on an agreement or fail to fulfill an agreement they'd made with us, with the Government, or with the State of Alaska, I would be very much exercised about that and try my best to do something about it.

Thank you all very much.

Note: The President's 19th news conference began at 1:15 p.m. in the Briefing Room at the White House.

Remarks on Signing the National POW/MIA Recognition Day Proclamation

July 28, 1989

Well, thank you, George and Ann. And wasn't that music magnificent -- add to the occasion? And let me say to all of you that it's an honor to be back with the National League of Families. Earlier I was reflecting on the magnitude of what you've endured through so many years of uncertainty. And despite your burdens, you brought about a change in our nation that will never be reversed. Your organization provides us all with a stirring example of how citizens working together can help craft sound policy.

And as you know, Barbara and I returned from central and Eastern Europe just 2 weeks ago. And in the faces of the brave workers of Gdansk and the hopeful students of Budapest, I saw a truth that cannot be denied: The democratic ideal is winning the hearts of people all around the world. And it is this ideal that we honor when we fly the flag, and it is for this ideal that so many Americans were ready when their country called.

Today, we see the symbol of this commitment, the League's POW/MIA flag, on permanent display in the rotunda of our nation's Capitol. It stands in a position of tremendous honor, and it will not come down until we have the fullest possible accounting of your missing loved ones. Your flag can be seen across this land, over statehouses and fire stations and schools and military installations and stadiums, even on ships at sea -- a stirring reminder that America's sons are still missing.

The ideals for which your loved ones fought may finally be coming to pass, the failure of totalitarian and repressive Communist regimes. The evidence is clear through recent events in China, the Soviet Union, and Cambodia -- where Vietnam appears to finally be withdrawing its troops. Some of our finest young men and women were lost during the many long years of the Vietnam war. And the divisions that resulted from our involvement there shook our country to its very core. But as tragic as the loss of a loved one is, even more difficult to endure is the uncertainty which, for you, has extended over so many years. And now we are coming to a time when the divisions of the Vietnam war are healing. We've let go of some of the bitterness of the past, but with this reconciliation comes a temptation to forget those who served. And yet we will not forget, and we will never break ranks.

My friend and predecessor, Ronald Reagan, had a personal commitment to determine the fates of your missing loved ones. And because of his commitment and your perseverance, the policies of this organization are now the policies of the United States Government. When I sought this office -- when I sought the Presidency -- I renewed President Reagan's pledge that we would write no last chapters, we would close no books, we would put away no final memories until your questions about missing and possible prisoners of war have been answered.

And it is as your President that I repeat this pledge today. Let me simply state the policy of this new administration. The fullest possible accounting remains a matter of highest national priority. We will do everything that a government can to recover the missing and, if we discover proof of captivity, we will take action to bring our men home. And so long as you must live without knowing the fate of your loved ones, the United States will insist, in the name of humanity, that the governments of Indochina give the fullest possible accounting.

Frustration on this sensitive issue is totally understandable, and I hear those who say more must be done. And if more can be done, then it will be. And understand this: I don't counsel a timid patience, I counsel a bold persistence. And our persistence is showing some results -- I should say your persistence. Since the Government embraced the goals of this organization, many more of you have found answers. Each answer has been another sad truth to learn. But every POW/MIA relative that I meet tells me that truth is preferable to the greater agony, that of not knowing. The task of learning more is daunting, but we can count on some powerful allies.

First are the national veterans organizations, those who have stood side by side with us through these long years. And it was these veteran groups, supporting you, which protested government indifference to the POW/MIA issue in earlier years, and their contribution has been indispensable. Other partners in our quest are the men and women in government who are dedicating their careers to learning the truth about our POW's and MIA's. These public servants are not uninspired bureaucrats just going through the motions. They have a deep and they have an abiding commitment to their task. This is a commitment shared by people in the military services, in the Defense Intelligence Agency, in Embassies throughout the world, and among those American pilots who bring our fallen soldiers out of Hanoi to at long last come home.

You also have many friends in both parties in Congress. I especially want to commend Bob Dole and John McCain and Steve Solarz and Bob Lagomarsino and Ben Gilman, for showing the governments of Indochina the strength of bipartisan congressional commitment to find answers. To keep this issue at the forefront, they have again passed resolutions establishing National POW/MIA Recognition Day this year on September 15th.

I just must mention how invaluable the guidance of Ann Mills Griffiths has been through the years. Her knowledge and determination are an inspiration, and her participation in the interagency group provides critical insights. And so we will, Ann, continue to look to you for advice and leadership and thank you for all you've done.

And let me just say, finally, I pledge to do all I can. In just a few minutes, I will sign this proclamation calling upon all Americans to honor their missing countrymen and those who served as POW's by participating in ceremonies across our nation. But this is just a beginning.

In Southeast Asia, there are Americans who are unaccounted for. And as I said in my Inaugural

Address, in part: ``Assistance can be shown here and will be long remembered. Good will begets good will." And we appreciate Vietnam's increased responsiveness to that appeal. An unprecedented level of joint operations has already brought significant progress, but despite our increased activities, many questions remain. And once again, I call on Hanoi to swiftly dispel the shadow of doubt, to shed light on the fate of your loved ones. I call on Hanoi to remove the last vestige of armed conflict between us.

We look forward to normalizing our relations with Vietnam once a comprehensive settlement has been achieved in Cambodia. And that settlement must include genuine power sharing with the non-Communist Cambodians led by Prince Sihanouk, and an internationally verified troop withdrawal. But Hanoi must clearly understand that as a practical matter the pace and scope of this process will be directly affected by the seriousness of their cooperation on the POW/MIA and other humanitarian issues.

In Laos, so many questions remain and so few answers have been received. In light of the difficulties involved, their agreement earlier this year to a year-round program of cooperation is, indeed, encouraging. And you can be certain that we are seeking to expand this agreement in every possible way. And we also welcome the Lao Government's agreement to work bilaterally with us on combating the international scourge of narcotics. Implementing this agreement will be critically important to our improved bilateral relationship, which has, indeed, expanded steadily since 1982. We look to the future in our relations with Laos, recognizing the importance of steps they are taking toward opening their society and developing their economy for the good of the Lao people.

To the families of those missing in Cambodia, I must tell you that our efforts to gain Phnom Penh's humanitarian cooperation on resolving the fates of your missing loved ones have thus far been unsuccessful. And despite their public claims to be holding remains of some Americans, officials there have been deaf to our appeals. And I have just asked our Secretary of State, Jim Baker, to raise this issue during the international conference in Cambodia beginning this weekend. I call on Phnom Penh to act responsibly, humanely, and to return these remains. And failure to do so will surely hinder their efforts to gain international respect and support.

The policies pursued during the past 8 years have shown some success. Incomplete? Yes. But progress is being made because our government is giving it high priority. And as we proceed, we will continue to search for ways to improve the process. We will continue to assemble the best resources, technology and, most of all, qualified people to interview refugees and evaluate the intelligence information and negotiate with foreign governments.

It is with that last mission in mind that I reappointed a man of the highest integrity and qualifications, General Jack Vessey, as my special POW/MIA emissary to Hanoi. I know that he was here with you this morning, and senior officials from the Departments of State and Defense and the National Security Council will follow me here. And I have charged them all, all of them,

to do their utmost. They know and share my deep commitment to your missing loved ones and to you.

The principal responsibility for the POW/MIA issue rests with the Department of Defense. And for that reason, we are fortunate to have a very talented public servant as our Secretary of Defense, Dick Cheney. His years in Congress and his knowledge of intelligence matters give him a rare understanding of, and a deep appreciation for, your concern.

In closing, I want you to know that in my frequent travels to cities and towns across America I see many heartfelt demonstrations of support for our cause. Americans know that across our land, every Thanksgiving, there are families that still set an empty chair at the table. We know that faded photographs and school mementos are still being lovingly kept in scrapbooks. And questions remain -- and will remain until answered.

And now the mothers, fathers, wives, children and friends of another great power share the same kind of grief, share with you lingering doubts about missing loved ones. That this power, the Soviet Union, backed the North Vietnamese; and the United States backed the Afghan freedom fighters -- there's an irony there. But there is no room in the American heart for a mean-spirited and petty indifference -- far from it.

I am pleased to note that Soviet General Secretary Mikhail Gorbachev recently made a humanitarian appeal for our help in obtaining the fullest possible accounting for Soviet citizens still prisoner and missing in Afghanistan. And let me answer him today: We will do everything we can, everything that we possibly can. And in return, we confidently expect that the Soviets will do all they can do to encourage more serious and timely cooperation from their allies. Working together, we can resolve the anguish of many families in two lands. And we can do something more: we can build a new spirit of peace.

In Ecclesiastes, it is written that there is a time for war, a time for peace, and a time to heal. We will never forget those who served our country. And when we receive final answers about their fate, then this will truly be a time for healing. Thank you, God bless you, and God bless the United States of America. Thank you very much. And now I'm honored to sign this proclamation.

Note: The President spoke at 3:25 p.m. in the Grand Ballroom at the J.W. Marriott Hotel, at the annual meeting of the National League of POW/MIA Families. In his opening remarks, he referred to league members George Brooks and Ann Griffiths. The proclamation is listed in Appendix E at the end of this volume.

Appointment of Shellyn Gae McCaffrey as the United States Representative on the Governing Body of the International Labor Office

July 28, 1989

The President today announced the appointment of Shellyn Gae McCaffrey as U.S. Representative on the Governing Body of the International Labor Office for an indefinite period, and accordance of the personal rank of Ambassador in her capacity as head of the U.S. delegation to the International Labor Conference. She would succeed Eugene Kistler Lawson.

Since 1988 Ms. McCaffrey has been Associate Deputy Secretary at the Department of Commerce. Prior to this, she was Deputy Executive Secretary of the Economic Policy Council at the White House, 1985 - 1988, and senior staff member in the Office of Policy Development at the White House, 1981 - 1985. Ms. McCaffrey was a press aide and fundraiser for the Bush and Reagan/Bush campaigns, 1979 - 1980.

Ms. McCaffrey graduated from Pennsylvania State University (B.S., 1979) and Washington College of Law, American University (J.D., 1988). She resides in Alexandria, VA.

Statement by Principal Deputy Press Secretary Cooper on the President's Meeting With Marshal Sergei Akhromeyev of the Soviet Union

July 28, 1989

The President met with Marshal Sergei Akhromeyev of the Soviet Union for approximately 1 hour in the Oval Office. Marshal Akhromeyev, who is visiting Washington at the invitation of the Chairman of the Joint Chiefs of Staff, Adm. William Crowe, is a special adviser to President Gorbachev on security and arms control matters.

The President and Marshal Akhromeyev exchanged views on a wide range of topics, including the status of arms control negotiations. The President reiterated his desire to see early agreement in these negotiations. He was particularly interested to hear the views of Marshal Akhromeyev on the relationship of domestic reform to Soviet security policy.

The President and Marshal Akhromeyev discussed perestroika, and the President took the opportunity to reiterate his support of President Gorbachev's reform programs. Also attending the meeting were the Vice President, Secretaries Baker and Cheney, and national security adviser Brent Scowcroft.

Remarks to the National Governors' Association in Chicago, Illinois

July 31, 1989

The President. Thank you, Governor Baliles. Thank all of you -- Bill [Governor Bill Clinton of Arkansas].

Before I make my remarks, I want to comment on a very disturbing report that we've just heard. There are unconfirmed reports that Colonel Higgins has, indeed, been executed. And I had planned to go on out to Nevada for another appearance today and then to go to Oklahoma tonight. But this matter is of such concern to me and to all of you and to the American people that I think it's appropriate that I go back to Washington.

Whether the report is true or not, I know I speak for all here when I try to express to the American people the sense of outrage that we all feel about this kind of brutality, this uncalled-for terrorism. And this was a young American colonel serving in an international force, and it is incumbent on all of us to try to rectify this situation, if at all possible. And I have no more to share with you on this. We have not been able to confirm this horrible report, but I will go back to Washington and convene our top national security people and, first, establish to the best of our ability if the report is true and then figure out what might conceivably be done. So, I'm sorry to bring to this meeting a message of that nature, the bad news, but I felt you would want to know about it.

Jerry, that said, thank you very much. I want to commend you on your success as chairman of this group. I studied Latin for 4 years. Soon you will be chairman emeritus. ``E" in Latin means out -- ``meritus" damn well deserves to be. So, I will -- [laughter] -- but I want to commend you -- that having been said -- commend you on that. It's been a joy working with you.

And I want to salute our host and my friend, Jim Thompson -- a great Governor, former NGA chairman, who's rocked the world of Illinois politics by announcing that he will not run for a fifth term. They were just getting used to him out here, and now he's not going to run. But thank you for your hospitality.

I'd like to rise to John Sununu's defense: He is not quiet and retiring. That's all I will say about it. [Laughter] But I think it is good to have a Chief of Staff who knows how the Governors function and the importance of the Governors in this whole Federalist system.

I think Jerry mentioned Ed Derwinski, a member of my Cabinet, a good friend of longstanding. And I want to salute him and also our Secretary of Transportation, Illinois' own Sam Skinner, who is with me here today. Both doing outstanding jobs -- Sam digging in now, working on a

national transportation strategy.

And Terry Branstad, the incoming president -- let me say I look forward to working with you, and I hope we'll have an era of real cooperation, just as we have with Governor Baliles.

Let's begin by saying what is the role of the Governor in the American political life? Well, de Tocqueville, the great 19th century observer, once asked a country politician the same question, and the answer he got was this: ``The Governor counts for absolutely nothing and is paid only $1,200." Well, you still can't get rich off a public salary. But today I don't think there's any question in the minds of the American people that the office of Governor counts for an awful lot -- counts for a great deal. In fact, leadership in America is increasingly the sum of your efforts and of your vision.

And that's why I consider myself a Federalist. I was there when President Reagan issued the Executive order on federalism, and I want you to know that I stand by it.

We believe in federalism, and yet we are a people, one nation, indivisible. And just as we share our cherished Constitution, so we also share common challenges and responsibilities. To cure our nation of illiteracy and drug abuse and crime, we must act in tandem -- President with Governor, Governor with mayor, up and down the line -- and in short, we've got to find our collective will as a nation.

And that's why I've come to Chicago to meet with all of you fellow chief executives. We share as executives a special responsibility, and some describe it as a great burden. But for us, if it is a burden, it is one that is cheerfully accepted. And to sit where the buck stops, to resolve disputes, to help those in need and to set a course for the future, is to know a special kind of satisfaction.

In fact, our missions as executives are so similar that many Presidents have called on you for guidance. Teddy Roosevelt, who called the Nation's first conference of Governors, the forerunner of this association, convened the Governors at the White House. And he brought the Nation's Governors together to call for conservation, for an end to the reckless denuding of our forests. And they started a tradition that we are carrying on today: working together as President and Governors for a cleaner environment.

I thought you might be interested in a peripheral note here. I'm just back from the economic summit in Europe, and the whole question of environment is on the minds of these Western European leaders, unlike any time that I've ever seen. And I think that's a good thing. And I think it is going to cause all of us to work together internationally -- just as my plea is here -- that we work together inside our great country.

We have proposed, as you know, the first major revision of the Clean Air Act in more than a decade. And I read a headline in one of the great newspapers of this country where some say it

didn't go far enough and others said it went too far. I figured, well, maybe we're not doing too bad on it. But it sets tough standards; it gives States and industry the flexibility needed to reduce costs and break the longstanding legislative logjam. The potential for consensus is there. The American people want clean air, and we can work together to see that they get clean air.

Then it was another Roosevelt -- great President, Franklin D. Roosevelt -- who called on the Governors to help him stem the financial crisis of the Great Depression. And today we don't meet in a spirit of immediate crisis; plenty of problems out there, but the Nation is fundamentally sound. But the decline of our educational system and the threat of crime and drugs, the economic dependency of so many, and yes, that ever-present Federal deficit and the problems that come with it -- these problems threaten to endanger the very leadership position of America in the next century. And for America to remain competitive will require your best efforts and your executive know-how. The ultimate challenge, as Governor Baliles put it, is ``to become again the Yankee traders that we once were." And he's not talking about George Steinbrenner [New York Yankees owner]. He is referring to the clipper ships. Your creative response to our nation's competitive position is more than perceptive; it's forward looking, an attribute to the best kind of leadership.

At this economic summit that I mentioned, the competitive position of our nation was an underlying theme in the discussions of the great economic issues of trade and monetary policy and international debt. But no less important to America was the start of my journey, that part that took us to Eastern Europe and central Europe. Poland and Hungary today are not the economic magnets that we find in Western Europe or the Pacific rim, but I saw a tremendous potential in the awakening spirit of those lands. It is absolutely amazing -- the changes that are taking place on the economic front there and on the political front as well. And the beauty of it is that we can boost reform without massive government-to-government programs. We can do the most good as American leaders by simply facilitating trade and investment, by simply opening doors for opportunity and encouraging those governments to move as fast as they can towards privatization.

But to open these doors will require leadership at every level of government. You've already established a great tradition of searching for those opportunities abroad, and now I ask you to include Poland and Hungary on your list. While Governors have no formal role in foreign policy, you are becoming our economic envoys and ambassadors of democracy. You're a new force in restoring American international competitiveness and expanding world markets for American goods and services.

And of course, your focus is and, I think, must be on the critical domestic issues. As chief executives, we know firsthand how crucial our social health is to the future position of America. A nation in which half of our youth is ignorant of geography, in which drugs are rampant, in which a substantial proportion of the population knows little hope -- such a nation will not long remain competitive. And in the final analysis, improving our schools, driving out drugs, and bringing hope and opportunity to those who need it most -- these are issues of our national well-

being, even our national security.

First and foremost are our children and their education. Working together, we can raise the level of learning in the classrooms of America. On April 5th, I sent a package to the Congress, an educational reform package based on four principles rooted in the practical experience of the States. To have reform, excellence and achievement must be recognized and rewarded; to have reform, Federal dollars should be targeted to those most in need; to have reform, we need flexibility and choice -- choice for parents, choice for schools in their selection of teachers and principals. And finally, the essence of reform is accountability in education and reward for those schools that show progress. If implemented, I believe that these measures will restore the quality of American education and redeem the future of millions of children, but there is more to be done.

. On June 5th, I asked the business community to study what the private sector can do to energize and support educational reform. And there are wonderful programs in effect now where business leaders assign people from their companies to help in the local school districts. These have been pushed and fostered by many of you around this table.

I want to renew my pledge to assemble the Governors in a summit to share ideas and to explore options for educational progress. Only twice before have the Governors met with the President on an issue of vital national importance. And now there will be a third such conference, an historic meeting on education. And so, I invite you to work with me at a Governors' summit on education to be held on September 27th and September 28th. We have not yet selected a place, but we want to go forward and do that. And together, we can find ways to strengthen our schools, to enlarge opportunities, and to improve our nation's educational performance.

As chief executives, we also see drugs and crime as the most harrowing domestic threat to the future of America. And I proposed on May 15th a commonsense approach to deter the criminals' use of weapons, to reform the criminal justice system, to enhance enforcement and prosecution, and to expand prison capacity to ensure both the certainty and the severity of punishment. I proposed the hiring of 825 new Federal agents and staff, 1,600 new prosecutors and staff, and an additional $1 billion for Federal prison construction. And I've proposed tough new laws, including mandatory prison terms, no deals without cooperation, and the death penalty for those who murder our police officers. But I need your leadership to see results. Work with me. Toughen your laws and put the worst offenders behind bars. And if you do, we will take back the streets.

And finally, America cannot continue to lead the world if we lag in providing opportunity at home. And last year, as you know, Congress and the administration enacted major welfare reform legislation -- the Family Support Act of 1988. And this act grew out of a consensus that the well-being of children depends on more than material needs. Children need a family environment that encourages self-sufficiency -- in a word, character.

With this in mind, I reestablished the Low Income Opportunity Board within the White House. And I've asked that board to assist you in the complex and time-consuming process of obtaining these Federal approvals for experiments in State welfare reform. So many innovative policies have come from the States. So, we want to work together to keep your administrations free to experiment, free to be creative. In fact, I have asked our Domestic Policy Council and the Low Income Opportunity Board to make flexibility the guiding principle, so that States will have greater freedom to experiment with welfare reform. And I am pleased to announce that this week the DPC, Domestic Policy Council, has committed itself to give you greater room to maneuver and to grant waiver requests as quickly as possible.

Many of our responsibilities overlap in education, law enforcement, and welfare. At times, there's been friction, a lot of friction between the States and the Feds. And perhaps what we need between the Federal Government and the States is a friendly competition well-known to Chicagoans. Here, along the majestic lakefront skyline, there's been an ongoing competition among developers to retain the title of the world's tallest building. You talk about one-upsmanship, this is it -- a whole new meaning. Yet this is the kind of one-upsmanship that builds, not destroys; that lifts, not lowers; that takes us all a little closer, a little closer to the stars.

I have committed the powers of my office to lift America, starting in the classrooms and the streets. Working together, I am absolutely convinced that we can achieve a national consensus in spite of the overriding budgetary problems that the Federal Government faces. Working together, we can make the next century an American century.

Thank you. Thank you all for what you do for this country, and I'm just delighted to have been with you. Thank you very much.

Q. Thank you, Mr. President. The President has agreed to take a couple of questions. I'll call on our vice chairman, Governor Branstad of Iowa, for the first question.

Education

Q. Mr. President, we're very honored that you've invited us in the third only Presidential summit with the Governors on the topic. And I'm delighted that you've chosen education because that's going to be an area of focus of the Governors for this coming year. And I just want to add my appreciation and say that we look forward to working with you and developing consensus goals to improve the quality of education, and we want to involve all the people in this nation that are concerned about rebuilding and strengthening the quality of education. Thank you for that commitment.

The President. Thank you for your question. [Laughter] No, but thank you, Terry, and we look forward to working with you.

Q. Mr. President, first of all, we appreciate your speech and your commitment both to fighting drugs and to improving education. I support, as I think you know, your education position. I'm for accountability, choice, alternative certification. One thing that concerns me in our State, and I think is a concern around the table here that I'd like to hear you comment on, is the relative lack of competitiveness of our high school seniors with many of the other countries with which you've been negotiating new economic, environmental, and defense arrangements.

What do you think the Federal role ought to be in trying to increase the number of people who can afford to go on to college -- or who can't afford to go on to college but need to so that they can be internationally competitive? And do you believe that that ought to be a part of our education summit in September? I'm very concerned about that, and that's something that neither the States nor the Federal Government has adequately addressed, in my judgment, in these 3 or 4 years.

The President. I think, clearly, the Federal Government has a role. We have some programs. I know everybody would like to see them financed more fully, thinking of Pell grants and things of this nature. And I've been intrigued with some of the private sector approaches. A fellow named Pat Taylor in New Orleans has a program that I believe -- I don't know whether Governor Roemer -- I didn't -- where is he -- can comment on. I don't know whether he likes it or not. But nevertheless, it's a program that has some applicability to what we're talking about here. It's happened in other States. But, yes, I think it should be a key agenda item for the summit that we're talking about. Again, every time we get to worthy goals, I have to say: Wait, how do we meet Gramm-Rudman's targets and all of that? But clearly, in terms of objective, it must be that.

But, Bill, I'd also say that what you've talked about and you've pioneered, along with others around this table -- I can single out Governors Baliles and Kean because they'll both be unemployed here in a few weeks. But this concept of encouraging excellence the way your States have done it I think has great applicability for how a high school senior goes forward and gets into college. So, anyway -- but it should be an agenda item.

Q. Governor Celeste of Ohio.

The President. Where's Dick? I didn't recognize you. Yes? [Laughter]

Health Care

Q. Mr. President, you just alluded to the notion of worthy goals and budget realities. And this morning the Governors around the breakfast table talked at length about the problems we're facing now with Medicaid and the mandated costs that are built in as a consequence of decisions that have been made in the Congress. And I think it's our feeling that we would like to, number one, share with our congressional delegations the realities we're now contending with as

Governors -- but to call on them and perhaps to seek the assistance of the administration, as well, to have a 2-year moratorium on any additional mandates in terms of Medicaid with a commitment that all of us sit down together on a bipartisan basis -- Governors, the Congress, the administration -- to look at this whole issue of health care: how we assure coverage to those who need it; how we deal with this problem of sort of backing into a system which is virtually universal now for various pregnant women and small children, and to do it in a cost-efficient way. And I'm wondering whether you would be comfortable with a notion, for example, of a moratorium on additional mandates at this point and whether there's a way in which we could work together on this important issue?

The President. Well, I'd like to consider it. And certainly you're trying to hold the line on the spiraling costs. We're in a battle now -- and I think we can resolve it properly -- with some of our doctors in terms of the increased costs of physicians' fees. But, yes, without getting into the specifics, I'd certainly think we could cooperate fully. Maybe we could take one more, okay?

Transportation

Q. Mr. President, under our chairman's direction this spring and summer, I conducted a series of hearings around the Nation on our nation's transportation infrastructure. Two key facts came out of those hearings. One, those nations which make an increased investment in their highways, their bridges, their harbors, their air and rail systems, their water systems are more competitive in the world economy than those nations who do less. And secondly, those nations who make such investments stimulate more private investment than those nations who do less.

I don't have a question; I have a suggestion, if I might be so bold. Could you ask Director Darman, Secretary Brady, Secretary Skinner, and Secretary Mosbacher to form kind of a working group to make sure that our tax laws and our transportation policies are doing everything we can to encourage a renewal of America's transportation infrastructure? I know it will be part of Secretary Skinner's national strategies plan, but I think there needs to be more focus in Washington on the benefits of infrastructure investment and a return to our economy, especially our competitive world economy. And I think those four good men could really help in that effort.

The President. Well, let us try, and I appreciate the suggestion. And for those out around here from Illinois, I must say I am very pleased to be working with Sam Skinner in this field. I know the frustrations around this table when you see this tremendous highway trust fund and wonder why those funds aren't immediately available for the purposes for which they were earmarked. And the answer, obviously, is budgetary. But, yes, I'd be very happy to ask the four of them to get together.

Competitiveness

Q. Nice to see you again, Mr. President. I just wanted to follow up on the point that you had made and offer, for whatever it's worth, my congratulations on the September 27th summit, vis-a-vis education.

I would like to say that the Southern Growth Policies Board, which Carroll Campbell has headed for this past year and which I will head for this next year, is concerned. As the world grows smaller, cheap is not enough; we must be flexible and smarter. And we've undertaken, Mr. President, the goal to address adult illiteracy in our part of America. And I would encourage your team at the educational summit to address that question in context of the whole nation.

It seems to me that we're going to be making more products -- one product, one person, one sale, rather than mass production. And it seems that the quality of our work force will be the key to us being competitive -- not just the price of the work force, but the quality of the work force. That's one of our assignments in the South, and we're hoping you can help us nationwide. What I'm trying to say, Mr. President, is send money. Thank you. [Laughter]

The President. I thought I heard that.

Q. I said it poorly, as usual, but -- [laughter].

The President. Let me say that, on this educational summit, I don't view this is as something where -- like today where I come here for 2 minutes and then take off. I mean, this is going to be a session where we will have an opportunity together, you and me, to take a considerable amount of time to discuss these kinds of issues. I think it is important, and maybe Governor Branstad would be the one to turn to to have a little group for the agenda on this. And our Education Secretary will be involved; but sure, we should take that up. And I want you to know I will be personally involved in learning from this kind of involvement.

But thank you all very, very much. With permission, could I just say hello to everybody here.

Note: The President spoke at 10:08 a.m. in the Grand Ballroom at the Hyatt Regency Hotel. He was introduced by Gov. Gerald Baliles of Virginia. In his opening remarks, he referred to Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, who was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on July 31, 1989.

Remarks on Presenting the ``E'' Award to the Illinois Export Council in Chicago

July 31, 1989

Thank you, Governor. I know that some of you all here have been actively involved in this whole field of exports. And this ``E'' Award for excellence in export service is being given to your Export Council, the State's promotion agency.

We are committed in the administration to strengthening our trade, eliminating that imbalance; and that means, of course, strengthening our own competitiveness. The national economic power depends on our ability to compete effectively in world markets. And you are a leader -- this State, under Governor Thompson -- a leader in developing an export-based economic strategy. And this Illinois Export Council really has been in the forefront of developing the State's entire effort.

Your council established the World Trade Center in Chicago; conducted trade missions and trade seminars, export counseling, overseas visitors program, and export internship program. And to recognize these achievements, I am honored to present the ``E'' Award for excellence in export service.

I'm sorry that the Lieutenant Governor's not here because he's had a keen interest in all of this. And I think the answer is he got fogged in. But he's chairman of the council, and I want to pay my respects to George Ryan, as well as, of course, to Governor Thompson and all of those of you here who've done the work.

With this award comes the ``E'' pennant that is quite well-known around the country. I hope that you'll display it with pride. And your contribution has been recognized and appreciated. Thank you all very much for taking the time for this symbolic ceremony, and I hope other States do as well as you have in the future. It would be a great thing for our international competitiveness. Congratulations, Jim.

Note: The President spoke at 10:48 a.m. in Ballroom B at the Hyatt Regency Hotel. In his remarks, he referred to Gov. James R. Thompson and Lt. Gov. George Ryan of Illinois. Following his remarks, the President returned to Washington, DC.

Remarks and a Question-and-Answer Session With Reporters on the Murder of Lieutenant Colonel William R. Higgins

July 31, 1989

The President. Let me just say a word here and then go on. Let me just, on behalf of the American people, express the outrage that we feel at the brutal murder of Colonel Higgins. At this juncture, I don't have what I would call a final confirmation. On the way home from Chicago, I was on the phone to the Secretary-General [of the United Nations, Javier Perez de Cuellar]. And he, at that moment, which was about an hour ago, was still hoping that Higgins had not been murdered. I called Colonel Higgins' wife and talked to her -- wonderfully stoic individual who is going through sheer hell. And I will convene a meeting here in the White House about 5:30 p.m. to get an update on the intelligence and to meet with my top advisers on this whole matter.

And there is no way that I can properly express the outrage that I feel. And somehow there has got to be a return to decency and honor, even in matters of this nature.

And I will have nothing more to say about this until I have had this meeting and been with some -- I may say something more today, but probably not. And at this juncture, we want to get all the information and be sure we're dealing from the facts, not from -- regrettably -- from hearsay. But it is a most troubling and disturbing matter that has shocked the American people right to the core.

Q. Have you talked to the Israelis, sir?

The President. That's all I have to say about it. Thank you.

Note: The President spoke at 2:18 p.m. on the South Lawn of the White House. Lieutenant Colonel Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on July 31, 1989.

Message to the Senate Returning Without Approval the Bill Prohibiting the Export of Technology for the Joint Japan-United States Development of FS-X Aircraft

July 31, 1989

To the Senate of the United States:

I am returning without my approval S.J. Res. 113, a joint resolution that would prohibit the export of certain technology, defense articles, and defense services in connection with the codevelopment and coproduction of the FS - X aircraft with Japan. The resolution is neither necessary to protect the interest of the United States, nor consistent with long-standing requirements of the Arms Export Control Act. Further, the resolution contains binding provisions that unconstitutionally infringe on the powers of the Executive.

I am committed to the protection of U.S. security, economic, and technological interests. Shortly after assuming this Office, I directed that a review of the FS - X program be undertaken to reassess its impact on the United States. This evaluation included active participation by the Departments of State, Defense, and Commerce, and the Office of the U.S. Trade Representative, among other agencies. Following the review, we reopened discussions with the Japanese and clarifications were made to ensure that valid U.S. concerns and requirements were met in such areas as U.S. workshare and technology flowback.

With agreement reached on these clarifications, I decided that we should proceed with the joint development of the FS - X aircraft. I determined that the program is in the strategic and commercial interests of the United States and will contribute to our security and that of a major ally. The ability of Japan to carry its share of the defense burden will be enhanced as a result of the program, at no cost to the American taxpayer. Moreover, the program will produce substantial work for the U.S. aerospace industry without jeopardizing our commitment to the continued excellence of that industry. The U.S. economy will gain some $2.5 billion and 22,700 man years of employment over the course of the codevelopment and coproduction phases.

I remain fully convinced that proceeding with the program is in the best interests of the United States and that the additional conditions prescribed in this resolution are unnecessary. Such conditions include an unprecedented absolute prohibition on sales or retransfers of the FS - X weapon system or any of its major subcomponents codeveloped or coproduced with the United States. This prohibition is inconsistent with the current agreement with Japan and goes beyond the current requirements of the Arms Export Control Act, which permit such sales or retransfers, but only if the written approval of the United States Government is first obtained. This requirement of prior consent completely protects U.S. security and other interests.

The resolution also conflicts with the President's proper authority under the Constitution. The Constitution vests executive power in the President. Executive power includes the exclusive authority to conduct negotiations on behalf of the United States with foreign governments. S.J. Res. 113 violates this fundamental constitutional principle by purporting -- in binding legislative language -- to direct the United States and Japan to conduct negotiations if coproduction of the FS - X is sought, and by purporting to define in advance both the form and substance of any resulting agreement. In the conduct of negotiations with foreign governments, it is imperative that the United States speak with one voice. The Constitution provides that that one voice is the President's. While of course the Congress has authority under the Constitution to regulate commerce with foreign nations, it may not use that authority to intrude into areas entrusted by the Constitution exclusively to the Executive. And while I am eager to cooperate with Congress in shaping a sound foreign policy for our Nation, and will consult with Members of Congress at every opportunity -- indeed, the ultimate shape of the agreement with Japan reflects healthy cooperation between our two branches -- I cannot accept binding provisions like those in S.J. Res. 113 that would tie my hands in the exercise of my constitutional responsibilities.

The Constitution's vesting of executive power in the President requires that the President exercise supervisory authority and control over the internal deliberations of the Executive branch. The resolution intrudes on this constitutional principle by purporting to direct a particular Executive department to solicit and consider comments or recommendations from another department and to make certain recommendations to the President. The resolution also purports to require the President to consider these recommendations. Such provisions interfere with Executive branch management and infringe on the President's authority with respect to deliberations incident to the exercise of Executive power.

The reporting requirement imposed by this resolution would inject the General Accounting Office, a legislative entity, into the execution of the FS - X program in a highly intrusive manner. It would require the GAO, for example, to track within the Japanese aerospace industry all applications of technology involved in the development of the FS - X, including technology developed solely by Japan. Such a role, tantamount to intelligence gathering, is inappropriate for a legislative entity, and poses the clear and significant risk of legislative entanglement in functions assigned under our Constitution to the Executive branch.

The FS - X program is the first major military codevelopment program between the United States and Japan. The FS - X will bolster Japan's self-defense capability, strengthen our overall alliance with Japan, and allow Japan to assume a larger share of the common defense burden. The importance of these achievements cannot be overstated, particularly given the fact that our relationship with Japan is a foundation for our political and strategic relations throughout the Pacific.

To reopen discussions now for additional and needless changes can only damage the prospects for a successful agreement. If this occurs, substantial injury to the U.S.-Japan security relationship is likely and the considerable strategic and commercial benefits to the United States

will be lost. This compromising of U.S. interests is simply not acceptable.

Finally, acceptance of this resolution would constitute a setback in our objective of achieving a close working relationship and mutual respect between our two branches through the minimization of legislative micromanagement of both foreign affairs and Executive branch internal deliberations.

For all the reasons stated above, I am compelled to disapprove S.J. Res. 113.

George Bush

The White House,

July 31, 1989.

Nomination of Terrence O'Donnell To Be General Counsel of the Department of Defense

July 31, 1989

The President today announced his intention to nominate Terrence O'Donnell to be General Counsel of the Department of Defense. He would succeed Kathleen A. Buck.

Since 1977 Mr. O'Donnell has been a partner with the law firm of Williams and Connolly. Prior to this, he was a Special Assistant to the President of the United States, 1972 - 1977. Mr. O'Donnell was a legal officer in the Office of the Judge Advocate General, 1971 - 1972; a U.S. Air Force counterintelligence officer in South Vietnam, 1969 - 1970; and stationed at the United States Air Force Headquarters, 1966 - 1969.

Mr. O'Donnell graduated from the U.S. Air Force Academy (B.S., 1966) and Georgetown University Law Center (J.D., 1971). He was a captain in the U.S. Air Force, 1966 - 1972. Mr. O'Donnell was born in New York, NY. He is married, has three children, and currently resides in Bethesda, MD.

Nomination of J. Daniel Howard To Be Under Secretary of the Navy

July 31, 1989

The President today announced his intention to nominate J. Daniel Howard to be Under Secretary of the Navy. He would succeed H. Lawrence Garrett III.

Mr. Howard previously served as Assistant Secretary of Defense for Public Affairs from February 1988 to May 1989. Prior to this he was Special Assistant to the President and Deputy Press Secretary for Foreign Affairs at the White House, 1986 - 1988. He has also served as public affairs adviser for the Bureau of East Asian and Pacific Affairs at the Department of State. Since 1972 Mr. Howard has been a career Foreign Service officer and has served at the U.S. Embassies in Cyprus, Poland, and Japan. Prior to joining the Foreign Service, he worked for the American Red Cross in Denver, CO. He was awarded the State Department Superior Honor Award in 1986.

Mr. Howard graduated from the University of Chattanooga (B.A., 1968) and the University of Tennessee (M.A., 1972). He was born August 24, 1943, in Chattanooga, TN. He served in the U.S. Marine Corps, 1961 - 1965. Mr. Howard is married to the former Mary Ruth Elam of Knoxville, TN. They have three children and reside in Arlington, VA.

Continuation of Timothy Lathrop Towell as United States Ambassador to Paraguay

July 31, 1989

The President today announced that Timothy Lathrop Towell will continue to serve as Ambassador Extraordinary and Plenipotentiary of the United States of America to Paraguay.

Since 1988 Ambassador Towell has served as United States Ambassador to Paraguay. Prior to this, Ambassador Towell was Deputy Chief of Protocol at the Department of State, 1983 - 1988. He was the legislative management officer for Europe in the Office of Congressional Relations at the Department of State, 1980 - 1983. Ambassador Towell has been a political-economic officer in the U.S. Interests Section in Havana, Cuba, 1979 - 1980, and first secretary at the U.S. Embassy in Brussels, Belgium, 1975 - 1979. He served as the U.S. consul in Porto Alegre, Brazil, 1972 - 1974, and at the Department of State as a Spanish desk officer, 1970 - 1972, and as a Bolivian desk officer, 1968 - 1970. He has served in various other capacities in Bolivia and Spain.

Ambassador Towell graduated from Yale University (B.A., 1957) and Case Western Reserve University (M.A., 1962). He served in the U.S. Army Reserve, 1959. He was born January 31, 1934, in Cleveland, OH. He is married, has two children, and resides in Washington, DC.

Appointment of Juliette C. McLennan as the United States Representative to the Commission on the Status of Women of the Economic and Social Council of the United Nations

July 31, 1989

The President today announced his intention to appoint Juliette C. McLennan to be the Representative of the United States of America to the Commission on the Status of Women of the Economic and Social Council of the United Nations.

Mrs. McLennan served in several capacities on the Bush/Quayle campaign in 1988, including assistant director in the office of the national voter coalitions coordinator; co-chair of the American Nationalities Coalition; national director of the Irish Coalition; and campaign liaison for Republicans abroad. Prior to this, she served as assistant director of surrogate scheduling on the Reagan-Bush campaign, 1984; managing director of Blair House for the U.S. Department of State, 1981 - 1983; and vice chairman of operations for the Presidential Inaugural Gala on the Presidential Inaugural Committee, 1980 - 1981. In addition, she served as scheduler for celebrities and athletes on the Reagan-Bush committee, 1980; deputy director of the volunteer office of the George Bush for President committee, 1979 - 1980; and national coordinator for the volunteer office on the President Ford committee, 1975 - 1976. She has served on several international committees, including cochair of the Belfast Children's Summer program, 1981 - 1988; director and past president of Committee for a New Ireland, 1982 - 1988; and past U.S. representative for the International Cooperative Alliance, Women's Committee, 1977 - 1980.

Mrs. McLennan currently resides in Washington, DC.

Statement by Press Secretary Fitzwater on the Hostage Situation in Lebanon

July 31, 1989

The President met at 5:30 this afternoon in the Cabinet Room with senior advisers concerning the hostage situation in Lebanon. The President received a briefing on the status of our knowledge of the situation. This was primarily an informational meeting at which all aspects of the case involving Colonel Higgins and the other hostages were discussed. Under Secretary [of State] Eagleburger discussed the United Nations resolution today which condemned hostagetaking.

Attending the meeting were the President, the Vice President, Secretary Cheney, Admiral Crowe [Chairman of the Joint Chiefs of Staff], Under Secretary Eagleburger, Attorney General Thornburgh, CIA Director Webster, NSC adviser Scowcroft, Bob Gates [Deputy Assistant to the President for National Security Affairs], and Governor Sununu.

Note: Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on July 31, 1989.

Statement on American Hostages in the Middle East

July 31, 1989

Our grave concern over the taking and holding of American citizens as hostages has been made clear on numerous occasions in the past.

On Friday, I said that the taking of any hostage was not helpful to the Middle East peace process. The brutal and tragic events of today have underscored the validity of that statement. That position, and our firm opposition to negotiating with hostage takers, was further reinforced in my discussions this evening within the administration and in consultations with the congressional leadership.

Tonight I wish to go beyond that statement with an urgent call to all -- all parties who hold hostages in the Middle East -- to release them forthwith, as a humanitarian gesture, to begin to reverse the cycle of violence in that region.

Note: Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on July 31, 1989.

Nomination of Jonathan Moore To Be an Alternate United States Representative to the United Nations

August 1, 1989

The President today announced his intention to nominate Jonathan Moore to be the Alternate Representative of the United States of America for Special Political Affairs at the United Nations, with the rank of Ambassador. He would succeed Hugh Montgomery.

Mr. Moore was the U.S. Coordinator and Ambassador at Large for Refugee Affairs at the Department of State, 1986 to June 1989; and the Director of the Bureau for Refugee Programs, 1989. Prior to this, he was director of the Institute of Politics and a lecturer in public policy at the John F. Kennedy School of Government, Harvard University, for 12 years. Mr. Moore has served as Associate Attorney General at the Department of Justice, 1973; Special Assistant to the Secretary and Deputy Secretary of Defense, 1973; Counselor to the Department of Health, Education, and Welfare, 1970 - 1973; and Deputy Assistant Secretary of State for East Asian and Pacific Affairs, 1969 - 1970. He has also served as Executive Assistant to the Under Secretary of State, 1969. Mr. Moore has also served as foreign policy adviser on the national campaign of Gov. Nelson Rockefeller, 1968; chief foreign affairs adviser on the national campaign staff of Gov. George Romney, 1967 - 1968; and legislative assistant to Senator Leverett Saltonstall, 1959 - 1961. He began his government service in 1957 as a public affairs assistant with the U.S. Information Agency in Bombay and later Monrovia. He served as Special Assistant to the Assistant Secretary of State for Far Eastern Affairs, 1964 - 1966.

Mr. Moore graduated from Dartmouth College (A.B., 1954) and Harvard University (M.P.A., 1957). He was born September 10, 1932, in New York City. He is married, has four children, and resides in Washington, DC.

Continuation of William P. Albrecht as a Member of the Commodity Futures Trading Commission

August 1, 1989

The President today announced that William P. Albrecht will continue to serve as a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1993.

Since 1988 Dr. Albrecht has served as a Commissioner of the Commodity Futures Trading Commission. Dr. Albrecht has served in various capacities for the University of Iowa, including associate dean for external programs for the College of Business Administration, 1987 to present; professor of economics, 1982 to present; acting associate dean for external programs for the College of Business Administration, 1986 - 1987; visiting professor at the University of the Andes in Merida, Venezuela, 1986; and associate dean for undergraduate programs for the College of Business Administration, 1984 - 1987. In addition, he served as legislative assistant to Senator Dick Clark, 1974; associate professor of economics at the University of Iowa, 1970 - 1982; assistant professor of economics at the University of Iowa, 1965 - 1970; and acting instructor of economics at Yale University, 1964 - 1965.

Dr. Albrecht graduated from Princeton University (A.B., 1956), the University of South Carolina (M.A., 1962), and Yale University (M.A., 1963; Ph.D., 1965). He was born January 7, 1935, in Pittsburgh, PA. Dr. Albrecht was a commissioned officer in the U.S. Navy, 1956 - 1961. Dr. Albrecht resides in Iowa.

Statement on Food Assistance for Poland

August 1, 1989

I am pleased to announce today that the United States will provide additional support for the Polish people and the democratization process. We are prepared to provide Poland with up to $50 million in food aid in fiscal year 1990. It will include, but go far beyond, the 8000 metric tons of surplus commodities to be provided in FY '90 in accordance with the American Aid to Poland Act. We intend to provide to Poland supplies of sorghum, corn, and butter, subject to the availability of those commodities. We anticipate that all this aid will be on a grant basis. The commodities would be sold in Poland, with the proceeds being used to fund agricultural development activities there.

Last month in Paris at the economic summit and at an August 1 meeting in Brussels of 24 concerned countries chaired by the EC [European Communities] Commission, the industrial democracies expressed concern over Poland's urgent need for food aid. Food shortages are a heavy burden on the people of Poland and could undermine the historic political and economic reforms Poland is undertaking. The U.S. food aid program -- the commodities themselves and the projects funded through their sale -- should be of real benefit to the Polish people. It will assist in alleviating the impact of market-price reforms and support continued efforts toward economic and political liberalization.

Nomination of Ronald J. Sorini for the Rank of Ambassador While Serving as United States Negotiator on Textile Matters

August 1, 1989

The President today announced his intention to nominate Ronald J. Sorini for the rank of Ambassador during his tenure of service as U.S. Negotiator on Textile Matters, Office of the U.S. Trade Representative.

Since March 1989 Mr. Sorini has been Chief Textile Negotiator in the Office of the U.S. Trade Representative in Washington, DC. Since 1983 he has been involved with textile matters at the Office of the U.S. Trade Representative, serving as Deputy Textile Negotiator, 1984 - 1988, and Assistant Chief Textile Negotiator, 1983 - 1984. Prior to this, he was an international trade specialist at the Department of Commerce, 1980 - 1983.

Mr. Sorini graduated from the University of Illinois (B.A., 1978) and Georgetown University (M.A., 1980). He was born July 7, 1955, in Chicago, IL. He is married to Desiree Tucker-Sorini and resides in Washington, DC.

Nomination of James Richard Cheek To Be United States Ambassador to Sudan

August 1, 1989

The President today announced his intention to nominate James Richard Cheek, of Arkansas, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Sudan. He would succeed G. Norman Anderson.

Mr. Cheek joined the Foreign Service in 1962. He has served in numerous assignments with the Department of State, including chief of the political section in Managua, 1971 - 1974; congressional fellow for the United States Senate and House of Representatives, 1974 - 1975; Deputy Director for Regional Affairs in the Bureau of Near East and South Asian Affairs, 1975 - 1977; and deputy chief of mission in Montevideo, 1977 - 1979. He has served as Deputy Assistant Secretary of State for Inter-American Affairs, 1979 - 1981. Mr. Cheek was a foreign affairs fellow at Howard University and Fletcher School of Law and Diplomacy, 1981 - 1982; deputy chief of mission in Kathmandu, 1982 - 1985; and chief of mission and Charge d'Affaires in Addis Ababa, 1985 - 1988. Since 1988 he has been diplomat-in-residence at Howard University.

Mr. Cheek graduated from Arkansas State Teachers College (B.A., 1959) and American University with a master of international service degree in 1961. He was born April 27, 1936, in Decatur, GA. He served in the U.S. Army, 1954 - 1956, and on active reserve, 1956 - 1967. Mr. Cheek is married, has three children, and resides in Virginia.

Remarks at a White House Barbecue for Members of Congress

August 1, 1989

Well, what a great, sheer pleasure it is to have these Oak Ridge Boys here at the White House, and what a marvelous evening! Richard and Duane and Joe are in good health, but Steve got out of a sickbed to join us here tonight, and I want to thank him, especially, for being with us. And let me just say on behalf of our family -- I loved that family song -- and on behalf of our family, dispersed to the winds -- Barbara is sick at heart that she's not here, but she's looking after the grandchildren in Maine and sends her greetings.

These are not easy days, either in the Congress or in the White House. There are some overwhelming events that concern everybody here. But even though they're complicated times, I think an evening like this, of just plain relaxation with friends, is very, very significant and very important. And I'm grateful to all these people on the stage and their families who are with us -- and some of their kids are here -- for bringing us this touch of joy, touch of brightness in our lives.

And to every Member of Congress here, let me just repeat that this is a special evening for me -- a special evening, I think, for our country -- when we can have the executive branch, and many of my associates in that branch here tonight, and the legislative branch come together in a spirit of just plain good will. Thank you all very, very much. And once again, my heartfelt thanks to the Oak Ridge Boys. They are fantastic.

Note: The President spoke at 8:36 p.m. on the South Lawn of the White House. In his remarks, he referred to Richard A. Sterban, Duane D. Allen, Joseph S. Bonsall, and Steve H. Sanders, members of the country music group, the Oak Ridge Boys.

Statement by Press Secretary Fitzwater on Proposed Civil Rights Legislation for Disabled Americans

August 2, 1989

The administration has reached a consensus with key Senators from both parties on legislation that would expand the reach of this country's civil rights laws to include disabled Americans. This will be landmark legislation not only for the 37 million Americans with some form of disability but for all Americans, demonstrating, as the President said in his Inaugural Address, that ``this is the age of the offered hand."

The President endorses this legislation as the vehicle to fulfill the challenge he offered in his February 9 address to the Nation: ``Disabled Americans must become full partners in America's opportunity society." The President has pursued a commonsense approach, seeking a practical bill that will help the disabled reach their full potential. He is committed to producing a bill that can be signed this year.

The discussions have resulted in an agreement we expect to be reflected in today's markup in the Senate Labor and Human Resources Committee of the Americans with Disabilities Act. The agreement provides for:

-- Federal protection for the disabled against discrimination in the workplace, paralleling existing protections that apply to entities that receive Federal funds. The requirement would initially apply to employers of 25 or more and phase down to employers of 15 or more. Covered employers would have to make reasonable accommodation to disabled persons.

-- Prohibition of discrimination against the disabled in public accommodations. The agreement adopts a broad definition of public accommodations, including restaurants, stores, and health care providers. Public accommodations would be required to make readily achievable alterations to existing facilities to accommodate the disabled. This legislation is designed to achieve access for the disabled in the most efficient manner, with emphasis on making new buildings accessible.

-- Enforcement of the new protections through the Equal Employment Opportunity Commission, and suits seeking injunctive relief.

The President is committed to bringing persons with disabilities into the mainstream, including full participation and access to all aspects of society. He wants to do this through a framework that allows for maximum flexibility to implement effective solutions, builds on existing law to avoid unnecessary confusion and litigation, and attains these goals without imposing undue burdens. The President believes this can be accomplished by using reasonable measures, phased

over time, as this legislation does.

We are pleased that substantial progress has been made. We will continue to analyze the full ramifications of the legislation and look forward to working with the Senate and the House to complete the legislative process this year.

Question-and-Answer Session With Reporters on the Hostage Situation in Lebanon

August 2, 1989

Q. Mr. President, are you going to discuss the hostage crisis? Do you think that there is -- any other hostage is in danger?

The President. Well, we're considering that that might well be the case, given statements that we've seen. And yes, indeed, my old friend -- we have started to discuss it, and I'm not going to put words in his mouth, but he expressed his concern. You're free to say something if you want to. You're our guest, sir.

The Foreign Minister. Mr. President, I would like to express our condemnation for such a terrorist act which we think is not aimed against the United States, but against all humans everywhere. And this man, Colonel Higgins, is an international figure. He represented the United Nations. He's American citizen, but he is a world citizen. And the attack on him is really against us all. And we think, worldwide, not only condemnation but action should be taken to stop such acts.

Q. What action are you going to take, Mr. President, or are you considering taking?

The President. Well, you can just rest assured that we're going about our business in a -- I'd say, a prudent way -- with a heavy heart, obviously, because of the feeling that the Minister expressed on behalf of the whole world, but the feeling that I feel just so personally about what happened to Colonel Higgins. But I would just leave it, Helen [Helen Thomas, United Press International], that -- please assume we are thinking prudently about this matter in every way possible.

We have exercised every diplomatic channel that I can think of -- some personal, some through our Secretary of State and our national security adviser. We've been in touch -- I have, personally -- with many world leaders; and our State Department has fleshed this out, so we're leaving no stone unturned. But regrettably, as you know, sir, we're dealing with less than a full deck when it comes to information. It is very hard when you're dealing with this kind of cowardice and this kind of dastardly act to get all the information that you need to make a decision.

Q. Mr. President, do you feel you've received assurances from any of the other countries that you've contacted that they will be able to help in the situation? Is there anything you can tell us today that you feel -- have some new confidence at all?

The President. I feel that everybody I have talked to -- and including my distinguished guests here -- would do everything they can to try to help. And yet, they face the same problems that we face when it comes to information and trying to find out exactly what happened. We are not dealing with all the facts. But I've had assurance after assurance from world leaders that they want to help. I'm sure you know, I was very recently on the phone with Margaret Thatcher and many others -- several others -- today and quite a few yesterday, and so it transcends religion, it transcends alliances.

It gets in, as the Minister said, to a matter that concerns the entire civilized world, and so we will keep on trying. And in the meantime, we've got to go about our business, and I'm doing that. But I don't want anyone in this country or around the world to think that it is anything of other than tremendous concern. But we must prudently move on with the business of our country.

Q. Mr. President, would it help if the Israelis release Sheik Obeid?

The President. I have made clear the position of the United States that I think -- or, at least of everyone held against their will, would be a good thing.

Q. How about the ship movements, Mr. President? Are you planning any kind of military action?

The President. We're prudently planning.

Q. Like what?

The President. Like that's all I've got to say about it. [Laughter]

Q. Thank you.

The President. You see Helen hasn't changed. [Laughter]

Note: The President spoke at 1:31 p.m. in the Oval Office at the White House following discussions with Foreign Minister Muhammad bin Mubarak Al Khalifa of Bahrain. Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on July 31, 1989.

Nomination of Stephen Read Hanmer, Jr., To Be Deputy Director of the United States Arms Control and Disarmament Agency

August 2, 1989

The President today announced his intention to nominate Stephen Read Hanmer, Jr., to be Deputy Director of the United States Arms Control and Disarmament Agency. He would succeed George F. Murphy, Jr.

Ambassador Hanmer is the Chief U.S. Negotiator for Strategic Offensive Arms in the U.S.-Soviet Negotiations on Nuclear and Space Arms. Prior to this he was Principal Deputy Assistant Secretary of Defense for International Security Policy in the Office of the Secretary of Defense at the Pentagon. He has served as the Director of the Office of Theater Nuclear Forces Policy in the Office of the Assistant Secretary of Defense for International Security Policy, 1981 - 1984. From 1978 to 1981, he served as the nuclear plans officer in the United States mission to NATO. Prior to joining the civil service, he served 21 years as an officer in the United States Army, retiring in 1977 with the rank of colonel.

Ambassador Hanmer graduated from the Virginia Military Institute (B.S., 1955) and received two master of science degrees from the University of Southern California. Ambassador Hanmer is a 1968 graduate of the U.S. Army Command and General Staff College. He is married and has three children and two grandchildren.

Letter to Congressional Leaders on Abortion Funding in the District of Columbia Appropriations Bill

August 2, 1989

Dear XXXXX:

The House soon will consider the District of Columbia Appropriations bill for Fiscal Year 1990.

If the bill presented to me permits the use of appropriated funds to pay for abortions other than those where the life of the mother would be endangered if the fetus were carried to term, I will veto it.

I urge the Congress to vote to protect the lives of America's unborn children.

Sincerely,

George Bush

Note: Identical letters were sent to Representatives Julian C. Dixon and Dean A. Gallo, chairman and ranking minority leader of the District of Columbia Subcommittee on Appropriations. The letter was released by the Office of the Press Secretary on August 3.

Letter to Congressional Leaders on Savings and Loan Financing Legislation

August 3, 1989

Dear XXXXX:

I have repeatedly urged the Congress to act on legislation to resolve the crisis in the savings and loan industry. Indeed, the insolvent thrift institutions have had estimated losses of more than $6 billion since I proposed legislation on February 22 and asked Congress to take action within 45 days.

The conference report currently before the Congress incorporates key reforms that I requested. It also adds other important provisions developed by Congress through long and serious effort. Unfortunately, the conference agreement includes a financing plan that amends the requirements of the Gramm-Rudman-Hollings budget process, as well as other provisions that will reduce asset recoveries for the taxpayers and add inappropriate subsidies. If the conference report is presented to me in its current form, I will veto the bill.

While Gramm-Rudman-Hollings is not perfect, it represents the only available institutional requirement for fiscal discipline by the Congress and the executive branch. Exempting $44 billion in spending from this budget process, as would occur under the conference provisions, would be unprecedented. It would also seriously undermine the future value of Gramm-Rudman-Hollings as a source of budgetary restraint -- risking adverse effects on both markets and the economy.

I am prepared to work with Congress to bridge the divergent positions on the financing issue in a manner that preserves the budgetary discipline of Gramm-Rudman-Hollings. It is essential to resolve this dispute this week before Congress adjourns for the August recess. Working together in a bipartisan spirit, we can achieve a fully responsible result for the American public.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; George J. Mitchell and Robert Dole, majority and minority leaders of the Senate, respectively; and Robert H. Michel, minority leader of the House of Representatives.

Statement by Press Secretary Fitzwater on Hostage Joseph J. Cicippio

August 3, 1989

We have seen the statement this afternoon declaring a freeze of the sentence issued earlier against hostage Joseph Cicippio. We regard this as an encouraging and hopeful development, but it still does not answer our continuing concern for release of all hostages. We urge that all parties in the region use whatever influence they have to end the tragedy of hostage taking and to release those remaining in captivity. And we express our appreciation to all those who have been thus far trying to help.

Note: Joseph J. Cicippio, acting comptroller at the American University of Beirut, was abducted from the campus on September 12, 1986.

Remarks on Receiving Proposed Line-Item Veto Legislation and a Question-and-Answer Session With Reporters

August 4, 1989

Senator Coats. Mr. President, it's a pleasure for me to present to you on behalf of these Senators with us here -- Senator Humphrey, Senator McCain, Senator Armstrong -- a bill which we think will move us toward spending control from the executive branch and in the Congress, a much-needed tool that you must have and that we want to give you to enact some fiscal discipline in our spending process. Thirty-two senators have signed this piece of legislation, a legislative line-item veto. Senator McCain and I have worked very closely with Senator Humphrey and Senator Armstrong and others to put together what we think is a terrific piece of legislation. Thirty-two of our Members have signed it. We want to present it to you this morning and pledge our very best efforts to get this enacted into law. And we hope in a very short time we are back here standing with you and you have a pen in your hand and you're signing this into law.

The President. Well, thank you Senator Coats. And first, let me thank Senators Armstrong, Coats, Humphrey, McCain. Senator Dole was to be here, but I understand he's very enthusiastic about all of this. And I'm delighted to endorse the Legislative Line-Item Veto Act of 1989. And I'm especially pleased that we have now more than 30 sponsors, cosponsors, for the legislation. It's a long-overdue budget reform piece of legislation.

And on February 9th, I asked Congress to enact reform legislation to give the President greater control over spending. And present law allows for the cancellation of an appropriation only through rescission, but Congress can reject a Presidential rescission simply by inaction. And that's precisely what's happened to the vast majority of rescission proposals submitted by three Presidents since the present law went into effect in 1974.

And so I asked Congress to pass a budget reform proposal that would require an up-or-down vote by Congress on Presidential rescissions. And this legislation really gets to the heart of that goal. It's a tough bill; it forces Congress to act on rescissions. And if Congress does not act, the rescissions take effect. And if they do act, then the bill, of course, would be subject to a veto. So this is one of the tools the President of the United States needs to do what the American people want, and that is to control spending.

And I've said the President needs the power to make the tough calls on spending, to take the heat. I'm perfectly prepared to do that. And that's what, in my view, this forward-looking legislation does. So I endorse this legislation. And I want to thank each and every one of you for playing a significant part in it. And I look forward to working with you to see it enacted. Thank you very much.

Senator Coats. Well, this is the result of some very tough negotiations between all of us, and I think we've fashioned a bill here that will have some real teeth, some real meaning. And we're pleased that you're endorsing it. Thank you.

American Hostages in Lebanon

Q. Mr. President, what do you make of Rafsanjani's [President of Iran] offer to help resolve the hostage crisis?

The President. We have engaged in an extraordinarily broad exercise of diplomacy here in the last couple of days, and let me say I am pleased about that. I don't know what it means fully, but I think the world is familiar with our policy. But there will be nothing that will be done ever that will create a new incentive for taking somebody else hostage.

But I feel the burden of going to every end possible to try to find -- get the return of these Americans to their loved ones and find out the truth about Colonel Higgins.

Q. What do you think was the motivating factor for the freeze on the execution? And where do you go from here?

The President. I like to think that a broad-spread appeal to nations in every corner of the globe had something to do with it. And many -- --

Q. You don't know?

The President. I don't know for sure. And the response that I have had on my personal calls and that the Secretary [of State] has had on his has been heartwarming. It's come from all sectors. And I've been very, very encouraged by that. And where we go from here, though -- we'll just keep on trying.

Q. Mr. President, what has Iran's role been in this? And do you see an opening in the structure here to allow you to work for the release of the hostages?

The President. Well, I just answered I was certainly pleased that that brutal murder that had been threatened was set aside. I don't know the total role of any individual country in that area in all of this, but when you see a statement that offers hope for the return of our hostages, I want to explore it to the fullest.

Q. Have you made a decision to take military action if another American hostage is killed?

The President. I have made -- I wouldn't -- if I had made such a decision, I expect this would be

the last place I'd be talking about it.

Q. Well, surely, you must see this as a golden opportunity now -- you have the momentum, you have a diplomatic flurry going on in Damascus, International Red Cross, apparently. I mean, is there a new impetus?

The President. I'm encouraged, but I don't want to get the hopes of the hostages' loved ones up once again to have those hopes dashed. This is a brutal process, where you see people paraded before cameras and their families get their hopes up. My heart is still with Mrs. Higgins. We can't tell her with any definition what -- of her husband's fate. And I have made appeal after appeal for the return of Colonel Higgins's remains if, indeed, he has been killed.

And so you deal with what you have out there, and what is foremost on my mind are the families and the hostages themselves. And I don't want to raise hopes beyond fulfillment, but there's reason to be somewhat encouraged. But I think of the brutality of the process: a man condemned to die at 11 and then it's moved to 3 in the afternoon. Put yourself in the position of these families. Think of the hurt that just that 4 hours of experience causes somebody. And I would just appeal to the civilized world or any country anywhere in the world to lay aside this holding of people against their will -- hostages -- and do what is right and decent and honorable in terms of the release of those hostages that are still held, and a full accounting in the case of Colonel Higgins, a distinguished officer who was wearing the uniform of the United Nations.

As the Foreign Minister of Bahrain [Muhammad bin Mubarak Al Khalifa] said in this office yesterday or the day before, this is the business of the whole world. Sitting at this desk -- you ask what I feel about it? I feel for the families and for those that are held.

Q. Mr. President, this hostage, Mr. Cicippio, was among those who stayed on in Beirut after the United States had warned him to get out -- had warned all Americans to get out or stay at their own risk. What kind of a claim should such a person have on the diplomatic resources of this country when they act against the wishes of the Government?

The President. We have put people -- in the past, people in that part of the world on notice. But that doesn't fulfill my obligation as President if a person is held against his will, in the case of Mr. Cicippio. That doesn't mean we wash our hands of it. He's an American, and he is entitled to the concern of the President and every one of these Senators and everybody in our administration. And he's got a great, big, wonderful family up there that are eating their hearts out in Norristown, Pennsylvania -- --

Q. Did you call them?

The President. -- -- and we're very much concerned about it. I've not talked to Mr. Cicippio, and the State Department has been in daily contact with them -- daily.

All right, thank you all. Anybody got any questions on the line-item veto legislation? I would like to speak up once again for that.

Note: The President spoke at 10:34 a.m. in the Oval Office at the White House. Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on July 31, 1989. Joseph J. Cicippio, acting comptroller at the American University of Beirut, was abducted from the campus on September 12, 1986.

Statement by Press Secretary Fitzwater on the Proposed Line-Item Veto Legislation

August 4, 1989

The President today endorsed legislation providing legislative line-item veto authority which would enable the President to rescind appropriations deemed to be wasteful or unnecessary. This legislation will provide needed reforms in the budget procedure known as rescission. Present law allows for cancellation of an appropriation only through the rescission process. Congress, however, can thwart a Presidential proposal for rescission simply by inaction. In fact, the vast majority of rescission proposals submitted by three Presidents since passage of the present law in 1974 were never acted upon.

The legislation the President has endorsed was developed by leading proponents of previous bills and would reform the rescission process by requiring that Congress take affirmative action to disapprove any rescission. The legislation would provide two periods during which the President could propose rescissions. First, after the signing of individual appropriations bills, the President would have 20 days to propose rescissions. The rescissions would go into effect after a specified period, up to 35 days in length, unless Congress passes, and there is enacted into law, a bill disapproving the rescissions.

Second, the President could also forward rescissions at the time of his budget submission to Congress each fiscal year. Again, the rescissions would go into effect unless a law is enacted disapproving the rescissions. The legislation also provides expedited congressional procedures to speed consideration of the President's rescission proposals.

Nomination of William Ludwig Jacobsen To Be United States Ambassador to Guinea-Bissau

August 4, 1989

The President today announced his intention to nominate William Ludwig Jacobsen, Jr., to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea-Bissau. He would succeed John Dale Blacken.

Mr. Jacobsen is a career member of the Senior Foreign Service with the rank of Counselor. From 1988 to 1989, he served as Director of African Affairs on the National Security Council. Prior to this, Mr. Jacobsen was a member and then Director of the President's Task Force on Southern and South Africa at the State Department in Washington, DC, 1985 - 1988.

Mr. Jacobsen received a bachelor's degree from the University of Washington and a master's degree from Harvard University. He was born in Seattle, WA, on December 2, 1936. He is married, has three children, and resides in Washington, DC.

Nomination of James M. Strock To Be an Assistant Administrator of the Environmental Protection Agency

August 4, 1989

The President today announced his intention to nominate James M. Strock to be an Assistant Administrator of the Environmental Protection Agency (Enforcement and Compliance Monitoring). He would succeed Thomas Lynch Adams, Jr.

Since 1988 Mr. Strock has served as General Counsel at the Office of Personnel Management. Prior to this, he served as senior associate at the law firm of Davis, Graham and Stubbs in Denver, CO, 1986 - 1988; special counsel on the Committee on Environment and Public Works in the United States Senate, 1986; associate counsel on the Committee on Environment and Public Works in the United States Senate, 1985; and Special Assistant to the Administrator at the Environmental Protection Agency, 1983 - 1985. In addition, he served as senior political analyst in the issues and research division on the Reagan-Bush campaign, 1984; special consultant to the Office of the Majority Leader in the United States Senate, 1982 - 1983; law clerk with the law firm of Fulbright and Jaworski in London, England, 1981 - 1982; and a teaching fellow at the department of government at Harvard University, 1980.

Mr. Strock graduated from Harvard College (A.B., 1977) and Harvard Law School (J.D., 1981). He resides in Arlington, VA.

Nomination of Elizabeth M. Tamposi To Be an Assistant Secretary of State

August 4, 1989

The President today announced his intention to nominate Elizabeth M. Tamposi to be Assistant Secretary of State for Consular Affairs. She would succeed Joan M. Clark.

Ms. Tamposi is currently vice president and partner of the Tamposi Co. in Nashua, NH, a family-owned development company. Ms. Tamposi is also president and sole stockholder of Hollis Crossing Realty, Inc., a real estate marketing and sales company.

Ms. Tamposi graduated from the University of New Hampshire (B.A., 1978) and Harvard University (M.P.A., 1984). She was born February 13, 1955, in Nashua, NH. Ms. Tamposi is married, has two children, and resides in Nashua, NH.

Nomination of Sidney L. Jones To Be an Assistant Secretary of the Treasury

August 4, 1989

The President today announced his intention to nominate Sidney L. Jones to be an Assistant Secretary of the Treasury (Economic Policy). He would succeed Michael R. Darby.

Since 1986 Dr. Jones has served as an associate faculty member for the Center for Public Policy Education at the Brookings Institution, and as a professor of public policy at Georgetown University, Washington, DC. Prior to this he was Under Secretary for Economic Affairs at the Department of Commerce, 1983 - 1986.

Dr. Jones graduated from Utah State University (B.S., 1954) and Stanford University (M.B.A., 1958; Ph.D., 1960). He was born September 23, 1933, in Ogden, UT. Mr. Jones is married, has five children, and resides in Potomac, MD.

Nomination of Reginald J. Brown To Be an Assistant Administrator of the Agency for International Development

August 4, 1989

The President today announced his intention to nominate Reginald J. Brown to be an Assistant Administrator of the Agency for International Development (Bureau for Program and Policy Coordination), United States International Development Cooperation Agency. He would succeed Richard E. Bissell.

Since 1982 Mr. Brown has served as a senior fellow at the Center for Strategic and International Studies in Washington, DC. Prior to this he served as executive vice president of DECA Group, Inc., in Miami, FL, 1979 - 1982. From 1974 to 1979, Mr. Brown served in various positions in the U.S. Government: Director of Energy, Chemicals, and Public Utilities in the Office of Price Monitoring, Council of Wage and Price Stability; Executive Director of the President's Commission on Military Compensation; principal analyst in the Congressional Budget Office; and Associate Director for Economic Analysis at the Defense Manpower Commission. In addition, he served as Deputy Administrator in the Office of Food on the Cost of Living Council, 1973 - 1974.

Mr. Brown graduated from the U.S. Military Academy (B.S., 1961), and Harvard University (M.B.A., 1965). He served in the U.S. Army, 1961 - 1971. He resides in Alexandria, VA.

Nomination of Gene McNary To Be Commissioner of the Immigration and Naturalization Service

August 4, 1989

The President today announced his intention to nominate Gene McNary to be Commissioner of the Immigration and Naturalization Service, Department of Justice. He would succeed Alan C. Nelson.

Since 1974 Mr. McNary has served as St. Louis County's chief executive. Prior to this, he served as St. Louis County's prosecuting attorney, 1966 - 1974; assistant public defender for St. Louis County, 1963 - 1966; and an attorney at Lashly, Lashly and Miller in St. Louis, 1961 - 1963.

Mr. McNary graduated from Indiana University (B.S., 1957; J.D., 1960). He was born September 14, 1935, in Muncie, IN. Mr. McNary was in the Army Reserves from 1960 to 1966. He is married, has three children, and resides in St. Louis, MO.

Nomination of Robert M. Gates To Be Assistant to the President and Deputy for National Security Affairs

August 4, 1989

The President today announced the appointment of Robert M. Gates to be Assistant to the President and Deputy for National Security Affairs.

Mr. Gates has served since March 1989 as Deputy Assistant to the President for National Security Affairs.

Nomination of James David Berg To Be Executive Vice President of the Overseas Private Investment Corporation

August 4, 1989

The President today announced his intention to nominate James David Berg to be Executive Vice President of the Overseas Private Investment Corporation, U.S. International Development Cooperation Agency. He would succeed L. Ebersole Gaines.

Mr. Berg is currently serving as the Director of the Office of Freely Associated State Affairs at the Department of State. He has served as the head of the political and economic section of the National Security Council Office for Micronesian Status Negotiations. Mr. Berg was a staff officer for political and congressional affairs at the Department of the Interior.

Mr. Berg graduated from Northwestern University (B.A., 1971). He received a Woodrow Wilson fellowship for graduate studies and master's in public and international affairs (M.P.A.) in 1976. He was born March 31, 1949, and is a native of Louisville, KY. Mr. Berg is married, has two children, and resides in Falls Church, VA.

Nomination of Robert Clifton Duncan To Be Director of Operational Test and Evaluation at the Department of Defense

August 4, 1989

The President today announced his intention to nominate Robert Clifton Duncan to be Director of Operational Test and Evaluation at the Department of Defense.

Since 1987 Dr. Duncan has served as the Director of Defense Research and Engineering at the Department of Defense. Prior to this, he was Assistant Secretary of Defense for Research and Technology, 1986, and Director of the Defense Advanced Research Projects Agency, 1985.

Dr. Duncan graduated from the U.S. Naval Academy (B.S., 1945; B.S., 1953) and the Massachusetts Institute of Technology (M.S., 1954; Ph.D., 1961). He served in the U.S. Navy from 1945 to 1960. Dr. Duncan was born November 21, 1923, in Jonesville, VA. He is married, has four children, and resides in Washington, DC.

Nomination of Harold B. Steele To Be a Member of the Farm Credit Administration Board, and Designation as Chairman

August 4, 1989

The President today announced his intention to nominate Harold B. Steele to be a member of the Farm Credit Administration Board, Farm Credit Administration, for the remainder of the term expiring May 21, 1992. He would succeed Frank W. Naylor, Jr. Upon confirmation he will be designated Chairman.

Mr. Steele is currently a member of the board of directors of the Midwest Financial Group, Inc.; a member of the Illinois Speakers Advisory Committee of the 1992 World's Fair Committee; a member of the board of directors of Illinois Society of Scientific Surveys; and a member of the board of directors of the Agrarian Management Corp. Prior to this, he was chairman of the National Commission on Agricultural Finance, 1987; and was named State chairman of Farmers for the Reelection of James Thompson for Governor in 1986.

Mr. Steele attended the University of Illinois, College of Agriculture, 1940 - 1943. He was a U.S. Army captain, 1943 - 1947. Mr. Steele was born July 8, 1922, in Sublette, IL. He is married, has four children, and resides in Princeton, IL.

Letter to Congressional Leaders on Savings and Loan Financing Legislation

August 4, 1989

Dear XXXXX:

Last night the savings and loan conferees reached a compromise on the financing plan included in the savings and loan legislation. The compromise avoids any amendment of the Gramm-Rudman-Hollings budget process, while including both the Administration's approach to financing and direct Treasury borrowing.

The conferees deserve our thanks and our congratulations. They have worked diligently to fashion a strong and responsible bill to deal with this extraordinarily serious problem. Importantly, the bill includes tough and sensible new capital and accounting standards. Final passage remains critical to the stability and solvency of our financial system.

This legislation has been developed in a bipartisan process. It is badly needed, and must be enacted without further delay. Consequently, I ask that the House and Senate approve this legislation today, and that we pledge to maintain our commitment to resolve this problem.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; George J. Mitchell and Robert Dole, majority and minority leaders of the Senate, respectively; Robert Michel, minority leader of the House of Representatives; Senators Donald Riegle, Jr., and Jake Garn; and Representatives Henry B. Gonzalez and Chalmers P. Wylie.

Statement by Press Secretary Fitzwater on the President's Commission on Aviation Security and Terrorism

August 4, 1989

The President has announced his intention to form a Commission on Aviation Security and Terrorism to review and evaluate policy options in connection with aviation security, with particular emphasis on the destruction, on December 21, 1988, of Pan Am Flight 103. He has complimented the efforts of Majority Leader Mitchell and Republican Leader Dole, and their staffs, on their work with families of the victims and with the administration in the creation of this commission.

The Commission's terms of reference call for a comprehensive study and appraisal of practices and policy options with respect to preventing terrorist acts involving aviation security; an evaluation of the adequacy of existing procedures for aviation security, including compliance and enforcement; and consideration of options for handling terrorist threats. In addition, the Commission will make recommendations regarding policies and laws concerning the families of victims of terrorist acts. Ongoing, intensive investigations into all aspects of the destruction of Pan Am Flight 103 will not be affected by the Commission's work; rather, the Commission will focus on the need for additional measures to improve aviation security.

The Commission on Aviation Security and Terrorism will be independent, have access to all information it needs to perform its functions, and report to the President within 6 months of its formation. In the event the Commission's report contains classified portions, a report for public distribution shall also be prepared. The Commission will have seven members. Four members will represent both parties in the Senate and the House of Representatives and will be appointed in consultation with congressional leadership.

Nomination of Stuart Michael Gerson To Be an Assistant Attorney General

August 4, 1989

The President today announced his intention to nominate Stuart Michael Gerson to be Assistant Attorney General (Civil Division). He would succeed John R. Bolton.

Since 1980 Mr. Gerson has served as a member of the law firm of Epstein Becker and Green in Washington, DC. Prior to this, he served as a member of the law firm of Reed Smith Shaw and McClay, 1975 - 1980; Assistant United States Attorney for the District of Columbia, 1972 - 1975; and counter-intelligence officer in the United States Air Force, 1967 - 1972.

Mr. Gerson graduated from Pennsylvania State University (B.A., 1964), and Georgetown University Law Center (J.D., 1967). He was born January 16, 1944, in New York, NY. He served in the U.S. Air Force, 1967 - 1972. He is married, has two children, and resides in Maryland.

Nomination of Warren G. Leback To Be Administrator of the Maritime Administration

August 4, 1989

The President today announced his intention to nominate Warren G. Leback to be Administrator of the Maritime Administration, Department of Transportation. He would succeed John A. Gaughan.

Mr. Leback most recently served as the senior vice president of Puerto Rico Marine Management, Inc., 1985 - 1988. Prior to this, he was Deputy Administrator of the Maritime Administration at the Department of Transportation, 1981 - 1985. Mr. Leback held several positions from 1975 - 1980, including vice president of the El Paso LNG Co., and vice president of marine operations and director of the El Paso Marine Co.

Mr. Leback graduated from the U.S. Merchant Marine Academy (B.S., 1944). He is a merchant marine veteran of World War II and is retired from the U.S. Naval Reserve. Mr. Leback was born March 17, 1914, in Chicnook, WA. He is married, has three children, and resides in Princeton, NJ.

Nomination of Forrest J. Remick To Be a Member of the Nuclear Regulatory Commission

August 4, 1989

The President today announced his intention to nominate Forrest J. Remick to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1994. He would succeed Lando W. Zech, Jr.

Currently, Mr. Remick serves as associate vice president for research and professor of nuclear engineering at Pennsylvania State University. Prior to this, he served as Director of the Office of Policy Evaluation at the Nuclear Regulatory Commission, and administrative judge for the Atomic Safety and Licensing Board Panel at the Nuclear Regulatory Commission. In addition, he has served in several positions at Pennsylvania State University: coordinator of university energy programs, associate professor of nuclear engineering, director of intercollege research programs and facilities, and assistant vice president for research and graduate studies.

Mr. Remick received a B.S., M.S., and Ph.D. from Pennsylvania State University. He was born March 16, 1931, in Lock Haven, PA. He is married, has two children, and resides in State College, PA.

Nomination of Penne Percy Korth To Be United States Ambassador to Mauritius

August 4, 1989

The President today announced his intention to nominate Penne Percy Korth to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mauritius. She would succeed Ronald DeWayne Palmer.

Mrs. Korth most recently served as co-chair of the American Bicentennial Presidential Inauguration, 1988 - 1989. Since 1986 Mrs. Korth has been the senior Washington associate and client liaison and representative of the trust and estate division of Sotheby's.

Mrs. Korth graduated from the University of Texas in 1964. She was born November 3, 1942, in Hattiesburg, MS. Mrs. Korth is married, has three children, and resides in Washington, DC.

Nomination of Christopher H. Phillips To Be United States Ambassador to Brunei

August 4, 1989

The President today announced his intention to nominate Christopher H. Phillips to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brunei Darussalam. He would succeed Thomas C. Ferguson.

Mr. Phillips retired in 1986. He has served as president of the U.S.-China Business Council since 1973. Prior to this, he was the Deputy Permanent Representative of the United States to the United Nations with the rank of Ambassador, 1970 - 1973.

Mr. Phillips graduated from Harvard University in 1943. He served in the U.S. Army Air Corps from 1942 to 1946. Mr. Phillips was born December 6, 1920, in the American Legation, The Hague. He is married, has three children, and resides in Washington, DC.

Nomination of Joan D. Aikens To Be a Member of the Federal Election Commission

August 4, 1989

The President today announced his intention to nominate Joan D. Aikens to be a member of the Federal Election Commission for a term expiring April 30, 1995. This is a reappointment.

Since 1975 Ms. Aikens has served as Commissioner of the Federal Election Commission. She is the only sitting Commissioner to have served on the original panel. Commissioner Aikens served as Vice Chairman in 1985. She served as Chairman from May 1978 to May 1979, and again in 1986.

Ms. Aikens is a native of Delaware County, PA. She has one son and currently resides in Washington, DC.

Nomination of John Warren McGarry To Be a Member of the Federal Election Commission

August 4, 1989

The President today announced his intention to nominate John Warren McGarry to be a member of the Federal Election Commission for a term expiring April 30, 1995. This is a reappointment.

Since 1978 Mr. McGarry has served as Commissioner of the Federal Election Commission. Prior to this, he served at the Federal Election Commission as Vice Chairman, 1980 and 1986, and as Chairman, 1981 and 1985. He was Special Counsel on Elections in the United States House of Representatives for the Committee on House Administration, 1974 - 1978.

Mr. McGarry graduated from Holy Cross College (B.S., 1952) and Georgetown University Law Center (J.D., 1956). He served as a signalman first class in the U.S. Navy for 3 years. Mr. McGarry is married and resides in Chevy Chase, MD.

Remarks at a Ceremony Commemorating the 200th Anniversary of the Department of War

August 7, 1989

Thank you, Mr. Secretary; Deputy Secretary Atwood; and our service chiefs, Chairman Crowe and members of the Joint Chiefs; distinguished Members of the United States Senate and House of Representatives. Dick, first let me just thank you for the splendid job you're doing at the Defense Department. I don't know if you've found the barber shop, but I hope you're finding how to get from the E Ring to your car without getting lost. [Laughter] You all remember the Secretary's dilemma, and now they've made a movie about the Pentagon called ``No Way Out." [Laughter]

Secretary Marsh -- Jack, this is an appropriate time to thank you for your splendid performance in service to the United States Army and service to your country. And I just can't tell you how much respect I have for the job you have done. And I also want to congratulate your successor, Mike Stone, who will lead the Army into the 1990's as Secretary of the Army.

I'm pleased to join with all of you in celebrating the 200th anniversary of this historic Department, now part of the Department of Defense. And in honoring the bicentennial of this Department, we're also honoring the heroes of America, past and present. The Department of War -- the very name sounds antiquated, even bellicose; and certainly today, the title Department of Defense is more appropriate since the purpose of our Armed Forces is to deter war, not to seek it.

And yet the title was undeniably forthright, for the War Department fought and won six wars in its 158-year history. It was the War Department that waged the most tragic conflict in American history, a Civil War in which one Secretary, Edwin Stanton, was pitted against one of his predecessors, Jefferson Davis. And it was also the War Department that trained and dispatched vast armies of Doughboys over to France. And it was the War Department that served as America's nerve center in the struggle against the Axis powers, leading to the greatest military and moral victory in our history.

Winston Churchill gave much of the credit for this to the Army Chief of Staff, George Marshall, calling him the true organizer of victory. Everyone remembers George Marshall as a great Secretary of State. He deserves no less credit for his service to the Army and later as Secretary of Defense.

And none of us who served in the Second World War will ever forget the great leaders of the War Department, nor will we forget the great lesson of those years: Only the strong can keep the peace. It is no discredit to the War Department that at the outbreak of the Second World War our

Armed Forces were still drilling with wooden rifles and hauling massive but useless radios and planning to wage land warfare with the horse cavalry.

And today, of course, it is not a shortage of rifles that threatens to undermine America's ability to keep the peace. To preserve the peace today, we must be strong in other ways, and this means that we must rely on advanced technology, not the strategic equivalent of the horse cavalry.

The United States today requires a closely integrated strategic program designed to enhance our strength, bolster deterrence, and facilitate arms control. It demands that we modernize our ICBM force, redeploying the Peacekeeper missile and rail garrison; and it means completing and development of the new small ICBM and its deployment when ready. And these mobile systems will bring improved survivability and stability to the land-based leg of our strategic triad. A strong defense also means something else: sufficient funding for the B - 2 bomber. And it means one thing more: support for the Strategic Defense Initiative -- SDI. It offers the promise of a stable nuclear balance that relies increasingly on defense. It provides an incentive for the Soviets to return to the negotiating table, and it will make any START treaty more effective. It represents a firm step towards stability, the same goal we seek through modernization of our nuclear arsenal and arms control. This is the program that our country needs, and I will work to see that this is the program that our country gets.

Just as critical to our nation's defense are the men and women of this Department of Defense. You are called upon to do a difficult, often dangerous job, and you perform your duty with great distinction. The history of this Department is nothing less than the history of American bravery. Whether we call it the Department of War or the Department of Defense, this tradition of service to country lives on in each and every one of you.

And so, today, in commemorating the Department of War, we also salute you and every brave American who ever served in the original War Department, in the U.S. Army, in your Air Force and Navy compatriots and now, with you in the Department of Defense. We also salute those who served in the two great conflicts of this century, and those who served in Korea and in Vietnam. And we cannot leave here today without pausing to salute one who stands as a symbol of the courage that burns in the breast of every American in uniform, one marine who has been very much in our thoughts, Lieutenant Colonel Higgins, William Richard Higgins.

It is an inspiration to be here today among America's finest and to honor a great Department and its great traditions. God bless you all, and God bless the United States of America.

Note: The President spoke at 9:32 a.m. on Sommerall Field at Fort Myer in Arlington, VA. In his opening remarks, the President referred to Secretary of Defense Richard B. Cheney; Deputy Secretary of Defense Donald J. Atwood; and Adm. William J. Crowe, Jr., Chairman of the Joint Chiefs of Staff. Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on

July 31, 1989.

Remarks at the Boy Scout National Jamboree in Bowling Green, Virginia

August 7, 1989

Bill, thank you for that generous introduction, and to you and Ben Love, my sincere thanks for inviting us to this unbelievable gathering of Scouts from all across the country. If you will permit me a note of regional pride, I understand that my home State of Texas has a pretty good-size delegation over here. I saw that flag, and I wanted to acknowledge it. Thank you, Curtis, for the Pledge of Allegiance and, Calvin, for that national anthem. Once again, I salute the colonel and the great Marine Band over here. You guys are lucky to have them. They are outstanding, and thank you, Colonel Bourgeois.

I want to salute our Secretary of Transportation, Sam Skinner. We flew down here; you saw us coming in on Marine One. And sitting with me on that plane was Sam Skinner, our outstanding Secretary of Transportation; Andy Card, an Assistant to the President; Bob Gates, an Assistant to the President for National Security -- all three of them Eagle Scouts, so that tells you something about how we feel.

The last Jamboree, I understand you had an unwelcome visitor by the name of Bob -- Hurricane Bob. And Bill tells me you didn't have a camp out, you had a damp out. But today I want credit as the guy that brought you the cool air down here. I would like full credit for that.

But I'm told that this Jamboree has come together marvelously -- canoeing, kayak, swimming. You can race trailbikes and compete in archery. You can earn merit badges while you work your way down the midway. And some of you undoubtedly, you wise ones, will be asked to organize snipe-hunting expeditions. [Laughter] And this all sounds like a lot of fun, but there's one activity here that really tempts me to leave the White House behind and spend a few days with you here at Fort A.P. Hill. And I'm talking about Fish Hook Lane.

You see, I started fishing at age 5 or so, in the cold waters along the Atlantic coast at Maine, using a lead jig with -- [applause] -- modest, but reasonably good delegation there, I'd say; thank you very much -- you know, fishing with one of these lead jigs with a little white cloth for bait, trolling with one of those old green cotton lines. And after awhile you get the hang of it, pulling in the fish -- mackerel and maybe a flounder. But I became acquainted with the waters up there, and so well that now I think I know every reef, when the swells will break and where they will, the sea conditions and where you can find the seals on a given day.

And since the time I was your age, I've waded in a clean, clear river in Iceland next to the Prime Minister of that land, catching my first salmon up there. I've pulled in bass in many, many of the States that are represented here today, fought dolphins and kings and tarpon and bluefish in

Florida on the high seas -- the earlier ones. [Applause] Good sound system here. Thank you, Florida. And as you might have guessed then, fishing, I guess, is my favorite source of relaxation. And it's with a rod and reel that I tend to count my blessings, especially if I'm out there with one of our grandkids or with Barbara, the only woman on Earth who can read and fish at the same time -- [laughter] -- and catch every word and every fish.

But no matter where I fish today, I always look back to the days when I trailed that little piece of white cloth along the shoreline. And there's a lesson here that I want to share with you. Whatever you love to do -- whether it's hiking, hunting, kayaking -- hang on to it. As you pursue success in school -- and if there is ever a group that epitomizes the pursuit of success, it's you -- and later in your careers, don't forget to find time for the things you love to do. If you stay true to the hobbies of your youth, you'll find a source of relaxation and replenishment that will never fail you.

There are other things that you will learn as a Scout that will serve you well through your entire life. Your Scout law commands you to be trustworthy, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean, and reverent -- What a mouthful! And that might sound like a lot to remember, but it isn't. For at the core of that code is something simple: a desire to serve with honor, a sincere feeling for one's fellow man and for one's country. Serving is not a lifelong chore to be carried out. As Chief Scout Citizen Teddy Roosevelt put it: ``The full performance of duty is not only right in itself but also the source of the profoundest satisfaction that can come in life." In short, to serve and to serve well is the highest fulfillment we can know. Bill Swisher, who gave so much time and commitment to this Jamboree -- he certainly knows this. Around the country, Americans like you are serving others in a thousand ways, providing a Thousand Points of Light and doing a good turn daily.

I know that Boy Scouts have always helped out through times of disaster, from fires to flash floods. The Boy Scouts were there when Franklin Delano Roosevelt appealed for help during the Great Depression, gathering almost 2 million articles of clothing, household furnishings, and food for the needy. And the Boy Scouts were a strong helping hand at home when older brothers fought a war in Europe. And today the Boy Scouts have taken on a new struggle: to defeat what you call the five unacceptables: illiteracy, unemployment, child abuse, drug abuse, and hunger. In fact, fighting hunger alone, Scouts, Cub Scouts, and Explorers rounded up -- now get this -- 65 million cans of food for local food banks, the largest collection of food ever undertaken in the history of the United States of America.

And your focus, then, is right on target. Today we can be grateful as a nation that no depression or no war looms ahead of us. But this doesn't mean that the times we live in are less demanding. The Boy Scouts of this 12th National Jamboree will face challenges unimagined by your parents. Perhaps the greatest challenges of our times, I'm sorry to say, is one of the unacceptables: the continuing struggle to keep drugs out of our high schools -- a form of pollution, a poisoning of the mind, a corruption of the very soul of young America.

And we had some good news last week about drug use in America. The number of overall drug-users in the United States is down by almost 40 percent. And this is a real tribute to those who have worked in the service organizations, the youth clubs, and communities across this country. And it's especially a tribute to the Boy Scouts of America, but we cannot yet claim victory. The number of people addicted to cocaine and crack has almost doubled, and we must work harder. And I'm especially looking to you to encourage friends to refuse drugs -- any illegal drug. I don't want any young American starting down the path to cocaine and crack.

Last week, a Wall Street Journal reporter wrote movingly of his son, a boy named Ryan. Ronald Shafer remembered his Ryan as an enthusiastic collector of baseball cards who could name every batting champion back to the sixties -- the kind of bright kid for whom life was an open invitation to succeed. But Ryan started using drugs and alcohol at age 12 and soon became a stranger to his parents and his classmates. And by age 16, Ryan was dead. There are thousands of Ryans across America, thousands of young men and women who are in danger of losing their future, their very lives, to this scourge called drugs.

The Boy Scouts of America has assumed a leadership role in confronting this problem. You are teaching self-protection strategies against drugs and other dangers, and you've circulated these strategies in direct language in a very successful pamphlet called ``Drugs: A Deadly Game." And you've done something else: You are leading the youth by example. For years, the Boy Scouts of America has led our nation in taking the antidrug message to every community. By actively engaging in the lives of others, you are demonstrating a central theme, a central idea of this administration: that from now on in America, any definition of a successful life must include serving others. Now I want to challenge you to take the final steps. Ask yourself if you know someone like Ryan Shafer. And if so, have you done everything that you possibly can to help him or her?

And there are other, more positive challenges facing your generation. When the first Boy Scouts chapter was formed, Americans had just tamed the farthest reaches of the West. There were only a few remote places in the world, unseen by man. And since then, the world has become smaller, and so has the room for our imagination and daring -- a narrowed space for the restless spirit of freedom that is so much a part of our national priority and of our national identity. But you and I know that there's a new frontier, a frontier without limits -- space.

And once again, the Boy Scouts has played a leadership role in preparing a generation for space exploration. It's no coincidence that half of all astronauts were once Scouts: Admiral Richard Truly, who ably heads NASA, is an Eagle Scout; Gus Grissom, an American hero who lost his life in the early space program, was a Scout; David Scott, who operated that first lunar rover, was a Scout; And Jim Lovell, another lunar explorer, whom I'm told is with us today. And I guess, Jim, if you're here, it's true what they say: Once an Eagle Scout, always an Eagle Scout. And I doubt that any of the Scouts who participated in the 1969 seventh Jamboree in Idaho will ever forget Eagle Scout -- [applause] -- go Boise -- will ever forget Eagle Scout Neil Armstrong,

who made man's first step on the Moon and later sent his greetings to the Jamboree from deep space. The first spacefarers were unique, the lucky few. But your generation will have a broader, greater opportunity to live in space, to travel, to establish an outpost on the Moon, and explore the mysteries of Mars. And this is the challenge of the next century -- your century, your challenge.

Near the Jamboree area is a NASA exhibit called Freedom Station, which includes a display of our nation's first permanently manned space station in the next decade. And nearby are also large-scale models of the space shuttle and other spacecraft. This is America's space fleet, and its mission is gradually changing from exploration to settlement. When we aim for the stars, it will be to stay.

And this brings to mind a small coincidence: Just a few miles away, along the Tidewater coast of Virginia, the first Englishmen arrived in the New World -- also not just to explore, but to stay. Those early Colonists faced a terrible struggle. Their first autumn brought a bitter harvest of hardship. Their first winter brought tragedy. But in the end, the generation of Captain John Smith escaped the confines of the Old World and settled the New -- a fresh frontier, a boundless promise called America.

And today, as before, some timid and chiding voices caution us against the danger, the hardship, and the expense. Perhaps they should have seen Steven Spielberg's extravaganza. Or perhaps they should listen to Ray Bradbury, a writer who once said that space will make children of us all. He meant that the strange beauty and mystery of space will teach even the most cynical and world-weary among us to rediscover the wonder of their first glimpse of the night sky. It is this sense of wonder and curiosity that draws you from the comfort of home, comfort of television, to the outdoors. And tonight, when you are lying around the campfire, surrounded by dark forest, looking up at the stars of the night sky, I want you to consider something. Perhaps you, or even your kids -- or as hard as it is for you to imagine, your grandchildren -- will one day look up at the night sky before going to sleep, and see the Earth as a faint, twinkling blue star.

It is this spirit, a spirit of wonder, of discovery and adventure, that is surely drawing us to a new destiny on new and far distant worlds. You are privileged to be the generation that will witness the first large movement of men and women into space. And as this happens, I know that the Boy Scouts of today will be in the lead. Thank you for inviting me to your Jamboree. God bless you, God bless the Boy Scouts of America, and God bless the United States of America. Thank you all.

Note: The President spoke at 10:44 a.m. at Fort A.P. Hill. In his remarks, he referred to G. William Swisher, Jr., chairman of the National Jamboree; Ben H. Love, chief Scout executive of the Boy Scouts of America; former Scout Curtis Hawkins; entertainer Calvin Grant; and Col. John R. Bourgeois, USMC, Director of the U.S. Marine Corps Band.

Statement by Press Secretary Fitzwater on the Execution of Lieutenant Colonel William R. Higgins

August 7, 1989

The Federal Bureau of Investigation today released the results of forensic examinations of the videotape purported to be of Lieutenant Colonel Higgins. Mrs. Higgins was informed of the results by the Commandant of the Marine Corps, General Al Gray. President Bush called Mrs. Higgins at about 2 p.m. to offer his support and encouragement. The President said the U.S. Government will continue to do all it can to obtain a full accounting of what happened to her husband.

Note: Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on July 31, 1989. After examining a videotape released by the terrorists, FBI forensic experts and pathologists concluded that, although a positive identification could not be made, the person depicted in the videotape probably was Lieutenant Colonel Higgins and that he was ``within a reasonable degree of medical certainty'' dead.

Remarks at the National Urban League Conference

August 8, 1989

Thank you very much, Dr. Watson. And to you, my friend John Jacob, thank you, sir -- Tony Burns, the chairman, and all the other Urban League leaders. I single out my Cabinet-mate, Secretary Kemp. I'm delighted that you're here, Jack. Thank you all.

You know, Jack told me coming over that you had a moment of silence -- a prayer, really, for Mickey Leland, my fellow Houstonian. And let me just say that we have been in touch with the Government of Ethiopia and the United Nations to learn the whereabouts of Congressman Leland's plane. Our Secretary of Defense, Dick Cheney -- seeing what he can do in terms of search assets.

I think it says a lot about Mickey that he was on his sixth humanitarian mission to help feed the hungry in that part of the world, and so, I would just like to join you all in what you did this morning to say that our thoughts and prayers are with him. I talked to Alison, his wife, late this morning -- earlier this morning, I guess. She's strong, has a lot of hope. And we all pray that he's safe and that he and the others with him on that humanitarian mission will be found and that they'll all be safe. And we will, I can tell you as President, do all we can to learn what has happened.

I want to speak to you today about the state of urban America, about the future that I see for American cities and for the many millions of Americans who make them their home. In many respects, let's face it, urban America offers a bleak picture: an inner city in crisis. And there is too much crime, too much crack, too many dropouts, too much despair, too little economic opportunity, too little advancement, and -- the bottom line -- too little hope. But there's something else that's true about our inner cities, something we can't overlook, something the Urban League has worked tirelessly to strengthen; and that's a core community that is simply too strong to succumb, a community where there is too much faith, too much pride, too strong a sense of family not to fight back -- whatever their challenge, whatever the odds.

But the challenge for urban America is a challenge for all America. It's a challenge for my administration. It's a challenge every American must embrace. The condition of our inner cities isn't a matter of charts and graphs and these cold statistics. It's more than an exercise in sociology or public policy. It's a question of how people live their lives, a question of human dignity; and it's a challenge that I take to heart. Your problems are my problems; your hopes, the hopes all Americans hold dear. Today I offer you my hand, and I offer you my word: Together we will make America open and equal to all. And together we must and will find a way to stop the decline in our inner cities, to restore hope, and make the nineties a decade of urban renaissance.

And whether we succeed depends on how well we meet three key tests. First, we must strike down barriers to advancement and opportunity for American minorities -- and strike them down for good. And second, we must create conditions for urban growth and economic revival, conditions that leave no one behind. And finally, we must secure the most fundamental right of all: the right of young and old alike of any race to walk any street without fear.

Let me start with equal opportunity. Not just in urban America but across this nation, we must continue the crusade for equality. Just over a week ago, a collection of scholars released a monumental study called ``A Common Destiny: Blacks and American Society." It offers detailed evidence of the progress our nation has made in the past 50 years in living up to American ideals. But the study makes clear that our work is far from over. The great gulf between black and white America has narrowed, but it's not closed. And closing that gulf, eliminating it for all time, is the next chapter we must write in the unfolding history, the unfinished history, of civil rights. And that chapter will be written because today, as in the past, advancing the cause of equal rights is in keeping with our highest ideals. It's the right thing to do.

Think back to 1954, the Court's decision in favor of Linda Brown; a year later, another decision, Rosa Parks' refusal to go to the back of the bus; the 1960's, the passage of the Civil Rights Act, the Voting Rights Act, Fair Housing; and in this decade, the elevation of Dr. Martin Luther King to a place of honor among American heroes. It was the right thing to do. And today, when our challenge is securing true equality for every American, once again, we will succeed because it's the right thing to do.

Discrimination -- of course it still exists. Race hate, born of ignorance and inhumanity, still exists. The day of the poll tax is over. The day of Jim Crow is gone. Today bigotry and bias may take more subtle forms; but they persist, and as long as they do, my work is not over; your work is not over; our work is not over.

Before I go on, I want to make sure everyone in this room knows just exactly where I stand and just where my administration stands. My administration is committed to reaching out to minorities, to striking down barriers to free and open access. We will not tolerate discrimination, bigotry, or bias of any kind, period, just as Dr. Watson said.

Now, we've all spent a lot of time over the past two decades debating the best means of ending unequal treatment. And we've argued -- I've even argued with John Jacob; you try that one on for size -- we've argued, society's argued, about affirmative action, about quotas, about goals and timetables, about set-asides and 8 - A firms. Well, while society's been debating these important issues, society's also been changing. The economy's been changing. Our world, the world our children will inherit, is changing. And part of the change is the progress we have made -- hard-fought changes in which the Urban League can take pride. Part of the change is simply a matter of the dynamics at work in our world.

Take the economy: We're used to thinking of unemployment as a case of too many people and too few jobs. I remember playing musical chairs when I was a little kid -- a game of musical chairs. And all too often, it's the minorities left standing when the music stops. In the 1990's, into the next century, our problem -- our nation's problem -- will be just the opposite: more than enough jobs and too few people qualified to fill them.

The last of the baby boom generation are in their thirties. And there's been a slowdown in the number of new workers that are entering our economy, and that's going to continue into the 1990's. Talk to any demographer, and they'll tell you that's true. New works will be in demand -- new workers -- and the simple fact is that 8 out of every 10 new workers will be women, minorities, and immigrants. Think about what that means. Think about it: For every child growing up today -- black or white and, yes, urban or rural -- there will be a job waiting. The question, our challenge, is whether they'll have the education and the skills that they need to seize that opportunity. And that's the new frontier for civil rights.

Opportunity means education. The jobs open to the 21st century worker are going to require higher skills. And never has education been more important than for the next generation, for the first-grader -- today's first-grader -- who is a member of the high school class of the year 2001. The package of education initiatives that I sent to the Congress this spring will make a difference for urban America and for American minorities. And I've called on Congress to provide a $250 million increase in funds for Head Start, a key program in getting disadvantaged children ready for school. And back in April, I signed an Executive order that will strengthen our nation's historically black colleges and universities and expand opportunities for their students and their graduates.

In many urban schools, the key is creating a sound learning environment, one that keeps the dropouts in and keeps the drugs out. And that's why I've called for the creation of urban emergency grants to help clean up schools hit hardest by the drug scourge. Education is the way to turn dreams into reality, and even in the inner city, every kid has a dream.

And opportunity means job training, building the employment skills and basic literacy ability that everyone needs to get and keep a job. For 6 years now, the Job Training Partnership program has been equipping the disadvantaged youth to enter the work force, to start that climb up out of the poverty trap. JTPA -- it works. The proof is its 68-percent success ratio, and we're working to make the program even stronger. Last month we introduced amendments to the Job Training Partnership Act to target it more tightly on at-risk youth, kids with the most urgent need for job training.

But growth creates jobs, and the future of urban America depends on bringing growth to our inner cities. One entrepreneurial answer to inner city poverty -- and I salute my Secretary of HUD for being in the foreground on this one -- is enterprise zones. Enterprise zones can be a source of jobs, growth, and advancement. And the payoff isn't simply economic. When you

create jobs, you create hope. We've debated the idea of enterprise zones long enough. And I've asked Congress to create at least 50 enterprise zones between now and 1993, and now is the time for action.

But enterprise zones are meaningless if we don't create economic incentives for urban expansion. And that's why I've also called on Congress to enact changes in the Tax Code that will make enterprise zones magnets for capital, magnets for job creation. And I'm talking about incentives to increase investment, to open a flow of seed capital into urban areas. And if we're going to make inner cities attractive to new capital, individuals who invest in enterprise zones should get an immediate tax savings.

And we've also got to reward risk-taking. I've proposed a zero capital gains rate for eligible business investments in enterprise zones. If you take your capital and go there to invest, you ought to have that as an incentive to put the business where the jobs must be for outside -- [applause]. It should be a powerful incentive for outside investors and a rate of return fitting for urban entrepreneurs.

And I'm talking about incentives for working people. We want to establish what's known as a refundable wage credit for low-income employees in enterprise zones. In many cases, this credit will cut the taxes of low-income workers to zero. And for some low-income families who already owe little in taxes, a refundable credit will not only take them off the Federal income tax rolls; it will put money in their pockets.

Opportunity, education, advancement, equality: each is essential. But we can't talk about the future we want to see for urban America without talking about the number-one threat in our inner cities today. You know what that is, every one of you: illegal drugs. And you know the simple truth: Our inner cities cannot become centers of opportunity as long as they are battle zones in a drug war.

A little over a week ago, our Secretary of HHS, Dr. Louis Sullivan, released the newest statistics -- maybe some of you all saw it in the paper -- the newest statistics on illegal drug use in America. The statistics show two trends, one positive and one profoundly, earthshakingly disturbing. Overall use of cocaine has declined by almost half -- testimony to the years of dedication and hard work of parents, educators, religious and community leaders, all determined to end this plague. But our greatest challenge is yet to come. Frequent cocaine use -- frequent use -- is up sharply.

And that means while our message is getting across to the casual user, hardcore drugs, drugs like this insidious crack cocaine, are tightening their grip. And that's grim news, that's bad news for the United States of America, because crack, crime, and violence -- they're the unholy trinity in our inner cities. And urban communities suffer the most. And when the crackhouse is on your block, and when the stray bullet from a drug war shootout kills some mother sitting on her

porch, and when parents and teachers and churches struggle to teach the values of honesty and hard work and then find themselves up against the fast-money lure of the drug trade, there's a certain hopelessness.

But our children can live and learn in peace. Urban communities can thrive again. And that's why we've got to combat drug violence, and that's why we've got to eliminate fear, and that's why we've got to create a climate of hope. The Federal Government is doing its part. We're going to do more. We've taken forceful action to speed up the eviction process for drug dealers in America's public housing. And in less than a month, we'll unveil a new national drug strategy, our comprehensive battle plan to wage the long, hard fight against illegal drugs.

And there's a message that I want to send today, all out across this country, to all law-abiding Americans: The war on drugs is a battle that can't simply be waged from Washington, DC. When I was in Chicago last month, I asked this nation's Governors to pass laws in each of their States that parallel the tough Federal stand that we've taken against illegal drugs. And today I ask each of you to do the same at the local level, in urban America. Let's put more police on the streets, tougher laws on the books, build the jail cells that we need to put drug criminals where they belong -- behind bars -- and, in my view, keep them there. Let's not point the finger or look for scapegoats. Let's enlist every asset that we have, form a united front, and fight this war together.

There are some who say -- and you've heard it -- the state of urban America is hopeless. The National Urban League doesn't believe that. I say they're wrong. We've got to see past the stories on the 6 o'clock news and past the statistics. We've got to see the potential for progress; we've got to see the face of hope in our inner cities.

And, now, I'm not afraid to say we've got hard work ahead of us: We've got to wage war on poverty and wage war on despair and wage war on the hopelessness that robs us of our future. And I want to tell all of you here today: I'm not going to relax in this job, or rest, until I know that I have done everything in my power to ensure that we succeed, that every child in our inner cities has a shot at a good job, that every kid stays in school and gets a quality education -- yes, lives in decent housing in a neighborhood free of drugs, fear, and violence. We've got to work together to achieve these goals. I know we will, and I know why. John, you know why. Jack Kemp, Dr. Watson, you know why. Everyone here today knows why: Because, simply, it is the right thing to do. Thank you, God bless you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 2:25 p.m. at the Washington Convention Center. In his remarks, he referred to Bernard Watson, John Jacob, and M. Anthony Burns, senior vice chairman, president and chief executive officer, and chairman of the National Urban League, respectively, and Secretary of Housing and Urban Development Jack F. Kemp.

Remarks on Signing the Financial Institutions Reform, Recovery, and Enforcement Act of 1989

August 9, 1989

Well, Secretary Brady and Secretary Jack Kemp, Chairman Greenspan, Senators Riegle and Gramm, and Congressmen Wylie and Gonzalez, and other distinguished Members of the House and Senate, ladies and gentlemen, and friends: Thomas Jefferson once observed that ``the care of human life and happiness, and not their destruction, is the first and only legitimate object of good government." And today we gather here to sign legislation, the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, which reaffirms those words.

This legislation comes to grips with the problems facing our savings and loan industry. It'll safeguard and stabilize America's financial system and put in place permanent reforms so these problems will never happen again. And moreover, it says to tens of millions of S&L depositors: You will not be the victim of others' mistakes. We will see -- guarantee -- that your insured deposits are secure.

And this, of course, was government's intent when, in 1933, it created the Federal Deposit Insurance [Corporation]. And yet as that system incurred massive loans over the past couple of decades, the fund designed to protect depositors itself became insolvent. And the crisis has been told and retold: The Federal insurance fund was unable to make good on its commitments to the public or to close insolvent institutions, and -- their losses mounting -- hundreds of bankrupt institutions were allowed to continue operating.

On February 6, I announced a plan to change all that: to protect insured depositors and to responsibly finance the closing or other resolution of all insolvent institutions. And we sought to abolish lax regulations, to increase penalties for wrongdoing, and to reform the financial system. And above all, we sought to protect those who have relied on government to faithfully fulfill its obligations.

I take a special pleasure in the historic legislation that I will sign here this morning. For the Task Group on Regulation of Financial Services, which I was proud to chair, began the effort to strengthen our financial system. And its work, and that of many others, was debated and refined by the United States Congress -- and you see it here, all 371 pages of it. And, no, the bill is not perfect, but it is a first step, a crucial step, toward restoring public confidence. H.R. 1278 is responsive and responsible, and for that I salute the Congress. This bill balances America's need for financial security, competitiveness, and equity.

In particular, I want to thank two committee chairmen, Senator Don Riegle and Representative Henry B. Gonzalez, here with us today for their superb leadership in an extraordinarily difficult

proceedings. And they were aided by Senator Jake Garn and Representative Chalmers Wylie, who helped make these proposals a reality; and of course, Senator Phil Gramm, who I mentioned earlier; and numerous other members of the banking and other committees, from both sides of the aisle, who took up the cause of the public's interest.

And then there's my friend, the Treasury Secretary, Nick Brady, whose dedicated efforts have been vital and whose leadership has been truly outstanding. And so have those of Director Dick Darman, over here, the head of the OMB. I'd also like to mention Richard Breeden of the White House. I'd be remiss not to salute hundreds of others on the staffs of the various regulatory agencies and congressional committees. They, too, deserve our thanks.

And because of them, of you here today, and so many others, this legislation will give us the tools to make our thrift institutions and our financial system as a whole strong and stable. With this bill's substantial funding, we will begin -- here and now -- to eliminate the ongoing losses of the insolvent firms and to ensure that not one dollar of insured funds will be lost by any depositor.

Toward that end, this legislation abolishes the agency once responsible for thrift supervision. And in its place a new agency will operate as part of the Treasury Department, ensuring the taxpayers' interests will always come first. And at the same time, a completely new insurance fund will protect deposits in thrift institutions. The obligations of the new fund, called Savings Association Insurance Fund, SAIF, will be fully guaranteed by the full faith and credit of the United States. The new seal displayed here symbolizes this new fund and our commitment to protecting depositors.

Good steps? I'd say vital steps, and this legislation goes still further. Beginning today, penalties for wrongdoing by officers and directors of insured institutions will be increased up to $1 million per day. And criminal penalties will be toughened from yesterday's slap on the wrist to the clang of a prison door. Those who try and loot the savings of their fellow citizens deserve, and will receive, swift and severe punishment. And also, starting today, tougher requirements for safe and sound operating practices will begin to take effect. Never again will America allow any insured institution to operate normally if owners lack sufficient tangible capital to protect depositors and taxpayers alike. And today, too, we begin using the new resources available to accelerate the resolution of failed institutions and to recover every possible dollar from their assets for the taxpayer. And at the same time, we will seek to minimize adverse impact on local markets.

These reforms will help our system right itself. For while the S&L crisis isn't behind us, we have met and passed our first critical test. More hard choices, more challenges, lie ahead. But we will meet them as we have this challenge -- consulting, cooperating between Congress and the executive branch. And as we do, we will keep the new Federal deposit insurance system solvent and help serve those millions of small savers who make America great -- the local paperboy

looking ahead to college or the young couple dreaming of their first home, the retired teacher whose savings are her entire lifetime. We have a commitment to protect the savings of these Americans and millions like them across this country, and we will honor that commitment.

And so, together, Republicans and Democrats, we can keep America's economy number one in the world. We can and will preserve a safe, efficient, and equitable financial system for ourselves and, yes, for our kids. So, thank you all very much for coming here and for your support, both past and future, because plenty of work lies ahead. Thank you all very much and now, I'm proud to sign this monster.

Note: The President spoke at 10:49 a.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of the Treasury Nicholas F. Brady; Secretary of Housing and Urban Development Jack F. Kemp; Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System; Senators Donald W. Riegle, Jr., Phil Gramm, and Jake Garn, chairman and members of the Senate Committee on Banking, Housing, and Urban Affairs, respectively; Representatives Henry B. Gonzalez and Chalmers P. Wylie, chairman and member of the House Committee on Banking, Finance and Urban Affairs, respectively; and Richard C. Breeden, Assistant to the President for Issues Analysis. H.R. 1278, approved August 9, was assigned Public Law No. 101 - 73.

Informal Exchange With Reporters

August 9, 1989

The President. Well, first let me welcome His Eminence, Cardinal Law, once again to the White House -- a friend of longstanding and a man for whom I think we all have great respect. But I just want to suggest that this weekend, each in our own way, that we say a prayer for the American hostages, for their family, and indeed, for world peace. I believe in prayer, and I think it would be most appropriate with the situation that we consider this. So, I would ask the churches and other places of faith to say a special prayer this weekend.

U.S. Hostage Policy

Q. Mr. President, you seem to be moving away from the Reagan interpretation of what is a negotiation. You have fine-tuned it in the Boston Globe interview. To really make it specific, is there a subtle change, any change?

The President. I don't think there's any subtle change from the report that I signed, and indeed was the father of, sponsored obviously by President Reagan. I'm not going to do anything that would put some other American, perhaps in some other place, at some other time, at risk -- and that means trading off or negotiating for hostages.

Q. But you are talking, and when you talk you obviously are -- --

The President. Excuse me, Helen [Helen Thomas, United Press International], I hope I'm openminded enough to talk and to exercise every diplomatic channel I can to free these Americans. No American is going to be content until these people are free, and I would be not doing my job if I didn't approach it in that manner.

Q. Well, isn't talking really trying to find out what their terms are and trying to persuade?

The President. I'm not talking about terms; I'm talking about talking to get people out that are held against their will. And I think I covered that pretty well in my inaugural address when I said good will will beget good will. And if ever there was a clearer signal, in my view, that's it. So, I repeat it. And if there are changes taking place and signals that are shifting, I don't want to miss a signal. The life of every single one of these people is too precious for me to be sticking my head in the sand and miss some subtlety in this highly complicated corner of the world. So, we are in touch with as many people as possible, anyone that I think can help either me or the Secretary of State or others who are in contact with them. We're going to keep on doing that.

Q. Is it possible to even discuss the question of the Iranian assets and the United States unfreezing them without encouraging the taking of other hostages?

The President. I'm not going to go into the details of the question you've asked. I've seen conflicting statements coming out of Iran on this question. And my view is to make the statements unconflicting, and my view is to do nothing that will be seen as quid pro quo for hostages.

Q. Mr. President, is it possible for you to elaborate on what you mean by that? How you -- --

The President. No.

Q. No?

The President. No, it's not possible for me to elaborate on it.

Q. After some original statements of optimism, you now seem a little bit more pessimistic about the prospects for getting the hostages out anytime soon. Why do you feel that way?

The President. Terry [Terence Hunt, Associated Press], how do you know what I feel? It's the first time you've seen me in 4 days.

Q. No, I'm looking at your comments in the Boston Globe interview.

The President. What does it say there?

Q. In which you say ``I have no reason to say just over the horizon that I think that this problem will be solved."

The President. Well, so I never said that I thought it would be solved just over this side of the horizon, did I?

Q. But you just said -- --

The President. What I'm saying hasn't changed anything. I don't go up and down by some headline, some newsclip. I'm conducting the foreign policy of this country in a prudent manner that I hope will get these people out of there. But the last thing I want to do is elevate the hopes of these families who have been disappointed over and over again, to have those hopes dashed. I think that would be not a good way to behave. So, I don't know. Put it this way: I don't think, in reply to your question, that I've changed my views. I've never felt that the hostages would be here tomorrow, but I want to -- I hope they will, hope that something will happen. But in terms of my emotions, or how I view it, I haven't shifted.

Q. But ``cautiously optimistic'' means more hope than you seem to have had before.

The President. Come again?

Q. ``Cautiously optimistic,'' which is the word you bought yesterday in your interview, seemed to have raised hopes.

The President. But he just said I dashed the hopes by saying it was too far away in the same interview. Come on, lighten up here. I mean, you can't have it both ways. You interpret the interview one way, he interprets it another. And I'm telling you what I think.

Q. Are the signals for Iran still positive? Are the signals from Iran still apparently positive?

The President. They're mixed, they're very mixed, John [John Cochran, NBC News]. And this is one of the difficulties. They're very mixed.

Disappearance of Mickey Leland

Q. Mr. President, do you have any late word on Congressman Leland?

The President. No.

Q. Is there anything the U.S. conceivably could do that it's not yet doing?

The President. No, we're cooperating and trying. Any late news on the Leland matter?

General Scowcroft. No late news, but the Ethiopians have asked for our help in searching for it.

The President. Well, they're getting it, and we are -- --

Q. What about the search plane they've asked for?

The President. What?

Q. What about the search plane that they've asked for?

The President. They're going to get all the cooperation we can give them. Cheney's trying to find what assets are available. Indeed, I think we've already mobilized -- --

General Scowcroft. We've sent some, and we're sending more, Mr. President.

The President. But this matter is of great concern to us.

Yes, Tom? And this is the last question.

Death of Lieutenant Colonel Higgins

Q. Mr. President, have we made any progress at all on the possible return of Colonel Higgins' body?

The President. No. And again, I'm not going to give up on it. I'm not going to say there is no hope. I talked to the [U.N.] Secretary-General yesterday, who is meeting with his representative, Goulding [Marrack Goulding, Under Secretary-General for Special Political Affairs] today. He's coming back from his vacation to talk to him, and I expect I'll be in touch if there is any reason.

I'll tell you one thing, Tom [Tom DeFrank, Newsweek], that is interesting -- out of this -- and perhaps hopeful. Some who -- don't ask me to elaborate -- some who heretofore have been ambivalent or silent in the face of Americans held hostage because of political reasons have been so infuriated or angered or repulsed by the brutality of the Higgins film and then having Cicippio come out and read under obvious duress that statement -- they've been so offended by that, regardless of their view on the politics of the Middle East or any other area, that we are finding more and more of a willingness to help. And I'd say that's a positive thing. That might offer more hope to those families that are just being so hurt by the recent revelations.

Q. You mean in the Mideast?

General Scowcroft. All over.

The President. All over in the diplomatic efforts we're engaged in people have -- there's a common thread -- look, this is too much, enough is enough. And so, maybe that -- it's just a hunch, but perhaps that will lead us to some solution here.

Cardinal Law

Q. Why is the Cardinal here? Do you have some special message? From divine providence or from anywhere else?

Cardinal Law. No.

The President. His Eminence has a keen interest in many areas in the world, including Cuba, Haiti, Eastern Europe. And as I do with a lot of people, I talk to a lot of people outside of the White House and outside of our government in order to learn, in order to see how we can help the cause of world peace, the cause of human rights. And I expect we're going to touch on those

three areas here, along with others. His Eminence knows of my respect for the Holy Father; indeed, has helped me understand the dedication that the Pope has to world peace. Perhaps, through Cardinal Law, I have a more personal feeling about the Holy Father that made me feel the other day just inclined to pick up the telephone and call him and ask for his help in the return of Rich Higgins. And so, I learn from wise people.

Thank you all very much.

Note: The exchange began at 12:09 p.m. in the Oval Office at the White House prior to a meeting with Bernard Cardinal Law, archbishop of Boston. Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on July 31, 1989. Joseph J. Cicippio, acting comptroller at the American University of Beirut, was abducted from the campus on September 12, 1986.

Continuation of John J. Welch, Jr., as an Assistant Secretary of the Air Force

August 9, 1989

The President today announced that John J. Welch, Jr., will continue to serve as an Assistant Secretary of the Air Force (Acquisition).

Since 1987 Mr. Welch has served as Assistant Secretary of the Air Force for Acquisition. From 1965 to 1987, he was vice president of the Ling-Temco-Vought Co. and served in several capacities, including senior vice president, 1975 - 1987; corporate vice president, 1974 - 1975; LTV Aerospace vice president for programs, 1970 - 1974; and vice president of the missiles and space division, 1965 - 1970. He served as Chief Scientist for the U.S. Air Force, 1965 - 1970.

Mr. Welch received a bachelor's degree from the Massachusetts Institute of Technology in 1951. He was born August 23, 1930, in Cambridge, MA. He is married, has four children, and resides in Bethesda, MD.

Nomination of Charles E. Cobb, Jr., To Be United States Ambassador to Iceland

August 9, 1989

The President today announced his intention to nominate Charles E. Cobb, Jr., to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iceland. He would succeed Nicholas Ruwe.

Since 1987 Mr. Cobb has served as Under Secretary for Travel and Tourism at the Department of Commerce. Prior to this, he served as chairman and chief executive officer of Arvida Disney Corp., 1983 - 1987. He was senior vice president and chief operating officer and director of the Penn Central Corp., 1982 - 1983, and group president of the Penn Central Corp., 1980 - 1982. In addition, he served as president and chairman of the board and chief executive officer of Arvida Corp., 1972 - 1980, and president and chief financial officer of several subsidiaries of Kaiser Aluminum and Chemical Corp., 1964 - 1972.

Mr. Cobb graduated from Stanford University (B.A., 1958; M.B.A., 1962). He was born May 9, 1936, in Fresno, CA. He served in the U.S. Navy, 1958 - 1960. He is married, has two children, and resides in Miami, FL.

Statement on Signing the Bill Concerning the Cordell Bank National Marine Sanctuary

August 9, 1989

Today I am signing H.J. Res. 281, a joint resolution relating to the Cordell Bank National Marine Sanctuary. The Secretary of Commerce designated Cordell Bank as a sanctuary pursuant to a procedure established by the Marine Protection, Research, and Sanctuaries Act of 1972 (MPRSA). That law allows the Congress 45 days of continuous session to disapprove any part of the designation. In the first section of H.J. Res. 281, the Congress attempted to disapprove the part of the designation allowing the regulation of oil and gas activities within the sanctuary, but it did not present the joint resolution to me until after the review period expired. Thus, that part of the designation was not ``disapproved by enactment of a joint resolution of disapproval'' within the time period permitted by the MPRSA.

Section 2 of the resolution, however, accomplishes essentially the same objective that the first section would have accomplished. Section 2 prohibits all oil, gas, and mineral activities within the sanctuary. That prohibition becomes law upon my approval of H.J. Res. 281, and it will now govern the management of the sanctuary.

George Bush

The White House,

August 9, 1989.

Note: H.J. Res. 281, approved August 9, was assigned Public Law No. 101 - 74. The statement was released by the Office of the Press Secretary on August 10.

Statement on the American Hostages in Lebanon

August 10, 1989

This Sunday millions of Americans of every faith will attend worship services. We have much to give thanks for in this country. But I ask that each of you say a special prayer this Sunday for the American hostages being held in Lebanon.

In the last several days, we have all struggled with the reality of Americans being held in a foreign land, tortured, and sometimes killed by their captors. Even as we search for political solutions to this problem, I believe that prayer is the most important way to deal with the human response to this tragic situation. I believe in prayer. It gives us strength in times of need. It gives us hope in times of despair. It gives us optimism in times of opportunity. So, I ask again that each of you join me this Sunday in saying a special prayer for the American hostages, their families, and their friends.

Remarks Announcing the Nomination of General Colin L. Powell To Be Chairman of the Joint Chiefs of Staff

August 10, 1989

The President. Ladies and gentlemen, I am most pleased to introduce the man that I have selected to be the next Chairman of the Joint Chiefs of Staff: General Colin L. Powell. Colin Powell has had a truly distinguished military career, and he's a complete soldier. He served two tours in Vietnam and has had many important assignments around the world, including commander of the Fifth Corps in Germany and, most recently, as commander of all Army forces stationed in the United States. He is also a distinguished scholar, with a postgraduate degree, diplomas from our major war colleges, and a unique tour as a White House fellow.

The position of Chairman of the Joint Chiefs of Staff has always been a special and important one. Our Chairman today has unique responsibilities. He has a significant role in determining our military requirements and developing the defense budget. He is the principal adviser on all military issues to the Secretary of Defense and to the President. And Bill Crowe has performed these duties in an absolutely splendid way, and we can be most thankful that we have had his special leadership during the past 4 years. Bill, words can never fully acknowledge what you have done for your country, and thank you very, very much for that.

As we face the challenges of the nineties, it is most important that the Chairman of the Joint Chiefs of Staff be a person of breadth, judgment, experience, and total integrity. Colin Powell has all those qualities and more. His wealth of military experience, coupled with his most distinguished assignments, including Assistant to the President for National Security Affairs, have prepared him for this challenging and demanding role. He will bring leadership, insight, and wisdom to our efforts to keep our military strong and ready, prepared to defend our security and to safeguard the peace. Colin Powell will be a key member of my national security team, a team of close-knit, experienced professionals. And I am very proud of this team and proud to add Colin Powell to it.

Colin, welcome, sir.

General Powell. Thank you, Mr. President, for your very kind words, and thank you, sir, for this new opportunity to serve you, to serve the men and women of the Armed Forces, and to serve our nation. I'm very pleased to be joining your national security team; and I look forward to working with you, the Vice President, and all the members of the team, as you face the historic opportunities and challenges that are before us. I also feel it a special privilege to be the spokesman for all the millions of great young men and women who are serving their nation voluntarily in uniform.

I also feel especially privileged and somewhat humble to be following a man like Admiral Bill Crowe, a distinguished sailor, great friend, and an outstanding Chairman. They are big shoes to fit into. I will give it my very best. The Nation owes Bill Crowe a great debt of gratitude. And Mr. President, I am ready to go to it, and I look forward to the challenges ahead. Thank you, sir.

Note: The President spoke at 2:32 p.m. in the Rose Garden at the White House.

Statement by Press Secretary Fitzwater on the Disappearance of Representative Mickey Leland in Africa

August 11, 1989

We understand the frustration and grief that Congressman Mickey Leland's family and staff must be enduring as the search for his aircraft and its passengers continues. This is indeed a time of great apprehension and sadness for all those who know Congressman Leland. President Bush has long been a friend and colleague of Congressman Leland. They share mutual political interests in Houston and have worked together on any number of Texas issues. The President remains hopeful that the Congressman and his party will be found alive and well. He has expressed those sentiments personally to Mrs. Leland.

The United States Government and the Ethiopian Government have committed unprecedented amounts of people, equipment, and other resources to the search for the Leland aircraft. From the U.S. point of view, we have more than 160 U.S. military personnel in Ethiopia operating C - 141, HC - 130, C - 21, C - 5, and MH - 60 aircraft and helicopters involved in the rescue effort. A U - 2 reconnaissance aircraft that took photographs of the search area yesterday returned to the area today to take more pictures. Both of the beeper findings which have been detected have been investigated without success.

The United States commitment to this search is the largest, most comprehensive undertaking in recent memory. The U.S. commitment, coupled with thousands of Ethiopians making ground searches, will continue.

Note: Representative Leland, chairman of the House Select Committee on Hunger, disappeared en route to a refugee camp in Fugnido, Ethiopia.

Statement by Press Secretary Fitzwater on the Education Summit With the Nation's Governors

August 11, 1989

The education summit with the Nation's Governors will be held in Charlottesville, VA, on September 27 and 28.

In his speech to the National Governors' Association in Chicago on July 31, President Bush invited the Governors to work with him at a Governors summit on education to share ideas and to explore options for educational progress in order to find ways to strengthen our schools, to enlarge opportunities, and to improve our nation's educational performance.

This will be the third time in history that a President has called the Nation's Governors together to address a single problem facing our country. In 1908, President Theodore Roosevelt called the Governors together to address problems of conservation. In 1933, President Franklin Roosevelt called for the Nation's Governors to assemble to consider solutions to the Great Depression. President Bush calls the Governors together because he believes raising the level of learning in the classrooms of America is crucial to our nation's future.

Statement on the Anniversary of the Berlin Wall

August 12, 1989

Twenty-eight years ago, a barrier of steel and stone was erected in the heart of Berlin. It stands there still -- now more than ever a relic of a bygone era and a failed philosophy. The barbed wire that severed a great city also proclaimed in stark, inhuman terms the unnatural division of Europe. Beyond its tragic human cost over the years, rending families and friends, the Berlin Wall has affronted the free world with an alien vision of closed societies where basic freedoms are denied.

The courageous people of West Berlin tend the precious fire of freedom as an example for us all. The city prospers and benefits from their innovative spirit and from expanding international ties. Its cultural diversity, economic vigor, and political pluralism are the fruits of boundless imagination at work in a democratic community. The United States is proud to have contributed to Berlin's freedom and vitality. We remain firm in our commitment to assure the city's security and well-being. In a year which marks the 40th anniversary of the airlift, such historic bonds between Americans and Berliners carry special meaning.

The United States is also committed to improving the lives of Berliners and to bringing closer the day when the city is again united. Together with our British and French allies, we have put forward an initiative to make such progress a reality. We want Berlin to enjoy greater access to the world through expanded air links, to be a center of international meetings and sports events, and to foster more human contacts which lead to better understanding. As I said in Mainz on May 31, we want Berlin to be a place of cooperation, not a point of confrontation. We have asked the Soviet Union, as part of its four-power responsibilities for Berlin, to join us in achieving these goals. We still await what we hope will be a positive response.

We observe this sad anniversary with renewed determination to overcome the division of Berlin and of Europe. On behalf of the people of the United States, I reaffirm this nation's commitment to Berlin's freedom and prosperity. The tide of history has turned, and we look to a future Europe whole and free. As we now mark the day the wall was built, so shall we inevitably celebrate a day when it no longer divides Berlin, the German people, and the nations of Europe.

Statement on the Death of Representative Mickey Leland

August 13, 1989

Barbara and I were truly saddened to hear that the discovery of Mickey Leland's aircraft revealed that apparently there were no survivors of this tragic accident.

Mickey Leland and the other members of his traveling party, both Americans and Ethiopians, were engaged in a noble cause: trying to feed the hungry. I have known, admired, and worked with Mickey Leland for many years. His sense of compassion and desire to help those in need has aided millions of people from Houston to Addis Ababa.

Our hearts go out to Alison Leland and to the family and friends of the congressional staff members, State Department, Agency for International Development, and Ethiopian officials who joined Mickey on his important mission and who died with him trying to carry it out. Barbara and I extend our sympathy to the families of all the victims.

Note: Representative Leland, chairman of the House Select Committee on Hunger, died when the small plane in which he was traveling crashed en route to a refugee camp in Fugnido, Ethiopia.

Remarks on Signing the Disaster Assistance Act of 1989

August 14, 1989

Well, all of you, welcome to the White House. And I want to salute Bob Dole, a driving force behind this bill; of course, Senator Bond, Kit Bond, helping so much; and Governor Hayden, Congressman Stenholm from Texas; and our outstanding Secretary of Agriculture, Clayt Yeutter -- all of whom have played a key role in bringing this important relief to farm families hit by the extreme weather. And let me give a special welcome to the representatives of the American farm community that are here with us today.

I'm sure some of you heard the story of Mark Twain and his friend Howells, William Dean Howells, walking together when a thunderstorm broke out. Howells looked up to the clouds and he said, ``Do you think it'll stop?" Mark Twain looked at him and says, ``Well, it always does." And Twain may have been many things, but he wasn't a farmer. [Laughter]

And the farmer is at the mercy of the forces of nature, and sometimes nature fails him. And I know, Bob and Mike, that Kansas was hit especially hard -- this year's winter wheat crop is less than half of normal levels. In a number of States -- from the Dakotas to the Texas Panhandle, and in the mid-Atlantic States as well -- farmers have indeed suffered.

And this bill provides relief: Disaster payments totaling approximately $900 million to compensate farmers for the wheat, soybeans, cotton, and other crops they lost due to damaging weather conditions this year. And this act will help farmers recover after damaging rain and wind and will see others through a year when they've had to stand by and watch their crops fail.

All of us know that the prevailing climate here in Washington is one of fiscal restraint, and money's tight. And that's why it is good news that the cost of the disaster relief that I'm authorizing today is reasonable; it'll provide relief only to those farmers hardest hit by adverse weather. And it wisely rewards those who took the prudent step of purchasing crop insurance.

We've seen a dramatic reduction in agricultural surpluses over the past years -- in part, unfortunately, due to the drought, but even more, due to the resurgence of America's farming and a sharp increase in ag exports. And that's meant higher prices for the farmers, it's meant lower budget costs, and it's meant a better balance of trade for our nation. And that's a trend that certainly I want to help see that that continues. With Clayton Yeutter in the lead, we're working to keep world markets open for American agriculture.

And in addition to disaster relief, this law loosens some of the controls that limit what farmers can plant, leaving more farmers free then to choose the crops they grow and to diversify

agricultural production. It's a provision I'm pleased to see that's included in this act.

The farmer is one of the original American entrepreneurs -- men and women whose phenomenal productivity feeds America and indeed the rest of the world -- risk-takers who start from scratch each season, staking their fortunes on the new year's harvest. And disaster can strike, and this year it did. And that's why I'm pleased to show our country's appreciation and support for farmers by authorizing the Disaster Assistance Act of 1989.

So thank you very much for coming. And now we will get on with the signing.

Note: The President spoke at 11:40 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Gov. Mike Hayden of Kansas. H.R. 2467, approved August 14, was assigned Public Law No. 101 - 82.

Nomination of Richard C. Breeden To Be a Member of the Securities and Exchange Commission, and Designation as Chairman

August 14, 1989

The President today announced his intention to nominate Richard C. Breeden to be a member of the Securities and Exchange Commission for the term expiring June 5, 1993. He will succeed Charles C. Cox, whose term has expired. Upon confirmation by the Senate, Mr. Breeden will be designated Chairman of the Commission.

Since January 20, 1989, Mr. Breeden has served as Assistant to the President for Issues Analysis. As a member of the White House senior staff, Mr. Breeden has been responsible for in-depth analyses of major issues, such as the problems of the savings and loan industry. Mr. Breeden helped develop the landmark legislation recently signed by the President to overhaul Federal regulation of this industry. From 1982 to 1985, Mr. Breeden served as Deputy Counsel to then-Vice President Bush, during which time he was staff director of the President's Task Group on Regulation of Financial Services. The Task Group was a Cabinet-level group established to recommend methods of improving all Federal financial regulatory programs. From 1981 to 1982, Mr. Breeden served as Executive Assistant to the Under Secretary of Labor. Mr. Breeden was a partner in the law firm of Baker and Botts in Washington, DC, from 1985 until joining the administration in January of 1989. He practiced law in New York City from 1976 to 1981, prior to entering government service. Mr. Breeden's law practice has covered a wide range of securities, banking, and other financial transactions and matters, both in the United States and internationally. He has written a number of articles on regulation of financial institutions, and has lectured both here and abroad on financial markets issues.

Mr. Breeden is a graduate of Stanford University (B.A., 1972) and the Harvard Law School (J.D., 1975). He resides in Great Falls, VA, with his wife Holly and their three sons.

The President's News Conference

August 15, 1989

The President. Good morning. Let me first have a brief statement, and then be glad to respond to questions. I want to note again the passing of two outstanding public servants: Congressmen Mickey Leland and Larkin Smith. They lost their lives in tragic aircraft accidents. Their passing is mourned by everyone who knew them, and Barbara and I extend our sympathies to their families and friends during this difficult period. Their deaths also reminds us that there are outstanding men and women in public life who are working at every level of government to better the lot of mankind. And these two fine individuals represented a deep caring for the poor, the disadvantaged, the victims of drug abuse and crime, and many other areas of our society that need improving.

In the last 2 days, I've attended meetings to consider our new national strategy to deal with the drug problem, and it's an issue that tears at the heart -- feeds the fears of every American. Just yesterday, we learned that more than 75 percent of Americans say they favor tougher drug laws. Teenagers find drugs the biggest problem facing their generation. And it's clear in these surveys and from hundreds of personal stories of tragedy that we hear every day that drug abuse is a national menace, and that the central Government must attack it with every means at its disposal.

Bill Bennett has given me now an outline of our national strategy. It's balanced, decisive, effective, and achievable. And it will target all aspects of the problem. It'll call for commitment and sacrifice and understanding, but it's clear to me that the American people demand no less. And we'll be working on the final points of this strategy over the next few weeks, and I'll present to the American people on September 5th a coordinated counterattack involving all basic antidrug initiatives and agencies. Let me emphasize here that the Federal Government cannot do it alone. Local communities and States and individuals and families must help. And I'm being told in these meetings of the last few days that the American people are ready to take on this fight.

Late August is a traditional vacation period, but we cannot forget the full agenda that faces America at this time: our hostages, the Middle East, Lebanon, drugs, the budget, and so many other matters. In addition, the Congress is considering more than 100 of our nominees for government positions, and we need these people. And I urge the Congress to make this a top priority when they come back. All of these issues will be on my mind as we prepare for the hard work of the fall, and so on this last day before vacation, I'll miss you -- [laughter] -- but let me just see.

Hostages in the Middle East

Q. Mr. President, your spokesman said yesterday that significant progress had been made in

pursuing the issue of the hostages. We're told that you've been on the phone to foreign leaders, that there's been a flurry of diplomatic contacts, but can you say today that we're any closer to seeing the hostages released than we were, say, about 3 weeks ago when the Israeli seizure of Sheik Obeid [Moslem cleric and Hezbollah leader] set into motion this chain of developments that seems to have raised expectations or hopes of a breakthrough?

The President. Norm [Norm Sandler, United Press International], I can't say that today, but we're going to keep on trying. But I cannot give you a definitive assessment of that. I just don't know. There are a lot of lines out there, a lot of initiatives have been taken. As I said earlier, the cooperation that we've received -- some that we've solicited and some unsolicited -- from leaders around the world has just been magnificent. But I can't give you that positive assessment at this point.

Q. Can I follow up on just one path that was pursued on that? In the absence of an exchange of prisoners, have you considered the extradition of Sheik Obeid to this country to face criminal charges?

The President. No, we have no criminal indictment against Sheik 7Obeid.

Q. Is that any kind of a legal option?

The President. Well, we wouldn't move against somebody without the legal process going forward.

Iran-U.S. Relations

Q. Mr. President, what does it mean when you pointedly remind Iran that good will begets good will? The United States wants the return of the American hostages in Lebanon. If that occurred, what would the United States do in return for Iran?

The President. Too hypothetical to answer, but I would simply repeat that we're looking for signs of change, certainly when it comes to holding of hostages. We all know that we've had some major differences with Iran and the question of state sponsorship of terrorism. That's a given. Now we see a new leader coming in, and we hear different signals coming out of Iran -- some in the old mode and then some that offer more hope. And so I will just leave it stand that a clear and good signal would be the release of American hostages, and there are many ways that countries who are estranged can get back together, from diplomatic relations or a wide array of other things. So I just hope that the positive signs prevail there, because there are some, and they are encouraging.

Look, we don't have to be hostile with Iran for the rest of our lives. We've had a good relationship with them in the past. They are of strategic importance. They would be welcome

back into the family of law-abiding, non-terrorist-sponsoring nations. But I just would repeat that I'd like to see that kind of change go forward, positive change.

War on Drugs

Q. As you formulate your drug plans, Bill Bennett comes up with his proposals to you, how do you feel about the possibility of penalizing Latin American countries which fails to cooperate with us in stemming the flow of drugs from Latin America?

The President. I wouldn't be opposed to that, provided they were able to cooperate with us. I mean, you take a country like Colombia, and I am convinced that President Barco wants to cooperate. But his country has been ripped asunder by the drug cartels. And you've had supreme court justices slain; you've had people hunted down in Eastern Europe from Colombia and killed.

And so I think there has to be some measuring of intention before you paint with an extraordinarily broad brush and say,``Hey, drugs are coming in from your country, and therefore we're going to cut you off." And so I would hope that we'd have much more enlightened diplomacy or enlightened foreign policy than to isolate every country, even though that country was trying to do something about drugs at the source.

Q. But are there some countries out there which are not cooperating, and which you're actually thinking about penalizing economically?

The President. Well, no proposal has come to me now, but there's been some, as you know, John [John Cochran, NBC News] -- there's been a lot of suggestions on Capitol Hill about this. But I feel a certain responsibility to look at the problems that are facing some of these countries with limited armed forces of their own, with very complicated insurgencies in their countries, and to formulate a foreign policy that takes these things into consideration.

Extradition of Sheik Obeid

Q. Mr. President, back to Sheik Obeid for a moment. In light of his reported role in the kidnaping of Colonel Higgins, would it not be the appropriate step for the United States to convene a grand jury and to pursue a possible criminal indictment against him, and then for the administration to go forward with an effort to extradite him to this country?

The President. Well, if the justice system goes forward and there is an indictment against him, I would be remiss if I didn't try to see him brought to trial.

Q. Well, sir, can't you take the lead in that and encourage the Justice Department to proceed -- --

The President. I put it just exactly the way I want to put it. [Laughter]

We've got to get to the back of the room here. Yes?

Hostage Situation in Lebanon

Q. Can you explain why you have not retaliated for the murder of Colonel Higgins?

The President. Retaliated for his murder?

Q. Yes, sir.

The President. If I could find some action -- diplomatic, military, private sector, public sector -- that I thought would help get the hostages out or guard against future hostage taking, I would take such action. Military action -- I'd like to know that what action we took was not going to victimize a lot of innocent people. And I'd like to be sure of all the facts before taking action on the Higgins case. And I wish I could tell you we had all the facts, and we don't.

So when you look at the action that the United States can take, I don't want to be responsible for the loss of innocent life. I also would have to weigh, if we considered military action, the lives of the Americans that were being asked to carry out that action. So it's just not clear yet. But if I could find a way to take those hostages, get them and bring them out, and that required using the military force of the United States, make no mistake about it: I would do it in an instant.

Yes, right in the back. Do you have a followup?

Q. Yes. May I ask what you're doing to increase the intelligence that would let you do something like that? Have you ordered the CIA to try to get assets in Lebanon?

The President. Well, the problem there is it takes a long time. And I do think that the period that we went through quite a few years ago has resulted in less human intelligence than is necessary to come to grips with something as murky as hostage holding. And so I'd like to do more, and the various agencies know of my interest in this, but I don't want to hold out the wrong kind of hope that you can say let's get more agents, more intelligence of the human source and that that happens overnight. It just doesn't work that way.

Yes? Way in the middle, in the back. Yes, sir?

War on Drugs

Q. Mr. President, you've told us you are going to expand vastly the fight against drugs. Are you

willing to raise taxes to pay for that?

The President. We're not going to have to, but we are going to expand Federal expenditures.

Q. A followup on that, Mr. President. If you're not going to raise revenues to fight the drug war, where are you going to get this money? Can you tell us specifically from -- --

The President. Stay tuned -- we will show you in September how we're going to allocate the resources for this.

Q. But as I understand it, this money will have to come from other Federal programs now being funded. Can you tell us specifically where this money will come from?

The President. Not yet. No, I can't tell you yet, because the final decisions haven't been made. But we will have to do some reallocation of resources; there's no question about that.

Situation in Panama

Q. Mr. President, is Panama -- going back to Latin America for a minute -- on September 1st, there will be an inauguration of the candidate that Noriega supported, effectively institutionalizing what the U.S. considers a stolen election. What is the U.S. going to do now? Are we going to be limited to these kinds of skirmishes that we saw last week, these arrests of one side or the other, or is there something else?

The President. I don't know for sure what we're going to do. Part of our understanding of the OAS agreement was that Noriega would be out. And I'm not holding my breath on his voluntary departure, but -- and I have told Mr. Endara, who was duly elected by the people of Panama the other day, that we will continue to support what the people of Panama voted for. But it's still rather murky as to what will happen beyond September 1st. There are some hints that possibly there will be a transfer. Let me just simply say this: I would reiterate that our argument is not with the Panamanian Defense Forces; it is with Mr. Noriega himself. And that if he were to go out, and that you had the will of the people recognized, we would instantly have better relations with Panama. It would be good for our country, and certainly it would improve life for the Panamanians.

Federal Budget

Q. Mr. President, in the past you've said that the budget is very tight; there's not much room at the Federal level for spending. Now you say that resources are going to be reallocated. Doesn't that signal some hard times ahead for the military or the social programs, or both?

The President. Yes. We're in a period of hard times in the sense that we don't have all the money

that we would like to spend in several areas. So, it isn't easy. And I am determined, though, to get this Federal budget deficit down, and to live within the Gramm-Rudman targets and to do it without threatening this long expansion by raising taxes on the American people.

Q. You've made no final decision on what programs are going to get the pinch on -- --

The President. No. The OMB is working on that right now.

War on Drugs

Q. Because the last administration also made the fight against drugs a major priority and yet drug interdiction efforts have not slowed the distribution of crack cocaine, people in the country still think drug abuse is a very major problem. What can you do differently now that you're President than the last administration or even prior administrations to turn this problem around?

The President. Well in the first place, we're formulating a national drug strategy, and though we've approached in previous administrations -- we've approached various parts of it -- this will be a rather comprehensive national strategy. You point out the bad side of it, and it is horrible -- no question.

There is a little bit of good news out there, and that is that the decline -- a serious decline in the amount of casual use of cocaine has taken place. This encourages because I think with better emphasis on education, we can do more on the demand side. On the interdiction side, we are going to have some specifics in that that I think will help get to the problem at the source. So, you learn. I salute the interdiction people who have done a good job, but we're just trying to improve on it, make it better.

Q. I know there's talk about using military assistance to provide to Colombia, Peru, and Bolivia to help cut down on drug trafficking. Can you tell me if you would consider deploying U.S. troops in these countries to help in that effort?

The President. Well, I have said previously, way back in the campaign, that I would give serious consideration to an invitation from countries to help them. And I'll tell you what I found at this G - 7 [economic summit participants] meeting. It was a very interesting -- from several of the European leaders, the feeling that maybe we ought to have some kind of international effort to help countries in this regard, going after people where -- in a country, at the invitation of a government of a country, people that have been out of the reach of the law enforcement of the country itself, of the Government.

So we have no specifics on that at this point, but generally speaking, we have used military assets, as you know. We've used helicopters, for example, in I believe it was Bolivia and perhaps Peru. And we're interested in all of this. But I don't think you can inflict force on a country, and I

wouldn't want to be a part of that at all.

Iran-U.S. Relations

Q. Mr. President, you talked about some conflicting signals coming out of Iran as a result of your diplomatic efforts.

The President. Well, I'm not sure it's a result of it, but there are conflicting signals coming out of Iran.

Q. Perhaps coincident with your -- --

The President. Okay.

Q. -- -- diplomatic efforts. I'd like to ask, do you believe that President Rafsanjani is firmly in charge in Iran, and how long are you prepared to give this diplomatic process before trying some other means or effort?

The President. Well, please elaborate. What do you mean ``before trying some other means''? I'm not sure -- --

Q. Well, there are those who believe that there should be stronger military messages sent.

The President. I don't know the answer to your first part of it, and I don't know any expert in this government that does. I had a meeting with various agency experts on Iran, and I think the jury is still out as to what has happened internally there in Iran. I think all our experts feel that there are some hopeful signs, and I would cite some of the comments by Mr. Rafsanjani. And then you've seen some countersigns, one as recently as yesterday, by Mr. Khamenei. And there are others -- their Interior Minister, who seems to be very hard over.

So, I think we don't know yet. We don't know how it is sorting out. But again, I would go back to the earlier answer, that that's fine. That can move forward. But if I find some other channel or action that would get our hostages out of there, I wouldn't wait on sorting out the internal affairs of Iran.

Q. If I can follow, though, just how long are you prepared to wait, and would you consider stepping up military pressure in this process? And to what extent do you hold Iran responsible for the safety of these hostages?

The President. Well, again, we're trying to sort out -- there certainly -- I think that if Iran decided they wanted those hostages to come out of there, there would be a good likelihood that that would happen, perhaps not with certainty, but a good likelihood.

And so, as you know, the position of the United States Government has been that Iran and a couple of other states have been involved in the state sponsorship of terrorism. And so I don't think it's a question of how long, it's a question of not -- in my view, it's a question of exploring every avenue to get these people back and recognizing that at some point we have to stand up for our interests, even if it means military. And yet I'm not threatening military action because I've told you some of the constraints on authorizing military action.

Interest Rates

Q. Your Budget Director has said over the weekend that the Fed [Federal Reserve Board] ought to be a little bit less concerned about inflation and more concerned about recession, and perhaps let loose on interest rates. Do you agree with that?

The President. Listen, I don't know of any President, now or in the past, who doesn't favor lower interest rates. That is the American way. [Laughter] But you also have to be concerned about inflationary pressures. I thought what Dick Darman said was very balanced and very -- I can feel very comfortable with his sallying forth and saying that. And I think I've said essentially the same thing in the past.

Q. Mr. President, Mr. Darman also suggested that the Fed might be responsible for any recession down the road if interest rates don't come down. Do you agree with that, sir?

The President. Well, I'd like to go back, because I don't recall that part of it, and take that under advisement and let you know at a later date. [Laughter]

Situation in Lebanon

Q. What is the United States doing, if anything, to try and stop the destruction of Beirut that is underway? Is it a fear that if the Syrians succeed in driving the Christians out, that will seriously set back any progress that's been made on settling the West Bank and Gaza problem?

The President. The answer to your last question is yes. And the answer to the first part is: Joining others in calling for a cease-fire and the withdrawal of all foreign forces; support for the Arab League mission, which regrettably has hit an impasse right now, but encouraging those three countries involved to reenergize that initiative; joining where we can -- I had a long talk with the Secretary-General [Perez de Cuellar] to see what role the United Nations can play, and indeed, I might take the opportunity to thank him for his timely dispatch of his emissary to the Middle East, although that wasn't a mission about Lebanon. It had to do with Colonel Higgins. I was deeply appreciative of his taking that action.

And so, we're in a very complicated situation in the Lebanon where I'm not sure any outside

power can do other than exhort people in the country to have this cease-fire and to withdraw foreign forces, and then to take a look at whatever constitutional change is necessary so you have a representation there that all factions in Lebanon can feel comfortable with. And it's a long process and, in the meantime, I am literally heartbroken. I've bored some of you with this, but I've been to the Lebanon when I was in business, and I recall it as the peaceful oasis in a then-troubled Middle East, and I saw Christians living peacefully with the Moslems. And someday again, I'd like to think that the Lebanon can be restored to that -- --

Q. If I could follow up -- there are reports that the United States does not want to pressure Syria to back off because we need their help to get the hostages out.

The President. That's wrong. I've never heard such a report. But if there's such a report you've heard, it is wrong.

General Manuel Noriega of Panama

Q. Mr. President, in an interview last week, I believe with Hearst Newspapers, you seemed to say that you would be willing to kidnap General Noriega to bring him to justice. Is that your policy, and would that be an appropriate thing for the United States Government to do?

The President. We have an indictment out against General Noriega for drug trafficking. I'm told that it's a good indictment, that it's an in-depth indictment. And I'm not saying what I would do or wouldn't do, but there was a case where a man named Jusef, I believe, Yunis, was apprehended and brought to justice. And I have an obligation to try to bring people to justice.

Q. Well, are there any constraints on what means you use, even though there's a legal indictment, or are there limits on what would be appropriate in enforcing such an indictment?

The President. There's always limits. There's always limits in matters of this nature. And the limits, as far as I'm concerned, are the lives, first, of Americans, and clearly innocent life. You've got to consider those things when you go about whatever it is, hostages or trying to bring Mr. Noriega to justice.

War on Drugs

Q. Mr. President, there has been some talk of sending the Green Berets to South America. Do you think -- --

The President. What was that question?

Q. Sending the Green Berets -- there has been some talk of sending Green Berets to South America. Do you think that the DEA is inept to do this job, and why?

The President. To do the job of helping at the source? Well, you'd have to look at it country by country, and then I could tell you a little more about what the problem is. Some of the countries are faced with enormously well-organized and financed insurgencies; some of them are faced with the most highly financed cartels, and so you'd have to look individually. DEA isn't big enough or strong enough to solve the problems in these various South American countries. They can help a lot, and in some areas they have been very, very helpful. But I don't think that the DEA alone can solve the problems of the cartels in Colombia, for example.

Q. Are you considering sending the Green Berets to South America?

The President. No, I'm not considering that.

Q. On the drug plan -- --

Mr. Fitzwater. Final question.

The President. This is the final question, Marlin says, pre-vacation question.

Q. Secretary Bennett has indicated that part of the drug plan is to hold casual users of drugs accountable. Given that many, many State prisons are overflowing, and indeed, the Federal system has no more room at the present time, what type of accountability are you looking for? Would it be jail time, or something short of that?

The President. Well, it depends what the penalty is for the crime involved. And the tolerance, though, of casual users or the excusing of one echelon of society for using drugs and then going after another is unacceptable in a national strategy. And so, I'd say we'd have to look at the individual case, but I think the day of tolerance for those who break the law in using drugs is over, and should be over. And so we will try to make the punishment fit the crime, if you will.

Thank you all very much. Listen, I hate to go, but I have to do it.

Q. What are you going to do on your vacation?

Felix Bloch Espionage Investigation

Q. What's on the -- about Felix Bloch, Mr. President? What about Felix Bloch?

Q. Do you have any political advice for Mario Cuomo?

The President. Let the legal process go on without a lot of hype. That's what I'd suggest -- on

Felix.

War on Drugs

Q. Are you a little concerned about raising expectations on drugs?

The President. No, I'm not, because I think the time has come to encourage every element of our society -- the teacher, the family, the local communities, the States, the Federal Government -- to pitch in. So, I am not. I think it is time that we recognize there is a major national problem. There are signs that some things can happen through education, like the decline of the cocaine use. And I think given that ray of hope, we ought to put on a full-court press, not just in the Federal Government but all across society, to try to solve this problem.

Q. But isn't your reputation largely on the line, given the promise you made at the inaugural?

The President. Well, more important than my reputation is that we solve this problem and we make progress against this scourge. So be it, and that's the way it is.

Note: The President spoke at 10:49 a.m. in the Briefing Room at the White House. Marlin Fitzwater was Assistant to the President and Press Secretary.

Memorandum on Ethics in Government

August 15, 1989

Memorandum to All Inspectors General of the Departments and Agencies

Subject: Ethics in Government

As a follow up to our meeting in late January, I wanted to reiterate my interest in and commitment to the highest ethical standards in government as well as my reliance on your vigilance to help me honor that commitment.

As you know, since we met, I submitted to the Congress in April legislation that would significantly revise federal ethics law to create a system that is reasonable and fair and yet upholds the highest standards of ethical conduct. I have now signed a message to the Congress transmitting another piece of legislation, one that would ban the receipt of honoraria by Members of Congress.

Even with adoption of these measures, I realize how much our system of ethical standards will still depend on the work of individuals, including particularly the specialists like you who devote their careers to the maintenance of high standards. We make every effort to select individuals of the highest integrity to work at each agency and to train everyone to understand what is required of them to uphold the public's trust. Nevertheless, your careful monitoring of agency activities and your diligence in investigating possible improprieties is essential both in ensuring that employees adhere to scrupulous standards and in ascertaining the facts and seeing that justice is done when employees fall short of proper conduct.

I know I can count on you all, and I thank you.

George Bush

Nomination of James R. Locher III To Be an Assistant Secretary of Defense

August 15, 1989

The President today announced his intention to nominate James R. Locher III to be an Assistant Secretary of Defense (Special Operations and Low Intensity Conflict). He would succeed Charles S. Whitehouse.

Since 1978 Mr. Locher has served on the professional staff of the Senate Armed Services Committee. Prior to this, he served as an operations research analyst in the Naval Forces Division of the Office of the Assistant Secretary of Defense for Program Analysis and Evaluation, 1974 - 1978, and an operations research analyst in the Mobility Forces Division of the Office of the Assistant Secretary of Defense for Program Analysis and Evaluation, 1968 - 1972.

Mr. Locher received a bachelor's degree from the U.S. Military Academy in 1968 and a master's degree from Harvard Business School in 1974. He was born August 21, 1946. Mr. Locher resides in Springfield, VA.

Memorandum on the Leadership of the Combined Federal Campaign

August 15, 1989

Memorandum for the Heads of Executive Departments and Agencies

As I have said on a number of occasions in the past, I see Federal employees as the unsung heroes of America. One of the ways they have shown their heroism over the years is in their generosity to others by their participation in the Combined Federal Campaign. This generosity is exemplified not only by the many thousands of employees who contribute to the campaign but especially by those who show their support by taking leadership roles in the conduct of the campaign each year. That is what I am asking of you, to become part of the tradition of voluntary giving by Federal employees through your leadership of the Combined Federal Campaign.

Secretary of Veterans Affairs Edward J. Derwinski has agreed to serve as Chairman of the 1989 Combined Federal Campaign of the National Capital Area. I am asking that you support Secretary Derwinski by personally serving as Chairman of the Campaign in your agency and appointing a top official as your Vice Chairman. Please confirm with Secretary Derwinski your willingness to serve and provide him with the name of your designated Vice Chairman.

As you know, your leadership is key to the Combined Federal Campaign, and your personal interest, visible support, and participation are essential to a successful 1989 Campaign. I know that you will make a special effort to encourage all of your employees, both in the Washington, D.C. area and in all of the Combined Federal Campaigns worldwide, to support the campaign.

George Bush

Note: The memorandum was released by the Office of the Press Secretary on August 17.

Statement on Signing the Bill Allowing Federal Government Retirees To Work Temporarily on the 1990 Census

August 16, 1989

I am pleased to sign into law today H.R. 1860, a bill that will help assure that we have the best possible people conducting the 1990 census. The bill allows government retirees to work temporarily on the census without having their pension benefits reduced. With this change in the law, the Census Bureau adds two million qualified people to the pool of possible temporary employees for the 1990 census.

These former public servants bring with them a wealth of experience that will make them effective census workers. They will also bring to these jobs a demonstrated commitment to public service, based on their long careers in government. They are people who understand and respect the public trust and will serve us well in helping to carry out this most important undertaking. This law makes sense and is good public policy. It allows us to use the best people we can find to help us with the 1990 census, an activity that is at the heart of our constitutional democracy.

George Bush

The White House,

August 16, 1989.

Note: H.R. 1860, approved August 16, was assigned Public Law No. 101 - 86.

Memorandum of Disapproval of the Bill Waiving Enrollment Requirements for the Financial Institutions Reform, Recovery, and Enforcement Act of 1989

August 16, 1989

I am withholding my approval of H.J. Res. 390, which waives the provisions of the United States Code requiring the printing by Congress of H.R. 1278, the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. H.R. 1278 was presented to me in printed form and I have signed it into law.

Accordingly, H.J. Res. 390 is superfluous. Under these circumstances, it seems best for me to prevent H.J. Res. 390 from becoming a law by withholding my signature from it.

George Bush

The White House,

August 16, 1989.

Remarks at a Campaign Fundraising Luncheon for Ileana Ros-Lehtinen in Miami, Florida

August 16, 1989

Thank you, Ileana, and thank all of you for that warm welcome. What a pleasure it is, an uplifting pleasure, to be with the next U.S. Representative from Florida's 18th District. I'll tell you, I heard my friend Tom talk about a 2-week campaign. I don't believe there is such a thing as a 2-week campaign. But sure enough, that's what we're facing and why I want to thank each and every one of you for making a significant contribution to this campaign.

This is exciting. And it's grassroots, and you can sense a ground swell for our outstanding candidate. And the people of Dade County are going to turn one great Florida State senator into one great United States Congresswoman. I see my friends Bill Grant and Craig James and Mike Bilirakis here today. They need company; they need it bad in the United States House of Representatives. And so, I want to see her as the 11th member of an outstanding Florida delegation.

You know -- she pointed it out, Ileana did -- this is my first and last stop before going to Maine. And there aren't many things that are important enough to delay a vacation. I think we'd all agree on that. [Laughter] But electing Ileana Ros-Lehtinen to Congress is surely one of them. And anyway, it was right on the way -- [laughter] -- as she pointed out. And it is a pleasure -- I mean it -- it really is a pleasure to be here. And indeed, in a sense, it's, for me, like a -- I won't say high school reunion, but like a reunion -- seeing so many friends and so many people to whom I'm personally indebted for their political support. And of course, it's a great pleasure to be with our -- and I say that for a purpose -- our outstanding United States Senator Connie Mack. What a job he is doing for this State and for our country.

And I'm pleased to see my friend the mayor, Mayor Suarez. I'm delighted that Jeanie Austin, who's brought her lessons as Florida's party chairman to the leadership role at the Republican National Committee -- I'm pleased that she came down with us. She left some big shoes to fill in this State that's on the move politically. But if anybody can do it, it's Van Poole, who I've known for many, many years. And he's doing a great job as our State chairman. I wish that my national cochairman, Bob Martinez, was here. But I understand he's on a development mission to Israel, and I wish for him a landslide reelection. You think of the redistricting, the importance of that, and it is vital.

I'm going to get in trouble if I single out all my friends at this dais or out in the audience, but I see Jorge Mas here. And all I would say to you, Jorge, is keep up your battle -- sometimes lonely, always principled -- for bringing truth to Cuba. I support what you are doing in terms of TV Marti, and we are not going to let the people down.

And I'd be remiss if I didn't mention my pal here, Alec Courtelis. I know some of you hate to see the guy -- [laughter] -- because every time you do, you're poorer. But the party or some good cause is richer. But nevertheless, I think I'd be remiss if I didn't say that, in my view at least, Alec was a large part in our being boosted to a 40-State victory last November. And, Alec, thank you; and thank you, Miami, too.

Every time I start this we get in trouble for those we don't have time to single out -- like what's-his-name, the old Republican Party chairman of Dade County, Jeb somebody. [Laughter] I called him and asked what I could do as President to help out during the final 2 weeks. He said I should fly to Miami at once and babysit his kids until after the election. [Laughter]

So this is an important election. The spotlight of the Nation is going to be on Dade County. I think you know that already. You can just feel it. You can sense it coming out of this primary season, as we move now 2 weeks before the general election. In our first 6 months, our administration has set out on a new course, sails filled with the new breeze that I talked about on the day I took office and launched upon the success of a great President whose name graces a Miami avenue not far from here: Ronald Reagan.

We've got plenty of problems around the world, but on the world scene, the United States stands tall and confident. We've recently returned from a successful NATO meeting, where we put on the table an innovative, imaginative program for conventional force reduction, which if we're successful -- and we're negotiating it with the Soviet Union -- will take a gigantic step to see that the world is going to be more peaceful for these young guys at this table over here. And that's a lot of what being a President is about. We've seen how democracy is surging forward around the world, taking roots in outposts like Poland and Hungary. The excitement I felt when I was in Poland and Hungary -- I just wish I could have shared it with everybody in this room.

And at home we've launched a series of bold proposals designed to make great cities like Miami places where every family can prosper: proposals to educate our kids, help clean up our environment -- air and water -- and in attacking crime and drugs, do nothing less than take back our streets.

If progress is to continue, and if we're to make this vision a reality for Miami and all America, then we need to send principled, tough, experienced legislators, like Ileana, to fight the battle in Washington. And we need, I might say parenthetically -- primary season over -- we need to send leaders like Miguel De Grande, Representative Lincoln Diaz-Balart, to fight the battle in Tallahassee. Do not forget the local level.

Let me click off a couple of examples as to why Washington is so impressed with Ileana. She's an effective teacher with a longstanding commitment to quality education. She's a smart leader, a veteran leader, with 7 outstanding years as a Florida legislator. We need experienced leaders like Ileana to win the war on crime and drugs, to maintain a strong foreign policy, and to help our

children and our elderly fulfill the fullest potential of their lives. Florida's 18th, represented so long by Claude Pepper, is no place for rookies. Ileana Ros-Lehtinen is the only one with the experience to get the job done.

I expect that the number one issue in Miami -- the number one issue, indeed, across America -- is drugs and the violent crime they spawn. A strong foreign policy, hopes and plans for our children and our elderly -- all our dreams and best intentions -- will be for naught if we cannot win the war against the thunder in the streets and the evil that men do. The answer calls for common sense. Every criminal in this nation must understand that if they commit a crime they will be caught. And if caught, they will be prosecuted. And if convicted, they will do time. We must enforce those three principles. The comprehensive battle plan that we sent to Congress seeks to rid our streets of the violent criminals with an attack on four points: new laws to punish them, new agents to arrest them, new prosecutors to convict them, and new prisons to hold them.

Now, we've called upon the States for a long time to back us up with matching programs of their own. And here in Florida, Ileana hasn't just been with us; she's been leading the charge. She's led the fight for increased penalties for those caught selling drugs around our schools, passed the Drug-Free Workplace Act, and toughened our bail standards.

The time for talk is over. Five police officers were killed here in Dade County last year -- five. And Ileana wants that Federal death penalty for Miami's drug kingpins. She supports my personal pledge that anyone who kills a law enforcement officer should pay the ultimate price.

In the fall, we're going to be unveiling a total -- first time -- a total national drug strategy, and this law enforcement package is going to be a part of it. But with crucial votes ahead in the Congress, this is the kind of uncompromising, experienced crime fighter that we need in Washington right now.

And I know Marvin Weinstein wants to see her leadership on crime taken to Congress. I understand his daughter, Hillary, is here. Marvin Weinstein was victimized twice -- once by the brutal murder of his daughter and once by a criminal justice system that kept his family out of the courtroom, treating the victims of crime as second-class citizens. Ileana -- she responded -- she responded with the victims bill of rights and the new victims amendment to the Florida Constitution. And today things are different in Dade County. The judge, in a long-delayed murder trial, ruled recently that Ileana's new amendment protected the victim's parents' right to attend. And they said: ``We finally got justice. After all these years, we finally know what happened." Ileana, you have made a difference in south Florida, and I think all of us are very grateful to you for that.

She knows that crime is not the only threat to America's society. She also knows the world as it really is when it comes to foreign affairs. With Cuba -- Castro's Cuba -- 90 miles away, she understands the horrors of totalitarianism. And listening to her, she also understands the

blessings of freedom.

And on the subject of totalitarianism, let me simply state: I think I know the agony of divided families and the concern that many here today feel about their beloved Cuba. And, yes, someday I'd like to see improved, yes, normalized relations with Cuba. But that cannot be, and it will not be, as long as Castro violates the human rights of his own people; as long as he, almost alone in the entire world now, swims against the tide that is bringing sweeping change and democracy and freedom to closed societies all around the world. As President, I will look for signs that Castro wants to move away from subverting his neighbors, move towards more openness, more freedom for his own people. But until I see demonstrable change, there will be no improvement in relations with Cuba. It simply cannot be.

Speaking of freedom, I want to recognize one special couple here, not just as Ileana's proud parents but as defenders of liberty who struggled against Communist tyranny. I saw them smiling back there when their daughter was speaking -- Enrique and Amanda Ros. Why don't -- Amanda, you and Enrique stand up now so we can see you. Some of you, not all of you, know the story, so let me repeat it here.

As successful American entrepreneurs, they've proven once again, like so many here today, that if you're willing to work hard America is still the home of freedom and opportunity like nowhere else on Earth. Ileana tells of how, in 1939, her grandfather took a small boat into Havana Harbor to rescue his cousin who was trapped aboard the SS Saint Louis, a Jew fleeing the Nazi Holocaust. Ileana's grandfather watched helplessly as the infamous ``Voyage of the Damned'' was turned away. And that's why her grandfather helped smuggle Jewish refugees out of Cuba when Castro's tyranny crushed freedom on the island, crushed religious freedom -- crushed all freedom.

Her experiences give her an increased sensitivity to the problems of all oppressed minorities, wherever they may be. She's a strong supporter of Israel, of free emigration for Soviet Jews, and of the freedom fighters who are battling Communist oppression in this hemisphere and overseas. And that is principle; that is tough leadership. And that is Ileana Ros-Lehtinen.

She cares -- you can feel it when you talk to her. Her concern for the helpless explains her focus on the needs of the children and the elderly. As a teacher and a mother -- two children ages 2 and 4 -- she knows the potential in our youth, and she's witnessed the heartbeat [heartbreak] of drugs and missing children and lost opportunities. Ileana's election will help enfranchise two of the most underrepresented groups in Congress: America's teachers and America's working mothers.

And concern for others is why she successfully sought passage of legislation designed to provide a program for intermediate care for the elderly, creating an alternative between total-care nursing homes and living alone without any help. For the people of Florida's 18th, her efforts in Tallahassee complemented Congressman Pepper's leadership in Congress. Ileana Ros-Lehtinen

will carry on the legacy of Claude Pepper: standing up for our elderly in Washington.

But standing here in Florida, our space program's home State, and hoping to boost the candidacy of a talented young American woman, we ought to take note of some auspicious signs. After I leave tonight, at just about sunset, a full Moon is going to rise out of the waves to the east and shine over Miami. But it is no ordinary full Moon, because anybody watching tonight will witness the magic of a total lunar eclipse, an event not seen on these shores in nearly 7 years. So, go outside tonight and take your children -- your grandchildren, some of you old ones. [Laughter] And with any luck and if the weather holds, I'll be up there on the coast of Maine, watching with four Miamians of my own: Colu, George, Noelle, and little Jeb. And as you enjoy the magic of a summer night and as you think about the magic of a lunar eclipse, think also about the magic of America -- a land where dreams come true, a land where anything is possible, a country without limits.

Ileana's dream is your dream. It's not a Republican dream or a Dade County dream; it's the American dream. And we've got 2 weeks left, so let's go out there and make that dream come true. Thank you. God bless you. God bless the United States of America.

Note: The President spoke at 1:09 p.m. in the ballroom at the Omni International Hotel. In his remarks, he referred to Florida State Treasurer Tom Gallagher; Congressmen Bill Grant, Craig James, and Michael Bilirakis; Xavier Suarez, mayor of Miami; Gov. Bob Martinez; Jorge Mas Canosa, Chairman of the Advisory Board for Radio Broadcasting to Cuba; Alec Courtelis, finance chairman of the Republican Party; Jeb Bush, businessman and former State secretary of commerce; Miguel De Grande, attorney and candidate for the State legislature; and State Representative Lincoln Diaz-Balart.

Statement by Press Secretary Fitzwater on the Proposed Foreign Acquisition of Three Divisions of Fairchild Industries

August 18, 1989

The President has decided against intervening in the proposed acquisition by Matra, S.A., a French firm, of three divisions of Fairchild Industries: Fairchild Communications & Electronics Co., Fairchild Control Systems Co., and Fairchild Space Co. These companies produce hardware and software for aerospace systems and spacecraft.

The President based his decision on the results of the investigation by the Committee on Foreign Investment in the United States (CFIUS), chaired by Treasury Secretary Nicholas F. Brady. That investigation was undertaken to give the U.S. Department of Commerce time to assess Matra's system for controlling the export of sensitive technologies. In consultation with the Department of Commerce, Matra developed a comprehensive export control management system that was deemed satisfactory. The President decided that these steps provide adequate safeguards to protect sensitive technologies from unauthorized transfer outside the United States.

The Matra-Fairchild investigation was conducted pursuant to section 5021 of the Omnibus Trade and Competitiveness Act of 1988. That provision, known as the Exon-Florio provision, authorizes the President to investigate and, if necessary, to suspend or prohibit a proposed foreign acquisition of a U.S. business engaged in U.S. interstate commerce. The criteria to suspend or prohibit a transaction are that the President must find:

-- credible evidence to believe that the foreign investor might take actions that threaten to impair the national security;

-- that existing laws, other than the International Emergency Economic Powers Act and the Exon-Florio provision itself, are inadequate and inappropriate to deal with the national security threat.

Statement on the Assassination of Luis Carlos Galan and Colombia-United States Relations

August 19, 1989

At this time of grief for the people of Colombia, suffering from a wave of assassinations of judges, police officials, and most recently Luis Carlos Galan, a leading candidate for the Liberal Party's Presidential nomination, I express my heartfelt sympathy and give you my prayers. I also offer my condolences to the families of the victims of these heinous crimes. We in the United States should not forget that others are paying very high costs for the unchecked rampage of the international criminals trafficking in cocaine and undermining the lives of law-abiding citizens.

Last night President Barco announced a number of actions aimed at narcotics traffickers including the reinstatement of the extradition treaty between the U.S. and Colombia, which had been suspended by the nation's courts. He is using his powers under Colombia's state of siege to do so. I welcome this courageous move by President Barco. The U.S. is ready to coordinate the extradition of these criminals as expeditiously as possible. I have instructed the Departments of State and Justice to begin working on this immediately.

I am considering alternative ways to do more for the Andean countries in connection with the national drug strategy which will be presented in 2 weeks. I am ready to meet with President Barco at the earliest convenient moment to consider a coordinated approach to this problem.

In such difficult times democratic nations faced with common threats to their national security must stand together. Today, we stand together with Colombia. The narco traffickers who again have robbed Colombia of a courageous leader must be defeated. Colombia must know that we stand by its efforts to move aggressively against these criminals who seek to destroy both our societies.

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President Virgilio Barco Vargas of Colombia

August 21, 1989

The President this evening called President Barco of Colombia to express his condolences for the loss of Presidential candidate Luis Carlos Galan and so many leaders of Colombia. The President assured President Barco of his strong support and expressed his admiration for the steps he has taken to restore law and order. He reiterated the United States intention to render appropriate assistance as rapidly as possible. President Barco indicated he had read press speculation about the use of U.S. troops in Colombia. He affirmed to the President that U.S. troops would not be necessary. The call took place at 8:06 p.m. e.d.t.

The President's News Conference

August 23, 1989

The President. Nice to see you all. Thank you for coming. First, let me just -- we'll get started here. I'm glad our Chief of Staff John Sununu is with me, and Bob Gates, Brent's able right-hand man in the National Security Council. You all know Marlin Fitzwater, our Press Secretary.

For Barbara and me, this has been a delightful vacation, a place that we love very much. And I know that there's a lot of interest in her health. She went down yesterday to have her eyes checked, and you probably saw her playing tennis on the way in. So, she's feeling very well indeed, and the medicine that they've suggested for her should take the pressure off her eyes a little bit. And the doctors tell me that this is expected when you're being treated for Graves disease, but she's doing just fine. And I don't know whether she's winning or losing down there, but nevertheless, we'll find out.

But this has been a total vacation -- I am staying in touch with some foreign leaders and, indeed, with current events. And tomorrow I'll host Prime Minister Schluter of Denmark, an old friend -- he and his wife coming by. And I expect we'll be talking on NATO-related matters. And then next week, we'll have Prime Minister Brian Mulroney of Canada, his wife, and his family here. And that will be a visit with an old friend, and I expect that we'll be talking on not only NATO matters and matters of trade but on matters of environmental concern as well. So that will probably be the total visits. We may have some of my own Cabinet up here next week to discuss the narcotics program, but that is not finalized at this point. But the Chief of Staff is working on that, and I expect we will have a national drug policy meeting here next week.

All right. I'll be glad to respond to questions.

President's Vacation

Q. Mr. President, you have this wonderful home, a beautiful cigarette boat, and yet the average Mainer makes about $14,000 a year. And I was wondering if you could tell us how you manage to stay in touch with the average man's realities.

The President. Well, I do my very best. I've got a lot of friends from all walks of life. And there is a little tendency in this job to get isolated, but you -- --

Q. We see you riding the boat every night on TV and playing tennis and having a great time.

The President. But I don't think people feel anything other than that isn't it nice to have a good vacation. And I try to have as much contact as I can.

Q. Do you think the average Mainer can afford to have a vacation like you have, sir?

The President. I don't think so. I'm very privileged and lucky in that regard, but I also don't think the average Mainer begrudges me a vacation of any kind. In fact, the response from the townspeople here has been just the way it's been for the 64 other years I've been here -- very good. They're just wonderful.

War on Drugs

Q. Mr. President, we know that you're working on a drug policy, and there's concern among the Maine congressional delegation that this policy is going to center more on urban areas, to the expense of rural areas such as Maine; which is fast becoming a favorite port of entry for drug smugglers. And crack and cocaine is already showing up on our streets here. Can rural areas expect help from you in the fight against drugs?

The President. It is a national strategy, a national policy, and that certainly would include urban and rural America. The most heavily impacted crime areas are the urban areas. Incidentally, this isn't a program just of what Federal money can do. This is a program that is national in scope, and communities and individuals are going to be called upon to do their utmost to help. Most of the solution to the problem lies at local levels, at State levels. Federal Government has, certainly, important responsibilities in interdiction and in other areas, but I will be encouraging all Americans to pitch in in whatever way they possibly can to help in this menace.

Q. Will there be money, sir? Will there be money coming to areas to help us?

The President. Yes, there will be some money, but it's not going to be the question of the Federal Government sending money to every community. That's not the way this problem will be solved, and most Americans understand that.

Q. Mr. Bush, in northern Maine at the Canadian border last year there were 28,000 illegal incursions into the United States. The Border Patrol figures they can account for about a third of them, but the border's basically wide open. Can your drug program address the problem of short -- personnel protecting the borders?

The President. It will address that problem to some degree, and there will be a stepped-up increase in funds on the interdiction side.

Chief of Staff Sununu

Q. Mr. President, turning to the Middle East for a moment -- and I'm from New Hampshire, so I'm, of course, interested in our former Governor as well. A couple of years ago, he told me that -- he cited his prominence as a Lebanese-American as a way of helping to promote peace in the

Middle East. Now that he's your Chief of Staff, what role has Governor Sununu played in trying to promote peace or help you carry out your initiatives in the Middle East?

The President. Well, Governor Sununu is, of course, very interested in this question, working closely with the national security people, Defense Department people, our Secretary of State, our State Department people. He sits in on every National Security Council meeting. He is a top adviser on this and a wide array of other subjects.

Now, I feel a certain frustration about the Lebanon because we have not been able to be a catalyst for peace. We have urged a cease-fire; we have urged a withdrawal of all foreign forces; we are available to consult with the individual parties, and they know that. I've been in consultation past periods with the President of France, with the Secretary-General of the United Nations, and with others -- His Holiness the Pope. And it is a problem that is plaguing the civilized world. But Governor Sununu knows the area well and is respected by the people that are involved in the sense of the Israeli side, the Lebanese side, the Syrians. And so, it's useful to have somebody that is sensitive about that area.

Flag Desecration

Q. Mr. President, I noticed you have the flag flying, and the American flag has been in the news recently. Our two Senators, Mitchell and Cohen, support a statutory approach to protecting treatment of the flag. And you've been backing a constitutional amendment. Could you support a statutory -- --

The President. Well, I'm advised that the statutory route would not get the job done. But I -- --

Q. Why?

The President. Well, because I think the recent Supreme Court decision challenged the constitutionality of the law that prohibited desecration of the flag. So, I'm delighted that the Senators are supporting legislation because I think everybody, most Americans, are concerned and would like to see the flag protected -- so that's very positive. But my concern is that our attorneys say that the legislation won't do the job.

Maine Mental Health Commissioner

Q. The State Mental Health Commissioner, Susan Parker, has come under serious scrutiny here in Maine for her handling of crises at the Augusta Mental Health Institute, including patient deaths. I'm wondering if you could tell us: What job is she being considered for in the Health and Human Services Department, and why are you considering her?

The President. Well, I'm sorry I can't tell you about that. I just don't know about Miss Parker.

Situation in China

Q. Mr. President, about China -- --

The President. What part of Maine are you from? Go ahead.

Q. From Kennebunkport, of course. [Laughter] Anna Chennault [chairman, National Republican Heritage Group Council] is in China, and she is reported to have taken a message from you to the Chinese leadership. And the Chinese News Agency said that she's told them that if they want to have a military crackdown on their protesters, that's their own affair, or something to this effect. I want to know if you did send a message or anything like that with her, or anything about, for instance -- [dissident] Fang Lizhi was also mentioned as being something that she was supposed to carry a message about.

The President. No, there was no such -- I hadn't heard that before now, Rita [Rita Beamish, Associated Press], and I did not ask her to convey any message to the Chinese. We have our own diplomatic avenues through which to do that.

Lobster

Q. Mr. President, what do you think a fair price for a pound of lobster is?

The President. I don't know. Can't give it to you.

Auto Emission Standards

Q. Mr. President, the Northeastern States want to adopt an emissions standard for older cars, and they'd like to see that happen federally. Is that something that you would support?

The President. To do what now?

Q. Emissions standard for older cars -- the California air emissions standard for automobiles.

The President. Well, I would leave the States to set that, but we have a clean environment program that I think will do a lot to clear the air that comes from auto emissions. And I still feel strongly about the need for alternative fuels as a way of solving this problem.

Governor McKernan of Maine

Q. Jock McKernan stuck with you through thick and thin on the campaign trail. Do you feel a

certain obligation to him? Do you feel like -- --

The President. I feel a certain high regard for Jock McKernan that is undiminished. We've been friends for a long time, and, yes, he did stand with me, and I will work hard not to let the man down, or the State down.

Federal Fiscal Restraint

Q. Mr. President, the Maine State budget has gone up $600 million in the last 3 years, and Mainers are heavily taxed. What kind of support or encouragement can you give them?

The President. Try to keep the Federal budget from going up like that percentage-wise, hold the line on Federal spending as much as possible, and that isn't easy. But we are in the longest expansion -- almost the longest expansion in the history of this country, and generally speaking, the economy is doing pretty well. And the best thing I can do to help a problem of that nature is to get the Federal fiscal program better under control. And that isn't easy, because every time you turn around, somebody's got some other way to spend the taxpayers' money on some new program. So, the best relief for the States is to have a Federal Government that gets its deficit down, and that's what we're striving mightily to do.

French Role in the Middle East

Q. Mr. President, there is apparently an Air France airliner en route to -- being hijacked to Tunis. What can you tell us about that? Do you know if there is a connection with the French military movements in the Mediterranean? And the big question, sir, is: At the very least, haven't the French complicated your life and the hostage situation by sending the carrier group there?

The President. No, they have not. And let me just say, I've just gotten a report, so I don't know the details of the hijacking. We've had a report from our Situation Room on that just a little while ago, so I can't help you with any details. But look, the French have had a longstanding interest in Lebanon. They have tried to be a catalyst for peace in Lebanon. As I indicated earlier, I've talked to President Mitterrand -- not in the last few days, but about this question. They have a lot of French citizens in that corner of the world. They made clear that the movement of ships were to protect their citizens. And so, I am not about to criticize the French for what they are doing.

President's Security

Q. You're no doubt aware of the debate in the State, and especially in Augusta, about how to pay for local security costs when you're here -- --

The President. Yes.

Q. Isn't that something the Federal Government ought to be picking up?

The President. Well, I think there's a move in the Congress to assist in that, and I would like to see the Congress move on that. There's no question that there's a security burden placed on this small community here -- and, indeed, some of the surrounding communities -- by the presence of the President. And I think the Congress should do that. And I would say that Senator Mitchell has taken the lead on that and I expect there will be congressional action.

Seabrook Nuclear Power Plant

Q. Mr. President, it's been 3\1/2\ years since the Seabrook nuclear power plant has been completed. It's still not on-line. The country is searching for an energy policy. How important is it to you that that plant become operational -- full power?

The President. I remain a strong supporter of safe nuclear power. And I'm not up to speed in the last few weeks on the Seabrook, but I made very clear that in my view, if the Nuclear Regulatory Commission found that the plant could be operated safely and that there would be the proper evacuation procedures, that it should go forward; and I'm not going to change in that. We have a very able Secretary of Energy, Jim Watkins, who is formulating a national energy plan, and I am confident that a part of that plan will be the safe use of nuclear power. And besides that, for all of you environmentalists out there, it's a good thing also. You're not polluting the air with it.

Polish Political Reforms

Q. Mr. President, on Poland. There's at least some circumstantial evidence that Mr. Gorbachev told the Polish Communist Party to back down and work with Solidarity to form a government. Does it seem to you that the Soviets are playing a helpful role in the current situation in Poland and in the formation of a government there?

The President. Well, certainly, in assessing that, it does. I expressed the U.S. view, I think, quite clearly when I was in Poland. There's a lot of change taking place; the change is dynamic. It will be far-reaching. There will be bumps in the road as these countries move towards more democracy -- there's no question about that. But I felt that the statement that I saw attributed to Mr. Gorbachev was very positive in this regard -- very.

Situation in Colombia

Q. Back to a question about Colombia. Can you give us an update, please, on the extradition efforts, and could you tell us what you hope these efforts will lead to as far as the long-term impact in Colombia?

The President. In the first place, let me take that question to say that I have great respect for what President Barco is trying to do. And I did have a phone conversation with him from here just the other day. And it is a tough problem that he faces. And I am convinced that he is determined to whip the problem, to beat it, and to free his country from the grip of the drug cartels. And on the extradition, there's a period of time now in which the Supreme Court of Colombia can override him. But I am hopeful that they will see that extradition should go forward. We have a list of people that are key kingpins, you might say, that we'd like to see extradited and brought to justice for their violation of United States law. And I think we're in a position where it's -- right now, we just have to wait and see what happens. But I would like to hope that the process will go forward along the lines that President Barco wants to see it go forward.

Q. Any feel, sir, for how much time will pass before the first drug lord might actually be brought to the United States?

The President. No, I don't have any last-minute feel on that.

Administration Accomplishments

Q. Mr. President, reflecting on 8 months in office, what do you feel you are most proud of and what is your greatest disappointment?

The President. Dave [David Hoffman, Washington Post], I think in -- I don't know that it's a question of pride in something. I mean, I try not to measure my Presidency by personal pride or in personal wins or personal losses -- who's up, who's down, victory or defeat. But I think we have a good team in place, a strong Cabinet. I like the way the government process is working in the executive branch. I certainly have some pride in that -- in my Cabinet-mates, as you will. I hope that we are handling the important foreign relationships in a prudent fashion. I've tried to do that in Eastern Europe. I think we're trying to handle a very complicated situation in Asia, the Chinese relationship, in that manner.

And so, I enjoy that part of this job. But it's too early to take pride in accomplishment; I'm really just beginning here. And so I think in disappointments, I would like to have seen quicker action out of Congress on some things, some appointments, for example -- of our appointments -- good, sound nominees that are being held up. And I would challenge the Senate to move briskly forward on those when they come back. I would like to see quicker action on our overall budget, and I think that we will move fairly fast on that when we get back. I'm delighted that we've gotten the savings and loans bill through, but I'd like to have seen quicker action on that one. But nevertheless, there was some give-and-take and it worked out. So, I guess the jury is still out and I'm -- it's still early to answer.

Q. Seventy-five percent of the American public says they love you and they think you're doing a great job. Are those some of the reasons why you think they think you're great?

Mr. Fitzwater. Is this a trick question? [Laughter]

Q. You got a larger popularity ratio than Ronald Reagan ever had. Yet you've had critics that have said you haven't acted fast enough on Valdez or things like that. Yet the American public says you're the most popular President of all time.

The President. Thank you for asking that question. [Laughter] No, but these things do -- no, it's interesting and it deserves a serious response. And I -- some of it is my wife. Some of it is the fact, I think, people see that we're trying hard. It's fundamental values. Some of it is that I've tried to calm things down and work with Congress.

But these things change. You know, these polls -- look, you're looking at a guy who was standing on this lawn about a year ago at this time and -- I think it was -- some of you -- I know this guy was here -- and the numbers were quite different and a different setting, a different situation. What goes up can come down, and I'm well aware of that. So I don't make too much of polls. I don't make too much of them.

But I must say that I think there's a good feeling in the country about our institutions now, quite a change from 20 years ago. And you go as President downtown or anyplace else around here or across the country -- North Dakota -- and I sense it, I feel that. And it's not personal; I think there's a recognition as the people look around the world that we're lucky in this country. We've got problems; we've got enormous difficulties. But they sense the strength of the United States, and they see world events coming our way. And a farmer in Kansas that's hurting or a Maine individual who may be below the average in terms of income may be concerned about that, but senses that freedom and democracy are on the move and that the United States is respected around the world in spite of some difficulties. And so maybe some of that is why things are -- make it appear that I'm not doing too badly.

Murder of Colonel William R. Higgins

Q. Mr. President, what about the situation again with Colonel Higgins? Given everything you've said, there is a perception on the part of some of weakness. Directly, will his murderers ever be punished?

The President. If we can find them, yes.

Canada-U.S. Free Trade Agreement

Q. Mr. President, on the question of free trade, you're going to be meeting Prime Minister Mulroney over the weekend. There are some lobstermen concerned that if we set a higher minimum size for lobsters, the Canadians will catch smaller ones and flood our market. Is that

something we can do anything about? Is that something you'll be discussing with the Prime Minister?

The President. It could be. Whether it will come up with the Prime Minister, I don't know. But it is something -- a matter that our trade people -- Commerce and our very able USTR, Carla Hills, have discussed with the Canadians. But I'll have to get thoroughly briefed on that because I'm not sure exactly where that matter stands today.

Abortion

Q. Polls indicate that Maine will remain a prochoice State despite the Webster decision. Since this is one of your home States, how do you feel about that? And will you back any efforts to target Maine to change that?

The President. Well, my position is well-known on the question of -- I've just come down after a lot of soul-searching on the side of life. And my position is very clear nationally, and I know that different States have different laws on this, but I am not going to change one single bit. And if that helps convince others around the country that the prolife position is correct, so be it and so much the better as far as I'm concerned. But I certainly don't intend to try to dictate to each State what that State should do in terms of State law.

Situation in Colombia

Q. Mr. President, back on Colombia. In the statement on your telephone conversation with President Barco the other night, you said that appropriate assistance would be rendered as quickly as possible. President Barco said he doesn't need U.S. troops. What kinds of things can the United States do?

The President. Well, we're in discussions with Colombia on that right now, as a matter of fact, today in Washington. And I'll have to wait and see what they feel would be most helpful to them.

But they have enclaves of these narco traffickers. They might need certain technical assistance to go after those people. They can use training for some of their forces -- police, for example. Certainly, we want to be in a position to help them in any way we possibly can. But yes, the President did make clear that he was not requesting United States troops.

That whole question of troop speculation, I thought, got out of whack. The Attorney General gave a very sound and very correct answer to the question. But some people interpreted that answer as that we were getting prepared to send troops to Colombia. I know enough about this hemisphere and have had enough experience in dealing with countries in Latin America and South America, Central America -- all through the Caribbean -- to know the constraints that

exist in terms, or should exist in terms of dispatching troops. So, there would not be any unilateral action of this kind.

The question that was asked of Thornburgh was a hypothetical question: If you were requested to send troops, would you do it? And, of course, I'd take that under consideration; but that is not what's being considered at all -- the President of Colombia, for example, making it very clear that that would not be something that he is requesting.

Minimum Wage

Q. Given your level of comfort here, why can't you bring yourself to back a $4.55 minimum wage to improve the quality of life for some people -- --

The President. Because I don't think it improves the quality of life; I think it throws people out of work. And that was debated openly and fully in the United States Congress. And the idea that a $4.55 minimum wage improves things for a lot of people is not an idea that I accept. I think it's wrong. That's why I didn't do it.

Education

Q. Mr. President, you campaigned as the education President. Yet, the National Education Association seems frustrated with your -- --

The President. They've been frustrated with me forevermore. The NEA -- --

Q. They say it's a lack of direction with you and Secretary Cavazos. So specifically, sir, what are your plans for education in the United States on the Federal, State, and local levels? And if I could add, will there be money to aid in education, especially for at-risk children?

The President. We sent up a broad, comprehensive Federal program for aiding education, for making it better. It is specific; it does call for funding in certain categories. But the NEA is on a different course; they have been -- politically. They've opposed me every time I've ever run for office that I can remember, and so what's new? I mean, they've got their approach to education and I've got mine -- and I am right and they are wrong. [Laughter] So, tell them to take a careful look at my education proposals that were accepted widely -- a lot of criticism from some, but a broad acceptance when we sent them up in terms of helping in quality education, and then recognizing that 7 percent of the funds that go for education properly come from the Federal Government, and 93 from other sources. And please ask the NEA to understand that, because that ratio is not going to change.

Mr. Fitzwater. Final question, please.

President's Security

Q. Knowing that you're always a target for terrorists, do you feel safe strolling about Kennebunkport?

The President. Yes, but I can't stroll quite as freely as I used to before I was in government work. And I don't worry about it. We've got extraordinarily able Secret Service and I just don't -- I honestly don't spend one second of the day thinking about that. And that's because I have great confidence in the able men and women that are in the Secret Service. I have confidence in our intelligence, though some areas -- I've told our Washington friends here that I wish that it was better. But, no, I'm -- it just doesn't bother me. What bothers me a little bit is that you just can't jump in the car over there and drive downtown or something of that nature, but that goes with the territory.

Q. Do you mind bringing the press with you?

The President. Besides that, it's very hard to putt, especially to chip, when you have onlookers standing there. A modest kind of shy guy like me -- I like to play golf without a lot of people watching. So once in a while, I'll make a mishap. And once in a while, you take a practice putt and it doesn't go in and then you see it on the television -- CNN [Cable News Network], where are you -- and then I have to explain it to my grandchildren: ``How come you missed it three times?" [Laughter] So you have those inhibitions, but not security inhibitions.

Senator Mitchell

Q. How would you assess your relationship with Senator Mitchell?

The President. Very cordial.

Q. Have you played cribbage with him yet?

The President. He bawls me out from time to time and I -- but I'd say I'm a kinder and gentler kind of guy. I don't think you can find one criticism, but that may change.

Q. How about cribbage?

The President. Cribbage -- I used to play in the service. So, I'll surrender on that one. He's a good leader and he's certainly a good Senator for the State of Maine, and he's a man with whom we have differences. But we have a civilized relationship. He'll come down to the White House and he can say, ``Look, I think you're wrong on this." And I'll tell him, ``Wait a minute, I think you're wrong on it." And then -- the Chief of Staff remembers one very vigorous exchange that we had in the Oval Office just before the Senate got out. But if he walked through the gate down

here, I'd say, ``Great, I'm seeing a friend." And that's the way politics ought to be, and I'm going to work hard to try to see that it is that way.

President's Security

Q. Do you get any feedback from your neighbors on dealing with security checkpoints, or demonstrators, or about the fireworks?

The President. No, no, not that -- there was some in the beginning. I think the lobstermen problem has been resolved. I keep inquiring on that because it is important to me that there be tranquillity in that area. I think it's been resolved. I hope that we haven't inconvenienced the neighbors over here. There was a demonstration a few days ago, and there were a few people that behaved in a very orderly fashion. It was a demonstration on Lebanon, as a matter of fact, and they were assigned a certain demonstration route here and certain numbers that could parade and demonstrate. And my only concern there was the concentration of demonstrators shouting their slogans and exercising their free speech rights -- did that inconvenience our neighbors? But I haven't had any real complaints from the neighbors on that. So, it's going pretty well, I think.

Foreign Visitors in Maine

Q. You seem to invite lots of heads of state down here to Kennebunkport. Do you find it easier to work on world issues while you're relaxing here? And where do you solve the issues that you resolve? On your boat, or golfing, or -- --

The President. Well, we haven't had that many yet. As Vice President, I had the Prime Minister of Portugal here and the Prime Minister of Singapore and one or two others. Of course, the most high-profile visit was the visit of Francois Mitterrand, and Maine -- I think he enjoyed it. And I know Barbara and I enjoyed having them as our guests at this special place.

And so, though there were no major problems resolved, background music was good. And so I would expect that that will be really what the product of the meetings with Mulroney -- who's a friend of longstanding, and so is Poul Schluter [Danish Prime Minister]. So it's more that than it is a specific agenda to work on in this setting.

Q. Would you ever consider inviting Gorbachev here?

The President. Well, he'd be welcome.

Q. Do you think he'd like it?

The President. Who couldn't like it? Yes. Everybody likes it.

A couple of more, then I've got to run.

Public Access to Beaches

Q. Maine's supreme court has ruled that Maine -- and Massachusetts is the only other State in this regard -- that the public has no rights in the intertidal zone other than fishing, fowling, and navigation, no recreational rights. You're a shorefront property owner, plus your daughter is involved with promoting tourism in Maine, and the tourism industry is very concerned that that may have a chilling effect on tourism in Maine. Do you think that the public has, or should have, recreational rights in the intertidal zone? And if you were citizen Bush rather than President Bush, would you allow us to picnic on your rocks here?

The President. Well, I think there has been an understanding that people have the rights to do that. This is a very recent court case, and I can't judge the case. I don't know what the facts were regarding Moody Beach down there, and so I can't make a broad statement of that nature. We've had people out on these rocks. I don't think they have too good a shot to get out here today, but there have been people that have come out here below the -- respecting the rights of ownership here. So generally speaking, as open as possible. But I don't want to try to intervene in some court case that I know nothing about over on Moody Beach -- which I enjoyed fishing off of yesterday.

Chief of Staff Sununu

Q. Will you settle a political argument for us in New Hampshire?

The President. I'll try. [Laughter]

Q. A couple of months ago, there were some words flying back and forth between Governor Sununu and Congressman Charles Douglas regarding lifestyles and the possibility of Mrs. Sununu running for Congress in the GOP primary. Hugh Gregg [Governor of New Hampshire] says that you mentioned something to Governor Sununu -- I don't want to say that you said knock it off -- but just somehow to simmer it down. And Lee Atwater [Chairman, Republican National Committee] has told us a slightly different story. Did you talk to Governor Sununu about this debate -- or this war of words?

The President. No, no.

Q. Not a word about it?

The President. Well, there may have been a word about it. That was before his kinder and gentler days -- [laughter] -- I don't recall any weighty discussions about it at all.

But look, this Chief of Staff has my full, unequivocal confidence. And I think the whole world knows that, and our Cabinet people know it, and others in the Government know it. And it makes life a lot easier for me and for him as long as it's out there. So, that one I can't help you with, but I will take that and use that question to just simply restate my confidence in him and the job he is doing. And I'll tell you, he's made a lot of friends for our administration on the basis of competence, sheer competence. So, if some flap comes up involving something at home, I can't help you with that one. But I've got to keep looking at the big -- --

Abortion

Q. On the abortion question, I know you have some meetings coming up, for example, with Cardinal Law from Boston. Are you getting pressure from groups like the Catholic Church to do something -- enforce your position on prolife?

The President. No. I visited with -- Cardinal Law was my guest at lunch at the White House within the last 2 or 3 weeks, and I don't recall any stepped-up pressure of that nature. I think those who favor the prolife position know my views on it. And I don't think there's been a major swing in the country. I keep reading in papers that public opinion is all changed on this. I haven't sensed that at all. So, we'll wait to see. There will be plenty of election tests that people can make those judgments on.

Aid to the Contras

Q. Can I just ask you -- Vice President Dan Quayle this week seemed to indicate a shift in our policy toward the contras, saying that we have a moral obligation to continue humanitarian aid if they don't want to go back under whatever the new conditions are to Nicaragua. Is that, in fact, the case -- that we should continue humanitarian aid?

The President. As far as I'm concerned, absolutely. I don't see that as a shift of any kind.

Q. After the elections?

The President. I don't want to see the mandatory demobilization of those contras before the elections. I've felt and I am absolutely correct that the pressure from the contras has been the thing that's led Ortega [President of Nicaragua] to start moving a little bit on free, fair elections. Why should that one country be swimming against the tide of democracy and freedom? And I thought Quayle, the Vice President, ably spelled out our policy, and I thought it was a good speech, and it certainly has the full support of the executive branch of this government.

Two more, and then I am going to go.

Gun Control in Maine

Q. The Portland police chief is trying to toughen up gun ownership regulations within the city, and it's sparked a new round of gun control debate in Maine. Your thoughts?

The President. Let the able police chief there take his case to the people of Portland. And let Maine make its determinations on that. And that's the way these matters should be -- --

Q. Well, as a Mainer, do you think we should all have the right to carry guns?

The President. The Constitution gives you certain rights in that regard. So, what I want to do is get strong support for our anticrime package -- stronger, predictable sentencing, tougher terms, more judges, more people to make those pay who are breaking the law. And that's the answer on the crime side, it seems to me.

Last one.

Canada-U.S. Border Incidents

Q. Mr. President, the Canadian patrol boats have been firing across the bow of American and Maine fishermen who either wander, mistakenly or purposely, into Canadian waters. I understand there have been some incidents the other way, too. There was a chase -- Canadians chased American ships. Some of that problem has to do with the way we manage the resources. Can you tell me what, as President, you might suggest when you talk with the Prime Minister of Canada about reducing the tension and the potential for violence up there?

The President. Well, I would be happy to discuss that with him. Look, we have peaceful borders with Canada. You look around the world and we ought to be counting our blessings for our peaceful borders we have with Canada and the peaceful borders we have with Mexico. And anything that he or I could do to increase that tranquillity, the better; but I have no specific plan on it. But we must recognize that Canada is a great friend to the United States, and the United States is a great friend to Canada, and the peoples are friends. So, if there are these little incidents, let's try to get to the core of what causes them and get them solved and get them out of the way, because they are not going to and must not disrupt the relationship overall that exists -- and they won't, believe me.

Q. -- -- the Coast Guard firing across the bow of a Canadian fishing ship if -- --

The President. I will leave the rules of engagement to the Coast Guard, and they have well-defined rules as to what they can do and what they should do. And so, I am not going to go in with you into some situation that's so hypothetical that I couldn't begin to answer it. That's one way you get in trouble. And I want to avoid trouble, and now I've got to leave.

Note: The President's 21st news conference began at 9:56 a.m. at Walker's Point in Kennebunkport, ME.

Remarks at the Welcoming Ceremony for Prime Minister Poul Schluter of Denmark in Kennebunkport, Maine

August 24, 1989

The President. Well, Barbara and I just want to welcome Prime Minister Poul Schluter and Mrs. Schluter to Kennebunkport on what is a private visit. But this visit will give us an opportunity to discuss a lot of issues. I think the Prime Minister would agree with me that there are fascinating changes taking place in Europe, changes that he might not have even predicted when he became Prime Minister, and certainly changes so fast that I couldn't have predicted them just 7 months ago, when I became President of the United States.

But this visit is a private visit. I hope it's one of many opportunities to see my old, close friend again while I'm President. And I just want to say that the relationship between Denmark and the United States is first-class, strong in every way. This Prime Minister has our great respect and admiration. And welcome to Maine, sir! And it's so great to see you again and such a pleasure to meet Mrs. Schluter.

The Prime Minister. Thank you very much.

The President. You get equal time.

The Prime Minister. Thank you. Mr. President, Mrs. Bush, my wife and I are delighted and honored to be with you today. We think it is fantastic that you undertake to find time to be our hosts at this beautiful spot in the United States. I take it as a token of good relations between the President and myself, and certainly also as a very nice gesture to my country, Denmark. We have good relations. I understand we shall have a nice time here today, but we shall also find time to discuss politics; we can't avoid that.

The President. No.

The Prime Minister. And as you so rightfully said, Mr. President, we are seeing right now very positive and exciting international development, and we must stay close together with the purpose -- to even better it in the time ahead of us. Thank you, Mr. President.

Q. Will you discuss the problem of drugs, Mr. President?

The President. Can we get a picture here? We'll discuss anything he wants to, and certainly that's one we will discuss -- antinarcotics effort.

Q. Mr. President, with the Government in Poland, Mr. President, is it time yet to consider additional aid to Poland? With this fast change you're talking about, do you intend to accelerate plans to -- --

The President. We'll be talking about all these issues here today. Thank you.

Now, welcome. Come everybody.

The Prime Minister. Thank you.

Note: The President spoke at 11:34 a.m. at Walker's Point.

Statement on Elections in Poland

August 24, 1989

I want to congratulate Mr. Mazowiecki on his election as Prime Minister of Poland and assure him of our strong support as he seeks to lead his country toward economic recovery and democratic change. I also salute President Jaruzelski, for his political wisdom in endorsing a government reflecting the genuine will of the Polish people, and Solidarity, under the leadership of Lech Walesa, for its constructive role in helping bring about a new beginning in Poland.

Since the roundtable agreement of last April, Poland has pursued a path of democratic change. The elections in June, the convening of Poland's new Parliament and its election of General Jaruzelski as President, and now the election of Mr. Mazowiecki as Prime Minister, are further dramatic signs of this historic process. These developments hold promise not only for a peaceful democratic transition in Poland but also for a broader process of European reconciliation, toward a Europe whole and free.

At Hamtramck, Michigan, just after the signing of the roundtable agreement between the Polish Government and Solidarity, I pledged U.S. support for Poland's economic and political reforms. We reiterated that support during visits to Warsaw and Gdansk last month and announced measures we are taking to assist. I want the Polish people and their new government to know that they will have our continued support as they meet the serious economic and political challenges before them.

Nomination of Christopher Jehn To Be an Assistant Secretary of Defense

August 24, 1989

The President today announced his intention to nominate Christopher Jehn to be an Assistant Secretary of Defense (Force Management and Personnel). He would succeed Grant S. Green, Jr.

Since 1972 Mr. Jehn has served in various capacities for the Center for Naval Analysis in Alexandria, VA. He currently serves as vice president of the Navy-Marine Corps planning and manpower division, and served as director of resource analysis.

Mr. Jehn graduated from Beloit College (B.A., 1965) and the University of Chicago (M.A., 1970). He was born March 12, 1943, in Chicago, IL. He is married, has one daughter, and resides in Falls Church, VA.

Nomination of Ronald E. Ray To Be an Assistant Secretary of Veterans Affairs

August 24, 1989

The President today announced his intention to nominate Ronald E. Ray to be an Assistant Secretary of Veterans Affairs (Human Resources and Administration). This is a new position.

Since 1980 Mr. Ray has been president of Ronald E. Ray, Inc., an investment company located in Winter Haven, FL. Prior to this, he was a White House fellow at the Department of Commerce, 1974 - 1975. From 1959 to 1980, he served in the U.S. Army as a battalion commander at Fort Bragg, NC; as an operations and training officer at the John F. Kennedy Center for Military Assistance; and as a platoon leader in Vietnam. He was awarded the Medal of Honor, the Silver Star, the Bronze Star, the Army Commendation Medal, and a Purple Heart.

Mr. Ray graduated from the University of Tampa (B.A., 1972) and the University of Oklahoma (M.A., 1974). He was born December 8, 1941, in Cordele, GA, and currently resides in Winter Haven, FL.

Nomination of Kenneth L. Brown To Be United States Ambassador to Cote d'Ivoire

August 24, 1989

The President today announced his intention to nominate Kenneth L. Brown, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cote d'Ivoire. He would succeed Dennis Kux.

Mr. Brown has served as Deputy Assistant Secretary of State for African Affairs, 1987 to present. Prior to this, he was consul general in Johannesburg, South Africa, 1984 - 1987. He was appointed U.S. Ambassador to the Congo in 1981 and has served in several capacities at the Department of State: Director of the Office of Central African Affairs, 1980 - 1981; Deputy Director of United Nations Political Affairs, 1979 - 1980; and Deputy Director of the Press Office and Associate Spokesman, 1977 - 1979. He was an information officer, 1975 - 1977, and a political officer, 1972 - 1975, in Brussels, Belgium. He was a desk officer for Zambia and Malawi at the Department of State, 1970 - 1972; and a program officer for the Department of State Reception Center in New York, 1969 - 1970. Mr. Brown entered the Foreign Service in 1961 and has also served as a political officer in Algiers and Kinshasa, Zaire.

Mr. Brown graduated from Pomona College (B.A., 1959), Yale University (M.A., 1960), and New York University (M.A., 1975). He was born December 6, 1936, in Seminole, OK. He served in the U.S. Army Reserve, 1960 - 1961. He is married and has three children.

Nomination of Craig S. King To Be General Counsel of the Navy

August 24, 1989

The President today announced his intention to nominate Craig S. King to be General Counsel of the Department of the Navy. He would succeed Lawrence L. Lamade.

Since 1985 Mr. King has been an associate with the law firm of Sidley & Austin in Washington, DC. Prior to this, he practiced law with the firm of Dewey, Ballantine, Bushby, Palmer & Wood in Washington, DC, 1980 - 1985.

Mr. King graduated from Brigham Young University (B.A., 1977) and Georgetown University Law Center (J.D., 1980). He was born February 4, 1953, in American Fork, UT. He is married, has three children, and resides in McLean, VA.

Nomination of Melva G. Wray To Be Director of the Office of Minority Economic Impact at the Department of Energy

August 24, 1989

The President today announced his intention to nominate Melva G. Wray to be Director of the Office of Minority Economic Impact at the Department of Energy. She would succeed Raymond G. Massie.

Since 1981 Ms. Wray has served in various capacities with the IBM Corp., north-central marketing division in Boston, MA, area advisory marketing support representative, 1988 to present; and area industry software marketing representative, 1987 - 1988. Prior to this, she was a manager, office systems, real estate and construction division, White Plains, NY, 1985 - 1987; marketing representative, product center, White Plains, NY, 1983 - 1985; and a systems engineer, national Federal marketing, in Washington, DC, 1981 - 1983.

Ms. Wray graduated from Spelman College (B.A., 1980). She was born in Washington, DC, and resides in Westport, CT.

Nomination of Tony Armendariz To Be a Member of the Federal Labor Relations Authority

August 24, 1989

The President today announced his intention to nominate Tony Armendariz to be a member of the Federal Labor Relations Authority for the remainder of the term expiring July 29, 1992. He would succeed Jerry Lee Calhoun.

Since 1978 Mr. Armendariz has served as general counsel for the University System of South Texas in Kingsville, TX. Prior to this, he was assistant attorney general for the State of Texas in Austin, TX, 1977 - 1978; District Counsel for the U.S. Equal Employment Opportunity Commission, 1975 - 1976; and assistant attorney general for the State of Texas, 1973 - 1975. He served as executive vice president for Homecare de Venezuela, S.A., in Caracas, Venezuela, 1972 - 1973, and was involved in marketing and distributor training for Homecare de Mexico, S.A., a privately owned cosmetics business in Mexico City, 1969 - 1972. He was president for Venezuelan operations of the Tupperware division of Rexall Venezuela, S.A., in Caracas, Venezuela, 1965 - 1969; and an associate attorney in the law office of Jesse Guy Benson, 1960 - 1965.

Mr. Armendariz graduated from Trinity University (B.S., 1952), St. Mary's University School of Law (J.D., 1956), and Southern Methodist University School of Law (M.C.L., 1960). He is married, has three children, and currently resides in Corpus Christi, TX.

Statement on United States Emergency Antidrug Assistance for Colombia

August 25, 1989

At the request of President Barco and in order to support the Government of Colombia in its battle against narcotics traffickers, I have today decided to authorize a $65 million emergency antidrug support package for the Colombian police and military. The package will include equipment for police and military personnel, with initial shipments to arrive as early as next week. In addition, it will include aircraft and helicopters to improve the mobility of Colombian forces engaged in the antidrug effort. The package was developed over the last few days, during which there was close consultation between President Barco and myself and among our key advisers.

No United States troops have been requested by the Colombian Government. We will provide only materiel support and training. The United States has complete confidence in the capability of the Colombian police and military to deal with this situation. The support package will be made available under the provisions of the 1986 Foreign Assistance Act, which enables the President to direct the Department of Defense to provide military equipment and services to a foreign country in the event of an emergency.

In addition to this emergency assistance and the funds being provided under the Justice Department's judicial protection program, I will authorize an expanded police and military assistance program for FY '90 which will provide an increased level of support for the Colombian Government's ongoing antidrug efforts.

The recent wave of assassinations and threats by the drug cartel against all Colombians who cooperate in President Barco's antidrug crackdown makes it clear that it is time for the United States and other countries of the world to stand with President Barco during his courageous challenge to these insidious forces that threaten the very fabric of Colombian society.

We intend to work closely with the Colombian Government to bring to justice those responsible for the scourge of drug trafficking and will continue in our efforts to assist the Colombian effort to provide protection for judges and other Colombian officials who are on the front line of the war against drugs. The Departments of State and Justice are working closely with their Colombian counterparts on extradition matters.

Initial Order for Emergency Deficit Control Measures for Fiscal Year 1990

August 25, 1989

By the authority vested in me as President by the statutes of the United States of America, including section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law No. 99 - 177), as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law No. 100 - 119) (hereafter referred to as ``the Act''), and in accordance with the report of the Director of the Office of Management and Budget issued August 25, 1989, pursuant to section 251(a)(2) of the Act, I hereby order, pursuant to section 252(a), that the following actions be taken effective October 1, 1989, to implement the sequestrations and reductions determined by the Director in that report:

(1) Each automatic spending increase that would, but for the provisions of the Act, take effect during fiscal year 1990 is suspended as provided in section 252. The programs with such automatic spending increases subject to reduction in this manner, specified by account title, are National Wool Act; Special milk program; and Vocational rehabilitation.

(2) The following are sequestered as provided in section 252: new budget authority; unobligated balances; new loan guarantee commitments or limitations; new direct loan obligations, commitments, or limitations; spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended; and obligation limitations.

(3) For accounts making payments otherwise required by substantive law, the head of each Department or agency is directed to modify the calculation of each such payment to the extent necessary to reduce the estimate of total required payments for the fiscal year by the amount specified in the Director's report.

(4) For accounts making commitments for guaranteed loans and obligations for direct loans as authorized by substantive law, the head of each Department or agency is directed to reduce the level of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and specified in the Director's determination of August 25, 1989.

(5) Each Department or agency head may, to the extent otherwise not prohibited by law, use existing authority to deobligate balances of budgetary resources as necessary to apply the required reduction or sequestration in as uniform a manner as possible for any person or other recipient entitled to payments under any formula-driven calculations specified in the substantive law. Deobligations may include budgetary obligations for which checks have not been issued or funds not otherwise disbursed (funds obligated but unexpended).

In accordance with section 252(a)(4)(A), amounts suspended or sequestered under this Order shall be withheld from obligation or expenditure pending the issuance of a final order under section 252(b).

If Congress acts to reduce the deficit projected in this report by $6.2 billion prior to the snapshot date for the Final Report of the Director, then a final order will be issued cancelling the sequester. If the deficit is reduced by a lesser amount, the final order will direct that funds be sequestered in accordance with section 252 of the Act.

This Order shall be reported to Congress and shall be published in the Federal Register.

George Bush

The White House,

August 25, 1989.

[Filed with the Office of the Federal Register, 11:29 a.m., August 25, 1989]

Note: The order was printed in the ``Federal Register'' of August 28.

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting an Alternate Federal Civilian Pay Plan

August 28, 1989

Dear Mr. Speaker: (Dear Mr. President:)

Under the Federal Pay Comparability Act of 1970, the President is required to make a decision each year on what, if any, pay adjustment should be provided for Federal employees under the General Schedule and the related statutory pay systems.

My pay advisors have reported to me that an increase in pay rates averaging 28.62 percent, to be effective in October 1989, would be required under existing procedures to raise Federal pay rates to comparability with private sector pay rates for the same levels of work. However, the law also empowers me to prepare and transmit to the Congress an alternative plan for the pay adjustment if I consider such an alternative plan appropriate because of ``national emergency or economic conditions affecting the general welfare."

The adverse budgetary and economic effects of a 28.62 percent pay raise clearly do not permit an increase of that magnitude. On the other hand, the Federal Government's continued ability to attract and retain qualified employees requires that the pay raise be greater than the 2 percent planning assumption in the Administration's FY 1990 budget request.

As a result of budget deliberations over the past few months, a general consensus has been reached, both within the Congress and between the Congress and the Administration, that the appropriate pay raise for Federal civilians in FY 1990 is 3.6 percent. The FY 1990 Bipartisan Budget Agreement of April 14, 1989, between the Administration and the leadership of the Congress assumed a Federal civilian employee pay raise of 3.6 percent, effective with the first full pay period in January 1990.

Further, the Treasury, Postal Service and General Government Appropriations Act, 1990 (H.R. 2989) that has passed both Houses of the Congress and is now awaiting conference action contains a 3.6 percent pay raise. H.R. 2989 would freeze pay for the highest levels of the Executive Schedule, covering the Government's most senior appointees, as well as for equivalent levels in the legislative and judicial branches. I have urged the Congress, in my proposed ``Senior Executive Salary Act of 1989" and ``Judicial Salary Act of 1989," to take the decisive action that is needed to resolve the Government's critical problem of pay at the senior levels.

Accordingly, upon consideration of the reports of my Pay Agent and the Advisory Committee on Federal Pay, and in recognition of the Bipartisan Budget Agreement and completed

congressional action, I have determined that the FY 1990 Federal civilian pay raise will be made in accordance with the following alternative plan:

In accordance with section 5305(c)(1) of title 5, United States Code, the pay rates of the General Schedule and the related statutory pay schedules shall be increased by an overall percentage of 3.6 percent for each schedule, with such increase to become effective on the first day of the first applicable pay period beginning on or after January 1, 1990.

Accompanying this report and made a part hereof are the pay schedules that will result from this alternative plan, including, as required by section 5382(c) of title 5, United States Code, the rates of basic pay for the Senior Executive Service.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Appointment of Mary V. Bicouvaris as a Member of the Commission on Presidential Scholars

August 28, 1989

The President today announced his intention to appoint Mary V. Bicouvaris to be a member of the Commission on Presidential Scholars during her tenure as National Teacher of the Year. She would succeed Terry Weeks.

Mrs. Bicouvaris, the Virginia Teacher of the Year, teaches government and international relations to 11th and 12th graders at Bethel High School in Hampton, VA.

Mrs. Bicouvaris received a bachelor of arts degree from Ohio State University and a master of arts degree from the College of William and Mary. She was born June 4, 1939, in Tripolis, Greece. She is married, has two children, and resides in Newport News, VA.

Letter to the Speaker of the House of Representatives and the President of the Senate Reporting on Korean and Taiwanese Driftnet Fishing

August 28, 1989

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to the provisions of subsection (b) of the Pelly Amendment to the Fishermen's Protective Act of 1967, as amended (22 U.S.C. 1978(b)), I am reporting to you following certification by the Secretary of Commerce that the Republic of Korea and Taiwan failed to enter into cooperative scientific monitoring and enforcement agreements called for by the Driftnet Impact Monitoring, Assessment and Control Act of 1987. The Secretary's letter to me is deemed to be a certification for the purposes of section 8(a) of the Fishermen's Protective Act of 1967. These Acts authorize me to order the prohibition of imports into the United States of fish products from Korea and Taiwan.

The United States has concluded a monitoring and enforcement agreement with Taiwan that meets the requirements of the Driftnet Act. An agreement has not been concluded with Korea.

It is extremely important to the international community that Korea agrees to meet the standards of customary international law to cooperate with other nations and to take necessary measures to conserve high seas resources affected by driftnets. Accordingly, I am deferring action under the Pelly Amendment for a period of 30 days and am instructing the Secretary of State, in cooperation with the Secretary of Commerce, to continue intensive bilateral negotiations with Korea. They should also use this period to continue efforts to engage the international community in urging the adoption of cooperative measures on driftnet fishing.

At the end of this new 30-day period, I expect to receive any additional recommendations as may be warranted. If significant movement has not been made toward reaching and implementing a monitoring and enforcement agreement with the United States, I will be prepared to exercise my substantial authorities under the Pelly Amendment to the Fishermen's Protective Act. I will send to the Congress a supplemental report at that time.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Appointment of Craig I. Fields as a Member of the National Commission on Superconductivity

August 28, 1989

The President today announced his intention to appoint Craig I. Fields to be a member of the National Commission on Superconductivity. This is a new position.

Dr. Fields is currently Director of the Defense Advanced Research Projects Agency (DARPA) in Arlington, VA. Prior to this, he was Deputy Director of Research for DARPA.

Dr. Fields received a bachelor of science degree from Massachusetts Institute of Technology and a Ph.D. from Rockefeller University. He was born July 21, 1946, in Mount Vernon, NY. He is married, has three children, and currently resides in Washington, DC.

Appointment of Irene B. Brooks as an Alternate Federal Member of the Delaware River Basin Commission

August 28, 1989

The President today announced his intention to appoint Irene B. Brooks to be an alternate Federal member of the Delaware River Basin Commission. She would succeed George Joseph Kanuck.

Since 1986 Ms. Brooks has been Chester County commissioner, and chairman, 1987 to present. Prior to this, she worked for the prothonotary of Chester County, 1984 - 1986. She has also served as a member of the Greater Philadelphia Economic Development Coalition, 1987 to present, and the Pennsylvania State Association of County Commissioners, 1987 to present.

Ms. Brooks was born in Philadelphia, PA, and resides in Chester County, PA.

Remarks and a Question-and-Answer Session With Reporters in Kennebunkport, Maine

August 28, 1989

The President. Well, let me just say that we've had a very interesting debrief from Secretary Dole and Senator Dole and Congressman McEwen on a fascinating trip that they have just completed, taking them to Morocco and then into Armenia and then into Poland, ending up in the Netherlands. And they filled me in on the changes that are taking place up to date, right to the minute -- changes taking place in Poland, and also the update on the human tragedy that faced that part of the corner of the Soviet Union, and also brought back greetings from King Hassan, the King of Morocco. So, it was a very interesting debrief. And I know you might have some questions for them, and they have agreed to answer any that's on your mind.

But maybe, Senator, you'd like to start off, or Secretary, just to comment on what we were talking about.

Secretary Dole. Well, it was incredible, and it was really awesome to be there at this particular time in the history of Poland. In fact, we attended the Solidarity caucus in the very room where you made your speech to the Parliament, I believe, Mr. President. And that was just a few hours after the new Prime Minister [Tadeusz Mazowiecki] had -- the ratification had occurred by the legislature of his nomination. And the spirit of democracy in that caucus was really almost palpable. It was really quite an experience. They were having a debate about various economic plans and moving forward with great excitement.

And we had the opportunity to meet with the new Prime Minister. We talked with him about a number of matters. We met, of course, with [Solidarity leader] Mr. Walesa in Gdansk just the day before yesterday, and with many of the leaders of Solidarity in the Parliament. And they appreciate very much what the President, the administration, has done for Poland. And they indicated, Mr. Walesa indicated, that they're seeking more foreign investment. And they hope that our banks will establish branches in Poland, that there will be more foreign investment. They're very much interested in privatization of assets, and they're concerned about food. And they feel that some change there within the short term is important because the shelves are empty and they need more food.

So we had an opportunity to learn a great deal, and it was a very meaningful, very emotional, very inspiring experience.

Senator Dole. We've set out in a letter some of our observations -- a letter to the President. We've also delivered a letter from Lech Walesa to the President, and those contents, of course, the President will examine. But it was a very meaningful trip. As you know, the King in

Morocco has been helpful -- trying to be helpful in Lebanon, and he had a lot of information on that. I think he's going to be contacting you, Mr. President.

In Armenia, it's still heartrending and almost makes you cry to visit some of the cities and some of the sites. We stopped at a site of a school where 400 children died within seconds -- the day of the earthquake. And there's still much to be done in Armenia. I think people tend to forget that it's only been last December that tragic earthquake took 35,000 to 50,000 lives -- hundreds of thousands injured. In that small country of 3.3 million people, there are 700,000 homeless. So, there's much to be done in Armenia.

Poland, as Elizabeth said, is really -- you just feel it. You sort of think of what it might have been like when the Founding Fathers -- and we sat there in the caucus, and only three of the Solidarity members have had any previous legislative experience. So, it's really -- it's fascinating. But they've got some tough choices ahead, and they're very appreciative of the President's efforts in Hamtramck and in his visit to Poland. They know of the strong support they have from this administration and the President personally and the Congress. So, we felt it important to come back and give the President our views as early as possible, and we're very pleased that he was able to do that today.

Polish Economic Reforms

Q. Senator, did you come away with the feeling that more needs to be done sooner?

Senator Dole. Not necessarily that -- I think we came away with the feeling that maybe the time is not great. Maybe it's 60 days, maybe it's 3 months. Walesa said yesterday -- 6 months to a year -- that people need to see a change. And, of course, the Poles recognize that it's their primary responsibility, that not every other country, including ours, will be able to do enough. And they don't want to be a welfare client; they want investments, they want banks, they want opportunities. And it's going to take a while to change that system after 45 years from the economy they have now to a market economy.

But I think it's fair to say -- they told us, they told the media there that they would hope there might be something we could do in the very near future.

Q. Well, did you tell the President that?

Senator Dole. Yes.

Q. And do you have anything to add?

The President. No, I have nothing to add, but he certainly did. And both the Secretary and Senator filled me in on the right-up-to-the-minute concerns of the new Polish Government

officials. They also met with [President] General Jaruzelski, had a fascinating conversation, just as I did, upon several occasions, and this is helpful to us.

I've already -- prior to the Doles' visit -- been on the phone to [French] President Mitterrand, and this was one of the subjects we talked about -- what more can be done, how better to coordinate what is being done. And so, it's an extremely timely visit.

U.S. Assistance for Poland

Q. Do you think it will take more than $119 million?

The President. Well, I think to satisfy all the requirements of Poland, it could take a lot more money than that. But it's also got to take political reform, it's got to take economic reform, so that when they talk about investment and privatization something really happens. And once those reforms are in place and on forward, then you will find that their multilateral financial institutions will be in a much better place to help.

One other thing I hope will come out of all of this is more support in the Congress for these multilateral institutions, upon whom emerging countries like Poland depend so much.

Senator Dole. I think one of the Polish leaders indicated this -- you don't measure by dollars, by money. They want support for their reforms. They're hoping that when they initiate reforms, the Congress, the President, will be able to support what they're doing. And I think there is a misconception that everything is measured in dollars. Certainly they need help, but they need a lot of support. And they recognize they have the responsibility first.

Lech Walesa's Visit to the United States

Q. Mr. President, we understand Lech Walesa will be visiting the United States later this year. Have you had any communication with him on that, and will you be meeting him when he comes?

The President. Well, I talked to him about it when I was in Poland.

Q. Will you meet with him during his visit to the United States?

The President. If he comes to the United States, I certainly will.

Poland's New Government

Q. Senator, how much pull do you think the new Prime Minister actually is going to have over

the Government? The Communists, of course, are going to retain control over the army and the internal security apparatus. Do they actually seem to have the authority they're going to need to make these reforms, or are they sort of being set up?

Senator Dole. Well, he has a day-to-day responsibility for the functioning of the Government. I mean, he's going to have a great responsibility. And I think it's fair to say that both he and the President, Jaruzelski, recognize they need each other. They're going to cooperate. And I was impressed with Jaruzelski's comments. I think he wants to dedicate the rest of his life to the Polish people and the betterment of Poland. So my view is that they have a good Prime Minister and they've got some outstanding leaders in the Parliament, and they'll be able to govern.

U.S. Assistance for Poland

Q. Secretary Dole, did they convey to you that they wanted you to bring home a message to send more U.S. aid?

Secretary Dole. Well, we talked generally about what their needs are, and I think we've already expressed exactly what they said. Walesa basically was talking about investment, how important this is -- banks, branches of banks located in Poland, and privatization, and more foreign investment. We talked about the food situation.

I think they're very grateful for what is already being done. And there's a commitment -- you mentioned $119 million, but there's also a commitment for $50 million in food this next fiscal year. We are also going to be working with them on the labor issues, to provide a safety net for workers because, obviously, there's going to be some pain before the benefits come as you move from a central state-controlled economy to a market economy. And we had discussions with a number of leaders about providing a safety net -- talked about unemployment insurance, and job training and retraining, and reform of their labor code, collective bargaining -- issues of that sort. And we're going to be sending a team to Poland to get that underway as soon as the labor ministry is settled in terms of who will be the minister of labor. So, there are a number of things that are underway simultaneously.

Eastern-Bloc Reforms

Q. Mr. President, are you concerned that the Central Committee warning to the Baltic States could be a prelude to a crackdown?

The President. That the what?

Q. Baltic States -- the warning to the Baltic States. Could that be a prelude to some crackdown there?

The President. Well, I hope not. I hope not. I think that Mr. Gorbachev's reaction to the changes in Poland were extraordinarily understanding and certainly not militant in any way. And I hope that would be the tone as the rapid change that's taking place in Eastern Europe goes forward -- not just in Poland, but in other countries as well. And I must say that the way that Mr. Gorbachev has handled this and reacted to it has been very positive. I don't know how the Poles -- --

Senator Dole. The same thing. No doubt about it. No doubt about it.

The President. So let's hope that it continues -- the change continues to take place peacefully -- and not only outside the Soviet Union, but in it. And we respect the kind of change that's taken place there. Said it over and over again -- we want to see perestroika succeed.

Polish Reforms

Q. I understand you don't want to put a distinct timetable on, but how much of a sense of urgency do you have? How long do you think the new leaders have in Poland before it's some kind of a crisis?

Senator Dole. Well, I think it's fair to say we've conveyed to the President what we heard from the leaders, and in each case, they indicated some urgency, even used the word ``emergency'' at one time. But again, we've given the President a report, which he'd like to analyze, and also the letter from Lech Walesa. And I know that there are a number of things already happening in the administration. There are all kinds of studies and surveys and consultations taking place in different departments. So I think we're making some progress.

Mr. Popadiuk. One last question, please.

Q. Mr. President, would you advise -- what would you advise the Justice Minister of Colombia if she does decide to seek asylum here? What would your advice be?

The President. I'm not going to get into that, it's too hypothetical.

Q. Too hypothetical, or has she offered her resignation -- --

The President. Too hypothetical for me to answer that question -- too hypothetical.

Q. So she has not offered her resignation?

The President. Can't help you on it. Can't help you.

Q. Any fishing tips for the President, Senator?

Q. Did he invite you out fishing?

Q. Any fishing tips for the President?

Senator Dole. What is it -- 11 p.m. at night our time? We're ready to -- -- [laughter]

Q. He needs help.

The President. Thank you all very much.

Secretary Dole. Bye.

Note: The President spoke at 4 p.m. at Walker's Point following a meeting with Senator Robert Dole of Kansas, Secretary of Labor Elizabeth H. Dole, and Representative Bob McEwen of Ohio. Roman Popadiuk was Deputy Assistant to the President and Deputy Press Secretary for Foreign Affairs. A tape was not available for verification of the contents of the remarks.

Nomination of Barbara Spyridon Pope To Be an Assistant Secretary of the Navy

August 29, 1989

The President today announced his intention to nominate Barbara Spyridon Pope to be an Assistant Secretary of the Navy (Manpower and Reserve Affairs). She would succeed Kenneth P. Bergquist.

Ms. Pope is currently the Deputy Assistant Secretary of Defense (Family Support, Education, and Safety) at the Department of Defense. She has served in this capacity since 1986. Prior to this, Ms. Pope held several positions with the Small Business Administration: Special Assistant to the Administrator, 1982 - 1986; employee development specialist in the Office of Personnel, 1980 - 1982; and administrative assistant in the Office of General Counsel, 1979 - 1980.

Ms. Pope graduated from Vanderbilt University (B.A., 1973) and attended George Washington University, 1978 - 1980. She was born November 10, 1951, in Pittsburgh, PA. Ms. Pope is married, has one child, and currently resides in Bethesda, MD.

Nomination of Dennis B. Underwood To Be Commissioner of Reclamation at the Department of the Interior

August 29, 1989

The President today announced his intention to nominate Dennis B. Underwood to be Commissioner of Reclamation at the Department of the Interior. He would succeed C. Dale Duvall.

Currently Mr. Underwood serves as executive director and executive secretary of the Colorado River Board of California, 1978 to present. Prior to this, he served as a consultant to the Food and Agriculture Organization of the United Nations in Rome, Italy, 1975, and water resources engineer at the California Department of Water Resources Management Unit for the Southern District, 1969 - 1978.

Mr. Underwood graduated from Norwich University (B.S., 1966). He served in the U.S. Army Corps of Engineers, 1966 - 1969. Mr. Underwood was born December 14, 1944, in Greenville, MA. He is married and resides in Santa Monica, CA.

Appointment of Jack O. Guy as a Member of the American Battle Monuments Commission

August 29, 1989

The President today announced his decision to appoint Jack O. Guy to be a member of the American Battle Monuments Commission. He would succeed Rexford C. Early.

Currently Mr. Guy serves as chairman and chief executive officer of F and G Institutional Trading, Inc. in Atlanta, GA. In addition, he served as president of Institutional Clearing Services and concurrently as senior vice president of Johnson, Lane, Space, Smith and Co., Inc., 1978 to present; and vice president of Johnson, Lane, Space, Smith and Co., Inc., 1974 - 1978.

Mr. Guy was a graduate of the Chrysler School of Business Management and the Sales Analysis Institute, and the American College of Life Underwriters. He was born September 28, 1922, in Claxton, GA. He served in the U.S. Navy as a naval aviator, 1942 - 1945. Mr. Guy is married, has two children, and resides in Atlanta, GA.

Nomination of Jacqueline L. Phillips To Be Federal Cochairman of the Appalachian Regional Commission

August 29, 1989

The President today announced his intention to nominate Jacqueline L. Phillips to be Federal Cochairman of the Appalachian Regional Commission. She would succeed Winifred Ann Pizzano.

Since 1982 Ms. Phillips has served as the Alternate Federal Chairman of the Appalachian Regional Commission. Prior to this, she served as deputy director of the Maryland Reagan/Bush campaign, 1980, and consultant to Congresswoman Helen Bentley, Maryland Bush for President campaign chairman, 1988.

Ms. Phillips attended Madison College for Women, the University of Maryland, and Harvard University, Kennedy School of Government. She was born October 6, 1935, in Washington, DC. Ms. Phillips has four children and resides in Silver Spring, MD.

Nomination of Carroll A. Campbell, Jr., To Be a Member of the Board of Trustees of the James Madison Memorial Fellowship Foundation

August 29, 1989

The President today announced his intention to nominate Carroll A. Campbell, Jr., to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term of 4 years. This is a new position.

Governor Campbell is currently the Governor of South Carolina. Prior to this, Governor Campbell served as a United States Congressman for South Carolina in the 4th Congressional District, 1978 - 1986. Governor Campbell was elected to the South Carolina Senate in 1976, and from 1975 to 1976 he served as executive assistant to Gov. James B. Edwards.

Governor Campbell attended the University of South Carolina and graduated from the American University with a master of arts degree. He was born July 24, 1940, in Greenville, SC. Governor Campbell is married, has two children, and resides in Greenville, SC.

Exchange With Reporters Following a National Drug Control Strategy Meeting in Kennebunkport, Maine

August 29, 1989

The President. Well, we had a -- this is nothing other than your basic photo-op. But we did have a very good discussion on the antinarcotics program. I'll have more to say on that next week. But I want to thank you guys for coming. Appreciate it.

Q. Mr. President, the Colombian Foreign Minister today asked for another $19 million in emergency military aid to help fight the drug war down there, and says she's discussed it with U.S. officials. Do you have any response to that?

The President. No, but it's being worked out now -- the details. But we will cooperate with Colombia to the best of our ability. We support what the President of that country is trying to do. And every one of our Cabinet officers here -- all of us agree that this is an important step.

Q. Did you see President Barco's appeal to the users to stop their use?

The President. I fully agree with that, too, and so does our drug czar Bill Bennett [Director of National Drug Control Policy]. We were talking about that at lunch -- with great respect for what he had to say, as a matter of fact.

Q. Have you decided to increase the foreign aid package in your drug strategy plan to help combat this drug war now going on in Colombia?

The President. We'll have more to say on that at the appropriate time, which will be fairly soon. We're just not ready to comment on that.

Q. Have you figured out yet how you're going to pay for this?

The President. I'm not going to comment on that either.

Q. Mr. President, have the events in Colombia in the past week forced you to raise the military side of this?

The President. No.

Note: The exchange began at 1:13 p.m. at Walker's Point.

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting a Report on the Denial of Federal Benefits for Certain Drug Offenders

August 30, 1989

Dear Mr. Speaker: (Dear Mr. President:)

The attached report sets forth a plan for the immediate implementation of section 5301 of P.L. 100 - 690, the Anti-Drug Abuse Act of 1988, pertaining to denial of Federal benefits for certain drug offenders. This report is submitted pursuant to the requirements of section 5301(g) of P.L. 100 - 690.

Effective for convictions occurring after September 1, 1989, section 5301 provides that an individual convicted of a State or Federal drug trafficking or possession offense may be denied Federal benefits for certain statutorily specified periods of time. Except for those individuals convicted of a third drug trafficking offense (in which case the exclusion from receipt of Federal benefits is both permanent and statutorily prescribed), the decision to deny any, some, or all of an individual's benefits in these instances rests solely with the sentencing judge. Certain benefits, such as welfare or disability payments, are statutorily exempted from coverage under this provision. In addition, benefits for government witnesses are exempted from suspension or denial, and benefits may not be denied an individual convicted of a drug possession offense who has been determined to be a drug addict and who has agreed to undergo long-term treatment or who may otherwise have been rehabilitated. In the case of an individual convicted of a drug trafficking offense, the range of benefits to be denied may not include those benefits related to long-term treatment. Section 5301 also requires that benefit eligibility be restored if an individual fulfills certain conditions relating to drug treatment and rehabilitation.

To implement section 5301, I am asking the United States Sentencing Commission to assist in the initial dissemination of information to the Federal courts, and the Department of Justice to assume the role of ``information clearinghouse'' for the Federal courts. Principal responsibility will rest with the Sentencing Commission to disseminate all necessary information concerning section 5301 to Article III Judges and other appropriate Federal personnel. An appropriate component in the Department of Justice will collect all incoming information generated by the courts regarding those individuals to whom benefits are to be denied, and will forward such information to the General Services Administration (GSA) for inclusion on that agency's publication of ``Parties Excluded from Federal Procurement or Nonprocurement Programs'' -- more commonly known as the ``Debarment List.''

I am directing the Department of Justice (DOJ) to coordinate the participation of the State courts in this program. The DOJ will request the assistance of the chief judicial officer of each State in directing that State's courts to collect and transmit to DOJ the necessary data on State court denials. The DOJ will also serve as the repository or ``clearinghouse'' of information for State courts and will forward such data to GSA for inclusion on the Debarment List.

Appropriate and uniform documents designed to serve as judicial notices of denial or suspension of benefits shall be developed. Information collected on these forms will be sent on a regular basis by the DOJ ``clearinghouse'' to GSA and will be incorporated by GSA into the Debarment List. At present, the Debarment List contains approximately 6,500 entries, consisting of those parties excluded throughout the United States Government from receiving Federal contracts or federally approved subcontracts and from certain Federal benefits or other assistance. It is printed and distributed monthly to approximately 17,400 users, both in the Government as well as in the private sector. Under this proposal, the burden will rest with each agency to consult the Debarment List to ensure compliance with the provisions of the statute.

I understand that the statute permits a judge the discretion to deny all Federal benefits for a specified period of time (with the exclusion of those benefits exempted by statute from coverage under this provision). Utilizing the GSA Debarment List is the most efficient mechanism to implement such blanket suspensions, due to the thousands of different benefits -- including grants, guaranteed loans, contracts, and professional and commercial licenses -- that could be denied pursuant to section 5301. Additionally, an applicant for Federal benefits is required to certify that he/she is not subject to a judicial order that would bar their participation in Federal benefits.

The attached proposal is designed to be implemented September 1, 1989, or as soon thereafter as appropriate informational materials are distributed to the Federal and State judiciary and suitable denial forms developed. In order to avoid any potential problems under the Ex Post Facto Clause of the Constitution, the statute shall be applied to convictions occurring after September 1, 1989, that arise from offenses occurring on or after November 18, 1988. November 18, 1988, is the date of enactment of P.L. 100 - 690. Finally, I am directing the Office of National Drug Control Policy to monitor implementation of this proposal, and to determine if additional changes or modifications are required after 6 months to carry out the legislative intent effectively.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Nomination of Bill R. Phillips To Be Deputy Director of the Office of Personnel Management

August 30, 1989

The President today announced his intention to nominate Bill R. Phillips to be Deputy Director of the Office of Personnel Management. He would succeed Hugh Hewitt.

Since 1988 Mr. Phillips has served as Chief of Staff and Counselor to the Secretary at the Department of Education in Washington, DC. Prior to this, he served as chief executive officer for the Republican National Convention, 1987 - 1988; vice president of Russo, Watts and Rollins, 1986 - 1987; and executive director of the Fund for America's Future, 1985 - 1986. In addition, he served as the chief of staff at the Republican National Committee, 1983 - 1985; executive assistant to Gov. Robert List of Nevada, 1978 - 1983; deputy campaign manager for Robert List for Governor, 1977 - 1978; and as a political reporter and columnist for Reno Newspapers, Inc., 1975 - 1977.

Mr. Phillips graduated from the University of Nebraska (B.A., 1969). He was born June 8, 1944, in Whitesboro, TX. Mr. Phillips served in the U.S. Air Force, 1965 - 1970. He is married, has three children, and resides in Springfield, VA.

Nomination of Frank B. Sollars To Be a Member of the Board of Directors of the National Consumer Cooperative Bank

August 30, 1989

The President today announced his intention to nominate Frank B. Sollars to be a member of the Board of Directors of the National Consumer Cooperative Bank for a term of 3 years. This is a reappointment.

Since 1939 Mr. Sollars has been a self-employed farmer. In addition, he has served as director of the National Cooperative Bank in Washington, DC, since 1980, and chairman of the board for the National Cooperative Bank, 1980 - 1988; director of Nationwide Mutual Casualty Insurance Co. of Columbus, OH, since 1968, and as chairman of the board for the same company since 1972. Mr. Sollars has served as the director of the National Cooperative Business Association since 1975, and was chairman of the board for the same organization, 1985 - 1987.

Mr. Sollars was born June 29, 1921, in Fayette County, OH. He is married, has five children, and currently resides in Washington Court House, OH.

Remarks at a Luncheon Hosted by the Chamber of Commerce in Kennebunkport, Maine

August 30, 1989

Well, what a magnificent picture! I'm looking around at this crowd, and I see a few faces old enough to remember that boardwalk that went along -- [laughter] -- all the way along Ocean Avenue there. And this is a very special occasion for Barbara and me, and we're delighted to be here. And I'm very pleased to be honored by the chamber.

I was afraid you might be feeling I had dishonored the community with some of the excesses that have taken place out here, but I want the record to show that when the bottom fell off of the starboard engine on our boat the other day -- [laughter] -- it was not an encounter with a lobster trap. [Laughter]

The Coast Guard guy went out and took a look at the reef off the point there and started to tell me that he thought maybe, accidentally, I had hit a rock. And I told him, ``Look, rocks do not grow in these waters. I've been here for 65 years running around in a boat -- find some other answer. Even if there is metal on the rock out there, I did not hit that rock." [Laughter] And as Commander in Chief of the Coast Guard, he changed his mind as I was talking to him, and -- [laughter] -- we now think it was a submerged board. [Laughter]

Barbara -- this Barbara -- thank you very much, Barbara Aiello, for this honor and for welcoming us to the community that we do love so much. I'm delighted to be back at the Shawmut, where many of our press are staying and other friends that are traveling with us, and this hospitality -- a few of them greeting us over here -- the people working at the Shawmut. But it's a wonderfully warm feeling that we get from all of you, our neighbors in Kennebunkport and Kennebunk Beach and, of course, Kennebunk.

And it's a special time for me being here. We are doing some work, but I have confessed at the very outset that this is a pure, total vacation. And I'm not going to look busy in order to convince people in America that it's something other than a vacation. [Laughter] I mean, it's the way it is, and there are some hazards out there. Some of you have been on the golf course when I play, and that's -- [laughter] -- and other challenges.

One of them now is, we have a fleet of plastic toys that Barbara bought at some -- I hope it was at a sale. There are many cars and little scooters and all out there, and it's a hazard to get out the front door, get into the car or into the boat, just to escape all these kids' playthings. But one of the great joys for us has been having our grandchildren here, and I expect that those in Kennebunkport will recognize a familiar scene as we prepare this year's Christmas card.

I'm not going to comment on the fishing -- a vicious assault on my -- [laughter] -- vicious assault on my ability. I'm going to call the editor of the Portland paper, however, and present this to him: How would he call it? This morning, we got up and, through what was a rather heavy fog, went down to Whistler off Cape Porpoise and then down off of Woods Island. And here's my position: I was driving the boat, placing the boat so that Sandy Boardman, who was with me, could catch a bluefish -- and she did. And I think they should knock off that advertisement on the front of the Portland paper that shows a bluefish with a big X through it -- [laughter] -- telling me that, yet a 13th day, I haven't caught one. I'm going to appeal to them on that one.

It's been a joy to be here. Barbara put it pretty well: that this is a place where we really enjoy ourselves -- but more than that, kind of refurbish our souls and get our batteries all charged up and enjoy life really to the fullest. It's a point of view. You can feel it in the land and in the water here. And I know that people that are members of this chamber and other visitors that we have here with us understand exactly what I'm talking about. Barbara has told you that I've been coming here every summer since 19 -- well, I was born in '24. And the only one I missed was the summer of 1944 when, like many of you, I was in the service. That's the only time that we missed being here. And there is a certain magic about the place.

Our kids live in five different States -- one in Cape Elizabeth and the others, four different States -- and for them, this is an anchor to windward because not far from where this picture was painted my mother was born in a house still standing right there -- not too far from St. Ann's Church.

So, enough of the reminiscence, but it means renewal to us, a moment to reflect. And as Barbara said, some of my colleagues in the Government have had an opportunity to come here for substantive meetings. Today I can't wait to show off this heaven to the Prime Minister of Canada, his wife, and his four kids, who will be visiting us around the corner. And the other day it was the Prime Minister of Denmark and his charming wife. And as some of you all remember -- in May, I believe it was -- we had the President of the French Republic here.

And it is more than just inviting them to a lovely place, because I've found, as I will with Mulroney, that with both the Danish Prime Minister, Mr. Schluter, and Mr. Mitterrand, you could converse and you could relax and you could really get to know each other in a wonderful setting. And though I don't believe foreign policy is determined on whether a foreign leader likes you or not, I do think it makes a difference if you can develop a good personal relationship. And you, our neighbors, have helped us in that regard, as we've had some distinguished foreign visitors here.

I appreciate the Outstanding Citizen Award. I don't know what the vote was on this one -- [laughter] -- but I want to tell you a true story. This came as a little bit of -- well, it was good for my ego, that tends to mount when you get into this job from time to time. But they decided to name a public school after me. I think it was a junior high school, or maybe an elementary

school, in Midland, Texas, where we lived for 12 years. And this is God's honest truth: The vote was either 4 - 3 or 3 - 2 in favor of naming the school for me. [Laughter] So, Barbara, I hope it was a little more one-sided than that in this -- giving me this significant honor. But I really am pleased to accept it.

I know that the chamber of the Kennebunks is made up of a lot of entrepreneurs, and I would be remiss at a meeting like this if I didn't ask you to give me strong support as I go back to Washington to fight for a capital gains tax differential. I believe that small business -- providing jobs to those who don't have jobs -- small business entrepreneurs really are the backbone of this country in many ways.

And I am absolutely convinced that John Kennedy was right years ago -- 25 years ago or more -- when he talked about the need to have a differential in the capital gains and, indeed, to call for a reduction in the capital gains tax because it stimulates the economy. It encourages risktaking; it rewards those who go out and employ others and start new businesses. And I am just convinced that it is good; I am convinced that it will help with our deficit, not inhibit the efforts I am making to get this budget deficit down in accord with the Gramm-Rudman targets. And so, I would ask your strong support to your very able congressional delegation as we now go back to battle for what I think is a good incentive for business people, men and women, small business entrepreneurs -- those who have the courage to go off on their own and start new businesses wherever they may be. And I ask for your help.

Incidentally, I do believe we're going to get a good agreement on the budget deficit reduction package. I think it will be accomplished without raising the taxes on the American working man in this country. The problem still is this: It isn't that the working man is paying too little in taxes; it is that the Government continues to, for a lot of reasons, to spend too much. And I am going to continue to try to hold the line on taxes. And, again, I need your support there.

Right here in Kennebunk you've had some -- Kennebunkport -- you've had some examples of people that have been successful. The owner at the White Barn Inn may be with us today. Is Laurie here? Laurie Bongiorno -- over here -- quoting him, perhaps to his embarrassment, but he said: ``We have an opportunity to create value in our businesses by taking a longer view. This would be easier without the burdensome weight of the capital gains tax." And I think he's absolutely right.

George Bergeron -- he runs a landscaping operation with a very unusual name. It is called George's Bush and Tree Service. [Laughter] I loved it when I saw that. [Laughter] But let me tell you about this guy. I don't know whether he's here or not, but -- back here? Fantastic! Planning for his retirement, he says, ``I left my work to go into business for myself. I took the risks and went the American way for the sake of my retirement. Wouldn't it be ironic," he continues, ``if just as I was ready to cash in, the Government took such a big piece of the profit from me?" He's absolutely right. The backbone of our recovery -- in October it'll be the longest in the history of

the United States -- comes from the small business man or woman, who then makes it work and goes out and gives jobs to other people. The best answer to poverty in this country is a job, and I want to keep this economic expansion going.

I was told to say just a few words, but let me end with just a little reference to the times we're living in, regarding our foreign policy and the challenges we face as a country. And you see the kids here, and it reminds me that just before I went on a fascinating trip to Eastern Europe, including Hungary and Poland, and then to Paris, the Polish journalists came into that beautiful, majestic Oval Office, and they asked me: ``What would you tell a young kid in Poland today?" And I had in my mind as he asked me the question the numbers of people in Chicago and in Detroit, and indeed some in Maine, who have come to this country from Poland -- the arms of the Statue of Liberty outstretched, then in the past as it is, thank God, still today.

And I thought about it, and then I thought about the change, the political change that's taking place in Eastern Europe -- change far more dramatic than I could have conceived when I was in the Congress, say, 20 years ago. And I said, ``If I were a kid in Poland, I'd always want to see the United States" -- I'm thinking on this -- ``to see the United States as a beacon." But I told him: ``If I were a kid in Poland, I'd want to stay there. I'd want to participate in the change because we are living in a fascinating time." And you look at what's happening in the Soviet Union, the changes of perestroika -- reform, glasnost -- openness. It's dramatic. It's new. The aspirations for freedom are there. And you see the changes again in Poland, where you have a Communist government change through free elections to a government that contains people mainly out of the Solidarnosc movement, the labor union movement.

So, the point I want to make to you is: We're living in exciting times. And I can say with confidence to these kids: If we do our job right, if we handle the relationship with the Soviet Union properly, and if we then are smart enough and intelligent enough to delicately have the role of the United States be one of helpfulness in Eastern Europe, I think we can see a world where the peace is much more enhanced, or the threat of war -- nuclear war, conventional war -- greatly reduced. And it is an exciting time to be growing up in the United States, and it certainly is an exciting time to be the President of the United States of America. I like my job. I'm going to work hard for you. And thank you very, very much for this honor. Thank you so much.

Note: The President spoke at 12:24 p.m. at the Shawmut Inn. In his opening remarks, he referred to Barbara Aiello, president of the Kennebunk-Kennebunkport Chamber of Commerce.

News Conference of the President and Prime Minister Brian Mulroney of Canada in Kennebunkport, Maine

August 31, 1989

The President. Well, why don't we get started on this scrum, as we call it. In the first place, Barbara and I have just been delighted to have the Prime Minister and Mrs. Mulroney here. And we had a chance this morning -- it started out as just a chat, and ended up spending close to 4 hours talking about issues affecting not only U.S.-Canada but a wide array of issues affecting the whole world, as a matter of fact. As usual, I've learned a lot from the Prime Minister, and we've really had a substantive discussion. John Sununu and Brent Scowcroft dropped in for some of the discussion. And I can say this -- and I'll let the Prime Minister have equal time -- that the relationship between the United States and Canada, a most significant and important relationship, is in good shape.

I have found, just in the short time that I've been in this job, and with respect to the -- certainly the Prime Minister with much more experience in leading a country than I -- but I have found that I can either pick up the phone and talk to him with a frankness that is very important, or in a visit of this nature, which we deliberately billed as a private visit, talk to him with no holds barred. We agree on almost all the major issues. And where Canada and the U.S. may have bumps in the road, we can talk very frankly. He is always very frank with me, expressing the Canadian point of view so strongly, and gives me a chance to understand that position. And of course, I feel no inhibitions in telling him where the United States is coming from.

And though we have a few more hours of this most pleasant visit -- from my standpoint at least and, thus, from the standpoint of the United States, it's been an unusually productive visit. And I'm just again, Brian, so pleased, sir, that you are here.

The Prime Minister. Thank you, Mr. President. Thank you, George.

Well, I really am here to give you the impartial international assessment of the fact that there are no fish out there. [Laughter] I can certify to that. It's not the President's fault there are none -- at least not for awhile, at least not for awhile. [Laughter]

Well, we've had a very pleasant and productive visit. Mila and I and the children have enjoyed the hospitality, and we of course enjoy the Bushes and their family a great deal. And so, we had a good opportunity, beginning at breakfast this morning, to really -- the President and I -- to review important bilateral relations between Canada and the United States from the environment to trade. And then, in the course of kind of an unscheduled next couple of hours, to get more and more into international issues, some of which flow from the Paris summit, others which the President has initiated or seeks to initiate.

And Canada views this relationship as a very special one. We have the largest trading relationship in the world between our two countries; and we have currents of history and bonds of friendship that are, I suspect, unrivaled anywhere. And so, this is an indication of the value of the friendship; this is an occasion for us, as well, to seek to improve it.

We have challenges and tensions from time to time. And the best way to deal with them is in a straightforward way, and that's exactly what we've done. And I thank the President for his hospitality, which we've greatly enjoyed.

Thank you very much, Mr. President.

The President. Merci [Thank you].

Now, any questions? And why don't we do like we did before, if it's agreeable, sir -- just alternate.

Situation in Panama and Colombia

Q. Mr. President, can you tell us why you sent the State Department to make a case against Noriega at the OAS? Given the OAS's history of inaction, is that wasting our time, sir?

The President. No. Working to be sure that all the countries in the OAS understand why we feel as we do about Noriega is very important. And I am not going to give up on multilateral diplomacy. I am going to continue to work with the leaders in this hemisphere, most of whom feel as I do about Noriega, to see if we can't help the Panamanian people get what they deserve; and that is a democratic society that stems from free, fair elections. And so, we are going to continue to press the case in OAS and every other way.

Q. But they didn't come through for you before.

The President. Keep working on it; keep working the problem.

Q. Did the President discuss the President's new drug strategy, and did he specifically ask Canada to perhaps help in terms of furnishing more money and law enforcement officers to attack the drug cartel operators in Colombia?

The Prime Minister. Well, first, I should say that I share the President's view about General Noriega, and the Government of Canada has conveyed that view directly to the General in recent days. And Secretary of State Joe Clark has issued a strong statement about our view of Panama. We're very supportive of what not only President Bush but all freedom-loving people seek in respect of Panama. And the fact that it hasn't happened yet doesn't mean we shouldn't stop.

With regard to the problem in Colombia, Canada views the statements of the President as the statements of a very courageous -- very courageous man -- deserving of support not only by the United States but by all industrialized countries, and particularly all nations in this hemisphere. And we have communicated ourselves, of course, with the Government of Colombia; we expect that we will be hearing from them shortly.

The President and I discussed a number of initiatives this morning that we'll be discussing with friends and allies to try and have a more definite impact. The United States will, I suppose, respond on a bilateral basis; and so will Canada. But where there is complete agreement between the President and myself is the need to support a very courageous leader in Colombia and the need to stomp out, by every reasonable means, the terror of drugs which is devastating society in the United States and having a very serious impact as well on Canadians and people around the world.

Q. -- -- a multilateral force to be used to help stamp out those drug traffickers in Colombia?

The President. The main thing is to cooperate with President Barco in the ways that he feels are most effective. That's the best thing. There is no point on Canada or the United States or the Group of Seven [economic summit participants] or any individual country or group of countries imposing its will on a country that is now trying very, very hard to rid itself of this menace. And so, I know that I -- the Prime Minister and I have discussed this -- we would be guided by requests from President Barco in Colombia.

[The next question was asked and answered in French, and no translation was provided.]

Canada-U.S. Relations

Q. Mr. President, what areas would you say the bilateral relations have been unusually productive in these talks? And also, in what areas do you think there still remains some bumps in the road, as you referred to earlier?

The President. Well, look, on the whole area of trade, because the Prime Minister stood firm in a tough political context for a free trade agreement, dramatic progress has been made. There are still bumps in the road. There are going to still be areas that he and I need to discuss and that our trade representatives need to discuss, to iron these bumps out. And so, the broad area of agreement is relating to the free trade agreement itself, and then where we have disagreements there's going to be a case-by-case looking at problems.

We talked, for example, about a specific: There's been a fishing problem between Canada and the United States regarding lobsters. It's a matter of some concern to me. Well, we decided, look, let's talk about it frankly, refer it to our experts, and then get on with solving it. So, he has been in the forefront of change for environmental protection. And we've come forward now in the

United States, trying to have a package that I would encourage our Congress to pass that would do something about acid rain, for example. But again, problems still remain until we put into effect our legislation and then move forward even further with Canada.

So, where we have broad agreements, trade agreement, there are bound to be matters as we go down the road that are going to need to be ironed out. In terms of the Group of Seven, in terms of the East-West relations, in terms of how we look at matters south of the United States border -- and I'm talking about Panama, for example -- I find that the Prime Minister and I, and Canada and the United States, are very, very much in accord. And there are other issues where we may have differences, but in these broad ones, there's agreement, and the problems come on some of the specifics. But amongst friends we can hammer out those difficulties.

Colombia

Q. You talked about support for President Barco, but are there specifics in a Canadian program that would in any way be coordinated with the U.S., or is there a separate Canadian program?

The Prime Minister. Canada's already assisting Colombia in a substantial way, in terms of the administration of the -- or improving the system of justice internally within Colombia. Our security forces have been providing assistance and technology, as well. The President and I explored other possibilities where, either individually or collectively, we could be of greater assistance in responding to what is clearly a very courageous and brave voice coming from Colombia asking for understanding and support. But as the President pointed out, it is important that the definition of that agenda come from Colombia and not from us. It is up to the President to indicate to the United States, to Canada, and to friendly neighbors around the world, how we best might be of help.

Q. Mr. President, you can make suggestions to President Barco. After all, this is an American crisis, too. Can't you make suggestions, and would that include some sort of multilateral force, possibly not military, possibly some sort of -- I don't know -- you talked about the Group of Seven -- Interpol, or something like that? And also, have you considered the possibility of some sort of South American summit which would include the Peruvian and Bolivian leaders?

The President. There has been discussion of an antinarcotic summit. Indeed, I talked to President Barco about that the other day. I feel totally free to make suggestions to him. But all I'm saying is that we must be sensitive, as this man goes to work and has rolled up his sleeves and is putting a lot at risk, that we not be counterproductive in our efforts to help him. But I feel free in talking to him to discuss any subject.

And I've made clear to him, John [John Cochran, NBC News], in my last conversation with him, that, please, let us know what in addition that we might do to help. But I think you have to be sensitive in understanding of the history in this hemisphere, and you cannot try to impose a

solution on a country that is struggling very hard on their own -- with international help -- to solve this problem.

Q. Given their longstanding antipathy to American military intervention, would it be more acceptable to act in a multilateral way -- with the Group of Seven, for example?

The President. Well, there's no question that multilateralism makes great sense in trying to help. But if the question implies intervention of a multilateral force, there again, if requested -- --

Q. I'm not asking that. At the invitation -- --

The President. Oh, no question, no question that that would be better. And from our standpoint, it would be better, as it affects the neighbors of Colombia. But again, I don't want to -- just through even responding to your question -- to appear to be pushing a solution on a man who has dug in there, whose ministers are coordinating their efforts now, and to do something or say something that would be counterproductive and turn public opinion that's now mobilized in Colombia against President Barco's efforts. But, yes -- I'm sorry I missed the question -- but, yes, I think an international effort on whatever line it is -- aid, help of any kind -- would be useful.

Canada-U.S. Trade

Q. Prime Minister, could you elaborate from your point of view on the lobster issue what Canada might do? And secondly, how you would characterize what bumps in the road you see there are in the bilateral relationship -- trade, environment, whatever?

The Prime Minister. Well, the President was big on lobsters today. I was big on pork because we feel that the Americans have just imposed an unfair tariff on pork. And we discussed the manner in which this will be resolved through the mechanisms provided for the free trade agreement. But we went through a number of issues like that.

But I also point out the President's recent actions, for example, with regard to steel imports into the United States as they affect Canada, which indicates the strong commitment toward liberalized trade, towards removing inhibitions, and towards the belief that freer trade means greater economic growth for both sides.

And so, I think that the forces of free trade here and around the world, Canada and the United States, is, as Mrs. Thatcher once said, the greatest model for anybody wanting to examine the benefits of the flow from free trade. Between our two countries -- we do the largest trade in history between two countries, and at the end of the year it's roughly in balance, as opposed to huge imbalances that surge in America's trade relations with other partners.

So, we covered the entire -- well, I shouldn't say the entire spectrum, but we covered a good bit

of it. And as I say, the President was strong on lobsters and not so good on pork -- [laughter] -- but we'll change that.

Q. Mr. President, on your upcoming drug plan, can you -- --

Acid Rain

Q. Mr. Mulroney, on acid rain -- --

The Prime Minister. I'm sorry, may I just -- acid rain -- very much so. We covered it, and we're getting to a solution because of the President's initiatives, for which we're very grateful. But we want a bilateral clean air accord between Canada and the United States. And the President and I discussed that as well. And that will move ahead concurrent with the action in this regard in the American Congress. I won't be satisfied that the issue is resolved until President Bush and I sit down and sign that accord. And then that will be an important day.

Q. Do you think you're any closer to an accord now?

The Prime Minister. Yes.

War on Drugs

Q. On your present drug plan, can you afford to take the emphasis off of interdiction and turn instead toward the suppliers and the users of drugs?

The President. I don't know where this is coming from, what our emphasis is going to be. I would simply suggest that people wait until I announce this national drug strategy. In fact, before I came over here, I said: ``What is this story that there's a whole new emphasis being placed on how we fight drugs? It's going to have to be done on every front."

And there's been a lot of concentration, with some success, on interdiction. But the job isn't finished, and certainly we are not going to move away from attempting to interdict. So, I don't know where the speculation is coming from as to what emphasis we're going to place because when I come out with this program I'm going to urge that the emphasis be placed on all points.

Q. The drug czar [William J. Bennett, Director of National Drug Control Policy] has suggested that there will be a greater emphasis on getting after the drug user and educating and on treatment.

The President. There's going to be a new -- he is correct on that. There is going to be a greater emphasis on that. But I wouldn't say that it's going to be a greater emphasis at the expense of cooperating with Mr. Barco or cooperating with rehab or cooperating with law enforcement or

going after the criminal elements more. So, we'll see. I didn't exactly see his comments, but it shouldn't be interpreted that we're going to move out of the drug interdiction field. We cannot do that.

Visit of Prime Minister Mulroney

Q. Prime Minister, can you describe what you've done in terms of recreational activities? Did the President challenge you to a game of tennis?

The Prime Minister. To his great regret. [Laughter]

The President. Now, wait just a minute for clarification. [Laughter]

The Prime Minister. The wind, however, intervened, preventing me from inflicting great damage on his reputation. [Laughter] So, we haven't gotten around to that. But we've been swimming -- we've been out in the boat -- --

The President. Horseshoes this afternoon.

The Prime Minister. -- -- a little fishing -- by me, unsuccessfully. [Laughter] So, we've had a good time, full time.

Drug Flow Across the Canadian Border

Q. What about the flow of drugs across the U.S.-Canadian border? How serious a problem is that?

The President. Is this for the Prime Minister or for me?

Q. Yes, for the Prime Minister and for you, Mr. President. The flow of drugs across the U.S.-Canadian border -- how serious a problem do you regard that as being? And are you prepared to ask for American aid in bolstering your forces along that border? And, Mr. Bush, are you prepared to supply that aid? Was that discussed?

The Prime Minister. Well, there are lots of problems, and I suppose that's one of them, but it's not really a major, major one when you rank it alongside the others. The fact of the matter is that we have a growing problem of our own in Canada, which is one of abuse of this substance, the same way as the United States has. Canada is becoming a progressively important dropping-off area of drugs destined for the United States. And we have been working very actively to interdict those drugs destined not only for Canadians but for transshipment into the United States, and with some considerable success.

There's a great deal of cooperation, a very intimate degree of association and cooperation, between all agencies in the United States and in Canada. And the interdiction is very, very successful at the Canadian-American borders. And would the same situation prevail elsewhere, we'd be in better shape.

But as the President pointed out, if you have a country the size of ours or a smaller one, as long as you have access by ports, by air to that, you can transship drugs directed for the United States. And it's our obligation to be as severe and as rigorous as we can in interdicting shipments destined for the United States as -- with the same enthusiasm or the same vigor as we apply to trying to stop shipments to our own people.

Colombia

Q. Mr. Prime Minister, would you consider an aid package to Colombia if it was requested similar to what the United States is contemplating, to what President Bush is planning?

The Prime Minister. The drug problem in Canada takes its origin in producing nations. And the producer who is in the process of destroying the young Canadian is exactly the same who's destroying the young American -- exactly. He is the same venal, corrupt individual who seeks to profit by destroying young people in all our societies. And so, Canada will -- Canada already is being helpful to Colombia. But if the President of Colombia were to ask us for further assistance, either as members of the G - 7 or simply in a bilateral relationship, we would respond. And we would respond with enthusiasm because we don't see this as an American problem or a Colombian problem; this is a problem of any decent human being who wants to keep this cancer out of his or her society.

Food Assistance for Poland

Q. Mr. President, Senator Dole said this morning the administration is considering an emergency allotment of food assistance to Poland. Can you explain what's in the works on that front? Is this something that's apart from the discussions now underway under the auspices of the European Commission?

The President. Well, one of the things that we did at the G - 7 meeting in Paris was to set up a coordinating committee. And one of the things that will be activated in regards to this food request is that committee. Mr. Delors [European Communities Commission President] is heading it. Bob Dole came back here with Secretary Dole, stopped in here, and made clear to me that, in their opinion, there was a need for immediate support in the food area.

And that is one where we ought to be able to do more. We've done a lot. But we will be working that problem this coming week and trying to comply with the wishes of the various leaders in Poland. So, I think we can do more there. But again, we have -- as you know, when we treat with

food aid -- we have budgetary problems just like other countries do. But when it comes to food, why, I think the world should have the quickest possible response.

Q. Can you give us an indication of how much, how quickly?

The President. No, we haven't got the numbers on it yet, Norm [Norman Sandler, United Press International].

Q. Mr. President, do you want to try it in French? The highlights of this -- --

The President. Mais non. J'ai -- I learned my lesson in Ottawa -- not to try. [Laughter]

Visit of Prime Minister Mulroney

Q. What is the highlight of the visit for you?

The President. The highlight? Well, I don't know that I can single one thing out, but if it does nothing else, it symbolizes the friendly relationship that we have with Canada. And I am determined that as long as I am President, I will never take for granted friends. It is very important, from what I need to learn to do my job better, to stay in touch with Prime Minister Mulroney. And this visit has been as good, if not better, than the other such visits we've had, even when I was Vice President. We had a relationship where we could talk very, very frankly. We could get out our disagreements, as well as the things we agreed on -- no acrimony. And he's had a lot of experience in these G - 7 meetings and in other international meetings; and I find it extraordinarily helpful to me to just bounce ideas off him -- and maybe vice versa -- when it comes to East-West relations; when it comes to the changes in Eastern Europe; when it comes to what's happening in Central America, or indeed, in Asia.

And so, the highlight is not only the personal chemistry that I think is good but the fact that we can talk as neighbors in a very unfettered way about a wide array of problems without fearing that we're going to have some misunderstanding or some leak, or something that's going to embarrass either one of us. And that is important. That is a very important point.

Canadian Lobster Exports

Q. Mr. Mulroney, what do you say to the American lobstermen who say you're killing their prices by having your people catch these puny lobsters and then export them here before they're able to grow big enough to reproduce? What do you say to us?

The Prime Minister. Well, the President made a very strong case in respect to that this morning, and he advanced some persuasive arguments that I have instructed my officials to begin examining. And this matter, which is very important to the United States, will be resolved in

much the same manner as we seek to resolve others: in a friendly, constructive spirit. We didn't resolve it today, but the President certainly made a very, as I say, persuasive case, as I hope I did in other areas.

Panamanian Elections

Q. Mr. President, back on Noriega?

The President. This is the last question, the one that always gets you in trouble. Yes, come on, Michael [Michael Gelb, Reuters]. [Laughter]

Q. Do you plan any further sanctions, or do you plan to recognize Mr. Endara as President?

The President. Well, we were, curiously, discussing that just today. Clearly, we're not going to recognize Mr. Noriega. We've got sanctions in place that will continue. We are considering what additionally might be done. And I've never seen a coming together in world opinion as there is on this one amongst the major nations: that Noriega ought to get out. And I was very pleased with the Canadian initiative, on its own, making clear to Noriega that he's subverting the democratic way. And other leaders have done this.

We had [Danish] Prime Minister Schluter up here the other day, as you know. And he felt, rather than make a joint European demarche, that it's better for countries individually to go forward, as Denmark has planned to do. Mrs. Thatcher has taken a strong position. I think we just got a letter from her today on this.

And so, there's a lot going on in terms of making clear to Noriega that he is just not only aborting the will of the people, but he is frustrating sound, normal relations with a lot of countries. So, let's hope that reason will prevail. But we're going to keep going forward, and we will consider what additionally we might do. There's a high frustration level. I'm ready to concede that, but we are not going to give up on this. We are not going to permit the will of the people of Panama to be thwarted by this dictator, especially at a time when the whole hemisphere is moving down democracy's path.

Thank you all very, very much.

Q. Do you think Noriega is providing a safe haven for the drug barons?

The President. I don't know.

Q. Mr. President, there are rumors that there's another coup attempt being planned in the military right now in Panama. Any comment on that?

The President. No comment on that.

President's Vacation

Q. No more fishing?

The President. Oh, yes. Would you like a fishing assessment? Would you really like to know -- --

Q. Yes. [Laughter]

The President. I told you what I thought yesterday, and this is getting out of hand. And so, between now and when I leave on Monday, I guarantee you -- I positively guarantee you that this jinx will be broken. I've seen a lot of good .350 hitters bat about .178 for a while. Then they come out of the slump and move forward. My record fishing in these waters is well-known. It's a superb record, a record of bountiful catches. And somehow, something's gone wrong for the last 13 days -- [laughter] -- something's happened. But I promise you -- I promise you that -- in fact, we're thinking of having a poll to take a media person with us when Barbara and I go out to thwart these evil rumors that I don't know what I'm doing fishing. It's gotten out of hand. When I see it on national television, I know we've got to put an end to this monkey business. So, we will prevail. And besides that, everyone knows fishing is a team sport. [Laughter]

The Prime Minister. I just want to issue a formal denial here. It is not the case that there are out in the bay Canadian frogmen with Nova Scotia salmon ready to put on anybody's line. [Laughter]

The President. I hope they will be.

Note: The President's 22d news conference began at 2:06 p.m. at Walker's Point.

Statement on Panama-United States Relations

September 1, 1989

On May 7, the people of Panama, by an overwhelming margin of votes, braved repression, intimidation, and fraud to choose democracy over dictatorship. They sent a clear and unmistakable message. They wanted an end to dictatorship and restoration of elected democratic government. But this act of self-determination was brutally repressed before the eyes of the entire world. Noriega answered the cry of his people with beatings and killings. The candidates chosen by the Panamanian people will not be allowed to take office today, as required by the Panamanian Constitution. Panama is therefore, as of this date, without any legitimate government.

Accordingly, the United States will not recognize any government installed by General Noriega. Our Ambassador will not return, and we will not have any diplomatic contact with the Noriega regime. The United States will continue to take other steps, including the tightening of measures to deprive the illegal regime of funds that belong to the Panamanian people, in support of self-determination and democracy, and to counter the threat posed by General Noriega's support for drug trafficking and other forms of subversion. I am confident that other governments which support human rights, democracy, and self-determination and which oppose drug trafficking will take similar measures.

This should have been a proud day for Panamanians and for all who believe in self-determination and democracy. Instead, it is a sad day -- a sad day for Panama and for the democratic nations of this hemisphere. The peoples of Panama and the United States have enjoyed a close and mutually beneficial relationship since Panama's founding in 1903. Our people-to-people bonds have become even closer since the conclusion of the canal treaties of 1977, which the United States will continue to uphold. We will not forget this bond, or the sacrifices Panamanians have already made to rid themselves of the outlaw Noriega regime. We will continue to stand by the people of Panama until their fight for self-determination is respected and democratic government is restored.

Message on the Observance of Labor Day

September 1, 1989

Today, we pause as a Nation to salute America's working men and women. From Honolulu to Harrodsburg, from Spokane to Colebrook, millions of us are observing a uniquely American holiday by taking a well-earned respite from our daily labors.

We rest on Labor Day in order to reflect upon all our Nation owes to its workers, the ``doers of deeds," whose noble dreams and diligent efforts have shaped our homes, towns, and schools -- indeed, our way of life. As a Nation, we trace our roots to the brave and hardy individuals who cleared the timber, sowed the fields, and laid the foundations of great cities -- people for whom freedom meant nothing less than the opportunity to build a better world. Labor Day is a time to recall that heritage of accomplishment, as well as the deeper meaning and dignity that work holds for each of us.

Today, we also give thanks -- not only for the American worker but also for the strength of our Nation's economy. A job is more than a source of income; it is a source of pride and a source of self-respect. In just seven years, the engines of economic growth have created more than 20 million new jobs, and today more Americans are at work -- both in absolute numbers and as a percentage of the population -- than ever before in our recorded economic history.

We rejoice in this record economic expansion, but we can and should do more to sustain it. We must safeguard the gains made by working families and improve worker training and education so that all Americans might share fully in our nation's prosperity.

We give thanks today, too, for the rights and freedoms our system of government ensures: freedom from discrimination in employment because of race, sex, religion, national origin or disability; freedom from health and safety hazards in the workplace; and the right to join a labor union and to engage in collective bargaining.

Looking ahead, we foresee a very competitive global economy and a landscape transformed by technology. Nevertheless, we can depend on America's working men and women to meet such challenges. Like generations of hardworking Americans before them, they will have the tools that freedom makes available: respect for individual initiative, incentives for private enterprise, a spirit of cooperation, and the confidence that says ``It can be done."

On this 95th Labor Day, we Americans are both grateful to and proud of our Nation's workers.

George Bush

Designation of Shellyn Gae McCaffrey as a Member of the Board of Directors of the Overseas Private Investment Corporation

September 1, 1989

The President today announced his decision to designate Shellyn Gae McCaffrey as a member of the Board of Directors of the Overseas Private Investment Corporation, U.S. International Development Cooperation Agency. She would succeed Eugene K. Lawson.

Ms. McCaffrey is currently the Deputy Under Secretary of Labor (International Affairs) at the Department of Labor. Prior to this, she served as Associate Deputy Secretary at the United States Department of Commerce, 1988 - 1989; Deputy Executive Secretary for the Economic Policy Council at the White House, 1985 - 1988; senior staff member in the Office of Policy Development at the White House, 1981 - 1985; and press aide and fundraiser for the Reagan-Bush campaign, 1979 - 1980.

Ms. McCaffrey graduated from the Pennsylvania State University (B.S., 1979) and American University (J.D., 1988). She was born December 22, 1957, in Pittsburgh, PA. She currently resides in Alexandria, VA.

Remarks Following Discussions With Prime Minister Toshiki Kaifu of Japan

September 1, 1989

The President. Mr. Prime Minister, and ladies and gentlemen, an old proverb says, ``The foundation for a better tomorrow must be laid today." Mr. Prime Minister, you and I are here today to shape tomorrow. And on America's behalf, let me welcome you to this country.

When I was in Japan earlier this year, I observed how ties, national and personal, bind our two people. Your visit reaffirms those ties and underscores this commitment by you and your government to the continued health of our historic friendship. That friendship lives and grows, as today's meeting evidenced. But while we met as new friends, our talks were conducted like old friends. And they were characterized by cordiality, a positive atmosphere and understanding, and by broad agreement on the major items of our bilateral and international agenda. For that, Mr. Prime Minister, I credit the good will and perspective that you brought to these discussions and the enduring partnership between our two governments.

That partnership is based on shared interests and mutual respect, and rests on our belief that together we can be a global force for peace and prosperity. This global partnership works in several ways. First, as in past meetings between our nations' leaders, the Prime Minister and I affirmed that the treaty of cooperation and mutual security is vital not only to our joint security but to the stability of the entire Asia-Pacific area. And in that context, we agreed that this alliance will continue to be crucial to the region's future. And we vowed to continue to consult closely on all aspects and arrangements of our security partnership and shared responsibility for peace and stability.

And second, the Prime Minister and I discussed how we can promote peace and prosperity through greater freedom -- economic and political -- around the world. Already, we've joined to support the multilateral assistance initiative for the Philippines launched in Tokyo in July. And today we restated our intent to encourage still more open economic and political systems and, specifically, to support recent political and economic reform in Eastern Europe, notably in Poland and Hungary. And we also discussed the situation in China for, as I've said before, we seek to preserve our relations there while endorsing the legitimate aspirations of the Chinese people for political expression.

And then, a third area of agreement concerns how diplomacy can help resolve regional conflicts. America and Japan, with others, will continue to urge a comprehensive settlement that gives the people of Cambodia both security and the ability to choose their own government. We agreed, too, to accelerate our efforts to protect our citizens against international terrorism.

And in particular, we repeated the mutual commitment to aviation security that we made at the summit in Paris, and pledged to pool our technical and economic resources to combat all forces of terrorism that affect civil aviation.

And finally, the Prime Minister and I discussed our economic relationship at great length. And we are mindful that our economies are the world's largest. And we know that the health of our relationship partly depends on bringing our economic relationship into better balance. The Prime Minister confirmed the agreement I reached with his predecessors at the Paris summit to launch talks on structural impediments, and these discussions will begin in a few days. And I stressed to him the importance that we attach to the success of those talks and to the trade committee talks which will also occur next week.

And I share the Prime Minister's belief that, while Japan is noted as an exporting superpower, the time has also come for Japan to be an import superpower. Each of us desires that these discussions produce results which further strengthen our economic relationship and open the world trading system. To advance that goal, we restated our commitment to the success of the Uruguay rounds, and we also vowed to continue our frequent consultations at all levels on other international economic and trade issues.

In sum, Mr. Prime Minister, ours has been a highly productive meeting -- one which will enhance the broad U.S.-Japanese agenda. A writer once observed: ``Friendship is a sheltering tree.'' Because of ties which prosper and a partnership which endures, both the United States and Japan have been, I believe, and will remain, better for its shade.

Mr. Prime Minister, we have a mature, effective working partnership. And with you at the helm, I know the partnership between Japan and the United States will produce positive results. I look forward to seeing you again. And thank you very, very much for honoring the United States by this very, very early visit in your Prime Ministership.

Thank you, and good luck, sir.

The Prime Minister. Mr. President, I wish to express my heartfelt gratitude for your heartwarming hospitality and kind words. This is my first visit as Prime Minister, and I have just completed my first meeting with the President.

Nevertheless, I was able to conduct talks with the President as if I were meeting an old friend, which I believe is because the Japan-U.S. relationship rests on a solid foundation laid down by the strenuous endeavors of both Japanese and American peoples over these many years. I conveyed to the President my conviction that the Japan-U.S. relationship is the cornerstone of Japan's diplomacy and that it shall continue to be so.

The President and I confirmed that we shall firmly maintain the Japan-U.S. security

arrangements which are the basis of our bilateral relations. The President and I shared a view that cooperative Japan-U.S. relations based on the Japan-U.S. security ties are indispensable for the peace and stability of the Asia-Pacific region, including Japan.

At the same time, the solution of various economic problems that arise between our two countries because of our close ties requires effort on the part of both Japan and the U.S., and it is important to continue efforts and joint collaboration toward their resolution.

I conveyed to the President my thinking that Japan will continue to promote appropriate macroeconomic policies as well as structural reform, and make efforts for expanding imports. I expressed my appreciation to the President for his continuing efforts to reduce the budget deficit, improve the savings rate, and strengthen competitiveness. In this connection, I expect the Structural Impediments Initiative between Japan and the U.S., which will start shortly, to bear significant outcome.

Japan and the U.S. share such fundamental values as freedom and democracy, and are partners sharing major responsibilities in global tasks. Japan and the U.S. must join forces in dealing with many broad issues related to world peace and prosperity, such as management of world economy, problems of debts in the developing countries, relief for starvation, efforts for strengthening the free trade system such as the Uruguay round, resolution of regional conflicts, protection of human rights, international cooperation for the prevention of terrorism, and the eradication of drugs.

The President and I expressed our common determination to actively shoulder responsibilities in a manner commensurate with our respective abilities under such global partnership. In this connection, the President and I shared the view that further importance must be placed on international cooperation for the preservation of the global environment. My present visit will take me to Mexico and Canada, where I intend to discuss the global environmental problems with their leaders. And as a program symbolizing Japan-U.S. cooperation in development issues such as combating poverty in the world and relieving hunger, I proposed to the President the establishment of a Leland Memorial Program for International Development in commemoration of the ideals and achievement of the late Congressman Leland, and obtained his support.

I stated to the President that my ideal in politics is the realization of a more equitable and humane society and that, to this end, I believe it crucial to advance political reform and to promote reforms for improving the Japanese peoples' quality of life with an emphasis on the views of consumers. I strongly emphasized with the President, who is not relaxing with the success of the United States, but is implementing realistic policies aimed at realizing the gentler and kinder society, Japan and the U.S. are facing common challenges to realize their aspired societies.

For example, the role of education, which brings up the generation which will shoulder

tomorrow's responsibilities, is very important for both Japan and the U.S. I stated to the President that deepening discussion on those tasks, including the problem of education, is useful for Japan and the U.S. and that such discussions will also lead to enhancing genuine mutual understanding between the two countries.

I believe the President strongly supports my views. I am convinced that the expansion of such an in-depth dialog is precisely what is needed to add another important dimension to our bilateral relationship. I believe the last decade of the 20th century, which is called the century of war and revolution, should be devoted to laying the groundwork for a 21st century filled with peace and prosperity for all. To this end, I am determined to fulfill the role that Japan should play in the world on the basis of close and cooperative Japan-U.S. relations.

Thank you very much.

Note: The President spoke at 1:43 p.m. at the South Portico of the White House. Prime Minister Kaifu spoke in Japanese, and his remarks were translated by an interpreter.

Statement on the Death of Baseball Commissioner A. Bartlett Giamatti

September 1, 1989

I am shocked and deeply saddened by the tragic death of Bart Giamatti. He had an abiding love of baseball and an enduring zest for life.

Author, teacher, college president, commissioner -- Bart Giamatti was a man of many talents and a man who lived by the highest standards of excellence and ethics. He was my friend of longstanding. I will miss him very much. He was a strong, gentle, and generous man; and his loss is the Nation's.

Barbara joins me in mourning the death of this remarkable human being.

Remarks to Reporters on the National Drug Control Strategy

September 5, 1989

Let me just say in the presence of the press here today that tonight my speech will be the basis of a heart-to-heart talk with the American people. There's no question but that drugs are the quicksand of our entire society. They're suffocating individuals and their families, and institutions as well, and all Americans must pull together to solve this problem.

And we have a national strategy, and I commend Bill Bennett [Director of National Drug Control Policy], who has coordinated this strategy, fathered a lot of it himself. And the entire Cabinet -- thank you for your cooperation. We must be in the forefront in helping solve this problem.

So, tonight I challenge the country and unveil this new national strategy -- the first time we really have had such a strategy. And I just wanted to thank everybody here who has been helping, working with Bill, in coming up with this strategy. Thank you all very much.

Note: The President spoke at 2:17 p.m. in the Cabinet Room at the White House prior to a Cabinet meeting.

Letter to the Speaker of the House of Representatives and the President of the Senate Transmitting the National Drug Control Strategy Report

September 5, 1989

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with section 1005 of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504), I am today pleased to transmit my Administration's 1989 National Drug Control Strategy for congressional consideration and action.

This report is the product of an unprecedented national effort over many months. America's fight against epidemic illegal drug use cannot be won on any single front alone; it must be waged everywhere -- at every level of Federal, State, and local government and by every citizen in every community across the country. Accordingly, we have conducted a thorough, intensive, and unflinching review of Federal anti-drug efforts to date. And we have solicited advice and recommendations from hundreds of interested and involved anti-drug leaders outside the Federal Government. The result is a comprehensive blueprint for new direction and effort -- and for success in the near- and long-term future.

I am especially grateful for the valuable contributions made during this process by Members of the Congress, with whom we consulted broadly as our strategy was being conceived and formulated these past 6 months. I ask that this spirit of bipartisan cooperation now be extended to the difficult but necessary work that lies ahead: full swift funding and implementation of the many proposals and initiatives contained in this report. On behalf of those Americans most directly suffering from the scourge of drugs -- and all the many more who must be further protected from it -- I ask for your help and support.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Address to the Nation on the National Drug Control Strategy

September 5, 1989

Good evening. This is the first time since taking the oath of office that I felt an issue was so important, so threatening, that it warranted talking directly with you, the American people. All of us agree that the gravest domestic threat facing our nation today is drugs. Drugs have strained our faith in our system of justice. Our courts, our prisons, our legal system, are stretched to the breaking point. The social costs of drugs are mounting. In short, drugs are sapping our strength as a nation. Turn on the evening news or pick up the morning paper and you'll see what some Americans know just by stepping out their front door: Our most serious problem today is cocaine, and in particular, crack.

Who's responsible? Let me tell you straight out -- everyone who uses drugs, everyone who sells drugs, and everyone who looks the other way.

Tonight, I'll tell you how many Americans are using illegal drugs. I will present to you our national strategy to deal with every aspect of this threat. And I will ask you to get involved in what promises to be a very difficult fight.

This is crack cocaine seized a few days ago by Drug Enforcement agents in a park just across the street from the White House. It could easily have been heroin or PCP. It's as innocent-looking as candy, but it's turning our cities into battle zones, and it's murdering our children. Let there be no mistake: This stuff is poison. Some used to call drugs harmless recreation; they're not. Drugs are a real and terribly dangerous threat to our neighborhoods, our friends, and our families.

No one among us is out of harm's way. When 4-year-olds play in playgrounds strewn with discarded hypodermic needles and crack vials, it breaks my heart. When cocaine, one of the most deadly and addictive illegal drugs, is available to school kids -- school kids -- it's an outrage. And when hundreds of thousands of babies are born each year to mothers who use drugs -- premature babies born desperately sick -- then even the most defenseless among us are at risk.

These are the tragedies behind the statistics, but the numbers also have quite a story to tell. Let me share with you the results of the recently completed household survey of the National Institute on Drug Abuse. It compares recent drug use to 3 years ago. It tells us some good news and some very bad news. First, the good. As you can see in the chart, in 1985 the Government estimated that 23 million Americans were using drugs on a ``current'' basis; that is, at least once in the preceding month. Last year that number fell by more than a third. That means almost 9 million fewer Americans are casual drug users. Good news.

Because we changed our national attitude toward drugs, casual drug use has declined. We have many to thank: our brave law enforcement officers, religious leaders, teachers, community activists, and leaders of business and labor. We should also thank the media for their exhaustive news and editorial coverage and for their air time and space for antidrug messages. And finally, I want to thank President and Mrs. Reagan for their leadership. All of these good people told the truth: that drug use is wrong and dangerous.

But as much comfort as we can draw from these dramatic reductions, there is also bad news, very bad news. Roughly 8 million people have used cocaine in the past year. Almost 1 million of them used it frequently -- once a week or more. What this means is that, in spite of the fact that overall cocaine use is down, frequent use has almost doubled in the last few years. And that's why habitual cocaine users, especially crack users, are the most pressing, immediate drug problem.

What, then, is our plan? To begin with, I trust the lesson of experience: No single policy will cut it, no matter how glamorous or magical it may sound. To win the war against addictive drugs like crack will take more than just a Federal strategy: It will take a national strategy, one that reaches into every school, every workplace, involving every family.

Earlier today, I sent this document, our first such national strategy, to the Congress. It was developed with the hard work of our nation's first Drug Policy Director, Bill Bennett. In preparing this plan, we talked with State, local, and community leaders, law enforcement officials, and experts in education, drug prevention, and rehabilitation. We talked with parents and kids. We took a long, hard look at all that the Federal Government has done about drugs in the past -- what's worked and, let's be honest, what hasn't. Too often, people in government acted as if their part of the problem -- whether fighting drug production or drug smuggling or drug demand -- was the only problem. But turf battles won't win this war; teamwork will.

Tonight, I'm announcing a strategy that reflects the coordinated, cooperative commitment of all our Federal agencies. In short, this plan is as comprehensive as the problem. With this strategy, we now finally have a plan that coordinates our resources, our programs, and the people who run them. Our weapons in this strategy are the law and criminal justice system, our foreign policy, our treatment systems, and our schools and drug prevention programs. So, the basic weapons we need are the ones we already have. What's been lacking is a strategy to effectively use them.

Let me address four of the major elements of our strategy. First, we are determined to enforce the law, to make our streets and neighborhoods safe. So, to start, I'm proposing that we more than double Federal assistance to State and local law enforcement. Americans have a right to safety in and around their homes. And we won't have safe neighborhoods unless we're tough on drug criminals -- much tougher than we are now. Sometimes that means tougher penalties, but more often it just means punishment that is swift and certain. We've all heard stories about drug dealers who are caught and arrested again and again but never punished. Well, here the rules

have changed: If you sell drugs, you will be caught. And when you're caught, you will be prosecuted. And once you're convicted, you will do time. Caught -- prosecuted -- punished.

I'm also proposing that we enlarge our criminal justice system across the board -- at the local, State, and Federal levels alike. We need more prisons, more jails, more courts, more prosecutors. So, tonight I'm requesting -- all together -- an almost $1.5 billion increase in drug-related Federal spending on law enforcement.

And while illegal drug use is found in every community, nowhere is it worse than in our public housing projects. You know, the poor have never had it easy in this world. But in the past, they weren't mugged on the way home from work by crack gangs. And their children didn't have to dodge bullets on the way to school. And that's why I'm targeting $50 million to fight crime in public housing projects -- to help restore order and to kick out the dealers for good.

The second element of our strategy looks beyond our borders, where the cocaine and crack bought on America's streets is grown and processed. In Colombia alone, cocaine killers have gunned down a leading statesman, murdered almost 200 judges and 7 members of their supreme court. The besieged governments of the drug-producing countries are fighting back, fighting to break the international drug rings. But you and I agree with the courageous President of Colombia, Virgilio Barco, who said that if Americans use cocaine, then Americans are paying for murder. American cocaine users need to understand that our nation has zero tolerance for casual drug use. We have a responsibility not to leave our brave friends in Colombia to fight alone.

The $65 million emergency assistance announced 2 weeks ago was just our first step in assisting the Andean nations in their fight against the cocaine cartels. Colombia has already arrested suppliers, seized tons of cocaine, and confiscated palatial homes of drug lords. But Colombia faces a long, uphill battle, so we must be ready to do more. Our strategy allocates more than a quarter of a billion dollars for next year in military and law enforcement assistance for the three Andean nations of Colombia, Bolivia, and Peru. This will be the first part of a 5-year, $2 billion program to counter the producers, the traffickers, and the smugglers.

I spoke with President Barco just last week, and we hope to meet with the leaders of affected countries in an unprecedented drug summit, all to coordinate an inter-American strategy against the cartels. We will work with our allies and friends, especially our economic summit partners, to do more in the fight against drugs. I'm also asking the Senate to ratify the United Nations antidrug convention concluded last December.

To stop those drugs on the way to America, I propose that we spend more than a billion and a half dollars on interdiction. Greater interagency cooperation, combined with sophisticated intelligence-gathering and Defense Department technology, can help stop drugs at our borders.

And our message to the drug cartels is this: The rules have changed. We will help any government that wants our help. When requested, we will for the first time make available the appropriate resources of America's Armed Forces. We will intensify our efforts against drug smugglers on the high seas, in international airspace, and at our borders. We will stop the flow of chemicals from the United States used to process drugs. We will pursue and enforce international agreements to track drug money to the front men and financiers. And then we will handcuff these money launderers and jail them, just like any street dealer. And for the drug kingpins: the death penalty.

The third part of our strategy concerns drug treatment. Experts believe that there are 2 million American drug users who may be able to get off drugs with proper treatment, but right now only 40 percent of them are actually getting help. This is simply not good enough. Many people who need treatment won't seek it on their own, and some who do seek it are put on a waiting list. Most programs were set up to deal with heroin addicts, but today the major problem is cocaine users. It's time we expand our treatment systems and do a better job of providing services to those who need them.

And so, tonight I'm proposing an increase of $321 million in Federal spending on drug treatment. With this strategy, we will do more. We will work with the States. We will encourage employers to establish employee assistance programs to cope with drug use; and because addiction is such a cruel inheritance, we will intensify our search for ways to help expectant mothers who use drugs.

Fourth, we must stop illegal drug use before it starts. Unfortunately, it begins early -- for many kids, before their teens. But it doesn't start the way you might think, from a dealer or an addict hanging around a school playground. More often, our kids first get their drugs free, from friends or even from older brothers or sisters. Peer pressure spreads drug use; peer pressure can help stop it. I am proposing a quarter-of-a-billion-dollar increase in Federal funds for school and community prevention programs that help young people and adults reject enticements to try drugs. And I'm proposing something else. Every school, college, and university, and every workplace must adopt tough but fair policies about drug use by students and employees. And those that will not adopt such policies will not get Federal funds -- period!

The private sector also has an important role to play. I spoke with a businessman named Jim Burke who said he was haunted by the thought -- a nightmare, really -- that somewhere in America, at any given moment, there is a teenage girl who should be in school instead of giving birth to a child addicted to cocaine. So, Jim did something. He led an antidrug partnership, financed by private funds, to work with advertisers and media firms. Their partnership is now determined to work with our strategy by generating educational messages worth a million dollars a day every day for the next 3 years -- a billion dollars worth of advertising, all to promote the antidrug message.

As President, one of my first missions is to keep the national focus on our offensive against drugs. And so, next week I will take the antidrug message to the classrooms of America in a special television address, one that I hope will reach every school, every young American. But drug education doesn't begin in class or on TV. It must begin at home and in the neighborhood. Parents and families must set the first example of a drug-free life. And when families are broken, caring friends and neighbors must step in.

These are the most important elements in our strategy to fight drugs. They are all designed to reinforce one another, to mesh into a powerful whole, to mount an aggressive attack on the problem from every angle. This is the first time in the history of our country that we truly have a comprehensive strategy. As you can tell, such an approach will not come cheaply. Last February I asked for a $700 million increase in the drug budget for the coming year.

And now, over the past 6 months of careful study, we have found an immediate need for another billion and a half dollars. With this added $2.2 billion, our 1990 drug budget totals almost $8 billion, the largest increase in history. We need this program fully implemented -- right away. The next fiscal year begins just 26 days from now. So, tonight I'm asking the Congress, which has helped us formulate this strategy, to help us move it forward immediately. We can pay for this fight against drugs without raising taxes or adding to the budget deficit. We have submitted our plan to Congress that shows just how to fund it within the limits of our bipartisan budget agreement.

Now, I know some will still say that we're not spending enough money, but those who judge our strategy only by its pricetag simply don't understand the problem. Let's face it, we've all seen in the past that money alone won't solve our toughest problems. To be strong and efficient, our strategy needs these funds. But there is no match for a united America, a determined America, an angry America. Our outrage against drugs unites us, brings us together behind this one plan of action -- an assault on every front.

This is the toughest domestic challenge we've faced in decades. And it's a challenge we must face not as Democrats or Republicans, liberals or conservatives, but as Americans. The key is a coordinated, united effort. We've responded faithfully to the request of the Congress to produce our nation's first national drug strategy. I'll be looking to the Democratic majority and our Republicans in Congress for leadership and bipartisan support. And our citizens deserve cooperation, not competition; a national effort, not a partisan bidding war. To start, Congress needs not only to act on this national drug strategy but also to act on our crime package announced last May, a package to toughen sentences, beef up law enforcement, and build new prison space for 24,000 inmates.

You and I both know the Federal Government can't do it alone. The States need to match tougher Federal laws with tougher laws of their own: stiffer bail, probation, parole, and sentencing. And we need your help. If people you know are users, help them -- help them get off

drugs. If you're a parent, talk to your kids about drugs -- tonight. Call your local drug prevention program; be a Big Brother or Sister to a child in need; pitch in with your local Neighborhood Watch program. Whether you give your time or talent, everyone counts: every employer who bans drugs from the workplace; every school that's tough on drug use; every neighborhood in which drugs are not welcome; and most important, every one of you who refuses to look the other way. Every one of you counts. Of course, victory will take hard work and time, but together we will win. Too many young lives are at stake.

Not long ago, I read a newspaper story about a little boy named Dooney who, until recently, lived in a crack house in a suburb of Washington, DC. In Dooney's neighborhood, children don't flinch at the sound of gunfire. And when they play, they pretend to sell to each other small white rocks that they call crack. Life at home was so cruel that Dooney begged his teachers to let him sleep on the floor at school. And when asked about his future, 6-year-old Dooney answers, ``I don't want to sell drugs, but I'll probably have to."

Well, Dooney does not have to sell drugs. No child in America should have to live like this. Together as a people we can save these kids. We've already transformed a national attitude of tolerance into one of condemnation. But the war on drugs will be hard-won, neighborhood by neighborhood, block by block, child by child.

If we fight this war as a divided nation, then the war is lost. But if we face this evil as a nation united, this will be nothing but a handful of useless chemicals. Victory -- victory over drugs -- is our cause, a just cause. And with your help, we are going to win.

Thank you, God bless you, and good night.

Note: The President spoke at 9 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television.

White House Fact Sheet on the National Drug Control Strategy

September 5, 1989

The National Drug Control Strategy describes a coordinated and comprehensive plan of attack involving all basic antidrug initiatives and agencies. The strategy recommends the largest dollar increase in the history of the drug war: nearly $2.2 billion, 39 percent above the fiscal 1989 level. Throughout, the strategy emphasizes the principle of user accountability -- in law enforcement efforts focused on individual users; in decisions regarding sentencing and parole; in school, college, and university policies regarding the use of drugs by students and employees; in the workplace; and in treatment.

The strategy also calls for increased efforts in cocaine source countries and a more active international campaign by the United States to engage other nations in the fight against drugs. Interdiction efforts will be better targeted on key individuals in the drug organizations and on high-value shipments.

Another major priority is increasing the capacity of the drug treatment system and making it more accountable for results. Significant emphasis is also given to providing increased support for prevention and education efforts aimed at helping young people and others resist and reject drugs.

The strategy embodies the following elements:

Expand the criminal justice system

provide funds for larger police forces and increased numbers of jails, prosecutors, and courts;

develop alternatives for incarceration, such as boot camps to free up jail and prison space;

require drug testing of prisoners, parolees, and arrestees.

Hold users, whether casual or heavy users, accountable for their actions

Undertake a vigorous program to eradicate domestically grown marijuana

Mobilize communities in the war on drugs

emphasize community-level prevention of drug use before it starts;

require schools and colleges to implement firm drug-free policies in order to receive Federal funds;

clean up and secure public housing.

Expand drug-free workplace policies

promote drug-free workplace policies in the private sector;

recommend testing for job applicants and employers in safety and sensitive positions;

aggressively implement Executive Order 12564 to assure drug-free workplace plans and policies within the Federal government.

Expand treatment and target services to improve the number of individuals served and the effectiveness of treatment

hold federally funded treatment programs accountable for their effectiveness by establishing performance criteria;

require drug testing in treatment programs receiving Federal funds;

explore expanded use of ``civil commitment'' whereby addicts are sent by the courts to residential treatment facilities;

improve drug treatment services for pregnant women.

Place heavier emphasis on targeted international efforts closer to production and trafficking sources

elevate the drug issue as a foreign policy priority;

dismantle drug trafficking organizations;

reduce trafficking profits by focusing increased efforts on money laundering.

Take a fresh approach to interdiction

create interagency and interdisciplinary teams to analyze and target smuggling modes, methods, and routes;

target key individuals and high-value shipments;

enhance border interdiction systems, operations, and activities.

Improve the quality of research, information, and technological capabilities available for drug control efforts

establish a Federal Drug Control Research and Development Committee;

develop a more current and flexible information base.

Improve coordination of Federal antidrug policy and intelligence support

establish interagency working groups chaired by the Office of National Drug Control Policy to coordinate supply and demand reduction efforts;

establish an interagency working group chaired by the Office of National Drug Control Policy to develop plans for an intelligence center to unite U.S. drug-related analytical capabilities, and to improve intelligence capabilities.

Recommend a $2.2 billion increase in drug funding to $7.9 billion in

(TABLE START)1990. The major changes over 1989 are shown on the following chart:

DRUG RESOURCES, FISCAL YEAR 1990

[Budget authority (dollars in millions)]

@h1

@h1FY1989 Enacted

@h1Feb 9 Budget FY1990\1\

@h1Feb 9 Budget Plus Drug Portion of Crime Bill\2\

@h1Drug Strategy September FY1990\2\

@h1FY89 - FY90 Percent Increase

@h1FY89 - FY90 $ Increase

Corrections .... 734 .... 894 .... 1,601 .... 1,601 .... 118 867

International .... 250 .... 306 .... 306 .... 449 .... 80 199

State and Local Grants .... 150 .... 150 .... 156 .... 350 .... 133 200

Judiciary .... 209 .... 242 .... 250 .... 250 .... 20 41

Other Law Enforcement .... 2,779 .... 3,018 .... 3,058 .... 3,113 .... 12 334

Prevention/Education .... 943 .... 1,041 .... 1,041 .... 1,176 .... 25 233

Treatment .... 604 .... 735 .... 735 .... 925 .... 53 .... 321@rn,s

Total .... 5,669 .... 6,386 .... 7,147 .... 7,864 .... 39 2,195

Footnote: \1\These columns include resources for the U.S. Court and make other minor adjustments to the figures presented in the ``Building a Better America'' document issued in February 1989.

Footnote: \2\These columns include the ``drug portion'' ($0.8 billion) of the President's $1.2 billion crime initiative announced in May 1989. The administration supports enactment of the crime initiative (The Comprehensive Crime Control Act of 1989) in its entirety.

Footnote: The drug portion of prison construction is based on the projected share of drug offenders in Federal prison at the time the construction is completed. This new methodology reflects more accurately the likely impact of drug offenses. For consistency with prior years, the historical prison construction numbers have been adjusted to reflect this new methodology.

(TABLE END)

Exchange With Reporters on the National Drug Control Strategy

September 6, 1989

Q. Mr. President, your critics say your plan isn't big enough, bold enough; that it is a bit timid. What's your response?

The President. My response is that they're wrong. It's a good plan. And if people would stop this criticizing for partisan reasons and get behind the program, and then if there's something additional we can be doing, let's do it. But this isn't any time for partisanship. We've got a good program. It's fine to amend it -- fine. But I'm not here in a partisan mode to respond, but they're wrong. We've got a good, comprehensive program, and we're trying. And we've got lots to learn -- all of us. But let's try this and then build on it.

You hear these men and women that are giving their lives to helping these kids. It's very inspirational. And if there's things that these doctors have suggested that we can do in addition to what I've proposed, we'll try very hard to accommodate them.

Q. Mr. President, do you think the American public is going to hold you responsible for solving the drug problem?

The President. It doesn't matter. I'll take all the responsibility in the world. You see these kids, and you want to try harder.

Note: The President spoke at 10:15 a.m. while visiting infants born addicted to cocaine at D.C. General Hospital.

The President's News Conference on the National Drug Control Strategy

September 6, 1989

The President. Hello, everybody. Please sit. Well, I'm delighted that Dr. Sullivan and Bill Bennett are with me -- brought the first team in to respond to questions, too.

I'm pleased with our announcement on drugs. As I've listened carefully, there has been little, if any, substantive criticism about this national strategy. And listen to the critics, if you will, but recognize that you don't hear much substance. What you're hearing the debate about is how one pays for it or whether it needs to be more in one category or another. I say that because I think that is a tribute to the work of Bill Bennett and the others who helped formulate this first-in-a-lifetime national strategy.

Now, you're familiar with the strategy, but let me just touch a couple of points and then respond to your questions. It's a fully integrated approach. We address all the elements necessary to an effective strategy: school and drug prevention programs, treatment, laws and criminal justice system, and foreign policy.

On the laws and criminal justice system, we sent a package up to the Congress several months ago on anticrime, including prisons and matters of that nature. And some of our critics fail to understand that that is already up there as a very separate program, but one that ties in, as I tried to point out last night, to our national strategy.

I'm determined that there will be no turf problems. I think, as I look back over my shoulder -- and I had some role in the interdiction as head of a task force -- we had some turf problems. I think with Bill Bennett's leadership, and he and I working shoulder to shoulder, that we can eliminate any of those that might still be lingering. But we've got to work together, and it's not just Federal; it's got to be State and local as well.

There's a bipartisan consensus in this country. I don't think there's any disagreement about the gravity of the threat. And that's important if you want to get something done. I'm challenging the Congress to give us bipartisan support in the implementation of this strategy. And I'm looking to the grassroots support of America's communities in the fight against drugs.

The evidence -- I tried to point it out last night, so I won't repeat it -- the good news being the decline in casual drug use. And that's a significant point. If we can continue that trend, it will make a big impact on the drug market and on the lives of individuals. The bad news, of course, being the persistence of cocaine, the hard users and, of course, the insidious effects of crack.

The criminal justice system -- we're increasing Federal funding to States and localities for street-level law enforcement. We're providing Federal funding to States for planning, developing, and implementing alternative sentencing programs for nonviolent drug offenders, including house arrests and this boot camp concept. Boot camp concept -- I don't know, Bill, whether you discussed that here this morning or not.

We're tightening bail and probation, parole and sentencing -- again, I touched on that last night -- requiring drug testing of prisoners. It's interesting how the country has changed its view on testing, and I think there's far more support now for drug testing than existed before. We're encouraging the States to vigorously prosecute misdemeanor drug offenses. We've got to go after users. This idea of turning the other way on that one is over as far as I'm concerned and as far as Bill Bennett and the others are concerned.

We're expanding programs to eradicate the domestic marijuana crops. Some of your areas are somehow affected by that. We're providing funding, as I mentioned last night, I believe, to HUD to help kick the drug dealers out of the public housing programs. And Jack Kemp was at the speech last night, and he feels that this is adequate funding to make a real impact in the public housing programs. We encourage States to adopt policies that revoke the driver's licenses of those convicted of a drug offense. That isn't mandated; we're not requiring that or tying it in, but we are encouraging the States to do it. Some, I think, have already taken action in that regard.

Treatment -- we're increasing the Federal spending by some 53 percent to $321 million. We're expanding the availability of drug treatment by increasing treatment capacity and the range of treatment methods that are available. Outreach and treatment efforts for pregnant women and newborn babies -- we're going to be more help there. I've just come from D.C. General. And you want to really have a broken heart and feel something in your heart, go and see these little kids, some of whom are abandoned, many of whom are given birth to by mothers who are addicted to cocaine. And we've got to help in that area, and I believe we can do a job there.

Education and prevention -- I won't dwell on that one, but it is vitally important, especially when you see the problem of teenage pregnancy and then the abandonment of these kids. So, I mentioned last night, we're going to try to get into the classrooms next week on a specially televised national hookup to the schools.

On the budget recommendations, I know some in Congress are calling for a tax increase. I'd like to identify myself with what Secretary Bennett said this morning: I don't believe we have a drug problem because we aren't paying enough in taxes -- and that's where some of this logic leads you to. We have sent specific suggestions as to how to pay for this program to the Hill, and it does not require additional taxes. And I've been in this town long enough to know that there are always going to be people out there who are saying, ``More taxes.'' If it's not for this subject, it will be for something else. And that isn't necessary to fully fund the national strategy that we came up with, that I unveiled last night.

So, with those comments, I'm wanting to get on to the questioning. I'd be glad -- oh, I didn't touch on the international aspects, but you're familiar with our commitment to interdiction; you're familiar with our Andean strategy. I hope the country is familiar with my respect for what the Colombians are trying to do.

Why don't we start right here.

South Florida

Q. Mr. President, no area suffers more from drugs than south Florida. Are you convinced that the people who live in these crack-infested neighborhoods will very soon be able to walk out of their homes again and feel safe?

The President. If we get the proper support for this program, they'll have a much better chance to do that. And I can't suggest to you that fully funding this program exactly the way we've suggested it is going to bring instant solution to that problem. It should bring instant relief.

And I know how heavily impacted south Florida is, particularly, but I would not -- recognizing the fact that we have a regional press corps here -- suggest that you could convince the people from Chicago or New York or some rural communities that they are less impacted. So, it is a national problem; but, yes, I hope that this will be of some relief to an overburdened south Florida.

Gun Control

Q. One of the reasons that we're so concerned about drugs here in the District of Columbia is that there have been more than 300 murders this year. While most of them involve drugs, a higher proportion of them are with handguns.

The President. Yes.

Q. Besides the ban on importing some types of automatic weapons, which we heard about earlier this year, does your plan address -- or what can we do about the tremendous problem of keeping handguns out of drug dealers' hands, off the street?

The President. We do support local law enforcement, and as you're familiar with, there are very strong laws in the books on registrations, domestically -- I mean in DC itself -- not nationally, DC. And part of our backing up law enforcement is so that they can enforce local laws, and this is one. And there are plenty of laws and, regrettably, these criminals seem to have a way to acquire weapons even though the law in the District, for example, is very strong against it.

Taxes

Q. Mr. President, would you reconsider approaching the tax structure, if, by chance, within 2 or 3 years you see no relief with this problem through your drug strategy? Would you consider raising taxes at that point?

The President. If I thought the only way to get money to solve the drug problem was through increasing taxes, I would do that. But that is not the only way to get money for solving the drug program. And we have made proposals that are well up into the billions that don't require socking it to the taxpayer anymore. But if somebody could convince me that all the Federal programs that are in existence are perfect and need not be eliminated, or that there's no way to move funds from one account to another in 3 years, and the country was still suffering from this malaise, this sickness of drugs, I certainly would be openminded. But that isn't the case, and it won't be the case in 3 years.

Every time you make a proposal you have somebody jump up and say: Raise taxes! So, I am not in a mode to raise taxes. I am in a mode to move this national strategy forward and pay for it in the way we have suggested.

Q. I have a followup, sir. Do you have a backup strategy for this strategy in case -- --

The President. No, I think this one's going to succeed. We're selling this one -- we don't need backup. It's a good strategy, and we want it to work.

Q. Mr. President, the Democrats nevertheless have made it quite clear that they don't think your plan is strong enough across the board -- not in terms of money but in terms of all the moves that you're proposing -- and they pledge now to strengthen it. The question is: Will you resist their efforts, and is there any flexibility on your part to strengthen what you've already given?

The President. It's $2 billion higher than the House level -- that they're talking about in the House. They're carping -- those partisan comments. Now, if somebody has a real, sincere belief that you need more in treatment and less in something, of course, the process will work this out. But this is $2 billion more than the House level. And for a man to come to a meeting -- one of the Congressmen yesterday -- and he couldn't wait to get out on the lawn of the White House and say: Raise taxes! I'm not going to do that. We don't have to do it.

And this gentleman asked a very good question. But nobody is going to convince me that the people are paying too little in taxes. And it came up in the campaign; we just have differences with some of our political opponents. So, what I'm going to try to do is say: Look, let's work together on this strategy. Give it a try like this; see if it won't make an impact. There is some encouraging news. What's happening south of our border is encouraging.

Funding of Antidrug Programs

Q. Mr. President, yesterday your czar and Dar briefed us.

The President. What is my Dar? Deputy -- --

Q. Darman.

The President. Oh, Darman. Excuse me. [Laughter]

Q. According to your czar. They -- in briefing us -- they gave us the list of a number of items that they, and we believe you, are recommending might be taken off of other appropriations.

The President. Good.

Q. What are your thoughts on other things that are a little weak in appropriations, that could be taken off to replace these funds?

The President. Well, I think they gave you a list probably of eight categories or something of that nature, and that takes care of it.

Q. Just wondered what your thoughts are.

The President. My thoughts are that this makes good sense and let's try it.

Q. Mr. President, how will it be decided which States receive x amounts of Federal money?

The President. Bill, can you help me on that? I don't know the answer to that question. Which States get what for certain of these programs?

Director Bennett. Most of it is by formula. You've got block grants. You've got grants that go out by formula with some amount of discretionary funds. It's the general programmatic rules and regulations. Dr. Sullivan can explain the detail to you -- how the money goes out through HHS, and [Attorney General] Dick Thornburgh can explain how it works in Justice. There are not going to be radical changes in that -- a few changes -- --

U.S. Military Assistance

Q. In talking about south of the border, Mr. President, yesterday as you were speaking there were new bombings in Medellin. You've been offering the use of our military in Colombia, Peru, and Bolivia, and yet those countries have not been asking for it.

The President. Oh, no, I beg your pardon.

Q. What discussions have you held with the Presidents, and how desirable is it to involve our military there?

The President. Well, we are involving military assets. As you know, there were some $67 million worth of assets already there or in the delivery process. Maybe you're talking about troops. President Barco, a courageous man, has made clear to me that they don't want American troops. And what I do not want to do, and what I will not do as President, is to take public opinion in a country that is now supporting their President -- in Colombia -- and turn it around by raising the old time-worn specter of American military intervention in Colombia.

As I said last night, if requested, we'd take a very different look at this. But they're making a move. They're doing what's right; they are taking courageous steps. These cartel cowards are fighting back by killing the wives of police officers and taking just brutal steps of that nature -- but President Barco is staying firm.

So, the United States cannot and should not impose a military armed solution into some sovereign country. And so, that's the way I view this. There is a lot of interest in our G - 7 [economic summit] partners on an international force. And that's a new concept. It's a concept I addressed myself to, I believe, in the campaign. But I don't think you want to risk turning around public opinion in a country that's struggling to do something now by the unilateral intervention of U.S. force into the area.

Andean Drug Summit

Q. To follow up, sir: What about bringing this subject in the drug summit that you are proposing, and how far away are we from a drug summit?

The President. I'm not sure. We haven't set a date on the drug summit. I think it makes good sense. I did talk to President Barco about that. He is certainly enthusiastic about it. And I think in a summit of that nature there should be an open agenda, all ideas on the table, an open discussion of questions of this nature.

Penalties for Drug Use

Q. Mr. President, Mr. Bennett has written that the choice to do drugs is one of a national crisis in character. I want to ask you two things: Why do you think people do drugs? And also, with some of the penalties you're proposing -- denial of housing loans and college loans and so forth -- won't you just be eliminating two programs that might convince someone to avoid a life of drugs?

The President. No, I think by the time you get up into college loans you ought to know better than to use drugs. We've had a tolerant attitude in the past; we've condoned those things we should have condemned in the past. And now, if indeed we're going to fight this war on all fronts, to use a cliche, this makes eminently good sense. I don't think it's fair to go after the street hood and let the casual university, hip user think that he's doing no damage to society. And so, I strongly support this part of the proposal.

Was there another part of it I didn't -- --

Reasons for Drug Use

Q. Why do you think people do drugs?

The President. Why do I think they do? Some of it's addictive; some of it is that the whole national attitude hasn't changed properly yet. We're seeing it change now in casual use. We have a much bigger assignment now in education in the neighborhoods and in the communities that are adversely impacted by poverty and ignorance. And so, there's a wide array of reasons that people use drugs. Some do it because their peers do it, some do it because they're told it will make them feel good or that they can make money in it. And there's a wide variety of reasons why people use drugs.

But we should never again as a nation look the other way. We should not have entertainment media that makes fun and laughter out of something that is this serious. So, I have great confidence in the American people in turning something around -- an ethic -- turning it around, making it more sensible and up to date.

Black Community's Response

Q. Mr. President, much of the black community has been skeptical of the other wars that were waged on drugs. Is there something that you can say to them specifically that might ease that skepticism?

The President. Well, I think there is skepticism. And I would simply say to them, this is the first coordinated national strategy, the first time we've approached this problem on all fronts in a coordinated way. So, give us your cooperation. Your own communities are being wiped out by this -- adversely impacted, heavily impacted adversely, more of the pain being right there. And so, give this a try. Work with us on prevention and on education and on treatment, and help us in terms of law enforcement. And be involved, and don't look away. And so, I hope we can help the skeptic by making clear that we do care about those areas that are most heavily impacted by narcotics.

Colombia

Q. Mr. President, in the past Colombia was not able to stand firm against the cartel for very long. If the Colombian Government's current effort falters, what is your plan?

The President. My plan is to work with them to see that they don't falter, and to give them the support they need and the support they have requested, and encourage our allies to do that. And that's why I was on the telephone yesterday with [British Prime Minister] Margaret Thatcher and [West German Chancellor] Helmut Kohl, and that's why I'm encouraged when the G - 7 meeting in Paris says they are going to help these countries.

Many countries have felt up till now, well, this is someone else's problem -- a lot of countries in Europe now being impacted much more heavily than they were, say, 5 or 10 years ago. So, I am not buying into the hypothetical question that what President Barco is going to do should fail. We want him to succeed, and we'll work to help him succeed.

National Guard

Q. There have been some suggestions in Detroit that National Guard troops be brought in to control areas. Would part of your program foresee using National Guard troops or federalized troops in designated areas to combat rampant drug sales and -- --

The President. Well, I haven't discussed that with Bill, and I'd like to defer it to him. I don't know whether that's envisioned here or not.

Mr. Bennett. Well, that, obviously, in most situations, would be left up to Governors. We've seen some action in this regard in Oregon. Some of the National Guard troops are backing up the police, doing office and clerical work. But we'd like to consider the use of the National Guard in some other areas, such as the marijuana eradication.

Q. Would you like to see -- or would you support National Guard people on the street in a direct line rather than in a staff support situation?

Mr. Bennett. No, generally not. And what we've found in most cities, such as Detroit, is that in most cases the police are adequate to the job. The problem is after the police make the arrest the system doesn't have enough resources to support the arrests through prosecution, conviction, and imprisonment.

International Task Force

Q. Sir, what exactly did you ask or talk to Mrs. Thatcher and Mr. Kohl about? And how close are you to a G - 7 task force? Is that still something that's close to reality?

The President. Well, discussed with her a follow-on to what we discussed in Paris, and that was G - 7 united support for Colombia. And she is enthusiastic about this, and Chancellor Kohl was enthusiastic about this. The ball -- in a sense, really, the leadership of the G - 7 -- is still in the French court, President Mitterrand. Chancellor Kohl is visiting with him this week. And so, I'm hopeful and very much encouraged by this united response.

Financial Priorities

Q. Mr. President, our Lieutenant Governor in New York, where I'm from, says that the increases you've given toward treatment and law enforcement -- and, in fact, the whole budget -- don't add up to the cost of one B - 2 bomber. And people back home want to know, even though your commitment toward drug fighting is strong, why your financial priorities aren't more targeted toward the drug fight instead of toward military.

The President. This is Lieutenant Governor who?

Q. Stan Lundine, the State of -- --

The President. Oh, Lundine. Well, it's not surprising that some think the only way to solve the problem is by greater taxes. I don't know how Mr. Lundine is proposing the Federal Government pay for the program, but we've made suggestions here that I fully support. But you know, yes, the B - 2 bomber is expensive, and, yes, it is important to the national security of this country. And, yes, it's easy for a Lieutenant Governor to make an analogy of that nature. But a President has a responsibility for both the national strategy on fighting drugs and the national security of the United States that hopefully will encourage the Soviet Union to move forward productively towards even more arms control.

And so, I can understand that -- that's a good free one out there, a big target. But I don't know whether this Lieutenant Governor is proposing the elimination of the Stealth technology bomber or not. I don't know where he's coming from, but I think he was using it as a dramatic example. And I am saying to him: We have stepped up by $2 billion over the House level the resources for the fight against drugs. And so, you see, let me go back to the basic point, and then I notice Marlin's restlessness here. The basic point is this: Nobody is criticizing the strategy. No one is coming at us and saying you've left this out or left that out. And I'm very encouraged by that. I think that means that if we do our job properly in selling we can get support from Democrats as well as Republicans. We've got to do it. The country is fed up. They don't want it to be a Republican answer or a Democratic answer or a liberal or a conservative answer.

So, maybe he is attacking the strategy, and if so, I'd have to take it back -- but I haven't heard any real substantive attack on the strategy itself. So, then you come to the question of whether it's enough or how are you going to pay for it? And there's a wide array of reflexive people up

there who say ``more taxes'' for anything, and I don't think that's what the American people want. I have a funny feeling that something about the last election was: Are we being taxed too little? And nobody jumped up and said, ``Hey, please tax me more.'' And I think we can do this significant increase without raising taxes. And I'm certainly going to do it without diminishing the fundamental national security requirements of the United States. And that's my responsibility, and I'm proud to shoulder it. And I think we've come up with a very good answer. And so, please -- it's not your obligation, but we will try hard to convince your able Lieutenant Governor that the program we have makes good sense.

Health Education

Q. Mr. President, regarding the outreach issue in education, what role will community-based organizations and national organizations that already are involved in related programs such as AIDS education, drug and tobacco education, play in your program?

The President. Well, last night I tried to make clear that they play a significant role. We have funds in there to support certain kinds of educational programs, but as you know, 7 percent of the total funds for education come from the Federal Government. Ninety-three percent -- I've got the Secretary -- oops, he's gone. Good, I won't be corrected -- [laughter] -- 93 percent come from State and local.

So, these entities have an inordinately important responsibility in the whole education process. And nothing in a Federal strategy on drugs -- a national strategy -- should diminish the responsibility, if you will, of the local and State educational entities. We'll try to give them the financial support we can in the program here, in treatment and things of this nature, but in terms of the overall education, it has got to be done through State and local as well as Federal support. But, remember, the totals put the responsibility on State and local to even do a better job in terms of education.

I was just out -- again, I don't want to burden you with the emotion of my visit to D.C. General Hospital, but I was deeply touched by seeing these abandoned babies. They're called boarder babies in this particular hospital -- and the mother comes in, has the baby, and takes off. And there has got to be an educational role here. There's got to be a better chance for kids through education of parents, whether it's about pregnancy itself or whether it's on the need for a little kid to have love -- or whatever it is. And so, education is going to be a key here, and the local and State role will not be diminished. I hope it will be supplemented a little bit -- but will not certainly be diminished -- by a Federal education program.

And I don't get teased as much as I used to about my concept of a Thousand Points of Light, but it's a valid concept. When I talked about what Jim Burke [president, Media Advertising Partnership for a Drug-Free America] was doing last night, encouraging his associates to come up with a million dollars a day in education money that will be on public television -- I mean, on

regular network television, that's a contribution to education. And there are other 999 Points of Light out there, in teachers and in parents and in others who are involving themselves in the lives of other people.

And so, to really solve this problem we owe the American people a national strategy, and we've come up with it. And I want to work my hardest to see that it is implemented, but it cannot usurp the function of these Thousand Points of Light. It's there. It's at the level of love, the level of local education, parental concern, neighbor involving with neighbor, one's involving himself or herself in the life of another, that this problem is going to be solved. And I'm absolutely convinced of it, and I'm more convinced of it than ever after holding in my arms one of those abandoned babies. You guys are reporters, but go out there and try it on for size. And you'll understand why I feel as strongly as I do about the involvement of people.

And I might say to those in the DC area: The commitment of these nurses and these doctors to these kids that are born without hope is so encouraging. The only love they may ever get in their lives is when they are a month old, and we've got to change that. We've got to change it through education. The ethic has got to change -- too late now to condone those things we should have been condemning, and casual drug use is one of them.

Thank you all very much.

Note: The President's 23d news conference began at 11:37 a.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Secretary of Housing and Urban Development Louis W. Sullivan, and William J. Bennett, Director of National Drug Control Policy. Marlin Fitzwater was Assistant to the President and Press Secretary.

Nomination of Jennifer Joy Wilson To Be an Assistant Secretary of Commerce

September 6, 1989

The President announced his intention to nominate Jennifer Joy Wilson to be Assistant Secretary of Commerce for Oceans and Atmosphere. She would succeed B. Kent Burton.

Mrs. Wilson served as Assistant Administrator for External Affairs at the Environmental Protection Agency, 1985 - 1988. Prior to this, she served as legislative director and executive assistant for United States Senator John Warner, 1982 - 1985, and staff policy liaison and senior executive assistant for Virginia Gov. John N. Dalton, 1978 - 1982. In addition, she has served in the White House Office of Communications, 1976 - 1977, and she has worked in research and convention activities at the national campaign headquarters for President Ford, 1975 - 1976.

Mrs. Wilson graduated from the University of North Carolina at Chapel Hill (B.A., 1974). She was born January 10, 1953, in Naples, Italy. She is married, has one child, and resides in Arlington, VA.

Continuation of T S Ary as Director of the Bureau of Mines

September 6, 1989

The President today announced that T S Ary will continue to serve as Director of the Bureau of Mines at the Department of the Interior.

Since 1988 Mr. Ary has served as Director of the Bureau of Mines. Prior to this, he was the president of the Kerr-McGee minerals exploration division, 1980 - 1988, and manager of development; and vice president, Utah exploration, for Utah International, Inc., 1975 - 1979.

Mr. Ary graduated from Stanford University (B.S., 1951). He served in the U.S. Navy as a carrier pilot, 1943 - 1947, and in the Active Reserve until 1959. Mr. Ary was born March 30, 1925, in Saline County, IL. He is married, has one child, and resides in Chevy Chase, MD.

Designation of Evan J. Kemp, Jr., as Chairman of the Equal Employment Opportunity Commission

September 6, 1989

The President today announced his intention to designate Evan J. Kemp, Jr., to be Chairman of the Equal Employment Opportunity Commission, upon the confirmation of Clarence Thomas as United States Circuit Judge for the District of Columbia Circuit.

Since 1987 Mr. Kemp has served as Commissioner of the Equal Employment Opportunity Commission in Washington, DC. Prior to this, he served as executive director of the Disability Rights Center, 1980 - 1987. Since 1982 Mr. Kemp has taught a course at Catholic University Law School in Washington, DC.

Mr. Kemp graduated from Washington and Lee University (B.A., 1959) and the University of Virginia (J.D., 1964). He was born May 5, 1937, in New York, NY. He is married and resides in Washington, DC.

Appointment of Mark O. Hatfield as a Member of the Commission on the Bicentennial of the United States Constitution

September 6, 1989

The President today announced his intention to appoint Mark O. Hatfield, United States Senator from Oregon, to be a member of the Commission on the Bicentennial of the United States Constitution. He would succeed Theodore Fulton Stevens.

Currently, Mr. Hatfield serves as a Senator from the State of Oregon, 1967 to present. Prior to this, he served as the Governor of Oregon, 1959 - 1967; secretary of state for Oregon, 1957 - 1959; and in the Oregon Senate, 1955 - 1957.

Senator Hatfield graduated from Willamette University (B.A., 1943) and Stanford University (M.A., 1948). He was born July 12, 1922, in Dallas, OR. He served in the U.S. Navy, 1943 - 1946. He is married, has four children, and resides in Washington, DC.

Remarks at a Meeting With Foreign Ambassadors and State and Local Leaders on the National Drug Control Strategy

September 6, 1989

Well, first, let me pay special thanks to the Ambassadors from countries that are here, and if it's not an imposition, I'd like to at least have a chance to say hello to each of you when this is finished.

This is a mixed bag, and I say that respectfully to those of you who are not Ambassadors from other countries. But it is a rare and a fine opportunity for me to sum up what Judge Walton and Bob Gates have told you about our national drug strategy. It's an important program. It's the first time that the United States has had a national coordinated strategy. And I was privileged last night to use the Oval Office to address the Nation. It was the first such address for me, but I can think of no subject that it was more fitting to talk to.

The strategy came after a lot of consultation not just with Members of the United States Congress but with many of you in this room, various leaders in various fields. And government officials were consulted, community leaders, educational leaders, business leaders, labor leaders; and then, indeed, we did consult with leaders from around the world.

Judge Walton has spent the past several months touring the country; and he's met with people in the States, in the cities and towns, who have endured the drug problem firsthand. And from his own experience on the bench, he understands this problem very well.

Brent Scowcroft, who most of the Ambassadors here know -- know on a personal basis -- has been coordinating the supply reduction efforts with members of the administration, working closely with Jim Baker and others and with our allies abroad. And indeed, for those representatives of the so-called G - 7 countries [economic summit participants], this matter, as you know, was discussed at the Paris summit, and there was a strong consensus that we wanted to do as much as we possibly can to help those countries that are embattled by the cocaine cartels.

So, I hope that what you've heard today gives you some sense of how comprehensive our national strategy really is. I couldn't help but note that the minute I finished speaking there was the predictable response by some that we hadn't done enough. And that -- I try to be very tolerant and kind and gentle here -- [laughter] -- but nobody expected that the Members of the United States Congress, particularly from the other party, would stamp this enthusiastically. But I point out that I didn't hear one single substantive comment about the strategy itself that was critical. And so, what I'm saying is, maybe I'm just hearing what I want to hear, but I think there

was a broad support for the coordinated strategy. And some are going to say you ought to put more emphasis on treatment or you ought to put more emphasis on education or you ought to put more emphasis on law enforcement, but the substance of the strategy has received very broad support.

With these Ambassadors here, I don't want to get down into the trenches of domestic politics. But I couldn't help but notice that after one briefing of Democrat and Republican leaders, a great friend of mine and leaders of the opposition party went out and immediately started talking about having to have a tax increase. I thought Bill Bennett put it pretty well this morning on one of the shows when he said: ``It seems hard for me to believe that we have a drug problem because people aren't paying enough taxes." [Laughter] And we took our case to the people on the question of taxes. We have stepped up the spending on the drug program by $2 billion over the level that the House itself has set. And so, this is a significant increase. And I am prepared to defend it and to advocate it, and it can be done through the way we proposed -- reallocation of resources -- without saying to the working men and women in this country, ``You've got to pay more taxes."

And so, it's a big program; it's a strong program. And I have expected to hear some differences of opinion in terms of taxes, but it's too urgent to let it bog down on the question of whether it should be added to a tremendous budget already in existence or whether we should do it the way we say -- find the money, which we have done and which we have outlined for the Congress, from existing programs. Congress needs to know how important this program is domestically and internationally. And I know that so many here in this particular audience have a very special interest in the international implications of this strategy. The strategy makes clear, as I said last night, to work with the European Community, certainly with Latin America, and then, of course, with the Asian and Caribbean nations, to disrupt and dismantle the drug trafficking organizations.

Only through a broad, cooperative, international effort can we reduce the foreign drug supply to our nation and to countries around the globe. And so, this really is a war that the United States cannot fight alone. We need to enlist the resources of other nations in this battle. And let's face it: Some nations are way out in front of us in their refusal to tolerate drug usage in their countries. We're not the only country to discover what drugs can do to our people. And I want to thank the Ambassadors from the countries represented here today for the cooperation we have received -- and also to encourage as much cooperation in the future as possible.

The cornerstone of our international drug policy is to provide assistance to cocaine source countries. I singled out three last night, and let me say here again -- the respect I have for President Barco and what he is trying to do in Colombia -- it isn't easy. And I tried to dramatize that somewhat last night by pointing out the numbers of Colombians serving their government as judges or whatever that have lost their lives. And when these cowardly cocaine cartel people get to killing the wives of police officers, as happened recently, it tells you about the venal kinds of people that we're dealing with here, or that the Colombians are dealing with there. And so, we

will support President Barco.

One of the things that keeps coming up in the U.S. media -- and I'm sure all the Ambassadors here saw it -- use of troops, use of troops. That isn't the question. The question is: What kind of support does the President of Colombia need? In the case of Colombia, what kind of support does he need to get the job done? And I will not and should not unilaterally impose United States troops into another sovereign country. And I don't care what the emotion; I do not want to inadvertently turn around public opinion in Colombia that is strongly supporting this courageous President there.

And so, we will do what we're asked to do, if I find it prudent as President. We will give the kinds of support to the Colombian military that you've seen begin, and I believe that is the way we should effectively treat our military assets. And it's not going to be a unilateral imposition of United States force just when you have people strongly supporting a President in what he's trying to do -- Colombian kids laying their lives on the line to restore order to their community. So, I want to help, and I again take this forum here to pay my respects to what President Barco is doing, to offer the people of Colombia whatever support we possibly can give them in the way they want it -- to have them continue doing this courageous job they're doing.

Our administration is committed to making drugs bilateral and multilateral foreign policy issues. We're going to be talking to all countries in a cooperative manner about what we can do, and encouraging some to join us in certain initiatives that will help countries that are embattled. That means working, obviously, with other nations to fight this drug production, and to break up the money-laundering activities that keep the international traffickers afloat.

I feel very, very strongly about the enforcement side. And a person who knowingly launders drug money is just as guilty as the kingpin or somebody pushing the crack into the school kids of our country. And I think for too long we may have had, inadvertently, less energy going into the money-laundering end. And at our G - 7 meeting, as some of the Ambassadors here know very well, there was strong support for maximum cooperation, intelligence-sharing, whatever, to get at these insidious money-launderers. So, I say again today: We enlist the support of all, and we will give our support to all in trying to track down these people.

Drugs are, of course, our most important domestic priority. And I'm pleased to see here in this room the very people that we'll be depending on in the weeks and the months ahead. In this room are law enforcement officials, drug treatment professionals, teachers, community and business leaders, and some State and city elected officials. This is not going to be won by the Federal Government -- this battle. The Federal Government has a key role to play, and I am trying to see that we play it by putting forward and then implementing a national drug strategy. But please understand I have not changed my conviction that the answer will lie at the local and the State level as we go forward with our national strategy.

And I used to get kidded, I think it was friendly teasing -- about the Thousand Points of Light -- but for the cynics, I wish you could have been with me today at D.C. General Hospital and gone to the ward where there were maybe six or eight what they call boarder babies -- babies that had been deserted. And they were being deserted by their mothers -- 80 percent of them, I'm told -- their cocaine-addicted mothers. Trying to do something about that, but those babies were being kept alive and given a chance for a life with love in it by a handful of black women in the District of Columbia who just got together as one of the Thousand Points of Light. So, it is more than a slogan, and this problem will be solved as soon as each of us decides to involve himself or herself in the life of another person. And it's not going to be solved until all of us adopt that ethic as we approach this important problem.

So, thank you all very much. I want you to know we will continue to play our part in carrying out the proposals of the strategy. I'd be remiss, seeing this much horsepower here, if I didn't ask you for your support. We want to work with the various categories and others -- categories that I mentioned here in these remarks -- so that real progress in the war can begin immediately.

I pointed out last night there is some good news, and I mentioned specifically the decline in casual cocaine use. And I mentioned specifically the courageous stand being taken by one of our friends south of our border and others as well down there. So, it isn't a message of despair. What I'd rather phrase it is a message of hope, and I need your help to get the job done.

So, thank you all very much for coming. I'm confident that we will have the support of the American people on this issue. Your presence here assures me that I can count on you. But I'm grateful -- with Judge Walton sitting here, I want to say how grateful I am to Bill Bennett and to him for formulating for the first time a national strategy that offers hope to those little kids we saw today. Thank you very, very much.

If I would say to those non-Ambassadors in the room -- and please do not assume that this is a discriminatory policy, but I am one who is very much indebted for the cooperation we're getting from abroad -- if I could ask the Ambassadors from other nations just to come and maybe have a handshake here. I would then at least have the feeling that I have made you feel the special warmth that I feel toward you for coming and to your countries for being interested in cooperating on this strategy.

Note: The President spoke at 1:27 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Reggie B. Walton, Associate Director of National Drug Control Policy for State and Local Affairs; Robert M. Gates, Assistant to the President and Deputy for National Security Affairs; Brent Scowcroft, Assistant to the President for National Security Affairs; and William J. Bennett, Director of National Drug Control Policy.

Remarks at the American Legion Annual Convention in Baltimore, Maryland

September 7, 1989

Justice Gierke -- Sparky to me -- as a fellow Legionnaire, let me first salute the first Vietnam veteran to be selected national commander. And all of you who represent our nation's largest and fastest growing veterans organization, more than 3 million members strong -- thank you for that warm welcome.

I am proud to have been accompanied here by a great friend of the veterans, Congressman Sonny Montgomery of Mississippi -- [applause] -- I see we have a few Mississippians back there -- and, of course, to have been greeted by Maryland's outstanding Congresswoman, my great friend, Helen Bentley, a great friend of the veteran; and am pleased, because I hadn't been told they were going to be here, to see our outstanding Commandant of the Coast Guard, Admiral Yost, who's doing a superb job, and General Rowny, a old friend of mine, a great leader, great friend of the veterans, and a great leader in the whole field of arms control and a strong defense. So, I feel among friends. And as always, it's a great privilege to join you and a deep personal pleasure for me to renew old ties, greet new friends.

Today, surprisingly, is September 7th -- [laughter] -- and I -- [applause] -- can you believe it? And I'm determined not to repeat the mistake I made exactly 1 year ago when I referred to this as Pearl Harbor Day. [Laughter] I can still remember the gasp -- it was on this side of the room. I don't know whether the seating has changed, but as long as I live, I'll remember the gasps from the audience. [Laughter]

Not surprisingly, anniversaries were on my mind then as I traveled here from Washington. Events like this 71st national convention of the American Legion or the 200th birthday of the Coast Guard or the very first anniversary of the Veterans Affairs Department, led by its able Secretary and our good friend, Ed Derwinski -- a department intent on serving you as you have served your country. Well, as you can imagine, these birthdays in turn got me thinking about another anniversary, the 175th this year of ``The Star-Spangled Banner," and how your convention lies so near its famous birthplace. Tuesday you did something that would have pleased Francis Scott Key and for which I thank you. For by supporting a constitutional amendment making it illegal to desecrate the American flag, you joined the crusade to protect that unique symbol of America's honor. Our flag is too sacred to be abused.

The flag, like our great country, America, represents many things. It represents self-expression and opportunity, democracy for all. Like America, too, Old Glory reflects the values, moral and intellectual, economic and military, that have made and keep us strong. And like America, the flag symbolizes the gallantry of veterans who love their country, giving themselves, often their lives, to its protection -- storming the beaches of Okinawa or scaling the cliffs of Normandy,

taking shell-torn hills named ``Hamburger'' and ``Arrowhead.''

Fellow veterans, for seven decades the American Legion, its men and women, have helped write the story of America and the story of our flag. And today in peacetime, as in wartime, you write their story still. For the flag, like America, is more than sentiment. It lives on the rugged island called Iwo Jima. It lifts the tiny hand of a little girl that I saw on a street corner in Gdansk, Poland, waving the Stars and Stripes. For both encapsulate freedom -- the freedom to vote as we want, to pray when and where we choose, the freedom to go about our daily lives without tyranny or fear.

Fifty years ago this month, our allies went to war to protect this freedom. For as panzer tanks crossed the Polish frontier and bombers savaged Warsaw, liberty confronted the evil of fascism -- which even now defines hell on Earth. And in the end, that conflict took more than 50 million lives and underscored, as few things have, man's inhumanity to man. Our challenge today is to prove man's humanity to man by preserving liberty without war and thus secure what Franklin Roosevelt called the four freedoms: freedom of speech, of religion, freedom from want and fear.

Today I want to focus on one of these freedoms: freedom from fear -- the fear of war abroad, the fear of drugs and crime at home. To win that freedom, to build a better and safer life, will require the bravery and sacrifice that Americans have shown before and must again. Already, we've done much, and now we must do more and achieve real peace, both domestic and foreign -- the kind of peace which lasts. First, our mission at home: to free our country from the fear of drugs and crime. When we ask what kind of society the American people deserve, our answer is and must be a nation in which law-abiding citizens are safe and feel safe. And that is why, 2 nights ago, I announced America's first comprehensive national strategy to win the war on drugs and crime which plague the United States.

First, our plan seeks to rid America of violent criminals with an attack on four fronts: new laws to punish them, new agents to arrest them, new prosecutors to convict them, and new prisons to hold them. Our crime proposals are based on these principles: Criminals in this nation must understand that if they commit a crime, they will be caught; and if caught, they will be prosecuted; and if convicted, they will do time. But, you see, by taking the hoods off the streets, we can and we will take back the streets. You know, in short, we propose to change the rules of the game dramatically: mandatory time for firearms offenses; no deals when criminals use a gun; and for the most heinous crimes -- you remember my promise -- for anyone who kills a law enforcement officer, no legal penalty is too tough. We want Congress to enact the steps needed to implement the death penalty for those who kill our law enforcement officers.

Now, over the last few days, there's been a lot of talk about our strategy. Some, incredibly, say, well, it's not enough. This from the very people who oppose the death penalty. It's that kind of thinking that's lost too many battles already. So, let's not let these critics lose the war. I ask you to support our crime plan and also the other parts of our national strategy. This strategy aims to

stop drug use before it starts, through education and prevention, from grade school to graduate school. And third, through treatment, to help addicts who want to get clean, with special emphasis on expectant mothers.

And finally, we're going to work with other governments to help crack the international drug rings. Yesterday's extradition of a major drug dealer sends a strong signal of the courage and determination of President Barco and the Colombian Government to deal with the scourge which drugs are inflicting on all of us. And as veterans, you know how battles are often fought -- house by house, block by block. Well, we'll win this battle the same way, but we're going to win it kid by kid, neighborhood by neighborhood.

For years now, drugs have written a sad chapter in the American story. And this morning I ask you to help write an ending all of us can be proud of. These cops out here on the street -- they can't do it alone. The teachers, God bless our teachers, those teachers in our schools -- they can't do it alone. The addict really trying to get clean can't do it alone -- weary of abuse, can't do it alone. They all need your help. And I know they'll get it, just as you've helped handicapped kids, donated blood, helped always that National League of Families, and spurred good government through programs like Boys State and Girls State. Today, for instance, Post 65 in Rosemont, Minnesota, runs the program ``Drug Talk." And in Russellville, Arkansas, I especially like Post number 20's giveaway of thousands of rulers, and their message says it all: ``You really measure up when you say no to drugs."

You know as I do that we are in this together. So, let us fight on any front and every front -- supply and demand, education and rehabilitation, interdiction and enforcement, in the cities and the towns. Walter Lippmann once wrote of a ``nation at the mercy of violence." America must never surrender to the violence of drugs and crime. The future of our children depends on it.

This morning, I've talked about our mission to secure freedom from fear at home, but now let me shift. We also have another mission, a global mission: to free America from the fear of war. Wouldn't it be wonderful if our kids or grandkids could grow up in a world where they never had to give one single thought to the horror of a nuclear war?

Half a century ago, Ike and Nimitz and Jimmy Doolittle and millions of unsung heroes -- many sitting right here today -- fought to end a war. You fought at Guadalcanal and Monte Cassino, at Bastogne and Bataan. You fought to rid the world of totalitarianism and tyranny. Our challenge may be less dramatic, but just as vital: to secure freedom in a world at peace. Today ours remains a global stage, and America remains its leading player. And we must use our strength to maintain peace and freedom. For this we do know from World War II: The best way to protect that freedom and ensure real peace is for America to be militarily strong. Thankfully, today America is strong.

And our strength has helped democracy's tide run in, even as tyranny's tide runs out. The new

breeze of freedom, which I've spoken of before, is blowing in Poland, in Hungary, in countries east and west. And yet with even hopeful changes comes uncertainty, and with uncertainty comes the need for vigilance. This is no time to declare freedom's victory before the fact. And that is why we need a national defense that ensures a strong and secure America, and why I'm pleased that the Senate largely agrees.

This week our defense authorization bill moves to House-Senate conference committee. And there's just one problem: The House version is totally unacceptable to the Commander in Chief of the United States Armed Forces. It is unacceptable. It continues unneeded programs costing nearly $20 billion from 1990 to 1994, holding our defense budget hostage to projects that will strip money from programs crucial to strategic modernization. You see, this modernization is vital, vital because America must base its procurement decisions on the future capacity -- the actual weapons -- that any Soviet leader might have available.

Here there are hopeful signs, for Mr. Gorbachev is taking some steps to reduce that threat posed by the massive military machine that is the Soviet Armed Forces. We applaud those moves; and we hope there will be more, many more. But at the same time, we cannot cause the Soviet Union to reduce its forces by unilaterally disarming ourselves. Progress has been made precisely because we have been strong. So far, in terms of cutting strategic weapons systems, Soviet words have not been matched by Soviet deeds. Our own strategic modernization program must deal with deeds and encourage the Soviet Union to work with us in reducing the threat of nuclear war.

And that's why we've begun a vital program to modernize our strategic triad, and by that I mean submarines, missiles, and bombers. We have called for two Trident submarines to be funded in 1990 and 1991. And today I renew that call and reaffirm my commitment to the second part of our triad: strategic land-based missiles. Already the Soviet Union is deploying two mobile systems. We have none. We need to move forward with our mobile programs not only to modernize our forces into the 21st century but to gain leverage for arms control.

You see, what we're talking about here is simple logic; or as Sam Rayburn said, ``If a man has common sense, he has all the sense there is." Accordingly, our ICBM program calls for a new single-warhead small ICBM missile and our ICBM missile, Peacekeeper, multiwarhead ICBM. The small ICBM represents the future of our ICBM force: highly mobile single warhead, the very essence of stability and deterrence. But it won't be ready until 1997, so I've asked Congress for funds to make our existing Peacekeepers mobile by utilizing our rail system in an emergency, providing survivability at low cost for this very effective and proven system. The third part of our deterrent triad -- the B - 2, or the Stealth bomber -- employs absolutely revolutionary technology to make certain that it can penetrate defenses and assure the credibility of our deterrence.

And finally, there is the last part of our defense equation; that's the Strategic Defense Initiative.

SDI will begin the movement from offensive to defensive deterrence and deter not merely existing threats, but also nations on the verge of possessing nuclear and chemical weapons. Now, if that's not common sense, then I don't like fishing and I don't like playing horseshoes. [Laughter]

Fellow veterans, real peace is not an accident, so let us modernize our strategic forces and thus encourage arms control. We need the Trident, the small ICBM. We need the Peacekeeper, B - 2, and SDI. And I have proposed to the Congress an affordable budget to pay for them. It is a solid, well thought out, and essential program. The Congress should support it and not try to substitute pet projects in place of a closely integrated strategic program. For this, above all, we know: When it comes to national defense, finishing second means finishing last.

We can have an America free from war, free from drugs and crime -- an America free from fear. What a wonderful legacy for this and generations of children to come. Some might call it only a dream. To them, I say, okay, America is the land of dreams -- dreams that come true.

God bless you all. God bless the United States of America. And thank you for your hospitality. Thank you all very, very much. Remember Pearl Harbor! We'll see you.

Note: The President spoke at 10:05 a.m. at the Baltimore Convention Center. In his remarks, he referred to Herman F. ``Sparky'' Gierke, national commander of the American Legion, and Ambassador Edward L. Rowny, Special Advisor to the President and Secretary of State on Arms Control Matters.

Remarks at the Ceremony Commemorating the 175th Anniversary of ``The Star-Spangled Banner'' in Baltimore, Maryland

September 7, 1989

What a lovely day! And thank you, Congresswoman Bentley -- my friend, Helen Bentley -- for, one, inviting me here, and for joining in the invitation for me to be here. I have a very high regard for Maryland's great Helen Bentley. I'm very pleased that you have Tom Clancy, the esteemed author, my friend, involved in this project. What a marvelous contribution he's made to our literary world and, I also would like to think, to the national security interests of the United States by his writings.

Superintendent Tyler, I'm pleased to be with you, sir, having heard of your tender loving care for this and other of our great monuments. I'm pleased that Congressman Montgomery, a great leader in the veterans movement, was with me at the Legion and here with us today -- Mississippi's son.

I'm proud to share this platform with Mayor Schmoke. And of course, I have a few differences with your Governor. [Laughter] We went to the ball game when the Rangers were in town, and I understand that the Orioles are playing the Rangers tonight. And I hope you'll excuse me if, for the first time, I visibly differ with Don on this one. I want my kid, who runs the Rangers, to keep his job. [Laughter] So, you'll have to forgive me, Governor, for this one evening. But as for Don Schaefer, we may be in opposite parties, but I am grateful to him for his leadership in this State, and I am grateful to him for his standing up with us as we formulate it and now are trying to advocate a national strategy to combat narcotics in this country. Your Governor is out front, and I am very, very grateful to him.

And what a lovely day to visit one of America's most hallowed shrines. I'm grateful to all of you for the warmth of the reception. One hundred and seventy-five years ago, three events -- the Battle of North Point, the Battle of Baltimore, and ``The Star-Spangled Banner'' -- wrote one of the greatest chapters in the American experience. And even now, they teach us, and they inspire us, and they remind us of what Francis Scott Key saw ``by the dawn's early light.'' He saw this flag, the American flag, a flag that honored sacrifice and heroism and embodied all that matters to the human spirit -- a flag that Americans have cherished from Bunker Hill to Khe Sanh, fighting on the front lines and on the homefront so that freedom could prevail.

Think of it -- that night's historic Battle of Baltimore. Remember the birth of the national anthem. Marvel at how 1,000 citizen soldiers defended Fort McHenry against the mighty enemy. And today we remember those volunteers, for, because of them, Baltimore stopped the British invasion and preserved our independence. And today also, we praise their successors, volunteers

like you.

I think of the Fort McHenry Guard or visitors who donate to help to preserve this site or the patriots of Fort McHenry and members of the 175th Anniversary Commission -- volunteers helping to restore the Fort McHenry National Monument and Historic Shrine, volunteers who show how community service is timeless, like the American ideal. As an old Navy person, I salute your mission; for you're ensuring, as Francis Key said, that our flag will yet wave. And as an American, I ask you: Help salute that flag by supporting a constitutional amendment making it illegal to desecrate that unique symbol of our liberty.

Key wrote his ``Ode to the Courage of American Patriots and the Liberty They Fought to Protect." All Americans believe in liberty, for the evidence of its power lights the world. The volunteers of 1814 showed that, and the volunteers of 1989 -- it's an enormous force across our country -- prove it anew.

I want to thank them and you for this wonderful occasion. I came by to say thanks, God bless you, and God bless the United States of America. And let's together ensure the true destiny of America, that ``what so proudly we hail" will always bless ``the twilight's last gleaming." Thank you all very, very much.

Note: The President spoke at 10:50 a.m. at Fort McHenry. In his remarks, he referred to John W. Tyler, Superintendent, Fort McHenry National Monument; Mayor Kurt L. Schmoke; and Gov. William D. Schaefer. Following his remarks, he returned to Washington, DC.

Remarks to the Crew of United Air Lines Flight 232

September 7, 1989

The President. Well, let me just -- one, I'm sorry for keeping you waiting and, two, say what a great pleasure it is to receive Captain [Alfred] Haynes and the crew -- everybody connected with this tragedy, but also connected with what I would term as a national heroism. I know Al would disclaim all credit, but certainly he deserves an awful lot. And there's the controllers, and there's the ground crew, and there's the cabin crew, and then there's a lot of plain people that were just watching with wonder and great pride. So, I'm glad you all came.

What I want to do when we finish what looks like an ample photo opportunity here -- [laughter] -- invite you, if you would, to come into the Oval Office, and maybe we can have some individual pictures. But with our friends here, it gives me an opportunity to say thank you from a very grateful nation.

Captain Haynes. Thank you, sir.

The President. Can I talk you into coming across the hall? [Laughter]

Note: After the failure of its electrical system, United Air Lines Flight 232 crashed in Sioux City, IA, on July 19, killing 112 people.

Statement by Press Secretary Fitzwater on NATO-Warsaw Pact Conventional Forces Negotiations

September 7, 1989

The third round of the negotiations on conventional armed forces in Europe began today in Vienna. At the NATO summit in May, allied leaders endorsed the President's initiative to include land-based combat aircraft and land-based combat helicopters and U.S. and Soviet ground and air manpower stationed in Europe in the negotiations. On July 13, 2 months ahead of schedule, the allies presented details of this initiative at the negotiations in Vienna. The tabling of those elements of our proposal reflects our determination to fulfill the President's commitment and move forward as rapidly as possible in these negotiations. The members of the Warsaw Pact have indicated that they want to conclude a conventional arms reduction agreement, and we await their response to our initiatives during this round.

Similarly, we hope that the Warsaw Pact members will be prepared to discuss the 12 detailed measures that we and our NATO allies put forward during the last round of the 35-nation talks on confidence and security-building measures, which have just resumed in Vienna. Greater openness and predictability about military forces and actions in Europe are key elements in the NATO alliance's approach to conventional arms control.

Our objectives in both these negotiations is to secure a more stable balance of forces in Europe and to reduce the risk of armed confrontation on the Continent. It is a goal we and our allies have been seeking for 40 years. We believe that the conditions are right for achieving sound and stabilizing agreements which will increase security for all the nations concerned.

Nomination of Duane Perry Andrews To Be an Assistant Secretary of Defense

September 7, 1989

The President today announced his intention to nominate Duane Perry Andrews to be an Assistant Secretary of Defense (Command, Control, Communications, and Intelligence). He would succeed Gordon Smith.

Since 1977 Mr. Andrews has served on the professional staff of the Permanent Select Committee on Intelligence of the House of Representatives. Prior to this, he served as an officer in the U.S. Air Force, 1966 - 1977.

Mr. Andrews graduated from the University of Florida (B.A., 1967) and Central Michigan University (M.A., 1976). He was born January 19, 1945, in Boca Raton, FL. He is married, has two children, and resides in Falls Church, VA.

Nomination of David Courtland O'Neal To Be an Assistant Secretary of the Interior

September 7, 1989

The President today announced his intention to nominate David Courtland O'Neal to be an Assistant Secretary of the Interior (Land and Minerals Management). He would succeed J. Steven Griles.

Since 1987 Mr. O'Neal has served as Acting Assistant Secretary for Mine Safety and Health in Arlington, VA. Prior to this, he served as Deputy Director of the Bureau of Land Management at the Department of the Interior, 1986 - 1987; general manager of the Augustines Convention Center and president of O'Neal Inns, Ltd., in Belleville, IL, 1984 - 1986; president of O'Neal Printing Co. in Chicago, IL, 1982 - 1984; and executive vice president of Aviation Systems International, 1981 - 1982. In addition, he served as Lieutenant Governor of the State of Illinois, 1976 - 1981, and sheriff of St. Clair County, 1970 - 1976.

Mr. O'Neal graduated from St. Louis College of Pharmacy (B.S., 1962). He served in the U.S. Marine Corps, 1956 - 1959. He was born January 24, 1937, in Belleville, IL. He has two children and resides in Arlington, VA.

Continuation of James R. Richards as Inspector General of the Department of the Interior

September 7, 1989

The President today announced that James R. Richards will continue to serve as Inspector General at the Department of the Interior.

Since 1986 Mr. Richards has served as Inspector General at the Department of the Interior. Prior to this, he was Inspector General at the Department of Energy, 1981 - 1985; general counsel and legal director of the National Legal Center for the Public Interest, 1980 - 1981; vice president and legal director for the Capital Legal Foundation, 1977 - 1980; Director of the Office of Hearings and Appeals at the Department of the Interior, 1973 - 1977; Assistant United States Attorney for Colorado at the Department of Justice, 1969 - 1973; and legislative and executive assistant to U.S. Senator Peter Dominick (R - CO), 1963 - 1965.

Mr. Richards graduated from Western State College (B.A., 1955) and the University of Colorado School of Law (LL.B., 1960). He was born November 21, 1933, in Kinderpost, MO, and resides in Arlington, VA.

Continuation of Paul A. Adams as Inspector General of the Department of Housing and Urban Development

September 7, 1989

The President today announced that Paul A. Adams will continue to serve as Inspector General at the Department of Housing and Urban Development.

Since 1985 he has served as Inspector General at the Department of Housing and Urban Development in Washington, DC. Prior to this, he held several positions at the Department, including Deputy Inspector General, 1980 - 1985; Assistant Inspector General for Investigation, 1977 - 1980; senior inspector, 1973 - 1977; and supervisory investigator, 1969 - 1973. Mr. Adams began his career with the agency in 1962 in its Atlanta, GA, inspection division.

Mr. Adams graduated from Benjamin Franklin University (B.S., 1960). He was born in Lawrenceville, GA. He is married, has one son, and resides in Crofton, MD.

Continuation of Carol C. Adelman as an Assistant Administrator of the Agency for International Development

September 7, 1989

The President today announced that Dr. Carol C. Adelman will continue to serve as an Assistant Administrator for Asia and the Near East at the Agency for International Development, United States International Development Cooperation Agency.

Since 1988 Dr. Adelman has served as Assistant Administrator for Asia and the Near East at the Agency for International Development. Prior to this, she was a lecturer and author on international economic development, 1985 - 1988; and a consultant for the U.S. Government and the private sector on international health and nutrition, 1983 - 1988. Between 1971 and 1981, Dr. Adelman held several positions with the Agency for International Development, including nutrition adviser for the Near East Bureau of the Agency for International Development, 1978 - 1981; program analyst for the Office of Nutrition, 1975 - 1977; assistant program officer, 1972 - 1975; special assistant to the Assistant Administrator of the Africa Bureau, 1971 - 1972; and program analyst for the Office of Development Planning, 1971.

Dr. Adelman graduated from the University of Colorado (B.A., 1968), Georgetown University (M.S., 1970), and Johns Hopkins University School of Public Health (M.P.H., 1979; Ph.D., 1984). She was born September 16, 1946, in Evanston, IL. She is married and has two children.

Nomination of Margot E. Machol To Be a Member of the Commodity Futures Trading Commission

September 7, 1989

The President today announced his intention to nominate Margot E. Machol to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1994. She would succeed Robert R. Davis.

Since 1988 Mrs. Machol has served as a Commissioner of the Federal Trade Commission. Prior to this, she served as Special Assistant to the Chairman of the Council of Economic Advisers, 1985 - 1988; and Executive Assistant to the Under Secretary of the Treasury for Monetary Affairs, 1981 - 1985.

Mrs. Machol graduated from Northwestern University (B.A., 1970; M.B.A., 1976). She was born May 25, 1949, in New York, NY. She is married, has two children, and resides in Washington, DC.

Nomination of LaJuana Sue Wilcher To Be an Assistant Administrator of the Environmental Protection Agency

September 7, 1989

The President today announced his intention to nominate LaJuana Sue Wilcher to be an Assistant Administrator of the Environmental Protection Agency (Water Programs). She would succeed Lawrence J. Jensen.

Since 1986 Ms. Wilcher has served as a partner with Bishop, Cook, Purcell and Reynolds. Prior to this, she served as Assistant to the Deputy Administrator at the Environmental Protection Agency, 1985 - 1986; Special Assistant to the General Counsel at the Environmental Protection Agency, 1983 - 1985; and Special Assistant to the General Counsel at the Department of Agriculture, 1983. She has served as a trial attorney at Reynolds, Catron, and Johnston in Kentucky, 1980 - 1983.

Ms. Wilcher graduated from Western Kentucky University (B.A., 1977) and Salmon P. Chase College of Law, Northern Kentucky University (J.D., 1980). She was born September 16, 1954, in Danville, KY. She resides in Annandale, VA.

Nomination of Alan Green, Jr., To Be United States Ambassador to Romania

September 8, 1989

The President today announced his intention to nominate Alan Green, Jr., to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Socialist Republic of Romania. He would succeed Roger Kirk.

Mr. Green has served as a commissioner of the Statue of Liberty-Ellis Island Centennial, 1986; Chairman of the Federal Maritime Commission, 1981 - 1985; and commissioner of the port of Portland, Oregon, 1979 - 1981 and 1970 - 1975. In addition, he served on the executive committee of the national review board for the East-West Center for Cultural and Technical Exchange, 1974. He was chairman of the board of Tom Benson Industries, Inc., in Portland, OR; member of the board of directors of Comprehensive Care, Inc., in Irvine, CA; chairman of the board of Western Batteries, Inc., in Beaverton, OR; and secretary-treasurer of the Southern Oregon Battery and Supply Co., in Oregon. Mr. Green was named Oregon Republican of the Year in 1988.

Mr. Green graduated from Stanford University (B.A., 1949). He served in the U.S. Army, 1943 - 1945. Mr. Green was born May 1, 1925, in Portland, OR. He is married, has three children, and resides in Portland, OR.

Nomination of Marion V. Creekmore, Jr., To Be United States Ambassador to Sri Lanka and Maldives

September 8, 1989

The President today announced his intention to nominate Marion V. Creekmore, Jr., a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Socialist Republic of Sri Lanka and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Maldives. He would succeed James W. Spain.

Currently, Dr. Creekmore serves as Deputy Afghan Coordinator at the Department of State in Washington, DC. Prior to this, he served as diplomat in residence at George Washington University, 1988; Deputy Assistant Secretary in the Bureau for Near East and South Asia at the Department of State, 1985 - 1987; Deputy Director of the Policy Planning Staff, 1985; deputy chief of mission in India, 1981 - 1984; and Deputy Assistant Secretary in the Bureau of International Organizations Affairs, 1979 - 1981. In addition, he directed the Office of International Energy Policy at the Department of Energy, 1978, and worked on energy and development issues in the Bureau of Economic and Business Affairs, 1974 - 1977. Dr. Creekmore served in South Africa, 1965 - 1966; Ghana, 1966 - 1968; and the Federal Republic of Germany, 1970 - 1973, for the Department of State.

Dr. Creekmore graduated from Vanderbilt University (B.A., 1961) and Tulane University (M.A., 1963; Ph.D., 1968). He was born January 8, 1939, in Memphis, TN. He is married, has two children, and resides in Springfield, VA.

Appointment of Al Cardenas as a Member of the Board of Directors of the Federal National Mortgage Association

September 8, 1989

The President today announced his intention to appoint Al Cardenas as a member of the Board of Directors of the Federal National Mortgage Association for a term ending on the date of the annual meeting of the stockholders in 1990 (Mortgage Industry Representative).

Currently Mr. Cardenas serves as director of Greenberg, Traurig, Hoffman, Lipoff, Rosen, and Quentel, P.A., in Miami, FL. Prior to this, he served as a partner with the law firm of Broad and Cassel. He has served as a member of the National Mortgage Association, 1985 to present, and a member of the Presidential Advisory Committee on Small and Minority Business Affairs, 1982 - 1985.

Mr. Cardenas graduated from Miami Dade Community College (A.A., 1967), Florida Atlantic University (B.A., 1969), and Seton Hall University (J.D., 1974). He was born January 3, 1948, in Havana, Cuba. Mr. Cardenas is married, has five children, and resides in Miami, FL.

Appointment of Henry C. Cashen II as a Member of the Board of Directors of the Federal National Mortgage Association

September 8, 1989

The President today announced his intention to appoint Henry C. Cashen II as a member of the Board of Directors of the Federal National Mortgage Association for a term ending on the date of the annual meeting of the stockholders in 1990 (Public Member). This is a reappointment.

Since 1973 Mr. Cashen has served as an attorney at Dickstein, Shapiro, and Morin in Washington, DC. Prior to this, he served as Deputy Assistant to the President and White House Liaison with the Public Sector, 1970 - 1973; Deputy Counsel to the President at the White House, 1969 - 1970; and attorney with Dickenson, Wright, McKean and Cudlip in Detroit, MI, 1964 - 1969.

Mr. Cashen graduated from Brown University (A.B., 1961) and the University of Michigan Law School (J.D., 1963). He was born June 25, 1939, in Detroit, MI. He is married, has three children, and resides in Washington, DC.

Appointment of George L. Clark, Jr., as a Member of the Board of Directors of the Federal National Mortgage Association

September 8, 1989

The President today announced his intention to appoint George L. Clark, Jr., as a member of the Board of Directors of the Federal National Mortgage Association for a term ending on the date of the annual meeting of the stockholders in 1990 (Real Estate Industry Representative). This is a reappointment.

Currently, Mr. Clark serves as president of George L. Clark, Inc., in Brooklyn, NY. He has served as a real estate broker, appraiser, and consultant for the past 26 years in the following capacities: president of the Bay Ridge Real Estate Board, first vice president of the Brooklyn Board of Realtors, and director of the Flatbush Real Estate Board. Mr. Clark has served as Republican State committeeman from the 42d assembly district in Brooklyn, NY, 1970, and was elected Republican county chairman of Brooklyn in 1972. In addition, he has served as Republican State chairman of New York, 1981 - 1985.

Mr. Clark graduated from St. John's University (B.A., 1962). He was born January 4, 1941, in Brooklyn, NY. He is married, has four children, and resides in Brooklyn, NY.

Remarks to the United States Hispanic Chamber of Commerce in New Orleans, Louisiana

September 8, 1989

Thank you, President Abel Quintela -- two Odessa boys on the same platform. [Laughter] I'm delighted to be here, glad to know from your president that this has been a highly successful meeting of the chamber. I'm proud to salute Abel for the job he has done and then to pay my respects to Lupe Garcia, who's the incoming president. Texas seems to have a lock on this organization for a -- [applause] -- and I'd be remiss if I didn't mention the fact that I'm very pleased our Secretary of the Interior, our friend and yours, certainly, Manuel Lujan, is with us today. You see -- where is he? And I'm proud to say that, along with Larry Cavazos, we have two Hispanic Americans in the Cabinet of the President of the United States, and that's a very good thing for our country.

I want to thank the Governor of the State of Louisiana, Buddy Roemer, my friend of longstanding, for being with us here today. We have two Congressmen from out and about, Congressman Holloway and Congressman Tauzin, who are with us over here. I'd like to ask them to stand up. And right close in, Congresswoman Lindy Boggs over here. And then, a man with whom I work very closely in the Congress and for whom I have great respect, also from the metropolitan New Orleans area -- Bob Livingston, a Member of Congress here.

And also, Abel was telling me about the fact that this really is a hands-across-the-border meeting, and I should salute Dr. Ugarte from Mexico, the Under Secretary of Commerce who is with us today, and also Jose Maria Alverde, the president of the largest chamber of commerce in the world, I believe. He's head of the Mexican chamber of commerce from Mexico City, and we are honored to have them with us here today. So, we do meet as vecinos, neighbors, and as businessmen and businesswomen as well; but mostly, perhaps, as citizens who understand how Hispanics have helped America create a greater land for all of us.

You know, 9 years ago, America began what has been called the decade of the Hispanic. And now, at the decade's end, Hispanics are one of America's fastest growing minorities, enriching our country socially, academically, economically, spiritually and living, more than ever, the American dream. I've been to many such meetings of the chamber. And every time I come here, I realize that what I just said is true: The American dream -- you epitomize it for me in so many ways.

You know, in one sense, the past decade has reaffirmed that dream: the dream which brought your parents and your grandparents and then, indeed, some of you here in this room to this country. For today you are building, building a better life, and building it in the schools, the police forces, the small and large businesses all across society, building it for your kids -- I've got 11 grandchildren -- for our grandchildren. I'm old enough to have grandkids. Some of the

rest of you young guys here -- it's your kids. For us, it's grandchildren, but what I'm saying is for everybody.

In another sense, the past decade is but a preview of coming attractions. For it can be a gateway to tomorrow, much as America has been a gateway to many of you in this room. And the theme of this convention is ``Gateway to the Americas." And today it's the gateways that I'd like to talk to you about -- gateways to prosperity and stability that make progress possible.

First, the gateway to prosperity is -- and you understand this -- the free enterprise system which fosters equal opportunity. Winston Churchill noted that some people view ``private enterprise as a predatory tiger to be shot; others look on it as a cow they can milk. Only a handful see private enterprise for what it really is: the strong and willing horse that pulls the whole cart along." Now, Churchill spoke those words at the end of his career, 1959; but in 1989 they're truer than ever before.

I'm always reminded of the Commissioner of Patents of the United States Government, back around 1900, who suggested that the Patent Office be closed because everything worthwhile had already been invented. Then you think of Marconi inventing the wireless; or the Wright brothers, the airplane; or going to the Moon; or whatever, and you wonder what this guy was thinking of back there. But as you know, the gateway isn't highly concentrated government bureaucracies; it isn't bigger government; it's bigger dreams.

Look at Pedro Garza, a former migrant worker who overcame disability to own a construction company -- $4.5 million in sales; Remedios Diaz-Oliver -- with us here, I believe -- here she is -- Remedios, Hispanic Businesswoman of the Year; or the father-and-son team, Louis and Fred Ruiz, who in 1964 started a food business in an old warehouse -- battered stove, small freezer, single mixer -- they now employ 534 workers. And they prove, as you do, that while government can encourage opportunity, it is Americans who seize opportunity.

Over the past decade, committed individuals like these -- and then a million others of unsung Hispanic-Americans -- have made big dreams come true for themselves and for so many others. Here's a partial scorecard of your success. Since 1980, according to your estimates, Hispanic-American-owned businesses have nearly doubled -- that's in this decade, 9 years. And today the total -- more than 400,000 and earn revenues about $20 billion in 1987 alone. Impressive? Of course, you bet. Good enough? No, never. For as long as one Hispanic-American is bereft of hope, that is one American too many.

And so, as we work to extend the prosperity that blesses our country today, all citizens must participate. Government can play a unique role as a catalyst for opportunity. As Vice President, I supported -- and I know many in this room did -- the President's Task Force on Private Sector Initiatives. And knowing how cooperation can spur development, we've tried to build on what the preceding administration fostered. I've asked Commerce Secretary Bob Mosbacher and Ken

Bolton [Director of the Minority Business Development Agency] to develop a bold and innovative strategy for the reinvigoration of the Minority Business Development Agency. Every linkage between corporate America and a minority vendor and educational institution in the minority population brings us one step closer to assuring the equal participation of all Americans in our free enterprise system.

These partnerships will aid the shop- owner in Los Angeles or the small developer in Des Moines. And so will one final project that I'd like to mention here: the 1990 census. You might say, ``Why?'' Look, there are 19.5 million Hispanic Americans, approximately -- 19.5 million. And I urge you to do your best to make them count. Tell your friends and neighbors to cooperate with census officials. Don't let the decade of the Hispanic go unreflected in this very important national survey. So, remember, the more accurate the census is, the greater Hispanics' influence and ability to help people help themselves.

I've talked of the prosperity which can better the lives of every American. And in that context, let me just say a word about our relationship with Mexico. The first head of state that I met after the election, after I was elected -- indeed, after his -- was President Salinas. And 2 months ago, I was pleased to renew what I can tell you is a genuine friendship now, at that economic summit in Paris. Mexico, by restructuring her economy, reducing trade barriers, and then with our help, reaching agreement with her commercial bank creditors, has opened the gateway of increased trade with America. We welcome this commerce, for Mexico is -- and most Americans don't know this -- our third-largest trading partner.

I salute President Salinas for his leadership on this Mexican debt problem. It's a tough problem, and he made some very difficult decisions. He led the way. He was out front. Mexico was the first country to achieve agreement on these major debt problems that are lingering out there, and I think that his leadership has paved the way for other countries. And so, I salute him here today, with many of his friends and colleagues in this audience. I look forward to next month's state visit, and we will give him the honors that a good friend, Mexico, merits and honors. We will give him those honors on the White House lawn. And together, we can build a gateway to the 1990's that will provide both Mexico and America with economic opportunity and stability. We must never take our friends for granted.

Now, I would be remiss if I didn't take a couple of minutes more -- I know you're starving out there, I can tell -- [laughter] -- the look on the faces -- but if I didn't take a couple of minutes more to talk about another kind of trade. You know what it is -- a more destructive kind of trade that slams shut the gateways of opportunity. And, of course, I'm talking about the drug trade.

Consider these statistics: Last year the Government estimated that 23 million Americans used illegal drugs on a ``current'' basis; that is, at least once in the preceding 30 days. Last year more than 8 million people used cocaine, and almost 1 million used it once a week or more. Last year hundreds of thousands of babies were born to mothers who use drugs -- babies born desperately

sick, weeks or months premature. A nation with those numbers cannot long preserve its very soul. And that's why, three nights ago, I announced America's first national, comprehensive, and coordinated strategy to wage unconditional war against the scourge of drugs. And we've got four major elements in this plan.

First, enforcement, using our laws and criminal justice system -- for America must take back its streets. We need more jails and prisons and courts and prosecutors and, indeed, in my view, tougher sentences. Drug dealers deserve a gateway, but that gateway is one where they go to prison. And I still feel in my heart, for the ultimate drug violators, those that do the most to corrupt the kids in this country and strip them of every chance at a meaningful life -- I'm talking about those drug kingpins or those that kill police officers -- I strongly favor the ultimate sentence, and that is the death penalty.

In that context, I sent my crime package, encompassing these things I've mentioned and others, to the Congress 3 months ago. That package went up 3 months ago, and it has languished there in the Senate Judiciary Committee. So, please, urge the Congress to pass this anticrime package. There's no reason to wait any longer to move forward with this part of the national strategy.

The second part of our drug plan is interdiction, a tool of foreign policy. Working with other governments -- and I might again salute Mexico; cooperation has increased demonstrably there -- we're going to break the international drug rings who grow and process cocaine and crack.

And again, I'd like to say here, with friends from Colombia -- many of us have friends in Colombia -- that I salute what President Virgilio Barco is trying to do. You talk about a tough, tough climate in which to take action; but he's taken it, and I'm praying he will stay with it. And the United States must give him the support that he needs.

It's not all muscle -- the program, the national strategy. There's a third part: treatment to help addicts who want to get clean, with special emphasis on expectant mothers. And finally, our drug program aims to stop use before it starts -- education and prevention -- from grade school to graduate school.

I was talking with Chief of Staff John Sununu and Governor Roemer coming in. And the news, as I pointed out the other night, isn't all bad. Casual use of cocaine is down by about a third. We can change things in this country. Peer group pressure is changing in the universities and in some of the high schools in this country. And if we all pitch in, we can see that it changes even more. This plan can help stop the trade I spoke of earlier. Some trade builds lives; drug trade takes lives. And it is the drug trade we've got to stop. Nobody, nobody, believes it will be easy.

Tuesday night I proposed this strategy to end drug use and trafficking. And we're proposing a drug budget totaling about $8 billion -- a dramatic increase over the figure that was used in the House of Representatives just this spring, the largest increase in history. And I know already

there are some who criticize. Not tough enough, they claim. They say that we aren't spending enough. Well, those who judge this strategy by its pricetag, by pricetag alone, don't understand the problem. Let me repeat: This is an $8 billion program with record funding increases, a program that is comprehensive and touches every aspect of the drug problem.

And those critics are the same ones who complain they don't know how we can fund the proposal unless, of course -- one easy answer -- that some think is easy -- raising taxes. And I know and the American people know that to some the first and only answer is to hit the working man or woman with more taxes. And that is not the right answer. I have sent to the Congress specific offsets. When you hear this debate rage, we have sent suggested specific offsets to fund this strategy without raising taxes or without increasing the deficit. And all the critics have to do now is to go out and implement it.

Government is going to do its part, but government will not win this battle alone. This isn't a Federal problem; it's a national problem. And we're all in it together -- cops to teachers, parents to clergymen. And we'll have to fight together to crush the drug menace at every turn, fighting in the barrios and the boardrooms, cities and in the towns, winning it kid by kid, human life by human life, house by house, neighborhood by neighborhood, putting the emphasis where the problem is -- locally, in the community.

Fellow parents and businessmen, fellow Americans, that's where you come in. For drug use isn't merely statistics: It's the young kid tormented by cocaine addiction or the pregnant mothers whose use of crack impairs her child, perhaps for life. At stake is the very future of every community, and the Hispanic community is no different. At stake is the future of the Hispanic community, and I'm referring to our kids, of course.

And so, let me challenge you: Get involved. There are so many who need your help. Join the grassroots groups like the Miami coalition of leaders from business, education, government, and law enforcement to stop drug use. Take the time to really know your neighborhood, at home and at work. Help your church and antidrug parents' groups. Support drug programs in your childrens' schools. Look at New Orleans, for an example -- drug-free zone concept. It is working, and can work anywhere in the country.

And then I talk about a Thousand Points of Light. People have finally gotten the message. It isn't a thousand pints of Lite I am talking about. [Laughter] It is a Thousand Points of Light, and I talked about that just a year ago here in the Superdome, and I feel strongly about it. I feel more strongly about one neighbor helping another, the need for you to be involved in the life of another -- constructive involvement in the lives of others. So, do this with your business. Use it as a storefront against drugs. Put the banners up and the brochures. Don't let the cynics disturb you -- those that think everything has to come out of Washington. Employ volunteer counselors. Be a symbol in the community and, especially, for its kids. And join the ranks of caring and committed and help us win this crusade.

So, I guess my question is: Will you enlist? I believe you will. And I'll tell you why I feel so strongly about it in this audience: Because I know of your values of family; religion; and above all, your commitment to freedom that has brought many of you to this country. That's going to compel you to get involved.

I think I understand Hispanic America. I've got lots to learn, but I think I understand. And the roots run deep, and the aspirations run high. And its people ask not the promise of success, only the opportunity to succeed. And Hispanic America is at her best when the challenge is the toughest. So, together, let's open those gateways to prosperity and stability, build for our children a better tomorrow. The kids: they're the trustees of America's future, so let their horizons touch the sky.

I appreciate your kindness. You have this wonderful way of making me feel at home. I appreciate the chance to share this occasion. God bless you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 11:57 a.m. in the Imperial Ballroom at the Fairmont Hotel.

Remarks to the National Baptist Convention in New Orleans, Louisiana

September 8, 1989

Now, what do you think of a man like Reverend Jemison who would make you come on after that beautiful music by Earl Taylor? [Laughter] Not only were his remarks deeply appreciated, but, Earl, wherever you've gone to -- here he is over here -- what magnificent joy, what magnificent music! Thank you very much.

To Reverend Jemison and Reverend Clark and Reverend Richardson; my friend, Dr. Ben Hooks, behind me here; and the board of directors: I feel honored to be here. And I brought some reserve troops with me. I brought three Members of the United States Congress. And to be sure that the Reverend knows this is not a partisan gathering -- [laughter] -- they are Democrats and Republicans, and I want you to meet them. Reverend Tauzin, Reverend Livingston, and Reverend Boggs: three of the great Congressmen with us here today. And also a member of the President's Cabinet, the Secretary of the Interior, Manuel Lujan, over here.

What a joyous meeting! So many Baptists in New Orleans, I expected, particularly at a crowd like this, to hear ``When the Saints Came Marching In." [Laughter] And I expect Reverend Jemison and Franklyn Richardson have learned their lesson, because they were at the White House not so long ago, and we finished a meeting there. Dr. Hooks was there -- and several other leaders here today -- celebrating a 25th anniversary so important to our country. But afterward, Reverend Richardson came out -- Franklyn -- and he said, ``Listen, hold up a minute." We elbowed the Secret Service away, and I said, ``What's on your mind?" He said, ``Reverend Jemison and I want to extend you an invitation to come to our great convention." And before they could change their mind, I said, ``It's a deal. I'll be there." And here I am, and I'm very grateful to you.

You'll excuse me if I reminisce. The last time I was here was August 18th, a year ago. And I was running for President, and I addressed thousands of Republicans. And now I'm addressing many thousand Baptists; but the feeling, speaking before such a large audience, is about the same. Barbara, the ``Silver Fox," my wife, is not with me today. But she said, ``George, look, just pretend that you're standing in front of another Sunday school class." [Laughter] Well, I did teach Sunday school, but I never had one quite this big. [Laughter] And I never taught in one where the music was quite this magnificent. Thank you all very, very much.

And I'm proud to address a convention that, as Psalm 84 says, goes from strength to strength. It is important to our nation that this convention and what it represents goes from strength to strength. You know, I've come to New Orleans to tell you something, and it really is summed up by that motto of your convention. Your good works and your faith and your beliefs are an inspiration to this country. And you, in turn, draw your inspiration from your faith in a great

church. And it was the first American Baptists in Rhode Island who led the campaign for religious tolerance. And it was the Baptists who played an important role in securing our freedom of religion in the American Constitution. And it was the Baptists who, as pioneers, built sturdy new churches on the empty prairies and the plains of the West. But it is another tradition that we honor in New Orleans here today. We honor your parents and your grandparents, who were also brave pioneers. They blazed the trails into another frontier, the freedom frontier.

And living in the White House -- privileged to live in it -- you can't help but feel it every day you live there. And upstairs is the -- known as the Lincoln Bedroom -- I'll share with you some historical trivia. Lincoln never slept in that room, I'm told, but nevertheless, it's called the Lincoln Bedroom. But he did sign the Emancipation Proclamation there, and you can't help but feel that sense of history and obligation and responsibility when you live in that beautiful house.

It took this convention, the leadership of your pastors and people, to extend the struggle for freedom to all men and women. It took leaders, of course, like Dr. Martin Luther King, Jr., and Wyatt T. Walker, E.V. Hill, Dr. Hooks, Jerry Moore, T.J. Jemison -- so many. And it took nothing less than another great awakening, an awakening to the promise of civil rights. This movement has blossomed. You know, one thing in the struggle for equality and opportunity: Your hopes and dreams are among the highest aspirations of my Presidency. You can't be President unless you feel that in your heart. We are on a journey to a new century; and, yes, from time to time, I am troubled by inequities that I see. But we have got to leave the tired old baggage of bigotry behind us, back there in our history.

Discrimination is not the only problem we face today. And just as you led America in the civil rights movement, so you're now leading communities struggling with another national problem. Is it crime? Not quite. Is it homeless? No, not by itself. Is it drugs? Yes, but it's even more than that. As serious as all these problems are, they are related to another one, the decline of the most basic institutions of all: the decline of the American family. Too many children in America are growing up -- no matter what community they live in -- without direction, without values, without esteem for themselves or anyone else. And so, our goal is simple, and it is vital: We must work together to save the American family. I feel it in my life, and I know the members of this Baptist convention -- you feel it in your lives.

Family life -- plus our faith -- but family life must be a major source of our strength. It is for Barbara and me, I can assure you. Strong families are bound by more than blood. They are bound for Christians by the precious memories of Christmas morning. They're bound by a toddler's first step or a grandfather's tall tales to his grandkids or the lasting pride of a graduation ceremony. And our families are bound together by something else: simple acts of learning and teaching; simple acts to instill the values of fairness, compassion, honesty, and hard work.

And of course, there are more single-parent families today then ever before. And difficult though that may be, most single parents are raising happy, well-adjusted kids with the help of family

and friends. They've got to draw on their own inner strength. Imagine for just a moment the lonely plight of a single mother who has no help, has no money, has no ability to keep her kids from being totally lost -- lost to the unhealthy life of the streets. And so, to save the American family also means providing support for those parents who are struggling against tough odds.

And nor can we ignore the difficulties of poor couples with children. The challenge of strengthening these families requires both public and private efforts. And church leadership is meeting the challenge in ministries like that of E.V. Hill of Los Angeles -- I'm going to get in trouble here starting any names, but I've known Mr. Hill -- where hungry families find sustenance, in ministries where Baptists are providing families with everything from highchairs to a hand up.

You know that no matter how close-knit your family may be, the decline of the American family is not just someone else's problem. It is everyone's problem. Where's Jerry Moore? There's Jerry. When I was in D.C. General Hospital the other day -- I speak to him and the other reverends from Washington -- I went there, and there was a ward there. They called them boarder babies that were in there. Babies were born; mothers left them there. And who's looking after them? It's not the Government of DC; it's not the Federal Government. It's a group of black ladies who have gotten together. And they said: We're going to do this. We are going to see that these kids have a chance for love. And it's coming out of their own pockets. And we are all in this together.

You know, no matter how close-knit your family may be, I guess the bottom line is the decline of the American family is not someone else's problem; it's everyone's. And when one generation is raised without values, it starts this chain of misery that weighs down future generations. About half of all black families with children are headed by one parent, and many of these are simply overwhelmed. And because they're overwhelmed, more than 4 out of 10 black kids live in poverty. And because of this, it's becoming harder for your churches, no matter how hard you try, to reach so many promising young men and women. And how can you teach respect for a hard-earned dollar when that easy drug money flourishes out there on the street? And how can you teach that achievement is found in quiet moments and subtle rewards when a murderous materialism glitters -- the promise of gold chains, fast cars, and fashion clothes? And how can you persuade young men and women to have faith in themselves if their mother and dad have lost all faith?

In short, without strong families, how can values triumph over vice? And the answers can only come from right here, right from the heart of every parent. And the answers can come from you, from the people of faith, the people of our churches; indeed,ÿ7Eÿ7Eÿ7E fromÿ7Eÿ7Eÿ7E allÿ7Eÿ7Eÿ7E peopleÿ7Eÿ7Eÿ7E ofÿ7Eÿ7E faith,ÿ7Eÿ7Eÿ7E whatever their religion. And so, I came to New Orleans today to pledge my support as best I can, but to recognize your heroic efforts, your ministries, your efforts as parents or as church members.

First, we can work together in many ways to strengthen the family -- greater choice in child care

is one that I feel strongly about, also education -- by replacing the crippling fear of crime with the promise of opportunity. Let me talk about child care just one minute. Often, while parents work, love and care come from extended family -- grandparents, aunts, uncles. And in many ways, the church community is the greatest extended family of all.

And I've seen that spirit of family and love permeate the day-care center at Shiloh Baptist Church in Washington, which I went to see not so many months ago. And your great church has already taken a load off the shoulders of a lot of the working parents -- some single, some together. And as we work to solve the child-care problems of this country, I am determined to protect Shiloh and every other church-sponsored child-care center in America. The church must stay involved, and it must not be pushed out by well-intentioned Federal legislation. And in that spirit, I offer some ways that the Government can help.

I believe in the child-care tax credit focused on those who need such assistance the most -- and I'm talking about the low-income family. But this approach is different from past programs. It would empower parents, not the Government, to choose the best care for their children -- be it a grandparent, a neighbor or, yes, a local church. And we need to give the parents a choice in their children's care, not take it away.

I recognize honest differences on this question. Some in Congress do differ with me. But perhaps it's time that we say this: Just as we should support single-parent families, we should also support two-parent families where one parent chooses to care for the children at home. And my proposal to the Congress does just that. I really believe in my heart of hearts that it is wrong to discriminate against church-sponsored child care. And when it comes to child care, we need more churches involved and not more government intervention. We need more congregations with love and concern helping to take care of the kids, not more government regulations. Yes, we need certain regulations so kids can't go into places that are unsafe -- be left there. But the excesses of regulation must not erode out the participation of the Baptists or whoever else it is that are concerned enough to try to help these kids.

And I guess every President should, from time to time, reiterate his -- or maybe her's someday -- profound -- not for the next couple of years, okay? [Laughter] No, but I do believe that a President should reiterate, if he feels it -- and I do -- the belief in separation of church and state. Presidents must feel that, but church-related centers that keep our kids in an environment of love and sound values must not be denied to parents who choose them.

But, on we go. Child care for families is by itself not enough. Families need opportunity. And so, again, I would urge support for these enterprise zones to bring opportunity to the barren lots of South Bronx, or to inner Baltimore, or to the streets of Watts, to farm towns, and to every community in need.

And I renew my proposal here today before this magnificent audience for tenant management of

public housing. We cannot deny any of our people the autonomy and the dignity that they deserve. And speaking of tenants in public housing, they deserve something else: a safe place to raise their children and live their lives. And so, I ordered an additional $50 million to HUD the other day to evict the drug dealers from public housing. Let's give these kids a fighting chance.

You see, there's one thing I'm sure of: If the 15,000 or whatever it is here today -- your friends, your families, your neighbors decide, when America decides that enough is enough, the dealers will not stand a chance. And I am determined to see America make that decision while I am President of the United States.

Today's job market -- and if you will excuse a personal note of pride, I salute my wife for her effort in working with some of you all in this very room toward the goal of full literacy. They see the job market changing. Another 10 years -- not going to be a question of whether there's a job for everyone. The question's going to be, demographically: Is there somebody qualified to take the existing job? It's changing that fast. And so, the market will not settle for anything less than an aptitude for full literacy and an aptitude for skilled labor. And those who are incapable -- and they are great in number -- will fall, unless we're careful, further and further behind.

So, what's the answer? I see you pointing the way. For a century and a half, these churches demonstrated the liberating power of learning. No one better exemplifies this tradition than the Reverend Henry Rose. Born into slavery, liberated at age 21, he walked all the way from Texas to Virginia, worked on the railroad until a Baptist society sponsored him at a little seminary school. Reverend Rose was so poor that when he graduated he had to wear a boot on one foot and a shoe on the other. But Henry Rose had something better than a matching pair of shoes. He had knowledge; he had pride; he had faith in God. And as a Baptist minister, he founded five churches and two schools, establishing institutions with great traditions of service that live on to this day. And there is a lesson for us in this remarkable man's life. If he could beat the overwhelming odds of slavery, oppression, and blatant prejudice to lead a community, then any obstacle can be overcome; and we must not forget it.

Yes, I know we have a responsibility in improving education, and I hope the proposals I've sent to the Congress will do that. We've got to give parents and students greater choice. And when you choose one school and leave a bad one behind, that bad one's going to change. There are examples of that in many of the cities in America where choice has been put into effect. I'm talking magnet schools. And this means public and private partnerships like ``Say Yes To Education," which sends impoverished minority students to college. And this means increased support, which I'm proud to do my best on for historically black colleges and universities.

Education is more than schooling: It is nothing less than the communication of values. And once again, my respects for leading the way. Just look right here in New Orleans, where the Greater Liberty Baptist Church is preparing many young men for adulthood through its Black Manhood Training Program. That's a church thing. Government's not doing that -- the church -- men and

women of that church got together and decided this is what we're going to do. I call it a Thousand Points of Light, and people in this country are beginning to understand now what I mean when I say we must be involved in the lives of others.

To get to school, to get to work, to get to a child-care center, families must also be free to walk the streets without fear. And today freedom from fear -- no, you know it as well as I do, it means freedom from drugs. And that is why Tuesday night I announced our nation's first comprehensive, coordinated, all-out assault -- a national strategy, a way to attack the drug menace on every front.

I believe that the Congress wants to work with me on this. Yes, I understand nobody's going to do it exactly my way. I would be very closed-minded if I said you can't have this change or another, or we can't make this part of it better -- another. But this is no time for partisan carping. We have come out with the first national strategy, and I want the support of every Member of Congress: Democrat, Republican alike. There's a lot of times we can play partisan politics, and I'll get in there with the best of them. Don't like it too much, but now that I'm President, I kind of wish they'd do it my way. I recognize that there's differences here, but not on this one, not as our country tries to come up with a national strategy and then fight the narcotics that are ripping off and killing the kids of this country, their very soul. Time to come together -- the first time in our history -- pass a national strategy to fight drugs, and I'd welcome your efforts and your support on that behalf.

Let me come back 1 minute to New Orleans, because when I was coming down here, the Congressmen reminded me -- and Congresswoman Boggs as well -- that things are going -- you know, we've got some problems in New Orleans, like every city in the world. Of course, there are problems, but people are rolling up their sleeves right here. Drug-free zones have been set up to help make New Orleans a safer place. West of here, 60 miles or less, Thibodeaux, Louisiana, a local police set an example -- I want to say that maybe the first such police force in the country that set what they call a drug-free police force by volunteering out there to take drugs [drug tests] and be sure the other police officers stay off of drugs. That's exactly the kind of united effort that we need if America is going to win the war on drugs. There are 100 million Points of Light out there, and I've just cited two of them here.

To provide child care, improve education, to create opportunity, defeat drugs -- these are steps to strengthening the family that require nothing less than a sustained national effort, a national partnership. I believe government can and should be a strong partner, but I also believe that the answer, or the solution to the social problems facing us, ultimately depend on what you and your communities do.

And I like what's been tested and found to be true, and your faith has been tested. And your values -- your values have been found to be true. And it is your faith in those values that America is turning to today. And so, I know there are a lot of problems out there, but I am an

optimist. I believe we can reach out to families in need. I believe we can see a strengthening of the many patterns of family life. And I believe we will see a sharing of values, values rooted in the conviction that we as individuals and as families are engaged in a single, wonderful enterprise called America. America -- let us never forget it. We are one nation under God.

And Reverend Jemison said that on my shoulders rest the hopes of so many, but I have what you have: I have faith in God. I have conviction about family and family values, and I will not let you down. God bless you, and God bless the United States of America.

Thank you very much. Thank you. Back to work. This was pure pleasure.

Note: The President spoke at 2:39 p.m. at the New Orleans Convention Center. In his remarks, he referred to Theodore J. Jemison, C.A.W. Clark, and W. Franklyn Richardson, president, vice president, and general secretary of the National Baptist Convention, U.S.A., respectively, and Benjamin Hooks, president of the National Association for the Advancement of Colored People. Following his remarks, the President traveled to Camp David, MD, for a weekend stay.

Remarks at the Presentation Ceremony for the American Success Awards

September 11, 1989

It's a great pleasure to see you here, and I certainly want to welcome Senator Kassebaum. I don't know what happened to Senator Orrin Hatch, but I expect he'll make the dramatic entrance any minute now. [Laughter] But thank you so much for coming.

My thanks to Michael Farley, Chairman of the National Council on Vocational Education, for all his hard work. And there's an old saying: The more things change, the more things stay the same. Well, today I'm going to talk about our rapidly changing work force and the simple, proven ways America is preparing for the future.

You know, during the administration of Abraham Lincoln, the Government made a strong commitment to what most people now consider a current idea: vocational-technical education. And by establishing the land grant colleges -- the agricultural and mechanical, or A&M schools -- Lincoln ensured that American workers were on the cutting edge of the new technologies. Well, that sounds familiar, and since the days of Lincoln, America has been concerned with competitiveness in the world marketplace of technology.

Lately, there's a bad rumor going around that the work ethic is dead. And I don't believe that's true, not when so many of the best new jobs in the Nation are going to Americans educated in vocational-technical schools. It sounds to me like the work ethic is alive and well. And it's going to stay that way. Eighteen of the twenty fastest growing occupations within the next decade require vocational-technical education, and jobs for technicians will grow 38 percent by the year 2000 -- the fastest of any major occupational group.

You know, there are dramatic changes in the Nation's work force, changes that point to a brighter future for our young people. Take, for example, the fact that our population is growing much more slowly now that the baby boom is over, the same time that we're creating a record number of new jobs. The bottom line in the year 2000 -- and this is a statistic that really is staggering -- in the year 2000, every person who wants a job will have one if they have the skills. And that's where you all come in.

All across America, some 26,000 vocational-technical education institutions provide 16 million Americans with marketable skills in over 150 occupations. These students will be the high-tech computer programmers and operators, equipment assemblers, and communications specialists who stand at the cutting edge of our economy. As we rely more and more on automation in our industries, employers will be looking for smart workers who can communicate and solve problems, from monitoring production rates to repairing robots, and people who are skilled on

the production line and who know how to get things done, and craftsmen such as computer programmers and electrical engineers, and practical nurses, who keep our economy going strong.

Let's look at some of the benefits of vo-tech education: marketable graduates and lower unemployment. For example, one study found that graduates of Ohio vocational education programs earn 21 percent more money 4 years after graduation than high school graduates without this training. And unemployment is lower for vo-tech graduates than for those in the general work force who are the same age and have the same number of years of schooling. But even beyond the numbers, when vo-tech education can help young Americans get a better start in life, then the whole country benefits.

And here's another benefit: improved learning skills. Job training and academics are not contradictory; actually, many people learn academic subjects better in the context of how to use them on a job. Students in a vo-tech school taking a ``Principles of Technology'' course will learn about thermal resistance not from a lab experience with beakers and test tubes but from working the insulation in a house. Vo-tech schools are leading the way in educational improvement and applied academics.

The partnerships that community colleges and vo-tech institutes have formed with businesses to provide retraining and skills for employees are essential. There are now 23 million adults who receive retraining through vo-tech programs, which allow them to get new or better jobs. The reality of lifelong learning has arrived. We call it career ladder opportunities, the kind of education that builds bridges between vocational education and higher education. It's the kind of education that puts more and more Americans on the ladder to success.

Building a world-class work force, then, must be a national priority. Improving America's capacity to educate and train workers is critical to the future of this country. And that's why today we're presenting to you -- not all of you, some of you -- the American Success Awards. You have become American success stories through your involvement in vocational-technical education, and you're building a better America every day. Each of you has lived the American dream, and each one of you deserves our congratulations and thanks for your work in vocational - technical education. God bless you all, and thank you all for coming today.

And now, Mike, let's present these American Success Awards.

Note: The President spoke at 11:07 a.m. in the Rose Garden at the White House. Recipients of the American Success Awards were Dorothy Holland, vice president, Kraft, Inc.; Maj. Gen. Joseph H. Engle, space shuttle commander; Norma Kamali, international fashion and home furnishings designer; Frederick Napolitano, chairman of the board, Pembroke Enterprises; Roy S. Roberts, vice president and general manager for truck operations, Navistar International Transportation Corp.; Joseph Semprevivo, vice president, L&J Lite Co.; George Shinn, chairman, George Shinn & Associates and owner of the Charlotte, NC, Hornets; Delbert Staley,

chairman of the board, Nynex Corp.; George Strait, the Country Music Association's Male Vocalist of the Year in 1986; Charles Strang, chairman and chief executive officer, Outboard Marine Corp.; Brian Rowe, senior vice president, General Electric Aircraft Engines; and Ralph Hofstad, president and chief executive officer, Land-O-Lakes.

Remarks at the Ceremony Commemorating the 200th Anniversary of the Department of the Treasury

September 11, 1989

Thank you all. I notice one lady just passed out, and I hadn't even begun to speak yet. [Laughter] Thank you, Mr. Secretary. What a job Nick Brady is doing as our Secretary, at the helm here in the Treasury. I'm grateful to him in every way, and I feel the same way about the dedicated staff here at this magnificent Department. I, too, want to acknowledge the all-star cast of past Secretaries, four of whom I believe are sitting over here -- Secretary Barr and Fowler and Miller and Simon are in the front line right over here, and I'm delighted that they're here today. On the end down there I think I see a refugee -- Dick Darman, who used to be Deputy Secretary and is now doing a superb job across the way here as head of OMB. And of course, I wasn't sure anybody could fill his shoes, and now we have our Deputy Secretary, John Robson, with me today. So, we've got a first-class team here at Treasury, and I certainly want to salute Nick's predecessors who are with us today.

I want to thank you for inviting a neighbor to your celebrations. I know it's not easy to be next door to a house that gets about 5,000 visitors a day. Fortunately for us, Treasury's 200th birthday fell on a Monday, so we've got the driveway all to ourselves. And of course, I told Barbara, who may be -- I don't see her, but I thought she might be watching -- that I wouldn't invite all of you over to the house for a quick tour. [Laughter]

But I understand that the Treasury wanted to celebrate its 200th anniversary the way Malcolm Forbes celebrated his 70th birthday. [Laughter] But unfortunately or fortunately, Kitty, Secretary Brady doesn't know Elizabeth Taylor that well; and the Treasury doesn't have near as much money as Malcolm. So, that idea fell through. [Laughter]

But some of the greatest American statesmen, as Nick said, were involved in the Treasury's beginning. Thomas Jefferson invented the American monetary system. There have been others who have tried to invent money -- many of them in prison, thank heavens. [Laughter] Legend has it that Andrew Jackson ordered the Treasury built on this site, despite the fact that it blocked the view of the Capitol. Now, I've heard some folks down on the other end of Pennsylvania Avenue say that I can't see past the Treasury, and I want you to know there's nothing wrong with that, nothing at all. [Laughter]

I'm honored to join you in celebrating this day -- 200 years since the first Treasury Secretary, Alexander Hamilton, took the oath of office. And it's a great pleasure to be with so many of the dedicated public servants who carry on Hamilton's tradition today. We all know the Treasury is one of the original four Departments established by the First Congress. And what isn't as well-known is that in its long history Treasury has been in some ways the birthplace of the Federal bureaucracy. The U.S. Postal Service; the Public Health Service; the Coast Guard; the

Departments of Interior, Commerce, and Labor; and the President's own budget office, OMB -- all were once a part of Treasury's domain.

And even with these spinoffs, there's more than enough remaining in Treasury's portfolio. It's grown from an original 6 officers authorized in 1789 to 150,000 able employees today. And the work you do here has national and certainly international implications. From public finance to law enforcement to the challenge of the Third World debt, Treasury is at the center of public debate, sustaining our long running economic expansion, restructuring our savings and loans, putting the Brady plan to work in the developing world. Many of the challenges our nation and the world will face in the decade ahead will be the challenges you face each working day at Treasury, including the war on drugs.

Treasury is making an outstanding contribution to our nation's fight against drugs. The Customs Service interdiction capabilities have never been better. Agents from the Bureau of Alcohol, Tobacco and Firearms are also on the front lines, investigating the violent gun-running organizations allied with the drug lords.

But there's another front in the battle, the white-collar end of the drug trade -- money laundering. Treasury, IRS, and Customs are doing first-rate work tracing the path of drug profits in the world's banking system. And Secretary Brady is working closely with our partners in the Group of Seven [economic summit participants], the G - 7, to wage an international battle against money laundering. Make no mistake; we are going to track every lead that we receive from whatever source to separate the drug barons from the drug money. The bravery and courage shown by President Barco and the people of Colombia demand nothing less. The international drug cartel is a multibillion-dollar business. We've got to hit the drug lords where it counts. It's time to take the profit out of the drug trade. And I know you're all interested in the current state of play in Colombia, so let me just tell you briefly where we stand.

First, we're making good progress in getting the much-needed military aid and equipment on the ground in Colombia. As of today, we've supplied over $10 million worth of equipment: 10 aircraft, 5 UH - 1 helicopters, an assortment of jeeps, ambulances, and armor. Sixteen members of the American Armed Forces are in Colombia to oversee the supply operation and provide training.

Second, we are working with the Colombian judiciary to increase the physical safety of judges and other members of the judicial system. And that includes security training as well as the delivery of armored cars and vests and communications equipment already underway.

And third, we're moving ahead with the extraditions. Mr. Martinez, of course, is in U.S. custody; and three more extradition requests granted by the Colombian Government are now in that 5-day appeal process. I know there's been some recent discussion about U.S. military personnel operating in the Andes.

Well, let me state clearly: None of the Andean nations have asked for U.S. troops, and there is no contemplation of the use of American Armed Forces in any combat role there. No U.S. military personnel will accompany host government forces on actual field operation. Our personnel will provide training, equipment, and operational support, as we have been asked to do. And I will see that it works just exactly that way.

It's been my privilege today to join you in this celebration. You can all be proud of the long, illustrious history of your institution and the new chapter that you're writing here at the U.S. Treasury today. Thank you very much for inviting me over. Congratulations! Keep up the good work. Thank you to the Coast Guard. And God bless America. Thank you very much.

Note: The President spoke at 2:30 p.m. on the grounds of the Department. In his remarks, he referred to publisher Malcolm Forbes; Katherine Brady, wife of the Secretary; actress Elizabeth Taylor; and Eduardo Martinez-Romero, a suspected drug money launderer who was extradited from Colombia to the United States on September 6.

Continuation of John C. Layton as Inspector General of the Department of Energy

September 11, 1989

The President today announced that John C. Layton will continue to serve as Inspector General of the Department of Energy.

Since 1985 Mr. Layton has served as Inspector General of the Department of Energy. Prior to this, he served as Inspector General of the Department of the Treasury, 1984 - 1985; Deputy Inspector General of NASA, 1983 - 1984; and Director of Investigations for NASA at the Goddard Space Flight Center in Maryland, 1980 - 1983. In addition, he served as a special agent for the FBI.

Mr. Layton graduated from Rider College (B.S.C., 1966). He served in the U.S. Army Finance Corps, 1967 - 1969. He was born October 9, 1944, in Stroudsburg, PA, and currently resides in Woodbridge, VA.

Continuation of Sherman M. Funk as Inspector General of the Department of State

September 11, 1989

The President today announced that Sherman M. Funk will continue to serve as Inspector General at the Department of State.

Since 1987 Mr. Funk has served as Inspector General of the Department of State. Prior to this he served as Inspector General of the Department of Commerce, 1981 - 1987. Mr. Funk was Director of the Air Force Cost Reduction Office for 7 years and served as a senior program official in several minority business and economic development agencies in the Departments of Commerce and Energy.

Mr. Funk graduated from Harvard College (B.A., 1950). He was born November 13, 1925, in New York, NY. He served as a corporal in the U.S. Army, 1944 - 1946. He is married, has five children, and resides in Chevy Chase, MD.

Nomination of Curtis Virgil McVee To Be Federal Cochairman of the Alaska Land Use Council

September 11, 1989

The President today announced his intention to nominate Curtis Virgil McVee to be Federal Cochairman of the Alaska Land Use Council. He would succeed Vernon R. Wiggins.

Since 1986 Mr. McVee has served as executive director of the Alaska Miners Association in Anchorage, AK. Prior to this, he served as president of the Alaska Community Engineering Services and a private consultant, 1984 - 1986; State Director of the Bureau of Land Management in Anchorage, AK, 1971 - 1984; and Assistant and Associate State Director of the Bureau of Land Management, 1967 - 1971. In addition, he has served in several other capacities for the Bureau of Land Management, including watershed specialist at the Department of the Interior in Washington, DC, 1963 - 1967; district manager in Ely, NV, 1960 - 1963; assistant district manager in Miles City, MT, 1955 - 1960; and a range conservationist in Dillon, MT, 1954 - 1955.

Mr. McVee graduated from Montana State University (B.S., 1950). He was born March 11, 1929, in Glasgow, MT. He is married, has four children, and resides in Anchorage, AK.

Continuation of Dennis M. Devaney as a Member of the National Labor Relations Board

September 11, 1989

The President today announced that Dennis M. Devaney will continue to serve as a member of the National Labor Relations Board for the remainder of the term expiring December 16, 1989. He was recess-appointed on November 22, 1988.

Since 1988 Mr. Devaney has served as a member of the National Labor Relations Board. Prior to this, he was General Counsel at the Federal Labor Relations Authority, 1988; a member of the Merit Systems Protection Board, 1982 - 1988; and with the law firms of Tighe, Curhan and Piliero, 1981 - 1982, and Randall, Bangert and Thelen, 1979 - 1981.

Mr. Devaney graduated from the University of Maryland (B.A., 1968; M.A., 1970) and Georgetown University Law Center (J.D., 1975). He served in the U.S. Navy, 1970 - 1972. Mr. Devaney was born February 25, 1946, in Cheverly, MD. He is married, has two children, and currently resides in Columbia, MD.

Nomination of H. Allen Holmes To Be Ambassador at Large for Burdensharing

September 11, 1989

The President today announced his intention to nominate H. Allen Holmes, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador at Large for Burdensharing at the Department of State. This is a new position.

Since 1985 Ambassador Holmes has served as the Assistant Secretary of State for Politico-Military Affairs. Prior to this, he served as Ambassador to Portugal, 1982 - 1985; as Principal Deputy Assistant Secretary of State of the Bureau of European and Canadian Affairs, 1979 - 1982; as deputy chief of mission in Rome, Italy, 1977 - 1979; and as Director of the Office of NATO Affairs at the Department of State, 1975 - 1977. Ambassador Holmes joined the Foreign Service in 1958.

Ambassador Holmes graduated from Princeton University (B.A., 1954), and he attended the Institute of Political Studies at the University of Paris, 1957 - 1958. In 1989 he was awarded the President's Distinguished Service Award. Ambassador Holmes served in the U.S. Marine Corps, 1954 - 1957. He was born January 31, 1933, in Bucharest, Romania, to American parents. Ambassador Holmes is married, has two children, and currently resides in Washington, DC.

Nomination of George W. Haley To Be a Member of the Postal Rate Commission, and Designation as Chairman

September 11, 1989

The President today announced his intention to nominate George W. Haley to be a Commissioner of the Postal Rate Commission for the remainder of the term expiring October 14, 1992. He would succeed Janet Dempsey Steiger. Upon confirmation he is to be designated Chairman.

Currently, Mr. Haley serves as an attorney with George W. Haley, Esq., Professional Corp. in Washington, DC. Since 1988 he has served as director of the Frederick Douglass Foundation Institute for the Study and Analysis of Mass Transportation in Washington, DC. He served as General Counsel and Congressional Liaison at the U.S. Information Agency, 1976 - 1977; Associate Director for Equal Employment Opportunity at the U.S. Information Agency, 1973 - 1976; and Chief Counsel for the Urban Mass Transportation Administration at the Department of Labor, 1969 - 1973.

Mr. Haley graduated from Morehouse College (B.A., 1949) and the University of Arkansas (LL.B., 1952; J.D., 1969). He was born August 28, 1925, in Henning, TN. He served in the U.S. Air Force as a sergeant. Mr. Haley is married, has two children, and resides in Silver Spring, MD.

Nomination of Leonard L. Haynes III To Be an Assistant Secretary of Education

September 11, 1989

The President today announced his intention to nominate Leonard L. Haynes III to be Assistant Secretary for Postsecondary Education at the Department of Education. He would succeed Kenneth D. Whitehead.

Dr. Haynes currently serves as assistant superintendent of the office of academic programs for the Louisiana State Department of Education. Prior to this, he was executive vice president and system vice president for academic affairs for the Southern University System in Baton Rouge, LA, 1982 - 1985, and was a professor in the department of history at Southern University-Baton Rouge, 1982 - 1988. He was director of the Office for the Advancement of Public Black Colleges in Washington, DC, 1979 - 1982; director of the Ford Foundation-sponsored desegregation policy studies unit of the Institute for Services to Education, 1976 - 1979; and assistant to the provost and coordinator for the committee on academic misconduct at Ohio State University, 1975 - 1976.

Dr. Haynes graduated from Southern University (B.A., 1968), Carnegie-Mellon University (M.A., 1969), and Ohio State University (Ph.D., 1975). He was born January 26, 1947, in Boston, MA. He is married, has four children, and resides in Baton Rouge, LA.

Message on the Observance of National Hispanic Heritage Month, 1989

September 11, 1989

I am delighted to extend my warmest greetings and congratulations to the members of the Hispanic American community as you celebrate National Hispanic Heritage Month, September 15 - October 15, 1989.

Perhaps no single ethnic group has had as profound an impact upon our Nation as Hispanic Americans. From the days of the first explorers in what is now Florida, Texas, and California, the Hispanic peoples have played a major role in taming this vast country and developing its abundant resources. Mexican Americans, Cuban Americans, Puerto Rican Americans, and other men and women of Hispanic descent have not only demonstrated the power of individual enterprise but also added to the cultural diversity that so enriches American life.

Today, Hispanic Americans continue to be leaders and pioneers -- in education, government, business, science, sports, and the arts. Every day, in communities across the United States, they remind their fellow Americans of the meaning of determination and hard work, as well as the importance of faith and devotion to one's family. The values passed from generation to generation in Hispanic American families are values central to the American experience, and our Nation is all the stronger because these individuals have recognized the importance of caring for one's neighbor, obtaining a good education, participating in one's church, and exercising one's rights as a citizen.

This month provides a wonderful opportunity for all of us to celebrate both our Nation's Hispanic Heritage and the beliefs that unite us. I encourage all Americans to take part.

Barbara joins me in offering Hispanic Americans best wishes for a memorable celebration and for every future happiness and success. God bless you, and God bless America.

George Bush

Note: This message was released by the Office of the Press Secretary on September 13.

Address to Students on Drug Abuse

September 12, 1989

You know, somehow the fall always feels like a time to start over, a time full of possibility, and everyone gets a new chance. Now, I know there are Americans of every age watching. And to those at home or at work, I ask you to talk with your families and coworkers about drug abuse. But Presidents don't often get the chance to talk directly to students. And so today, for each of you sitting in a classroom or assembly hall, this message goes straight to you.

When I was thinking about what I wanted to say to you today about drugs, I tried to put myself in your place, to look at it from your perspective. But, you know, the harder I tried, the harder it got. It may seem to you that your parents and your teachers grew up in simpler times, but most of them lived through the civil rights struggles. Some of your fathers fought in Vietnam. And for many of you, your parents and teachers were among the first to face drugs. If you care enough to talk to them, you might be surprised at how much they do understand.

I used to play baseball. Knew I'd never make the big leagues, but I made a lot of friends -- friends I learned to count on, both on and off the field. And we trusted each other to come through, no matter how tough it got. And I learned from that. I learned that the kind of people you make your friends can either give you strength, or take it away. I'm not sure why it is, but some people just make you find the best in yourself. They can help you become a better person, help you discover more of who you are. There are others who may seem like friends, but they're not -- and they prove it every time they offer you drugs.

Every day, with a thousand small decisions, you're shaping your future. It's a future that ought to be bright with potential. And most of you are doing the right thing, but for those who let drugs make their decisions for them, you can almost hear the doors slamming shut. It isn't worth it. We know that now. Attitudes that once encouraged or excused drug use have changed. Among high school seniors cocaine use has dropped by about a fifth, and overall drug use is at the lowest levels in 10 years.

But even if you don't use drugs, you ought to be angry about them because you're being cheated by those who do. Add it all up: Drug and alcohol abuse costs this country billions of dollars a year, and I don't know how to quantify the human suffering drugs cause, but I do know we're all paying for it. We're all feeling it -- every day. Every time someone does drugs, or sells drugs, or even just looks the other way, they're supporting an industry that costs more than money -- it costs lives.

Each of you has a decision to make and dozens of chances to make it: at a party, on the street, in the school parking lot. And parents, teachers, coaches, politicians, Presidents -- no one else can make that decision for you. But if you talk to someone you trust, they may remind you of what's

at stake. Yes, it's your decision. I can't tell you how to make it, but I will tell you what it means. You all watch TV. You see the news -- the crime, the devastation.

Every dollar that goes to drugs fuels the killing. As long as there are Americans willing to buy drugs, there will be people willing to sell drugs, and people willing to kill as a cost of doing business. There's a connection between the suppliers and even occasional or weekend users that can never be forgotten. Casual drug use is responsible for the casualties of the drug war. From the city streets of America to the street bombings of Colombia, even dabblers in drugs bear responsibility for the blood being spilled. And unlike those of you in school this fall, those killed by the drug trade never do get a second chance. Drugs are rightly called an equal opportunity destroyer. They have no conscience. They don't care where the money comes from. They just murder people. Young and old, good and bad, innocent and guilty -- it doesn't matter. For too many, drugs mean death.

I keep this badge -- I keep this badge in my desk to remind me of that. It was worn by a young rookie cop named Eddie Byrne. Twenty-two years old, not much older than some of you. He was out trying to stop the drug trade, protecting a witness so that a dealer could be brought to justice. Eddie Byrne had three brothers, a girlfriend he'd known for 4 years. He loved fishing and football, was a running back at Plainedge High School in New York. And he had a lot of friends in his neighborhood. And Eddie Byrne had dreams. But in the early hours of a cold February morning, sitting in a police cruiser, Eddie was blown away at pointblank range, killed on the orders of a drug kingpin -- cold and calculated.

I've heard some say if you do drugs now and then, why, you're not hurting anybody. It's no big deal. Well, the next time you think about using drugs, I want you to think of Eddie Byrne, and I want you to think about the family that lost him. To me this badge is a constant reminder that Eddie Byrne's life was not given in vain. This is a promise: The killing must and will stop. Where you're sitting right now, where you're sitting there in school -- I know you've got your dreams, everyone does. But out on the streets, a nightmare for America is happening every day, every night.

Somewhere a teenage girl who ought to be in school is giving birth to a baby already addicted to cocaine. And that baby is coming into this world shaking and twitching from withdrawal, so sensitive to the touch that it can't be held or fed properly. How can drugs cause so much pain? How can they lead brothers to kill brothers and mothers to abandon children? And behind all of the senseless violence, the needless tragedy, what haunts me is the question: Why?

I have one answer. Drugs are still a problem because too many of us are still looking the other way. And that's why I wanted to talk to you today. I'm asking you not to look the other way. Maybe you're in trouble, or on the edge of trouble. Maybe you know someone who is. Maybe you've got younger brothers or sisters -- you know they're looking up to you. Don't risk your life, or theirs. And if you're struggling with the kind of problem that can truly be the toughest, if you

have parents who have problems with drugs or alcohol, find someone you can trust. Talk to them about it. You know -- all of you in a classroom know -- who's got a problem. Today I'm not just asking you to get help. I'm asking you to find someone who needs you, and offer to help. I'll say it again: If you're not in trouble, help someone who is.

We all want to succeed. And I'll let you in on a secret: We all can succeed. If you don't use drugs, you can be anything you want to be. Maybe you've heard Michael Jordan say, ``You've got at least three-quarters of your life to go. That's three more lifetimes to you. So don't blow it." Saying no won't make you a nerd. It won't make you a loser. In fact, it will make you more friends than drugs ever will -- real friends.

But if that's not enough reason, there's another side: Using illegal drugs is against the law. And if you break the law, you pay the price. Because the rules have changed. If you do drugs you will be caught, and when you're caught you will be punished. You might lose your driver's license -- some States have started revoking users' driving privileges. Or you might lose the college loan you wanted -- because we're not helping those who break the law. These are privileges, not rights. And if you risk doing drugs, you risk everything, even your freedom. Because you will be punished.

Now, I can imagine a few whispers out there: Maybe you think we'll never get drugs under control, that it's too easy for the dealers to get back on the street. Well, those days are over, too. The revolving door just jammed. Some think there won't be room for them in jail. We'll make room. We're almost doubling prison space. Some think there aren't enough prosecutors. We'll hire them, with the largest increase in Federal prosecutors in history. The day of the dealer is drawing to a close.

No matter who you are or how strong you are, drugs take control of your life. Though without drugs, you're in control. You can determine your future, and that means staying in school. If you're thinking about dropping out, think it through. Maybe you know somebody who wants to quit school. Talk to them about it. And if you have friends who have already dropped out, talk to them, too. Find a way to bring them back.

Today, I've asked you to think about the terrible cost drugs are making us all pay every day. But even more important, I'm asking you to think about what you can do to make a difference for someone else. Last winter, after I was sworn in as President, I said that from now on in America, any definition of a successful life must include serving others, helping others. And I hope you all believe that.

There's a story about a young boy and an old man who were walking along a beach. And as they walked, the boy picked up each starfish he passed and threw it into the sea. The old man asked him why.

``If I left them here," the boy said, ``they would dry up in the sun and die. I'm saving their lives." ``But the beach goes on for miles and there are millions of starfish," the old man said. ``How can what you're doing make any difference at all?" And the boy looked at the starfish in his hand, threw it out into the ocean and answered, ``It makes a difference to this one."

You're here to make a difference, for yourself and those around you. So learn to count on each other. Take care of each other. Give someone else another chance. And make the days mean something. Have a good year, and God bless you.

Note: The President spoke at 12:15 p.m. from the Library at the White House. His address was broadcast live on nationwide television. In his remarks, he referred to professional basketball player Michael Jordan of the Chicago Bulls.

Statement by Press Secretary Fitzwater on the President's Meeting With Boris Yeltsin of the Soviet Union

September 12, 1989

General Scowcroft met with Boris Yeltsin for approximately 1 hour. Also attending the meeting was Deputy National Security Adviser Robert Gates. The President dropped by for approximately 15 minutes to greet Mr. Yeltsin. The President mentioned the drug speech he was about to deliver to American students and the problem that drugs have created throughout the world. The President and Mr. Yeltsin both agreed that drugs are a major problem that touches on both American and Soviet societies.

The President said that there is much interest in Mr. Yeltsin's visit. He expressed his view that the overall bilateral relationship is in good shape. In this connection, the President noted his very positive relationship with General Secretary Gorbachev and reiterated his support for perestroika. The President emphasized that the American people share his hope for the success of the reform movement in the Soviet Union.

In his general discussion with General Scowcroft and Mr. Gates, Mr. Yeltsin provided his evaluation of the progress of perestroika. The Vice President also dropped by to greet Mr. Yeltsin.

Note: Boris N. Yeltsin was a Deputy of the Supreme Soviet, and Brent Scowcroft was Assistant to the President for National Security Affairs.

Nomination of Mary Sterling To Be an Assistant Secretary of Labor

September 12, 1989

The President today announced his intention to nominate Mary Sterling to be an Assistant Secretary of Labor for Labor Management Standards. She would succeed Salvatore R. Martoche.

Since 1988 Ms. Sterling has served as an attorney with the law firm of McDowell, Rice and Smith in Kansas City, MO. Prior to this, she served as executive director of the Bush-Quayle campaign for the State of Missouri, 1988. In addition, she has served in several positions at the United States Department of Justice: White House fellow and Special Assistant to the U.S. Attorney General, 1987 - 1988; organized crime prosecutor in the Organized Crime and Racketeering Section, 1985 - 1986; and an Assistant United States Attorney in the U.S. Attorney's Office for the Western District of Missouri, 1982 - 1985. Ms. Sterling also served as an associate with Watson, Ess, Marshall and Enggas in Kansas City, MO., 1980 - 1982.

Ms. Sterling graduated from Harvard University (A.B., 1976), Ohio State University (M.A., 1977), and New York University School of Law (J.D., 1980). She was born September 4, 1955, in Pioneer, OH. She is married and resides in Kansas City, MO.

Nomination of William James Tattersall To Be an Assistant Secretary of Labor

September 12, 1989

The President today announced his intention to nominate William James Tattersall to be Assistant Secretary of Labor for Mine Safety and Health. He would succeed David Courtland O'Neal.

Since 1979 he has served as Deputy Secretary General of the International Iron and Steel Institute in Brussels, Belgium. Prior to this, he served in several capacities at the Bethlehem Steel Corp. in Bethlehem, PA, including manager for State government affairs, 1975 - 1979; labor counsel and assistant to the vice president of mining, 1970 - 1975; and senior labor attorney in the industrial relations department, 1967 - 1973.

Mr. Tattersall graduated from Moravian College (B.A., 1960) and De Paul University School of Law (J.D., 1966). He served in the U.S. Army, 1952 - 1954. He was born May 11, 1932, in Wilkes Barre, PA. He is married, has three children, and resides in Pennsylvania.

Nomination of Barbara Zartman To Be Deputy Director of the Peace Corps

September 12, 1989

The President today announced his intention to nominate Barbara Zartman to be Deputy Director of the Peace Corps. She would succeed Edward A. Curran.

Mrs. Zartman served as the New York State cochairperson for George Bush for President, 1988, and chairman of the Monroe County Republican Committee, 1985 - 1988. Prior to this, she served as campaign director for Jill Emery for Congress, 1984, and vice-chairman of the Monroe County Republican Committee, 1978 - 1981.

Mrs. Zartman was born August 20, 1943, in Jersey City, NJ. She has six children and resides in Rochester, NY.

Remarks at the National Hispanic Heritage Presidential Tribute Dinner

September 12, 1989

Thank you very, very much for that warm welcome. Hey, listen, you've got to eat, too. Cathi -- what a great U.S. Treasurer Cathi Villalpando's going to be. I'll tell you, I'm just so proud of her. And I am delighted to be here. I see so many distinguished United States Senators here: I understand that one of the honorees is Orrin Hatch; and Senator Warner is here with us; Senator Connie Mack, from Florida; Pete Wilson was to be. And I want to salute them. And if I might be accorded a special privilege, I understand there is another former Senator with us tonight, a very special friend and a man who has shown the way in terms of equity for all Americans. And I'm thinking of my own former Senator, Senator John Tower, who is out there someplace -- there he is.

And we're honored to have the Ambassador from our great neighbor here, Ambassador Petricioli. Please stand up so they can see you once more. I'll tell you, I don't believe -- and I say this with tribute to him and to President Salinas -- I don't believe we've ever had better relationships than we have with Mexico today. And I'm determined to keep it that way and make it even better. And this Ambassador is going to be doing a lot of the heavy lifting, I'll tell you.

You see, Bob Estrada was here, and so many others. I am delighted that Lee Atwater is here. He does not have to sing, and that -- [laughter] -- some rejoice in that and others feel deprived. [Laughter] But do what you want; I'm leaving right after I give a speech here. So if Atwater plays, why, you're lucky. I'm grateful that Manuel Lujan, a friend of longstanding, a guy that I served with in the Congress, is our Secretary of the Interior, and he's doing an outstanding job.

I know there are many members of the House here -- House of Representatives -- and those that have taken a very special interest in the National Hispanic Assembly. And I'm grateful to each and every one of them. I'm pleased, also, to be joined by John Sununu. And I want to tell you how lucky we are to have him. When he gets upset that I don't understand source codes and thermonuclear physics, he lapses off into Spanish hoping maybe he can get me on the same wavelength -- [laughter] -- but a versatile Chief of Staff who is doing a superb job.

As I say, I mentioned Orrin. You appropriately are going to honor him later on, so I won't say any more. But he is the Chairman of the Republican Senate Task Force on Hispanic Affairs, and you are appropriately honoring him for his efforts on behalf of the Hispanic community.

Like you, I know many of you had a chance to get away on vacation, and I heard some allusion to mine here. Before I go any further, I want to put an end to the rumor, ugly rumor that's making the rounds since I was up in Maine about a covert amphibious operation off the coast of

the American Northeast. [Laughter] There is no truth to the rumor that the bluefish I finally caught was hooked on the line by a Navy frogman -- not true, not true at all. [Laughter]

Actually, about Lee, what a job he's doing as chairman of the Republican National Committee. Really, it is outstanding. In addition to being the Andres Segovia of the Republican Party -- but actually, the tunes Lee likes to play aren't always music to everyone's ears. I hear Lee asked Orrin Hatch, ``If I bring my guitar tonight, would you have any special requests?'' Orrin said, ``Yes, just one. Don't play it.'' [Laughter]

Let me say that I am deeply honored to meet with all of you. I knew for fact-certain 15 years ago when I was in Lee's job, when I was Chairman of the National Committee, that the time had come for the Hispanic Assembly. And we started it. And over the years, I've watched with admiration all of the energy that you've devoted to advancing the Republican cause. And it is a source of great pride to be able to feel, that at least on that one, I was in there at the beginning with so many men and women right here in this room.

As Lee said in saluting my beloved daughter-in-law [Columba Bush], honoring her for what she has done, all of you have made the 1980's a time of great pride for Hispanic Americans. And I'm honored to enjoy the advice and counsel I mentioned -- of one Cabinet officer that I mentioned, Manuel Lujan, but certainly of another of Hispanic descent, and I'm talking about Larry Cavazos.

Just one week ago, we welcomed someone else to Washington, and she's with us here tonight. And I am so proud of Ileana Ros-Lehtinen and for her victory down there in Florida -- the first Cuban-American to serve in Congress and the 12th American of Hispanic heritage in the 101st Congress, and she's here tonight. And I can tell you after just 1 week: She is going to be a tiger. She is going to be a force to be reckoned with on Capitol Hill and, boy, do we need her up there for good, common sense. But I look at her election, and I see it as just one more indication of the fact that Hispanic-Americans have made it into the mainstream and that more and more are choosing the Republican Party. For everyone in this room tonight, that's the ultimate victory that we're fighting for.

I want to thank Lee again, who's dedicated to making our party the party of outreach and inclusion -- it's driving the Democrat Party right up a wall, the way he is reaching out and bringing people in and opening doors that have been regrettably closed. But what he's trying to do, and where we're all trying to help him, is build it on mainstream values. And I want all Hispanic-Americans to know that they have a home in the Republican Party.

And tonight, I want to announce two more talented individuals that I've asked to join my administration. I will nominate Velma Montoya to serve on the Occupational Safety and Health Administration Review Commission, and Adis Maria Vila as Assistant Secretary of Agriculture -- two more distinguished appointments.

And last week I spoke to the Hispanic Chamber of Commerce -- a meeting that I love to attend and have attended before, but this was their annual meeting, this time in New Orleans. And I talked about the extraordinary accomplishments of the entrepreneurs -- Hispanic entrepreneurs. And you could feel it in this crowd. The enthusiasm there was absolutely electric, and the contribution these businessmen and women are making to the American economy cannot be measured in terms of the gross national product alone. They understand that they are role models to the next generation of Hispanic-Americans -- tangible proof that every door is open and success is within their reach. And the successes we see really come as no surprise.

The values of this community are the very founding values of this nation and of the Republican Party. Faith and family, hard work and individual responsibility, respect for others, and above all, an abiding love of freedom -- those are all the ingredients that anyone ever needs to succeed, anywhere, from the streets of San Antonio or Miami to the halls of Congress, or at the President's table as an officer in the Cabinet.

Our nation and our party need your contributions. And tonight is a night to take pride in all that you've done, and to take home with you a commitment to write the next chapter in the success story of Hispanic-American achievement. Once again, thank you for all you are doing. God bless you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 7:42 p.m. in the Regency Ballroom of the Omni Shoreham Hotel.

Remarks on Signing the Drug Abuse Resistance Education Day Proclamation

September 13, 1989

First, let me thank the three presenters. It's not easy to get up in front of a big, scary audience like this and do such a good job, say what's on your heart, not worry if people agree with you or not, but recognizing that there's a common theme here that you all did a beautiful job on, and that is: Turn your back on drugs. And thank you very much for that presentation.

To Officer Morales from California and his counterpart, Officer Chapman from the east coast, this ``Hands Across the Continent'' that we saw here today says something about D.A.R.E. and its national nature. To Chief Gates, my respected friend; the Deputy Chief, Mr. Levant; and of course Mr. Shapell -- he epitomizes the old adage that if you want to get a big job done, get a busy man to do it -- and a successful one at that. And so, we're grateful to him for this, being one of the million Points of Light out there willing to give of his time to support a worthwhile program.

Barbara is a late starter for this event, but when I told her that Daryl was here for the D.A.R.E. program, she changed her schedule to be with us, and I am delighted she is because she feels so strongly about what you're doing. So, let me welcome you to America's house, where today we reaffirm our commitment to stop the scourge which threatens every American.

Fifty years ago, about, Winston Churchill said, ``Without victory, there is no survival.'' America's enemy then was the tyranny of totalitarianism. Today, America has another enemy and that is the tyranny of drug use. And that's why, last week, I did announce, as Daryl said, America's first comprehensive national strategy to wage all-out war against the tyranny of drugs -- an almost $8 billion effort, the largest increase in history. But we must have your help, too. And you know something? I am convinced we're going to get it, because perhaps no one has manned more front lines than the hundreds of dedicated Americans who form the ranks of D.A.R.E. -- Drug Abuse Resistance Education. You talk of values -- and we heard that here today -- of right and wrong, and teach kids to do good and reject evil by avoiding drugs and by then opposing drugs.

Perhaps Daryl Gates put it best when he himself said, ``Rather than just offering slogans, D.A.R.E. teaches children how to deal with peer pressure.'' Good words, sensible words. And this front-line police chief ought to know. He cofounded D.A.R.E. 6 years ago when 10 police officers were assigned as drug abuse instructors right there in the Los Angeles city schools -- all veterans, all with street experience, all with unmatched credibility. And those officers were mentors, telling kids the truth about alcohol and drugs, showing them how to make decisions and how to resist peer pressure, providing alternatives to drug use -- and they were pioneers. And you got a little sample of that from hearing Officer Morales here today -- pioneers of a

program which has become a model for other cities -- a program which shows kids how to say no, but even more, to say yes to life.

I've watched the D.A.R.E. program in action. I saw it. I was there -- attended a school class where an officer reached out to the kids. I know that it works. And I was terribly impressed, and it made a lasting impression on me as we formulated our policies here.

D.A.R.E. approaches most students early in life when they're 9 to 11 years old, the age most vulnerable to peer pressure, and another D.A.R.E. program confronts older kids with potential drug problems. But whatever the age, the goal is clear: to show, on the one hand, how the road marked tomorrow is wide open; and on the other, how drugs are the deadest of dead-ends.

A seventh-grader named Kevin knows about dead-ends and so does his D.A.R.E. teacher, Officer Mark Caswell. Caswell has been in the L.A. Police Department for 11 years, first on street patrol and then with D.A.R.E. He joined this group for the simplest of reasons -- he could help save lives, and one of whose was Kevin's. Kevin wrote to D.A.R.E. officials and told them that on his way home, two kids -- two boys -- offered him drugs. And he told them that he didn't use any kind of drugs. And then he moved over to another seat on the bus. And as Kevin said, ``Thank you, D.A.R.E., for showing us the ways to say no to drugs." What a wonderful tribute -- small, perhaps, but what a glowing tribute to Officer Caswell. He, like others involved in D.A.R.E., should be very proud of those words.

And millions of Americans who are following Kevin's lead -- they, too, are rejecting the dead-end of drug use. In 50,000 classrooms in 49 States and the U.S. Department of Defense schools worldwide -- in Canada, New Zealand, Australia, American Samoa -- D.A.R.E. is teaching elementary and junior high kids to resist peer pressure, and this year, reaching 3 million kids in all.

In D.A.R.E. districts, school vandalism and truancy are down. So is ethic [ethnic] tensions and gang activity. Work habits and grades are up, and so is the mental attitude that makes progress possible. According to a Los Angeles-based independent research organization, D.A.R.E. students perform 50 percent better than nonprogram students in post tests to measure student drug use knowledge and attitudes. These kids have dared to excel, and they are succeeding. And so far, so good -- and yet, so far to go.

In my speech last week, I talked of stopping drug use before it starts through education and prevention in the cities and towns, through church, family, and the schools. And then I asked, ``Who's responsible?" Everyone who uses drugs, everyone who sells drugs, and everyone who looks the other way -- that's who is responsible. My friends, you haven't looked the other way. You are involved, for your sake and America's. And we, too, will be involved. Whether in prevention or treatment, we'll be there to help people stay clean and to get clean. Our new strategy calls for a 25-percent funding increase, or an additional $233 million, for prevention and

education, and a 53-percent increase of $321 million for drug treatment. Any American who wants help should be able to find help. So let us finish the job D.A.R.E. has started and create an America we can all be proud of -- an America free from drugs.

Thank you so very much for coming to the White House and for your generosity and, in most cases here, your inspired leadership. God bless you and the work of this wonderful organization. And now, I'm very pleased to sign the proclamation declaring tomorrow National D.A.R.E. Day.

Well, I guess that does it. Nice to see you, sir. Let me thank these officers.

Note: The President spoke at 10:13 a.m. in the Rose Garden at the White House. In his opening remarks, he referred to Officers Louis Morales and Nathan Shapell, Chief Daryl Gates, and Deputy Chief Glenn A. Levant of the Los Angeles Police Department, and Detective Patricia Chapman of the Arlington County, VA, Police Department. The proclamation is listed in Appendix E at the end of this volume.

Nomination of Donald Belton Ayer To Be Deputy Attorney General

September 13, 1989

The President today announced his intention to nominate Donald Belton Ayer to be Deputy Attorney General. He would succeed Harold G. Christensen.

Since 1988 Mr. Ayer has served as a partner with the law firm of Jones, Day, Reavis and Pogue in Washington, DC. Prior to this, he served as Principal Deputy and Counselor to Solicitor General Charles Fried, 1986 - 1988; United States Attorney for the Eastern District of California in Sacramento, 1981; and Assistant United States Attorney for the Northern District of California.

Mr. Ayer graduated from Stanford University (B.A., 1971), Harvard University (M.A., 1973), and Harvard Law School (J.D., 1975). He was born April 30, 1949, in San Mateo, CA. He is married, has two children, and resides in McLean, VA.

Continuation of Richard T. Kennedy as Ambassador at Large

September 13, 1989

The President today announced that Richard T. Kennedy will continue to serve as Ambassador at Large.

Since 1982 Ambassador Kennedy, appointed by former President Reagan, has served as Ambassador at Large. In this capacity he serves as Special Advisor to the Secretary of State on Nuclear Non-Proliferation Policy and Nuclear Energy Affairs. Since 1981 he has served as the U.S. Representative to the International Atomic Energy Agency (IAEA) in Vienna. He served as Under Secretary of State for Management, 1980 - 1981, and as President-elect Reagan's transition team leader at the Nuclear Regulatory Commission, 1980 - 1981. Ambassador Kennedy served as Commissioner of the Nuclear Regulatory Commission, 1976 - 1980; Deputy Assistant to the President for National Security Council Planning, 1969 - 1975; and Director, Africa Region, International Security Affairs at the Department of Defense, 1965 - 1969.

Ambassador Kennedy graduated from the University of Rochester (B.A.) and Harvard University (M.B.A.). He served in the U.S. Army, 1941 - 1971, and was awarded the Distinguished Service Medal, the Legion of Merit, the Bronze Star, and the Army Commendation Medal. Ambassador Kennedy was born December 24, 1919, in Rochester, NY. He is married and currently resides in Washington, DC.

Nomination of Adis Maria Vila To Be an Assistant Secretary of Agriculture

September 13, 1989

The President today announced his intention to nominate Adis Maria Vila to be an Assistant Secretary of Agriculture for Administration. She would succeed John J. Franke, Jr.

Since 1987 Ms. Vila has served as secretary at the department of administration for the State of Florida in Tallahassee, FL. Prior to this, she served as Director of the Office of Mexico and the Caribbean Basin at the Department of Commerce, International Trade Administration, 1986 - 1987; special assistant to the Assistant Secretary of State for Inter-American Affairs, 1983 - 1986; White House fellow in the Office of Public Liaison in the White House, 1982 - 1983; and an associate with the firm of Paul and Thomson in Miami, FL, 1979 - 1982.

Ms. Vila graduated from Rollins College (B.A., 1974), the University of Florida College of Law (J.D., 1978), and the Institut Universitaire de Hautes Etudes Internationales in Geneva, Switzerland (LL.M., 1981). She was born August 1, 1953, in Guines, Cuba. Ms. Vila currently resides in Tallahassee, FL.

Continuation of Richard W. Carlson as an Associate Director of the United States Information Agency

September 13, 1989

The President today announced that Richard W. Carlson will continue to serve as an Associate Director of the U.S. Information Agency for Broadcasting.

Since 1986 Mr. Carlson has served as the Director of the Voice of America in Washington, DC. Prior to this, he served as Director of the Office of Public Liaison of the U.S. Information Agency; consultant for Communication Management, Inc., of Beverly Hills, CA, 1977 - 1985; senior vice president at Great American First and director of San Diego Federated Insurance Co., 1977 - 1984; political editor of KABC - TV in Los Angeles, CA, 1971 - 1975; and principal anchorman for KFMB - TV in San Diego, CA, 1975 - 1977.

Mr. Carlson served in the U.S. Navy Reserve as a midshipman, 1959 - 1965. He was born February 10, 1941, in Boston, MA. He is married, has two children and one stepchild, and resides in Washington, DC.

Nomination of William P. Glade To Be an Associate Director of the United States Information Agency

September 13, 1989

The President today announced his intention to nominate William P. Glade to be an Associate Director of the U.S. Information Agency for Educational and Cultural Affairs. He would succeed Mark N. Blitz.

Since 1970 Dr. Glade has served as a professor of economics at the University of Texas at Austin. Prior to this, he served in various capacities at the University of Wisconsin: professor of business and economics, 1966 - 1971; associate professor of commerce and economics, 1964 - 1966; associate professor of commerce and Hispanic studies, 1963 - 1964; and assistant professor of commerce and Hispanic studies, 1960 - 1963. In addition, he has served as an assistant professor of economics at the University of Maryland, 1957 - 1960; and a teaching fellow in economics at the University of Texas, 1953 - 1955.

Dr. Glade graduated from the University of Texas (B.B.A., 1950; M.A., 1951; Ph.D., 1955). He was born July 29, 1929, in Wichita Falls, TX. He is married, has four children, and resides in Austin, TX.

Nomination of Velma Montoya To Be a Member of the Occupational Safety and Health Review Commission

September 13, 1989

The President today announced his intention to nominate Velma Montoya to be a member of the Occupational Safety and Health Review Commission for the remainder of the term expiring April 27, 1991. She would succeed Robert E. Rader, Jr.

Since 1988 Dr. Montoya has served as an associate professor of finance for the School of Business Administration at California State Polytechnic University in Pomona, CA. Prior to this, she served as president of the Hispanic American Public Policy Institute, 1984; an adjunct professor at the Pepperdine University School of Business and Management, 1987 - 1988; director of studies in public policy and associate professor of political economy at Chapman College, School of Business and Management, 1985 - 1987; and an expert economist for the Office of Regulatory Analysis, Occupational Safety and Health Administration, at the Department of Labor, 1983 - 1985. In addition, she has served as the Assistant Director for Strategy for the White House Office of Policy Development in the Executive Office of the President, 1982 - 1983; and as a staff economist for the RAND Corp. in Santa Monica, CA, 1973 - 1982.

Dr. Montoya graduated from St. Hugh's College, Oxford University Occidental College (B.A., 1959), Fletcher School of Law and Diplomacy (M.A., 1960), Stanford University (M.A., 1966), and the University of California at Los Angeles (Ph.D., 1977). She was born April 9, 1938, in Los Angeles, CA. She is married, has one child, and resides in Los Angeles, CA.

Remarks Announcing Proposed Legislation on Special-Needs Adoption

September 13, 1989

First, welcome to the White House. And I'm especially pleased to have these distinguished and very interested Members of both bodies, Senate and the House, with us today -- so many noble leaders in our effort to encourage adoption. And they're leaders not because they tell others what needs to be done but because they themselves provide homes for orphans. And as I look about the room, I see and pay tribute to Reverend Clemens, Susan Freivalds, Jane Edwards, and others who are good samaritans in the adoption movement.

And those who adopt are given far more than they receive. And Barbara and I know that because we are blessed by one adopted grandchild. Few realize that Congress of the United States is a great source of encouragement to the adoption movement. More than 50 Members of the Congress are members of this adoption coalition, an informal group dedicated to encourage adoption. And their leaders -- several of them couldn't be with us -- but most here with us today, many of whom are adoptive parents. I know Senator Bentsen, who couldn't be with us, is one of those. Senator Humphrey is also the proud father of two adopted children.

And we don't merely want to pay tribute to those already part of the adoption movement. We are here to take action to encourage more Americans to adopt -- and to adopt children with physical, mental, and emotional disabilities. Right now, more than 30,000 American children are legally available for adoption, and many of these are children with special needs. And some are physically or emotionally handicapped, some are members of sibling groups that need to be placed in the same home, and some are minority children.

And today we're sending to the Congress two legislative proposals to encourage adoption. The Members of Congress who are with us today have agreed to sponsor the legislation and to seek their swift approval in the Congress of the United States. The legislation is simple. The first bill will provide a $3,000 tax deduction to families for certain nonrecurring costs associated with the adoption of a special-needs child. And the second bill will create a 4-year demonstration program for Federal employees. Federal civilian employees who adopt a special-needs child will be reimbursed up to $2,000 for nonrecurring expenses.

And I hope that this program, demonstration program, will serve as a model for the private sector to offer -- for their employers to offer similar benefits to their employees. I'm happy to be able to say that many companies are involved, many have done this already. These two bills are important steps in the effort to encourage adoption in America. And believe me, this is not the last you will hear from our administration about adoption.

I've directed the Cabinet to make adoption a high priority and instructed my Domestic Policy Council to develop the adoption initiatives that we're announcing here today. And I've also directed all Federal agencies to develop plans for supporting and promoting adoption, including providing the maximum flexibility to allow leave for employees who want to adopt. And we will continue to promote adoption in the future.

These two proposals -- legislative proposals -- will make a contribution toward solving one of America's most difficult and saddest problems: the children with special needs who have no loving family of their own.

I want to thank you all very much for coming down here. Let's get these bills enacted into law. And thank you all for your leadership very, very much.

Note: The President spoke at 2:11 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Rev. George Clemens of One Church, One Child; Susan Freivalds of Adoptive Families of America; and Jane Edwards of Spence Chapin Service.

Appointment of David H. Sudderth, Jr., as a Member of the American Battle Monuments Commission

September 13, 1989

The President today announced his intention to appoint Brig. Gen. David H. Sudderth, Jr., as a member of the American Battle Monuments Commission. He would succeed William E. Hickey.

Since 1974 General Sudderth has served as program development manager for marketing in the Saudi Arabian program office of the Missile Systems Division at the Raytheon Co. in Andover, MA. Prior to this, General Sudderth served as Infantry company commander, Artillery battery commander, Chief of Air Defense Artillery Personnel, Commanding General 31st Artillery Brigade and Deputy J3 (Operations) North American Air Defense Command. He served in the U.S. Army (private to general officer) for 28 years with extensive decorations, including the World War II Victory Medal, the Presidential Unit Citation, and the Distinguished Service Medal. General Sudderth retired from the U.S. Army in 1974.

General Sudderth graduated from the University of Maryland (B.S., 1954), the U.S. Army Command and General Staff College, and the U.S. Air War College. He was born June 4, 1923, in Leesburg, FL. General Sudderth is married, has two children, and currently resides in Salem, NH.

Remarks on Signing the National Historically Black Colleges Week Proclamation

September 13, 1989

I'm delighted that you all could be with us, particularly these two Secretaries and our distinguished Members of Congress. Many of you all were here in April when I signed the new Presidential Executive order on historically black colleges and universities, so it's good to welcome you back. And, as I say, I'm delighted to be flanked by two very able members of my Cabinet, Secretary Lou Sullivan and Secretary Lauro Cavazos. I want to thank Senator Strom Thurmond and Congressman Spence -- I guess were the primary cosponsors -- and certainly Congressman Conte and Senator Hatch.

Most of you have come to Washington to participate in this week's conference sponsored by the White House Initiative on Historically Black Colleges and Universities. The signing of this proclamation to commemorate the National Black Colleges Week is perhaps a fitting way, since you're here for the other, to conclude the visit to the Nation's Capital.

And, as you know, I've been committed to historically black colleges and universities for over 40 years, since Bill Trent enlisted me in the cause back in 1947, I think it was, at college. And I am determined to do everything in my power to assist and to help keep black colleges strong. I know we can reach that goal. I feel very confident about that. So keep up the good work that you're doing. Thank you all very much for coming. And now you'll see how government works -- this flourish of a pen. But really, I'm so pleased you all are here. Thank you all.

Note: The President spoke at 2:27 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to William Trent, former president of the United Negro College Fund. The proclamation is listed in Appendix E at the end of this volume.

Message on the Observance of the Jewish High Holy Days, 1989

September 13, 1989

As Jews in this country and around the world observe Rosh Hashanah and Yom Kippur, a sense of introspection prevails. These ten days are a time to take stock of past actions and to make resolutions for the year to come.

The liturgy of these High Holy Days recognizes the weaknesses inherent in every human being. Jewish tradition holds that, at this time, each shall be judged by the Creator: ``who shall live and who shall die . . . who shall be at ease and who shall wander about . . . who shall be lowered and who shall be raised." Were strict standards of justice to apply, we know that few of us could withstand examination; but those who observe the ``Days of Awe" are reminded that neither as individuals nor as communities are we locked into our fates. What one does, what he or she gives to life, does make a difference.

The universal message of the High Holy Days is that each of us can affect both our personal fate and our fate as a community. These Days remind us of the redemptive value of humility and repentence. The Almighty, who judges both those who heed His commandments and those who do not, is also kind and merciful. This message has important meaning for Americans of all faiths.

Barbara joins me in extending best wishes to Jews everywhere as you mark the High Holy Days. May the year 5750 bring us all closer to that day when all the world shares a profound understanding of the Hebrew word for peace. ``Shalom" means more than simply the absence of strife; it conveys a sense of wholeness of completeness. Only then will we truly be able to ``beat our swords into plowshares." L'Shanah Tova -- may you be inscribed in the Book of Life for a good year.

George Bush

Remarks at the Presentation Ceremony for the Presidential Rank Awards

September 14, 1989

Thank you all. Thank you, Connie Newman, and thank you, my two distinguished Cabinet colleagues, Lou Sullivan and Lauro Cavazos, for being here today. I also want to thank at the outset the marvelous music -- the United States Marine Corps. They never fail to inspire, and once again my thanks to you, and all of you.

And I do appreciate this warm welcome, your warm greetings. But really we may have this a little backwards today, because, you see, I came over here to applaud you, you of the Senior Executive Service, and you whose leadership helps make possible the continuing success of the world's greatest experiment in freedom and diversity. And I'd like to take a moment to offer my personal thanks again to Connie Newman for the first-class job that she is doing at OPM. And I'm also glad to recognize, as I did a minute ago, these two Cabinet members, Lauro Cavazos and Louis Sullivan. I told them it seems we're going steady lately because we're appearing at so many worthwhile events.

But this is a cheerful occasion, and it's a pleasure to be here, really, to help honor a talented group of public servants whose contributions all too often do go unrewarded. And I'm thinking of the Defense Department official who was waiting for his annual physical when a young doctor struck up a conversation asking about the Pentagon and his job and so on. And the official said he liked his work, but then he launched into a nasty tirade about Washington weather, expensive housing, government pay. And the doctor heard him out and then wrote a few notes on the form. And nervously the official asked: ``Did I do something wrong?'' ``Oh, no,'' the doctor answered, ``you just passed the psychiatric part of the exam.'' [Laughter] But the official then said: ``Well, what if I said I had no complaints about the weather or the pay?'' And the psychiatrist said: ``Well, then we'd have to ask you a few more questions.'' [Laughter]

But it's often said that nobody notices when things go right. Well, I notice the oath of office that each of you has taken is not much different from the oath that I took when I signed up for the United States Navy on my 18th birthday, and not much different from the oath that I've taken as President of the United States. And during the years that link those two events, I've held a lifelong belief in the nobility of public service and a lifetime respect for you who are engaged in this important and honorable work.

And that's why, right after I became President, you were the first group that I met with outside the White House. And 7 months as President have only confirmed what I told you then, that you're one of the most important groups I will ever speak to. And that's why we're back. And that's why we're honoring 63 public servants with the Presidential Rank of Distinguished Executive -- the highest number of gold pins ever awarded. We're also very pleased to welcome

today's nearly 300 meritorious winners, marking the first time this Presidential ceremony has included this special and very talented group.

All these awards represent a great honor, but they also represent something concrete: cash bonuses totaling more than $4 million. It's a sound investment -- an investment in people. And it's an investment in excellence. And it's also money well earned. But the truth is, for too many years, money for the Senior Executive Service itself simply has not matched the high quality of the people and their efforts. And it sure hasn't kept pace with pay scales in the private sector. And that, in my view, is penny wise and pound foolish. An ever-increasing flood of skilled personnel leaving government service has indeed cost America some of her finest servants, and in the process, some of her best ideas.

We're with you in this battle for a fair shake for America's starting team. In July, we submitted legislation to Congress calling for pay increases of up to 25 percent for SES officials, along with higher salaries for positions requiring specialized and critical skills. And the numbers now on the table call for executive schedule compensation of nearly $125,000 and bring the top SES salaries up where they belong. It's not just that you deserve fair wages, America deserves a system that attracts the best in the land. And when we met here last January, I called on you to build a spirit of teamwork between career SES and newly appointed officials. And today we are very pleased with the progress that my administration is making and know that a large part of that success is due to the fact that you've answered that call with energy and, certainly, with good faith.

Our government works because it is made up of people who try to make their lives count -- people who try to make a difference. And today we honor 349 who did. People like Wade Houk, whose management of the largest prison construction program in history has backed up law enforcement with something even the drug lords can respect -- concrete and steel. And Stanley Laskowski of EPA, who will soon be returning to Poland as part of our pledge to provide environmental assistance abroad. Our commitment to a new era of educational excellence would be impossible without leaders like Mary Jean Le Tendre, who administers programs active in 75 percent of America's elementary schools and who helped develop that Nation at Risk report. And many of you have far-flung responsibilities almost epic in distance and time, like NASA's Richard Petersen, whose programs range from understanding global warming to the basic research needed to take us back to the Moon and to Mars and beyond.

There's never enough time to single out each of you, but there is time for me to say that I am proud to be leading a government served by the likes of you. And I will be proud to shake your hands when we finish. And before leaving, I do want to mention something very close to my heart, and that's community service -- and to salute your efforts to give something back to society.

For example, one of today's distinguished executives, John Mullen of AID, showed leadership and initiative after the Armenian earthquake struck, cutting redtape to help speed private relief

efforts for the victims. Over at Interior, they've launched the Take Pride in America campaign, coordinating volunteers to protect and enhance our natural resources. The Department of Transportation has bridged generations by adopting both a senior citizens home and an elementary school, enriching the lives of both young and old. Back at the White House, our staff is encouraged to sign up for at least one volunteer project each month, whether repairing low-income housing or answering phones for last week's telethon -- you know, the muscular dystrophy telethon. And these kinds of initiatives are vital to our progress as a nation in our fight against homelessness, illiteracy, hunger, loneliness, and so many other social problems.

And so, I urge you, as I did America's business leaders in June, to make community service central to your daily life and work. The theme of my administration is building a better America, and with commitment, imagination, and sometimes daring, you strive to do that every day and have for years -- not because of glamour or power, and certainly not for the pay. You do it because you believe it and because it is the right thing to do.

It's an exciting time to be serving America. The world is changing, and it's changing in part because America has stood steadfast as a beacon, a shining modern example of a system that works and of a people committed to doing the right thing.

Congratulations! You do really have my admiration, my respect, and my support. God bless each of you, and God bless the America that you serve so well. Thank you very much for letting me come.

Note: The President spoke at 2:08 p.m. at Constitution Hall. In his remarks, he referred to Constance B. Newman, Director of the Office of Personnel Management.

Statement on Food and Commodity Assistance to Poland

September 14, 1989

I am pleased to announce today that the United States will offer to provide additional food and commodity aid to the Polish people. Subject to consultations with the Polish Government, we are prepared to offer an additional $50 million in assistance in FY 90. This amount would be in addition to the $50 million already announced on August 1st. Together with the $8.4 million in emergency food aid in FY 89, this new aid brings to $108.4 million the total of U.S. food/commodity assistance. Our effort works in tandem with the $140 million of agricultural aid pledged by the EC as part of the coordinated effort called for by the United States at the recent Paris economic summit. We expect to offer quantities of meat, corn, butter, butter oil, cotton seed/sunflower oil, cotton, rice, and/or other commodities.

It is intended that the food aid will support long-term reform of the Polish agricultural system by providing much needed commodities during a transitional period toward a market economy. The food shortages and extremely high prices in Poland in recent weeks have placed a heavy burden on the Polish people. We expect that shipments of the new assistance will arrive in time for the difficult winter months.

This new assistance is one element of our continuing effort, working with our allies and others, to support the process of change that is underway in Poland. It underscores our continuing commitment to assist the Polish Government and people in their efforts to introduce market principles and to build a private sector that will enable Poland to invigorate its economy.

Memorandum on Emergency Food Assistance to Developing Countries

September 14, 1989

Memorandum for the Secretary of Agriculture

Subject: Food Security Wheat Reserve

By virtue of the authority vested in me as President by the Constitution and laws of the United States, including the Food Security Wheat Reserve Act of 1980 (the ``Act'') (7 U.S.C. 1736f - 1) and section 301 of title 3 of the United States Code, I hereby delegate to the Secretary of Agriculture the authority to release up to 2 million metric tons of wheat from the reserve established under the Act (the ``reserve''), in addition to any quantity of wheat previously authorized to be released from the reserve, to provide, on a sale or donation basis, emergency food assistance to developing countries under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.) when domestic supplies of wheat are so limited that quantities of wheat cannot meet the availability criteria of the Agricultural Trade Development and Assistance Act of 1954.

The Secretary shall consult with the agencies comprising the Food Aid Subcommittee of the Development Coordination Committee (Departments of Agriculture, Commerce, State, and the Treasury, the Agency for International Development, the National Security Council, the Office of Management and Budget, and the White House Special Assistant for Agricultural Trade and Food Assistance) with respect to the use of the wheat released from the reserve.

This memorandum shall be published in the Federal Register.

George Bush

Note: The memorandum was released by the Office of the Press Secretary on September 15.

Remarks and a Question-and-Answer Session at a Luncheon for Regional Editors and Broadcasters

September 15, 1989

The President. Well, welcome to the White House. And before taking your questions, which I'll be glad to receive, I just wanted to say welcome. I hope that your briefings this morning were interesting, and I'm delighted to follow on. I brought some experts along in case I stumble and fall -- not an unlikely happening in this highly complicated world we're living in. But I'm pleased to have several of our very top advisers with me at this lunch.

Two items of immediate administration interests -- and hopefully national interest: Drugs and education have the highest priorities as issues of concern to the American people. And we've laid out a national drug strategy. We had a chance to talk about it a little at our table here, to deal with the scourge of drugs over the long term. And it's a complex strategy in which all pieces fit together in a reinforcing way. We're attacking the use of drugs, the supply of drugs, the law enforcement problems, and then the international aspects of this question. In addition, we've suggested a funding program of about $8 billion -- making it an $8 billion effort. And we believe that we've accommodated this kind of spending, which incidentally is a substantial increase, without jeopardizing either the national security interests or without having to raise taxes on the working men and women of this country.

Under Bob Dole's leadership up in the Senate, we are about to engage in detailed discussions with the Democratic leadership in the Congress. And as I said earlier, we're flexible in terms of the funding method, but I strongly believe that we must retain the integrated elements of this drug strategy, which took more than 6 months to develop. And we can't afford to sacrifice our military preparedness. And you know what I mean by that. Whenever there's a demand for more funds, somebody says we'll simply take it out of the Defense budget. And we're in complicated times; we're in interesting times vis-a-vis the Soviet Union. And we've got a good national security budget, and we've got a good national security strategy. And I view protecting that as a prime responsibility of the President of the United States. So, our military, incidentally, is an integral part of this drug strategy -- drug effort.

The other issue is this education summit that will be convened on September 27th and 28th in Charlottesville. We've invited the Nation's Governors to come together for a 2-day period to focus on the educational system, a system which is not -- in spite of the money being spent per capita -- is not making the grade. And in a recent comparison of 13-year-old students in the United States and 11 other countries, the United States placed last in math and near the bottom in science. And we're spending more money on education than most other countries and, frankly, getting less in terms of our investment. So, in summary, the results are not there. And the educational system is basically well-fed, but it's undernourished. And we must find innovative, accountable ways to improve performance.

I was asked here, why the Governors, and what about the role of these professionals that are quite knowledgeable? But in my view, the Governors are the most knowledgeable political leadership in terms of education experience. And I am looking to share new ideas in a number of areas, including teacher recruitment and retention; how to instill a drug-free and crime-free environment in our schools; increasing choice -- I'm a great believer in increased choice for parents and students -- and the role of the Federal, State, and local governments in meeting the educational needs. All these topics will, I'm sure, be discussed. And we're going to have some roll-up-your-sleeve meetings. Hopefully, the outcome will be new ideas that can help us develop national educational goals and objectives. I'm not sure we've had that before.

And let me just say that before coming over here, and I don't know that you -- maybe you've been briefed on these. There were some new economic statistics released today. Good news! Producer prices declined in August for the third month in a row. The principal reason was a decline in energy prices. And the PPI dropped .4 percent in July, .1 percent in June. Industrial production rose .3 percent in August -- some rebound in the coal and auto industries. And then the merchandise trade deficit -- which continues to plague us -- but that deficit declined in July to $7.6 billion. And that was the smallest deficit since December of 1984. Imports fell $1 billion, while exports were off .6 percent.

So, on the net basis, the situation was improved. And I would add that the economy continues to go forward. I think in October it will be the longest expansion, if you will, in the history of the United States. And so, I'm not totally relaxed on all corners of the economy -- on all quarters, but basically, why, it continues to produce jobs for the American people.

Now I'll be glad to take questions.

War on Drugs

Q. Street agents in the DEA, FBI, ATF, and so forth tell us that they've developed good working relationships in the fight against drugs, but that frequently their efforts to do a combined effort are hampered by the conflicting investigative priorities of the various Federal law enforcement agencies. What do you see being done to try to pull that effort together on a policy level among various Federal law enforcement agencies?

The President. One of the roles of the drug czar, Bill Bennett, is coordination. And we have had meetings around our Cabinet table to try to cope with bureaucratic competition that exists. I can't tell you we've got it whipped. I can tell you we've made progress. But I think from a management standpoint the drug czar, with the full confidence of the President, offers the best hope to be able to have us minimize, if not eliminate, the rivalries that sometimes have adversely affected the concerted effort.

But I do think it's a little better. I know it's not solved, because even in my line of work you hear directly from some of the various agents in the various Departments. So, I know we've still got some work ahead, but the answer would be the drug czar office. But to get that to work, because he is not statutorily in the Cabinet, he has to have the full support of the President.

Q. We have treatment programs in Columbus who are very anxious about this money -- if and when, assuming it does come through -- for treatment programs. But some of them are worried about the future. Will this money actually come through? If the Nation, as you say, is so concerned about drugs, why wouldn't the people be willing to go for a tax increase to pay for this, to know that the money is going to come year after year?

The President. Well, I touched on that a little bit because of my desire to see the economy continue and to have more and more jobs for people. And I think a tax increase would be counterproductive in that objective.

But we had this discussion here at this table not on that economic side but on the involvement of others. The Federal Government is not going to solve the treatment problem by itself. Yes, I think the money will be forthcoming, and it won't be enough of it to solve the treatment problem in every community in the country. And so, what does that leave you? It leaves you local government, State government, and involvement of citizens in the lives of others.

And I mentioned -- I don't want to bore the people that drew the bean that had them sitting here having lunch with me, but I told them about visiting D.C. General Hospital the other day. And there was a ward full of what they call boarder babies -- boarder in the sense that they're boarding, not coming from the border, boarder babies. And that ward was paid for not by the local government, not by the Federal Government, but by ten black mothers that got together. They had been blessed by having things a little better than the mothers that had given birth to these children, and they were taking care of it.

So, It's going to be an all-out effort where, in addition to the Federal Government doing its thing, people are going to have to help.

Q. You don't think people care enough, though, to pay a higher tax?

The President. Well, I don't think it's a question of taxes. I think people want a fiscal policy that is going to keep this recovery that I mentioned going. And I don't know of any economists who would argue that an increase in taxes would encourage the continuation of that. And so, I think we have to do both. We have to have proper revenues -- and I think we're getting them -- that we can bring to bear on this problem, and then I think we have to involve ourselves in the lives of others.

But you could go out and ask a question: Would you be willing to pay more taxes if you knew it

would solve the problem of drugs? I bet you people would say yes. Would you be willing to pay more taxes if you knew you would never have the threat of nuclear war again? -- probably say yes to that one. And so, it depends how you ask it.

But we've designed a national strategy that doesn't have to adversely impact the lives of the American working man and woman by raising taxes. And I don't think that there's a great cry out there in the country for more taxes. And they've got a President that doesn't want to raise taxes and is going to work against it, and you've got a President who believes deeply that we've got to stop this drug problem.

Gun Control

Q. Mr. President, I'm Jackie Hayes from WADE-TV in Louisville, Kentucky, where a madman went on a rampage yesterday and killed seven people and then himself. He had an arsenal of weapons, including an AK - 47. I know they say guns don't kill people, people do; but why do we allow people to get hold of these weapons and massacre other people? What would you tell those families in Louisville, Kentucky, who don't have a dad, a brother, a mom after what happened yesterday?

The President. I'd tell them I feel horrible about the loss of life. I would tell them I'm from Texas, and I remember in that Texas tower a mad person grabbing, in this case, not an automatic weapon but a hunting rifle and killing a lot of people. And I would tell them that we must do everything we can to enforce laws that are already on the books. I don't know whether Louisville has antiautomatic weapon legislation on its books -- a lot of communities do. I would tell them I don't think banning weapons is going to be the ultimate answer or could ever safeguard against that kind of tragedy.

If you have somebody that is deranged -- and I don't want to prejudge this poor soul -- but if he was deranged, I'm afraid you're going to have incidents like this. And it is terrible, and the loss of human life is horrible; but I have seen no evidence that a law banning a specific weapon is going to guard against it.

So, my view is: Do everything you can in terms of education, do everything you can in terms of enforcing your laws that are on the handbooks. And let me diverge for 1 minute, because I remember back in the sixties, when I was a Member of Congress, and I took my arsenal down to be registered down here at the DC police headquarters. And the guy looked at me like I'd lost my mind. And it was the second-to-last day of registration. And I had a .22 and .410. And I'm a hunter, and I like that. And I gave them the serial numbers, and I said, ``How many people have registered?'' He said, ``We estimate about 11 percent.'' This was the day before. And I said, ``Well, are you getting a lot of criminals to turn their guns in?'' He said, ``No, it's a bunch of suckers like you from Northwest Washington.'' And it made a profound impression on me.

War on Drugs

Q. Mr. President, speaking of finding funds for the drug war, an independent group of the National Governors' Association and the National Conference of State Legislatures just reported that primarily, that money is coming from -- as a diversion from other grants to States and localities for public housing, immigrant training, EVA programs, and juvenile justice. If that's the case, then aren't we essentially paying for the drug war by taking money away from other important needs?

The President. I don't think it is the case, and I don't think we're paying for it by other important needs. You see, I still am of conviction that there are ways to make the Government more efficient in terms of spending. And we spend a tremendous percentage of our gross national product, a high percentage of our GNP, on Federal. And I think it is much less productive spending in terms of enriching the lives of people. So, what we tried to do is suggest certain offsets, and some of them we said we're flexible on this. We're very flexible on how you, the Congress, decide you want to pay for this; but here's our suggestions. And I don't think any one of them would have decimated the quality of life of the individuals in this country.

Q. Mr. President, the mayor of Philadelphia and other local elected officials are facing a possible $80 million deficit within a budget they've already slashed by $70 million. They took a look at your drug war and said, ``It's a great plan, but if you're counting on us for any money, this plan cannot work." Many other good city mayors facing similar budget problems have expressed the same concern. How much of this is going to be passed on to the States and the cities? And if it's a good chunk, as the local officials are saying, how can it work when they have no money?

The President. Well, you're talking to a President who's facing a rather substantial Federal deficit, too, so tell the mayor we're in this thing together. We both have enormous deficits. And I am bound under the law to reduce the deficit, the law being Gramm-Rudman-Hollings. And I can't give you the specific figure -- maybe somebody can help me with it -- that's to be passed on to the States, but there are funds to go to the States and municipalities. But it isn't going to be solved by the Federal Government alone. It is the first time we have had a national strategy. It is aimed at the four categories I told you about. We will do everything we possibly can to help, but the message is: Everybody has to be in this together. And the Federal Government is facing an enormous budget deficit.

Q. But their answer to that is, ``This can't work." Do you -- --

The President. Well, that's the answer of the cynics. That is the answer of some of the cynics, the reflex critics that say the first time out of the box, raise taxes. That's what some say to every problem we face in this country. And I took the case to the American people last year on that, and I don't think the American taxpayer is undertaxed. And we made a proposal that was received enormously well by the American people -- some 70 percent saying they supported this

national strategy. And so, we can't do everything we'd like to do. I'm going to protect the interests of the working man and woman in this country by not going out and raising his taxes and still having a strategy that I think is unique and imaginative and will take us an enormous way down the road to solving this drug problem.

Prison Construction Costs

Q. Mr. President, in the State of Illinois, they have spent a half a billion dollars to build 11 prisons -- 4 more under construction. The county jail in Cook County is fined $1,000 a day for overcrowding. Aren't you saying, sir, that we're going to have to build more jails out in Illinois, but it will have to be paid by raising taxes in Illinois and in Cook County?

The President. Well, I've talked to Governor Thompson, who incidentally signed a rather comprehensive drug bill the day after I announced our strategy -- and to me, they dovetail rather nicely. But as you know, the Federal Government has certain responsibilities for Federal prisons. And included in our recommendation are substantial amounts of money for increased prison capacity. And, yes, the States and localities are having to step up themselves and do stuff.

Q. Raise taxes to do it?

The President. Well, that's up to them. I'm not going to criticize a Governor or a municipality that has to do something on the revenue side. I'm going to try to hold the line as President of the United States on Federal taxes.

NATO Defense Spending

Q. Mr. President, on drugs and taxes, we're currently paying $150 billion to $170 trillion a year to defend Europe. And the congressional panel estimates that's a lot more than the other 15 NATO countries put together. Since the standard of living is higher in other countries and in Europe than it is here now, and since Gorbachev is offering deep cuts in the Warsaw armed forces, why not halve our contribution to the NATO forces and put that money in on the drug war?

The President. Because we have a very realistic approach to the Soviet Union, and I am delighted to see the changes that are taking place there. And I've heard a lot of rhetoric, and I welcome it. And I hope we can move forward on strategic arms and chemical weapon reductions in accord with the innovative proposal that we made and that NATO supported for conventional forces. But I'm like the guy from Missouri: Show me, and take your time, and do it right. And Europe has had peace for some 40 years now; and if you look at your textbooks, why, you'll see that that's a long, long time in an area of the world that has been troubled by conflict, in an area of the world that has involved us in this century in two -- where we've been involved in two massive wars, that, overnight, expenditures went right through the roof, if we're talking about it

in terms of money.

So, what I want to do is work -- first place, keep the alliance strong; secondly, prudently deal with the Soviet leadership. And I'm looking forward to sitting down with [Foreign Minister] Mr. Shevardnadze next week. I'm looking forward to the substance that will be talked by [Secretary of State] Jim Baker and Shevardnadze out in Wyoming following the meeting with me. But not taking gambles and gambling on the outcome by making universal cuts in our commitment to a strong NATO. We have got to keep that alliance strong. And I know there's almost a euphoria in some quarters that there are no risks in the world anymore. Well, I don't believe that. And if you look at the Soviet Union modernizing its nuclear arsenal at a rather ferocious pace, I'm prudent enough to say, why? What's happening here? Why are they doing this? Why, if it's all euphoria and everything is rosy, nobody has anything to worry anymore about, how come? And so, let's not let down our alliance guarantees because we are more optimistic about peace.

I can look at my grandkids today and say I am much more optimistic about their growing up in a world where they don't go to school worried about nuclear conflict -- much more -- but how we handle our end of the equation I think has a lot to do with that.

Q. But the American taxpayer, sir, is paying twice as much as the European taxpayer to defend Europe.

The President. Well, I'm not sure of your numbers. I've never heard that statistic before. But I'm doing what I think is in the national interest of the United States. And part of that is our participation in an alliance that has kept the peace for 40 years, and so that's the way I would look at it. And look, if you're asking me would I welcome any country in the alliance doing more, the answer is yes. And that wouldn't extend just to the NATO alliance -- it would be every alliance we have.

Legalization of Drugs

Q. Mr. President, there have been many good efforts through the years to interdict drugs and solve our drug problem that way. Do you envision a day when we might throw in the towel and treat it like we did prohibition and say let's shift our money from law enforcement back toward education, accept the legalization of drugs and try to fight in a more academic way?

The President. No, no. I don't visualize such a day.

INS Director McNary

Q. A local question: You recently nominated St. Louis County Executive Gene McNary to be the Director of Immigration and Naturalization. There are some people, even some admirers of Mr. McNary, who say there doesn't seem to be anything in his background that shows a

sensitivity, perhaps, to work with minorities and so forth in that job. What did you see in Mr. McNary that led you to make the appointment to what is a growing -- a job that has a growing responsibility?

The President. Extraordinarily capable manager. And that job is a major management job, and Gene McNary will do a first-class job in it.

Drug Testing for Public Officials

Q. Mr. President, today, at this very hour, there are three candidates for mayor of Cleveland taking urinalysis tests to prove that they do not have a drug problem. Has our drug problem in America gotten to that extent where even elected officials now have to prove that they're not a part of the problem, but part of the solution?

The President. No, I don't know that it's gotten to that case. I am one who favors testing in certain categories. And there's a certain lack of dignity that goes, I guess, with that in some ways. Having said all that, I guess you'll remember that a couple of years ago President Reagan and I submitted ourselves to that, what some thought was indignity. But if you believe in a drug-free workplace or the drug-free Armed Forces, certain testing is involved in that. I don't know the context of the Cleveland race, so how much of it is -- I just leave to others to assess how much of it's political and how much of it sets a pattern or sets a standard for others. But I think we've come to the point in this fight on drugs that people should be a little less concerned about testing than they have in the past.

And again, I don't live and die by polls. If I did I wouldn't be standing here as President; we all remember that from about a year ago. But I would say that I think there is a shift in public opinion and people are much more serious about this fight on drugs. And I think there's much more support for a drug-free workplace, and I think there is much more support for testing.

Agricultural Chemicals

Q. I'd like to talk about a chemical of a different sort. You campaigned as an environmental candidate. Agricultural chemicals are more and more being discussed now as a major pollutant and a major concern. I'm wondering how aggressive your administration is prepared to be in either helping or pressuring Congress to reduce chemical use?

The President. I think we have a responsibility under our Environmental Protection Agency to look carefully at the realities of agricultural chemicals, because it does get into the food chain and -- if there's abuse. But I also think that you need a balance in it, and EPA's looking at it right now. So I'd have to wait and see what recommendations they make and try to do our best. But we can't overlook that because of the controversy that it's caused in the agricultural community. And that's a little broad in general, but that's the only way I know to respond to that one.

Drug Use in Rural Areas

Q. Your drug strategy is often seen as an urban, inner-city initiative. How pervasive do you feel the drug problem is -- I come from rural Minnesota -- and how much of a priority is dealing with drug education and interdiction and helping law enforcement in rural areas?

The President. Well, I think in terms of interdiction, it's national and the effect of it is national. In terms of the international affairs component -- for example, support for Colombia and what they're trying to do -- it will impact favorably if we can encourage them on rural America and on city America.

I think you have to look in terms of treatment and in terms of impact of Federal money for education on those areas that are where the most heavy use is. And I think we have to do some vectoring of funds to the highest impact areas, and I think you'll see that when the program goes forward. But in terms of education and the need to have kids understand the risk, it is totally national, and it cannot be confined just to metropolitan areas.

War on Drugs in Washington, DC

Q. I've been in Washington a few days. There's two things that seem to be on people's minds. The first one is why Joe Gibbs [head coach, Washington Redskins] went for ``Pass the ball'' in the third-and-two situation. [Laughter]

The second thing that comes to mind is the drug issue. We all come from across the country, but in our Nation's Capital it's a pervasive problem that has intensified for the past 4 years. Coming from across the country, we sometimes look to DC as a symbol of what's going to happen. What do you see your drug plan doing for the people of the Nation's Capital and the inner city?

The President. You mean with -- --

Q. What the drug plan is doing for the people who live in the inner city -- DC.

The President. Raising hope. I see it raising hope and, if we follow through, helping solve the problem. It isn't going to solve it alone. It's going to need those 10 black mothers in the D.C. ward. It's going to need the schools involved with their local control and their local ability to go into their communities with a sensitivity that the Federal Government will never have.

But I see the President using the bully pulpit of the Presidency to stay on it, to encourage and to exhort and to help financially through this national strategy where we can. But I got to keep making the point: The Federal Government isn't going to solve it. But you're asking about inner cities? But you can get the job done and do it in a lot of different ways, including involving

ourselves in the lives of others.

And I don't care how much grief I get -- and it's not so much anymore because people are beginning to understand it -- about the Thousand Points of Light. But it is one American helping another, it's a teacher who cares, it's a foster parent, it's those 10 black mothers in the D.C. Hospital. And it's on and on and on. And that is how the problem, along with the municipalities and the State governments and the Federal Government are going to solve this problem. But the President, I think, has a disproportionate responsibility to have a strategy which we now have and then to -- not forget it -- to follow up on it.

And I do believe that in the final analysis we can whip the problem. I was encouraged, and I expect others were here, too, about the decline in casual use of cocaine -- off 30 percent. And that's a good sign. Now, how do we do the same thing for the crack user, instead of having it go the wrong way? And I don't see as much on the media, for example, and the entertainment media, in terms of condoning that which we now condemn. You don't see that much about it any more. It used to be the joke. And I keep citing -- I hope without prejudice -- the scene in ``Crocodile Dundee'' with the guy in his tuxedo and it was humorous, the use of cocaine. Today you don't see that. It's because the industry itself has moved in.

I cited in my drug speech the efforts of a man named Jim Burke, who was the former chairman of Johnson & Johnson. He's guaranteeing, to the best of his ability, that $1 million a day will be spent -- $1 billion over the next 3 years -- on reaching out in education, you know, changing a whole condoning culture into a condemning culture. And so, I am excited about the potential, provided everybody pitches in together. And so what do you say to a kid in the city? There's something better for you, and we've got to prove it.

Last, says Marlin.

War on Drugs

Q. Your last question -- you mentioned your grandchildren a while ago, and this is kind of a personal question, maybe putting this in perspective for us. How do you feel as a human being and as a grandfather about the drug scourge? Are you afraid that your family members, your grandchildren, your friends, relatives, the people in the White House family are going to be seduced by drugs? Do you identify with the grandparents across the Nation?

The President. Yes, I worry about it -- of course I do, about these kids. Peer group pressure -- enormous. Declining, I hope, but enormous. And so, when I stand out there in the garden with the D.A.R.E. program that teaches these kids out of the efforts by police officers all across this country to turn their back and how to resist peer pressure, I can identify with that -- perhaps more than if I didn't have these 11 grandchildren.

But I'm not pessimistic about it. I think America is waking up, and we are beginning to condemn that which, let's face it, we've condoned. We condoned it in my theory in a kind of a post-Vietnam period, or even in the Vietnam war period. We have got to understand the pressures that lead one that wants to escape. Now we see that it was wrong. We see that in condoning it, for whatever the reason, should have been condemned. And I think as those national mores change, then I think you're going to find that the future of not just my 11 grandchildren, but the others, is far brighter. And mine, you know, are blessed with not having some of the pressures of a neighborhood where there are high incidences of cocaine use.

But, now we've got to take these changing mores and have inner-city America, highly impacted America, understand. And of course that has to, in my view, be coupled with opportunity -- opportunity to work, have an honest living instead of one where you're a lookout at $100 a crack for some drug addict. And so, we've got a big educational job to do.

But I do worry about it, and I don't think any kid is immune from this peer pressure. But I'm absolutely convinced it's changing. You know, you embark on something like a war on drugs and people say, yes, yet another war, and you have your cynics out there. And I can understand it because there have been efforts made, and they've gone off the radar screen. But this one isn't going to go off the radar screen. And what I've got working for me in this timeframe in which I'm serving as President is this changing feeling in the country that we've got to do something about it. It's not just the administration, it's not just a handful of teachers or some parents group -- it's the country itself. And that is very different, and that is working for us.

And so, this gentleman doesn't feel I'm giving him the brush-off. You see, I think if we then go out and legalize drugs, we work just the opposite from what I'm saying are the appropriately changing mores in this country, and that's why I strongly oppose it. And as long as I'm President, there will not be any Federal Government-level consideration given to the legalization of narcotics. It simply is counterproductive as we try to help in this whole field of education.

Urban Housing

Q. In Detroit we have severe drug problems, but we also have other problems: blight, abandoned housing, and decay. UDAG [Urban Development Action Grant] monies and block grant monies have been decreased significantly over the past few years. Will those monies be returned in some capacity, and how does the Bush administration propose rebuilding America's inner cities, including Detroit?

The President. We've got a brand-new Secretary of Housing who is aggressively going after tenant ownership and changes in the housing programs. I don't want to mislead you. I don't think you'll see a change soon on revenue-sharing or increased UDAG's, for example, you asked about. But I think we've got a program that emphasizes tenant ownership, helping to clean the existing projects from narcotics' reach, and then I come back to jobs -- jobs. And it's got to be

the economy that is going to lift people up. A job in the private sector is the best poverty program.

And you look at the demographics -- and we again bored you all at lunch about this -- but they're changing. And in the year 2000 -- and what, Roger [Roger B. Porter, Assistant to the President for Economic and Domestic Policy], somebody help me -- 2010, there are going to be more jobs than there are people looking for jobs. And that says then to the Federal Government, the State government, the government in Detroit -- train people, job retraining -- training them for jobs that will exist. And that, of course, gets back into what we were talking about at our table, about educational excellence. So, it's education, job retraining, all of which impact in this question of housing. If a person has a job and a reasonable salary, he hopefully can afford to have an apartment or make a down payment on a house.

All right, she was very persistent, over here, screaming in outrage because I boycotted the table. This is the last one.

Q. Thank you very much.

The President. I'll say ahead of her question that I've always learned that the last question is the one that gets you in trouble. So, let me see the seams on this one. [Laughter]

Prison Overcrowding

Q. In Pittsburgh, we are arresting drug suspects, and they're being turned loose from the Allegheny County jail because of overcrowding. A Federal court order has mandated a certain population cap. Across the river, still Pittsburgh, our State prison facility has been ruled an overcrowded firetrap by another Federal judge. My question is: Our Allegheny County commissioner has written you asking you for permission to open military bases, underused or closed military facilities, to house some of these prisoners, especially the drug suspects that we're letting go. How will you respond to -- --

The President. I'll respond to this as being given serious and active consideration. You talk about closing a military base now -- come on out and try it sometime. [Laughter] Even though the law prescribes it, and even though we have a sound program up there right now in the Senate, some people are challenging the closing of these bases. And it isn't much fun to have to go to a community that's been dependent on a base and say we're going to close your base.

Every Congressman wants to close bases in somebody else's district -- or every Senator, but in someone else's State. And we have a program to do this, and part of it might well be active consideration being given to a concept of using these facilities for jail space. There's some existing bases where we might be able to do that. There's some trading where you take prisoners from one jurisdiction and boarding them in somebody else's jail. They're innovative programs in

terms of jail construction of lease backs. And so there's a lot of new thinking going on, including the proposals that are in our strategy of -- and this doesn't get directly to your question -- of more Federal prisons.

But I think the man, whoever -- this fellow suggested this -- is on to something, and we will try to be very cooperative in that regard.

President's Mail

Q. How soon might you respond to him if he's written about a week or two ago?

The President. Well, tell him to get in line. I get about 100 -- let's see, how many -- I'll tell you, one of the great -- they were asking me the joys of this job at the table. One of the frustrations is the mail, and the volume is horrendous. But your having raised it, I trust somebody will -- he will be hearing from him sooner than he might have. But we've got to be responsive on these -- [laughter] -- it's an understandable frustration when somebody asks. And I would simply take this opportunity to ask for forbearance and to say we will endeavor to do our very best.

When I left for summer vacation, the backlog on our mail was something like 100,000 letters. It was down to 9,000 when we got back -- somebody else doing all the heavy lifting, obviously. But we do want to do better on it, and especially when somebody is crying from the heart for help on a problem of this sensitivity. But we'll look into that one and see when he -- and hope he gets a very positive response. I expect -- your having brought it up -- he will.

Listen, thank you all very, very much.

Note: The President spoke at 12:57 p.m. in the State Dining Room at the White House. Marlin Fitzwater was Assistant to the President and Press Secretary.

Appointment of Peter F. Schabarum as a Member of the Advisory Board of the National Air and Space Museum

September 15, 1989

The President today announced his intention to appoint Peter F. Schabarum as a member of the Advisory Board of the National Air and Space Museum, Smithsonian Institution. He would succeed Donald M. Koll.

Currently Mr. Schabarum serves as Los Angeles County supervisor. Prior to this, he served as an assemblyman in the California Assembly, and as chairman of the Los Angeles County Transportation Commission. In addition, he works in real estate development and securities in California.

Mr. Schabarum graduated from the University of California at Berkeley (B.S., 1951). He was born January 9, 1929, in Los Angeles, CA. Mr. Schabarum served in the U.S. Air Force during the Korean war. He is married, has three children, and resides in West Covina, CA.

Nomination of Edward G. Lewis To Be an Assistant Secretary of Veterans Affairs

September 15, 1989

The President today announced his intention to nominate Edward G. Lewis to be an Assistant Secretary of Veterans Affairs for Information Resources Management. This is a new position.

Since 1989 Mr. Lewis has served as a Staff Assistant and White House Liaison in the Office of the Secretary of Defense in Washington, DC. Prior to this, he served as manager of the office of resume management in the Office of the President-Elect, Presidential Personnel, 1988 - 1989; director of management support services for the Bush-Quayle campaign, 1988; director of the delegate training office at the national convention, 1988; and director of the delegate management office for the George Bush campaign, 1988. In addition, he has served as a U.S. Marine Corps representative for the Task Force on Competitive Strategies at the Department of Defense, 1987; manager of strategy and operational campaign development with the Advanced Amphibious Study Group, 1986 - 1987; manager of strategic initiatives in the Plans Division at the Headquarters of the Marine Corps, 1984 - 1986; and manager of joint plans and organizational development in the Plans Division of the Headquarters of the Marine Corps, 1983 - 1984.

Mr. Lewis graduated from the U.S. Naval Academy (B.S., 1967), Columbia University (M.S., 1968), the University of Maryland (M.B.A., 1974), and Georgetown University (M.A., 1981). He was born March 13, 1945, in Chicago, IL. He served in the U.S. Marine Corps, 1967 - 1988, and as a commanding officer, 1977 - 1978. He is married, has one child, and resides in Woodbridge, VA.

Nomination of Alvin P. Adams, Jr., To Be United States Ambassador to Haiti

September 15, 1989

The President today announced his intention to nominate Alvin P. Adams, Jr., of Virginia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Haiti. He would succeed Brunson McKinley.

Since 1987 Ambassador Adams has served as the Associate Coordinator for Counter Terrorism at the Department of State in Washington, DC. Prior to this, he served as Ambassador to the Republic of Djibouti, 1983 - 1985. He has served in several capacities at the Department of State: Deputy Executive Secretary, 1981 - 1983; Director of the Secretariat Staff, 1981; Special Assistant for Legislative and Public Affairs, 1979 - 1981; Deputy Director of the Office of Business Practices, 1977 - 1979; Financial Economist in the Bureau of Economic and Business Affairs, 1976 - 1977; and Special Assistant to the Secretary of State, 1974 - 1976. In addition, he has served as a staff member of the National Security Council at the White House, 1972 - 1974; political officer in Saigon, 1971 - 1972; and special assistant to the Ambassador in Saigon, 1969 - 1970.

Ambassador Adams graduated from Yale University (B.A., 1964) and Vanderbilt University (LL.B., 1967). He was born August 29, 1941, in New York, NY. He is married, has one child, and resides in Alexandria, VA.

Remarks at the South Dakota Centennial Celebration in Sioux Falls

September 18, 1989

Good morning, Sioux Falls, and happy birthday, South Dakota! Don't worry, I'm not going to try to sing it. And thanks to the young men of the McCrossan Boys Ranch for the ride in here. Apparently, when Teddy Roosevelt came to Sioux Falls, they called that wagon Buckboard One. [Laughter]

And I especially want to thank Governor and Mrs. Mickelson for that warm welcome back to this State. What a job he's doing for the State of South Dakota. And it's always a pleasure to see my old friend Bill Janklow, who greeted us at the airport, as well as Walter Dale Miller, the Lieutenant Governor of this State, and the fine delegation that represents the Sunshine State in Washington.

I'm delighted to see my friend Larry Pressler here today, very pleased that he's with us. We also would like to say hello to Ben Reifel. I had the privilege of serving in Congress with Ben, a native American who has devoted his whole life to public service. And tomorrow is his 83d birthday, so let's hear it for him. [Applause] And I'm also pleased to see another great United States Senator here -- Montana's, your neighbor's -- Conrad Burns, new Senator, doing a big job. I also want to salute Mr. Ice -- 100-plus and going strong, right over here -- the true spirit of this great State. And also coming out with me from Washington on Air Force One, the former speaker, Deb Anderson, now doing a big job for me and for the country in the White House. She's with us today, too.

And I want to thank these kids who did these essays -- the winning essays -- and then presented them to me earlier on. It's a great thing. I just got a chance to glance at one of the papers, to see these kids looking to the future, see them representing such strong South Dakota principles in such a beautiful way. I think we're lucky to have young people like this in any State.

You know, years ago when I first started thinking about running for President, I went out for a long drive outside Washington to think it over -- alone, and hoping that I'd be sent a sign to help me decide. And sure enough, a sign appeared, and it said, ``Only 2,000 miles to Wall Drug." [Laughter]

It is a pleasure to be back with you in South Dakota, home of some of nature's most wonderful creations: the American buffalo, the antelope, the prairie dog, the jack rabbit. The only missing thing today -- the Silver Fox. And Barbara is not with us, unfortunately. [Laughter] But I could get away with calling her that; I'm her husband. [Laughter] It's true. When we went through the receiving line here, several people mentioned her. And she wanted to be here, but she's in the

Panhandle of Texas this morning, in Amarillo, at Cal Farley's Boys Ranch, a place not unlike the McCrossan Ranch here. And I know that, like me, she's going to be very interested in reading these essays that these South Dakota kids have put together for us. And again, with talented kids like these and like those down below, your State and mine can look forward to a great second century, and America can look forward to a great tomorrow. I am optimistic about the young people in this country.

Before the turn of the century, when your State was not yet 10 years old, a former Ohio Congressman who had fought for statehood came here to greet the returning heroes of the Spanish-American War, South Dakota volunteers famous throughout America for refusing to abandon their decimated ranks until replacements could be shipped to the Philippines. The ex-Congressman was President McKinley, who praised South Dakota's early pioneers for always setting up three things wherever their wagons stopped: schoolhouses, churches, and the American flag. And McKinley called South Dakota ``a new and promising State." And in your first 100 years, you've made good on that promise. You've built a good State, a good place to call home, good place to raise grain and livestock and barns, and, particularly, a good place to raise families. Yours is a people that draws strength and purpose from the land, sinking deep roots, feeding your country, and nurturing the dreams of your children.

And as a new century begins, South Dakota is also a good place for forward-looking people, a place to invest in clean technologies and the growing service industries. South Dakota is one place that has never forgotten what made America great: pride, hard work, neighborliness, self-respect, and respect for others. And as a visitor to Sioux Falls wrote in 1814: ``The spirit of the West is one of faith" -- faith in God, faith in country, and faith in one another.

Maybe you've heard the definition of ``the real West" in the old cowboy poem: ``Out where the hand clasps a little stronger, out where the smile lasts a little longer, that's where the West begins." Well, that's also where South Dakota begins -- still a place where business is done with a handshake most of the time.

Two years after McKinley's visit to Sioux Falls, Teddy Roosevelt became the youngest President in the United States history and the only one of this century to be enshrined at Mount Rushmore. Everyone knows which four Presidents are found on that mountain. Less well-known is that each was chosen not to represent an individual but rather to represent an American ideal. Washington represents freedom; Jefferson, democracy; Lincoln for equality; and Roosevelt, conservation. In the American galaxy of ideas, conservation is rarely ranked up there alongside freedom, democracy, and equality. But it is on Mount Rushmore, and it is in South Dakota. And it's time that that tradition was rekindled everywhere.

Our stewardship of the Earth is brief. South Dakota sits atop beds of oil and coal that eons ago were tropical swamps. Above ground, the landscape is cut by hills and valleys and shaped by the huge sheets of ice that covered this land in a later age. When the glaciers retreated, they left

behind a precious resource: the rich, fertile soil of South Dakota. No one here who witnessed the black blizzards of the 1930's Dust Bowl needs to be told just how fragile that resource is or how important it is that we be responsible stewards of these gifts.

And what is true for our farmlands is also true for our forests and rivers and for our oceans and for the oceans of life-giving air that cover this planet. Earlier this year, we introduced dramatic new proposals to strengthen the Clean Air Act, calling for major reductions in acid rain and urban smog and other toxic emissions. And I said then that our mission is not just to defend what's left but to take the offense, to improve our environment across the board. It's not enough to stop dirtying the air; we've got to clean it up. And to help do that, we should remember the oldest, cheapest, and most efficient air purifier on Earth: trees.

Nature has powerful rejuvenative forces, but we need to help them along. We need to reforest this bountiful land. As the settlers here learned decades ago, planting trees can greatly reduce erosion from wind and water. And as we are learning, tree-planting can help clean the air by reducing carbon dioxide. For its centennial year, your sister State to the north has pledged to plant 100 million new trees by the year 2000. Well, I've heard it said around Sioux Falls: Anything North Dakota can do, South Dakota can do better.

So, I challenge you to come up with a pledge of your own to join the new greening of America by foresting South Dakota with centennial trees. And of course, reforestation is only one part of our comprehensive and sometimes highly technical proposals to clean up America's air. But trees possess a value that no high-tech solution will ever match: Trees can reduce the heat of a summer's day, quiet a highway's noise, feed the hungry, provide shelter from the wind and warmth in the winter.

You see, the forests are the sanctuaries not only of wildlife but also of the human spirit. And every tree is a compact between generations. The White House today is blessed by a tree planted by John Quincy Adams; the southern magnolias of Andrew Jackson; Dwight Eisenhower's trees -- oaks, I believe. George Washington's home at Mount Vernon is still shaded by a dozen trees planted by our first President, a living link to our roots as a nation and to the giant whose face adorns the Black Hills of this State.

Of course, not every President is blessed with a green thumb. Five months ago, I planted an elm to mark North Dakota's new campaign. It turned out they have some kind of moth disease. [Laughter] So, in the interest of public safety here in Sioux Falls, they specifically asked me not to dedicate a building. [Laughter] Well, so far, my luck in this tree business is about like -- as I had in fishing. [Laughter]

Just as the Government has a key responsibility in reducing air pollution, the Government can also act as a model and leader in the greening of America -- and it has. Last year, Federal efforts planted 340,000 acres of new trees. But that's only about the size of Lincoln County. Private

efforts and families and businesses planted eight times that number -- enough to blanket an area almost the size of the State of Connecticut. And clearly, the real solution is at the grassroots level -- Americans joining to shade this land and to clean our air, a new spirit of activism and voluntarism to serve each other and save our planet.

The paper here last month said that today there are exactly 28,334 trees in the city of Sioux Falls. Now, first of all, I'd like to meet the guy who counted the last 334 trees right here in Sioux Falls. [Laughter] But seriously, a people that counts its trees so carefully knows how to value them. Each one makes a difference, and so can each one of you.

And as we commemorate the year South Dakota became a new star in the American flag -- the American constellation, if you will -- I hope that every family in the State will become part of yet another constellation, a constellation that we've called 1,000 Points of Light, because you in South Dakota know what it takes to plant a tree. It doesn't take a Federal program. It doesn't take a great big Washington bureaucracy. And it sure doesn't take some fancy new study. What it takes is a shovel. And it's a family project, you can do it in your own homes, literally in your own backyards. And we can cultivate good character in our kids by cultivating cleaner environment.

We need to plant new hedgerows around croplands, new windbreaks around our homes and towns. And in the middle of this century, we built the interstate highway system, the greatest ground transportation network since Rome. And now let's make these corridors beautiful, quieter, greener, and cleaner.

On the plains of Texas, where for 12 years Barbara and I raised our children, the story is told of a pioneer tradition that said, ``Plant plums for yourself, pecans for your grandchildren." A hundred years ago, some farsighted Texas settlers planted these tiny pecan seedlings, and it took hours of backbreaking work, hauling water in the hot prairie sun. But pecan trees take many years to mature, and the settlers themselves would never live to enjoy shade or food from the trees. It was called, therefore, a grandchildren's grove. Other settlers -- well, they wanted quick results, and they planted the fast, quick-growing plum trees. And for a few years, they got good fruit. Soon, the soft bark split, sprouting tangled, barren plum bushes. And instead of enjoying the protection of these tall stately pecan trees, the grandchildren who followed were saddled with the hardship of clearing a thicket.

It is planting time now for your great State, for South Dakota and for America and for all of spaceship Earth. The choices that we make today can either nurture and protect our children or bequeath them only another generation of thickets and foul air. So, let us tap into the greatness of the American spirit. Let us honor the pioneers who gave us this State by giving back to generations yet to come. And 100 years from now, South Dakota will still be a good place to raise children, cottonwood trees, and other precious living things. Enjoy this celebration; enjoy the autumn ahead.

Good luck, God bless you, God bless the State of South Dakota. And thank you for inviting me. Thank you very, very much.

Note: The President spoke at 11:10 a.m. in the Sioux Falls Arena. In his opening remarks, he referred to former Gov. William J. Janklow; Senator Larry Pressler; and Debra R. Anderson, Deputy Assistant to the President and Director of Intergovernmental Affairs.

Remarks at a Centennial Tree Planting Ceremony in Sioux Falls, South Dakota

September 18, 1989

Thank you, Governor Mickelson, and what a glorious place to plant a tree today. Thank you, Mayor White, for welcoming us here. And most of all, thank all of you. Any excuse to get out of school -- I know how it works. But here you are, and I couldn't be more pleased. Thank you.

The South Dakota Centennial Commission deserves great recognition here for all the restoration of this park as a centennial project. And I know that many people and organizations were involved in the project, and I'd like to congratulate each and every one of them.

I do love seeing all you kids here today. Let me tell you about this tree that I'm presenting today to commemorate the centennial. It's a Bonfire Silver Maple. It's a hardwood tree which provides a brilliant display of colors every fall. And like the people of South Dakota, this tree is hearty and resilient, and should provide beauty to your children for years to come.

Someone said a tree is a gift of God and a friend of man. Well, I hope this tree will grow and flourish, be a friend of Sioux Falls and to South Dakota. And with this gift I can say, as your centennial bumper stickers so proudly proclaim and as your Governor invited me to, I've got roots in South Dakota. Happy birthday South Dakota! And thank you all very, very much for the welcome.

Note: The President spoke at 12:40 p.m. at Terrance Park in Sioux Falls. Following his remarks, he traveled to Helena, MT.

Remarks at the Montana Centennial Celebration in Helena

September 18, 1989

Thank you, Governor Stephens. Thank you very much -- you and Mrs. Stephens -- for greeting us at the airport. Lieutenant Governor Kolstad, congressional delegation, members of the State legislature, and the mayor of Helena: Let me say to everyone gathered here and to all the people of Montana that it is a great pleasure for me to be back in this great State. Happy Birthday -- 100!

And you're certainly celebrating this in style. I have to tell you that I was mightily impressed with that centennial cattle drive. It captured the hearts of America -- nearly 3,000 cattle, 60 miles in 6 days. Now, maybe I can get a few of those drovers to come back with me to Washington. There's a herd back on Capitol Hill that I'd like to move in my direction. [Laughter]

You know, this is my first visit to Montana since the campaign and since I started my new job. November 8th was a big day for me in 1988, and I know it's the big day for all Montanans in 1989. And this is my first visit. You know, we've come a long way today from Pennsylvania Avenue; but here I am, standing on Capitol Hill, just a mile away from Last Chance Gulch. Maybe I haven't left home after all.

But it's good to be back under the Big Sky, looking out at the Sleeping Giant, with your historic statehouse -- a marvel of Montana granite, sandstone, and copper -- standing here at our back. And you can feel the history of this great State, its land and its people.

And I've heard that there's a 5-pound trout waiting for me up in the Bob. And I don't know if you've heard about that horrible fish shortage up in Maine this summer. But anyway, it's not a problem here, since I hear that Montana has 896 catchable fish per square mile. Now I know why I had so much trouble catching a fish up in Kennebunkport: They're all in Montana.

Montana has contributed a great deal in the 100 years since it became a State. Along with its gold, copper, and ore, Montana's given our nation a sense of its own pioneering destiny. And there's something about spaces so vast you can see the curve of the Earth. What encouragement it gives us to see the future as an unlimited horizon.

I spent this morning in the State of South Dakota, which is celebrating its own centennial this year. And you've got a lot in common in this part of the country: a can-do attitude, a faith in hard work, and a straightforward love of nature and the land we live in.

This morning I spoke in Sioux Falls about a common concern of all of ours: the environment,

about the need to awaken a new spirit of environmentalism across America. And here in Montana I know that spirit exists. This great State was once the scene of an epic battle -- man against nature. Too often, the only question that mattered was what man could take from the Earth, not how we left it or how we put it back.

Well, no more; times have changed. The conservation ethic runs deep here. In the past two decades, Montana has enacted some of the most advanced environmental statutes in all of the 50 States. The citizens of the Big Sky State understand it's not man against nature; it's man and nature. Montanans have made a decision never to let environmental exploitation go unchecked. We can have a sound ecology and strong economy. And that is what I am committed to; and so, might I add, is my environmental protector, the head of the Environmental Protection Agency who works at my side, Bill Reilly. And I'm delighted he's here with me today.

The Nation and the world can learn from your example. And believe me, we must learn. The single most significant word today in the language of all environmentalists is interdependence. That's a fact all Montanans should find it easy to appreciate. Not so many miles from where we stand is a spot called the Triple Divide, where the waters begin their separate journeys to the Pacific, to the Gulf of Mexico, to the Hudson Bay and the Arctic beyond -- the Earth's own geography lesson -- global interdependence.

The plain fact is this: Pollution can't be contained by lines drawn on a map. The actions we take can have consequences felt the world over: the destruction of the rain forests in Brazil; the ravages of acid rain that threaten not just our country but our neighbors to the north, and not just the East but the lakes and forests of the West as well; the millions of tons of airborne pollutants carried across the continents; and the threat of global warming. We know now that protecting the environment is a global issue. The nations of the world must make common cause in defense of our environment. And I promise you this: This nation, the United States of America, will take the lead internationally.

Here in this great State, you're already taking the lead with your commitment to the environment, led by every schoolchild in this State who's planted a Ponderosa pine to commemorate 100 years of history. In just a few minutes I'll be planting a tree of my own, and let me say from the heart: There's no finer symbol of the love each one of us feels for this land than a tree growing up in Montana's good earth.

We're working hard to clean up America, but we can't stop there. We've got to work with the rest of the world to preserve the planet. We're already taking action. To preserve the ozone layer, we're going to ban all release of CFC's [chlorofluorocarbons] into the atmosphere by the year 2000. To prevent pollution of the world's oceans, we're going to end virtually all ocean dumping of sewage and industrial wastes by 1991. And after that, anyone who continues to pollute is going to pay for it with stiff fines. And we're going to join forces with other nations.

In February the United States will host the plenary meeting of the Intergovernmental Panel on Climate Change. In July, when I visited Poland and Hungary, I pledged America's help in tackling the increasingly serious pollution problems those two nations face. At the Paris economic summit, we helped the environment achieve the status that it deserves at the top of the agenda for the seven major industrial democracies. And I mean to keep it right there at the top of the agenda.

America spends more than any other nation in the world on environmental research, and we're going to continue this pioneering effort to protect the environment and put that environmental expertise to work in the developing world as well. We cannot pollute today and postpone the cleanup until tomorrow. We have got to make pollution prevention our aim, and sharing our expertise with the world is one way to do exactly that.

Today I want to announce a new environmental initiative, one that will bring the Environmental Protection Agency and the Peace Corps together in a joint venture in the service of the global environment. Beginning in 1990, as part of their standard preparation for duty, Peace Corps volunteers will be trained by the EPA to deal with the full range of environmental challenges: water pollution prevention, waste disposal, reforestation, pesticide management. Armed with greater knowledge about our environment, our Peace Corps volunteers are going to help spread the word in the developing world. They'll work to stop pollution before it starts and ensure that economic development and environmental stewardship go hand in hand.

And Montanans know more than most how much that means, how vital it is for us to accept our responsibilities, our stewardship -- the environment in Montana, across America, and around the world. We hold this land in trust for the generations that come after. The air and the Earth are riches we simply cannot squander.

One hundred years ago, Montana was a land where man sought the treasure that lay beneath the Earth. And today it's the land itself we treasure, a living legacy we must preserve and pass along. One hundred years from now, on the bicentennial of this great State, we want our children's great-grandchildren to enjoy the natural wonders that abound across Montana today. From a glacier down to Yellowstone and out to the Great Plains, we want to know that 100 years from now the legacy will live on.

To the young people of Montana, we're living in exciting times. I can tell you, as your President, I feel much more confident than at any time since World War II about being able to help bring a more peaceful world to the benefit of all. We're living in historic times, but we must do everything in our power to protect the environment.

Thank you for coming out to give me this warm Montana welcome. God bless you, and may God bless the State of Montana and bring it another 100 years of happiness. Thank you, and God bless you all.

Note: The President spoke at 1:46 p.m. on the State capitol grounds. In his remarks, he referred to Mayor Russ Ritter.

White House Fact Sheet on Environmental Initiatives

September 18, 1989

Cleaning Up the Nation's Air

Clean Air Act

On June 12 the President announced proposals to reduce emissions which cause acid rain, urban ozone, and toxic air pollution. The proposals, the first major overhaul of the Clean Air Act to be proposed by an administration in over a decade, calls for a 10 billion ton reduction in SO2 emissions by the year 2000, a 2 million ton reduction in NOx, and a 40-percent reduction in emission of volatile organic compounds which cause urban smog, and a reduction of 75 to 90 percent in air toxic emissions. These reductions will also help to curb an increase in global warming resulting from fossil fuel combustion. The proposal also calls for use of alternative fuels in 1 million vehicles by 1997. Alternative fuels, while reducing ozone precursors, will also reduce the toxic aromatics which come from conventional gasoline. The President submitted a comprehensive clean air bill to the Congress on July 21 embodying the proposals announced on June 12.

Clean Coal Technologies

The President proposed $710 million in FY 1990 for the Clean Coal Technology Program to encourage development of new technologies to reduce SO2 and NOx while still allowing coal to play a role in our energy future.

Fuel Efficiency

The administration approved action to increase Corporate Average Fuel Efficiency (CAFE) standards for automobiles to 27.5 miles per gallon. This action will reduce oil imports and reduce the contribution of automobile emissions to global warming.

Airborne Toxics

Asbestos Ban

On July 7 EPA [Environmental Protection Agency] announced an almost total phaseout of all uses of asbestos by 1997. The ban will prohibit importation, manufacture, and processing of asbestos, a carcinogen linked to lung cancer and mesothelioma (lung and chest cancer). EPA estimates asbestos is responsible for 3,000 to 12,000 cancer deaths each year. The action comes after over a decade of proposed rulemaking and data analysis on effects of asbestos and its uses.

Air Toxics Emissions Standards for Benzene

On August 31st the EPA Administrator [William K. Reilly] announced standards to reduce public health risks from benzene emissions. This air toxics standard has been in litigation for years, and this action represents an important step toward reducing emissions of a major air toxic pollutant.

Hazardous Waste Cleanup

Medical Waste

EPA implemented a medical waste tracking program on March 10 to track medical wastes to ensure proper disposal and prevent ocean pollution. The pilot program applies to 10 States. EPA will report to Congress after 2 years on whether nationwide application is needed. Violators can be charged up to $25,000 for civil penalties and up to $50,000 for criminal penalties. The program constitutes a first step in the President's pledge to clean up medical wastes which have washed up on beaches.

Superfund Cleanup

The President's budget proposed $315 million to pursue an aggressive cleanup schedule of toxic waste sites; and the administration has opposed congressional efforts to cut the Superfund budget to $150 million.

Superfund Management Review

The President proposed in February a major strengthening of the Superfund program to beef up enforcement. On June 14, under the President's direction, Administrator Reilly concluded a management review of the Superfund program, outlining initiatives for a more effective program, including immediate control of acute threats, better enforcement to induce private-party cleanups, and expanded research into better technologies for cleanup. Over 500 people will be added to EPA's enforcement staff to ensure that sites are cleaned up.

Department of Energy Nuclear Weapons Facilities

The President has endorsed a major increase of almost a billion dollars in the Federal Government's effort to clean up the environmental effects of Federal nuclear weapons plants. Under the President's direction, Secretary [of Energy] Watkins announced a 5-year environmental and safety cleanup for Federal nuclear weapons facilities. The administration is aggressively investigating any possible violations of applicable environmental laws that may have occurred at Federal facilities.

National Energy Strategy

The President announced the development of a national energy strategy, and the Department of Energy has conducted five public hearings across the Nation to elicit public testimony. The strategy will have as one component a plan to reconcile the need for a secure, abundant energy supply with environmental protection.

Ocean Pollution

The President proposed in his 1990 budget and has sent to Congress legislation which will toughen penalties for those who dump waste illegally in our oceans. The legislation calls for criminal felony sanctions against illegal dumpers. The administration signed a consent agreement with New York providing for phaseout of ocean dumping of sewage, sludge, and industrial wastes by 1991.

International Environment

Global Climate Change

The President proposed an increase in global environmental research for FY 1990 of 43 percent, or $191.5 million. In addition to Clean Air Act initiatives and the Clean Coal Technology Program, the United States will host the plenary meeting next February of the Intergovernmental Panel on Climate Change (IPCC). The United States chairs the Response Strategies Working Group which Secretary Baker addressed last January, where he stressed the importance of a coordinated effort to address climate change. The United States has begun discussions on a framework for a global convention to reduce emissions of gases which may cause global warming.

Chlorofluorocarbons

On March 3 the President called for a worldwide phaseout of chlorofluorocarbons by year 2000 if safe substitutes are available. Chlorofluorocarbons are responsible for depletion of the ozone layer.

Hazardous Waste Exports

On March 10 the President called for a ban on the export of hazardous waste unless the receiving country agrees to its proper disposal through a bilateral agreement. A small amount of hazardous waste generated in this country is exported, some to developing countries whose lack of good disposal practices could pose environmental problems.

Poland and Hungary

On July 9 and 10 the President announced technical assistance to both Poland and Hungary to control air pollution and improve water quality.

Driftnet Fishing Agreements

The administration successfully persuaded Japan, Taiwan, and Korea to enter into driftnet fishing agreements to monitor driftnet practices and enforce laws prohibiting the take of U.S.-origin salmon. The agreements will allow the United States to quantify the incidental take of seabirds, seals, whales, and other marine mammals. Each year several hundred billion dollars worth of illegal U.S.-origin salmon is traded on the international market. The agreements will protect the U.S. fishing industry from such losses in the future while protecting the marine environment at the same time.

Peace Corps Initiative

On September 18 the President announced a joint Peace Corps/EPA initiative to begin in 1990 the training of Peace Corps volunteers, as part of their standard preparation for duty, to deal with a full range of environmental challenges: water pollution prevention, waste disposal, reforestation, pesticide management.

Endangered Species and Habitat Protection

Ban on African Elephant Ivory

On June 5 the administration announced a ban on importation of African elephant ivory into the United States. Under the ban, importation of African elephant ivory from any country is illegal and includes both commercial and noncommercial shipments. Seized goods could subject a traveler to $5,000 fines. As a result, the value of ivory on the world market has plummeted, reducing the incentive for illegal poaching of elephants.

Desert Tortoises

The Department of the Interior issued an emergency listing of the Desert Tortoise as an endangered species under the Endangered Species Act in southern California, Utah, and Nevada.

Panthers

The Department of the Interior has acquired additional habitat for endangered panthers in Florida.

Habitat Protection

The EPA has denied a permit for construction of the controversial Two Forks Dam in Colorado because construction would have destroyed thousands of acres of valuable wildlife habitat.

Fishery Development

The President reversed a proposal to cap the outlay of funds collected under the Wallop-Breaux Trust Fund used for fisheries protection and development.

Offshore Oil Drilling

In his February address to the Joint Session of the Congress, the President proposed to postpone lease sales of offshore oil and gas development in environmentally sensitive areas off the coasts of California and Florida. The President set up a task force to examine environmental concerns associated with these sales and pledged to pursue development only in areas where drilling can be accomplished in an environmentally sound manner. The administration published proposed rules to prohibit oil and gas leasing in the environmentally sensitive Cordell Bank National Marine Sanctuary off the coast of California.

Resource Restoration and Protection

Wetlands

The President has called for a national goal of ``no net loss'' of wetlands. Consistent with that pledge, an interagency task force has been convened and is meeting to develop recommendations to meet that goal. The President has proposed special legislative authority to allow interest from monies collected under the Pittman-Robinson Act to be used for wetland purchases under the North American Waterfowl Management Act.

Expanding Parks and Refuges

The President proposed in his FY 1990 budget new spending of $206 million to expand America's national parks, forests, and wildlife refuges. This was the first proposed expansion in several years.

Reforestation

The President has long believed that the concept of stewardship of our natural resources is the basis of a sound approach to the environment. As part of this belief, the President has long been an advocate of reforestation. His personal commitment to planting trees is indicative of his support for the ongoing efforts of Federal, State, and local programs, as well as reforestation

projects undertaken by private and voluntary organizations.

Remarks to the Five-State Legislators Conference in Helena, Montana

September 18, 1989

Thank you, Governor Stephens. Thank you, Governor, very much, once again, for the warm welcome to your State. Maybe four-fifths of this crowd out here, inasmuch as it's a five-State conference, will join me in thanking you for your hospitality. And then your own troops -- you can take care of them any way you want. [Laughter]

But I am delighted to be here. My respects to Representative Peck and Speaker Vincent, Senate President Galt, and ladies and gentlemen. Thank you again, Governor, and to everybody involved in all the arrangements for a trip of this nature. It's a pleasure to address this five-State conference, and it's timely.

You know, being here reminds me of that TV series a few months back. Remember ``Lonesome Dove''? Cattle drive -- started down in Texas and wound up in Montana. Well, here's one Texan who's followed suit today and, who, because of your hospitality, is feeling anything but lonesome. I don't know if your slavedriver leaders of the conference let you go outside, but I was really deeply moved by that wonderful reception and wonderful meeting out there in the front of this lovely capitol. So, I'm delighted to be here. I'm sorry Barbara is not. She happens to be in the Panhandle of Texas today, in Amarillo, and so is not with us, but she would have loved it, too.

Let me just share a few words of appreciation -- Henry David Thoreau, who said, ``Eastward I go only by force, but westward I go free.'' And those words hit home on a day like this. For it's freedom that moves the mind and spirit as you travel west from Washington. And you see the Mississippi, mighty and meandering, and the Great Plains, from Air Force One -- a giant, sprawling checkerboard -- and then the Rockies, and a sampling of some of God's best handiwork. And you're free to enjoy this Big Sky and dream dreams as big as all America. But as we dream, we must also act -- act as wise stewards of this generation, for all the generations to come.

Speaking at the Montana centennial celebration a few minutes ago, I talked of one kind of stewardship: the safeguarding of our national resources. The great outdoors is precious but fragile. To preserve it, we must protect it. And let me again say here, as I said outside, I'm very proud to have Bill Reilly, the head of EPA, doing his job, and traveling with me here today, too. He's an outstanding environmentalist, a very sensible man; and already I think he's making a real difference.

In talking about the preservation, yet, protection, I'll confess I sometimes feel like a student

advising his teacher. For I needn't tell the people in this audience from these five States about hunting and hiking and rafting and fishing. I had a terrible streak in Maine this summer on the fishing. But stewardship can mean preserving the purity of our living environment, for America can only be as beautiful as her people are vigilant. Stewardship can also mean -- and this is what this meeting is about -- preserving our teaching and learning environment, for America can only be as great as her children are educated. And it's this kind of stewardship that I just want to talk to you briefly about. And it's the reason, of course, that each one of you is here -- many of you from centennial States -- sharing ideas and responsibility to help shape the next hundred years of American education.

We hear a lot today about our education problems. And we should because the problems are real: a too high dropout rate; too little parental involvement; erratic standards; too little accountability by teachers and students; schools that are unsafe and wracked by drug use and drug trafficking; kids ill-equipped to read, write, or understand new technologies. And these problems must have solutions. This conference hopes to find some. Because when it comes to education, I really feel strongly Washington does not know best: the people do. And nowhere is that truer than here in the American West, where local values and school autonomy are as revered as love of freedom and love of country.

And perhaps nowhere is it more embodied than in this magnificent painting just behind me -- a Russell. It has been called Charles Russell's greatest work, entitled ``Lewis and Clark Meeting the Flathead Indians at Ross' Hole." And it says a lot about the West and, strangely enough, about western education. To the right stand Lewis and Clark, asking questions about a strange world, willing and needing to learn. And in the center are the Indians, ready to share knowledge and lead Lewis and Clark along unknown terrain.

For decades after, this spirit of freedom and discovery spurred the West. And, yes, it was tough. Life was hard. And there were homes to be built and schools to be constructed so that kids could learn. And how did these pioneers do it? The way the West has always done it. They were selfless and independent, and they were resolute and unafraid.

Let me take just a couple of minutes to remember how it was, not as some trip down memory lane but as a profile in the stewardship of education, a profile of courage and self-discipline, lessons as timely to 1989 as to the pioneers of 1889.

Remember, first, the schools themselves -- names like Dry Run and Sitting Up, Crocus Hill -- and their condition: small, often only one room -- dirt floors, log walls. And remember the communities that built them. What a task it was. Often, supplies were limited, but there were always enough hands. For communities pitched in -- lumberjack, carpenter, mason. Whatever it took, those kids would have their school.

And remember, too, the students -- just getting in to school -- we know that from our history --

mission impossible. In Chinook, Montana, almost a hundred years ago, a 10-year-old, Lillian Miller, needed sturdy shoes -- her little log school was 7 miles from home. And once at school, here's what she and others found: makeshift furniture -- students sat on boxes or benches. Books? They were more elusive than prospectors' gold. Four or five kids studying from a single volume. Just think of it. Think of how those students must have loved to learn, for look what they endured.

And when it came to love or endurance, no one eclipsed their teachers. They were the first stewards of American education. To begin with, think of their problems: leaking roofs, rooms full of kids of all ages, and skunks beneath the schoolhouse -- imagine what that did for student discipline. And think, then, of their pay. That was really a problem -- less than $30 a month. And privacy; what privacy? Teachers were often boarded in small houses with larger families. And they often doubled as a community leader.

And then there were the parents. And they had to run a farm, raise a family, fight off everything from claim jumpers to bears. And what's more, they housed kids from distant families, caring for them like their own, so that every child might have the chance to learn. For they realized the future lay in their children, through education.

These pioneers knew, as we do, that education can carve a better life. And they knew that true learning -- basics like reading, writing, and arithmetic -- don't stem from trendy curricula. Rather, true learning stems from values that are always in style, values like ``Do unto others;'' values that tell kids why drugs are public enemy number one and detail a program, as our administration has, to defeat that enemy. And in that context, let me say: This national strategy needs your help. We need the States to toughen their laws: mandatory time for weapon offenders; no plea-bargaining on guns; the death penalty for heinous drug criminals; and more police, prosecutors, and prisons so that vicious thugs will be pursued, prosecuted, put away for good. And these steps will help make learning possible and allow teachers to teach values like self-respect, good citizenship, and patriotism, values as central to the American West as the bravery that tamed its frontier.

I guess the bottom line is that no government planner told these pioneers how to structure courses or how long the school year should be. They decided right there. They didn't need Washington to know that those closest to the community best understand its priorities, and nor do you today. I'm talking about local school boards, teachers, parents working with each other or in a partnership with all levels of government.

As a partner, let me pledge to you: Our administration will listen. I meant it when I said earlier Washington doesn't know best, the people do. For I reject implicitly the notion of Federal mandates -- Federal mandates back telling the State legislatures or the Governor what they have to do. I reject Federal mandates, Federal bullying, in education. Instead, what we need and what I'm asking for are local ideas, local creativity, and more local autonomy.

The plain truth is that our educational system is not making the grade. In a recent comparison of 13-year-old students in the United States and five other nations, America placed last in mathematics and near last in science. Spending more money on education than most other countries, we're getting less return on our investment. And it's time, then -- and you sense this -- it's time, then, for change -- perhaps radical change -- to find new ways to improve educational performance. And that's why over the past several months I have met with groups from the American Federation of Teachers to the National Association of School Boards, and from mayors to elected officials to many State legislators. And it's why we're meeting today. For I know how important State legislators are. You appropriate the money; you make the programs possible. And you are often experts on education. And yet you can't do it alone, any more than Washington. Only through partnerships -- government serving as a catalyst -- can we make American education number one.

Accordingly, in April I sent to the Congress the Educational Excellence Act of 1989. Our program has four objectives: first, to reward excellence; second, to see that Federal dollars help those most in need; third, our program demands educational accountability; and fourth, it supports greater flexibility and choice. We want to create a $500 million program to reward schools that improve the most and a new magnet schools or excellence program, helping parents choose which public schools their children will attend.

And then there's alternative certification, allowing talented Americans to teach in the classroom, and then special Presidential awards for the best teachers. And through a new initiative of the National Science Scholars, we want to increase incentive to excel in science, math, and in engineering. The 1989 Education Act seeks to invest in the kids, and their kids, who will truly shape the next 100 years.

This conference, I believe, can help advance that goal, as can ideas of citizens from Maine to California, and so can an unprecedented event which occurs next week: the Nation's first Presidential education summit. We will gather to talk, to think, to exchange ideas: ideas about how to boost teacher recruitment and retention, and increase the choices for parents and students; ideas on how best to coordinate the role of Federal, State, and local governments and instill a drug-free and crime-free environment in our schools; in short, ideas on how to spur educational reform and return power to the people.

Our summit will be as wide-ranging as the West. So, let your Governors know precisely what you think. And if you do, summit participants will reaffirm the central lesson of the centennial pioneers: that only together can we truly educate America's children. For education is our most enduring legacy, vital to everything we are and can become.

What a legacy they have given us, these pioneers of a century ago, and what a responsibility we have. So, let us meet it, so that a hundred years from now future generations will say of us: They taught their children well.

I am impressed with what you're doing. Five States, a room full of committed people: you really can make a difference, and we want to work with you. Thank you for the privilege of sharing this occasion. God bless you for your commitment, and God bless this great State, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 2:32 p.m. in the house chamber of the State capitol. In his remarks, he referred to State Representative Ray Peck, Speaker of the State House John Vincent, and President of the State Senate Jack E. Galt. Representatives from North Dakota, South Dakota, Nebraska, Wyoming, and Idaho attended the conference.

The President's News Conference in Helena, Montana

September 18, 1989

The President. I have a brief statement, and then I'll be glad to respond to some questions.

I have decided, and Secretary Mosbacher has announced in Hungary, that Hungary will be granted permanent most-favored nation, MFN, status in October and will be granted the benefits of a Generalized System of Preferences.

Hungary has undertaken major steps toward political and economic reform, and during our recent visit, we witnessed significant changes toward freedom in that country. The dedication and diligence of the Hungarian people is quickly transforming the economic system into a more productive and competitive posture.

GSP eligibility will open new doors for the Hungarian economy, encouraging greater market orientation and increasing the foreign exchange earnings. Our commitment to helping the reform movement in Eastern Europe is strong. Our step today underscores our willingness to help these countries. Obviously, it's up to them to make the structural adjustments, but they should be aware that the United States is ready and willing to assist in this progress.

Let me just say a word on economic growth at home. There is an issue before the Congress which I feel is just the kind of thing that will help States like Montana bolster their economic productivity and employment. A reduction in our capital gains tax rate is right for Montana, and it is good for America. And I am pleased that there has been a bipartisan effort in the Congress to bring this issue to the House floor. I'm hopeful that the Congress will continue in this bipartisan spirit.

And now I'll be glad to respond to some questions.

Arms Control

Q. Mr. President, when you meet on Thursday with Mr. Shevardnadze [Foreign Minister] of the Soviet Union, there's a lot of speculation that he will bring with him a major new strategic arms proposal from the Soviet Union. Are conditions ripe now to move ahead on a strategic arms agreement, or is there a chance that further delays may make it impossible to reach such an agreement in your term?

The President. I would not take that pessimistic an assessment that further delay will make it impossible to reach an agreement in the next 3\1/2\ years. I don't know, Tom [Tom Raum, Associated Press], what he is going to bring with him. I've read speculation that there might be a new arms control proposal, but I can't confirm that for you. We do want to move forward on

START. As you know, we came in, did a review, completed the review; and we're working inside our own administration to have proposals that I think will capture the imagination of the Soviet Union. But I don't know what he's going to bring. We haven't had that confirmed.

Soviet-U.S. Summit Meeting

Q. Mr. President, is it time now to talk about a summit with Mr. Gorbachev?

The President. No, it's time to talk about a constructive, productive meeting of the Foreign Ministers out in Wyoming, and we'll have to see what message Mr. Shevardnadze brings with him. But I feel under no rush on that subject. I think our handling of the Soviet account is pretty good. I feel we've got experts in whom I have great confidence that are handling these matters -- the Secretary of State; General Scowcroft [Assistant to the President for National Security Affairs]; Bob Gates [Assistant to the President and Deputy for National Security Affairs], with us here today; Dick Cheney; the Chairman of the Joint Chiefs [Adm. William J. Crowe, Jr.].

And so, I think the key point is: Does the Soviet Union understand that we want to see their perestroika succeed and see them move forward with more liberties? And I think they do understand that. And so, I don't think there's any chance of a disconnect there.

Arms Control

Q. Mr. President, why hasn't there been more progress on START? By the time that Shevardnadze arrives on Thursday, you'll have, or be close to having, a couple of modest agreements, one on chemical arms inspection, one on nuclear testing. You're moving ahead with an innovative plan on conventional weapons. But there's a perception here that the administration just has not been willing or had the desire to move forward as fast and with concrete action on START as it has elsewhere.

The President. That perception may have come about because we did put the earliest effort into conventional forces. I happen to think that that's the place the earliest efforts should have gone -- into getting some conventional force stability. And therefore, we did move forward more quickly on that. But I don't think it's right to read into that effort -- incidentally, a proposal that captured the imagination not just of the West but of many in the East as well -- to indicate from that that we're not interested in going forward on START. Or let me throw in chemical weapons -- most of you here have heard me speak about the importance of trying to do something in the chemical weapons area. So, the fact that we've tabled one imaginative and, I'd say, far-reaching proposal should not mean that we're not interested or unwilling to go forward with START. But that may be how -- if there is such a perception -- how it came about.

Q. Is it that the START issues, the last four remaining big issues on START, are too difficult? Are the differences between the U.S. and the Soviets too deep? Are the problems within your

own -- --

The President. Well -- --

Q. -- -- administration too great?

The President. I don't think any of that -- I mean, maybe some of the above, but not all. I mean, these are not easy problems. Verification issues aren't easy. I would simply say that I don't see any insurmountable stumbling blocks there, though.

Racial Tensions

Q. Mr. President, closer to home, in the past few months there have been a number of racial incidents in this country -- blacks attacking whites, whites attacking blacks. Sir, what does this say about the state of racial relations in our country?

The President. Well, it says something ugly whenever there's an incident of that nature. I hope there's no trend towards more and more divisiveness along racial lines. And I will do my best to speak out against bigotry, wherever it occurs; racism, wherever it occurs, in what direction it goes; and against violence of any kind.

Q. But as a practical matter, sir, is there anything that either yourself or the Federal Government or even State government can do to end what seems to be a new trend in racial violence?

The President. I don't want to accept that premise. I don't feel that there's a new trend of racial hostility. But when these regrettable incidents occur, I think that all of us should unite in speaking out against them. But I don't think there's a Federal statute that is going to take care of an incident of that nature.

Gun Control

Q. Mr. President, Colombian leaders claim that the drug cartels are arming themselves with rapid-fire weapons manufactured in the United States and smuggled into that country. Given the fact that we're asking Colombian authorities to put themselves at risk in order to deal with this drug problem, how can you justify refusing to ban the sale and manufacture of those weapons in the United States?

The President. Well, I think everybody here knows my position on guns and banning guns. I do feel one thing we can do is cut down on the automatic clips that are used, the amount of fire coming out of one of those guns. We've made proposals, and I think we ought to get along supporting the President's proposals and the anticrime package -- and that will send a very strong signal to Colombia.

Q. May I follow?

The President. You want to follow his question? No. [Laughter] You're second, however.

Drug War in Colombia

Q. Mr. President, there have been reports that the Colombian drug lords have targeted people in the United States and maybe even members of your own family. I was wondering if you had any message for any drug traffickers in Colombia who might be thinking along those lines.

The President. Well, I think I take a rather dim view of it. Look, I know there's speculation on this, but there is no hard intelligence evidence of such targeting. So, let me just lay that one out there to rest. But clearly any such action would, I think, just bring down the total wrath of the American people and the American Government.

But as I tried to make clear at one of our last press conferences, sometimes a courageous government in South America has difficulty controlling its own fortunes. And one of the reasons I have objected to some of this far-sweeping legislation on the Hill -- about let's cut off all South American countries from which these drugs come into this country -- is that that would stand up against President Barco, who is doing his level best to confine this and to control it in Colombia.

Q. Are you afraid for the security of your family, sir?

The President. No, I'm not. I'm not afraid. I have great confidence in the selflessness and in the thoroughness of the intelligence community and of the Secret Service.

Gun Control

Q. You said today and on Friday that you would not extend to domestically made semiautomatic weapons a ban you placed on imported weapons. But are there any restrictions at all that you would accept if Congress approved them on those weapons?

The President. Well, I'd be glad to talk to Congress about it. But basically I think the thing to do is go forward and approach the problem by passing our anticrime bill. I used the analogy the other day of the person in the tower with an automatic, I mean, a quick-firing rifle as a view that it's going to be very, very hard to legislate against aberrational behavior. And I have long felt that the answer is to go after the criminal and not, in the process, do violence to the rights of legitimate gun owners.

Visa Request From Yasser Arafat

Q. Mr. President, we're told that Yasser Arafat is preparing a visa request so he can come to the U.N. General Assembly to speak. Now that the U.S. has opened the dialog with the PLO, would you have any objection to Arafat coming to New York?

The President. I will consider that matter when and if it comes to my attention. You've heard something I haven't heard -- that he is preparing a visa request, but I will look at that. What I mean is, I'm not going to answer your question right now because I don't know the final answer. But, obviously, it was a decision that would come to me, but it's not that far along.

Capital Gains Taxes

Q. Back on the capital gains tax rate cut: the Democrats on Capitol Hill seem plainly determined to make it a major party question. How do you deal with that going into the floor debate in the House, and how does that tie into the grand strategy that we keep hearing about for a major budget compromise in the next 2 years?

The President. Well, it ties into the fact that I ran for office in this State and in 49 other States on a platform that included very clearly a capital gains differential. And I happen to feel that it is good for creating more jobs. I think it is good for risktaking. I think it is something that should happen. So, we'll fight for it on the floor and hopefully get it passed, and then approach the follow-on budget considerations.

But this concept that I'm hearing from some who are on the other side of the issue -- well, if you insist on this, then we won't talk to you about A, B, or C for the future -- I don't think that's right, and I don't think the American people would support that. There was a good, clear fight in that committee; and at this juncture, at least, after lots of amendments, my side prevailed on a bipartisan way -- a lot of Democrats supporting us. And now we go to the floor. And then whatever comes out of the floor, we have to fit in, obviously, to the budgetary requirements for next year.

But I don't think it is right for people who get whipped on an issue in a committee to then start a lot of threats on the other side, saying, well, we'll never deal with the President. It doesn't work that way. You know why? Because the American people have a say. And they had a say last year about this question, and they'll have a say in the future. And it is not, as my critics contend, a tax that will simply help the rich. A lot of countries don't have tax on capital at all.

Federal Role in Education

Q. Mr. President, a few minutes ago you told the State legislators that Washington does not know best on the subject of education. At the education summit next week in Charlottesville, many of the Governors, not all Democratic, are going to say they want more from Washington. How are you going to reconcile the difference?

The President. Yes, they want more, and sometimes justifiably so. But I can't think of a Governor that's going to come to me and say: Tell us how to do it. Mandate it. Mandated benefits from Washington -- we've had enough of that, and I am against that. And I will make it clear I don't care how many of them come and say that. But I don't think any will, John [John Mashek, Boston Globe]. I don't think they want control. Of course, Governors are going to want additional resources of one kind or another. And maybe we can accommodate them, or maybe we can't. But I don't think they want that control of education, what they call mandated benefits. I'm absolutely certain they don't.

Trade With Hungary

Q. How much did it figure in your decision on Hungary and trade -- their facilitating travel to the West with the East Germans?

The President. Well, to be candid with you, it was in the mix before those rather dramatic happenings. And I think their overall economic performance merits it. But clearly, when a country takes a courageous decision, that's just of additional benefit to this relationship that's growing and that is very, very important.

German Reunification

Q. Mr. President, the recent exodus of East Germans to West Germany has got a lot of people thinking about the potential reunification of Germany and whether that would be a good idea or not. Do you think a reunified Germany would be a stabilizing force in Europe or a destabilizing force?

The President. I would think it's a matter for the Germans to decide. But put it this way: If that was worked out between the Germanys, I do not think we should view that as bad for Western interests. I think there's been a dramatic change in post-World War II Germany. And so, I don't fear it. And I notice that the Chancellor had something to say on this the other day -- I might need help from Bob [Gates]. But nevertheless, this is something that should be for them to determine. But I think there is in some quarters a feeling -- well, a reunified Germany would be detrimental to the peace of Europe, of Western Europe, some way; and I don't accept that at all, simply don't.

Alaskan Oilspill

Q. Mr. President, throughout your speeches today, you talked a great deal about the stewardship of the environment, yet you haven't mentioned the Alaska oilspill, and you dropped plans to go to Alaska as an extension of this trip. Shouldn't an environmental President have visited the site of this terrible oilspill?

The President. We had an environmental Vice President that went and gave an accurate report, and environmental head of the EPA that went and gave a good report, and an environmentally conscious head of the Coast Guard that went. And I would like to have gone up there, and maybe I'll get to go. But I don't think the fact that you don't go somewhere shows -- of this nature, at this time -- shows a lack of interest at all. And I am hopeful that the winter will be kind to the environmental damage there and help follow on to what man has tried to do. But please don't associate my not going to Alaska at a rather busy time with a lack of interest in Prince William Sound.

Q. If I may follow up, sir: Are you satisfied with Exxon's efforts, and do you believe that they will either themselves be back in the spring or that you'll be sending them a bill for more work to be done?

The President. Well, we have to see, but they will come back there -- I am convinced of that -- if the matter is not further along. There's no question, and I think they've said that. But we will be looking to that.

China-U.S. Relations

Q. Mr. President, it's been 3\1/2\ months since the massacre in Tiananmen Square, and American businessmen, including your brother, are now back making deals with the Chinese. Are you willing now to resume normal relations with the Chinese Government?

The President. No, no, we're not. We have relations. I've tried to protect and preserve a long-time relationship that is very important to us, to the United States. It's in the national security interest, in the geopolitical interest, of the United States to have a relationship. But, no, it's not time for total normalcy, and I would hope that we would see proper signals that would indicate to me that it is in the future. But I don't want to hurt the people by cutting off commerce from the West. I've said that early on, right at the beginning, and I haven't changed my mind on that one. But there's still difficulties, great difficulties there.

Soviet-U.S. Trade

Q. Does your action on Hungary today indicate that you might be moving closer toward some similar action for the Soviet Union?

The President. Well, one of the matters that will be discussed in the Wyoming meeting will be the whole economic front, and perhaps that. But I couldn't say that in our decisionmaking process at the White House and the State Department that it's been moved forward, knowing of this decision on Hungary.

Q. I wonder why not, since the Soviet Union approved of Hungary's actions vis-a-vis East Germany and, at the same time, they have released so many Jews -- --

The President. Soviet Jews.

Q. -- -- they don't know what to do with them -- Soviet Jews.

The President. Well, there are encouraging signs coming out of the Soviet Union, and we're going to continue to look at them closely, continue to have contacts with the Soviet Union across a wide spectrum of levels, and then make our recommendations on that. But all of this helps, Saul [Saul Friedman, Newsday]. In my view, all of these things help.

Q. At what point do you make some decisions, rather than simply saying we're looking at these things?

The President. Well, we just take our time and do what I think is -- handle the overall Soviet relationship in a prudent way. And I think we are doing that. And so, I can't put a timeframe on it for you, but I would concur that all of these things help.

Terrorism

Q. Mr. President, I'd like to bring you back to Maureen's [Maureen Dowd, New York Times] question. As we understand, there's been some increased security for your family and for other officials. But are you concerned that this drug war is now going to enter the United States, that there has been an escalation, not merely a threat but a potential danger here?

The President. I don't think there has been, in a hard intelligence sense, an increase in the threat. People are concerned -- they're concerned, obviously, in south Florida. They're concerned in other parts of the country as well. I would go back to when it was apparent that Libya was exporting state-sponsored terrorism perhaps more than they're now doing. And there was a concern then about the lives of Americans in our country. And so, I can't say I'm totally unconcerned, but I can't give you any hard evidence that should further alarm the American people in this regard.

Did I leave out something?

Q. Well, I don't know if you leave out something.

The President. I mean, did you leave out something? You weren't clear on the question, put it that way.

Q. Well, I suppose the logical follow-on is: Have additional specific steps been taken to ensure

that it won't come into this country?

The President.I don't know of any additional specific steps along the border, but we have tried at every turn to step up our interdiction. And we are doing a better job now, I can tell you, than we were a year ago in coordinating intelligence, which would be probably the key area there. But not as a result of -- I can't think of any -- two or three specific things done -- at least that have come to my attention, since the crackdown by President Barco, if that was the question.

Emigration of Soviet Jews

Q. After pressing the Soviet Union for so many years to allow unfettered Jewish emigration, do you think the United States in good conscience can set a limit on the number of Soviet Jews that are allowed to come here? And does the apparent decision to set some limit have anything to do with Israel's view that not enough of the Soviet Jews want to go there?

The President. Well, first, Israel does want as many as possible to go there. There's no question about that. But I think we can accommodate those certainly that have applied. And, yes, we do have to control our overall immigration policy. I mean, we had that at the time of the boat people. We have it in Brownsville, Texas. We have it in people coming from other countries, from all across South America wanting to come here. The British are facing this problem now in Hong Kong in a very serious way. And any country must set certain limits.

It speaks very well, I think, in terms of what's happening in the Soviet Union and, hopefully, in the way we're handling the Soviet account, that more and more people are being permitted to come here.

Q. But you don't feel any sort of moral imperative after the United States has pressed the Soviet Union so long to have an almost open immigration policy for Soviet Jews?

The President. Well, I'd like to have an open immigration policy for Vietnamese refugees, for those fleeing the tyranny in Nicaragua, but we can't do that. We have to have certain control of our own policy. I remember feeling this way at the time of the Mariel Boat Lift, and so, I know where my heart is. And I'm very proud that it's moved up from what -- 3,000 emigres in one year to now 50 or 70, Bob [Gates], somewhere in that range -- and that's good. And I want to do whatever we can to encourage it. But P.S.: We have got to have an overall immigration policy that keeps the control of our demographics in our hands.

War on Drugs

Q. Mr. President, is there any progress to report on negotiations with Congress on the drug bill? And would you be willing to put more money into the drug war as a possible compromise?

The President. There may be a compromise in the Senate, and I hope there is. And I've been one who is chastised for too much compromise from time to time, but I'm not in a position that there will never be any compromise. I am in a posture of saying: We've allocated the right amount of resources; let's get on with doing what I've suggested, and then if there's some glaring holes in the program, fine.

But to jump out immediately and start yelling -- not had I gotten off that television set than a voice comes on from the Democratic side talking about more money. And then you hear this hue and cry about raising people's taxes. We don't have to do that. We've allocated a proper amount of money. And do I wish there were more that would be readily available and painlessly? Absolutely, but we've not fit a program -- a national drug strategy -- fit it into what I think is a sound financial proposition. And therefore, I'd like to urge the Congress to get on with it.

The American people want action. They support strongly our national drug strategy. I haven't seen one single piece of evidence that they don't. And so, let's take a step. Instead of criticizing -- every time you come out with a proposal, whether it's on clean air or something else, somebody wants to raise taxes and add more money to it.

Well, I can understand that reflex, but I think we ought to try now to move some of these things forward in the last days of this Congress. And there's several other -- crime package and some of these other areas -- that I think they can move fast on. I'm very pleased with Bill Reilly [Administrator, Environmental Protection Agency] telling me that the House is starting to mark up our environmental package. That's good. So, I don't want to be hypercritical, but I must say there's a certain frustration level when you come out with a sound program and two answers come out: Spend more, and raise taxes. And that I don't think we have to do to be sound in the environment or sound in education or sound in antinarcotics.

Use of U.S. Troops in the Drug War

Q. Can I follow up, Mr. President? Today Secretary of Defense Dick Cheney said U.S. troops should be used more in the drug war and that they would, in fact, be put in harm's way. Is that what you foresee?

The President. You know what I learned long ago? Don't answer from one sentence out of something that somebody said that I haven't seen. But I've stated my position on trying to support Colombia. But I just would get in real trouble if I commented -- even though I'm sure you accurately reflected what he said, or tried to. [Laughter] But put it this way: He hasn't discussed it with me, and something of this nature -- I'm sure he would.

Arms Control

Q. Mr. President, to the earlier questions on the meetings with Mr. Shevardnadze, you answered

and you couched your responses in terms of responding or reacting to what he brings. Can you talk for a second about what you want them to react to? What is your agenda? What do you want to get out of those meetings?

The President. Well, we've got some of our agenda on the public table, as you know. The most pressing point, the conventional forces, that agreement -- that would really be a wonderful step to see completed fairly soon. But there will be other issues that Secretary Baker will be raising with them -- a wide array of them. They will be on their economy. They will be on the environment. They will be on -- well, several others that -- I touched on chemical. I don't know exactly how far along we're going to be by the time that meeting starts.

But we're not going to just react to his proposals. We're going to be very interested in them and welcome them, but we just simply cannot and will not keep reacting. We have interests in this hemisphere, where the Soviets continuing to send -- or increased amounts of arms going into Nicaragua right now over last year. That's not very good. That's not a very kind and gentle approach to this hemisphere. And so, we're going to be raising other questions with them. But I think it will be a constructive meeting and hope there will be progress.

Strategic Defense Initiative

Q. Mr. President, Vice President Quayle has indicated in recent statements that the administration may be reevaluating or backing off on its commitment to SDI. What's going on with SDI?

The President. We're not backing off it. We submitted some figures up there, and lo and behold, they were cut, or trying to be cut. And so, we will stay with it. But I think what the Vice President was talking about was SDI as now constituted, opposed to the original broad, idealistic -- wonderfully idealistic -- proposal of an impenetrable shield. I think what Dan Quayle was doing was focusing it down more where the research would go more along the lines it is now, but with the shield proposal kind of set aside. I think that's what that was all about.

All right. Persistence pays off -- not yours, his. [Laughter]

Emigration of Soviet Jews

Q. I wonder if you could go back to the question of Soviet Jewish emigration? It's understandable that nations must set limits and control their own emigration, but when we thought that there was a real need, the space was there. I wonder if you feel that the need is diminished? I wonder if you feel that there is no longer the threat to Jews in the Soviet Union?

The President. I'd have to say I think the climate is better, but I can't say there's no threat to employment, to -- you know, sometimes when you file an application to leave the Soviet Union,

you're automatically denied employment, sometimes your apartment, wherever it might be. So, I think things are improving, but I think as long as someone is held in a country against their will, because they can't get out, it is a matter of human concern. It is a matter of conscience that was summed up really in the Helsinki accords. And so, it's not just the Jews coming out of the Soviet Union. It's a very important category, but there are others around the world that are seeking refuge as well.

So, I think things are somewhat better there, but I don't think we can say: Look, you've totally lived up to your commitment for ingress and egress by permitting, what, 70,000 people to leave. I mean, I've heard figures as high as half a million wanting to leave the Soviet Union. So, we can't relax on that, but we do have to have an orderly immigration policy.

Thank you all for your understanding. May I ask if there's a question from a Montana -- Frank [Frank Sesno, Cable News Network], you are not a Montana reporter. [Laughter]

Wilderness Areas

Q. Mr. President, you didn't mention anything about wilderness in your talk on environmental stewardship. The big issue in Montana and most of the other Western States is whether to add additional wilderness areas to the national -- what's your position on that?

The President. First, let me give you a broad answer. We can accommodate sound environmental practice with some growth. And the Governor of this State feels that way. We did talk about it earlier on. We have made proposals for more wilderness to be set aside. And I can't help you with exactly what's happening in Montana on that, I'm sorry. But I'm one who campaigned on and still feels that you can have good, strong, sound environmental practice without saying there will be no growth whatsoever or no energy industry whatsoever. So, whether that helps or not -- but I'm just not familiar with the numbers of acreage being requested here in this State.

Okay, thank you all very much.

Note: The President's 24th news conference began at 2:48 p.m. in the house of representatives chamber of the Montana statehouse. Following his remarks, the President traveled to Spokane, WA, where he remained overnight.

Letter to the Speaker of the House of Representatives and the President of the Senate on Trade With Hungary

September 18, 1989

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add Hungary to the list of beneficiary developing countries under the Generalized System of Preferences (GSP).

The Trade and Tariff Act of 1984 first allowed Hungary to be considered for GSP benefits. We have carefully examined Hungary under the criteria identified in sections 501 and 502(b) and (c) (19 U.S.C. 2461; 2462(b) and (c)) of the Trade Act of 1974, as amended. In light of these criteria, and particularly Hungary's ongoing political and economic reform, I have determined that it is appropriate to extend GSP benefits to Hungary.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974, as amended.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Nomination of Richard H. Melton To Be United States Ambassador to Brazil

September 18, 1989

The President today announced his intention to nominate Richard H. Melton, of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil. He would succeed Harry W. Shlaudeman.

Since 1988 Ambassador Melton has served as the Deputy Assistant Secretary of State for Inter-American Affairs. Prior to this, Ambassador Melton served as Ambassador to Nicaragua, 1988; Director of the Office of Central American and Panamanian Affairs at the Department of State, 1985 - 1988; and deputy chief of mission at the U.S. Embassy in Montevideo, Uruguay, 1982 - 1985. From 1979 to 1982, he was political officer at the U.S. Embassy in London, United Kingdom; and a political officer at the U.S. Embassy in Lisbon, Portugal, 1975 - 1978. Ambassador Melton was a special assistant in the Bureau of Inter-American Affairs, 1973 - 1975, and an international relations officer, 1971 - 1973.

Ambassador Melton graduated from Cornell University (B.A., 1958) and the University of Wisconsin (M.A., 1971). He attended the National War College, 1978 - 1979. He served in the U.S. Army, 1958 - 1961. Ambassador Melton was born August 8, 1935, in Rockville, MD. He is married, has three children, and resides in Alexandria, VA.

Appointment of Christine D. Reed as a Member of the Board of Directors of the Federal National Mortgage Association

September 18, 1989

The President today announced his intention to appoint Christine D. Reed as a member of the Board of Directors of the Federal National Mortgage Association (Homebuilding Industry Representative) for a term ending on the date of the annual meeting of the stockholders in 1990. She would succeed Vance C. Miller.

Mrs. Reed is currently the executive director of the Building Industry Association of Southern California for the Orange County region in Santa Ana. Prior to this, she was director of the California Department of Housing and Community Development, 1987 - 1989, and was the interim director, 1986 - 1987. From 1983 to 1986, Mrs. Reed was assistant secretary and then deputy secretary for the business, transportation, and housing agency in Sacramento, CA. She was deputy attorney general for the State of California at the California Department of Justice, 1981 - 1983, and assistant legal director for the California District Attorneys Association, 1980 - 1981.

Mrs. Reed graduated from San Diego State University (B.A., 1974) and Western State University College of Law (J.D., 1977). She was born July 28, 1952, in Frankfurt, Germany. She is married and resides in Corona del Mar, CA.

Remarks at the Washington Centennial Celebration in Spokane

September 19, 1989

The President. Thank you very, very much. Thank you, Tom, thank you, Speaker Foley, for that very kind introduction. Please be seated -- sorry about that. [Laughter] Oh, heavens, what a day! And thanks to the magnificent performances and performers on the Opera House steps over here. You added considerably to this. Thank you all very much.

Let me say at the very beginning that Washington State is very lucky to have a friend like Tom Foley in the Nation's Capital. He is a man of integrity, decency, fairplay, and -- okay, he's a Democrat, but -- [laughter] -- he's a man I'm very proud and honored to work with. And you should be very fortunate to have him as your Congressman, just as I am to have him as the Nation's Speaker.

Mrs. Foley -- --

Audience member. Yea, mother! [Laughter]

The President. See, she brought the family. [Laughter] And my old friend, Joel Pritchard, the Lieutenant Governor. Thank you all for your warm welcome. My congratulations to cochairmen Ralph Monroe and Jean Gardner, Washington's first lady, on a great centennial. And Mayor pro tem Higgins, you've got a beautiful city here to be proud of. And then I'd like to just say hello all the way across the country to Senator Slade Gorton, thanking him for all his work on behalf of the people of this great State.

You know, back in 1889, when President Harrison sent a letter -- telegram, rather, to the first Governor of Washington to tell him that Washington had become the 42d State, he sent the telegram collect. [Laughter] Well, that's one way to balance the budget. [Laughter]

It's a pleasure to be here at the dawn of a second century of statehood, here in the Evergreen State. I'm not going to give you, you can be pleased to know, the usual stump speech. And I may be going out on a limb here, but I think most of America thinks of you as the real Washington. Yours is a land of rich resources and resourceful people. Salmon, gold, timber in abundance brought us here, as the promise of the Pacific brought the railroads west. There has always been, and will always be, a sense that the future is being decided here in this gateway to the Pacific.

Here in Washington you're doing well, living in a State with exports that went up nearly 40 percent last year alone, leading the Nation in exports per capita, and cutting unemployment from 10 percent to 6 percent over the last 5 years, during a time of rapid population growth. And last

month you held a Pacific summit that reminded America how crucial the interrelations between nations are for our future. Even now your able Governor is in Japan -- Governor Gardner. Last Thursday he attended groundbreaking ceremonies for Washington Village, a housing development in Kobe, Japan, using Washington-finished forest products and U.S. construction methods. And that means $10 million for the State of Washington and a great American export to Japan.

Washington has had a wonderful 100 years, and you deserve a great centennial celebration. But it's the future that I'm here to talk to you about today. I took this trip out West because I'm concerned -- as I think we all are -- about the future of the planet we share. You see, it won't be enough to restore our balance of trade if we throw off the balance of nature.

In South Dakota, I talked about the need to restore the balance of nature here at home and how each of us can begin by planting a single tree. In Montana, I talked about interdependence, how the actions we take and the pollutants we create have consequences that are being felt the world over. And today I'm asking all Americans to join in the renewed spirit of conservation, a new commitment to a more careful stewardship of the natural world. And at my side I'm glad to have such an able and sensible Environmental Protection Agency -- EPA -- Administrator, Bill Reilly, with me here today, a man in whom I have a great deal of confidence and trust.

You see, I think many of us are beginning to understand something that native Americans understood long before we got here. When it comes to preservation of our precious environment, there's a connection between the smallest individual action and widespread global consequences. No words convey that better than a legendary speech given in the 1800's by an Indian chief named Seattle. ``The Earth does not belong to man," he said, ``man belongs to the Earth. Whatever happens to the Earth happens to the sons of the Earth. The sky, the lands which appear changeless and eternal may change. Continue to foul the Earth and you will achieve an end to living and the mere beginning of survival. You must teach your children that the Earth is rich. Teach your children that to harm the Earth is to heap contempt upon its Creator."

Chief Seattle understood what it has taken us a century to learn. Our material prosperity and economic growth have served us well. But now, together, we must find new ways to apply the creativity of the marketplace in the service of the environment. Sound ecology and a strong economy can and, indeed, must coexist. I am convinced that we need not yield to the extremes. We must and will protect the environment, and we must and will protect the jobs of the working men and women of the State of Washington. There is no question in my mind: We can do both.

We have an opportunity to renew the environmental ethic in America and to reassert U.S. leadership on environmental challenges around the world. And that's an opportunity that we simply cannot afford to miss. In the 8 months since I was sworn in as President, we've moved fast and hard to make the environment a priority. We're seeking a worldwide ban by the year 2000 on CFC's [chlorofluorocarbons] which destroy the ozone layer. We've prohibited imports

of ivory, and prices have dropped by 50 percent, making elephant poaching less profitable. And we're working for a policy that would ban the export of hazardous wastes unless we're sure they'll be disposed of safely. We've proposed tougher laws to eliminate medical waste on our beautiful beaches. And we want to expand dozens of forests and parks and refuges across America. We've announced a national goal of no net loss of wetlands. And we've laid out detailed proposals to stem acid rain, cut urban smog, clean up air toxics, and encourage the use of alternative fuels with a clean air bill that achieves 95 percent of the smog-causing VOC [volatile organic compounds] reductions sought by competing legislation at a cost of $6.5 billion less.

And that's just in 8 months. And as your President, I plan to stay involved, helping to protect our precious environment. As long as I remain President, I will do that. When it comes to clean air, we need action on the legislation that we've proposed -- now. Every day that passes is another day that we are postponing progress on clean air. And we've brought people together and put a sound proposal on the table, and now it is up to the United States Congress to pass this clean air legislation and pass it this year.

But if we really hope to recover, restore, and preserve our natural heritage, that other Washington can't do it alone. And the answer can't simply be limited to new laws. It must be more fundamental. It lies in a shared sense of personal responsibility, a new environmental awareness on the part of all Americans. Through millions of individual decisions -- simple, everyday, personal choices -- we are determining the fate of the Earth. So, the conclusion is also simple: We're all responsible, and it's surprisingly easy to move from being part of the problem to being part of the solution.

So many of the big problems -- coastal water pollution, pesticides in ground water, urban smog, and municipal garbage -- aren't simply caused by large power plants and refineries; and many can't be solved by national legislation alone. Millions of small, diverse sources contribute to these problems, including the everyday behavior of people at work and at home. And such overwhelming environmental challenges can be solved by individual determination that we can do better. Local communities; businesses, large and small; individual families -- all can learn to generate less waste, recycle more of the waste that is generated. In fact, those that do have discovered that there are sound economic side-effects. Environmental protection makes economic sense.

The people of Washington State, in fact, have a history of showing the rest of the Nation the way. Back in the 1940's, J.P. Weyerhaeuser moved the lumber industry from simply harvesting forest resources towards comprehensive management of tree farms that could endure indefinitely. And after research into product development, Weyerhaeuser began introducing marketable products made from what was once treated as waste.

The 3M Corporation announced last spring that since starting their pollution prevention program

in 1975, the company has saved $408 million and prevented 111,000 tons of air pollutants, 15,000 tons of water pollutants, and 388,000 tons of solid waste from being released into the environment. And they've done it by rewarding employees for coming up with good ideas.

In the city of Seattle, fees for waste disposal have been an incentive for businesses and households to reduce the amount of waste produced. And I understand that over the last several years, waste has been cut here by nearly a fourth.

So, the power of the marketplace can encourage conservation with spectacular results, results that need to be duplicated everywhere in America. I am delighted to be able to make these comments about your city in your city, so they'll be heard across the rest of the United States.

You know, 15 years ago, when Spokane invited the world over for a visit at 1974 Expo, it became the first World's Fair to put the focus -- the world's focus, if you will -- on the environment. It was a good beginning, and we've made progress since then. And perhaps nothing better symbolizes that than the surging river that pulses through Spokane, a river that first lured men here as a source of protection, transportation, and sustenance. Such damage was done to this river by the early part of this century that by 1938 the Spokane River was called a serious health hazard. And over the past few decades, you have restored and reclaimed this magnificent river. The damage has been reversed, totally turned around. Nature's balance has been restored, and the river had been reborn.

The ethic of native Americans like Chief Seattle must also be reborn on this continent. His was a religious understanding: that the whole Earth has a soul that can be destroyed by man. He saw the world as a spiritual place of precious but fragile beauty. Over a century ago, he said: ``Hold in your mind the memory of the land as it was when you found it. And with all your strength, with all your mind, with all your heart, preserve it for your children and love it as God loves us all."

That is a challenge to us all. The American people -- all people -- need a fuller relationship with the world they live in, a better understanding of causes and effects. And if the Earth is an altar, we must make it an altar not of sacrifice but of celebration, a place where our commitment to restoring its natural beauty is felt in a thousand everyday decisions. You've made one of those decisions today by deciding to plant a centennial tree. May it grow, flourish, and symbolize the hope of a new century: that man will one day be reconciled to nature once again.

What a spectacular day in the State of Washington! Thank you for inviting me. God bless you, God bless this State, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 10:02 a.m. in Riverfront Park. Following his remarks, he returned to Washington, DC. A tape was not available for verification of the contents of the remarks.

Statement by Press Secretary Fitzwater on Emergency Relief for the United States Virgin Islands and Puerto Rico

September 19, 1989

The President today expressed concern and sympathy for the death and destruction wreaked on the Virgin Islands and Puerto Rico and throughout the Caribbean by Hurricane Hugo. The Federal Government stands ready to respond promptly and fully. A team from the Federal Emergency Management Agency (FEMA) will be in the air this morning bound for the Virgin Islands, accompanied by Lt. Gov. Derek Hodge, Delegate Ron de Lugo, and officials of the Department of the Interior. Their initial mission will be to assess the damage and assist in reestablishing communications throughout the islands, which appear to have been devastated by this tremendous storm. Another FEMA team stands ready to travel to Puerto Rico as soon as a landing site can be located, and a FEMA representative is expected to meet with government officials in Puerto Rico today.

We anticipate receiving formal requests for assistance from Gov. Alexander Farrelly of the Virgin Islands and Gov. Rafael Hernandez-Colon of Puerto Rico today and will review those requests immediately in an effort to expedite the appropriate Federal response. All necessary Federal resources will be quickly mobilized to help the people of the Virgin Islands and Puerto Rico recover from this disaster.

Nomination of Catherine Ann Bertini To Be an Assistant Secretary of Agriculture

September 20, 1989

The President today announced his intention to nominate Catherine Ann Bertini to be an Assistant Secretary of Agriculture for Food and Consumer Services. She would succeed John William Bode.

Since 1989 Mrs. Bertini has served as Acting Assistant Secretary for the Family Support Administration at the Department of Health and Human Services in Washington, DC. Prior to this, she served as Director of the Office of Family Assistance at the Department of Health and Human Services in Washington, DC, 1987 - 1989; commissioner of the Illinois Human Rights Commission, 1985 - 1987; and on the industry sector advisory committee on paper and paper products for the commerce and trade department in Illinois, 1985 - 1986. In addition, Mrs. Bertini has served as a commissioner on the Illinois State Scholarship Commission, 1980 - 1985, and confidential assistant in the office of Gov. Nelson Rockefeller, 1971.

Mrs. Bertini received a bachelor's degree from State University of New York at Albany. She was born March 30, 1950, in Syracuse, NY. Mrs. Bertini is married and resides in Washington, DC.

Nomination of Thomas E. Anfinson To Be a Deputy Under Secretary of Education

September 20, 1989

The President today announced his intention to nominate Thomas E. Anfinson to be Deputy Under Secretary for Management at the Department of Education in Washington, DC. He would succeed Patrick Pizzella.

Since 1986 Mr. Anfinson has served as Chairman of the Federal Prevailing Rate Advisory Committee at the Office of Personnel Management in Washington, DC. Prior to this, he served as special assistant to the Deputy Administrator for Management, Administration, and Budget for the Health Care Financing Administration at the Department of Health and Human Services, 1986; and as special assistant to the Assistant Secretary for the Employment and Training Administration and special assistant to the Assistant Secretary for Policy at the Department of Labor, 1985 - 1986. In addition, he served as special assistant to the Assistant Secretary for Public Housing at the Department of Housing and Urban Development, 1985; deputy treasurer for the Reagan-Bush 1984 Presidential reelection committee in Washington, DC, 1983 - 1985; Executive Assistant to the Assistant Secretary and Acting General Manager of the New Community Development Corporation at the Department of Housing and Urban Development, 1981 - 1983; and special assistant to the Deputy Under Secretary for Field Coordination at the Department of Housing and Urban Development, 1981 - 1983. Mr. Anfinson served as president of Anfinson Accountancy Corp. in Newport Beach, CA, 1977 - 1981; on the renegotiation board in Los Angeles, CA, 1972 - 1977; and national tax manager for the Toyota Motor Sales and Distributors, Inc., in Torrance, CA, 1971 - 1972.

Mr. Anfinson graduated from the University of Southern California at Los Angeles (B.S., 1964) and the Federal Executive Institute in 1987. He was born August 16, 1941, in Stockton, CA. Mr. Anfinson served in the U.S. Army Reserve, 1965 - 1970. He is married, has three children, and resides in Great Falls, VA.

Nomination of Christopher T. Cross To Be an Assistant Secretary of Education

September 20, 1989

The President today announced his intention to nominate Christopher T. Cross to be Assistant Secretary for Educational Research and Improvement at the Department of Education. He would succeed Patricia Mayes Hines.

Since 1989 Mr. Cross has served as vice chairman of Macro Systems, Inc., in Silver Spring, MD. Prior to this, he served as a visiting fellow at the Center for Excellence in Government, 1988 - 1989; and as president, 1985 - 1988, and executive vice president, 1983 - 1985, of the University Research Corp. in Bethesda, MD. In addition, he has served as manager of Federal systems at Westinghouse Information Services and Westinghouse Learning Corp., 1980 - 1983; director of the Washington office operations and policy analysis at Abt. Associates, Inc., 1978 - 1980; Republican staff director and senior education consultant for the Committee on Education and Labor in the United States House of Representatives, 1972 - 1978; and Deputy Assistant Secretary for Legislation (Education) in the Office of the Secretary at the Department of Health, Education, and Welfare, 1970 - 1973.

Mr. Cross graduated from Whittier College (B.A., 1962) and California State University (M.A., 1970). He was born May 30, 1940, in Lakewood, OH. He is married, has three children, and resides in Chevy Chase, MD.

Statement by Press Secretary Fitzwater on the Deployment of Military and Law Enforcement Officers to the United States Virgin Islands

September 20, 1989

The President has authorized the deployment to the U.S. Virgin Islands of such Department of Defense forces as are necessary, including military police units, to help restore order in the aftermath of Hurricane Hugo. The President's decision was based on a thorough assessment of the situation by appropriate Federal authorities and followed a request this afternoon from Governor Farrelly of the U.S. Virgin Islands requesting Federal assistance.

In addition, the President has directed the Attorney General to deploy in excess of 100 U.S. marshals and FBI agents, who are scheduled to arrive in St. Croix early tomorrow morning. They have been ordered to take all necessary steps to protect Federal property and personnel in the Virgin Islands and to exercise all lawful authority necessary to enforce Federal law in the Virgin Islands.

Remarks at the Presentation Ceremony for the Young American Medals for Bravery and Service

September 21, 1989

A thousand apologies for keeping this distinguished group. Please sit, sit, sit.

Let me just say first to the Attorney General, Director Morris and Director Sessions, David Runkel, and especially the medal winners, welcome to the White House. It will be my honor in just a moment to bestow the Young American Medal for Bravery and the Young American Medal for Service for 1987 and '88.

Emerson said that a hero is no braver than anyone else, only brave for 5 minutes longer. Two young people with us today know these minutes of bravery, minutes where terrible events seem to occur in slow motion, minutes facing death and challenging eternity.

One of the recipients of a Young American Medal for Bravery is 12-year-old Angela Marie Campanoli, and she attends the seventh grade at Aylen in Washington State -- Aylen Junior. Angela, her mother Yvonne, her brother Bryan, and a friend were at the beach in Maui on October 5th, 1988. Three Japanese tourists -- a man, his wife, and their little boy -- were also at the same beach that same day. The Japanese child got caught in a current and started to panic. His parents, seeing this, dashed into the rough surf to rescue him. Others got to the child first. But the mother was dragged by a relentless current out to sea. Angela quickly dove in, swam to the woman, and held her head above water. Her brother, Bryan, was also right there. And together Bryan and Angela brought the woman back to shore, back to her family, back to her life.

We are also here to honor the late John Bankston of Dallas. On July 17, 1987, a church bus and a van carrying 43 people from a children's camp were swept into the currents of the Guadalupe River in Kerr County, Texas. Pounding waves scattered the group, toppled the bus and the van. The youngsters who survived clung to branches and formed a human chain to cross the river. One of them was Jeff Bowman, who had a cast on his leg from a broken ankle. John carried Jeff on his back for 2 hours until they reached a tree. Jeff let go and grabbed a log that was floating downstream. John clung to the tree and was never seen again. He was 17 years old.

Rosie, John, we know that a parent's grief is a special hardship, but we hope that your grief is tempered now by pride -- a pride in your hero, your son, John.

In California a different kind of tragedy almost occurred. On April 27, 1988, an armed student walked into the English class of San Gabriel High School. Seventy students suddenly became seventy hostages. One of them is with us today: Ruben Ortega. This young man threw his life

into the balance, and because of his bravery his classmates are safe and well today.

When I was Ruben's age, Will Rogers said that being a hero is about the shortest lived profession on Earth. But Will Rogers' wry humor is belied by his own life: the man who lightened the worries of the Great Depression with laughter and good will. So, for some, bringing hope and even saving lives is not a matter of minutes. It's a matter of months and years of giving; it's a habit, a habit of the heart. And that is why we give the Young American Medal for Service.

Today we have with us Freddy Torres, of East Boston High School. At age 18, Freddy spent countless hours as a peer leader, inspiring hundreds of young people to stay away from drugs and learn about the dangers of AIDS. And Freddy went beyond the classroom, taking his message where it is needed the most -- to the streets. It was out of class that Freddy persuaded young people, often dropouts, to enlist in drug and AIDS prevention programs.

I've said that from now on in America any definition of a successful life must include service to others. And by this definition, John Philip Donovan, of River Vale, New Jersey, is about as successful as you can be. Last year, 17, John served his community in many ways: as a leader of a Boy Scout troop with learning and other disabled scouts as members, as a fundraiser for Muscular Dystrophy, bringing in $6500 as a leader of Students Against Drunk Driving, and many other activities.

Sean Fox, Ethel, Washington, is another young American who cares enough to act. He organized a food bank for Toledo, Washington, involved his parents, mayor, school principal, and other community leaders in the drive. And because of Sean's work, the food bank serves more than 80 families in need.

Vicki Lynn Urick, of Alvin, Texas, has dedicated her efforts to cleaning up local beaches, restoring dunes along the Texas coast. She also started a nationwide aluminum can drive to restore the battleship Texas, and has been a leader in many other projects.

These services may not be as dramatic as pulling someone from the surf or subduing a gunman, but Freddy, John, Sean, and Vicki know something very profound: that it is in the daily accumulation of small acts of kindness that life can be improved -- and often, that lives can be saved.

Let me offer one last thought: Sometimes we lose sight of the vast majority of young Americans who are doing their best to better this world. So, for those who worry about the future, perhaps they ought to take a look at these young Americans. You and I know that in the future, our country will be in good hands. I've never been more confident of that because it's going to be in hands like this.

And now, Attorney General, it is my honor to join you in helping pass out these medals. And thank you all for coming, and congratulations to everybody.

Note: The President spoke at 11:46 a.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Attorney General Richard L. Thornburgh; Stanley E. Morris, Deputy Director of National Drug Control Policy; William S. Sessions, Director of the Federal Bureau of Investigation; and David R. Runkel, Assistant to the Attorney General for Public Affairs.

Nomination of David Jameison Smith for the Rank of Ambassador While Serving as Chief Negotiator for Defense and Space

September 21, 1989

The President today announced his intention to nominate David Jameison Smith, of Virginia, to be accorded the rank of Ambassador during his tenure of service as Chief Negotiator for Defense and Space. He would succeed Henry F. Cooper.

Since 1987 Mr. Smith has served as assistant to Senate minority leader Robert Dole. Prior to this, he served as a professional staff member on the Senate Foreign Relations Committee, 1985 - 1987; national security consultant to the national Republican senatorial committee and assistant to the campaign manager for Kolbe for Congress, 1984; and international negotiations staff officer for the Defense Intelligence Agency, 1980 - 1984. In addition, Mr. Smith has served as an intelligence officer for the Western Europe/NATO branch in the Defense Intelligence Agency, 1979.

Mr. Smith graduated from the University of Arizona (B.A., 1975), the University of London (M.S., 1976), and Harvard University (M.A., 1980). He was born November 10, 1953, in New York, NY. Mr. Smith has served in the U.S. Air Force Reserve since 1975. He is married, has one child, and resides in Annandale, VA.

Memorandum on the Civil Disorder in the United States Virgin Islands

September 21, 1989

Memorandum for the Attorney General and the Secretary of Transportation

Subject: Providing for the Restoration of Law and Order in the Virgin Islands

Pursuant to the provisions of Chapter 15 of Title 10 of the United States Code, I have issued Proclamation No. 6023 of September 20, 1989, ordering persons engaged in domestic violence and disorder in the United States Virgin Islands to cease and desist. It is my understanding that the conditions described in that Proclamation continue, and that the persons engaging in such acts of violence have not dispersed. Therefore, by the authority vested in me as President of the United States and Commander in Chief of the Armed Forces by the Constitution and laws of the United States, including Chapter 15 of Title 10 of the United States Code, in addition to the measures I have directed by Executive Order No. 12690 of September 20, 1989, to be taken, I am hereby ordering that the following measures be taken to restore law and order in the United States Virgin Islands:

1. Agents of the Federal Bureau of Investigation, members of the U.S. Marshals Service, and units and members of the U.S. Coast Guard will be used to suppress the violence described in the proclamation and to restore law and order in and about the Virgin Islands.

2. The Attorney General is authorized to use such agents of the Federal Bureau of Investigation and members of the U.S. Marshals Service as may be necessary to carry out the directive of paragraph 1 and to aid in the administration of justice in and about the Virgin Islands. In particular, the Attorney General is authorized to use such personnel in response to, or to prevent, violations of the orders contained in Proclamation No. 6023, including to arrest persons in violation of law.

3. The Secretary of Transportation is authorized to use such units or members of the U.S. Coast Guard as may be necessary to carry out the provisions of paragraph 1. To that end, he is authorized to call into the active military service of the United States units or members of the U.S. Coast Guard, as authorized by law, to serve in an active duty status for an indefinite period and until relieved by appropriate orders. Units or members may be relieved subject to recall at the Secretary's discretion. In carrying out the provisions of this memorandum, the Secretary shall observe such law enforcement policies as the Attorney General may determine.

4. The Attorney General is authorized (a) to coordinate the law enforcement policies of all Federal agencies assisting in the suppression of violence and in the administration of justice in

and about the Virgin Islands, and (b) to coordinate the law enforcement policies of all such agencies with those of territorial and local agencies similarly engaged.

5. The Secretary of Transportation is authorized to determine when U.S. Coast Guard forces shall be withdrawn from the disturbance area and when such personnel shall be released from active Federal service. Such determination shall be made in the light of the Attorney General's recommendations as to the ability of territorial and local authorities to resume full responsibility for the maintenance of law and order in the affected area.

6. The Attorney General and the Secretary of Transportation are authorized to delegate to subordinate officials of their respective Departments any of the authority conferred upon them by this memorandum.

George Bush

Letter to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

September 22, 1989

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384, I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question.

I am pleased to note that the negotiating process under the auspices of the United Nations Secretary General is continuing. The last meeting between the parties was held in New York on June 28 - 29, at which time a communique was issued by the Secretary General noting his satisfaction and declaring that ``the effort made by the two leaders since August 1988 had made it possible, as never before, to tackle the issues that must be resolved if a solution to the Cyprus problem is to be found." The communique also stated that an outline under preparation ``would provide the basis for the negotiation of an overall agreement."

The Secretary General asked both leaders to continue the talks with his representative in Cyprus, and copies of a draft outline were provided to both communities' leaders in mid-July. As of mid-September, however, these talks have yet to reconvene because of controversy over the status and content of the draft outline. It is our objective to have the talks resume at an early date, and we are working directly with the Secretary General in this endeavor.

The Secretary General used his biannual report to the Security Council on U.N. operations in Cyprus for the period December 1, 1988, to May 31, 1989 (copy attached), to review the progress made in the latest communal negotiations. He also used the report to reiterate his concern about the mounting deficit faced by the U.N. Peacekeeping Force in Cyprus (UNFICYP), but recommended that its mandate be renewed for another 6 months. The U.N. Security Council on June 9 voted unanimously to extend UNFICYP's mandate through December 15, 1989.

On July 19, disturbances broke out in the Ayios Kassianos area of Nicosia during a demonstration by Greek Cypriots marking the anniversary of the events of July 1974. According to the United Nations some 1,000 Greek Cypriots forced their way into the U.N.-controlled buffer zone at Ayios Kassianos, in part by ramming a bus through a U.N. fence. The UNFICYP ultimately was able to contain most of the demonstrators. Before all could be contained, however, Turkish Cypriot security forces arrived on the scene and arrested some 100 persons. Those arrested were held in custody by Turkish Cypriot authorities and were released several days later. The apparent unwillingness of Greek Cypriot police to stop the demonstrators from

entering the buffer zone and the Turkish Cypriot security authorities' arrest of some of them were both factors detrimental to intercommunal relations and the ongoing efforts to reach a settlement on the island.

From the outset of the disturbances, the United States worked actively in support of U.N. efforts to defuse the situation and to restore the status quo ante. We urged all concerned to act with restraint and to respond to U.N. appeals for the immediate release of those detained. We also stressed the need for both communities to cooperate with the United Nations in preventing the entry of unauthorized persons into the buffer zone.

In my meetings and conversations with then-Greek Prime Minister Papandreou, Turkish President Evren and Prime Minister Ozal, and Cypriot President Vassiliou, I have stressed our continued commitment to support the efforts of the Secretary General to resolve the Cyprus dispute.

Finally, I am pleased to inform you that in June Nelson C. Ledsky was appointed Special Cyprus Coordinator. Unlike his predecessor, M. James Wilkinson, who served with distinction in that position since 1986, Mr. Ledsky will devote all his time to Cyprus. Mr. Ledsky is a career Foreign Service Officer whose most recent assignment was as Special Assistant to the President for National Security Affairs and Senior Director for European and Soviet Affairs at the National Security Council.

Mr. Ledsky's appointment underlines our continued commitment to the search for a Cyprus settlement. He met with the Secretary General and the leaders of the two communities on the margins of their June 28 - 29 meetings in New York. During early August, Mr. Ledsky consulted key authorities in Ankara, Athens, Nicosia, and London. He urged that all support fully the U.N.'s efforts to continue the intercommunal talks, and, to that end, he has worked directly with the staff of the Secretary General during the first part of September in an effort to reschedule the talks.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Remarks at a Republican Fundraising Luncheon in East Brunswick, New Jersey

September 22, 1989

Thank you, Governor and Mrs. Kean and Congressman and Mrs. Courter -- soon-to-be Governor Courter -- and other superb Members of the congressional delegation. I hope they were introduced. But they're all friends -- Dean Gallo and Marge Roukema and Chris Smith, Mattie Rinaldo, Jim Saxton. Delighted to be with them. We rode up together on Air Force One, and they got me all fired up about Jim and the ``winnability'' of this very, very important race that's going to be in the national spotlight.

I'm delighted to see Bo Sullivan, to whom I'm indebted for heading my campaign earlier, and Larry Bathgate, who continues to amaze me. He takes on the Nation and always never forgets his roots and remembers the State of New Jersey. Bo, tough and strong; Larry, persistent, dedicated -- ideal people to train me for going head on head with Sam Donaldson [ABC News]. [Laughter] And as for Kathy Donovan, our new chairman -- our State chairman, I wish her well, and all you Republican leaders that are with us today. Thank you for what you did to help our ticket carry this State and what I know you will do to guarantee that Jim Courter is our next Governor.

Let me again tell you, Jim, how pleased I am to be with you and your family. Barbara and I are just delighted to be here, albeit for a short period of time. It's good to be back in a State whose motto is ``Liberty and Prosperity'' and which in the last 8 years has had a Governor devoted to both liberty and prosperity. And if I could borrow a phrase: Under Tom Kean, liberty and prosperity have been perfect together.

It's a pleasure to return to this State that was very kind to me in 1988 to salute our Republican ticket across the board -- its candidate, its ideas, its visions -- and especially those of you whom I recognize out here who toil so long and hard at the grassroots level -- the county chairman, the precinct workers, and everybody else. This State is organized, and that is going to be very good for Jim come November.

I've come to East Brunswick not just to say thank you but for an even more important reason. And this reason goes beyond party to the essence of this campaign. New Jersey's elections are among the most crucial in America. This election will decide whether New Jersey builds on what you began 8 years ago or whether it risks everything by returning to the past, and whether New Jersey has the inspired leadership it needs to win the war on drugs and crime or whether it reverts to failed social policies that blame everyone but the criminal. And this election will decide whether New Jersey continues to have the kind of leadership which balances a sound economy and a sound ecology -- and it can be done, and Tom Kean shows me that I can do that for the country as well -- or whether its leadership says no to higher taxes and yes to extending

the prosperity of the last 8 years. And that's what this election is about; that's what it's going to decide. And it's that important, and it's that clear-cut. And today I make a prediction: This November, New Jersey will make the right decision, and Jim Courter will be our next Governor. They do not want to go back to the past.

And that means a vote for Republicans running for the general assembly -- we have many of them here today, Republicans who will help ensure fair redistricting in the 1990's -- and a vote for Republicans running at the local and county level as well. It means a vote for candidates who will take a tough approach to the criminal elements, and perhaps most of all, it means a vote for the man who can move your State into the coming decades stronger than ever. And of course, that is your next Governor, Jim Courter.

Jim's a long-time -- [applause] -- he's a long-time friend, and I wanted to come up here and on a very personal basis support him and the great party that's behind him and tell you of the high regard that we Bushes have for the Courters. I know you wanted to hear a few words from a prominent national figure who can really fire up a crowd and generate some excitement. Unfortunately, Schwarzenegger had to go back to Los Angeles, so they sent me. [Laughter]

Look, I am delighted, and believe me, too, when I say that the entire Republican ticket can help keep New Jersey proud, as the banner says. I believe that. How? By keeping a Republican Governor and a Republican general assembly -- by keeping New Jersey Republican.

Let me quote one of New Jersey's favorite adopted sons, the noted philosopher, Montclair's Yogi Berra. Once Yogi ruminated, ``You observe a lot by just watching." [Laughter] Well, we've observed a lot by watching the New Jersey Republicans over the years, and we've seen you fight -- Tom Kean at the forefront -- to clean up our environment, to clean up our schools. We've seen you fight the scourge of drugs and crime. We've seen you create -- what did Tom say, three-quarters of a million new jobs in the last 8 years -- three-quarters of a million new jobs. And school test scores going up twice the national rate. And we've seen you oppose those liberal Democrats who cherish new taxes like moths drawn to some kind of a candle. [Laughter]

And these Republican positions embody the new New Jersey. Old values -- the values are there, but it's new thinking and will reinforce the progress of the last 8 years -- 8 years of enlightened leadership, Republican leadership.

And yet Republicans know that a record is something not to stand upon but to build on. And our party's leadership into the nineties will reaffirm the renaissance that makes New Jersey's success story worth retelling.

First, a word about the environment, for here, as elsewhere, Republicans have helped build the new New Jersey. Republicans have pushed legislation to ban ocean dumping, made New Jersey a leader in recycling, launched the most aggressive toxic waste cleanup program in America.

And I can tell you, as we formulated a new national program to strengthen the environment, we turned to Governor Tom Kean, to the record in this State, to show us the way. And I am determined to do for this country, with the help of the Congress, what Tom Kean has done and is doing, what Jim Courter will do for the environment in the State of New Jersey. We are in this together. And New Jersey has led the way nationally, and I am very, very grateful.

Next, education -- for here, too, Republicans have moved forward, not backward. In 1983 Tom Kean unveiled a great idea called alternative certification, a concept allowing talented Americans to teach in the classroom. Today alternative certification is a flagship of the Federal plan that we introduced earlier this year. Tom Kean has, indeed, been the ``education Governor," and Republicans, led by Jim Courter, can keep academic excellence a New Jersey byword. And we have to have a Governor in this State who is going to continue to build on that record of educational excellence. It is important to our nation as well as to your State.

I noticed that Jim Courter gently touched on the next subject: taxes. And here the difference between the old and new New Jerseys is especially clear. The new New Jersey knows that creating opportunity can help meet the needs of distressed locales from Camden to Paterson. And in particular, let me salute this State's magnificent support -- leadership, if you will -- for urban enterprise zones. The new New Jersey, a Republican New Jersey, knows that the decade's tax cuts help make prosperity a reality. For the more money people have to spend, the more that they themselves can do to help create jobs and growth and progress. And that is the new New Jersey.

And the old New Jersey was: If one tax didn't work, try another one. And in fact, the old New Jersey reminds me of a story about Mark Twain. In later life, Mark Twain suffered from arthritis. And whenever the papers reported that he'd had another attack, strangers would send him homemade remedies to spur his recovery. Well, Twain had a standard reply: ``Dear sir, I try every remedy sent to me. I am now on number 87. Yours is 2,653. I am looking forward to its beneficial results." [Laughter]

Fellow Republicans, all those remedies didn't cause Mark Twain's recovery, and all the Democrat taxes didn't cause New Jersey's recovery. The new New Jersey knows that, and the old New Jersey doesn't know it. And I regret to report to you: Many of the Democrats in the United States don't -- Congress -- don't know that either. And I'm going to have to help teach them that, and I'm going to stay with what I told the American electorate that I'm going to do.

We've touched on the environment and education and taxes, but nowhere is that division really more clear -- the new New Jersey and the old -- than in the area of crime, drugs, and punishment. Republicans believe that when asked what kind of society Americans deserve our answer must be a nation in which people are safe and feel safe. And that's why we want to change the rules of the game dramatically -- new solutions for a new New Jersey.

For instance, we are strong advocates of America's first national comprehensive strategy to end drug use, which I announced earlier this month. Republicans want tougher enforcement -- more prisons, more courts, more prosecutors, and tougher sentences. Many like Jim Courter have spent ages, years, hours long in the Congress demanding them. And you know where drug dealers belong. Republicans say: in jail. You back more interdiction and treatment and our plan to stop use before it begins, through education and prevention, from grade school to graduate school.

Republicans like Jim Courter want to fight drugs on any and every front, and facing new problems in a new way by putting emphasis where the crisis is -- right at the community level. The communities will decide the future of New Jersey. And with a Republican Governor and a Republican general assembly, that future will also include not just a war against drugs but a crusade against all crime: supporting tougher laws, giving our law enforcement officers more resources, declaring open warfare on the con artists and the hoods.

And I would like to see not only Jim Courter elected to do what he has said he wants to do in crime but I would like to see the United States Congress move forward on my crime package that has been languishing there in the Congress for a couple of months now. It is time in Washington for action, just as it is here in New Jersey.

Tom talked about Jim's background a little. It's a good one. It's a caring one -- Peace Corps volunteer; legal aid to the poor; lawyer; author; prosecutor; Congressman; moral man; a family man; a man respected by his colleagues -- in sum, a man you can trust. And look next at his record on the environment. I talked about Tom's some. As Congressman, he's helped renew and recover our national heritage. As Governor, he's going to go after those polluters. I believe we ought to put the polluters in prison, and I know Jim agrees with that. Or education -- he's been a vocal advocate of this concept of alternative certification.

Or taxes -- I've never had him come down yet to the White House and say, please raise taxes. [Laughter] Hasn't done it. Don't expect he's going to do it here in this State. He wants to cut the taxes so that people will be able to spend more. And I'm proud that he is supporting me on this capital gains cut. Let the Democrats say it's a tax for the rich. It is a tax adjustment that is going to help create jobs in America, and that's why I am going to continue to fight for it.

And on the opposition to drugs, his record is clear. He's strongly supported bills to coordinate law enforcement efforts, involved the military in combating drugs -- magnificent record in combating crime. He served as the first assistant prosecutor in his home county of Warren, and he's seen the drug peddlers and users first-hand. And he knows the terrible toll that's caused by crime. And that's why he wants mandatory time for firearms offenses, and I support him in that. No deals -- no deals with those criminals that use a gun. And unlike his opponent, he wants to amend New Jersey's Constitution so that the death penalty on the books will be strengthened and enforced and, as he said, become a much clearer deterrent for those that go out and kill our

police officers and others -- and the narcotic traffickers and all of that, those narcotic traffickers.

Let me ask you a question. You make the choice. Do you want a Democratic Governor and a Democratic general assembly who thinks that New Jersey's death penalty law is fine as it is? Or do you want a Republican Governor and a Republican general assembly who says that murderers and drug kingpins and cop killers should get exactly what they deserve? I believe that's what the people want -- that last alternative.

And so, the failed policies, in sum, of the 1970's just aren't good enough -- not for New Jersey, not for the United States of America. They're not good enough to tackle drugs or crime, or to protect the environment, or do better as a nation in education. They're not good enough for our kids because they won't keep New Jersey proud.

And Tom Kean knows that. And that's why he's becoming president of Drew University and why he's heading the advisory committee of the Points of Light Initiative Foundation: to bring community service to every corner of America. And I think Jim Courter knows that, too. He shares Tom's commitment and my commitment to this Points of Light concept. From now on in America, you shouldn't have definition of a successful life that doesn't include one American helping another, service to one's own fellow man.

Jim knows what's on New Jersey's mind and in its heart. And his goal is to use that heart to build a better life for all. And I guess the sum is: Do you think that we can achieve the goal? I believe we can, both here and across our country.

There's a change taking place in America. I'm optimistic about this doing something, making a real imprint across the country on eliminating the scourge of drugs. How can we do it? First, here -- you get down to the political level. We can do it through a unified Republican Party working together to support our entire ticket and through the old values and new thinking embodied in Jim's campaign.

The future versus the past, policies that work versus policies that don't, a better future for our children or one of lost opportunity -- and, yes, there's a lot at stake. And let me remind you election day is only 46 days away. So, let's raise our sights, roll up our sleeves, keep New Jersey proud by keeping it Republican, and together help our outstanding Jim Courter and a new Republican general assembly preserve and strengthen the new New Jersey.

Thank you for what you're doing. Redouble your efforts. And God bless you all.

Note: The President spoke at 1:18 p.m. in the Grand Ballroom at the Ramada Renaissance Hotel. In his opening remarks, he referred to Bo Sullivan, chairman of the 1988 New Jersey Bush-Quayle campaign, and Lawrence E. Bathgate II, finance chairman of the Republican National Committee. Following his remarks, he traveled to Maine.

Informal Exchange With Reporters in Wells, Maine

September 22, 1989

Q. Mr. President, what do you have to say about the drug bust the DEA [Drug Enforcement Administration] engineered for your prop in the drug speech?

The President. I think it was great because it sent a message to the United States that even across from the White House they can sell drugs. And so, I don't know all the details of it, but I think it sends a powerful message to the American people. It was a legitimate drug bust, and I think to have that happen in the shadow of the -- --

Q. But was it a legitimate claim, sir? They had to lure him there. How legitimate was your claim that -- --

The President. Every time that some guy gets caught selling drugs, he pleads that somebody is luring him someplace.

Q. The Park Police said they had to bring him there, Mr. President.

The President. That's the argument of the criminal element. They say: Somebody is setting me up; I shouldn't have been doing this. This is probably what he'll argue to get off. I want to crack down on -- that's my answer to the question.

Q. It's a statement of the Park Police.

The President. What?

Q. It's a statement of the Park Police.

The President. Said what?

Q. Said that there is usually no problem with that there and that they had to bring the man there in order to buy the material from him.

The President. Yes, but the man went there and sold drugs in front of the White House, didn't he? That was the bottom line. That's what the man did. And he was arrested for it and -- I hope he's arrested for it -- I don't know. See, I can't feel sorry for this fellow.

Q. I don't think that's what the question is about.

The President. Well, what is the question about?

Q. I think the question seems to be more one of were the American people manipulated into thinking a condition existed that didn't really?

The President. What do you mean, it didn't really? The guy was arrested, or grabbed, for selling drugs in front of the White House. It didn't exist? It didn't happen?

Q. The Park Police people say that they had to bring him there in order to make the buy in order to fulfill the requirements for your speech.

The President. Well, that's what you do whenever you make a bust: You bring somebody someplace.

Q. They say they did it for you.

The President. And it happened the guy came right in front of the White House. So, I don't understand your -- I mean, has somebody got some advocates here for this drug guy?

Q. They say they did it to accommodate your speech, sir, not that it happens all the time; that they did it just to fulfill the prophecy in your speech.

The President. The fact is the guy was arrested, or busted, in front of the White House. Doesn't matter -- I don't care how it got there. It will probably happen again, unfortunately, but we're going to see that it doesn't. We're trying to make these neighborhoods, including good neighborhoods, free of drugs. And that's what the American people want.

Q. The question is, it never would have happened if you weren't making a speech. That's the point.

The President. They said nobody's ever sold drugs in front of the White House?

Q. They say that is not a heavy drug area.

Q. Lafayette Park has no problem -- a little marijuana from time to time, according to the Park Police.

The President. The message that I get out of it is: A man was busted in front of the White House. And I cannot feel sorry for him. I'm sorry. They ought not to be peddling these insidious drugs that ruin the children of this country. And I don't care where it is -- I'm glad that the DEA and everybody else is going after them with a renewed vigor.

Q. Did you ask for a bag of crack for the speech?

The President. I said I'd like to have something from that vicinity to show that it can happen anywhere. Absolutely. And that's what they gave me, and they told me where they caught this guy.

Q. Did they tell you what they'd have to do to procure it?

The President. No.

Q. Well, apparently, sir, he wasn't busted. Only the buy was made there, and it provided a convenient line for the speech.

The President. Well, I understand there's an ongoing action about this, too. So, I hope that they do more than get some of the people that are selling it to him.

Q. You don't think you conveyed the wrong impression in your speech, that you gave the impression there was a serious problem in Lafayette Park?

The President. I don't think any neighborhood is free from selling drugs. I don't think any neighborhood is free from it today. And this proved that the White House is not -- that Lafayette Park -- that's actually what it proved. I mean, the man was caught selling drugs in front of the White House. I think it can happen in any neighborhood, and I think that's what it dramatized. Don't you, Marlin?

Mr. Fitzwater. Yes, sir, Mr. President.

Note: The President spoke in the afternoon at Morse Tree Farm. In his remarks, he referred to Marlin Fitzwater, Press Secretary to the President. A tape was not available for verification of the contents of the remarks.

Remarks at a Luncheon Hosted by the Catholic Lawyers Guild in Boston, Massachusetts

September 23, 1989

Thank you all for that very warm reception. Barbara and I are just delighted to be with you. First, thank you, Judge Nolan. It's got to be the classic introduction. [Laughter] And I can't tell you how much I appreciate it. It gets me -- I don't have to finish that high-calorie dessert. [Laughter] Thank you so much, sir. And I'm delighted to see Governor Mike Dukakis here today. Mike, thank you very much for being with us. Thank you very much.

And we have many other distinguished guests: Chief Justice Liacos of the Supreme Judicial Court of Massachusetts. I understand the attorney general is with us -- Attorney General Shannon. And then of course my -- I'll never convert him -- but your senate president, Billy Bulger, over here.

I'm going to get in real trouble on this, but there is a certain nostalgia in the air. I understand that Police Commissioner Roche is with us somewhere out there. And former Chief Justice Hennessy and the former Mayor Collins. And then my friend, Ed King, the former Governor of this State, is here someplace. There he is.

We'll cut it off there except to say again to all of you our sincere thanks. Barbara and I are especially pleased to be with our friend, the spiritual leader of the diocese, Cardinal Law, a great servant of God.

For those of you way back in the back of this magnificent ballroom, I'll try to speak up. Cardinal Law warned me that the agnostics in this room are very bad. [Laughter]

We've enjoyed visits by Cardinal Law to both Kennebunkport -- down the road here, to our house -- and the White House in recent months, and we're happy -- very happy -- to accept when he conveyed your kind invitation to this very, very special luncheon. I told my staff to set it up for any Saturday this fall, so long as Holy Cross wasn't playing B.C. [Laughter] And one aide noticed that ``Red Mass'' was on the trip schedule. He pulled out a map and said, ``Is that anywhere near Boston?'' [Laughter]

And lastly, we're pleased that Governor Sununu is with us today. Like many young Catholics, as a boy John dreamed of one day becoming Pope. [Laughter] It was only after having eight kids that we got him to settle for Chief of Staff. [Laughter] And I'm glad it worked out that way.

Yesterday, the first day of autumn -- and it's the season of harvest, the season of change. It's the back-to-school and new beginnings. And it is with great respect and reverence that I come to you

this day, the day of the red Mass, a stirring and deeply spiritual tradition. Today and tomorrow, men and women of the bar will join in solemn prayer across the country -- our country -- and around the world, gathering wherever civilization has been graced with the twin blessings of rule of law and faith in God. And the ancient roots of the red Mass are so intertwined with the earliest days of the law that its precise origins are, quite literally, lost in time.

Some say that this beautiful and inspiring ritual was first observed in 13th century Rome. Others say it began in King Edward's London, beneath the Gothic arches of the Inns of the Court, and still others support the theory that it began in Paris. Wherever the red Mass was first observed, we can be sure of one thing: A tradition that spans seven centuries was started when one man with an idea -- one lawyer or one priest -- stepped forward to act with conviction. The red Mass is a celebration and a renewal, a reminder to every lawyer and judge -- Catholic or Jew or Protestant or Moslem -- that yours is a profession dedicated not merely to practical results or material progress but to a higher duty and, indeed, to the public good.

Many years ago, one of my predecessors, a man trained and accomplished in the same profession as yourselves, found himself facing a crisis of conviction. Many Americans had come to doubt the very foundations upon which this nation was laid. And it was widely suggested that the early success of the United States was an accident of natural wealth. People said that the sophisticated problems of modern times required a rethinking of the democratic institutions of our nation's youth.

The President was burdened by a troubling question: Do the founders of our nation have anything to say to the present day, or is it necessary to start over on a new basis? The man was Thomas Jefferson, and the occasion, his Inaugural Address. And the response he made to that crisis is as forceful today as it was in his own age, for Jefferson understood that the essence of America lies not in shared real estate but in shared values, not in a common ancestry but in a common vision.

So, he spoke of the rights of responsibilities of free citizens. ``Every difference of opinion," he warned, ``is not a difference of principle." And he singled out one such unyielding principle as fundamental to our continued life as a nation: ``equal and exact justice to all men, of whatever state or persuasion, religious or political."

And the challenge that Thomas Jefferson delivered to his fellow citizens -- I repeat it today; I deliver it to you this afternoon. And so, I challenge you, as Catholic lawyers, not to give in to the dismay of those today who in error or alarm have wandered from the basic convictions to which our nation is pledged. I challenge you to rekindle and foster a love of justice -- American justice -- a justice that knows no boundaries of race and sex, income or age.

We're all born with certain talents or abilities, and part of growing up Catholic in America is being reminded of each person's obligations to use the gifts that God gave them. Perhaps some

of you saw this amazing Notre Dame sophomore last Saturday: the ``Rocket'' -- Raghib ``Rocket'' Ismail -- not once but twice returning kickoffs for record-breaking touchdowns -- the best use of speed since Chuck Yeager broke the sound barrier.

Well, as lawyers, as advocates, part of your task is to use your talents -- to speak for those unable to speak for themselves. I challenge you to rearticulate those principles that are deeper than our differences -- the principles of equal and exact justice -- and that vision of free and responsible citizenship which forms our common heritage.

Here I may well be preaching to the converted. None of the judges I've spoken to ever complained of difficulty in getting a group of Boston lawyers to speak their minds. [Laughter] But communication, advocacy -- everyone here is uniquely suited for the task. By virtue of your profession and your faith, you are alive to the fact that if we are indeed ``one nation, under God,'' then our responsibilities do not end with simply obeying the law. We must actively work to extend peace, liberty, and safety to all our fellow citizens. As Saint Augustine said: ``While law makes us obedient to justice, God makes us agents of justice, doers of justice, creators of justice.'' I challenge you, as men and women of faith, to give voice to this justice. Do it proudly, with the courage of conviction. And carry justice to all of our citizens, especially to those who know it least.

We must devote special attention to the problems of those on the margins, those lacking adequate food or shelter, those addicted or mentally ill, those whose neighborhoods have been decimated by crime. And we must remember the unremembered, protect the unprotected, stand up for those who live in a world of pain -- the hungry and the homeless, the haunted and the hurting. It's not enough to give them justice. We must also give them hope. And part of this effort belongs in the courtroom, where prosecutors and judges fight to preserve justice and where private attorneys perform untold good through pro bono efforts.

Consider, for example, Operation Uplift, begun by lawyers in Minneapolis and now spreading across the country, its premise a simple one: When an attorney represents a client pro bono, the client is asked to do volunteer work in the neighborhood or community, pledging 1 hour of service for every hour the attorney spends working on the case. It costs nothing and doubles the good done by pro bono efforts.

But ultimately, to succeed, this effort can't end with the working day. The grassroots movement that we've called a Thousand Points of Light must reach out to America's hurting where they are, in the classroom as well as the courtroom, and in church basements, street corners and lonely apartments. And the bottom line is this: From now on in America, any definition of a successful life must include service to others.

This room -- especially this room -- is rich with shining examples of good men and women who have devoted their lives to service -- in private, in public, in the pulpit. Make community service

central to your life and work. And somewhere in your own community there is an illiterate man yearning for the gift most of you have enjoyed since childhood: the ability to read. Somewhere in your own community there's a homeless family that needs food and clothing and shelter. And somewhere in your own community there is a scared little kid tempted to buy crack or join a gang, a kid who needs the love and guidance of a Big Brother. There are countless unmet needs, countless ways in which you can make a difference for the better.

For you who are senior partners, I urge you to consider community service by your associates in hiring and promoting decisions. And at the end of the day, let it be said about you that -- more than your record in court or the hours you've billed -- this was the way in which you touched the life of someone in need.

And finally, with particular concern, we challenge you to even greater efforts towards the protection of human life. Use your talents, your energy, and your professional resources to reaffirm the right to life as the most fundamental freedom.

The Jeffersonian vision of justice -- of peace, liberty, and safety for all -- has permeated our American understanding of rights, of responsibilities, of life itself. It is evident in one of our symbols, the American flag, but I want to look at something even more commonplace than the flag -- a single dime. There are three emblems on the back of the dime: an olive branch, a torch, and the limb of an oak. The olive branch symbolizes our longing for peace, our willingness to live by righteousness, not simply by military might. Next to the olive branch is a torch, the lamp of liberty. And beside the torch lies the oak, the symbol of safety, security, and of strength which guarantees them. And finally, in the midst of the three reads the motto ``E Pluribus Unum." ``From the many, one." We are a diverse people with many backgrounds, many challenges, many hopes. And so, I call upon you today, the Guild of Catholic Lawyers, to give voice to the consensus, the oneness of values which lives beneath the diversity. I call upon you, as agents and creators of justice, to help us bring about peace, liberty, and the safety we seek for every human being.

Thank you, Your Eminence, for inviting me here today. God bless you all, and God bless the United States. Thank you very much.

Note: The President spoke at 1:48 p.m. in the ballroom at the Park Plaza Hotel. In his opening remarks, he referred to Joseph R. Nolan, president of the guild. Following his remarks, he returned to Kennebunkport, ME, for the weekend. A tape was not available for verification of the contents of the remarks.

Statement on the Death of Irving Berlin

September 23, 1989

I was saddened to hear of the death of Irving Berlin. Very few composers have come to touch the soul of a nation, reflecting its spirit and traditions. Mr. Berlin ranks among such composers, having become a living legend in his own lifetime. His love of country and fellow man, so vividly demonstrated in his songs, were characteristics which we all admired and which will be part of his legacy. His songs, such as ``God Bless America'' and ``White Christmas,'' have become woven into the very fabric of American society, touching the lives of generations of Americans. Barbara and I extend our sympathies to his family and join the American people in mourning the loss of this great American.

Statement on the Summit Meeting With Soviet President Gorbachev

September 23, 1989

I look forward to meeting with President Gorbachev. The state of U.S.-Soviet relations is good, and I have enjoyed a positive working relationship with Mr. Gorbachev. Our meeting will afford an opportunity to reaffirm our mutual commitment to moving the U.S.-Soviet relationship forward, as underscored by the progress at the Wyoming ministerial. I commend the efforts of Secretary Baker and Foreign Minister Shevardnadze. I envision a broad discussion of the full agenda that the two sides have established: human rights, bilateral relations, arms control, regional issues, and transnational issues.

Remarks Announcing the Summit Meeting With Soviet President Gorbachev and a Question-and-Answer Session With Reporters

September 23, 1989

The President. General Scowcroft [Assistant to the President for National Security Affairs] and I just talked to Secretary Baker, and I'm very pleased that we've reached agreement with the Soviets on several questions, only one of which I am prepared to mention here now. But in a few minutes, Mr. Shevardnadze will have a press conference, followed promptly by Secretary Baker's press conference, at which it will be announced -- and they will discuss the details -- that we will be having a summit, that I will be meeting with Mr. Gorbachev in late spring or early summer. The agreement is set, and I'm very pleased. And I'll leave further comment on what's been accomplished in Wyoming to our Secretary of State.

Q. Where is the summit going to be, Mr. President?

The President. Well, undoubtedly, it will be in the United States.

Q. Has that been fixed in those talks, or is -- --

The President. I'm not sure that that will be part of the announcement -- I didn't discuss it. But it is just assumed -- I'm assuming it will be there.

Arms Control

Q. And did they nail down the accords on nuclear testing and chemical weapons?

The President. No, but I'd prefer to leave that to the Secretary and Mr. Shevardnadze. But I'm very pleased overall. I think you'll see why when they make their announcements there.

Q. What accomplishment do you expect out of the summit? What will be the purpose of it, then?

The President. Well, a wide array of subjects, and we will be continuing to work on the arms control agenda. It's not my view that summits must have arms control agreements, but we're going to be working with full faith, going forward in every way to achieve further arms reductions. That's been a goal of mine for a long time, and I think it's a goal of Mr. Gorbachev's. And so, I would say that there's a chance for agreements of that nature, but there will be plenty of other subjects to discuss in addition to arms control.

Q. Why the late spring to early summer timetable? Could it not be sooner?

The President. Well, you might make a case that it could be sooner, but this was the agreed timetable, and it's agreeable to us, and -- --

Q. Did you want to give more time to the conventional weapons negotiations to go forward or -- --

The President. Well, it gives us time to move forward on a lot of fronts, is the way I see it. And it's not under the time gun, and yet, the summit being set -- I think it will be useful on both sides to pushing both bureaucracies forward, both decision-making teams forward to achieve results. I think that was why the general agreement on time.

Anyway, it's good news, and I'm very pleased with what the Secretary has been able to accomplish out there. I don't know whether General Scowcroft would have more on all this later, but I know he's been in close touch with the Secretary, Bob Gates [Assistant to the President and Deputy for National Security Affairs], out there, and will continue to be.

Q. Will you now work this into your speech to the U.N. General Assembly?

The President. Well, we may -- it's one of the things that you foresaw in your question a minute ago, but yes, we might touch on it. I think around the world, people will be pleased that there is this announcement, and there may be other things that will come out of the Wyoming meeting that we can talk about in New York.

Summit Location

Q. Would you like to see this summit take place someplace other than Washington? You'd like to see it out in the country, wouldn't you?

The President. No, I think probably Washington would be proper for this one, although I don't think they've discussed that or agreed on -- --

Mr. Scowcroft. No, sir. It's just the ordinary run of things; it's your turn.

Q. But, General, there is a commitment by the Soviets to have the summit in the U.S.?

Mr. Scowcroft. Oh, I think so. It's assumed.

The President. Yes. That was discussed, as a matter of fact, in the Oval Office and was almost a given. But I just have to hedge a little because I don't know whether that's in the announcement

by the Foreign Secretary.

Q. Do you think it would precede or follow the economic summit?

The President. Well, we haven't set a date. We're very open as to whether that economic summit should be in the spring of 1990 or into the fall of 1990. The last one, as you know, was -- the one just past -- in the summer. But I think our allies seem to be very flexible, and I now must get in touch with them fairly soon to determine what their desires are. From the U.S. side, we can be very flexible on that.

Q. And it might be as late as the fall?

The President. I would think it could be. They've had several in the fall, I think. In other words, there is no set month or period, season, in which to have these.

Drug War in Colombia

Q. On the drug front, don't you think that Mrs. de Greiff's resignation in Colombia means that the drug lords are not -- that they seem to have the upper hand, they're not being beaten back at all?

The President. Rita [Rita Beamish, Associated Press], I don't think so, because of what I've been reading today coming out of Colombia and, obviously, from what she herself said. But that's their business; that's the internal affair of Colombia. But I see no reason that that single resignation will signal or lead to a lessening in resolve on the part of President Barco. So I don't worry about that.

Q. But she might have been threatened out of office.

The President. Well, I think that was the original fear, but I don't know the internals of that at all. But I think that the commitment of the Colombian Government is such that this resignation by itself should not be interpreted as a signal that they're going to lighten up in some way.

Okay. Thank you all very much. Now for the river.

Q. What?

The President. A little fishing down there. Come on. [Laughter]

Note: The President spoke at 5:30 p.m. at the Cape Arundel Golf Course in Kennebunkport, ME. A tape was not available for verification of the contents of the remarks.

Remarks to the Staff of the United States Mission to the United Nations in New York, New York

September 25, 1989

Thank you all so much, and thank you, Jim. First, I should say I think our Secretary and his distinguished team did an outstanding job out there in Wyoming. I hope, in a sense, what happened there will make your work easier during this session of the General Assembly. But in any event, I think it sent a good, positive signal around the world, and we're very grateful to him, and Susan, too, who was out there as well in Wyoming for this unique diplomatic effort. The Secretary introduced the fishing because he caught fish and Mr. Shevardnadze didn't. [Laughter] It was a vicious assault on the Soviet Union.

But I want to thank the Pickerings. If you want to get a job done, you send the best. And Tom has served as perhaps our most senior Foreign Service officer, and it was thus for me a great privilege, really, to nominate him here. The fact that he was -- willingness to come to New York and take on this most important diplomatic assignment that we have I think sends a good signal to the United Nations as to the importance we place on it, and I think it sends a good signal to the Foreign Service. I hope it does because I have great respect for the Foreign Service. But all I know is, we've got a class act up here in both Pickerings, and I'm delighted that we're here with them today.

Barbara asked me to see how many would confess to being old enough to have been here in 1971 and '72. There's the little cadre of old folks over here, and they don't look so old. Wait a minute. [Laughter] Right out here. There's a few.

But I don't want to get too nostalgic, but my first introduction to the formality of diplomacy, as one who had a Nash Rambler when he came here and then was driving around in a great big Cadillac, was when we came out of one of these crowded receptions -- you know, where the traffic is held and you go around the block and everything. And I'm always a little restless and want to get on to the next thing. And some may remember Jerry Aprile -- well, Jerry would stand on the corner. All the other drivers would be standing out there, you know, and Jerry would be in the corner and go -- [the President whistled] -- [laughter] -- down here, and Barbara and I loved the guy and -- sped things up terrifically.

But look, I know that it's not easy serving in New York. I know the difficulties of housing and all of these things, but I am grateful to all of you. Tom tells me we've got an outstanding mission here. I'm going to go over there today and express the support I feel in my heart for the efforts of the United Nations. And I hope, in a sense, that that might not be necessary, but I hope it's helpful to your very important work, whether it's in the Economic and Social Council, or whether it's in the Political Office here, or whether it's in -- whatever it is, whatever side of the equation. Because I think the U.N. is in a very interesting phase here where it's moving much

more effectively in the peacekeeping field, as well as continuing its longstanding efforts -- and productive efforts, I'd say -- in economic and social side.

So, keep up the good work. This gives us a chance to come back and say thank you very, very much for what you did way back there, this handful of sturdy souls who remain, and say to the rest that have come here since we left: You're doing a first-class job, and your country is proud of you.

Thank you very much.

Note: The President spoke at 10:55 a.m. at the U.S. Mission. In his remarks, he referred to Secretary of State James A. Baker III and his wife, Susan; U.S. Representative to the United Nations Thomas R. Pickering and his wife, Alice; and Soviet Foreign Minister Eduard A. Shevardnadze.

Address to the 44th Session of the United Nations General Assembly in New York, New York

September 25, 1989

Mr. President, Mr. Secretary-General, and distinguished delegates of the United Nations: I am honored to speak to you today as you open the 44th Session of the General Assembly. I would like to congratulate Joseph Garba of Nigeria, a distinguished diplomat, on his election as President of this Session of the General Assembly, and I wish him success in his presidency.

I feel a great personal pleasure on this occasion, for this is a homecoming for Barbara and me. The memories of my time here in 1971 and 1972 are still with me today -- the human moments, the humorous moments that are part of even the highest undertaking.

With your permission, let me share one story from one of the many sessions of the Security Council. I was the Permanent Representative of the United States. I was 45 minutes late getting to the meeting and all 45 minutes were filled by the first speaker to take the floor. And when I walked in and took my seat, the speaker paused and said with great courtesy: ``I welcome the Permanent Representative of the United States, and now, for his benefit, I will start my speech all over again from the beginning." [Laughter] That's a true story. And at that moment, differences of alliance, ideology, didn't matter. The universal groan that went up around that table from every member present, and then the laughter that followed, united us all.

Today, I would like to begin by recognizing -- again, a personal privilege -- the current Permanent Representatives with whom I served: Ambassador Dugersuren [Mongolia], Roberto Martinez Ordonez [Honduras], Blaise Rabetafika [Madagascar], Permanent Observer John Dube [Monaco]. And it's wonderful to look around and see so many familiar faces: foreign ministers, members of the Secretariat, delegates. And, of course, Mr. Secretary-General, you were then the Permanent Representative for your country when we served together. Under Secretary Abby Farah, you were a Permanent Representative back then, too. Ambassador Aguilar [Venezuela] was then here and is now back. And off we go. And it's an honor to be back with you in this historic hall, and I apologize if I have forgotten any of you old enough to have served in 1971 and 1972.

But the United Nations was established 44 years ago upon the ashes of war and amidst great hopes. And the United Nations can do great things. No, the United Nations is not perfect. It's not a panacea for world's problems. But it is a vital forum where the nations of the world seek to replace conflict with consensus, and it must remain a forum for peace. The U.N. is moving closer to that ideal, and it has the support of the United States of America.

In recent years, certainly since my time here, the war of words that has often echoed in this

chamber is giving way to a new mood. We've seen a welcome shift from polemics to peacekeeping. U.N. peacekeeping forces are on duty right now, and over the years more than 700 peacekeepers have given their lives in service to the United Nations. Today I want to remember one of those soldiers of peace -- an American, on a mission of peace under the United Nations flag -- on a mission really for all the world. A man of unquestioned bravery, unswerving dedication to the United Nations ideal: Lieutenant Colonel William Richard Higgins. And I call on the General Assembly to condemn the murder of this soldier of peace and call on those responsible to have the decency to return his remains to his family. And let us all right now, right here, rededicate ourselves and our nations to the cause that Colonel Higgins served so selflessly.

The founders of this historic institution believed that it was here that the nations of the world might come to agree that law, not force, shall govern. And the United Nations can play a fundamental role in the central issue of our time. For today, there's an idea at work around the globe, an idea of undeniable force, and that is freedom.

Freedom's advance is evident everywhere: in central Europe, in Hungary, where state and society are now in the midst of a movement towards political pluralism and a free market economy, where the barrier that once enforced an unnatural division between Hungary and its neighbors to the west has been torn down -- torn down -- replaced by a new hope for the future, a new hope in freedom. We see freedom at work in Poland, where in deference to the will of the people the Communist Party has relinquished its monopoly on power; and, indeed, in the Soviet Union, where the world hears the voices of people no longer afraid to speak out or to assert the right to rule themselves.

But freedom's march is not confined to a single continent or to the developed world alone. We see the rise of freedom in Latin America where, one by one, dictatorships are giving way to democracy. We see it on the continent of Africa where more and more nations see, in the system of free enterprise, salvation for economies crippled by excessive state control. East and west, north and south, on every continent, we can see the outlines of a new world of freedom.

Of course, freedom's work remains unfinished. The trend we see is not yet universal. Some regimes still stand against the tide. Some rulers still deny the right of the people to govern themselves. But now the power of prejudice and despotism is challenged. Never before have these regimes stood so isolated and alone, so out of step with the steady advance of freedom. Today we are witnessing an ideological collapse: the demise of the totalitarian idea of the omniscient, all-powerful state. There are many reasons for this collapse, but in the end, one fact alone explains what we see today. Advocates of the totalitarian idea saw its triumph written in the laws of history. They failed to see the love of freedom that was written in the human heart.

Two hundred years ago today, the United States, our Congress, proposed the Bill of Rights -- fundamental freedoms belonging to every individual, rights no government can deny. Those

same rights have been recognized in this congress of nations in the words of the Universal Declaration of Human Rights: ``a common standard of achievement for all peoples and all nations." From where we stand, on the threshold of this new world of freedom, the trend is clear enough. If, for those who write the history of our times, the 20th century is remembered as the century of the state, the 21st century must be an era of emancipation, the age of the individual.

Make no mistake: Nothing can stand in the way of freedom's march. There will come a day when freedom is seen the world over to be a universal birthright of every man and woman, of every race and walk of life. Even under the worst circumstances, at the darkest of times, freedom has always remained alive -- a distant dream, perhaps, but always alive. Today that dream is no longer distant. For the first time, for millions around the world, a new world of freedom is within reach. Today is freedom's moment.

You see, the possibility now exists for the creation of a true community of nations built on shared interests and ideals -- a true community, a world where free governments and free markets meet the rising desire of the people to control their own destiny, to live in dignity, and to exercise freely their fundamental human rights. It is time that we worked together to deliver that destiny into the hands of men and women everywhere. Our challenge is to strengthen the foundations of freedom, encourage its advance, and face our most urgent challenges, the global challenges of the 21st century: economic health, environmental well-being, the great questions of war and peace.

First, global economic growth. During this decade a number of developing nations have moved into the ranks of the world's most advanced economies, all of them -- each and every one -- powered by the engine of free enterprise.

In the decade ahead, others can join their ranks. But for many nations, barriers stand in the way. In the case of some countries, these are obstacles of their own making -- unneeded restrictions and regulations that act as dead weights on their own economies and obstacles to foreign trade. But other barriers to growth exist, and those, too, require effective action. Too many developing countries struggle today under a burden of debt that makes growth all but impossible. The nations of the world deserve better opportunity to achieve a measure of control over their own economic fate and build better lives for their own people. The approach the U.S. has put forward -- the Brady Plan -- will help these nations reduce that debt and, at the same time, encourage the free market reforms that will fuel growth.

In just 2 days I will be speaking to the International Monetary Fund and the World Bank, and I'll discuss there in more detail the steps that our nations can take in dealing with the debt problem. But I can say now the new world of freedom is not a world where a few nations live in comfort while others live in want.

The power of commerce is a force for progress. Open markets are the key to continued growth in

the developing world. Today the United States buys over one-half of the manufactured exports that all developing nations combined sell to the industrialized world. It's time for the other advanced economies to follow suit, to create expanded opportunities for trade. I believe we'll learn in the century ahead that many nations of the world have barely begun to tap their true potential for development. The free market and its fruits are not the special preserve of a few. They are a harvest that everyone can share.

Beyond the challenge of global growth lies another issue of global magnitude: the environment. No line drawn on a map can stop the advance of pollution. Threats to our environment have become international problems. We must develop an international approach to urgent environmental issues, one that seeks common solutions to common problems. The United Nations is already at work on the question of global warming, in the effort to prevent oil spills and other disasters from fouling our seas and the air we breathe.

And I will tell you now the United States will do its part. We have committed ourselves to the worldwide phaseout of all chlorofluorocarbons by the year 2000. We've proposed amending our own Clean Air Act to ensure clean air for our citizens within a single generation. We've banned the import of ivory to protect the elephant and rhinoceros from the human predators who exterminate them for profit. And we've begun to explore ways to work with other nations, with the major industrialized democracies and in Poland and in Hungary, to make common cause for the sake of our environment. The environment belongs to all of us. In this new world of freedom, the world's citizens must enjoy this common trust for generations to come.

Global economic growth, the stewardship of our planet -- both are critical issues. But as always, questions of war and peace must be paramount to the United Nations.

We must move forward to limit and eliminate weapons of mass destruction. Five years ago, at the United Nations Conference on Disarmament in Geneva, I presented a United States draft treaty outlawing chemical weapons. Since then, progress has been made; but time is running out. The threat is growing. More than 20 nations now possess chemical weapons or the capability to produce them, and these horrible weapons are now finding their way into regional conflicts. This is simply unacceptable. For the sake of mankind, we must halt and reverse this threat.

Today I want to announce steps that the United States is ready to take, steps to rid the world of these truly terrible weapons, towards a treaty that will ban -- eliminate -- all chemical weapons from the Earth 10 years from the day it is signed. This initiative contains three major elements.

First, in the first 8 years of a chemical weapons treaty, the U.S. is ready to destroy nearly all -- 98 percent -- of our chemical weapons stockpile, provided the Soviet Union joins the ban. And I think they will. Second, we are ready to destroy all of our chemical weapons -- 100 percent, every one -- within 10 years, once all nations capable of building chemical weapons sign that total ban treaty. And third, the United States is ready to begin now. We will eliminate more than

80 percent of our stockpile, even as we work to complete a treaty, if the Soviet Union joins us in cutting chemical weapons to an equal level and we agree on the conditions, including inspections, under which stockpiles are destroyed. We know that monitoring a total ban on chemical weapons will be a challenge. But the knowledge we've gained from our recent arms control experience and our accelerating research in this area makes me believe that we can achieve the level of verification that gives us confidence to go forward with the ban.

The world has lived too long in the shadow of chemical warfare. So, let us act together beginning today to rid the Earth of this scourge.

We are serious about achieving conventional arms reductions as well. And that's why we tabled new proposals just last Thursday at the conventional forces in Europe negotiations in Vienna, proposals that demonstrate our commitment to act rapidly to ease military tensions in Europe and move the nations of that continent one step closer to their common destiny: a Europe whole and free.

And the United States is convinced that open and innovative measures can move disarmament forward and also ease international tensions. And that's the idea behind the open skies proposal about which the Soviets have now expressed a positive attitude. It's the idea behind the open lands proposal permitting, for the first time ever, free travel for all Soviet and American diplomats throughout each other's countries. Openness is the enemy of mistrust, and every step towards a more open world is a step toward the new world we seek.

Let me make this comment on our meetings with the distinguished Foreign Minister of the Soviet Union, Mr. Shevardnadze, over the past few days. I am very pleased by the progress made. The Soviet Union removed a number of obstacles to progress on conventional and strategic arms reductions. We reached agreements in principle on issues from verification to nuclear testing. And, of course, we agreed to a summit in the spring or early summer of 1990, and I look forward to meeting Mr. Gorbachev there.

Each of these achievements is important in its own right, but they are more important still as signs of a new attitude that prevails between the United States and the U.S.S.R. Serious differences remain. We know that. But the willingness to deal constructively and candidly with those differences is news that we, and indeed the world, must welcome.

We have not entered into an era of perpetual peace. The threats to peace that nations face may today be changing, but they've not vanished. In fact, in a number of regions around the world, a dangerous combination is now emerging: regimes armed with old and unappeasable animosities and modern weapons of mass destruction. This development will raise the stakes whenever war breaks out. Regional conflict may well threaten world peace as never before.

The challenge of preserving peace is a personal one for all of you right here in this hall. Mr.

Secretary General, with great respect, you have made it your own. The United Nations can be a mediator, a forum where parties in conflict come in search of peaceful solutions. For the sake of peace, the U.N. must redouble its support for the peace efforts now underway in regions of conflict all over the world. And let me assure you the United States is determined to take an active role in settling regional conflicts. Sometimes our role in regional disputes is and will be highly public. And sometimes, like many of you, we work quietly behind the scenes. But always, we are working for positive change and lasting peace.

Our world faces other, less conventional threats no less dangerous to international peace and stability. Illegal drugs are a menace to social order and a source of human misery wherever they gain a foothold. The nations who suffer this scourge must join forces in the fight -- and we are. And let me salute the commitment and extraordinary courage of one country in particular, Colombia, where we are working with the people and their President, Virgilio Barco, to put the drug cartels out of business, bring the drug lords to justice.

And finally, we must join forces to combat the threat of terrorism. Every nation and the United Nations must send the outlaws of the world a clear message: Hostage-taking and the terror of random violence are methods that cannot win the world's approval. Terrorism of any kind is repugnant to all values that a civilized world holds in common. And make no mistake: Terrorism is a means that no end, no matter how just that end, can sanctify.

Whatever the challenge, freedom greatly raises the chances of our success. Freedom's moment is a time for hope for all of the world because freedom, once set in motion, takes on a momentum of its own. As I said the day I assumed the Presidency of our country: ``We don't have to talk late into the night about which form of government is better." We know that free government, democracy, is best. And I believe that is the hard-won truth of our time, the unassailable fact that still stands at the end of a century of great struggle, of human suffering.

And this is true not because all our differences must give way to democracy, but because democracy makes room for all our differences. In democracy, diversity finds its common home. At the very heart of the democratic ideal is respect -- for freedom of belief, freedom of thought and action in all its diversity, for human rights. The world has experienced enough of the ideologies that have promised to remake man in some new and better image. We've seen the colossal tragedies and dashed hopes. We know now that freedom and democracy hold the answers. What men and nations want is the freedom to live by their own lights and a chance to prosper in peace.

When I began today, I spoke to you about peacekeeping. I want to speak to you now about peacemaking. We must bring peace to the people who have never known its blessings. There's a painting that hangs on the wall of my office in the White House, and it pictures President Abraham Lincoln and his generals meeting near the end of a war that remains the bloodiest in the history of my country. Outside at that moment a battle rages, in this picture. And yet what we

see in the distance is a rainbow -- a symbol of hope, of the passing of the storm. That painting is called The Peacemakers. For me, it is a constant reminder that our struggle, the struggle for peace, is a struggle blessed by hope.

I do remember sitting in this hall. I remember the mutual respect among all of us proudly serving as Representatives. Yes, I remember the almost endless speeches -- and I don't want this to be one of them -- [laughter] -- the Security Council sessions, the receptions, those long receiving lines, the formal meetings of this Assembly and the informal discussions in the delegates lounge over here. And I remember something more, something beyond the frantic pace and sometimes frustrating experiences of daily life here: the heartbeat of the United Nations, the quiet conviction that we could make the world more peaceful, more free. What we sought then -- all of us -- now lies within our reach.

I ask each of you here in this hall: Can we not bring a unity of purpose to the United Nations? Can we not make this new world of freedom the common destiny we seek? I believe we can. I know we must.

My solemn wish today is that here among the United Nations that spirit will take hold and that all men and all nations will make freedom's moment their own. Thank you. God bless you. And may God bless the work of the United Nations. Thank you very much.

Note: The President spoke at 11:45 a.m. in the General Assembly Hall at the United Nations.

Appointment of Robert J. Portman as Deputy Assistant to the President for Legislative Affairs

September 25, 1989

The President today announced the appointment of Robert J. Portman as Deputy Assistant to the President for Legislative Affairs. He would succeed Gordon Wheeler.

Since 1989 Mr. Portman has served as Associate Counsel to the President. Prior to this, he served as an attorney in the law firm of Graydon, Head and Ritchey in Cincinnati, OH, 1986 - 1989; and an attorney with the law firm of Patton, Boggs and Blow in Washington, DC, 1984 - 1986. In addition, he has served as public affairs officer and research associate on the Congressional/Presidential Select Commission on Immigration and Refugee Policy in Washington, DC, 1979 - 1981, and he has worked for Representative Bill Gradison (R - OH).

Mr. Portman graduated from Dartmouth College (B.A., 1979) and the University of Michigan Law School (J.D., 1984). He was born December 19, 1955, in Cincinnati, OH. Mr. Portman is married and resides in Alexandria, VA.

Appointment of Constance Bastine Harriman as a Member of the Great Lakes Fishery Commission

September 25, 1989

The President today announced his intention to appoint Constance Bastine Harriman as a Commissioner of the United States Section of the Great Lakes Fishery Commission. She would succeed Becky Norton Dunlop.

Since 1989 Ms. Harriman has served as Assistant Secretary of the Interior for Fish and Wildlife and Parks at the Department of the Interior in Washington, DC. Prior to this, she served as an associate for litigation with the law firm of Steptoe and Johnson in Washington, DC, 1987 - 1989; Associate Solicitor for Energy and Resources at the Department of the Interior, 1986 - 1987; Special Assistant to the Solicitor at the Department of the Interior, 1985 - 1986; associate with the law firm of Sheppard, Mullin, Richter and Hampton, 1980 - 1985; and an attorney adviser at the Department of Justice in the Office of Legal Policy, 1982.

Ms. Harriman graduated from Stanford University (B.A., 1970; M.A., 1973) and the University of California, Los Angeles (J.D., 1980). She resides in Bethesda, MD.

Nomination of Edwin G. Foulke, Jr., To Be a Member of the Occupational Safety and Health Review Commission, and Designation as Chairman

September 26, 1989

The President today announced his intention to nominate Edwin G. Foulke, Jr., to be a member of the Occupational Safety and Health Review Commission for the term expiring April 27, 1995. He would succeed Elliot Ross Buckley. Upon confirmation he will be designated Chairman.

Since 1985 Mr. Foulke has served as an attorney with the law firm of Constangy, Brooks and Smith in Columbia, SC. Prior to this, he served as an attorney with the law firm of Rainey, Britton, Gibbes and Clarkson in Greenville, SC, 1983 - 1985; and attorney with the law firm of Thompson, Mann and Hutson in Greenville, SC, 1978 - 1983.

Mr. Foulke graduated from North Carolina State University (B.A., 1974) and Loyola University School of Law (J.D., 1978). He was born October 30, 1952, in Sellersville, PA. He resides in Columbia, SC.

Remarks and a Question-and-Answer Session With Reporters During a Meeting With Small Business Leaders

September 26, 1989

The President. As we meet with these small business owners and representatives of small business owners, it gives me an opportunity to make another appeal for the capital gains differential. It is not, as these folks know, a tax break for the rich. It is a job-creating tax measure that will put more Americans to work. And so, I think we have to stand up to the understandable political rhetoric on the other side, rhetoric that we heard all last year and are now hearing once again, and fight for this principle that will be good for the American people.

And when I look back at some of the statistics -- that in 1987 over 14 million people reported capital gain and 70 percent of the tax returns with long-term gains had incomes of less than $50,000. So, this argument that we hear from the political opponents that this is a tax break for the rich -- they simply are wrong about it. The American people had a chance to hear this debate in last year's political process, and now I'm trying to follow through and do what I said I would do. It's a tough fight, but I obviously would welcome all of your support, which I hope I have.

Q. You certainly have ours.

The President. But in fairness now, we can take a quick question and then I'll have to go to work here.

Capital Gains Taxes

Q. What do you think the outcome is going to be at this point? They're going to vote the rule today.

The President. I don't know, but it's close, very close. I think some had predicted it would never get this far, given the political breakdown up there. But I'm confident that we do have a strong bipartisan support, and I'm hopeful that we will prevail.

Q. Are you suggesting you might get both the capital gains tax cut and an IRA cut -- both? --

The President. I don't see how we can do that. I have to have some final -- I have to be the final arbiter, I think, on the overall budget. And that is unacceptable to me as President.

Chemical Weapons

Q. Did you get everything you wanted from Mr. Shevardnadze today at the Soviet -- or at the United Nations on chemical weapons?

The President. Well, you never get everything you want, but I'm very pleased with the way things are going. The reaction from the Soviets to our proposals yesterday has been positive, and so now the goal is to get moving and try to work out these agreements. But we got some good common ground, Terry [Terry Hunt, Associated Press], that I don't think we had before the Foreign Minister came here. I know he's accurately reflecting Mr. Gorbachev's view.

Education Summit

Q. Mr. President, this being the eve of your education summit, do you care to make a comment on what you hope to gain of substance at the 2-day meeting -- how you expect to improve America's schools?

The President. Well, I think that we're going to come together with the Governors on major objectives for this country in terms of education -- something that's never been done before. And I know what my agenda is and what I believe in, but I'm going down there to listen and to work with the Governors, not try to impose an agenda from here. But I want to see us come up with some suggestions that will dramatically change things.

I was just reminded by a group of business leaders that on a per capita basis we spend far more than Germany or far more than Japan, and yet we're not achieving the way they are. So we've got to see what it is that we're doing wrong, how can we be more accountable. And it's in those areas of goals -- national goals, but coming up through the Governors -- that I think we can make a real contribution here.

Q. How would goals make a difference? If you did have goals, how would that make a difference in the classroom?

The President. Well, if we all agree on them, if we can get the Nation to agree on them, then the President can push from here. But the beauty of having the Governors is, they're the ones that are on the cutting edge. And we want them to go back actively engaged in working for excellence. And besides that, I think there will be an interesting exchange of ideas -- one Governor saying to another, ``Here's what's worked in my State.'' And to the degree the Federal Government does have a role in many of these educational programs, we will be listening intently, and our people will be saying what we think works and what doesn't. It's a good way to do it. It's a good way to have it, at this Governor's level.

Capital Gains Taxes

One more capital gains question?

Q. Dick Darman [Director, Office of Management and Budget] said yesterday that the Democrats want to shut down the government in order to force you to raise taxes, rather than go along with this capital gains. Are you willing to see an extensive sequestration and a -- --

The President. I don't want that, but I'm not ruling out anything. I mean, we know what the law is, and the President has to abide by the law. But if they would go forward and do what we've suggested, why, we could avoid sequestration. But I'm not ruling it out. Can't rule it out. It's the law of the land. And I've got certain convictions. I was elected to do certain things, and I'm going to keep on trying to do them. And a President has to use the tools at his disposal to accomplish the ends for which he was elected, and I plan to do exactly that.

Note: The President spoke at 2:07 p.m. in the Oval Office at the White House.

Message to the Congress Transmitting Proposed Campaign Finance Reform Legislation

September 26, 1989

To the Congress of the United States:

I am pleased to submit for your consideration and enactment the ``Comprehensive Campaign Finance Reform Act of 1989." This legislative proposal would implement the reforms I announced earlier this summer. It represents comprehensive campaign finance reform legislation designed to reduce substantially the power of special economic interests while enhancing the role of individuals and political parties. The proposal also restores competition to congressional elections by reducing the advantages of incumbency.

I look forward to working with the Congress on those critical issues.

George Bush

The White House,

September 26, 1989.

White House Fact Sheet on Proposed Campaign Finance Reform Legislation

September 26, 1989

Today the President transmitted to Congress comprehensive campaign finance reform legislation designed to lessen the power of special economic interests and restore competition to American congressional elections. This legislative proposal implements the reforms already announced by the President.

While curtailing the influence of special economic interests, the proposal enhances the roles of individuals and the political parties in the electoral process. It is also designed to reform a system which has led to a ``permanent Congress." In the 1980's, House incumbents have had a 97.7 percent reelection rate and Senate incumbents an 85 percent reelection rate. Below is an outline of the major proposals:

Elimination of political action committees (PAC's) supported by corporations, unions, or trade associations, and a prohibition on any such entities paying for the overhead or administrative costs of any independent PAC.

Reforms to address the problem of the ``permanent Congress" by reducing the unwarranted advantages of incumbency. Specifically, the proposal would prohibit the personal use of excess campaign funds, drastically reduce congressional franked mailings, ban the rollover of campaign funds from one election cycle to the next, and legislate fair neutral criteria for the redistricting that will follow the 1990 census.

A strengthening of political parties by increasing the amounts they can spend on behalf of congressional candidates. This source of funds would permit legislators to spend less time fundraising, would ensure that challengers have greater resources with which to challenge incumbents, and would further limit the role of special economic interests in elections.

Full disclosure of all ``soft money" spent by the political parties and all labor unions, corporations, and trade associations to influence a Federal election.

Letter to the Members of the House of Representatives on Proposed Capital Gains Tax Legislation

September 26, 1989

Dear XXXXX:

The House of Representatives will soon have the opportunity to vote on legislation that will ensure continued economic prosperity and provide powerful incentives for investment and jobs.

I firmly believe a capital gains reduction is the right policy for all Americans. This is an opportunity to restore an incentive for saving and investment, to create new jobs and build a better future. All Americans will benefit.

Middle-income Americans who invest wisely, farmers selling off a piece of the family farm, the elderly widow who is living off the assets she and her husband struggled to accumulate, the couple who planned ahead and saved so their children could go to college, the small business entrepreneur who sank his savings in an idea he alone believed would work -- these are not wealthy Americans. Over 70 percent of the taxpayers who report capital gains have other income less than $50,000.

In this intensely competitive world, almost all major industrial nations tax capital gains lightly or not at all. This is important to the American factory worker whose job may be on the line unless his company can bring down its capital costs.

Reestablishing a capital gains differential, which was part of our tax laws for over six decades, provides the needed incentives for those willing to take a risk on new products and research that are the result of American ingenuity.

Reducing the capital gains tax means Americans who have capital gains at some time in their lives -- about half of our population -- will be able to keep more of their savings to invest for the future.

You will be offered an alternative to the Jenkins-Archer capital gains proposal. No matter how you dress it up, that alternative is a tax increase -- plain and simple. That's no alternative, and my response will be equally plain and simple -- veto.

The timing for this vote is excellent. The Nation is enjoying its 82nd consecutive month of economic expansion -- the longest in peacetime history. Support for a capital gains differential is a vote to continue that prosperity, and I ask for your support when the Jenkins-Archer proposal comes to a vote.

Sincerely,

George Bush

Note: Identical letters were sent to each Member of the House of Representatives.

Remarks at the Annual Meeting of the Boards of Governors of the International Monetary Fund and World Bank Group

September 27, 1989

Thank you all very much. Thank you. And thanks especially to my good friend, our Secretary of the Treasury, Nick Brady. And thank you, Nick, for your outstanding economic leadership.

Chairman Lee and President Conable, Mr. Camdessus, it really is a pleasure for me to be here and to welcome you all to Washington, DC. And it's a special privilege for me to be here in the company of my old friend, former Congressman, now President Barber Conable. We in the United States are keenly aware of these annual gatherings, the importance of them -- you drive the work of all of us in maintaining a strong international economic and financial system.

And this is my first opportunity to speak to you as President of the United States. But I've followed the activities of the International Monetary Fund and the World Bank throughout my years of public service. And I have visited many of your homelands and seen firsthand the problems created by inadequate growth and development, problems that your two distinguished institutions are working hard to solve.

We've witnessed a dramatic shift over the past few years in the debate over how to achieve sustained growth and development. All across the world, there's been an almost simultaneous rediscovery of the power created when individuals are given the freedom to act in their own best interests. True, we're here today mainly to discuss economic freedom. But make no mistake: In the end, both economic freedom and political freedom are essential and inseparable companions on the road to national prosperity. The jury is no longer out. Look at the two economic systems and see who has prospered and who has struggled. Let's put an end to this economic experiment -- because history has decided.

It is not climate, natural resources, or cultural traditions that make the difference. I said it in my own Inaugural Address: ``We know what works: Freedom works. We know how to secure a more just and prosperous life for man on Earth: through free markets, free speech, free elections, and the exercise of free will unhampered by the state."

In Latin America, in Africa, Mexico, courageous leaders are turning away from state control of their economies. Economic restructuring and deregulation are opening the door to private initiative. And already they're seeing results. Even more stunning is the transformation in thinking in the Communist countries -- in both the Soviet Union and in Eastern Europe. During my recent travels in Poland and Hungary, I was impressed by the people but also impressed by the almost universal acceptance of the free market as the best hope -- indeed, the only hope -- for

reversing the economic fortunes of these two proud countries. And we will welcome the efforts of the Soviet Union to liberalize and decentralize their economy. I have said many times -- and I want to repeat it here today -- that I want to see perestroika succeed. A more open and humane Soviet Union can only be in the best interest of the West. And as we see the evidence of that reform, we can match it with steps of our own.

The rediscovery of these basic truths in the East has been matched by a recommitment to them in the West. Today the members of the European Community are dedicated to eliminating internal barriers to economic activity by the end of 1992. And Europe's leaders assure me that this will not be at the cost of new external barriers to trade with the EC.

The Peruvian economist Hernando de Soto has helped us understand a worldwide economic phenomenon. By walking the streets of Lima, not analyzing official statistics, he found that the poor of Latin America -- who have never read Jefferson or Adam Smith -- ran their affairs democratically, outside the formal economy, organizing their private, parallel economy in a free and unregulated manner. De Soto's great contribution has been to point out what, in retrospect, may seem obvious: People everywhere want the same things. And when left alone by government, people everywhere organize their lives in remarkably similar ways. De Soto's prescription offers a clear and promising alternative to economic stagnation in Latin America and other parts of the world. Governments must bring the ``informal'' workers into the regular economy and then get out of the way and let individual enterprise flourish.

We each must do our part. And yes, the industrial countries have a special responsibility. We must coordinate economic policies to help provide sustained growth with low inflation, reduced trade imbalances, and greater stability in exchange markets. We in the United States are working especially hard to reduce our own Federal budget deficit and to increase our national savings rate. All our nations have a responsibility to ensure a fair and open trading system. And we have a tremendous opportunity to advance that cause now by making success of this all-important Uruguay round of trade negotiations, making the political commitments necessary to ensure a success. Look, they will not be easy, but we must strengthen the GATT and allow our markets to open in a mutual, step-by-step fashion.

As we seek to extend and expand growth in the world economy, the debt problems faced by developing countries are central to the agendas of the IMF and the World Bank. Over the past year, the international community's strengthened approach to these problems has truly provided new hope for the debtor nations. America's Secretary of the Treasury, Nick Brady, has helped direct the focus on debt reduction as a complement to continued new lending -- bringing developing nations and commercial banks back to where they belong, back to the negotiating table. Quick action by both the IMF and the World Bank has given this new strategy vital support. By making clear the terms under which they will support the reduction of debt burdens and by working with countries to develop the necessary economic reform programs, these institutions have made it possible to reduce debt burdens and provide a solid foundation for growth.

Thanks to these initiatives, Mexico reached an agreement with its creditor banks enabling Mexico to make enormous progress in reducing its debt burden. It also helped restore -- almost instantly -- restore confidence in the Mexican economy. And it's already resulted in a return of capital and new foreign investment. This agreement underscores the benefits other debtor countries stand to realize from this approach. Mexico's savings from this package will free resources for productive use in the economy, leading to increased investment, leading to improved growth. What Mexico has done is not a miracle. It's a product of hard work and sustained commitment.

The strengthened debt strategy is flexible enough to address the unique needs of each country, but the strategy will not work without sound economic policies in the debtor countries. Inefficient, unrealistic, growth-stifling policies simply must go. Benefits are available to a broad range of other countries that pursue economic reforms. Several are now actively engaged, I'm told, with the IMF and World Bank, and with the banking community itself. Commercial banks have a special role in making this process work, and they must follow through on efforts made with Mexico and the Philippines and broaden their efforts with other countries.

We encourage these steps not as self-sacrifice but self-interest. True, success not only will help the debtor nations. But it will also strengthen the banks, by putting their own portfolios on a sounder basis. One of the lessons of the 1980's, especially the debt crisis, is that we're all in this together. And when we cooperate, we all come out winners. The IMF and the World Bank are at the crossroads of our cooperative efforts. The IMF must continue to foster the sound economic policies necessary for sustained growth. As part of that responsibility, the Fund has assumed an important and very welcome role in the strengthened debt strategy.

The United States recognizes that the IMF must have adequate resources to fulfill its critical role. And we will continue to work with other members in the hope of reaching a decision on the quota question -- on quotas by the end of the year. The United States has always supported the IMF, and we will continue to do so. We'll all look to the World Bank to help build the foundation for a future global prosperity that reaches all peoples. Its efforts to promote structural reform and development are absolutely crucial to resolving debt problems. The Bank's decisions to take on new responsibilities on the debt front are very welcome. Also, to address the significant problems of the poorest countries, the International Development Association, IDA, was established and will continue to have the support of the United States.

We have also learned, as I emphasized Monday at the United Nations and last summer at the Paris summit, that environmental destruction knows no borders. To make growth truly sustainable, we must weigh environmental considerations more heavily as we make economic decisions. And we must also find ways to strengthen our environmental and development efforts through innovative thinking, such as the ``debt for nature transactions.'' Over the years, as we've come to understand the effect of environmental destruction on the long-term growth of

developing countries, the World Bank has increased the priority it assigns to environmental concerns. We applaud those efforts, but there is more to be done. We need to work more cooperatively to develop constructive solutions to global warming, including measures to promote energy efficiency and conservation and greater protection of forest resources.

In addressing the challenges of the 1980's, we have come to a deeper understanding of the importance of cooperating as a community of nations to address common problems. I can think of no better current example than the need to work together to deal with international drug trafficking and money laundering. It is a worldwide problem. Drug money undermines honest businesses, corrupts political institutions, and even threatens the security of nations. To conceal their obscene profits, drug barons must wash their money by cycling it through financial institutions and illegitimate shell corporations. The United States renews its call upon all countries to ratify the United Nations Vienna Convention and make money laundering a criminal and extraditable offense. We need tough measures to crack down and track down and confiscate the profits of drug-related crime.

I am encouraged by the G - 7 [Group of Seven] democracies interested in this coordinated response to the money laundering menace. But I urge everyone to join with us to explore new ways to stop money laundering in its tracks.

And there may be no greater opportunity before us -- all of us -- today than the challenge of Poland and then, on the broader landscape, Eastern Europe -- the entire Eastern Europe, where countries are in the throes of dramatic political and economic change. The United States and its international partners have already undertaken new initiatives toward Poland. But now, in the light of clearly growing needs, the recent accession of a Solidarity-led government, and our self-evident stake in its success, we must do more. We understand the Polish Government has under consideration a bold plan for economic recovery. And I call on the IMF and the World Bank to work rapidly with Poland to develop such a program and ensure its successful implementation. For its part, the United States intends to be out in front of this effort, to take advantage of this historic development and to ensure its success.

Today our mutual efforts to improve global growth, to ease the burdens of developing countries -- their indebtedness -- and to open markets for trade have demonstrated anew that progress is best achieved by facing pressing issues together. This is a lesson that we must carry with us into the 1990's if we are to pass on to future generations a global economy that is strong and resilient and able to provide for the aspirations of the citizens of all our countries. Thank you very much for your hard work. Thank you for your service. Thank you for your commitment. God bless you and the nations that you represent. Thank you very much.

Note: The President spoke at 9:32 a.m. in the ballroom at the Sheraton Washington Hotel. In his opening remarks, he referred to Kyu Sung Lee and Barber B. Conable, Chairman of the Board of Governors and President, respectively, of the International Bank for Reconstruction and

Development; and International Monetary Fund Managing Director Michel Camdessus.

Remarks on the Education Summit and a Question-and-Answer Session With Reporters

September 27, 1989

The President. Let me just say at the beginning -- make a couple of comments on the summit, and then I'll be glad to take your questions. We've designed the format of the summit to encourage a candid and very free-flowing discussion. There's a lot of ideas that need to be exchanged, not only the Governors to the White House but vice versa, and between the Governors. So we've set it in a way that we will have a lot of interchange.

I think we're going to establish the fact that we need measurable national goals. And this, I am told, most of the Governors agree on. They think they need time to finalize what these goals are, but this will be a rather significant step if there's agreement on that -- we think we're going to get agreement on it. It will result in continued activities after the summit, consulting with the educators and business community, parents, all those elements in our society which have a significant stake in our educational system. And I think it's going to -- I think the process -- what we hope is that it produces a strong consensus for achieving these national goals.

I expect that we're going to find much agreement on the need both for greater flexibility in the use of Federal funds -- I remember at the last Governors' meeting, ``Please do not mandate what we do." And at the same time, greater accountability -- I think there's a strong recognition amongst the Governors that we need accountability for achieving results relating to the goals.

I'm hopeful that we're going to come out of the summit with a commitment to restructure and to make those fundamental changes that are needed if we're going to improve educational performance. And as I said before, doing more of the same is unlikely to accomplish what we need. And so, the more we've talked to the Governors -- that I have and Roger Porter [Assistant to the President for Economic and Domestic Policy] and others on the staff have -- the more convinced I am that they support this view.

So, these are the broad objectives. I'm looking forward to it. I think it's the third time that a summit has been convened with Governors. I told a group the other day that I learned back a year or 2 years ago the importance of having the Governors involved because they, indeed, are the ones that -- responsible for the State budgets and come up with so many of the new ideas. So I'm looking forward to this one.

Arms Control and Nuclear Testing

Q. Mr. President, speaking of summits, [Soviet Foreign Minister] Shevardnadze has said that a START treaty is very possible by the time of your summit with Gorbachev in spring or early

summer. Do you agree with that assessment?

The President. Yes, I do. And I think the setting of a summit perhaps will serve as a catalyst for moving forward, but it's not a given, it's not absolutely certain that that's what's going to happen. But I would agree that we have a good likelihood that might happen.

Q. How about the -- --

The President. I don't want to set it up so that if we don't have every ``t'' crossed and ``i'' dotted, that the summit next spring or summer is considered a failure. But, yes, I'd have to agree with him.

Q. And how about a moratorium on nuclear testing? Would you go for that?

The President. Well, as long as we are dependent for a deterrence based on nuclear weapons, I would have difficulty eliminating all testing. We've made some progress on PNET, on Threshold Test Ban Treaty, but it's important that these weapons be safe, it's important they be sound. And so, we're perfectly prepared to discuss that, but I think we do have some differences on it if that is Mr. Gorbachev's position.

Head Start Program

Q. Mr. President, a question on the education summit. You've said repeatedly that more money is not the answer to America's school problems. But what about Head Start? Currently, there's only enough space for one out of five eligible poor children. Will you make a commitment to expand that program so that all disadvantaged children can participate in Head Start in the 1990's?

The President. We increased funding for Head Start, but we'll be talking about that at the summit. And I'm anxious to hear what the -- get from the Governors, not some statistic floating around up here but from the Governors -- what they say.

We had a group of businessmen in here yesterday and then educators a few days ago, and there was, Terry [Terry Hunt, Associated Press], there was a feeling that those early, early days in a kid's life, those formative days, are very, very important, and that does mean pre-regular-school schooling of some sort. We're openminded on the question. We're living within constrained resources. But this is a question I'm going to be asking the Governors what they think. What are they doing in the States in this pre-K, pre-kindergarten level? And how do we work with them? So, I'm not -- don't have a closed mind, but I'm not going in there accepting some figure by an organization here in Washington that commits me to a budget number.

Q. Well, those groups you mentioned, educators and the businessmen -- they both are advocating

a big expansion in Head Start so that all the children -- --

The President. Oddly enough, they didn't there -- well, they advocated an expansion and more people attending. I was interested that they felt this is something that ought to be discussed at the summit and the determination of how it's resolved be done there. And we'll try, we'll try. I'm not going down there saying we're going to, you know, quintuple spending when they've got these big fights going on right now that -- for me to live within the law of this land in terms of the budget.

Assistance for Poland

Q. Mr. President, in your speech to the IMF today, you said that the United States and its allies must do more to encourage reforms in Poland. Were you signaling by that additional unilateral U.S. assistance to Poland?

The President. Well, we've stepped up on Poland, as you know, but I think the key thing now is the Poles themselves are working on a reform package. And we've had people over there -- Bob Mosbacher was there, we've had some OPIC people there, there's been some private missions there -- [former Reagan Chief of Staff] Howard Baker and [former Vice President] Mondale went over there. And I want to work with them in every way we can, but I think it's important that we see what their plan is of economic reform.

Q. Well, their Finance Minister has talked about the need for an immediate $1 billion loan. Is that possible?

The President. Well, the EC is working on their side. We've been helpful on ours. And so we'll see what final figures are arrived at. But we had a long meeting with the Polish Foreign Minister, and I'm not saying he wouldn't welcome more money, but he made this point to me very clearly -- a very interesting, very bright man -- about the need for reform. So, let's move apace, let's see what it is that is required in terms of reform, and then we'll try to do everything we can. We are committed to the success of democracy in Poland and certainly in Hungary.

Capital Gains and Tax Reform

Q. Mr. President, are you at all concerned, sir, that if you prevail or even if the Democratic alternative prevails on capital gains, that it will open the floodgates to a familiar situation, which is the annual drilling of new loopholes in the Tax Code by Congress, sometimes with the aid of the administration and sometimes not? What are you going to do to preserve what remains of the integrity of the tax reform law that was passed just a couple of years ago if this initiative of yours succeeds?

The President. I supported the tax reform law, but in last year's campaign there were one or two

areas where I felt that we needed to use the tax system to achieve various ends. It became very clear that capital gains was, in my view, a job-creating -- capital gains differential was a job-creating mechanism. That issue has been distorted by those who try to maintain that it's a tax for the rich. They are wrong about that. It will help create jobs. It will help in savings. And I'll tell you another thing: A vote against our capital gains position tomorrow will be a vote for a tax increase. And I have great difficulty with that, and I have not changed my thinking on that.

Q. What about the prospect, though, sir, that if this does pass, or even if the alternative passes, that the door has now been opened on a Tax Code that had been -- from which these preferences had been removed, to more of them?

The President. I have confidence that [House Ways and Means Committee] Chairman Rostenkowski, with the help of the administration, would be able to resist an all-out assault on the tax reform bill.

Arms Control

Q. Mr. President, you talked about a new attitude at the United Nations in your relations with the Soviet Union. How does that play out, sir, in connection with arms control negotiations and a resolution of regional conflicts?

The President. Well, in some arms control negotiations, obviously, we're in a multilateral forum. The Vienna talks is one good example. In terms of the negotiations between the United States and the Soviet Union, there is today, as there has been in the last 40 years, keen interest in the United Nations on this question. But the way it will play out is at the U.N. itself -- I think there is far less hostile rhetoric, far fewer polemical speeches at the U.N. where people have been made to choose sides. And so, it's a much more productive environment in which to discuss their role in arms control -- and I think of the U.N. Conference and things that go on -- but also to discuss a lot of other issues.

But I don't see a new role for the United Nations in hammering out a START treaty, helping hammer out a START treaty between the United States and the Soviets, or having a role in the -- as we try to go forward in chemical weapons with the Soviets in terms of what I called for on the Soviet side and the U.S. side. But there will be a role, could well be a role in trying to get other countries that possess chemical weapons, for example, to get rid of them, or certainly to stop proliferation. The U.N. has a vital role.

Did I get your question?

Soviet-U.S. Relations

Q. No, sir. I meant how the new attitude would help or whatever in the arms control talks

themselves between the United States and the Soviet Union. And also whether they would help in resolving some of the regional conflicts that separate us, like Nicaragua and Afghanistan. Is there more trust --

The President. The U.N. might help on that?

Q. No, sir -- how the new attitude -- --

The President. Oh, excuse me -- --

Q. -- -- the Soviet relations -- --

The President. I got the U.N. question mixed into your question. Look, I think that the spirit that prevailed in Wyoming is just one more manifestation that we don't have a disconnect with Mr. Gorbachev on Soviet-U.S. relations. And that spirit obviously makes it much easier to discuss contentious regional issues or arms control issues.

There have been times, and I think everybody -- you all know -- when it was very difficult even to bring subjects up without getting a rhetorical diatribe on the question. And now you can talk about any subject very openly. And I think that is a very constructive development, and I would thank the Soviet leaders who are dialoguing with us in that manner. That isn't to say we don't have a few contentious subjects in which we have differences and will probably have strong differences for a long time. That's why I want to have a prudent defense policy. I don't want to do something naive or silly in defense just because we are working more closely with the Soviets today.

We're not building our foreign policy on the success of any one individual or the failure of any one individual. We're building it on what is the best for the free world and the United States, and then we're striving mightily to make the Soviets understand that and to bring them along in constructive negotiation. And I am pleased. I was criticized -- it wasn't so many days ago -- for timidity. I think the team I have here knows what it's doing, and I'm very proud of them all. And they work together, and we don't have to necessarily advertise every step that we're taking. And I think now the American people see that -- well, I hope they do.

Q. Well, you speak with two voices here, though. Cheney [Secretary of Defense] talks about it being dangerous and fallacious to play ball with the Soviets, and you are saying we want to see us succeed. You know, there is a dichotomy there.

The President. We speak with one voice. Cheney's voice is loud and clear. And he's saying: Don't do something dumb. Don't make the mistake of unilaterally disarming -- knocking out significant strategic modernization programs at the very minute that the Soviet Union is going forward on the modernization front. And that's good advice for the President of the United

States, and believe me, it is needed and good advice for the Congress of the United States.

So, I take that into consideration. And we're trying to have a strong defense program that is prudent and realistic and not based on some euphoric hope that there are no differences between these countries.

But back to the question. When you have a civil climate you can discuss things much more easily with the Soviets today.

Chemical Weapons

Q. Mr. President, are you willing to do away with chemical weapons if the Soviet Union goes along with that, just like they proposed yesterday, even as you negotiate an international treaty?

The President. No, absolutely not.

Q. Why do we need -- --

The President. I said what we're willing to do. We need a certain sense of deterrence, and we need to have some leverage to get a lot of other proliferating countries to do what I think the world cries out for -- enter into an agreement to ban them all. It was like the argument on the INF. Do you remember a few years ago -- on INF weapons? People were saying: Don't deploy; that will disrupt all negotiations. We went forward, we deployed, and then we got an agreement to eliminate them all. It's the same theory involved there.

Q. But, surely, there are other weapons that would act as a deterrent other than chemical weapons to those countries.

The President. Well, let's sell that idea to these other countries, and I think you're onto something. But I'm not going to do something unilaterally on that. I've already said what we're going to do, and we're prepared to sit down and talk to the Soviets about it. But I think in the final analysis that -- we're pretty close to agreement on the principles that I enunciated the other day. And the fact that they come back -- I view that as very positive. I don't view that as one-upmanship of some sort in arms control. I think it's a very positive manifestation of what I'm talking about, about a more civil climate here.

Capital Gains Taxes

Q. Mr. President, on the capital gains, if I could return for a minute, you've repeatedly cited John Kennedy's support for a cut in the capital gains tax. But another thing that he wanted to do was to close the loophole which allowed gains at death to go untaxed. Do you feel that as this has come up as an issue that it's fair to have that continue?

The President. I haven't even thought about that, I'll be honest with you.

Q. It would raise $5 billion a year.

The President. I hadn't thought about it. And we're talking here about not dismantling tax reform or going into an opening of every tax provision. Maybe my sense of history isn't as acute as it should be, but I just don't remember that as far as the Kennedy program. I'm not questioning it, I just don't know.

There are a lot of other revenue-raisers people will be proposing. But I think we've got an overall tax reform plan. There are some exceptions that I've proposed, and I would leave that one to the Congress right now. But I'd have to look very carefully before I could say I could support it.

Andean Drug Summit

Q. The meeting with President Barco [Colombia] tomorrow, sir. Are you going to be setting a drug summit?

The President. Oh, I don't know -- Brent [Brent Scowcroft, Assistant to the President for National Security Affairs] -- whether we've -- where is the General -- or, Bob [Robert Gates, Assistant to the President and Deputy for National Security Affairs] -- whether we've talked about at this meeting setting a drug summit. I've already talked to Barco about a high-level drug meeting with the Presidents of various countries. But whether we'll set it tomorrow there, I just -- I have not discussed it with him personally. And I've had -- talked to him yesterday, or talked to him the day before. But I'll be very interested in his view on it and how that could affect -- the timing of which, how that could help on this fight.

Q. Do you have a view of when and where it should be, and which countries it should include, sir?

The President. No, we don't. And again, I'm anxious to get his views. I expect the subject will come up because we've given -- I believe we've given support to it. I know I feel that it would be a constructive thing. But we're a little -- we haven't really set the exact timing of it.

I'll tell you, in Costa Rica I will be meeting with many of the leaders from South America and the Caribbean. And I think that might be a time when we could get a lot of other views as to timing, who should attend, and -- but it's not set.

President's Security

Q. Mr. President, there's a report in Newsday today that the drug lords are threatening to kidnap

one of your children if they're not granted amnesty -- --

The President. If what?

Q. If they're not granted amnesty, if the drug lords aren't granted amnesty. Earlier, you said -- when this question arose, you said you didn't have any information on that -- --

The President. Yes. I hadn't.

Q. Do you have any information about what Newsday says is this threat?

The President. I do not. And I have a feeling that that matter is of enough interest to me that it would have been brought to my attention. And I don't mean to be complacent, but I have confidence in our intelligence community. I have confidence in the international cooperation on intelligence -- sometimes I wish it were more. And I have confidence in the Secret Service and their ability to do their job. So, I don't live in fear of anything like this, but, Terry, I've not heard that, and I feel confident I would have if there had been some -- what I would call hard intelligence. I can't do my job if I get deterred by rumors or -- I think I'd know that if there was something serious -- --

Q. But you have increased security, and your children now all have it, when they had declined it.

The President. Yes. Varying degrees. And I don't discuss it because I think one of the contradictions in an open society is, I can understand everybody's interest in knowing every detail, but I can also understand the security system's desire that every detail not be known. I think security is better in that way. But that, Helen [Helen Thomas, United Press International] -- to the degree security has been stepped up in accordance with the law and the Bush kids, it is not because of a specific, hard piece of intelligence, hard threat. And I'm confident of that. My problem is, would I tell you if I weren't? But I am confident of that. And I'm confident that I gave you the right answer because I think I would have known that.

Q. You may be the last to know. I'm teasing.

The President. Well, no, but I can see why somebody would want to -- --

Q. Save you from fears.

The President. Well, but we have a close family and people are -- they don't like it when families get -- you know, have some threat. But it's not -- I want to just assure people that there isn't -- we are not living under that kind of a threat.

Thank you all. Any more questions on education? [Laughter]

Chicago Cubs

Q. What about the Cubs, Mr. President? The Chicago Cubs?

The President. Oh, the Cubs?

Q. Yes. Is it their turn?

The President. It's fantastic. The debate over lights at Wrigley Field have given way to euphoria over winning. That's my comment. You heard it right here in the Oval Office first.

Q. So you think the lights did it?

The President. What I'm trying to do is figure out how to get to a game. Either American League or National League playoff or a World Series game.

Q. Are you committed to going to at least one, Mr. President?

The President. Not committed, but trying hard to figure it out.

Q. You have to take [former Reagan Press Secretary] Jim Brady with you.

The President. Oh, to go see a Cubs game.

Q. Who is going to win that American League East race?

The President. Well, I've given up on the Rangers. [Laughter]

Note: The President spoke at 10:35 a.m. in the Oval Office at the White House.

Nomination of Bruce L. Gardner To Be an Assistant Secretary of Agriculture

September 27, 1989

The President today announced his intention to nominate Bruce L. Gardner to be an Assistant Secretary of Agriculture (Economics). He would succeed Ewen Wilson.

Since 1981 Dr. Gardner has served as a professor in the department of agriculture and resource economics at the University of Maryland. Prior to this, he was a visiting fellow at the Center for the Study of the Economy and the State at the University of Chicago, 1980 - 1981, and a professor of agricultural economics at Texas A&M University, 1977 - 1980.

Dr. Gardner graduated from the University of Illinois (B.S., 1964) and the University of Chicago (Ph.D., 1968). He was born August 31, 1942, in Woodstock, IL. Dr. Gardner is married, has two children, and currently resides in Bethesda, MD.

Nomination of E. Donald Elliott To Be an Assistant Administrator of the Environmental Protection Agency

September 27, 1989

The President today announced his intention to nominate E. Donald Elliott to be an Assistant Administrator of the Environmental Protection Agency (General Counsel). He would succeed Lawrence J. Jensen.

Since 1984 Mr. Elliott has served as a professor of law at Yale Law School in New Haven, CT. Prior to this, he was an associate professor at Yale Law School, 1981 - 1984. Mr. Elliott also served as a visiting professor of law at Georgetown University, 1986 - 1987.

Mr. Elliott graduated from Yale College (B.A., 1970) and Yale Law School (J.D., 1974). He was born April 4, 1948, in Chicago, IL. He is married, has two children, and currently resides in New Haven, CT.

Nomination of Barbara Everitt Bryant To Be Director of the Bureau of the Census

September 27, 1989

The President today announced his intention to nominate Barbara Everitt Bryant to be Director of the Census at the Department of Commerce. She would succeed John G. Keane.

Since 1977 Dr. Bryant has served as senior vice president of Market Opinion Research in Detroit, MI. Prior to this, she served at Market Opinion Research as vice president for social research, 1971 - 1977, and as a senior analyst, 1970.

Dr. Bryant graduated from Cornell University (A.B., 1947) and Michigan State University (M.A., 1967; Ph.D., 1970). She was born January 5, 1926, in Ann Arbor, MI. Dr. Bryant is married, has three children, and currently resides in Ann Arbor, MI.

Continuation of James Bert Thomas, Jr., as Inspector General of the Department of Education

September 27, 1989

The President today announced that James Bert Thomas, Jr., will continue to serve as Inspector General for the Department of Education.

Since 1980 Mr. Thomas has served as the Inspector General for the Department of Education. Prior to this, he served as the Director of the Bureau of Accounts at the Interstate Commerce Commission, 1977 - 1980; Inspector General at the United States Department of Housing and Urban Development, 1975 - 1977; and Assistant Director of the Bureau of Accounts at the Interstate Commerce Commission, 1972 - 1975.

Mr. Thomas graduated from Florida State University (B.S., 1957). He was born March 16, 1935, in Tallahassee, FL. He is married, has three children, and currently resides in McLean, VA.

Nomination of Bernard E. DeLury To Be Director of the Federal Mediation and Conciliation Service

September 27, 1989

The President today announced his intention to nominate Bernard E. DeLury to be Federal Mediation and Conciliation Director. He would succeed Kay McMurray.

Since 1985 Mr. DeLury has served as the staff vice president for labor relations at the Sea-Land Corp. in Iselin, NJ. Prior to this, he served with the Sea-Land Corp. as the corporate vice president of personnel, 1982 - 1985, and as the director of labor relations, 1977 - 1982. Mr. DeLury served at the Department of Labor in Washington, DC as an Assistant Secretary of Labor at the Labor-Management Relations Administration, 1976 - 1977, and as the Assistant Secretary of Labor at the Employment Standards Administration, 1973 - 1976.

Mr. DeLury graduated from St. John's University (B.A., 1960) and C.W. Post College (M.A., 1974). He served in the New York State National Guard Army Reserve, 1956 - 1963. Mr. DeLury was born on April 1, 1938, in Brooklyn, NY. He is married, has five children, and currently resides in Colts Neck, NJ.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Carlos Saul Menem of Argentina

September 27, 1989

President Bush met with President Menem of Argentina in the Oval Office for approximately 45 minutes. President Bush noted President Menem's determination in dealing with Argentina's economic crisis and stated U.S. support for his program. They discussed the Government of Argentina's overtures to normalize relations with the United Kingdom. President Bush stated that the U.S. is pleased that two of our friends are engaged in a direct dialog and expressed the hope that this process will lead to full normalization of relations in the near future.

The two Presidents discussed the drug problem and underscored a mutual desire in combating the drug scourge. They also discussed the situation in Panama and the urgent need for a return to full democracy. President Bush noted that the U.S. shares with the people of Argentina a strong desire for freedom and democracy and expressed the hope that this visit will strengthen even further the close bond between our two countries.

Remarks at the Education Summit Welcoming Ceremony at the University of Virginia in Charlottesville

September 27, 1989

Thank you all for that warm welcome. Secretary Cavazos, thank you, sir, and to the other members of the Cabinet; and Governor Branstad and Governors Clinton and Campbell, all the Governors; President O'Neil especially, who is moving out of his house so Barbara and I can stay there -- beyond the call of duty. Members of the faculty and friends, thank you. And let me say as, I guess, the host of this: Welcome, welcome to Mr. Jefferson's university, the alma mater of President Woodrow Wilson. To Virginia's gracious Governor, Jerry Baliles, my thanks to you, sir. Our Senators -- I don't know if they made it -- Chuck Robb and John Warner -- but I know they plan to come. And, of course, Congressman for this district, French Slaughter.

I call it Mr. Jefferson's university, as nearly everyone else does in this marvelous city of Charlottesville. In fact, President Taft said once that they still spoke about Mr. Jefferson as though he were in the next room -- his spirit more real than the painting of Plato and Aristotle behind me, or the statue of Homer outside on the lawn.

Although his ideas on individual freedom, humanism and the inalienable rights of man stand alone in the history of this republic, Mr. Jefferson had one overriding vision that he did not see realized in his lifetime, but one which has over the past 200 years been fulfilled: a vision of strong public education, a public education system in this country second to none. It's a system that has brought Americans from all walks of life together, enabled all citizens to build better lives for themselves; a system that has given us Neil Armstrong, and Martin Luther King, Jonas Salk, Sandra Day O'Connor; a system unparalleled in the world.

But today millions of Americans cannot read. Some never even make it to graduation, dropping out of school and society as well. Drugs have invaded our classrooms, violence has entered our schoolyards, and clearly the enlightened America dreamed of by Thomas Jefferson still eludes us. And so, the Governors have accepted my invitation to come together for open and candid discussions about the future of American education. And I am grateful to each and every one of you, and I appreciate the depth of commitment shown by everyone assembled here today.

This is not a Republican or a Democratic issue. And it's not administration versus the Governors. It's an American issue. And everyone in this room is committed -- or you wouldn't be here -- to educational excellence. And we all know too much is at stake to let partisanship get in the way of progress. This call was sounded in 1983, in the previous administration, in the Reagan administration, when warned in its historic education report that we are indeed a nation at risk. And that report awakened Americans to the situation in our schools, and then those alarm bells

began to ring. And everyone now knows what the problems are. And no one came here to point fingers, but for the good of our children's education, for the good of the country, if you will, we must decide on a course of action. The time for study is over.

There are real problems right now in our educational system, but there is no one Federal solution. The Federal Government, of course, has a very important role to play, which is why I'm here and why so many members of our Cabinet are here. And we're going to work with you to help find answers, but I firmly believe that the key will be found at the State and local levels. You are the ones, as Governors, who are out there on the firing line, and you see what goes on in the classrooms and in the local school boards and in your state policymaking sessions. Truly, the States are the laboratories of reform in this country, and you are the experts. But we've got to work together -- the States, Governors, mayors, State legislators, and the Federal Government. We must work together over the next 2 days -- but more importantly, over the next several years.

We're going to talk about many issues -- most importantly, choice and competitiveness and teaching quality and improving the learning environment. Accountability, flexibility, tougher standards, a results-oriented system -- all of these have got to be out there on the table. And what I'm seeking at this summit is not just dialog, but a new sense of direction. We've got to challenge the education system if we're to meet the challenge of educational excellence. It's time to stop debating over commissions and studies and set priorities, and it's time to get on with it.

Shortly we're going to leave this hall and walk down the lawn to the Rotunda for the first of our working group meetings. On the way we will pass -- walk past Pavilion Seven, known as the Colonnade Club. The cornerstone of that building was laid by three great Americans -- Presidents Jefferson, Madison, and Monroe. And as you walk past that Colonnade Club, let us think of these three men and what they envisioned for the Republic. Think of the schools the founders sought to establish to develop the character of students with values like honesty and discipline and public service. And let us work together these next 2 days in a spirit of total frankness, total honesty. And let's not be afraid, as Mr. Jefferson said, to follow truth, wherever it may lead.

Thank you all very much for coming. And Governors, I look forward to working with you over the next couple of days here. Thank you very much.

Note: The President spoke at 3:15 p.m. in Old Cabell Hall on the grounds of the university.

Toasts of the President and Governor Terry Branstad of Iowa at the Education Summit Dinner in Charlottesville, Virginia

September 27, 1989

The President. Welcome, welcome. I will try to keep it short. You see, the record has already been set for toasts here in Charlottesville at the university. Back in 1824, Mr. Jefferson hosted a dinner in the Dome Room of the Rotunda for the Marquis de Lafayette attended by former Presidents Monroe and Madison. It was an elegant dinner. The libations flowed freely -- so freely, in fact, that 13 formal toasts ensued. [Laughter] And looking around here, only to be followed by 37 more impromptu toasts. That's the one tradition that I would like to discourage tonight.

This afternoon, though, we did begin an historic summit -- 2 days of what will be a lot of hours and hard work. The issues before us in the working sessions are profound. The solutions that we seek will not be simple ones. But I am absolutely confident that the spirit which inspired the founders of this nation, and particularly this university, is ever-present tonight as we gather at the beloved mountaintop home of President Thomas Jefferson. Below us, outside of this tent, we can see the twinkling limits and lights of Charlottesville; above us, the quiet pastures of Brown's Mountain. Not far down the mountain road is Ashland Highlands, the home of President Monroe. And we're overlooking the ``academical village'' founded by Mr. Jefferson 170 years ago. Earlier, at sunset, we could see the Rotunda and the purple shadows of The Lawn -- once an open-ended field that looked out to the Blue Ridge Mountains of Virginia. It was Mr. Jefferson's wish that it remain that way so that students would look out to the horizon poised between their education and their future.

Today, in the Rotunda, we worked in that elusive area between education and the future, defining our dream for excellence and giving shape to our hopes for America. And it was one day shortly before he died, right here, that Mr. Jefferson gazed at the Rotunda and said that establishing his university was ``the last act of usefulness that I can render my country.'' Building the Rotunda and the university were the crowning achievements of the ``Sage of Monticello,'' and yet he knew that without the creativity and the intellectual challenge of a great faculty, his new center of living and center of thought would be nothing more than bricks and mortar. He searched for the best in Europe and brought them to teach at the university as new citizens -- except in the subject of law, to be taught only by a resident American.

In fact, Jefferson's favorite teacher was his own law professor, George Wythe, a man who also taught him the essentials of ancient philosophy and the classics. I'm sure everyone here has a favorite teacher. I think back myself to the 12th grade, to Professor A.B. Darling, that some elitist ivy-leaguers might remember -- [laughter] -- but in my case, this man made the immortals

of American history come to life. And I'm not going to give you equal time because I'll bet you every Governor here has a special teacher that he remembers. Today, as it was in Jefferson's time, it is America's teachers who enlighten our young people and inspire them to excellence. You know, Jefferson knew this, writing once that aside from education, ``no other sure foundation can be devised for the preservation of freedom and happiness."

And so, tonight I would like to toast those who have heard the call and followed it -- those who have sacrificed so much in order that America might enjoy a sure foundation of freedom and happiness. And I toast our teachers -- those who taught us, those who sacrifice to teach our children, and those among us who have been members of this proud profession, the 6 members of my Cabinet -- 6 -- and the 13 Governors present who are former teachers. And just to give a small plug for alternative certification, there is one person present who has never held a teaching position, yet has been a leader in the fight against illiteracy, and that is my wife, Barbara.

We've come to this spectacular home of Thomas Jefferson to build upon his dreams of a strong system of education for all. But without our teachers, without their vision and their dedication, the dream would be lost. And so I ask you now to join me in a toast, a salutation to the teachers of America. God bless them all, and God bless the United States. To the teachers!

Governor Branstad. Mr. President, First Lady Barbara Bush, on behalf of our nation's Governors and our spouses, we thank you for convening us for this historic summit. The first President to bring this body of Governors together was Teddy Roosevelt. And when he called a meeting in 1908 to discuss the problems in the natural resources and environment, the Governors had such a good time that we decided to meet annually every year and form the National Governors' Association. We are proud that you have brought us back together. It has been nearly a century since President Theodore Roosevelt called that meeting of the Governors in 1908; and yet, we have come together for only the third time for a summit meeting of this magnitude called by the President of the United States. We are deeply honored in this opportunity. Our agenda is to develop a world-class education system for the future of America. It is one of the critical challenges facing our nation today.

By bringing your most trusted advisers to this meeting, Mr. President, you have shown your commitment. And when I say ``most trusted" advisers, I especially mean Barbara Bush and the Cabinet members. You have shown your commitment to literacy and quality education for all. Just like President Jefferson, you are committed to quality education. Just like President Jefferson, you are helping to build something. Apparently, he supervised the construction of the University of Virginia's Rotunda by watching the work from a telescope here at Monticello.

Here in Charlottesville we have begun what I hope will build something very important. You can watch and help and encourage as we continue the work in the individual States and in the classrooms all across this nation. We thank you for your commitment and for making education and literacy a priority of the American people. To the President of the United States and the First

Lady, Barbara Bush.

Note: The President spoke at 8:25 p.m. at Monticello.

Statement by Press Secretary Fitzwater on the Education Summit in Charlottesville, Virginia

September 27, 1989

The President said today's sessions with the Governors were very constructive. He said he felt a consensus could be reached on a number of issues. The key to success will be followup that occurs in the weeks ahead. The Governors indicated the most prominent issue before them is a question of flexibility in their spending of Federal funds. They asked the President to work with them in getting Congress to provide more flexibility in spending programs.

The Governors also indicated that early child programs, including Head Start, are the most valuable in terms of ultimate educational success. The Governors also spoke at length of the need to increase accessibility to the teaching profession by people now in other careers. This issue, teacher certification, is important to bringing new ideas into the teaching area.

The President found the give-and-take with the Governors quite useful and looks forward to tomorrow's meeting.

Remarks at the University of Virginia Convocation in Charlottesville

September 28, 1989

Governor Baliles. Mr. President, ladies and gentlemen, as you may have noticed during the course of this unprecedented education summit, Virginia law and tradition oblige us to publicly invoke the name of Thomas Jefferson at least once or twice an hour. [Laughter] There are worse habits.

Mr. President, it has been an interesting, sometimes provocative gathering. You asked the Governors to be candid, and I think we've fulfilled that request -- perhaps beyond your fondest hopes. [Laughter] I would also say, however, that you gave as good as you got. But these are times for candor and outspoken self-examination. These are times for us to open our eyes and our minds and face the facts. The world has changed more than we sometimes would prefer. The challenges, both internally and externally, are profound and difficult. And, frankly, we have not made it easy for ourselves.

Within the last decade, immense Federal budget deficits have accumulated with resulting declines in domestic spending, including education. We need not assign blame, but we ought to acknowledge that the Federal budget situation has left the States increasingly on their own to address not only education but also health care, transportation, law enforcement, and other pressing concerns. Indeed, the Federal budget deficits have been the backdrop to the education summit stage. The Federal deficits confine our flexibility, limit our options, and explain our shared reluctance to discuss financial resources. To be sure, in recent years the States have stepped into the breach. Imaginative and innovative programs have been created and funded by Governors and State legislators determined not to let the red ink in Washington inhibit the potential of our people in their enterprise.

But has it been enough? Has the renaissance of State governments yielded a renewed competitive America? The evidence says no. Indeed, it may be said of the American Federal system of government that the whole remains less than the sum of the parts. Education is one example, but not the only one. In other words, if we are to take on education as a nation, we had better get all the parts in accord and pulling together. And you, Mr. President, have taken a valuable and important step in that direction.

Up to this point, Mr. Jefferson's preference for locally administered education has prevailed. We will not depart from that model entirely. States and localities will continue to provide more than 90 percent of the funding and the preponderance of the direction and supervision.

And yet, there is a Federal role to be more clearly defined, supported, and sustained. In response

to international economic competition, a consensus has emerged for an American national resolve. The Jeffersonian belief that education is the first, best hope for our republic's enduring success has not diminished. We have simply discovered that, as the times change, so must our ideas. That may be the finest result of this education summit: that we have begun, State and Federal governments together, to think anew our respective roles and to address education for the first time as a nation undivided.

Mr. President, you have a loyal ally to support your efforts in the person of the new chairman of the National Governors' Association. It is my pleasure to introduce my friend and the distinguished Governor of the State of Iowa, Terry Branstad.

Governor Branstad. Thank you, Governor Baliles. Mr. President, First Lady Barbara Bush, members of the Cabinet, fellow Governors and their spouses, President O'Neil and Mrs. O'Neil, and members of the University of Virginia community: It is indeed appropriate that this education summit be held here amidst this historic setting. On behalf of the Governors and their spouses, we want to thank the faculty, administration, and students for hosting us here at this beautiful University of Virginia campus. And I hope we haven't disrupted your class schedules too much the last couple of days. [Laughter]

With this historic education summit, the President and the Governors have taken an important first step in the process of developing for the first time a national consensus for educational goals. We are discussing some of the most critical issues facing America today -- that is, the state of education. Our discussions underscore the breadth and depth and the complexity of the issues that we face. We believe that this summit can serve as a catalyst for change and improvement in American education.

But we know that we can't do it alone. Not even the President of the United States and the Congress, each Governor and their legislature can cause the kind of changes that we want. We have to have the involvement of the people who are directly affected, the people who can assure that we get results for America's children. These are the teachers, the parents, local school administrators and school board members, students, business leaders, leaders in their communities -- people who care deeply about American education. Only with the commitment of all of these people and with their cooperation and help can we be successful in attaining the goals that we hope to agree upon.

Governors recognize that this is a time for results. We are working hard to achieve results in our States -- results like better student performances on math, science, and foreign language tests; lower dropout rates and higher graduation rates; improved adult literacy; skilled and productive workers for the jobs of the 21st century.

To get the results we want, we have to hold our education system accountable and give educators the flexibility they need to do their job. It is time to find new measures of performance

based on what students know and what students can do, not just the number of classes that they complete in high school or college. It is time for more flexibility in the use of Federal dollars, and better coordination and cooperation among all levels of government and the different agencies of the Federal Government and State governments. We need to better serve the needs of American families and American schools.

On behalf of the Nation's Governors, we thank you, Mr. President, for convening this historic summit, for the process that you have started and for our opportunity to help achieve significant goals that will get results for future generations of Americans.

And now I have the privilege of introducing the Secretary of Education for the United States. Lauro Cavazos was appointed by President Reagan in 1988 as U.S. Secretary of Education. He was confirmed unanimously by the United States Senate, and before that, he had a distinguished career as president of Texas Tech University. And I'm pleased to say he also has a Ph.D. from Iowa State. Lauro Cavazos, Secretary of Education.

Secretary Cavazos. Thank you, Governor. Thank you. Thank you, ladies and gentlemen. It's my distinct pleasure to be here today as we continue this historic education summit. The decisions we make will affect the lives of millions of children in the United States, and it is for those children and the future of this country that we are here. President Bush has pledged his support for education and the need to restructure our educational system, and it is an honor now for me to introduce the President of the United States, George Bush.

The President. Thank you all very much. Thank you, Secretary Cavazos. Thank you, Governors. Thank you, Dr. Cavazos -- Secretary Cavazos. First, my respects to all the Governors here, and I want to thank -- the music of that Air Force Band, just lovely. Thank you for your performance. I want to thank Governor Baliles and Governor Branstad and so many others who had a very special role. I want to thank President O'Neil and Mrs. O'Neil. It was only yesterday that I discovered that we had evicted them from the president's house. [Laughter] And not only did they go peacefully, but they left me this necktie from Eljo's, which I'm sure some of you may recognize. You talk about Virginia hospitality. [Laughter] And I also want to pay my respects to the students and especially to the distinguished faculty of this great institution.

And for Barbara and me it's a delight to be back in Charlottesville. Imagine this: You have a President, the Cabinet, America's Governors all visiting your school. And the big man on the campus -- still Sean Moore. [Laughter] But, you see, we're somewhat familiar -- our son Marvin and our daughter-in-law Margaret, having gone here, both advising me to be humble while I'm at U. Hall. You see, they told me you only do the wave for Ralph Sampson. [Laughter]

Now, it's easy to keep your perspective and be humble at a school so rich in history and in educational endeavor. And I've also been deeply impressed by the commitment, the creativity, and the knowledge that my fellow chief executives bring here to this education reform agenda.

In our meetings yesterday, I learned exactly how much you care about the children of your States and the future. And in short, I came to Charlottesville with high expectations, and I've got to say you have exceeded them. So, the spirit of our summit is not, ``Who will get the credit?'' -- the spirit of this summit is, ``How can we get results?'' We are here to put progress before partisanship, the future before the moment, and our children before ourselves.

I've heard eloquent advice from many of you, and from so many others, in the last few weeks. And I've listened, and I am deeply appreciative of all that I have learned. But I've also learned that we should listen to our children. And they have much to tell us. In many ways, they are the luckiest generation in history. Just last month, our children observed, in the clarity of Voyager's sight, the horizons of new worlds, the majesty of space. And think what these images would have meant to the ever-curious founder of this university, who could only look through a primitive telescope at faint patches of light and wonder.

But our children are growing up in an age where wonder is commonplace, peace and prosperity often taken for granted. And our children are also the beneficiaries of a nation that lavishes unsurpassed resources on their schooling. So, in many ways we're close to fulfilling the Enlightenment dream of universal education, a dream that became a reality in the shadows of the Shenandoahs here at Mr. Jefferson's school.

And every step we take at this university is truly a walk in Thomas Jefferson's footsteps. When he first charted the ground on which we gather today, there was just a field of grass, a horizon limited only by the blue mountains beyond. But Jefferson surveyed a horizon that no one else could see. He saw the graceful dome of the Rotunda, the elegance of the Lawn and its pavilions. He saw meeting rooms and libraries and lecture halls teeming with professors, students yet unborn. Jefferson set out to fashion his rarified vision into solid reality, brick by brick, book by book. And it is his university, and his dream, that inspires us today to follow in his footsteps. As President O'Neil said, Thomas Jefferson, our first education president, was a relentless advocate for universal public education. ``He had a fundamental conviction that on the good sense of an educated citizenry, we could build and defend a country of liberty and justice.''

I borrowed those words -- this assessment -- from a friend of mine, another Renaissance man of our time, the late Bartlett Giamatti. Like Jefferson, his life was a metaphor for civility and public service. And it is this commitment to public service that we must carry on. So, let us make this an education society.

We have already come close to this Jeffersonian ideal. Our educational system is, in many ways, unrivaled in its scale and its diversity, in its commitment to meeting special needs and individual differences. And we're inspired by our best teachers, who give more than we can rightly expect, and from our best students, who surpass our highest expectations. And yet, after two centuries of progress, we are stagnant. While millions of Americans read for pleasure, millions of others don't read at all. And while millions go to college, millions may never graduate from high

school.

The National Assessment of Educational Progress estimates that fewer than one in four of our high school juniors can write an adequate, persuasive letter. And only half can manage decimals, fractions, and percentages. And barely one in three can locate the Civil War in the correct half-century. No modern nation can long afford to allow so many of its sons and daughters to emerge into adulthood ignorant and unskilled. The status quo is a guarantee of mediocrity, social decay, and national decline.

Education is our most enduring legacy, vital to everything that we are and can become. And come the next century, just 10 years away, what will we be? Will we be the children of the Enlightenment, or its orphans?

Six years ago, the Committee on Excellence in Education issued its powerful report; and yet today, our nation is still at risk. The educational reform movement has done well in articulating its criticisms, and now it is time to define goals. This is the time for action. I sent my proposals for Federal action in education to Congress last spring, including an increase in funding for Head Start. The Educational Excellence Act of 1989 includes ways to reshape and expand Federal efforts, to recognize excellence, lift the needy, foster flexibility and choice, and measure and reward progress. I remain solidly committed to these principles, and I value your advice and ideas as we continue to refine the Federal role.

Some offer a completely different answer: Spend more money alone. And at the Federal level, we have asked Congress to provide nearly a half a billion dollars in new funding for 10 worthy programs. Your States may also choose to spend more. But to those who say that money alone is the answer, I say that there is no one answer. If anything, hard experience teaches that we are simply not getting our money's worth in education. Our focus must no longer be on resources. It must be on results.

And this is only the third time in our 200 years as a nation that a President has called a summit with the Governors. And I've called you together because you bear the constitutional responsibility for education. And I didn't ask you to such an historic occasion merely to bemoan what is wrong. We are here to work, and work together, to once again make an American education the best in the world.

And let me say to the Governors before this majestic audience: These sessions have been informative and thoughtful and very useful to me. And I appreciate the obvious extensive preparations that the Governors have undertaken in the days and weeks leading up to this summit. The Governors have emphasized to me the need for national performance goals and the importance of greater flexibility in the use of Federal funds, while accepting enhanced accountability for the results. And they've also stressed the high priority that helping prepare preschool children should have in Federal spending, even in time of fiscal constraint.

And finally, the Governors have articulated eloquently the need to restructure our education system. You already are consulting with State legislators to better our schools. Our teachers already are giving their heart and soul to their jobs. But we've never before worked together -- President and principal, Governor and teacher -- to achieve results in education.

A social compact begins today in Charlottesville, Virginia -- a compact between parents, teachers, principals, superintendents, State legislators, Governors, and the administration. Our compact is founded not on promises but on challenges -- each one a radical departure from tradition. I hope that you will join me to define national goals in education for the first time. From this day forward, let us be an America of tougher standards, of higher goals, and a land of bigger dreams.

Our goals must be national, not Federal. That's why I welcome the initiatives of the National Governors' Association, from the Time for Results report in 1986 to the goal-setting project recently begun under the leadership of Iowa's Terry Branstad, South Carolina's Carroll Campbell, Washington's Booth Gardner, Bill Clinton of Arkansas. And my administration will work with you to build on the National Assessment Program's first State-by-State achievement results. We will work with you to formulate national goals, and then we're going to challenge superintendents and principals to meet these higher goals. In return, I accept your challenge and will work with you to loosen the grip of Federal restrictions. How many great ideas, how many grand and noble experiments have been impaled on the narrow spike of a Federal directive? Unnecessary restriction is the enemy of the bold. And bold action is what we need most of all.

I ask Congress to allow Washington to be more flexible by passing reform legislation. And I ask you, in turn, to ease State restrictions on local bodies. And then we'll judge our efforts not by our intentions but by our results. So, to get results, we need national goals and more flexibility from Federal and State government. To get results, we will need a new spirit of competition between students, between teachers, and between schools -- a report card for all. And to get results, we will need discipline, structure, and goals.

And yet, I do not counsel a naive nostalgia, some tame adherence to the past. Business as usual is not getting us where we need to go. So, when hallowed tradition proves to be hollow convention, then we must shatter tradition. The polls show what every PTA board member already knows: The American people are ready for radical reforms. We must not disappoint them.

For myself, I envision tradition-shattering reform in five areas. First, I see the day when every student is literate. But literacy should mean more than the ``three R's." We must be a reading nation. We must grapple with the hard sciences. And because education is as spiritual as it is practical, our children must know why Americans died at Bunker Hill, at Gettysburg, and at Monte Cassino. And they must do more than identify names on a multiple choice question. They must understand the generosity of Andrew Carnegie and the genius of Alexander Graham Bell

and the heroism of Rosa Parks. Some youngsters will naturally take longer than others, and some will need more study and extra instruction. But we should never send a student from school to school just because he or she has passed an arbitrary birthday.

Second, I see a day when our educational system will be unafraid of diversity. Of course, all schools in a State will share a core curriculum and minimum standards of achievement, but the means by which that curriculum is taught and those goals met should be as diverse and varied as America itself. Let them blend, in myriad ways, the traditional and the modern, the human and the technological. Let us give our schools and our teachers the freedom to do what they do best.

Children also differ in their interests and learning styles and capabilities. And so, third, I see the day when choice among schools will be the norm rather than the exception, when parents will be full partners in the education of their children. Too many parents have come to see education as a service we can hand over to the school boards in much the same way we expect our cities to provide electricity or water. But education is not a utility, not something to be delegated. Education is a way of life. And educational reform is an urgent responsibility for every parent, every student, every community. And those who do not advance the cause of education hinder it. Parents, students, and professional educators must be accountable to one another as a community.

But to be accountable, we need to know just how much progress we're making. So, fourth, I see the day when we use accurate assessments, carefully linked to our educational goals. We need to first know where we are, and this means accepting the bad news along with the good. We've always measured our progress against our past performance. We must now evaluate ourselves on a tougher grading curve, one that includes the other major industrial nations. And accountability also means we must act on what we discover. Weak performance in the classroom or the principal's office will no longer be tolerated. But neither will indifference towards good educators. Society has no greater benefactors than outstanding teachers and principals. And so, let them have their day in the sun, get what they deserve -- generous praise and solid rewards.

Fifth, I see an educational system that never settles for the minimum, in academics or in behavior. Decades of research bear out what the best teachers already know: When standard and expectations are high, everyone does better. And this includes both the unusually gifted and those with special needs and disabilities, but it must also include the student we too often forget, the average student. All you guys with C's -- I want to hear it from you. For I do believe that with a little care and a little work we can unleash within each of these so-called ordinary kids an extraordinary potential. This same potential can be found within every disadvantaged child, those from troubled neighborhoods, children for whom our schools must be a beacon of excellence, a sanctuary from violence, a model of good character, sound values, exemplary ethics. Let no child in America be forgotten or forsaken.

Some of our reforms and experiments are sure to come up short. But for too many of our

schools, experimentation is preferable to the status quo, because the status quo could scarcely be worse. The worthy and the useful will win out only if we give our schools the freedom that they need. And such freedom will not lead to a quick and easy solution. It's the work of years. And we've taken such a long-term view in our meetings over the last couple of days.

We've discussed the need for educational reform in terms of our national competitiveness -- you heard Governor Baliles refer to that just a minute ago. But I'm sure you agree that there is more to learning than just our trade balance or the graying of our work force. It is broader than the important, but narrow, compass of economics and government. A scholar once wrote that great books are not lifeless paper but minds alive on the shelves. And he observed that just as the touch of a button on a stereo will fill a room with music, so by taking down one of these volumes and opening it, one can call into range the voice of a man far distant in time and space and hear him speak -- mind to mind, heart to heart.

As a nation, we can again hear these voices, feel this enchantment, every time a parent reads a bedtime story to a sleepy child, every time a young scholar turns to the great books. The day must come when every young American can know the life of the mind. I might say parenthetically that is why my wife, Barbara, for many years has devoted a lot of her time to making this country more literate.

In essence, that is why we've gathered here at Mr. Jefferson's school. He was just one man, but look at what one man can do. Imagine what we can do, if we -- more than 50 strong -- are united by this great cause. So let us dream, and let us talk. And if need be let us argue, but in the end let us walk together on a journey to enlightenment, in the footsteps of Thomas Jefferson. Thank you for your hard work and dedication. God bless you. And God bless the United States of America.

Note: The President spoke at 11:56 a.m. at University Hall. In his remarks, he referred to University of Virginia football player Sean Moore, former University of Virginia basketball player Ralph Sampson, and former baseball commissioner A. Bartlett Giamatti.

Remarks at the Education Summit Farewell Ceremony at the University of Virginia in Charlottesville

September 28, 1989

Secretary Cavazos. Thank you very much. The past 2 days have been busy for all of us, but the enthusiasm has come to this meeting, discussions have borne our knowledge that we are doing vital and important work and that the results of our decisions will have an impact far beyond what we can imagine. We've made history at this education summit, and I know that we will continue to make history in every State and every school across America.

It is an honor now to introduce the President of the United States, George Bush.

The President. Thank you very much. My role is simply now, at the end of what I think we all agree was a very successful conference, to again thank the University of Virginia students, its faculty, its president; to thank all of the Governors. I want to single out those on the platform with me now: Governor Branstad, who is head of the Governors' Association; Governor Carruthers; Governor Booth Gardner of the State of Washington; and of course Bill Clinton, who looks a little tired, but took on an extra responsibility for hammering out a statement upon which there is strong agreement.

And we've reached agreement on the need for national performance goals, on the need for more flexibility and accountability, the need for restructuring and choice, and I agree with Governor Clinton that this is a major step forward in education; the need for letting parents, teachers, students, and communities -- to encourage them to work together more and more; and the need for more Federal support for the prekindergarten education process normally identified with Head Start, but certainly other programs might fit that description.

But I want to thank each and every one of the Governors and their families. This has been historic, and I pledge to you my determination to follow up in every way possible. We just cannot let it sit here and end here, and I promise you that I won't, that my Cabinet won't, and that our entire administration will not. So, with no further ado, to all the Governors here, my heartfelt thanks.

Governor Branstad. Mr. President, on behalf of the National Governors' Association, we thank you for calling us together in this very historic summit on education. I want to thank all of the Governors that participated. We had better attendance than we even do at the National Governors' annual meetings. There were open and frank discussions. A very significant agreement has been reached. This year, the National Governors' Association has an agenda that calls for building a consensus for change to address some of the critical issues facing the United States of America -- the issues of education and the environment.

And in the last 2 days here, we have made significant progress towards building that national consensus with the leadership of the President and the Governors. In the area of setting national education goals, we unanimously agree that there is a need for the first time in this nation's history to have specific results-oriented goals. And we're talking about roles in the area of readiness of children to start school; in the area of performance of students in international achievement tests in the areas of math and science; in the reduction of the dropout rate and the improvement of academic performance, especially for at-risk children; in the functional literacy of adult Americans; in the level of training necessary to guarantee a competitive work force; in the supply of qualified teachers with up-to-date technology; and the establishment of safe, disciplined, and drug-free schools.

We recognize the need for both flexibility to State governments and to local school districts -- but coupled with that, accountability for outcome-related results. I think significant progress has been made. We have committed to work together -- the National Governors' Association Task Force on Education and the people designated by the President -- to make specific goals and to reach those goals hopefully by the February meeting of the National Governors' Association in the Nation's Capital.

It's a beautiful day in Charlottesville, Virginia. I'm proud that the President has invited us to be here. We appreciate the great hospitality of this great State and this great university, and I'm pleased to introduce my Vice Chairman for the National Governors' Association, the Governor of the State of Washington, Governor Booth Gardner, to talk about some of the other goals that have been spelled out in this joint statement. Governor Gardner.

Governor Gardner. The report goes further, and I think one of the reasons that we're all so excited about the results of the last 2 days are that the report addresses the financial role of the Federal Government in education, albeit in a limited role -- but an extremely important role. And the understanding is that the money that becomes available will be applied to the issue of early childhood education and Head Start and preparing young people for the day that they enter school -- that they will be on a parred and equity basis with other children and they're ready and able to perform.

And we also discussed and agreed that we have to continue to look at mandates from the Federal Government to make sure that those mandates do not impinge on the State's ability to provide its discretionary funds for education. Then we have a very exciting statement on the commitment to restructuring. The President and the Nation's governments [Governors] have agreed that significant steps must be made in restructuring education in all States: a system of accountability that focuses on results rather than input; a decentralized authority and decision-making responsibility to the school site; empowerment to the principals and the teachers to carry out their mandates and citing challenges to face us in this country; and an educational system that develops first-rate teachers and supports those teachers with the technology, staff, and services that are necessary to allow them to be productive.

And lastly, we want to compliment the Secretary of Education and the President on agreeing that we will have a report card and that we will measure the schools, the State, and the Federal Government year by year to make sure that we remain committed to the agreements that we have reached in the past 2 days and the goals that will come out of the process for the next few months that we hope to agree on in February or March.

In the past few days, the President, his Cabinet, Secretary of Education, the Governors, and their staff have humbly walked the footsteps of Thomas Jefferson. We started down a promising path, and we have composed a Jeffersonian compact, the beneficiaries of which will be the children of this country. The children of this country today represent 25 percent of our population. Tomorrow, they are 100 percent of that population. With that, I'd like to introduce the Governor of New Mexico and the chairman of the Educational Commission of the States, Garrey Carruthers.

Governor Carruthers. Thank you very much, Booth. We came to talk about sharing the responsibility for success, and we've done that. And to have success we need to have a vision, much higher expectations, and the President of the United States gave one of the finest speeches I've ever heard on education today at the convocation at the University of Virginia.

And it is from that speech and the work that we have to do afterwards that will develop the vision of education in this country. But I think also we came to talk about empowering people, and we talked a lot about empowering. We're going to empower parents by encouraging choice; we're going to empower teachers by letting them take over the classrooms again; we're going to empower those educational entrepreneurs that exist in all our communities by deregulating the educational system.

We need to empower the kids by making sure that before they're 5 years old they've been properly taken care of in every way, particularly with health. And we need to empower the private sector by inviting them into the school systems and getting their assistance and mentoring programs and the financial assistance they've always been willing to give us. And then we need to empower all Americans very simply by having them join us in developing a set of national goals. It has been a wonderful conference, and now I'd like to introduce you to Governor Bill Clinton, who's one of the prime forces in developing this conference, the summit, with the President of the United States.

Governor Clinton. Thank you very much, Governor Carruthers, Mr. President, ladies and gentlemen. This is a rather emotional moment for me. For one thing, I didn't get much sleep last night -- we were up working on this statement.

I want to thank Governor Campbell, who is not here, and Governor Branstad, who is, and all the others who worked on this statement from the National Governors' Association -- John Sununu [Chief of Staff] and Roger Porter [Assistant to the President for Domestic and Economic

Affairs] and others from the White House staff. And most important, Mr. President, I want to thank you for giving us the chance, the Governors, after 7 years of hard work on educational reform, to have a real national partnership in education.

The press will ask today, and maybe the people will when we get home, what really happened here that makes a difference. I would say there are three things.

This is the first time in the history of this country that we have ever thought enough of education and ever understood its significance to our economic future enough to commit ourselves to national performance goals. It has never happened in over 200 years. This is the first time, ever, any group of public officials have ever committed themselves to a national effort to restructure the schools of the United States -- something every educator who studied it says is the single most significant thing we could do.

And this is the first time a President and Governors have ever stood before the American people and said: Not only are we going to set national performance goals, which are ambitious, not only are we going to develop strategies to achieve them, but we stand here before you and tell you we expect to be held personally accountable for the progress we make in moving this country to a brighter future. If that doesn't make this a happy day, I don't know what does. Thank you very much.

The President. Thank you all. Well done, Bill. You did a wonderful job. Booth, thanks for everything.

Note: The President spoke at 3:07 p.m. on the steps of the Rotunda. Following his remarks, he returned to Washington, DC.

Joint Statement on the Education Summit With the Nation's Governors in Charlottesville, Virginia

September 28, 1989

The President and the nation's Governors agree that a better educated citizenry is the key to the continued growth and prosperity of the United States. Education has historically been, and should remain, a state responsibility and a local function, which works best when there is also strong parental involvement in the schools. And, as [a] Nation we must have an educated workforce, second to none, in order to succeed in an increasingly competitive world economy.

Education has always been important, but never this important because the stakes have changed: Our competitors for opportunity are also working to educate their people. As they continue to improve, they make the future a moving target. We believe that the time has come, for the first time in U.S. history, to establish clear, national performance goals, goals that will make us internationally competitive.

The President and the nation's Governors have agreed at this summit to:

-- establish a process for setting national educational goals;

-- to seek greater flexibility and enhanced accountability in the use of Federal resources to meet the goals, through both regulatory and legislative changes;

-- to undertake a major state-by-state effort to restructure our education system; and

-- to report annually on progress in achieving our goals.

This agreement represents the first step in a long-term commitment to reorient the education system and to marshal widespread support for the needed reforms.

National Education Goals

The first step in restructuring our education system is to build a broad-based consensus around a defined set of national education goals. The National Governors' Association Task Force on Education will work with the President's designees to recommend goals to the President and the Nation's Governors. The process to develop the goals will involve teachers, parents, local school administrators, school board members, elected officials, business and labor communities, and the public at large. The overriding objective is to develop an ambitious, realistic set of performance goals that reflect the views of those with a stake in the performance of our education system. To succeed we need a common understanding and a common mission. National goals will allow us

to plan effectively, to set priorities, and to establish clear lines of accountability and authority. These goals will lead to the development of detailed strategies that will allow us to meet these objectives.

The process for establishing these goals should be completed and the goals announced in early 1990.

By performance we mean goals that will, if achieved, guarantee that we are internationally competitive, such as goals related to:

-- the readiness of children to start school;

-- the performance of students on international achievement tests, especially in math and science;

-- the reduction of the dropout rate and the improvement of academic performance, especially among at-risk students;

-- the functional literacy of adult Americans;

-- the level of training necessary to guarantee a competitive workforce;

-- the supply of qualified teachers and up-to-date technology; and

-- the establishment of safe, disciplined, and drug-free schools.

The Federal/State Partnership

Flexibility and Accountability

The President and the Governors are committed to achieving the maximum return possible from our investments in the Nation's education system. We define maximum return as the following: significant and sustained educational improvement for all children. Nothing less will meet the Nation's needs for a strong, competitive workforce; nothing less will meet our children's needs for successful citizenship and economic opportunity.

Federal funds, which represent only a small part of total education spending, are directed particularly toward services for young people most at risk. Federal laws and regulations control where and for whom states and localities spend this money. State and local laws and regulations control what is taught, and how, for all students.

At present, neither Federal nor State and local laws and regulations focus sufficiently on results, or on real educational improvement for all children. Federal and State executives need authority to waive statutory and regulatory provisions in return for greater accountability for results.

The President and the Governors have agreed:

-- to examine Federal regulations under current law and to move in the direction of greater flexibility;

-- to take parallel steps in each state with respect to State laws and administrative rules.

-- to submit legislation to Congress early next year that would provide State and local recipients greater flexibility in the use of Federal funds, in return for firm commitments to improved levels of education and skill training.

The President and the Governors have agreed to establish a working group of Governors and the President's designees to begin work immediately to accomplish these tasks.

We know that other voices need to be heard in this discussion -- voices of educators, parents, and those whose primary interest is the protection of the disadvantaged, minorities, and the handicapped. We need to work with the Congress. The processes we will set up immediately following this conference will involve all parties.

The urgent need for flexibility in using Federal funds can best be illustrated by a few examples.

First, the Federal Vocational Education Act, which mandates specific set-asides that often result in individual awards that are too small to be meaningful and that prohibit the money from being spent to achieve its purpose. One state reported being required to divide $300,000 in aid among far too many categories and set-asides.

Second, similarly, the Chapter 1 program requires that equipment purchased to provide remedial education services cannot be used for non-Chapter 1 institutions in areas such as adult education. Several States report that large numbers of computers purchased by Federal funds are idle at night, while adult education classes that need them either do without or use scarce tax dollars to buy other equipment.

Third, the requirements that children who benefit from Federal funds for compensatory and special education be taught separately often undermines their achievement. Waivers that permit these students to return to regular classes and receive extra help have produced large increases in their test scores. This option should be available for all school districts.

These commitments are historic steps toward ensuring that young people with the greatest needs

receive the best our schools and training programs can give them, and that all children reach their highest educational potential.

In a phrase, we want to swap redtape for results.

The Federal Government's Financial Role

State and local Governments provide more than 90 percent of education funding. They should continue to bear that lion's share of the load. The Federal financial role is limited and has even declined, but it is still important. That role is:

-- to promote National education equity by helping our poor children get off to a good start in school, giving disadvantaged and handicapped children extra help to assist them in their school years, ensuring accessibility to a college education, and preparing the workforce for jobs;

-- and second, to provide research and development for programs that work, good information on the real performance of students, schools, and states, and assistance in replicating successful state and local initiatives all across the United States;

We understand the limits imposed on new spending by the Federal deficit and the budget process. However, we urge that priority for any further funding increases be given to prepare young children to succeed in school. This is consistent with the President's recommendation for an increase in the number of children served by Head Start in this year's budget. If we are ever to develop a system that ensures that our children are healthy and succeed in school, the Federal Government will have to play a leading role.

Further, we urge that the Congress not impose new Federal mandates that are unrelated to children, but that require States to spend state tax money that could otherwise go to education.

Commitment to Restructuring

Virtually every State has substantially increased its investment in education, increased standards, and improved learning. Real gains have occurred. However, we still have a long way to go. We must make dramatic improvements in our education system. This cannot be done without a genuine, National, Bipartisan commitment to excellence and without a willingness to dramatically alter our system of education.

The President and the Nation's Governors agree that significant steps must be taken to restructure education in all states. We share the view that simply more of the same will not achieve the results we need. We must find ways to deploy the resources we commit to education more effectively.

A similar process has been going on in American manufacturing industry over the last decade with astonishing results: An increase in productivity of nearly 4 percent a year.

There are many promising new ideas and strategies for restructuring education. These include greater choice for parents and students, greater authority and accountability for teachers and principals, alternative certification programs for teachers, and programs that systematically reward excellence and performance. Most successful restructuring efforts seem to have certain common characteristics:

-- a system of accountability that focuses on results, rather than on compliance with rules and regulations;

-- decentralization of authority and decision-making responsibility to the school site, so that educators are empowered to determine the means for achieving the goals and to be held accountable for accomplishing them;

-- a rigorous program of instruction designed to ensure that every child can acquire the knowledge and skills required in an economy in which our citizens must be able to think for a living;

-- an education system that develops first-rate teachers and creates a professional environment that provides real rewards for success with students, real consequences for failure, and the tools and flexibility required to get the job done; and

-- active, sustained parental and business community involvement.

Restructuring efforts are now underway in many states. The Nation's Governors are committed to a major restructuring effort in every state. The Governors will give this task high priority and will report on their programs in one year.

Assuring Accountability

As elected chief executives, we expect to be held accountable for progress in meeting the new additional goals and we expect to hold others accountable as well.

When goals are set and strategies for achieving them are adopted, we must establish clear measures of performance and then issue annual Report Cards on the progress of students, schools, the states, and the Federal Government.

Over the last few days we have humbly walked in the footsteps of Thomas Jefferson. We have started down a promising path. We have entered into a compact -- a Jeffersonian compact to enlighten our children and the children of generations to come.

The time for rhetoric is past; the time for performance is now.

Note: The statement was not released by the Office of the Press Secretary.

Remarks to Participants in the Secondary School Recognition Program

September 28, 1989

Thank you, Mr. Secretary, and thank you especially for your key role in this educational summit. And to all of you, our special guests, welcome to the White House.

Let me first wish a happy birthday to the executive director of the Council for American Private Education, Joyce McCray, who is here someplace. And we have here today the proud representatives of 218 secondary schools -- America's best. And some are private, some are religiously affiliated, some are public -- a mixture of middle, junior, and senior high schools from 42 States, the District of Columbia, and Puerto Rico. But you all have one thing in common: a determination to excel. And I am especially impressed by the 22 schools receiving this award for the second time. You did not take your first win as a reason to relax; you took it as a mandate for continued success. And this clearly shows that all the schools here today have a commitment to quality that is unwavering and true.

And so, returning from the summit, Barbara and I just wanted to say congratulations to all of you. As you know, this was a historic summit on education with the Nation's Governors there in Charlottesville. And one of the first points that we all agreed on was the need for schools and communities to work together. And this is what Douglas Molzahn of Lincoln High in Manitowoc, Wisconsin, meant when he said that this honor is not a spotlight on his school but a floodlight on his whole community.

Every school here today represents a successful community of businessmen, businesswomen, civic groups, and parents. And no one had to tell you how to do this -- not Washington, not your State government. You set your own high goals and then you met them. These ideas dominated the discussion at this national summit. The Governors and I agreed that education is central to the continued prosperity of our country, so nothing less than an educated work force will do the job. But education has always been and must remain a State responsibility and a local function.

So, for the first time, then, in American history we reached the following agreements: to establish a process for setting national education goals, to seek flexibility and enhanced accountability and the use of Federal resources to meet these goals through both regulation and legislative change, to undertake a major State-by-State effort to restructure our education system, and then to report annually on progress in achieving these goals. I am going to stay engaged and use the bully pulpit of the White House to do my part working with these Governors to achieve educational excellence. By doing this, we will be truly walking in the footsteps of Thomas Jefferson. In fact, we've already started down the path by entering into this new compact, a Jeffersonian compact to enlighten all of America's children.

But let me say it again: No one will impose these goals on your schools. It's up to every community, every principal, every teacher to accept the challenge of national goals. And can it be done, you might ask. Well, yes. In fact, it has been done, in 218 different ways, along 218 different paths to one goal: excellence in education.

America desperately needs every school to match your determination. There are more than 40 million Americans who have never graduated from high school, and there are more than 17 million Americans who cannot read at all. Benjamin Franklin was once asked what was the most pitiful thing in life. And he replied, ``A lonesome man on a rainy day who does not know how to read." Because of your schools, thousands of children will never suffer this singular form of loneliness; they will be readers. And they will be accomplished in many subjects, will possess the skills that our changing economy will demand. And there is no secret to the way in which you're achieving this, no secret to your success.

Danford Sakai of Waiakea High School put his academic philosophy in alliteration: commitment, caring, common sense, communication, and courage. And that's what you bring to your schools, your students, and to the future of our great nation.

So, thank you for what you're doing. Keep up the good work. Congratulations, and God bless you all. Thank you very much.

Note: The President spoke at 4:37 p.m. on the South Lawn of the White House following his return from the education summit in Charlottesville, VA. In his remarks, he referred to Secretary of Education Lauro F. Cavazos.

Statement by Press Secretary Fitzwater on the Death of Ferdinand Marcos

September 28, 1989

The President and Mrs. Bush were saddened to hear of the death of former President Marcos. They offer their condolences to Mrs. Marcos and the members of her family. For over 20 years, Mr. Marcos was the leader of the Philippines, a nation that has been and remains a staunch friend and ally of the United States. Mr. Marcos agreed to leave the Philippines at a critical juncture in his nation's history. His departure permitted the peaceful transition to popular, democratic rule under President Aquino.

Statement on the House of Representatives Approval of Capital Gains Tax Legislation

September 28, 1989

I am pleased by the bipartisan House vote which represents a step forward for economic growth, new jobs, and American competitiveness. A lower capital gains rate will reduce the cost of capital and create incentives for investment in the long-term productive capacity of American industry. This is what we need to make us more successful in the increasingly competitive international marketplace, creating more jobs and better living standards for Americans.

I look forward to working cooperatively with the Senate to give swift attention to this tax cut. I want to thank the Republican leadership in the House and those Democrats and Republicans who made this achievement possible.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Virgilio Barco Vargas of Colombia

September 28, 1989

President Bush and President Barco met for approximately 1\1/2\ hours in the Residence, followed by a brief social reception. Joining them were Attorney General Thornburgh, Drug Coordinator William Bennett, General Scowcroft [Assistant to the President for National Security Affairs], Governor Sununu [Chief of Staff], Deputy Secretary of State Lawrence Eagleburger, Deputy National Security Adviser Gates, and Ambassador McNamara. President Barco is in the United States to address the United Nations General Assembly. President Bush took the opportunity to invite him to the White House for a discussion of the international drug situation and President Barco's courageous efforts against the drug cartels. President Bush reaffirmed the strong commitment of the United States in assisting President Barco's efforts and noted that Colombia's fight against the drug traffickers is an example to the rest of the world.

The two Presidents talked about the domestic drug problem in the United States and the administration's efforts to reduce consumption. They discussed U.S. assistance to Colombia to ensure that Colombia was receiving the necessary equipment in its fight against drug traffickers. They also discussed the possibility of other nations assisting Colombia in its efforts against the cartels, and President Bush indicated his willingness to encourage such support. President Barco outlined the efforts that the Government of Colombia is taking against drug traffickers. He expressed his appreciation for the help of the United States and noted that this is a global effort in which international cooperation is important.

President Barco also discussed Colombia's economic situation. President Bush said the United States is prepared to resume discussions with Colombia and others in order to resolve the fundamental problems of the current International Coffee Agreement.

President Bush indicated his intention to work closely with President Barco to expand bilateral trade and investment opportunities in order to spur Colombia's economic growth. He has asked the U.S. Trade Representative to lead an interagency effort to examine urgently what can be done, particularly with respect to GSP benefits and in the area of agricultural and manufactured items. President Bush noted the United States willingness to work with the international financial institutions to support increased economic assistance for Colombia.

Nomination of William H. Young To Be an Assistant Secretary of Energy

September 28, 1989

The President today announced his intention to nominate William H. Young to be an Assistant Secretary of Energy (Nuclear Energy). He would succeed Theodore J. Garrish.

Since 1985 Mr. Young has served as president of William H. Young and Associates, Inc. in Wyckoff, NJ. He served with Burns and Roe, Inc., in Oradell, NJ, as vice president, 1984 - 1985; as vice president of the breeder reactor division, 1976 - 1983; as project manager, 1973 - 1976; and as a special assistant to the president, 1971 - 1973.

Mr. Young graduated from the Webb Institute of Naval Architecture (B.S., 1956) and George Washington University (M.S., 1961). He served in the U.S. Navy, 1956 - 1960. Mr. Young was born September 25, 1934, in Ilion, NY. He is married, has three children, and currently resides in Wyckoff, NJ.

Nomination of Joshua M. Javits To Be a Member of the National Mediation Board

September 28, 1989

The President today announced his intention to nominate Joshua M. Javits to be a member of the National Mediation Board for the term expiring July 1, 1992. This is a reappointment.

Since 1988 Mr. Javits has served as a member of the National Mediation Board. Prior to this, he was an attorney with Cades Schutte Fleming and Wright in Washington, DC, 1985 - 1987, and Mulholland and Hickey in Washington, DC, 1983 - 1985. Mr. Javits served on the National Labor Relations Board in Los Angeles, CA, 1978 - 1983.

Mr. Javits graduated from Yale College (B.A., 1972) and Georgetown University Law Center (J.D., 1978). He was born January 2, 1950, in New York, NY. He currently resides in Washington, DC.

Nomination of Patrick J. Cleary To Be a Member of the National Mediation Board

September 28, 1989

The President today announced his intention to nominate Patrick J. Cleary to be a member of the National Mediation Board for the term expiring July 1, 1991. He would succeed Helen M. Witt.

Since 1988 Mr. Cleary has been a partner with the Brock Group in Washington, DC. Prior to this, he served with the Department of Labor as the Deputy Assistant Secretary of Labor for Policy, 1987 - 1988, and the Executive Assistant to the Assistant Secretary of Labor for Policy, 1985 - 1987. Mr. Cleary served at the Republican National Committee as the director of the liaison division, 1984 - 1985, and as the labor liaison, 1982 - 1985.

Mr. Cleary attended the John F. Kennedy School of Government, Harvard University, 1987; Hamline University School of Law, 1980; and Fairfield University, 1977. He was born October 23, 1955, in Paterson, NJ. He is married and currently resides in Alexandria, VA.

Remarks on Signing a Bill Making Continuing Appropriations for Fiscal Year 1990, Including Hurricane Hugo Disaster Assistance

September 29, 1989

The President. I'm very pleased to sign into law H.R. 407. [H.J. Res. 407] It's a continuing resolution. It includes funds to address the extensive hurricane damage caused by Hugo. It provides funds to maintain the activities of the Federal Government through October 25th or until the date of the enactment of the pending appropriations bill, whichever comes first. We're talking here about $1.1 billion for the Federal Emergency Management Association [Agency], FEMA, to provide critically needed disaster relief to Charleston, other communities in South Carolina, North Carolina, Puerto Rico, and the U.S. Virgin Islands.

Assistance is imperative because I've heard from these Congressmen, all politics aside, united, that this assistance for the people is absolutely essential. And I want to commend the Congress for their immediate response to the administration's request for additional funds. I want to thank FEMA for what I am convinced has been, under the law, a prompt response. And I especially want to single out the volunteers and the FEMA employees, many of whom have been sleeping out there on rocks at night in the Virgin Islands and elsewhere. And it's been an all-out humanitarian effort, the leaders of the Congress being sure that we in the administration knew the importance of all of this.

So, I'm delighted to do it. I'd add one point, and that is on the subject of continuing resolutions. I'm very pleased to sign this one, but we cannot support another short-term continuing resolution for fiscal '90. And I expect that the remaining '90 appropriations bills will be completed expeditiously. But I strongly urge that we not be presented with other continuing resolutions.

But in any event, I'm proud to be going down there. I'm anxious to see what these Members of Congress have seen and what our very able friends in FEMA have seen. And it's important that we all try to respond in every way possible. I might thank one more: It's the volunteer organizations, for doing a good job. And I would encourage the American people to support them in contributions to the Red Cross, or whatever other agencies are bringing hope to the people in these devastated areas. The American people can do as much as the government, if not more, if we just get mobilized behind helping other people here.

So, I'm proud to sign this one. Again, I'm glad you're all here. Strom [Senator Strom Thurmond], you're the senior citizen present here -- --

Senator Thurmond. I'm the one that requested the delegation to do this, and I do appreciate it.

The President. We've been hearing from all of them, but anyway, you have been -- I wouldn't say ``thorn in our side'' -- [laughter] -- I'd say a consistent reminder.

Senator Thurmond. I deal with Dick Darman [Director, Office of Management and Budget], you know.

The President. That's pretty much combat pay deserved for that, too. [Laughter]

But, really, all of you have been just magnificent in pointing out what FEMA can do. We want to respond if there are additional things on the ground that we should be doing. But I'm satisfied from a long talk with the Governor yesterday down in Virginia that we have responded as rapidly as possible under the law. And now we want to do whatever it is that you hear from your experts is needed in addition. And I hope this is a good start.

Senator Thurmond. Mr. President, since I am the senior member of the delegation, we want to take this opportunity to thank you for your fine leadership and also thank you for the help that your government agencies have done to assist us in this disaster.

The President. Well, thank you, Strom. Thank all of you guys. Good. Here we go.

Note: The President spoke at 6:40 a.m. aboard Air Force One en route to Charleston, S.C. H.J. Res. 407, approved September 29, was assigned Public Law No. 101 - 100. A tape was not available for verification of the contents of the remarks.

Remarks Following a Tour of the Damage Caused by Hurricane Hugo in Charleston, South Carolina

September 29, 1989

Well, we've just completed a tour -- something less than I would like to have had, only because of the weather earlier. But we did get to see the inner city and then the outreaches of Charleston, as well as going to rural areas.

And I must say I want to first thank Governor Campbell for his tremendous cooperation. I want to thank the four Congressmen that came down with me, three of whom are with me here; Senator Strom Thurmond, who was so instrumental in passing an emergency bill that permitted me to sign today $1.1 billion of assistance to South Carolina and Puerto Rico and the Virgin Islands.

Even though the trip was short, I had a chance to talk to some of the people, and I commend the spirit of the people of South Carolina. I expect it's true for North Carolina and Puerto Rico and the Virgin Islands. But you couldn't help be impressed to hear the people saying look, we're going to bounce back.

I was grateful to them for their understanding of the Federal Government's role here. I do know that there's been a critic or two, perhaps less than I would have expected. But to the critics I simply say, I understand. We are trying very hard, and there are men and women in the U.S. Services, of FEMA [Federal Emergency Management Agency], out there giving of themselves just as the people's neighbors are here. And I think when all the dust is settled and the debris removed, people are going to understand that this has been a total team effort. And I'm proud to have been in the company of these leaders who were so concerned about their own State, concerned about their country as well.

One thing that touched me very much was a young homeowner there saying that he had had offers of help from all over this country. And I think it does bring out the very best in the men and women of America who want to help in a tragedy of this nature. It's tough, it was devastating, but the spirit of South Carolina came through loud and clear. And so, we'll be alert to do what additionally we might do. But I'm proud of those Federal workers and those civilians that are out there doing their level best to snap back after a terrible tragedy.

Thank you all very much. And, Governor, good luck, stay in touch. Thank you all.

Note: The President spoke at 9:10 a.m. at a disaster relief site. In his remarks, he referred to South Carolina Representatives Arthur Ravenel, Jr., Floyd Spence, John M. Spratt, Jr., and Robin Tallon. Following his remarks, the President returned to Washington, DC.

Statement on Signing a Bill Making Continuing Appropriations For the Fiscal Year 1990, Including Hurricane Hugo Disaster Assistance

September 29, 1989

Today I have signed into law H.J. Res. 407, a continuing resolution that includes funds to address the extensive damage caused by Hurricane Hugo and that provides funds to maintain the activities of the Federal Government through October 25, 1989, or until the date of enactment of pending appropriations bills, whichever occurs first.

The resolution provides $1.1 billion for the Federal Emergency Management Agency to provide critically needed Federal disaster relief assistance to Charleston and other communities in South Carolina, North Carolina, Puerto Rico, and the U.S. Virgin Islands. The assistance provided by these additional funds is imperative for those who are suffering from the devastating effects of Hurricane Hugo. I would like to commend the Congress for its immediate and compassionate response to the Administration's request for additional funds. Together with the other disaster relief programs of the Federal Government and the important contributions of State and local governments, private industry, and charitable organizations, these funds will help the victims of Hurricane Hugo rebuild their homes, communities, businesses, and lives.

I also want to commend the Congress for presenting me with a resolution that does not contain extraneous and unnecessary legislative provisions. This resolution is needed because the Congress has not completed action on all 13 appropriations bills, and funding for most Federal Government operations would otherwise expire on September 30, 1989. Although I support this resolution, I do not intend to support any extension beyond October 25. I expect that action on the remaining FY 1990 appropriations bills will be completed as expeditiously as possible and before expiration of this resolution.

George Bush

The White House,

September 29, 1989.

Note: H.J. Res. 407, approved September 29, was assigned Public Law No. 101 - 100.

Memorandum on Administrative Dismissal of Federal Employees Affected by Hurricane Hugo

September 29, 1989

Memorandum for the Heads of Executive Departments and Agencies

Subject: Administrative Dismissal of Employees Affected by Hurricane Hugo

We have all been deeply moved by the terrible losses so many of our fellow Americans have suffered due to the ravages of Hurricane Hugo.

As a part of our national effort to recover from the effects of this storm, I request heads of executive departments and agencies who have Federal civilian employees in the geographic areas designated disaster areas because of the damage caused by Hurricane Hugo to consider their agency and OPM regulations and where appropriate excuse from duty, without charge to leave or loss of pay, any such employee who can be spared from duty and who is faced with a personal emergency because of the storm. Such excusal from duty should also apply for any employee who is needed for emergency law enforcement, relief, or clean-up efforts authorized by State or local officials having jurisdiction.

George Bush

Remarks at the Retirement Ceremony for Admiral William J. Crowe, Jr., Chairman of the Joint Chiefs of Staff, in Annapolis, Maryland

September 29, 1989

Thank you, Secretary Cheney, Members of the United States Congress here today, members of the Cabinet. And let me just acknowledge a few of the many distinguished men and women here this morning: I understand, though I haven't yet seen him, that Jack Vessey, a former Chairman of the Joint Chiefs, is here; Governor Schaefer and Mayor Callahan; and all the Service Secretaries, Service Chiefs, and the commanders-in-chief of the unified and specified commands seated here; and, of course, the men and women of our Armed Forces.

I want to give a special welcome to the members of the Crowe family who are here today: Bill's wife, Shirley; their children, Brent, Bambi, and Blake -- and that is Captain Blake Crowe of the U.S. Marines. And finally, the man with the difficult task of filling Admiral Crowe's shoes, our incoming Chairman of the Joint Chiefs, General Colin Powell.

Days like this one are bittersweet. And I've just shared with Admiral Crowe his final inspection of members of the finest fighting forces in the world. And many of us here today know Bill Crowe, count him as a friend -- all of us admire him. In a moment, we'll hear from the man himself, and maybe he'll tell us the story of how a fella from a State that's landlocked chose the Navy, rose to the rank of Admiral and to the Chairmanship of the Joint Chiefs of Staff.

But what Bill Crowe will be too modest to talk about is his stellar career, his many achievements in 47 years in uniform, a few of which we've just heard about. For those who measure heroism and dazzling acts of concentration and courage, the Admiral's Bronze Star for Valor is testament enough -- proud evidence of the man's resolve and character. But Admiral Crowe's heroism has reached far beyond serving in combat. Through a lifetime of acts of quiet valor, through work, words, and deeds done for sheer love of country, Admiral Crowe has done so much for peace.

William James once wrote that ``civic courage," as we call it in times of peace, ``is a kind of valor to which the monuments of nations should most of all be reared." What speaks to the Admiral's civic courage more eloquently than any monument is the kind of integrity, honesty, and patriotism he's gleaned from his roots in Oklahoma. Before Bill would mention titles like admiral or doctor of philosophy or diplomat, he'd sooner tell you about the one title he truly cherishes: Oklahoman. One hundred years ago Bill's grandfather was among the first to make the run into the Oklahoma territory. And those were strong people, staking claims and standing firm in hard and hostile lands. And today, when Shirley Crowe takes her measure of someone, she asks herself: Would he have made the run? Today, a nation looks proudly toward Admiral Crowe, and we know in our hearts that in his service he has made the run.

The summer before last, Bill added a hat to his famous collection that he probably thought he'd never see: a Soviet seaman's cap given to him by the Marshal of the Soviet Union, Sergei Akhromeyev, on the first of a series of ice-breaking visits involving the American and Soviet military. Even more astounding was another gift, given to Admiral Crowe and to all of us, in the moment when he stood on the decks of that Soviet cruiser, Kirov. The sailors that he'd spent a career thinking of as adversaries were determined to honor him, and they did, by playing ``The Star-Spangled Banner." Moments like that are rare and precious, not merely in the lifetime of men but in the lifetime of nations.

I want to share a story about the Soviet Marshal's visit here -- Akhromeyev -- in July 1988. First, of course, came the trips -- the mandatory trips, if you will -- to a series of U.S. military installations. But after Admiral Crowe introduced his Soviet guest to American troops and American firepower, and to the kids -- the greatest kids in the fighting force anywhere, ever -- he decided it was time to introduce him to America. And so Bill took Marshall Akhromeyev out to Oklahoma for an old-fashioned barbecue, the likes of which that marshall had never seen back in his own hometown. And that's Bill Crowe -- a no-nonsense toughness, a resolve when it comes to defending America, and a warm heart for what makes America worth fighting for.

Bill Crowe's 4 years as Chairman have coincided with a time of transition in international affairs. And he's been steady at the helm, and he's kept a clear eye on emerging opportunities and on changing international conditions, and on the one unchanging demand of national security: preserving the peace and freedom of this great nation. Admiral Crowe, I've seen your poise and professionalism in times of crisis; I have benefited from your experience and counsel; I know you as an adviser and friend. And so, Bill, on behalf of a grateful nation, I thank you for the lifelong service you have offered our country. I wish you Godspeed. May God bless you and your family and the United States of America. Thank you very much.

Note: The President spoke at 11:30 a.m. at Worden Field at the U.S. Naval Academy. In his remarks, he referred to Secretary of Defense Richard B. Cheney, Gov. William D. Schaefer of Maryland, and Mayor Dennis M. Callahan of Annapolis. Following his remarks, he returned to Washington, DC.

Statement by the President on Signing the Energy and Water Development Appropriations Act, 1990

September 29, 1989

Today I have signed into law H.R. 2696, the Energy and Water Development Appropriations Act, 1990. I want to take this opportunity to commend the Congress for two reasons: first, for keeping funding contained in this Act at acceptable levels; and second, for the speed with which they produced the bill.

The Energy and Water bill is the first fiscal year 1990 appropriations bill to be presented to me for signature. I am pleased that the Congress has completed its work on this bill before the end of the fiscal year. I strongly urge the Congress to complete action on the remaining 12 appropriations bills quickly.

I am also pleased that the Congress and the Administration agreed on several actions that represent investment in America's future and protection of our environment, particularly:

Providing funds for construction of the Superconducting Super Collider. This will be the largest and most ambitious basic research facility ever built. It is a critical part of this Administration's initiatives to strengthen the position of the United States as a world leader in science and technology.

Fully funding atomic energy defense activities. The problems of cleaning up the environment will not be solved overnight, but a major step has been taken. Success in this endeavor will require continuing cooperation between the States, the Congress, and the Administration.

I encourage the Congress to continue to present me with spending bills that recognize important national priorities but keep funding at acceptable levels.

George Bush

The White House,

September 29, 1989.

Note: H.R. 2696, approved September 29, was assigned Public Law No. 101 - 101.

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board

September 29, 1989

To the Congress of the United States:

I hereby submit to the Congress the Annual Report of the Railroad Retirement Board for Fiscal Year 1988, pursuant to the provisions of section 7(b)(6) of the Railroad Retirement Act, enacted October 16, 1974, and section 12(1) of the Railroad Unemployment Insurance Act, enacted June 25, 1938.

Over 900,000 railroad retirees, their families, and 300,000 railroad employees rely on the railroad retirement system for social security equivalent benefits, rail industry pensions, and unemployment, disability, and sickness insurance benefits. These beneficiaries depend on the solvency and financial integrity of the railroad retirement trust funds to receive their benefits.

Recent actuarial projections included in the annual report indicate that, barring any large unanticipated declines in rail employment, the railroad retirement system will not experience short-term cash-flow problems. Board actuaries estimate that, based on Employee Retirement Income Security Act standards, the system has a $32 billion unfunded liability.

The long-term solvency of the railroad retirement system remains highly volatile. Refinancing legislation enacted in 1946, 1951, 1974, 1981, 1983, and 1987 serves as a reminder of this volatility. More recently, the Railroad Unemployment Insurance and Retirement Improvement Act of 1988 was enacted to ensure repayment of the unemployment insurance debt to the rail industry pension fund.

The Congress sought advice and created the Commission on Railroad Retirement Reform to examine issues relating to the long-term financing of the railroad retirement system. The Congress directed the advisory Commission to consider a range of financing alternatives that do not include general fund subsidies. Yet, as part of their fiscal year 1990 reconciliation bill, the Congress is once again considering extending general fund subsidies to the rail industry pension fund. Since 1983, over $1.2 billion in subsidies, in the form of diverted income taxes on rail industry pensions, have been given to the pension fund. Income tax on all other private pensions goes to the general fund. Under current law, this general fund subsidy provision will expire at the end of fiscal year 1989. Extending general fund subsidies establishes an undesirable precedent. I urge the Commission, in accordance with the congressional directive, not to recommend general fund subsidies in any form. In the long run, railroad retirees and employees will be best served by a financially stable system that relies solely on rail sector funding.

George Bush

The White House,

September 29, 1989.

Nomination of William Clark, Jr., To Be United States Ambassador to India

September 29, 1989

The President today announced his intention to nominate William Clark, Jr., a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India. He would succeed John Randolph Hubbard.

Currently Mr. Clark serves as Principal Deputy Assistant Secretary in the Bureau of East Asian and Pacific Affairs at the Department of State. Prior to this, he served for 4 years as Minister and deputy chief of mission for the U.S. Embassy in Tokyo, Japan; and as deputy chief of mission and Charge d'Affaires for the U.S. Embassy in Cairo, Egypt.

Mr. Clark received his bachelor's degree from San Jose College, and studied at the University of Southern California School of Law and Columbia University School of International Affairs. He was born October 12, 1930, in Oakland, CA. He served in the U.S. Navy, 1949 - 1953. Mr. Clark is married, has one son, and resides in Washington, DC.

Continuation of John C. Martin As Inspector General of the Environmental Protection Agency

September 29, 1989

The President today announced that John C. Martin will continue to serve as Inspector General for the Environmental Protection Agency.

Since 1983, Mr. Martin has served as Inspector General at the Environmental Protection Agency in Washington, DC. Prior to this he was Assistant Inspector General at the Department of Housing and Urban Development, 1981 - 1983. From 1971 to 1981, he served in several capacities at the Federal Bureau of Investigation.

Mr. Martin graduated from King's College (B.A., 1967) and the University of Maryland (M.A., 1970). He was born March 4, 1945, in Wilkes Barre, PA. He is married, has six children, and resides in Dumfries, VA.

Appointment of John Charles Gartland as a Member of the National Commission for Employment Policy

September 29, 1989

The President today appointed John Charles Gartland to be a member of the National Commission for Employment Policy for a term expiring September 30, 1992. This is a reappointment. Mr. Gartland will continue serving as Chairman of the Commission.

Since 1979, Mr. Gartland has served as director of Washington affairs for Amway Corp. in Washington, DC. Prior to this, he served as chairman of the Foundation for the Study of Presidential and Congressional Terms, since renamed the Jefferson Foundation, 1977 - 1979; congressional administrative assistant at the Department of the Treasury, 1977; Executive Assistant to the Secretary of the Treasury at the Department of the Treasury, 1974 - 1976; and Deputy to the Assistant Secretary of the Treasury for Administration, 1973 - 1974. In addition, he has served as a Staff Assistant to the President on the Domestic Council and in the Presidential Advance Office, 1971 - 1973; special assistant to the Deputy Postmaster General at the Post Office Department, 1970 - 1971; and special assistant to the Assistant Postmaster General for Finance and Administration at the Post Office Department.

Mr. Gartland graduated from Villanova University (B.S., 1963), and he received his master's from George Washington University. He was born February 3, 1940, in Cleveland, OH. Mr. Gartland served in the U.S. Navy for 4\1/2\ years. He is married, has six children, and resides in Potomac, MD.

Nomination of Dennis M. Devaney To Be a Member of the National Labor Relations Board

September 29, 1989

The President today nominated Dennis M. Devaney to be a member of the National Labor Relations Board for the term of 5 years expiring December 16, 1994. This is a reappointment.

Since November 1988 Mr. Devaney has served as a board member of the National Labor Relations Board by recess appointment. Prior to this, he was General Counsel at the Federal Labor Relations Authority, 1988; a board member of the U.S. Merit Systems Protection Board, 1982 - 1988; and with the law firms of Tighe, Curhan and Piliero, 1981 - 1982, and Randall, Bangert and Thelen, 1979 - 1981.

Mr. Devaney graduated from the University of Maryland (B.A., 1968; M.A., 1970) and Georgetown University Law Center (J.D., 1975). He served in the U.S. Navy, 1970 - 1972. Mr. Devaney was born February 25, 1946, in Cheverly, MD. He is married, has two children, and currently resides in Columbia, MD.

Statement by Press Secretary Fitzwater on the Death of August Busch

September 29, 1989

The President and Mrs. Bush are saddened by the death of August Busch today. He had been a legendary figure in American life for almost a century, as a successful businessman, community leader, and philanthropist. In sports, as in other aspects of his career, he was a man who cared deeply about individual spirit and achievement. The President and Mrs. Bush join the citizens of St. Louis and all Americans in extending their sympathies to the Busch family.

Message to the Congress Reporting Budget Deferrals

October 2, 1989

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report seven deferrals of budget authority totalling $1,380,399,855.

The deferrals affect the International Security Assistance program, as well as programs of the Departments of Agriculture, Defense, Health and Human Services, State, and Transportation.

The details of these deferrals are contained in the attached report.

George Bush

The White House,

October 2, 1989.

Note: The attachment detailing the deferrals was printed in the ``Federal Register'' of October 6.

Nomination of Keith Leveret Wauchope To Be United States Ambassador to Gabon and to Sao Tome and Principe

October 2, 1989

The President today announced his intention to nominate Keith Leveret Wauchope to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe. He would succeed Warren Clark, Jr.

Since 1986 Mr. Wauchope has served as deputy chief of mission in Monrovia, Liberia. Prior to this, he served as Deputy Director in the Office of West African Affairs at the Department of State, 1984 - 1986; Chief of Assignments for Africa in the Bureau of Personnel, 1981 - 1983; deputy chief of mission at the U.S. Embassy in Mali, 1979 - 1981; Sudan desk officer for East African Affairs, 1977 - 1979; and deputy principal officer at the consulate general in Asmara, Ethiopia, 1975 - 1977.

Mr. Wauchope graduated from Johns Hopkins University (A.B., 1963). He was born October 13, 1941, in New York, NY. He served in the U.S. Army, 1963 - 1965. He is married, has two sons, and resides in New York, NY.

Nomination of Gordon H. Mansfield To Be an Assistant Secretary of Housing and Urban Development

October 2, 1989

The President today announced his intention to nominate Gordon H. Mansfield to be an Assistant Secretary of Housing and Urban Development (Fair Housing and Equal Opportunity). He would succeed Judith Y. Brachman.

Mr. Mansfield has served in various positions at the Paralyzed Veterans of America in Washington, DC, including associate executive director of government relations, 1986 to present; national advocacy director, 1983 - 1986; and associate legislative director, 1981 - 1983. Prior to this, he served as an attorney in private practice in Ocala, FL, 1979 - 1981, and as a staff attorney for Marion County Legal Aid in Florida, 1975 - 1978.

Mr. Mansfield graduated from Villanova University (B.S., 1964) and the University of Miami (J.D., 1973). He was born September 15, 1941, in Pittsfield, MA. Mr. Mansfield served in the U.S. Army, 1964 - 1968, and was awarded a Distinguished Service Cross, two Purple Hearts, and a Bronze Star. Mr. Mansfield is married, has two children, and resides in Alexandria, VA.

Nomination of Leon Snead To Be Inspector General of the Department of Agriculture

October 2, 1989

The President today announced his intention to nominate Leon Snead to be Inspector General at the Department of Agriculture. He would succeed Robert W. Beuley.

Since 1988 Mr. Snead has served as the Acting Inspector General at the Department of Agriculture in Washington, DC. Prior to this, he was the Deputy Inspector General at the Department of Agriculture, 1986 - 1988, and the Assistant Inspector General for Auditing at the National Aeronautics and Space Administration, 1985 - 1986.

Mr. Snead graduated from Spencercian College (B.A., 1963) and the University of Baltimore (J.D., 1969). He was born January 29, 1941, in Fort Valley, GA. Mr. Snead is married, has three children, and currently resides in Potomac, MD.

Nomination of Ann Christine Petersen To Be General Counsel of the Department of the Air Force

October 2, 1989

The President today announced his intention to nominate Ann Christine Petersen to be General Counsel of the Department of the Air Force, Department of Defense. She would succeed Anne Newman Foreman.

Since 1976 Mrs. Petersen has served as an attorney with the law firm of Wildman, Harrold, Allen and Dixon in Chicago, IL; and as a partner since 1983.

Mrs. Petersen graduated from the University of Iowa (B.A., 1973) and the University of Michigan (J.D., 1976). She was born December 25, 1950, in Muscatine, IA. Mrs. Petersen is married and currently resides in Chicago, IL.

Designation of Edward H. Fleischman as Acting Chairman of the Securities and Exchange Commission

October 2, 1989

The President today designated Edward H. Fleischman as Acting Chairman of the Securities and Exchange Commission. He would succeed David S. Ruder.

Since 1986 Mr. Fleischman has been serving as a member of the Securities and Exchange Commission in Washington, DC. Prior to this, he served as an attorney with the law firm of Beekman and Bogue in New York City.

Mr. Fleischman graduated from Harvard College and Columbia Law School (LL.B., 1959). He was born June 25, 1932, in Cambridge, MA. Mr. Fleischman served in the U.S. Army, 1952 - 1955.

Nomination of Smith Hempstone, Jr., To Be United States Ambassador to Kenya

October 2, 1989

The President today announced his intention to nominate Smith Hempstone, Jr., to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kenya. He would succeed Elinor Greer Constable.

Mr. Hempstone has been a syndicated columnist since 1970. He has served as editor-in-chief of the Washington Times, 1984 - 1985, and executive editor of the Washington Times, 1982 - 1984. Prior to this, Mr. Hempstone wrote a twice-weekly syndicated column, 1975 - 1982, and served as associate editor and editorial page editor of the Washington Star, 1970 - 1975. In addition, he served as foreign correspondent for the Chicago Daily News and the Washington Star in Latin America, 1965 - 1967. He was a Nieman fellow at Harvard University, 1964 - 1965, and served as African correspondent for the Chicago Daily News, 1961 - 1964.

Mr. Hempstone graduated from the University of the South, Sewanee, TN, (B.A., 1950). He was born February 1, 1929, in Washington, DC. He served in the U.S. Marine Corps, 1950 - 1952. Mr. Hempstone is married, has one child, and resides in Bethesda, MD.

Remarks at the Welcoming Ceremony for President Carlos Salinas de Gortari of Mexico

October 3, 1989

President Bush. President Salinas and Mrs. Salinas, Secretaries Solana and Baker, Ambassadors Petricioli and Negroponte, and members of the delegation and friends, less than 1 year ago, sir, we met in Houston, Texas, as two Presidents-elect and began to focus on what for each of us is a major Presidential responsibility: defining and enhancing the U.S.-Mexican relationship.

Mr. President, you and I went to Houston certain of the importance of our responsibilities, for ours is one of the world's broadest and most complex bilateral relationships. But I think that few could have envisioned the degree of success that our talks would have. That success was embodied by what has come to be known as the Spirit of Houston: our joint commitment to create a framework of mutual trust and understanding. And in the past year that spirit has strengthened our Mexican-American ties.

Together, Mexico and the United States have worked to negotiate a solution to the debt question and develop greater cooperation in the war against drugs. Together, we've improved opportunities for bilateral trade and investment and nurtured our environment -- in sum, finding new ways to reaffirm old bonds. When President Salinas and I met last July in Paris, these steps were already underway -- steps crucial to countries with such shared social, economic, and regional interests.

And now, as I welcome President Salinas to our Capital for his first state visit, I look forward to continued progress and additional proof of how Mexico and the United States can work together toward common ends, toward positive results. Those ends are reflected in today's agenda, for as major trading partners we must explore ways to expand our commerce, and as members of the Organization of American States, discuss how democracy can be restored to Panama and free and fair elections held in Nicaragua.

And this year we celebrate a century of joint projects by the International Boundary and Water Commission. We must renew that cooperation and continue to strengthen our assault on the plague of drug use and trafficking. For we know that what threatens one nation in our hemisphere threatens us all. In each case, strong bilateral cooperation is fundamental to an effective multilateral response. And thankfully, Mr. President, our countries share the good will and dedication to confront and meet our challenges -- meet them through mutual candor, through mutual respect.

I've often spoken of the need to recognize the permanent importance of the U.S.-Mexican relationship. And Mr. President, I'd like again to refer to that need today, for U.S.-Mexican

affairs are vital to our respective national agendas. Our relations now are strong, and they must grow even stronger -- and they will.

On behalf of the United States of America, President Salinas and Mrs. Salinas, let me welcome you both to the White House and to this country and to your friends.

President Salinas. President George Bush, Mrs. Bush, ladies and gentlemen, it gives me great pleasure to come to this land of liberty. I bring the greetings and the desire of the Mexican people to raise our friendship with the United States to a new level of direct, effective, and respectful dialog and to an economic cooperation without precedent for our common prosperity. I am deeply grateful for the welcome that I have received from you and from your wife, Mrs. Bush, and from many Americans in this beautiful city of Washington.

I come to share with you the idea that one's own well-being is more lasting when it is accompanied by the well-being of others. I come here convinced that there is a spirit of cordiality between us -- born in Houston, reaffirmed in Paris, and ratified in Camp David -- which is ready to aid us in making the most of our points in common and resolving our differences. That is the basis of friendly relations between two neighbors who are different but determined to benefit from their coexistence and to live up to the values that their people share.

We have good reasons to take new steps in those matters that concern and interest both of our countries: a less uncertain world, one that is less threatened and more propitious to the development of all nations; a cordial and respectful bilateral relationship that will loosen fetters of inertia, improve mutual understanding, and permit the steady development of the human potential of our peoples. We can open a new stage in trade between our countries. We can find a way to deal more humanely with the migration of Mexicans to the United States. We can strike lethal blows against drug trafficking to free the world from that international scourge. We can respond to the urgent demand for a healthier environment, for an ecological future of the kind that our children deserve. These are topics that will occupy our closest attention.

The history of our relations provides examples that show us how valuable it is for us to cooperate and how sterile confrontation is. Working together, we have gotten to know each other better, and we have learned to take more advantage of the opportunities that arise from our complex interrelationship.

Mr. President, we are neighbors who are important to each other. We shall study our common problems and move toward resolving them, because it is in the interest of the Mexican and the American peoples to turn neighbors into friends and challenges into opportunities for our mutual benefit. May this greeting to President Bush be seen as well as the expression of our most cordial greeting to all the people of the United States of America.

Note: President Bush spoke at 10:13 a.m. at the South Portico of the White House. President

Salinas was accorded a formal welcome with full military honors. In his remarks, President Bush referred to Mexican Foreign Minister Fernando Solana Morales, Secretary of State James A. Baker III, Mexican Ambassador to the United States Gustavo Petricioli, and United States Ambassador to Mexico John D. Negroponte. President Salinas spoke in Spanish, and his remarks were translated by an interpreter.

Remarks During a Meeting With President Carlos Salinas de Gortari of Mexico

October 3, 1989

All of you from Mexico City and elsewhere, welcome!

Well, I normally don't say anything at a photo opportunity. But I just can't tell you how pleased we are to have the President of Mexico here in the White House, what an honor it was to have him and Mrs. Salinas up at Camp David for what was almost a family evening. But this is a very important visit for the United States. I hope you feel welcome; we want you all to feel very welcome.

Note: The President spoke at 10:34 a.m. in the Oval Office at the White House.

Statement on Signing the Bill Establishing the Ulysses S. Grant National Historic Site in St. Louis County, Missouri

October 3, 1989

Today I have signed into law H.R. 1529, an Act to establish the Ulysses S. Grant National Historic Site in St. Louis County, Missouri. This action will preserve White Haven, an estate owned by President Grant and his wife Julia Dent.

The Grants lived together at White Haven during the crucial pre-Civil War years. It was during this time that Grant's strength of character was developed through economic adversity. Traits formed then -- a relentless pursuit of success and a determination to move ahead despite temporary setbacks -- later served Grant well both as an incomparable military leader and as President of the United States.

White Haven appears to be the only intact setting appropriate for commemorating the entire range of Grant's heroic deeds and public service. Accordingly, White Haven will be a worthy addition to the National Park System.

At the same time, I am disappointed that the Congress did not accept the Department of the Interior's recommendation that performance of a formal new area study precede establishment of this Historic Site. Such studies enable the National Park Service to examine the suitability, feasibility, and alternatives for managing proposed new park units.

In the future, the Congress will consider many more proposals for new National Park System units. I firmly believe that formal new area studies, conducted under the management policies of the National Park Service, assist this process and lead to better decision-making. To protect the integrity and viability of the National Park System, completion of such a study should be a prerequisite for establishment of any new unit of the National Park System.

George Bush

The White House,

October 2, 1989.

Note: H.R. 1529, approved October 3, was assigned Public Law No. 101 - 106.

Remarks at the Signing Ceremony for the Mexico-United States Environmental and Trade Agreements

October 3, 1989

President Bush. Let me just say that these agreements we're about to sign are symbolic of the breadth and ever-growing closeness of the United States-Mexican ties. They do prove the special relationship between our countries. It's never been stronger. And I welcome them as a commitment of our two Governments and of the President and myself to make progress over a wide variety of issues.

The understanding regarding trade and investment facilitation talks, for example, moves beyond the consultation encouraged by our framework understanding on trade to create a mandate for negotiation. And by taking the initiative, we will promote the increased trade and investment that can benefit both sides of our border.

The agreement on the protection and improvement of the environment of Mexico City is also significant, particularly in these times. For it commits our Governments to jointly find ways to resolve air and other pollution problems in one of the largest cities in the world. Improving the quality of life for our people is a priority for both of our Governments, and we welcome the personal commitment to this matter by President Salinas and his leadership. So is finding a balanced response important -- a balanced response to our environmental needs. And this agreement confronts those needs.

So, these two agreements, and others that will be signed this afternoon, as well as our joint efforts to fashion a plan for addressing Mexico's external debt, are concrete examples of how our administrations have worked closely together during the last 10 months. These agreements come from teamwork. They show what can and must be done to make relations between our two great nations even closer than they are today. So, Mr. President, I am delighted to be with you as we witness the signing of these two historic agreements, and I would welcome your comments, sir.

President Salinas. The signing of these agreements simply comes to show the atmosphere of friendship that leads to concrete results which will undoubtedly benefit our two nations.

The first one, the one on trade and investments, for the facilitation of trade and investment, simply opens up additional sources of employment in Mexico for Mexicans. It is also encouraging the export of products to generate well-being amongst all our citizens. It will further the investment processes so that Mexicans can find a job in Mexico. That is the central purpose of my visit to this country. This is a good and very positive atmosphere of dialog which shows respect in our relations. There are differences, there are points of coincidence. But what it simply comes to show is that although we have differences, we have respect for them. In trade, we have

more points of convergence that could even be furthered. Mexico has a political will in order to translate these specific agreements into benefits that will become a reality.

The second one, which is the agreement on the protection and the improvement of the environment, is, as you might well realize, of great relevance. Mexico City, the metropolitan area of Mexico, is the most populated and most polluted city in the world. Its population -- the number of inhabitants that this city has -- is more than the total population of Central America. We want better air for the Mexicans, for their children, and for the children of their children in Mexico.

The signing of these agreements is proof of the good will that exists between the two countries in relation to the benefits that this will derive for Mexico and for those who will visit Mexico, to not only receive its very cordial and brotherly hospitality but to enjoy its beauty and its culture.

May my recognition and my acknowledgement go together with my gratitude for the very positive attitude that the U.S. Government has shown in this open dialog -- which is proved today when we subscribe and sign these agreements for the benefit of the two countries.

Note: President Bush spoke at 10:52 a.m. in the Roosevelt Room at the White House. The agreements were signed by Secretary of State James A. Baker III and Mexican Foreign Minister Fernando Solana Morales. President Salinas spoke in Spanish, and his remarks were translated by an interpreter.

Exchange With Reporters on the Attempted Overthrow of General Manuel Noriega of Panama

October 3, 1989

Q. Respectfully, Mr. President, can we ask you to make an exception to your rule on photo ops because we'd all like to know what you can tell us about Noriega?

The President. Yes, you can. I think that given the anxiety and the state of the rumor mill, why, it's appropriate.

The first concern that I have as President of the United States is the safety of American citizens, and of course that would include American forces that are there under our treaty rights with Panama. Secondly, there are a lot of rumors. We are staying in very close touch with SOUTHCOM [Southern Command of U.S. joint forces]. We have very able military officers who are advising us of the situation on the ground.

But, beyond that, I would simply add to the rumors if I commented further, and we are watching the situation. The number one priority: the lives of Americans. There were rumors around that this was some American operation, and I can tell you that is not true.

Q. Mr. President, in the past you have said that your argument is not with the PDF and that you would be willing to help them in any eventuality. Is this such an eventuality?

The President. Well, again, that's part of the confusion. Nobody is sure what's happening there. Our people on the ground have the best idea about that. But I would repeat, in the hopes that it be conveyed instantly to Panama: We have no argument with the Panamanian Defense Forces. We have no argument with them. We've had good relations with the Panamanian Defense Forces. And our argument has been, as has many other countries', with Mr. Noriega, who aborted the democratic will of the people of Panama; and that's where our argument was, and that's where our argument is.

And so, if you can use all these cameras to get that message to the people of Panama, I really think it would be a good thing for peace, and I think it would be a good thing in terms of a historic relationship between our two countries that I value and that all Americans want to see improved.

So, sally forth and do your best.

Q. Mr. President, we played no role in this coup?

The President. This is the end. I just answered the last question on Panama. I answered that question. Go back and listen to the tapes.

Note: The President spoke at 2:20 p.m. in the Oval Office at the White House during a meeting with Soviet Defense Minister Dmitriy Yazov.

Statement by Press Secretary Fitzwater on the President's Meeting With Soviet Defense Minister Dmitriy Yazov

October 3, 1989

The President met with Soviet Minister of Defense Dmitriy Yazov for about 30 minutes and exchanged views with him on issues of U.S.-Soviet security and arms control. General Yazov is here to meet with Defense Secretary Cheney as a part of a continuing program of contacts between military officials of the two countries.

The President expressed his desire to conclude agreements on conventional forces in Europe and on chemical weapons as soon as possible and his hopes for progress in START. General Yazov discussed Soviet views of the problems facing the two sides in arms control. The President reiterated his support for perestroika and asked that the general relay his best wishes for success to President Gorbachev.

Also present at the meeting were Secretary of State James Baker, Secretary of Defense Richard Cheney, national security adviser Brent Scowcroft, Chairman of the Joint Chiefs of Staff Gen. Colin Powell, and Soviet Ambassador Yuriy Dubinin.

Nomination of Hilda Gay Legg To Be Alternate Federal Cochairman of the Appalachian Regional Commission

October 3, 1989

The President today announced his intention to nominate Hilda Gay Legg to be Alternate Federal Cochairman of the Appalachian Regional Commission. She would succeed Jacqueline L. Phillips.

Since 1988 Mrs. Legg has served as an instructor of sociology and social work at Lindsey Wilson College in Columbia, KY. Prior to this, she served as director of admissions at Lindsey Wilson College, 1987 - 1988; field representative for United States Senator Mitch McConnell in Bowling Green, KY, 1985 - 1987; Acting Executive Director of the National Council on the Handicapped at the Department of Education in Washington, DC, 1981 - 1983; and a teacher in the Adair County public schools in Columbia, KY, 1974 - 1981.

Mrs. Legg received a bachelor of science degree from Campbellsville College and a master of arts degree from Western Kentucky University. She was born October 7, 1952, in Campbellsville, KY. She is married and resides in Milltown, KY.

Nomination of Barry M. Goldwater, Sr., To Be a Member of the Board of Directors of the Communications Satellite Corporation

October 3, 1989

The President today announced his intention to nominate Barry M. Goldwater, Sr., to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1992. He would succeed E. Pendleton James.

Currently Mr. Goldwater serves as a professor at the American Institutions School of Public Affairs at Arizona State University in Tempe, AZ. Prior to this he served as a United States Senator (R - AZ).

Mr. Goldwater graduated from the University of Arizona in 1928. He was born January 1, 1909, in Phoenix, AZ. He has four children and resides in Scottsdale, AZ.

Appointment of J. Brian Gaffney as a Member of the Board of Directors of the Federal National Mortgage Association

October 3, 1989

The President today announced his intention to appoint J. Brian Gaffney to be a member of the Board of Directors of the Federal National Mortgage Association for a term ending on the date of the annual meeting of the stockholders in 1990. He would succeed Al Cardenas.

Since 1960 Mr. Gaffney has served as a partner with the law firm of Gaffney, Pease and DiFabio in New Britain, CT.

Mr. Gaffney graduated from the University of Notre Dame (B.A., 1955) and Fordham University (LL.B., 1958). He was born March 25, 1933, in New Britain, CT. Mr. Gaffney served in the U.S. Army, 1959 - 1963. He is married, has six children, and resides in New Britain, CT.

Toasts at the State Dinner for President Carlos Salinas de Gortari of Mexico

October 3, 1989

President Bush. To President and Mrs. Salinas and honored guests and ladies and gentlemen, Barbara and I are just delighted to welcome you to the White House. Your country, sir, has often extended to us that kindness for which Mexico is so famous. And tonight, we are honored to have you both here.

We first met last November, sir, in Houston, Texas. We met, if I might add this personal note, the day after your Harvard football team fell to the mighty men of Yale. It seemed at the time like an inauspicious start, somehow, but we've learned anew how special the relationship -- you're trying to get even -- [laughter] -- the relationship between Mexico and the United States can be, this relationship which has been and continues to be bound by so many ties. And we've become good friends. And those ties, of course, include our 2,000-mile border and billions of dollars in trade.

And they're educational, they're political, they're economic, they're environmental. And our ties rest on respect, maturity, and communication, consultation. And the values that we cherish links our cultures -- values of faith, family, and respect for tradition.

As a young man, Mr. President, you did study in the United States. And you know us well, and you came to understand our ties. And I, too, revere them, for as a Texan, I've lived many years side by side with Mexico and know and appreciate your beautiful country and its wonderful people. Such understanding, I think, leads to trust, and such trust can lead to progress.

Speaking of trust, I trust that you dried out from the golf cart tour of Camp David on Sunday. [Laughter] There was a true downpour. President and Mrs. Salinas came up there in the mountains. But I was anxious for the President to look around, so he and I set out on a golf cart in this driving rain. Barbara was convinced that I had just dealt a severe blow to Mexican-United States relations. [Laughter]

It is this kind of trust that I'm talking about. For, from its earliest days, your administration has acted as our neighbor and equal partner, and known that by applying our resources to common problems we can ensure a richer life for all.

Now, let us determine to do more. And let us increase bilateral trade and achieve economic growth. Let's expand cooperation and enhance investment opportunity. And let us support democracy in our hemisphere, and thus, regional security and stability. We must also reaffirm our commitment to combating narcotics -- that is both a national priority and a hemispheric

crusade. And I thank you, sir, for your fantastic cooperation in this regard, for unless we defeat drug use and trafficking, we will help rob our children of their very dreams.

There's an ancient proverb which goes: ``God guides whom he wills to a straight path.'' Mr. President, let our path be straight and true, affirming all that which unites us, and so enrich this generation and all the generations to come. In that spirit, I ask all of you, our guests here this evening, to rise and raise your glasses to Mexican-American friendship, to a better world for our children and all children, and to the health and happiness of our friend and colleague, the President of Mexico, and Mrs. Salinas.

President Salinas. President George Bush, Mrs. Barbara Bush, ladies and gentlemen, dear friends: I would like at this dinner to express my gratitude to the people and Government of the United States for the warmth they have shown towards the Mexican delegation which I head. I have found in President George Bush a friend who is not only worthy of esteem, but also an outstanding leader who, in the short time he has been in office, has managed to give a new thrust to the United States and to national relations based on the human understanding that is the legacy of freedom handed down by the Founding Fathers of this great republic.

We Mexicans, President Bush, have been witnesses to your willingness to engage in frank, open, and substantive dialog. This has been a good starting point for embarking on a different phase in our bilateral relation. The same applies to the Congressmen and officials with whom we have held fruitful talks on both sides of the border that have led to improved understanding between our peoples.

I have come to the United States with the intention of establishing a new relationship of friendship free of myths and mistrust. I have come determined to stress common points of view and shared ideals, to pave the way for a mutually respectful, united and solitary progress as neighbors towards the future. We are aware of the historical difficulties that we have had in our relations and of the problems that are still pending. Nevertheless, we are sure that the time has come to derive mutual benefits from the advantages of the border that joins us, thereby strengthening the identity of each nation at a time of profound worldwide changes.

In Mexico, we are presently experiencing a time of renewed social optimism. On concluding an important stage in the process of renegotiating the foreign debt a few months ago, we provided Mexicans with a new horizon for progress. I extend my gratitude to President Bush for the understanding and solidarity he has shown, which enabled us to reach a successful outcome to this important process so essential for our growth.

In Mexico, we are determined to modernize our country. We Mexicans are seeking the best way to mobilize the full potential of social energy, of groups, and of regions. Despite a severe economic crisis, we have not succumbed to apathy or despair. With strong institutions, we are currently striving to regain our growth and to continue transforming our economic structures and

renovating our political practices. Rights and responsibilities are now becoming a salient feature of all social activities, the economy, and politics. The needs and dreams of Mexicans, especially those of modest means, demand this major transformation.

Trade exchanges worldwide have intensified significantly with the shortening of distances. Accordingly, exchanges between our countries are increasingly dynamic and diversified. Trade offers an extraordinary potential for mutual benefits and for growth, which is essential for my country. Few economies have opened up as much and as rapidly as Mexico's. A similar opening up of the American market would not only represent reciprocal treatment but a stimulus to our new friendship. A renewed period of gradual growth will enable us to assign resources to investment, to the strengthening of the domestic market, and to the generation of employment for the one million young people who currently demand it. My aim is for all Mexicans to find work in Mexico. However, the differences between our economies attracts Mexican labor to contribute to the development of the United States. We can do much to abolish mistreatment of workers on both sides of the border and to ensure respect for their dignity.

My government views the in-depth fight against drug trafficking as a tireless battle. We have not hesitated to resort to political will and economic resources to put an end to the international crime. Many Mexican lives have been lost in this struggle. We know, however, that stamping out the traffic in drugs is a matter of national security to us, of preserving the health of our youth and the basic principle of international solidarity in the face of an evil that affects us all. No one can feel untouched by it as long as there are teenagers trapped in addiction while their families look on helplessly.

Bilateral cooperation between our countries will be enriched by concrete actions undertaken by both governments to halt environmental pollution on our common border, to make joint progress in restoring the purity of the air and water in both territories, and to engage in common efforts to protect the tropical forests that are the lungs of the world. Allow me to add, Mr. President, that with this cooperation regarding the environment and to halt environmental pollution, that will enable the children in Mexico to paint the sky blue again and to find the stars in the sky.

Out of culture, a valiant history -- invincible in the face of adversity -- has been forged. It is the source of our self-assurance, our identity, in opening our doors to the world and participating in its transformation. By strengthening ourselves as an independent nation in today's interdependent world, cooperation between us will prosper and our relation as neighbors will become the new friendship of the coming decade.

President Bush, Mrs. Bush, you have given us a cordial welcome. In it, we see the spirit that sums up what has always existed between our peoples: the hope of sharing an era of mutual benefits, of exploring areas of agreement, and of working side by side to shape a future of mutual prosperity. By joining our efforts, our two governments can more clearly hear the wise, generous voice of the men and women who give meaning to this meeting.

President Bush, in this new stage of respect and friendship, let us join now in a toast to the strength of Mexico and of the United States; to a hemisphere with peace, democracy, and development; to the beginning of a new friendship that inspires us to live up to the expectations of our peoples; and to your own well-being and that of your family.

Note: President Bush spoke at 8:11 p.m. in the State Dining Room at the White House. President Salinas spoke in Spanish, and his remarks were translated by an interpreter.

Statement by Press Secretary Fitzwater on Economic Assistance for Poland and Hungary

October 4, 1989

The world has watched with wonder as Poland has moved -- swiftly and peacefully -- to form a new government under Prime Minister Mazowiecki, the first non-Communist government in Eastern Europe in more than 40 years. We salute Prime Minister Mazowiecki, President Jaruzelski, Solidarity leader Lech Walesa, and so many other distinguished Polish leaders for their courage and wisdom in helping bring about a new beginning for Poland.

From the very start of this administration, President Bush has taken the lead in supporting reform in Poland and Hungary. At Hamtramck, Michigan, in April, on the day of the signing of the roundtable agreement in Poland, the President announced a set of measures to open U.S. markets and encourage private sector loans and investments. In July, he visited Poland and Hungary and spoke before the Polish Parliament, as well as to a massive gathering at the Solidarity monument in Gdansk. He announced a further comprehensive package of assistance measures to support Poland's economic and political regeneration, a package which took account of the fact that Poland did not yet have its new government or its new economic policies in place. He announced a similar program during his visit to Hungary, which is also embarked on a promising path of political and economic reform. A few days later, at the Paris economic summit, the President proposed and our summit partners agreed to a plan for concerted Western action to encourage and assist economic reform and democratic change in Poland and Hungary.

In early September, the administration submitted to Congress a comprehensive legislative proposal that would create a $100 million enterprise fund for Poland and a $25 million fund for Hungary, as well as a labor initiative and an environmental initiative together totaling $20 million. In addition to this $145 million proposal, and other initiatives taken by reprogramming existing resources, we have offered $100 million in emergency food aid to Poland in the coming fiscal year, in addition to $8 million in FY '89. In dollar terms, this total package already involves over $250 million.

We have also moved to encourage new trade and investment by proposing that Congress grant both Poland and Hungary access to the U.S. Generalized System of Preferences and that it authorize the Overseas Private Investment Corporation (OPIC) to operate in both countries. On September 18, the President announced that he would grant Hungary permanent most-favored-nation status, contingent upon passage by the Hungarian Parliament of new emigration legislation, which has since occurred.

We have engaged the resources and creativity of the private sector, recognizing that the U.S. Government alone could not and should not render all the support Poland and Hungary require. On the eve of his trip to those countries in July, the President hosted a White House symposium

in which he urged leaders from the American private sector -- labor leaders, businessmen, educators, and others -- to be actively engaged in supporting economic and political change in Eastern Europe. Labor Secretary Dole visited Poland in August and signed an agreement providing for U.S. technical assistance and bilateral exchanges in the labor field. In mid-September, Commerce Secretary Mosbacher led a U.S. investment mission to Poland and Hungary, where he and American businessmen developed concrete proposals to encourage new private investments, joint ventures, and other forms of expanded U.S. business involvement in redeveloping these two economies.

The dramatic changes in Poland over the past 2 months have lent new urgency to our efforts. What Poland is doing is historic, in the largest sense of the word. It holds the promise not only of a peaceful transition to democratic rule in Poland but also of the beginning of the end of Europe's division -- toward a Europe whole and free. It is also unprecedented: never before has a country attempted a successful transformation of a state-controlled economic and political system into one of political pluralism, democracy, and a market economy. The new Polish Government under Prime Minister Mazowiecki has a chance to consolidate the public trust that is needed for the difficult economic steps ahead, but it faces major economic problems.

There is no disagreement that both Poland and Hungary need, and will have, strong U.S. support. There is no disagreement that the U.S. needs to play a leading role in developing a concerted Western approach to Poland's economic recovery. The question is how best to achieve our goal. We believe, as do our Western economic partners, that Poland can best go forward by reforming its economy and becoming creditworthy again by reaching early agreement with the IMF on an economic reform plan. We also support a prompt and generous Paris Club rescheduling of Poland's international debt. This, along with agreement with the IMF, will make Poland eligible for IMF and World Bank loans totaling hundreds of millions of dollars annually. It will also give confidence to official and commercial lenders and to investors, whose participation in Poland's recovery is vital.

Poland is taking important steps toward reforming its economy. The administration had a series of meetings last week with key ministers in the new Polish Government and reviewed the outlines of their economic reform program. It is an ambitious and bold plan, calling for radical economic reform and rapid movement toward agreement with the IMF. An integral part of the plan is an urgent request for Western economic assistance in helping to stabilize the Polish economy as reforms are implemented. In the context of an agreement with the IMF, the Poles seek, in addition to IMF and World Bank support, $1 billion in stabilization funds from the Western industrialized countries.

In response to Poland's request, the President has decided on two major new steps. He will ask Congress to approve a $200 million grant for stabilization purposes, which would be the U.S. contribution to the $1 billion in Western assistance the Poles have requested. The grant would be contingent upon conclusion of an IMF agreement, and upon the recommendations of an experts mission that the President will send to Poland soon. The U.S. will be working closely with the

summit seven and its other allies to make certain that the entire $1 billion is available to Poland for this stabilization fund since the concept can be effective only if the fund is fully financed. A program for use of the $200 million U.S. contribution will be developed with the Polish Government. The President wants to work with Congress to develop a strong bipartisan approach toward the common goal of providing prompt and effective support to the Government and people of Poland.

It is important to complete development of a strategy to assist Poland's recovery. Toward that end, the President will send to Warsaw within the next few weeks a Presidential mission including senior U.S. officials, business leaders, and experts to discuss with the Polish Government its economic plans and evaluate its needs. This mission will make recommendations to the President based on their own findings and their deliberations with experts from the 24-nation Group for Economic Assistance to Poland and Hungary as to the most effective use of the $1 billion stabilization fund.

This mission will also focus on those economic sectors where U.S. expertise and experience can be of greatest assistance -- agriculture, business management, financial services, and others -- pinpointing areas for reform and for productive use of assistance resources. The Congress can certainly be helpful in this endeavor. This initial mission will be followed by experts missions in key economic sectors. In addition, administration economists will examine urgently the structural economic challenges Poland will face now and in the years ahead so that we can provide the most effective help possible to the Polish Government.

As the President has said, the futures of Poland and Hungary depend on concerted and sustained Western action. These efforts must be complementary, not duplicative, and must be coordinated with the efforts of the IMF and World Bank. That is why the President called on our G - 7 economic partners at the Paris economic summit to establish new mechanisms for coordinating our efforts. The resulting 24-nation group has already met 3 times under the chairmanship of the EC [European Communities] Commission. The EC on October 3 committed itself to $330 million in additional assistance, over and above the $271 million in emergency food aid already pledged by the United States, the EC, and other donors. It has also begun to develop a common assistance strategy for Poland and Hungary, along with working groups on food aid, environment, manpower training, and other specific areas of assistance. The goal is to set clear priorities, avoid redundant efforts, and assure maximum aid effectiveness.

West Germany, France, Britain, Japan, and several other countries have already announced their intention to provide substantial bilateral assistance. The IMF has indicated it will move quickly in assisting Poland to develop an overall economic stabilization and reform program; and the World Bank is prepared to extend promptly major new credits, once an IMF program is in place, and to develop additional loans.

Finally, in order to continue the dialog with Poland's leaders that he began in July, the President

is inviting President Jaruzelski and Prime Minister Mazowiecki to visit Washington at times convenient for each of them.

These are steps the administration has taken and will be taking in support of democratic change in Poland and Hungary: economic assistance conditioned upon real progress toward reform, business and technical assistance, the opening of investment and trade opportunities, and concerted Western action in conjunction with other industrialized democracies and the international financial institutions. These combined measures constitute an international recovery program that provides broad and substantial Western support for the historic changes now underway in Poland and Hungary.

Remarks at the Presentation Ceremony for the Minority Enterprise Development Week Awards

October 4, 1989

Thank you all. Excuse the -- keeping you waiting a few minutes here. To Bob Mosbacher, my special thanks. And Susan Engeleiter, Director Bolton, Erline Patrick, thank you -- thank all of you.

Somebody told me -- I've got to have a little nostalgia -- that Maurice Stans was here somewhere. And I'm looking and looking, and wondered if that's true, because -- here he is. What a pleasure. When I think of looking back over my shoulder to one of the pioneers of minority business opportunity in this country, I always think of Maury. And I'm just so pleased that you're here, sir.

And I welcome all the distinguished community and business leaders here. As you know best, the business of America is not business; the true business is opportunity. No social program, no jobs program, no government program of any sort can match the opportunity created for all Americans by those special people that we call entrepreneurs. I wish there were a simpler word for all of this -- entrepreneur. [Laughter] But people know what it means -- people, men and women out there who take risks and pioneer, start businesses, create jobs.

In those communities where opportunity is most needed, minority entrepreneurs are especially leading the way. And that's why I aim to restore and reinvigorate the vision behind the Office of Minority Business Enterprise. Once a minority-owned firm was a rarity, but in the last 20 years the number of minority-owned businesses has grown fivefold to approximately 1 million. And this is happening as we learn that cutting redtape and high taxes allow small business to help millions of disadvantaged Americans. For many of your employees, this is their first -- who knows, perhaps their best -- chance to reach the first rung on that opportunity ladder. And so, you know better than anyone that when we support minority business -- and we intend to revitalize our efforts in this regard -- we're also supporting social progress.

Just last week -- I can't resist this -- we saw a majority of the Members of the House of Representatives recognize this truth by taking a bold stand in favor of opportunity. They did this by voting to reestablish a capital gains differential by voting to cut the tax on capital gains. Of course, some say that this is a tax cut for a few; but as businessmen and businesswomen know, this is a tax cut for all, a way to channel investment back into new growth and new jobs. And I would like to take this opportunity to call on the United States Senate to follow the lead of the House of Representatives -- call on them to raise revenues, to raise employment, and raise millions of our fellow Americans to a new threshold of opportunity, and to cut the capital gains tax now. And I will be pushing for this because I know that the beneficiaries will be those who are looking for their first job, or perhaps their second job. It is a job-oriented tax cut.

While the House was taking action on capital gains, I was down meeting with the Governors in what has really, I think, been viewed as an historic summit -- the first education summit in our history. Bob Mosbacher was down there at my side, and we discussed our children's education and how it's going to shape their future. And we agreed for the first time to set national goals and to seek greater flexibility in the use of Federal funds in exchange for enhanced accountability for the results. We did this because a good education is not critical for most Americans; it is critical for all Americans. And in the economy of the future, American workers who cannot read and have no skills won't have that shot at the American dream. So, our schools must -- they simply must -- do a better job.

And more businesses must follow your example by stepping in to finish the job of training workers. And this is why you're already doing so well. Look to Teresa McBride of Albuquerque, whose high-tech firm, McBride Microsource, went from 1 full-time employee -- 1 -- in 1985 to 22 people today. Think of it. Because of this 27-year-old entrepreneur, there are now 22 jobs where once there were none.

Look to Ronald Thompson of East St. Louis, whose company, General Railroad Equipment and Services, Inc., has grown fivefold in the past 7 years. Sixty-four employees then, three hundred now -- a firm that has sponsored a program to teach minority youth about entrepreneurship.

Look to Roy and Rudolph Terry of Roanoke, Alabama. They've not only created a firm, Terry Manufacturing, with 280 full-time people and with annual sales in excess of $12 million; they've also found the time to get involved in what I call the Thousand Points of Light -- time to sponsor a local Little League team and a Boy Scout troop and support a county antidrug program. And they also provided summer jobs for college-bound kids of their own employees, and matched employee contributions to the American Heart Association, making their small company the association's largest donor.

Ronald, Teresa, Rudolph, and Terry: In a moment we'll be presenting you with awards for your outstanding accomplishments. But the true reward comes not from me or anyone else in Washington. It comes from the people in the communities that you serve so well. You've heard me say this before, and I'm going to keep saying it, because I really believe it: From now on in America, any definition of the successful life must include service to others. And by these lights, you all are very, very successful.

Congratulations, and now I will turn to Bob and Susan to make a few announcements. It's all yours, Mr. Secretary.

Note: The President spoke at 11:15 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Secretary of Commerce Robert A. Mosbacher; Susan S. Engeleiter, Administrator of the Small Business Administration; Kenneth Bolton, Director of the Minority

Business Development Agency; Erline M. Patrick, Associate Administrator for Minority Small Business and Capital Ownership Development at the Small Business Administration; and former Secretary of Commerce Maurice Stans.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President George Vassiliou of Cyprus

October 4, 1989

The President met this afternoon with Cypriot President George Vassiliou. The two leaders discussed a number of issues relating to efforts to bring a peaceful solution to the Cyprus dispute.

The President reaffirmed our support for the negotiations under the auspices of the United Nations and expressed his hope that the talks will be resumed at the earliest possible date. The President noted that the negotiations were not an end to themselves but a means to a peaceful solution to the dispute.

Also present at the meeting were Secretary of State James Baker, Chief of Staff John Sununu, national security adviser Brent Scowcroft, Special Cyprus Negotiator Nelson Ledsky, Cypriot Foreign Minister George Iacovou, and [Cypriot] Ambassador Michael Sherifis. The meeting began at 2 p.m. and lasted approximately 40 minutes.

Statement by Press Secretary Fitzwater on the President's Meeting With Jonas Savimbi of Angola

October 5, 1989

President Bush met with UNITA [National Union for the Total Independence of Angola] leader Dr. Jonas Savimbi for approximately 30 minutes in the Oval Office this morning. Dr. Savimbi is in the United States on a private visit. He has met with President Bush several times during the last administration.

President Bush used the occasion of today's visit to stress the United States continued support for UNITA and the goal of national reconciliation in Angola.

The President urged Dr. Savimbi to work with President Mobutu and others in the region to foster the peace process. He noted our longstanding support for a cease-fire and face-to-face negotiations, and ultimately, free and fair elections.

Remarks on Signing the German-American Day Proclamation

October 5, 1989

Well, a thousand apologies for keeping you waiting. But you can't say we didn't provide you with a little good music. And welcome to the White House. A special welcome to Dr. Suessmuth and Ms. Geiger and the other Members of the German Parliament that are here today.

You know, we meet as we're a part of a pivotal moment in history. The countries of Eastern Europe are in ferment, as the struggle to find freedom has entered a new stage with hopes higher than ever before. And a non-Communist government has been formed in Poland. Totalitarian ideology is being discarded in Hungary. And as I said in Hamtramck, in Warsaw and Gdansk, and in Budapest, America stands with the forces of change. We pledged our moral and our material support.

The Polish Government, facing the prospect of painful adjustments as it initiates its drastic economic reforms, last week requested $1 billion in immediate aid from the West. And therefore, yesterday I asked Congress to provide $200 million in entirely new assistance, when Poland signs an IMF [International Monetary Fund] agreement, to do our part in fully meeting this request. I'm also sending a Presidential mission to Poland to consult with the Poles on the best use of this and other assistance.

We are riveted and I am moved by the tens of thousands of East Germans sacrificing all that they own, leaving everything behind, to find their way to a West that offers the promise of freedom and opportunity. And I read today of thousands of people, people who have waited for 10 years to buy a car and just left them on the street, handing the keys to whoever wanted them, so they could -- taking with them only the possessions they could carry -- and climbed over an embassy fence to wait for a freedom train.

As we celebrate German-American Day today, I want to praise the actions of the Federal Republic in rising to the challenge presented by these events, the enormous challenge. And I also look forward to the day that Germans will not have to climb fences, freeze in embassy courtyards, or dodge bullets in order to enjoy the fruits of a free society.

I don't need to tell you what an important role the whole entire German-American community has played in the United States over the past 200 years -- individually, collectively. German-Americans are a vital part of this country's heritage. And as you know, in the early 1980's we recognized the need to strengthen contacts between Germany and the United States. And since that time our countries have worked together to emphasize shared values and responsibilities. Our own U.S. Information Agency has taken the lead on many of these initiatives. USIA played

an important role in the celebration of Germany's tricentennial in 1983, which I was fortunate enough to attend. And most recently, USIA assisted in the establishment of the German-American Friendship Garden, which I understand you all are celebrating this afternoon.

And therefore, I am pleased to announce today that our new, very capable Director of USIA, my friend Bruce Gelb, will assume the role of U.S. coordinator of German-American contact initiatives. He stands ready and willing to work with you to bring together young German and American leaders -- something that I know Chancellor Kohl is very much interested in -- in government, in business, in journalism, and the arts -- bring them together to broaden perspectives, strengthen friendships, and increase understanding between our two countries.

And now I am honored to sign this proclamation appropriately honoring the German-American community.

Note: The President spoke at 11:45 a.m. in the Rose Garden at the White House. In his remarks, he referred to Rita Suessmuth, President of the West German Parliament, and Michaela Geiger, Member of Parliament and chairwoman of the visiting parliamentary delegation. The proclamation is listed in Appendix E at the end of this volume.

Remarks on Signing the Veterans Day Proclamation

October 5, 1989

Thank you all for being here. Secretary, come over here; you can't escape. [Laughter] I've got to get my friend here.

Let me just say I'm delighted to welcome all of you here to the Roosevelt Room to witness the signing of this Veterans Day proclamation. I want to especially thank Secretary Derwinski for being with me. I know that Congressman Montgomery had planned to be down here and also Senator Murkowski -- both of them tied up, and we have to forgive them, but I wish they were here.

As you know, our nation's veterans hold a very special place in the hearts of our country for their selfless devotion to duty and commitment to service. And we all know that freedom is not free, and the men and women who have fought to preserve this nation's liberty have indeed been willing to sacrifice everything in that noble cause. So, Veterans Day is a time when all Americans can pay tribute to our veterans for their willingness to give their lives for this great nation and for the cause of freedom.

And I also want to take this opportunity to highlight an issue that is of special concern to veterans around the country, and I'm talking about the protection of the American flag. The flag is a unique symbol, the unique symbol of our nation which must be protected from desecration.

And the Senate today passed a statutory approach. And look, I respect the intention of those who voted for this approach, but I continue to feel that such an approach is inadequate in the light of the Supreme Court decision. And I believe that a constitutional amendment, carefully drawn, is necessary in order to provide proper protection. And I urge the Congress to send to the States for ratification the bipartisan amendment proposed by Congressmen Montgomery and Michel and Senators Dixon and Dole.

And now, with no further ado, I am happy to sign this proclamation.

Note: The President spoke at 3:31 p.m. in the Roosevelt Room at the White House. The proclamation is listed in Appendix E at the end of this volume.

Memorandum on the Presidential Quality and Management Improvement Awards

October 5, 1989

Memorandum for the Heads of Executive Departments and Agencies

Subject: Presidential Quality and Management Improvement Awards

The strength and success of the United States depend upon the performance of the 4.3 million civil servants and uniformed services personnel around the world. My experience in Government confirms that their skills, abilities, and dedication not only provide the necessary continuity of government, but also contribute to the growth and prosperity of our Nation. Their work in important and diverse areas, such as scientific and medical research, national defense and security, protection of our environment, air and highway safety, education, and service to our veterans and their families, represents important contributions to the quality of life of our citizens.

Accordingly, I am calling on you to enlist the talents and creativity of your employees in a partnership to serve the needs of all Americans. To do this, I ask that you communicate the attached message announcing the Presidential Quality and Management Improvement Awards Program to the men and women in the Government service.

Knowing how much their actions contribute to significant improvements in Government operations and services to the public, I am requesting that you inform me of such efforts so that I may add my personal congratulations by letter of commendation. Further, for those contributions judged to be of greatest benefit, I intend to grant Presidential Quality and Management Improvement Awards. Instructions for the administration of this Program will be issued by the Office of Personnel Management.

The people of our country deserve the very best and most efficient services that the Federal Government can provide. Through your personal support and that of your employees, I am very confident that we can continue to earn their trust and to meet this commitment.

George Bush

Message on the Presidential Quality and Management Improvement Awards

October 5, 1989

Message to Civilian and Military Personnel

I would like to ask you to join me in a partnership to improve Government operations and services to the public. I know from my own experiences in Government that Federal civilian and military personnel make critical differences every day in how well and how efficiently Government organizations provide essential public services. Because of the urgent need to reduce the Federal deficit, it is of vital importance that each of us explore ways to improve not only our own performance, but also that of our organizations.

Accordingly, I have asked that heads of Federal agencies actively use their awards authorities to encourage and to recognize those individuals and groups whose ideas and other achievements significantly improve the quality and efficiency of Government. Further, I have requested that they inform me concerning major cost-saving achievements as well as other efforts that significantly improve the quality of services provided to our citizens so that I might add my personal thanks through letters of commendation and granting Presidential Quality and Management Improvement Awards.

In addition to reducing the Federal deficit, I want to challenge everyone in Government to find ways of improving the quality of services and products without increasing their costs. All of us in Government service can make a difference. Therefore, I ask that each of you work with me in making these goals a reality.

I look forward to learning about your accomplishments and recognizing personally those individuals whose efforts support our objectives of improving services to our citizens and reducing the cost of Government operations. With your participation, I am confident that we can continue to provide our citizens the very best services of any Government in the world.

George Bush

Nomination of Cresencio S. Arcos, Jr., To Be United States Ambassador to Honduras

October 5, 1989

The President today announced his intention to nominate Cresencio S. Arcos, Jr., a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras. He would succeed Everett Ellis Briggs.

Since 1988 Mr. Arcos has served as Deputy Assistant Secretary of State for Central America at the Department of State in Washington, DC. Prior to this, he served as Coordinator for Public Diplomacy in the White House Office of Communications and Planning, 1987 - 1988; Deputy Coordinator for Latin American and Caribbean Public Diplomacy at the Department of State, 1986 - 1987; Deputy Director of the Nicaraguan Humanitarian Assistance Office at the Department of State, 1985 - 1986; and public affairs counselor, American Embassy in Honduras, 1980 - 1985. In addition, he has served in public affairs and cultural affairs positions in Leningrad, U.S.S.R.; Sao Paulo, Brazil; and Lisbon, Portugal, since 1973.

Mr. Arcos graduated from the University of Texas (B.A., 1966) and the Johns Hopkins University School of Advanced International Studies (M.A., 1973). He was born November 10, 1943, in San Antonio, TX. Mr. Arcos served in the U.S. Army, 1968 - 1970. He is married, has two children, and resides in Falls Church, VA.

Nomination of Philip L. Christenson To Be an Assistant Administrator of the Agency for International Development

October 5, 1989

The President today announced his intention to nominate Philip L. Christenson to be an Assistant Administrator (Food for Peace) of the Agency for International Development, U.S. International Development Cooperation Agency. He would succeed Julia Chang Bloch. Mr. Christenson has been serving in this position since December 1988 by recess appointment.

Since 1988 Mr. Christenson has served as Assistant Administrator (FVA) at the Agency for International Development in Washington, DC. Prior to this, he served as a senior professional staff member for the Committee on Foreign Relations, 1987 - 1988; professional staff member for the Committee on Foreign Relations, 1981 - 1987; associate director of the United States-South Africa Leader Exchange Program in Washington, DC, 1979 - 1981; and an international trade specialist at the Department of Commerce, 1974 - 1979.

Mr. Christenson graduated from Georgetown University School of Foreign Service (B.S.F.S., 1971). He was born May 18, 1947, in Ely, NV, and currently resides in Washington, DC.

Nomination of Francis Terry McNamara To Be United States Ambassador to Cape Verde

October 5, 1989

The President today announced his intention to nominate Francis Terry McNamara to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cape Verde. He would succeed Vernon Dubois Penner, Jr.

Since 1987 Ambassador McNamara has served as a senior research fellow at the National Defense University. Prior to this, he served as the deputy chief of mission in Beirut, Lebanon, 1985 - 1987. Ambassador McNamara served as a foreign affairs fellow with the Hoover Institution at Stanford University, 1984 - 1989; as the Ambassador to the Republic of Gabon and the Democratic Republic of Sao Tome and Principe, 1981 - 1984; as the Deputy Assistant Secretary of State for Public Affairs in Washington, DC, 1980 - 1981; and as the consul general in Quebec, Canada, 1975 - 1979.

Ambassador McNamara graduated from Russell Sage College (B.A., 1953) and George Washington University (M.S., 1972). He served in the U.S. Navy, 1944 - 1946 and 1950 - 1951. Ambassador McNamara was born November 2, 1927, in Troy, NY. He is married, has seven children, and currently resides in Baltimore, MD.

Nomination of Michael Bruce Donley To Be an Assistant Secretary of the Air Force

October 5, 1989

The President today announced his intention to nominate Michael Bruce Donley to be an Assistant Secretary of the Air Force for Financial Management. This is a new position.

Since 1988 Mr. Donley has served as Deputy Executive Secretary of the National Security Council and Senior Director of the Situation Support Staff at the White House. Prior to this, he served as the Director of Defense Programs at the National Security Council, 1984 - 1987; professional staff member of the Senate Committee on Armed Services, 1981 - 1984; and legislative assistant to Senator Roger Jepsen, 1979 - 1980.

Mr. Donley graduated from the University of Southern California (B.A., 1977; M.A., 1978). He was born October 4, 1952, in California. He served in the U.S. Army, 1972 - 1975. He is married, has three children, and resides in Springfield, VA.

Letter to Congressional Leaders Transmitting Reports on Trade Barriers to United States Wine Exports

October 6, 1989

Dear Mr. Chairman:

Pursuant to Section 1125 of the Omnibus Trade and Competitiveness Act of 1988, I am submitting herewith updated reports concerning consultations undertaken by the United States Government to eliminate trade barriers to U.S. wine exports in certain foreign countries.

Sincerely,

George Bush

Note: Identical letters were sent to Lloyd Bentsen, chairman of the Senate Finance Committee, and Dan Rostenkowski, chairman of the House Ways and Means Committee.

Nomination of Robert P. McMillan To Be a Member of the Board of the Panama Canal Commission

October 6, 1989

The President today announced his intention to nominate Robert P. McMillan to be a member of the Board of the Panama Canal Commission. He would succeed Richard N. Holwill.

Currently Mr. McMillan serves as a senior partner with the law firm of Rivkin, Radler, Dunne and Bayh in Uniondale, NY. Prior to this he served as director of public affairs and corporate vice president of Avon Products, Inc., for over 10 years. In addition, he is founder of the Long Island Housing Partnership, 1987 to present.

Mr. McMillan received his undergraduate degree from Adelphi University and graduated from Brooklyn Law School (J.D., 1960). Mr. McMillan was born May 21, 1932, in Queens, NY. He served in the U.S. Army, 1952 - 1954, and was awarded the Bronze Star while serving in Korea. Mr. McMillan is married, has three children, and resides in Garden City, NY.

Exchange With Reporters Following the President's Hand Surgery

October 6, 1989

The President. First report, all is well.

Q. How do you feel?

The President. Feel fine. They just did a -- went deep down into the -- near the bone, apparently. But I think the doctor felt it was a good thing to do. But it's real minor. When it's healed -- I'm out of some sports for a few days, but other than that it's fine, just fine. So, anyway -- --

Panama

Q. Sir, how about Panama? Simply put, a lot of critics say you blew it. Your administration blew it on Panama. Do you have a comment on that?

The President. I don't think that's the case. No, we reviewed all the information, and I don't see anything now that would have had me make a different decision then. And I think the Senate and the House, once fully briefed, will understand that.

But I want to see Noriega out of there. I think the record will show that there was never a chance to have him handed over to us. I think that was one of the things that caused concern, because there's a report that he was offered to our military and they wouldn't take him. Well, that simply is not true. So, once that fact is out there, I think it will be all right.

Obviously, I would like to see him out, but I think any Commander in Chief must have the lives of American citizens and of American soldiers foremost in mind when he makes a decision. And I'm not just being stubborn, but as I look at all the information, I wouldn't today have made a different decision then. And I think that will get clear when people understand the facts.

Q. When you say make a decision, I mean, what exactly did you decide to do -- --

The President. Well, what people -- some people -- seemed to have wanted me to do is to unleash the full military and go in and -- quote -- get Noriega. I think that's the charge by those who feel as frustrated as I do about the results. But I think that's the allegation. So you say, what could a Commander in Chief have done? I suppose you could have gone to general quarters. But that's not prudent, and that's not the way I plan to conduct the military or foreign affairs of this country.

Q. Did you ever consider doing that, sir?

Q. Were there communications problems, sir?

The President. Not under these circumstances. Not under the way the circumstances developed.

Q. Were there communications problems? Were there bad cables? Was there a gap in getting information to you?

The President. I don't think so. We had kind of almost a running meeting there. And I think that's a good question, and I don't think I can factually answer that yet. Having been through a few situations of this nature, I think the more coordination you have the better, but I don't think there was a fact gap that kept the President from acting differently -- put it that way. But whether we can do better on communications, I don't know. I hope so.

Q. Do the Panamanians who might want to mount another coup attempt feel that in the future there might be a different response from you -- that perhaps you might, under the right conditions, use military force to help?

The President. Well, I think, as I indicated -- I didn't say it publicly, but as I -- put it this way: I would not rule out any option -- any option. But you have to look at the facts at the time. And you've got to keep in mind the lives of American citizens, lives of your own troops, and what you're trying to do. But I wouldn't -- certainly wouldn't rule that out.

Q. Do you think the likelihood of another coup attempt is less now because this was put down, sir? Do you think a coup attempt -- --

The President. I don't know. I get the feeling that those who are in opposition feel that, with this manifestation of opposition to Noriega being more clear than ever, that maybe he's weaker; but maybe that's wishful thinking. But I'll tell you, the day he goes out there will be dancing in the streets of Panama.

Q. Sir, why didn't you use military force in this case? Was it because you didn't think you could get Noriega himself? Or what was the reason?

The President. Well, I didn't use military force because it wasn't warranted under the existing circumstances.

I've got to go. Thank you all.

President's Surgery

Q. How long are you going to keep that elevated?

The President. I've got to hold it up like this, and I'm trying very hard to keep it in this five-finger position here. You get what I mean? [Laughter] One more question, however. [Laughter] No, come on.

Q. Did it hurt, Mr. President?

The President. No. They put a block on it. I didn't feel it.

Q. Does it hurt now?

The President. They tell me it will later. No, it doesn't now. Just out of some sports.

Note: The President spoke at approximately 2:15 p.m. outside the Emergency Room at Walter Reed Army Medical Center, following surgery to remove a cyst from his right hand. The President then left for a weekend stay at Camp David, MD.

Statement by Press Secretary Fitzwater on the President's Hand Surgery

October 6, 1989

President Bush underwent minor surgery today at Walter Reed Army Medical Center to remove a mucoid cyst of approximately one centimeter in diameter from the third digit on the middle finger of his right hand. The procedure, which started at 1:35 p.m., took approximately 25 minutes and was entirely successful. A pathological examination of the cyst is underway, but Dr. Burton Lee, the President's Physician, said the cyst appeared benign.

The digital nerve block anesthesia, a form of local anesthesia, is expected to wear off within 3 to 4 hours following the surgery. Pain medication will be prescribed as necessary.

The incision was approximately 1\1/2\ inches long, along the top of the finger. Eight stitches were required to close the incision, which will be removed in approximately 2 weeks. No long-term impairment of movement in the finger is expected.

The operation was performed by Dr. Allan Smith, a colonel in the Army Medical Corps and chief of hand surgery at Walter Reed, and Dr. George Bogumill, chief of hand surgery at Georgetown University. Digital nerve block anesthesia was administered by Dr. Charles Gandy of Walter Reed, a lieutenant colonel in the Army Medical Corps. White House Physicians Dr. Burton Lee and Dr. Lawrence Mohr, a colonel in the Army Medical Corps, were in attendance throughout the procedure.

The President will wear a splint on the finger for 2 to 3 weeks. Dr. Allan Smith will visit the President at the White House Tuesday, October 10, for a followup examination.

Memorandum on the 1990 Census

October 6, 1989

Memorandum for the Secretary of Commerce and the Director of the Office of Personnel Management

Subject: Recruitment of Temporary Census Employees for the 1990 Census

Since the first decennial census was conducted in 1790, special procedures have been used for the recruitment of temporary census employees distinct from the normal Government hiring process. Due to the large number of workers who must be recruited for a limited period of time, it would be excessively cumbersome and costly to comply with the hiring requirements applicable to most Government employees. In recruiting for the 1990 census, the Bureau of the Census must draw from a labor pool smaller proportionately nationwide than that available for past censuses and therefore needs maximum flexibility in its employment authority.

It is my intention to encourage recruiting from as many sources as possible in order to secure a large corps of qualified workers who are mindful of the Bureau's obligation to conduct the most accurate census practicable. To facilitate this process, and to encourage local hiring for the census district offices, I am directing the following action:

1. The positions of temporary census employees in the Bureau of the Census in the Department of Commerce for the purpose of conducting the 1990 decennial census shall be excluded from the coverage of section 2302 of title 5 of the United States Code, based on my determination that such action is necessary and warranted by conditions of good administration.

2. The Secretary of Commerce, in consultation with the Director of the Office of Personnel Management, shall develop and implement a supplemental recruiting plan that permits referrals from elected officials, Federal, State, and local agencies, civic organizations, minority and women's groups, and other appropriate sources.

3. The Director of the Office of Personnel Management is hereby delegated the authority to implement this memorandum.

4. This memorandum shall be effective immediately for a period not to exceed the conclusion of the 1990 decennial census.

George Bush

Nomination of Ruth V. Washington To Be United States Ambassador to The Gambia

October 6, 1989

The President today announced his intention to nominate Ruth V. Washington to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia. She would succeed Herbert E. Horowitz.

Since 1988 Ms. Washington has served as an attorney with a private firm in New York, and since 1989 as an arbitrator with the New Jersey Mediation Board. Prior to this, she served as an adjunct associate professor at Fordham University in New York, 1987; U.S. Magistrate in the Southern District Court of New York, 1979 - 1987; attorney with a private firm in New York, 1977 - 1979; and as the Appeals Board Chairperson for the Benefits Review Board at the Department of Labor, 1974 - 1977. In addition, she served as commissioner of the New York State Workers' Compensation Board, 1968 - 1974; WCL judge (referee) for the New York State Workers' Compensation Board, 1963 - 1968; and associate counsel for the State Commission for Human Rights in New York, 1961 - 1963.

Ms. Washington graduated from Hunter College (B.A., 1944) and New York University Law School (LL.B., 1947; J.D., 1968). She was born August 17, 1921, in Buffalo, NY, and currently resides in Buffalo.

Nomination of R. James Woolsey for the Rank of Ambassador While Serving as the United States Representative to the Negotiations on Conventional Armed Forces in Europe

October 10, 1989

The President today announced his intention to nominate R. James Woolsey to be accorded the rank of Ambassador during his tenure of service as United States Representative to the Negotiations on Conventional Armed Forces in Europe.

Since 1979 Mr. Woolsey has served as a partner with the law firm of Shea and Gardner in Washington, DC. Prior to this, he served as Under Secretary of the Navy, 1977 - 1979; an associate with Shea and Gardner, 1973 - 1977; general counsel to the Senate Committee on Armed Services, 1970 - 1973; and adviser to the U.S. delegation to the strategic arms limitation talks (SALT I) in Helsinki and Vienna and a program analyst in the Office of the Secretary of Defense, 1969 - 1970.

Mr. Woolsey graduated from Stanford University (B.A., 1963); Oxford University (M.A., 1965), where he was a Rhodes scholar; and Yale Law School (LL.B., 1968). He was born September 21, 1941, in Tulsa, OK. Mr. Woolsey served in the U.S. Army, 1968 - 1970. He is married, has three sons, and resides in Chevy Chase, MD.

Nomination of Betsy Brand To Be an Assistant Secretary of Education

October 10, 1989

The President today announced his intention to nominate Betsy Brand to be Assistant Secretary for Vocational and Adult Education at the Department of Education. She would succeed Bonnie Guiton.

Since 1989 Mrs. Brand has served as Acting Director of Adult Education at the Department of Education in Washington, DC. Prior to this she served as a professional staff member of the Senate Labor and Human Resources Committee, 1986 - 1989; staff director for the Senate Subcommittee on Employment and Productivity, 1985 - 1986; legislative assistant to Senator Dan Quayle, 1983 - 1985; minority legislative associate for the House Subcommittee on Postsecondary Education, 1981 - 1983; and legislative assistant and office manager for Representative E. Thomas Coleman, 1977 - 1981.

Mrs. Brand graduated from Dickinson College (B.A., 1976). She was born July 20, 1954, in Plainfield, NJ. Mrs. Brand is married, has one son, and resides in Arlington, VA.

Nomination of Robert C. McCormack To Be an Assistant Secretary of the Navy

October 10, 1989

The President today announced his intention to nominate Robert C. McCormack to be an Assistant Secretary of the Navy for Financial Management. He would succeed Robert H. Conn.

Since 1988 Mr. McCormack has served as Deputy Under Secretary of Defense for Industrial and International Programs in Washington, DC. Prior to this, he served as Deputy Assistant Secretary of Defense for Production Support at the Department of Defense, 1987 - 1988; and was managing director with Morgan Stanley and Co., Inc., 1981 - 1987. From 1968 to 1981, Mr. McCormack served in various positions with Dillon, Read and Co., Inc., completing his service as a senior vice president.

Mr. McCormack graduated from the University of North Carolina (B.A., 1962) and the University of Chicago (M.B.A., 1968). He was born November 7, 1939, in New York, NY. He served in the U.S. Navy, 1962 - 1966, and was awarded the Department of Defense Medal for Distinguished Public Service in 1989. Mr. McCormack is married, has three children, and resides in Washington, DC.

Nomination of Richard G. Austin To Be Administrator of General Services

October 10, 1989

The President today announced his intention to nominate Richard G. Austin to be Administrator of General Services. He would succeed Terence C. Golden.

Since 1988 Mr. Austin has served as Acting Administrator of the General Services Administration in Washington, DC. Prior to this he served in various capacities at the General Services Administration, including Deputy Administrator, 1988, and Regional Administrator in Chicago, IL, 1986 - 1988. In addition, he served as chairman and chief executive officer of the Sangamon County Board, 1978 - 1986; division manager of the office of governmental services in the bureau of support services at the department of central management services for the State of Illinois, 1980 - 1986; and administrative assistant to Gov. James R. Thompson, 1977 - 1980.

Mr. Austin graduated from Lincoln Land Community College (A.A., 1971) and Sangamon State University (B.A., 1972). He was born September 20, 1948, in Springfield, IL. He served in the U.S. Marine Corps, 1965 - 1969, and in the U.S. Marine Corps Reserve, 1969 - 1971. Mr. Austin is married, has two children, and resides in Alexandria, VA.

Remarks Congratulating the Trumbull Nationals on Winning the Little League World Championship

October 10, 1989

Welcome to the White House. First, to our distinguished Members of Congress here -- Congressman Shays and Congressmen Kennelly, Rowland, Morrison -- thank you all for coming, and to Mrs. Vance and Dr. Hale and Mr. Talbott, Mr. DelVecchio, Coach Galla, and whoever is left out there -- [laughter] -- Little League players and fellow fans. And a special hello to our new Executive Director of the President's Council on Physical Fitness and Sports, my old friend Wilmer ``Vinegar Bend'' Mizell, former great pitcher in the major leagues. Stand up now, Vinegar, so they can see you. Welcome. And it's a pleasure to welcome all of you here to the Rose Garden.

The World Series starts this week, and thus it's fitting that this world champion baseball team is here with us today. That team, of course, is Trumbull, Connecticut, the 1989 Little League world champions, whose amazing triumph propelled these kids headfirst into the sports heart of America.

You know, Casey Stengel once asked of the early 1960's Mets: ``Can anybody here play this game?'' [Laughter] Well, sadly for his then helpless, hapless team, almost no one could. Vinegar Bend, naturally, was a notable exception. But, well, in 1989 Trumbull emphatically could, and did, play this game. And in this special year for the Little League, the 50th anniversary of the world's largest organized youth sports program, your special team brought the title back -- right back to where the Little League began. And it was special because of self-discipline and hard work, helping Trumbull become the first U.S. team in 6 years -- 6 years -- to win the Little League World Series. And its feeling of sportsmanship: kids scraping and competing and then shaking hands after the final out.

This Trumbull team was special because it kept its eye on the ball -- sort of like when one of my grandkids, George, told me he wants to be a baseball player when he grows up. I asked him why, and he said, ``Because politicians don't get their pictures on bubble gum cards.'' [Laughter]

Most of all, Trumbull is special because of a feeling of family: fathers and daughters, mother and sons, kids of all ages banding together, evidenced by more than 15,000 people jamming the streets of Trumbull to welcome this gang back home. And they were there, yes, to cheer your triumph, but also your learning the lessons of Little League, lessons like friendship and generosity, like ``Do unto others'' and doing your best, lessons which go beyond balls and strikes and which have made Little League a global institution. This year more than 2\1/2\ million players in 33 nations played Little League baseball. And they know those lessons, and so do their 750,000 adult volunteers -- and so, if I might add, do past Little Leaguers.

On a personal note, all four of the Bush kids played it. I coached it. And Barbara -- well, back then there were tens of thousands of Texas kids in Little League. And as I've often said, she'd keep score, but there were times when I thought she was car-pooling each and every one of them. [Laughter] So, I think our family can sense your pride, and hope you can sense the pride we feel in you.

Chris Drury, for instance, beating Taiwan to win the championship game. Which is Chris? There he is, modestly in the back row there. Or Dan McGrath, squeezing that final out as 40,000 people roared in disbelief, as did the entire Nation. And where are you, Dan? There he is. Okay. Andy Paul. Where is Andy? Right there. Big guy. I called Cape Canaveral about this guy -- [laughter] -- about the homer he hit against Davenport, Iowa. And they tell me it's somewhere in orbit between Williamsport and Harrisburg. [Laughter] Or Dave Galla, Ken Martin, Cody Lee, Jason Hairston -- I wish I had time to mention all 15 players. And don't worry, I'm not forgetting Assistant Coaches Bob Zullo and Ed Wheeler or the man who led the way. I've heard some people say that Frank Robinson and Roger Craig should be named managers of the year. Well, there should be a recount if Tom Galla is not right up there in contention.

What memories you have given us, and what memories you'll cherish -- of great heart and great plays, or that crowd cheering, ``USA! USA!" there at Williamsport, and of the spirit which says that nothing is impossible, in Little League or in the bigger fields of life. You know, we lost a man recently who embodied that spirit -- the former president of Yale and then commissioner of baseball. He lived a few miles from where you do. He was a great friend of many of ours, certainly a friend of mine: Bart Giamatti -- poet and scholar, gentle and sensitive. And his life was a metaphor for honesty, and he ennobled public service. He knew and loved the fact that this marks the 50th anniversary of Little League.

But it's also another 50th anniversary, and I'd like to close by noting it as Bart himself did earlier this summer. It concerns, if you will, a hero of mine. And also they come to know his story, I hope, of you Trumbull kids as well. His name was Lou Gehrig. He was a Hall of Fame first baseman in the twenties and thirties. But more than that, he was a good and decent man about whom a teammate said, ``Every day, any day, he just went out and did his job." Fifty years ago, Lou Gehrig was stricken by a form of paralysis which now bears his name. And the disease ended Lou's record-consecutive-games-played streak and caused his retirement from baseball. And even so, he told that July 4th, 1939, crowd at Yankee Stadium: ``I consider myself the luckiest man on the face of the Earth."

That story has become an American parable. What an example for these kids. And how right that we recall it on the 50th anniversary of his unforgettable farewell. Less known is what Lou Gehrig did after he left the Yankees. Dying, weaker day by day, he could barely move his body, yet he loved and wanted to counsel the kids, the children. And so, he spent much of the last 2 years of his life as parole commissioner for the city of New York. And they called him ``The Iron Horse," the ``Pride of the Yankees." And certainly, I think we would all agree he was a

hero. He showed, like Little League, that what matters is how we conduct ourselves off as well as on the field. You kids here are proof of that. So, let me again congratulate Trumbull, Connecticut: You truly are number one.

And now let me conclude with a presentation. Earlier this summer, the United States Post Office issued a special 50th anniversary stamp to honor Lou Gehrig for his decency, integrity, and bravery, qualities that, as Bart Giamatti showed, are as timeless as today. This inscribed picture of Lou that we have here somewhere -- [laughter] -- commemorates that stamp, and I'd like to give it to Howard Talbott, Director of the Hall of Fame in Cooperstown, also marking its golden anniversary. Howard, let me just say that I hope this picture will inspire the kids of every age and show how -- by building courage, character -- baseball Little League can belt the grand-slam home run. Tom Galla, as Trumbull coach, please help me in presenting it. And to all of you, thank you so much for coming to the White House to salute this team and to honor a legend.

Note: The President spoke at 1:34 p.m. in the Rose Garden at the White House. In his opening remarks, he referred to Morag Vance, first selectman of Trumbull, CT; Creighton Hale, president of the U.S. Little League Foundation; Howard Talbott, director of the Hall of Fame; John DelVecchio, president of Trumbull Little League; and Tom Galla, coach of the Trumbull Nationals.

Remarks at the Welcoming Ceremony for President Francesco Cossiga of Italy

October 11, 1989

President Bush. Mr. President and distinguished members of the Italian delegation, good morning, and a warm, hearty welcome to the White House.

Mr. President, when your visit was being planned, I suggested we invite a few friends of Italy to greet you. Well, we discovered that finding friends of Italy here in America is like finding fine art in Florence or canals in Venice: they're all around us. And Barbara and I are just delighted to have this opportunity to return the warm hospitality that we received in Rome earlier this year. Italy was my first stop on my first visit to Europe as President, en route to a critical and ultimately highly successful NATO summit. And I'll always remember that the road to continued alliance unity began in Rome.

Mr. President, our two countries are linked in many ways, by ties of friendship and the bonds of family. And on this past Memorial Day weekend, I paid a visit to the cemetery at Nettuno, on the coast south of Rome, to honor the thousands of American soldiers, many of Italian ancestry, who gave their lives to help liberate Italy.

For more than 40 years Italy and America have been friends and allies, fellow members of the family of free nations. And President Cossiga is himself a symbol of Italy's democratic renaissance, a man of supreme ability and integrity who has served his nation in more positions of public trust than we have time to name. And I am particularly pleased that the President has honored us with a visit to America on the eve of our Columbus Day. The son of Genoa, discoverer of the New World that became America, is celebrated here in our country, and through the tradition of Columbus and the great explorers live on.

Soon, aboard the space shuttle Atlantis, a space probe begins its 6-year voyage to the planet Jupiter. Galileo -- a mission across the millions of miles of space to the moons the famed astronomer discovered over three centuries ago -- Galileo is just one element in a very exciting, very ambitious space program. And I know that the Vice President, Dan Quayle, who is doing a tremendous job as Chairman of our National Space Council, agrees with me that every voyage into space is a voyage into our future.

And Italy, too, is active in the new world of space exploration. After his meetings here, President Cossiga will visit my hometown of Houston and the Johnson Space Center. And he's going to hear firsthand how much the U.S. values its partnership with the Italian Space Agency, a partnership that's going to be built to result in the flight of the first Italian astronaut aboard one of our space shuttle missions in 1991.

In just a few minutes, the President and I will move inside to begin our discussions. Both of us have been to Poland this year. And we'll discuss the momentous changes taking place in Eastern Europe and the progress we've made in developing concerted Western action to support movement towards democracy there. And of course, we'll talk about developments within the Soviet Union and our determination to continue pushing forward with NATO's call for the early conclusion of a conventional arms reduction agreement with the Warsaw Pact. And we will also discuss other issues of mutual concern: the war on drugs that we're waging here in the United States, and Italy's crackdown on organized crime, narcotics trafficking, and drug abuse.

We'll discuss alliance issues and the need for unity that is critical today, when tensions are easing but the threat to peace and freedom still exists. And I look forward to a productive meeting, a meeting of the mind and heart that takes place between friends, takes place between allies.

President Cossiga, welcome, sir. I wish you and your distinguished colleagues a pleasant and productive visit to our country. There are few nations where the ties are so strong, the affection so genuine and mutual, than between our two countries. And I know that here and on the rest of your travels you will find America welcomes you with open arms. And thank you, and God bless you. And God bless the United States of America and the Republic of Italy. Welcome to the White House.

President Cossiga. Mr. President, I am most grateful to you for your warm words of welcome. It is a great pleasure for me to be in this great country with which Italy has ancient and solid ties of friendship and alliance, as the result of a choice that is shared by the whole of the Italian people, as the expression of a common desire for peace and of common values of freedom and democracy.

After 40 years of history marked by confrontation between the East and the West, we are witnessing great changes occurring worldwide, events that are full of promise and that strike the imagination of our peoples. The changes in the direction of democracy which are taking place in the Soviet Union, Poland, and Hungary are developments that would have been unthinkable even a very short time ago. In this new climate, it is becoming possible to act with realism but with well-grounded confidence to restore that whole and free Europe of which you, Mr. President, have spoken with such vision and insight.

The West has the historic duty to contribute to us making this difficult process successful, giving generously of its farsighted support and its financial assistance. I'm thinking in particular of the great Polish nation that is currently in the throes of serious difficulties in its courageous attempt to work its renewal and which needs more substantial aid from us.

Italy, Mr. President, identifies a specific role at home and is ready to take on direct responsibilities in creating a new relationship with Eastern Europe, in particular with the

countries of the opposite shores of the Adriatic and over the Alps, which do not divide but unite the peoples in the Danube Basin. This is a demanding mission which Italy intends to pursue with the aim of contributing towards overcoming the political tensions and the economic difficulties in the southern part of central Europe, which if not kept at bay might lead to upheavals and dangerous tendencies towards disgregation. [disintegration].

For both geographical and historical reasons, Italy's policy towards the Middle East and the Mediterranean area is imbued with the same concern. In these areas, we should work not only to settle the grievous conflicts which are still being waged but also to prevent the economic and demographic imbalances from worsening and threatening the stability of the whole area.

In relation to the friendly sister nations of Latin America, too, Italy views her aid policy as a means not only of assisting their economic development but also of restoring or consolidating free and democratic systems.

Mr. President, we are the witnesses of a new and major turning point in history. A decade which opened under the cloud of confusion and uncertainty is about to end under the sign of hope -- a decade whose beginning was marked by difficult and painful decisions on the part of those vested with the responsibilities of government. But those decisions have contributed, as indeed they were designed to, towards strengthening peace and opening up encouraging prospects for reconciliation and dialog. It is our duty today to look ahead to the future, indeed, to build up that future by taking the initiative with determination and, at the same time, to consolidate the foundations of what we had already constructed: the edifice of the alliance between the free nations of the West.

In Italy we listen with great interest to the reference you made last May to the common values which constitute the very mortar that binds the United States to Europe and the basis of our defense alliance, which for over 40 years has helped to keep peace. At a time when it is precisely these values that are winning through, even outside the alliance, we must confirm with even great forcefulness and conviction our commitment to fostering them. Together we must continue to close ranks on the side of freedom and justice, human rights, and the peaceful progress of all peoples, particularly by bridging the gap between north and south. Together, we must extend a hand of friendship to the peoples who are still deprived of the benefits of economic development. The more closely united Europe of tomorrow is ready to take up these challenges in a spirit of open cooperation with the United States and the conviction that entrenchment is incompatible with progress, entrenchment is incompatible with prosperity.

Scientific progress and economic growth are the indispensable preconditions for extending development to all sections of society and to all the regions of the world. Moreover, we are convinced that technological and industrial development, which is the expression of the irreversible progress of mankind, is not incompatible with environmental protection and respect for nature. However, we must do all we can to seek to strike a just balance which will demand

imagination, political courage and, above all, the cooperation of everyone.

Mr. President, I am particularly happy to make this visit because I'm certain that we will be able to further strengthen our two countries' bilateral relations, that already constitute a tightly interwoven network in the areas of the economy, culture, science, and combating the scourge of crime and drug trafficking. It is only by continuing to closely coordinate our efforts that we shall be in a position to defeat the tremendous threat looming over our societies because of drugs.

Common values, common interests, common duties -- these form the solid and concrete basis of relations between Italy and the United States on which we have to work together. I trust that my visit, which is so important and so welcome to me, may constitute a significant step forward in this new dynamic and mutually enriching process.

God bless you, Mr. President. God bless the United States of America. God bless Italy.

Note: President Bush spoke at 10:15 a.m. at the South Portico of the White House, where President Cossiga was accorded a formal welcome with full military honors. President Cossiga spoke in Italian, and his remarks were translated by an interpreter. Following the ceremony, the two Presidents met in the Oval Office.

Nomination of David E. Lewis To Be an Assistant Secretary of Veterans Affairs

October 11, 1989

The President today announced his intention to nominate David E. Lewis to be an Assistant Secretary of Veterans Affairs for Acquisition and Facilities. This is a new position.

Mr. Lewis served in several positions at the Blessings Corp. in Liberty Corner, NJ, including director and vice chairman, 1975 - 1988; president and chief executive officer, 1977 - 1987; president, 1976 - 1977; and executive vice president, 1975 - 1976. Prior to this he served as vice president and general manager of the International Paper Co. (nonwoven products division) in New York.

Mr. Lewis graduated from Yale University (B.A., 1944). He was born March 10, 1924, in Washington, DC. Mr. Lewis served in the U.S. Navy as a lieutenant. He is married, has three children, and resides in Naples, FL.

Statement by Press Secretary Fitzwater on the President's Meeting With Senators David L. Boren and William S. Cohen Concerning Panama

October 11, 1989

The President invited Senators Boren and Cohen to the White House this morning for a conversation about the events of the last week in Panama. The President has the highest respect for the judgment and integrity of the chairman and the vice chairman and wanted to take this occasion to reaffirm the close working relationship with Senators Boren and Cohen and the Senate Select Committee on Intelligence.

The President expressed his particular appreciation for Senator Boren's leadership on behalf of bipartisanship in foreign policy and his support for necessary Presidential authorities in foreign policy matters.

The meeting lasted approximately 35 minutes, beginning at 8:45 a.m. Participants included the Vice President, Governor Sununu [Chief of Staff to the President], General Scowcroft [Assistant to the President for National Security Affairs], and Deputy National Security Adviser Robert Gates.

Statement by Press Secretary Fitzwater on the President's Meeting With NATO Secretary General Manfred Woerner

October 11, 1989

The President met this afternoon with NATO Secretary General Manfred Woerner. The two leaders discussed a variety of alliance issues and developments in Eastern Europe. The President complimented the Secretary General on his leadership at the May NATO summit and noted that the Summit Declaration was designed to chart a new course for NATO in a period of change in the East-West relations, giving the alliance the mission of working to overcome the division of Europe. The President expressed his strong commitment to supporting the process of economic and political reform in Poland and Hungary.

The President and the Secretary General also discussed the ongoing CFE negotiations and the importance of sustaining the momentum created by NATO's recent tabling of its proposals. They reaffirmed the commitment to an accelerated timetable for reaching a CFE agreement within 6 to 12 months.

The meeting began at 2 p.m. and lasted 30 minutes. Also present were Secretary of State James Baker, Chief of Staff John Sununu, national security adviser Brent Scowcroft, U.S. NATO Permanent Representative William Taft, and Deputy Assistant Secretary General Robert Pearson. Following the meeting with the President, the Secretary General met with Vice President Quayle for 15 minutes.

Nomination of Harry F. Manbeck, Jr., To Be Commissioner of Patents and Trademarks

October 11, 1989

The President today announced his intention to nominate Harry F. Manbeck, Jr., to be Commissioner of Patents and Trademarks at the Department of Commerce. He would succeed Donald James Quigg.

Since 1970 Mr. Manbeck has served as general patent counsel of the General Electric Co. in Fairfield, CT. Prior to this, he served in several positions with the General Electric Co., including various patent management positions, 1957 - 1969; patent agent and patent attorney in Louisville, KY, 1953 - 1957; and engineer, 1949 - 1953.

Mr. Manbeck graduated from Lehigh University (B.S., 1949) and the University of Louisville (LL.B., 1954). He was born June 26, 1926, in Honesdale, PA. Mr. Manbeck served in the U.S. Army, 1944 - 1947. Currently he resides in Fairfield, CT.

Nomination of Jacqueline Jones-Smith To Be a Member and Chairman of the Consumer Product Safety Commission

October 11, 1989

The President today announced his intention to nominate Jacqueline Jones-Smith to be a Commissioner of the Consumer Product Safety Commission for a term of 7 years from October 27, 1989. She will also be nominated to be the Chairman. She would succeed Terrence M. Scanlon.

Since 1987 Mrs. Smith has served as a staff attorney in the Office of the General Counsel at the Federal Election Commission in Washington, DC. Prior to this she served as an assistant county attorney in the office of the county attorney for Montgomery County, MD, 1985 - 1987. She has also served in several positions at the MAXIMA Corp., including division manager, 1984 - 1985; senior library systems consultant, 1981 - 1984; director of library/clearinghouse operations, 1980 - 1981; and systems librarian, 1979 - 1980.

Mrs. Smith graduated from Swarthmore College (B.A., 1974), Syracuse University (M.L.S., 1978), and American University (J.D., 1984). She was born November 5, 1952, in the Bronx, NY. Mrs. Smith is married, has one stepson, and resides in Rockville, MD.

Appointment of Josephine Mora Velazquez as a Member of the National Commission on Children

October 11, 1989

The President today announced his intention to appoint Josephine Mora Velazquez as a member of the National Commission on Children for a term expiring September 30, 1990. She will serve as a Parent Representative. This is a new position.

Currently Mrs. Velazquez serves as a member of the board of directors of the Children's Home Society and vice president and founding member of Hands in Action in Florida. Prior to this she served as vice president of the Big Travel Club in Miami, FL, 1979 - 1983.

Mrs. Velazquez received a bachelor's degree from the University of Madrid in 1976. She was born November 15, 1943, in Havana, Cuba. Mrs. Velazquez is married, has four children, and resides in Miami, FL.

Toasts at the State Dinner for President Francesco Cossiga of Italy

October 11, 1989

President Bush. Mr. President, welcome. Barbara and I are delighted to have this opportunity to renew our friendship and to return the hospitality that we've felt on every one of our visits to your country. And it's a great honor to host a man who has held almost every high office that Italy has to offer.

If I took the time to list every single job you've held, the dinner would be cold and out of date. [Laughter] But let me mention three: your service as a navy man, a former legislator, and President of the Senate. I've always thought that those experiences alone would be enough to prepare anyone for the Presidency. [Laughter]

And Mr. President, when I asked my advisers about the secret of your success, they told me that you have an especially interesting method to keep in touch with Italian public opinion. I wonder how many Italian ham radio operators know that the fellow who signs off as Andy Capp is really the President of Italy. And sure enough -- [laughter].

But, sir, on a serious vein, I do place great importance on the meetings that we had this morning, speaking with candor and from the heart, as friends, just the way it ought to be. And all of us here tonight know that relations between Italy and the United States have never been stronger. They really never have been.

And for millions of Americans, Italy is the old country -- home of a proud heritage, a heritage written into every page of the history of Western civilization. The greatness of Rome was known, of course, throughout the world, more than a thousand years before our country or this continent was even known to exist. And America has always been the New World, discovered by your great adventurer, Columbus -- a land of possibilities, a place where a new history could be written. And that history, our history, is one that the sons and daughters of Italy helped to write.

And so, tonight I offer this toast to old friends and also to the new Italy: a great and growing economic power, one of the world's foremost democracies, a strong and valued ally and a partner in the community of free nations.

And so, let us raise our glasses to President Francesco Cossiga, to the Republic of Italy, and to the lasting friendship and love between the people of Italy and America.

President Cossiga. Mr. President, Mrs. Bush, ladies and gentlemen, I wish to thank you again

also on behalf of Foreign Minister De Michelis and the delegation accompanying me for the warm welcome extended to us in Washington. Mr. President, you wish to address to me very kind words to recall also the times when I was a young man and I was known as Andy Capp. [Laughter] I think that this name has helped me to overcome my handicaps. [Laughter]

Mr. President, I know fairly well that in the United States the political struggle is quite hard, but I ask you to believe me if I say that in Italy it is not easier. [Laughter]

Mr. President, your kind words through my person are addressed to my country and to the Italian people, thus confirming the deep-rooted friendship between Italy and the United States of America. Indeed, Italians and Americans share the fundamental values which inspire our common activity: the values of freedom, of peaceful development and progress, and of cooperation with all nations in full mutual respect. As your history as a nation was dawning, you placed the ideals of freedom, democracy, and social justice as the foundation stones of your Revolution. These same values which were enshrined for the first time in the American Constitution were subsequently taken up and reaffirmed in the fundamental charters of all democratic countries. And like your Revolution, the two great movements that brought about Italy's unification and national redemption, the Risorgimento and the Resistance, were based on the concept of the indissoluble and intimate relationship between the independence of the nation and the freedom of the individual.

During our conversations a few months ago in Rome at the Quirinal, what I noticed most particularly, Mr. President, was the emphasis with which you reaffirmed the continued importance of these values in view of the forceful, auspicious, but also at times perilous changes that are taking place on the international stage. Today we can safely state that those principles which underlie our political system and our joint endeavors have won through. We can rely on the knowledge that the values of freedom are not only secure but enduring, as the great Italian scholar Benedetto Croce emphasized when he wrote: ``When the question is heard whether liberty will enjoy what is known as the future, the answer must be that it has something better still; it has eternity."

Faced with the momentous events we are witnessing -- first and foremost, the evolutionary process taking place in the Soviet Union -- those who have traditionally fought for the principles of democracy, as we have, must actively endeavor to encourage the full deployment of the potentialities now emerging. This is a common duty incumbent on the whole of the West, and its import and significance are certainly not lost on the members of the European Community. They intend to redouble their efforts to establish a climate of ever-greater mutual confidence and to restore increasingly close economic, cultural, and human relations throughout the European Continent.

Mr. President, it was also thanks to your contribution that the Atlantic summit last May confirmed the vitality of the alliance which binds us and made it possible to lay the foundations

for that great improvement in East-West relations hoped for by us all. But the values and principles which our countries share should not be limited to creating common ground with regard to the great issues of relations between America and Europe and between East and West. We must work in harmony in many other fundamental fields, guaranteeing the sustained economic growth of developed countries and providing the aid which less-developed countries need in order to liberate themselves from the slavery of hunger, solving the regional conflicts that are still being waged, and overcoming the major problems afflicting mankind, regardless of national borders and irrespective of political and economic distinctions. I am referring in particular to the pollution of our planet, organized crime, terrorism, and to the dramatic scourge of the spread of drugs.

Mr. President, Italy is proud to have made its contribution of culture and personal sacrifice to the birth of a nation whose greatness and strength also stem from its diversity and its ability to absorb and assimilate contributions from the whole world into its lifeblood -- a nation whose great destiny was from the very beginning of your Revolution foreseen by Daniele Dolfin, the Ambassador of the Venetian Republic to Paris and a friend of Benjamin Franklin, when, in a dispatch sent in 1783, he wrote: ``We may well expect that with the aid of time and of European arts and knowledge, this nation will become the most formidable power in the universe."

Mr. President, the few years that separate us from the end of the second millenium offer all of us a historic opportunity to steer the future course of mankind along the path of peace, freedom, and prosperity. I am certain that it is in this great undertaking, which we might well describe in the words of Lincoln as the triumphal march of civilization, the United States and Italy can work together to make a strong and significant contribution towards its realization.

And it is with these sentiments, Mr. President, and renewing to you and to Mrs. Bush my thanks, I would like all those present here to raise their glasses with me in a toast to the prosperity of the United States of America, to the success of the work of your administration, to your personal well-being, to that of Mrs. Bush, and to the friendship between our two peoples. To the President of the United States of America.

Note: President Bush spoke at 10:13 p.m. in the State Dining Room at the White House. President Cossiga spoke in Italian, and his remarks were translated by an interpreter.

Nomination of Robert W. Sweet, Jr., To Be Administrator of the Office of Juvenile Justice and Delinquency Prevention

October 12, 1989

The President today announced his intention to nominate Robert W. Sweet, Jr., to be Administrator of the Office of Juvenile Justice and Delinquency Prevention, Department of Justice. He would succeed Verne L. Speirs.

Since 1989 Mr. Sweet has served as an education analyst for the Senate Republican Policy Committee. Prior to this, he served as the Deputy Executive Secretary of the Domestic Policy Council at the White House, 1983 - 1989; a senior staff member in the Office of Policy Development at the White House, 1983 - 1985; Executive Director of the National Council on Education Research, 1983; and the Acting Director and the Deputy Director of the National Institute of Education, 1982 - 1983. Mr. Sweet was a special assistant to the Assistant Secretary for Elementary and Secondary Education at the Department of Education, 1981 - 1982.

Mr. Sweet graduated from the University of Maine (B.A., 1960). He served in the Naval Reserve, 1954 - 1962. Mr. Sweet was born in Durham, ME, on March 18, 1937. He is married, has five children, and currently resides in Fairfax, VA.

Remarks at a Fundraiser for Congressional Candidate Tom Anderson in Gulfport, Mississippi

October 12, 1989

The President. Distinguished guests, thank you. What a marvelous welcome, and thank you, Tom Anderson. It's so good to see you and Katherine again. And thank you all for this fantastic turnout, for coming out this morning, and for this very warm welcome. It's so warm, I think I'll take my coat off and go to work here.

This is the second time that I've been to Mississippi since I've been President. And I know we're here today to talk a little politics. But you know, politics begins with people, and people -- good people -- is what southern Mississippi is all about. And that's why I want to take this opportunity at the outset of my remarks to speak to the people of Gulfport.

It may have been 20 years since Hurricane Camille ripped into this town, but you have not forgotten what horrible damage a hurricane can do. And I was down in Charleston, South Carolina, a couple of weeks ago. And I saw a community determined to get back on its feet, and they're doing it with the help from people from all over our great country and with the help from some of you, I was told, right here in Gulfport. And today I want to thank you for lending a helping hand -- the Seabees from the Construction Battalion Center right here in Gulfport who were on the way to Charleston 26 hours after that call came in, the engineers and electricians who helped Puerto Rico cope with Hugo's aftereffects. And I want to thank the members of the community here in Gulfport for their assistance, too -- the extra hours that I know many of you put in so that desperately needed supplies and equipment reached the people in need just as soon as humanly possible. Believe me, the people of Puerto Rico and Charleston know they've got good neighbors right here in Gulfport, Mississippi. And your country is grateful to you for responding to that disaster.

No, it's almost like a homecoming. It is great to be back in the gulf coast country. And there was some talk as we were planning this rally that we could hold it at the local stadium, but there was one catch: We'd have to cancel a few games. And that's fine if you think politics is just another sport, but the trouble is that down here -- just as across the way in my State -- down here football is a religion. And with the separation of church and state, that makes it unconstitutional to cancel a game. [Laughter] And so, here we are at Jones Park -- beautiful setting. And let me say to Central Junior High and the JV's from Biloxi High: Milner Stadium is all yours. Good luck! The kickoff is at 5 p.m.

Now, it is great to see so many familiar faces -- leaders of this community, leaders of this State. First of all, Mississippi's two top-notch Senators -- you are so lucky to have Thad Cochran and Trent Lott in the United States Senate. And I am so lucky as President of the United States to have Thad and Trent in the United States Senate. You've got a class-act team up there, and I

want to add to it now. And let me just say a warm greeting, a warm hello, to the man that I want to see join them in Washington, your own native son, Tom Anderson. We need him in Washington, DC.

Let me just click off a few other notables here with us today: Evelyn McPhail, the chairman of the Mississippi State Republican Party, doing a fantastic job -- she over here -- and then Haley Barbour and Ann Wilson, our two national committee people, Republican committeeman and committeewoman. And then, of course, Lee Atwater, who came down with me, knows this part of the world well, and he's doing a fantastic job as our national chairman. And Joe Price, who's been chief deputy in the sheriff's department for the past 5 years and who's going to be the next sheriff of Harrison County come November. Mayor Combs -- Mr. Mayor, I've heard about a fishing trip that you've got planned here for Saturday, the very special Fishing Rodeo. And I can't think of a better way to spend a day than helping a disabled kid or adult learn to fish. And I hope you catch plenty of fish. I know you'll have plenty of fun. And this comes from a frustrated fisherman, but right from the heart. [Laughter]

And before I go any further, I want to take a moment to remember another Mississippian, Larkin Smith, who was well on his way to a fine career on Capitol Hill when tragedy struck. And our hearts -- and I'm talking about Barbara's and mine and our country's heart -- go out to Congressman Smith's family, to his wife, Sheila, who courageously and wonderfully is with us here today. And I want to say to all of you here today that part of the legacy of Larkin Smith is making sure that his successor carries on the work that you sent him up there to do and that he was doing so well.

I've come down today because I feel and I know that Tom Anderson is the right man. He won't be your average freshman in Congress because he's already ahead of his class. Just look at everything he taught Trent in 16 years. [Laughter]

Audience member. What about Katherine?

The President. I'm about to get to Katherine. [Laughter] No, Tom knows the back roads of the Fifth District, from Jones County right down to Jones Park, just as well as he knows those corridors of Capitol Hill. And that's a winning combination in the U.S. Congress. And you know you can count on him to provide the kind of leadership that does right by southern Mississippi. And you can't beat the experience that he can bring to the job right from day one. He can be the strong, independent voice that this great section of Mississippi needs in the United States Congress, needs on Capitol Hill.

You heard him touch on it just a minute ago. He knows what the Fifth District needs: continued economic expansion. We've got to keep this expansion going, not only here but nationally -- growth and jobs, real work, not make work. And let me tell you, we can't tax our way to richer growth; we cannot tax our way to higher growth. And I will not do that as President of the

United States.

You know, Tom's been a part of the team up on Capitol Hill that's worked hard to create conditions for what is now the longest peacetime expansion in America's entire history, one that's creating opportunities and raising living standards for all Mississippians.

And we're working back in Washington to make progress, to take action across a broad national agenda. And today let me just mention a few of the issues that demand our attention -- and most of them concern this fantastic turnout of young people that are here today -- demand action without delay, issues where having people like Tom in the Congress can help make things happen.

Tom touched on it -- it's on the minds of every American: illegal drug use. He's a veteran of this war on drugs. Five years ago, at the tender age of 37, he was nominated as a U.S. Ambassador to those eastern Caribbean nations, point man in that drug interdiction effort; and he knows what it is to stop those drug runners from reaching our shores. We are together, Mr. Anderson and I, on the need to stop these drugs from coming into this country.

And, Tom, knowing of your interest, being on the front line in this war on drugs, this is the perfect opportunity for me to announce personally that I have accepted the invitation of those three Andean nations to attend a very important international drug summit. I've instructed my administration to prepare for a summit that will bring us to a new level of international cooperation in this war that we must win. And as long as I am President, I will give as much support as he needs to President Barco of Colombia, who is waging an all-out fight against the narco trafficker.

But there's another part of waging this war: Part of getting tough on drugs is getting tough on crime itself. And I've sent a strong crime package to the Capitol Hill, and I want to see action on that crime package now. And with Tom in the House, I know he would be pushing hard to get that crime bill to the floor. And I've called for it to my desk in the Oval Office soon. And I want to thank, again, Thad and Trent for their all-out support for this process that will strengthen the laws in this country against those who are trafficking in narcotics.

Then there's the environment. You can't help but sense it and feel it when you're here in Gulfport -- new consensus-building for action on this issue. Environmentalism is a commonsense issue that concerns all of us. And living here on this beautiful gulf coast teaches a lesson every day on what it means to preserve our natural heritage. And I've urged the Congress to act on a number of environmental initiatives, including the first amendments in more than a decade to the Clean Air Act. And I want to see action on the environment, and I know that Tom Anderson would support a strong advocacy, an advocacy for change in the Congress. We owe it to the young people of southern Mississippi to protect our environment and leave this Earth a little bit better as we go on.

And finally -- first let me say, God bless the teachers. And Katherine, you can take a bow, too. We need people that understand this profession. But finally, there is education. And no single issue today says more about our commitment to the future. Just last month, I met with 49 of our 50 Governors to renew our resolve and explore new ways that we can make our schools better. Our aim has got to be quality education: teachers and students working to the best of their abilities. And I know I can count on Tom to speak out on Capitol Hill for a higher standard of excellence in our schools -- more accountability, support for our teachers, a national goals program. But we need people like Tom that understand this in Washington.

So, there are some of them: the war on drugs and crime and the environment and education. And every one of these issues is a matter of urgent concern, and every one of them is one more good reason to send this good man to the Congress to help me get the job done. But the best reason to send Tom to Congress may just be this one: Whatever the issue, you know where he's coming from philosophically. You know where his heart is: right here in Gulfport -- a willingness to represent the will of the people and not to forget who sent him to Washington, DC.

Not far -- maybe we can see it from here; we'd have to take this thing down, I think -- the steeple of the First Presbyterian Church, where Tom and Katherine were married, a few blocks from the Hancock Bank, where this guy worked during high school and college. And of course he went to school here at Gulfport High. It takes courage, it takes a little guts, to run in a place where there are still living high school teachers who can tell tales about you. [Laughter] Mercer Miller, who was principal back when Tom was at Gulfport, likes to tell how Tom hid behind the hedges when it was his time for lessons with Mrs. Baxley, the speech teacher. [Laughter] Well, you heard him -- she must have done something right. Well, Tom, there's nothing shy anymore about your public speaking. And Mrs. Baxley, if you're out there somewhere: Tom has learned his lesson. And now I hope he can still count on your vote because that's what it's all about.

You know, I know what makes this State click: Mississippi values, traditional values, Tommy Anderson's values. And you need a man in Washington who makes sure the voice of southern Mississippi is heard in the Halls of Congress. You need Tom Anderson.

And, Tom, as you pointed out -- and I expect it's hard for you and your beautiful, wonderful Katherine to believe -- only 5 more days until the Fifth District goes to the polls. It's been great to see you here, and I am proud to be here; but it'll be even better, with your help, to see this man on Capitol Hill.

With your help it will happen. And once again, let me thank all of you for this warm welcome back to a State I love. God bless you, and God bless the United States of America, and God bless the State of Mississippi. Thank you all very much.

Note: The President spoke at 11:33 a.m. at Jones Park. Following his remarks, he traveled to New York, NY.

Remarks at a Fundraising Dinner for Mayoral Candidate Rudolph W. Giuliani in New York, New York

October 12, 1989

Thank you very much. Bill, you did a first-class job. And thank you -- please be seated -- and thank you for those warm words and, most important, for all your hard work in working for Rudy and making this a tremendously successful evening.

And it's always good to see our outstanding political leaders. The chairman of our party, Pat Barrett, is here; Ralph Marino and Rap Rappleyea and -- with a certain pride -- a former finance chairman of the State of New York, my brother, John. And last, but not least, are two of my best friends in the State: Senator Roy Goodman and one of the great movers and out-front people in my own election over a year ago, Guy Molinari, who's here. And Al is here -- and my pal, Al D'Amato -- Al, welcome. I didn't see you come in. I'll tell you something: When we get into the tough scrapes down there in the Senate, it is a joy to have this Senator on our side, and he's doing a fine job. Welcome.

I hear that a guy went to Rudy a few weeks ago and said, ``Good news. I've got you the most powerful man in America for your fundraiser." Rudy told him, ``Look, we've already had Donald Trump." [Laughter] But he asked me to come and speak on his behalf in a city that I lost in last year's election. People say he has no sense of humor? [Laughter]

My staff called Rudy's office last week, asking if there was anything in particular the campaign would like me to say here. And they came back with a one-word memo. True story. A phonetic guide to pronouncing the word: Joo-lee-ah-nee. [Laughter]

So, I've come here for two reasons. The first is to endorse as strongly and as enthusiastically as I can the next mayor of the city of New York: Rudy Giuliani. Number one. And secondly, I urge every single one of you to support Rudy's candidacy as energetically and as generously as you possibly can because he deserves the backing of everyone who really wants to bring this city totally back and everyone who wants a mayor who knows how to fight crime, crack, and corruption -- and win. And that's why we need your help here.

You know, Barbara and I lived not far from here when I served as U.N. Ambassador. And we had a terrific time. And flying in today on Air Force One, seeing the magnificent skyline, I remembered many of the wonderful things the city offers: the sports and, of course, the arts and music and dance. There's a certain pace to New York life, an exciting, vibrant atmosphere that no place else can match.

And in some ways, I'm thinking of the impacts that drugs have had on this and other cities. And

New York City isn't the city in this regard that it used to be. But Rudy holds out the hope that it can again become the city that it once was.

And most of us know him as America's great crimefighter. I told that to one of my grandkids. I said, I'm going up to meet America's greatest crimefighter. He thought I was going to New York to meet Batman. [Laughter]

But seriously, to try to pigeonhole this guy as just one more crimefighter would be like dismissing Chuck Yeager as just another test pilot, calling Teddy Roosevelt a former police commissioner. Rudy's the real thing. And I'm not talking about quality of prosecutor; I'm talking about the quality and heart of the person. As one New York columnist put it -- a Democrat put it: ``In an era of lawlessness, he stood for law. In an era of private greed, he stood for public service."

Born in Brooklyn of Italian parents who ran a local bar and grill, while still in his twenties he fought police corruption. His cases literally became the stuff of movies. And what happened in his next big case wouldn't be believed if Hollywood tried to put it into a movie. It was Rudy versus Goliath: an unknown Brooklyn kid, barely 30 years old, against the United States Congressman accused of bribery. And the Congressman broke down under Rudy's cross-examination, stopped the trial, and confessed on the spot. And it really happened. The newspapers were in awe, and Rudy's too modest to brag about it. But every generation or so, there emerges a larger-than-life crimebuster who captures the public imagination. And Teddy Roosevelt was one, and Thom Dewey and Elliot Ness were others. And Rudy won his reputation, as they say, the old-fashioned way: He earned it. And his secret has been hard work, an innovative mind, unflagging idealism, and then this flair for leadership. And he has imagination and energy, and he's a man of ideas.

It was his brainstorm to use the existing RICO [racketeering, influence, and corrupt organizations] law and use it in a way that had never been tried: to attack the ruling board of New York's crime families. And he did it without new legislation. He did it without new resources. And he did it by seeing what no one else had seen -- and by making it work.

And he has all the right instincts. He's fought not only for criminal justice but also social justice. Some years ago, the ranks of the homeless here swelled when hundreds of mentally ill people were stripped of Social Security benefits. But Rudy did the right thing. He refused to go along. And the New York Times called it, ``one of his finest hours." And he took a stand for New York and for the homeless.

And his leadership really and truly has earned respect across America. In a recent letter, former Attorney General William French Smith said without qualification that Rudy Giuliani has ``done more than any individual I know to extinguish the myth that crime is an unconquerable and somehow tolerable presence in our society."

Rudy demonstrated to a skeptical nation that one man with courage and conviction can make a difference. As U.S. attorney, he commanded about 160 troops. And think what he can do from City Hall. Think of the energy, the renaissance, that this young and imaginative leader can bring to New York. In the war on drugs, no man in America has a better chance of succeeding. Let's take back the streets. Let's bring back New York.

Like many of us, Rudy knows what it's like to meet a payroll, to run a business. In 1978 he was appointed by a court to take over a bankrupt, strike-threatened coal company in Kentucky. And he saved hundreds of jobs, got the miners a raise, paid off the creditors 100 cents on the dollar. And he was the one to turn it around, and I honestly believe that he's the one to turn around New York City.

People do get tired. They're tired of a city that can't cope with New York's problems: the shortage of affordable housing and the decline of the school system and neighborhood tensions and the homeless and the crumbling highways and bridges and tunnels. And Rudy has the energy, the intelligence, and the will to solve New York's problems. He knows that when he becomes mayor he'll have the second toughest job in America. The first, of course, is managing the New York Yankees. [Laughter]

No, but this guy cares about New York. People always wonder whether New York politicians are using their jobs as stepping stones to Washington. But Rudy's the one who left Washington to help clean up New York City, the city of his birth, his hometown.

And he's a family man. Just a few weeks ago my beautiful dinner partner, Donna, gave birth to a daughter, Caroline. Son Andrew, 3\1/2\, now has a little sister. And wouldn't it be nice to see those kids playing on the lawn at Gracie Mansion? We'll send him 11 grandchildren to play with them.

Now, I've known Rudy for years, and he's fiercely proud of this town. And he has a dream for New York. The dream is of a city that gives everybody a chance, in which everybody is free to make the most of himself or herself. Rudy will create a New York where that is possible. And he'll bring everyone together in this city because he's running for mayor of all New York.

Half a century ago, Mayor La Guardia inherited a city bled by a decade of mismanagement and knavery. And on his first day in office he swore in a new police commissioner with a single, blunt message: ``Drive out the racketeers or get out yourselves." And at City Hall he bounded past a gauntlet of shouting reporters, giving them only a four-word comment in Italian. ``What the hell does that mean?" someone asked. ``It means," said a newsman who knew both Italian and La Guardia, ``no more free lunch." And with those words, Mayor La Guardia launched what many consider 12 years of the best reform government in American urban history. And it helped that his three terms as mayor coincided closely with F.D.R.'s 12 years in the White House. And they forged an undeclared alliance that lifted New York up and brought back the lost respect of

the Nation.

It's time to bring the Big Apple all the way back. And I want Rudy to know, and I want New York to know, that Mayor Giuliani will have a friend in the Oval Office that looks forward to working with him for the benefit of New York City.

As I thought back of the history of the city, I thought that, like La Guardia, our man is an American original, an American hero. And a world-class city deserves a world-class mayor. And time's running out. Resources are scarce. The stakes are high. And if the problems are to be solved -- and not simply put off, postponed -- Rudy is the leader New York City needs in City Hall.

You see, he's right on the issues. And he's ready to debate them one on one with his opponent. And frankly, debates are good for democracy, and I think they'd be very good for New York City, too. So, my words, as one who loves this city, lived here for a couple of fascinating years: New York, don't postpone your return to good government, your return to greatness. Don't wait another 4 years.

Okay, at this moment, Rudy's an underdog. But he reminds me of Yogi Berra's description of the Miracle Mets of '69. Sure, Yogi admitted, they were underdogs, but they were overwhelming underdogs. [Laughter]

Look, I've got a sense things are moving in this campaign. Ever since I've come today, you can feel it, and all the pros are telling me it's happening. So, take your polls and do what you want with them. [Laughter] He may be an underdog at this moment, but New York loves an underdog. And he's a fighter with overwhelming character. So, let's start now. Let's bring back New York, and let's elect a winner, the next mayor of the city, Rudy Giuliani.

Thank you, and God bless you. And God bless the city of New York.

Note: The President spoke at 7:34 p.m. in the Grand Ballroom of the New York Hilton Hotel. He was introduced by William Koeppel, chairman of the fundraising dinner. In his remarks, the President referred to State Senator Ralph Marino and State Assembly Minority Leader Clarence D. Rappleyea. Following the dinner, the President returned to Washington, DC.

The President's News Conference

October 13, 1989

The President. I have a statement I'd like to make, and then -- some time constraints -- I'd be glad to answer a few questions.

I believe that the American flag is a unique and special symbol of our nation and it should be protected from desecration. And our administration has proposed a constitutional amendment to protect the flag because we believe that is the most lasting and legally correct means of protection -- a constitutional amendment. And yesterday the House of Representatives agreed to a Senate bill providing statutory protection for the flag. And when this measure comes to the House, I will allow the bill to become law, but without my signature. And I'm withholding that signature to signal our belief that a constitutional amendment is the best way to provide lasting protection for the flag.

Now, we will continue to work for such an amendment. And I can understand the rationale of those who voted for this legislation, but in my view, it is not the ultimate answer. And therefore, I will not put my signature on the legislation.

I would now be glad to take questions, all of which I'm sure will be on the flag. [Laughter]

Situation in Panama

Q. Sorry to disappoint you, Mr. President. You have said on several occasions that you knew everything at the time of the Panamanian coup and you didn't feel that there were any, really, problems in retrospective. At the same time, there are many reports that you've changed the rules of procedure on crisis management and that you have asked the Hill for more authority to operate during a coup, or plan a coup, or whatever. Can you straighten this out for us?

The President. Let me help you out.

Q. And obviously, there were glitches, or you wouldn't have spent 2 weeks trying to defend yourself -- I mean, the administration.

The President. Well, I'm not sure I agree to the last part, but -- --

Q. Well, you have spent 2 weeks trying to explain to the American people what happened.

The President. No, this is the first shot I've had at explaining.

Q. Not you per se, but your administration.

The President. Oh, I see. No, I -- what was the first part of the question? [Laughter]

Q. That you have changed the procedures on crisis management.

The President. No. Look, coming back, here's my position. I have not seen any fact in all the reports that have come out that would make me have done something different in terms of use of force. And I reiterate that. Now, in terms of procedures, I'll simply say, anytime we can make improvements, so much the better. But there has not been an intelligence gap that would have made me act in a different way, and I repeat that. And there's been endless interviews and discussions and stories -- many of which are false -- that come out as to what we were asked to do or not to do. But I've seen no fact that would make me change my view. And I've seen allegations that we had -- if when I said I wanted Noriega to get out of there, that implied use of force. I hope I would never be reckless enough as a Commander in Chief to make a blanket commitment to use of force without knowing the facts regarding some coup attempt.

We want to see Mr. Noriega out. I'll repeat that. I've been very heartened by the reports from various leaders in our hemisphere about what Noriega should do. But I don't see any serious disconnects at all. And if we can fine-tune our crisis management systems, so much the better, and I think that's what you're reading about now.

Q. Have you asked for greater authority from the intelligence committees to act in case of a coup?

The President. No, I have not. But we've had a very good meeting with two leaders of the Senate Intelligence Committee -- Boren and Cohen -- the other day. But I have not asked for that. We may, we may.

Q. You're satisfied with the power you have?

The President. Well, I want as broad a power as possible, and I think under the Constitution the President has it. But I'll be working with the -- has broad powers, broader than some in the Senate or the House might think. I may have a difference with some on interpreting what the powers of the President might be. But I want to work cooperatively with these committees, and it is with that in mind that we invited Boren and Cohen here. But I've not made specific requests of them. We might. We might do it, but we have not done it yet.

Abortion Funding

Q. Mr. President, Democratic leaders in Congress are urging you not to veto legislation that removes a ban on Federal financing of abortions for the poor. House Speaker Foley says your

position is harsh, terribly harsh, on the poorest, most vulnerable American women. Will you let that legislation become law?

The President. My position is well-known and well-stated. And right now there is some negotiation and discussion going on. I have not read the conference language, and so, we are going to be meeting with some of the various, most interested congressional parties on this and see what can be resolved. I'm not looking for any conflict over this. I'm not going to change my position any, but let's see how those negotiations come out, and we'll start discussing that today. But I've not changed my position.

Q. But you're leaving it open about whether or not you would veto this.

The President. Well, because I'm told, Terry [Terence Hunt, Associated Press], that the conference language may be able to avoid a veto on my part.

Q. Mr. President, in other words, you are willing to negotiate or accept a compromise that in some way would allow Federal funding for abortions in cases of rape or incest?

The President. Now, I've already said what I'm willing to do: discuss the conference language.

Q. Let me ask you specifically. Are you willing -- --

The President. Is this a followup?

Q. Yes. Are you willing to compromise?

The President. I'm not willing. I've already told you my position.

Q. Let me ask you a question about your position. Can you explain why you believe it's all right for women who can afford an abortion on their own, that in cases where they are raped or in cases of incest, that it's permissible; but that for poor women who cannot afford abortions, it is not permissible to help them get abortions in cases of rape and incest?

The President. Owen [Owen Ullman, Knight-Ridder], the only answer I can give you on that is to go back to the original Hyde amendment and to the position that I took and will stay with. And to some there might be a contradiction there. To me there is none.

Q. Just to follow, sir: I mean, it's not a question of a contradiction. It seems that if you can pay it yourself it's okay under those circumstances. But the message, it seems, is that if you can't afford it yourself -- tough luck! And isn't that a moral conflict in your own position?

The President. No, I don't think it's a moral conflict in my own position.

Situation in Panama

Q. Mr. President, could I return to Panama for an instant? You say you want Noriega out. What message are you sending the PDF [Panamanian Defense Forces] now? Would you like them to attempt another coup, or is that out of the question?

The President. Well, I don't think anything is out of the question. I think that, from what I've seen and the reports I've heard out of Panama, things are more unsettled than before about the fate of Noriega. I would simply reiterate that we have no problem with the PDF itself. I think this rather sophisticated argument that if you say you'd like to see Noriega out, that implies a blanket open carte blanche on the use of American forces -- I don't want to mislead somebody, and to me that's a stupid argument that some very erudite people make. I'd like to see him out of there, and so would my colleagues south of our border. And I notice what Carlos Andres Perez [President of Venezuela] said. And I notice what Felipe Gonzalez [Prime Minister of Spain] is saying. And I think that people now see more clearly than ever the reason, from Panama's standpoint, why this man should be out -- say nothing of the fact that he is an indicted drug dealer and I would like to see him brought to justice.

Q. Mr. President, I'd just like you specifically to clear up on this, if I may. Have you issued or do you plan to issue precise, clearer guidelines to diplomatic and military personnel on the scene in Panama to improve communication with possible dissident elements or contacts with dissident elements within the Panamanian military? Would you be inclined to use U.S. force more rapidly if the opportunity presents itself again?

The President. I wouldn't mind using force if it could be done in a prudent manner. So, in other words, I'm not ruling out the use of force for all time. I am reiterating the fact that it was not proper to use force under the existing circumstances. And I feel more confident in that than I ever have -- more confident, not less confident, from anything I've seen.

What was the second part?

Q. The first part was: Have you authorized or are you going to authorize wider latitude -- --

The President. No. I'm going to look at each situation. Now, if we can do better in terms of communication and what I would call fine-tuning a crisis management structure, absolutely; and I think we're already beginning to do that. I'm not suggesting there are procedures we can't follow, but to the fact that I say that should not indicate that I think there was something fatally wrong here -- I mean, you've got to look at each situation at the time. You've got to look at each individual attempt to get rid of Mr. Noriega -- and there have been several.

Q. What would you do differently?

The President. Nothing now. That's exactly my point.

Abortion Funding

Q. Returning to the abortion issue for a moment, perhaps it might be helpful to clarify your position. Are you opposed to Federal funding to help pay for the abortion for young women who are victims of rape or incest? Are you unalterably opposed, or is there some room for a compromise?

The President. Yes, I'm opposed. We'll see what we can do in terms of the conference committee to see if there is room for flexibility.

Capital Gains Taxes

Q. On capital gains, there are some reports on the Hill this morning of a deal in the works on the capital gains tax reduction. Are you confident that there will be such a reduction over a 2-year period, perhaps not a permanent period? And would you accept some sort of IRA relief as part of the deal?

The President. Look, the mixing of IRA and capital gains in this debate is troublesome to me. We early on took a very clear-cut position on capital gains. When I became President, there was no doubt at all as to where I stood on this one, and there was no doubt that this was a priority. And so, we moved, and moved to have it as part of our original proposal.

Of course, we're interested in facilitating the machinery and seeing things move forward. And in principle, IRA's encourage savings, and it's something a President should try to do. But what I don't like to see is that -- the last month here -- the suggestion raised that our insistence on capital gains is extraneous or that it is something that is holding up the reconciliation process when it was a fundamental part of it to begin with.

But whether there's some room for compromise in that or -- and I want to credit our leadership: Senator Dole is doing a superb job. Whether there's room to compromise on it, I'd leave it to those that are negotiating on that right now.

Q. Just to follow up: You don't seem to be flatly ruling out IRA relief.

The President. I'm not ruling out any thing in that regard. I am ruling in capital gains. But I'm not suggesting that by answering the question that way that this is some instruction to our side in the Senate to do something different on IRA.

Situation in Panama

Q. I want to go back to what you called your critic's stupid argument about Panama.

The President. That one argument is the one, not all the other critics.

Q. You've said since the beginning of the year that you thought Noriega should go.

The President. Yes.

Q. And you said so loudly and publicly, but when push came to shove a few weeks ago it wasn't clear the U.S. did very much to lend a hand.

The President. Right.

Q. So, the question is: Is it responsible or consistent to, on the one hand, call publicly for Noriega's ouster, but then to do nothing?

The President. Yes, absolutely, totally consistent. I want to see him out of there, and I want to see him brought to justice. And that should not imply that that automatically means, no matter what the plan is or no matter what the coup attempt is or what the effort is, diplomatically and anything else, that we give carte blanche support to that.

Follow-on.

Q. Some people would say you don't have to give carte blanche support to all situations like that, but you have to lend a hand.

The President. To the support that we didn't get. In other words, what they're trying to argue -- look, let's be fair with each other. What they're saying is -- and it's only a handful of critics: You said you wanted Noriega out; you say you have no argument with the PDF; an element tries to get him out, and you didn't support him. And I'm saying yes, I want him out, and yes, we have no argument with the PDF; but I am not going to give carte blanche support to an operation, particularly when they don't ask for this support.

And I have to reserve that right. I have at stake the lives of American kids, and I am not going to easily thrust them into a battle unless I feel comfortable with it and unless those general officers in whom I have total confidence feel comfortable.

So, my argument is with the argument. My argument is with the argument that when I say I'd like to see Noriega out, that that means carte blanche commitment on my part of American

forces. I'm not going to do that.

Arrest of Fugitives in Foreign Countries

Q. Mr. President, the LA Times is reporting today that the Justice Department has given the FBI the go-ahead to arrest fugitives in foreign countries without the foreign country's consent. Now, this reverses the Carter administration's policy. Can you tell us what led up to this event? And perhaps Noriega -- --

The President. No, I'm -- --

Q. Perhaps Noriega has something to do with that since he's a fugitive. The FBI can go into Panama now?

The President. I'm embarrassed to say I don't know what it is you're -- I'll have to get back to you with the answer to your question. Marlin [Marlin Fitzwater, Press Secretary], will you take care of that?

Mr. Fitzwater. I'm not sure that's happened.

The President. I don't know what it is. I've not seen the LA Times report, so I'll just have to not comment until I do.

Situation in Panama

Q. Mr. President, your explanation of why you did not back the coup seemed to imply that it would almost have to be an American operation or an American-planned operation before you would use American troops. Is that a misreading of what you said?

The President. A little bit, yes. A little bit.

Q. Well, could you explain by what you just -- I'm only a little bit off?

The President. Yes, just a hair. [Laughter] Because if the circumstances under this coup plan had been different and the requests had been different and the facts on the ground had been different in terms of what we knew, we might well have done something different. So, is that helpful?

Q. I'm not sure. One other question on Panama, if I may. You said back in the spring that we believe Mr. Endara and Mr. Ford had won the election in Panama, yet you have not recognized them as the Government of Panama. And I know your Vice President a week or so ago said Mr. Ford was the duly elected Vice President of Panama. Have you given any thought to recognizing

them?

The President. There's been some discussion of that, but we have not made any final determination on that. And it's not clear. It's not clear whether that would facilitate the change in Panama we want or whether that would compel us to do some of the things differently that we're doing that might result in that change.

Yes, Jerry [Gerald Weintraub, New York Times], and then we've got two here. And then I've got to go because I've got a 10 a.m. No, that's the fifth one. Flag question? Go right ahead. [Laughter] And then we'll come -- you're back on. One, two, three. I can't take them all, honest.

Flag Desecration Legislation

Q. Mr. President, during the campaign, Michael Dukakis was ridiculed partly by members of your campaign for vetoing a bill mandating teachers say the Pledge of Allegiance during school classes.

The President. Yes, I remember it.

Q. Are you politically afraid, sir, to veto the flag statute if you truly believe it's the wrong way to go?

The President. No. I think it's an overwhelming expression on the part of the Congress to do something about the protection of the flag. So, I'm not going to veto it, but I don't think it's enough. So, I'm saying I'm not going to sign it, and that's a symbol that I don't think it's enough. But I don't want to set the clock way back and rule out the legislation, even though I don't think it's enough. I don't see a parallel at all. Although I read an argument that was thrown out there on that, I don't agree with it.

Catastrophic Health Insurance

Q. Mr. President, there's another controversial issue up on the Hill in the last couple of weeks, which is catastrophic health insurance for the elderly. As somebody who initially supported that program, don't you think you have more of an obligation to figure a way out of the current mess than to simply say you want the program to continue, but that it's up to the Congress to figure out a way to reduce the premiums that have to be paid to keep it in force?

The President. No. [Laughter] You got a followup?

Q. Yes. I mean -- --

The President. You asked me a question: Do you feel it? And I said no.

Q. Fair enough. [Laughter]

The President. And I don't.

Q. But if that's the case, why not offer a suggestion about how to keep the program from repeal and keep it financially viable at the same time?

The President. Well, we got very able congressional leaders who don't agree on this, and it isn't all that clear what ought to be done on it. And so, we are letting the congressional process hash this out. And if there's something that's unsatisfactory to us, well, I've no hesitancy to step in there.

Situation in Panama

Q. Mr. President, you mentioned the remarks of the Prime Minister of Spain earlier. One of the things he said was to propose a deal -- I guess it's a new proposal of an old deal -- where General Noriega would step down in exchange for the U.S. dropping criminal charges against him. Is that a deal you can live with?

The President. I don't recall that part of his statement. But, Tom [Tom DeFrank, Newsweek], I can't do that. It would send an impossible signal in this fight against drugs. I can't drop a good indictment. And I'm told by the Attorney General the indictments are sound, that it isn't some grandstanding appeal. I can't drop those indictments or encourage that they be dropped. I'm not sure a President can drop an indictment anyway, but I would not encourage that. If that's the sine qua non, it's too much.

Q. Mr. President, when you were saying before that you wouldn't allow a carte -- when you wouldn't allow a carte blanche to any attempted coup in Panama, you were reserving to yourself the right to evaluate the merits of any potential coup. This implies, however, better communications with the participants than you had. In fact, it appears that the United States didn't know a good deal of the time what was going on during the crucial hours of that Tuesday coup in Panama. What sort of urgency -- here's the question -- what sort of urgency are you giving to improving those procedures?

The President. We're reviewing the procedures to see if we can't do it better. But let me just reiterate: There's enough known about this that nothing different would have happened. And I keep coming back to that as the fundamental point. That isn't to say we can't do things better. But you've got to look at where these -- in this particular instance, the people were coming from -- what their objectives were.

I know what the United States objectives are: one, Noriega brought to justice; and very

important, a Panama under democratic rule, not deny the people the very election that they had. And so, these are our objectives. These are the objectives of the United States, and I will look at whatever comes up in the future with those objectives in mind.

Q. Just to follow up, on the day of the coup -- --

The President. Hey, I've got a 10 a.m. meeting.

Q. On the day of the coup, we hear about telephone calls that aren't returned. We hear about people who are using phone numbers that they are given for contact with the U.S., and when they call they do not get help. The officials dither -- --

The President. That's well worth looking into.

Q. -- -- and opportunities are lost.

The President. Exactly.

Q. This is what I mean when I suggest the urgency about it.

The President. No, I think you've got a good point there. And we will be doing everything we can to fine-tune the mechanism. Everyone knows that when you have a combat situation -- and there was with the PDF and the coup people -- it isn't all that clear. But to the degree we can improve our communications, fine. But I don't feel -- again, I want to just end up where I started -- I don't feel, in looking at all the charges and the allegations of this nature and having them assessed both here and down in Panama by our leaders, that it would have led me, as the President, to do something different in this particular coup. But you raise a very good point. When I hear that there was, you know, a phone number given and nobody answers the phone -- we'll find out what's the significance of that. I really do have a 10 a.m. -- --

The President's Surgery

Q. How's your hand?

The President. This is not a -- --

Q. -- -- budget plan -- --

The President. Lesley [Lesley Stahl, CBS News], I was hoping you'd ask. No, it's fine. Totally good.

Situation in Panama

Q. Secretary Baker said the military was involved -- --

Q. Why did you put a gag order on members of the administration, telling them not to second-guess how you and other members of the administration handled the Panamanian crisis?

The President. We've been blessed in this administration by a good team who don't like the game of who's up, who's down, who's winning, who's losing, who's looking good, who's in, who's out. And I did not have to have any gag order because all of them are singing from the same sheet of music. So, there wasn't a gag order.

Q. You didn't tell people to stop complaining?

The President. No.

Q. A week ago?

The President. No.

Q. Did you get angry?

The President. And I didn't get angry. I didn't get angry.

Q. What did you get?

The President. What I did say is, I don't want to see any blame coming out of the Oval Office or attributed to the Oval Office in the face of criticism. I'm not in the blame business. Blame -- if there's some to be assigned, it comes in there. And that's where it belongs.

Q. If someone drops the ball, is there no punishment? Is there no -- --

The President. Can we kick some -- huh? [Laughter] They'll find out about it.

Q. Has anybody been fired lately?

The President. No, and they're not going to be over this because they all did a good job -- a good job. And that's why I feel relaxed, even in the face of criticism. I really do. I mean, normally I might be a little more tense. I wouldn't blow up, I don't think. And that's why I had ulcers 20 years ago because I didn't; I kept it all inside. But I learned now to get out there, do your best, get the best information you can, have confidence in good people. And those fundamental

principles are guiding me now. And I can understand people criticizing and wishing it had come out different. And I can understand instant hawks appearing from where there used to be the feathers of a dove, because some of it's political and some of it is the understandable frustration they feel about this man still staying in office. I've got a certain responsibility, and it is to have good people there, make the best decision you can. And so, I'm not misleading you. I never felt, you know, anger or blowing up -- it's absurd. And I haven't lost any confidence in our top people that are handling these matters, including -- and I want to repeat it here -- our military officers in Panama. None at all. And certainly not General Powell [Chairman of the Joint Chiefs of Staff].

Q. But you are sorry it didn't work.

Q. How do you rate yourself in your first foreign crisis?

Q. What do you say the odds are of another coup, sir?

The President. The American people are strongly supporting the position I took, and they're not dumb.

Note: The President's 25th news conference began at 9:44 a.m. in the Briefing Room at the White House.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Ante Markovic of Yugoslavia

October 13, 1989

The President met with Yugoslav Prime Minister Ante Markovic in the Oval Office for approximately a half hour. The President reaffirmed his strong support for Yugoslav independence, unity, and sovereignty. He welcomed Prime Minister Markovic's commitment to market-oriented economic reform and to building democratic pluralism throughout Yugoslavia.

The two leaders discussed the difficult economic and political challenges Yugoslavia faces and ways the industrial democracies might support the Prime Minister's reform program. The President stressed, and Prime Minister Markovic agreed, that implementation of an economic reform program is essential to attracting foreign investment and Yugoslavia's economic recovery. The President thanked Prime Minister Markovic for Yugoslavia's constructive leadership at the nonaligned movement summit in Belgrade last month.

Also present were Secretary of State Baker, national security adviser Scowcroft, Yugoslav Federal Executive Council Member Dzevad Mujezinovic, and Deputy Foreign Minister Milivoje Maksic.

Continuation of Richard P. Kusserow as Inspector General of the Department of Health and Human Services

October 13, 1989

The President today announced that Richard P. Kusserow will continue to serve as Inspector General of the Department of Health and Human Services.

Since 1981 Mr. Kusserow has served as Inspector General at the Department of Health and Human Services. Prior to this he served as a special agent with the Federal Bureau of Investigation. In addition, Mr. Kusserow served as the Vice Chairman of the President's Council on Integrity and Efficiency, 1985 to present.

Mr. Kusserow graduated from the University of California at Los Angeles (B.A., 1963) and received his master's degree from California State University at Los Angeles. He was born December 9, 1940, in San Jose, CA. Mr. Kusserow served as a captain in the U.S. Marine Corps, 1965 - 1968. He is married, has one child, and resides in Bethesda, MD.

Remarks at a White House Briefing for Members of the Asian-American Voters Coalition

October 13, 1989

Nice to see you. Well, I hope you haven't been sitting waiting. I'm afraid I'm running a little bit late. Welcome to the White House. I first want to salute our three Members of Congress over here: Duncan Hunter and Dana Rohrabacher and Ben Blaz. Have you guys been introduced yet? Stand up, and let them -- [applause]. They have been great leaders in their determination to broaden our whole political base and reach out to men and women of sound values and good ideas. And so, they are here as a team of interested individuals who are working hard with me in the area that I want to talk to you all about.

But welcome to the White House. I'm delighted to see my three friends and experts behind me, both of Paul and -- I was going to say Paul and Roger Porter -- actively involved. And this character over here, he and I worked the whole China equation -- Dick Solomon -- for many years. So, you have our best here today to help you with some of the facts. I want to say to Vi De La Pena, the outgoing chairperson, and to Frank Vinh, the incoming, and then to the secretary, Gloria Caoile -- if I got the pronunciation correct -- [laughter] -- and Rex Tu -- close enough? -- [laughter] -- and Rex Tu, our treasurer, and Nancy Kwan and all the rest of you here for the first time, a sincere welcome.

Almost a year ago, the Asian-American community supported the direction the Republican Party wanted to take the Nation. And both the Vice President and I appreciate that continued support. And now I'm meeting here today to simply reiterate my commitment to you.

For example, I know of your interest in education. Let me tell you that we are moving forward. Two weeks ago -- I'm sure some of you saw it -- we convened the first ever education summit with the Nation's Governors to find ways to improve our education system through increased choice, flexibility, accountability, higher standards. The goal: educational excellence.

That was only the first step, though. It was a successful conference. And we did it with the Governors because they're, after all, on the cutting edge. And one thing they made clear to me that I know you'll be interested in: Don't send us a lot of mandated programs. Let us have the flexibility to use the resources where our families and our experts think is best. So, they made that message clear.

Immigration and refugee issues -- they continue to be important. And let me express my support for our policy of no forced repatriation of refugees to a country like Vietnam. We're not going to retreat from our position taken at the Geneva conference. And people who seek freedom ought to be given a chance. So, let's not deny them that.

You all know that freedom and democracy are on the march. I should say, you more than most, given the history, given the backgrounds, given the family involvement. And we've seen it actually in Eastern Europe now, in Asia. And I hope that one day soon the people of Cambodia will be free from the tragedy that has engulfed that country for far too long. And so, we're going to continue in this one to seek a peaceful, diplomatically negotiated, comprehensive settlement of the conflict. And that recent Paris conference was not a failure. Anytime you get opposite sides to the table, constructive dialog will come about. We need to continue to support those efforts. I can't say I wasn't disappointed at the outcome. I'd like to have seen more progress. But we ought not to say failure and then throw up our hands and give up.

America is moving forward, and as we do, we've got to continue to strive for free trade -- free and fair trade. It's the fuel of prosperity worldwide. Asian-Americans are among the most industrious and hard-working members of our society. And all that you have asked of us and your families -- freedom. And in exchange, you have been the shining examples of what all Americans can achieve. And there are so many success stories and so much potential for the future. I know that sacrifice and hard work and discipline are second nature to all of you. And so, many of you have translated your success in education and business into political activism, and that's good. Keep it up. We welcome it. The Asian-American Voters Coalition is a major vehicle for you to do just exactly that.

And so, I really popped in not to interrupt the experts but to tell you how much I appreciate your support and how much I personally look forward to working together with you as we continue to make America great.

Bless you all, and thank you very, very much for coming over here today to the White House. Thank you.

Note: The President spoke at 2:21 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Paul Wolfowitz, Under Secretary of Defense for Policy; Roger Porter, Assistant to the President for Economic and Domestic Policy; Richard Solomon, Assistant Secretary of State for East Asian and Pacific Affairs; and actress Nancy Kwan.

Remarks at a Ceremony for the Presentation of the End Hunger Awards and the Signing of the World Food Day Proclamation

October 16, 1989

Welcome to everybody, and I do want to salute the Members of Congress who are here from the House Select Committee -- the Select Committee on Hunger: Bill Emerson, one of today's award winners; Tony Hall and Ben Gilman; and then, of course, our friend Senator Lugar of Indiana. Clayton -- welcome, Secretary, and Mark, our Acting Administrator of AID. Let me welcome all of you to the White House.

It's a very special privilege to welcome Dr. Kurien, the 1989 recipient of the World Food Prize. And he's the father of India's White Revolution, that has brought hygienic milk to the homes of 170 million people. And tomorrow evening, Dr. Kurien will be honored at the Smithsonian for his lifelong dedication to the poor and hungry of India. I want to congratulate this great humanitarian whose work has changed the lives and the livelihoods of so many millions of people.

And of course, let me say again how honored I am to meet with the End of Hunger Award winners -- 14, if you will, of the Thousand Points of Light who are bringing hope to the hungry. And you've all heard me say before that from now on in America, any definition of a successful life must include service to others. And by that standard, the people I've just met with in the Oval Office are the kind of success stories who inspire us all. Whether you're a Congressman like my friend Bill Emerson or a produce merchant like Mickey Weiss, who decides one day it's time to feed the hungry with the perfectly edible food that we waste, what you've done proves that each of us can make a difference right in our own neighborhood or on the other side of the world as well.

And I know this is a proud moment for all of you, but I'd like to single out the five award winners who are not here: Ambassador Alan Woods, Administrator of AID, who cared so deeply, working until the very end of his life to help the world's hungry; of course our friend Congressman Mickey Leland -- people here in Washington and people back in Mickey's hometown, and mine, of Houston, and the starving children of Ethiopia will never forget this man and his great love and compassion; and of course Tom and Roberta Worrick and Gladys Gilbert, the dedicated AID officials who lost their lives on the way to Ethiopia's refugee camps with Mickey Leland. Our hearts go out to the families of these fine men and women.

The End Hunger Awards underscore a simple fact about America: We are a compassionate people, a nation of neighbors and neighborhoods; and America will never sleep well so long as a single man, woman, or child goes to sleep hungry or homeless, haunted or hurting. Hunger cuts

across all nations and peoples. It's black, it's white, it's brown, and certainly it's cruel. And every time you feed a family -- even a single man, woman, or child -- along with nourishment you give them dignity and hope.

So, I salute the winners of the End Hunger Awards. And with that salute goes the gratitude of a nation to each of you for answering the call to provide this most basic of needs. Because of you, we are one step closer to a world without hunger.

And we all realize that winning the battle against hunger means improving the production and distribution of food. In recognition of that fact, I will now sign this proclamation declaring today World Food Day.

And before I sign the proclamation, let me again congratulate the winners and thank you for joining me here this morning. Bless you all, and keep up the great work.

Note: The President spoke at 10:15 a.m. in the Roosevelt Room at the White House. In his opening remarks, he referred to Secretary of Agriculture Clayton K. Yeutter and Mark L. Edelman, Acting Administrator of the Agency for International Development. The proclamation is listed in Appendix E at the end of this volume.

Nomination of Daniel Howard Simpson To Be United States Ambassador to the Central African Republic

October 16, 1989

The President today announced his intention to nominate Daniel Howard Simpson, of Ohio, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Central African Republic. He would succeed David C. Fields.

Currently Mr. Simpson serves as Deputy Chief of Mission at the U.S. Embassy in Beirut, Lebanon. Mr. Simpson joined the Foreign Service in 1966 and has served in various capacities overseas and at the Department of State, including staff assistant at the Bureau of Security and Consular Affairs, 1966 - 1967; training officer at the U.S. Information Agency, 1967 - 1968; speechwriter for Assistant Secretary of State for African Affairs, 1968; political/economic and consular officer at the U.S. Embassy in Bujumbura, Burundi, 1968 - 1970; political officer at the U.S. Embassy in Pretoria, South Africa, 1970 - 1972; and desk officer for Rhodesia, Botswana, Lesotho and Swaziland, 1973 - 1974.

Mr. Simpson graduated from Yale University (B.A., 1961), and he received a graduate certificate in African studies at Northwestern University in 1973. He was born July 9, 1939, in Wheeling, WV. Mr. Simpson is married, has four children, and resides in Washington, DC.

Nomination of Martin Lewis Allday To Be a Member of the Federal Energy Regulatory Commission, and Designation as Chairman

October 16, 1989

The President today announced his intention to nominate Martin Lewis Allday to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1993. He would succeed Charles G. Stalon. Upon confirmation he is to be designated Chairman.

Since 1989 Mr. Allday has served as Solicitor at the Department of the Interior. Prior to this, he served as an attorney with the law firm of Lynch, Chappell, Allday and Alsup in Midland, TX, 1959 - 1988, and as managing partner of the firm, 1971 - 1983.

Mr. Allday graduated from the University of Texas Law School at Austin (J.D., 1951). He was born May 30, 1926, in Eldorado, AR. Mr. Allday served in the U.S. military, 1944 - 1946, and was awarded a Purple Heart. Mr. Allday is married, has three children, and resides in Midland, TX.

Final Order on Emergency Deficit Control Measures for Fiscal Year 1990

October 16, 1989

By the authority vested in me as President by the statutes of the United States of America, including section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99 - 177), as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100 - 119) (hereafter referred to as ``the Act''), I hereby order that the following actions be taken immediately to implement the sequestrations and reductions determined by the Director of the Office of Management and Budget as set forth in his report dated October 16, 1989, under section 251 of the Act:

(1) Each automatic spending increase that would, but for the provisions of the Act, take effect during fiscal year 1990 is permanently sequestered or reduced as provided in section 252.

(2) The following are sequestered as provided in section 252: new budget authority; unobligated balances; new loan guarantee commitments or limitations; new direct loan obligations, commitments, or limitations; spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended; and obligation limitations.

(3) For accounts making payments otherwise required by substantive law, the head of each department or agency is directed to modify the calculation of each such payment to the extent necessary to reduce the estimate of total required payments for the fiscal year by the amount specified by the Director of the Office of Management and Budget in his report of October 16, 1989.

(4) For accounts making commitments for guaranteed loans or obligations for direct loans as authorized by substantive law, the head of each department or agency is directed to reduce the level of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and specified by the Director of the Office of Management and Budget in his report of October 16, 1989.

All reductions and sequestrations shall be made in strict accordance with the specifications of the October 16th report of the Director of the Office of Management and Budget and the requirements of section 252(b).

This order shall be effective immediately and supersedes the initial order issued on August 25, 1989.

This order shall be published in the Federal Register.

George Bush

The White House,

October 16, 1989.

[Filed with the Office of the Federal Register, 7:18 p.m., October 16, 1989]

Remarks Following Discussions With President Roh Tae Woo of the Republic of Korea

October 17, 1989

President Bush. There have been many high-level visits between Washington and Seoul recently, proof that good relations are important to both countries. But today it's been my special pleasure to welcome President Roh and his Cabinet to Washington. Mr. President, I hope you and your lovely First Lady have enjoyed your visit to the White House as much as Barbara and I enjoyed our visit to the Blue House last February.

This has been a busy day of discussions with President Roh on a range of important bilateral, regional, and multilateral issues; and we've confirmed that the Governments and peoples of the United States and the Republic of Korea are resolved to promote and defend economic growth and democracy. Our discussions have been intense and meaningful, and our partnership has been strengthened.

So, let no one doubt that the United States stands by its commitment to maintain the peace and prevent the outbreak of hostilities on the peninsula. As I said in Seoul in February, U.S. forces will remain as long as both Governments and both peoples believe it is in the interest of peace. And of course, our forces will remain as long as there is a threat from the North. I understand that President Roh, when asked about the American presence in South Korea generally, answered with a colorful American phrase: ``If it ain't broke, don't fix it." And, Mr. President, my sentiments exactly.

At the same time, our two nations aspire to lessen tensions between the North and the South. And this and the creation of the conditions that favor reunification can only be the result of the vision and tireless efforts of the Korean people. The United States applaud President Roh's creative diplomacy and supports his plan to create a commonwealth between the North and the South as a step toward reunification. President Roh's unification formula is based on principles that we share -- independence, peace, and democracy -- and it is my hope that the resumption of other forums of inter-Korean dialog will lead to institutions that will serve as a basis for eventual reunification.

But the division of Korea is merely a part of a great divide between all the nations of the world. And it is in the other half of the world, the Soviet Union and Eastern Europe, that momentous change is underway. President Roh and I are of one mind in dealing with this change. Simply put, we will seek to strengthen security and peace by engaging the Communist world in constructive endeavor. President Roh's nordpolitik, a diplomatic endeavor to reach out to Communist countries in Europe as well as in Asia, complements the policy of the United States. And, Mr. President, may I follow your practice and quote a few Korean sayings: ``World peace is not a pavilion in the sky." ``If beans grow where beans are planted, then surely peace will

grow where peace is planted."

Just as South Korea is taking a leading role in diplomacy, so it has also become a major economic force. South Korea is now the world's 10th largest trading nation and America's 7th largest trading partner. Korean workers and companies have benefited from U.S. open markets, but American workers and companies deserve equal access to Korean markets. As I told the National Assembly in February, protectionism offers a false prosperity. It may seem to be the easy way out, but it's really the quickest way down. And trade, free and fair, is the way up for the consumers and the workers of both nations. And that's why I'm pleased to note the progress made in the past few years in reducing trade barriers. And we applaud these moves and expect continued improvement on the trade front.

And last, but not least, President Roh and I today discussed the dramatic changes occurring in Korean society and politics. Under his leadership, the Republic of Korea has moved toward greater democracy and respect for human and civil rights. And the history of our own country suggests that such change is hard won. But our history also suggests that the struggle for democracy is crucial to a nation's political and economic and moral development. President Roh, you have my highest respect and support for your goals, and I wish you well in your nation's efforts for continued peace and the growth of democracy and prosperity in your great Republic.

President Roh. Mr. President and ladies and gentlemen, first of all I would like to convey to my American friends a message of warm friendship from the Korean people.

Today President Bush and I had very constructive and meaningful talks in which we reviewed the current international situation and discussed a wide range of issues of common interest. My meeting with President Bush this time, only 8 months after the meeting in Seoul last February, demonstrates how close and important the Korea-U.S. relationship has become. At today's meeting, President Bush and I reaffirmed that the traditional friendship and cooperation between our two nations remain firm and are growing stronger. Both of us shared the view that a new breeze of reform and openness currently blowing throughout the world is promoting reconciliation and harmony among nations and, thereby, spreading freedom in the Socialist world.

We noted the stark reality, however, that despite this encouraging trend of change, confrontation and tension have not abated on the Korean Peninsula. President Bush and I were of the same opinion that under such circumstances there should be no change in the current level of the Korea-U.S. combined defense capability. I feel reassured that President Bush reiterated the U.S. commitment to Korean security and that U.S. forces in Korea will remain as long as the Korean Government and people want them and as long as those forces continue to contribute to peace and stability on the Korean Peninsula -- which are, in turn, vital to the whole of northeast Asia. We share the view that both direct dialog between the authorities of South and North Korea and the building of mutual confidence through increased exchanges in various fields are essential to

the resolution of the Korean question.

I explained to President Bush the Korean national community reunification formula, which is based on the principles of self-determination, peace, and democracy. President Bush reassured me of his deep understanding and full support for this new initiative. The Republic of Korea will continue its efforts to persuade North Korea to positively respond to our rational and realistic proposals for the peaceful unification of Korea in line with the global trend of openness and reconciliation.

President Bush and I share the view that an expansion of commerce in the spirit of free trade is essential to the economic development of the world, and we agreed to continue our efforts to that end. We found satisfaction in the fact that major trade issues between our two countries have been solved through mutually beneficial negotiations and that our bilateral trade is expanding in a more balanced manner. I emphasized to President Bush that in spite of many domestic difficulties, the Korean Government, with strong faith in free and fair trade, has been moving toward economic liberalization and market opening. Our two governments agree to exert concerted efforts to build a prosperous Asia-Pacific area by enhancing regional cooperation. We also reaffirmed our understanding that Asia-Pacific cooperation is not intended to create a new economic bloc or promote regionalism but should serve the practical interests of the nations in the region. With this in mind, we agreed to participate actively in the ministerial conference to be held in Canberra next month.

I commended President Bush for his leadership in addressing problems we are facing together, such as drugs, terrorism, and the environment; and I expressed the readiness of the Korean Government to participate actively in international cooperation in these areas.

Mr. President, the Republic of Korea is progressing toward a democratic society, promoting general welfare. Economically, it is pursuing openness along with stability. Politically, it is traveling on the road to a full-fledged democracy. Korea, commensurate with its continued economic and political developments, will assume new roles and responsibilities in promoting peace and prosperity in northeast Asia and, in a broader context, in further promoting East-West reconciliation and North-South cooperation.

I once again thank the U.S. Government and the American people for the warm hospitality extended to me and my party on this visit. Thank you very much.

Note: President Bush spoke at 1:23 p.m. in the East Room at the White House. President Roh spoke in Korean, and his remarks were translated by an interpreter. Earlier, the two Presidents met privately in the Oval Office and with South Korean and U.S. officials in the Cabinet Room. They then attended a luncheon in the Residence.

Letter to Members of the Senate Appropriations Committee on Federal Funding for Abortion

October 17, 1989

Dear XXXXX:

As the Senate begins consideration of H.R. 2990, the Conference Report accompanying the Departments of Labor, Health and Human Services, and Education, and Related Appropriations Bill for FY 1990, I want you to know that I will not sign the measure should it include language that expands Federal funding for abortion beyond that which has been current law since 1981.

My position on the issue of abortion is clear. I support a constitutional amendment that would reverse the Supreme Court's decision in Roe v. Wade. I also support a human life amendment with an exception for rape, incest, or where the life of the mother is threatened. I do not support Federal funding of abortions except where the mother's life is threatened.

As H.R. 2990 progressed through the legislative process, my senior advisors indicated that they would recommend I veto the measure if it included expanded Federal funding for abortion beyond the life of the mother exception. Although I wrote a letter to Members of Congress clearly expressing my concerns during consideration of the District of Columbia Appropriations bill for FY 1990, I nonetheless asked my senior advisors to take another look at this complex issue, particularly the role of public funds, consistent, though, with my position as stated above.

This decision is one that I have not reached easily or lightly. Many citizens and Members of Congress were consulted as this question was reviewed. Abortion is a difficult, often painful, and very personal decision for all Americans. It is made even more difficult when the underlying issue is whether the government -- and ultimately the American taxpayer -- is asked to pay for abortions and under what circumstances. Since 1981, the Federal Government has determined, I think wisely, that taxpayer funds should be used for abortion in only the most narrow of circumstances: where the life of the mother is endangered. If abortion funding were expanded to include other circumstances, it would be difficult to limit to the few cases of actual rape or incest, and could have the unintended consequence of allowing the taking of countless other lives of unborn children well beyond the few cases argued as reasons for the proposed legislative change.

My intense personal concern for those women who are victims of the crimes of rape and incest is as strongly felt as my position on abortion. Rape and incest are crimes of violence which must not go unpunished, and those convicted of such crimes must be brought to justice.

The question raised by H.R. 2990, however, involves whether the Federal Government and

American taxpayers should be forced to pay for the termination of an unborn child's life in the case of rape or incest. That such a child may have been conceived through an unconscionable act of violence makes this question difficult and, indeed, agonizing; it does not, however, alter the basic fact that Federal funding is being sought that would compound a violent act with the taking of an unborn life. And in the absence of perfect legislation that would reconcile these difficult issues, if I have to err, I prefer to err on the side of human life.

For these reasons, should H.R. 2990 reach my desk with language expanding Federal funding of abortion, I will veto the measure and return it to the Congress.

Sincerely,

George Bush

Note: Identical letters were sent to Senators Robert C. Byrd of West Virginia, Tom Harkin of Iowa, Mark O. Hatfield of Oregon, and Arlen Specter of Pennsylvania.

Remarks at the Republican Governors' Association Annual Dinner

October 17, 1989

Thank you, Chairman Hayden. Thank you, Mike, Governor, for that gracious introduction. And my congratulations go to you for your effective tenure and the success on this dinner and, of course, to your successor, John Ashcroft, the Governor of Missouri. And I'm just delighted to be here with both of you. And, Lee, it's always good to see you here. I'm very proud of our national chairman. He's doing an outstanding job in broadening the base of our party.

I want to thank the members of my Cabinet for being here. We have a good Cabinet -- outstanding men and women of ability. We have a real team, and I think that is understood and appreciated around this country. I'm proud of them all, and I'm just delighted they're here with me tonight.

I want to thank the Chaplain of the Senate, Chaplain Halverson, for his invocation. Eight years I was Vice President, and that meant I was the President of the Senate. And though I had known Dick Halverson before, while -- it was there that I heard him, and I'm just delighted that he's with us tonight. I don't want to start singling out additional members of the White House staff who are here, but I do think it's appropriate to mention my Chief of Staff, a former Governor, John Sununu. He's out there somewhere. He's gone!

And I'm very pleased that one of our retiring Governors -- retiring, meaning leaving office -- Tom Kean, will be the part of our team as the head of the Advisory Committee on the President's Points of Light Initiative Foundation, the whole voluntary effort that I'm determined to see successful. And so, Professor Kean, wherever you may be, before you go on, thank you. It's very important, and thank you for doing it. I'm also sorry that my good friend and fellow Texan Governor Clements could not make it tonight. You may not know this -- I expect Tom Loeffler does -- but the Dallas paper reported last week that Bill Clements was dining in a restaurant when a holdup and shootout occurred right in front of him. The most remarkable part of all, however, is that not once through the whole ordeal did he put down his hamburger. [Laughter] And I'm not sure if that was Texas courage or hunger or the need for a new pair of glasses or a hearing aid. [Laughter] But nevertheless, you talk about trauma.

As you all know, I'm not an alumnus of this organization, but over the years as I've worked with the Governors, I have come to fully appreciate the responsibility that you are shouldering and the leadership that is provided at the State level. And I'm sure there are times when federalism seems to be a mixed blessing. It's not possible for a Governor to shy away from the hard decisions. But to sit where the buck stops, to resolve disputes, to help those in need, and to set a course for the future is to know a special kind of satisfaction. And for that reason, I believe we can -- indeed, that we must -- as chief executives take responsibility, join forces, and make

common cause of building a better America.

And that is why we came together in Charlottesville at an historic summit -- only the third of its kind in the history of this country. And we came together with your Democratic counterparts -- and I salute them for the nonpartisan way in which they approached it -- in open, wide-ranging, and creative sessions to seek a new direction in education. And in the end, we agreed to an historic compact, a Jeffersonian compact, if you will, to set national goals, to allow for greater flexibility, more creativity, and then to be accountable for the results.

And we could achieve this because in Charlottesville we put progress before partisanship, the future before the moment, and our kids before ourselves. And America simply faces too many of these long-term challenges for us to act only as Republicans or Democrats or conservatives or liberals. And still, in spite of that, there is a Republican approach to the challenges we face, and we have proven time and again that the Republican approach is the best approach.

Now, I consider this a matter of record, a record that includes 83 months of economic growth and more than 20 million new jobs. A few years ago when our opponents said that a tax cut would hurt the economy, we cut the taxes, and it did the opposite. And when our opponents said that a stronger defense would make the Soviets more militant, we revitalized our Armed Forces, and the Soviets met us at the negotiation table.

In short, whatever has worked at the Federal level happened only because Republicans and enlightened Democrats in Congress joined forces to make it work. And so, the bottom line is this: Throughout the 1980's, the Republican Party has been the party of ideas. This is no less true at the State level. And while Republicans are leading the way, where is the opposition? Answer: in the throes of an identity crisis. And after the longest peacetime expansion in history, the Democrats can't quite bring themselves to admit that Republicans were right. And nor do they have a new vision of where America should be going. All they can do is cloak their out-of-step ideas in the language of moderation.

I don't often quote Franklin D. Roosevelt on partisan matters, but the little story he told to make fun of his Republican opponents fits the liberal Democrats so well today. Remember the story of the unfortunate chameleon which turned brown when placed on a brown rug and turned red when placed on a red rug, but who died a tragic death when they put him on a scotch plaid. [Laughter] And this is precisely what we've got to do -- [applause] -- it's precisely what we have to do in the 1990 election: to keep the focus on the issues and expose the true colors of the chameleon candidates. For the national and State elections of the 1990's will not just be a battle of the century, it will be the first battle for the 21st century.

We have proven time and again that our party can keep the White House; but to win a majority of Governorships, State offices, seats in Congress, we've got to roll up our sleeves and get down to the basics of winning elections. And we must be more competitive; we must rededicate

ourselves to the nuts and the bolts of grassroots politics as our opponents do. And as we look to the upcoming elections, we have three obtainable goals: first, to move toward our rightful place as the majority party of Governors. As federalism has enhanced your role, so the control of the Governorships has become one of the most critical national goals of our party. Our second goal is to recapture the United States Senate. And third, we must open the House of Representatives to two-party competition.

But the key to all three goals is the first: elect more Republican Governors. It is no coincidence that our party slipped to minority status in the House of Representatives as we became a minority in State government. The Founding Fathers intended the House to be the most sensitive barometer of the changing needs of the American people. And instead, whole generations have never known what it means to experience a change in party control of the House.

Let me tell you about our son Neil as a way to illustrate the seemingly unending nature of the Democratic majority. He's 34 years old -- born on January 22d, 1955, and 3 weeks after the last Republican Speaker turned the gavel over to a Democrat. Not once in his lifetime has he seen the leadership of the House of Representatives change parties -- not one time. And think of all the millions of men and women across America in their twenties and thirties who has never known true two-party competition in the House.

Well, will the House remain static for another 34 years? Yes, but only if Republicans passively accept it. Today, Democrats now have a redistricting advantage in the States that compose about 90 percent of the seats in Congress. And as Republican leaders, you can veto these gerrymandering schemes and take our message to the voters of your States by declaring that this form of voter discrimination must end.

But we have far greater reasons than reapportionment to pursue the Governorships of America. America faces tough problems, problems that require more than Federal solutions. And they require national solutions. And solutions are now possible because the States are embracing a new dynamism based on an old vision.

The great Supreme Court Justice Louis D. Brandeis foresaw a time when a single courageous State may serve as a laboratory and try novel social and economic experiments without risk to the rest of the country. To borrow a phrase, the States are becoming these laboratories of democracy, with each State endowed with freedom -- freedom to fail, freedom to succeed, and freedom to discover and share its discoveries.

In an era of tight resources, necessity, the mother of invention, has also proven to be the mother of creative politics, of policies. You're following the advice of Teddy Roosevelt, a great Republican Governor, who said that our national greatness is not what we have that will make us a great nation, it is the way in which we use it.

Dozens of States are experimenting with ways to remove obstacles to opportunity and to bring the creative energy of entrepreneurship to the public sector. Some of your experiments are certain to become the national policies of the next century. But to be creative, you've got to have freedom. You tell me the Federal Government must not tie your hands, must not mandate your programs, must not dictate your policies. And I hear you, and I am ready to work with you to ease the Federal control and mandates over the States.

The States are at the forefront precisely because the first instinct of our Governors is not to look to Washington but to the combined strength of the public and private sector. And much has been written about how Governors in both parties are rejecting the old ideologies and stale approaches of the past. Credit should be given where it's due.

But I have to say, while Democrats have been adept at promoting new programs that attract a lot of fanfare, the Republican Governors have quietly distinguished themselves with programs that work. The people know this. And come November 1990, I believe the voters will choose innovation and daring for their State government: They will then vote Republican.

It's been a great pleasure for Barbara and me to be here tonight and a great pleasure to speak to you tonight. But due to the Gramm-Rudman sequester, I have to cut my remarks by 5.3 percent. [Laughter] So let me leave this with you tonight -- one thought: To win big, you must think big. And Republican Governors are already thinking big -- thinking big, thinking ahead. And you are the planners and the prophets and the managers and visionaries and the dreamers and the doers. And you are the ones I look to, to join me in a partnership to win the future.

So, this is our vision. We are going to be the party that leads the States. We're going to be the party that leads Congress. And then we will be the party that leads America into the 21st century. Thank all of you Governors for being here tonight, and thank those of you who were supporting this noble quest.

Thank you, and God bless you. And God bless the United States.

Note: The President spoke at 8:38 p.m. in the Presidential Ballroom at the Capital Hilton. In his remarks, he referred to Mike Hayden, the association's chairman; H. Lee Atwater, chairman of the Republican National Committee; and former Representative Tom Loeffler.

Nomination of Don R. Clay To Be an Assistant Administrator of the Environmental Protection Agency

October 17, 1989

The President today announced his intention to nominate Don R. Clay to be Assistant Administrator, Office of Solid Waste, of the Environmental Protection Agency. He would succeed J. Winston Porter.

Since 1986 Mr. Clay has served as Deputy Assistant Administrator for the Office of Air and Radiation at the Environmental Protection Agency. Prior to this, he served as Director of the Office of Toxic Substances at the Environmental Protection Agency, 1981 - 1986; Deputy Associate Executive Director for Engineering Sciences at the Consumer Product Safety Commission, 1976 - 1981; Director of the Office of Program Planning and Evaluation at the Consumer Product Safety Commission, 1974 - 1976; and Deputy Assistant Commissioner for Planning and Evaluation at the Food and Drug Administration, 1972 - 1974. In addition, Mr. Clay served as a group leader for the Commission on the Organization of the Government of the District of Columbia (Nelson Commission), 1971 - 1972; executive vice president of Resource Allocation, Inc., 1970 - 1971; and program director of Research Management Corp., 1968 - 1970.

Mr. Clay graduated from Ohio State University (B.S., 1960; M.S., 1960). He was born June 26, 1937, in Washington Courthouse, OH. Mr. Clay served in the U.S. Army, 1961 - 1963. He is married, has two children, and resides in Bethesda, MD.

Continuation of Joel Edward Haggard as United States Representative to the Columbia River Interstate Compact

October 17, 1989

The President today announced that Joel Edward Haggard will continue to serve as the United States Representative to the Columbia River Interstate Compact.

Since 1985 Mr. Haggard has served as an attorney and sole practitioner in Seattle, WA. Prior to this, he served as a partner with the law firm of Haggard, Tousley and Brain, 1978 - 1984; sole practitioner, 1977; partner with the law firm of Houghton, Cluck, Coughlin and Riley, 1975 - 1976; and an associate with the law firm of Houghton, Cluck, Coughlin and Riley, 1971 - 1974. In addition, he has served as an engineer and management consultant with the King County Department of Public Works in Seattle, WA, 1969 - 1971; research engineer in the aerospace division of the Boeing Co. in Seattle, WA, 1968; nuclear engineer for Westinghouse Corp. in the Bettis Atomic Power Laboratory in Pittsburgh, PA, 1963 - 1967; and a special instructor in nuclear engineering at the University of Oklahoma, 1962.

Mr. Haggard graduated from the University of Notre Dame (B.S., 1961) and the University of Washington (J.D., 1971). He received a master of nuclear engineering degree from the University of Oklahoma in 1963. Mr. Haggard was born October 10, 1939, in Portland, OR. He is married, has three children, and resides in Seattle, WA.

Remarks on the San Francisco Bay Area Earthquake and a Question-and-Answer Session With Reporters

October 18, 1989

The President. I have just a quick comment on the west coast, because as daylight breaks there in California, I want the citizens of the San Francisco Bay area and its neighbors first to know that our hearts are with them as they face this terrible tragedy. And words can't adequately convey our sentiments, I know, but I can say that we will take every step and make every effort to help the bay area in its hour of need.

Up-to-the-minute information is coming in here and to FEMA [Federal Emergency Management Agency]. I was just on the phone -- and apologize to my friends from the Hill for keeping them waiting -- with the Vice President, who is out there. Daylight's breaking -- they're about to take a helicopter tour over the area. The Secretary of Transportation is out there -- flew most of the night -- and we're working with State and local officials. John Sununu [Chief of Staff to the President] has been in touch yesterday evening and again today to ensure that the relief effort is coordinated and effective as possible.

FEMA is doing a good job. They're out front; they're trying to respond. There have been some planning in advance for the San Francisco area, and we just want to be sure that that planning is implemented. Thank goodness for organizations like the Red Cross, these local volunteer organizations that are already swinging into play out there. Community police, the fire fighters working around the clock -- our hearts go out to them; our gratitude goes to them as well.

So, I'd like to take this opportunity and ask all of you to follow up to ask the American people to help and support those organizations in every way possible. They responded when this recent Hugo hurricane hit -- these volunteer organizations. And once again, we're going to turn to the American people to help those in need. So, so far, I think, from an organizational standpoint, people are moving in the right direction. And we're going to follow it very, very closely from here.

Q. Mr. President, do you have any sense of how extensive the damage is, particularly outside of the Oakland-San Francisco area?

The President. Well, we're just beginning to get reports in. And it's as reported very thoroughly on the television: the death toll seems to be mounting. And we are concerned, but it's hard to put a total number on it at this point. In fact, I've seen none in the estimates, and that's, I think, prudent -- no point going out there with inadequate data.

Q. There's a lot of interest out there in when you may be ready to sign this disaster declaration.

Do you have a sense right now for the timing?

The President. I've already signed it.

Q. You have?

The President. Yes. That was taken care of.

Q. Are you going out there, Mr. President?

The President. I probably will, but I don't want to get in the way. I think the inclination is to go to the scene. We've got the Vice President there and Sam Skinner. But as we all know, there are certain security constraints connected with this job, and the last thing we want to do is clutter things up. But I do want to make a trip out there, and I probably will.

Q. How dangerous is the situation out there with possible aftershocks?

The President. Well, again, I don't want to heighten the concern in any way, but I think that those concerns have been adequately expressed by the scientists.

East Germany

Q. Can you tell us what you know about what's happening in East Germany today?

The President. Well, I know that there's been a change in the East German GDR party structure, and Honecker being replaced by Egon Krenz. Whether that reflects a change in East-West relations, I don't think so. I don't think it does, because Mr. Krenz has been very much in accord with the policies of Honecker. So, it's too early to say; but there is dynamic change taking place in Eastern Europe and, it now appears, in the GDR. But whether this step is a step towards more openness or not, I think it's way too early to say, and there's nothing in the record that would indicate that it is.

And so, with no further ado, thank you all very much, and we've got to get to work.

Note: The President spoke at 9:39 a.m. in the Cabinet Room at the White House. An earthquake that registered 6.9 on the Richter scale hit the San Francisco Bay area at 5:04 p.m. Pacific time on October 17.

Remarks to National Distinguished Principals Award Recipients

October 18, 1989

Thank you, Mr. Secretary. One of the joys of my job is working with our Secretary of Education, Dr. Cavazos. And we're in sync; we agree on the priorities. And thank you very much for presiding today. To Sam Sava, the executive director of the National Association of Elementary School Principals, welcome to the White House, sir, and to my friend Paul O'Neill, to whom I will refer in just a minute.

I'm delighted to welcome this distinguished group to the White House. I know there's one educator here today whose thoughts are focused on his kids and schools back home, Ray Tolcacher, superintendent of Windsor Union School District in San Francisco. Where is he? Right over here. One of the reasons I've kept you all waiting is our concerns in dealing with a few little things regarding this situation in the bay area. And we just hope that your kids and your schools and all the families are safe and sound, and I know it's a matter of national concern -- this disaster that hit yesterday. I want you to know also that we will do whatever we can to help. I'm going from here over to FEMA [Federal Emergency Management Agency], the emergency center, and I've talked this morning to our Vice President and to Sam Skinner [Secretary of Transportation], who flew all night to join Dan Quayle out there. And we're working closely with the State officials. So, it is a matter of grave national concern.

I expect your students are all thrilled that you're in Washington. [Laughter] And you all, I think, have demonstrated that you have mastered a job that most people couldn't begin to cope with. Imagine being CEO, Paul, of a corporation where the rank and file average age is about 8 -- [laughter] -- and half of them don't bring their lunch money. [Laughter] And you juggle all this, everything from substitute teachers to bus schedules, and many of you still find time to get into that classroom every single day. And there's always energy for something extra, whether it's Jane Wakukawa getting out with the crossing guards every morning to talk to parents that are walking their kids to school or Anthony Link and Sally Liechty lecturing at colleges in their communities after the school day is over.

And that's what puts you at the head of the class. And that's what makes your schools the most successful, because more than any other factor, what sets a school apart is you, the principal. And the simple fact is, under our system of education there is no substitute for a strong principal, one who gives students and teachers a sense of direction, and one who helps develop through them a sense of learning for the children and learn the lessons in character that apply in and out of the classroom. Character is shaped by all of you.

And I know for you and your family and friends this is a proud day. It should be -- all those years of hard work and dedication paying off -- and you've earned all the recognition that's going

to come your way. And enjoy it, because when you get back, you know what it's going to be like. [Laughter] No, but educators from schools all over your State are going to want to know, we hope, the secret of your success. Share it with others. Each of you is a case study in what does work, and we have to learn from you in order to make all our schools better.

And what works is what matters. And you all know how deeply -- I hope you do by now -- how deeply Barbara and I both care about the quality of learning in our classrooms. And as you know -- and Larry [Cavazos] alluded to this -- I asked the Governors from each State to meet with me at that education summit for 2 days of intense discussions there in the beautiful setting, the University of Virginia in Charlottesville. And we came out of that summit in a very united way -- Democrat, Republican, liberal, conservative, whatever. We came out with a new sense of resolve, with a new consensus on what we have got to do to strengthen our schools. And the Governors and I agreed that we've got to work together to raise overall performance and cut the tangle of redtape that keeps you and your teachers from doing the best possible job.

And that does mean expanded -- I heard this over and over again when I first got to be President and began hearing it from Dr. Cavazos, but I've heard it from so many people and all of the Governors -- expanded flexibility on the State and local level, greater choice, more power in the hands of parents and their children to decide which schools and what kind of education is right for them. And I am convinced that choice can spur innovation and educational excellence. And we aren't going to tell you what works best from Washington -- that was the clearest message I got out of that conference. Just the opposite: The whole point of flexibility and choice is to see that decisions affecting our schools are made where the interest and expertise is the greatest, right there in your schools and in your communities.

And as all of you know, our schools and our communities prosper most when they join together in common cause, when one of the lessons our children learn is community consciousness, the importance of getting out of the classroom and getting involved in community service. And of course every community is a rich source of expertise and support for our schools. And that's why I'm also pleased to single out today my dear friend, one of the busiest men in America, Paul O'Neill, to announce his appointment to serve as Chairman of the President's Education Policy Advisory Committee. This Committee, the first created in my administration, includes leaders from business -- and here is Paul, head of Alcoa -- from business and labor, educators at every level, State and local officials, as well as representatives from the media.

And Paul has served in top positions in government before, and in the private sector, and he and I have been talking about this since before I became President. He is deeply concerned about helping to bring quality education to all Americans. We've discussed the work that he's doing at Alcoa to enhance the literacy of the work force, of the people that work at Alcoa. I am confident that under his dedicated leadership, this Committee will not be just one more advisory committee, but this Education Advisory Committee will provide us with an abundance of excellent advice. And I know Paul's going to leave here today with a greater appreciation of the difference that first-rate principals can make.

One final point: As a nation, we do need to give greater recognition to the role that principals and teachers play in our society. And that means greater rewards. And it means greater respect from the community; it means greater recognition of the best in the business. And that's why I've invited you today. It's an example to others. You are the best, and you know what it takes to make our schools even better.

And so, I want to thank you for setting an example for kids to admire and especially for other educators to emulate. My congratulations to every one of you. My thanks for making a difference for every single child who walks into your schools. Thank you, and God bless you all. Thank you so much for coming.

Note: The President spoke at 10:28 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Jane G. Wakukawa, principal of Kaala Elementary School in Wahiawa, HI; Anthony E. Link, principal of Maple West Elementary School in Williamsville, NY; and Sally Liechty, principal of Emma C. Moulton Elementary School in Des Moines, IA. An earthquake that registered 6.9 on the Richter scale hit the San Francisco Bay area on October 17.

Remarks and a Question-and-Answer Session With Reporters on the San Francisco Bay Area Earthquake

October 18, 1989

The President. I believe effective Federal effort under the leadership of FEMA [Federal Emergency Management Agency] -- 25, more or less, Federal agencies coordinating their work to try to help in this disaster in San Francisco. So, we got an up-to-date briefing on where things stood. But I had an opportunity to thank the men and women of FEMA and the volunteer -- there's an enormous volunteer effort that adds to and supplements the work of the professionals.

Fortuitously, they had had a drill on a disaster of this nature, an earthquake disaster, not so many weeks ago, and they've been through a lot of the procedures that are now being followed. And in a sense, if there's anything good out of a disaster of this nature, it is that the Agency was well prepared to task the component agencies to be effective. And we talked to the representative of the Governor of California, who was highly appreciative of the work that FEMA is doing.

So, I think the machinery is working. We've made very clear we want to be as responsive as possible on behalf of the Federal Government. And they're still in a sorting-out process in terms of the total damage. So, that's about where we stand.

Q. What is the extent of casualties?

Q. What are you sending?

The President. Well, right now it's people to assess damage, and then obviously we follow on with assistance to families. Part of the emergency preparation has got to be being sure that Federal hospital facilities, for example, like the Veterans Affairs Department, be ready to receive people.

And one encouraging news is that -- take that one, for example -- they are not being overwhelmed by requests to take people in right now. So, maybe we can take some encouragement in terms of the total number of injured, but we're not sure yet. That's part of the problem.

Q. Sir, will you be going to San Francisco?

Q. What is the latest on casualties?

The President. Well, we don't have a figure. They were using a figure roughly of 250. But then I think the Lieutenant Governor has indicated it might not be that high, they told me. But there's

no certainty. That's the problem. So, it's dangerous to get into making those predictions until houses have been visited, the part of the bridge that fell lifted, and then we'll have a much better idea.

Q. Are you going to San Francisco, sir?

The President. I probably will. But as I indicated earlier at the White House, it is important that this emergency machinery operate with total efficiency. And I want to be considerate of the fact that when I do go someplace it could be slightly disruptive, so I will have the timing that it will not get in the way of people that are busily doing their job right now.

Q. Will this be a better, faster -- --

Q. Will you be excusing Federal employees like you did with [Hurricane] Hugo?

The President. I don't know what the plans are for that right now out there. I think many of them are not able to get to work.

Q. What about troops on standby for any -- --

The President. They are. General Smith gave us a briefing on what the military has done. Certain Guard units have been mobilized. There's helicopter capacity available. And so, the military from the very start tied into this, Secretary Cheney instructing General Smith to give full cooperation. So, those assets are available to help.

Q. How quickly can Federal money get to the people who need it, Mr. President?

The President. The what?

Q. How quickly can the Federal money get to the homeless and people who need it immediately?

The President. Well, it can get there quite quickly. But that leads me to say we work very closely in that regard with the States. And I've been told that they are working quite effectively. Governor Sununu, in touch with them yesterday evening, just reminded me that they are doing a superb job on assessing the needs. But the Federal Government can move right in behind that.

Q. Is it going to be quicker than the response, sir -- and better -- to Hurricane Hugo this time?

The President. Well, I hope there will be less carping. I thought the response to Hugo was very good. And this gives me an opportunity -- an appropriate place -- to say that I am very grateful

to the men and women of FEMA for what they did in Hugo, whether it was on the mainland or whether it was in the Virgin Islands or Puerto Rico. But I guess you can never avoid all criticism. But FEMA then responded very promptly, and I can assure you they're responding very, very promptly now. I think they took a bad hit on that other one from some quarters. But right now, I think people are giving them full support in South Carolina, North Carolina, as well as the Virgin Islands and Puerto Rico, too.

Q. Why does FEMA still not have a Director, sir?

The President. I don't know the answer to why they don't have a Director, but they've got a very effective Acting Director and team. And that's the thing that matters, especially in a disaster of this nature.

Thank you all very much.

Note: The President spoke at 11:25 a.m. at Federal Emergency Management Agency headquarters, following a tour of the facility. In his remarks, he referred to Maj. Gen. James Smith, Director of the Directorate of Military Support at the Department of Defense. An earthquake that registered 6.9 on the Richter scale hit the San Francisco Bay area on October 17.

Remarks at the Presentation Ceremony for the National Medals of Science and Technology

October 18, 1989

Secretary Mosbacher and Secretary Sullivan, Dr. Bromley, and award-winning recipients and other distinguished scientists, ladies and gentlemen and friends: first, a welcome to the White House. And on behalf of every American, thank you for your magnificent efforts on behalf of this nation and, indeed, the whole world. It's an honor to address this singularly diverse and distinguished group of Americans and to present America's highest honor in the areas of science and technology: the National Medal of Science and the National Medal of Technology.

Three decades ago the National Medal of Science was created by Congress, and its purpose was to recognize individuals for their outstanding contributions to knowledge in the physical, biological, mathematical, or engineering sciences. And then 9 years ago the National Medal of Technology was established. Its purpose was to recognize scientists and engineers for projects that improve the well-being of the United States through the development or application of technology.

Over the past several decades these contributions and projects have helped make America a richer and better place. And new types of grain and fertilizers have spurred greater crop yields. Diagnostic technology has helped combat disease. And progress in biology and biotechnology has begun unmasking the secrets of heredity. And the work goes on through pioneers like you, for ours is a pioneering heritage, from Eli Whitney to Lee DeForest to the Salk vaccine for polio. And this year's 27 recipients of the Science and Technology Medals embody the best and brightest of that heritage, Americans inspired by the belief that the trailblazers of today will be the heroes of tomorrow.

Think just over our shoulder of just a handful of last year's recipients. Think of Edwin Land, who invented a plastic material that absorbed light of a specific polarization, or Maurice Hilleman, whose brilliant discoveries in basic research and vaccine creation are combating infectious disease, or Rosalyn Yalow, whose breakthrough diagnostic technique is helping to save thousands of lives.

And think, too, of how another of last year's recipients has been a trailblazer in the aircraft industry. Since the 1940's, Kelly Johnson has designed more than 40 aircraft, including the world's largest aircraft and highest flying jet. And he not only led their development programs but on the maiden flights was the flight test engineer himself, putting his own life on the line, if you will. Like each of you, Kelly Johnson has shown that progress often comes neither quickly nor cheaply. And it demands devotion, sometimes even danger; it knows adversity and pain. And like each of you, he knows that dreams realized make possible even bigger dreams.

So, today we celebrate dreams that you are making possible -- dreams that will keep America competitive, raise our standard of living, improve our quality of life. And your dreams presage a new, golden age of information, understanding, and technology and show how creativity comes from the human heart and mind. And so, in closing, let me first salute your achievements and your commitment. Many of you have been teachers, and some have served in the Government, and all have shown that America has no natural resource more precious than her intellectual resources. And next let me promise you that our administration will do its part. And if I fall down, I expect my able Science Advisor [D. Allan Bromley], friend to all in this room, to dust me off and push me back into the game so I don't forget.

We know that scientific knowledge must be renewed and expanded. And so, we will continue the American tradition of strong, broad-based support for the basic research and R&D in the areas of science and technology. The approach is going to be well-balanced and fair, and it includes both large science and technology projects as well as small science principal investigator funding. In large science and technology, look at the opportunities ahead: the superconducting supercollider and the human genome initiatives or space station Freedom, which will lead us toward the stars. And then the small science potential is no less dazzling. We want to stay on the path to doubling the National Science Foundation budget -- if Congress will cooperate -- and give our youth a special incentive to excel in science, math, and engineering through our new program of National Science Scholars.

So, ladies and gentlemen, these priorities constitute an investment in our own future, strengthening the education which is crucial to that future. This investment in education is vital if America is to remain the leader in a very, very competitive world, both intellectually and commercially, and if science and technology are to uplift this generation, as you already have. You've done that. You've displayed your own contribution in a brilliant way. You've inspired generations to come, as you must. For you are, in essence, our true pioneers, dreaming the dreams that enhance our energy and health, medicine, and productivity, national security, and education.

Again, my heartfelt congratulations on behalf of each and every citizen to you for your contributions. And now it is my great pleasure to introduce the Secretary of Commerce, Bob Mosbacher, and my Assistant for Science and Technology, Dr. Allan Bromley, who will describe your achievements. I like my end of the bargain somehow: I get to present you with America's highest technological and scientific award, and I also get to shake your hands. So, thank you very much, and thank you for your magnificent contribution not just to our country but to the people around the world.

Note: The President spoke at 2:09 p.m. in the East Room at the White House.

Nomination of Bradley Paul Holmes To Be Coordinator for International Communications and Information Policy at the Department of State

October 18, 1989

The President today announced his intention to nominate Bradley Paul Holmes to be Coordinator for International Communications and Information Policy at the Department of State, with the rank of Ambassador. He would succeed Sonia Landau.

Since 1986 Mr. Holmes has served as chief of the policy and rules division in the mass media bureau at the Federal Communications Commission in Washington, DC. Prior to this, he served as legal adviser for Commissioner Dennis R. Patrick at the Federal Communications Commission in Washington, DC, 1984 - 1986; associate with the law firm of Scadden, Arps, Slate, Meagher and Flom in New York, 1981 - 1984; law clerk for the Honorable Mary Johnson Lowe, U.S. District Judge for the Southern District of New York, 1979 - 1981; and an associate with Windels, Marx, Davies and Ives in New York, 1978 - 1979.

Mr. Holmes graduated from Dartmouth College (B.A., 1975) and Georgetown University Law Center (J.D., 1978). He was born September 14, 1953, in Boston, MA. Mr. Holmes resides in Falls Church, VA.

Remarks on Receiving the Report of the Vice President and Secretary of Transportation Samuel K. Skinner on the Earthquake Damage in the San Francisco Bay Area

October 19, 1989

The President. Last night I talked to Governor Deukmejian, who'd just gotten back and seemed to express appreciation for the all-out Federal effort. Of course, I'd like to take this opportunity to say that our hearts certainly go out to the victims of this disaster. And I will be going out there tomorrow to take a look, to provide encouragement to people.

Thank God for the volunteers. You talk about a Thousand Points of Light, but I'm told by the Vice President -- I expect you agree, Sam -- that the Red Cross and other volunteer agencies are responding with not only alacrity but with this concern for their neighbors that just exemplifies the best in the volunteer concept.

And so, I'm delighted to get your report, and I very much appreciate both of you going out there. I think it did signal very much of a concern on the part of the Federal Government. But we will stay on top of it; we will be in touch with the State officials, who in turn are dealing with the local officials there.

And I am confident -- I'll tell you one of the good -- that we're doing what we should do. One of the things that came up, and maybe you all heard it, is that they had had a major FEMA [Federal Emergency Management Agency] exercise and that several -- I think you told me, Dan -- several of the municipalities and communities that had exercises in anticipation, not of this disaster but of general earthquake problems. So, there was a preparation here that I think is very, very sound.

The Vice President. Voluntarism and preparation are the two important lessons.

Note: The President spoke at 9:03 a.m. in the Oval Office at the White House. An earthquake that registered 6.9 on the Richter scale hit the San Francisco Bay area on October 17.

Remarks to Members of the Natural Gas Supply Association

October 19, 1989

I want to salute my collaborators in our administration, Jim Watkins and Bill Reilly and Boyden Gray -- well-known to everybody here, I am sure -- and of course our own leaders of the association, Jim and Nick. And I see many suspects lined up, mostly on the front row here. [Laughter] I'm glad to see all of you, and welcome.

Years ago, this industry -- I was going to say ``yours,'' but as one who had a tiny interest in gas wells years ago, ``ours,'' -- added an agent to natural gas that gave it a characteristic scent. And that was so that if there ever was a leak in someone's house, they'd have a better chance of detecting the leak. It doesn't work that way in the White House -- [laughter] -- so I would ask for your technological assistance.

About a year ago -- over a year ago -- I spoke to a group at Midland. And I said that I was proud that our administration had decontrolled oil prices, but that we hadn't yet been able to prevail in Congress to decontrol natural gas. Well, you know what happened. And everybody here were movers and shakers in seeing that the Congress took that long-overdue action, and the wisdom of the marketplace prevailed. After decades, literally, of some very shrill disagreements, we were able to eliminate an entire system of artificial price controls for one of America's cleanest energy sources. And that was this administration's first major energy initiative, and in my view, it was a very good one -- good for developing domestic energy resources that are absolutely essential to our national security.

I hope that I'll be a President that can move world peace forward; I feel very strongly about it. But I'm going to keep my eyes open. I don't like the ever-increasing dependency on foreign sources of energy; I don't think it is good. And I know our Secretary, who is taking a comprehensive look at a national energy policy, agrees that we've got to become less dependent. And that means not only more hydrocarbons but it also means a safe, sound use of other energy sources. I salute Jim for his persevering in the face of a lot of criticism in terms of the nuclear field, for example. We need multisources.

And certainly we are not going to turn our back on natural gas, which has such enormous promise for the future. I say that the initiative was a good one because I think it was good for, as I mentioned, developing domestic sources. It was good for consumers who were going to enjoy reliable energy at reasonable prices over the longer run. It was good for Bill Reilly's pet rock, which is the environment, and he and Boyden have worked very closely on this with the Secretary. And it is very good for that because it can only benefit from the broader use of clean-burning natural gas.

Some of you were there in the East Room when we signed the legislation decontrolling natural gas -- the Natural Gas Wellhead Decontrol Act. But again, I see others that might not have been there. And I just want to thank all of you for your efforts on it, because I think by what we did -- and I use that term purposely here -- was to build diversity, flexibility, economy, and security into the energy picture.

Natural gas is going to be -- I see no way that it can continue to be anything other than vital to our domestic energy security. With growing difficulties in oil and gas leasing and difficulties in siting nuclear plants, we're going to depend more than ever, as I say, on balanced energy sources. In addition to decontrolling it -- the wellhead -- it's also going to demand that we pave the way for a broader use of natural gas, and I expect you'll be hearing about that in a minute.

As you know, I sent a bill to rewrite our Federal Clean Air Act to Capitol Hill. And I want to be sure everybody here understands it, because I understand that there's some controversy about that. But today there is some good news: The bill has been reported out of subcommittee relatively intact. And that's the first time the subcommittee has produced a bill in several years. It's good news for clean-burning fuels, and it's good news for cleaner air.

Even those who may be off in a different branch of the hydrocarbon business -- we need their support in getting behind an idea which whose time has come, and that is clean air for our most heavily impacted cities. We've got to work together -- not just with the natural gas but with the oil sections of our hydrocarbon business -- to clean up our environment. We set a tough standard for air pollution in this bill, and we don't care which fuel can meet it as long as it's met. We support harnessing the power of the marketplace in the service of the environment.

So, I want to thank you and Bill Reilly and his EPA staff for all the hard work that you've done so far. And now let's double our efforts and try to get a bill as soon as possible so the American people can start the nineties as the ``clean air decade."

You know, I think in the political arena for too long environmental matters were seen as the property of one political philosophy, or one political party, maybe. And that isn't the way it ought to be. It transcends political ideology, and it transcends political party -- the need to protect our environment. So, here we go on a specific, and I'd love to have your support as we push to make the nineties the ``clean air decade."

No question that your industry is going to be in the forefront, a vital part of this picture -- not, obviously, as the sole solution, as I've said, but as a part of this comprehensive strategy. I always think of the natural gas business as future-oriented. You understand that we can't wait for the next energy crisis and that a secure future demands that we plan now. And that's why Jim is engaged in this coming up with a comprehensive national energy strategy for the Nation. For that to succeed, it's obviously going to have to be bipartisan. There's no question about it; it is going to have to be. I guess that responsibility falls on the four of us and others in our

administration to see that we conduct ourselves in a manner that attracts broad support.

In the coming months, we're going to need your guidance, and we're going to need your thoughts on all of this. We do not claim to have all the answers. We've got a general direction in mind, which as I say will encourage in every way possible the use of clean-burning fuels, but we need your help and guidance.

With gas prices set by market forces and new technologies offering new uses for this fuel, natural gas is on the verge of reaching its fullest potential as an economic, clean, efficient source of energy. So, I came over here to thank you very much for the way in which you've worked with us. I have not detected a change in your frankness -- [laughter] -- something that I've learned from in all my political life and hopefully was a part of when I was in the drilling business, a modest factor in the producing business. Oil and gas people are known for their forthright way of expressing themselves, and I haven't seen that change any, nor do I suggest that it change. But we need your help, and we need your advice.

And I am absolutely determined that when I leave office I'm going to leave it with a strong energy base so we're less dependent on foreign sources. And I'm equally determined that when I leave office I'm going to at least be able to say that, working with others, we have done something to contribute to our precious environment. And the two objectives need not be contradictory. So, to achieve these two ends, I look forward to working with you, and I'm grateful for what you have already done.

And now I will get out of the way and let you hear from the experts. Thank you very, very much.

Note: The President spoke at 10:10 a.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Secretary of Energy James D. Watkins; William K. Reilly, Administrator of the Environmental Protection Agency; C. Boyden Gray, Counsel to the President; James A. Middleton and Nicholas J. Bush, chairman and president of the Natural Gas Supply Association, respectively.

Remarks Following Discussions With Prime Minister Felipe Gonzalez Marquez of Spain

October 19, 1989

The President. It is a pleasure to have Prime Minister Gonzalez and the Spanish delegation as our guests in the United States. Our discussions at the NATO summit in May were an excellent start to a dialog that we've continued in Washington. As before, our talks have been friendly; they have been constructive and another sign that our bilateral relations, our partnership, if you will, is healthy and growing stronger.

We discussed extensively the ways in which the West can best support the historic reforms transforming Eastern Europe, especially in Poland and Hungary, and our hope that these reforms will lead to a Europe whole and free. I informed Prime Minister Gonzalez of the steps that the United States has taken to support this economic reform and democratic change in Poland and Hungary. And I told him about my request that Congress approve $200 million in economic stabilization grants to assist Poland in implementing its bold, new reform program -- the U.S. contribution to Poland's $1 billion request. And I hope that all of the major industrialized democracies will also contribute to this request. I also explained that the United States will soon be extending the most-favored-nation status to Hungary on a continuing basis, making it the first Eastern European nation to ever receive such treatment. This will strongly encourage trade and investment in Hungary.

Prime Minister Gonzalez and I agreed that the futures of Poland and Hungary depend on sustained Western action, coordinated with the IMF and the World Bank as part of a long-term economic recovery program. We discussed the important progress made by the 24-nation Group for Economic Assistance to Poland and Hungary, which has already met three times under the chairmanship of the EC [European Communities] Commission and has encouraged the commitment of hundreds of millions of dollars in new assistance to both countries. We also agreed that Spain's successful transition to this strong and flourishing democracy makes it a powerful model for Eastern European countries now attempting similar transformations.

We also reviewed ways in which we can help sustain the growth of democracy in Latin America, an area of traditional concern to both our nations, an area where our distinguished guest today has enormous respect.

And we exchanged views on the serious international challenge the drug menace presents to consumer and producer nations alike. And we agreed on the need to give President Barco and the brave people of Colombia our full backing in their struggle against the narco terrorists.

Our talks also included progress in arms control negotiations, while underscoring the need to

keep our mutual NATO defenses strong.

Throughout our discussions, there was a shared belief that Spain is emerging with a new vitality not just in Europe but in the entire world scene. In supporting democratic change in Eastern Europe, Latin America, and elsewhere, I am convinced that Spain can play a unique role, for Spain provides that world with a very special example.

Prime Minister Gonzalez, you have said that your nation is both a very old country and a very young country, an authoritarian government reborn as a constitutional democracy, a sheltered state-dominated economy now reoriented to the market and prospering. So it's no exaggeration to say that Spain today is living a renaissance of liberty, prosperity, and culture. And it now seems that the role of Spain as the mother of so many nations provides a model of political and economic reform, a move away from the dead hand of state control toward greater freedom and opportunity and advancement.

Mr. Prime Minister, I commend you for your idealism, and I value your partnership. So, thank you for your visit to these shores. I hope the rest of your visit goes well and that you have a very safe visit back to Spain.

Welcome, hail, and farewell.

The Prime Minister. I would like to begin by expressing my great sorrow for the recent events in California and express the solidarity that Spain feels for the people who suffered there.

First of all, I should like to thank President Bush for his kind words and for the welcome and hospitality that has been extended to me and the Spanish delegation.

We have had an opportunity to hold talks which I consider to have been very productive. And I'm sure that my meetings during the next few hours will be equally fruitful. We have discussed matters of common interest, both of an international nature and in the bilateral level. I'm pleased to say, as President Bush has also mentioned, that there has been wide agreement between us regarding the favorable progress of events since 1983, when I last made an official visit to Washington.

When reviewing the international situation, we agreed that the prospects today are encouraging. We talked about the progress of events in central and Eastern Europe with realism and hope. We also underlined the importance of making the greatest possible effort in disarmament and arms control talks, which are currently being held in different fora. We reviewed the milestone of 1992 from two points of view -- a special relevance for the relations between our two countries -- the completion of the European single market and the commemoration of the quincentenary of the discovery of America, with all that this implies for relationships between both sides of the Atlantic in the political, cultural, scientific, and technical fields. Regional conflicts have also

been very present in our talks, especially those of the Middle East and Central America and in general, Latin America's prospects for advancement in democracy and economic development while facing problems such as the external debt and drug traffic.

Insofar as bilateral relations are concerned, we have confirmed their excellent state as well as our mutual wish to enhance and further strengthen them. We have also been able to confirm that we are now undoubtedly in a new stage in the dialog, in cooperation between Spain and the United States.

I should like to conclude by telling you that I've conveyed an invitation from His Majesty the King to President Bush to make an official state visit to Spain. And, please, don't lose that opportunity to visit us, Mr. President.

The President. Thank you. Thank all of you. Well, shall we wander on out here?

Note: The President spoke at 12:24 p.m. in the East Room at the White House. The Prime Minister spoke in Spanish, and his remarks were translated by an interpreter. Earlier, the President and the Prime Minister met privately in the Oval Office and with Spanish and U.S. officials in the Cabinet Room.

Statement by Press Secretary Fitzwater on Political Reform in Hungary

October 19, 1989

Yesterday the Hungarian Parliament passed a series of constitutional amendments that mark a further dramatic step toward democratic change. These amendments provide for free and open elections and guarantee the freedoms of speech, assembly, and worship enshrined in our own Bill of Rights. Indeed, Hungarian legislators and scholars visited the United States several times to study the American Constitution and Bill of Rights, which they saw as models for their own constitution.

These changes signify an historic break from the one-party state toward multiparty democracy, symbolized by the alteration of the country's official name from the Hungarian People's Republic to the Republic of Hungary. The United States welcomes these new steps, undertaken peacefully and through parliamentary means, and we take pride in the fact that in this bicentennial year of the Bill of Rights, that living document has helped inspire democracy in Hungary. We are inspired that the idea of freedom is putting down new roots in Eastern Europe and pledge our continued strong support for this historic process.

Message to the Congress Reporting on the Economic Sanctions Against Panama

October 19, 1989

To the Congress of the United States:

1. I hereby report to the Congress on developments since the last Presidential report of April 6, 1989, concerning the national emergency with respect to Panama that was declared in Executive Order No. 12635 of April 8, 1988. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

2. Since the last report of April 6, 1989, there has been one amendment to the Panamanian Transactions Regulations, 31 C.F.R. Part 565 (the ``Regulations''), administered by the Office of Foreign Assets Control (``FAC'') of the Department of the Treasury. On August 31, 1989, FAC added Appendix B to the Regulations, which comprises a list of persons identified with and acting on behalf of the Noriega regime in Panama. No funds or other assets or credits may be transferred to the Noriega regime from the United States or from U.S. persons and their controlled Panamanian entities in Panama. The Panamanian officials named in Appendix B are also subject to this prohibition.

With this report, I am enclosing a copy of the amendment to the Regulations, 54 Fed. Reg. 36272 (Aug. 31, 1989).

3. FAC has issued 34 licenses pursuant to section 565.509 of the Regulations, enabling U.S. persons and Panamanian juridical entities controlled by U.S. persons that owe funds to the Government of Panama to credit the funds (with appropriate interest) to a blocked reserve account on their books, or to deposit the funds in a blocked account with a commercial bank. This procedure serves as an alternative to payment of the amounts owed into a blocked account at the Federal Reserve Bank of New York. As of September 20, 1989, the licensed reserve accounts had been credited with $126.3 million in funds denied to the Noriega regime.

4. FAC continues to monitor compliance with the Regulations and to advise affected parties of their obligations under the program. Denial of cash to the Noriega regime and its supporters through strict compliance with the sanctions program by all U.S. persons is the primary objective of the FAC enforcement effort. Several significant enforcement actions have taken place since the last report:

On March 27, 1989, FAC issued a blocking order instructing a U.S. bank to freeze the account of an organization in Houston that had performed unauthorized inspections of Panamanian-flag

vessels in the United States and other consular transactions on behalf of the Noriega regime. All fees generated by these activities were determined to contain an interest of the Government of Panama (``GOP''). The Regulations block all property or interests in property of the GOP located in the United States and prohibit all transfers with respect to that property.

In June 1989, an FAC audit of the lock-box arrangement handled for the GOP by a U.S. bank revealed that a number of foreign U.S. dollar items deposited with the bank remained uncollected despite due presentment of the obligations to the correspondent banks in Panama. These intended payments by U.S. companies had never reached GOP Account No. 2 at the Federal Reserve Bank of New York. By August 1989, as the result of FAC compliance efforts, one U.S. firm and its Panamanian affiliate had made replacement payments of $303,000 into Account No. 2; a second U.S. firm and its Panamanian subsidiaries requested and received a Treasury license to open a blocked reserve account for amounts owing; and a third U.S. company agreed to transfer fresh funds to Account No. 2 to cover its outstanding obligations to the GOP.

On June 28, 1989, the U.S. Customs Service in Miami seized a U.S.-origin helicopter blade valued at $30,000 for an attempted exportation to a consignee in Panama who intended to provide the equipment to the Panamanian Defense Forces. The merchandise was seized for a violation of the Regulations as an attempted unlicensed transfer of property in which a GOP interest existed.

In August 1989, an FAC investigation revealed that the New York office of the Directorate of Consular and Maritime Affairs of Panama had engaged in vessel inspections and other unauthorized consular functions on behalf of the Noriega regime. On August 10, 1989, FAC took action that resulted in the blocking of $373,915 held in three accounts of the Directorate at a U.S. bank as property in which there was a GOP interest.

On August 29, 1989, following further investigation, FAC issued another blocking order to a second U.S. bank and initiated other measures resulting in the freezing of seven organizational accounts of the Directorate of Consular and Maritime Affairs of Panama and several individual accounts containing over $140,000 in which a GOP interest existed. Additionally, FAC notified the Directorate that all tangible assets of the office were considered blocked under the Regulations. Further actions were taken to close the Directorate's office in New York.

On August 31, 1989, FAC published a notice in the Federal Register that listed the names and agencies of 26 ministry-level officials, 17 members of the Strategic Military Council, and 114 senior officials of autonomous agencies of the Noriega regime. Review of these names in consultation with the Department of State had resulted in a determination that the listed individuals act or purport to act on behalf of the regime. Financial transfers to these regime officials from the United States and from U.S. persons and their controlled Panamanian entities in Panama are prohibited.

On September 1, 1989, I announced that, as a consequence of General Noriega's actions to prevent the candidates chosen by the Panamanian people to take office, Panama was as of that date without any legitimate government, and the United States would not recognize any government installed by Noriega. Our Ambassador will not return, and we will not have any diplomatic contact with the Noriega regime. The United States will continue to take other steps, including the tightening of measures to deprive the illegal regime of funds that belong to the Panamanian people, in support of self-determination and democracy, and to counter the threat posed by General Noriega's support for drug trafficking and other forms of subversion.

On September 11, 1989, FAC sent out over 150 letters notifying U.S. businesses in Panama of my September 1 statement announcing the decision to enforce more strictly the prohibitions of the Regulations against the flow of hard currency to the Noriega regime. The letter restated certain requirements of the Regulations, emphasized that U.S. businesses must cease all prohibited payment practices, and warned of potential enforcement actions for violations.

On September 20, 1989, FAC published a notice in the Federal Register listing the names of a prominent Panamanian politician and 13 commercial firms located in Panama that the Noriega regime allows to conduct transactions for or on behalf of Cuba. These 14 names were added to a list of 117 names of Cuban front companies known to be operating in Panama. Any person subject to the jurisdiction of the United States is prohibited from engaging, directly or indirectly, in any transactions involving any property in which there exists an interest of Cuba. The listing of these names as Specially Designated Nationals of Cuba in Panama has the effect of transferring the full force of the U.S. trade embargo against Cuba to the designated persons and firms, and underscores U.S. resolve to counter Cuban commercial activities in Panama that channel funds to the Noriega regime.

On September 22, 1989, FAC sent letters to U.S. companies believed to be in violation of the Regulations, ordering them to cease and desist from the proscribed activities and to bring themselves into full compliance with the sanctions program. U.S. persons who violate the prohibitions on payments to the Noriega regime and its officials are subject to corporate criminal fines of up to $500,000 per count, individual criminal fines of up to $250,000 per count, and imprisonment of willful individual violators for up to 12 years. In addition, FAC may impose administrative civil penalties of up to $10,000 per violation.

To date, FAC enforcement and compliance efforts have denied over $325.8 million to the Noriega regime. As of September 19, 1989, the Federal Reserve Bank of New York held $8.6 million in GOP Account No. 2 and $161.4 million in GOP Account No. 3. The funds contained in GOP Account No. 1, consisting of blocked Panamanian government assets located in the United States on April 8, 1988, have been exhausted to pay expenses of the Panamanian embassy and consulates in the United States until their closure on August 31, 1989, when President Delvalle's term expired. Blocked GOP deposits at 11 domestic banks accounted for $29.2 million denied to Noriega. Blocked tangible property of the GOP on August 28, 1989,

totaled $213,000.00. A total of $54.7 million had been paid into blocked reserve accounts, while blocked reserve account licenses issued by FAC to 34 U.S. firms accounted for another $71.7 million in blocked liabilities to the GOP.

5. The objective of Administration policy remains support for a return to civilian constitutional rule and the development of an apolitical military establishment in Panama. In furtherance of our policy, the Administration has imposed economic sanctions against the Noriega regime. Our judgment remains that the root cause of the current crisis is the fact that the Panamanian people have lost confidence in a political system widely perceived as corrupt, repressive, and inept. A genuine Panamanian resolution of the political crisis is necessary to restore confidence in the Panamanian economy, a precondition to the return of economic stability and growth in Panama. Accordingly, our efforts have been directed at supporting Panamanian efforts to resolve the underlying political crisis as rapidly as possible.

6. The expenses incurred by the Federal Government in the 6-month period from April 6, 1989, through September 20, 1989, which are directly attributable to the exercise of powers and authorities conferred by the declaration of the Panamanian national emergency are estimated at $374,500, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Federal Reserve Board, the National Security Council, and the Department of Defense.

7. The policies and actions of the Noriega regime in Panama continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Panama as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

George Bush

The White House,

October 19, 1989.

Continuation of David M.L. Lindahl as Director of the Office of Alcohol Fuels at the Department of Energy

October 19, 1989

The President today announced that David M.L. Lindahl will continue to serve as Director of the Office of Alcohol Fuels at the Department of Energy.

Since 1985 Mr. Lindahl has served as the Director of the Office of Alcohol Fuels at the Department of Energy, and has served as a Federal representative at the National Advisory Council for Environmental Technology Transfer at the Environmental Protection Agency, 1988 - present. Prior to this, Mr. Lindahl was a specialist in energy policy at the Congressional Research Service at the Library of Congress, 1972 - 1985, and a Federal representative for the National Petroleum Council, 1978 - 1980.

Mr. Lindahl graduated from Indiana University (B.S., 1967) and Western Michigan University (M.A., 1968). He was born August 6, 1944, in Fort Wayne, IN. He is married, has two children, and currently resides in Fairfax Station, VA.

Nomination of Donald E. Kirkendall To Be Inspector General of the Department of the Treasury

October 19, 1989

The President today announced his intention to nominate Donald E. Kirkendall to be Inspector General at the Department of the Treasury. This is a new position.

Since 1988 Mr. Kirkendall has served as a senior adviser with the Financial Management Association of Government Accountants in Alexandria, VA. Prior to this he served as Deputy Inspector General at the Environmental Protection Agency, 1983 - 1988. In addition, he served in various positions at the Department of Housing and Urban Development, including Assistant Inspector General for Audit, 1981 - 1983, and management positions, 1974 - 1981. Mr. Kirkendall served in various auditor positions at the U.S. Air Force Audit Agency, 1963 - 1974.

Mr. Kirkendall graduated from Wright State University (B.S., 1972) and American University (M.P.A., 1981). He was born May 20, 1939, in Continental, OH. Mr. Kirkendall served in the U.S. Air Force, 1959 - 1966. He is married, has one child, and resides in Silver Spring, MD.

Message to the Congress Transmitting an Alternative Sequester Report for the Department of Defense for Fiscal Year 1990

October 19, 1989

To the Congress of the United States:

In accordance with section 252(c)(2)(C)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, I hereby transmit an alternative sequester report for the Department of Defense, as recommended by the Secretary of Defense, for Fiscal Year 1990, together with a proposed joint resolution that provides for adoption of the report.

George Bush

The White House,

October 19, 1989.

Exchange With Reporters During a Tour of the Earthquake Damage in Oakland, California

October 20, 1989

Q. Mr. President, what's your impression?

The President. Well, I'm deeply moved by this, deeply moved by it -- sad in some ways, and yet very stimulated by the team effort. You heard from the Congressmen, from the Governor, from Senator Wilson, from the mayor. And then you start talking to the local officials, the police officials and the sheriff's department, and the Red Cross. God bless the volunteers and our military. I'm very proud just of what I'm told by the officials -- the military just pitching in and doing.

And so, you have feelings of contradiction: one of great sadness and one of genuine appreciation for the way this community is pulling together -- this area of the State and, I'd say, the country. I think you've got a lot of people out there rooting for you. You've got a lot of them rooting for you. We'll see what we can do to be a part of the answer.

Note: The President spoke at 11:51 a.m. near Interstate 880, which was damaged by an earthquake that hit the San Francisco Bay area on October 17. Representatives Ronald V. Dellums, Tom Lantos, and George Miller; Gov. George Deukmejian; Lt. Gov. Leo McCarthy; San Francisco Mayor Art Agnos; Alameda Mayor Chuck Corica; Oakland Mayor Lionel J. Wilson; and State Assembly Speaker Willie Brown, Jr., accompanied the President. A tape was not available for verification of the contents of the remarks. Following his remarks, the President traveled to Santa Cruz, CA.

Exchange With Reporters During a Tour of the Earthquake Damage in Santa Cruz, California

October 20, 1989

Q. Can you tell us a little bit about what you think you're able to do? We know you've heard a lot about money today. You've heard billions -- different figures. Give us some sense of what you can do.

The President. Well, I think that FEMA [Federal Emergency Management Agency] will move very rapidly. I asked them to work closely with the local authorities -- the Governor [George Deukmejian] on to the mayors -- to get a figure. But in the meantime, the main thing is that there not be a lull.

I've been very pleased with what I'm told is extraordinary cooperation. And it's not just the Federal role cooperating -- it's the State; it's the county; it's the volunteers. God bless those volunteers -- when you hear that there's an enormous Red Cross effort in this relatively small community, just an outpouring.

I'll tell you one very touching thing was that this town, this community, spent $18,000 just in volunteer contributions to South Carolina just a handful of weeks ago. And here they are stricken. And I hope that the American people will respond with exactly the same compassion that this community showed to a State all the way across the country.

And so, for me, the lessons are manifold. I guess the most emotional thing was talking to the father -- well, first to the doctors and then to the father of the little boy whose life was saved on the crushed freeway when the doctors went in and had to amputate his leg to get him out to the hospital. And I talked to the dad and talked to the doctor. And so, there's this human dimension that's brought home much more clearly by coming here.

But in terms of what it will cost, I don't know. But the Federal Government will work with these other entities -- the government entities, private entities -- to see that the suffering is alleviated and restoration begins. And I'm confident that that will happen. I was talking to Senator Wilson and Governor Deukmejian coming over here, and they feel that FEMA is moving and moving promptly. I haven't had a chance to ask the mayor [Mardi Wormhoudt] about it in this community, but we've got to get these disaster centers open and take the claims, reduce the bureaucratic redtape that sometimes goes with them. And I'm confident we can do that, but I can't give you a total figure.

Q. Democrats are prepared to introduce legislation on Monday calling for $2\1/2\ billion in immediate assistance to this area.

The President. I don't think it's a partisan thing. I don't know whether -- any people who are introducing legislation as Democrats. Somebody may have an assessment of what they think it will cost, but I'm willing to take a look at it and see. The Federal Government will respond, is what I'm saying. But I don't look at anybody making an effort at this juncture on a disaster of this magnitude as a partisan thing.

Q. Congressman Mineta says he thinks it will take $5 billion or $6 billion in Federal money.

The President. He'd have a good insight. We'll just have to wait and see.

Q. Are you willing to go above the Gramm-Rudman limits if -- --

The President. I'm willing to do what's needed to be done. But it's going to take a lot of hard -- look, what I don't want to do is start making estimates when the Federal Government doesn't have the information from which to make those estimates. But a man's on the spot, like Norm Mineta, and a great concern -- be very interested to see how he reaches that figure.

Q. You're calling for private people to send in contributions like they did to Hurricane Hugo. It sounds like maybe there's a ceiling on just how much the Government could do, and you'd like to -- --

The President. No, there's no ceiling on the compassion of the American people. And that's the point. And when you look at private efforts just in what we've seen today, you can't put a price tag on that kind of caring.

But I'll say this, that if it weren't for the Points of Light, for these volunteers, the bill to some level of government would be way, way, way higher than it is today. Because neighbor helps neighbor; friend helps friend; people reaching across and tries to lift up those that are hurt -- I don't know how you put a price tag on it, but that is the American way. And it's been that way, and it always will be that way. And so, I would take this opportunity to encourage people to support the Red Cross or the Salvation Army effort that we saw up in the bay area. And there's no way you can put a price tag on it. It comes from the heart.

Any others?

Q. Congressman Mineta, have you been able to put a pricetag on it?

Representative Mineta. It's very tough to do right now. We have teams out that are beginning to estimate the damage, and I've got to tell you the damage figures are going up almost hourly. We started off around here at $350 million; now we're close to $800 million in damages in this area alone. So, I suspect that we're going to be just in excess of a billion dollars in damage right here.

I think the President's right: We've really got to get an accurate assessment of what these damages are before we put a number.

Q. Is the money out there?

Representative Mineta. Well, as we all know on the budget, we fight for the money wherever we can try to find it. But when it comes to this kind of emergency, we're going to find it.

The President. The State is doing a superb job. The Governor -- give the man credit and his people he works with. I mean, they have reserve funds, and now they're prepared to go try to get more. So, it isn't simply the Federal Government. And without committing the mayor, I expect she'll do her best.

Thank you all.

Note: The President spoke at 12:25 p.m. as he toured the Pacific Valley Mall, which was damaged by an earthquake that hit the San Francisco Bay area on October 17. A tape was not available for verification of the contents of the remarks. Following his remarks, the President traveled to San Jose, CA.

Remarks and a Question-and-Answer Session With Reporters Following a Tour of the Earthquake Damage in the San Francisco Bay Area

October 20, 1989

The President. Let me just say that it's been a very moving experience touring these devastated areas. And first, I'd like to ask the Governor of the State to say a word, and then our Senator, Pete Wilson, a brief comment by our Secretary of Transportation. The FEMA [Federal Emergency Management Agency] leader, Mr. Grant Peterson, is with us, too, to take your questions. And then I'll just have a comment at the end.

Governor Deukmejian. Well, from the very beginning, all of the governmental agencies have been working very cooperatively together. And they have met the immediate emergency response needs. And we are just delighted that the President not only has sent Secretary of Transportation Samuel Skinner out here earlier in the week but now that he, as the President, has come here himself today.

And on behalf of all of the people in California, on behalf of all of the local government officials, as well as the people who have been working night and day to be of assistance, we want to express our deep appreciation to you, Mr. President, for coming out here to take a firsthand look and for your pledge of all-out support by the Federal agencies as we go forward now and try to get people's lives back to some semblance of normalcy.

Senator Wilson. Mr. President, we are enormously grateful to you for taking the time and making the effort to come out and personally visit and see the site of the tragic, tragic earthquake and to make clear the compassion that you have demonstrated to these crowds this morning. I think their reaction to you indicates their gratitude and speaks volumes. We are very grateful for the fact that you have pledged your support. The cooperation has been extraordinary. And as you have learned yourself firsthand today by visiting with the rescue workers, volunteers as well as the professionals from both State and local governments, these are people of whom we are very proud.

This is a tragedy, but it has brought out the very best -- the people of California -- especially those here in the bay area. And we are very grateful that you could take time to come, sir, and see it yourself.

The President. I've asked Congressman Norm Mineta, who has been asked by the Speaker to coordinate matters for this large California delegation and the interests of that delegation, to say a word here.

Congressman?

Representative Mineta. Thank you very much, Mr. President. We are really gratified that you have taken the time to be here. Despite the human tragedy that you have been able to see and experience on this visit, we know that in terms of the long-term aspects the transportation disaster is going to be one that's going to have to be overcome. The fact that you have recognized that and sent Secretary Skinner out here to see this, so that we might be able to make those kinds of preparations to get everything back into order, is something that we are heartened by. And from my perspective as chairman of the committee that deals with highways and bridges and mass transit, Mr. President, I pledge you my support in terms of cooperation in order to get the job done.

Thank you very much.

The President. Well, I'd be glad to take some questions. But I will simply repeat that this matter is of national concern. I want to be sure to properly salute those volunteer agencies and those individuals that are giving of themselves just because they care, they love somebody. And that made an impression on me today, seeing those Red Cross workers. At the last stop, there were five paid Red Cross workers and, I think they said, 1,000 volunteers -- or maybe it was 100 -- but in any event, just manyfold people working and helping out.

The most touching moment -- I was asked about that at the last stop -- when this doctor, this marvelously heroic doctor, and his associate told me of pulling a kid out and having to amputate his leg to get him out of this crushed car. And then I had the opportunity to talk to the dad who was at the bedside of this 6-year-old boy. And I had a chance to tell him that the American people were rooting for him, to tell his dad that we all care. And there's 1,000 of those kinds of incidents, I'm sure, that I'm not even aware of.

But it's been a very moving day, and we do want to help.

Q. Mr. President, now that you've seen the devastation, is this the kind of a cause that's worth American taxpayers or California taxpayers to pay more taxes for to fix?

The President. We're going to do what is necessary to fix it. And I've talked to the Governor about that and about whether he would have to raise additional revenues. But the Federal Government, working with these others, has a responsibility. And so, we will do what is necessary to fulfill our Federal responsibilities, just as I expect the State will, the local government, and the volunteer efforts as well.

Q. Speaker Foley, sir, puts that Federal responsibility at $2\1/2\ billion, he said, at a minimum. Will you support that appropriation?

The President. I need to know what it is. I'm interested in talking to him about how he reached the figure. I was just talking to Congressman Panetta, who is one of the Congressmen from the area. He said it's very difficult for him to even give me an estimate. But I don't think we know the answer to the question -- what the amount is going to be. But I have great respect for the Speaker, and I'm sure he had some scientific way of arriving at that. But what I've learned is that the figures just keep piling up, so we don't yet know the answer.

Q. Mr. President, how long do you think it will be before the Federal Government will be able to put a fairly firm estimate on how much money they'll need to provide?

The President. It's not a Federal Government estimate. It has to be from all areas. It has to come in from these communities. They can't begin to tell you in these local areas what it's going to take on the freeways -- or how many lives were lost there even, yet. So, we don't know yet. So, I don't know -- either of you can help on the timing on when we might have a total estimate?

Secretary Skinner. Well, the President has directed that we put this at a top priority. Everybody is working virtually day and night. We'll be working with the House and the Senate, and the Senate scheduled a hearing on Monday. But some of the things we can identify, and as the President indicated, some of them we just have to work further on -- the numbers. But we are making emergency monies available right now for these next few days, and then we're going to move just as fast as we can. That's the boss's order.

Q. Mr. President, didn't the mayors whom you met with each tell you that it's going to cost at least, minimum, $1 billion in each various city -- for a minimum of $3 billion -- in your briefing this morning?

The President. No, they didn't tell me that, but they're right here. We can ask them what they think if you'd like to. And when I leave, ask the question. But I don't think that was covered on the briefing. I think they're all recognizing that their figures are a little soft at this point. But I don't recall each one saying the figure's $1 billion; they didn't.

Q. Mr. President, have you accepted Secretary Skinner's offer to be in charge of the relief efforts?

The President. He didn't make such an offer, but I'm thinking of tapping him for such an effort. He's a good man and cares a lot. The Transportation Department has major responsibilities. So, when I get back I'll make that decision. One of the mayors, and I think the Governor, felt that it would be very useful to have a -- I was going to say a czar -- but somebody who would be the single point man, you might say, to pull all the resources of the Government together.

Having said that, I have great confidence in FEMA, and I was very, very pleased with the initial response to the FEMA action and at the way FEMA has responded. And I'm proud to say that

and to speak up for the volunteers and professionals at FEMA. They are doing a very good job. But it might well be that we'll want a Cabinet officer to be the total coordinator.

Q. Mr. President, where would these billions of dollars come from, given the budget deficit problems?

The President. We'll have to wrestle with that, won't we, when we get into the budgeting process.

Q. Mr. President, you said no redtape. Will you have a legislative package that will propose doing away with redtape to a greater extent than now? What else can you do?

The President. No, there won't be such a package. There will be just an ongoing effort to do away with redtape.

Q. Mr. President, would you resist any attempts to impose new taxes to pay for the disaster relief here in this area?

The President. I am going to do what is necessary to have the Federal Government fulfill its obligation.

Q. Is that a yes, Mr. President?

The President. I am going to do -- let me repeat it for you because you couldn't hear it. I am going to do what is necessary for the Federal Government to fulfill its obligations under the law.

Any others? Thank you. We're heading home. And may I say to the various mayors and to the speaker who -- Willie, come over here. Now, you're uncharacteristically shy, standing in the background. [Laughter] And to the mayor of Alameda and to the mayor of Oakland, my sincere appreciation for all your time. And I hope I didn't misquote you when I said that you felt there had been, at least up to this point, good cooperation at all levels; and we want to do our part. But I'm grateful to you all for being with us today. And we will try very hard to join you in helping to alleviate the suffering and helping to get these communities back on their feet.

Thank you all very much. And you guys, I understand you may see a game. Are you guys friends? [Laughter] Come over here just a minute, both of you, and say hello.

Note: The President spoke at 1:18 p.m. on the tarmac of Moffett Naval Air Station in San Jose, CA. In his remarks, he referred to State Assembly Speaker Willie Brown, Jr., Mayor Chuck Corica of Alameda, and Mayor Lionel J. Wilson of Oakland. An earthquake struck the San Francisco Bay area on October 17. Following his remarks, the President returned to Washington, DC.

Nomination of Edward S. Walker, Jr., To Be United States Ambassador to the United Arab Emirates

October 20, 1989

The President today announced his intention to nominate Edward S. Walker, Jr., of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Arab Emirates. He would succeed David Lyle Mack.

Since 1988 Mr. Walker has served as Deputy Assistant Secretary of State in the Bureau of Near Eastern and South Asian Affairs. Prior to this he served as deputy chief of mission in Riyadh, Saudi Arabia. He has studied at the Royal College of Defense Studies in London. In 1982 he became the Executive Assistant to the Deputy Secretary of State. He was a special assistant to the personal representative of the President for the autonomy negotiations between Israel and Egypt, 1979 - 1981, and chief of the political section in Damascus, Syria, 1977 - 1979. Mr. Walker joined the Agency for International Development as a management intern in 1966 and the Department of State as a Foreign Service officer in 1967.

Mr. Walker graduated from Hamilton College (A.B., 1963) and Boston University (A.M., 1965). He served in the U.S. Army, 1962 - 1965. He was born June 13, 1940, in Abington, PA. He is married, has two children, and resides in Arnold, MD.

Message to the House of Representatives Returning Without Approval the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990

October 21, 1989

To the House of Representatives:

I am returning herewith without my approval H.R. 2990, the ``Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990."

I have informed the Congress on numerous occasions that I would veto legislation if it permitted the use of appropriated funds to pay for abortions other than those in which the life of the mother would be endangered if the fetus were carried to term. Most recently, I reiterated my position and the reasons therefor on October 17, 1989, in a letter to Members of the Senate. The limitation I proposed is identical to the one included in this appropriations bill, by a bipartisan majority, since 1981. This year, regrettably, the Congress has expanded the circumstances in which Federal appropriated funds could be used to pay for abortions.

In addition to unacceptable abortion language, this legislation underfunds the Pell grant program, weakening the Nation's commitment to expanding opportunity for higher education. At the same time, this legislation provides unnecessary advance funding for State Legalization Impact Assistance Grants.

Further, the Congress has failed to provide needed flexibility in the use of HHS discretionary funds to combat HIV/AIDS -- one of America's highest public health priorities.

I am, therefore, compelled to disapprove H.R. 2990.

George Bush

The White House,

October 21, 1989.

Statement by Press Secretary Fitzwater on the President's Signing of the Bill Providing Assistance for Free and Fair Elections in Nicaragua

October 21, 1989

Today the President signed into law H.R. 3385, a bill to provide assistance for free and fair elections in Nicaragua. This legislation represents another step forward in our efforts to promote democracy in countries that have been deprived of political and economic freedom. Around the world, the tide of democracy is advancing as more and more authoritarian and totalitarian regimes realize that human progress is inseparable from the principles of liberty.

In many of those countries -- including Chile, the Philippines, Poland, and Paraguay -- the United States, through the National Endowment for Democracy, made a difference by supporting democratic institutions. We did it because it was right. We did it because all of us benefit as freedom expands. And we will continue to support them when the forces of democracy look to us for help.

With the funds provided for in this legislation, the National Endowment for Democracy and other organizations will work to strengthen democratic institutions in Nicaragua so that truly free and fair elections may be held. In this way, we hope that Nicaragua will join other countries that have made the transition from repression to freedom.

The passage of this bill is a tribute to the bipartisan leadership of both Houses of Congress and an indication of strong bipartisan commitment to democratization and peace in Central America. Regional peace cannot be separated from democratization, as the Central American accords themselves make clear. This bill, by supporting democratic institutions in Nicaragua, will contribute to peace in the entire region.

Note: H.R. 3385, approved October 21, was assigned Public Law No. 101 - 119.

Statement on the Rescue of Buck Helm in Oakland, California

October 21, 1989

Barbara and I join all Americans in expressing our joy in the news that this afternoon workers at I - 880 in Oakland rescued a victim from Tuesday's earthquake. The miraculous recovery of Buck Helm is a tribute to the thousands of relief workers and volunteers who have been working so tirelessly in the bay area. I am delighted to know that the efforts of some of the heroic workers I met yesterday have now been rewarded with the saving of another life.

Statement on Signing the Department of the Interior and Related Agencies Appropriations Act

October 23, 1989

Today I signed into law H.R. 2788, the Department of the Interior and Related Agencies Appropriations Act.

I am pleased that the Act includes funding for many programs important to the environment. In particular, the Act finances Federal land acquisition for conservation and recreation purposes, as I recommended in my February 9th budget. Many nationally significant natural and cultural resources will be protected by these appropriations. Furthermore, the Act strikes an important balance between protecting the environment and recognizing national and local economic concerns, as in the case of the spotted owl compromise. I commend the Congress for these actions.

I have reservations with two provisions of the Act: those dealing with extension of coverage of the Federal Tort Claims Act to private contractors, or their employees, serving Indian tribes; and those dealing with restrictions on oil and gas leasing and exploration on the Outer Continental Shelf. These reservations have been described in more detail in Statements of Administration Policy and other communications from officials of my Administration.

Notwithstanding these reservations, I have signed the bill because its benefits -- particularly the treatment of many environmental, conservation, and energy-related issues important to the Nation -- outweigh my reservations.

George Bush

The White House,

October 23, 1989.

Note: H.R. 2788, approved October 23, was assigned Public Law No. 101 - 121.

Statement by Press Secretary Fitzwater on the Agreement for National Reconciliation in Lebanon

October 23, 1989

The President welcomes the news that the conference of Lebanese Parliamentarians in Taif, Saudi Arabia, has resulted in an agreement for national reconciliation in Lebanon. We commend the Arab League's Tripartite Committee for its important role in facilitating this agreement. The President congratulates the Lebanese Deputies for their courage and statesmanship, which have yielded an extraordinary opportunity to bring lasting peace to Lebanon. This is the first step toward restoration of a sovereign, unified, and independent Lebanon, free of all foreign forces. The President calls upon all concerned in Lebanon and in the international community to join the United States in supporting the process of peace and reconciliation launched by the Taif agreement.

Appointment of Frederick D. Nelson as an Associate Counsel to the President

October 23, 1989

The President today announced the appointment of Frederick D. Nelson to be Associate Counsel to the President.

Since 1988 Mr. Nelson has been a litigator with the law firm of Taft, Stettinius & Hollister in Cincinnati, OH. Prior to this, he served as Deputy Assistant Attorney General (1986 - 1987) and special assistant to the Assistant Attorney General, Department of Justice (1985 - 1986); majority counsel, Subcommittee on Criminal Law, Senate Judiciary Committee (1983 - 1985); and summer litigation associate with the law firm of Calfee, Halter & Griswold in Cleveland, OH (June 1981 and August 1982).

Mr. Nelson graduated from Hamilton College in Clinton, NY (A.B., 1980), and Harvard Law School (J.D., 1983). He was born in Lakewood, OH, on October 19, 1958.

Appointment of Christopher du Pont Roosevelt as a Member of the Roosevelt Campobello International Park Commission

October 23, 1989

The President today appointed Christopher du Pont Roosevelt to be a member on the part of the United States on the Roosevelt Campobello International Park Commission. He would succeed Franklin D. Roosevelt, Jr.

Since 1985 Mr. Roosevelt has served as president, publisher, and member of the board of directors of Oceans Magazine Associates, Inc.; and as chairman and chief executive officer of Cruise Passenger Network, Inc., since 1988. Prior to this, he served as president, chief executive officer, and trustee of the Oceanic Society, 1974 - 1985; Assistant United States Attorney for the Southern District of New York, 1971 - 1974; and associate attorney with Cadwalader, Wickersham and Taft in New York, 1968 - 1971.

Mr. Roosevelt graduated from the University of Virginia (B.A., 1964) and Georgetown University Law Center (J.D., 1968). He was born December 21, 1941, in Philadelphia, PA. Mr. Roosevelt is married, has three children, and resides in Armonk, NY.

Appointment of Five Members of the President's Advisory Committee on the Points of Light Initiative Foundation

October 23, 1989

The President today announced the five members of the President's Advisory Committee on the Points of Light Initiative Foundation. The Committee has been charged with reporting to the President within 45 days of the Committee's first meeting on the legal structure of the Foundation and the legislation needed to establish the Foundation. The five members of the Advisory Committee are as follows:

Gov. Thomas Kean. Thomas Kean is Governor of New Jersey and will serve as Chairman of the President's Advisory Committee. Governor Kean was first elected to the statehouse in 1981. Born in New York City on April 21, 1935, Governor Kean graduated from Princeton University and subsequently earned his M.A. from Columbia University. He taught political science at Rutgers University and worked as a commentator and reporter for the New Jersey Nightly News program.

While in office, Governor Kean has proven to be an innovator in education reform, economic recovery, and environmental issues. After having inherited a substantial budget deficit, the Governor's budgets have consistently shown surpluses fiscal year after fiscal year. Through his Environmental Trust Fund, he has made New Jersey a national leader in the environmental movement. In 1985 Governor Kean established the Office of Volunteerism in New Jersey. This past June, in response to President Bush's call to make community service national policy, Governor Kean started the Garden State Initiative. He has served as chairman of the Education Commission of the States as part of his national leadership role in reforming and improving the school systems.

Edward A. Brennan. Mr. Brennan is chairman and chief executive officer of Sears, Roebuck and Co. and the chairman of the board of governors of the United Way. He joined Sears in 1956 as a salesman in a Madison, WI, store. After 30 years with Sears, he attained his present rank.

Mr. Brennan serves on the boards of directors of AMR Corp., Minnesota Mining & Manufacturing Co., and the Sears-Roebuck Foundation. He is a member of the President's Export Council, the Business Council, the New York Stock Exchange Listed Company Advisory Committee, the Business Roundtable, the Conference Board, and the business advisory council of the Chicago Urban League. He is also a member of the boards of trustees of DePaul University, Marquette University, Rush-Presbyterian-St. Luke's Medical Center, and the Chicago Museum of Science and Industry. Mr. Brennan is a 1955 graduate of Marquette University with a degree in business administration.

Norman A. Brown. Dr. Brown is currently president and chief programming officer of the W.K. Kellogg Foundation in Battle Creek, MI. The foundation, established in 1930 to ``help people help themselves," has distributed more than $1 billion in support of programs in the fields of agriculture, education, and health. Before joining the foundation, Dr. Brown served on the faculties of Michigan State University and the University of Minnesota. He was the State 4-H director in Michigan and the dean and State director of the Minnesota Extension Service. Dr. Brown's international experience consisted of directing a Peace Corps program in the Philippines, work in agricultural education in Algeria, and consulting for 10 years in Latin America and the Caribbean for Partners of the Americas. His experience in the field of voluntarism has included such diverse activities as trustee of the Michigan State University Foundation; director of Independent Sector, a national organization of the nonprofit and philanthropic sector in the United States; chairman of the board of a trust for a new international college of agriculture for the humid tropics in Costa Rica; and member of a local board of education. In addition, Dr. Brown is the president of the Michigan-Dominican Republic-Belize Partners of the Americas. Dr. Brown received his bachelor's, master's, and doctor's degrees from Michigan State University.

Frances Hesselbein. Mrs. Hesselbein has been the national executive director of the Girl Scouts of the USA since 1976. In the 77-year history of Girl Scouting, Mrs. Hesselbein is the first chief executive officer chosen from within the ranks of the organization.

Mrs. Hesselbein serves on the individual investor advisory committee to the board of directors of the New York Stock Exchange and on the board of governors of Josephson Ethics Institute. She is a member of the top 17 national agency executive directors of the United Way of America, a member of the editorial advisory board of ``Nonprofit Management and Leadership," Case Western Reserve University, and a member of the director's resource council of the National Women's Economic Alliance Foundation. Mrs. Hesselbein was the first woman to receive the National Professional Leadership Award, given by the United Way of America, as well as the first entrepreneurial woman award for excellence in not-for-profit management. She also has received the Distinguished Community Service Award from Mutual of America Life Insurance Co. Mrs. Hesselbein is a volunteer on two college boards of trustees: Juniata College, Huntingdon, PA, and Allentown College of St. Francis de Sales, Allentown, PA. She is also on the board of visitors of the Peter F. Drucker Graduate School Management Center at Claremont College Graduate School in Claremont, CA.

Vernon E. Jordan, Jr. Mr. Jordan is currently a senior partner in the Washington, DC, office of the law firm of Akin, Gump, Strauss, Hauer & Feld. From 1972 to 1981, he was president of the National Urban League. Mr. Jordan has received many awards in recognition of his accomplishments, including, in 1977, the Alexis de Tocqueville Award of the United Way of America, a special tribute to his leadership in the field of voluntarism. He has authored a weekly newspaper column which has appeared in over 300 newspapers; broadcast commentaries on current issues for the Westinghouse broadcast network; and has been a frequent guest on major

national television broadcasts, including ``Meet the Press," ``Issues & Answers," and ``Face the Nation." Mr. Jordan is a trustee of the Ford Foundation, governor of the New York Hospital, a member of the board of directors for the United Way of America, the former chairman of the board of trustees for the Atlanta University Center (recently retired), and the chairman of the National Academy Foundation. Mr. Jordan was reared in Atlanta, GA, where he was born on August 15, 1935. He received his B.A. from DePauw University in 1957 and graduated from Howard University Law School in 1960.

Remarks at the Presentation Ceremony for the Excellence in Science and Math Teaching Awards

October 24, 1989

Welcome to the White House on this glorious fall day. I'm sorry if I'm just a little bit late. I was sitting in there trying to solve a few quadratic equations. [Laughter] Somewhat more difficult than balancing the budget, I might say. And then I thought it might be appropriate to have a moment of silence in memory of those substitute teachers back home. [Laughter]

It really is a pleasure to have you all here. And to Erich Bloch, the Director of the National Science Foundation, and to my colleague, confidant, Dr. Bromley, our Science Advisor, and to the outstanding teachers we honor today -- you've taken one of the Nation's most vital and yet too often unappreciated tasks. And because you've committed yourselves to excellence on the frontlines of American education, you really do represent our best hope for the future.

So many Americans remember a special teacher who made a quiet but crucial difference in their lives. And it might have been the teacher who brought math to life explaining ratios by using the gears of a bicycle, or maybe it's a teacher who revealed the powerful drama in the life of a single cell or who sparked speculation about the expansion of the universe. Of course, those of us who haven't been to school in a while get our scientific understanding from those Gary Larson cartoons -- [laughter] -- like the one where, after detailed calculations, Einstein discovers that time is actually money. [Laughter]

Now, you've seen all the surveys about American students' poor performance in scientific knowledge compared to their peers around the world. We've all seen them. We agonize over them. And it is a serious problem, but you are not just complaining about it. You're doing something about it, and you're showing that excellence is not just possible in American education -- it ought to be the norm. And you and the outstanding teachers across the country that you represent are creating centers of excellence in classrooms of every kind, setting standards for the rest of the country to follow, and creating exceptional students.

This year a high school student from Denver named Steven Gubser won the 20th International Physics Olympiad in Warsaw. When the United States began competing in the tournament in 1986, some thought that our students wouldn't really have a chance against students from Europe and the Far East. But our teams have consistently distinguished themselves, capped by this gold medal performance. This is the standard of excellence that America's students and teachers should aspire to and that more can attain. Our problem is not that we don't have American students excelling at science and math -- we just don't see enough of them. Of course, there were a few outstanding students in my time. I had a friend who was so smart once that he knew how to convert meters to gallons -- [laughter] -- in his head.

The work of outstanding teachers like yourselves has a profound impact not just on the students you teach but on the Nation as a whole. And the link between science and technology and our standard of living is stronger today than ever before. At a time when our international position in certain key industries is being challenged, we face impending shortages of qualified scientists and engineers. So, your work is helping to meet a crucial need, a national need.

Not every student will be a physics olympian or make a career as a scientist, but growing numbers will have jobs based on new technologies: farm workers producing genetically engineered crops; auto workers involved with robotics, cybernetic systems, electronic controls; service people maintaining computers and telecommunication systems. It'll be new skills and the ability to learn them quickly and adapt that will be crucial to their future and America's future.

When I met with the Nation's Governors in Charlottesville last month at that educational summit, they told me, as the business community continues to tell me, that a clear consensus is emerging on the crucial need to improve math and science education in this country. And that's why we're establishing a National Science Scholars program for top math and science students across the country. And for students of all abilities we're working to set national goals for math and science education. We're going to be looking to you for advice and guidance on those goals and the steps we can take together to attain them. I want to encourage you to work with this administration, and certainly with the Governors in the 50 States, to refine our approach to math and science education. All of you as teachers know the larger role that education plays in a free society.

Every student in America, even those who don't choose technical careers, will need enough scientific and mathematical understanding to make decisions about the technologies of the 21st century. You understand the importance of a literate and informed citizenry, and you're acting on that understanding and for the sake of every student you teach every day.

You know, a few minutes ago I said that all of us -- just about all of us -- can think of special teachers, teachers that touched our lives forever. But it's also true that the greatest minds in science and mathematics were inspired and directed by teachers of their own, and that's worth remembering. What you're doing today has the potential to unleash the genius of an entire new generation. And for all that you've done and all that you will continue to do, we three here -- and I expect I speak for the two distinguished scientists that join us, but I know I speak for Dan Quayle, our able Vice President, and Barbara, who is so committed to helping you all, especially in the field of literacy -- for all you've done, we want to just thank you and congratulate you and urge you to keep it up. And may God bless this vital work that you do. Thank you so much for coming to the White House.

Note: The President spoke at 10:02 a.m. in the Rose Garden at the White House. In his remarks, he referred to D. Allan Bromley, Science Advisor to the President and Director of the Office of Science and Technology Policy.

Appointment of Charles R. Henry as a Member of the Committee for Purchase from the Blind and Other Severely Handicapped

October 24, 1989

The President today announced his intention to appoint Maj. Gen. Charles R. Henry, USA, as the Department of Defense member of the Committee for Purchase from the Blind and Other Severely Handicapped. He would succeed Daniel W. McKinnon, Jr.

Since 1988 General Henry has served as Deputy Director for Acquisition Management of the Defense Logistics Agency in Alexandria, VA. Prior to this he served as the Army's Competition Advocate General in the Secretary of the Army's Office, 1984 - 1988.

General Henry graduated from Middle Tennessee State University (B.S., 1959), and he received juris doctor and master of law degrees from Wilson College. In addition, General Henry received the Distinguished Service Medal. He was born October 3, 1937, in Horse Cave, KY. He is married, has two children, and currently resides in Springfield, VA.

Appointment of Daniel W. McKinnon, Jr., as a Member of the Committee for Purchase from the Blind and Other Severely Handicapped

October 24, 1989

The President today announced his intention to appoint Rear Adm. Daniel W. McKinnon, Jr., USN, as the Department of the Navy member of the Committee for Purchase from the Blind and Other Severely Handicapped. He would succeed Edward Keith Walker.

Since 1988 Rear Admiral McKinnon has served as Commander of the Naval Supply Systems Command and Chief of Supply Corps at the Department of the Navy. Prior to this he was Deputy Director for Acquisition Management of the Defense Logistics Agency, 1986 - 1988. He was Vice Commander of the Naval Supply Systems Command, 1984 - 1986; Assistant Commander for Inventory and Systems Integrity for the Naval Supply Systems Command, 1983 - 1984; and Director of Supply Corps Personnel, 1982 - 1983. In 1980 he assumed command of the U.S. Naval Supply Depot, Subic Bay, Philippines.

Rear Admiral McKinnon graduated from the University of Missouri (B.S., 1956) and received a master's degree in business administration from the University of Michigan. In 1987 he served as a member of the President's Committee for Purchase from the Blind and Other Severely Handicapped. He was born April 26, 1934, in St. Joseph, MO. He is married, has one child, and resides in Annandale, VA.

Letter to Elementary School Students on Halloween

October 24, 1989

Dear Students:

I know you are looking forward to a day coming soon that is one of the most fun -- Halloween. I'm inviting you to be among my special guests at the White House to celebrate this day. I promise you we'll have fun, but I want this Halloween to be about more than ghosts and goblins and scary things. While you're here, I am going to ask your help in ending something that unfortunately isn't make-believe -- it's frightening and real. It is the problem of drug abuse.

I hope you were able to watch when I spoke to the schoolchildren of America last month about the problem of drugs. During my television address, I told a story of a young boy and an old man who were walking along a beach. As they walked, the boy picked up each starfish he passed and threw them back into the sea. Confused, the old man asked him why.

``If I left them here," the boy said, ``they would dry up and die. I am saving their lives."

``But the beach goes on for miles and there are millions of starfish," the old man said. ``How can what you're doing make any difference?"

The boy looked at the starfish in his hand, threw it into the ocean, and answered, ``It makes a difference to this one."

You can make a difference, too -- with your classmates, your friends, and your family -- by saying no to drugs.

I have given your teachers an anti-drug pledge card for you to read and sign. Please fill it out and bring it with you to the White House on Halloween. I look forward to seeing you.

Sincerely,

George Bush

Note: Identical letters were sent to the following elementary schools: Kemp Mill, Rolling Terrace, and Greenbelt in Maryland; Ashlawn, Patrick Henry, James K. Polk, Forestville, Potomac, and Vienna in Virginia; and Bancroft, Brookland, Harrison, and John W. Ross in the District of Columbia. The letter was released by the Office of the Press Secretary on October 30.

Remarks to Members of the Institute of International Education

October 25, 1989

It's 8 years later, and I'm still 10 minutes late. [Laughter] But thank you very much, Dick, and distinguished Dr. Henry Kaufman. And I know I should say thank you to one of our own, Sichan Siv, over here, your former manager of Asian and Pacific programs and now a key member of our administration. And let me also say it's a delight to be among the supporters -- I recognize many of you -- of the Institute, the IIE. And then I had opportunity to greet some of the students that are here from foreign lands.

Let me tell you how I came to know of your achievements and, through that, appreciate what you do. Barbara and I were -- we moved down to Houston from Midland and were raising our family. And we have many fond memories of those days, but among our fondest is the delight of having young men and women from so many countries joining us for conversation and supper at our home. And we became involved with the Institute as a host family through Alice Pratt, whose dedicated work there is now being carried on by Fentress Bracewell down in Houston. I don't know whether Fentress is here, so I haven't spotted -- oh, here he is, right here in front. Delighted to see you. But it was Alice who taught us how rewarding it is to show a young foreign friend the way through the academic, business, and social maze of a vibrant American city. And because of Alice, we learned that by seeing our country through another's eyes, we could almost be like tourists in our own home.

And today at the White House, when Barbara and I dine with foreign visitors, our guests are rarely students. Rather, they are often foreign leaders and Presidents and Prime Ministers and Foreign Secretaries and Ambassadors. But we've noticed something that makes us think back to our Houston days: Many of our foreign guests once worked and studied in the United States. I was most impressed, Dick, by just that menu you read off there of how these kids come and then move into positions of leadership. And this is bound to be of benefit not just to the United States but to the other countries as well.

But you do more than bring the world to America: you open the cultures of the world to our people as well. Mark Twain said that the ``broad, wholesome, charitable views of men and things cannot be acquired by vegetating in one little corner of the Earth all one's lifetime." Thomas Jefferson, our magnificent education President, enhanced such a broad, wholesome, and charitable view when he left the Piedmont, his beloved Piedmont of Virginia, to represent the American cause in France. And in more recent times, many Americans have had the liberating experience of living abroad. Certainly, Barbara and I felt transformed by the time that we spent living in China, a time when we sometimes traveled those dusty streets, always on our bicycles. But it was tremendous experience -- days we'll never forget. And of course, we learned a lot about the Chinese people. Most of all, we learned an awful lot more about ourselves. And every

American who lives abroad returns home with a new perspective and, I believe, a deeper feeling for our own country.

Your Institute promotes just exactly this kind of understanding through 249 programs, assisting more than 10,000 people from 155 countries every year. Innumerable are the new friendships made, incalculable the good will that is generated.

When your organization was founded 70 years ago, there was a belief that the exchange of students, scholars, and professionals from country to country would promote peace and understanding. Some regarded that ideal as hopelessly naive. Well, now we know that that's not true. It is true that international exchanges are not a great tide to sweep away all differences, but they will slowly wear away at the obstacles to peace as surely as water wears away a hard stone.

And I am honored to be here. I would simply add: Keep it up. We are living in perhaps the most exciting time of change certainly in the nuclear age, and maybe in terms of the entire history of the United States, as we look at what's happening particularly in Eastern Europe, as we see what's happening in Asia, see what's happening, indeed, in the Soviet Union itself. And I can tell you that the interaction that we had with this wonderful organization makes me feel a little more confident as I wrestle with these problems. But far more important than that, I think, is that the insight that the kids that come here get into our great, free, wonderful country.

So, I'm grateful to you. I wanted to come over and thank you all very, very much for what you're doing. Please keep it up. And God bless you all. Thank you.

Note: The President spoke at 11:10 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Richard Krasno, Henry Kaufman, Alice Pratt, and Fentress Bracewell, president, chairman of the board, former director of the Houston office, and chairman of the southern regional advisory board of the Institute of International Education, respectively; and Sichan Siv, Deputy Assistant to the President for Public Liaison.

Message to the Congress Reporting on the Economic Sanctions Against Nicaragua

October 25, 1989

To the Congress of the United States:

I hereby report to the Congress on developments since my last report of April 21, 1989, concerning the national emergency with respect to Nicaragua that was declared in Executive Order No. 12513 of May 1, 1985. In that order, President Reagan prohibited: (1) all imports into the United States of goods and services of Nicaraguan origin; (2) all exports from the United States of goods to or destined for Nicaragua except those destined for the organized democratic resistance; (3) Nicaraguan air carriers from engaging in air transportation to or from points in the United States; and (4) vessels of Nicaraguan registry from entering U.S. ports.

1. The declaration of emergency was made pursuant to the authority vested in the President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act, 50 U.S.C. 1701 et seq., and the National Emergencies Act, 50 U.S.C. 1601, et seq. This report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c).

2. The Office of Foreign Assets Control (FAC) of the Department of the Treasury issued the Nicaraguan Trade Control Regulations implementing the prohibitions in Executive Order No. 12513, effective May 7, 1985; 50 Fed. Reg. 19890 (May 10, 1985). There have been no amendments to these regulations since my last report.

3. Since my report of April 21, 1989, fewer than 30 applications for licenses have been received with respect to Nicaragua, and the majority of these applications have been granted. Of the licenses issued in this period, some authorized exports for humanitarian purposes, covering donated articles beyond the scope of the exception to the export ban, to assist in the rebuilding of houses and churches that were destroyed by Hurricane Joan in 1988. Certain licenses authorized the export of equipment to La Prensa, the major opposition publication in Nicaragua, as well as to other opposition press groups. A license was also issued to the United Nations that authorized the export of certain equipment for use by the U.N. Observer Mission in verifying the electoral process in Nicaragua.

4. Since my last report, the Department of the Treasury completed two significant enforcement actions. A U.S. organization, which has been engaging in unauthorized imports from Nicaragua in protest of U.S. policies in Central America, agreed to cease its illegal trade activities. This agreement followed issuance of a warning letter sent to the group in March 1988 by the United States Attorney and the execution of a search warrant covering the organization's offices by the U.S. Customs Service.

In April 1989, in the U.S. District Court for the District of Puerto Rico, a U.S. shipowner whose oil tanker had been seized on two separate occasions by the U.S. Customs Service for unauthorized transshipment of aviation fuel to Nicaragua settled a civil forfeiture action against the vessel by paying $125,000, including a $10,000 civil penalty under the regulations.

5. The trade sanctions are an essential element of our policy that seeks a democratic outcome in Nicaragua by diplomatic means. The Sandinista regime made numerous commitments to democratization and national reconciliation when it signed the Esquipulas Agreement in 1987. The Government of Nicaragua reiterated these commitments on February 14, 1989, at Tesoro Beach, El Salvador, and, in addition, promised to hold free, fair, and honest elections in February 1990 under international observation. I do not believe that current conditions in Nicaragua justify lifting the trade sanctions. If Nicaragua fully implements its Esquipulas commitments to democratize; holds free, fair, and honest elections; undertakes genuine national reconciliation; and ends its support for subversion in the region and its close security ties to the Soviet bloc, the emergency that prompted the imposition of the trade sanctions would largely be resolved.

6. The expenses incurred by the Federal Government in the period from May 1, 1989, through November 1, 1989, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Nicaraguan national emergency are estimated at $197,715, all of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Customs Service, as well as in FAC and the Office of the General Counsel), with expenses also incurred by the Department of State and the National Security Council staff.

7. The policies and actions of the Government of Nicaragua continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Nicaragua as long as these measures are appropriate and will continue to report periodically to the Congress on expenses and significant developments pursuant to 50 U.S.C. 1641(c) and 1703(c).

George Bush

The White House,

October 25, 1989.

Nomination of Allan V. Burman To Be Administrator for Federal Procurement Policy at the Office of Management and Budget

October 25, 1989

The President today announced his intention to nominate Allan V. Burman to be Administrator for Federal Procurement Policy at the Office of Management and Budget. He would succeed Robert P. Bedell.

Since 1988 Dr. Burman has been Acting Administrator of the Office of Federal Procurement Policy in the Office of Management and Budget; and Deputy Administrator of the Office of Federal Procurement Policy, 1986 - 1988. Prior to this, he was chief of the Air Force branch of the national security division at the Office of Management and Budget, 1981 - 1986; Federal executive fellow at the Brookings Institution, 1980 - 1981; and coordinator for research and development programs of the Air Force branch of the Office of Management and Budget, 1977 - 1980. He was also a special assistant to the Director of Defense Education in the Office of the Secretary of Defense, 1975 - 1977.

Dr. Burman graduated from Wesleyan University (B.A., 1966), Harvard University (M.A., 1968), and the George Washington University (Ph.D., 1983). He was born August 30, 1944, in Bristol, CT. Dr. Burman is married, has one child, and resides in Arlington, VA.

Remarks to Participants in the Prime Time To End Hunger Campaign

October 25, 1989

Polly, thank you very much. What we want to do is get out and hear you, so it works out just perfectly. And I'm just so pleased you're here. Good afternoon and welcome to the White House. Polly referred to it, but we've got these stars from some of the most popular shows on television: ``thirtysomething," ``Roseanne," ``Head of the Class," ``Mr. Belvedere," and ``Knots Landing." And you represent a combined market share that any politician would envy. [Laughter] And there are plenty of top people from the networks here: Warren Littlefield, NBC; Philip Beuth, ABC; Peter Tortorici, CBS; George Bush, USA. [Laughter]

The serious fact is that, through your shows, all of you reach millions. And there is a lot of power in that. Think about the commercials that stick in our minds, the shows we watch every week and we'll never forget, and the way what happens on the screen can sometimes change our lives.

One story -- you may have heard it -- about the hit show ``Happy Days." The star of that show, the Fonz, was certainly not a fellow who led the life of the mind. But in one episode, in order to impress a potential girlfriend, the Fonz hit on a way to cultivate a more intellectual image. He took out a library card. There were quite a few Fonz watchers out there, and the first few weeks after that show, there was a 500-percent increase in the number of young people taking out library cards across the country. And that is just one small manifestation of the power of TV.

It's time -- prime time -- to end hunger and drug abuse and homelessness, as Polly was talking about. And that's why this new effort has such enormous potential. For the first time ever, NBC and CBS and ABC have joined forces. And you couldn't have chosen a worthier project than a campaign promoting community service. This past summer when I announced my Points of Light community service initiative, I said that my aim was to make community service central to the life and work of every individual and every institution in America, from the largest corporations right down to the neighborhood softball team.

Let me say today that network television is one institution that is really taking this challenge to heart. The days when TV and the movies glorified violence and drugs and crime are fading. And in place of these negative images, we're seeing a more positive message of caring, of compassion, and of hope. Prime Time to End Hunger is just the kind of media initiative that I'm talking about. Whether it's hunger or one of the many other challenges that faces us today, you're reaching out to help other people in need. And the first 3 weeks of December you're going to tackle some of our nation's most serious problems: hunger, homelessness, illiteracy, drug abuse. And we all know television can do more than entertain: it can educate. And your programs can help shape the way each of us thinks about the least fortunate among us.

Television provides a window into the homes of millions of Americans every single night. And all of you are part of this force that's shaping -- helping shape -- a new generation. From the comfort of our homes and the company of our families, your shows are going to make us think, and think hard, about people who are hungry, homeless, those without hope -- and how we can help them. That's a service to every community across America, a service of the highest kind. And I know you've heard me say many times before that from now on in America, any definition of a successful life must include serving others. Well, these shows can be catalysts to greater community involvement, shows that convince each person who is watching -- everyone -- that they've got what it takes to reach out and to help someone in need. I know this is one time we all hope that life will imitate art.

Today, I want to thank you and everyone associated with your programs and the Prime Time to End Hunger Network. You've got a message that we've got to get out to all Americans. And I wish you the best, and I hope that every TV set in America is tuned in to your shows those first 3 weeks in December. Thank you for your outstanding commitment, and God bless you all. Thank you very, very much.

Note: The President spoke at 2:14 p.m. in the Rose Garden at the White House. In his remarks, he referred to Polly Draper of ``thirtysomething''; Warren Littlefield, executive vice president, prime time programming, NBC; Philip R. Beuth, vice president and executive producer, morning programming, ABC; and Peter Tortorici, vice president, planning and scheduling, CBS.

Nomination of Frances D. Cook To Be United States Ambassador to Cameroon

October 25, 1989

The President today announced his intention to nominate Frances D. Cook to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cameroon. She would succeed Mark L. Edelman.

Ms. Cook is a career member of the Senior Foreign Service, Class of Minister-Counselor. Since 1987 she has served as Director of the Office of West African Affairs at the Department of State. Prior to this, Ms. Cook served as the Deputy Assistant Secretary for the Bureau for Refugee Programs at the Department of State, 1986 - 1987; as the consul general for the United States consulate general in Alexandria, Egypt, 1983 - 1986; and as Ambassador to the Republic of Burundi, 1980 - 1983. She was the Director of the Public Affairs Office at the Department of State, 1978 - 1980.

Ms. Cook graduated from the University of Virginia (B.A., 1967) and Harvard University (M.P.A., 1978). She was born September 7, 1945, in Charleston, WV. Ms. Cook currently resides in Washington, DC.

Interview With Latin American Journalists

October 25, 1989

War On Drugs

Q. Mr. President, you know that the problem in Colombia is the fighting of -- this drug problem. And the newspapers in Colombia are very much in front of this thing.

The President. Yes.

Q. And we are fighting very strongly. We have been suffering a lot. But there is a concern in our country that in the United States there is not enough control and enough punishment on the consumption and distribution of the drugs.

The President. Yes.

Q. I personally had an experience just 2 weeks ago. I was in New York. I was invited to the Waldorf Astoria for dinner. And the person who invited me came to the Grand Central and walked from the Grand Central to the Waldorf Astoria, and in that short walk, four people offered him drugs. So, I say, why does this happen? Is it in the United States that there is not enough control and enough punishment, enough action in that way? So, what can you tell our readers about that?

The President. Mr. Cano [Luis Gabriel Cano, El Spectador, Colombia], first, I strongly supported what President Barco said when he called attention of the world and certainly the United States to the consumption problem. We have no argument with that -- he is right. And what I am trying to do in our new antidrug strategy is to go after not only the criminals that sell drugs to your friend in those two blocks but the people that use it. We're coupling with that an all-out education program that is not just government but private sector as well.

And I might say that it isn't just, regrettably, one country, the United States, that is a user. What concerns me and other leaders is that it's going not only into some countries in our own hemisphere, South America, but all through Europe. And I asked the Soviets if they had a problem with it, and it's everywhere.

But I think when President Barco, my respected friend, pointed out, look, you've got to do something about consumption, he was right. And I've used that in speaking to leadership groups in this room and in others to try to encourage support for our antinarcotics program, which still does have strong support in our country, and for the legislation we need, getting tougher on the people that sell it, and for the education, of educating against being a user.

Argentine Economic Reforms

Q. Mr. President, Argentina is trying to restructure its highly inefficient economy. And that implies some degree of social tensions. And President Menem was here recently to explain some of these goals. What was your perception of these goals and these problems? And what do you think the U.S. can do to assist or help a country like Argentina dealing with these economic and social problems?

The President. In the first place, I was most impressed with President Menem -- not just here when he came to visit but at the United Nations when we sat together and had a chance to have a quick meeting. I think there's been a universal respect for what he's tried to do. He came out of one political background, and he has broadened the appeal not just to have support in the Argentine but in the United States as well.

I told him we want to work with him on the debt problem. I realize it isn't easy because Argentina does have a very large debt. But the elements of the Brady plan are there, and they can be very helpful to him. We want to encourage and be helpful in privatization, and I think there's ways that we can encourage investment in Argentina, given these political reforms. So, it's across the board; it isn't just one program.

But the thing that's impressed me is the toughness of the man and his willingness to make the tough decisions on getting his economic house in order and, indeed, what he's doing on the political front.

So, I think you'll see a whole new relationship between Argentina and the United States. This is on my mind because the Argentinian Ambassador [Guido Di Tella] presented his credentials yesterday, and well, he really said just about what I'm saying here in terms of the feeling in Argentina about the United States. And I want to encourage as many of our top people to go there as possible; work closely with the finance people, the environment people, the military, whatever it is. So, we have a new era bilaterally; and I think, universally, there is a respect for what he's trying to do.

Chilean Democratization

Q. Mr. President, in countries returning to democracy, like Chile and so many others, what is the importance of the following three threats: first is subversion; second, the tensions in the military suspected of violation of human rights; and third, the economy and the foreign debt?

The President. Just to comment on each of those?

Q. Yes.

The President. Subversion: nobody is interested in doing anything other than to help stop possible subversion. Because as Chile moves towards its elections within the next few weeks, this is a very significant development; and it is one that, in my view, can result -- speaking as President of the United States -- in better relations with our country.

On the military violations, this obviously is a matter where the people of Chile and the Government and everybody else has to respond. There's not much we can do about it. But I do not want to see in any country a military subvert the will of the people when democracy is on the move in this hemisphere -- a general answer to a specific question.

And then the third one was what?

Q. The foreign debt and the economy.

The President. Foreign debt? Well, of course, Chile has been out in front of other countries in managing its economy, in spite of its difficulties in some areas. We talked about the politics, the political problem. But Chile, because of its -- I wouldn't say economic miracle, but they have done far better. And the elements of support from the international institutions -- and again, on the Third World debt or their debt problems -- are in place pretty much in Chile. So, I'm somewhat optimistic about their being about to cope financially, at least as we see it from the United States. I think people see that Chile has done very well, relatively speaking.

Soviet Arms Shipments to Nicaragua

Q. Mr. President, in spite of superpower negotiations on regional issues, Soviet-bloc arms continue to pour into Nicaragua. From January 1st to September 30th of the current year, there were 55 shipments, valued at over $400 million -- State Department figures. What does your government plan to do about this? And do you plan to bring this up at the coming summit in San Jose?

The President. I'll bring it up every chance I get. And what we're trying to do is educate our friends in Europe and people who strongly support democracy all over the world that this is happening. I think people don't believe it. And it's true.

Secondly, we will continue to work with the Soviet Union. We had a little argument -- not argument, but they felt we had challenged their word -- on this whole question, as you remember, not so many weeks ago. And we weren't doing that. We were pointing out the totality of the shipments, which are in the range that you've just outlined here.

So, we will make clear every chance we get to the Soviets that that is not in their interests, and certainly we view it against the security interests of the United States, and we view it against the tide in terms of democracy. Why should that military clique, who at one point were espousing

their own Marxist beliefs, deny, through having a military force far bigger than is required and bigger than any of its neighbors, the will of the people?

So, it's a combination of these things. And I will be pleased to discuss it in Costa Rica; in Washington, DC; or anyplace else. And I think there's a little more understanding now in our country about it, but not as much as there should be, see, because the regime keeps denying this, you see.

Situation in Nicaragua

Q. Mr. President, according to the Tela accords, which were signed recently by the five Central American Presidents, the Nicaraguan resistance must be demobilized and voluntarily repatriated by December 8th. With the economy of my country in terrible shape, Honduras is insisting that the resistance leave its territory by this date, December 8th. If the resistance does not want to return voluntarily to Nicaragua, for whatever reason, will the United States take them? And will you take this up with President Azcona when you meet with him in San Jose on Friday?

The President. There were two conditions under Tela: one was voluntary repatriation, and I think the other was to democratic conditions, or something of that nature. And so, those two are the sine qua nons of demobilization, it seems to me. And so, I can sympathize; and, yes, I'll be glad to discuss it further with President Azcona. I understand it does cause some differences, but I do not want to push for anything other than voluntary and then demobilization into democratic conditions.

So, I think the major objective here should be to see that these elections are free and fair and that opposition -- and, yes, we'll help with repatriation on those conditions, absolutely; we will help. But I must insist that all of us in this hemisphere -- and I will try to insist on this -- do what we can to be sure that these elections coming up in Nicaragua are free and fair and that the opposition has a chance to take its case to the people. And I'm not just talking about 3 minutes on television at midnight. I think there's got to be a very fair presentation of the opposition case.

So, I don't want to sound insensitive to what's happened, to the burden on Honduras. I am sensitive to it and am perfectly prepared to discuss it further with President Azcona. We discussed it when he was up here. But we're getting close now in terms of time, and these elections are the key to a lot of things.

War on Drugs

Q. Thank you, Mr. President. There have been reports of the United States concentrating troops along the Mexican border for drug interdiction matters. A, can you confirm that for us? And, B, given the nature of our border and the fact that Mexico uses a substantial part of its own army for the same purposes, would you like to see an operation on the border constrained to the border

of Mexico and the United States designed to break up drug traffic and arms traffic coming from the United States into Mexico?

The President. I'd like to see the utmost cooperation between the military. I'm not sure that I'm prepared to endorse a joint force, and I'm not sure Mexico -- President Salinas -- would want that. But I should tell you, we have reached a new level of cooperation because of the courage of the new President of Mexico. And in terms of our interdiction, what you may be thinking of is not a deployment of U.S. troops but using the National Guard in some areas on exercises to try to stop drugs from coming in.

The more cooperation we have with Mexico along the lines you're talking about to interdict -- whether it's illegal arms going one way or illegal drugs coming another -- to have that border policed and peaceful, the better it is. But I am very encouraged by the cooperation we're getting all up and down the line from the Salinas administration, and I hope they're encouraged, because this is indeed a two-way street.

And as one who feels very close to Mexico -- as you know, my grandchildren are half-Mexican, and this one is one that's real close to my heart. And I don't want to propose anything nor will I support anything that looks like an abuse of U.S. power. The way to do it is to work cooperatively with the Salinas regime and the officials in the military, policia, whatever it is, to accomplish the ends that both countries want. So, we will try. And I'm not suggesting we don't have border problems. We do; Mexico does with us. But the level of cooperation has really stepped up. And our visit with the President here -- I think the more my high officials -- my Cabinet people that saw him, the more impressed they were.

Q. Mr. President, in Peru we have two extremely serious problems: the economic crisis and the terrorist subversion. They limit and complicate any effective action which may be taken with regard to the drug traffic. In this respect, what will be the principal proposal of cooperation of your government in our joint battle against the drug scourge?

The President. Well, we have made some proposals on antinarcotics that affect Peru and affect Bolivia. But I think the way to answer that question is to say I enthusiastically look forward to participation in this so-called Andean drug summit, and we're going to be trying to set the -- along with -- as invitees and invitors. We said earlier we thought this was a good idea. Now we've had official invitation from Bolivia and Colombia and Peru. And I think to really definitively answer your question we've got to have that meeting, because I don't want them to be making proposals that just go counter to the culture in Peru. And I want them to understand, though, how strongly we feel about it and how prepared we are to help them.

So, we've made some proposals, and as you know, we've helped in the past, principally in Bolivia on helicopters and spraying. But I don't want to go further than that now until we have this summit. There's no point in having it if we have our minds already made up. I've got to hear

from them. We've got to have a hemispheric answer, not just a U.S. proposal on it.

Oil and Gas

Q. Mr. President, ex-Secretary Schlesinger, writing in the Washington Post this morning, pointed to the increasing consumption of oil by the U.S. and the increasing dependency, as a result, on the Gulf region. Now, I know that, as a former oilman, you must be aware of the very large reserves in the hemisphere of heavy oil. What would be your ideas regarding the possibility of a hemispheric preference arrangement to decrease your dependency on the Gulf?

The President. I would be very wary of interjecting myself, our government, into the market. I'd be concerned about that. I can see the security argument that some might make, and it's valid. You have Mexico; you have the enormous resources in Lake Maracaibo in Venezuela; Colombia has some production. And you can make a case that there's more for the security interest of the United States in giving preference. My problem with it is it distorts the market, and it artificially could raise the price to the American consumer, or you could start regional conflict -- not military but economic conflict between the producing countries.

And Saudi Arabia and, to some degree, Kuwait and Iran dominate the international oil market. And if we move to preferences, if we move to regional compacts of this nature, I think you could set off a price war that would damage the economy not just of the -- of every producing country. And that would work opposite of increasing prices here, but it would not be good for the economies that need to optimize their revenue from oil and gas. And I'm talking about Mexico, and I'm certainly talking about Venezuela.

But I share Jim's -- I didn't see this article, but I share his concern about my country becoming ever increasing [dependent] on foreign sources. And that's why I've tasked Jim Watkins, our able Secretary of Energy, to come up with a national energy policy. And it won't just be hydrocarbons: It will be more use of domestic -- of gas, I'm sure. It will be a vital industry in oil, but it will be alternate sources as well. We are not going to back away from nuclear power in this country.

War on Drugs

Q. Mr. President, in Peru and my country, Bolivia, there are thousands of people working in the coca leaf fields because they don't have any other source of income. Unless there is a serious commitment from rich countries to help to create jobs -- through investments, for instance -- the narco traffic problem probably won't change. Mr. President, do you think that the United States Government would consider the possibility to initiate and encourage investments in those countries to try to change the entire situation for every -- --

The President. Julio [Julio Cesar Duran, El Diario, Bolivia], we certainly consider that. Again,

that's a subject that I want to discuss with your new and, I'd say, very impressive President. Again, I had a good meeting with him. And I don't want to prejudge this so-called Andean drug summit, but we recognize that many of these small peasant farmers are dependent on coca crops. I also recognize that the business has gotten pretty good for them -- better than it used to be because more people, especially in my country, are using the damn stuff. So, we don't want to do -- I'm not sure it's just supply and demand that's working there.

But we've got to be openminded about alternative cropping. We've certainly got to be openminded about trying to get business opportunities that would take some of these farmers and get them involved in something other than producing coca. So, I'm openminded, but again, I don't want to prejudge the summit.

Brazil-U.S. Relations

Q. Mr. President, as you know, we will have Presidential elections in Brazil in 3 weeks. And the U.S.-Brazil relations have become a major issue in the political campaign. What I would like to know is your expectations regarding this election and what the new President, that will be elected by the people for the first time in almost 30 years, could expect from the U.S.?

The President. Let me answer your question, but let me ask for clarification. How has the U.S. become an issue in the election? Just so I can respond.

Q. These recent trade disputes and environment and so on.

The President. Okay. Well, first, this is an enormous country. And the heartbeat is democracy, I'm convinced of that; that hasn't always been the history. I think that's the heartbeat in Brazil. So, the United States should stand ready, as we have with Argentina, to see what comes out of the election -- clearly, not be involved in the election -- and then stand ready with a friendly country -- and I think we do have friendly relations with Brazil -- to iron out what has cropped up as difficulties, be it in trade or something else. And so, I would just say: Look, you've got a new regime. What do you stand for? What kind of relations do you want with the United States? And we're ready -- we are ready to deal with you. And Brazil faces horrendous debt problems, too.

One area that's been a little contentious has to do with the forests and with the environmental implications of that on global warming. And at first, I think there was a disconnect between Brazil and the United States, but now I don't think we're very far apart. We had a good talk with President Sarney in New York about this. And I think when we were talking about environmental set-asides he thought I was talking about intervention into the sovereignty or diminishing the sovereignty of Brazil. And heaven's sakes, we're not interested in that. We are interested in this concept of global warming and in working with Brazil in a constructive way.

So, I think we've ironed out what might have been major misunderstandings. Without knowing who wins the election and what that person stands for, I'd have to wait and see. I would simply go back to Argentina, when some were predicting, I think we would all recognize, great difficulties if President Menem won the election. We had a lot of sophisticated guys telling me, hey, this would be not good for me, for the United States, for our country. It turns out to be just the opposite. So, we can't prejudge. We've all been through campaigns; we've listened to campaign rhetoric -- espoused a little myself from time to time. But look at the facts; look at where we're going. And we want to do that with Brazil, and we will.

War on Drugs

Q. Mr. President, the drug fighting -- it's a matter of survival in Colombia and a way to defend our democracy. The Colombian Government established a reward of 100 million pesos to the person that provides any information in order to catch the big drug traffickers. However, they move to other countries, and the action has not been effective yet. We feel like if they are caught the drug problem is going to fall down a lot. Has the United States Government, through any international organization, considered the possibility of setting up a better and more attractive reward?

The President. I hadn't thought about the reward possibility. Maybe our Department of Justice has. So, I should hedge a little bit on that.

Bob [Robert Gates, Deputy Assistant to the President for National Security Affairs], do you know?

Mr. Gates. No, sir. I'd be glad to -- --

The President. What we have done is set up -- or are in the process of setting up much more cooperation with others in terms of the problem itself. In the first place, we have, I want to repeat, a great respect for what President Barco is doing against a lot of tough forces and against -- good God, here you guys are in the newspaper business, and just for printing the truth and standing up against this, you've been firebombed and had great difficulty. So, we can identify with that. So, I think it's going to be -- everyone knows our stance on extradition, and I understand it's not a particularly popular stance in some areas in Colombia. But the administration, President Barco, has been very good about that.

Whether the reward -- I know we have some rewards, but whether it applies to this or not, I'd have to get you an answer. Marlin, if you would -- I'm embarrassed to say I don't know the specific figures. And there isn't, on my desk, a proposal to increase the rewards. If there was some feeling on the part of President Barco, on other leaders in the hemisphere, that this would be useful, I can guarantee you I would give it fast consideration, because we have got to show that we're doing what we can against consumption -- your point -- and that we want to cooperate

in every way possible to bring these people to justice.

Q. Mr. President, the drug cartel has sent various messages to the Colombian Government and to the Colombian Congress seeking some sort of dialog to end the war. In their last message 2 days ago, they even proposed that this subject should be put to a referendum. They have specifically offered to dismantle all their operations, to retire completely from the business, and to eliminate drug trafficking from Colombia. What would be your reaction if the Colombian Government would eventually agree to this dialog?

The President. I would let the Colombians make their determination on how they want to treat problems in their own country. But I would be very wary of taking the word of an indicted drug dealer. I would be extraordinarily worried about that because I don't think they keep their word. I think these are people that -- the background on some of them, you know -- well, were common criminals until they got into the lucrative business of poisoning the kids not just in the United States but in Colombia as well and every other country as well. So, I'm not sure the Colombian officials need free advice from me, but I would be very wary about that negotiation. And I think that the Government of Colombia has been very wary about that kind of negotiation because they know the kind of people they're dealing with.

Q. Mr. President, Colombia's war on drugs can only be sustained if the country's economy is strengthened. Eighty-seven million dollars, which was given to our country basically in military equipment, is a welcome aid. We were very grateful for your help. But we feel that in order to maintain the proper political attitude of the Colombian people towards drugs much more for the country's economy is needed. Could you consider -- and perhaps the meeting at the Andean summit might be the place to give, eventually, discussion to this -- would you be able to consider a type of Marshall plan for countries such as Colombia that are decidedly and deeply involved in the war on drugs?

The President. Well, again, I would be willing to consider anything. And I hate to cry poor mouth -- we are living under constraints on the economic side that I wish we weren't living under. But we did discuss with the President of Colombia the egregious effect that the coffee agreement has had on the overall economy and, thus, the resources available to help fight narcotics. So, we told him, look, we're going to try to help reinstate this agreement. It is not a popular thing in this country because people think, hey, I'm going to have to pay more for a cup of coffee; but we ought to go the extra mile here in trying to help Colombia. And so, it's with that in mind -- on that one facet of the problem I think we can try to help.

But, look, if there's some bold plan that can come out of this summit that will help in the areas that produce it -- and then Colombia, which has both production and has become this factory, really, for these people -- we should be openminded about it and go the extra mile to try to help on the economic because I do see the connection. We don't just say, look, you do something about these drugs -- crime, criminals, explosions, arms -- and then forget the economy. We're

not going to do that. But I've got to stop a little short until I know what the view of these leaders will be when we get there.

President Ortega of Nicaragua

Q. The celebration of the 100 years of Costa Rican democracy will make you coincide in our country with Nicaragua's President Daniel Ortega.

The President. I've thought about that. [Laughter]

Q. Is there a possibility that you will be meeting -- or would you be willing to meet -- President Ortega in Costa Rica, and what topics would you be willing to discuss with him?

The President. No. We're there as guests of President Arias. And there's no meeting planned. Certainly there will be interaction. This is a multilateral approach, coming there to salute democracy. I find it somewhat ironic that Mr. Ortega is there to salute democracy, but nevertheless, so be it; that's good.

We want to have a tribute to 100 years of Costa Rican democracy, and what we don't want to do is inject a lot of regional tensions into their meeting. But I'm going to be polite, charming -- [laughter] -- and if I had an encounter, it would be very firm because I don't see why that one Sandinista regime is swimming against the tide, as Chairman Mao used to say. Why not? The aspirations in our hemisphere, in all these countries, is for democracy; and you see it happening all the time -- just heard about it around this table by your very questions. And Marx's star is fading -- not just in this hemisphere but look at Eastern Europe, look around the whole world -- and human rights are rising up, and pluralism is coming on.

So, let the Nicaraguan people speak to this question. They don't need George Bush telling them how to do it. Let them speak to it and be sure that the opposition has every opportunity to take their case to the people of Nicaragua. But it's not going to help to have me go through this once again with Mr. Ortega. I had a chance to do that in Brazil. He knows how I feel about it, and everybody knows we have a tense relationship. So, I don't want to act like we're waltzing around there in great harmony, because we're not. And there are so many ways that they can prove that they want to join the family of nations in this hemisphere -- stay with it, and stop subverting El Salvador in the process would be a good way to begin. We stopped a major shipment of arms -- interdicted the other day going into El Salvador.

So, I have no agenda with Mr. Ortega. And as he takes a step that might lead to democracy, great, I'm for that; but we're not going to solve any problems there in Costa Rica. I'm there as the guest of the country, guest of President Arias. I wish Mr. Ortega had been there when Arias was sworn in, and I'll tell you why. I realize that the United States has varying degrees of problems in our own hemisphere for a lot of historic reasons. Maybe you were there this day I'm talking

about. I represented the United States as Vice President. You had 30,000 people in a stadium in the capital. Remember that day?

Q. The national stadium.

The President. The national stadium, exactly. And what you did was to go in there, everybody lined up behind their flag. And I'm saying to myself, I don't know what kind of reception I'm going to get -- the U.S. Stars and Stripes and the Vice President of the United States -- I know we've got good relations with Costa Rica, but a lot of other countries represented. I swear to God, to the day I die I'll never forget the reception for my country. It wasn't me -- they didn't know who the hell I was -- but marching in behind the Stars and Stripes with our little delegation, and people were cheering, and it was democracy. It overlooked any kind of regional differences, and it was so moving and touching. And when the Nicaraguan representative walked in there, they were whistling and giving it the old cheer that you give when some guy gives you a bad call in a soccer game.

And it said something. I'm standing, listening very carefully to this -- what are the people trying to say? -- and it's not ``we love you, North Americanos'' or anything like this. It was democracy. And it made a profound impression on me. And I don't think there's going to be an occasion for that kind of thing. But if Mr. Ortega had been there instead of his representative, Vice President Ramirez, he would have heard this, and he would have sensed it. He would have understood what the Costa Ricans were talking about when they had this peaceful transition -- yet again the will of the people being exercised.

Sorry to end with a lecture, but it's a good ending point because we're not going down there to have some battle with Mr. Ortega. I'm not uptight about his being there. But I'm there to celebrate the Costa Rican democracy, 100 years of it, and to join other democratically elected Presidents in saluting the democracy of this country -- and recognizing that it hasn't been easy for Argentina or Brazil or some countries to come out of a different kind of a past, even though the people probably never lost their confidence in democracy. Chile is a good example.

And so, that's what we're going there for. And I just hope that it doesn't get cluttered up by the photographers that work for you guys wanting to see a picture of me and Ortega together. That has nothing to do with democracy in Costa Rica -- nothing.

Thank you guys very much, all of you.

General Noriega of Panama

Q. Mr. President, on Mr. Noriega -- we each asked our question. Will you answer one question on Noriega?

The President. Yes, be delighted to. He isn't my favorite character, but what is it? [Laughter]

Q. You've been criticized in this country -- politically and some of the media -- for the way you reacted in the coup in Panama.

The President. Yes.

Q. You said that you acted according to what you felt.

The President. I wasn't criticized by any of the Presidents of the countries around this table, I noticed -- not one.

Q. Right. But some of the media in this country and some in Congress -- --

The President. We've got a lot of hawks out here; we've got a lot of macho guys out there that want me to send somebody else's kid into battle. And what I will do is prudently assess the situation at the time, and I've seen nothing in terms of intelligence or fact coming in later that would make me have done something differently. And that doesn't mean that under some provocation or some denial of our rights as the United States of America, that I'd be afraid to use force. But for these instant hawks up there to -- those doves that now become instant hawks on Capitol Hill, they don't bother me one bit because the American people supported me by over 2 to 1, and I think I sent a strong signal to the countries represented around this table that we are not going to imprudently use the force of the United States.

If somebody lays a glove on an American citizen there in the Canal Zone or where we have certain treaty rights, then we've got a different story.

Q. Will you participate in the next uprising?

The President. And this man must be brought to justice. This man is an indicted drug dealer. And I haven't changed. You know, one of the hits they gave me is I said that we have no argument with the Panamanian Defense Forces. We don't. And some of our more sophisticated columnists, perhaps who you are referring to, say the minute the President says this, this implies that he's going to use U.S. force. Ridiculous. I'm not going to do that. But it doesn't imply I'm not going to use force. Look at the situation.

So, I'm not going to say what I'm going to do -- force or no force -- but there's no implicit guarantee that when some guy jumps up and causes a coup, that the United States is going to send in the SOUTHCOM [Southern Command] forces. So, we took a few hits on it, but not too much. I think it's come out reasonably well. But when I had the Prime Minister of Spain [Felipe Gonzalez] here the other day, he understood it. And it's very important to me, I think, as it relates to this hemisphere that we all love so much, too.

But this man has to go. And I'll tell you what: The minute Noriega gets out of there, the minute he's gone -- unless replaced by a tyrant, so I reserve that -- but the minute he's gone, we have instantly improved relations with Panama. We have good relations with the people of Panama. And I'll be darned if we should sit here, as countries that respect democracy, and let this man beat up the Vice President, Guillermo Ford, beat the hell out of him and bleed him out there, to avert democracy. We're talking about the trend for democracy, and Panama is entitled to it. And it can't be superimposed by the United States, but they spoke in a free and fair election, and they are entitled to it. And I'm going to do everything I can from up here. I'm working with our colleagues in the hemisphere, Venezuelan President [Carlos Andres Perez] and others, to try to see that the will of the people is respected.

And Noriega is the fly in the ointment. Many of those Panamanian Defense Force officers were trained in the United States. They're not hostile to us, and we darn sure aren't hostile to them, but we are hostile to a man who aborts democracy and gets tied up in this international narcotics business.

Q. Will you accept a man named by Noriega as head of the Panama Canal Company, sir?

The President. What's his name? If he's named by Noriega -- --

Q. Will you support -- --

The President. -- -- that will give the poor guy -- if he's supported -- --

Q. He's already named him. I don't know his name.

The President. Well, I don't know who it is, either, but I'll tell you, he doesn't have much chance of getting through the Senate. In our system, you've got to go up to the Hill to get something confirmed. And if he goes up under the mantle of Mr. Noriega, he'd get two chances -- slim and none. Those are the chances.

Q. Will you support it, Mr. President -- the next uprising? Will you support it?

The President. I can't say that. How do I know what it is? I want to see Noriega out, democracy in. And I would give support to something like that. But you can't give a carte blanche; you've got to know what the facts are. And that's why I did what I did in this last thing -- or didn't do what some would have me do. The facts were quite different than some of the perceptions.

Thank you all very much.

Note: The interview began at 11:38 a.m. in the Roosevelt Room at the White House. Marlin

Fitzwater was Assistant to the President and Press Secretary. A tape was not available for verification of the contents of the interview. The interview was released by the Office of the Press Secretary on October 26.

Remarks at a Ceremony Granting Most-Favored-Nation Trade Status to Hungary

October 26, 1989

Thank you. Please be seated. On this beautiful day at the White House, welcome. Secretary Baker and Secretary Mosbacher; Carla Hills, our able U.S. Trade Representative; I see our Secretary Derwinski and Watkins; Bill Reilly; Bruce Gelb. Mr. Teller, it's a delight to see you here, sir. And the distinguished Members of the United States Congress who are with us, welcome, all. I see the chairman of our Foreign Relations Committee, Senator Claiborne Pell, here, and Bill Broomfield. All of you, welcome.

It was my privilege to return to Hungary last summer and become the first American President to visit a nation that is so much a part of Europe and so much a part of America. I had a chance to discuss this just Monday when the new Ambassador came to the White House to present his credentials. And I welcome you, sir, and am just delighted you're here representing your country.

At Karl Marx University, before the very statue of Marx himself, I met students, teachers, and entrepreneurs who are making a bold break with the past. And in their bright faces I saw a burning idealism and a determination to escape the dead hand of ideology forever. And I pledged my strong support to this process of democratic change in Hungary. I said I would ask Congress to authorize $25 million and to establish a Hungarian-American enterprise fund, $5 million to open an environmental center for central and Eastern Europe in Budapest, and another $6 million for a wide range of cultural and exchange programs. I submitted these proposals to Congress in early September. We're working vigorously to ensure congressional action to make an American investment in Hungary's future.

And I also promised to stimulate American business investment in Hungary by extending the business insurance of the Overseas Private Investment Corporation to Hungary. Ambassador Fred Zeder, the President and the CEO of OPIC, led a delegation to Hungary just 2 weeks ago to plan for operations to begin once the corporation receives the enabling legislation from the Senate. And last month, Secretary Bob Mosbacher led a major governmental and private investment mission to Hungary, encouraging steps toward new ventures.

Hungary's already starting to enjoy tangible results of our commitment to support reform. Just in September, an American corporation purchased 100 percent of a Hungarian trading firm, the first such total acquisition in Eastern European history. And this is just one example of many new American ventures within Hungary.

I also said that the Peace Corps will make its first European mission to Hungary to teach English in every county of that nation. Peace Corps Director Paul Coverdell recently led a delegation to

Hungary to plan this mission.Bill Reilly, the EPA Director, and Bruce Gelb, next to him, our USIA Director, have also led missions to Hungary to develop and implement our environmental and cultural exchange programs.

In Budapest, I also said that as soon as the Hungarian Parliament passed emigration legislation then under consideration that I would notify our Congress that Hungary meets all the emigration criteria under U.S. law. That would qualify Hungary for most-favored-nation treatment. And I am pleased to say that on September 26th Hungary fulfilled its part of the bargain, and I'm here today to fulfill our part of the bargain.

Before me are three documents, one advising the Secretary of State that I've determined that Hungary meets our emigration criteria; the others informs each of the Houses of Congress. And with my signature, these documents will grant Hungary the most liberal trade treatment possible under U.S. law, making it the first country subject to the Jackson-Vanik amendment ever to be granted a waiver from annual reviews of its emigration practices. But you see, we feel that today's action represents something far greater than a mere trade agreement. It signals the recognition that a quiet revolution is taking place in thousands of shops, farms, and factories. It signals the rebirth of Hungary as an entrepreneurial nation.

Our measure will, of course, grant these new Hungarian entrepreneurs access to the largest single market in the world; but the peoples of America and Hungary are exchanging more than blue jeans and fine wines. We're exchanging ideas and ideals that can only be the shared province of free peoples. The documents I'm about to sign refer to the Republic of Hungary. Just 3 days ago, on the anniversary of the 1956 revolution, Hungary scrapped the title ``People's Republic," that symbol of the one-party system imposed on Hungary after World War II. And it is this new Hungarian Republic that has adopted a bill of rights inspired by our own Constitution to guarantee freedom of the press, assembly, and religion.

And Americans watch these acts of national courage with wonder, admiration, and something more -- a willingness to help. So, we're not passive observers. We are active supporters of reform. Let no one doubt our commitment to freedom's success in Eastern Europe. For we know that we are privileged to participate in a very special moment in human history: we're witnessing an unprecedented transformation of Communist nations into pluralistic democracies with market economies.

In Budapest, Radio Free Europe is broadcasting from its first bureau in Eastern Europe. It's a remarkable thing. And in Warsaw, a dissident who once languished in prison now presides over their Parliament -- incredible. In East Germany, hundreds of thousands of courageous men and women march arm in arm through the streets of Leipzig to make a peaceful stand for freedom -- inspiring. It is in these amazing scenes that we see a portrait of the indomitable spirit of man. Throughout Eastern Europe and in the Soviet Union itself we see evidence of the ascendancy of freedom. We see signs of a new Europe which no one need fear, a Europe whole and free. And

as we witness this historic tide of freedom, riding at the crest is one nation, the people of the Republic of Hungary. And to them I say: We admire you, we support you, and we welcome you as friends of freedom.

Thank you. And now it is my pleasure to sign those historic documents granting Hungary continued most-favored-nation treatment.

Note: The President spoke at 10 a.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Energy James D. Watkins, scientist Edward Teller, and Hungarian Ambassador to the United States Peter Varkonyi.

Message to the Congress on Trade With Hungary

October 26, 1989

To the Congress of the United States:

I hereby transmit the documents referred to in Subsections 402(b) and 409(b) of the Trade Act of 1974 (``the Act''), 19 U.S.C. 2432(b) and 2439(b), with respect to the consistency of the emigration laws and policies of the Republic of Hungary with the criteria set out in Subsections 402(a) and 409(a) of that Act, 19 U.S.C. 2432(a) and 2439(a). These documents constitute my decision that a waiver of Subsections (a) and (b) of Section 402 of the Act will no longer be required for the Republic of Hungary.

I include as part of these documents my Determination that the Republic of Hungary is not in violation of paragraph (1), (2), or (3) of Subsection 402(a) or paragraph (1), (2), or (3) of Subsection 409(a) of the Act. I also include information as to the nature and implementation of the emigration laws and policies of the Republic of Hungary and restrictions or discrimination applied to or against persons wishing to emigrate, including those persons wishing to emigrate to the United States to join close relatives.

George Bush

The White House,

October 26, 1989.

Presidential Determination No. 90 - 3 -- Memorandum on Trade With Hungary

October 26, 1989

Memorandum for the Secretary of State

Subject: Determination Under Subsections 402(a) and 409(a) of the Trade Act of 1974 -- Emigration Policies of the Republic of Hungary

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93 - 618, hereinafter ``the Act''), I determine that the Republic of Hungary is not in violation of paragraph (1), (2), or (3) of Subsection 402(a) of the Act, 19 U.S.C. 2432(a), or paragraph (1), (2), or (3) of Subsection 409(a) of the Act, 19 U.S.C. 2439(a).

You are authorized and directed to publish this Determination in the Federal Register.

George Bush

Note: The determination was printed in the ``Federal Register'' of November 6.

Remarks and an Exchange With Reporters on Signing a Bill Making Continuing Appropriations for Fiscal Year 1990 and Providing Disaster Relief

October 26, 1989

The President. Let me just thank this delegation, congressional delegation from California -- its two distinguished Senators and Members of Congress, those most interested in this disaster relief. And I've signed this bill that provides $2.85 billion in Federal disaster relief for the victims of the earthquake and also the hurricane on the east coast.

And I would simply say again that our hearts go out to the victims. And we are hopeful that this action, taken with great speed and compassion by the Congress, will send a signal that all of us, crossing party lines, care very much about this.

And so, I appreciate those of you who have impressed on us the importance of quick relief. I appreciate those who took the time to be with me and help me understand this -- feelings of the people out there. And lastly, I really do want to thank again -- this is government action, but in its totality it cannot exceed the action of private citizens who are pitching in to help neighbors and friends out there. And I got that message loud and clear from all of you, and I think it's so true.

So, I will go forward and do this, and I'm delighted that you all came down.

Q. Some of the Californians say they think that more money would be needed. Do you anticipate this will be the end of it?

The President. What was that, Lesley [Lesley Stahl, CBS News]?

Q. It was Rita [Rita Beamish, Associated Press].

The President. Oh, it was Rita -- blaming her. [Laughter]

Q. And what I said was, do you think that this will be enough?

Q. Will there be more if it's needed, Mr. President?

The President. I pledged to do what we need to do, and I think we've made a great -- got this done.

Note: The President spoke at 11:05 a.m. in the Oval Office at the White House. H.J. Res. 423, approved October 26, was assigned Public Law No. 101 - 130. A tape was not available for verification of the contents of the remarks.

Statement on Signing a Bill Making Continuing Appropriations for Fiscal Year 1990 and Providing Disaster Relief

October 26, 1989

Today I have signed into law H.J. Res. 423, a continuing resolution that continues to fund most Federal Government activities through November 15, 1989, and provides $2.85 billion in disaster relief funding.

The $2.85 billion in additional disaster relief funding included in the resolution would be used primarily to help the State of California recover from the severe earthquake that struck last week. The additional funds would also be used to provide further assistance to victims of Hurricane Hugo and other Presidentially declared disasters.

Of the $2.85 billion provided, $1.1 billion would finance the disaster relief activities of the Federal Emergency Management Agency. The Federal Highway Administration would receive $1 billion to assist in the repair of Federal and State roadways. The Small Business Administration would receive an additional $500 million for disaster loans, and its authority for making such loans would be increased to $1.8 billion. The remaining $250 million is made available in an unanticipated needs account to address, as needed, the consequences of these recent natural disasters, such as repairing damage to Federal facilities.

The resolution also extends the authority of the current continuing resolution through November 15, 1989. I have concurred with this action for a number of reasons. I recognize that the Congress needs additional time to address satisfactorily my veto of the FY 1990 Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act and my upcoming veto of the FY 1990 District of Columbia Appropriations Act. Moreover, with only two of the 13 regular appropriations bills enacted into law, I have decided not to force the shutdown of important Federal Government operations as a consequence of congressional inaction. Since this resolution maintains the status quo for only an additional 21 days and since most of the remaining FY 1990 appropriations bills will have completed conference action this week, I have decided to support this extension.

Given the current status of congressional action, I believe it is reasonable to expect that the Congress should complete final action on the remaining FY 1990 appropriations bills before the expiration of the resolution.

George Bush

The White House,

October 26, 1989.

Note: H.J. Res. 423, approved October 26, was assigned Public Law No. 101 - 130.

Remarks Announcing Proposed Legislation on Food Safety and Pesticides

October 26, 1989

In the first place, I'd like to thank the leaders in Congress on the agricultural side for being here very much.

We're all aware of news stories over the last several months alleging the presence of dangerous levels of pesticides in the food supply. Last March those news stories focused on the pesticide alar in apples. And more recently there were several news stories on EDBC, a pesticide used on fruits and vegetables. And these stories have fueled the public concern about cancer risks and, more important for us, have called into question the Government's ability to ensure a safe supply of food for our citizens. We have the safest food supply in the world -- I'm absolutely convinced of that -- and we're going to keep it that way.

It is true that some of the public's perception is based on valid concerns about the Government's slow and cumbersome process for removing pesticides from the market. And that's why we're here today: to announce a major new initiative by our administration on food safety, a proposal to ensure that America's food supply remains the safest in the world. We need to amend our current food safety laws to speed the process for removing pesticides from the marketplace to protect public health and the environment without being either unreasonable or impractical. And we've been working cooperatively, I might add, with all of you for several months on a number of issues to improve the Government's ability to deal effectively with these pesticides. The proposals that we have set before you represent a consensus carved out after several months of discussions. Secretary Yeutter, Secretary Sullivan, Administrator Reilly are here today to convey wholehearted agreement on these issues.

I've asked the leaders of Congress here from the congressional committees -- whose committees do have jurisdiction over food safety to join us today at this announcement. And I also plan to ask them for their help and cooperation in enacting these proposals into law in an expedited manner. We're going to have a detailed briefing for the press by senior administration officials in the press room immediately following this meeting.

But again, I'm grateful to you, Mr. Chairman and Mr. Chairman, and the other ranking minority members and others, for being here with us today. Thank you very much for coming. And thank you all. And then we will now have a little discussion about this.

Note: The President spoke at 1:25 p.m. in the Cabinet Room at the White House. In his remarks, he referred to Representative E. de la Garza, chairman of the House Agriculture Committee; and Senator Patrick J. Leahy, chairman of the Senate Agriculture, Nutrition, and Forestry

Committee. A tape was not available for verification of the contents of the remarks.

White House Fact Sheet on Proposed Legislation on Food Safety and Pesticides

October 26, 1989

In order to improve the Federal Government's ability to protect American consumers and the environment from potential dangers posed by the use of pesticide chemicals, President Bush today proposed a comprehensive program to enhance food safety for all Americans. The President's plan calls for major revisions to the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) and to the Federal Food, Drug and Cosmetic Act (FFDCA).

In the FIFRA, the President's revisions will streamline EPA's ability to remove potentially hazardous pesticides from the market, and enhance the Agency's enforcement program to ensure the safe use of pesticide chemicals. In the FFDCA, the President would eliminate a longstanding inconsistency in the law governing pesticide residues in foods and establish a negligible risk standard for such residues. The President's plan is designed to eliminate unacceptable risks to the public health and to provide for more orderly regulation of pesticides and their use.

Although the need for reform in this area has been widely recognized, the sensitivity of the issues involved has long divided the affected private interests as well as the Federal agencies charged with administering the laws. This has contributed to difficulties the executive branch and the Congress have had in dealing with this matter.

President Bush's plan was developed with input from the private sector and from all the relevant Government agencies. The result is a sensible approach to complex and contentious issues which takes into account the varied private interests and represents an unprecedented consensus among the Federal agencies involved.

The President's plan will

Establish a periodic review of all pesticides and terminate the ability to use pesticides for which manufacturers have not provided adequate data on safety.

Improve the definition of what is considered an imminent hazard posed by a pesticide and allow more rapid utilization of regulatory authority to remove from use pesticides that are so designated.

Simplify and make more effective the process of canceling the use of a pesticide found to be harmful to public health.

Improve enforcement by increasing the penalties for misuse of pesticides and providing more

authority for EPA to conduct inspections and collect necessary information on the distribution, use, and testing of pesticide products.

Establish scientifically sound threshold tolerance levels for pesticides in or on food, identifying a negligible risk level below which public health is not threatened. While this plan specifically addresses pesticide residues, the principle of negligible risk, based on scientific determination, is one which has wide applicability.

Provide for national uniformity in the tolerance levels which are established following a review of the latest scientific evidence, and in accordance with new procedures, with the possibility of waivers justified by special local circumstances such as unusual food consumption patterns.

Fundamental Principles

Four goals underlie the President's food safety proposals and the means for accomplishing them.

Protecting the Public's Health. The plan will prevent harmful exposure of the public to pesticides in the food supply.

Improving Regulatory Certainty for the Agricultural Sector. The plan will simplify and make more workable the regulation of pesticide use in agriculture, thereby assisting farmers in knowing and following food safety laws.

d

Strengthening the Oversight of Pesticides and Their Use. The plan will assure that unsafe pesticides are not used and will speed the development of safe alternatives.

d

Building Public Confidence. The plan will enhance public confidence in the safety of America's food supply, and will assure consumers that it will remain safe in the future.

These proposals will improve the Government's ability to remove from the market pesticides posing threats to human health and the environment. The administration's interagency discussion of food safety has identified and addressed seven principal issues. These issues, together with the President's proposals, are summarized below.

Federal Insecticide, Fungicide, and Rodenticide Act Proposals: Streamlining the Suspension, Cancellation, and Reregistration Process

Termination of Registration: Cancellation, Failure To Establish Continued Eligibility

Under current law (and not changed by these proposals), a registered pesticide chemical may have its registration terminated either temporarily (suspension) or permanently (cancellation). EPA also has general authority to suspend registrations for failure to provide required data. In addition to current suspension authority, the President's plan specifies that:

A. Registrants should bear responsibility to ensure that EPA is provided with data and information necessary to permit EPA to determine, in light of the then-applicable standards for new pesticide registrations, whether a cancellation proceeding in a given instance is warranted. Data should be provided within prescribed timeframes: Following first registration, 19 years for pre-1984 registrations, and 15 years for 1984 and later registrations. Thereafter, every 9 years.

B. If a registrant fails to provide EPA with the data and information required by applicable regulations or guidelines within a reasonable time after it is due or requested, EPA should be authorized to order temporary termination (suspension) of the registration.

Definition of Imminent Hazard

Under current law, EPA has authority to suspend a registration if it is found to pose an imminent hazard to health or to the environment. Current suspension authority has a very high risk threshold that can rarely be sustained and has little practical utility regardless of the nature or immediacy of the risk. The President's plan proposes that an imminent hazard be redefined to exist in either of the following circumstances:

A. When continued use of the pesticide during the period required for cancellation poses a substantial risk to the environment or to human health based on lifetime risk and the risk of continued pesticide use (1) exceeds the risk posed by the substitution of alternative pesticides or other available pest control methods or (2) in the absence of alternative pest control methods, exceeds the adverse effects of any pest which would have been controlled by the pesticide during the period required for cancellation; or

B. When continued use of the pesticide causes a less than substantial but significant risk to health or the environment, which in light of the reasonably available facts and circumstances is unreasonable, taking into account the price and availability of raw agricultural commodities and processed foods.

Simplification of the Cancellation Process

Under the existing cancellation process, there is first an administrative review process in which the registrant fully participates. Then, if requested, a formal adjudicatory process with a full de novo evidentiary hearing before an administrative law judge (ALJ) may be pursued. Finally, the

registrant may also seek a full judicial review.

The President proposes to simplify the process, and in lieu of the middle step (the full de novo evidentiary hearing before an ALJ), the President's plan would require EPA to publish (in the Federal Register) notice of, and the grounds for, its intended action. The process would include an opportunity for the registrant and others to make written submissions during a specified comment period (typically 60 days).

The EPA Administrator could also hold an informal public hearing on the issue during the comment period. There would be no requirement that anyone be forced to testify or respond to cross-examination.

If the registrant requests such a public hearing, the EPA Administrator should hold the hearing unless the Administrator determines a hearing is not warranted and the registrant is not prejudiced thereby.

Consultation Within the Government

Current consultation among EPA, USDA, and HHS primarily occurs in the form of written comment during the cancellation process. The President has decided that closer consultation throughout the process would be beneficial. Accordingly, the President's plan would require appropriate consultation among EPA, USDA, and HHS prior to issuance of cancellation and suspension orders, and at such other times as may be agreed to in a memorandum of understanding.

Such a memorandum of understanding would specify the points in the process at which consultation should occur and would stipulate how consultation should be accomplished. Such consultation would be for the benefit of the administration's implementation of its programs and would be subject to oversight by the Executive Office of the President. As such it would not be the subject of judicial review.

Enforcement

Finally, the President's plan proposes to amend FIFRA to strengthen penalties, recordkeeping requirements, and provisions regarding entry onto premises for inspection and sampling.

Enhanced enforcement provisions are appropriate because violations of FIFRA, which involve misuse of dangerous chemicals, result in harms that are similar in nature to, and equally as serious as, violations of other environmental statutes. Those violations result in penalties, both civil and criminal, that are much more severe than FIFRA currently provides. Most environmental statutes (Clean Water Act, Resource Conservation and Recovery Act, Superfund, and the Safe Drinking Water Act) have been revised in recent years to strengthen civil and

criminal enforcement provisions significantly. Primarily, they provide felony penalties for knowing violations of the acts and for knowing endangerment offenses. They also have expanded civil and administrative penalty provisions.

The President's proposed FIFRA provisions would apply to pesticide producers; testing facilities; and persons who sell, distribute, or commercially apply pesticides. Private applicators, such as farmers, would be required to keep records of their use of restricted-use pesticides and could be inspected for cause. Farmers and others who only use general-use pesticides would not be required to keep records, but could be inspected for suspected violations or when the Agency or States are seeking information as part of an inquiry into specific environmental or health problems.

Maximum allowable civil administrative penalties would be increased from $5,000 to $25,000 per day for violations of provisions governing sales, distribution, or commercial use. EPA will be able to take mitigating factors into account in determining whether a warning or lesser penalty is appropriate, as current law provides. Private applicators who violate FIFRA while using a restricted-use pesticide would be subject to a maximum first time penalty of $1,000. Knowing violation of the act would be raised to a felony for most parties (e.g., registrants, distributors, pesticide testing facilities) and a new knowing endangerment offense would be established for all persons subject to the act. Knowing violations by private applicators would remain misdemeanors unless they constitute knowing endangerment.

The statutory provisions granting primary enforcement authority to the States would not be altered.

Federal Food, Drug, and Cosmetic Act Proposals: Tolerance Setting and Uniformity

Establishment of Tolerance Levels: Standards and Implementation

Current law is not consistent because the usual process of tolerance-setting based on risk assessment is precluded in one particular situation, namely residues of a carcinogen in processed foods. Read literally, the Delaney clause imposes a zero-risk standard in this case. This means that no substance which causes cancer in humans or animals can be deemed safe for use in any amount, no matter how insignificant the risks to health or how great the costs to society. In light of current scientific ability to measure residues in minute amounts, a strict interpretation of the Delaney clause poses a virtually impossible standard.

The President's plan proposes that, for pesticide residues in food posing carcinogenic risks, FFDCA should be amended to eliminate the Delaney clause and add a tolerance threshold at or below which the public health is not threatened. The term which sets the standard for this new threshold is ``negligible risk.'' The President's plan sets forth the following:

A. There should be a tolerance level for pesticide residues in food below which it is deemed that the public health is not threatened, thus permitting a pesticide which satisfies this requirement to remain in use. The tolerance level for various carcinogenic chemical substances should be established based on a predicted risk level as stated below. (This de minimis risk level replaces the concept of zero risk for cancer contained in the Delaney clause.)

1. Standard. The level of risk below which public health is not threatened is a level that is found to be negligible. Under appropriate regulatory risk-assessment procedures, this translates into a statistical risk level at or below a range of risk of 105 to 106 based on lifetime exposure.

2. Implementation and enforcement. In implementing and enforcing this standard, EPA, in consultation with USDA and FDA, should describe through rulemaking or other formal guidance the following:

a. The process and procedures through which the specific tolerance level determinations are to be made; and

b. The nature and types of human carcinogens to which the standard will be applied. This could be in terms of the existing carcinogen classifications that relate to animal and human carcinogenicity, or in other terms.

B. In order to establish a tolerance in cases when the level of human-health risk is greater than negligible, the EPA should be required to consider the following factors:

1. Whether the risk to human health or the environment is greater from the uncontrolled pest than from the dietary risk posed by the pesticide chemical residue;

2. Whether the risk to human health or the environment is greater from alternative methods of pest control than from the dietary risk posed by the pesticide chemical residue;

3. The economic costs to consumers, including effects on price, availability, and quality of food;

4. The economic effects on producers, whether they be gains or losses, including changes in prices or production; and

5. Whether reasonable efforts are being made to develop either an alternative method of pest control or an alternative pesticide chemical for use on such commodity or food.

National Uniformity: When Applicable

Under current law, States may set tolerances for pesticide residues in food that are lower than those established by EPA. When States have done so, it has been a source of real concern to the

food distribution industry and a source of confusion to consumers. Inconsistent tolerances could have significant adverse impacts on the ability of the United States to participate in international trade of raw agricultural commodities and processed foods. The President's plan has the following approach:

National uniformity should be provided by statute for chemical tolerances established pursuant to the reregistration process described under the 1988 amendments to FIFRA. Any State or local standards applicable to the same chemical substances must be identical to Federal standards, provided that a State may enforce a more stringent standard if it has obtained a waiver from EPA pursuant to published procedures and criteria. Waivers will be permitted only when warranted by special local circumstances. States could enforce more stringent standards for old substances that have not undergone reregistration.

Note: Background material on pesticide use and registration was not printed.

Statement on the Flag Protection Act of 1989

October 26, 1989

On June 21, 1989, the Supreme Court in Texas v. Johnson held unconstitutional a Texas statute prohibiting flag desecration. The Court reasoned that, under the principles of the First Amendment, a State could punish a person who desecrates the flag to communicate a message only if the State had a compelling reason to do so. The Court held that the Government's interest in preserving the symbolic value of the flag is not compelling.

After a careful study of the Court's opinion, the Department of Justice concluded that the only way to ensure protection of the flag is through a constitutional amendment. Pursuant to that advice, I urged the adoption of such an amendment.

After several months of debate about how best to protect the flag from desecration, the Congress has forwarded to me H.R. 2978. The bill provides for a prison term of up to 1 year for anyone who ``knowingly mutilates, defaces, physically defiles, burns, maintains on the floor or ground, or tramples upon" any United States flag.

While I commend the intentions of those who voted for this bill, I have serious doubts that it can withstand Supreme Court review. The Supreme Court has held that the Government's interest in preserving the flag as a symbol can never be compelling enough to justify prohibiting flag desecration that is intended to express a message. Since that is precisely the target of this bill's prohibition, I suspect that any subsequent court challenge will reach a similar conclusion.

Nevertheless, because this bill is intended to achieve our mutual goal of protecting our Nation's greatest symbol, and its constitutionality must ultimately be decided by the courts, I have decided to allow it to become law without my signature. I remain convinced, however, that a constitutional amendment is the only way to ensure that our flag is protected from desecration.

George Bush

The White House,

October 26, 1989.

Note: H.R. 2978 became law on October 28 and was assigned Public Law No. 101 - 131.

Message to the House of Representatives Returning Without Approval the District of Columbia Appropriations Act, 1990

October 27, 1989

To the House of Representatives:

I am returning herewith without my approval H.R. 3026, the ``District of Columbia Appropriations Act, 1990."

I informed the Congress earlier that I would veto this bill if it permitted the use of appropriated funds to pay for abortions other than those in which the life of the mother would be endangered if the fetus were carried to term. The limitation I proposed is identical to the one included in the District of Columbia Appropriations Act for 1989 (Public Law 100 - 462).

This year, regrettably, the Congress has expanded the circumstances in which Federal funds could be used to pay for abortions. Moreover, unlike Public Law 100 - 462, H.R. 3026 would also permit payment for abortions with local funds, which under current law must be appropriated by the Congress. Thus, H.R. 3026 would not restrict the use of such funds for abortion in any way.

I am, therefore, compelled to disapprove H.R. 3026.

George Bush

The White House,

October 27, 1989.

Advance Text of Remarks Upon Departure for the Centennial Celebration of Costa Rican Democracy in San Jose

October 27, 1989

This morning we are traveling to San Jose, at the invitation of President Arias, to celebrate a century of democracy in the Republic of Costa Rica. As with our trip in July, when we traveled to Paris to commemorate their bicentennial, we will carry with us the warm congratulations of the American people to a nation that has been both a good friend, a good neighbor, and a pillar of democracy.

Three years from now, we will celebrate the 500th anniversary of Columbus's first great voyage of discovery; 8 years after that, the beginning of a new century. As we approach these landmarks, the people of the Western Hemisphere have strongly affirmed their democratic ideals. In nation after nation, courageous people voted new leaders into office and marked the end of autocratic rule. Today many who blazed the path to democracy are transferring the people's mandate to elected successors. Costa Rica is no longer one of a few lonely democracies. Indeed, today there are only a few lonely holdouts against the sweep of democracy through this hemisphere.

I believe history will show that this hemisphere's democratic resurgence helped set the stage for today's electrifying changes in the Communist world. When people replace dictatorships with popular rule across an entire continent, the world takes notice. The news is irrepressible and inspiring for those with democratic dreams of their own. Here in the Americas, we have the opportunity to create the world's first completely democratic hemisphere, where free markets and the marketplace of ideas can prosper hand in hand.

And so, we journey today to advance this new world of freedom and to salute the traditions of a nation and a people that, in many ways, represents the model for our entire hemisphere. Thank you, and I hope you all have a pleasant weekend.

Note: The President spoke at 6:22 a.m. on the tarmac at Andrews Air Force Base, Camp Springs, MD. The remarks as delivered were not released by the Office of the Press Secretary.

Remarks at the Welcoming Ceremony in San Jose, Costa Rica

October 27, 1989

Mr. President, thank you, sir. And it is a great pleasure for me to be here and to greet all who are here to celebrate democracy in Costa Rica. Gathered before us is one of the wonderful traditions of this great country: the tradition of greeting foreign visitors not with the guns of military salutes but with the cheers of those schoolchildren. And I think you have another marvelous institution, that is a band that can play ``The Star-Spangled Banner," a difficult anthem, without a flaw.

A few years ago, I was privileged to attend the inauguration of President Arias. And the stadium where the celebration was held was filled to capacity. And when our United States delegation entered behind the United States flag, the Costa Rican people rose to their feet, and the arena erupted in cheers. And they were cheering for the friendship between our countries, and they were cheering for democracy. And this welcome today also has me deeply moved and very proud.

They asked me, why are we coming? We are back in San Jose to honor a nation, Costa Rica; a leader, President Oscar Arias; and an idea, democracy. On behalf of your neighbors in the United States, I congratulate the people of Costa Rica on the 100th anniversary of your democracy. The Costa Rican model is an example and an inspiration in Central America, to this entire hemisphere, to the world: a nation in which the people rule through the ballot box, a nation whose economy is being freed from the shackles of the state and whose people are sharing in the fruits of economic growth, a nation that lives in peace with its neighbors because it threatens none with aggression or subversion.

One hundred years ago, the constitutional democracy that we honor today was the exception in the Americas. Today it is the rule. And today the nations still oppressed by what John F. Kennedy, speaking here in San Jose, called the last vestiges of tyranny can be counted on one hand.

I believe we can do more. I believe we must do more. I believe we can create here in the Americas the world's first completely democratic hemisphere. And I also believe that the Americas can become the model for the rest of the world for a true partnership between the developed and the developing world, where trade is free, prosperity is shared, and the benefits of technology are harnessed for all.

Mr. President, in that regard, I join you in celebrating the announcement you just made regarding the debt. I salute those private interests in the United States that cooperated. I salute

our leaders who worked with yours to achieve this marvelous example of what cooperation can bring. And I congratulate Costa Rica on this significant step.

And lastly, I do believe that here in the Americas we can and will unite to confront and defeat the new slayers of the democratic dream -- the narco traffickers who poison our children, murder elected officials, and wage war on civil society.

I believe that the democratic leaders of the Americas are reaching out to the United States, just as we are to them, offering a new partnership of mutual respect and mutual responsibility. And I'm here in San Jose to make it clear to the democratic leaders of this hemisphere that we embrace this new partnership.

To you, President Arias, my esteemed friend, and to all the officials who have made these arrangements, I express to you my gratitude on the one hand and my joy at being here on the other. Thank you very, very much.

Note: President Bush spoke at 10 a.m. at Juan Santamaria International Airport.

Exchange With Reporters in San Jose, Costa Rica, on the Situation in Nicaragua

October 27, 1989

Q. Do you regard the Sandinista leader Daniel Ortega as a popularly elected leader, sir?

President Bush. We're here to salute democracy. And I want to see Nicaragua become a democratic country, and I don't want to see them swimming against the tide of democracy that is sweeping this hemisphere and that we're saluting here today -- 100 years of Costa Rican democracy.

Q. But you don't regard him as a popularly elected leader?

President Bush. I want to see a free and fair election in Nicaragua, and I think most of the leaders here today want to see that. And they want to see the army be under the control of the elected leaders, and they want to see the Nicaraguan people have what others have -- not all, but most -- a chance to have democratically elected leaders.

Q. What is the chance of that? Why do you say that?

President Bush. Because look at the whole world, Helen [Helen Thomas, United Press International]. And the forces of democracy are on the move. We're here today to salute Costa Rica's -- a lot of kind of sophisticated people don't quite understand why all of us are getting together. What we're doing is symbolizing the importance on democracy. And one or two that are swimming against the tide -- maybe we'll get a chance to tell them how important democracy is.

Q. Will you tell them?

Q. Well, you said you expect to see a hemisphere without -- --

President Bush. You all are looking for some kind of fight. I'm here to celebrate democracy. You're just trying to get me into a big slugging match here. Come on. I'll let you know if there is one.

Q. President Arias, do you feel that Ortega is swimming against the tide?

President Arias. Well, if the elections he plans to hold are free and fair and give equal opportunities to all the political parties, then he will be swimming along the tide -- or with the tide.

Q. What do you think the chances are of that happening?

President Arias. I think that the eyes of the world are on Managua now. And there is a lot of pressure for the Sandinistas to hold those elections as free and fair as possible. It's not easy because that country is not used to free elections. They haven't had free elections in more than 100 years, but there is always a beginning, and we all hope that beginning starts on the 25th of February, when those elections are held.

Q. Are you going to tell Ortega that?

President Arias. I've told him that many, many times.

Q. President Bush, will you get the opportunity to tell him that as well?

President Bush. Tell him what?

Q. Tell him that this is an opportunity for him to have free and fair elections.

President Bush. Well, I think the United States position is well-known on that. Absolutely, I'll tell the world that.

Q. Will you tell him -- --

President Bush. We'll let you know, Lesley [Lesley Stahl, CBS News]. We'll let you know.

Q. Mr. President, have free elections in Nicaragua been preempted?

President Bush. Come on, we've got to get to work here.

Note: President Bush spoke at 10:25 a.m. at the Hotel Cariari, prior to a meeting with President Oscar Arias Sanchez. A tape was not available for verification of the contents of the exchange.

Statement by Press Secretary Fitzwater on President Bush's Meeting With Nicaraguan President Daniel Ortega Saavedra in San Jose, Costa Rica

October 27, 1989

President Bush and President Ortega met momentarily while entering the opening session this morning. The two shook hands in a friendly manner. President Ortega mentioned that he had met President Bush a few years ago and that they had discussed some of their problems. President Bush responded that they could have the same discussions today, about free elections and bringing democracy to Nicaragua. Both Presidents then proceeded to their seats for the opening session.

Nomination of the United States Alternate Executive Director and the United States Director of the Inter-American Development Bank

October 27, 1989

The President today announced his intention to nominate the following individuals to the Inter-American Development Bank:

Albert W. Angulo, to be United States Alternate Executive Director of the Inter-American Development Bank. He would succeed Larry K. Mellinger.

Mr. Angulo serves as owner of Argent Consultants in Houston, TX. Prior to this he served as vice president for corporate finance and marketing at Worley Engineering, Inc., in Houston, TX.

Mr. Angulo graduated from Lehigh University (B.S., 1959) and Temple University (M.B.A., 1968). He was born August 5, 1936, in Madrid, Spain. Mr. Angulo served in the U.S. Army, 1957 and 1961. He is married, has two children, and currently resides in Houston, TX.

Larry K. Mellinger, to be United States Director of the Inter-American Development Bank. Mr. Mellinger has been serving in this position since November 1988 by recess appointment.

Prior to this Mr. Mellinger served as senior vice president and chief financial officer for the Gruma Corp. in Los Angeles, CA.

Mr. Mellinger graduated from the University of Kansas (B.A., 1967) and the American Graduate School of International Management (B.S., 1968). He was born April 28, 1944, in Bakersfield, CA. Mr. Mellinger is married, has two children, and resides in Bethesda, MD.

Nomination of Edmund DeJarnette, Jr., To Be United States Ambassador to Tanzania

October 27, 1989

The President today announced his intention to nominate Edmund DeJarnette, Jr., a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Tanzania. He would succeed Donald K. Petterson.

Since 1986 Mr. DeJarnette has served as head of inspections at the Office of the Inspector General in Washington, DC. Prior to this, he served as Ambassador to the Central African Republic, 1983 - 1986, and deputy chief of mission in Dakar, Senegal, 1980 - 1983. In addition, he served in the Personnel Bureau at the Department of State, 1978 - 1980; in the Industrial College of the Armed Forces, 1977 - 1978; as deputy chief of mission in Libreville, Gabon, 1975 - 1977; as Peace Corps Director in Quito, Ecuador, 1973 - 1975; as Deputy Regional Director for the Peace Corps in Latin America, 1972 - 1973; and as Associate Peace Corps Director in Quito, Ecuador, 1970 - 1972.

Mr. DeJarnette graduated from the University of Virginia (B.A., 1959; LL.B., 1963) and George Washington University (M.S., 1978). He was born January 15, 1938, in Richmond, VA. He served in the Coast Guard Reserves, 1960 - 1968. Mr. DeJarnette is married, has two children, and resides in Ashland, VA.

The President's News Conference in San Jose, Costa Rica

October 28, 1989

First a statement, and then some questions. I'd be glad to respond.

Together with the other democratic leaders of the hemisphere, I've just met with the leaders of the political opposition in Nicaragua and Panama. And here in Costa Rica, saluting 100 years of democracy, these discussions, sponsored by Costa Rica's main political parties, serve as an especially fitting tribute to the spirit of the occasion and the spirit of the times. And these courageous leaders left us with a stronger appreciation of the daily difficulties of the prodemocracy movements in these two countries. I conveyed to them the encouragement and the admiration of the American people. And it's ironic that the shining example of Latin American democracy in which we meet lies between two nations whose rulers have so long and so harshly ignored the will of their own people.

From Cape Horn to the Bering Strait, from Chile's promising new plebiscite to the Alaska-Soviet border, reopened after 40 years, a new breeze of freedom has swept the Americas with hope and freedom, hope and opportunity -- and bringing us even closer to the world's first completely democratic hemisphere. A few nations, however, have been left behind, shackled by failed ideology and failed leadership. To the north, the Nicaraguan people have waited for democracy since they ended the Somoza regime 10 years ago -- that dictatorship. And elections are planned for next February, but to date, as I say, there are some disturbing signs.

The world, I believe, was dismayed at Mr. Ortega's announcement last night that he had unilaterally ended the cease-fire. I understand there may have been some refinements on that today, but that that was what he said, and it's a shameful blow to democracy. And the fact that no mention of this came during the course of the hours of dialog that we all had -- the Presidents of these democracies -- demonstrates just how shameful an act it truly is.

Regarding the forthcoming elections, as was so evident in Panama, the people of this hemisphere know the difference between real elections and sham elections. And the hemisphere will not settle for anything less than free and fair elections. The people of Nicaragua know the kind of steps that the ruling Sandinistas can take to show a real commitment to fair elections. And the whole world will be watching this one, and if the Sandinistas don't allow fair debates and clean elections, they confirm the dictatorship long before the elections even take place. The world understands that no real democracy is threatened by the voices of its own people.

And it's ironic that here we are -- and I'm so glad I came to this meeting -- to salute Costa Rica's 100 years' democracy. It was very ironic: there was only one man in a military uniform in this

meeting of democracies. Speaking of military uniforms, speaking of dictatorships, to the south, the outlaw Noriega regime simply must be replaced. This is not the judgment of Uncle Sam. It is the judgment of the Panamanian people, and it is the judgment of history. And it is the judgment, I believe, of every single democratically elected President who was at this meeting.

Today, Noriega may think his lead-pipe politics have won, but he's won nothing more than a fragile status quo. And democracy really will triumph in Panama -- I'm confident of that. It's a question of when, not if. And by putting his own personal interests above those of the Panamanian people, Noriega will only continue to lose support internationally, inside the Panamanian Defense Forces, and among the growing number of courageous Panamanians who dare to resist his oppressive rule.

Let me assure you: The United States will continue to work with the democracies in this hemisphere and around the world to support the struggle of the Panamanian people. Today every continent is being swept by the new breeze of political change. And the world has watched in wonder as brave men and women have taken to the streets to claim their rights, to proclaim a faith in democracy. Some governments respond with reform, some with repression, but there is no longer any doubt which side history is on. The day of the despot, the day of the dictator -- over, finished. The Nicaraguans and Panamanians with whom I've just met are brave and inspiring people. They stand in the vanguard of history, and they deserve the active support of all who support democracy in this hemisphere.

I'd be glad to respond to questions.

Nicaragua

Q. Mr. President, Mr. Ortega said that the cease-fire won't hold because of what he calls savage attacks by the U.S.-backed contras. To what extent does the United States bear responsibility for the actions of the contras? And what kind of instructions will you send to the contra field commanders now, in view of the end of the cease-fire?

The President. Well, first, I won't listen to Mr. Noriega's charge that this is -- his outrageous breach, alleged breach of the cease-fire, willingness to breach it, is entirely -- Ortega -- willing to bear the burden -- put it all on the contras. There have been flareups up there. We have encouraged the contras not to take aggressive military action, and we would certainly continue to do that. But to accept his judgment that some excuse for ending the cease-fire rests totally on the contras -- I'm not going to do that at all.

Q. You say that you won't -- you'd urge them not to take aggressive actions -- --

The President. Oh, yes, we will.

Q. -- -- if the cease-fire is ending, and they're going on the attack?

The President. Who is that?

Q. If the Sandinistas are ending the cease-fire and go on the attack?

The President. Well, I think they're violating and breaking the very agreements they've made if they do that. And I don't think they should. And I don't think the contras ought to attack. What we ought to do is fulfill the agreements that have been made.

They agreed to stop subverting their neighbors, for example. I'm talking about Ortega and the Sandinistas. My golly, the other day we uncover a great truck of munitions going in. And one of the dramatic moments yesterday was when Mr. Cristiani, the fairly elected President of Salvador -- in a very diplomatic way, I might add -- told him: Stop sending that stuff into our country. You agreed you wouldn't do it, and now you're doing it.

He agreed to talk to the resistance. That's who they ought to talk to. He's always kind of sidling up to me looking for some photo op. What he ought to do is talk to the resistance. That's what he agreed to do. Why doesn't he do it? And he agreed to release the political prisoners -- not so; hasn't done it. Conditions for free and fair access to the media -- they agreed to that, and that hasn't taken place the way it should.

There are some signs that are good. The registration -- let's say hey, that's good; we're encouraged -- some 90 percent supposed to have registered. No government resources are supposed to go to the campaign; I'm told that has been violated.

So, rather than find a canard, rather than find some hook to break up an agreement on, I think they ought to go forward and honor the agreement that's been made. And I would also say I would encourage the contras in every way possible not to engage in military action.

Q. What are your options? What can you do, since it's very clear that you are at a meeting where I would say most of the Latin leaders would not want you to resume military action nor aid to the contras and so forth? This is a peace meeting. So, what do you have in mind? What have you done so far, knowing this for 18 hours or so?

The President. One of the things I did is talk to those who have a little more influence with Mr. Ortega than I do -- that would be everybody at the meeting, probably -- and talked to several of them last night, and they leaned on him pretty hard. And there was -- be fair about it -- I'm told, at a press conference, the man had a little bit of backing off -- a little bit. And so, let's wait and see is what I'm saying. But right now, I could use this forum to say: Do not break that cease-fire. Do not!

Q. Well, what's the alternative?

The President. Well, we're not going to cross that bridge until we get there.

El Salvador

Q. Mr. President, I am a journalist from El Salvador, and I want to do a question specifically of my country.

The President. Sure.

Q. The first is: Are there any signs that peace in El Salvador is near, and what are these signs? And the other one is: With respect to the human rights in El Salvador, would you say that your government is satisfied?

The President. I would say on the first part -- and I got this from the other Presidents -- a recognition that the election in El Salvador, free and certifiably fair, was an important major step towards the peace that the people of El Salvador want. I must say that the shipment that was discovered, of Mr. Ortega shipping military weapons into El Salvador in a direct violation of these agreements, was a bad sign.

So, in other words, I am more encouraged about peace there. I believe Mr. Cristiani is trying very hard. And let me just say he has the full support of our government, whatever we can do to help him facilitate the peace and enhance the democracy.

There was a second part, though, that I'm not sure I responded to.

Q. Yes. With respect to the human rights in El Salvador, would you say that your government is satisfied?

The President. Well, there's been dramatic progress. Nothing has been called to my attention that makes me dissatisfied, but I don't want to take one look and say that everything is perfect. I can't say that. I do know that the new administration is trying very, very hard, and dramatic improvements have been made.

Nicaragua

Q. Mr. President, you say you really don't want to take any action until this thing clarifies itself with Ortega. But doesn't there have to be some kind of stick employed here in terms of the contras now? Aren't you honor bound to help them defend themselves if indeed the Sandinistas are about to unlaunch some sort of offensive against them?

The President. Well, if it resulted -- I mean, you're asking me to buy into a hypothesis that may not be true.

Q. Well, he's talking to break the cease-fire.

The President. Well, he's talking about it, and you've got a lot of Presidents here that are trying to tell him that would be sheer folly. So, I want to see how it develops. But he knows that if there's an all-out military offensive, that's going to change the equation 180 degrees.

Regional Diplomacy

Q. Mr. President, you have placed great faith in regional diplomacy, your relations with leaders in this hemisphere -- like the leaders gathered here. What does it tell you about the effectiveness of such an approach when a man like Daniel Ortega feels free to walk into a gathering like this and, at this very meeting, announce an action which is an insult to every leader here and a violation of the agreements that you've cited?

The President. It tells me that I should not judge the whole hemisphere by one -- I heard one of our leading TV journalists use an analogy about an animal at a garden party yesterday, and I won't do it because it might take on different -- but that's exactly what happened. So, I am not going to judge a salute to 100 years of Costa Rican democracy by the fact that Mr. Ortega looks like that unwanted animal at a garden party. What you're doing is focusing on -- and I understand it -- the controversy, the one thing.

There has been the feeling in some countries here of neglect by the United States. Under this President, there will no longer ever be a feeling of neglect. And we came here to talk about debt and drugs and democracy, and we're not going to let this one little man who is out of whack with the rest of the hemisphere ruin a very good meeting.

Q. But doesn't it suggest, sir, that he feels he has nothing to fear from the regional diplomacy by which you have set such great store, when he feels free to do what he has done here?

The President. If he goes forward with it, yes. And it will bring down on him the outrage of every President; and those that invited him here, I'm sure, will be terribly disappointed. But we didn't come here to have any contretemps with this little man showing up in his military uniform at a democracy meeting. That's not what it's all about. We're talking about much broader things. But let's wait and see how that develops. He knows the United States position, and he knows the position of others in the hemisphere.

Latin America-U.S. Relations

Q. Do you foresee a change in U.S. policy towards Latin America directly because of this

meeting?

The President. I see an enhanced interaction. And I don't see a dramatic change because -- I'm one and our Secretary of State and -- our interests have long been intertwined with those in this hemisphere. But I see a day of a hemisphere of total democracy. You look at the changes that are taking place, that have taken place in the last few years, and that are likely to take place just in the next few months, and it's very optimistic. And we want to be a constructive part of helping with the debt problem that I heard a lot about yesterday. We want to help where we can enhance democracy and strengthen the concept of free elections.

So, I wouldn't say dramatic change, but I think being here and saying what I feel about the democracies here and trying to show the respect we feel for those democracies is a good thing to have done.

President Ortega of Nicaragua

Q. Oscar Arias invited here democratically elected Presidents. Are you questioning his decision of inviting Daniel Ortega?

The President. Well, I was a little surprised to feel that he was democratically elected, though they reminded me that there was an election. I'm not sure how certifiably free and fair it was, but it was under that rubric that he was invited here. So, who am I to question our host? I'm glad to be here myself. But it did seem a little odd: walking in in a military uniform and coming in having pledged democracy to the Organization of American States 8 or 9 years ago and frustrating the democratic ambitions of his people. It wasn't exactly the most comfortable fit. But, no, I'm not questioning Mr. Arias. He's the host, and he's been a generous host, and I'm very glad we're here to salute Costa Rica's democracy.

Israel-South Africa Nuclear Cooperation

Q. Mr. President, I'd like to ask you about another foreign policy subject. There's very strong evidence that Israel is involved in a joint project with South Africa to build a nuclear missile. If that project should continue, what effect would it have on U.S. relations with Israel?

The President. Well, I hope our position is clear in transfer of any military technology that should not be transferred. And if that's taken place, it would not enhance relations between us or any country that does that. It would complicate things -- there's no question about that.

Israeli-Occupied Territories

Q. Another question on that same general subject, sir. Will the United States give Israel a veto over the identity of the Palestinians in negotiations on elections in the occupied territories?

The President. We are not going with preconditions on -- we're trying to be a catalyst, and whatever is worked out between the parties will have our generous and enthusiastic support. But the Israelis have made clear that that would be very difficult for them, so we're not trying to throw down a precondition. We're just trying, through the Baker 5 points and through giving support to [Egyptian] President Mubarak's 10 points, to be helpful in getting the talks going. And the main thing is to talk, and I hope that they'll get together.

Nicaragua

Q. Mr. President, you mentioned that if there's an all-out offensive, this would change the equation 180 degrees. What exactly do you mean? Are you talking about more military aid again for the contras?

The President. We'll let you know. We'll let you know, but I don't want to get out ahead of where I think things may be right now. You're pressing me to act as if there is a fait accompli and all barriers are down and shooting starts on all sides. I don't want to argue that that is what's going to take place. But I can tell you: A break of that agreement and a renewal of all-out fighting would be a very bad thing for Ortega because I think the whole world would see it as a direct breaking of his word. And then we would see what kind of action is taken.

Q. Just the second part of that. Why did Ortega do this, do you think? Is it arrogance, or is it -- --

The President. I can't figure it out. It's an offense to the President of Costa Rica; it is an offense to the democratically elected leaders here. It is the most outrageous use of a meeting on democracy that I can think of. I've asked our own folks: What in heaven's name would make a person do something so counterproductive? Stick him out like a sore thumb amongst a bunch of democratically elected leaders? Offend a host? And I'm sure it has. You can ask Oscar Arias, but if I were him, I would have been deeply offended by such brutal disregard for the feelings of -- the sensitivities of this meeting. So, I don't know what motivates this man.

I did see him there yesterday. I know you all wanted to see the photos and the confrontation. That's boy scout stuff. There's no -- he wants to talk to me? Talk to the resistance. That's what he agreed to do. That's who he ought to talk to. Don't go sliding around for some photo opportunity that means nothing.

Abortion

Q. I just wanted to get one domestic policy question in here.

The President. Fire.

Q. At a time when you're endorsing and you're celebrating self-determination abroad and you've endorsed State initiatives in so many areas like education at home, how do you justify refusing to allow District of Columbia residents to use their own local tax money to fund abortions for poor women?

The President. I don't think public money ought to go for that, except in the life of the mother. My position is so well-known there. And they can push me for political advantage every time they want to, and they're going to be up against a brick wall. So, let's forget it and get on with helping the people in the District of Columbia. And that's what they ought to do and not try to play games -- to think one's going one-up or one-down on this very personal, very difficult question of abortion. My position is spelled out, was defined, openly debated in the elections a year ago -- maybe to this very day. And I'm not changing my position, and they know that. And if they think there's political advantage in pushing me to the wall, fine, but the people that are being victimized by those kinds of political games are the people in the District of Columbia.

Situation in Panama

Q. Mr. President, there seems to be a consensus that the government that should be in power in Panama at this moment is Mr. Endara's, since he won a fair election. However, hemispheric Presidents passed up the opportunity to recognize that government last September. Could you explain why this happened?

The President. It happened because there was an action: the Presidents agreed to work with the OAS and to strongly back the OAS mission. And in my view, the OAS mission failed in its mission, and that was to get Noriega out of power and then go forward. Now you're having some constructive suggestions by Felipe Gonzalez, the Prime Minister of Spain, by others at the meeting here. And what will be the next step? I can't tell you. Put it this way: I am not totally frustrated about the return of democracy to Panama. I think the thing I sense from these leaders is such solidarity with free and fair elections -- and that was what happened in Panama -- that the handwriting is on the wall for Mr. Noriega.

But whether at this juncture recognition of that government would be a constructive step or not, I'd want to talk to others. It would have to be done in concert with other nations to be meaningful, and we are encouraging people not to give any kind of formal recognition to the existing crowd -- not having their Ambassadors there and all.

Andean Drug Summit and War on Drugs

Q. What about drugs, Mr. President? In your discussions here, did you move, in any sense, a step closer towards a drug summit? Did you get strong support on that?

The President. I made very clear in my comments yesterday that we look forward to having this

Andean drug summit. Whether any plans were finalized on it, I don't know. I'd have to ask our experts whether -- but we have had some discussion of trying to pin down, particularly with the Colombians, what would be a good timeframe for that. But I personally didn't go any further than just saying we enthusiastically support the concept and we will be pleased to attend.

Q. Did any of the others ask to get involved and become -- --

The President. Not to me they didn't. This topic got a lot of interest and discussion, but it didn't get into the modalities of the summit that I know of. But maybe there was some behind-the-scenes work with the -- --

Q. [The question was asked in Spanish, and the translation was inaudible.]

The President. The second part of your question: No, I do not believe in legalization. I am firmly opposed to it, and I salute Colombia for its unwillingness to negotiate and bargain with these insidious narco traffickers.

The first part was on the summit. Yes -- I answered that in English a second ago -- but, yes, I would be happy to attend such a summit, and I think it's worthwhile. And I made that point yesterday in my intervention.

Israel-South Africa Nuclear Cooperation

Q. I'd like to take you back to Gene's [Gene Gibbons, Reuters] question of a moment ago about reports of Israeli-South African collaboration on missiles. Senior administration officials say it's clear something is happening.

The President. What's that?

Q. On reports of Israeli-South African collaboration on missiles, transshipment of technology. Administration officials say it's clear something is happening. I want to know, sir, given this country's historical reluctance to impose sanctions on Israel, what kind of leverage we have to deal with the situation. What are you prepared to do?

The President. You're asking me to accept a hypothesis that I'm not accepting. But I have said that, whoever it is, the transfer of forbidden technology is a taboo. We're not going to have that, and we will find ways to assert that with any country that abuses the system.

Brazil-U.S. Relations

Q. Mr. President, President Sarney of Brazil -- he is frustrated with the relations between the United States and Latin America, that Latin America is not a priority for the United States and

that democracy without proper economic life is not enough.

The President. He's got a good point on that.

Q. Aside from Panama, do you have an announcement to make to Latin America -- a positive announcement?

The President. Yes. You know, I didn't detect that high level of frustration on President Sarney's point. He made a very strong and very emotional appeal on the debt question, and I can understand that. And we are trying to work with him.

The one theme I detected through this meeting was strong support for the Brady plan and the fact that we have moved. And the fact -- where it has taken place, in Mexico, flight capital is coming back into the country. By doing some of the necessary reforms, why, they have -- for example, deregulation of transportation -- they have reduced the cost of transportation by about 30 percent, I'm told. So, things are moving.

But I sensed an urgency by President Sarney. I can identify with it, and we do want to be helpful. I had a chance to talk with him last night. I think he's very pleased we came. I think he was very pleased we are not, in the United States or, indeed, Canada, neglecting our friends in this hemisphere. So, I left with a pretty upbeat feeling -- not a diminished feeling of the importance of his problem but in terms of the hemispheric solidarity, you might say. But your having phrased the question that way, I want to be sure we're not missing a signal with him.

He's going out of office next year. He has done a good job under extraordinarily difficult times. I went to his inauguration, and I don't think anybody ever came into office in any country under more difficult times. So, I would salute him and say if he's frustrated about the debt I can understand it. But I'm not going to let that -- nor should he -- in any way interfere with what I think are improving relations with Brazil. Look over our shoulders, and it wasn't long ago that Brazil did not have the democracy that President Sarney has tried to perfect, even in spite of enormously difficult economic times.

Thank you all very, very much.

Q. One more?

The President. One more. This is the last -- it really is.

President Ortega of Nicaragua

Q. You said earlier on that the Presidents last night leaned on Daniel Ortega. A two-part question is: Do you think Ortega in fact hurt himself by what he did?

The President. Yes.

Q. And do you think that it's incumbent now on President Arias to publicly say so, since there's one more ceremony left at this meeting?

The President. I think that he hurt himself, because I think these leaders here to celebrate democracy saw that this man is still a bit of an outcast in the whole family around that table. And I think that unconscionable election to hold that press conference yesterday and -- as I say, maybe he's backed off a little. I want to be fair, and he may have backed off about whether he stops the cease-fire or whether it doesn't continue. I'm told there's a little trying to interpret what he means by all that. But, yes, he hurt himself very, very badly, I think. And maybe people will understand more clearly some of the reservations we have when they see him violate the agreements that mean so much to President Arias and to the other leaders that participate in the agreements.

I think the intervention by Cristiani, incidentally, yesterday -- that nobody disputed, of Ortega's continuing to subvert the Salvadorean democracy -- really was profound. You could hear a pin drop when he said that, because everyone knows it's true, and everyone knows it's in direct violation of an agreement made.

So, I think he hurt himself, and whether it will reflect itself in talks, I don't know. I do know that President Arias got ahold of him last night and spoke very directly to him. And I'm told that two other Presidents -- and you can guess about who they might be -- spoke very, very frankly to him.

Q. And if I may, the second part of my question.

The President. You've had two parts. Is this the third part of a two-part question? [Laughter]

Q. No, now I'm going for it.

The President. Okay.

Q. The second part was: Given that you've got 16 leaders here, shouldn't Mr. Arias say something publicly -- --

The President. I would hope he would, but that's his call. I've had a chance here, and I feel better for it.

Q. Why do you keep calling him a little man?

The President. Because he is -- that's why.

Note: The President's 26th news conference began at 9:14 a.m. in the Convention Hall at the Hotel Cariari.

Remarks to Members of the American Embassy Community in San Jose, Costa Rica

October 28, 1989

Thank you very, very much for this warm welcome. Mr. Secretary, thank you, my partner. We blind-sided those guys. We totally destroyed them. It was -- [laughter] -- no, it was wonderful.

It was a great day. And I'll tell you, I don't know how you all feel driving around this marvelous country, but for us, you get that really feeling of good will towards the United States. You couldn't help but feel it since we've been here. And I think that reflects on a lot of things, and I am sure it reflects on the good work of the Americans that are here, those in the Embassy and the students and others from across our culture that come here to live in Costa Rica who have respect for their democracy. And so, for me, it's been a wonderful visit, and I expect I speak for the Secretary of State in that regard.

You've got a good Ambassador, one of the best in the entire professional corps, and I am very, very proud of Deane Hinton and of Mrs. Hinton for all they do -- and he and I have interlocked in different incarnations around the world -- and seen him, and we have something in common because I know what a pain in the neck it is to have a visit of this nature, a visit from a President. But we promise to go on time. [Laughter]

And I keep telling people at the Embassies, you see, I'm sympathetic to you. I feel sorry for the admin officer or the Ambassador's wife or the political counselor or the communications people or whatever, because I have been on the receiving end of such a visit when I was the equivalent of Ambassador in China. We survived one visit from the President of the United States, which wasn't bad, and two from Henry Kissinger. [Laughter] So, you're talking to a guy that knows what you've been through here, and I wanted to thank you for all you've done to make the visit go smoothly.

It's not easy when you have as many Presidents from democratic countries coming here at the same time, but the Costa Ricans have extended their warmth and hospitality. And I might say this: I think our Embassies have a little more vitality, a little more understanding, a little more representation, if you will, because we have Costa Rican citizens working in our Embassy. And I want to salute those from Costa Rica, the citizens who work side by side with all of you in the Embassy of the United States.

Thank you for this welcome. What I really want to do, what we sometimes do -- you know, maybe we're outnumbered here, but what I really -- Dave? Where's Valdez? Can we get a picture with the kids? We need to bring all the kids up here, all the kids.

Note: The President spoke at 12:29 p.m. on the lawn of the U.S. Ambassador's residence. In his remarks, he referred to Secretary of State James A. Baker III and David Valdez, Director of the White House Photographic Office. In his opening remarks, the President referred to a doubles tennis game he played with Secretary Baker.

Message to the Congress Transmitting the Annual Reports on Highway and Motor Vehicle Safety

October 30, 1989

To the Congress of the United States:

It is my privilege to provide you with the annual reports on activities under the Highway Safety Act (23 U.S.C. 401 note) and the National Traffic and Motor Vehicle Safety Act (15 U.S.C. 1408), both enacted in 1966. These reports provide an overview of our activities during calendar year 1988.

The report on motor vehicle safety includes the annual reporting requirement in Title I of the Motor Vehicle Information and Cost Savings Act of 1972 (bumper standards).

In the Highway Safety Acts of 1973, 1976, and 1978, the Congress expressed its special interest in certain aspects of traffic safety that are addressed in the volume on highway safety.

Last year was a year of significant gains in traffic safety. The National Highway Traffic Safety Administration opened 167 safety investigations of motor vehicles and equipment, which is the most since 1973. In addition, the traffic fatality rate, the accepted measure of risk on the road, was 2.4 deaths per 100 million vehicle miles traveled, the lowest in history and down 27 percent since 1980. Safety belt use is also higher than ever, with 47 percent of Americans buckling up, and drunk driving fatalities have declined significantly.

There is good news for Americans in virtually every critical part of the highway safety picture. The decline in the fatality rate is especially encouraging and means we are able to drive more without being at increased risk, and the dramatic increase in safety belt use and public concern about drunk driving have translated into thousands of lives saved and injuries avoided.

The progress we have made is, of course, no consolation to the relatives and friends of the 46,900 people who, despite the safety advances and greater public awareness, lost their lives in 1988.

We will continue to pursue highway and motor vehicle safety programs that are most effective in reducing deaths and injuries, and are convinced that significant progress in traffic safety can be achieved through the combined efforts of government, industry, and the public.

George Bush

The White House,

October 30, 1989.

Remarks at the Ceremony Commemorating Polish American Heritage Month

October 30, 1989

To Secretary Yeutter and Secretary Mosbacher, Secretary Dole, Secretary Derwinski and Chairman Boskin, Ambassador Kinast, Ambassador Ed Rowny, it's a pleasure to be here. It's a great pleasure to see Lane Kirkland and Bob Georgine, Gale Johnson and Ed Moskal here. The congressional delegation, I think, has been a little waylaid, but I was told that Mickey Edwards is going to be here and John Dingell, Robert Borski.

But let me just welcome you all to the Rose Garden on this beautiful fall day into an occasion marking the conclusion of Polish American Heritage Month, which links two people bound by admiration and affection. In one sense, we meet this afternoon to salute the values which unite the United States and Poland, values like faith in God, respect for the family and hard work, and the belief that free expression will conquer tyranny. But in a larger way, we're here to honor the tide toward democracy that these values make possible. For in Poland, as elsewhere, the tide toward oppression is running out; the tide toward liberty is running in. The voice of freedom is the voice of Poland, and the voice of Poland is the voice of tomorrow.

When I was in Poland -- visited Poland last July -- I heard brave men and women proclaim the dignity of the individual and demand the opportunity and self-government that make all things possible for a nation and a people. The Polish national anthem captured this when it proclaims: ``Poland is not lost while Poles still live." And today it stirs the shopkeepers of Buffalo and the factory workers of Poznan. The small girl that I saw on a street corner in Gdansk -- tearful, joyous, an American flag stretched upward from her hand -- and she, too, knew that voice. And so does the aging woman in Chicago, teaching her grandchildren the languages of the two countries that she loves -- she's the voice of Poland, resolute and proud. In recent months, this voice has found new power. For by forming a non-Communist government, the first in Eastern Europe in more than 40 years, Poland herself has moved toward a new beginning. Historic political changes are leading to dramatic economic reforms, building new foundations of hope and prosperity, opening new boundaries of market and mind.

Let me say we are inspired by these historic changes -- and also add, from the first our administration has supported them by word and by deed. And that is why on April 17th at Hamtramck, shortly after the signing of the Roundtable Agreement in Poland, we announced a series of initiatives to open U.S. markets and encourage private investment and private sector loans there in Poland, and why, during my visit to Poland in July, we announced an additional package of measures to assist Poland's economic and political revival.

In Paris this summer, I proposed -- and our economic summit partners agreed to -- a plan for concerted Western action. In September, we asked Congress for a $100 million enterprise fund

for Poland and extended another $108 million in emergency food aid for Poland.

A good beginning? Yes, certainly, but Poland needs and will have not only concerted Western action but also sustained support for its democratic transition. For its turn towards democracy is historic -- a crucial step, we hope, toward a Europe that is whole and free -- and unprecedented. For never before has a Communist country successfully changed from a state-controlled system to political pluralism, self-determination, and a market economy.

Last month, members of our administration met with key Ministries in the new Polish Government. They detailed their bold reform plan, and we asked the Ministers how best to support them. And they requested as an essential part of their program $1 billion in Western economic aid to stabilize the economy as these radical reforms are implemented. Our response took two forms. First, I asked Congress to approve $200 million in grants, fully $1 in every $5 in Western stabilization funds requested by the Poles themselves. And we are urging our Western economic partners to make major contributions to this fund since the effort will work only if it is fully funded. And second, I announced that we would send to Warsaw a Presidential mission, including U.S. officials, business and labor leaders, and experts to help ensure that Poland's economic recovery becomes a reality and assess how the United States can best help Poland help itself.

This must be and will be a bipartisan effort of the United States Government. And today I'm pleased to announce that this mission will be led by the Secretary of Agriculture Clayton Yeutter, Secretary of Commerce Mosbacher, Secretary of Labor Elizabeth Dole, and Council of Economic Advisers [Chairman] Michael Boskin. And they will be joined by at least 15 outstanding chief executive officers, labor leaders, economists, and other experts from the U.S. private sector. Several of them are with me on the dais today.

And our team will meet with the key Ministers of the Polish Government and others involved in stimulating Poland's private sector and recommend to me how the economic support we will extend can best be utilized. It will focus on economic sectors where U.S. expertise and cooperation can indeed make a difference, such as agriculture and business management and financial services. And it will also look at Poland's overall economic situation and at the structural changes needed to make Poland prosper. For this we know: Poland's struggle has always been America's struggle. Maybe that's why it seems that Polish hearts and American hearts beat as one.

Historically, for more than 200 years, and geographically, from Washington to Warsaw and Krakow to Chicago, Americans have echoed the voice of Poland. And we do so now, echoing her love of freedom and opportunity and warmed by the glow from Poland's new flame of democracy, linking the lands of Chopin and Jefferson, Lincoln and Paderewski. Let us keep that flame alive and use it to burn bright the friendship between our peoples so that Polish American Heritage Month symbolizes a better, richer life -- a better life for all our children; a richer life for

those who believe, as we do, in the liberty which sets men free.

Thank you very much. And God bless Poland, and God bless the United States of America. Thank you all very, very much for coming.

Note: The President spoke at 1:20 p.m. in the Rose Garden at the White House. In his remarks, he referred to the Polish Ambassador to the United States Jan Kinast; Edward L. Rowny, Special Advisor to the President and Secretary of State for Arms Control Matters; Lane Kirkland, president of the American Federation of Labor-Congress of Industrial Organizations (AFL - CIO); Robert Georgine, president of the building and construction trades department of the AFL - CIO; Gale Johnson, professor of economics at the University of Chicago; and Edward Moskal, president of the Polish American Congress.

White House Fact Sheet on the Presidential Mission to Poland

October 30, 1989

In his continuing efforts to assist Polish reform, the President today announced the formation of a Presidential mission to travel to Poland at the end of November to examine the new government's economic plan and to advise the President on the best ways of assuring the effective use of U.S. assistance. The mission will be led by Secretaries Yeutter, Mosbacher, and Dole and Council of Economic Advisers Chairman Boskin. It will consist primarily of corporate and labor leaders, economists, and other experts from the private sector, including, among others, Lane Kirkland, Murray Wiedenbaum [professor at Washington University], Michael Harper (CON-AGRA), John McGillicuddy (Manufacturers Hanover), Gale Johnson and Arnold Harberger (University of Chicago), Robert Georgine (AFL - CIO), and Edward Moskal (Polish American Congress).

The mission will focus on those economic sectors where U.S. expertise and experience can be of greatest assistance -- agriculture, business management, industry, financial services -- as well as studying Poland's overall plan of structural, macroeconomic, and price reforms. The Presidential mission will report its findings to the President and share them with the European Communities Commission and with others in the 24-nation Group for Economic Assistance to Poland and Hungary. The mission will depart on November 29 and return on December 2.

This initial mission will be followed by experts missions in key economic sectors. In addition, administration economists will examine urgently the structural economic challenges Poland will face now and in the years ahead so that we can provide the most effective help possible to the Polish people in their reform efforts.

Note: Background material on the economic situation in Poland was not printed.

Remarks at the Groundbreaking Ceremony for the National Law Enforcement Officers' Memorial

October 30, 1989

Thank you all very much for that -- Sarah, Jim -- for that very warm welcome, Jim, and the kind words and for the hard work that you and Craig Floyd here and so many others have contributed to making this spectacular day a reality. Craig leaned over to me and said, ``This beats May 15th." [Laughter] And some of you may remember the event that we had, drenched in front of the Capitol up there. And the Lord is looking down on this one with a little more favor, I think.

I want to salute our able Attorney General, Dick Thornburgh, that rode over here with me -- doing an outstanding job. And I might say I'm very pleased to see his predecessor, Ed Meese, with us. He stood strong and tall for law enforcement, and I think we still all appreciate that very, very much. I'm delighted to see Chief Fulwood here and, of course, my friend Al D'Amato. Senator Pell has been detained, but there are several other Members of Congress, and I'd like to ask them to stand. I see Connie and Ben Gilman, but there may be others there, and I want to salute them because we're getting -- [applause] -- there's Senator Domenici back there also. And of course, I'm delighted to see my friend Dewey Stokes and Lee Greenwood with us, and so many others -- Phil Caruso -- so many others that are supporting all of this. It's a pleasure to be here.

All these leaders deserve our thanks, but I really also want to say thank you, America. More than 400,000 individuals have stepped forward to donate the funds for this memorial, a gift from a caring people and a grateful nation. And the sacrifices that we honor today began on a cold winter's day in January 1794. Robert Forsythe, a veteran of the Revolutionary War and one of George Washington's new Federal marshals, enlisted two deputies and went to serve some routine court papers on the Allen brothers of Augusta, Georgia. But then as now, every cop knows there's no such thing as a routine assignment. And when the marshal found the brothers, they fled upstairs and fired a single shot right through the door, and Robert Forsythe became the first casualty in an undeclared war that continues to this day.

Routine assignments continue to hold special danger for law enforcement. In 1988 Chicago police officer Irma Ruiz was a mother of four and a beloved mother figure to dozens of elementary students in the hallways she patrolled. But when a drug-crazed gunman attacked the school, Irma died protecting nearly 200 children and teachers.

Two cops, two sacrifices, two centuries apart, but both part of one tradition: the thin blue line that protects our nation from the evil within. The story to be carved on these walls is the story of America, of a continuing quest to preserve both democracy and decency and to protect a national treasure that we call the American dream.

You know the numbers. An estimated 30,000 officers have died defending law and order in America. And added to this are the wounded, a toll of disability and pain that rivals those of America's overseas wars. And each loss represents a hometown hero, a city of flags at half-mast, a somber procession of white gloves and black armbands, the bagpipe strains of ``Amazing Grace'' rising in the wind. And with each casualty is told the tale of a family so often forgotten: the brave spouses and parents and children who pay a terrible price in loneliness and loss. And many of you are here today, and many of you have played a critical role in bringing this memorial to life.

The law enforcement memorial ensures that what is so real to you today will never become a statistic. Each loss has a name, and each name has a story to tell. The polished granite walls of America's police memorial will bear witness to the sacrifice of frontier lawmen like Frank Dalton of Fort Smith, Arkansas, one of more than a hundred deputies gunned down by outlaws in the American West; and prohibition detectives like Harry McGinnis, killed in 1933 in a shootout with Bonnie and Clyde; Federal agents like Secret Serviceman Leslie Coffelt, mortally wounded while preventing two terrorists from assassinating President Harry Truman; and extraordinary policemen like Philadelphia's Albert Valentino, shot down just last week investigating a burglary.

For all who have lost their lives protecting the public, this memorial will stand as a tribute to their courage and their sacrifice. They will always be remembered here in the oval border of the Pathway of Remembrance. And they will always be remembered down the street in the Oval Office, where since the day I took office I've kept the badge of a rookie cop martyred last year in New York.

This memorial is also a tribute to the living: to the partners and the teammates of the fallen, to their families, and to all of you who are foot soldiers in the battle against lawlessness. In an age of indifference, you took a stand. You made a choice. You made your lives count for something. And your service matters not only because it saves lives and families and neighborhoods. It matters because it is the right thing to do.

And on May 13th, many of you -- I said 15th, maybe it was the 13th -- you gathered here in this same square to hold a candlelight vigil for your fellow officers. The night sky was pierced by one of the most appropriate and imaginative memorials ever brought to Washington: a single, crystal-blue beam of light, a laser, representing the thin blue line.

I'm right. Two days later on the 15th, a dismal, drizzly Washington afternoon, I stood shoulder to shoulder with many of you up there on Capitol Hill, armed with new proposals to help protect the pure, blue light of law enforcement. And we invited Congress to join us in a new partnership with America's cities and States, a new national strategy to take back the streets by taking criminals off the streets. The States need to do their part as well. We need mandatory prison terms for those using firearms for crime and an end to plea bargaining for violent firearms

offenders. And for cop killers, for those who commit the ultimate crime, I feel strongly that they should pay the ultimate price. Congress has had our crime package since May. It is time to act because these improvements are a vital part of our national drug strategy and because, before any more names are added to that wall, the protection you deserve should be added to the books.

And so, it is with that hope and with great personal pride in America's police and in all who have contributed to this historic effort that I will now join in the groundbreaking for the National Law Enforcement Officers' Memorial. Thank you for coming. And thank you all, and God bless you. And especially, God bless those we honor here today. Thank you all very, very much.

Note: The President spoke at 2:17 p.m. at Judiciary Square. In his remarks, he referred to James S. Brady, former Press Secretary to President Reagan, and Sarah Brady, his wife; James Kearns, chairman of the corporate leadership committee for the National Law Enforcement Officers Memorial Fund, and Craig Floyd, chairman of the fund; Isaac Fulwood, Jr., Washington, DC, police chief; Senator Alfonse M. D'Amato of New York; Representatives Constance A. Morella of Maryland and Benjamin A. Gilman of New York; Dewey Stokes, national president of the Fraternal Order of Police; country music singer Lee Greenwood; and Phil Caruso, president of the New York City Patrolmen's Benevolent Association.

Statement on the Chemical Weapons Destruction Facility in Tooele, Utah

October 30, 1989

Just a month ago, at the United Nations in New York, I reiterated my commitment to ridding the world of chemical weapons, and I announced a program whereby the United States would eliminate its chemical weapons stocks completely within 10 years after a chemical weapons ban treaty enters into force if all other nations capable of building such weapons do so as well. Furthermore, we would reduce our chemical weapons stocks by 98 percent within 8 years after the conclusion of such a convention if the Soviet Union agreed to join. We are negotiating for such an agreement at the Conference on Disarmament in Geneva, and its achievement would be one of the most important disarmament steps in the twentieth century.

Today we take another step along that path. The chemical weapons destruction facility to be built at Tooele says to all the world that the United States is determined to fulfill its promises, that our people and our government are committed to halting the spread of chemical weapons and eliminating their very existence. Though some in Utah may feel that the chemical weapons arms control negotiations in Geneva are far removed, this facility demonstrates how important the people of Utah are to that process. Its construction is a response to two challenges: first, our national commitment of willingness to work with the Soviet Union to reduce our stockpiles down to 20 percent of existing U.S. stocks even before a multilateral treaty is signed, and second, the difficult technical challenge of finding a way to safely, efficiently, and quickly demilitarize those stocks.

I extend my thanks to the partnership that has made this day possible: to the people of Utah, particularly those who live and work in Tooele; to the many government employees and the military personnel in Tooele and elsewhere who have worked to speed the process; and the industry team which is committed to build, operate, and eventually close down this facility.

I have said that I want to get on with the process of ridding the world of these weapons. Now we need to get on with the process of building this facility.

Message to the Congress Transmitting the Japan-United States Fishing Agreement

October 30, 1989

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976, as amended (Public Law 94 - 265; 16 U.S.C. 1801 et seq., ``the Act''), I transmit herewith an agreement effected by exchange of notes, October 6, 1989, extending for the period of 2 years from December 31, 1989, until December 31, 1991, the Agreement between the Government of the United States of America and the Government of Japan Concerning Fisheries off the Coasts of the United States, signed at Washington on September 10, 1982. The exchange of notes, together with the present agreement, as amended, constitute a governing international fishery agreement within the meaning of section 201(c) of the Act.

Several U.S. fishing industry interests have urged prompt consideration of this agreement. Because of the importance of our fishing relationship with Japan, I urge that the Congress give favorable consideration of this agreement at an early date.

Since 60 calendar days of continuous session, as required by the legislation, will not be available before the current agreement is scheduled to expire, I recommend the Congress consider passage of a joint resolution approving the extension.

George Bush

The White House,

October 30, 1989.

Notice of the Continuation of the National Emergency With Respect to Iran

October 30, 1989

On November 14, 1979, by Executive Order No. 12170, the President declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States constituted by the situation in Iran. Notices of the continuation of this national emergency have been transmitted annually by the President to the Congress and the Federal Register, most recently on November 9, 1988, dated November 8, 1988. Because our relations with Iran have not yet returned to normal, and the process of implementing the January 19, 1981, agreements with Iran is still underway, the national emergency declared on November 14, 1979, must continue in effect beyond November 14, 1989. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iran. This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

October 30, 1989.

[Filed with the Office of the Federal Register, 3:23 p.m., October 30, 1989]

Message to the Congress on the Continuation of the National Emergency With Respect to Iran

October 30, 1989

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency is to continue in effect beyond November 14, 1989, to the Federal Register for publication. Similar notices have been sent annually to the Congress and the Federal Register since November 12, 1980, most recently on November 9, 1988, dated November 8, 1988.

The crisis between the United States and Iran that began in 1979 has not been fully resolved. Although the international tribunal established to adjudicate claims of U.S. nationals against Iran and of Iranian nationals against the United States continues to function, normalization of commercial and diplomatic relations between the United States and Iran has not been achieved. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed in the process of implementing the January 1981 agreements with Iran and in the eventual normalization of relations with that country.

George Bush

The White House,

October 30, 1989.

The President's News Conference

October 31, 1989

The President. I have a statement and then be glad to take a few questions.

President Gorbachev and I will meet December 2d and December 3d aboard U.S. and Soviet naval vessels on alternate days in the Mediterranean. Our discussions will cover the current international situation and developments in U.S.-Soviet relations. And in view of the full-scale U.S.-Soviet summit to be held in the United States during the late spring or early summer of 1990, President Gorbachev and I have agreed that an interim informal meeting at this time would be appropriate.

Our talks will be informal in character, designed to allow us to become better acquainted with one another and to deepen our respective understanding of each other's views. Neither President Gorbachev nor I anticipate that substantial decisions or agreements will emerge from this December meeting.

Meeting With Soviet President Gorbachev

Q. Mr. President, what do you hope to accomplish with this? I mean, is the economy going to be one of the main parts of the agenda, or do you have -- arms control? What do you think you're going to talk about?

The President. I think there'll be talk of a wide array of subjects without a specific agenda, and this is what I proposed to Mr. Gorbachev several months ago after I returned from the Paris economic summit. We've been working on this all that time, and -- --

Q. It sounds like you were stampeded into this, because it wasn't in the works, and you had projected -- --

The President. You mean -- since July it's been in the works.

Q. Has it?

The President. Yes, you just haven't been told.

Q. You're right.

The President. Since July, and I made the proposal to Mr. Gorbachev. And I'll say this: They immediately and enthusiastically -- he did -- thought this was a good idea.

Q. And did you also?

The President. I made the proposal.

Q. Mr. President, there's been some speculation that a meeting of this type might be intended for ideas to revamp the Soviet economy. Are you trying to get some ideas together to go to this meeting with some type of proposal like that?

The President. Well, I'm sure that now that the meeting is announced, there will be an awful many suggestions as to the subjects we should discuss, but there's not going to be an agenda or a meeting to be seen to fail or succeed on whether we make agreements of this nature. That's not what this meeting is about. And so, President Gorbachev will have been in Italy, and it seemed like a very convenient way to do this. But there's nothing off the table and nothing on it. It's not going to be an arms control meeting. Clearly the summit will drive the arms control agenda.

Q. Let me ask you: How do you assess Mr. Gorbachev's reforms? Do you think he is in trouble?

The President. I want to talk to him about their economy, our economy, a wide array of subjects. And I've said over and over again, we want to see perestroika succeed. And they know this. There hasn't been a disconnect. As I answered Helen [Helen Thomas, United Press International], we've been talking about this meeting since July.

Q. How come we didn't know about it?

The President. Because I'm trying to give everybody a little room so you can negotiate without getting it all up here in a lot of turmoil.

Q. Now that it's out, sir, could you tell us a little bit about the steps that led to this -- your proposal -- how and when it was made, and so forth?

The President. Well, I did say that I made the proposal -- I believe it was in July -- in writing to the President and then got a very prompt response, and then we've been going back and forth at that level. And then it's been discussed by the Secretary of State and Mr. Shevardnadze -- the details worked out.

Q. When was it agreed upon?

The President. Oh, a month ago, I'd say.

Q. Mr. President, since July, several of your very top officials have said publicly that they didn't see any value in having a summit if it couldn't be carefully prepared -- absolute guarantee of

success, with some kind of a serious outcome. You're saying that's off. This is just to discuss -- --

The President. No. The summit is on.

Q. Well, but what if they said no meeting unless -- --

The President. No, I -- who said that?

Q. I don't want to point a finger, but he's standing over here to the side. [Laughter]

The President. Well, they weren't speaking for the President. I've told you what I think. You know, there was one time when I felt that such a meeting wouldn't be productive. And I think it is going to be productive, but it's not going to be an agenda. We first set an agenda meeting: we first set the summit. That will drive the arms control agenda. That's out there with a date on it -- rough timeframe on it. And the other is rapid change going on. I now have a much clearer view of how our allies feel on East-West relations. We've got problems in this hemisphere that I want to discuss. And so, the two are not inconsistent, Lesley [Lesley Stahl, CBS News].

Q. Mr. President, the last time there was a summit like this was in Reykjavik, and it evolved into a rather freewheeling arms control negotiation that caused consternation in Europe, because at one point we were talking about eliminating all nuclear weapons, which Europeans felt would give -- --

The President. Yes.

Q. -- -- the Soviets an advantage because of their preponderance of conventional superiority. What guarantees are there that that won't happen at this meeting?

The President. Well, because neither side thinks it's going to happen. And we have a summit, an arms control summit -- a summit which will be dominated by arms control issues already established, separate and apart. And the Soviet leader and I both understand the kind of meeting we want to have, so I don't think there's any conflict there at all.

Q. Mr. President, is one of your purposes in having this meeting to give Gorbachev a political boost at home?

The President. No, I hadn't particularly thought about that. If it does, fine. I mean, as I said, we want to see perestroika succeed.

Q. Even though you say you don't have an agenda for this meeting, can you tell us what do you think are the most pressing issues that you want to raise with Mr. Gorbachev? What are the things that are most important in your mind that you feel need to be raised and discussed at this

early date?

The President. A wide array of regional issues of this hemisphere, Eastern Europe, be sure I understand from him as clearly as possible his aspirations for perestroika. There's all kinds of subjects that we'll be discussing. I don't see a limit, but again, there isn't a set agenda in my mind.

Q. Mr. President, to what extent have the events in Eastern Europe caused you perhaps to want to accelerate this, or will that be a major factor in your discussions?

The President. I expect there will be a lot of discussion of that. But as I indicated, the genesis of this was in July, when there were certainly change -- we'd just come back, as you recall, from Poland and Hungary. And there's been a lot of dramatic change since then: Germany, some movements in Czechoslovakia -- so things have moved, but I can't say that the meeting was predicated on the change in Eastern Europe solely.

Q. Well, if not predicated, has it been a factor in the discussions in arranging to have this meeting? Has it been something that has been discussed, that East Europe -- --

The President. No, there's no arrangement; there's no subjects. I want to be very clear on that. And any exchange I've had with Mr. Gorbachev -- and, I believe, in [the] Baker-Shevardnadze discussions -- there hadn't been any discussion of agenda items or something we're going to take up.

Q. You say this presummit summit is not meant to bail out Mr. Gorbachev politically. How about yourself? You've been criticized by the Democrats as being too timid toward Eastern Europe and toward Gorbachev, helping him with perestroika. Do you think it will help you?

The President. That's not why we're doing it, but if that should be the fallout, so be it. We've known what we're doing. We've been on this track for some time. I've elected to remain very quiet in the face of a good deal of sentiment that we were missing an opportunity. And that hasn't perturbed me because we've got good people that know what we're doing in terms of the Soviet Union. And if people see that a little more clearly now, so be it; that's a plus.

Q. It seems as though you're going there without any initiatives. We're trying to read between the lines here. If that's the case, aren't you going to be accused once again of being timid?

The President. Oh, I'm sure somebody would politically accuse me of anything, but that's not the point. I can tell you one thing: Our allies will be delighted about this. They've just been informed this morning, and I guarantee you there will be enthusiasm through much of the free world and a lot of the rest of the world.

But look, I don't expect to have everybody that's been firing away at me up there jump up with joy. But we've just briefed the congressional leaders, and they seem to be quite enthusiastic about this. They had not known about it. And I'll let them speak for themselves, but some who have not been overly supportive in the last few days seem to feel this is a very good thing to be doing.

Q. Mr. President, you said a few weeks ago you thought there was a good chance to complete a START agreement by the time the real summit in the spring or summer comes around. Are you still holding to that feeling? Are things on track? And will this meeting, though it's not an arms control meeting, push that process along?

The President. I don't think this meeting will push that process along, but I'm still holding to that feeling.

Soviet Reforms

Q. Mr. President, you've said repeatedly that you'd like to see perestroika succeed.

The President. Yes.

Q. What plans, if any, does the administration have to make sure that happens in terms of any kind of economic assistance or anything of the sort?

The President. Well, we haven't been asked for any economic assistance, and maybe this is one of the items that we will be discussing.

What I want to make clear to Mr. Gorbachev -- and I have done that, and I don't think there's been a disconnect with the Soviets -- is that we do want to see it succeed. But we'll be discussing that.

Q. Let me ask you: Are you also concerned that the reforms in the Soviet Union may be moving too quickly, and it could result in a government crackdown a la China?

The President. Well, some have suggested that I am -- they use a different word for it -- but a little too much on the cautious side. I think there is reason to be cautious. And I've said that over and over again. Substitute the word ``prudent'' if you want. But I think after this meeting I'll be better able to answer your questions, because I know Mr. Gorbachev to be a very frank individual just from the contacts that I've had with him, which have been not as many as some but more than most. And I think that I'll be able to give you a better answer to that because that's one of the things I want to -- I don't want to have two gigantic ships pass in the night because of failed communication.

Meeting With Soviet President Gorbachev

Q. Mr. President, right before and right after the Wyoming meetings, the guidance from your closest advisers here was that there was not going to be a presummit summit. And they were specifically ruling out a meeting of this sort anytime this year. Now, were we being deliberately misled? And assuming that we weren't, what changed?

The President. That's one of the dangers of not telling what you know to everybody. There could be some disconnect in that. But one of the benefits is that the Soviets see we're dealing in good faith.

Q. Was there a feeling on your part, Mr. President, that perhaps waiting for spring and summer was a little bit too long, too tenuous, since no date has been set for spring or summer?

The President. No, because I think they're two separate kinds of meetings. One of them, announced as it is, will drive the arms control agenda; and the other one is the kind of meeting I talked about. So, it's not a question, Saul [Saul Friedman, Newsday], of thinking, if we didn't have this meeting too long would go. I remember in 1984 people kept saying, well, Ronald Reagan hadn't even sat down with the Soviet leaders. They were admittedly changing pretty fast in those days. But he said that, and the critics were on him about it. I don't feel that that had anything to do with it -- well, we've got to do it sooner because we won't see each other until the summer, spring or summer -- if that was your question.

Q. Mr. President, but then what changed your mind? Because this is exactly the kind of meeting that you and your aides have been saying for months you did not want. And it seems exactly the kind of meeting that Gorbachev, given his domestic troubles, needs very, very much. What changed your mind, and why were you the one to propose it?

The President. I'll tell you, what changed my mind on it was consultation with our allies; the rapidity of change in Eastern Europe; the emergence of democracies in this hemisphere; and this concept that I just didn't want to, in this time of dynamic change, miss something, something that I might get better firsthand from Mr. Gorbachev.

Q. Mr. President, what made you decide to meet on the ships? Pull your ship beside his ship and -- --

The President. Well, we can do it without too much fanfare. We can do it where there's a relatively few number of people, not a lot of crush of bodies out there, and a chance to put our feet up and talk in the kind of meeting that I've just described for you. And I think it's easy logistically for both sides.

Q. How much time do you think you'll spend face to face? In your mind, what do you think it

will take to get this feeling?

The President. A lot, a lot, and I can't tell you in hours, but we're going to have small numbers of participants on both sides. Maybe I'm getting a little ahead of the power curve there, but I know that's my intention, and I think the Soviet side has agreed to that. And by doing it in this manner, we can have, I would say, more time without the press of social activities or mandatory joint appearances, things of that nature for public consumption.

Q. Between hemispheric summits and drug summits and Gorbachev summits and economic summits, you're doing a lot of mountaineering. Let me ask you this -- --

The President. This one isn't a summit, so scratch this one off your list of things to worry about.

Q. Base camp.

The President. I've got to make that point over and over again. Summits take on a definition, an expectation of grand design and grand agreements, and that's not what this is.

Future Summit Meetings

Q. Let me ask you about this expectation then. About 6 months ago, you proposed your conventional force reductions for Europe. If something came through on your 6-month deadline, presumably you'd want a summit with Mr. Gorbachev to sign it. Are we going to have a third Gorbachev summit in 1990 or the next couple of months?

The President. No anticipation of it, but look, we'll meet as often or as little as we need to.

Arms Control

Q. Well, how is that going? How is the conventional forces thing going?

The President. Reasonably well. We still have to keep driving for the best we can -- our alliance -- to be sure we keep moving forward to meet a rather ambitious timeframe.

U.S. Assistance for Eastern-Bloc Reforms

Q. Mr. President, one of the criticisms that's been made is -- by the Democrats particularly -- is that this is a really unique time for you; that after 40 years of calling for free markets and an open society that you have a chance to perhaps cement some of these changes in the Eastern bloc -- in Europe and in the Soviet Union. Do you have some kind of plan or vision for getting that accomplished? Is this part of it?

The President. We're seeing it move, aren't we? We're seeing dynamic change, and I want to handle it properly. I want to do whatever the U.S. can do to facilitate these kinds of changes. You heard what I had to say yesterday -- some of you all did -- in terms of Poland and the group we're sending over there to help solidify the changes that are taking place. And I've got a good group of people working with me in this administration -- knowledgeable about Europe -- that assures me that we can move this whole process forward properly. The United States can't wave a wand and say how fast change is going to come to Czechoslovakia or to the GDR [German Democratic Republic].

Meeting With Soviet President Gorbachev

Q. Mr. President, you say there will be no agreements at this meeting. Is it possible, however, that you might firm up the dates for the meeting next year, for the official summit?

The President. Could be, could be. And I don't want to say -- I guess, maybe, I ought to retreat a little and say -- not saying there will be no agreements. The meeting is not being set up to achieve agreements. I would hope we'd see eye to eye on certain things when we get through and maybe more precisely define what differences we have.

Q. Are we to believe that the leader of the United States and the leader of the Soviet Union will get together and there will be no discussion of arms control? Or what role in this meeting will that play?

The President. I don't know, but there's not an arms control meeting.

U.S. Assistance for Eastern-Bloc Reforms

Q. You keep talking about the rapid change in Eastern Europe. If Mr. Gorbachev would suggest that the United States be more generous in aid to Hungary, to Poland, perhaps even to East Germany, how receptive would you be to that idea?

The President. Well, we've got an aid package and program, and I'd welcome his ideas, but I don't think we would respond to his charge on that. I think we'd have to do what we felt was the right way to do it -- and exactly what I have been doing.

Soviet President Gorbachev

Q. Mr. President, over the past several months, you've had exchanges of letters with Mr. Gorbachev. Could you tell us if there's been a change in your evaluation of him as a person or how you're feeling about him?

The President. No change. As I've indicated, I have a positive view of him to begin with, but I haven't felt any changes there. I will say that when I made this proposal there was a very prompt response. And the only reason it's taken time between the July initiative on my part and his very prompt response that I think was fired back in August has been just working out where and how to do this. So, I've not had occasion to change my view.

But as you look at the different meetings, and if you look at the way this relationship is developing, there are a lot of positive signs. We all go back in one capacity or another to times when the rhetoric was much tougher, where you had a very different approach to openness in the Soviet Union than you do now. So, I think the relationship is moving in the right direction. But when I say ``cautious'' or ``prudent,'' I think that's the way we ought to do it. And I will have an opportunity to explain that when I see Mr. Gorbachev.

Q. You believe the motivation is what he says it is?

The President. You mean, do I question his word?

Q. Yes.

The President. I think he's committed to reform, absolutely.

Soviet Reforms

Q. Mr. President, Secretary of State Baker has mentioned the possibility of technical assistance and advice on the state of the Soviet economy. How far would you be willing to go with that kind of thing?

The President. Well, again, I don't know how far they want to go. And this is one of the subjects we'll be discussing.

Q. Mr. President, there's been a lot of talk around town about the survivability of Gorbachev, especially going into the winter months and the prospect of strikes in the Soviet Union and so forth. When you say you would like to see perestroika succeed in the Soviet Union, do you equate that with the success of Gorbachev personally?

The President. I think it's tied up in that right now, yes.

Q. And do you think if there is anything that you could do to help strengthen his position in the Soviet Union that you would do it?

The President. Well, I think we've got to know what ``it'' is, but this is the kind of discussion we can have. I will say this: I don't think you base the foreign policy of a great power like the

United States on one personality; I don't think you do that. I don't think that is a prudent way to approach it.

Health Care

Q. Mr. President, how about a domestic summit on some domestic problems, like health care, the high cost of home health care?

The President. Well, I'm getting criticized for having too many summits as it is.

Q. No, you need one on domestic issues. We've spent a long time here talking about things when we have a vital, crucial situation out there. Catastrophic illness is nothing. It would not take care of the situation. We had a press conference here all day yesterday where the Canadian Government officials got up and said, in the United States you only have health care for the rich, not for the poor. Why can't we have a good system like that, and why can't we have a summit on health care?

The President. I think what we've got to do is educate the Canadians if they feel that way, because that's not true. That is not true, and to suggest that it's true, that our health care system is only -- that simply shows -- I don't know who those officials were, but it was never raised with me by the Prime Minister.

Q. Well, the Health Minister of Canada -- --

The President. We've got a lot of problems. We've got a lot of problems.

Q. -- -- over and over again that you only have health care in this country for the rich and not for the poor.

The President. Well, that's a point I'd argue.

Aid to the Contras

Q. Mr. President, turning to Nicaragua for a minute, today or yesterday President Ortega now suggests that Reverend Jackson be used as an intermediary to talk about redirecting the U.S. humanitarian aid so it can be used to demobilize the contras. What would be your thoughts on having Reverend Jackson involved between us and Nicaragua? And are you in any way thinking of refocusing the aid?

The President. That suggestion has limited appeal to me. [Laughter]

Eastern-Bloc Reforms

Q. Mr. President, I wonder if you might hope to enlist Secretary Gorbachev's support in encouraging reforms in some of the more reticent Eastern European States, like East Germany?

The President. Want to discuss it with him. Again, I'm not suggesting, given his public statements, that he is going to be the one that controls what happens in every detail in Czechoslovakia or East Germany. But it is a subject that we should discuss, just as I'm sure he'll want to discuss changes in this hemisphere here -- others. So, I think that will come up.

Q. Would you expect him to look favorably upon your request for a little help, a little pressure, maybe?

The President. A little pressure on what?

Q. A little pressure on the leaders of East Germany, perhaps, to lighten up on people who want to leave?

The President. Well, we'll have a chance to discuss all those things, and that's one of the good things about it. There will not be a certain agenda on it. We'll simply sit down, and I'll give him my views on the changes that are taking place in Eastern Europe. And certainly, I'm most interested in getting his.

Meeting With Soviet President Gorbachev

Q. Mr. President, a two-part question. First of all, after you meet Gorbachev, will you take the opportunity, since you'll be in the region, to then meet with and brief allied leaders and solicit their comments? And secondly, why did you hold this deliberation so tightly? You said you wanted to show the Soviet Union's good faith, but why not involve the bureaucracy? Your administration, as you know, has been criticized -- --

The President. Because I knew exactly what I wanted to do, and I knew how I wanted to go about doing it. And that's why I didn't need the advice of others in this particular subject matter. I knew how I wanted to do it: I knew that I wanted to get the arms control summit set, and I also knew that I wanted to -- after the discussions I told you about -- to go forward with this. And I wanted to deal in good faith with the Soviets, because until it was firmly locked I should not be in the mode of committing them to this kind of a meeting.

And I think all that worked. And I hope what we've done is to develop a certain confidence in the Soviets as a result of these negotiations. Confidence is important. If you're going to have frank exchanges, then you have to have a certain degree of confidentiality. But on this one, I told you who was involved in it. I was getting good, sound advice. How they got the information

upon which to advise me -- why, that's their business. But I felt no deprivation of being deprived from information at all.

Q. How about the first part, though, sir? Meeting with the allies afterward?

The President. No plans to do that. This is going to be done, if you look at the calendar, like over a weekend. And of course, we'll be in full contact with them after that, but I don't plan to jump from country to country after the meeting.

Houston Economic Summit Meeting

Q. Mr. President, one of the summits -- capital S -- on your agenda is the economic summit. Have you made a decision? And are next week's elections in Houston in any way a factor in why you haven't announced it so far?

The President. No, those elections have no relevance to the decision -- and no, the decision has not been made.

Meeting With Soviet President Gorbachev

Q. Mr. President, you say you have confidence in the Soviets. What assurances do you have that you won't be surprised by something Mr. Gorbachev might bring to the table? It's widely believed that President Reagan was somewhat sandbagged in Reykjavik.

The President. He's free to bring anything he wants; there's no agenda. But the idea that we might be surprised on arms control -- I don't worry about that because we've got an understanding that the already-announced summit meeting will handle those items.

Q. Do you have any indication he has anything in particular he wants to bring?

The President. I think he's anxious to do what I'm anxious to do right now.

Q. Would you handle any arms control issue he might raise by simply trying to defer it right at the spot?

The President. I'm just referring to what we've decided is going to be the matrix of the meeting.

Q. Well, basically you were trying to put it off until -- --

The President. I don't expect, other than in a very broad way, these questions to arise because we have a summit set to address ourselves to those.

Nicaragua

Q. Daniel Ortega was supposed to decide today whether to end the cease-fire. If he does, in fact, end the cease-fire, are you prepared with some sort of response?

The President. Well, as I said down there, I'm not going to go into that hypothetical situation at this time. But I tell you: I've never seen a meeting where all the participants were so united against the outrages of one. And we're still getting messages in about the outrageous performance of Daniel Ortega -- reached a new embarrassing proportions to stepping on it.

Q. Is renewed military aid to the contras, though, still a viable option now? Is that something you could consider if needed?

The President. Well, as I indicated down there, I would reevaluate the situation in a minute if this cease-fire is broken.

Soviet-U.S. Relations

Q. Mr. President, were you upset at all by Secretary of State Baker squelching the resident Sovietologist, Mr. Gates [Assistant to the President and Deputy for National Security Affairs], telling him not to give a hard -- --

The President. I've discussed this matter with Mr. Baker, Mr. Gates, Mr. Scowcroft -- even discussed it with Marlin Fitzwater and -- [laughter] -- don't say I don't reach out -- [laughter] -- and John. And these stories -- who's up, who's down, who's winning, who's not, who's going to be a hard-line -- we've got a good strong team coping with these problems. And the degree in which Bob Gates and the Secretary of State are together and Brent and John Sununu -- why, we've been very lucky. And so, I don't get all exercised about that kind of thing. I know everybody else does around here, but I don't.

Q. He did acknowledge that he stopped Gates from giving a hard-line speech.

The President. It wasn't a hard-line speech, and he didn't say that. And maybe now we'll understand a little more of what's happening out there as a result of what I'm talking to you today about.

Q. On a related question, Vice President Quayle has taken a very hard-line position. Is he out of sync?

The President. No, he's totally in sync. And I had a chance to discuss this with one of the outstanding reporters for the New York Times the other day who had a feeling he was out of

sync, and he isn't. Everybody's looking for nuances, and that's fine. That's your business. But I think we've been blessed in this administration by this: The President can sit in there and get conflicting ideas, and then we don't have to go out and sound like there's disarray. So, when some see one statement that may sound a little different, then I can understand running with that ball because I know how this place works.

But the main thing is, I feel that we are together on these issues. And that goes for the Vice President and the Secretary of State and my very able national security team. So, I don't sense one being tugged one way or tugged another.

Meeting With Soviet President Gorbachev

Q. Where are you going to put the press?

The President. Helen, you've already had three questions. Get out of there.

Q. In the middle of the Mediterranean? [Laughter]

The President. I hadn't thought about that.

Q. Where are you going to stay?

Q. Mr. President, on the environment, another summit -- --

The President. That will come up with Mr. Gorbachev.

Q. So I thought.

The President. I think.

Global Climate Change

Q. You have some people going to The Netherlands next week who, some say, are appearing to go without an agenda. It looks like the United States is not going to play a leadership role in global warming, though you promised that during your campaign.

The President. We will play a leadership role in global warming, and it will be based on the finest, most up-to-date science possible. And we will fulfill that role. And I think most countries, in spite of where they are on some conference, look to the United States for that kind of leadership in science. And we will fulfill it. And you see both our Science Advisor [D. Allan Bromley] and the head of the EPA in sync going over there. I think that's good.

Saul?

Q. Hey.

The President. Did he have one before? I derecognize him. [Laughter]

Okay, back here.

Capital Gains Taxes

Q. You are at or near conflict with Congress on capital gains. What are you prepared to do about that? And will you accept a full year of sequestration in lieu of that?

The President. Well, we've indicated that that's the law and we will live by the law. And we're going forward with that mandate because of the way the Congress has moved on this. I don't think I need to repeat my view on capital gains as something that is good for growth, something that is good for investment, something that is good for jobs. And we hear some shrill comments to the contrary, but in my view, that matter was debated fully. My position was made clear, and I plan to continue to fight for my position.

Presidential Legislative Proposals

Q. On minimum wage, is your original proposal still your first and final offer, or would you be willing even to link it with something like capital gains, which you -- --

The President. We're not in the posture of trying to tell the Congress how they ought to resolve these difficulties. We sent up clear proposals on the anticrime package, on the minimum wage, on the capital gains. And it has gotten so confusing up there that they ought to move now. But I'm not going to suggest. Why do we need to do that? We've told them what we want, and I wish they'd get some action going on the proposals that I have put forward. I think the American people are entitled to that. I think the American people see that it is this Congress that is frustrating getting the deficit down. And so, they ought to move and move promptly. But I can't sit there and fine-tune for them -- well, if you'll only throw this one issue in with that one, why, you can do your business -- I mean, we've tried.

Q. So you're saying package deals are out?

The President. Well, I'm not saying in or out -- I'm saying let's get going. We know what the administration position is. I've said it. Send it down the way I said it, and we've got harmony and light. Send it down differently, and I'll take a look at it. Send it down with some things in it that I can't take, and I'll send it right back to you. And I don't know how more frank I can be with the

Congress.

Soviet Reforms and Soviet-U.S. Relations

Q. Mr. President, as recently as this summer some of your senior advisers, dare I say some in this room, were expressing doubts that Gorbachev would survive all of his internal political difficulties. Did you ever share those views? What has happened to turn you around?

The President. Look, we are looking at everything we can regarding the rapid changes that are taking place not only in Eastern Europe but in the Soviet Union. And we've got very thoughtful people outside the Government that give me their opinions. And I don't think anybody has a corner on all the wisdom, but I can't speculate on that question.

What I can say is we're not basing the foreign policy of the United States on any individual. We've got to look at broad changes. We've got to look at commitment from all elements of leadership in the Soviet Union, where they come down -- fascinating meeting the other day with Mr. Primakov [Soviet Parliament member] here -- and assess all of this and spell out as clearly as you can what's in the interest of the United States and the alliance. And this meeting will help in that regard. But it's not predicated, our whole arms control agenda, on Mr. Gorbachev. Similarly, I don't think they do that on a U.S. President at the time.

Q. But, sir, you wouldn't be meeting them, of course, if you thought he was a goner. [Laughter] Did you at any time have any doubts in that regard?

The President. A goner? No, I don't -- [laughter] -- that word never entered my mind. [Laughter] You know, you hear a lot of crosscurrents about how successful perestroika's going to be. But one thing you get from all the Soviet leaders is, look, the clock isn't going to be set back, and we -- we -- are going to go forward with perestroika -- whether it's Mr. Yeltsin [Deputy of the Supreme Soviet] when he was here or Mr. Gorbachev's statements and visits with Shevardnadze, visits with Mr. Primakov, and then others meet with other layers of the Soviet bureaucracy. And you get the distinct feeling that the clock is not going to be set back to square one. And then you go forward -- well, here's how this will interact with U.S. policy.

But I'm looking forward to this meeting. I think it's the right thing to be doing. As I say, there was a time when I wasn't sure that it was, but with this rapidity of change, I don't want to miss something. And the way we've got it set so there will be no firm agenda, where we can do it in a setting without a lot of public pressure from other governments, I think it's going to be a productive meeting. And I was very pleased with the reception that it got from the congressional leaders.

As I say, I expect we'll get a strong, positive response. I know I will from the allied leaders. And I really can't think of any country that is going to see objection to this because the fate of a lot of

countries are wrapped up in how the United States and the Soviet Union get along and how the changes in Eastern Europe and the Soviet Union are managed. And when I come back from this meeting, I and my top advisers -- and we are going to keep our traveling squad down, I say -- will be able to have a much clearer perception of motivations behind Mr. Gorbachev's pronouncements. I think it's worthwhile.

Thank you all very much.

Note: The President's 27th news conference began at 10:02 a.m. in the Briefing Room at the White House.

Remarks to Schoolchildren at the White House Halloween Party

October 31, 1989

Thank you all very much. And first, let me thank you guys that gave us the pledge cards. You did a good job on that. And my thanks to Willard Scott, the weatherman who got the weather to hold off for us here.

And Barbara and I want to welcome all of you to the White House Halloween spectacular. I want to particularly thank Marilyn Quayle, the wife of the Vice President, for being with us right here, and then welcome our daughter-in-law Margaret and the Turtle. The Turtle is our grandchild named Marshall, going as a turtle. You see how it is? It's on the back there. You've got to see that.

How many of you guys believe in ghosts? How many? [Applause] You know, they say that there's a ghost in this old house. And the most famous one, you know, is Abraham Lincoln. And Barbara and I haven't seen the ghost of Abraham Lincoln walking the halls, but this is our first Halloween in the White House, so maybe we'll see him tonight.

But Halloween is a time for ghosts and goblins, for haunted houses and scary stories. But right now I want to talk to you just briefly about a scary story that isn't make-believe. And you know what I'm talking about. I'm talking about illegal drugs and how they hurt people and how they hurt families, hurt kids, some of them just like you.

And I get a lot of letters every day as President, a lot of them from children your age. And I brought along one letter that I want to read today from a fifth grade girl named Ana Zamora. She's not here -- she lives out in Chicago, but I want you to hear what she's got to say about what drugs are doing to her neighborhood.

``Dear President Bush," -- here's her letter -- ``I never go outside because my mom gets scared that I'll get hurt because of the gang fights. President Bush, I've heard that you're pushing for a war on drugs. Please help remove drugs from our neighborhoods. I will do my part by saying no to drugs, and I hope you can do yours. I know this is hard, but you can do it."

Well, I want to tell her, Ana, and all of you: We will do our best. And if she keeps doing her part, and if all of you do the same, we're going to stop drugs and keep our schools and our neighborhoods safe.

And I know you handed in the pledge cards when you came in, and I know that you got your starfish pins. And last month I went on television to talk about not using drugs. And if you saw

me, you already know the story about the boy who saved the starfish. Well, you can read that story on the Halloween bags that we'll be handing out to each of you in just a moment. And I hope you will read it and think about it, too, because each one of you is just as special as the starfish that the boy saves. And just like the boy in the story, you can help someone else -- maybe a friend, maybe your own brother or sister -- help them stay away from drugs and all the hurt and pain they cause.

And so, today I want to tell you the same thing Barbara and I tell our own grandchildren: Drugs are dangerous. You don't need drugs to make you feel good or to be cool or to make friends. And so, if anyone tries to get you to take drugs -- even once -- you can say no thanks, I don't do drugs. And if you do that, you're going to make a lot of people who love you very happy, and you're going to be happy yourselves.

And now, everyone knows it's Halloween, and it's time for the fun to continue. Thanks for coming, and God bless you, and God bless the United States of America. Thank you all very much.

Note: The President spoke at 1:03 p.m. on the South Lawn of the White House.

Message to the Senate Transmitting the India-United States Convention on Taxation

October 31, 1989

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Convention between the Government of the United States of America and the Government of the Republic of India for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, together with a related Protocol, signed at New Delhi on September 12, 1989. I also transmit the report of the Department of State on the convention.

The convention would be the first tax treaty between the United States and India. It includes special provisions that take into account India's status as a developing nation and that reflect changes in U.S. tax treaty policy resulting from the Tax Reform Act of 1986.

Of particular importance are the provisions limiting the withholding tax rates on various categories of investment income, as well as those designed to prevent third-country residents from taking unwarranted advantage of the convention by routing income from one Contracting State through an entity created in the other. The convention also provides for the exchange of information by the competent authorities of the Contracting States.

I recommend the Senate give early and favorable consideration to the convention, together with a related protocol, and give its advice and consent to ratification.

George Bush

The White House,

October 31, 1989.

Message to the Congress Transmitting a Report on the Fiscal Year 1990 Federal Budget

October 31, 1989

To the Congress of the United States:

In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99 - 177), as amended, I herewith transmit to the Congress the program, project, and activity information required by section 252(b)(4) of the act.

The attachment provides information on both base and sequester amounts for each program, project, and activity in each budget account subject to the sequester.

George Bush

The White House,

October 31, 1989.

Appointment of Thomas F.X. Needles as Special Assistant to the President and Associate Director of Presidential Personnel

October 31, 1989

The President today announced the appointment of Thomas F.X. Needles to be Special Assistant to the President and Associate Director of Presidential Personnel.

Since 1989 Mr. Needles has served as a Deputy Associate Director of Presidential Personnel. Prior to this, he was a press aide on the George Bush for President campaign, 1988; press secretary and legislative assistant to Representative Daniel E. Lungren (R - CA), 1985 - 1988; an associate with Needles Development Co. of Cleveland, OH, 1982 - 1984; and a legal assistant with Squire, Sanders and Dempsey in Cleveland, OH, 1981 - 1982.

Mr. Needles graduated from Walsh College (B.A., 1981) and John Carroll University (M.A., 1984). He was born April 20, 1959, in Cleveland, OH. Mr. Needles resides in Washington, DC.

Nomination of Hilary Paterson Cleveland To Be a Member of the International Joint Commission -- United States and Canada

October 31, 1989

The President today announced his intention to nominate Hilary Paterson Cleveland to be a United States Commissioner on the International Joint Commission -- United States and Canada. She would succeed L. Keith Bulen.

Mrs. Cleveland has served as an associate professor of history and political science at Colby-Sawyer College in New London, NH, 1955 - 1988. In addition, she has served as a visiting professor at American University School of International Service in Washington, DC, 1964; director of the Abbot Academy Association, 1976 - 1980; and director for public service of New Hampshire.

Mrs. Cleveland graduated from Vassar College (B.A., 1948) and the Institute of International Relations in Geneva, Switzerland (M.A., 1950). She was born December 7, 1927, in Orange, NJ. Mrs. Cleveland is married, has five children, and resides in New London, NH.

Statement on Proposed Minimum Wage Legislation

October 31, 1989

I am pleased to announce that a minimum wage package consistent with the criteria I set forth in March of this year has been agreed to by the Republican and Democratic leadership in Congress and the leadership of organized labor. The plan would increase the minimum wage to $4.25 an hour by April 1, 1991, and provide for a training-wage differential. This package gives relief to those with the greatest need in our work force while at the same time protecting job opportunities for young workers.

For the first time, a training-wage differential is available for those entering our work force. The plan provides for a training wage for workers under the age of 20. No one entering the work force will be covered by a training wage for more than 6 months.

I commend organized labor for their participation in this process, as well as the participation of the leadership in Congress. They understand the value of having a sound minimum wage package that does not endanger job opportunities for those entering our work force.

We believe the working people of this country deserve appropriate pay for their efforts. This package offers the promise of better wages for the working men and women of this country and gives incentives to create new jobs for our young people. During the campaign, I called for an increase in the minimum wage that would protect jobs and put more money in the pockets of our workers. This package meets those criteria.

Appointment of Dean C. Swanson as a Member of the President's National Security Telecommunications Advisory Committee

October 31, 1989

The President today announced his intention to appoint Dean C. Swanson as a member of the President's National Security Telecommunications Advisory Committee. He would succeed Alan C. Hasselwander.

Since 1978 Mr. Swanson has served as president of Standard Telephone Co. in Cornelia, GA, and was appointed USTA's first vice chairman in 1988. Prior to this, he served in several capacities at Standard Telephone Co., including executive vice president, 1970 - 1978; member of the board of directors, 1965 - 1970; and vice president and operations manager, 1964 - 1970.

Mr. Swanson graduated from the U.S. Naval Academy in 1957. He was born April 26, 1932, in Minneapolis, MN. Mr. Swanson served in the U.S. Air Force, 1957 - 1963. Mr. Swanson is married, has three children, and resides in Cornelia, GA.

Memorandum on Amendments to the Generalized System of Preferences

October 31, 1989

Memorandum for the United States Trade Representative

Subject: Actions Concerning the Generalized System of Preferences

Pursuant to subsection 504(d)(1) of the Trade Act of 1974, as amended (the Act) (19 U.S.C. 2464(d)(1)), I have determined to modify the application of duty-free treatment under the Generalized System of Preferences (GSP) currently being afforded to beneficiary developing countries. Specifically, I have determined, pursuant to subsection 504(d)(1) of the Act, that the limitation provided for in subsection 504(c)(1)(B) of the Act should not apply with respect to certain eligible articles because no like or directly competitive article was produced in the United States on January 3, 1985. Such articles are provided for in the following Harmonized Tariff Schedule of the United States (HTS) subheadings:

9101.12.809101.91.209101.91.409101.91.809101.99.209101.99.409101.99.609101.99.809102.12.809102.91.209102.99.209102.99.409102.99.609102.99.80

This determination shall be published in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:23 p.m., November 2, 1989]

Note: The memorandum was released by the Office of the Press Secretary on November 1, and was printed in the ``Federal Register'' of November 6.

White House Statement on Duty-Free Treatment for Certain Imported Watches

November 1, 1989

The President today announced his decision to grant duty-free treatment under the Generalized System of Preferences (GSP) to certain imported watches that are not produced in significant quantities in the United States or the U.S. insular possessions. Based on a petition filed by Timex, Inc., the President determined that GSP could be granted to 18 watch tariff categories without causing material injury to the U.S. watch industry. U.S. watch production in these categories is negligible.

The President denied GSP benefits to the remaining 40 watch tariff categories sought by Timex because of the potential for material injury to watch producers located in the United States and the Virgin Islands. In making his decision, the President was mindful of the devastation caused by Hurricane Hugo and the administration's commitment to helping the Virgin Islands recover. Accordingly, GSP has been denied for watches that are produced in the Virgin Islands in recognition of the need for the industry to rebuild quickly its production and assembly operations.

The President directed the Office of the U.S. Trade Representative (USTR) to monitor GSP import levels. USTR will review the application of GSP if watch imports cause material injury to producers of like or directly competitive watches in the United States, Virgin Islands, or other U.S. territories.

In light of the situation in the Virgin Islands, this issue has been discussed extensively with Virgin Islands officials. The President appreciates their advice and counsel on this important matter.

Nomination of Antonia Coello Novello To Be Surgeon General of the Public Health Service

November 1, 1989

The President today announced his intention to nominate Antonia Coello Novello to be Surgeon General of the Public Health Service at the Department of Health and Human Services for a term of 4 years. She would succeed C. Everett Koop.

Since 1986 Dr. Novello has served as Deputy Director of the National Institute of Child Health and Human Development and as Director of the Division of Extramural Programs at the National Institutes of Health in Bethesda, MD. Prior to this, she served in several capacities at the National Institutes of Health in Bethesda, MD, including executive secretary of general medicine B study section in the division of research grants, 1981 - 1986; staff physician for the National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases, 1979 - 1980; and project officer for the National Institute of Arthritis, Metabolism and Digestive Diseases, 1978 - 1979. In addition, Dr. Novello served in the private practice of general pediatrics in Springfield, VA, 1976 - 1978.

Dr. Novello graduated from the University of Puerto Rico (B.S., 1965) and the University of Puerto Rico School of Medicine (M.D., 1970), and she received her master's in public health from Johns Hopkins University in 1982. She was born August 23, 1944, in Sajardo, Puerto Rico. Dr. Novello is married and resides in Washington, DC.

Nomination of Ronald William Roskens To Be Administrator of the Agency for International Development

November 1, 1989

The President today announced his intention to nominate Ronald William Roskens to be Administrator of the Agency for International Development at the U.S. International Development Cooperation Agency. He would succeed M. Alan Woods.

Dr. Roskens currently serves as president emeritus at the University of Nebraska in Lincoln. Prior to this he was president and professor of educational administration for the University of Nebraska, 1977 - 1989. Dr. Roskens served as chancellor and professor of educational administration at the University of Nebraska in Omaha, 1972 - 1976. In addition, he has served in several capacities at Kent State University, including executive vice president and professor of educational administration, 1971 - 1972; vice president for administration and senior vice president and professor for educational administration, 1966 - 1971; and dean of administration and assistant to the president and associate professor of special education, 1959 - 1966. Dr. Roskens has also served as assistant to the counselor to men at the University of Iowa, 1955 - 1959; and as a high school teacher of social studies and speech in Minburn, IA, 1954 - 1955.

Dr. Roskens graduated from the University of Northern Iowa (B.A., 1953; M.A., 1955) and the University of Iowa (Ph.D., 1958). He was born December 11, 1932, in Spencer, IA. Dr. Roskens is married, has three children, and resides in Lincoln, NE.

Statement on Trade Initiatives for the Andean Region

November 1, 1989

When President Barco of Colombia visited me September 28, I promised to examine what the United States could do to expand economic cooperation between our two countries. I directed the United States Trade Representative, Carla Hills, to lead a U.S. Government interagency effort to develop a package of trade initiatives that will contribute to the administration's war on drugs.

Today I am announcing the result of that effort. The package of trade initiatives described below is designed to create opportunities for expanded trade and investment between the countries of the Andean region and the United States. Given the regional nature of the drug problem, I have decided to offer these trade initiatives to the countries in the Andean region. In creating such opportunities, this package aims to encourage and support fundamental economic reform in the countries of the region on the basis of market-driven policies.

I believe that through increased trade we can make a contribution to the creation of economic alternatives to drug trafficking. Healthy economies are the only lasting solution for eliminating the drug trade and substituting legitimate trade. They also offer the potential for increased United States exports and investment. Our goal must be to help create an environment where entrepreneurship can flourish and comparative advantages can be successfully pursued in competitive world markets.

With regard to bilateral and regional initiatives, we are prepared to:

do all that we can to enhance the benefits the countries of the region enjoy under our Generalized System of Preferences, including a review, to begin immediately, to consider the addition of new products, both agricultural and industrial, to the program;

undertake appropriate technical assistance to help the Andean countries improve their trade performance in industrial as well as agricultural products and urge the multilateral institutions to do the same; and

after consulting with the affected parties, explore possibilities for expanding textiles trade consistent with current U.S. Government policies and programs and the multifiber arrangement.

In the multilateral arena we are proposing to:

build on the political consensus to negotiate a new international coffee agreement that corrects the fundamental problems with the previous agreement;

undertake an accelerated negotiation on tariffs and nontariff measures with participants in the Uruguay round;

consult with our major trading partners (Canada, the EC [European Community], and Japan) to determine areas in which we can help the Andean countries improve their trade performance; and

support the multilateral development banks in their efforts to work with the Andean countries to promote meaningful trade policy reforms in the Andean countries.

In order to ensure that these initiatives are implemented quickly and efficiently, the Office of the United States Trade Representative is heading up an interagency Andean Trade Task Force to manage the process and to consider additional ideas for strengthening our cooperation with the Andean countries.

White House Fact Sheet on Trade Initiatives for the Andean Region

November 1, 1989

I. Bilateral and Regional Initiatives

A. Generalized System of Preferences (GSP):

1. Suggest that the Governments of Venezuela and Ecuador initiate the exchange of letters which would provide those countries with GSP for six categories of handicraft textiles. These categories are USHTS:

5701.10.1300 5702.10.1000 5702.91.2000 5805.00.2000 6304.99.1000 6304.99.4000

2. For Bolivia, Colombia, Peru, and Ecuador: Accelerate implementation of any GSP benefits as a normal part of the 1989 GSP annual review. This includes product petitions now under review as well as product redesignations.

3. For Bolivia, Colombia, Peru, and Ecuador: Offer the opportunity to submit new GSP petitions as soon as is practical and review these on an expedited basis. Petitions would be due January 15, 1990, with results announced July 15 and implemented August 1.

4. Provide GSP technical seminars to assist Andean countries to expand their use of GSP petitions. We would also consider providing technical seminars and technical advice beyond 1990.

B. Technical Assistance to Help the Andean Countries Improve Their Trade Performance: U.S. Government agencies determine what technical assistance could be provided to the countries of the region. We will also encourage the multilateral development banks to undertake the same assistance.

C. Textiles: After consulting with all affected parties, explore possibilities for expanding textiles trade consistent with current U.S. Government policies and programs and the multifiber arrangement.

II. Multilateral Initiatives

A. International Coffee Agreement: Build on the recently achieved multilateral political consensus to negotiate a new international coffee agreement.

B. Accelerated Uruguay Round Tariff Negotiations: Undertake an accelerated negotiation on tariffs and nontariff measures with Andean participants in the Uruguay round.

C. U.S. Consultations with Canada, the EC [European Community], and Japan: Consult with our major trading partners to determine areas in which we can cooperate to assist the Andean countries improve their trade performance. We will be raising this at the upcoming meeting on the Uruguay round of the trade ministers of the quadrilateral countries (U.S., Canada, and Japan) which begins on November 12.

D. Support the Multilateral Development Banks' Efforts to Encourage Meaningful Trade Policy Reforms: Consult with the multilateral development banks to support their efforts to work with the Andean countries to promote meaningful trade policy reforms.

Remarks at the Presentation Ceremony for the Midland Community Service Award

November 1, 1989

Well, let me just say how pleased I am, as a former Midlander, to see -- [laughter]. This may make that, what do you call it, the blooper of the week. [Laughter] I'm sorry about that. You can go to your mother. [Laughter]

I will say this -- and you know, we talked about a Thousand Points of Light. And you see a community respond as yours did, sir, and then see one recognize this as -- having responded from the past itself -- and it really is a very moving thing.

I am so proud to be here and pleased to be a part of presenting this first award to you, and the tradition will continue. But please thank, sir, all those wonderful citizens that turned out. I was kept well-informed by your Senator and Congressman here, and I have been so impressed with that community spirit. I really think that beyond the borders of the United States you've set a wonderful example of one person helping another. So, you've responded, and we're very proud.

Thank you all. And as for you, Jessica -- [laughter] -- where's my handkerchief? [Laughter] How old are you now?

Note: The President spoke at 1:30 p.m. in the Roosevelt Room at the White House. Mayor Loren Callender accepted the award for Sioux City, IA, in recognition of the community's response to the crash of United Airlines Flight 232 on July 19. The town of Midland, TX, established the award to honor extraordinary community volunteer spirit exemplified by the rescue of Jessica McClure from an abandoned well in 1987. The President held 3-year-old Jessica during part of the ceremony. In his remarks, he referred to Senator Charles E. Grassley and Representative Fred Grandy of Iowa.

Nomination of Susan Morrisey Livingstone To Be an Assistant Secretary of the Army

November 1, 1989

The President today announced his intention to nominate Susan Morrisey Livingstone to be an Assistant Secretary of the Army for Installations and Logistics. She would succeed John W. Shannon.

Since 1986 Ms. Livingstone has served as the Associate Deputy Administrator for Logistics at the Veterans Administration. Prior to this, she served in several other capacities at the Veterans Administration, including Associate Deputy Administrator for Management, 1985 - 1986, and Associate Deputy Administrator for Logistics, 1985. From 1981 to 1985, Ms. Livingstone served as the Executive Assistant to the Associate Deputy Director of the Veterans Administration for Logistics.

Ms. Livingstone graduated from the College of William and Mary (A.B., 1968), the University of Montana (M.A., 1972), and the Fletcher School of Law and Diplomacy (M.A., 1973). She was born January 13, 1946, in Carthage, MO. Ms. Livingstone is married and currently resides in Washington, DC.

Nomination of Abraham N.M. Shashy, Jr., To Be Assistant General Counsel of the Treasury

November 1, 1989

The President today announced his intention to nominate Abraham N.M. Shashy, Jr., to be Assistant General Counsel of the Treasury (Chief Counsel for the Internal Revenue Service). He would succeed William F. Nelson.

Since 1984 Mr. Shashy has served as a partner with the firm of Jones, Day, Reavis and Pogue in Dallas, TX. Prior to this, he was a partner with Kronish, Lieb, Shainswit, Weiner and Hellman in New York, 1981 - 1984, and an associate, 1976 - 1981. In addition, he served as an adjunct professor of taxation at Southern Methodist University School of Law, 1985 - 1986; adjunct professor of taxation at New York University School of Law, 1977 - 1984; instructor of taxation at New York University School of Law, 1975 - 1976; and instructor at the University of Florida College of Law, 1974.

Mr. Shashy graduated from the University of Florida (B.S., 1970), the University of Florida College of Law (J.D., 1973), and New York University School of Law (LL.M., 1975). He was born January 13, 1950, in Ocala, FL. Mr. Shashy is married, has two children, and resides in Dallas, TX.

Remarks at the Presentation Ceremony for the Malcolm Baldrige National Quality Awards

November 2, 1989

Thank you, Secretary Mosbacher, for the warm welcome. It's great to be back across the street, almost, at this wonderful Department. I first want to salute the Baldrige family -- a special hello to Midge. Of course, I'm delighted to see the Secretary of the Treasury here and Ambassador Hills; able members of my Cabinet sitting next to them; Dr. Bromley, our Science Advisor, who has a keen interest in the success of the work of this Department.

I want to salute Deputy Secretary Murrin and Under Secretary Betti. And I think I spotted Strom -- I know I did -- over here. And it's a little hard to see, but Jesse Helms was to be here, Congressmen Sherry Boehlert, Don Ritter. George Brown, I do see, Howard Coble, Doug Walgren, and Nancy Johnson. And if I missed a few -- Alec McMillan, I think. And I can't see who else we've got over there, but nevertheless, welcome to the Members of Congress, whose support is absolutely essential for the workings of the Commerce Department.

In just a few moments, it will be my pleasure to present awards named after a great public servant and a close and dear friend, Malcolm Baldrige. So, let me just say a few words about Mac. He had a zest for life -- Nancy, I didn't see you -- had a zest for life, love of family, and a love of country that was uncommon. He was an outstanding Secretary of Commerce for 6\1/2\ years, and he was also an outstanding friend. Mac's word of honor -- as those of you who worked with him -- was his bond, as good as a $20 gold piece.

And he never quite fit any mold. In this town, they always try to make you fit into some mold. Baldrige never quite fit the mold. He was the president of a very successful company who spent a lot of his time with volunteer firemen when his wife wasn't doing that kind of work. He was the son of the East who rode horses and loved his place in New Mexico. He felt at home with cowboys because he roped with them all of his life. You'd never have known it from his friendly, easygoing manner, but he was also a bit of a perfectionist, in word and deed.

As a leader in business, Mac strived for quality in products; as Commerce Secretary, for quality in public policies. Even the language -- some of you may well remember, to your horror -- the language of his memos was lean and exact. In fact, he had a special computer software program for Commerce Department documents, one that automatically weeded out jargon like impacted, viable, infrastructure. [Laughter] Sort of Gramm-Rudman cut of the English language, if you will. [Laughter]

But like all perfectionists, he knew that perfection is not reaching the attainable. Rather, it's a never-ending quest for the unattainable. His life was such a quest, a life whose legacy leaves us

with a profound insight: A truly successful man or woman is someone who has, indeed, served others.

Companies, like people, are successful only to the extent to which they provide service. This is true for all business, from the humblest mom-and-pop operation to the largest corporation. The improvement of quality in products and the improvement of quality in service -- these are national priorities as never before. In recent years, Americans have felt the sting of fierce competition on a global scale, and we've learned to see foreign competition not as an excuse to close doors and raise barriers but as an incentive to renew our own commitment to excellence.

American managers have reconsidered every time-honored belief, every traditional practice, every customary procedure; and they've embraced what works and rejected the past. They've studied examples of innovation from home and abroad and adopted only the best. And we now know the result of this historic reassessment: When it comes to meeting the competition, America is back in business.

We're here today to honor two companies that are leading this resurgence. They're leading the resurgence in American business leadership. Most companies catch hell from the competition, but these two companies are in the lead because no competitor gave them a tougher time than they gave themselves. Of course, in business, success is its own reward. And yet all American firms benefit by having a standard of excellence to match and perhaps, one day, to surpass. For 1989 there can be no higher standard of quality management than those provided by the winners of the Malcolm Baldrige National Quality Award: Milliken & Company and the Xerox Corporation.

Both of these manufacturing firms were well-established leaders in their markets, yet both were being steadily squeezed out by the intense foreign and domestic competition. In the midst of this crisis, the men and women of these companies found within themselves the will to make a painstaking reassessment and the drive to win back that market share. Both companies started down this path of reassessment with a simple premise: In business, there is only one definition of quality -- the customer's definition. And then they proceeded from this one premise to restructure their production and marketing plan. Sounds simple. But I know, as a former tiny businessman myself, how difficult it is to restructure a firm from top to bottom. And today's winners know what is possible when a firm restructures itself from the bottom up. They know that a company can no longer afford to regard employees as automatons in a production line. They know that a company must rely on the intelligence, judgment, and good character of the people it employs.

And there are as many successful forms of management as there are successful companies. But for these two companies, success came when they developed their human as well as their technological potential. Milliken, for example, a 125-year-old textile manufacturer in South Carolina -- but its management style is sheer 21st century. Milliken scrapped the old

management hierarchy in favor of what they call a flat management structure -- good thing they're not a tire company -- [laughter] -- flat management structure. Milliken even gave a new title to its employees, calling them associates. And this is no hollow accolade for public relations. Every Milliken employee, I'm told, truly is an associate. In fact, any Milliken worker has the power to halt that production line if he or she detects a problem in quality or safety.

Our other winner takes a similar approach with its ``Team Xerox'' philosophy. Xerox employees are given the authority that they have to have, that they need, to make day-to-day decisions. And they are, the company says, expected to take the initiative in finding and fixing problems -- and they do. While every manager works, every worker is managing.

One of the best things about this award is that it allows successful companies to share what they have learned to set an example. Perhaps these two companies ought to merge -- and be careful of the antitrust. [Laughter] Can you imagine it? Your wardrobes wouldn't just be coordinated; it would be collated. [Laughter]

Many firms will learn a great deal from their example. Others will need to follow their own path. But to those who say that we have lost our edge, that the days are past when ``Made in America'' meant the best, I say: Tell that to the people of the Milliken plant in Spartanburg, South Carolina. Tell that to the Xerox teams in upstate -- up in Monroe County, New York.

Quality products and service is no accident. It's the result of a certain can-do, no-excuses attitude, an aggressive impatience with the status quo even in the best of times. And it's this attitude, more than anything else, that is responsible for the creation of wealth and jobs that we have seen over the last 7 years.

In these years, our total national wealth has grown by almost a third, and more than 20 million new jobs created. And we are still enjoying the rewards of what has proven to be the longest peacetime expansion in American history. So, given the right policies, and a reduced capital gains tax would be one -- Congress, I hope you're listening -- this expansion will continue. And given the right tools, the American people can reach even greater heights. The potential of this nation is as boundless as the imagination and drive of the American people. All we have to do for our citizens is what these two companies have done for their employees: give them the freedom to do what they do best -- freedom to imagine, freedom to create, and freedom to excel. Our winners had such freedom, and they certainly made the most of it.

I give my heartiest congratulations to Roger Milliken, who is here, and to David Kearns. And I give my heartiest congratulations to your employees, your associates. And thank you all for being here to honor these two successful stories. Thank you very, very much.

Note: The President spoke at 10:34 a.m. in Malcolm Baldrige Hall at the Commerce Department. In his remarks, he referred to Secretary of Commerce Robert A. Mosbacher;

Malcolm Baldrige's widow, Margaret (Midge); Secretary of the Treasury Nicholas F. Brady; U.S. Trade Representative Carla A. Hills; Deputy Secretary of Commerce Thomas J. Murrin; Under Secretary of Defense John A. Betti; Senators Strom Thurmond of South Carolina and Jesse Helms of North Carolina; Roger Milliken, chairman and chief executive officer of Milliken & Co.; and David T. Kearns, chairman and chief executive officer for business and products systems for Xerox Corp.

Statement by Press Secretary Fitzwater on the President's Meeting With Hungarian Minister of State Imre Pozsgay

November 2, 1989

The President met for approximately 30 minutes today with Hungarian Minister of State Imre Pozsgay, who is here on a brief private visit. They discussed the progress Hungary has made toward multiparty democracy, including the dramatic changes to Hungary's Constitution and the renaming of the country to the Republic of Hungary.

The President restated his commitment to the success of Hungary's democratic reforms, stressing that our support is for the process of change rather than for any particular party or candidate. In that connection, the President noted the arrival in Washington today of nine representatives of various Hungarian opposition groups, who are here for a 2-week USIA program on democratic electoral processes.

The President noted that the administration is urging Congress to act quickly on his request to establish a Hungarian-American Enterprise Fund, create a regional environmental center in Budapest, and authorize the Overseas Private Investment Corporation to operate in Hungary. The President mentioned that in a Rose Garden ceremony on October 26 he signed the documents needed to grant Hungary continuing most-favored-nation treatment and that on November 1 he designated Hungary as beneficiary of the Generalized System of Preferences.

Minister Pozsgay expressed his gratitude for U.S. economic and other assistance and welcomed the President's initiative for developing concerted Western action through the Group of 24 industrialized democracies. He and the President agreed that these efforts are vital to continued economic progress and democratic change in Hungary.

Remarks to the Media Advertising Partnership for a Drug-Free America

November 2, 1989

I'm delighted to be here, and look forward to seeing you in a little bit across the way. But to chairman Jim Burke, let me first thank you, Jim, for bringing together such a talented array of people. And I'm grateful to see all of you here. I'm grateful for what you're doing.

Welcome to the White House, or, more accurately, the White House complex. I never understood that phrase. Sounds like some kind of neurosis -- [laughter] -- or perhaps a bad case of Potomac fever.

I am very pleased to see Bill Bennett here, and I want to take this opportunity to say that he has not only my full confidence but total support in this effort.

It's an honor to have you all here today. And I'm grateful that some of you have agreed to serve on advisory committees. I see Bill Moss and others here. And of course, the work that he is really undertaking is terrific. This group is at the leading edge of a powerful and moving effort: debunking the big myth about drugs by deglamorizing them and deglamorizing their users.

And having had some experience a long time ago in business, I think I understand a few of the day-to-day concerns of running a company. And so, it's all the more impressive that you're devoting significant time and resources to this struggle against illegal drugs. You're managing to look past the day-to-day operations and beyond the balance sheets, because you understand that America may have no more pressing domestic priority than the struggle to get the drugs off the streets and out of our schoolyards.

Earlier this fall, I presented, with the advice and help of many here, a national drug strategy to increase the Federal efforts in the war against drugs and to better coordinate the vast range of resources and the agencies and people devoted to solving the drug problem. When I presented that plan I was convinced that a nation united against drugs could not lose, and I still really believe that. And I also remain convinced that the Federal Government will never solve this problem by itself. That's why what you're doing is absolutely crucial; and it's why, in my address to the Nation, I made a point of thanking those who are donating air time and space for this antidrug message. I'll tell you, you can feel it. You can feel the change, I think, in the awareness of the American people as a result of what many in this room have already done in that regard.

Among the four pieces of our drug strategy -- enforcement, interdiction, treatment, and prevention -- you understand that it's the last point, prevention, that offers the best long-term potential.

With Jim Burke's leadership, this Partnership for a Drug-Free America is producing hard-hitting and carefully targeted messages, effectively tackling the drug issue from the demand side. I was moved by -- and I know Bill was; we've talked about it -- by President Barco of Colombia's charge to us: Stop the consumption. He's not blaming his own problems entirely on that, but it's a charge that I was happy to repeat on his behalf -- on our behalf -- to the entire country. So, you're tackling the demand side -- breaking a few eggs in the process -- as you put your marketing and communications expertise to work, because nobody understands demand psychology better than you.

There is that ad where a television, a trip to Paris, a new car all disappear right under the cocaine user's nose, or another about how a drug-induced high is like diving into the empty swimming pool, and the infamous frying egg. These are images no child or adult can easily forget. By applying marketing experience and advertising talent to unsell drug use and drug users, your ads are really managing to induce, nationwide, an ideological allergy to illegal drugs. You know, it occurred to me: Never before in the history of man have such energy, talent, and resources been devoted to getting people not to buy something.

The partnership's message -- some call them advertorials -- clearly seem to work. A year after this campaign began, in 1987 -- and I don't think it's mere coincidence -- Americans of all ages viewed drug use and drug users more negatively, a trend that is continuing to this day. That's the message about your medium. You've shown that the private sector can do what legislation alone never can do -- change attitudes.

Your generosity in the past, providing the time and space to showcase these messages, has been outstanding. And it's by far the largest such effort in the history of the industry. But what you're setting out to do, committing $1 million a day in advertising time and space every day for 3 years, is truly extraordinary. And it's an effort that I personally want to see succeed because it's so important to our struggle against drugs.

Beyond earning Presidential appreciation -- which in your case, that's easy, you've got that, and certainly personal admiration and respect, you've got that -- but your continuing support of this partnership demonstrates the best in the American spirit of service to others. In fact, I'm told that the Partnership for a Drug-Free America is the largest volunteer private sector ad campaign since the war bond drives back in World War II. And you've clearly taken to heart the conviction that I share -- that from now on in America, any definition of a successful life must include serving others. Yours is the kind of civic spirit America has always turned to and been able to count on when faced with threats from abroad or at home.

So, today a generation of Americans is threatened from an enemy within, literally. It courses through their veins and compromises their minds and closes the doors of their future. This generation deserves better, and with your help will know better.

So, by contributing this unique ability to influence public opinion to the problem of drug abuse, you are setting high standards for the rest of the Nation to follow. Like the Partnership for a Drug-Free America, every individual and institution must decide to make its own contribution to bettering our communities. You have the power -- you have that power to change America's mind about drugs, so keep breaking the eggs and putting together young lives.

Thank you all very, very much for what you're doing. I really mean it. It is absolutely essential service to the greatest country on the face of the Earth. Thank you very, very much.

Note: The President spoke at 2:52 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to William J. Bennett, Director of National Drug Control Policy; and William Moss, a Republican Party fundraiser.

Statement on Deficit Reduction in Fiscal Year 1990

November 2, 1989

On February 9th, after only 20 days in office, I submitted a budget that would have reduced the fiscal year 1990 deficit to $91.1 billion. On April 14th, we reached a bipartisan budget agreement with the Congress. We were encouraged by the prospect that, if fully implemented, the agreement promised to reduce the FY '90 deficit to $99.4 billion. Unfortunately, the bipartisan agreement has not yet been implemented. As a result, we find ourselves having to use the fail-safe deficit reduction measure that the law requires: across-the-board spending cuts, known as sequester. Clearly, this approach would not be a first choice for any of us. It is, however, a necessary discipline in the absence of more satisfactory action.

If the across-the-board cuts remain in effect, sequester would produce $16.1 billion in budgetary savings for fiscal year 1990 without any increase in taxes. These are more substantial savings than in either the pending Senate- or House-passed reconciliation bills.

By our scoring, the Senate and House bills would save only $8.3 billion and $1.9 billion, respectively, after adjustment for payment date shifts and accounting changes. (If the House bill were adjusted to drop capital gains, as the Democratic leadership wishes, it would actually increase the deficit rather than decrease it.) If the Senate bill's savings were adjusted for the pending repeal of catastrophic health insurance, as in the House bill, total savings in the Senate bill would drop to slightly more than $2 billion. In the face of deficits of well over $100 billion, $2 billion in net savings is far from enough. We must -- and we can -- do better.

We have tried to work constructively and cooperatively with the Congress in a true spirit of bipartisanship. I deeply regret the tone of partisanship that has entered the economic policy debate. I would very much have preferred a fair and balanced debate -- and vote -- on the merits. But the congressional process has bogged down. Now the stalemate must be broken. So, having consulted with the Republican congressional leadership, I am calling upon the Congress to do three things:

First, the Congress should pass a truly clean reconciliation bill that produces real deficit reduction without new taxes, without spending measures that increase the deficit in the future, and without scoring gimmicks. Any such reconciliation bill should achieve at least the $14 billion in reconciled deficit reduction agreed to in the bipartisan budget agreement, after adjusting to offset any new spending measures.

I will not accept a reconciliation bill that fails to do the job that should be done. If the Congress cannot agree upon a clean reconciliation bill that fully meets the test of fiscal responsibility, we are prepared to manage the Government under sequester. That is, we will continue to impose $16 billion in across-the-board spending cuts, as the law requires, for as long as it takes to reach

agreement on a fiscally responsible bill.

Second, consistent with the Senate's expressed interest in a clean reconciliation bill without what it terms extraneous issues, the Congress should separate from the pending reconciliation bill such issues as child care, catastrophic health insurance, section 89, and capital gains. It should do so without applying its standard arbitrarily in a way that discriminates selectively against such issues. Congress should present to me for signature such legislation as may be mutually agreed on these subjects.

If we can reach agreement quickly on any of these issues, such as repeal of section 89 or catastrophic health insurance, I would be prepared to sign a bill dealing with these promptly, provided it is not a reconciliation bill. If other issues -- such as child care and capital gains -- prove more difficult to resolve, we will continue to pursue them until satisfactory legislation is enacted. I remain firmly committed to both capital gains and a child-care bill consistent with the principles embodied in my proposed legislation. I am confident that there is a majority for capital gains in both the House and the Senate and will continue to seek every opportunity for the majority to express its will.

Third, the Congress should pass a debt limit bill immediately, to assure that the United States does not default.

Fortunately, the economy continues to grow. It is now in its 83d consecutive month of growth, the second-longest such period of growth in all of America's history. But there is as much reason as ever to seek to reduce the deficit, to pass a long-term debt limit bill, and to advance legislation that can keep the economy growing.

Remarks Following a Visit With Former President Jose Napoleon Duarte Fuentes of El Salvador

November 2, 1989

The President. Well, I am very pleased to be out here with the Vice President and others today to pay tribute to a great friend of the United States and a tireless fighter for democracy, Jose Napoleon Duarte. President Duarte's life has been dedicated to advancing freedom and justice, and he is indeed the father of El Salvador's democracy. He is an inspiration to all of us. And to honor this courageous man today, the Duarte Scholarship has been established at the University of Notre Dame, his own alma mater. And Father Ted Hesburgh presided at this meeting and presented him with this chair, if you will, this scholarship. This legacy will give the priceless gift of education to deserving Salvadoran students, students who I know will take great pride in this wonderful gift and the man after whom it is named.

El Salvador's Government, today under President Cristiani, continues in the democratic path despite violent opposition from extremists from both the left and the right. And let me say how strongly we condemn the recent bloody attacks in San Salvador. Under relentless guerrilla assaults, El Salvador has conducted six free and certifiably fair elections since 1982 under international supervision. And what we are witnessing in Nicaragua today stands in strong contrast to the Salvadoran record.

The decision of the Sandinista government to end the cease-fire is an assault on the electoral process in Nicaragua, which the entire hemisphere has condemned their actions. And despite Sandinista denials, it is hard not to believe that the government of Nicaragua is taking this action to give itself an excuse to close down the limited political space that it has allowed thus far. Nicaragua has taken only partial steps to establish conditions for a completely free and fair election. It shows fear of establishing that level playing field that the rest of the world is looking for. It is hypocritical for the Sandinistas to assert that they want the resistance to return voluntarily while it's setting its vast armed forces to attack them. Moreover, they have consistently violated the cease-fire since it was proclaimed.

I would add that despite Nicaragua's Esquipulas commitments, we have recently had new evidence of Sandinista arms shipments to the Salvadoran guerrillas. In our recent meeting in Costa Rica, the Nicaraguans were taken to task by President Cristiani of El Salvador for the illegal shipments that contradict the agreements to which they are a party.

The Sandinista regime says that it is committed to the Esquipulas process. If that truly is, it will respect the cease-fire and begin a dialog with the resistance. It will work with the internal opposition to create the conditions for a truly free election. And it will stop its armed subversion of its neighbors.

It is not clear how far Ortega [President Daniel Ortega Saavedra of Nicaragua] intends to take his military and intimidation campaign. Accordingly, we must and we will keep our options open. The United States supports peace and democracy in Central America. We want to see the cease-fire in Nicaragua respected by all sides. We want a free and fair election, and that is clearly also the wish of the Nicaraguan people and leaders from every part of the hemisphere.

So, I appreciate having a chance to express my thoughts on both this tribute to President Duarte and the aspirations of the United States for democracy all across our hemisphere.

Nicaragua

Q. If El Salvador can conduct free elections in conditions of civil war, why can't Nicaragua?

The President. Because the Esquipulas agreements say that they should not -- that there should be democratic and free conditions, and that the Sandinistas should be negotiating with the resistance. That's what these agreements call for, and they are being violated by the Sandinistas. And if we ever saw the whole hemisphere turn on one man, it was when these democratic Presidents got repulsed by what Mr. Ortega said in San Jose.

Q. Mr. President, how much closer are you to seeking or thinking about military aid? Tuesday afternoon you said -- --

The President. My statement speaks for itself. All options are open.

Note: The President spoke at 4:48 p.m. at Walter Reed Army Medical Center. Rev. Theodore Hesburgh was president emeritus of the University of Notre Dame.

Statement on Signing the Treasury, Postal Service and General Government Appropriations Act, 1990

November 3, 1989

Today I have signed into law H.R. 2989, the ``Treasury, Postal Service and General Government Appropriations Act, 1990." I want to take this opportunity to thank the Congress for addressing objections raised by the Administration and for presenting me with a bill in which funding levels are generally consistent with the Administration's requests.

This Act provides appropriations for a number of critical programs under the Department of the Treasury, the General Services Administration, the Office of Personnel Management, the Executive Office of the President, and several other agencies. Funding for these central management agencies is essential to carry out the primary financial and administrative functions of the Federal Government.

I am pleased that the Congress provided funding for the Internal Revenue Service that meets the revenue initiative assumptions of the Bipartisan Budget Agreement. This funding should assure that the Internal Revenue Service continues to implement the tax code effectively.

In signing this Act, however, I am compelled to note my strong objection to section 618 of H.R. 2989, which purports to forbid the implementation or enforcement of certain nondisclosure agreements required of Government employees with access to classified information. This provision, which is modeled after a provision that first appeared in the omnibus continuing resolution for fiscal year 1988 (Public Law No. 100 - 202), raises profound constitutional concerns. Last year, in a decision that was subsequently vacated by the Supreme Court on procedural grounds, the latter statutory provision was declared unconstitutional by the United States District Court for the District of Columbia.

Article II of the Constitution confers responsibility on me as President and Commander in Chief to conduct the national defense and foreign affairs of the United States. In this capacity, I have the constitutional duty to ensure the secrecy of information whose disclosure would threaten our national security. The Supreme Court has recognized that the authority commensurate with this duty to protect such information falls on me as head of the executive branch and as Commander in Chief. Department of the Navy v. Egan, 484 U.S. 518, 527 (1988). If we are to achieve success in our diplomatic, military, and intelligence activities, it is critical that I be able to protect the secrets upon which those activities depend.

Although the scope of section 618 is subject to conflicting interpretations, it could be construed as limiting, among other things, my ability to enforce nondisclosure agreements to the extent that they prohibit negligent disclosures of information that an employee has reason to believe is

classified. Furthermore, section 618 could suggest that I am prohibited from establishing and enforcing appropriate procedures to control the dissemination of classified information by executive branch employees to Members of Congress.

I believe that section 618, thus construed, would jeopardize the Nation's security by unconstitutionally interfering with my ability to prevent the unauthorized disclosure of information concerning our most sensitive diplomatic, military, and intelligence activities. Accordingly, I direct that executive branch officials implement the provisions of section 618 in a manner consistent with the Constitution.

I note that the provisions of H.R. 2989 authorizing appropriations for the Office of Management and Budget forbid the expenditure of those funds ``for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.)." These restrictions also raise constitutional concerns because they impair my ability as President to supervise the executive branch.

In addition, numerous provisions of H.R. 2989 purport to condition my authority, and the authority of affected executive branch officials, to use funds otherwise appropriated by the Act on the approval of various committees of the House of Representatives and the Senate. These provisions constitute legislative veto devices of the kind declared unconstitutional in INS v. Chadha, 462 U.S. 919 (1983). Accordingly, I will treat them as having no legal force or effect in this or any other legislation in which they appear. I direct agencies confronted with these devices to consult with the Attorney General to determine whether the grant of authority in question is severable from the unconstitutional condition. See Alaska Airlines, Inc. v. Brock, 480 U.S. 678, 684 - 87 (1987).

Finally, I encourage the Congress to continue to present me with spending bills that keep funding at acceptable levels.

George Bush

The White House,

November 3, 1989.

Note: H.R. 2989, approved November 3, was assigned Public Law No. 101 - 136.

Nomination of Anthony Cecil Eden Quainton To Be United States Ambassador to Peru

November 3, 1989

The President today announced his intention to nominate Anthony Cecil Eden Quainton, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Peru. He would succeed Alexander Fletcher Watson.

Since 1987 Mr. Quainton has served as the Deputy Inspector General at the Department of State in Washington, DC. Prior to this, he served as Ambassador to Kuwait, 1984 - 1987; Ambassador to the Republic of Nicaragua, 1982 - 1984; Director of the Office for Combating Terrorism with the rank of Ambassador, 1978 - 1981; Ambassador to the Central African Republic, 1976 - 1978; and deputy chief of mission in Kathmandu, Nepal, 1973 - 1976. In addition, Mr. Quainton served as a political officer in Paris, 1972 - 1973; senior political officer in India, 1969 - 1972; political and economic officer in New Delhi, 1966 - 1969; and economic officer in Karachi, Pakistan, 1963 - 1964.

Mr. Quainton graduated from Princeton University (B.A., 1955) and Oxford University (B. Litt., 1958). He was born April 4, 1934, in Seattle, WA. Mr. Quainton is married, has three children, and resides in Washington, DC.

Remarks at a Campaign Rally for Gubernatorial Candidate J. Marshall Coleman in Richmond, Virginia

November 3, 1989

The President. Thank you very, very much. Marshall, thank you. I am just delighted to be back in this beautiful capital city, and I want to thank the good people of Richmond for such a warm welcome today. I guess some of you may have come out because you heard there was something special planned for Festival Park. So, if any of you came here for one last Friday cheers, sorry about that.

I know some of you may have come out to see the most popular person in America today. Sorry, Barbara is up in New York this morning, and so, you've got to put up with me. But I want to thank all the eminent Virginians who are here with me today. What a great congressional delegation you've got, and here they are: Tom Bliley is here, and Stan Parris, Frank Slaughter, Herb Bateman -- what a job they are doing representing the Commonwealth in Washington, DC!

Our emcee today -- State Senator Bob Russell. And outstanding two members of the Virginia Senate who are ready to step up to new positions of public trust: Joe Benedetti, running hard for attorney general -- what a gutsy man he is -- and, of course, Barbara; and my old, dear, close friend, Eddy Dalton, Virginia's next Lieutenant Governor. And are you going to be lucky!

And finally, let us all say hello to Virginia's next Governor, Marshall Coleman. We're -- --

Audience members. Marshall! Marshall! Marshall!

The President. Look, we're here on the eve of a contest of great concern to everyone who lives in this State -- an epic battle, a clash of wills. And, yes, that's right: I'm talking about the University of Virginia versus North Carolina State. We also know that there is a vital statewide contest 4 days from now. Let me tell you my pick: It's going to be Marshall Coleman who comes out the winner.

You see, 4 days from now, the people of this State are going to decide who can lead this Commonwealth into a new decade, which candidate has a vision for Virginia in the nineties. And, my friends, that must be a man of total integrity. That man must offer the new ideas that Virginia needs to fulfill its own destiny. And that man is clearly Marshall Coleman.

He knows the issues that matter to Virginians. Take the issue of law and order. Marshall's a veteran crimefighter, a former attorney general who understands that you cannot have safe streets and neighborhoods unless you're ready to make life tough on the criminals. And that means tougher sentencing, an end to early release and parole policies that put dangerous

criminals back on the street. Dangerous criminals should stay where they belong, and that is behind bars. And something else -- I know that this man, a Governor Coleman, would give me strong support for the anticrime package that I have sent to the United States Congress, a package that sits there now -- waiting for the Congress to move. And I believe a Governor can help mobilize public opinion to get the will of the American people fulfilled. I need him right here in the statehouse.

Marshall Coleman is the right man to lead Virginia in this battle against drug abuse. The war on drugs isn't simply a war of words. Anyone can talk tough, but talking tough doesn't keep dealers off the street. It doesn't keep drugs out of the hands of our children. Marshall Coleman knows that it is time for action, and he knows we've got to go after the drug dealers and the drug users. And he knows it's time to confiscate the dealer's ill-gotten gains and take the profit out of the drug business. And I submit to you that that is the no-nonsense, real-world approach that we need. And if you need any more proof, just ask the folks out there on the frontline in this war on crime and drugs. The Virginia Fraternal Order of Police has given Marshall Coleman its vote of confidence, and I think that that says it all. When it comes to fighting crime, Virginia can count on Marshall Coleman.

But there are other issues, and he's strong on the issues across the board. Take the one issue that may well be the most important of any that fall within a State's responsibilities: education. Marshall and I have talked many times about the state of our schools today, and I can tell you he's as convinced as I am that there is no other issue more vital to the future of this State, this nation, and to the kind of lives that our children will lead in the future.

He's got two fine boys of his own, Sean and Billy. And Sean is here today somewhere -- over here, here he is -- down here from college, helping his dad. And let me tell you: He may be young, but he's a real veteran out on the campaign trail. And, Sean, let me say this to you: Your dad knows what every parent with kids in school today knows -- it's time to move beyond the status quo. We've got to recognize what works in our schools and reward it. And that is the idea behind Marshall's merit pay plan: better pay for better teachers. We've got to increase accountability. And that means expanding choice in our schools, because, you see, choice can create an incentive for improvement that spurs a competition for excellence in all our schools. And when it comes to guaranteeing a first-rate education for her children, Virginia can count on Marshall Coleman.

But it's when we talk about taxes that we know how important the election of Marshall Coleman is. I hear the same things up on Capitol Hill that you do from Capital Square. And it's beginning to sound like a broken record. It doesn't matter what it is -- every issue an opportunity to raise your taxes. Well, make no mistake, Marshall Coleman is one candidate who doesn't confuse having a vision for the future with having a sharp eye on your wallets.

The past 4 years, the people of this State have endured five tax increases -- five just in the past 4

years. And I know Virginia, and I know you cannot afford another 4 years of open season on the taxpayer. Well, with Marshall in the statehouse, taxpayers won't feel like there's a bull's-eye painted on their backs, because he knows one way not to fulfill this State's great destiny is to sock it toÿ7Eÿ7E theÿ7Eÿ7E taxpayer.ÿ7Eÿ7E Marshallÿ7Eÿ7E comesÿ7Eÿ7E withÿ7Eÿ7E a 4-year, easy-to-understand guarantee. He won't raise taxes. And he's going one step further: When it comes to vetoing any tax hike that lands on his desk, Virginia can count on Marshall Coleman.

And so, as we get near the end, it's been a long, hard campaign. And in the end, every campaign comes back to the basics, to the simple question that every voter asks himself: Which candidate is right for the job? And the plain truth is this: Marshall Coleman, a man of total integrity, total experience, a man who deeply loves this State. He's right on the issues, right for Virginia. Marshall Coleman will be a Governor all of Virginia can count on. And let me tell the people of this great capital city: When Marshall Coleman becomes Governor, the man in the statehouse here in Richmond is going to have a friend in the White House.

But right now, Marshall needs to know that he can count on you and he's got your support and, come next Tuesday, that you'll be there with your votes and your help to make him the next Governor of Virginia. He needs to know that. And only 4 short days remain in this campaign for the future of this great State. So, talk to your family, your friends. Take them to the polls with you. Make these last days count for Marshall Coleman, for Virginia, and for the United States of America.

Thank you, and God bless you. And God bless our wonderful country.

Note: The President spoke at 11:28 a.m. in Festival Park. He was introduced by Mr. Coleman. In his remarks, he referred to Barbara Benedetti, wife of the candidate for State attorney general. Prior to the rally, the President attended a fundraising reception for Mr. Coleman at the Marriott Hotel. Following his remarks, the President traveled to Norfolk.

Remarks at a Campaign Rally for Gubernatorial Candidate J. Marshall Coleman in Norfolk, Virginia

November 3, 1989

Thank you so much for that warm welcome back to Old Dominion, and I am delighted to be here. First, let me thank this magnificent choir from Atlantic Shores and also the Old Dominion University Pep Band over here. Go Blue! And I want to pay my respects -- as I came in here, I was greeted by several distinguished Virginians who are connected with this wonderful university -- my old friend, your president, Bill Spong, the former Senator, great Senator for this State. Your executive vice president, Dr. Healy, greeted me there, and so did my old close friend and one of my earliest supporters, now teaching here, former Congressman Bill Whitehurst. And it's a pleasure to be here with the next Governor. It's a pleasure to be here with a former Governor of this State, Mills Godwin, sitting right here. And thank you all.

A word about your Senator. We're in some tough battles up in Washington, DC. And this Senator, Senator John Warner, is outstanding because, you see, he understands that the national security of the United States and our allies, even in these times of change, depend upon a strong United States, a strong defense. And you are lucky having him fighting for Virginia and the United States in the United States Senate.

And you have a distinguished delegation in Washington, and I'm pleased to see two of them with us here today, Congressman Parris and Congressman Bateman. Welcome, and thank you for being with us.

And I want to salute Mayor Wynne and our magnificent Republican ticket -- Marshall Coleman, Eddy Dalton, Joe Benedetti -- they are winners!

And ladies and gentlemen, all of you -- ladies and gentlemen and friends. Marshall, good speech, and thanks for that kind introduction. And let me say that, as always, I am delighted to be back in this historic State and one of our greatest cities, the home of Old Dominion University. It's a pleasure to speak at this distinguished school, and in a gym where the Monarchs have often reigned supreme.

Well, on Tuesday, November 7th, Virginia's common sense is going to reign supreme from the rivers of the Tidewater to the Shenandoah Valley.

I know you all turned out to see one of the most famous people in the United States. I'm sorry, Barbara is in New York today, but she sends her love, and I wish she were here.

Tuesday -- I'm talking, as you know, about Virginia's election for Governor, one of the most

crucial in America, and about the man that I am very proud to support, one of the rising young leaders in our country, the next Governor of this great Commonwealth, my friend of longstanding, Marshall Coleman.

Four weeks ago, I stumped for Marshall in northern Virginia, as I did 2 hours ago in Richmond. And I believe in this man. I admire him. We share the same philosophy and the same values. So, let's build a bright new day for one of America's oldest States. Let's elect this man Governor of the Commonwealth of Virginia -- Marshall Coleman.

Now look, I know that here at Old Dominion, of course, you know something about the kind of victory we're going to celebrate next Tuesday -- the same way Nancy Lieberman would help the Lady Monarchs come from behind to win the game. Believe me, Marshall Coleman's taking a page from Old Dominion's playbook. And when we win the Governor's mansion in Virginia, they'll call it the greatest comeback of the year. And Marshall Coleman's victory will be a victory for Virginia. This is a great State, and it deserves a great Governor, a man in the statehouse who will have a friend in the White House.

And Marshall deserves to win because this State deserves fiscal sanity and because it rejects the excesses of spending. He deserves to win because Virginia deserves -- it rates -- a man of principle. For while two men are running for Governor, only one truly understands this State, and only one knows that Virginians expect tough answers, honest answers -- answers to child care and transportation and education and the environment, answers in the fight against crime, fight against drugs, from the banks of the Potomac to the Cumberland Gap. Ladies and gentlemen, Virginia deserves a Governor who faces and makes hard choices, who says what he means and means what he says. And I am convinced that Marshall Coleman is that man.

You know, I've seen a lot of candidates, as many of you all have, over the years. I've seen them react to victory -- and also to defeat. Defeat breaks some men; it makes others. And I remember how 8 years ago Marshall lost a tough campaign for Governor, and 8 years ago, I met with him a few days after election day. And even then, he was strong, resolute. And even then, he was a fighter determined to serve his State and the people he cares so much about. For he has that attribute called character, a quality so innately Virginian -- the character to examine a problem, to understand a problem, and then to act on that problem on every voter's behalf.

And what are those problems, Virginia's challenges of tomorrow? They're the same challenges that we face in Washington. And just as you need a Governor who understands Virginia, I need and America needs a Governor in Richmond who shares our goals, who supports those goals, and who will help me pass the programs to make those goals a reality.

Think, for example, of education. Five weeks ago, at the University of Virginia, I convened an unprecedented event: this nation's first education summit. And there in Charlottesville, America's Governors, my Cabinet, and I gathered to talk, to think, to exchange ideas. And we

talked about how to spur educational reform and return power to the people, for it is time for change, perhaps radical change, to find new ways to improve educational performance.

And Marshall Coleman has two sons, Sean and Billy -- one of them right here, the big guy -- 19 and 14. And he knows that educational reform is vital to our future, so he supports greater choice for parents and students, merit pay to reward those outstanding teachers. And he's talked many times of how the next Governor of Virginia must act in tandem with the President and with the Congress, the county and local officials to uplift our schools. He can help me, and I need him to make education America's most enduring legacy, vital to everything we are, vital to everything we can become.

Another Virginia challenge -- and I know it's of concern to everybody at Old Dominion -- is the environment. And here, too, I need Marshall in Richmond, just as Virginia does. I need a Governor I can work with. We have proposed bold, new environmental policies to reduce acid rain and air -- toxic -- and urban smog, policies that will preserve our wetlands and combat the polluters and help to clean up our air and hazardous wastes. And together, Marshall and I can work to protect our environment for generations to come. We owe it to every young person in this gymnasium today, and we will do it.

And next, there's Virginia's historic concern, a strong military. Virginia and Marshall Coleman understand that a strong America is an America at peace. And there are no greater supporters of America's defense than the people of this great State. And I need Marshall to work with me to preserve this area's jobs and prosperity, and to convince the Congress that when it comes to a secure America, finishing second means finishing last.

For centuries, Virginia has demanded officials that are both responsive and responsible. Well, Marshall Coleman can increase support in Virginia for our ethics legislation to make public service a public trust.

Transportation is another priority. And I look forward to his regional transportation plan to reduce gridlocks in areas such as the Tidewater.

And then there's the crucial issue -- he referred to it -- of taxes. And you all know my position there, and when it comes to fighting for lower taxes, Marshall is my kind of guy. He opposed five major tax increases passed by his opponent's administration, and he has pledged not to raise taxes as Governor.

And finally, of course, this State, like every State -- shocked about crime and drug use. And as you know, our administration has proposed the most comprehensive plan to assault these plagues. We know that the Federal Government, like the government in Richmond, must wage real -- not simply rhetorical -- war against this crippler of our kids. And I need Marshall Coleman to help us win this war and help enact our legislation.

Yes, two candidates for Governor, but only one truly understands the Commonwealth. And that's why only one, Marshall Coleman, has been endorsed by those on the cutting edge -- endorsed by Virginia's Fraternal Order of Police, the men and women that are giving their lives for our kids every single day. Marshall Coleman understands that the Old Dominion doesn't need old ideas like the liberal creed which blames everyone except the criminal. Instead, it needs a Governor who understands its people and its values, and who will protect those family values which make Virginia great.

Marshall Coleman has stood for that, and he will stand for that. Remember, he's been a U.S. magistrate, delegate, State senator, the attorney general. And remember, he's long been on the firing line, working to put the criminals where they belong. He's urged the stiffer penalties for violent criminals, demanded greater certainty in sentencing and an end to easy parole and early release. And he agrees with me that drug kingpins should pay the ultimate price. And he wants stiff mandatory sentences for drug distribution offenses, and perhaps above all, he wants the end of a hit-or-miss parole system that lets hardened drug dealers prey on society. Today in Virginia, a 20-year sentence for drug dealing can mean as little as 3\1/2\ years in actual time served. Marshall Coleman wants to make 20 years mean 20 years. You might call it his 20/20 vision. I share that goal. We must be tough. We must be strong.

Challenges and solutions, in Washington and Richmond -- we're one country. We're all in this together, and we have to work together, work honestly and directly to reach our common goals. Marshall Coleman knows that, for he knows Virginia from Mount Vernon to Monticello to the beauty of Williamsburg. But most of all, he understands the people; he understands Virginians -- an unparalleled blend of civility, respect for tradition, and faith in God that led John Adams to say: ``We all look to Virginia for examples."

On November 7th, America will again look to Virginia for examples, and it will find one in Marshall Coleman. For in a State whose people have been called the quintessential Americans, he is a quintessential Virginian. So, let's roll up our sleeves and raise Virginia's sights, and let's help Marshall Coleman and his two great running mates, State Senator Eddy Dalton, your next Lieutenant Governor, and State Senator Joe Benedetti, your next Attorney General.

Four days until election day -- and so, get out there and work and vote and see that others do the same, because we need Marshall Coleman in the State capital. I do, you do, and most of all, this great State does. You know, your State slogan says, ``Virginia is for Lovers." Well, by electing Marshall Coleman, let's ensure that years from now we can tell our kids: On election day 1989, America loved what Virginia did.

God bless you, God bless America, and let's make this man the next Governor of the Commonwealth.

Note: The President spoke at 1:44 p.m. at Old Dominion University Field House. Following his

remarks, he traveled to Bloomfield, NJ.

Remarks at a Campaign Rally for Gubernatorial Candidate Jim Courter in Bloomfield, New Jersey

November 3, 1989

Thank you for that -- I was going to say warm Bloomfield welcome, but I'm delighted to be here. And to Governor Kean, my dear friend who's done such a great job for this State, I'm proud to be with him.

It's a special pleasure to be with my friend, Congressman Jim Courter. I have the good feeling. You're looking at a guy who doesn't believe in these polls. Why? Because it wasn't so many months ago I was miles behind, and now I am the President of the United States of America.

And to the Speaker Chuck Hardwick; and to our mayor, my friend John Crecco; and our new Republican chairman, Kathleen Donovan; and our many distinguished members of the assembly; and candidates -- a team of winners. And don't let me overlook the fine Members of the New Jersey congressional delegation standing down here -- strong friends of Jim, strong supporters of this President. I'm delighted to see them all here: Chris Smith, Marge Roukema, Matt Rinaldo, Dean Gallo, Jim Saxton. And thank you for this welcome back. We've got some other winners here today -- the great, the famous Bloomfield Bengals, who I understand are on a hot streak.

John and I were talking about the last time I spoke in Bloomfield was during last year's campaign. It was a great visit because the 1980's have been good to this town. The economy is strong. People are at work. And of course, this says a lot about the citizens of Bloomfield, but it also says a lot about New Jersey and about the United States of America. Today more people and a higher percentage of our work force are at work than at any time in our history -- 119.3 million Americans. And today our peacetime record economic growth has created over 20 million new jobs, 233 more in October alone. And our challenge then is to keep creating the economic growth that produces jobs in America, especially in the State of New Jersey.

And for the last 8 years, we've had a top-notch team leading this great State. Together, Tom Kean and a Republican State assembly, led by Speaker Chuck Hardwick, here, have made New Jersey great again. And look at what has been accomplished. Today New Jersey's business climate ranks eighth in the country. The unemployment rate has dropped. And six tax cuts have been signed into law, including the largest income tax cut in the history of the State of New Jersey -- that is good government.

And there has been a tremendous progress in education, with tougher standards for students and higher teacher salaries. And New Jersey has become one of the Nation's leaders in environmental protection, with an ambitious toxic waste program -- clean it up -- record

numbers of acres of wetlands, open space set aside for preservation. As I look to a State to help define a new policy for the United States of America, I look to New Jersey and Governor Tom Kean and the others responsible for this.

And so, together, Governor Kean and the State assembly have made breakthroughs in welfare reform, put an end to overtaxation, overregulation. So, under Republican leadership there is a new feeling of pride here in New Jersey. And I don't blame you. You've got a lot to be proud of. And that's what this campaign, the Courter campaign, is all about.

Too much is at stake -- New Jersey's future is at stake -- for us to let the Democrats take over the Governor's chair. And too much is at stake for us to let the Democrats take back the statehouse. Too much is at stake to let the Democrats take us back to that old New Jersey of the 1970's. We cannot let that happen. If the voters of New Jersey want to gamble, they go to Atlantic City. But they know better than to risk their economy on the Democrat's big spending and high-taxing policies. Remember those old days? High unemployment, business and jobs leaving the State. Our kids were failing in schools because our schools were failing our kids. Pollution threatened our air and our water and our parks and our beaches. And we cannot go back. We must not go back. And we have got to keep New Jersey proud, and we have got to keep New Jersey Republican.

A word about our assembly and a word about our great candidate for Governor: In our State assembly, New Jersey Republicans are our main defense against the Democrats' tax and spend policies. Our team is fighting to protect your wallet from the tax hikes the Democrat leadership has already threatened if they win control of the assembly. Bloomfield's own Marion Crecco, and her running mate, Assemblyman John Kelly -- the Kelly-Crecco team -- will fight the Democratic tax plan. And so will the Roma-Schuber team from Bergen County, and the Hardwick-Frigerio team from Union County, as well as the DiGaetano-Kogut team from Passaic and Wallington.

We've got a great group here, but having the best policies is no guarantee of winning elections. It's no coincidence that our party's slipped to minority status in Congress as we became a minority in the State legislatures across the country. Today, Democrats have a redistricting advantage in States that compose about 90 percent of the seats in Congress. And fortunately, New Jersey isn't one of those States, yet. But every voter must have a say in the election process, and we must fight gerrymandering and disenfranchisement. And we have simply got to keep New Jersey Republican. I want to build a better America, and you can help me by building upon what Governor Kean began 8 years ago. And you can help me by returning that Republican majority to the State legislature and by keeping a Republican in the Governor's mansion. We need you and America needs you. And on December [November] 7th, we need you to vote because there is too much at stake: your low taxes, your clean environment, and the safety of your streets.

And in conclusion, with me on this stage is the man who will bring New Jersey into the next decade -- a decade of continued progress in protecting our environment, improving education, fighting crime -- your next Governor, Jim Courter. Jim knows firsthand -- and I've seen him in action in the United States Congress -- he knows firsthand what it is to be tough on crimes and drugs. And as a county prosecutor, he personally tried 120 drug cases. In Congress, he has been a strong leader in the battle for tougher penalties on drug users and drug pushers, including the death penalty for the drug kingpins. And his opponent voted no, his opponent voted no to tough mandatory sentences for drug dealers. And he's against strengthening the death penalty law on New Jersey's books so that it can be enforced. It is about time that the other side learns that voters can be hard on politicians who are soft on crime. I want a Governor who is going to back up the local men and women in our police forces who lay their lives out for us every single day of the year.

Jim Courter knows what's good for New Jersey's future. He's voted consistently to cut taxes, hold the line on spending, and he's promised no new taxes, and he means it. And so, he's not going to stop there. He knows we need a bold new system to get those insurance prices down -- you've heard him on that. What he's talking about is working in Michigan, it's working in Illinois, and he'll make sure that it works right here in the State of New Jersey.

Tom Kean, God bless him, has led this State -- and I will say, our country -- to greatness in the 1980's. And Jim Courter will lead New Jersey into the 1990's to the same greatness. He knows what's at stake. And with your help, Jim Courter, like Tom Kean in 1980, will come from behind, and on November 7th, become the next great Governor of the State of New Jersey.

You know, John Crecco and I were talking about this -- this is the 177th anniversary of the town of Bloomfield. And a few minutes from now I'm going to participate in a tree-planting ceremony to mark the occasion. Six months ago I planted a tree out there to mark North Dakota's centennial. It turned out to have some kind of disease. [Laughter] So, in the interest of public safety, here in Bloomfield they specifically asked me not to dedicate a building. [Laughter]

But nevertheless, 61 years ago, the townhall behind me was dedicated by the then-mayor of Bloomfield. The mayor said that day: ``May the people fight for the ideals and sacred things of the town and strike unceasingly to quicken the public sense of civic duty in all these ways to render our town greater, better, and more beautiful." Well, I think the citizens of Bloomfield have fulfilled that Republican mayor's dream for this town. And I know they and hundreds of thousands like them, from the sands of Cape May to the highlands of Sussex County, can make another dream for New Jersey come true -- to continue the enlightened, progressive leadership of the last 8 years in the statehouse.

The choice is clear: Return to the failed Democratic policies of the seventies or keep New Jersey a proud national leader in environmental protection and education reform and the war on crime. There is too much at stake. New Jersey must remain proud. Keep it Republican. Thank you for

this fantastic turnout. God bless you. And please vote for Jim Courter on Tuesday. Thank you very much.

Note: The President spoke at 4:58 p.m. at the Bloomfield Townhall. Following his remarks, the President traveled to Camp David, MD, for a weekend stay.

Nomination of G. Kim Wincup To Be an Assistant Secretary of the Army

November 3, 1989

The President today announced his intention to nominate G. Kim Wincup to be an Assistant Secretary of the Army for Manpower and Reserve Affairs. He would succeed Delbert L. Spurlock, Jr.

Since 1984 Mr. Wincup has served as the staff director of the House Armed Services Committee in Washington, DC. Prior to this, he served as a senior member of the professional staff of the House Armed Services Committee, 1983 - 1984, and principal member of the professional staff for the subcommittee on military personnel of the House Armed Services Committee, 1974 - 1983.

Mr. Wincup graduated from De Pauw University (B.A., 1966) and the University of Illinois (J.D., 1969). He was born September 6, 1944, in St. Louis, MO. Mr. Wincup served in the U.S. Air Force, 1970 - 1973. He is married, has three children, and resides in Bethesda, MD.

Continuation of Victor H. Frank, Jr., as United States Director of the Asian Development Bank

November 3, 1989

The President today announced that Victor H. Frank, Jr., will continue to serve as U.S. Director of the Asian Development Bank, with the rank of Ambassador.

Since 1987 Mr. Frank has served as U.S. Director of the Asian Development Bank. Prior to this, he served in various capacities with CPC International, including corporate vice president of government relations, 1986 - 1987; corporate vice president of information resources, 1982 - 1986; special assistant to the chief executive officer, 1980 - 1982; vice president of the consumer diversified unit, 1978 - 1980; vice president for finance of the Best Foods unit, 1973 - 1978; and tax counsel, 1966 - 1973. In addition, Mr. Frank served in the private practice of law in New York City, 1954 - 1966.

Mr. Frank graduated from Yale University (B.A., 1950; LL.B., 1953) and New York University Law School (LL.M., 1960). He was born April 4, 1927. Mr. Frank served in the U.S. Navy, 1945 - 1946. He is married, has three children, and resides in Manila, the Philippines.

Remarks at the Bicentennial Convocation at Phillips Academy in Andover, Massachusetts

November 5, 1989

Thank all of you very much on this beautiful fall day. My thanks to our headmaster, Don McNemar. I was accompanied here by two Members of the United States Congress, fellow alumni of Phillips Academy, Congressman Tony Beilenson and Congressman Andy Ireland, who are out here someplace. But I just want to introduce them. And to the board of this great school, to our outstanding faculty, to the students, administrators, the entire Andover family and community, and friends, I am just delighted to be back here. I'm sorry Barbara isn't with me. I know that's why this crowd is so big. [Laughter] But she didn't feel so hot. She's doing okay, but she just had a bad day yesterday. And so, she couldn't make it, but she sends her love and affection.

I want to thank you for this chance to visit -- and revisit -- the site of so many wonderful memories for me and to celebrate such an historic moment in the life of this academy, because as Don said, it was 200 years ago to this very day that the founder of our country visited one of this country's oldest academies. And George Washington would later write fondly of Andover. And in that vein, legend says that he kissed a young girl at the Andover Inn. [Laughter] It is reported that she never washed that cheek again. [Laughter] But now, I can't bear living testimony to his visit, but I can speak very briefly of my time here. I loved those years. They did, indeed, teach the great end and real business of living. And even now its lessons of honesty, selflessness, faith in God -- well, they enrich every day of our lives.

You remember, I'm the guy that said Pearl Harbor Day was on September 7. I want to clear that up -- [laughter] -- because it was right about here, where that guy in a red coat is standing, that I heard that our country was at war on December 7th, 1941. And it was over there, in Cochran Chapel, that in June of 1942 a graduate of Phillips Academy gave our commencement address -- Henry Stimson. He was then Secretary of War, and he observed how the American soldier should be brave without being brutal, self-reliant without boasting, becoming a part of irresistible might without losing faith in individual liberty. I never forgot those words.

For 211 years, Phillips Academy has embodied the qualities that Secretary Stimson alluded to. And it has shown how we are ``one nation under God.'' It has inculcated into its sons and daughters a sense of service to country and a sense of service to others -- each day I'm reminded of this. This is the message of our years here and the message with which I close. Without God's help we can do nothing. With God's help there is nothing we cannot do, for our children and for the world.

Thank you for inviting me. God bless you, and God bless the United States of America.

Note: The President spoke at 10:45 a.m. in Samuel Phillips Hall. Following his remarks, he participated in a tree-planting ceremony.

Remarks to the Phillips Academy Board of Trustees in Andover, Massachusetts

November 5, 1989

Thank you all. Excuse the slight delay. I was out there talking to the captain of Andover's victorious football team, Tony Pittman. I don't know whether he came in with us. Is he there? I want to show him off to you guys that came here with me. Small but fast -- [laughter] -- tough. I don't know where he went. Is he coming? Tony, get up here now. I need them to see my excuse for my being late. I don't want to embarrass him. Stay there.

I single him out, not to embarrass the poor guy, which I probably have just done, but to make a point about this school. One of the things that I, at least, got an awful lot out of was the athletic program. And I saw my old mentor, Frank DiClemente, sitting in the front row there. And I thought, my gosh, I haven't even left the place -- he looks just the same as he did back in those highly competitive days.

But I want to thank Headmaster Don McNemar for arranging a wonderful visit -- a fine reunion, if you will. Again, I want to single out the two Congressmen that were here with me, back here, Andy Ireland and Tony Beilenson, standing way in the back there, as enthusiastic as I about the return to Andover Hill. And of course, to the board and to Tim Ireland, who really did a lot of the planning on this and working out the schedule -- old friend. And of course, David Underwood, whom I've known for years, fellow Houstonian, now serving so unselfishly as chairman of this board.

And again, I don't want to miss by failing to emphasize the affection I have for members of the faculty, present and past. We did a little interview a minute ago with not only the editor of the Phillipian but from the Lawrence paper. And I pointed out that those of us who studied here were privileged to be taught by outstanding faculty. And it's still, I'm sure, just exactly that way.

I'm very sorry Barbara's not here. She just didn't feel well -- but she's doing well. And I'm very, very proud of her. And she had been looking forward to this very much.

I was going through the yearbook the other day. It said something about: Captain Bush was a powerful batter at the plate. It's marvelous how a little time takes care of a lot of myths, you know. [Laughter] But, freedom of the press -- we're all for that. [Laughter] And those of you from Washington, I hope you'll note it.

I emphasized in that little interview we had the importance of friendships. Doesn't matter whether you're President of the United States or a senior at Phillips Academy or just beginning here or whatever. Friendships matter. And the friendships you make here last you for the rest of

your life, and I'm grateful for that. Some other things don't change. Kindness doesn't change. The education and service that is embodied in the Phillips constitution -- talk about -- it says both goodness and kindness form the noblest character and lay the surest foundation of usefulness to mankind. And many young people have passed through these halls since those words were written. And yet, Andover's mission -- excellence in education -- remains as true in 1989 as it was when President Washington visited Phillips Academy 200 years ago to this very day.

The Andover mission states that education has always been the great equalizer and uplifter. And that, public or private, large or small, the schools of America are precious centers of intellectual challenge and creativity. And yet, they're more than that. For it is in school, as it was for me here at Phillips Academy, that we come to understand real values: the need to help the less fortunate, make ours a more decent, civil world.

As a student, for example, I remember we had in those days the Society of Inquiry, it was called. Community service -- we did drives, sponsored by what was then known as the Society of Inquiry. And today, you have the Blue Key and the Community Service Program. All three reflect service to nation and service to neighbor.

And as a student, too, I learned, as I said, about education through some absolutely outstanding teachers. I don't like to single them out, but I was talking to Don about it. And I think my favorite was Dr. A.B. Darling. He lived right around the corner. We always tried to avoid his house, because you were summoned over there if you did real bad. [Laughter] But I learned from the discipline of his classes, and it's gone on for years and years in this great institution.

Today, as Don observed a few minutes ago, a new generation of teachers are helping to challenge and inspire. Excellence in education -- a belief that we were put on Earth to help others. And back in the early forties, this formed the essence and character of Phillips Academy. And you can still feel its power today. For Phillips has much to be proud of as it enters a brand-new decade. Its curricula has never been more extensive. Its exchange program is broadening its horizons. Its minority recruitment and scholarship programs have brought a new vital diversity to the student body, and keeping Phillips such a special, even wondrous place. A place where we forge friendships for life with faculty, housemasters and ministers, administrators, and yes, our classmates.

Even the Father of our Country was impressed by Phillips Academy. As he wrote his nephew, and Don referred to some of this, in a letter after visiting the community: ``Schooling, board, washing, and lodging will not much, if any, I am told, exceed $2 a week for each boy." Now, costs have changed a little since then. [Laughter] Quality has not, and in the capable hands of this headmaster, of this faculty, of the board, it will not.

And so, thank you for ensuring Andover's excellence, making one of America's oldest academies

one of America's finest academies. And thank you very much from the bottom of my heart for what has been a joyous occasion, one I shall not forget. And I'll go back to work tomorrow feeling uplifted in knowing that I have the friendships that really make a difference. Thank you very, very much.

Note: The President spoke at 12:01 p.m. in Borden Gymnasium. In his remarks, he referred to Frank DiClemente, faculty member emeritus; and David Underwood, chairman of the board of trustees. Following his remarks, the President returned to Washington, DC.

Appointment of William Douglas Fritts, Jr., as an Executive Branch Commissioner-Observer on the Commission on Security and Cooperation in Europe

November 6, 1989

The President today announced his intention to appoint William Douglas Fritts, Jr., as an Executive Branch Commissioner-Observer on the Commission on Security and Cooperation in Europe. He would succeed Louis F. Laun.

Mr. Fritts served as Senior Adviser on Legislative and Intergovernmental Affairs at the Department of Commerce. Prior to this, he served as director of political affairs for the Health Insurance Association of America, 1985 - 1989; Senior Assistant to the Commissioner for the Social Security Administration, 1985; Senior Adviser to the Secretary at the Department of Health and Human Services, 1984 - 1985; and manager for Federal Government relations for Philip Morris, Inc., 1982 - 1984. He was Special Assistant to the Deputy Assistant Secretary for Legislation at Health and Human Services, 1981 - 1982; executive assistant/legislative director to Senator Robert Dole, 1979 - 1981; assistant director of the Joint Republican Leadership Office and special assistant to House Minority Leader John Rhodes, 1977 - 1979; and floor assistant to the Republican Cloakroom at the United States House of Representatives, 1975 - 1977.

Mr. Fritts graduated from the University of Vermont (B.A., 1974). He was born November 13, 1950, in Glen Gardner, NJ. Mr. Fritts currently resides in Arlington, VA.

Appointment of Stephen John Hadley as an Executive Branch Commissioner-Observer on the Commission on Security and Cooperation in Europe

November 6, 1989

The President today announced his intention to appoint Stephen John Hadley as an Executive Branch Commissioner-Observer on the Commission on Security and Cooperation in Europe. He would succeed Ronald F. Lehman II.

Since 1989 Mr. Hadley has served as Assistant Secretary of Defense for International Security Policy at the Department of Defense in Washington, DC. Prior to this, he was a partner with the law firm of Shea and Gardner in Washington, DC, 1981 - 1989, and an associate, 1977 - 1981. From 1974 to 1977, he was a staff member in the Office of Program Analysis for the National Security Council Staff, and a member of the Analysis Group for the Assistant Secretary of Defense, 1972 - 1974.

Mr. Hadley graduated from Cornell University (B.A., 1969) and Yale Law School (J.D., 1972). He was born February 13, 1947, in Toledo, OH. He served in the U.S. Navy, 1972 - 1975. He is married, has two daughters, and resides in Washington, DC.

Statement by Press Secretary Fitzwater on the President's Meeting on POW/MIA Affairs With General John W. Vessey, Jr.

November 6, 1989

The President met today with Special Presidential Emissary for POW/MIA Affairs Gen. John W. Vessey, Jr., USA, Ret. They reviewed the progress made during General Vessey's discussions in Hanoi on October 29 and 30 with Vietnamese Vice Premier Nguyen Co Thach.

On the POW/MIA issue, General Vessey told the President that a number of agreements were reached. One was to refine and expand the process of joint cooperation to resolve the compelling discrepancy cases, including additional research to resolve the fate of these Americans. General Vessey told the President of his discussions on the progress and cooperation on the orderly departure program, the emigration of Amerasian children, and the resettlement of former reeducation center detainees. They also discussed the effort of American nongovernmental organizations to assist the people of Vietnam with humanitarian help.

Finally, the President and General Vessey discussed perspectives on Cambodia. The President said he was very pleased to hear of the agreements to expand efforts to resolve the POW/MIA issue and looks forward to continued progress on this and other humanitarian concerns.

Remarks at the Presentation Ceremony for the Charles Frankel Prizes for Distinguished Service to the Humanities

November 6, 1989

First, I want to welcome Dr. Lynne Cheney, the National Endowment Chairman, and then greet the members of the Council on the Humanities -- distinguished educators and, of course, most of all, our honorees. I also see Daphne Wood Murray out here, Director of the Institute of Museum Services, and Diane Payton, the Executive Director of the President's Committee on the Arts and the Humanities.

So, let me welcome all of you. Barbara and I are just delighted to be here. And let me also say what a pleasure it is to be able to honor you, the first recipients of the National Endowment for the Humanities Charles Frankel Prize. Ralph Emerson once wrote: ``The scholar is a student of the world." Well, the Frankel Prize was created this year to recognize scholars who are teachers of the world -- those who have led a lifetime of study and whose scholarship has brought history, literature, philosophy, and other humanitarian disciplines to millions. And together they've helped bring an appreciation of the humanities to farms and inner cities and gentle, small towns, reaffirming the magic of the spoken and written word and fostering a variety of public programs -- in museums, in libraries, in schools -- showing how higher learning can spur nation and neighborhood.

We are a people curious about our own traditions and about those of other nations. And our cultural institutions are encouraging that curiosity with a variety of thoughtful, intellectually challenging programs. The Frankel Prize winners are leaders in this movement. The honorees are diverse, creative, an energetic group. And as such, they represent the vitality of the humanities in the Nation as a whole.

As a Pulitzer Prize-winning historian, Daniel Boorstin has told the American story to millions around the globe -- not to mention his role as Librarian of Congress Emeritus.

And as president of Chicago's Field Museum of Natural History, Willard ``Sandy" Boyd, former president of the University of Iowa, made world-renowned collections available to more Americans each year.

And then there's Clay Jenkinson. His characterization of Thomas Jefferson has enchanted audiences from schoolkids to senior citizens. And he's led the revival of the Chautauqua -- that institution that teaches about the ideas and lives of giant figures in history, philosophy, politics, and the arts.

And Americo Paredes -- author, folklorist, professor emeritus at the University of Texas in Austin. Illness prevents him from being with us today, but we want to honor his splendid efforts to bring the richness of Mexican-American culture to us all.

And finally, Patricia Bates, a national consultant on reading programs. Her scholar-led teaching and discussion groups have become a model for programs in libraries across the country.

You know the story about Benjamin Franklin dining out in Paris. And one of the other diners asked a question: What condition of man deserves the most pity? Everybody gave an example of what condition that might be. And Franklin's turn came, and his answer was: a lonesome man on a rainy day who does not know how to read. Well, for decades, you've shown the value of reading and thinking, of probing and questioning. And by instilling a greater understanding of the text, themes, and ideas of the humanities, you've inspired countless others to do the same. And for that, my congratulations!

And let me commend, too, the hundreds of nominees considered by the Endowment; the 26 members of the National Council on the Humanities which reviewed the nominations; and, yes, Lynne Cheney, whose idea it was to recognize those who have brought the humanities to a wider audience. Each of you reflects what Samuel Johnson called the salutory influence of example.

Each of you underscores the reasons that we gather here today. And that reason, of course, is one man's life, a very special life, the life of Charles Frankel, professor at Columbia and Assistant Secretary of State for Educational and Cultural Affairs, a network television host, a writer, narrator, author of 12 books, including ``The Case For Modern Man.'' As the first President and Director of the National Humanities Center, Charles Frankel was a model scholar and citizen. And he knew the vital role that the humanities play in the life of our society -- and through enduring scholarship and concern.

And so, in honoring him, we honor the concepts of teaching and learning; in short, the joy of knowledge. So, let me present now -- Lynne, with your help -- the first Charles Frankel Prizes for Distinguished Service to the Humanities, and say on behalf of every citizen: America thanks you from the bottom of our hearts.

God bless you all. Thank you very, very much. And thank you for all you've done.

Note: The President spoke at 3:05 p.m. in Room 450 of the Old Executive Office Building.

Nomination of Stephen J. Ledogar for the Rank of Ambassador While Serving as United States Representative to the Conference on Disarmament

November 6, 1989

The President today announced his intention to nominate Stephen J. Ledogar, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as United States Representative to the Conference on Disarmament.

Since 1987 Ambassador Ledogar has served as U.S. Representative to the European conventional arms negotiations and the U.S. Representative for mutual and balanced force reductions negotiations with the rank of Ambassador. Prior to this, he served in various positions at the Department of State, including deputy chief of mission at the North Atlantic Treaty Organization in Brussels, Belgium, 1981 - 1987; member of the executive seminar in national and international affairs, 1980 - 1981; Director of the Office of NATO Affairs in the European Bureau, 1977 - 1980; special assistant to the Under Secretary of State for Security Assistance, Science and Technology, 1976 - 1977; deputy political adviser for the U.S. Mission to NATO in Brussels, Belgium, 1973 - 1976; senior training at Stanford University in Palo Alto, CA, 1972 - 1973; and press spokesman and member of the U.S. delegation for the Paris Vietnam peace talks, 1969 - 1972. In addition, Ambassador Ledogar has served as officer in charge of the pacification programs and Vietnam working group in the East Asian Bureau at the Department of State, 1967 - 1969; and as the Department of State Representative for the Pentagon National Military Command Center, 1967.

Ambassador Ledogar graduated from Fordham University (B.S., 1954; LL.B., 1958). He was born September 14, 1929, in New York, NY. Ambassador Ledogar served in the U.S. Navy, 1949 - 1952 and 1954 - 1960. He is married, has two children, and resides in Vienna, VA.

Nomination of Robert William Houk To Be Public Printer

November 6, 1989

The President today announced his intention to nominate Robert William Houk to be Public Printer. He would succeed Ralph E. Kennickell, Jr.

Mr. Houk has served in several capacities at UFORMA/SHELBY Business Forms, Inc., including president, 1968 - 1988; chairman of the board, 1971 - 1988; and vice president-sales, 1966 - 1968. Prior to this he served as assistant sales manager for Rotary Manifold Forms Corp. in Detroit, MI, 1957 - 1966, and as an analyst for the Ford Motor Co. in Dearborn, MI, 1954 - 1957.

Mr. Houk graduated from Michigan State University (B.A., 1951). He was born May 13, 1927, in Detroit, MI. Mr. Houk served in the U.S. Army, 1945 - 1947 and 1952 - 1954. He is married, has two children, and resides in Shelby, OH.

Nomination of Barry Lambert Harris To Be Deputy Administrator of the Federal Aviation Administration

November 6, 1989

The President today announced his intention to nominate Barry Lambert Harris to be Deputy Administrator of the Federal Aviation Administration, Department of Transportation. He would succeed Barbara McConnell Barrett.

Mr. Harris has served as the president and chief executive officer of the Alliance Corp. in Portland, ME, and Community Systems, Inc., in Gloucester, MA. Prior to this, he was the assistant city manager of Gloucester, MA; director of community programs for the metropolitan area planning council in the Commonwealth of Massachusetts; a documentary writer-producer for WBZ - TV in Boston, MA; and a news writer for WINS radio in New York, NY.

Mr. Harris attended Denison University and Harvard University. He served in the U.S. Army and is currently an officer in the inactive Army Reserve. Mr. Harris was born January 13, 1939, in Cincinnati, OH. He is married, has four children, and resides in Cumberland Foreside, ME, and Ocean Ridge, FL.

The President's News Conference

November 7, 1989

Well, good morning. And I'm back again. [Laughter] I just heard you, Brit [Brit Hume, ABC News].

I've got to be careful on these dates. [Laughter] Today is November 7th, and I was elected on November 8th. But it was the second Tuesday. And so, I want to take this election day, the anniversary of my own election, to briefly reflect on the last 10 months. I believe that we've had, so far, a successful first year in office.

And although we haven't reached the actual anniversary mark, January 20th, it's a good chance to take stock of the situation, particularly as Congress is winding down. There is legislation yet to be passed and certainly opportunities to be developed. But I am very pleased that our administration has come together rapidly with good people, with good ideas, and with a quiet sense of purpose that promises great progress in the years ahead.

Around the world, we've seen the most dramatic moves toward democracy in at least 40 years, as people of one country after another have expressed their yearning for freedom. In Eastern Europe and in Central America and in the Soviet Union, important decisions have been made for freedom or reforms. We've supported those efforts with a substantial aid package to Poland, trade benefits for Hungary, a bipartisan agreement with Congress on Central America, coordinated international support for Eastern Europe reforms, special arms control initiatives on chemical weapons and conventional forces in Europe, and then in progress in START talks. In addition, we've set the timeframe for a summit with the Soviets, and we're on the verge of an informal meeting with President Gorbachev.

One area that has not changed is the underlying strength of the American economy. We have the longest peacetime economic expansion in history -- 119 million Americans at work, the creation of over 20 million new jobs since 1982. The unemployment rate is only 5.3 percent, a rate that we've not achieved for a full year since 1970. Inflation remains moderate. I'm not happy with it, but it's moderate and appears to be under control.

Though the economy is sound, we must make real progress on deficit reduction. Sequestration is a drastic action, but neither the administration nor the Congress must flinch from our obligation to keep this nation's deficit moving down and, ultimately, reduce the debt. And I am pleased that I've kept my pledge on taxes. Our savings and loan system has been redesigned. The Congress accepted my proposals giving our workers a higher minimum wage and establishing a training wage for the first time. The Brady plan for dealing with the Third World debt has been successfully demonstrated in Mexico and Costa Rica. Many nations' problems remain unsolved, but the Brady plan is widely accepted.

It's in a setting of internal strength that we're poised to deal effectively with external change and to provide new directions for our society. At the education summit and in legislative initiatives on clean air, ethics, educational excellence, violent crime, child care, and our national drug strategy, we offer new approaches for improving the quality of our lives. And so, I urge the Congress to move quickly to enact these proposals.

My approach to Congress has been based on a bipartisan effort -- I think everybody here knows that -- started off with an effort to work with the leadership in a bipartisan manner. And so, we can reach agreement on major issues. In the course of our debates, there have sometimes been pointed and somewhat sharp attacks. But I'm going to continue to extend my hand to Congress in seeking solutions to the challenges that we face. I spoke 10 months ago of a kinder and gentler America, and I'm more convinced today than ever that we can shed light in the dark corners of our nation and give hope to the homeless and help to the needy, inspiration to millions of Americans who want to reach out and help their neighbors. And I'm pleased with the progress on this so-called Points of Light Initiative.

These challenges, coupled with our successes to date, have made these first 10 months especially gratifying to me and give me great hope for the future. So, I -- on this anniversary of the election -- I want to thank the American people on this election day for giving me this opportunity to serve. I'm enjoying it. I like the challenge.

And I'll be glad to take questions.

American Hostages in Lebanon

Q. Mr. President, the United States is returning $567 million in frozen assets to Iran. It says the action is not related to the plight of the eight Americans held hostage in Lebanon. Nevertheless, in mind with your comments that good will brings good will, do you hope that this will encourage Iran to help win the hostages' release?

The President. Well, as I say, I carry the fate of the hostages with me every single day. So, of course, I hope that Iran will use what influence it has to get these hostages released.

Q. Well, do you think that this could be a catalyst -- Mr. Rafsanjani [President of Iran] could -- --

The President. I don't know. It's a very good question, and I don't know the answer to that. We have accounts where they owe American interest money and vice versa, and I'd like to get this underbrush cleaned out now. I think they have made some positive statements, but I don't know whether it will work that way or not. I hope that they will do what they can to influence those who hold these hostages. We're continuing behind the scenes to go follow certain rabbit trails there. And so far, they've ended up at dead-ends.

Eastern-Bloc Reforms

Q. Mr. President, despite your aid packages to Hungary and Poland and so forth, President Carter says you've really been slow on the uptake on the most transforming political events of our time. You have failed to show the leadership. You have failed to put the U.S. ahead of the curve on these things that are happening, and you are going to the summit without any initiatives at all. I mean, this is boasted about. Why don't you have some new ideas of what to talk -- --

The President. Now, Helen [Helen Thomas, United Press International], that is not a kinder and gentler way to phrase your question. [Laughter] We have done plenty. And the fact that some critics are out there equating progress with spending more money doesn't bother me in the least. Look at the dynamic changes that are taking place around the world.

Q. Well, this is it.

The President. Well, I'd like to hear some specific suggestions other than triple the spending on every initiative. We are working closely with our allies. We are trying to facilitate the change. I don't hear complaints coming out of our allies or, indeed, out of Hungary or Poland or Eastern Europe. We've got a seasoned team that is evaluating the change. I will have a wonderful opportunity to discuss the change with Mr. Gorbachev. But I can't be all concerned when people jump up and say the answer is to spend more money.

Q. No, that isn't it.

The President. Well, what is their answer?

Q. The perception is that European leaders are leading the way, and they're telling you what is really happening, and we have been sitting back and letting it all happen without doing anything.

The President. Well, that's the perception of some that aren't quite as familiar with the problem as I am, and it is not the perception of the European leaders. How do I know? Because I just talked last night with the Ambassadors of three countries who had an entirely different perception.

Q. Who were they?

Deficit Reduction

Q. Mr. President, on the budget, there is some question as to whether when Congress finally, if it does, sends you the reconciliation, that is to say, the budget-cutting bill -- what it will take for you to sign it. Are you prepared to go beyond the agreement that you have reached with the

Members of Congress, with the leaders of Congress? Are you going to require a more stringent budget-cutting measure, something equal, for example, to the sequester, the cuts that have already gone into effect in order to satisfy you and get you to sign it?

The President. If we get a clean reconciliation bill -- and I'll know that when I see it -- I'd be glad to sign such a bill if it gets the kinds of real reductions that we want. I think the range was $14 billion. But if not, why, we have to follow the law. But the Congress knows -- I mean, we've been very frank with the leadership as to what must happen if we are to sign such a bill. But if they don't send it down here in clean form, if it's all loaded up with a lot of special projects, I will not sign it. I can't sign it. But I will then do what the law requires and keep in sequester and make the tough decisions that go with that. That isn't easy, but it is real deficit reduction.

Vice President Quayle

Q. Why did you commit to Dan Quayle so early for '92? You're thought to be such a cautious, prudent man. Why did you shut off your options so early?

The President. Because I thought that was a prudent and right thing to do.

Q. Well, all right. Are you saying that Dan Quayle is your choice right now, but -- --

The President. I'm not saying I'm running right now. So, we've got to get back to square one. I mean, that one -- --

Q. Are you?

The President. I'm not saying whether I am or not. [Laughter] So, we're getting way out ahead of where reality is. But I was asked the question, and I answered it open, straight.

Q. Are you saying he's your choice right now, but you leave your options open for -- --

The President. No, I said he's my choice, period.

Chairman Krenz of East Germany

Q. When Egon Krenz first came to power in East Germany, you said it was way too early to say whether he represented more of the same, which seemed to be your sense at the time, or whether he represented the leading edge of further reform. Seeing the dramatic events unfold in East Germany, what is your conclusion about Egon Krenz -- his intentions and his directions?

The President. I think it's still too early to sum it up entirely, but some of what he has said about

political reform is quite encouraging and really contradicts the very early, I would say, global assessment of the man. In other words, the early predictions were that he's a hardliner in the mode of Mr. Honecker. And now some of what he is saying is quite different from that. And Mrs. Honecker is not there anymore. [Laughter]

So, you're seeing some changes -- you're seeing some changes. Well, she's out as a minister, and another minister -- and you're beginning to see changes that might preview -- [laughter] -- what are you guys laughing at -- a new order. So, look, this gets me back almost to Helen's question. Things are happening very fast. The concerted opinion was that this was going to be another hardliner in the mode of Mr. Honecker. Now there are some signs that that's not the case. So, we will watch that very carefully.

Eastern-Bloc Reforms

Q. If I may follow up, Mr. President: Do you feel that things have now gone too far in East Germany, Poland, Hungary, the Soviet Union, for the clock to be turned back -- for a Tiananmen Square-type crackdown? And do you feel any need to assist the West Germans in all of this?

The President. Well, the West Germans have not requested assistance. And I am in very close touch with the Federal Chancellor, and I'm most anxious to talk to him when he returns from his first 6-day visit to Poland. I talked to him just very recently, as a matter of fact, about what we're doing. And that's why I stated rather confidently that European leaders don't seem to agree -- when I answered Helen's question -- with some of the political criticism I get from Capitol Hill or elsewhere.

What was the first part?

Q. Gone too far?

The President. No, I don't think you can ever say gone too far. I mean, who predicted with certainty what would happen in Tiananmen Square? But I think it's gone too far to set back these fledgling -- I don't want to say democracies, but steps towards democracy. I think it's gone too far for that. I don't think you can contain now the people's aspirations for freedom by going back to totalitarianism.

Abortion

Q. Mr. President, a question about your priorities. You mentioned the aid to Poland and Hungary, which has passed the Congress. But that bill also contains some provision for abortion, and you say you will veto the whole bill because of it. You have vetoed programs, budgets for the District of Columbia because of abortion, the HHS budget because of abortion. And some of these vetoes have included programs that you said were your very highest priorities, including

drug programs and so forth. Is abortion your very first domestic priority above and beyond everything -- --

The President. No.

Q. Well, how committed are you? Why are you vetoing all these bills?

The President. Because I can't, in good conscience, on this one, suggest that taxpayers' money ought to go to programs that compel abortion. And that has been the problem with the China program; and therefore, I can't do that.

Q. Our money is blocked off.

The President. I can't do it, and I'm sorry. I am not going to change that policy. I am strongly in favor, and always have been, of family planning. I've been out front for family planning for a long time and as a Member of Congress way back there. But I simply cannot support -- and I asked the Congress not to try to make me change -- a policy where the AID people will tell you it supports compulsory abortion. I am not going to do that.

Q. But the American money is spent away from that.

The President. And there's other things in that bill that I don't like, too, Lesley [Lesley Stahl, CBS News]. This leveraging provision -- I mean, should I be told by the Congress that I can't go and ask other countries to support Poland? Should I?

Q. I don't know about the leveraging. What is it?

The President. Well, I do. And that's one of the things that's wrong with it. So, I am concerned. Now, that's kind of a post-Iran-contra thing. They're saying you can't go get money for certain things. But in Congress intervening in the President's authority like this -- they are asking me to accept things that I'm not going to accept.

Q. May I follow up on the abortion part, though?

The President. How many followups do you get?

Q. This is my followup. In the China family planning program, the American money would not have anything to do with abortion. And also in the DC bill that you vetoed, the Federal money would not go to abortion. You seem to be saying you want to effect the policy beyond the Federal role.

The President. Well, look, there are many issues -- and abortion divides. We have room in our party for people that feel one way, prolife or prochoice -- Democratic Party the same way. I think everyone knows that this is an issue that divides. But you say: Is it the most important issue for me? Absolutely not.

Global Climate Change

Q. You're probably ready for this one. But you campaigned as an environmentalist; you said you were a strong environmentalist. Yet on the issue of global warming, it seems that the U.S. is being dragged kicking and screaming into trying to address this problem. How do you respond to that?

The President. I respond to it by saying it's not true.

Q. Why are you resisting the moves in this international conference now to limit emissions?

The President. We're just standing off against extremes. We have a unanimous communique out of that global conference. We have an outstanding environmentalist in Bill Reilly. We have an outstanding scientist in Dr. Bromley [Science Advisor to the President]. They agree that our approach to all of this is right. And I think this policy of the environment cannot be driven by the extremes.

But I would like to take your question to challenge the United States Congress to go forward on the revisions to the Clean Air Act, on other initiatives that we have supported, instead of sitting back there and carping about it. And if they don't like our way, go ahead and try it, and then add to it in later years. But they sit there and argue back and forth with each other, and nothing happens.

In this global conference, I can tell you United States science is the best in terms of global warming. And we will be in the lead, as we are now, with our science on global warming. But you can't take a policy and drive it to the extreme and say to every country around the world you aren't going to grow at all. We've got to use our science to help solve this problem.

Abortion

Q. Mr. President, the gubernatorial campaigns, as you know, in New Jersey and Virginia were dominated by the abortion issue. Some prochoice Republicans are disturbed with your current position. What advice are you going to give Republican legislative and congressional candidates next year when the Democrats start pounding on them on this issue?

The President. Well, they've already started -- those who favor the prochoice have already started pounding on them, and started certainly pounding on me. But you see: One, I think our

party is broad enough to contain differing views on this, and I think the Democratic Party is. You see that out there in practice. Secondly, I don't believe that most voters are single-issue voters. There is no evidence to support that, none at all. Indeed, I hate to talk about polls because I don't believe them when I see ugly things. But I can tell you that that issue ranks about 9th to 14th if you talk to a pollster like Bob Teeter. I can't remember whether it was 14th or 9th, so I'm giving you a range there. But people are not, for the most part, single-issue voters. They care about war and peace. They care about the environment. They care about education. They care about antinarcotics. They care about crime in their neighborhoods. So, when you see all this attention to this question, I happen to think it's those that are editorializing, the columnists, or some in the political arena, that think the voter is a one-issue voter. I don't agree with that, and I've seen no evidence.

Q. But if Republicans cling to the hope that you might change your position, are they wrong because you're going to -- --

The President. I have no intention of changing my position. It's so personal -- I just come down more on the side of life. I mentioned in my speech last year, a year-plus ago, of adoption and what it's meant. Look, I don't fault people that view this differently. As I say, there's plenty of room for difference. But it's not one, John [John Mashek, Boston Globe], where people -- a single issue, as some would like to believe.

Former President Reagan's Trip to Japan

Q. Mr. President, your predecessor, Ronald Reagan, just came back from a trip to Japan, where he collected $2 million for some speaking engagements. Eventually, you're going to be an ex-President. Is that the kind of behavior that you anticipate yourself endorsing, and accepting that kind of money?

The President. I will not have anything negative to say about President Reagan, if that's an invitation for this, because I would prefer to emphasize the positive parts of that trip: talking openly about the need for freer trade, the affection shown to him by the Japanese people. It's important symbolism when it comes to this relationship that sometimes has strain. And what happens in the future, I don't know.

Q. Excuse me, a followup, sir?

The President. Followup? I don't know -- this line? Do you want to change -- --

Q. This is an invitation, sir, to ask your opinion of former Presidents being paid by private industry once they're out of office.

The President. I have no problem with that, provided it's not overdone. Everybody's got to make

a living.

Soviet Military Policies

Q. I'd like to return to Vice President Quayle for a minute. On Sunday, the Vice President said that the Soviets retain expansionistic attitudes in Central America, Afghanistan, and several other parts of the world. He suggested that Gorbachev was a Stalinist and also suggested that the Soviet defense budget is growing while ours is declining. Do you agree with those three assessments?

The President. That their defense budget is growing? Yes. I'd like to find a way to reverse that. And out of the challenge that lies ahead to both Gorbachev and me, perhaps there will be a way to reverse it. One way to do that, I think, is through prudent arms control. The best way to do it is to do it through success in the conventional force in Europe talks, the CFE talks, because that's dollar intensive -- or ruble intensive, if you will.

Q. The other two points, Mr. President?

The President. What were they?

Q. That the Soviets are expansionists in Central America, Afghanistan, Cambodia, and other parts of the world; and this is a problem in our improving relations with the Soviets.

The President. Well, I have long been concerned -- as I think I said when I announced the Gorbachev meeting -- concerned about some of these regional issues. And I think we'll have a real opportunity to discuss the Soviet role in aid for Nicaragua -- the one country -- well, not the one, but one of the few that's swimming against the democratic tide here. And it does not help U.S.-Soviet relations to have enormous expenditures supporting a Sandinista dictatorship.

So, I think there's plenty of room for discussion there, and I look forward to talking to the Soviet leader, just as President Reagan did. But now it's a little clearer -- the election process coming forward, and I want to see the election process succeed.

Q. But my question goes -- --

The President. I know where your question is going. [Laughter]

Q. -- -- broader than that. Is the Soviet Union continuing to be expansionist around the world?

The President. Well, I've told you, I've got concerns about certain areas, just as they've raised concerns with us on certain things.

Q. On Nicaragua?

The President. Yes, I'm concerned about continued support of Soviet weapons -- or Soviet support. I want to be careful because the question of weapons is slightly complicated by how they get there and whether they're coming out of Cuba and have long been in Cuban hands. I mean, there are some problems there. But I think -- look, to suggest the contrarywise to that, Ann [Ann Devroy, Washington Post], that there are no problems that exist between us, that everything is hunky-dory, simply is not reality. And that's one of the reasons I'm looking forward to this visit.

Q. Mr. President, when you're bobbing around in the Mediterranean next month, if Gorbachev should ask you to show forbearance in the event he cracks down domestically or in the event he feels it necessary to support a crackdown in Eastern Europe, how will you respond?

The President. I'm not going to buy into that hypothetical question.

POW's-MIA's in Vietnam

Q. Mr. President, you had a report yesterday on the POW - MIA issue. I wonder if you can give us some specifics about what General Vessey is accomplishing over there with regard to remains coming back and when? How many more? When we'll see it? And also, is there any information at all about people alive over there?

The President. No information at all about that. A new openness, according to General Vessey, on the part of the Vietnamese leaders, a new spirit, a stepped-up spirit of cooperation in terms of accounting for remains -- their pointing out to him that they are confident that there are no government holding facilities for remains that maybe had existed in the past, pointing out to him that some families even might be holding remains -- some individuals in Vietnam hoping for some sort of gain if people are putting bounty on these things or rewards out there.

But I think the bottom line is, he was quite encouraging about the kind of cooperation he was receiving. He also relayed to me what I think all of us know: that Vietnam keeps sending signals that they want improved relations.

Meeting With Soviet President Gorbachev

Q. Mr. President, when did your Defense Secretary and CIA Director learn about your upcoming meeting with Mr. Gorbachev?

The President. I don't know exactly when they learned about it.

Q. Early on? July? October?

The President. No, not in July.

Q. Why did you keep it from them?

The President. Well, I've already explained why I did it the way I did. And -- --

Q. Did you feel they couldn't be trusted to keep it secret?

The President. No, it didn't occur to me they couldn't be trusted.

Q. How many people knew?

The President. When I first made up my mind, four. And then the circle was expanded. You can guess about that.

Legislative Initiatives

Q. Mr. President, you said that a number of your initiatives are languishing despite your bipartisan approach. If you're going to pursue them, what are you going to do to pursue them? What are you going to do differently?

The President. To do what?

Q. To pursue your initiatives in Congress -- your domestic initiatives that -- --

The President. Try to urge you people to join me in calling out for congressional action, a plea to move forward to the Clean Air Act and the drug program and the ethics legislation, editorial pounding to get them to do what they ought to do: support the President as he tries to move this country forward in these areas, and not let them dominate debate by blocking everything I try to do.

Look, I'm a realist. They've got the votes up there. And I don't want to raise capital gains again. The votes are there. The majority of the House passed it; the majority of the Senate wants it. Please join me in a crusade for the people's will to be expressed on capital gains. That's the kind of thing we need.

Q. Sir, you probably, as a realist, understand that that might not happen. [Laughter]

The President. But it can happen. I mean, come on. You'll get on me when I do stuff wrong. Get

on them. Say, why are you holding up the Clean Air Act? Why can't you move ethics legislation? Why don't you go forward on the drug program or on the educational initiative? And if they say it's not enough, take a step. Get your foot in the water. Do something. The American people know why this deficit isn't down. It's not down because they see, 4 to 1, that the Congress is to blame. Join me in this noble crusade.

Q. If bipartisanship doesn't work, sir, what are you going to do differently?

The President. Exhort. What else can I do? Veto and exhort. Send stuff down I can't accept; it goes back. A President has to show that that's his responsibility. But he's got to encourage the American people to get on their representatives to do what they want done. Our drug program is a good example. It came out with strong support from the American people, and yet the legislative pieces of that are languishing up there.

Q. A follow-on, on Frank's [Frank Sesno, CNN] question. In April, we were in the Rose Garden watching you and the congressional leaders announce the bipartisan budget package. And at the time, we were told, equally as important as what was in the package was the spirit of cooperation -- --

The President. Exactly.

Q. -- -- in forging it. My question is: What's happened? Where did you go wrong in that -- --

The President. You missed the answer to Frank's question. [Laughter] Where did someone else go wrong? We've been trying to cooperate in a bipartisan fashion. Look, if I make a big mistake, I'll admit it. But I don't think so when it comes to the approach to the budget. We've got some honest differences on some things, and maybe with George Mitchell [Senate majority leader] there's an honest difference on capital gains, for example. But we put that in our budget proposal; it was in there with a certain revenue figure next to it. I don't think I went wrong. That's my responsibility. Here's what I believe.

And I think that there's been a little bit of a partisanship that occurred up there. When you hear them all come out with a rather unflattering word on the same day to describe my leadership, you begin to wonder -- including the national chairman of the Democratic Party -- you begin to wonder what goes awry. But let's leave aside the politics. I'll be ready come the fall of 1990. And let's move the legislative process forward.

Federal Budget

Q. This was supposed to be groundwork for cooperation on next year's budget, which was going to be the real tough one. Have we lost all hope of that now?

The President. Well, I think a lot on '91 depends on what happens in the last few days here, what kinds of decisions are made.

Q. Staying on the budget for a minute, the Pentagon feels it can't live with the consequences of a sequester, apparently. And you issued a statement last week saying that you're prepared to manage the Government under those circumstances. Does a person who campaigned as a candidate who would defend the Pentagon and keep defenses strong -- how do you explain this to the people who supported you on the basis of keeping defensive spending high?

The President. I tell them please get in touch with the Congress, and do what we suggested back there when we had those meetings. Please help us keep the defenses of this country strong. But if that is frustrated by the inability to get an acceptable reconciliation bill, I have no choice. And I think the Pentagon leaders understand that. Dick Cheney has done a superb job. He has fought with diminishing resources for a sound Pentagon budget. And it troubles me to have Congress insensitive and also to add in. I mean, it's tough. Look, I know it's tough to cut systems. But you go to cut them, and Cheney makes some very tough decisions, backed by the President, and then the Congress trades around and adds them back in. And so, it's a question of staying with what we find is the priority for this defense program and trying to stay with it. But I've got to live with the system also.

Israel-U.S. Relations

Q. Are you willing to meet with Prime Minister Shamir when he comes to Washington?

The President. Whether he's coming or not, I'm not sure -- certainly willing to consider it. And he is giving -- I think there's a real effort now to work out support for the [Secretary of State] Baker points, the Baker proposals. And I'd like to feel that a meeting would be held and that it would be constructive, that we'd have something positive to talk about.

Aid to the Contras

Q. Mr. President, last week you said in response to the Nicaraguan decision to end the cease-fire that you would keep your options open. And yet the best head-counters -- in fact, most of the worst head-counters -- on the Hill all say you don't have the option of new military aid to the contras. So, isn't that in effect a meaningless statement?

The President. Well, I'll tell you, no, because I think one option now is to encourage in every way we can these talks that will result in a cease-fire. I worry about what Ortega has done. The only good thing about it: Everybody sees that he is swimming against the tide, and I think that it's much clearer to some in our hemisphere who are inclined to give him the benefit of the doubt. But I'm not going to give up on hoping that they can get back to the status quo ante here.

Q. So you don't believe, sir, that you still have the option of renewing military aid to the contras, do you?

The President. It would be extremely difficult to get the money, if that's what you're saying, yes.

Nancy Reagan's Memoirs

Q. Mr. President, Nancy Reagan says that you went to see her and said you agreed that Don Regan should leave as Chief of Staff, but that when she asked you to go to President Reagan, you said that was not your role. Number one, is that the way you remember it? And number two, now that Quayle is Vice President, if you thought there was someone who was not serving you well, do you agree that it's not his role to come and tell you that?

The President. No, I think it's his role to tell me anything that's on his mind, which is exactly the relationship I had with President Reagan, and that's the way I worked as Vice President.

Q. But, sir, could you just answer -- --

The President. No, I can't help you on that. I don't want to get into that one. [Laughter]

Q. Why? [Laughter]

The President. What was the next question? Why? Never mind. [Laughter]

Negative Campaigning

Q. Mr. President, given that today is election day, I wonder if you're satisfied with the level of political discourse you see and if you think that this negativism that is being raised in one campaign after another is excessive and if you feel you can do anything about it yourself, given that your last campaign was quite negative -- or critical, if you prefer that word?

The President. I think everybody would prefer the positives. What some consider negative, others consider factual. So, you always have a judgmental problem there. But I'm not sure there is much that a President can do about it in terms of -- I don't want to inhibit a candidate from taking his case to the people or her case to the people in any way he or she sees fit. On the other hand, I think the American people have a way of sorting out what's fair and what's not fair, what's ugly and what isn't ugly. And I have great confidence in that, that they're right -- this election day, a year ago. I think they sorted through some of these allegations that this was the ugliest, dirtiest campaign, and I think they voted on a more positive basis than that.

Q. Mr. President, coming off of Ken's [Ken Walsh, U.S. News and World Report] question, though, how do you respond to those who suggest that the negative campaigning that started

earlier in this campaign than usual is a legacy of '88, when it was shown to be successful?

The President. Well, I don't say anything started in 1988 that hadn't been taking place in '86 or '84 or '82 or '80. You know, if you look into history, you're going to have certain things that are considered negative. I don't have to stand here and defend the campaign of 1988. I'd be perfectly prepared to do it, but I was elected. I put confidence in the American people, their ability to sort through what is fair and what is unfair, what is ugly and what is un-ugly, and be as positive as possible.

But while people were running around in campaigns talking about ads this year, the candidates have been out there taking their case on various issues out there. So, I think there's a little bit of a beltway syndrome here in terms of this intense focus on negativism. And yet if their trend is that way, maybe I can have a role in seeing that it gets a little more positive.

Q. How would you do that?

The President. Well, say I think it ought to be a little more positive. [Laughter] I mean, what else can you do? I'm certainly not going to legislate it and certainly not going to try to dictate to a candidate how he or she reacts in a certain situation. But I suppose there will be a lot of interpretation on one candidate or another, and we'll all go back to whether there -- need some other way to approach this. But when you get right down to it, I do not want to see legislation try to get into this question. It gets into a censorship mode that I just would feel very uncomfortable with.

Former President Nixon's Trip to China

Q. Mr. President, President Nixon's public comments about his meetings with Chinese leaders seem to imply that the Chinese believe that now it's time for the U.S. to act if we want better relations with the Chinese. Was there anything that the former President told you in private that encourages you in thinking that relations with the Chinese will improve, and anything we can do?

The President. The Chinese have a slogan: ``He who ties the knot should untie it.'' The Chinese still feel that we tied the knot and thus should untie it. I don't feel that way.

President Nixon's visit to China was very helpful because he was an unofficial visitor. He is respected in China as a lao peng you -- old friend. He is a man who opened a relationship with China when things were extraordinarily difficult -- not just a lack of communication, but go back to history and take a look at the -- you were in the last vestiges of the Cultural Revolution, where many, many, many people -- hundreds of thousands -- reportedly lost their lives.

So, he went there at a difficult time. He saw the fundamental importance of this relationship, as I

do. He could speak quite frankly to the Chinese leaders; and they, in turn, spoke very frankly to him. And I think he made the point that we didn't tie the knot. Now, I think that helps because of the respect the leaders in China have for President Nixon. I think that visit was very constructive. He carried no messages from me. He was not on a semiofficial mission or anything of that nature. But I think I have a better feeling of where Chinese leaders stand at this point because of having been debriefed by President Nixon. I wish there were some positive steps that I could suggest to them that they take. There are some things that I will keep private that I have quietly recommended. And we'll see where it goes.

But this relationship is important to us. As those of you who know my views on this question, I have never favored the concept of playing a Soviet card, playing a Chinese card. The relationship has to stand on its merits. Having said that, there is enormous geopolitical reasons for us to have relations with the People's Republic of China. And yet there is this affront, the Tiananmen Square situation.

And so, we've got to try now. And I would say I hope -- with understanding from this group, who has your job to do, but I've got mine -- in a quiet way to find steps that can be taken, perhaps on both sides, to see this relation move back towards more normalization. And the Nixon visit contributed to that very, very much in my view. At least it helped me in my thinking. I know those of us who visited with him found it extraordinarily helpful.

Q. Is Mr. Nixon's rehabilitation now complete, do you think? Is Nixon's rehabilitation now complete?

The President. Well, his views on China certainly are complete.

Thank you for your understanding and support on this election campaign. [Laughter]

Lebanon

Q. How about what's going on in Lebanon? President Bush, what do you think of what's going on in Lebanon?

The President. I want to take one question on Lebanon. I am deeply offended by the Aoun [Christian leader] supporters who tried to humiliate the [Maronite Catholic] patriarch yesterday. This does not contribute to peace in any way. I have expressed my support, obviously, for the tripartite process. We have been on the phone, in the past, to the Pope, to Francois Mitterrand, to the [U.N.] Secretary-General, to President Mubarak, to King Fahd, to others, to encourage not just the tripartite approach but others -- particularly in thinking of the Secretary-General.

We have sent out a statement of support to the newly elected President Moawad. And the steps that Aoun's people took yesterday should be condemned, and it is wrong. And this idea of some

discussion of a further grief on that marvelous country by partition is totally unacceptable to countries around the world. And so, I am glad this subject came up, and I will continue to try to find ways to show U.S. support for peace initiatives.

And we were discussing that this morning. I really think that special credit ought to go to the King of Saudi Arabia for convening those Taif meetings, and to the legislators that attended -- the courage that they showed in going there. And the quest for freedom -- I mean, the quest for peace in that country was so -- you could just feel it in what those legislators are hoping to accomplish. And then along comes these followers that I would term totally out of order in going in there and trying to humiliate the Maronite patriarch, and it is just totally counterproductive.

And I hope that we can find a way to build on the new election, build on Syrian willingness to move those troops out, withdraw all foreign forces from Lebanon -- and I'm talking about all foreign forces -- reconciliation under President Moawad, and implement the reforms that have been addressed in Taif. And therein lies a formulation for peace.

But you're talking to one who feels the question of Lebanon all the time. I've been there. I've seen it as a peaceful crossroads in an always-troubled corner of the world. And I just hope that before I leave this job that I can, in some way, contribute to the restoration of peace in Lebanon.

Thank you all very much.

Note: The President's 28th news conference began at 10:49 a.m. in the Briefing Room at the White House.

Remarks Congratulating the Oakland Athletics on Winning the World Series

November 7, 1989

Mayor Wilson, officially, and to Mr. Walter Haas over here; an old friend of mine, and Wally, and Dr. Bobby Brown, the president of the American League; Tony La Russa and the players and staff of the Oakland A's; and also the distinguished Members of the enormous, effective congressional delegation from California; also the members of the Babe Ruth League championship teams from Forest Grove, Oregon; Cherry Hill, New Jersey; and Oakland, California, and anybody left over: Welcome to you. [Laughter]

It's a great day. And I feel this is a special and historic occasion. After all, I'll bet it's not often that the Oakland A's are honored by an unofficial scout for the Texas Rangers. [Laughter]

Today we're talking baseball and a team that is clearly and truly number one: the world champion Oakland A's. And the A's, of course, have this wonderful baseball heritage -- nine world titles going back, what, 88 years, including four since coming to Oakland -- a tradition of character and triumph, a tradition embodied, perhaps, by the elephant gracing your uniform sleeve. [Laughter] You read that any way you want, but I'm impressed. [Laughter]

And this year's champions were true to that heritage: 99 games won and the American League West. As Casey Stengel would say, ``You could look it up." And then downing Toronto in the playoffs and sweeping the crosstown Giants in the ``Battle of the Bay." I only wish Tony La Russa could help pilot my budget through Congress the way he piloted the A's to this World Series victory.

And what remarkable moments, really, for those of us that love sports you have given us: that saver, No. 43, charging from the bullpen. You know how the A's spell relief? E - C - K. And of the series' outstanding player -- well, I'm just glad I'm not running for office against Dave Stewart. Perhaps a news weekly said it best of Dave's brilliance and community service: ``In the eyes of his Oakland neighbors, Dave's MVP meant Most Valuable Person." And then there's perhaps baseball's all-time leading leadoff hitter, Rickey Henderson, stealing a ton of bases, stealing the hearts of Oakland, and Mark McGwire, of the Bash Brothers, and, of course, Jose Canseco and Walt Weiss and Carney Lansford and Terry Steinbach and, yes, Dave Henderson. Let me say: With your homers against the Giants, when I go to talk to Mr. Gorbachev about reducing offensive weapons, I'm going to tell him that Hendu's bat is not negotiable. [Laughter]

Big leaguers all, each contributing big-time to the cause, a cause led by Tony La Russa, a lawyer and an even greater manager, and one of baseball's pioneering front-office staffs as well -- a club which hit superbly and fielded brilliantly and which, spurred by Mike Moore and Bob Welch,

Storm Davis, an outstanding bullpen, echoed your franchise's founder, Connie Mack, who said, ``Pitching is 90 percent of baseball."

And this year, the A's built on 1988, delighting some of baseball's greatest fans. Think of it: regular-season attendance of almost 2.7 million. No wonder the Haases are smiling here -- [laughter] -- with some of the greatest baseball played since Abner Doubleday got his tape measure out and started laying out the diamond.

And, yes, champions on the field and champions off it, for you helped the bay area through some hard and tragic times, as did those equally magnificent Giants. And the earthquake which shook northern California delayed the series and for a moment paralyzed the entire region. But like the citizens of Oakland, San Francisco, San Jose, you, too, bounced back, overcoming adversity, uniting a populace, showing how true pros perform when the odds are longest and the evening darkest and the game is on the line -- the game of baseball or the larger game of life. And for that I congratulate you and each American salutes you.

The great pitcher Dizzy Dean used to say: ``It ain't bragging if you can back it up." Well, first in the regular season, first in the post-season, here stand the championship Oakland A's. And in 1989 you sure backed it up. And to you we all say: Well done!

Thank you so very much for coming to the White House. Thank you for the example you set for the young people in this country, and God bless you all. Thank you very much.

Note: The President spoke at 2:02 p.m. in the Rose Garden at the White House. In his remarks, he referred to Oakland Mayor Lionel J. Wilson, team owner Walter Haas and his son Wally, and relief pitcher Dennis Eckersley.

Memorandum on Intellectual Property Rights

November 7, 1989

Memorandum for the United States Trade Representative

Subject: Enforcement of Section 337 of the Tariff Act of 1930

In view of your memorandum advising me of the decision to permit adoption of the General Agreement on Tariffs and Trade (GATT) panel report on section 337 of the Tariff Act of 1930, I am setting out the Administration's policy regarding Presidential review of section 337 orders.

I am committed to the adequate and effective protection of U.S. intellectual property rights. This Administration places the highest priority on strengthening the enforcement of intellectual property rights in the Uruguay Round and in bilateral negotiations.

Pending enactment of legislation amending section 337, which could most effectively occur through Uruguay Round implementing legislation, the Administration will continue to enforce section 337 without change. The Congress by law has authorized me to disapprove section 337 orders for policy reasons. In accordance with this Administration's existing practice, use of this authority should be considered only in those unusual circumstances where compelling public policy reasons may require disapproval. Pending legislative modification, the GATT panel report should not provide a basis for changing current practice with respect to Presidential review or for disapproving section 337 orders.

I appreciate your assurance that the USTR-led interagency process will give the highest priority to working with the Congress, the U.S. International Trade Commission, and the private sector to develop an effective, GATT-consistent section 337 mechanism.

George Bush

White House Statement on the Ministerial Conference on Atmospheric Pollution and Climate Change

November 7, 1989

President Bush announced today that the United States has agreed with other industrialized nations that stabilization of carbon dioxide (CO2) emissions should be achieved as soon as possible. The United States also agreed that it is timely to investigate quantitative targets to limit or reduce carbon dioxide emissions. The United States was joined by over 70 countries attending the Ministerial Conference on Atmospheric Pollution and Climate Change in Noordwijk, The Netherlands.

In joining the declaration at the Ministerial Conference, the United States recommended that international funding be directed toward funding a chlorofluorocarbons (CFC's) phaseout in developing countries and promoting efficient use of energy. In addition, the declaration:

urges all countries to take steps individually and collectively to promote greater energy conservation and efficiency;

recognizes the need to stabilize the emissions of carbon dioxide and some other greenhouse gases, while ensuring sustainable development of the world economy;

agrees that developing countries will need to be assisted financially and technically;

urges all countries to join and intensify the ongoing work in the Intergovernmental Panel on Climate Change (IPCC) with respect to a framework convention.

The President said: ``I asked my EPA Administrator, Bill Reilly, and my Science Advisor, Allan Bromley, to continue the leadership role which the U.S. has performed since the Intergovernmental Panel on Climate Change was formed in 1988."

The President also praised the conference for providing the United States an excellent opportunity for useful consultations, both informally and formally, with many of the participating countries, including many countries that have not previously been active in the IPCC process. President Bush also noted that such conferences contribute substantially to the growing consensus among policymakers with respect to global climate change.

William Reilly, the Administrator of the Environmental Protection Agency, and Dr. Allan Bromley, Science and Technology Advisor to President Bush, emphasized during the conference that the United States currently devotes $500 million to the study of issues related to climate change and plans to increase this to about $1 billion in FY 1991. Additionally, through such

measures as the Clean Air Act, more stringent fuel efficiency standards for automobiles, aggressive energy conservation, and reforestation programs, among others, the United States is already playing a leading role in reducing CO2 emissions. The President announced in March that the United States was committed to total phaseout of CFC's by the year 2000. CFC's account for about 25 percent of United States greenhouse emissions.

The United States delegates emphasized their support for the IPCC process, in which it chairs the Response Strategies Working Group, one of three such working groups. The IPCC will hold a plenary meeting in Washington, DC, in February 1990. Special reports on the science, effects, and responses to global warming will be available later in 1990.

In parallel with this work, a working group of the Domestic Policy Council, chaired by Dr. Allan Bromley, is undertaking an intensive program examining the potential impacts of climate change and their associated economic consequences. With the results of these working groups and the IPCC report in the fall of 1990, the United States expects to play a leading role negotiating the framework convention anticipated to be called for by the IPCC process. The United States is currently developing policies based on sound analyses to guide national and international actions directed toward eventual solutions to greenhouse problems.

Nomination of Cynthia Shepard Perry To Be United States Ambassador to Burundi

November 7, 1989

The President today announced his intention to nominate Cynthia Shepard Perry to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Burundi. She would succeed James Daniel Phillips.

Since 1986 Ambassador Perry has served as Ambassador to the Republic of Sierra Leone. Prior to this, she was Chief of the Education and Human Resources Division at the Agency for International Development, 1982 - 1986; dean of international student affairs and professor of education at Texas Southern University in Houston, TX, 1978 - 1982; staff trainer for the United Nations Commission for Africa in Addis Ababa, Ethiopia, 1976 - 1978; and an in-country Peace Corps trainer in Kenya and a U.S. Information Service consultant in Kenya, Nigeria, and Zambia, 1974 - 1976. In addition, Ambassador Perry served as an associate professor of education and Associate Director of the Teacher Corps and Peace Corps at Texas Southern University in Houston, TX, 1971 - 1974; and Director of the National Teacher Corps at the University of Massachusetts School of Education, 1968 - 1971.

Ambassador Perry graduated from Indiana State University (B.S., 1968) and the University of Massachusetts (Ed.D., 1972). She was born November 11, 1928, in Terre Haute, IN. Ambassador Perry is married and has six children.

Nomination of Douglas B. Comer To Be Deputy Commissioner of Patents and Trademarks

November 7, 1989

The President today announced his intention to nominate Douglas B. Comer to be Deputy Commissioner of Patents and Trademarks, Department of Commerce. He would succeed Donald W. Peterson.

Since 1987 Mr. Comer has served as an associate with the law firm of Akin and Gump in Washington, DC. Prior to this, he was the president and chief executive officer of Electronic Processing, Inc.; chief counsel and staff counsel for the Senate Judiciary Subcommittee on Courts; and an Assistant United States Attorney for the District of Kansas.

Mr. Comer graduated from Baylor University (B.A., 1971) and Baylor University School of Law (J.D., 1975). He was born December 2, 1949, in Kansas City, MO. Mr. Comer is married, has one child, and currently resides in Alexandria, VA.

Appointment of Elliot L. Richardson as Special Representative of the President for the Multilateral Assistance Initiative for the Philippines

November 8, 1989

The President today announced the appointment of Elliot L. Richardson to serve as Special Representative of the President for the Multilateral Assistance Initiative for the Philippines. As Special Representative, Ambassador Richardson will oversee and promote United States participation in the Multilateral Assistance Initiative (MAI). The MAI is a multisectoral, multilateral program of international support for democracy and economic growth in the Philippines. It is designed to help the Philippines restructure its economy in order to achieve broadly based, self-sustaining growth led by the private sector and to improve the quality of life of the people of the Philippines. Ambassador Richardson will work closely with the Philippine Government, the Congress, responsible U.S. Government agencies, other bilateral donor countries and multilateral institutions, and the private sector in carrying out his responsibilities as Special Representative.

Ambassador Richardson has a distinguished record of public service spanning more than four decades. Among the positions in which he served are Ambassador at Large and Special Representative of the President to the Law of the Sea Conference, 1977 - 1980; Secretary of Commerce, 1976 - 1977; Ambassador to the Court of St. James, 1975 - 1976; Attorney General of the United States, 1973; Secretary of Defense, 1973; Secretary of Health, Education, and Welfare, 1970 - 1973; and Under Secretary of State, 1969 - 1970. Ambassador Richardson was the attorney general of Massachusetts, 1967 - 1969, and the Lieutenant Governor of Massachusetts, 1965 - 1967.

Ambassador Richardson graduated from Harvard College (A.B., 1941) and Harvard Law School (LL.B., 1947). He was born July 20, 1920, in Boston, MA. Ambassador Richardson served in the U.S. Army, 1942 - 1945. He is married, has three children, and resides in McLean, VA.

Appointment of Sig Rogich as Assistant to the President for Public Events and Initiatives

November 8, 1989

The President today announced the appointment of Sig Rogich as Assistant to the President for Public Events and Initiatives. Mr. Rogich succeeds Stephen M. Studdert.

Before joining the White House, Mr. Rogich was the president and founder of R & R Advertising, the largest advertising and marketing firm in the State of Nevada. During the course of his career, he has participated in over 200 political campaigns. Most recently, Mr. Rogich served as director of advertising for the Bush/Quayle '88 campaign.

Mr. Rogich graduated from the University of Nevada-Reno (B.A., 1967). He has two daughters and resides in Las Vegas, NV.

Appointment of William T. Pryce as Special Assistant to the President for National Security Affairs

November 8, 1989

The President today announced the appointment of William T. Pryce as Special Assistant to the President for National Security Affairs. Mr. Pryce will be Senior Director for Latin America and the Caribbean at the National Security Council.

Mr. Pryce is a career Foreign Service officer, whose most recent assignment was Deputy U.S. Permanent Representative to the Organization of American States in Washington, DC. He served as Minister-Counselor and deputy chief of mission at the U.S. Embassy in Panama from 1982 to 1986. Prior to that he was deputy chief of mission at the U.S. Embassy in Bolivia and Counselor for Political Affairs at the U.S. Embassy in Mexico City. Mr. Pryce joined the Foreign Service in 1958, after serving in the U.S. Navy from 1954 to 1958. During most of his career, he has specialized in Latin American and Eastern European affairs. His early assignments included Mexico City, Moscow, and Panama, as well as service in the Department as Assistant to the Under Secretary of State for Economic Affairs. After serving as chief of the political section in the U.S. Embassy in Guatemala City, Mr. Pryce was assigned in 1974 as chief of Soviet programs for the State Department's Bureau of Educational and Cultural Affairs. He attended the National War College in 1976, prior to serving as Executive Assistant to Ambassador at Large Ellsworth Bunker.

Born in San Diego, CA, Mr. Pryce grew up in Ebensburg, PA. He graduated from Wesleyan University and the Fletcher School of Law and Diplomacy. He is married to Joan MacClurg Pryce and has three children.

Continuation of Frank DeGeorge as Inspector General of the Department of Commerce

November 8, 1989

The President today announced that Frank DeGeorge will continue to serve as Inspector General of the Department of Commerce.

Since 1988 Mr. DeGeorge has been Inspector General at the Department of Commerce in Washington, DC, and has served as Acting Inspector General, 1987 - 1988. Prior to this he was Deputy Inspector General at the Department of Commerce, 1982 - 1988. He was Associate Deputy Administrator for the Veterans Administration, 1981 - 1982; Principal Deputy Assistant Secretary for Conservation and Renewable Energy at the Department of Energy, 1980 - 1981; Acting Assistant Secretary for Conservation and Renewable Energy at the Department of Energy, 1981; and Deputy Chief Financial Officer at the Department of Energy, 1979 - 1980. Mr. DeGeorge has served in several capacities at the Department of Health, Education and Welfare, including Deputy Commissioner of Operations for Social Security, 1979; Associate Commissioner for Management and Administration, 1973 - 1979; Associate Commissioner for Management and Administration for Social Security, 1973 - 1979; Associate Administrator for Management, 1972 - 1973; and Assistant Administrator for Financial Management, 1971 - 1972.

Mr. DeGeorge graduated from LaSalle University (B.A., 1951). He was born September 18, 1929, in Philadelphia, PA. He served in the U.S. Marine Corps, 1951 - 1953. He is married, has three children, and resides in College Park, MD.

Continuation of Charles A. Gargano as United States Ambassador to Trinidad and Tobago

November 8, 1989

The President today announced that Charles A. Gargano will continue to serve as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago.

Since 1988 Mr. Gargano has served as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago. Prior to this, he served as the president of G.M. Development, Inc., in East Islip, NY, 1984 - 1988. He was vice president and general supervisor of construction and engineering at J.D. Posillico, Inc., 1983 - 1984; the Deputy Administrator at the Department of Transportation for the Urban Mass Transportation Administration in Washington, DC, 1981 - 1983; and vice president and general supervisor of construction and engineering at J.D. Posillico, Inc., 1963 - 1981.

Mr. Gargano graduated from Farleigh Dickinson University (B.S., 1976; M.B.A., 1977). He was born October 28, 1934, in Avellino, Italy. He is married, has two children, and resides in Dix Hills, NY.

Nomination of Robert Gregory Joseph for the Rank of Ambassador While Serving as a Member of the U.S.-U.S.S.R. Standing Consultative Commission

November 8, 1989

The President today announced his intention to nominate Robert Gregory Joseph for the rank of Ambassador during his tenure of service as United States Commissioner of the U.S.-U.S.S.R. Standing Consultative Commission.

Since 1987 Dr. Joseph has served as the Deputy Assistant Secretary of Defense for Nuclear Forces and Arms Control Policy in Washington, DC. He also served as the Acting Principal Deputy Assistant Secretary of Defense for International Security Policy, 1987 - 1988. Prior to this, he was the Director of the Theater Nuclear Forces Policy, 1985 - 1987, and the Chief of the Nuclear Policy/Plans Section for the United States Mission to the North Atlantic Treaty Organization, 1982 - 1984. Dr. Joseph served at the Department of Defense in the Office of the Under Secretary of Defense for Policy as the Assistant for Nuclear Policy, 1980 - 1981, and the Assistant for General Purpose Forces, 1979. He was the Assistant for Negotiations at the Department of Defense in the Office of the Assistant Secretary of Defense for International Security Affairs, 1978.

Dr. Joseph graduated from St. Louis University (B.A., 1971), the University of Chicago (M.A., 1973), and Columbia University (M. Phil., 1975; Ph.D., 1978). He attended the U.S. Naval Academy, 1967 - 1969. Dr. Joseph was born September 29, 1949, in Williston, ND. He is married, has two children, and currently resides in Alexandria, VA.

Nomination of Edward J. Philbin To Be a Member of the Interstate Commerce Commission, and Designation as Chairman

November 8, 1989

The President today announced his intention to nominate Edward J. Philbin to be a member of the Interstate Commerce Commission for a term expiring December 31, 1993. He would succeed Heather J. Gradison. Upon confirmation he will be designated Chairman.

Since 1984 Mr. Philbin has served as Commissioner for the Federal Maritime Commission in Washington, DC. Prior to this, he served as Deputy Assistant Secretary of Defense for Reserve Affairs, 1981 - 1984; assistant dean at the University of San Diego School of Law, 1970 - 1985; professor of law, 1973 - 1985; adjunct professor of law, 1969 - 1970; and partner with the law firm of Hesch, Hegner and Philbin, 1966 - 1970.

Mr. Philbin graduated from San Diego State University (B.S., 1957) and the University of San Diego School of Law (J.D., 1965). He was born August 7, 1932, in New York, NY. Mr. Philbin served in the United States Naval Air Reserve, 1949 - 1954, and the U.S. Air Force, 1957 to present. He currently serves as commander of the New Jersey Air National Guard. Mr. Philbin is married, has one child, and resides in Arlington, VA.

Nomination of Mary L. Schapiro To Be a Member of the Securities and Exchange Commission

November 8, 1989

The President today announced his intention to nominate Mary L. Schapiro to be a member of the Securities and Exchange Commission for the term of 5 years expiring June 5, 1994. Ms. Schapiro has been serving on this Commission since November 1988 by recess appointment.

Ms. Schapiro served as general counsel and senior vice president for the Futures Industry Association, 1984 - 1988. Prior to this, she served as Counsel and Executive Assistant to the Chairman of the Commodities Futures Trading Commission, 1981 - 1984, and as a trial attorney for the Commodity Futures Trading Commission in the manipulation and trade practice investigations unit of the division of enforcement, 1980.

Ms. Schapiro graduated from Franklin and Marshall College (B.A., 1977) and George Washington University National Law Center (J.D., 1980). She was born June 19, 1955, in New York, NY. Ms. Schapiro is married and resides in Washington, DC.

Message to the Senate Transmitting the Tax Convention Concerning the Council of Europe and the Organization for Economic Cooperation and Development

November 8, 1989

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification a Convention on Mutual Administrative Assistance in Tax Matters, among the member States of the Council of Europe and the Organization for Economic Co-operation and Development (OECD), done at Strasbourg, January 25, 1988, and signed by the United States in Paris on June 28, 1989. I also transmit the report of the Department of State on the convention.

Under the convention, Parties will exchange information for the assessment, recovery, and enforcement of tax(es) and tax claims, and to assist in the prosecution of a taxpayer. The United States will exchange information on taxes on income or profits, capital gains, or net wealth imposed by the Federal Government and, in keeping with the U.S. Model Treaty, will not exchange information on State or local taxes.

The taxpayer protections available under the convention are at least as extensive as under the U.S. Model Treaty. Information provided by the United States to another party may not be released to a third party without U.S. consent.

The convention also provides for assistance in the recovery of taxes and for assistance in service of documents. The United States has chosen to reserve on these provisions, in accordance with the option available to all Signatories.

I recommend the Senate give early and favorable consideration to the convention and give its advice and consent to ratification.

George Bush

The White House,

November 8, 1989.

Statement by Press Secretary Fitzwater on the President's Meeting With Violeta Chamorro of Nicaragua

November 8, 1989

The President met at 3 p.m. today with Violeta Chamorro, Presidential candidate of the United Nicaraguan Opposition. They discussed the great progress the opposition coalition has made in the struggle to bring democracy to Nicaragua. The President expressed to Mrs. Chamorro his best wishes for her and the Nicaraguan people. The President stated that the United States stands firmly behind the Nicaraguan opposition's demands for fairness in the campaign. The President and Mrs. Chamorro agreed that although the Nicaraguan Government has taken several measures to permit greater freedoms, the Sandinistas have not fully complied with their agreement of August 4 with the opposition coalition. More needs to be done, such as providing equal access to television and full amnesty for political prisoners.

The President and Mrs. Chamorro spoke about the need for the Nicaraguan Government to renew the cease-fire with the Nicaraguan resistance. Both expressed concern that a failure to do so might be used to suppress political activity and the free expression of political will by the Nicaraguan people. The President hopes that in the talks in New York between the Sandinistas and the resistance, the Nicaraguan Government will agree to make a cease-fire effective and permanent, and create the conditions whereby the resistance could voluntarily return to their homes in safety and with full political and civil rights.

Mrs. Chamorro stressed the importance of international observers to maintaining a free and fair electoral process. The President stated the Nicaraguan Government should welcome and fully cooperate with all observers, recognizing that a government that says it supports freedom should have nothing to hide. They also discussed international assistance to the electoral process and democratic forces in Nicaragua. Both leaders stated their conviction that such assistance will play a positive role in assuring a fair election.

The President looks forward to the day when, with a democratic government, Nicaraguans will have good political and economic relations with the United States and the rest of the free world, and will be able to begin rebuilding after decades of dictatorship. He received a letter from Mrs. Chamorro stressing that a Chamorro administration would be committed to reconciliation of the Nicaraguan people and reconstruction of the economy in peace and democracy. Should this occur, the President said the United States would be ready to lift the trade embargo and assist in Nicaragua's reconstruction.

Remarks at the Welcoming Ceremony for President Corazon C. Aquino of the Philippines

November 9, 1989

President Bush. Ms. President, welcome back to the United States, and welcome back to the White House. You last visited our country just months after the ``miracle of people power." The changes in your country since that time are truly exciting. Your leadership has made the Philippines a beacon of democracy worthy of imitation throughout the world. Your economy is growing towards full recovery. We salute you, and we salute the Philippine people for vision, perseverance, and the successes that you have achieved.

We're looking forward to this opportunity to get better acquainted, to consult closely on the broad range of issues and concerns that we share. And high among these concerns, I know, is the promotion of private investment and trade between our two countries -- the key to balanced, long-term growth.

Three years ago, when you rang the bell of freedom in Manila, America cheered and rose in awe. When your words rang from the rafters of our Congress, our leaders stood up and gave you the most thunderous reception given any foreign leader in more than a generation. And just yesterday, when you rang the bell on the New York Stock Exchange, the market climbed 26 points. [Laughter] So, the message is simple: From Main Street to Wall Street, America loves the Philippines, and America loves Cory Aquino.

You deserve our help, and you will get it. I pledge our continuing assistance to your government, and that means security assistance as well as aid to economic development. And it means cooperating in your important debt reduction program. Your priorities are our priorities: reform -- administrative and economic; recovery -- new investment, encouraged by sound infrastructure and sound policies; renewal -- help with alleviating poverty and preserving the environment; resistance -- to the murderous antidemocratic forces of the Communist insurgency.

Earlier this year, America's Independence Day marked the successful launch of the Multilateral Assistance Initiative. This unique program, developed with Japan and the World Bank and the International Monetary Fund and other donors, bolsters your efforts to refuel and restructure the Philippine economy. Today Congress stands ready to provide support for the first year of America's contribution to this initiative. And my appointment of one of our most preeminent statesmen, Ambassador Elliot Richardson, as my personal representative for the initiative shows the priority we accord to its success. With your government's continued dedication to administrative reform, effective project implementation, economic restructuring, the promise of this initiative will be fulfilled.

It is fitting, President Aquino, that you should visit as we approach a Veterans Day weekend. In the darkest nights of this democracy, in the days immediately following Pearl Harbor, Americans and Filipinos fought and died together. Hallowed names like Bataan and Corregidor will always bind us together in pride as well as sorrow. It was because so many Philippine citizens sacrificed their lives that General MacArthur was able to wade ashore at Leyte Gulf with Philippine President Osmena. MacArthur had returned; and fighting side by side with your country, victory was achieved.

On a personal note, 45 years ago almost to this very day, I was a 20-year-old kid piloting a torpedo plane on a raid against enemy shipping in Manila Bay. The exact date, I think, was November 13th. And President Aquino has often spoken of her belief that God has a plan, and I don't doubt it. For looking back today, I realize that, as I safely flew back to that ship on that November day in 1944, somewhere far below was the town of San Mateo, where an 11-year-old girl, a convent student, waited with her family. She was a remarkable child, devoted to her studies and to her faith, fiercely proud of her family and her people. And today it is a privilege and an honor for me to welcome her to the White House, the elected leader of the Republic of the Philippines, President Corazon Aquino.

Ms. President, in 1986, as in World War II, your nation faced a moment of truth. And once again the people of the Philippines proved their courage to the world. Down through the decades, our two peoples have shared a strong commitment to freedom, democracy, peace, and stability for the Philippines, for America, and for the Pacific region. And you noted here 3 years ago that the recovery of democracy brought with it the ability to deal with your major ally on an equal footing, the only basis for a relationship between friends. And so, it is in that spirit that we look forward to the discussions that we've already agreed will begin in December, discussions which, we are confident, will mold a new and mutually beneficial long-term security partnership in the future.

Welcome back, Mrs. President. God bless you. And God bless the people of the Philippines. And God bless the friendship between our two great nations. Thank you very much.

President Aquino. Mr. President, 3 years ago I came to Washington as the head of a country still reeling from two decades of misrule. With its economy just beginning to stir back to life, I stood here, nonetheless, as the representative of the Filipino people with a great deal of pride. For the Philippines had recovered its freedom and had become again a member in good standing, along side the United States, in the club of democracies.

It is true that authoritarian governments can be proud -- and often are, excessively -- but not their countries. Only free nations can truly feel pride. Today I stand here with a great deal of hope -- hope for the full economic recovery of my country, a recovery that is well on its way to becoming sustainable economic growth with some help from our friends.

I have come to Washington at the kind invitation of President Bush. With him and with Vice President Dan Quayle, State Secretary James Baker, Treasury Secretary Nicholas Brady, and other officials, I hope to discuss a wide variety of issues affecting Philippine-American relations in line with the United States long efforts to maintain stability, foster peace, encourage freedom, and uplift the living standards of peoples throughout the world.

We will raise, particularly, the means by which the Philippines and the United States can cooperate in more areas to our mutual economic benefit. We shall explore the means to increase trade between two countries with long historic ties and deep cultural affinities. We shall do these things so that, by the economic improvement of the one, these two oldest allies in Asia can be stronger together.

These issues will not be easily or quickly resolved. But it is good for the sake of a friendship that we want to deepen further to begin their discussion with face-to-face meetings, the establishment of personal rapport, and an affirmation of the values that we shall never compromise and ever uphold.

While in Washington, I also expect to renew my acquaintance with various Members of the Congress that received me so warmly on my first visit and to get down to serious discussions with the officials of the International Monetary Fund. And equally important, I shall be renewing contact with the Filipino communities in the cities I shall visit, for they represent in the most vivid way for Americans the other side of the longest standing alliance for peace in the Pacific.

I'm so happy to be back. Thank you very much.

Note: President Bush spoke at 10:10 a.m. at the South Portico of the White House, where President Aquino was accorded a formal welcome with full military honors. Following the ceremony, the two Presidents met in the Oval Office.

Message to the Senate Transmitting an Annex to the International Convention for the Prevention of Pollution from Ships

November 9, 1989

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate, Annex III (Regulations for the Prevention of Pollution by Harmful Substances Carried by Sea in Packaged Forms or in Freight Containers, Portable Tanks or Road and Rail Tank Wagons), an optional annex to the 1973 International Convention for the Prevention of Pollution from Ships, as modified and incorporated by the 1978 protocol relating thereto (MARPOL 73/78). I also transmit, for the information of the Senate, the report of the Department of State with its attached analysis of Annex III.

MARPOL 73/78 is the global agreement to control pollution from ships. Annex III establishes uniform regulations for the transport of packaged harmful substances, including packaging, marking/labelling, documentation, and stowage requirements and, if necessary, quantity limitations. It complements the other annexes to MARPOL 73/78, which relate to the transport of oil (Annex I) and harmful substances carried in bulk (Annex II), and to ship-generated sewage (Annex IV) and garbage (Annex V).

The United States ratified MARPOL 73/78 on August 12, 1980, along with Annexes I and II, and it entered into force for the United States on October 2, 1983. U.S. ratification of Annex III at this time would bring the annex into force. Moreover, agreement has been reached that, once in force, the Parties will adopt U.S.-sponsored amendments to the annex that will strengthen its provisions and make it a more effective environmental instrument.

U.S. ratification of MARPOL Annex III will be an important step in minimizing pollution of the world's oceans from discharges of packaged harmful substances. I recommend the Senate give early consideration to Annex III of MARPOL 73/78 and give its advice and consent to ratification.

George Bush

The White House,

November 9, 1989.

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1990

November 9, 1989

Today I signed into law H.R. 2916, the ``Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1990."

As we are about to celebrate Veterans Day, let me say that I am especially pleased that this Act provides resources for our Nation's veterans. Those men and women who have served in the military can expect to receive the benefits they deserve. The Act provides $11.4 billion for VA Medical Care, an increase of $0.5 billion over the 1989 enacted level. These funds will allow for continued medical services to our veterans in need of VA care. In addition, $50 million provided in Title IV of the Transportation Appropriations bill will help treat those veterans with substance abuse problems.

I am also pleased that the Act includes funding that will help maintain America's leadership in space. This commitment to space is important to our national security, our economic growth, and our quality of life. In particular, the funding provided for the Space Station Freedom, a keystone of the Nation's space policy, will enable us to continue a stable and sustainable program. This level of funding will allow for the development of the Space Station Freedom on a schedule leading to permanently manned capability in the mid-1990's.

I am also pleased that the Act substantially increased funding for the HUD and VA McKinney Act programs to help reduce the tragedy of homelessness. However, I am disappointed that the Congress did not fully fund McKinney and did not fund our new $50 million comprehensive shelter and services initiative or our $44 million proposal for a new low-income homeownership program.

I am concerned about some legislative provisions of the Act. In particular, I am concerned about the 23-percent increase the Act provided in the Federal Housing Administration (FHA) loan limit on single-family loans, without the reforms necessary to ensure the actuarial soundness of this FHA program. As a first step, I encourage the Congress to move quickly to adopt the specific FHA reforms that the Administration has just submitted to the Congress.

George Bush

The White House,

November 9, 1989.

Note: H.R. 2916, approved November 9, was assigned Public Law No. 101 - 144.

Nomination of Susan J. Crawford To Be Inspector General of the Department of Defense

November 9, 1989

The President today announced his intention to nominate Susan J. Crawford to be Inspector General of the Department of Defense. She would succeed June Gibbs Brown.

Since 1983 Mrs. Crawford has served as the General Counsel of the Department of the Army. Prior to this, she served as Principal Deputy General Counsel of the Department of the Army at the Pentagon, 1981 - 1983; partner with a law firm in Oakland, MD, 1979 - 1981; and an associate with the same firm, 1977 - 1979.

Mrs. Crawford graduated from Bucknell University (B.S., 1969) and received a law degree from the New England School of Law in 1977. She was born April 22, 1947, in Pittsburgh, PA. Mrs. Crawford is married, has one child, and resides in Falls Church, VA.

Appointment of William J. Hilsman as a Member of the President's National Security Telecommunications Advisory Committee

November 9, 1989

The President today announced his intention to appoint Lt. Gen. William J. Hilsman, USA, Ret., as a member of the President's National Security Telecommunications Advisory Committee. He would succeed Robert S. Leventhal.

Since 1983 General Hilsman has served as president and chief executive officer of the International Mobile Machines Corp. in Philadelphia, PA. Prior to this, he served in the Army for 29 years as a lieutenant general, manager of the National Communications System, director of the Defense Communications Agency at the Department of Defense, commander of the Signal Corps Center, and as commander of communications for the research and development command at Fort Monmouth, NJ.

General Hilsman graduated from the U.S. Military Academy in 1954 and received his master's degree from Northeastern University. He was born March 13, 1932, in St. Louis, MO. General Hilsman is married, has four children, and resides in Philadelphia, PA.

Remarks and a Question-and-Answer Session With Reporters on the Relaxation of East German Border Controls

November 9, 1989

The President. We just wanted to make a brief statement here. I've just been briefed by the Secretary of State and my national security adviser on the latest news coming out of Germany. And of course, I welcome the decision by the East German leadership to open the borders to those wishing to emigrate or travel. And this, if it's implemented fully, certainly conforms with the Helsinki Final Act, which the GDR [German Democratic Republic] signed. And if the GDR goes forward now, this wall built in '61 will have very little relevance. And it clearly is a good development in terms of human rights. And I must say that after discussing this here with the Secretary of State and the national security adviser, I am very pleased with this development.

Q. Mr. President, would the United States now consider doing more to help West Germany to take care of some of these East Germans coming into that country? Is there more that you could do now to help West Germany accommodate -- --

The President. Well, we have such a close relationship with the Federal Republic that if Chancellor Kohl asks us to be of some assistance I'm certain we would give it serious consideration. I mean, I don't know what it is they'd have in mind, because I think with a truly open border it is hard to predict how many will be trying to leave. And so, it's a dynamic development, and we just have to wait and see. But our relationship with the Federal Republic is such that we would want to be of the maximum help if it was needed. So far, Germany has done a magnificent job in handling those who have preceded this new exodus.

Q. Have you assured Mr. Kohl that if he does need help that we'll be there for them?

The President. Well, I haven't talked to him, Lesley [Lesley Stahl, CBS News], since this development because he just went off to Poland. I talked to him about this last week and made very clear to him that we thought -- I think it was last week -- made very clear to him that we thought they were handling it with great sensitivity. It's an enormous burden on the Federal Republic. And I don't remember in that conversation if I said if we can be of any help, please let me know; but I'm sure he knows that's the case.

Q. Did he give any indication of how far he'd be able to go to accommodate this influx of refugees? I think the number stands at about 110,000 now. Did he say if it hits a million we're going to have real problems?

The President. No, he didn't go into numbers at all, but he demonstrates a quiet confidence that

the Federal Republic can cope. As I say, they have done a good job. And here's a new development in this rapidly changing part of the world that we can salute. And it's a dramatic happening for East Germany and, of course, for freedom.

Q. Is this the end of the Iron Curtain, sir?

The President. Well, I don't think any single event is the end of what you might call the Iron Curtain, but clearly this is a long way from the harshest Iron Curtain days -- a long way from that.

Q. Mr. President, what do you think the implications are for the Warsaw Pact now? I mean, can we say that this may be an indication that they're headed toward a loosening or even a dismantling of the Warsaw Pact?

The President. I think you have to say what you mean by Warsaw Pact. I mean, it seems to me that it's certainly a loosening up in terms of travel. It concurs with the Helsinki Final Act, and it is a very good development.

Our objective is a Europe whole and free. And is it a step towards that? I would say yes. Gorbachev talks about a common home. Is it a step towards that? Probably so.

Q. What do you think the implications are for immigration to this country, Mr. President? Do you think we'll be seeing very many of these new refugees?

The President. There's no indication of that. These are Germans going to the Federal Republic of Germany.

Q. What's the danger here of events just spinning out of control? Secretary Baker commented earlier about how rapid the pace of change has been in Eastern Europe. Nobody really expected this to happen as quickly as it did. Is there a danger here that things are accelerating too quickly?

The President. I wouldn't want to say this kind of development makes things to be moving too quickly at all. It's the kind of development that we have long encouraged by our strong support for the Helsinki Final Act. So, I'm not going to hypothecate that anything goes too fast.

Q. So, you don't see -- --

The President. But we are handling it in a way where we are not trying to give anybody a hard time. We're saluting those who can move forward with democracy. We are encouraging the concept of a Europe whole and free. And so, we just welcome it. But I don't like to go into a lot of hypotheses about too much change or too rapid change or what I'd do, what our whole team here would do, if something went wrong. I think it's been handled by the West very well; and

certainly we salute the people in East Germany, the GDR, whose aspirations for freedom seem to be a little further down the road now.

Q. Mr. President, do you think now that East Germany appears to be moving in the direction of Poland and Hungary that the rest of the Eastern bloc can continue to resist this? I'm thinking of Czechoslovakia, Bulgaria, Romania -- will they be the next?

The President. No, I don't think anyone can resist it, in Europe or in the Western Hemisphere.

Q. Did you ever imagine -- --

The President. That's one of the great things about dynamic change in Central America [Europe]: It's moving in our direction.

Q. Did you ever imagine anything like this happening?

Q. On your watch?

The President. We've imagined it, but I can't say that I foresaw this development at this stage. Now, I didn't foresee it, but imagining it -- yes. When I talk about a Europe whole and free, we're talking about this kind of freedom to come and go, this kind of staying with and living by the Helsinki Final Act, which gives the people the rights to come and go.

Q. In what you just said, that this is a sort of great victory for our side in the big East-West battle, but you don't seem elated. And I'm wondering if you're thinking of the problems.

The President. I am not an emotional kind of guy.

Q. Well, how elated are you?

The President. I'm very pleased. And I've been very pleased with a lot of other developments. And, as I've told you, I think the United States part of this, which is not related to this development today particularly, is being handled in a proper fashion. And we'll have some that'll suggest more flamboyant courses of action for this country, and we're, I think, handling this properly with allies, staying in close touch in this dynamic change -- try to help as development takes place, try to enhance reform, both political and economic.

And so, the fact that I'm not bubbling over -- maybe it's getting along towards evening, because I feel very good about it.

Q. Well, what I wanted to ask is -- the second part of that was, is your second thought: What are

we going to do if it really does explode over there -- coming into play here? I mean, obviously, if they just flood into West Germany, they're handling it now, but they've only gotten 200,000. What if they get a million? What if they get 2 million?

The President. Well, what I'd like to think is that the political change in the GDR would catch up very fast with this liberation, if you will. You may remember that before I went to Poland -- I think, I don't know whether Jim Baker was sitting next to me, I know Brent was there and John Sununu -- and I was asked by a Polish journalist if I were a young Pole, what would my advice be. And what I said is I think you ought to stay there and participate in this dramatic change in your country. You ought to feel the surge of freedom, feel the move toward democracy, and be a part of it.

These are Germans, and Germans love their country. And at some point, I think a lot of Germans who had felt pent-in and unable to move are going to say, look, we can move. But wouldn't it be better to participate in the reforms that are taking place in our own country? So, I think it's too early to predict that because these openings are there that that means everybody is going to take off.

Q. Do you think this will give you a stronger position when you go on the ship next month and you're talking to President Gorbachev -- I mean, that your side is winning? I mean, is that the kind of thing you're going to communicate to him? Are you going to say the -- --

The President. He's already expressed his interest in a common European home. We've phrased it differently. We've said a Europe whole and free. And when you see citizens wanting to go and flee what has been an oppressive society, clearly that is a message that Mr. Gorbachev will understand. He sees it not only in Eastern Europe, but he sees it inside the Soviet Union. And so, we'll have a good, lively -- before these developments took place, I have said that we would be discussing the rapid change inside Eastern Europe. And we've been talking about that today, just before you all came in here. We've been talking about the Gorbachev meeting. And one of the things that we are determined we will discuss, and I know he'll want to discuss, is this change.

Q. Mr. President, are you saying you think maybe East Germans will want to stay and participate in reforming their country? That suggests you think German reunification is some ways off. What is your view on German reunification? Does this bring it closer?

The President. I don't know. I think it's way too early to speak on that. I've spoken out on the question of German reunification. I notice the President of France, President Mitterrand, spoke out. I've heard what Chancellor Kohl has had to say about it. But Michael [Mike Gelb, Reuters], I don't know whether the development of today speeds up the day or not.

Q. Mr. President, will you consider lifting Jackson-Vanik restrictions on East Germany?

The President. I will be discussing a wide array of those subjects with the Soviets, I'm sure, including -- I know of their interest in talking about that, so we'll be prepared to talk about it.

Q. Are you going to be speaking to Chancellor Kohl in the next couple of days?

The President. I'd like to talk to him soon, but he's off in Poland. I may try to get him there, but I talked to him quite recently. We confer quite regularly.

Q. Do you talk to any of the other Western European -- --

Q. Will you try to reach Mitterrand?

The President. Well, personally I don't know. We're in -- again, I talked to him very recently, but he might want to talk about it.

Note: The President spoke at 3:34 p.m. in the Oval Office at the White House. In his remarks, he referred to Brent Scowcroft, Assistant to the President for National Security Affairs.

Statement by Press Secretary Fitzwater on United States Assistance for East German Emigrants

November 9, 1989

The United States is responding urgently to a request from the Government of the Federal Republic of Germany for assistance in accommodating the continuing influx of East Germans into the Federal Republic. The commander of U.S. Air Forces, Europe, has offered temporary housing for up to 6 months in 3 facilities. Processing has begun at a U.S. Air Force contingency hospital at Donaueschingen in the Black Forest.

Additionally, the commander, U.S. Army, Europe, headquartered in Heidelberg, has inventoried all available facilities and established a task force, which is in direct contact with the Federal Government in Bonn. The President has instructed all U.S. military authorities in the Federal Republic, as well as our Embassy in Bonn, to make available to the FRG all possible assistance.

The President salutes the Federal Republic for opening its doors to so many seeking to resettle in the West, and pledges our full support and assistance.

Remarks to the National Association of Realtors in Dallas, Texas

November 10, 1989

Thank you, Ira. I know I speak for everyone here today when I salute you for serving so ably as the president of the National Association of Realtors. And my best wishes to your successor, Norm Flynn. And let me also recognize -- rerecognize, if you will -- the man who is doing such wonderful work, bringing vision to HUD, putting through the tough new reforms that ensures that his agency serves people in need, my outstanding Secretary of HUD, Jack Kemp. I am so proud he's with me here today. And of course, an old friend and a fine Member of Congress who traveled down on Air Force One with Barbara and Jack and me today, Dallas' own Congressman Steve Bartlett. And of course, I'm delighted that the mother of the Texas Rangers boss is here today, my wife, Barbara, the ``Silver Fox."

Before going into my main remarks, let me just say a word about the momentous events in East Germany. I was moved, as you all were, by the pictures of Berliners from East and West -- standing atop the wall with chisels and hammers -- celebrating the opening of the most vivid symbol of the Iron Curtain. And then today, just on the plane coming down, I read a report where 18 new border crossings would be made in the wall in the near future.

And to be honest, I doubted that this would happen in the very first year of this administration. Twenty-eight years after the desperate days of 1961, when tanks faced off at Checkpoint Charlie and that terrible barrier was built -- now the East German Government has responded to the wishes of its people. And while no one really accurately predicted the speed of the changes underway in Eastern Europe -- and certainly I didn't. But last May, right here in Texas, over at Texas A&M, I noted hopeful, indeed, remarkable signs of a Soviet break with the cycles of the past. And I called upon the Soviet Union to support self-determination for the nations of Eastern and central Europe and to tear down the Iron Curtain. And now we're seeing it happen. And when I visited Poland and Hungary in July, I sensed that historically important events there held the seeds for even more dramatic change.

And this played a big part in the decision last July made, really, at the G - 7 meeting in Paris. On the way back, I proposed a face-to-face meeting with President Gorbachev before next spring's summit. And the Malta meeting, given recent events, takes on, I think, even more importance than when I conceived the idea 3\1/2\ months ago.

The changes in recent months make clear that the process of reform initiated by the Eastern Europeans and supported by Mr. Gorbachev and by America and by our allies is real, offers us all much hope, and deserves our continued encouragement. We're living in fascinating times, and we will seize every opportunity to contribute to a lasting peace and to extend democracy. And in doing so, I will conduct the foreign policy of this great country with the prudence that

these fascinating times, times of change, demand -- and with the imagination. The 1980's has been the decade of American renewal. And I believe that around the world, the 1990's will inevitably be the decade of democracy.

Ira mentioned to me that my speech is a special occasion for this association, and I said I was honored. And then Ira said: ``Well, it's not often that we're addressed by someone who lives in public housing." [Laughter] And you know something: Barbara and I get just as emotional about it today as the day we first walked in there. The truth is, I am not a real estate wizard.

When I was elected to Congress -- and I get reminded about this by Barbara -- when I was elected to Congress in 1966, we needed to make housing arrangements up in Washington. We were in Houston. And at that time, Senator Al Simpson's father, Milward Simpson, was retiring and moving back to Wyoming. So, I bought the Simpson house, sight unseen, over the telephone. And when we got to Washington, there were just two problems: We found out right away that the house wasn't quite big enough for our family, and we found out when we put the place up for sale that it wasn't worth quite as much as we paid for it. [Laughter] And that's my claim to fame in your business. I'm the only person who ever lost money in Washington real estate in the last 20 years. [Laughter] Ira, where the hell were you when I needed you? [Laughter]

But few people have done more for the real estate industry than Barbara and I have. We've moved 28 -- this is true -- we have moved 28 times in our 44 years of marriage. [Laughter] You ought to be smiling. Now, I know what you're thinking: What a dream client my family would make for any realtor. [Laughter] In fact, Dick Darman over at OMB is calculating the commissions we've paid over the years, measured as a percentage of the gross national product. [Laughter]

But I came here today to lay out a comprehensive agenda to help bring basic shelter and affordable housing within reach of millions of Americans, and I call it America's HOPE, Homeownership and Opportunity for People Everywhere.

But before I tell you about HOPE, I want to speak for just a minute about the single most important factor in helping millions of Americans realize the American dream: the economy. Because the truth is, there is no better housing policy than a growing economy. And we've got one, one that provides jobs and wages and opportunities for advancement -- long-term interest rates that open ownership opportunities to hundreds of thousands of first-time homebuyers because every drop in interest rates makes it possible for more families to buy that home they want. And I pledge that my administration will vigorously support the mortgage-interest and property-tax deductions. These deductions encourage home ownership, and they are vitally important to our overall economic prosperity.

And all signs point to continued strength in the economy. November marks the 84th month of

economic expansion -- the longest peacetime expansion on record. And here's one statistic that really hits home: Mortgage rates are down from almost 14 percent back in November of '82 to less than 10 percent today. And my goal and Jack's goal -- the goal of our entire administration -- to pursue policies that will bring them down even further.

Of course, part of any responsible economic policy is getting our fiscal house in order. And I want you to know that my administration is hanging tough for a responsible budget, with real deficit reduction -- no smoke and no mirrors. We don't like sequestration; no one does. But we'll have to live with it if we have to and if it's the only way to rein in spending and bring that deficit down to the Gramm-Rudman target. I am ready to sign a budget bill whenever Congress is ready to strip off all those costly extras and add-ons hidden away in those omnibus spending bills.

We're getting down to the wire, and I'm optimistic -- optimistic that my administration and the Congress can agree on a responsible budget; optimistic that we'll see more and more Americans prospering -- providing better lives for their families and looking to all of you to help them realize their dreams. And I know we can count on you, just as we counted on your strong support in helping to pass that 1988 Fair Housing Act. Ira, that is a tribute to your leadership, to your strong organization, and to its dedication to the right of all people to be free from discrimination and prejudice.

But more must be done, and that's where the HOPE initiative comes in. This initiative will address the full range of housing concerns, from shelter for the homeless to affordable housing for low-income families to initiatives that open access to expanded job opportunities and help millions more Americans own their homes.

Let's start right there, with what HOPE can do for first-time home buyers. You all know about families working to buy that first home. Well, they deserve our help, and they're going to get it. I will ask Congress to enact legislation allowing first-time buyers to draw, without penalty, on IRA savings as a downpayment for that first home.

Our HOPE initiative also means efforts to improve low-income housing. As you know, my administration rejects these costly new public construction programs that, in the past, have too often produced the housing projects that symbolize the very absence of hope in our inner cities. There's a better way: housing vouchers that empower low-income families to choose where they want to live.

So, our idea is to create incentives for the construction and rehabilitation of the housing low-income families need. And that's why I'm calling on Congress to renew the low-income housing tax credit, but make it part of a package that also includes the cut in the capital gains tax. I don't care what the political opponents say, what the critics say. A cut in capital gains means an increase in jobs, investment, and growth. And I'm grateful for the fact that the National Association of Realtors has fought hard to make a capital gains cut a reality. Well, let me tell

you something: That fight is not over.

And we've got to go one step further, as a matter of fact. In those pockets of poverty where despair has driven out hope, we've got to eliminate the capital gains tax altogether. And that's a key element in the enterprise zone legislation that I want to see enacted, that Jack Kemp has worked so hard to produce. I've called on Congress to create at least 50 enterprise zones over the next 4 years to help create the jobs and incomes that are the real key to affordable housing. And I hope Congress gets the message; it is time that we gave the green light to our inner-city entrepreneurs.

And HOPE can help us reverse a trend that's stunting growth and development in low-income areas. Over 9 million Americans live in these FHA-insured homes, and every year nearly a half a million first-time home-buyers use FHA to help them make their dream affordable. My administration has announced major reforms to ensure that FHA is true to its primary mission of making housing affordable for low- and moderate-income families. We will change the destructive practices which have kept FHA out of the inner cities and distressed communities that most need its support.

And frankly, at all levels of government, we have got to take a second look at some of the well-intended housing policies that actually decrease our housing supply. I'm talking about the excessive rules, regulations, and redtape that add unnecessarily to the cost of housing by tens of thousands of dollars or that create perverse incentives to allow existing housing to deteriorate. And so, I've asked my able Secretary, Jack Kemp, to convene a blue-ribbon commission to identify barriers to affordable housing and then to make recommendations on how these barriers can be removed. And let me make the first recommendation right here, Mr. Secretary: No city, State, or town should receive a single penny of HOPE funding until they have identified barriers to affordable housing in their own backyard and take steps to remove them.

Someone once said: ``We shape buildings; and thereafter, they shape us." The same is true when it comes to low-income housing policy. That's the real centerpiece of our HOPE initiative: to recapture the American dream of homeownership for those who have been left behind, through resident management and resident ownership.

It's already working -- Kenilworth-Parkside, back in Washington; Cochran Gardens in St. Louis; in East L.A., public housing through community leaders, like Alicia Rodriguez, and by encouraging nonprofit and resident groups. It's going to work right here in Dallas -- at places like Rhoads Terrace under the take-charge leadership of a courageous mother named Jessie Toles -- and all across the United States.

The results are promising because, you see, with tenants in control, we see better maintenance, more rents paid on time, a decrease in people on the welfare rolls. And we see something more: a sense of pride that is the very core of any thriving community. I don't know any better way to

revive hope in our inner cities than to give tenants themselves a say in running their communities, a stake in the future, and the belief that they, too, can own a home. Because the true measure of success isn't how many families we add to housing assistance rolls; it's how many families move up and out and into the ranks of homeowners.

But let's face it: There's more to the HOPE initiative. And now I'm talking about people who stand in the shadows of what is otherwise a very bright economic picture, who live a nightmare in the midst of the American dream. We see them every day on the streets of our cities, sleeping on the steam grates, living out of cardboard boxes. Of course, I'm talking about the homeless.

And for most of us, November is the time of year when we start looking forward to the holiday season: Thanksgiving, Christmas, New Year's. For the homeless, November is the time of year the temperature starts to drop and simply making it through the night becomes a life-and-death struggle.

Think about the children. Pretty soon your kid, our kids, will be dreaming about Christmas toys -- new video game or the bike they'd like. And it's different for kids on the street, though. I read a story not long ago that stuck in my mind about a little boy without a home. And here's what he dreams about at night: ``I dreamed my Mom got her housing assistance," he said, ``and we got a house with a great big backyard." But in the morning, for that little boy, the dream is over. He is up at 5:30, out of a shelter and back onto the streets. Now, that is a tragedy because no child in America should have to grow up on the streets, and every family in America should have a roof over its head.

And we've got to do better. And my administration is going to do its part to expand emergency shelters. And yesterday I signed a bill that substantially increases funding under the McKinney Act to reduce homelessness. And we're going to continue to push for full funding of homeless programs under that law. And today I'm also asking Jack Kemp to find new ways to put a portion of our FHA foreclosures into the hands of nonprofit groups, groups that are doing such wonderful work rehabilitating abandoned homes, fighting poverty in our inner cities.

But the real answer for the homeless, those with mental problems or dependent on drugs or alcohol, is shelter plus care: shelter supplemented by the necessary support services to get these people the help they need to live in dignity. And that means a partnership -- a combined Federal, State, and local effort -- to supply the funding and other resources that constitute a comprehensive solution for the hardcore homeless. And if we care about them, we've got to take more than a one-dimensional approach to the problem.

The HOPE initiative will include improved coordination of basic needs like shelter, with other social services, to help the homeless get the treatment that they need to get control of their lives; to help them find and hold down jobs; to help them regain hope and leave life on the streets, leave that life behind for good.

Helping the homeless; helping low-income families find affordable housing, decent housing; helping more of the 80 million Americans who don't own a home join the ranks of homeowners. These are the aims of the HOPE initiative, and these are aims well within our reach. And think about that little boy I spoke about a moment ago. Think about his dream because it really is the American dream, what all of us want for ourselves and our families.

We must unleash the resources of the profit and nonprofit sectors, of churches and synagogues, States and localities, in our great national enterprise to assure safe, decent, and affordable housing for all. And only then will we be able to replace hopelessness with hope, and only then will we be able to wage war on poverty and despair. And only then will we be able to complete our vision of a free and prosperous America, full of opportunity for people everywhere.

Thank you all very much. God bless you, and God bless the United States of America.

Note: The President spoke at 2:10 p.m. in the Chantilly Ballroom at Loew's Anatole Hotel. In his opening remarks, he referred to Ira Gribin, president of the association.

White House Fact Sheet on the HOPE Initiative: Homeownership and Opportunity for People Everywhere

November 10, 1989

President Bush today announced an initiative to increase homeownership opportunities for low- and moderate-income families and to create jobs and entrepreneurial activity in the Nation's distressed urban and rural communities. The President's forward-looking plan for housing is called HOPE -- Homeownership and Opportunity for People Everywhere.

The major components of the plan include a $2.1 billion matching grant program to encourage resident ownership of low-income housing, a program to combine housing resources with supportive services for the long-term homeless, and a proposal to allow the use of tax-deferred Individual Retirement Accounts (IRA's) as downpayments by first-time homebuyers.

Today's announcement builds on a comprehensive set of reforms introduced by Housing and Urban Development [HUD] Secretary Kemp on October 3, 1989, to restore ethical, managerial, and financial integrity to the Department's programs, including the Federal Housing Administration.

The President's housing and inner city job creation strategy embraces the following fundamental principles:

empowering low-income families to achieve self-sufficiency and have a stake in their communities by promoting resident management and urban homesteading;

expanding homeownership and affordable housing opportunities for low-to-moderate income families and young families just starting out;

helping to end the tragedy of homelessness and to provide special emphasis on the long-term homeless who are in need of social services or health care;

creating jobs and economic opportunities in our nation's distressed inner cities and rural areas.

Hope Grants

Goal: To empower low-income families to become homeowners with a stake in their communities by providing funds for resident homeownership in public housing, government-held vacant and foreclosed properties, and financially distressed properties held in the FHA

portfolio.

Background: Although homeownership for low-income families and empowerment of the poor through resident management are two of the administration's key goals for housing policy, HUD does not have permanent programs for these purposes. Currently, these goals are funded by special set-asides from other programs. HOPE grants will enable many public housing residents to purchase their homes, will capitalize on the existing strengths and abilities of nonprofit organizations and community-based housing development organizations, and will increase the housing resources available to the Nation's poor.

HOPE grants will provide $2.15 billion over 3 years to increase homeownership opportunities for low-income families. The grants will be used in public housing, vacant and foreclosed properties currently held by the Government, and distressed properties held in the FHA portfolio.

States, localities, or nonprofit organizations will be required to provide $1 for every $2 in Federal HOPE grant funds.

HOPE grants will be used for rehabilitation, acquisition, technical assistance, capital reserves, security, and mortgage assistance, but not for new construction. $250 million in HOPE grant funds will be set aside to provide replacement housing for public housing developments that convert to low-income homeownership.

Service-Supported Housing

Goal: To combine Federal housing assistance for the long-term homeless with social and health care services that many homeless may need to address problems of substance abuse or mental impairment.

Background: The McKinney Act authorizes assistance to the homeless through a wide variety of programs administered by almost every agency of the Federal Government. The President remains committed to obtaining full funding of the McKinney Act. HUD administers several McKinney Act programs, including Transitional Housing, Supportive Housing, Assistance for Single Room Occupancy Dwellings, and Supplemental Assistance for Facilities to Assist the Homeless. These programs work well for those who are temporarily homeless. The long-term homeless, however, are not equally well-served by either the housing delivery system or the social service network. The long-term homeless need intensive services and long-term supportive housing arrangements provided in a

Service-Supported Housing will coordinate Federal housing assistance with supportive services that can best be provided by States, localities, and nonprofit organizations.

$728 million in Federal housing funds will be provided over 3 years, to be matched dollar for dollar by States, localities, or nonprofit organizaitons. Certain programs that are federally funded but locally administered, such as the Mental Health Block Grant program, may be used to provide the needed matching funds.

Use of Individual Retirement Accounts for First-Time Homebuyers

Goal: To expand homeownership opportunities for young families and first-time homebuyers.

Background: As housing prices increase, it is often difficult for first-time homebuyers to accumulate the savings needed for a downpayment and closing costs. While moderate-income families are eligible to receive tax-deferred treatment for savings through IRA's, they are not currently permitted to make IRA withdrawals without penalty for what is likely to be the biggest investment in their lives: their homes.

The HOPE initiative will help achieve homeownership by allowing first-time homebuyers to withdraw funds in their tax-deferred IRA's without penalty.

The maximum amount that can be withdrawn from an IRA for a downpayment is $10,000 and the maximum house price is 110 percent of the average area purchase price.

Preservation of Low-Income Housing

Goal: To empower low-income residents of federally insured and subsidized housing communities by giving them the opportunity to buy their own homes in cases where their owners opt out of the low-income housing program.

Background: Over the next 15 years, owners of some 334,000 units of FHA-insured multifamily housing will become eligible to prepay their mortgages, thereby potentially eliminating low-income use restrictions on these properties. With the HOPE initiative, and depending on circumstances, different methods may be used to protect tenants. These include giving tenant groups first right to purchase and convert their building to a resident-owned cooperative; providing Federal aid for such conversions; giving owners additional financial aid to maintain lower income occupancy, or if owners elect to convert their projects and sever their relationship with HUD, protecting tenants with housing vouchers, thereby helping them afford higher rents.

If an owner decides to prepay, HOPE will offer resident groups and nonprofit organizations the opportunity and the resources to purchase their buildings and become homeowners. In such cases, tenants will have a right of first refusal to purchase their projects.

Tenants will receive an amount equal to the present value of 10 years of housing vouchers, to be used for acquisition, rehabilitation, technical assistance, and other uses. Housing vouchers, the

administration's principal tool for assisting low-income families with housing, give eligible families the difference between 30 percent of their income and the amount that is needed to obtain suitable housing in their community.

Once purchased by a low-income family, units may only be resold to other low-income families.

Low-Income Housing Tax Credit

Goal: To extend tax incentives needed to encourage the private sector to construct and rehabilitate the Nation's rental housing stock and make it available to low-income families and the working poor.

Background: Tenant-based housing vouchers and certificates are the Federal Government's primary tool for assisting rental households. However, direct rental assistance is only one tool for meeting the need for low-income rental assistance. The low-income housing tax credit was included in the Tax Reform Act of 1986 as an incentive for the development of new rental housing opportunities. States have the authority to allocate credits to their most important needs, and the program encourages the participation of nonprofit organizations. The tax credit expires at the end of this year.

The HOPE initiative proposes to renew the low-income housing tax credit as part of a package of reforms that includes a cut in the capital gains tax.

Residents and nonprofit organizations will ultimately be given an option to purchase properties constructed or rehabilitated using the low-income housing tax credit.

Enterprise Zones

Goal: To provide tax incentives to help promote entrepreneurship and create jobs in our nation's distressed urban and rural communities.

Background: Incentives are needed to create jobs and promote entrepreneurial activity in distressed urban and rural communities that have too often been redlined for despair.

HOPE includes a proposal to create 50 enterprise zones that will provide incentives for low-income workers and attract seed capital for business development. It will eliminate the capital gains tax rate on tangible investments located in the enterprise zones.

The refundable tax credit for low-income employees provides for a tax credit of up to $525, or 5 percent of the first $10,500 in wages earned by an employee in an enterprise zone.

Expensing of investor purchases of corporate stock in enterprise zone businesses will create the

seed capital needed for new businesses by allowing investors immediately to deduct the cost of their investment, up to $50,000 per investor.

A zero capital gains tax rate will apply to capital gains realized on tangible assets in enterprise zones and will be a powerful incentive for entrepreneurship in inner cities that are now without appreciable business activity or jobs.

Housing Opportunity Zones

Goal: To help eliminate barriers that States and localities all too often erect that make housing less affordable for low- and moderate-income families.

Background: The principles behind the enterprise-zone concept can be used to spur construction or rehabilitation of housing in many inner city areas that have large amounts of poor housing, limited home ownership, vacant land, or abandoned and substandard housing.

The HOPE initiative proposes 50 housing opportunity zones, which will target Federal incentives to those distressed communities that best remove tax and regulatory barriers to affordable housing.

Zones will be chosen through a competitive process from applications by local and State governments. Applicants that best identify and institute plans to remove barriers -- such as exclusive zoning, regressive property tax burdens, complex building codes, rent controls, excessive fees -- will be selected.

The Federal incentives provided include targeted FHA insurance and rental rehabilitation grants at $70 million per year.

Additional Elements of the HOPE Initiative

Frail Elderly: Elderly people are often in need of supportive services to help them stay in their homes and avoid institutionalization. The HOPE initiative includes a demonstration project to provide service-supported housing for the frail elderly by coupling housing vouchers with assistance to help pay the costs of the services they need.

Operation Bootstrap: Housing assistance is an essential part of the social safety net, but for families capable of working it should be a transitional tool that helps them achieve self-sufficiency and join the economic mainstream. Beginning in fiscal year 1991, all tenant-based vouchers and certificates will require public housing authorities and local governments to help welfare families and those with low earnings achieve upward mobility through job training, child care, transportation, and other assistance.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With West German Chancellor Helmut Kohl

November 10, 1989

Chancellor Kohl called to give the President a thorough briefing on the first part of his trip to Poland and on developments in East Germany. The President congratulated the Chancellor on the Federal Republic's handling of the situation with respect to East Germany and promised the full cooperation of the United States. The Chancellor asked the President to tell the American people: ``Without the United States, this day would not have been possible." The President and Chancellor Kohl agreed that these dramatic developments make the Malta meeting even more important and agreed to consult closely between now and the meeting. They agreed to talk again next week.

The call occurred at 3:29 p.m. c.s.t. and lasted approximately 18 minutes.

Remarks at a Republican Fundraising Dinner Honoring Governor Bill Clements in Dallas, Texas

November 10, 1989

Thank you very much, Governor, and thank all of you for that warm welcome. Thank you, Bill. Rita, it's so good to see you. Our secretary of state, George Bayoud, and Fred Meyer and Penny Butler and so many others.

Fred McClure, who you just heard sing, is an Assistant to the President at the top level of the White House. And he's in charge of our congressional relations -- a very difficult and trying job, it seems. But nevertheless, he has a lovely voice, and I'm delighted to know of this talent. He's hidden it, hidden his light under a bushel up there. We may have a new way of cajoling Senator Mitchell and some of the others to do it the way we want done. [Laughter] Fred, thank you.

And of course, seeing Bob Dedman here and the other chairmen and cochairmen just reminds me that if you want to get something done and done right, get a busy person, a successful person. Bob, I'm so pleased to see you again, and your coworkers. And it's great to be back in the Metroplex, especially in a city that forgot to finish the roof on its biggest stadium. [Laughter] And of course, in the good old days, as Jerry knows, any Dallas Cowboy fan would tell you this was so God could see His team play. [Laughter] Well, the Cowboys are coming back. They kicked the Redskins in our new hometown the other day.

But, Bill, you and I do go back a long way -- long before either of us got into politics. And we shared common goals in business and in politics. We also have a lot in common as public speakers. We've certainly been accused of making our share of verbal gaffes. But so what if we've been known to put our foot in our mouth from time to time? I just hope that your foot is as silver as mine. [Laughter]

At least you're a colorful character. I guess the whole country has heard of the story -- at least it got widespread play up in Washington -- of how the Governor, eating in a Dallas restaurant when a holdup took place -- and how he just kept right on eating his hamburger through the whole ordeal. I'm not sure that was Texas courage, hunger, the need for new glasses or a hearing aid, but nevertheless -- [laughter] -- --

I would not, nor Barbara -- we wouldn't have missed this affair for anything. Over the years, I have come to depend on Bill's steady friendship and his sound advice, and so have the people of Texas. And tonight's tribute is our way of letting you know just how much we appreciate you.

Your first term, Bill, was a glorious time for Texas and a memorable chapter in the political history of our State. They say in west Texas that a mile between fenceposts is a long distance,

but a mile between towns is short. Well, Bill, the time between these two terms of yours was short enough to preserve the gains you had achieved, but it was long enough to prove just how right you were about what works for Texas. Of course, there are those cynics who still say that on the day Bill Clements returned as Governor that the Texas National Guard switched back to plaid fatigues. [Laughter]

But we all know that in the middle years of the decade humor was in short supply in our State. And when you hit the comeback trail, houses could be had for payments, and tens of thousands of blue-collar providers just couldn't provide. Bill, Texas was in trouble, and Texas needed a leader, and Texas needed you.

Now, optimism has returned to the most optimistic State in the Union. Texas employment is up. Construction permits are up. Retail sales are up. Once again, Texas is a magnet for business and for research projects like the superconducting supercollider. The space industry is starting to take off, and the eyes of Texas are once again on the stars. All this adds up to jobs, prosperity, and a decent shot at happiness for countless families. So, the comeback of Bill Clements has meant nothing less than the comeback of Texas.

And these have also been comeback years for America. True, we still do face some extraordinarily difficult national problems. But tough national problems require nothing less than national solutions. And that's why I'm pleased to work so closely with Bill Clements and the other 49 chief executives in the States.

Bill and I share a similar approach on many issues, starting with crime fighting. Thanks to him, prison sentences in Texas are again measured in years, not meted out by the available square feet. And I believe we need this same disciplined, tough approach in Washington, starting with my administration's crime control legislation to toughen Federal sentences. And I believe Congress should help us now by putting the handcuffs on the criminals and not on the courts. And I'd like to see them get moving on this anticrime legislation.

And we share a similar approach, the Governor and I, to fighting drugs. Texas has tightened its probation, its parole system, so that ex-cons must now be drug free to be free. And the Texas Narcotics Control Program, I am told, has used a $12 million Federal investment to seize more than $350 million worth of drugs, and the Texas National Guard is on the alert for smugglers. And this is exactly the kind of tough-minded strategy that America needs and that I proposed and, again, that the Congress must pass.

And Bill and I also share a similar approach on education reform. At this Charlottesville summit that I'm sure you read about, the Governors joined me in an historic compact to give our schools all across the country greater flexibility in return for greater accountability. And I am pleased to note that this was exactly what Governor Clements is already doing: rewarding good schools through the Educational Excellence Program.

And finally, as a former Deputy Secretary of Defense, Bill shares my view that the best way to keep America and the West free is to keep the United States of America strong. Of course, we all look now with hope in our hearts at the amazing changes in Eastern Europe -- indeed, in the Soviet Union itself. We look at it with encouragement and with hope. Yet this country must not and cannot base its foreign policy or its national security aspirations on one man inside the Soviet Union or anywhere else.

I do look forward to meeting with President Gorbachev off the coast of Malta early in December. Because this is not a summit, we will leave the detailed arms controls proposals to the true summit to be held next year. But there will be plenty for us to talk about this year: regional issues, some global ones, including the environment. And I'll also make it clear to him that we want to see his reforms succeed. We all have a stake, and our kids and our grandchildren, in seeing his reforms succeed. And I will tell Mr. Gorbachev what his government can do to improve relations with the United States of America and with our allies.

We're living in exciting times. The rapidity of change is mind-boggling. And I will do my level-best to conduct an imaginative foreign policy. But I will be prudent. I must be that. I will do my best to move freedom forward.

One last point, and I think you will enjoy this. I just talked to Chancellor Kohl over at the hotel. He called me from Germany. He came back from Poland, as you know, to Germany, and now he's returning either tonight or tomorrow to Poland. And I talked to him, and he asked me to share with the American people his conviction, which he stated publicly in Berlin today, that this remarkable change that is taking place in Eastern Europe, most recently in the German Democratic Republic, could never have taken place without the steadfast, loyal support of the United States of America. And he asked me to tell the American people this, and he is absolutely right about it.

We've touched on several issues here -- many issues important to Texas and the Nation. But I must note that Texas is now at the threshold of a new era. In just a little more than 1 year, Texans will choose a new Governor. And when I consider the talented Republicans who are running to succeed Bill, I can't help but say that, with continued Republican leadership, Texas cannot lose. And I am proud to be on this platform with several of these very distinguished Texans who are in this race -- willing to roll up their sleeves, get into the public arena, and go to work to help our State.

As you would expect, a Texas Democratic friend of mine had his own ideas about the election. He offered me his prediction that the next Governor of this State would be that smart, silver-haired, feisty, outspoken Lone Star lady with a sharp sense of humor. And I said, no way, not possible -- Barbara is very happy in the White House. [Laughter]

But the election is a year away. Tonight, we're gathered here to honor this Governor who's still

at work -- still building a safer legacy of safer streets and better schools, of good government, decency and honor, greater opportunity.

Governor, Texas is a mythic place, a land of heroes. And their very names are the stuff of legend: Davy Crockett and Sam Houston and Stephen Austin. And I predict that when some future historian writes the history of modern Texas, there will be room for another hero, another great Texas leader, and his name will be Bill Clements. Thank you, Bill, for your service to our great State. And may I ask you to join me in a toast. To Bill and Rita, to you, and to Texas. And God bless our wonderful State, and God bless the United States of America. To the Clements! Thank you all. It's a great pleasure to be with you.

Note: The President spoke at 7:56 p.m. in the Crystal Room at the Grand Kempinski Hotel. In his remarks, he referred to Mrs. Rita Clements; Fred Meyer, Texas Republican Party chairman; Penny Butler, Texas Republican national committeewoman; Bob Dedman, chief executive officer of Club Corp. of America; and Jerry Jones, owner of the Dallas Cowboys football team.

Statement on Signing the Child Nutrition and WIC Reauthorization Act of 1989

November 10, 1989

As I sign into law H.R. 24, the ``Child Nutrition and WIC Reauthorization Act of 1989," I commend the Congress for including a provision in this bill that will provide help to thousands of needy pregnant women, infants, and children who are at nutritional risk.

As President, I seek to improve the health and well-being of our children. I am firmly committed to helping nutritionally deficient children obtain improved nourishment that will give them a better start in life. The WIC program is vital to this effort.

But as I explained in my Inaugural Address, we have more will than wallet. I called for us all to work together -- State and Federal governments and local communities -- to find ways to address national priorities. One of the changes made by H.R. 24 to the WIC program is an excellent example of how innovative ideas can overcome the constraints of our limited ``national wallet."

Over one-third of WIC food dollars are spent on infant formula. Unfortunately, formula prices have risen rapidly, putting additional pressure on already tight WIC budgets. A few years ago, several innovative States began looking for ways to reduce infant formula prices for WIC babies. Today, 28 States are running competitive bidding systems in which the infant formula company offering the lowest net price becomes the State's formula supplier. Most other States also have started infant formula cost-reduction initiatives. By utilizing the competitive forces of the market, these State laboratories of innovation were able to use savings of $300 million to increase WIC participation by 500,000 this year.

H.R. 24 will expand WIC participation even more. States buying infant formula through competitive bidding save more than States using other cost-cutting systems. By moving all States to competitive bidding systems, this bill will save an additional $40 million and allow 68,000 more needy pregnant women, infants, and children to participate in WIC.

In joining to support this improvement in WIC, the Administration and the Congress have created an opportunity to help the neediest segments of our population. We will implement competitive bidding as quickly and effectively as possible so that thousands of poor, nutritionally deficient women, infants, and children may receive the help they need. The Secretary of Agriculture will make speedy implementation of this initiative a top priority. The results of the many State competitive bidding experiments will also be evaluated for their value in increasing participation in the nationwide WIC system.

This is the kind of action we must pursue -- obtaining better value for each dollar of Federal

spending -- if we are to make progress on pressing national concerns.

George Bush

The White House,

November 10, 1989.

Note: H.R. 24, approved November 10, was assigned Public Law No. 101 - 147.

Remarks at the Dedication Ceremony for the Vietnam Veterans Memorial in Dallas, Texas

November 11, 1989

Thank you, Governor. Thank all of you, on this beautiful day. Governor Clements, thank you, sir. Mayor Strauss, Mayor Bolen, Brad Wright, Mr. Russell, Judge Burkett, and Art Ruff and Chaplain Adickes, members of the foundation, but especially my fellow veterans and Texans and fellow Americans, I am just delighted to be back here, and so is Barbara. It's a privilege to be with you and to officially dedicate a monument that is proud and patriotic and thus quintessentially Texan: the Texas Vietnam Veterans Memorial.

Four times in this century, the sons of America have crossed the oceans to fight for the freedom of others. Their blood has consecrated ground in places well-known and obscure, from Argonne to Bougainville, from Omaha Beach to Inchon, from Con Thien to the Mekong Delta. And because they gave the last full measure of devotion, our nation is at peace. And because of them, the peaceful ideals of America are now the ideals of the world.

Look to the very heart of Europe, to Berlin, and you will see a great truth shining brighter with each passing day: The quest for freedom is stronger than steel, more permanent than concrete. Victor Hugo said: ``Nothing can stop an idea whose time has come." Well, my fellow veterans, the idea is democracy. And around the world, the 1990's will be the decade of democracy.

Memorials like these are the very embodiment of our nation, expressing our deepest values and our character as a people, for we Americans navigate by such symbols. The St. Louis Arch, pointing toward the West; the Statue of Liberty, its silhouette a morning star of freedom; the Lincoln and Jefferson Memorials, whose majesty proclaims the principles of self-government -- each reflects what we are as a nation and as a people.

And so it is here today, for the Lone Star heroes of America's longest war. For this memorial moves us and inspires us, and its lessons live as oral history, passed from one generation to another. This memorial is not merely stone and masonry, as striking as they are; it's a tangible testament to America's love for the living, and for the dead.

Last year nearly half of the visitors to America's Vietnam memorials were boys and girls age 12 years and younger, and these children don't necessarily remember the Southeast Asia conflict. And when they wonder, what is this memorial all about? -- we owe them an answer, an answer whose honesty will be worthy of our veterans.

And they will ask, first: Who were these men and women, these Lone Star heroes of Vietnam? And we must tell them they were black and white, red and brown -- almost a quarter of the

names on this memorial are Hispanic -- native-born, foreign-born, the privileged and the poor. But most of all, they were Americans -- Americans from the barrios of San Antonio or the city streets of Houston, the vast expanse of west Texas; Americans who were young and probably often frightened, so very far from home.

And next, the kids will wonder: Well, what did they value, these brave young soldiers? And we must tell them they valued freedom, they valued human dignity, and they loved the U.S. And so, they overcame their fear, which after all is the very definition of courage. In a struggle which, like every war, showed man's inhumanity to man, they strove to prove man's fidelity to honor.

And then the kids will say: Why were these boys in Vietnam? And we will say, because to defend democracy and liberty is always a valiant cause -- in the fields of Flanders to the rugged cliffs of Normandy, whether scaling Korea's hillsides or trudging through those rice paddies of the Mekong.

And we will tell them further the story of the boat people, gallant men and women who fled the very brutality that we were fighting, and of that memorable day when those Vietnamese refugees -- alone and vulnerable in an overloaded, sinking boat -- were spotted by the aircraft carrier Midway. And as the carrier approached, many were crying and all were waving, calling out, ``Hello, American sailor! Hello, freedom man!'' So, when our children ask why were we in Vietnam, we must point to those boat people, regrettably some of them still fleeing, and say, for them -- for the liberty that can ensure for individuals, choice; for society, pluralism; and for nations, self-determination.

And finally, our children will ask: Well, how do we salute the men who fought for freedom? We salute them by never forgetting that true peace means the triumph of freedom -- not merely the absence of war, but the triumph of freedom. And we salute them through memorials like this and by thanking the volunteers who made it possible -- Vietnam vets, cities and towns, communities, foundations, organizations, and other contributors. And we honor them by giving all our vets the hope and opportunity that they have earned and by teaching our children what this memorial teaches us: about selflessness and sacrifice, qualities which know no generation.

Unlike other veterans, the brave boys who went to Vietnam had to endure two wars. The first was that one waged in the swamps and the jungles abroad, and the second was fought for respect and recognition at home. And with the passage of time, they have won the battle for the hearts of their countrymen -- and in my view, it's about time. The children who come here today and will come tomorrow evidence that victory. They must know about the courageous people whose names illuminate these tablets. The men who died would want our kids to have a future they never knew -- a future without war, without fear. Their sacrifice helped make that possible.

Abraham Lincoln termed that sacrifice ``the last full measure of devotion.'' And we must never forget it. For if the Texans we honor today could speak, they might say, ``Praise us as you will,

but above all, we want to be remembered." And today we do remember the Lone Star heroes of America's longest war, and through them, heroes throughout our history -- America's uniformed sons and daughters who took up arms and bore our burden for a cause larger than themselves.

And today we remember the more than 3 million Americans who served in Vietnam, among them, so many proud Texans. Men like Plano's Sam Johnson, a prisoner for 7 years in what they called the Hanoi Hilton -- tortured, but never defeated -- now a State legislator representing the people of his district here in our great State.

And also this morning, we remember America's wounded from the Vietnam conflict and the many brave Texans who paid a heavy price. They were proud of the United States; they make us proud today.

And then there's another: there are our missing or unaccounted for, and we remember them, too. For while they may be missing -- missing in action and from our lives -- they are not missing from our thoughts or our hearts. And so, that POW/MIA flag now flies at the Vietnam Veterans Memorial in Washington on Memorial Day, Veterans Day, and POW/MIA Recognition Day. And we will continue to see that every one of them is accounted for.

Finally, we remember the 58,175 Americans who gave their lives in Vietnam and the 3,427 brave men -- the third largest number of any State -- who came from over 600 Texas cities and small towns. Men like Ruben Jose Carbajal of El Paso, 21 when he was killed by a fragmentation device; Robert Larry Oaks from Lamesa, 20, killed by rifle fire. Both died exactly 20 years ago today. And, yes, think of these men and honor them. Recall how they served in Dak To and Khe Sanh.

Last month, I got a letter that I'd like to share with you. It was from Connie McWright, of Dallas, and in it she talked of her family -- four sons, a daughter -- and how she lost two of those boys on the battlefields of Vietnam. ``Ed and Dale," she wrote, ``died with the marines. They were both extremely proud to represent Texas. Ed asked that I send him a Texas flag." She said his buddies called him ``Big Tex."

And several moments ago, I met with her -- Mrs. McWright; her daughter, Connie; son, Wayne. And in her letter, she told me that each of her children had a dream: Wayne, to have an antique car; Ed, to be a ballplayer; Dale, to own a stable. Connie's dream, her mother said, had been to one day shake hands with the President of the United States. Well, Mrs. McWright and Connie, it is I who am honored to shake your hands. For it is you and millions of other mothers, fathers, daughters, and sons who embody the decency, service, and courage that makes this memorial a monument to everything that America is and can become.

And so, this is your memorial, Ed and Dale's memorial, the memorial which honors the spirit of the Alamo and San Jacinto and earlier heroes named Travis and Houston and Bowie. And now it

is my great privilege to officially open this tribute to the greatest sons and daughters any nation could ever have: the Texas Vietnam Veterans Memorial.

Fellow vets, I salute you. God bless you, and God bless the United States of America. Thank you all very much.

Note: The President spoke at 10:51 a.m. at the memorial. In his remarks, he referred to Mayors Annette Strauss of Dallas and Bob Bolen of Fort Worth; Brad Wright, master of ceremonies for the dedication; Paul T. Russell, Jr., and B.G. Burkett and Art Ruff, president and cochairmen of the Texas Vietnam Veterans Memorial Fund, respectively; and Rev. Donald K. Adickes, who dedicated the memorial. Following the ceremony, the President and Mrs. Bush traveled to Camp David, MD, for the weekend.

Statement on Alfredo Mustelier Nuevo's Hunger Strike and the Treatment of Cuban Political Prisoners

November 11, 1989

I view with grave concern the news that long-term Cuban political prisoner Alfredo Mustelier Nuevo has been on a hunger strike since completing 20 years in Castro's prisons on October 27. For the past week he has been refusing liquids as well, and his current health situation is extremely serious.

The revised Cuban penal code limits incarceration for all offenses to no more than 20 years, except when the death penalty may be imposed. In addition to Mustelier, two other political prisoners have languished in Cuban prisons for over 20 years: Ernesto Diaz Rodriguez and Mario Chanes de Armas. All three men are serving out these long prison sentences after trials which lacked any semblance of due process. These three men, who have bravely endured years of harsh prison conditions, are no threat to the Cuban Government.

I call upon the Cuban Government to release these men immediately, as well as to free all remaining political prisoners. I call upon the international community to raise its collective voice and press the Cuban Government to let these people go and to conform to accepted international standards regarding human rights. The intolerable present human rights situation in Cuba, where some 50 human rights activists have been arrested since the U.N. Human Rights Commission visited late last year, underscores the need for continued United Nations monitoring of Cuba's human rights practices.

Remarks on Signing the Executive Order Creating the President's Drug Advisory Council

November 13, 1989

Today I am signing an Executive order creating the President's Drug Advisory Council. I have asked 27 very prominent Americans to serve on this Council. They are all leaders in their various fields, experienced in antidrug efforts. And they reflect a cross-section of views, but all share my goal of ridding America of illegal drugs. The Council will advise Director [of National Drug Control Policy] Bill Bennett and me on ways to implement the National Drug Control Strategy in the private sector. This Council will recommend ways to involve all elements of the private sector in the war against drugs.

When I announced the first National Drug Control Strategy last September, I asked the question: Who's responsible? Everyone who uses drugs, everyone who sells drugs, and everyone who looks the other way. This Council is composed of people, leaders in each of their fields, who will not look the other way and who will help Director Bennett find ways to enlist the support and help of all Americans in this struggle. And, Bill, I want to work with this Council in every way possible.

I'm specifically asking the Council to make recommendations to the Director and me in the following areas: better ways to encourage employers to ensure that their workplaces are drug free; better ways to enlist the aid of many Americans who want to volunteer their time and energy to winning the war on drugs; better ways to communicate to all Americans, especially our young, the importance of staying off drugs; and better ways to coordinate the many existing private sector and nonprofit antidrug efforts; better ways to involve the private sector in the building of prisons and jails.

The scourge of illegal drugs upon the lives of many Americans is simply devastating, and with the help of this Advisory Council, I look forward to stopping this devastation and guiding our nation toward an intolerance of illegal drug use wherever it may be found.

I am delighted to be here. I thank all of you for your willingness to serve on this. I will sign this commission and then I will ask each of you, if you would, to come into the Oval Office, and we'll get pictures and then go out for our class portrait -- [laughter] -- out in the Rose Garden, if you have the time -- I hope so.

Note: The President spoke at 10 a.m. in the Roosevelt Room at the White House. The Executive order is listed in Appendix E at the end of this volume.

Appointment of the Chairman and Members of the President's Drug Advisory Council

November 13, 1989

The President today announced the formation of the President's Drug Advisory Council.

The Council will assist the President and the Director of National Drug Control Policy, William Bennett, in the development and promotion of our national drug policy. The Council will complement Director Bennett's public sector efforts by communicating with the American people, encouraging private sector involvement, establishing a national support group, and soliciting the views of the American people.

The President today announced his intention to appoint the following individuals as the Chairman and members of the President's Drug Advisory Council:

Chairman:

William Moss, of Texas. Mr. Moss is president and chairman of the board of William Moss Corp.

Members:

Alvin L. Brooks, of Missouri. Mr. Brooks is director of the Kansas City Human Relations Department and executive director and founder of the Ad Hoc Group Against Crime.

Patricia Ann Burch, of Maryland. Mrs. Burch is a founding member of the National Federation of Parents for Drug Free Youth and the National Partnership to Prevent Drug and Alcohol Abuse.

James E. Burke, of New Jersey. Mr. Burke is former chairman and chief executive officer of Johnson and Johnson and is chairman of its strategic planning committee.

Alvah H. Chapman, Jr., of Florida. Mr. Chapman is former chairman of the board of Knight-Ridder, Inc., and is director and chairman of its executive committee.

Adm. William J. Crowe, Jr., USN, Ret., of Virginia. Admiral Crowe is former Chairman of the Joint Chiefs of Staff.

Lee I. Dogoloff, of Maryland. Mr. Dogoloff is executive director of the American Council for Drug Education.

Robert A. Georgine, of Maryland. Mr. Georgine is president of the building and construction trades department at the American Federation of Labor and Congress of Industrial Organizations.

Elsie Hilliard Hillman, of Pennsylvania. Mrs. Hillman has an extensive background in community, civic, and volunteer involvement, and is the Republican national committeewoman for Pennsylvania.

Mary L. Jacobson, of Nebraska. Mrs. Jacobson is the cofounder of Parent Resources and Information on Drug Education, Omaha, NE.

Sterling Johnson, Jr., of New York. Mr. Johnson is special narcotics prosecutor of the Special Narcotics Courts, New York City.

Ewing Marion Kauffman, of Kansas. Mr. Kauffman is chairman of Marion Laboratories.

Thomas W. Landry, of Texas. Mr. Landry is the former coach of the Dallas Cowboys.

Burton J. Lee III, of Connecticut. Dr. Lee is Physician to the President.

Brenda Lee, of Ohio. Mrs. Lee is principal of Edison Elementary School, Dayton, OH.

Edward A. Malloy, of Indiana. Father Malloy is president of the University of Notre Dame.

William J. McCarthy, of Massachusetts. Mr. McCarthy is general president of the International Brotherhood of Teamsters.

Ruben B. Ortega, of Arizona. Mr. Ortega is the chief of police of Phoenix, AZ.

Richard D. Parsons, of New York. Mr. Parsons is president and chief executive officer of the Dime Savings Bank.

Sandi Patti, of Indiana. Ms. Patti is a nationally acclaimed gospel music singer.

Herman Paul Pressler III, of Texas. Judge Pressler is Justice of the Court of Appeals of Texas, 14th District, Houston, TX.

Jonas Salk, of California. Dr. Salk is founding director and distinguished professor in international health sciences at the Salk Institute.

Richard F. Schubert, of Virginia. Mr. Schubert is former president of the American Red Cross and a member of the boards of the National Assembly of National Voluntary Health and Social Welfare Organizations, Inc., and the National Commission Against Drunk Driving.

Roger B. Smith, of Michigan. Mr. Smith is chairman and chief executive officer of General Motors Corp.

William French Smith, of California. Mr. Smith is senior partner at Gibson, Dunn & Crutcher, and was Attorney General during the Reagan administration.

Frank J. Tasco, of New York. Mr. Tasco is chairman of Marsh & McLennan Co. and chairman of the board of the Phoenix House.

Robert C. Wright, of Connecticut. Mr. Wright is president and chief executive officer of National Broadcasting Co.

Remarks at the Opening Session of the Universal Postal Union Congress

November 13, 1989

Thank you, Tony Frank, our distinguished Postmaster General. Thank you all for that warm welcome. Thanks to the chairman of this Congress, Ed Horgan; and the dean, just introduced, Mr. Murthy; the director general, distinguished Mr. A.C. Botto de Barros. And also I want to single out -- but I don't see him up here -- our Ambassador to the United Nations, Tom Pickering, who I know is here someplace. But in any event, it is important he be here -- one of our top officials, and he has my full confidence. And I'm pleased to have been greeted by him outside. I also see some distinguished Members of the United States Congress. And to all of you members of this Congress, welcome to the United States.

It's a pleasure for me to address the Universal Postal Union because it brings to mind so many images from our own past, from our history. From the appointment of our first Postmaster General, Benjamin Franklin, to the trails blazed by the riders of the Pony Express, to the convenience of modern post offices, the story of the Postal Service is tied to the whole story of our country. And the mail itself reflects the American saga. In 1814 Dolley Madison wrote her sister to describe her escape from the burning White House. Alexander Hamilton sent a farewell letter to his wife before his duel with Aaron Burr. And Harry Truman wrote to folks back home about his first night as President of the United States. And I'm sure there are similar letters in the history of every single nation assembled here today.

But only once before in our history has the United States had the honor of hosting a Congress of the UPU: the fifth Congress, which took place in 1897 right here in Washington, DC. At that meeting, 106 delegates from 55 countries gathered in the Renwick Gallery, which stands on Pennsylvania Avenue right across from the White House.

The world has changed much since the last time your Congress met in Washington. The delegates to that fifth Congress had never heard of radio or television, much less computers, airplanes, space shuttles, or satellites, which now seem so commonplace. In 1897 the employees of the U.S. Post Office Department were still sorting out the mail by hand, much as their predecessors had sorted mail in 1775, when Benjamin Franklin was appointed. Today the United States Postal Service has made great strides in the use of automated equipment, some capable of sorting letters at speeds of up to 35,000 pieces an hour.

The postal systems of the world, too, have changed through the advances of technology. From Hammerfest, Norway, on the Arctic Ocean to Alice Springs, Australia, in the Outback, postal administrations have consistently adapted technology to their operations to ensure that the mail always gets through.

Stories abound of amazing deliveries through the mail system. In 1916 a 40,000-ton brick building was mailed across Utah, brick by brick, because it was cheaper than the freight charges. [Laughter] This year 120 live bees were mailed from Hawaii to Virginia. And they were en route when the airplane crashed. The bees survived, and they were delivered in a thick envelope with a note from the Sioux City, Iowa, postmaster explaining the delay. [Laughter] And then, of course, there was the man who once mailed himself from New York to Los Angeles on a $500 bet. However, after the 8-hour flight in a styrofoam crate, he decided to stay out of the mail in the future. [Laughter] While these stories may be out of the ordinary, Americans are proud of the extraordinary job being done by our United States Postal Service and its 800,000 employees.

But I'm also proud of the contribution that the United States has made, and continues to make, to the Universal Postal Union. The first attempt at organizing a worldwide postal union was, in large part, the inspiration of Montgomery Blair, the Postmaster General during the first administration of President Abraham Lincoln. At his invitation, delegates from 15 countries met in Paris in 1863 to propose regulations governing the international mails. Historians describe national postal systems in those days as total chaos: at least 1,200 separate postal rates worldwide. Nations were forced to maintain bilateral agreements with every country just for the exchange of the mail. Postmaster General Blair, along with many others, envisioned a universal system that would consider the entire world as one unified postal territory. Much wisdom, eloquence, and effort were devoted to the creation of the Universal Postal Union. The original foundation was not the work of any one man or any one nation but rather that of many men from many nations. The idea of universal collaboration, bold in design, daring in concept for its day, gained impetus from a world that recognized international obligations and increasing interdependence of all peoples.

Written letters conveyed through the mails, linking the peoples and the nations of this world, often convey many notable enterprises: the advancement of civilization, the expansion of commerce and trade, the promotion of industry and science, and the encouragement of peace and good will. In fact, I understand that here at your World Stamp Expo a new set of Soviet stamps will be issued, two of which portray American astronauts.

The need to communicate by mail across national frontiers, despite the march of time and the advent of telecommunication, has remained constant to this very day. The expansion of the world's postal systems, represented by the 170 nations of the UPU, staggers the imagination. For even our latest technology and instant delivery services cannot do what the postal system alone can do: get the mail through, anywhere on Earth, to any recipient, at a very small cost.

Every week, I receive up to 60,000 letters from every State in the Union and from nearly every country in the world. You can get a lot of free advice in this job. [Laughter] Letters arrive from children to our oldest citizens. In a world of faxes and fiber optics, the mails still represent the most intimate means by which the people of this nation and other nations reveal their thoughts, their hopes, and their dreams -- whether it's a young child, crayon in hand, writing a letter to

Santa Claus or a soldier waiting for a special letter from home.

``Letters mingle souls," John Donne, the poet, wrote. ``Letters mingle souls." So, look at it this way: Yours is a noble profession; for through your efforts, the written word stirs the imagination, improves the human condition, and touches the heart. So, I came over here today to say to you, good luck in your endeavors over the next 5 weeks of this Congress. God bless you all in your work. You are, indeed -- if you look at it this way, you can be, just as this magnificent symphony -- you can be catalysts for peace, too. Thank you all very, very much.

Note: The President spoke at 10:54 a.m. at the John F. Kennedy Center for the Performing Arts.

Nomination of Martin H. Gerry To Be an Assistant Secretary of Health and Human Services

November 13, 1989

The President today announced his intention to nominate Martin H. Gerry to be an Assistant Secretary of Health and Human Services for Planning and Evaluation. He would succeed Robert B. Helms.

Since 1978 Mr. Gerry has served as president of the Fund for Equal Access to Society, and since 1977 he has served as special counsel for the Wednesday Group of the House of Representatives. Prior to this, he served in various capacities at the Department of Health, Education, and Welfare, including Director of the Office for Civil Rights, 1975 - 1977; Assistant to Secretary Caspar Weinberger, 1973 - 1975; Assistant to Secretary Elliot Richardson, 1970 - 1973; and Executive Assistant to the Director of the Office for Civil Rights, 1969 - 1970. In addition, he served as an associate attorney for the law firm of Mudge, Rose, Guthrie and Alexander in New York City.

Mr. Gerry graduated from Stanford University (B.A., 1964) and Stanford Law School (J.D., 1967). He was born January 3, 1943, in San Francisco, CA. Mr. Gerry is married, has one child, and resides in Bethesda, MD.

Nomination of William Hughes Graves III To Be Director of the National Institute on Disability and Rehabilitation Research

November 13, 1989

The President today announced his intention to nominate William Hughes Graves III to be Director of the National Institute on Disability and Rehabilitation Research, Department of Education. He would succeed David B. Gray.

Since 1982 Dr. Graves has served as director of the Rehabilitation Research and Training Center on Blindness and Low Vision and as associate director of the Rehabilitation Counselor Education Program at Mississippi State University. Since 1968 he has served as a professor in the department of counselor education at Mississippi State University. In addition, he served as director of the Rehabilitation Counselor Education Program at Mississippi State University, 1969 - 1982, and as a rehabilitation counselor at the South Carolina Vocational Rehabilitation Commission, 1965 - 1967.

Dr. Graves graduated from Wake Forest University (B.A., 1964) and the University of Florida (M.R.C., 1965; Ed.D., 1968). He was born September 3, 1942, in Swinter, SC. Dr. Graves was awarded the Distinguished Career Service Award in 1988. He is married, has one child, and resides in Stockville, MS.

Nomination of H. Douglas Barclay To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

November 13, 1989

The President today announced his intention to nominate H. Douglas Barclay to be a member of the Board of Directors for the Overseas Private Investment Corporation, U.S. International Development Cooperation Agency, for the term expiring December 17, 1991. He would succeed Thomas A. Bolan.

Since 1961 Mr. Barclay has served as a partner and associate in the law firm of Hiscock and Barclay in Syracuse, NY. Mr. Barclay graduated from Yale College (B.A., 1955) and Syracuse University College of Law (J.D., 1961). He was born July 5, 1932, in New York, NY. Mr. Barclay was commissioned as a second lieutenant in the Artillery in the U.S. Army Reserve in 1955. He is married, has five children, and resides in Pulaski, NY.

Remarks on Presenting the Presidential Medal of Freedom to Lech Walesa and the Presidential Citizen's Medal to Lane Kirkland

November 13, 1989

The President. Just before Christmas 1981, a darkness descended across Poland for the third time this century. What had begun as a year of hope and freedom ended in violence and repression. In snow-filled crossroads and town squares across Poland, iron tanks rumbled to a stop. Lech Walesa made the sign of the cross on the foreheads of his sleeping children and was taken away into the night. Solidarity, a movement embracing the Polish Nation, was outlawed. Communications with the outside world were cut. And Poland awoke to snow and steel and silence, an entire nation imprisoned.

But you can't lock up a dream. One by one, candles lit the windows of Poland's farmhouses and tenements, silent beacons of liberty still burning in the hearts of a brave and ancient people. And that Christmas Eve, not far from where we stand, a candle burned all night in the White House, like others all across America, glowing with solidarity with the Polish people.

When spring came, a time of renewal and rebirth, Lech Walesa's fate was still unknown. And as colleges and universities approached graduation, one by one, again and again, the same two names were heard. Lech Walesa and Solidarity. Of course, Lech Walesa could not come to accept those honorary degrees. And so, in crowded assembly halls and packed arenas across America, where every precious space was filled with proud and loving families, stage after stage held a single, unfilled place -- an empty chair, bearing only the Solidarity banner -- awaiting the release of Lech Walesa, the liberation of the Polish people.

We saw empty chairs in Maine and Pennsylvania, Rhode Island and Illinois. And at Notre Dame, the crowd stood for 3 minutes in cheering tribute to the empty chair and the man who wasn't there. At Holy Cross, Lane Kirkland accepted the award on Lech Walesa's behalf. And back in Poland, in a humble wooden church on the outskirts of Gdansk, an empty chair was placed near the altar for the baptism of tiny Maria Victoria, Lech's seventh child, a little girl he'd never seen.

For 8 years, these empty chairs and the American people have waited for you to come. We waited because we believe in freedom. We waited because we believe in Poland. And we waited because we believe in you. And today the waiting is over. Lech Walesa, man of freedom, is at the White House. We think of it as the house of freedom. Lech Walesa, on behalf of the people of the United States, I am proud to say to you: Take your place in this house of freedom. Take your place in the empty chair. Now you can have a seat.

In just a few days, you will be the second private citizen from abroad -- second in our history -- to ever address a joint meeting of Congress, after the Marquis de Lafayette in 1824. And like him, you helped win an historic struggle. And like him, you represent not only a people but also an idea -- an idea whose time has come. And nothing can stop an idea whose time has come. That idea is freedom. The time is now.

You were called a nobody, but Lenin and Stalin have been disproved not by Presidents or princes but by the likes of an electrician from Gdansk and his fellow workers in a brave union called Solidarity. The Iron Curtain is fast becoming a rusted, abandoned relic, symbolizing a lost era, a failed ideology. And the change is everywhere -- Poland, Hungary, Czechoslovakia. And ladies and gentlemen, the week that brought Lech Walesa to America is the week that the headlines proclaimed, ``And the Wall Comes Tumbling Down."

So, what is happening in Berlin and on our television screens is astounding. World War II, fought for freedom, ironically left the world divided between the free and the unfree; and most of us alive today were born into that sundered world. And now almost 50 years have passed, and some have wondered all these years why we stayed in Berlin. And let me tell you! We stayed because we knew, we just knew -- all Americans -- that this day would come. And now a century that was born in war and revolution may bequeath a legacy of peace unthinkable only a few years ago.

The story of our times is the story of brave men and women who seized a moment, who took a stand. Lech Walesa showed how one individual could inspire others -- in them a faith so powerful that it vindicated itself -- changed the course of a nation. History may make men, but Lech Walesa has made history. And I believe history continues to be made every day by small daily acts of courage, by people who strive to make a difference. Such people, says Lech, ``are everywhere, in every factory, steel mill, mine, and shipyard -- everywhere." And we've certainly seen them in the American labor movement, where from the leadership of Lane Kirkland to the rank and file across the country, they have struggled in the vanguard of the free labor movement around the world.

Our own humble electrician, Ben Franklin, declared that ``Our cause is the cause of all mankind, for we are fighting for their liberty in defending our own." And like Franklin, who seized lightning from the skies and brought it to Earth, Lech Walesa seized an idea, a powerful idea, and with it electrified the world. The idea is freedom. And the time is now.

Country by country, people by people, year by year, courageous new voices are raised in a hundred languages -- Spanish, German, Chinese, Russian. And yet from these varied lips comes a word all can understand: freedom. And with one voice, the people of the world have spoken: freedom. In America, it's our greatest natural resource, the secret of our success. And freedom will bring success to Poland, too. American aid has begun, and more is coming. From Washington to Warsaw, Kansas City to Krakow, from Green Bay to Gdansk, Americans are

linked in spirit with the Polish people in their brave struggle for opportunity, prosperity, and freedom.

Lech Walesa, by your abiding faith and by the miracle of democracy's new birth in your homeland, you have come to personify the new breeze that is sweeping the world, East and West -- the spiritual godfather of a new generation of democracy. And even while Solidarity was banned, your example and the example of the Polish people was mirrored across Asia when ``People Power'' became a chant, first in the Philippines and then in Pakistan and South Korea and, yes, even in Tiananmen Square. The whole world is watching, and the whole world is with you.

Thank you, Poland, for showing us that the dream is alive. And thank you, Poland, for showing us that a dream wrought by flesh and blood cannot be stilled by walls of steel. Thank you, Poland, and thank you, Lech Walesa.

And now, it is with great pride that I bestow the medal, previously awarded to the likes of Martin Luther King and President John F. Kennedy, Anwar Sadat, Mother Teresa. It is our nation's highest civilian honor. So, Mr. Walesa, if you'll come over here, let me read the citation:

To Lech Walesa, of Gdansk, Poland, the Presidential Medal of Freedom. Lech Walesa has shown through his life and work the power of one individual's ideals when combined with the irresistible force of freedom. Through moral authority, force of personality, and demonstrated heroism, he has inspired a nation and the world in the cause of liberty. The United States honors a true man of his times and of timeless ideals: Lech Walesa, distinguished son of Poland, champion of universal human rights.

Mr. Walesa. Mr. President, ladies and gentlemen, I'm deeply moved and gratified that I'm here, in the Capital of the United States of America and the White House, greeted so warmly by President George Bush in the company of American-Polish friends.

One of the greatest dreams of my life has thus been fulfilled. I'm full of admiration for your country not because it's a big power and not because it's rich, even though one could envy that. I admire America as a country of freedom -- freedom of man and freedom of a nation. You took that freedom yourself. Nobody gave it to you as a present. You built it through your hard work, step by step. You created wonderful democratic institutions, which are an example for many other countries. But most, before others, you created human attachments to freedom.

America is a free country because American workers and farmers are and want to be free -- technicians and engineers, bankers and industrialists. America is rich with its freedom. It shares it with the immigrants. Some are looking for freedom from misery, and others are looking for freedom from persecutions. That is why I so highly cherish the Presidential Medal of Freedom. Poles know the price of freedom as very few nations of the world. They know how to fight for

freedom. They know how to defend freedom. Now my country has entered the road of freedom. It's rebuilding its independence and democracy. It's restoring sense to labor and economy. I'm sure that we will not get away from that road.

Mr. President, for yours and our freedom, for the American Nation, for the freedom of all nations of the world, thank you very much for this wonderful, wonderful distinction.

The President. Please be seated. Before we conclude, there is one more person with us today whose dedication to Solidarity and to free trade unions I feel we must recognize. You all know how crucial has been the work of the AFL - CIO in helping Solidarnosc through difficult times and in promoting free trade unions and democracy around the world. So, Lane Kirkland, would you please come up here, sir. For over a decade, under your leadership, you and the union have been pathbreakers for freedom, continuing the support for free trade unions around the world. And in Eastern Europe, your support was crucial. And you were there -- you, personally, were there -- in the hour of greatest need, helping to keep alive the dream of democracy in Poland.

And so, Lane, on behalf of a grateful nation, I want to present you with the Presidential Citizen's Medal. And the citation reads:

As President of the AFL - CIO, Joseph Lane Kirkland has worked tirelessly and effectively in support of Solidarity, free trade unions, and democratic principles. America honors him for this dedication, which has helped spread the lamp of liberty in Eastern Europe and across the globe.

Congratulations!

Mr. Kirkland. Mr. President, you must like surprises because I was extraordinarily surprised by your very generous act in enabling me to share an honor with the man who towers in the world today for his achievements: Lech Walesa.

I can only say that it's what I think I try my best to stand for today that merits any such recognition. And what I do stand for -- the instrument and the principle of free trade unionism -- is today a lever that can move the world. And to serve that is a privilege for any person. Thank you again, Mr. President.

Note: The President spoke at 6:07 p.m. in the East Room of the White House. Mr. Walesa spoke in Polish, and his remarks were translated by an interpreter.

Informal Exchange With Reporters

November 14, 1989

Eastern-Bloc Reforms

Q. Mr. President, do you have any reaction to Czechoslovakia's decision to ease travel restrictions?

The President. Well, I'm very pleased about the move in Czechoslovakia. Several months ago we called for a Europe whole and free, and as I survey the changes taking place, it seems to be moving towards a Europe whole and free. So, I would welcome this as a very encouraging first step.

The people of Czechoslovakia have the same aspirations for freedom that others have; and I would expect we'd see further changes there, just as we have seen in Poland, Hungary, and in the German Democratic Republic. So, it's a very good and encouraging step. And this is further manifestation that Europe someday will be whole and free. Gorbachev talks about a common home. We talk about a Europe whole and free. And it's a most exciting time.

Q. The Wall Street Journal reported this morning that some members of the administration feel it's moving too fast. Do you think so, sir?

The President. No, I don't think it's moving too fast, and I don't know of anybody in my administration that feels that it's moving too fast.

NATO Allies

Q. Do you intend to go to Brussels, sir, after the Malta summit?

The President. Go where?

Q. To Brussels, to brief the allies?

The President. We're thinking right now how we might stay in touch with our allies. That is very, very important. And not only we'll be doing this after the summit but, as I think I've told some of you, I have already talked to some and will be talking to more before the summit.

May I say, while the cameras are still here, what a pleasure it is to have Tunisia's President with us today. The man has great respect here in this country, and I'm just delighted that he's with us.

Note: The exchange began at 11:06 a.m. in the Oval Office at the White House, following a meeting with President Zine El Abidine Ben Ali of Tunisia.

Remarks on Signing the American Education Week Proclamation

November 14, 1989

Thank you all very much. Before celebrating American Education Week, I was out celebrating a physical fitness day, so if I'm dripping from -- [laughter] -- I apologize, but I just ran my miles.

But first of all, I just want to thank all of you, and it's good to be back among so many leaders, from our own Department of Education to the American Legion to the ten professional education associations that have sponsored this American Education Week -- sponsored it for so long and with such dedication. Let me also thank and welcome the representatives of the many leading educational organizations out here in the audience today. And finally, I want to thank the students among us for unveiling this beautiful statue, this remarkable statue -- an inspiration for us -- and say to them, particularly, welcome to the White House!

As educators, I'm sure you'll appreciate the story about the scholar who was grading an exam shortly before Christmas when he came across this note from a student: ``God only knows the answer to this question. Merry Christmas." And the scholar returned the paper with this annotation: ``God gets an A; you get an F. Happy New Year." [Laughter]

Well, we are here today not to flunk our system but to earn a higher grade. As a nation, we proclaim that America is serious about lifting the hopes and the dreams of young Americans, serious about education and the future. And this concern with education is to be found wherever men and women seek to extend human liberty. Just yesterday -- that's why I'm wearing my Solidarnosc bracelet here -- I met with Lech Walesa and once again was deeply impressed by the changes that are underway in Poland and the fervent commitment of the Polish people to make that change permanent through education.

For Americans, this vital connection between education and a strong, free nation is symbolized by the Flag of Learning and Liberty. It was this same flag that Christa McAuliffe took with her on the Challenger. She appreciated this symbol, as only a teacher could. And now, recovered by NASA, it is being taken to every State in the Union.

Concern for education and democracy brought me together with the Nation's Governors in that recent summit there in Charlottesville, Virginia -- only the third summit of chief executives in our country's 200 years as a nation. As we worked together in Charlottesville, the handiwork of our first education President, Thomas Jefferson, was all about us. And it was Jefferson, after all, who forever linked American democracy with universal public education. He put the matter in a letter in 1816 with these words: ``If a nation expects to be ignorant and free, in a state of civilization, it expects what never was and never will be."

So, if there was a sense of urgency to this summit of ours, it was because, like Thomas Jefferson and then Christa McAuliffe, all the participants understood that the future of American education really is the future of America itself. That's why we worked at the summit to reach an historic agreement -- a compact, a Jeffersonian compact -- to protect our democracy by bettering our schools. Perhaps no one expressed our aspirations in a better way than a group of teachers in North Carolina who hung a little sign on the outside of their classrooms that read: ``Quiet, please. Teachers at work. Future under construction."

It is to construct a better future that we agreed to define national goals in education. We agreed to loosen rules that restrict the creativity of States and schools. And then we agreed that everyone should be accountable for the results. It is in the spirit of this compact that I'm going to sign this document today. And some may ask: What difference, what possible difference, can a proclamation make? And it makes no difference whatsoever, if we're satisfied with a simple declaration; but I'm not, and certainly none of you are. So, we are not satisfied.

Secretary Cavazos is making a difference today, conducting a regional strategy meeting to determine how to best reform our schools with the principle of choice. And parents need the power to choose their children's schools. And schools need the power to choose knowledgeable members of the community through alternative certification of teachers.

The men and women here today are also using American Education Week to make a difference, to shine a spotlight on the millions of dedicated teachers, concerned parents, and active volunteers. And during this week, November 12th to the 18th, Americans will work together on school boards, in adult learning centers, in raising funds for higher education, and in countless other ways.

So, this will be a week of board meetings and open houses and of special projects, plays -- a week to reflect, to plan, and then to act. And to kick off American Education Week, Barbara is -- the Silver Fox, we call her -- is hosting a special show on the Disney Channel, introducing 31 outstanding teachers from around the country. So, just imagine that, the channel that features Mickey and Minnie now has a ``Silver Fox." [Laughter]

But what this week comes down to is not just a Federal effort, not just a State effort, not just a local effort. American Education Week is a national effort, and one that calls on every one of us to pitch in and to make a difference. And this really is, then, the true spirit of American education and democracy; and this is the fondest dream of the greatest American dreamers, from Thomas Jefferson to Christa McAuliffe. And this is what American Education Week, then, is all about.

And so, I really wanted to come over here and to thank you for all that you do. May God bless your work and you. And now it will be my pleasure to sign this proclamation designating American Education Week. Thank you very much.

Note: The President spoke at 1:38 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to a bronze statue depicting the Flag of Learning and Liberty. The proclamation is listed in Appendix E at the end of this volume.

Remarks to the Organization of American States

November 14, 1989

Thank you, Mr. Secretary and distinguished Members of the U.S. Congress. I really wanted to come over here to salute your work and to suggest that, after these few brief remarks for those Ambassadors and Foreign Ministers here, I'd love to be able to just shake hands individually. And maybe we could impose on you to suggest we file through out there and have a quick picture and a handshake, if you're agreeable. But I want to add my voice of welcome to that of the Secretary and of Larry Eagleburger and everybody else here. Welcome to Washington, to those who have come in for the meetings.

I am pleased, also, to see many faces that were in San Jose last month -- a meeting that I thoroughly enjoyed, and I know Jim Baker did, too. I wanted to emphasize here the importance that we place on multilateral diplomacy, particularly in this hemisphere. I have tried very hard, and I will continue to try, to reach out to the various Presidents of the democracies here in this hemisphere and to establish the proper respectful lines of communication. And I can tell you that -- I don't know how your Presidents feel, but I have learned a great deal from the consultations that I've had, and I am going to continue that practice. And we will not neglect the neighbors to our south.

I will say this, that the OAS seems to be a very special organization. I think Canada's addition, as I said down there, is a very healthy thing for the Organization. We have so much in common, and we have special relationships. And if we properly exercise the OAS, those relationships will not be taken for granted.

I hope that at this session the OAS will demonstrate to the hemisphere and, indeed, to the entire world that it does indeed have a capacity to deal effectively with the problems its members face in our common objective: the promotion of democracy. And I believe that Latin America and the Caribbean are reaching out to the U.S., as I hope we are to you, in a new partnership: a partnership based on, as I said earlier, mutual respect and, I would add now, mutual responsibility. We've stopped pointing fingers of blame at each other, and instead, we're trying to cooperate and to defend and advance democracy and development. We've got to join together to combat these narco traffickers, and I think we're moving in the right direction there. And obviously, we're all committed to building a lasting peace.

And I must say that I want to tell you how upset I am that, in a time when we're all trying to build peace in Central America through diplomatic means, the FMLN in Salvador, aided and abetted by Nicaragua and the Cuban Government, regretfully has reverted to senseless bloodshed and gross violation of all the agreements reached to promote peace in Central America.

And for those who were in that meeting in Costa Rica, you will know that there was an embarrassing moment when President Cristiani [of El Salvador] turned to Comandante Ortega and said, ``Stop sending these military weapons across in contravention of our agreements.'' It was a dramatic moment, and the President was absolutely right in his insistence that that stop. And so, we support President Cristiani. After all, he did go through what many of us have gone through, many of us in this room: certifiably free elections. He's made a determined and politically courageous effort to talk to the FMLN; and I just think that, if we're democrats here, we ought to be supporting the concept of stopping the weapons going in there -- senseless violence today in a country that I'm convinced wants peace.

I'm committed to working, as the Secretary is, with all the nations in the hemisphere in building this new relationship, this new partnership, if you will. That is why, in the first place, I went to San Jose. And that's why I wanted to take this time to come over and just give you that assurance, or in some cases, reassurance. I want to tell you, as I told the Presidents there in San Jose, that I am delighted with the new moves towards democracy in Eastern Europe. We're all caught up in this; I'm sure the people in every country here are caught up in this fantastic change that's taking place. But despite the excitement about those developments, we are not going -- and I'm speaking for the United States -- we are not going to neglect this hemisphere. And I want to continue to make that point to the leaders of these various countries: We are building the world's first democratic hemisphere. We're close to achievement there -- the help of so many here on the cutting edge that have done your parts in this.

And so, I just want you to know, as we work with the problems of Eastern Europe and as I go to meet with Mr. Gorbachev in Malta not so many weeks from now, there will be nothing in all of that that will adversely impact on the democracies in this hemisphere. Indeed, I hope maybe we can have some action from him that will help the democracies in this hemisphere. So, this will be very much on my mind. And I simply do not want any of the Presidents in the countries you represent to think that because we're paying a lot of attention to the change that's taking place there, trying to figure out how we can facilitate the change, that that means a lack of interest in the Western Hemisphere.

Thank you all very much for being here. Good luck in your meetings. And for those who do have a minute, I'd love to have you step outside through this magnificent room and say hello. Thanks a lot.

Note: The President spoke at 2:45 p.m. in the Thomas Jefferson Room at the State Department. He was introduced by Secretary of State James A. Baker III. In his remarks, the President referred to Deputy Secretary of State Lawrence S. Eagleburger.

Nomination of La Verne G. Ausman To Be Administrator of the Farmers Home Administration

November 14, 1989

The President today announced his intention to nominate La Verne G. Ausman to be Administrator of the Farmers Home Administration, Department of Agriculture. He would succeed Vance L. Clark.

Since 1989 Mr. Ausman has served as a consultant with the Farmers Home Administration in Washington, DC. Prior to this, he served as Deputy Under Secretary for Small Community and Rural Development at the Department of Agriculture, 1987 - 1989; Director of Intergovernmental Affairs in the Office of Government and Public Affairs at the Department of Agriculture, 1986 - 1987; secretary of the Wisconsin Department of Agriculture for trade and consumer protection, 1981 - 1986; agricultural policy adviser and home office director for Representative Steve Gunderson, 1981; labor and industry review commissioner for the State of Wisconsin, 1979 - 1981; and State representative for the 69th assembly district in Wisconsin, 1974 - 1977. In addition he had been a farmer in Elk Mound, WI, since 1963; State director of the Wisconsin Farm Bureau Federation; and director of Tri-State Breeders Cooperative, 1961 - 1969.

Mr. Ausman attended the University of Wisconsin. He was born February 18, 1930, in Eau Claire, WI. Mr. Ausman is married, has two children, and resides in Oakton, VA.

Message to the Congress Reporting on the National Emergency With Respect to Iran

November 14, 1989

To the Congress of the United States:

I hereby report to the Congress on developments since the last report of May 23, 1989, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9. This report covers events through September 6, 1989, including those that occurred since the last report under Executive Order No. 12170, dated May 23, 1989. That report covered events through March 28, 1989.

1. Since the last report, there have been no amendments to the Iranian Assets Control Regulations, 31 C.F.R. Part 535 (the ``IACR''), or the Iranian Transactions Regulations, 31 C.F.R. Part 560 (the ``ITR''), administered by the Office of Foreign Assets Control (``FAC''). The major focus of licensing activity under the ITR remains the importation of certain non-fungible Iranian-origin goods, principally carpets, which were located outside Iran before the embargo was imposed, and where no payment or benefit accrued to Iran after the effective date of the embargo. Since March 28, 1989, FAC has made 151 licensing determinations under the ITR.

During the reporting period, the Customs Service has effected numerous detentions and seizures of Iranian-origin merchandise, primarily carpets, caviar, and pistachios, for violations of the Iranian Transactions Regulations. FAC and Customs Service investigations of these violations have resulted in forfeiture actions and imposition of civil monetary penalties amounting to more than $2.6 million. Numerous additional forfeiture and civil penalties actions are under review.

In the case of United States v. Benham Tahriri, the defendant (who is also subject to forfeiture and civil penalty actions) was sentenced to 90 days in a halfway house and 2 years' probation. Criminal proceedings in eleven (11) additional cases involving several individuals and corporate entities are pending in various jurisdictions. One arrest warrant is outstanding. Indictments have been issued in the case of United States v. Ahmad Elyasian, which is now pending in the United States District Court for the Western District of North Carolina.

Finally, FAC has issued a Directive License to the Federal Reserve Bank of New York (``FRBNY'') authorizing disbursement to the Iran-United States Claims Tribunal by FRBNY of $316,361.17, plus accrued interest. This amount represents an award granted by the Tribunal in

December 1987 in favor of a U.S. national. An FAC investigation revealed the award had been obtained by fraudulent means. The return of this award to the Tribunal demonstrates to Iran the commitment of the United States to the continued viability of the Tribunal as a legal forum for the resolution of claims arising from the Iranian hostage crisis.

2. The Iran-United States Claims Tribunal (the ``Tribunal''), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. In the period since the last report through September 6, 1989, the Tribunal has rendered 20 awards, for a total of 438 awards. Of that total, 321 have been awards in favor of American claimants: 197 of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 124 were decisions adjudicated on the merits. The Tribunal has dismissed a total of 26 other claims on the merits and 59 for jurisdictional reasons. Of the 32 remaining awards, two were withdrawn, and 30 were in favor of Iranian claimants. As of September 6, 1989, awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at $1,282,257,009.20.

As of September 6, 1989, the Security Account has fallen below the required balance of $500 million 30 times. Iran has replenished the account 29 times, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. Iran has also replenished the account once when it was not required by the Accords, for a total of 30 replenishments. The total amount in the Security Account as of September 6, 1989, was $496,118,287.84. The amount in the interest account as of September 6, 1989, was $112,138,515.00. The aggregate amount that has been transferred from the interest account to the Security Account is $667,998,999.39.

On July 7, 1989, Mohammad K. Eshragh resigned from his position as Iranian agent to the Tribunal. He had served as the Iranian agent since the Tribunal's inception. He was replaced by Ali Heyrani-Nobari, who had been serving as Iran's deputy agent.

3. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for $250,000 or more. Over 70 percent of the nonbank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 153 such claims on the docket. The largest of the large claims, the progress of which has been slowed by their complexity, are finally being decided, sometimes with sizable damage awards to the U.S. claimant. Since the last report, 16 large claims have been decided. One U.S. company received a judgment of $110 million.

4. The Tribunal continues to process claims of U.S. nationals against Iran of less than $250,000 each. As of September 6, 1989, a total of 394 small claims have been resolved, 32 of them since the last report, as a result of decisions on the merits, awards on agreed terms, or Tribunal orders. Four contested claims have been decided since the last report, raising the total of contested claims decided to 28, 17 of which favored the American claimant. These decisions will help in

establishing guidelines for the adjudication or settlement of similar claims. To date, American claimants have also received 56 awards on agreed terms reflecting settlements of claims under $250,000.

The Tribunal's current small claims docket includes approximately 160 active cases. It is anticipated that the Tribunal will issue new scheduling orders later this fall to bring its active docket to approximately 225 active cases.

5. In coordination with concerned Government agencies, the Department of State continues to present U.S. Government claims against Iran, as well as responses by the U.S. Government to claims brought against it by Iran. Since my last report, the Department has filed pleadings in ten government-to-government claims. The Department defended a claim brought by an Iranian individual against the United States in a hearing before the Tribunal. In addition, two claims have been settled.

6. Between March 28, 1989, and October 17, 1989, seven bank syndicates have completed negotiations with Bank Markazi Jomhouri Islami Iran (``Bank Markazi," Iran's central bank) and have been paid a total of $2,016,007.17 for interest accruing for the period January 1 - 18, 1981 (``January Interest"). These payments were made from Dollar Account No. 1 at the Federal Reserve Bank of New York (``FRBNY"). Moreover, under the April 13, 1988, agreement between the FRBNY and Bank Markazi, the FRBNY returned $2,961,225.28 of Iranian funds to Bank Markazi. That transfer represents the excess of amounts reserved in Dollar Account No. 1 to pay off each bank syndicate with a claim for January Interest against Bank Markazi.

7. Since the last report, there have been no amendments to the Iranian Assets Control Regulations, 31 C.F.R. Part 535, administered by the Office of Foreign Assets Control. There have been no amendments to the Iranian Transactions Regulations, 31 C.F.R. Part 560, since their publication on November 17, 1988.

8. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States properly to implement the Algiers Accords. Similarly, the Iranian Transactions Regulations issued pursuant to Executive Order No. 12613 continue to advance important objectives in combatting international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

George Bush

The White House,

November 14, 1989.

Statement by Press Secretary Fitzwater on the Presidential Election Monitoring Commission on Nicaragua

November 14, 1989

The President today appointed congressional members of the Presidential Election Monitoring Commission on Nicaragua. The members include:

Senator Richard Lugar (R - IN), Cochairman

Representative Anthony Beilenson (D - CA), Cochairman

Senator David Boren (D - OK)

Senator Dave Durenberger (R - MN)

Senator Nancy Kassebaum (R - KS)

Senator Patrick Leahy (D - VT)

Senator Connie Mack (R - FL)

Senator John McCain (R - AZ)

Senator Claiborne Pell (D - RI)

Senator Harry Reid (D - NV)

Senator Terry Sanford (D - NC)

Representative David Bonior (D - MI)

Representative William Broomfield (R - MI)

Representative Rod Chandler (R - WA)

Representative Mickey Edwards (R - OK)

Representative Henry Hyde (R - IL)

Representative G.V. Montgomery (D - MS)

Representative John Murtha (D - PA)

Representative Jim Slattery (D - KS)

Representative Tom Tauke (R - IA)

As set forth in the bipartisan accord on Central America, Republicans and Democrats share an interest in seeing a free and fair electoral process in Nicaragua to bring freedom and peace to that troubled country. The members of the Commission will travel to Nicaragua from now through the February election to monitor closely the degree to which the Nicaraguan Government is keeping its commitment to hold a free and fair election. The President expressed his hope that this Commission, as well as all other election-observer groups, will be welcomed by the Nicaraguan Government and receive its full cooperation.

Remarks at the Presentation Ceremony for the Environmental Youth Awards

November 15, 1989

I told Administrator Reilly he looked a little lonely standing up here with all these about-to-be-filled places. But I am very pleased to be here. And let me, at the outset of these remarks, while we're talking about the Environmental Youth Awards, say how proud I am to have Bill Reilly, an outstanding environmentalist, heading this big agency, the EPA, and being at my side as we try to move forward -- legislatively and every other way -- our concerns and your concerns about the environment. We're lucky to have a man of his stature doing what he's doing.

Speaking of environmentalists, I don't want to embarrass Gil Grosvenor, but there he is -- head of the National Geographic Society. And I think of what they do, every single issue, in one way or another, and in many other ways as well, to help in this crusade.

It's a pleasure to be about to meet so many young people who are deeply involved in protecting our environment. I am told that you come from as far away as Alaska, from every corner of this beautiful country of ours. And I want to thank you for what you've done and welcome you warmly to the White House.

Some people might ask: What can young people do to protect our environment? Well, we had five kids, and there were times when I thought that the kids could make a major improvement in the environment just by cleaning up their rooms -- [laughter] -- but I realize now we have broader responsibilities. And anyone who has seen all of you at work knows just how much kids can do to protect and preserve this world that we live in.

And I've heard about your projects. I've been briefed on those, everything from recycling to conservation to some very sophisticated environmental research -- impressive, all of them, but what impresses me the most is how many times you took an idea that began in the classroom out into the community. And every one of your projects is making your communities a little cleaner, a little more pleasant, a little more aware of how much the environment matters. And that's a credit to each of you and to your schools and your teachers and your parents, who gave you the necessary encouragement and support.

But your work has an impact even beyond your own communities. Your projects teach other kids that no one's ever too young to care about the environment. And they tell us something else, too: that if kids can be environmentally aware, maybe a few more adults will join in. The fact is that everyone can be an environmentalist -- every one of us has got to be. What we're seeing today, not just here but, as Bill knows so well, all around the world, is a new sense of urgency about the environment, about the state of our world; greater awareness that pollution and the

destruction of our environment hurt all of us, that every one of us has a common interest in the fate and the future of this planet, and that it's simply not acceptable to continue to do environmental damage today and leave the cleanup for you and your children to worry about later on.

All of your projects are special, but I hope I don't offend anybody -- I hope the rest of you won't mind if I mention two projects, the ones done by our youngest environmentalists. There's last year's 4th grade class here from St. Joseph, Missouri -- I see them smiling away here -- [laughter] -- that decided to adopt a polluted river, adopt the river in their community, and clean it up. For 1 full year, you picked up the litter, tested the water, stocked the river with all kinds of wildlife, and you planted willow trees along the bank, I'm told, to protect against the erosion. I can tell you that, years from now, when you sit on the bank beneath those willows -- maybe with some of your children, some of your grandchildren -- watching that river roll along, you're going to get a very special feeling, then, for what you've done today.

There's another group here today -- Marquette, Michigan -- where are they? Right over here, scattered -- all right, I see you guys -- who collected enough money to save an 80-acre stand of white pine trees from being cut down. And you knew how many trees there were and how much it would cost to buy the land, so you did a little math and came up with a slogan: Save a Pine Tree for $155.28. [Laughter]

I've tried to make a habit myself, in various events, of planting trees to call attention to the need to care for the future of this planet. Planting a tree is not an act that we do just for ourselves but for future generations, including future 4th graders from Marquette, Michigan, and elsewhere who haven't even been born yet. Well, the people in your community who heard your slogan thought that saving those trees was worth every penny.

What's true about those trees is true about the rest of our environment -- our lakes and our rivers and our streams, our forests and our mountains, the very air we breathe. And nothing gives me more confidence in your generation than to see what you've already done to protect the gifts that nature has given us. Because ``America the Beautiful'' is more than just a song that we all sing; it's a treasured inheritance. And so, together, we can keep it that way -- America the beautiful.

So, I'm glad to join Bill Reilly in congratulating all of you. And now, with no further ado, he and I have the great pleasure of passing out these awards. Thank you all very, very much.

Note: The President spoke at 11:30 a.m. in Room 450 of the Old Executive Office Building.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Yitzhak Shamir of Israel

November 15, 1989

The President met today with Israeli Prime Minister Yitzhak Shamir, who is in the United States on a private visit. Prime Minister Shamir and President Bush discussed the state of the U.S.-Israeli relationship. The President reaffirmed the U.S. commitment to the security of Israel.

They also reviewed the importance of moving ahead in the peace process. The President focused on the effort to bring Palestinians and Israelis together in a dialog on elections and a negotiating process. The President reaffirmed his conviction that all parties should demonstrate the necessary flexibility and imagination to take advantage of the historic opportunity for direct negotiations between Palestinians and Israelis offered by Israel's peace initiative.

The President noted that the U.S. five points offer a framework that will allow Israel and the Palestinians to engage on the substantive issues of elections and the negotiating process, while safeguarding the legitimate interests of all who accept those points. In this regard, the President expressed his pleasure with the Israeli Inner Cabinet's decision of November 5 to accept the five points, while noting that any assurances that might be provided by the United States to any party should not result in a renegotiation of these points. The United States and Israel agreed to continue their close consultations.

Nomination of John T. MacDonald To Be an Assistant Secretary of Education

November 15, 1989

The President today announced his intention to nominate John T. MacDonald to be Assistant Secretary for Elementary and Secondary Education at the Department of Education. He would succeed Beryl Dorsett.

Since 1986 Dr. MacDonald has served as commissioner of education for the State of New Hampshire. Prior to this, he served as superintendent of Dartmouth public schools in Dartmouth, MA, 1978 - 1986; superintendent of Walpole public schools in Walpole, MA, 1973 - 1978; superintendent of Wallingford public schools in Wallingford, CT, 1970 - 1973; and teacher and elementary supervising principal for Groton public schools in Groton, CT, 1958 - 1970.

Dr. MacDonald graduated from Northeastern University (B.S., 1958; M.Ed., 1960) and the University of Connecticut (Ph.D., 1970). He was born November 21, 1932, in Utica, NY. Dr. MacDonald served in the U.S. Air Force, 1949 - 1953. He is married, has six children, and resides in Concord, NH.

Nomination of Harriet Winsar Isom To Be United States Ambassador to Benin

November 15, 1989

The President today announced his intention to nominate Harriet Winsar Isom, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Benin. She would succeed Walter Edward Stadtler.

Since 1986 Ms. Isom has served as Charge d'Affaires at the U.S. Embassy in Vientiane, Laos. Prior to this, she served as Director of Korean Affairs in the Bureau of East Asian and Pacific Affairs at the Department of State, 1984 - 1986; senior assignments officer for the Bureau of Personnel at the Department of State, 1982 - 1984; and senior seminar at the Department of State, 1981 - 1982. In addition, she has served as political counselor at the U.S. Embassy in Jakarta, Indonesia, 1978 - 1981; consul at the U.S. consulate in Medan, Sumatra, Indonesia, 1977 - 1978; deputy chief of mission at the U.S. Embassy in Bujumbura, Burundi, 1974 - 1977; Asian regional affairs officer at the Department of State, 1973 - 1974; consular and political officer at the U.S. Embassy in Jakarta, Indonesia, 1969 - 1973; economic officer at the U.S. Embassy in Niamey, Niger, 1967 - 1969; and personnel officer for the Bureau of Personnel at the Department of State, 1965 - 1966. In addition, she served as a watch officer for the operations center at the Department of State, 1964 - 1965; consular and economic officer at the U.S. Embassy in Kuala Lumpur, Malaysia, 1961 - 1964; and a foreign affairs analyst in the U.S. Air Force, 1960 - 1961.

Ms. Isom graduated from Mills College (B.A., 1958) and Fletcher School of Law and Diplomacy (M.A.L.D., 1960). She was born November 4, 1936, in Oregon.

Statement by Press Secretary Fitzwater on the Presidential Economic Delegation to Poland

November 15, 1989

The President today announced the private sector members of the U.S. Presidential economic delegation to Poland, scheduled to visit that country November 28 through December 2 as part of the administration's continuing efforts to assist in Poland's economic reform and restructuring and to support its democratic transition.

Secretary of Agriculture Clayton Yeutter will head the delegation, which will provide the President with recommendations as to the most effective use of U.S. assistance to Poland and assist the Poles in developing their economic restructuring program.

Other senior administration officials leading the delegation are Secretary of Commerce Robert A. Mosbacher; Secretary of Labor Elizabeth H. Dole; and Michael J. Boskin, Chairman of the White House Council of Economic Advisers. The private sector members are:

Thomas Carroll, chief executive officer, International Executive Service Corps, Stamford, CT;

Theodore Cooper, chairman and chief executive officer, Upjohn Corp., Kalamazoo, MI;

William Donaldson, chairman and chief executive officer, Donaldson Enterprises, Inc., New York, NY, and founding dean, Yale Graduate School of Organization and Management;

Robert Galvin, chairman, Motorola Corp., Schumberg, IL;

John Gingrich, president, National Pork Producers Council, Parnell, IA;

Robert Georgine, president, building and construction trades department, American Federation of Labor and Congress of Industrial Organizations (AFL - CIO), Washington, DC;

Ray Goldberg, professor, Harvard University Graduate School of Business Administration, Boston, MA;

Arnold Harberger, professor, University of Chicago, department of economics, Chicago, IL;

Charles M. Harper, chairman and chief executive officer, CON-AGRA Corp., Omaha, NE;

D. Gale Johnson, professor, University of Chicago, department of economics, Chicago, IL;

Lane Kirkland, president, AFL - CIO, Washington, DC;

Robert Malott, chairman and chief executive officer, Food Marketing Corp., Chicago, IL;

John McGillicuddy, chairman and chief executive officer, Manufacturers Hanover Corp., New York, NY;

Edward Moskal, president, Polish American Congress, Chicago, IL;

Robert Quenon, president, Peabody Coal Corp.; St. Louis, MO;

William Ruckelshaus, chairman and chief executive officer, Browning-Ferris Industries, Houston, TX;

Beurt SerVaas, chairman, SerVaas, Inc., Indianapolis, IN, and chairman, U.S.-Polish Business Council;

Barry Sullivan, chairman and chief executive officer, First National Bank of Chicago, Chicago, IL;

Murray Weidenbaum, director, Center for the Study of American Business, Washington University, St. Louis, MO, and former chairman, White House Council of Economic Advisers;

W.S. White, Jr., chairman and chief executive officer, American Electric Power Co., Inc., Columbus, OH.

Remarks at the Unveiling Ceremony for the Official Portraits of Ronald and Nancy Reagan

November 15, 1989

President Bush. What a wonderful welcome back to the White House for the Reagans. When the announcer here said, ``Mr. President,'' why, I fell back to where I comfortably was for 8 years -- [laughter] -- and seemed most appropriate.

And it's a joy to welcome the President and Mrs. Reagan back here. And to Ms. Petrie, Mr. Shikler, so many members of the Reagan administration and members of the White House Historical Association, and to all of you, it's a pleasure to have you with us today as we properly salute these two very special people, the President and First Lady, who helped bring greatness to our country and, certainly, grace to America's House.

And, Mr. President, you did make this nation strong, respected abroad; and because of your leadership, America stood tall then, stands tall now. And I really believe that history will record that you, more than any individual, helped stimulate the changes that we're all fascinated with and that's taking place all around the world today, changes for the democracy that you've spoke about over and over and over again.

And, Nancy, Barbara and I are just delighted to see you. How we enjoy this house whose beauty you enhanced so much! And you know, over the years there have been many wonderful Presidents and First Ladies, but thanks to you, I don't believe this place has ever had a better team. And I know that America will not soon forget your courage amid adversity, your love of your husband, and certainly your love of country. It's really good to have you both back. You can tell that California agrees with them, just looking at them. [Laughter]

But these portraits were painted by the noted artist Aaron Shikler. They are donated jointly to the White House for its permanent art collection by the Petrie Foundation and the White House Historical Association.

Mr. President, these portraits will remind future generations about two of its greats. Look at the portrait of our 40th Chief Executive, which will be hung on the State Floor with the other 20th-century Presidents. It reflects the qualities that make him so special: kindness, gallantry, decency, and humor. And then, look then at the portrait of Mrs. Reagan. It will hang in the Ground Floor Corridor with those of the most recent former First Ladies. Here stands a person who refurbished the White House with grace and with elegance, who helped millions of Americans say no to drugs and started what has become a real crusade across our country -- thank God -- no to drugs and yes to life.

You know, for years our opponents were hoping to see President Reagan's back against the wall here in the White House. I don't think this is exactly what they had in mind when they talked about it -- [laughter] -- but it is most fitting.

Mr. President, you are one of the most beloved Presidents in the history of the Republic. And as friends, Barbara and I cherish both you and Nancy. What you began, I really want to build on and keep America, as you often said, ``that shining city on a hill."

And so, it's now my official honor and pleasure to present the official portraits of President and Mrs. Ronald Reagan.

President Reagan. Thank you. And, Nancy, don't fail to take a look. They're sure different than a lot of those cartoons we had to put up with. [Laughter]

Well, George and Barbara and distinguished guests, as Henry VIII said to each one of his six wives, I won't keep you long. [Laughter] My days of speechmaking here are over, but I do want to share a few thoughts with you on this very special day in Nancy's and my life.

Incidentally, I want to say here -- with the very kind things that George was saying -- I think attention has to be called to the fact that whatever we accomplished, Vice President George Bush was a major part of everything we did.

Maybe it's because my staff is a bit smaller now than it used to be, but I can't really find the words to express how I feel to be back here in this house. [Laughter] I suspect, though, that the reason I can't find the words is because there are really no words to convey what it means to Nancy and me to be here.

To walk in these hallowed halls again and to see all of you brings back so many memories of success and disappointment, of triumph and tragedy, of great joy and, yes, even some tears. But more than anything else, we're overwhelmed by the memory of the great sense of purpose that we all shared. Well, all of us who served here together were a part of a great undertaking: a chance to serve our fellow countrymen and, hopefully, with a little luck and a lot of help from God, make our country stronger and make the world a better place. And I think that, looking back, we did just that; and I'll always be proud of what we all accomplished together. To live in this great house, this unique American symbol of freedom and democracy, is a special privilege and a sacred trust. To work here, too, is an opportunity which few have; but for those who do, we're forever linked in the great adventure known as history.

We gather today not to honor any individuals -- though we are enormously grateful to the White House Historical Association and the Petrie Foundation for making possible this ceremony. We gather today to look back with great fondness at a time in our lives that, no matter where we go, will always be special. And no matter what we do, so, too, will the memory of today be special

and one that we'll carry with us in our hearts always.

There aren't any words to describe what this is like. Nancy and I will be looking at each other on the plane going back and trying to think of something. But just know how deeply grateful we are, how honored we are, and how much we shall cherish the memory of this moment forever.

God bless you all, and thank you all very much.

Note: President Bush spoke at 2:37 p.m. on the State Floor at the White House.

Remarks at the Biannual Convention of the American Federation of Labor and Congress of Industrial Organizations

November 15, 1989

Lane Kirkland, thank you, sir; Tom Donahue; and, of course, your special guest and our special guest -- America's special guest -- Lech Walesa. I've got some good news for you and some bad news for you. After Lech Walesa's stirring ovation before the United States Congress today, it is clear that he's ready to run for office in the United States. Bad news for some of you is he's going to run as a Republican. Thank you very much. [Laughter] Now, I knew you'd like that -- come on.

No, but in all seriousness, this is a great moment for the AFL - CIO. After 8 long years of struggle, Mr. Walesa has accepted the George Meany Human Rights Award, first intended for Solidarnosc. Back in 1981, you remember, Lech wasn't allowed to be here to claim that prize, and the waiting began.

I can really identify with Lech. [Laughter] I understand what it's like to wait so long to get here. But I don't regret a minute of it because, after all, it is great to be with you and to see the members who endorsed me sitting back there in the back row over there. [Laughter] All four of them. [Laughter] Lately I have been feeling pretty confident. Barbara had a hunch that I'd be addressing this group today. And this morning she caught me in the shower singing the ``Union Yes'' theme song. [Laughter]

Let me begin, sincerely, by congratulating the leadership. And some of you were over at the White House the other day, and I really wish every one of you could have been there for the ceremony in which not only was Lech Walesa honored by the country but Lane Kirkland was as well. He's now serving his 10th year, continuing the work begun by George Meany before him. Your unions truly are uniting under the banner of the AFL - CIO, as Lane promised. UAW [United Automobile Workers], mine workers, teamsters, Brotherhood of Locomotive Engineers, longshoremen, Warehousemen's Union, Writer's Guild East -- all have affirmed their ties to this great organization. Lane Kirkland has done -- as he continues to do -- outstanding work on behalf of organized labor. And his work to consolidate and renew labor's strength gives the AFL - CIO the power to play its best role: protecting the rights of working Americans at home and striving for those rights abroad through the support of democracy around the world.

Labor has been an enduring force for freedom, at times a lonely cry in the wilderness, at times the conductor of a thundering chorus, rejecting all forms of totalitarianism, Fascist and Communist alike. With each passing year, through the labor movement, freedom is finding its voice.

You understand that democracy rests not on cold marble and pieces of paper but on institutions freely formed, fully free. Look down the main street of any small town, and you see them -- churches, libraries, schools, union halls, free associations that are the beating heart of American liberty. Such liberty calls for a democracy created less by governments than by people, through the give-and-take of competing interests, and individual and collective; a democracy that rejects management-by-decree or intervention from any centralized all-knowing government; a democracy where people speak for themselves, rather than a government which speaks for them.

You and I -- look, I know that we have differences, but those differences are a sign of democratic life, a way of life that demands respect for differences and respects an honest opinion as much as it respects an honest day's work. And that is the kind of frankness and directness I get from the leaders of these unions, and I appreciate it very, very much.

And clearly, there are times when the need for progress demands that we put differences aside. Where Poland is concerned, now is such a time. Last July in Gdansk, standing with Lech Walesa at the Worker's Monument, I pledged to the enormous crowd out there before us that America stands shoulder to shoulder with the Polish people in solidarity. And in Warsaw, we announced our initiative to assist Solidarity and Polish workers in making that difficult transition from a discredited centrally planned economic system to one of free markets and hope for a better future.

Our Labor Secretary, Elizabeth Dole, who met today with Prime Minister Thatcher and Britain's Labor Minister, also went to Gdansk in August to discuss the ways that our government, working together with organized labor in the United States, can help. In just 2 weeks, Secretary Dole and Lane Kirkland and some other leaders will join forces on a Presidential mission to Poland -- our government, together with the AFL - CIO, in solidarity with Polish workers.

Today I appeal to the unions and call on the American labor movement, the business community, and government to look for ways to support a partnership for progress in Poland for the sake of a nation and a people that need and deserve our help. Labor, business, and government can and should be partners and activists for Poland's future.

Last night, Lech Walesa came to dinner at the White House. Barbara and I wanted to try to reciprocate for the very special, warm hospitality that he and his wife, Danuta, gave to us in his own home there at Gdansk. There was only four of us there last night. We treated him like family. Barbara said the grace before the meal, and Lech joined in. It was a very special moment for me personally -- very special moment for the White House.

And we talked then about business. We talked about investment, the need to attract new capital to Poland, much in the spirit of Lech's words to this very convention. And yesterday he said, ``Such is the fate of a Polish trade unionist. He has to launch a publicity campaign for private

entrepreneurship." Well, he's one smart trade unionist. Last night, labor's son and democracy's advocate was talking about banks and investment because he knows that means economic reform, and he knows that economic reform means jobs.

And business and government can learn from, and lend momentum to, labor's unflinching demand for dignity on behalf of every working man and woman not just in Poland but around the world. And let us join hands; let us work together as never before to fulfill that great promise of freedom.

You know, there is so much to learn from labor's history of democratic struggle. During Hitler's rise to power -- Lane is old enough to remember this and, regrettably, so am I -- during Hitler's rise to power in the 1930's, American labor was among the very first to recognize that great evil. You extended your hand in solidarity to those fighting in the early underground movement. And then when the Nazi regime was finally destroyed, American labor went to work building democratic institutions and these independent trade unions. And later, when postwar Western Europe was threatened by the spread of international communism, it was American labor that stood firm. Tough, behind-the-scenes operators like Irving Brown, your AFL's European representative, saw to it that the alliance was preserved and democracy prevailed in Western Europe. When Irving Brown died last winter, after four decades of fighting for workers' rights, he was widely recognized as an architect of Western democracy, symbolizing American labor's commitment to freedom around the world.

Today the tradition continues nowhere more powerfully than in Poland. The AFL - CIO was at the forefront, standing with Solidarity in its darkest hour, firm in the belief that the dawn would come. Because of that support, courageous leaders like Lech Walesa are now transforming Poland before the eyes of an admiring world.

Stories of that transformation continue to unfold. Early in this century, in the Polish town of Lodz, David Dubinsky, later to become the renowned head of the ILG, was arrested for organizing. In 1908 that would-be organizer was sent from Lodz to Siberia by the czar. Last week a Solidarity candidate was elected mayor of Lodz. Look at how things have moved.

In Poland, Solidarity unlocked freedom's door. Today, holding Poland in their hearts as an example and inspiration, workers around the world are risking everything for democracy. The door cannot be locked again. Miners are striking peacefully in the Soviet Union for the first time since the early 1920's, one of them even calling their independent union -- and this is high praise for our special guest today, Lech Walesa -- one of them even calling that union Solidarity.

They and those like them offer hope for peaceful change, which the AFL - CIO is supporting actively through direct contact and assistance on workers' rights, union organization, collective bargaining. These are the tools your brothers and sisters abroad need most to hammer out justice on the anvil of freedom.

With new legislation in the Supreme Soviet recognizing the right to strike in all but a handful of essential industries, the people of the Soviet Union now have an opportunity to voice their grievances. This will be a challenge to President Gorbachev as he works through perestroika to raise productivity and living standards at the same time.

Across Eastern Europe, we see vindication of the AFL - CIO's refusal to deal with puppet unions controlled by either employers or governments. Hungarian workers are turning to the Democratic League of Free Unions. Bulgarian workers are laying the foundations of a nascent free trade union to be called Support. East German workers have created their first independent trade union, free of Communist influence, to be called Reform.

The idea that motivated Lech Walesa and the members of Solidarnosc as they sat down to negotiate with the Polish Government is a powerful one: that men must be free in order to prosper. That idea spread to Hungary, where the physical dismantling of the Iron Curtain began. Uplifted by the hope that Europe will one day be whole and free, last week we watched in awe as Berliners danced atop the Berlin Wall. And we watched as a deep wound, a wound that has scarred the heart of Europe for 28 years, began to heal. And we saw it in the joyful faces of families reunited, in the smiles and laughter and tears of people greeting freedom like a long-lost friend, and in the wonder of children getting their first taste of freedom.

Last summer, I remember predicting that the wall would come down. I expected it during my lifetime; I hoped for it during these next 3 years. But you know, quite apart from predictions, change has a way of sweeping through like a fast-moving train. And no one and no government should stand in its way.

Just yesterday, we welcomed the news of freedom -- more freedom -- freedom of travel in this case for the citizens of Czechoslovakia as a positive step forward. But in that country, where the tradition of democracy runs deep, and in others, freedom of travel is not enough. Only free and unfettered elections can satisfy the yearnings of a free people.

It is against this backdrop of change that I will meet with President Gorbachev near Malta next month. We are not meeting -- and, Lech, take this message back with you -- we are not meeting to negotiate the future of Europe. The peoples of Eastern Europe are speaking their own minds about that future; and they are calling for democracy, freedom of the press and of conscience, the right of the governed to choose their leaders.

At Malta, I will work to advance that process of reform and democracy. And I also want to know what President Gorbachev thinks of the challenges that he faces at home and of the new course that he has set out for Soviet policy in Eastern Europe. I plan to discuss with him the importance of free trade unions in building a free country. The AFL - CIO has fought for that freedom around the world. And I'm going to carry that message to Mr. Gorbachev. I also want to talk with President Gorbachev about the opportunities to move beyond containment in U.S.-Soviet

relations, to find areas of mutual advantage in our relationship.

Everywhere you look in the world, members of the AFL - CIO are fighting to keep the door for freedom open for all: working against such evils as apartheid; struggling for peaceful democratic change toward a system of one man, one vote; supporting free trade union movements in Paraguay, Guatemala, and El Salvador, Nicaragua; and helping workers in Chile's plebiscite last year, fighting for free elections now scheduled for next month. Manuel Bustos, president of the United Labor Confederation there, was until recently exiled in his own country. But thanks to you, thanks to the AFL - CIA -- [laughter] -- he is now free -- free enough to attend the great convention. That was a Freudian slip. [Laughter] Did you explain it to him [Lech Walesa]? [Laughter]

Your work is often accomplished at great sacrifice. Independent trade unions are often caught in a vise between death squads on the right and guerrillas on the left. In El Salvador, two of your own -- Mike Hammer and Mark Pearlman -- died at the hands of a right-wing death squad. And in Nicaragua, the Confederation of Trade Union Equity has been harassed and brutalized by the Sandinista regime's left-wing thugs.

It takes uncommon courage for workers to fight the scourge of tyranny because dictators know that free unions mean pluralism and pluralism denies complete control. So, the tyrant's first targets for suppression, arrest, or murder are often independent unions and their members. In all, over 200 free trade unionists were murdered last year around the world. We grieve deeply for these sacrifices. And let there be no mistake: We condemn any efforts by any government to try to intimidate democratic unions or their members.

In Thailand, South Korea, Malaysia, the Philippines, the AFL - CIO's support of worker education, libraries, and conferences on human rights all add to the inevitable momentum toward worker representation and collective bargaining. Workers in Southeast Asia by the millions -- especially children and young women -- are being used and abused and abandoned. Looking for a solution, we've enforced worker rights as part of the Generalized System of Preferences, and in our trade policy review mechanism under the GATT we've incorporated workers' rights. In the long run, the surest solution to the struggle for workers' rights is to support the growth of democratic institutions like free labor unions, and to encourage economic development that will render child labor and nightmarish working conditions not merely illegal but unthinkable.

Just as a house is built from the ground up, labor's house rests on a bedrock principle of free association and rises by the strength of its members. Free trade union movements today stand on the threshold of change as a leading force for democracy. Labor's strength has opened the door to freedom for millions. The door must remain open.

You know, last week the Soviet Union celebrated the anniversary of the Bolshevik revolution. In a protest march, a banner was carried that said, ``Workers of the world, we apologize." It was the

first time in memory that Soviet authorities allowed such demonstrations on that holiday. That banner is another sign that democracy is doing the unthinkable by saying the unspeakable.

The 1984 of George Orwell has come and gone. And I am hopeful that 1989 will be remembered as the year when American labor, business and, yes, government first began to work together in a real partnership for the freedom and dignity of workers everywhere, not out of some utopian vision but because we simply believe in the same basic values. The key to freedom rests in our hands. With that key, nothing is impossible. The door to democracy will remain unlocked, to each according to his ability to dream.

Thank you all very, very much. God bless you, and may God bless working people everywhere. And, Lech Walesa, God bless you, sir. Thank you very, very much.

Note: The President spoke at 3:40 p.m. in the Sheraton Washington Ballroom at the Sheraton Washington Hotel. In his remarks, he referred to Thomas R. Donahue, secretary/treasurer of the AFL - CIO.

Letter to Congressional Leaders on Proposed Federal Pay and Ethics Legislation

November 15, 1989

Dear Tom: (Dear Bob:)

I want to commend you and your colleagues for reaching bipartisan agreement on reform of the ethics standards that guide the actions of Federal officials.

I fully support the reforms you are prepared to bring before the House of Representatives this week. I am also pleased that you have made essential adjustments in compensation for individuals in all three branches of government. The skills of these individuals are essential to the quality of service government provides to the American people.

The progress made thus far in obtaining Congressional enactment of ethics reform legislation is encouraging. Indeed, many of the recommendations in the ethics legislation I submitted earlier this year were incorporated by the House Bipartisan Ethics Task Force in your proposal. Issues such as the ban on Congressional honoraria, limits on gifts and travel, increased financial disclosure, restrictions on outside income, conflict of interest rules, and many other important reforms have been addressed. In my view, the bill would effect a tremendous change in the landscape of government ethics standards.

I am confident that through continued bipartisan cooperation and an ongoing commitment to reform, we can, working together, continue to enhance ethical standards throughout government. In that same spirit, we can also meet our mutual commitment to reform of Federal campaign practices.

I look forward to providing assistance to you so that the package we have agreed upon thus far can be signed into law before the Congress adjourns sine die. I hope this same bipartisan spirit will be continued so that we may complete the important tasks at hand during the next session of the 101st Congress.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert H. Michel, House minority leader.

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President Alfredo Cristiani Buckard of El Salvador

November 15, 1989

The President today telephoned Salvadoran President Alfredo Cristiani to tell him that we have been following closely the events in El Salvador and that we stand behind the Salvadoran Government in the face of recent FMLN [Farabundo Marti National Liberation Front] attacks. The President said that the FMLN bears full responsibility for this tragedy and that he wanted to express the solidarity of the American people for the great suffering in San Salvador and elsewhere.

The President commended the efforts of the Salvadoran Armed Forces to avoid causing casualties to the civilian population. He also said that the United States would continue to speak out about Cuban and Nicaraguan support for the FMLN guerrillas, which flies in the face of the Esquipulas peace process.

President Cristiani thanked the President for his support. He said that the Armed Forces were having increasing success against the guerrillas and that the Government would continue to give the highest priority to protecting the civilian population in military operations against those guerrillas that remained.

Nomination of Everett Ellis Briggs To Be United States Ambassador to Portugal

November 16, 1989

The President today announced his intention to nominate Everett Ellis Briggs to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Portugal. He would succeed Edward Morgan Rowell.

Currently Mr. Briggs serves as Special Assistant to the President for National Security Affairs and Senior Director for Latin America and the Caribbean at the National Security Council at the White House in Washington, DC. Prior to this he served as Ambassador to Honduras, 1986 - 1989, and as Ambassador to Panama, 1982 - 1986.

Mr. Briggs graduated from Dartmouth College (A.B., 1956) and George Washington University (M.S., 1972). He was born April 6, 1934, in Havana, Cuba. Mr. Briggs is married, has five children, and resides in Arlington, VA.

Nomination of Edward Morgan Rowell To Be United States Ambassador to Luxembourg

November 16, 1989

The President today announced his intention to nominate Edward Morgan Rowell to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg. He would succeed Jean Broward Shevlin Gerard.

Since 1988 Ambassador Rowell has served as Ambassador to the Republic of Portugal. Prior to this, he served as chief of mission in Lisbon, Portugal, 1987 - 1988; Ambassador at La Paz, Bolivia, 1985 - 1987; Senior Deputy Assistant Secretary of State for Consular Affairs, 1983 - 1985; Minister-Counselor (deputy chief of mission) at Lisbon, 1978 - 1983; Director of West European Affairs, 1976 - 1978; Deputy Director and economic officer for Iberian Affairs, 1974 - 1976; Foreign Service inspector, 1971 - 1974; Sloan executive fellow at Stanford's Graduate School of Business, 1970 - 1971; first secretary in Tegucigalpa, 1968 - 1970; second secretary in the political section in Buenos Aires, 1965 - 1968; officer-in-charge of Honduran affairs, 1962 - 1964; consul/principal officer in Curitiba, Brazil, 1959 - 1961; and vice consul and economic/commercial officer in Recife, Brazil, 1958 - 1959.

Ambassador Rowell graduated from Yale University (A.B., 1953). He was born October 31, 1931, in Oakland, CA. Ambassador Rowell served in the U.S. Army, 1954 - 1956. He is married, has three children, and resides in Berkeley, CA.

White House Fact Sheet on the National Space Policy

November 16, 1989

On November 2, 1989, the President approved a national space policy that updates and reaffirms U.S. goals and activities in space. The updated policy is the result of a review undertaken by the National Space Council. The revisions clarify, strengthen, and streamline selected aspects of the policy. Areas affected include civil and commercial remote sensing, space transportation, space debris, Federal subsidies of commercial space activities, and space station Freedom. Overall, the President's newly issued national space policy revalidates the ongoing direction of U.S. space efforts and provides a broad policy framework to guide future U.S. space activities.

The policy reaffirms the Nation's commitment to the exploration and use of space in support of our national well-being. United States leadership in space continues to be a fundamental objective guiding U.S. space activities. The policy recognizes that leadership requires U.S. preeminence in key areas of space activity critical to achieving our national security, scientific, technical, economic, and foreign policy goals. The policy also retains the long-term goal of expanding human presence and activity beyond Earth orbit into the solar system. This goal provides the overall policy framework for the President's human space exploration initiative, announced July 20, 1989, in which the President called for completing space station Freedom, returning permanently to the Moon, and exploration of the planet Mars.

These and other aspects of U.S. national space policy are contained in the document entitled ``National Space Policy."

Statement by Press Secretary Fitzwater on the Murders at the University of Central America in El Salvador

November 16, 1989

We condemn in the strongest possible terms the outrageous murder of Father Ignacio Ellacuria, rector of the University of Central America, and the other Jesuit priests in El Salvador. The six priests and two university employees were killed by unknown gunmen earlier today. We understand that the Salvadoran Government has begun an investigation, and we will be watching this investigation closely.

Designation of the Chairperson and Vice Chairperson of the National Women's Business Council

November 16, 1989

The President today designated Susan Shannon Engeleiter to be Chairperson of the National Women's Business Council and Marilu B. Meyer to be Vice Chairperson of the National Women's Business Council. These are new positions.

Susan Shannon Engeleiter. Currently, Mrs. Engeleiter serves as Administrator of the Small Business Administration in Washington, DC. She received her bachelor of science degree and her juris doctorate degree from the University of Wisconsin. Mrs. Engeleiter is married and has two children.

Marilu B. Meyer. Currently, Mrs. Meyer is president of the Castle Construction Corp. in Chicago, IL, and she serves as an appointed House of Representatives member of the National Women's Business Council. She received her bachelor of arts degree from Mundelein College and her master of arts from the University of Chicago. She is married, has two children, and resides in Chicago, IL.

Remarks on Signing the Fair Labor Standards Amendments of 1989

November 17, 1989

Welcome, everybody. First, let me just say that this gives me great pleasure to sign into law the first increase in the minimum wage since 1981. Under this bill, the wage will be set at $4.25 an hour by April 1st, 1991, and also, for the first time, provides a training wage -- this differential, we call it -- for workers under the age of 20.

I have called for an increase in the minimum wage that would protect jobs and put more money into the pockets of our workers. In my view, this bill does exactly that. I'm pleased to sign it. It offers the promise of better wages for the working men and women and gives incentive to create new jobs for our young people.

And in conclusion -- particularly with the distinguished leaders that came down to the White House to join in this little ceremony -- I want to really thank them and commend the spirit of bipartisanship in which this agreement was hammered out. My administration, the congressional leadership, and organized labor, working together, made this legislation possible, and I think it's a good example of what we can do in the future on other matters. But in any event, I'm delighted, and I appreciate all of you for being here -- the Speaker; the leaders of both parties in the House and in the Senate, Mr. Mitchell, Mr. Dole, Mr. Gephardt, Bob Michel; and of course, our Secretary, who was caught up in the middle of all this and did a wonderful job; and all the rest.

But thank you very much. And now I shall sign this with a pen that I don't have to give away. [Laughter]

[At this point, the President signed the bill.]

But I'm very, very pleased you all are here. Thank you all.

Note: The President spoke at 10:58 a.m. in the Oval Office at the White House. In his remarks, he referred to Speaker of the House of Representatives Thomas S. Foley, Senators George J. Mitchell and Robert Dole, Representatives Richard A. Gephardt and Robert H. Michel, and Secretary of Labor Elizabeth H. Dole. H.R. 2710, approved November 17, was assigned Public Law No. 101 - 157.

Statement on Signing the Fair Labor Standards Amendments of 1989

November 17, 1989

Today I am pleased to sign H.R. 2710, the ``Fair Labor Standards Amendments of 1989." This law will increase the minimum wage, in two increments, to $4.25 an hour beginning April 1, 1991. It also:

-- authorizes a training wage for teenagers for up to 6 months, at 85 percent of the regular minimum wage;

-- expands the exemption for small business and raises the tip credit; and

-- exempts employer-provided remedial education programs from Fair Labor Standards Act (FLSA) overtime requirements.

This legislation is consistent with the increase in the minimum wage I proposed last March. H.R. 2710 represents an agreement reached between the Administration, the leadership in Congress, and the leadership of organized labor.

The agreement in this bill on a training wage for teenagers is an historic step. Through much of this decade, resistance to a training differential has stalled efforts to enact any minimum wage increase.

H.R. 2710 balances the widespread sentiment for an increase in the minimum wage with the very justifiable concerns of employers, particularly small businesses, about the effects of higher costs, and at the same time provides protection for young workers' job opportunities. On average, our growing economy has created a quarter million jobs a month, every month, for the last 7 years -- most of them in small businesses. By expanding and increasing the FLSA small business exemption, we have done much to preserve the admirable capacity of American entrepreneurs to grow from today's small employers into the larger employers of tomorrow. That is good for the economy; it is good for America's work force.

Similarly, increasing the tip credit will enhance job security for those so employed and increase job opportunity for those seeking such work.

The enactment of this historic minimum wage increase, containing a first-ever training wage, is indeed a positive step. Now that this bill is law, I reiterate my call for us to work together, the Congress and the executive, on improvements in Federal education and training policy. In the wake of our Education Summit with the Governors, this is all the more urgent. As the Summit

made clear, not only do the States and the Federal Government agree that this deserves high priority, but there is also much agreement, in general terms at least, on what kinds of steps need to be taken.

George Bush

The White House,

November 17, 1989.

Note: H.R. 2710, approved November 17, was assigned Public Law No. 101 - 157.

Statement by Press Secretary Fitzwater on the President's Telephone Conversations With Allied Leaders

November 17, 1989

President Bush this morning telephoned the President of France, Francois Mitterrand, to discuss his views on the upcoming Malta meeting and events in Eastern Europe. President Bush wanted the unique perspective provided by the French President. They discussed a number of issues regarding the impact of recent events in Eastern Europe on the countries of Western Europe. The two Presidents agreed to talk again after the EC [European Communities] summit and before the Malta meeting.

President Bush also called the Prime Minister of Canada, Brian Mulroney, to discuss the Malta meeting and his views on these issues. President Bush and Prime Minister Mulroney have very similar thinking on these issues. President Bush and Prime Minister Mulroney will talk again after the Malta meeting.

In addition, Chancellor Kohl of West Germany telephoned President Bush this morning to discuss the events in his country and Eastern Europe.

Remarks on Signing the Thanksgiving Day Proclamation

November 17, 1989

Welcome to the Rose Garden on this lovely day. Mr. Wickliffe, my old friend Peter, and everybody else, I just want to thank you for joining me as I participate for the first time in a tradition as old as the American Presidency: the signing of the annual Thanksgiving Day proclamation.

Two hundred years ago, George Washington signed the original proclamation for a day of thanksgiving: a day of thanks for the bounty we enjoy -- [laughter] -- and, above all, for the blessings of freedom. And that's why I'm so pleased to welcome the young Americans and recent newcomers to our country who are here today. [Laughter] Like every American -- come on, this is serious stuff -- [laughter] -- you, too, are descendants of the first Pilgrims united by a love of liberty. And this year, especially, as that yearning for freedom inspires millions around the world, giving thanks for the freedoms we enjoy takes on a special meaning.

That brings me to another traditional moment involving our special guest over here today -- the guy in the cage there, who seems understandably nervous. [Laughter] It is my great privilege to receive the traditional Thanksgiving turkey. Millie has been put upstairs, looking wistfully out of the window, I'm sure. But let me assure you, and this fine tom turkey, that he will not end up on anyone's dinner table, not this guy -- he's granted a Presidential pardon as of right now -- and allow him to live out his days on a children's farm not far from here.

And finally, let me ask all of you to remember another American tradition. Let this holiday time spent with family and friends remind us that helping others less fortunate than ourselves may be the best way we have of giving thanks.

And so, thank you all for coming. God bless you, and may the whole country have a very, very happy Thanksgiving.

And now I will sign the proclamation.

Note: The President spoke at 11:56 a.m. in the Rose Garden at the White House. In his remarks, he referred to Peter P. Stewart, chairman of the National Thanksgiving Commission, and John Wickliffe, president of the National Turkey Federation. The proclamation is listed in Appendix E at the end of this volume.

Nomination of Robert William Farrand To Be United States Ambassador to Papua New Guinea, Solomon Islands, and Vanuatu

November 17, 1989

The President today announced his intention to nominate Robert William Farrand, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Papua New Guinea and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Solomon Islands and to the Republic of Vanuatu. He would succeed Everett E. Bierman.

Since 1987 Mr. Farrand has served as Senior Deputy Assistant Secretary for the Bureau of Human Rights and Humanitarian Affairs at the Department of State in Washington, DC. Prior to this, he served as Deputy Director of the Office of Foreign Service Career Counseling and Assignments, 1985 - 1987; deputy chief of mission at the U.S. Embassy in Prague, Czechoslovakia, 1983 - 1985; Deputy Director of the Office of Eastern European/Yugoslav Affairs at the Department of State, 1981 - 1983; student in the National War College, 1980 - 1981; officer in charge of bilateral affairs in the Office of the Soviet Union at the Department of State, 1978 - 1980; Director of the U.S. Commercial Office in Moscow, 1976 - 1978; chief of the economic/commercial section at the U.S. Embassy in Prague, Czechoslovakia, 1973 - 1976; economic officer for the Bureau of Economic and Business Affairs at the Department of State, 1970 - 1973; chief of the consular section at the U.S. Embassy in Moscow, 1968 - 1970; Russian language training, 1967 - 1968; and rotational officer at the U.S. Embassy in Kuala Lumpur, Malaysia, 1965 - 1967.

Mr. Farrand graduated from Mount St. Mary's College (B.S., 1957) and Georgetown University (M.A., 1968). He was born April 7, 1934, in Watertown, NY. Mr. Farrand served in the U.S. Navy, 1957 - 1961. He is married, has five children, and resides in McLean, VA.

Nomination of J. Steven Rhodes To Be United States Ambassador to Zimbabwe

November 17, 1989

The President today announced his intention to nominate J. Steven Rhodes to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Zimbabwe. He would succeed James Wilson Rawlings.

Since 1987 Mr. Rhodes has been managing director and office manager of the public finance office of Smith Barney in Los Angeles, CA. Prior to this he was vice president of the public finance division of Smith Barney in New York, 1985 - 1987. He was chief domestic policy adviser to then Vice President George Bush at the White House, 1983 - 1985; Special Assistant to the President in the Office of Intergovernmental Affairs at the White House, 1981 - 1983; director of government affairs for Dart Industries, Inc., 1976 - 1981; and a manager of the wage and salary administration for Dart Industries, Inc., 1973 - 1976.

Mr. Rhodes graduated from Loyola University (B.S., 1973) and Pepperdine University (M.S., 1977). He was born September 29, 1951, in New Orleans, LA. He resides in Los Angeles, CA.

Nomination of Jerome G. Cooper To Be an Assistant Secretary of the Air Force

November 17, 1989

The President today announced his intention to nominate Jerome G. Cooper to be an Assistant Secretary of the Air Force for Manpower and Reserve Affairs. He would succeed Karen R. Keesling.

Mr. Cooper is currently vice president for marketing for David Volkert and Associates in Mobile, AL. Prior to this he was president of the Christian Benevolent Insurance Co. Mr. Cooper graduated from Notre Dame (B.A., 1958). He was born October 2, 1936, in Lafayette, LA. He served in the U.S. Marine Corps, 1958 - 1970, receiving the Bronze Star, two Purple Hearts, and three Vietnamese Crosses of Gallantry. Since 1970 he has served as a major in the U.S. Marine Corps Reserve. He currently resides in Mobile, AL.

Nomination of James B. Edwards To Be a Member of the Board of Directors of the Communications Satellite Corporation

November 17, 1989

The President today announced his intention to nominate James B. Edwards to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1990. He would succeed Michael A. McManus, Jr.

Since 1982 Dr. Edwards has served as president of the Medical University of South Carolina in Charleston. Prior to this, he served as Governor of South Carolina, 1975 - 1981; South Carolina State senator, 1972 - 1975; chairman of the First Congressional District Republican Committee, 1970 - 1971; and chairman of the Charleston County Republican Party, 1964 - 1969. In addition, Dr. Edwards was an oral surgeon in Charleston, SC, 1960 - 1974.

Dr. Edwards graduated from the College of Charleston (B.S., 1950) and the University of Louisville (D.M.D., 1955). He attended the graduate medical school of the University of Pennsylvania. Dr. Edwards was born June 24, 1927, in Hawthorne, FL. He served in the U.S. Maritime Service, 1944 - 1947, and in the U.S. Navy, 1955 - 1957. Dr. Edwards is married, has two children, and resides in Mount Pleasant, SC.

Nomination of Gail Roggin Wilensky To Be Administrator of the Health Care Financing Administration

November 17, 1989

The President today announced his intention to nominate Gail Roggin Wilensky to be Administrator of the Health Care Financing Administration, Department of Health and Human Services. She would succeed William L. Roper.

Since 1983 Dr. Wilensky has served as vice president of the division of health affairs for Project Hope in Chevy Chase, MD. Prior to this, she served as senior research manager for the National Center for Health Services Research at the Department of Health and Human Services, 1978 - 1983; associate professorial lecturer in the department of economics at George Washington University, 1976 - 1978; health service fellow for the National Center for Health Services Research at the Department of Health, Education and Welfare, 1975 - 1978; faculty associate for the Survey Research Center for Social Research at the University of Michigan, 1974 - 1975; associate research scientist for the Institute of Public Policy Studies and School of Public Health, 1973 - 1975; senior research associate for the Urban Institute in Washington, DC, 1971 - 1973; executive director of the Governor's Council of Economic Advisers in Baltimore, MD, 1969 - 1970; staff economist for the President's Commission on Income Maintenance Programs in Washington, DC, 1968 - 1969; and research associate in the department of economics at the University of Michigan, 1968.

Dr. Wilensky graduated from the University of Michigan (A.B., 1964; M.A., 1965; Ph.D., 1968). She was born June 14, 1943, in Detroit, MI. Dr. Wilensky is married, has two children, and resides in Washington, DC.

Nomination of Carol Mayer Marshall To Be Superintendent of the Mint of the United States at San Francisco

November 17, 1989

The President today announced his intention to nominate Carol Mayer Marshall to be Superintendent of the Mint of the United States at San Francisco, Department of the Treasury. This is a new position.

Since 1986 Ms. Marshall has served as the president of Carol Mayer Marshall and Associates in San Francisco, CA. Prior to this, she served as the vice president of Public and Private Consultants, Inc., 1981 - 1986; an attorney with Washburn and Kemp, 1985 - 1986; and assistant to the president of the Investment Development Fund, 1979 - 1981. She purchased, renovated, and sold single-family homes in San Francisco, CA, 1977 - 1979. Ms. Marshall was a partner with Planning Research Consultants, Inc., 1973 - 1977.

Ms. Marshall graduated from George Washington University (B.A., 1960) and the University of California (J.D., 1975). She was born August 27, 1935, in Cincinnati, OH. Ms. Marshall has one child and currently resides in San Francisco, CA.

Remarks at the Presentation Ceremony for the National Medal of the Arts

November 17, 1989

The President. Excuse the delay -- we've been out there trying to calm the national turkey, which has all worked out very well. [Laughter] No double entendres around here about that, either. [Laughter]

Thank you -- all of you -- for being here today for the fifth annual presentation of the National Medal of the Arts. It is a great pleasure and an honor for Barbara and me to welcome you to the White House. I just want to thank the National Council on the Arts; the Committee on the Arts and Humanities; as well as John Frohnmayer, our new and distinguished Chairman of the NEA [National Endowment for the Arts]; and of course, Hugh Southern, for the support and encouragement of America's cultural life.

Dante once wrote that ``Art imitates nature as well as it can, as a pupil follows his master; and thus it is a sort of grandchild of God.'' Well, as this ``grandchild of God,'' art embraces our values in history, gives meaning to our existence, and illuminates the basic human truths which give us purpose. In a way, art defines our civilization. But in another more personal way, art opens entire new worlds for each of us, letting us see and hear and even feel life through the mind of someone else, from new perspectives. And instead of seeing a single world, we can see as many worlds as there are artists and writers, dancers and musicians.

The diversity of art in this nation is truly a product of the diversity of our democracy. The American arts, like a many-faceted mirror, have been a colorful reflection of this nation's history. The music of the frontier led to the blues of the bayou and the swing bands of the cities. The primitivism of the early painters gave way to the romanticism of the Hudson River school and, later, American impressionism and abstract expressionism. In architecture, Americans see everything from the Federal style to postmodernism. Modern photography and filmmaking have their roots in the tintypes of the Civil War era. And from our earliest writings to this week's bestseller list, we've seen American poetry, novels, short stories earn a unique place in the literature of the entire world. Cities like New York and Los Angeles have become art capitals of international importance; and regional orchestras, museums, dance troupes, and opera companies have enjoyed spectacular successes.

We need to make this great diversity of art more a part of the lives of all Americans. And we need to begin this effort in our schools so that our young people will have a sense of their heritage and the creativity of the present. We need to make special efforts to reach out to those who do not regularly participate. The work of the National Endowment is especially important in these areas.

Today, we honor a group of men and women whose creative ideas, talent, and passion have added so much to the rich tapestry that is our nation's cultural heritage. Their work is not just of the mind but of the heart and of the soul. And some have challenged us, some have amazed us, and some have brought remarkable beauty of sight and sound to us, but all have helped us to think and to dream and to understand ourselves and our world a little better.

Today, we honor Alfred Eisenstaedt for his photography, Dizzy Gillespie for his jazz innovations, John Updike for his prose, Katherine Dunham for her dance and choreography, Walker Hancock for his sculpture, Czeslaw Milosz for his poetry, Robert Motherwell for his paintings, and Leopold Adler for his historic preservation. And we honor someone whose great talent and energy will live on, long after the sounds of his music has faded, and that is the late Vladimir Horowitz.

And we honor the patrons of the arts, those who understand that without the artistic creativity of its people no nation can be whole, and those whose dedication, energy, and commitment have sustained that creativity over the years. We honor Martin Friedman of the Walker Art Center in Minneapolis, Leigh Gerdine of Webster University in St. Louis, and the Dayton Hudson Corporation.

And now I will ask John Frohnmayer if he will read the citations for the National Medal of the Arts to our recipients. John, all yours.

Mr. Frohnmayer. Thank you, Mr. President.

Leopold Adler II is a nationally recognized expert in historic preservation, one who has changed the face of his hometown, Savannah, Georgia. He was the driving force behind two remarkable revitalization experiments. One refurbished the historic section of Savannah, and the other renovated low-income housing in the Victorian district. Mr. Adler has also served as a trustee for almost a decade for the National Trust for Historic Preservation.

The citation reads:

To Leopold Adler for his civic leadership in preserving for all time the beauty of Savannah, Georgia, and for making that city a model of the art of historic preservation.

Katherine Dunham is an outstanding dancer and choreographer. The Dunham Company, the first black professional dance company in America, performed throughout the world from 1938 through 1963, presenting the dance, music, and folklore of Third World countries and the United States. For over 30 years, Ms. Dunham has maintained the only permanently self-subsidized dance troupe in America. She also founded the Dunham School of Arts and Research in New York City.

The citation reads:

To Katherine Dunham for her pioneering explorations of Caribbean and African dance, which have enriched and transformed the art of dance in America.

Alfred Eisenstaedt is the quintessential photojournalist who pioneered the introduction of the candid camera technique into news reporting. After emigrating from West Prussia in 1935, he joined the original photography staff of the new magazine Life. Mr. Eisenstaedt's most famous photo is that of a sailor kissing a nurse in Times Square at the end of World War II. As a photographer, he has won almost every major national professional award.

The award is received by his long-time friend and photo editor, Bobbie Baker Burrows.

The citation reads:

To Alfred Eisenstaedt for the extraordinary photographs that document the tragedies and triumphs he has witnessed over a lifetime.

John Berks ``Dizzy'' Gillespie is a virtuoso musician, pioneer, composer, and bandleader who has been a pivotal figure in 20th century American music. The founder of the jazz bebop movement, he developed a radical new approach to improvisation that was to change the course of modern musicmaking. For more than 40 years he has explored the varied music of different cultures. Mr. Gillespie has performed before countless world leaders and has won numerous awards. Dizzy Gillespie.

The citation:

To John Berks ``Dizzy'' Gillespie for his trailblazing work as a musician who helped elevate jazz to an art form of the first rank and for sharing his gift with listeners around the world.

Walker Kirtland Hancock is a renowned sculptor whose work spans a period of 70 years. He began by sculpting the bust of an orphan and was awarded a Prix de Rome while still an apprentice. He has spent a lifetime sculpting over 268 pieces, many of them portraits, busts, monuments, and medals in the heroic Renaissance style of Florence. Mr. Hancock has sculpted busts of American heroes and Presidents. He has said that just as the ancient Greeks did in their sculpture, celebrating heroes is still one of the worthy functions of sculpture today. Walker Hancock.

The citation:

To Walker Hancock for his extraordinary contribution to the art of sculpture and for demonstrating the enduring beauty of the classical tradition.

Vladimir Horowitz was a consummate pianist and a genius who was known for the controlled thunder and the electricity of his performances. Appropriately, Mr. Horowitz's first home was on Music Street in Kiev. He left the Soviet Union as a musical sensation in 1925 to play in Berlin, Paris, and ultimately in America at Carnegie Hall. He returned to Carnegie Hall 25 years later at the height of his popularity and returned to play in the Soviet Union in 1986. Vladimir Horowitz's music had a colorful blazing quality and technical excellence. Truly, he was a man with no equals.

The award will be delivered to Madame Horowitz upon her return from Italy.

And the citation reads:

To Vladimir Horowitz for his extraordinary achievements and distinctive style as a pianist whose concerts brought pleasure to audiences everywhere and whose contributions to music made him a citizen of the world.

Czeslaw Milosz is a poet and educator, whom Joseph Brodsky called ``One of the greatest poets of our time, perhaps the greatest." Mr. Milosz was born in Lithuania in 1911 and became a naturalized citizen of the United States in 1970. As one of the leaders in the avant-garde poetry movement in Poland during the 1930's, he edited an anti-Nazi anthology called ``Invincible Song." Mr. Milosz won the Nobel Prize for Literature in 1980 for his poetry on life in this century. Czeslaw Milosz.

The citation:

To Czeslaw Milosz for glorious poetry and prose that celebrates the freedom-loving spirit not only of his native Poland but that of his adopted country, the United States.

Robert Motherwell is an artist of global stature, renowned as one of the founders of the American abstract expressionism school, the first American art movement to receive recognition internationally as being on the leading edge of world art. He is best known for a series of monumental paintings on the ``Spanish Eulogy" theme, for abstract paintings in the open series, and as a master of collage. He has received a multitude of honors in five decades of a very distinguished career. Robert Motherwell.

The citation:

To Robert Motherwell for reflecting in his art the very essence of American Freedom with paintings that have found a distinguished place in collections everywhere.

John Updike is the author of over 30 books of poetry, novels, short stories, and essays. Mr.

Updike is one of the best chroniclers of American smalltown life in literature. He began as a writer for the New Yorker magazine and then authored the novels ``The Poorhouse Fair," ``Rabbit, Run," and among many others, ``The Centaur" and ``The Witches of Eastwick." Among many other awards, in 1982 Mr. Updike received the Pulitzer Prize for Fiction for ``Rabbit is Rich." John Updike.

The citation reads:

To John Updike, for novels and stories that, over a 40-year career, have given us a wryly affectionate, yet penetrating analysis of the complexity of life in today's America.

Martin Friedman is one of our nation's most innovative and scholarly museum directors. Mr. Friedman has served as director of the Walker Arts Center in Minneapolis since 1961, making it into one of the premiere small museums in this country, in exhibitions as well as in the performing arts. In addition to his activism in the arts community, he has written extensively on contemporary art and recently helped create the new Minneapolis Sculpture Garden.

The citation:

To Martin Friedman for opening the doors of his museum to the best of all of the arts in our time -- from painting and sculpture to film, video, and performance -- and for opening our eyes to the vital connections between these forms of expression.

Leigh Gerdine is an outstanding civic leader who has paved the way for development of every major cultural institution in St. Louis. Mr. Gerdine is a 40-year resident of that city, and for 18 years has been president of Webster University. He has been deeply involved in the St. Louis Symphony, the St. Louis Repertory Company and was founding chairman of the St. Louis Opera Theater, now one of the most widely acclaimed companies in the country. Mr. Gerdine.

The citation:

To Leigh Gerdine for his distinguished career as a musician and educator, and for the enlightened patronage which has earned him the title of spiritual father of the arts in St. Louis.

Dayton Hudson Corporation has been a leader in corporate giving for 43 years. Since 1980 the corporation has contributed nearly $70 million to arts programs in the United States. Dayton Hudson has targeted support to programs that, on a long-term basis, make a community a more vital place in which to live. During 1988 alone, Dayton Hudson generously awarded $7.4 million to 580 arts programs in 37 States and the District of Columbia. Accepting is Mr. Kenneth Macke, CEO of Dayton Hudson Corporation.

The citation:

To Dayton Hudson Corporation for helping to forge a vital partnership between the corporate sector and the arts community and for demonstrating how both can benefit in the process.

The President. Well, let me just say in conclusion, first, thank you, John Frohnmayer; and to all of you recipients, congratulations for your achievements, for the passion you bring to the arts. You have honored this country. Your nation is grateful to you. And congratulations to all of you. Barbara and I are just thrilled that you're here at the White House. And now I'd like all of our medal winners to join us up here for just a minute, if we could, for one quick -- what they call in the trade a photo op. [Laughter] Please.

Note: The President spoke at 12:12 p.m. in the East Room at the White House. In his opening remarks, he referred to Hugh Southern, former Acting Chairman of the National Endowment for the Arts.

Nomination of John W. Lyons To Be Director of the National Institute of Standards and Technology

November 17, 1989

The President today announced his intention to nominate John W. Lyons to be Director of the National Institute of Standards and Technology, Department of Commerce. He would succeed Ernest Ambler.

Since 1983 Dr. Lyons has served as Director of the National Engineering Laboratory at the National Bureau of Standards in Gaithersburg, MD. Prior to this he served as Acting Deputy Director of the National Bureau of Standards and Director of the Center for Fire Research at the National Bureau of Standards, 1973 - 1977. In addition he served in various research and development positions at the Monsanto Co., 1955 - 1973.

Dr. Lyons graduated from Harvard University (A.B., 1952) and Washington University (A.M., 1963; Ph.D., 1964). He was born November 5, 1930, in Reading, MA. Dr. Lyons served in the U.S. Army, 1953 - 1955. He is married, has four children, and resides in Mount Airy, MD.

Nomination of John J. Maresca for the Rank of Ambassador While Serving as Chairman of the United States Delegation to the Conference on Confidence and Security Building Measures

November 17, 1989

The President today announced his intention to nominate John J. Maresca, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as head of the U.S. delegation to the Conference on Confidence and Security Building Measures (CSBM).

Currently Mr. Maresca serves as Chairman of the U.S. delegation to the Negotiations on Confidence and Security-Building Measures. From 1986 to 1988, Mr. Maresca served as the Deputy Assistant Secretary for European and North Atlantic Treaty Organization (NATO) Policy at the Department of Defense. Prior to this, he served as a visiting fellow at Georgetown University's School of Foreign Service, 1985 - 1986; deputy chief of mission in Paris, France, 1982 - 1985; Director of the Office of Western European Affairs at the Department of State, 1980 - 1982; Deputy Political Counselor in Paris, France, 1977 - 1980; Deputy Chief of the U.S. delegation to the Conference on Security and Cooperation in Europe, 1977; officer in charge of NATO political affairs at the Department of State, 1975 - 1977; Deputy Chief of the U.S. delegation to the Conference on Security and Cooperation in Europe in Helsinki, Finland, and Geneva, Switzerland, 1973 - 1975; Deputy Director of the Office of the Secretary General of NATO in Brussels, Belgium, 1970 - 1973; assistant French desk officer at the Department of State, 1968 - 1970; and political officer at the U.S. Embassy in The Hague, Netherlands, 1967 - 1968.

Mr. Maresca graduated from Yale University (B.A., 1959). He was born December 9, 1937, in Stresa, Italy. Mr. Maresca served in the U.S. Navy, 1959 - 1965. He is married, has one child, and resides in Chevy Chase, MD.

Statement by Press Secretary Fitzwater on the President's Telephone Conversations With Foreign Leaders

November 17, 1989

This afternoon the President called Prime Minister Thatcher of Great Britain to discuss the upcoming EC [European Community] meeting on Eastern Europe and his meeting in Malta with President Gorbachev. They discussed the ongoing reform movement in Eastern Europe, noting that they are encouraged by the peaceful nature of the changes. The two leaders will continue their discussions when the Prime Minister visits Camp David on November 24.

The President also called President Mubarak of Egypt to discuss the Middle East peace process. The President discussed his recent meeting with Prime Minister Shamir of Israel, emphasizing the continued U.S. involvement in the search for peace. The President and President Mubarak agreed that discussions among the parties to the process will continue.

Memorandum on the Caribbean Basin Initiative

November 17, 1989

Memorandum for the Vice President and Members of the Cabinet

Subject: The Caribbean Basin Initiative

The Caribbean Basin Initiative (CBI) provides important trade and investment benefits to our friends and neighbors in Central America and the Caribbean. This is an area of major strategic importance to the United States. This Nation's security and prosperity depend in large measure on continued progress toward democracy and economic development in that region.

I am proud to note that the CBI is now a driving force behind much of the economic vitality that is becoming evident throughout the region. The peoples of the Caribbean Basin nations have joined with the United States in an economic partnership; they look to us for continued support for their efforts in fostering economic growth and development.

I affirm the CBI's importance for achieving a more prosperous, democratic, and stable Caribbean Basin. The people of this region regard enhancement of the CBI program as a high priority. This is an objective which I enthusiastically support. I call on the Congress to act quickly to pass balanced legislation to extend and expand the CBI program in a way that is consistent with U.S. obligations under the General Agreement on Tariffs and Trade (GATT).

In addition, I believe that we ought to examine all avenues currently at our disposal to ensure that the program achieves its goals as fully and as effectively as possible. I therefore call on all relevant departments and agencies to identify those actions which they can undertake, within existing budget constraints, to improve the operation of the Caribbean Basin Initiative. CBI countries should continue to enjoy special and more liberal treatment under our textile import program. The CBI program's effectiveness should be enhanced through appropriate assistance to investors, traders, and entrepreneurs in the region. I ask that all such efforts be coordinated through the Caribbean Basin Task Force, chaired by United States Trade Representative Carla A. Hills.

George Bush

Interview With Peter Maer of Mutual/NBC Radio

November 17, 1989

Meeting With Soviet President Gorbachev

Q. Good morning, Mr. President. We're very pleased to have this opportunity for this first radio interview with you. Some foreign policy questions, if I may, to start off. What will be item number one on the table when you sit down with Soviet leader Gorbachev in Malta?

The President. To be sure that we are not operating in a way that there will be unnecessary misunderstanding. In other words, I use the analogy of two big ships passing in the night: I don't want that to happen. I want to be on the same wavelength as much as we can. So, I would say the meeting is designed to see that the two ships do not pass in the night for lack of light.

Q. But what specifically will you bring up first?

The President. Well, as I say, we have not ever set an agenda. Clearly, I will be interested in getting his views on the dynamic changes taking place in Eastern Europe. We will have detailed conversations about his economy, and I will be glad to talk to him about ours. And so, I think along those two areas you'll see a lot of discussion. And also, I will be bringing up, and I expect he will be prepared to discuss, regional tensions: problems in this hemisphere, support for Nicaragua, for example; Afghanistan; other areas where Soviet interest and the United States do not parallel each other.

Q. You sent him a message in reply to his earlier cable, again saying that you support the reforms going on in his country and in Eastern Europe. Do you support them to the extent that you'd put your money where your mouth is, so to speak, and grant the Soviets some sort of economic assistance to spur those reforms?

The President. Well, I'm perfectly prepared to discuss economic reforms and what the Soviets would like to see in terms of interest from the West. But I noted with great interest Mr. Shevardnadze's [Foreign Minister] view when asked a similar question. He said: ``We're not looking for aid. We are not wanting somebody to bail us out." That's good. They're a sovereign state, have a high degree of pride -- but clearly, there will be a discussion of economic matters as they affect the Soviet Union.

Q. When you say, as you did in a speech this week, that the Malta summit -- the Malta meeting, as you all here prefer to call it -- will not be used to negotiate the future of Europe, what does that mean? Are you taking something off the table there?

The President. No. What I'm saying is we're not going to have a Yalta.

Q. To what extent? When you're not -- --

The President. To the extent that it's not the role of the United States of America and the Soviet Union to divide up things or alter borders or do some of the things that took place at the meeting I've just referred to. We're not going to get into that. It is a broad, general meeting -- we wouldn't do it anyway.

General Noriega of Panama

Q. Another part of the world. Have you, indeed, approved a covert plan that allows the CIA to recruit people to overthrow Manuel Noriega in Panama?

The President. Of course I'd love to see Noriega out there, but you know I never discuss intelligence. I was head of the intelligence community for 1 year, a little over a year -- about a year -- and one thing that I know you don't do is discuss covert action or rumors about covert action, or confirm or deny covert action. And I wish other people would conduct themselves in that same manner, and then maybe some of the efforts of an intelligence community could be more effective. So, I will not confirm or deny anything of that nature.

Now, if you'd like me to state would we like to see Noriega out of office -- absolutely.

Q. I know you want him out of office. How far will you go to get him out?

The President. Well, that is a question that's so open-ended it can't possibly be answered.

Q. Well, let me ask you this. Since you won't answer that and you won't talk about the specific plan, do you still feel that your hands are tied?

The President. I'm not saying there is a specific plan.

Q. Okay. Since you won't even confirm whether there is a specific plan -- --

The President. Now we're going, now we're talking. [Laughter]

Q. -- -- do you still feel your hands are tied by Congress on matters like this? This matter specifically?

The President. No, not on this matter specifically, and if there were to be a plan -- and I think we have a pretty good understanding with the Intelligence Committee at this point, in the Senate and in the House.

German Reunification

Q. Back to Eastern Europe. Is reunification of the two Germanys -- is that inevitable?

The President. I gave my view on that, and I said that that was a matter for the people of the Germanys to determine. And it's a highly sensitive matter as far as the Soviet Union is concerned, and it's better to leave it right there.

Q. But when you look at the way events are going there, is it inevitable in your opinion?

The President. Well, that's very hypothetical because there are so many things that can intervene. And I would say it is a matter for the determination of the German people.

Q. Well, many people look at the history books, and they worry about that prospect. Is that a legitimate concern?

The President. Well, we've had discussions with countries that express concerns in this regard because of certain historical precedents, but I don't think that history need repeat itself if there evolves a single German State. But that is down the road, and it is not something that is being pressed. And I repeat: That is a matter for the determination of the German people.

Defense Budget Cuts

Q. Some Members of Congress look at this situation in Europe, and they see it as ripe for debate on considering cutting the defense budget, taking a big chunk out of it. Does that make sense to you?

The President. No, it doesn't make sense to me.

Military Reductions in Europe

Q. What about reducing NATO and Warsaw Pact forces there? A lot of people think -- --

The President. We already have made proposals. We have a bold proposal, a leadership proposal by the United States that has wide support amongst our allies, to do exactly that.

Q. Will that be on the table in Malta?

The President. Well, it's on the table now.

Q. If Gorbachev comes in, and he says why don't we agree to it here? -- a lot of experts think

that he will come in and say that.

The President. He's already agreed to it in principle. The Soviet Union has -- there's no great debate on the principles of the reductions that we've proposed. But the problem is we're hammering out a lot of detail now that can't be done at a Malta meeting or that has to be done in a multilateral forum.

And so, I've been very pleased that the Soviets have been quite supportive of this United States-NATO initiative.

Q. Would you be willing to use the Malta meeting as a setting to sign off on such an agreement once -- --

The President. I don't want to elevate the expectations of a watching world. That is not going to take place at Malta because the details have not been worked out in the multilateral forum where they're being discussed in Vienna. It just won't be ready by then.

Q. Quick domestic question -- --

The President. My hope is that it can meet the timetables I set and the alliance set. And they were very ambitious. But it's not December 2d.

Abortion

Q. Quick domestic question. Will you sign this DC appropriations bill that includes allowing the use of local funds for abortions for poor women?

The President. I have made very clear that I -- they can test me all they want; they can package it any way they want, but if it expands the use of federally appropriated funds for abortion, I'm not going to sign it. And I've been very honest and direct with the District.

Q. This is local funds.

The President. Well, let me see what it is then, if there's something different. But if it's appropriated federally, why, I have great difficulty with that, and have been very open with the Congress on it.

Q. This is still a very painful subject for you, isn't it?

The President. It is, I don't like it. I know that our party is big enough to have people in it who differ on this question. There's no question about that. If that weren't true, I guess I wouldn't

have been elected President, because this issue was widely presented to the American people and very openly debated in debates with Mr. Dukakis, who felt quite differently about it.

Q. Well, if the party is big enough, why is it that policymakers in the health area are required to share your views before they're -- --

The President. Because I was elected to perform on certain things. They don't have to share them on every iota -- crossing every ``t'' and dotting every ``i'' -- but I'm the President. I was elected to do certain things. And I want somebody in housing that can support the general initiative on housing. I want people on health that share my respect for human life. I want people in Treasury that like to see this deficit come down in a certain way. That's not such a radical concept.

The President's Dog

Q. They tell me the time is up. I have to ask ÿ7Eÿ7Eone ÿ7Eÿ7Ekicker. ÿ7Eÿ7ECan ÿ7Eÿ7Eyou ÿ7Eÿ7Econfirm ÿ7Eÿ7Ethese widespread White House stories that your dog has been eating rats and squirrels?

The President. She's doing her part. [Laughter]

Q. Has she been eating rats and squirrels?

The President. Not eating them.

Q. Just killing them.

The President. Our dog is a fearless hunter, and what she does on her own time -- that's her business.

Q. What does it tell us -- that there are rats in the White House yard here?

The President. Look, I just want to keep them out of the swimming pool. One jumped in there when Barbara was swimming. And we're relying heavily on Millie to cut that down.

Q. Mr. President, thank you very much.

The President. There was a mouse in this very room you're sitting in. I hope that doesn't terrify you, but he was done in the other day, too.

Q. Thank you very much for joining us, sir.

The President. Not at all.

Note: The interview began at 11:13 a.m. in the Oval Office at the White House. It was released by the Office of the Press Secretary on November 18.

Message to the House of Representatives Returning Without Approval the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990

November 19, 1989

To the House of Representatives:

I am returning herewith without my approval H.R. 2939, the appropriations bill for foreign operations, export financing, and related programs for the fiscal year 1990.

I do not take this action lightly. In a good faith effort to resolve the constitutional and other problems contained in the bill, the Administration has engaged in extensive negotiations with the Congress. Those negotiations have not succeeded, and serious problems remain. Consequently, I must veto this bill.

Several sections of the bill, and in particular Section 582, interfere with my constitutional authority to conduct the foreign relations of the United States. The bill would also require the expenditure of millions of dollars to support a United Nations fund that, in turn, strongly defends and supports a foreign nation's policy of coercive abortion. United States assistance to the fund reverses existing United States policy and is unacceptable.

Section 582(a) would prohibit the obligation or expenditure of funds appropriated by the Act ``for the purpose of furthering any military or foreign policy activity which is contrary to United States law." Section 582(b) would prohibit the use of funds appropriated by the Act ``to solicit the provision of funds by any foreign government (including any instrumentality or agency thereof), foreign person, or United States person, for the purpose of furthering any military or foreign policy objective which is contrary to United States law." Subsequent provisions include a set of limiting definitions as well as a general limiting construction for the entire section.

Although I believe that the limiting provision may allow for a constitutional construction of Section 582, the section as a whole remains sufficiently ambiguous to present an unacceptable risk that it will chill the conduct of our Nation's foreign affairs.

Section 582 appears designed to prohibit, among other things, consultation between the United States and another sovereign nation regarding actions that nation may wish to undertake. It has, however, long been recognized -- by the Framers, by the Supreme Court, and by past Congresses -- that the President, both personally and through his subordinates in the executive branch, possesses the constitutional authority to communicate freely with representatives of foreign

governments, and to encourage foreign nations to take such actions as the President believes are in our Nation's interest. Although Section 582(e) states that the section is not intended to limit the ability of the President or his subordinates to express their views, I am not convinced that this provision is sufficient to remove all constitutional doubt concerning Section 582. There would remain an unacceptable degree of uncertainty concerning what the section is intended to cover, and this uncertainty would inevitably restrict our contacts with foreign governments. I believe that this section impermissibly circumscribes a fundamental responsibility that the Constitution had entrusted to the President -- the protection of our Nation's security through a vigorous representation of our interests abroad. I believe it is neither fair nor wise to make those who formulate and execute foreign policy serve the public under a vague and sweeping prohibition.

I am sensitive to the concerns that have prompted the adoption of Section 582. I have repeatedly emphasized in my meetings with the congressional leadership that through close consultation with the Congress I intend to build a new spirit of cooperation and trust between the legislative and executive branches. Section 582, however, is inimical to that spirit of trust and would cast a shadow over the executive branch in the conduct of our foreign policy at a time when the course of world events necessitates great flexibility.

The bill would also require the use of appropriated funds to support the United Nations Fund for Population Activities, which supports and participates in the management of a program in a foreign nation that involves coercive abortion.

On October 6, 1989, I informed the Congress of my continued strong support of the Kemp-Kasten Amendment, also known as the Kemp-Inouye-Helms Amendment, which has applied to foreign operations appropriations since 1985. The Kemp-Kasten Amendment denies United States population assistance funds to any organization that, as determined by the President, supports, or participates in the management of, a program of coercive abortion or involuntary sterilization. I stated that if this bill as ultimately presented to me by the Congress contained any language which would weaken the current Kemp-Kasten provision, or exempt the United Nations Fund or any other organization from its full application, I would veto the bill.

Let me restate my strong support for international family planning programs, and my view that the United States should support such efforts so long as they do not violate Kemp-Kasten or other established policies of the U.S. Government.

Unfortunately, the Congress has inserted in the bill the so-called Mikulski Amendment, which would fatally weaken the integrity of the Kemp-Kasten anti-coercion provision by earmarking funds for the United Nations Fund, the only organization that has ever been determined to violate that provision. The Fund participates in and strongly defends the program of a particular foreign government which relies heavily upon compulsory abortion. This fund has received no United States assistance since 1985, precisely because of its involvement in this coercive

abortion policy. The current bill thus represents radical and unwarranted change in policy.

The Mikulski Amendment is rendered no more acceptable by a clause which requires the Fund to keep its books in a manner so as to prevent the direct flow of United States assistance to the particular foreign government. The current Kemp-Kasten law tells all family planning organizations that they must refrain from supporting coercive programs, or the United States will direct its resources to alternative organizations which respect the fundamental principle of voluntariness. The bill would negate this essential human rights principle through substitution of a simple accounting requirement, and I find this unacceptable. The bookkeeping provision would clearly place the United States in the position of supporting a program that in turn supports coercive abortions, a program that is inconsistent with American values. Such support would undermine our position that family planning must be voluntary and would contradict the human rights character of our foreign policy around the world.

Although these provisions, standing alone, would lead me to veto this bill, many other provisions of the bill also pose constitutional problems. The Administration has discussed those provisions in detail in letters to both houses of Congress.

I look forward to working with the Congress to craft a bill that I can enthusiastically support and to passage of an appropriations bill that will facilitate our many foreign policy initiatives.

George Bush

The White House,

November 19, 1989.

Nomination of Peter K. Nunez To Be an Assistant Secretary of the Treasury

November 20, 1989

The President today announced his intention to nominate Peter K. Nunez to be an Assistant Secretary of the Treasury for Enforcement and Tariff Affairs. He would succeed Salvatore R. Martoche.

Since 1988 Mr. Nunez has served as a partner in the litigation department of the law firm of Brobeck, Phleger and Harrison. Prior to this, he served as the U.S. attorney for the Southern District of California, 1982 - 1988; as the chief assistant U.S. attorney, 1980 - 1982; as the assistant U.S. attorney for the Southern District of California, 1972 - 1980; and as a law clerk to the Honorable Gordon Thompson, Jr., U.S. district judge for the Southern District of California, 1970 - 1972.

Mr. Nunez graduated from Duke University (B.A., 1964) and the University of San Diego School of Law (J.D., 1970). He served in the U.S. Naval Reserve, 1964 - 1966. Mr. Nunez was born August 31, 1942, in West Reading, PA. He is married, has two children, and currently resides in San Diego, CA.

Nomination of William D. Hathaway To Be a Commissioner of the Federal Maritime Commission

November 20, 1989

The President today announced his intention to nominate William D. Hathaway to be a Federal Maritime Commissioner for the term expiring June 30, 1993. He would succeed Thomas F. Moakley.

Since 1979 Senator Hathaway has served as an attorney with the law firm of Patton, Boggs and Blow in Washington, DC, and he served as an adjunct professor of law at Georgetown Law Center from 1981 to 1983. Prior to this, he served in the U.S. Senate, 1973 - 1978, and in the U.S. House of Representatives, 1965 - 1972. In addition, Senator Hathaway served as a hearing examiner for the State liquor commission in the State of Maine, 1957 - 1961; assistant county attorney for Androscoggin County, ME, 1955 - 1957; and as an attorney in general practice in Lewiston, ME, 1953 - 1964.

Senator Hathaway graduated from Harvard College (A.B., 1949) and Harvard Law School (J.D., 1953). He was born February 21, 1924, in Cambridge, MA. Senator Hathaway served in the U.S. Army Air Corps, 1942 - 1946. He is married, has two children, and resides in McLean, VA.

Nomination of David C. Fields To Be Director of the Office of Foreign Missions

November 20, 1989

The President today announced his intention to nominate David C. Fields, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Director of the Office of Foreign Missions at the Department of State, with the rank of Ambassador. He would succeed James E. Nolan, Jr.

Since 1986 Ambassador Fields has served as U.S. Ambassador to the Central African Republic. Prior to this, he served as Deputy Assistant Secretary for Security at the Department of State, 1984 - 1986; administrative counselor at the U.S. Embassy in London, 1980 - 1984; administrative counselor at the American Embassy in Islamabad, 1979 - 1980; administrative officer at the U.S. Embassy in Tunis, 1975 - 1979; budget officer for the Office of Budget at the Department of State, 1973 - 1975; university training at Cornell University, 1972 - 1973; administrative officer in Ouagadougou, 1970 - 1972; budget officer for the U.S. Embassy in Libreville, 1967 - 1970; chief accountant for Thorsen Manufacturing Co. in Emeryville, CA, 1965 - 1967; sales representative for the California-Western State Life Insurance Co. in San Rafael, CA, 1965; accountant for the Basalt Rock Co. in Napa, CA, 1962 - 1965; and export negotiator in the international division of the Wells Fargo Bank in San Francisco, CA, 1960 - 1962.

Ambassador Fields graduated from Armstrong College (B.A., 1960), and he attended Cornell Graduate School of Industrial and Labor Relations. He was born January 13, 1937, in San Pedro, CA. Ambassador Fields served in the U.S. Army, 1955 - 1957. He is married, has two children, and resides in Washington, DC.

Nomination of Henrietta Hugentobler Holsman To Be an Assistant Administrator of the Agency for International Development

November 20, 1989

The President today announced his intention to nominate Henrietta Hugentobler Holsman to be an Assistant Administrator for Private Enterprise at the Agency for International Development, U.S. International Development Cooperation Agency. She would succeed Mae Neal Peden.

Since 1977 Ms. Holsman has served as president and director of Stockton Wire Products in Burbank, CA, and since 1981 she has served as president and chairman of the board of Pozacorp, Inc., in Burbank, CA. Prior to this, she served as an independent business consultant in Denver, CO, 1975 - 1977; founder and manager of several entrepreneurial businesses, 1975 - 1986; realty specialist for the General Services Administration in Denver, CO, 1971 - 1975; and a bank apprentice for the Bank of Greece in Athens, Greece, 1968.

Ms. Holsman graduated from Wellesley College (B.A., 1970) and the University of Northern Colorado (M.A., 1975). She was born December 9, 1948, in Chicago, IL. Ms. Holsman resides in Ventura, CA.

Appointment of Curtis Means Dunbar as a Member of the National Commission on Responsibilities for Financing Postsecondary Education

November 20, 1989

The President today announced his intention to appoint Curtis Means Dunbar as a member of the National Commission on Responsibilities for Financing Postsecondary Education. This is a new position.

Since 1987 Mr. Dunbar has served as assistant principal for Union High School in Union, SC. Prior to this, he served as assistant principal for Jonesville High School, 1985 - 1987; guidance counselor for Union High School, 1979 - 1985; science teacher for Jonesville High School, 1976 - 1985; and consultant for the Federal Trade Commission in Washington, DC, 1982.

Mr. Dunbar graduated from The Citadel (B.S., 1976) and Winthrop College (M.Ed., 1978, 1980). He was born January 10, 1953, in Union, SC. Mr. Dunbar is married, has three children, and resides in Union, SC.

Remarks and a Question-and-Answer Session With Students at Pickard Elementary School in Chicago, Illinois

November 20, 1989

The President. Good to see you, all of you. Who's going to tell me about what's going on around here? Ana, are you starting, or shall we ask our principal to tell us? Come on, you've said stuff before.

Do you know who came with me? Does everybody know? The Governor of the State, Governor Thompson, who is over here; Congresswoman Lynn Martin, who is a Member of the United States Congress in Washington, but she's from Illinois; and then Mr. Daley, Rich Daley, who is the mayor. You probably see him on television every single night, but I bet you haven't met him before.

Now who is going to tell us some stuff about what you're doing in school here? First place, you all look real beautiful, so I know you got dressed up for me because I don't imagine you wear such a pretty dress every day, do you? No? You say something first, now. You can either ask questions or tell me what you're doing here in school, because I know about the school. I know something about the school. Because you know what I know about it? I know for a fact certain that they've done a wonderful job in joining the war against drugs, and it's not easy. But I know that you all are trying very hard and setting a wonderful example. That's one thing I know about your school. And I also know something else: that a lot of kids come from a lot of different backgrounds. Some from overseas -- different countries. And I know that many speak Spanish in their homes. And I also know that you've got a good program in the school to teach people to -- so everybody will understand English -- get phased in to English.

Now you tell me some stuff. Do you want to go first? Okay.

War on Drugs

Q. President Bush, when some people use drugs, about how much do you arrest the people that use drugs?

The President. Well, we're beginning to make the case that the user, the person that uses drugs, has to pay a penalty. It varies in different situations. But for a long time, everyone felt, well, we'll just go after the real bad guys, you know, the people that were selling the drugs and bringing the drugs into the country. Well, we've got to do that.

In fact, we're working with some of the countries around the world, like in Colombia and Mexico and Peru and Bolivia, to try to stop things at the source. But when people break the law, like in any other subject, they've got to pay a penalty. And that's why I think more and more you're seeing various jurisdictions go after those who use the drugs. Understand that?

Q. Yes.

The President. How about you, Jesse? You got something?

Q. President Bush, how do drugs get into this country?

The President. They get them in through the darnedest ways you've ever seen. You know, they make false bottoms into boats. They put them in these great big cargo containers, these great big steel containers, and then seal them. They mix them in plastic bags. They drop them into different kinds of products coming in. They fly them sometimes in airplanes, like little planes, and then drop them out, and they're picked up by boats. They're carried in by people that they call mules. They use human beings to swallow the drugs in a container and then come in like that through customs and then regurgitate them. All kinds of ways -- and it's very hard to stop them. We are not going to win the drug war by interdiction alone. We can do better; I think we are doing better. People are interdicting just tons of drugs. It still comes in. It's an important one.

You know anybody whose family came from Colombia here, in South America? Nope? Anybody from Mexico? Hey, well, in Mexico we're having great cooperation now. They've got a new President. And he's working very hard -- his military -- working with specialists from the United States, from our country, to stop the drugs right at its source, to the degree they come from there -- you know, where it's planted there. And then soon I'll be having a meeting with the Presidents of Colombia, Peru, and Bolivia to talk about what else we can do to stop them from -- it's a good question, Jesse.

Hey, I've got to see your name and everything. Ricky, what have you got?

Q. President Bush, how can you stop drugs coming to our country?

The President. Well, you've got to stop them by having a coordinated effort along the border, all the law enforcement people working as a team. You've got to do it at sea as best we can, stopping -- having the Coast Guard, who is doing a wonderful job. Now with me here was Secretary Skinner, Secretary of Transportation, who has jurisdiction over the Coast Guard. And they have these Coast Guard vessels that stop vessels on the high seas and in U.S. waters. You can do both if you work it out properly. And then they inspect them. Or you get intelligence -- you know, somebody will tip you off: There's a shipment of drugs coming in here. And then the agents will be there to greet the shipment and make sure they take over the drugs and penalize the people that are bringing them in.

But there are so many ways, Ricky, that people do that -- bring them in.

Q. President Bush, how do you stop drugs?

The President. How do you stop people using them? Well, do like your program in the school. You know, listen to your principal as she teaches everybody in this school to turn their back. There's a lot of programs. There's a wonderful program called DARE, which was started really with the cooperation of the police department. I don't know whether that's working here or not, mayor. But you go to the schools, these police officers who really do a good job, and they teach kids, as you've done here, to say no to drugs. They teach them how to say no to people that come in and tempt you by a better life:``We'll give you money. You can have good things if you use them." And then -- so, these programs teach people to turn away, walk away, even though it's tough.

How about on this side: Any questions? Rebecca, you got one? You don't have to. Yes, we'll go with Carlos, Gabriel back there, and then you be thinking. What have you got?

Q. We know that we've got to say no to drugs, but what else do we got to do to stop drugs? What else?

The President. Well, that's a very important thing so you, yourselves, don't do it. If you know friends that are, it's important to talk to them, because they respect you. Sometimes it seems hard to believe, but they respect you if you are saying no, so then you can help them. And then you can come to some teacher and say, look, this person needs help. I tried to talk to him as my friend, but he's caught up in this. And then you can have -- you've got wonderful teachers here and you've got a principal, and she can help. Sometimes the church can be helpful -- your priest and those sisters or wherever else in your church. They can be extraordinarily helpful. So, it's not just yourself, which is very important.

You know, the saddest thing -- the saddest thing -- is when parents use drugs. And kids are being taught by these wonderful schools: Don't use drugs. And yet, then they go home, and maybe their parents abuse the substance. And then you have to go to your teacher, or to your priest, or somebody that -- counselor, your drug counselor, and say, I need your help. I want to tell on somebody, that my family is hurting their own lives by doing this. That's the hardest kind, I think.

But once you decide you're not going to do it, then I think the answer is -- what can you do, Carlos? Reach out and try to help others.

Q. Are you going to stop drugs?

The President. We're trying hard, and we've got a whole program that has national support. And it is more than rhetoric; we're trying to change the laws. We're getting good cooperation from the Congress. You have mayors like your mayor, who is determined -- Mayor Daley out there trying to do everything he can through education and through his police. And Governor Thompson took the lead on a statewide antidrug approach. So, it's a combination. It's not just Washington, and this is important because people think the President of the United States -- he can do everything. A lot of people think that, but there are certain limits on what you can do. And this one is not going to be won unless it starts in the classroom or in the home and it goes to the city. And you've got a mayor that cares -- he's really trying.

You go to the State -- the man who has to be responsible for every city and town -- a Governor that cares. You go to the Congress, where you have Congresswoman Martin, who cares and who takes the lead in legislation and, certainly in her case, in education. She used to be a teacher. So, she can help take the message out all across the State of Illinois and, in her case, nationally -- to help each other to do it, to stay away.

Q. How long have you tried to stop drugs?

The President. How long? Well, you know, it's funny because when I was little, there probably -- that was a long time ago -- there probably was drug use. You go back into history -- there's been drug use long before now, but it's only in recent years that it's become a major national problem. In fact, some people used to think it was funny. And you'd see in movies -- you'd see people who had used some terrible drug, and people would laugh about them instead of condemning. So, it's changed.

But I guess, officially, my major responsibility started when I was Vice President. I was elected Vice President in 1980, when you were a tiny baby -- not so tiny baby -- and then I had -- some of the area that I had -- some responsibility for was getting all the agencies in the Federal Government to try to interdict drugs, to try to do what Ricky asked about: to stop them from coming in. And yet they still come in. It's got to be done -- try to stop them from coming in and then try to get people on what they call the demand side -- just turning your back on it, saying no, and helping others learn to do that.

The Presidency

Q. Are all the Presidents rich? [Laughter]

The President. No. In our history, some didn't have much money at all. And that certainly should never be a requirement. I hope that some people are thinking: Just because we come here, you see, maybe I'll be President someday. Do you ever think about that? You should because it's fun to dream about stuff.

Q. How does it feel to be President?

The President. Sometimes it feels good, and sometimes it feels less good. But most of the time it's wonderful because I like my job, and I like a lot of parts of it. Some of it I don't like. There are some parts I don't like, but I like what I'm supposed to be doing, and so does my wife like -- she's trying to help people on literacy. And I like this part of the job. You meet people. And you can say to a school principal, and hope that people hear it all over the country: Hey, you're doing a first-class job. And so there's some wonderful things.

You know what I got to do? Some of the boys are interested. Just before I came here, I got to meet the quarterback for the Denver Broncos football team. And I know Mike Ditka, and I know some of the others. So, I get some fun stuff to do in sports. Then you think -- you're President; you think you're helping.

We're going off to meet Mr. Gorbachev, and in a week or so you're going to be reading all about that because it will be in every paper. And why are we doing it? Well, we're trying to make the world a little more peaceful. We want it to be a place where you grow up -- that you don't have to worry about having to go off to war. You can think about what this guy's thinking about -- maybe getting to be President or maybe getting a good education or going out and helping others.

Q. How come you became President?

The President. How did I get to be President? Well, I was in politics a long time, and I was in business, and I worked hard. I decided in the late seventies that I wanted to be President, and then I went out and worked for it. And I had a lot of help. You can't do it alone. You get help. Your Governor helped me; and this Congresswoman, Lynn Martin, was extraordinarily helpful to me. And then people that aren't in office -- they helped. So, you have to get people behind your case and your cause. In my case, I ran and lost for the Senate, for example. I got up -- friends pick you up, dust you off, put you back in the game, and you try again. Then I ran for President and lost in 1979. And then President Reagan suggested to our convention that I be Vice President, and then we were elected. And then for 8 years I was Vice President. And then I ran again.

So, it's that way. But you have to work at the grassroots; you have to care about people, I think. But you have to be willing to try, to risk something. And you've got to learn that if somebody says something ugly about you, don't worry about it. I used to be very worried when I was much -- 15, 20 years ago. Somebody said something that was critical, I would worry about that. I don't worry about that anymore. So, you have to have a fairly thick skin, but never so thick that you don't care about people.

You think you're going to give it a try someday? Maybe? I hope so. I bet you'd be good.

War on Drugs

Representative Martin. Mr. President, can we ask the kids something, just because they've been such wonderful kids?

The President. Yes.

Representative Martin. How many of you have ever seen or know about drugs in your neighborhood right now? So, see, they're kind of our frontline troops, aren't they?

The President. Yes, they are. People try to sell them to you and stuff? Or get you involved in it some way?

Representative Martin. There's a generation that can make a difference.

The President. Yes. Good luck.

The President's Dog

Q. How is your dog doing?

The President. How's our dog? Oh, she's wonderful. I don't want to say this in front of anybody, but I had to take her into the shower yesterday and give her a bath because she rolled in something bad. I mean, really bad. [Laughter] And so, Barbara, my wife, said: ``Would you mind giving Millie a bath?'' So, even when you're President, you've got to do some stuff that isn't too good or fun. But when she slept up on our bed last night, she was very clean, and she smelled real good.

Okay, we'll see you.

Q. How many puppies did Millie have?

The President. Millie had six puppies. She had five daughters and a son. And the son: he's now 8 months old. And he's much bigger than Millie, and he plays with her. And we had her up at Camp David, and they run through the woods looking for things, but there's some bad news. See that rabbit over there? Don't let him out if Millie comes to this school, okay? [Laughter] The other day -- I wouldn't say this, because I know they won't report this -- but the other day, running through the woods, Millie caught something, and Mrs. Bush said to the Secret Service man: ``What is that?'' And the Secret Service guy said: ``A bunny.'' She had caught this bunny.

Okay, we'll see you all.

Note: The President spoke at 10:40 a.m. in Room 305. In his remarks, he referred to fifth grade student Ana Zamora, who had written him a letter about widespread drug abuse in her neighborhood. The President also referred to Sylvia F. Asllani, the school principal, and students Jesus Castro, Ricardo Ramirez, Rebecca Cervantes, Carlos Guttierrez, and Gabriel Ortega.

Remarks at an Antidrug Awards Ceremony at Pickard Elementary School in Chicago, Illinois

November 20, 1989

Well, first of all, let me just thank your principal, Mrs. Asllani, for the hospitality. You know, the minute we walked into this school, we were made to feel at home. And some of it is because of your principal, some because of the other wonderful teachers here, and a lot of it just because of the warm welcome that we all felt when we saw the signs and the posters and all of that. So, it makes a difference. And for those who participated in all of that, my heartfelt thanks.

I want to just refer to the people here with me. Sam Skinner -- he's the Secretary of Transportation. He's a member of the President's Cabinet. We talked about drugs in the classroom. He's in overall charge of the Coast Guard. They're the guys -- a lot of them out at sea -- trying to do the job on stopping drugs. He's doing a wonderful job. Governor Thompson, the Governor of the whole State. And in this drug area, why, he put on a major effort to get Illinois to have its legislation right out front of the Nation -- did a great job. You all know, because you see him every single night on television, I bet you -- Mayor Daley. And he's fighting hard at the local level to work with the police officers and the families to do a good job on fighting drugs. Congresswoman Lynn Martin: She used to be a teacher, so she understands a lot about how it works in school. And now she's a Member of the United States Congress, a real close friend of mine, a real leader. And she understands the problems of young people in this country -- working to help. And Jim Ryan, a State's attorney, is here. I, too, want to say hello to McGruff's master, Officer Oliveri, and even -- Oliveri over here and McGruff himself here.

So, thanks for the welcome! Also, we've got to give one more round of applause. We have to do this because when I looked at these winning posters I saw so many that could have won. And I think these winners need one more round of applause for what they've done. [Applause]

All of these posters, these ones right here behind, show that this school understands that drugs and crime are bad, and you've got to keep on understanding that. We asked how many kids in the other room -- Lynn Martin did -- how many had been exposed to drugs? Many hands went up. And that means that the pressure is still on out there, so you've got to follow through on what you've learned in this school.

I'm here today, as your principle alluded to, because you, the students of Pickard Elementary, cared enough about the problem of drugs in your community to write the President of the United States. Well, I'm responding to those letters, and as she put it: You have been heard, and I'm just delighted to be with you.

For the younger ones here, how many of you have ever heard the story about the little train that

could? I bet you have. I hope you have. But Pickard is the little school that could. And all of you have said no to drugs, and you've said yes to education. And you've refused to be defeated by marijuana and crack and terrible gang violence. And instead, you've chosen to succeed by studying, obeying your elders, and having enough pride in yourselves just to say no to drugs.

And so, I'm delighted to have had this chance. Somebody asked me do you like your job as President? You might think it's an easy question. I guess it's easy because I really do like my job, but there are many facets to being President. And one of the things that really makes an impression on me is when I see dedicated teachers, a totally dedicated principal, working with dedicated students who are willing to do what they can to stand up against drugs.

And so, it is my honor -- it's not yours -- for me to be here. It is mine to be with you today. My Spanish is not too hot. I told the girl that met me out there, Ana, that we have grandkids that are half Mexican. Their mother's a Mexican. And so, I should speak better Spanish. My Spanish is just terrible. And maybe I can get a little help from our winner today, because I know he's fluent in Spanish, as many others are. But I would simply say: Diga no a drogas. [Say no to drugs.] And thank you very, very much. Muchimo gracias. I'm very proud to have been here. God bless you all.

[At this point, the students chanted antidrug slogans.]

That's it. Thank you all. Now I got to go to work. Thank you very much.

Note: The President spoke at 11:08 a.m. in the gymnasium. In his remarks, he referred to Sylvia F. Asllani, the school principal; Rose Oliveri, a Chicago police officer who assisted at the school; and Ana Zamora, a fifth grade student who had written a letter to the President about widespread drug abuse in her neighborhood.

Remarks at a Fundraising Luncheon for Senatorial Candidate Lynn Martin in Chicago, Illinois

November 20, 1989

The President. Thank you very much. Please be seated. [Laughter] Two hundred and fifty bucks and you get a standing hotdog! Okay. [Laughter] To Lynn Martin and Governor Jim Thompson; Illinois' own, our Secretary of Transportation, Sam Skinner, here today; Pate Philip, the senate minority leader; and of course, Bill Smithburg, who's doing an outstanding job; Al Jourdan, the State party chairman; Harold Smith I see over here, the GOP national committeeman; and Mary Jo Arndt, the GOP national committeewoman; my old friend and supporter, Jim O'Grady, the sheriff of Cooke County; and of course, another old friend who is heading up this deal, along with Bill, Dick Morrow; to another great Illinoisan, Gary MacDougal, who flew out with me on Air Force One today; and members of the great 1990 Illinois Republican ticket -- and I'll have a little more to say about them in a bit -- and friends: Thank you so very much for the welcome.

Lynn, thank you for that warm and generous introduction. And let me say that it is a great pleasure to be right back here in this city, the city of Chicago, and in this State that had so much to do with my having the opportunity to be President of the United States. And a particular joy to speak on behalf of a close and dear friend, one of the great leaders in the U.S. House of Representatives and -- I am convinced that if you do your job right and I do mine -- soon to be one of the great Members of the United States Senate, Lynn Martin.

She's a longtime friend, and I wanted to come here and personally support her. And I know that you wanted to hear a few words from a prominent figure who can really fire up a crowd and generate some excitement. Unfortunately, Mike Ditka's getting ready for next week's game, and Barbara Bush couldn't make it either, so here I am. [Laughter]

No, I am delighted -- for Lynn has been a magnificent Congresswoman for her district. I've been there with her. You should see the love and affection that people who know her best feel for her -- magnificent U.S. Senator she'll be. And she is what Illinois needs and what our administration needs: a Senator to make the Land of Lincoln proud, a leader to make the Nation proud, somebody in the Senate that I can work with as President of the United States. And Lynn is that woman. You know, over the years -- I hate to date myself -- I have worked with hundreds of Members of Congress. And few have impressed me more than Lynn. She's been there when America needed her; she's been there when I needed her.

Audience member. Why are we sending money to El Salvador?

The President. Just a minute. Wait, the lady asked a good question. Let me repeat it, and I'll give her an answer if you promise to be quiet after I -- promise? Word of honor? Okay. All right,

good.

The question is: Why are we supporting El Salvador? And the answer is -- --

Audience member. Why are we killing people in El Salvador?

The President. The answer is -- we're not. Now, you be quiet. And here's the answer to your question. We are supporting El Salvador because it had certifiably free elections. President Cristiani is trying to do a job for democracy. And the leftwing guerrillas must not take over El Salvador.

Isn't this system -- I love it! Hey, listen, it livens things up. And they kept their word, albeit under some -- [laughter] -- --

No, let me just say a couple more things about Lynn. [Laughter] When her district looked for a strong voice to speak for it in the House, she was there. For the parent worried about inflation -- and that is important -- for seniors needing medical care, for the student who wants to learn, she was there. And when I looked for her to fight for our cause -- look at this guy. Look at this fellow. What's your position?

Audience member. -- -- repression in El Salvador. In the name of God, stop the repression in El Salvador! In the name of God, stop the repression in El Salvador!

Audience members. Boo!

The President. Let me just say a word about El Salvador, and maybe it will help. It was the FMLN [Farabundo Marti National Liberation Front], the Marxist-Leninist FMLN, that shot its way into the middle of El Salvador, trying to disrupt Salvador's democracy. And President Cristiani told me on the phone that they will do everything they can to bring to justice, whether they're from the right or the left, those who wantonly murdered those priests. But we must not pull our support away for a freely elected democratic government in Central America.

Now, who's next? All I ask is equal time. I'm here to talk about Lynn. Hey, look, this isn't a town meeting. I've got a couple of things to tell you about this woman. When we look for somebody to fight our cause in last year's election, who was it? Lynn was there. And here's proof of her resiliency. She cochaired the National Bush-Quayle Committee with John Sununu and lived to tell about it. [Laughter]

You can see why I so admire her and why I need her in the Senate. On the one hand, she's a gracious, smart, and compassionate woman -- got to be careful here -- in this ``City of the Big Shoulders,'' hers may not rival the Bears', but the 1989 Republican woman of the year is strong and tough. And she's a fighter for her principles and a go-getter for constituents. And next

November, she'll be a winner for what one writer called ``the best State precisely because it is so American. Illinois is core America." And so, she'll win because she, too, is core America -- born and raised in Chicago, went to the Taft High School, attended the University of Illinois, graduated with honors. Of course, she tells me the Fighting Illini football team will do the honors on January 1, and we're looking forward to that.

Like Illinoisans, she's honest. It's like she always tells me: ``It's fine that you're here, Mr. President. But if you really want to wow the crowd, bring Barbara." [Laughter] I am getting a slight inferiority complex, Lynn, and please don't say it again. [Laughter] She's genuine -- never forgot who sent her to Washington, never left her roots.

Lynn Martin knows the people of Illinois: the retired laborer, the homemaker, the small shopowner. You should have seen her in the school just a few minutes ago, talking to the kids and interacting with these heroic principals. She knows their values: hard work, love of country, faith in God. She's been a county board member and a State legislator and for 9 years the Congressman from the 16th District. During that time, She's been right on issue after issue. She thinks as I do -- like you do. And because she does, we're going to need her more than ever in the 1990's. For the issues that confront America have never been more urgent, and we're going to need people like Senator Lynn Martin to help ensure prosperity for all Americans.

To begin with, consider some undeniable facts -- like the Bears' 1986 Super Bowl win or Don Zimmer being named the 1989 manager of the year -- an unemployment rate at the lowest level in 15 years, more than 20 million new jobs since 1982, the longest peacetime expansion in the history of our country.

The healthy economy that we now enjoy didn't happen by magic; it came about through tax cuts and controlling spending. And, yes, Lynn was there. And now our administration wants to build upon these undeniable facts by enacting our capital gains tax cut to create greater opportunity and more jobs and, thus, more revenue for the Federal Government.

And let me say this because there's been some peculiar reporting on this. The capital gains battle may be over for this year, but the fact is this: We have seen the votes. A majority in both the Senate and the House are on record in favor of cutting the capital gains rate. So, make no mistake: When Congress reconvenes in the new year, cutting capital gains is going to be one of the top items on my agenda. The fight for a capital gains cut is far from over, and it is a fight that I am going to win. Along with other measures, a capital gains lowering will help ensure prosperity at home. But we must also have peace abroad.

Real peace, like prosperity, doesn't occur by accident. It requires patience, vision, a meaningful dialog. Next week, President Gorbachev and I will meet off the island of Malta. This meeting will occur because America has been resolute in defense of liberty and democracy, and it will occur amid the changes sweeping East and Central Europe and bringing freedom to millions

who share a common heritage with so many right here in your great State of Illinois. I will remember that heritage next week in Malta as we work to make the 1990's the decade of democracy in Eastern Europe.

Democracy, of course, means freedom from fear, and so it must at home. Our administration has moved boldly, decisively on yet another issue because most Illinoisans, like most Americans, have had it up to here with crime and drug use. And we say it's got to stop, and I am determined that it will stop. We have proposed a national drug strategy, the most comprehensive plan to assault these plagues. We want mandatory time for firearms offenses, no deals when criminals use a gun; and for the most heinous crimes -- you remember my promise -- for anyone who kills a law enforcement officer, no legal penalty is too tough. We want the Congress to enact the steps that are needed to implement the death penalty for those who take the lives of our police officers out there on the street.

Lynn Martin supports our proposals because she believes that the Federal Government must wage real -- not simply rhetorical -- war against the thugs who assault our kids. We want stiffer penalties for violent criminals, greater certainty in sentencing. We say that drug kingpins and terrorists who kill Americans don't deserve the easy parole that lets them off scot-free. They deserve to pay a price, and it is the ultimate price. Fellow Republicans, I need your support to make our crime proposals a reality. We have a good program before the Congress, and the Congress should have acted long before now on every single item of those proposals.

Earlier, I mentioned undeniable facts. Here are some more: Our administration has introduced policies to benefit both the farmer and the consumer, and bold new environmental policies to reduce air toxics and urban smog, policies that will preserve our wetlands and combat polluters, help to clean up our air and hazardous wastes. And, yes, Lynn has been there.

In addition, we're nearing passage of pioneering ethics legislation -- and we're asking Congress to act on our education proposals. And here, too, as a former schoolteacher in Rockford and DuPage County, she's been there. Our proposals seek to give greater choice to parents and students, demand greater accountability. They reward excellence and demand that Federal dollars help those most in need. Fellow Republicans, don't you agree? We must make America's educational system number one in the world again.

And Lynn is already out front, and I know that she'll help me do that. For look at what she's done already: achieving the highest position of Republican leadership ever held by a woman in the House of Representatives. And the best is yet to come. For next year you'll lend your strength and quality to the entire Republican ticket.

So, for starters, let me just say -- over here -- I don't know whether they were introduced, but here's Jim Edgar, the next Governor of this great State, and Bob Kustra, as Lieutenant Governor, right behind him there. My old friend, George Ryan, the next secretary of state. And Jim Ryan,

as attorney general. Don't worry. I'm not forgetting one that knocked himself out for me. Here's Greg Baise, your next State treasurer, and Gary Skoien as comptroller. Let me sum it up this way: a magnificent team, a winning team for the State of Illinois.

Now, 128 years ago, the greatest Illinoisan of them all left Springfield to assume the Presidency. Addressing his home people at the Great Western railway station, Abraham Lincoln was moved to say: ``To this place and the kindness of these people, I owe everything.'' I know that Lynn would reaffirm those words because she loves this place and she loves the people of this State, the State of Illinois. So, let's be there for Lynn Martin, and support the entire Republican ticket. Let's go out and work to make Lynn Martin the next Senator from the great State of Illinois. Thank you for your kindness, for the honor of this occasion. God bless you. God bless the United States of America.

Note: The President spoke at 12:22 p.m. in the Grand Ballroom at the Hyatt Regency Hotel. In his remarks, he referred to Bill Smithburg, finance chairman of the State Republican Party; Dick Morrow, Republican Party campaign contributor; Gary MacDougal, member of the board of directors of the United Parcel Service; Mike Ditka, coach of the Chicago Bears football team; John Sununu, Chief of Staff to the President; Don Zimmer, coach of the Chicago Cubs baseball team; Jim Edgar, Illinois secretary of state; Lt. Gov. George Ryan; Jim Ryan, DuPage County State's attorney; Greg Baise, Illinois secretary of transportation; and Gary Skoien, executive director of the Illinois Capital Development Fund. Following his remarks, the President traveled to Cranston, RI.

Remarks at a Fundraising Dinner for Governor Edward DiPrete in Cranston, Rhode Island

November 20, 1989

Thank you. Hey, listen, what a welcome back! Thank you, Governor; thank you, Claudine. Please be seated. [Laughter] Eat your hearts out. [Laughter] Ed, thank you, thank you for that welcome back -- that kind invitation first, and now introduction. And thanks to Ed and Pat for inviting me to share this special nostalgic evening with you all.

Let me first acknowledge a great Congressman that is here. I know he's flying back with me on Air Force One. Ron Machtley is here. Now, where is he? Way back there -- what a job he's doing for the State -- right back there under that arch. And of course, I'm very proud to be here now with Claudine, in a few minutes, later, in an event she's having -- and she will make a great United States Senator for Rhode Island. So, I'm delighted she's here.

And of course, with the DiPretes, all I'll say is this is quite a gathering. You know, Barbara gets on me constantly for the habit I have of inviting folks to our house. [Laughter] And so, I'm glad we have once again found a kindred spirit, someone who doesn't mind having a few close friends. I can't help it if his neighbors will never speak to him again. [Laughter] But, Ed, this evening is proof that you don't know the meaning of the phrase ``not in my backyard." [Laughter]

You know, when I said nostalgic, though, it's true. I remember very well -- and we were in talking about it -- being back here at this very house back in '81. And you'd just finished some renovation at that time. And I'm honored you still refer to the garage as the Bush Room, but it's no longer the garage. [Laughter] But, look, I'm here for two outstanding leaders: Ed DiPrete, Claudine Schneider.

Claudine first: independent, principled Congresswoman with a proud record of leadership on the environment, on education, in combating crime. She is a great Congresswoman, and I know she's going to make a great Senator.

And our host, Ed DiPrete -- well, it's a pleasure to be here with a man who is simply one of the finest Governors in all the 50 States. He has long been not only -- and I mean this, not just in the diplomatic sense, political sense -- but a close friend and a trusted adviser. And he's close to my able Chief of Staff, John Sununu.

You know, remember De Tocqueville, the great 19th century French observer of American democracy. De Tocqueville once asked an American politician to define the role of Governor, and he got this answer: ``The Governor counts for absolutely nothing and is only paid $1,200."

[Laughter] Well, times have changed. [Laughter] And in our Federal system, the 50 chief executives right there on that State level count for everything -- for a great deal -- as I am reminded by my Chief of Staff every day. [Laughter] But nevertheless, it's true, and Rhode Island is blessed with one of the best.

I remember when I first started this quest for the Presidency a couple of years ago, Ed DiPrete came up to our house in Maine with several other Governors. And it was there that I learned more about how you try to solve the people problems than I ever had at a seminar before. And I'm always going to be grateful to Ed for that.

He's been a trailblazer not just for the State but for Governors across America. I'll take just one example, education, where the States play such a critical role. Two months ago -- you remember it, I'm sure -- we all went down to Charlottesville, Virginia, at the education summit. Some of the most innovative ideas on improving our schools came from your Governor, Ed DiPrete. I knew it, and the other Governors knew it as well.

One example: a public-private partnership. Ed calls it the children's crusade for higher education. Starting in 1991, each and every third-grader in this State is going to have the option to join this children's crusade. Teachers, parents, volunteer tutors, and mentors are going to work with the kids from third grade on to keep them in school, off drugs, out of trouble with the law, and help them to get ready to enter college and then go on to the work force. And the children's crusade won't end with graduation day. For every child who is accepted by a college or a job training program but can't afford it, the children's crusade fund will help pay the cost for them. That is innovative thinking; it is creative. And it's Ed DiPrete's idea, helped by many in this room.

With Ed's advice and his help, I've laid out my plan for improving our nation's schools: rewarding good teachers, giving parents a choice of schools, reducing Federal control. If there was one theme that came out from these Governors at Charlottesville, it was flexibility: Don't handcuff us with regulations that might seem sensible in Washington, but have no relevance to our own States. And so, we're talking about reducing Federal control, but increasing accountability where it matters most: in the schools and local communities. On every one of these issues, Ed and I stand side by side. And I do value his counsel, and I truly respect his leadership.

And that strong leadership has helped Rhode Island's economy as well as the schools. Ed took over as Governor, and since then, Rhode Island has gone from being a job-poor State to one of the top-ranked in the country in terms of employment. And that's just one measure of the sound economic course that this Governor has mapped for this State. Job training, outreach to expand foreign trade, how to foster high-tech industry of the future -- Ed understands how to keep Rhode Island on top in a competitive business climate that we're going to be facing in the 1990's.

When it comes to a strong economy, to growing prosperity for all Rhode Islanders, you need Ed. You need him here. And I need progrowth Governors like him to help keep the economic expansion going forward.

Let me mention right now one of the best ways that I know to keep the economic expansion going forward, keeping it in high gear. It's a big debate raging, and I'm talking about the capital gains differential. I'm talking about cutting the capital gains rate. We've all heard the arguments about who benefits from a cut in the capital gains rate. There was one issue that was clearly debated a year ago, or more, in the Presidential race -- it was this question.

Well, the real answer is, in my view, that all Americans benefit from a capital gains cut, a capital gains differential. It is good for growth. It's going to increase entrepreneurship, starting new businesses and investment opportunities. And that means more jobs right here in Rhode Island and all across the United States. A majority in both the Senate and the House are on record now in favor of cutting the capital gains rates. And so, let me tell you this: It's been frustrated by parliamentary procedures in the Senate, but let me tell you right now, when Congress starts its new session next year, we're going to make it absolutely clear that the fight for a capital gains cut is far from over. It is not a tax break for the rich; it is a break for the poor who don't have jobs and who will have jobs if we get it put into effect.

There are other areas of Ed's interest. I think of that oil spill right up here off your beautiful, pristine coast -- back in June there was one -- that disaster that really didn't happen thanks to a very fast response -- and I hope we helped on it -- response by your Governor. Ed got the State resources mobilized into action quickly, got on the phone with our office down there to tap Federal resources in the cleanup effort. Only hours later, the Secretary of the Interior and the head of EPA on the scene and working together, you managed to contain that spill and prevent catastrophe in beautiful Narragansett Bay. And that's a tribute to what I call a take-charge kind of leadership of Ed DiPrete, leadership on the State level that we have come to count on.

Let me just end by making one comment that doesn't exactly relate to my enthusiasm for Ed's reelection. And that has to do with this meeting that will take place a week from this coming Saturday off of Malta.

Barbara and I have 11 grandchildren. And we're outnumbered only by the DiPrete family; they must have 100 grandchildren -- [laughter] -- kids and grandchildren, I don't know. I never saw such a picture as they've got in there. But it made me think about this just as we were walking out here, when I saw that magnificent family picture.

This is going to be an historic meeting. I don't want to see over-promise coming from it. I think it's an important meeting because who could possibly have predicted the dynamic change that is taking place in Eastern Europe? We are living in exciting times. We are living in times where the potential for peace and reduced tensions has never been better.

And so, as your President, I want to go there. This will not be an agenda meeting; this will not be a meeting when we have a 12-point program and he has a 6. I do not want the great United States and the Soviet Union to be like two ships passing in the dark. So, I'm going to go over there buoyed by the principles of democracy and freedom that separate our country out, that make us the greatest. And I will be talking and finding ways where perhaps we can be cooperative, to understand the problems that Mr. Gorbachev may have, but to -- let me put it this way -- to be prudent and to be cautious and to keep my eyes open. And I think that's what I was elected to do.

But I just want you to know I do feel -- when I saw the picture of that wonderful family -- that we have a chance now, in the next couple of years, to really enhance the peace that many in this room fought for as veterans of one war or another. And it's going to be historic.

Listen, thank you all very much for Ed. Now, you've been hit up for a high-ticket item here tonight, I understand that. [Laughter] But now what we want -- I will not be crass enough to ask you for more money -- but get out there and get this good, able, decent man reelected as Governor of Rhode Island. Thank you all, and God bless all of you.

Note: The President spoke at 6:15 p.m. in the Governor's residence. In his remarks, he referred to the Governor's wife, Patricia DiPrete. Following his remarks, the President traveled to Warwick, RI.

Remarks at a Fundraising Reception for Senatorial Candidate Claudine Schneider in Warwick, Rhode Island

November 20, 1989

Thank you, Claudine. What a welcome! Thank you. I'm very, very pleased to be back here. Thank you, Claudine and Ed -- Governor Ed DiPrete, the outstanding Governor of this great State -- who I want to see reelected very, very badly. So, do your part on that one. And Ron -- you guys sit down now. And you can't sit down, so eat your heart out, out there. [Laughter] Ron Machtley -- what a job he's doing, proving already that he's the leader you thought he'd be when you sent him down there. And of course, let us also give a very special thanks to the Woonsockett High School Band. Great music -- I could hear you out there. Talk about a big band, I mean that's it, and a good one. Thank you all very, very much.

And I just have to say that I'm pleased to visit the Rocky Point Palladium. [Laughter] Hey, listen, this is the first time I've been to an amusement park in years. [Laughter] In fact, I wanted to check out the Corkscrew, but the Secret Service guys wouldn't let me do it. [Laughter]

No, it is -- and I really mean this -- we've had a good day, campaigning out there in Illinois and now here with Ed and Claudine. But it's great to be back in the home of so many great Republican Rhode Island leaders. Senator Chafee was going to be here, but the Senate is finishing up its work. And of course, Governor Ed DiPrete -- I told you what I thought about him. And then Ron -- he and Congressman Claudine Schneider are going to fly back with me on Air Force One because they're finishing up the session down there. And you all think you're glad to get them out of town -- what about me, I'll tell you. [Laughter]

No, but since the first days of the Republic, this Rhode Island brand of leadership has been marked by a tenacious, fierce individualism. And this little State has always been a big friend of dissent and a mecca for mavericks and a home for the self-reliant. Rhode Island is and will always be personified by the statue atop your capitol, the very image of the independent man. But it is on behalf of an independent woman that I have come to Providence tonight. And I am here to stand proudly by a great leader for Rhode Island and for the United States of America. And I am here for my friend, Claudine.

What is it about her? What is it about her? It is very interesting that people in Washington and Rhode Island never refer to her as Congresswoman Schneider. She is, to all of us -- Barbara, me, all the people down there -- just Claudine, a down-to-earth lady who still makes her own clothes. And she does a pretty good job of that. [Laughter]

But approachable as she is, make no mistake about it, Claudine is a champ. And after all, she

was the winner of the Nike Capital Challenge 5K for 5 years in a row. She can run! She can run in a race, and she can run for the Senate -- and win both. Listen, that energy -- when I get around her, I get nervous just being there. I mean, I want to go out and do something. [Laughter] But this is the pace that she set for those of us that understand the House of Representatives -- always ahead of the pack, always out front; and this is the pace that she's setting for the future.

Sometimes pacesetters run alone, and sometimes Claudine disagrees with her party. But she stands up, and you know where she's coming from. And I respect that, but with her, I can always bank on one thing: I always know exactly where she stands -- right by her principles, because she is entirely honest, a woman of total integrity.

You know very well that she's a pacesetter when it comes to the worldwide struggle to preserve and to protect the environment. She was a sponsor of legislation to reduce this hazardous waste at its source, to give companies the incentives to recycle, because she knows that it is easier to prevent toxic waste than it is to clean it up. And she was also instrumental in the passage of that very important law for Rhode Island, indeed, for the country: the ocean dumping law -- critical, if we're to clean up the shorelines of America. She's worked hard to halt the continuing tragedy of tropical deforestation, and she's been among the foremost guardians of those rare and wonderful species endangered by man and his chainsaws.

Claudine, looking over those committee assignments of yours, I also noticed you're a leading member of the Fisheries Subcommittee. And so, I'm sure you'll be pleased to hear that with my record as a fisherman, no species are endangered by me. [Laughter] I want off of your hit list.

I do share her concern about the future of endangered species, and that's why my administration announced a ban in July of the importation of African elephant ivory into the United States. And I also share your concern for the quality of the water that we drink, the air we breathe, and the future of our land. And it is out of this concern that I asked the EPA and the Justice Department to crack down on those who pollute our waters and our beaches. And we are determined to fight toxic air emissions. And we can be grateful that the EPA has been instructed to be more aggressive in enforcing the cleanup of hazardous waste.

But we're learning that no nation can save the environment by itself. Pollution respects no boundaries, no borders. Pollution is a world problem, and only a world solution will stop it. A world solution can begin with the United States and the Soviet Union. And so, when I meet President Gorbachev in Malta a week from this coming Saturday, I will seek his active cooperation in cleaning up the world's environment.

And speaking of cleaning up, while we're at it, we've got to clean up our streets by fighting the scourge of drugs and its accomplice, violent crime. Our children deserve a chance to avoid drugs, through a vigorous antidrug campaign in the schools. Users and addicts deserve a chance to go clean through treatment. But society also deserves a chance, by sending the drug dealers

where they belong -- to do time, hard time. And I know that Claudine agrees with that. Last May I asked the Congress to increase funding for our drug education and prevention efforts by nearly $1.1 billion, a 16-percent increase. But I'm also asking for increases in my crime and in my drug packages for more police, more prisons, more prosecutors. Again, society deserves a chance. And I challenge Congress to take action as soon as it reconvenes to pass my crime legislation.

There are so many children in America who deserve a chance, and they're not getting it because they are not learning to read, learning to write, learning for work. And that is why I was pleased to join Governor DiPrete and his colleagues in that summit in Charlottesville, to join in a compact to improve our schools through the principles of choice in education, more flexibility for States and for teachers -- and God bless our teachers -- and increased accountability.

There are others in America who also deserve a chance. And so, I was proud to ask for the reauthorization of the Commission on Civil Rights, and will be equally proud to sign that bill into law shortly. I was also proud to endorse the hate crimes bill to identify and fight bigotry. But we must go one step further: We must end discrimination against the disabled, and I want to see legislation passed to that effect.

And of course, Claudine, this magnificent woman, has been at the forefront of securing the civil rights of all of us. Martin Luther King said: ``Injustice anywhere is a threat to justice everywhere." In this spirit, Claudine Schneider is such a fervent advocate of the rights of minorities and women, and she believes that injustice to any American is an injustice to all Americans.

It is widely known, I'm sure, here and in Washington that there's a whole other dimension. As I look at the demographic change in the United States, the change that is taking place, and then you look at our interaction with our trading partners around the world, it is very, very clear that the United States must retain, if not rebuild, its competitive edge. And did you know that your Congresswoman, Claudine Schneider, is the chairman of the Competitiveness Caucus in Washington, DC? She is the one who is out front on the Job Training Partnership Act; on the emphasis on research and development; on more science and math so our kids can compete in the year 2000 with whoever it is, whatever power it is around the world. She is the one who is insisting that the playing field for trade be level. In addition to all these other interests, she is out front trying to make the United States of America more competitive. And effective as she's been in Congress, she'll be even more so in the United States Senate.

No, we've all seen how the winds of change are reshaping the world. And because of this change, at no time in the long history of the postwar years has dialog been more important between the superpowers. And so, as I mentioned, I will go to Malta a week from Saturday, meeting to continue our dialog, meeting with President Gorbachev. But as I work with him, it is very important that American and Soviet leaders at all levels are involved in frank and meaningful dialog. We can all be grateful for Claudine because she has performed an invaluable

service by originating a live network show that allows Members of Congress to have a candid exchange on issues from arms control to the environment with their counterparts in the Supreme Soviet. I salute you for that, and I encourage more of that kind of interchange between the Soviet citizens and U.S. citizens.

I can tell you, I'm looking forward to this meeting with President Gorbachev at Malta. I see these kids in this Woonsockett band there, and I'll say to you guys: You live in exciting times. You live in times where you have a shot, a clear shot, at living in a much more peaceful world. And so, this mission -- this trip to Malta, if you will -- is not about signing agreements. It's not about crossing the ``t's'' or dotting the ``i's.'' It is to try to understand as best I can as your President these fantastic changes that are taking place, the dynamic changes that are taking place in Eastern Europe and inside the Soviet Union.

I'm going to keep my eyes wide open. I sometimes get needled a little bit about being cautious and prudent, but somehow I think that that's what a President of the United States ought to do when you go to meet the Soviet leader. And so, I won't miss an opportunity. I won't miss an opportunity as I look to the future. I'm going to look over my shoulder a little bit at the history to be sure that we do the right thing for this generation that's coming up here.

You know, Claudine, in conclusion let me just say this: You've been a leader in the environment, in the war on crime and drugs, in competitiveness, in advancing civil rights, promoting a dialog with the Soviets. Is it any wonder that your future is bright with promise?

You have made a great Congresswoman, and I will just repeat it here: You will make a great United States Senator. America needs your energy, that indefatigable energy. As I told you when I got off the plane, I felt tired just being around her. I mean: Let's go, let's go! We need that energy in the Senate. We need your spirit, we need your commitment, and we need your leadership -- the leadership of a pacesetter, not a follower.

So, thank you for inviting me to Rhode Island. God bless you, and God bless all of you, and God bless the United States. Thank you very, very much.

Note: The President spoke at 7:06 p.m. at the Rocky Point Palladium. In his remarks, he referred to Representative Ronald K. Machtley. Following the reception, the President returned to Washington, DC.

Message to the House of Representatives Returning Without Approval the District of Columbia Appropriations Act, 1990

November 20, 1989

To the House of Representatives:

I am returning herewith without my approval H.R. 3610, the ``District of Columbia Appropriations Act, 1990."

On October 27, 1989, I vetoed H.R. 3026, the earlier version of this bill. In my veto message of October 27, I stated my intention to veto any bill that does not contain language that prohibits the use of all congressionally appropriated funds to pay for abortions other than those in which the life of the mother would be endangered if the fetus were carried to term. The limitation I propose is identical to the one included in the District of Columbia Appropriations Act for 1989 (Public Law 100 - 462).

H.R. 3610 would place such a restriction on the use of Federal funds to pay for abortion, but would permit congressionally appropriated local funds to be used for abortions on demand with no restriction whatever. As a matter of law, the use of local funds in the District of Columbia must be approved by the Congress and the President; the Federal Government is thus responsible for decisions as to the use of such local funds. Under these circumstances, the failure of H.R. 3610 to prohibit the use of all taxpayer funds appropriated by the bill to pay for abortion, except in those limited circumstances, is unacceptable.

From the outset of our Administration, I have repeatedly stated my deep personal concern about the tragedy in America of abortion on demand. As a nation, we must protect the unborn. H.R. 3610 does not provide such protection. I am, therefore, compelled to disapprove it.

George Bush

The White House,

November 20, 1989.

Remarks Following a Meeting With West German Foreign Minister Hans-Dietrich Genscher

November 21, 1989

The President. May I just thank you for bringing me, Mr. Minister, the piece of the [Berlin] wall. Maybe you'd care to say something about it. But I will treasure this. And I'd like to take this opportunity to share this fact that the Foreign Minister brought me this piece of the wall, and he brought with this his thanks from him and the Federal Chancellor [Helmut Kohl] to the American people. And this is a good chance to say thank you, sir.

The Foreign Minister. And I think it's an expression of the strength of freedom and democracy all over Germany that our Germans in the GDR were in a position to have a peaceful means to reach -- that the wall now is open and that the German Democratic Republic is on the way, really, to become a democratic republic. But this depends that -- free elections they will have during the course of this year.

And we are supporting very strongly these demands of our Germans in GDR. And I, again, would like to express, Mr. President, our great gratitude to the support, the help, and the firmness of the American nations in the past decades -- in good times, but also in difficult times. I think this is the result of a very clear policy of the West advocating freedom and democracy all over Europe. And we continue on this way, using all the possibilities of the CFE process, the possibilities of cooperation with the East, encouraging the reform developments in the East, and gives a strong signal to the countries in the East that we want the success of the reforms, that we will do nothing to undermine this process or even to weaken this process.

We don't look for advantages when they have to face difficulties. We want a stable framework for the reform process.

Q. Mr. President, can you tell us anything about the situation in El Salvador?

The President. No, not now, not at this time I can't.

Q. What about modernizing nuclear forces in West Germany, Mr. Genscher?

The Foreign Minister. I think this is a time to be discussed in '92 as was agreed in the NATO communique.

Q. It's inconceivable though, isn't it?

The President. Thank you all. It's been a pleasure here, as always.

Note: The President spoke at 10:21 a.m. in the Oval Office at the White House. A tape was not available for verification of the contents of the remarks.

Remarks to the National Association of State Universities and Land-Grant Colleges

November 21, 1989

Thank you, Dr. Peterson, for inviting me here and for the introduction, for those kind words. And it's always a pleasure, of course, to be with my friend Larry Cavazos, Secretary Cavazos, who is doing such an outstanding job on behalf of American education. I'm proud to have him at my side.

As to the former Big Red over here, Ron Roskens -- [laughter] -- one of your own, now joining our administration to head the Agency for International Development, a terribly important agency; and, of course, others at the headtable -- I do want to single out Bob O'Neil, who was my host at the Charlottesville summit. And thank you, all of you, for your warm welcome, for the important work you do in educating our nation's youth, the promise of America and the promise of the future.

I'm told this is the third time that a President has addressed this group. Two other charismatic speakers, Calvin Coolidge and Ike Eisenhower, were here before me. [Laughter] So, it's tough. I hope they were as happy to be here as I am. [Laughter]

America is moving forward, and a lot of that is because you're moving forward. And I am very pleased to have this opportunity to come by in person to tell you just how important I believe your work is. I come during an auspicious week for Presidential speechmaking, because on yesterday's date in 1863 the Republican-owned Chicago Times ran an editorial slamming the speaking skills of their home-State President, Abraham Lincoln. And it read: ``The cheek of every American must tingle with shame as he reads the silly, flat, and dishwatery utterances of the man who had to be pointed out to the intelligent foreigners as the President of the United States." Of course, the speech they were so worked up about was the Gettysburg Address. [Laughter] And it was Abraham Lincoln who, one year earlier, as Chase alluded to, signed the Morrill Act into law, launching the great land-grant colleges and a uniquely American philosophy towards higher education.

America's State universities and land-grant colleges opened the door of opportunity to millions of talented kids whose backgrounds might otherwise have precluded their advancement and education; and it marked the first time in American history, in world history, that people of every background were given a chance to prove their abilities through higher education. Your institutions have continued to successfully evolve because you've always been there to address the needs of each sector, maturing as universities as America has matured as a nation. Step by step, side by side, the strength of America depends on the strength of our youth, and the strength of our youth depends on the strength of your schools.

Like America's bountiful harvests, America's system of higher education is the envy of the world. And your institutions are filled with powerful examples of what is right about education in America. And many of those examples were cited by your Governors in Charlottesville earlier this fall as we worked together to address the changing challenges in American education.

I noticed that William Fishback of the University of Virginia had a talk here yesterday. And I quote -- this is the title: ``Coping With an Educational Summit: How To Survive President Bush, 49 Governors, the News Media, and Other Strangers on Campus." [Laughter] Now, I don't know how well-attended the good doctor's lecture was, but it's a 20-word title. I know some of you plain-speaking educators would want to edit it down. [Laughter] But with my luck, the condensed version would be: ``How To Survive President Bush." [Laughter] And if Mr. Fishback thought it was rough, he should talk to Bob O'Neil sitting over here. Bob's Virginia hospitality was so gracious that it was 2 days before Barbara and I realized we had kicked him out of his own house. [Laughter]

The summit marked only the third time in our nation's history that America's Governors were called together to address a specific challenge. It was an important beginning. We all recognize -- only a beginning. In the weeks since, my administration, your Governors, have been working hard on the commitments made at Charlottesville to set national goals, seek greater flexibility and enhanced accountability, and undertake a major State-by-State effort to restructure our entire education system. Especially on this first new objective, setting national goals, your leadership is needed -- it is absolutely essential. This organization, this very room, holds a vast body of expertise and experience in tackling these issues. For those of you who are already working with your Governors, I thank you. And for those who have not yet had that opportunity, I invite you, I urge you, to lend your voices to this critical dialog.

Later today, Dr. Cavazos and I will be meeting with my newly created President's Education Policy Advisory Committee. And I look forward to hearing from three of your members who are on the Committee: Lamar Alexander, the president of the University of Tennessee; Joe Nathan of University of Minnesota; and Dr. Frank Rhodes, the president of Cornell University -- examples all of the kind of world-class reputations your member schools have attained.

To meet our new national goals, the Governors and I agreed that we must seek greater flexibility and strength and accountability -- all of this in the use of Federal resources. That doesn't mean that we need Federal regulations controlling the way our schools and colleges get the job done. Our colleges are the best in the world in part because they epitomize choice, competition, flexibility. And once we recognize that, then the way to close the disturbing gap between the performance of our colleges and the performance of our elementary and high schools is obvious. What's worked for you will work for them.

Our plan is called the Educational Excellence Act of 1989, and it's a critical first step in the effort to reverse the fortunes of our struggling elementary and secondary schools. It calls for

choice, using magnet schools to promote the same kind of healthy competition that flourishes among our college campuses. Like our top colleges, magnet schools will attract top students and create a new incentive for innovation. Magnet schools will bring new flexibility and promote quality education; but along with new flexibility, we need new blood. And alternative certification is an innovation that will expand the pool of talented teachers.

One thing: Our plan also aims to seek out excellence and reward it, and by doing so, to promote competition and accountability. As with Federal grants to our best universities, we will provide cash awards to our best schools, to merit schools. These merit awards will not only boost the programs of schools with proven formulas for success but also boost the incentives for other schools to follow their lead.

But accountability means more than merely rewarding those schools that turn resources into results. Schools at every level must allocate their resources wisely and prudently. Your colleague, Harold Shapiro, who has been president at both Michigan and Princeton, recently spelled out the bottom line. He said: ``We all have to be much more selective about what we do and what we purport to do if we have any hope of keeping the costs of education within the bounds that can reasonably be afforded by society."

One thing we can't afford is to fall behind the competition when it comes to training the educated work force that future challenges will require. And that's why another of our initiatives seeks to bolster an effort that many of you right here have led: the effort to revitalize campus interest in the study of math and science. We have proposed a new nationwide program of math and science scholarships for our best high school seniors. Five hundred and seventy national science scholars would receive up to $10,000 a year for 4 years to be used at the college of their choice. Many of those colleges are likely to be your colleges. And many of you have already launched programs that will complement this new effort. Another part of our proposal calls for urban emergency grants to help our hardest hit school districts become drug free.

But as with the new science scholarships, the success of this effort depends upon all our schools; it depends upon all of them doing their part. We cannot give our students one message while they're in elementary and high school and another when they start to college. No school can afford to remain diffident when it comes to drugs because in the war on drugs there are no noncombatants.

Yesterday -- to interrupt with a personal note -- I went out to a school in inner Chicago -- 97 percent Hispanic, maybe 60, 70 percent of them first-generation Americans. And Congresswoman Lynn Martin asked them to hold up their hands about how many had been exposed to drugs in one way or another. These kids were 10 years old. I think there was only two or three hands in the entire class that didn't go up -- two or three in the entire class.

And yet this school -- in its own way, its own level, under a dedicated principal, a roomful of

dedicated teachers -- going the extra mile to teach these kids that they must not use drugs. It cannot stop simply at the secondary and the elementary school level. Land-grant colleges, like all colleges and State universities, like all universities, must take a stand. Your students, like all students, must be told that society will not tolerate the use of drugs.

There is one final part of our education package that has special importance to me and a special place with this group as we approach the centennial of the second Morrill Land-Grant Act. The 1890 law inspired the creation of 17 historically black land-grant colleges in southern and border States, schools that changed the lives of millions of young men and women by replacing traditional roadblocks with avenues of opportunity. But not all the roadblocks are gone. Endowments at these vital institutions lag far behind many other schools. And so, we've proposed expanded Federal help in the form of matching endowment grants for these special colleges and universities. Each of these proposals will make a difference, improving your students or your schools or both. This package went to the Hill in April. It's time for the Congress to act. And let's make this coming year one of change and progress in education. Let's strike a blow for excellence. Let's make passing this bill a top priority in Congress.

None of these efforts will be a panacea. I don't present them as such. None will be a panacea for every ill that confronts our educators. And they don't stand alone. Other initiatives include our $300 million increase for Head Start; the new tax-free college savings bond program to help our low- and middle-income families send their children to your colleges; and continued progress to our goal of doubling the budget of the National Science Foundation, supporting thousands of individual researchers at colleges and universities by 1993.

Education is our most enduring legacy, vital to everything we are and can become. At the dawn of the Industrial Revolution, the schools you represent stepped forward and fueled the education and research that rocketed America from a frontier nation to the frontiers of space, the hands-down winner of the industrial age. And so, now we stand at the dawn of a new age, an age in which the triumphant will be not those who master the potential of the machine but rather those who master the potential of the mind.

We have the schools. We have the teachers. We have dedicated educators, like those in this room. We have the students, and we have the will. And working together, we will prevail, and we must prevail.

Thank you all very much for letting me come over. God bless you, and God bless the United States. And have a wonderful Thanksgiving.

Note: The President spoke at 11:20 a.m. in the Grand Ballroom of the J.W. Marriott Hotel. In his remarks, he referred to Chase Peterson, chairman of the National Association of State Universities and Land-Grant Colleges; Robert M. O'Neil, president of the University of Virginia; and Joe Nathan, senior fellow at the Humphrey Institute of Public Affairs at the University of

Minnesota.

Message to the House of Representatives Returning Without Approval the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991

November 21, 1989

To The House of Representatives:

I am returning herewith without my approval H.R. 1487, the foreign relations authorization bill for fiscal years 1990 and 1991. I am convinced that Section 109 of the bill would impermissibly constrict the conduct of our Nation's foreign policy, for many of the same reasons I set forth in my veto of H.R. 2939, on November 19, 1989.

Although this bill contains many desirable provisions, including a number sought by this Administration, it is fatally flawed by the inclusion of Section 109. Under some circumstances, this provision purports to prohibit, under peril of criminal sanctions, the use of U.S. assistance or third-party funds by executive branch officials, and requires Presidential reporting of certain discussions concerning provision of assistance even within the executive branch. Because of its vague and sweeping language, it threatens to subject to criminal investigation a wide range of entirely legitimate diplomatic activity, the authority and responsibility for which is vested in the executive branch by the Constitution. The result would be a dangerous timidity and disarray in the conduct of U.S. foreign policy. Such a result is wholly contrary to the allocation of powers under the Constitution.

The Administration made a good-faith effort to resolve with the Congress the constitutional and other problems contained in the bill. Those efforts have failed, and I must in these circumstances veto this bill.

Among other things, Section 109 of the bill would prohibit officers or employees of the executive branch from using ``any United States funds or facilities'' to ``assist'' certain diplomatic enterprises ``if the purpose of any such act is the furthering'' of certain prohibited activities. This prohibition on use of funds could extend to activities or conversations of any U.S. diplomat who receives a Federal salary. The prohibition on use of facilities could also extend to meetings at U.S. embassies, or the use of U.S. word processors or telephones. Those who violate this prohibition would be subject to substantial criminal penalties.

I believe that the limiting provisions set forth therein may allow for a constitutional construction of certain provisions in Section 109; nonetheless, serious constitutional problems remain, and the section as a whole is sufficiently ambiguous to present an unacceptable risk that it will chill the conduct of our Nation's foreign affairs.

Section 109 could be construed to prohibit consultation between U.S. officials and other sovereign nations regarding certain actions that nation may wish to undertake. As I observed in my veto of H.R. 2939, however, it has long been recognized -- by the Framers, by the Supreme Court, and by past Congresses -- that the President, both personally and through his subordinates in the executive branch, possesses the constitutional authority to communicate freely with representatives of foreign governments, and to recommend to their representatives such courses of action as the President believes are in our Nation's interest. The prohibition, therefore, would impermissibly circumscribe a fundamental responsibility that the Constitution has entrusted to the President -- the protection of our Nation's security through a vigorous representation of our interests abroad. I am not convinced that the limiting provisions are sufficient to resolve this constitutional problem inherent in the section. It would be cold comfort indeed for our diplomats to be assured that these provisions would be available as a defense in a criminal investigation.

Moreover, Section 109 poses profound constitutional problems insofar as it purports to restrict the use of U.S. funds or facilities in the realm of foreign affairs, because the ``purpose'' test it establishes is so vague and subjective as to interfere with the President's constitutional role. For courts to attempt to discern the President's state of mind or the state of mind of subordinate executive branch officials in such matters would entangle the judiciary in political disputes and foreign policy questions ill-suited to judicial resolution.

Were Section 109 and its criminal sanctions to be extended to prohibitions existing in current law, it would have a sweeping effect and cause incalculable damage to American foreign policy interests. There are many statutory prohibitions on the provision of U.S. assistance in situations where we would have no objection to others providing assistance or taking other action -- such as prohibitions on U.S. assistance to Communist countries even when they are undergoing reform. Were Section 109 applied to this prohibition, it could inhibit vital discussions concerning the provision of assistance to democratizing regimes in Eastern Europe.

The Presidential notification procedures contained in Section 109 also appear designed further to disable the President in the conduct of foreign relations. The provisions would require the President to inform the Congress whenever various types of foreign initiatives are urged by executive branch officials, even if the initiatives are discussed solely within the executive branch -- or are discussed with the legislative branch. This provision would interfere with the Nation's need to keep confidential our foreign policy discussions with other countries, as well as our internal planning for such discussions.

In addition to these constitutional problems, Section 109 would hamper the Nation's foreign policy by criminalizing foreign policy disputes, rather than leaving resolution of such disputes to the political process. By making those who formulate and execute foreign policy serve the public under a vague and sweeping prohibition, Section 109 would clearly circumscribe the effective, forceful, and entirely lawful representation of the Nation's foreign policy interests. It is neither wise nor fair to expect the men and women of our Foreign Service to represent the Nation with a sword of Damocles over their heads.

It is significant that the Congress has seen fit to extend the prohibitions contained in Section 109 only to the executive branch, and not to the Congress itself. The Congress would thus remain free to engage in the very activities proscribed for the executive branch. There is no logical or constitutional basis for such a distinction.

Finally, the provision imposes definitions so broad as to sweep within the scope of the statute's prohibitions activities not even considered to constitute the provision of assistance under the Foreign Assistance Act and related legislation. Perhaps most important in this connection, it would cover intelligence activities for which a wholly separate, long-standing, and comprehensive regime already exists.

Although Section 109, standing alone, necessitates my veto of this bill, many other provisions of the bill also pose constitutional problems. Among these is a provision that impermissibly conditions availability of funds on including representatives of the legislative branch on delegations negotiating arms agreements within the framework of the Conference on Security and Cooperation in Europe. The Administration has discussed this and other provisions in detail in letters to both houses of Congress. Any further legislation in this area should address all such problems.

I am sensitive to the concerns that have prompted the inclusion of Section 109 in the bill. I have repeatedly emphasized in my meetings with the congressional leadership that through close consultation with the Congress I intend to build a new spirit of cooperation and trust between the legislative and executive branches. Section 109, however, is inimical to that spirit of trust and would cast the shadow of criminal liability over the executive branch in the conduct of our foreign policy at a time when the course of world events necessitates great flexibility. I look forward to working with the Congress to craft a bill that I can enthusiastically support and to rapid passage of an authorization bill that will facilitate our many foreign policy initiatives.

George Bush

The White House,

November 21, 1989.

Statement on Signing the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1990

November 21, 1989

Today I signed into law H.R. 2883, the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1990. I consider this Act to be an improvement over earlier versions passed by the House and Senate, and it includes funds for many important programs supported by the Administration.

Consistent with the initiatives outlined in my ``Building a Better America'' budget transmittal of February 1989:

-- The Act provides most of the funding requested for the Department of Agriculture's portion of the Federal Water Quality Initiative to reduce groundwater and surface water pollution from agricultural sources. As part of a coordinated Federal effort in partnership with State institutions, the Department of Agriculture will use most of these resources to develop and demonstrate farming practices that avoid water quality degradation.

-- The Act provides full funding for the Administration's FY 1990 request for soup kitchen funds, which responds to my initiative to combat homelessness by providing emergency food assistance for needy, homeless persons.

-- The Act provides full funding for the Food and Drug Administration's efforts to combat AIDS. The Food and Drug Administration will use these resources to study HIV -- the infection that causes AIDS -- to review and approve new AIDS drugs, to inspect blood banks, and to review drug-test kits.

The Act also addresses the needs of many other important programs, such as the Special Supplemental Food Program for Women, Infants, and Children.

I also want to commend the Congress for removing, at the Administration's urging, a provision that would have required the Rural Electrification Administration (REA) to make highly subsidized direct loans of $252 million, in addition to the $1.8 billion in REA loans provided in the bill. These loans would have resulted in the taxpayers paying $78 million in additional subsidies to lower the loan costs of these borrowers, the vast majority of whom are financially healthy.

There are some provisions in this Act that I oppose. Specific objectionable funding and language

provisions have been discussed previously in various Statements of Administration Policy and other communications from officials of our Administration. I decided, however, that on balance the bill's positive features were sufficient to warrant its approval.

In closing, I want to express my desire to work with the Congress on the 1990 Farm bill and on other related agriculture and rural development legislation so that the FY 1991 Rural Development, Agriculture, and Related Agencies Appropriations bill addresses the rural development and agricultural needs of the Nation in the most efficient and effective manner.

George Bush

The White House,

November 21, 1989.

Note: H.R. 2883, approved November 21, was assigned Public Law No. 101 - 161.

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990

November 21, 1989

Today I signed into law H.R. 2991, the ``Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990."

I am pleased that the Act includes funding for many programs important to fighting the war on drugs and violent crime. Together with H.R. 3015, this Act funds my drug and crime initiatives as they relate to the Department of Justice. The Act also funds programs to conduct the Nation's foreign affairs and engage in diplomacy, to promote international trade, to enhance advanced technologies, and to undertake the 1990 Decennial Census.

I regret that the Congress failed to fund fully this Nation's contributions to International Organizations and Peacekeeping. Fulfilling our financial obligations to these organizations is an important priority to which I remain committed. This Administration will hold the Act's managers to their offer to work to solve this problem at an early date.

A matter of some concern to me has been section 608 of the Act, which limits certain activities of the Legal Services Corporation until members of its Board have been nominated by the President and confirmed by the Senate. This section might have been read as an attempt to limit the powers exercised by future recess appointees who lack Senate confirmation. However, it does not appear that the Congress intended to limit these powers. I sign this bill with the understanding that this provision does not limit the President's authority to name future recess appointees who, under the Constitution, enjoy the same powers assigned to Senate-confirmed members of the Board.

Section 609 directs the Secretary of State, in consultation with the Secretary of Commerce, to initiate a series of negotiations for the protection of sea turtles. Under our Constitution it is the President who articulates the Nation's foreign policy and who determines the timing and subject matter of our negotiations with foreign nations. Accordingly, keeping with past practice, I shall treat these provisions as advisory, not mandatory.

Further, I note that the Congress did not include any of the requested funding for the Christopher Columbus Quincentennial celebrations in Seville, Spain, and Genoa, Italy. We have assured the heads of these nations that we would participate, and it is my hope that funding for this important effort will be provided as soon as possible.

Notwithstanding these reservations, I have signed the bill because the war on drugs and violent

crime is one of our Nation's most important priorities. However, I call on the Congress to address the concerns that I have raised.

George Bush

The White House,

November 21, 1989.

Note: H.R. 2991, approved November 21, was assigned Public Law No. 101 - 162.

Statement on Signing the Department of Transportation and Related Agencies Appropriations Act, 1990

November 21, 1989

Today I signed into law H.R. 3015, the Department of Transportation and Related Agencies Appropriations Act for fiscal year 1990. I want to take this opportunity to thank the Congress for addressing concerns raised by the Administration and for presenting me with a bill in which the funding levels are generally consistent with the Administration's requests.

This Act provides appropriations for a number of critical programs under the Department of Transportation, as well as emergency drug funding to combat illegal drugs.

I particularly want to commend the Congress for providing the additional resources needed to fund all the elements of my anti-drug initiative and crime initiative. With these additional resources, the Federal Government will be better able to continue our war on drugs and to address the enforcement, prevention, and treatment aspects of this scourge.

George Bush

The White House,

November 21, 1989.

Note: H.R. 3015, approved November 21, was assigned Public Law No. 101 - 164.

Statement on Signing the Department of Defense Appropriations Act, 1990

November 21, 1989

Today I signed into law H.R. 3072, the Department of Defense Appropriations Act, 1990.

The Defense Appropriations Act for fiscal year 1990 is within the funding levels of the Bipartisan Budget Agreement. The Act provides funds for our critical national defense operations and satisfactorily accommodates most of the Administration's major concerns.

I am disappointed in the deep reductions made to our budget request for the Strategic Defense Initiative. I am hopeful that, in the future, the Congress will support the Administration's request for this program.

I also believe that certain provisions, unless carefully construed, would raise substantial constitutional concerns.

Appropriations language under Title I restricts the availability of certain members of the Armed Forces to fill positions in a new light infantry battalion. Section 9068 restricts the establishment or transfer of certain naval functions and billets until 60 days after a report to the Committees on Appropriations. Appropriations language under Title II prohibits the Air Force and Air Force Reserve WC - 130 Weather Reconnaissance Squadrons from being operated at a reduced level. While I will respect the intent of these provisions as far as possible, I signed the bill with the understanding that such provisions do not constrain my constitutional power as Commander in Chief to deploy military resources in the interest or the security of the Nation.

Section 9024 prohibits the use of funds ``to influence congressional action on any legislation or appropriation matters pending before the Congress." I signed the bill with the understanding that this provision does not restrict the normal course of communications of the Department of Defense on legislation before the Congress.

Finally, I understand that the report to this bill may contain language purporting to require prior congressional approval before funds appropriated by this bill may be expended for certain activities. Apart from the fact that the Congress cannot create legal obligations through report language, constitutionally the Congress cannot require me to obtain its prior approval before obligating or expending appropriated funds, see Immigration and Naturalization Service v. Chadha, 462 U.S. 919 (1983). Accordingly, any such language has no legal force or effect.

George Bush

The White House,

November 21, 1989.

Note: H.R. 3072, approved November 21, was assigned Public Law No. 101 - 165.

Statement on Signing the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990

November 21, 1989

Today I signed into law H.R. 3566, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Bill, FY 1990.

This Act provides funding for some of the Nation's most important programs -- programs that help the needy, the unemployed, the sick, and the infirm, and programs that provide for the education of American children. In total, the Act provides nearly $44.4 billion in discretionary budget authority, $7.3 billion for the National Institutes of Health, nearly $1.6 billion to combat HIV/AIDS, and $5.4 billion for Compensatory Education for the Disadvantaged.

Furthermore, I wish to commend the Congress for modifying language that would have permitted the use of Federal funding for abortions in cases other than those in which the life of the mother would be endangered if the fetus were carried to term. Adoption of such a provision would have deprived innocent, unborn children of the most basic civil right -- the right to life.

George Bush

The White House,

November 21, 1989.

Note: H.R. 3566, approved November 21, was assigned Public Law No. 101 - 166.

Statement on Signing the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990

November 21, 1989

Today I sign H.R. 3743, the appropriations bill for foreign operations, export financing, and related programs for the fiscal year 1990. I am signing this bill because it appropriates funds that in my judgment are necessary to support the Administration's important foreign policy and foreign aid initiatives.

I appreciate the efforts of many members of Congress to draft a bill containing many provisions the Administration supports. The provisions contained in the bill reflecting Congressional support for the Philippines Multilateral Assistance Initiative, the Stabilization and Enterprise Funds for Poland, and my initiative to help our Andean partners in our shared war on drugs are particularly welcome.

I continue, however, to have serious misgivings as to the constitutionality and the wisdom of many provisions contained in the bill. I of course intend to construe any constitutionally doubtful provisions in accordance with the requirements of the Constitution.

I have been most troubled by Section 582. Section 582(a) would prohibit the provision of funds appropriated by the Act ``to any foreign Government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law." Subsections (b) and (c) impose some limits on the scope of subsection (a).

Consistent with the expressed intent of the Congress and to avoid constitutional problems, I intend to construe this section narrowly. I agree with the view expressed on the House and Senate floor that this section is intended only to prohibit ``quid pro quo" transactions -- that is, transactions in which U.S. funds are provided to a foreign nation on the express condition that the foreign nation provide specific assistance to a third country, which assistance U.S. officials are expressly prohibited from providing by U.S. law. As reflected both in Congressman Edwards' statements and in the explanatory colloquy between Senators Kasten and Rudman, a ``quid pro quo" arrangement requires that both countries understand and agree that U.S. aid will not be provided if the foreign government does not provide the specific assistance. The Senate record also makes clear that neither the criminal conspiracy statute, nor any other criminal penalty, will apply to any violation of this section. My decision to sign this bill is predicated on these understandings of Section 582.

Even so understood, I remain concerned about regulatory provisions of this type, which can have a detrimental impact on our foreign relations. Diplomacy by its nature involves give-and-take. Many routine and unobjectionable diplomatic activities could be misconstrued as somehow involving a forbidden ``exchange." Given the ease with which such activities could be so misconstrued, this type of provision can chill U.S. diplomats in the proper discharge of their duties. I believe it is neither fair nor wise for the Congress to make those who formulate and execute foreign policy serve the public under such conditions. I urge the Congress to consider whether the Constitution and the public interest would not both be better served if the Congress joined with me in building a better relationship between the legislative and executive branches, rather than micromanaging foreign policy through enactment of blanket prohibitions.

It is important to note that Section 582 does not affect the ability of the executive branch to urge any course of action upon a foreign government or any third party. In addition, the section applies only where there is a provision of U.S. law that ``expressly prohibits" the United States Government, or a U.S. official or employee, from undertaking a particular action, and thus would not apply to provisions that merely limit funding to undertake such an action.

In these and other key respects, Section 582 is substantially narrower than a related provision that prompted my veto of H.R. 2939 on November 19, 1989.

I also am compelled to note my serious concerns regarding the extensive earmarking of funds in the bill. This degree of earmarking will vastly complicate my ability to fund key programs and will hamper U.S. efforts to meet its responsibilities to important allies and friends. I believe that the conduct and effectiveness of U.S. foreign policy would be promoted by the elimination or sharp reduction of the level of earmarking, and I intend to work with the Congress to reach this objective.

George Bush

The White House,

November 21, 1989.

Note: H.R. 3743, approved November 21, was assigned Public Law No. 101 - 167.

Message to the House of Representatives Returning Without Approval the Bill Establishing a Congressional Advisory Commission To Investigate Labor Disputes at Eastern Airlines

November 21, 1989

To the House of Representatives:

I am returning herewith without my approval H.R. 1231, a bill establishing a congressional advisory commission to investigate and make recommendations on pending labor disputes at Eastern Airlines.

The future of Eastern Airlines is currently the subject of reorganization under Chapter 11 of the Bankruptcy Code. The bankruptcy court is charged with protecting the overall interests of the concerned parties in an evenhanded fashion. This state of affairs should not be disturbed by new legislation. I am particularly concerned that the investigation and recommendations of the commission proposed by H.R. 1231 would create the expectation of further intervention by the Congress that would significantly disrupt chances for an orderly reorganization by the bankruptcy court. This would hinder saving Eastern Airlines and the jobs of its employees.

The commission's mandate under this legislation to investigate three pending labor disputes, as well as certain broader aviation industry issues, is also unrealistic. The National Mediation Board spent over 500 days of sustained effort in an unsuccessful attempt to resolve the single dispute at Eastern that has reached impasse. H.R. 1231 would charge the commission with recommending settlements for three outstanding disputes at Eastern in a fraction of the time -- 45 days. Furthermore, involvement in the two ongoing labor disputes at Eastern that have not reached impasse violates our policy against governmental interference in the collective bargaining process. I see no justification for approving legislation that would mandate Government intervention in the cases of pilots and flight attendants.

For these reasons, I am compelled to disapprove H.R. 1231.

I also note that certain provisions of section 5 of the bill could be read to provide that executive branch resources must be deployed at the discretion of a congressional advisory commission. Such a reading of the bill would raise constitutional concerns.

George Bush

The White House,

November 21, 1989.

Continuation of Bill D. Colvin as Inspector General of the National Aeronautics and Space Administration

November 21, 1989

The President today announced that Bill D. Colvin will continue to serve as Inspector General of the National Aeronautics and Space Administration.

Since 1985 Mr. Colvin has served as Inspector General of the National Aeronautics and Space Administration in Washington, DC. Prior to this, he served as Deputy Inspector General of the National Aeronautics and Space Administration, 1984 - 1985, and Assistant Inspector General for Technical Services, 1983 - 1984. In addition, he has served as assistant section chief at the Federal Bureau of Investigation headquarters in Washington, DC; supervisory special agent to the FBI Academy; and as a special agent of the FBI. He has also served in various positions with Eastern New Mexico University and Western Wyoming College.

Mr. Colvin graduated from Eastern New Mexico University (B.B.A., 1969; M.B.A., 1971). He was born June 7, 1940, in Clovis, NM. Mr. Colvin served in the U.S. Army, 1961 - 1964. He is married, has two children, and resides in Fredericksburg, VA.

Nomination of Ervin S. Duggan To Be a Member of the Federal Communications Commission

November 21, 1989

The President today announced his intention to nominate Ervin S. Duggan to be a member of the Federal Communications Commission for a term of 5 years from July 1, 1989. He would succeed Patricia Diaz Dennis.

Since 1981 Mr. Duggan has served as a communications consultant with Ervin S. Duggan Associates in Washington, DC, and he served as the national editor of Washingtonian Magazine, 1981 - 1986. Prior to this, he served as a member of the policy planning staff at the Department of State, 1979 - 1981; Special Assistant to the Secretary at the Department of Health, Education, and Welfare, 1977 - 1979; special assistant to Senator Adlai E. Stevenson, 1971 - 1977; an author with Doubleday and Co., 1970 - 1971; Director of Special Projects (History and Art) at the Smithsonian Institution, 1969 - 1970; staff assistant to the President at the White House, 1965 - 1969; and a reporter for the Washington Post, 1964 - 1965.

Mr. Duggan graduated from Davidson College (B.A., 1961). He was born June 30, 1939, in Atlanta, GA. Mr. Duggan served in the U.S. Army, 1962 - 1964. He is a member and elder of the Chevy Chase Presbyterian Church in Washington, DC, and he serves as national chairman of Presbyterians for Democracy and Religious Freedom. Mr. Duggan is married, has two children, and resides in Bethesda, MD.

Nomination of Tony E. Gallegos To Be a Member of the Equal Employment Opportunity Commission

November 21, 1989

The President today announced his intention to nominate Tony E. Gallegos to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1994. This is a reappointment.

Since 1982 Mr. Gallegos has served as a Commissioner of the Equal Employment Opportunity Commission. Prior to this he served in various capacities with the Douglas Aircraft Co. in California, 1952 - 1982. Mr. Gallegos graduated from the Bistram Institute of Fine Arts (B.A., 1952). He was born February 13, 1924, in Montrose, CO. Mr. Gallegos served in the U.S. Army Air Force, 1943 - 1946. He is married, has two children, and resides in Arlington, VA.

Nomination of Arthur J. Hill To Be President of the Government National Mortgage Association

November 21, 1989

The President today announced his intention to nominate Arthur J. Hill to be President of the Government National Mortgage Association, Department of Housing and Urban Development. He would succeed Mark E. Buchman.

Since 1984 Mr. Hill has served as chairman, president, and chief executive officer of Peoples National Bank of Commerce in Miami, FL. Prior to this he served as vice president and regional manager for corporate lending at Amerifirst Federal Savings and Loan Association in Miami, FL., 1983 - 1984. In addition, he has served in various positions for Southeast Bank, including vice president for the corporate lending division, 1979 - 1983; assistant vice president and money market department head, 1975 - 1979; and management training program, 1974 - 1975.

Mr. Hill graduated from Florida Memorial College (B.S., 1971) and the University of Florida (M.A., 1973). He was born July 4, 1948, in Jacksonville, FL. Currently, Mr. Hill resides in Miami, FL.

Nomination of Donald G. Wiseman To Be a Member of the Occupational Safety and Health Review Commission

November 21, 1989

The President today announced his intention to nominate Donald G. Wiseman to be a member of the Occupational Safety and Health Review Commission for the remainder of the term expiring April 27, 1993. He would succeed Linda Lugenia Arey.

Since 1986 Mr. Wiseman has served as administrator of safety and training for ElectriCities of North Carolina, Inc. Prior to this, he served as an independent consultant in Raleigh, NC, 1982 - 1986; principal safety engineer for the Nevada Department of Occupational Safety and Health in Carson City, 1981 - 1982; administrator of the occupational safety and health division of the North Carolina Department of Labor, 1979 - 1981; director of the division of occupational safety and health for the Industrial Commission of Arizona, 1974 - 1979; acting director for the division of occupational safety and health for the Industrial Commission of Arizona, 1973 - 1974; chief elevator inspector for the division of occupational safety and health for the Industrial Commission of Arizona, 1971 - 1973; and chief elevator inspector for the bureau of safety at the Michigan Department of Labor, 1966 - 1971.

Mr. Wiseman attended Michigan State. He was born May 29, 1927, in Detroit, MI. Mr. Wiseman served in the U.S. Navy, 1945 - 1946. He is married, has five children, and resides in Fuquay-Varina, NC.

Remarks on Signing the National Adoption Week Proclamation

November 21, 1989

Secretary Sullivan and Senators Hatch and Humphrey and Congressman Smith, and all the children gathered here today and their families: Welcome to the White House.

This week we gather with our families to give our blessings and to celebrate the start of the holiday season. And as our thoughts turn to our families, it gives me particular pleasure to proclaim November 20th through the 26th National Adoption Week.

Each year more than 50,000 American children are adopted into new families to be loved and cherished. And each child returns one hundredfold the special joy that comes from belonging, from caring, and from sharing together. Yet thousands more continue to wait. This year an estimated 30,000 children, available for adoption, will spend their Thanksgiving and Christmas holidays without a permanent family. Most of these kids, about 60 percent, are special-needs children. Some are older, some are brothers and sisters who want to stay together, some have disabilities; but they all have special love to give.

Millions of Americans have been touched by adoption: birth parents, adoptive parents, and grandparents. Over a million childless couples and singles long for families of their own. Adoption is not something that we celebrate only one week of the year. In September I introduced the Special-Needs Adoption Assistance Act of 1989. And under this act, an individual would be permitted to deduct up to $3,000 from income those expenses incurred in the adoption of a special-needs child. We must make adoption a true national concern and alternative.

So, to Senator Orrin Hatch and Congressman Chris Smith, the sponsors of National Adoption Week, and to Secretary Sullivan, who has helped this administration encourage and assist those who are trying to adopt, we thank you. And to the children and the families gathered here who stand as testimony to the fact that adoption works for everyone, I thank you for being with us today at the White House as I proclaim this week National Adoption Week. And I'm now pleased to sign this proclamation, and understand that I will have some very special witnesses over here. [Laughter]

Thank you all for coming. Hope you all have a wonderful Thanksgiving.

Note: The President spoke at 1:09 p.m. in the Roosevelt Room at the White House. The proclamation is listed in Appendix E at the end of this volume.

Interview With Foreign Journalists

November 21, 1989

Conventional Force Reductions in Europe

Q. Mr. President, Secretary Cheney was saying on the weekend that he might envision deeper troop cuts after the CAFE One, as sort of CAFE Two. Now, do you think that such talk is premature, or have you calculated that you may need further troop cuts in order to avoid raising taxes next year?

The President. Well, there are pressures on the defense budget; and Dick Cheney, a man who has always believed in a strong defense, still believes in a strong defense. But for those who follow our budget process, they know that defense has been hit 5 years in a row, and so, it is appropriate that any Secretary of Defense encourage active reviews.

What I want to do is get on with the -- you call it CAFE One -- and get those conventional forces reduced in accordance with that and do it on schedule, and then see where we go. But there's a rapidity of change around the world. It's self-evident, very evident. And I'm not suggesting that forevermore we'll have the same levels of troops anywhere -- standing army, Europe, Korea, anywhere else. But we're certainly not doing to take any unilateral action. We do what we do in conjunction with allies. We'll be perfectly prepared to think anew -- always -- because we're living in fascinating, changing times. The Secretary of Defense, in conducting a review, is doing what I want him to do. But there will be no what I would call premature decisions in terms of unilateral cuts. Sometimes we accept cuts in the congressional process that we don't want. We've got to digest those cuts. But I think Dick is, along with the Joint Chiefs, are looking forward, looking ahead, trying to figure out what levels are appropriate under various scenarios with international tensions or lack of tensions.

So, I think we're on the right track on this. But I think people are reading, in some places, in some cases, too much into the story that he has ordered this review. At least I didn't get all excited when I saw it, because I know what he's doing.

Meeting With Soviet President Gorbachev

Q. Could you tell us what is your agenda for the summit meeting in Malta? You're quoted as saying that that would be an historic opportunity to enhance the peace. How do you think you will be able to achieve that? And lastly, would it be correct to say that your Soviet policy is firmly in place now? And if so, what are the basic premises of your Soviet policy?

The President. Well, there is no formalized agenda as there would be in an arms control meeting. Arms control will be taken up in the summit that has already been set, and that summit will drive

the arms control agenda. That's point one.

What was the second part? I know the third part.

Q. You were quoted as saying that it will be an historic opportunity to enhance peace.

The President. Well, I'll tell you: What I want to do is be sure we don't miss an opportunity. I want to be sure we don't have any misunderstandings -- Mr. Gorbachev conducting himself in one way and our not understanding the underpinnings of his thinking.

It isn't a summit that is going to -- a meeting that is going to -- I want to go back to that: It is not a meeting -- because I don't like using the word summit. Summit has the connotation, in our country anyway, of mainly agreements on arms control. And we're not looking forward to crossing ``t's'' and dotting ``i's'' at this meeting. It isn't going to happen, and I don't think the General Secretary thinks it's going to happen. I hope he doesn't, but maybe we can use your newspaper to make clear to him that we're not expecting that. But there's enough background of understanding here on the meeting that I don't think there's that expectation.

But look, there is so much rapid change going on in Eastern Europe that I am very anxious to hear from him what his thoughts are about the future of Europe. People know ours: a Europe whole and free. They know my convictions about self-determination. They know our conviction that democracy and freedom are on the move. And I'll have a chance to reiterate that and to give him my conception, my ideas of the future.

In terms of U.S.-Soviet relations, they are based at this juncture on our desire to see perestroika succeed. And I think there may have been some misunderstanding on the part of some of our Soviet friends about that. I think they wondered from various statements or the time it took for us to formulate an arms control agreement, a proposal, or maybe even to set the date of a summit, or maybe even to make the proposal -- which was mine -- that we meet in Malta. So, maybe there was some misunderstanding as to whether we really did want to see perestroika succeed.

I remember Mr. Gorbachev saying very directly with President Reagan and me last year in New York: ``Certain elements in your country want to see perestroika fail, or wonder if perestroika will succeed.'' And I spoke up, even though I was a lowly Vice President then, and said: ``Wait a minute! There are no serious elements in the United States that want to see perestroika fail.'' I'm not sure that he understood that this new administration, taking our time prudently to review our defense posture and all, really believed that.

But so, you ask about the relationship. I think it's built on our desire to see that succeed, because with it goes the success of the fundamental beliefs that Americans hold: that freedom and democracy are best, the right to self-determination is the best, that people have the right to

choose their leaders is the best. And so, I can't mask that. We still have some differences of system. But our policy is based on respect for what he is trying to do and for our interest in seeing perestroika succeed, because if it succeeds, the world will be a lot more peaceful for everybody, it seems to me. And a lot of us can, indeed, have more of our product going into helping people instead into arms.

Eastern-Bloc Reforms

Q. In view of the changes in the Eastern bloc, would it be possible and in the interest of the United States to limit military expenses and to increase economic assistance for our countries in order to help us with reforms?

The President. Well, take Poland, a country with which you're quite familiar. We want to help. We are helping. We will help, I might say, in concert with our allies, too. And I've been talking to most, and I think you'll find a common interest in seeing the economic success.

But if your question is can we make unilateral defense cuts in order to put more money into the development of Eastern Europe, the answer is no. I'm not going to recommend unilateral defense cuts. I will not do that without -- not even unilateral -- but we will discuss the legitimate defense needs, given the changes in the world, with our allies. And I think every country -- the emerging democracy of Poland, and I say that because they have had free elections; those that want to be democratic and will have free elections. Other countries in Eastern Europe -- Hungary coming up -- who knows what will happen in the GDR [German Democratic Republic] in terms of elections. All those countries have a stake in NATO being a respected alliance. And it becomes less of a respected alliance if we make unilateral cuts, unless the changes around the world on other forces take place.

I mean, the Soviet Union is spending, we reckon, about 17 percent of the gross national product on defense. It's tremendous. It's an enormous burden on an economy that's having difficulty anyway. So, what we've got to do is have good discussions with the Soviet leaders and try to show that a lessened defense will not hurt their security, because we have no intention of raiding the Soviet Union, going after them. And once we convince them that the West does not threaten them, then I think you can see a reallocation of resources worldwide from arms into helping others.

Meeting With Soviet President Gorbachev

Q. Can I get to the beginning of this story about the meeting and ask you who thought of Malta and the Mediterranean first?

[At this point, the President raised his hand.]

Q. Was it you?

The President. Right here. Now, I will say this: It takes two to tango. You've heard that expression. And Mr. Gorbachev has been very open. And we went back and forth with several ideas, always -- and I say this without any reservation -- in a spirit of total frankness and total accommodation. But I think he would tell you that, in terms of logistics, that I was the one that proposed Malta itself. But we did it in a team way: ``How about this as a suggestion?'' He made a couple of other suggestions that, for timing purposes, didn't work out.

So, in telling you that -- you come from Malta -- I'd love to take full credit because I think it will be good. I think we made the suggestion, but I think it was a collegial decision. It was a decision that clearly the Soviet side was enthusiastic about, and it was driven somewhat by Mr. Gorbachev's own logistical problems. He will be in Italy, and so, it made inordinate good sense. But in any event, I think both sides are very pleased about it.

Soviet Military Presence in Asia

Q. As I am the only Asian journalist present today, so I have to ask you this. The Pentagon published a report on the Soviet military at the end of September, saying that in Asian regions there are no indications so far of the lessening of Soviet military strength. And I'd like to know this: Have you seen since then any indication of the lessening of that strength? And also, are you talking about -- with Mr. Gorbachev -- about new Asian security situation, including the Korean Peninsula problem and our dispute with the Soviet Union on the Northern Territory?

The President. No, I see no reduction in defenses. Now, I want to check with our experts on that. Brent [Brent Scowcroft, Assistant to the President for National Security Affairs], is my answer misleading at all? I have not seen them, but I don't want to misrepresent. The question is: Has the Soviet Union, since that Pentagon report came out in the fall, to our knowledge reduced defense spending -- --

Mr. Scowcroft. Well, they have cut back some on conventional forces and, therefore, probably on spending. We see very little evidence on strategic forces that they have reduced their expenditures. On conventional forces -- --

The President. -- -- or modernization. In terms of the rest of your question, this meeting is so open that we can discuss anything we want. And clearly, the United States considers itself a power with tremendous interests in the Pacific. And I would have absolutely no inhibitions about discussing the lay of the land in Asia, and your other question related to the Korean Peninsula. And again, I will be prepared to discuss our policy as it relates to the Korean Peninsula with Mr. Gorbachev. To the degree we can get understanding on that question, although I'm not sure we differ too much -- why, that would be good.

But again, no agenda item -- a preparation to discuss not just the changes in Eastern Europe that I referred to as one of the things that spurred our interest in a meeting at this time -- the rapidity of the change -- but, indeed, the entire globe. There's a lot of regional problems that we have with the Soviets. And we've been frank about it. They know of our concerns about Cuba, their relationship in Cuba -- one of three people in this hemisphere that's swimming against the democratic tide -- Nicaragua the same thing. And so, we'll discuss this, and I expect Mr. Gorbachev will be very open to discussion on this. We're not going to just discuss things that are of more interest to the Soviets. And this is of prime interest to us. So, I'm glad you raised it because we have not diminished our interests in Asia, given all this change in Eastern Europe.

I'll tell you one little anecdote, and then we'll go to the next one. Down at this Costa Rican summit, [Venezuelan President] Carlos Andres Perez, a very frank guy and a marvelous adherent of democracy, said to me: ``All this talk of yours about Eastern Europe, does this show'' -- he put it more negatively towards me, he said: ``Shouldn't this lead us to believe that you're showing less interest in your own hemisphere here?'' And I said absolutely not, absolutely not. So, I would say that I would like to feel that we can discuss problems anywhere in the world. I would be very anxious to discuss all these things.

Q. The Asian security problem, too?

The President. Yes, but not dealing cards, not trying to solve somebody else's fortunes. That's not what this meeting is about. It would be a mistake to do that.

Eastern-Bloc Reforms

Q. Mr. President, the most recent developments in Eastern Europe have taken people by surprise -- I guess even your administration. And some people in Western Europe are very worried about it. And the big question is how fast the process of integration of Western Europe should happen. How fast do you think it should happen? Do you think that the idea of having the monetary fiscal integration should move forward as soon as possible as a guarantee of forming a strong bloc on the other side?

The President. In the first place, I don't think many people in Western Europe worry about the fact that the change has taken place. Some might worry about where it leads and whether some unforeseen event will happen that will reverse this very salutary change. So, I would say, as part of your question, that my interpretation of Western European public opinion is: We're very pleased this is taking place, but we're a little uncertain as to what's next. Today is Tuesday; what's going to happen today? What's going to happen Wednesday? -- these changes coming so fast.

But I think if there's a worry, the worry is: Can it be managed properly? And that's one of the reasons we as the United States are trying to not listen to those that are out there encouraging

flamboyant action but to rather respond prudently, as a great power must, to the change. And you know and I know that I've been criticized for timidity. I discount that by about 99 percent as pure, gut, American politics. But nevertheless, some are saying that. And what they mean -- some have wanted me to go jump up on top of the Berlin Wall. Well, I never heard such a stupid idea. I mean, what good would it do for an American President to be posturing while Germans were flowing back and forth by the millions? It makes no sense at all. So, we are conducting ourselves in a prudent way.

In terms of what comes next or what role we can have, the only thing I can speak to in managing the change is to encourage a Europe that is whole and free, self-determination when it comes to elections for people, openness, a glasnost that spreads -- give Mr. Gorbachev credit for igniting the fire -- it spreads to countries that have been denied glasnost, openness, for years; and do it in a way not to incite violence, not to do something that will cause repression.

And so, I come back to the word of prudent -- managing of what we do and what we say -- and resist flamboyant actions. Things are moving our way. And I speak in response to your question -- the West. What do you mean by ``our way''? Democracy? Freedom? They are moving our way. And so, we don't need to be out there trying to micromanage the desire for change in these Eastern European countries. We want to be ready and available -- this gentleman suggested -- in terms of trying to help financially, if we don't go broke in the process. And we're going to do our best. And we have limited resources now -- it's a great country -- but we want to help.

European Fiscal and Monetary Union

Q. What about a fiscal and monetary reunion in Europe?

The President. Of all Europe? It takes time because you've got to have fiscal reforms before you can have the confidence that would lead to total fiscal and monetary reunion, but it's coming. They're moving. Poland is trying hard, for example. Hungary -- probably a little out ahead of it in terms of economic reform. So, this isn't anything to despair about. The GDR is doing pretty well. So, it will come.

Hungary

Q. Mr. President, as you know probably, that a lot of Hungarians are urging that Hungary should declare neutrality. But others say that it requires more than a Hungarian decision because it should be accepted and guaranteed by others, especially by great powers. So I wonder, sir, whether the United States would be ready to accept and guarantee Hungary's neutrality, and would you even support this idea at the forthcoming summit?

The President. Every country has sovereign rights; and every country, the way we look at it, has a right to determine its own fortunes. And that will be the guiding principle behind the U.S. I

think it would be a mistake for the U.S. to try to dictate to a country what course it ought to follow in relationship to the Warsaw Pact, the Soviet Union, or anybody else. I don't think that's the role of the United States. The role of the United States is to say: Here's what we think is best -- democracy, freedom, free elections, freedom of the press, freedom of worship. This is what we believe. We've always believed it. Keep advocating it, but I don't think it would be a productive role for the U.S. to try to micromanage the change that's taking place in Hungary. That's a matter for the Hungarian people.

Q. But will you accept if Hungary would declare its neutrality?

The President. Well, one thing I learned to do is to not answer a hypothetical question that might position me in terms of favoring one course or another. But you can rest assured that the more countries that are free, reform their economies, want to have the very freedoms I talked about -- to the degree they want good relations with the United States, that makes it a lot easier for us, given the constraints in our laws for countries that aren't willing to do that.

German Reunification

Q. Mr. President, what do you say to people in France and Great Britain who are against a German reunification?

The President. I say to them: That's a matter for the German people to decide. And there are some that worry about it. I understand that Mr. Gorbachev has some understandable constraints, because he looks at borders, he looks at history -- he's concerned. But what I say is, as I tried to the other day: This is 1989. And we can learn from history, but we also can look to the future. And my view is: Let this matter be determined by the people in Germany. And if that determination is made, there will be all kinds of representation that this is not by the parties, that this has no reason to threaten anybody else or change borders or anything of that nature.

So, I think it really is better at this juncture to be in that broad posture, which we've always had. This is a matter for the German people. Not back away from it, but not flog it. Let this evolution take care of the question -- that's our role.

NATO's Future

Q. With the Thousand Points of Light beginning to shine in Eastern Europe now, what is the future role of NATO? And should we recast it according to the new political realities, or should it just remain as it is for awhile?

The President. Which -- repeat it again. A Thousand Points of Light are shining, and we see -- --

Q. Well, they are beginning to shine in Eastern Europe, obviously, so the role of NATO

probably has to take on another cast.

The President. Well, I see the role of NATO as an alliance continuing. As I've tried to indicate here, levels of military involvement have a way of being negotiated, have a way of changing from time to time. But NATO has a rubric under which you can discuss economic conditions. At the last NATO meeting, there was a good deal of discussion about the environment, and there was a good deal of discussion about political reforms and changes in the rest of the world. So, the Western alliance threatens no one. It is not a threat to anyone. And I don't see its obsolescence. I don't predict, if that's the question, an obsolescence of this.

You might see under different circumstances different kinds of mission. But I will approach this meeting with Mr. Gorbachev that this alliance is very, very vibrant. It's very real. As the President of the United States, I owe my alliance partners total consultation, and I don't really see that changing in the short-term future.

Q. But just to follow, I guess, in the longer run, how do Europe's great alliances evolve? Ten years out, do you still see NATO and the Warsaw Pact right against each other?

The President. Listen, I can't see 10 days out, and I don't think you can. How can I predict what the conditions are going to be?

Q. But optimally, how would you see that evolving?

The President. Well, I really don't want to go beyond where events have us right now because I think if I made a prediction on NATO, then you'd say how do you get there? What are the steps that get you there? And I don't want to do that. I'm trying to be ``timid'' -- prudent and cautious. So, I don't do that. But I'll tell you this: I don't see any factor emerging that would diminish the friendships and the associations between these Western countries because we're bound by common values. It is our values that bind us. And then, we have common military interests. Fine -- we do -- but I really can't predict that for you because I can't see it that clearly.

So, what we do is move down this path in a way where we make clear that our resolve to be a strong NATO partner is known to everybody and that we look for opportunities that might suggest the kind of change that I think a lot of our NATO partners would like to see -- less tensions with neighbors in Eastern Europe and all of that. But I really want to stop short of predicting what it might be like 10 years out, although it's a very good question, and I think a lot of thinking is going on about that, a lot of thinking by our best people here, under different scenarios.

But we're at a very delicate time now. And I think what I had better do is address myself to the present and the near-term future. And that's why I think this meeting with Mr. Gorbachev is going to be very interesting.

Meeting With Soviet President Gorbachev

Q. Has that thinking increased since you've planned this summit?

The President. Yes.

Q. I mean, it was initially just sort of ``get to know you,'' get acquainted. Now, it's -- --

The President. Yes, because the genesis came before the rapidity of the change in Eastern Europe. There's always been change. I'll tell you one of the things that stimulated my interest was my visit to Poland and to Hungary. And then I sat with our NATO partners. I think I asked a couple of them do you think it would be a good idea -- I wasn't going to say a summit meeting -- but do you think it would be a good idea to have this? And my feeling is that the NATO partners thought it would be a very good idea.

And you know, what we've picked up since then was keen interest from a lot of countries that aren't in NATO or are in the Warsaw Pact or the Soviet Union. And some of it is almost overly euphoric in terms of expectation. So, what I've tried to do here is dampen euphoric expectation because I want the visit to be seen as a success. And if you just get together and discuss change, that is my definition of a success. Whether you all will buy it or not, I don't know. I'm a little skeptical about that.

U.S. Leadership Role

Q. President Bush, don't you fear that the U.S. may lose its leadership in the Western alliance if things move too fast, and NATO will change?

The President. No, not a bit. We're the United States. If you'll excuse some chauvinistic pride as we approach Thanksgiving, why, that is one worry I don't have. And we will be involved. We will continue to be, whether it's in the Pacific or whether it's in Europe. It's just our nature. We've tried to help; we want to help. There is enormous trade with all corners of the world. We have markets that lift up the developing countries unlike any aid program in the world -- just access to these vibrant markets of the U.S. So, I'm not worried a bit about losing any prestige, and I wouldn't think Mr. Gorbachev would be.

If tensions got so reduced that you didn't always worry about U.S.-superpower confrontation or something, that would be a marvelous world. We ought to work towards that kind of a world. But it's got to be on our values. It's got to be on what we in the United States think is best -- know is best.

You see, I think there's an objectivity to all -- I don't want to be too philosophical -- but I think

there's an objectivity to this. Freedom works. I don't want to sound cliche. Freedom of religion is best, freedom of the press is best, self-determination is best, free elections are best. And so, we're going to continue to be, in our way -- we're not the only ones on this -- but a beacon for those dealing with us, for those who share these values, and for those who more and more are sharing these values.

So, this doesn't bother me. We've got a lot of worries, but that isn't one of them.

Thank you for your time.

Note: The interview began at 1:35 p.m. in the Oval Office at the White House. Participants included Lionel Barber, Financial Times, United Kingdom; Alexander Shalnev, Izvestia, Soviet Union; Ernest Skalski, Gazeta Wyborcza, Poland; Anthony Montanaro, Sunday Times, Malta; Hiroshi Yamada, Yomiuri Shimbun, Japan; Mario Platero, Il Sole 24 Ore, Italy; Janos Avar, Magyar Nemzet, Hungary; Francois Hauter, Le Figaro, France; Viola Herms-Dratch, Handelsblatt, Federal Republic of Germany; Colin MacKenzie, Globe and Mail, Canada. A tape was not available for verification of the contents of the interview. The interview was released by the Office of the Press Secretary on November 24.

Remarks at the Commercial Appeal's Thanksgiving Celebration in Memphis, Tennessee

November 22, 1989

Thank you all very much, Mr. Linder, Mr. Wilhelm -- Mr. Williams, Jerry Friedheim, Loren Ghiglione, who came down with us, and Jerome Ryans; of course, the Governor of this great State, and Reverend Mowery, distinguished Members of Congress, volunteers, ladies and gentlemen, and all you damp pre-Thanksgiving marvelous people. I didn't think anybody would be out here today.

You know, back before the Civil War, just after William Henry Harrison was elected President, Mr. Linder's newspaper was named the Appeal. And the founder renamed it, and he said, as an ``appeal to the sober second thoughts of the people, to elect a Democratic president at the next election." Well, with a history like that, you can imagine how lucky I feel to be here today. [Laughter] But I do really feel fortunate to be here, to talk about something that is so vital to our nation and to our future.

Last June -- Mr. Linder referred to -- I gave a speech about something called the Points of Light Initiative. And its goal is to make community service central to the life and work of every individual and every institution in America. And I asked people and groups across the country to think about the special contribution they could make to help others around them in need.

For the news media, I made a special request because no other institution in America has the unique ability of the media to shape public attitudes, to heighten awareness, to mobilize people for action. And I asked members of the media to remind Americans that illiteracy, drug abuse, homelessness, hunger, and other social problems do have solutions. And soon after I announced the Points of Light Initiative, the Commercial Appeal in Memphis responded. Along with reporting and commenting on problems -- which is every paper's right and obligation and responsibility in a free society -- they took on an added responsibility. And they began pointing to solutions. And they started doing profiles of 1,000 individuals and institutional Points of Light last summer, at a time when a lot of people were still trying to figure out what I meant by a Thousand Points of Light. Well, you understood, all of you. And you've brought that idea to life, dramatically.

Tomorrow is our special day. It's a day unique to America, a day when we pause and gather together and give thanks. And it is my hope that by this time next year, a growing community service movement will mean that many Americans will have more to be thankful for. Today, I'd like to challenge every publisher, every broadcaster, every member of the American news media, to follow the lead of the Commercial Appeal. And many have begun to do so. All three of the major networks have started regular features on volunteers in America, and local papers and stations have become involved. And many more can.

For the millions across our great country who want to help others in need but wonder how, this newspaper and this community are showing that there are at least a thousand ways to lead others out of the darkness.

I think of Fred Daniels, a retired salesman, starting what I hear may be the world's best catfish cooking team, formed to raise funds -- there's Fred, right there -- formed to raise funds for charity. Look, he and his friends travel all over towing an 8,000-pound cooker to company picnics, donating the proceeds to causes like United Cerebral Palsy.

Or Kim McLaughlin, 18 years old, who volunteered for the Tennessee Outreach Program. And she's been working in the hills rebuilding houses, painting, laying down floors. And she says this: ``I like seeing the smiles on people's faces after we're done. When we're finished, they cried."

I understand that Don Stone, a bank president, decided that the best way to convince students to stay in school was to work with them, to talk with them, one at a time -- one on one. And not long ago, Don saw one of those kids across the street. And he says, ``I just walked over to him, walked over to hug him. He's been drug free for about 2 weeks." And he says, ``We do a lot of hugging here."

Maybe you read about Pauline Hord, 82 years old. I hope she'll forgive me for revealing that. And somebody at the Mississippi Penitentiary at Parchman had been talking about a prisoner there, saying he couldn't read a Bible if he'd had one. And so that's where she stepped forward. She goes about 100 miles each way to the prison, every Wednesday, to teach inmates how to read. She's taught nearly 140 of them, and now she's training them to teach others. And here's what she says, ``I'm a teacher of teachers," she says.

Lillie Belle Witcher -- she's only 79 -- and she works hard for nearly half a dozen causes. And she says, ``If a day goes by and I haven't done something for somebody, it just seems like a wasted day."

Forget fortune, fame, and glory, and glittering prizes. The people I've been describing to you -- they are great American success stories. And they're powerful reminders that everyone can do something for somebody else.

Mary Taylor spent 16 years on welfare. And she said, ``I used it, and it used me." Now she's a community activist who helps the poor get back on their feet. And she says, ``We all have a place to be part of the system, no matter what level we are on."

From disk jockeys to truck drivers to CEO's to children to the retired, service to others should be a central part of American life. And it's never been more needed than it is now. It ought to be

talked about in the boardrooms and the bowling alleys and the factories and the rotaries and the fraternities, sororities, farms, families, cities, union halls, suburbs, and shopping malls -- everywhere in America. Everyone has a gift to give. And every one of us has a special talent that can help solve America's problems. And every institution in America can make the kind of commitment that you've made here.

At the White House we know a good idea when we see one, so we're going to announce and honor individuals and groups across the country who are making a difference -- working to improve the lives of others -- giving more Americans reasons to give thanks. These daily Points of Light won't be singled out because they themselves are the best. We honor them because they show what's the best in all of us. And they show that from now on in America any definition of a successful life must include serving others. To honor their spirit and commitment is to honor yours and those like you. We will single out a few, because they represent the many. And we hope that by highlighting their achievements, and the ways they've found to serve, we can inspire others to serve.

So, let me close by announcing the very first White House daily Point of Light. It's an organization that put the spotlight on citizens who have made community service a part of their definition of success and encouraged other people to do the same, proving that the volunteer spirit is alive and well in the Volunteer State. That organization is the reason we're all here today, braving the elements to salute them. They are the leadership and staff of the Commercial Appeal. And I am proud to honor them in this way.

Just imagine an America where service to others is a fact of life, part of everyone's everyday thinking. Imagine the impact if every single newspaper and magazine and television and radio station and cable system found and recognized a Thousand Points of Light. Imagine if every institution, from the airlines to dry cleaners to high schools to neighborhood softball teams, were to join us in regularly honoring as heroes those who are engaged in the war against drug abuse or illiteracy, AIDS, homelessness, hunger, and the other problems. We are nearing the dawn of a new decade. And so, let it be a decade with no dark corners, no forgotten people, no forgotten places.

And so, if you've got a hammer, find a nail. If you can read, find someone who can't. If you're well, do it like the volunteers I just saw at St. Jude's. Help someone who isn't well. If you're not in trouble, seek out someone who is. Because everywhere there is a need in America, there is a way to fill it. And everywhere there is a dream in America, there's a way to make it come true.

Isn't it fitting that on this chilly and wet eve before Thanksgiving, we pay tribute to those Americans who help their fellow Americans. God bless you all. Have a wonderful Thanksgiving. I hope you haven't gotten pneumonia, and God bless the United States of America. Thank you very much. Thank you all.

Note: The President spoke at 12:14 p.m. on the front lawn of the Commercial Appeal. In his remarks, he referred to Lionel Linder and Joseph Williams, editor and general manager of the Commercial Appeal, respectively; Loren Ghiglione, editor of the News in Southbridge, MA; and Rev. Donald Mowery, director of Youth Service U.S.A.

White House Statement Announcing the Points of Light Recognition Program

November 22, 1989

The White House today begins a practice of recognizing daily Points of Light. Points of Light are individuals, institutions, and initiatives across the country exemplifying the President's commitment to making community service central to the life and work of every American. Each day the White House will recognize one individual or institution who has successfully addressed our most dire social problems by engaging in community service.

As there are millions of Americans who would be worthy recipients, it is impossible to select the best exemplars of community service or to recognize each example individually. However, the entire Points of Light Recognition Program is intended by the President as a national tribute of the highest order to every single American who makes a difference in the life of someone in need.

Nomination of Stephen Kay Conver To Be an Assistant Secretary of the Army

November 22, 1989

The President has nominated Stephen Kay Conver to be an Assistant Secretary of the Army for Research, Development and Acquisition. He would succeed Jay Raymond Sculley.

Since 1985 Mr. Conver has served as a professional staff member for the House Armed Services Committee. Prior to this he served as Deputy Assistant Secretary of the Air Force for Program and Budget, 1981 - 1985. In addition, he served in various capacities at the Nuclear Regulatory Commission, rising to the position of chief of analysis and planning for the Commission, 1975 - 1981.

Mr. Conver graduated from the U.S. Air Force Academy (B.A., 1966), and Ohio State University (M.A., 1970). He was born December 4, 1944, in Memphis, TN. Mr. Conver served in the U.S. Air Force, 1966 - 1975. He is married, has two children, and resides in Great Falls, VA.

Nomination of William J. Haynes II To Be General Counsel of the Department of the Army

November 22, 1989

The President has nominated William James Haynes II to be General Counsel of the Department of the Army. This is a new position.

Since April 1989 Mr. Haynes has served as an attorney with the law firm of Sutherland, Asbill and Brennan in Washington, DC. Prior to this, he served as counsel to the transition at the Department of Defense, 1989; Assistant to the General Counsel of the Department of the Army, 1984 - 1989; and law clerk to the Honorable James B. McMillan, U.S. district judge for the Western District of North Carolina, 1983 - 1984.

Mr. Haynes graduated from Davidson College (B.A., 1980) and Harvard Law School (J.D., 1983). He was born March 30, 1958, in Waco, TX. Mr. Haynes served in the U.S. Army, 1984 - 1989, and was awarded the Meritorious Service Medal in 1987 and 1989. He is married, has two children, and resides in Takoma Park, MD.

Thanksgiving Address to the Nation

November 22, 1989

Good evening. Like many of you, I'm spending tomorrow with family. And we'll say grace and carve the turkey and thank God for our many blessings and for our great country.

This holiday also marks the adjournment of Congress. And I've worked with Congress, extending my hand across the party aisle, advancing legislation to free our streets of the fear of crime and drugs. We proposed ways to clean the air, the water, and the land around us, and we've joined with the Nation's Governors to enter an historic compact to better our schools. And especially touching is that so many Americans have answered the call for community service, the Thousand Points of Light, by rolling up their sleeves and pitching in for the hopeless, the helpless -- each volunteer, a beacon of light for someone who has lost his way.

And this will be a very special Thanksgiving. It marks an extraordinary year. But before our families sit down tomorrow, we will give thanks for yet another reason: Around the world tonight, new pilgrims are on a voyage to freedom, and for many, it's not a trip to some place faraway but to a world of their own making.

On other Thanksgivings, the world was haunted by the images of watchtowers, guard dogs, and machineguns. In fact, many of you had not even been born when the Berlin Wall was erected in 1961. But now the world has a new image, reflecting a new reality: that of Germans, East and West, pulling each other to the top of the wall, a human bridge between nations; entire peoples all across Eastern Europe bravely taking to the streets, demanding liberty, pursuing democracy. This is not the end of the book of history, but it's a joyful end to one of history's saddest chapters.

Not long after the wall began to open, West German Chancellor Kohl telephoned, and he asked me to give you, the American people, a message of thanks. He said that the remarkable change in Eastern Europe would not be taking place without the steadfast support of the United States -- fitting praise from a good friend. For 40 years, we have not wavered in our commitment to freedom. We are grateful to our American men and women in uniform, and we should also be grateful to our postwar leaders. You see, we helped rebuild a continent through the Marshall plan; and we built a shield, NATO, behind which Americans, Europeans could forge a future in freedom.

For so many of these 40 years, the test of Western resolve, the contest between the free and the unfree, has been symbolized by an island of hope behind the Iron Curtain: Berlin. In the 1940's, West Berlin remained free because Harry Truman said: Hands off! In the 1950's, Ike backed America's words with muscle. In the 1960's, West Berliners took heart when John F. Kennedy said: ``I am a Berliner.'' In the 1970's, Presidents Nixon, Ford, and Carter stood with Berlin by

standing with NATO. And in the 1980's, Ronald Reagan went to Berlin to say: ``Tear down this wall!" And now we are at the threshold of the 1990's. And as we begin the new decade, I am reaching out to President Gorbachev, asking him to work with me to bring down the last barriers to a new world of freedom. Let us move beyond containment and once and for all end the cold war.

We can make such a bold bid because America is strong and 40 years of perseverance and patience are finally paying off. More recently, quiet diplomacy, working behind the scenes, has achieved results. We can now dare to imagine a new world, with a new Europe, rising on the foundations of democracy. This new world was taking shape when my Presidency began with these words: ``The day of the dictator is over." And during the spring and summer we told the people of the world what America believes and what America wants for the future. America believes that ``liberty is an idea whose time has come in Eastern Europe." America wants President Gorbachev's reforms, known as perestroika, to succeed. And America wants the Soviets to join us in moving beyond containment to a new partnership. Some wondered if all this was realistic. And now, though we are still on the course set last spring, events are moving faster than anyone imagined or predicted.

Look around the world. In the developing nations, the people are demanding freedom. Poland and Hungary are now fledgling democracies -- a non-Communist government in Poland and free elections coming soon in Hungary. And in the Soviet Union itself, the forces of reform under Mikhail Gorbachev are bringing unprecedented openness and change.

But nowhere in the world today, or even in the history of man, have the warm hearts of men and women triumphed so swiftly, so certainly, over cold stone as in Berlin, indeed, in all of East Germany. If I may paraphrase the words of a great poet, Robert Frost: There is certainly something in us that doesn't love a wall.

When I spoke to the German people in Mainz last May, I applauded the removal of the barriers between Hungary and Austria, saying: ``Let Berlin be next." And the West German people joined us in a call for a Europe whole and free.

Just yesterday, the West German Foreign Minister gave me a piece of the Berlin Wall, and it's on my desk as a reminder of the power of freedom to bring down the walls between people. It brought back memories of 7 years ago, when I went to Modlareuth, a small town in Germany also known as Little Berlin -- a divided village, really, its cobbled streets were blocked by barbed wire and concrete; and on the one side freedom and on the other, despair. And I talked with the townspeople not 150 yards from the specter of armed guards in towers. Someday I'd like to go back to Little Berlin and see families reunited, see neighbors once apart coming together. How wonderful that would be!

Change is coming swiftly, and with this change the dramatic vindication of free Europe's

economic and political institutions. The new Europe that is coming is being built -- must be built -- on the foundation of democratic values. But the faster the pace, the smoother our path must be. After all, this is serious business. The peace we are building must be different than the hard, joyless peace between two armed camps we've known so long. The scars of the conflict that began a half a century ago still divide a continent. So, the historic task before us now is to begin the healing of this old wound.

During our visit to Poland and Hungary last July, I found new encouragement that we were on track: There was, at long last, the chance for a fundamental change. I saw firsthand acts of healing and reconciliation. And it was in Warsaw, at my lunch for General Jaruzelski and the leaders of Solidarity, that I met a woman who had worked, at great personal risk, for the release of jailed Solidarity members. And she was asked: ``How is it possible, after such a short time, to break bread with the men who ordered those imprisonments? Why the absence of bitterness?" And she replied: ``Our joy at what is happening now is more powerful than memory." I wish you could have been there, for what we witnessed was extraordinary. The old antagonisms melted away as former adversaries stood up, often with tears in their eyes, and toasted the future. Our guests knew that history would judge them by how well they would cooperate. Well, there is a spirit of cooperation in Eastern Europe. The result: Poland and Hungary are being transformed.

They deserve our support, and they're getting it. We have matched our words with action: new loans and grants, teams of American economic experts working to help them adjust to a free market society, clearing the way for U.S. investment and trade with Poland and Hungary. Now the peoples of these nations can finally expect their hard work to lead to a better life.

These same winds of change are sweeping our own hemisphere, democracy transforming the Americas with stunning speed. Regrettably, there are some exceptions -- Panama, Nicaragua, and Cuba. And these last two are holding out against their people only because of the massive support of weapons and supplies from their Communist allies. And so, when I see President Gorbachev, I'll ask him to join with us to help bring freedom and democracy to all the people of Latin America.

And so, as we celebrate the events of Eastern Europe, remember that some walls still remain between East and West. These are the invisible walls of suspicion, the walls of doubt, misunderstanding, and miscalculation.

It was while in Eastern Europe last summer that I decided to make a personal effort to break through these last barriers. And back in May, I set down five steps that the Soviets should take that would inevitably result in improved relations with the West: First, reduce Soviet forces; second, support self-determination in Eastern Europe; third, work with us to end regional disputes; fourth, achieve a lasting pluralism and respect for human rights; and fifth, join with us in addressing global problems, including the international drug menace and dangers to the environment. Serious problems still remain, especially those regional conflicts, but the Soviet

Union has made progress in these five areas that is undeniable.

With that in mind, I invited President Gorbachev to meet me 10 days from now. This is a first meeting, a time for exploration. It is not a time for detailed arms control negotiations best left for next year's summit. I want President Gorbachev to know exactly where the United States stands. Let me be clear: America stands with freedom and democracy. We are not meeting to determine the future of Europe. After all, the peoples of Europe are determining their own future. And though there will be no surprises sprung on our allies, we will miss no opportunity to expand freedom and enhance the peace. But to those who question our prudent pace, they must understand that a time of historic change is no time for recklessness. The peace and the confidence and the security of our friends in Europe -- it's just too important.

We will seek President Gorbachev's assurance that this process of reform in Eastern Europe will continue, and we will give him our assurance that America welcomes this reform not as an adversary seeking advantage but as a people offering support. Our goal is to see this historic tide of freedom broadened, deepened, and sustained. We find enormous encouragement in its peaceful advance and its acceptance by the Soviet Union. We can now raise our hopes on other issues: our common environment, our common war against drugs, as well as human rights and the regional conflicts that remain.

Immediately after my visit with President Gorbachev, I'll go to Brussels to consult with our partners in NATO, the very alliance that has kept the West free for 40 years. I will assure them that no matter how dramatic the change in Eastern Europe or in the Soviet Union itself, the United States will continue to stand with our allies and our friends. For in a new Europe, the American role may change in form, but not in fundamentals. After all, the Soviet Union maintains hundreds of thousands of troops throughout Eastern Europe. Study the map, review history, and you'll see that this presence, with the Soviet Union's natural advantage of geography, cannot be ignored. So, even if forces are significantly reduced on both sides, a noble goal indeed, we will remain in Europe as long as our friends want and need us.

Off the island nation of Malta, Mikhail Gorbachev and I will begin the work of years. We can help the peoples of Europe achieve a new destiny in a peaceful Europe whole and free. And I will tell President Gorbachev, the dynamic architect of Soviet reform, that America wants the people of the Soviet Union to fulfill their destiny, and I will assure him that there is no greater advocate of perestroika than the President of the United States.

And when we meet, we will be on ships at anchor in a Mediterranean bay that has served as a sealane of commerce and conflict for more than 2,000 years. This ancient port has been conquered by caesar and sultan, crusader and king. Its forts and watchtowers survey a sea that entombs the scuttled ships of empires lost -- slave galleys, galleons, dreadnoughts, destroyers. These ships, once meant to guard lasting empires, now litter the ocean floor and guard nothing more than reefs of coral. So, if the millennia offers us a lesson, perhaps it's this: True security

does not come from empire and domination. True security can only be found in the growing trust of free peoples.

It's been said that peace is not the work of a single day, nor will it be the consequence of a single act; and yet every constructive act contributes to its growth; every omission impedes it. Peace will come, in the end, as a child grows to maturity -- slowly, until we realize one day in wonder the child is almost grown. It is our hope that Malta will be such a constructive act: guiding brave pilgrims on their journey to a new world of freedom. And so, on this Thanksgiving Eve, as I prepare for my journey to Malta, I wish you a good night and safe travel. God bless you and your family, and God bless the United States of America.

Note: The President spoke at 9:01 p.m. from Camp David, MD. The address was broadcast live on nationwide radio and television.

Statement by Press Secretary Fitzwater on the President's Meeting With British Prime Minister Margaret Thatcher

November 24, 1989

President Bush and Prime Minister Thatcher met for approximately 4\1/2\ hours today at Camp David, discussing a broad range of issues related to East-West relations and European stability. They had frank and substantive discussions in the relaxed atmosphere of the camp.

President Bush summarized plans for the Malta meeting, and the two leaders discussed a number of possible subjects to be considered in that meeting. A primary focus was on Eastern Europe. The President and the Prime Minister discussed reforms underway in the Soviet Union and agreed on support for glasnost and perestroika. They both emphasized pursuit of democracy as a first step in the reform process. The two leaders agreed on the need for European stability as NATO faces the changes in Eastern Europe.

The Prime Minister spoke of her commitment to the common market and emphasized her vision of a free and open trading system in Europe. President Bush agreed with her view of a European future that avoids protectionism. The Prime Minister briefed President Bush on the recent Paris summit of European Community leaders, in which it was agreed that all countries should promote democracy as a part of the Eastern European reform process.

The two leaders discussed a number of regional issues, including the Middle East peace process, recent events in Lebanon, China, Cambodia, Central America, Afghanistan, and others.

The two leaders were in very close accord in their examination of all the issues discussed today. Attending today's meeting were General Brent Scowcroft, Assistant to the President for National Security Affairs; Deputy Secretary of State Lawrence Eagleburger; U.S. Ambassador Catto; British Ambassador Acland; and Charles Powell, Private Secretary to Mrs. Thatcher. The Prime Minister departed Camp David at approximately 2:30 p.m.

Appointment of Peter W. Senopoulos as a Member of the American Battle Monuments Commission

November 27, 1989

The President today announced his intention to appoint Peter W. Senopoulos as a member of the American Battle Monuments Commission. He would succeed Joseph W. Canzeri.

Since 1977 Mr. Senopoulos has served as principal and chief financial officer for the law firm of Gallagher and Gallagher in Boston, MA, and since 1981 he has served as president and chief executive officer of Nationwide Insurance Investigators, Inc. Prior to this he served as an insurance broker, 1974 - 1977.

Mr. Senopoulos graduated from Burdett College (A.S., 1972) and Bentley College (B.S., 1975). He was born June 11, 1941, in Somerville, MA. Mr. Senopoulos served in the U.S. Marine Corps, 1961 - 1967. He is married, has two children, and resides in Medford, MA.

Statement by Press Secretary Fitzwater on President Bush's Meeting With Interim President Sigbhatullah Mojaddedi of Afghanistan

November 27, 1989

President Bush met this afternoon at 1:15 p.m. with the President of the Afghan interim government, Professor Sigbhatullah Mojaddedi. President Bush and President Mojaddedi discussed the situation inside Afghanistan as well as the plight of the refugees. President Bush reaffirmed our support for the Afghan resistance's efforts to achieve self-determination and also expressed U.S. interest in a political settlement. The President called upon the Afghan interim government to continue and increase its efforts to fashion a stable, broadly based government responsive to the needs of the Afghan people.

Informal Exchange With Reporters

November 28, 1989

Meeting With Soviet President Gorbachev

Q. How about the summit, Mr. President?

The President. Well, I'm glad you asked that question.

Q. I mean, it's no longer a get-acquainted -- it has a larger dimension, doesn't it? And you're going with concrete proposals? Or is that an assumption?

The President. Well, I think, Helen [Helen Thomas, United Press International], when I defined what I intended, I said that no set agenda -- prepared to talk about a wide array of issues -- and that's still exactly the way it's going to be. And there is all kind of hyped speculation on the part of some that it's going to be different. And I'm glad to get that question because we're together, our team, solidly together -- prepared to talk about anything President Gorbachev wants to talk about, and his able team.

But it is not going to be an agreement that surprises our allies. We're part of an alliance, and that alliance is very strong. And it's going to be strong after this meeting, because I'm not going to surprise them. So, the surprise will be -- if you're looking for a surprise -- there won't be a surprise. That may come as a surprise.

Q. No, the question is: You have the caveats that you will inform NATO, but aren't you going with anything in your hand, anything concrete? I mean, are you going to just sit there and listen?

The President. No. We'll have a wide array of areas where we think we can improve relations. I'm very concerned about events in Central America, and I will be urging Mr. Gorbachev to do what they should have done some time ago -- cease support for those who are fueling revolution, exporting it, in this hemisphere.

I had a call today, incidentally, from President Arias of Costa Rica. And I don't think I'm blind-siding Mr. Gorbachev by this, but I will raise with him -- at Arias' request -- the fact that the Soviet Union should stop feeding Fidel Castro, who Mr. Arias tells me is directly responsible for the export of revolution through supporting the FMLN. And that was a direct request from the Nobel Peace Prize winner.

So, of course we're going to raise other subjects ourselves, go there with ideas in my mind, following up on what the Secretary [James A. Baker III] did in a very constructive way in his meeting with Mr. Shevardnadze [Soviet Foreign Minister].

So, the thing I wanted to shoot down, though, is this kind of frantic speculation that there are going to be -- based on crazy -- --

Q. Well, isn't it natural -- --

The President. Yes, it's natural, but I want to gun it down -- --

Q. -- -- for troop cuts now that there's such a change?

The President. We don't want to get out ahead of our allies. And Secretary Cheney is taking a look at defense requirements, but that's a good subject because I am not going to enter into an arms control agreement.

Now, if we want to talk in a general way with the Soviet leaders about our aspirations for how a defense system will look 10 years from now, of course we'll do that -- of course we want to do it. We want to see far less than 15, 17 percent of the gross national product of the Soviet Union spent on defense. And obviously, we'll talk about that, Helen -- it's very important we talk about it.

But that's not what I'm referring to when I talk about euphoric expectations of some deal. There isn't going to be such a deal. It takes two to make a deal.

Q. Sir, is one of the ideas you're carrying with you there -- you just talked about ideas -- the idea of having much deeper cuts in conventional forces than you talked about when you were in Brussels?

The President. As I say, it takes two. We need to get in there and discuss his plans with him and not tie the alliance up by unilateral commitments.

Q. But you're willing to talk about deeper cuts than you've talked about before?

The President. I'm willing to talk about anything. That's what the meeting is about. That's why I viewed it as a meeting where we can discuss anything, without a fixed agenda.

Eastern Europe

Q. Mr. President, the events in Eastern Europe seem to be unfolding largely on their own. As President, do you think that you should have a major role in shaping the developments, or do you think that Europe should take the lead?

The President. I think that the lead is being taken by the peoples in these countries. And I have talked, incidentally, to every single member of NATO. And I don't want to sound self-centered here, but almost every one of those leaders told me: We think the United States is handling this properly. We appreciate the way you're handling these changes, the prudent approach you are taking. And it came over and over again. I got on that phone right there to every single Prime Minister or President in NATO, so I feel that they are behind us in our approach. And I think what's happening in Czechoslovakia, what has happened and will continue to happen in Poland, what's going on in the GDR [German Democratic Republic] and Hungary comes from the people. It doesn't come from somebody halfway across the world dictating how fast change should be or what change should encompass.

We've spelled out in speech after speech a broad perspective of how we would like to see the world evolve -- talked about it months ago, with very little attention, but our allies understood it. They understood it very well when we talk about a Europe whole and free, or when I said in an interview to David Frost: ``Yes, that Berlin [wall] will come down in my Presidency."

I think we're handling it about right, and I say that based on the input from our allies. And we are part of an alliance, and that alliance is going to stand. And it is very important that they know that I'm not going to go off and prematurely jump out there and try to grandstand by committing them to something. That's not the way you keep an alliance strong, nor is that the way you effect permanent change, either.

Meeting With Soviet President Gorbachev

Q. Mr. President, you said there won't be a deal in Malta. There have been reports, though, that you would propose to President Gorbachev going below the 275,000 troop ceiling for the U.S. and the Soviet Union.

The President. I've seen the stories about that.

Q. Are they true?

The President. No. I've told you that we don't go there with specific proposals. If we want to discuss something of this nature, we'll discuss it, but that's what I want to shoot down -- there are no arms control proposals. In writing I have made clear to Mr. Gorbachev -- in my own handwriting, so he knows it comes from me, not from the bureaucracy -- that this is not a summit for arms control agreement. We've got a meeting set, a summit set, in which we will, after consultation with our allies, move forward; so I don't think there's any misunderstanding on that.

I read some copy here about what one of these Soviet spokesmen said, and it sounded to me like we're pretty much on the same wavelength. The lead was a little off -- I don't want to tell you

whose this was -- but the lead was different than what the spokesman said.

Q. The spokesman said you can't believe Gorbachev would go to a summit just to get acquainted.

The President. The spokesman said they do not expect formal agreement to emerge from shipboard -- the same one when you say he doesn't want to -- --

Q. Right.

The President. Let's see: ``Gorbachev is not the sort of man for a simple get-acquainted session."

Q. Yes.

The President. ``Ready for serious talks." I'm ready for serious talks, but there is no agenda. I don't think we're apart.

Do you, Jim? You're dealing with them day in and day out.

Secretary Baker. No. No, indeed.

The President. But that's my point. I'm just trying to deflect this kind of comment that somebody writes. I mean, yes, Helen, there's a lot of interest in this meeting. And I can understand why people are speculating, but I'm going to be there -- I'm going to be attending this meeting.

German Reunification

Q. Do you have a reaction to -- --

Q. What about Kohl's [Chancellor of the Federal Republic of Germany] proposal?

Q. Do you have a reaction to the Kohl proposal for reunification?

The President. I expect to talk to him soon, and I'd prefer to wait to hear from him exactly what it is.

El Salvador

Q. You talked about your concern about events in Central America, Mr. President.

The President. Absolutely.

Q. You've received assurances from the Soviets that they'd cut off the arms supply. Do you feel they -- --

The President. They haven't cut off arms supply to Cuba. And as Mr. Arias said, there is one person most responsible for support of the FMLN trying to deny democracy to Central America, deny democracy to El Salvador, and that is Fidel Castro -- and at the same time he coupled Ortega in with that.

So, we've got to discuss these issues, and I think the Soviets are prepared to talk about it. If they want an agenda item, if they want a statement from the President, I'm not the sort of man that will go there and not raise it. Now you've got a headline.

Q. Well, are you the sort of man who will protest the raiding of churches in Salvador?

The President. I'm the sort of man that will get the facts. And if there's any abuse of the rights of Americans, I will strongly protest it. And if, indeed, Americans are involved in trying to overthrow a government by arms, I will not look with favor on that, either. So, yes, I will look to the human rights and to the fact that any American is accorded proper treatment by the authorities, proper justice. And, yes, I will see to that, but I will not condone trying to overthrow an elected -- freely elected -- certifiably free elections of a government of that nature. I'm not going to do that. We're moving towards democracy in this hemisphere, and this call from Oscar Arias made a big impression on me.

Thank you all. See you in Malta.

Note: The exchange began at 12:10 p.m. in the Oval Office at the White House. In his remarks, the President referred to his September 5 interview with television journalist David Frost.

Remarks to Members of the Presidential Economic Delegation to Poland

November 28, 1989

The President. Well, thank you very much. To our distinguished guests here and to all the members of this important mission team, I just wanted to come by tonight to wish you well as you leave on this important mission. I view it, really, as a mission of tremendous importance, a historymaking journey to a country that's making history every day.

And let me say to Secretaries Yeutter and -- I don't know that Bob Mosbacher is here -- --

Secretary Yeutter. He'll come later.

The President. -- -- and certainly Elizabeth Dole, and to Dr. Mike Boskin over here: You lead a delegation of tremendous experience and talent. Together, it's a cross-section of the private sector institutions that constitute democracy's great strength and gives practical meaning to the principles of free government.

Helping Poland rejoin the community of free nations is a task that simply cannot be accomplished by government alone. It depends on building the countless exchanges that take place every day among businesses and organized labor and the academic community and their counterparts in other free countries. The trip you're making is really the first step in that process.

As you know, I'm taking a trip of my own this weekend. And in my meetings with Mr. Gorbachev and afterwards with our NATO allies, I can assure you that the historic developments that have taken place in Poland -- and of course, elsewhere in Central and Eastern Europe -- will be high on our agenda. I will be anxious to hear your report on the ways that we can help Poland achieve its democratic destiny and become a model of transition for these other states -- a model of transition to a free economy. And your work can be of great help to other countries in Eastern Europe as they move towards economic reform.

I am very pleased that the initiatives that I've proposed last summer for aid to Poland and Hungary have become a reality. In just a few moments, I will sign into law a package authorizing $938 million in American aid over the next 3 years, and that will enable the United States to do its part to encourage these two nations on the road to reform. We've got to recognize, though, the fact that dollars alone will not make the difference. Think back to the economic miracle of Western Europe after the Second World War. The secret to that success wasn't the price tag on the aid that we sent. Our aid came with our advice, our example, and the full engagement of our private sector in shaping the free-market system that has generated unprecedented prosperity all across Western Europe. And that lesson holds true for Poland

today. Our aid must be seed money for free market reform and for the involvement of our private sector.

Lane Kirkland -- I see Lane back there, but I don't see Bob Georgine. Is he there? There he is. Normally, they're in the front row -- something's gone awry here. [Laughter] But with Lane and Bob here, I might say that you all heard, I'm sure, Lech Walesa in his address to the AFL - CIO when he joked about that strange twist of fate, that it fell to a Polish trade unionist to launch a publicity campaign for private entrepreneurship.

What we want for Poland, and what the Polish people want for themselves, is to begin a process of economic development that is self-sustaining, a process that puts free market principles on a firm foundation -- and because the fate of Polish reform, indeed, Poland's future as a free nation, depends upon its ability to build a functioning, productive economy.

It's with missions like yours that the real work begins. I urge you to make the most of it. So, talk to your counterparts in all parts of Polish society. Find out what kinds of investment, what kind of expertise will help Poland succeed in transforming its economy -- and then in the larger transformation that flows into a fully free nation. Every one of you can contribute; every one of you can be a catalyst for change at this critical moment in Poland's history. You're all busy people; you're all successful people. And the fact that you are willing to undertake this very important assignment for your country -- that means a great deal, and I am grateful to each and every single one of you.

And so, as you begin this fascinating mission, I really wanted to come across and wish you the very best. I hope, Clayton, if you get far enough along, you or Elizabeth or Bob, that maybe you can be in touch with General Scowcroft or Secretary Baker or me in Malta. I want to know how this goes. And if it's not too soon to get an impression, I'd like to hear it there in Malta, and then it would give me flexibility in my talks with the General Secretary.

So, it's important work you're involved in. And Godspeed, and good luck, and thank you very much for doing this. And now let me just sign this Support for Eastern European Democracy Act, the act of 1989 -- sign that into law. God bless you all, and thank you.

Note: The President spoke at 7:45 p.m. at Blair House. In his remarks, he referred to Michael J. Boskin, Chairman of the Council of Economic Advisers; Lane Kirkland, president of the American Federation of Labor and Congress of Industrial Organizations; Robert Georgine, president of the building and construction trades department of the AFL - CIO; and Brent Scowcroft, Assistant to the President for National Security Affairs. Following his remarks, the President signed H.R. 3402, which was assigned Public Law No. 101 - 179.

Statement on Signing the Support for East European Democracy (SEED) Act of 1989

November 28, 1989

I have today signed H.R. 3402, the ``Support for East European Democracy (SEED) Act of 1989." This legislation authorizes $938 million in assistance to promote democratization in Poland and Hungary. It authorizes various programs to help promote reform in these countries, including economic stabilization, trade liberalization, Enterprise Funds to nurture private sector development, labor market reform, and enhanced environmental protection.

We are nearing the end of a year that future generations will remember as a watershed, a year when the human spirit was lifted and spurred on by the bold and courageous actions of two great peoples -- the people of Poland and Hungary.

The year began with the first session of the Roundtable discussions in Poland. In April the Polish Communist Party reached an agreement with Solidarity that led to elections in June. Although not all of the seats of the Parliament were open to free elections, the Polish people succeeded in voicing their opinion -- and in remaking the political map of Poland. The end result was the first non-communist-led government in Eastern Europe since 1948. This government has continued to transform Polish society. A new economic program, which holds the promise of converting Poland into a market economy, has been put forward.

Events in Hungary have also stirred the imagination of the world. In May, Hungary decided to tear down the barbed-wire fence that separated it from the West. In September, Hungary gained the support of the entire world with its decision to honor its international commitments and allow East Germans to pass through its borders on their way to the West. More recently, Hungary has dropped virtually all of the trappings of a Stalinist state -- a new constitution based on democratic principles was adopted, the name of the country was changed from the ``People's Republic" to simply the ``Republic of Hungary," and the ruling Communist Party dissolved itself to create a vastly different and much smaller Socialist Party, which must compete with all the other parties for the votes of the Hungarian people. On November 26, Hungary held a referendum to determine the timing of free presidential elections. Contested parliamentary elections will be held no later than next summer. These elections hold the promise of transforming Hungary politically just as the elections in Poland transformed that country.

The United States has not been an idle bystander to these events. In April, in Hamtramck, Michigan, I announced a series of steps designed to support political and economic reform in Poland and to help Poland help itself. Since that time my Administration has been working closely with the Congress, and I am gratified to see many of the measures proposed contained in this legislation.

In July I visited Poland and Hungary to meet with their leaders and to see for myself the changes occurring in these two countries. During those visits, I had the opportunity to address a joint session of the Polish Parliament and to speak on political and economic reform to a large group at the Karl Marx University in Budapest. I announced a series of steps designed to further demonstrate U.S. support for the ongoing reform efforts in Poland and Hungary. My Administration has been working vigorously since that time to implement the measures I announced. Where legislation was not needed, we have moved forward. This legislation, signed into law today, will allow us to implement the remaining measures. We plan to move forward as quickly as possible to put these measures in place.

This legislation contains one other measure I requested in October -- the authorization for a contribution to a Stabilization Fund in response to a request from the Polish Government. I applaud the Congress for responding to this request in such an expeditious fashion. We are now working with our major Allies and the G - 24 -- the group established by the Paris Summit to coordinate aid for Poland and Hungary -- to obtain the additional financing needed for this Fund.

The passage of this legislation marks a major and positive step in bipartisan foreign policy. The national consensus for support for Poland and Hungary has been strong. The Congress has crafted a bill responsive to my requests, as well as providing a number of additional programs, all designed to support our national goal: to help further the cause of political and economic freedom in Poland and Hungary.

It is particularly gratifying that this measure comes before me at this time. The peaceful revolution that has taken place in Poland is the work of many people. However, one man, Lech Walesa, stands above all others in this regard. He kept the faith through the dark years of martial law. He saw the opportunities of the Roundtable and committed himself and his organization to this historic process. Recently he spoke to a joint session of the Congress. It is only appropriate that, as I sign this measure, we pay tribute to Lech Walesa.

Finally, I note that several sections of the Act direct that various executive agencies shall cooperate in specified ways with foreign officials, and that specified goals shall be pursued in our bilateral relations with certain countries or in multilateral fora. Keeping with past practice, I shall treat these provisions as advisory, not mandatory. I believe that this interpretation also comports with the Congress's express recognition of the need for ``maximum flexibility'' in implementing the provisions of this Act.

Other sections of the Act also require the President to submit reports that include his recommendations for appropriate levels of various types of assistance for Poland and Hungary. The Constitution grants exclusively to the President the power to recommend for the consideration of the Congress such measures as he judges necessary and expedient. Because the Congress may not by law command the President to exercise in particular circumstances the power that the Constitution commits to his judgment, such provisions have always been treated

as advisory rather than mandatory.

George Bush

The White House,

November 28, 1989.

Note: H.R. 3402, approved November 28, was assigned Public Law No. 101 - 179.

Statement on Signing the National Museum of the American Indian Act

November 28, 1989

I take great pleasure today in signing S. 978, the ``National Museum of the American Indian Act." From this point, our Nation will go forward with a new and richer understanding of the heritage, culture, and values of the peoples of the Americas of Indian ancestry.

The National Museum of the American Indian will be dedicated to the collection, preservation, and exhibition of American Indian languages, literature, history, art, anthropology, and culture. Its centerpiece will be the priceless collection of more than a million artifacts now at the Museum of the American Indian, Heye Foundation, in New York City, which will be transferred to the Smithsonian Institution. Another facility, the George Gustav Heye Center of the National Museum of the American Indian, will be located in the Old United States Custom House in lower Manhattan. A storage and conservation structure will be built at the Institution's Museum Support Center in Suitland, Maryland. The Act makes ample provision for the loan of exhibits and artifacts to museums, cultural centers, educational institutions, and libraries and encourages such loans to institutions under Indian jurisdiction. Thus, the new Museum will be truly national, indeed, international, in its reach.

S. 978 also codifies policy for returning American Indian and Native Hawaiian human remains and associated funerary objects. The Smithsonian, in consultation and cooperation with traditional Indian religious leaders and tribal officials and Native Hawaiian organizations, will conduct a detailed inventory of the North American Indian and Native Hawaiian human remains and associated funerary objects in its collections. It will attempt to identify the origins of such remains and objects and will notify the appropriate tribes and organizations of its findings.

This has been a difficult and complex issue to address, involving traditional values of American Indian people, the medical and scientific research value of the remains and objects, and the trust responsibilities of the Smithsonian. The process for inventory, identification, notification, and repatriation embodied in S. 978 represents the substantial efforts and goodwill of many people.

I am glad for the opportunity to sign this historic measure and grateful to those whose vision and determination have created this occasion.

George Bush

The White House,

November 28, 1989.

Note: S. 978, approved November 28, was assigned Public Law No. 101 - 185.

Statement by Press Secretary Fitzwater on Western Economic Support for Reform in Poland and Hungary

November 28, 1989

The 24-nation group to support economic and political reform in Poland and Hungary, created at the Paris economic summit in response to an initiative by President Bush, had its third meeting in Brussels on November 24. Based on informal tallies, the 24 donor nations -- which include the United States, Japan, Canada, the European Economic Community, and several other industrialized democracies -- have already pledged upwards of $8 billion in financial commitments to support economic reform and restructuring in Poland and Hungary.

Roughly three-quarters of the $8 billion already pledged is for Poland. These commitments include grants, loans, technical assistance, debt forgiveness, export credits, and other forms of assistance. These amounts are expected to increase further once Poland and the IMF [International Monetary Fund] reach agreement on a restructuring plan, which is expected in the next few weeks.

The Group of 24 also agreed to meet again at the ministerial level in Brussels on December 13 in order to further enhance its assistance and coordination efforts.

Statement on Signing the National Defense Authorization Act for Fiscal Years 1990 and 1991

November 29, 1989

Today I have signed into law H.R. 2461, the ``National Defense Authorization Act for Fiscal Years 1990 and 1991." This Act authorizes appropriations for Department of Defense and Department of Energy national security activities, and other programs.

H.R. 2461 authorizes appropriations that provide a national defense sufficient to meet foreseeable threats to the national security during FY 1990. It generally conforms to the Bipartisan Budget Agreement and reflects a substantial number of the Administration's defense priorities, including the termination of lower-priority defense procurement programs.

I have signed this bill notwithstanding the reservations that I have with certain of its provisions. I am particularly concerned about those provisions that derogate from the President's authority under the Constitution to conduct our foreign policy, including negotiations on behalf of the United States. Examples include requirements that I attempt to persuade our NATO partners to increase their active-duty forces in Europe (section 912) and that I seek Japanese agreement to offset in some way U.S. costs of deploying forces to defend Japan (section 913). In addition, sections 815 and 816 seek to impose congressional policy choices upon the President's constitutional discretion to negotiate and implement foreign agreements governing various aspects of defense procurement. While, as a policy matter, I will always endeavor to consult with the Congress on such foreign policy issues, I am obliged, as a constitutional matter, to defend the constitutional authority of the Presidency against efforts to legislate foreign policy. Accordingly, I shall interpret such provisions so as not to constrain the constitutional primacy of the President in that arena.

Several provisions of H.R. 2461 could be read as directing me to disclose the details of foreign policy negotiations, notwithstanding the President's constitutional authority to control such information. Examples include the requirements that I report to the Congress on the status of negotiations with our allies on the Strategic Defense Initiative (section 224), with Japan on the cost of U.S. forces defending Japan (section 913), and with the Philippines on U.S. military installations in the Philippines (section 915). I shall interpret such provisions so as not to impose unconstitutional disclosure requirements upon information relating to negotiations with foreign nations or other privileged information.

Several reporting or consultation provisions of H.R. 2461 could be read to encroach upon the President's constitutional authority to protect national security information. For example, section 903 calls for a report on the measures that would be required to verify certain proposed conventional force reductions in Europe, and section 216 calls for a report on our intelligence estimates on future Soviet tank production and operational capacities. I shall interpret provisions

like these so as not to impose unconstitutional constraints upon my authority to protect sensitive national security information.

Several provisions of H.R. 2461 could be read as limiting the deployment of military personnel. For example, section 912 would limit the active-duty forces I deploy in Europe; while that section authorizes me to waive its provisions if I determine the waiver is critical to the national security, I do not believe my discretion to deploy military personnel may be subject to such a statutory standard. In addition, section 921 would restrict my ability to relocate to other locations the Defense Department personnel located at an air base in Spain. While I will respect the intent of such provisions as far as possible, I sign this bill with the understanding that they do not constrain my authority to deploy military personnel as necessary to fulfill my constitutional responsibilities as President and Commander in Chief.

Sections 136 and 165(b) give the force of law to portions of a classified annex to the joint statement of managers accompanying the House-Senate conference report on H.R. 2461. However, the classified annex language at issue did not accompany H.R. 2461 when it was presented to me for approval. Under the Constitution, the material terms of legislation must be fixed and available at the time of presentment. Only then does the President have the opportunity to exercise his constitutional prerogatives. Since this is not the case with sections 136 and 165(b), I shall treat them as unenacted and severable from the balance of H.R. 2461.

Finally, I note that H.R. 2461 calls for a multiplicity of reports and studies. Many are quite complex and are required to be submitted within very short periods of time; indeed, at least one is required to have been completed prior to presentment of the bill. While it is easy to require such reports, it must be recognized that their preparation consumes large quantities of precious resources. Accordingly, I call on the Congress to exercise greater restraint in the future.

George Bush

The White House,

November 29, 1989.

Note: H.R. 2461, approved November 29, was assigned Public Law No. 101 - 189.

Informal Exchange With Reporters

November 29, 1989

Q. Mr. President, did you talk with Mr. Cristiani?

The President. Not today.

Q. Anything new on the guerrillas in El Salvador?

The President. I haven't heard any more today.

Q. What are you going to tell the President tonight? What advice can you give him?

Prime Minister Mulroney. Well, I'll give it to him first, and then I'll tell you about it a little later.

Q. What do you expect, Mr. President? What do you expect, Mr. President?

The President. Just frank discussions, and I know we'll get them.

Note: The exchange began at 6 p.m. at the South Portico of the White House, prior to a meeting with Prime Minister Brian Mulroney of Canada. A reporter referred to President Alfredo Cristiani Buckard of El Salvador.

Remarks Following Discussions With Prime Minister Brian Mulroney of Canada

November 29, 1989

The President. Let me just say that Prime Minister Mulroney has very generously come down here and given us a very full briefing -- his observations from a long and detailed trip that he took to the Soviet Union. I don't know why he is not more wiped out by jet lag, because I last saw him just a few weeks ago in Central America -- he'd come from Asia. Now he's been to the Soviet Union -- but it was most generous, Mr. Prime Minister, for you to come here. And on behalf of the Secretary of State and Brent Scowcroft, John Sununu, those of us who will be in the meetings, I can't tell you how much I appreciate your advice and your observations.

And it's a little unorthodox, but if you'll excuse me, I understand you're going to take some questions here.

The Prime Minister. I will.

The President. All right, thank you. And our love to Mila, and thank you, sir, very much. It was most generous of you.

The Prime Minister. Thank you very much.

Note: The President spoke at 8:45 p.m. at the South Portico of the White House. In his remarks, he referred to Brent Scowcroft, Assistant to the President for National Security Affairs; John H. Sununu, Chief of Staff to the President; and the Prime Minister's wife, Mila. Following these remarks, Prime Minister Mulroney answered reporters' questions.

Interview With Members of the White House Press Corps

November 29, 1989

The President. I'm delighted to take questions. I just had a long telephone conversation with [West German Chancellor] Helmut Kohl -- very interesting. Maybe Marlin already told you about that.

Mr. Fitzwater. I did mention that you'd made a call.

The President. He called me, following his suggestions on the German question. And I feel comfortable; I think we're on track.

I've been in close touch with our allies -- in fact, talked to every single one, as I said yesterday, in NATO. And I've talked to [Prime Minister] Kaifu in Japan, talked to others around that aren't exactly tied into this, and I'm feeling very well prepared.

We've had a series of briefings at the Cabinet level and expert level, outside specialist level. And so, I've still got a little more reading to do and talking to our team that will be there, but it's taking proper shape.

I'd be glad to take some questions.

Eastern-Bloc Reforms

Q. Mr. President, as you look at the events that have transpired in Eastern Europe and the Soviet Union -- the upheaval, if you will -- do you think the period of greatest danger for the West has now passed, or does it still lie ahead?

The President. Of greatest danger?

Q. Of greatest danger in coping with this. The risk of -- --

The President. Well, I haven't seen danger in coping with it up until now. Maybe I misunderstand your question. I mean, what we've done is to certainly rejoice in the rapid change, but I haven't seen threats at this moment to reverse the change. In other words, I think Gorbachev has said that he's not going to intervene in this change. He's taken a very broad view of it.

And so, we haven't felt imminent danger in what has transpired so far, but what I think you want

to do is to conduct yourself in a way that you don't inadvertently contribute to an atmosphere of danger or create a danger where one need not exist. And that would mean avoid some of the more flamboyant posturing that has been urged on me from time to time. That's not a way you conduct the foreign affairs of this country.

And I'll tell you what's reassuring on that, Jerry, is the reaction again from our allies. They've been rather complimentary of the posture of the United States, as they see it.

Soviet Reforms

Q. Mr. President, if Gorbachev -- as a result of strikes and famine, say, in the Soviet Union this winter -- felt the need to crack down sharply, would that be the end of perestroika? Would it be the end of the warmup in relations and a renewal of the cold war?

The President. It would be dumb for me to respond to such a hypothetical question. I'm not going to do that -- I'm simply not, and I've taken that position steadily. I get asked that, and I simply am not going to take that position.

Clearly, I think everybody would know that we would take a very dim view of military force to change the course of events, and yet I would compliment Gorbachev for not taking that action. So, for me to hypothecate that he's going to do that, or speculate on what happens -- I simply would respectfully ask not to be pursued on that because I'm not going to answer.

Meeting With Soviet President Gorbachev

Q. Mr. President, I was told that during some of your sessions with experts one of the things you wanted to know from them was what they thought Gorbachev's goals would be for the summit and, if they were you, what their goals would be. As a result of all your preparations, have you formalized concrete goals for yourself for the summit? And if you have, can you share those with us?

The President. No, we've got some objectives, but the goals remain the same: an open agenda meeting where we discuss a wide array of issues. And I'll raise some. I talked about one yesterday that clearly everybody knows I'd raise -- let me just reassert it here -- the question of Central America and Soviet -- --

Q. But, sir, your personal -- --

The President. Put it this way, Maureen: There's been no change, in my view, as to what this meeting is to be about. Events have changed more rapidly since the genesis of the meeting than I thought, but there is no shift. And I've seen nothing authoritative from the Soviet Union to make me think they're looking at it differently.

There may be more of an urgency to it -- I would say that. And I would say that if we hadn't suggested such a meeting at the end of July that -- given the rapid changes that have taken place, particularly in Eastern Europe -- we probably would have gone ahead and suggested such a meeting within the last month or two. But it hasn't changed -- a lot of speculation, but it hasn't changed.

Q. Have you found a way through your people to send the word to Mr. Gorbachev that you would not appreciate any bombshell surprises?

The President. Well, we've sent the message that we don't think there are going to be any, but if he comes with something, fine. I mean, this is an open thing. He can say anything he wants, but I think he wants to see a successful meeting. And I don't think we want to go -- any side, either side -- no indication that anyone wants to go out of the meeting having a contentious feeling. Certainly we don't, and I've had no evidence from any of the contacts that have been made with the Soviet Union that they're looking for confrontation. And so, I think that it is unlikely there will be something so dramatic that it puts us in an embarrassing position. There's not going to be that -- it doesn't matter. We're part of an alliance, and we're not going to go unilaterally making commitments that affect our allies. And I obviously will feel free to tell Mr. Gorbachev that, but I also have a feeling that he is so well plugged in that I don't need to say that. He'll know it.

Europe's Future

Q. Mr. President, could I ask a post-summit question? You talked about the aspirations over the next 10 years, and at the risk of talking about the ``vision thing," could you describe somewhat specifically what kind of things do you see, maybe, say in 5 years with a downsized military? What kind of adjustments will the country have to make, assuming that things go on track as they are now?

The President. Well, I don't think I can definitively answer that until we know what course the arms control agreements take. And we'll know much more about that by the time of the summit meeting which will be held next year. In terms of the ``vision thing," the aspirations, I spelled it out in little-noted speeches last spring and summer, which I would like everyone to go back and re-read. And I'll have a quiz on it -- [laughter] -- because they're rather -- autographed copies and -- --

Q. Governor Sununu has given us our copies.

The President. Has he? But you'll see in there some of the ``vision thing" -- a Europe whole and free. Now, that, I think, takes on a little more relevance today, given the changes that have already taken place or that are taking place. Today it's Wednesday, and I don't know what the changes are going to be on Thursday, but it's been more rapid than we saw. I think it's been more

rapid than Mr. Gorbachev saw or more rapid than our allies saw. But in terms of your question, I think a Europe whole and free is less vision than perhaps reality. But how we get there and what that means and when the German question is resolved and all of these things -- I can't answer more definitively. I can't answer.

Defense Spending

Q. Are there dangers, let's say, in the ``peace dividend''? Are there dangers of dislocation in American industry?

The President. Talking about a ``peace dividend'' -- I agree with that, I'll go back and answer your question. But when you mention ``peace dividend,'' there's almost a -- well, there's an uncalled-for euphoria in some quarters now that suggests that events where they stand today means that the United States can recklessly -- in my view -- recklessly cut its defense spending. And we are not in that posture.

We have commitments to an alliance, and that isn't to say that we're going to always have to have exactly the same deployment of forces every place around the world. But we're rethinking all of this, but you can't make a judgment until you get some feeling as to what your allies think and some feeling as to what Gorbachev and the Warsaw Pact countries think.

I interrupted the question because I wanted to say that when I hear now ``peace dividend,'' what that implies to me -- somebody said, well, if you cut defense spending by $10 billion, we can take that money and spend it on something else. They all have a wide array of programs. We can't do that. We've got enormous budget problems facing me. I feel very strongly about it because Darman [Richard G. Darman, Director of the Office of Management and Budget] just walked out -- [laughter] -- and when you see him walking out, I go through a period of about 60 minutes of gloom before I refocus on what else is happening out there. And now I'm back talking about Malta. But seriously, the budget problems that we face -- and all the budgeteers know it -- in 1991 are enormous, so it is premature to talk about a ``peace dividend'' in the sense of take volumes of money out of defense and apply it to some worthy cause. We cannot do that.

Does that answer your question?

Q. It was kind of a -- ``peace dividend'' was only in the sense that I was interested in what kinds of dislocations in American society do you see? I mean, if you're cutting back, let's say -- again, this is on the premise that things go on track as they are now -- but assuming that you do have an arms control agreement of some fashion -- --

The President. That permits -- --

Q. -- -- that permits downsizing armies, how do you kind of approach unemployment in the

military? How do you approach the defense industry?

The President. That gets back to the fiscal side of the equation -- have fiscal policies that are so sound that America continues to grow. We've created 20 million -- you know the litany -- 20 million new jobs in the last 6 years, or whatever. But be sure that that economy grows to accommodate people.

This is one of the big problems -- back to the Soviet equation -- because as they pull back and demobilize, the impact on their economy is very, very difficult right now. They have, I am told, real concerns about dislocation: How do you treat the people coming out of the services? You've got housing problems that make ours pale in comparison.

Now, I don't mean to be mingling into the internal affairs of the Soviet Union, but I have gotten enough information to know that this is very difficult for people. I think it would be less difficult here if we have a strong economy, much less difficult. We do, right now -- pretty good. The growth isn't as robust as I'd like to see it now, but we're still moving, still growing, still creating jobs.

El Salvador

Q. Mr. President, a moment ago, you said that neither you nor Mr. Gorbachev is looking for a confrontation at Malta. And yet, from yesterday, we learned that you planned very early in your talks to tell Mr. Gorbachev your concerns through Oscar Arias [President of Costa Rica] of the introductions of weapons through Cuba. If you do that, isn't that apt to, one, create some tension in those talks and, two, perhaps cast a pale over the improving relations with the U.S.S.R.?

The President. No. I don't want to surprise him, and I would surprise him if I don't raise that subject. No surprises. And he knows how strongly we feel about it -- that was discussed at the [Soviet Foreign Minister] Shevardnadze meeting. I believe that it's been represented to the Soviet Union by Nicaragua that they are not sending arms into the FMLN. And I will be prepared to discuss with keen definition exactly what our complaints are against the Nicaraguan support for FMLN, and I will accurately replay to him what Oscar Arias asked me to replay to him -- his concerns about Cuba's role in all of this.

So, it would be a surprise to him if I didn't raise it. I don't think it has to be contentious because they've already made certain representations to us about not supporting the FMLN.

Q. And on El Salvador, it's been -- --

The President. What I'd like to do, see, what I'd love to do, is see them swing further over. They're talking about choice and free elections and all these things -- I mean, let's apply that to this hemisphere. I don't think it has to be raised in a way that's going to blow something up,

John. I think they expect to talk about it, and we expect to talk about it.

Q. On El Salvador, it's, I believe, been more than a week since we sent some experts down there. Are you assured in your own mind that forensic tests are going to show that there is absolutely no government involvement in the slaughter of the Jesuits, and convinced that the Cristiani government is playing on a level field with us?

The President. Well, I believe Cristiani when he says he wants to get to the bottom of it. He's asked for some technical help, he's gotten some, and it is absolutely essential that we keep insisting that the Cristiani government get to the bottom of those killings.

And having said that, I would like to express, lest the question not arise, my concern about the wanton attack by these FMLN guerrillas on the residences of Americans serving in official capacity there in El Salvador. That is unacceptable to us. And what I can do about it, I don't know.

So, get to the bottom of those who killed the priests, absolutely, and they owe us and the rest of the world an explanation on that. The killers must be brought to justice.

Secondly, the FMLN ought to stop shooting up civilian population and trying to undermine an elected government that's been through certifiably free elections. And I am outraged by the attacks on the lives of Americans -- holding Americans in hotels, attacking Americans' residences. And so, I have outrage on both accounts.

NATO's Future

Q. If I could go back to Europe for a second, Mr. President. It's clear that the changes of this year somehow are going to alter the definition of what NATO and the Warsaw Pact are all about. Do you have some ideas or some thoughts about the longrun future of the alliances and how they ought to change to meet these new circumstances that you want to get across to Mr. Gorbachev?

The President. One of the things that is responsive in that area is, we began talking at the last meetings of NATO's role and concern on economic problems and on other global problems. That isn't to say that suddenly the mission changes one day from an alliance with strong military component to some economic structure. But I think as threats change, roles change, definitions change. And so again, it's too early to predict how all this will play out, but clearly it's moving in the right direction, and clearly it's moving in a way that should result in a permanent reduction of the tensions that have been the hallmark of the cold war days.

So, I think there's dramatic progress. But I'm sorry, but I still think there's reason to be prudent and cautious. Some others may label it differently, but those are the words I elect. And I have a

funny feeling -- I feel more strongly about that, Jerry, today than I did even 2 or 3 days ago before I started talking to our NATO friends and allies.

Eastern-Bloc Reforms

Q. I was just going to ask quickly about Czechoslovakia because that's where the latest changes have taken place. In your view, has enough happened there to begin the kind of integration and Western aid process that you've had in Poland and Hungary?

The President. Not yet. I think you have to see more development. It's obviously exciting. I'll try to be exhilarated here as I -- this so -- [laughter] -- cameras aren't here, but I want you to report -- [laughter] -- --

Q. You look exhilarated.

The President. Marlin told me the other day, ``Lean forward -- show that you're interested in all of this." [Laughter]

Q. Put on your glasses.

The President. Do something. Don't just sit there. [Laughter] I've taken the hits on being -- --

Q. So has Marlin.

The President. Well, he sits on your side, somebody's side, the camera's side. But where were we before I got off -- --

Q. Czechoslovakia.

The President. Events are still a little behind where they are on some of these others, but they're moving so fast. And I certainly like what I'm hearing, but I think -- in answer to your question -- the election process is, I'd say, inevitable, coming along. I mean, they're moving.

You take a look at someplace like Romania -- I mean, my God, I'd like to see some action there. My heavens -- correct that -- I would like to see some action there. I'd like to see them come into the new world and not deprive their people of a chance to be independent and free. I mean, I don't know when that's going to come. We've sent a new Ambassador over there who is a friend of mine, and I sent him there because he is strong and tough and he knows of my conviction about democracy and freedom. I think Punch Green left yesterday, and if anybody can represent our viewpoint -- mine, the President's -- on this matter to Mr. Ceausescu, I believe it's this man. So, we'll be trying, but it's so difficult there.

Czechoslovakia is ahead of that now. Moved faster than we think, but not as far along as certainly as Poland. Maybe in an economic sense, they're better, Jerry. They may have problems -- in fact, they do -- but I would say that they've got less scale, their problems are less intense on the economics front than Poland's. I mean, in my bet. Everyone thinks they've got -- --

Q. Get through the winter.

The President. -- -- these horrible problems.

So, there we are. But, no -- and all of this, I think, will be discussed. And it isn't like I'm going with suggestions to do this about Czechoslovakia and that about Hungary. I want to know what Mr. Gorbachev thinks about this, how he sees it as affecting the Soviet Union itself. I'm one that's been around the track enough to know that there is no fine lines between intervening in the internal affairs of a country and having a frank discussion about the problems facing that country. And I hope Mr. Gorbachev knows that I know the difference, but I want it to be as free and full of discussion as possible. And I'm more concerned about his economic problems, not in some put-down sense or not in trying to be -- hey, we've got a good economy and you don't -- I mean, a one-upsman sense.

But how do we interact? What kind of reforms can the Soviet Union do so we can do more in terms of investment? Shevardnadze said the other day -- somebody asked him about -- I think the question was rather rudely put, I think -- said something about, do you want the United States to bail you out? And he reacted as he should have reacted, with a certain sovereign pride, and said, ``Wait a minute. That's not what this is all about."

So, we're not going there with an arrogance. I'm going in the spirit of inquiry and findings ways that we can help and be sure that everything moves forward so this change that the West has been advocating, and clearly the United States has -- change towards freedom and democracy and the people governing themselves -- I mean, it's all moving in the right direction, and we want to keep it going. And Gorbachev has played a very, very constructive role as these events have developed in Eastern Europe.

Arms Control

Q. I just wonder, Mr. President, if there's any chance that -- or what your thinking is now on the possibilities of a CFE treaty next year and START treaty the following year? Do you think -- --

The President. I think we've got to push for them, and I will be obviously bringing those subjects up. I mean, the concept of our wanting to go ahead and conclude agreements there -- and throw in chemical -- I still am very much interested, and I think they are. I've gotten back from them a real interest in moving chemical forward. And it's not just our fault or theirs. We've got other parties that are very much interested in what we do, obviously, in chemical and CFE -- I mean,

these are multilateral. And some of the problems on the CFE are alliance problems -- not just shifting the blame to the Soviet Union. So, we can talk about those things, and maybe we'll get some ideas as to how to move them along.

Q. Do you expect to sign something next year?

The President. I hope so. I think that should be our goal, absolutely.

World War II Peace Treaty

Q. Mr. President, do you think there needs to be a peace treaty formally ending World War II?

The President. Maureen, eventually, but these matters can all be discussed.

Q. Do you think there should be some sort of conference to work it out or something like that?

The President. We're having a conference at Malta to talk about not that subject per se but to talk about a wide array of subjects that will have an eventual bearing on this. I'm not one who believes that the status quo in Berlin, for example, or in the Germanys or in Western Europe, wherever else, has to always be that way. Status quo forever? No.

Q. You realize, of course, that Gorbachev is going to be in a state of grace, having just returned from the Vatican. [Laughter] He may take advantage of that. John knows what the state of grace is all about. Catholics -- [laughter] -- --

The President. Look, Mashek, I want to tell you something. We're trying to separate church and state here. [Laughter]

Q. This is my first time wearing glasses. That's why I came -- --

The President. You've got good ones -- no bifocals.

Q. It's a sure sign of age.

The President. What do you need them for? For close in?

Q. No, distance, I think.

The President. You don't need them for reading?

Q. Not yet.

The President. Wait until you get a little mileage on that old body.

Q. That's soon enough.

Malta

The President. Are you going? Are you guys all going?

Q. Yes.

The President. Where do you stay?

Q. Yes, that's what they tell us.

The President. I thought the island was only 17 miles long, from end to end.

Q. We're at the other end.

The President. Do you want to borrow my boat on Malta so you can -- --

Q. It doesn't sound like you're going to see much of Malta.

The President. No. The Prime Minister [Eddie Fenech Adami] sent me a beautiful book on Malta. It has marvelous pictures.

Q. How did you happen to think of it? Just because it's so close to Italy?

The President. Close, logistically close, and we'd had good reports from our little mission that my brother was on that went over there. I've met the Prime Minister. They are a small country respected by both parties. Certainly, I have a favorable feeling about what they've tried to do, and it seemed like it lends itself very nicely to this concept of a meeting aboard ships. We have some nice anchorage there. Nobody is going to be throwing up. [Laughter]

Q. Always a good point.

The President. We're thinking of the journalistic profession.

Q. Churchill -- didn't he call it a tiny island of history and romance? Which is -- --

The President. Who said that? Gorbachev?

Q. No, Winston Churchill said it about Malta.

The President. Is that right?

Q. I think; I'll have to check the references, but that was it.

Governor Sununu. The President is very partial to falcons.

Q. Yes. There is a sign -- --

The President. I said to somebody, ``Is there any fishing over there?'' I thought I'd get a chance. And they said, ``The best fishing in Malta is in the harbor where you are.'' I said, ``You've got to be kidding. These ships, these great big ships?'' He said, ``Absolutely. This is where people go.'' So, I've got to figure out -- I don't want to look frivolous. [Laughter]

Q. The portholes.

Q. CBS will catch you.

The President. CBS, are they still picking at you guys for coming in here?

Q. No.

Q. But that's good. [Laughter]

Q. This must be the first time you'll be sleeping on a ship in a while. Since your Navy days?

The President. No -- well, it couldn't be since the Navy days -- it may, it may be. Bar and I went on a cruise and -- no, I've slept on a boat going down, with my son, down the Potomac River, taking my speedboat around to the Eastern Shore.

Mrs. Bush

Q. And your wife is not going on this trip?

The President. No.

Q. But Mrs. Gorbachev apparently is going.

The President. Yes. I don't know what the role will be. But Barbara has the Kennedy Center

Honors, which is something that they -- and it's a shipboard meeting, and it didn't seem to lend itself quite as much to the events, things of interest to her, literacy and all that, as other -- where she and Mrs. Gorbachev might constructively interact on their interests. So, it didn't work out.

Q. But Mrs. Bush is okay?

The President. Oh, she's fine, thank you. No, she is. She got a good review yesterday. And she's still got it, she's still -- this Grave's disease. But I said to the doctor, I said, ``Is there any secret agenda on this? I mean, it just lags on?'' He said, ``Absolutely not.'' And they've got now Bethesda and Walter Reed and Mayo, and it's just a question of getting the proper balance with the drug or radiation or time. So, thank you for asking, but she -- [inaudible] -- --

All right, gang. See you in Malta. I'll try to wave to you.

Note: The interview began at 11 a.m. in the Oval Office at the White House. Participants included John Mashek of the Boston Globe, Tim McNulty of the Chicago Tribune, Maureen Santini of the New York Daily News, Jerry Seib of the Wall Street Journal, and Jerry Watson of the Chicago Sun-Times. Marlin Fitzwater was Press Secretary to the President, and John H. Sununu was Chief of Staff to the President. The interview was released by the Office of the Press Secretary on November 30. A tape was not available for verification of its contents.

Remarks and an Exchange With Reporters on the Upcoming Meeting With Soviet President Mikhail Gorbachev at Malta

November 30, 1989

The President. In recent years, our relations with the Soviet Union have changed greatly, and clearly they've changed for the better. And tonight, I leave for the island nation of Malta and the historic meeting with Chairman Gorbachev. And I know many of you here have worked long and hard in preparations. We've had very thorough preparations, and I'm grateful to each and every one of you.

This meeting represents a point of departure, the beginning of a process as full of promise as any that we've known. And given the remarkable and rapid change in Eastern Europe, our meeting will be yet another important step in this long but hopeful journey toward a Europe that is, indeed, whole and free.

Our dreams for this transformation began 40 years ago when the NATO alliance was formed in the hope that one day new freedom would finally belong to the millions in Europe still yearning for it. In 1949 the people of Berlin searched the skies for the airplanes that would bring food and supplies through the blockade, and today the people of Berlin toast the dawn of a new Europe. Governments across Eastern Europe are undergoing extraordinary change and reform and acknowledging at last the citizens' right to choose.

America understands the magnitude of Mr. Gorbachev's challenges. And let there be no misunderstanding: We support perestroika. We support Chairman Gorbachev's efforts to relax the grip of the centralized government, to move toward pluralism and the free expression of ideas. No one can deny that there is a new openness in the Soviet Union -- the change is dramatic.

Yesterday, I was gratified to see Chairman Gorbachev's rousing reception in Italy. I believe it demonstrates how deeply the people of Europe want to see change and reform continue to move forward. And I believe the people of Europe can see that Mr. Gorbachev and I, East and West, are not in some kind of competition; rather, we're both working to make the world a more peaceful one.

Last night, here at the White House, Barbara and I had dinner with Prime Minister Mulroney, and we spoke at length with him. And this morning, I had a similar chat with Prime Minister Andreotti of Italy who met just today with Chairman Gorbachev. And their comments to me -- Mulroney and Andreotti -- only reinforce my confidence that Mr. Gorbachev and I see eye to eye on what our upcoming meeting is all about. We both want to build a sustained relationship

for real achievements over the long term. He is looking for ways to keep those reforms moving forward, and I'm looking for ways to promote democracy and freedom, and the one way is to support his efforts toward reform.

We can move beyond containment in the U.S.-Soviet relation, and we can find areas of shared concern and mutual advantage. Above all, we can work toward a level of European security, prosperity, and peace as yet unknown in our lifetime. It is in that spirit that I will be talking to Chairman Gorbachev about our hopes, our concerns, and our aspirations for the future.

Ours is a powerful and historic opportunity made possible by a continuing American commitment to the alliance and its defense. The last decade of this century marks the beginning of a new era, the gateway to a new millennium of freedom, and yet the outcome is not predestined. It depends on our continued solidarity as an alliance and as an American people committed to providing leadership, protection, and encouragement for this process of peaceful transformation.

So, as envoys for positive, productive change, Chairman Gorbachev and I can contribute to a new Europe born in our lifetime -- a Europe where self-determination replaces coercion, where individual freedom replaces centralized control, and a lasting peace is preserved by a common respect for the rights of man. And in that spirit, I will extend the offered hand with confidence, conviction, and real hope.

And I thank you, and God bless you, and God bless freedom-loving people everywhere. This is a historic moment. And thank you all very, very much.

Q. Mr. President, why didn't you mention El Salvador?

Q. Mr. President, are you ready for any possible surprises by President Gorbachev?

The President. I'm ready for this meeting, ready and confident.

Q. Why didn't you mention El Salvador, sir?

The President. And it will be discussed.

Note: The President spoke at 1:15 p.m. in the Rose Garden at the White House.

Statement on Signing the Intelligence Authorization Act, Fiscal Year 1990

November 30, 1989

I have today signed H.R. 2748, the ``Intelligence Authorization Act, Fiscal Year 1990.'' The Act authorizes appropriations at approximately the level contained in my Fiscal Year 1990 budget request for the intelligence and intelligence-related activities of the United States Government during the current fiscal year. The Nation's security depends on intelligence, and secrecy is indispensable if intelligence activities are to succeed. Accordingly, the programs and funding levels for which the Act provides are classified.

Inspectors General render useful and important service in ensuring integrity in Government. I believe that the existing Office of Inspector General has done an able job of performing the functions that H.R. 2748 assigns to the new statutory Inspector General. As a result, I have repeatedly made clear that I am unpersuaded of the necessity for Title VIII of the Act, which establishes a statutory Inspector General at the CIA. A statutory Inspector General could impair the ability of the CIA to collect vitally needed intelligence information by creating a perception that confidentiality cannot be guaranteed. The CIA must be able to assure foreign individuals and organizations that their identities, the fact of their association with the United States, and the information they provide are not subject to exposure.

I nevertheless have signed H.R. 2748 because Title VIII includes three provisions enabling me and the Director of Central Intelligence to minimize the harm Title VIII otherwise would do to the national security and the effectiveness of the CIA. These provisions require the Inspector General to report directly to the Director, under whose general supervision he will operate; permit the Director to prohibit Inspector General investigations if necessary to protect vital national security interests; and require the Inspector General to take due regard for the protection of intelligence sources and methods. We intend vigorously to assert these authorities. Further, I rely on the Congress's assurances in the Joint Explanatory Statement, which indicate that the Congress will not frequently seek access to Inspector General reports. Finally, insofar as Title VIII could be construed to conflict with my authority and responsibility under the Constitution, I shall interpret Title VIII consistently with the Constitution.

In implementing Title VIII the operational policies of the existing Office of Inspector General will remain in force to the maximum extent possible. The Office of the Inspector General will remain a staff function supporting the Director of Central Intelligence; it will not become a line organization. Moreover, the Office of Inspector General should be staffed by individuals knowledgeable and experienced in intelligence operations.

The congressional reporting provisions in Title VIII of the Act are troubling. In particular, the requirement to provide, on demand, inspection, audit, and investigation reports of the statutory

Inspector General is a departure from existing law governing statutory Inspectors General in other agencies and departments. The quality of such reports depends on the willingness of Agency employees to be candid during confidential interviews, and the promise of confidentiality would be cast in doubt if these reports are routinely provided to the Congress. Knowing that inspection reports would be given to the Congress also could deter CIA managers and employees from offering conflicting views or innovative suggestions. The value of inspection reports to the Director of Central Intelligence and the Agency, therefore, could diminish.

While the Act admonishes the Inspector General ``to take due regard for the protection of intelligence sources and methods in the preparation of all reports," and ``to minimize the disclosure of intelligence sources and methods described in such reports," the Director must retain some discretion to protect any sensitive national security information the Inspector General may leave unprotected. In the closely related Inspector General Act, the Congress understood that such reporting requirements cannot be construed to extinguish the executive's constitutional authority to protect certain confidential information.

To ensure that CIA employees continue to communicate candidly with the Inspector General and that the CIA's ability to collect intelligence is not impaired, I expect that the Director of Central Intelligence will exercise his authority, where necessary, to protect sensitive intelligence and confidential Inspector General information and will resist any attempt by the Intelligence Committees to micromanage the CIA through the vehicle of a statutory Inspector General. The Director of Central Intelligence will have my complete support in implementation of Title VIII in a manner that will protect the effectiveness of our intelligence service.

The Act also requires that the Inspector General immediately report to the Intelligence Committees whenever he cannot resolve differences with the Director, when an investigation focuses on the Director or Acting Director, or when the Inspector General cannot obtain significant documentary information in the course of an investigation. In addition to raising concerns about the disclosure of confidential national security information, this provision potentially could undermine the President's authority over the deliberative processes of the executive branch long recognized by the Supreme Court. I therefore shall interpret this and similar provisions consistently with my constitutional authority to withhold information that would compromise national security or the deliberative processes of the executive branch.

In addition to these concerns, provisions regarding appointment and removal of the Inspector General must be carefully construed to avoid constitutional problems. The Act purports to define qualifications that any appointee to the position of Inspector General must satisfy. The Constitution, however, clearly distinguishes the responsibilities of the executive and legislative branches in the appointment of principal officers of the United States: the President enjoys absolute discretion of appointment, subject only to the advice and consent of the Senate. Accordingly, I sign this legislation on the understanding that the limitations on my discretion to appoint the Inspector General are merely advisory.

I also am concerned about the Act's requirement that, on removing the Inspector General from office, the President ``shall immediately communicate in writing to the intelligence committees the reasons for any such removal." While this requirement purports to preserve the President's constitutional authority to remove an executive branch subordinate, its obvious effect is to burden its exercise. Accordingly, while I intend to communicate my reasons in the event I remove an Inspector General, I shall do so as a matter of comity rather than statutory obligation.

I have signed H.R. 2748 subject to the understandings set forth above. If these steps do not obviate the potential problems of having a statutory Inspector General at the CIA, I shall ask the Congress to enact remedial legislation.

The Act incorporates a requirement that I obtain prior committee approval before certain funds authorized by this Act may be expended for certain specified activities. While I do not foresee undertaking those activities without committee concurrence, I note that, as a principle of constitutional law, the Congress cannot require me to obtain its prior approval before obligating or expending appropriated funds. See Immigration and Naturalization Service v. Chadha, 462 U.S. 919 (1983).

Finally, I am pleased that the Act contains no new provision concerning notice to the Congress of covert actions. I described how my Administration will take account of congressional concerns with respect to such notice in a letter to Senators Cohen and Boren of October 30, 1989. I stated: ``The statute requires prior notice or, when no prior notice is given, timely notice. I anticipate that in almost all instances, prior notice will be possible. In those rare instances where prior notice is not provided, I anticipate that notice will be provided within a few days. Any withholding beyond this period would be based upon my assertion of the authorities granted this office by the Constitution."

George Bush

The White House,

November 30, 1989.

Note: H.R. 2748, approved November 30, was assigned Public Law No. 101 - 193.

Memorandum of Disapproval for the Bill Providing Emergency Chinese Immigration Relief

November 30, 1989

In light of the actions I have taken in June and again today, I am withholding my approval of H.R. 2712, the ``Emergency Chinese Immigration Relief Act of 1989." These actions make H.R. 2712 wholly unnecessary.

I share the objectives of the overwhelming majority in the Congress who passed this legislation. Within hours of the events of Tiananmen Square in June, I ordered the Attorney General to ensure that no nationals from the People's Republic of China be deported against their will, and no such nationals have been deported. Since June, my Administration has taken numerous additional and substantive actions to further guarantee this objective.

Today I am extending and broadening these measures to provide the same protections as H.R. 2712. I am directing the Attorney General and the Secretary of State to provide additional protections to persons covered by the Attorney General's June 6th order deferring the enforced departure for nationals of China. These protections will include: (1) irrevocable waiver of the 2-year home country residence requirement which may be exercised until January 1, 1994; (2) assurance of continued lawful immigration status for individuals who were lawfully in the United States on June 5, 1989; (3) authorization for employment of Chinese nationals present in the United States on June 5, 1989; and (4) notice of expiration of nonimmigrant status, rather than institution of deportation proceedings, for individuals eligible for deferral of enforced departure whose nonimmigrant status has expired.

In addition, I have directed that enhanced consideration be provided under the immigration laws for individuals from any country who express a fear of persecution upon return to their country related to that country's policy of forced abortion or coerced sterilization.

These further actions will provide effectively the same protection as would H.R. 2712 as presented to me on November 21, 1989. Indeed, last June I exercised my authority to provide opportunity for employment to a wider class of Chinese aliens than the statute would have required. My action today provides complete assurance that the United States will provide to Chinese nationals here the protection they deserve.

It has always been my view, and it is my policy as President, that the United States shall not return any person to a country where he or she faces persecution.

I have under current law sufficient authority to provide the necessary relief for Chinese students and others who fear returning to China in the near future. I will continue to exercise vigorously

this authority. Waivers granted under this authority will not be revoked.

Maintaining flexibility in administering our productive student and scholar exchange program with China is important. As many as 80,000 Chinese have studied and conducted research in the United States since these exchanges began. I want to see these exchanges continue because it is in the national interest of the United States to promote the exchange of technical skills and ideas between Chinese and Americans. It is my hope that by acting administratively, we will help foster the continuation of these programs.

My actions today accomplish the laudable objectives of the Congress in passing H.R. 2712 while preserving my ability to manage foreign relations. I would note that, with respect to individuals expressing a fear of persecution related to their country's coercive family policies, my actions today provide greater protection than would H.R. 2712 by extending such protection worldwide rather than just to Chinese nationals. Despite my strong support for the basic principles of international family planning, the United States cannot condone any policy involving forced abortion or coercive sterilization.

I deplore the violence and repression employed in the Tiananmen events. I believe that China, as its leaders state, will return to the policy of reform pursued before June 3. I further believe that the Chinese visitors would wish to return to China in those circumstances, in which case I would hope that the knowledge and experience gained by the Chinese visitors temporarily in our country be applied to help promote China's reforms and modernization.

The adjournment of the Congress has prevented my return of H.R. 2712 within the meaning of Article I, section 7, clause 2 of the Constitution. Accordingly, my withholding of approval from the bill precludes its becoming law. The Pocket Veto Case, 279 U.S. 655 (1929). Because of the questions raised in opinions issued by the United States Court of Appeals for the District of Columbia Circuit, I am sending H.R. 2712 with my objections to the Clerk of the House of Representatives.

George Bush

The White House,

November 30, 1989.

Statement on the Disapproval of the Bill Providing Emergency Chinese Immigration Relief

November 30, 1989

On the 5th of June, following the tragic events in China, I took action to guard against the chance that any Chinese student would be forcibly returned to face persecution.

Today I reemphasize my commitment -- as I have told Chinese students in America, and as I have told Congress -- to never allow any action that would force the return of Chinese students if their lives or liberty are at risk. Because of this firm commitment, I am supportive of the humanitarian principles underlying H.R. 2712.

For these same humanitarian reasons, I have today taken administrative action that will offer the same protections as those provided for in H.R. 2712. I have instructed the Attorney General to take the steps necessary to extend administratively to all Chinese students in the United States the same benefits that H.R. 2712 would have extended. In addition, last June I exercised my authority to provide opportunity for employment to a wider class of Chinese aliens than the bill would have required. And going further than the bill's provisions concerning asylum cases arising in connection with policies of forced abortion and coerced sterilization, I have also instructed the Attorney General to ensure that, rather than single out one country, this provision is implemented administratively and in such a way as to offer this protection to all foreign nationals, regardless of their country of origin.

Because these administrative steps make it unnecessary, I have at the same time disapproved H.R. 2712. My administration has opposed congressional micromanagement of foreign policy. Such legislation puts America in a straitjacket and can render us incapable of responding to changing circumstances. H.R. 2712 is inconsistent with this policy.

Chinese and other foreign visitors should know that this is not an expedient or temporary action but one reflecting fundamental American humanitarian values. I will always adhere to the principle that no one will be returned forcibly to a country where he or she faces persecution. America will always stand with freedom-loving men and women around the world.

Statement on Signing the Ethics Reform Act of 1989

November 30, 1989

Today I have signed into law H.R. 3660, the ``Ethics Reform Act of 1989," which contains important reforms that strengthen Federal ethical standards. It is based on the legislation that I sent to the Congress last April, the recommendations of the President's Commission on Federal Ethics Law Reform, and the report of the House Bipartisan Ethics Task Force.

Key reforms in the Act include: the extension of post-employment ``revolving door" restrictions to the legislative branch; a ban on receipt of honoraria by Federal employees (except the Senate); limitations on outside earned income for higher-salaried, noncareer employees in all branches; increased financial disclosure; creation of conflict-of-interest rules for legislative branch staff; and limitations on gifts and travel.

Together, these measures go far to carry out the four ethics reform principles I set forth in January. I stated then that our Federal ethics standards should be:

exacting enough to ensure that public officials act with the utmost integrity and warrant the public's confidence;

fair, objective, and consistent with common sense;

equitable all across the three branches of the Federal Government; and

not unreasonably restrictive so as to discourage able citizens from entering public service.

The Act also includes important adjustments to compensation for all three branches of Government.

To avoid constitutional concerns, I will view as advisory the section calling for the President to recommend to the Congress equal rates of pay for different positions. I will similarly construe as advisory the provisions allowing officials lacking executive powers to issue interpretative opinions purporting to insulate Federal employees from the consequences of potentially violative acts.

George Bush

The White House,

November 30, 1989.

Note: H.R. 3660, approved November 30, was assigned Public Law No. 101 - 194.

Statement by Press Secretary Fitzwater on the Banning of Panamanian-Flag Vessels From United States Ports

November 30, 1989

President Bush has directed that Panamanian-flag vessels not be permitted to enter U.S. ports after January 31, 1990. This measure will deny Noriega and his puppet regime tens of millions of dollars of revenue. Noriega's cronies will also be deprived of millions of dollars of illegal income in the form of bribes and kickbacks.

This ban is consistent with international efforts to further isolate the Noriega regime, which is currently shunned by the democratic nations of Latin America and around the world. The resolution of the recently concluded General Assembly of the Organization of American States was sharply critical of the Noriega regime and is only one example of the international condemnation of Noriega. The President has made it very clear that there will be no accommodation with the illegal Panamanian regime.

The United States will continue various efforts designed to assist the Panamanian people in their endeavor to bring about Noriega's departure and the establishment of democratic institutions responsive to the will of the people.

The United States regrets the hardships which Noriega has brought to the people of Panama, who deserve to be led by a government of their choice. The United States will continue to exercise its rights and comply with its obligations under the Panama Canal treaties and looks forward to a time when it can work closely with a democratically elected, constitutional government in Panama dedicated to serving the interests and welfare of the Panamanian people.

Statement on the Observance of World AIDS Day

November 30, 1989

On December 1, World AIDS Day, there will be a commemoration in Washington to remember all those with HIV infection and all who have died from it. The end result of this infection, AIDS, has been diagnosed in over 112,000 people in this country as of October 1989, and 65,000 people have died since the beginning of the epidemic. Though the problem is great and taxing our health care system now, far greater difficulties await us in terms of human suffering and provision of health care.

We have committed resources at an unprecedented rate to HIV-related research of all kinds. Though there is no cure for AIDS at present, we will continue the most vigorous research efforts. At the same time, we must also educate and prevent. The disease is spread through known ways, and it is clear that education on the facts is our best means of combating AIDS at this time.

Finally, we must remember those Americans who have become infected with the virus, including some who may be unaware of their infection. These people need our help and our compassion. Our hearts go out to those afflicted, as our heads work towards finding solutions. In the meantime, we must continue to educate those around us regarding the prevention of this terrible disease.

Statement by Press Secretary Fitzwater on an Attempted Coup in the Philippines

November 30, 1989

We reiterate the unequivocal support of the U.S. Government for Philippine democracy and the government of President Corazon Aquino. We strongly condemn the effort to destabilize the elected Philippine Government. According to U.S. law, all U.S. foreign assistance to the Philippines would be suspended if the elected government of the Philippines were removed by a military coup.

Statement by Press Secretary Fitzwater on United States Military Assistance for the Philippines

December 1, 1989

At the request of President Aquino, the President has authorized U.S. military assistance to the Government of the Philippines in defending itself against a coup attempt. This assistance is intended to allow the democratically elected government of the Philippines to restore order. The President also is determined to protect the lives of Americans in the Philippines.

Statement by Press Secretary Fitzwater on the 1990 Houston Economic Summit

December 1, 1989

President Bush will host the 1990 summit of the seven major industrialized nations July 9 - 11, 1990, in Houston, TX. The economic summit is the sole forum for the leaders of the world's largest industrial democracies to discuss economic issues and review other key international issues. Participating in the Houston economic summit will be Canada, the Federal Republic of Germany, France, Italy, Japan, the United Kingdom, the United States, and the Commission of the European Communities.

The President has designated Frederic V. Malek to serve as Director of the summit, with the personal rank of Ambassador. In that capacity he will oversee preparations for and staging of the meeting. Mr. Malek is currently president of Northwest Airlines and cochairman of Coldwell Banker Commercial Group.

The President has also designated Richard T. McCormack, Under Secretary of State for Economic and Agricultural Affairs, as his Personal Representative (``sherpa") for preparation of policy aspects of the economic summit. Mr. McCormack served in a similar capacity during this year's summit in Paris.

Exchange With Reporters in Valletta, Malta, on an Attempted Coup in the Philippines

December 1, 1989

Q. Mr. President, can you tell us what military assistance you're providing the Philippines, sir?

The President. I'm not going to go into the detail of it, but we're doing what has been requested of us. And we are hopeful that the matter will be contained. It's hard to get proper reports out of there because there seems to be a good deal of fighting.

Q. How do you justify the use of troops, sir?

The President. I didn't tell you I'd justified the use of troops.

Q. We understand that there's been air cover provided. Is it just air cover that they've -- --

The President. That's what I've authorized.

Q. What is the condition -- --

Q. Have you talked to Mrs. Aquino?

The President. The Vice President talked to her just a few minutes ago -- or a couple of hours ago.

Q. And is she all right?

The President. Sounded fine, he said, and very grateful for the call and very grateful for the assistance. And seemed to be confident, but that was a couple of hours ago.

Note: The exchange began at 10:30 a.m. in the Prime Minister's office at l'Auberge de Castille, prior to a meeting with Prime Minister Eddie Fenech Adami of Malta.

Joint Statement of the United States and Malta on the President's Meeting With Prime Minister Eddie Fenech Adami in Valletta

December 1, 1989

At their meeting in Malta on Friday, 1 December 1989, the Prime Minister of Malta, Edward Fenech-Adami, and the President of the United States, George Bush, hoped that the discussions in Malta on 2 - 3 December 1989 between President Bush and the Soviet Leader, President Gorbachev, would promote an era of global peace and security as well as advance the cause of freedom and democracy throughout the world.

The Prime Minister expressed, on behalf of the Maltese nation, extreme pride and satisfaction that President Bush and President Gorbachev had agreed to hold their historic meeting in the Maltese harbour.

In the context of an exchange of views on international issues, President Bush and the Prime Minister welcomed the momentous events in Eastern Europe and agreed on the importance of the arms control negotiations currently underway.

The Prime Minister and the President expressed particular satisfaction that relations between Malta and the United States, historically friendly, had been strengthened in recent years and were presently very close.

The President praised the respect in which democratic practices were held in Malta as well as Malta's active involvement in international environmental issues. In support of Malta's economic development, OPIC and the Commerce Department will bring Malta's investment opportunities to the attention of potential American investors. The President looked forward to the reintroduction of Peace Corps volunteers into Malta.

The Prime Minister expressed gratitude for the technical cooperation already extended in the educational and training programs for officers of the Maltese armed forces and to government officials involved in the war against drug trafficking and other forms of illicit trade. The President appreciated the efforts by the Maltese authorities to strengthen Malta's maritime patrol capabilities, particularly in and around Malta's waters, and to this end, supported the provision of U.S. help and cooperation.

The President expressed thanks to the Prime Minister of the full cooperation extended by the Government of Malta in the preparations made with regard to his meeting with the Soviet President.

Note: The President met with Prime Minister Fenech Adami at 10:35 a.m. at l'Auberge de Castille.

Remarks to the Crew and Guests on the U.S.S. Forrestal in Malta

December 1, 1989

Hello, fellow Navy men, and hello to the sons of the U.S.S. Forrestal. I'm delighted to be here. And to those others that are visiting here from other ships in the battle group. And to Captain Thomassy -- thank you, sir, for that kind introduction. Admiral Howe and Vice Admiral Williams, Rear Admiral ``Sweet Pea'' Allen, friends. You guys be seated, please. No chairs? Then keep standing -- never mind. [Laughter]

I'm pleased to be here. Just shows how far one will go in the world -- I'll leave no place unexplored in my quest to catch a fish. [Laughter] These remarks will be relatively brief. I say that because I know your jobs -- having seen these operations -- don't leave too much room for speeches, after all. Also on a ship you can't stand still for long. Anything that doesn't move gets painted, as I remember it. [Laughter] I can tell fresh paint when I've seen it, but thanks for the welcome, anyway.

I know, too, that some of you have meals to eat. Frankly, I'd like to get Chairman Gorbachev to get an idea of what U.S. Navy food is like. [Laughter] Maybe not -- [laughter] -- what I'm trying to do is ease tensions. [Laughter]

No, we had a great meal down there. But I know -- I'll be brief because I know there are other priorities, like getting ready, as America is, for a certain football event next Saturday. Just this morning I was talking with a ``BB stacker.'' And I told him I hope my meeting with Chairman Gorbachev means that fierce adversaries will never again clash on the field of battle. He said: ``You mean you're going to negotiate an end to the Army-Navy game?'' [Laughter]

Well, I'm not. And I know that next Saturday Americans will be rooting for both sides, just like nearly half a century ago, in this very part of the Mediterranean, young sailors like yourselves were taking sides on different circumstances. For on Malta itself, as a brave people endured savage attack, they were aided by the Armed Forces of America and her allies, daring greatly, fighting valiantly, so that freedom could prevail. And for more than two centuries now, the Navy has been a defender of that freedom, proclaiming the inevitability of democracy, living on ``the tip of the spear.'' Think back: Nimitz and Halsey, Commodore Perry, battles like Midway and Leyte Gulf and the battle of the Philippine Sea, and of America's enlisted men and women who expressed our deepest values and our character as a people.

I met with Mr. Akhromeyev of the Soviet Union, the former Defense Minister in charge of all the military. And the thing he commented on was the quality and the ability of the enlisted men and women in the service of the United States, particularly in the Navy, because he had an

opportunity to go out and visit on one of the ships.

I'm a Navy man -- or was. And I confess that certain things haven't changed since I joined up as a seaman second class. I assume that maids still come into the quarters, make your beds, and leave a mint on the pillow. [Laughter] And I know you have ``gator," ``snipes," and ``grapes." You know, I love this. Let's hear it from the ``grapes." Well, there are not many of them around. [Applause] You know, I love this navy jargon. I'm sometimes tempted to use it there at the White House. It's just that some of the Congressmen might be a little leery if I asked them to join me for ``mid'rats."

And then there's the sailors' zest for off-duty hours. That, too, endures. I hear by the grapevine that you missed a few days of liberty sitting off the coast of France in bad weather. And far be it from me to criticize the exuberance that you showed when you finally hit town. [Laughter] Don't worry, I can repair and be sure that our good relations with France are restored again. [Laughter]

Some things haven't changed. It's true that my generation was charged with winning a war and yours is charged with preserving a peace, but both want to protect freedom -- and that hasn't changed. Nor has the knowledge that real peace -- the peace which lasts -- is not an accident. Lasting peace takes planning and patience and personal sacrifice. And it takes a partnership with our allies, who are resolute in the defense of liberty. Lasting peace stems from strength that is moral and intellectual, economic and military; and from nations who use that strength to make fragile peace strong, make temporary peace permanent. Those lessons helped our generation win World War II; and today they bring me, and I believe Chairman Gorbachev, too, to our 2 days of talks -- a meeting for your generation and all the generations to come.

There's a painting in the White House, upstairs in the little office I have there. It portrays the decency and humanity of one of our greatest leaders. I've often said that Abraham Lincoln is one of my favorite Presidents, and I suppose virtually every American feels that way. This painting shows why. It pictures Lincoln with two generals and an admiral meeting on a boat near the end of a war that pitted brother against brother. Outside, in this picture, the battle rages. And yet what we see in the distance is a rainbow -- symbol of hope, of the passing of the storm. The painting's name? ``The Peacemakers."

For me, and I think for Barbara, too, this painting is a constant reassurance that the cause of peace will triumph and that ours can be a future free of both tyranny and fear. Our fellow democracies share our hope for such a future. We want the Soviet Union opposed -- we've been adversaries; now we want the Soviet Union to join us in building that kind of future. And that's why I'm meeting, starting tomorrow, with Chairman Gorbachev. For the times are on the side of peace. And there are important reasons why that's true.

One of them is that 40 years ago the NATO alliance was formed in the hope that freedom would one day belong to the millions in Europe still yearning for freedom. Because NATO remained

vigilant, strong, and united, this meeting is taking place.

And the alliance has been strengthened by America's enduring commitment to its protection. America has been, and remains, a shining champion of liberty. And because of that, this meeting is taking place.

And finally, this meeting is taking place because you have done your jobs; you have done your duty. And you and sailors like you all around the world have kept us strong and helped the horizons of democracy eclipse nation and race. Because of you, freedom is sweeping the globe. Our meeting here off Malta will last 2 days, but the freedoms that we seek must last for generations.

You know, with these recent and extraordinary changes that are taking place in Eastern Europe, I've been thinking of those freedoms. And at no time -- no time -- more than when that Berlin Wall began to crumble, began to open. And I remember how, shortly after that -- maybe you guys saw it on the television, the breaking of the wall -- right after that, Chancellor Kohl, Federal Republic of Germany, called me at the White House. And he asked me to thank each American and said that the remarkable change in Eastern Europe would not be occurring without the steadfast support of the United States.

Warm praise from a good friend, praise which belongs to you. And I recalled that conversation when last week the Foreign Minister of Germany, Mr. Genscher, came to see Secretary Baker and me. He visited the White House, and he praised our devotion to freedom. And he gave me a gift for the American people, and it's a piece of the Berlin Wall. And it's on my desk as a reminder of the power of freedom -- freedom to bring down the walls between people.

Fellow Navy men, I treasure that memento, and it shows what can happen when Americans stick to their principles. And we will not yield on those principles. And yet we all recognize a dynamic new Soviet leader willing, as Lincoln said, to think anew; and we want him to succeed because we do admire the people in the Soviet Union, and we know that ours is an historic opportunity to foster the peace.

So, I thought I would give to Forrestal a symbol of peace. It, too, comes from the Berlin wall and embodies this weekend spirit of cooperation. It shows how we can be peacemakers. And on behalf of each American, let me say it now belongs to you. I want to hand to your able captain to put on display here on this ship this little piece of the Berlin Wall as a symbol of the peace that we seek, the peace that you have helped make possible. Captain, I present this to you.

Let me close then with a moment that not many of you here are old enough to remember, but which wrote a glorious page in American history. It was on D - day, as Dwight Eisenhower addressed the sailors, soldiers, and airmen of the Allied Expeditionary Force. He said: ``You're about to embark upon a great crusade. The eyes of the world are on you. The hopes and prayers

of liberty-loving people everywhere march with you." And then Ike spoke this moving prayer: ``Let us all beseech the blessing of Almighty God upon this great and noble undertaking." Like the men of D - day, you, too, are the hope of ``liberty-loving people everywhere," as the Navy has been in wartime and in peacetime, keeping our hearts aflight and our faith unyielding, sacrificing time away from your homes so that other Americans can sleep in theirs.

Today the walls of oppression are tumbling down because of what you and those who have gone before you have done to keep America's defenses up. And so, thank you for that, for writing still-new pages in the history of America and of her Navy. God bless you, God bless our ``great and noble undertaking," and God bless the United States of America. Thank you all very much.

Note: The President spoke at 1:45 p.m. in the hangar bay of the ship. In his remarks, he referred to Capt. Louis E. Thomassy, Jr., commanding officer of the ship; Adm. Jonathan T. Howe, commander in chief of U.S. naval forces in Europe; Vice Adm. James D. Williams, commander of the U.S. 6th Fleet; and Rear Adm. Richard C. Allen, commander of Carrier Group 6. Prior to his remarks, the President visited the flight deck, watched aircraft launch and recovery demonstrations, and had lunch with crewmembers in the enlisted men's mess. After his stay on the ship, the President went to the U.S.S. ``Belknap," his residence during his meetings with Soviet Chairman Gorbachev.

Statement by Press Secretary Fitzwater on the President's Meetings With Soviet Chairman Mikhail Gorbachev in Malta

December 1, 1989

President Bush was very impressed by his reception on the Forrestal. As a former naval officer, he relished the enthusiasm of the crew and also identified with the naval aviators. On board Marine One, from the Forrestal to the Belknap, the President received another update from General Scowcroft on the status of the situation in the Philippines. General Scowcroft said that President Aquino feels her situation is improving. The government forces had retaken one of the airfields. Other troublespots were being cleaned up. However, at that time, it must be said that the coup attempt was still in progress.

On the Belknap, the President went immediately to his quarters, Room NTD 02 - 78 - 2, the admiral's quarters. A new brass plaque had been placed on the door reading ``President Bush." The President's quarters include three rooms: an office and lounging area, a bedroom with double bed and lounge chair, and a conference room. The suite has a deep-blue carpet, blue leather furniture, and a mahogany desk with U.S. and Soviet flags in the same holder. The small office area also includes a coffeemaker, three telephones, a desk pen set on a brass submarine, pictures of the fleet under full steam, and other photographs of Adm. J.D. Williams with his friends. President Bush exchanged his suit coat for a royal blue NASA jacket, given to him by astronauts. It has a U.S. flag on one shoulder, Presidential patch on the other.

At approximately 3:30 the President convened a meeting of his advisers, including Secretary James Baker, Governor John Sununu, General Brent Scowcroft, Marlin Fitzwater, Under Secretary of Defense Paul Wolfowitz, Under Secretary of State Reginald Bartholemew, Robert Zoellick, Assistant Secretary Raymond Seitz, Margaret Tutwiler, Robert Blackwill, Condoleezza Rice, and General Graves. The meeting convened in the ward room, around a long table with a blue tablecloth and small holders with U.S. and Soviet flags.

The briefing focused on the first meetings Saturday morning: format, content, and major discussion points. The President and the Chairman will have consecutive translation, and President Bush is expected to offer the opening presentation. The President commended the team for their extensive preparatory work and their organization of issues to be discussed. The President plans to lay out a number of issues that represent U.S. interests in the Soviet Union, and which will demonstrate the U.S. desire for progress and improvement in East-West relations.

The two delegations at tomorrow's meeting will be: On the U.S. side: The President, Secretary Baker, Governor Sununu, General Scowcroft, Robert Blackwill, and interpreter; and on the

Soviet side: President Gorbachev, Foreign Minister Shevardnadze, A. Yakovlev, A. Bessmertnykh, A. Chernyayev, A. Dobrynin, S. Akhromeyev, and interpreter.

The President is eager for the meetings to begin. I will try to provide a readout, either written or to the pool, following Saturday morning's session. In addition, I will brief at the filing center Saturday night, at a time dependent upon the conclusion of the dinner.

Note: In the statement, Press Secretary Fitzwater referred to Brent Scowcroft, Assistant to the President for National Security Affairs; John H. Sununu, Chief of Staff to the President; Paul B. Wolfowitz, Under Secretary of Defense for Policy; Reginald Bartholemew, Under Secretary of State for Security Assistance, Science and Technology; Robert B. Zoellick, Counselor of the Department of State; Raymond G.H. Seitz, Assistant Secretary of State for European and Canadian Affairs; Margaret Tutwiler, Assistant Secretary of State for Public Affairs and Spokesman of the Department; Robert D. Blackwill, Special Assistant to the President for National Security Affairs; Condoleezza Rice, Director for Soviet and Eastern European Affairs at the National Security Council; Lt. Gen. Howard D. Graves, Assistant to the Chairman of the Joint Chiefs of Staff; Aleksandr N. Yakovlev, Secretary and Chairman of the International Policy Commission of the Soviet Central Committee; Aleksandr A. Bessmertnykh, First Deputy Minister of Foreign Affairs; Anatoliy S. Chernyayev, foreign policy adviser; Anatoliy F. Dobrynin, foreign policy adviser; and Sergey F. Akhromeyev, principal military adviser to Chairman Gorbachev.

Statements by Press Secretary Fitzwater on the President's Meetings With Soviet Chairman Mikhail Gorbachev in Malta

December 2, 1989

The President called Vice President Quayle at approximately 6:30 p.m. last evening for an update on the situation in the Philippines. The Vice President reported that the situation is improving. The President got up at 7 a.m. this morning and had breakfast with Secretary Baker, Governor Sununu, and General Scowcroft. The President received a detailed report on the situation in the Philippines. He also received his regular intelligence briefing.

Overnight the winds picked up in Marsaxlokk Bay, Malta, where the cruiser Belknap and the Soviet cruiser Slava are anchored about 400 yards apart. Maximum sustained winds in the early morning hours were 30 - 36 knots from the northeast, with gusts up to 42 knots. The two ships, both of which are anchored at the bow and stern, dragged their stern anchors. The relative position of the two ships remains the same. There was no danger to anyone aboard Belknap as a result of the high winds. However, the winds make it difficult to disembark from launches at the Slava and the Belknap. Therefore, this morning's first meeting has been shifted to the Soviet ship Gorky at anchor in Malta. The ceremonial activities will be canceled. The first meeting will begin at 10 a.m.

President Bush and Chairman Gorbachev spent approximately 5 hours together onboard the Soviet cruise liner Gorky, from 10:05 a.m. to 3 p.m. In the first expanded meeting, which included the full Soviet and U.S. delegations, President Bush and Chairman Gorbachev had a very productive, informal, and substantive meeting. They covered a wide range of issues of interest to their two countries.

President Bush spoke for more than an hour to open the meeting, laying out more than a dozen ideas for economic and political progress in U.S.-Soviet relations. The discussion ranged from the economic situation in Eastern Europe to arms control and Central America. Chairman Gorbachev spoke at length of perestroika and the goals of his reform program. The President emphasized his support for the success of perestroika. He set forth his ideas as a broad framework for actions that would help the two nations work together for peace and prosperity.

The expanded bilateral lasted until after noon. Attending the expanded bilateral were President Bush, Secretary Baker, Governor Sununu, General Scowcroft, Marlin Fitzwater, Under Secretary of Defense for Policy Paul Wolfowitz, Counselor to the Department of State Robert Zoellick, and Robert Blackwill. On the Soviet side attending were Chairman Gorbachev, Foreign Minister Shevardnadze, A. Yakovlev, A. Bessmertnykh, A. Chernyayev, A. Dobrynin, S. Akhromeyev, and Gennadiy Gerasimov.

Immediately after the expanded bilateral, the two leaders began a one-on-one session, with notetakers, which lasted until nearly 1:30 p.m. The President and the Chairman had lunch aboard the Gorky, so that their conversation was almost continuous from 10:05 a.m. until 3 p.m. The meetings were marked by a spirit of forward-looking cooperation during these increasingly changing times. They recognized that economic and political challenges were ahead for Eastern Europe and vowed to consider the opportunities presented with sensitivity and firm initiative.

President Bush and his party returned to Belknap immediately after the luncheon. The barge rolled somewhat through the high seas and was able to tie up alongside Belknap at about 3:30 p.m. President Bush sat in the front seat near the helm and said he enjoyed the sea experience. The President thought the morning session was extremely productive and looks forward to this evening's meeting. Tentative plans are to return to the Gorky at approximately 5:30 p.m. for another expanded meeting and then have dinner on the Gorky. Due to the high seas, the President suggested that the second meeting and the dinner be held on the Gorky.

Due to weather conditions, plans to leave Belknap have been delayed until at least 8 p.m. The possibility of leaving the ship at that time will be assessed in terms of dinner plans and another meeting.

At 11:44 a.m., the commanding officer of Belknap ordered his crew to slip the stern anchor, and the ship has been steaming toward the bow anchor, a better holding position. When the wind subsides, the stern anchor will be reset. Slava is holding her position with the help of tugs on the bow and stern. Weather forecasters on the two ships are sharing information. The wind has caused 3- to 4-foot seas inside the sheltered harbor. Seas outside the harbor are 16 feet and building. The forecast calls for the low pressure cell to move east, away from Malta, allowing winds to decrease to 20 - 25 knots tonight and tomorrow.

The President has been viewing the storm from the bridge and has been considering possible alternatives for other meetings tonight or tomorrow. President Bush has been in contact with officials in Washington. All communications aboard Belknap are working. The President has received an update on the situation in the Philippines and has discussed other international issues.

I am offering an exclusive Presidential interview to any reporter who can get to Belknap in the next 15 minutes. Any reporter who swims will be granted three interviews.

Due to the high winds and heavy seas, the Soviet delegation will not be coming to Belknap for dinner, nor will the U.S. delegation go to the Gorky. Therefore, the dinner and afternoon meeting were canceled. The President and the U.S. delegation will remain on Belknap for the night. We expect Sunday's schedule to be maintained as originally planned. I will brief tomorrow morning at a time to be arranged with the Soviets.

We are disappointed that the Soviet delegation was unable to join us for dinner on Belknap due to the storm. We look forward to tomorrow's meetings. We also regret that we were unable to visit the Slava for this afternoon's meeting. We feel this has been a very productive day in terms of the 5-hour meeting this morning. The 60 mile-per-hour winds preclude any movements off the ship this evening, but they have made for a very exciting afternoon sail.

Note: Four statements were issued during the day by Press Secretary Fitzwater. In the statements, he referred to John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; Robert D. Blackwill, Special Assistant to the President for National Security Affairs; Aleksandr N. Yakovlev, Secretary and Chairman of the International Policy Commission of the Soviet Central Committee; Aleksandr A. Bessmertnykh, First Deputy Minister of Foreign Affairs; Anatoliy S. Chernyayev, foreign policy adviser; Anatoliy F. Dobrynin, foreign policy adviser; Sergey F. Akhromeyev, principal military adviser to Chairman Gorbachev; and Gennadiy Gerasimov, Chief of the Information Department of the Foreign Ministry.

Letter to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on United States Military Assistance to the Philippines

December 2, 1989

Dear Mr. Speaker: (Dear Mr. President:)

In the early morning of December 1, 1989 (local time), a coup attempt was launched against the constitutional government of the Philippines. The coup began when rebel forces, apparently under the leadership of Lieutenant Colonel Gregorio Honasan, seized Villamor Air Force Base adjacent to Aquino International Airport in Manila. Over the next twelve hours, rebel forces attacked Philippine military installations, broadcasting stations, and other government facilities. Rebel forces also seized the Philippine Sangley Point Naval Station and other installations. Rebel controlled aircraft bombed and strafed the presidential palace and the Constabulary Headquarters. In this context, President Aquino formally requested limited U.S. military assistance to support her forces as they attempted to put down the coup.

In response to this request, shortly after midnight on December 1 (Washington time), I ordered armed U.S. aircraft stationed at Clark Air Field to establish a protective cover over Villamor and Sangley Point to prevent rebel aircraft from taking off. No rebel aircraft attempted to take off, and U.S. aircraft did not fire. There were no U.S. casualties.

At present, I do not foresee the need for U.S. military action in addition to the measures described above. I am prepared, however, to take additional actions to protect the lives of Americans, should they be threatened, and, if requested, to provide further assistance to the Government of the Philippines. In this connection, I note that, as a precaution, I dispatched a company of U.S. Marines to reinforce Marine guards at our Embassy.

This measured action by U.S. Forces was taken at my direction in accordance with recognized principles of international law and pursuant to my constitutional authority with respect to the conduct of foreign relations and as Commander in Chief. I am mindful of the historical differences between the Executive and Legislative branches and the positions taken by me and all my predecessors in office with respect to the constitutionality of certain provisions of the War Powers Resolution. I am sharing this information with you consistent with that Resolution.

Our two branches have worked together over the years to provide assistance to the democratically elected government of the Philippines. I look forward to continued close cooperation with Congress in order to further this important policy.

Sincerely,

George Bush

The White House,

December 2, 1989.

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate. The letter was released by the Office of the Press Secretary on December 3.

Statement by Press Secretary Fitzwater on the President's Meetings With Soviet Chairman Mikhail Gorbachev in Malta

December 3, 1989

The President is in excellent spirits. He loves the sea. The President made a final visit to the bridge and the aft deck of the ship about 10 o'clock last night. The President seemed energized by the intensity of the storm, and he looks forward to the discussions today with Chairman Gorbachev. During his visit to the deck, the President discussed with the captain and the crew the severity of the weather conditions and the handling of ships under such circumstances. Captain Sigler stated that this is the worst in-port storm he has seen in 24 years.

The President went to bed shortly after 10 o'clock Saturday night and got up around 7 o'clock this morning. He received his intelligence briefing and daily briefing from General Scowcroft, Secretary Baker, and Governor Sununu about 8 o'clock this morning.

The Soviet delegation notified us this morning that they were unwilling to attempt to go to the Slava or to Belknap. Therefore, we have agreed to continue the meetings on the Gorky.

The President is attending church services beginning at 9 a.m. aboard Belknap. Your press pool has made several attempts to bring their two launches alongside Belknap. We understand one launch was able to get its passengers on board, but at this time the second launch has not been able to do so.

The location and time for closing statements by the two leaders and their press conferences are still to be determined.

Note: In the statement, Press Secretary Fitzwater referred to Brent Scowcroft, Assistant to the President for National Security Affairs; and John H. Sununu, Chief of Staff to the President.

Exchange With Reporters on the Meetings With Soviet Chairman Mikhail Gorbachev in Malta

December 3, 1989

Q. Mr. President, has the weather ruined this summit?

The President. Hell, no. Hell, no. [Laughter] The summit's going just fine, thanks.

Q. Has it become the Gorky summit?

The President. It doesn't matter where you meet. We were supposed to go over to the other ship, and they couldn't make it over. So, we don't care where we're meeting. The big thing is, we're getting something done here. That's good. So, we're not standing on any protocol. These guys are ready to receive them. If they can't make it out here, we'll go to them.

Q. Are you getting less done because you have so much less time together?

The President. No. No, we had more time yesterday than we thought we'd have; and I think, looking at the reporting, it's coming out very well. And so -- the U.S. side, anyway -- I can say we're very pleased with what has taken place.

Q. Are you going to extend the talks?

The President. I think we've had -- see, we got more time in yesterday up till coming over here than we thought -- personal meeting with Mr. Gorbachev. The luncheon proved to be a working meeting. We talked all during the lunch. So, I don't think there is, but if their side thinks we need more time, fine. I said what I want to say and have a little more to say, in a bit. But it's going well; it really is.

Q. Any major -- on arms control, Mr. President?

The President. Well, as I told you before we came here, this is not an arms control summit. But if you'll stay tuned to our Press Secretary, we're going to do an official debrief. And I think you'll be pleased, or I think most of the world will, with what we've decided, in a broad sense, in terms of talking further about various categories of arms control.

Q. Is a START treaty really possible by next June?

The President. Yes, everything is possible. Yes, it's possible. We're fairly close together.

We'll see you all. Thank you, gentlemen.

Note: The exchange began at 9:50 a.m., as the President prepared to travel from the U.S.S. ``Belknap'' to the Soviet passenger liner ``Maxim Gorky'' in Marsaxlokk Harbor.

Exchange With Reporters on the Meetings With Soviet Chairman Mikhail Gorbachev in Malta

December 3, 1989

Q. Was this a bad idea, Mr. President?

The President. What?

Q. A shipboard summit.

The President. No, it was a very good idea.

Q. But half your meetings were rained out.

Q. Glad the Soviets brought a big boat stable enough to have the summit on?

The President. No, we could have floated the Holiday Inn out there to do it on.

The Chairman. This whole incident shows that we can adjust to changing circumstances very well.

The President. That's right.

Q. Mr. President, what do you think about central Europe?

The President. Which President are you speaking to? [Laughter]

Q. It's a special question about Austria.

The Chairman. I can tell you that we'll have an important discussion, including a discussion of that theme, too. I promise that after we complete our talks, we'll talk to the press.

The President. That's a good idea.

Note: The exchange began at 10:03 a.m., as the President arrived aboard the Soviet passenger liner ``Maxim Gorky'' in Marsaxlokk Harbor for his final meeting with Chairman Gorbachev. The Chairman spoke in Russian, and his remarks were translated by an interpreter. A tape was not available for verification of the contents of the remarks.

Remarks of the President and Soviet Chairman Gorbachev and a Question-and-Answer Session With Reporters in Malta

December 3, 1989

The President. Ladies and gentlemen, President Gorbachev has graciously suggested I go first. And I don't think anyone can say that the saltwater get-together was anything other than adventure -- at least out in the harbor here.

First, I want to thank Prime Minister Adami and the people of Malta and others for their warm and gracious hospitality. I want to thank the captain and crew of Belknap for the great support that they have given us. I think they were wondering if I was about to become a permanent guest. And a special thanks to the captain and crew of Gorky for their hospitality, and also thanks to the captain and crew of Slava, who have been so hospitable to many on the American side.

I first approached Chairman Gorbachev about an informal meeting of this kind after my trip to Europe last July. Amazing changes that I witnessed in Poland and in Hungary -- hopeful changes -- led me to believe that it was time to sit down with Chairman Gorbachev face to face to see what he and I could do to seize the opportunities before us to move this relationship forward. He agreed with that concept of a meeting, and so, we got rapid agreement. And I think that the extraordinary developments in Europe since the time that the meeting was proposed only reinforce the importance of our getting together.

And so, I'm especially glad we had this meeting. And we did gain a deeper understanding of each other's views. We set the stage for progress across a broad range of issues. And while it is not for the United States and the Soviet Union to design the future for Europeans or for any other people, I am convinced that a cooperative U.S.-Soviet relationship can, indeed, make the future safer and brighter. And there is virtually no problem in the world, and certainly no problem in Europe, that improvement in the U.S.-Soviet relationship will not help to ameliorate. A better U.S.-Soviet relationship is to be valued in and of itself, but it also should be an instrument of positive change for the world.

For 40 years, the Western alliance has stood together in the cause of freedom. And now, with reform underway in the Soviet Union, we stand at the threshold of a brand-new era of U.S.-Soviet relations. And it is within our grasp to contribute, each in our own way, to overcoming the division of Europe and ending the military confrontation there. We've got to do more to ameliorate the violence and suffering that afflicts so many regions in the world and to remove common threats to our future: the deterioration of the environment, the spread of nuclear and chemical weapons, ballistic missile technology, the narcotics trade. And our discussions here

will give greater impetus to make real progress in these areas.

There's also a great potential to develop common opportunities. For example, the Soviet Union now seeks greater engagement with the international market economy, a step that certainly I'm prepared to encourage in every way I can.

As I leave Malta for Brussels and a meeting with our NATO allies, I am optimistic that as the West works patiently together and increasingly cooperates with the Soviet Union, we can realize a lasting peace and transform the East-West relationship to one of enduring cooperation. And that is a future that's worthy of our peoples. And that's the future that I want to help in creating. And that's the future that Chairman Gorbachev and I began right here in Malta.

Thank you, sir, for your hospitality.

The Chairman. Ladies and gentlemen, comrades, there are many symbolic things about this meeting, and one of them -- it has never been in the history that the leaders of our two countries hold a joint press conference. This is also an important symbol. I share the view voiced by President Bush that we are satisfied, in general, with the results of the meeting.

We regard this informal meeting -- the idea of it was an informal meeting, and the idea belongs to President Bush. And I supported it -- that we would have this informal meeting without restricting it to any formal agenda, to have a free exchange of views -- because the time makes great demands to our countries, and this increases the responsibility and the role of our two countries. And I can assure you that in all our discussions -- and our discussions lasted for 8 hours, in general -- this responsibility on both sides was present.

Our meeting was characterized by openness, by a full scope of the exchange of views. Today it is even difficult, and perhaps there is no sense, to explain the entire range of issues that we have discussed. I wish to say right away, nevertheless, that on all the major issues we attempted in a frank manner, using each side's arguments, to explain our own positions, both with regard to the assessment of the situation and the current changes in the world and Europe and as it regards disarmament issues. We addressed the Geneva negotiating process, the Vienna process, and also negotiations on the elaboration of the convention on chemical weapons ban. All those questions were considered thoroughly.

The President and I myself also felt it necessary to exchange views on our perception, both from Moscow and Washington, of the hot points on our planet. And this exchange of views was very significant and thorough. We reaffirmed our former positions that all those acute issues must be resolved by political methods, and I consider that this was a very important statement of fact.

We not only discussed problems and explained our positions. I think that both sides had many elements which, if they are taken into account in our future activities -- activities of both

governments -- then we can count on progress. This concerns the subject of the reduction of strategic offensive arms by 50 percent, and we have an optimistic assessment of the possibility to move even next year to the conclusion of the Vienna treaty. We both are in favor, and this is our position -- naturally, we can be responsible only for our position -- we are in favor of signing this document at the summit meeting.

This time we discussed much bilateral relations; and I, on my part, would like to note many positive elements and points which were contained in statements and words by President Bush. Thus, I would say that in all directions of the political dialog of our discussion, including bilateral relations, we not only confirmed the consistency of our political course, the continuity of our political course -- and I should say it -- although we had an informal meeting, we met only for the first time with President Bush in his capacity, and the confirmation of the continuity of the course is an important element. What is also important is that during this informal meeting, we have laid the foundation for increasing this capital. And I believe that, in the first place, it serves the interests of our both countries and also the interests of the entire world community.

Well, we have made our contact, a good contact. The atmosphere was friendly, straightforward, open; and this enabled us to make good work. In our position, the most dangerous thing is to exaggerate. And it is always that we should preserve elements of cautiousness, and I use the favorite word by President Bush. [Laughter] Our world and our relations are at a crucial juncture. We should be highly responsible to face up to the challenges of today's world. And the leaders of our two countries cannot act as a fire brigade, although fire brigades are very useful. We have to keep it in mind also. This element was also present.

I would like once again to thank the President for the idea of holding this meeting with which we are satisfied, I hope. And I would like to thank the people and the Government of Malta and to express the words of appreciation and gratitude for the hospitality. Thank you, Mr. President, for your cooperation.

The President. Thank you.

The Cold War

Q. Chairman Gorbachev, President Bush called on you to end the cold war once and for all. Do you think that has been done now?

The Chairman. In the first place, I assured the President of the United States that the Soviet Union would never start hot war against the United States of America, and we would like our relations to develop in such a way that they would open greater possibilities for cooperation. Naturally, the President and I had a wide discussion -- rather, we sought the answer to the question where we stand now. We stated, both of us, that the world leaves one epoch of cold war

and enters another epoch. This is just the beginning. We're just at the very beginning of our long road to a long-lasting peaceful period.

Thus, we were unanimous in concluding about the special responsibility of such countries as the United States and the Soviet Union. Naturally, we had a rather long discussion, but this is not for the press conference; that is, we shouldn't explain that discussion regarding the fact that the new era calls for a new approach. And thus, many things that were characteristic of the cold war should be abandoned, both the -- [inaudible] -- in force, the arms race, mistrust, psychological and ideological struggle, and all that. All that should be things of the past.

Central America

Q. President Gorbachev. What are the hot spots, President Gorbachev, that you spoke about? There's El Salvador. Were you able to assure President Bush that the Soviet Union would use its influence on either Cuba or Nicaragua to stop the arms shipments? And, President Bush, were you satisfied with President Gorbachev's response?

The Chairman. This question is addressed to me? This subject has been thoroughly discussed. We have reaffirmed once again to the President that we have ceased arms shipment to Central America. We also reaffirmed our position that we're sympathetic with the political process that is going on there regarding the settlement of the situation. We are in favor of free elections, with the representatives of the United Nations and other Latin American countries, to determine the fate of Nicaragua. We understand the concerns of the United States. We listened carefully to the arguments by President Bush, in this respect, and we assured him that our position of principle is that we are in favor of a political settlement of the situation in Central America.

I believe -- and now I wouldn't like to explain everything that we discussed on the subject -- but to sum up, I would say that there are possibilities to have peace in that area, tranquillity in the interests above all of the peoples of that region, which does not run counter to the interests of the people of the United States.

The President. Please ask the question.

Q. The question was: Were you, Mr. President, satisfied with -- [inaudible] -- --

The President. My answer is that we had an in-depth discussion on these questions, as President Gorbachev said. I will not be satisfied until total self-determination takes place through verifiably free elections in Nicaragua. And the Chairman gave me every opportunity to express in detail the concerns I feel about that region. He, indeed, has cited his concerns. So, I can't say there are no differences between us. But we had a chance to talk about them. And if there are remaining differences, I like to think they have been narrowed. But you know -- all you from the United States -- the concerns we feel that the Nicaraguans go through with certifiably free

elections and that they not export revolution into El Salvador. So, we had a big, wide-ranging discussion, and I would simply say that I feel we have much more understanding between the parties as a result of that discussion.

East-West Economic Cooperation

Q. The Izvestia newspaper to President Bush, and if there are comments from Comrade Gorbachev, we would welcome it. There has been a longstanding issue of expanding economic [co]operation between the United States and the Soviet Union. It is a very acute problem, taking into account our economic reforms and our economic difficulties. To what degree that issue has been discussed during your meeting, and what is the position of your administration, Mr. President, regarding the expanding of your economic [co]operation and whether the U.S. business would like to promote contacts with the Soviet Union?

The President. We had a long discussion on economic matters. We made some specific representations about how we can work more closely on the economic front with the Soviet Union, and we've made certain representations that I will now follow through with, in terms of observer status. And I think one of the most fruitful parts of our discussions related to the economy. And I would like to have a climate in which American businessmen can help in what Chairman Gorbachev is trying to do with reform and, obviously, with glasnost. But I think the climate, as a result of these talks, for investment inside the Soviet Union and for certain things we can do to help the Soviet Union and, indeed, other countries seek common ground with these multilateral organizations related to finance: All of that is a big plus. It was an extraordinarily big plus as far as I'm concerned.

Q. President Gorbachev?

The Chairman. I would like to comment, the answer. First of all, I confirm what I've said, what the President said. And the second point: The things that have taken place at the meeting could be regarded as a political impetus which we were lacking for our economic cooperation to gain momentum and to acquire forms and methods which would be adequate to our contemporary life.

Well, as to the future course of this process, this will depend on the Soviet actions, whether legal or economic. You understand that today we tried to turn drastically our economy towards cooperation with other countries so that it will be part and parcel of the world economic system. Therefore, we think and hope that that which has happened during the meeting on this subject of the agenda -- well, let's call it the agenda -- these are of principal importance.

Lebanon

Q. With the tense situation in Lebanon -- how did you discuss the military option in Lebanon?

And what have you decided on the Middle East in general? How did you discuss it? The question is both President Bush and President Gorbachev.

The Chairman. We couldn't address this Lebanese conflict because both the U.S. and the Soviet people are sympathetic with the grave situation and sufferings of that people. We shared our views and assessments in this respect and agreed to continue the exchange of views so that each, according to its possibilities -- and I think that everyone has its own possibilities -- well, President Bush thought that we had more possibilities and I thought that we had equal possibilities, in order to resolve positively this conflict.

The President. And our aspirations, shared in by President Gorbachev, is to see a peaceful resolution to the question regarding Lebanon. We support the tripartite agreement. He has supported it very actively. We do not want to see any more killing in Lebanon. The Chairman agrees with us. We're in total agreement on that. And so, Lebanon was discussed in detail, and we would like to see a return to a peaceful, democratic Lebanon. And everybody in the United States, I think, share the agony that I feel about the turmoil in Lebanon. But we're going to try to help. We're trying any way we can to help.

Soviet-U.S. Relations

Q. My question is to President Bush. You, as President of the United States, participate for the first time at the summit meeting, but you were the Vice President of the previous administration that took part in forming foreign policies. So, what is your assessment of the course that our two countries have passed since Geneva to Malta?

The President. That's what we call a ``slow ball'' in the trade. [Laughter] It's an easy question because I really think they are improving dramatically. There is enormous support in our country for what Chairman Gorbachev is doing inside the Soviet Union. There is enormous respect and support for the way he has advocated peaceful change in Europe. And so, this meeting accomplished everything that I had hoped it would. It was a no-agenda meeting, and yet it was a meeting where we discussed, as the Chairman said, many, many subjects. So, I think if a meeting can improve relations, I think this one has.

Arms Control

Q. Did you reach any actual understandings on instructions or timetables or deadlines to negotiators on chemical weapons, nuclear weapons, conventional arms?

The Chairman. Well, we devoted much time to the discussion of concrete issues related to disarmament negotiations on different types of arms. And just as an example, to show you that this was a substantive discussion, I'll tell you that in the near future our foreign ministers will meet, which have been instructed to do some specific work to move the positions closer.

In connection with new interesting proposals by President Bush regarding chemicals weapons, which have the goal of a global ban and provides for certain phases and movement toward this global ban, then we have the possibility of a rapid movement towards it.

As to strategic offensive arms, the analysis of the situation and the instructions that have been given regarding the preparation of that treaty demonstrate that we may be able by the second half of June -- and we agreed on the formal meeting at that time -- to do the necessary work to agree on the basic provisions of this treaty, which there later in the coming months would be ready for signature.

Therefore, I highly assess and evaluate what we have done here. Well, of course, there are questions which would require detailed discussion so that there will be no concerns on both sides. As to our concerns, as regards to strategic offensive arms and the preparation of the treaty on the 50-percent cuts of such weapons, they concern SLCM's [sea-launched cruise missiles]. Well, and in general, we raised a question with the President that when we have events along different directions on the reduction of nuclear arms and conventional forces, when we move towards defensive doctrines -- that is, we, the Soviet Union -- we are interested in having new elements in the military doctrines of the NATO countries. And therefore, the time has come when we should begin discussing naval forces. We should discuss this problem also.

Thus, I would also like to confirm -- and I think that the President would confirm it -- that our discussions were very thorough, which encourages; and therefore, we can count on success. This was a salute.

Malta Meeting Results

Q. Can I ask you a question, Mr. President? Will you tell us, President Gorbachev -- will you tell me why you were so cautious at the beginning of the negotiations? The Soviet side was very optimistic, and now you voice certain optimistic elements. What is the reason for it? Maybe that optimism was not justified. This is Portuguese television to President Gorbachev.

The President. This is for you. Go ahead.

The Chairman. Well, I would say that there were elements of optimism and pessimism here, and I wouldn't dwell into the details.

Q. Could you just -- --

The Chairman. Well, the core of the question is that -- if I read you correctly -- is that to what degree we can speak of optimism or pessimism regarding the results of this meeting. Or perhaps, I didn't understand you correctly. Did I get you right? Yes. Well, you know, on the eve of the

meeting, both sides were restrained and had a well-balanced position, a cautious one. I would say it again. This did not mean, however, that we were pessimists. That meant that we were highly responsible. Today, now that the meeting has taken place and we have summed up the results together with the President, I can tell you that I am optimistic about the results and the prospects that are open now. This is dialectics.

Naval Arms Control

Q. President Bush, may I refer to the question of naval forces, please, that President Gorbachev raised just a moment ago? Can you respond to your feeling and exactly what you've told President Gorbachev about your disposition toward reducing naval forces, NATO's disposition, on that regard? And if in fact the Soviets are prepared to move to a defensive posture, is not it time to consider some cuts in this regard?

The President. The answer is that this is not an arms control meeting in the sense of trying to hammer out details. We still have differences with the Soviet Union -- he knows it, and I know it -- as it relates to naval forces. But the point is we could discuss these things in a very constructive environment, and the Chairman knows that I could not come here and make deals in arms control. And I'm disinclined to think that that is an area where we will have immediate progress.

But we talked about a wide array of these issues, but we have no agreement at all on that particular question of naval arms control. But the point is he knows that, and I know that. The point is he had an opportunity to let me know how important it is. And I can, as a part of an alliance, have an opportunity to discuss a wide array of disarmament questions with our allies. So, it's exactly the kind of climate for a meeting that I had envisioned and that he had envisioned. We can sit there and talk about issues of which we've had divisions over the years, try to find ways to narrow them. And we did narrow them in some important areas. And there are still some differences that exist. There's no point covering that over.

European Security

Q. Did you discuss the Soviet proposal on Helsinki II? And an adjoining question: Are you prepared to take a joint initiative with Soviet Union about the Middle East crisis?

The Chairman. The first question is regarding Helsinki II. I think that we have found during this meeting, we have come to a common understanding of the extreme importance of the CSCE process and have noted the positive results of the CSCE process, the results that have made it possible to proceed with deep changes in Europe and in the world as well, as Europe has a great influence on the world due to certain reasons. Both the President and myself are in favor of developing the CSCE process in accordance with the new requirements that are required by our times so that we would think of and build a new Europe on the basis of common elements

among the European countries. We reaffirmed that this is a common affair for all the European countries that signed the Helsinki Act, including the whole EC [European Community]. And this element was present everywhere whenever we discussed Europe and other parts of the world with the active and constructive participation of the United States and Canada. Thus, we are in favor of the process gaining in strength and in force.

The transformation of the CSCE-Helsinki institutions at this stage should be such that their nature would change, or rather would be adequate to the current changes. Take, for example, NATO and the Warsaw Pact. They should not remain military alliances, but rather military-political alliances, and later on just political alliances, so that their nature would change in accordance with the changes on the continent.

We are also entitled to expect that when the Common Market and the CMEC would also change in respect of greater openness, with the active participation in economic processes of the United States. Thus, we think that the time has come for us to act, step by step, in a thorough manner, in accordance with the requirements of the times, taking full responsibility, without damaging the balance and security. We should act in a way that we would improve the situation, stability, and security. We will strengthen security in this way.

This was the manner of our discussion. And I believe that the President can only nod and say that we have coincidence of views of this. [Laughter]

Q. President Gorbachev, did you assure President Bush that you will not -- --

Q. Mr. Gorbachev -- a question to Chairman Gorbachev.

Military Forces in the Mediterranean

Q. The meeting took place at the center of the Mediterranean. How did you discuss the problem of the reduction of the military presence of the size of the Mediterranean?

The President. Is this to me? Well, first on the reduction, we did not have specific figures in mind. The Chairman raised the questions of naval arms control, and I was not particularly positive in responding on naval arms control. But we agree that we want to move forward and bring to completion the CFE that does affect Italy and other countries, in a sense -- they're a strong part of our NATO alliance. So, we didn't get agreements, crossing the ``t's,'' dotting the ``i's'' on some of these issues, but that's not what we were trying to do.

May I respond to this gentleman's last half. The question was Soviet and U.S. -- --

Middle East Peace Process

Q. Joint initiative.

The President. It doesn't require joint initiatives to solve the Middle East question. But we have found that the Soviet Union is playing a constructive role in Lebanon and trying throughout the Middle East to give their support for the tripartite agreement, which clearly the U.S. has supported. And so, there's common ground there. That may not always have been the case in history. And that may not always have been the way the United States looked at it as to how constructive the role the Soviets might play. But I can tell you that after these discussions and after the discussions between [Secretary of State] Jim Baker and [Soviet Foreign Minister] Shevardnadze there is a constructive role that the Soviets are implementing. And again, I cite the tripartite agreement. I'm sure that they share our view after these talks, in terms of peaceful resolution to these questions in the Middle East, be it Lebanon or in West Bank questions. So, I don't think we're very far apart on this.

Q. President Gorbachev, did you assure President Bush that the Soviet Union will -- --

The Chairman. Well, my opinion on the Middle East, in terms of discussions at the meeting, I can only add to what President Bush has said -- that we have just discussed very thoroughly, rather thoroughly, this subject. And I believe that we have come to an understanding that we should use our possibilities and interact in order to promote solution to this protracted conflict, which affects negatively the entire world situation.

As it seemed to me, we also agreed that, as a result of the side's progress, we have approached the point when we have a realistic chance to start the settlement process. Therefore, it is important not to lose this chance because the situation is changing very rapidly. Therefore, we think we will contribute to this.

Eastern European Reforms

Q. I'm from the group of Czechoslovak journalists. President Gorbachev, did you assure President Bush that the changes in Eastern Europe are irreversible and that the Soviet Union has forsaken the right to intervene there militarily? And President Bush, similarly, as a result of this meeting, are you now more trusting that the Soviets have indeed renounced the Brezhnev doctrine?

The Chairman. I wouldn't like you to consider me here or to regard me as a full-fledged representative of all European countries. This wouldn't be true. We are a part of Eastern Europe, of Europe. We interact with our allies in all areas, and our ties are deep. However, every nation is an independent entity in world politics, and every people has the right to choose its own destiny, the destiny of its own state. And I can only explain my own attitude.

I believe that those changes, both in the Soviet Union and in the countries of Eastern Europe,

have been prepared by the course of the historic evolution itself. No one can avoid this evolutionary process; and those problems should be resolved on a new basis, taking into account the experience and the potential of those countries, opening up possibilities for utilizing anything positive that has been accumulated by mankind. And I believe that we should welcome the thrust of those processes because they are related to the desire of the people to make those societies more democratic, more humane, and to face the world. Therefore, I'm encouraged by the thrust of those processes, and I believe that this is highly assisted by other countries.

I also see deep, profound changes in other countries, including Western European countries, and this is also very important because this is a reciprocal movement so that the people will become more close around the continent, and preserving at the same time the identity of one's own people. This is very important for us to understand.

Q. I ask a question on the part of the Czechoslovak journalists. We are discussing the future of Europe?

The President. May I just respond briefly? There is no question that there is dramatic change. Nobody can question it. And as President Gorbachev talks about democratic change and peaceful -- that certainly lays to rest previous doctrines that may have had a different approach. And so, he knows that not just the President but all the people in the United States would like to see this peaceful, democratic evolution continue. And so, I think that's the best way to answer the question because the change is so dramatic and so obvious to people.

But I will say we had a very good chance to discuss it in considerably more detail than I think would be appropriate to discuss it here.

Central America

Q. President Bush, you have accused the Soviet Union for sending arms to Central America, and, President Gorbachev, you have denied those charges. Now both of you sit here together. Who is right? [Laughter]

The President. Maybe I ought to take the first shot at that one. I don't think we accused the Soviet Union of that. What we did say is arms were going in there in an unsatisfactory way. My view is that not only did the Nicaraguans acquiesce in it but they encouraged that to happen. And the evidence is demonstrable. But I'm not challenging the word of the Foreign Minister. He and Jim Baker talked about that, and President Gorbachev and I talked about it.

All I know is that -- and he said it earlier -- elections, free elections, should be the mode. And I also reported to him what Mr. Oscar Arias [President of Costa Rica] called me about, blaming Castro and the Sandinistas for exporting revolution and for tearing things up there in Central America.

So, we may have a difference on that one, but I want to be careful when you say I accused them of sending these weapons. I did not, because Mr. Shevardnadze made a direct representation to Mr. Baker. And everyone knows that there's a wide international arms flow out there. But whatever it is, however it comes, it is unsatisfactory for countries in the region that want to see the evolution toward democracy continue.

The Chairman. The President explained correctly the discussion on the subject. We were never accused, and we didn't have to accept or reject anything. We informed the President that we had firm assurances from Nicaragua that no arms, including those aircraft, are being used. And the President took our arguments and agreed to them. As regard the fact of principle -- I have mentioned it -- is that we are for free elections so that this conflict would be resolved by political means and the situation was kept normal.

The President. Well, that's what we agreed on. I agree that that's the assessment. I still feel that arms are going into El Salvador. We've seen clear evidence of it. But I can't argue with the factual presentation made here.

But we have a difference -- I don't believe that the Sandinistas have told the truth to our Soviet friends. And why? Because we know for fact-certain that arms have gone in there. I'm not saying they're Soviet arms. They've said they aren't shipping arms, and I'm accepting that. But they're going in there. And I am saying that they have misled Mr. Shevardnadze when they gave a specific representation that no arms were going from Nicaragua into El Salvador. So, we have some differences in how we look at this key question. And the best way to have those differences ameliorated is to have these certifiably free elections in Nicaragua. And Castro: I have no influence with him whatsoever, and maybe somebody is yelling that question at President Gorbachev. But look, we've got some differences in different places around the world.

Q. What about Cuba?

Q. Question to both Presidents.

The Chairman. What do you mean?

Q. Oscar Arias apparently called President Bush and told him that Cuba was really creating the situation in the region by commenting -- --

The Chairman. We discussed the situation in Latin America and Central America, and explained our assessments. On the basis of our analysis, on our own analysis, and our assessment, I told the President that there were conditions emerging for improving the situation for the better, as different countries had the desire to change the situation and normalize the situation -- both in the United States and in other countries.

Q. Will you give, Mr. President, an answer?

The President. I'd be glad to. Somebody better tell me what the question was then if I'm going to answer. The question of Germany?

German Reunification

Q. Whether the German question was discussed and your attitude toward the Kohl [Chancellor of the Federal Republic of Germany] plan.

The President. The United States, as part of NATO, has had a longstanding position. Helsinki spells out a concept of permanent borders. I made clear to President Gorbachev that we, for our part, do not want to do anything that is unrealistic and causes any country to end up going backwards or end up having its own people in military conflict, one with the other. And so, I think we have tried to act with the word that President Gorbachev has used to -- and that is, with caution -- not to go demonstrating on top of the Berlin Wall to show how happy we are about the change. We are happy about the change.

I've heard many leaders speak about the German question. And I don't think it is a role of the United States to dictate the rapidity of change in any country. It's a matter for the people to determine themselves. So, that's our position, and the last word goes to the Chairman on this.

The Chairman. Yes, and the President wrote a note to me in English. I don't read English, but I answered in Russian -- he doesn't read Russian -- but we agreed on it anyway. [Laughter]

I'll be brief. In the past few days, I already answered a few times on the question. I can only confirm what I said before. But as we have discussed with the President this question, I can say that we approach this subject on the basis of the Helsinki process, which summed up the results of the Second World War and consolidated the results of the war. And those are realities. And the reality is such that we have today's Europe with two German states, the Federal Republic of Germany and the German Democratic Republic, which are both members of the United Nations and sovereign states.

This was the decision of history. And I always revert to this subject, or thesis, which saves me. Indeed, in order to remain realists, we should say that history itself decides the processes and fates on the European continent and also the fates of those two states. I think this is a common understanding shared by anyone. And any artificial acceleration of the process would only exacerbate and make it more difficult to change in many European countries those changes that are now taking place now in Europe. Thus, we wouldn't serve that process by an artificial acceleration or prompting of the processes that are going on in those two countries.

I think we can thank the media for their cooperation. We are not yet aware of what they will write about us.

The President. Right to thank them afterward you mean? [Laughter] After they've written?

The Chairman. We should thank them in advance, and therefore, they will do better in the future. I would like to thank you, Mr. President, for your cooperation.

The President. We're going to have to leave at 1:20 p.m. Should we each take one more question or not? Last one to me, right here. No rebuttal. No backup questions. Last one.

Soviet-U.S. Relations

Q. What's your personal relationship now between you two leaders? And would regular contacts that would perhaps no longer be called summits be helpful?

The President. I had known President Gorbachev before, and I'd let him speak for himself. But I think we have a good personal relationship, and I believe that helps each side be frank, point out the differences, as well as the areas we agree on. And that is a very, very important ingredient, I think, because of the standing of the two powers and because of the dramatic change that is taking place.

And I am not saying that if he likes me, he is going to change long-held policies, and I am going to say that if I like him, we're not going to change long-held policies. But what we've been able to do here is to get together and talk about the difference without rancor, and frankly as possible. And I think it's been very constructive. So, I couldn't have asked for a better result out of this nonsummit summit. [Laughter]

The question is regular meetings. I'm open to see him as much as it requires to keep things moving forward. We've already set a summit meeting. That summit meeting will drive the arms control agenda. And that's a good thing because I represented to him that we wanted to see a START agreement, a CFE agreement, and hopefully, a chemical agreement. That's a very ambitious agenda, but I think if we hadn't sat here and talked we might not have understood how each other feels on these important questions.

The Chairman. I would like to confirm what President Bush has said: that we have known each other for a long time. But I would also add -- and I have not agreed on it with the President in advance, but this is no secret -- that we have had considerable exchanges of views in previous contacts, and we had an understanding of the positions of each other. And we would only mention the Governors Island or our discussion in the car, and then we would understand what we are talking about. Then we exchanged letters.

And today's meeting boosts our contacts to a higher level. I'm satisfied with the discussions and meetings we had, including our two private discussions. I share the view of the President that personal contacts are a very important element in the relations between leaders of state, the more so we are talking about the leaders of such countries as the United States and the Soviet Union. And I welcome those personal relations.

And the President was quite correct in saying that this didn't mean that we would sacrifice our long-held positions at the expense of our personal ties or that we forget our responsibility. I think our personal contacts help us implement our responsibilities and help us better interact in the interests of our two nations and in the interests of the entire world community. And I, myself, would like to thank the President for cooperation for this meeting, for the cooperation in a very important joint Soviet-U.S. endeavor. And our share is 50 - 50.

The President. Well, I guess we're going to fly away to Brussels.

Note: The President spoke at 1:20 p.m. aboard the Soviet passenger liner ``Maxim Gorky'' in Marsaxlokk Harbor. Chairman Gorbachev spoke in Russian, and his remarks were translated by an interpreter.

Question-and-Answer Session With Reporters in Malta

December 3, 1989

Meeting With Soviet Chairman Gorbachev

Q. Are you still talking to Bucky?

The President. Bucky Bush? You mean because of the weather? Yes, yes, because I think it worked. It didn't work to perfection because of the weather, but the meeting worked. So, I'm still talking to him.

Q. You came here setting out goals for yourself to have this informal, unstructured meeting, as you said you did out there. But I'm curious if you feel that you achieved the goals you set out, the more ambitious goals you set out in your Thanksgiving speech, where you said you wanted to come and Mr. Gorbachev join with you in tearing down the barriers and ending the cold war.

The President. I didn't say we were going to do all that at Malta. But, yes, I think the meeting was very productive and constructive. It worked exactly the way I visualized it when we took the initiative, which he confirmed, to set the meeting. Indeed, at one moment, I actually did put my foot up. And I say that because there were no subjects off the table, there were no tensions as any subject was raised on either side. And I have a very positive feeling.

And yet we have not solved all the problems that exist between the U.S. and the Soviet Union, nor all the problems that have existed over the years between Western Europe and the rest of the NATO allies and Eastern Europe. But I understand better where he's coming from, and that, I think, is very important. And he understands our priorities. He understands the concerns, for example, that I feel about Central America because we really had a good, frank discussion.

Q. But if I can follow up on this goal, as I say, you set for yourself, at least toward moving toward ending the cold war. He said an epoch has ended. How do you feel about that?

The President. I think it's a major step towards understanding and in trying to tear down any remaining barriers that shot up because of the cold war. There's no question that the conditions today are far different than at the depths of the cold war -- no question about it. I haven't even heard anybody argue to the contrary.

NATO and the Warsaw Pact

Q. Mr. President, what do you think of NATO and Warsaw Pact evolving to political organizations and really moving out of the military mode?

The President. Well, if we make the progress that I hope we'll make on various arms control items, and if tensions continue to go down, as they have, inside the Soviet Union and in terms of relations with the United States and in Eastern Europe, who knows where the change will take us? But obviously I have a certain responsibility for keeping NATO strong, and nothing here has altered that desire. But as you see the historical changes taking place -- I think it's fine to envision a group of countries that spend a lot more time worrying about the economic side and less on the defense side. We are not there yet. We're not there.

Meeting With Soviet Chairman Gorbachev

Q. What will you tell the NATO leaders?

The President. Well, I'll wait until I get there to decide that. I'll give them a pretty good report on what went on, considerable detail -- not all necessarily -- because some relates to the U.S.-Soviet equation. But we'll have a good, frank discussion, and I think they will be pleased at what the results of the meeting are.

Q. Mr. President, other than the weather, were there any disappointments? You seem to still be at odds very much so on Central America. And was there anything Mr. Gorbachev told you that especially surprised or pleased you?

The President. No, no surprises. But as I say, Michael [Michael Gelb, Reuters], we cannot -- in 10 hours of discussion, or whatever it is -- solve all the problems that exist between the United States and the Soviet Union and the way we look at different areas. But it would be euphorically optimistic to think that a meeting like this would solve all those problems. But it's better; we understand more. I've got some areas where I can now go back to him -- various areas, but there were no surprises. It was a wide discussion. I'm not sure we left out any subjects, in a geopolitical sense. But we covered a lot of -- --

Q. No specific disappointments? Something you wish he was more forthcoming on?

The President. No particular disappointments, no, because I think the goal now is to go forward, as we have wanted to anyway, and demonstrate everybody's commitment to CFE talks, everybody's commitment to chemical weapons reductions, eventual elimination, and, of course, the START agenda.

Q. Mr. President, you talked about now having a better understanding of Mr. Gorbachev after this meeting. Could you tell us what you know about him today or understand about him today that you didn't know?

The President. Well, I know that he's perfectly willing to have very frank discussions, even if I'm on the opposite side of a question from him. There was no anger, there was no vitriol. It was a

very constructive set of meetings in that regard. And so, I saw a man who is confident. I saw a man who is calm in his presentations and responded as factually as he could in some of the questions I raised. And so, I'm convinced that the concept of getting it together for a no-agenda meeting was very, very sound.

Soviet-U.S. Relations

Q. Do you think that the United States and the Soviet Union now are dealing with each other more as allies than adversaries?

The President. I wouldn't say allies, but with far less misunderstanding and with far more common goals.

Q. What do you think of the adversarial relationship, or the nature of the relationship now?

The President. Well, as I say, I think it's vastly improved; tensions reduced -- not eliminated, but reduced. We still have different ways of looking at certain questions, but I think the answer is ``improved,'' Terry [Terence Hunt, Associated Press].

International Terrorism

Q. Mr. President, relatives of the Pan Am 103 bombing were going to have a ceremony at the harbor today -- drop flowers into the harbor -- as part of their attempt to have both you and Mr. Gorbachev work together in fighting international terrorism. Did this come up specifically this weekend, and could you talk a little bit about that?

The President. Yes. Not 103 per se, but you're talking about anti-international terror -- yes, it did -- and also in the antinarcotics efforts. There's more we can do. We didn't discuss it specifically, but I'm thinking about certain kinds of intelligence interchange that can prove to be beneficial.

Perestroika

Q. What was the conversation he was referring to on Governors Island?

Q. In the car?

The President. No. No, the car was in Washington. You remember when we rode from the Embassy over to the meeting at the White House? And in New York -- he did refer to Governors Island, and I think what he was talking about is that he opined that some people in our country wanted to see perestroika fail and that it wasn't going to fail and that it is irreversible. And I told him back then that I didn't think there were any serious elements in the United States that wanted to see perestroika fail. So, that's probably what he was alluding to. I missed that part.

Central America

Q. Secretary Baker, before you came out here a couple of weeks ago, said that the Soviet role in Cuba, Central America, was the primary obstacle to a more beneficial full-scale relationship between the two countries. You disagreed here, but did you advance the issue at all? Can you say -- --

The President. I don't know if we advanced it, but I was very, very clear in telling him how strongly I feel about that. And it did build on what Jim Baker had talked to Shevardnadze about out in Wyoming. So, there is no doubt in their minds that their assistance to Cuba and their lip service for the Sandinistas give us a considerable amount of difference with them. So, it's very clear -- well, until we see a free Cuba, self-determination and the people deciding what they want, Cuba will stick out until that date as a tiny country that's swimming against Mr. Gorbachev's own tide. And I made that point to him.

Q. How did he respond to that?

The President. Well, I'll let you ask him first chance you get.

Arms Control

Q. Could I ask you a question on arms control? Did I understand President Gorbachev to say that you hope to have a framework agreement in late June, but not an actual START treaty?

The President. I think we should shoot for a START treaty. I'm advised by some of the pros that that's complicated, but look, I think we ought to go forward and try to get a START agreement. And I think most everybody would like to see that happen. I don't see any resistance to it. We'll get some technical problems involved, but let the experts discuss, not me. So, if he said that there wouldn't be -- I mean, if the implication that you got was there won't be a START treaty in the summer of '90, I didn't get that feeling from him.

Q. So, you still think it's entirely possible or likely?

The President. It's possible, but we're going to have to drive the system.

Q. Is it likely, do you think?

The President. It's hard to quantify my feeling on that one. But I really don't see a reason why it can't happen.

Q. What about SDI in that context? Did you talk about SDI?

The President. Just a wide array. You can just be sure that defensive was talked about as well as offensive, rockets as well as people. It was a wide array of discussion on that general -- yes?

Q. Was the procedure for our troop cuts beyond CFE I discussed?

The President. Yes, he is very much interested in seeing troop cuts beyond CFE. He knows I'm part of an alliance and not going to go off on some unilateral attack on that. But I think in fairness to the man, he did raise that. But I think we both agree that the immediate goal is to push the system on both sides so we can get a CFE agreement.

Back to Terry's question: I think that's entirely possible. It should be, and I'm going to be driving our bureaucracy and discussing it at NATO because I think it's a very important step.

Defense Budget Cuts

Q. Well, in that respect, are you going to cut the defense budget?

The President. Not in that respect. We've already cut the defense budget.

Q. Well, [Secretary of Defense] Cheney certainly has been talking a lot about -- --

The President. Listen, he's doing exactly what I want him to do: go back and question and see how things can be restructured. And if there is a way to prudently save money and not weaken the common defense of NATO or not weaken the ability of the United States to protect our friends around the world, fine. That would be acceptable to me, but we're simply not going to go out there and make draconian cuts in defense so I can solve this Gramm-Rudman problem.

Soviet-U.S. Relations

Q. Well, do you believe him when he says he won't start a hot war?

The President. I think he has no intention of starting a hot war. I mean, where he said attacking the United States interests? How did he phrase it? It was something like that.

Q. A hot war against the United States.

Q. The question was about a cold war.

The President. Yes. I have no evidence that there's anything other than the truth in that

statement.

Mr. Fitzwater. We're going to have to go. We'll give Frank [Frank Sesno, CNN] a final one here.

Meeting With Soviet Chairman Gorbachev

Q. May I ask you a personal question? Just some personal thoughts coming here after all the preparation and some of the criticism of being too timid, or whether -- --

The President. Yes. I'm not interested -- let me interrupt once to editorial -- wasn't it interesting the way he used the word ``caution''? And I didn't put him up to it, either, but go ahead.

Mr. Fitzwater. He said prudent at one time, too.

The President. Did he really? [Laughter] Go ahead.

Q. What was it like for you? What did it feel like, sitting across from this man and, in many ways, discussing the shape of the world that cannot really be forecast?

The President. Well, inasmuch as I had met him before and had a couple of private conversations with him before, it was probably less formidable than if I'd never met him. And given the changes that he's advocating, in terms of self-determination and Eastern Europe changing without any threat of force from them, the climate was easier because of those things. But there still was a recognition on my part: one, that this was serious business; and two, that we have got to find ways to work for peace constructively.

And sitting across the table from me was a person that can have as much to say about that as any other individual in the world, given the superpower defense status of both countries. So, there was a recognition that this was important. And yet the climate in the meetings was without rancor and without hostility. I remember a time when I first met Mr. Gorbachev and we talked about human rights, and he became visibly agitated with me for raising it. And I think there's been a great evolution in his thinking on that question, and certainly on his relations with the United States, just as there had been an evolution on my thinking. You may remember, I was the one who was against the very kind of meeting that I decided was necessary, because I think as these changes take place, this kind of meeting can be helpful.

So, the emotional part of it, Frank, is hard to describe for me because I'm not the most articulate emotionalist. But I just can't have asked for a better ambiance, a better feel from the meetings, even though the differences are acute in some areas. But you get the feeling he really wants to work with us. And he knows that I'm cautious. And you heard him talk. He used the word ``prudent.'' I'm sure that was deliberate on his part. I do think this: that 6 months ago there was probably a misunderstanding on his part about the intentions of this new President. And I think

one of the good things is I don't think he has any feeling that I'm going to be unforthcoming in situations where I should be. I don't think he has me down as a total negativist at all, and I certainly don't have him down. And as I see the reception he gets in Italy, I can talk to him about why that emotional response, his identity with change.

So, back to the personal side: The events helped; his own personality helped. I'd like to think he thought I knew what I was talking about, so we could have a good exchange without having to go to the experts or go to the notebooks. And it worked. And now we've got to move. Now we've got to move forward, and I think we can, in a lot of ways. I think we can on the economic front. I'm convinced we can, and must, on the arms control front.

Q. You're going to report to NATO tomorrow. How are you going to report to the American people on this summit?

The President. I don't know whether we're having a -- we may well have a press conference when we get back.

Mr. Fitzwater. At some point.

Q. Early?

Mr. Fitzwater. At an unspecified time.

The President. That's the best way to do it.

Q. In an Oval Office speech or -- --

The President. Well, I just did one just before going, and I don't want to -- --

Q. Press conference is good. [Laughter]

The President. -- -- abuse the hospitality of the airwaves. But I think we can get the message out by responding to questions.

Q. Did you ever lose your temper?

The President. No.

Q. You said that he had no rancor himself.

The President. No, I don't lose my temper.

Q. Did you get seasick?

Q. What?

The President. I don't.

Q. Come on.

The President. I don't.

Q. You hit the ceiling a lot.

The President. I keep it all inside.

Q. No, that's how you get ulcers.

The President. No, no, that's where I think your reporting has been a little off. [Laughter]

Q. Keeping it all inside?

The President. What was the -- that they got on Marlin about saying ``He hit the ceiling." What was that, a few months back -- which was untrue.

Q. On somebody -- one of the -- --

Q. Some leak. [Laughter]

The President. Some leak -- probably Reuters.

Q. Any seasickness from either superpower?

Q. That's how you got that ulcer. You kept it in. You don't do that anymore.

The President. No, but I don't have to. I'm matured. And the answer is: Don't worry about things you can't do anything about. That's a little advice I got from the doctor in 1960, and it works. So, why blow up at Helen [Helen Thomas, United Press International] if she asks a question I don't like, or this one over here?

Q. Well, we've seen you go up in smoke sometimes.

Mr. Fitzwater. Okay. This is getting into a difficult area. [Laughter]

The President. Not really. You think it's smoke? You ought to see me. If occasionally I do go up in smoke, it doesn't relate to this line of work. It's other things.

We'll see you guys -- see you on the plane.

Q. Are you going to come back and chat?

The President. Are you going out to the Bois for dinner? It's marvelous. What's that restaurant in the woods?

Q. Dinner?

Q. To dinner? [Laughter]

The President. Did you have lunch?

Q. No.

Q. No.

Q. Some people haven't had breakfast yet. [Laughter]

The President. I haven't either.

Q. Thank you very much.

Q. Thank you.

The President. All right. Thank you all. It was good. Thank you for coming in.

Q. We're glad it went well.

The President. I think it did.

Q. For the world.

The President. I really mean it. Yes, and I look at it that way -- grandkids, all of that. Very important.

And let me just add one thing. Mrs. Gorbachev went out of her way to greet me inside before we came in here. And she couldn't have been more pleasant. I sent her a little note from Barbara, a tiny little souvenir. And she was most gracious and most, I would say, pleased with the way the meetings had gone and all of that, which is a nice touch, a very nice touch.

Q. She sat there smiling.

The President. I didn't see her facial expression, but I know that when we chatted earlier it was positive, quite positive. Nothing other than in keeping with the whole mood of this meeting.

Q. Did the President exchange any gifts?

The President. I think we did, but we didn't do it personally.

Q. A piece of the wall? Did you give him a piece of the wall?

The President. No, I did not have a piece of the wall.

Q. Do you regret that Mrs. Bush didn't come?

The President. No. It wasn't planned from the beginning, and she had the Kennedy Center Honors, which the President should -- or family should participate in. And the setting at sea was such that it didn't lend itself. But I know Barbara's looking forward to getting up with Raisa. I'm sure of it.

Upcoming Soviet-U.S. Summit

Q. Where is the next summit? On the barge?

The President. No. Not set.

Q. In Washington?

The President. On the barge. [Laughter]

Q. Texas?

The President. No, probably Washington, but we didn't actually set the place.

Houston Economic Summit

Q. I'll bet the Houstonians are glad about the economic summit.

The President. Well, I haven't seen any press. I thought they would be, but maybe it got good -- --

Q. You made the announcement from here, that's why.

The President. Yes, it may -- well, did we, or -- --

Mr. Fitzwater. On the way.

The President. -- -- on the way over, yes. But I haven't had a chance to see the reaction. But it's appropriate, it's good, and I'm glad, obviously, that it's going to be there.

Philippines

Q. Anything on Mrs. Aquino?

The President. No more word today. No more word. It was quiet last night, our time, thank God.

Mr. Fitzwater. Okay.

Q. When's your next summit?

The President. I don't know. I don't know. These are available for $1.50 each. I don't know whether anybody's interested. [Laughter]

Q. Next week they'll be down to a quarter. [Laughter]

The President. I'm going to mail them. I'm sitting here now, sending them to friends.

Q. Did you get a first-day issue stamp?

The President. Yes. Well, that's what we got for these.

Q. We have some of those.

The President. And you put them on the other things I sent. I had a very clever note that I wrote out before I got here. Real clever -- and funny. Oh, you'll die. [Laughter] It's a whole new emotional humorous side to this President. But I can't share it with you.

Q. Secretive humor.

The President. If you can find 1 of the 25 people that received it, you're going to break up and say, ``What have we been missing in this guy all this time?''

Q. Give him my address.

The President. Too late. No, this is the letters that I sent -- cards. Unlike this, however.

Q. What did you say?

The President. Can't tell you any more, Helen, honest. Personal relationships, you know how that is.

Q. Thank you.

The President. You've spent a lot of time out in the cold.

Q. Not too bad.

The President. Sorry you didn't get on the ships because it was so nice. Actually I enjoyed last night, we stayed up and watched. We're not going to leave you, if that's what you're getting at.

Q. Leave orbiting?

Mr. Fitzwater. Thank you all.

Note: The President spoke at 2:47 p.m. on the Soviet passenger liner ``Maxim Gorky'' in Marsaxlokk Harbor. In his opening remarks, he referred to his brother, William Bush. Marlin Fitzwater was Assistant to the President and Press Secretary.

Remarks at the Welcoming Ceremony in Brussels

December 3, 1989

Prime Minister Martens. Mr. President, it is my very special privilege to welcome you tonight to Belgium, where all our allies are gathering this very day to hear a message that you, Mr. President, will present tomorrow at the NATO Headquarters. This is a cold evening, Mr. President, but there is a glow of anticipation alive in all of us who have been witnessing the events of recent months.

Now that Christmastime is near, we are looking for good tidings. And I believe that with constancy and determination we may proceed in that direction and not be led astray. Welcome to Belgium!

The President. Well, thank you very much, Prime Minister Martens, for that welcome. You have this wonderful way of making people feel genuinely welcome.

Today we met in Malta, Winston Churchill's ``tiny rock of history and romance''; ancient stepping stone to Europe; today, the crossroads of East and West. And tonight we meet in Brussels, and tonight we stand at the crossroads of history on our way to a Europe made whole and free.

At the outset of these remarks, may I, sir, express the condolences from the American people for the sad accident that happened right here today. And I express my condolences to the families, if you will, of those whose lives were taken.

It's always a pleasure to come back here to Brussels. This city represents the finest that Europe has to offer in friendship and hospitality. And it also represents the strength and the vitality of European institutions, nourished and protected for more than 40 years by the security shield of NATO, one of the great success stories of our century, and now increasingly invigorated through the European Community. Brussels itself symbolizes a vibrant and growing transatlantic partnership, one that has helped foster the astounding changes that we're seeing today.

The modern Atlantic alliance was born at sea. It was on a battleship off the coast of Canada that Franklin D. Roosevelt and Winston Churchill met during Europe's darkest hours -- great leaders, a rendezvous at sea, rendezvous with destiny. The legacy of that meeting became known as the Atlantic Charter, significant not for its details but for its vision. And it spoke of a day when all peoples in all nations would enjoy freely to choose their form of government and live lives rich with opportunity and hope. It spoke of a day when nations would resolve their differences at the negotiating table, not on the field of battle.

Tonight, I've come to Brussels to share with our friends and our allies the results of that vision,

results borne of strength and solidarity, continuity and commitment. It seems like the world is changing overnight. But the yearning for freedom lives within all of us, and always has. And that simple truth is manifested in the thunderous events that are taking place just a few hundred kilometers to the east. And that simpler truth brought Mikhail Gorbachev and me together on a windswept harbor off Malta.

The seas were as turbulent as our times, but it was not an ill wind carrying us on our mission. No, it was the winds of change -- strong and constant, profound. And today, as the sun broke through the clouds there at Malta, we could see a new world taking shape, a new world of freedom.

Much was accomplished to accelerate and improve East-West relations. And I made clear to Chairman Gorbachev that the United States supports fully his policy of perestroika. And I outlined steps we are prepared to take to demonstrate that support. Much remains to be done. But none of these positive developments that we are seeing, nor the steps that I have laid out with the Soviet Union, would be possible without the enduring foundation of the North Atlantic alliance.

For 40 years, NATO was dependent on our democratic way of life -- defended it. And by protecting freedom for the peoples of the West, it has held out the hope of a better future for the peoples of the East. Here in Brussels just 6 months ago, we pledged again as allies to work together to end the division of Europe, and we now stand at the threshold of making that dream a reality. Europe is in the midst of the most profound transformation in four decades. Now, more than ever, this alliance of free nations remains the bedrock of peaceful change in Europe, and that is what I will be discussing with my NATO colleagues tomorrow. I'm sure they will agree with that.

It's an exciting time for the alliance, for America, and for Europe. Thank you again, Mr. Prime Minister, and God bless you and the wonderful people of Belgium.

Note: The President spoke at 7 p.m. at Zaventem Airport. In his opening remarks, he referred to an explosion that occurred at a private shooting range in Brussels.

Statement by Press Secretary Fitzwater on the President's Meetings With Foreign Leaders in Brussels

December 3, 1989

The President gave Prime Minister Martens an account of the meeting in Malta. The Prime Minister said he thought it was a great success for the President and the West. They talked about the ensuing challenges for NATO in managing change in Europe and agreed that the European Community would have an important role to play in peaceful change on the continent.

Chancellor Kohl congratulated the President on the outcome of the Malta meeting. The Chancellor said that the discussions there had pushed forward East-West cooperation and were a demonstration of America's commitment to the future of Europe. The two leaders agreed that NATO would remain the cornerstone of the West's efforts to manage peaceful change in Europe.

Note: The President met with Belgian Prime Minister Wilfred Martens at 7:15 p.m. and with West German Chancellor Helmt Kohl at 8:20 p.m. at Chateau Stuyvenberg.

White House Fact Sheet on the Meeting With Soviet Chairman Mikhail Gorbachev in Malta

December 4, 1989

The President and Chairman Gorbachev exchanged views on a variety of issues during their meetings in Malta, including the remarkable events leading to peaceful and democratic change in Eastern and Central Europe.

The President noted his strong support for perestroika and suggested that the two leaders work to give major new impetus to the U.S.-Soviet relationship. The President conveyed his strong personal commitment to this goal.

In this spirit, the President put forward the following ideas:

Next Steps

1. Holding the summit in the United States during the last 2 weeks in June.

2. Having the next meeting of Foreign Ministers next month in the Soviet Union to prepare for the summit.

Economics and Commercial Relations

1. Targeting the 1990 summit for completion of a trade agreement granting most-favored-nation status to the Soviet Union so that the President can grant a Jackson-Vanik waiver at that time. To reach that goal, the President proposed beginning negotiations on a trade agreement now and urged the Supreme Soviet to complete action on its emigration legislation early next year.

2. Supporting observer status for the Soviet Union in GATT after the Uruguay round is completed next year. The President urged the Soviet Union to use the intervening time to move toward market prices at the wholesale level so its economy will become more compatible with the GATT system.

3. Expanding U.S.-Soviet technical economic cooperation. The President presented a paper proposing specific economic projects covering topics such as finance, agriculture, statistics, small business development, budgetary and tax policy, a stock exchange, and antimonopoly policy.

4. Exploring with Congress the lifting of statutory restrictions on export credits and guarantees after a Jackson-Vanik waiver.

5. Beginning discussions of a bilateral investment treaty that would provide protections for American business people who want to invest in the Soviet Union.

6. Improving ties between the Soviets and the OECD, and East-West economic cooperation through the economic basket of the CSCE process.

Human Rights

Resolving all divided family issues by the time of the 1990 summit. In this regard, the President handed over a list of people wishing to emigrate.

Regional Issues

Expressed disappointment with Soviet policy on Central America, noting it was out of step with the new Soviet direction domestically in Eastern Europe and in arms control. Nicaragua/Cuba remains the single most disruptive factor in the relationship.

Arms Control

1. Speeding achievement of a chemical weapons ban by offering to end U.S. production of binary weapons when the multilateral convention on chemical weapons enters into force in return for Soviet acceptance of the terms of our U.N. proposal to ban chemical weapons.

2. Proposing to sign an agreement at the 1990 summit to destroy U.S. and Soviet chemical weapons down to 20 percent of the current U.S. level.

3. Suggesting joint U.S.-Soviet support for a CFE summit to sign a CFE treaty in 1990.

4. Accelerating the START process in order to resolve all substantive issues and to conclude a treaty, if possible, by the 1990 summit. To this end, the President suggested that Secretary Baker and Foreign Minister Shevardnadze concentrate on resolving at their January meeting three of the outstanding START issues: ALCM's [air-launched cruise missiles], nondeployed missiles, and telemetry encryption.

5. Completing work on the Threshold Test Ban Treaty (TTBT) and the Peaceful Nuclear Explosions Treaty (PNET) for signature at the 1990 summit.

6. Proposing that the Soviet Union join efforts to constrain missile proliferation more effectively by observing the limits developed by the U.S. and its allies in the Missile Technology Control Regime.

Military Openness

Making public more information on military programs. The President suggested that the Soviet Union make public the details of its military budget, force posture, and weapons production figures, just as the United States now does.

Olympics

Suggesting joint U.S.-Soviet support for Berlin as the site of the 2004 Olympic Games.

Environment

1. Hosting a conference next fall to negotiate a framework treaty on global climate change, after the working groups of the U.N.-sponsored Intergovernmental Panel on Climate Change submit their final report.

2. Convening an international meeting at the White House next spring for top-level scientific, environmental, and economic officials to discuss global climate change issues. The President expressed hope that the Soviets will join us by sending their top officials in the field.

Student Exchanges

Increasing significantly university exchanges so that an additional 1,000 American and 1,000 Soviet college students are studying in each other's country by the beginning of the 1991 school year.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jacques Delors of the European Economic Community in Brussels

December 4, 1989

President Bush discussed with European Economic Community President Jacques Delors the broad outlines of his conversations with Chairman Gorbachev, emphasizing particularly the economic and political developments in Eastern Europe. He complimented President Delors on the EC's coordination of Western aid to Hungary and Poland. This was the third meeting this year between President Bush and President Delors, an indication of the importance both sides attach to the U.S. - EC relationship.

The President underscored the United States commitment to Europe and noted his belief that a strong, vigorous European Community is a vital partner with NATO in preserving the freedom and democratic values of Western Europe -- those very values which are now sweeping eastward.

Note: The two Presidents met at 8:05 a.m. at Chateau Stuyvenberg.

Outline of Remarks at the North Atlantic Treaty Organization Headquarters in Brussels

December 4, 1989

Introduction

This morning I reviewed my discussions with President Gorbachev at Malta, and we heard from Prime Minister Andreotti and Prime Minister Mulroney about their recent meetings with him. I would like to take this opportunity this afternoon to talk about a subject of even broader scope: the future shape of the new Europe and the new Atlanticism.

A Time of Choice

When we last met in May, our summit declaration described the setting as a ``juncture of unprecedented change and opportunities." In the last 6 months, we have witnessed events that have finally begun to match our hopes these 40 years. Our dreams for an historic transformation of Europe from a divided continent into a continent whole and free are coming true.

The alliance was established in 1949 to provide the basis for precisely the extraordinary evolution which is occurring in Eastern Europe today.

This year the people of the East made fundamental choices about their destiny, and governments there began to honor the citizen's right to choose. What these changes amount to is nothing less than a peaceful revolution.

The task before us is to consolidate the fruits of this peaceful revolution and provide the architecture for continued peaceful change. Great choices are being made, and greater opportunities beckon.

The First Principle for Europe's Future: Overcoming the Division of Europe Through Freedom

In any time of great change, it is good to have firm principles to guide our way. Our governments committed themselves again in May to seek an end to the painful division of Europe. We have never accepted this division. The people of every nation have the right to determine their own way of life in freedom.

Of course, we have all supported German reunification for four decades. And in our view, this goal of German unification should be based on the following principles.

First, self-determination must be pursued without prejudice to its outcome. We should not at this

time endorse nor exclude any particular vision of unity. Second, unification should occur in the context of Germany's continued commitment to NATO and an increasingly integrated European Community, and with due regard for the legal role and responsibilities of the allied powers. Third, in the interests of general European stability, moves toward unification must be peaceful, gradual, and part of a step-by-step process. Lastly, on the question of borders, we should reiterate our support for the principles of the Helsinki Final Act.

An end to the unnatural division of Europe and of Germany must proceed in accordance with and be based upon the values that are becoming universal ideals, as all the countries of Europe become part of a commonwealth of free nations. I know my friend Helmut Kohl completely shares this conviction.

The Role of NATO

The political strategy for NATO that we agreed upon last May makes the promotion of greater freedom in the East a basic element of alliance policy. Accordingly, NATO should promote human rights, democracy, and reform within Eastern countries as the best means of encouraging reconciliation among the countries of Eastern and Western Europe.

This effort recalls the origin of NATO as a political alliance of nations sharing the same fundamental values, a foundation on which I expect NATO will increasingly build in this new age of Europe.

Alliance support for reform and positive change in the East needs to be broad, multifaceted, and flexible. It should not only be a question of economic assistance -- as important as that might be -- but of steps to support greater political pluralism, open up flows of information, develop needed technical expertise, and provide through our defense and arms control efforts a stable security environment for individual European states, both East and West. This fits the concept of ``New Missions for NATO'' which I proposed when I was here last May for our summit.

But we also must remain constant with NATO's traditional security mission. The potential for strife is inherent in any period of fundamental political transition. In seeking and preparing peaceful change, this alliance also must remain a reliable guarantor of peace in Europe, as it has been for 40 years. It unites the free states of the Atlantic community in sharing risks and responsibilities as we work together to nurture and guide the development of a new Europe.

As a defensive alliance and partnership of democracies, NATO should not be seen as threatening by the East; rather, it can help manage peaceful change in Europe in a way that preserves security and stability for all states. A healthy NATO will support both moves toward greater unity within Western Europe as well as the dissolution of barriers with the East.

Although this is a time of great hope, we must not blur the distinction between promising

expectations and present realities. My government therefore remains committed to the alliance strategy for the prevention of war based on a mix of nuclear and conventional forces. I pledge today that the United States will maintain significant military forces in Europe as long as our allies desire our presence as part of a common security effort. As I said at NATO earlier this year, the United States will remain a European power. That means the United States will stay engaged in the future of Europe and in our common defense.

This is not old thinking; it is good thinking. Of course, I would like to see a less militarized Europe. Everyone here knows how strongly I support the progress being made in the negotiations on conventional forces in Europe toward an agreement that would reduce the size of the conventional forces on both sides of the East-West divide. This CFE agreement would dramatically cut back Warsaw Pact, particularly Soviet, force strength. This has great implications for the process of reform in Eastern Europe, as well as for the security of Western Europe, and it would provide for a carefully managed and responsible set of allied reductions as well.

As we seek to adjust our military posture to the changing political climate, I can think of no better model than the CFE process as a way to coordinate our responses to the new requirements of European security. We must stand together for negotiated, coordinated, stabilizing reductions -- against a rush to throw off defense burdens, against a return to the narrow protection of self-interest that could be so dangerous at a time when European politics are in a state of flux rivaled in my adult life only by the immediate aftermath of the Second World War.

Yet, the CFE process has not realized its full potential. Last May we agreed to seek an agreement within 1 year. We have made good progress since then, but too little and too slowly to take full advantage of the opportunity before us: the chance to ease the Soviet Army out of Eastern Europe and substantially reduce the risk of surprise attack and aggression. We as political leaders need to remain fixed on this goal and to reenergize our bureaucracies and negotiators to seize this urgent opportunity. I hope you agree with me on the need for action now. If we in this alliance are not equal to the changes that are going on in Europe around us, the CFE process could be overrun by events. That could be dangerous, and we must avoid it.

Similarly, we need to give thought to how the alliance can best maintain, in the midst of change, deterrence at the lowest possible level of forces. For that reason, I am prepared to look with an open mind at ways in which we can together achieve even lower levels of conventional and nuclear forces in Europe as part of a negotiated agreement.

The Role of the Conference on Security and Cooperation in Europe (CSCE)

Many of the values that should guide Europe's future are described in the Final Act of the Conference of Security and Cooperation in Europe. These values encompass the freedom of people to choose their destiny under a rule of law with rulers who are democratically

accountable. I think we can look to the CSCE to play a greater role in the future of Europe.

Earlier this year, I suggested we expand the CSCE human rights basket to include free elections. Given the calls and commitments to elections in many nations to the East, this could be an excellent time for the CSCE to assume this additional mandate.

In addition, the economic basket of the CSCE has been underdeveloped. I suggested to Chairman Gorbachev this weekend that we could breathe new life into this aspect of CSCE by focusing on the practical questions involved in the transition from stagnant planned economies to free and competitive markets.

In sum, the 35 nations of the CSCE bridge both the division of Europe and the Atlantic Ocean. It is a structure that should be able to contribute much to the future architecture of Europe.

The Role of the European Community (EC)

I also appreciate the vital role the EC must play in the new Europe. Before my trip to Malta, President Mitterrand called to share with me the views about recent events expressed at the EC meeting he had called. And I know the Community will be returning to these topics in Strasbourg later this week.

It's my belief that the events of our times call both for a continued, perhaps even intensified, effort of the 12 to integrate, and a role for the EC as a magnet that draws the forces of reform forward in Eastern Europe. That's why I was exceptionally pleased that we agreed at the Paris economic summit on a specific role for the EC in the Group-of-24-effort to assist Poland and Hungary. Now the G - 24, catalyzed by EC efforts, must deliver. One key step is to help Poland assemble the $1 billion stabilization fund it has requested to support the major macroeconomic overhaul plan it intends to put in place within weeks.

I recognize, of course, that the EC cannot bear this burden alone. The United States will be at the Community's side in this noble endeavor. I also am committed to a close U.S. partnership with the EC. We are bound together by common values and democratic institutions, as well as by shared interests. So, we should look for ways to improve our ties, so a new Atlanticism will pull in harness with a new Europe.

Conclusion

We stand on the threshold of a new era. We know that we are contributing to a process of history driven by peoples determined to be free. The people of Europe, especially the brave citizens of the East, are illuminating the future. Yet the outcome is not predestined. It depends on our continued strength and solidarity as an alliance. It depends vitally on the actions we take, as governments and individuals, to offer leadership, protection, and encouragement for this process

of peaceful transformation.

Europe is changing, and we will be equal to the change. Our transatlantic partnership can create the architecture of a new Europe and a new Atlanticism, where self-determination and individual freedom everywhere replace coercion and tyranny, where economic liberty everywhere replaces economic controls and stagnation, and where lasting peace is reinforced everywhere by common respect for the rights of man.

Note: The President participated in morning and afternoon working sessions and had lunch with alliance leaders at NATO Headquarters. The outline referred to Prime Minister Giulio Andreotti of Italy, Prime Minister Brian Mulroney of Canada, Chancellor Helmut Kohl of the Federal Republic of Germany, and President Francois Mitterrand of France.

The President's News Conference in Brussels

December 4, 1989

The President. I have a statement, and then I'll be glad to respond to your questions.

This year the people of the East made fundamental choices about their destiny, and governments there began to honor the citizen's right to choose. What these changes amount to is nothing less than a peaceful revolution. And the task before us, therefore, is to consolidate the fruits of this peaceful revolution and provide the architecture for continued peaceful change, to end the division of Europe and Germany, to make Europe whole and free.

Great choices are being made. Greater opportunities beckon. The political strategy for NATO that we agreed upon last May makes the promotion of greater freedom in the East a basic element of alliance policy. Accordingly, NATO should promote human rights, democracy, and reform within Eastern countries as the best means of encouraging reconciliation among the countries of Eastern and Western Europe.

Although this is a time of great hope -- and it is -- we must not blur the distinction between promising expectations and present realities. We must remain constant with NATO's traditional security mission. I pledge today that the United States will maintain significant military forces in Europe as long as our allies desire our presence as part of a common defense effort. The U.S. will remain a European power, and that means that the United States will stay engaged in the future of Europe and in our common defense.

Many of the values that should guide Europe's future are described in the Final Act of the Conference on Security and Cooperation in Europe. These values encompass the freedom of people to choose their destiny under a rule of law with rulers who are democratically accountable. I think we can look to the CSCE to play a greater role in the future of Europe. The 35 nations of the CSCE bridge both the division of Europe and the Atlantic Ocean. It's a structure that should be able to contribute much to the future architecture of Europe.

I also appreciate the vital role that the EC [European Community] must play in the new Europe. And it's my belief that the events of our times call both for a continued, perhaps even intensified, effort of the 12 to integrate, and a role for the EC as a magnet that draws the forces of reform toward Eastern Europe. And that's why I was exceptionally pleased that we agreed at the Paris economic summit on a specific role for the EC in that Group of 24 effort to assist Poland and Hungary.

We stand on the threshold of a new era. And we know that we are contributing to a process of history driven by the peoples determined to be free. The people of Europe, especially the brave citizens of the East, are illuminating the future. And yet the outcome is not predestined. It

depends on our continued strength and our solidarity as an alliance.

Our transatlantic partnership can create the architecture of a new Europe and a new Atlanticism, where self-determination and individual freedom everywhere replace coercion and tyranny, where economic liberty everywhere replaces economic controls and stagnation, and where lasting peace is reinforced everywhere by common respect for the rights of man.

I now would be glad to respond to some questions. And we've got to be out of here about a little after quarter of.

U.S. Military Role in Europe

Q. Mr. President, I have a two-part question. You've made it clear that you are going to stay in Europe. But in view of the dramatic reduction in tensions and the obvious weakening of the Warsaw Pact, what will be the real American role? And two: Will there now be more money for the poor, the homeless, public housing -- the nation's really badly in need of repair infrastructure?

The President. We have a lot of demands at home, and there's no question about that. But I think it is premature to speak, as some are at home, about a peace dividend: take a lot of money out of defense, and put it into other worthy causes. And so, as I started over the budget figures for the next budget cycle, we are under a tremendous burden to get our total spending down in order to meet the Gramm-Rudman targets.

In terms of the U.S. role, I think I set it out here pretty well. We will continue to play a very active role in NATO. I see nothing that diminishes the importance of the United States. And I might say that I gathered from our interlocutors there -- the other heads of state and governments -- that they want us fully involved. And thinking back on my talks with Mr. Gorbachev, I don't see any conflict there either.

German Reunification

Q. Mr. President, Vernon Walters, your trusted adviser and the Ambassador to Bonn, said that he envisions a -- he says that Germany East and West will be reunited within 5 years. Do you think that's possible? And what would be the implications for NATO and the Warsaw Pact?

The President. I am not into the predicting of time on the question of Germany. I don't know whether the Secretary General read you these points. Let me just read the four points that represent the U.S. position on reunification. Self-determination must be pursued without prejudice to its outcome, and we should not at this time endorse any particular vision. Secondly, unification should occur in the context of Germany's continued commitment to NATO and an increasingly integrated European Community, and with due regard for the legal role and

responsibilities of the allied powers. Third, in the interest of general European stability, moves toward unification must be peaceful, gradual, and part of a step-by-step basis. And lastly, on the question of borders, we should reiterate our support for the principles of the Helsinki Final Act.

So, I am not trying to accelerate that process. I don't think our allies are. I think Chancellor Kohl [Federal Republic of Germany] feels comfortable with the four points I have just read. And so, I think it's better to let things move on their own and without the United States certainly setting some kind of deadline.

Meeting With Soviet Chairman Gorbachev

Q. Mr. President, you said in announcing your meeting with Chairman Gorbachev that one of the main reasons was that you wanted to make sure that in this time of change you didn't miss anything. In your 2 days of meetings, did you learn anything that you feel that you might have missed had you not had them?

The President. Yes. What I would have missed is I wouldn't see quite as clearly his priorities. I see them more clearly because he and I sat down and talked. We had about 8 hours of talk, some private. And I feel I can sense much more clearly the things he feels more strongly about. And we had a good chance to point out to him some of the difficulties with our relationship.

It wasn't all sweetness and light. I had a very good opportunity to tell him how we view the problems in our own hemisphere: the sending of arms in there to help the FMLN [Farabundo Marti National Liberation Front] and the unhelpful role that Cuba is playing. I recited in detail the Oscar Arias [President of Costa Rica] phone call to me: ``Please raise with Mr. Gorbachev the destructive role of Cuba."

So, I think it's more emphasis, although we did put forward some general themes on the economy. And I think he was pleased because I think from his standpoint -- and this is important for mine -- he now sees that we want to have a cooperative, forward-leaning relationship with the Soviet Union.

Q. Mr. President, you have, perhaps more than any contemporary American President, exercised personal diplomacy -- establishing personal friendships with a wide variety of leaders. Are you prepared now to say that Mr. Gorbachev is your friend?

The President. I'll say this: We had a very friendly conversation. And then, once in a while, there was a little tension there. But it was extraordinarily friendly in the conversation aspect. I don't know how you go further than that in definition. But I'm convinced that he is determined to do that what he told me he's doing: reform, perestroika, openness -- we totally agree on -- is a democratic value.

So, Brit [Brit Hume, ABC News], what happened was, I think, he took my measure and I took his. And I think we just feel more comfortable about our common objectives.

U.S. Role in Europe

Q. To go back to what Helen [Helen Thomas, United Press International] asked you about, you said we would remain an Atlantic power.

The President. Keep talking. I'm just going to get some water.

Q. After World War II, the Europeans needed our money with the Marshall plan. They needed our military backing because of the Soviet threat. But now, if the Soviet military threat does recede -- and I know it's early days yet -- maybe this is a question that one of your successors will have to deal with eventually: What are they going to need from us? What role will we really have to play here?

The President. Well, we have a tremendous interaction if you want to hypothetically project to that guaranteed peaceful time. I would say interaction with the United States on student exchanges, cultural exchanges, economic matters. I mean, there's a tremendous potential for a Soviet Union that is in accord with us on these democratic values. It's a tremendous market, for example, but it needs the economic reform. So, what we've got to do is be sure that we conduct ourselves in such a way that the changes, the political reforms, can keep going forward there in Eastern Europe; that the Soviet Union can do what Mr. Gorbachev is trying to do internally. And then there's just enormous potential for living at peace with that tremendous power.

Q. Sir, maybe I misstated my question. What I really mean is: Why do West Europeans need us once the military threat recedes? The West Europeans? Why would there have to be a NATO? This is a political and military alliance, and truly a political alliance because of the military need.

The President. You mean why will there always have to be a U.S. presence?

Q. Why will there always have to be a NATO?

The President. Well, if you want to project out 100 years, or take some years off of that, you can look to a utopian day when there might not be. But as I pointed out to them, that day hasn't arrived; and they agree with me. And so, the United States must stay involved. What we don't want to do is send the signal of the decoupling of the United States and Canada from NATO, particularly at this highly sensitive time. And Mr. Gorbachev understood that. He made that point to me.

Ethnic Unrest in the Soviet Union

Q. Did President Gorbachev ask your forbearance in case he decided to crack down on dissidents? And if so, what did you say? Or what role did the question of ethnic and Baltic dissent have in your meeting?

The President. The answer to the first part is no. And the answer to the second part is: I asked him to describe for me the nationality problems inside the Soviet Union. And he did it in considerable detail.

Soviet Chairman Gorbachev

Q. Mr. President, you had mentioned that you got some insight into President Gorbachev at this point. I wonder if the insights included any sense of internal -- did he behave as if a man operating from a strong position or a man who seemed to be in jeopardy, or how did you assess that?

The President. I thought he seemed very much in control. You could tell the way he interacted with his own top people there. And he felt very confident in discussing without notes a wide array of subjects with me. He did have a little notebook that he referred to. It was written in his own handwriting, the best I could see. [Laughter] And once having seen it, I couldn't read it. [Laughter] And so, he seemed in control. He seemed -- subdued is the wrong word, but I would say determined and unemotional about it. The most emotion we saw was at that press conference yesterday, but it was a wonderful presentation. And the climate for -- leave out the weather -- the climate for the discussions was really good.

German Reunification

Q. Mr. President, again as part of the insights you gained, what is your understanding about Secretary General Gorbachev's view of unification of Germany? Do you think he's as opposed as he's said in public, or do you think that he accepts the fact that -- --

The President. I think his view was one of -- if I could use a word that's unfamiliar to many -- caution. And I really believe that. I think he recognizes the rapidity of change. He has very constructively talked about peaceful change. And I think his hope is that people don't try to set up some artificial calendar date by which that reunification should happen. And I think he feels that if there were outside forces setting dates on something like that, that would complicate the way in which he is helping manage the change in the Pact.

Arms Control

Q. Mr. President, there was a lot of speculation going in that you and Mr. Gorbachev might get involved in talking about deeper cuts, particularly in European forces. Did you, in fact, do that? And is there skepticism within this organization here about moving too rapidly beyond what has

now been dubbed CFE I?

The President. No, we didn't get into that. We talked very broadly about our aspirations for further arms control, but there was no emphasis on that. There may be some strains in one country or another, viewing the rapidity of change differently than we do. But what I suggested to our NATO allies is: Let's go forward with the agreements we've got out there -- the CFE. Let's get it done. I, the President of the United States, will kick our bureaucracy and push it as fast as I possibly can. I've talked to General Galvin [Supreme Allied Commander in Europe]. I had a meeting with him over here last night, and I'm convinced that I must do more to keep it on schedule. And I've encouraged the other allies to do the same. I don't think there was any resistance to that -- similarly, START and chemical weapons.

So, before we go into a wide array of other questions, I think the best thing to do is take advantage of the moment and move forward in those three areas. And I went over that in little talks with individuals from NATO, as well as in the meeting itself.

Q. Do you accept the principle of a CFE II?

The President. Well, I'd like to get a CFE I in the bank first -- get it locked up, get those troops out, move down to equal levels, U.S. and Soviet forces. And so, we ought to manage that before we start the architecture of something else. I want to see that done on time.

German Reunification

Q. Mr. President, on East Germany, as you know, the Communist Party structure has collapsed there. It's unclear who's running the Government. I wonder if you talked about that, if you personally think that it's a dangerous situation, that that moves unification up in the timetable at all? And secondly, what Gorbachev said to you when you said to him unification of Germany would have to be in the NATO context?

The President. No, I don't think it's a dangerous situation. I don't think anybody here in this room, including myself, has been able to predict the rapidity of the change, the totality of the change. But I don't see it as dangerous as long as the Soviet leader and the Germans and the West conduct themselves the way I've been urging.

What was the second part?

Q. Well, what Mr. Gorbachev said to you when you said unification, but only in the NATO context. He keeps saying it has to be in the Warsaw Pact context.

The President. No, we were -- I don't think we went into that in real depth, Lesley [Lesley Stahl, CBS News].

Q. Well, what do you think he'd think of that? I mean, obviously -- --

The President. That's too hypothetical. I've got trouble figuring it out on our side with all our experts, rather than knowing what he might think about something he hadn't thought about, maybe. [Laughter]

Soviet Chairman Gorbachev

Q. Mr. President, you seem to have traveled some distance between what you were saying about Mr. Gorbachev a year or so ago and some of the things you said yesterday. Could you please talk in a little bit more detail about the evolution in your thinking that you mentioned yesterday -- how that happened and what persuaded you along the -- --

The President. As I watched the way in which Mr. Gorbachev has handled the changes in Eastern Europe, it deserves new thinking. It absolutely mandates new thinking. And when I see his willingness to give support to a CFE agreement that calls for him to disproportionately reduce his forces and that is there on the table, I think that mandates new thinking. When I hear him talk about peaceful change and the right of countries in the Warsaw Pact to choose, that deserves new thinking.

And so, I approach this -- and I think in step with our allies -- with a certain respect for what he's doing. And thus we want to try to meet him on some of the areas where he needs help. I'm thinking of a few suggestions I had in the economic area. But I also believe that the West must remain strong and together and try to be helpful where we can in a united way, but not be imprudent.

Meeting With Soviet Chairman Gorbachev

Q. Mr. President, you mentioned earlier that there was some tension during the meeting and earlier reported you had said that there was no personal rancor. Could you outline the moments of tension and tell us a little bit about the moments where you felt there was tension between you and the Soviet leader?

The President. Well, I think where you don't have agreement some slight tension might result. I don't want to imply there was great, dramatic moments of tension. Please let me clarify it if that's the impression I left.

But we have a big difference on how we look at Central America. And I would like to see him use his influence with Mr. Castro and, if he's got any left, with Mr. Ortega [President of Nicaragua] to facilitate democratic change in the Western Hemisphere. And I made clear this isn't just the view of the United States, but it's the view of many Americans. And it's the view of

Oscar Arias. So, when you get into a subject like that, where he may have a different formula, it's a little more concentrated than when you're clicking off agreements in some areas.

Is there anybody here that's not accredited to the White House? Only because I don't want to be rude to the foreign -- you're not a foreign journalist. Who -- you are? I wasn't talking to you. Go ahead, please.

European Economic Integration

Q. Can I ask you to elaborate on who you are and what you mean by European Community integration?

The President. What?

Q. You made a statement before. You know, a statement. You referred to the European Community, EC -- greatly needs integration.

The President. Well, what I'm talking about is primarily on the economic side. You're going to have enormous interchange between the East and West. And what we're trying to do in the West, and I think the EC is trying to do it also, is to assist those countries that are moving down the democratic path. The EC was charged out of our G - 7 meeting in Paris to move forward on a coordinated economic approach to help Hungary and Poland. And so, it's in that area where I see the earliest and the most productive integration.

Houston Economic Summit

Q. Mr. President, the last 2 weeks of June, Mr. Gorbachev will be in the U.S.A. for the summit. At the very beginning of July, G - 7 will be meeting in Houston. Now, you said in Malta that you wanted to help steer the Soviet Union into the global economy. Is there a prospect that Mr. Gorbachev might stay on for the G - 7 summit? Or when you called on that summit, why didn't you include some of the Eastern powers?

The President. The answer is I don't think so. Put it this way: Two chances, slim and none, for that particular meeting. Nor did he request to be included in that particular meeting. But we're in times of rapid change. And we'll see how things move forward in terms of having a common subject to discuss. You see, we've got to understand his dilemma. They have not had a market economy. They have not had the privatization that joins the G - 7 together. It's different. And so, what I have proposed, as opposed to the question you asked, is that we work with them in observer status in the GATT eventually, soon as the Uruguay round is over -- do more for him to do more with OECD. It is important that not just the Soviet Union but other countries in Europe understand the market economies, understand the dynamism of the economic systems that join those seven countries. So, I don't think it's likely that he would hang around Houston waiting for

the next meeting.

Defense Budget Cuts

Q. Mr. President, you stepped aside on a question about a peace dividend and said that you've got a terrible Gramm-Rudman problem next year. As you look at the chances in Europe and the possibilities of further defense cuts, do you expect any time in your first term to have a peace dividend to apply to some of the economic and social problems at home? And when would you expect that?

The President. That's an awful tough question to answer about ``any time." I would think it would be extraordinarily difficult because of not only the enormity of the Gramm-Rudman, the difficulty of reaching the Gramm-Rudman target this year, but what follows on.

And so, what we are trying to do is emphasize the areas where we can be of most help to the people through various programs. And in some areas -- I don't know whether Helen mentioned in her question education -- but in some areas the problem isn't going to be solved by putting more money into it.

But on your question, as we go on down on meeting these Gramm-Rudman targets, there just isn't a lot of excess money floating around there.

Q. Not for the foreseeable future? Not for the rest of your first term?

The President. Well, look at the Gramm-Rudman targets that face us. I don't want to hold out to those that want to rush out and spend a lot more money the hope that that is going to happen. We've got some tremendous economic problems that have to be solved, because the best answer to helping people -- if you have to divide it, have to quantify it -- the best is to have a job. And the best way to have the climate for a job is to have a sound economy.

And to our foreign friends here, I'd say one of the things that would be the best guarantee of that would be to get our Federal deficits down. It would also help us with investment. And that is the best poverty program: a job in the private sector. I had a letter from a distinguished Senator before I left -- because he'd read about possible defense cuts, a reduction in the defense budget -- saying take that money and spend it for a cause that he felt was very worthy. And I had to write him back and say, ``Look, that isn't the way it's going to work. That isn't the way it's going to work."

Conventional Force Reductions in Europe

Q. Mr. President, you spoke in your opening statement about the need for a greater role for the 35-nation group known as CSCE. You know that in Rome Chairman Gorbachev raised the

possibility of a new conference, a congress of Europe. I understand that didn't come up in Malta.

The President. No, it didn't.

Q. It did?

The President. No, it did not. You're right.

Q. But even though it didn't, it's an important suggestion, and I wonder how you feel about it.

The President. Well, I feel about it that I have -- with respect to him -- an even more important suggestion. And that is that we sign a CFE agreement. There's something that's very practical, that's very much within our grasp, and I think that should be our prime objective for that kind of a meeting.

East-West Relations

Q. Chairman Gorbachev said yesterday that you and he agreed in your talks that the Malta meeting marked the end of the epoch of the cold war and entering a new period. Do you agree with him that the cold war is over?

The President. Carl [Carl Leubsdorf, Dallas Morning News], let me tell you something. [Laughter] We're fooling around with semantics here. I don't want to give you a headline. I've told you the areas where I think we have progress. Why do we resort to these codewords that send different signals to different people? I'm not going to answer it. And I can tell -- --

Q. He did.

The President. Well, good. He can speak for himself in a very eloquent way. But in terms of if you want me to define it, is the cold war the same -- I mean, is it raging like it was before in the times of the Berlin blockade? Absolutely not. Things have moved dramatically. But if I signal to you there's no cold war, then it's ``What are you doing with troops in Europe?'' I mean, come on.

Yes, Maureen [Maureen Doud, New York Times]?

Q. A question for -- --

The President. Is your name Maureen, sir?

Q. -- -- Soviet journalist. I am from a visiting newspaper.

The President. Name Maureen? Go ahead. [Laughter]

NATO and the Warsaw Pact

Q. Mr. President, what is your reaction to Chairman Gorbachev's proposal that NATO and the Warsaw Pact should not remain just military alliances but rather become military-political alliances and later on just political alliances? Can you envisage in the future a new form of cooperation between the two alliances?

The President. Well, I can see an economic interaction. And I hope that NATO will -- along with the EC and along with OECD and these other areas -- will take more of an active East-West role in the economy, in helping each other in terms of systems. But he did not press that point with me at all; I think he envisions an active U.S. presence in Europe, one way or another.

Meeting With Soviet Chairman Gorbachev

Q. Mr. President, after 5 hours of talks on Saturday, despite extremely treacherous seas -- you even had trouble getting to the talks -- you got back on your launch and got back on your ship. Mr. President, why did you do that?

The President. Because I wanted to go back in time to receive him for dinner.

Q. But didn't you understand you were risking the summit, number one? And number two, what do you think Gorbachev thinks of your judgment?

The President. Maureen, you've been to Maine. Don't tell me that that little chop was -- [laughter] -- risking anything. Frankly, I haven't had that much fun in a long time, either. But the fact that we got out there and the seas kicked up even more -- the winds were up to 60 miles an hour, 50 knots, which is a big wind. And along with it came a swell, and along with it came a chop. But we didn't miss a beat. In fact, we had a very relaxed evening out there. And then showed up, and we got 8 hours of talks in. So, that was a nonissue. And I didn't feel there was any risk in getting in a little safe launch like that and going back out to the ship -- it was sheer pleasure -- really.

Q. It wasn't hot-dogging?

The President. Hot-dogging? No. [Laughter] Well, you know, these charismatic, macho, visionary guys. They'll do anything. [Laughter] This is the last question. I've got to go. I've got to go home.

Central America

Q. Mr. President, a few moments ago you questioned whether Gorbachev had any influence at all over Danny Ortega. Yet in his news conference yesterday, Chairman Gorbachev indicated that there may be an opportunity now for peace in the region. Did he indicate to you in any way whether, one, he had any control over Ortega or, two, whether there was something in the works that may lead to some kind of peaceful political -- --

The President. No, he didn't. He didn't indicate whether he had any control over him. What he did indicate was that there were going to be free elections. And I told him that's fine. Have those free elections, but they've got to be fair. You have to have access for the minority parties and the opposition party, the UNO [United Nicaraguan Opposition], to get in there and participate -- full access. And so, we had a little discussion of that, but that was about it.

Q. To follow up: If he indicated there would be free elections, that would in turn indicate that he does in fact maintain some sort of influence over Ortega. And then wouldn't you hold him further responsible to stop that flow of arms to El Salvador?

The President. Well, I'm not sure. I don't see quite the logic. If he says there's going to be a free election, that means he controls them. I'm unclear on your -- --

Q. How could he assure you that there would be free elections?

The President. Oh, excuse me. I don't think he assured me there was. He just says free elections are scheduled. And I told him how important we felt it was that they go forward. I am told that our congressional delegation, made up of some who had been rather generous in their comments about what the Sandinistas were about, or at least were less than supportive, historically, for the contras, were on this delegation; and that the delegation was denied the right to come in and take a look. And I told him this is counterproductive. This doesn't help. But I don't want to imply from that, that he can just snap his fingers and have Mr. Ortega do what he said.

I think he was impressed. I may be wrong, but I think he was impressed by the message from Oscar Arias. And I asked Arias if it was okay to tell him of the call, and he said: ``Yes, I hope you will." So, when I said this man, this Nobel Prize winner down there with whom we've had some differences, though normally we're in pretty good sync, appeals to you to use your influence to stop the export of revolution, it may have made an impact.

I really do have to run. We're supposed to be out of here, for those who are flying with us, at quarter of, and it's now 14 of. No, wait a minute, 12 of. [Laughter] What's the big hand? Here, I'm getting a little tired. [Laughter]

Note: The President's 29th news conference began at 4:20 p.m. in the Luns Press Theater at NATO Headquarters.

Statement by Press Secretary Fitzwater on the Continuation of Fernando Manfredo, Jr., as Acting Administrator of the Panama Canal Commission

December 5, 1989

The President has asked the current Panamanian Deputy Administrator of the Panama Canal Commission, Mr. Fernando Manfredo, to continue to serve the Commission and to serve as Acting Administrator of the Commission upon the retirement of the current U.S. Administrator, Mr. McAuliffe, effective January 1, 1990. The Panama Canal Treaty of 1977 requires that on January 1, 1990, the Administrator be a Panamanian national and the Deputy Administrator, a U.S. national. An announcement regarding an Acting Deputy Administrator will be made subsequently by the Board of Directors of the Commission.

The administration has asked Mr. Manfredo to continue to serve the Canal Commission in an acting capacity, given the outstanding ability he has demonstrated both as Deputy Administrator and as Acting Administrator on previous occasions when the Administrator has been absent. As this step demonstrates, the United States is committed to meeting the requirements of the Panama Canal Treaty even under current circumstances in which no legitimate government authority exists in Panama. A Panamanian Administrator will be appointed at such time as a legitimate Panamanian Government exists and proposes its candidate for Administrator in accordance with the procedures set forth in the treaty and applicable law.

Mr. Manfredo's 10 years of experience as Deputy Administrator and his demonstrated capability will ensure that the waterway will continue to be managed safely and efficiently.

Nomination of Enrique Mendez, Jr., To Be an Assistant Secretary of Defense

December 5, 1989

The President today announced his intention to nominate Enrique Mendez, Jr., to be an Assistant Secretary of Defense for Health Affairs. He would succeed William E. Mayer.

Since 1989 Dr. Mendez has served as the secretary of health for the Commonwealth of Puerto Rico in San Juan, PR. In 1988 he served as the medical director of the Damas Hospital in Ponce, PR. Prior to this, he served as president and dean of the Ponce School of Medicine in Puerto Rico, 1984 - 1987, and dean of the Ponce School of Medicine, 1983 - 1984. From 1955 to 1983, Dr. Mendez served in the U.S. Army, and he has served as the Deputy Surgeon General of the Army and commanding general of the Walter Reed Army Medical Center. He retired from the Army as a major general in 1983.

Dr. Mendez graduated from the University of Puerto Rico (B.S., 1951) and Loyola University of Chicago (M.D., 1954). He was born July 15, 1931, in Santurce, PR. Dr. Mendez is married, has four children, and resides in Caparra Heights, PR.

Remarks at the National Republican Congressional Committee Dinner Honoring Representative Robert H. Michel

December 5, 1989

Thank you all. Please be seated. We may never get to eat. Thank you all. Thank you, Joe. And the great thing about having the speeches before dinner, they're normally shorter, and I will try to follow that pattern. But I want to first thank Joe Rodgers. What a job he did for the United States as our Ambassador in France. And also, he has always been in the front line of helping the solid, sound Republican causes. Joe, thank you for suiting up again.

I want to thank Guy Vander Jagt, the chairman, and his cochairman, Ed Rollins. I'm delighted to see members of my Cabinet here and, of course, so many members of the House leadership: Newt [Gingrich] and Mickey [Edwards] -- well, I'm going to get in trouble if I keep going, but many of them right up here, and then out there in the audience. Let me thank the NRCC faithful -- that's you, putting up the money, hanging in there through good times and bad. And I'm delighted to see this wonderful turnout to support this worthwhile cause.

And then, finally, recognize the man of the night, our honoree, Bob Michel. He is our leader, and he's a longtime friend of mine. I served with him up on the Hill. I played baseball with him on the Republican baseball team. We had winning seasons in those days. [Laughter] And he knows the Congress inside-out. He is our leader, as I say, a key player in working with this President. And it makes a difference; it makes a difference if you have a leader that you can pick up the phone and talk to and get advice from and then know that you'll also have support up there. And so, he is a keen ally, a strong player. And I'll tell you, we are going to hit the ground running when the Congress comes back next year. And I'll be counting on him in the future, as in the past.

You remember the big Presidential dinner they had last spring? I made the best-dressed list, but I would only want you to remember Bob Michel's sportcoat at that dinner. [Laughter] He is a shoe-in to make it. And here he is conservatively clad for this one.

I'm glad to be back here -- a little bit spaced-out. I'm on Malta standard, but I want you to know that it is a pleasure. And I thought I'd say just a word or two, not to bore you with the details on the meeting but just a mention of the atmosphere, because I think the meetings did capture the imagination of a lot of the world.

I'll tell you that at NATO -- I was very pleased with the reaction from the solid NATO partners we have. And whatever the weather in Malta, I can tell you the weather inside was relaxed. There were some moments when we would disagree on things, clearly; that's what those kinds of

meetings are about, I guess. But I was able to talk in a straightforward manner with Mr. Gorbachev with no rancor. I think we did establish good lines of communication, and I think in an era of rapid change -- and we certainly are living in that -- it is important that we have good lines of communication. I made clear to him that it was not our role as the United States and as a leader in the NATO alliance to seek to exploit the changes in the events taking place in Eastern Europe but really only to assist the forces of freedom and reform that are emerging there. And I was very up-front with him on the differences, particularly the differences in our own hemisphere.

We are going to be the first hemisphere that is truly, totally democratic. And our goal is to assist countries that are moving in democracy's way. And we find that we have some differences obviously with, certainly, past performance of the Soviets and, regrettably, I'm afraid, in the future. But we're going to keep on working this. I was up-front with him about the destabilizing flow of arms into the region from nations that are receiving Soviet support. And both of us, though, agreed that we do not have to sacrifice candor in order to build up a better relationship.

There is no question that progress was made at Malta. It wasn't a meeting where we were going there to cross the ``t's'' and dot the ``i's'' on some kind of an arms control agreement, but progress was made. I think, in a sense, we've got an agenda out there now, an agenda that, if we can fulfill it and follow through on it, will strengthen the peace and provide a solid base for future advances.

We agreed to accelerate the timetables for reducing arms. And that means we're going to have to do our part, not just the United States but our alliances. I want to see a conventional force reduction. We have it on the table. It's a good one. It calls for disproportionate reductions -- fewer U.S. troops coming out than Soviet. But the Soviets, in principle, are agreed. Now we've got to move that forward because I believe that kind of an agreement will really enhance the peace. We agreed to set the timeframe for a summit meeting here in the United States next June. The general agreement was out there, but we pinned it down until the last of June.

We agreed to move forward in trying to forge a closer economic relationship, in light of the positive changes that are taking place in Eastern Europe and in the Soviet Union. We know it's a long way to go. They have not been blessed with the wonders of the free economic system we have. They don't know what free markets are and convertible currencies and all the things that we, obviously, take for granted in the United States. But as long as these changes, these democratic changes, keep moving inside the Soviet Union and in Eastern Europe, I think the United States ought to be out there trying to help -- not in some kind of a superior manner but trying to say, ``Look, here's what works.'' Let us get in there and try to assist if we possibly can.

And I might say when Mr. Shevardnadze [Soviet Foreign Minister] said -- before our meeting somebody said, ``Do you want the United States to bail you out?'' And to the man's credit, he said, ``No, we don't want a bailout.'' That's good because we don't have any money anyway.

[Laughter] So, I was delighted that he had that attitude.

No, but I look at Malta as a hopeful step in a new relationship. The first step in the next decade and the new world that is taking place each passing day -- it's got to be a new world of freedom. And make no mistake, the progress that I think we set in motion there at Malta would not have been possible without the steadfast support of the American people and, certainly, the steadfast support of those leaders that we have up here on this stage tonight, those leaders in the Congress -- Jerry [Lewis] and Duncan Hunter and Bob and Mickey and Newt and Guy Vander Jagt -- and I mean that.

When you go to a meeting of this nature, there's trepidation. People wonder whether you're going to -- you know, how it's going to come out. But if you know you have strong friends that will tell you exactly what they feel -- they who have been elected by their own constituencies -- it gives the President a great deal of confidence. And I am grateful, again, to our Republican leadership in the House of Representatives.

I'm pleased to share that report with all of you, especially given Bob Michel. This is one time I don't have to ask will it play in Peoria. I can say that his politics have been playing there a long time. And we are in close touch on this.

You know, what is it? Less than a month -- this is a little hard to focus on -- less than a month from now, we're going to begin a new decade, the last in this century. And I think all of us feel a natural inclination to look ahead, to think about the changes that a new century can bring. Barbara and I, we're heavy in the grandchild business these days, with 11 of them, and you can't help but see any one of them running around there that your focus doesn't shift to what kind of world are they going to be living in. And there's more than that natural impulse at work. Each day brings new change, from Warsaw, Budapest to Prague, Berlin -- new evidence that the love of freedom, freedom that sometimes you and sometimes I take for granted, is gathering force.

And so, I'm a lucky person to be President of our great country in these very exciting times, times that are exciting for every American, for people all over the world who cherish now the freedoms that we've enjoyed for years. And they're exciting times, I think, for our party. We feel that our values on these issues are triumphing; but they're values that we have stood for a long, long time, values that have kept America free and prosperous and at peace, values that help create the conditions for that new world of freedom that is unfolding before us.

I am convinced that the American people will continue to look to us, look to leaders like Bob Michel and his fellow Republicans in the House, to keep this country on course in these times of change. And let me say right now to all the loyal members of the NRCC: The 1990's will bring a new world. We've all seen the grim spectacle -- voices struggling to be heard, a minority trampled by unbridled power -- the decades-old fight against oppression. Yes, I'm talking about Republicans in the House of Representatives. The tide is turning, though. [Laughter]

The tide is turning. People didn't think freedom would come to Berlin. [Laughter] But change will come to Capitol Hill. And I'd like to think that here the days of one-party rule are over. So, our message is getting -- [applause]. And I think our message, thanks to Bob and Newt and others, is getting through: the party with ideas, with experience, with the answers to the questions we face in the decade ahead. And there's no greater goal than the one that inspires everyone here tonight to build support in mainstream America into majority status in the House. And when that day comes -- a proud day for every Republican, from the House leadership right on down to the rank and file -- we'll have the NRCC to thank for its tireless efforts.

It's been a great pleasure to be here tonight. I hate to leave before Bob Michel sings, but that's just one of the breaks, you know. [Laughter]

God bless you, and God bless the United States. Thank you very, very much.

Note: The President spoke at 7:04 p.m. in the Grand Ballroom of the J.W. Marriott Hotel. Representative Michel was minority leader of the House of Representatives. Following his remarks, the President and Mrs. Bush attended a Toys for Tots party in the hotel hosted by lobbyist Roy Pfautch.

Statement by Press Secretary Fitzwater on the Appointment of the Coordinator and Deputy Coordinators of United States Assistance for Eastern Europe

December 6, 1989

We are witnessing dramatic and historic events in Eastern Europe that were scarcely imaginable a year ago. The formation in Poland of the first non-Communist government in Eastern Europe in more than 40 years hopefully represents only the beginning of a more profound systemic transformation in the region. The political and economic reforms in Hungary are further evidence of this phenomenon. The United States has encouraged and promoted these changes, which offer the prospect of a Europe whole and free, and a more peaceful world.

As part of this effort, and in accordance with the Support for East European Democracy (SEED) Act of 1989, President Bush today has named Deputy Secretary of State Lawrence S. Eagleburger as Coordinator of United States support to Eastern Europe. In that position, Secretary Eagleburger will be responsible for overseeing and coordinating all SEED programs and activities which pertain specifically to Poland and Hungary. The President also has named Michael J. Boskin, Chairman of the Council of Economic Advisers, and John E. Robson, Deputy Secretary of the Treasury, as Deputy Coordinators.

United States assistance to Poland and Hungary is designed to contribute to the development of democratic institutions and political pluralism in those countries, as well as to promote the development of free market economies. Such assistance includes food aid, labor programs, environmental projects, educational and cultural exchanges, assistance for democratic institutions, trade benefits, investment guarantees, and structural adjustment and technical assistance programs. Secretary Eagleburger will be responsible both for overseeing these U.S. initiatives as well as for coordinating them with similar initiatives by other Western nations and by international institutions.

The United States is also prepared to work closely with our Western partners in assisting other Eastern European countries that make meaningful progress toward economic reform and democratic change.

Memorandum on Education of Hispanic Americans

December 6, 1989

Memorandum for the Secretary of Education

Subject: Education of Hispanic Americans

All children in America should have the opportunity to achieve their fullest potential as human beings. And, as you know, much of that opportunity depends on education.

Sadly, Hispanic Americans are especially undereducated. As Hispanics become the largest minority group in the United States early in the next century, it becomes more and more important to overcome the crisis in Hispanic education.

Indeed, the statistics that you have provided to me compel attention:

Between 9 and 11 percent of Hispanic students drop out of high school each year -- the highest dropout rate of any major ethnic or racial group.

Among Hispanics over the age of 25, an alarming 52 percent have not completed high school, compared to 24 percent of non-Hispanics.

Only 10 percent of Hispanics over the age of 25 have completed 4 or more years of college, compared to 21 percent of non-Hispanics.

Every major report on adult illiteracy has found that the rate for Hispanics is much higher than the rate for the non-Hispanic population.

The Working Group on Education of the Domestic Policy Council, which you chair, is already addressing important education issues. I am directing you to form a Task Force within that Working Group to focus on Hispanic education. The Task Force on Hispanic Education will report to me through the Domestic Policy Council and its Education Working Group.

Specifically, the Task Force on Hispanic Education should:

Assess the participation of Hispanics in Federal education programs.

Identify barriers that may limit Hispanic participation in education programs and suggest remedies.

Suggest goals and strategies for the education of Hispanics (e.g., reducing the dropout rate, increasing enrollment in higher education, and promoting adult literacy). These goals should be considered in conjunction with the process of setting national education goals as called for at our Education Summit.

I also understand that you will be appointing a special advisor on dropouts -- a new position in your office. Because of the problem of dropout rates in the Hispanic community, I urge you to direct your special advisor to work closely with representatives of the Hispanic community.

We must step up our efforts to ensure the education of Hispanic Americans as a vital part of our overall commitment to excellence in education.

George Bush

Remarks to Hispanic and Corporate Leaders on Education

December 6, 1989

I hope I didn't interrupt our wonderful Secretary of Education, Larry Cavazos. Every time I hear him speak, I learn a lot, and I'm just delighted that he's here. To Rod DeArment: Thank you for the ideas and inspiration. Alfredo Estrada, the publisher of Hispanic Magazine: I want to thank you and your staff for your suggestions. And I'm especially delighted to be among so many Hispanic and business leaders. Welcome to the White House. Barbara and I have both been looking forward to this meeting.

I, as you know, am just back, having spent several days on ships in the Mediterranean Sea. And I must say that I must have left my sea legs in the Navy because walking over here, I found myself tilting to starboard. [Laughter]

It was a good meeting, a wonderful meeting there, one that I hope sets the basis for future progress, building peace and advancing freedom for a new century. And yet no matter how far I travel, who I meet, or what I see, nothing can beat the thrill of coming back to the United States.

I asked you here today to thank you for what you've done. As you know, our growing Hispanic community will soon form the largest minority in our nation. And if this is to remain the land of opportunity, then all the citizens of America must be well-educated, must be well-prepared for the challenges of the future.

There was a time in this country when you could prosper without a high school degree or a special skill. But we're entering an age of specialization. And in the 1990's, those who do not learn will not earn. They'll find it hard to contribute. They'll find it hard to advance. And it's just as simple as that.

Sadly, almost 11 percent of Hispanic students drop out of high school each year. And more than half of all Hispanic-Americans over the age of 25 have not completed high school. And when it comes to higher education, too many Hispanics just never get the chance, never have a fighting chance to go to college.

Solutions are coming now from Hispanic America. Strong family support, the encouragement of learning and excellence: These have always been the most striking features of the Hispanic tradition. And now this tradition, though, is endangered by tensions -- the very tempo of modern life. And so, we've got to work together to protect this heritage, work together as leaders in government and business, as men and women concerned with the future. Nothing less than a national effort will suffice.

Secretary Cavazos heads the Working Group on Education for our Domestic Policy Council, and he is already addressing important education issues. And now I am pleased to tell you we are embarking on a new effort, one just for Hispanic-Americans, due in part to the advice that I've received from so many of you. I've signed a directive asking Doctor Cavazos to form an Hispanic Education Task Force to assess how well Federal education programs serve Hispanics, and then recommend ways to enhance the Federal role. The task force will complete its work and report by the end of February, and then I'll incorporate these findings into our broader efforts to improve American education, mandated by our education summit with the Nation's Governors.

The corporate leaders here today understand that supporting education and training is good business as well as good citizenship. Look at the National Hispanic Scholarship Fund, which has sent almost 10,000 young Hispanic men and women to college. This means 10,000 highly educated and highly skilled Americans will bring their talent and energy to American business and their leadership to a new generation.

By contributing to the many programs and funds that advance the cause of Hispanic youth, you have truly made an investment in this generation and in the future of our country. But education is more than an investment, and the cause of education transcends the many prosaic matters that I've discussed today. Education is, as Will and Ariel Durant wrote, not just ``the painful accumulation of facts and dates and reigns nor merely the necessary preparation of the individual to earn his keep in the world." It is the ``transmission of our mental, moral, technical, and aesthetic heritage as fully as possible to as many as possible." Let the next generation of Hispanic-Americans fully know their heritage -- the heritage of Benito Juarez, and Jose Marti, George Washington, Octavio Paz, and William Faulkner.

For advancing this cause, I pass on to you the gratitude of the Nation. Thank you, God bless you all, and thank you very much for coming to the White House. And now Barbara and I look forward, indeed, to having a chance to say hello to all of you. Thank you very, very much.

Note: The President spoke at 6:15 p.m. in the East Room at the White House. In his remarks, he referred to Deputy Secretary of Labor Roderick DeArment.

Nomination of David E. Jeremiah To Be Vice Chairman of the Joint Chiefs of Staff

December 6, 1989

The President today announced his intention to nominate Adm. David E. Jeremiah, USN, to be Vice Chairman, Joint Chiefs of Staff. Admiral Jeremiah will succeed Gen. Robert T. Herres, who is retiring.

Admiral Jeremiah is presently serving as commander in chief of the U.S. Pacific Fleet, Pearl Harbor, HI. He was born February 25, 1934, in Portland, OR.

Letter Accepting the Resignation of M. Danny Wall as Director of the Office of Thrift Supervision

December 6, 1989

Dear Danny:

I accept your resignation as Director of the Office of Thrift Supervision, to become effective on a date determined by the Secretary of the Treasury. I commend your willingness to remain for a period of time to assist in an orderly transition.

When I proposed to the Congress legislation to restructure and restore public confidence in the thrift industry, we recognized the immensity of the task ahead and the need for the full concentration of our efforts on its accomplishment. An important element of our recovery plan was the creation of the Office of Thrift Supervision to administer the tough new capital and other regulatory standards governing the industry.

As the first Director of the Office of Thrift Supervision, you served during the important organizational phase of the new agency. I thank you for your hard work in that position, and for your unselfish recognition that the job of revitalizing the industry demands the complete and undistracted attention of the agency's entire leadership and staff.

In closing, I also want to note my appreciation for your comments on behalf of the many dedicated employees of the Office of Thrift Supervision who are working long hours to restore soundness to our Nation's savings and loan industry.

Best wishes for your future endeavors.

Sincerely,

George Bush

Note: The letter was released by the Office of the Press Secretary on December 7.

Statement by Press Secretary Fitzwater on the President's Meeting With the Governors' Education Task Force

December 7, 1989

The President met this morning with Governors Ashcroft, Campbell, Clinton, Carruthers, Hunt, and Gardner to hear their thoughts on the development of national education goals before their Education Task Force meeting today with Cabinet members, where they will discuss the development of such goals.

The President is committed to working with the Governors to move the Nation forward in education reform. Since the education summit in Charlottesville, administration officials have met with Governors numerous times to move the process of developing national goals forward. In late November, the President met with his Education Policy Advisory Committee to hear their views with respect to national education goals. Our primary objective in the development of national education goals is to produce goals that are specific, measurable, and results-oriented.

Note: The President met with Governors John Ashcroft of Missouri, Carroll A. Campbell, Jr., of South Carolina, Bill Clinton of Arkansas, Garrey E. Carruthers of New Mexico, Guy Hunt of Alabama, and Booth Gardner of Washington. Later in the morning, the President traveled to Houston, TX.

Remarks at the Acres Homes War on Drugs Rally in Houston, Texas

December 7, 1989

Thank you all very much. Mayor Whitmire, Kathy, thank you. Thank all of you from Sugar Plum Day Care, too, right here in the front row. Thank you for that warm introduction, mayor. I'm especially pleased to have with me two key members of my administration, both of them actively involved in the fight against drugs. They were announced when I came in, but one of them, Nick Brady, is the Secretary of the Treasury of the United States -- right here. And of course, our drug control director -- we call him the czar -- who is doing an outstanding job, Bill Bennett -- fighting every single day to win the battle against drugs.

I, of course, want to pay my respects to your distinguished and able police chief, Lee Brown, Kathy's counterpart in the county; my friend of longstanding, Judge Jon Lindsay over here; and of course, another close friend of mine who's working on the legislative side, one of Houston's great Congressmen, Congressman Fields right over here.

And thank all of you, all of you in Acres Homes community, not for standing up to greet us today but for standing up for Houston every day. And I should single out -- for special thanks from this President -- Erma Scales and Thelma LaStrap for all they have done to make this day possible.

As our distinguished mayor said, Acres Homes was a part of my congressional district twenty-some years ago. In fact -- little-known fact -- this was the home turf for the George Bush all-star championship women's softball team. And I just had a little reunion with our -- I think I see some -- maybe the third baseman. No, but I just saw Bobby Moore. He and I started this team in 1960. And we had good teams, and these -- I want to say girls; they were then; now women -- but they almost won the State championship. Traveled all over the State and played out of De Soto Park, which is just down the road a little bit, so I do feel at home. In fact, I even preached in a church here. Well, I didn't exactly preach in it, but I was Reverend Floyd Williams' guest at Antioch, down the road a ways. And I understand he's here today also -- and what wonderful work he has done for this community.

But let me reminisce just one second more. It's great to be back here. It's great to be back in Texas, especially after that little rough sea over there in Malta, all the way across the Atlantic and halfway around the world -- but glad to be back on dry land. Got the weather report -- I wasn't sure it was going to be dry, but it is.

But the talks there in Malta, the talks that I had representing you all with President Gorbachev, remind us all that we live in dramatic and exciting times, times that present great opportunities,

opportunities for great and historic change. And that's true not just in Eastern Europe, where people are seeking freedom to travel and freedom to vote -- the freedoms that we just take for granted here in Houston and here in the United States -- but right here in the United States in places like Acres Homes, where brave men and women -- and I mean brave, brave men and women -- have used ``People Power'' to fight for another kind of freedom: the freedom from fear, the freedom from crime, and the freedom from drugs. And just as with that new freedom in Eastern Europe, freedom from drugs isn't something the Government can give you. You have got to take a stand -- you've got to take back the streets. And that's exactly what you did, right here in Winzer Park.

Acres Homes has a proud history. Once the largest unincorporated black community in the South, its quiet, tree-lined neighborhoods were mainstream America -- the embodiment, if you will, of the American dream. But in recent years, the dream on Main Street has become the ``Nightmare on Elm Street'' -- a twisted, backwards world where our children and our playgrounds are taken away by an evil menace called cocaine, often out there in broad daylight. By 1987, 25 to 30 drug dealers were operating right here, right here in Winzer Park. And the circular driveway behind us at Carver and Dolly Wright was so clogged with the cars of the drug buyers that police called it Crack-in-the-Box. [Laughter]

That's when your community people and your police came together to declare a new ``independence day'' -- April 9, 1988. One thousand people swept into the park, and one thousand people swept the drug dealers out of the park. They haven't come back, and they better not -- because I've heard what they say about you, the members of the Acres Homes War on Drugs. They say you are community-based, and they say you are tough as nails, and they say you're not afraid of anything or anybody. And looking out at you today, I believe that. You were united. You were determined. You got mad. You were angry -- but you were right.

One thousand people -- one thousand people took back what's yours: took back your parks, took back your kids. And you not only put the drug dealers out, you put pride back in. And you were among the first to assemble and rally and move forward with a plan to fight drugs, and you were among the first to recognize that the community's future is in the hands of the community. And efforts like yours are a critical part of Bill Bennett's plan, of America's battle plan, the new national strategy that I submitted to Congress earlier this fall. We invited Congress to join us in a new comprehensive partnership with America's communities.

First, drug education -- the 1990 budget has provided over a $200 million increase for school and community prevention programs like those that have proven so successful right here. We've got to teach our children to stay away from drugs. We've got to stop illegal drug use before it even gets started.

And second, drug treatment and prevention -- too many people in too many cities simply aren't getting the help they need. That's not right. And that's why the '90 budget has boosted spending

on drug treatment and prevention, and especially cocaine treatment, by about $375 million.

And third, for those who cannot learn or will not seek help, we have a plan for them, too, because we're going to take back the streets by taking them off the streets. And that means helping your able police chief. That means punishing those who do evil.

And to some ears, the very word ``evil'' is embarrassing, an obsolete reference to some old-fashioned attitude. Well, we've all heard the supposedly sophisticated arguments that turn right and wrong into empty concepts, words without meaning. But the people in this park know better. You see, you have seen violent crime close up and firsthand. And you know that crime, and crimefighting, is usually a question of right and wrong -- good and evil, if you will. And you know that a community that cannot understand the difference between right and wrong can never protect itself.

What's the difference, then, between the wonderful young kids behind me, this great-looking group back there, and the kids who huddle a few blocks from where we stand, using and dealing drugs? Same neighborhood. Same schools. Same Houston -- but a different choice. Often a choice made by the parents; always a choice made by the kids.

Roy Douglas Malonson said it right here in Acres Homes the same night I addressed the entire Nation on drugs. He said: ``The bottom line is we're going to have to take a stance and quit blaming others for the problem. We need personal accountability.'' Roy couldn't be more right. Only the American people can make this change in attitude. Only you can cultivate character and a sense of values in our kids. It's not a Federal problem for which there is a simple Federal solution. We can't do it by looking to the Government alone.

But as you have proven here in Acres Homes, and particularly in this park, parents and teachers and religious and neighborhood leaders can do it. You -- and probably only you -- can teach our kids right from wrong. Erma Scales says: ``We need to teach a system of values. Parents need to spend more time with their kids and go back to being parents, not just being buddies.'' And, Erma, I bet you agree with me that it's time we went back to teaching what I like to call the four R's -- reading, writing, 'rithmetic, and respect -- in the schools of this country. And while we're at it, I might add respect for the teachers who give their lives to help educate these wonderful kids.

What I've called the Thousand Points of Light -- that galaxy of individuals and institutions who live not just for themselves but also to serve others -- is really what we're talking about here today. Each day at the White House, I announce now a daily Point of Light, an individual or group working to rid our communities of drugs or homelessness or hunger or illiteracy, loneliness -- so many other problems. And nowhere in America is there a group more deserving than today's Presidential Point of Light, a bright star in our nationwide battle -- the Acres Homes War on Drugs. And thank you, thank all of you for demonstrating that each point of light counts;

each point can mean one life changed, one life saved. But we need thousands, thousands in every city and every neighborhood. And if anyone wants to know just how bright that light can be when a thousand points come together, look around you. Look at the home of strong hearts, clear minds, and indomitable wills. Look at the people of Winzer Park.

Thank you for this warm greeting on this December day. God bless you all. I hope every one of you have a wonderful, Merry Christmas. God bless you, and God bless the United States of America. Thank you very much.

Note: The President spoke at 2:10 p.m. in Andrew Winzer Park. In his remarks, he referred to Erma Scales and Thelma LaStrap, chairwoman and secretary of the Acres Homes War on Drugs Committee.

Remarks at a Fundraising Dinner for Senator Phil Gramm in Houston, Texas

December 7, 1989

Thank you, Phil. I'll admit it: These days I'm a little nervous when I give a speech on December 7th -- Pearl Harbor Day, I think. [Laughter]

To our dear friend Wendy Gramm and the Secretary of the Treasury, Nick Brady, and to Dr. Bill Bennett, who's waging the fight against narcotics for our country; to Chairman Atwater, the able chairman of the Republican National Committee; and to our able State leaders, Fred Meyer and Penny Butler, Tom Loeffler -- pleased to be with you all. And of course, it's a great pleasure to see my friend Lee Greenwood again and Chuck Norris, with whom I campaigned. We campaigned with both of them, and so many other celebrities here tonight.

And I want to say a special hello to the members of our terrific Republican Texas congressional delegation. To them, I would simply say, my condolences for going from one House of Pain to another. You know, the only thing better than being introduced by Phil Gramm is hearing Phil Gramm being introduced by Moses. [Laughter]

And Chuck, it's a great pleasure to see you again, ``Long John Silver'' -- and that'll be a tremendous success, I know.

But it's always good to come home to Texas. And actually, I'm happy to say that Houston was just selected as the site for the next economic summit. In 1990, the world's economic superpowers will all convene here. I thought I'd show off my hometown, and I hope you don't mind, but it's going to be a tremendous meeting here.

As you know, I've just returned from what many have called a saltwater summit with Mikhail Gorbachev. Others have called it the schmooze cruise. And as usual, reality is somewhere in the middle. Our meeting was a positive, productive, hopeful step toward a new American-Soviet relationship. Our talks ranged widely and offered a glimpse of what all of us have hoped for for these 40 years -- a more stable, more peaceful world. With the support of the American people and with the solidarity of the alliance, the promise of a new world of freedom is within our reach. May it be fulfilled in our lifetime.

I offered a number of ideas to Chairman Gorbachev. And I suggested that we work to complete a trade agreement, which would lead, then, to most-favored-nation status for the Soviet Union by the time I meet with him next year, at the end of June, here in the United States. I proposed that we work to sign a new treaty in 1990 to dramatically reduce conventional forces in Europe. You're aware of our proposal where we take out 30,000 troops and the Soviets close to 200,000.

And I suggested we accelerate the START process and speed the ban on chemical weapons.

Now, tensions have been reduced. But there was one area where we differed, one area where I had to speak firmly and frankly, and that was on Central America. There can be no misunderstanding here. Whatever the Sandinistas have told the Soviet Union, we know for fact-certain that arms are going from Nicaragua into El Salvador. And we also know that Fidel Castro continues to export revolution not just into El Salvador but into other countries as well. Such activities in Nicaragua and Cuba weigh heavily on U.S.-Soviet relations. And we want to be the first hemisphere -- our hemisphere -- free of that burden. We want this to be the first hemisphere made up of entirely free, democratic countries.

And we support freedom everywhere. Just last week, democracy was challenged in the Philippines. And we stood with President Aquino then, and we continue to stand with her and with democracy now. We must not let the democratic process be overthrown by revolution and by military takeover.

I really feel in my heart that the meeting with Mikhail Gorbachev was a success, a chance to improve an important relationship. But tonight, Malta somehow seems far away. It's great to be home among so many old friends, here at the Super Bowl of political fundraisers, and to have a chance to say a few words about a very close friend, one of the best friends that Texas has ever had, Senator Phil Gramm.

I've known Phil for a lot of years, and I know that when a problem needs attention -- when good policy needs to be created, or misguided policy needs to be changed -- Phil is always the first one out of the blocks. Willing to take the political risk for the public good, he brings courage to Capitol Hill. And there's no better evidence for that than the story of how Phil got his start as a Republican.

You heard it mostly from Chuck Heston a minute ago. In 1983, you know, Phil was a Democratic Congressman, justifiably proud of his work on the 1981 budget -- rebuilding national defense, reordering government priorities. He risked a lot to push that budget through, and because of that, he was stripped of his seat by the liberal Democrats controlling the process there on the House Budget Committee. So, he changed parties, and in a real profile in courage, he resigned from Congress to allow the people of his district to judge him and his actions. And he won reelection on Lincoln's Birthday as the first Republican Congressman in the history of the Sixth District of Texas. And because of his views and his strong principles, he appealed to Republicans and Democrats then, just as he does now. We were glad to have him, and America was lucky to get him back.

And let me tell you how personally I feel. We were even luckier to have Senator Phil Gramm when, last winter, my administration set out to make new progress on a number of fronts: education, the environment, the fight against drugs and crime, and a balanced budget. And we

made progress, and Phil Gramm has been with me, consulting, leading -- he's been with us every step of the way.

Because education is the path to a brighter American future, we convened the first education summit in American history. We called for greater choice and increased accountability while promoting and rewarding excellence. Phil Gramm understands the value of good education. He cosponsored our Educational Excellence Act.

We've also worked hard to preserve all of the facets of our precious environment. We've proposed the first reforms to the Clean Air Act in over a decade, working to balance economic growth with environmental protection. And Phil understands that balance, and he's helped us craft economically efficient market incentives for our clean air proposal. Here in Texas, he's been a leader in the Federal and State program to preserve Galveston Bay. He's supported legislation for an international treaty banning offshore dumping in the gulf. And he's worked to clean up the Rio Grande River. Phil Gramm is making sure the great State of Texas preserves what's hers.

But we must preserve another precious resource -- our children. There is no greater threat to the health of the American mind and the American family than the poison of illegal drugs. So, our administration is working to win the fight against drugs. I've saluted Bill Bennett for his courageous work, and I want to say this: Phil Gramm understands that fight. He's been on the front line from day one. He was there as Bill Bennett crafted our widely accepted national drug strategy to toughen enforcement, limit supply, and shut down demand. But it will be a long war, and that's another reason that we, you and I, need Phil Gramm in Washington.

In many ways, our fight has been delayed unnecessarily. You see, I sent a tough, strong crime package to the Members of Congress last June. Our Texas congressional delegation supports it. Our distinguished Senator, Phil Gramm, supports it. But we need action on that package -- we need action now. And I hope that Congress, when they come back, will pass this critical legislation early in the next session to take back America's streets. We owe it to the young people of this country.

We'll also need Phil for another tough fight. This administration is committed to get that deficit down, committed to a balanced budget, and Phil Gramm understands how to balance a budget. He's fought budget-busting irresponsibility by creating landmark budget-balancing legislation -- the Gramm-Rudman-Hollings legislation -- by helping us fend off tax increases, and by encouraging the kind of incentives that continue to create an average of over 200,000 new jobs a month -- every month -- for the last 84 months of this recordbreaking peacetime economic expansion. You see, Phil understands prosperity. He helps create it every day that he's working in the United States Senate.

The Senate needs him because, as you know, this man is very smart. Last spring, when I was

flying with Phil on Air Force One on my way to going to the Aggie commencement address -- [cheers] -- I see he's brought along the reserves -- he offered to trade his A&M tie for my basic, elitist, ivy-league striped tie. I thought that was a pretty shrewd trade on my part until later, when I found out that Phil went off to the Tarrant County Republican Women's Club and sold off my tie for $1,000 dollars. [Laughter] With that kind of savvy in Washington, there is no doubt that we'll be able to balance the budget.

Just the other night, I was reading a Christmas story to a couple of grandkids. And when they asked me who the Three Wise Men were, I said, of course, Gramm, Rudman, and Hollings. [Laughter] I'm not so sure about that third wise man.

Thanks to that landmark legislation, in 3 of the last 4 years government has actually gotten smaller compared to the private sector of our economy. The deficit as a share of gross national product has been cut roughly in half. The discipline that this legislation imposes on Congress is absolutely crucial to our long-term efforts to balance the Federal budget deficit. And I know that Washington will never find a stronger advocate for a disciplined, balanced budget than the Senator from Texas, Phil Gramm.

You know, there's a story that Phil's half-brother tells that when Phil was a little guy, he started a neighborhood army of a half a dozen kids. One day, the smallest of the group ran crying to Mrs. Gramm. The other boys were corporals or captains, and they were working this young private pretty hard. When Phil's mother called in Colonel Gramm and told him to fix the situation immediately, Phil said, ``Yes, ma'am," turned around, promoted the private to second lieutenant, and promoted himself to major general. [Laughter]

Like I said, he's smart, a smart man -- a man who understands power and how to use it to improve education and the environment, to win the fight against drugs, and to balance the budget. But even more important, Phil Gramm knows how to empower other Americans -- all Americans. ``The largest beneficiary of a program for economic freedom," he said recently, ``is not the person who already has a piece of the pie but the person who wants the opportunity to get one."

I need and Texas demands and America deserves his bold, courageous leadership to make the right things happen on Capitol Hill. He's a Senator who knows what it means to serve his constituents and his country, and every day he's in the Senate he serves them ably, compassionately, and well.

It's my pleasure and it's Barbara's pleasure to have been with you here tonight. Thank you. God bless you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 8:09 p.m. in Astro Hall at the Houston Astrodome. In his remarks, he referred to Senator Gramm's wife, Wendy Gramm; William J. Bennett, Director of National

Drug Control Policy; Fred Meyer, Texas Republican Party chairman; Penny Butler, Republican national committeewoman from Texas; former Representative Tom Loeffler; country music singer Lee Greenwood; and actors Chuck Norris and Charlton Heston. In the morning, the President traveled to Denver, CO.

Statement on the Anniversary of the Armenian Earthquake

December 8, 1989

A year ago yesterday -- December 7, 1988 -- a massive earthquake devastated the Soviet Republic of Armenia, claiming more than 25,000 lives and leaving half a million homeless. It was a tragedy whose scars will be visible for decades and of a magnitude that no country could handle alone.

Together with many other nations, the United States responded immediately with an expression of sympathy and offer of assistance, which was readily accepted. The next day a U.S. team of governmental and private sector specialists were on hand in Soviet Armenia. Private American organizations such as Project Hope and Americares, along with the Armenian community in the United States, have played an important role in this sustained relief effort.

It is an encouraging sign of the times that this outpouring of American help was reciprocated by offers of Soviet help in the aftermath of the San Francisco earthquake. As we look to a new era in U.S.-Soviet relations, we can take hope from these examples of humanitarian cooperation between our two countries.

Remarks at a Fundraising Luncheon for Senatorial Candidate Hank Brown in Denver, Colorado

December 8, 1989

Thank you, Hank Brown, and my respects and thanks to our distinguished Senator from Colorado, Senator Bill Armstrong. I want to thank the Eagle Ridge Elementary Choir over there -- they were really good, really wonderful -- and also to brag on having with me and to thank our drug czar Bill Bennett, the Director of the National Drug Control Policy, who is with me here from Washington. Lee Atwater, our national chairman, Republican National Committee -- doing an outstanding job. Congressmen Joel Hefley and Dan Schaefer -- and they are doing a wonderful job for your State. I wish we had an entire delegation like them, I'll tell you. And to Bruce Benson, our chairman, and Judy Hughes, my old friend, the president of the National Federation of Republican Women. Of course, it's always a treat to see our son Neil, and Sharon and Pierce managed to get in there, sitting over there. And I also want to say hello to Charlton Heston, who came out here today from Houston last night, a real trooper, a true patriot -- having him here today is just wonderful. And of course, I really came out to salute the next Senator from Colorado, Hank Brown.

He wanted a big crowd today, so his campaign tried to get Ralphie the Buffalo from C.U.'s football team. And when he couldn't make it, they asked for C.U.'s Houston Trio, the three H-Men. And as you can see, they're not here either. And you got me instead. I'm from Houston. That's the only thing I've got in common with those football players.

But before I go any further, I'd like to just say a few words about one of the finest men that we do have in Washington, and I'm talking about Bill Armstrong. He is one of the best and brightest, as they say, a principled politician, a top player on our Republican team. And he's been a leader in the Congress since 1973, first in the House, now in the Senate. And he is going to be missed by me, by his fellow Senators and, most of all, by the people of Colorado. Bill, thank you for a job so well done.

You know, earlier this week, I was in Malta -- Hank alluded to it -- for, I think, a very productive meeting with Chairman Gorbachev. I guess you've heard that I brought only a small number of my top staff with me. The meeting went very well, but there was one adviser I forgot to consult -- Willard Scott. Where was he when we needed him? [Laughter] But the seas and the rain really could not dampen the spirit of the Malta meetings, and I really believe in my heart of hearts -- not just because it's coming up to the Christmas season -- but I really believe that Malta will make a contribution to a more peaceful world, a world with more freedom, a world with more democracy.

After the meetings with Mr. Gorbachev there at Malta, I went on to Brussels to brief our allies. And I can tell you that NATO is together and strong. And as the changes in Eastern Europe

unfold at this dazzling pace, it is important that NATO remain together and strong.

And now here I am in Denver, and that's a lot of travel for 1 week. But that's fine, that is just fine with me, because working for a Republican majority in the Senate and in the Congress is vital and, with me, it is a priority. And that means why we're all here -- electing Hank Brown to the United States Senate.

He and I are on the same wavelength, working together on the issues important to all of us: strengthening peace and freedom around the world -- and we must be strong -- keeping the economy strong, and protecting our precious environment. Hank Brown is what you need and is what this administration needs -- a Senator to make Colorado strong, to make this nation proud, and a leader in the Senate that I can work with as President of the United States.

It's hard to believe, but in just a few weeks, we'll be entering the next decade. As events in the world quickly unfold, I see an America that is filled with optimism and hope and a sense of new beginnings. And across the Atlantic, we also sense new beginnings as democracy blooms behind what used to be called the Iron Curtain. For the first time in 40 years, the people of Eastern Europe believe that freedom is within their grasp. They aren't just thinking about change -- they are changing the way they think about the future and what it can bring and what it will bring. And they're taking their destiny into their own hands, and they're helping build a new Europe, whole and free.

At Malta, President Gorbachev and I took our first hopeful step into a new American-Soviet relationship. We took our first step towards the next decade and the new world that is taking shape, a new world of security and freedom. Our mission to Malta was about peace -- not the kind of uneasy peace that we've known for the last 40 years, hard and cold, but about the new kind of peace we aspire to, one that is rich with the promise of permanence, one that forms a foundation for freedom and democracy throughout the world. Yes, there were differences at Malta, but we could express them in an agreeable, forceful way without being disagreeable about them.

The 1990's can be a time for peace, but it must also be a time of continued prosperity for all Americans. And that means keeping our economy growing through innovative initiatives like the capital gains tax cut -- to which I remain committed and to which I am going to fight for when the Congress comes back because that commitment is to bring more jobs to more people. The capital gains may be over now -- the fight for this year, 1989; but the fact is, a majority in both the Senate and the House are now on record in favor of cutting the capital gains rate. And it was Hank Brown, sitting right here, as one of the key members of the House Ways and Means Committee, who played a crucial role in getting action in the House -- getting the bill to the floor of the House of Representatives. And I'll always be grateful to him for that.

When Congress reconvenes in the new year, cutting that capital gains rate is once again going to

be one of the top items on my agenda, and the battle will commence again in the House Ways and Means Committee. I'm counting on him once again to be one of my top lieutenants in that fight. And because of people like him, it's a fight we are going to win. You know, we've got to keep America's economy strong. We've got to keep the job creation machine rolling.

I'm also counting on Hank Brown to help me hold the line on new taxes. As Congress returns, I'm reminded of a story that Franklin Roosevelt used to tell about his opponents, which I think fits the tax-and-spend Democrats of today. It's a little story about a poor chameleon that turned brown when placed on a brown rug and turned red when placed on a red rug, but who died a tragic death when they put him on a scotch plaid. [Laughter] We can't let the chameleons in Congress talk about deficit reduction and then raise taxes so they can load up the budget with more and more spending. We must stick to what the American people elected us to do: hold down taxes, exercise fiscal restraint, and keep the longest peacetime economic expansion going strong. And we will not be satisfied until prosperity reaches every corner of America. We have really just begun.

You know, Hank's district here is known as Colorado's Breadbasket, home of your agricultural heartland. So, as work begins on the 1990 farm bill, we're going to be looking to Hank for help because he knows the people of Colorado -- five generations of his family, Coloradans before him. And Hank understands what farmers are going through to produce a crop nowadays. This administration has introduced policies to benefit both the farmer and the consumer, and to continue our work, we need Hank Brown to move from the House to take Bill Armstrong's place in the Senate.

I'm a little tired of the Democrats claiming their key interest in the old sole proprietors of the environmental issue. We've initiated bold new environmental policies to reduce air toxics and urban smog, to help clean up our air and hazardous wastes, to expand our parklands. And through it all, Hank's been there with us. Take a look at his record: worked to clean up Colorado's drinking water, and through his efforts, the Rocky Mountain Arsenal cleanup was named to the EPA's Superfund national priorities list; and just last week, I signed into law his bill to expand the Rocky Mountain National Park. He believes, as I do, that the future of generations to come depends on the kind of commitment to the environment that we make now.

It looks to me like your State's on quite a roll this year. I've been following the sports pages, and I see that Bill McCartney has made C.U. the college team ranked first in the country -- going to the Orange Bowl, playing there on January 1st. And Dan Reeves, who was in the Oval Office with me the other day, has led the Denver Broncos through a great season -- number one in their division, maybe even heading for the Super Bowl -- who knows? Well, let me put it this way: Hank Brown has led his district through a winning decade as a Congressman, and now it is time for him to lead the State into this exciting next decade as a Senator. We need his energy, we need his commitment, we need his total honesty, his integrity. We need Hank Brown in the Senate.

And I want to thank you for inviting me to this beautiful State. Thank you for your support for this fine man. And now let's go out and work to make Hank Brown the next Senator from the State of Colorado. Merry Christmas to you. God bless you, and God bless the United States of America. Thank you all very much.

Note: The President spoke at noon in the Currigan Convention Hall. In his remarks, he referred to Bruce Benson, chairman of the Colorado Republican Party; Sharon and Pierce Bush, the President's daughter-in-law and grandson; actor Charlton Heston; television weatherman Willard Scott; Bill McCartney, coach of the University of Colorado football team; and Dan Reeves, coach of the Denver Broncos.S1240

Question-and-Answer Session With Students at John F. Kennedy High School in Denver, Colorado

December 8, 1989

The President. Thank you for coming. You've been singled out -- fairly or unfairly, I shall have my part in making the determination and you can decide -- as the best and the brightest. I don't know whether that's fair, but that's what they've told me about you guys. So, what I wanted to do, really, is to get some questions from you -- any thoughts you might have on anything -- be glad to field them. And if I don't know the answer, I'll give them to Tony. [Laughter] And if he doesn't know the answer, I'll give them to Pat or to Bill Bennett. You've got it.

Alcohol Abuse

Q. I'd like to know: We focus on drugs like cocaine, crack, but I believe we're getting away from the most abused drug, which happens to be alcohol. What is the Government doing about that?

The President. I think we are giving full support -- I'm going to let Bill Bennett add to this -- but to a myriad of programs across the country. The one that comes to mind that I think really deserves a lot of support is this MADD, the Mothers Against Drunk Driving. But, Bill, do you want to add something to that? I mean, there's a wide array. Of course, you have laws on the books that need to be vigorously enforced, and we are trying to give encouragement to the law enforcement officers that are out there. What do you want to add to it, Bill? His major role is the other substances that are abused. But go ahead.

Mr. Bennett. We do have an important responsibility in regard to alcohol when it comes to prevention education. And, in fact, the laws that we are putting in place and funding that is put into place insists on attention to alcohol in the educational programs and the prevention programs. And often, you've got alcohol and illegal drugs mixed; lots of people use both of them. I think the question we have as a society is not whether we have alcohol or not -- because that's been decided, we're going to have it -- the question is do we want legalized alcohol and, as well, legalized marijuana, cocaine, et cetera, et cetera.

We know the problems alcohol has caused -- as the President said, Mothers Against Drunk Driving. But it is an illegal drug if you're using it underage, so it needs to be treated that way.

AIDS

Q. Mr. President, I'd like to know the money that you've set aside for the AIDS program -- education programs, if they're doing any good, and if so, will you fund more money for that in the future? And if not, will you just deplete the education for AIDS totally, or -- --

The President. No. Most of the Federal Government funding is for research -- very active program at the National Institute of Health under a guy named Dr. Tony Fauci, who is really -- I singled him out last year as a hero -- he really is a hero in this program he's involved in. I think the amount is about $1.4 billion -- somebody -- well, I think it's around that, and there will be an increase, modest increase in the budget. The researchers might be able to use more research money, but they've been relatively well-satisfied with that from the Federal Government. And then you've got to add to that what's going private.

We've got to find an answer. It's a virus. There will be an answer found. But I think we ought to give great credit to the National Institute of Health and to the private sector. My own doctor was on the AIDS Commission, Dr. Burt Lee; he's not with me on this trip. But he tells me that people can be sustained, their lives can be sustained, for far longer today than when we really first started fighting this drug [disease] a few years ago.

So, the Government will keep up its interest, private sector will, and hopefully, we'll find an answer. But for those interested in that general subject, you know, I said to him, well, why can't we get a breakthrough and get something that defeats this? And he said, well, if it was that easy, we'd end up -- nobody would have a common cold. It is a virus. And we haven't been able to do that with all the medical knowledge we've got.

Eastern European Reforms

Q. Good morning, Mr. Bush. My name is Albert Carrillo. I'm a senior. I was wondering, what are your thoughts on the recent fall of the Berlin Wall? And do you see the possible unification of Germany into one nation as a threat to the U.S. or to the NATO alliance?

The President. Albert, I look at the changes in East Germany -- convinced me that the people's quest for freedom knows no bounds. Obviously, we'd hoped that this would happen and that the people would, indeed, get what others have had, which is the right of self-determination. But it's happening faster and in so many different countries and in so many ways different than we predicted.

And so, what I've been trying to do as President of the United States is to welcome the change, but to conduct ourselves in conjunction with our allies in a way as to not encourage any force in any of the Eastern Europe countries or the Soviet Union to react in a bad way. By that I mean I would hate to see any kind of reversal to this change.

I am convinced that we will see a Europe that is whole and free. This is one of the subjects that I was discussing with Mr. Gorbachev a week ago from -- well, tomorrow I guess we started our talks. And it was about the change in Eastern Europe. I think it will continue.

In terms of the German question, the alliance position has been self-determination -- let the people decide. This gets a little technical, but the Helsinki Final Act talks about the permanence of borders unless people elect to change them peacefully. But you're onto something, in a sense that there is concern in some of the countries. There's concern in Poland; there's concern in some of Western Europe; there's concern, obviously, on Mr. Gorbachev's part about the rapidity of change and the way the change plays out for the future.

But the U.S. position is, that's a matter for the German people to determine. But we ought not to be trying to set the pace for them as how rapid that change should come about. Underlying it all -- freedom, democracy, pluralism, right to choose your own future. And if you said to me 2 years ago, can you, sir, predict that in 2 years from now Germany will be doing what it's doing, throwing out totalitarian leaders and groping to find a way to a more democratic system -- no, I wouldn't have seen that. But it's happening, and it's going fast, and it's moving in the way that our country has stood for -- freedom and democracy.

So, let's hope that by the time you all finish here, finish college 4 or 5 years from now, you'll see a different kind of a Europe. And you'll see the United States interacting with Eastern Europe in a way that we haven't done since World War II.

Women's Issues

Q. I was wondering why the Bush administration is not advocating more social programs that would help women in need, like pay equity and equal rights amendment and child care and child support laws, but they do advocate the abolition of abortion?

The President. Well, I'm not -- of course, I don't view that as antiwoman; I view that as prolife. We could have a fascinating discussion. I might be in the minority here. [Laughter] But you know, I looked at our adopted grandchild the day she was baptized, the day she was christened, and I said to myself, like any parent or grandparent would, well, I'm glad this child was born. Now, she's surrounded by a lot of love, and so, there's a difference here. And I know that a lot of women look at it differently and men look at it differently.

Child care -- I want to see child care. We made a proposal, I think a bold and good proposal, to the Congress. They got one, some of the people that control the Congress -- opposition party, they've got a different way of looking at it. They want more centralized restrictions and regulations, and I want more choice in child care. I want parents to be able to make a determination.

I don't think that a church-affiliated child care center should be discriminated against if they're doing a good job. I think families that are poor and elect to have neighborhood groups get together -- let them have the money go there. They don't have to have some bricks and mortar downtown where the Federal Government tells you.

So, I think I've tried hard to get child care legislation through, but I want to get it through in the way I told the American people that we'd have it when I ran for office. It's hard to do when you have the Congress controlled by -- there was another part of your question. Day care, abortion -- oh, equal rights amendment. I don't think that that thing's gotten off; I don't really see much steam behind it now. I think we have existing laws to protect the rights of women, protect the rights of majorities and minorities, and I don't think that it's particularly needed at this point at all.

Defense Budget

Q. My question concerns the defense budget next year.

The President. Yes?

Q. Assuming that we were to save money because of, like, cutback in arms and closing of some bases, what are you proposing to do with that money? And is one of your options to pay off some of the Federal deficit or to train the unemployed military for civilian jobs?

The President. It's to pay off the deficit in this sense: If there are large savings in defense, defense has taken a hit for 5 years in a row. And even though the change that Hector talked about -- or is it Albert -- Albert talked about -- that change, the Eastern European change, is very exciting and can lead, through arms control agreements, to agreed lower levels of defense -- even though that's happening, I think it would be imprudent to make reckless cuts in our defense and think everything was just perfect in the world. It isn't. And I wouldn't be doing my job of guaranteeing the national security of this country as President if I acted like it was perfect.

And so, I will fight for what I think is a reasonable defense level. But to the degree defense is less than has been projected over, say, a year ago or 2 years ago, the money will go to -- as I am compelled to do under the law -- to meet what's called Gramm-Rudman targets in what you asked about, deficit reduction. That doesn't mean we don't have a lot of money going into social programs -- we do.

But you know, there's some crazy -- maybe it's idealistically good, but there's a lot of wild speculation that Congress is going to go in and take dramatic slashes in the defense budget and then take the money in what's called a peace dividend. And I will not acquiesce in that. By that, it means spend the money -- go out and spend it more. My problem is that the best answer to poverty is a job. And the best way you have a job is to have a strong economy. And so, you have to get the deficit down, and that's where, under the law, I'm required to do it, so I'll keep fighting for that.

POW's/MIA's

Q. Mr. President, I'd like to ask you what the Bush administration is doing to resolve the issue of the POW's still in Southeast Asia?

The President. Doing everything we can. We've got a former general officer who was in charge of all, the Chief of Staff of the Army and Chairman of the Joint Chiefs, General Vessey, and he is a special negotiator for the President. He just came back from Vietnam. To give them their due, they are being more cooperative about the remains of the missing.

It's a brutal kind of a field where you think you have to bargain to get the remains of the dead back. This is what kills me about this Middle Eastern situation, where that -- Colonel Higgins, showed his body. And the brutality of people who will not return the dead is hard for us to fathom in our culture, but what we are doing is negotiating with the Vietnamese at very high levels, trying to get a total accounting.

Now, General Vessey is not convinced that people are alive still and held against their will, but he is a great soldier and a great patriot, and he is going to motivate himself as if they were. By that I mean, only when everybody is accounted for fully can we really lay back and figure that that assignment has been taken care of.

War on Drugs

Q. I was wondering if any legislation will be put forward in support of capital punishment for convicted drug dealers?

The President. Yes, and I favor that. It's controversial and I don't know the exact state of it, but look, just as in the question Anna asked, there's a lot of emotion on both sides of it. I happen to believe that drug dealers who take the lives of our law enforcement officers and corrupt the lives of our kids should pay with their lives. And you can define what a drug kingpin is, and I support it.

And the intellectual debate that you'd get -- maybe you have it in this classroom -- is that a deterrence? does a person have a right to take a life? -- get back to your subject. And you get into all of these questions, but in my view, there's a difference between protecting innocent life and protecting the life of a person that has done violence to the life of another. And I do think a prompt enactment of that final penalty would indeed inhibit not all but some of the excessive behavior that is dominating this horrible, horrible narcotics field.

Q. Mr. President, I'm very interested, if the situations were reversed and you were involved personally with the Colombian cartel, would you advocate any positive changes in their government? And if you would, what would they be?

The President. You mean, if I were Escobar and I had something to say about the government?

Q. Yes.

The President. I'd say I hope that you don't give Colombia the support that the United States wants to give Colombia, because they're going to get me someday. And they are. Was it Escobar that was running out in his underwear out through the jungle the other day? We almost nabbed him. And I will continue to support President Barco of Colombia.

Let me tell you something. We got problems in this country -- we got terrible problems when a police officer goes out and lays his life on the line to help, I'd say, all of us when someone in these gangs get going on narcotics. But let's put ourselves, as you suggested -- and a very good question -- into the shoes of the President of Colombia, not the drug dealer. And here he is, courageously standing up and saying: I'm going to get you. I'm going to stop this. I'm going to save my country from the scourge of these narcotic traffickers -- kingpins, you see.

Then the response by the drug dealer, into whose shoes you ask I put myself -- says, I'm going to show you how we feel about this -- hire some thugs, they plant a bomb, and they kill 100 innocent people standing outside of an office building -- it could well be a school like this, it could be anyplace. Retaliation, brutality, threatening, killing judges -- it's a good way to get fewer judges is to kill about 10 or 12 -- hey, who wants to volunteer to be a judge? Not so many volunteers.

And yet, in spite of this, this guy Barco, the President, Virgilio Barco, has decided, look, I don't care what it costs; I don't care how much the threat to me; I am going to do something. Because he knows that the majority of the drugs come in through -- processed and come in through Colombia. If I were the drug kingpin, I'd be hoping that it would go away -- I would be hoping that I could intimidate Mr. Barco so he would give up on the fight, and I'd be hoping that people in the United States would look the other way and say forget about it. I would be hoping, if I were him, that I could negotiate with the Government of Colombia -- you read something about that -- well, we won't extradite and the Government will make peace with the narco traffickers.

But let us hope that Virgilio Barco and others around him keep that courageous stance. And let us determine that the United States, without intervening into the internal affairs of Colombia, will do what we can to support him in his effort. It is vital, these Andean countries -- Peru, Bolivia, Colombia -- that we stand with them as they try to knock this stuff out at the source so your little sister isn't going to be approached at age 12 and get hooked onto some of this substance. And that's a big part of what our drug czar, Bill Bennett, is doing -- working with these countries, assuring them of support, and trying to shore up those south of us that are willing to help.

Hey, listen, I could do this all day long. I learn from your questions, and I'm very grateful to all of you for taking the time. And I will follow our leader, though. She says shut up -- I'll shut up.

[Laughter]

Note: The President spoke at 12:51 p.m. in the choir room at the school. In his remarks, he referred to Tony Dorsett, a player for the Denver Broncos football team, and Pat Bowlen, owner of the team; William J. Bennett, Director of National Drug Control Policy; and students Albert Carrillo, Hector Sanchez, and Anna Valdez.

Remarks at an Antidrug Rally at John F. Kennedy High School in Denver, Colorado

December 8, 1989

Thank you, Pat, very much. And to the Governor of this State, thank you, sir, for welcoming me back -- Governor Romer. To our Congressman in whose district we are, my friend Dan Schaefer, thank you, sir, for being with us over here. You've heard from our drug czar, Bill Bennett, who's doing a marvelous job fighting the narcotics scourge all across this country. I wanted to thank Superintendent Koeppe, but I also wanted to pay my respect to the marshal of enthusiasm -- she who leads this school as principal, Bernadette Seick -- thank you for that wonderful welcome.

And, of course, to all of Denver's choice for number one anywhere at any time, the Broncs, I want to say, Dan Reeves and John Beak, and Randy, Randy Gradishar, and -- President of that Denver Broncos Youth Foundation -- to Tony Dorsett and Andrew Provence and Billy Bryan and Randy Thornton -- I want to thank all of them for being here. I understand that your soccer team, if you'll pardon the pun, has a commanding lead. Dan Reeves has his scouts out, wondering if any of these guys would be any good at field goals.

But, you know, whenever I fly over this part of the country on Air Force One, I'm always impressed, obviously, by the beauty of the Rockies -- gray peaks, green forests, sun, and in springtime, fantastic. And so, you are lucky to be so close, so much a part of one of the most beautiful places on Earth, this great State of Colorado. And from Pike's Peak, to our south, right on up to the shadow of Long's Peak, the thrill of the Front Range is ever-present.

But you know, when you think of it, the greatest thrill in this world comes from the realization of a great ambition. It's the kind that a mountain climber knows when scaling that last rocky ledge to finally reach the summit. And this is the thrill that these gentlemen know -- to be a Bronco, to inspire more consecutive sellout games than any other team in the history of the National Football League. But my point is this -- my point is simply this: Such a moment has to be earned. It's as Montel Williams says, that if you want to be ``fresh," you must first be ``fresh" with your mind.

But the sad truth is that some people think you can get these same feelings of achievement without waiting, without striving, without doing much of anything at all. And they think all you need to do to feel like a winner is to smoke, or snort, or swallow a dose of drugs. But the drug high is only a sensation, not a fact -- only for a minute, not a lifetime. And it is that simple, and it is that dangerous. For in that short time, the very ground beneath your feet is slipping away, opening up. And into that narrow grave you can bury your hopes, your dreams, and perhaps your very life.

And even if you don't pay the price today, rest assured, someone else will. Some people just think of themselves as peer group casual users. But there's nothing casual about buying drugs from people who consider killing to be a cost of doing business. Ask any policeman -- and God bless them -- any policeman here in Denver about the Crips and the Bloods. And watch the news from Colombia to our south. And you put it together: Every dollar spent on drugs is a dollar spent on death. And let us then send a message to the merchants of death, called those pushers: We have new tools at our disposal to defeat you. And we are going to defeat you.

Let me tell you about a new law that allows the Department of Justice to seize the assets of these drug kingpins and distribute the proceeds among law enforcement agencies. A simple traffic stop by a Lakewood, Colorado, policeman in 1981 resulted in the cracking of a major cocaine cartel and the seizure of a small fortune. So, I'm happy to say that in just a moment from now, I will present five checks totaling $2,196,951 to the local authorities. Take that money, give it to the local authorities who participated in the investigation -- the police departments of Lakewood, Greenwood, and Aurora, and the sheriff's office of Jefferson and Arapahoe Counties. So, only in this narrow way -- I will concede -- but only in this narrow way, crime pays. It pays for more stringent law enforcement. And criminals pay with a hefty chunk of their lives -- in this case with 20 years imprisonment. And in some cases, they will pay with their very lives.

And we can do even more -- we've got to -- much more to fight drugs. I sent a crime package to the Congress in May. Summer passed and fall passed. And now another winter will pass in Washington before new tough legislation is considered. But I am going to keep on fighting. We owe it to every kid at Kennedy to pass that kind of legislation. Crime is a number one concern of our nation. I call on the United States Congress today to make our crime package one of its first orders of business when it reconvenes in January.

Your school is experiencing many of the same problems as every other school in America. That's why I came here today to introduce you to the Denver Broncos Youth Foundation -- because I do believe you can be commanders in the war on drugs. Listen to them and learn from them, and they'll teach you how to avoid drugs for the rest of your life. And after all, drugs may get by a lot of people, but nothing can get by the Orange Crush. The most important tactics, I'm told, that they teach are called ``refusal skills." Perhaps you're under peer pressure to use drugs -- fit in with some certain group out there -- so you need to be able to do more than just say no. You need to have the confidence to look your false friends in the eyes and say, ``Hell, no, I don't want any of that."

I'll bet every one of you can tell me a tale of what you've seen firsthand and what drugs can do to your fellow students. And if someone you know is using drugs, then be a decent friend to the guy. Help him. Talk to him -- talk to her. Just ask your friend to take the problem home -- and if that doesn't work, to a counselor or to the church or somewhere, or to Randy here and his people -- but do something. Don't just sit there. Help your friend -- take your friend to someone who will listen.

We're not going to get rid of drugs overnight in this country. But I believe that by working together, with the good people affiliated with this marvelous Denver Broncos Youth Association, you will one day get the drugs out of Denver. I know you live in tough times and, certainly, that your life isn't simple. But that's why we want your help and your thoughts. And if you have an idea to fight drugs, let's hear it. If you have a plan, share it -- with your community leaders and your local officials; or with your Governor, who is waging a strong fight; and with our drug czar, Bill Bennett. Believe me -- an individual can make a difference.

Randy says that winning takes teamwork. Well, in the field and in life, that's true. Teamwork means being of one mind, one spirit, agreeing to one purpose. And our purpose is to get rid of drugs in America once and for all.

Your blue and kelly-green banner is an emblem of pride. Let it also be an emblem of a drug-free school, the home of true Commanders.

I came here to thank you, pay my respects to your great faculty, to your principal, to your superintendent, and most of all, to you who are engaged in this fight. And now I want you to witness government perhaps close to its best, as I present to these local law enforcement officers the money that I was talking about that comes from the heroic fight they are waging to protect the life of every kid in this school. It's going to be my pleasure to present the checks to them.

Note: The President spoke at 11:27 a.m. in the gymnasium. In his remarks, he referred to Pat Bowlen and Dan Reeves, owner and coach of the Denver Broncos football team, respectively; and players John Beak, Randy Gradishar, Tony Dorsett, Andrew Provence, Billy Bryan, Randy Thornton, and Montel Williams, who were members of the Denver Broncos Youth Foundation. Following his remarks, the President traveled to Des Moines, IA.

Nomination of David W. Mullins, Jr., To Be a Member of the Board of Governors of the Federal Reserve System

December 8, 1989

The President today announced his intention to nominate David W. Mullins, Jr., to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1982. He would succeed H. Robert Heller.

Since 1989 Dr. Mullins has served as Assistant Secretary for Domestic Finance at the Department of the Treasury in Washington, DC. Prior to this, he served as Acting Assistant Secretary for Domestic Finance, 1988 - 1989, and professor of business administration at the Harvard University Graduate School of Business Administration.

Dr. Mullins graduated from Yale University (B.S., 1968) and the Massachusetts Institute of Technology (S.M., 1972; Ph.D., 1974). He was born April 28, 1946, in Memphis, TN. Dr. Mullins served in the National Guard, 1968 - 1970. He resides in Washington, DC.

Statement by Press Secretary Fitzwater on the Upcoming State Visit of President Ibrahim Babangida of Nigeria

December 8, 1989

President Bush has invited Gen. Ibrahim Babangida, President of the Federal Republic of Nigeria, to make a state visit to the United States, beginning on January 17, 1990. President Babangida will be making the first state visit by an African chief of state in the Bush administration. The United States enjoys cordial relations and growing cooperation with Nigeria. It supports President Babangida's ambitious economic reform program and commitment to return Nigeria to civilian, democratic rule by 1992. Nigeria is Africa's most populous country, a major exporter of oil, and one of the United States' most important trading partners in Africa.

Advance Text of Remarks at a Fundraising Dinner for Senatorial Candidate Thomas J. Tauke in Des Moines, Iowa

December 8, 1989

I'm delighted to be here to salute a man who embodies values of hard work, honesty, and strength of character. He has been an exceptional Congressman; he will make an exceptional United States Senator. His name is Tom Tauke, and he deserves our support.

You and I both know why. Look at his background: reporter, attorney, elected to the Iowa Legislature and six times to the U.S. House of Representatives. Look at his record. He has fought for the family, the taxpayer, the farmer, the working people of Iowa, helping to build better education and better rural health care for a State whose best still lies ahead. Like all of you, I've seen Tom Tauke up-close and personal. I admire him enormously. We need him in the Senate. There, he can serve all of Iowa and help Iowa serve the Nation. There, he can help ensure prosperity at home and peace abroad.

As you know, last week I met with Chairman Gorbachev off the coast of Malta. We talked about the power of freedom to dismantle walls between nations and agreed that we must seize the opportunity to build a generation of peace. From Malta came initiatives to nurture Europe's tide toward democracy, accelerate arms control, and expand trade. And in that context, let me repeat my goal to grant most-favored-nation status to the Soviet Union by the 1990 summit. This will relax trade barriers between East and West, expanding markets for American agricultural and other exports. We need Senators who will help America move beyond containment toward a Europe that is whole and free. Tom Tauke will do that.

Then there's the prosperity which has meant over 20 million new jobs since 1982 -- prosperity which results from lower taxes, responsible spending, and lower interest rates. This July, Tom Tauke was 1 of only 23 Members of Congress to be honored by the National Taxpayers Union. I need him in the Senate to keep taxes down.

Yet prosperity means little if our kids aren't free from drugs. So, we have unveiled a comprehensive drug strategy to stop use before it begins. Tom Tauke supports our strategy. He knows that we have not spent 213 years defending our democracy from the tyranny of oppression only to lose it to the tyranny of crack and cocaine.

You know, a writer once said of Iowa: ``This is top-choice America -- America cut thick and prime." Peace, prosperity, and an end to drugs are goals worthy of top-choice Americans, and so are other issues which concern every Iowan. For example, we want to make America's educational system number one in the world again. Consider that Iowa can boast the third

highest percentage rate of high school graduates in the country. And you're number one -- all alone -- in ACT's, American College Testing. You better believe we want to do nationally what you have done locally. So, we've made education reform one of our top priorities, proposing legislation to give greater choice to parents and students, reward excellence, and demand greater accountability. Tom Tauke has championed those proposals. I'm also grateful to Governor Branstad for his leadership with the Governors. He was a stalwart advocate for a better education for America's children at our recent education summit.

Next, let me talk for a moment about agricultural policy and farm bills. Four years ago, Tom helped pass a pioneering farm bill to help a whole community in crisis. And today farm income is near record levels, and exports have dramatically increased since 1986. Most good land has been brought back into production, and about 30 million acres of fragile land have been semipermanently retired.

As many of you know, Tom Tauke has already been out front in our effort to promote ethanol as an alternative fuel. That's good for agriculture and good for our environment. This is all good news for farmers and taxpayers, for under the 1985 farm bill, agricultural program costs have fallen by more than half. Let's remember that next year as we write new farm legislation. Tom Tauke will make a good bill even better.

Finally, as I said in Des Moines during last year's caucuses, we know that Medicare hasn't always been fair to rural hospitals. So, our administration has welcomed new legislation to create more equitable payments between urban and rural areas. Tom Tauke founded and cochairs the Rural Health Care Coalition, which helped draft this legislation. I need him in the Senate to make health care affordable and accessible to the people of rural America.

Tom Tauke knows Iowa from the banks of the Mississippi to the bluffs of the Missouri. His values reflect the greatness of Iowa. You know, when I think of Iowa I think of a Midwestern State that is international as well, not just in terms of trade in farm products but in a broader context. Iowans have always had a keen interest in foreign affairs, and your insights are valuable indeed. Tom Tauke fits that picture, and his life embodies the spirit of Iowa: the spirit of ``America can," not ``Washington must."

So, let's remember that Tom has been there for us and pledge that we'll be there for him, supporting him all the way. And let's make Tom Tauke the next Senator from the great State of Iowa.

Note: The President spoke at 7:16 p.m. at the Des Moines Convention Center. Prior to the dinner, the President participated in a live radio interview at WHO. Following the dinner, he returned to Washington, DC. The remarks as delivered were not released by the Office of the Press Secretary.

Remarks on Signing the National Drunk and Drugged Driving Awareness Week Proclamation

December 11, 1989

Thank you all for being here, and welcome to the White House. I'm glad we have here several of our administration's leaders in the fight against drunk driving and alcohol abuse. Of course, our Secretary of Health and Human Services, Lou Sullivan, is involved; Secretary Skinner, of Transportation; Jim Kolstad; and of course, Doug Wead, here in the White House keeping me up to date with the work that many of you are doing. And I'm also delighted to see Members of the United States Congress here and the Senate.

I want to thank you and all those you represent. I had a chance to meet just briefly with some of the leaders of these groups out in the hall. But you've shown dedication and hard work, and that's gone into one of the most amazing success stories of the 1980's -- the all-American campaign to reduce the awful toll of drunk driving.

America's lasting love affair with the automobile is a reminder of our roots as a nation of people on the move, a reminder of our love for individual choice and individual freedom. It speaks of the open road and wide-open spaces, of a people whose only limits are in the reaches of the imagination. But individual freedom means nothing without individual responsibility -- because for far too many Americans, especially kids, especially young Americans, the promise of youth has been destroyed, wiped out by one of the most deadly scourges ever to strike modern times. And it's as crippling as crack, as random as gang violence, and it's killing more kids than both combined.

Drunk driving is a grave crisis. Drunk driving is a continuing crisis. And I agree completely that drunk driving is a national crisis. As Lou Sullivan reminds me, drunk and drugged driving is one of America's largest health and public safety problems. You know the statistics -- you, above all, know the statistics.

Let me just cite that each year almost 500,000 Americans sustain injuries in alcohol-related crashes. That's like hospitalizing the entire population of the State of Wyoming every year. Even more staggering is the loss of life. Each and every year, our nation's highways witness the death of almost 50,000 Americans, an annual toll that would nearly fill the polished granite walls of the Vietnam Memorial. Fully half of all these deaths are alcohol related. And for young Americans between 16 and 35, drunk driving is simply the single leading cause of death. But as we learned from the roll call inscribed on the Vietnam Memorial, the statistics can't ever tell the real story. Many of you gathered here know firsthand the real tragedy, the individual tragedy, that each of these senseless deaths inflicts.

The death of a child, any child, is one of the most awful wastes, one of the most painful experiences imaginable. But like so many of you, we learned there is wisdom in the pain of any loss. Barbara tells how it was after our own daughter's death that she really threw herself into volunteering and discovered something that most of you have known for many years -- that by helping others, we also help ourselves. This simple lesson has become one of the cornerstones of the better America that you and I are working to build. You're devoting your lives not only to serving others but also to saving others, and the good you have done is nothing short of outstanding and astounding.

In the past 6 years drunk-driving deaths fell an estimated 20 percent, even though total miles traveled rose over 25 percent. That's due to tougher State laws and enforcement, the uniform national drinking age we worked together to enact, and the rise of effective citizen groups like those we salute and honor here today. You helped provoke greater public awareness, a sense of responsibility, a sense of outrage. And speaking not only as President but as a father and as a grandfather, you have my respect, my admiration, and my thanks.

But there's much more to be done. Our challenge for the 1990's is to make further progress and not let up the pressure until the scourge of drunk and drugged driving is gone once and for all. And while primary responsibility for highway safety must properly remain with our cities and States, I have told Sam Skinner that the fight against drunk and drugged driving is one of the key transportation goals of this administration. He's doing a first-class job; his agency is redoubling its efforts in this cause. Just this year, Transportation has expanded funding to train police in detecting drugged drivers.

We've provided technical and financial assistance to launch State-run sobriety checkpoint programs, and our Justice Department has gone to the Supreme Court to fight for the right to use those safety checkpoints. We're also assisting State governments in upgrading their own laws, working with groups such as RID and MADD to provide training for their State and local members. And we're launching renewed public service ad campaigns to keep this issue high on the national agenda.

All these efforts are important. But in the final analysis, the success of our efforts depends not on what happens inside the White House but what happens inside your house. We must teach our children that alcohol is a drug and any irresponsible drug use is wrong, and that driving drunk is a crime -- it's a violent crime. And we must teach them that choices have consequences and that some of life's worst consequences can be avoided.

As individuals, we must not only avoid the deadly combination of drinking and driving but also speak out and set an example for our families, friends, coworkers. You know what that means: Encourage the use of designated drivers. Be a responsible host in your home or at an office party. Make sure alternative transportation is available. Refuse to ride with drivers who are impaired.

The holidays are a time of light -- Christmas trees and Menorah candles, starlight, candlelight -- lights of joy and remembrance. And there was a special candlelight ceremony just last night. It was in Orlando, at an annual vigil where families and other drunk-driving victims from 50 States gather in prayer and in hope. I know some of you were there, and you were very much in our thoughts. For in the end, my message to each of you today is a simple one: Each Point of Light matters. Each time your message gets through can mean one life changed and another life saved. I think of Kentucky and that awful tragedy, and so many others around the world, especially at Christmas. And I want to reiterate: Each Point of Light matters.

Thank you for coming here to the White House at this beautiful time of year, a time most appropriate to highlight the concerns we all feel. God bless you during this holiday season. Godspeed you in your noble work. And now I am just pleased to death to sign this proclamation and this joint resolution. Thank you all very much for coming.

Note: The President spoke at 10 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to James L. Kolstad, Acting Chairman of the National Transportation Safety Board, and R. Douglas Wead, Special Assistant to the President for Public Liaison. H.J. Res. 429, approved December 11, was assigned Public Law No. 101 - 212. The proclamation is listed in Appendix E at the end of this volume.

Remarks at the Swearing-In Ceremony for Catalina Villalpando as Treasurer of the United States

December 11, 1989

The President. Greetings to the Secretary of the Treasury and my Senator, Senator Phil Gramm, and of course, our star, Cathy Villalpando -- delighted. Ambassador, nice to see you here, our Ambassador from Mexico to the United States, Ambassador Petricioli, a good friend of our country -- delighted you came, sir.

And of course, needless to say, I'm pleased to be here for this special ceremony. This remarkable woman, who is going to be sworn in as the Nation's 39th Treasurer, is no stranger to big challenges. Private sector, government service, Cathy Villalpando has brought knowledge and enthusiasm and a lot of savvy to whatever task was at hand. Many knew her as the skilled representative of a dynamic telecommunications firm. Many others, including me when I was Vice President, worked with her and remember her service for President Reagan as Special Assistant for Public Liaison, a big task, tough job.

As U.S. Treasurer, she will advise Secretary Brady on coinage and currency matters as well as the important savings bond program. And she'll also oversee the U.S. Mint and the Bureau of Engraving and Printing, take the lead on important work regarding advanced counterfeiting deterrence.

During her White House service, Cathy demonstrated outstanding creativity in working on issues of direct importance to our nation's Hispanic citizens. And she has also been an active hard-working leader in political and civic campaigns too numerous to mention and has been chairman of the Republican National Hispanic Assembly.

Her skills are formidable, her administrative skills well-known. So, it's a pleasure to welcome you to this team, and I am confident that you will provide the kind of leadership that has a rich heritage dating back to September 1777, and I'm confident you're going to do an outstanding job.

Secretary Brady will now administer the oath of office, and I am proud to be a witness, Cathy.

Treasurer Villalpando. Thank you, President Bush. Thank you, Secretary Brady, Senator Gramm -- and also Congressman Bartlett from Dallas is here, a longtime friend. Thanks to all my family for being here today, my business associates, my friends, and all supporters.

I look forward to working for the President, the Secretary, to the best of my ability during my tenure as 39th Treasurer of the United States. It is truly a distinct honor to be a cosigner of the currency and to be selected to oversee the Bureau of Engraving and Printing, the United States

Mint, and the savings bond program.

This will be a great challenge for me and my new staff. It will be filled with opportunity for growth and deepening dedication, attributes the Department of the Treasury under the leadership of Secretary Brady is already recognized for.

I'm grateful to all of you for being here this day -- to my grandmother, my parents, my sisters, my brothers-in-law, and my uncle and his wife, to my business partners that soon will be former partners, my new associates from Treasury, and to all my friends and all Bush supporters. Thank you so much. And a special thanks to God for making this happen. And Mr. Chairman, from the RNC, I know that you worked very hard on this. Thank you very, very much from the bottom of my heart.

Note: The President spoke at 10:22 a.m. in the Indian Treaty Room of the Old Executive Office Building. In her remarks, the Treasurer referred to H. Lee Atwater, chairman of the Republican National Committee.

Statement on Signing the Arms Control and Disarmament Amendments Act of 1989

December 11, 1989

I have today signed H.R. 1495, the ``Arms Control and Disarmament Amendments Act of 1989." The Act authorizes appropriations for Fiscal Years 1990 and 1991 for arms control programs. I believe, however, that one section of H.R. 1495 must be carefully construed to avoid constitutional concerns.

Section 105(b) of the Act requires that the United States Arms Control and Disarmament Agency disseminate information pertaining to arms control verification and monitoring, including information regarding current, proposed, prospective, and potential arms treaties. It also requires that the Agency provide detailed information on such activities in its annual report to the Congress. I shall interpret the language of this Act so as not to detract from my constitutional authority to protect information relating to treaty negotiations or other sensitive national security information.

George Bush

The White House,

December 11, 1989.

Note: H.R. 1495, approved December 11, was assigned Public Law No. 101 - 216.

Remarks and a Question-and-Answer Session With Newspaper Editors

December 11, 1989

The President. Thank you all for coming. I'm particularly looking forward to this because you do represent a unique category of journalism. What I want to do is just make a few brief comments and then take your questions for awhile.

First, just a word on the recent Malta visit -- I think it was very promising. Mr. Gorbachev and I agreed to hold a summit in the United States next year in June. We agreed that our foreign ministers would meet in the Soviet Union next month. We are on the brink of exciting, new U.S.-Soviet relations. And having said that, there are still some difficulties. Our Secretary of State's abroad right now, talking about some of the problems facing Europe. But basically, I end the year more optimistic than when I began it, and very encouraged about the change that's taking place inside the Soviet Union and all across Eastern Europe.

On the Third World debt question, we came up with a proposal for solving it -- the so-called Brady plan. I want to be sure that we move further during next year in terms of implementation. At least we spelled out some broad parameters with which to try to help solve the problems of Third World debt. But as one who is very interested in this hemisphere, I can tell you that there's enormous interest in the part of our friends to the south -- small countries and large -- that we get on with this, and that our allies and others -- private banking interests -- help us get on with this.

On the economy -- we end the year with a still-growing economy, the lowest unemployment rate in 15 years, and 20.5 million new jobs created over the last several years. I've been able to keep my pledge of no new taxes for this year. And generally, I feel pretty good about it. There's some signs of concern that have been expressed from time to time by the Fed [Federal Reserve Board], but I think the main thing now is to keep it growing until every American benefits by this -- the longest recovery in history.

And on the ethics package -- we sent an ethics package up early. Congress did incorporate many of the provisions in our governmentwide ethics package into the law passed recently that was coupled with the congressional pay raise. I think the reform is long overdue. We didn't get everything we want, but we made a beginning out there.

On S&L's -- the package, which was not easy to come by, guarantees depositors that money will be safe and sets tough new standards to ensure that the crisis doesn't happen again. I'm disappointed, in some ways, with the Congress and with our progress -- or lack thereof -- in some areas.

The crime package -- we sent a comprehensive violent crime control package which proposes augmenting enforcement and prosecutions, strengthening current law, restricting certain semiautomatic weapons, and expanding prison capacity. But, very candidly, it has not been acted on, so I'm going to have to come back now after the first of the year and try to push on that.

Clear air -- the House and the Senate took some steps toward passing our bill this year. But we had some good clear air proposals. They were widely received, bipartisan fashion, but I'm disappointed that we haven't gone further there.

Child care -- I'm in a fight with the Congress in terms of philosophy on child care. I want to have as much choice as possible. We sent up a new child care bill and proposed $250 million increase in Head Start this year, too. And now we're in the final throes of our budget process, addressing these questions again, but I think you'll see early action on child care.

All in all, it's been a productive year. We've proposed a lot of new initiatives. I exercised the veto 10 times and to date was not overridden on it. We made progress. I didn't mention the minimum wage, for example, but I had to hold the line on what I thought was right, and then we did pass it at the level that I suggested. But I'm not overly satisfied, but I think generally that the first year has gone pretty well.

I do want to make one comment, before taking questions, on the recent visit of General Scowcroft to China -- a lot of interest in that. And following the meeting with Mr. Gorbachev, it seemed to me that it would be appropriate to brief the Chinese leaders. I made clear to them before the Malta meeting that I wanted to do this. I must say I was very pleased today, in the wake of General Scowcroft's visit, to notice that the Chinese Foreign Ministry stated that they would not sell missiles to any Middle East countries. That subject was raised by General Scowcroft and, in my view, it's a very sound development.

And I do not want to isolate the Chinese people; I don't want to hurt the Chinese people. We have certain sanctions. I hope I needn't reiterate my concerns about the events that took place in Tiananmen Square. I think we were positioned in the forefront of human rights concerns, and I think the Chinese know that they still have to address themselves to the problems that were inherent in this episode. But I don't want to see that China remains totally isolated. I don't want to take any further steps that are going to hurt the Chinese people. And I was very pleased that this statement on the missiles, the subject having been raised by General Scowcroft, took place before he barely hit the ground here.

There was some discussion about the Pelosi bill, and some political figures accusing me of not caring about human rights because I would not sign that bill. We have enacted by Executive order everything that that bill would have done. And I want to keep control of managing the foreign policy of this country as much as I can, and I didn't think that legislation was necessary. And I hope that the Congress comes back and takes a hard look at that, and then we'll go forward

together, as we have in the past. But, generally speaking, I realize the difficulty of this relationship, but I don't want to make it any worse. I'd like to think it would improve. We have contacts with countries that have egregious records on human rights, and so I'm going to keep looking for ways to find common ground. But I realize that -- I would say to those who are out there churning around saying that we have normalized relations with China that they simply do not know what they're talking about.

Now I'll be glad to take any questions.

Vice President Quayle

Q. Mr. President, Bill Cheshire, Arizona Republic. Since the Malta summit, Vice President Quayle has expressed some disappointment with regard to the Soviet Union's activities in Central America, essentially. Does this reflect the views of the administration, or did you pick up at the Malta meeting some indication that the Soviets may be more forthcoming and cooperative as our relationship develops?

The President. Well, I expressed the views of the United States Government at the Malta meeting that I was concerned about their actions in Central America, and so I think the Vice President was reiterating a view that he knew I held. I'd like to think there would be some change in their philosophy there. I had a phone call that I told Mr. Gorbachev about from Oscar Arias [President of Costa Rica] in which Arias simply asked me to raise with Gorbachev the question of Soviet support for Cuba -- Arias putting a lot of blame on Cuba for the export of revolution into these fragile democracies in Central America and, indeed, in South America. So, I raised the question very forcefully, and I hope that the Soviet Union got the message that it is impossible to have totally smooth relations with us as long as they are supporting the export of revolution into these democratically elected countries. So, there's no difference between myself and the Vice President on this matter. And he was reiterating, really, a position that I have taken.

Middle East Peace Process

Q. Tom Dearmore, of the San Francisco Examiner. Do you think the PLO is inspiring or orchestrating at least part of the Intifada riot activity? And if so, do you think Israel should be pressured or obliged to negotiate on any more than elections until this violence subsides?

The President. I don't think Israel should be pressured into negotiating with the PLO. Is that the question?

Q. Yes.

The President. No, they should not be. [Secretary of State] Jim Baker is working out a very difficult formulation with the Israelis, with the Egyptians, under which the representatives of the

Palestinian people would sit down and talk. And it has been very difficult. Mubarak [President of Egypt], you remember, had his 10 points. Baker came up with five points. There has been progress on that, incidentally, but I don't think it is the role of the United States to force Israel to negotiate with the PLO.

China

Q. Mr. President, Eric Briendel, New York Post. Can you envision any steps the Chinese Government might take that would lead to the lifting of the sanctions that are now in place?

The President. Yes, but I'm not going to detail them for you. The question was: Can I envision steps that the Chinese Government can take that would result in the lifting of the sanctions? Yes, and we have had an opportunity to discuss that with very high levels in the Chinese hierarchy. And I think it is important that they know how we feel on this question, as to what changes need to take place. But let me reiterate, there has not been normalization of relations because General Scowcroft, at my request -- and it was my idea, my suggestion -- went over there and had very high-level talks in China.

German Reunification

Q. Joseph Sterne, of the Baltimore Sun. Mr. President, could you discuss the question of German reunification? Particularly, what steps need to be taken internationally to deal with that question -- the Helsinki conference, possibly a second one, possibly a peace conference to settle borders?

The President. Well, I think the Helsinki agreement speaks to the question of borders, and it does provide for peaceful change, but it mainly recognizes existing borders. And that is a given -- that is a position that we respect and that we support.

I think it's very important that the United States not appear to be trying to accelerate the change in Germany, that we not be out setting timetables or suggesting how fast this question -- very difficult question for some -- of German reunification be addressed. And so, what we've done is simply let the process go forward.

Look, I haven't been able to predict the rapidity of change in Eastern Germany, and if you find somebody that has, please let me know who that clairvoyant so-and-so is, because I don't think there is anybody that has been totally right. But we put on the table -- and I don't have them with me -- four points that should guide the question of German reunification. But it is one that is highly sensitive to the Soviet Union. And we don't have to do it just their way. It is of some concern to some of our European allies. But the NATO position and the position at Helsinki guide the U.S. view still on German reunification.

Q. Just one followup to that. [West German] Chancellor Kohl has made the point that Helsinki

solves it only in a political context, and you need a peace treaty to deal with the border question and international law.

The President. Well, eventually, I think that we can address ourselves to that question. As you know, you have the Four Power occupying provisions, but I don't think that it's in our interests to be setting dates for the finalization of this. Secretary Baker is discussing that at this very minute with our various friends abroad. And I don't want to come out looking like I oppose change from the status quo in the GDR, but I just don't want to be in the position of trying to accelerate the question of German reunification. It's too sensitive, and it's not the role for the United States to do that.

China

Q. Mr. President, Bob White, from the Star Tribune in Minneapolis. I was interested in your observation about Chinese missiles, and I wondered what makes that different. The Chinese, for years, when we're so concerned about the missiles at the Strait of Hormuz, were denying that they had sent missiles to anybody. Why is this substantively different, and why is it suddenly important now?

The President. Well, because we've represented, sir, that they ought not to be selling missiles into the unstable Middle East. And for this to have been raised now, and then having this instant response -- I view that as good.

Q. But they've said that before.

The President. Well, if they prove to not be telling the truth, that wouldn't be good. You say what's different about it? I think the fact that it was raised and then responded to with this rapidity is a good sign. There are many issues of difference that we have with the Chinese, or potential difference. So, I think that one does not address itself to human rights in China, but I think it's important. I think it's important that a top U.S. official sat down with China -- 24 hours later, we are told this. And if it works out badly, why, that wouldn't be productive.

Andean Drug Summit

Q. Rena Pederson, Dallas Morning News. At a time when a powerful individual such as [West German banker] Alfred Herrhausen can be killed by terrorists, doesn't it seem extremely risky to be attending the drug summit in Colombia? I've wondered if you've reconsidered attending it?

The President. Well, I'm going to take a look at that situation. But we've got a courageous President in Mr. Virgilio Barco. And I don't know that -- well, put it this way: I don't want to send some signal that Virgilio Barco cannot provide the proper security for three heads of state visiting his country. I don't want to undermine the courageous stance he's taking by taking a

view that would hurt what he's trying to do. And I'm sure that if the security concerns are raised to him that -- we have a long time before the meeting, but near the time of the meeting -- he would agree with the objective assessments. But right now I'm very hopeful that the meeting will take place in Cartagena. And I have so much respect for him, and I know the enormous problem he's under from people that want him to give up the fight on extradition, or fight against the narco traffickers. And I don't want to be the one that sends a signal that nobody should go to Colombia because they can't be protected.

So, I've got time to take a final decision on that. I will listen to the experts. I will not do anything imprudent. Nobody has ever accused me of being too daring. [Laughter] So, I will -- but I don't want to undermine this courageous leader.

German Reunification

Q. Mr. President, Jim Klurfeld, from Newsday. I was wondering -- in terms of the German question -- whether you can give us better, more detailed sense of your discussions with President Gorbachev on that matter? And also, what type of steps the United States, with or without the Soviet Union, can take to prevent that situation from kind of reaching hyperspeed, the type of situation you seem to be concerned about now?

The President. How the U.S. can affect that?

Q. How the U.S. can do it by itself, or if there's a need for the U.S. and the Soviet Union to work jointly?

The President. Well, one thing you do is keep from doing imprudent things. There was a while when I was being criticized for not waxing enthusiastic enough. Some even suggested that it would be appropriate for the President to rush over to the Berlin Wall to show his excitement. I was excited, but I thought it would be foolish to go to the Berlin Wall because you could evoke a response that could have been totally counterproductive.

But this is the kind of subject that we can discuss with the head of the Soviet Union, but it's not going to be determined between Bush and Gorbachev. That's the kind of spirit of -- that's in the past -- that he and I would sit down and try to determine the fate of Germany. That is not the role that I'm going to play. That's not the role for the President of the United States. And so, we will watch the procedures. We'll have the talks that you've read about in the last couple of days, these Four Power talks at an ambassadorial level. We will stay in touch so we don't miss a signal of some sort. But this is a matter for the German people to decide. It isn't a matter that is going to be determined by the United States. And so, that's the way I look at it, and that's the way our policy is being conducted now.

Free and Fair Trade

Q. Peter Schrag, from the Sacramento Bee newspaper. Mr. President, I think it can be said -- and I think most people agree -- that the events of the last year indicate that the cold war has been going our way. Can we say the same thing about the economic competition that we've had overseas? And given the events that have unfolded in the last few months, is your administration now going to put more focus on the latter rather than the former?

The President. Well, I don't know about more focus, but we're going to put plenty of focus on it, because you raise a very important question, the question of fairness in trade. And we have tried, through a very tough and honest negotiator, our Trade Representative Carla Hills, to make the point that if we're going to go forward with these trade relationships, we've got to be -- they have to be fair -- fair trade. I have made the point on several occasions to Mr. Delors [President of European Communities Commission] in the EC and to our trading partners in various settings with our European friends that the American people are properly insisting that the barriers come down. I remain committed to free trade, but it's got to be fair, and I do think we can do a better job of showing our concern about that.

And I'm going to try to resist protectionist legislation when it comes down the pike -- pure protectionist -- but the way to avoid it is for us to make more progress in the negotiations. So, I think you'll see a heightened attention to trade matters. I'm going to avoid bashing some trading partner -- popular though that might be in the political arena. I think it's bad foreign policy, and I think it's bad for the United States as a whole. But I am not sanguine -- I am not relaxed about where we stand. And I will fight hard to have our people -- Secretary of Agriculture, USTR, Secretary of Commerce -- make progress in all these forums on international trade.

I hope that the political changes continue around the world, thus lessening tensions, so that we can put a lot more attention on the trade sector. I don't want to reply to that part of your question that I think that things are so good in terms of the change in Eastern Europe or changes with the Soviet Union that we can totally relax. I know they're not that good with China, for example.

China

Q. Edward Fike, San Diego Union. Mr. President, are you not concerned that your warming relationship with China may send the wrong signal to the Kremlin about future possible oppression of the unrest?

The President. No, I have no concern about that at all as long as we're positioned in favor of human rights and against totalitarian oppression. And I think we are properly positioned. China is a billion-plus people. They have a strategic position in the world that remains important to us. And I'd like to think that they will redress some of the grievances that continue to exist. And as long as the Soviet Union knows that we're not sending a signal of total normalization, I think there's no risk in your question, but I will be very careful that we don't send that signal. And I think, given the recent meeting with Mr. Gorbachev, I think there's very little likelihood of that

misunderstanding cropping up.

Republican Party

Q. I'm Ed Grimsley, of the Richmond Times-Dispatch. As you know, we've just had a very close election in Virginia, and the Democratic candidate, we think, has won -- we have to wait for a recount on that -- by a very narrow margin. And some say that he won primarily because of the Republican candidate's rigid opposition to abortion.

Many Democrats are very gleeful over the fact also that as the Berlin Wall collapses, so will the Republican Party because anticommunism has been the fuel that kept the party moving all these years. My question to you as leader of the Republican Party: Are you losing any sleep these days over the future of your party?

The President. No. [Laughter] None at all. And I've read some of that balderdash out there. [Laughter] Democrats hold a gubernatorial seat, and they dance around the grave of what they hope is the Republican Party. And they're wrong, because the American people have not changed their fundamental views that had them support me over my opponent. And so, these elections come and go. The Virginia election was a Democrat holding the seat of another Democrat.

So, I don't see an enormous amount to rejoice in that, nor do I see a turning down of the Republican Party because a mayor in New York wins by two percentage points over a Republican. The story is -- please write it down -- [laughter] -- that a Republican got 48 percent of the vote in New York City.

And so I don't accept all that, and I know there's a lively debate on some of these social issues. But I also know that we are getting credit as a party for handling, I hope properly, some of the changes that are taking place in the world and having a global vision and trying to do at home those things that the American people want. I cited some of my frustrations, but I also cited some steps that have gone reasonably well. But I think we have a sound agenda, a national agenda, and I think that will benefit the party in the future. So, for those who want to read something into Virginians holding on to the gubernatorial seat, that's their pleasure. But I hadn't lost a wink, really.

Congressional Relations

Q. Mr. President, Philip Terzian, the Providence Journal. In your Inaugural Address, you called for a higher level of cooperation between the executive and legislative branches. And I was wondering: In the past year I realize the House leadership had some unexpected turmoil, but have you been pleased, distressed, surprised by the character of White House-Capitol Hill relations?

The President. Well, being somewhat of a realist, I can't say I was surprised, but -- and there have been some negative and highly partisan comments. I pride myself on the fact that I don't believe anybody can point to a personal observation on the negative side by me about any of the Democratic leaders, and I am going to continue that way.

And I try to debrief them when we came back from Malta. I try to give them a preview and ask for their advice before I go to Malta. We talked about these domestic issues in a very open way with the leaders, and I am going to continue that. And I think in some ways that's been good. I've taken some flak on board from some of our own party for doing that too much, for trying to work with the Democrats. But I was elected to make certain things happen, and I am going to continue to try to make certain things happen.

I cited an unfulfilled agenda here. But if I had to sum up my feelings at the end of the year, I'd say there are some frustrations, but I am determined when the Congress comes back to hold out the hand and try again. We have good relationships with the Speaker and the Senate side -- reasonably good. And so we are going to keep working on that. But there have been some good moments, and there have been some enormous frustrations, I guess is the way to wrap it up.

El Salvador

Q. John Zakarian, from the Hartford Courant, Hartford, Connecticut. How likely is it for Jennifer Casolo to receive a fair trial in El Salvador, given the breakdown of law and order in that country and also given the initial remarks that came out of the White House when she was arrested?

The President. Well, I think it's essential that she receive a fair trial. And I have instructed our Ambassador and, indeed, talked to Cristiani [President of El Salvador] personally, to represent to the Salvadorans that it's essential that a fair trial be granted. And having said that, I'm satisfied so far that that will take place. But it is essential that it not only take place but have all the appearances of fairness. And I think that's what Mr. Cristiani is determined to do.

That one is very complex, but so far I have seen no indication that she will not receive a fair trial. I have expressed my own concern about the FMLN shooting up civilians and shooting up a -- going after a democratically elected government that was elected in certifiably free elections. And I think when Oscar Arias calls and urges that the Soviets intervene to see that this kind of thing doesn't go on -- it makes an impression on me. But we ought to separate these cases and just do everything we can to insist that whoever it is be granted a fair hearing and a fair trial. And I hope that will be the case in Jennifer Casolo.

Savings and Loan Crisis

Q. Byron White, Cincinnati Post. Cincinnati being the home of Marvin Warner and Charles Keating, we've had quite an interest in the S&L crisis. You mentioned in your remarks that you saw the fact that the S&L package guaranteed depositors their money as being a positive. However, some have suggested that the fact that that maximum level of insurance is so high is part of the problem. And I was just wondering what your thoughts were on that.

The President. On deposit insurance?

Q. The maximum level of insurance, $100,000 on depositors insurance as being part of the reason for some of the problems with Lincoln Savings and so forth.

The President. I don't want to dodge your question, but I don't know enough about the specifics in that case to give you an opinion as to whether the $100,000 limit on savings deposits affected it or not. All I do know is that we've got to clean it up and it's a whale of a mess. And we'll see where we go, but we had this one refinancing. I am now told that that might not be enough. And whether you can attribute it to your question or not, I am embarrassed to say I just don't have a good answer for you.

Urban Poverty

Q. David Boldt, of the Philadelphia Enquirer. It sometimes seems that missing from your agenda and from your comments today has been anything relating to the problems of American cities, particularly the problems of urban poverty. And it leads to an inclination to think that perhaps you don't think these problems are amenable to Federal initiative. Is that correct?

The President. No, that's incorrect. I thought child care had a lot to do with that. I thought the question of anticrime legislation has a lot to do with that because those areas are the most severely impacted. But I am glad you raised it because it is totally incorrect. I also mentioned the creation of jobs -- that's very important to the inner cities.

Federal Budget

Q. Chris Colford -- I'm from the Cleveland Plain Dealer. As we await your next budget for next year there is some anxiety that there may be another round of cuts in human and domestic services -- for example, the Legal Services Corporation, where you recently offered a recess appointment for a new Chairman. Can you give us some assurances that the kinder, gentler administration will have adequate funding for human services?

The President. I think you'll be pleasantly surprised when you take the overall budget and its concerns for city affairs, human affairs -- whatever.

Q. Legal services?

The President. Well, I can't. I don't know the exact levels on legal services. We're in the final processes of budget right now. I go from this meeting to another marvelous meeting with Dick Darman and a big thick notebook over there. So, I'm not ducking it; I just don't know the answer. But generally speaking, I think you are going to find that we are able to finance the initiatives that I talked about -- some of which I mentioned here -- that do affect the welfare of the American people, particularly those that are disadvantaged.

Panama

Q. Sterling Holmesly, San Antonio Express-News. Mr. President, could you tell us when a decision will be announced on the relocation of the Southern Command in Panama?

The President. No, sir, I don't know. I'm not ducking it; I just don't know the answer. Can anyone help with that? Bob [Robert Gates, Deputy Assistant to the President for National Security Affairs]? I know people in San Antonio have a keen interest in this, and I can understand why, but I just don't know the answer to that one.

El Salvador

Q. Shelly Cohen, from the Boston Herald. There have been widely divergent accounts this morning of the credibility of a witness to the murder of those priests in El Salvador. Is it not time to go public with that investigation? If not now, when?

The President. Widely -- --

Q. We have a report -- --

The President. -- -- as to whether she's a credible witness or not?

Q. Yes. We have a report out of El Salvador that she had flunked lie detector tests. We have other reports from the clergy in El Salvador that she's being brainwashed. Could you respond to that?

The President. Yes, I can respond to the last part of it, because when I read that, I looked into that and am assured that is not the case. But I think you ask a good question, as to when all this will become public. It should be, and I'd like to see it as soon as possible.

But I think there are some concerns, and all I would say is that this -- she was accompanied by a person from the U.S. Embassy. I believe the Justice Department has had the custodianship or taken a keen interest in all of this. And I have confidence that our Attorney General would not permit the kind of inquisition process that was alluded to in the papers today. And so, it is very

important, just as in the Casolo case, that this be resolved fairly and to the satisfaction of the American people. And that is going to mean the disclosure that you're asking about. And so, I want to just assure you that this will take place. I think it's important that it's done in a way so there's no -- not tampering with evidence but prejudicing the legal proceedings that are taking place. I think that's very important.

Q. Will you order the FBI to make this investigation public in the reasonably near future?

The President. Well, I'll do it within the confines of the legal proceedings. I don't want to order them to do something and then have them say the very fact you have done this is making it difficult to get a reasonable solution to the question everybody is asking -- what happened? But I think, in fairness to her, I've already guaranteed to my satisfaction that she is not being mishandled. And I don't think that people would tell me something that's not true there, because there would be a price to pay for that. Thank you all very much.

Note: The President spoke at 1:50 p.m. to a group of editorial page editors in Room 450 at the Old Executive Office Building. In his closing remarks, he referred to Lucia Barrera de Cerna, who was the housekeeper for the Jesuit priests murdered in El Salvador.

Statement by Press Secretary Fitzwater on the International War on Drugs

December 11, 1989

A team of U.S. officials led by Assistant Secretary of State Bernard Aronson is visiting the three Andean countries this week to discuss with those governments the agenda for the planned February drug summit.

The President has focused his attention on both the domestic and international war against drugs and has made it a high priority of his administration. The struggle against drugs is not limited solely to the United States. The Andean countries, particularly President Barco in Colombia, have undertaken extraordinary measures. In this context, Bolivia today has apprehended and turned over to the United States Luis Arce Gomez, who has been a fugitive from U.S. justice since 1983. Gomez was wanted in the Southern District of Florida, where he has been charged with two counts of drug trafficking along with codefendant Anna de Tamayo Rodriguez, who was recently extradited from Colombia.

The arrest of Arce Gomez sends a message that the President will work with other governments to pursue vigorously individuals who traffic in drugs.

Statement on Signing the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989

December 11, 1989

I have today signed S. 488, the ``Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989." This legislation is intended to enhance the commercialization and improve the competitiveness of energy efficiency and renewable energy technologies.

Renewable energy and energy efficiency will play an important role in our Nation's energy strategy particularly with regard to current concerns about global climatic change. The development of renewable energy resources and improvements in energy efficiency will provide many benefits to the United States, including a diversification of our fuel and technology mix and increased use of less polluting energy resources. The support the Act gives to research and development programs in these technologies is expected to bring closer the day when we have energy alternatives that meet the energy demands of a growing economy with minimal impact on the environment.

This Act, however, needs clarification. Specifically, section 6(b)(3) of the Act requires the Secretary of Energy to appoint an Advisory Committee made up of representatives from various government and private entities. I have signed S. 488 with the understanding that the Advisory Committee's functions are purely advisory and that its recommendations in no way constrain the Secretary of Energy in the performance of his statutory duties. Thus, for example, I understand section 6(d), which permits the Secretary of Energy to take certain actions ``based on the recommendations" of the Committee, simply to contemplate that the Secretary should take account of any recommendations provided.

Consistent with the Congress' purpose in enacting S. 488 and my constitutional prerogative to recommend only such legislation as I judge necessary and expedient, I read section 6(e)(1) as calling for a good faith effort to identify additional joint ventures worthy of support. Similarly, I will read section 4(a)(4) and 4(c) in a manner that does not interfere with my duty to recommend such measures as I deem appropriate.

George Bush

The White House,

December 11, 1989.

Note: S. 488, approved December 11, was assigned Public Law No. 101 - 218. The statement was released by the Office of the Press Secretary on December 12.

Statement on Signing the Bill Authorizing the Compact of Free Association Between the United States and Palau

December 12, 1989

I am pleased today to sign H.J. Res. 175, which authorizes the entry into force of the Compact of Free Association between the United States and Palau. This legislation is the result of 2 years of effort by the Congress, the executive branch, and the Government of Palau. It makes it possible for the people of Palau to now determine their future political status through their democratic processes. In this regard, I am pleased to note that President Ngiratkel Etpison has signed an executive order setting February 6, 1990, as the date for a plebiscite on the Compact of Free Association in Palau.

Palau is the last remaining trust territory in the world. Like my predecessors, I believe that it is time to change a relationship that is no longer appropriate, for either Palau or the United States, to one that provides a sound foundation for the future of Palau. I believe that this Compact provides just such a basis.

The United States looks forward to a continued strong relationship between the United States and a sovereign, democratic Palau that can take its place in the community of nations. We take seriously our obligations for the security of Palau and will support the efforts of a sovereign, self-governing Palau to attain its full economic potential.

At a time when fresh breezes of democracy are blowing around the world, the commitment of the people of Palau to the democratic system is most gratifying. I hope that Palau's voters will fully participate in the upcoming plebiscite and exercise their democratic right to set their own course for the future.

House Joint Resolution 175 directs the President to negotiate an agreement to facilitate implementation of an anti-drug plan for Palau. Under our Constitution, the power to conduct negotiations with foreign nations is vested in the President. In keeping with past practice, I will interpret this provision as advisory in nature. The intent of the proposed plan is in keeping with our own national anti-drug abuse strategy. The Administration is committed to facilitating the implementation of such a plan for Palau.

George Bush

The White House,

December 12, 1989.

Note: H.J. Res. 175, approved December 12, was assigned Public Law No. 101 - 219.

Statement on Signing the Steel Trade Liberalization Program Implementation Act

December 12, 1989

Today I sign H.R. 3275, the ``Steel Trade Liberalization Program Implementation Act." This law underscores the bipartisan support in the Congress for the Steel Trade Liberalization Program I announced on July 25, 1989. I am pleased that the initial phase of negotiations to implement my program has been successfully completed. These negotiations, conducted under the direction of Ambassador Carla Hills, produced agreements to:

-- Extend the existing Voluntary Restraint Arrangements (VRAs) for 2\1/2\ years; and

-- Eliminate trade-distorting practices in the steel sector.

I am particularly pleased with the bilateral consensus agreements to eliminate trade-distorting practices. For the first time countries have agreed to market-opening goals and to disciplines over trade-distorting subsidies. Our trading partners have pledged to work with us in the Uruguay Round, both to codify under the General Agreement on Tariffs and Trade (GATT) the disciplines on subsidies and to eliminate tariff and non-tariff barriers to steel trade. These bilateral agreements on steel are stepping-stones to a multilateral agreement in the Uruguay Round to provide comprehensive disciplines over trade-distorting practices.

H.R. 3275 also contains two other provisions that are important for our international trade policy:

-- The superfund petroleum tax amendment brings the United States into conformity with an important GATT ruling. The enactment of this provision reinforces the commitment by the Administration and the Congress to full compliance with our GATT obligations; and

-- The ethanol provision implements a time-sensitive portion of pending legislation to enhance the Caribbean Basin Initiative (CBI). I look forward with enthusiasm to the enactment of Administration-supported CBI legislation early next year.

Section 2 of the bill, which amends the Steel Import Stabilization Act (19 U.S.C. 2253 note), adds a section 803(d) that requires the President to provide the Congress with an annual assessment of the progress of specified trade negotiations. I view this provision as duplicative of existing statutory provisions for keeping congressional trade advisors informed on trade negotiations and will implement it consistent with my constitutional authority to protect information relating to negotiations with foreign nations.

George Bush

The White House,

December 12, 1989.

Note: H.R. 3275, approved December 12, was assigned Public Law No. 101 - 221.

Statement on Signing the Anti-Terrorism and Arms Export Amendments Act of 1989

December 12, 1989

Today I am signing H.R. 91, the ``Anti-Terrorism and Arms Export Amendments Act of 1989."

In signing this bill, I wish to reemphasize this Nation's strong determination to oppose international terrorists and the states that support them. Curbing state support to terrorists is essential in reducing the menace of international terrorism.

I am aware that, insofar as the new section 40 of the Arms Export Control Act applies to activities by U.S. persons (including subsidiaries of U.S. firms) in foreign countries, it has thus raised concerns among our Allies regarding the extraterritorial application of U.S. law. Moreover, section 40 makes it clear that all of the prohibitions dealing with foreign subsidiaries and munitions items are applicable to the extent specified in implementing regulations of the Department of State. I consequently direct the Secretary of State to ensure that the appropriate implementing amendments to the International Traffic in Arms Regulations (ITAR) are consistent with applicable international law regarding the extraterritorial effect of U.S. law.

Two provisions of the bill warrant careful construction in order to avoid constitutional difficulties. The new section 40(a)(5) prohibits the United States Government from ``facilitating the acquisition of any munitions item" by a country designated by the Secretary of State under section 40(d). The new section 40(b)(1)(D) contains a parallel prohibition on actions by any U.S. person to facilitate such an acquisition. I shall interpret these provisions as placing no limit on our negotiations and communications with foreign governments. This interpretation is supported by the House Committee Report and the colloquy on the floor of the House clarifying that these provisions are not intended to circumscribe my constitutional authority to articulate foreign policy or to discuss with foreign countries arms transfers that they may wish to make.

George Bush

The White House,

December 12, 1989.

Note: H.R. 91, approved December 12, was assigned Public Law No. 101 - 222.

Statement on Signing the Drug-Free Schools and Communities Act Amendments of 1989

December 12, 1989

I have today approved H.R. 3614, the ``Drug-Free Schools and Communities Act Amendments of 1989." I am pleased that this bill contains two of this Administration's major initiatives in the fight to rid our Nation's schools and students of illicit drugs and alcohol.

At the heart of the bill, as well as our 1989 National Drug Control Strategy, are provisions requiring institutions of higher education and local school districts receiving Federal financial assistance to certify that they have adopted and implemented programs to prevent the use of illicit drugs and the abuse of alcohol by students and employees. To ensure the effectiveness of these programs, H.R. 3614 requires that they meet Federal standards. The bill is, however, fully consistent with our history of, and continuing belief in, academic freedom and State and local responsibility for education. I believe these provisions will assist significantly our struggle to rid our Nation's schools of drug and alcohol abuse and educate our young to the legal, social, and health consequences of such abuse.

H.R. 3614 also includes authority, effective in Fiscal Year 1991, for a new program of emergency grants made by the Department of Education to local school districts that have the greatest need for additional resources to combat drug and alcohol abuse by students. This flexible new program is very similar to the one I proposed to the Congress last spring in my ``Educational Excellence Act of 1989," and will allow the Department of Education to put significant sums where the need is greatest.

The bill is not perfect. It unfortunately contains a number of unnecessary changes to programs currently carried out under the Drug-Free Schools and Communities Act. As a result, those programs will be made more complex, more burdensome, and less flexible. As I know from my discussions with Governors at the recent Education Summit Conference, we do not need such changes. What we do need is to let school administrators and State and local officials implement programs to prevent substance abuse with creativity, wisdom, and fairness. However, these defects in the bill are outweighed by the importance, and value to our Nation's schools and students, of the Administration's initiatives.

George Bush

The White House,

December 12, 1989.

Note: H.R. 3614, approved December 12, was assigned Public Law No. 101 - 226.

Statement on Signing the Bill Convening the Second Session of the One Hundred First Congress

December 12, 1989

Today I am signing House Joint Resolution 449, which sets the date on which the Congress shall assemble in 1990 pursuant to the Twentieth Amendment to the Constitution. In accordance with this joint resolution, the second session of the One Hundred First Congress will convene at 12 o'clock meridian on Tuesday, January 23, 1990.

In signing the joint resolution, I note that the power to convene a session of the Congress other than on a given date set by law is vested in the President by Article II, Section 3 of the Constitution.

George Bush

The White House,

December 12, 1989.

Note: H.J. Res. 449, approved December 12, was assigned Public Law No. 101 - 228.

Nomination of Douglas Alan Brook To Be an Assistant Secretary of the Army

December 12, 1989

The President today announced his intention to nominate Douglas Alan Brook, of Virginia, to be an Assistant Secretary of the Army for Financial Management. He would succeed Ken Kramer.

Since 1982 Mr. Brook has served as the president of Brook Associates in Washington, DC. Prior to this, he served with the Libbey-Owens-Ford Co. in Washington, DC, as vice president, 1979 - 1982, and director of public affairs, 1976 - 1979. He also served with the National Association of Manufacturers in several capacities, 1970 - 1976.

Mr. Brook graduated from the University of Michigan (B.A., 1965; M.A., 1967). He served as an officer in the U.S. Navy Supply Corps, 1968 - 1970. He was born January 15, 1944, in Chicago, IL. Mr. Brooks is married and currently resides in Vienna, VA.

Nomination of Gary C. Byrne To Be Administrator of the Rural Electrification Administration

December 12, 1989

The President today announced his intention to nominate Gary C. Byrne to be Administrator of the Rural Electrification Administration, Department of Agriculture, for a term of 10 years. He would succeed Harold V. Hunter.

Since 1985 Dr. Byrne has been chairman of the Bank of Alex Brown in Sacramento, CA, and president and chief executive officer, 1987 to present. He has served as chairman, president, and chief executive officer of the Bank of Alex Brown Financial Group, 1985 to present. Prior to this he served as chairman and chief executive officer of Meridian Bancorp, 1983 - 1985. He was chairman of Harden and Co. Insurance Services, Inc., 1984 - 1985, and has served as chairman of Meridian National Bank in Concord, CA.

Dr. Byrne graduated from the University of Redlands (B.A., 1965), and the University of North Carolina, Chapel Hill (Ph.D., 1969). He was born May 1, 1942, in Upland, CA. He is married, has two children, and resides in Sacramento, CA.

Nomination of Julie E. Carnes To Be a Member of the United States Sentencing Commission

December 12, 1989

The President today announced his intention to nominate Julie E. Carnes to be a member of the United States Sentencing Commission for a term expiring October 31, 1995. She would succeed Paul H. Robinson.

Ms. Carnes is currently special counsel for the United States Sentencing Commission. Prior to this she served as Deputy Chief of the Criminal Division, 1987 - 1989. Ms. Carnes was the Assistant United States Attorney for the Northern District of Georgia, 1978 - 1989, and law clerk to the Honorable Lewis R. Morgan, U.S. Court of Appeals, Fifth Circuit, 1975 - 1977.

Ms. Carnes graduated from the University of Georgia (A.B., 1972; J.D., 1975). She was born October 31, 1950, in Atlanta, GA. Ms. Carnes has two children and currently resides in Atlanta, GA.

Remarks at the Catholic University of America Anniversary Dinner

December 12, 1989

Thank you very much. Please be seated. Your Eminences and reverend clergy, Chairman Bagley and Mrs. Connolly, ladies and gentlemen, Barbara and I are just delighted to be with you. And thank you, Father Byron, for introducing me and for inviting me to be with you tonight.

In particular, I am delighted to come to pay my respects to their Eminences and Excellencies from Egypt and Saudi Arabia who have traveled so far for this occasion.

Two years ago, as Father Byron said -- reminded me out here, I had the honor of addressing the kickoff dinner of the 100th anniversary of the Catholic University of America. And here we are back again. Even though I know this isn't what you have in mind when you preach about the Second Coming -- [laughter] -- I am delighted to help conclude the centennial celebration and to salute these great men who embody this university -- five cardinals who are diocesan bishops, and then the friend of everybody here, the former archbishop of Philadelphia, Cardinal Krol.

You know, this is quite a gathering, more than a thousand voices cascading around the Pension Building. For those of you in the back of the room, I'll try to speak up. Cardinal Hickey warned me that the agnostics in this room are very bad. [Laughter]

And speaking of His Eminence, this is some gathering -- six cardinals, each near the top of his field. Notice I said near, not at, after all -- no, I'm reminded of the football player's response when he was traded from Phoenix to New Orleans. Religiously speaking, he said, is an advancement from a Cardinal to a Saint. [Laughter]

But in the spirit of the evening, I do want to make a confession. [Laughter] The real reason I'm here is to see if anybody has a couple of Orange Bowl tickets that they are not using. [Laughter] Let's hear it for Notre Dame down there! [Applause]

And let me also confess that, as I was looking forward to tonight, I got to thinking and wondering, thinking about how Pope John XXIII said, ``Religion makes mankind special'' -- and wondering what is it about Catholic University and these six men of God which makes them, in their special way, so extraordinary. The first reason, I think, is fundamental faith, belief in the Almighty. For you accept the eternal teachings of the Sermon on the Mount. You believe that political values without moral values cannot sustain a people. And you know that there is no state religion, nor should there ever be, but spiritual principles were rooted in our nation's origins, and always must be.

Next, service to others -- and this, too, has helped the Church uphold Christ's special mission to mankind. Think of the Catholic charities who illumine what I love to call a Thousand Points of Light, and of individuals, heroes really -- like your honoree, Helen Marino Connolly, this year's recipient of Catholic University's American Cardinals Encouragement Award -- reflecting, as Catholics do from Villanova to the Vatican, the belief that we were placed on Earth to do God's work.

And the third special quality of the Catholic community -- its devotion to higher learning. Two hundred years ago America's Catholic Church hierarchy was born. And in 1887, it founded a national Catholic University to teach all branches of science and literature. Historically, education has been the great equalizer, buoying the Catholic experience. And today, more than ever, as these cardinals show, it remains the great uplifter.

And finally, thinking of tonight, I thought of Catholics' fidelity to freedom. For it is freedom which brought Catholics in the 18th and 19th century to Boston and Baltimore and Chicago and New Orleans, and it is freedom which sustains you today in 1989. Catholics, for instance, believe in the most basic freedom, the right to life. And you believe, as I do, that we need to pursue public policies that preserve the sanctity of life.

And Catholics also want the freedom which allows parents, not the government, to choose the best child care for their children, be it with a grandparent, a neighbor, or yes, a local church. And so, we've sent legislation to Congress to make good on this pledge. I am determined to protect the right of every parent to send their children to the care center of their choice, and that includes, and must include, church-sponsored centers.

And yes, Catholics, too, want the freedom which allows their children to say a voluntary school prayer. And I share that belief, and I will continue to support a constitutional amendment restoring voluntary prayer. We need the faith of our fathers back in our schools.

And finally, last week I met with Chairman Gorbachev, as you all know, off of the coast of Malta where we talked of another freedom, the freedom to dismantle barriers between nations, and how principles based on conscience can move mountains or, as in East Berlin, even move a wall. And I know that many here tonight probably still have relatives in Prague or Budapest or Warsaw and Berlin. And I know that you want them to have the same freedoms with which God has blessed America, and the right to think and dream and worship as we please, and the right of free expression, the right to equal protection under the law, the right to choose our leaders and our destinies. And time and again, the church has reaffirmed such freedoms -- in Eastern Europe, for example, where democracy is on the march, or the Philippines, where freedom-loving people struggle valiantly to preserve a hard-won democracy.

In this season, this wonderful season of peace on Earth, let us renew our commitment to the principle of liberty in other parts of the world -- in El Salvador, where we condemn terrorism

and murder, whatever the ideology, and we will do everything we can to bring to justice those who murdered those six Jesuit priests. And in Nicaragua, too, we cannot rest until liberty's victory is won. We want this to be the first hemisphere made up entirely of free democratic countries. And so, we have and will oppose the export of revolution, and have and will be resolute for freedom.

I told Mr. Gorbachev of a phone call that I received from President Oscar Arias of Costa Rica -- Oscar Arias, Nobel Prize winner -- asking me to raise with Mr. Gorbachev the concern of the Central American democracies and the South American democracies about Cuba's export of revolution. And I did this, and I hope it made an impression on Mr. Gorbachev. In this country, we speak different languages, attend different places of worship, but human dignity somehow eclipsed this nation, as does ``love thy neighbor." For the Golden Rule remains the most ennobling rule for our future and the world.

So, let me close then by returning to last week's summit, for I met there with a man who will help inevitably shape that world. Our meeting revolved around the need for lasting peace. And as we spoke, I thought of how God does move in mysterious ways and of Chairman Gorbachev's meeting the day before with one of the great men of this or any age, His Holiness Pope John Paul II. And who could have imagined, even weeks ago, that this long-awaited meeting would occur or that we would hear these words from a Soviet leader: ``Not only should no one interfere in matters of the individuals' conscience, we also say that the moral values that religion embodied for centuries can help in the work of renewal of our country, too" -- Mr. Gorbachev talking about this historic visit. And then he added: ``In fact, this renewal is already happening."

What a wonderful message for this Christmas season -- a message of the renewal which springs from faith, hope, generosity, and freedom. What a wonderful legacy to leave our children -- the knowledge that God can live without man, but man cannot live without God. For my own part, I know that this is true. For although I've been President now for even less than a year, I believe with all my heart that one cannot be America's President without a belief in God -- and, I should add, without a belief in prayer. And every day I am blessed by a wonderful family that gives me strength. And strength, too, comes, as a great President observed, from time on one's knees. For although not yet tested, as Abraham Lincoln was when he talked about that, I know that faith can make all things possible for a nation and a people.

Through faith and, yes, family, we can help America serve all mankind. For today, the time's on the side of peace, because the world increasingly is on the side of God. And for that, I thank this college and these cardinals as our nation does, as our children will.

So, Barbara and I came over to say happy birthday to Catholic University, Merry Christmas to each one of you, and God bless you, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 8:36 p.m. at the Pension Building. In his remarks, he referred to Smith Bagley, dinner chairman and member of the university's board of regents; Helen Marino Connolly, president and executive director of Good Samaritan Hospice of Brighton, MA; Father William Byron, president of the university; James Cardinal Hickey, archbishop of Washington, DC; Joseph Cardinal Bernardin, archbishop of Chicago; John Cardinal O'Connor, archbishop of New York; Bernard Cardinal Law, archbishop of Boston; Edmund Cardinal Szoka, archbishop of Detroit; and John Cardinal Krol, retired archbishop of Philadelphia.

Statement on Signing the Everglades National Park Protection and Expansion Act of 1989

December 13, 1989

Today I am pleased to be signing into law H.R. 1727, the ``Everglades National Park Protection and Expansion Act of 1989." This important legislation will allow the Federal Government, in cooperation with the State of Florida, to acquire over 100,000 acres of valuable resource lands and restore those lands to their once-natural wetlands state.

Twelve months ago, in January 1989, I promised my support to this critically important effort. Even in times of serious fiscal constraints, we can still meet our highest environmental priorities, and this is one of mine. I am very gratified to be signing this legislation just 1 short year later.

The expansion of the Everglades National Park has required the dedication of many individuals and organizations who are committed to preserving the unusual and varied plants and animals in the Everglades, including 13 endangered species. The woodstork, heron, ibis, egret, and roseate spoonbill have all declined dramatically over the years. The Florida panther, the alligator, and many species of fish are declining. The Northeast Shark River Slough, the river of grass through southern Florida, has been both too shallow and too deep; through this legislation that river of grass may now be restored to its natural flow of water.

The United States Congress first enacted legislation to enable the purchase of land to create Everglades National Park on December 6, 1944. On December 6, 1947, my distinguished predecessor, President Harry S. Truman, presided at the dedication ceremony for the park in Everglades City, Florida. He was joined at the ceremony by Senators, including the late Claude Pepper; the Governor; the Secretary of the Interior; the Director of the National Park Services; and other prominent individuals who had devoted their time and energy to the preservation of this wonder.

Once again, we are grateful to those individuals and organizations that have worked so diligently to assure protection for this special place. The Congress, especially the Senators and Representatives from Florida, have worked with the U.S. Army Corps of Engineers, the Department of the Interior, the National Park Service, the State of Florida, Dade County, and local officials to create this legislation. In addition, the Land Acquisition Task Force of the Governor of Florida worked 2 years to complete the planning behind this bill. My deepest gratitude to all of you for what you have done to preserve the beauty of the Everglades for the people of this country and the world.

George Bush

The White House,

December 13, 1989.

Note: H.R. 1727, approved December 13, was assigned Public Law No. 101 - 229.

Statement on Signing the International Narcotics Control Act of 1989

December 13, 1989

It is with great pleasure that I sign into law H.R. 3611, the ``International Narcotics Control Act of 1989." This Act authorizes Fiscal Year 1990 appropriations of $115 million for international narcotics control assistance and an additional $125 million for military and law enforcement assistance to Colombia, Peru, and Bolivia. This assistance to the three Andean nations, where most of the world's cocaine is produced and which form the front lines of the struggle against the drug cartels, is designed to help reduce the flow of illegal drugs into our country. The disruption and dismantling of the criminal organizations that support the international production, processing, and trafficking of drugs are essential components of our national drug control strategy.

The violence directed against the government of Colombia following President Barco's courageous decision to wage a full-scale war against the Andean drug traffickers shows that they are entrenched and powerful. International cooperation is essential if they are to be defeated, and the United States, in particular, must be generous in providing assistance. We will consult with the governments of these three countries on how to put our assistance to most effective use, and I look forward to reviewing our progress with the leaders of the Andean nations.

I commend the Congress for this timely response to my request. However, in approving this legislation, I must take note of a problematic provision contained therein.

Section 3(g) of the bill states that section 502B(c) of the Foreign Assistance Act of 1961 shall apply to the provision of assistance under section 3. Section 502B(c) requires the Secretary of State to submit certain reports upon the request of either House or of certain committees, and, if no report is forthcoming within 30 days, ``no security assistance shall be delivered to such country except as may thereafter be specifically authorized by law from such country unless and until [the report] is transmitted." Section 502B(c) would therefore have the effect of allowing a single House of Congress (or even a single committee) to halt the provision of assistance. This section violates the constitutional principle, recognized by the Supreme Court in INS v. Chadha, that every legislative act of the Congress must be presented to the President in accordance with the requirements of Article I, section 7 of the Constitution. I shall treat the unconstitutional portions of section 502B(c) as severable from the rest of this legislation, and therefore they will not endanger the provision of necessary assistance in our war on drugs.

George Bush

The White House,

December 13, 1989.

Note: H.R. 3611, approved December 13, was assigned Public Law No. 101 - 231.

Remarks on Signing the North American Wetlands Conservation Act

December 13, 1989

The President. Good afternoon and welcome to the White House. This distinguished audience is a testament to the importance of the bill that I am about to sign. I want to particularly welcome Senator Chafee and Congressmen Conte, Jones, and Studds. Secretary Lujan and Bill Reilly, Mike Deland -- a very distinguished group.

I especially want to welcome our Canadian and Mexican guests. Like the United States, Canada and Mexico have recognized the need to protect waterfowl habitat in Northern America, and their willingness to work with the United States to promote conservation is much appreciated.

You know, last June, I addressed the Ducks Unlimited annual national waterfowl symposium. And at that time, as Harry Knight can confirm, I reiterated my pledge to work towards a national goal of no net loss of wetlands. And I shared with those present my hope of signing wetlands legislation this year. Well, Christmas comes early on this one. [Laughter]

S. 804, the North American Wetlands Conservation Act, is sound legislation. And this bill will provide a steady source of funds for the purchase of critical wetlands in the United States, Canada and Mexico. It also authorizes the Interior Department to match Federal funds and private funds for wetlands conservation projects throughout North America. And I am very pleased that the 101st Congress, as one of its first major environmental acts, ended its first session by passing this bill. This bill is an excellent first step in reaching our national goal of no net loss of wetlands.

Over the years, we've witnessed a steadily declining duck population and a pattern of wetland losses throughout North America. These disturbing trends have been exacerbated by drought in recent years. And this dwindling duck population is largely attributable to the steady loss of wetland areas that we've experienced. Currently, the United States is losing nearly 400,000 acres of wetlands annually. In response to these trends, the United States and Canada signed an accord in 1986 known as the North American Waterfowl Management Plan, and this historic agreement proposed an innovative international partnership in wildlife conservation. This bill that I'm signing here today will help us implement this cooperative plan and protect our waterfowl population.

This spirit of cooperation has been the hallmark of S. 804. It represents the worthy efforts of many committed individuals. And I particularly want to single out Senator Mitchell, who isn't with us today -- Senator Chafee, who is -- along with Congressmen Conte and Davis and Dingell, for their leadership. Chairman Jones in the House and Mr. Studds, as well as Senator

Burdick and Baucus in the Senate, have all worked diligently to move this legislation through their respective committees. Manuel Lujan, our Secretary, and his staff did an outstanding job in helping to steer this bill through the legislative process. And finally, I appreciate the help from State fish and wildlife agencies and then private conservation groups, like Ducks Unlimited and the National Fish and Wildlife Foundation, in helping secure passage of this bill -- that private sector initiative is very important.

This entire process has been a splendid example of great good that we can accomplish when we approach our problems in a genuine spirit of bipartisanship. I should add that today I've already signed H.R. 1727, the Everglades National Park Protection and Expansion Act of 1989, which will add 110,000 acres to the Everglades -- Everglades National Park.

And now, on with the business at hand: It is my honor to sign S. 804, the North American Wetlands Conservation Act.

Note: The President spoke at 1:21 p.m. in the Roosevelt Room at the White House. In his opening remarks, he referred to William Reilly, Administrator of the Environmental Protection Agency; Michael R. Deland, Regional Administrator of the Environmental Protection Agency; and Harry Knight, president of Ducks Unlimited. S. 804, approved December 13, was assigned Public Law No. 101 - 233.

Statement on Signing the North American Wetlands Conservation Act

December 13, 1989

I am pleased today to sign into law S. 804, the ``North American Wetlands Conservation Act." Early this summer, I asked the Congress for legislation that would implement the North American Waterfowl Management Plan. I am pleased that the 101st Congress ended its first session by passing this bill.

Over the years, we have witnessed a steadily declining duck population and a pattern of wetland losses throughout North America. These disturbing trends have been exacerbated by drought in recent years. In 1988, the fall flight of ducks was estimated at only 66 million, second only to the 1985 all-time low of 62 million. This dwindling duck population is largely attributable to the steady loss of wetland areas we have experienced. Currently, the United States is losing nearly 400,000 acres of wetlands annually.

In response to these disturbing trends, the United States and Canada signed an accord in 1986 known as the North American Waterfowl Management Plan. This historic agreement proposed an innovative international partnership in wildlife conservation. Through cooperative efforts between our two nations, along with local governments, private interest groups, and individual citizens, ``joint ventures" have been created to reverse the disturbing trend underlying our diminishing waterfowl population.

We applaud the commitment, the dedication, and the goals expressed by the North American Plan. Today I am signing S. 804 to provide a guaranteed source of funding for the implementation of this important cooperative effort.

The Canadian government recently announced that it will invest $30 million over the next 5 years for waterfowl habitat conservation projects under the North American Plan. We applaud these efforts and Canada's willingness to join us in this critical conservation project.

Perhaps the best part of this whole enterprise is that the North American Plan does not depend on a massive influx of Federal funds or regulations, but rather taps the common commitment of concerned citizens at the local level. Many State and local governments, businesses, conservation organizations, and private citizens have already joined together to help restore the wetlands that sustain our waterfowl population. I encourage the continuation of these efforts.

The spirit of cooperation is not only the foundation of the North American Plan, it has also been the hallmark of S. 804. This bill represents the worthy efforts of many committed individuals. I commend Senators Mitchell and Chafee, along with Congressmen Conte, Davis, and Dingell, for

their leadership on this legislation. Chairmen Jones and Studds in the House, as well as Chairmen Burdick and Baucus in the Senate, have all worked diligently to move this legislation through their respective committees. Finally, I appreciate the help from State fish and wildlife agencies and private conservation groups in securing passage of this bill. This entire process has been a splendid example of the great good we can accomplish when we approach our problems in a genuine spirit of bipartisanship.

I must mention, however, my concerns regarding sections 11 and 16 of S. 804. Section 11 directs the Secretary of the Interior to ``undertake with the appropriate officials in Canada'' to revise the North American Waterfowl Management Plan. Section 16 directs the Secretary to ``undertake with the appropriate officials of nations in the Western Hemisphere to establish agreements . . . for the protection of migratory birds.'' I support the objectives of these sections and intend to act consistently with them. However, in light of the President's constitutional responsibility for international negotiations, I construe these sections as advisory.

In signing this legislation today, we continue the legacy begun during the first decade of this century by one of our greatest Presidents. It was Theodore Roosevelt who first took up the grand cause of conservation, who recognized man's obligation to preserve and protect our precious natural heritage. Today, on the threshold of this century's last decade, we can be proud that, with the approval of S. 804, we are renewing that noble commitment to improve environmental quality for all our people.

George Bush

The White House,

December 13, 1989.

Note: S. 804, approved December 13, was assigned Public Law No. 101 - 233.

Statement by Deputy Press Secretary Popadiuk on Economic Assistance to Poland

December 13, 1989

The President announced today U.S. participation in a short-term bridge loan for Poland. The Department of the Treasury will be providing such financing as part of the multilateral arrangement now under discussion, which is expected to total up to $500 million. The U.S. share is expected to be up to $200 million.

United States participation in this arrangement reflects support for Poland's economic reform program designed to restore sustained growth. Provision of the short-term bridge financing would be contingent upon Poland's agreement to an International Monetary Fund program which would enable Poland to qualify for IMF financing. The bridge loan would be repaid from disbursements under this IMF program and under anticipated loans from the World Bank.

The short-term bridge loan is distinct from a $1 billion multilateral stabilization fund which is being established on behalf of Poland. This fund is to be established to support a new exchange rate policy which is part of Poland's overall economic reform program. The stabilization fund will also serve to complement the IMF program. The U.S. contribution to the stabilization fund would be $200 million, in the form of a grant. Efforts to secure participation of other countries are nearing completion, and preparatory work on the fund is underway.

Statement by Press Secretary Fitzwater Announcing the Drug Summit in Cartagena, Colombia

December 13, 1989

The President has accepted an invitation from President Barco of Colombia to attend a drug summit meeting in Cartagena, Colombia, on February 15. President Garcia of Peru and President Paz Zamora of Bolivia will also attend.

The meeting, which is expected to last 1 day, will discuss a wide range of subjects and is currently being reviewed with each of the Presidents by Assistant Secretary of State Bernard Aronson on his trip to each of the three capitals. While details are still being developed, it is anticipated that the summit will cover the following subjects: programs to reduce the demand for narcotics, increased cooperation in the areas of military and law enforcement assistance, economic assistance and support, and improving cooperation among the four countries on specific issues such as the control of precursor chemicals and money laundering.

Nomination of Donald Robert Quartel To Be a Commissioner at the Federal Maritime Commission

December 14, 1989

The President today announced his intention to nominate Donald Robert Quartel, Jr., to be a Federal Maritime Commissioner for the term expiring June 30, 1994. He would succeed Edward J. Philbin.

Since 1983 Mr. Quartel has served as president of D.R. Quartel Jr., Inc. in Washington, DC, and Orlando, FL. In addition, he ran for the 11th Congressional District in Florida in 1984, and he served as deputy director for domestic policy during the 1980 Bush campaign.

Mr. Quartel graduated from Rice University (B.A., 1973) and Yale University School of Organization and Management (M.P.P.M., 1978). He was born April 19, 1950, in Richmond, VA. Mr. Quartel is married, has two children, and resides in Washington, DC, and Orlando, FL.

Appointment of Three Members of the Council of the Administrative Conference of the United States

December 14, 1989

The President today announced his intention to appoint the following individuals to be members of the Council of the Administrative Conference of the United States for a term of 3 years:

Richard C. Breeden. He would succeed Daniel Oliver. Currently, Mr. Breeden is Chairman of the Securities and Exchange Commission in Washington, DC.

Harold R. DeMoss, Jr. He would succeed Curtis H. Barnette. Currently, Mr. DeMoss is a partner with the law firm of Bracewell and Patterson in Houston, TX.

Constance Berry Newman. She would succeed Mark Sullivan III. Currently, Ms. Newman is Director of the Office of Personnel Management in Washington, DC.

Remarks on Lighting the National Christmas Tree

December 14, 1989

Well, my special thanks to Santa Claus -- that Santa mold will never be the same again. [Laughter] But to Loretta and -- first, to Willard Scott, and then to Loretta and Peggy, Tommy Tune, Marilyn McCoo and Billy Davis, the great Air Force Band, and this marvelous team from Roanoke.

This is the Christmas that we've awaited for 50 years. And across Europe, East and West, 1989 is ending, bright with the prospect of a far better Christmastime than Europe has ever known -- a far better future than the world dared to imagine. And 50 winters have come and gone since darkness closed over Europe in 1939 -- 50 years. But last month, as Lech Walesa was coming to the White House, the wall in Berlin came tumbling down.

And another winter descended across Europe. Spring returned to Prague -- an unconquerable people, unquenchable dreams. And today -- there's a new sound at the wall. New sound rings out -- not the hammer and sickle but the hammer and the chisel. The glad sound you hear is not only the bells of Christmas but also the bells of freedom. And in this new season of hope, the triumph looms. It's just like the joy of Christmas: not a triumph for one particular country or one particular religion but a triumph for all humankind. The holidays are -- as we've seen here tonight -- a time of laughter and children and counting our blessings, a time when songs fill the air and hope fills our hearts for peace on Earth, good will to men.

And we've worked hard this year, all of us, all of you, to help build a better America, help someone else, help make this a kinder and gentler nation. But there remains a world of need all around us. In this holiday season, reach out to someone right where you live. Because from now on in America, ``There's no room at the inn'' -- that's simply not an acceptable answer. From now on in America, any definition of a successful life must include serving others. For Christmas is measured not by what's beneath your tree but by what's inside your heart. And so, this year, the spirit of the holidays is at long last matched by the spirit of the time. And it's the beginning of a new decade at the ending of an old century. And whatever your dream, whatever star you're following, the future is bright with possibility.

So, Barbara and I want to wish all of you a very Merry Christmas. And now, with simultaneous tree lightings from coast to coast, in Charleston and Santa Cruz, let's show our Thousand Points of Light -- let's turn on the National Christmas Tree.

Note: The President spoke at 5:50 p.m. on the Ellipse during the annual Christmas Pageant of Peace. In his remarks, he referred to television weatherman Willard Scott, who hosted the pageant dressed as Santa Claus. The entertainers included Loretta and Peggy Lynn, Tommy Tune, Marilyn McCoo, Billy Davis, Jr., and the Roanoke College Children's Choir.

Statement on Signing the Department of Housing and Urban Development Reform Act of 1989

December 15, 1989

I am today approving H.R. 1, the ``Department of Housing and Urban Development Reform Act of 1989." This legislation is intended to help eliminate the systemic flaws that have allowed a number of Housing and Urban Development (HUD) programs to be abused for political purposes or personal gain at the expense of those in need. H.R. 1 will improve program management and financial accountability at HUD and make that Department's programs less susceptible to waste, fraud, abuse, and political influence.

On October 31, 1989, only a few weeks ago, this Administration transmitted to the Congress a package of proposed HUD reforms to improve the practices, procedures, and penalties in existing housing and community development programs and to ensure ethical program management. We asked the Congress to consider these reforms on an emergency basis.

I appreciate the expeditious manner in which our proposed reforms were considered and approved. These reforms at HUD are a necessary part of this Administration's effort to ensure that the highest standards of integrity, efficiency, and fair play will apply throughout the Federal Government.

The speedy enactment of H.R. 1 is a tribute to the work of a great many people. First among them is Secretary of Housing and Urban Development Jack Kemp, who acted swiftly and forthrightly to end the abuses that have plagued HUD's programs. The majority of the ethics, management, and Federal Housing Administration reforms contained in H.R. 1 are the direct result of the rigorous review of HUD programs undertaken by the Department under Secretary Kemp's leadership.

A number of members of Congress also deserve recognition for their leadership and bipartisan cooperation both in the legislative process and in the process of bringing to light and correcting HUD's problems. In particular, I appreciate the efforts of the House Banking Committee under the leadership of its Chairman, Henry Gonzalez, its ranking member, Chalmers Wylie, and the ranking member of the Housing Subcommittee, Marge Roukema. I appreciate also the contributions of their Senate Banking Committee counterparts, Senators Don Riegle, Alan Cranston, Jake Garn, and Alfonse D'Amato. Their bipartisan cooperation was critical to the passage of H.R. 1 before the Congress adjourned this year.

We should also acknowledge the contribution of an oversight subcommittee, the House Government Operations Subcommittee on Employment and Housing, for adding to our understanding of the past problems at HUD. The bipartisan cooperation of subcommittee

members like Chairman Tom Lantos, John Kyl, Chris Shays, and Barney Frank contributed to the development of an effective legislative package.

As passed by the Congress, H.R. 1 contains many of the ethics reforms we recommended in our October 31st legislative package. In particular, the bill requires the allocation of housing funds through an open process based either on ``fair sharing'' or competition as well as public notification of funding decisions. It places strict limitations on the use of discretionary funds by HUD. In addition, it gives HUD the authority to impose civil monetary penalties to better enforce program compliance.

H.R. 1 also makes many of the necessary program reforms that we recommended in our October 31st package. Among them, the bill establishes a Chief Financial Officer for HUD and a Comptroller for the Federal Housing Administration (FHA). It provides for expedited congressional review of HUD regulations, which will give the Department greater flexibility to institute necessary policy and statutory mandates and reforms. I am pleased that the bill also authorizes funds to improve program evaluation and monitoring, thus enabling HUD to use its resources more effectively and efficiently.

Federal Housing Administration insurance is the cornerstone of the Federal Government's efforts to meet the mortgage-financing needs of America's low- and moderate-income families. This Administration is committed to maintaining the FHA in a sound financial condition. H.R. 1 contains provisions to improve the financial soundness of FHA by terminating certain programs. These are Title X insurance for land development, which has experienced default rates of about 50 percent, and FHA insurance for private investors. The investor loan program in essence subsidizes private real estate speculation, rarely benefits first-time homebuyers, and has been the source of fraud and high default rates.

H.R. 1 contains a critical provision reaffirming the authority of the Secretary of Housing and Urban Development to use market comparability studies in setting rents for Section 8 projects. The practical effects of this provision are to limit HUD's retroactive liability under the Rainier View ruling of the Ninth Circuit Court of Appeals and to eliminate HUD's prospective liability to pay arbitrarily high rents that, in many cases, provide financial windfalls to project owners. This provision will avoid a potential loss of up to $2 billion in valuable subsidy funds.

I am disappointed that H.R. 1 fails to include a number of recommendations contained in the October 31st legislative package. In particular, the bill contains no provisions to improve the targeting of Community Development Block Grant (CDBG) funds to low- and moderate-income individuals. At a time when Federal Government resources are scarce, we must do all we can to ensure that CDBG funds are used for the benefit of the people who need them most.

The bill also does not include a proposal to restrict the use of FHA insurance for vacation homes and second homes. Those programs, which provide little or no benefit to low- and moderate-

income homebuyers and which expose the insurance fund to unnecessary risk, should be terminated.

H.R. 1 also fails to revise HUD's multifamily property disposition requirements. The Administration's proposal would have streamlined the procedure by which the FHA sells properties acquired in soft rental housing markets. This proposal would have removed the requirement for selling these projects with costly subsidies and permitted the Secretary to guarantee assistance to low-income families with housing vouchers. In soft rental markets, housing vouchers provide the most efficient and least costly form of rental assistance for low-income families.

The Congress should enact these Administration proposals in the coming session.

The bill as passed by the Congress contains a number of provisions that are not directly related to the issue of HUD reform. One such provision would extend until September 30, 1990, the moratorium on the prepayment of HUD-subsidized mortgages in order for the Administration and the Congress to work out a permanent solution to low-income housing preservation. I do not object to this temporary extension, which includes incentives for owners to remain in HUD programs and to maintain their properties for low-income use. However, a prepayment moratorium is no substitute for a permanent program for low-income housing preservation.

On November 10, 1989, I announced a series of housing and urban economic development initiatives called ``Homeownership and Opportunity for People Everywhere (HOPE)." Among other things, HOPE includes a low-income housing preservation strategy that includes homeownership opportunities for low-income families. It is critical that in the long term the Congress address not only the needs of project owners but also the desire for homeownership of so many of those who live in assisted housing.

In their work, the commissions and other advisory bodies created by the bill would be authorized to require various agencies to supply certain information upon their request. I sign this bill with the understanding that these provisions do not in any way detract from my constitutional authority to protect the confidentiality of privileged information.

In conclusion, never again must we let the programs of the Department of Housing and Urban Development -- or any other agency -- be abused for political purposes or personal gain. As passed by the Congress, H.R. 1 represents a bipartisan approach to correcting many of HUD's past problems and helping to ensure that in the future that Department will better serve those who depend on its programs.

George Bush

The White House,

December 15, 1989.

Note: H.R. 1, approved December 15, was assigned Public Law No. 101 - 235.

Joint News Conference Following Discussions With French President Mitterrand in St. Martin, French West Indies

December 16, 1989

President Mitterrand. Ladies and gentlemen, we have just completed our political conversations, and we have spoken for several hours of those subjects which seem most important, given the turn of events in the world. You already have the lists, I can imagine, just in your own minds.

First of all: the evolution of Europe, and naturally Eastern Europe, and particularly Eastern Germany, without forgetting others. Our recent meetings with Mr. Gorbachev -- the conclusions, or what we could infer from these conversations -- enabled us to compare points of view and our impressions. And at the same time, we dealt with all the subjects connected to the ICSC Conference on various forms of disarmament and the forms of assistance, namely bank, vis-a-vis Eastern countries. And moving from this very major problem, we dealt with other matters, such as Lebanon, for instance.

And we considered the evolution of attitudes vis-a-vis the problems arising for peace and the various pressing statements of the Secretary of State, Mr. Baker -- what we both thought about it and what could be done to take into account the rapid evolution of events and situations. It would be ridiculous to let themselves be superseded by events, and at the same time, one needs to assess them. Things move fast. They moved very fast during these past few weeks, and they might move very fast in the coming weeks. And let us seriously consider what is going on from day to day without losing sight of desirable perspective.

Well, this is a list. It's a pure description -- what I'm doing here. I'd like to leave it up to you to stress those points you're most interested in.

But first of all, I would like to say how very pleased I was to be able to receive President George Bush. It is a very great pleasure and a very great honor for our country as we are here at home in French land and our neighbor and personal friend, as well, came to talk with us, to talk about the experience acquired during these difficult days, our feelings and our values. And I must say that from most points of view we reached a harmony of views and were able to develop a common policy not only amongst ourselves but with others. And therefore, I would like to repeat here how very pleased we were in St. Martin to be able to receive George Bush not only as the President but also because of the people he represents. And it occurred very informally, as you see -- as it always does. I felt somewhat the same atmosphere we had in Kennebunkport in the home of George Bush, and it continues exactly in the same spirit. And I would very much like this to go on for a long time. Thank you.

President Bush. Thank you, Mr. President. Let me simply thank you for your hospitality -- everyone else in St. Martin -- and to say that, as with our earlier talks -- not just in Maine but in Paris at the time of that glorious celebration, off in the corner at NATO -- I learned a lot. I can say to this distinguished group that I feel that France and the United States, regarding these dynamic changes that are taking place, are very close together. And I would also add that I think it is very important that France and the United States be close together as we discuss the changes that are taking place.

So, sir, thank you very much for your warm hospitality. I have only one complaint -- put it this way -- one regret, and that is that we have to leave this beautiful paradise on such a short time schedule. But you were wonderful to come all this way. And from the American side, my sincerest thanks to you, sir.

President Mitterrand. So, it's rather difficult to settle in paradise, isn't it?

Well, a lot of people are asking for the floor. First of all, as we're in France here, American journalists. Therefore, obviously, I can't recognize you. Yes, sir?

Trade With Eastern-Bloc Countries

Q. I understand that one area of disagreement between the both of you was on the subject of export controls on highly sensitive goods shipped in Eastern Europe, the so-called COCOM regulations. President Bush, I wonder if, at this point, since you're making overtures in other areas, you feel it's time to relax these regulations? And also if President Mitterrand would respond, too, if you and the United States are in more agreement today on this than you were before the meeting?

President Bush. One, I did not have a discussion with the President of France on that subject. Two, we should, and will, review our participation in COCOM, our discussions in COCOM. There are certainly still legitimate national security interests that must be preserved, and I don't think we have one iota of difference with France on that. But I think it is timely that we take a new look at some of the commercial constraints.

Q. Could I follow that up, sir? When you were in Malta, you promised President Gorbachev certain economic concessions, including observer status in GATT. In the last couple of days, the Congress of Peoples Deputies has seemed to move away some of the perestroika reforms of President Gorbachev. Were the things that you promised contingent on certain things happening in the Soviet Union?

President Bush. Well, certain things happening in the world, certain things happening in terms of the necessary steps to be taken inside the Soviet Union -- but I would not say that I've seen anything in the last couple of days that negates my hopes for doing business with the Soviet

Union along the lines President Gorbachev and I talked about.

President Mitterrand. Well, I'll answer along the same lines. Yes, with the situation changing, it is normal for our regulations to become more flexible. To which extent, which rate, in which field -- this is still something which has to be resolved by technical diplomatic discussion with ourselves.

Middle East

Q. -- -- [inaudible] -- Wednesday in Paris -- what achievements would you like to see out of this dialog? And if I may ask President Bush, are you hopeful for a dialog -- Israeli-Palestinian?

President Mitterrand. Well, that was not at all the center of our conversations, although this is a very important subject. We couldn't talk about everything. And I must say that as we talked about the Near East, we dwelled on Lebanon. Obviously, we discussed Israel, but Israel vis-a-vis the Arab countries was not raised in a sufficient clear way for me to be able to give you anything new.

So, let's talk about Lebanon, if you like. For Lebanon, we recalled our positions, which I myself expressed -- and French television -- for the opinion of my country. And I said that we had supported the Taif agreements and we recognize the implementation of these agreements as from the moment the Lebanese parliamentarians accepted them and elected a President of the Republic -- and then another one who appointed a government. So, it is a legitimate government, a legitimate situation, which can be justified only in seeking a dialog and civilian peace amongst Lebanese -- which must, therefore, exclude any foreign intervention -- but it is legitimate. And I expressed this view in writing at various times to General Aoun [Lebanese Christian leader].

We French feel very close to all Lebanese, and particularly to those who feel threatened. And it is not always the same at the same time. But we do think that the best guarantee for all is the law, the situation of legitimate constitutional order, and we believe that it would be wise for everybody to recognize this supreme law. In any case, such is the position of France. I discussed this with President Bush, and I don't think that we were in any disagreement on the subject.

President Bush. The question as directed to me -- yes, that's what the Baker five points are about. And that's what Mr. Mubarak [President of Egypt] was attempting to do: to get dialog and discussion going on the West Bank which would include Palestinians. So, we are for that, and I'm hopeful that the meetings that Secretary Baker will be having after the first of the year with the Foreign Ministers will move that peace process forward. We are committed to it.

President Mitterrand. It would be easy for me to add my own opinion, very briefly: You can't solve the problem of Palestinians without the Palestinians.

Libya-U.S. Relations

Q. -- -- [inaudible] -- because I think there is a certain problem between Libya and France, and also it is a problem between America and Libya. So, do you have a shared point of view of your relations with Libya?

President Mitterrand. Are you putting the question to me? Yes? Very well. Our relations with Libya have been fairly complicated. Well, first of all, there was the war in Chad. And we supported the forces of the legitimate Chadian leaders so as to reconquer their independence, their sovereignty, and the unity of their country -- which meant that we countered the ambition of Libya, which indeed created a rather difficult atmosphere. But this war was won by the Chadians. This country has become what we expected of it: free and sovereign. And it regained its unity, and therefore, we consider that our action fulfilled its objective. But it took 5 years' patience and struggle, but it is done now. At the same time, a bone of contention was disappearing with Libya. And if, obviously, this country had feelings of revenge vis-a-vis Chad, they would find themselves in the exact same situation vis-a-vis us.

Other events have occurred which touched the United States of America more. I do not think that it's up to me to discuss this subject. One can only hope to see the countries of Maghreb and North Africa prefer the ways of peace, the refusal of terrorism, to the means of war or international disorder. And it is along these lines that our diplomacy continues to have a dialog, some with ups and downs, with the Libyan leaders. And I expressed the hope: Why shouldn't this come to an end, obviously, in respecting the rights of peoples?

President Bush. I'll simply say that we have not changed our view on Libya. I know that some countries are reaching out a little more today to Libya; we are not. We have not seen the hard evidence that we'd like to see to show a renunciation of international terror. And until we do, there will be no improved relations between the United States and Libya.

Europe's Future

Q. Mr. President, what is your reaction after the proposal suggestions of American Secretary of State Mr. Baker in Berlin as to the reform of NATO [North Atlantic Treaty Organization] and as to the constriction of Europe -- faster and more open?

President Mitterrand. Well, there are quite a few elements in this very important statement which obviously meet with my approval. It is very important to become aware of the future of the Community and of the necessary acceleration strengthening its structures. It's very important, as well, to be aware of the importance of the CSCE Conference on measures of security which must be decided by the European countries plus the United States and Canada. A whole series of these proposals go exactly along with our views. And we think the very future of Eastern Europe is conditioned by the way Eastern countries organize themselves, structure themselves,

coordinate their efforts, and endow themselves with common authority.

I often made this comparison, including with President Bush: If the horses of the team don't move at the same speed, there will be an accident. And we have to deal with the German problem, in particular, and that of Eastern Europe at a pace which must be harmonious, must be in step with that of European construction.

And I must say that Mr. Baker's statement on the subject seemed to show great understanding of the needs of Europe. Afterwards, there was the part that had to do with evolution of the alliance and the content of NATO. Well, this is a subject to be discussed. We do not refuse -- when a situation changes, the content of an alliance may change. And we belong to this alliance, although we have a special status within it. We are fully aware of our obligations as allies, as others must have as well in the same way.

Now, this is a subject under study. The ideas were launched before the world's public opinion, particularly of Europe, and I have not yet met with my European partners since this major statement. But I agree on one point: We cannot stay where we were before the collapse of all the walls that existed between the peoples of Europe. And likewise the concept of antagonists, of enemies, foes, or possible conflicts no longer rises in the same terms, or at least I hope. But we need -- as President George Bush was saying before -- we need to know and observe the evolution of the forthcoming months, which remains uncertain and which needs some time to rest, to enable us to see exactly what is going on. At the present time, we see the major trends. And one can plan various perspectives, but we need this move now to be completed before drawing any diplomatic and military consequences.

President Bush. May I just add one word, Mr. President? We spent a lot of time talking about Eastern Europe and the dynamic changes taking place there and inside the Soviet Union. And I would simply not go into detail on this answer except to say that I feel very close to President Mitterrand's views here. Secretary Baker had a chance to go over these matters with Roland Dumas [French Foreign Minister], and I think there may be some nuances of difference. But in terms of the big questions of Eastern Europe, I feel, I would say, simply reassured that President Mitterrand and I are viewing these the same way.

Mr. President, would it be all right to take under the policy of dual recognition the man that thought he had been recognized here?

Haiti

Q. Thank you. My question is to President Mitterrand, which is -- correspondent of the Haitian Information Agency. So, during your visit to South America, President Perez of Venezuela suggested holding an international conference on Haiti. And I would like to know whether you discussed this with President Bush? And if so, did he agree?

President Mitterrand. We did not at all discuss this, as you see. But this is an important subject which might come up in our next exchange of correspondence, and I'm sure we'll have many of those in 1990.

Terrorism and the War on Drugs

Q. Do you fear an increase of terrorist attacks, either blind or striking American interests in Europe? And did you evoke the reasons for better protecting ourselves against terrorism?

President Mitterrand. Well, quite a lot of information seems to show that there might be some reawakening of terrorist intents, particularly in some regions of the Near East. But from there to actually go on the act and even specify the intention -- I mean, there may be a great distance, and I cannot prejudge this. I really don't know. The duty of states is to protect ourselves against terrorism. And nothing can be done which might weaken the moral, psychological, and practical defense of police and security against such danger. From this point of view, as many others, we have had relations of work and trust with the U.S., and we shall continue.

President Bush. I would simply add to that that the cooperation has been superb. And I was delighted yesterday -- this was not discussed today -- but delighted yesterday when the Colombian Government brought to bay, I think, the man who is ranked as the third most prominent narco terrorist in Colombia, Mr. Gacha. And that was a very courageous effort on the part of the Colombians. And we have all different kinds of terrorists, but this narco terrorism is simply outrageous and unacceptable. And when you see a President of an embattled country -- and Colombia fits that description -- doing its level-best to bring them to justice, I think we ought to all salute them.

German Reunification

Q. Do you have any specific prescriptions to keep the situation from running wild? Apparently it's quite different from what was going on in Poland and Hungary. Mr. President, perhaps some instant food aid as winter approaches? Is there some special way to treat the East German chaotic situation?

President Bush. I don't know if there's a special way, but we spelled out at NATO the four points that relate to German reunification. The Strasbourg declaration under the meeting headed by President Mitterrand addressed themselves to that question. Obviously, if there's emergency food aid required there -- we have no requests for that -- but if it's required, we would be very responsive, as I expect others in the alliance would be.

France-U.S. Relations

Q. President Bush, do you now have a special relationship with the French Government and President Mitterrand that rivals the supposed special relationship with the government of Mrs. Thatcher? And can you discuss that for us? [Laughter]

President Bush. Put it this way: There's not supposed to be any rivalry of this nature. We have a special relationship with the United Kingdom; I think everybody knows it. I like to think I have a very special relationship with President Mitterrand. And I can tell you that the ability to pick up the phone, no matter what the subject is -- as I have done on occasions and he has done on occasions -- and have honest exchanges of information has been extraordinarily helpful, I think, to both sides. I can speak for the U.S. So, I hope it is a special relationship, but perhaps I ought to let the President of the Republic speak to that. [Laughter]

President Mitterrand. Well, I mean, we -- sometimes sentimental competition. [Laughter] I mean, there is room enough for several friendships in life. I don't see why without necessarily moving to excess -- I mean, you know the poet who wrote of the innumerable heart -- well, not innumerable, but one may have one's heart open to several friendships. [Laughter] And then to classify isn't easy. There is also a French novel, very interesting, that's called the ``Map of Love." Well, to you journalists, the map of love and friendship -- for you to decide for this map; it's not mine. But what I do certainly hope is that we keep a very close friendship with the United States of America, as we shall have with the United Kingdom.

Q. Would you have given that answer before January 20th, 1989?

President Mitterrand. Before the 20th of January? What happened on the 20th of January? [Laughter] You seem to remember my own feelings more than I do myself. I would have said this -- you mean before Mr. Bush's election. Is that what you mean? I mean, from what I was able to deduce -- because you need a triple translation to get to your meaning. [Laughter] I got along very well with Mr. Reagan. And now that he's no longer President of the United States of America -- and I would not want to say anything that might seem slightly restrictive; that's the way history was. And now with Mr. Bush, we are working together and, I think, in a very good, close understanding. But as to say more on what you're interested in, sir, that is just kind of sentimental press. I'm certainly not going to say any more.

General Noriega of Panama

Q. President Bush, General Noriega of Panama, who has long been a thorn in the side of the United States, has just this week declared war on the United States. How do you respond to this last outrage of General Noriega?

President Bush. Well, I don't respond to it. I noticed that he was made supreme leader or something of that nature. It has not changed our view of him at all: he is an indicted narcotics dealer, and he ought to get out. And the minute he got out, the relations between Panama and the

United States would improve dramatically. And not only is he an indicted narcotics dealer but he singlehandedly aborted the free will of the Panamanian people, the will being expressed in open and free elections. And Mr. Noriega singlehandedly sent out his ``dignity battalions'' to beat up the elected Vice President and to keep the will of the people from being fulfilled. And that is unacceptable as we see the world, particularly in these times when we see the world moving more and more towards democratic change.

China

Q. President Mitterrand, I'd like to ask you if you discussed in any way China and what you think of President Bush's decision to send his envoys to China recently? And if I could follow on that, Mr. Bush, if perhaps you've have second thoughts about the nature in which this was done, in the secretive fashion and in the toasting of the Chinese while your envoys were there?

President Mitterrand. Thank you for this question. Well, I should have said in my presentation, indeed, we did talk about China, and this was at the initiative of President Bush, who himself expressed the wish of being able to give us his views on this subject and the reason for what was done. So, I think now you might hear this.

President Bush. I have no second thoughts at all. And being somewhat familiar with China, I've learned you listen to everything that's said in a toast; you look at every word and analyze it. And I am strongly supportive of this mission by General Scowcroft [Assistant to the President for National Security Affairs] and Larry Eagleburger [Deputy Secretary of State]. I've said that I initiated it, and I'm not going to go further, except to say that I hope that it will have positive results. And you've already seen a couple of indications of that, but I think -- knowing China, again -- I think time is required. But this is a billion-plus people, and I do not want to hurt the billion-plus people further. And I think we've made the right step, and only time will tell how this leadership in China views the mission.

German Reunification

Q. President Bush, is there any agreement between France and the U.S. to slow down Mr. Kohl in his drive to reunification?

President Bush. No. [Laughter]

President Mitterrand. May I have your question? Is there an agreement or an informative use to slow down Mr. Kohl? Yes, there's a great conformity of view in the United States, particularly, considering slowing down Mr. Kohl. That's a specific matter. But we think that everything, as was said in Strasbourg, is to be done in the respect of treaties and the principles of Helsinki; and that at present, there are two states. And if the evolution seems to strengthen and hasten, it would be a good thing for the German authorities to contribute, at the same time, to develop the parallel

construction which is indispensible for the new European political order -- Community, CSCE, et cetera.

Chancellor Kohl was telling me this yesterday, as we were together in Switzerland, and he says it constantly. And there's no reason to doubt this -- he said: ``I did not set any timetable to the aspiration which is that of all Germans, and particular mine, towards reunification. Therefore, I am not precipitating events, even though I do hope for this." This is what Mr. Kohl said.

In any case, he is to conform with the treaties and agreements which preside today to the European balance. And therefore, I don't have any particular complaints. Chancellor Kohl is German. He's a German patriot, and he obviously has reflexes which are not mine. But the main thing: When we are together and when we speak as responsible for our own countries, we sketch out an outline on which we can agree. And in any case, I shall be meeting with Chancellor Kohl on the 4th of January next year. He shall be coming to see me in France.

Sanctions Against China

Q. On China, do you believe that other countries that follow the United States lead on sanctions should now relieve those sanctions to lighten them? And how would you feel if they did that against your wishes?

President Bush. I think each country has got to make its own determination. But I think, basically, if I had to answer yes or no, I'd say no. I think they've got to wait and see how matters evolve. That's what we're doing. And I think it's prudent. And for those who suggested that I had normalized relations with this power because of one visit -- they simply are wrong, off the reservation on that. So, I think that's a matter for other countries to determine.

President Mitterrand. Yes, over there. Yes, I didn't give the floor -- to that end of the room. Yes, which paper?

Romania

Q. RFO, Mr. President.

President Mitterrand. Yes. I can't really see you. I'm terribly sorry. You're standing in the shadows. But you are able to move out of the shadows nonetheless, so I give you the floor.

Q. Thank you, Mr. President. May I continue to say, thank you, Mr. President. Well, obviously, the question of evolution of the East was the major question today. But the question of nonevolution in the East is also a major question -- the question of Romania, in particular. Is the common position or common action been decided, or will be decided?

President Mitterrand. Well, common position is very easy to determine: This is a regime which we condemn. These are behaviors which aren't acceptable -- and intolerable, in fact. And this is in Romania, nonetheless, which is a sovereign state.

I mean, we deplore the situation that the Romanian people have to live in, and we do hope that the wind of freedom which has been blowing through the other countries of Europe will also come to Romania. So, our feelings cannot be misunderstood. And for the rest, I personally have nothing to add.

Q. Excuse me. May I have your answer on the problem of Romania after what President Mitterrand has just said?

President Bush. My response is: ditto, the same. We view Romania as way behind the power curve in terms of change, and it's too bad that they are ebbing as they are, but let's hope they'll get the word, too.

Lebanon

Q. Mr. President, my question is addressed to you on Lebanon. If General Aoun refuses to leave, do you approve of a military operation against him? And did you discuss the situation with President Mitterrand?

President Bush. We did discuss the Lebanese situation. Both of us want to see a bloodbath avoided there. It is the position of the United States that Mr. Hraoui [President of Lebanon] is the head of government there, and recognized as such. In our view, things would be much benefited if Mr. Aoun left. But I will let President Mitterrand, obviously, address himself on that point. But we are together in working as best we can to avoid bloodshed. And we have supported the tripartite agreement. And again, I'd like to salute them here, because without that, I don't think this process would be anywhere along. And so, let's just hope they can resolve this matter without the loss of a lot of innocent life in Lebanon. It plagues me, particularly at this joyous time of the year, that Lebanon is having this terrible, terrible grief.

President Mitterrand. I've already stated my views on this.

Arms Control

Q. Mr. President -- differences on accepting President Gorbachev's offer to move the CSCE talks from 1992 up to 1990. Considering your affection for each other, were you able to sway each other's opinion on this? And if not, could you explain your different opinions?

President Mitterrand. Well, I have already stated, in Kiev, in particular, that I agreed for this meeting to be held as from next year, because I think that the events, at the pace they're moving,

should be followed closely. But I haven't tried to proselytize vis-a-vis President Bush. I mean, he can see matters for himself.

President Bush. He expresses it very well, indeed. And when I talked to Mr. Gorbachev, we talked about trying to complete the conventional force agreement so we would have a CFE summit. I also expressed -- and openminded about the CSCE, but we want to know a little bit more about that. So, we had a very good discussion with the President of France to understand it better. That matter, incidentally, was not raised to me by President Gorbachev, as you may remember. So, this was an interesting discussion, and I think I understand the hopes of President Mitterrand as a result of the discussion.

Eastern European Reforms

Q. Do the two of you feel that CSCE or NATO should be the proper forum and within the alliance for discussing the changes in Eastern Europe?

President Mitterrand. Well, these are two meeting places which are equally important. For the time being, the advantage of CSCE is that it groups all European countries, all of them, which is not the case of NATO, which is the expression of an alliance. And this is why it had been proposed that we give another content to NATO, but that's not the way it is now. But we have to deal with today's reality, and today's reality is that all Europeans can debate within CSCE, which is desirable and is not at all in contradiction with any new behavior or any new evolution in NATO. But we have not advanced sufficiently in this field for me to be able to say more.

President Bush. I would simply say there are many forums. You've got CSCE; you've got the EC; you've got NATO; you've got the G - 7. You have a wide array of groups that are interested in the peaceful, democratic change in Europe. And so, it isn't a question of one or the other. And I think I would simply say the President of France expressed it very well there.

NATO

Q. Sir, may I follow up on that?

President Mitterrand. You've already spoken. Haven't you spoken already? [Laughter]

Q. May I simply ask, sir, do you feel that as the need for the American nuclear shield recedes that American political leadership of NATO will recede as well?

President Mitterrand. Well, all this is something we will discuss amongst ourselves. We cannot prejudge any result to a situation which is evolving constantly, obviously. If the risk of conflict and antagonism between the two blocs recedes, obviously the military content of the alliance has to change. But there is nothing else I can add to this.

Worldwide Political and Economic Reform

Q. Mr. President, do you think that the rapid changes occurring in Eastern Europe will have a spillover effect in other areas of the world, particularly in South Africa and probably here in the Caribbean and Cuba?

President Mitterrand. Who is the question addressed to? It's a difficult question; it's practically impossible. It's true that the failure of the Eastern European systems will obviously have a spillover effect on other regions of the world where that system was imitated -- it's likely. You take a country such as Benin, which has just officially stated that it renounced its definition criterion of Marxism-Leninism. But as I say, I cannot prejudge the reactions of those countries you have mentioned.

Soviet Chairman Gorbachev

Q. A question to you and to President Bush. You met with Mr. Gorbachev for a very long time recently. I imagine he discussed the difficulties he has within his country. Do you have the feeling that he will outlast the winter?

President Mitterrand. Yes, and probably beyond that as well. And I hope I am not wrong.

U.S. Role in Europe

Q. My question is to the President of the United States. Mr. President, Mikhail Gorbachev quite often mentions his idea of a common European house. Is there any room for you Americans in this common house? What kind of house would you like it to be? What model house? What layout? Could you tell us about the kind of house that you would like to see?

President Bush. Yes, I think that even Mr. Gorbachev recognizes a role for the United States in this common European home. We talk about a Europe whole and free. He talks about a common European home. He talked to us about wanting to see the United States remain involved. And so, I don't find any countries suggesting that the United States should decouple from Europe, even the bloc countries. I know that the countries in Eastern Europe to whose leaders I've talked -- Poland and Hungary -- certainly feel that way. So, I don't think you're going to see out of all this dynamic change a tendency to try to push the United States out of Europe.

You might see some isolationistic pressures develop in our country, but I will fight because I don't want to see us decoupled from Europe, I don't want to see us pull out of Europe, if you will. I want to see us work with the EC, as I talked about and Secretary Baker elaborated on. So, I don't think there's any pressure to see us disengage, you might say.

General Noriega of Panama

Q. My question is to President Bush. Going back to the question of Panama. Noriega -- obviously, you intend to try and get rid of him. But it's known that when you were responsible for the CIA -- he also collaborated with the CIA. Don't you think that your margin for maneuver here is a very narrow one, indeed?

President Bush. Yes, but I think it has nothing to do with the Central Intelligence Agency. But I think it's a narrow margin for maneuver. It's a good way of putting it, but that doesn't lessen our determination to see the Panamanian people get what they want, and that is a democratic form of government. And it doesn't lessen my determination to see this indicted drug dealer be brought to trial.

U.S. Defense Spending

Q. Mr. President, can you tell us that as you approach the next budget year in the United States -- can you confirm for us that you are considering real dollar cuts in the U.S. defense budget? And considering the meeting like this one, can you let us in on some of your thinking: When you think about those budget cuts, are they driven by the legal necessity in the United States to reduce the budget or rather by events in Eastern Europe?

President Bush. I think events in Eastern Europe are driving some to suggest that we can dramatically slash our defense budget. I will resist that. I can't give you a final figure. The budget will be put to bed from the administration standpoint early this coming week, but I would not look, in dollar terms, for cuts. There are places we can save, and we are looking for them, but I will resist these euphoric views that we no longer need a very strong defense. We do need it, and I think our European friends understand that.

I would like to move forward in the arms control agendas that we've got before us. I'm talking about START, chemical weapons, and conventional forces. And that should not be the end; we should move beyond those. And as you know, we've instructed the Pentagon to do some very serious analyses in terms of looking at what kind of force will be needed into the future, estimating as best they can what the threat will be. So, we're in the process of doing that right now, Wyatt [Wyatt Andrews, CBS News], but I would not look for the administration to send up dramatically reduced levels of spending in defense. I hope someday that we can have a far different force, and deployed far differently; but we are not going to unilaterally pull away from our friends in NATO without serious consultation, and we're not going to pull away from our obligations elsewhere. But we are reviewing the whole defense budget, given the changes that have taken place.

President Mitterrand. It is impossible to prolong this press conference. No, sir, you already spoke. I'm sorry. No, you've already spoken. No, no. Sit down. You've already asked a question.

Many others might complain that they weren't able to do so.

Yes, one last question from you, sir.

European Development Bank

Q. I would like to ask President Mitterrand if you extended on behalf of the EC an invitation to the United States to join this bank for European reconstruction development. And I would like to ask President Bush what the U.S. position is in terms of joining that bank?

President Mitterrand. I told President Bush that I had precisely signed in Paris just before I left -- I signed a letter in which I invited the United States of America to participate in the creation of capital and of this bank. My letter I sent to many other directions, because it's not a bank of the community. It is a bank which goes far beyond this. It's to all those who wish and who are able to -- including two Eastern European countries, and particularly the Soviet Union, if they were to accept -- to make the necessary effort. Mr. Gorbachev has already given me his agreement.

Thank you very much. We have to leave you now. Thank you, President Bush, once more. He will answer you, yes, but afterwards, we leave.

President Bush. We discussed it -- expressed keen interest in it and decided that we would talk about it further. But the United States is very interested in that proposal. Would be interested in being a part of it, but at this juncture, we need to know a little bit more about the details of it. But we gave a positive indication of American interest to President Mitterrand.

President Mitterrand. I have already planned a meeting to start the work on the 15th of January next, and in the meantime will, no doubt, have the necessary answers.

Thank you, and thank you particularly to President Bush who proved his friendship coming here to St. Martin. And I wish him now Godspeed.

Note: President Bush's 30th news conference began at 3:29 p.m. in the Amiral Room at the Hotel L'Habitation de Lonvilliers. President Mitterrand spoke in French, and his remarks were translated by an interpreter. President Bush arrived at Juliana International Airport late in the morning. Following the welcoming ceremony, he met with President Mitterrand and U.S. and French officials and participated in a working luncheon at the hotel. Following the news conference, President Bush returned to Washington, DC.

Message on the Observance of Hanukkah

December 18, 1989

I am pleased to send my warmest greetings to the members of the Jewish community as you celebrate Hanukkah.

The Festival of Lights is based on a historic event that reveals both the power of prayer and the great faith and determination of the Jewish people. According to Jewish tradition, when the Maccabees overcame the Seleucid Empire and prepared to rededicate their Holy Temple in Jerusalem, they could find only enough purified oil to light the sacred Menorah for one night. When the small cruse of oil lasted for eight nights, the Jewish people knew the Almighty had rewarded their faithfulness with a miracle.

Today, we draw a valuable lesson from this chapter in Jewish history. Just as one cruse of oil was able to lift the darkness for eight nights, so, too, can one act of kindness brighten the lives of others. Hanukkah poignantly reminds us that, with commitment to a spiritual ideal, our highest goals can be realized.

In remembering the ``miracle of the lights,'' we celebrate not only the triumph of faith but also the undeniable strength of man's yearning for liberty and justice. Hanukkah recalls the great victory won by the Maccabees in their struggle to worship freely in their own way. This year, as Jews around the world pause to observe this festival, all of us can share in the joy of those peoples who are just beginning to enjoy success in their own struggle for freedom and self-determination.

Barbara and the entire Bush family join with me in wishing the Jewish community a joyous Hanukkah.

George Bush

Message on the Observance of Christmas

December 18, 1989

During the beautiful and holy season of Christmas, our hearts are filled with the same wonder, gratitude, and joy that led the psalmist of old to ask, ``When I consider Thy heavens, the work of Thy fingers, the moon and the stars, which Thou hast ordained; What is man, that Thou art mindful of him? And the son of man, that Thou visitest him?" At Christmas, we, too, rejoice in the mystery of God's love for us -- love revealed through the gift of Christ's birth.

Born into a family of a young carpenter and his wife, in a stable shared by beasts of the field, our Savior came to live among ordinary men. Yet, in time, the miraculous nature of this simple event became clear. Christ's birth changed the course of history, bringing the light of hope to a world dwelling in the darkness of sin and death.

Today, nearly 2,000 years later, the shining promise of that first Christmas continues to give our lives a sense of peace and purpose. Our words and deeds, when guided by the example of Christ's life, can help others share in the joy of man's Redemption. During Christmas, we may symbolize this spirit of giving through the exchange of presents, but it is daily acts of goodness and generosity -- performed time and time again throughout the year -- that hold the true meaning of this holy season. Every kind and selfless deed we perform for others can rekindle in our hearts and in our communities the light of that first Christmas.

As we gather with family and friends this season, let us recall what our Savior's life means to the world. Let us also rededicate ourselves to sharing the love that gives greater meaning and joy to Christmas and to every moment of life.

Merry Christmas, and God bless you.

George Bush

Statement on Signing the Veterans' Benefits Amendments of 1989

December 18, 1989

I am pleased today to sign into law H.R. 901, the ``Veterans' Benefits Amendments of 1989." This bill will increase certain benefits paid to veterans and make other improvements in veterans' programs.

Our Nation provides compensation and other monetary benefits to service-disabled veterans and dependency and indemnity compensation (DIC) benefits to the survivors of those who died as a result of military service to our country. My administration is committed to ensuring that these payments keep pace with changes in the cost of living.

H.R. 901 provides a 4.7 percent increase in compensation and DIC benefits, effective December 1, 1989. Nearly 2.2 million veterans and their dependents and about 312,000 surviving spouses and children will benefit from this increase. They will receive the same cost-of-living adjustment that social security beneficiaries and veteran pensioners are receiving this month.

This legislation also revises the veterans' housing loan guaranty program. This program has provided home financing for over 13 million veterans since the end of World War II. The provisions of H.R. 901 are designed to ensure continued solvency of the funding for this most important benefit. The bill requires a modest increase in the user fee for veterans obtaining home loan guarantees, but actually reduces the fee for veterans who make a small down payment. In most cases, veterans who obtain VA home loans in the future will be indemnified against liability following a foreclosure. The bill also makes a number of other improvements in the housing program.

I am further pleased to endorse the extension in H.R. 901 of several valuable veteran health-care programs. In particular, the bill continues two programs in which the Department of Veterans Affairs (VA) works in partnership with the States and the private sector to provide care to veterans. It extends the ``State Home" program, under which VA provides partial funding for construction of State-operated facilities for the care of veterans. It also extends a program under which VA contracts with halfway houses for the care of homeless, chronically mentally ill veterans.

This measure also makes numerous improvements affecting the educational benefits and employment of veterans, the vocational rehabilitation of service-disabled veterans, and the educational assistance provided to the survivors and dependents of persons who died or were permanently and totally disabled in the service of our country. The bill includes a 7.5 percent increase in the allowances payable to both service-disabled veterans participating in vocational

rehabilitation and survivors and dependents in education programs. This increase will benefit over 70,000 veterans and dependents.

For these reasons, I am gratified to approve this bill.

George Bush

The White House,

December 18, 1989.

Note: H.R. 901, approved December 18, was assigned Public Law No. 101 - 237.

Appointment of Paul F. Oreffice as a Member of the Advisory Committee for Trade and Policy Negotiations

December 18, 1989

The President today announced his intention to appoint Paul F. Oreffice as a member of the Advisory Committee for Trade Policy and Negotiations for a term of 2 years. This is a reappointment.

Mr. Oreffice serves as president and chief executive officer of the Dow Chemical Co. in Midland, MI. Mr. Oreffice graduated from Purdue University (B.S., 1949). He was born November 29, 1927, in Venice, Italy. Mr. Oreffice is married, has two children, and resides in Midland, MI.

Appointment of Edward C. Aldridge, Jr., as a Member of the President's National Security Telecommunications Advisory Committee

December 18, 1989

The President today announced his intention to appoint Edward C. Aldridge, Jr., as a member of the President's National Security Telecommunications Advisory Committee. He would succeed John F. McDonnell.

Mr. Aldridge is currently president of McDonald Douglas Electronic Systems Co. in McLean, VA. Prior to this, he was Secretary of the Air Force, 1986 - 1988. Mr. Aldridge was the Under Secretary of the Air Force, 1981 - 1986; vice president of the national policy and strategic systems group for the System Planning Corp. in Arlington, VA, 1977 - 1981; and Deputy Assistant Secretary of Defense for Strategic Programs, 1974 - 1976.

Mr. Aldridge graduated from Texas A&M University (B.S., 1960) and the Georgia Institute of Technology (M.S., 1961). He was born August 18, 1938, in Houston, TX. Mr. Aldridge is married, has four children, and currently resides in Vienna, VA.

Statement on Signing the Omnibus Budget Reconciliation Act of 1989

December 19, 1989

I am today signing into law H.R. 3299, the ``Omnibus Budget Reconciliation Act of 1989." This bill contains significant deficit-reduction measures for fiscal year 1990. These measures accomplish substantial savings in mandatory spending programs, increase receipts in a manner consistent with my pledge not to raise new taxes, and retain part of the Gramm-Rudman-Hollings across-the-board spending cut, or sequester, that was ordered on October 16, 1989.

The reconciliation legislation this year had a long gestation, stretching back to my budget proposals in February. In April the bipartisan congressional leadership agreed with the Administration on deficit-reduction goals for a budget resolution and a reconciliation bill. The resulting Bipartisan Budget Agreement called for $14 billion in reconciled deficit-reduction measures. The budget resolution passed in May, but the House and Senate failed to reach agreement on a bill prior to the sequester deadline. As a result, a sequester of fiscal year 1990 budget authority was ordered on October 16, in accordance with requirements of the Gramm-Rudman-Hollings Act. The across-the-board cuts imposed would have disrupted some important Federal activities had they remained in effect all year.

Accordingly, on November 2, I challenged the Congress to ``pass a truly clean reconciliation bill that produces real deficit reduction -- without new taxes, without spending measures that increase the deficit in the future, and without scoring gimmicks." I said that ``any such reconciliation bill should achieve at least the $14 billion in reconciled deficit reduction agreed to in the Bipartisan Budget Agreement." The bill I am approving today is the Congress's response to my challenge.

The reduced sequester and the other budget savings and receipts enhancements in this reconciliation legislation satisfy the conditions I set for an acceptable bill. The bill reaches the $14 billion deficit-reduction target, and it excludes the objectionable extraneous provisions that encumbered earlier versions. Further, the bill contained some technical ambiguities, particularly with regard to the payment of overvalued Medicare physician services. I appreciate the efforts of the conferees to clarify the intent of the legislation in a joint letter that was sent to Secretary Sullivan, and I sign the bill based on the understandings provided in the conferees' letter.

I must note, however, that several provisions of this reconciliation bill raise constitutional concerns.

One section of the bill could be interpreted to require the Secretary of Education to agree with certain representatives of interest groups prior to formulating a National Student Loan Data

System. Such a mechanism would raise serious constitutional questions by circumventing the appointment procedures established by the Constitution. To avoid raising this troubling constitutional question, this provision must be interpreted as mandating that the Secretary conduct full and detailed consultation with representatives of interested and expert private groups, but leaving the final decision -- as the Constitution requires -- in the Secretary's hands.

Other troublesome provisions of the bill purport to make certain decisions of subordinate officials in the Department of Health and Human Services (HHS) unreviewable, thus depriving the Secretary of HHS, and, through him, the President, of his constitutional authority to supervise their actions. One such provision, for example, concerns a new board within HHS to review geographical classifications of certain hospitals for Medicare purposes. Provisions of this type raise serious constitutional questions. Accordingly, the Attorney General and the Secretary will consider and propose next year such corrective legislation as is necessary to accomplish the Congress' legitimate objectives in a manner consistent with the Constitution.

Provisions of the bill amending the National Vaccine Injury Compensation Program also raise concerns. These provisions would provide for initial adjudications of vaccine injury claims by a group of special masters appointed and removable by the United States Claims Court. Although I understand and strongly sympathize with the desire of the Congress to ensure speedy and equitable settlement of meritorious claims, such dispute resolution must take place within the structure of responsible Government established by our Constitution.

The bill's imposition of an ``arbitrary and capricious'' standard for review of special master decisions by Claims Court judges could raise constitutional questions by vesting significant authority pursuant to the laws of the United States in persons whose appointment and removal are inconsistent with the requirements of Article II of the Constitution, and by circumscribing the ability of Article I and Article III judges to review the decisions of these persons. Accordingly, to place this issue beyond doubt, the Attorney General and the Secretary of HHS will work together to submit legislation that would ensure de novo review of decisions rendered by the special masters.

George Bush

The White House,

December 19, 1989.

Note: H.R. 3299, approved December 19, was assigned Public Law No. 101 - 239.

Statement by Press Secretary Fitzwater on Romania's Suppression of Political Demonstrations

December 19, 1989

The United States condemns the brutal use of police force by the Romanian Government against protesters in Timisoara and other cities. According to various reports, dozens and perhaps hundreds were killed by Romanian security forces. The Romanian Government has sealed Romania's borders and imposed a blackout of news and information.

The demonstrations in Timisoara and elsewhere were a result of the systematic denial of human rights to the people of Romania, particularly to members of the Hungarian minority. The repressive measures undertaken by the Romanian Government are totally unjustified and stand in stark contrast to the positive changes taking place elsewhere in Eastern Europe.

The United States calls upon the Government of Romania to cease this brutal repression, open its borders, and respect the human rights commitments of the Helsinki Final Act. We further call on Romania to permit international observers to visit Timisoara and other cities where violence has been reported.

Note: Press Secretary Fitzwater read the statement at 11:04 a.m. during his daily press briefing.

Appointment of Katharine D. Dukakis as a Member of the United States Holocaust Memorial Council

December 19, 1989

The President today announced his intention to appoint Katharine D. Dukakis to be a member of the United States Holocaust Memorial Council for the remainder of the term expiring January 15, 1991. She would succeed Milton Himmelfarb.

Mrs. Dukakis has served on the President's Commission on the Holocaust; on the board of directors of the Refugee Policy Group in Washington, DC; and as a member of the Task Force on Cambodian Children.

Mrs. Dukakis graduated from Lesley College (B.A., 1963) and Boston University School of Communication (M.A., 1982). She was born December 26, 1936, in Cambridge, MA. Mrs. Dukakis is married to Gov. Michael Dukakis, has three children, and resides in Brookline, MA.

Letter to the Speaker of the House of Representatives and the President of the Senate on the Licensing of Communications Satellites for China

December 19, 1989

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to the authority vested in me by section 610 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990 (P.L. 101 - 162) (``the Act''), and as President of the United States, I hereby report that it is in the national interest of the United States to lift the prohibition on reinstatement and approval of export licenses for the three United States-built AUSSAT and AsiaSat satellites for launch on Chinese-built launch vehicles.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Press Secretary Fitzwater on the Licensing of Communications Satellites for China

December 19, 1989

The President today reported to the Congress that it is in the national interest of the United States to authorize licensing for three U.S.-built AUSSAT and AsiaSat satellites for launch on Chinese-built launch vehicles.

The Prime Minister of Australia has urged the President to take this action, emphasizing both the importance for Australia of the AUSSAT program to develop telecommunications and broadcasting services in Australia on a national basis and its consistency with Australia's own measures regarding China. Australia is a good friend and an important ally of the United States, and the timing of the licenses is critical to the success of the program. AsiaSat is to provide similar and badly needed telecommunications services to several friendly countries in Asia.

The sale of the three satellites represents approximately $300 million worth of business for U.S. firms. The satellites are civilian communications satellites, to be controlled after launch by companies based in Australia and Hong Kong. This action is therefore consistent with the President's expressed determination, in imposing sanctions last June, to maintain commercial relations with China.

Statement on Signing the International Development and Finance Act of 1989

December 19, 1989

I have today signed H.R. 2494, the ``International Development and Finance Act of 1989." Although I am glad that the Act will provide necessary funding to meet important international needs, I believe that several provisions warrant careful construction to avoid constitutional concerns. For example, several sections could be read to restrict executive authority to determine the position of the United States at various multilateral development banks. Other sections also need to be carefully construed to avoid constraints on my ability to supervise my subordinates and communicate with international organizations.

In addition, section 201 of the Act requires that the Secretary of the Treasury certify that the Comptroller General has access to documents of the Inter-American Development Bank under the same terms and under the same conditions as such documents are made available to the United States Executive Director of the Bank. I understand that the provision does not apply to executive branch documents, including documents produced by the United States Executive Director. I intend, of course, to construe any constitutionally doubtful provisions in accordance with the requirements of the Constitution.

George Bush

The White House,

December 19, 1989.

Note: H.R. 2494, signed December 19, was assigned Public Law No. 101 - 240.

Letter to the Speaker of the House of Representatives and the President of the Senate on Trade With China

December 19, 1989

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to the authority vested in me by subsection 103(c)(2) of the International Development and Finance Act of 1989 (``the Act''), and as President of the United States, I hereby report that it is in the national interest of the United States to terminate the suspensions under subsection 103(a) of the Act of programs of the Export-Import Bank of the United States for the People's Republic of China. I am thereby waiving the prohibitions on the Export-Import Bank's financing any trade with, and on extending any loan, credit, credit guarantee, insurance or reinsurance to the People's Republic of China as provided in subsection 103(a).

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Press Secretary Fitzwater on Trade With China

December 19, 1989

Today, in signing the International Development and Finance Act of 1989, H.R. 2494, the President decided to exercise provisions provided for in the bill which would waive prohibitions on the Export-Import Bank's financing of U.S. business activities with the People's Republic of China.

The President waived the prohibitions on the grounds of national interest. This does not return the Export-Import Bank's activity to business as usual with China. Since June, Ex-Im has limited itself to providing preliminary financing commitments where project decisions are imminent. This reduced level of activity closely approximates that of our competitors. The waiver, by maintaining the status quo, preserves a level playing field for U.S. business. Additional business activity with China will be considered on a case-by-case basis as part of a continuing review process.

Note: H.R. 2494, signed December 19, was assigned Public Law No. 101 - 240.

Address to the Nation Announcing United States Military Action in Panama

December 20, 1989

My fellow citizens, last night I ordered U.S. military forces to Panama. No President takes such action lightly. This morning I want to tell you what I did and why I did it.

For nearly 2 years, the United States, nations of Latin America and the Caribbean have worked together to resolve the crisis in Panama. The goals of the United States have been to safeguard the lives of Americans, to defend democracy in Panama, to combat drug trafficking, and to protect the integrity of the Panama Canal treaty. Many attempts have been made to resolve this crisis through diplomacy and negotiations. All were rejected by the dictator of Panama, General Manuel Noriega, an indicted drug trafficker.

Last Friday, Noriega declared his military dictatorship to be in a state of war with the United States and publicly threatened the lives of Americans in Panama. The very next day, forces under his command shot and killed an unarmed American serviceman; wounded another; arrested and brutally beat a third American serviceman; and then brutally interrogated his wife, threatening her with sexual abuse. That was enough.

General Noriega's reckless threats and attacks upon Americans in Panama created an imminent danger to the 35,000 American citizens in Panama. As President, I have no higher obligation than to safeguard the lives of American citizens. And that is why I directed our Armed Forces to protect the lives of American citizens in Panama and to bring General Noriega to justice in the United States. I contacted the bipartisan leadership of Congress last night and informed them of this decision, and after taking this action, I also talked with leaders in Latin America, the Caribbean, and those of other U.S. allies.

At this moment, U.S. forces, including forces deployed from the United States last night, are engaged in action in Panama. The United States intends to withdraw the forces newly deployed to Panama as quickly as possible. Our forces have conducted themselves courageously and selflessly. And as Commander in Chief, I salute every one of them and thank them on behalf of our country.

Tragically, some Americans have lost their lives in defense of their fellow citizens, in defense of democracy. And my heart goes out to their families. We also regret and mourn the loss of innocent Panamanians.

The brave Panamanians elected by the people of Panama in the elections last May, President Guillermo Endara and Vice Presidents Calderon and Ford, have assumed the rightful leadership

of their country. You remember those horrible pictures of newly elected Vice President Ford, covered head to toe with blood, beaten mercilessly by so-called ``dignity battalions." Well, the United States today recognizes the democratically elected government of President Endara. I will send our Ambassador back to Panama immediately.

Key military objectives have been achieved. Most organized resistance has been eliminated, but the operation is not over yet: General Noriega is in hiding. And nevertheless, yesterday a dictator ruled Panama, and today constitutionally elected leaders govern.

I have today directed the Secretary of the Treasury and the Secretary of State to lift the economic sanctions with respect to the democratically elected government of Panama and, in cooperation with that government, to take steps to effect an orderly unblocking of Panamanian Government assets in the United States. I'm fully committed to implement the Panama Canal treaties and turn over the Canal to Panama in the year 2000. The actions we have taken and the cooperation of a new, democratic government in Panama will permit us to honor these commitments. As soon as the new government recommends a qualified candidate -- Panamanian -- to be Administrator of the Canal, as called for in the treaties, I will submit this nominee to the Senate for expedited consideration.

I am committed to strengthening our relationship with the democratic nations in this hemisphere. I will continue to seek solutions to the problems of this region through dialog and multilateral diplomacy. I took this action only after reaching the conclusion that every other avenue was closed and the lives of American citizens were in grave danger. I hope that the people of Panama will put this dark chapter of dictatorship behind them and move forward together as citizens of a democratic Panama with this government that they themselves have elected.

The United States is eager to work with the Panamanian people in partnership and friendship to rebuild their economy. The Panamanian people want democracy, peace, and the chance for a better life in dignity and freedom. The people of the United States seek only to support them in pursuit of these noble goals. Thank you very much.

Note: The President spoke at 7:20 a.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television.

Statement by Press Secretary Fitzwater on United States Military Action in Panama

December 20, 1989

President Bush met with the Vice President and his NSC advisers this afternoon from 3:15 p.m. to 4:15 p.m. to receive an operational update on the situation in Panama. All operational details will be made public by the Pentagon in the course of their briefings.

The President is pleased with the military progress so far. Major military objectives have been met. The operations have been smooth. Communications at all levels of the command structure have been very effective. The operation is moving according to plan. The Endara government is beginning to take shape. All aspects of the operation are ongoing.

The President is saddened by the casualties. The Department of Defense will release specific casualty numbers. The President will continue to monitor the situation from the Oval Office.

Statement by Press Secretary Fitzwater on United States Military Action in Panama

December 20, 1989

President Bush met with his national security advisers Sunday afternoon at 2:30 p.m. in the Residence to consider the situation in Panama. They met for approximately 90 minutes. President Bush asked for options and an action plan to achieve four objectives: protect American lives, support democracy, bring the fugitive Manuel Noriega to justice, and protect the integrity of the Panama Canal treaties.

On Monday, the President maintained his normal schedule of activities. Plans were being made at all levels of the command structure for the operation scheduled to commence at 1 o'clock Wednesday morning.

On Tuesday afternoon, President Bush met with the Vice President and his national security advisers in the Oval Office at about 3 o'clock to discuss final plans for the military operation in Panama. The President was briefed on the readiness of all aspects of the plan. General Scowcroft, the President's national security adviser, laid out an hour-by-hour plan for the rest of the day and evening prior to the time of launch. That plan included activities of all the Departments and Agencies and all White House staff in the carrying out of this complex arrangement. The President was satisfied the planning was comprehensive.

The President continued to conduct his normal schedule, including attending the White House Christmas Party Tuesday evening. The President received updates on the status of preparations throughout the evening. General Scowcroft and Governor Sununu [Chief of Staff to the President] visited with the President at several points. Early evening, the President called the congressional leadership to discuss the action with them.

The Deputies Committee of the National Security Council was convened at midnight to begin monitoring the operational aspects of the Panama action. They were convened by National Security Council Deputy Director Robert Gates and continued to meet throughout the night and most of the day Wednesday. The Press Office staff was alerted to prepare for an early morning briefing shortly after 1 a.m., and the White House press corps was notified accordingly. In addition, the Pentagon pool had been activated earlier in the evening to accompany U.S. forces to Panama.

President Bush arrived in the Oval Office shortly before 1 a.m. to monitor the progress throughout the night. He was wearing a dark blue sweater over his shirt and tie. The mood was businesslike, as various members of the President's security team moved in and out of the Oval Office with reports of progress.

As we outlined in Wednesday morning's briefing, the President spent most of the night calling American leaders and Members of Congress. Vice President Quayle, Secretary Baker, Governor Sununu, and national security adviser Scowcroft spent most of the evening with the President in his private study, occasionally stepping out to make phone calls to various leaders around the world. Secretary Cheney, General Powell, Director Webster, Attorney General Thornburgh, and others carried out their respective functions at their appropriate control center.

The President was somber throughout the night, worried about the possibility of casualties and anxious for any word of specific military progress. He watched the White House announcement of the military action on the television in his study. He made notes on 5 by 7 blue Presidential notepads as he talked to various leaders. He reported to aides that the phone calls were going well, mostly supportive. Everyone the President called was appreciative of his making the effort on this early notification.

The President retired to the Residence at approximately 4 o'clock in the morning, when it was decided that he would address the American people at 7 a.m. The President returned to the Oval Office at approximately 6:30 a.m. to review his remarks and make editorial changes. Because of the time involved, the President was not able to use the teleprompter normally associated with the Presidential statement. The President read from the typewritten print, making notations in the margin only minutes before air time.

After delivering his address to the Nation, the President remained in the Oval Office for the rest of the day, meeting with diplomatic representatives. All other events previously scheduled for the day were canceled, with the exception of the presentation of diplomatic credentials, so that the President could concentrate on the action in Panama. He continues to receive military updates from General Scowcroft, General Powell, Secretary Cheney, and others. Vice President Quayle spent a good deal of time with the President during the day discussing the progress of the operation. The President received a series of reports on the success of the military in securing various objectives of the preplanned mission.

At approximately 3 p.m., the President met with his national security advisers to receive an operational update, which we commented upon in a previous press statement. The President's operational briefing was similar to the one given to the press at 5 o'clock this afternoon by General Kelly [Director of Operations, Joint Chiefs of Staff] in the Pentagon.

This evening the President will again attend the Christmas Party and then retire to the Residence. He is pleased by the military precision and smoothness of the operation. The President has been told by military leaders that this has been one of the most effective and efficiently conducted operations in some time. The President will continue to receive monitored reports throughout the evening on the status of the Panamanian situation.

The President's national security advisers who met with him at various times during the last 3

days included Vice President Quayle; Secretary of State Baker; Secretary of Defense Cheney; Director of Central Intelligence Bill Webster; General Colin Powell, Chairman of the Joint Chiefs of Staff; General Brent Scowcroft, the President's National Security Council adviser; Robert Gates, deputy national security adviser; and Richard Thornburgh, Attorney General of the United States.

Memorandum on the Arrest of General Manuel Noriega in Panama

December 20, 1989

Memorandum for the Secretary of Defense

Subject: Panama

In the course of carrying out the military operation in Panama which I have directed, I hereby direct and authorize the units and members of the Armed Forces of the United States to apprehend General Manuel Noriega and any other persons in Panama currently under indictment in the United States for drug-related offenses. I further direct that any persons apprehended pursuant to this directive are to be turned over to civil law enforcement officials of the United States as soon as practicable. I also authorize and direct members of the Armed Forces of the United States to detain and arrest any persons apprehended pursuant to this directive if, in their judgment, such action is necessary.

George Bush

Memorandum Terminating Economic Sanctions Against Panama

December 20, 1989

Memorandum for the Secretary of State and the Secretary of the Treasury

Subject: Panama

The democratically elected government is now in place in Panama. With respect to that government, I hereby direct you to lift the economic sanctions imposed by Executive Order No. 12635. Therefore, payments from the United States and payments by U.S. persons in Panama to that government are not prohibited. You are directed to take steps to ensure that the prohibitions will not be applied to that government of Panama and in cooperation with that government to effect an orderly unblocking of Panamanian government assets in the United States.

George Bush

Statement by Press Secretary Fitzwater on United States Military Action in Panama

December 21, 1989

Good progress continues to be made on the ground in Panama. Three major objectives were achieved last night by U.S. forces: the Marriott was secured with minimal resistance, Radio Nacional was taken off the air, and the legislative building was secured. General Noriega remains at large and U.S. military operations are targeted at locating him.

Latest casualty figures show 18 U.S. military killed in action, 117 wounded, and 1 missing. One U.S. civilian dependent was also killed. Over 100 of the U.S. servicemen who were wounded have been returned to the United States for treatment at Kelly Air Force Base in San Antonio, TX.

Ambassador Davis, the U.S. Ambassador, has returned to Panama last night. There are reports of scattered weapons firing around the vicinity of the U.S. Embassy, but the Embassy has sustained no new damage beyond that which was reported yesterday. All U.S. Embassy personnel are reported safe.

As we said yesterday, organized resistance to U.S. forces appears to have ended. There continue to be roving bands of individuals conducting looting. We are endeavoring to help bring the situation under control. General Powell announced yesterday that 2,500 military police are arriving in Panama to help with police activities. We have received reports of a number of Americans held against their will, but those reports are unclear. Needless to say, we are following up with our military on all such reports.

The freely elected government of Panama, under President Endara and Vice Presidents Calderon and Ford, is moving to establish itself. They have named their Ambassadors to the U.N. and the OAS. They are Lawrence Chewning Fabrega to the OAS and Eduardo Vallarino to the United Nations. I'm told that there may be a press conference this morning by President Endara, but I'd ask you to double-check that.

The Endara government is in the process of setting up operations which will enable them to utilize the $400 million in funds available under the lifting of the sanctions. President Bush is pleased by the effective conduct of the military operation and, most significantly, by the efforts of the new democratically elected government to begin taking charge of the country.

President Bush spoke with President Endara yesterday to encourage his efforts and to offer our support. President Endara had called the President to thank him for prompt recognition of his government. He reported that the former opposition parties were united behind his Presidency.

President Endara discussed some preliminary plans to return to full freedoms, such as restoration of a free press. President Endara spoke of the need for medical supplies, and President Bush agreed to provide supplies just as soon as specific needs can be identified.

Vice President Quayle called Vice President Calderon and Vice President Ford yesterday to reemphasize United States support. Vice President Quayle said he looked forward to seeing a free and independent Panama.

Note: Press Secretary Fitzwater read the statement during his daily press briefing, which began at 10:04 a.m.

Remarks on the Observance of Hanukkah

December 21, 1989

The President. Thank you very much, all of you. I particularly want to single out Rabbi Zaiman. From now on in the White House, we'll be thinking in terms of a thousand and nine points of light over here. I'm sorry Barbara is not here. She started to walk over here, and then there was this catastrophic ice skating accident in which one of our grandchildren bit the dust and is now getting a stitch in his lip. So, life goes on, and she is very sorry not to be here.

We're grateful to Rabbi Zaiman and the Synagogue Council of America for the gift of this menorah. And Dan Quayle and I talked about it, and I assure you that it will stand proudly here, as it stands around the world, as a powerful symbol of faith and freedom. This menorah, this ancient vessel of light, is an eloquent statement of the Jewish people's struggle in history's first recorded battle for religious freedom. It shines with courage and with constancy, with conscience and with strength in the centuries-long struggle for religious tolerance.

Hanukkah, I've learned, has always been an observance of optimism, a holiday of hope and steadfastness. And it comes in the darkest time of year as a hopeful beacon in a long and moonless night. Just as each new candle adds to the menorah's light, each year brings new meaning in Hanukkah's observance. And just as Masada symbolizes resistance against great odds, and strength in adversity, it is faith that provides mankind's most enduring refuge. Tomorrow, as candles are lit around the world, their light will affirm that faith. And this year, the Feast of Light may shine more brightly than ever before. In the midst of great and wondrous changes in Eastern Europe and the Soviet Union, we can see new hopes, new opportunities for freedom, and new reason to have hope worldwide.

As you know, I met recently with Chairman Gorbachev, and I presented him with the names of 20 refuseniks that deserve freedom. The first one on that list was Vladimir Raiz. His wife, Karmella -- somewhere with us today. Karmella, will you stand up? [Applause] Let me assure you, we'll do all in our power to free your husband and those like him. And if I ever slip, if I ever look like I don't remember fully, the man sitting next to you, [Secretary of Housing and Urban Development] Jack Kemp, who has been in the forefront of the fight for Soviet Jewry and the fight to release refuseniks -- he'll be all over our case. So, we'll get the job done.

For the sake of the children who are with us today, from countries that still deny freedom of faith, we will strive for the religious freedom their parents have never known. Even kids who grow up here in America face problems because of faith -- their own faith, but here those problems have answers.

When a local temple here was desecrated by two high school students, ministers and the surrounding community came together in support of the congregation and their rabbi, Laszlo

Berkowits, who's with us today, too. Where is Laszlo? Right there. Welcome, sir. And kids at the high school -- all faiths, all faiths -- banded together, planting a dogwood tree at the temple to symbolize growth, renewal, and friendship.

And when Rabbi Berkowits went to the school and powerfully described his experiences in concentration camps, including Auschwitz, all eyes were upon him. Some -- we all know that feeling -- some filled with tears, but no heart was untouched. The rabbi's survival of the Holocaust had only affirmed and strengthened his commitment to religious tolerance, religious freedom, and respect for diversity.

Just as the Temple of Jerusalem was rededicated on Hanukkah, so are we rededicated to freedom of faith around the world. We will keep the light of hope burning, always before our eyes. And so, ``The light of a candle," wrote Bahya Ben Asher, ``is useful when it precedes you. It is useless when it trails behind." And so, we must look forward to a day when no nation interferes with the faith of any of its people.

Thank you all very much for coming to the White House today, and allow me to wish you all a very Happy Hanukkah and a great and prosperous 1990. Isn't it exciting as we look down the road into the 1990's at the end of this year of change, 1989! Thank you all, and God bless you.

Note: The President spoke at 11:29 a.m. in Room 450 of the Old Executive Office Building to members of the Jewish community. In his opening remarks, he referred to Rabbi Joel Zaiman, president of the Synagogue Council of America.

The President's News Conference

December 21, 1989

The President. I have a brief statement to be followed by a brief press conference -- because I have a pain in the neck -- seriously. [Laughter]

Q. Why?

The President. Is that your first question?

Q. No. [Laughter]

The President. Our efforts to support the democratic processes in Panama and to ensure continued safety of American citizens is now moving into its second day. I'm gratified by the precision and the effectiveness of the military forces in achieving their objectives. I'm pleased that the Endara government is taking charge, and they've made several appointments today -- starting to govern the country.

The young men and women involved in the exercise have demonstrated the highest standards of courage and excellence in defending America's interests and protecting American life. They have been outstanding.

In carrying out the mission of our nation, there has been, and they have sustained, a tragic loss of life. Military casualties are a burden which a nation must endure and all Presidents have to face up to, but which we can never accept. Maybe it's just this time of year, but I don't think so. Put it this way: Particularly at this time of year, my heart goes out to the families of those who have died in Panama, those who have been wounded.

This operation is not over, but it's pretty well wrapped up. We've moved aggressively to neutralize the PDF [Panamanian Defense Forces], to provide a stable environment for the freely elected Endara government. And I mentioned that it helps to ensure the integrity of the Panama Canal and to create an environment that is safe for American citizens.

General Noriega is no longer in power. He no longer commands the instruments of government or the forces of repression that he's used for so long to brutalize the Panamanian people. And we're continuing the efforts to apprehend him, see that he's brought to justice.

I appreciate the support that we've received -- strong support -- from the United States Congress, from our Latin American neighbors, from our allies, from the American people. And it's always difficult to order forces into battle, but that difficulty is mitigated by the moral and personal support that is granted by our friends and allies.

You've received detailed briefings from the Pentagon on the logistical aspects, and I might say that I think [Secretary of Defense] Dick Cheney and [Chairman of the Joint Chiefs of Staff] Colin Powell -- and ably assisted by others -- have done an outstanding job of keeping the American people informed.

I wanted you to know that as we move into the days ahead, we will continue to support the Endara government, to help establish stability in the country, to allow those desires for freedom and democracy to flourish.

And I'll be glad to take some questions.

U.S. Military Action in Panama

Q. Mr. President, one of your major objectives was to get Noriega. Are you frustrated that he got away? How long will you keep on chasing him? And are you confident that you'll get him?

The President. I've been frustrated that he's been in power this long -- extraordinarily frustrated. The good news: He's out of power. The bad news: He has not yet been brought to justice. So, I'd have to say, Terry [Terence Hunt, Associated Press], there is a certain level of frustration on that account. The good news, though, is that the government's beginning to function. And the man controls no forces and he's out, but yes, I won't be satisfied until we see him come to justice.

Q. How long will you keep up this full-scale pursuit?

The President. As long as it takes.

Q. Mr. President, you did mention the casualties. Did you expect them to be so high on both sides? I mean -- --

The President. We had some very -- --

Q. -- -- and also, is it really worth it to send people to their death for this, to get Noriega?

The President. We had some estimates, Helen [Helen Thomas, United Press International], on the casualties ahead of time, but not in numbers. I mean, it was more general: Look, Mr. President, no way can you do an operation this large and not have American casualties. So, the Defense Department was very up front with us about that, and every human life is precious. And yet I have to answer: Yes, it has been worth it.

Q. Mr. President, a few months ago you said your complaint was not with the PDF, not with the

Panamanian people, but with Noriega only. You also said only a month ago that you didn't think it would be prudent to launch a large-scale military operation. What changed your mind? And particularly, why did you opt for the maximum use of force in this situation?

The President. I think what changed my mind was the events that I cited in briefing the American people on this yesterday: the death of the marine; the brutalizing, really obscene torture of the Navy lieutenant; and the threat of sexual abuse and the terror inflicted on that Navy lieutenant's wife; the declaration of war by Noriega; the fact that our people down there felt that they didn't know where this was going -- they weren't sure what all that meant and whether that meant we could guarantee the safety of Americans there. And so, I made a decision to move and to move with enough force -- this was a recommendation of the Pentagon -- to be sure that we minimize the loss of life on both sides and that we took out the PDF -- which we did -- took it out promptly.

And so, I would like to think that what I said some time ago still stands. I'm not sure what's left on the ground in terms of people. But what David Hoffman [Washington Post] is referring to is that I said our argument was not with the PDF but with Noriega. And if they would get rid of him and recognize a democratically elected government, we could go back to more normalized relations. We've done that, but we have to see who emerges in the PDF. But I would like to repeat here that we have no continuing axe to grind with the institution of the PDF. Endara's going to need loyal troops who recognize the constitution and the fairness and the legitimacy of his election.

Q. Mr. President, in light of what you've said about the Endara government getting started -- the need for stability, the need for some kind of police action down there -- we really are in a kind of open-ended military occupation there, aren't we, sir?

The President. Well, I wouldn't say it's open-ended, except it's open-ended as far as going after Noriega; open-ended in terms of the restoration of order in Panama, cleaning up a few ragtag elements of this so-called ``dignity battalion." You ever talk about a misnomer, that's it: ``dignity battalion" -- going after them. PDF units have been rolled up, but we will keep the number of forces as necessary there until our military are satisfied and recommend to the President that they be withdrawn. I want them out of there as soon as possible.

Q. Mr. President, just to follow up, if I could, sir. In the planning of this operation, surely you must have recognized that these actions would be needed and some force would have to be on the ground there for a while. What estimate did you have as you undertook this operation as to how long it would take?

The President. Brit [Brit Hume, ABC News], no number-of-day estimate was given to me. I think everyone recognized some of that would depend on when Noriega was brought to justice, some of that depended on how a restructured PDF behaved.

Q. Mr. President, what do you know about Americans held against their will? And what are you doing now to free them?

The President. I'm looking for help on that because we don't have a count. And if there are a lot of them, we don't know about it, but I just had a briefing -- I don't know whether Cheney is still here.

Q. The Pentagon said, sir, there were 12 open cases.

The President. Well, I'll tell you, that included, probably, those Smithsonian people who have now been released. And I think there may have been 9 or 10 of those, but I just have to get Marlin to get back to you.

Q. Well, does that indicate that that's not a priority in the reporting to you that people are held against their will?

The President. No, it indicates to me that it's very hard to know what's going on when there's a firefight and a battle because we heard all kinds of rumors. We had calls from your network, your chairman of the board, urging us to go in and take the -- [laughter]. No, he did, and I understand it. He had a producer that he felt was held. We've gone there; that place is secure, I'm told, but I don't know that we can tell him this minute about the life of that individual. But we will keep on going until we can tell him about the life of that individual. There's been an awful lot of interest in the Marriott Hotel, but I'm very pleased to say that it's secure. And we've had heads of corporations, we've had news organizations other than his, concerned about their people. And we must be as responsive as we can.

Q. We're hearing that American troops have surrounded the Cuban and Nicaraguan Embassies in Panama City and that in Managua the Nicaraguans have retaliated by surrounding our Embassy there with their own tanks. Are you hearing the same thing? And what message -- --

The President. We were told that is not true.

Q. That is not true?

The President. Yeah. As of the briefing I just had.

Q. Mr. President, you've referred to the elected government of Mr. Endara. As you know, there was never an accurate final count that confirmed that, even though most polls suggested he had probably won by a 3-to-1 margin. In talking with him, or in the future, have you encouraged or would you encourage him to seek again elections that would verify that he, indeed, or whoever, would be a legally elected President?

The President. I would encourage as much as their constitution calls for. But the election of Endara was, as you point out, so overwhelming, the vote count so high, that I don't think anybody can suggest somebody else might well have won that election.

Q. But, Mr. President, what I pointed out was that it was never final and it was never verified. It was stolen, as you point out.

The President. Well, because it was aborted by this dictator Noriega -- Maximum Leader, so decreed 3 days ago, but he was acting like Maximum Leader before that -- thwarting, frustrating the will of the Panamanian people. So, I think the international community that oversaw those elections, including a former President of the United States, felt that it went pretty well.

Q. If I could go back to the question of hostages, aides say that you anticipated Noriega might escape the initial assault, and so, there were plans to go after him. Where are your priorities, sir? In getting Manuel Noriega or in dealing with the Americans who might be held? Because if you get Noriega, the Americans may still be held.

The President. And if we get Noriega -- pretty much likelihood they'll be released unless somebody wants to use a held American as a ticket to get out of town. So, we're doing both. We are concentrating every way we possibly can to find Noriega. And that is not drawing down -- here's my answer -- it is not drawing down on the assets that we have available to safeguard the lives of Americans. They're not mutually exclusive.

Q. Sir, why is it that tens of thousands of American fighting men, and with all of our intelligence, were still unable to snatch one bad guy from Panama?

The President. Because intelligence is imperfect, Ellen [Ellen Warren, Knight Ridder].

Q. And, sir, did we make an effort -- --

The President. It's good. Sometimes it's counting numbers -- very sure. The intention of a person to be someplace or move -- very difficult, but it's still sophisticated. I'm convinced we've got the best, but that's why it is imperfect.

Q. A followup, sir. Have you made an effort prior to the invasion to go down and capture General Noriega?

The President. Have I? No, I've been right here on the job. And I -- [laughter] -- --

Q. Has the administration, sir? Had Americans made an effort to do so?

The President. Was there some operation, you mean? Not that I know of.

Q. What led you to approve of the decision to have a bounty on Noriega? And is this the type of thing that we will be doing in the future?

The President. His picture will be in every post office in town. That's the way it works. He's a fugitive drug dealer, and we want to see him brought to justice. And if that helps, if there's some incentive for some Panamanian to turn him in, that's a million bucks that I would be very happy to sign the check for.

Q. I was going to ask you about Panama and the Panamanians who have suffered mightily as a result of all this, not only because of the sanctions that we've imposed for a long time but the military actions, the homes destroyed, the lives lost, and so forth. Are you willing to make, now, a major commitment in terms of aid to Panama to help rebuild what has been destroyed down there?

The President. Yes, I'm willing to help the Panamanian people. We've already ordered the lifting of sanctions. I'm convinced that as we open up economic channels they'll do much better. The standard of living will increase for all as we go forward with investment. We have permitted now the reflagging -- or put it this way, don't have to unflag -- there are Panamanian vessels, and there are other things that we can do. We've released escrowed funds, but we are trying to help Mr. Endara already with operating funds to pay the workers and the people. And beyond that, though, I think we will feel obligated to try to help in every way possible.

Q. Mr. President, what can you tell us about civilian casualties, specifically Panamanian civilian casualties down there? And was there any estimate given in the preplanning of this invasion of civilian casualties?

The President. Our numbers are almost nonexistent. And I heard some reports from a hospital -- and we've not been able to confirm those numbers -- that some civilians were killed. And I just asked that of our defense chief who had the latest information when he came over here. And so, I just can't help you on the total numbers.

Q. The other question was -- the second part -- was there an estimate in the preplanning of this invasion?

The President. I don't think an estimate of numbers, but a great concern about that. And one of the reasons we went in with the force we did to take down the PDF and do it as quickly was to minimize civilian casualties. And the way we went after some of these targets was to minimize civilian casualties.

A lot of kids risked their lives going in at night. Parachuting in someplace at night is not a piece

of cake. And some of that was to stay away from the fact that civilians would be out and about in the morning.

Q. Mr. President, how do you rate the chances now that Noriega might -- --

The President. Come on, Marlin [Marlin Fitzwater, Press Secretary to the President], a little help here. [Laughter]

Q. -- -- that Noriega might be able to mount some kind of a hit-and-run guerrilla operation from hiding? What are the chances of that?

The President. I don't think so. The military doesn't seem to think that he has the communications or a PDF continued loyalty that would make him go into the woods. I like the way Colin Powell put it: He hasn't been in a jungle in a long time. And it's tough living. And he's been living high off the hog off the Panamanian people. And so, we don't expect kind of a Sierra Madre approach to this.

Sarah [Sarah McClendon, McClendon News Service], you've been very good and kind all year long. This is my last press conference here.

Mr. Fitzwater. How about a final question.

The President. And this is the second-to-last question. I hope it's a gentle one.

Q. Your last press conference? What do you mean, your last press conference here, sir?

The President. Is that your question? [Laughter] Well, here's the thing. How many have we had this year?

Mr. Fitzwater. Thirty.

The President. We've had 30 press conferences this year, Helen. And some in your midst here have come to me and said, Please, Sarah, lighten up, don't do this quite so much. Thank you very much.

Q. Who said that?

Q. Actually, this is a very mild question. Are you sending a letter today to the Senate to coordinate with the War Powers Act? They understood -- --

The President. I don't know whether it goes today, but we will do what -- --

Q. You will do that?

The President. Well, in fact, there's certain technical language on this that -- but notification of the Congress will be done in accordance with our policy.

Q. Tell us about your -- --

The President. This is the last one.

Q. Romania.

Q. The Soviets have criticized very sharply the decision of yours to the point of saying they're going forwards and the United States is going backwards. What is your reaction to this?

The President. My reaction is: I need to get on a wire there -- in a telegram or something -- explain this to Mr. Gorbachev. It's not altogether surprising that he doesn't understand some of the special arrangements that the United States has in Panama. It's not surprising that he doesn't fully understand that this freely elected man had been deprived of the democracy.

And I also need to let him know: Look, if they kill an American marine, that's real bad. And if they threaten and brutalize the wife of an American citizen, sexually threatening the lieutenant's wife while kicking him in the groin over and over again, then, Mr. Gorbachev, please understand this President is going to do something about it. So, we'll have to explain it very -- last one, Maureen [Maureen Dowd, New York Times], and then I really do have to go.

Q. Are you going to bring any troops home by Christmas?

Covert Diplomacy

Q. Mr. President, we now find out that last summer, when we thought that your policy was no contacts with the Chinese Government, that you've sent a high-level delegation there to talk to them. Don't you feel that American people deserve to know that when you say something's not happening, it's really not happening?

The President. Yes, I do think they do. But I didn't say that. I said no high-level exchanges. So, please look at it carefully.

Q. But you didn't tell us that this was happening. Don't people -- --

The President. No, I feel no obligation to do that. I feel an obligation to keep you informed, but I have an obligation as President to conduct the foreign policy of this country the way I see fit,

reporting under the law to the United States Congress. You could say, How come you didn't tell me that you were going to send in those troops down into Panama? Because I didn't want to take a chance the information would get out. That is the responsibility of a President. And I will continue to exercise it while having 37 press conferences next year.

Q. Romania, sir?

The President. She's got a followup.

Q. Does that mean there are all kinds of other secret diplomatic missions going on around that we have no idea of?

The President. Maybe not of that magnitude. But there's a lot going on that in the conduct of the foreign policy or a debate within the U.S. Government has to be sorted out without the spotlight of the news. There has to be that way. The whole opening to China never would have happened if Kissinger hadn't undertaken that mission. It would have fallen apart. So, you have to use your own judgment. And you've got your job, and that is to find out absolutely everything you can, careful -- I'm sure most of you are -- about legitimate national security concerns. But I have mine, and that is to conduct the foreign policy of this country the way I think best.

If the American people don't like it, I expect they'll get somebody else to take my job, but I'm going to keep doing it. And we've had a very open administration -- very -- but once in a while, if I go to try to set up a meeting with Mr. Gorbachev, we've got people here screaming, saying, You should have told us that the day you wrote the letter to him. I don't agree with that. And I was elected, so I'm going to keep on trying to do this with an openness -- I hope a new openness -- but also the right of a President to conduct his business -- in this case of Panama, to safeguard the lives of American kids and the other one, to go and see what happens -- I know how China works -- see what we can do, make a representation of how strongly we feel against the human rights abuse, but see what it's going to take to go forward.

Q. Mr. President, Romania, sir?

Q. One question on Romania, sir?

The President. You already had one.

Q. What about Romania?

The President. I'd like the spokesman to tell you about it.

Q. What about Romania, sir?

Mr. Fitzwater. The President's in excellent health. [Laughter]

Q. Mr. President, what about the violence in Romania?

The President. The longer you stay under the lights, the worse it gets.

Mr. Fitzwater. We have a brief interlude here. But we have Christmas presents from the President for each of you, and we'll bring those in in a moment if you want to pick those up as you leave. [Laughter] We will bribe and try anything possible. [Laughter] We know no shame at all.

Note: The President's 31st news conference began at 2:58 p.m. in the Briefing Room at the White House.

Letter to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on United States Military Action in Panama

December 21, 1989

Dear Mr. Speaker: (Dear Mr. President:)

On December 15, 1989, at the instigation of Manuel Noriega, the illegitimate Panamanian National Assembly declared that a state of war existed between the Republic of Panama and the United States. At the same time, Noriega gave a highly inflammatory anti-American speech. A series of vicious and brutal acts directed at U.S. personnel and dependents followed these events.

On December 16, 1989, a U.S. Marine officer was killed without justification by Panama Defense Forces (PDF) personnel. Other elements of the PDF beat a U.S. Naval officer and unlawfully detained, physically abused, and threatened the officer's wife. These acts of violence are directly attributable to Noriega's dictatorship, which created a climate of aggression that places American lives and interests in peril.

These and other events over the past two years have made it clear that the lives and welfare of American citizens in Panama were increasingly at risk, and that the continued safe operation of the Panama Canal and the integrity of the Canal Treaties would be in serious jeopardy if such lawlessness were allowed to continue.

Under these circumstances, I ordered the deployment of approximately 11,000 additional U.S. Forces to Panama. In conjunction with the 13,000 U.S. Forces already present, military operations were initiated on December 20, 1989, to protect American lives, to defend democracy in Panama, to apprehend Noriega and bring him to trial on the drug-related charges for which he was indicted in 1988, and to ensure the integrity of the Panama Canal Treaties.

In the early morning of December 20, 1989, the democratically elected Panamanian leadership announced formation of a government, assumed power in a formal swearing-in ceremony, and welcomed the assistance of U.S. Armed Forces in removing the illegitimate Noriega regime.

The deployment of U.S. Forces is an exercise of the right of self-defense recognized in Article 51 of the United Nations Charter and was necessary to protect American lives in imminent danger and to fulfill our responsibilities under the Panama Canal Treaties. It was welcomed by the democratically elected government of Panama. The military operations were ordered pursuant to my constitutional authority with respect to the conduct of foreign relations and as Commander in Chief.

In accordance with my desire that Congress be fully informed on this matter, and consistent with the War Powers Resolution, I am providing this report on the deployment of U.S. Armed Forces to Panama.

Although most organized opposition has ceased, it is not possible at this time to predict the precise scope and duration of the military operations or how long the temporary increase of U.S. Forces in Panama will be required. Nevertheless, our objectives are clear and largely have been accomplished. Our additional Forces will remain in Panama only so long as their presence is required.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate. The letter was released by the Office of the Press Secretary on December 22.

Statement by Press Secretary Fitzwater on the Situation in Romania

December 22, 1988

Today, December 22, a terrible burden appears to have been lifted from Romania: the burden of dictatorial rule. The United States shares the rejoicing of the Romanian people and joins them in their hopes for a peaceful transition toward democracy. We regret the tragic and senseless loss of life over the past week and urge that further violence be avoided.

The United States salutes the decision by representatives of the Romanian Government to order a cessation of the brutal police repression and to bring a merciful end to the Ceausescu dictatorship. We hope the Romanian Government will now move quickly to respond to the demands of its people for democratic change and that it will commit itself to a peaceful transition.

The tragedy of Timisoara will never be forgotten. It will serve as a permanent reminder that the aspiration for fundamental human rights cannot be extinguished by force of arms. The United States is ready, as it has always been, for better relations with Romania. If Romania moves along a path of genuine democratic reform, the United States pledges its strong support and assistance.

We hope that Romania will soon join the other countries of central and eastern Europe which have ushered in a new era of cooperation between East and West.

Note: Press Secretary Fitzwater read the statement at 9:21 a.m. during his daily press briefing.

Appointment of Timothy E. Deal as Special Assistant to the President for National Security Affairs

December 22, 1989

The President today announced the appointment of Timothy E. Deal as Special Assistant to the President for National Security Affairs and Senior Director for International Economic Affairs on the National Security Council staff.

A career Foreign Service officer, Mr. Deal has served as Director for International Economic Affairs since March 1989. Prior to this, he served as Deputy U.S. Representative to the Organization for Economic Cooperation and Development in Paris, 1985 - 1988, and Counselor for Economic Affairs in the U.S. Embassy in London, 1982 - 1985. In addition, he has served in a variety of overseas and domestic assignments, including Poland and Honduras.

Mr. Deal graduated from the University of California at Berkeley. He is married to the former Jill Brady and has two sons.

Letter to Congressional Leaders Transmitting the Report of the Presidential Economic Delegation to Poland

December 22, 1989

Dear XXXXX:

I am transmitting herewith the final report of the Presidential Economic Delegation that I sent to Poland at the end of November. I think that you will find the conclusions of Secretaries Yeutter, Mosbacher, and Dole and CEA Chairman Boskin, and of the 20 distinguished private sector participants in the Mission, well worth reading.

This report will help to ensure that the assistance provided by the ``Support for Eastern European Democracy Act of 1989'' will be used to maximum effect.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; Richard A. Gephardt and Robert H. Michel, majority and minority leaders of the House of Representatives, respectively; and George J. Mitchell and Robert Dole, majority and minority leaders of the Senate, respectively.

Nomination of Paul C. Lambert To Be United States Ambassador to Ecuador

December 22, 1989

The President today announced his intention to nominate Paul C. Lambert to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ecuador. He would succeed Richard Newton Holwill.

Since 1966 Mr. Lambert has served as a partner with the law firm of Breed, Abbott and Morgan in New York. Prior to this he served as a lawyer with the law firm of Milbank, Tweed, Hadley and McCloy in New York City, 1955 - 1965.

Mr. Lambert graduated from Yale University (A.B., 1950) and Harvard Law School (J.D., 1953). He was born March 14, 1928, in New York City. Mr. Lambert served in the U.S. Army, 1953 - 1955. He is married, has three children, and resides in New York.

Remarks to the AIDS Research Staff at the National Institutes of Health in Bethesda, Maryland

December 22, 1989

Thank you all very much. I'm so very proud to be accompanied here and introduced here by Lou Sullivan. Barbara is, too. A little historical Trivial Pursuit: Bar used to be on the Morehouse School of Medicine Board, working for a slave driver named Lou Sullivan. [Laughter] And so, it's fitting that they be sitting side by side.

To Under Secretary Horner, if she is here, and Dr. Mason and Dr. Raub, Dr. Fauci, Dr. Broder and Dr. Decker and Dr. Rall and Dr. Bick and Dr. Goodwin -- [laughter] -- Dr. Lenfant, Dr. Alexander, and whoever is left out, all the rest of you: I am delighted, I mean it, really pleased, and so is Barbara, to be here.

This morning, let me just say a word about another area before I just make a few comments on your work, your wonderful work. I am sure that your hearts and minds are with our kids, our brave soldiers in Panama, so let me just say a quick word about that. As I said yesterday, all human life is precious. We're all children of a loving God, and we sorrow at the casualties in Panama. But we know that nothing is more crucial to peace on Earth than freedom and democracy. And that's what our American soldiers are achieving: freedom and human liberty for those who have endured brutal tyranny and brutal oppression.

And this weekend, Americans will begin our traditional holiday celebration. And it is a time of rest and reflection and, most of all, of family. And while America stops to catch its breath from the dramatic events of 1989, I assure you that through these holidays we will not forget our brave soldiers down there and their families. We will continue to do what is necessary to help the people of Panama achieve the democratic society that they voted for and that they so rightfully deserve.

In these last days before Christmas, I did want to stop by here and salute what you are doing in biomedical research -- the best, the very finest, all of you. For here, too, in your way, you are standing for decency. You're helping to improve the health of millions of Americans. And even more, like those soldiers in Panama, those heroes, you're giving the greatest gift imaginable: the gift of life. And nowhere is this gift more evident than in your work to combat AIDS. And it's that which I'd briefly like to talk about today. For only together can we wage all-out war against this terrible killer.

Two years ago in this very building, I met a person with AIDS who spoke of his prolonged suffering. And I've just come from two more meetings -- one with a patients' support group and the other, a family support group -- and both reminded me of the need for compassion and

understanding. And by that, I mean the compassion that moves us to care for all those infected with the HIV, men and women, adults and children. And we must help them. And you, you above all, are doing just exactly that. And I want you to know, I am with you and extraordinarily grateful for what you are doing. And by understanding, I mean educating, educating Americans who don't want to help, don't want to become involved because of a misplaced fear. They're afraid of holding an AIDS patient because they're frightened of getting AIDS. Barbara and I want to say -- and we hope we can continue to demonstrate this: They are wrong. They're simply uninformed. They are wrong about that.

A few minutes ago, we were in a room full of kids with AIDS, and you could just feel the courage and character of the doctors and the nurses and the parents and the counselors. And being with them, I thought of how there is no reason to fear for your health, just their health. And I want to thank those who are not afraid, especially foster parents who have opened their homes and their hearts, and those of you here today who do so much for so many.

And my good friend, Dr. Lou Sullivan, our Secretary -- it's appropriate that he be here with us today. He knows about compassion and understanding. And so do other great men and women of science and medicine. I think of our Assistant Secretary, Dr. James Mason, or Dr. William Raub, the Acting Director of NIH, who greeted us here; Doctor Fauci, who is still embarrassed, I think, that I singled him out in the last year as a hero, but he is; and Dr. Sam Broder and Robert Gallo, Dr. Antonia Novello, the Surgeon-General-designate. Each of these dedicated scientists preaches compassion and understanding, as do others involved in treatment and research activities on AIDS at the NIH Clinical Center, from doctors and nurses to chaplains and social workers, from teachers to dietitians. For example, the clinical pathology staff, the diagnostic radiology staff, the nuclear medicine staff -- you are attacking the scourge of AIDS, and so are the laboratory scientists engaged primarily in AIDS-related basic research -- all of the dedicated employees throughout all the institutions here.

You know, there is a lot of talk about AIDS today. And I hear those who say we have far to go. And, yes, they're right, but I would also add: Look how far we've come. And look at the advances in vaccine development and early therapeutic intervention. Look at the recently reported success of a vaccine in animals or clinical studies which show how AZT can retard the disease in infected individuals. Look at the treatment to prevent the onset of PCP, the pneumonia that infects large numbers of AIDS patients and often, regrettably, leads to death. Where did these advances stem from? They're rooted in the biomedical research conducted and supported by NIH. And they show the value of your commitment, and I commend that commitment. They stem from your work which makes America proud.

Too often, we speak of compassion and understanding only in this time of year, the Christmas season. You embody it, and you live it all year round. And too often we forget the true message of this time of year. It's that justice and kindness can indeed foster good will toward all.

You know that message. You live that message. And for that, I thank you. And I want to wish you and your families a warm and happy holiday season. God bless you and those you are working so hard to save. And God bless the United States of America. And Merry Christmas to all. Thank you very, very much.

Note: The President spoke at 12:34 p.m. in the Clinical Center. Prior to his remarks, the President attended an AIDS family support group meeting. Following his remarks, the President and Mrs. Bush traveled to Camp David, MD, for the Christmas holidays.

Statement by Press Secretary Fitzwater on the Situation in Panama

December 26, 1989

President Bush received his morning intelligence briefing at Camp David, which included an extensive update on the situations in Panama and Romania. General Brent Scowcroft [Assistant to the President for National Security Affairs], Gen. Colin Powell [Chairman of the Joint Chiefs of Staff], and Secretary of Defense Cheney will join the President for lunch at Camp David today and provide him with personal briefings on these issues.

Secretary Cheney reports from his trip to Panama yesterday that morale among U.S. soldiers is high, a degree of normalcy is returning to Panama City, and the PDF [Panamanian Defense Forces] continues to surrender or otherwise report themselves to U.S. forces.

The American military continues to find tens of thousands of weapons in warehouses at various locations. These include grenade launchers, rocket-propelled grenades, heavy machineguns, and other military weapons. We continue to see encouraging signs of support for the Endara Government, including the widespread showing of white flags, the traditional symbol of the opposition parties.

The Endara Government is making significant steps in the process of reconstruction. Their cabinet has met. Plans are being made to meet food and housing needs. A special economic group from the Endara Government will meet with the administration's Economic Reconstruction Task Force this afternoon. This task force includes State and Treasury Department representatives who are assessing the needs of the Panamanian people. The exact time and location of the meeting is yet to be determined.

The United States continues to operate refugee centers, help with restoring law and order in the streets of the city, and the providing of medical assistance. The military is airlifting some 1,200 tons of food and medical supplies into Panama this week. Our training of the security forces is going well, with nearly 1,000 former PDF members now joining the U.S. military on street patrols. More than 5,000 U.S. troops are on patrol.

The United States continues its efforts to bring General Noriega to the United States for justice. We are having discussions through established diplomatic channels with all parties involved, including the Endara Government and the Papal Nuncio. We will not comment on the nature of those discussions or any specific reactions. The only other member of the PDF indicted by U.S. courts besides Noriega, Col. Luis del Cid, has been apprehended and returned to the United States. He is currently in the custody of U.S. marshals and will be arraigned today in the Federal court in Miami.

The Panama Canal is now open 24 hours per day. The two major airports in Panama City, Torrijos and Tocumen, are now open for operation during limited hours. The Treasury Department has expedited the return of escrow funds to Panama. That money is now going to the Endara Government to help with the reconstruction process. There is roughly $371 million in total Panamanian Government assets blocked in the United States. Our Ambassador has allocated $25,000 in emergency/disaster relief funds immediately for food and medicine for refugees.

President Bush is pleased with the progress that has been made in helping the Panamanian people resume a new life under freedom and democracy. He is monitoring the progress of U.S. economic assistance. He commends the U.S. military for the impressive job it has done in carrying out all phases of this operation.

Remarks and a Question-and-Answer Session With Reporters in Corpus Christi, Texas

December 27, 1989

The President. I want to thank the mayor, Her Honor, for coming out to greet me. It's great to be back at Corpus Christi Naval Air Station, where I learned to fly airplanes in 1943.

But in any event, I'm very pleased with the turn of events in Panama. Noriega turning himself in was about as good a Christmas present as our soldiers and marines, airmen and the American people could want.

We are sending a reconstruction task force down there next week to help with some financial planning. And indeed, they've had a couple of their top people in Washington, I think, yesterday -- maybe today. I know one team went to see Secretary Brady at his home in New Jersey.

Things on the ground, I'm told, checking just before we got here, are quiet -- certainly far quieter than they've been. And there is no evidence of people going to the hills to fight on. There seem to be stories to that effect, but we have no hard evidence of that at all. The latest estimate was something like 40,000 weapons taken. That's quite a bit for a force that's about 20 percent that size in terms of numbers of people -- maybe less -- I don't know the exact numbers. They estimate now that there was something like $5 million in cash taken from Noriega's home, which will, of course, be turned over to the Endara Government.

In conclusion, I'd simply say that the military, and the country team as well, did a first-class job. And for those who are unfamiliar with the complexity of an operation of this nature, you ought to study it and learn from it because it was an amazingly well coordinated, superbly executed operation.

Now, inasmuch as this is a vacation, I thought I'd take a question or two to get the year ending up in reasonably good fashion, but not too many.

Wait a minute! We've got the wires who have to be on my protocol? All right, let's follow protocol.

General Noriega of Panama

Q. We have charges against Noriega in this country, but Panama wants to bring him to justice as well. Would we continue to press our demands for extradition if the government of President Endara wants to bring Noriega to justice in their country?

The President. I think that would require a lot of consultation, because we don't want to do anything that implies undermining the sovereign power of Panama or the fact that this government is operating with the trust of the people. So, we'd have to have some real serious negotiations if it comes to that. That's not the way it appears to be leaning, but I wouldn't want to go against the will of the Endara Government.

Here we go. UP [United Press International], and then we'll get a couple of others.

Q. Could you tell us the status of the efforts to break the impasse on getting -- --

The President. Just ongoing talks, and I think the Nuncio is awaiting instructions from the Vatican. We've made clear our preference, and that is to bring the man to trial and subsequently to justice because of this indictment that's against him.

Q. Mr. President, a lot of people think the Vatican is wrongheaded in these doing -- is the Vatican being wrongheaded in not turning him over immediately? What do you think the legal issues are here?

The President. How would you like it if people were negotiating and talking and then somebody jumped up and said they were wrongheaded, especially at this time of the year, especially since it's the Vatican?

Q. But are they? [Laughter] What are the legal issues?

The President. We're not posturing ourselves, calling people to task at this point at all. We're trying to solve a difficult problem here, and we're totally engaged. The Secretary of State and I will be talking about it in just a few minutes more. But I'm not going to start name-calling at a time when we're trying to solve a very important problem for the United States system of justice.

Q. You just said, when asked about Panama taking him -- you said that's not the way it's leaning, as if it's leaning in some direction. Where is it leaning?

The President. Well, I can't help you on -- --

Q. And secondly, if the Vatican decides that it will be a third country, will we do something to stop that?

The President. Well, it's too hypothetical. And where it's leaning? I hope it's leaning for his being returned to the United States. But again, I think that the question that was asked about officials in Panama has to very much be on our mind. And we will obviously want to see him extradited to the United States, and that may determine where he ends up. But look, at this point, we're still going down the road of trying to get him sent here.

Q. Mr. President, do you fear that Mr. Noriega might disclose any CIA information that could embarrass you or the Government?

The President. No.

Q. Nothing whatsoever?

The President. I don't think so. I think that's history. And I think that the main thing is that he should be tried and brought to justice. And we are pursuing that course with no fear of that. You may get into some release of certain confidential documents that he may try to blindside the whole justice process. But the system works, so I wouldn't worry about that.

Q. Would you open up any documents that he might request so that there would be no question, as there has been in other cases?

The President. There would be enough to see that he is given a totally fair trial, certainly. But nobody is going to -- well, totally to see that he gets a fair trial.

Q. How are you going to handle concerns by Latin American countries that the United States shouldn't have even gone in?

The President. Well, I think that's going to require a lot of diplomatic effort, and a lot of it on my part. And I've talked to many of the leaders in this hemisphere already. But I think as they see this government that was democratically elected, they see it functioning, they see Noriega brought to justice, they see that he's out of the picture -- none of them supported him at all, they found him outrageous -- then I think you'll begin to see the problem that might have been caused by a prolonged conflict down there laid totally to rest.

Q. Have you picked up the phone and called either the Papal Nuncio in Panama or Pope John Paul? And if not, why not? Are you personally involved in the negotiations?

The President. I'm personally involved, but I haven't done either of those two things.

Q. Can you tell us what you have done?

The President. Next question.

Andean Drug Summit

Q. Peru says that it won't attend a drug summit as a form of protest. What is your response to

that? Are you concerned that it might compromise the effectiveness of a summit in February?

The President. Well, I would hope that [President] Garcia would change his mind.

Q. But will it compromise the effectiveness of the drug summit?

The President. Well, inasmuch as Peru is an Andean country and this is an Andean summit with the United States participating, trying to help them, I would think it would be less inclusive, obviously. But I think that there are ways to continue to try to help Peru in this fight.

General Noriega of Panama

Q. Have you put any time limit on how long this stalemate can go on?

The President. No, no time limit. Just like we didn't have a time set on when Noriega would no longer be in the field fighting.

Romania

Q. Mr. Bush, your reactions to events on Romania, the execution of [President] Ceausescu. Are you concerned that there is a kind of retaliational frenzy going on there as opposed to getting on a path to democracy?

The President. Well, I'm just amazed and respectful of the change that has taken place. We did say that we were concerned that the trial of Ceausescu should have been more open, but that's their matter. They went forward, and I think now is to bring the remaining holdout security forces to bay. The army seems to be doing that. And my concern is for tranquillity and freedom in Romania. And you know what touched me was hearing this guy singing a Christmas carol. It was reported that it was the first time in public airwaves in some 40 years that a Christmas carol was allowed to be heard on TV. It made a dramatic statement for me.

Worldwide Democratic Change

Q. -- -- the State of the Union seemed awfully impressive when you said that the day of the dictator is over, but I'm assuming that even you didn't anticipate these events taking place in the course of this year. What are your expectations and hopes for 1990 as far as -- --

The President. I think democracy and freedom is on the move around the world. So, no, you're right; I didn't predict the rapidity of this change. I don't think anybody in the world did, but we rejoice in it.

General Noriega of Panama

Q. Mr. President, apparently the Vatican said this morning they could not turn Mr. Noriega over to the United States or a third country. And you say it doesn't seem to be leaning towards him going to the Panamanians. I mean, doesn't that statement settle it, or is there something going on that you're not telling us?

The President. What was the statement, Michael [Michael Gelb, Reuters]?

Q. The Vatican, apparently, perhaps while you were in the air, said that they could not turn Noriega over to the United States or, I believe, any third country. Wouldn't that settle it?

The President. That complicates things if they said that. But I've learned not to make comment until I know exactly what was said and in what context it was placed. But we will continue to negotiate.

We've got time for two more. Right over there -- make that three.

U.S. Military Action in Panama

Q. Mr. President, are you concerned that you're not sending the proper signal by going on vacation while the fighting continues in Panama?

The President. No, I'm not concerned about that at all. Why should I be? Things have done well. It's winding down. I am in very close touch by telephone, by secure links. And the Secretary of State is here, and we have some important things to go over. So, it never occurred to me. Now, if the matter were still going and there was a lot of fighting and Noriega was not in custody, it would have been different.

Look, I don't make any cover. I'm going to be enjoying myself, and I think the American people understand that. And I think I've worked pretty hard all year long. So, I'll keep on this path, and I hope it's correct.

General Noriega of Panama

Q. Do you believe that Noriega could still be a threat to regaining power so long as he remains in Panama?

The President. That would concern me, yes, unless he were in total custody and sentenced to the prison sentence he deserves.

Last one.

Q. Do you believe, though, that he could get a fair trial in Panama?

The President. It is with regret that I tell you I can't hear you.

Last one.

Q. You're the Commander in Chief. It's your helicopter.

The President. Last one.

Panamanian Elections

Q. Will the Endara Government hold new elections any time soon, or do you think they don't have to have new elections?

The President. I don't know. I haven't heard the discussion of when that will be. They've just finished an election not many months ago. I believe it will be certified by the electoral commission. And I think they should have time to govern now.

Thank you all. I hope you all have a marvelous time, and that you, too, don't have to work every minute. I hope there's some R&R out there for you and relaxation.

Note: The President spoke at 10:08 a.m. upon his arrival at the naval air station. Following his remarks, the President visited friends on San Jose Island, TX.

Statement by Press Secretary Fitzwater on the Situation in Romania

December 27, 1989

The President has sent a message of congratulations to Romania's new head of state, President Ion Iliescu. The President expressed his sympathy over the tragic bloodshed over the past 2 weeks and his hope that Romania will now move along a peaceful path of democratic change.

To assist in the humanitarian relief efforts in Romania, the United States Government, through the Office of Foreign Disaster Assistance, has donated $500,000 to the International Committee of the Red Cross. On December 28, the United States will airlift an additional $250,000 in relief assistance, consisting mainly of emergency medical supplies. A five-member U.S. assessment team will depart for Romania this week to assist the new Romanian Government in determining its emergency relief needs and to coordinate U.S. assistance measures.

In his message to President Iliescu, the President expressed the hope that the new Romanian Government will move quickly to implement democratic reforms based on the rule of law. He pledged U.S. support and assistance as Romania meets these challenges during the difficult transition ahead.

Remarks at a Barbecue in Beeville, Texas

December 27, 1989

Thank you all very much. Thank you, Dan, and thank all of you. We had a little receiving line a minute ago for a handful of people who did an awful lot of work on this marvelous get-together. And several of them said to me ``Thank you for being here." And my inclination was to say -- not just to them, but is to say to all of you: Thank you for doing this for me and for Jim. We're just delighted to be back here.

And I've been coming here -- I see my friend Will Farish, who has been my host here for a long time. And I don't know, I think it's almost 20-some years straight, and we haven't missed. And I don't intend to miss. And I'm just delighted to be back and have this really warm homecoming. Dan, thank you, sir, for your work on this, and Gary and so many others that pitched in and made it work.

Fernando, your prayer was lovely, and it says something about our country. And maybe it's an appropriate time of year to count our blessings. But I can tell you that you don't get into the job I'm in if you don't have a certain modicum of faith. If you don't believe that we are one nation under God, you cannot, in my view, be President unless you understand that fundamental conviction that Fernando Aleman spoke so well a few minutes ago. And I really feel it, and Barbara feels it. And we are blessed by family, and we are blessed by our faith. And it couldn't be otherwise in this particular job.

I might also say that we are lifted up by friends. And I get teased for picking up the phone and calling people and being a somewhat frenetic kind of a President. But I enjoy staying in touch with friends, and I hope I never will forget how I got to be President of the United States. A lot of it came through dedicated, loyal friendship, and a lot of it came from the political process, of course. But I wanted here to express my appreciation for the support that came out of this area. This is not a partisan political event, but I would be remiss if I didn't say I've not gotten immune to reading election returns. And I'm very pleased with the way things have worked. And so, thank you for this homecoming. Thank you for this warm reception.

I'm very sorry that Barbara Bush is not here. She is doing a superb job as First Lady, and she is in good health. I get asked that all the time. You know, there's a magazine, that I'm sure nobody here is too familiar with, called the National Enquirer. [Laughter] But apparently, they printed a story about her on the front page, and we have had more crazy letters and inquiries about her state of play. But since some of you were nice enough earlier on at this little receiving line that Dan worked out, that I would tell you she's in very good health. She feels just great, and she's kind of winding down her responsibilities as a grandparent. We have our Dallas twins charging around the White House, having been up there at Camp David with us. And she will meet me in Houston, which is no consolation to her because she wanted very much to come back here. But

she did ask me to extend her warm best wishes. And I'll tell you -- but I've only been married for close to 45 years; in January, it'll be 45 -- I think Bar's doing a fantastic job for our country.

It is a pleasure to be, obviously, with Jim Baker. One of the great joys of my job is having people in our Cabinet -- he is the most senior, in the sense of protocol, the number one Cabinet official. And I can tell you this, for those civics teachers out here: I think it's very comforting, and I think it's very important for a President, to have people who will tell it to you exactly the way they see it, who will share any experience with the President, who will go the extra mile after the decision is made to support what the President decides. And in Jim Baker, we have somebody who is that kind of Secretary of State, and the respect for him all over the world knows no bounds. And I'm delighted he's here, and I'm delighted he's at my side every single day in Washington.

You know, he has a ranch over here just down the road called Rockpile. Believe me, it is. [Laughter] But once in a while, we can get him over here to Bee County, Goliad County, with Will. And so, Jim, I'm delighted you're with us today.

This, Dan told me, is to be an informal occasion. And what I really want to do is shake as many hands as possible while you get to chow down out there. And I won't reminisce much more, except to say that when I flew into Corpus Christi Naval Air Station today it was just about -- let's see, it was in the winter of 1943 that I first showed up there as an 18-year-old naval aviation cadet. And it was there that I got my wings. It was there that I got my first taste of Texas. And possibly, it was there that I made my determination to come back to Texas. The people over there in Nueces County treated me and the other kids over there just with a fantastic sense of hospitality. And so, I hope you'll forgive my feeling a certain sense of nostalgia. When I flew in there, and also as we flew past Chase coming over here in this magnificent helicopter, it did feel like coming home.

Just a couple of words: It is the end of the year, and in the Bush family, anyway, it's a time when we count our blessings. And I think we had a marvelous Christmas present when we got the word that Noriega, the drug trafficker, was in the Nuncio. And I am determined to bring him to justice. And we have to work with our friends in the Vatican, and we have to certainly work with respect with the new Endara Government in Panama. But I want to see this man who is under indictment brought to justice for poisoning the children of the United States of America and people around the world.

And I'll tell you something: That military operation was a superb effort in coordination. It worked far better than many would have thought possible: young kids dropping in at night and 2 o'clock in the morning in parachutes, and targets unknown, the darnedest coordination you've ever seen between helicopter gunships and little -- we call them Little Bird helicopters -- in the air all at the same time. A magnificent effort by the U.S. military. And when I hear people saying, well, things have changed so dramatically in the world today that that can make these

hellacious cuts in our defense -- let me tell you, I don't think that's right. And I will not have that, because I believe we should keep a ready force that is able to defend American interests and American lives around the world.

But I was very pleased with the operation. Barbara and I are going over to the hospital in San Antonio on Sunday to pay our respects to those kids that are lying over there wounded. And I should say here and now: Of course we grieve at the loss of young American life. And frankly, I grieve at the loss of innocent Panamanian life, caught up in this battle. But at times, you have to make a decision: What is in the national interest? What is right? What is the right signal to send to the world?

And this one, in my view, worked out well. And now we will help. We will reach out to the people of Panama. We will do everything we can to lift them up, but most of all, to give them a shot at the democracy that some of us take for granted every single day in our lives. They are entitled now to freedom and democracy. And so, let's all pitch in and try to make it work.

These are fascinating times. Jim made brief reference to our meeting over there in Malta with Mr. Gorbachev. It was a good meeting. And the seas weren't particularly calm, but the meeting was very calm. And I see some great common interests that we have now with the Soviet Union. I don't believe we got a prognosticator in Bee County who could have predicted with any degree of accuracy the rapidity of the change in Eastern Europe. These are fantastic times of change. They are fantastic times of opportunity for individual liberties, for democracy and freedom in Europe.

And what Jim Baker and I are trying to do is to conduct the affairs of the United States in such a way so as to foster change and to foster freedom, but to do it in a prudent way so we do not invite some unforeseen action by some unpredictable party. And I believe it's working, and I'm most encouraged. And we will stand ready, as we have already, to help the people of Poland achieve their aspirations for democracy. Hungary is coming along in very good shape. And now we see the rapidity of change in East Germany and in Romania and in Czechoslovakia, and it's mind-boggling. But the point is -- the point that we Americans should remember -- is it's coming towards freedom and democracy and openness and respect for human rights. And it is these things that I think should give us particular joy at Christmastime. We have a lot to be grateful for.

On the domestic side, if I'm giving you a bit of a year-end report, I'd have to say there are certain frustrations. We've made some progress on the Federal deficit, and I'm determined to make more progress next year, this coming year, on the Federal deficit. I want to see the Congress move on an anticrime package because I want to see us support our police officers, whether it's the sheriff's department in Bee County or the police chief whom I just met or whether it's the big urban police force in drug-embattled New York or wherever. We ought to support them. And that means that the Congress ought to move forward with the anticrime legislation that this

President proposed some 6 months ago. So, if you have any influence with your Congressman, tell him to get with it. Get moving; don't sit; no more excuses. Let's move that crime package through the Congress and support those men and women on the streets that are supporting us.

We're making some progress on the environment. You know, just coming from red fishing and fishing for trout outside of Corpus, it makes one appreciate the environment very much. And we've made some good, sound proposals that are not going to keep America from growing, not going to keep everything at a standstill, but will protect the wetlands. I have a new policy of no net loss of wetlands, and we have a policy of trying to clean up the air and to protect the environment for the generations to come.

And so, again, I would invite your support for these initiatives. They are bipartisan, I might add. We're getting strong support on both sides of the aisle. And so, I think we can move more forward on that.

The antidrug fight is on everybody's minds. And I know that this county -- Dan was telling me early on about the fight that Bee County is making, helping encourage young people to stay off of this substance abuse. And it's happening all over the country. I feel a certain frustration at times that it's not happening quicker. But I can tell you there are some very encouraging signs about the diminishing use of cocaine or some of these terrible narcotics.

And so, I will continue to fight in the calendar year 1990 for the total enactment of our national drug strategy. I think you'll find when the new budget comes out that it has rather adequate levels of funding to support the Federal effort. But I must say that it's not going to be solved at the Federal level alone, that a lot of it's going to be done right here at the county level, right here at the city level, or right here at the State level. And so, we are working hard with State and local officials and try to give the proper support in the antinarcotics field.

There are many, many other problems out there, but at this end of the year, I must say I'm finishing with a bit of a glow because I see the changes that are taking place. And it comes right back to that invocation that we heard here by Dr. Aleman. It comes back to the fact that we are the United States of America; we are one nation under God, we are tolerant, we are kind, we are trying to help others who have it less fortunate than we do. But there is no question when you go to Europe and talk to the leaders: It is the United States that stands as a beacon. When you go to South America -- we've got our difficulties; they may approve this or disapprove that -- but they know that we are the freest, the fairest, the most decent nation on the face of the Earth.

So, when we see this magnificent move towards democracy and freedom, I think all of us can count our blessings and say: God bless America. God bless the United States. And may I simply add, God bless all of you, and thank you for this welcome home. Thank you very, very much.

Note: The President spoke at 5:25 p.m. in the Bee County Coliseum. In his remarks, he referred

to Dan Ouellette, former county Republican Party chairman; and Gary Roberts, president of the First National Bank of Beeville. Following his remarks, the President went to Will Farish's ranch, where he remained overnight.

Final Order for Emergency Deficit Control Measures for Fiscal Year 1990

December 27, 1989

By the authority vested in me as President by the statutes of the United States of America, including section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99 - 177), as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100 - 119) (hereafter referred to as ``the Act''), and section 11002 of the Omnibus Reconciliation Act of 1989 (Public Law 101 - 239) (``OBRA''), I hereby order that the following actions be taken to implement the sequestrations and reductions determined by the Director of the Office of Management and Budget as set forth in his report dated December 27, 1989, under section 251 of the Act and section 11002 of the OBRA:

(1) Each automatic spending increase that would, but for the provisions of the Act, take effect during fiscal year 1990 is permanently sequestered or reduced as provided in section 252 of the Act and section 11002 of OBRA.

(2) The following are sequestered as provided in section 252 of the Act and section 11002 of OBRA: new budget authority; unobligated balances; new loan guarantee commitments or limitations; new direct loan obligations, commitments, or limitations; spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended; and obligation limitations.

(3) For accounts making payments otherwise required by substantive law, the head of each department or agency is directed to modify the calculation of each such payment to the extent necessary to reduce the estimate of total required payments for the fiscal year by the amount specified by the Director of the Office of Management and Budget in his report of December 27, 1989.

(4) For accounts making commitments for guaranteed loans or obligations for direct loans as authorized by substantive law, the head of each department or agency is directed to reduce the level of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and by OBRA and specified by the Director of the Office of Management and Budget in his report of December 27, 1989.

All reductions and sequestrations shall be made in strict accordance with the specifications of the December 27th report of the Director of the Office of Management and Budget and the requirements of section 252(b) of the Act and section 11002 of OBRA.

This order shall be deemed to have become effective on October 16, 1989, as provided in section

11002 of OBRA.

This order shall be published [in the] Federal Register.

George Bush

The White House,

December 27, 1989.

[Filed with the Office of the Federal Register, 3:14 p.m., December 27, 1989]

Message on the Observance of New Year's Day

December 27, 1989

I am delighted to send my warmest greetings to all Americans during the celebration of the New Year.

As we celebrate the promise of the new year, it is most fitting that we pause to reflect on all we have achieved as a nation during the past 12 months. Our economy has remained strong and it has continued to grow, creating new jobs and greater opportunities for millions of American families. The global triumph of democratic ideals, especially in Eastern Europe, and improvements in our relations with the Soviet Union have brightened the prospects for lasting world peace. We have also forged the partnerships that will serve as a strong foundation for our efforts to improve American education and to end the scourge of substance abuse.

This New Year also marks the beginning of a new decade. The 1990s hold many challenges and opportunities, both for the United States and for mankind. We are witnessing a global flowering of freedom. Along with this expansion of liberty has come renewed appreciation for the responsibilities it entails. Abroad, we vow continuing solidarity with our fellow democracies to ensure peace and security. We make this pledge with deep gratitude to the courageous men and women of our armed forces who selflessly sacrifice to defend freedom's cause. At home, more Americans are accepting the challenge to get involved in volunteer projects to assist the needy or in other ways to make a difference for good in their communities. They are also joining millions of people throughout the world in efforts to end poverty, violence, and hunger.

A year ago, President Reagan expressed his belief that the world was safer than it had been just 12 months before. He added, ``I pray it will be safer still a year from now." Well, I believe it is. Today, we join in that same prayer and add our heartfelt hopes for a future marked by peace and prosperity for all mankind.

Barbara joins me in sending our best wishes to the people of the United States for a happy New Year. May God bless you, and may God bless America.

George Bush

Statement by Press Secretary Fitzwater on the Federal Chancellor Scholarship for Future American Leaders

December 27, 1989

The President and Chancellor Helmut Kohl of the Federal Republic of Germany have agreed to assume joint patronage of a Federal Chancellor Scholarship for Future American Leaders, to commence in 1990.

This scholarship program is the result of a proposal made by the Chancellor while hosting American university representatives in July 1988, with a view to intensifying German-American academic cooperation. The Chancellor's purpose in launching this initiative was to make people of both countries, especially the younger generations, more acutely aware of the fundamental importance of the strong ties and close friendship between the United States and the Federal Republic of Germany.

The President and Chancellor Kohl are agreed that this year, which marks the 40th anniversary of the Federal Republic, is a particularly important time for launching such a program. They share the view that it is in the vital interest of both countries to broaden the foundations of their common future in the academic sphere and among the new generation of political leaders.

Statement by Press Secretary Fitzwater on the Election of Vaclav Havel as President of Czechoslovakia

December 29, 1989

The President has sent a warm message of congratulations to Vaclav Havel upon his election as President of Czechoslovakia. The President noted the strong links between American and Czechoslovak democracy, going back to the creation of the Czechoslovak state in 1918, and pledged his commitment to the renewal and strengthening of political, economic, and cultural ties between Czechoslovakia and the United States.

President Havel's election marks a fitting end to a year of astonishing change in Eastern Europe. A distinguished playwright and founding member of the human rights group Chapter 77, Vaclav Havel was barred from publishing his works and often imprisoned for his activities in defense of democratic freedoms. His election, as the President noted in his message, is living proof of what Mr. Havel has called the ÿ7Eÿ7E``power of the powerless" to bring about peaceful democratic change.

This event also symbolizes a new beginning for all of Eastern Europe. Last spring, Poland and Hungary led the way toward peaceful democratic change. In the fall, popular pressures in the German Democratic Republic, Czechoslovakia, and Bulgaria led to rapid movement toward democratic reform. And in December, protests in Romania led to the overthrow of dictatorial rule and the advent of a new leadership committed to a democratic agenda, including the holding of free elections.

These changes, unimaginable only a few months ago, offer fresh hope for the peoples of Eastern Europe and for ending the artificial division of Europe, toward a Europe whole and free. As the heady changes of 1989 give way to the challenges of 1990, the United States reaffirms its strong support for the processes of economic recovery and democratic change in Eastern Europe.

Statement by Press Secretary Fitzwater on the Situation in Panama

December 29, 1989

The President continues hunting at the Lazy F Ranch. His planned departure for Houston is 5 p.m. There are no changes in the schedule as released yesterday, December 28.

The situation in Panama today remains calm. President Endara continues to assume control of his government. Their payroll is being met. Airports are open to commercial traffic. Food distribution is continuing at 18 humanitarian assistance distribution points.

Our discussions with Vatican officials continue in a positive vein. We appreciate the Papal Nuncio's efforts to resolve the current situation. We remain hopeful for a resolution of the problem, and there are no fixed deadlines to be met.

A high-level economic delegation will go to Panama next Wednesday, January 3, to confer with Panamanian officials on their economic needs. The delegation will be headed by Deputy Secretary of State Lawrence Eagleburger and Deputy Secretary of the Treasury John Robson. They will be accompanied by economic experts from several Federal agencies.

Question-and-Answer Session With Reporters in Houston, Texas, on the Situation in Panama

December 30, 1989

Q. What about Ortega, Mr. President?

The President. Well, actually, the colonel down there expressed regrets, in spite of the fact that they found AK - 47's and rocket launchers and automatic machineguns. That shouldn't have happened, and that has been explained to the Nicaraguans. And it's a screwup. And they have expressed their regrets that it took place. But negotiations continue, and I am satisfied that -- working closely with the Vatican. Marlin made an appropriate statement yesterday, and I stand by that. General Scowcroft has been working this problem all week, and we're in very close touch with the Vatican officials. So, don't be misled by a spokesman's comment here and there. The problem is being worked, and I am satisfied that our determination to see this man brought to justice will prevail.

Q. What are you going to do about those U.S. diplomats?

The President. Well, that's the problem when you have a mistake like this, but life goes on. I don't know what we're going to do about that, but when you find those kinds of weapons caches -- even though, I think in retrospect, shouldn't have gone in there -- it makes you wonder exactly what our young men are up against down there.

I don't know what they need rocket launchers for in a man's house. But nevertheless, I've said we shouldn't have gone into that Nicaraguan mission, and they have expressed their regrets. And so, it's the way it is. And I would like to know what the man's doing with rocket launchers and grenades and uzis and automatic weapons up to his eyeballs in his house. Having said that, we should not have gone into the diplomatic premises -- but it's a little tense there still. We can handle that.

Q. Are you leaning on the Vatican too hard, Mr. President? Is there a chance -- --

The President. No. We're in good, close communication with the Vatican. So, Tom [Thomas Raum, Associated Press], don't be misled by a spokesman from the Vatican, there's a little polarization there. We have good relations with the Vatican, and if need be, I'll get on the phone to the Holy Father. I don't think that it'll come to that because we're satisfied that they understand the severity of the problem. They are trying to work it out. They have a history of giving asylum to people who are fleeing, even thugs like Noriega. But they don't want troubled relations with us, and we don't want troubled relations with them. So, give us a little time. The matter will resolve itself. And the man at least is off the streets, not threatening the lives of

American kids down there, no longer into some of the horrible things he was in before. So, we need a little time to resolve this in a diplomatic way, and all the wheels of diplomacy are turning right now.

Q. Mr. President, this spring you indicated that you would accept Noriega going to a third country where he could be free of prosecution. What has changed now that that's no longer acceptable?

The President. The death of one marine, the brutalization of a wife of a lieutenant, the death of a lot of our kids -- that's what's changed. And that's why I feel very strongly that we're not back to square one. We're not back to the premilitary action phase. And we're not going to go back to it, either. We want this man brought to justice. There is a good indictment against him. And so, we're going to pursue every avenue to bring him to justice, and I'm satisfied that it will happen. In the meantime, we've got very delicate diplomacy there. We don't want to undermine the duly elected regime in Panama. Part of what we wanted to do was see the restoration of democracy. So we're not going to go in there and run roughshod over the Panamanians, either.

They're working hard. They're restoring order; they're bringing tranquillity. We're sending a high-level economic mission down there this week to help restore the Panamanian economy. And so, we want to respect that sovereign right that they have and their democratic process. So, we have a complicated, three-way conundrum at this point, but I am satisfied that we will solve it.

Q. Any idea when some of the troops are going to be coming home?

The President. Very soon, I would think, for some of them. And the sooner that all of them are out, the better, as far as we're concerned. But we don't want to act too precipitously. As we all know, they did a superb job. The matter has been a restored peace and tranquillity, for the most part, to Panama, and that's good. I would like to, at year-end here, salute them once again for what they've done, and I will have an opportunity to shake hands with some of those kids that were wounded down there over in San Antonio tomorrow. But I think the sooner we can have our troops that went down there out, the better it will be.

And of course, we have a large force in SOUTHCOM. They will remain, but we will go forward. I have said to Latin America, and I've said to the Panamanians, this clears the way for the orderly implementation of the Panama Canal treaty. I would expect that the democratically elected government would send up a name that would be ratified by the United States Senate. And all of that is positive. So, when we have these, what I would call momentary glitches, let's not get too concerned. We've got to work the problem, but I don't want to overreact. And I certainly don't want to be juxtaposed against the Vatican because I understand their position. And I am satisfied that they understand mine -- or ours -- the position of the United States. So, when I get questions, Are they doing this or that?, I try to not respond to them because we've worked closely with them in the past, and we'll continue to work closely.

So, I think it's time to cool it on both sides and let the diplomatic process bring this matter to a happy resolution. And I'm confident that it will; I really am. I'm not trying to mislead you at all. I really believe this matter will be resolved, in one way or another, to the satisfaction of the United States. And I have the responsibility as President for worrying about those families who lost loved ones. And it would not be fair, and it would not be proper, to make some kind of a deal that stops short of seeing this man brought to justice -- Noriega.

Q. How about bombarding the Vatican Embassy with rock 'n' roll music? Didn't that aggravate the situation?

The President. I think it aggravated the people inside, and it stopped, I understand. [Laughter] It would have aggravated me, I'll tell you. I'm not into rock n' roll -- country music, maybe, that's different. [Laughter]

Q. Any decision on where the Presidential Library is going to go?

The President. No decision.

Note: The exchange took place at 1 p.m. at the Houstonian Country Club. In his remarks, President Bush referred to Marlin Fitzwater, Press Secretary to the President; and Brent Scowcroft, Assistant to the President for National Security Affairs. A reporter referred to President Daniel Ortega Saavedra's objection to the search of the Nicaraguan Embassy in Panama City by U.S. forces. In the morning, President Bush traveled to San Antonio, TX.

Remarks and a Question-and-Answer Session With Reporters in San Antonio, Texas, on United States Military Action in Panama

December 31, 1989

The President. Barbara and I are very pleased to be here to see these heroic men and glad to be addressing the family there in the Panhandle of Texas. Hope you're not freezing to death up there, but good luck to you. And I'll tell you one thing we found is the Army is sure taking good care of these guys, as well they should. But every place I've been, every room, they've been telling me about the wonderful treatment from the doctors and the nurses. So, I want to assure the family that they're looking after this guy. The best of luck for a New Year. Click. [Laughter]

All right. We'll see you. Good luck.

Well, having spoken and given a little home video, I might simply say in the midst of this tour that I am extremely grateful to the men and women of the hospitals we've visited for the tender loving care that they're giving our heroic troops and to the soldiers and the SEAL's and the marines that I've met. We tried to tell them how grateful we are.

Q. When will the troops be flying home, Mr. President?

The President. The sooner, the better. The sooner, the better.

Q. Impressed, Mr. President? Impressed with these -- --

The President. Very moving. Very moving.

Q. Mr. President, is there a lot of movement to get Noriega? There seems to be a lot of talk in Panama today that you're close.

The President. I told you to stay tuned, that we're working the problem. If we have something to announce, well, we'll announce it. But we're -- --

Q. It sounds like you're pretty close.

Q. -- -- tell these young men anything about Noriega today, though, can you?

The President. Well, we can tell them that he's not out threatening the lives of Americans, and that's a good message for them. I wish all of you could have heard the spirit of these kids when

they were talking. You get the feel of their patriotism and their courage. I'll tell you, it was very, very moving for me and for Barbara.

Q. Was it rough, also, sir? You seem -- --

The President. I'm not too good at that kind of thing. But, yes, because you identify with these families. This little girl there, I mean -- --

Mrs. Bush. Tell them about the boy with the flag.

The President. You tell them.

Mrs. Bush. No, I can't.

Q. Tell us, sir.

Q. The Attorney General of Panama says if you would like the Vatican to release Noriega to them, and they will file charges -- --

The President. Well, as I told you yesterday, there's a lot going on and discussions about what'll take place. It doesn't help you all for me just to speculate on this. But we want him brought to justice. It's only fair and right for these kids lying here that that happens, and I'm determined to see that that happens. So, we'll keep working the problem. But I can't help you, because it's just a lot of diplomatic effort going on.

But I'm here, year-end, to salute these courageous men and to tell them, as best I could, how proud we are of them and to say that, in a military sense, everything I've heard is that the operation, though some were desperately hurt and some regrettably killed, was a superb operation. And there should be no second-guessing. And the beautiful thing about this visit is I get strength from them about no second-guessing. They're gutsy, courageous young men, and I just wish you could have heard every single conversation.

Q. Anything about the boy with the flag?

The President. Thank you all. Happy New Year to all of you. Barbara can tell you.

Q. Mrs. Bush, could you?

Mrs. Bush. Let me just tell you. He thanked George and gave him a little American flag. And he said, ``This is from all the men in Panama, and I want you to have this from them. And we thank you for sending us." He's a paraplegic.

Q. From this incident?

Mrs. Bush. Right there. He's so sweet. But I mean, he met him. He wasn't -- you can't fake that.

Q. Thank you, Mrs. Bush.

The President. You have a Happy New Year!

Note: The President spoke at 12:30 p.m. in the Beach Pavilion at Brooke Army Medical Center at Fort Sam Houston following a visit with U.S. troops wounded in Panama. In his opening remarks, he participated in the filming of a home video for Pvt. Scott Tout's family. Later, he referred to 8-year-old Noella Almeida, who was visiting her father at the hospital. Prior to visiting the medical center, the President attended church services at the Kelly Air Force Base chapel and visited the wounded at Wilford Hall Hospital at Lackland Air Force Base.

Appendix A -- Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this book.

January 20

Following the Inaugural luncheon at the Capitol, the President and Mrs. Bush traveled by motorcade to the White House, where they viewed the Inaugural parade from the viewing stand. In the evening, the President and Mrs. Bush attended several Inaugural balls in their honor.

January 21

The President commissioned the following members of his White House senior staff:

John H. Sununu, of New Hampshire, as Chief of Staff to the President;

Brent Scowcroft, of Maryland, as Assistant to the President for National Security Affairs;

David Q. Bates, Jr., of Texas, as Assistant to the President and Secretary to the Cabinet;

Richard C. Breeden, of Virginia, as Assistant to the President for Issues Analysis;

Andrew H. Card, Jr., of Massachusetts, as Assistant to the President and Deputy to the Chief of Staff;

James W. Cicconi, of Texas, as Assistant to the President and Deputy to the Chief of Staff;

David F. Demarest, Jr., of New Jersey, as Assistant to the President for Communications;

Max Marlin Fitzwater, of Kansas, as Assistant to the President and Press Secretary;

C. Boyden Gray, of North Carolina, as Counsel to the President;

Frederick D. McClure, of Texas, as Assistant to the President for Legislative Affairs;

J. Bonnie Newman, of New Hampshire, as Assistant to the President for Management and Administration;

Roger B. Porter, of Utah, as Assistant to the President for Economic and Domestic Policy;

Stephen M. Studdert, of Utah, as Assistant to the President for Special Activities and Initiatives;

Charles G. Untermeyer, of Texas, as Assistant to the President and Director of Presidential Personnel;

Joseph W. Hagin II, of Ohio, as Deputy Assistant to the President for Appointments and Scheduling;

Edward M. Rogers, Jr., of Alabama, as Deputy Assistant to the President and Executive Assistant to the Chief of Staff.

January 22

In the morning, the President and Mrs. Bush attended church services at the National Cathedral.

January 23

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Senior White House staff, for lunch;

-- the Vice President;

-- the Cabinet, to discuss staff organization, major issues, foreign policy, and the Federal budget;

-- John H. Sununu, Chief of Staff to the President.

In an Oval Office ceremony, John H. Sununu was sworn in as Chief of Staff to the President by the Vice President.

January 24

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft,

Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the congressional leadership;

-- Frank Nebeker, Director of the Office of Government Ethics;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that the President will meet with Prime Minister Brian Mulroney of Canada in Ottawa on February 10 for a working visit to discuss bilateral and international issues.

In the evening, the President hosted a dinner in the Residence in honor of United Nations Secretary-General Javier Perez de Cuellar de la Guerra and Mrs. de Cuellar.

January 25

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- administration officials, to discuss the budget;

-- Secretary of State-designate James A. Baker III;

-- Malcolm R. Wilkey and Griffin B. Bell, Chairman and Vice Chairman, respectively, of the President's Commission on Federal Ethics Law Reform;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President hosted a reception in the Residence for the Congressional Core Group, political supporters of the President.

The President announced the appointment of the following individuals to positions in the Office of Management and Budget:

Robert E. Grady, of New Jersey, to be Associate Director for Natural Resources, Energy, and Science. Mr. Grady has served as senior adviser to President Bush's transition team. Prior to this he was senior adviser for speechwriting and policy to the Bush-Quayle '88 campaign.

Janet Hale, of the District of Columbia, to be Associate Director for Economics and Government. Ms. Hale has served as Assistant Secretary for Budget and Programs at the Department of Transportation from 1986 to the present.

Edwin L. Dale, Jr., of Pennsylvania, to be Counsellor and Director of External Affairs. Since 1987 Mr. Dale has been Counsellor to the Secretary at the Department of Commerce in Washington, DC.

Thomas A. Scully, of Virginia, to be Associate Director for Congressional Affairs. Since 1986 Mr. Scully has been with the law firm of Akin, Gump, Strauss, Hauer & Feld in Washington, DC.

The President appointed the following individuals as members of the President's Commission on Federal Ethics Law Reform:

Malcolm Richard Wilkey, of Texas, as Chairman. Since 1985 Judge Wilkey has served as U.S. Ambassador to Uruguay. Previously he was a circuit judge on the U.S. Court of Appeals for the District of Columbia.

Griffin B. Bell, of Georgia, as Vice Chairman. Judge Bell served as Attorney General of the United States from 1977 to 1979 and was formerly a circuit judge on the U.S. Court of Appeals for the Fifth Circuit. He is currently a senior partner in the Atlanta and Washington, DC, law firm of King & Spalding.

Jan Witold Baran, of Virginia. Mr. Baran is a partner in the Washington, DC, law firm of Wiley, Rein & Fielding. He currently serves as general counsel to the American Bicentennial Presidential Inaugural Committee and to the Republican National Committee. He was also general counsel to the Bush-Quayle '88 organization. He has previously served as Executive Assistant to the Chairman of the Federal Election Commission.

Judith Hippler Bello, of Virginia. Mrs. Bello is the outgoing General Counsel to the U.S. Trade Representative and has served as the agency's designated ethics official. She will be joining the Washington, DC, office of Sidley & Austin as a partner.

Lloyd N. Cutler, of Maryland. Mr. Cutler is a partner in the Washington, DC, law firm of Wilmer, Cutler & Pickering and is Chairman of the Quadrennial Commission on Executive, Legislative, and Judicial Salaries. From 1979 to 1980, he served as Counsel to President Carter.

Fred Fisher Fielding, of Virginia. Mr. Fielding is a senior partner in the Washington, DC, law firm of Wiley, Rein & Fielding. From 1981 to 1986, he served as Counsel to President Reagan.

Harrison H. Schmitt, of New Mexico. Dr. Schmitt was a U.S. Senator from New Mexico from

1977 to 1983 and served as vice chairman of the Senate Select Committee on Ethics from 1977 to 1979. A former Apollo astronaut, Dr. Schmitt is now a private consultant, scientist, and businessman.

R. James Woolsey, of Maryland. Mr. Woolsey is a partner in the Washington, DC, law firm of Shea & Gardner. From 1977 to 1979, he served as Under Secretary of the Navy, and from 1970 to 1973, he was general counsel to the U.S. Senate Committee on Armed Services.

January 26

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Ambassador Robert B. Oakley;

-- the Vice President, for lunch.

In the afternoon, the President attended the swearing-in ceremony for Richard G. Darman as Director of the Office of Management and Budget.

In the evening, the President hosted a reception in the Residence for members of the Republican congressional leadership.

January 27

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- U.S. Inspectors General;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President telephoned South Korean President Roh Tae Woo to accept President Roh's invitation to make an official visit to Seoul on February 26.

January 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- former Secretary of State Henry A. Kissenger.

In the evening, the President attended the annual Alfalfa Club dinner at the Capital Hilton Hotel.

January 29

In the morning, the President left the White House for a brief visit to Camp David, MD. He returned to the White House in the afternoon.

January 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of the Office of the National Service, to discuss an overall plan to involve other elements of the Government in volunteer work;l

-- John H. Sununu, Chief of Staff to the President.

January 31

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President hosted a reception on the State Floor at the White House for members of the Senate congressional committee leadership.

The President declared that a major disaster exists in Washington County, UT, as a result of flooding caused by a dike failure at the Quail Creek Reservoir on January 1. He directed the Federal Emergency Management Agency to provide funds to supplement State and local

recovery efforts.

The President has commissioned the following members of the White House senior staff:

Paul W. Bateman, of California, as Deputy Assistant to the President for Management and Director of the Office of Administration;

Phillip D. Brady, of California, as Deputy Assistant to the President and Director of Cabinet Affairs;

Nicholas E. Calio, of Ohio, as Deputy Assistant to the President for Legislative Affairs;

B. Jay Cooper, of Connecticut, as Deputy Assistant to the President and Deputy Press Secretary;

Everett Boyd Hollingsworth, Jr., of Wyoming, as Deputy Assistant to the President for Legislative Affairs;

Roman Popadiuk, of New York, as Deputy Assistant to the President and Deputy Press Secretary;

Patricia Presock, of Virginia, as Deputy Assistant to the President;

Gary John Andres, of Virginia, as Special Assistant to the President for Legislative Affairs;

Nancy P. Dorn, of Texas, as Special Assistant to the President for Legislative Affairs;

Juanita Donaghey Duggan, of Alabama, as Special Assistant to the President for Cabinet Affairs;

Cooper Evans, of Iowa, as Special Assistant to the President for Agricultural Trade and Food Assistance;

John S. Gardner, of Maryland, as Special Assistant to the President and Assistant Staff Secretary;

Alixe Reed Glen, of Washington, DC, as Special Assistant to the President and Deputy Press Secretary;

Shirley M. Green, of Texas, as Special Assistant to the President for Presidential Messages and Correspondence;

Stephen T. Hart, of Virginia, as Special Assistant to the President and Deputy Press Secretary;

John W. Howard, of New Jersey, as Special Assistant to the President for Legislative Affairs;

Hector F. Irastorza, Jr., of Virginia, as Special Assistant to the President and Deputy Director of the Office of Administration;

Lehmann K. Li, Jr., of Connecticut, as Special Assistant to the President and Executive Secretary to the Economic Policy Council;

Antonio Lopez, of Tennessee, as Special Assistant to the President and Director of the White House Military Office;

Timothy John McBride, of Michigan, as Special Assistant to the President;

Gordon Bissell Wheeler, of New York, as Special Assistant to the President for Legislative Affairs;

Kenneth P. Yale, of Maryland, as Special Assistant to the President and Executive Secretary to the Domestic Policy Council;

Rose M. Zamaria, of Florida, as Special Assistant to the President and Director of White House Operations.

February 1

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- members of the National Association of Wholesale Distributors;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a reception in the Residence for the Diplomatic Corps.

February 2

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- representatives of the banking industry;

-- leading female athletes;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a reception on the State Floor of the White House for the House of Representatives committee leadership.

Later in the evening, the President attended the New Jersey State Chamber of Commerce dinner at the Sheraton Washington Hotel.

February 3

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Penne Korth and Bobby Holt, cochairmen of the American Bicentennial Inauguration Committee;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

February 5

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

February 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft,

Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

February 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Economic Policy Council;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President attended the swearing-in ceremony in the Oval Office at the White House for Michael J. Boskin as Chairman of the Council of Economic Advisers.

In the afternoon, the President attended a Senate policy luncheon at the Capitol to discuss the budget and the savings and loan crisis.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Jaime Moncayo of Ecuador, Pierre Fancois Benoit of Haiti, Kjeld Vibe of Norway, Gustavo Petricioli Iturbide of Mexico, Ali Bengelloun of Morocco, Derek H. Burney of Canada, Angus Albert Khan of Trinidad and Tobago, and Edouard Brunner of Switzerland.

In the evening, the President hosted a reception in the Residence for newly elected Members of Congress.

February 8

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Veterans Affairs-designate Edward J. Derwinski, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

February 9

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Catholicos Vazgen I, Supreme Patriarch of the Armenian Church in the Soviet Union;

-- Members of Congress;

-- the Vice President, for lunch;

-- the Cabinet;

-- West German Chancellery Minister Wolfgang Schaeuble;

-- John H. Sununu, Chief of Staff to the President.

February 13

In the morning, the President and Mrs. Bush returned to the White House from Manchester, NH.

February 14

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- leaders of the Safe Kids Program, a volunteer organization that fostered the prevention of accidental childhood injuries to children;

-- members of the senior White House staff;

-- Secretary of the Treasury Nicholas F. Brady; Richard G. Darman, Director of the Office of Management and Budget; and John H. Sununu, Chief of Staff to the President, for lunch and to discuss the budget;

-- the Domestic Policy Council, to discuss organizational strategies;

-- John H. Sununu, Chief of Staff to the President.

February 15

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John Clendenin, U.S. Savings Bond chairman;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, in the Roosevelt Room at the White House, the President presented James C. Young, football coach at the U.S. Military Academy, with the Commander In Chief's Trophy, which was awarded to the leading service academy football team.

February 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Joy Hall, the 1989 Easter Seal Poster Child;

-- the Vice President, for lunch;

-- the Commission on Merchant Marine and Defense;

-- President Juan Antonio Samaranch and other members of the International Olympic Committee, to discuss the possibility of hosting the 1996 Olympic games in Atlanta, GA;

-- John H. Sununu, Chief of Staff to the President.

February 17

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

In the evening, the President and Mrs. Bush hosted a dinner at Camp David, for His Royal Highness the Prince of Wales.

February 20

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

February 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the congressional leadership;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted the following reports to the Congress:

-- the annual report of ACTION for fiscal year 1988;

-- the annual report on mine safety and health activities for fiscal year 1987;

-- the annual reports of the Department of Transportation for fiscal years 1985, 1986, and 1987;

-- the annual report of the National Endowment for Democracy for fiscal year 1988.

February 22

In the morning, the President and Mrs. Bush left the White House for a trip to the Far East.

February 23

In the afternoon, the President and Mrs. Bush arrived at Haneda Airport, Tokyo, Japan, where they were greeted by Japanese and American officials. The President and Mrs. Bush then went to the U.S. Ambassador's residence, where President Bush and senior staff members attended a working luncheon with President Francois Mitterrand of France. Following the luncheon, President Bush met with Prime Minister Noboru Takeshita of Japan in the Asahi-No-Ma Room at Akasaka Palace and then proceeded to the Hotel Okura, his residence during his stay in Japan.

In the evening, President Bush returned to the U.S. Ambassador's residence and met individually with President Mario Alberto Soares of Portugal, President Mohammed Hosni Mubarak of Egypt, Prime Minister Chatchai Chunhawan of Thailand, King Juan Carlos I of Spain, King Hussein I of Jordan, and President Chaim Herzog of Israel. Following his meetings, President Bush returned to the Hotel Okura for the evening.

February 24

In the morning, the President and Mrs. Bush attended the funeral ceremony for Emperor Hirohito at Shinjuku Gyoen. At the conclusion of the ceremony, the President and Mrs. Bush went to the U.S. Embassy, where the President greeted members of the staff in the auditorium.

In the afternoon, President Bush went to the U.S. Ambassador's residence, where he met individually with President Richard von Weizsacker of West Germany, Prime Minister Lee Kuan Yew of Singapore, King Baudouin I of Belgium, Prime Minister Turgut Ozal of Turkey, Prime Minister Benazir Bhutto of Pakistan, President Mobutu Sese Seko of Zaire and President Francesco Cossiga of Italy. At the conclusion of his meetings, President Bush returned to his hotel.

In the evening, the President and Mrs. Bush attended a reception at Akasaka Palace hosted by Prime Minister Takeshita. President Bush then met with President Corazon C. Aquino of the Philippines. At the conclusion of the meeting, the President and Mrs. Bush returned to their hotel.

The President declared that a major disaster exists in Kentucky as a result of heavy rains and flooding that began on February 13. He directed the Federal Emergency Management Agency to provide funds to supplement State and local recovery efforts.

February 25

In the morning, the President and Mrs. Bush had an audience with Emperor Akihito at the Imperial Palace. They then went to the U.S. Ambassador's residence, where President Bush met individually with President Ibrahim Babangida of Nigeria and with President Jose Sarney Costa of Brazil.

In the afternoon, the President and Mrs. Bush left Tokyo and flew to Beijing International Airport, where they were greeted by Chinese and American officials. They then went to the Diaoyutai State Guest House, their residence during their stay in China, and exchanged gifts with Premier and Mrs. Li Peng.

In the evening, President Bush participated in a bilateral meeting and a gift exchange in the Great Hall of the People with President Yang Shangkun. The President and Mrs. Bush then attended a banquet in the Western Hall hosted by President Yang. At the conclusion of the banquet, the President and Mrs. Bush returned to the Diaoyutai State Guest House.

February 26

In the morning, the President and Mrs. Bush attended morning prayer services at the Chongmenwen Christian Church. The President then attended meetings at the Great Hall of the People with Premier Li Peng and Chairman (Central Military Commission) Deng Xiaoping.

In the afternoon, the President and Mrs. Bush attended a luncheon in the Big East Hall hosted by Chairman Deng Xiaoping. At the conclusion of the luncheon, they went to the International Club, where the President visited with friends. He and Mrs. Bush then attended a reception at Ambassador Winston Lord's residence. Upon returning to the Diaoyutai State Guest House, President Bush met with President Norodom Sihanouk of Cambodia. President Bush then met with General Secretary Zhao Ziyang at the Great Hall of the People.

In the evening, the President and Mrs. Bush hosted a tea and dinner for Chinese leaders in the Grand Ballroom at the Sheraton Great Wall Hotel. At the conclusion of the dinner, the President and Mrs. Bush returned to the Diaoyutai State Guest House.

February 27

In the morning, the President and Mrs. Bush bid farewell to Vice Premier Wu Xueqian during an informal departure tea at Beijing International Airport.

In the afternoon, upon arriving at K - 16 Airport in Seoul, South Korea, the President and Mrs. Bush were welcomed by Prime Minister and Mrs. Kang Yong Hoon and Korean and American officials in a formal arrival ceremony. They then met with President Roh Tae Woo and First Lady Kim Ok Sook at the Blue House, the official residence of the Korean President, and were invited to sign the guest book. Later in the afternoon, President Bush met privately with President Roh in the study at the Blue House. The meeting was then expanded to include Korean and American officials. Afterwards, the two Presidents and the officials attended a luncheon in the Korean Traditional House. Following the luncheon, President Bush addressed the National Assembly and met with the Assembly's leadership. The President and Mrs. Bush then went to the U.S. Ambassador's residence, where they greeted the American community. At the

conclusion of the reception, they left Seoul and returned to Washington, DC.

February 28

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President transmitted to the Congress the national trade policy agenda for calendar year 1989 and an addendum to the 1988 annual report on the Trade Agreements Program that was sent to the Congress on January 3, 1989.

March 1

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- administration officials, to discuss the budget;

-- conservative leaders;

-- representatives of the Toys for Tots organization;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

March 2

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Adm. William J. Crowe, Jr., USN, Chairman of the Joint Chiefs of Staff, and Deputy Secretary of Defense William Howard Taft IV;

-- President Vinicio Cerezo Arevalo of Guatemala;

-- Senator Barry Goldwater;

-- John H. Sununu, Chief of Staff to the President.

March 3

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Ambassador Jack Matlock;

-- Secretary of Labor Elizabeth H. Dole and Secretary of Transportation Samuel K. Skinner, to discuss the Eastern Airlines strike;

-- Secretary of State James A. Baker III.

In the morning, the President telephoned President Carlos Andres Perez, to express support for the Venezuelan Government in light of the recent rioting.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

March 5

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

March 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Agriculture Clayton Yeutter, for lunch;

-- congressional foreign policy leaders, to discuss the President's recent trip to the Far East;

-- John H. Sununu, Chief of Staff to the President.

The President commissioned the following members of his White House senior staff:

Ronald Carlin Kaufman, of Massachusetts, as Deputy Assistant to the President for Presidential Personnel;

John G. Keller, Jr., of the District of Columbia, as Deputy Assistant to the President and Director of Presidential Advance;

Bobbie Greene Kilberg, of Virginia, as Deputy Assistant to the President for Public Liaison;

Charles Gregg Petersmeyer, of Colorado, as Deputy Assistant to the President and Director of the Office of National Service;

James P. Pinkerton, of Massachusetts, as Deputy Assistant to the President for Policy Planning;

William L. Roper, of Alabama, as Deputy Assistant to the President for Domestic Policy and Director of the Office of Policy Development;

Susan Porter Rose, of Virginia, as Deputy Assistant to the President and Chief of Staff to the First Lady;

John Patrick Schmitz, of California, as Deputy Counsel to the President;

Sichan Siv, of Texas, as Deputy Assistant to the President for Public Liaison;

Roscoe Burton Starek III, of Illinois, as Deputy Assistant to the President and Deputy Director of Presidential Personnel;

Chriss A. Winston, of Virginia, as Deputy Assistant to the President for Communications;

G. Philip Hughes, of Virginia, as Executive Secretary of the National Security Council;

Robert A. Estrada, of Texas, as Special Assistant to the President and Associate Director of Presidential Personnel;

Martha H. Goodwin, of Virginia, as Special Assistant to the President and Associate Director of Presidential Personnel;

Anne Brooks Gwaltney, of Connecticut, as Special Assistant to the President and Associate Director of Presidential Personnel;

Thomas F. Kranz, of California, as Special Assistant to the President and Associate Director of Presidential Personnel;

Lee S. Liberman, of Virginia, as Associate Counsel to the President;

Nancy Fleetwood Miller, of Virginia, as Special Assistant to the President and Associate Director of Presidential Personnel;

Jeannette Louise Naylor, of Texas, as Special Assistant to the President and Associate Director of Presidential Personnel;

Doug Wead, of Missouri, as Special Assistant to the President for Public Liaison;

Amy L. Schwartz, of New York, as Associate Counsel to the President.

March 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III.

In the evening, the President and Mrs. Bush hosted a reception in the Residence for members of the National Economic Commission.

March 8

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President attended a luncheon in the Roosevelt Room at the White House for former chairmen of the Republican National Committee.

March 9

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Bush/Quayle Jewish Campaign Committee, National Jewish Coalition;

-- representatives of national Jewish organizations;

-- Charles Reynolds, president of the International Association of Chiefs of Police;

-- the Vice President, for lunch.

March 10

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Kevin Dobson, chairman of the Salute to Hospitalized Veterans;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

March 12

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

March 13

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Representatives John Paul Hammerschmidt of Arkansas and G.V. (Sonny) Montgomery of Mississippi, for lunch;

-- administration officials, to discuss the budget;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that the President and Mrs. Bush upon learning of the death of John J. McCloy, expressed their condolences to his family.

The White House announced that the President and Mrs. Bush, upon learning of the death of John J. McCloy, expressed their condolences to his family.

The President transmitted to the Congress requests for additional appropriations for the fiscal year 1989 budget.

March 14

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Commission on Federal Ethics Law Reform;

-- Spanish Foreign Minister Francisco Fernandez-Ordonez;

-- the congressional budget committee;

-- John H. Sununu, Chief of Staff to the President.

March 15

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of Congress;

-- Attorney General Richard L. Thornburgh, for lunch;

-- ranking members of the House of Representatives Permanent Select Committee on Intelligence;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the annual report on the U.S.-Japan Cooperative Medical Science Program for the period covering July 1987 to July 1988.

The President transmitted a report on foreign governments engaged in intelligence activities that were harmful to U.S. national security to Senate and House committees on foreign relations and intelligence.

March 16

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

March 17

The President met at the White House with:

-- recipients of the White House News Photographers Association Award;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that the President asked Representative Dan Rostenkowski of Illinois to be his representative to the Poznan International Trade Fair in Poland, from June 11 to June 18.

The President announced that the following individuals will travel to El Salvador, March 18 - 20, as official U.S. observers of the Presidential election. The United States will be represented by a Presidential delegation composed of Members of Congress, State and local government officials, and private citizens. The Chairman of the delegation will be Senator Mitch McConnell (R-KY), and the Vice Chairman will be Gov. Robert Martinez of Florida.

Congressional Delegates:

Senator Mitch McConnell (R-KY)

Congressman Jon Kyl (R-AZ)

Congressman Bill McCollum (R-FL)

Congressman Robert K. Dornan (R-CA)

Congressman Alan B. Mollohan (D-WV)

Congressman Tony Coelho (D-CA)

Congressman John P. Murtha (D-PA)

State and local government officials:

William Bartlett, of New Hampshire, president, New Hampshire State Senate

Miriam Ramirez de Ferrer, of Puerto Rico, president, State Federation of Republican Women, Commonwealth of Puerto Rico

Gene DeFries, of Virginia, President, Maritime Engineers Beneficial Association/NMU

William C. Doherty, of Virginia, executive director of the American Institute for Free Labor Development/AFL - CIO

Peter Flaherty, of Virginia, president, Conservative Campaign Fund

Daryl Gates, of California, chief of police, Los Angeles Police Department

William R. Haynes, of Texas, attorney, Petroleum Industry

Charles House, of California, deputy sheriff, Los Angeles County

Robert Martinez, of Florida, Governor of Florida

Beryl Milburn, of Texas

Maurice Sonnenberg, of New York, consultant

Frank Tejeda, of Texas, Texas State Senator

William G. Walker, of California, U.S. Ambassador to El Salvador

March 20

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- U.S. Ambassador to the Philippines Nicholas Platt and Gov. Guy Hunt of Alabama, to discuss drug abuse and trafficking;

-- Cardinal Casaroli of the Vatican;

-- Foreign Secretary Fernando Solana of Mexico;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a reception in the Residence for U.S. Roman Catholic Cardinals.

March 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Archbishop Iakovos of the Greek Orthodox Archdiocese of North and South America, for the observance of Greek Independence Day;

-- the Tennessee State University basketball team;

-- John H. Sununu, Chief of Staff to the President;

-- Secretary of Labor Elizabeth H. Dole, to discuss the minimum wage.

The President announced that Secretary of State James A. Baker III will serve as his personal representative to attend the funeral of John J. McCloy. Accompanying Secretary Baker as official representatives of the President will be:

Mrs. Dean Acheson, widow of former Secretary of State Acheson

Representative E. Thomas Coleman, of Missouri, vice chairman, Congressional Study Group on Germany

Ambassador Martin J. Hillenbrand, former Ambassador to the Federal Republic of Germany

Former Senator Charles McC. Mathias, of Maryland, chairman of the American Council on Germany

Ambassador George C. McGhee, former Ambassador to the Federal Republic of Germany

Ambassador Joseph Verner Reed, Chief of Protocol

Ambassador Vernon A. Walters, Ambassador-designate to the Federal Republic of Germany

March 22

The President met at the White House with John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a reception in the Residence for the Inaugural Family Housing Group.

March 23

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- children with life-threatening illnesses, as part of the Make a Wish program;

-- administration officials, to discuss the budget;

-- John H. Sununu, Chief of Staff to the President.

March 24

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of Congress;

-- Darryl Waltrip, Daytona 500 winner;

-- Secretary of State James A. Baker III, for lunch.

In the morning, the President and Mrs. Bush attended Good Friday services at St. Johns Church at Lafayette Square.

The President sent to the Congress requests for additional appropriations totaling $2.2 billion in budget authority: $892.4 million in appropriations to liquidate contract authority and $144.6 million in transfer authority for fiscal year 1989, and $444.5 million in budget authority and $62.5 million in appropriations to liquidate contract authority for fiscal year 1990. Most of the increases for fiscal year 1989 are required by law for mandatory Federal programs. All outlays resulting from fiscal year 1989 requests for discretionary programs would be offset mainly through a percentage reduction to be applied to a set of programs identified in a report to be transmitted to the Congress with this package. This transmittal also includes fiscal year 1989 and 1990 appropriation requests for the legislative branch and the judiciary.

In the afternoon, the President and Mrs. Bush left the White House to visit President Jose Napoleon Duarte Fuentes of El Salvador at Walter Reed Army Hospital. Following their visit, the President and Mrs. Bush went to Camp David, MD, for a weekend stay.

March 26

The President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

March 27

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Catholic supporters, to discuss religious issues;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President attended the swearing-in ceremony for Richard J. Kerr as Deputy Director of Central Intelligence in the Old Indian Treaty Room of the Old Executive Office Building.

Later in the morning, the President participated in the White House Easter Egg Roll on the South Lawn of the White House.

March 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

The President designated Anne E. Brunsdale as Chairman of the U.S. International Trade Commission for the term expiring June 16, 1990. She would succeed Susan Wittenberg Liebler. Ms. Brunsdale has been serving as Vice Chairman since June 16, 1986, and as a member since December 17, 1985.

The President also designated Ronald A. Cass as Vice Chairman of the U.S. International Trade Commission for the term expiring June 16, 1990. He would succeed Anne E. Brunsdale. Mr. Cass has been serving as a member since January 19, 1988.

March 29

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the National Commission on Public Service, to receive the Commission's report;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In an Oval Office ceremony, the President presented Steve Allen and Jayne Meadows with the Cancer Courage Award.

March 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Transportation Samuel K. Skinner; William K. Reilly, Administrator of the Environmental Protection Agency; and Adm. Paul A. Yost, Commandant of the U.S. Coast Guard, to discuss the Alaskan oil spill cleanup efforts;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

March 31

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

April 1

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the evening, the President and Mrs. Bush attended the Gridiron dinner at the Capitol Hilton Hotel.

April 3

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President Bush attended the opening day of the 1989 baseball season at Memorial Stadium in Baltimore, MD. He threw the first pitch of the game between the Baltimore Orioles and the Boston Red Sox and watched five innings before returning to the White House. President Mohammed Hosni Mubarak of Egypt accompanied President Bush.

April 4

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- President Oscar Arias Sanchez of Costa Rica;

-- Secretary of Education Lauro F. Cavazos, for lunch;

-- John H. Sununu, Chief of Staff to the President.

April 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Hans-Jochen Vogel, chairman of the West German Social Democratic Party;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

April 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Republican congressional leadership;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Prime Minister Yitzhak Shamir of Israel visited the Smithsonian Institution's National Air and Space Museum.

April 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Gov. William P. Clements, Jr., of Texas;

-- Secretary of State James A. Baker III.

In an Oval Office ceremony, the Inaugural Medals Committee gave the President and the Vice President medals commemorating the American Bicentennial Presidential Inaugural. Mrs. Bush and Mrs. Quayle received charms.

In the afternoon, the President and Mrs. Bush attended a reception in the Residence for the Folger Library. Following the reception, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

April 9

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

April 10

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President and Mrs. Bush hosted a reception in the Residence for the Republican Eagles.

April 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- Senator Pete Wilson of California;

-- Members of the Cabinet;

-- French Foreign Minister Roland Dumas;

-- John H. Sununu, Chief of Staff to the President.

April 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- Prime Minister Arthur Napoleon Raymond Robinson of Trinidad and Tobago;

-- Secretary-General Manfred Woerner of the North Atlantic Treaty Organization;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President telephoned Chancellor Helmut Kohl of West Germany, to discuss preparations for the upcoming North Atlantic Treaty Organization summit.

In an Oval Office ceremony, the President met with crime victims Tillie Black Bear, Ellen Griggin Dunne, Charles D. Gill, Louis and Patricia Herzog, Stephen M. McNanea, and Jack Russell.

April 13

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that President Bush has invited President Virgilio Barco Vargas of Colombia for an official working visit to the United States. The two Governments are discussing exact dates and agenda for the visit.

The White House announced that the President will travel to Hamtramck, MI, on April 17, to visit with Polish leaders and give a speech on foreign policy. The President will also travel across the country, April 24 - 27, to address the American Newspaper Publishers Association in Chicago, IL, and stay overnight in northern California. On April 25, the President will speak in Palo Alto, CA, and stay overnight in Los Angeles, CA. On April 26, the President will visit former President Ronald Reagan and will address the Texas State Legislature in Austin, TX, and stay overnight in Miami, FL. On April 27, the President will participate in an event with the U.S. Coast Guard, the U.S. Customs Service, and the Drug Enforcement Conference in Miami, FL. On April 30, the President will travel to New York City to attend church services and participate in an event marking the bicentennial of the American Presidents. At the conclusion of the event, the President will return to the White House.

The White House announced that retail sales increased 0.1 percent in March, stating that the reduced growth of retail sales in March as well as the downward revision for February, a 0.6 percent decline, provide further evidence of a pattern of slower consumer spending in recent months, and there is a continued belief that the economy is sound, showing steady growth with low inflation.

The White House also announced that the President will deliver five commencement addresses this year. They include Texas A&M, College Station, TX, on May 12; Alcorn State University, Lorman, MS, on May 13; Mississippi State University, Starkville, MS, on May 13; Boston University, Boston, MA, on May 21; and the U.S. Coast Guard Academy, New London, CT, on May 24.

April 14

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of Congress, to discuss the Federal budget;

-- John H. Sununu, Chief of Staff to the President, for lunch;

-- Secretary of State James A. Baker III.

The President declared that a major disaster exists in the State of Washington because of flooding and mudslides that occurred March 8 - 17. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

April 15

In the morning, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

April 16

In the evening, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

April 17

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Foreign Secretary Sir Geoffrey Howe of the United Kingdom;

-- John H. Sununu, Chief of Staff to the President;

-- Republican members of the House Appropriations Committee.

April 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- religious leaders;

-- Secretary of Health and Human Services Louis W. Sullivan, to discuss proposed legislation that would provide assistance to infants, children, and pregnant women;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the annual report of the Commodity Credit Corporation for fiscal year 1987.

April 19

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- Walter Momper, mayor of West Berlin;

-- the congressional leadership;

-- John H. Sununu, Chief of Staff to the President.

April 20

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Secretary of Transportation Samuel K. Skinner;

-- Prime Minister Manuel A. Esquivel of Belize;

-- John H. Sununu, Chief of Staff to the President.

April 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- William Croaker, advocate for early cancer detection;

-- leaders of the Minimum Wage Veto Coalition;

-- Secretary of State James A. Baker III;

-- President Aristides Pereira of Cape Verde, to discuss the Namibia-Angola peace settlement;

-- President's Dinner fundraisers;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

April 23

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

April 25

The President declared that a major disaster existed in Texas as a result of severe thunderstorms and flooding that occurred March 28 - 29. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts. In the afternoon, the President attended a baseball game between the California Angels and the Baltimore Orioles at Anaheim Stadium in Anaheim CA.

April 26

In the morning, the President attended a breakfast reception for major political supporters in the Grand Ballroom at the Four Seasons Hotel in Beverly Hills, CA.

April 28

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- James R. Lilley, U.S. Ambassador to China;

-- Mayor James Garner of Homestead, NY;

-- Secretary of State James Baker III;

-- John H. Sununu, Chief of Staff to the President.

April 29

The President met at the White House with Brent Scowcroft, Assistant to the President for National Security Affairs, and members of the CIA briefing staff.

In the evening, the President and Mrs. Bush attended the White House Correspondents Dinner at the Washington Hilton Hotel.

May 1

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- national Protestant leaders;

-- John H. Sununu, Chief of Staff to the President.

In an Oval Office ceremony, Paul Coverdell was sworn in as Director of the Peace Corps.

May 2

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Republican congressional leadership;

-- the U.S. Holocaust Memorial Council leadership;

-- William J. Bennett, Director of National Drug Control Policy;

-- members of the House Select Committee on Narcotics;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted the following reports to the Congress:

-- the first comprehensive triennial report on immigration, 1989;

-- the 15th annual report of the Federal Council on the Aging for calendar year 1988;

-- the 23d annual report of the National Endowment for the Humanities for fiscal year 1988.

May 3

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Prime Minister Gro Harlem Brundtland of Norway;

-- Republican members of the Senate Steering Committee;

-- the National Collegiate Athletic Association swimming champions, from Kenyon College;

-- the National Collegiate Athletic Association hockey champions, from Harvard University;

-- Secretary of Energy James D. Watkins, for lunch;

-- Secretary of State James A. Baker III;

-- members of the National Law Enforcement Council;

-- administration officials, to discuss the budget;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President received a telephone call from Suzanne Smith, a 17-year-old student at the Arizona School for the Deaf and Blind, who participated in inaugurating the General Services Administration's Telecommunications Relay Service.

In the evening, the President and Mrs. Bush attended a reception for the Dole Foundation at the National Museum for Women in the Arts.

May 4

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Republican members of the House of Representatives Whip Organization;

-- winners of the National Bicentennial Competition on the Constitution and the Bill of Rights;

-- the New Jersey Governor's Club ``Committee of One Hundred";

-- John H. Sununu, Chief of Staff to the President.

May 5

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Chancellor Franz Vranitzky of Austria;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III.

The President designated Representative William L. Dickinson of Alabama as his representative to the Paris Air Show to be held June 8 - 18, 1989.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

May 7

The President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

May 8

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- King Olav V of Norway;

-- Jacques Chirac, mayor of Paris, France;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President attended the swearing-in ceremony in the Oval Office for Bruce S. Gelb as Director of the U.S. Information Agency.

In the evening, the President and Mrs. Bush hosted a reception in the Residence for members of the Republican Congressional Leadership Conference.

May 9

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Presidential delegation of observers of the Panamanian Presidential elections, to receive their findings;

-- Prime Minister Ruud Lubbers of The Netherlands, to discuss environmental issues, the NATO alliance, and the deployment of short-range nuclear forces in Europe;

-- administration officials, to discuss the Federal budget;

-- John H. Sununu, Chief of Staff to the President.

The President declared that a major disaster exists in areas of Minnesota and North Dakota as a result of flooding that began on March 29. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

May 10

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President declared that a major disaster exists in areas of Alaska as a result of severe freezing conditions that occurred during the period of January 15 - February 15. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President today transmitted to the Congress amendments to the request for appropriations for the Department of Defense-Military to provide funding for fiscal year 1990 consistent with the $305.5 billion for the national defense budget function contained in the recently signed bipartisan budget agreement. The amendments also adjust the fiscal year 1991 request, as well as the fiscal year 1992 - 1994 requests for advance appropriations for multiyear procurement programs.

May 11

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the congressional leadership, to discuss the crisis in Panama;

-- members of the Columbus Group, representatives of the European and Latin American business community promoting international cooperation;

-- the Vice President, for lunch;

-- the Air Force Thunderbirds;

-- Rev. Edmond Browning, the presiding bishop of the Episcopal Church in the United States;

-- Secretary of Labor Elizabeth H. Dole and participants in the Job Training Partnership program;

-- Franciszek Gajowniczek, a Polish nationalist leader;

-- John H. Sununu, Chief of Staff to the President.

In an Oval Office ceremony, the President and Mrs. Bush received diplomatic credentials from Ambassadors Octavio Errazuriz Guilisasti of Chile, Gendengiin Nyamdoo of Mongolia, Botsweletse Kingsley Sebele of Botswana, Abderrahmane Bensid of Algeria, Michael J. Cook of Australia, Simon Alberto Consalvi of Venezuela, and Willem Udenhout of Suriname.

The President transmitted to the Congress the annual report of the Corporation for Public Broadcasting for fiscal year 1988.

May 12

The White House announced that the following individuals will comprise the Presidential delegation to the inaugural ceremonies of President-elect Andres Rodriguez of Paraguay:

Delegation Chairman:

Dorothy Bush LeBlond of Maine

Congressional Delegation:

Senator Larry Pressler (R - SD)

Representative John Paul Hammerschmidt (R - AR)

Private Citizens:

Paul Coverdell, Peace Corps Director

Tony Salinas, of Texas

Timothy Towell, U.S. Ambassador to Paraguay

Elsie Vartanian, of New Hampshire

May 14

In the morning, the President returned to the White House from his trip to Texas, Mississippi, and Kentucky.

May 15

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Albert Kurz, Anthony Ky, Steven McInerney, Alex Morcos, and Lenny Ng, winners of the Mathcounts National Competition;

-- President Dawda Kairaba Jawara of The Gambia;

-- Jozef Czyrek, Polish Communist Party Secretary;

-- John H. Sununu, Chief of Staff to the President.

May 16

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the congressional leadership, to discuss the Federal budget;

-- Bishops Dario Castrillon and Oscar Rodriguez, president and general secretary of the Council of Bishops of Latin America, respectively, and Rev. Robert N. Lynch, general secretary of the National Conference of Catholic Bishops;

-- the executive committee of the National Governors' Association;

-- members of the Domestic Policy Council;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the annual report of the National Endowment for the Arts and the National Council on the Arts for fiscal year 1988.

In the afternoon, the President hosted a reception in the Residence at the White House for the Republican Senatorial Trust.

May 17

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the House Republican Conference;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- Gov. Terry Branstad of Iowa;

-- members of the Domestic Policy Council;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President hosted a reception in the Residence for members of the Senate and House of Representatives budget committees and the budget staff.

May 18

The President met at the White House with Archbishop Desmond Tutu and the Rev.'s Alan Boesak and Beyers Naude, antiapartheid leaders from South Africa.

The President declared that a major disaster exists in North Carolina as a result of tornadoes that struck on May 5 - 6. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President sent to the Congress amended budget requests for fiscal year 1990 totaling $245.9 million. Included in this package were the following:

-- $68.6 million for the Department of Health and Human Services (HHS). This request would provide $42.9 million to provide health professional training for minority students and $25.8 million to maintain support for research and training for the National Institute for Occupational Safety and Health. The increased fiscal year 1990 outlays resulting from these proposals would be offset by a reduction in another HHS program.

-- $59.3 million for the Department of Agriculture and $124 million for the Department of the Interior to implement the Federal recreational land acquisition initiative that was included in the President's February 9, 1989 budget transmittal.

-- $44 million for the Department of Housing and Urban Development to implement the President's Low Income Home Ownership program.

-- $50 million for the Department of Justice to investigate and prosecute instances of suspected fraud involving financial institutions, that was also included in the President's February 9, 1989 budget transmittal.

This transmittal also contains a change in a proposed shift of functions between the Department of Commerce and the Small Business Administration and a fiscal year 1990 appropriation request of $441 thousand for the legislative branch.

May 20

In the morning, the President and Mrs. Bush greeted President and Mrs. Mitterrand of France at Walker's Point, their home in Kennebunkport, ME.

In the afternoon, the two Presidents participated in a working luncheon at Walker's Point.

May 21

In the morning, the President and Mrs. Bush attended church services at the First Congregational Church in Kennebunkport, ME. Following the church service, President Bush and President Mitterrand traveled to Boston, MA, where President Bush met briefly with Gov. Michael Dukakis and then with Prime Minister Mahathir bin Mohamad of Malaysia.

In the afternoon, the President and Mrs. Bush returned to the White House.

May 22

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the National Federation of Republican Women Capitol Regents;

-- members of the Delaware Governor's Club;

-- John H. Sununu, Chief of Staff to the President.

The President declared that a major disaster exists in Louisiana as a result of severe storms and flooding that began on May 5. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

May 23

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Congressional Black Caucus;

-- President Vigdis Finnbogadottir of Iceland;

-- John H. Sununu, Chief of Staff to the President.

May 24

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush hosted a reception on the State Floor of the Residence for the Federal Judges Association.

May 25

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush went to Walter Reed Army Medical Center to visit Representative Claude Pepper, who had been hospitalized for a stomach ailment. The President presented the Presidential Medal of Freedom to Representative Pepper, in recognition of his long years of public service.

May 26

In the evening, the President and Mrs. Bush arrived at Ciampino Airport, Rome, Italy. Following the welcoming ceremony, they went to Villa Taverna, the home of the U.S. Ambassador and their residence during their stay in Italy.

May 27

In the morning, the President and U.S. Ambassador Maxwell Rabb went to Villa Madama, where they participated in a bilateral meeting with Prime Minister Ciriaco De Mita and U.S. and Italian officials.

In the afternoon, President Bush went to Quirinale Palace, where he participated in a bilateral meeting with President Francesco Cossiga and U.S. and Italian officials. President Bush then attended a luncheon hosted by President Cossiga in the State Dining Room at the palace. Following the luncheon, President Bush returned to Villa Taverna.

Later in the afternoon, the President hosted a reception in his residence. After the reception, the President and Mrs. Bush went to the Vatican for an audience with Pope John Paul II in the Papal Library.

In the evening, the President and Mrs. Bush attended a reception and dinner hosted by Prime Minister De Mita at Villa Madama. At the conclusion of the dinner, the President and Mrs. Bush returned to their residence.

May 28

In the morning, the President and Mrs. Bush attended Mass at the Church of San Francesco. Afterwards, they went to the Sicily-Rome American Cemetery, where they participated in a Memorial Day ceremony with Prime Minister De Mita and U.S. and Italian officials. Following the ceremony, the President and Mrs. Bush made a surprise visit to the helicopter carrier U.S.S. Guadalcanal, which was off the coast of Italy.

In the afternoon, the President and Mrs. Bush returned to Villa Taverna, where they and hosted a private luncheon for Prime Minister De Mita and U.S. and Italian officials. Later that afternoon, the President and Mrs. Bush left Rome and traveled to Brussels, Belgium, for the North Atlantic Treaty Organization summit.

In the evening, following the welcoming ceremony at Zaventem International Airport in Brussels, the President and Mrs. Bush went to Chateau Stuyvenberg, their residence during their stay in Belgium. At the chateau, the President participated in a bilateral meeting with Prime Minister Wilfried Martens and U.S. and Belgian officials.

May 29

In the morning, the President went to NATO Headquarters, where he met with Secretary-General Manfred Woerner and attended the opening ceremony and first working session of the summit.

In the afternoon, the President attended a luncheon at Brussels Palace hosted by King Baudouin I. Following the luncheon, the President returned to NATO Headquarters for the summit's second working session. At its conclusion, he returned to Chateau Stuyvenberg.

In the evening, the President attended a working dinner for NATO heads of state and government. Following the dinner, the President returned to his residence at Val Duchesse.

May 30

In the morning, the President went to NATO Headquarters, where he participated in the third working session of the summit and then met with members of the military staffs.

In the afternoon, President Bush went to Berlaymont, the European Commission Headquarters, where he met with Jacques Delors, President of the Commission of the European Communities, and other Commission representatives. Later, the President and Mrs. Bush left Brussels and traveled to Bonn, Federal Republic of Germany.

The President and Mrs. Bush arrived at Koln-Bonn Airport and went to Villa Hammerschmidt, the official residence of the West German President, where they participated in a welcoming

ceremony and a reception hosted by President Richard von Weizsacker. Later, the President and Mrs. Bush went to the U.S. Ambassador's residence and then to La Redoute Castle, where they attended a dinner hosted by Chancellor Helmut Kohl. Following the dinner, they returned to the Ambassador's residence, where they stayed overnight.

May 31

In the morning, President Bush attended a private breakfast at Villa Hammerschmidt hosted by President von Weizsacker and then went to the Chancellery, where he participated in a bilateral meeting with Chancellor Kohl and U.S. and West German officials.

In the afternoon, the President and Mrs. Bush, accompanied by Chancellor and Mrs. Kohl, went on a Rhine River cruise, leaving from Oberwesel and arriving at Koblenz. Later the President and Mrs. Bush participated in a departure ceremony at Rhein-Main Air Force Base and then traveled to London, United Kingdom.

Following a welcoming ceremony at Heathrow Airport, London, the President and Mrs. Bush went to Winfield House, their residence during their stay in the United Kingdom.

June 1

In the afternoon, the President and Mrs. Bush attended a luncheon at Buckingham Palace hosted by Queen Elizabeth II. Later in the afternoon they returned to Winfield House.

June 2

The President and Mrs. Bush left London and traveled to Kennebunkport, ME.

June 4

In the afternoon, the President and Mrs. Bush returned to the White House from Kennebunkport, ME, following their trip to Europe.

June 5

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Cabinet;

-- Chinese students, to discuss the situation in China;

-- members of the Domestic Policy Council;

-- members of the congressional leadership, to discuss the recent NATO summit.

June 6

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Transportation Samuel K. Skinner, for lunch;

-- members of the congressional leadership, to discuss environmental issues;

-- President Richard von Weizsacker of the Federal Republic of Germany.

In the afternoon, the President met with Soviet Ambassador Yuriy V. Dubinin at the Soviet Embassy, to discuss the gas pipeline explosion and train disaster that occurred on June 4 in the Soviet Union.

The President transmitted to the Congress:

-- the 10th annual report describing Federal actions with respect to the conservation and use of petroleum and natural gas in Federal facilities, which covers calendar year 1988;

-- the 1985, 1986, and 1987 reports of the Federal Prevailing Rate Advisory Committee.

June 7

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- President Kenneth D. Kaunda of Zambia;

-- Thomas S. Foley and Robert H. Michel, Speaker and minority leader of the House of

Representatives, respectively, for lunch;

-- Secretary of State James A. Baker III;

-- President Quett K.J. Masire of Botswana;

-- John H. Sununu, Chief of Staff to the President.

June 8

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- representatives of the Clean Air Business Group;

-- the Vice President, for lunch;

-- Citizens for a Sound Economy board members;

-- environmentalists;

-- John H. Sununu, Chief of Staff to the President.

The President declared that a major disaster exists in the counties of Androscoggin, Cumberland, Franklin, and Oxford in Maine as a result of severe storms and flooding that began on May 5. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

June 9

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Senator Pete V. Domenici of New Mexico;

-- chief educational officers of Catholic dioceses, to discuss tuition tax credits;

-- the rector of Complutense University in Madrid, Spain, to receive the Complutense Gold Medal in honor of signing an educational agreement with Spain;

-- editorial cartoonists, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President;

-- President Soeharto of Indonesia.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

June 11

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

June 12

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- a group of the Nation's Governors, to discuss the administration's clean air plan;

-- congressional staff members, to discuss the administration's clean air plan;

-- the congressional leadership, to discuss the administration's clean air plan.

The President declared that major disasters exist in areas located along the Yukon and Kuskokwim Rivers in Alaska as a result of flooding that began on May 1 and in areas of Ohio as a result of heavy rains and flooding that began on May 23. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the afternoon the President traveled to Yellowstone National Park, WY, where he toured Fountain Flats, an area of the park devastated by forest fires in 1988. He then traveled to the Grand Teton National Park, WY, where he remained overnight at the Brinkerhoff Guest House.

June 14

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President appointed Secretary of the Interior Manuel J. Lujan, Jr., as the Federal member of the Delaware and Susquehanna River Basin Commissions.

In the evening, the President and Mrs. Bush attended the President's Dinner at the Washington Convention Center.

June 15

The President met at the White House with John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush hosted a reception for members of the Republican National Committee on the State Floor at the White House.

In the evening, the President and Mrs. Bush attended a performance of ``Spirit of America'' at the Capital Centre.

June 16

The President met at the White House with:

-- the Vice President, for breakfast;

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the heads of Federal law enforcement agencies, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress fiscal year 1990 budget amendments totalling $1,189.1 million to implement his initiative to combat violent crime that was announced on May 15, 1989. These proposals would provide the following:

-- $1,119.6 million for the Department of Justice. Of this amount, $1 billion would be used to expand Federal prison capacity. Additional funds are also requested for legal activities of the Department, the FBI, the Immigration and Naturalization Service, and the Office of Justice Programs.

-- $50.7 million for the Federal judiciary, of which $40 million would cover the cost of processing increased numbers of criminal defendants and additional Federal criminal prosecutions. The remaining $10.7 million is included for the drug testing of all Federal prisoners released on probation, parole, or supervised release.

-- $18.8 million for the Department of the Treasury, to enable the Bureau of Alcohol, Tobacco, and Firearms to provide additional personnel to investigate assault weapon and other firearms violations by armed career criminals and repeat offenders.

The details of the President's initiative are contained in the fact sheet entitled ``Combating Violent Crime," issued by the White House Press Office on May 15.

The President declared that a disaster exists in Louisiana as a result of severe storms and tornadoes that struck the southern portion of the State on June 7 - 8.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

June 18

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

June 19

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- President Hugh Desmond Hoyte of Guyana;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint Secretary of Defense Richard B. Cheney, Secretary of Health and Human Services Louis W. Sullivan, and Secretary of State James A. Baker III to be government representatives on the Board of Governors of the American Red Cross, each for a term of 3 years.

June 20

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of the congressional leadership, to discuss defense issues;

-- Paul D. Coverdell, Director of the Peace Corps, for lunch;

-- John H. Sununu, Chief of Staff to the President.

June 21

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of Congress, to discuss voluntary steel import restrictions;

-- West German Foreign Minister Hans-Dietrich Genscher;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

June 22

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

June 23

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of Congress, to discuss the situations in Israel and China;

-- family members of James Chaney, Andrew Goodman, and Michael Schwerner, civil rights advocates slain 25 years ago in Mississippi;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

June 25

In the morning, the President met with Prime Minister Robert Hawke of Australia at Camp David, MD.

In the evening, the President and Mrs. Bush returned to the White House, and Prime Minister Hawke went to the Blair House, where he remained overnight.

June 26

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush attended the Marine Corps evening parade at the Marine Barracks in Washington, DC.

June 27

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

June 28

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Polish-American leaders;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and his grandson, George P. Bush, attended a Baltimore Orioles baseball game.

June 29

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Republican congressional leadership;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a dinner for the Cabinet in the Rose Garden.

June 30

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush left the White House and traveled to Kennebunkport, ME.

July 5

In the morning, the President and Mrs. Bush returned to the White House from Walker's Point, their home in Kennebunkport, ME.

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

July 6

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President and Mrs. Bush hosted a reception in the East Room for members of the Vote America Foundation, an organization that promotes voter registration among young adults.

The President transmitted to the Congress a package of fiscal year 1990 budget amendments. These proposals included the following:

-- $4.4 million for the Executive Office of the President to provide additional resources for the White House Office, the Office of Management and Budget, and the Office of Science and Technology Policy;

-- $66 million reduction for funds appropriated to the President. This reduction reflects a decision to restrict investment in management improvement initiatives to high priority projects;

-- appropriations language for the Department of Agriculture that would avoid any possibility of an end of year funding shortfall in the Food Stamp Program by providing indefinite spending authority. Similar language has been proposed for fiscal year 1989;

-- appropriations language that removes the cap on spending funds for fish and wildlife management and restoration that are derived from certain user fees and excise taxes;

-- $58.5 million for the Department of the Treasury to enable the Internal Revenue Service to increase tax collections by $150 million, as specified in the Bipartisan Budget Agreement. This proposal also includes changes in the appropriations language for the United States Mint and the Secret Service;

-- $0.3 million appropriations request to provide funding at the authorized level for the Martin Luther King, Jr., Federal Holiday Commission;

-- appropriations language to enable the U.S. Information Agency to reprogram $16 million to provide for the testing and first year of operations for television broadcasting to Cuba (TV Marti).

July 7

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, the President attended a swearing-in ceremony in the Oval Office for Adm. Richard H. Truly as Administrator of the National Aeronautics and Space Administration.

July 9

In the morning, the President and Mrs. Bush left the White House for a 9-day tour of Europe.

July 10

In the morning, the President and Mrs. Bush participated in wreath-laying ceremonies at the Tomb of the Unknown Soldier and at Umschlagplatz. Following the ceremonies, the President and Mrs. Bush greeted Jewish leaders and survivors of the Warsaw Ghetto.

In the afternoon, the President met with Prime Minister Mieczyslaw Rakowski at the Council of Ministers Building.

July 11

In the morning, the President and Mrs. Bush flew to Gdansk Airport in Poland, where they were met by local officials. They then went to the Oliwa Cathedral, where they met with Bishop Tadeusz Goclowski and toured the sanctuary.

In the afternoon, the President and Mrs. Bush attended wreath-laying ceremonies at the Westerplatte Monument. The President then went to Green Gate in Old Gdansk, where he was welcomed by local officials.

In the evening, the President and Mrs. Bush flew to Ferihegy Airport in Budapest, Hungary, where they were greeted by Hungarian and American officials. Later, President Bush met with President Bruno Straub at the National Parliament Building.

July 12

In the morning, the President met with Karoly Grosz and Rezso Nyers, General Secretary and Chairman of the Hungarian Socialist Workers' Party, respectively. He also met with Prime Minister Miklos Nemeth and Speaker of the Parliament Matyas Szuros.

In the afternoon, the President met at the U.S. Ambassador's residence with Minister of State Imre Pozsgay.

In the evening, the President and Mrs. Bush hosted a reception at the U.S. Ambassador's residence for members of the Hungarian community.

July 13

In the morning, the President and Mrs. Bush greeted members of the American Embassy community at the U.S. Ambassador's residence. They then flew to Orly Airport in Paris, where they were greeted by French and American officials. Later, they attended a ceremony at the Place du Trocadero celebrating the bicentennial of the French Revolution.

In the afternoon, President Bush attended a luncheon at the Palais de l'Elysee hosted by President Francois Mitterrand. Following the luncheon, he went to the U.S. Ambassador's residence for a presummit briefing with administration officials. Later, President Bush returned to the Palais de l'Elysee for a meeting with President Mitterrand and French and American officials. Following the meeting, President Bush participated in a Bastille key ceremony and then returned to the U.S. Ambassador's residence.

In the evening, the President and Mrs. Bush attended the opening of the Bastille Opera and then went to the Musee d'Orsay for a dinner hosted by President and Mrs. Mitterrand. Following the dinner, the President and Mrs. Bush returned to the U.S. Ambassador's residence.

July 14

In the morning, the President met with British Prime Minister Margaret Thatcher at the U.S. Ambassador's residence for breakfast. The President and Mrs. Bush then attended a Bastille Day parade at the Place de la Concorde.

In the afternoon, the President and Mrs. Bush attended a garden party hosted by President and Mrs. Mitterrand at the Ministry of Foreign Affairs. They then went to the Hotel de Lassay for a luncheon celebrating the French bicentennial. Following the luncheon, they returned to the U.S. Ambassador's residence, where President Bush met with President Felix Houphouet-Boigny of the Ivory Coast and Prime Minister Sosuke Uno of Japan. President Bush then went to the Pyramide du Louvre, where he attended the opening session of the 15th economic summit of industrialized nations.

In the evening, the President attended a working dinner for summit leaders at the Hotel de la Marine. Following the dinner, he was joined by Mrs. Bush, and they watched a bicentennial parade from the hotel balcony. They then returned to the U.S. Ambassador's residence.

July 15

During the first full day of the economic summit, the President participated in morning and afternoon plenary sessions and attended a working luncheon at the Arche de la Defense.

In the evening, President Bush participated in a summit working session at the Louvre. He then toured a medieval fortress and attended a dinner for summit leaders hosted by President Mitterrand.

July 16

In the morning, the President and Mrs. Bush attended a church service at the American Cathedral of Paris. The President then participated in morning and afternoon plenary sessions and attended a working luncheon at the Arche de la Defense.

July 17

In the morning, the President and Mrs. Bush flew to Schiphol Airport in Amsterdam, The Netherlands, where they were met by Dutch and American officials. Following an arrival

ceremony at the airport, they went to Noordeinde Palace, The Hague, where they had tea with Queen Beatrix. The President then met with Prime Minister Ruud Lubbers at Binnenhof, the parliamentary building complex.

In the afternoon, the President attended a working luncheon with Prime Minister Lubbers at Catshuis, the Prime Minister's official residence. Later, the President and Mrs. Bush toured the Pilgrim Fathers Exhibition and attended a reception hosted by local officials in Leiden.

July 18

In the morning, the President met with opposition leader Wim Kok at the U.S. Ambassador's residence. He then had breakfast with Dutch parliamentary leaders and Foreign Affairs Committee members. Following a departure ceremony at Schiphol Airport, the President and Mrs. Bush returned to Washington, DC.

The President declared that major disasters existed in areas of Texas as a result of damage caused by tropical storm Allison that occurred June 25 - July 7, and in Connecticut as a result of severe storms, high winds, and tornadoes that struck the western part of the State on July 10. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

July 19

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the congressional leadership, to discuss his recent trip to Europe and economic assistance for Poland and Hungary;

-- members of the Cabinet;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the annual report on developments in the field of automotive products occurring in 1985.

July 20

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- President France Albert Rene of Seychelles;

-- John H. Sununu, Chief of Staff to the President.

July 21

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- a group of Republican Representatives;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

July 23

The President and Mrs. Bush returned to the White House from Camp David, MD.

July 24

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- North Korean Foreign Minister Choi Ho Joong, to discuss the stationing of U.S. troops in the Republic of Korea;

-- Mayor Richard Daley of Chicago;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President had lunch on Capitol Hill with members of the House Ways and Means Committee.

In the evening, the President and Mrs. Bush attended the House Ways and Means Committee bicentennial dinner on Capitol Hill.

July 25

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Republican congressional leadership;

-- Secretary of Health and Human Services Louis W. Sullivan and Secretary of the Interior Manuel Lujan, Jr., for lunch;

-- John H. Sununu, Chief of Staff to the President.

In the morning, in an Oval Office ceremony, the President signed S.J. Res. 137, designating National Law Enforcement Training Week.

July 26

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Senate leadership, to discuss the Japan-U.S. produced FSX jet fighter;

-- Asian-American leaders;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President attended the House Gymnasium dinner on Capitol Hill.

July 27

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- ``Say Yes to Education'' students;

-- the Vice President, for lunch;

-- Prince Salman bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia;

-- John H. Sununu, Chief of Staff to the President.

July 28

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III.

The President announced the award of the Presidential Citizens Medal to Ezra Taft Benson.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

July 30

The President returned to the White House from Camp David, MD.

July 31

In the evening, the President met at the White House with congressional leaders to discuss the hostage situation in Lebanon.

August 1

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- senior advisers, to discuss the hostage situation in Lebanon;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that at the invitation of President Bush, Spanish Prime Minister Felipe Gonzalez Marquez will make an official working visit to Washington in October. Prime Minister Gonzalez is scheduled to meet with the President on October 19. The President will host a luncheon that same day in honor of the Spanish Prime Minister.

The White House announced that the President called His Holiness Pope John Paul II this afternoon to urge the Holy Father's intercession to have the body of Lt. Col. William R. Higgins returned as a humanitarian gesture, although there was still no direct confirmation of his death.

The President and the Holy Father also discussed the situation in Lebanon, the escalation of the fighting, the shelling, and the difficulty of the Arab League's peace efforts.

August 2

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- senior advisers, to discuss the hostage situation in Lebanon;

-- Secretary of State James A. Baker III;

-- Gov. Bob Martinez of Florida;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the first biennial revision (1990 - 91) to the U.S. Arctic Research Plan.

August 3

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- William J. Bennett, Director of the Office of National Drug Control Policy;

-- John H. Sununu, Chief of Staff to the President.

In a ceremony on the State Floor of the Residence, the President received diplomatic credentials from Ambassadors Margaret M. Taylor (New Guinea), Peter Dyvig (Denmark), Anders Thunborg (Sweden), Michael Sherifis (Cyprus), Zulfiqar Ali Khan (Pakistan), and Abdullah bin Zayed Al Nuhayyan (United Arab Emirates).

The President announced the members of the U.S. delegation to the inaugural ceremonies for Jaime Paz Zamora as President of Bolivia, August 4 - 7:

Delegation Chairman

Lauro F. Cavazos, Secretary of Education

Delegates

B.B. Anderson, of Kansas

Jeanie R. Austin, of Florida

Prescott S. Bush, Jr., of Connecticut

Oscar Padilla, of California

August 4

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President

for National Security Affairs; and members of the CIA briefing staff;

-- Senator George J. Mitchell, to discuss the status of Presidential appointments being considered by the Congress;

-- Michael J. Boskin, Chairman of the Council of Economic Advisers;

-- Secretary of State James A. Baker III;

-- the Nicaraguan Resistance Political Military Commission, to discuss the situation in Nicaragua;

-- John H. Sununu, Chief of Staff to the President.

In an Oval Office ceremony, the President signed H.R. 968, the Noise Reduction Reimbursement Act of 1989.

In the evening, the President and Mrs. Bush attended a baseball game at Memorial Stadium in Baltimore. Following the game, they left for a weekend stay at Camp David, MD.

August 6

In the evening, the President returned to the White House from Camp David, MD.

August 7

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President participated in a swearing-in ceremony in the Oval Office for Michael R. Deland as Chairman of the Council on Environmental Quality.

In the evening, the President telephoned Representative E. Clay Shaw, Jr., who was cohosting a town meeting in Fort Lauderdale, FL, to discuss the rising drug problem in the area.

August 8

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Egyptian Defense Minister Youssef Sabry Abu Taleb;

-- John H. Sununu, Chief of Staff to the President.

August 9

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, the President toured the Saudi cultural exhibition at the Washington Convention Center.

The President sent a message to Prime Minister Toshiki Kaifu of Japan, congratulating him on his election to office.

In the evening, the President telephoned Prime Minister Yitzhak Shamir of Israel to discuss the hostage situation in the Middle East.

August 10

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- James E. Burke, president of the Media Advertising Partnership for a Drug-Free America;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush attended a performance of the musical ``Gypsy'' at the John F. Kennedy Center for the Performing Arts.

August 11

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- representatives of the handicapped, to discuss proposed civil rights legislation;

-- business community leaders, to discuss proposed civil rights legislation;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

August 13

In the afternoon, the President returned to the White House from Camp David, MD.

In the evening, the President dined at the Vice President's Residence.

August 14

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In a ceremony in the Residence, the President received diplomatic credentials from Ambassadors Miguel Angel Salaverria (El Salvador), Nuzhet Kandemir (Turkey), Karan Singh (India), and Siosaia Ma'Ulupekotofa Tuita (Tonga).

In the afternoon, the President hosted a reception in the Residence for the George Bush for President committee and the Victory '88 finance committee.

August 15

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Domestic Policy Council;

-- Gov. Mario Cuomo of New York;

-- John H. Sununu, Chief of Staff to the President.

In the morning and afternoon, the President attended drug policy discussions in the Roosevelt Room.

August 16

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

August 17

The President met at Walker's Point, his home in Kennebunkport, ME, with Robert M. Gates, Assistant to the President and Deputy for National Security Affairs.

August 24

The President met with Danish Prime Minister Poul Schluter at Walker's Point in Kennebunkport, ME.

August 28

The President granted an appeal by the State of Maryland for a major disaster declaration to assist in the recovery from damages caused by severe storms and high winds that struck the State on June 14 - 15. The President's action followed a review of detailed actual cost data compiled by the State and affected local governments, which showed costs of $4.9 million incurred by Montgomery County and several independent local communities.

The President determined that damages to public property in the District of Columbia caused by severe storms and high winds on June 14 - 15 were severe enough to grant an appeal of an earlier request for a major disaster declaration. The President took the action after reviewing the results of damage survey reassessments conducted by the Federal Emergency Management Agency in the District's Northwest quadrant. These surveys indicated that cleanup costs greatly exceeded original estimates and a severe health and safety problem persisted in the community.

August 30

In the afternoon, the President addressed the Kennebunk-Kennebunkport Chamber of Commerce in Kennebunkport, ME.

Later, the President met with Prime Minister Brian Mulroney of Canada for a private working visit at Walker's Point in Kennebunkport, ME.

August 31

The President announced that the following individuals will represent him at ceremonies marking the 50th anniversary of the outbreak of World War II in Warsaw, Poland, August 31 - September 1, 1989:

The President's Personal Representative:

Secretary of Veterans Affairs Edward J. Derwinski

Representative:

John R. Davis, Jr., U.S. Ambassador to Poland

September 4

In the afternoon, the President and Mrs. Bush returned to the White House from their vacation in Kennebunkport, ME.

September 5

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the congressional leadership, to discuss the national drug control strategy;

-- enforcement, rehabilitation, and education experts, to discuss the national drug control strategy;

-- drug control working groups, to discuss the national drug control strategy.

In the afternoon, the President held an intergovernmental briefing in the Cabinet Room at the White House to discuss the national drug control strategy.

The President announced his decision to appoint the following individuals as members of the Advisory Council on Historic Preservation:

Paul Bateman, Deputy Assistant to the President for Management and Director of the Office of Administration. He would succeed Gordon Grant Riggle.

Jack Kemp, Secretary of Housing and Urban Development. He would succeed Samuel R. Pierce, Jr.

Samuel K. Skinner, Secretary of Transportation. He would succeed James H. Burnley IV.

September 6

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the 20th annual report of the National Corporation for Housing Partnerships and the National Housing Partnership for the fiscal year ending February 28, 1989.

September 7

The President met at the White House with:

-- John H. Sununu, Chief of the Staff to the President; Brent Scowcroft, Assistant to the

President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Representative Ileana Ros-Lehtinen of Florida;

-- the Republican congressional leadership;

-- John H. Sununu, Chief of Staff to the President.

September 8

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

September 10

In the afternoon, the President and Mrs. Bush returned to the White House from Camp David, MD.

September 11

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- British Foreign Secretary John Major, to discuss Prime Minister Thatcher's upcoming visit to Washington and the political situations in Poland, Hungary, and Lebanon;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

The President declared that a major disaster existed in Vermont because of severe storms and flooding that occurred August 4 - 5. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

September 12

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Republican congressional leadership;

-- space shuttle Columbia crewmembers;

-- Indiana Republican Party donors;

-- Crown Prince Hassan bin-Talal of Jordan;

-- John H. Sununu, Chief of Staff to the President.

September 13

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- leaders of the national education associations;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

September 14

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

The President today announced his intention to nominate the following individuals to be delegates of the United States of America to the 33d Session of the General Conference of the

International Atomic Energy Agency:

James D. Watkins, of California, to be the Representative. Currently, Admiral Watkins serves as the Secretary of Energy.

Kenneth M. Carr, of Connecticut, to be an Alternate Representative. Since 1986, Mr. Carr has served as Commissioner of the Nuclear Regulatory Commission in Rockville, MD. Prior to this, Mr. Carr served as Deputy and Chief of Staff to the Commander in Chief of the Atlantic Command and the Commander in Chief of the U.S. Atlantic Fleet.

Richard T. Kennedy, of the District of Columbia, to be an Alternate Representative. Ambassador Kennedy has served as an Ambassador-at-Large and Special Adviser to the Secretary of State for Nuclear Non-Proliferation Policy and Nuclear Energy Affairs at the Department of State, 1982 - 1988.

Michael H. Newlin, of Maryland, to be an Alternate Representative. Ambassador Newlin currently serves as United States Representative to the Vienna Office of the United Nations and Deputy Representative to the International Atomic Energy Agency. Prior to this, he served as Principal Deputy Assistant Secretary of State for Consular Affairs.

In the evening, the President attended a performance of the musical ``The Three-penny Opera'' at the National Theatre.

September 15

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- State legislators and local elected officials;

-- President Julio Maria Sanguinetti of Uruguay;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

September 20

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Republican congressional leadership;

-- Gov. Tommy G. Thompson of Wisconsin;

-- education leaders;

-- Secretary of State James A. Baker III;

-- Prime Minister Lloyd Erskine Sandiford of Barbados;

-- John H. Sununu, Chief of Staff to the President.

The President declared that a major disaster existed in the Virgin Islands as a result of Hurricane Hugo, which struck September 17 - 18. He directed the Federal Emergency Management Agency to provide assistance to support State and local recovery efforts.

The President announced his intention to nominate the following individuals to be Representatives and Alternate Representatives of the United States of America to the 44th Session of the General Assembly of the United Nations:

Pearl Bailey, of Arizona, to be a Representative. Mrs. Bailey is an entertainer and author.

Sam Gejdenson, of Connecticut, to be a Representative. Mr. Gejdenson is a U.S. Representative from the State of Connecticut.

Thomas R. Pickering, of New Jersey, to be a Representative. Ambassador Pickering is U.S. Ambassador to the United Nations.

Christopher H. Smith, of New Jersey, to be a Representative. Mr. Smith is a U.S. Representative from the State of New Jersey.

Alexander F. Watson, of Massachusetts, to be a Representative. Currently he serves as the Ambassador to Peru.

Barbara H. Franklin, of Pennsylvania, to be an Alternate Representative. Ms. Franklin serves as president and chief executive officer of Franklin Associates in Washington, DC.

Gary E. MacDougal, of Illinois, to be an Alternate Representative. He has served as chairman, chief executive officer, and chairman of the board for Mark Controls Corp. in Skokie, IL.

Jonathan Moore, of Massachusetts, to be an Alternate Representative. Currently Mr. Moore serves as Alternate Representative of the United States of America for Special Political Affairs in the United Nations.

Milton J. Wilkinson, of New Hampshire, to be an Alternate Representative. Currently Mr. Wilkinson serves as Deputy Assistant Secretary of State for European and Canadian Affairs at the Department of State in Washington, DC.

The President announced his intention to appoint Samuel K. Skinner to be a member of the Advisory Commission on Conferences in Ocean Shipping. This is a new position. Currently Mr. Skinner serves as the Secretary of Transportation.

September 21

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- former President Jimmy Carter, to discuss the upcoming Nicaraguan national elections;

-- William J. Bennett, Reggie Walton, and Herbert Kleber, Director, Associate Director, and Deputy Director of National Drug Control Policy, respectively, to discuss drug control strategy;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the Commodity Credit Corporation report for fiscal year 1986 and the report on U.S. Government involvement in the United Nations and its affiliated agencies.

September 22

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- His Holiness Pope Shenouda III of the Coptic Christian Church, to demonstrate support for pluralism and interfaith relations in the Middle East;

-- Linda Evans, honorary chairman of the Take Pride in America program.

In the morning, the President attended a ceremony marking the bicentennial of the Office of the Attorney General at the Departmental Auditorium in Washington, DC. He then addressed members of the farming community in a radio broadcast from the Department of Agriculture.

The President declared that a major disaster existed in South Carolina as a result of Hurricane Hugo, which struck September 21 - 22. He directed the Federal Emergency Management Agency to provide assistance to support State and local recovery efforts.

September 25

In the morning, the President traveled from Kennebunkport, ME, to New York, NY.

In the afternoon, the President met with United Nations Secretary-General Javier Perez de Cuellar de la Guerra. Following the meeting, the President traveled to the Waldorf Astoria Hotel, where he hosted a luncheon in the Conrad Room for North Atlantic Treaty Organization allies.

Following the luncheon, President Bush participated in bilateral meetings with: President Jose Sarney Costa of Brazil, Vice Prime Minister and Finance Minister Shimon Peres of Israel, President Vinicio Cerezo Arevalo of Guatemala, President Jaime Paz Zamora of Bolivia, and President Carlos Andres Perez of Venezuela. Later President Bush met with Foreign Minister Moshe Arens of Israel.

In the evening, the President and Mrs. Bush hosted a diplomatic reception and dinner at the Metropolitan Museum of Art. Following the dinner, the President and Mrs. Bush returned to Washington, DC.

The President declared a major disaster existed in the State of North Carolina and ordered Federal aid to supplement State and local recovery efforts in the area struck by Hurricane Hugo on September 22. The President's action affected individuals and local governments in Gaston, Lincoln, Mecklenburg, and Union Counties.

September 26

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- West German Finance Minister Gerhard Stoltenberg and CSU Party chairman Dr. Theo Waigel;

-- nuclear arms control negotiators;

-- the congressional leadership;

-- the Business Roundtable Education Task Force.

In the late afternoon, the President and Mrs. Bush hosted a reception in the Residence for the Finance Ministers of the Group of Seven industrialized nations and commercial bankers.

In the evening, the President and Mrs. Bush attended the American Film Institute 25th anniversary dinner at the National Building Museum.

September 27

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Greg LeMond, winner of the Tour de France;

-- Brent Royer, Boys Club of America National Youth of the Year.

In the afternoon, the President and Mrs. Bush left the White House to attend the education summit in Charlottesville, VA.

The President designated the following individuals to serve as members of the Board of Directors of the Overseas Private Investment Corporation:

Charles H. Dallara, an Assistant Secretary of the Treasury.

Michael Philip Skarzynski, an Assistant Secretary of Commerce.

September 28

Throughout the day, the President and Mrs. Bush participated in working group sessions with Governors and Cabinet members at the education summit in Charlottesville, VA.

The President announced his intention to appoint the following-named persons to be members of the President's Commission on Aviation Security and Terrorism (new positions):

Member and Chairman:

Ann Dore McLaughlin, of the District of Columbia, currently a visiting fellow at the Urban Institute in Washington, DC, and former Secretary of Labor.

Members:

Edward Hidalgo, of Virginia, currently an attorney in private practice.

Gen. Thomas C. Richards, of Texas, currently the Deputy Commander in Chief, U.S. European Command, Stuttgart-Vaigingen, West Germany.

Senator Alfonse M. D'Amato, of New York.

Senator Frank R. Lautenberg, of New Jersey.

Representative John Paul Hammerschmidt, of Arkansas.

Representative James L. Oberstar, of Minnesota.

September 29

The President met at the White House with:

-- the Vice President, for lunch;

-- Crown Prince Felipe of Spain;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President signed the Energy and Water Development Appropriations Act, 1990, in an Oval Office ceremony.

The President also signed the National Quality Month proclamation in an Oval Office ceremony.

The President appointed the following individuals to be members of the Advisory Commission on Intergovernmental Relations for a term of 2 years:

Debra Rae Anderson, Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs at the White House. She would succeed Karen Spencer.

Arthur J. Holland, Mayor of Trenton, NJ. He would succeed Henry W. Maier.

Mary Ellen Joyce, of Virginia. She serves as a State government relations representative. She would succeed James S. Dwight, Jr.

Samuel Knox Skinner, Secretary of Transportation. He would succeed Ann Dore McLaughlin.

In the afternoon, the President and Mrs. Bush left the White House for a weekend stay at Camp David, MD.

October 1

In the evening, the President returned to the White House from Camp David, MD.

October 2

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- President Mohammed Hosni Mubarak of Egypt;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to nominate the following individuals to be Associate Directors of the Office of Science and Technology Policy:

J. Thomas Ratchford, of Virginia. He would succeed John P. McTague. Currently Dr. Ratchford serves as associate executive officer for the American Association for Advancement of Science in Washington, DC. Prior to this, he served as a science consultant for the Committee on Science and Technology of the United States House of Representatives, 1970 - 1977; and as a research scholar at the International Institute for Applied Systems Analysis in Laxenburg, Austria, 1976.

James B. Wyngaarden, of North Carolina. He would succeed Thomas P. Rona. Since 1982 Dr.

Wyngaarden has served as Director of the National Institutes of Health in Bethesda, MD. Prior to this, he served as Frederic M. Hanes professor and chairman of the department of medicine at Duke University, 1967 - 1982.

October 3

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Adm. William J. Crowe Jr., former Chairman of the Joint Chiefs of Staff;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

October 4

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- President Mobutu Sese Seko of Zaire;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President attended a fundraising dinner for Republican gubernatorial candidate J. Marshall Coleman in Chantilly, VA. He then attended the Challenger Center for Space Education gala dinner at the Ramada Renaissance Hotel in Washington, DC.

October 5

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- prospective State legislative candidates;

-- the Vice President, for lunch;

-- members of the Commission on Workforce Quality and Labor Market Efficiency;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President attended a memorial service for Bishop John Walker at National Cathedral.

October 6

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President directed the Federal Emergency Management Agency to increase Federal disaster relief assistance to South Carolina.

October 8

In the afternoon, the President addressed the National Federation of Republican Women at the Convention Center in Baltimore, MD. Following his remarks, he returned to Camp David, MD.

October 9

In the afternoon, the President and Mrs. Bush returned to the White House.

October 10

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Cabinet;

-- John H. Sununu, Chief of Staff to the President.

The President directed the Federal Emergency Management Agency to increase Federal disaster

relief assistance to Puerto Rico for the restoration of property damaged by Hurricane Hugo.

In the evening, the President and Mrs. Bush attended the world premiere of the President's Ballet, performed by the Joffrey Ballet at the John F. Kennedy Center for the Performing Arts.

October 11

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint John H. Sununu, Chief of Staff to the President, to be a member of the Board of Trustees of the Woodrow Wilson International Center for Scholars.

October 12

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President directed the Federal Emergency Management Agency to increase Federal disaster relief assistance to the U.S. Virgin Islands for the restoration of property damaged by Hurricane Hugo.

October 13

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President attended the Republican Eagles luncheon at the Grand Hyatt Hotel. He then returned to the White House, where he participated in a swearing-in ceremony for D. Allan Bromley as Director of the Office of Science and Technology Policy.

Later, the President left the White House for a weekend stay at Camp David, MD.

October 15

In the afternoon, the President returned to the White House from Camp David, MD.

October 16

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Dr. T.D. Lee, physicist and Nobel Prize winner, to discuss educational and scientific cooperation between China and the United States;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a dinner in the Residence for Adm. and Mrs. William J. Crowe, Jr.

October 17

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Cabinet;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President participated in a swearing-in ceremony in the Oval Office for

Daphne W. Murray as Director of the Institute of Museum Services.

The President announced his intention to nominate Bernard W. Aronson to be a member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1990. He would succeed Elliot Abrams. Currently Mr. Aronson serves as Assistant Secretary of State for Inter-American Affairs.

October 18

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President, for a status report on the San Francisco Bay area earthquake;

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Republican congressional leadership;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President attended a fundraising dinner for Senator Ted Stevens at the Madison Hotel.

The President declared that a major disaster existed in California as a result of the earthquake that struck October 17. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts. The President's action affected the city and county of San Francisco, and Alameda, Monterey, San Benito, San Mateo, Santa Clara, and Santa Cruz Counties.

October 19

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President visited the ``Witness to History -- 150 Years of Photo Journalism" exhibit at Union Station.

October 22

In the afternoon, the President and Mrs. Bush returned to the White House from Camp David, MD.

October 23

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

October 24

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Republican congressional leadership, to discuss the budget and the capital gains tax;

-- spouses of Cabinet members, for lunch;

-- members of the House of Representatives Republican Research Committee's Project 101 group, which is concerned with environmental and conservation issues;

-- John H. Sununu, Chief of Staff to the President.

In a ceremony in the Residence, the President received diplomatic credentials from Ambassadors Peter Varkonyi (Hungary), Stanislaus Garikai Chigwedere (Zimbabwe), Mohamed Sadiq Al-Mashat (Iraq), Guido Di Tella (Argentina), Paul J.F. Lusaka (Zambia), and Christos Zacharakis (Greece).

The President announced his intention to appoint the following individuals to be Chairman and members of the President's Education Policy Advisory Committee:

Chairman:

Paul H. O'Neill, of Pennsylvania. Mr. O'Neill is chief executive officer of the Aluminum Company of America.

Members:

John F. Akers, of Connecticut. Mr. Akers is chairman of the board of the International Business Machines Corp.

Lamar Alexander, of Tennessee. Mr. Alexander is president of the University of Tennessee.

Carolyn R. Bacon, of Texas. Ms. Bacon is executive director of the O'Donnell Foundation.

Thomas E. Barton, Jr., of South Carolina. Mr. Barton is president of Greenville Technical College.

William E. Brock, of Tennessee. Mr. Brock is president of the Brock Group.

Juana Dainis, of New York. Ms. Dainis is deputy superintendent of schools, District 4, East Harlem, New York City.

James E. Duffy, of New York. Mr. Duffy is vice president of Capital Cities/ABC, Inc.

Jaime Escalante, of California. Mr. Escalante is an educator at Garfield High School in Los Angeles.

Marvin L. Esch, of Michigan. Mr. Esch is president of the Communications Group.

H. Dean Evans, of Indiana. Mr. Evans is superintendent of public instruction for the State of Indiana.

Chester E. Finn, Jr., of Maryland. Mr. Finn is director of the Educational Excellence Network.

Keith B. Geiger, of Michigan. Mr. Geiger is president of the National Education Association.

Wyatt T. Johnson, Jr., of California. Mr. Johnson is vice chairman of the Times-Mirror Co.

Thomas H. Kean, of New Jersey. Mr. Kean is Governor of New Jersey.

David T. Kearns, of Connecticut. Mr. Kearns is chief executive officer of Xerox Corp.

Ann Lynch, of Nevada. Ms. Lynch is president of the National Parents and Teachers Association.

Modesto Maidique, of Florida. Mr. Maidique is president of Florida International University.

Joe Nathan, of Minnesota. Mr. Nathan is senior fellow at the Humphrey Institute of Public Affairs at the University of Minnesota.

James R. Oglesby, of Virginia. Mr. Oglesby is president of the National School Boards Association.

Frank H.T. Rhodes, of New York. Mr. Rhodes is president of Cornell University.

Albert Shanker, of Washington, DC. Mr. Shanker is president of the American Federation of Teachers.

Donald M. Stewart, of New York. Mr. Stewart is president of the College Board.

Robert M. Teeter, of Michigan. Mr. Teeter is president of the Coldwater Corp.

October 25

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- a group of Democratic Senators, to discuss the capital gains tax;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Policy and Negotiations for terms of 2 years:

Edwin L. Artzt, of Ohio. Mr. Artzt is vice chairman of the board and president of Procter and Gamble in Cincinnati, OH.

Curtis H. Barnette, of Pennsylvania. Mr. Barnette is senior vice president and director of Bethlehem Steel Corp. in Bethlehem, PA.

Lawrence A. Bossidy, of Connecticut. Mr. Bossidy is vice chairman of the board of General Electric in Fairfield, CT.

Donald Butler, of California. Mr. Butler is president of Shasta Foods International in Gonzales, CA.

Trammell Crow, of Texas. Mr. Crow is chairman of Trammell Crow Co. in Dallas, TX.

Dean R. Kleckner, of Iowa. Mr. Kleckner is president of the American Farm Bureau Federation in Park Ridge, IL.

N.J. Nicholas, Jr., of New York. Mr. Nicholas is president and chief executive officer of Time, Inc., in New York City.

John J. Phelan, Jr., of New York. Mr. Phelan is chairman and chief executive officer of the New York Stock Exchange in New York City.

Lawrence R. Pugh, of Pennsylvania. Mr. Pugh is chairman and chief executive officer of VF Corp. in Wyomissing, PA.

James D. Robinson III, of Connecticut. Mr. Robinson is chairman, chief executive officer, and president of the American Express Co. in New York City.

George A. Schaefer, of Illinois. Mr. Schaefer is chairman and chief executive officer of Caterpillar, Inc., in Peoria, IL.

Frank A. Shrontz, of Washington. Mr. Shrontz is chairman and chief executive officer of the Boeing Co. in Seattle, WA.

Linda J. Wachner, of California. Ms. Wachner is president and chief executive officer of Warnaco, Inc., in New York City.

Marina v. N. Whitman, of Michigan. Dr. Whitman is vice president and a group executive of the General Motors Corp. in Detroit, MI.

October 26

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Members of Congress and the Cabinet, to discuss new food safety proposals;

-- Yevgeniy Primakov, head of a delegation of Members of the Soviet Parliament;

-- John H. Sununu, Chief of Staff to the President.

October 27

In the morning, the President traveled to San Jose, Costa Rica, to attend the centennial celebration of Costa Rican democracy. Upon arrival, the President met with President Oscar Arias Sanchez of Costa Rica at the Hotel Cariari. He then attended the welcoming session for regional leaders at the Cariari Club Convention Hall. Following the session, the President went to his suite, his residence during his stay in Costa Rica.

In the afternoon, the President attended a luncheon for regional leaders in the Salon Corcori at the hotel. Following the luncheon, he went to the Cariari Club Conference Room for a working session with regional leaders.

In the evening, the President attended a reception and dinner for regional leaders at the National Theater. Following the dinner, the President returned to the Hotel Cariari.

October 28

In the morning, the President attended a coffee for regional leaders at the Salon Corcori. Later, he toured the National Museum with Secretary of State James A. Baker III and participated in the dedication ceremony of Democracy Plaza.

In the afternoon, the President left San Jose and returned to Washington, DC.

October 29

The President received a telephone call from former President Ronald Reagan on the status of Japan-U.S. relations following Mr. Reagan's trip to Japan.

October 30

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the report on Federal energy conservation programs for fiscal year 1988.

October 31

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the congressional leadership;

-- John H. Sununu, Chief of Staff to the President.

November 1

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that in accordance with an agreement with Maltese authorities the informal meeting between President Bush and Soviet President Mikhail S. Gorbachev will take place December 2 and 3 on U.S. and Soviet naval vessels in the waters off Malta.

In the evening, the President and Mrs. Bush hosted a dinner in the State Dining Room at the White House for members of Team 101, a national volunteer service group.

November 2

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- officers of the National Association of Home Builders;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President hosted a reception on the State Floor at the White House for members of the Media Advertising Partnership for a Drug-Free America.

November 3

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Following his visits to Richmond and Norfolk, VA, and Bloomfield, NJ, the President went to Camp David, MD, for a weekend stay.

November 4

In the morning, the President met with advisers at Camp David, MD, to discuss his upcoming meeting with President Mikhail S. Gorbachev of the Soviet Union.

November 5

In the evening, President Bush had dinner with former President Richard M. Nixon in the Residence to discuss Mr. Nixon's trip to China.

November 6

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Prime Minister Kamisese Mara of Fiji;

-- former national security adviser Zbigniew Brzezinski, for lunch, to discuss current developments in the Soviet Union;

-- Agostino Cardinal Casaroli, Secretary of State of the Vatican;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President attended a reception in the Residence for members of GOPAC, an organization which provides instruction and information on promoting Republican candidates on the local level.

November 7

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- leaders of the American-Jewish Joint Distribution Committee, an organization which provides relief and welfare services to Jewish communities in 34 countries;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President attended a fundraising reception for Senator Mark Hatfield of Oregon at the National Republican Senatorial Committee headquarters.

November 8

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- the Republican congressional leadership;

-- members of the Heritage Foundation's President's Club.

The White House announced the members of the Presidential delegation to observe the Constituent Assembly election in Namibia, November 9 - 15:

Delegation Chairman

The Honorable Edmund Muskie

Congressional Delegates

The Honorable Dan Burton (R-IN)

The Honorable Robert Dornan (R-CA)

The Honorable Donald M. Payne (D-NJ)

Public Delegate

The Honorable John Bolton, Assistant Secretary of State

Private Delegates

Fred Bush (MD)

Hodding Carter (VA)

Maurice Dawkins (VA)

Jeanne Ferst (GA)

Jack Stein (NY)

Dr. Alvin Thomas (TX)

November 9

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

The President declared that a major disaster existed in Buchanan County, Virginia as a result of severe storms, flooding, and mudslides that occurred October 16 - 17. He directed the Federal

Emergency Management Agency to provide assistance to supplement local recovery efforts.

The White House announced that the President will meet with Israeli Prime Minister Yitzhak Shamir on Wednesday, November 15. The Prime Minister will be in Washington for a private visit. The President is taking advantage of this opportunity to meet with Prime Minister Shamir to discuss how to advance the Middle East peace process.

In the evening, the President hosted a state dinner for President Corazon C. Aquino of the Philippines in the State Dining Room at the White House.

November 10

In the morning, the President traveled to Dallas, TX.

November 11

The White House announced that Soviet President Mikhail S. Gorbachev sent an informal message to President Bush on Friday, November 10, to express his support for the decisions being taken by the new East German leadership. He underscored the importance of the changes taking place there and expressed the hope that the situation will remain calm and peaceful. The informal message was sent by cable and delivered to President Bush Friday afternoon in Dallas, TX.

November 13

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President participated in a swearing-in ceremony in the Oval Office for John Frohnmayer as Chairman of the National Endowment for the Arts.

November 14

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Kiichi Miyazawa, senior leader of the Liberal Democratic Party in Japan;

-- President Zine El Abidine Ben Ali of Tunisia;

-- members of the Presidential Election Monitoring Commission on Nicaragua;

-- John H. Sununu, Chief of Staff to the President.

In an Oval Office ceremony, the President received the official 1989 Christmas Seals of the American Lung Association from the honorary chairmen, Tom and Dick Smothers.

In the evening, the President hosted a dinner in the Residence for Solidarity leader Lech Walesa.

November 15

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch.

In the morning, the President participated in a swearing-in ceremony for Jane Kenny as Director of ACTION in the Oval Office at the White House.

November 16

The President met at the White House with John H. Sununu, Chief of Staff to the President.

In the morning, the President attended the funeral of C. Fred Chambers in Houston, TX. He returned to the White House in the afternoon.

The White House announced President Bush sent a message to Soviet President Mikhail S. Gorbachev expressing support for the changes taking place in the Soviet Union.

November 17

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- black leaders, to discuss the Commission on Civil Rights and other issues;

-- space shuttle Atlantis crewmembers;

-- Secretary of State James A. Baker III;

-- former U.S. Ambassadors to the Soviet Union, including George F. Kennan, Malcolm Toon, Thomas J. Watson, and Arthur A. Hartman, to discuss the upcoming meeting with Soviet President Mikhail S. Gorbachev in Malta;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the annual report on the status of the National Wilderness Preservation System for calendar year 1987.

In the afternoon, the President left the White House for a weekend stay at Camp David, MD.

November 18

President Bush met at Camp David with private sector specialists and scholars to discuss the Soviet Union and East-West relations, in preparation for his upcoming meeting with Soviet President Mikhail S. Gorbachev in Malta.

November 19

In the afternoon, the President and Mrs. Bush returned to the White House from Camp David, MD.

November 20

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, the President traveled to Chicago, IL.

November 21

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- former U.S. Ambassador to the United Nations Jeane J. Kirkpatrick and former Secretary of Defense James R. Schlesinger, to discuss the upcoming meeting with Soviet President Mikhail S. Gorbachev in Malta;

-- members of the congressional leadership;

-- conservative evangelical leaders;

-- the Education Policy Advisory Committee;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President signed the National Family Week proclamation in an Oval Office ceremony.

In the afternoon, the President participated in a swearing-in ceremony for Martin L. Allday as Chairman of the Federal Energy Regulatory Commission.

November 22

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President met at the Memphis Baptist Medical Center in Memphis, TN, with Roy Lee ``Chucky'' Mullins, a 20-year-old University of Mississippi football player who was seriously injured in the football game with Vanderbilt University on October 28th.

The President declared that a major disaster existed in the Louisiana Parishes of Jefferson, Orleans, and St. Charles as a result of heavy rains and flooding that occurred November 7 - 9. He directed the Federal Emergency Management Agency to provide assistance to supplement local recovery efforts.

November 26

In the morning, the President met with advisers at Camp David, MD, to discuss his upcoming

meeting with Soviet President Mikhail S. Gorbachev in Malta. In the afternoon, he returned to the White House.

November 27

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System, to discuss the Chairman's recent trip to the Soviet Union and Soviet economic policy;

-- John H. Sununu, Chief of Staff to the President.

November 28

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- advisers and staff, for a series of briefings on his upcoming meeting with Soviet President Mikhail S. Gorbachev in Malta;

-- John H. Sununu, Chief of Staff to the President.

November 29

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President;

-- advisers and staff, for a briefing on his upcoming meeting with Soviet President Mikhail S. Gorbachev.

November 30

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Cabinet;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President telephoned Prime Minister Giulio Andreotti of Italy and President Francois Mitterrand of France to discuss his upcoming meeting with President Mikhail S. Gorbachev of the Soviet Union.

The President recess-appointed the following persons to be members of the Board of Directors of the Legal Services Corporation:

John N. Erlenborn, of Virginia. He will succeed Pepe J. Mendez, resigned. Mr. Erlenborn is a partner with the law firm of Seyfarth, Shaw, Fairweather & Geraldson, of Washington, DC.

J. Blakeley Hall, of Texas. He will succeed Leaanne Bernstein, term expired. Mr. Hall is an attorney with the Law Offices of Ralph M. Hall, of Rockwall, TX.

The White House announced that the President has invited Prime Minister Anibal Cavaco Silva of Portugal to make an official working visit to the United States. Prime Minister Cavaco has accepted the invitation and will meet with the President at the White House on January 11.

The President transmitted to the Speaker of the House and the President of the Senate the Aggregate Report on Personnel for fiscal year 1989.

December 1

In the morning, the President arrived at Luga Airport in Valletta, Malta, for his meetings with Chairman Mikhail S. Gorbachev of the Soviet Union. At the airport, the President was greeted by Maltese and American officials. The President then went to l'Auberge de Castille, where he met with Prime Minister Eddie Fenech Adami of Malta.

In the afternoon, the President went to the U.S.S. Belknap, his residence during the meetings

with Chairman Gorbachev.

In the evening, the President attended a dinner aboard the U.S.S. Belknap, where he was joined by Sally Novetzke, U.S. Ambassador to Malta, and her husband, Dick Novetzke; Vice Adm. James D. Williams, commander of the 6th Fleet, and his wife, Dorothy Williams; Capt. John F. Sigler, commanding officer of the U.S.S. Belknap; and Dr. Burton Lee, Physician to the President.

December 2

In the afternoon and evening, the President met with his advisers to discuss that day's meetings with Soviet Chairman Gorbachev.

December 3

In the afternoon, the President left Malta and flew to Zaventem Airport in Brussels, Belgium.

December 4

In the morning, the President went to Laeken Palace, where he met with King Baudouin of Belgium.

Later that morning, the President traveled to North Atlantic Treaty Organization Headquarters, where he met with Secretary General Manfred Woerner and participated in morning and afternoon working sessions and a luncheon with NATO heads of state and foreign ministers. Following the working sessions, he met at NATO Headquarters with members of the U.S. missions to Belgium, NATO, and the European Communities.

In the evening, the President returned to Washington, DC. Later, he called President Corazon Aquino to discuss the military coup attempt which was taking place in the Philippines.

December 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Richard G. Darman, Director of the Office of Management and Budget, to discuss the budget process;

-- members of the Cabinet;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President called Prime Minister Margaret Thatcher of the United Kingdom to discuss European political and economic integration.

December 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Bettino Craxi, secretary of the Italian Socialist Party;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III.

December 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the congressional leadership.

In the morning, the President traveled to Houston, TX.

December 8

In the morning, the President traveled to Denver, CO.

In the afternoon, the President traveled to Des Moines, IA, and participated in a live interview at radio station WHO.

December 10

In the evening, the President and Mrs. Bush attended the Christmas in Washington show at the

Pension Building.

December 11

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Brent Scowcroft, Assistant to the President for National Security Affairs, for lunch;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a congressional ball on the State Floor at the White House.

December 12

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- business leaders;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a Christmas reception on the State Floor at the White House.

December 13

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Crown Prince Hassan of Jordan;

-- Director of the Office of Management and Budget Richard G. Darman, to discuss the budget;

-- Sheikh Gad al-Haq of Egypt;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint the following individuals to be members of the Commission of Fine Arts for a term of 4 years:

Adele Chatfield-Taylor, of New York. She would succeed Roy M. Goodman. Currently Mrs. Chatfield-Taylor serves as president of the American Academy in Rome, NY. Mrs. Chatfield-Taylor graduated from Manhattanville College (B.A., 1966) and Columbia University (M.S., 1973). She was born January 29, 1945, in Washington, DC. Mrs. Chatfield-Taylor is married and resides in New York.

George E. Hartman, of Maryland. He would succeed Frederick Elliot Hart. Currently Mr. Hartman serves as a partner with Hartman-Cox Architects in Washington, DC. Mr. Hartman graduated from Princeton University (B.A., 1957; M.F.A., 1960). He was born May 7, 1936, in Fort Hancock, NJ. Mr. Hartman is married, has two children, and resides in Chevy Chase, MD.

The President announced his intention to appoint the following individuals to be members of the President's Commission on White House Fellowships:

Frederick S. Benson III, of Virginia. He would succeed Rita Moreno. Since 1983 Mr. Benson has served as vice president of the Weyerhaeuser Co. in Washington, DC. In addition, Mr. Benson was a White House fellow, 1973 - 1974. Mr. Benson graduated from Lafayette College (B.A., 1959); Auburn University (M.A., 1969); and Harvard Business School (A.M.P., 1986). He was born April 28, 1938, in Syracuse, NY. Mr. Benson is married, has one child, and resides in Alexandria, VA.

Steven R. Hill, of Washington. He would succeed Teresa Moran Schwartz. Currently Mr. Hill serves as vice president of employee relations for the Weyerhaeuser Co. in Tacoma, WA. In addition, Mr. Hill was a White House fellow, 1975, and has served as a member of the President's Commission on White House Fellowships. Mr. Hill graduated from the University of California (B.S., 1969) and the University of California at Los Angeles (M.B.A., 1971). He was born May 17, 1947, in Oakland, CA. Mr. Hill is married, has two children, and resides in Tacoma, WA.

December 14

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- members of the Conservative Group.

In the evening, the President and Mrs. Bush hosted a Christmas reception on the State Floor at the White House.

The President recess-appointed the following individuals:

Dennis M. Devaney, of Maryland, to be a member of the National Labor Relations Board for the term of 5 years expiring December 16, 1994, effective December 17, 1989.

Clifford R. Oviatt, Jr., of Virginia, to be a member of the National Labor Relations Board for the remainder of the term expiring August 27, 1993.

December 15

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

December 17

In the afternoon, the President met at the White House with national security advisers, to discuss the situation in Panama.

December 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Senators Robert Dole of Kansas, Larry Pressler of South Dakota, and Strom Thurmond of South Carolina, and several of their constituents;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President participated in an interview with wire service reporters.

In the early afternoon, the President participated in a taping session for various public service announcements.

Later, in a ceremony in the Residence, the President received diplomatic credentials from Ambassadors Julien Kavakure (Burundi), Jean-Pierre Sohahong-Kombet (Central African Republic), Zhu Qizhen (China), Wilfred I. Kendall (Marshall Islands), Abdikarim Ali Omar (Somalia), and Fili Tuaopepe Wendt (Western Samoa).

In the evening, the President and Mrs. Bush hosted a Christmas party in the Residence for members of the White House staff.

December 19

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a Christmas reception on the State Floor at the White House.

Throughout the evening, the President was in contact with the congressional leadership and world leaders, to discuss the U.S. military action in Panama.

December 20

Throughout the day, the President received updated reports on the U.S. military action in Panama.

In a ceremony in the Residence, the President received diplomatic credentials from Ambassadors Jorge Crespo-Velasco (Bolivia), Carlos Morales Troncoso (Dominican Republic), Jacques Andreani (France), Ryohei Murata (Japan), Pierrot Jocelyn Rajaonarivelo (Madagascar), and Dzevad Mujezinovic (Yugoslavia).

The President announced his intention to appoint the following individuals to be members of the

Martin Luther King, Jr. Federal Holiday Commission for a term of 1 year:

William J. Bennett. He would succeed Clarence M. Pendleton, Jr. Currently, William Bennett serves as Director of National Drug Control Policy.

Lauro Cavazos. He would succeed Lawrence F. Davenport. Currently, Secretary Cavazos serves as the Secretary of Education.

Jack Kemp. He would succeed Richard E. Lyng. Currently, Secretary Kemp serves as the Secretary of Housing and Urban Development.

Constance B. Newman. She would succeed Charles Z. Wick. Currently, Ms. Newman serves as Director of the Office of Personnel Management.

The White House announced that President Bush has invited President `Ali `Abdallah Salih of the Yemen Arab Republic to make a state visit to the United States. President Salih has accepted the invitation and will meet with President Bush at the White House on January 24.

In the evening, the President and Mrs. Bush hosted a Christmas reception on the State Floor at the White House.

December 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Secretary of Health and Human Services Louis W. Sullivan;

-- Andre Ware, 1989 Heisman Trophy winner;

-- leaders of the Presidential Economic Delegation to Poland;

-- Richard G. Darman, Director of the Office of Management and Budget;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a Christmas party for White House

Residence staff on the State Floor at the White House.

The President announced the members of the Presidential delegation to the funeral services of the Prime Minister of Grenada, December 22:

Delegation Chairman

The Honorable John F. Lehman, Jr., of New York;

Congressional Delegate

The Honorable Bob Livingston, of Louisiana;

Private Delegate

Maurice Turner, of the District of Columbia;

Government Delegates

Dr. Timothy F. Ashby, of Virginia; and

Nancy P. Dorn, of Virginia.

December 22

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, the President called Secretary of Defense Richard B. Cheney, to discuss the situation in Panama.

The President also called Gen. Carl E. Vuono, Chief of Staff, U.S. Army, to discuss visiting the military personnel wounded in Panama.

In the afternoon, the President went to Camp David, MD, for the Christmas holiday.

December 24

In the morning, the President placed telephone calls from Camp David, MD, to U.S. military personnel through the Armed Forces Radio Network. He then went to the Pentagon, where he

recorded his Christmas message for the U.S. Armed Forces and met with his national security advisers to discuss the situation in Panama. Afterwards, he returned to Camp David to spend Christmas with his family.

December 26

The President met with his national security advisers to discuss the situations in Panama and Romania.

December 27

In the morning, the President traveled to Corpus Christi, TX.

December 28

In the morning, the President received a written intelligence briefing.

The White House announced that the President sent a message to Prime Minister Robert Hawke of Australia expressing his condolences at the loss of life and destruction of property as a result of the earthquake in Newcastle.

December 29

In the morning, the President traveled to Houston, TX.

Appendix B -- Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted January 20

James Addison Baker III,

of Texas, to be Secretary of State.

John Goodwin Tower,

of Texas, to be Secretary of Defense.

Manuel Lujan, Jr.,

of New Mexico, to be Secretary of the Interior.

Clayton Yeutter,

of Nebraska, to be Secretary of Agriculture.

Robert Adam Mosbacher,

of Texas, to be Secretary of Commerce.

Elizabeth Hanford Dole,

of Kansas, to be Secretary of Labor.

Louis W. Sullivan,

of Georgia, to be Secretary of Health and Human Services.

Jack Kemp,

of New York, to be Secretary of Housing and Urban Development.

Samuel Knox Skinner,

of Illinois, to be Secretary of Transportation.

Adm. James D. Watkins, USN, Ret.,

of California, to be Secretary of Energy.

Edward J. Derwinski,

of Illinois, to be Secretary of Veterans Affairs.

Edward J. Derwinski,

of Illinois, to be Administrator of Veterans Affairs.

Richard G. Darman,

of Virginia, to be Director of the Office of Management and Budget.

Carla Anderson Hills,

of California, to be U.S. Trade Representative, with the rank of Ambassador Extraordinary and Plenipotentiary.

William J. Bennett,

of North Carolina, to be Director of National Drug Control Policy.

Michael J. Boskin,

of California, to be a member of the Council of Economic Advisers.

Thomas R. Pickering,

of New Jersey, to be the Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

William Kane Reilly,

of Virginia, to be Administrator of the Environmental Protection Agency.

Submitted February 1

Edith E. Holiday,

of Georgia, to be General Counsel for the Department of the Treasury, vice Mark Sullivan III, resigned.

William M. Diefenderfer III,

of Virginia, to be Deputy Director of the Office of Management and Budget, vice John F. Cogan, resigned.

Submitted February 8

Robert Michael Kimmitt,

of Virginia, to be Under Secretary of State for Political Affairs, vice Michael Hayden Armacost, resigned.

Margaret DeBardeleben Tutwiler,

of Alabama, to be an Assistant Secretary of State, vice Charles E. Redman, resigned.

Janet Gardner Mullins,

of Kentucky, to be an Assistant Secretary of State, vice J. Edward Fox, resigned.

Robert B. Zoellick,

of the District of Columbia, to be Counselor of the Department of State, vice Max M. Kampelman, resigned.

Submitted February 21

Richard J. Kerr,

of Virginia, to be Deputy Director of Central Intelligence, vice Robert M. Gates, resigned.

Submitted February 28

Ferdinand F. Fernandez,

of California, to be United States Circuit Judge for the Ninth Circuit, vice Warren J. Ferguson, retired.

Pamela Ann Rymer,

of California, to be United States Circuit Judge for the Ninth Circuit, vice Anthony M. Kennedy, elevated.

Robert C. Bonner,

of California, to be United States District Judge for the Central District of California, vice Pamela Ann Rymer, upon elevation.

Melinda Harmon,

of Texas, to be United States District Judge for the Southern District of Texas, vice John V. Singleton, Jr., retired.

Vaughn R. Walker,

of California, to be United States District Judge for the Northern District of California, vice Spencer M. Williams, retired.

Submitted March 1

John D. Negroponte,

of New York, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

Submitted March 3

Lawrence S. Eagleburger,

of Florida, to be Deputy Secretary of State, vice John C. Whitehead, resigned.

Bruce S. Gelb,

of New York, to be Director of the United States Information Agency, vice Charles Z. Wick, resigned.

Submitted March 6

Donald Phinney Gregg,

of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Korea.

Anthony Joseph Principi,

of California, to be Deputy Secretary of Veterans Affairs (new position).

William Pelham Barr,

of Virginia, to be an Assistant Attorney General, vice Douglas W. Kmiec, resigned.

Submitted March 7

Joseph Verner Reed,

of Connecticut, for the rank of Ambassador during his tenure of service as Chief of Protocol for the White House.

Submitted March 8

David Campbell Mulford,

of Illinois, to be an Under Secretary of the Treasury (new position).

Charles H. Dallara,

of South Carolina, to be a Deputy Under Secretary of the Treasury, vice David Campbell Mulford.

David W. Mullins, Jr.,

of Massachusetts, to be an Assistant Secretary of the Treasury, vice Charles O. Sethness, resigned.

Submitted March 9

Henry E. Catto,

of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Kingdom of Great Britain and Northern Ireland.

Vernon A. Walters,

of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Germany.

Wendell Lewis Willkie II,

of the District of Columbia, to be General Counsel of the Department of Commerce, vice Robert H. Brumley II, resigned.

Submitted March 13

Michael Hayden Armacost,

of Maryland, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Japan.

Eric I. Garfinkel,

of Maryland, to be an Assistant Secretary of Commerce, vice Jan W. Mares, resigned.

Submitted March 14

Richard B. Cheney,

of Wyoming, to be Secretary of Defense.

Donna R. Fitzpatrick,

of the District of Columbia, to be an Assistant Secretary of Energy (Management and Administration), vice Lawrence F. Davenport, resigned.

Submitted March 17

James Roderick Lilley,

of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China.

Richard Thomas McCormack,

of Pennsylvania, to be Under Secretary of State for Economic and Agricultural Affairs, vice W. Allen Wallis, resigned.

Donald J. Atwood,

of Massachusetts, to be Deputy Secretary of Defense, vice William H. Taft IV, resigned.

Submitted April 4

John R. Bolton,

of Maryland, to be an Assistant Secretary of State, vice Richard Salisbury Williamson, resigned.

Herman Jay Cohen,

of New York, a career member of the Senior Foreign Service, Class of Career Minister, to be an Assistant Secretary of State, vice Chester A. Crocker, resigned.

Terence A. Todman,

of the Virgin Islands, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

Charles Edgar Redman,

of Florida, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

Richard Reeves Burt,

of Arizona, for the rank of Ambassador during his tenure of service as head of delegation on nuclear and space talks and chief negotiator on strategic nuclear arms (START).

Robert R. Glauber,

of Massachusetts, to be an Under Secretary of the Treasury, vice George D. Gould, resigned.

Hollis S. McLoughlin,

of New Jersey, to be an Assistant Secretary of the Treasury, vice Charles H. Dallara, resigned.

Kenneth Winston Starr,

of Virginia, to be Solicitor General of the United States, vice Charles Fried, resigned.

Susan Carol Schwab,

of Maryland, to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service, vice Lew W. Cramer, resigned.

Constance Horner,

of the District of Columbia, to be Under Secretary of Health and Human Services, vice Donald M. Newman, resigned.

Mary Sheila Gall,

of Virginia, to be an Assistant Secretary of Health and Human Services, vice Sydney J. Olson, resigned.

Elaine L. Chao,

of California, to be Deputy Secretary of Transportation, vice Mary Ann Weyforth Dawson, resigned.

W. Henson Moore,

of Louisiana, to be Deputy Secretary of Energy, vice Joseph F. Salgado, resigned.

John Chatfield Tuck,

of Virginia, to be Under Secretary of Energy, vice Donna R. Fitzpatrick, resigned.

John Theodore Sanders,

of Illinois, to be Under Secretary of Education, vice Linus D. Wright, resigned.

Frank Quill Nebeker,

of Virginia, to be chief judge of the U.S. Court of Veterans Appeals for the term of 15 years (new position).

William G. Rosenberg,

of Michigan, to be an Assistant Administrator of the Environmental Protection Agency, vice J. Craig Potter, resigned.

Constance Berry Newman,

of Maryland, to be Director of the Office of Personnel Management, vice Constance Horner, resigned.

Paul D. Coverdell,

of Georgia, to be Director of the Peace Corps, vice Loret M. Ruppe, resigned.

Withdrawn April 4

Lew W. Cramer,

of California, to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service (new position -- P.L. 100 - 418), which was sent to the Senate on January 3, 1989.

Submitted April 6

Reginald Bartholomew,

of Virginia, a career member of the Senior Foreign Service, Class of Career Minister, to be Under Secretary of State for Coordinating Security Assistance Programs, vice Edward J. Derwinski, resigned.

Morris Berthold Abrams,

of New York, to be the Representative of the United States of America to the European Office of

the United Nations, with the rank of Ambassador, vice Joseph Carlton Petrone, resigned.

John E. Robson,

of Georgia, to be Deputy Secretary of the Treasury, vice M. Peter McPherson, resigned.

Roger Bolton,

of Virginia, to be an Assistant Secretary of the Treasury, vice Edith E. Holiday, resigned.

Jack Callihan Parnell,

of California, to be Deputy Secretary of Agriculture, vice Peter C. Myers, resigned.

Richard Thomas Crowder,

of Minnesota, to be Under Secretary of Agriculture for International Affairs and Commodity Programs, vice Daniel G. Amstutz, resigned.

Kay Coles James,

of Virginia, to be an Assistant Secretary of Health and Human Services, vice Stephanie Lee-Miller, resigned.

Phillip D. Brady,

of Virginia, to be General Counsel of the Department of Transportation, vice B. Wayne Vance, resigned.

Susan S. Engeleiter,

of Wisconsin, to be Administrator of the Small Business Administration, vice James Abdnor, resigned.

Submitted April 7

Richard Thomas McCormack,

of Pennsylvania, to be United States Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years, United States Alternate Governor of the Inter-American Development Bank for a term of 5 years, United States Alternate Governor of

the African Development Bank for a term of 5 years, United States Alternate Governor of the African Development Fund, and United States Alternate Governor of the Asian Development Bank, vice W. Allen Wallis, resigned.

James O. Mason,

of Georgia, to be an Assistant Secretary of Health and Human Services, vice Robert E. Windom, resigned.

Fred M. Zeder II,

of New York, to be President of the Overseas Private Investment Corporation, vice Craig A. Nalen, resigned.

Submitted April 12

Douglas P. Mulholland,

of Maryland, to be an Assistant Secretary of State, vice Morton I. Abramowitz, resigned.

Diane Kay Morales,

of Texas, to be an Assistant Secretary of Energy (Environment, Safety and Health), vice Ernest C. Baynard III, resigned.

John Cameron Monjo,

of Maryland, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

Ronald Frank Lehman II,

of Virginia, to be Director of the U.S. Arms Control and Disarmament Agency, vice William F. Burns, resigned.

Thomas Jones Collamore,

of the District of Columbia, to be an Assistant Secretary of Commerce, vice Katherine M. Bulow, resigned.

Nancy Mohr Kennedy,

of Maryland, to be Assistant Secretary for Legislation, Department of Education, vice Frances M. Norris, resigned.

Dale Triber Tate,

of the District of Columbia, to be an Assistant Secretary of Labor, vice Jerry D. Blakemore.

Withdrawn April 12

Jerry D. Blakemore,

of Illinois, to be an Assistant Secretary of Labor, vice David F. Demarest, resigned, which was sent to the Senate on January 3, 1989.

Submitted April 13

Ivan Selin,

of the District of Columbia, to be Under Secretary of State for Management, vice Ronald I. Spiers, resigned.

Michael Rucker Darby,

of Texas, to be Under Secretary of Commerce for Economic Affairs, vice Robert Ortner, resigned.

Rufus Hawkins Yerxa,

of the District of Columbia, to be a Deputy United States Trade Representative, with the rank of Ambassador, vice Michael A. Samuels, resigned.

Submitted April 17

Alan Charles Raul,

of New York, to be General Counsel of the Department of Agriculture, vice Christopher Hicks, resigned.

Paul Dundes Wolfowitz,

of the District of Columbia, to be Under Secretary of Defense for Policy, vice Fred Charles Ikle, resigned.

Peter F. Secchia,

of Michigan, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Italy.

Submitted April 18

Walter J.P. Curley,

of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to France.

David George Ball,

of Connecticut, to be an Assistant Secretary of Labor, vice David M. Walker, resigned.

Richard Thomas Crowder,

of Minnesota, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Daniel G. Amstutz, resigned.

Jack Callihan Parnell,

of California, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Peter C. Myers, resigned.

Submitted April 19

Roderick Allen DeArment,

of Virginia, to be Deputy Secretary of Labor, vice Dennis Eugene Whitfield, resigned.

H. Lawrence Garrett III,

of Virginia, to be Secretary of the Navy, vice William Lockhart Ball III, resigned.

Submitted May 1

Morton I. Abramowitz,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey.

Melvyn Levitsky,

of Maryland, to be Assistant Secretary of State for International Narcotics Matters, vice Ann Barbara Wrobleski, resigned.

Kenneth W. Gideon,

of Virginia, to be an Assistant Secretary of the Treasury, vice O. Donaldson Chapoton, resigned.

Shirley D. Peterson,

of Maryland, to be an Assistant Attorney General, vice William S. Rose, Jr., resigned.

William Lucas,

of Michigan, to be an Assistant Attorney General, vice William Bradford Reynolds, resigned.

Michael Philip Skarzynski,

of Illinois, to be an Assistant Secretary of Commerce, vice James P. Moore, Jr., resigned.

Gerald L. Olson,

of Minnesota, to be an Assistant Secretary of Health and Human Services, vice Marty T. Goedde, resigned.

Alfred A. DelliBovi,

of New York, to be Under Secretary of Housing and Urban Development, vice Carl D. Covitz, resigned.

Galen Joseph Reser,

of Virginia, to be an Assistant Secretary of Transportation, vice Edward R. Hamberger, resigned.

Robert Refugio Davila,

of the District of Columbia, to be Assistant Secretary for Special Education and Rehabilitative Services, Department of Education, vice Madeleine C. Will, resigned.

Sidney Linn Williams,

of Virginia, to be a Deputy United States Trade Representative, with the rank of Ambassador, vice Alan F. Holmer, resigned.

E. Patrick Coady,

of Virginia, to be United States Executive Director of the International Bank for Reconstruction and Development for a term of 2 years, vice Robert Brendon Keating, term expired.

John B. Taylor,

of California, to be a member of the Council of Economic Advisers, vice Michael Mussa, resigned.

Submitted May 2

Bernard William Aronson,

of Maryland, to be an Assistant Secretary of State, vice Elliott Abrams, resigned.

Carol T. Crawford,

of Virginia, to be an Assistant Attorney General, vice Thomas M. Boyd, resigned.

David Philip Prosperi,

of the District of Columbia, to be an Assistant Secretary of Transportation, vice Wendy Monson DeMocker, resigned.

Chic Hecht,

of Nevada, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of the Bahamas.

Thomas Michael Tolliver Niles,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Career Minister, to be the Representative of the United States of America to the European Communities, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Joseph Zappala,

of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

Francis Anthony Keating II,

of Oklahoma, to be General Counsel of the Department of Housing and Urban Development, vice J. Michael Dorsey, resigned.

Franklin Eugene Bailey,

of Virginia, to be an Assistant Secretary of Agriculture, vice Wilmer D. Mizell, Sr., resigned.

James E. Cason,

of Virginia, to be an Assistant Secretary of Agriculture, vice George S. Dunlop, resigned.

Charles E. Hess,

of California, to be an Assistant Secretary of Agriculture, vice Orville G. Bentley, resigned.

David J. Gribbin III,

of Maryland, to be an Assistant Secretary of Defense, vice M.D.B. Carlisle, resigned.

Louis A. Williams,

of Wyoming, to be an Assistant Secretary of Defense, vice J. Daniel Howard, resigned.

Submitted May 5

Melvin F. Sembler,

of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America

to Australia and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nauru.

Richard H. Solomon,

of the District of Columbia, to be an Assistant Secretary of State, vice Gaston Joseph Sigur, Jr., resigned.

Jewel S. Lafontant,

of Illinois, to be United States Coordinator for Refugee Affairs and Ambassador-at-Large while serving in this position, vice Jonathan Moore, resigned.

Jo Ann D. Smith,

of Florida, to be an Assistant Secretary of Agriculture, vice Kenneth A. Gilles, resigned.

Kathleen M. Harrington,

of the District of Columbia, to be an Assistant Secretary of Labor, vice Francis J. Duggan.

Kenneth B. Kramer,

of Colorado, to be an Associate Judge of the United States Court of Veterans Appeals for the term of 15 years (new position -- P.L. 100 - 687).

Withdrawn May 5

Francis J. Duggan,

of Virginia, to be an Assistant Secretary of Labor, vice William John Maroni, which was sent to the Senate on January 3, 1989.

Submitted May 10

Frank Henry Habicht II,

of Virginia, to be Deputy Administrator of the Environmental Protection Agency, vice A. James Barnes, resigned.

Submitted May 11

John Hubert Kelly,

of Georgia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be an Assistant Secretary of State, vice Richard W. Murphy, resigned.

James Buchanan Busey IV,

of Illinois, to be Administrator of the Federal Aviation Administration, vice T. Allan McArtor, resigned.

Submitted May 12

Edward N. Ney,

of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

Donald B. Rice,

of California, to be Secretary of the Air Force, vice Edward C. Aldridge, Jr., resigned.

Sean Charles O'Keefe,

of Virginia, to be Comptroller of the Department of Defense, vice Clyde O. Glaister, resigned.

Frank A. Bracken,

of Indiana, to be Under Secretary of the Interior, vice Earl E. Gjelde, resigned.

Jennifer Lynn Dorn,

of Maryland, to be an Assistant Secretary of Labor, vice Michael E. Baroody, resigned.

Jerry M. Hunter,

of Missouri, to be General Counsel of the National Labor Relations Board for a term of 4 years, vice Rosemary M. Collyer, term expired.

Submitted May 16

James Franklin Rill,

of Maryland, to be an Assistant Attorney General, vice Charles F. Rule, resigned.

E. Bart Daniel,

of South Carolina, to be United States Attorney for the District of South Carolina for the term of 4 years, vice Vinton DeVane Lide, resigned.

John Michael Farren,

of Connecticut, to be Under Secretary of Commerce for International Trade, vice W. Allen Moore, resigned.

Robert P. Davis,

of Virginia, to be Solicitor for the Department of Labor, vice George R. Salem, resigned.

John C. Weicher,

of the District of Columbia, to be an Assistant Secretary of Housing and Urban Development, vice Kenneth J. Beirne, resigned.

Nell Carney,

of Virginia, to be Commissioner of the Rehabilitation Services Administration, vice Susan S. Suter, resigned.

Submitted May 17

Della M. Newman,

of Washington, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Western Samoa.

Robert D. Orr,

of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Singapore.

Bryce L. Harlow,

of Virginia, to be a Deputy Under Secretary of the Treasury, vice John K. Meagher, resigned.

Submitted May 18

Antonio Lopez,

of Tennessee, to be an Associate Director of the Federal Emergency Management Agency, vice George Woloshyn, resigned.

Submitted May 31

Keith Lapham Brown,

of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

William Andreas Brown,

of New Hampshire, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

Dee V. Benson,

of Utah, to be United States Attorney for the District of Utah for the term of 4 years, vice Brent D. Ward, resigned.

Thomas Joseph Murrin,

of Pennsylvania, to be Deputy Secretary of Commerce, vice Donna F. Tuttle, resigned.

Quincy Mellon Krosby,

of New York, to be an Assistant Secretary of Commerce, vice G. Philip Hughes, resigned.

C. Austin Fitts,

of New York, to be an Assistant Secretary of Housing and Urban Development, vice Thomas T. Demery, resigned.

Jeffrey Neil Shane,

of the District of Columbia, to be an Assistant Secretary of Transportation, vice Gregory S. Dole.

Charles E.M. Kolb,

of Virginia, to be Deputy Under Secretary for Planning, Budget, and Evaluation, Department of Education, vice Bruce M. Carnes, resigned, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

Fred T. Goldberg, Jr.,

of Maryland, to be Commissioner of Internal Revenue, vice Lawrence B. Gibbs, resigned.

Reggie B. Walton,

of the District of Columbia, to be Associate Director for National Drug Control Policy (new position -- P.L. 100 - 690).

Delos Cy Jamison,

of Montana, to be Director of the Bureau of Land Management, vice Robert F. Burford, resigned.

Withdrawn May 31

Keith Lapham Brown,

of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark, which was sent to the Senate on January 3, 1989.

William Andreas Brown,

of New Hampshire, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel, which was sent to the Senate on January 3, 1989.

Gregory S. Dole,

of Massachusetts, to be an Assistant Secretary of Transportation, vice Matthew V. Scocozza, resigned, which was sent to the Senate on January 3, 1989.

Charles E.M. Kolb,

of the District of Columbia, to be Deputy Under Secretary for Planning, Budget, and Evaluation, Department of Education, vice Bruce M. Carnes, resigned, which was sent to the Senate on January 3, 1989.

Submitted June 6

Shirley Temple Black,

of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czechoslovak Socialist Republic.

Richard Wood Boehm,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sultanate of Oman, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

Morris Dempson Busby,

of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador in his capacity as Coordinator for Counterterrorism.

Michael Ussery,

of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morocco, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

C. Howard Wilkins, Jr.,

of Kansas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of The Netherlands.

Eddie F. Brown,

of Arizona, to be an Assistant Secretary of the Interior, vice Ross O. Swimmer, resigned.

Constance Bastine Harriman,

of Maryland, to be Assistant Secretary for Fish and Wildlife, Department of the Interior, vice Becky Norton Dunlop, resigned.

Rockwell Anthony Schnabel,

of California, to be Under Secretary of Commerce for Travel and Tourism, vice Charles E. Cobb, Jr., resigned.

Thomas D. Larson,

of Pennsylvania, to be Administrator of the Federal Highway Administration, vice Robert Earl Farris, resigned.

Kate Leader Moore,

of the District of Columbia, to be an Assistant Secretary of Transportation, vice Janet Hale, resigned.

Edward C. Stringer,

of Minnesota, to be General Counsel, Department of Education, vice Wendell L. Willkie II, resigned.

D. Allan Bromley,

of Connecticut, to be Director of the Office of Science and Technology Policy, vice William R. Graham, resigned.

Deborah Kaye Owen,

of Maryland, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1987, vice Margot E. Machol.

Timothy B. Atkeson,

of Pennsylvania, to be an Assistant Administrator of the Environmental Protection Agency, vice Jennifer Joy Manson, resigned.

Withdrawn June 6

Richard Wood Boehm,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sultanate of Oman, which was sent to the Senate on January 3, 1989.

Michael Ussery,

of South Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morocco, which was sent to the Senate on January 3, 1989.

Becky Norton Dunlop,

of Virginia, to be Assistant Secretary for Fish and Wildlife, Department of the Interior, vice William P. Horn, resigned, which was sent to the Senate on January 3, 1989.

Margot E. Machol,

of the District of Columbia, to be a Federal Trade Commissioner for the term of 7 years from September 26, 1987, vice Patricia Price Bailey, resigned, which was sent to the Senate January 3, 1989.

Submitted June 7

Janice Obuchowski,

of Virginia, to be Assistant Secretary of Commerce for Communications and Information, vice Alfred C. Sikes, resigned.

Michael J. Astrue,

of Massachusetts, to be General Counsel of the Department of Health and Human Services, vice Malcolm M.B. Sterrett, resigned.

Sherrie Sandy Rollins,

of Virginia, to be an Assistant Secretary of Housing and Urban Development, vice Harry K. Schwartz, resigned.

Richard Harrison Truly,

of Texas, to be Administrator of the National Aeronautics and Space Administration, vice James C. Fletcher, resigned.

Roy M. Goodman,

of New York, to be a member of the National Council on the Arts for a term expiring September 3, 1994, vice C. Douglas Dillon, term expired.

Submitted June 13

Joseph Bernard Gildenhorn,

of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

Martin Lewis Allday,

of Texas, to be Solicitor of the Department of the Interior, vice Ralph W. Tarr, resigned.

John F. Turner,

of Wyoming, to be Director of the United States Fish and Wildlife Service, vice Frank H. Dunkle, resigned.

Deborah Wince-Smith,

of Ohio, to be Assistant Secretary of Commerce for Technology Policy, vice D. Bruce Merrifield, resigned.

Submitted June 15

Frederick Morris Bush,

of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

Chas. W. Freeman, Jr.,

of Rhode Island, a Career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

Stella Garcia Guerra,

of Texas, to be an Assistant Secretary of the Interior, vice Janet J. McCoy, resigned.

Edward T. Timperlake,

of Virginia, to be an Assistant Secretary of Veterans Affairs (Congressional and Public Affairs) (new position).

Raoul Lord Carroll,

of the District of Columbia, to be General Counsel, Department of Veterans Affairs (new position).

Withdrawn June 15

Janet J. McCoy,

of Oregon, to be an Assistant Secretary of the Interior, vice Richard Thomas Montoya, resigned, which was sent to the Senate on January 3, 1989.

Submitted June 19

Andrew Camp Barrett,

of Illinois, to be a member of the Federal Communications Commission for the term expiring June 30, 1990, vice Mark S. Fowler, resigned.

Submitted June 21

S. Anthony McCann,

of Maryland, to be an Assistant Secretary of Veterans Affairs (Finance and Planning) (new position).

Wade F. Horn,

of Maryland, to be Chief of the Children's Bureau, Department of Health and Human Services, vice Dodie Truman Livingston, resigned.

Susan M. Coughlin,

of Pennsylvania, to be a member of the National Transportation Safety Board for the term expiring December 31, 1993, vice Lemoine V. Dickinson, Jr., term expired.

Henry E. Hockeimer,

of Michigan, to be an Associate Director of the United States Information Agency, vice Woodward Kingman, resigned, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

Withdrawn June 21

Henry E. Hockeimer,

of Michigan, to be an Associate Director of the United States Information Agency, vice Woodward Kingman, resigned, which was sent to the Senate on January 3, 1989.

Submitted June 22

Richard A. Clarke,

of Virginia, to be an Assistant Secretary of State, vice H. Allen Holmes, resigned.

Gerard F. Scannell,

of New Jersey, to be an Assistant Secretary of Labor, vice John A. Pendergrass, resigned.

Claire E. Freeman,

of Virginia, to be an Assistant Secretary of Housing and Urban Development, vice Judith L. Tardy, resigned.

John J. Easton, Jr.,

of Vermont, to be an Assistant Secretary of Energy (International Affairs and Energy

Emergencies), vice David B. Waller, resigned.

Submitted June 23

Julia Chang Bloch,

of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Nepal.

Kyo Ryoon Jhin,

of Maryland, to be Chief Counsel for Advocacy, Small Business Administration, vice Frank S. Swain, resigned.

Submitted July 11

Arthur W. Fort,

of Virginia, to be an Assistant Secretary of State, vice Sheldon J. Krys, resigned.

Raymond Charles Ewing,

of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana.

Eric M. Javits,

of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Venezuela.

Jerry Alexander Moore, Jr.,

of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho.

Edward Joseph Perkins,

of Oregon, a career member of the Senior Foreign Service, Class of Career Minister, to be Director General of the Foreign Service, vice George Southall Vest, resigned.

Michael G. Sotirhos,

of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece.

Joy A. Silverman,

of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of Dominica, Ambassador Extraordinary and Plenipotentiary of the United States of America to Saint Lucia, and Ambassador Extraordinary and Plenipotentiary of the United States of America to Saint Vincent and the Grenadines.

Thomas F. Stroock,

of Wyoming, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

Evelyn Irene Hoopes Teegen,

of Minnesota, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Fiji, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Tonga, Ambassador Extraordinary and Plenipotentiary of the United States of America to Tuvalu, and Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kiribati.

Alexander Fletcher Watson,

of Massachusetts, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be the Deputy Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Milton James Wilkinson,

of New Hampshire, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Deputy Representative of the United States of America in the Security Council of the United Nations, with the rank of Ambassador.

Linda M. Combs,

of Maryland, to be an Assistant Secretary of the Treasury, vice Jill E. Kent, resigned.

Martin C. Faga,

of Virginia, to be an Assistant Secretary of the Air Force, vice Tidal W. McCoy, resigned.

Gilbert E. Carmichael,

of Mississippi, to be Administrator of the Federal Railroad Administration, vice John H. Riley, resigned.

Michelle Easton,

of Virginia, to be Deputy Under Secretary for Intergovernmental and Interagency Affairs, Department of Education, vice Peter R. Greer, resigned, to which position she was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

Harry M. Snyder,

of Kentucky, to be Director of the Office of Surface Mining Reclamation and Enforcement, vice Robert H. Gentile, resigned.

Jane A. Kenny,

of Virginia, to be Director of ACTION, vice Donna M. Alvarado, resigned.

Alfred C. Sikes,

of Missouri, to be a member of the Federal Communications Commission for a term of 5 years from July 1, 1988, vice Mary Ann Weyforth Dawson, resigned.

Jean McKee,

of the District of Columbia, to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 1, 1994 (reappointment).

Kathleen Day Koch,

of Virginia, to be General Counsel of the Federal Labor Relations Authority for a term of 5 years, vice Dennis M. Devaney, to which position she was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

Janet Dempsey Steiger,

of the District of Columbia, to be a Federal Trade Commissioner for the term of 7 years from September 26, 1988, vice Daniel Oliver, term expired.

Daphne Wood Murray,

of Texas, to be Director of the Institute of Museum Services, vice Lois Burke Shepard, resigned.

Eugene P. Kopp,

of Virginia, to be Deputy Director of the United States Information Agency, vice Marvin L. Stone, resigned.

Withdrawn July 11

Robert H. Gentile,

of Ohio, to be Director of the Office of Surface Mining Reclamation and Enforcement, vice Jed Dean Christensen, resigned, which was sent to the Senate on January 3, 1989.

Michelle Easton,

of Virginia, to be Deputy Under Secretary for Intergovernmental and Interagency Affairs, Department of Education, vice Peter R. Greer, resigned, which was sent to the Senate on January 3, 1989.

Jane A. Kenny,

of Virginia, to be Deputy Director of ACTION, vice Henry M. Ventura, resigned, which was sent to the Senate on January 3, 1989.

Kathleen Day Koch,

of Virginia, to be General Counsel of the Federal Labor Relations Authority for a term of 5 years, vice Dennis M. Devaney, which was sent to the Senate on January 3, 1989.

Submitted July 14

Richard Anthony Moore,

of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

Dennis Edward Kloske,

of Virginia, to be Under Secretary of Commerce for Export Administration, vice Paul Freedenberg, resigned.

Michael R. Deland,

of Massachusetts, to be a member of the Council on Environmental Quality, vice A. Alan Hill, resigned.

Submitted July 17

William Lacy Swing,

of North Carolina, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of South Africa.

Johnny Young,

of Pennsylvania, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Sierra Leone.

Thomas C. Dawson II,

of the District of Columbia, to be United States Executive Director of the International Monetary Fund for a term of 2 years, vice Charles H. Dallara, resigned.

John W. Shannon,

of Maryland, to be Under Secretary of the Army, vice Michael P.W. Stone, resigned.

Anne Newman Foreman,

of Maryland, to be Under Secretary of the Air Force, vice James F. McGovern, resigned.

Gwendolyn S. King,

of the District of Columbia, to be Commissioner of Social Security, vice Dorcas R. Hardy, resigned.

Allen B. Clark, Jr.,

of Texas, to be an Assistant Secretary of Veterans Affairs (Veterans Liaison and Program Coordination) (new position -- Public Law 100 - 527).

Linda J. Fisher,

of Ohio, to be Assistant Administrator for Toxic Substances of the Environmental Protection Agency, vice John Arthur Moore, resigned.

Herbert D. Kleber,

of Connecticut, to be Deputy Director for Demand Reduction, Office of National Drug Control Policy (new position).

Submitted July 18

Howard K. Walker,

of New Jersey, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Madagascar and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Islamic Republic of Comoros.

Lannon Walker,

of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Nigeria.

Glen A. Holden,

of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica.

John A. Betti,

of Michigan, to be Under Secretary of Defense for Acquisition, vice Robert B. Costello, resigned.

Submitted July 20

Sheldon J. Krys,

of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Assistant Secretary of State for Diplomatic Security, vice Robert E. Lamb, resigned.

Sally J. Novetzke,

of Iowa, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta.

Loret Miller Ruppe,

of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

Nicolas Miklos Salgo,

of Florida, for the rank of Ambassador in his capacity as the Special Negotiator for Property Issues.

John A. Knauss,

of Rhode Island, to be Under Secretary of Commerce for Oceans and Atmosphere, vice William Evans, resigned.

Richard Schmalensee,

of Massachusetts, to be a member of the Council of Economic Advisers, vice Thomas Gale Moore, resigned.

Clifford R. Oviatt, Jr.,

of Virginia, to be a member of the National Labor Relations Board for the remainder of the term expiring August 27, 1993, vice Wilford W. Johansen, resigned.

Donald F. Rodgers,

of Maryland, to be a member of the National Labor Relations Board for the remainder of the term expiring December 16, 1992, vice John E. Higgins, Jr.

Withdrawn July 20

John E. Higgins, Jr.,

of Maryland, to be a member of the National Labor Relations Board for a term of 5 years expiring December 16, 1992, vice Donald L. Dotson, term expired, which was sent to the Senate on January 3, 1989.

Wilford W. Johansen,

of California, to be a member of the National Labor Relations Board for a term of 5 years expiring August 27, 1993, reappointment, which was sent to the Senate on January 3, 1989.

Submitted July 24

Mark Gregory Hambley,

of Idaho, a Foreign Service officer of Class One, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Qatar.

Charles Warren Hostler,

of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Bahrain.

Gordon K. Durnil,

of Indiana, to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada, vice Robert C. McEwen, resigned.

Wayne A. Budd,

of Massachusetts, to be United States Attorney for the District of Massachusetts for the term of 4 years, vice Frank L. McNamara, Jr.

Victor Stello, Jr.,

of Maryland, to be an Assistant Secretary of Energy (Defense Programs), vice Sylvester R. Foley, Jr., resigned.

J. Clarence Davies,

of Maryland, to be an Assistant Administrator of the Environmental Protection Agency, vice Linda J. Fisher, resigned.

David C. Williams,

of Illinois, to be Inspector General, Nuclear Regulatory Commission (new position).

Submitted July 25

Raymond G.H. Seitz,

of Texas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be an Assistant Secretary of State, vice Rozanne L. Ridgway, resigned.

Michael P.W. Stone,

of California, to be Secretary of the Army, vice John O. Marsh, Jr., resigned.

John T. Martino,

of Pennsylvania, to be Superintendent of the Mint of the United States at Philadelphia, vice Anthony H. Murray, Jr., resigned.

John M. Sayre,

of Colorado, to be an Assistant Secretary of the Interior, vice James W. Ziglar, resigned.

Stanley E. Morris,

of the District of Columbia, to be Deputy Director for Supply Reduction, Office of National Drug Control Policy (new position).

Submitted July 26

Barbara E. McTurk,

of Colorado, to be Superintendent of the Mint of the United States at Denver, vice Cynthia Jeanne Grassby Baker, resigned.

JoAnn Krukar Webb,

of Virginia, to be Director of the National Cemetery System, Department of Veterans Affairs (new position).

Robert R. Randlett,

of New Jersey, to be an Assistant Administrator of the Agency for International Development, vice W. Antoinette Ford, resigned.

Submitted July 31

Stephen J. Markman,

of Michigan, to be United States Attorney for the Eastern District of Michigan for the term of 4 years, vice Roy C. Hayes, resigned.

Pamela Talkin,

of California, to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 1, 1990, vice Henry Bowen Frazier III, resigned.

Submitted August 1

Paul Matthews Cleveland,

of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Malaysia.

J. Daniel Howard,

of Tennessee, to be Under Secretary of the Navy, vice H. Lawrence Garrett III, resigned.

Terrence O'Donnell,

of the District of Columbia, to be General Counsel of the Department of Defense, vice Kathleen A. Buck, resigned.

Jonathan Moore,

of Massachusetts, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador.

William P. Albrecht,

of Iowa, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1993, vice William E. Seale, resigned, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

Withdrawn August 1

William P. Albrecht,

of Iowa, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1993, vice William E. Seale, resigned, which was sent to the Senate on January 3, 1989.

Submitted August 2

James Richard Cheek,

of Arkansas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Sudan.

Ronald J. Sorini,

of the District of Columbia, for the rank of Ambassador during his tenure of service as the United States Negotiator on Textile Matters.

Submitted August 3

Stephen Read Hanmer, Jr.,

of Virginia, to be Deputy Director of the United States Arms Control and Disarmament Agency, vice George F. Murphy, Jr., resigned.

Submitted August 4

Christopher H. Phillips,

of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brunei Darussalam.

William Ludwig Jacobsen, Jr.,

of Washington, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea-Bissau.

Penne Percy Korth,

of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mauritius.

Elizabeth M. Tamposi,

of New Hampshire, to be Assistant Secretary of State for Consular Affairs, vice Joan M. Clark, resigned.

Sidney L. Jones,

of Utah, to be an Assistant Secretary of the Treasury, vice Michael R. Darby, resigned.

Robert Clifton Duncan,

of the District of Columbia, to be Director of Operational Test and Evaluation, Department of Defense, vice John E. Krings, resigned.

Conrad K. Cyr,

of Maine, to be United States Circuit Judge for the First Circuit, vice Frank M. Coffin, retired.

Marvin J. Garbis,

of Maryland, to be United States District Judge for the District of Maryland, vice Joseph H. Young, retired.

Rebecca Beach Smith,

of Virginia, to be United States District Judge for the Eastern District of Virginia, vice D. Dortch Warriner, deceased.

Stuart M. Gerson,

of Maryland, to be an Assistant Attorney General, vice John R. Bolton, resigned.

Gene McNary,

of Missouri, to be Commissioner of Immigration and Naturalization, vice Alan C. Nelson, resigned.

Michael Paul Galvin,

of Illinois, to be an Assistant Secretary of Commerce, vice Michael E. Zacharia, resigned.

Warren G. Leback,

of New Jersey, to be Administrator of the Maritime Administration, vice John A. Gaughan, resigned.

James M. Strock,

of Virginia, to be an Assistant Administrator of the Environmental Protection Agency, vice Thomas Lynch Adams, Jr., resigned.

Harold B. Steele,

of Illinois, to be a member of the Farm Credit Administration Board, Farm Credit Administration, for the remainder of the term expiring May 21, 1992, vice Frank W. Naylor, Jr., resigned.

Reginald J. Brown,

of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Richard E. Bissell, resigned.

John Warren McGarry,

of Massachusetts, to be a member of the Federal Election Commission for a term expiring April 30, 1995 (reappointment).

Joan D. Aikens,

of Pennsylvania, to be a member of the Federal Election Commission for a term expiring April 30, 1995 (reappointment).

James David Berg,

of Kentucky, to be Executive Vice President of the Overseas Private Investment Corporation, vice L. Ebersole Gaines, resigned.

Forrest J. Remick,

of Pennsylvania, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1994, vice Lando W. Zech, Jr., term expired.

The following-named persons to be members of the Defense Nuclear Facilities Safety Board for the terms indicated (new positions):

For a term of 1 year:

Edson G. Case, of Maryland.

For a term of 2 years:

John W. Crawford, Jr., of Maryland.

For a term of 3 years:

Herbert Kouts, of New York.

For a term of 4 years:

A.J. Eggenberger, of Montana.

For a term of 5 years:

John T. Conway, of New York.

Submitted September 6

Kenneth L. Brown,

of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cote d'Ivoire.

Charles E. Cobb, Jr.,

of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Iceland.

John G. Weinmann,

of Louisiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Finland.

Christopher Jehn,

of Virginia, to be an Assistant Secretary of Defense, vice Grant S. Green, Jr., resigned.

Craig S. King,

of Virginia, to be General Counsel of the Department of the Navy, vice Lawrence L. Lamade, resigned.

James R. Locher III,

of Virginia, to be an Assistant Secretary of Defense, vice Charles S. Whitehouse, resigned.

Barbara S. Pope,

of Mississippi, to be an Assistant Secretary of the Navy, vice Kenneth P. Bergquist, resigned.

Dennis B. Underwood,

of California, to be Commissioner of Reclamation, vice C. Dale Duvall, resigned.

Jerry R. Curry,

of Virginia, to be Administrator of the National Highway Traffic Safety Administration, vice Diane K. Steed, resigned.

Melva G. Wray,

of Connecticut, to be Director of the Office of Minority Economic Impact, vice Raymond G. Massie, resigned.

Ronald E. Ray,

of Florida, to be an Assistant Secretary of Veterans Affairs (Human Resources and Administration) (new position).

Jacqueline L. Phillips,

of Maryland, to be Federal Cochairman of the Appalachian Regional Commission, vice Winifred Ann Pizzano, resigned.

Cindy S. Daub,

of Nebraska, to be a Commissioner of the Copyright Royalty Tribunal for a term of 7 years from September 27, 1989, vice Edward W. Ray, term expiring.

Tony Armendariz,

of Texas, to be a member of the Federal Labor Relations Authority for the remainder of the term expiring July 29, 1992, vice Jerry Lee Calhoun, resigned.

Carroll A. Campbell, Jr.,

of South Carolina, to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term of 4 years (new position).

Frank B. Sollars,

of Ohio, to be a member of the Board of Directors of the National Consumer Cooperative Bank for a term of 3 years (reappointment).

John E. Frohnmayer,

of Oregon, to be Chairperson of the National Endowment for the Arts for a term of 4 years, vice Francis S.M. Hodsoll, resigned.

Bill R. Phillips,

of Texas, to be Deputy Director of the Office of Personnel Management, vice Hugh Hewitt, resigned.

John J. Farley III,

of Maryland, to be an Associate Judge of the United States Court of Veterans Appeals for the term of 15 years (new position).

Withdrawn September 6

Lawrence L. Lamade,

of Maryland, to be General Counsel of the Department of the Navy (new position), which was sent to the Senate on January 3, 1989.

Submitted September 7

Vaughn R. Walker,

of California, to be United States District Judge for the Northern District of California, vice Spencer M. Williams, retired.

Otto G. Obermaier,

of New York, to be United States Attorney for the Southern District of New York for the term of 4 years, vice Rudolph W. Giuliani, resigned.

Richard C. Breeden,

of Virginia, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1993, vice Charles C. Cox, term expired.

Submitted September 8

Duane P. Andrews,

of Virginia, to be an Assistant Secretary of Defense, vice Gordon A. Smith, resigned.

David C. O'Neal,

of Illinois, to be an Assistant Secretary of the Interior, vice J. Steven Griles, resigned.

Jennifer J. Wilson,

of Virginia, to be Assistant Secretary of Commerce for Oceans and Atmosphere, vice B. Kent Burton, resigned.

Margot E. Machol,

of the District of Columbia, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1994, vice Robert R. Davis, term expired.

LaJuana S. Wilcher,

of Kentucky, to be an Assistant Administrator of the Environmental Protection Agency, vice Lawrence J. Jensen, resigned.

Withdrawn September 8

David C. O'Neal,

of Illinois, to be Assistant Secretary of Labor for Mine Safety and Health, vice David A. Zeeger, resigned, which was sent to the Senate on January 3, 1989.

Submitted September 12

Marion V. Creekmore, Jr.,

of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Socialist Republic of Sri Lanka, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Maldives.

Henry Allen Holmes,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador at Large for Burdensharing.

Alan Green, Jr.,

of Oregon, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Socialist Republic of Romania.

S. Jay Plager,

of Indiana, to be United States Circuit Judge for the Federal Circuit, vice Shiro Kashiwa, retired.

Jeffrey R. Howard,

of New Hampshire, to be United States Attorney for the District of New Hampshire for the term of 4 years, vice Richard V. Wiebusch, resigned.

Michael D. McKay,

of Washington, to be United States Attorney for the Western District of Washington for the term of 4 years, vice Gene S. Anderson, resigned.

Leonard L. Haynes III,

of Louisiana, to be Assistant Secretary for Postsecondary Education, Department of Education, vice Kenneth D. Whitehead, resigned.

Curtis Virgil McVee,

of Alaska, to be Federal Cochairman of the Alaska Land Use Council, vice Vernon R. Wiggins, resigned.

George W. Haley,

of Maryland, to be a Commissioner of the Postal Rate Commission for the remainder of the term expiring October 14, 1992, vice Janet Dempsey Steiger, resigned.

Withdrawn September 12

Kenneth D. Whitehead,

of Virginia, to be Assistant Secretary for Postsecondary Education, Department of Education, vice C. Ronald Kimberling, resigned, which was sent to the Senate on January 3, 1989.

Submitted September 13

Edwin L. Nelson,

of Alabama, to be United States District Judge for the Northern District of Alabama, vice J. Foy Guin, Jr., retired.

G. Thomas Van Bebber,

of Kansas, to be United States District Judge for the District of Kansas, vice Richard D. Rogers, retired.

Donald Belton Ayer,

of Virginia, to be Deputy Attorney General, vice Harold G. Christensen, resigned.

Mary Sterling,

of Missouri, to be an Assistant Secretary of Labor, vice Salvatore R. Martoche, resigned.

William James Tattersall,

of Pennsylvania, to be Assistant Secretary of Labor for Mine Safety and Health, vice David Courtland O'Neal.

Barbara Zartman,

of New York, to be Deputy Director of the Peace Corps, vice Edward A. Curran, resigned.

Submitted September 14

Adis Maria Vila,

of Florida, to be an Assistant Secretary of Agriculture, vice John J. Franke, Jr., resigned.

Dennis M. Devaney,

of Maryland, to be a member of the National Labor Relations Board for the remainder of the term expiring December 16, 1989, vice Marshall B. Babson, resigned, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

William P. Glade,

of Texas, to be an Associate Director of the United States Information Agency, vice Mark N. Blitz, resigned.

Withdrawn September 14

Dennis M. Devaney,

of Maryland, to be a member of the National Labor Relations Board for the remainder of the term expiring December 16, 1989, vice Marshall B. Babson, which was sent to the Senate on January 3, 1989.

Submitted September 15

Robert W. Genzman,

of Florida, to be United States Attorney for the Middle District of Florida for the term of 4 years, vice Robert W. Merkle, Jr., resigned.

Michael J. Norton,

of Colorado, to be United States Attorney for the District of Colorado for the term of 4 years, vice Robert N. Miller, resigned.

Ronald G. Hein,

of the District of Columbia, to be United States Marshal for the Superior Court of the District of Columbia for the term of 4 years (new position -- Public Law 100 - 690).

Herbert M. Rutherford III,

of the District of Columbia, to be United States Marshal for the District of Columbia for the term of 4 years (reappointment).

Submitted September 18

Alvin P. Adams, Jr.,

of Virginia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Haiti.

Edward G. Lewis,

of Virginia, to be an Assistant Secretary of Veterans Affairs (Information Resources Management) (new position).

K. Michael Moore,

of Florida, to be Director of the United States Marshals Service (new position).

Submitted September 20

Catherine Ann Bertini,

of Illinois, to be an Assistant Secretary of Agriculture, vice John William Bode, resigned.

Christopher T. Cross,

of Maryland, to be Assistant Secretary for Educational Research and Improvement, Department of Education, vice Patricia Mayes Hines, resigned.

Thomas E. Anfinson,

of California, to be Deputy Under Secretary for Management, Department of Education, vice Patrick Pizzella, resigned.

Richard Huntington Melton,

of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil.

James D. Watkins,

of California, to be the Representative of the United States of America to the 33d Session of the General Conference of the International Atomic Energy Agency.

Withdrawn September 20

Patricia Mayes Hines,

of South Carolina, to be Assistant Secretary for Educational Research and Improvement, Department of Education, vice Chester Evans Finn, Jr., resigned, which was sent to the Senate

on January 3, 1989.

Patrick Pizzella,

of Virginia, to be Deputy Under Secretary for Management, Department of Education, vice Mary McNally Rose, resigned, which was sent to the Senate on January 3, 1989.

Submitted September 21

John M. Walker, Jr.,

of New York, to be United States Circuit Judge for the Second Circuit, vice Irving R. Kaufman, retired.

George W. Lindberg,

of Illinois, to be United States District Judge for the Northern District of Illinois, vice Prentice H. Marshall, retired.

Susan Webber Wright,

of Arkansas, to be United States District Judge for the Eastern and Western Districts of Arkansas, vice Elsijane Trimble Roy, retired.

Submitted September 22

David Jameison Smith,

of Virginia, for the rank of Ambassador during his tenure of service as Chief Negotiator for Defense and Space.

Submitted September 26

Pearl Bailey,

of Arizona, to be a Representative of the United States of America to the 44th Session of the General Assembly of the United Nations.

Catalina Vasquez Villalpando,

of Texas, to be Treasurer of the United States, vice Katherine D. Ortega, resigned.

Edwin G. Foulke, Jr.,

of South Carolina, to be a member of the Occupational Safety and Health Review Commission for the term expiring April 27, 1995, vice Elliot Ross Buckley, term expired.

Submitted September 27

Bruce L. Gardner,

of Maryland, to be an Assistant Secretary of Agriculture, vice Ewen M. Wilson, resigned.

E. Donald Elliott,

of Connecticut, to be an Assistant Administrator of the Environmental Protection Agency, vice Lawrence J. Jensen, resigned.

Bernard E. DeLury,

of New Jersey, to be Federal Mediation and Conciliation Director, vice Kay McMurray, resigned.

Submitted September 29

William Clark, Jr.,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India.

Hart T. Mankin,

of Delaware, to be an Associate Judge of the United States Court of Veterans Appeals for the term of 15 years (new position -- Public Law 100 - 687).

Zinora M. Mitchell,

of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of 15 years, vice Reggie Barnett Walton, resigned.

William H. Young,

of New Jersey, to be an Assistant Secretary of Energy (Nuclear Energy), vice Theodore J. Garrish, resigned.

Dennis M. Devaney,

of Maryland, to be a member of the National Labor Relations Board for the term of 5 years, expiring December 16, 1994 (reappointment).

Patrick J. Cleary,

of Virginia, to be a member of the National Mediation Board for the term expiring July 1, 1991, vice Helen M. Witt, resigned.

Joshua M. Javits,

of the District of Columbia, to be a member of the National Mediation Board for the term expiring July 1, 1992 (reappointment).

Withdrawn September 29

John Randolph Hubbard,

of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India, which was sent to the Senate on January 3, 1989.

Submitted October 3

Smith Hempstone, Jr.,

of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kenya.

Keith Leveret Wauchope,

of Virginia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe.

Ann Christine Petersen,

of Illinois, to be General Counsel of the Department of the Air Force (new position -- Public Law 100 - 456).

Leon Snead,

of Maryland, to be Inspector General of the Department of Agriculture, vice Robert W. Beuley, resigned.

Gordon H. Mansfield,

of Virginia, to be an Assistant Secretary of Housing and Urban Development, vice Judith Y. Brachman, resigned.

J. Thomas Ratchford,

of Virginia, to be an Associate Director of the Office of Science and Technology Policy, vice John P. McTague, resigned.

James B. Wyngaarden,

of North Carolina, to be an Associate Director of the Office of Science and Technology Policy, vice Thomas P. Rona, resigned.

Submitted October 4

Barry M. Goldwater, Sr.,

of Arizona, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1992, vice E. Pendleton James.

Hilda Gay Legg,

of Kentucky, to be Alternate Federal Cochairman of the Appalachian Regional Commission, vice Jacqueline L. Phillips, resigned.

Submitted October 6

Barbara Everitt Bryant,

of Michigan, to be Director of the Census, vice John G. Keane, resigned.

Cresencio S. Arcos, Jr.,

of Texas, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras.

Francis Terry McNamara,

of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cape Verde.

The following-named persons to be Alternate Representatives of the United States of America to the 44th Session of the General Assembly of the United Nations:

Barbara Hackman Franklin, of Pennsylvania.

Gary Edward MacDougal, of Illinois.

Michael Bruce Donley,

of Virginia, to be an Assistant Secretary of the Air Force (new position).

Jean Paul Bradshaw,

of Missouri, to be United States Attorney for the Western District of Missouri for the term of 4 years, vice Robert G. Ulrich, resigned.

Joyce J. George,

of Ohio, to be United States Attorney for the Northern District of Ohio for the term of 4 years, vice Patrick M. McLaughlin, resigned.

Robert R. McMillan,

of New York, to be a member of the Board of the Panama Canal Commission, vice Richard N. Holwill, resigned.

Philip Lawrence Christenson,

of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Julia Chang Bloch, resigned, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

Withdrawn October 6

Philip Lawrence Christenson,

of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Julia Chang Bloch, resigned, which was sent to the Senate on January 3, 1989.

Submitted October 10

R. James Woolsey,

of Maryland, for the rank of Ambassador during his tenure of service as United States Representative to the Negotiation on Conventional Armed Forces in Europe (CFE).

Submitted October 11

Ruth V. Washington,

of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia.

Robert C. McCormack,

of Illinois, to be an Assistant Secretary of the Navy, vice Robert H. Conn, resigned.

Betsy Brand,

of Virginia, to be Assistant Secretary for Vocational and Adult Education, Department of Education, vice Bonnie Guiton, resigned.

Richard G. Austin,

of Illinois, to be Administrator of General Services, vice Terence C. Golden, resigned.

Submitted October 12

Harry F. Manbeck, Jr.,

of Connecticut, to be Commissioner of Patents and Trademarks, vice Donald J. Quigg, resigned.

David E. Lewis,

of Florida, to be an Assistant Secretary of Veterans Affairs (Acquisition and Facilities) (new position).

Jacqueline Jones-Smith,

of Maryland, to be Chairman of the Consumer Product Safety Commission, vice Terrence M. Scanlon, resigned.

Jacqueline Jones-Smith,

of Maryland, to be a Commissioner of the Consumer Product Safety Commission for a term of 7 years from October 27, 1989, vice Terrence M. Scanlon, resigned.

Submitted October 13

Robert W. Sweet, Jr.,

of Virginia, to be Administrator of the Office of Juvenile Justice and Delinquency Prevention, Department of Justice, vice Verne L. Speirs, resigned.

Submitted October 17

Daniel Howard Simpson,

of Ohio, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Central African Republic.

The following-named career members of the Senior Foreign Service, Class of Career Minister, for the personal rank of Career Ambassador in recognition of especially distinguished service over a sustained period:

Morton I. Abramowitz, of the District of Columbia.

Terence A. Todman, of the Virgin Islands.

The following-named persons to be Representatives of the United States of America to the 44th Session of the General Assembly of the United Nations:

Sam Gejdenson, of Connecticut.

Christopher H. Smith, of New Jersey.

Martin Lewis Allday,

of Texas, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1993, vice Charles G. Stalon, term expiring.

Bernard William Aronson,

of Maryland, to be a member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1990, vice Elliott Abrams.

Don R. Clay,

of Maryland, to be Assistant Administrator, Office of Solid Waste, of the Environmental Protection Agency, vice J. Winston Porter, resigned.

Submitted October 20

Edward S. Walker, Jr.,

of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Arab Emirates.

Edward W. Nottingham,

of Colorado, to be United States District Judge for the District of Colorado (new position).

Donald E. Kirkendall,

of Maryland, to be Inspector General, Department of the Treasury (new position).

Submitted October 25

Frances D. Cook,

of Florida, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cameroon.

Richard T. Kennedy,

of the District of Columbia, to be an Alternate Representative of the United States of America to the 33d Session of the General Conference of the International Atomic Energy Agency.

Arthur D. Spatt,

of New York, to be United States District Judge for the Eastern District of New York, vice Henry Bramwell, retired.

Timothy D. Leonard,

of Oklahoma, to be United States Attorney for the Western District of Oklahoma for the term of 4 years, vice William S. Price, resigned.

Allan V. Burman,

of Virginia, to be Administrator for Federal Procurement Policy, vice Robert P. Bedell, resigned.

Submitted October 30

Edmund DeJarnette, Jr.,

of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Tanzania.

Clarence Thomas,

of Virginia, to be United States Circuit Judge for the District of Columbia Circuit, vice Robert H. Bork, resigned.

Edward J. Lodge,

of Idaho, to be United States District Judge for the District of Idaho, vice Marion J. Callister,

retired.

Michael H. Newlin,

of Maryland, to be an Alternate Representative of the United States of America to the 33d Session of the General Conference of the International Atomic Energy Agency.

Larry K. Mellinger,

of California, to be United States Executive Director of the Inter-American Development Bank for a term of 3 years, vice Jose Manuel Casanova, resigned, to which position he was appointed during the recess of the Senate from October 22, 1988, to January 3, 1989.

Albert W. Angulo,

of Texas, to be United States Alternate Executive Director of the Inter-American Development Bank, vice Larry K. Mellinger, resigned.

Withdrawn October 30

Larry K. Mellinger,

of California, to be United States Executive Director of the Inter-American Development Bank for a term of 3 years, vice Jose Manuel Casanova, resigned, which was sent to the Senate on January 3, 1989.

Submitted November 1

Hilary P. Cleveland,

of New Hampshire, to be a United States Commissioner on the International Joint Commission -- United States and Canada, vice L. Keith Bulen, resigned.

Submitted November 2

Susan M. Livingstone,

of Montana, to be an Assistant Secretary of the Army, vice John W. Shannon.

Abraham N.M. Shashy, Jr.,

of Texas, to be an Assistant General Counsel in the Department of the Treasury (Chief Counsel for the Internal Revenue Service), vice William F. Nelson, resigned.

Submitted November 6

Anthony C.E. Quainton,

of Washington, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Peru.

Bradley P. Holmes,

of Virginia, to be United States Coordinator for International Communications and Information Policy, with the rank of Ambassador, vice Sonia Landau, resigned.

G. Kim Wincup,

of Maryland, to be an Assistant Secretary of the Army, vice Delbert L. Spurlock, Jr., resigned.

Gene W. Shepard,

of Iowa, to be United States Attorney for the Southern District of Iowa for the term of 4 years, vice Richard C. Turner, deceased.

Withdrawn November 6

Sonia Landau,

of New York, to be Coordinator for International Communications and Information Policy, with the rank of Ambassador, vice Diana Lady Dougan, resigned, which was sent to the Senate on January 3, 1989.

Submitted November 7

Barry L. Harris,

of Maine, to be Deputy Administrator of the Federal Aviation Administration, vice Barbara McConnell Barrett, resigned.

Robert W. Houk,

of Ohio, to be Public Printer, vice Ralph E. Kennickell, Jr., resigned.

Submitted November 8

Cynthia S. Perry,

of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Burundi.

Robert G. Joseph,

of Virginia, for the rank of Ambassador during his tenure of service as United States Commissioner on the U.S.-U.S.S.R. Standing Consultative Commission.

Scott A. Sewell,

of Maryland, to be United States Marshal for the District of Maryland for the term of 4 years, vice John W. Spurrier, term expired.

Douglas B. Comer,

of Virginia, to be Deputy Commissioner of Patents and Trademarks, vice Donald W. Peterson, resigned.

Mary L. Schapiro,

of the District of Columbia, to be a member of the Securities and Exchange Commission for the term of 5 years expiring June 5, 1994 (reappointment).

Submitted November 9

Stephen J. Ledogar,

of Connecticut, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as U.S. Representative to the Conference on Disarmament.

Gerald E. Rosen,

of Michigan, to be United States District Judge for the Eastern District of Michigan, vice Philip

Pratt, deceased.

Donald J. Lee,

of Pennsylvania, to be United States District Judge for the Western District of Pennsylvania, vice Hubert I. Teitelbaum, retired.

Edward J. Philbin,

of California, to be a member of the Interstate Commerce Commission for a term expiring December 3, 1993, vice Heather J. Gradison, term expired.

Submitted November 13

Susan J. Crawford,

of Maryland, to be Inspector General, Department of Defense, vice June Gibbs Brown, resigned.

Walter J. Bamberg,

of Alabama, to be United States Marshal for the Middle District of Alabama for the term of 4 years, vice Melvin E. Jones, retired.

Donald E. Crowl,

of Oklahoma, to be United States Marshal for the Northern District of Oklahoma for the term of 4 years, vice Harry Connolly, retired.

Charles E. Healey,

of New York, to be United States Marshal for the Eastern District of New York for the term of 4 years (reappointment).

Craig L. Meacham,

of California, to be United States Marshal for the Central District of California for the term of 4 years, vice Julio Gonzales, resigned.

James Y. Stewart,

of Michigan, to be United States Marshal for the Eastern District of Michigan for the term of 4

years, vice Anthony Bertoni, term expired.

Martin H. Gerry,

of California, to be an Assistant Secretary of Health and Human Services, vice Robert B. Helms, resigned.

H. Douglas Barclay,

of New York, to be a member of the Board of Directors for the Overseas Private Investment Corporation for the term expiring December 17, 1991, vice Thomas A. Bolan, resigned.

Submitted November 14

La Verne G. Ausman,

of Wisconsin, to be Administrator of the Farmers Home Administration, vice Vance L. Clark, resigned.

Submitted November 15

Harriet Winsar Isom,

of Oregon, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Benin.

The following-named persons to be Representatives and Alternate Representatives of the United States of America to the 44th Session of the General Assembly of the United Nations:

Representatives:

Thomas R. Pickering, of New Jersey.

Alexander Fletcher Watson, of Massachusetts.

Alternate Representatives:

Jonathan Moore, of Massachusetts.

Milton James Wilkinson, of New Hampshire.

Ronald Frank Ederer,

of Texas, to be United States Attorney for the Western District of Texas for the term of 4 years, vice Helen M. Eversberg, term expired.

John T. MacDonald,

of New Hampshire, to be Assistant Secretary for Elementary and Secondary Education, Department of Education, vice Beryl Dorsett, resigned.

Submitted November 17

Robert William Farrand,

of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Papua New Guinea, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Solomon Islands, and Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Vanuatu.

J. Steven Rhodes,

of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Zimbabwe.

John J. Maresca,

of Connecticut, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Head of the United States Delegation to the Conference on Confidence and Security Building Measures (CSBM).

Carol Mayer Marshall,

of California, to be Superintendent of the Mint of the United States at San Francisco, California (new position).

Jerome G. Cooper,

of Alabama, to be an Assistant Secretary of the Air Force, vice Karen R. Keesling, resigned.

Rhesa H. Barksdale,

of Mississippi, to be United States Circuit Judge for the Fifth Circuit, vice Alvin B. Rubin, retired.

Jacques L. Wiener, Jr.,

of Louisiana, to be United States Circuit Judge for the Fifth Circuit, vice Robert M. Hill, deceased.

Ronald L. Buckwalter,

of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania, vice Charles R. Weiner, retired.

Robert F. Gilbert

of New Hampshire, to be United States Marshal for the District of New Hampshire for the term of 4 years, vice Ronald D. Daniels, Jr., resigned.

John W. Lyons,

of Maryland, to be Director of the National Institute of Standards and Technology, vice Ernest Ambler, resigned.

Gail Roggin Wilensky,

of the District of Columbia, to be Administrator of the Health Care Financing Administration, vice William L. Roper, resigned.

James B. Edwards,

of South Carolina, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1992, vice Michael A. McManus, Jr.

Submitted November 20

David C. Fields,

of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be

Director of the Office of Foreign Missions, with the rank of Ambassador.

Henrietta H. Holsman,

of California, to be an Assistant Administrator of the Agency for International Development, vice Mae Neal Peden, resigned.

James B. Edwards,

of South Carolina, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1990, vice Michael A. McManus, Jr., term expired.

Peter K. Nunez,

of California, to be an Assistant Secretary of the Treasury, vice Salvatore R. Martoche, resigned.

William D. Hathaway,

of Maine, to be a Federal Maritime Commissioner for the term expiring June 30, 1993, vice Thomas F. Moakley, resigned.

Withdrawn November 20

James B. Edwards,

of South Carolina, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1992, vice Michael A. McManus, Jr., which was sent to the Senate on November 17, 1989.

Submitted November 21

Tony E. Gallegos,

of California, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1994 (reappointment).

Arthur J. Hill,

of Florida, to be President, Government National Mortgage Association, vice Mark E. Buchman, resigned.

Donald G. Wiseman,

of North Carolina, to be a member of the Occupational Safety and Health Review Commission for the remainder of the term expiring April 27, 1993, vice Linda Lugenia Arey.

William J. Haynes II,

of North Carolina, to be General Counsel of the Department of the Army (new position -- P.L. 100 - 456).

Stephen K. Conver,

of Virginia, to be an Assistant Secretary of the Army, vice Jay Raymond Sculley, resigned.

Withdrawn November 21

Linda L. Arey,

of Virginia, to be a member of the Occupational Safety and Health Review Commission for the term expiring April 27, 1993, vice John R. Wall, term expired, which was sent to the Senate on January 3, 1989.

Appendix C -- Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary which are not included in this book.

Released January 26

Advance text:

Remarks to members of the Senior Executive Service

Released January 31

Advance text:

Remarks to the crew of the U.S.S. America and naval shipyard employees in Norfolk, VA

Released February 2

Transcript:

Press briefing on the President's meeting with Prime Minister Noboru Takeshita of Japan -- by Gaston J. Sigur, Assistant Secretary of State for East Asian and Pacific Affairs

Released February 6

Transcript:

Press briefing on the savings and loan crisis -- by Secretary of the Treasury Nicholas F. Brady; Richard G. Darman, Director of the Office of Management and Budget; Attorney General Richard Thornburgh; Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System; M. Danny Wall, Chairman of the Federal Home Loan Bank Board; and L. William Seidman, Chairman of the Federal Deposit Insurance Corporation

Released February 7

Transcript:

Press briefing on the President's upcoming visit to Canada -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Released February 8

Fact sheet:

Economic Policy Council and Domestic Policy Council

Released February 9

Advance text:

Address before a joint session of the Congress

Fact sheet:

President's Bush's Agenda: Building a Better America

Transcript:

Press briefing on the fiscal year 1990 budget -- by Richard G. Darman, Director of the Office of Management and Budget

Released February 10

Transcript:

Press briefing on the President's meeting with Prime Minister Brian Mulroney in Ottawa, Canada -- by Secretary of State James A. Baker III

Released February 13

Advance text:

Remarks to the members of the Business and Industry Association of New Hampshire in Manchester

Released February 15

Advance text:

Remarks to the South Carolina State Legislature in Columbia

Released February 17

Advance text:

Remarks to students at Washington University in St. Louis, MO

Released February 22

Advance text:

Remarks to Armed Forces personnel at Elmendorf Air Force Base, Anchorage, AK

Announcement:

Nomination of Robert C. Bonner to be United States District Judge for the Central District of California

Announcement:

Nomination of Vaughn R. Walker to be United States District Judge for the Northern District of California

Announcement:

Nomination of Ferdinand F. Fernandez to be United States Circuit Judge for the Ninth Circuit

Announcement:

Nomination of Melinda Harmon to be United States District Judge for the Southern District of Texas

Announcement:

Nomination of Pamela Ann Rymer to be United States Circuit Judge for the Ninth Circuit

Released February 23

Transcript:

Press briefing on the President's trip to the Far East -- by Secretary of State James A. Baker III

Released February 24

Transcript:

Interview of Secretary of State James A. Baker III by Tom Brokaw of NBC News

Transcript:

Interview of Secretary of State James A. Baker III by Harry Smith of CBS News

Transcript:

Interview of Brent Scowcroft, Assistant to the President for National Security Affairs by Charles Gibson of ABC News

Released February 25

Advance text:

Toast at the welcoming banquet in Beijing, China

Released February 26

Transcript:

Interview of Secretary of State James A. Baker III by Bill Plante of CBS News

Advance text:

Remarks to U.S. and Chinese officials at a banquet hosted by the President in Beijing, China

Transcript:

Interview of John H. Sununu, Chief of Staff to the President, by Frank Sesno and Charles Bierbauer of Cable Network News

Released February 27

Advance text:

Address to the National Assembly in Seoul, South Korea

Released February 28

Transcript:

Press briefing on the Senate's deliberations on the confirmation of John Tower as Secretary of Defense -- by Senators Robert Dole and John Warner

Released March 9

Advance text:

Remarks to Drug Enforcement Administration officers in New York, NY

Advance text:

Remarks at the United Negro College Fund dinner in New York, NY

Released March 13

Statement:

Condolences on the death of John J. McCloy

Released March 15

Fact sheet:

Building a Better America: President Bush's Child Care Proposals

Advance text:

Remarks at the Electronic Industries Association's annual Government-Industry Dinner

Released March 16

Advance text:

Remarks at a luncheon hosted by the Forum Club in Houston, TX

Advance text:

Remarks at the Junior Achievement National Business Hall of Fame Dinner in Colorado Springs, CO

Released March 21

Fact sheet:

President's minimum-wage proposal

Released March 22

Advance text:

Remarks to students at Conestoga Valley High School in Lancaster, PA

Advance text:

Remarks to the law enforcement community in Wilmington, DE

Released March 23

Advance text:

Remarks to the National Association of Manufacturers Congress of American Industry

Released March 24

Transcript:

Press briefing on the bipartisan accord on Central America -- by Secretary of State James A. Baker III; Jim Wright, Speaker of the House of Representatives; George Mitchell and Robert Dole, majority and minority leaders of the Senate, respectively; Thomas S. Foley and Robert H. Michel, majority and minority leaders of the House of Representatives, respectively.

Released March 29

Announcement:

Nomination of Wayne A. Budd to be United States Attorney for the District of Massachusetts

Released March 30

Transcript:

Press briefing on the oil spill in Prince William Sound, Alaska -- by Secretary of Transportation Samuel K. Skinner; William K. Reilly, Administrator of the Environmental Protection Agency; and Adm. Paul A. Yost, Commandant of the U.S. Coast Guard

Advance text

Remarks to members of the American Association of Community and Junior Colleges

Released April 4

Advance text:

Remarks at a White House briefing for members of the American Business Conference

Transcript:

Press briefing on Central America -- by President Oscar Arias Sanchez of Costa Rica

Released April 5

Transcript:

Press briefing on the proposed Educational Excellence Act of 1989 -- by Secretary of Education Lauro F. Cavazos and Under Secretary of Education Charles Kolb

Announcement:

Nomination of Frank Quill Nebeker to be chief judge of the U.S. Court of Veterans Appeals

Released April 6

Transcript:

Press briefing on Federal assistance for the Alaskan oil spill cleanup -- by Secretary of Transportation Samuel K. Skinner; Secretary of Defense Richard Cheney; and William K. Reilly, Administrator of the Environmental Protection Agency

Released April 12

Fact sheet:

President's ethics reform proposals

Advance text:

Remarks at the Congressional Fire Services Institute dinner

Advance text:

Remarks to participants in Project Educational Forum in Union, NJ

Released April 14

Transcript:

Press briefing on the budget -- by the budget agreement negotiating group

Released April 17

Advance text:

Remarks to citizens in Hamtramck, MI

Fact sheet:

U.S. support for Polish reforms

Released April 18

Fact sheet:

Implementation of the bipartisan accord on Central America

Released April 24

Advance text:

Remarks at the memorial service for crewmembers of the U.S.S. Iowa in Norfolk, VA

Advance text:

Remarks at the Associated Press business luncheon in Chicago, IL

Advance text:

Remarks at the dedication ceremony for the Centennial Grove in Bismarck, ND

Released April 25

Advance text:

Remarks to employees of the Ford Aerospace Space Systems Division in Palo Alto, CA

Advance text:

Remarks to members of the law enforcement community at Rancho del Rio in Orange County, CA

Advance text:

Remarks to members of the Spanish-American community in Los Angeles, CA

Released April 26

Advance text:

Remarks to the State legislature in Austin, TX

Released April 27

Advance text:

Remarks at the International Drug Enforcement Conference in Miami, FL

Advance text:

Remarks at the dedication ceremony for the Drug Command Coordination Control and

Intelligence Center in Miami, FL

Advance text:

Remarks at the dedication ceremony for the Michael Bilirakis Alzheimer's Center in Palm Harbor, FL

Advance text:

Remarks at the Andrew Mellon dinner in Washington, DC

Released April 28

Fact sheet:

Executive order on historically black colleges and universities

Released May 2

Advance text:

Remarks to the Council of the Americas

Released May 5

Announcement:

Nomination of Kenneth B. Kramer to be an Associate Judge of the United States Court of Veterans Appeals

Released May 11

Transcript:

Press briefing on the crisis in Panama -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Released May 12

Advance text:

Remarks at the Texas A&M University commencement ceremony in College Station, TX

Fact sheet:

``Beyond Containment'' -- the President's Texas A&M University commencement address

Fact sheet:

President's ``Open Skies'' initiative

Fact sheet:

The Jackson-Vanik amendment

Announcement:

Nomination of E. Bart Daniel to be the United States Attorney for the District of South Carolina

Released May 17

Fact sheet:

Martin Luther King, Jr., Federal Holiday Commission Extension Act

Released May 18

Advance text:

Remarks to supporters of the Brainpower Coalition in Rochester, NY

Released May 20

Transcript:

Press briefing on President Bush's meeting with President Mitterrand of France in Kennebunkport, ME -- by Secretary of State James A. Baker III and French Foreign Minister Roland Dumas

Released May 23

Transcript:

Press briefing on the resumption of Strategic Arms Reduction Talks with the Soviet Union and the President's participation in the upcoming NATO summit -- by Secretary of State James A. Baker III

Released May 24

Announcement:

Nomination of Dee V. Benson to be United States Attorney for the District of Utah

Released May 25

Statement:

Presidential decision on U.S. action against foreign trade barriers

Released May 26

Advance text:

Remarks upon departure for Europe

Advance text:

Remarks upon departure for Europe

Advance text:

Remarks at the arrival ceremony in Rome

Released May 27

Advance text:

Toast at a state dinner hosted by Prime Minister Ciriaco De Mita in Rome

Released May 28

Transcript:

Interview of Brent Scowcroft, Assistant to the President for National Security Affairs, by ABC's ``This Week with David Brinkley''

Advance text:

Remarks at a Memorial Day ceremony at the Sicily-Rome American Cemetery in Nettuno, Italy

Transcript:

Interview of John H. Sununu, Chief of Staff to the President, by CNN's ``Newsmaker Sunday''

Released May 29

Fact sheet:

President's initiative on conventional arms control

Released May 30

Joint communique:

Statement on the Ministerial Meeting of the North Atlantic Council at Reykjavik

Fact sheet:

NATO summit declaration (two documents)

Transcript:

Interview of Brent Scowcroft, Assistant to the President for National Security Affairs, by Frank Sesno, Cable News Network

Transcript:

Press briefing on the North Atlantic Treaty Organization Summit -- by Secretary of State James A. Baker III

Advance text:

Toast at a state dinner hosted by Chancellor Helmut Kohl in Bonn, Federal Republic of Germany

Released May 31

Advance text:

Remarks to citizens in Mainz, Federal Republic of Germany

Advance text:

Remarks to military personnel and their families in Frankfurt, Federal Republic of Germany

Released June 1

Transcript:

Press briefing on the President's meeting with Prime Minister Margaret Thatcher of the United Kingdom and the North Atlantic Treaty Organization summit -- by Secretary of State James A. Baker III

Advance text:

Toast at a state dinner hosted by Prime Minister Margaret Thatcher of the United Kingdom in London

Released June 5

Advance text:

Remarks at the annual meeting of the Business Roundtable

Released June 8

Advance text:

Remarks to members of Ducks Unlimited

Released June 9

Announcement:

Nomination of William Braniff to be United States Attorney for the Southern District of California

Released June 12

Transcript:

Press briefings on the President's Clean Air Act amendment proposals -- by William K. Reilly, Administrator of the Environmental Protection Agency, and James D. Watkins, Secretary of Energy

Released June 13

Advance text:

Remarks to students at the Teton Science School in Grand Teton National Park, WY

Advance text:

Remarks at the University of Nebraska in Lincoln

Released June 15

Fact sheet:

President's trip to Glynco, GA

Advance text:

Remarks at the Federal Law Enforcement Training Center in Glynco, GA

Announcement:

Nomination of Margaret Person Currin to be United States Attorney for the Eastern District of North Carolina

Released June 16

Announcement:

Distribution by Attorney General Richard L. Thornburgh to U.S. attorneys of guidelines for plea

bargaining in cases involving firearms

Released June 19

Advance text:

Remarks at the Cheltenham High School commencement ceremony in Wyncote, PA

Released June 21

Advance text:

Remarks to members of the Family Motor Coach Association in Richmond, VA

Advance text:

Remarks to State Republican leaders at a fundraising dinner in Richmond, VA

Released June 22

Advance text:

Remarks at a luncheon hosted by the New York Partnership and the Association for a Better New York in New York, NY

Advance text:

Remarks at a Republican Party fundraising dinner in New York, NY

Advance text:

Remarks at the Wall Street Journal anniversary dinner in New York, NY

Released June 27

Transcript:

Press briefing on the President's meeting with Prime Minister Hawke of Australia -- by William Clark, Acting Assistant Secretary of State for Near Eastern and South Asian Affairs

Released June 29

Transcript:

Press briefing on the economic summit and China -- by Secretary of State James A. Baker III

Released June 30

Advance text:

Remarks at a White House ceremony commemorating the 25th anniversary of the Civil Rights Act

Released July 3

Transcript:

Press briefing on the U.S. Supreme Court decision on abortion and potential amendments to the Constitution -- by John H. Sununu, Chief of Staff to the President

Released July 5

Transcript:

Press briefing on environmental issues to be discussed at the upcoming Paris economic summit -- by William K. Reilly, Administrator of the Environmental Protection Agency

Released July 6

Fact sheet:

Presidential Medal of Freedom

Fact sheet:

1989 Presidential Medal of Freedom recipients

Transcript:

Press briefing on the upcoming Paris economic summit -- by Secretary of the Treasury Nicholas F. Brady

Released July 7

Announcement:

Transmittal to the Congress of the Senior Executives Salary Act of 1989 and Honoraria Reform Act of 1989

Released July 10

Transcript:

Press briefing on the President's trip to Poland -- by Secretary of State James A. Baker III

Transcript:

Interview of Brent Scowcroft, Assistant to the President for National Security Affairs, by Frank Sesno of CNN

Fact sheet:

Generalized System of Preferences (GSP) program for Poland

Transcript:

Interview of Secretary of State James A. Baker III by Harry Smith of CBS' ``This Morning''

Fact sheet:

Overseas Private Investment Corporation (OPIC) program for Poland

Transcript:

Interview of John H. Sununu, Chief of Staff to the President, by Jim Miklaszewski of NBC

Advance text:

Remarks at the state dinner in Warsaw

Advance text:

Remarks to Little League baseball players in Warsaw

Fact sheet:

U.S.-Polish private business agreement

Released July 11

Announcement:

Nomination of Clarence Thomas to be United States Circuit Judge for the District of Columbia Circuit

Announcement:

Nomination of Marvin J. Garbis to be United States District Judge for the District of Maryland

Announcement:

Nomination of S. Jay Plager to be United States Circuit Judge for the Federal Circuit

Announcement:

Nomination of Rebecca Beach Smith to be United States District Judge for the Eastern District of Virginia

Advance text:

Toast at the state dinner in Budapest

Released July 12

Fact sheet:

Overseas Private Investment Corporation (OPIC) program for Hungary

Fact sheet:

Generalized System of Preferences (GSP) program for Hungary

Transcript:

Interview of Brent Scowcroft, Assistant to the President for National Security Affairs, by Bryant Gumbel of NBC's ``Today''

Transcript:

Press briefing on the President's trip to Poland and Hungary -- by John H. Sununu, Chief of Staff to the President

Transcript:

Press briefing on the President's trip to Poland and Hungary -- by Secretary of State James A. Baker III

Advance text:

Remarks to students and faculty at Karl Marx University of Economics in Budapest

Transcript:

Interview of John H. Sununu, Chief of Staff to the President, by CNN

Released July 13

Transcript:

Press briefing on the President's trip to Poland and Hungary -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Transcript:

Interview of Mrs. Bush by members of the White House press corps

Released July 14

Transcript:

Interview of Secretary of the Treasury Nicholas F. Brady by Charles Gibson of ABC's ``Good Morning America''

Transcript:

Press briefing on President Bush's meeting with President Carlos Salinas de Gortari of Mexico and the Paris economic summit -- by John H. Sununu, Chief of Staff to the President

Transcript:

Interview of Brent Scowcroft, Assistant to the President for National Security Affairs, by Harry Smith of CBS' ``This Morning''

Released July 15

Transcript:

Press briefing on the President's meeting with Prime Minister Margaret Thatcher of the United Kingdom and the Paris economic summit -- by John H. Sununu, Chief of Staff to the President

Transcript:

Press briefing on the Paris economic summit -- by Secretary of State James A. Baker III

Transcript:

Interview of Secretary of State James A. Baker III by Rowland Evans and Robert Novak of CNN

Released July 16

Transcript:

Interview of Brent Scowcroft, Assistant to the President for National Security Affairs, by Lesley Stahl of CBS' ``Face the Nation''

Transcript:

Interview of Secretary of State James A. Baker III by David Brinkley of ABC's ``This Week With David Brinkley''

Transcript:

Interview of Secretary of the Treasury Nicholas F. Brady by CNN's ``Newsmaker Sunday''

Transcript:

Interview of John H. Sununu, Chief of Staff to the President, by NBC's ``Meet the Press''

Released July 17

Transcript:

Press briefing on the President's trip to The Netherlands -- by Secretary of State James A. Baker III and Dutch Foreign Minister Hans van den Broek

Advance text:

Remarks to residents of Leiden, The Netherlands

Released July 19

Transcript:

Press briefing on the U.S. economy and foreign affairs -- by Marlin Fitzwater, Press Secretary to the President, and Michael Boskin, Chairman of the President's Council of Economic Advisers

Released July 20

Transcript:

Press briefing on the U.S. space program -- by Richard H. Truly, Administrator of the National Aeronautics and Space Administration

Released July 26

Announcement:

Nomination of Stephen J. Markman to be United States Attorney for the Eastern District of Michigan

Transcript:

Press briefing on the development of a comprehensive national energy strategy -- by Secretary of Energy James Watkins and Deputy Secretary of Energy Henson Moore

Released July 28

Advance text:

Remarks on signing the National POW/MIA Recognition Day proclamation

Released July 31

Advance text:

Remarks at a meeting of the National Governors' Association in Chicago, IL

Released August 4

Announcement:

Nomination of Conrad K. Cyr to be United States Circuit Judge for the First Circuit

Released August 8

Advance text:

Remarks to the National Urban League Conference

Released August 9

Fact sheet:

Financial Institutions Reform, Recovery, and Enforcement Act of 1989

Released August 14

Fact sheet:

Disaster Assistance Act of 1989

Released August 16

Advance text:

Remarks at a fundraising luncheon for congressional candidate Ileana Ros-Lehtinen in Miami, FL

Released August 21

Transcript:

Press briefing on the President's upcoming address to the Nation on the national drug control strategy -- by John H. Sununu, Chief of Staff to the President

Released August 29

Announcement:

Nomination of John J. Farley III to be an Associate Judge of the United States Court of Veterans Appeals

Transcript:

Press briefing on the national drug control strategy and assistance for Colombia -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Released September 5

Transcript:

Press briefing on the national drug control strategy -- by William J. Bennett, Director of National Drug Control Policy, and Richard G. Darman, Director of Office of Management and Budget

Advance text:

Address to the Nation on the national drug control strategy

Released September 6

Announcement:

Nomination of Otto G. Obermaier to be United States Attorney for the Southern District of New York

Released September 11

Announcement:

Nomination of Jeffrey R. Howard to be United States Attorney for the District of New Hampshire

Announcement:

Nomination of Michael D. McKay to be United States Attorney for the Western District of Washington

Released September 12

Announcement:

Nomination of Edwin L. Nelson to be United States District Judge for the Northern District of Alabama

Announcement:

Nomination of G. Thomas Van Bebber to be United States District Judge for the District of Kansas

Advance text:

Address to students on drug abuse

Released September 13

Fact sheet:

Special-needs adoption legislative proposals

Released September 14

Announcement:

Nomination of Herbert M. Rutherford III to be United States Marshal for the District of Columbia

Announcement:

Nomination of Ronald G. Hein to be United States Marshal for the Superior Court for the

District of Columbia

Announcement:

Nomination of Robert W. Genzman to be United States Attorney for the Middle District of Florida

Announcement:

Nomination of Michael J. Norton to be United States Attorney for the District of Colorado

Released September 15

Announcement:

Nomination of K. Michael Moore to be Director of the United States Marshals Service

Released September 18

Advance text:

Remarks at the South Dakota centennial celebration in Sioux Falls

Advance text:

Remarks at the Montana centennial celebration in Helena

Advance text:

Remarks to the five-State legislators conference in Helena, MT

Released September 19

Advance text:

Remarks at the Washington centennial celebration in Spokane

Released September 20

Announcement:

Nomination of George W. Lindberg to be United States District Judge for the Northern District of Illinois

Announcement:

Nomination of Susan Webber Wright to be United States District Judge for the Eastern and Western Districts of Arkansas

Announcement:

Nomination of John M. Walker, Jr., to be United States Circuit Judge for the Second Circuit

Released September 21

Transcript:

Press briefing on the national drug control strategy and the upcoming education summit in Charlottesville, VA -- by William J. Bennett, Director of National Drug Control Policy, and Roger B. Porter, Assistant to the President for Economic and Domestic Policy

Transcript:

Press briefing on the President's meeting with Soviet Foreign Minister Eduard A. Shevardnadze -- by Secretary of State James A. Baker III

Released September 22

Advance text:

Remarks at a Republican fundraising luncheon in East Brunswick, NJ

Fact sheet:

Capital gains tax cut

Released September 25

Advance text:

Address before the 44th Session of the United Nations General Assembly in New York, NY

Fact sheet:

President's chemical weapons initiative

Transcript:

Press briefing on the President's chemical weapons initiative -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Advance text:

Remarks at the United Nations heads of state dinner

Released September 27

Advance text:

Remarks at the annual meeting of the Boards of Governors of the International Monetary Fund and World Bank Group

Transcript:

Press briefing on the education summit -- by Governors Gerald Baliles, Terry Branstad, Bill Clinton, and Carroll Campbell; Secretary of Education Lauro Cavazos; and Summit Director David Frederickson

Advance text:

Remarks at the education summit welcoming ceremony at the University of Virginia in Charlottesville

Transcript:

Remarks at the education summit by Governors Terry Branstad, Carroll Campbell, and Bill Clinton in Charlottesville, VA

Advance text:

Toasts of the President and Gov. Terry Branstad of Iowa at the education summit dinner in Charlottesville, VA

Released September 28

Advance text:

Remarks at the University of Virginia convocation in Charlottesville

Announcement:

Nomination of Hart T. Mankin to be Associate Judge of the United States Court of Veterans Appeals

Released September 29

Announcement:

Nomination of Zinora M. Mitchell to be Associate Judge of the Superior Court of the District of Columbia

Released October 4

Advance text:

Remarks at the Challenger Center for Space Education gala dinner

Released October 5

Announcement:

Nomination of Joyce J. George to be United States Attorney for the Northern District of Ohio

Announcement:

Nomination of Jean Paul Bradshaw to be United States Attorney for the Western District of Missouri

Released October 8

Advance text:

Remarks at the conference of the National Federation of Republican Women in Baltimore, MD

Released October 11

Transcript:

Press briefing on the visit of President Francesco Cossiga of Italy -- by Assistant Secretary of State for European and Canadian Affairs Raymond G.H. Seitz

Announcement:

Ninth annual President's Volunteer Action Awards program

Released October 12

Advance text:

Remarks at a fundraiser for congressional candidate Tom Anderson in Gulfport, MS

Advance text:

Remarks at a fundraising dinner for mayoral candidate Rudolph W. Giuliani in New York, NY

Released October 17

Transcript:

Press briefing on the President's meeting with President Roh Tae Woo of the Republic of Korea -- by Richard Solomon, Assistant Secretary of State for East Asian and Pacific Affairs

Advance text:

Remarks at the Republican Governors Association annual dinner

Released October 20

Announcement:

Nomination of Edward W. Nottingham to be United States District Judge for the District of Colorado

Released October 24

Announcement:

Nomination of Arthur D. Spatt to be United States District Judge for the Eastern District of New York

Released October 25

Announcement:

Nomination of Timothy D. Leonard to be United States Attorney for the Western District of Oklahoma

Transcript:

Press briefing on the President's trip to San Jose to attend the centennial celebration of Costa Rican democracy and to meet with Western Hemisphere leaders -- by Secretary of State James A. Baker III

Released October 26

Transcript:

Press briefing on the President's food safety plan -- by Secretary of Agriculture Clayton Yeutter, Secretary of Health and Human Services Louis W. Sullivan, and Environmental Protection Agency Administrator William K. Reilly

Released October 27

Announcement:

Nomination of Edward J. Lodge to be United States District Judge for the District of Idaho

Transcript:

Press briefing on the President's attendance of the centennial celebration of Costa Rican democracy and his meeting with Western Hemisphere leaders in San Jose -- by Secretary of State James A. Baker III

Released November 2

Announcement:

Nomination of Gene W. Shepard to be the United States Attorney for the Southern District of Iowa

Released November 3

Advance text:

Remarks at a fundraising reception for J. Marshall Coleman in Norfolk, VA

Released November 7

Announcement:

Nomination of Scott A. Sewell to be United States Marshal for the District of Maryland

Released November 9

Announcement:

Nomination of Gerald E. Rosen to be United States District Judge for the Eastern District of Michigan

Announcement:

Nomination of Donald J. Lee to be United States District Judge for the Western District of Pennsylvania

Transcript:

Press briefing on the state visit of President Corazon C. Aquino of the Philippines -- by Richard Solomon, Assistant Secretary of State for East Asian and Pacific Affairs

Released November 10

Transcript:

Press briefing on the HOPE Initiative: Homeownership and Opportunity for People Everywhere -- by Secretary of Housing and Urban Development Jack Kemp

Released November 13

Advance text:

Remarks on presenting the Presidential Medal of Freedom to Lech Walesa

Announcement:

Nomination of Donald E. Crowl to be United States Marshal for the Northern District of Oklahoma

Announcement:

Nomination of Charles E. Healey to be United States Marshal for the Eastern District of New York

Announcement:

Nomination of Walter J. Bamberg to be United States Marshal for the Middle District of Alabama

Announcement:

Nomination of Craig L. Meacham to be United States Marshal for the Central District of California

Announcement:

Nomination of James Y. Stewart to be United States Marshal for the Eastern District of Michigan

Released November 14

Announcement:

Presentation of the National Medal of Arts

Released November 15

Announcement:

Nomination of Ronald F. Ederer to be United States Attorney for the Western District of Texas

Advance text:

Remarks at the biannual convention of the American Federation of Labor and Congress of Industrial Organizations

Released November 17

Transcript:

Excerpt of an interview of the President -- by Peter Mayer, Mutual and NBC Radio

Announcement:

Nomination of Robert F. Gilbert to be United States Marshal for the District of New Hampshire

Announcement:

Nomination of Jacques L. Wiener, Jr., to be United States Circuit Judge for the Fifth Circuit

Announcement:

Nomination of Rhesa H. Barksdale to be United States Circuit Judge for the Fifth Circuit

Announcement:

Nomination of Ronald L. Buckwalter to be United States District Judge for the Eastern District of Pennsylvania

Released November 20

Advance text:

Remarks at a fundraising luncheon for senatorial candidate Lynn Martin in Chicago, IL

Released November 21

Advance text:

Remarks at the annual meeting of the National Association of State Universities and Land-Grant Colleges

Released November 22

Advance text:

Remarks at the Commercial Appeal's Thanksgiving celebration in Memphis, TN

Fact sheet:

President's visit to the Memphis Baptist Medical Center, TN

Advance text:

Thanksgiving Address to the Nation

Released November 28

Transcript:

Press briefing on the Presidential economic delegation to Poland -- by Secretary of Agriculture Clayton K. Yeutter, Secretary of Labor Elizabeth Dole, and Secretary of Commerce Robert A. Mosbacher

Advance text:

Remarks to the Presidential economic delegation to Poland

Released November 29

Transcript:

Press briefing on the upcoming meeting with Soviet President Mikhail S. Gorbachev in Malta -- by Secretary of State James A. Baker III

Released December 3

Advance text:

Remarks at the arrival ceremony in Brussels

Released December 4

Transcript:

Interview of Secretary of State James A. Baker III by Ralph Begleiter of CNN's ``Headline News"

Transcript:

Interview of Secretary of State James A. Baker III by Bryant Gumbel of NBC's ``Today"

Transcript:

Interview of John Sununu, Chief of Staff to the President, by Kathleen Sullivan of the ``CBS Morning News"

Transcript:

Interview of Brent Scowcroft, Assistant to the President for National Security Affairs, by Charles Gibson of ABC's ``Good Morning America"

Released December 5

Transcript:

Press briefing on the President's meeting with Soviet Chairman Mikhail S. Gorbachev in Malta -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Advance text:

Remarks at the National Republican Congressional Committee dinner honoring Representative Robert H. Michel

Released December 7

Advance text:

Remarks at the Acres Homes War on Drugs rally in Houston, TX

Advance text:

Remarks at a fundraising dinner for Senator Phil Gramm in Houston, TX

Released December 8

Advance text:

Remarks at a fundraising luncheon for senatorial candidate Hank Brown in Denver, CO

Advance text:

Remarks at an antidrug rally at John F. Kennedy High School in Denver, CO

Released December 11

Announcement:

Nomination of Annice M. Wagner to be an Associate Judge of the District of Columbia Court of Appeals

Released December 12

Announcement:

Nomination of Ronald M. Holdaway to be an Associate Judge of the United States Court of Veterans Appeals

Transcript:

Remarks at the Catholic University of America anniversary dinner

Released December 20

Announcement:

Nomination of Thomas W. Corbett, Jr., to be United States Attorney for the Western District of Pennsylvania

Statement:

Upcoming visit of President `Ali `Abdallah Salih of the Yemen Arab Republic -- by Marlin Fitzwater, Press Secretary to the President

Released December 27

Fact sheet:

Federal Chancellor Scholarship for Future American Leaders

Appendix D -- Acts Approved by the President

Approved February 7

H.J. Res. 129 / Public Law 101 - 1

Disapproving the increases in executive, legislative, and judicial salaries recommended by the President under section 225 of the Federal Salary Act of 1967

Approved March 15

H.J. Res. 22 / Public Law 101 - 2

To designate the week beginning March 6, 1989, as ``Federal Employees Recognition Week''

Approved March 21

S.J. Res. 64 / Public Law 101 - 3

To designate March 25, 1989, as ``Greek Independence Day: A National Day of Celebration of Greek and American Democracy''

Approved March 23

H.J. Res. 117 / Public Law 101 - 4

To proclaim March 20, 1989, as ``National Agriculture Day''

H.J. Res. 167 / Public Law 101 - 5

To designate March 16, 1989, as ``Freedom of Information Day''

Approved March 24

H.J. Res. 148 / Public Law 101 - 6

Designating the month of March in both 1989 and 1990 as ``Women's History Month''

Approved March 29

S. 553 / Public Law 101 - 7

To provide for more balance in the stocks of dairy products purchased by the Commodity Credit Corporation

S.J. Res. 87 / Public Law 101 - 8

To commend the Governments of Israel and Egypt on the occasion of the tenth anniversary of the Treaty of Peace between Israel and Egypt

Approved March 31

H.R. 1373 / Public Law 101 - 9

To authorize the Agency for International Development to pay the expenses of an election observer mission for the 1989 presidential elections in Panama

Approved April 2

S.J. Res. 50 / Public Law 101 - 10

To designate the week beginning April 2, 1989, as ``National Child Care Awareness Week''

Approved April 7

H.R. 829 / Public Law 101 - 11

Wildfire Suppression Assistance Act

Approved April 10

S. 20 / Public Law 101 - 12

Whistleblower Protection Act of 1989

Approved April 13

S.J. Res. 43 / Public Law 101 - 13

Designating April 9, 1989, as ``National Former Prisoners of War Recognition Day''

Approved April 18

H.R. 1750 / Public Law 101 - 14

To implement the Bipartisan Accord on Central America of March 24, 1989

H.J. Res. 173 / Public Law 101 - 15

To designate April 16, 1989, and April 6, 1990, as ``Education Day, U.S.A."

Approved April 19

H.J. Res. 102 / Public Law 101 - 16

To designate April 1989 as ``National Recycling Month"

Approved April 20

H.R. 666 / Public Law 101 - 17

To allow an obsolete Navy drydock to be transferred to the city of Jacksonville, Florida, before the expiration of the otherwise applicable 60-day congressional review period

H.J. Res. 112 / Public Law 101 - 18

Designating April 23, 1989, through April 29, 1989, and April 23, 1990, through April 29, 1990, as ``National Organ and Tissue Donor Awareness Week"

Approved May 2

S.J. Res. 60 / Public Law 101 - 21

To designate the period commencing on May 1, 1989, and ending on May 7, 1989, as ``National Drinking Water Week"

S.J. Res. 84 / Public Law 101 - 22

To designate April 30, 1989, as ``National Society of the Sons of the American Revolution Centennial Day"

S.J. Res. 52 / Public Law 101 - 23

To express gratitude for law enforcement personnel

Approved May 3

H.J. Res. 124 / Public Law 101 - 24

To recognize the seventy-fifth anniversary of the Smith-Lever Act of May 8, 1914, and its role in establishing our Nation's system of State Cooperative Extension Services

Approved May 5

S.J. Res. 25 / Public Law 101 - 25

To designate the week of May 7, 1989, through May 14, 1989, as ``Jewish Heritage Week''

Approved May 11

H.R. 678 / Public Law 101 - 26

To make a correction in the Education and Training for a Competitive America Act

S.J. Res. 62 / Public Law 101 - 27

Designating May 1989 as ``National Stroke Awareness Month''

Approved May 15

S. 968 / Public Law 101 - 28

To delay the effective date of section 27 of the Office of Federal Procurement Policy Act

Approved May 17

S.J. Res. 37 / Public Law 101 - 29

Designating the week beginning May 14, 1989, and the week beginning May 13, 1990, as ``National Osteoporosis Prevention Week''

H.R. 1385 / Public Law 101 - 30

Martin Luther King, Jr., Federal Holiday Commission Extension Act

Approved May 22

H.J. Res. 135 / Public Law 101 - 31

To designate the week beginning May 7, 1989, as ``National Correctional Officers Week''

S.J. Res. 58 / Public Law 101 - 32

To designate May 17, 1989, as ``High School Reserve Officer Training Corps Recognition Day''

Approved May 23

S.J. Res. 68 / Public Law 101 - 33

To designate the month of May 1989, as ``Trauma Awareness Month''

Approved May 25

H.J. Res. 170 / Public Law 101 - 34

Designating May 1989, as ``National Digestive Disease Awareness Month''

H.J. Res. 247 / Public Law 101 - 35

Designating May 29, 1989, as the ``National Day of Remembrance for the Victims of the USS IOWA''

Approved June 9

S.J. Res. 128 / Public Law 101 - 36

Authorizing a first strike ceremony at the United States Capitol for the Bicentennial of the Congress Commemorative Coin

Approved June 15

S. 767 / Public Law 101 - 37

Business Opportunity Development Reform Act Technical Corrections Act

Approved June 19

H.J. Res. 274 / Public Law 101 - 38

To designate the week beginning June 11, 1989, as ``National Scleroderma Awareness Week''

S.J. Res. 63 / Public Law 101 - 39

Designating June 14, 1989, as ``Baltic Freedom Day'', and for other purposes

Approved June 20

H.R. 964 / Public Law 101 - 40

To correct an error in Private Law 100 - 29 (relating to certain lands in Lamar County, Alabama) and to make technical corrections in certain other provisions of law

Approved June 21

H.R. 932 / Public Law 101 - 41

Puyallup Tribe of Indians Settlement Act of 1989

Approved June 28

H.R. 881 / Public Law 101 - 42

Coquille Restoration Act

H.J. Res. 111 / Public Law 101 - 43

Designating June 23, 1989, as ``United States Coast Guard Auxiliary Day''

Approved June 30

H.R. 2344 / Public Law 101 - 44

To authorize the transfer to the Republic of the Philippines of two excess naval vessels

H.R. 2402 / Public Law 101 - 45

Dire Emergency Supplemental Appropriations and Transfers, Urgent Supplementals, and Correcting Enrollment Errors Act of 1989

S. 694 / Public Law 101 - 46

To extend title I of the Energy Policy and Conservation Act

S. 1077 / Public Law 101 - 47

To authorize the President to appoint Admiral James B. Busey to the Office of Administrator of the Federal Aviation Administration

S. 1180 / Public Law 101 - 48

To authorize the President to appoint Rear Admiral Richard Harrison Truly to the Office of Administrator of the National Aeronautics and Space Administration

S. 1184 / Public Law 101 - 49

To allow the obsolete destroyer United States ship Edson (DD 946) to be transferred to the Intrepid Sea-Air-Space Museum in New York before the expiration of the otherwise applicable sixty-day congressional review period

S.J. Res. 96 / Public Law 101 - 50

Designating July 2, 1989, as ``National Literacy Day''

Approved July 6

H.R. 923 / Public Law 101 - 51

To redesignate the Federal hydropower generating facilities located at Dam B on the Neches River at Town Bluff, Texas, as the ``Robert Douglas Willis Hydropower Project''

H.J. Res. 132 / Public Law 101 - 52

To designate the second Sunday in October of 1989 as ``National Children's Day''

H.R. 2119 / Public Law 101 - 53

To authorize the exchange of certain Federal public land in Madison County, Illinois

Approved July 7

H.J. Res. 276 / Public Law 101 - 54

Designating September 14, 1989, as ``National D.A.R.E. Day"

H.J. Res. 298 / Public Law 101 - 55

Designating July 14, 1989, as ``National Day To Commemorate the Bastille Day Bicentennial"

Approved July 19

H.R. 2848 / Public Law 101 - 56

Computer Matching and Privacy Protection Act Amendments of 1989

Approved July 21

S.J. Res. 95 / Public Law 101 - 57

To designate the week of September 10, 1989, through September 16, 1989, as ``National Check-Up Week"

Approved July 25

H.J. Res. 174 / Public Law 101 - 58

To designate the decade beginning January 1, 1990, as the ``Decade of the Brain"

S.J. Res. 137 / Public Law 101 - 59

Designating January 7, 1990, through January 13, 1990, as ``National Law Enforcement Training Week"

Approved July 26

H.R. 1722 / Public Law 101 - 60

Natural Gas Wellhead Decontrol Act of 1989

S.J. Res. 85 / Public Law 101 - 61

To designate the week of July 24 to July 30, 1989, as the ``National Week of Recognition and Remembrance for Those Who Served in the Korean War''

H.R. 2214 / Public Law 101 - 62

To ratify certain agreements relating to the Vienna Convention on Diplomatic Relations

Approved July 27

S.J. Res. 110 / Public Law 101 - 63

Designating October 5, 1989, as ``Raoul Wallenberg Day''

S.J. Res. 93 / Public Law 101 - 64

To designate October 1989 as ``Polish American Heritage Month''

Approved July 28

S.J. Res. 129 / Public Law 101 - 65

To provide for the designation of September 15, 1989, as ``National POW/MIA Recognition Day''

S.J. Res. 142 / Public Law 101 - 66

Designating the week beginning July 23, 1989, as ``Lyme Disease Awareness Week''

Approved July 31

H.R. 1485 / Public Law 101 - 67

Apex Project, Nevada Land Transfer and Authorization Act of 1989

Approved August 1

H.R. 310 / Public Law 101 - 68

To remove a restriction from a parcel of land in Roanoke, VA, in order for that land to be conveyed to the State of Virginia for use as a veterans nursing home

Approved August 2

S.J. Res. 150 / Public Law 101 - 69

To designate August 1, 1989, as ``Helsinki Human Rights Day''

Approved August 3

H.R. 999 / Public Law 101 - 70

To reauthorize the Advisory Council on Historic Preservation

Approved August 4

H.R. 968 / Public Law 101 - 71

Noise Reduction Reimbursement Act of 1989

Approved August 7

H.R. 3024 / Public Law 101 - 72

To increase the statutory limit on the public debt, and for other purposes

Approved August 9

H.R. 1278 / Public Law 101 - 73

Financial Institutions Reform, Recovery, and Enforcement Act of 1989

H.J. Res. 281 / Public Law 101 - 74

To approve the designation of the Cordell Bank National Marine Sanctuary, to disapprove a term of that designation, to prohibit the exploration for, or the development or production of, oil, gas, or minerals in any area of that sanctuary, and for other purposes

Approved August 10

S.J. Res. 136 / Public Law 101 - 75

Designating August 8, 1989, as ``National Neighborhood Crime Watch Day"

Approved August 11

H.R. 2705 / Public Law 101 - 76

Relating to the method by which Government contributions to the Federal employees health benefits program shall be computed for 1990 or 1991 if no Government-wide indemnity benefit plan participates in that year

H.J. Res. 363 / Public Law 101 - 77

To designate 1989 as ``United States Customs Service 200th Anniversary Year"

S.J. Res 78 / Public Law 101 - 78

To designate the month of November 1989 and 1990 as ``National Hospice Month"

S.J. Res. 126 / Public Law 101 - 79

Commemorating the bicentennial of the United States Coast Guard

S.J. Res. 127 / Public Law 101 - 80

Designating Labor Day weekend, September 2 through 4, 1989, as ``National Drive for Life Weekend"

Approved August 14

H.R. 2799 / Public Law 101 - 81

To amend the Agricultural Act of 1949 for the 1990 crops to allow the planting of alternative crops on permitted acreage and to amend the provisions regarding the designation of farm acreage base as acreage base established for oats

H.R. 2467 / Public Law 101 - 82

Disaster Assistance Act of 1989

H.J. Res. 221 / Public Law 101 - 83

To designate the week beginning September 1, 1989, as ``World War II Remembrance Week''

S.J. Res. 55 / Public Law 101 - 84

To designate the week of October 1, 1989, through October 7, 1989, as ``Mental Illness Awareness Week''

S.J. Res. 67 / Public Law 101 - 85

To commemorate the twenty-fifth anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System

Approved August 16

H.R. 1860 / Public Law 101 - 86

To provide that a Federal annuitant or former member of a uniformed service who returns to Government service, under a temporary appointment, to assist in carrying out the 1990 decennial census of population shall be exempt from certain provisions of title 5, United States Code, relating to offsets from pay and other benefits

H.R. 2847 / Public Law 101 - 87

To extend by 1 year a program under which the Government is allowed to accept the voluntary services of private-sector executives

H.J. Res. 225 / Public Law 101 - 88

To authorize and request the President to issue a proclamation designating the third Sunday of August of 1989 as ``National Senior Citizens Day''

H.J. Res. 231 / Public Law 101 - 89

Designating September 1989 as ``National Library Card Sign-Up Month''

H.J. Res. 253 / Public Law 101 - 90

Designating September 8, 1989, as ``National Pledge of Allegiance Day''

H.J. Res. 379 / Public Law 101 - 91

Commending the citizens of the Sioux City, Iowa, tri-State area for their heroism and spirit of volunteerism in selflessly providing assistance and life-saving services to the passengers and crew of United Airlines Flight 232

H.R. 840 / Public Law 101 - 92

To authorize appropriations for fiscal year 1990 for the Federal Maritime Commission, and for other purposes

H.R. 1426 / Public Law 101 - 93

Drug Abuse Treatment Technical Corrections Act of 1989

H.R. 2727 / Public Law 101 - 94

Court of Veterans Appeals Judges Retirement Act

Approved September 13

S.J. Res. 109 / Public Law 101 - 95

To designate the period commencing September 11, 1989, and ending on September 15, 1989, as ``National Historically Black Colleges Week''

Approved September 15

S.J. Res. 132 / Public Law 101 - 96

Designating September 1 through 30, 1989 as ``National Alcohol and Drug Treatment Month''

Approved September 23

H.R. 2136 / Public Law 101 - 97

District of Columbia Civil Contempt Imprisonment Limitation Act of 1989

Approved September 26

H.J. Res. 133 / Public Law 101 - 98

Designating the week beginning September 17, 1989, as ``Emergency Medical Services Week''

S. 1075 / Public Law 101 - 99

To authorize appropriations for the American Folklife Center for fiscal years 1990, 1991, and 1992

Approved September 29

H.J. Res. 407 / Public Law 101 - 100

Making continuing appropriations for the fiscal year 1990, and for other purposes

H.R. 2696 / Public Law 101 - 101

Energy and Water Development Appropriations Act, 1990

H.J. Res. 204 / Public Law 101 - 102

To designate October 1989, as ``National Quality Month''

Approved September 30

H.R. 3282 / Public Law 101 - 103

Performance Management and Recognition System Reauthorization Act of 1989

Approved October 2

S.J. Res. 146 / Public Law 101 - 104

Designating the week of September 24, 1989, as ``Religious Freedom Week''

H.R. 419 / Public Law 101 - 105

To provide for the addition of certain parcels to the Harry S Truman National Historic Site in the State of Missouri

H.R. 1529 / Public Law 101 - 106

To provide for the establishing of the Ulysses S. Grant National Historic Site in the State of Missouri, and for other purposes

Approved October 3

S.J. Res. 118 / Public Law 101 - 107

Designating October 6, 1989, as ``German-American Day''

Approved October 6

H.R. 2835 / Public Law 101 - 108

To provide for the relocation of certain facilities at the Gateway National Recreation Area, Sandy Hook, New Jersey, and for other purposes

S. 85 / Public Law 101 - 109

To authorize the acceptance of certain lands for addition to Harpers Ferry National Historic Park, West Virginia

S. 1709 / Public Law 101 - 110

To provide interim extensions of Department of Veterans Affairs programs of respite care for certain veterans, community-based residential care for homeless, chronically mentally ill veterans, State home construction grants, and leave transfers for certain health-care professionals, and of Department of Veterans Affairs home-loan fees

S.J. Res. 117 / Public Law 101 - 111

To designate the week of November 19, 1989, through November 25, 1989, and the week of November 18, 1990, through November 24, 1990, as ``National Family Week''

S.J. Res. 133 / Public Law 101 - 112

Designating October 1989 as ``National Domestic Violence Awareness Month''

S.J. Res. 138 / Public Law 101 - 113

Designating October 16, 1989, and October 16, 1990, as ``World Food Day''

S.J. Res. 148 / Public Law 101 - 114

To designate the week of October 8, 1989, through October 14, 1989, as ``National Job Skills Week"

Approved October 13

H.R. 1486 / Public Law 101 - 115

To authorize appropriations for fiscal year 1990 for the Maritime Administration, and for other purposes

S.J. Res. 81 / Public Law 101 - 116

To designate the week of October 1 through 7, 1989, as ``National Health Care Food Service Week"

S.J. Res. 122 / Public Law 101 - 117

To designate October 1989 and 1990 as ``National Down Syndrome Month"

Approved October 17

H.R. 2358 / Public Law 101 - 118

To authorize appropriations for fiscal year 1990 for the Civic Achievement Award Program in Honor of the Office of Speaker of the House of Representatives, and for other purposes

Approved October 21

H.R. 3385 / Public Law 101 - 119

To provide assistance for free and fair elections in Nicaragua

Approved October 23

H.R. 1300 / Public Law 101 - 120

Head Start Supplemental Authorization Act of 1989

H.R. 2788 / Public Law 101 - 121

Making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1990, and for other purposes

H.J. Res. 400 / Public Law 101 - 122

Designating October 27, 1989, as ``National Hostage Awareness Day''

S. 248 / Public Law 101 - 123

Major Fraud Act Amendments of 1989

Approved October 24

S.J. Res. 213 / Public Law 101 - 124

To designate October 22 through October 29, 1989, as ÿ7Eÿ7Eÿ7E``National Red Ribbon Week for a Drug-Free America''

H.R. 2987 / Public Law 101 - 125

To name the Department of Veterans Affairs medical center in Leavenworth, Kansas, as the ``Dwight D. Eisenhower Department of Veterans Affairs Medical Center''

Approved October 25

H.R. 2087 / Public Law 101 - 126

Child Abuse Prevention Challenge Grants Reauthorization Act of 1989

H.R. 2088 / Public Law 101 - 127

Children With Disabilities Temporary Care Reauthorization Act of 1989

H.J. Res. 392 / Public Law 101 - 128

Designating October 1989 as ``Italian-American Heritage and Culture Month''

H.J. Res. 401 / Public Law 101 - 129

To designate the month of October 1989 as ``Country Music Month''

Approved October 26

H.J. Res. 423 / Public Law 101 - 130

Making further continuing appropriations for the fiscal year 1990, and for other purposes

Approved October 28

H.R. 2978 / Public Law 101 - 131

Flag Protection Act of 1989

Approved October 30

H.R. 801 / Public Law 101 - 132

To designate the United States Court of Appeals Building at 56 Forsyth Street in Atlanta, Georgia, as the ``Elbert P. Tuttle United States Court of Appeals Building''

H.J. Res. 380 / Public Law 101 - 133

Designating October 18, 1989, as ``Patient Account Management Day''

S. 1792 / Public Law 101 - 134

To amend the Disaster Assistance Act of 1989 to avoid penalizing producers who planted a replacement crop on disaster-affected acreage, and for other purposes

S.J. Res. 177 / Public Law 101 - 135

To designate October 29, 1989, as ``Fire Safety At Home -- Change Your Clock, Change Your Battery Day''

Approved November 3

H.R. 2989 / Public Law 101 - 136

Treasury, Postal Service and General Government Appropriations Act, 1990

H.R. 3281 / Public Law 101 - 137

To reauthorize the National Flood Insurance Program, the Federal Crime Insurance Program, and the Defense Production Act of 1950, to extend certain housing programs, and for other purposes

S.J. Res. 86 / Public Law 101 - 138

Designating November 17, 1989, as ``National Philanthropy Day''

S.J. Res. 120 / Public Law 101 - 139

To designate the period commencing November 12, 1989, and ending November 18, 1989, as ``Geography Awareness Week''

Approved November 8

H.J. Res. 280 / Public Law 101 - 140

Increasing the statutory limit on the public debt

S.J. Res. 19 / Public Law 101 - 141

To designate November 8, 1989, as ``Montana Centennial Day''

H.J. Res. 241 / Public Law 101 - 142

Designating October 25, 1989, as ``National Arab-American Day''

H.J. Res. 131 / Public Law 101 - 143

To designate May 25, 1989, as ``National Tap Dance Day''

Approved November 9

H.R. 2916 / Public Law 101 - 144

Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1990

S.J. Res. 131 / Public Law 101 - 145

To designate November 1989 as ``National Diabetes Month''

S.J. Res. 209 / Public Law 101 - 146

To designate November 11, 1989 as ``Washington Centennial Day''

Approved November 10

H.R. 24 / Public Law 101 - 147

Child Nutrition and WIC Reauthorization Act of 1989

H.R. 3012 / Public Law 101 - 148

Making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes

Approved November 13

S.J. Res. 73 / Public Law 101 - 149

To designate the week beginning October 29, 1989, as ``Gaucher's Disease Awareness Week''

S.J. Res. 194 / Public Law 101 - 150

Designating November 12 through 18, 1989 as ``National Glaucoma Awareness Week''

Approved November 14

S.J. Res. 198 / Public Law 101 - 151

Designating November 1989 as ``An End to Hunger Education Month''

Approved November 15

H.R. 3318 / Public Law 101 - 152

To redesignate the Federal building in Houston, Texas, known as the Concorde Tower, as the ``George Thomas `Mickey' Leland Federal Building''

H.J. Res. 35 / Public Law 101 - 153

Designating November 5 - 11, 1989, as ``National Women Veterans Recognition Week''

H.J. Res. 435 / Public Law 101 - 154

Making further continuing appropriations for the fiscal year 1990, and for other purposes

S. 750 / Public Law 101 - 155

To extend the deadlines under the Federal Power Act applicable to the construction of a hydroelectric project in the State of Washington

Approved November 16

S. 1827 / Public Law 101 - 156

To revise and clarify the authority of the Administrator of General Services relating to the acquisition and management of certain property in the city of New York

Approved November 17

H.R. 2710 / Public Law 101 - 157

Fair Labor Standards Amendments of 1989

H.R. 3287 / Public Law 101 - 158

District of Columbia Revenue Bond Act of 1989

H.J. Res. 425 / Public Law 101 - 159

Designating November 12 through 18, 1989, as ``Community Foundation Week''

S.J. Res. 251 / Public Law 101 - 160

Acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 20, 1989, as ``National Military Families Recognition Day''

Approved November 21

H.R. 2883 / Public Law 101 - 161

Rural Development, Agriculture, and Related Agencies Appropriations Act, 1990

H.R. 2991 / Public Law 101 - 162

Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990

H.R. 3014 / Public Law 101 - 163

Legislative Branch Appropriations Act, 1990

H.R. 3015 / Public Law 101 - 164

Department of Transportation and Related Agencies Appropriations Act, 1990

H.R. 3072 / Public Law 101 - 165

Department of Defense Appropriations Act, 1990

H.R. 3566 / Public Law 101 - 166

Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990

H.R. 3743 / Public Law 101 - 167

Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990

H.R. 3746 / Public Law 101 - 168

District of Columbia Appropriations Act, 1990

H.J. Res. 278 / Public Law 101 - 169

To designate the period commencing on November 20, 1989, and ending on November 26, 1989, as ``National Adoption Week''

H.J. Res. 282 / Public Law 101 - 170

Designating November 19 - 25, 1989, as ``National Family Caregivers Week''

Approved November 22

H.R. 2642 / Public Law 101 - 171

Southeast Interstate Low-Level Radioactive Waste Compact Amendments Consent Act of 1989

H.R. 3544 / Public Law 101 - 172

To authorize the transfer of a specified naval landing ship dock to the Government of Brazil under the leasing authority of chapter 6 of the Arms Export Control Act

Approved November 27

H.R. 215 / Public Law 101 - 173

To amend title 5, United States Code, with respect to the method by which premium pay is determined for irregular, unscheduled overtime duty performed by a Federal employee

H.J. Res. 291 / Public Law 101 - 174

Designating November 16, 1989, as ``Interstitial Cystitis Awareness Day''

S. 931 / Public Law 101 - 175

Genesee River Protection Act of 1989

S.J. Res. 184 / Public Law 101 - 176

To designate the periods commencing on November 26, 1989, and ending on December 2, 1989, and commencing on November 25, 1990, and ending on December 1, 1990, as ``National Home Care Week''

Approved November 28

H.R. 1310 / Public Law 101 - 177

To redesignate a certain portion of the George Washington Memorial Parkway as the ``Clara Barton Parkway''

H.R. 2120 / Public Law 101 - 178

To amend the Deep Seabed Hard Mineral Resources Act to authorize appropriations to carry out the provisions of the Act for fiscal years 1990, 1991, 1992, 1993, and 1994

H.R. 3402 / Public Law 101 - 179

Support for East European Democracy (SEED) Act of 1989

H.R. 3532 / Public Law 101 - 180

Civil Rights Commission Reauthorization Act of 1989

H.J. Res. 357 / Public Law 101 - 181

Providing for the reappointment of Samuel Curtis Johnson as a citizen regent of the Board of Regents of the Smithsonian Institution

H.J. Res. 358 / Public Law 101 - 182

Providing for the reappointment of Jeannine Smith Clark as a citizen regent of the Board of Regents of the Smithsonian Institution

H.J. Res. 393 / Public Law 101 - 183

To grant the consent of Congress to the boundary change compact between South Dakota and Nebraska

S. 818 / Public Law 101 - 184

To commemorate the contributions of Senator Clinton P. Anderson to the establishment of the National Wilderness Preservation System, and for other purposes

S. 978 / Public Law 101 - 185

National Museum of the American Indian Act

S.J. Res. 159 / Public Law 101 - 186

To designate April 22, 1990, as Earth Day, and to set aside the day for public activities promoting preservation of the global environment

S.J. Res. 207 / Public Law 101 - 187

Approving the location of the memorial to the women who served in Vietnam

S.J. Res. 218 / Public Law 101 - 188

To designate the week of December 3, 1989, through December 9, 1989, as ``National American Indian Heritage Week''

H.R. 569 / Private Law 101 - 1

For the relief of Maurice G. Hardy

H.R. 1020 / Private Law 101 - 2

To permit reimbursement of relocation expenses of William D. Morger

Approved November 29

H.R. 2461 / Public Law 101 - 189

National Defense Authorization Act for Fiscal Years 1990 and 1991

S. 1390 / Public Law 101 - 190

To provide for the construction of biomedical facilities in order to ensure a continued supply of specialized strains of mice essential to biomedical research in the United States, and for other purposes

S. 338 / Public Law 101 - 191

To authorize the Secretary of the Interior to provide for the development of a trails interpretation center in the city of Council Bluffs, Iowa, and for other purposes

S. 737 / Public Law 101 - 192

To adjust the boundary of Rocky Mountain National Park

Approved November 30

H.R. 2748 / Public Law 101 - 193

Intelligence Authorization Act, Fiscal Year 1990

H.R. 3660 / Public Law 101 - 194

Ethics Reform Act of 1989

Approved December 5

S. 974 / Public Law 101 - 195

Nevada Wilderness Protection Act of 1989

S.J. Res. 16 / Public Law 101 - 196

Designating November 1989 and November 1990 as ``National Alzheimer's Disease Month''

S.J. Res. 205 / Public Law 101 - 197

Designating December 3 through 9, 1989, as ``National Cities Fight Back Against Drugs Week''

Approved December 6

H.J. Res. 448 / Public Law 101 - 198

Making supplemental appropriations for the fiscal year 1990, and for other purposes

H.R. 481 / Public Law 101 - 199

To designate the building located at 2562 Hylan Boulevard, Staten Island, New York, as the ``Walter Edward Grady United States Post Office Building''

H.R. 3294 / Public Law 101 - 200

To authorize distribution within the United States of the United States Information Agency film entitled ``A Tribute to Mickey Leland''

S. 892 / Public Law 101 - 201

To exclude Agent Orange settlement payments from countable income and resources under

Federal means-tested programs

S. 1960 / Public Law 101 - 202

To authorize the food stamp portion of the Minnesota Family Investment Plan

Approved December 7

H.R. 972 / Public Law 101 - 203

To amend section 3724 of title 31, United States Code, to increase the authority of the Attorney General to settle claims for damages resulting from law enforcement activities of the Department of Justice

H.R. 1312 / Public Law 101 - 204

Domestic Volunteer Service Act Amendments of 1989

H.R. 2134 / Public Law 101 - 205

To amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to authorize the distribution of wholesome meat and poultry products for human consumption that are not in compliance with the Acts to charity and public agencies

H.R. 3720 / Public Law 101 - 206

National Consumer Cooperative Bank Amendments of 1989

S. 1164 / Public Law 101 - 207

To authorize appropriations for fiscal year 1990 for the Office of the United States Trade Representative, the United States International Trade Commission, and the United States Customs Service

S. 1877 / Public Law 101 - 208

To improve the operational efficiency of the James Madison Memorial Fellowship Foundation, and for other purposes

S.J. Res. 164 / Public Law 101 - 209

Designating 1990 as the ``International Year of Bible Reading''

S.J. Res. 203 / Public Law 101 - 210

Providing for the appointment of Homer Alfred Neal as a citizen regent of the Board of Regents of the Smithsonian Institution

S.J. Res. 202 / Public Law 101 - 211

Providing for the appointment of Robert James Woolsey, Jr., as a citizen regent of the Board of Regents of the Smithsonian Institution

Approved December 11

H.J. Res. 429 / Public Law 101 - 212

To designate the week of December 10, 1989, through December 16, 1989, as ``National Drunk and Drugged Driving Awareness Week''

H.R. 422 / Public Law 101 - 213

Local Rail Service Reauthorizing Act

H.R. 875 / Public Law 101 - 214

Fredericksburg and Spotsylvania County Battlefields Memorial National Military Park Expansion Act of 1989

H.R. 3696 / Public Law 101 - 215

To provide survival assistance to victims of civil strife in Central America

H.R. 1495 / Public Law 101 - 216

Arms Control and Disarmament Amendments Act of 1989

H.R. 3620 / Public Law 101 - 217

To clarify the Food Security Act of 1985

S. 488 / Public Law 101 - 218

Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989

Approved December 12

H.J. Res. 175 / Public Law 101 - 219

To authorize entry into force of the Compact of Free Association between the United States and the Government of Palau, and for other purposes

S. 1793 / Public Law 101 - 220

To make technical and correcting changes in agriculture programs

H.R. 3275 / Public Law 101 - 221

Steel Trade Liberalization Program Implementation Act

H.R. 91 / Public Law 101 - 222

Anti-Terrorism and Arms Export Amendments Act of 1989

H.R. 1502 / Public Law 101 - 223

District of Columbia Police Authorization and Expansion Act of 1989

H.R. 1668 / Public Law 101 - 224

National Oceanic and Atmospheric Administration Ocean and Coastal Programs Authorization Act of 1989

H.R. 2459 / Public Law 101 - 225

Coast Guard Authorization Act of 1989

H.R. 3614 / Public Law 101 - 226

Drug-Free Schools and Communities Act Amendments of 1989

H.R. 3629 / Public Law 101 - 227

Extending the authority of the Secretary of Commerce to conduct the quarterly financial report program under section 91 of title 13, United States Code, through September 30, 1993

H.J. Res. 449 / Public Law 101 - 228

Providing for the convening of the second session of the One Hundred First Congress

Approved December 13

H.R. 1727 / Public Law 101 - 229

Everglades National Park Protection and Expansion Act of 1989

H.R. 2178 / Public Law 101 - 230

To designate lock and dam numbered 4 on the Arkansas River, Arkansas, as the ``Emmett Sanders Lock and Dam"

H.R. 3611 / Public Law 101 - 231

International Narcotics Control Act of 1989

H.R. 3670 / Public Law 101 - 232

To authorize the expansion of the membership of the Superior Court of the District of Columbia from 50 associate judges to 58 associate judges

S. 804 / Public Law 101 - 233

North American Wetlands Conservation Act

H.R. 3607 / Public Law 101 - 234

Medicare Catastrophic Coverage Repeal Act of 1989

Approved December 15

H.R. 1 / Public Law 101 - 235

Department of Housing and Urban Development Reform Act of 1989

H.R. 3671 / Public Law 101 - 236

To amend the Federal Aviation Act of 1958 to extend the civil penalty assessment demonstration program

Approved December 18

H.R. 901 / Public Law 101 - 237

Veterans' Benefits Amendments of 1989

H.R. 3259 / Public Law 101 - 238

Immigration Nursing Relief Act of 1989

Approved December 19

H.R. 3299 / Public Law 101 - 239

Omnibus Budget Reconciliation Act of 1989

H.R. 2494 / Public Law 101 - 240

International Development and Finance Act of 1989

Appendix E -- Proclamations and Executive Orders

Note: The text of the proclamations and Executive orders listed in this appendix are printed in the Federal Register (F.R.) at the citations below. The documents are also printed in title 3 of the Code of Federal Regulations and in the Weekly Compilation of Presidential Documents for the period covered by this volume.

PROCLAMATIONS

Proc.

Date

Subject

54 F.R.

No.

1989

page

5936

Jan.

20

National Day of Prayer and Thanksgiving, 1989 3575

5937

Feb.

21

American Heart Month, 1989 7751

5938

Feb.

28

American Red Cross Month, 1989 8723

5939

Mar.

Save Your Vision Week, 1989 9193

5940

Mar.

National Poison Prevention Week, 1989 9195

5941

Mar.

Federal Employees Recognition Week, 1989 10261

5942

Mar.

17

National Day of Prayer, 1989 11483

5943

Mar.

18

National Agriculture Day, 1989 11485

5944

Mar.

21

Greek Independence Day: A National Day of Celebration of Greek and American Democracy, 1989 12165

5945

Mar.

24

Women's History Month, 1989 and 1990 12573

5946

Mar.

24

Actors' Fund of America Appreciation Month, 1989 12869

5947

Mar.

27

National Earthquake Awareness Week, 1989 13043

5948

Apr.

National Child Care Awareness Week, 1989 13663

5949

Apr.

Cancer Control Month, 1989 14329

5950

Apr.

National Consumers Week, 1989 14331

5951

Apr.

National Former Prisoners of War Recognition Day, 1989 14617

5952

Apr.

10

National Volunteer Week, 1989 14619

5953

Apr.

12

Crime Victims Week, 1989 15157

5954

Apr.

13

Pan American Day and Pan American Week, 1989 15163

5955

Apr.

13

Amending the Generalized System of Preferences 15357

5956

Apr.

14

Education Day, U.S.A., 1989 and 1990 15737

5957

Apr.

19

National Recycling Month, 1989 17687

5958

Apr.

20

National Organ and Tissue Donor Awareness Week, 1989 and 1990 17695

5959

Apr.

21

Law Day, U.S.A., 1989 17697

5960

Apr.

21

Death of American Servicemen on Board the USS Iowa 17699

5961

Apr.

28

National Arbor Day, 1989 18859

5962

Apr.

28

Loyalty Day, 1989 18861

5963

Apr.

28

Bicentennial Celebration of the Inauguration of George Washington 18863

(Correction to Proclamation 5963-line 1) 22054

5964

Apr.

28

National Drinking Water Week, 1989 18865

5965

Apr.

28

National Society of the Sons of the American Revolution Centennial Day, 1989 18867

5966

May

Jewish Heritage Week, 1989 19153

5967

May

National Maritime Day, 1989 19343

5968

May

Fire Prevention Week, 1989 19345

5969

May

Smith-Lever Act 75th Anniversary, 1989 19537

5970

May

Older Americans Month, 1989 19539

5971

May

World Trade Week, 1989 19867

5972

May

Asian/Pacific American Heritage Week, 1989 20113

5973

May

Small Business Week, 1989 20115

5974

May

10

Mother's Day, 1989 20781

5975

May

11

National Stroke Awareness Month, 1989 21043

5976

May

11

National Correctional Officers Week, 1989 21045

5977

May

12

National Farm Safety Week, 1989 21181

5978

May

12

To Implement in Terms of the Harmonized Tariff Schedule of the United States the Nairobi Protocol to the Florence Agreement on the Importation of Educational, Scientific, and Cultural Materials 21187

5979

May

15

Trauma Awarenes Month, 1989 21193

5980

May

16

National Defense Transportation Day and National Transportation Week, 1989 21587

5981

May

17

National Osteoporosis Prevention Week, 1989 and 1990 21589

5982

May

17

High School Reserve Officer Training Corps Recognition Day, 1989 21591

5983

May

17

Armed Forces Day 21593

5984

May

22

National Digestive Disease Awareness Month, 1989 22405

5985

May

22

Prayer for Peace, Memorial Day, 1989 22407

5986

May

24

National Day of Remembrance for the Victims of the USS IOWA 22737

5987

May

24

National Safe Boating Week, 1989 22875

5988

June

Flag Day and National Flag Week, 1989 24885

5989

June

Father's Day, 1989 25435

5990

June

14

Baltic Freedom Day, 1989 25701

5991

June

15

National Grasslands Week, 1989 25837

5992

June

16

National Scleroderma Awareness Week, 1989 26015

5993

June

19

National Lighthouse Day, 1989 26183

5994

June

23

United States Coast Guard Auxiliary Day, 1989 26941

5995

June

30

National Literacy Day, 1989 28409

EXECUTIVE ORDERS

E.O.

Date

Subject

54 F.R.

No.

1989

page

12668

Jan.

25

President's Commission on Federal Ethics Law Reform 3979

12669

Feb.

20

Organization of Eastern Caribbean States 7753

12670

Mar.

Nuclear Cooperation With EURATOM 10267

12671

Mar.

14

Exclusion of the Customs Office of Enforcement From the Federal Labor-Management Relations Program 11157

12672

Mar.

21

Interagency Committee on Handicapped Employees 12167

12673

Mar.

23

Delegation of Disaster Relief and Emergency Assistance Functions 12571

12674

Apr.

12

Principles of Ethical Conduct for Government Officers and Employees 15159

12675

Apr.

20

Establishing the National Space Council 17691

12676

Apr.

26

Delegating Authority To Provide Assistance for the Nicaraguan Resistance 18639

12677

Apr.

28

Historically Black Colleges and Universities 18869

12678

Apr.

28

Level IV of the Executive Schedule 18872

12679

June

23

Level IV of the Executive Schedule 27149

CABINET

Secretary of State

James Addison Baker III

Secretary of the Treasury

Nicholas F. Brady

Secretary of Defense

Richard B. Cheney

Attorney General

Richard L. Thornburgh

Secretary of the Interior

Manuel Lujan, Jr.

Secretary of Agriculture

Clayton Yeutter

Secretary of Commerce

Robert Adam Mosbacher

Secretary of Labor

Elizabeth Hanford Dole

Secretary of Health and Human Services

Louis W. Sullivan

Secretary of Housing and Urban Development

Jack Kemp

Secretary of Transportation

Samuel Knox Skinner

Secretary of Energy

James D. Watkins

Secretary of Education

Lauro F. Cavazos

Secretary of Veterans Affairs

Edward J. Derwinski

Director of the Office of Management and Budget

Richard G. Darman

United States Trade Representative

Carla Anderson Hills

Proc.

Date

Subject

54 F.R.

No.

1989

page

5996

July

Captive Nations Week, 1989 28993

5997

July

To Amend the Generalized System of Preferences 28999

5998

July

National Day to Commemorate the Bicentennial of Bastille Day, the French Revolution, and the Declaration of the Rights of Man and the Citizen 29313

5999

July

20

Space Exploration Day, 1989 30873

6000

July

26

Lyme Disease Awareness Week, 1989 31489

6001

July

26

National Week of Recognition and Remembrance for Those Who Served in the Korean War, 1989 31491

6002

July

28

National POW/MIA Recognition Day, 1989 31794

6003

July

31

Extending United States Copyright Protections to the Works of the Republic of Indonesia 31931

6004

July

31

United States Customs Service 200th Anniversary Year, 1989 31933

6005

Aug.

Helsinki Human Rights Day, 1989 32033

6006

Aug.

National Neighborhood Crime Watch Day, 1989 32783

6007

Aug.

14

National Senior Citizens Day, 1989 33853

6008

Aug.

14

National Library Card Sign-Up Month, 1989 33855

6009

Aug.

14

National Wilderness Week, 1989 33857

6010

Aug.

15

Women's Equality Day, 1989 34119

6011

Aug.

15

National Drive for Life Weekend, 1989 34121

6012

Aug.

15

National Pledge of Allegiance Day, 1989 34123

6013

Aug.

15

The Bicentennial Anniversary of the First U.S. Patent and Copyright Laws, 1990 34125

6014

Aug.

29

World War II Remembrance Week, 1989 36269

6015

Sept.

National Check-Up Week, 1989 37287

6016

Sept.

Uncle Sam Day, 1989 37441

6017

Sept.

12

United States Coast Guard Bicentennial 37927

6018

Sept.

12

National Alcohol and Drug Treatment Month, 1989 38191

6019

Sept.

13

National Historically Black Colleges Week, 1989 38193

6020

Sept.

13

National D.A.R.E. Day, 1989 38195

6021

Sept.

14

National Hispanic Heritage Month, 1989 38369

6022

Sept.

15

Citizenship Day and Constitution Week, 1989 38641

6023

Sept.

20

Law and Order in the Virgin Islands 39151

6024

Sept.

21

United States Marshals Bicentennial Day, 1989 39155

6025

Sept.

21

General Pulaski Memorial Day, 1989 39157

6026

Sept.

21

Emergency Medical Services Week, 1989 39331

6027

Sept.

22

Commendation of the Citizens of the Sioux City, Iowa, Tri-State Area 39333

6028

Sept.

22

Gold Star Mother's Day 39515

6029

Sept.

27

Religious Freedom Week, 1989 39975

6030

Sept.

28

To Provide for the Tariff Treatment of Goods From the Freely Associated States, To Implement

Tariff Reductions on Certain Tropical Products, and for Other Purposes 40839

6031

Sept.

29

National Quality Month, 1989 40849

6032

Sept.

29

Mental Illness Awareness Week, 1989 40851

6033

Sept.

29

Child Health Day, 1989 40853

6034

Oct.

Minority Enterprise Development Week, 1989 41039

6035

Oct.

National Health Care Food Service Week, 1989 41041

6036

Oct.

Raoul Wallenberg Day, 1989 41429

6037

Oct.

German-American Day, 1989 41431

6038

Oct.

Veterans Day, 1989 41573

6039

Oct.

National Children's Day, 1989 41577

6040

Oct.

Columbus Day, 1989 41579

6041

Oct.

Leif Erikson Day, 1989 41581

6042

Oct.

10

National School Lunch Week, 1989 41817

6043

Oct.

11

National Domestic Violence Awareness Month, 1989 42281

6044

Oct.

11

National Job Skills Week, 1989 42283

6045

Oct.

12

Italian-American Heritage and Culture Month, 1989 42461

6046

Oct.

13

National Disability Employment Awareness Month, 1989 42463

6047

Oct.

13

White Cane Safety Day, 1989 42465

6048

Oct.

16

World Food Day, 1989 and 1990 42737

6049

Oct.

16

National Down Syndrome Month, 1989 and 1990 42943

6050

Oct.

18

National Awareness Week for Children With Cancer, 1989 43033

6051

Oct.

19

National Forest Products Week, 1989 43265

6052

Oct.

19

United Nations Day, 1989 43267

6053

Oct.

24

National Red Ribbon Week for a Drug-Free America, 1989 43793

6054

Oct.

25

Polish American Heritage Month, 1989 43795

6055

Oct.

25

Country Music Month, 1989 43935

6056

Oct.

25

National Arab-American Day, 1989 43937

6057

Oct.

27

Fire Safety at Home Day, 1989 46041

6058

Oct.

31

To Amend the Generalized System of Preferences 46348

6059

Nov.

Gaucher's Disease Awareness Week, 1989 46355

6060

Nov.

To Amend the Generalized System of Preferences 46357

6061

Nov.

National Hospice Month, 1989 and 1990 47187

6062

Nov.

National Glaucoma Awareness Week, 1989 47189

6063

Nov.

Montana Centennial Day, 1989 47191

6064

Nov.

National Women Veterans Recognition Week, 1989 47339

6065

Nov.

Washington Centennial Day, 1989 47503

6066

Nov.

Geography Awareness Week, 1989 47505

6067

Nov.

14

American Education Week, 1989 47667

6068

Nov.

15

National Diabetes Month, 1989 47949

6069

Nov.

15

Community Foundation Week, 1989 47951

6070

Nov.

15

National Farm-City Week, 1989 47953

6071

Nov.

15

National Philanthropy Day, 1989 47955

6072

Nov.

16

Hunger Education Month, 1989 48065

6073

Nov.

17

Thanksgiving Day, 1989 48225

6074

Nov.

20

National Military Families Recognition Day, 1989 48565

6075

Nov.

21

National Family Week, 1989 and 1990 48567

6076

Nov.

21

National Adoption Week, 1989 48731

6077

Nov.

22

National Family Caregivers Week, 1989 48733

6078

Nov.

27

National Alzheimer's Disease Month, 1989 and 1990 49071

6079

Nov.

27

National Home Care Week, 1989 and 1990 49073

6080

Dec.

National American Indian Heritage Week, 1989 50599

6081

Dec.

National Cities Fight Back Against Drugs Week, 1989 50601

6082

Dec.

10

Human Rights Day, Bill of Rights Day, and Human Rights Week, 1989 51185

6083

Dec.

11

National Drunk and Drugged Driving Awareness Week, 1989 51187

6084

Dec.

14

Wright Brothers Day, 1989 51865

EXECUTIVE ORDERS

Exec

Date

Subject

54 F.R.

No.

1989

page

12680

July

Administration of Foreign Assistance and Related Functions and Arms Export Controls 28995

12681

July

Exclusions From the Federal Labor-Management Relations Program 28997

12682

July

Commission on Alternative Utilization of Military Facilities 29315

12683

July

21

Prescribing Regulations Relating to Certain Travel Time of Members of the Uniformed Services Called to Active Duty 31162

12684

July

27

Conforming the Central Intelligence Agency and Civil Service Retirement and Disability Systems 31643

12685

July

28

Noncompetitive Conversion of Personal Assistants to Employees With Disabilities 31796

12686

Aug.

President's Commission on Aviation Security and Terrorism 32629

12687

Aug.

15

President's Education Policy Advisory Committee 34127

12688

Aug.

15

Transfer Authority Choctawhatchee National Forest, Florida 34129

12689

Aug.

16

Debarment and Suspension 34131

12690

Sept.

20

Providing for the Restoration of Law and Order in the Virgin Islands 39153

12691

Sept.

23

President's Advisory Committee on the Points of Light Initiative Foundation 39719

12692

Sept.

29

Continuance of Certain Federal Advisory Committees 40627

12693

Sept.

29

Exclusion of the Defense Mapping Agency Reston Center and Elements Under the Joint Special Operations Command From the Federal Labor-Management Relations Program 40629

12694

Oct.

11

Amending Executive Order No. 12345 42285

12695

Nov.

Delegation of Debt Relief Authority 46589

12696

Nov.

13

President's Drug Advisory Council 47507

12697

Dec.

22

Extending the National Commission on Superconductivity 53037

12698

Dec.

23

Adjustments of Certain Rates of Pay and Allowances 53473

Appendix F -- Points of Light Recognition Program

The President named the following individuals and institutions as exemplars of his commitment to making community service central to the life and work of every American. The daily recognition program, which began on November 22, was a national tribute to voluntarism. The recipients are listed in chronological order.

The Commercial Appeal, of Memphis, TN

Dr. William and Mrs. Sandy Hale, of Oklahoma City, OK

Richard A. McDonough, of Phoenix, AZ

Helen V. Palit, of New York, NY

The Volunteer Project, of San Diego, CA

Shahid Samad Watson, of Trenton, NJ

``Drop-a-Dime'' program, of Boston, MA

``Adopt-a-School'' program, of Orange Park, FL

Edward Castor, of Tipton County, IN

REACH, Inc., of Detroit, MI

The Acres Homes War on Drugs, of Houston, TX

WWOR - TV, of Secaucus, NJ

Community Crime Prevention Council, of Seattle, WA

Carolyn Lantz Jackson, of Wilmington, DE

G.D. Searle & Co., of Chicago, IL

Ewing Marion Kauffman, of Kansas City, MO

Antonio Valle, Jr., of La Habra, CA

Lawrence Eagle-Tribune, of Lawrence, MA

Jack L. Powell, of Salisbury, MD

Aja Dyani Henderson, of Baton Rouge, LA

GlenCastle Project, of Atlanta, GA

Eugene Lang, of New York, NY

Tero Mauldin Coleman, of Washington, DC

Residents of Hope, NM

Anchorage Neighborhood Housing Services, of Anchorage, AK

Stephanie Ann Fox, of Milford, DE

Foster Care Youth Independence Project, of Syracuse, NY

Julius Glass, of Forest Hills, NY

Duke Power Co., of Charlotte, NC

Pioneer Human Services, of Seattle, WA

New Year's Message to the People of the Soviet Union

January 1, 1990

On behalf of the American people; my wife, Barbara; and my family, I bring you our warmest greetings.

A new year is dawning around the world, the first year of the last decade of the 20th century. And as the world looks back to nine decades of war, of strife, of suspicion, let us also look forward to a new century and a new millennium of peace, freedom, and prosperity.

Of course, there are no maps to lead us where we are going, to this new world of our own making. We can find our way only through cooperation beginning with a candid dialog. It is in pursuit of such a dialog that I met your President, Mikhail Gorbachev, near the island nation of Malta. Let me share with you some of the matters we discussed.

First, we agreed to redouble our efforts to diminish the horrible threat from weapons of mass destruction and to pursue with other nations an agreement to reduce conventional forces in Europe.

Second, we talked about ways we can end regional conflicts and alleviate the terrible toll in human suffering they bring.

Third, I want to assure you, as I did your President, that the West seeks no advantage from the extraordinary changes underway in the East. We talked about the magnificent efforts of the people of Eastern Europe to find a free and democratic future. And I told your President that I support the dynamic process of reform in the Soviet Union. We will work together to reduce barriers to trade, investment, and the free movement of goods and ideas.

In these ways, and as your economic reforms take place, the entry of the Soviet Union into the global market can be advanced -- an historic goal that, once achieved, can improve the life of every Soviet citizen. But it is our belief that lasting peace and prosperity comes from a respect for human rights and the sharing of democratic values that are deeply rooted in the human spirit. Your own Leo Tolstoy said that if our hearts are empty, no law or political reform can fill them. The real law lives within our hearts. These values are not exclusively American or Western. They are not the possession of any people or any domain. They belong to all men and women, through all time, and in all places. They are the inalienable rights of man.

Of course, much remains to be done, but the progress of the past year gives me confidence that we are heading in the right direction. In this, President Gorbachev has been a good partner in peace. Given the war-torn history of this century, we should redouble our efforts to forge a new century of peace and freedom. Our nations have produced Abraham Lincoln, Leo Tolstoy,

Martin Luther King, and Andrei Sakharov. We have persevered as allies in a terrible war. The challenges we face today are no less daunting, but with good will and determination on both sides, I am confident our two peoples will be equal to the task.

Thank you, God bless you, and have a happy New Year!

Note: The message was recorded on December 19, 1989, in the Map Room at the White House. It was televised in the Soviet Union on January 1.

Statement on the Tentative Settlement of the Labor Dispute Between the United Mine Workers and the Pittston Corporation

January 1, 1990

I am delighted with the news that the collective-bargaining process has produced a tentative agreement that will bring an end to the 9-month-old dispute between members of the United Mine Workers and the Pittston Corporation. Secretary Dole, [Federal mediator] Bill Usery, Rich Trumka of the United Mine Workers, and Paul Douglas of the Pittston Corporation deserve congratulations for their work in achieving this agreement. And I want to wish the families and communities of the mineworkers a very happy New Year, as they look forward to the benefits of a new contract.

Appointment of Deane Roesch Hinton as United States Ambassador to Panama

January 2, 1990

The President today announced the recess appointment of Deane Roesch Hinton, of Illinois, a career member of the Senior Foreign Service, with the personal rank of Career Ambassador, as Ambassador to the Republic of Panama. He would succeed Arthur H. Davis.

Since 1987 Ambassador Hinton has served as the U.S. Ambassador to the Republic of Costa Rica. Prior to this he served as Ambassador to the Islamic Republic of Pakistan, 1983 - 1987, and as Ambassador to the Republic of El Salvador, 1981 - 1983. From 1979 to 1981, he was Assistant Secretary of State for Economic and Business Affairs. Ambassador Hinton served as the Representative of the United States of America to the European Communities, with the rank and status of Ambassador Extraordinary and Plenipotentiary, 1976 - 1979. In 1975 he was senior adviser to the Under Secretary of State for Economic Affairs. Ambassador Hinton also served as Ambassador to the Republic of Zaire in 1974. From 1971 to 1974, he was Assistant Director, then Deputy Director on the Council on International Economic Policy at the White House. Ambassador Hinton served as Director and Economic Counselor at the Agency for International Development in Santiago, Chile, 1969 - 1971, and in Guatemala, 1967 - 1969.

Ambassador Hinton graduated from the University of Chicago (A.B., 1943). He served in the U.S. Army, 1943 - 1945. He was born March 12, 1923, in Fort Missoula, MT. He is married and has 12 children.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

January 2, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384, I am submitting to you this bimonthly report, covering the period September 1 through October 31, 1989, on progress toward a negotiated settlement of the Cyprus question.

Since my last report to you, no formal intercommunal negotiations have been held. By the end of October, leaders in both communities were expressing a willingness to return to the negotiating table and to work in good faith toward completion of a draft outline for a Cyprus settlement.

To bridge the gap that existed between the two sides, the U.N. Secretary General met first with Cyprus President Vassiliou in New York on October 3 and separately a week later with Turkish Cypriot leader Rauf Denktash. A week after this second meeting, the Secretary General issued a statement indicating that he had ordered a review of the entire negotiating situation since August 1988, and that once this was completed, he would consult again with each of the parties with a view to inviting them to begin a further round of talks.

Both Mr. Vassiliou and Mr. Denktash used the occasion of their visits to the United States to spend two additional days in Washington. I met with President Vassiliou when he was here. Secretary of State Baker and National Security Advisor Scowcroft joined me in that meeting. Mr. Vassiliou also saw separately Members of Congress, Deputy Secretary of State Lawrence Eagleburger, and the U.S. Special Coordinator for Cyprus.

Mr. Denktash came to Washington on October 12 and 13. He met with Members of Congress and the U.S. Special Coordinator for Cyprus. Deputy Secretary of State Eagleburger hosted a luncheon in honor of Mr. Denktash.

In these Washington meetings, officials in my Administration stressed to both Cypriot leaders our unqualified support for continuation of the intercommunal negotiating process under the aegis of the Secretary General. Only this process, we emphasized, offered the possibility of success. We therefore urged both parties to return to the negotiating table as soon as possible to complete work on the draft outline for a settlement. Both parties also were told that the United States did not see continuation of the status quo as a solution to the Cyprus problem.

We also encouraged the Greek and Turkish Cypriot leadership to take advantage of other opportunities to pursue bicommunal cooperation. One such fruitful area is demanning of posts

along the buffer zone, conducted under the auspices of the U.N. Peacekeeping Force in Cyprus, to follow on the successful demanning of posts in Nicosia agreed to last May.

In sum, both Cypriot leaders left Washington fully aware that U.S. interest in a negotiated settlement remained strong and that we would continue to give the most active support to U.N. efforts to resume the intercommunal negotiating process and keep it going in a meaningful manner.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Letter to Benjamin Hooks, Executive Director of the National Association for the Advancement of Colored People

January 2, 1990

On this the first day of a whole new decade, Barbara and I send to you our personal best wishes for a very happy new year and to the NAACP, I send my sincere hope that 1990 will be a great year for your most prestigious organization.

The recent bombings make it clear we have not totally beaten back the evils of bigotry and racial prejudice. We cannot let up in the fight against racism. Please assure your members I will see that the Federal Government does not let up as it works to bring the perpetrators of these hideous crimes to justice.

George Bush

Note: An original was not available for verification of the content of the letter.

Remarks to the Republican National Committee

January 2, 1990

Mr. Atwater. See, Mr. President, they understand you're the best chairman this party ever had. [Laughter] Ladies and gentlemen, the leader of our party and the best chairman this party has ever had, President George Bush.

The President. Thank you all. And this has been a nostalgic return for me because, as Lee generously pointed out, I was chairman of the Republican National Committee years ago. And so, when I went back up to the fourth floor, it was like Yogi Berra said: deja vu all over again -- [laughter] -- and it was a nostalgic return -- everything familiar. Some things never do change, except, of course, the Muzak. [Laughter]

I just wanted to come up here and really just, at the beginning of this year -- we planned to do it at Christmastime -- and I wanted to come up here and say thank you for all you've done to build and strengthen this party. And I appreciate it very, very much. We are, and proudly remain, the party of Lincoln, the Republican Party. And I am very grateful for the terrific support that you have given our administration -- all of us, all Departments.

Needless to say that 1989 was the first year of new leadership -- I'm talking about our very able chairman, Lee Atwater, and Jeanie Austin, too -- both of them doing an outstanding job all around this country. And I am totally confident that when we look back after the upcoming elections, the work that they are engaged in and that you all are engaged in will clearly pay off.

This has been a year of tremendous excitement and achievement around the world, too, a remarkable time of change. And when we started the year and our work together by my declaring ``the day of the dictator is over'' -- words, I believe, from the Inaugural Address -- who imagined that the peoples of Eastern Europe would so swiftly vindicate that call? Who imagined that Vaclav Havel would start the new year by addressing the Czechoslovakian people not as a playwright but as the President of his country?

And in our own Western Hemisphere, democracy has spread from one country to another. But at the beginning of my term -- not counting Chile, which has now had democratic elections -- but at the beginning of the term, there were still three holdout dictatorships in Latin America. And thanks to the sacrifice and the courage of our American fighting men, today there are only two. And we're starting the new year with a free Panama -- one more step towards a hemisphere that hopefully will be one day totally free, totally democratic.

I wish all of you could have been with me -- or maybe I don't. [Laughter] Some of you might be like me. Seeing these kids in the hospital down in San Antonio the other day, it was just inspiring -- 19-year-old, 20-year-old, with this marvelous, marvelous attitude and approach

towards their mission -- the desire to go back -- lying there in these hospital beds, wounded, some of them very, very seriously. But it was an amazing New Year's present for both Barbara and me. And I can't tell you how grateful I am to them and to our military for this superbly executed, highly complex operation down there.

The year offers us tremendous challenge and opportunity on the domestic front, as well as in the foreign policy field. But to make the most of it, we must get action from the United States Congress. And so, I would take this opportunity to call on Congress to pass our clean air legislation -- our proposal, if you will, to harness the power of the market to fight acid rain and air pollution. And I call on the Congress to pass our anticrime package to make the streets safer, a step that Congress should have taken long ago and that they can now take when they return that will really bolster the fight against narcotics.

And finally -- there are many other initiatives -- but here today I'd like to call on Congress to act responsibly in favor of growth and opportunity and to lay aside all the political rhetoric and to go ahead and do that which the majority of the Congress said they want; and that is to cut the capital gains tax, to reestablish a capital gains differential, because that will mean jobs and opportunity for more Americans.

So, those are three areas domestically that we will be pushing for. There will be others, but those are three that I think the Congress should adopt as priority. We've got a great big job ahead of us this year, a full agenda, and each of you is critical to our efforts. In fact, the work of the national committee will be in much clearer focus nationally because of the congressional elections that are coming up.

I understand that Lee, generous fellow that he is, gave you a couple of days off at Christmas and New Year's. [Laughter] Hopefully, time to spend with your families, time to recharge the batteries. But now we're back and you're back, and we need you. We need you to face up to the challenge of 1990. The work that you're doing here is reflected in the field, and I've heard so many good reports from Republicans around the States about how the national committee is really backing them. People who see get this sense that the party is on the move. And with such a team, I am confident that this will be a great year -- a Republican year.

Barbara joins me in wishing you the very best. Like Margaret Alexander, we know the new year will be prosperous -- [laughter] -- and a great success. I wish she'd lighten up just a little, though. I'll tell you, I'm getting tired -- and so is everybody else -- helping on this money-raising. But we want to continue -- [laughter] -- we want to continue -- finance section quieted over here. [Laughter]

No, but we're very grateful to you. And I think I find in my job -- sometimes -- we don't adequately say thanks to those that are doing a lot of the heavy lifting. So, that's really what this little sojourn is all about: to express my confidence in Lee Atwater, my confidence in Jeanie

Austin, my confidence in each one of you who is working to strengthen the Republican Party. It's going to pay off, you watch, in the elections of 1990. Thank you very, very much.

Note: The President spoke at 2:50 p.m. in the State Dining Room at the Capitol Hill Club. In his remarks, he referred to Jeanie Austin and Margaret Alexander, cochairman and finance director of the committee.

Nomination of Tommy G. Thompson To Be a Member of the Board of Directors of the National Railroad Passenger Corporation

January 3, 1990

The President today announced his intention to nominate Gov. Tommy G. Thompson to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term of 4 years. He would succeed Robert D. Orr.

Since 1986 Governor Thompson has served as Governor of the State of Wisconsin. Prior to this he served as an assemblyman for the Wisconsin State Legislature since 1966.

Governor Thompson graduated from the University of Wisconsin at Madison (B.A., 1963; LL.D., 1966). He was born November 19, 1941, in Elroy, WI. Governor Thompson served as a captain in the U.S. Army. He is married, has three children, and resides in Madison, WI.

Nomination of Colin Riley McMillan To Be an Assistant Secretary of Defense

January 3, 1990

The President today announced his intention to nominate Colin Riley McMillan to be an Assistant Secretary of Defense for Production and Logistics. He would succeed Jack Katzen.

Currently, Mr. McMillan serves as chairman of the board and chief executive officer of the Permian Exploration Corp. In addition, he serves as managing partner of the Three Rivers Ranch and chairman of the board of the First Federal Savings Bank in Roswell, NM.

Mr. McMillan graduated from the University of North Carolina (B.A., 1957). He was born July 27, 1935, in Houston, TX. Mr. McMillan served in the U.S. Marine Corps, 1957 - 1960, and the U.S. Marine Corps Reserve, 1960 - 1972. He is married, has four children, and resides in Roswell, NM.

Statement by Press Secretary Fitzwater on the Attack on Religious Workers in Nicaragua

January 3, 1990

We deplore in the strongest terms this outrageous attack on religious workers and extend our deepest sympathy to the families of the victims. This is a tragic incident, one that further underscores the need to bring peace, stability, and democracy to Nicaragua.

The U.S. Embassy in Nicaragua has been in contact with local church officials to obtain information, including the Sisters of St. Agnes and the Capuchin Fathers. We are providing counselor services for the victims of the attack. We have no information on who is responsible for this attack, and we note that the church officials themselves have no indication, either. Our Embassies in Honduras and Nicaragua are attempting to find out further details. The Nicaraguan Government has provided no information to substantiate its charge that the contras launched the attack, and we hope the Sandinistas do not seek to obscure this tragedy by engaging in a propaganda battle.

The Nicaraguan resistance has condemned the attack. Its military commander has stated that the mining region where the attack occurred is outside of his force's usual operating area. But he also emphasizes that he has no information on the attack.

Note: Press Secretary Fitzwater read the statement to reporters at 11:11 a.m. in the Briefing Room at the White House.

Remarks on Signing the Earth Day Proclamation

January 3, 1990

It's good to see you all. Well, excuse the brief delay. Let me salute these distinguished gentlemen here: Admiral Truly, Mike Deland, Bill Reilly. Of course, it's a great, special pleasure to have Senator Chafee and Congressman Mo Udall here. And welcome to the White House on this special occasion. On April 22, 1990, America will celebrate Earth Day. I'm the guy that got mixed up on Pearl Harbor Day -- [laughter] -- so I've got to be very careful that these people -- Dr. Bromley, hi -- understand. [Laughter]

No, but it is on April 22d that we celebrate Earth Day. And across the country, citizens will be asked to make a personal and collective commitment to the protection of the environment, to think globally and act locally. And April 22d also marks the 20th anniversary of the first Earth Day, giving each and every one of us a chance to reflect on the progress made over the past 20 years and set the environmental agenda for the next decade.

We've just started a new year. And 20 years ago this week, on another new year, President Nixon signed landmark environmental legislation -- the National Environmental Policy Act -- into law. The historic environmental laws of the seventies followed this step -- the Clean Air Act, the Clean Water Act, the laws regulating pesticides and toxic substances and hazardous waste. And that act created the CEQ [Council on Environmental Quality], a voice for the environment that's been revitalized now, thanks to Mike Deland. And the EPA, established some 20 years ago under the leadership of Bill Ruckelshaus, is thriving under our able Administrator, Bill Reilly.

We've made much progress in the last 20 years, spending hundreds of billions of dollars to make pollution control work. In 1987 alone, we spent a total of $81 billion -- over 62 of it in the private sector. I'm particularly proud that in 1989 we were able to take a number of new initiatives. We've signed legislation to protect wetlands and valuable waterfowl habitat. We've added funds to expand our parks, forests, and wildlife refuges; and we've banned the import of ivory. And we plan to host an international conference on climate change this spring. We've proposed to phase out CFC's worldwide, and a ban on unsafe hazardous waste exports. We've proposed a phaseout of asbestos by 1997. And we've introduced the first major overhaul of the Clean Air Act in over a decade -- the most ambitious Clean Air Act proposed by any administration.

We need action on the revisions to the Clean Air Act we sent to Congress. The package was, in my view, carefully balanced to restore clean air for all Americans while sustaining job creation and competitiveness and economic growth. And I call on the Congress now to pass a Clean Air Act quickly, carefully, and responsibly -- a Clean Air Act that harnesses the power of the marketplace to provide future generations with a cleaner, safer environment without

jeopardizing the economy or the jobs on which all Americans depend.

I believe with all my heart that we can serve both of these important goals. And if the Congress cannot pass a bill that preserves both, then I would not be able to sign it; I'd have to veto it. But the Federal Government is only part of the story. It is in the city halls and State capitals, in schools and in the workplace, in this country and around the world, that real progress on the environment will be made. Environmental awareness -- it's really got to be a second nature.

Earth Day can be part of the American tradition of private and public leadership that will help us reach that goal. In deciding to make this Earth Day proclamation the first proclamation of the new year -- and the new decade, I might add -- I want to make this point: Earth Day -- and every day -- should inspire us to save the land we love, to realize that global problems do have local solutions, and to make the preservation of the planet a personal commitment.

I now take great pleasure in signing this proclamation, recognizing April 22d, 1990, as Earth Day. So, come on over.

Note: The President spoke at 2:11 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Richard H. Truly, Administrator of the National Aeronautics and Space Administration; and D. Allan Bromley, Science Advisor to the President and Director of the Office of Science and Technology Policy. The proclamation is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater Announcing the Surrender of General Manuel Noriega in Panama

January 3, 1990

General Scowcroft [Assistant to the President for National Security Affairs] notified the President at approximately 6 o'clock this evening that preliminary word had reached SOUTHCOM that General Noriega was willing to give himself up sometime tonight. We, of course, could not be sure that it would actually occur.

President Bush remained in the Residence until Secretary Cheney called him at approximately 9 o'clock this evening to say that General Noriega was in our custody. The President immediately came to the Oval Office to work on remarks, which he will be presenting to you in just a few minutes. I'll give you a 2-minute warning in just a second.

The President will not take questions following his statement, but General Maxwell Thurman, commander of SOUTHCOM, will hold a briefing in Panama on the details of the situation. General Thurman's briefing will follow the President's statement very soon. We'll be right back.

Note: Press Secretary Fitzwater spoke to reporters at 9:35 p.m. in the Briefing Room at the White House.

Remarks Announcing the Surrender of General Manuel Noriega in Panama

January 3, 1990

Well, on Wednesday, December 20th, I ordered U.S. troops to Panama with four objectives: to safeguard the lives of American citizens, to help restore democracy, to protect the integrity of the Panama Canal treaties, and to bring General Manuel Noriega to justice. All of these objectives have now been achieved.

At about 8:50 p.m. this evening, General Noriega turned himself in to U.S. authorities in Panama with the full knowledge of the Panamanian Government. He was taken to Howard Air Force Base in Panama, where he was arrested by DEA. A U.S. Air Force C - 130 is now transporting General Noriega to Homestead Air Force Base, Florida. He will be arraigned in the U.S. District Court in Miami on charges stemming from his previous indictment for drug trafficking.

I want to thank the Vatican and the Papal Nuncio in Panama for their evenhanded, statesmanlike assistance in recent days. The United States is committed to providing General Noriega a fair trial. Nevertheless, his apprehension and return to the United States should send a clear signal that the United States is serious in its determination that those charged with promoting the distribution of drugs cannot escape the scrutiny of justice.

The return of General Noriega marks a significant milestone in Operation Just Cause. The U.S. used its resources in a manner consistent with political, diplomatic, and moral principles.

The first U.S. combat troops have already been withdrawn from Panama; others will follow as quickly as the local situation will permit. We are now engaged in the final stages of a process that includes the economic and political revitalization of this important friend and neighbor, Panama.

An economic team under the direction of Deputy Secretary of State Eagleburger and Deputy Secretary of Treasury Robson is just returning from Panama. A team of experts has remained on hand there to assess the full range of needs. We will continue to extend to the Panamanian people our support and assistance in the days ahead.

Panamanians, Americans -- both have sacrificed much to restore democracy to Panama. The Armed Forces of the United States have performed their mission courageously and effectively, and I again want to express my gratitude and appreciation to all of them. And I want to express the special thanks of our nation to those servicemen who were wounded and to the families of those who gave their lives. Their sacrifice has been a noble cause and will never be forgotten. A free and prosperous Panama will be an enduring tribute.

Thank you all very, very much.

Note: The President spoke at 9:40 p.m. in the Briefing Room at the White House.

Presidential Determination No. 90 - 6 -- Memorandum on Multilateral Loans to China

January 3, 1990

Memorandum for the Secretary of the Treasury

Subject: Determination Pursuant to Title I of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990

Pursuant to provisions appropriating sums for the International Development Association in Title I of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, I hereby certify that the International Development Association has not provided any new loans to China since June 27, 1989.

This determination shall be published in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:36 p.m., January 4, 1990]

Note: The memorandum was released by the Office of the Press Secretary on January 4.

Letter to Congressional Leaders on Multilateral Loans to China

January 3, 1990

Dear XXXXX:

As required by Title I of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, I have determined that the International Development Association has not provided any new loans to China since June 27, 1989.

This determination, a copy of which is enclosed, shall be published in the Federal Register.

Sincerely,

George Bush

Note: The letter was released by the Office of the Press Secretary on January 4.

Nomination of Malcolm S. Forbes, Jr., To Be a Member of the Board for International Broadcasting, and Designation as Chairman

January 4, 1990

The President today announced his intention to nominate Malcolm S. Forbes, Jr., to be a member of the Board for International Broadcasting for a term expiring April 28, 1992. This is a reappointment. Upon confirmation he will be designated Chairman.

Currently, Mr. Forbes serves as president and chief operating officer of Forbes, Inc., and deputy editor in chief of Forbes magazine. Prior to this he served as vice president and secretary of Forbes, Inc. Mr. Forbes graduated from Princeton University (B.A., 1970). He was born July 18, 1947, in Morristown, NJ. Mr. Forbes served in the New Jersey National Guard, 1970. He is married, has five children, and resides in Bedminster, NJ.

Notice of the Continuation of the National Emergency With Respect to Libya

January 4, 1990

On January 7, 1986, by Executive Order No. 12543, President Reagan declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Libya. On January 8, 1986, by Executive Order No. 12544, the President took additional measures to block Libyan assets in the United States. The President transmitted a notice continuing this emergency to the Congress and the Federal Register in 1986, 1987, and 1988. Because the Government of Libya has continued its actions and policies in support of international terrorism, the national emergency declared on January 7, 1986, and the measures adopted on January 7 and January 8, 1986, to deal with that emergency, must continue in effect beyond January 7, 1990. Therefore, in accordance with Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Libya. This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

January 4, 1990.

[Filed with the Office of the Federal Register, 12:53 p.m., January 4, 1990]

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Libya

January 4, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Libyan emergency is to continue in effect beyond January 7, 1990, to the Federal Register for publication. A similar notice was last sent to the Congress and the Federal Register on December 28, 1988.

The crisis between the United States and Libya that led to former President Reagan's declaration of a national emergency on January 7, 1986, has not been resolved. The Government of Libya continues to use and support international terrorism, in violation of international law and minimum standards of human behavior. Such Libyan actions and policies pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Libya to reduce its ability to support international terrorism.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Nomination of Three Members of the National Council on Disability, and Designation of Chairman

January 4, 1990

The President today announced his intention to nominate the following individuals:

Sandra Swift Parrino, of New York, to be a member of the National Council on Disability for a term expiring September 17, 1992. This is a reappointment. Upon confirmation she will be designated Chairman. Currently, Mrs. Parrino serves as Chairman of the National Council on Disability in Washington, DC. Mrs. Parrino received a bachelor of arts degree from Briarcliff College. She was born June 22, 1934, in New Haven, CT. Mrs. Parrino is married, has three children, and resides in Briarcliff Manor, NY.

Mary Matthews Raether, of Virginia, to be a member of the National Council on Disability for the remainder of the term expiring September 17, 1991. She would succeed Phyllis D. Zlotnick. Mrs. Raether attended the University of Texas. She was born June 17, 1940, in New Orleans, LA. Mrs. Raether is married, has two children, and resides in McLean, VA.

Alvis Kent Waldrep, Jr., to be a member of the National Council on Disability for a term expiring September 17, 1992. This is a reappointment. Currently, Mr. Waldrep serves as founder, president, and chief executive officer of Kent Waldrep National Paralysis Foundation in Dallas, TX. Mr. Waldrep attended Texas Christian University. He was born March 2, 1954, in Austin, TX. Mr. Waldrep is married, has one child, and resides in Plano, TX.

Statement on Receiving the Report of the President's Advisory Committee on the Points of Light Initiative Foundation

January 4, 1990

It is with a great deal of pleasure that I have today received the report of the President's Advisory Committee on the Points of Light Initiative Foundation.

Last summer I announced a three-part strategy to make community service central to the life and work of every individual, group, and organization in America. To help to implement this strategy, I announced that the Points of Light Initiative Foundation would be formed. I asked Gov. Tom Kean of New Jersey to head a committee to advise me on the structure of the Foundation and on the legislation needed to accomplish its goals. At the same time, the White House Office of National Service has developed recommended goals for the Foundation.

In addition to Governor Kean, this distinguished Presidential Advisory Committee is composed of Edward A. Brennan, chairman and chief executive officer of Sears, Roebuck & Co. and chairman of the board of governors of the United Way; Norman A. Brown, president and chief programming officer of the W.K. Kellogg Foundation; Frances Hesselbein, national executive director of the Girl Scouts of the United States of America; and Vernon E. Jordan, Jr., senior partner of the law firm of Akin, Gump, Strauss, Hauer & Feld and former president of the National Urban League.

I am committed to making community service national policy of the highest priority. Drug abuse, illiteracy, homelessness, AIDS, environmental decay, and hunger must no longer be seen as someone else's problems for someone else to solve. To be a Point of Light is to measure your own success by what you do for someone else. Community service must become part of our daily pattern of living.

I am confident that the report I have received today from this distinguished group of Americans will assist us greatly in achieving these worthy goals.

Note: The Office of the Press Secretary issued a fact sheet on the same day which provided the following additional information on recommended goals for the Points of Light Initiative Foundation:

Points of Light Action Groups

Mission: To engage individuals from all walks of life and diverse groups and organizations who

may never have worked together before in collaborating with one another to solve community problems.

a. To develop Points of Light Action Groups in all 50 States to determine pressing community problems, identify and mobilize community resources, and deploy them against these problems. Such groups would consist of new or strengthened partnerships among businesses, professionals, unions, schools, religious organizations, nonprofits, clubs, associations, and concerned individuals.

b. These groups will serve as catalysts for community action and as new engines for social change.

Youth Engaged in Service to America (YES)

Mission: To engage every young person, aged 5 to 25, in community service.

a. The Foundation will identify model community service projects in organizations of which young people are a part (schools, churches and synagogues, neighborhood organizations, clubs, etc.) and encourage similar organizations to replicate them.

b. The Foundation will help create youth service projects in a limited number of pilot areas (to be determined by the Board) that engage a wide variety of local groups and organizations and provide models which communities can replicate throughout the nation.

c. Every significant sector of American society (corporate, professional, labor, religion, nonprofits, clubs, and associations, etc.) not yet involved in youth development will work with young people to devise community service initiatives or participate in existing projects which are led by young people.

One-to-One Relationships

Mission: To form one-to-one mentoring relationships with people in need.

The Foundation will target a limited number of communities (to be determined by the Board) in which intensive efforts will be undertaken through the collaboration of a wide variety of community-based groups and organizations to develop one-to-one relationships with virtually every single individual in need.

Media Leadership/Support

Mission: To devote the distinctive capabilities of the local and national news and entertainment media to persuading people to engage in community problem solving.

a. Every segment of the news and entertainment media (e.g., television, newspapers, magazines, radio, cable, motion pictures) will provide examples of media groups and/or organizations that highlight community service continuously, spotlight successful service initiatives, profile outstanding community leaders, and inform the public of how to engage in community service.

b. In addition, in partnership with the Advertising Council, the Foundation will develop a nationwide advertising campaign to develop a new perspective on our social problems, to increase public awareness of the importance of community service, and to catalyze community action.

c. The Foundation will also create a mechanism to provide regular satellite feeds to local television stations containing stories about highly successful and newsworthy community service leaders and developments, and a wire print service to disseminate such information to local print media.

Finance/Resource Acquisition

Mission: To obtain the necessary resources from the private and public sectors to support the activities of the Foundation.

The Foundation will raise at least $25 million from the private sector in financial contributions and additional in-kind contributions. Also, the Foundation will seek $25 million in congressional funding.

The President's News Conference

January 5, 1990

The President. This morning I met with the Attorney General, Dick Thornburgh, to discuss the legal process related to the prosecution of General Noriega. We are committed to a fair trial and to providing all the protections guaranteed by the United States Constitution and laws. The Attorney General assures me that our case is strong, our resolve is firm, and our legal representations are sound.

Our government is not seeking a deal with Noriega. Our policy remains that we brought him to this country for prosecution. I will be ever mindful of this legal process in the days ahead and will not comment on any aspect of this prosecution or any matters that could even inadvertently affect the outcome of this case. And I'm going to ask others from this administration to do the same.

Deputy Secretary of State Eagleburger and Deputy Secretary of Treasury Robson have just given me a report on the economic reconstruction efforts in Panama. The first action that the United States took after General Noriega was removed from power was to release some $400 million in money that was withheld by virtue of our economic sanctions, sanctions which are now being lifted -- $140 million, I believe, is already in Panama. The revitalization of the Panamanian economy is a major priority in the months ahead, as are our efforts for humanitarian assistance. And I would say here: I've been very grateful for the medical supplies that have gone to Panama.

I can report today that considerable progress has been made so far in returning Panama to a normal state of affairs. The new government has taken charge, and President Endara is working tirelessly to meet the needs of his people. Both Under Secretary Robson and Eagleburger were very high in their praise of Mr. Calderon, Mr. Ford, and of course, President Endara. They're discussing housing programs, business development, bank loans that will help spur economic growth. We are committed to be a part of that process.

I want to assure all of the countries of Latin America that United States policy remains one of a friendly, supportive, and respectful neighbor. We have worked hard and intensively to consult bilaterally and multilaterally with Latin America, and we will continue to do that. I personally will be involved in that. At the Latin American summit in Costa Rica, I pledged that we would work with the countries of this hemisphere to build a better life for their citizens. Our policy of cooperation is firm. Yesterday I had a lengthy discussion with Prime Minister Felipe Gonzalez of Spain, who is so well respected in this hemisphere as well. And I share his deep, personal interest in seeing that the countries of this hemisphere pull together on behalf of democracy and economic freedom.

I know the yearnings of my fellow leaders in this hemisphere, leaders in Latin America, and I

believe they will support the new government of Panama and they will support the United States as we work together in this hemisphere. I've asked the Vice President, Dan Quayle, to visit a number of these Latin American countries within the next several weeks to personally deliver this message. I view this as very, very important diplomacy. And I am determined not to neglect the democracies in this hemisphere. Some have felt that we were so infatuated with the change in Eastern Europe that we were in the process of neglecting this hemisphere, and that is not the case. And the Quayle trip, in my view, will help. I have been undertaking consultations directly with leaders since I've been President. I will resume that, as I said, and the Vice President will be in a position to explain very clearly not only U.S. policy but our aspirations for Panama and, indeed, for this entire hemisphere.

So, that's where we are, and I'd be glad to take a few questions.

Q. Mr. President, you said that the Government is not seeking any kind of a deal concerning Noriega.

The President. Yes.

Q. Does that mean that you are irrevocably ruling out any reducing of charges, increasing of charges? And also, since the indictment runs from '81 to '86 and you had many contacts, apparently, with Panama during that period, were you ever aware of any drug activities on the part of Noriega?

The President. On the first part of the question, there's no such plan. The man's entitled to whatever is granted him under our law. So, there isn't any such plan.

Secondly, I have made some statements in reply to your second question, so punch it in the computer. And I'll have nothing more to say about it because I do not want, even inadvertently, to prejudice this case. But my actions are, in my view, totally unrelated.

Q. Mr. President, with General Noriega out of Panama and safely in custody in this country, it seems like you may have a difficult choice in deciding how to maintain order in Panama. Do you envision keeping a U.S. military peacekeeping force there beyond the usual contingent of 12,000 troops, or would you like to see the Panamanian Defense Forces reconstituted?

The President. One, I'd like to see their police forces, whatever emerges, reconstituted. Two, we will get our forces that went in out as soon as possible. Three -- I will just say this because your question obviously understands this -- but to those listeners out there, SOUTHCOM has had a force there. And that force, under the treaty, will remain there. But the answer is: We want to get those additional augmented forces out as soon as possible, and we will.

Covert Diplomacy

Q. Mr. President, I'd like to try to follow up a question you were asked when you were here last about secrecy and the two missions by General Scowcroft to China. As I'm sure you may be aware, Secretary of State Baker was asked about what we then thought was the first China mission on one of the weekend talk shows, and he indicated that it was, indeed. It turned out to be the second. He has since acknowledged quite openly that his answer was false and that he felt constrained to give that answer to protect the secrecy of the mission. And I wondered first, sir, whether you felt it was worth it for him to have to do that? And second, whether that sort of thing is acceptable in your administration?

The President. Well, let me simply say that some things will be conducted in secrecy. And I know you don't like it. Your business is to get everything out in the open. And my business is to conduct the foreign affairs of this country in the way I think I was elected to, and for the most part, that will be in the open. But this move into Panama was held in secrecy, and I think the American people understand that.

My move to send people to China was controversial. Some think that the best way to make change for human rights in China is isolation -- don't talk to them, try to punish them by excommunication. I don't feel that way, and so, I asked these people to go forward. And I don't think Jim Baker would ever deliberately mislead somebody, and so, I will stand with him.

Q. Sir, I believe he indicated that he felt he had to do that and that he knew what he was doing -- that he had to do it. And I wondered how you felt about it.

The President. Ask him about it. I support my Secretary of State.

General Noriega of Panama

Q. You talk about your concern about prejudicing the case; but as you well know, you have called Noriega a thug, and other people in the administration have gone further. You've said he's poisoning our children. Haven't you already done that and -- --

The President. I think I've heard all kinds of characterizations of him in the press -- columnists, even commentators, Presidents, Members of the United States Congress. He is now in custody. Time for rhetoric is over; time for answering hypothetical questions that might prejudice the trial is over. I would go back, Lesley [Lesley Stahl, CBS News], to help you on that, to Watergate, where there were hearings held, charges made over and over again, editorials written and voiced; and yet the people received a fair trial. So, I am convinced that our system of justice is so fair that the person will get a fair trial. But I can tell you, from my standpoint, I am going to bend over backwards and not answer hypothetical questions or not do anything that might prejudice that.

Q. Can I have a followup, please? I want to actually follow up on Helen [Helen Thomas, United Press International].

The President. Now, that's a separate question. [Laughter]

Q. But it's a followup. Reducing of charges -- are you saying that if he wants to go for that, if he wants to try to go for reducing of charges, that we will entertain it? You said -- --

The President. No, I'm not saying that. I'm saying he has a right to do what he wants, and let the legal process determine how that should work out.

Q. You're not ruling it out.

The President. Well, I'm not ruling it in. I'm just saying he's got his rights, and we ought not to stand up here and try to define narrowly what they are.

U.S. Military Action in Panama

Q. Mr. President, based on your opening remarks and your comments about the Vice President's trip, it would indicate that you're concerned about relations with Latin America. Has the actions you've taken set it back?

The President. To some degree I am concerned because I am well aware of how our friends south of our border, including my friend President Salinas, look at the use of American force anywhere. So, I am concerned about it. I think it's something that's correctable, because I think they know that I have tried a lot of consultation, that we have exhausted the remedies in this particular case of multilateral diplomacy. But given the history of the use of U.S. force, I would be remiss if I didn't face up to the problem that we must go forward diplomatically now to explain how this President looks at the protection of American life; that we acted -- in our view -- well within our rights, but that we will continue consultation. But look, I felt strongly about the protection of American life. So, we've got to get them to understand that this isn't a shift away from what some had termed excessively timid diplomacy.

Q. Well, Mr. President, wouldn't that indicate that actually you were continuing old American policies that have upset the people in Latin America?

The President. Well, if there is that perception, then it's up to me and the Secretary -- and in this instance, the Vice President's trip takes on enormous importance -- to convince the people of the truth. And that is that we are not reverting to just a willful -- what's the word I'm groping for here -- use of force that has no rationale. But when it comes to the protection of American life, please -- our friends south of the border -- understand this President is going to protect it.

I'll tell you one thing that's helped on this, to the degree there is a problem at all, and that is the way the Panamanian democracy is now starting to move forward, the certification of the three people who had been deprived of their right to hold office by the previous regime. That's been of enormous help. And then I think the other thing is the public reception in Panama for our action. It has been overwhelming -- overwhelming.

Q. On that, sir, Lee Atwater, the chairman of the RNC [Republican National Committee], says Panama is a political jackpot for you and it could well wipe out the disenchantment, for example, for the way you handled China. Without saying that's why you went into Panama, sending troops in, is one effect of it that it is a political jackpot?

The President. Well, Jesse Jackson doesn't think so. He talked to my wife. And so, there's differences of opinion on that. But I didn't do something for political reasons. That's not the reason I do that. I did it to protect American life. A President's called on to take certain actions. We're not going in to try to furbish a political image; that's ridiculous.

Q. Having said that, though, have you now neutralized the Democrats on foreign policy? Is this the last time [Senate Majority Leader] George Mitchell can ever accuse you of having a timid foreign policy?

The President. Knowing George, he'll find a reason, he'll find a way. And that's his job. Look, we're going into an election year. But I want to try, if I can, to separate the response. And he's been supportive of this -- let's give the man credit. But I don't think it's laid to rest or put off-bounds any criticism of the President by Democratic opposition, if that's the question -- no, absolutely not.

Q. Mr. President, do you anticipate that the bulk of the additional combat troops sent into Panama will indeed be out by the end of this month, as some administration officials have said? And secondly, and more broadly, do you now see an expanded role for the American military in small, regional issues like this one, or more particularly in the war against drugs, since there was a strong connection to this operation?

The President. I see no parallel between the situation here, where American lives are at stake and you had an indicted person who usurped power and declared war against the United States -- I don't think you can draw a parallel between that unique situation and then other countries.

What was the other part of it?

Q. The bit about whether you see these additional combat troops able to come home, all of them.

The President. As soon as possible, and I have made clear to the Secretary of Defense, to the Chairman of the Joint Chiefs, who is down in Panama right now, I believe that this is what we

should do. This is what they themselves want to do. Some U.S. forces that went in are already out. So, I would look for an early return.

Q. General timeframe?

The President. Can't help you. But as soon as General Powell gets back, we'll have a more -- --

Q. What about the international law implications? Isn't this something that you are also going to talk to the Latin American countries?

The President. Absolutely.

Q. Isn't this setting a precedent? What is the explanation behind it?

The President. The right to protect American lives granted under the U.N. Charter. And we will protect lives of citizens, and we will go forward with that. The State Department, as I understand it, has already spelled that out. But I think you raise a good point. Yes, we should make very clear why we acted and under what authority we acted as we did.

Future American Military Action

Q. Mr. President, you just described Panama as a unique case. And I'd just like to ask you sort of a philosophical question. If the criteria you listed here -- protecting American lives, having exhausted all the other diplomatic options -- presented themselves again, should we look in a Bush Presidency for more such deployments in military force if your criteria were met?

The President. Yes, if you can spell out what the criteria is, and then if you can look to the future to see the situation surrounding it. I can't visualize another situation quite this unique. But let me just say when American life is threatened -- we were concerned in El Salvador, for example. A civilian hotel could well have been occupied by a guerrilla force that would have threatened American life. That concerned me. And indeed, we moved forces not in some macho way but to try to protect the lives of American citizens. But I think most people understood that. But, David [David Hoffman, Washington Post], I don't see another real parallel here looming on the horizon at all.

China-U.S. Relations

Q. Mr. President, back to the issue of China. Your decision to send emissaries to China carried some cause for you. Have you seen any payoff yet? Have you had any response from the regime there that is productive or encouraging for you?

The President. Well, it does carry some, and I think some who are familiar with the situation

have been quite supportive -- and some quite critical; I will admit that. As I indicated, some favor isolation: Don't talk, and let them come to us. I think one of the great things that happened to us under the Shanghai communique and prior to that is the fact that we had a kind of contact, and they began to help facilitate the changes and the reforms that have taken place. So, I want to see those go forward again.

Is that responsive? I can't remember -- --

Q. Let me ask you specifically: Are we close to a resolution on the issue of the dissidents who are -- --

The President. I don't know the answer to that. They know my position, and it is one of adherence to human rights, I might add. The thing I object to about this whole one is the assigning of motives to the other person. You can question the tactics, but I refuse to let my political critics get me down in terms of they understand human rights and I don't.

I want to see, through the contacts that we've made, change that can be manifested in several ways. Now, there has been some. The Voice of America, for example, now has -- they have a person permitted to go there. There's been a reiteration of the sale of missiles which we are very much in our -- I think in the interest of peace in the world. So, there's been progress. I would like to hope that there would be more.

Soviet Reforms

Q. Mr. President, as you know, Mikhail Gorbachev has been visiting the Baltics in his country to deal with the growing independence or autonomy movement there. Have you encouraged him to allow those movements to continue, or do you consider that essentially an internal affair of the Soviet Union?

The President. Well, he's got his own internal affairs, but he knows of our advocacy of peaceful change. And to the man's credit, he has been the big advocate of peaceful change. He has been the advocate of reform. I mean, you've got to link it, Jerry [Gerald Seib, Wall Street Journal], to Eastern Europe to some degree. And I realize -- and we can discuss this -- that the problems are different. But give the credit that I don't think any of us a year ago from this day would have given in terms of Soviet adherence to change, given the dynamic upheaval in Eastern Europe.

Now, he's facing problems inside the borders of the Soviet Union -- the Baltics, recently this other one -- and he keeps reiterating his conviction about peaceful change. So, I support that. But we did have an opportunity to discuss in broad philosophical terms this question at Malta.

Q. Are you confident as a result that there's not going to be a crackdown?

The President. I'm certainly not buying into the hypothesis that there will, and I hope that this approach that he has taken -- for which we give credit -- will prevail.

Attack on Religious Workers in Nicaragua

Q. Yes, Mr. President, several times today you've made reference to the U.S. right to -- indeed, your obligation to protect American lives. Today an American nun is being buried here in the United States. Even the Catholic order she represented there in Nicaragua claims that she was killed by contra forces.

The President. -- -- did claim that? I heard -- --

Q. Representatives of that group say the contra forces have been known to operate in that area using those tactics, and perhaps they didn't recognize the pickup truck that they were driving in. What do we know about who may have killed those nuns, and what are you doing to communicate to the contra -- are you trying to call them off?

The President. Well, we're not calling them off because we don't know they were called on. And I'm interested in your hypothesis because you're telling me that some have concluded that it was the contras. The contras have denied that. Some have suggested it might be the other side. And the answer is: I deplore the loss of that nun's life. And similarly, there was another that I believe was killed that was a Nicaraguan there. And I deplore that loss of life. But it is murky. It is extraordinarily murky, similar to the situation in El Salvador.

But I want to take this opportunity to speak out against it. But we don't know the answer to it. And in El Salvador, we've said: Find out. We'll give you whatever technical assistance we can. And we want to find the answer to this question.

Q. But you're not confident then that the contras didn't -- --

The President. I don't know the answer to your question. They've said they didn't -- others are accusing them. And I don't know, and I don't think our government knows. I'd share it with you if they did.

Women in Combat

Q. Mr. President, in Panama we saw women leading troops in combat for the first time. Are you comfortable with women in that role, and would you support changes in restrictions on women in combat?

The President. No, I'd willingly listen to recommendations from the Defense Department, but these were not combat assignments. But anytime you have a highly trained, gung-ho, volunteer

force and they're caught up in some of the firefights that went on, a person -- man or woman -- can be put into a combat situation.

But it's my understanding, and I think Cheney took a question on that today, that these were not combat roles. And so, I would let the heroic performance of these people be weighed and measured and then see if the Defense Department wanted to recommend to the President any additional changes.

Soviet-U.S. Relations

Q. Do you have assurances from Moscow that the operation in Panama won't hurt U.S.-Soviet relations?

The President. Well, they didn't seem overly enthused about it, by Mr. Gerasimov's [Soviet Information Minister] statement. But on the other hand, I don't agree with him at all. But I don't think it's going to fundamentally flaw the relationships between ourselves and the United States [Soviet Union].

Military Action in Panama

Q. Do you think that the Latin leaders have been hypersensitive to the -- given the fact that in back channels, apparently, they've been supportive of the invasion? Can you say if that is correct? And then also because of that, do you think they're hypersensitive in their public statements about U.S. force in the region?

The President. I like to feel that, given the way the situation is resolved, there is more support than has manifested itself in votes at the United Nations or in public statements. The Vice President's trip will help on this. My own consultations will help give me a clearer answer to your question. But I am absolutely convinced, given what happened and the reason why it happened, that if there's damage I can repair it, we can repair it, the State Department and whoever else is involved can repair it.

Q. But is it hypersensitive, their reaction so far?

The President. I think predictably so.

Q. Mr. President, some countries think the precedent now of Panama -- feel that their sovereignty might be violated if the United States pursues drug dealers in their countries. And there has been some change in laws that they are worried about this -- in the sense of the CIA, the FBI going out, being able to apprehend people outside the United States territory.

The President. And so, the question is what?

Q. Do these countries have reason to be worried that the precedent of Panama might serve as -- --

The President. Oh. Panama was more than that. Panama had, clearly, other ingredients that caused American action. It wasn't a simple case of going after a person who had been indicted for narcotics. And we know you had the abortion of democracy, but you also had this threat to the lives of Americans.

Let me do something in conclusion that may be a little risky. And it's a housekeeping detail, and it relates mainly to television.

I got a lot of mail after the last press conference; I had some calls. Because when I was speaking here in this room, juxtaposed against my frivolous comments at the time were some split-screen technique. It showed American lives -- the bodies of dead soldiers, the caskets of dead soldiers coming home. And I would respectfully request that if the urgency of the moment is such that that technique is going to be used, if I could be told about and we'll stop the proceedings -- or if it's something less traumatic. But that one -- I could understand why the viewers were concerned about this. They thought their President -- at a solemn moment like that -- didn't give a damn. And I do, I do! I feel it so strongly. So, please help me with that if you would. Thank you all very much.

Note: The President's 32d news conference began at 1:08 p.m. in the Briefing Room at the White House.

Nomination of Anthony Hurlbutt Flack To Be a Member of the National Council on Disability

January 5, 1990

The President today announced his intention to nominate Anthony Hurlbutt Flack to be a member of the National Council on Disability for a term expiring September 17, 1991. He would succeed John F. Mills.

Currently Mr. Flack serves as president of his own firm, Anthony H. Flack & Associates in Connecticut. He was awarded the Bell Award for Outstanding Service in the field of mental health at the Bridgeport Chapter of the Connecticut Association of Mental Health. Mr. Flack attended Brown University. He was born September 7, 1923, in Greenwich, CT. Mr. Flack has two daughters and resides in Norwalk, CT.

Remarks on Signing the Proclamation Granting Special Trade Status to Poland

January 5, 1990

Let me just welcome the Secretary of State and, of course, Secretary Mosbacher and Derwinski. It's a great pleasure to have Carla Hills here -- Ambassador Hills, our USTR -- Chairman Boskin, the head of our economic advisers. Who am I missing? We'll get to the Ambassador in just a minute. Ed Derwinski, I mentioned. Let me just give a special welcome today, Mr. Ambassador, to you, Ambassador Kinast, and just say how pleased we are you're here.

The past year has been one of outstanding change in Eastern Europe. One country after another has embarked upon it, each in its own way, down the path of peaceful, democratic reform. But it was the brave people of Poland, under the banner of Solidarity, that led the way, beginning with the roundtable agreement of last spring and continuing with the formation of the first non-Communist government in Eastern Europe in more than 40 years. Poland has blazed the trail, the freedom trail.

And so, I'm here today to fulfill one of the pledges that I made during my visit to Poland in July, granting the nation access to our Generalized System of Preferences, the GSP. This special GSP treatment means that Polish exports will enjoy the most liberal access possible to the American market, and it will pave the way for increases in Polish exports to the United States -- a vital contribution to Poland's economic recovery. It's going to open the door for investment, trade, and the interaction of two free peoples. And it's among the most important steps we could possibly take to help the people of Poland. And yet this measure is just one of many steps that the United States and our economic partners are taking to help Poland at this historic moment.

Let me outline just one other of these steps, if I might. As you know, in response to a request made last September by the new Polish government, I pledged that the United States would extend a $200 million grant as our contribution to a $1 billion stabilization fund to support Poland's economic reform program. Well, I said that I would encourage our economic partners to contribute the remaining $800 million so that Poland's needs would be fully met. And now I'm pleased to announce that on January 2d our goal was met in full. We joined our economic partners in the Group of 24, pledging to the Polish Government a fund of more than $1 billion, all to back its ambitious economic stabilization and reform program.

The United States now has developed a 3-year economic assistance program for Poland totaling more than $1 billion. And of this, nearly half will be provided this year alone in the form of grants. And take note: The total financial commitments that we and our economic partners have made to Poland now add up to more than $8 billion. And that's $8 billion in Western economic assistance to Poland. Poland is not at the end but the beginning of a process of economic recovery and democratic change. The road they face is not an easy one. But the Polish people

have already shown the courage and determination that they need to meet the challenges ahead. We will not let them face these challenges alone.

So, let me say it again, as I said out in Hamtramck last April: Poland is not alone, America stands with you. And now let me make all of this official, Mr. Ambassador.

Well, let me just at least say happy New Year to everybody. I know our other guests would like to do that.

Note: The President spoke at 2:04 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Secretary of Veterans Affairs Edward J. Derwinski; Michael J. Boskin, Chairman of the Council of Economic Advisers; and Polish Ambassador Jan Kinast. The proclamation is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on Amending the Generalized System of Preferences

January 5, 1990

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add Poland to the list of beneficiary developing countries under the Generalized System of Preferences (GSP).

The ``Support for East European Democracy Act of 1989," P.L. 101 - 179, which I signed into law on November 28, 1989, amended Title V of the Trade Act of 1974 to allow Poland to be considered for GSP designation. I have carefully examined Poland under the criteria identified in sections 501 and 502 (b) and (c) of the Trade Act of 1974, as amended. In light of these criteria, and particularly Poland's ongoing political and economic reforms, I have determined that it is appropriate to extend GSP benefits to Poland.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974, as amended.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Nomination of Richard F. Hohlt To Be a Member of the Board of Directors of the Student Loan Marketing Association

January 5, 1990

The President today announced his intention to nominate Richard F. Hohlt to be a member of the Board of Directors of the Student Loan Marketing Association. He would succeed Donald E. Roch.

Currently Mr. Hohlt serves as senior vice president of government affairs at the United States League of Savings Institutions in Washington, DC. Prior to this he served as executive assistant to United States Senator Richard G. Lugar.

Mr. Hohlt graduated from Milliken University (B.S., 1970). He was born December 4, 1947, in Indianapolis, IN. Mr. Hohlt served in the Air Force Reserves, 1970 - 1976. Currently he resides in Alexandria, VA.

Statement by Press Secretary Fitzwater on Disaster Relief for Areas Affected by the San Francisco Earthquake and Hurricane Hugo

January 5, 1990

At the direction of the President, the Office of Management and Budget is today distributing $184.6 million from the President's Unanticipated Needs for Natural Disasters Account. On October 26, 1989, the President signed the second continuing resolution for fiscal year 1990, which provided $2.85 billion in disaster relief funds for areas affected by the San Francisco earthquake and Hurricane Hugo. Of the $2.85 billion, $250 million was made available to the President to meet, at his discretion, unanticipated needs arising from both disasters.

The funds released today will be distributed primarily in California and South Carolina and be used for a variety of purposes, including school reconstruction; debris removal; transfer of patients to VA hospitals from damaged facilities; repair of damage to Federal parks, forests, wildlife refuges, and medical facilities; forest fire prevention; and stabilization of historic properties.

Agencies receiving funds today include the Departments of Agriculture, Veterans Affairs, Education, Interior, and Defense and the General Services Administration. The President has previously authorized distribution of $20 million from the account for earthquake preparedness planning and research activities at the Federal Emergency Management Administration, the U.S. Geological Survey, the National Science Foundation, and the National Institute of Standards and Technology.

After distribution of the funds today, $45.4 million will remain in the President's Unanticipated Needs for Natural Disasters Account. This contingency reserve will enable the President to respond to unanticipated disaster relief needs which continue to be identified as recovery from the disasters proceeds.

Remarks Introducing the Presidential Lecture Series

January 7, 1990

Professor Donald and Mrs. Donald; Mr. Chief Justice and Mrs. Rehnquist; Chief Justice Burger, I understand, is here; Secretary Cheney and the Honorable Lynne Cheney; distinguished Members of the Congress; General Powell: Let me welcome you to the White House. And Barbara and I are very pleased to have you here. It's a privilege.

We're proud to host this lecture on the Presidency of the United States. And this is the first in a series of lectures on the men who have held this office. And it seeks to make them come alive: What were they like? How did they live? How was history, the history of America's house, molded by their dreams? To occupy this office is to ask those questions, and certainly to feel a kinship with those who have gone before -- for each in his own way sought to do right and thus achieve good. And each felt a sacred trust with every American and often wondered, I suspect, how they could be worthy of that trust.

Perhaps no President had greater doubts or more brilliantly resolved them than the subject of this inaugural lecture: Abraham Lincoln, of Illinois. As President, Lincoln abolished slavery, and he saved the Union. Perhaps no leader has been so severely tested before or since. And yet we remember Abe Lincoln not merely for what he did; we revere him for what he was. Lincoln was a strong man -- an arm wrestler, a rail splitter -- and yet also a mix of kindness and humility. He was at once a hard and gentle person, a man of grief and yet of humor; for he knew, as he told Secretary of State Seward, that if he did not tell stories, he felt his heart would break.

Tonight we have with us a distinguished man who undoubtedly will tell stories. His name is David Donald, the Charles Warren professor of American history at Harvard University. A native of Mississippi, Mr. Donald graduated from the University of Illinois, where he was a student of the great Lincoln scholar J.D. Randall. He has taught at some of America's greatest universities and has written eight books about Lincoln and the Civil War, twice receiving the Pulitzer Prize in biography. Moreover, our guest is now working on a new biography of America's 16th President.

Earlier, I spoke of kinship. Well, I'm sure David Donald would agree any President's kinship with Lincoln is perhaps the most personal of all. So often Barbara and I go down to the Lincoln bedroom, which then served as Lincoln's cabinet room and office. And on his desk, to the left of the fireplace, is an original copy of the Gettysburg Address, written in his hand, which you will see in the East Room. And on the mantel is a plaque marking an equally noble legacy -- here the Great Unifier signed the Emancipation Proclamation.

Yet perhaps nowhere do we learn more about Lincoln even now than in a portrait that I talked about last month off the coast of Malta before meeting Chairman Gorbachev. It is, as this one is,

by George Healy, and hangs on the wall of my office upstairs. And in it you see the agony and the greatness of a man who nightly fell on his knees to ask the help of God. The painting shows two of his generals and an admiral meeting near the end of a war that pitted brother against brother. And outside at the moment a battle rages. And yet what we see in the distance is a rainbow -- a symbol of hope, of the passing of the storm. The painting's name: ``The Peacemakers." And for me, this is a constant reassurance that the cause of peace will triumph and that ours can be the future that Lincoln gave his life for: a future free of both tyranny and fear.

One hundred twenty-nine years ago, leaving Springfield to assume the Presidency, Lincoln addressed his home people at Great Western railroad station. And he told them, ``All the strange checkered past seems to crowd now upon my mind." Even now, the memory of Abraham Lincoln crowds upon our minds. It's a great privilege, then, to introduce a man who has devoted his lifetime to the study of its tragedy and its glory, one of the great scholars of perhaps our greatest President, Professor David Donald. And thank you, sir, for being with us.

Note: The President spoke at 5:30 p.m. in the State Dining Room at the White House. In his opening remarks, he referred to Secretary of Defense Richard B. Cheney; Lynne V. Cheney, Chairman of the National Endowment for the Humanities; and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff. The remarks were released by the Office of the Press Secretary on January 9.

Remarks to the American Farm Bureau Federation in Orlando, Florida

January 8, 1990

Well, my thanks to my friend Dean Kleckner, Farm Bureau president, for that warm introduction. We're grateful for his leadership on that National Economic Commission and the tremendous support of you, the members of the Farm Bureau. My thanks, too, to Bob Delano out here, former Farm Bureau president, whose leadership and counsel have been so helpful to me.

I'm happy to have our distinguished Secretary of Agriculture, Clayton Yeutter, here at my side, doing a superb job for us. And I know you'll hear tomorrow from Ambassador Carla Hills [United States Trade Representative]. You talk about two people who understand the need to open up foreign markets to U.S. agricultural products -- these two are tough, and they are the tops, and we're grateful to both of them.

My friend, Bob Martinez, Governor Martinez, it's always a pleasure to see you and visit your beautiful State. And of course, I'm very proud of the next two. Great to see Senator Connie Mack here -- a new Senator making a national impression, I'll tell you -- and next to him, or right near him, second from the end, my close friend and a longtime supporter [Representative] Bill McCollum -- two outstanding voices for Florida in our Nation's Capital. I wish we had a lot more like them, I'll tell you.

I just returned from a little fishing and hunting over the holidays in Texas and Alabama, and I heard a story about the time that Mark Twain spent 3 weeks fishing in Maine after the fishing season had closed. On the way home, aboard the train, he told the man seated next to him about all the fish he'd caught. Finally, Mark Twain asked, ``By the way, who are you, sir?'' ``I'm the State game warden,'' replied the man. ``Who are you?'' And after a long pause, Twain said, ``Well, to be perfectly truthful, I'm the biggest damn liar in the whole United States.'' [Laughter]

I won't bore you with my fishing stories because I could reminisce with you all day long on this subject. It's a pleasure to be here because for 71 years now the American Farm Bureau has helped American farmers -- over 3 million member families -- to become the best in the world. And farming is a proud and noble part of our history. In fact, Thomas Jefferson himself wrote that ``Agriculture is the most useful of the occupations of man.'' Today, nearly two centuries later, I'm here to give my first major address of the new decade, and I'm proud to begin this decade by talking to you about the future of farming in this country. But as we look forward, it's also important to reflect upon the past and what farmers have gone through, both good and bad.

You, America's farmers, deserve the credit for the rebound in U.S. farming, and I salute you again. I salute the board of directors up here, all farmers, who are leading this outstanding

organization. You've been through the worst droughts and national disasters of the 1980's, and you've survived tough economic times. But you've worked with your minds and your hands to beat adversity with a kind of can-do commitment that's been the hallmark of American farming for generations.

Right here in Florida, we're seeing some of that can-do attitude as you face -- Florida farmers -- as you face the terrible loss of the citrus and winter vegetable crop. On the way down on Air Force One, Bob Martinez gave me the details of Florida's losses. But let me tell you -- I'm sure you've heard this from Clayton -- you will not be facing this alone. Clayton and I have talked, and I've asked the Secretary to personally oversee our efforts to provide assistance. And I know you can count on the USDA to be in there fighting with you.

It was a little over 4 years ago -- seems like just yesterday -- but a little over 4 years ago that the 1985 farm bill became law. Admittedly, the cost has been high, but it has worked. Since then, the news has been good. Surpluses have declined dramatically, and most of our good land has been brought back into production. Net farm income reached a record level last year, and the share of income that came from market sales continued to grow. The farm credit situation has greatly improved, bringing more financial stability to rural America.

As we face the future, the outlook is even better. Through sound fiscal policies and wise management of our resources, commonsense attitudes and, God willing, good weather, we can succeed. Together, we will keep rural America strong and American agriculture thriving in the 1990's.

But to do that -- and Dean Kleckner alluded to this in his introductory remarks -- to do that, our first priority must be to keep the American economy growing. That means fiscal and monetary policies that make sense. Today one of the best things we can do for farmers is to keep the interest rates low, and that is exactly what we intend to do.

This year, we will work with Congress on the 1990 farm bill. Getting a good farm bill through Congress is like milking a bull. [Laughter] But I can tell you that to be competitive we must have market-oriented farm policies that allow producers more flexibility to decide what crops to grow -- and that because American farmers then can do what Americans do best, compete. At the same time, we've got to maintain a safety net to protect farmers from conditions beyond their control. But market-oriented farm policies are only a part of the agricultural picture; it is absolutely essential that we expand markets and enhance productivity.

We've got to assure the public that America's food is safest in the world, and we've got to protect our precious environment. America's farmers -- I know this -- America's farmers understand the importance of a clean environment. Many of you here today come from farms that have been handed down from parents and grandparents. You know that to protect the land is to protect not just your livelihood but your heritage.

We must recognize that productive agriculture and a sound environment can be compatible, especially in terms of water quality. The administration has initiated a concentrated 5-year effort to work with the Nation's farmers to protect our ground water from contamination by fertilizers and pesticides. We'll spend close to a third of a billion dollars on research and support for farmers to stop contamination of our land and water. We must keep your good land in business without unreasonable burdens, but we must also keep it good land. I am counting on your leadership as we work to expand farm productivity while safeguarding our precious environment.

We must also make sure that all Americans are confident in the safety of our food supply. My administration is working hard to develop legislation to protect the food supply without overwhelming the agricultural industry.

But in the coming decade, the American farmer must have a level playing field in the international trade arena, too. And the way to fight trade barriers is through negotiation, not reciprocal protectionism. I know that many Farm Bureau leaders serve on the Agricultural Trade Policy Advisory Committee -- and how important this issue is to you. Our administration has just made a bold proposal in the Uruguay round that would phase out export subsidies in 5 years and other trade-distorting practices in 10 years. But any agreement we sign -- and I can guarantee you this -- any agreement that we sign will be an agreement that is also good for American agriculture. You see, our goal is simple: open markets and free trade.

And it's beginning to work -- international markets are improving. The value of U.S. agricultural exports has increased for the third year in a row; and sales to developing nations, the dynamic markets of the future, were up 13 percent last year.

We also support expanding our ties with Eastern Europe and the Soviet Union to open even more markets. Earlier this winter, Secretary Clayton Yeutter led a Presidential delegation to Poland to determine how American know-how can help Poland shift from that controlled economy to a market economy. It was a wonderful mission, and we're forging new partnerships between our agricultural industries and Eastern Europe's emerging economies.

But in today's global economy, America must also become more competitive through increased production, new uses for our products, and expanded markets at home. And so, this administration supports greater research into biotechnology for improved productivity, and we're encouraging alternative uses of farm products like ethanol and other new fuels and fuel additives. Just a few months ago, we proposed the expansion of the producer tax credit for alternative fuels to include ETBE. This will mean more markets for growers and cleaner air for all Americans.

But for us to reap the full benefits of a competitive economy we must cut the capital gains tax rate. With our capital gains tax proposal, we can help keep American agriculture dynamic and

prosperous. And with continued economic growth, we can keep rural America going strong. Passage of our capital gains proposal, which would apply to the sale of farmland, will be one of my top priorities in this legislative year. Your support has been instrumental in the fight for the capital gains cut. And the fight isn't over yet. And I am sick and tired of the demagogs who call this a tax cut for the rich. It means jobs, it means savings, and it is good for all Americans.

And so, the farm bill, our international trade negotiations, and a capital gains tax cut will be high on my agenda for this great nation, because what's good for agriculture is good for America.

Let me talk just a little about some of the challenges facing all America. Like people everywhere in this great country, you work hard. You sacrifice to make good lives for yourselves and your children. Every one of us dreams of excellence in education; economic opportunity for all citizens; and a clean and healthy environment; and safe, drug-free streets, schools, and workplaces.

Together we are working to build a better America; but much remains to be done, and you're in the forefront. Rural America cares about education. You know, some say improving our schools is something for Federal money and Washington bureaucrats to handle, and I know you don't believe that. Whether it's a classroom on a rolling prairie in Nebraska or a busy New York street, improving education is a national challenge.

Last September, I met with the Nation's Governors at the education summit in Virginia to begin promoting educational restructuring in every State and determining national goals to attain excellence. The administration has sent the Educational Excellence Act to the Congress, and we want -- and America needs -- action on it soon.

Rural America is also battling the ravages of violence and drugs. Every citizen has the right to a safe home, the right to freedom from fear. Early in my administration, we sent the Comprehensive Violent Crime Control Act to the Congress. We proposed measures to improve enforcement and prosecution and strengthen current laws to put the drug dealers behind bars and keep them there. This critical crime legislation has been sitting on Capitol Hill for months. Brave citizens everywhere are standing up to crime, and it's a time for Congress to act quickly and responsibly because the war on drugs and crime will not wait. And I might say parenthetically, thank God we've got Bill McCollum in a key role in the House and Connie Mack, Senator. I again want to mention the support that we are getting from them and others like them for this approach I've outlined.

Let me just add a little more on our relationship with Capitol Hill. When I took office -- Inaugural Address -- I put out my hand to the Congress, to the Democratic majority, and reminded us all that the American people did not send us to Washington to bicker. As I've said, we sent proposals to Congress on clean air, combating crime, capital gains -- responsible proposals, carefully thought out, based on principles. Now a year has passed. A new year has

become. And it's time -- it is past time -- for Congress to tend to some of the unfinished business. Let me say to Congress as it comes back in a couple of weeks now: The hand of cooperation is once again extended. And I would only add: America wants it done right. America wants it done responsibly. And America wants it done now. We are always willing to listen to ideas and alternatives, but we are not willing to compromise on fundamental principles.

Finally, rural America does believe in liberty and democracy. Freedom-loving people everywhere are following the news reports from behind what used to be called the Iron Curtain. In fact, I read that the first thing to sell out in West Berlin on the day the Wall came down wasn't TV's or denim jeans. It was fresh fruit. In Romania, citizens knew freedom had arrived because for the first time in many years they saw food on the grocery store shelves. We reap what we sow, says the Bible, and what a bountiful harvest we are witnessing. It is a harvest of joy and opportunity that we will continue to support and encourage every step of the way. And let me add: This harvest is not just happening in Eastern Europe. Let's help the countries to our south, so that this hemisphere will be the first totally democratic hemisphere in the entire world.

I know I don't have to tell you this, but let me just tell you from the bottom of a grateful heart that I am mighty proud of our courageous fighting men who have helped Panama. And the joy shown by the people of Panama says it all, right there in the streets of Panama City.

And so, as I conclude my comments to the Farm Bureau, I can tell you I am optimistic about the coming decade, for I believe in the wisdom of our policies; I believe in the providence of the Almighty; and most importantly, I believe in the tough resiliency and the moral strength of the American people. Throughout our history, farmers -- many in this room -- have weathered disaster; and each time, like steel forged in a white-hot furnace, you are stronger with each testing by fire.

In the ``Dirty Thirties'' swirling clouds of dust ruined hundreds of farmsteads on the Great Plains. Many of the Dust Bowl farmers stayed on the land, and today their descendants have invented conservation techniques to catch and preserve the winter snows and the spring rains to carry their crops through the hot plains summer -- a triumph of human courage and ingenuity. In the 1970's, an unheard-of disease, the southern corn leaf blight, swept through the fields of the Midwest. In a few days, the tall, green, tasseled corn was devastated, as if someone had taken a blowtorch to it. Over that winter, scientists and farmers developed resistant corn varieties in time for the next spring planting. A national food disaster was stopped dead in its tracks -- a triumph of faith, science, and inventiveness.

And today, at the daybreak of the new decade, I want rural America to share in the promise and prosperity of our great nation. And in the months and years to come, as we approach the horizon of the new century, may we all share in the opportunity and optimism of a world at peace.

Thank you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 10:47 a.m. in Hall D of the Orange County Convention/Civic Center. Following his remarks, he visited the Land and the Living Seas Pavilions at EPCOT Center and then returned to Washington, DC.

Remarks on Signing the Martin Luther King, Jr., Federal Holiday Proclamation

January 9, 1990

Well, let me salute Dr. Hooks, the able head of the NAACP. And I see our Director, Bill Bennett, here, and many others. Connie Newman is here somewhere. I see Dorothy Height, Art Fletcher, and Josh Smith, and others. But I want to welcome you to the White House -- pardon the slight delay there -- and bemoan the fact that some of the young people that were to be here couldn't make it because of the bus schedules and the weather.

This is an event that celebrates the greatness of a man whose life and legacy helped set America free. I refer, of course, to Dr. Martin Luther King. He would have been 61 years old next Monday. Since 1986 this day has been a Federal holiday, and I will shortly sign this proclamation. But first, just a few words from the heart.

Most of you weren't born yet -- I was addressing myself to young people. I am going to have to modify that slightly, looking around. [Laughter] Certainly, the front row over here -- [laughter] -- but now, there's some that qualify. Let me rephrase it: Many of you weren't born yet when Dr. King was killed, and yet you know that his life was central to the story of America. Each day we write new chapters; and as we do, let us recall who Dr. King was, what he did, and what his lessons were. For you remain the trustees of all that he believed.

First, he was a crusader and an evangelist, bore the weight of a pioneer. He was a force against evil. His life was a metaphor for courage. His goal was an America where equality and opportunity could coexist and where goodness could prevail.

Next, what did he do? Well, he went to cities and towns, large and small, places like Selma and Birmingham and Montgomery -- wherever he was needed. And wherever he found hatred, he condemned it. Wherever there was bigotry, he assailed it. And wherever there was segregation, he defied it. He endured death threats and these obscene phone calls in the dead of the night, but he refused to be intimidated. And through his courage, Dr. King changed forever America for the better.

Finally, what did this man teach? Well, he preached ``love thy neighbor.'' He taught that before government there was man, and government arose to meet man's needs. He demanded rights central to all that's good about our country: the right of free expression; equal protection under the law; the right to vote as we choose; the right to think, dream, and worship as we please.

Those lessons did not die with Martin Luther King. But we must recall them daily, for while he did so much, there is much that remains to be done, in particular -- and I know how strongly

Reverend Hooks feels about this -- particularly when we hear of bombings, obscene phone calls, hate mail. Each one of us must speak out. And there is no place for the baggage of bigotry in the United States of America.

Teddy Roosevelt called the Presidency the bully pulpit. Well, I will continue to use that pulpit, hopefully with sensitivity, always to denounce and work to bring to justice the bigots who stain this good and decent land. I am confident that Martin Luther King would support that goal, just as I know he would rejoice today that the civil rights anthem of ``We Shall Overcome'' has captured the hearts of millions as democracy begins to bloom in Eastern Europe.

And here at home, where Dr. King's call for nonviolent change is making America a better place -- here, too, his lessons live. We see them in our neighborhoods, in our churches and, yes, in students -- in you as students. But you are the dream that Dr. King spoke so movingly about. And you must fight for what he died for: a nation in which no one is left out. And I know you've made that fight your own.

For evidence, Darrell Webster, a graduate student at Catholic University, overcame a troubled childhood to mentor kids in his old neighborhood. Shavonna Brown, of Woodson Junior High, conquered a similar background to become a leader in her school. And then, Linda Lawson -- in an age where too many are choosing drugs, Linda's choice was different: she chose education, becoming valedictorian of her high school and, today, a junior at prestigious American University. And next semester she's going off to England to study. Darrell, Shavonna, Linda -- in a sense, I wish that Martin Luther King could see you now. For he often spoke of how education can spur excellence, and excellence, equality. He knew how higher learning could be the great uplifter, and he believed that education could help each American climb the ladder of self-respect and dignity.

And that's the lesson that I'd like to emphasize today: Take pride in what you've done, as I know Dr. King would. But remember, too, that we have not finished the work of making Martin Luther King's dream a reality for each child in America: that one day they would live in a nation where they were judged not by the color of their skin but by the content of their character.

So, let me address these closing remarks to you particularly, the students. Dr. King loved the young people of America, and so I wanted not only you to be here but others -- some of whom could not make it -- be here today. For while he's gone now, the children remain. And that, in essence, has become his legacy. For the youth have inherited his mantle and must help realize the dream. So, do right, as he would. Love justice, as he did every day of his life. And next Monday, of course, will be our special holiday. So, it is now my privilege to sign a proclamation naming January 15th of this year the Martin Luther King, Jr., Federal holiday.

Thank you all very much for being with us. And could you join me when we do the signing?

Note: The President spoke at 10:03 a.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Benjamin Hooks, executive director of the National Association for the Advancement of Colored People; William J. Bennett, Director of National Drug Control Policy; Constance B. Newman, Director of the Office of Personnel Management; Dorothy Height, president of the National Council of Negro Women; Arthur A. Fletcher, Vice Chairman of the Pennsylvania Avenue Development Corporation and former Assistant Secretary of Labor; and Joshua Smith, chairman of the NAACP Task Force on Quality Education. The proclamation is listed in Appendix E at the end of this volume.

Statement on the Meeting With Benjamin Hooks, Executive Director of the National Association for the Advancement of Colored People

January 9, 1990

I met with the Reverend Benjamin Hooks today to personally express to him my outrage at the recent bombings, obscene phone calls, and hate mail that have threatened the NAACP headquarters and branch chapters around the country over the past weeks. I have also reassured him that my administration will not tolerate bigotry and racial prejudice. We must finally leave the tired old baggage of bigotry and racial hatred behind us. I have asked Reverend Hooks to let his membership know that this administration will not let up in the fight against racism and that we will work to bring the perpetrators of these hideous crimes to justice.

It is particularly appropriate at this time, as we celebrate Dr. King's birthday in this first month of the new decade, that we restate our dedication to fulfill the dream of opportunity for all of the American people.

Nomination of D'Wayne Gray To Be Chief Benefits Director of the Department of Veterans Affairs

January 9, 1990

The President today announced his intention to nominate D'Wayne Gray to be Chief Benefits Director for the Department of Veterans Affairs. This is a new position.

Currently Lieutenant General Gray serves as executive director of the Montgomery County Revenue Authority in Rockville, MD. Prior to this he served as a consultant for the Center for Naval Analysis in Falls Church, VA. In addition, he has served in the U.S. Marine Corps from 1952 to 1987 and was awarded a Distinguished Service Medal, Legion of Merit, a Bronze Star, Meritorious Service Medals, and Air Medals.

General Gray graduated from the University of Texas (B.A., 1952) and George Washington University (M.S., 1971). He was born April 9, 1931, in Corsicana, TX. General Gray is married, has three children, and resides in Falls Church, VA.

Nomination of Philip R. Lochner, Jr., To Be a Member of the Securities and Exchange Commission

January 10, 1990

The President today announced his intention to nominate Philip R. Lochner, Jr., to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1991. He would succeed David S. Ruder.

Dr. Lochner has served in various positions at Time Warner, Inc., in New York, NY, including general counsel and secretary, 1988 to present; vice president, 1986 to present; and associate general counsel, 1978 to present. Prior to this, he served as an attorney with the law firm of Cravath, Swaine and Moore in New York City, 1973 - 1978, and associate dean and assistant professor of law at the State University of New York Law School in Amherst, NY, 1971 - 1973.

Dr. Lochner graduated from Yale University (B.A., 1964; LL.B., 1967) and Stanford University (Ph.D., 1971). He was also a Fulbright fellow at the University of London in 1968. Dr. Lochner was born March 3, 1943, in New Rochelle, NY. He is married, has two children, and resides in Greenwich, CT.

Statement by Deputy Press Secretary Popadiuk on President Bush's Telephone Conversation With President Virgilio Barco Vargas of Colombia

January 10, 1990

President Bush called President Barco today to express regret over the recent misunderstanding resulting from erroneous press stories about a proposed U.S. counternarcotics operation. President Bush explained that the U.S. had intended a cooperative effort with Colombia that could complement President Barco's courageous and determined effort to break up the narcotics cartels and bring traffickers to justice. President Bush assured President Barco that the United States never intended to conduct any activities within Colombian territorial waters, that no U.S. actions would be taken without the full cooperation and consent of the Colombian Government, that no blockade was ever contemplated, and that he had not authorized naval maneuvers, as incorrectly described in the press.

The two Presidents agreed that it was most unfortunate that inaccurate and confusing reports of tentative U.S. proposals for cooperation with the Colombian Government had created such a false impression. President Barco said that he regretted the erroneous press stories which had emanated from both Colombia and the United States and that he always knew that President Bush would never approve actions which impinged on Colombian sovereignty.

President Bush assured President Barco that the United States would take no actions without prior consultations with and the cooperation of the Government of Colombia. The two Presidents agreed to remain in close contact on this and other issues of mutual concern.

Statement by Press Secretary Fitzwater on the President's Meeting on Emergency Aid to Poland

January 11, 1990

Earlier this morning the President met with members of the Emergency Committee for Aid to Poland (ECAP). This committee was recently formed by a distinguished group of business, labor, civic, and academic leaders to provide humanitarian relief to the people of Poland to help them through the winter. In the meeting, members of ECAP briefed the President on the status of the organization's efforts. Over 50 tons of much-needed medical supplies and infant formula have already been donated by generous U.S. companies, and shipments of these goods have begun.

The President applauds the efforts of the committee, which is capably led by its cochairmen, Senator Robert Dole and Dr. Zbigniew Brzezinski. The committee has also been assisted by Labor Secretary Elizabeth Dole, who met with Polish leaders to identify needs as part of the Presidential mission last year.

The work of ECAP exemplifies both a spirit of voluntarism and our nation's commitment to aid the people of Eastern Europe as they embark on their new journey into freedom. The President wishes ECAP every continued success in its important work.

Informal Exchange With Reporters

January 11, 1990

China-U.S. Relations

Q. Mr. President, has China done enough to restore good relations with the U.S.?

The President. We have a distinguished guest here, an old friend of mine who I am delighted to see, the Prime Minister of Portugal. And I'll tell you, we've got a lot of business to talk about, but just receiving him here is a great treat and honor for me. And Barbara's looking forward to lunch with Mrs. Cavaco Silva.

And I will say one thing on this subject you asked about. And we can't really do any more questions here. We have a new policy: We don't take questions at what we call photo opportunities. But we'll have a chance later on.

But inasmuch as there is interest in this, let me just say I view the lifting of martial law as a very sound step. For those that are interested in human rights and the reform that was on the move and that we'd all like to see go forward, there's no way you can look at that but not say it is very positive. And we will continue to watch this situation very closely. But I've taken a position that I do not want to isolate China by no contacts and set the clock back. And of course, we welcome the lifting of martial law; it's a good sign. That's all I've got to say about it. And I hope you'll excuse me, because we have no more time here.

Q. Does this mean you're preparing -- --

Television Interview of Helen Thomas

The President. I said that's the last question. You didn't hear what I said, Rita [Rita Beamish, Associated Press]? They've got their job to do, and I've got mine. [Laughter]

Helen [Helen Thomas, United Press International], you're a star. I would like to talk to you off the record.

Ms. Thomas. On what?

The President. Phil Donahue.

Ms. Thomas. Did you watch it?

The President. You've got a lot of stars here. I saw it. Did you see that show, Marlin [Marlin Fitzwater, Press Secretary to the President]? It was very interesting, actually.

Ms. Thomas. I was up against the TV pros.

The President. It was interesting. I did it at the house -- --

Ms. Thomas. You think so?

The President. I've got to argue with you about one point, but on some of it I was in agreement.

Ms. Thomas. When would you like to do that? [Laughter]

Meeting With Prime Minister Cavaco

The President. There's another star right there. Well, I don't know. You guys don't like off the record, so we can't talk about it.

Let me just say to our friends from Portugal that I'm very pleased to have an old friend of mine, the Prime Minister, right here in the White House. He graced my own house in Maine when I was the Vice President, long before I was President of the United States. I consider him a friend; I value his counsel. I respect his commitment to democracy in Eastern Europe and elsewhere. And so, I'm looking forward not only to a sound exchange of views but to renewing a friendship that Barbara and I treasure -- and a friendship, frankly, that doesn't need day-to-day contact because it's good and solid. And so, I view our relationship important, and I want to hear from the Prime Minister his views.

The Prime Minister. You want to see me in Portugal? [Laughter]

The President. Well, I'd like to come. We want to see you back in Maine, too -- [laughter] -- where we get out of this formal setting here. Welcome, welcome to all of you who are not based here.

Note: The exchange began at 11:05 a.m. in the Oval Office at the White House prior to a meeting with Prime Minister Anibal Cavaco Silva of Portugal.

Remarks Following Discussions With Prime Minister Anibal Cavaco Silva of Portugal

January 11, 1990

The President. I was pleased to meet once again with a leader of a close and enduring ally -- and a good friend, as well -- Prime Minister Cavaco Silva of Portugal. This was at least our third meeting -- a very productive, substantive meeting. In exchanging views on the full range of important bilateral and international issues, we found that our relations are stronger than ever.

Today we're all witness to dramatic, momentous change around the world, especially in Eastern Europe. Future generations may call the present period a crucial turning point, but they will surely judge us on our ability to meet the challenge of change. Over the past two decades, Portugal has been an example of tremendous progress -- in overthrowing a dictatorship, consolidating democracy, granting independence to former colonies, and undertaking economic reform. We see Portugal standing as an inspiration and an example to Eastern European countries as they emerge from the darkness of political and economic authoritarianism. The Portuguese experience has demonstrated that peaceful, democratic change and economic progress are possible.

Mr. Prime Minister, today your country is a stable democracy, with a strong economy and a dynamic society. As a valued NATO ally, Portugal's important contributions to the alliance have helped keep the peace for over 40 years. Today relations between your country and the United States are better than ever -- based on equality, shared interests, and mutual respect.

As Prime Minister Cavaco Silva knows very well, security in today's world transcends armaments. It involves many factors: commerce, the environment, the fight against terrorism and narcotics, as well as military preparedness. The Prime Minister and I discussed these issues, and I'm glad to say we share a common perspective on strengthening our cooperation. We agreed on the need for close and constant consultations among our NATO allies and between the United States and the EC on the fast-paced changes that are sweeping Europe.

We also discussed the process of national reconciliation in Angola. Portugal has historic ties to the southern African region. We value the perspective and support they've given to President Mobutu's [of Zaire] efforts to mediate the Angolan conflict. When peace and stability come to that region, as certainly we hope they will, Portugal will have an important role in the reconstruction process.

You know, hundreds of years ago, Portugal's influence was felt in the furthest corners of the globe. From Macao and India to Brazil and southern Africa, Portuguese explorers showed the world what was possible. Today Portugal is again showing what is possible and serving as an

example well beyond its borders.

Portugal's economy remains robust even as it undergoes reform. Foreign investment is growing. Nationalized firms are giving way to privatization. Through the Prime Minister's expertise, his own expertise, Portugal has opened up capital markets and cut taxes and brought to life a more flexible, dynamic marketplace. Portugal is clearly well on its way in developing its economy and deserves the support of all of its allies in its efforts.

Our two countries share much in common. Both traditional maritime powers, we value the marketplace of economic competition, and we treasure democracy. These common perspectives will serve us well as we approach EC economic union in 1992 and give us confidence that we can meet the challenge of change in the new decade, working together as allies.

It's been a great pleasure, sir, having you here at the White House. Good luck, and thank you for coming our way.

The Prime Minister. Mr. President, I would like to express to you my satisfaction for the meeting we had this morning which afforded the opportunity for yet another useful, open, and friendly exchange of views on our two countries' participation in the Atlantic alliance, the strengthening of our bilateral relations, and the new developments in the international situation.

Portugal's and the United States' positions are convergent as regards the new prospects, brought about by the recent developments in Eastern Europe, for the Atlantic alliance. As we have already seen at last December's NATO summit, the allies' cohesion and the reinforcement of its two pillars -- the European and the American -- are essential for the preservation of our security. I had the opportunity to stress to President Bush that the Portuguese Government is in favor of a continued commitment and presence of the United States in Europe, which is a key factor for Europe's own security.

We also concurred in our expression of solidarity with the peoples of Eastern Europe by furthering the ongoing democratization process and promoting adequate economic aid. I informed President Bush about the outcome of the recent meeting of the European Council in Strasbourg, where significant steps were made toward a European union and the building of a new Europe, and where a plan of action to assist the Eastern European countries was devised. The Portuguese Government strongly hopes that relations between the European Community and the United States will reach a high level of cooperation and mutual understanding in a way that reflects the existing political and security relations between Europe and the United States.

As regards our bilateral relations, I reaffirmed Portugal's commitment to pursuing its privileged relationship with the United States. Portugal's location, reaching deep into the Atlantic Ocean, the preferential relationship we have in the framework of the Atlantic alliance, and the staunch defense of our common values naturally lead us to the establishment of a special relationship as

allies, which should be reinforced and diversified. Thus, I had the opportunity to state the Portuguese Government's intention to expand the framework of our bilateral relations so as to establish a broader and deeper relationship while preserving the existing cooperation in the areas of defense and security, and to suggest formulas allowing the extension of the economic, cultural, and technological fields within the present political mutual understanding.

In the prospect of a single European market, we want to develop new forms of increased cooperation and to promote joint investment by the economic sectors of our two countries. I note with pleasure that President Bush has a similar purpose, and therefore, we must now set the direction for more far-reaching and dynamic relations.

When we discussed the international situation, we addressed in particular detail the events in southern Africa, and especially the development of the peace process in Angola and Mozambique. I apprised President Bush of the conversations I had recently with the Presidents of those two countries and of the outcome of the ongoing consultations we maintain with the Angolan and Mozambican Governments, and expressed the hope that if all interested parties show a positive attitude it will be possible to put an end to the conflict that exacts such a heavy toll on the peoples of those two African countries.

Finally, Mr. President, I would like to thank you most especially for this opportunity to visit Washington and to meet with you, which I am sure has significantly contributed to our pursuing a very useful dialog on the ways in which we can strengthen the friendly relations that exist between our two countries.

Note: The President spoke at 1:21 p.m. at the South Portico of the White House. Prime Minister Cavaco spoke in Portuguese, and his remarks were translated by an interpreter. Prior to their remarks, the President and the Prime Minister met privately in the Oval Office and with U.S. and Portuguese officials in the Cabinet Room, and then attended a luncheon in the Family Dining Room.

Appointment of Richard G. Trefry as Military Assistant to the President and Director of the White House Military Office

January 11, 1990

The President today announced the appointment of Lt. Gen. Richard G. Trefry, USA, Ret., as Military Assistant to the President and Director of the White House Military Office.

General Trefry served in the U.S. Army from 1950 until 1983. A field artillery officer, General Trefry finished his military career as the Inspector General of the Army. Following his retirement, General Trefry was a founder of Military Professional Resources, Inc. He has served as a senior fellow of the Institute of Land Warfare and as a lecturer and instructor to military service schools and colleges.

General Trefry graduated from the U.S. Military Academy in 1950. He was born August 6, 1924, in Newburyport, MA. General Trefry is married to the former Jacquelyn Dahlkoetter and resides in Clifton, VA.

Question-and-Answer Session With the Youth Collaborative Mentor Group in Cincinnati, Ohio

January 12, 1990

Sister Jean Harrington. I have told the President that he has a very unique group of people sitting in front of him. He has 10 Taft High School students with their mentors or their tutors, 2 college students who are in college as a result of our Last Resort Scholarships, and a student from Porter Middle School and one from Bloom Middle School, and a teacher from Bloom Middle School who has coordinated the Earn and Learn Program. And I know the President's eager to hear about your experiences, and I imagine you're eager to hear about some of the things he does, too. So, it's open.

The President. When you either ask a question or tell me what you're doing, which I hope you'll do, just say where you are in life and what school you're in -- college or mentoring or whatever. It would be helpful, and I think everybody here would be interested.

We've had a good briefing on this unique program. I keep talking about something called a Thousand Points of Light. At first, we had one guy who said, ``Did he say `a thousand pints of Lite'?" [Laughter] And I said, ``No, it's a Thousand Points of Light." And that really means involvement of one person in the lives of others -- helping. Then I come out here today and have had this wonderful briefing on how this program, in many ways, is just the epitome of a Thousand Points of Light -- a lot of people helping kids get going or stay involved or pull themselves up.

And so, I don't know who wants to be first, but I'd be glad to answer any questions. I see somebody nicely put a picture of Barbara up there. She is very active in education because, I'll tell you what, for you kids, you old kids, even -- [laughter] -- Ed, sorry about that -- no, but her thing is literacy. And she's been involved in it for a long time. And I understand, of course, that -- obviously, much of this program, as it starts with these young kids -- let's have everybody be literate. But I wish she were here, because the Sister had asked about her very generously.

Yes, sir?

Social Attitudes and Values

Q. Mr. President, I'm a mentor here at Taft High School. The question I have is a very difficult one. And it has been my perception in working with the young people that there is a sense of hopelessness, to the degree that it almost stunts the importance of the programs that we have. If they perceive that, in the community at large, no one really cares, and if I do my best, if there's a legitimate opportunity -- my question is: What do you feel a U.S. President and administration

can do to help create a more hopeful attitude or atmosphere or environment for our young people and those that are -- --

The President. It is a tough question. But you know, the more I think of it -- and you're the experts, you're the guys with your sleeves rolled up, and you're the ones that are trying to learn -- being right there in the front line, I would have to concede, gives you perhaps a better insight of this than I have being back there in the White House.

But as I look at it, a lot of it is family. A lot of it has got to be our -- in some way, encouraging the strength of a family. And this is an awfully philosophical answer to a rather specific question. But I happen to think that some of the despair and some of the discouragement comes from the dissolution or the strains on the American family. Now, there are some answers to that, obviously. If we are successful in working with the local communities in the antinarcotics battle, I think that'll help enormously. If programs like this are successful -- and this is why this whole subject of education is priority -- if programs like this are successful, I think through education itself kids will begin to get hope and see that, comparatively, as you look around the world, we're pretty well off -- even those who are not doing very well. So, I guess what I can do about it is to encourage what I think of as fundamental values. I happen to be one who has learned in one short year that faith is important. And I have a philosophy, Ed, of what happened, a theory.

We came out of the Vietnam war; it was very divisive. We had that post-Watergate period that increased a certain national cynicism, it seemed to me. And that spills off on young people -- maybe on their teachers. So, we're now coming into a new period. We look around the world, and we see the darnedest, most dramatic changes moving towards the values that have made this country the greatest: freedom, democracy, choice to do things.

So, I think we can now, with programs like you're engaged in, point to people coming our way around the world because they see we do have something very special. I'm not sure that's a totally satisfactory answer, but I get back to fundamentals -- to values. We're trying in the education field to stress certain fundamentals. I had a marvelous meeting yesterday with a bunch of educators and businesspeople, because we've challenged the Nation's Governors to come up with educational goals. But they're going to get back to fundamentals of reading and writing and math, science, and now geography.

But on balance, I am optimistic. And yet I know there's an awful lot of reasons to be discouraged in part of some individuals. But I think I've got to keep an optimistic stance as President. I've got to keep talking about fundamental values. I've got to keep trying to do what we can in terms of not only funding educational initiatives but restructuring. So, we get back to ways that we can compete. And in the process, these kids will have a better opportunity.

Federal Role in Education

Q. First of all, sir, I'd just like to commend you on your efforts for the war on drugs.

The President. Tell me who you are and what grade, or what staff -- --

Q. What grade? I could kiss you, sir. [Laughter]

The President. Go ahead.

Q. Sir, I'm an adult volunteer mentor -- --

The President. Volunteer. Isn't that great?

Q. -- -- here at Taft High School. Yes, sir.

The President. Well, you do look like you're young. Come on, you are.

Q. Well, thank you, sir.

The President. I won't put you on the record here. [Laughter]

Q. What I'd like to say is: I'd like to commend your efforts on the war on drugs and say that we here as a people are behind you 100 percent. But what I would like to concentrate on is education. It seems to me that the drug problem that we're having is a result of the feeling of hopelessness in the educational programs. And my question is twofold. First is, a lot of the inner-city kids -- even kids that aren't inner-city -- can't afford higher education, and if there is some kind of Federal program that would lend itself to possibly giving every American a chance to attend higher education at no cost? Because we're pricing ourselves out of jobs and out of the world market.

The President. Let me put this in perspective -- the answer. I'll bet you can't guess within 10 percent what percentage of the funding -- the State, local, Federal -- comes from the Federal Government. I'm not going to put anybody on the spot, but it is 7 percent. That means that 93 percent comes local and State. And then that doesn't even count the volunteers. It doesn't count what Ed's doing to help somebody -- what you're doing to help somebody -- which is impossible to price, because not only do you bring a certain number of hours a day but you bring a dimension for your own dedication that you can't purchase. You're doing it because you believe in something and you want to help somebody.

So, the Federal role is properly proscribed. It's not going to be much bigger. I think what the Federal Government can do is the things I was talking to him about. I think you're going to see a step-up on Head Start, which doesn't get to your question, but I think helps where a Federal Government has a very specific and, I think, extraordinarily legitimate role in helping these early

kids at the most formative ages. There are Federal programs that help on the Pell grants and things of that nature, for the Federal Government assists at the college level. There are certain tax things we can do to encourage savings -- college saving bond program which we've now got into effect that helps people, even those that don't have a lot of money saved -- interest-free -- to educate the kids.

But I don't believe it is the Federal role to say the Federal Government will pay for every kid to be educated in college. I don't want to usurp the legitimate role of the States, the private institutions of the volunteer sector. And also we have very serious constraints on Federal funding. We're operating at a deficit of -- this year, the target is to get it down to $63 billion or $64 billion.

Who's next? Which one?

Award Presentation

Q. I would like to present a plaque to you.

The President. Sure. Come on. [Laughter] Somebody's got to hold my -- this is getting overweight here.

Q. Mr. President, on behalf of Robert A. Taft High School, the Excel Mentors Program, and the Cincinnati Youth Collaborative, I would like to present this plaque to you, which says: ``Presented to President George Bush from the Excel Mentors Program, the Cincinnati Youth Collaborative, and Robert A. Taft High School, Cincinnati, Ohio, on January 12th."

Mentor Program

The President. Now, Vickey, what about you, though? Now, because you -- or, do you -- having fouled this one up, I mean, do you go here?

Q. Yes, I do. I'm a 10th grade student.

The President. Let me ask you something. And I don't want to put you on the spot. But I mean, generally, when you and others that are your friends in school -- do you share my optimism about the future, or are you a little discouraged because of the hurdles ahead?

Q. I'm not discouraged at all. I think the person has to, for one, have self-confidence, which is something that my mentor, Andrea Hughes -- she's given me a lot.

The President. Is she helping you? Well, now, how does that work? I mean, does she come over

in school and get you aside and say, ``Here are the things I think you ought to concentrate on," or do you do it at your house? Maybe Andrea can tell us.

Q. We do a variety of different things together. Sometimes, we come over to the high school, and they have programs such as the Excel Day, where the mentors and the students get together and talk about different issues.

The President. In groups or just one-on-one -- you and Vickey?

Q. The celebration is in a group. The one-on-one occurs throughout the month at any given time. Sometimes, we go to things such as plays together, or if there are particular functions going on in the city that I think will help broaden her growth and experience, we may attend those functions. We sometimes go out to dinner and talk about various different issues -- current events and things of that nature. Sometimes we talk about what's going on in school. If she's getting prepared for a particular examination and she may need a direction on where to go, I work with her on that aspect. There's a variety of things that the mentor does with the student, and it's an individualized program -- that portion of it. But also, we get together as a group, as a family, because we, too, believe that building a family atmosphere and environment encourages the children to go forward and to try to succeed in school.

The President. Does the mentor program concentrate on areas where a kid doesn't have the benefit of a two-parent family and all, or not necessarily?

Q. We involve everyone, those of single-parent families and also those of two-parent families, to get the parents involved in the program, too. So, we don't limit it or exclude anyone. Again, they all are welcome. What we do is, if we have children who may be in single-parent homes and need to have special tutoring, we have tutors in this particular program that we lend to the students.

The President. That's on a subject, like the kid's doing lousy in math and -- yes. Who else has something to tell me about?

Q. On a subject-type of basis, yes.

The President. Who else has something to tell me about? Christie, you're looking nervous back there.

Federal Role in Education

Q. Mr. President, do you plan to continue or increase funding for educational programs?

The President. I think it'll be up. But as I say, there are constraints on it. There are constraints on

what the Federal Government can do in almost every area of social need. Parts of the Federal budget will clearly be up in education. And I've expressed at the Governor's -- and I've heard this from all of the Governors, incidentally -- the need to do more in Head Start. That doesn't take care of Stacy's problem. But you have limited resources -- do the best you can with them. So, you'll see it up in total, and you'll see it up in some categories, but not as much as if the Federal Government weren't operating at this big deficit. But it'll increase.

Shoot.

Q. I have another question.

The President. But to the degree it can't -- Christie, here's the key point -- to the degree it can't, programs like we're talking about here, programs like this, programs where individuals involve themselves in the lives of others, become even more important. I happen to think that the more involvement we have at the local level, the better. I don't think it is the role of the Federal Government to tell Ms. Powell -- it is Ms. Powell, isn't it? The school -- what's the school's -- --

Q. Dr. Powell.

The President. -- -- Dr. Powell exactly how the curriculum ought to work in the schools in Cincinnati -- some guy sitting in a great, big bureaucratic building in Washington. I don't think so. I think that you ought to have controls of those things. I think we can have national goals that says, look, we're moving into a different era. Math is going to be more important. Obviously, reading has got to be fundamental, if you will. So, I think we can help work with the Governors to set goals, but the control has got to remain, in my view, my concept of education, at the local and school board and parent and mentor and tutor level -- and, obviously, teacher level.

You had what they call a follow-on. What is it? Are you finished? [Laughter] Who's next? Any of you guys?

Q. Mr. President, the two main goals of our mentor program is to help the students raise their self-esteem and also to help them to do better in the required testing in order to go into college. Now, we have right now on the burners -- we're trying to have implemented into our program here at the school the ACT - SAT [American College Test and Scholastic Aptitude Test] preparation in the curriculum. And this is one of the things we're working on. The other, in raising self-esteem -- we're trying to build into our young people the concept that they are of worth, they are somebody, and that there is hope. What I'd like to ask you is: Is there anything that you can do to lend support to a concept like this on a national level?

The President. Well, kind of like what I was talking to Ed about. I don't think it's a specific program, but I think it is encouragement. I think it is having confidence in people and not picking up this mantle that the young people are all off on some drug horizon and can't have --

given up. It's the emphasis on -- risk of repetition -- on fundamental values. And I think it's in that kind of exhortation, rather than program, that a President can be helpful. I don't think you can design a curriculum to lift the self-esteem of a kid. It's got to come from peers. It's got to come from family. It's got to come from dedicated volunteers or workers who are saying, Hey, you are somebody. You can amount to something. So, it's in that broad, philosophical range.

Mentor Program

The President. Tell me, though, how are you involved in this? I think people would be interested -- I know I would -- in just the background. Just use you as a case example. I was going to give Andrea a chance. But I mean, are you just suddenly a guy that's concerned and want to pitch in, or how does it work?

Q. That's exactly how it starts.

The President. Yes.

Q. It starts with a general concern for the well-being and productivity of our young people, and we come in as volunteers. This is my mentee.

The President. Is he?

Q. And we work with Anthony, encouraging him. He's already taken his ACT test, and he's improved his scores. And these are the types of things that we do.

The President. How do you find Anthony? I mean, somebody say, ``Hey, we've got a guy over here that really would like to work with you and needs some help''?

Q. We have a coordinator here at the school, and that person links both the mentor and the student together. And that's how it's done. And we're in the process of doing recruiting. Anyone who wants to help us -- they're welcome to come on down.

The President. Well, I'd like to use this opportunity and this marvelous exposure to encourage this voluntarism, encourage this participation.

Let me ask him. I don't want to put you -- you don't have to. This is not a classroom, where you've got to say something. [Laughter] But I mean, from your standpoint, are you doing better because this gentleman is helping out and stuff?

Q. Yes.

The President. Do you feel like you've got somebody that cares?

Q. Yes.

The President. What was it like before? You were just drifting around and didn't -- --

Q. I was pretty much the same. I always had my act together, you know? [Laughter]

The President. You did have it together? [Laughter] Well, that's good. A lot of guys that didn't. But how about the chemistry? Does it ever work on the mentor program that you have to shift around because the -- --

Q. We've been pretty fortunate; that has not occurred. You asked the question, how do the students get into the Excel Mentor Program. There are several ways. They could be referred by a teacher, a counselor -- parents even call. And also, students are self-referred. They want to be a part of this because they see that it is a helpful program. And they're excited about being in the program.

The President. But do the ones that need it the most see that? I mean, the guys that are really having the most trouble out there -- maybe the drug scene, maybe the tough home situation? Do they say, hey, I need help, or do you have to go seek them out and say, Wait a minute, you're screwing up here, and if you don't -- --

Q. A lot of times, those individuals are referred.

The President. Yes.

Q. Mr. President, my name is Jim Brock. My favorite statement is, I'm a Taft High School graduate, and I'm in the mentoring program. I am a homeroom mentor, and that is how we address the majority of the students: through the homeroom mentoring program. During that time, we tell the students that there is help available for you. If you need a tutor, there is help available for you. If you need a mentor to give you a one-on-one approach, that is also available for you. And that is largely how we address the students.

We go out into the community. We have an outreach program where we go to many of the social organizations, we go to churches, we go to any community organization that will let us speak with them. We do that, and that's how we are branching out into the community.

The President. Do parents welcome the mentor approach, or do they say, wait a minute, you're getting in our turf a little bit?

Q. I know my mother welcomed Andrea a lot. And part of my getting into the mentoring

program was because I was having trouble in history. And we went to Ms. Harris concerning my history. And when I got Mr. Sales as my history tutor, then she also asked me did I want a mentor? And I agreed to it, so that's how I met Andrea, was through my mother, because I was having trouble in a certain subject and we had wanted to get me a tutor. But as I got my tutor, I also got a mentor.

Q. And a part of that mentoring program requires that the parents meet with the mentors to determine whether or not they will be comfortable with this relationship with their child or the children. So, at the onset, the parents get involved in that decisionmaking process. And it has worked well. And Vickey's mother and I get along very well, and we sometimes get together and talk about issues that may have affected Vickey throughout the school year and get together on how can we help her deal with some of the issues that she's facing.

One of the issues that we had to address early on was the fact that she was coming out of a junior high school into the high school, and it was a new experience for her. And she was sort of getting steered in the wrong direction by being less academically inclined and more interested in what was going on socially. So, her mother and I worked with Vickey to get her back on the right track. And since we've done that, she's been doing very well academically.

The President. Who else?

Federal Role in Education

Q. Mr. President, my name's Maryanne. I am a sophomore at Xavier University. Before my freshman year of college there -- college tuition is outrageous, and without the Youth Collaborative I couldn't have afforded the -- I guess it's around $9,000 a year now. And I think that I've benefited greatly because Xavier is a private institution, and I get a more personal education that way, instead of having to go to -- not that U.C. [University of Cincinnati] isn't a good school, but -- --

The President. No.

Q. -- -- it's more of a -- not as one-on-one.

The President. That's right. You choose as best you can what you think is best for you.

Q. Please?

The President. No, I say -- I can understand that.

Q. Yes. I mean, for me, I like to ask questions when I'm in a classroom, and the Youth Collaborative let me do that, let me follow the education that I wanted. And they help a lot. And

I know that they're helping a lot of other college-bound students because we just opened a college information center, the Youth Collaborative did, down at the Lazarus in downtown Cincinnati. And it's kind of a guidance counseling center for students who maybe don't feel comfortable with their guidance counselors or who have been disconnected from high school guidance counselors. And it's a great program. They have videos of colleges, and they have scholarship information, and they have counselors that can speak to you and ask you where you want to go with your life, and stuff like that -- help you to make decisions.

The President. Well, that's very helpful and interesting. And it gets back to Stacy's -- whose role is it to give you a shot, give you a chance, give the kid she's trying to help a chance? And the answer is: I think it's everybody's. I think the Federal Government has a role in these programs. I think there are these programs -- there's a friend of mine in New Orleans, Jay Taylor, who guarantees a certain class in a certain school, you're going to be educated. You do your job, you lead a good life, stay out of the difficulties that some kids face on narcotics or whatever, and we guarantee you -- private, nothing to do with State, nothing to do -- just helps do what Stacy was asking -- how do we do this? Or what you're saying, that tuition is high. And these programs are springing up all over the country.

And you take them and multiply them in terms of dollars, and it's amazing what it results in. So, back to what somebody asked me -- who was it -- about what can I do. Ed, I think I can do more to encourage individuals and volunteers all over the country to -- and it's far more than a Federal Government can do, far more in terms of total dollars brought to bear on the program. When you price out what each person here is doing and then try to multiply that, if you could project this program around the country, it would mind-boggle you in terms of Federal budget.

So, maybe I'm getting a little inspiration here that I need to make this point louder and clearer to others around the country.

Sister Harrington. Unfortunately, Mr. President -- --

The President. I'm being thrown out. I know. [Laughter]

Sister Harrington. The clock moves too rapidly. And so, in the name of all of the people here, I'm going to say thank you for them. And we're sorry that we can't get questions from everyone.

The President. Well, maybe we'll get another shot here. But I will follow this with keen interest and express to those who are giving your time like this -- I'll tell you, you're doing the Lord's work. Because I am not pessimistic about the young people in this country, and I'm convinced that we can compete. I'm convinced that we can win this damn battle against narcotics that is just decimating a lot of families. And I get inspired by this. So, I am very, very grateful to all of you for what you're doing. Thank you very much.

All right, off we go.

Note: The President spoke at 12:52 p.m. in the library of Robert A. Taft High School. In his remarks, he referred to Sister Jean P. Harrington, director of the Cincinnati Youth Collaborative; Ed Sales, volunteer and Excel homeroom mentor; Vickey Williams, Christie Thompson, and Anthony Crockett, students at Taft High School; Lee Etta Powell, superintendent of Cincinnati Public Schools; Stacy Reid, mentor volunteer; and Tara Harris, school community coordinator of the Excel Mentors Program.

Remarks to Students and Faculty at Robert A. Taft High School in Cincinnati, Ohio

January 12, 1990

Thank you, Mr. Henderson. You know, no matter where I go or how old I get, it still makes me a little nervous to be talked about by a principal. [Laughter] But thank you, sir. And thank you, Superintendent Powell, and all of the students here today for such a kind welcome. As a ball fan, I'm sorry I didn't hear Tommy speaking and all. But I understand he did a first-class job. May his won-and-loss record go just up -- ERA and all of that. But good luck to you, and thanks very much for being here. I want to particularly salute your two Congressmen: Congressman Luken and Congressman Gradison. Where are they? Here they are modestly standing in the back. I mentioned Superintendent Powell. Most of all, I want to thank the band. You know, I hear -- [applause] -- they had only a few days to practice that ``Hail to the Chief." With talent like that, I expect to see them on MTV any day now. [Laughter]

It is great to be here. It's not often, frankly, that a President gets to stand in a gymnasium literally full of success stories. And Taft High School and the city of Cincinnati are showing the rest of the country what's possible when students and people in a community strive for excellence, but doing it together. And I don't mean just the Senators -- though your Senators are racking up a better record than ours back in Washington, I might add. [Laughter] You've got students, parents, schools, business and religious groups all united in one great enterprise: the Cincinnati Youth Collaborative. It's a partnership that builds brighter futures every day -- one kid at a time.

I'd like to recognize a very special person who's brought this concept -- this whole CYC [Cincinnati Youth Collaborative] -- brought it to life, a local heroine, Sister Jean Harrington. And let me offer congratulations to her and best wishes to the man who's taking over, Mr. John Bryant.

You know, you may not know this as a part of it because you're so close to everything, but you've got something truly unique going on here. On January 29th, I understand that every television station in greater Cincinnati, all six broadcasting companies and two cable channels, will be launching a 2-hour program called a Future-Thon. It's like a telethon for the schools of Cincinnati. But Future-Thon is asking for something even more precious than money. It's asking people to volunteer their talents and their time to be role models, to help Cincinnati students get the future they deserve. And the kids of Cincinnati deserve the very best.

If you've ever thought that school was a waste of time, then you ought to think about talking to one of the students in the CYC. They'll tell you better than I can what this program means. It means scholarships that add up to more than a quarter of a million dollars. It means skills that you can count on -- take a job the day after you graduate. It means classes for college entrance exams that have sent scores soaring up by 25 percent, a new child-care center opening next fall,

and training in computers for every student who goes to Taft. Here is an example for the entire Nation.

But it offers something even more important, because with every friendship you build with a CYC mentor and with every hour you spend with a tutor you're getting something more than skills: You're gaining power, purpose, a friendship you can count on, somebody to lift you up when you're a little bit down. And once you have that, you can never be stopped, never denied the potential that's yours and the success that's waiting for you.

Let me offer special thanks to those adults who are giving of themselves, who are serving as CYC mentors. Every adult in America can gain so much by developing a special relationship with a young person. When you lift the spirits of the young, you raise their horizons to the stars, you give them the promise of a future bright with possibility. I hope the adults here today are just the first of what will soon be thousands like you, helping the young people of your community.

One young woman, Loretta Englemon, recently said, ``I know what I want out of life, and I know where I'm going." Every student here at Taft is at a point in life when there are a lot of choices to be made, important choices. And if life is the sum of the choices you make, whatever challenges you're facing, you understand that drugs only make them harder to handle. You already know how drugs destroy lives, and a few of you have seen it happen. Maybe you lost a good friend. Or maybe you see or hear about drug dealers making that big dough. But in the drug trade there are no benefits, no security, no retirement plan.

And sure, people have different ideas about success. Some think it's measured by what's parked in your driveway or hanging in your closet. But real success is something else. An educated man or woman gains so much more. With just a pen or a pencil and a desire to learn, there are no limits to success. Maybe it has to do with the finding of one's own talents, using them to reach your fullest potential -- whatever path you choose, working to make a difference for yourself and those around you. If you stay in school, you'll find that the key to success is right next to you. And if you keep struggling to live up to your own expectations, you'll find the strength to succeed right deep in your heart.

So, let me congratulate every one of you. I hope by coming here I highlight the magnificent spirit that I see here. Congratulations for what you're doing. You're proving to yourselves and those around you that you have potential, that you are someone, that you can succeed.

That's why I'm pleased to announce today that the Cincinnati Youth Collaborative is the 40th White House daily Point of Light. On behalf of the Nation, thank you for showing that from now on in America any definition of a successful life must include serving others.

You go to a great school in a wonderful town, in the greatest nation on the face of the Earth.

Your dreams are within your reach. And so, may every single one of them come true.

It's been a wonderful experience here for me today. And I feel motivated. I feel I understand a little bit better what one person can do in helping another. It's been well worth it, I'll tell you. Thank you. God bless you, and God bless the United States of America. Thank you very, very much. Thank you all. Thank you all. Good luck to you.

Note: The President spoke at 1:25 p.m. in the school auditorium. He was introduced by Orlando Henderson, principal of the high school. In his opening remarks, the President referred to Lee Etta Powell, superintendent of Cincinnati public schools; Thomas Browning, pitcher for the Cincinnati Reds baseball team; and Sister Jean P. Harrington, director of the Cincinnati Youth Collaborative.

Remarks to the Chamber of Commerce in Cincinnati, Ohio

January 12, 1990

Thank you all for that welcome back. And, Joe, thank you, sir, for those very kind words. I'm very pleased that both Tom Luken and Bill Gradison made their flight out with us on Air Force One today, and they're both with us. And if it's not inappropriate, I would ask Joe if I could ask them both to stand up and be saluted by this audience of friends. [Applause] Where did Tom go? Okay, we'll let his son represent him -- the mayor of Cincinnati. [Laughter]

But I'm delighted to be back in here. And it is a nonpartisan, nonpolitical gathering -- first one I've attended in Hamilton County like that in a long, long time. [Laughter] And it's good to see State Senator Stan Aronoff over here; my friend Bob Taft, the commissioner; the mayor, who is doing a superb job, Charles Luken.

Delighted to be back here in Cincinnati. I will say to you, Joe, that, yes, I learned a lot from that spectacular program there at Taft. And I expect we all ought to salute the leadership of Procter and Gamble -- my friend John Smale, always out front on what I call a Thousand Points of Light, trying to help somebody else. But for those of you in this community who have not had a chance to see what it is I'm talking about here -- this new program of voluntarism interacting with the best in professionalism at a school to help lift these kids up -- you ought to go take a look and you ought to get involved. It is stimulating in every single way.

Actually, I was hoping to get out here for the Reds' opening day. But they tell me I'm 3 months too early. [Laughter] Same problem I ran into on Pearl Harbor Day. [Laughter] But here I am. And we're not here to talk baseball. But you can claim him in Cincinnati, and I'll claim him from Houston, but I'm mighty proud of Joe Morgan making it into the Hall of Fame. You got Johnny Bench, and now you've got Joe.

And let me, colonel, thank you and the Air Force for that magnificent music and being with us here today.

You know, it is fitting in the days leading up to the State of the Union Address we should meet again in Cincinnati. The last time I visited was in November of '88, in the final days of the Presidential campaign. And earlier, Cincinnati was one of my last stops before the convention in New Orleans.

On the trip before that we spent a morning out at Procter and Gamble's R&D facility. They taught me a trick that every President should know -- how to put toothpaste back into the tube. [Laughter] A marvelously educational experience. [Laughter]

All in all, I did come here four times during the Presidential campaign. I talked of America's future and of future generations. I talked of certain principles. And I told you that I was ready to make the tough calls and to take the heat. And today I've come back to tell you that I'm ready to make good on that pledge, because up on Capitol Hill some important business remains unfinished, promises have gone unfulfilled. We sent responsible proposals to Congress in a lot of areas, but certainly in four of America's most critical areas: capital gains, America's children, clean air, and combating crime.

In some cases, our proposals have been under consideration with Congress for the better part of a year. And these four issues are bogged down in the jungles on Capitol Hill. The clock is running, and America's patience is running out. And I'm not here to assign blame; I'm here to suggest that we need to move forward. America wants it done right. America wants it done responsibly. And America wants it done now. And these four initiatives represent only part of the way in which the events of 1989 will affect the coming year.

We've seen a lot of exhilarating changes in recent months that offer new hope for world peace. It's an exciting time we're living in, and we like what's happening in Central Europe. But just as it would have been impossible 6 months ago to predict those thunderous changes, it's impossible today to know what will unfold in the next 6 months, let alone the next 6 years. But in this world of change, one thing is certain: America must be ready. And as excited as I am about the changes moving toward a more peaceful Eastern Europe, America must be strong. And a strong America means not only a strong economy; it still must mean a strong defense, a ready and highly effective defense force. And if proof of that were ever needed, we saw it in that superb, beautifully coordinated operation last month -- we saw it in the courage of our troops in Panama.

I welcome the dynamic changes in Eastern Europe. I strongly support, as I bet we all do, Mr. Gorbachev's perestroika and his commitment to peaceful change and openness, glasnost. But this is not the time that we should naively cut the muscle out of our defense posture. And yet some think that all the answers to this year's problems can be found by spending what is called in Washington a peace dividend. It's like the next-of-kin who spent the inheritance before the will is read. And unfortunately, what is being packaged as a dividend is not money in the bank. It is more like a possible future inheritance, a legacy that will enable us to pass on a better world to our children; and like an inheritance, it's a special gift, a legacy not only of prosperity but also security earned by the hard work and sacrifice of those who came before.

Of course, whenever a potential inheritance looms, there are those eager to rush out and squander it -- to buy new things, to spend, to spend, to spend -- and spending funds they don't yet have. Then the bills start coming, and the inheritance may not. And what was promised as a bonus becomes a burden. In Washington, that burden comes in the form of a new spending program. That's not going to happen, because most Americans know we not only must maintain a strong defense but still must reduce the deficit. And reducing the deficit isn't just a good idea, a sound idea, an idea of sound fiscal policy; it's what the American people want. And as our two

Congressmen here today know, it's the law -- it's required under the Gramm-Rudman-Hollings law.

The way to reduce the deficit is to restrain the spending growth and continue the economic growth. And it's not the time, as some like to say, to go on out and raise the taxes on the working men and women in this country. The new budget must meet Gramm-Rudman requirements. It must reduce barriers to economic growth. It must keep interest rates low. And I'm not satisfied yet -- I'm encouraged, but I'm not satisfied at all -- want to see them lower. And I say all this because the best poverty program -- the best antipoverty program, if you will -- is a good job. And the best jobs program is a sound, strong central economy.

A sound economy is a competitive economy. And to keep America competitive, to fuel our continuing growth -- in some areas, boom -- we also need an infusion of new venture capital. That's why we need a majority in both Houses of Congress -- what they've already voted for, and I'm talking about a tax cut on capital gains.

As the world turns to freer markets -- and you're seeing this happen, some solidifying their commitment to freer markets, countries that never had the benefit of free markets beginning to move, taking early steps towards free markets -- but as the world moves in this direction, this is no time to become wishy-washy about where America stands. The jury is no longer out. Markets work. Government controls do not work.

And since the debate has all but ended on this issue, perhaps our most diehard ideologs can now turn their attention to the real question that divides America: Is it Texas or Cincinnati that produces the world's best chili? [Laughter] Of course, this is a question to be decided by the market -- [laughter] -- and that's what I'm trying to tell you all here today.

The economic challenge of the nineties is to make markets work better. And one of the best ways a government can do that is to do what people around the world are asking their governments to do: get out of the way -- less regulation, fewer mandated programs from Washington that tie the hands of our health care providers, our educators, and so many others as well. You see, our ideas work here at home. We're in the midst of the longest peacetime expansion in the history of the United States, an 86-month expansion that has created an astonishing 20 million new jobs since 1982. That's due to the genius of places like Cincinnati and the solid American values that have flourished here and inspired the world from Central Europe to Central America.

The whole world is watching, and the whole world is ready. The headlines tell of other nations buying American. That's good news, not bad news. We've been urging our own people to ``Buy American'' for years, to invest in the greatest job-creating machine of the 20th century. And it's no surprise, then, the world investors are following suit. The results are in: America is the choice.

We don't have to look elsewhere to know what works. If you want to follow the smart money advice of the 1990's, go to where the Japanese and the Europeans are going. Look at the United States of America. Look at what the rest of the world calls the American miracle. You've seen it happen. You've made it happen. You've been a part of it happening right here in Cincinnati, U.S.A., the Blue Chip City, where 150,000 more people are at work than were working 6 years ago -- 150,000 more.

Cincinnati produced its miracle the old-fashioned way, the American way. It's an old tradition here. When he first opened his slaughterhouse in 1810, Richard Fosdick was warned that meat couldn't be cured in Cincinnati's climate. But he didn't know that it couldn't be done. He continued his experiments until he discovered the rock-salt process for curing meat and made this city the principal hog market of the world.

Renewing our emphasis on innovation is one of the ways modern Cincinnati has prospered. You've also built a diverse economic base, stripped away corporate fat, renewed our emphasis on quality. Fortune says Cincinnati makes some of the best jet engines in the entire world.

Ultimately, these are the kind of efforts that will determine how America fares in the competitive, free-trade world of the nineties. The way of the future is free people. And the way of the future, in my view, is and must be free trade. And free people and free trade is what America is all about.

Of course, it's not enough that we say that trade simply be free. It has also got to be fair. And I am not complacent; I am not satisfied with where things stand. We must do better in removing barriers to Americans' goods and services, whether those barriers be in Japan, in Western Europe, or anywhere else in the world. A global game is afoot, a game in which a Cincinnati businessman can now fly nonstop to London and Frankfurt any day of the week. If the rules are fair and the same for everybody, we can play this game. It's called free enterprise. And America is the free enterprise capital of the world.

Winning in the competitive nineties will take more than investing in products. We must also invest in people. And that was what was so moving about my experience today here at lunch. We must invest in people. And that means offering every American child an education second to none. Our Education Excellence Act remains a priority of my administration, sent to Congress almost 9 months ago. It calls for choice, flexibility, and accountability. And the time for study is past, and the time for action is now.

You in Cincinnati have acted, working to educate and train our people for the 21st century. Three years ago business, educational, and community leaders here came together to take on a mighty task: reduce the numbers of students at risk, that staggering 40-percent dropout rate in Cincinnati's public schools. The result was what I saw today -- that Cincinnati Youth Collaborative, an intensive people-to-people mentoring program that many of you support. And

it's already seen some fantastic, early success.

It has America talking. Your Governor visited one of the participating classrooms at McKinley Preschool before coming out to the education summit that I hosted there in Charlottesville, Virginia, last fall. And earlier today, as I said, I had this opportunity to see the tremendous programs at Taft High School firsthand. I guess the most moving part of it for me today was the mentoring part -- involvement of one Cincinnatian in the life of another; an older man, an older woman taking under his or her arm a kid, lifting them up, helping them when they're hurt. A beautiful experience.

There are other matters that require urgent attention when Congress gets back later this month. Our Clean Air Act proposals recognize that in an emerging global economy, environmental destruction knows no borders, and that a healthy economy goes hand in hand with a healthy environment.

And a kinder, gentler environment also means a society where every man, woman, and child can live and prosper in an environment free from fear. And that, then, means freedom from crime, and especially the increasingly violent crime that has been spawned by this plague of drug abuse, drug trafficking. Our anticrime package, as well -- it's time for the Congress to act on it.

There's much to be done in the months ahead. But as a new year begins, Americans should also pause to take some pride in what we've all accomplished together. Let me suggest two areas. At home, more than anything else -- if you had to define it -- a kinder and gentler nation is one in which everyone who wants a job has a job. And today America has the lowest unemployment rate since 1973, and Ohio has reached its highest employment level in history.

Abroad, for more than 40 years, 3 generations has stood steadfast in an often hostile and tumultuous world. Firm in our belief in America's destiny as leader of the free world, our spirit did not falter; our troops did not flinch. And today, after the watershed events of 1989, the free world that we're leading is growing bigger all the time.

And in the past months we saw democracy restored to the brave people of Panama. We want to help them enhance it and strengthen it. We saw the powerful brought before the bar of justice. And we took pride in the skill and the courage and, yes, the sacrifice of American soldiers. The Panamanian operation was conducted by highly trained troops -- the best, the finest, the best trained troops in the world. But it is not simply training; it's patriotism, and it's dedication.

I went to a couple of hospitals in San Antonio -- Barbara and I did -- to talk to some of our wounded. And I'll never, ever forget their spirit. One kid lying there severely wounded said, ``My only regret," he said, ``is that I'm here, not down there with the others." Pride in America, in my view, has never been higher.

And somehow, it is more than coincidence. In the same month, we hear that the bald eagle -- the American eagle -- may soon come off the endangered species list. How about that? [Applause]

In case you don't understand it, I love my job. [Laughter] We've got a lot to do. But as you see the changes in Eastern Europe, see Mr. Gorbachev struggling against what some would say just terribly difficult odds -- things are coming our way. They're moving toward freedom. They're moving toward democracy. And I am proud to be at the helm.

Thank you all. God bless you, and God bless Cincinnati, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 2:16 p.m. in the ballroom at the Hyatt Regency Hotel. In his remarks, he referred to Joseph Head, chairman of the board of the Greater Cincinnati Chamber of Commerce; Representatives Thomas A. Luken and Willis D. Gradison, Jr.; Robert A. Taft II, president of the Hamilton County Board of Commissioners; Joe Morgan, former member of the Houston Astros and Cincinnati Reds baseball teams, and Johnny Bench, former member of the Cincinnati Reds, both recently elected members of the Baseball Hall of Fame; and Air Force Band commander Lt. Col. Richard A. Shelton. Following his remarks, the President returned to Washington, DC.

Statement by Press Secretary Fitzwater on the President's Meeting With Mr. and Mrs. William Rouse

January 12, 1990

Following his speech to the Chamber of Commerce, President Bush met with Mr. and Mrs. William Rouse, the mother and stepfather of James Markwell of Cincinnati, who was killed in Panama. Markwell's brother, Brandon, 17, and his sister, Dawn, 15, also met with the President.

Pfc. James Markwell was a U.S. Army Ranger medic killed by gunfire after landing in his drop zone during the Panama invasion. President Bush sent a letter of condolence to Private Markwell's family on January 4, as well as to the families of all those killed in Panama.

The President met with Mr. and Mrs. Rouse in a private room following his speech. The President expressed his gratitude on behalf of all Americans for the sacrifice Private Markwell made in service to his country. The President expressed his personal sympathy to the Rouses.

Private Markwell was a native of Cincinnati and was buried there on December 30, 1989.

Nomination of Frederick M. Bernthal To Be Deputy Director of the National Science Foundation

January 12, 1990

The President today announced his intention to nominate Frederick M. Bernthal to be Deputy Director of the National Science Foundation. He would succeed John H. Moore.

Since 1988, Dr. Bernthal has served as Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs in Washington, DC. Prior to this, he served as Commissioner of the Nuclear Regulatory Commission in Washington, 1983 - 1988; chief legislative assistant to Senator Howard Baker, 1980 - 1983; legislative assistant to Senator Howard Baker, 1978 - 1979; associate professor of chemistry and physics at Michigan State University, 1975 - 1978; and assistant professor at Michigan State University at East Lansing, 1970 - 1975. In addition, Dr. Bernthal served as a visiting scientist for the Niels Bohr Institute at the University of Copenhagen, 1966 - 1977; staff postdoctoral scientist at Yale University, 1969 - 1970; graduate research assistant at Lawrence Berkeley Laboratory, 1965 - 1969; and research aide for the Argonne National Laboratory, 1964.

Dr. Bernthal graduated from Valparaiso University (B.S., 1964) and the University of California at Berkeley (Ph.D., 1969). He was born January 10, 1943, in Sheraton, WY. Dr. Bernthal is married, has one child, and resides in Washington, DC.

Statement by Press Secretary Fitzwater on the Vietnam-United States Special Resettlement Program

January 13, 1990

Beginning this weekend, the first group of former Vietnamese ``reeducation camp'' detainees and their accompanying family members (61 persons) will arrive in the United States. They are the first to depart under a bilateral agreement concluded last July in Hanoi between the United States and Vietnam. The group arrived in Bangkok on January 5 and 6, where they have spent the last week completing their final processing before departure for the United States. A second group (88 persons) is scheduled to arrived next week.

All Americans rejoice at this event, but we particularly share the joy of those in the Vietnamese-American community who will now, at long last, be reunited with their family and friends in the United States.

The U.S.-Vietnam Special Reeducation Center Detainee Resettlement Program represents the culmination of years of intensive U.S. diplomatic effort to obtain permission for those persons and their families who were closely associated with the United States during the Vietnam War period to emigrate to the United States. We expect a total of 700 former detainees and their family members to depart Vietnam this month and 7,000 to enter the United States by the end of the current fiscal year on September 30.

Statement by Press Secretary Fitzwater on the Death of Hyman Schachtel

January 14, 1990

The President today called Mrs. Hyman Schachtel, wife of Rabbi Hyman Schachtel of Houston, TX, to express his sadness and condolences over the death of her husband. The President and Hyman Schachtel go back a long, long time. The President termed Rabbi Schachtel one of the great religious and civic leaders that he has known. He told Mrs. Schachtel that her husband had been an inspiration to him and a very good friend. The President and Mrs. Bush will miss him sorely.

Statement by Press Secretary Fitzwater on the Vienna Meeting of the Conference on Security and Cooperation in Europe

January 16, 1990

Today the United States and the 34 other nations of the Conference on Security and Cooperation in Europe (CSCE) begin a dialog that is unique in history. The military leaders of our respective countries will meet together in Vienna to discuss national military policies, forces, and budgets.

It is difficult to imagine a better time or forum for such a dialog. Six months ago the peoples of Eastern Europe embarked on a course of changing the governments which had for so long denied their legitimate rights and contributed to perpetuating the division of Europe. Those who are leading the forces for change frequently cite the principles of democratic process, economic justice, and personal freedom that were articulated by the 35 CSCE states at Helsinki 15 years ago. It is natural, then, to turn to the CSCE and to the forum in which we discuss confidence and security-building measures to initiate a dialog among military experts on issues that are key to building a stable European security architecture for the coming decades.

The President has asked the Chairman of the Joint Chiefs of Staff, Gen. Colin Powell, to make the first presentation in the Military Doctrine Seminar on behalf of the United States. His presence in Vienna is tangible evidence of our transatlantic commitment not just to security but to openness and dialog among nations as a means to bring about peaceful change and a secure future for all of our peoples. We look forward to a fruitful exchange among all participants in this historic meeting.

Remarks on the United States Military Action in Panama and an Exchange With Reporters

January 17, 1990

The President. Well, let me just say that this is my first chance to, in person, thank General Thurman and his troops for the outstanding job they did for our country in Panama. Secretary Cheney and I are extraordinarily grateful to this, our commander. He served with great distinction -- and General Stiner and General Cisneros and many others as well. But before our meeting we're having in here, I want to bring him out and publicly tell him how strongly I feel about the wonderful mission, the way it was accomplished, and the professionalism and, I guess, particularly, Max, the dedication of those kids. I'll tell you, it is so moving, as a parent, to visit with some of the parents of those that have fallen and wounded. And it's something you see all the time, but I'll tell you, these were remarkable young people.

And well done, and thank you.

General Thurman. Thank you very much, sir. You ought to be proud of them -- soldiers, sailors, airmen, marines, coastguardsmen -- they did a dynamite job.

The President. Yes, they did. Well, we're proud of you.

General Thurman. We appreciate your support.

The President. Very proud of you.

Q. When do you think the troops will be coming home -- all the troops will be out?

The President. We'll be talking about that right now. And they're down substantially, and democracy is on the move. General Thurman's just briefed the Secretary and me very quickly here on the moves that Panama is taking. We want to give them economic help. We want to offer hope to the individuals there who are out of work -- some of it because of the sanctions that we had to place upon Panama. So, we're committed. I think I speak for him, but I know I speak for me: We want them out of there as soon as possible. I think a large number are out now.

General Thurman. Yes, sir. We're down to 18,900 this morning, which is about 8,000 below what we had in country at the maximum 27,000.

The President. Eight out, and we've got about four or five to go. SOUTHCOM obviously will remain. It has a mission. We have rights and obligations under the treaty. And I'm sure that's agreeable to the Panamanian leadership.

Q. How much aid do you think you're going to get?

The President. Well, I don't know. We're going to be talking about that right now, Helen [Helen Thomas, United Press International].

Q. Do you want to get them all out before the drug summit so that it's not an obstacle, particularly for Peru?

The President. Well, I want to do what's right for Panama. I want to do what Panama wants. And obviously, there's still some security considerations that General Thurman was telling Secretary Cheney and me about. But it's Panama's show now. Panama is strengthening their democracy. And we want to know what they want; we want to work closely with them. It is my objective to get the troops out, to get back to the levels before this military action. We will do that. But it has nothing to do with the summit in Cartagena [Colombia] at all. This is prudent. It is right. And I'm not driven by the summit.

Vice President Quayle's Trip to Latin America

Q. Are you having trouble finding countries that will accept Vice President Quayle as a visitor because of -- --

The President. No.

Q. Is he going to Panama?

The President. I expect he will. I hope so. His itinerary I don't think has been set yet, but I hope so.

Note: The President spoke at 11 a.m. in the Colonnade at the White House. In his opening remarks, he referred to Gen. Maxwell R. Thurman, commander in chief of the U.S. Southern Command; Lt. Gen. Carl Stiner, commanding general of the 18th Airborne Corps; and Brig. Gen. Marc Cisneros, commanding general of U.S. Army South.

Remarks and an Exchange With Reporters Prior to a Meeting With Federal Law Enforcement Officials

January 17, 1990

The President. Well, welcome. And I'm meeting today with the heads of the various Federal crime-fighting agencies to renew our determination to defeat drugs, to defeat crime, and to destroy the kingpins behind them.

Over the past year, these agency chiefs were asked to take on even greater responsibilities, and they've answered the call with great distinction. And I only wish that Congress would finish the job that I asked them to do last spring. True, in fairness, more money has been provided for new prison space and more Federal law enforcement officers, but too much work has been left undone. And Congress must act now on the rest of our package to fight violent crime, to toughen the Federal sentencing for those using a firearm in the commission of a felony, to reform the rules of evidence, and to enact the death penalty proposal that I sent them. These agency heads and their agents face enough constraints, and the last thing that they need is for the Congress to not move or to tie their hands.

Seven months ago we were also drafting our initial drug strategy, and I must say we've since enjoyed success in getting our first strategy approved by the Congress. The American people have rallied behind our plan. Law enforcers from the Feds to the cops out there on the beat have joined together to make it work. And in short, our first strategy laid a solid foundation for our future efforts.

And we have seen great progress where it counts -- in the streets, where record amounts of cocaine have been seized. And yet, we have yet to turn the corner. In this very city, January has been the month of murder, the deadliest month in the history of the District of Columbia.

So, we're going to press on, press hard in our second strategy, which is going to be released in advance of our budget. And all of this I will be discussing in this second annual luncheon today here.

Before we go inside, I wanted to thank three people especially: Secretary Brady, Attorney General Thornburgh, and my very able Director, Bill Bennett. They place teamwork before turf, giving crimefighters everywhere an example of how to cooperate against crime. I'm proud of them. I'm proud of all the rest of our law enforcement people here and those with whom we're associated all across this country.

So, what we want to do is get moving now. And now, if we'll go inside, we can hear from each and every one of you, if you will, as to how your work is going.

Hello, Jack. How are you? Good to see you.

Thank you all very much.

Extradition of Colombian Drug Dealers

Q. Mr. President, what about what happened in Colombia today, sir?

The President. What?

Q. The communication by these so-called extraditables claiming they would stop the cocaine trade, making that claim again in return for -- --

The President. Well, they've a credibility problem with me. But that's one point, and the other is, I've learned not to comment on matters that I have not seen verified. So, you're asking about a statement that I just don't know anything about.

Thank you all very much.

Note: The President spoke at 12:16 p.m. in the Rose Garden at the White House. In his remarks, he referred to William J. Bennett, Director of National Drug Control Policy, and John C. Lawn, Administrator of the Drug Enforcement Administration.

Nomination of Susan J. Koch To Be an Assistant Director of the United States Arms Control and Disarmament Agency

January 17, 1990

The President today announced his intention to nominate Susan Jane Koch to be an Assistant Director of the United States Arms Control and Disarmament Agency for the Bureau of Strategic Programs. She would succeed William H. Fite.

Since 1988 Dr. Koch has served as Principal Director of Nuclear Forces and Arms Control Policy in the Office of the Assistant Secretary of Defense for International Security Policy. Prior to this, she served as a staff analyst for Strategic Defense and Space Arms Control Policy in the Office of the Assistant Secretary of Defense for International Security Policy, 1985 - 1988; as a Special Assistant to the Deputy Assistant Secretary of Defense for Nuclear Forces and Arms Control Policy in the Office of the Assistant Secretary of Defense for International Security Policy, 1982 - 1985; branch chief in the Office of European Analysis and Office of Policy Analysis at the Central Intelligence Agency, 1980 - 1982; intelligence analyst in the Office of Political Analysis and Office of Political Research at the Central Intelligence Agency, 1975 - 1980; and an assistant professor in the department of political science at the University of Connecticut, 1971 - 1975. In addition, Dr. Koch has served as an instructor in the department of political science at Mount Holyoke College, 1970 - 1971.

Dr. Koch graduated from Mount Holyoke College (A.B., 1964) and Harvard University (M.A., 1968; Ph.D., 1971). She was born January 24, 1943, in Bridgeport, CT. Currently, Dr. Koch resides in Washington, DC.

Telephone Conversation With the Astronauts Aboard the Space Shuttle Columbia

January 18, 1990

The President. Hello, Fred, can you hear me? Dan? Are we talking to space?

Commander Brandenstein. Yes, sir, Mr. President. Welcome aboard Columbia. We hear you very clearly.

The President. Well, Dan, is that you, the captain, the boss of that outfit?

Commander Brandenstein. Well, that's what they say, but everybody contributes a lot, and I just kind of stay out of the way so they can get their jobs done.

The President. Well, listen, I just was calling you to congratulate you. Dan Quayle is sitting here next to me in the Oval Office, and as you know, he's taken a very active role in this Space Council. But what I'm calling to do is to congratulate you and the crew, after all those somersaults -- but doing a superb job up there on this mission. And we followed the LDEF [Long Duration Exposure Facility] and the very exciting grab, and I just wanted to hear firsthand how it was going.

Commander Brandenstein. Well, Mr. President, I think it's going well. We've pretty much concluded most of the major objectives of this mission, and obviously, the retrieval of the LDEF was one of the highlights, and we're very happy we have it back onboard. We believe it's a real treasure that's going to help very much in designing future space satellites and shuttles and space stations.

The President. Well, I think that's wonderful. And how do all the new guys behave -- Jim, Marsha, and David? Can they talk, or are you doing the speaking for this crowd?

Commander Brandenstein. I want to give them all a chance. In fact, we'll let G. David tell you how it is to be a new guy.

The President. All right, fire away, Dave.

Mr. Low. Well, Mr. President, it's a pleasure to be up here. I've enjoyed this flight very much. We've enjoyed a lot of success with a lot of help from all the folks on the ground. It's a real pleasure to be up here to contribute to our space program.

The President. Well, I'm delighted. How's Marsha doing? Is she near a mike there?

Ms. Ivins. Yes, sir, I have a mike. I think we new guys are really excited. We've waited a long time for this, and it's sort of a dream come true. The world -- looking at it from up here -- is incredible.

The President. I don't want to date your commander, the captain there, Dan, but I had dinner over at the White House 2 nights ago with Dick Truly, who reminded me that they had flown together sometime back. Dan, sorry about that.

Commander Brandenstein. That's true. And in fact, I've been taking my share of hits this mission. I just had a birthday yesterday, and I've been taking a lot of grief.

The President. All right. Well, listen, is Bonnie there? Who else have we not -- I'd like to say hello to everybody.

Commander Brandenstein. Certainly. We'll let Jim Wetherbee tell you. He's the other new guy. And we'll let him tell you what he thought of it, and then we'll turn you over to Bonnie.

Lieutenant Commander Wetherbee. I'm proud to be here. It's a pleasure being part of this program. I'm happy to be part of watching Dan recover that satellite. He's about the best in the world at grabbing satellites at Mach 25.

The President. Unbelievable. Well, I'm glad to see a Navy pilot -- could you use a 65-year-old Navy pilot up there?

Commander Brandenstein. Navy pilots don't get that old.

The President. Oh, yeah? I'm one. [Laughter] Hey, listen, there seems to be a long pause.

Ms. Dunbar. Well, I'm delighted to be here, Mr. President, and feel fortunate to do it again. But I know that it takes a lot of work on the part of many, many people. And I want to thank all the people at Johnson Space Center, and NASA in general, for making this possible. It's been an incredible mission.

The President. Well, you know, that's one thing that does come through. There you all are working, and people following very keenly what you're doing. But I think one thing the American people do see as a result of a highly complex mission like this is this enormously effective teamwork. And I must say, I'd like to join you in saluting everybody involved. And I wish you well as you wrap it up now and come on back. But we're proud of you, and I look forward to seeing you at the White House, as does the Vice President, when you can get around to getting up here after you get back.

So, well done. We're proud of you, and we will follow the rest of the mission, as we have the beginning, with great interest. And, Dan, to you and your wonderful crew, congratulations.

Commander Brandenstein. Well, thank you very much for taking the time and speak with us this morning, Mr. President. And we're proud to have had the opportunity to represent our country and to conduct this mission, and along with all the other people that make up the NASA and the space team in this country.

The President. Okay. Well, we'll let you go to work, and well done. Thank you very much. Over and out.

Commander Brandenstein. Goodbye.

Note: The conversation began at 7:39 a.m. The President spoke from the Oval Office. In his remarks, he referred to Richard H. Truly, Administrator of the National Aeronautics and Space Administration. The space shuttle crew included Capt. Daniel C. Brandenstein and Lt. Comdr. James D. Wetherbee, both of the Navy, and mission specialists Bonnie J. Dunbar, Marsha S. Ivins, and G. David Low.

Remarks at the Bush Administration Executive Forum

January 18, 1990

Mr. Vice President and members of the Cabinet, Governor Sununu, all of you members of our team, thank you. Thank you very much for that warm reception, the pleasure of being here.

What a privilege it is to celebrate the first anniversary of an administration that you all helped make possible and that you enrich every day through your own hard work and your dreams. I wanted to stop the applause so you could get back to work. [Laughter]

I understand that every Cabinet member is here and preceded me. And I'm very proud of our Vice President, very proud of this Cabinet, very grateful to our Chief of Staff. You've done America proud, and you've made each of us proud. So, I would say to our Cabinet: Please, why don't you make me a little less lonely up here? As the noted philosopher says, ``Come on down!'' So, please, I'd like to invite the Cabinet members to come up here.

Well, thank you all. Please be seated. And again, I'm glad to be with you. I won't keep you long. Another pledge: My remarks will be on the record. After all, I'm getting tired of reading in the press that I'm too secretive. [Laughter] Let me tell you my views on that -- I'd like to, but they're classified. [Laughter]

You know, a week from Sunday, America is going to come to a stop -- the Super Bowl. And the bad news is that only one team there will triumph. But the good news is that today we salute an event in which -- with your help -- all America has triumphed: the first 12 months of this administration. And looking back, it's been quite a year.

First, there was Barbara. Americans got to know her. And I don't have to tell you how lucky I am to have her by my side and working with many of these Cabinet officers, particularly Secretary Cavazos, trying to help him and all of you make America better in education.

As far as accomplishments, minding the admonitions of my mother, I'm not going to dwell on my biggest feat of 1989. Suffice it to say that during the second year I hope to catch yet another fish. [Laughter]

One year ago this week, you and I began the work which led to even larger feats, like the lowest unemployment rate in 15 years and the 20 millionth new job since 1982; like inflation at less than 5 percent, falling interest rates, real per capita income, and investment at record levels. You have helped achieve the longest peacetime boom in our nation's history.

This prosperity, I really believe, has helped make America a kinder and gentler place. And we've nurtured it through pioneering initiatives, whether by working to solve the savings and loan

crisis or to make our education system number one again, whether enhancing the quality of our environment or waging a stepped-up, all-out battle against drugs -- and I'm sorry that Bill Bennett is not here today. Our goal has been, and remains, you see, to build a better America. These great objectives have been set down in our initial quarter. And now let's use the next quarter to make still greater progress.

Woodrow Wilson could have been describing our administration when he said, ``It's always a beginning, not a consummation.'' In that spirit, let me simply observe: Just wait until the second-guessers see our second year.

You know, remember the old New England story about a man who was stuck in the mud with his car. The man was asked by this passing motorist whether he was really stuck. Finally, he responded with a shake of his head. ``You could say I was stuck,'' he said, ``if I was really going anywhere.''

Well, America is going somewhere -- toward a better future. It is not stuck. And much of the credit belongs to you, the people in this room. You are changing the way Americans view their government. Franklin had a word for it -- not Ben, Aretha. It is ``respect'' -- she and Rodney Dangerfield. And in your own way, you've helped ensure that just as millions have become free from tyranny abroad, millions more will know freedom from want, crime, and drugs at home.

Toward that end, we've sent proposals to the United States Congress to confront our most crucial issues. And while I'll listen to reasonable alternatives, I will not compromise on the principles upon which our proposals are based. And so, I call upon the Congress to work with the White House and complete the job that we were all sent here to do.

For instance -- let me just give you some examples; I can't possibly spell out every initiative -- for instance, our commitment to the environment is crystal clear. We have sent Congress legislation to reduce acid rain, air toxics, and urban smog. It is the first rewrite of the Clean Air Act in over 10 years. And I asked both Houses to preserve the careful balance in that bill -- help clean up our air and preserve jobs. We've laid down a fairminded compromise, and now let's break the stalemate. Let's protect our environment for decades to come. Let's get moving.

But that isn't all -- far, far from it. We've also made proposals to stem drug use and crime: proposals to ensure stiffer penalties for violent criminals, greater certainty in sentencing, an end to early release and easy parole. Eight months ago, I sent legislation to the Congress, and since then, more money has been provided for additional prison space and more Federal law enforcement officers. And yet Congress has left too much work undone. I see our Attorney General nodding, and he's been out in the forefront, and he understands that. And so, I call upon Congress to act now, quickly and responsibly. We need mandatory time for these firearm offenses -- no deals when criminals use a gun. And for anyone who kills a law enforcement officer, no legal penalty is too tough, and that does mean the death penalty -- not at some point,

not sometime, but now.

Next is -- another example -- education. And here also we need the Congress to act. I sent legislation up to give greater choice to parents and students, reward excellence, and demand greater accountability. And so, let's ensure that every child in America grows up with a decent education.

I look at these Cabinet officers up here with me, and I see so many -- I'm thinking as my mind is running -- so many other initiatives that, with your help, they have taken in taking our program to Capitol Hill. But what it all adds up to is the future. The future is what I'm talking about, the future of our kids. And so, we've proposed child-care legislation to put choice in the hands of low-income parents and allow a grandparent to help, or a neighbor, or a local church. And when it comes to child care, let parents, not the Big Brother, decide how that job gets done.

Yes, the future, a future in which Americans are free to work, invest, save, and plan -- so, our administration does want to cut the capital gains tax to spur investment and create jobs. And Americans have shown the world that the path to a strong economy is through innovation, investment, and enterprise. Come to think of it, what they create isn't a bad definition of America -- opportunity for all.

Opportunity can come from the bipartisanship which puts America first. Perhaps Will Rogers said it best when he observed: ``I love a dog. He does nothing for political reasons." [Laughter] Ask Millie. I'm not sure she'd agree. [Laughter]

Nevertheless, our proposals reflect America's best interests, not the interest of one faction or another. And I ask the Congress to respond in kind, spurring opportunity, not dependency, for a future free from fear.

Keep in mind -- and I know this as well as any of us -- the agenda is unfinished. The public awaits, expecting us, as I said last January, to act, not to bicker. And as we act, let's recall what we believe and who it is that we serve: not ourselves, not a party, but this nation and her people -- moreover, all those for whom America is the conscience of mankind. The working mother in San Antonio and the farmer in Nebraska and the teacher in New Jersey and the uniformed sons and daughters who keep us free -- we serve them, every single one.

Yet the essence of America, that belief in the individual, eclipses language and border. And so, we must also champion the heroes of Prague and Warsaw, Bucharest and Berlin, and the thousands of people who last July -- I saw it -- greeted me there in Budapest, tears running down their faces, waiting hours in a driving rain, cheering for the principles of liberty and democracy, cheering for the United States of America.

Dwight Eisenhower, beloved Ike, once observed that we must help the cause of democracy

summon ``lightness against the dark." He was right. And so, we have helped Poland and Hungary, and we will help others in Eastern Europe. But let me be clear: I will not neglect this hemisphere, the Western Hemisphere. Our operation in Panama, Operation Just Cause, was a tremendous success. And I am very proud of the young men and women who served this country with such pride and courage. And, yes, there's going to be some second-guessing, Monday morning quarterbacks at work. But let's not forget: 92 percent of the people in Panama supported Operation Just Cause. And these people are our brothers and our sisters, and they deserve our help. And so do all our friends in Latin America and the Caribbean. And they'll receive it. For even as we rejoice in the changes in Eastern Europe, we've got to remember our friends in America's hemisphere.

Americans supported Operation Just Cause because democracy is a noble cause. And today it's on the move wherever people dream. Around the world, that cause endures, and the darkness lifts, and the light grows brighter by the day.

No President could have a finer group of people as part of his administration. I thank you from the bottom of a very grateful heart. No nation could have better public servants. And I thank you on behalf of every American. God bless you. God bless our beloved land, this morning star of freedom, the United States of America. Thank you very, very much.

Note: The President spoke at 11:26 a.m. at DAR Constitution Hall at the 9th annual Executive Forum for political appointees of the administration. In his remarks, he referred to singer Aretha Franklin and comedian Rodney Dangerfield.

Exchange With Reporters

January 18, 1990

Reallocation of Foreign Aid

Q. Mr. President, will you be discussing Senator Dole's plan to cut aid to Turkey and other countries?

The President. I won't be talking about that. I'll be talking about my delight that somebody understands that it is the President that ought to set these priorities, and that's what I'm very pleased about.

Q. Are you angry at Senator Dole?

The President. I'm pleased with him. What are you talking about?

Q. Does that mean the priorities are going to change?

The President. I want to see them put the power where it should be in this matter, and not mastermind foreign policy through 138 subcommittees -- allocating funds. I'd like to see it done the way I think the Founding Fathers intended for it to be done. And don't worry about our friends, Turkey -- we'll take care of that.

Q. Are you going to get the same amount?

The President. I want to get back what I want first.

Social Security Tax Cut

Q. What do you think of Senator Moynihan's plan, Mr. President?

The President. Hey, listen, we've got to get going. We've got a distinguished visitor here -- what do you think of the Moynihan plan, Mr. President? [Laughter] He and I have the same feeling about it. We both draw a blank when we hear about it. [Laughter] This is an effort to get me to try to raise taxes on the American people by the charade of cutting them, or cut benefits. And I am not going to do it to the older people in this country.

Note: The exchange began at noon in the Oval Office at the White House, prior to a meeting with President Turgut Ozal of Turkey.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Turgut Ozal of Turkey

January 18, 1990

The President met for approximately 30 minutes in the Oval Office with President Turgut Ozal of Turkey. The meeting was followed by a working lunch in the Residence.

The two Presidents discussed a wide range of issues, including changes in the Soviet Union, the negotiations at Vienna on conventional force reductions, and NATO's vital role in a changing Europe. They engaged in detailed discussions of the situation in the Middle East and the sweeping changes in Eastern Europe, with special reference to the Balkans.

President Bush and President Ozal agreed to continue their pattern of close consultations and stressed the importance of U.S.-Turkish security cooperation at this time of rapid change in Europe and in East-West relations. The two Presidents also discussed Cyprus at some length and reaffirmed their support for U.N.-sponsored negotiations between Greek and Turkish Cypriots.

Remarks at the Bush-Quayle Campaign Reunion

January 18, 1990

Well, I'm delighted to see you all. And first, let me pay my respects to our chairman of the Republican National Committee and to Jeanie Austin, the cochairman. What a job they are doing for the party, and what a job they're going to do for winning in 1990.

I want to salute the ``G - 7'' -- two members of our Cabinet, and the others lined up here -- great friends. I value their counsel still, and I know very well that if I hadn't had their counsel back then I probably would not be standing here as the 41st President of the United States. So, my heartfelt thanks to all of you.

Let me just say a word of thanks to our outstanding Vice President, Dan Quayle. He is doing a great job for our country, and I am delighted to see him. And of course, the Silver Fox. [Laughter] I think she's doing pretty well for the country, too. Forty-five years -- some things never change. [Laughter]

I'm sorry if I'm late. The 18-wheeler got a flat. Then I got tangled up in the flag. Then the metal detector got set off by the silver foot. [Laughter] Does it all come back to you now? [Applause]

It's too bad a lot of our campaign staff couldn't be with us tonight. I understand that some of them are still waiting in the elevator in the Woodward Building over there. [Laughter] You remember those ritzy, patrician, Ivy League, elitist campaign headquarters -- [laughter] -- famous for its plush carpets, quiet telephones, priceless antiques -- [laughter] -- and that fine food you all ate? [Laughter] This is the truth. They did an informal survey over at Domino's. True story -- they said we ordered twice as much pizza as the Democrats. [Laughter] And true to our reputation, we tipped better, too. [Laughter] And now that we're in office, you might sum it up this way: We deliver. [Laughter]

It was a long, hard campaign. We all have our memories, but I remember riding in planes and kissing babies and hugging pigs and marching in parades and driving stagecoaches and tractor trailers and playing shuffleboard in Florida and standing under confetti cannons in California and waiting for yet one more balloon drop. But tonight, I really came over to thank you for one thing you did not ask me to do: You never asked me to make a video riding in a tank. [Laughter]

Some of the members of the press corps who had the good fortune -- or ill fortune, depending on how they looked at it -- of being assigned to our campaign would know that this is a true one, but I'll never forget it. Barbara and I were traveling in the car when they told us to look out the window to wave because these photo dogs were coming alongside for a photo opportunity. And so, we're both sitting there, smiling and waving and looking enthusiastic -- you know how you do in campaigns. [Laughter] And the truck full of photo dogs pulls up next to us, and they all

look over and say in unison, ``Pardon me, sir. Do you have any Grey Poupon?'' [Laughter] Don't say these guys don't have a sense of humor.

The Secret Service really never got into the act too well. They had one comedian, though. I'd been singing to myself in the car -- this is also a true story -- and as Barbara and I were getting out, she heard a quiet voice from behind the wheel in the front say, ``If I were you, sir, I wouldn't give up your daytime job.'' [Laughter]

Barbara tells a story about staying in a hotel and not having her bathrobe with her. In the morning, the room service knocked on the door with coffee, and she looked all over for a robe -- no luck. So, when the room service guy opened the door, the future First Lady was standing there, looking quite elegant, wrapped in a bedsheet. [Laughter] First Ladies do have a fashion effect, if you will, so start planning the toga parties; we're coming into an election year. [Laughter]

But we know -- she knows and I know and Dan knows and Marilyn knows -- we know well where the real heavy lifting happened out there in the campaign -- out in the field. And I'm talking about what you all know so well: the phone work, the signmaking, the all-nighters, the creative chaos, and the just plain making do with what you've got. I heard about the Orlando office scrambling to rent a forklift to unload 60,000 posters, only to find out that the forklift wouldn't come through the door. And so, for 2 hours -- truth -- in spite of blisters, sunburns, sore biceps -- the crew carried and stacked every one of those posters, all 60,000, by hand. And I can never forget my gratitude to those people.

The toughest part, for me, was the debates. Some time has passed, so I want to take a moment to recognize my opponent. He was strong, tough, tenacious, a real fighter. I gained a newfound respect for Dan Rather. What a team. [Laughter] What a team we had. [Laughter]

I referred to some of these guys standing back here -- Lee Atwater, the Republican master of R&B. [Laughter] He couldn't teach me rhythm, but he did teach the Democrats to sing the blues. And I believe they're just starting. [Laughter]

You know Bob Teeter. He promised me he'd always give us an accurate view of things. So, he tried to balance the good news and the bad news -- you know, 1 month of good news, 18 months of bad news. [Laughter] But he served us with wonderful loyalty and dedication, and I valued his advice.

In biblical times, Noah heard a voice that told him to go build an ark. The hero, you remember, in ``Field of Dreams'' heard a voice that told him to go out and build a baseball field. Poor Rich Bond. He heard a voice that told him to go build momentum in Iowa. [Laughter] But again, what a job he's done, what loyalty, what dedication that he's given me and Barbara and our family -- and all of us working together in the party.

Then we heard we were down by over 20 points, and a man named John Sununu predicted that we'd win New Hampshire by 10 points. What a kidder, right? [Laughter] But he did, literally. And he's versatile. He can take on the Democratic Party, bring in New Hampshire and, yes -- you're not going to believe this -- but he can even fix Xerox machines in the White House. [Laughter]

And then, over the course of the campaign, some say that it was Roger Ailes who gave me a personality. [Laughter] He made me seem more decisive. Well, I'm not sure about that. Maybe I am, and maybe I'm not. [Laughter] But he worked hard and was very well compensated. We paid him in pints of Haagen-Dazs [ice cream]. [Laughter]

And as for Craig Fuller, there's no way I can ever really express my gratitude to him -- my former Chief of Staff, with me every inch of the way. We'd call in; they'd say, get us the plane. That meant get ahold of Fuller on the telephone wherever he was. But he did a magnificent job.

I don't need to tell you my respect for Nick Brady and Bob Mosbacher, both of them now serving with great distinction as members of, I think, the finest Cabinet a President has ever been blessed with.

We'll let this party get back to being a party, but before I leave, I want to thank each one of you. I hope you'll pass along my thanks to those who couldn't be here.

We set out to win an election in 1988 for a reason. America's work is unfinished, but her promise -- I still believe it -- is unlimited. We live, as Rick Klun, a bass fisherman from Montgomery, Texas, said one day to 7,000 bass fishing fans in Arkansas -- he said -- young kid, learned to bass fish, and following -- in his jockey shorts -- following his Dad in the creeks of Oklahoma -- and he said, ``Isn't it wonderful to live in a country without limits?" And that's exactly the way I feel about the United States.

You've seen people flocking to our commitment to freedom and democracy all around the world -- wondrous changes, especially in Eastern Europe. And God bless those young kids that gave Panama's democracy a chance to be fulfilled now.

Here at home, in the '88 election, we sought power for its potential to help people. We wanted progress for a clean environment and the fight against drugs that savage our streets, and for the sake of the family, free institutions, free speech, and free markets, to make an America second to none in education, to ensure economic opportunity for all Americans. We knew what remained to be done.

So, we've introduced the first amendments to the Clean Air Act and a tough crime package and an innovative education bill. Carefully crafted for the S&L industry -- we've worked that out,

policies there, and trade, and conducted a foreign policy that we think our forebears would be proud of.

You and the many who aren't with us tonight pulled off incredible feats of endurance and faith during the campaign, day after day, for the sake of the party and the American people. And Dan Quayle, who put up with a lot during this campaign -- I might say, nobody took more heat and did a better job for our ticket and our election than he did.

So, Barbara and I came over here literally to try as best we can, from the bottom of our grateful hearts, to say thank you. Thank you for giving us this fantastic opportunity to serve the greatest country on the face of the Earth. God bless you all. Many, many thanks.

Note: The President spoke at 6:10 p.m. in the International Ballroom at the Washington Hilton Hotel. In his opening remarks, he referred to the ``G - 7,'' a group of his leading campaign advisers which included Secretary of the Treasury Nicholas F. Brady and Secretary of Commerce Robert A. Mosbacher. The President also referred to Robert Teeter, campaign adviser and pollster; Richard N. Bond, deputy campaign manager and national political director; John H. Sununu, Chief of Staff to the President; and Roger Ailes, senior campaign media adviser. The Woodward Building was the 1988 Republican campaign headquarters in Washington, DC.

Remarks at the Annual Convention of the National Association of Home Builders in Atlanta, Georgia

January 19, 1990

Well, thank you, Shirley, Florida's gift to the Home Builders and trusted adviser to this President. I'm delighted to be with you. I'm delighted to see a fellow Houstonian -- your next president, your incoming president. Marty, good luck to you in the travails ahead. I wish you the very best. And to other VP's here -- Mark Tipton and Jay Buchert and Kent Colton and Bob Bannister -- delighted to be with all of you. And, Patsy, what a job you've done on this convention. Thank you for including me in it.

It's great to see you. It hasn't been so long, has it, since that last meeting that Shirley referred to, in November. And of course, we have with us several other distinguished guests. Congressman Newt Gingrich is here, and Chalmers Wiley, so active in the housing business. [Representative] Steve Bartlett is over here, a fellow Texan. Kit Bond, Senator Bond -- great leaders in the Senate -- Senator Wyche Fowler flew down with me on Air Force One. So, you have a very distinguished congressional delegation here, and I expect I'm missing somebody.

Also with me on the plane -- and doesn't have that much to do with housing, but he's here and I'm very proud of him -- is Secretary Manuel Lujan, the Secretary of the Interior, who came with me -- over here someplace -- whoops, where is -- there he is on the end -- and other members of what I think is an outstanding Cabinet. And of course, I'd be remiss if I didn't single out an old friend of mine -- one fatal flaw, he's a Democrat -- [laughter] -- but one old friend of mine, and that is Atlanta's old and yet new mayor, my friend -- and I mean that -- Maynard Jackson and his family are here with us today, too. So, Maynard, we wish you all the best in the job ahead.

And what a treat it is to be back in Atlanta. In fact, I believe that it was in this very hall about a year and a half ago that the party opposite from mine held their 1988 convention. And of course, I have fond memories of that convention. It gave me a very good excuse to go fishing in Wyoming with [Secretary of State] Jim Baker. [Laughter] And the question was appropriately raised, ``Where was George?'' Albeit a year and half later, I'm proud to say, ``Here I am,'' proud to be with the Home Builders. Isn't it great to live in a country with no limits? Who would have thought that I would put my silver foot in the same place where Ann Richards talked? [Laughter]

In any event, it is great to be back among the Home Builders of America. I really hope you all appreciate one thing -- it's not every day that this association gets to hear from one who actually lives in public housing. [Laughter] And let me say parenthetically, I'm very sorry that my favorite Silver Fox is not with me. She's doing literacy work in Florida. But I might add, I am very proud of Barbara Bush, and I wish she were with me here today.

You see, before we moved to the White House, Barbara and I were a home builder's and, yes, a realtor's dream. We lived in 28 places in 45 years. And yet in a real sense, wherever we lived -- whether it was in Houston, Washington, New York, or China -- our family had one true home that we took with us wherever we went.

I remember the first place Barbara and I lived in, when our son George was just a baby -- a tiny, ramshackle shotgun house in the oil town of Odessa, Texas. It had a makeshift partition down the middle that cut the house into two apartments, leaving us with a small kitchen and a shared bathroom, an old water-drip window unit -- you remember those cooler units they used to use out there -- cranked up like a west Texas dust storm still couldn't drown out the noise of the all-night parties next door.

But that first house that Barbara and I lived in couldn't compare to those new ``smart houses'' that you in the NAHB are building. We were fortunate that the wiring even worked, while today you're putting telephone, television, and power together on one master cable, linked to a computer. It is remarkable what free enterprise and American ingenuity can do.

Yet despite it all, Lord Byron was right -- a home is a place in the heart. I can't speak for our neighbors, but for us that little tiny shack was home. And I have to wonder and worry how many families break apart because they can't afford to buy or rent a home even half as decent as that first place that we lived in. We cannot allow the high costs of housing to suffocate the financial life of America's young people. When it comes to housing, this must not become a society of haves and have-nots. And I salute your association, who understands that principle and is doing something about it.

The fact is that for the last decade and a half the cost of new homes -- the cost of the American dream, if you will -- has been escalating. Young couples just starting out, low- and moderate-income Americans, unmarried people trying to invest in the future -- and many are finding themselves priced out of the home market, especially new homes. To create decent housing that people can afford, the Government and the private sector must cut some redtape. So, I've asked my able, distinguished Secretary of HUD, Jack Kemp -- and what a job he is doing for housing in this country -- to convene a blue ribbon commission to identify these barriers to affordable housing construction and to make recommendations on how to eliminate them.

And while I'm at it, let me just get something off my chest. As you know, as I travel around this country, I've encouraged the planting of trees, and even planted a few myself -- half of which lived. [Laughter] But in these same travels, I see so many new suburbs that are utterly denuded of trees. Ironic, since the new owner's first instinct will be to plant as many trees as possible. Ironic also because trees clean out air. And so, I respectfully suggest as a former businessman that leaving the original trees might be a shrewd sales strategy. It's good for business, and it is very good for the environment.

But the truth is, there's one housing policy and one sales strategy that's better than all the others combined, and of course, I'm talking about a healthy, growing economy with low, long-term interest rates. This first month of the 1990's marks the 86th month of economic growth in America. And as Shirley says, it was housing that paved the way to the longest peacetime recovery in modern history. You built nearly 10 million single-family homes in the eighties and nearly 5 million multifamily units. And by working together, the housing industry will keep this country going strong in the nineties.

Now, you understand that the engine of homeownership in America is the private enterprise system. And by helping those entrepreneurs and risktakers, more Americans will have access to the dream of homeownership and decent housing. But to keep America moving -- keep it moving -- we will need the cooperation of Congress. And I can think of one simple action that Congress can take to give this economic expansion a boost. It has already been debated; it has already won the support of the majority of the Members in the House, the majority of the Members in the Senate. And what we need now is a simple up-or-down vote to cut the tax on capital gains.

Some call such a cut a favor for the rich, and they should know better. They should know what you know -- that a capital gains tax cut favors economic growth, jobs, and opportunity for working America. It favors every American who makes a living day after day, brick by brick, hammer on nail; and it helps those get jobs -- those who do not have jobs now. A capital gains tax cut will help every American who holds a job or owns a home. And so, I call on the Democrat leaders of Congress to give the American people a break and to let the House and Senate work their will by having an up-or-down vote on the capital gains tax cut -- and do it soon after the Congress comes back.

Also vital to the home buyer and the home builder alike are low and stable rates of interest. A 1-percent increase in the rate of interest knocks millions of families out of the market. In the last few years, millions of families could afford a new home because mortgage interest rates have dropped from 18 percent in the early eighties to less than 10 percent today. But I want to see them come down even more. I am not satisfied at 10 percent.

The 1990's must be another decade of lower taxes and lower interest rates; but to have a stable economy, it must also be a decade in which Washington at long last adopts fiscal policies as sound as those of the average American household. None of us is allowed to spend our bonus before we earn it, nor should Congress start planning where to spend a possible peace dividend. To the extent that the world events allows us to cut defense spending, then we should recognize that cutting the Federal budget deficit would be a true dividend for America's taxpayers and our children's future. We must get that deficit down.

And too often we forget, Congress forgets, that every house is the handiwork of an architect, a surveyor, a mason, a plumber, a carpenter, painter -- dozens of other working men and women.

And if Congress levies new burdens on our economy, it's these very people who will be put out of work. But of course, even if we do cut the capital gains tax, and even if we do keep interest rates low and get them lower, and even if we do protect the economy, this is cold comfort for those Americans who languish in the projects -- or the thousands of others who know no shelter at all. These Americans need help. They need hope. And so, that's just what I call our program that Jack and I are working on together: HOPE. It stands for Homeownership and Opportunity for People Everywhere. Our program addresses the full range of housing concerns -- from shelter, the homeless, to affordable housing for low-income families, to greater access to jobs.

Let's start with what HOPE can do for first-time home buyers. It's time Congress let Americans use their IRA savings to get into that first house.

And then -- God bless them -- there are those who must live in the poverty and fear of public housing. They're disproportionately minority Americans. And they suffer abuse from drug-dealing predators within, and the last thing they need is abuse from without. One of the first and, I think, very best things that Jack Kemp did when he came into office was to change HUD procedures so the drug dealers can be kicked out of public housing. We owe that to those people living in these public dwellings.

And concerning abuse from without, let me say just one thing: Atlanta is a great and cheerful city. It has proudly risen from the ashes of a distant past. And so, for those who plan to revel in a rally of hate here tomorrow, let them know this: Atlantans, like all Americans, turn their backs on bigots.

To escape violence and crime, to live in decent housing, our public housing tenants must first be empowered, empowered to choose where they want to live, empowered by housing vouchers. Low-income families don't need us to build new publichousing horrors, these edifices. They need decent low-income housing. And that's why I call on the Congress to extend the lowincome housing tax credit.

Earlier I discussed my capital gains cut proposal, but even this cut would not be enough for America's impoverished inner cities, often as desolate and as shattered as a war zone. No, for these communities, we've got to go one step further and eliminate the capital gains tax all together within these enterprise zones, because this surely will attract more investment and jobs and encourage more development in these areas.

There is something perverse about discriminatory lending practices that have kept the FHA out of the very places that need the most help. And so, my administration will ensure that FHA is true to its first mission: to make housing affordable for low- and moderate-income families. It's wrong to draw a red line around the inner city -- it's not right or fair. And we're going to replace the red line with a green line of opportunity and jobs for the future.

The centerpiece of HOPE is to let all Americans live in dignity and control their destiny. And dignity is exactly what resident management projects allow. Tenant management and tenant ownership is not just an experiment, it's the future. But even more is needed. We're all going to have to work in a partnership to solve the problems of the helpless and the homeless. My administration is going to do its part by expanding homeless assistance. Late last year I signed a bill that boosts funding under the McKinney Act to reduce homelessness. Our HOPE proposals will tie shelter with basic services for those in need. And Secretary Kemp, I know, will tell you later of the other steps we're taking.

You're doing your part. You certainly are, building and renovating shelters for the homeless, for battered women, for these troubled children and retarded adults. And you're working with the Job Corps, taking the unskilled, the out of work, and training them for lifetime careers in construction and maintenance. And again, I congratulate you on this commitment. What better Point of Light -- one American helping another have a better life.

But our partnership needs a third element: that constellation of volunteers I referred to that I call the Thousand Points of Light. I couldn't come to Atlanta without taking note of one such Point of Light: a part-time carpenter and his wife, who have provided shelter for so many in this very city. And of course, I'm talking about the former President, Jimmy, and Rosalynn Carter. They deserve our thanks, as do all the people behind Habitat for Humanity. [Applause]

And he was President, and he deserves the applause you've given him. And so does a woman named Ella McCall. Ella, once a homeless mother -- now she has her master's degree and serves the homeless as a social worker in a shelter in Washington, DC. And when the family strives to move out of a shelter into a home, they need her, they need Ella. When a homeless mother wanders lost with her children in tow, she needs Ella. And when I look out of the south window of the White House at dusk and see the distant figures of ragged men bedding down for the night, I pray to God that this country find more people like Ella McCall.

Your work in job training, Jack Kemp's work in tenant management and ownership, Ella McCall's work with the homeless -- all of this ultimately saves the taxpayers money. But this isn't about money, it's about caring. And if it takes love to make a house a home, then perhaps the same could be said of a country. For the poorest among us, America must not just be a place to live in but a home for all.

Thank you. God bless you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 11:45 a.m. in the Omni Coliseum. In his opening remarks, he referred to the following association officers: Shirley McVay Wiseman, president; Martin Perlman, incoming president; Mark E. Tipton, first vice president; Robert J. Buchert, vice president and treasurer; Kent W. Colton, chief executive officer; and Robert D. Bannister, senior

staff vice president for governmental affairs. The President also referred to Ann Richards, one of the keynote speakers at the 1989 Democratic National Convention.

Statement by Press Secretary Fitzwater on Development of Wetlands Conservation Policy

January 19, 1990

President Bush today visited the Everglades National Park to emphasize his commitment to achieving the goal of no net loss of wetlands. On December 13, he signed into law the Everglades National Park Protection and Expansion Act of 1989, which expands the park by over 100,000 acres. The President believes this type of environmental stewardship can coexist with economic growth and prosperity as we face the challenge of protecting the Nation's wetlands.

At the President's direction, the Domestic Policy Council, which has created a task force on wetlands, is in the process of examining how best to implement the President's goal of no net loss. The Domestic Policy Council review is expected to lead to recommendations for revising Executive Order 11990, which was signed in 1977 and directs Federal agencies to minimize the loss of wetlands resulting from Federal actions, but does not address the broader issue of achieving no net loss. In addition, the task force will examine other methods to achieve the goal of no net loss and make recommendations to the President in late 1990.

The task force has been undertaking background studies and briefings on wetlands preservation. During the coming months, the task force will hold a series of public meetings around the country to solicit public comment on appropriate strategies for achieving the no-net-loss goal, including consideration of the effectiveness of regulatory programs and the use of nonregulatory approaches. The meetings will also focus on specific issues, such as losses which are related to agricultural production, losses of wetlands in the Mississippi River Basin and along the Louisiana coast, and the unique challenges posed in Alaska. Information gained at these meetings will be used in the development of recommendations to the President.

The task force will accomplish its work through the use of small interagency groups, each of which will develop options on a particular issue for consideration by the full task force. These groups will address a number of issues, such as: the scope and meaning of the no-net-loss goal; specific Executive order language required to ensure that Federal policies assist in achieving the goal; the important roles of State and local communities and private conservation groups in preserving wetlands; the role of market-based incentives in wetland protection; mitigation of wetlands loss through replacement elsewhere; and additional steps that may be necessary to implement the no-net-loss goal, including whether legislative changes are required.

Nomination of William D. Phillips To Be an Associate Director of the Office of Science and Technology Policy

January 19, 1990

The President today announced his intention to nominate William D. Phillips to be an Associate Director of the Office of Science and Technology Policy. This is a new position.

Since 1989 Dr. Phillips has served as president of the Missouri Advanced Technology Institute in St. Louis, MO. In addition, he has served as science adviser to the Governor of Missouri, 1987 to present, and a professor of chemistry at Washington University, 1987 to present. Prior to this, Dr. Phillips was senior vice president of science and technology for Mallinckrodt, Inc., in St. Louis, MO.

Dr. Phillips graduated from the University of Kansas (B.A., 1948) and the Massachusetts Institute of Technology (Ph.D., 1951). He was born October 10, 1925, in Kansas City, MO. He served in the U.S. Navy, 1943 - 1946. Dr. Phillips currently resides in St. Louis, MO.

Nomination of Eugene Wong To Be an Associate Director of the Office of Science and Technology Policy

January 19, 1990

The President today announced his intention to nominate Eugene Wong to be an Associate Director of the Office of Science and Technology Policy. This is a new position.

Dr. Wong has served at the University of California at Berkeley as a professor of electrical engineering and computer science, 1969 - present; as an assistant professor, 1962 - 1965; and as an associate professor, 1965 - 1969. He has served as a fellow at Harvard University, Imperial College, and the University of Cambridge. Prior to this, he worked for IBM Research Center in Yorktown, NY, 1960 - 1962, and for the IBM Research Laboratory in Poughkeepsie, NY, 1955 - 1956.

Dr. Wong graduated from Princeton (B.A., 1955; Ph.D., 1959). He was born December 24, 1934, in Nanking, China. He is married, has three children, and resides in Berkeley, CA.

Nomination of Edward W. Kelley, Jr., To Be a Member of the Board of Governors of the Federal Reserve System

January 19, 1990

The President today announced his intention to nominate Edward W. Kelley, Jr., to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years, from February 1, 1990. This is a reappointment.

Since 1987 Mr. Kelley has served as a member of the Board of Governors of the Federal Reserve System. Prior to this, he was chairman of the board of Investment Advisors, Inc., in Houston, TX, 1981 - 1987. In addition, he has served as chairman of board of the Shoreline Companies, Inc., and director of Texas Industries, Inc.

Mr. Kelley graduated from Rice University (B.A., 1954) and Harvard University (M.B.A., 1959). He was born January 27, 1932, in Eugene, OR. He served in the U.S. Naval Reserve, 1954 - 1956. Mr. Kelley is married, has three children, and resides in Washington, DC.

Nomination of Jessica L. Parks To Be a Member of the Merit Systems Protection Board

January 19, 1990

The President today announced his intention to nominate Jessica L. Parks to be a member of the Merit Systems Protection Board for the remainder of the term expiring March 1, 1995. She would succeed Samuel W. Bogley.

Since 1988 Ms. Parks has been Associate Regional Counsel for Litigation and Program Enforcement at the Department of Housing and Urban Development in Atlanta, GA. Prior to this, she served in various capacities at the Department of Housing and Urban Development in Atlanta: Associate Regional Counsel, 1987 - 1988, and Assistant Regional Counsel, 1985 - 1987. She also served as Administrative Judge for the Merit Systems Protection Board in Atlanta, GA, 1982 - 1985.

Ms. Parks graduated from Tulane University (B.A., 1974) and the University of Tennessee College of Law (J.D., 1980). She was born February 4, 1953, in Chattanooga, TN. She is married, has two children, and resides in Decatur, GA.

Remarks at a Fundraising Dinner for Governor Bob Martinez in Miami, Florida

January 19, 1990

Thank you very much, Bob. Thank you, Governor. In case you missed it, Bar and I are pretty proud of our son Jeb -- smiling away when I think Bob honored him by asking him to be his campaign chairman. To Mary Jane Martinez and our chairman, Van Poole; our able Secretary of the Interior way down there, Manuel Lujan -- was with me all day long today -- and of course, to my old friend, the doer, Alec Courtelis -- I'll tell you, he does everything to help others -- and to our outstanding United States Senator, Connie Mack, who is doing a superb job up there in Washington; and Members of the U.S. Congress Mike Bilirakis and Bill Grant, Craig James, Clay Shaw, Bill McCollum, Porter Goss, and of course, your own -- and Bar and I feel like our own -- Ileana Ros-Lehtinen, right from this district here -- and I might say, parenthetically, I am very proud of the team that her husband is putting together here in Miami to see that justice prevails -- I'm very proud of Dexter Lehtinen.

You know, when it comes to standing by Bob Martinez, Barbara and I are not going to let anything get in our way, as much as we hate having to leave Washington in January to come south to Florida. We'll do anything that's required of us. [Laughter]

As you know, I originally intended to come here in December. But as I told Bar, in order to meet with the most important man in the Soviet Union, I had to postpone a get-together with the most important man in Florida. Barbara said, ``You know Dennis Erickson?'' [Laughter] Of course, those of us who are fans of Hurricanes, we're not alone. Every time you changed the TV channel this year, there was another team from Florida out there. I might say to Dennis and to Sam, I look forward to seeing you at the White House to salute your fantastic record. But tonight we're talking about another champion: my early supporter, my friend, a great Republican, and -- as Jeb pointed out, and Alec, too -- a great chief executive. And I'm talking about Bob Martinez.

You know, in the next decade Florida will need his leadership as never before. Every year, the equivalent of the population of a new city even larger than Bob's Tampa moves to Florida. And some say this growth is a mixed blessing. Everyone loves the new businesses and the new jobs, but growth can also bring problems -- how to preserve the environment, to fight crime. Florida's growth is the proof of Florida's prosperity. So, what you need is a Governor who has always seeked the best for Florida, who will carefully weigh the needs of nature and man, who will make the most of economic opportunity while protecting your own very special way of life. And that's the kind of Governor you need, and that's the kind of Governor you've got, and that's the Governor that we must reelect.

Some leaders look only for immediate political gain. Bob Martinez -- he looks beyond the horizon to the stars. And this has been an incredible year of change -- promises to be a decade of

change, beginning with the successful mission of the space shuttle Columbia. And now, thanks to Bob Martinez, American business is on the launch pad with Spaceport Florida.

And a President, too, must look to the far horizons, and the other great frontier of our time is the freedom frontier. The world in January 1990 is a very different place, very different than it was in January of 1989. Then the Berlin Wall seemed to be an impenetrable veil between East and West; now that Iron Curtain is open. And then a dictator reigned in Panama, and now the people rule in Panama. In fact, there are only two holdouts preventing a totally democratic hemisphere. So, let Daniel Ortega and Fidel take note: Like the dinosaur, the day of the dictator is over. They are swimming against the tide.

But this is an era of brisk change abroad. Let us also make it a time of great achievement at home. And Bob and I began this year by working together to help Florida farmers recover from the terrible freeze. And I was pleased at his suggestion to sign a major disaster declaration for southern Florida earlier this week authorizing Federal relief and recovery assistance. And we will work on a wide range of domestic issues, from the environment to crime fighting, sound economic policies and education.

But to be effective, we will both need the cooperation, not the opposition, of partisan legislators. Take clean air. Last summer, I proposed the first major revision of the Clean Air Act since 1977, one that uses market solutions to cut acid rain, smog, and other poisons in our air. And it was a balanced proposal. But Congress still hasn't acted, and so I call on Congress as soon as it reconvenes to preserve the balance, to keep costs under control, but to act on clean air.

And, yes, we have other environmental concerns. I know that every time I fish along the flats off Islamorada, I'm reminded of just how special Florida truly is. You have the longest coast of any State in the continental United States, some of it beautiful beaches, some of it lined with leafy mangroves; your interior landscape, a tropical jewel glistening with rivers and marshes and freshwater swamps, and the famous river of grass. Just this afternoon, as Bob referred to this, we toured the Everglades and saw sanctuaries for crocodiles and turtles. And this is the home of the royal palm and the bald cypress, the Florida panther, and so many other rare and endangered plant and animal species. And all these creatures, great and small, need very special protection.

So, Bob has been working with my administration to extend the Everglades eastward across the very land that we saw today. And this successful partnership between Florida and the Federal Government has been furthered by the able leadership of Manuel Lujan. Working with Secretary Lujan, Governor Martinez took the initiative necessary to make this major Everglades expansion a reality. He created the East Everglades Land Acquisition Task Force. And because the State of Florida was willing to set aside part of this land, I was able to sign into law a bill increasing the size of Everglades National Park by more than 100,000 acres. And because of our efforts together, we have ensured that the Everglades will remain an everlasting treasure for the children of America. In fact, I hear that even the alligators are pleased -- [laughter] -- so pleased they're

wearing polo shirts with a little picture of Bob Martinez on their chests. [Laughter]

And we will go further to protect natural Florida, but we also need common sense to protect another delicate ecology, if you will -- the ecology of an expanding economy with good jobs and good government. And as I start my second year as President, one of my prime economic goals is to cut the tax on capital gains. You see, I believe I know that such a tax cut would create even greater opportunities for more Americans. Now, of course, there's those who claim otherwise. They attack me for claiming this is a tax cut for the rich, but we know that such a tax cut will help every American who holds a job or owns a home. A majority, a majority -- Connie knows this well -- the Members of the United States Congress, Senate and House, are on record as wanting to cut capital gains. And therefore, I call on the political leadership in Congress to get out of the way of that majority. Let the will of the majority work on this important job-oriented piece of legislation.

Bob and I agree on other basic economic principles, as true in Tallahassee as they are in Washington, DC: When legislators send a spendthrift legislation, we send it back. But if legislators will work with us, we can devise creative new ways to use frugal means to achieve generous ends. And for those who say that we need to spend more money to get people off welfare, I say look to Florida -- look to Florida. Thanks to your Governor's Project Independence, 31,000 men and women, all welfare recipients, were able to use State training and education to replace welfare with work. And this is the best kind of antipoverty program, one that saves the taxpayers' money -- tens of millions of dollars -- one that really does work.

Bob and I share yet another goal, and that's to beat the scourge of drugs, a menace to the very future of America. Bob is the lead Governor on the substance abuse and drug trafficking for the national task force for the National Governors' Association. He set a national precedent by appointing a State drug czar. And he has worked to make parolees undergo drug testing with counseling -- to get straight and then to stay straight.

And Bob and I also share a philosophy about prison sentences: Make them at least as tough as the criminals you convict. And Bob has already stiffened the Florida code, added the prison space to enforce it. In Washington, Congress, to its credit, acted on part of my anticrime package. More money has been provided for additional prison space, more Federal law enforcement officers. But Congress has left too much work undone. And so, help Senator Mack and our Republican Congressmen here tonight -- all of them supporters -- our Members of Congress and me, help us all to get action on the rest of my violent crime package: to toughen Federal sentences for those using a firearm in the commission of a felony, to reform the rules of evidence, to support the police, to enact the death penalty proposal that I sent them. Join me in calling on Congress to take the shackles off the policemen, the courts, and the law.

Bob and I support an oppressed minority, one that's too often been stripped of its rights, and I'm talking about the victims of crime. I hope that each of you, one way or another, will try to help

out what I call a Thousand Points of Light, try to learn a little more about these organizations to help the victims of crime.

I say a killer deserves something else, and I'm talking about justice. And justice is exactly what Bob Martinez is dispensing in this State. So, let those who value life so little know one sure thing -- that when they come to Florida, they've reached the end of the line. We need to back up our law enforcement people.

But the challenges of the future also require vision and compassion, especially the challenge of preparing our children for the future. And if I might -- I am in great admiration of Barbara for what she's done over the years in working to help make our country a literate nation. We have an Educational Excellence Act, and that Educational Excellence Act has been one of my top priorities since I sent this legislation to Congress almost 9 months ago. To make our schools work, we must give parents, teachers, and children choice and flexibility -- and then hold everyone accountable for the results. And accountability should begin with the United States Congress. It's high time that Congress finished its homework and passed needed education reforms. When it comes to caring for children, perhaps Washington could learn a thing or two from Bob Martinez, who has worked so hard on behalf of children at risk, whose One Church, One Child program has placed so many foster children in loving homes.

I've spoken here at length about some of my hopes for this year because they mesh so well, you see -- they mesh so well with your Governor's outlook. But Bob's achievements stand alone, from the environment to crimefighting to preparing the children of Florida for the future. His would be a remarkable record of achievement for any Governor, but for this Governor, it's all just another day at the office.

The bottom line is this -- and this is what I came down to tell you -- I need Bob Martinez. Florida needs Bob Martinez. So, let's hit the campaign trail, the trail to victory in November.

Thank you. God bless you, and God bless America.

Note: The President spoke at 7:26 p.m. in the main ballroom of the Omni International Hotel. In his remarks, he referred to the Governor's wife, Mary Jane Martinez; Van Poole and Alec Courtelis, chairman and finance chairman of the State Republican Party; Dexter Lehtinen, acting U.S. Attorney; and Dennis Erickson and Sam Jankovich, football coach and director of intercollegiate athletics at the University of Miami. Following his remarks, the President and Mrs. Bush traveled to Camp David, MD, for the weekend.

Remarks to Participants in the March for Life Rally

January 22, 1990

Well, at first I want to welcome all of you gathered in Washington from around the country for this year's March for Life. Before you begin the march, I want to take a minute to share my deep, personal concern about abortion on demand, which I oppose.

For 17 years, the March for Life has served as a poignant reminder to all Americans that human life in all its forms must be respected. And I think all of you know my deep conviction on Roe versus Wade. The continuing strong presence of the March for Life reminds those of us in decisionmaking capacities -- in the White House and in the Congress and in the Court -- that millions of Americans care fundamentally about this issue and are committed to preserving the sanctity of life.

Your movement also reminds Americans, especially young Americans, of the self-evident moral superiority of adoption over abortion. We should all be grateful to the families that adopt babies, giving them care and love and a chance for a wonderful life.

Ladies and gentlemen, let me assure you that this President stands with you on this issue of life and that my prayers go out to all of you for your faith and courage. God bless you, and God bless life. Thank you very much.

Note: The President spoke at noon from the Oval Office at the White House, via an electronic hookup with the rally site. Participants had gathered on the Ellipse for a march to the Supreme Court on the occasion of the 17th anniversary of the Court's decision of Roe v. Wade, which legalized abortion.

Statement on the Appointment of Arnold Schwarzenegger as Chairman of the President's Council on Physical Fitness and Sports

January 22, 1990

I am pleased to announce the appointment of Arnold Schwarzenegger as Chairman of the President's Council on Physical Fitness and Sports, and I challenge him to raise the consciousness of all Americans on the importance of good health through physical fitness.

The physical health of all Americans must have a stronger commitment than an annual New Year's resolution. We now know that individuals can influence their health, fitness, and productive prime of life through the active pursuit of regular exercise programs. I have asked Arnold to chair the Council because I believe he is uniquely qualified to address and influence national health and fitness issues, especially among our youth. Arnold has devoted much of his career to the pursuit and advocacy of physical fitness. His abilities have produced a broad range of career successes involving athletic competition, acting, and business ventures.

The continued success of the President's Council on Physical Fitness and Sports is in large part due to the efforts of past Councils and Chairmen, especially immediate past Chairman Dick Kazmaier. I have asked Dick to remain on the Council so that his experience and knowledge can be of benefit to the new Chairman. I will be announcing other new members of the Council in the very near future, and I know that through the Council's work and Arnold's leadership physical fitness will become a priority for all Americans in the 1990's.

Statement by Press Secretary Fitzwater on Rural Development Programs

January 22, 1990

Today the President ordered the implementation of a report from the White House Economic Policy Council's Working Group on Rural Development, formed in April 1989 to analyze and evaluate existing Federal rural development programs and develop policy options for improving their coordination and execution.

The President has instructed Secretary of Agriculture Clayton Yeutter to implement six proposals designed to improve the coordination of rural development programs and serve as a catalyst for future initiatives. They are:

President's Council on Rural America. A Presidential Council will be formed with membership drawn from farmers, State and local governments, rural businesses, and high-technology industries to advise the Federal Government on improving Federal rural development policy.

State Rural Development Councils. Each State will establish a rural development council to coordinate Federal rural development programs in its region. Council members will include representation from the Office of the Governor and the State representatives of all Federal departments administering rural development programs locally. The council will identify and assess local rural development needs and coordinate the delivery of Federal and State rural development programs to meet those needs.

Rural Development Demonstration Programs. Under existing budgetary resources and programs, a series of rural development demonstration programs will be organized to identify regional rural development needs, develop plans of action to meet those needs, bring together the necessary resources, and evaluate the process and its results for possible application on a broader basis.

Rural Development Technical Assistance Center and Hotline. The Department of Agriculture will establish a center to provide technical assistance and detailed information on Federal programs that serve rural communities. The Center will also link callers with Federal, State, and regional program officials who can provide additional assistance.

Target Federal Rural Development Programs. Given limited Federal budget resources, the Federal Government will attempt to target rural development programs on those activities that generate the maximum net economic benefits. While most Federal rural development programs allocate funds by formula, programs with discretionary accounts will allocate funds to those activities where the payoff is greatest.

Economic Policy Council's Working Group on Rural Development. This working group will become a standing committee of the President's Economic Policy Council and will implement any rural development initiatives developed by the President's Council on Rural America and approved by the administration.

Secretary Yeutter will hold a press availability at the Department of Agriculture today at 10:30 a.m. to discuss these initiatives.

Nomination of James L. Kolstad To Be Chairman of the National Transportation Safety Board

January 22, 1990

The President today announced his intention to nominate James L. Kolstad to be Chairman of the National Transportation Safety Board for a term of 2 years. He would succeed James Eugene Burnett, Jr.

Since 1988 Mr. Kolstad has served as Acting Chairman of the National Transportation Safety Board in Washington, DC. Prior to this, he served as Vice Chairman of the National Transportation Safety Board, 1988; member of the National Transportation Safety Board, 1987 - 1988; vice president of the Pat Thompson Co. in Denver, CO, 1986 - 1987; aviation management consultant in Denver, CO, 1986; and senior director of communications and public affairs for Frontier Airlines in Denver, CO, 1978 - 1985. In addition, he served as Director of the Office of Community and Congressional Relations for the Civil Aeronautics Board, 1973 - 1978; Presidential advanceman for the White House, 1972 - 1973; Executive Assistant for Intergovernmental Relations for the Office of the Vice President at the White House, 1971 - 1972; Director of Intergovernmental Relations at the Department of Transportation, 1969 - 1971; and legislative assistant to Congressman James F. Battin, 1968 - 1969.

Mr. Kolstad graduated from the University of Montana (B.A., 1960). He was born March 3, 1939, in Washington, DC. Mr. Kolstad served in the U.S. Navy. He resides in Alexandria, VA.

Statement by Press Secretary Fitzwater on the Overseas Private Investment Corporation Mission to Panama

January 22, 1990

The U.S. Overseas Private Investment Corporation (OPIC) plans to recruit U.S. businesses for an investment mission to Panama, February 23 - 28. The OPIC mission will familiarize investors with the economic and political climate in Panama by providing direct access to representatives of Panama's new government and business community. The purpose of this mission is to help rebuild the Panamanian economy.

Panama's business infrastructure retains attractive features, such as transportation, communications, and financial services. It has excellent potential in agriculture, aquaculture, light industry, and tourism.

Preparation for the mission will begin with a preliminary trip to Panama by OPIC CEO and President Fred M. Zeder on January 31.

OPIC is the U.S. Government agency responsible for encouraging investment in some 110 developing countries worldwide. An increasingly vital tool of American foreign policy, OPIC encourages investors to explore overseas business opportunities. In the past year, OPIC has led investment missions to Poland, Hungary, Bolivia, sub-Saharan Africa, and other developing nations.

Nomination of L. Joyce Hampers To Be an Assistant Secretary of Commerce

January 22, 1990

The President today announced his intention to nominate L. Joyce Hampers to be an Assistant Secretary of Commerce for Economic Development. She would succeed Orson G. Swindle III.

Since 1985 Mrs. Hampers has served as an attorney with the law firm of Tierney and Manoil in Boston, MA. Prior to this, she served as the Republican candidate for the Massachusetts State Treasurer, 1986; attorney with the law firm of Rosales and Rosales in Boston, MA, 1983 - 1985; commissioner at the department of revenue for the Commonwealth of Massachusetts, 1979 - 1983; partner with the law firm of Blake and Hampers in Boston, MA, 1978 - 1979; and associate commissioner and member of the State tax commission at the department of revenue for the Commonwealth of Massachusetts, 1975 - 1978.

Mrs. Hampers graduated from Boston College School of Law (LL.B., 1967) and Boston University School of Law (L.L.M., 1969). She was born September 30, 1938, in Mount Vernon, IN. Mrs. Hampers is married, has three children, and resides in Chestnut Hill, MA.

Remarks at the American Spectator Annual Dinner

January 22, 1990

Thank you, David. And let me say that I deem it a high honor to be introduced by David Morse, a man I've known for a long, long time, a Nobel winner and extraordinary human being. And congratulations, sir, on the wonderful work of Libertad, the work that it's doing to advance the cause of freedom in the world. Let me also pay my respects and recognize Lord Henry Plumb over here, who is with us tonight, also a distinguished international figure -- very proud to be with him and many members of my administration and Senators and Members of the House of Representatives -- our whole team on Capitol Hill. And of course, I'm very pleased to be on Bob Tyrrell's kinder and gentler side. [Laughter] That's his right side, if any question about that.

I understand that this is actually the American Spectator's 1989 annual dinner. [Laughter] Now, that's true conservatism, you see. Wait until the year's over -- completely over -- until you decide whether it's worth celebrating about. [Laughter] But who am I to criticize? Actually, I've learned to be more forgiving about confusions involving the calendar -- ever since I made September 7th a date that would live in infamy. [Laughter]

But I am delighted to be here, and so is Barbara. We are to help celebrate tonight with all of you. Our nation's intellectual life would be more than a little poorer without the American Spectator surveying the scene. Your critical eye helps us see beneath the surface, see beneath and beyond the intellectual fads and fashions of the day, to the ideas and the enduring values that really matter in our society. That's a valuable service, especially today, because there is a tendency these days to mistake surface appearances for the substance of things.

Take an issue like homelessness. There is no condition more repugnant to the democratic values and the dignity of the individual, and there's no problem more susceptible to misunderstanding. We've all heard the law of unintended consequences. Well, what's at work here is what we could call the law of well-intended consequences. And in some ways, our difficulty with dealing with homelessness begins with the label, a label that tells us what the homeless lack is homes.

But the problem is far more complex -- more complex because the real problem of homelessness is not one-dimensional. There are homeless families, cases where the husband and the wife and the children are all together, out on the street. But most often, homelessness is a symptom of a more pervasive problem: drug or alcohol addiction or chronic joblessness or mental illness or family problems -- conditions that prevent the unfortunate people that we see on the streets from caring for their children, from keeping a home.

If our policy towards the homeless doesn't treat these causes, if it doesn't combine the basic need for shelter with other support servicesÿ7Eÿ7Eÿ7E thatÿ7Eÿ7Eÿ7E reachÿ7Eÿ7Eÿ7E theÿ7Eÿ7Eÿ7E realÿ7Eÿ7Eÿ7E reasonsÿ7Eÿ7Eÿ7E forÿ7Eÿ7Eÿ7E homelessness, all the best

intentions and all the housing in the world won't get the homeless off the street once and for all and back into society. There is no other way to truly help the homeless break the grip of life on the streets. And so, last November I announced what we call the HOPE initiative -- Homeownership and Opportunity for People Everywhere. Along with help for first-time homebuyers, this new proposal brings other creative solutions to the difficult housing problems facing low-income families -- not new public construction programs that too often prove to be expensive failures but more tenant ownership and housing vouchers to provide more options to more people.

But affordability is only one part of the problem -- availability is the other. We must renew the low-income housing tax credit to spur needed private construction. We've got to go even further. We need policies that encourage the growth and investment that provide jobs, the jobs that translate into homes. And we need enterprise zones to stimulate entrepreneurship. And we need to cut the capital gains tax. And in these pockets of poverty, these special enterprise zones, we need to eliminate that tax altogether.

But the real answer for homeless with mental problems or dependent on drugs or alcohol -- the real answer is shelter plus care. And you're familiar with the McKinney Act. It's now been signed into law and substantially increases funding to reduce homelessness. But the solution to the problems of the homeless require partnership -- Federal, State, and local. Through HOPE, we will improve coordination of basic needs, like shelter, with other social services to help the homeless get the support they need to control their own lives and find the jobs that mean the difference between a life of despair and a life of dignity.

But homelessness isn't the only issue where we need to look beyond superficial, quick-fix solutions. Take our schools, education. There is no single function more vital to society than what goes on in that classroom: cultivating the skills and intellect we need to succeed in the future, transmitting our values -- centuries of experience and hard-won wisdom -- from one generation to the next.

Now the conventional wisdom -- current wisdom, I guess you call it on the back page of the Spectator -- is that there's nothing wrong with our schools that can't be corrected, if only the Federal Government would just get out that checkbook and write a check. Well, we all know the bigger the pricetag, the better the quality, right? Well, the fact is, we already spend as much or more than the other industrialized societies and democracies on education -- an average of almost $4,000 per student each year. And we all know the results: Our schools simply are not making the grade.

So, what's wrong? It's not a question of cash. We've got to use our resources more wisely -- look to the schools that do work, find out why, translate their success into the goals that all schools can aim for. And then we've got to take two more crucial steps. We've got to give parents a choice in their children's schools, and we've got to give our schools the freedom and flexibility

they need to strive for higher standards -- and then hold them accountable.

There is no shortcut to better schools. And there's also no shortcut to the victory line in the race against drugs and crime. There's no simple solution to a problem as complex as this. And here again, it'll take a partnership of people reaching into every neighborhood and every school.

You know, at the Federal level, we've developed a comprehensive national drug strategy to attack this insidious plague on four fronts: enforcement, interdiction, education, and treatment. And I salute our drug czar, Bill Bennett -- why we call people czars in the United States, I don't know. But if there's ever a guy that deserved the title, it's Bill.

But over the past year, we've sent Congress our proposals -- and frankly, we have made progress in some areas. I'm pleased that Capitol Hill provided us with the reinforcements that we asked for -- new agents, new prosecutors, new prisons -- to catch, convict, and hold those who value America so little. But these new troops can't do it alone. Simply put, we must have tougher laws on the books. And that means increased mandatory time for firearms offenses, the death penalty for anyone who kills a law enforcement officer, and no more loopholes that let criminals go free.

Working together, the administration and Congress can make even more progress. But our drug and crime problems go beyond government solutions alone. Getting addicts off drugs or making sure that hardened criminals do hard time will take the commitment of everyone who cares about this country. And it will take a return to the values that have taught generations of Americans the difference between right and wrong. It's not an easy road to travel, but it is the surest route to a drug-free America.

And that's why, with all the flash and the fluff in the world today, there's something we can't afford to lose sight of, something deceptively simple: It's who we are that makes this nation what it is. You know -- we all know -- democracy is more than the machinery of government, more than just a system of checks and balances, clashing interests. More than anything else, democracy depends on the decency of its people. And I am convinced that there is in this country a deep reservoir of democratic decency -- a respect for others, a sense of responsibility, a solid recognition that values matter. This reservoir of decency is there for us to draw on to renew our dedication to the fundamental ideals of a free government.

And it's not a matter of each individual waging a lonely battle against the impersonal forces of society -- we're not alone. The values I'm talking about have a home in the family, in our churches, and in our communities. And these institutions are strong, much stronger than the alarmists out there would have us believe. Each of them contributes to our public life, enriches it in ways beyond measure. Each of them makes this nation strong, gives it a sense of purpose and a role in the world.

And this is the culture that sustains us, the culture that we must ourselves sustain. And that's our

challenge today. I must confess, I worry at times about the dissolution of the family, about the diminution of the family. But fundamentally, the institution is strong. And our challenge, then: to see the values and institutions that endure beneath the kaleidoscope of modern culture.

The American people understand there are no snap answers, that the only solutions that succeed are ones consistent with these core values. And for all the noise and the clatter of contemporary culture, that's cause for optimism. The calendar offers each of us convenient launch points for a fresh start. Sometimes it's a new day, a new year -- now, a brand-new decade. And the beginning of the nineties invites America to clearly put its signature on the 20th century, to write the next chapter in a book of spectacular achievements in freedom, economics, human advancement, world leadership. I welcome the nineties with a genuine sense of optimism. It's an ideal time to renew our vows and our values, time to look beyond the next paycheck and the next personal problem, time instead to look to the next generation.

And so, I am optimistic about our future for one compelling reason: To succeed, we do not have to acquire any new qualities. The courage, ingenuity, and compassion that made us the leader of the free world is still in every one of us. And we simply have to remember that the American adventure isn't over -- it's just begun.

Thank you all very much. God bless you and the Spectator, and God bless the United States of America. And thank you for letting Barbara and me come by.

Note: The President spoke at 7:25 p.m. in the ballroom at the Willard Hotel. In his remarks, he referred to Lord Henry Plumb, former President of the European Parliament, and R. Emmett Tyrrell, Jr., editor of the American Spectator, a monthly magazine.

Remarks to the Law Enforcement Community in Kansas City, Missouri

January 23, 1990

Thank you, Mayor Berkley. Thank you very, very much, all of you. Thank you very much. But how did you know that our dog, Millie, was the most popular person in the Bush family? [Laughter] I'm delighted to be introduced by my friend Dick Berkley, and thank you for that warm introduction. As he confessed, we go back a long, long time, and I'm grateful to him for his friendship and his leadership. I also want to thank and pay my respects to two that flew out here with me on Air Force One: our distinguished Attorney General, Dick Thornburgh; and our drug policy czar -- why we use the word in the United States, I do not know -- but our able Drug Policy Director, Bill Bennett. Both here with me today, and both doing a superb job for our country.

It's always good to see the Governors, and be with them, of these two great States, both friends -- John Ashcroft, from Missouri, and of course my friend Mike Hayden, from just across the line -- I think it's just across the line -- but both of them, side by side with us, recognizing that the States must have considerable influence, must take a lot of action, if we're going to solve the problems that I wanted to talk to you about today.

And of course, we also had some other travelers with me, friends of good standing flying out, your two able Missouri Senators, Jack Danforth and Kit Bond. Both -- whoops, they're here -- here's one. Where's Kit? Over here. And of course, Congressman Ike Skelton, my friend, and also Tom Coleman. And let me just say about this group of Representatives, Senate and House: All of them, all four, are taking leadership roles in this fight against crime. And I know that your Congressman from the district I just visited, Alan Wheat, wanted to be here. He is attending to duties in Washington. I hope he's doing the right thing back there, as Congress just reconvened. And of course, so many law enforcement and community leaders -- the police chief has been at my side, and the respect with which he's held by people in the communities is very clear and obvious -- Commissioner Ray Price.

And of course, I had a wonderful meeting with the Ad Hoc Group. I've known the leader of the group because he is serving on one of our most prestigious antinarcotics task forces in Washington, Presidentially appointed, working closely with Bill Bennett and me. Al, we're just delighted that you are willing to not only do what you are doing here but take the time to be a part of that. Al Brooks -- an outstanding leader for this community.

Then I had a list -- not to read off, necessarily, but I would be remiss if I didn't say how pleased I was with the briefing I received out here -- the Ad Hoc Group. Inspiring presentations -- and I won't mention them all, but Dr. Stacey Daniels, Dr. Mark Mitchell, one a Ph.D. psychologist, the other an M.D.; Cliff Sargeon, who just hitchhiked a ride with us somewhere along the line -- I

don't know where he is out there -- and of course, Ron Finley and Vic, Majeeda, Aasim -- so many others that just made this whole program come alive.

And now, before I get to my words, let me also salute the Army and thank the band from Fort Riley for that wonderful music. Outstanding, as always.

And I can tell you -- and mean it -- that it is great to be in the heartland, great to be back in Kansas City. And you know, Kansas City has so much of which to be proud. You've heard the tally: grassier than Ireland; built on more hills than ancient Rome; more water, more fountains than Paris. But you also know what really sets Kansas City apart. It is not your parks. It's your people. They call it the Kansas City spirit -- restless, idealistic, determined. It's the kind of spirit that pushed back frontiers and brought the railroads west, rebuilt a burned-down convention hall in 90 days, and survived three floods this century. And, yes, it's a community spirit, a spirit that emphasizes the value of collective well-being. Norman Rockwell captured -- in a painting called just that -- the ``Kansas City Spirit." It pictures a brawny, sunburned man, feet firmly planted on the ground, eyes on the distant horizon. And one hand clutches a blueprint, and the other's rolling up his sleeves.

And thank God, it's a spirit that is very much alive today, because in recent years, it's not the convention hall that's caught fire but the streets themselves, burning with a new form of pain called crack and crackling with a burst of gunfire not heard in Kansas City since the outlaw days of the Old West.

But people in this town refused to surrender to the drug plague. You took back what's yours -- took back your kids and took back your streets. It began like the spirit of Kansas City, when one man rolled up his sleeves and stepped forward with a blueprint -- a blueprint that's become a model for our cities, an inspiration to people everywhere. I had the pleasure of meeting with him, as I alluded to earlier, and with his group this morning; and I know that many more than I mentioned are here with us this afternoon. They're a group of homegrown Kansas City heroes called the Ad Hoc Group Against Crime, and the man's name -- you know him, Alvin to some, Al to me -- Al Brooks.

Ad Hoc recognized early on that the war on drugs meant unconventional warfare, a battle to be fought day by day, house by house, family by family, child by child, because each kid saved is a victory won. Working closely with police, Ad Hoc members gather in force -- gather by the dozen, using bullhorns, wooden coffins, street rallies -- to warn drug dealers to get off the street. They're not subtle. I just saw them in action out there. But they are determined, and they are united, and they are clearly making a difference.

I spent a part of the morning here in the downtown inner-city area. I can't remember a more inspiring experience since I've been President. Went to 33d and Park -- saw what they used to call the drug tree, an ancient, curbside oak where the drug dealers put up a basketball board to

lure young children and cover up their own deadly operations. And it's still a rough area, still not free of crime. But a lot of crack houses are gone, and a lot of pride's come back. And block after block, house after house carries the sign of victory, Ad Hoc's six-word warning to the cowards of the night: ``This neighborhood fights back against drugs."

Part of the solution to the drug menace lies in effective, community-based initiatives like the Ad Hoc Group here. Also, cooperation between local and Federal law enforcement is essential, as we saw last Friday when Kansas City police combined with Federal agents to bust what may be the biggest crack ring in town. Another part, an essential part, lies in the demand side: stopping drug use before it starts, and helping those who want to stop. And our national drug strategy calls for record levels of new funding for both education and treatment.

But demand-side solutions alone, important as they are, will never be enough. There are people out there intent on doing evil -- cowardly, amoral. And when they spot someone vulnerable -- the school kid who has to cross a drug-infested corner to get home -- they see their fellow man the way a pack of jackals sees a wounded fawn.

A 4-year-old boy shot dead in a suspected crack house; an 11-year-old kid gunned down outside another drug den, allegedly at the hands of a 14-year-old guard; in a downtown bar, a mother sells her baby for crack; and a firebombing leaves three generations dead, including a grandmother and three little kids -- the headlines are horrifying, sickening, outrageous. And though they come from Kansas City, they are tragically familiar in cities across America.

Strong families are an important element in a healthy, respectful society. Many of life's most important lessons are learned within the walls of our own homes, and we must do everything we can do to strengthen our families and help them cultivate character in our children. But let us also be clear about the role of personal accountability, of the responsibility of the criminal for his actions. The fact of the matter is, the criminal chooses his way of life, his companions, the kind of crimes he commits. He's not the victim; he is the victimizer.

And you who have struggled, worked hard for safe streets know this. It's time we protect the rights of our elderly, our kids, and our crime victims everywhere. The law-abiding community that you represent has a duty to punish wrongdoers. Punishment is not, as some may see it, an unseemly indulgence in revenge. Just punishment is a moral, civilized response to wrong. Punishment is necessary not only as a deterrent to future crimes but for its own sake -- which is to say, for the sake of justice.

This tradition of justice speaks not of a society that disparages human life but, rather, one that treasures innocent human life as precious, as unique. In Larry McMurtry's -- you remember it -- classic western novel ``Lonesome Dove," two Rangers finally put an end to a brutal gang's deadly rampage, and one of the outlaws turns out to be Jake Spoon, the Rangers' old partner. ``It's a bad situation," says Captain Call, moments before arresting his old friend. ``But there he

is. He put himself in it." McMurtry's saga, like the lives of the real-life pioneers who inspired it, reveals some simple truths. Most Americans believe each of us faces the innate temptation to succumb to evil and yet always has the freedom instead to choose to do good.

Today too many law-abiding Americans are prisoners in their own homes, and we really have to change that. We have got to change it. The wrong people are behind bars. Go to the community I came from. Talk to the lady and her husband in a Christian home, a cross and the Bible inside, locked in for fear of what's on the outside.

The first line of defense will always be our local law enforcement. But as in the days of legendary U.S. marshals like Bat Masterson and Wild Bill Hickok, places like Kansas City again need the support of top-notch Federal lawmen. Congress deserves our thanks for providing the new Federal troops that we asked for -- new agents, new prosecutors, new prisons to catch, convict, and contain those who prey on our cities.

But it's time for Congress, reconvening this very day, to finish the job, because it does no good to send the troops into battle wearing handcuffs. Shortly after taking office, I sent a comprehensive package to Congress to combat violent crime, to back up our new lawmen with new laws -- laws that are fair, fast and final. Fair -- an exclusionary rule designed to protect the truth and punish the guilty, and not good cops who have acted in faith. Fast -- habeas corpus reforms to stop the frivolous appeals that are choking our courts. And finally -- fair, constitutionally sound death penalty provisions, because for any drug dealer who kills a cop, no penalty, in my view, is too tough.

Major portions of our crime bill still await congressional action. But today there's another bill -- a Trojan horse standing at the gates of Congress. It's called S. 1970. It looks like a real crime bill. It sounds like a real crime bill. But look at it -- take a look at it. Go to the library and get it. In actuality it will be tougher on law enforcement than on criminals. And its so-called reforms of the exclusionary rule, habeas corpus, the death penalty, and the Justice Department itself will only entrench and extend the legal loopholes and the redtape that disrupt honest law enforcement and have angered the American people for far too long. It must be defeated. America needs a crime bill with teeth, yes, but this is a sheep in wolf's clothing.

We don't question anyone's motives. One of the things I don't like about politics -- maybe I should expect it, get into the arena, as Teddy Roosevelt called it -- it seems to be a charge and countercharge. I propose one agenda and somebody else, another. We don't have to question the other person's motives or integrity in making the proposal, but it is time to debate these differences openly. We can't accept anything -- and I will not -- that rolls back the clock on our ability to fight crime and punish wrong-doers. And good legislation shouldn't have to wait until the final weeks of an election year -- as happened in 1984, 1986, and 1988, just by coincidence. And America wants it done right. And America wants it done responsibly. And America wants it done now.

You in Kansas and Missouri, right here, have set a personal example of courage in grappling with tough choices. In this city, you fought back and you got involved and you refused to look the other way. And you have my thanks and the gratitude of an admiring nation.

In the Norman Rockwell painting that I mentioned earlier, the man with the blueprints is looking sharply to one side. They say a young boy saw the picture in a book and asked his father, ``Dad, Kansas City is in the center of America. Which way is the man facing -- west or east?" The father's answer was pure Midwest: ``Well, son, it sort of depends on which way you hold the book." [Laughter]

Of course, the truth is, it doesn't matter how you hold that picture. Because no matter how you look at it, the Kansas City spirit, the real Kansas City spirit, always faces the same way -- forward to a brighter tomorrow, forward to the future ahead.

Thank you for an inspiring day. Thank you for this warm greeting on this January day. God bless you all as we begin a new year. God bless Kansas City, and especially, God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 1:40 p.m. in the Kansas City Municipal Auditorium Music Hall. In his remarks, he referred to Larry Joiner, Kansas City chief of police; Ray Price, president of the board of police commissioners; and Stacey Daniels, Mark Mitchell, Cliff Sargeon, Ronald Finley, Victor Syng, Majeeda Baheyadeen, and Aasim Baheyadeen, members of the Ad Hoc Group Against Crime Steering Committee.

Nomination of Bradley Gordon To Be an Assistant Director of the United States Arms Control and Disarmament Agency

January 23, 1990

The President today announced his intention to nominate Bradley Gordon to be an Assistant Director of the U.S. Arms Control and Disarmament Agency for the Bureau of Nuclear Weapons and Control. He would succeed Kathleen C. Bailey.

Since 1987 Dr. Gordon has served as a legislative assistant for foreign policy, defense, and intelligence for Senator Rudy Boschwitz. Prior to this, he served as a professional staff member on the Senate Foreign Relations Committee, 1985 - 1987; political analyst for the Central Intelligence Office of Near Eastern and South Asian Analysis, 1979 - 1985; research assistant for the Middle East Institute at Columbia University, 1975 - 1976; and research assistant for the Bureau of Applied Social Research at Columbia University, 1975.

Dr. Gordon graduated from Brandeis University (B.A., 1971), the University of Vermont (M.A., 1974), and Columbia University (Ph.D., 1979). He was born May 22, 1949, in Burlington, VT. Dr. Gordon is married, has three children, and resides in Reston, VA.

Nomination of John Wesley Bartlett To Be Director of the Office of Civilian Radioactive Waste Management

January 23, 1990

The President today announced his intention to nominate John Wesley Bartlett to be Director of the Office of Civilian Radioactive Waste Management at the Department of Energy in Washington, DC. He would succeed Ben C. Rusche.

Since 1978 Dr. Bartlett has served as manager of nuclear technology at the Analytic Sciences Corporation (TASC) in Reading, MA. Prior to this, he served as manager of systems studies in nuclear waste for Battelle Pacific Northwest Laboratories, 1968 - 1978, and he was a Presidential exchange executive, 1973 - 1974. In addition, Dr. Bartlett served as a Fulbright professor of nuclear engineering at Istanbul Technical University, 1968, and as a faculty member at the University of Rochester, 1962 - 1968.

Dr. Bartlett graduated from the University of Rochester (B.S., 1957) and Rensselaer Polytechnic Institute (M.C.H.E., 1959; Ph.D., 1961). He was born October 18, 1935, in Camden, NJ. Dr. Bartlett is married, has two children, and resides in Lynnfield, MA.

The President's News Conference

January 24, 1990

The President. Good morning, good morning. Well, as you know, I'll soon present my budget to the Congress. And as I prepare to do so, it strikes me that our nation faces challenges on many fronts, so let's give each the attention it deserves. Tomorrow I'm going to announce the second phase of our strategy to fight drugs in the schools and the streets of America. The future of this country depends on whether we can give our children a chance to grow up drug-free.

And secondly, I will soon present our plan to restructure America's defenses in the wake of the dramatic changes that are taking place abroad. And I'm proposing a defense budget that begins the transition to a restructured military -- a new strategy that is more flexible, more geared to contingencies outside of Europe while continuing to meet our inescapable responsibility to NATO and to maintaining the global balance.

And finally, Secretary Brady and Director Darman and Chairman Boskin will put the details of our budget before the American people. And as that occurs, other members of the administration, the Cabinet, key agencies will provide an in-depth outline of their efforts to address the many challenges of caring for the afflicted and uplifting the poor, cleaning the environment, educating our kids, as well as other important issues. All of this is a preparatory to the State of the Union, 1 week from today, in which I will speak to the broader issues that we face as a nation.

There are two items that I want to mention here today, and then take some questions. First, I've decided that the environmental challenges that face America and the world are so important that they must be addressed from the highest level of our government. And at the beginning of this century, President Theodore Roosevelt helped pave the way for the establishment of the National Park System. Twenty years ago, President Nixon established the EPA, Environmental Protection Agency, by Executive order. That is now one of the largest and most important regulatory agencies in the Government. And today I'd like to announce another step forward in this important tradition of support for conservation and environmental protection.

Many countries have environmental ministers with Cabinet status. And I'm convinced that that Cabinet status will help influence the world's environmental policies. So, with so many difficult decisions ahead I'll need Bill Reilly's counsel; I'll need him sitting at my side in the Cabinet. And I'm pleased to endorse the elevation of the EPA to Cabinet status by creating a Department of the Environment.

Senators Glenn and Bill Roth, chairman and ranking members of the Senate Governmental Affairs Committee, have introduced legislation that would create this Department. Congressmen Conyers and Horton are working on similar legislation, and I look forward to working with them

and other interested Members of the House and Senate to enact legislation that would bring EPA to the Cabinet table, where it now belongs.

And now I'd like to address one other issue that I know is foremost on your minds. Every American should know -- I want to take this opportunity to state this as strongly as I can -- that I will not break faith with the Chinese students here. I've made that very clear from the very beginning. And right after Tiananmen, I moved to protect the Chinese students in this country. Not one was sent back. They were safe then, and they are safe now, and they will be safe in the future.

And when Congress passed the Pelosi bill last fall, I was faced with a choice. If I signed the bill, the students would still be safe, but China would retaliate and cut off future student exchanges. You see, I think the exchanges have brought forward the reforms that have taken place in China, if you look back over your shoulders for a starting point and compare it to the Cultural Revolution days. Some of the reforms have taken place; steps have been taken forward. And regrettably Tiananmen was a gigantic step back. But I want to keep contact; I do not want isolation.

If I vetoed the bill, I could take action to provide the students with even greater protection while keeping the door open for more Chinese scholars to study here. And the price of the Pelosi bill is lost opportunity for the Chinese scholars of tomorrow, and people should understand that very, very clearly. The bill is totally unnecessary, the long-term policy consequences are potentially great, and Congress, in my view, will have only itself to blame. I can understand their emotion, but we've got to look at policy, and we've got to be fair in what has already been accomplished by the Executive order. It's a strong message. I want it to be seen exactly that way.

And now I'd be delighted to take any questions.

Soviet Civil Unrest

Q. Mr. President, how serious a crisis is the nationalist rebellion in Azerbaijan for President Gorbachev, and what are the chances that he'll survive this test and the challenge from the Baltics?

The President. Well, I think the answer to your question unfolds every day. We don't really know. And it is serious. Gorbachev has always indicated a desire for peaceful change inside the Soviet Union, and I refer to what he said on the Baltics. He's faced with an ethnic problem here and an internal problem of enormous dimensions. But I don't know, Terry [Terence Hunt, Associated Press]. I can't make predictions about that, but I know that I hope that he not only survives but stays strong, because I think it is in our interest that perestroika succeed and go forward.

Q. Could I just follow up on that? Do you think that he's gone too far in the crackdown in Baku?

The President. Anytime you have a use of force and the loss of life, we are concerned. But I don't believe I can judge that question right now.

Gun Control

Q. Mr. President, you're very concerned with drugs, and drugs are intimately connected now to guns. What do you tell your grandchildren on why you would ban semiautomatic foreign-made guns and not domestically produced? There were two students who were killed in the last 10 days -- high school students here. Aren't you deeply concerned? I mean, where's the lethal legal justification?

The President. Yes, I am concerned. And I just don't happen to believe that banning of weapons will take them out of the hands of the criminals. And we've seen State law after State law violated by the bad guys getting the weapons, so I don't want to go for more Federal gun control. I'm not going to do it. We've taken some steps that I think are helpful.

Q. Well, we are sending weapons, though, to Colombia and so forth, that are made in this country. How do you stop that?

The President. To Colombia?

Q. And to other places where they're getting into -- --

The President. Well, if they're going to the Colombian Government, I wouldn't stop it, and if they're going to the bad guys, we would follow every possible avenue to stop it.

Chinese Student Relief Legislation

Q. Mr. President, back on China for a moment. It appears your veto will be overridden in the House today. That would require Senate actions for the job to be complete. I know you met with Senate leaders this morning.

The President. I did.

Q. Are you confident that just these remarks you've made out here today and whatever else you may have said will be enough; or do you really feel that the Chinese leadership, with whom you've dealt with so long, kind of let you down here and didn't give you a strong enough hand?

The President. Well, what I did to try to -- in talking with the Senate leaders this morning, the

Republicans -- is to cite certain steps that China has taken. They've accepted the Peace Corps volunteers. You see, I think that's good. People will say, well, in the face of Tiananmen that's not good. I think it is good because I think cultural contacts, educational contacts will benefit, in the long run, democracy and reform in China. They've accredited a VOA correspondent -- as you know, who were kicked out. They've muted the hostile propaganda against Americans and stopped harassing the U.S. Embassy. That's good. That's important to me, as President, who feels a certain responsibility for the people there. They've given some assurances on missile sales -- want to see them follow up, but I think that's positive. They've reopened the Fulbright [student] exchanges. I think that's good, and I think that's positive.

And I think if we let Congress have its head and do what is emotionally popular, these things would be changed. They've lifted martial law. I don't know a single Member of Congress that if I'd have said to them, look, we think by sending General Scowcroft [Assistant to the President for National Security Affairs] and Larry Eagleburger [Deputy Secretary of State] over there we can get martial law lifted; do you think it's worth it -- I think most would have said sure, that would be a good step. It happens, and we see a lot of criticism of it. They've released 573 people that were detained after last June's events.

You can argue about any one of these points, but I ask the Senate and the House -- it may be a little late for that one -- the Senate to take a look at these things and put it in the totality of a policy. And you see, I think there are some real reasons -- Asian reasons, if you will, Cambodia and Japan -- that we should retain relations with China. That doesn't mean we endorse the lack of human rights.

I tell you, one of the criticisms that gets to me a little, and I vowed -- I didn't tell you my New Year's resolution was not to let it get to me -- but is the idea I don't care about human rights. That is absolutely ridiculous. I want to see China move forward. And some think isolation, some think a railroad up there in the Congress is going to do it. And I don't think so. I think we're handling it pretty well, Brit [Brit Hume, ABC News].

Q. Just to follow up, Mr. President: Did you in any way convey to the Chinese leaders the idea that these steps taken so far would be enough to head off this action taken by Congress, which they must find as unfavorable as you?

The President. No, we didn't give a timetable, but we've encouraged in every way we can these and more. But I'm just asking that people look at them. I have not seen them -- maybe it's my fault -- one account, on whatever media, of these steps put together as a package. I haven't seen one. So, I'd like to suggest to the Congress that are debating this to take a hard look at this and see whether it's progress, whether it adds up to anything or, as some of our critics would say, is pure boilerplate.

Q. Mr. President, in voting, in the House particularly -- you seem to be conceding that that's

gone for you -- do you think that there's a problem of trust here with you? Are they saying they don't trust you to go forward on this student thing? After all, you told them you weren't going to have high-level exchanges, and while you were telling them that, you were sending a high-level delegation. Do you have a credibility problem?

The President. Where was the exchange in that? What the exchange was, Lesley [Lesley Stahl, CBS News], was when the Secretary of Commerce was going to go to China in an exchange visit arranged by their Commerce Minister. That was canceled.

Q. Yes, but they obviously thought it included high-level contacts. The question is -- --

The President. Who were they?

Q. -- -- do you think you have a problem with them not trusting you because of that?

The President. No, I don't think it's a question of trust. I think the students have done a very good job presenting their case to the Congress. I think there are some politics involved -- crass politics. When you hear name calling, when you hear people saying ``kowtow'', that is not the kindest word to say we have an honest policy difference with this President. And so, there's some politics involved in this as well.

But I think there's some genuine feeling that these students have a very good case. And what I want to do is make the case that the way to continue reforms and have reform go forward is not through isolation and unilateral congressional action but through the kinds of contacts that I foresee and encouraging the kinds of steps that have already been taken.

Q. You talk about the lifting of martial law. What about the situation as it exists without the gesture? Are you at all disturbed that the repression goes on? Could you be -- --

The President. Yes, I'm very much concerned about the status quo. And I was terribly concerned at the time of the Cultural Revolution, when we made the original contact with China. And it was a good thing we did because you began, through contacts with the West, to see China pull out of this Middle Kingdom syndrome and move forward.

And I think I know enough about it: that in China you get a couple of steps forward and then somebody steps back. And a look at Deng Xiaoping's own history -- I think he was out three times and in four. And some will argue, well, he's part of the problem. He's now retired. But the reforms, particularly on the economic side, that brought a new level of prosperity to the Chinese people really was started by him.

So, I'm not giving up -- I mean, I'm not accepting the status quo at all, and China knows my position on this. But I do think that there's some indignation about students. There is some

feeling -- I'm talking about the Congress now -- there's a lot of empathy with the students right here. But I think there's also a dose of political rhetoric up there that certainly has diminished the other side. And I will readily concede: Maybe I could have done better and sooner in presenting the facts of this case. The Attorney General's doing a good job showing the differences between the Pelosi bill and what we've already accomplished. I don't know where we'll come out, but I'm going to keep on working the policy.

The Nation's Economy

Q. Mr. President, given the weakness of the dollar and the turmoil in the financial markets and the recent poor economic indicators, what are you going to do to calm the markets and keep the economy from sliding into a recession?

The President. Well, one thing I'm not going to do is comment on levels of the market, except to say that there's been a substantial increase over the last year. And some are reading the recent couple of days as corrections, although I gather it recovered a little bit yesterday. And the market has always been an indicator, and it's been one that's been read quite positively. But I don't want to get into market levels. What I do want to do is establish sound policies. And I'm convinced that if we can get the cooperation of Congress that we need on reducing the deficit, that that will go a long way not in market prices but in terms of the fundamentals on the economy.

It's slowed down a little. There's a lot of prediction that it'll be slow for awhile and then have a rather robust step up, come summer. But I don't know. All I know is that we've got to not bash anybody but get out there and try to enact policies that will help keep the longest recovery in modern history going.

Q. You've said that you felt that there was room for further reduction of interest rates. Given the need to attract foreign investment from overseas where rates are high, how do you square that with your call for lower interest rates?

The President. You mean, to attract -- --

Q. Attract foreign investment to cover the U.S. deficit -- and yet we're competing against the foreign investment.

The President. I think people see the U.S. still, regardless of what's temporary out there, as the safest haven for investment anywhere in the world. And I want to conduct the fiscal policies of this government so they will continue to see it that way.

China-U.S. Relations

Q. Going back to the vote on the Chinese student visas, you and your people have been trying to

get that vote delayed. Is that because you have some indication from the Chinese that they may soon release Fang Lizhi [Chinese dissident] -- --

The President. No.

Q. -- -- and if this vote goes against you, it could hurt his chances?

The President. No, it is not, but I don't think it will help his chances. But I would love to see that step taken by the Chinese. I think we're reconciled to the fact that the vote will go forward tomorrow in the Senate.

Q. When you try to defend your China policy, one thing you never do is talk about the ``China card." You seem to hate that expression, even though when Kissinger and Nixon were doing it, it was considered a master stroke of foreign policy, playing the Chinese off against the Soviets. If Gorbachev does fall from power and is succeeded by men whose role model is Joe Stalin, aren't you going to have to play the China card, too?

The President. I don't think you play a card. I think that's gratuitously offensive to the Soviets and to the Chinese. But one of the reasons I want to stay engaged is that there are geopolitical reasons to have good relations -- or improved relations, even under these unsatisfactory conditions. And it's going to be hard to do because of the human rights setback, but I want to have some contact. I want to retain contact because, as you look around the world -- take a look at Cambodia, take a look at Japan, take a look at a lot of countries in the Pacific -- China is a key player. And I'd like to think that our representations will have them move forward on the human rights side so we can have a more normalized relationship with them.

Soviet Civil Unrest

Q. Mr. President, regarding the Soviet Union, have you in the course of these events going on in Baku, or any of your senior people -- I see General Scowcroft is here -- been in touch with Mr. Gorbachev or his people to discuss how severe it is?

The President. Well, we've had contact with him. I don't remember when my last contact was with Mr. Gorbachev, but it didn't relate specifically to the Baku -- --

Q. Could I then follow, sir, to ask you to reconcile, if you can, the position that you've taken: that you say you want Mr. Gorbachev to survive and succeed; and on the other hand, you have areas of the Soviet Union, such as the Baltics, that you do not recognize as being part of the Soviet Union and where you say you favor independent pursuit of their own destiny. Does he succeed if they secede?

The President. Again, at this juncture the U.S. position is well-known, and you've stated it

correctly: that we have not recognized the status of the Baltics. However, what I say that we want to do is to encourage Mr. Gorbachev's stand that peaceful change is the order of the day. And he's sorting out some very difficult internal problems in these three Baltic countries. And I don't think it helps facilitate things for us to fine-tune all that. They know our position. I talked to him about this, incidentally, at Malta. And the thing, I think, is that -- in looking at the Soviet scene there -- that he is still adhering as best he can to the concept of peaceful change in the Baltics. And that's got to dominate.

European Borders

Q. Mr. President, President Jaruzelski of Poland recently suggested that the four big powers reaffirm the frontiers of Poland irrespective of whatever happens to Germany. Would the United States join such a reconfirmation of the frontier?

The President. Well, we have recognized under Helsinki [accords] existing borders, and I have no problem reiterating that. But whether that requires some kind of an international action on it -- I just have no judgment on that.

Czechoslovak Summit Proposal

Q. Mr. President, Havel, of Czechoslovakia, proposed yesterday a summit [in] Prague between Mr. Gorbachev and you. Do you think it's a good idea?

The President. Listen, I respect him so much, and I don't just give him the back of my hand. But we've got a summit set, and we have a very critical agenda that I want to see met -- goals that I want to see met. And so, I think at this time that suggestion is not going to work out the way he suggests. But I was rather moved by the suggestion and by the conditions that make the suggestion possible. Who would have dreamed this a year ago, that the conditions inside Czechoslovakia would give them the freedom to make this kind of suggestion? I was rather moved by it. But I don't believe it's going to work for this summit.

Social Security

Q. Mr. President, you've opposed the Moynihan Social Security bill strongly. Would you endorse or work for or support a Republican alternative proposed by Congressman Porter that would take the Social Security increases for this next year and allow people to keep those tax increases and put them in a separate account?

The President. The Porter proposal has some interesting ingredients to it. I am not prepared to endorse it. We don't have provision for that in our budget proposals. It's worthy, though, of consideration, of some study. But I'm not prepared to endorse that; no, I'm not.

Q. Is that not the first step to privatizing Social Security?

The President. Well, I don't think he would say that that's the inevitable goal, but it has certain aspects there. But the people are concerned about Social Security. So, when you have innovative thinking of that nature, I don't want to just gun it down. I am not going to support it.

Q. Mr. President, over the last few years there have been large increases in the Social Security tax. And even though it's a regressive tax, people supported it, or swallowed it, because they were told that that was necessary to make the system solvent for the next generation. But now everyone is finding out that, in fact, that money isn't there any longer, that it's been used for debt reduction. Given the fact that people are now realizing that this is happening, do you think it's fair to ask them to continue to pay this increased tax for even 1 month later?

The President. The Commission that reformed Social Security was well-aware of what you've just talked about. They considered it. I think the Commission included Mr. Moynihan -- I may be mistaken, but I think it did. And they considered this point. And we will have some innovative suggestions as we go along here as to how to compensate for this understandable concern on the part of some. But for now, for this year, we will not alter the recommendations of that bipartisan commission.

Q. Could I just briefly -- do you feel that this increase was sold to people under false premises?

The President. No, because I think these were intelligent people wrestling with a very, very difficult problem, and I can't accuse them of selling the Commission conclusions as under false cover.

Q. Well, as you know, the budget deficit has been coming down over the past few years solely because the Social Security surplus has been rising. In fact, your own budget projections show $200 billion a year deficits in the indefinite future when you remove the Social Security surplus. Given the fact that you have such a large deficit in every other program, when will you and the Congress stop both bickering and accountant gimmicks and deal with this problem that the American public has said for a decade -- --

The President. Thank you for the endorsement of our approach, Owen [Owen Ullman, Knight-Ridder Newspapers]. We would urge that we stop bickering and go forward with the proposal that we come out with, that I think will begin to address itself to Maureen's [Maureen Dowd, New York Times] question, that is very sound. And nobody's trying to conceal the fact that the Social Security Trust Fund is operating at a surplus. There wasn't any concealment by the Speaker of the House Tip O'Neill and others that entered into this bipartisan agreement.

Q. Well, wait. If I could follow, sir: Your own budget proposal that you will unveil on Monday, which shows a $64 billion deficit, in fact, if you remove Social Security, would be closer to

$150 billion. Is that not correct?

The President. But you're making the old argument of taking the Social Security Trust Fund off budget. And at this juncture we're not prepared to do that. But wait until you see the detail, and I hope the American people will see something here that begins to address itself to these fundamentals that I think are properly being asked about.

Abortion

Q. Mr. President, could you confirm this week's published report that there are divisions within your own immediate family on the issue of abortion? And in particular, could you confirm the widely held view that your own wife supports abortion rights?

The President. No, I couldn't confirm that. And the meeting that I read about in one of the most respected publications was pure, unadulterated -- [laughter] -- malarkey is the word I like to use. It just wasn't there.

Q. Mr. President, if I could follow up: As I understand your position, you now say that the question of abortion is one of personal choice, one on which Republicans can have diverse views and still be good Republicans?

The President. I've always said that. I've campaigned for people that disagree with me on abortion.

Q. But my question is: You say it's an issue of personal choice and a question of conscience, and yet you support a constitutional amendment which would remove that choice for all Americans. How do you reconcile those two?

The President. I reconcile that I was elected to try to fulfill the platform and the programs that I believe in. And so, that's my personal choice, but that doesn't mean I have lack of respect for others and that I'm going to go out and not campaign for people that disagree with me on this issue, on foreign policy, or whatever it is. And so, that's how I explain it.

U.S. Military Action in Panama

Q. Mr. President, last time you took questions here, you were claiming success for the capture of Noriega and also that you had protected American lives in Panama. But what do you have to say to the Panamanians about more than 200 civilian Panamanians that were killed as a result of this invasion? And also, in your aid package to Panama, which hasn't been announced yet, do you plan to offer any compensation to the families of these people?

The President. Well, I'm not sure of the details on the aid package because I haven't signed off

on it yet. But what I say to them is: Look, you lost some Panamanian lives. Innocent life was lost. And yet, 92 percent of the people in Panama strongly supported the action of the United States. Isn't that significant? And I mourn the loss of innocent civilians in Panama or anywhere else, and certainly mourn the loss of Americans. But you have to feel concerned about that, but you have to look at the broad picture, and then you have to -- and I'm very pleased with the strong support from the Panamanian people -- and then you've got to do what's right. You have to try to help repair the wounds, repair the damage.

We've got to go to the -- I know most of you are very anxious to be at the arrival ceremony out there. And I have to be there.

Taxes

Q. Mr. President, another question that's been raised about the Moynihan proposal is the fairness of the tax system. Over the past decade, even as income tax has come down for high-paid people, Social Security taxes have gone up, mostly for lower and middle-income people. Do you think that's fair?

The President. Well, look, if we were all starting over, I think we could fine-tune the entire tax system. We're not starting over. And I think that system has been, in and out over the years, basically a pretty fair system. And while I'm here, don't think I've lost because of some political arguments on the Hill that capital gains reduction is only for the rich. I support it. But the reason I do is that in my view it increases jobs for people. So, you have to look at what individual -- somebody has an idea that some individual deduction that encourages, say, drilling, when we are in an increasingly negative oil supply situation. And some would say, hey, that favors those who go out and drill. And I say, wait a minute. That's true. And that may not be fair to some taxpayer here, but the national interest is best served by the encouragement and development of domestic resources. We're all fat, dumb, and happy about our energy situation today -- and I'm not. So, there's all kinds of provisions that some will argue are fair or unfair.

Q. But, sir, some of your favorite economists in think tanks say that the Social Security tax acts as a great disincentive to work and to employing people.

The President. Yes.

Q. Doesn't that serve the same end?

The President. Well, I think that's a legitimate complaint about some of it, and that's one of the reasons I favor holding the line on taxes. And one of the reasons I oppose Moynihan is I think it's a disguise for increased taxes around the corner. And I don't want to see the benefits of Social Security cut. It is odd that a Republican President, often accused by political opponents in an election year, is the one that is protecting the sanctity of the Social Security benefits. And I

would say to those out around the country: Take a hard look now -- don't let that rabbit be pulled out of the hat by 1 hand and 25 other rabbits dumped on you in another. This is a very complicated situation, and this is a sleight-of-hand operation here. And the very day Moynihan proposed it -- or the next day, what do we get? We get the call from another prominent, respected Democratic Senator saying raise the sales tax on everybody.

Before we go making a lot of changes, let's know exactly where everybody's coming from in this. And I think Mr. Moynihan of a few years back ought to go out and discuss it with Mr. Moynihan of today, because he was a part, I believe, of a Social Security compromise that didn't correct some of the injustices.

Hey, listen, I've got to be out there looking very strict here at 10 a.m., and you guys have to be there.

Note: The President's 33d news conference began at 9:16 a.m. in the Briefing Room at the White House. In his opening remarks, he referred to Michael J. Boskin, Chairman of the Council of Economic Advisers.

Remarks at the Welcoming Ceremony for President `Ali `Abdallah Salih of the Yemen Arab Republic

January 24, 1990

President Bush. Mr. President, it is my great honor to welcome you to the White House and to extend to you the greetings of all Americans on this historic visit to our country, the first ever by the President of the Yemen Arab Republic.

And I know this is a proud day, too, for the over 40,000 immigrants of Yemeni heritage who have settled here in the United States, and I know that you'll be meeting with members of this American-Yemeni community during your stay. And, Mr. President, I want you to know that I share with them the hope that relations between our two nations will continue to prosper and grow.

Barbara and I remember our own visit to your nation back in 1986 -- a fascinating trip -- our stay in San`a, your capital, the rich history of the Old City. And as an old drilling contractor, I won't ever forget the trip out to the Yemeni desert, near the ancient city of Marib, to attend the opening of the Alef oilfield. And all along the way, wherever we went, Barbara and I still remember the warm welcome that we received from the people of Yemen. We are delighted today to have this opportunity to return the genuine hospitality that we enjoyed in your country.

President Salih, in an era marked by great change in the Middle East and around the world, you have been a pillar of stability for your nation. Under your leadership, the past 11 years have brought the people of the Yemen Arab Republic genuine economic progress, progress that has meant real improvement in the living standards of all Yemenis. And I am proud that my country has been able to help Yemen develop its resources and begin to realize its full economic potential. And I also am gratified that the democratic trend now unfolding in so many nations around the world has taken root in Yemen with the free election of your nation's Consultative Assembly in 1988.

Mr. President, in just a few minutes we'll move inside to begin our discussions, discussions on issues of mutual interest ranging from strategic trends in the region and the world to bilateral aid to your rapidly growing role as an oil exporter. And let me assure you that America remains committed in the Middle East to help maintain security and to promoting the pursuit of peace.

There are few regions where the conflicts and challenges are so complex and where the United States finds such critical interests at stake -- in the Gulf region, where the U.S. and so many other nations have an interest in unimpeded access to vital energy resources; in Lebanon, where we hope the present political impasse will be resolved so that the Lebanese people can at long last live in unity and peace; in the Arab-Israeli conflict, where the United States is and will

always be committed to a lasting solution, a truly comprehensive and lasting peace that ends that long and costly conflict. And of course, on an issue of intense importance to the Yemen Arab Republic, I look forward to receiving President Salih's views on the prospects for improving relations between the two Yemens and the importance of these developments for regional peace and stability.

And so, sir, I look forward to our talks and to the opportunity that we'll have to build on what already is a strong and stable relationship. Once again, welcome to Washington. God bless you, and may God bless the Yemen Arab Republic. Thank you very much, and welcome.

All yours.

President Salih. President George Bush, Mrs. Bush, it gives me great pleasure to express my appreciation for your gracious invitation to visit the United States of America for the first time. Your beautiful country is also the country of freedom and democracy. I also wish to thank you for your kind words and this excellent welcome, which reflects the spirit of mutual cooperation between our two countries.

I look forward to your meetings with you. We shall discuss matters of mutual interests at the bilateral, regional, and international levels. I am sure that this visit will strengthen our cooperation with the United States of America. That cooperation has improved significantly since your visit to Yemen in 1986. I am confident that we will be able to open new avenues for economic cooperation and American investment in the Yemen Arab Republic. As you know, our country started its efforts in development and modernization 20 years ago with the lowest standard of living known in any developing country. However, with the diligence of our people and the help of our friends, we have been able to achieve considerable progress and improvements for our people in the economic, educational, and cultural aspects of their life. At the same time, the people of Yemen have strived to force their democracy and freedom as a prerequisite for the true development and progress.

Dear friends, our visit comes at an historic moment in the life of Yemeni people because we and our brothers in the South Yemen are embarking on reunifying our country in a democratic and peaceful way. That unity will be achieved under a new constitution to be approved by both legislatures and by universal referendum. This new constitution is based on democracy and freedom and establishes a multiparty system and direct elections of the legislative council on the basis of one man, one vote. Mr. President, I'm certain that united Yemen will become a positive factor in the security and stability of the Arabian Peninsula.

Meanwhile, our efforts in reunifying our country has not detracted us from participating in inter-Arab cooperation. Just about a year ago, we established the Arab Cooperation Council, which includes the Hashemite Kingdom of Jordan, the Republic of Egypt, and the Republic of Iraq. The main objectives of the Arab Cooperation Council is to expand economic, technical, and

scientific cooperation among its members, as well as cooperation with international organizations and other regional economic communities.

Dear friend, I would like at this occasion, and in this capital of a nation which advocates with conviction the respect of human rights throughout the world, to remind the American people about the fate of the rights of Palestinian Arabs and their occupied territory since 1967, because you are fully aware of the suffering of Palestinians who wish to see an end to occupation and to live free on their land. Mr. President, despite all the suffering, we trust that the United States of America, which was established on the basis of justice, equality, and freedom and sponsored the right of self-determination for all nations and considers adherence to human rights as a prerequisite for international legitimacy, will be able to convince the Israelis to accept peace initiatives and to abide by international decisions which give the Palestinians the right to self-determination under the leadership of their sole and legitimate representative, the Palestine Liberation Organization.

Dear friends, the cessation of hostilities in the Gulf war was heartily welcomed. However, the people of that region remain anxious about the final settlement and the establishment of permanent peace by direct negotiation between Iran and Iraq. Therefore, we hope that the international community and the United Nations Security Council will be able to establish permanent peace in the region through the implementation of Resolution 598.

Mr. President, dear friends, our world is now entering the last decade of the 20th century, a century which has witnessed the most violent wars in human history as well as the greatest scientific achievements of mankind. It is therefore our hope that this last decade will bring more freedom and democracy for our nations. We also hope to see wider economic cooperation among all nations, as well as a final resolution of the debt burden of the Third World countries, in order to achieve greater development for the world at large.

Finally, Mr. President, I hope that the cooperation between our two countries will continue to expand. And I wish you, dear friends, more happiness and good health. Thank you.

Note: President Bush spoke at 10:12 a.m. at the South Portico of the White House, where President Salih was accorded a formal welcome with full military honors. President Salih spoke in Arabic, and his remarks were translated by an interpreter. Following the ceremony, the two Presidents met in the Oval Office.

Remarks at a White House Briefing on Nonprofit Organization Assistance to Poland

January 24, 1990

Welcome. Please be seated, all you Points of Light out there. [Laughter] Thank you all very much for coming, and I understand you've had some discussion with our -- I guess all three. John, have they all three been on? John Robson -- let me salute him for the job he's doing on this, and Larry Eagleburger, of course, and Mike Boskin. We've got three of our strongest players, reflecting the interest that we all feel in Eastern Europe and trying to help figure out where various people in the United States can fit into helping in this change. So, I just came over for what is known in the trade as a cameo appearance -- [laughter] -- to salute you and to welcome your interest in Eastern Europe.

As I look back over my shoulder into 1989, I expect I have the same feeling that everybody here does: admiration at the astonishing change that took place in Eastern Europe, wonder as to how things are going to turn out, but confident that freedom and democracy cannot be rolled back in these countries. And so, we're at the end of one era, at the beginning of another one. And everywhere, from Sofia to Warsaw to wherever -- to Prague -- the new Eastern European agenda is a democratic agenda. And everywhere, though, there are extraordinary, difficult changes out there ahead.

The United States has an enormous stake in the success of these democratic movements -- some of them further along than others, as you know. America's role in Europe depends importantly on how well we meet the challenges of Eastern Europe. And our government has now committed more than $1 billion to assist Poland and Hungary, and we are now actively considering additional support for the other countries of the region as they move down the path of democratic reform.

But the Government alone simply cannot get the job done -- don't have the resources, cannot do it. And we need the private sector, nonprofit and profit, to engage its vitality and resources in this exciting process that's underway in Eastern Europe. This was my message at an earlier symposium last July in the White House on the eve of the visit that I took to Poland and Hungary. The response -- I should say your response -- has really been encouraging. And the nonprofit sector is playing a particularly important role.

I'm not sure the people in Europe understand that yet. I noticed a comment by a citizen in Romania that says the United States has only done -- and had a price tag -- I can't remember what it was -- next to what we'd done. And there was one volunteer organization alone, in this case, taking medical supplies -- Americare is well-known to some of you here -- that had already taken in, I think, $1.2 million or $1.3 million. So, I don't worry about credit, but if we can be of more assistance in getting the totality of the message out, we want to be. I recognize that we're

just in the very early stages of this, but when you add the interest of everybody sitting in this room, it's an enormous potential for helping alleviate human suffering and helping solve the problems of how best to assist in this inexorable move towards democracy.

So many of you here, I'm told, are already involved in Eastern Europe, doing work that the Government could not possibly begin to do on its own. But there's more, much more, to be done at this decisive moment in history. So, what I'd hoped that this symposium -- which I understand continues into the afternoon -- will do is to give you a better sense of how and where you can help, how the Government can support your efforts in a partnership for Eastern Europe.

We will continue to work with these emerging governments, including Mr. Gorbachev and others in the Soviet Union. I learned at Malta that we have a long way to go before we're even on the same plane in terms of how private markets work or how the private sector can involve itself in the solution to the problems that face these countries. But I will do my best to be sure that on the Soviet side that we continue on whatever exchanges that we have going to help increase the understanding. In some of the countries of Eastern Europe, we're ahead of where we are in others. But isn't it exciting to be here even discussing how we facilitate democracy and freedom in Eastern Europe in January of 1990. I think it's an amazing time of challenge, and I'm just very grateful to each and every one of you for taking the time and giving it the attention that it needs to get the problem done.

I just do not want to see things slip back. I think some countries are going to move ahead a little faster than others, but I don't see a chance to put the genie back into the bottle -- that kind of Socialist-Marxist bottle out of which the genie has sprung.

And that's the good news. So, let's work together to try to facilitate the change. And, Carol, thank you for your role in bringing this distinguished group together.

That is the end of the cameo appearance, except one more time: Thank you very, very much. I'm very grateful to you.

Note: The President spoke at 11:57 a.m. in Room 450 of the Old Executive Office Building. In his remarks he referred to Deputy Secretary of the Treasury John E. Robson; Deputy Secretary of State Lawrence S. Eagleburger; Michael J. Boskin, Chairman of the Council of Economic Advisers; and Carol C. Adelman, Assistant Administrator for Asia and the Near East at the U.S. International Development Cooperation Agency.

Message to the Senate Transmitting the Treaty on the International Registration of Audiovisual Works

January 24, 1990

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty on the International Registration of Audiovisual Works done at Geneva on April 20, 1989. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty establishes a multilateral system to facilitate enforcement of rights and to increase legal security concerning audiovisual works in foreign countries and to contribute to the fight against piracy. Essentially, the Treaty is administrative and procedural in nature; it is not a copyright treaty and therefore would not affect substantive national copyright laws. The registration system is voluntary and may be used at the option of the producer of audiovisual works.

As noted in the report of the Department of State, United States ratification of the Treaty would not require any amendments to the copyright laws of the United States or any other implementing legislation.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

George Bush

The White House,

January 24, 1990.

Message to the Senate Transmitting a Protocol to the Tunisia-United States Convention on Taxation and Fiscal Evasion

January 24, 1990

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Supplementary Protocol to the Convention between the Government of the United States of America and the Government of the Tunisian Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, signed at Tunis on October 4, 1989. I also transmit, for the information of the Senate, the report of the Secretary of State.

The supplementary protocol amends the income tax convention with Tunisia that was signed on June 17, 1985, and transmitted to the Senate on March 13, 1986. The subsequent enactment of the Tax Reform Act of 1986 occurred before the Senate could consider the convention. The supplementary protocol amends the convention by incorporating changes in U.S. law enacted in the Tax Reform Act of 1986. Of particular importance are the provisions authorizing imposition of the new U.S. branch tax and limiting the benefits of the convention to residents of the two Contracting States by preventing their diversion to residents of third countries.

I recommend the Senate give early and favorable consideration to the convention and supplementary protocol and give its advice and consent to ratification.

George Bush

The White House,

January 24, 1990.

Letter to Republican and Democratic Party Leaders on Support for the Nicaraguan National Opposition Union

January 24, 1990

The President today signed letters to Mr. Lee Atwater, chairman, Republican National Committee, and Mr. Ronald H. Brown, chairman, Democratic National Committee, encouraging the committees to provide assistance to the campaign of Violeta Chamorro and the Nicaraguan National Opposition Union (UNO). The text of the letter follows:

I am writing to ask your help in the common cause of furthering democracy in Nicaragua. The February 25 elections will determine whether Nicaragua's people will realize the promise of democracy to which the Sandinista government solemnly committed itself in the Esquipulas Accord. This also is the aim of the Bipartisan Accord on Central America, which embodied the Executive-Legislative agreement on the goals of democracy, security, and peace in that region. As President Arias of Costa Rica said in signing the Esquipulas Accord, ``without democracy, there can be no peace in Central America." And without a level electoral playing field, there can be no true expression of the Nicaraguan people's will.

Violeta Chamorro and the National Opposition Union (UNO) are valiantly waging an electoral campaign and need the help of all democratic parties. In the crucial last weeks of the campaign, UNO is desperately short of funds needed for campaign rallies, distributing campaign literature, and media time. While Congress has made money available for UNO through the National Endowment for Democracy (NED), that money is limited by NED's charter to institution-building expenses and cannot be used to defray campaign costs. Moreover, the Sandinistas have imposed serious obstacles to delivery of the NED funds, and, to date, UNO has been permitted to make use of only a tiny fraction of them. For these reasons, Mrs. Chamorro's campaign runs the real risk of being crippled for lack of money. This result would undermine our bipartisan commitment to democracy in Nicaragua and frustrate the aspirations of the Nicaraguan people.

I am asking your help to give UNO a chance to let the Nicaraguan people achieve government by consent. The Democratic and Republican Parties have joined in supporting democracy in Eastern Europe, and once again we need to make our support felt with deeds. A joint contribution by both Parties to the UNO campaign would make an immediate difference at this critical moment, as would individual contributions by your Party's members. Time is short. The Department of State informs me that Nicaraguan law permits political contributions from foreigners so long as the Supreme Electoral Council is informed by January 31 that they are to be received. UNO would be responsible for satisfying applicable requirements under Nicaraguan law to employ such funds in the election campaign. The Justice and State Departments assure me that there are no general prohibitions under U.S. law on contributions to foreign political parties such as UNO. Of course, individual donors should ensure that they are not precluded from contributing by their tax status or other restriction specifically related to their particular

circumstances.

If democratic peoples and organizations do not stand together to make democracy work, they can only blame themselves if democracy does not flourish.

George Bush

Note: Identical letters were sent to Lee Atwater, chairman of the Republican National Committee, and Ronald H. Brown, chairman of the Democratic National Committee. An original was not available for verification of the content of the letter.

Continuation of Jeffrey M. Samuels as Assistant Commissioner of Patents and Trademarks at the Department of Commerce

January 24, 1990

The President today announced his decision to retain Jeffrey M. Samuels to continue to serve as Assistant Commissioner of Patents and Trademarks.

Since 1987 Mr. Samuels has served as Acting Assistant Commissioner of Patents and Trademarks at the Department of Commerce in Washington, DC. Prior to this, he served as managing editor of the Bureau of National Affairs' Patent, Trademark and Copyright Journal, 1982 - 1987; legal editor of the Bureau of National Affairs' Patent, Trademark and Copyright Journal, 1976 - 1982; hearing officer for the New York State Department of Social Services, 1976; and an associate with a general practice law firm, 1975 - 1976.

Mr. Samuels graduated from Colgate University (B.A., 1972) and Albany Law School (J.D., 1975). He was born May 8, 1950, in Brooklyn, NY. Mr. Samuels is married, has two children, and resides in Fairfax,VA.

Nomination of Robert H. Gentile To Be an Assistant Secretary of Energy

January 24, 1990

The President today announced his intention to nominate Robert H. Gentile to be an Assistant Secretary of Energy for Fossil Energy at the Department of Energy. He would succeed James Allan Wampler.

Since 1988, Mr. Gentile has served as Acting Director and Director of the Office of Surface Mining at the Department of the Interior in Washington, DC. Prior to this, he served as the liaison for coal affairs and Special Assistant to the Assistant Secretary for Land and Minerals Management at the Department of the Interior in Washington, DC, 1986 - 1988; chief executive officer of the Ohio River Collieries in Bannock, OH, 1982 - 1986; president of N&G Construction in Bloomingdale, OH, 1975 - 1982; management consultant for Lafferty Trucking Co. in Bannock, OH, 1975; Deputy Director of Operations and Director of Training for the Peace Corps in Brazil, 1973 - 1975; training program officer for the Peace Corps in northeast Brazil, 1972 - 1973; supervisory management information specialist for the Peace Corps in Washington, DC, 1972; evaluation officer in the Office of Program Development, Evaluation and Research for the Peace Corps in Washington, DC, 1970 - 1972; Peace Corps fellow, 1970; and resident adviser and assistant dean at the University of Toledo in Toledo, OH, 1966 - 1969.

Mr. Gentile graduated from the Franciscan University of Steubenville (B.A., 1966) and the University of Toledo (B.B.A., 1967; M.B.A., 1969). He was born February 5, 1944, in Steubenville, OH. Mr. Gentile resides in Arlington, VA.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President `Ali `Abdallah Salih of the Yemen Arab Republic

January 24, 1990

President Bush met with President Salih of the Yemen Arab Republic this morning in a 30-minute private meeting followed by a half-hour plenary session. This is the first state visit by a Yemeni President. The two Presidents held discussions on a wide range of bilateral, regional, and international issues.

President Bush stated that he is pleased that the United States has been able to help Yemen realize some of its economic and development goals and noted that the United States has increased the PL480 program with Yemen this year.

President Bush reaffirmed the U.S. desire for peace and stability in the Middle East and reviewed continuing efforts to find a solution to the Arab-Israeli conflict. President Bush reaffirmed our strong belief that our diplomatic efforts with Egyptian and Israeli officials to develop a dialog between Israelis and Palestinians offer the best hope for moving the peace process forward toward direct negotiations between the parties on a comprehensive peace settlement.

The two Presidents also discussed South Yemen and President Salih's ongoing efforts to reunify the two Yemens. They also reviewed the current situation in Afghanistan and our shared support for self-determination for the Afghan people. The two Presidents agreed to work together in the continued search for peace throughout the Middle East region. President Bush took the opportunity to recall the warm hospitality he and Mrs. Bush received during their visit to Yemen in 1986.

Nomination of Donald Jay Yockey To Be a Deputy Under Secretary of Defense

January 24, 1990

The President today announced his intention to nominate Donald Jay Yockey to be Deputy Under Secretary of Defense for Acquisition. He would succeed Milton L. Lohr.

Since 1988 Mr. Yockey has served as a consultant for DJY Associates in Mountain Center, CA. Prior to this, he served in several capacities at Rockwell International, Inc., including senior vice president and special assistant to the president of Rockwell and as a member of the Rockwell management committee, 1986 - 1988; president of electronics operations, 1978 - 1986; president of the electronics systems group, 1977 - 1978; and vice president and general manager of the special telecommunications systems division of Collins Radio Co. and president of Collins government telecommunications group, 1972 - 1977. In 1966 he joined the autonetics division of Rockwell International, Inc., and served in the following positions: director of astrionics, assistant general manager of the electronic systems and sensor division, and vice president of the F - 111 Mark II avionics program.

Mr. Yockey graduated from the University of Oklahoma (B.A., 1960). He was born January 6, 1921, in Buffalo, NY. Mr. Yockey served in the U.S. Air Force, 1947 - 1966, retiring with the rank of colonel. He is married, has four children, and resides in La Habra Heights, CA.

Appointment of John M. Engler as a Member of the Commission on Presidential Scholars, and Designation as Chairman

January 24, 1990

The President today announced his intention to appoint John M. Engler to be a member of the Commission on Presidential Scholars. He would succeed Ronna Romney. He will also be designated Chairman.

Since 1978 Senator Engler has been a State senator for the 35th senatorial district in Michigan and serves as the senate majority leader. Prior to this he served four terms in the Michigan House of Representatives.

Senator Engler graduated from Michigan State University (B.S., 1971) and Thomas M. Cooley Law School (J.D., 1981). He was born October 12, 1948, in Mount Pleasant, MI. He currently resides in Mount Pleasant.

Nomination of Charles M. Herzfeld To Be Director of Defense Research and Engineering

January 24, 1990

The President today announced his intention to nominate Charles M. Herzfeld to be Director of Defense Research and Engineering at the Department of Defense. He would succeed Robert Clifton Duncan.

Since 1985 Dr. Herzfeld has served as vice chairman of Aetna, Jacobs, Ramo Technology Ventures in New York, NY, and chairman of the board of directors of Westronix, Inc. Prior to this, he served successively as technical director, director of research, and vice president and director of research and technology of the ITT Corp., 1967 - 1985; and successively as the director of ballistic missile defense, deputy director, and director of the Advanced Research Projects Agency, 1961 - 1967. In addition, Dr. Herzfeld worked for the National Bureau of Standards, rising to the position of Associate Director of the Bureau, 1956 - 1961, and he served at the Naval Research Laboratory in Washington, DC, 1953 - 1956.

Dr. Herzfeld graduated from Catholic University (B.A., 1945) and the University of Chicago (Ph.D., 1951). He was born June 29, 1925, in Vienna, Austria. Dr. Herzfeld has two children and resides in Secaucus, NJ.

Toasts at the State Dinner for President `Ali `Abdallah Salih of the Yemen Arab Republic

January 24, 1990

President Bush. Mr. President, Barbara and I are delighted to welcome you to the White House. And as I told you earlier today, we have many fond memories of that fascinating visit to Yemen almost 4 years ago. All of us here tonight recognize President Salih as a man of extraordinary accomplishment -- a man who served his nation as a soldier and as a statesman, a man who's led his country at a time of great economic progress and is responsible for Yemen's growing role in Middle Eastern affairs.

Mr. President, as I hope you know by now, I value your views. I believe our discussions and your talks, both today and tomorrow, with so many key members of our administration and the Congress, will encourage understanding between our nations and help us advance the many interests that our nations share. It's been an opportunity to assure you of America's commitment to security in the Middle East and to the pursuit of a just and lasting peace in the region.

In the next few days, you'll be traveling across America -- New York, San Francisco, and on to Dallas, in my home State. And I hope that at every step along the way, you encounter the warm welcome that Barbara and I enjoyed wherever we walked in the streets, in the markets of San`a.

It has been a great pleasure, sir, to welcome you, to be your host on this historic visit -- a visit that signifies the growing ties between our nations and a growing friendship between the people of Yemen and America. And so, tonight I ask all our guests to join me in wishing President Salih health and happiness. In the words of the old Arabian saying, ``He who has health has hope, and he who has hope has everything." Once again, you are most welcome here in the White House, sir.

President Salih. Dear friend President George Bush; the First Lady, Mrs. Bush; distinguished guests: Allow me first, Mr. President, to congratulate you on the first anniversary of your first term in office. I also wish to express my great pleasure to visit your country, hoping to establish closer linkage between the very ancient in our country and the most modern in yours.

Mr. and Mrs. Bush, dear friends, in October 1962, Time magazine wrote about a country almost unknown to the outside world called Yemen. It said that in this country, which is just rushing toward the 13th century, a revolution took place against a despotic ruler. Since then, human ingenuity and mankind's ability to learn and adapt have made the impossibility an actual reality, because less than 25 years later -- that is, in 1986 -- the people of that unknown country received the Vice President of the most modern and perhaps most famous country in the world.

Mr. President, it was then a wonderful occasion when you and the First Lady joined us in inaugurating our first refinery using Yemeni crude oil at the ancient town of Marib, which once was the cradle of one of the most advanced civilizations of the world. That visit was, in my view, a good omen because it came at the threshold of your campaign for the President of the United States of America. Therefore, I am extremely happy to greet you again and, through you, extend my greetings to the friendly people of the United States.

Thank you, Mr. President.

Note: President Bush spoke at 8:15 p.m. in the State Dining Room at the White House. President Salih spoke in Arabic, and his remarks were translated by an interpreter.

Nomination of C. Anson Franklin To Be an Assistant Administrator of the Agency for International Development

January 25, 1990

The President today announced his intention to nominate C. Anson Franklin to be an Assistant Administrator of the Agency for International Development for External Affairs, U.S. International Development Cooperation Agency. He would succeed Thomas R. Blank.

Since 1987 Mr. Franklin has served as Assistant Secretary of Energy for Congressional, Intergovernmental, and Public Affairs at the Department of Energy. Prior to this, he served as Principal Deputy Assistant Secretary for Congressional, Intergovernmental, and Public Affairs, 1986 - 1987; Director of Communications at the Department of Energy, 1985 - 1986; Assistant Press Secretary at the White House, 1982 - 1985; campaign manager for the Marshall Coleman for Governor Committee in Richmond, VA, 1981; director of administration in the office of the attorney general of Virginia, 1978 - 1981; campaign manager for the Coleman for Attorney General Committee, 1977; campaign manager for Steelman for United States Senator in Dallas, TX, 1976; district representative for Congressman Alan Steelman, 1974 - 1975; and consultant in the Office of the Special Assistant to the Secretary of Housing and Urban Development in Washington, DC, 1973. In addition, Mr. Franklin has served as director of the telephone canvass for the Texas Committee to Reelect the President in Austin, TX, 1972; and press secretary for Congressman Bill Archer, 1971 - 1972.

Mr. Franklin graduated from the University of Virginia (B.A., 1969). He was born April 17, 1947, in Richmond, VA. Mr. Franklin served in the Army National Guard, 1969 - 1975. He is married, has two children, and resides in Washington, DC.

Message to the Congress Transmitting the 1990 National Drug Control Strategy

January 25, 1990

To the Congress of the United States:

Consistent with section 1005 of the Anti-Drug Abuse Act of 1988 (Public Law 100 - 690), I am today pleased to transmit my administration's 1990 National Drug Control Strategy for congressional consideration and action.

This report should be viewed as a companion volume to the National Drug Control Strategy that I sent to the Congress last September. In it you will find a comprehensive blueprint for Federal drug control activities for the next fiscal year. The principal goal of our strategy, however, remains the same: to reduce the level of illegal drug use in America. To help determine the most effective means of pursuing that objective, my administration has once again been aided by broad consultation with Members of Congress, Federal, State, and local officials, experts in the fields of drug prevention, treatment, and enforcement, and hundreds of interested and public-spirited citizens. The result, I believe, is a truly national plan to combat the illegal use of drugs, one that will bring us success in this new decade.

I am grateful for the enthusiastic and bipartisan support that the Congress gave to the National Drug Control Strategy last year, and I turn to you for that support again. I know that every Member of Congress shares my desire to overcome the terrible scourge of drugs. And so I ask you to join me in moving quickly to fund and implement the proposals and initiatives contained in this report. Full congressional support of this national strategy is essential if we are to give Americans the thorough and effective drug control policy they expect and deserve.

George Bush

The White House,

January 25, 1990.

Message to the Congress Reporting on the Economic Sanctions Against Libya

January 25, 1990

To the Congress of the United States:

1. I hereby report to the Congress on developments since my last report of July 19, 1989, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (``IEEPA"); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c).

2. Since my last report on July 19, 1989, there have been no amendments to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the ``Regulations"), administered by the Office of Foreign Assets Control (``FAC") of the Department of the Treasury. Additionally, since July 19, 1989, there have been no amendments or changes to orders of the Department of Commerce or the Department of Transportation implementing aspects of Executive Order No. 12543 relating to exports from the United States and air transportation, respectively.

3. During the current 6-month period, FAC has issued a limited number of specific licenses to individuals and corporations to permit them to engage in activities that would otherwise be prohibited by the Regulations. Under FAC licensing procedures, 23 individuals registered to travel to or remain in Libya with Libyan immediate family members. Fewer than 15 licensing actions were taken with respect to Libya.

4. Various enforcement actions mentioned in prior reports continue to be pursued. As reported previously, seven former officers of a Libyan student group operating under FAC license were convicted in November 1988 for the unauthorized use of student funds in violation of the Regulations. In May 1989, in the U.S. District Court for the Eastern District of Virginia, seven individuals associated with the student group were convicted of related charges of conspiracy, wire fraud, aiding and abetting, and credit card fraud. Their sentences ranged from 60 days' to 7 years' imprisonment with fines of up to $8,000.

In July 1989 the U.S. Customs Service seized a shipment of U.S.-origin electrical distribution and control equipment in Buffalo, New York, valued at $7,679 for an attempted illegal transshipment from Canada to Libya through the United States. In October 1989 the U.S. Customs Service seized a shipment of computer equipment valued at $7,500 for an attempted illegal transshipment to Libya through the Netherlands. Redelivery of the goods from the Netherlands to New York was effected prior to the seizure of the goods in New York.

In August 1989, in the U.S. District Court for the District of Minnesota, a Federal grand jury returned a four-count criminal indictment charging a U.S. firm and two of its corporate officers with unlicensed shipment of 43,400 pounds of chemicals to Libya in April 1986. Guilty pleas were entered by two corporate officers and on behalf of the corporation at a December 4, 1989, hearing. Sentencing is expected in January 1990.

During the current reporting period, FAC determined that the Government of Libya had illegally transferred certain of its physical assets in the United States to a Libyan student organization at the time the sanctions were imposed. In October 1989 FAC ordered the assets sold at auction with the proceeds deposited into a blocked account in the name of the Government of Libya.

5. The expenses incurred by the Federal Government in the 6-month period from July 19, 1989, through the present time that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at $425,776. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Department of Commerce, the Department of Justice, the Federal Reserve Board, and the National Security Council.

6. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

George Bush

The White House,

January 25, 1990.

Remarks and a Question-and-Answer Session at a Luncheon for Newspaper Publishers

January 25, 1990

The President. Well, please be seated, and please continue with your coffee. But it's an honor to have you all here. There may be no group in America more aware of the challenges this country is facing. So, my first thought was to give you a general outline of our agenda after our first year. But then I decided to focus on the first item on the domestic agenda: illegal drugs. And they remain this nation's number one concern, and so I chose this forum to announce the second phase of our fight against drugs. This booklet is on our national drug control strategy that I hope we can get distributed to all of you.

As you know, last September for the first time, we launched a comprehensive, coordinated and, I think, coherent national strategy to stop the distribution and use of illegal drugs. We've made some notable progress in the months since that plan was unveiled. Attitudes continue to change. Here in Washington, the number of those arrested who test positive for drugs has dropped dramatically over the past 3 months, especially among juveniles. And abroad, Colombia has extradited 14 of the world's major drug merchants to stand trial here in the United States.

Given the headlines we've seen recently, though, it's clear that we're only really getting started. And the plan we laid out last fall outlined what we intend to do. And today I want to announce the second phase, as I said, of our strategy which explains how we intend to do it, agency by agency, task by task, dollar by dollar. And today we're releasing what I think of as a blueprint for success.

Our outstanding Director, Bill Bennett, the Drug Control Policy Director, will discuss the program later in depth. Right now, I want to sketch out, if I might, a few highlights and then open the floor to questions.

Our approach remains consistent. We're committed to the same aggressive goals and principles that we outlined last September: to reduce use through an integrated mix of supply- and demand-side approaches. And that means doing everything that works.

Our strategy calls for about a third of its funding to go toward drug education, prevention, treatment, and research. We're calling for more prevention programs in schools and workplaces, as well as grants for communities to set up education programs. In our treatment strategies, we're also emphasizing what works with careful and constant evaluation of treatment regimes and a new Office for Treatment Improvements at HHS.

We're funding new research in areas like law enforcement technology, treatment, and drug use

forecasting that will help us spot trends and then target our resources and measure the impact of our strategies. And this spring, we're going to be releasing the first of an annual State-by-State status report measuring progress.

Roughly another third of the budget is devoted to domestic enforcement, prosecution, incarceration. To help local law enforcement initiatives, the '91 fiscal budget calls for nearly $500 million for State and local law enforcement grants, an increase of 228 percent over the last 2 years. We want to get the right resources to the right people, on the right level: street level.

Today we'll be announcing five high-intensity drug trafficking areas -- cities and areas that are already doing a great deal but need more support. We want to help them map out a more comprehensive, coordinated approach to fight drugs.

We're also increasing the number of DEA and FBI agents and personnel, as well as more funding for assistant U.S. attorneys. We support an increase in Federal judgeships. We're proposing the death penalty for drug kingpins and those responsible for drug-related killings and even, in some cases, attempted killings. We want there to be absolutely no doubt about the certainty of punishment.

The final third of our budget is earmarked for border interdiction and the international operations side. We want the multinational criminal organizations that produce and distribute drugs to be more than disrupted -- we intend to see them dismantled and destroyed because we don't make deals with these dealers.

We have multilateral programs underway in many parts of the world. Throughout Central and South America, particularly, we're engaged in expanded and unprecedented levels of cooperation and assistance. We applaud the efforts of President Virgilio Barco of Colombia and also of our neighbor, President Salinas of Mexico. And I will reinforce our support for the courageous leaders of the region at the upcoming drug summit in Cartagena.

Among the steps we're taking to intensify border control, up to an additional 1,000 customs agents, who are already on the job, will be given authority to conduct drug investigations to better assist the DEA, the Drug Enforcement Administration. With interdiction in particular, coordination is absolutely crucial. We're putting an end -- I hope and I believe we are -- putting an end to turf battles. I met with all our top law enforcement people the other day, and they said they had never seen better cooperation between these -- powerful in some instances -- but between all the agencies.

Our budget for all international activities has increased from $419 million to nearly $700 million. We're creating a new National Drug Intelligence Center to ensure all enforcement agencies get the strategic and organizational intelligence that they need. Treasury's newly created Financial Crimes Enforcement Network will improve financial intelligence. And the

Department of Defense has been increasingly effective in its expanded detection and monitoring roles.

Now, I imagine the news in this chapter of the war on drugs may be its price tag. Spending, understandably, gets a lot of attention. In this case, outlays continue to increase. But I want to emphasize our determination to win this fight without adding to the budget deficit -- and, yes, I repeat, without raising taxes.

In 1990 drug funding totaled almost $9.5 billion -- that was in 1990, the largest increase in history. Funding for fiscal '91 will be expanded by more than $1 billion, to over $10.5 billion, and outlays will increase 41 percent this year. In fact, with this request, the Federal drug budget will be 69 percent higher than it was when I took office in 1989.

To those who say that our program looks topheavy on the interdiction side, remember that many of the efforts to limit supply are exclusively Federal and inherently more expensive than demand reduction. We're willing to spend more to limit the drug supply. Simply put, we're willing to do whatever it takes.

But the real issue, of course, is not how much -- it has got to be how well. And here the distinction between Federal and national is crucial. A truly national drug control strategy demands that we tap resources of every description -- public and private; civilian and military; local, State, and Federal; volunteer, professional, and personal.

Let me tell you about a man that I know many of you in this room know, but some may not -- Jim Burke, a corporate leader, former CEO of Johnson & Johnson, who's been applying the power of the media to unsell drugs through the Media Partnership for a Drug-Free America, the largest volunteer, private-sector ad campaign since the war bond drives of World War II. He's energized, and he's doing a superb job.

You're all familiar with those hard-hitting ads to discourage drug use. Many of you already contribute space to run them. And that's supporting the Partnership's current goal to raise $1 million a day in advertising time and space every day for the next 3 years -- a remarkable goal indeed.

And I know that some of you -- Joe Williams, of the Memphis Commercial Appeal, to take a notable example -- has made a promotion of voluntarism an important part of your newspaper's mission. And that's also very, very important. A free press has a right and a responsibility to comment and report on a nation's problems. But your newspapers may also contribute to the progress of the communities they serve by pointing to solutions. And there may be no better outlet for America's volunteer effort, volunteer spirit, than saving those being lost to drugs. It's too early to tell how our efforts will be judged, but if more concerned Americans become involved Americans, I believe we will succeed.

Today I'm particularly interested in your thoughts and your ideas, so I'd like to open up the floor to suggestions, but certainly we'll be glad to answer questions on this subject or any other subject that enters your mind. And if it's highly technical, I may, if you'll excuse me, rely on my strong right arm, Bill Bennett.

Federalism

Q. Mr. President, you mentioned increasing spending without increasing the deficit. Do you agree or disagree with the principle that if the Federal Government mandates a program, be it in drugs or in other areas, the Federal Government also ought to provide the resources for accomplishing the goal rather than shifting the burden down to other levels of government?

The President. I am concerned about mandated programs. I particularly got this driven home to me at the recent educational summit in Virginia. The subject wasn't simply drugs, although there was a lot of discussion about it there. And they were pleading for flexibility. And I think Bill Bennett has tried to build into our requests a certain flexibility for local areas. And that's a hallmark of our philosophy here: to reduce the number of mandated Federal programs because they do not take into consideration the diversity of this country and the diversity of the communities in the country.

War on Drugs

Q. Mr. President, George Shultz [former Secretary of State] has just linked his considerable prestige to the ranks of those advocating the legalization of drugs. What do you feel are the most cogent arguments against these growing numbers of people advocating decriminalization?

The President. I just think that it would increase, regrettably, the habit; and I strongly oppose it. Bill has very forthrightly been speaking out against it. And I'm just going to hold the line against legalization.

Q. Mr. President, what criteria were used to determine which five cities are going to get special attention under your proposal?

The President. May I defer to Bill on that?

Director Bennett. A number of things, but principally we use the FBI and DEA -- Drug Enforcement Administration's criteria for investigation -- level 1, level 2, level 3 -- various levels of investigation and intensity, that is, how many cases in major drug trafficking they have in certain areas. The areas we've designated are all level 1 areas, that is, areas where we think we will find the greatest concentration of major drug trafficking organizations.

The President. You'd better -- while you're standing -- maybe -- that was very good -- [laughter] -- I may need more support. But please, ask as technical as you want.

Arrest of Mayor Barry of Washington, DC

Q. Mr. President, did you know in advance, sir, about the sting operation that led to the arrest of the mayor of Washington the other night? And can we ask you, sir, what was your personal reaction when you heard that the mayor of the town you live in had been arrested for drug -- --

The President. The answer is: No, I didn't. And the second part of the question is: great sadness, great tragedy. I think it would be most inappropriate for a President to prejudge a matter that's obviously in the courts, and I'm going to refrain from doing that. But you know what, my thought went to the kids in the schools. And it's a matter of sadness. And Barbara shares my view on that.

State of the Union Address

Q. Mr. President, what other areas of interest can we watch for in your State of the Union Message?

The President. Now, Jerry -- [laughter] -- you know that it seems that we're getting close to the date of that, but it is not in final form. And I'll just give you a little insight into the thought process. How much do you dwell on a shopping list of things that I want to see accomplished, a legislative shopping list? And how much emphasis do you place on the state of the Union? It's almost state of the Government versus state of the Union. And I've never been accused of being an overly eloquent fellow, but I am optimistic about our country, the state of the Union. And that isn't to say that I'm not deeply concerned about some of the problems.

We had a fascinating discussion at our table on environmental concerns and how you balance them with a person's right to a job in an expanding economy. And I guess I'd have to say the final draft has not been worked, but I expect you will see a combination of -- I wouldn't call it a shopping list, but certainly spelling out what I think should be priorities for the state of the Government and what I'd like to see the Federal Government do, and then on a broader sense, my perceptions and observations about the state of the Union.

And I'll tell you, having visited with some of the families of the fighting men that went down to Panama, I have a renewed feeling that the country is going to be in pretty good shape down the road if we can handle our part of the Government right. I mean, there's a wonderful feeling in some parts of this country. And that isn't to say there's not a lot of hopelessness and a lot of despair that goes with some of these enormous social problems. But the underpinnings of the United States, the state of the Union, is not bad.

When you look around the world and see these countries coming our way -- democracy, freedom -- and then see the younger generation willing to serve as they do in a voluntary way with the courage and the patriotism that some of these kids showed in Panama, I'll tell you, there's something happening that's good about our country.

Soviet Reforms

Q. Mr. President, on a little different subject, a couple of respected Sovietologists lately, notably George Kennan and Mr. Brzezinski -- Mr. Kennan has said that Mr. Gorbachev's position is precarious. Mr. Brzezinski has said the Soviet system is doomed. How do you react to those statements?

The President. Which were the two? I heard somebody saying that the Soviet system is doomed.

Q. Brzezinski, I believe, lately. And Mr. Kennan, George Kennan, said that Mr. Gorbachev's position was precarious.

The President. Well, on the Soviet system doomed, I think Mr. Gorbachev has already -- in strongly supporting glasnost and strongly supporting perestroika -- has confirmed the fact that the Marxist-Leninist model simply does not work. And all you have to do is look at an economy that's in egregiously bad shape, and you'll understand why he's reached that conclusion. And then if you needed additional confirmation, all you have to do is take a cursory look at Eastern Europe, and you'll see that people are opting for pluralism and for openness, glasnost, and for reform. So, I think that's a given, that's obvious.

In terms of Mr. Gorbachev, I was asked yesterday about it, and I said I want very much to see him succeed. I think he has conducted himself in an extraordinarily difficult situation very well. He remains committed to peaceful change, and I don't think anyone is faulting him for the difficulties that he's encountered in Azerbaijan. You see blockades of your ports, and the man has to respond. I'm not encouraging that course because we would like to see peaceful change wherever possible. But in talking about the ferment for change in the Baltics, he still is talking peaceful change. And I think he's done a remarkable job. It's not for some President of the United States to start saying who he thinks ought to be in that job. But as I look around, I think Mr. Gorbachev is really the best hope for what our interests are. We want to see peaceful change continue. We want to see the democratization of Eastern Europe. We want to see openness bring about market-force economies inside the Soviet Union. And all of these things, I think, are in our interest.

Now, it is my hope that he will emerge, that they can get this recent disorder under control and restoration of peace there and tranquillity, and then that the process can go forward in a democratic mode, a more democratic mode. So, I wouldn't speculate on totality of survival, but I think we have a lot at stake in continuing to deal with this man.

Defense Budget Cuts

Q. Mr. President, on the subject of defense, you have suggested that we will probably have to cut back on the budget in that area. And in order to help the Soviet Union, this cutting of the defense will affect our industries, such as shipbuilding industries in Boston, where we build outstanding cruisers. What are your plans if you have to do that to help these industries and the labor people that are employed there?

The President. Where bases have been closed there has often resorted vigorous private enterprise activity. I was asking about this, because under the Base Closing Act, we've had to make certain suggestions, and the Defense Department is wrestling with this whole concept of what facilities will remain as fully funded in the future as they have been in the past.

So, I think a lot of what the best thing a Federal Government can do is keep a strong and vigorous economy so you can accommodate private sector productive growth where theretofore there has been a government activity of some sort. So, it's that. I think there are government programs to help transitions, to help the States in transition, and of course, I want to continue those.

But let me simply say this: We're all familiar with what happens. Everybody says cut, and then when somebody has to make the call, they say, please cut in this other guy's district; don't cut in mine -- mine's absolutely essential. And I was guilty of the same thing when I was a Member of Congress, and so I understand it. [Laughter]

But I think we have an able team. I think we have a team that is committed to working with the key leaders in the Congress, in the opposition party, and I think we can come up with a formulation of where we have to cut, doing it in a way that we don't cut into the muscle of our defense, the muscle -- we may need a different kind of force in the future. As the threat diminishes in Eastern Europe, we may need a more rapidly deployable force. But it's got to be robust, it's got to be well-trained, it's got to be highly professional. So, I just want to be sure that we do this not on just kind of a squeaking-wheel, political way but that whatever we do in the future is done in a very thoughtful and, I would add, compassionate way where we do help the communities as best we can to move into this era of change -- but also remember, still an era of challenge.

War on Drugs

Q. Mr. President, on your drug program: I'm from Chambersburg, Pennsylvania, about 90 minutes up the road from you, and we have a pretty severe drug problem there. But what happens is, all of these programs that come in, by the time the money is spent in the metropolitan areas, very little of it reaches our borders. Is there anything in Phase II that would provide money to the small communities of the country like Chambersburg?

The President. Bill, can you respond to that?

Director Bennett. It's interesting, because we heard from the big-city mayors this morning that all the money is going to the rural areas and they're not getting their share. [Laughter] What we're doing is, of course, essentially through our block grants, giving the money to the States and the State legislatures. Those State legislatures and Governors have the responsibility to decide how that money should be apportioned in the State. And from the way we look at it, there's a drug problem in rural America, suburban America, as well as urban America. And the people who should make that judgment should be the Governor and State legislators.

The President. Bill, in response to the earlier question, we are doing that, as you say -- blocking it so we do not mandate a specific answer so that Chambersburg has to adapt to a program designed for some big city.

Director Bennett. There are very few mandates, in fact, in our drug strategy, or drug policy. And one thing that doesn't happen is that when a lot of districts receive their money, they aren't told that this is money from the Federal Government. And when the money goes into the State capital, it's combined with State sources and sent out. And we don't require Governors to say, this is from George Bush and not from the Governor, and so we think some Governors may let the constituents think they deserve all the credit for it. But there's Federal money going out.

Q. Mr. President, how soon do you expect to see meaningful results from the implementation of Phase II? And how do you propose to deal with the already overcrowded facilities in the event that the results are even more successful than you anticipate?

The President. Well, I will give Congress credit for moving on additional facilities, prison facilities. And I think in some of this, certainly I hope we'll get early enactment on this program. I'd like to see it implemented, crossing the t's and dotting the i's, the way Bill Bennett has proposed. I'm not naive enough to believe that will happen.

But I was talking to Bill coming in, and we do sense a desire on the part of the Congress to cooperate. We may have a problem on the Senate side with spending levels, but in terms of the objectives of this strategy, we're in pretty close accord with both Democrats and Republicans on the Hill. So, I think we can get early action, and we're already getting it in some of these programs that are in effect right now. I'm thinking backing up law enforcement; I mentioned increasing prison capacity, et cetera.

Arrest of Mayor Barry of Washington, DC

Q. Mr. President, given the fact that you have talked a lot about discouraging drug usage and given the fact that you said just a minute ago that your thoughts ran to the children when you

heard about the arrest in Washington, do you think Mayor Barry should resign?

The President. No, again, I don't want to get into the case because I think it would be inappropriate to intervene. And that isn't actually asking me to get into the legal process, but let's let the system work. And I think the city is capable of making that determination and trying to achieve their consensus goal.

Gun Control

Q. Mr. President, last night I came up with my wife to Washington, and on TV we saw four individuals who were shot. Through the drug program you talked about, wouldn't it also be hand-in-glove to make some further pronouncements towards gun control, especially towards the semiautomatic pistols that seem to be coming out?

The President. Were they shot in States that had controls on these pistols, or -- I can't remember.

Q. They were in Washington, DC.

The President. In Washington? I think we have some rather stringent controls here against this. So, my position really has not changed on gun control. I realize there's plenty of room for difference of opinion on it, but I think the thing is to enforce the laws that are on the books. And in this instance, we've pointed to one that might have been more effective. But I don't believe that the answer is going to be more Federal gun control.

Pardons for Iran-Contra Figures

Q. Mr. President, a different subject with two points. Is it a possibility that you will pardon Poindexter? And if legal procedure falls through, would you consider a pardon for Ollie North?

The President. I have said before and will repeat that, again, while these matters are in the courts, I will not make any statement one way or another on the question; I don't think I should do that. And so, we'll just have to -- Ollie's under appeal, and the Poindexter matter is now before the jury.

Chinese Student Relief

Q. Mr. President, would you mind speaking, if you will, sir, about the vote on China this afternoon in the Senate?

The President. [At this point, the President raised his hand and crossed his fingers.] [Laughter] A week ago if you would have asked me that question, having faithfully read my regional newspapers and my big-city newspapers and my newspapers from the west coast to the east

coast, I would have thought there was a very minimal chance of achieving this. But we made the case, and I have pointed to -- albeit small steps -- certain steps that I think are encouraging as a result of the contact that we have had.

The acceptance of Peace Corps volunteers -- you might say, well, that's not too big a deal. You see, I think the contacts between students and the people, or students studying here and the American people, is a good thing. They've now said they'd do that, very recently. The accrediting of a VOA correspondent -- not a major step by itself, but it reverses a period where all they did was blast the VOA for having an unsavory role, in their view, in Tiananmen Square. They are muting the whole concept, in terms of world propaganda by them was that it was the fault of the United States. And everybody here knows it wasn't the fault of the United States. It was the quest for democracy and for freedom of expression. That criticism has been dramatically muted -- ask your editors to collect it for you.

They've given us certain assurances on missiles sales overseas. And I happen to be one that's still concerned about the proliferation of missiles, and I hope they'll follow through on that now, but I think that was a direct response to the able work of General Scowcroft [Assistant to the President for National Security Affairs]. Fulbright [student] exchanges have been reopened, or the discussions are on to get them officially -- put a mandate on that. And that's good, if you believe that the contacts of that nature facilitate understanding of democracy and freedom.

They've lifted martial law. And now some of my severest critics on the Hill -- I'd say to them, let me ask you a question now. Suppose I sent an emissary, and the only, one thing that could result would be the lifting of martial law. Do you think it's a good idea or not? Some of these people that are pounding my brains out up there, on both sides of the aisle, would have been the first to say, I think it's worth it. But that's been done. I'm not saying there's perfection and we can all walk around over in Tiananmen Square or anyplace else the way we can in the United States, but it's an improvement.

They've released 573 people from jail -- an amnesty, if you'd want to call it such. And as they did it, they kicked them as they went out of the jail and said you're a bunch of lawbreakers -- but the people are out. They're not in jail. I want to keep this going. I care about human rights. I care about the students. I care about reform. I am committed to the concept that the world is moving -- what I would say, hopefully not chauvinistically -- our way in terms of freedom and democracy. And I believe that contact is the way to go about doing this.

We have taken care of the fact that no student, as long as I'm President, will be sent back against his or her will. There is a strong Executive order, a strong implementation letter from the Attorney General saying this. I don't know why I'm giving you all this detail; the vote is in only 5 minutes, I think, and -- no, wait a minute -- yes, 5 minutes.

The world looks like everything's tranquil in some ways, some broad ways. There is a reason.

We are a Pacific power. China is a billion-some people. We've got enormous differences with their leadership on what happened over there and on a lot of things. But in regional areas there, we've got to work with them. Cambodia's a good example. Japan to some degree is a good example. Some are so relaxed about the changes in the Soviet Union that they think that you don't have to worry about the broad geopolitical or geostrategic relationships. But I haven't reached that view. I think there's reason to still -- not play some card -- I've always found that an offensive statement -- play the China card or play the Russian card. That's stupid, and I think it's bad statesmanship as well as bad diplomacy. But the contact and being able to impress on the leaders the U.S. view, I think, is good, sound diplomacy.

I had a lot of reasons for doing what I've done. I will say what I told some of your reporters yesterday: I think, in retrospect, I could have done a better job of it. I think I could have made more clear my own heartbeat in terms of the change, my own concerns about the things that went wrong, and my own desire to see this relationship move forward. But back to your question -- you asked the time, I've told you how to build a watch -- [laughter] -- we may pull it out. And if we do, though, it will be for the reasons that I have outlined here.

Assistance for the Homeless

Q. Mr. President, people in our community are struggling to develop a strategy to deal with the problems of the homeless. This is happening all over the country. What can you do to help us address this issue?

The President. Well, we've got a new approach to housing that touches on the homeless: home ownership opportunity. We've got a fully funding for the first time of the McKinney Act, which is specific -- a specific approach to the homeless including shelter, including rehabilitation. I think we can do a little more in terms of the rehabilitation aspect because I think there are, regrettably, some people out there -- given the change in the law that took place a few years ago -- that need help and attention, and maybe we can do a better job of persuading them. But I think the full funding of the McKinney Act, which I pledged to do, incidentally, in the campaign, is the best role for the Federal Government because it was fully debated and passed by the Congress, both Democrats and Republicans, as the best way to go. And we have now funded it, and I hope that that will be enacted in our budget. And I hope it will make a difference, because you go upstairs and you look out that window and you see some pretty heartrending sights. And then you go have those people interviewed, as has taken place by enterprising reporters, and you find that there's some very great complications as to why those folks are there. So, we've got to get to the cause, whether it's economic deprivation or whether it's some other problem that the folks have that lead them to that state of hopelessness.

Thank you all very, very much for being with us. I'd better push on. But thank you.

Note: The President spoke at 1:21 p.m. in the East Room at the White House. In his remarks, he

referred to John M. Poindexter and Lt. Col. Oliver North, USMC, Ret., national security advisers during the Reagan administration who were convicted in the Iran arms and contra aid controversy.

The President's News Conference

January 25, 1990

The President. Two subjects I'd like to address myself to: First, I want to acknowledge the vote in the Senate upholding my veto this afternoon and reaffirming our commitment to Chinese students in this country, as well as the goal of improving relations with China. No Chinese student in this country is going to be sent back against his or her will. And we will continue to urge the People's Republic of China to recognize the human rights of its citizens, to participate in the affairs of the world community. And I do want to express my personal thanks to the leadership of the Republican Party in the Senate -- Senator Dole, Senator Simpson -- who lead this effort with courage and determination. And a special thanks to all those Members who voted for the values of justice and human freedom that I believe were at stake in this question.

Secondly, this morning I called President Endara of Panama to assure him of our continuing support of his efforts to establish democracy in Panama. Part of this effort involves the establishment of a healthy economy, and I'm deeply impressed with his commitment to reform Panama's economy. And based on this commitment and the report I received from Larry Eagleburger [Deputy Secretary of State] and John Robson [Deputy Secretary of the Treasury], with us here, I informed President Endara that we'd arrived at an economic assistance package to help assist Panama in its economic recovery.

Our plan, valued at about $1 billion, includes $500 million in humanitarian assistance for housing, emergency public works, business assistance, loans, guarantees, and export opportunities, and then $500 million in an additional assistance package for balance of payment support, public investment, and economic restructuring.

The Vice President will review the details of this plan with President Endara on his visit to Panama. We're going to work closely with the Congress on this package to ensure its prompt implementation. The economic challenges that Panama faces are great, but we will work with the people to build a prosperous, democratic nation.

I've just met again with Secretaries Robson and Eagleburger, and they believe, given the history in Panama on the business side, that this economic assistance can, indeed, result in the short run in a vastly improved economic situation.

China-U.S. Relations

Q. Mr. President, isn't it about time that you told the American people what were the results of two secret missions to China, whether you got any kind of promise from Beijing for loosening up and becoming a more tolerant society, and will this victory lead you to trying to lift the sanctions against China?

The President. Well, I think I addressed myself to that yesterday, but let me repeat: I was very pleased at their lifting of martial law; I was very pleased at the release of 573 people from jail in a kind of an amnesty. I've said that these weren't all the steps that need to be taken. I'm very pleased that they've stopped harassing the United States Mission there, our Embassy in Beijing. I'm very pleased that they've lightened up on the areas where I think we can really move things forward, and that is the Peace Corps and the Fulbright [student] exchanges.

So, this was all part of the debate on the Hill. And I must say that I think that the fact that they had made those moves carried some weight with some of the Senators.

Q. Is that the promise that you were given? I mean, they say now that martial law is really -- --

The President. There were no promises. I'm looking for action, not words.

Q. Well, how about the sanctions?

The President. That's the third question, and -- what sanctions? Which part of the sanctions?

Q. Military and technical assistance and so forth.

The President. Well, we're looking at the whole performance scale, and I expect they are, too. But I'm very, very pleased with the results on the Hill today.

Q. Mr. President, out of 535 Members of Congress, 62 supported you on this veto. Do you view that as a mandate for your policies?

The President. Yes, because you've got to give disproportionate weight to how the executive branch feels. We're an equal branch. So, you add to that the support on the Hill -- we come out more than equal.

Q. And does it give you any support for new initiatives toward China?

The President. The thing I like about it, given the mournful predictions of some a couple of weeks ago, is that it gives me the confidence that I'm going to go forward the way I think is correct here. And I've had a lot of chance to talk to people that voted with us and some that didn't, and I understand their sensitivities. And I vow to do a better job of informing them as these things develop, as to what it is we're intending. But I'm very, very pleased with the result, for reasons that I'm sure everybody out here can understand.

Q. Mr. President, back to the Chinese students for a moment. Does your commitment that no Chinese student would be sent back against his or her will -- does that run absolutely, or is that

something that will run until such time as you feel that China has changed its ways in some way that meets your approval?

The President. Against his or her will -- --

Q. Ever?

The President. -- -- is the controlling statement, yes.

Assistance for Panama

Q. Mr. President, on the aid to Panama, some assessments say $1 billion is only a fraction of what it will need to restore the effects down there. What is your assessment, and what are people saying? Is this the first step toward what?

The President. Well, I'm basing my judgment on what President Endara said and on the recommendations of the economic mission that went there. And President Endara seemed very pleased at this. I said to him, ``If there is additional categories in which we can be helpful, please let me know." But I think he was very pleased, and I think both Larry and John feel that it is a very good step. Whether it's the last step or not, I don't know. We've got to see how that private sector responds and how the economic recovery goes forward. But I wouldn't say this is the end of the road in terms of what we can do to help them.

Q. But is there a full assessment of what the total cost will be?

The President. Well, I think they feel that this is -- let's go here, see what happens, and then take another look. Some may come up with higher figures, but this is what we think is a good and full program to give them the help they need right now.

Q. Mr. President, have you been personally briefed on the exact number of people left homeless as a result of the U.S. invasion of Panama? And when specifically, sir, can they expect to get new homes to replace those destroyed?

The President. I think these programs will give instant -- or as close to instant relief as we can hope for here. In fact, there's a provision -- I'd like to ask Larry and John to take a couple of questions, after I bail out on this, that will address themselves in more specificity because I don't have the exact number there. But I would like to help as best I can with the reconstruction.

War on Drugs

Q. I know you're talking about foreign policy, but may I ask you a drug question since you were talking about that today, though?

The President. Yes, sir.

Q. Given the fact that in your Inaugural Address you promised to stop the scourge of drugs, and given the fact that today you told the newspaper publishers that drugs was at the top of your agenda, is this going to be the primary test for your administration -- in its first 4 years at least -- the primary domestic test, assuming the economy doesn't fall apart? Is this the big one?

The President. I think it's the big one, and I think it's the test not for the administration but for every community in the country, every State, every local government -- for the people. And somebody asked me, if you had to set goals, changes in the education system or -- but where could you most readily hope to see results? I would say in the antinarcotics fight. I think it's really that kind of priority.

China-U.S. Relations

Q. Mr. President, going back to China. You gave us an accounting of why General Scowcroft [Assistant to the President for National Security Affairs] went in December, but I wonder if I could ask you to go back to July? Could you give us an accounting of that trip? What happened? What did you learn? Why did you send him then?

The President. To make clear to the Chinese leadership that the relationship is important, but that it could not go forward until certain changes had taken place. And that, in sum, is what it was about.

Q. Was it your initiative, or theirs, sir?

The President. Mine. Mine, I should say.

Q. Back to the override vote. Does this suggest to you -- your victory today -- that if you can win here, you can win on anything with Congress?

The President. No, because I think we had a very good case here. If I took a case up there that wasn't any good, why, I'd probably get beat. But this one I think people were willing to listen -- some that had been positioned opposed to it, opposed to my position. And I think when they heard the full argument, I think they decided, well, we should support the President on this one.

Q. Could you extrapolate a little bit on that, Mr. President? Given that you've pointed out repeatedly that you have done administratively what Congress ought to do legislatively, why was it so important to win this vote?

The President. Well, I said yesterday -- I mean, for several reasons. One reason -- I think there was a political ingredient in it, and nobody likes to get pounded on that. And also, I think -- from a foreign policy standpoint -- I think it's better to do it this way. I think there's a trust factor that hopefully will result in changes that are satisfactory to the American people and to me -- a trust factor in the administration. And I hope that I can use that, having won this now, to further the kinds of things that I think will help move China forward.

You see, I think that the unilateral decision by President Nixon to send Kissinger on a secret mission to establish contact in days when there were far darker in China's U.S. relations was a good decision. And I think the decisions I've made are good decisions. I can understand the controversy, and I can understand why there wasn't a unanimous endorsement. But I view it as a very good step. I will pledge right here to work with the Congress. I love the way the debate ended with both Senator Mitchell and Dole saluting each other for the way in which the matter was discussed. And I think that's a good signal for the political fights that may lie ahead.

Q. If I could follow up on David's [David Hoffman, Washington Post] question: You said that Mr. Scowcroft's trip in July -- the Chinese were told certain things had to happen for the relationship to go forward. Can you elaborate on those things and tell us if they've happened?

The President. No, because I think that we've seen China take certain steps. In diplomacy, I don't think you make progress by throwing down a list of things, telling somebody else how to behave. I do think you adhere to your own principles, and I think sometimes you have to undertake the kind of diplomacy that I engaged in here to reiterate principles and to explain the severity of problems to people. But if you do it publicly all the time and you do it so you're painting somebody into a corner, I don't think you get results. And that's why I did what I've done.

Q. Is the status of Mr. Fang [Chinese dissident] one of those things that needs to be resolved? And can you give us any information on that?

The President. It certainly is a matter that I would like to see resolved.

Q. Mr. President, on capital gains you've pointed out on several occasions that because of parliamentary rules you've been thwarted. You've asked that Congress give the majority the right to exercise their will by passing capital gains. Now, in this case, you technically won on this veto because of parliamentary rules, but the vast majority voted against you on this. Don't you believe that that is, in fact, a repudiation of your Chinese policy?

The President. No, I don't see a parallel. This is executive branch. You are equal with the legislative branch. The whole ball game is entitled to have the veto process. Part of the election is about the veto process. It's not a question of whether -- but when you have a majority of Senators up there doing one thing, that's fine, provided the President agrees with it. But that's

what I'm saying.

Q. But I'm talking specifically about what Congress did over the last couple of days.

The President. Surprised you, didn't it?

Q. The majority of Congressmen in both the House and the Senate voted against you on this issue. Do you believe that that's a repudiation by Congress of your Chinese policy?

The President. No. They're entitled to do their thing, and the executive's entitled to do its own thing. And it worked, and we're going to stay right on track. And I think the process worked very well. I don't view it as a repudiation at all.

Q. Mr. President, I understand that Transportation Secretary Skinner was among those making calls on this vote.

The President. I hope so.

Q. Well, that suggests a little pork-barrel persuasion as well. Was there something more than just the pure -- --

The President. Highways in China? What are you talking about?

Q. Well, I mean, was it just the pure merits of the case that won the day, or was it win one for the -- --

The President. I think there were some politics in it. I think there was politics in it.

Q. Both sides?

Q. On both sides?

The President. Yes, both sides.

Q. That you used?

The President. Yes, because some of them said, look, let's stand with the President. Some that may have had a slight difference of emphasis on our side -- and clearly there was plenty on the other side when you don't see one single vote come across the aisle -- not one, not one.

Q. Did you make specific promises to anyone on help on any other issue?

The President. No.

Q. Did you play hardball?

The President. Softball -- great, big, fat one coming over the plate. Excuse me.

Q. You spoke of a trust factor. I wonder if I can apply that to the American people, sir. What can you say to convince the people that the missions to China weren't secret simply to avoid the overwhelming public opposition to them?

The President. I say I think what I'm doing is correct, and I say I think I was elected to do in foreign policy what I think was correct. And you have the checks and balances of the Congress. They had a shot to say that it wasn't correct in this instance. And so, I say that I feel encouraged that the process worked out this way, and I point back to the original relationship with China. And I don't believe you would have ever had it if there hadn't been some secret diplomacy.

Q. If I could ask the question again, sir -- --

The President. You might. You'll get the same answer if you ask the same question.

Q. Were the missions not kept secret to avoid the overwhelming public opposition to them?

The President. No. The missions were kept secret because I believe this is the best way in dealing with China to effect change -- positive change.

Q. Mr. President, as you're aware, China issued an angry statement overnight over the House action yesterday, referring to their vote as interference in China's affairs. You warned yesterday about China's action if your veto was not sustained. What I don't understand is why China would -- since you've promised to do the same things administratively that the Pelosi bill would have done -- why China would regard that as interference, but you doing it they wouldn't?

The President. I think they would see it as a further public slap at a time when they feel some steps have been taken that are positive. And I think that is probably what -- but let there be no mistake about it, I'm sure they're not very happy with my Executive order. I mean, they're entitled to their view, and we're entitled to ours. And I have a mandate to protect these students, and China, as you know, has a very different view on it. But I think that's the only thing I can think of.

Middle East Peace Process

Q. Let me ask on a different topic: on the Middle East. You've had 3 press conferences in 2 days

now, and there's been no questions at all about the Middle East. Is this a signal that your administration and that the American public as a whole is disgusted with the slow pace of events toward the peace process?

The President. No, because I don't write the questions for the press conference. I mean, I can't help it if I had no questions. But I don't think anything in the status quo should be interpreted as a lack of interest in trying to be helpful on the talks going, if that's what you mean. In fact, there is discussion going on. We had discussions with our most recent visitor, President Salih. I've just concluded a meeting with Senator Specter, who is just back from Syria and from Iraq, and there's a lot going on. I wish I could tell you I felt that there was demonstrable progress. But no, please don't assume because I have addressed myself in the statements to the China question and the question of Panama or the question of our domestic agenda that we have lost interest in trying to be a catalyst in the Middle East.

Q. Do you think one side is being more recalcitrant than the other?

The President. I don't think it would be helpful to quantify recalcitrance. I think what we ought to do is what Jim Baker is trying to do right now, and that is to facilitate the talks, to get them started.

China-U.S. Relations and Chinese Student Relief Legislation

Q. Mr. President, with this victory in the Senate, do you anticipate sending General Scowcroft or perhaps some other envoy back to China to talk again, perhaps in open this time?

The President. I'm not sure Scowcroft and Eagleburger want any more grief like this. [Laughter] There are no plans to do -- let me be very clear, again. And I'm not dodging your question. One, there are no plans for anything of that nature. Secondly, this was my idea, for good or for bad. And these are seasoned diplomats and seasoned people in national security, and we talk about these matters. And when the President makes a decision, why, they do what I suggest here. And so, I don't want to be doing anything other than expressing total confidence in them and in their mission, and I know it's been controversial.

But I'm not somebody that's always looking for a way to do something in secret. When I see, though -- back to the question I was asked -- that in my judgment a quiet conversation might lead to progress, I hope I will continue to feel I have the flexibility to pursue such conversation.

Q. Mr. President, when you sent your memorandum of disapproval on the China students bill, you characterized it as a pocket veto and said that the constitutional provision precluded it becoming law. Yet we haven't heard you object to the fact that the Congress took the vote to override. Have you changed your mind on that?

The President. I need a lawyer on that one. I don't -- --

Q. I'd certainly like to follow it up somehow.

The President. I think you should get -- --

General Scowcroft. You need a lawyer.

The President. I really do. [Laughter] It's technical, and I can't -- --

Q. Some people said that by sending the message back, you undid your pocket veto and actually gave them a veto to override. But I don't think the White House accepts that, and I'd certainly like to get an answer to it.

The President. Yes, let me get you an answer, because we're not seeking to do some clever parliamentary maneuver to have people have to vote on this question when I would rather have seen the matter lie dormant.

Q. You indicated in the beginning of your statement that you feel you do have a mandate now on this China policy. A lot of people have criticized it as a secret policy. You also indicated that perhaps you might do more to keep Congress informed. Why not keep them informed of these secret missions, and what do you plan to do in terms of keeping them informed?

The President. Well, I think we do. We bend over backwards to keep people informed in the Congress. And I think once in a while there is something that is done quietly, and then when it is proper, why, we'll give a thorough and full briefing. And I think in this one, when this matter was disclosed by us, we immediately briefed Congress on what it was we had intended to do, why we did it. And so, I don't think there's any real lack of consultation. In fact, I pride myself on the fact that we have had outstanding consultation. And I've had these leaders down here over and over again -- bipartisan -- and I'm going to continue to do that.

Q. The July trip, Mr. President -- it was 6 months before Congress found out about it.

The President. That's right.

Q. Why not inform the people?

The President. Because we were working on some initiatives, and in my judgment, it was better that it be quiet. And I've cited some examples in history, particularly the China trip, the opening to China, that I think was best served by the way it was done.

Q. Mr. President, as you analyze the outcome today and the vote itself, how much of it was a vote on the Chinese student issue, and how much of it do you perceive to be a vote on your overall approach to China?

The President. Or on the political side -- I don't know. I don't know how you measure it. But I do think this: As I had an opportunity to discuss it with individuals, and as our team did, I think there was much more understanding of the merits than had been granted originally. And I think we'd all agree -- everybody here -- that a couple of weeks ago it just was kind of written off and getting pounded on the merits as well as on the politics. So, the consultations and the discussions to try to get support for this, I think, have increased understanding even by those that didn't vote for me.

At least I think they understand that there were some merits to what I was trying to do. They may have disagreed with it. Some may have agreed with what is the thrust of some of these questions, on the secrecy question. Some may have felt that legislation is better than the executive branch authority doing it. But I think I was given the benefit of the doubt by some in terms of knowledge of the importance of a relationship with China. I think I've hopefully dissuaded some in terms of some of the propaganda on the other side -- that I didn't care about human rights.

So, it was an interesting development here: taking a project that many had considered extraordinarily difficult and then seeing it resolve itself in this way. But there's no intention on my part to crow about it. I mean, it was a very close vote, and it worked out better than many had felt it would. And now we've got to go forward. Tomorrow it's something else. I'm not going to live there on this thing forever.

Q. If I may follow: Was there not a broader issue in regard to the China policy here than just the situation with the students?

The President. I'm not sure -- --

Q. Was this not a congressional mandate or a Senate mandate on the way you've handled the overall China policy more than just the student issue?

The President. Some of it was. Some of it was political. We'd already accomplished by Executive order what the Pelosi bill was going to do, so some of it was a feeling that maybe it would be better to lock it in on legislation. Some of it was they wanted to make a statement. There's a lot of reasons. You have to just ask those who voted as they did.

Q. Mr. President, a lot of the emotion over your China policy had to do with the famous Scowcroft toast on videotape. It angered a lot of people to see him toasting people responsible for the Tiananmen Square massacre. Will you say that at least that part of it was a mistake, that

if -- --

The President. No, because when you go to China, that is -- I don't know of anybody that's been there that doesn't engage in that activity. And if you read the full context of what was said, I think it was a very unfair shot. But I agree with you -- some people used that as something that was outrageous. But they ought to go over to China and just understand how it works.

Q. If people had only known that he went over there and that he had talks, do you think the public reaction would have been different than it was when they saw him toasting on television?

The President. No, I think the people that are outraged by it and expressed themselves were concerned about my whole approach to it, I think. But I can say that I think that it may have affected one or two. I don't really know the answer to that one.

Panama

Q. Back to Panama, sir. The election last May was the one that never really resulted in a full count because of General Noriega, yet that's the same election on which the Endara government is basing its legitimacy. Is it time, sir, for another election in Panama?

The President. Well, I think, fortunately, the Endara government has been endorsed by the Electoral Commission. They were kind of diverted from their normal course of business by Mr. Noriega a while back. But I think that's a matter for the Panamanians to decide. I think it would be a little bit outrageous for us to come charging in and tell them when they ought to have an election.

Q. But what is your opinion on it?

The President. Well, I'm not going to have an opinion. I want this to be the Panamanian system. The emphasis from now on ought to be Panama's democracy, Panama determination, let Panama figure out -- and then we'll try to help, or if they ask for criticism or suggestions, fine. But I don't want to be appearing that we are trying to run the new democracy in Panama from up here. That would be the worst thing we could do.

El Salvador

Q. On another topic, several key Democratic Senators say they don't believe President Cristiani has control of the military any longer. What is your response to that? They are also drafting legislation which would kill future military aid. Do you think you will be as successful in defeating that package as you were today?

The President. I hope so because Cristiani is trying hard. And I think there is some evidence that

he doesn't control all his military. The very fact he's trying to bring some to justice who at least have been accused of wrongdoing demonstrates that. But the man was elected -- certifiably free elections. He is trying very hard. He has taken some extraordinarily courageous and tough steps, and he has my full support.

U.S. Military Action in Panama

Q. My question is about Mexico and Venezuela and other countries in South America that have been offended by the invasion in Panama.

The President. Yes.

Q. I wonder if you have spoken with their leaders and used some of your personal diplomacy to convince them that you didn't intend any -- and won't be invading any other countries anytime soon. [Laughter]

The President. Well, I haven't given them my invasion list, but I have -- [laughter] -- no, but seriously, it's a very important question diplomatically; it's a good question. First place, as of today, because of what's happened since the fighting began, things are better. Some of it may be just that time heals. Secondly, I think that they have been informed -- some by me, mail, phone calls when these actions took place, and our State Department and our representatives -- as to what our intention was, what the cause was, what we're doing. They've seen a lot of forces come out now, which I think is helpful. There's a history. And anytime you undertake an engagement like I authorized, you've got to assess what the down side is because of the history.

But, Jessica [Jessica Lee, USA Today], I am pleased with where we are now. And I have not engaged in the last week or so in a lot of diplomatic activity with my friends, but I've sent enough communications that I think they know what my heartbeat is on this. And I hope now, when they saw what happened with the Panamanian people, that that made a profound impression on them. And they've seen Endara go forward, and they've seen the stamp of approval given to his democracy. And they see that now, as of today, that we're determined to help not just with rhetoric but with a means of recovery. So, things are better -- and I think, given the action that I authorized, in pretty good shape. I'm not suggesting I have no diplomacy ahead.

Chinese Student Relief Legislation

Q. Mr. President, it was a surprise victory to start the year. Will this transfer to other issues, and is this what someone once called big Mo, momentum, starting off 1990? [Laughter]

The President. Listen, I learned a lesson not to talk about that. And I learned it the hard way -- took it right on the chin. And I'm coming in here in the spirit of cooperation, and excuse me if

the adrenaline flew on one or two of the questions because things didn't look too bright a little while back. But, no, this is too serious a business, especially as it relates to this China policy. And so, I'm not in a mode of talking about momentum or something of that nature.

I do think because of the way it worked out it's going to be helpful in reaching accommodation in the Senate and in the House on certain of our objectives. By that I mean I offer out that hand of cooperation, but it is a two-way street. I simply cannot accept legislation that is opposed to principles I believe in.

So, I don't know where it will fall out, but there is -- and I promise you, I don't come in here with some sense of gloating or anything of that nature at all. It was too tough a vote for a lot of my friends on both sides of the aisle.

Ellen [Ellen Warren, Knight-Ridder Newspapers], last one.

Assistance for Panama

Q. Mr. President, in announcing $1 billion for Panama -- that's an awful lot of money. So, what countries are going to get less money as a result of our generosity to Panama?

The President. Well, there will be offsets; and we will at the appropriate time, which is fairly soon, tell the Congress where we think those offsets should come from. But let me reiterate my philosophical approval for the Bob Dole position, which is to give the President more flexibility on this concept of earmarking [foreign aid].

I've boycotted the back benches, so we're going to end with this one right here.

Racism

Q. Mr. President, do you agree with the NAACP and other organizations that there is a rising tide of racism in this country?

The President. I had a long talk with some of the executives of the NAACP the other day, and they expressed to me their concerns. And I share their concerns, but I like to think that there isn't a rising tide. I think that there are some very ugly incidents, and if I can use this platform, the White House, to speak out against that bigotry and against that ugliness, perhaps it will help. But I will tell you that several of those leaders felt that there was a growing pattern of racism, and as your question said, a rising tide. I don't know that I agree with it, but I do agree there is some very ugly incidents lately, and we all ought to do what we can to make clear that is not the American way.

Thank you, I really do have to go. Thank you. You guys have been stiffed, but I'll get you next

time, I promise.

Note: The President's 34th news conference began at 3:24 p.m. in the Briefing Room at the White House.

Statement on Economic Assistance to Panama

January 25, 1990

In early January, I sent Deputy Secretary of State Lawrence Eagleburger and Deputy Secretary of the Treasury John Robson to Panama to discuss with President Endara, Vice Presidents Ford and Arias Calderon, and their advisers ways the United States could help in Panama's economic reconstruction. They returned enormously impressed with the commitment of President Endara and his economic team to reform Panama's economy and get it moving again. I share their enthusiasm. Yet the economic challenges Panama faces are great and will require the help of its many friends around the world.

To assist Panama, I have approved a far-reaching economic recovery plan, valued at about $1 billion. The plan has two main parts:

loans, guarantees, and export opportunities valued at over $500 million to strengthen Panama's private sector and to help create jobs, including $42 million in humanitarian assistance for housing those displaced from the Chorillo area, for emergency public works, and to help businesses affected by the looting;

a $500 million assistance package for balance of payments support, public investment and restructuring, and to assist Panama to normalize its relations with the international financial institutions.

The Vice President will personally review the details of this plan with President Endara during his visit to Panama.

Through these and other programs I am announcing today, the United States has made good on its word to assist the Government of Panama and the Panamanian people in their efforts to restore the health of Panama's economy. Private sector initiatives, supported by the Government's economic reform policies, will be the key to Panama's recovery, enabling the entrepreneurial talents of the Panamanian people to flourish. We will continue to work with the people of Panama to build a prosperous, democratic nation.

White House Fact Sheet on the Partnership With Panama: Action Plan To Foster Economic Recovery

January 25, 1990

The President today announced the following action plan to foster economic recovery in Panama:

I. Humanitarian Assistance

The Agency for International Development (AID) will initiate a $42 million humanitarian assistance program for Panama, covering:

replacement housing for the former residents of the Chorillo area;

an emergency public works program, principally for Panama City and Colon, but also including rural areas;

small business rehabilitation to assist those businesses affected by the looting; and

technical assistance to Government of Panama (GOP) agencies.

The Departments of the Treasury and Defense will develop ways to assist U.S. firms wishing to donate products to Panamanian businesses.

II. Loans, Guarantees, and Export Opportunities to Strengthen Panama's Private Sector and to Create Jobs

The Export-Import Bank (Exim) will provide up to $400 million in short-term and medium-term guarantees, through Exim and its affiliate, the Foreign Credit Insurance Association, to finance sales of American products.

AID will use $15 million in Trade Credit Insurance Program funds authority to support additional Exim lending to private sector borrowers.

The Overseas Private Insurance Corporation (OPIC) will reopen its insurance and finance programs to support American private investment in Panama. This program is valued at $50 million.

The Department of Agriculture will initiate a $15 million P.L. 480 title 1 program and a $15 million Commodity Credit Corporation program for Panama.

The United States Trade Representative will:

restore Panama's suspended 1990 sugar quota and, consistent with U.S. policy, compensate Panama for its foregone 1989 quota. This is estimated to be worth a total of $28 million;

initiate an educational program to ensure Panama makes full use of trade benefits under the CBI and GSP programs; and

remove the quota on cotton pants.

The Department of Transportation will arrange for the Federal Aviation Administration to negotiate a Memorandum of Agreement with the GOP on the provision of technical assistance in order to ease air travel to and from Panama.

The Department of State will, if the GOP so wishes, arrange that the already-negotiated bilateral investment treaty be resubmitted to Congress.

The Department of the Treasury will:

discuss with the GOP the conclusion of a Tax Information Exchange Agreement (TIEA), thus permitting U.S. firms, under established tax guidelines, to deduct expenses of conventions held in Panama. A TIEA would also make Panama eligible for section 936 funds;

working with other interested agencies and organizations, offer technical assistance to the Panamanian banking sector; and

initiate discussions with the GOP with the view toward concluding an agreement pursuant to section 4702 of the Anti-Drug Abuse Act of 1988 for the exchange of large currency transaction information.

The Department of Commerce will lead a business development mission to Panama and undertake other efforts to stimulate trade and investment with Panama.

The Department of Defense will:

resume promptly preferential buying of Panamanian goods and services by U.S. military authorities in Panama, the Panama Canal Commission, and all other U.S. entities, in accordance with the provisions of the Panama Canal Treaty of 1977; and

authorize the return of U.S. military dependents to Panama when the military situation permits.

In addition, Panamanian flag vessels will continue to have full access to U.S. ports.

III. Promoting Sustained Economic Recovery

Significant but temporary external economic assistance will be required to assure that Panama's economy returns to a sustained growth pattern. This undertaking will be a partnership involving the United States, Panama, other donor countries, and international financial institutions (IFI's).

The administration will seek an additional $500 million in FY '90 for U.S. assistance to Panama. This amount shall be offset from other programs. The $500 million would be used to help Panama normalize relations with the IFI's, for balance of payments support and business credit, for a public investment program, for public-sector restructuring, and for development support.

The Administration will also:

work to establish a support group of friendly donor countries to help clear Panama's arrears to the IFI's;

seek an early and generous rescheduling of Panama's debt to foreign governments under the auspices of the Paris Club; and

take steps to assist the conclusion of a satisfactory financing package for Panama's commercial bank debt that addresses the amount of debt and the level of debt service payments in the context of the strengthened debt strategy.

Nomination of John R. Dunne To Be an Assistant Attorney General

January 25, 1990

The President today announced his intention to nominate John R. Dunne to be an Assistant Attorney General for the Civil Rights Division at the Department of Justice. He would succeed William Bradford Reynolds.

Currently State Senator Dunne serves as a partner with the law firm of Rivkin, Radler, Dunne and Bayh in Uniondale, NY. Prior to this he served as a New York State senator from District 6, 1966 - 1989. Senator Dunne served as chairman of the senate judiciary committee and was ranking majority member on the senate insurance committee, the rules committee, and the committees on environmental conservation, housing and community development, and social services. In addition he served as deputy majority leader, 1987 - 1988, and chairman of the senate environmental conservation committee, 1982 - 1984.

Senator Dunne graduated from Georgetown University (A.B., 1951) and Yale Law School (LL.B., 1954). He was born January 28, 1930, in Baldwin, NY. Senator Dunne is married, has four children, and resides in Garden City, NY.

Remarks to the United States Conference of Mayors

January 26, 1990

Thank you very much for that welcome. Mayor Whitmire, Secretary Skinner, Director Cochran, Mayor Isaac, Mayor Ray Flynn, and other distinguished mayors, and ladies and gentlemen, thanks for the reception and for the pleasure of being here. The mayors group is known as a pretty tough group. And maybe that's why in 10 years no President has been here. [Laughter] But all I ask is that the warmth be the same when I leave as when I arrived here. [Laughter]

Look, in particular, let me thank Kathy Whitmire -- reelected over and over again in our hometown -- thank her for that warm introduction. Kathy is my hometown mayor, and so I welcome the chance to ask her respectfully about one of the most pressing problems facing the city we love: room service in my hotel suite there in Houston -- [laughter] -- which is my legal residence, as you all know. Actually, in the South we do it differently: you don't run with a Republican or Democratic label. But I've suspected that possibly, even though we're in opposing political parties, Kathy and I have always gotten along. For instance, she's never held it against me that a member of my family owns the other baseball team in Texas. [Laughter] And for my part, I've tried to return her kindness. So, I picked up the phone when she called a couple weeks ago. She asked me to declare a disaster area, and I told her I did not think that the Houston Oilers were that bad. [Laughter]

But, Kathy, to you and all of your colleagues; your successor, Ray; others here; and all of you, it is an honor to address this 58th annual U.S. Conference of Mayors, your winter meeting, and to talk to you about the ways that you and I, the White House and the mayors, can do a better job of building a better America.

Nineteen months ago, I sent you a letter expressing my thoughts on urban policy, and wrote, ``As we prepare to enter the 1990's, it is clear that America needs a new working relationship between the Federal Government and the cities.'' I meant it then and I mean it now. And we do need to forge a new relationship, a relationship -- a partnership -- which realizes that as mayors you are on the front line in the war against urban problems, a partnership which can achieve the promise of America.

That promise depends, first, on maintaining our economic resources, just as we have during the longest peacetime boom in American history. Next week I'll be doing what you've had to do: next week I'll release a budget for fiscal year 1991 that hopefully builds on this prosperity. Together we can create opportunity for all.

The promise of America also depends on safeguarding our natural resources, just as mayors are doing through programs like Chicago's ``Plastics on Parks'' or in Virginia Beach, generating electricity from that city's landfill -- you're doing your part, and we intend to do ours by

strengthening the Clean Air Act, preserving our wetlands, improving America's parks, and others -- domestic and international initiatives. And Wednesday, I announced my support for the Glenn-Roth legislation to elevate the EPA to Cabinet status. Together, we must protect our environment for decades to come.

Then there are human resources. Today an estimated 15 million families are headed by working parents or single mothers. But when it comes to child care, Washington doesn't automatically know best. I am resisting mandated Federal programs. And so, I urge the Congress to pass my child-care legislation. Let's put the choice in the hands of the low-income parents.

Each of these initiatives will nurture the promise of America. Yet urban problems won't fade until we meet the challenges that I discussed in that letter in 1988, the challenges that you face every single day: drugs and crime, education, housing, and the plight of our homeless. Can we meet them? I believe that we can because I believe in America, nothing is impossible. Perhaps an ex-baseball player put it best. ``When I was a little boy," Craig Nettles said, ``I wanted to be a big-league player and join the circus. With the Yankees, I've accomplished both." [Laughter]

I do believe that as partners we, too, can accomplish what some might deem impossible. So, let us assault the drugs and crime that form the first of our challenges. Rescuing our kids from crack and cocaine will not be easy, but it can be done.

As proof, consider that in 1985, 23 million Americans used illegal drugs on a current basis -- at least once in 30 days. But last year that number fell by more than a third. That means almost 9 million fewer Americans are casual drug users. Good news. It's up to us to make it better.

And that's why yesterday I released the 1990 Drug Control National Strategy, Phase II of the Comprehensive Drug Policy that we unveiled last September. We're asking Congress to spend over $10.5 billion in fiscal '91 for education, treatment, interdiction, and enforcement. That is a 41-percent increase in outlays over the current year, and it means a 69-percent increase in drug-related spending overall since our administration took office.

I ask you to support our strategy to take back the streets from crime and drugs. We need -- we really do, I believe -- need mandatory time for firearms offenses -- no deals when criminals use a gun -- and, as Phase II proposes, an expansion of the death penalty for drug-related crimes. In that context, I ask you to urge your State legislatures to approve the same penalty for the killing of local law enforcement officers. Let's work together to stop the hooligans and the thugs.

Phase II aims to help the teenager tormented by crack or the pregnant mother whose drug use imperils her child. Yet drugs are not only a Federal problem. So, you, too, have responded. Macon, Georgia, started the ``Macon-Bibb war on drugs." In Houston, local officials and residents of an area in our city called Acres Homes Project have teamed to pursue ``drug-free tomorrows." I visited out there last month with Kathy, and the courage of that community is

absolutely inspiring. Same inspiration from what's happening in downtown Kansas City and so many other cities all across this country.

And so, now let's join hands to inspire the millions of Americans who want to help America get clean and stay clean. According to the Gordon Black poll -- it was released just yesterday -- 10 percent of all families are already involved in volunteer antidrug programs. But what's really startling is that an unbelievable 60 percent of Americans would volunteer 5 hours each week to stop the sale and use of drugs. And the same percentage would donate from $20 to $100 to their community to stem drug use. Now, why haven't they? Maybe it's my fault; maybe it's yours; maybe it's the private sectors. But they simply have not been asked.

One American who was asked and who got involved is a man that many of you know, his name is well-known: Jim Burke, former head of Johnson & Johnson. Let me tell you about him. Yes, he was the chief executive and the former chairman of Johnson & Johnson, but he decided on his own to do something about drug use. He decided to unsell drugs through the Media Partnership for a Drug-Free America. And his partnership already made dramatic strides, but it aims to raise $1 million a day in advertising time and space every day for the next 3 years to discourage drug use. That is an amazing goal -- $1 billion. But I am absolutely convinced he's going to make it. And it's a great example of what can be accomplished when an individual is asked to help.

So, get out your pocket calculators. The Gordon Black poll figures mean that Americans are willing to donate more than 500 million hours per week and $5 billion, nationally. They want to serve, they want to give, but they have to be asked before they can do either. A promise: I will use the bully pulpit to ask them to do both, and I urge you to do the same thing. Together -- and that isn't just Federal Government spending and municipal spending. I am talking proudly of the Thousand Points of Light. We need to get more involved. Together let's defeat public enemy number one.

Ending the scourge of drugs will not only save lives. It will also help meet that second challenge that I talked about: the education of our kids. You know how central education is to urban America. Bright minds can find solutions to your Rubik's cube of problems. Remember, nothing is impossible. Yet look at today's box score of so-called higher learning: a dropout rate that is totally unacceptable, erratic standards, unsafe schools wracked by drug use and trafficking, kids ill-equipped to read or write. And so, let's be honest: Our educational system is not making the grade.

To go from fail to pass will require school boards, teachers, and parents to work together with all levels of government. So, I applaud the mayors who have started programs like Step Up in Kenner, Louisiana, providing learning incentives for students, or the program in Colorado Springs which helps dropouts and at-risk kids finish high school; mayors who head the more than 350 cities which enriched America on your National Education Day.

So far, so good -- and yet still so much to do. For while education is mostly a local and State responsibility, the Federal Government must help. That's why I call on the Congress to pass our Educational Excellence Act, legislation which seeks, first, to encourage excellence; second, to see that Federal dollars serve those most in need; and third, to demand educational accountability; and fourth, to support flexibility and choice.

For instance, we want to create a $500 million program, when fully funded, to reward schools that improve the most. Then there's our new Magnet Schools of Excellence program; our plan to reward schools which create a drug-free environment and reduce the dropout rate; and a National Science Scholars initiative in science, math, and engineering. And recently, I was very pleased to sign into law legislation to help urban schools hit hardest by drug use.

These initiatives can and will make America competitive in the international marketplace of ideas. But the promise of America also depends on meeting the third and fourth challenges that I mentioned earlier: making housing affordable and accessible, and providing help for the homeless.

Basic shelter -- affordable housing -- should be every American's reality, not merely a dream. So, 2 months ago, I announced an initiative to make the Federal Government a more effective urban partner. Its name: HOPE, Home Ownership and Opportunity for People Everywhere, a new comprehensive housing and urban development agenda. HOPE will help first-time homebuyers by allowing them to draw without penalty on IRA savings as a downpayment for that first home. It will also help tenants become homeowners, as public housing sites have done in St. Louis, Washington, east Los Angeles, and other places as well -- each with tenants in control. For other low-income families, we want housing vouchers that increase housing options. And toward that end, I have asked Secretary Kemp to convene a commission to identify barriers to affordable housing.

Yet for many, the problem of housing is availability, not just affordability, so we want Congress to renew the tax credit to aid the construction and rehabilitation of low-income housing. But we must also create incentives for growth in those areas of need, for growth means jobs, and jobs mean homes. So, we've urged Congress to help the dream along by passing our enterprise zone legislation, proposing at least 50 urban enterprise zones over the next 4 years to fuel the engine of job creation. There's more. We want to cut the capital gains tax for the Nation. And for enterprise zones, we've got to abolish the tax altogether to spur investment, jobs, and enterprise that can turn dark corners of despair into neighborhoods lit by opportunity and hope.

Finally, let us provide hope for those whose roof is the sky above, whose floor is the street below. We see them everywhere -- next door on 15th Street, in our suburbs, and in our small towns. I'm talking, of course, about the homeless.

The homeless need emergency shelter, food, and medical care. And to reduce homelessness, 2

months ago I signed a bill that increases funding under the McKinney Act -- Democrat, Republicans supporting it overwhelmingly in the Congress. And we want to find new ways to put part of our FHA foreclosures into the hands of nonprofit groups and to coordinate basic needs like shelter with other social services.

It won't be easy; we know that. But we also know the real answer to the homeless is shelter plus care. And we know that to help the homeless, like improving education or stopping drugs, will require a combined Federal, State, and local effort. Only then can we unleash the resources of the private and public sectors, showing, as a writer said, how ``America is a willingness of the heart."

I believe there is a willingness of the heart in this room. I know there's a discussion, a lively discussion, over resources, over direct grants -- subjects that the mayors and the Governors and the Presidents in days gone by have fought about for a long, long time. But the main thing is there is this willingness of the heart among Democrats and Republicans, the White House and the mayors, a willingness to put aside partisan concerns. And so, I came over here today to say let us sit down together and do what needs to be done to achieve the promise of America and, thereby, make the impossible possible.

Thank you for this occasion. Thank you all very much, and God bless you. God bless your important work in the community. Thank you.

Note: The President spoke at 10 a.m. in the Presidential Ballroom at the Capitol Hilton Hotel. In his opening remarks, he referred to Secretary of Transportation Samuel K. Skinner; Thomas Cochran, executive director of the U.S. Conference of Mayors; Mayor Robert Isaac of Colorado Springs, CO; and Mayor Raymond Flynn of Boston, MA.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Fernando Collor de Mello of Brazil

January 26, 1990

President Bush met with Brazilian President-elect Fernando Collor de Mello for approximately an hour this morning. The two leaders exchanged views on a wide range of bilateral and regional issues, including trade, investment, debt, and the environment. The President expressed strong support for President-elect Collor's plans to reform and revitalize Brazil's economy and stated that the United States would work closely with Brazil toward this goal.

President Bush told President-elect Collor that he recognized Brazil's important role in hemispheric affairs, and expressed the desire to maintain close contacts with him on regional matters in the future.

In the discussion of environmental issues in Brazil, President Bush reviewed our own efforts to address environmental problems in the United States and expressed a desire to work with Brazil and other countries so that a proper balance can be worked out between development and environmental concerns, with full respect for every nation's sovereignty and with the need to base deliberations on the best scientific data available.

Remarks to Special-Needs Adopted Children and Their Parents

January 26, 1990

Richard Middleton. Good evening, boys and girls, and mothers and fathers. My name is Richard Middleton. I'm 11 years old. I adopted my father -- [laughter] -- at least a year ago. I love my father. And I'm very glad that the President and Mrs. Bush are helping more children like me to find parents to love. That's why it's such a great honor for me to introduce to you, boys and girls, moms and dads, the President of the United States.

The President. Richard, good job. Well, good afternoon. And thank you, Richard, a wonderful introduction. You only had to use your cards for one sentence, and I have to use it for the whole speech here, see. [Laughter] But you did a great job.

And to Secretary Sullivan, thank you, sir. It's always a pleasure to be with you. And thank you, everyone, for traveling here today -- especially the Orsi family, who drove all the way from Connecticut with their 21 children, 19 of whom are adopted. And I'm glad all of you could join me here in the White House. You know, in fact, this has got to be the most unique event ever held in the White House, I think. It's like a fishpond, moving around. It's very good, and I'm glad to have you all here.

You know, this time last year, when Barbara and I became the official caretakers of the White House for 4 years, the first thing we did was invite all of our children and our grandchildren to spend our first night here together upstairs as a family. And my family is very, very important to me, and I feel lucky to have been blessed with a wonderful wife and children and, of course, now 12 grandchildren. But all of you here today are just as lucky because you, too, are part of a family of your own -- to grow with you, share with you, and most of all, to love you.

Each of your moms and dads know just how special you are when they picked you out to go home with them. And now you've got some of the greatest parents around. And they have so much love to give you, and they feel the warmth and joy of your own love in return. The kids who are still waiting to be adopted don't have parents yet, but they're not alone. They have many friends, people who have spent their lives helping children just like you find families just like you all -- helping them find families of their own.

Let me tell you about some of them here with us today. First, there are business leaders, corporate leaders who have committed to helping children like you find loving homes. For example, how many of you watch cartoons? Quite a few. Do you know the Jetsons? Or the Flintstones? Or Yogi Bear? Well, the people who work at Hanna-Barbera created those cartoons. And now they're creating a new character who will encourage families to adopt children.

And some of you may be aware of a TV program in which children who want to be adopted go on television in cities across America. It's called ``Wednesday's Child," and it is very successful. Almost three-quarters of all the kids who appear on this show find families. And so, NBC network is going to work with us to get more kids on TV and more stations to show ``Wednesday's Child" so more families will see these children.

There's a man here today who is very committed to helping other children just like you. He's a friend of mine for a long time, and his name is Dave Thomas, and he was an adopted child. And he grew up to be a successful businessman with a family of his own. Now he's the head of Wendy's Hamburgers -- and by the way, he really does have his own daughter named Wendy. Now, where is Dave? He was -- here he is, right over here. And he's going to make information available to help put loving parents together with special needs children in Wendy's all across the country.

And now I'd like to tell you about another man whom I've just met, and what an inspiring man he is. Taurean Blacque is a noted actor with an impressive list of credits. But he deserves even more credit for what he does in real life. He has adopted 10 special-needs children, 10 children. You know, single people and older Americans can be great adoptive parents. And Taurean's not married. He says that having 10 kids will probably keep him too busy to get married for a long time. [Laughter] I don't know if he qualifies as an older American yet -- [laughter] -- but I hear that his hair started going gray the minute he got all these kids. [Laughter] But he says he wouldn't change it for the world. He proves that love is something you do every day; love is something that takes hard work and commitment -- because he had to fight to get every one of those children. Taurean asked me to do a head count and make sure nobody got left behind in the Green Room. Are all 10 of you here? [Laughter] Okay, I can't take a count here; I'm too busy here. [Laughter] No, all 10 are, I'm sure. And you've got a very special dad.

You know, people like Taurean, who open up not just their homes but their hearts, are amazing people. And I know that we have a number of adoptive parents among us today as well. And you're a breed apart because, while so many people shout about how to make the world a better place, you quietly lead by example, changing the world in a very special way -- one child at a time. Truly, yours is a gift of limitless love.

This guy's got to go real bad here. [Laughter] That's okay, we're used to that around here. That's okay, big guy.

Okay, where were we? [Laughter] No, but seriously, not all children are as lucky as the ones here today. There are thousands of kids in America who still need a home and a family to care about them. This year, an estimated 30,000 children available for adoption spent their Christmas holidays waiting for a permanent home. And most of these kids, about 60 percent, are special-needs children. To find families for these kids, our administration has sent to Congress our Special Needs Adoptive Assistance Act to help individuals meet the financial commitment

involved in adopting special-needs children. We've also taken steps to encourage Federal employees wanting to give loving homes to these children, who often wait for years to be adopted.

Every children in America deserves a loving home and a family, and they deserve something else: the chance to succeed in school and in life. Government cannot substitute for a supportive home. But some children do need extra help to prepare them for the challenge of learning.

At the education summit, the Governors and I agreed that through the Head Start program we are making real progress towards preparing disadvantaged children for school. And I am pleased to announce that my 1991 budget will propose the largest increase ever: half a billion additional dollars for Head Start. This new funding will increase the Head Start enrollment to 667,000 children and bring us to the point where we can reach 70 percent of this nation's disadvantaged 4-year-olds through Head Start. I urge the Congress to fund our Head Start proposal in full because every American child with special needs, whether physical, emotional, or material, deserves the opportunity for a full and happy life.

Our children are precious. And you're the reason all of us came together here today: to tell you how special you are to us and how glad we are that you are in the family. You know, our son Marvin and his wife, Margaret, just adopted their second child, a little grandson, our grandson Walker. And if I do say so myself, this guy is really something. And so is his sister, Marshall, who's also adopted. And they're an important part of our family, and we love them.

Through my wonderful experiences with adoption in the Bush family, I've learned something. I've learned this: Adoption is good for our country; and for the children who need a loving home; and for the birth parents, who want the best for their children; and for the adoptive parents, by giving them the joy of raising and loving a child.

See the sign behind me: ``Adoption Works -- for Everyone." And that is true. Adoption works because each one of you is so special, and because you adopted very special parents. And it works because everyone in this room loves you very much.

From my family to yours, Barbara and I say thank you, and God bless you. And now, Barbara, I understand we're going to invite this whole gang into the State Dining Room for cookies and lemonade, so why don't we go on in there. And thank you all for coming to the White House. Glad to have you.

Note: The President spoke at 2:39 p.m. in the East Room at the White House.

Letter to Congressional Leaders Transmitting Certification of Panama's Cooperation in the Control of Illegal Narcotics

January 26, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

I am transmitting to you my certification that Panama is fully cooperating with us on the war on drugs. In addressing the urgent issues connected with rebuilding virtually every aspect of Panamanian society since coming into office, the Government of President Guillermo Endara has made the war against drugs a centerpiece of its program. Panamanian leaders have demonstrated their commitment by cooperating in returning Manuel Noriega to face trial in the United States, by freezing hundreds of bank accounts at U.S. request, and by concluding a comprehensive narcotics control agreement with us.

I am convinced that the Panamanian people and their government recognize that it is in their direct national interest to end their association with the scourge of drugs. I have firmly concluded that the vital national interests of the United States require that assistance and benefits be provided to Panama, and that the United States support multilateral development bank assistance to that country.

I therefore urge you to enact a joint resolution approving my determination immediately.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; Claiborne Pell, chairman of the Senate Foreign Relations Committee; and Dante B. Fascell, chairman of the House Foreign Affairs Committee.

Presidential Determination No. 90 - 9 -- Memorandum on Narcotics Control Certification for Panama

January 26, 1990

Memorandum for the Secretary of State

Subject: Narcotics Control Certification for Panama

By virtue of the authority vested in me by Section 481(h)(6) of the Foreign Assistance Act of 1961, as amended (the FAA) (22 U.S.C. 2291(h)(6)), and Sections 802(b)(4) and 803 of the Trade Act of 1974, as amended (the Trade Act) (19 U.S.C. 2492 (b)(4) and 2493), I hereby determine and certify that Panama has fully cooperated with the United States, or taken adequate steps on its own, to control narcotics production, trafficking, and money laundering, as defined in Section 481(h)(2) of the FAA and Section 802(b) of the Trade Act, and that Panama does not have a government involved in the trade of illicit narcotics.

In making this determination, I have considered the factors set forth in Section 481(h)(3) of the FAA and Section 802(b)(2) of the Trade Act.

You are hereby authorized and directed to publish this determination in the Federal Register.

George Bush

Nomination of Richard J. Hankinson To Be Inspector General of the Department of Justice

January 26, 1990

The President today announced his intention to nominate Richard J. Hankinson to be Inspector General of the Department of Justice. This is a new position.

Since 1986 Mr. Hankinson has served as Assistant Commissioner in the Office of Physical Security and Law Enforcement at the General Services Administration in Washington, DC. Prior to this, he served in various positions for the U.S. Secret Service at the Department of the Treasury, including Deputy Assistant Director of Investigations, 1985 - 1986; Special Agent in Charge of the Vice President of the United States, 1983 - 1985; Deputy Special Agent in Charge of the Vice President of the United States, 1982 - 1983; Assistant Special Agent in Charge of the Vice President of the United States, 1981 - 1982; Special Agent in Charge in Richmond, VA, 1978 - 1981; Assistant Inspector in the Office of Inspection, 1976 - 1978; Special Agent for Vice President Nelson Rockefeller's Secret Service Detail, 1975 - 1976; Resident Agent in Canton, OH, 1971 - 1975; and Special Agent in Richmond, VA, 1966 - 1971.

Mr. Hankinson graduated from the University of Richmond (B.A., 1965). He was born September 11, 1942, in New Baltimore, PA. Mr. Hankinson is married, has three children, and resides in Vienna, VA.

Message to the Congress Transmitting the Fiscal Year 1991 Budget

January 29, 1990

To the Congress of the United States:

I have the honor to present the Budget of the United States Government for Fiscal Year 1991.

The American economy is now in its eighth consecutive year of expansion and growth. It is essential that the growth of the economy continue and increase in the future. The budget is designed to achieve that goal.

The budget has five broad themes:

Investing in Our Future -- With an eye toward future growth, and expansion of the human frontier, the budget's chief emphasis is on investment in the future. It proposes: a capital gains incentive for long-term private investment and new incentives for family savings; record-high amounts for research and development, space, education, and Head Start; a major investment in civil aviation; and a large increase in spending to attack the scourge of drugs. At the same time, the budget maintains a strong national defense while reflecting the dramatic changes in the world political situation that are taking place; and it fulfills responsibilities to protect the environment, and preserve America's cultural heritage.

Advancing States as Laboratories -- The budget recognizes the emergence of new ideas and initiatives originating at the State and local level. The Federal Government will foster such innovation and experimentation in numerous fields, from transportation to health, through waivers of certain rules and regulations, and through demonstration grants.

Reforming Mandatory Programs -- Entitlement and other mandatory spending now constitutes nearly half the budget, not counting an additional 14 percent for interest. The budget provides for full payment of social security benefits and funds growth in health, low income and other mandatory programs. However, it proposes reforms where warranted to slow the growth in some of these programs and thus leave more room in the budget for priority initiatives.

Acknowledging Inherited Claims -- The budget faces up to such inherited claims as the cleanup of decades old environmental damage at nuclear weapons facilities. It analyzes potential claims from unfunded annuities and Federal insurance programs. It assesses the growing volume of defaults in Federal credit programs and proposes essential credit reforms.

Managing for Integrity and Efficiency -- The budget contains suggestions for reforms in the way

Congress deals with the budget. It provides more resources and suggests improved methods for managing the vast Federal enterprise better. It identifies low-return domestic discretionary programs where a smaller investment of budgetary resources is warranted.

The budget meets the deficit target of $64 billion for 1991 established by the Gramm-Rudman-Hollings law, without raising taxes. It would balance the budget by 1993 as required by that law, begin reducing debt, and protect the integrity of Social Security.

Each of the themes outlined above is discussed in more detail in Section One of the budget, the Overview. The customary tabular and appendix material is contained in Section Two.

I look forward to working with the Congress in the weeks and months ahead to produce a budget that meets the Gramm-Rudman-Hollings target, advances the Nation's essential interests, and keeps the economy on the path of continued growth.

January 29, 1990

George Bush.

Message to the Congress Reporting Budget Deferrals

January 29, 1990

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report two newÿ7Eÿ7Eÿ7Eÿ7E deferralsÿ7Eÿ7Eÿ7Eÿ7E andÿ7Eÿ7Eÿ7Eÿ7E fourÿ7Eÿ7Eÿ7Eÿ7E revisedÿ7Eÿ7Eÿ7Eÿ7E deferrals of budget authority now totalling $8,251,604,695.

The deferrals affect International Security Assistance programs, as well as programs of the Departments of Agriculture, State, and Transportation.

The details of these deferrals are contained in the attached report.

George Bush

The White House,

January 29, 1990.

Remarks at the Annual Convention of the National Religious Broadcasters

January 29, 1990

Thank you all very much. Thank you, President Rose. Thank you very much. Thank you for that warm welcome. And President Rose, Director Cook, new Director Gustavson, friend Pat Robertson, Dr. Robertson: my greetings to you all. And I certainly want to salute your leadership, all the leadership of the NRB. And ladies and gentlemen, it's often said of a group or individual that he hasn't got a prayer. Well, I'm pleased to be with an audience about whom that will never be said. [Laughter]

This marks the fourth time that I've had the honor of addressing the annual convention of the National Religious Broadcasters. And once again, it is a delight to be back, and I know I speak for Barbara in that regard as well. In the spirit of the occasion, I want to make two vows. First, I'll be brief. And I know there's a mention in the Bible about the burning bush. [Laughter] But I also know -- and I say this not with humility but with objectivity -- compared to most around me here, I'm not that hot a speaker. [Laughter] So, I won't burden you. But the second promise is for those of you way off in the back of the room: I'll try to speak up. Pat Robertson warned me that the agnostics in this room are very bad. [Laughter]

Let me begin with some good news for modern man. There is no denying that America is a religious nation. And sure, differences exist over sect and theology. I'm reminded of what that French statesman Talleyrand once said of America: ``I found there a country with 32 religions and only 1 sauce." [Laughter] Well, you know these Frenchmen. [Laughter]

And yet you know that what unites us eclipses what divides us. For we believe that political values without moral values, a moral underpinning, cannot sustain a people. And this afternoon I'd like to talk to you about those moral values. I speak of the qualities of tolerance and decency, courage and responsibility, and of course, faith -- values which remind us that while God can live without man, man cannot live without God. And today, amid political and economic upheaval, these values have not changed, nor will they be more crucial than in the 1990's.

I hope you know by now -- you know me -- I am an optimist; and after all, last year I had the experience that renewed my faith. I was running out of prayers. I had almost given up. Then a miracle occurred: I caught a fish! [Laughter] So, it won't surprise you that I'm convinced we can and will uphold the values that I'm referring to. For as Americans we always have. Consider that for more than two centuries America has endorsed, properly so, the separation of church and state, but it has also shown how religion and government can coexist; and that, to paraphrase our founding document, ``All men are endowed not by government but by their Creator with certain unalienable rights." And these rights include the freedom of expression and to think, dream, and worship as we please; equal protection under the law and the right to choose our leaders and our

destinies; the inherent dignity of the individual. And we must manifest that dignity by the policies that we pursue.

For example, I believe that we should help parents obtain the best child care for their kids, and so we have sent legislation to Congress to make good that goal. But I want to ensure that parents, not bureaucrats, are the ones who decide how to care for these children. I will not see the option of religious-based child care restricted or eliminated. I will fight that every inch of the way.

And next there is the concern of every child, the quality and the diversity of America's schools. Our pioneering legislation, the Education Excellence Act of 1989, will spur excellence and demand accountability. For our kids' sake, let's help American education make the grade.

We come next to an issue on which many Americans disagree, but for my part let me be very clear: I support the sanctity of life. We need policies that encourage adoption, not abortion. And that comes right from the heart.

Finally, I continue to support a belief held by the overwhelming majority of Americans: the right to voluntary school prayer. And so, I continue to support a constitutional amendment restoring voluntary prayer. You see we need the faith of our fathers back in our schools.

So, as we struggle to find answers to our pressing social problems, I will endorse policies that reflect the rights of the individual, a concept as old as the scriptures. Rights which form the essence of America and that to other nations have become the message of America, for our freedoms have been carried to every corner of the Earth. One year ago in my Inaugural Address I said, ``The day of the dictator is over." And indeed, the last year has been a victory for the freedoms with which God has blessed the United States of America. We've seen the rights of men move mountains or, as in East Berlin, even move a wall. And think of Central America, where men and women facing great personal risk work for human rights and against tyranny of any ideology. And let me add, I am especially proud of our troops in Panama. Americans supported Operation Just Cause for a lot of reasons, but because democracy is a noble cause. And to the young soldiers who serve this country, every American thanks you.

Think next of South Africa and the Philippines where the values of church leaders have been a force for democratic change. And, yes, in Eastern Europe too, where for centuries, faith has sustained those striving for freedom amid adversity. You know, 8 years ago, one of the Lord's great ambassadors, the Reverend Billy Graham, went to Eastern Europe and the Soviet Union, and upon returning, spoke of a movement there toward more religious freedom. And perhaps he saw it before many of us, because it takes a man of God to sense the early movement of the hand of God. And yet, who could predict that in 1989 freedom's tide would also be economic, political, and intellectual? Or that the walls of bayonets and barbed wire, the walls of tyranny, would come tumbling down?

Look, first, at East Germany, where in 1982, long before last November's mass demonstration, members of Leipzig St. Nicholas Church -- 1982 -- members of that church began a weekly prayer for peace. In the services, students were taught nonviolence, and started the candlelight vigils that one day would rouse a continent. And the police came and threatened them. But the students vowed to stay, and did, becoming a light unto the world. And ultimately, that light spread to Dresden and East Berlin. And as it shone, a Wittenberg pastor said: ``I would rather see a thousand drops of candle wax on the marketplace than one drop of blood." And there was no blood -- only the stirring sight last October of 70,000 workers in the streets and squares of Leipzig. And weapons? They carried candles. And their light was likened to a blizzard of fireflies in the night. Ask anyone that evening. They sought what we Americans enjoy: free markets, free elections, and the exercise of free will unhampered by the state. And they were propelled by many things, faith not the least of them. And as they and others marched across Eastern Europe, the day of the dictator did end, and the day of democracy began.

Look at Bulgaria, where last month the state press agency conceded. People were wishing Merry Christmas to each other maybe for the first time without fear they would be accused of being religious. And Czechoslovakia -- there too, a victory for the rights of man. For years police chased carolers from Prague's Kings Road. And this Christmas, carols warmed the heart of the city, and there was wonder in the air. In the Soviet Union last year, Moscow hosted the first nationwide gatherings of Jews since the fall of the czar. And in Romania, still further victories -- Christmas songs on the radio for the first time since 1946. And heroes who showed that you can't lock people behind walls forever when moral conviction uplifts their hearts.

And let me close, then, with a story of two such heroes, both Romanian, and how their example illumined decency, courage, and love. The first was a Lutheran minister, Laszlo Tokes, who dared to speak of freedom. So last November in Timisoara, masked thugs broke into the small apartment of Tokes and his pregnant wife. And they beat him. And they stabbed him. And the Government allowed them no food, and even parishioners were not permitted to bring bread. And finally, the police arrived to deport the pastor, but the flock protected him, forming a human chain around his apartment. And in time, the chain grew across the land until, as we celebrated Christmas, Romania's quest for freedom summoned lightness against the dark. Today, Laszlo Tokes ministers to ever larger numbers preaching his faith, but now preaching it without any fear at all.

As does another, Gheorghe Calciu, a Romanian Orthodox minister. His story proves you can't kill an idea, or you can't destroy the human will. Father Calciu has spent 21 of his 64 years in jail -- 21 of his 64 years, a third of his entire life, in prison. And in fact, he found God there while in prison for opposing the Government. Released, he risked his freedom by preaching a series of Lenten sermons. And for that he was imprisoned again, tortured beyond belief. Yet Father Calciu had faith. He refused to break and was sentenced to death. And as he stood in the corner of the prison yard praying for his wife and son, awaiting death, it was then something remarkable occurred. His two executioners called to him, and surely he thought, this was the

end. But instead they said, ``Father," -- that was the first time they had called him that -- ``we have decided not to kill you." And 3 weeks later he asked permission to celebrate the Divine Liturgy, and while making preparations heard these same two men approach. And he turned around and was astonished -- his would-be executioners were on their knees on the cold concrete of the cell.

Father Calciu is with us today. Father, it is an honor to salute you, and I'm sure you're glad to be here, but I know, too, you hope to return to your native land. And in the season of miracles, who can doubt you will? For today, the times are on the side of peace because the world increasingly is on the side of God.

For my own part, I know this is true. For although I've been President for barely a year, I believe with all my heart that one cannot be America's President without a belief in God, without the strength that your faith gives to you. Another President, Dwight Eisenhower -- beloved Ike -- once said: ``Free government is the political expression of a deeply felt religious faith." Let each of us use his faith to express the noblest values of America so that together we can then serve the inalienable rights of man.

Thank you for your work, for your kindness to Barbara and me, and God bless you. And God bless our beloved land, the United States of America. Thank you very, very much.

Note: The President spoke at 2:13 p.m. in the Sheraton Washington Ballroom at the Sheraton Washington Hotel. In his remarks, he referred to the following officials of the National Religious Broadcasters: Robert Cook, interim executive director; Brandt Gustavson, newly appointed director; and Pat Robertson, member of the board of directors.

Nomination of Gerald A. Cann To Be an Assistant Secretary of the Navy

January 29, 1990

The President today announced his intention to nominate Gerald A. Cann to be Assistant Secretary of the Navy for Research, Development, and Acquisition. He would succeed Thomas F. Faught, Jr.

Since 1988 Mr. Cann has served as vice president of the undersea warfare center of the General Dynamics Corp. in Arlington, VA. Prior to this, he served as president of Gerald A. Cann, Inc., 1985 - 1987; Principal Deputy Assistant Secretary of the Navy for Research, Engineering, and Systems, 1979 - 1985; Deputy Assistant Secretary of the Navy for Systems, 1977 - 1979; staff assistant for ocean surveillance in the Office of the Director of Defense Research and Engineering, 1970 - 1977; assistant program manager for surface ship sonar systems and program manager for undersea surveillance for TRW, Inc., 1965 - 1970; and in various positions with the American Machine and Foundry Co.

Mr. Cann graduated from New York University (B.A., 1953). He was born April 29, 1931, in New York City. Mr. Cann served in the U.S. Army Signal Corps, 1953 - 1955. He resides in Rockville, MD.

Statement by Press Secretary Fitzwater on President Bush's Upcoming Meeting With President Alfredo Cristiani Buckard of El Salvador

January 29, 1990

President Bush will meet with President Alfredo Cristiani of El Salvador on Thursday, February 1 in the Oval Office. President Cristiani is on a private visit to the United States to meet with congressional leaders, and will also meet with U.N. Secretary-General Perez de Cuellar to discuss possible U.N. involvement in further talks with the FMLN guerrillas. President Bush and President Cristiani are expected to discuss prospects for peace in El Salvador in the context of the Central American peace process, and the progress of the investigation into the killing of the Jesuit priests.

Nomination of Jacqueline E. Schafer To Be an Assistant Secretary of the Navy

January 29, 1990

The President today announced his intention to nominate Jacqueline E. Schafer to be an Assistant Secretary of the Navy for Installations and Environment. She would succeed Everett Pyatt.

Since 1989 Ms. Schafer has served as a member of the President's Council on Environmental Quality. Prior to this, she served as Regional Administrator for Region II of the Environmental Protection Agency, 1982 - 1984; legislative assistant to United States Senator James L. Buckley and a professional staff member of the Senate Committee on Environment and Public Works, 1971 - 1982; assistant to the director of research of the Buckley for Senator committee, 1970; and banking studies analyst and research assistant with the Federal Reserve Bank of New York, 1967 - 1970.

Ms. Schafer graduated from Middlebury College (A.B., 1967). She was born October 12, 1945, in Greenport, NY. Ms. Schafer resides in Arlington, VA.

Nomination of Michael Lorne Moodie To Be an Assistant Director of the United States Arms Control and Disarmament Agency

January 30, 1990

The President today announced his intention to nominate Michael Lorne Moodie to be an Assistant Director of the United States Arms Control and Disarmament Agency for Multilateral Affairs. He would succeed Lynn Marvin Hansen.

Currently, Mr. Moodie serves as a senior fellow and special adviser to the President at the Center for Strategic and International Studies in Washington, DC. Prior to this, he served as Special Assistant to the Ambassador for the U.S. Mission to the North Atlantic Treaty Organization, 1985 - 1987; Assistant for Special Projects at United States NATO, 1983 - 1984; chief program officer for the Center for Strategic and International Studies at Georgetown University, 1980 - 1983; consultant on the President's Foreign Intelligence Advisory Board, 1982 - 1983; research fellow and assistant to the chairman at the Center for Strategic and International Studies at Georgetown University, 1978 - 1980; research associate at the Institute for Foreign Policy Analysis in Cambridge, MA, 1976 - 1978; research analyst and associate for the Foreign Policy Research Institute in Philadelphia, PA, 1973 - 1976; and visiting lecturer at Chestnut Hill College in Philadelphia, PA, 1976 - 1977.

Mr. Moodie graduated from Lawrence University (B.A., 1971) and the Fletcher School of Law and Diplomacy at Tufts University (M.A., 1973). He was born November 12, 1948, in Superior, WI. Mr. Moodie is married, has one child, and resides in Silver Spring, MD.

Nomination of Joyce T. Berry To Be Commissioner on Aging at the Department of Health and Human Services

January 30, 1990

The President today announced his intention to nominate Joyce T. Berry to be Commissioner on Aging at the Department of Health and Human Services. She would succeed Carol Fraser Fisk.

Since 1989 Dr. Berry has served as the Acting Commissioner on Aging at the Department of Health and Human Services in Washington, DC. Prior to this, she served in various positions for the Administration on Aging at the Department of Health and Human Services: Associate Commissioner for State and Tribal Programs, 1987 - 1989; Associate Commissioner for Program Development, 1984 - 1986; Deputy Associate Commissioner for Program Development, 1983 - 1984; and Associate Commissioner for Education and Training, 1980 - 1983. She was Special Assistant to the Assistant Secretary for Rural Development at the Department of Agriculture, 1978 - 1980. In addition, she has served as an adjunct professor at the Catholic University of America, 1987; an education and training officer for the Administration on Aging at the Department of Health and Human Services in New York, 1974 - 1977; adjunct professor at the New School for Social Research in New York, 1976; manpower development specialist at the Department of Labor, 1971 - 1974; and an education program officer at the Agency for International Development at the Department of State, 1970 - 1971.

Dr. Berry graduated from Howard University (B.A., 1969; M.A., 1970), Fordham University (Ph.D., 1976), and Georgetown University Law Center (J.D., 1983). She was born November 17, 1947, in Washington, DC. Dr. Berry resides in Washington, DC.

Message on the Observance of National Afro-American (Black) History Month, February 1990

January 30, 1990

Each February, we observe National Black History Month in recognition of the remarkable achievements of Black Americans and the many contributions they have made to our nation's heritage.

In 1926, the respected historian, Carter G. Woodson, initiated ``Negro History Week'' in order to increase public appreciation for the important role Black Americans have played in shaping American history. This year, during Black History Month, we once again pay tribute to those courageous men and women who have triumphed over the bitter legacy of slavery and discrimination and become full partners in America's great experiment in self-government.

Throughout our nation's history, Black Americans have continued to demonstrate the strength of their beliefs and the wealth of their abilities. The career of Dr. Daniel Hale Williams, the first physician to perform successful open-heart surgery, and the beloved poetry of Langston Hughes and Sterling Brown provide powerful examples of the honor Black Americans have earned in virtually every field of endeavor. This month, we also celebrate the lasting influence of courageous individuals like Rosa Parks and Dr. Martin Luther King, Jr., who led the way in the struggle against bigotry and segregation. Their efforts helped open the doors of opportunity for millions of their fellow Americans.

Standing on the threshold of a new decade, we look to the future with high hopes, confident that it will be marked by ever greater achievements among Black Americans and by continued progress in our efforts to promote equal opportunity and racial harmony in the United States.

Today, I encourage all Americans to join me in saluting the tremendous achievements of Black Americans. They strengthen and enrich our entire nation.

George Bush

Note: An original was not available for verification of the content of the message.

Remarks at a White House Ceremony Commemorating the 25th Anniversary of VISTA

January 31, 1990

Let me welcome all of you and pay my respects to Bernie Aronson, our Assistant Secretary of State, who is with us today; ACTION Director Jane Kenny; Pat Rodgers, the VISTA Director. Sarge Shriver was supposed to be here. Now, whether the man is here or not, I don't know. I don't see him. But I do see Senator Chris Dodd and Senator Jay Rockefeller, and we are delighted that you came for this. And is Tribal Chairman Nicola Larsen here? I think. Right here. Welcome, Nicola. I know this must be a special day for everybody, particularly for the 25 VISTA volunteers who are our special guests of honor.

We're here today to celebrate the 25th anniversary of VISTA, though some will tell you that remembering dates isn't my strong suit. [Laughter] But I wouldn't miss this anniversary for the world.

It was a quarter of a century ago, shortly after President Johnson signed VISTA into law, that the first volunteers started their service. And today 100,000 Americans of all ages and backgrounds can proudly say: ``I was a VISTA volunteer." And even at this very moment, there are more than 3,000 volunteers at work in more than 650 neighborhoods. From the hollows of Appalachia to the mountains of New Mexico to the city streets of New York and Los Angeles, these volunteers work long, long hours on very short pay; and they work one community, one block, one child at a time.

Twenty-five years ago, President Johnson charged the VISTA volunteers with a tough mission, committing you -- and here's what he said -- ``to guide the young, to comfort the sick, to encourage the downtrodden, to teach the skills which may lead to a more rewarding life." That was your mission then and that certainly is your mission today. Every time a kid learns to read, you make a difference. Every time a homeless family finds shelter, you make a difference. And every time a troubled person stays off drugs, you make a difference for all Americans.

I know how much Barbara's work in literacy means to her and to others. And she often talks about what volunteers are doing around the country. So, I know you do give a lot. But you are not giving dignity, for that cannot be conferred, or education, because that must be acquired. You're not bestowing ambition, because ambition's got to come from within. What the men and women of VISTA do achieve is even more miraculous: You impart to so many disadvantaged Americans the means to build pride, to earn a degree or a skill, to believe in themselves.

For an individual, dignity comes when he realizes that he's the true author of his destiny; for a troubled community, it comes by finding leadership from within. So, your achievements come as

much from the power of self-confidence as they do from the material side -- from material assistance. Sounds like a miracle. Maybe it is. It is a miracle that comes from caring.

Now, a few who care enough to volunteer are with us today -- many, as a matter of fact -- but Andrew Jacob, who works with at-risk street youth in Brunswick, Maine; Damita Wells, who recruits tutors for prison inmates in Nashville; and finally, Nick Flores, who counsels poor rural residents out in New Mexico, who is deeply involved in drug and alcohol abuse prevention, and who helps direct a food service for the hungry. I regard Nick as a very special volunteer because he suffered a terrible injury in a car accident prior to his assignment with VISTA. And I suppose no one would have blamed him if he had focused only on himself, only on his own needs. But not Nick Flores. He would rather serve others. And so, now he's out on the front lines, helping, building, and caring for people from Las Cruces to Santa Fe.

Perhaps he believes, like so many VISTA volunteers, that recognizing something greater than ourselves is what really matters. Or to put it as I have before: ``From now on in America, any definition of a successful life must include serving others." And that's what attracts men and women to VISTA -- true activists. You don't often see them because they're off helping others in the most unlikeliest places. You don't often hear from them because they're too modest to brag. And you don't often notice them at work because theirs is a quiet mission -- but together, helping move this country forward. So, when I talk of the Thousand Points of Light, please know that no light is more dazzling, brighter, than the VISTA volunteers.

I dropped by with Barbara to say thank you for all you do, and God bless you. Of course, God bless the United States. Thank you very much.

I forgot to mention the person with whom I work most closely in the White House involving voluntarism, and that's Gregg Petersmeyer here, who I know takes the same great pride in your work that Barbara and I do. But lest you didn't know who he was -- this big, tall guy in the front -- that's who it is. [Laughter] And he spends all his time trying to help stimulate this service to others that you've all made the hallmark of your lives.

Thank you all very, very much.

Note: The President spoke at 1:05 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Sargent Shriver, former Director of the Peace Corps, who was involved in the formation of VISTA; Nicola Larsen, tribal chair of the Tule River Tribal Council in Porterville, CA; and Gregg Petersmeyer, Deputy Assistant to the President and Director of the Office of National Service.

Address Before a Joint Session of the Congress on the State of the Union

January 31, 1990

Mr. President, Mr. Speaker, Members of the United States Congress:

I return as a former President of the Senate and a former Member of this great House. And now, as President, it is my privilege to report to you on the state of the Union.

Tonight I come not to speak about the state of the Government, not to detail every new initiative we plan for the coming year nor to describe every line in the budget. I'm here to speak to you and to the American people about the state of the Union, about our world -- the changes we've seen, the challenges we face -- and what that means for America.

There are singular moments in history, dates that divide all that goes before from all that comes after. And many of us in this Chamber have lived much of our lives in a world whose fundamental features were defined in 1945; and the events of that year decreed the shape of nations, the pace of progress, freedom or oppression for millions of people around the world.

Nineteen forty-five provided the common frame of reference, the compass points of the postwar era we've relied upon to understand ourselves. And that was our world, until now. The events of the year just ended, the Revolution of '89, have been a chain reaction, changes so striking that it marks the beginning of a new era in the world's affairs.

Think back -- think back just 12 short months ago to the world we knew as 1989 began.

One year -- one year ago, the people of Panama lived in fear, under the thumb of a dictator. Today democracy is restored; Panama is free. Operation Just Cause has achieved its objective. The number of military personnel in Panama is now very close to what it was before the operation began. And tonight I am announcing that well before the end of February, the additional numbers of American troops, the brave men and women of our Armed Forces who made this mission a success, will be back home.

A year ago in Poland, Lech Walesa declared that he was ready to open a dialog with the Communist rulers of that country; and today, with the future of a free Poland in their own hands, members of Solidarity lead the Polish Government.

A year ago, freedom's playwright, Vaclav Havel, languished as a prisoner in Prague. And today it's Vaclav Havel, President of Czechoslovakia.

And 1 year ago, Erich Honecker of East Germany claimed history as his guide, and he predicted the Berlin Wall would last another hundred years. And today, less than 1 year later, it's the Wall that's history.

Remarkable events -- events that fulfill the long-held hopes of the American people; events that validate the longstanding goals of American policy, a policy based on a single, shining principle: the cause of freedom.

America, not just the nation but an idea, alive in the minds of people everywhere. As this new world takes shape, America stands at the center of a widening circle of freedom -- today, tomorrow, and into the next century. Our nation is the enduring dream of every immigrant who ever set foot on these shores, and the millions still struggling to be free. This nation, this idea called America, was and always will be a new world -- our new world.

At a workers' rally, in a place called Branik on the outskirts of Prague, the idea called America is alive. A worker, dressed in grimy overalls, rises to speak at the factory gates. He begins his speech to his fellow citizens with these words, words of a distant revolution: ``We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, and that among these are Life, Liberty and the pursuit of Happiness."

It's no secret that here at home freedom's door opened long ago. The cornerstones of this free society have already been set in place: democracy, competition, opportunity, private investment, stewardship, and of course leadership. And our challenge today is to take this democratic system of ours, a system second to none, and make it better: a better America, where there's a job for everyone who wants one; where women working outside the home can be confident their children are in safe and loving care and where government works to expand child-care alternatives for parents; where we reconcile the needs of a clean environment and a strong economy; where ``Made in the USA" is recognized around the world as the symbol of quality and progress; where every one of us enjoys the same opportunities to live, to work, and to contribute to society and where, for the first time, the American mainstream includes all of our disabled citizens; where everyone has a roof over his head and where the homeless get the help they need to live in dignity; where our schools challenge and support our kids and our teachers and where all of them make the grade; where every street, every city, every school, and every child is drug-free; and finally, where no American is forgotten -- our hearts go out to our hostages who are ceaselessly on our minds and in our efforts.

That's part of the future we want to see, the future we can make for ourselves, but dreams alone won't get us there. We need to extend our horizon, commit to the long view. And our mission for the future starts today.

In the tough competitive markets around the world, America faces the great challenges and great

opportunities. And we know that we can succeed in the global economic arena of the nineties, but to meet that challenge, we must make some fundamental changes -- some crucial investment in ourselves.

Yes, we are going to invest in America. This administration is determined to encourage the creation of capital, capital of all kinds: physical capital -- everything from our farms and factories to our workshops and production lines, all that is needed to produce and deliver quality goods and quality services; intellectual capital -- the source of ideas that spark tomorrow's products; and of course our human capital -- the talented work force that we'll need to compete in the global market.

Let me tell you, if we ignore human capital, if we lose the spirit of American ingenuity, the spirit that is the hallmark of the American worker, that would be bad. The American worker is the most productive worker in the world.

We need to save more. We need to expand the pool of capital for new investments that need more jobs and more growth. And that's the idea behind a new initiative I call the Family Savings Plan, which I will send to Congress tomorrow.

We need to cut the tax on capital gains, encourage risktakers, especially those in our small businesses, to take those steps that translate into economic reward, jobs, and a better life for all of us.

We'll do what it takes to invest in America's future. The budget commitment is there. The money is there. It's there for research and development, R&D -- a record high. It's there for our housing initiative -- HOPE -- to help everyone from first-time homebuyers to the homeless. The money's there to keep our kids drug-free -- 70 percent more than when I took office in 1989. It's there for space exploration. And it's there for education -- another record high.

And one more thing: Last fall at the education summit, the Governors and I agreed to look for ways to help make sure that our kids are ready to learn the very first day they walk into the classroom. And I've made good on that commitment by proposing a record increase in funds -- an extra half-a-billion dollars -- for something near and dear to all of us: Head Start.

Education is the one investment that means more for our future because it means the most for our children. Real improvement in our schools is not simply a matter of spending more: It's a matter of asking more -- expecting more -- of our schools, our teachers, of our kids, of our parents, and ourselves. And that's why tonight I am announcing America's education goals, goals developed with enormous cooperation from the Nation's Governors. And if I might, I'd like to say I'm very pleased that Governor Gardner [Washington] and Governor Clinton [Arkansas], Governor Branstad [Iowa], Governor Campbell [South Carolina], all of whom were very key in these discussions, these deliberations, are with us here tonight.

By the year 2000, every child must start school ready to learn.

The United States must increase the high school graduation rate to no less than 90 percent.

And we are going to make sure our schools' diplomas mean something. In critical subjects -- at the 4th, 8th, and 12th grades -- we must assess our students' performance.

By the year 2000, U.S. students must be first in the world in math and science achievement.

Every American adult must be a skilled, literate worker and citizen.

Every school must offer the kind of disciplined environment that makes it possible for our kids to learn. And every school in America must be drug-free.

Ambitious aims? Of course. Easy to do? Far from it. But the future's at stake. The Nation will not accept anything less than excellence in education.

These investments will keep America competitive. And I know this about the American people: We welcome competition. We'll match our ingenuity, our energy, our experience and technology, our spirit and enterprise against anyone. But let the competition be free, but let it also be fair. America is ready.

Since we really mean it and since we're serious about being ready to meet that challenge, we're getting our own house in order. We have made real progress. Seven years ago, the Federal deficit was 6 percent of our gross national product -- 6 percent. In the new budget I sent up 2 days ago, the deficit is down to 1 percent of gross national product.

That budget brings Federal spending under control. It meets the Gramm-Rudman target. It brings that deficit down further and balances the budget by 1993 with no new taxes. And let me tell you, there's still more than enough Federal spending. For most of us, $1.2 trillion is still a lot of money.

And once the budget is balanced, we can operate the way every family must when it has bills to pay. We won't leave it to our children and our grandchildren. Once it's balanced, we will start paying off the national debt.

And there's something more we owe the generations of the future: stewardship, the safekeeping of America's precious environmental inheritance. It's just one sign of how serious we are. We will elevate the Environmental Protection Agency to Cabinet rank -- not more bureaucracy, not more redtape, but the certainty that here at home, and especially in our dealings with other nations, environmental issues have the status they deserve.

This year's budget provides over $2 billion in new spending to protect our environment, with over $1 billion for global change research, and a new initiative I call America the Beautiful to expand our national parks and wildlife preserves that improve recreational facilities on public lands, and something else, something that will help keep this country clean from our forestland to the inner cities and keep America beautiful for generations to come: the money to plant a billion trees a year.

And tonight let me say again to all the Members of the Congress: The American people did not send us here to bicker. There is work to do, and they sent us here to get it done. And once again, in the spirit of cooperation, I offer my hand to all of you. Let's work together to do the will of the people: clean air, child care, the Educational Excellence Act, crime, and drugs. It's time to act. The farm bill, transportation policy, product-liability reform, enterprise zones -- it's time to act together.

And there's one thing I hope we will be able to agree on. It's about our commitments. I'm talking about Social Security. To every American out there on Social Security, to every American supporting that system today, and to everyone counting on it when they retire, we made a promise to you, and we are going to keep it.

We rescued the system in 1983, and it's sound again -- bipartisan arrangement. Our budget fully funds today's benefits, and it assures that future benefits will be funded as well. The last thing we need to do is mess around with Social Security.

There's one more problem we need to address. We must give careful consideration to the recommendations of the health-care studies underway now. That's why tonight I'm asking Dr. Sullivan, Lou Sullivan, Secretary of Health and Human Services, to lead a Domestic Policy Council review of recommendations on the quality, accessibility, and cost of our nation's health-care system. I am committed to bring the staggering costs of health care under control.

The state of the Government does indeed depend on many of us in this very chamber. But the state of the Union depends on all Americans. We must maintain the democratic decency that makes a nation out of millions of individuals. I've been appalled at the recent mail bombings across this country. Every one of us must confront and condemn racism, anti-Semitism, bigotry, and hate, not next week, not tomorrow, but right now -- every single one of us.

The state of the Union depends on whether we help our neighbor -- claim the problems of our community as our own. We've got to step forward when there's trouble, lend a hand, be what I call a point of light to a stranger in need. We've got to take the time after a busy day to sit down and read with our kids, help them with their homework, pass along the values we learned as children. That's how we sustain the state of the Union. Every effort is important. It all adds up. It's doing the things that give democracy meaning. It all adds up to who we are and who we will be.

Let me say that so long as we remember the American idea, so long as we live up to the American ideal, the state of the Union will remain sound and strong.

And to those who worry that we've lost our way -- well, I want you to listen to parts of a letter written by Private First Class James Markwell, a 20-year-old Army medic of the 1st Battalion, 75th Rangers. It's dated December 18th, the night before our armed forces went into action in Panama. It's a letter servicemen write and hope will never be sent. And sadly, Private Markwell's mother did receive this letter. She passed it along to me out there in Cincinnati.

And here is some of what he wrote: ``I've never been afraid of death, but I know he is waiting at the corner. I've been trained to kill and to save, and so has everyone else. I am frightened what lays beyond the fog, and yet do not mourn for me. Revel in the life that I have died to give you. But most of all, don't forget the Army was my choice. Something that I wanted to do. Remember I joined the Army to serve my country and ensure that you are free to do what you want and live your lives freely."

Let me add that Private Markwell was among the first to see battle in Panama, and one of the first to fall. But he knew what he believed in. He carried the idea we call America in his heart.

I began tonight speaking about the changes we've seen this past year. There is a new world of challenges and opportunities before us, and there's a need for leadership that only America can provide. Nearly 40 years ago, in his last address to the Congress, President Harry Truman predicted such a time would come. He said: ``As our world grows stronger, more united, more attractive to men on both sides of the Iron Curtain, then inevitably there will come a time of change within the Communist world." Today, that change is taking place.

For more than 40 years, America and its allies held communism in check and ensured that democracy would continue to exist. And today, with communism crumbling, our aim must be to ensure democracy's advance, to take the lead in forging peace and freedom's best hope: a great and growing commonwealth of free nations. And to the Congress and to all Americans, I say it is time to acclaim a new consensus at home and abroad, a common vision of the peaceful world we want to see.

Here in our own hemisphere, it is time for all the peoples of the Americas, North and South, to live in freedom. In the Far East and Africa, it's time for the full flowering of free governments and free markets that have served as the engine of progress. It's time to offer our hand to the emerging democracies of Eastern Europe so that continent -- for too long a continent divided -- can see a future whole and free. It's time to build on our new relationship with the Soviet Union, to endorse and encourage a peaceful process of internal change toward democracy and economic opportunity.

We are in a period of great transition, great hope, and yet great uncertainty. We recognize that the Soviet military threat in Europe is diminishing, but we see little change in Soviet strategic modernization. Therefore, we must sustain our own strategic offense modernization and the Strategic Defense Initiative.

But the time is right to move forward on a conventional arms control agreement to move us to more appropriate levels of military forces in Europe, a coherent defense program that ensures the U.S. will continue to be a catalyst for peaceful change in Europe. And I've consulted with leaders of NATO. In fact, I spoke by phone with President Gorbachev just today.

I agree with our European allies that an American military presence in Europe is essential and that it should not be tied solely to the Soviet military presence in Eastern Europe. But our troop levels can still be lower. And so, tonight I am announcing a major new step for a further reduction in U.S. and Soviet manpower in Central and Eastern Europe to 195,000 on each side. This level reflects the advice of our senior military advisers. It's designed to protect American and European interests and sustain NATO's defense strategy. A swift conclusion to our arms control talks -- conventional, chemical, and strategic -- must now be our goal. And that time has come.

Still, we must recognize an unfortunate fact: In many regions of the world tonight, the reality is conflict, not peace. Enduring animosities and opposing interests remain. And thus, the cause of peace must be served by an America strong enough and sure enough to defend our interests and our ideals. It's this American idea that for the past four decades helped inspire this Revolution of '89.

Here at home and in the world, there's history in the making, history to be made. Six months ago, early in this season of change, I stood at the gates of the Gdansk shipyard in Poland at the monument to the fallen workers of Solidarity. It's a monument of simple majesty. Three tall crosses rise up from the stones, and atop each cross, an anchor -- an ancient symbol of hope.

The anchor in our world today is freedom, holding us steady in times of change, a symbol of hope to all the world. And freedom is at the very heart of the idea that is America. Giving life to that idea depends on every one of us. Our anchor has always been faith and family.

In the last few days of this past momentous year, our family was blessed once more, celebrating the joy of life when a little boy became our 12th grandchild. When I held the little guy for the first time, the troubles at home and abroad seemed manageable and totally in perspective.

Now, I know you're probably thinking, well, that's just a grandfather talking. Well, maybe you're right. But I've met a lot of children this past year across this country, as all of you have, everywhere from the Far East to Eastern Europe. And all kids are unique, and yet all kids are alike -- the budding young environmentalists I met this month who joined me in exploring the

Florida Everglades; the little leaguers I played catch with in Poland, ready to go from Warsaw to the World Series; and even the kids who are ill or alone -- and God bless those boarder babies, born addicted to drugs and AIDS and coping with problems no child should have to face. But you know, when it comes to hope and the future, every kid is the same -- full of dreams, ready to take on the world -- all special, because they are the very future of freedom. And to them belongs this new world I've been speaking about.

And so, tonight I'm going to ask something of every one of you. Now, let me start with my generation, with the grandparents out there. You are our living link to the past. Tell your grandchildren the story of struggles waged at home and abroad, of sacrifices freely made for freedom's sake. And tell them your own story as well, because every American has a story to tell.

And, parents, your children look to you for direction and guidance. Tell them of faith and family. Tell them we are one nation under God. Teach them that of all the many gifts they can receive liberty is their most precious legacy, and of all the gifts they can give the greatest is helping others.

And to the children and young people out there tonight: With you rests our hope, all that America will mean in the years and decades ahead. Fix your vision on a new century -- your century, on dreams we cannot see, on the destiny that is yours and yours alone.

And finally, let all Americans -- all of us together here in this Chamber, the symbolic center of democracy -- affirm our allegiance to this idea we call America. And let us remember that the state of the Union depends on each and every one of us.

God bless all of you, and may God bless this great nation, the United States of America.

Note: The President spoke at 9:05 p.m. in the House Chamber of the Capitol. He was introduced by Thomas S. Foley, Speaker of the House of Representatives. The address was broadcast live on nationwide radio and television. Prior to his address, the President attended a reception in the Speaker's Conference Room hosted by the congressional leadership.

White House Fact Sheet on the President's Conventional Armed Forces in Europe Initiative

January 31, 1990

After initial discussions with NATO allies, the President concluded that changes which have taken place in Europe over the last 3 months have made it possible to propose lower levels in the area of greatest concentration of forces: Central and Eastern Europe. However, the United States will maintain significant military forces in Europe as long as our allies desire our presence as part of a common security effort.

Therefore, in his State of the Union Address to Congress on January 31, President Bush proposed to revise NATO's current position in the Conventional Armed Forces in Europe (CFE) negotiations to lower substantially the levels of U.S. and Soviet ground and air force manpower in Central and Eastern Europe to 195,000 on each side. Forces withdrawn will be demobilized. There would be approximately 225,000 U.S. ground and air force personnel in Europe after CFE reductions are completed. The proposal responds to rapid changes in Eastern Europe and is designed to help propel the CFE negotiations to an early conclusion in 1990.

The President's initiative would supersede an earlier proposal establishing a level of 275,000 each of U.S. and Soviet ground and air force manpower stationed outside of their respective national territories in the Atlantic to the Urals region.

The President has concluded that this proposal reflects the minimum level of U.S. forces needed in Europe to protect American interests and to sustain NATO's strategy of forward defense and flexible response. Even if -- as we expect -- Soviet forces in this region are reduced even further, the United States does not envision the further reduction of its forces in Europe below this new level.

Remarks at the Annual National Prayer Breakfast

February 1, 1990

Thank you, ladies and gentlemen. Thank you all. Thank you very, very much. Vice President and Mrs. Quayle, and Chuck Grassley, Sam Nunn, and my dear friend Billy Graham, and Ruth. Jim Baker, that was a very inspiring testament of faith. I also want to salute our very special guests who have traveled far to join us in a prayer for peace and understanding: President Moi of Kenya; President Ershad of Bangladesh; Major Buyoya, the marvelous head of Burundi; President Cristiani, a longtime friend; the Prime Minister Kisekka. And I just express for all of us a very hearty welcome, and to President Ershad, a happy birthday greeting to go with Bev Shea's. We're delighted you're here.

And I want to thank Bev Shea and Billy. It'll probably read: prayer breakfast, Bev Shea; supporting cast: secretary of state Billy Graham. [Laughter] A lot of Presidents out here, Senators and Congressmen. He was magnificent. [Laughter] Magnificent music.

It's often said in my line of work that a candidate or a proposal hasn't got a prayer. Well, I'm pleased to be with an audience about whom that will never be said. [Laughter] And this breakfast is the result of years of quiet diplomacy -- I wouldn't say secret diplomacy -- quiet diplomacy by an ambassador of faith, Doug Coe. And I salute him.

And I was moved once again by what Sam and Liz told us of Members and staffers on the Hill who like to regularly meet to share a few quiet moments of prayer and Bible reading. The values that spring from our faith certainly tell us a lot about our country. And consider that for more than two centuries Americans have endorsed, and properly so, the separation of church and state. But we've also shown how both religion and government can strengthen a society. After all, our Founding Fathers' documents begin with these words: All men are endowed by their Creator with certain unalienable rights. And Americans are religious people, but a truly religious nation is a tolerant nation. We cherish dissent, we cherish the fact that we have many, many faiths, and we protect even the right to disbelieve.

A truly religious nation is also a giving nation. A close friend of mine sent me a poem recently which eloquently embodies this spirit of giving. ``I sought my soul, but my soul I could not see. I sought my God, but my God eluded me. I sought my brother and found all three."

Thousands of Americans are finding their soul, finding their God, by reaching out to their brothers and sisters in need. You've heard me talk about a Thousand Points of Light across the country. Americans are working through their places of worship, through community programs, or on their own to help the hungry or the homeless, to teach the unskilled, to bring the words of men and the Word of God to those who cannot even read.

And so, I believe that this democracy of ours is once again proving, as it has throughout our history, that when people are free they use that freedom to serve the greater good and, indeed, a higher truth. As freedom blossoms in Eastern Europe -- and Jim was talking eloquently about that -- I am convinced that the 1990's will be the decade of the rebirth that he so beautifully spoke about, a rebirth of faith and hope.

And one example: I met this week Father Calciu, a Romanian Orthodox minister. Father Calciu had spent 21 of his 64 years in jail -- a third of his entire life in prison. And in fact, it was while in prison for opposing the Government that he found God. And once released, he risked his freedom by preaching a series of Lenten sermons. And for that, he was imprisoned again and tortured beyond belief. And yet Father Calciu had faith, and he refused to break. He was sentenced to death. And as he stood in the corner of the prison yard, praying for his wife and son, awaiting death, it was then that something remarkable occurred. His two executioners called to him. And surely, he thought, well, this was the end. But instead they said, ``Father," -- and that was the first time they had called him that -- ``we have decided not to kill you." And 3 weeks later, he received permission to celebrate the Divine Liturgy. And when he did, he saw these same two guys -- the same two guards -- approach, and to his astonishment, his would-be executioners got on their knees and joined him in prayer. This is one man's story, a humble priest.

And today the times are on the side of peace because more and more brave men and women are on the side of God. And so, that is the end of these few words. That is my prayer: that we will continue to recognize the power of faith. Thank you all, and God bless you.

Note: The President spoke at 9:25 a.m. in the International Ballroom at the Washington Hilton Hotel. In his remarks, he referred to Senators Charles E. Grassley and Sam Nunn; Representative Elizabeth J. Patterson; Secretary of State James A. Baker III; evangelist Rev. Billy Graham and his wife, Ruth; President Alfredo Cristiani Buckard of El Salvador; Prime Minister Samson Kisekka of Uganda; religious singer George Beverly Shea; and Doug Coe, a participant in the prayer breakfast.

Remarks on Transmitting Proposed Savings and Economic Growth Legislation

February 1, 1990

Well, today I'm transmitting to Congress an important initiative that was outlined last night in the State of the Union Address: the Savings and Economic Growth Act of 1990. And this important legislation will increase national savings, lower the cost of capital, create jobs, increase our international competitiveness, and improve our standard of living.

There are three elements to the act: family savings account, capital gains tax rate reduction, and then the homeownership initiative.

First, the family savings account will give Americans an important incentive to save for their futures. I believe Americans will save more if given this opportunity, and by doing so, they will generate new funds for investment that strengthen our economy.

Second, the permanent tax-rate reduction for long-term capital gains will lower the cost of capital and provide an incentive for long-term investment. And this will create jobs and make American business more competitive in the international arena.

And third, the homeownership initiative will allow individuals to withdraw without penalty up to $10,000 from an IRA, from an individual retirement account, prior to retirement if the funds are used to purchase a first home.

And this legislative package will help millions of Americans invest in their children's education, buy a first home, and then set money aside for family emergencies. And this will also strengthen our economy, create jobs, and make America more competitive internationally.

I'm grateful to those of you here -- and up here -- who have worked so hard to craft this legislation, and I look forward to working closely with Congress towards its enactment.

And now I'll sign the transmittal that signs and sends the Savings and Economic Growth Act up to the Congress.

Note: The President spoke at 10:07 a.m. in the Roosevelt Room at the White House.

Message to the Congress Transmitting Proposed Savings and Economic Growth Legislation

February 1, 1990

To the Congress of the United States:

I am pleased to submit for your consideration and passage the ``Savings and Economic Growth Act of 1990." This legislative proposal would enact a permanent reduction in the capital gains tax rate, establish a new family savings program, and permit penalty-free Individual Retirement Account (IRA) withdrawals for first-time home buyers.

This proposal would encourage savings, investment, and economic efficiency, thereby creating jobs and providing other economic benefits to all citizens.

A permanent tax rate reduction for capital gains will lower the cost of capital and provide an incentive for long-term investment in the American economy that will create jobs and make American business more competitive in the international economy.

A new Family Savings Account will give most American families an opportunity to save through a simple and understandable tax-exempt savings incentive program. The resulting savings boost will also strengthen our economy and create jobs and opportunity for all Americans.

Permitting Americans to withdraw funds from their IRAs prior to retirement without penalty for the purchase of their first home will assist individuals in saving for that first home, while providing additional stimulus to the construction of affordable housing in our country.

I look forward to working with the Congress on these important matters.

George Bush

The White House,

February 1, 1990.

White House Fact Sheet on the Proposed Savings and Economic Growth Act of 1990

February 1, 1990

Today President Bush transmitted to the Congress the Savings and Economic Growth Act of 1990. This act will increase family savings, stimulate job-creating long-term investment, and strengthen the competitive position of American business. It contains three parts:

Family Savings Account. This new savings program will give Americans an opportunity to save for their long-term goals in a tax-free manner.

Capital Gains Tax Rate Reduction. This act will provide for a permanent partial exclusion from tax of gains on long-term investments in productive assets.

Home Ownership Initiative. This will allow millions of American families an opportunity to save for their first home through the existing IRA program.

The Savings and Economic Growth Act provides a comprehensive and balanced program to stimulate our domestic savings rate and lower the cost of capital to American business. This, coupled with President Bush's proposed dramatic reduction in the Federal budget deficit, will allow more funds to flow into productive investment in this country.

The President calls upon the Congress for speedy enactment of these provisions. The sooner we can provide incentives for American families to save and for American business to invest for the long term, the more certain we can be that the current recordsetting peacetime recovery will continue.

Family Savings Account (FSA)

Married couples with adjusted gross income (AGI) under $120,000, singles with AGI under $60,000, and taxpayers who are heads of household with AGI under $100,000 are eligible if they have earned income and are not dependents on another return.

Each person may contribute, per year up to $2,500 (couples up to $5,000) or the amount of their compensation that year, whichever is less.

Contributions are not tax deductible when made. The funds deposited in the account must be made in cash (existing securities may not be used) and may be invested in any investment vehicle except for insurance contracts or collectible items such as stamps or artwork.

Contributions are never subject to tax when withdrawn.

Earnings on deposits at least 7 years old may also be withdrawn tax free. Earnings are taxed only if they are attributable to money on deposit less than 7 years. Earnings on deposits at least 3 years old are taxed like regular interest income when withdrawn. Earnings on deposits made less than 3 years prior to withdrawal will be subject to income tax and also to a 10-percent penalty tax when withdrawn.

The Family Savings Account program is particularly beneficial to those who make a habit of saving. A family that contributes $2,500 each year to a Family Savings Account paying 8 percent interest would have over $73,000 saved after 15 years.

Capital Gains Tax Rate Reduction

The President proposes a phased-in exclusion of up to 30 percent of the capital gain on an asset. Eventually only assets held at least 3 years would

(TABLE START)receive the full exclusion.

@h1

@h1Years held@h21@h22@h23

Year sold:

1990 .... 30 percent .... 30 percent .... 30 percent

1991 .... 20 percent .... 30 percent .... 30 percent

1992 .... 10 percent .... 20 percent .... 30 percent

(TABLE END)

A 30-percent exclusion would effectively lower the capital gains tax rate to 19.6 percent for a taxpayer in the 28-percent tax bracket. The effective tax rate would be reduced to 10.5 percent for a taxpayer in the 15-percent tax bracket and to 23.1 percent for a taxpayer in the 33-percent tax bracket.

Corporations would not be eligible for a capital gains tax rate reduction.

In general, all capital assets held by individuals, except for collectibles, will be eligible for the

capital gains exclusion.

This reduction benefits a wide cross section of Americans. In 1987, 72 percent of the tax returns with capital gains were filed by taxpayers with other income of less than $50,000. These taxpayers reported fully 41 percent of the net gains reported that year.

The Department of Treasury estimates that this change will permanently increase tax revenue without taking into account the positive effects this change will have on economic growth.

Home Ownership Initiative

Americans will be able to withdraw up to $10,000 from an IRA for a first-time home purchase without penalty. The home must cost less than 110 percent of the median home price in the geographic area in which they are buying.

This could save an American family seeking to buy their first home up to $1,000 compared to current law. Current law imposes a 10-percent excise tax, on top of any regular tax owed, for withdrawals from an IRA account.

This proposal is targeted toward low- and moderate-income families who do not currently own their own home. Higher income families are not eligible for the up front deduction on an IRA under current law unless they are not covered by another pension plan.

More families will make use of the IRA as an investment tool. Evidence indicates that younger families do not make as great a use of the IRA as do older couples. This provides an incentive for taxpayers of all age groups to participate in the IRA system.

Remarks Prior to a Meeting With President Alfredo Cristiani Buckard of El Salvador

February 1, 1990

Reporter. President Cristiani, are you worried that Congress is going to cut your aid because of the human rights situation?

President Bush. The President is going to take some questions outside -- of course, we believe in free speech, so he can take them here, too -- but he is going to be available and take some questions outside.

And what I'd like to do is establish that this is what we call a modified photo opportunity -- modified only that I'd like to say that I know this man. I know of his commitment to democracy. I support him now. I will support him in the future. And the success of democracy in El Salvador is a very important thing to us, to this country. And I've been very impressed with the courage he has shown in going after those who have broken the law in his country. And that's been a shining example to all of us.

So, let there be no mistake about where I stand or where our administration stands in terms of support for President Cristiani and for the democracy in El Salvador, a democracy certified by the people not so long ago, when they had certifiably free elections.

He'll take some questions later on when we're going to have a little press gathering out there.

Welcome again.

Note: President Bush spoke at 2:02 p.m. in the Colonnade at the White House.

Message to the Congress Transmitting a Report on Aeronautics and Space Activities During 1987

February 1, 1990

To the Congress of the United States:

I am pleased to transmit this report on the Nation's progress in aeronautics and space during calendar year 1987, as required by section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476). Aeronautics and space activities cut across many sectors of our Federal Government, and this report highlights the major programs of the 14 contributing departments and agencies, with the National Aeronautics and Space Administration (NASA) and the Department of Defense (DOD) the major contributors.

In 1987, as furtherance of the recovery of our space launch capability, studies were completed concluding that a mixed fleet, consisting of the space shuttle and expendable launch vehicles, would be required for continued U.S. operations and access to space. Remote sensing capability continued to make impressive progress to further our understanding of the ozone depletion in the atmosphere, the impact of weather patterns on agriculture, and the damage to the forest ecosystem caused by acid deposition. A new initiative was launched to study the Earth system, including the oceans and the atmosphere, on a worldwide scale.

During the year, technology products continued to flow to the user industries. Results of aeronautics research reached a new level of application. The NASA-developed computational fluid dynamics techniques coupled with drag reducing concepts were applied to hull/keel design. Aircraft safety continued to receive priority, with requirements being levied for equipment to alert pilots of collision threat.

The defense of our country was enhanced by the successful demonstration of target interception in space. Great strides were made as the United States moved closer to agreement with its partners in the permanently occupied space station project. Bilateral and multilateral discussions on space arms control were held in Geneva. Because of advances made in worldwide communications, information on space technology and exploration is now reaching 134 countries and in 44 languages.

There is great promise in our Nation's vision to be at the forefront of advancement in aeronautics, space science, and exploration, for it is this advancement that ultimately makes a significant contribution to the quality of life on Earth. Our challenge is to continue on an aggressive course of exploration that will provide the international leadership and climate for cooperation for which this great Nation has become so well known.

George Bush

The White House,

February 1, 1990.

Appointment of Joy A. Silverman as a Member of the Board of Trustees of the John F. Kennedy Center for the Performing Arts

February 1, 1990

The President today announced his intention to appoint Joy A. Silverman as a member of the Board of Trustees of the John F. Kennedy Center for the Performing Arts.

Last year, Mrs. Silverman was nominated by the President to be U.S. Ambassador to Barbados, accredited also to Dominica, Saint Lucia, and Saint Vincent and the Grenadines. She has asked, however, that, for family reasons, the President not return her name to the Senate for this post. The President remains fully confident in Mrs. Silverman and her capacity for public service and is pleased she has agreed to devote her considerable energy to the Kennedy Center.

Mrs. Silverman was a full-time participant in President Bush's 1988 campaign and assisted the New York State campaign director. From 1987 to 1988, she served as a member, and later as chairman, of the advisory council to the New York State Commission on the Bicentennial of the United States Constitution. Mrs. Silverman has served as a member of the New York City mayor's commission for protocol. In addition to extensive work for various educational institutions, she has served actively with various charitable organizations in the New York metropolitan area. Mrs. Silverman attended the University of Maryland. She is married, has two children, and currently resides in New York City.

Statement by Press Secretary Fitzwater on South Africa

February 1, 1990

President Bush has been closely following the situation in South Africa. He believes that President de Klerk has taken a number of courageous and important steps aimed at ending apartheid and moving toward a democratic and nonracial South Africa. Should Mandela be released, President Bush would plan to invite both Mandela and de Klerk separately to meet with him at the White House so President Bush can determine how the United States can best help South Africa move forward toward a nonracial government and society.

Nomination of Erich W. Bretthauer To Be an Assistant Administrator of the Environmental Protection Agency

February 1, 1990

The President today announced his intention to nominate Erich W. Bretthauer to be an Assistant Administrator of the Environmental Protection Agency for Research and Development. He would succeed Vaun A. Newill.

Since 1988 Mr. Bretthauer has served as Acting Assistant Administrator in the Office of Research and Development at the Environmental Protection Agency in Washington, DC. Prior to this, he served in various positions at the Environmental Protection Agency, including Deputy Assistant Administrator in the Office of Research and Development, 1987 - 1988; Director of the Environmental Monitoring Systems Laboratory in Las Vegas, NV, 1985 - 1987; and Director of the Office of Environmental Processes and Effects Research in Washington, DC, 1982 - 1985. In addition, he served as a professional staff assistant at the United States Senate Committee on Environment and Public Works in Washington, DC, 1981 - 1982; a Congressional fellow at the United States Senate on the Environment and Public Works Committee, 1981; and a member of the special detail to the United States Radiation Policy Council, 1980 - 1981. Mr. Bretthauer has served in various positions at the Environmental Protection Agency in Las Vegas, NV, including Director of the Nuclear Radiation Assessment Division, 1979 - 1980; Director of the Monitoring Operations Division, 1978 - 1979; chief of the methods development and analytical support branch, 1975 - 1978; and chief of the contact monitoring methods branch, 1968 - 1975.

Mr. Bretthauer graduated from the University of Nevada at Reno (B.S., 1960; M.S., 1962). He was born September 12, 1937, in Denver, CO. Mr. Bretthauer is married, has four children, and resides in Las Vegas, NV.

Nomination of Glen L. Bower To Be a Member of the Railroad Retirement Board, and Designation as Chairman

February 1, 1990

The President today announced his intention to nominate Glen L. Bower to be a member of the Railroad Retirement Board for the remainder of the term expiring August 28, 1992. He would succeed Thomas J. Simon. Mr. Bower will serve as Chairman of the Board.

Since 1983 Mr. Bower has served as assistant director and general counsel at the department of revenue for the State of Illinois. He also served on the review board of appeals as chairman, 1986 - 1987, and member, 1985 - 1986. Prior to this he was a member of the Illinois House of Representatives, 1979 - 1983.

Mr. Bower graduated from Southern Illinois University (B.A., 1971) and IIT/Chicago-Kent College of Law (J.D., 1974). He was born January 16, 1949, in Highland, IL. He currently resides in Effingham, IL.

Nomination of Charles J. Chamberlain To Be a Member of the Railroad Retirement Board

February 1, 1990

The President today announced his intention to nominate Charles J. Chamberlain to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1989. This is a reappointment.

Since 1977 Mr. Chamberlain has served as a labor member of the Railroad Retirement Board in Chicago, IL.

Mr. Chamberlain was born August 7, 1921, in Ashton, IL. He is married, has two children, and currently resides in Crystal Lake, IL.

Order on the China National Aero-Technology Import and Export Corporation Divestiture of MAMCO Manufacturing, Incorporated

February 1, 1990

Order Pursuant to Section 721 of the Defense Production Act of 1950

By the authority vested in me as President by the Constitution and statutes of the United States of America, including section 721 of the Defense Production Act of 1950 (``section 721''), 50 U.S.C. App. 2170,

Section 1. Findings. I hereby make the following findings:

(1) There is credible evidence that leads me to believe that, in exercising its control of MAMCO Manufacturing, Inc. (``MAMCO''), a corporation incorporated under the laws of the State of Washington, the China National Aero-Technology Import and Export Corporation (``CATIC'') might take action that threatens to impair the national security of the United States of America; and

(2) Provisions of law, other than section 721 and the International Emergency Economic Powers Act (50 U.S.C. 1701 - 1706), do not in my judgment provide adequate and appropriate authority for me to protect the national security in this matter.

Section 2. Actions Ordered and Authorized. On the basis of the findings set forth in section 1 of this Order, I hereby order that:

(1) CATIC's acquisition of control of MAMCO and its assets, whether directly or through subsidiaries or affiliates, is prohibited.

(2) CATIC and its subsidiaries and affiliates shall divest all of their interest in MAMCO and its assets by May 1, 1990, 3 months from the date of this Order, unless such date is extended for a period not to exceed 3 months, on such written conditions as the Committee on Foreign Investment in the United States (``CFIUS'') may require. Immediately upon divestment, CATIC shall certify in writing to CFIUS that such divestment has been effected in accordance with this Order.

(3) Without limitation on the exercise of authority by any agency under other provisions of law, and until such time as the divestment is completed, CFIUS is authorized to implement measures it deems necessary and appropriate to verify that operations of MAMCO are carried out in such

manner as to ensure protection of the national security interests of the United States. Such measures may include but are not limited to the following: On reasonable notice to MAMCO, CATIC, or CATIC's subsidiaries or affiliates (collectively ``the Parties''), employees of the United States Government, as designated by CFIUS, shall be permitted access to all facilities of the Parties located in the United States --

(a) to inspect and copy any books, ledgers, accounts, correspondence, memoranda, and other records and documents in the possession or under the control of the Parties that concern any matter relating to this Order;

(b) to inspect any equipment, containers, packages, and technical data (including software) in the possession or under the control of the Parties; and

(c) to interview officers, employees, or agents of the Parties concerning any matter relating to this Order.

(4) The Attorney General is authorized to take any steps he deems necessary to enforce this Order.

Section 3. Reservation. I hereby reserve my authority, until such time as the divestment required by this Order has been completed, to issue further orders with respect to the Parties as shall in my judgment be necessary to protect the national security.

Section 4. Publication. This Order shall be published in the Federal Register.

George Bush

The White House,

February 1, 1990.

[Filed with the Office of the Federal Register, 4:52 p.m., February 2, 1990]

Note: The order was released by the Office of the Press Secretary on February 2.

Message to the Congress on the China National Aero-Technology Import and Export Corporation Divestiture of MAMCO Manufacturing, Incorporated

February 1, 1990

To the Congress of the United States:

1. I hereby report to the Congress on my decision to order the China National Aero-Technology Import and Export Corporation (CATIC) to divest all its interest in MAMCO Manufacturing, Inc., a company located in Seattle, Washington, and incorporated under the laws of the State of Washington. I have taken this action under the authority vested in me as President by section 721 of the Defense Production Act of 1950 (``section 721'' or ``the Exon-Florio provision''), 50 U.S.C. App. 2170. This report is submitted pursuant to subsection (f) of section 721. A copy of my order is attached.

2. The United States welcomes foreign direct investment in this country; it provides foreign investors fair, equitable, and nondiscriminatory treatment. This Administration is committed to maintaining that policy. There are circumstances in which the United States maintains limited exceptions to such treatment. Generally these exceptions are necessary to protect national security. Of those foreign mergers, acquisitions, and takeovers which have been reviewed under the Exon-Florio provision to determine effects on national security, this is the first time I have invoked section 721 authority. My action in this case is in response to circumstances of this particular transaction. It does not change our open investment policy and is not a precedent for the future with regard to direct investment in the United States from the People's Republic of China or any other country.

3. Section 721 requires me to make certain findings before exercising the authority conferred by that provision. Specifically, I must find that:

(1) there is credible evidence that leads me to believe that the foreign interest exercising control might take action that threatens to impair the national security, and

(2) provisions of law, other than section 721 and the International Emergency Economic Powers Act (50 U.S.C. 1701 - 1706), do not in my judgment provide adequate and appropriate authority for me to protect the national security.

I have made the findings required by section 721. Specifically, confidential information available to me concerning some of CATIC's activities raises serious concerns regarding CATIC's future actions. It is my determination that this information constitutes the ``credible evidence'' required by the statute. Moreover, I have determined that no law, other than section

721 and the International Emergency Economic Powers Act, provides adequate and appropriate authority to protect against the threat to the national security posed by this case.

4. MAMCO voluntarily notified the Committee on Foreign Investment in the United States (``CFIUS") of CATIC's intention to acquire MAMCO. CFIUS has been designated by Executive Order No. 12661 to receive notifications and to review and investigate to determine the effects on national security of foreign mergers, acquisitions, and takeovers. On November 30, 1989, CATIC purchased all of the voting securities of MAMCO. The acquisition was consummated while CFIUS review of the transaction was in progress, an action not prohibited by the statute.

CATIC is an export-import company of the Ministry of Aerospace Industry of the People's Republic of China. CATIC has business dealings with various companies in this country, in several sectors including commercial aircraft. The Ministry engages in research and development, design, and manufacture of military and commercial aircraft, missiles, and aircraft engines.

MAMCO machines and fabricates metal parts for aircraft. Much of MAMCO's production is sold to a single manufacturer for production of civilian aircraft. Some of its machinery is subject to U.S. export controls. It has no contracts with the United States Government involving classified information.

5. On December 4, 1989, CFIUS made a determination to undertake a formal investigation and so informed the parties to the transaction. CFIUS undertook the investigation in order to assess MAMCO's present and potential production and technological capabilities and the national security implications of CATIC's purchase of MAMCO.

6. During the investigation, CFIUS asked for and received information from MAMCO in addition to that provided in the initial filing. Officials of the Departments of Commerce and Defense, representing CFIUS, visited MAMCO to gather information to assist CFIUS in its assessment of MAMCO's current production and technological capabilities.

7. In its investigation, CFIUS also considered the adequacy of all laws, other than the Exon-Florio provision, to deal with the national security concerns posed by the transaction.

8. Because of the sensitive nature of the evidence in this investigation, CFIUS will be available, on request, to provide the appropriate committees, meeting in closed sessions, with a classified briefing.

George Bush

The White House,

February 1, 1990.

Note: The message was released by the Office of the Press Secretary on February 2.

Statement by Press Secretary Fitzwater on the China National Aero-Technology Import and Export Corporation Divestiture of MAMCO Manufacturing, Incorporated

February 2, 1990

The President announced his decision today to order the China National Aero-Technology Import and Export Company (CATIC) to divest its interest in MAMCO, Inc., a company located in Seattle, WA, that machines and fabricates metal parts for aircraft.

The President took this action pursuant to a section of the 1988 Trade Act often referred to as the Exon-Florio provision. That provision amended the Defense Production Act of 1950 to give the President the power to suspend or prohibit an acquisition of a U.S. company by a foreign party if the President makes certain findings with respect to that acquisition. The President made the requisite findings in this case. Specifically, based on credible confidential information, the President determined that CATIC's continued control of MAMCO might threaten to impair the national security. Moreover, the President determined that no other provision of law provided him with adequate and appropriate authority to protect the national security in this case.

The United States welcomes foreign direct investment in this country; it provides foreign investors fair, equitable, and nondiscriminatory treatment. This administration is committed to maintaining that policy. There are circumstances in which the United States maintains limited exceptions to such treatment. Generally these exceptions are necessary to protect national security. Of those foreign mergers, acquisitions, and takeovers which have been reviewed under the Exon-Florio provision to determine effects on national security, this is the first time the President invoked Exon-Florio authority. The President's action in this case is in response to circumstances of this particular transaction. It does not change our policy and is not a precedent for the future with regard to direct investment in the United States from the People's Republic of China or any other country.

Question-and-Answer Session With High School Students at a Biotechnology Demonstration at the University of Tennessee at Knoxville

February 2, 1990

The President. What year of high school are we talking about?

Q. Junior and senior.

The President. Juniors and seniors? Well, let me start before she reads me her Gettysburg Address here and before she unloads on me, too. [Laughter]

Are you all in high school? Are you beginning to get more emphasis on science courses? Everybody? I mean, that's a common thread here. You wouldn't be here if you weren't already taking -- what? -- chemistry, biology, physics. What else, what other subjects? Math -- yes, math would be fundamental. Have most of you made up your mind, when you go to college -- going into science or math? You've already determined?

Dr. Monty. That's why they are here. They are those who have been selected because they are interested in science or mathematics.

The President. Okay, you get equal time. Go ahead. [Laughter]

Education Reform

Q. I loved your State of the Union Address on improving education. I was wondering, do you have any plans to get ideas internationally to improve education?

The President. Well, I'm going to kick that one right into the end zone of the Secretary of Education. But, yes, we have all -- he travels a good deal, goes abroad. We have a lot of people in the Department that does that. We're having an international -- this is not as much education as dealing with the environment -- a big international conference coming up. And we get it all the time -- exchanges of ideas.

But I think we've got -- we set out there -- and I want to give credit to your Governor McWherter and to your former Governor Lamar Alexander -- we've gotten great ideas for a national goals program from -- in this country -- from the Governors who were responding to, maybe, the principal of your high school, for heaven's sake. But I think we now don't need as many of the ideas from abroad as we do to implement these broad goals that are now set in place. Not that we

can't learn from others, because some other countries are doing a whale of a job in education. But I think we've got our priorities set.

I still believe that a lot of the emphasis has to be at the local and State level. The Federal Government cannot dictate to your high school the curriculum or exactly what your teachers have to teach. We've learned a lot from those who have been successful abroad, but now I think we've got the information; we've got to go forward -- is about the way I answer that.

Q. I would like to know, what plans do you have to fund scholarships for students who excel in math and science?

The President. Well, I'll give that one to him. But we have stepped up that in our budget; we've stepped it up. But go ahead, Larry.

Secretary Cavazos. We certainly have -- quite a bit. That's one of the key points in the President's Excellence Act in Education: to identify outstanding students in mathematics and science, and provide scholarships for them for 4 years of college. That's the first step. But actually, it's right down the line. On top of that, we have increased funds for Pell grants, as well as for guaranteed student loans. So, we're certainly looking to that aspect of it and putting major emphasis on math and science.

The President. The first part, Jeanine -- we haven't got it through yet. We've made the proposals. I think we've got a good chance in the Congress, but we have not got it passed. I think the Federal Government has a legitimate role there, just as we do in -- you guys are past this stage -- but in Head Start. One of the things that -- when I first got working on this was back when Lamar Alexander was Governor. He kept talking about ``ready to learn." And as I say, you all are past that, but there's a lot of kids out there that need to be ready to learn when they go to the first grade. So, along with the things that Jeanine was asking about, we think we must do better. And this is one of our national goals in terms of Head Start -- getting people ready at the very beginning.

Who else has something they want to say? Yes, Stephanie.

Q. I was wondering if you were planning on starting the younger students in school with math and science, getting them a stronger base before high school and further education.

The President. We're trying to do that. Again, the curriculum must be set by the schools; but the emphasis -- the goals of fluency in math and science, if you would -- at an early age is out there now. And what the President should do, our Secretary, and then a Secretary like Secretary Watkins -- whose whole success of the Department of Energy relates to -- an awful lot relates to science and, thus, math feeding into that -- is to exhort. I don't think we can dictate to the school level, the early school levels. We can't do that. But when you set the goals -- and the Governors,

for the most part, are on board. I think Governor McWherter approves of our broad goals. And all of us have a job of encouraging what you're talking about. So, I think we'll see that result if our national goals -- as they move towards implementation, I think we'll see those things come into play.

I have a technical question here. I wonder why it's only the women, only the girls, that ask questions. Now, Daniel, I don't know whether you've got one.

Q. Is the Federal Government increasing in spending for special interest education programs?

The President. Let me ask the Secretary.

Secretary Watkins. Well, the answer is yes. And the President will be presented from his Domestic Policy Council with an entirely new initiative: that we in the Federal Government open our hearts and minds a lot more than we have in the past. For example, we have 23,000 scientists in our national laboratories -- two-thirds of the intellectual potential of the Nation in science. And therefore, the reason you see them so involved with you, in Oak Ridge and here in Knoxville, is that we have this kind of capability to bring new motivation and excitement, particularly to minorities and young women who in many areas of the country have been really denied math and science. And in fact, many are afraid.

And so, this whole program is going to be set up to get us involved, open our facilities to the local school districts -- not to set curriculum, as the President said, at all but to get us involved. His Thousand Points of Light program -- that's what we're talking about: getting our scientists to teach in the classroom, to teach teachers, to provide you with opportunities to go to the laboratories and see the excitement of science and be involved in it.

This decade will be the decade of science and research. And the President has opened that door with the most incredible research program and enhancement of education -- and leading the way in the Nation with your speech before the joint session of Congress the other night.

So, this is the excitement. We're very much involved. You'll see much more coming up as this begins to unfold.

The President. I'm sure I would have got a lot better audience for the State of the Union, but I made the mistake in scheduling when Vanderbilt was playing Tennessee in basketball. [Laughter] So, I'm sure all you students watched the State of the Union, but I don't know. [Laughter]

Stanley, what do you got?

Q. I would just basically like to know that, since the population of black male students enrolled

in colleges has dropped over the past decade, would that mean greater or lesser chances of us receiving money from the Government?

The President. I think what Dr. Cavazos was talking about will impact heavily in some minority areas that had not had too good a shot. And also, some of that depends on how the output goes not just for black people but white as well -- how they do in the elementary schools.

So, as we move toward programs in -- I mentioned Head Start. A lot of kids coming out of the background where they haven't really had much dough in the family, or a broken family, or something -- those kids really need Head Start more than others. And so, I think if we get the whole elementary thing moving so that the kids -- a lot of the kids you're talking about are like you, who have demonstrated an ability and have demonstrated excellence. I think you'll find there will be just more acceptance under existing programs. But I think we have some emphasis here that will benefit minority students, whether it's blacks or Hispanics or whatever.

Secretary Cavazos. There's quite a bit of it. It's there. And of course, as you point out, Mr. President, we're looking at the whole stance, from early childhood right on through the other end of college and on into adult education. And we have to put a special emphasis -- you are so correct. The numbers are going down in terms of black males in colleges. We have to turn that around. We're losing a lot of very, very fine potential students out of the system, so we have to stop and back up to the beginning. So, we will find -- dedicating in that direction.

The President. One thing we've done that really isn't directly responsive, but I've long been interested in historically black colleges, and we've stepped up the help for them, their endowment funding, which a lot of the black presidents of these colleges feel is very, very important. I think it's gone way up this year, maybe by 66 percent or something.

So, anyway, that's another -- but it's not directly responsive, but it's so -- the idea that everybody should be able to get a good education.

Dr. Monty. Mr. President, we probably have time for one or two more questions. Two of those here are outstanding math and science teachers, and they're probably holding back, trying to give the students a chance.

The President. I'd love to hear how you think it's going. I'm on a listening mode here on this trip, so I'd like to know -- or if you had any specific suggestions as to how you see our departments interacting.

Q. Mr. President, there's tremendous positive advances taking place. But in education, we sort of get a mixed message sometimes. There's much discussion in many circles about catching up with European countries as far as science and math education is concerned. As a rule, that's related to standardized test scores. So, we're getting, on the one hand, that we need to increase

standardized test scores and, then on the other hand, we need to increase problemsolving and creative thinking skills at the same time.

Now, they are certainly compatible to teach at the same time. But as a rule, it takes experience and training to take the subject matter and teach creativity mutually, or at the same time. And I'm wondering if there are any plans for special training that would be related to special programs? But it's a mixed message. And for clarification, particularly for inexperienced teachers, I think it's going to take some kind of a training program.

The President. Special training for teachers? Larry, do you have anything on the Federal side on that?

Secretary Cavazos. Well, in terms of the current budget that we have in front of us, we have about a 62-percent increase in the math and science education area, and it approaches almost $300 million that we'll be putting in next year in this direction. We're also going to have another program that we've requested money for -- to also prepare principals, give them a special education, because, obviously, they're the people involved in the curriculum and the kinds of things that go on on a day-to-day basis.

So, this is a partnership. And we really have a commitment to help out in the area of math and science and the preparation of those teachers -- but we're also going to include the principals.

The President. Now some of the States are doing -- go ahead. You were going to say something.

Q. Just in followup. If there was a direction, should it be toward the problemsolving and creativity -- the kind of creativity and creative thinking that it takes to come up with solutions to problems -- developing this kind of research? Or should it be in the direction toward the standardized test scores, where basically, it's just the foundational material that -- --

Secretary Cavazos. I think a lot of that can be worked out as we develop these programs with the people. However, my own instincts toward problemsolving and comprehension -- as you recognize, our students can read, but oftentimes when we look at our national tests, they don't comprehend at adequate levels. And I think until we can really comprehend and understand what we're dealing with, all the rest of this will give us no purpose.

The President. Mary, do you want to add something?

Q. Well, I would just follow up to Tom. I, too, am concerned about the quality of teachers that we're going to be getting into science and math. And that has such far-ranging implications for just the quality of the high school, but also for elementary education -- getting kids interested in science and math. And I, too, am very concerned about just the quality of teacher that we're going to get into science and math, and encouraging young people to go into the science- and

math-related fields, but also to go into teaching, too.

The President. Again, just so you know where I'm coming from philosophically, I think we can encourage; but I think it's the responsibility of the States and then of the local organizations to actually sign people up and -- I just don't want to see our federalizing our elementary, secondary, and higher education. The Federal Government has a distinct role, but I don't want to misrepresent to these kids that I think the Federal Government should undertake all the training for teachers, for example, or set the levels of pay for teachers -- I worry -- or curriculum. And I think we've got a pretty good balance right now.

Let me say to you kids, because we've got -- I know you know a lot about the Government, but you met with -- this is Secretary Cavazos, who is the Secretary of Education; Secretary Watkins, who is the Secretary of Energy. But I don't know that you met -- we have four Members of Congress here. You guys may be math and scientists, but I'm a political guy, see. So, I've got to -- but I hope sometime you will save a little time for the public service kind of things that -- but over here is Congressman Quillen, Congressman Duncan, and Congressman Sundquist, and over here, Congressman Lloyd. So, they, too, are along with us today and are very interested. They don't happen to be all from Tennessee, but I wanted to put in a plug for them down the line -- and public service as well.

I don't want to undermine all these Oak Ridge scientists here and get away from the subject at hand, but I'm very pleased these Congressmen are with us.

Q. I would like to commend the State for having our school. School of the Sciences made science, many times, fun. It showed that science is not just a textbook study: it's something that can change the world, literally. And I think it influenced a lot of the kids here who were going to school. I think it made us more interested and got us enthused to go forward in science and not just hold back.

The President. See, here, that's a very important point he's just made, because now, with the encouragement of the State, encouragement of the university, then other States and other communities -- we were talking about this coming in in the car with the two Governors -- other States and other communities can see the example here.

This is, I think, a first, actually -- at least the summer program that you're talking about. I'm glad that you feel that way because it gives me the thought that if we can just get the message out, others on their own will take up this kind of a program -- kind of approach, you mean, to science and math.

Dr. Monty. Mr. President, I feel like a schoolbell, but I've been asked to tell you that it's time for you to move on. These are exceptional students and exceptional teachers, and we're privileged that you would take time, along with the Secretaries, to visit with us.

The President. I'm glad you all came. Thanks. Thanks for taking the time.

Do you all know exactly where you want to go to college and exactly what you want to do? [Laughter] No? I never did, either -- really. But anyway, thank you all for your time. I bet we had some other questioners or speakers we did not hear from.

Computers

Q. I'd just like to ask, what role will computers play in the school system in the future?

The President. More and more. And I don't even know how to turn one on -- hardly. [Laughter] But, no, I can do that. I can write a letter. But, no, I think you're going to see that everybody is going to have to be computer literate. I think that's a given in the nineties, absolute given, for whatever you want to be -- liberal arts, science and tech. So, I think you're going to see that just all over.

All right. Thank you. Thanks a lot.

Note: The President spoke at 2:25 p.m. at Carolyn Brown University Center. In his remarks, he referred to Kenneth J. Monty, professor of biochemistry; high school students Jeanine Fulton, Stephanie A. Burriesei, Daniel H. Chang, and Stanley Dean; Mary Boldon, biology teacher at Maryville High School; and Tom Ferguson, biology teacher at Farragut High School. Prior to the demonstration, the President met with university professors and scientists at the center.

Remarks to Students and Faculty of the University of Tennessee at Knoxville

February 2, 1990

Thank you, Lamar Alexander. You all may remember this, but when Lamar Alexander was the Governor, out of all the 50 Governors he probably did more to take action in the field of education than any other Governor. And now he's bringing his talents to bear at this great university system. I'm very proud of him.

And I'm very proud to be with Governor McWherter. And I noticed the enthusiastic reception to your latest addition to the educational scene -- latest support for it. I salute you. I'm very proud of my Secretary of Education, a former university president himself, Dr. Larry Cavazos, who's with us today -- doing a superb job. And of course, Admiral Watkins, bringing to the Energy Department as Secretary not only expertise in the nuclear field and certainly, based on his background in the military, military expertise, but a strong commitment to education. And both of them are doing a great job for our country. I'm pleased that Alvin Trivelpiece, the Oak Ridge National Lab Director, is here with us today; also four Members of the United States Congress -- Jimmy Quillen and John Duncan, Don Sundquist, Marilyn Lloyd. And I, of course, am very pleased to see another old friend, longstanding, your mayor, Victor Ashe; and, of course, Howard Baker. I don't believe we've had a public servant of his decency and honor in the arena for a long time. He is outstanding -- was, still is. And so, Howard, I'm delighted to see you again.

And I'm sorry we were a little late getting in here. But you know how it is on this campus. Even I couldn't find a parking place. [Laughter]

It's great to be back in Tennessee. I'm very proud of this State and this university. And I noticed that Lamar said some of you noticed the T-shirt that I had on while I was jogging down in Texas in December -- the Big Orange colors of the Tennessee Volunteers. Well, back in Washington, they debated which move took more guts, invading Panama or going to Texas wearing a Big Orange T-shirt. [Laughter] I got the shirt in Washington when Pat Summitt came to the Rose Garden last April with Tennessee's Lady Volunteers, the 1989 NCAA national champions. And it was a great day.

And when they came to Washington the Lady Vols had only one request. Not to see the Oval Office. Not to see the Smithsonian, the Wright brothers' plane. Not even Georgetown at night. What they wanted to see was Millie's new puppies. [Laughter] And that's a fact, too.

Of course, we said yes, but now it's my turn. And as long as I'm at UT, it seems I ought to get to meet Smokey, from what they tell me. [Laughter]

I'm proud of Tennessee and your great sports traditions. But the truth is what makes this university so special says a lot about what makes America so special. It's not the winner's trophy at the end of the quest: It's the quest itself. And in Tennessee, as in America, that means the quest for excellence. At UT, the quest for excellence starts not on the basketball court or the football field but in the classroom. Maybe you heard that at the White House I bragged as much about the Lady Vols' 14 years with a 100-percent graduation rate as I did about that fantastic basketball championship.

Earlier this week, I issued my first formal budget as President, a blueprint for the year ahead. And 2 days ago, I stood in the U.S. Capitol, stood before the American people, and reported to you on the state of the Union. Don't worry. If you missed the speech, you're not going to hear the two words that strike terror in the hearts of every college student: pop quiz. [Laughter] You have an excuse, because our timing was not exactly fortuitous. I understand that while I was orating there before the Congress the Vols were playing -- what was it? -- Vanderbilt in basketball, and some of you had your priorities all screwed up. [Laughter] So, I understand that.

But at the heart of the address, though, was a sense of confidence that America today is second to none -- and sense of commitment, a plan to keep America second to none in the years ahead. The foundation for our plan, the foundation for our future, is anchored by a cornerstone we call educational excellence. Education really is our most enduring legacy, vital to everything we are and can become. And my budget calls for record funding, reflecting this belief. But as I said Wednesday night, real improvement in our schools is not simply a matter of spending more: it's a matter of asking more -- expecting more -- of our schools, our teachers, our kids, and ourselves.

You in Tennessee know that goals and high expectations work. Five years ago, Governor Lamar Alexander told Tennessee's eighth-graders, ``If you want to go to State universities, you're going to have to take more math and science." And there was a good deal of grumbling -- a little grumpiness about that at first, but today almost all freshmen are meeting those requirements. And as a result, admissions scores are up; retention rates are up; and best of all, 41 percent more students are taking science and math in the high school than were taking those subjects 5 years ago. You expected more, so you got more.

I believe what worked for Tennessee will work for America. And Wednesday night, I announced America's education goals, goals developed in close cooperation with the Governors of the 50 States. And I thank your Governor for participating so actively in these deliberations.

Part of the answer means getting back to basics. Recently one kid was asked if he knew what the three R's were. He said, ``Sure. Reading, writing, and remote control." [Laughter]

Well, just as we're redoubling our efforts to boost education, so we've doubled the three R's, as well. We have six goals, ``six R's," for education in the nineties.

And the first: readiness. By the year 2000, every child in America will start school ready to learn. And we've called for a record increase, a half-billion dollars, to ensure a fair start through Project Head Start.

And our next goal might be called ``search and rescue.'' We will target America's most at-risk youth and get them the help that they need -- they deserve. Our 10-year goal: to raise America's high school graduation rate to at least 90 percent.

And third, it's time to reestablish excellence. By the new century, American students will leave grades 4, 8, and 12 having demonstrated competency over the world in which they live -- the world of math, science, history, and geography.

And we're calling for a new renaissance in science and math, to make America's students first in the world by the year 2000.

And next: reading. A competitive America must be a literate America, where every man and woman possesses the knowledge and skills necessary to succeed in a global economy.

And then last and most fundamental: In every school in America, we've got to create an environment conducive to learning; and that means disciplined schools, that means -- and it must mean -- drug-free schools. The solution to chaos in our classrooms is no mystery. Franklin had a word for it -- not Ben, Aretha Franklin. She calls it R-E-S-P-E-C-T. Respect. And kids need respect for our wonderful teachers, respect for learning, respect for themselves. And all six goals are important.

And, Lamar, I was thrilled to learn that Tennessee -- a major research university and a pillar of the science-rich Oak Ridge Corridor -- has already taken the lead in responding to our challenge to use science and technology to boost America's competitiveness. And thanks to Governor McWherter, again, and Norm Augustine, Martin Marietta, and Jim Watkins, the Department of Energy, you will have a new Summer School for Math and Science and a new academy for America's top elementary and high school teachers. And it will be a model for the entire Nation. Unbelievably, it was all put together in a week. And the speed of Tennessee's response proves what we've been saying since I first sent my Educational Excellence package to Congress last spring. The time for study is past; the time for action is now.

You know, building our competitive strength today also means that we need quick congressional action on our other proposals for investing in new capital -- intellectual capital. And that includes everything from reforming product liability laws to doubling the budget of the National Science Foundation. It means a record-high increase in funds for research and development, R&D; new help for R&E, research and experimentation, by making the R&E tax credit permanent; and funds to improve education -- the Eisenhower Education Grants for math and

science would grow by 70 percent to $230 million.

In science and technology, the United States is today -- and we should take great pride in this, and there are many men in this room and women in this room today who have made a significant contribution to this -- the United States today is the undisputed heavyweight champion of the world. We produce more scholarly works, more breakthroughs, more international prizes than any other country.

But like any champion, we cannot rest on our reputation. More than 30 years ago, ``Ike," Dwight Eisenhower, used his State of the Union speech to address a similar challenge. ``Our real program," said Ike, ``is not our strength today: it is rather the vital necessity of action today to ensure our strength tomorrow."

And today I am taking action by appointing the members of the President's Council of Advisors on Science and Technology. Indeed, my Vice President, Dan Quayle, who's doing such an outstanding job as Chairman of both the National Space Council and the Competitiveness Council, is swearing in the members of this new Council this afternoon. And it's comprised of some of the best scientific minds in the country. We'll meet tomorrow at Camp David to discuss ways to maintain U.S. supremacy in these fields.

One way to do that is by challenging the impossible. And that brings to mind another challenge that will probably mean more to strengthening the educational system and competitive edge than any other single endeavor -- and I am talking about space. For in the coming century, first in space will mean first on Earth. And America intends to stay number one.

We need to find ways to do things faster and more efficiently in space. And that's why NASA and our Space Council have called on America's great universities and research centers to put their brightest engineers and scientists to work on coming up with bold, innovative ideas -- new technologies for a new tomorrow in space.

Tennessee has already made important contributions to the space program. Rhea Seddon, one of America's first women astronauts, is a graduate of UT's College of Medicine. And researchers at UT's Space Institute in Tullahoma are working with NASA to develop advanced space propulsion systems for the next generation of manned and unmanned missions.

In the new century -- your century -- those new systems may help take Americans back to the Moon and beyond. Our goal: to place Americans on Mars, and to do it within the working lifetimes of scientists and engineers who will be recruited for the effort today. And just as Jefferson sent Lewis and Clark to open the continent, our commitment to the Moon-Mars initiative will indeed open the universe. It's the opportunity of a lifetime and offers a lifetime of opportunity.

Yet some wonder if America has lost its competitive edge and ask if we must now look overseas for the answer. They point to last week's launch in Japan -- a new satellite sent to orbit the Moon. They forget 26 years ago today, long before some of you were born, America's Ranger Six landed on the Moon -- 26 years ago.

The United States is the ``defending world champion.'' But we have to defend our title day by day, week by week, year in and year out. The Tennessee of Bob Neyland and Johnny Majors, of Wade Houston and Pat Summitt, knows something about defending athletic dynasties. Here it's done the old-fashioned way, the Tennessee way, the American way. You can play smart, but there are no shortcuts. It takes hard work and grit. It demands the constant renewal of new talent and ideas, always tempered by veteran coaching. And it means sweating harder, reaching higher, and seeing farther than the other guy.

It's never easy keeping that number one ranking. Pat Summitt said it in 1984, just before bringing the U.S. Women's Basketball Team to an Olympic Gold Medal. She said, ``We're expected to win. That's a greater challenge than when you're expected to finish second.'' But she's right. Pat's right. We're going to need as never before that ``can do'' attitude that brought our ancestors to America and that brought America to greatness. In World War I, when they asked your own Sergeant York how he captured 132 enemy prisoners and 32 machineguns all by himself, he answered, ``I surrounded 'em.'' [Laughter] And that's what some might expect from a Tennessean. [Laughter] But really, it's that kind of spirit that is going to carry us into the 21st century and beyond.

And as we approach the challenges of tomorrow, in a world increasingly hungry for yesterday's values, I hope that you'll continue to give voice to this State's frontier virtues: hard work; loyalty; love of faith, family, and the Volunteer State.

And when we hear America singing, it is often the sound of Tennessee: bluegrass fiddling in the mountains; the gospel and country sound of Nashville; the jazz, the blues of Memphis. It's the stuff of legend, the spirit of faith and hope. And with spirit like that, America's going to do a Tennessee waltz all over our competition.

So, thank you for this warm welcome. Thank you for this welcome. And God bless you, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 3:25 p.m. in Alumni Memorial Gymnasium. In his remarks, he referred to Norman R. Augustine, chairman and chief executive officer of Martin Marietta Corp.; and Robert R. Neyland, John T. Majors, and Wade Houston, former head football coach, current head football coach, and head coach for men's basketball at the university. Following his remarks, the President traveled to Camp David, MD, for the weekend.

Appointment of the Members of the President's Council of Advisors on Science and Technology, and Designation of the Chairman and Vice Chairman

February 2, 1990

The President today announced the appointment of the President's Council of Advisors on Science and Technology (PCAST), comprised of 12 distinguished scientists and engineers. This panel will provide high-level advice directly to the President on a wide range of important issues concerning science and technology.

PCAST will be the first Presidential scientific advisory group in many years to report directly to the President. Its establishment is a measure of the Bush administration's high esteem for science and a recognition that advances in science and technology contribute in a major way to increased economic competitiveness. It also reflects the President's desire to strengthen Federal science and technology policy, enhance Federal research and development activities, and encourage private sector involvement in research and development.

The United States scientific community leads the world in creating new knowledge. Through PCAST, the President is seeking to provide the best obtainable private sector advice to executive branch decisionmaking in science and technology.

PCAST will be chaired by Dr. D. Allan Bromley, Assistant to the President for Science and Technology. PCAST was established January 19, 1990, by Executive Order 12700. Its members will be sworn in later today by the Vice President at the White House. They include the following individuals:

Norman F. Borlaug, of Texas, is a Nobel laureate and currently leader of the Sasakawa-Global-2000 agricultural program in sub-Saharan Africa, distinguished professor of international agriculture at Texas A&M University, and a senior consultant to CIMMYT. He was director of the wheat research and production program of the International Maize and Wheat Improvement Center, Mexico, from 1964 until his retirement in 1979. Dr. Borlaug's career began in 1935 in the Forest Service, and he subsequently worked as an instructor in plant pathology at the University of Minnesota in 1941, where he received his Ph.D. From 1942 through 1944, he was a microbiologist with E.I. DuPont de Nemours & Co. He also served as research scientist in charge of wheat improvement with the cooperative Mexican agricultural program, Mexican Ministry of Agriculture and the Rockefeller Foundation, 1944 - 60, and later as associate director of the foundation assigned to the inter-American food crop program, 1960 - 63.

D. Allan Bromley, Chairman, of Connecticut, is Assistant to the President for Science and Technology and Director of the Office of Science and Technology Policy (OSTP). Dr. Bromley

carried out pioneering studies on both the structure and dynamics of nuclei and is considered the father of modern heavy ion science. He has played major roles in the development of accelerators, of detection systems, and in computer-based data acquisition and analysis systems. He is currently on leave from his position as Henry Ford II professor of physics at Yale University, where he was founder and director of the A.W. Wright Nuclear Structure Laboratory. Dr. Bromley has been a leader in the national and international science and science policy communities for more than 20 years, serving as a member of the White House Science Council throughout the Reagan administration and as a member of the National Science Board in 1988 - 89. He received the President's National Medal of Science in 1988 and the Presidential Medal of the New York Academy of Sciences in 1989. He has served as president of the American Association for the Advancement of Science and of the International Union of Pure and Applied Physics. Dr. Bromley received the B.Sc. degree in 1948 at Queen's University, Canada, the M.Sc. degree from Queen's University in 1950, and the Ph.D. degree in nuclear physics from the University of Rochester in 1952. He has since been awarded 10 honorary doctorates.

Solomon J. Buchsbaum, of New Jersey, has been senior vice president, technology systems, at AT&T Bell Laboratories since 1979. His early career included work at the MIT Research Laboratory of Electronics. He received his Ph.D. in physics from MIT in 1957. He joined Bell Laboratories in 1958 as a member of the technical staff and later became department head and director of the Electronics Research Laboratory. In 1968 he was named vice president for research at the Sandia Laboratories and served in a number of different capacities. He returned to Bell Laboratories in 1971 as an executive director. In 1976 he became vice president, network planning and customer systems. Dr. Buchsbaum is a member of the National Academy of Sciences and of the National Academy of Engineering. He was the recipient of the President's National Medal of Science in 1986.

Charles L. Drake, of Vermont, has been the Albert Bradley professor of earth sciences at Dartmouth since 1984 and professor of geology since 1969. Dr. Drake's professional career began at Columbia University in 1953. He joined the staff at Dartmouth in 1958 after receiving his Ph.D. in geology from Columbia University, where he has continued his career, including service as professor and chairman of the department, 1967 - 69; as dean of graduate studies, and as associate dean of the science department, 1978 - 81. Dr. Drake is a recipient of the G.P. Woollard Award, Geophysical Division of the Geological Society of America.

Ralph E. Gomory, of New York, is president of the Sloan Foundation and, until his recent retirement, was senior vice president for science and technology, IBM Corp. He received his Ph.D. in mathematics from Princeton in 1954. Dr. Gomory's professional experience includes teaching and research at Princeton from 1957 to 1959. In 1959 he joined the research division of IBM and was named director of the mathematical sciences department in 1965. In 1970 he became IBM director of research and held that position until 1985, becoming IBM vice president in 1973, senior vice president in 1985, and IBM senior vice president for science and technology in 1986. He has been awarded a number of honorary degrees and prizes, including the John von

Neumann Theory Prize in 1984 and the National Medal of Science in 1988.

Bernadine Healy, Vice Chairman, of Ohio, is chairman of the Research Institute of the Cleveland Clinic Foundation, a position she assumed in 1985, and is a staff member of the clinic's department of cardiology. Prior to that time, she was Deputy Director of the Office of Science and Technology Policy at the White House and, until that appointment, had been a professor at the Johns Hopkins University School of Medicine and Hospital. Dr. Healy received her medical degree from Harvard Medical School in 1970. Her medical career continued at Johns Hopkins from 1976 to 1984, where she was professor of cardiology and medicine, director of the coronary care unit, and assistant dean for postdoctoral programs and faculty development. Dr. Healy is a member of the Institute of Medicine of the National Academy of Sciences. She is the immediate past president of the American Heart Association and a former president of the American Federation for Clinical Research.

Peter W. Likins, of Pennsylvania, has been president of Lehigh University since 1982. His professional career began as a development engineer with the Jet Propulsion Laboratory, California Institute of Technology, in 1958. In 1964 he joined the faculty at the University of California at Los Angeles, where he became professor of engineering and, later, associate dean. Dr. Likins received his Ph.D. in engineering mechanics from Stanford in 1965. In 1976 he became professor and dean of Columbia University, serving until 1980, when he became provost of the university.

Thomas E. Lovejoy, of Virginia, is the Assistant Secretary for External Affairs, the Smithsonian Institution. His previous experience includes service as a research assistant at the University of Pennsylvania, 1971 - 74, after receiving his Ph.D. in biology from Yale University in 1971; as executive assistant to the science director and as assistant to the vice president for resources and planning of the Academy of Natural Sciences, 1972 - 73; as the vice president for science of the World Wildlife Fund-U.S., 1973 - 87; and as executive vice president, 1985 - 89. Dr. Lovejoy is president of the Society for Conservation Biology.

Walter E. Massey, of Illinois, has been the vice president of the University of Chicago for research and for Argonne National Laboratory since 1984. He has also been professor of physics at the university since 1979. Dr. Massey previously served as a physics instructor at Morehouse College, 1958 - 59; and after receiving his Ph.D. in physics from Washington University in 1966, as a staff physicist with the Argonne National Laboratory until 1968; as assistant professor of physics, University of Illinois at Urbana, 1968 - 70; and as associate professor of physics and dean of the college, Brown University, 1975 - 79. He is vice president and president-elect of the American Physical Society and is the past president and chairman of the American Association for the Advancement of Science.

John P. McTague, of Michigan, is vice president-research, Ford Motor Co., and has served in that position since 1986. In 1983 Dr. McTague was appointed Deputy Director of the Office of

Science and Technology Policy, becoming Acting Science Advisor to the President and Acting Director of OSTP in 1986. Prior to that, he was chairman of the national synchrotron light source department, Brookhaven National Laboratory, 1982 - 83. He was professor of chemistry and a member of the Institute of Geophysics and Planetary Physics, University of California at Los Angeles, 1970 - 82. Dr. McTague began his professional career as a member of the technical staff, North American Aviation Science Center, on receiving his Ph.D. in physical chemistry from Boston University, and remained there until 1970. He is U.S. Chairman of the U.S.-Japan Joint High Level Advisory Panel on Cooperation in Research and Development in Science and Technology.

Daniel Nathans, of Maryland, is a Nobel laureate, and a professor of molecular biology and genetics at the Johns Hopkins University Medical School and senior investigator of the Howard Hughes Medical Institute. He has been on the faculty of the Johns Hopkins University Medical School since 1962. After receiving his medical degree from Washington University in 1954, he served as medical resident at the Columbia-Presbyterian Medical Center in New York, 1955, 1957 - 59; as clinical associate at the National Cancer Institute, 1955 - 57; and guest investigator in biochemistry at the Rockefeller University, 1959 - 62. Dr. Nathans received the Nobel Prize in physiology or medicine in 1978 for his research with enzymes that cut DNA into specific pieces, one of the basic tools of genetic engineering.

David Packard, of California, has been chairman of the board of the Hewlett-Packard Co. since 1972. Mr. Packard received his B.A. and B.S.E.E. degrees from Stanford University in 1934 and 1939, respectively. His professional experience includes service as an engineer with the vacuum tube engineering department, GE Co., 1936 - 38; cofounder and partner, the Hewlett-Packard Co., 1939 - 47; president, 1947 - 64; and chairman and chief executive officer, 1964 - 69. Prior to his present position, Mr. Packard served as U.S. Deputy Secretary of Defense from 1969 to 1971. Mr. Packard received the Vannevar Bush Award of the National Science Board in 1987, and the President's National Medal of Technology and the Presidential Medal of Freedom in 1988.

Harold T. Shapiro, of New Jersey, has been president of Princeton University since 1988. Dr. Shapiro's previous academic experience has been with the University of Michigan, after receiving his Ph.D. in economics from Princeton in 1964, first as an assistant professor of economics. His career progressed from associate professor, 1967 - 70; professor, 1970 - 76; chairman of the department of economics, 1974 - 77; professor of economics and public policy, 1977; vice president for academic affairs, 1977 - 79. Dr. Shapiro was president of the University of Michigan from 1980 to 1987. He has served as a member of many industrial, governmental, and academic boards and commissions.

Appointment of Katherine E. Boyd as a Member of the Advisory Council on Historic Preservation

February 2, 1990

The President today announced his intention to appoint Katherine E. Boyd to be a member of the Advisory Council on Historic Preservation for a term of 4 years expiring June 10, 1993. She would succeed Jennifer B. Dunn.

Since 1965 Mrs. Boyd has been president of her own interior design business, Katherine E. Boyd Interior Decoration in California.

Mrs. Boyd was born February 1, 1921, in San Francisco, CA. She is married, has three children, and currently resides in Hillsborough, CA.

Message to the Senate Transmitting the Federal Republic of Germany-United States Convention on Taxation and Fiscal Evasion

February 5, 1990

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Convention between the United States of America and the Federal Republic of Germany for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and Capital and to Certain Other Taxes, together with a related Protocol, signed at Bonn on August 29, 1989. I also transmit the report of the Department of State on the convention.

The convention replaces the tax convention that was signed with the Federal Republic of Germany on July 22, 1954, and amended by the protocol of September 17, 1965. It is based on model income tax treaties developed by the Department of the Treasury and the Organization for Economic Cooperation and Development. However, it includes a number of new provisions to accommodate important aspects of the Tax Reform Act of 1986, such as the imposition of a branch tax and strong measures to prevent ``treaty shopping."

I recommend the Senate give early and favorable consideration to the convention, together with a related protocol, and give its advice and consent to ratification.

George Bush

The White House,

February 5, 1990.

Message to the Senate Transmitting the Finland-United States Convention on Taxation and Fiscal Evasion

February 5, 1990

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Convention between the Government of the United States of America and the Government of the Republic of Finland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital, signed at Helsinki on September 21, 1989. I also transmit the report of the Department of State on the convention.

The convention would replace the existing income tax treaty with Finland that was signed on March 6, 1970. It is based on the model income tax conventions of the Organization for Economic Cooperation and Development and the Department of the Treasury and takes into account the changes in United States income tax law resulting from the Tax Reform Act of 1986.

The convention contains provisions designed to prevent third-country residents from taking unwarranted advantage of the convention by routing income from one Contracting State through an entity created in the other. The convention also provides for the exchange of information by the competent authorities of the Contracting States.

I recommend the Senate give early and favorable consideration to the convention and give its advice and consent to ratification.

George Bush

The White House,

February 5, 1990.

Remarks to the Intergovernmental Panel on Climate Change

February 5, 1990

Thank you, Dr. Bolin, and thank you for all you're doing in leading this very important effort here. To Professor Obasi and Dr. Tolba and all the delegates of the World Meteorological Organization and the UNEP, the United Nations Environment Programme, let me commend all of you for coming together to examine an issue of such great importance.

I also want to salute Bill Reilly, our able EPA Administrator. He will become the next Cabinet official in the U.S. Government. I want to thank Assistant Secretary [of State] Bernthal for his leadership from the U.S. side of things and also salute my able Science Advisor, who is with us today, Dr. Bromley, who many of you know.

The recommendations that this distinguished organization makes can have a profound effect on the world's environmental and economic policy. By being here today, I hope to underscore my country's and my own personal concern about your work, about environmental stewardship, and to reaffirm our commitment to finding responsible solutions. It's both an honor and a pleasure to be the first American President to speak to this organization, as its work takes shape.

You're called upon to deliver recommendations which strike a difficult and yet critical international bargain: a convergence between global environmental policy and global economic policy, a bargain where both perspectives benefit and neither is compromised. As experts, you understand that economic growth and environmental integrity need not be contradictory priorities. One reinforces and complements the other; each, a partner. Both are crucial. A sound environment is the basis for the continuity and quality of human life and enterprise. Clearly, strong economies allow nations to fulfill the obligations of environmental stewardship. Where there is economic strength, such protection is possible. But where there is poverty, the competition for resources gets much tougher; stewardship suffers.

For all of these reasons, I sincerely believe we must do everything in our power to promote global cooperation -- for environmental protection and economic growth, for intelligent management of our natural resources and efficient use of our industrial capacity, and for sustainable and environmentally sensitive development around the world.

The United States is strongly committed to the IPCC process of international cooperation on global climate change. We consider it vital that the community of nations be drawn together in an orderly, disciplined, rational way to review the history of our global environment, to assess the potential for future climate change, and to develop effective programs. The state of the science, the social and economic impacts, and the appropriate strategies all are crucial

components to a global resolution. The stakes here are very high; the consequences, very significant.

The United States remains committed to aggressive and thoughtful action on environmental issues. Last week, in my State of the Union Address, I spoke of stewardship because I believe it's something we owe ourselves, our children, and their children. So, we are renewing the ethic of stewardship in our domestic programs; in our work to forge international agreements; in our assistance to developing and East-bloc nations; and here, by chairing the Response Strategies Working Group.

I have just submitted a budget to our Congress for fiscal 1991. It includes over $2 billion in new spending to protect the environment. And underscoring our commitment to your efforts, I am pleased to note that funding for the U.S. Global Change Research Program will increase by nearly 60 percent, to over $1 billion. That commitment, by far the largest ever made by any nation, reflects our determination to improve our understanding of the science of climate change. We are working with our neighbors around the world to enhance global monitoring and data management, improve analysis, reduce the uncertainty of predictive models, and conduct regular reassessments of the state of science.

Our program allows NASA and her sister agencies and all our international partners to move forward with the Mission to Planet Earth. That will initiate the U.S. Earth Observing System, in cooperation with Europe and Japan, to advance the state of knowledge about the planet we share. Furthermore, even as we wait for the benefits of this research, the United States has already taken many steps in our country that bring both economic and environmental benefits, steps that make sense on their own merits in terms of responsibility and efficiency, which help reduce emissions of CFC's and carbon dioxide and other pollutants now entering the atmosphere. Let me outline them very briefly:

We are pursuing new technology development that will increase the efficiency of our energy use and thus reduce total emissions.

We're crafting a revised Clean Air Act with incentives for our private sector to find creative, market-driven solutions to enhance air quality.

We've launched a major reforestation initiative to plant a billion trees a year on the private land across America.

And we're working out a comprehensive review and revision of our national energy strategy, with initiatives to increase energy efficiency and the use of renewable sources.

These efforts, already underway, are the heart of a $336 million Department of Energy program and are expected to produce energy savings through the year 2000 of over $30 billion while

achieving significant pollution reduction. Quite a return on investment.

We're also working, through diplomatic channels with our colleagues in other countries and through innovative measures like debt-for-nature swaps, to do more than simply reduce global deforestation. We hope to reverse it, turn it around, not unilaterally but by working with our international neighbors.

The economics of our response strategies to climate change are getting intensive study here in our country, in the United States. We're developing real data on the costs of various strategies, assessing new measures, and encouraging other nations to follow suit. And we look forward to sharing this knowledge and technical support with our international colleagues. As we work to create policy and agreements on action, we want to encourage the most creative, effective approaches. Wherever possible, we believe that market mechanisms should be applied and that our policies must be consistent with economic growth and free-market principles in all countries. Our development efforts and our dialog can help us reach effective and acceptable solutions.

Last December at Malta, in my meeting with President Gorbachev, I proposed that the United States offer a venue for the first negotiating session for a framework convention, once the IPCC completes its work. I reiterate that invitation here and look forward to your cooperation in that agenda.

We all know that human activities are changing the atmosphere in unexpected and in unprecedented ways. Much remains to be done. Many questions remain to be answered. Together, we have a responsibility to ourselves and the generations to come to fulfill our stewardship obligations. But that responsibility demands that we do it right. We acknowledge a broad spectrum of views on these issues, but our respect for a diversity of perspective does not diminish our recognition of our obligation or soften our will to produce policies that work. Some may be tempted to exploit legitimate concerns for political positioning. Our responsibility is to maintain the quality of our approach, our commitment to sound science, and an open mind to policy options.

So, the United States will continue its efforts to improve our understanding of climate change -- to seek hard data, accurate models, and new ways to improve the science -- and determine how best to meet these tremendous challenges. Where politics and opinion have outpaced the science, we are accelerating our support of the technology to bridge that gap. And we are committed to coming together periodically for international assessments of where we stand. Therefore, this spring the United States will host a White House conference on science and economic research on the environment, convening top officials from a representative group of nations to bring together the three essential disciplines -- science, economics, and ecology. They will share their knowledge, assumptions, and state-of-the-art research models to outline our understanding and help focus our efforts. I look forward, personally, to participating in this seminar and to learning from its deliberations.

Our goal continues to be matching policy commitments to emerging scientific knowledge and a reconciling of environmental protection to the continued benefits of economic development. And as Secretary Baker observed a year ago, whatever global solutions to climate change are considered, they should be as specific and as cost-effective as they can possibly be. If we hope to promote environmental protection and economic growth around the world, it will be important not to work in conflict but with our industrial sectors. That will mean moving beyond the practice of command, control, and compliance toward a new kind of environmental cooperation and toward an emphasis on pollution prevention rather than mere mitigation and litigation. Many of our industries, in fact, are already providing crucial research and solutions.

One corporation, for example -- and there are others, but I'll single out one of them -- 3M started an in-house program called Pollution Prevention Pays -- one company. And that has saved the company well over a half a billion dollars since 1975, prevented 112,000 tons of air pollutants, 15,000 tons of water pollutants, and almost 400,000 tons of sludge and solid waste from being released into the environment. They've done it by rewarding employees for coming up with ideas, and they have clearly demonstrated the benefits of doing it right.

Where developing nations are concerned, I know some argue that we'll have to abandon the free-market principles of prosperous economies. In fact, we think it's all the more crucial in the developing countries to harness incentives of the free enterprise system in the service of the environment. I believe we should make use of what we know. We know that the future of the Earth must not be compromised. We bear a sacred trust in our tenancy here and a covenant with those most precious to us -- our children and theirs. We also understand the efficiency of incentives and that well-informed free markets yield the most creative solutions. We must now apply the wisdom of that system, the power of those forces, in defense of the environment we cherish.

Working together, with good faith and earnest dialog, I believe we can reconcile vitality with environmental protection. And so, let me commend you on your outstanding work and wish you all deliberate speed in your efforts to address a very difficult but very important human concern.

Thank you all very much. It is a great pleasure to be the first President to address this distinguished group. Thank you very much.

Note: The President spoke at 10:20 a.m. at Georgetown University's Leavey Center. In his remarks, he referred to Bert Bolin, Chairman of the Intergovernmental Panel on Climate Change; G.O.P. Obasi, Secretary General of the World Meteorological Organization; and M.K. Tolba, Executive Director of the United Nations Environment Programme.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Luis Alberto Lacalle of Uruguay

February 5, 1990

President Bush met with Uruguayan President-elect Luis Alberto Lacalle for approximately 40 minutes this morning. The two leaders exchanged views on a wide range of bilateral and regional issues, including trade, investment, debt, and the fight against narcotics traffickers. President Bush expressed support for President-elect Lacalle's plans to reform and strengthen Uruguay's economy and stated that the United States would work closely with Uruguay toward this goal. The two Presidents took note of plans for the negotiation of a mutual legal assistance treaty and agreed that such a treaty would be mutually beneficial.

Nomination of Richard E. Bissell To Be an Assistant Administrator of the Agency for International Development

February 5, 1990

The President today announced his intention to nominate Richard E. Bissell to be Assistant Administrator for Science and Technology of the Agency for International Development, U.S. International Development Cooperation Agency. He would succeed Nyle C. Brady.

Since 1986 Dr. Bissell has served as Assistant Administrator for Program and Policy Coordination at the Agency for International Development in Washington, DC. Prior to this, he served as executive editor of the Washington Quarterly, Center for Strategic and International Studies, 1984 - 1986; Director of Research and Director of Program Development at the U.S. Information Agency in Washington, DC, 1982 - 1984; and managing editor of ORBIS and director of economic security studies at the Foreign Policy Research Institute in Philadelphia, PA, 1974 - 1982. In addition, Dr. Bissell served as an adjunct professor and lecturer at Georgetown University, 1984 - 1986; Johns Hopkins School of Advanced International Studies, 1982; University of Pennsylvania, 1978 - 1982; Temple University, 1975 - 1979; and Princeton University, 1974 - 1976.

Dr. Bissell graduated from Stanford University (B.A., 1968) and the Fletcher School of Law and Diplomacy (M.A., 1970; Ph.D., 1973). He was born January 25, 1946, in Palo Alto, CA. Dr. Bissell is married, has three children, and resides in McLean, VA.

Message to the Congress Transmitting the 1989 Science and Engineering Indicators Report

February 5, 1990

To the Congress of the United States:

Pursuant to 42 U.S.C. 1863(j)(1), I am pleased to submit to the Congress a report of the National Science Board entitled Science & Engineering Indicators -- 1989. This report is the ninth in a continuing series examining key aspects of the status of American science and engineering.

The importance of scientific and engineering research to the well-being of our Nation is widely recognized. Science and engineering play a vital role in maintaining our Nation's defense, improving its health, and increasing its economic productivity.

I commend Science & Engineering Indicators -- 1989 to the attention of the Congress and those in the scientific endeavor.

George Bush

The White House,

February 5, 1990.

Message to the Congress Transmitting the 1990 Economic Report

February 6, 1990

To the Congress of the United States:

The United States enters the 1990s as a prosperous nation with a healthy and dynamic economy. Our living standards remain well above those of other major industrialized nations, and our prosperity is spread widely. Since 1982, American firms and workers have produced the longest peacetime expansion on record and created more than 20 million jobs. The containment of inflation during this long economic expansion is a milestone in postwar U.S. history.

In 1989, we regained our position as the world's leading exporter and retained our position as the world's leading job creator, with the fraction of the population employed reaching its highest level ever. In all, 2\1/2\ million jobs were created in 1989. The unemployment rate fell to levels not seen since the early 1970s, as did jobless rates for blacks and teenagers. The unemployment rate for Hispanics was the lowest since 1980, when the United States began regularly reporting it.

We have proven to the world that economic and political freedom works. After years of economic decline, the people of Eastern Europe are turning toward free markets to revive economic growth and raise living standards. I remain strongly committed to aiding the efforts of these brave men and women to transform their societies -- and thereby to change the world.

Despite our successes, we cannot be satisfied with simply sustaining the strong record of the 1980s. We must improve on that record, deal with inherited problems, and meet the new challenges and seize the new opportunities before us.

Goals and Principles

The primary economic goal of my Administration is to achieve the highest possible rate of sustainable economic growth. Achieving this goal will require action on many fronts -- but it will permit progress on many more. Growth is the key to raising living standards, to leaving a legacy of prosperity for our children, to uplifting those most in need, and to maintaining America's leadership in the world.

To achieve this goal, we must both enhance our economy's ability to grow and ensure that its potential is more often fully utilized than in previous decades. To these ends, as explained in the Report that follows, my Administration will:

Reduce government borrowing by slowing the growth of Federal spending while economic growth raises revenue until the budget is balanced, and reduce the national debt thereafter;

Support a credible, systematic monetary policy program that sustains maximum economic growth while controlling and reducing inflation;

Remove barriers to innovation, investment, work, and saving in the tax, legal, and regulatory systems;

Avoid unnecessary regulation and design necessary regulatory programs to harness market forces effectively to serve the Nation's interest; and

Continue to lead the world to freer trade and more open markets, and to support market-oriented reforms around the world.

In advancing these principles, we must be both ambitious and realistic. There is room to improve, and there is much to be done to prepare for the next century. We must not fear to dream great dreams. But we must not fail to do our homework; the American people are ill-served by promises that cannot be kept.

Macroeconomic Prospects and Policies

The economy's performance during 1989, the seventh year of economic expansion, has set the stage for healthy growth in the 1990s. Growth in national output was more moderate in 1989 than the very rapid pace in 1988 and 1987. But, in sharp contrast to most past periods of low unemployment and high capacity utilization, inflation was kept firmly in check. Measured broadly, the price level rose 4.1 percent during 1989, down from 4.5 percent during 1988.

If my budget proposals are adopted, and if the Federal Reserve maintains a credible policy program to support strong noninflationary growth, the economy is projected to expand in 1990 at a slightly faster pace than in 1989. Growth is projected to pick up in the second half of the year and to continue at a strong pace as the level of output rises to the economy's full potential.

Fiscal and monetary policies should establish credible commitments to policy plans aimed at maximizing sustainable growth over the long run. A steady hand at the helm is necessary to produce rapid and continuous increases in employment and living standards.

My budget proposals reflect a strong commitment to the principles of the Gramm-Rudman-Hollings law, which has helped reduce the Federal deficit from 5.3 percent of GNP in fiscal 1986 to 2.9 percent in fiscal 1989. That is why I insisted last fall that the Congress pass a clean reconciliation bill and stood by the sequestration order that resulted from my strict adherence to the Gramm-Rudman-Hollings law.

I have also proposed a fundamental new rule for fiscal policy that would ensure that projected future Social Security surpluses are not spent for other purposes but are used to build the reserves necessary to guarantee the soundness of Social Security. Moreover, it would transform the Federal Government from a chronic borrower, draining savings away from private investment, to a saver, providing funds for capital formation and economic growth by reducing the national debt.

I remain strongly committed to the principles of low marginal tax rates and a broad tax base developed in the Economic Recovery Tax Act of 1981 and the Tax Reform Act of 1986. Steady adherence to these principles reduces government's distorting effect on the market forces that drive economic growth.

I strongly support the Federal Reserve's goal of noninflationary growth and share with them the conviction that inflation must be controlled and reduced in a predictable fashion. Accelerating inflation not only erodes the value of families' savings, it produces economic imbalances and policy responses that often lead to recessions.

The United States is part of an increasingly integrated global economy, in which domestic fiscal and monetary policies affect the economies of other nations, though the main impacts are on the domestic economy. My Administration remains committed to participating actively in the valuable process of coordinating macroeconomic policies internationally.

Encouraging Economic Growth

As we begin the 1990s, a central focus of my economic policies will be to build on the successes of the 1980s by creating an environment in which the private sector can serve as the engine that powers strong, noninflationary economic growth.

America's continued economic progress depends on the innovation and entrepreneurship of our people. I will therefore continue to press for a permanent research and experimentation tax credit, for increased Federal support of research with widespread societal benefits and that private firms would not have adequate incentives to undertake, for removal of regulatory and legal barriers to innovation, and for a lower tax rate on capital gains.

We must remove impediments to saving and investment in order to enhance the economy's growth potential. The fiscal policy I described earlier will raise national saving. In addition, I have asked the Congress to enact the Savings and Economic Growth Act of 1990, which contains a comprehensive program to raise household saving across the entire income spectrum. This program would help American families plan for the future and, in the process, make more funds available to finance investment and spur productivity, thus raising living standards, enhancing competitiveness, and expanding employment opportunities.

One of my highest legislative priorities this year is to reduce the capital gains tax rate. This tax reform would promote risk-taking and entrepreneurship by lowering the cost of capital, thereby encouraging new business formation and creating new jobs. A capital gains tax cut would stimulate saving and investment throughout the economy.

Government can encourage economic growth but cannot manage it. I remain strongly opposed to any sort of industrial policy, in which the government, not the market, would pick winners and losers. Second-guessing the market is the way to raise government spending and taxes, not living standards.

The growth of our Nation's labor force is projected to slow in the 1990s, and demands for skilled workers are expected to continue to increase. These developments will shift attention away from worries about the supply of jobs that have haunted us since the 1930s and toward new concerns about the supply of workers and skills.

We cannot maintain our position of world leadership or sustain rapid economic growth if our workers lack the skills of their foreign competitors. As I demonstrated last fall at the Education Summit, the Federal Government can lead in improving the inadequate performance of our elementary and secondary schools. Because school systems must be held accountable for their students' performance, the Nation's Governors and I have developed ambitious national education goals. To meet these goals, we must give students and parents the freedom to choose their schools, and we must give schools the flexibility to meet their students' needs.

More disadvantaged Americans must be brought into the economic mainstream, not just to enhance our Nation's economic growth, but as a matter of simple decency. To this end, I have supported legislation to open new opportunities for the disabled, increased assistance to the homeless, helped implement welfare reform, proposed more effective job training programs, and introduced initiatives that will bring jobs and better housing to depressed inner cities. I have proposed substantial increases in spending for Head Start to prepare children from disadvantaged families for effective learning.

Those who cannot read and write cannot participate fully in the economy. Mrs. Bush and I will continue to support the difficult but important struggle to eliminate adult functional illiteracy.

Regulatory Reform

The improved performance of U.S. markets that were deregulated during the 1980s showed clearly that government interference with competitive private markets inflates prices, retards innovation, slows growth, and eliminates jobs. But in some cases, well-designed regulation can serve the public interest.

My proposals for reform of food safety regulation and the Clean Air Act follow the two key principles that apply in these cases: the goals of regulation must balance costs and benefits; and the methods of regulation must be flexible and cost-effective. One of my top legislative priorities is to improve the Clean Air Act in a way that preserves both a healthy environment and a sound economy.

When confronted with a threat to the solvency of our thrift institutions, my Administration moved swiftly to resolve the crisis. We must continue to reform the regulation of financial institutions and markets to preserve the soundness of the U.S. financial sector while encouraging innovation and competition.

The Global Economy

The 1980s have underscored the increased importance of global economic events in shaping our lives. We have all been touched by the movements toward political and economic freedom in Eastern Europe. We have been impressed by the rapid growth of market-oriented Asian economies. And we have great expectations for the movement in the European Community toward a single, open market by 1992.

Reductions in trade barriers between nations have raised living standards around the world. Investment has become more globally integrated, as citizens of other countries recognize the great strength and potential of our economy, and as Americans continue to invest abroad.

My Administration is strongly committed to supporting the historic efforts of the governments and people of Eastern Europe to move toward market-based economies. Similarly, under the Brady Plan, we will continue to support heavily indebted nations that adopt sound economic policies to revive economic growth. In both cases, reform must be comprehensive to succeed, but the rewards of success will be great.

America will continue to lead the way to a world of free, competitive markets. Increased global competition is an opportunity for the United States and the world, not a threat. But we cannot remain competitive by avoiding competition. My Administration will therefore continue to resist calls for protection and managed trade. To serve the interests of all Americans, we must open markets here and abroad, not close them. I will strongly resist any attempts to hinder the free international flows of investment capital, which have benefited workers and consumers here and abroad. And my Administration will work to reduce existing barriers to international investment throughout the world.

My highest trade policy priority is the successful completion this year of the current Uruguay Round of negotiations, aimed at strengthening and broadening the General Agreement on Tariffs and Trade (GATT). Successful completion of these negotiations will expand the world's gains from free and fair trade and raise living standards in all nations.

Looking Ahead

When I look back on the 1980s, on what the American people have accomplished, it is with pride. And when I look forward to the 1990s, it is with hope and optimism. Our excellent economic health will allow us to build on the successes of the 1980s as we prepare for the next century. Clearly, there is much work to be done. But with the economic principles and policies that I have proposed, I am confident that the United States can enjoy strong, sustainable economic growth and use the fruits of that growth to raise living standards, solve longstanding problems, deal with new challenges, and make the most of new opportunities.

George Bush

The White House,

February 6, 1990.

Message to the Congress Reporting Budget Deferrals

February 6, 1990

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report 19 deferrals of budget authority now totalling $2,193,850,000.

The deferrals affect programs of the Department of Defense. The details of these deferrals are contained in the attached report.

George Bush

The White House,

February 6, 1990.

Note: The attachment detailing the proposed deferrals was printed in the ``Federal Register'' of February 14.

Remarks to United States Troops at the National Training Center at Fort Irwin in Barstow, California

February 6, 1990

Good afternoon, General Bergeron, and good afternoon to the men of the 3d Brigade, the 9th Infantry Division, Motorized, from Fort Lewis, Washington; the pilots and the airmen of the Tactical Air Command; and the opposing force and the observer controllers.

It's great to be here at this first stop on a trip that's going to take me to San Francisco tomorrow and then to the banks of the Missouri in Nebraska and finally to the heartland of Ohio on Thursday. I appreciate the opportunity to witness firsthand the rigorous training that has made the American Army the premier land force in the world today. And these realistic battles that you wage here in the Mojave Desert forge tactical expertise, leadership, and a fighting spirit -- and that's what we need.

No less an authority than General MacArthur put it this way: ``Wars may be fought with weapons, but they are won by men. It is the spirit of the men who follow and of the man who leads that gains the victory." And I might add that nowhere was this more true than in Panama.

I'm grateful to Secretary Cheney and to General Powell and the Joint Chiefs for their brilliant leadership of Operation Just Cause. All Americans are grateful and proud of those courageous and patriotic young Americans who fought with unwavering devotion to liberty. Thanks to them, yet another country is free.

Never before has the importance and power of training been on more prominent display than in Panama. When I ordered the U.S. forces into action there last December, I didn't have to call my friend, our able Chief of Staff, Carl Vuono, to find out whether the Army was ready. I knew that the Army was well-trained, prepared to carry out any mission, anytime, anywhere. And the stunning performance of the Army and our other outstanding services more than justified my confidence and that of the American people.

Your work here at the NTC reflects the state of training throughout the Army -- demanding, tough. But whether you are defending along the Whale or attacking up the Valley of Death or polishing gunnery skills back at your home station, remember that you are -- all of you -- preparing yourselves for combat and, by doing so, making a direct and lasting contribution to the preservation of peace.

You know, lasting peace stems from strength that is moral and intellectual, economic and military. Lasting peace comes from partnership with allies who are resolute in the defense of liberty. And it comes from a determination that makes a fragile peace strong, a temporary peace

permanent. And lasting peace is our goal.

Now I'm sure that, like many Americans, you've been following the fascinating meeting taking place in Moscow. I can speak for all Americans when I say we are pleased to see Chairman Gorbachev's proposals to expand steps toward political pluralism in the Soviet Union. As a free and democratic people, Americans will always welcome measures which promote the growth of democracy. And it's especially encouraging to see anything which might bring the day of true democracy a bit closer for the Soviet people.

As we enter the nineties, the United States is shaping its military to meet a changing international environment, one that may be potentially safer, but one that will almost surely have its share of uncertainties and dangers. We see our active forces smaller but more agile and flexible -- well-suited and ready for the demands of likely contingencies. The events of Eastern Europe and in the Soviet Union have changed our strategic defense posture. I have proposed an additional reduction of U.S. and Soviet troops in Central and Eastern Europe to a level of 195,000. At the same time, Secretary Cheney has laid out a very reasoned and steadfast approach to reducing military expenditures in the U.S. But it is important not to let these encouraging changes, political or military, lull us into a sense of complacency, nor can we let down our guard against a worldwide threat. The Soviet Union still does maintain formidable forces. Military challenges to democracy persist in every hemisphere. America must always be prepared to fight for freedom and security. When I decide we must use military forces to protect American lives and interests, I need to know, as I did in Panama, that you are ready and you are ready now.

Thousands of dedicated Americans are working for peace around the world -- at Livermore Labs, where I'm going to visit tomorrow, to the troops training here at NTC to the worldwide alert crews that I'll be talking to there at Offutt SAC [Strategic Air Command] Headquarters on Thursday.

I congratulate each of you on your professional achievements, your personal commitment to the defense of America. As I watch you train with a ``We can, we will'' attitude, I want to make sure the men and women of Old Reliable, Gold Devils, Mung-Ho, Scout Out, Always First, Task Force Sabre, Active Support, the OPFOR, and the OC's all realize how very proud and thankful the American people are. God bless our great country, and thank you, colonel. And now back to war.

Note: The President spoke by radio at noon from the Communications Room at the Training and Feedback Center at Fort Irwin. In his remarks, he referred to Col. A.J. Bergeron, commander of the 3d Brigade, 9th Infantry Division; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; and the following military units present at the Center: Old Reliable, the 9th Infantry Division; the Go Devils, the 3d Brigade, 9th Infantry Division; Mung-Ho, the 3d Battalion, 47th Infantry Regiment; Scout Out, the 2d Battalion, 60th Infantry Regiment; Always First, Company

C, 2d Battalion, 1st Infantry Regiment; Task Force Sabre, 1st Battalion, 9th Cavalry Regiment; Active Support, the 99th Forward Support Battalion; OPFOR, Operations Forces; and OC, observer controllers. Following his remarks, the President watched war games at the Center and spoke with some of the participants in the battlefield exercise. He then traveled to Los Angeles.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

February 6, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 85 - 384 (92 Stat. 739; 22 U.S.C. 2373), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question.

This report covers the 2 months between November 1 and December 31, 1989. This was a period marked by intensified activity, centering on the Secretary General of the United Nations, aimed at reconvening the stalled Cyprus intercommunal negotiations. In mid-November the U.N. Secretary General invited Cyprus President Vassiliou and Turkish Cypriot leader Rauf Denktash to meet with him separately in New York. The Vassiliou meeting with the U.N. Secretary General took place on November 29; the meeting between Denktash and the U.N. Secretary General occurred on December 4. At both meetings the U.N. Secretary General stressed the importance of a commitment ``to resume talks on a meaningful basis," and then sketched out procedures for doing so at a negotiating session in February 1990 at which work on an outline for a Cyprus settlement might continue. The U.N. Secretary General also suggested that ways be found to encourage mutual trust and goodwill between the two communities.

These themes were also reflected in the required report of U.N. operations in Cyprus for the period June 1 to December 4, 1989, which the U.N. Secretary General sent to the U.N. Secretary Council on December 7, 1989. In the concluding ``observations" section of this report (copy attached), the U.N. Secretary General reaffirmed that ``a basis for effective negotiations exists provided both leaders manifest the necessary goodwill and recognize that a viable solution must satisfy the legitimate interests of both communities." The U.N. Secretary General then went on to express the hope that ``after further discussions with my Special Representative, a way will be found whereby both leaders will soon be able to inform me of their willingness to continue the work agreed to on 29 June and proceed as I suggested during my last meeting with them."

The U.N. Security Council considered the Secretary General's report on December 14, and the President of the Council, speaking for all 15 Security Council members, including the United States, expressed full support for the U.N. Secretary General, urged both community leaders to proceed as suggested by the U.N. Secretary General during their most recent meetings with him, and to cooperate in completing work on an outline for a settlement. The President of the Council also urged the two parties to make a further, determined effort to promote reconciliation, including the adoption of goodwill measures. Finally, he asked the U.N. Secretary General to report back to the Security Council by March 1, 1990, on what progress had been made in resuming intensive talks and drafting an outline of an overall agreement.

Activities at the United Nations in New York were matched by the efforts of the U.S. Special Cyprus Coordinator, Nelson Ledsky, to promote the resumption of meaningful negotiations. The Coordinator met separately with Mr. Vassiliou and Mr. Denktash in New York. In mid-December, he traveled to Cyprus for some 6 hours of separate meetings each with Mr. Vassiliou and Mr. Denktash. At each meeting, Mr. Ledsky urged the parties to follow the procedural suggestions of the U.N. Secretary General and return to the negotiating table under U.N. auspices without preconditions. He also outlined to the two communities a series of possible confidence-building measures, aimed at fostering bicommunal cooperation in such fields as education, health, and economic and social development. He suggested that these projects be managed by U.N. agencies, with funding coming from U.S. assistance monies that had been set aside for bicommunal projects. At the top of this list was the proposal to examine the feasibility of a bicommunal, English-language university for Cyprus.

The U.S. Coordinator also welcomed actions taken both by Cypriot authorities on November 15 to prevent a breach of the demarcation line and recent relaxation of travel restrictions by the Turkish Cypriots. He suggested that both sides examine further measures that would promote contact and travel between the two parts of the island. Both Greek Cypriot and Turkish Cypriot authorities agreed to examine without commitment the concept of confidence-building and goodwill measures of the kind the U.S. Coordinator had suggested and to see whether these were compatible with efforts to arrive at a negotiated settlement of the overall Cyprus problem. We would expect discussion of these questions to continue in the months ahead.

Finally, toward the end of December, the U.N. Secretary General sent letters to President Vassiliou and Mr. Denktash proposing a meeting in February 1990. It is our expectation that both sides will attend the meeting with the U.N. Secretary General in New York.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Remarks at a Republican Party Fundraising Dinner in Los Angeles, California

February 6, 1990

Thank you, Frank, and Governor Deukmejian. Duke, always a pleasure to see you. To the California State delegation, many of whom are here, thank you for coming. And it's great to see our party chairman, Lee Atwater, with us tonight. He's doing an outstanding job. He plays that rhythm and blues -- I'd rather hear Vicky Carr sing, but nevertheless. [Laughter] And thank you for the beautiful rendition of ``The Star-Spangled Banner." Johnny, the honorary mayor of Hollywood. And all of you who are supporting this marvelous effort for our party, headed by Frank Visco -- and, Frank, thank you for the introduction. I see that we have a lot of celebrities here tonight. Bob Hope, thank you, sir, for your remarks. When I first saw this star-studded audience, I thought I'd wandered into a Lakers' game. [Laughter] I don't think there have been so many celebrities in one place since they used to be there at Dodgers Stadium -- at Tommy Lasorda's office before they allowed the visitors -- kicked the visitors out of there.

And, of course, Arnold Schwarzenegger is here. He was up visiting Barbara and me the other day at Camp David. I call him ``Conan the Republican." And he has taken on big job for us as Chairman of this Fitness Council, and it's very, very important -- he's taking it seriously. We saw his beautiful new daughter up there at Camp David -- I bent over to kiss her and she tried to bench-press me. [Laughter] Where is he? Oh, right. Sorry about that. [Laughter] That's when I realized that any kid who has her own set of free weights doesn't need a teddy bear. [Laughter]

Now, there's one more person I'd like to mention tonight, even though he's not here -- a friend of everybody in this room -- tonight he's celebrating his 79th birthday, and I would like to simply say, happy birthday, President Reagan, wherever you are, and best wishes from all of us. This is my first trip out here on behalf of the California State party. I want to thank all of you for the victory that you gave us here on election night. I'll never forget the close win here. You have my gratitude -- Duke, certainly, Governor, you do -- and my appreciation for your hard work and commitment for a job well-done.

But tonight, I want to talk to you about another job: the job of preparing our great country for the future. Last Wednesday, I made my first State of the Union Address to the Nation. I covered a lot of ground because our country faces diverse challenges that will test every American as we enter this new decade. Around the world, there is, as we've heard here tonight, rapid and welcome change, as people from Panama to Prague strive for democracy. Self-determination is contagious. They even want it in Malibu, I understand. [Laughter] But millions of people are leaping over their volleyball nets to free them. [Laughter]

No, but seriously -- [laughter] -- millions of people are looking to America for the hope and encouragement they need as they seek the same freedom we have here -- freedom of expression,

security, and opportunity we enjoy. And America will be there to help. But if America is to continue its traditional leadership role, we've got to be competitive enough to take on the job, and strong and smart enough to do it right. Today -- -- [at this point, the President was interrupted by a demonstrator.] She's pretty tough. [Laughter] You know, economic times are reasonably good and we're enjoying the greatest economic expansion in peacetime history. But to maintain the growth that has provided better lives for millions of Americans, we've got to make sure that America becomes even stronger. We've got to invest in our future.

And first, a sound education for our kids must be the first and foremost, and it is. And we have proposed the largest education budget in history. But real improvement in our schools is not simply a matter of spending more. It's a matter of asking more of our students, our teachers, our parents, our schools. And while the Federal Government is going to help meet its national challenge, the States -- the ``laboratories'' of democracy, as Justice Brandeis put it -- will do a much better job than we ever can. And that's why we've announced new education goals for our country, developed working with Governor Deukmejian and the other 49 Governors. By the year 2000, every child must start school ready to learn, and we've got to increase our high school graduation rate to no less than 90 percent. And we're going to make sure that our schools' diplomas mean something. In critical subjects -- at the 4th, 8th and 12th grades -- we must assess our students' performance. By the year 2000, U.S. students must be first in the world in math and science skills. And every American adult must be a literate worker and citizen. Every school in America must offer the kind of disciplined environment needed for our kids to learn. And this other goal -- every school in America must be drug-free.

Here in California, we've designated Los Angeles as a ``high intensity drug trafficking area'' to help this great city rid itself of the scourge of drugs. And we've got to get PCP and crack off the streets and out of the schools. And it's time we got more Federal resources into the hands of those on the front lines. If we are to compete internationally, America must be drug-free, well-educated, and ready to do the job right.

And there's another investment we must make for the future of this country to keep competitive, and I'm talking about R&D, research and development. California can be proud of its great research institutions. Schools like these will dream the dreams and create the ideas that form the cornerstone of our economic power in the years to come. And that's why our 1991 budget includes a record-high $71 billion proposal for research and development. And with the best young minds of the next generation on our side, America will win the research and development race.

Education, a drug-free workplace, and research and development are part of the mix for economic competitiveness. But there's one more important ingredient -- and many here know this -- savings and investment. And together, they create jobs and promote opportunity for all Americans. And so we've proposed the Savings and Economic Growth Act, which includes our family savings account proposal and provisions to allow first-time home buyers to make an early withdrawal from those IRA's without penalty. And it does one more thing -- it proposes a cut in

the rate in the capital gains tax. Last year, a majority in both Houses of Congress showed their support for this capital gains tax cut. And this year, with your help, we'll pass that tax cut to give our competitors a run for the money and keep the American economy going strong.

But to remain competitive, government must also reflect the new world emerging around us -- like the National Training Center base I've just visited in Barstow -- that Barbara and I were at today, and later going to the Strategic Air Command base near Omaha. As the nature of the threats to the American security change -- and they are changing -- so, too, must our response change. Our forces will remain robust, well-trained, highly professional, but geared to the new challenges of the nineties. And I believe that we can do that. I'm in a big battle in Congress, and I'd like to have your support to keep reasonable levels of defense. I'm not going to miss an opportunity to cut, but I want to do it prudently, and I want to get something from the other side when we do it.

Finally, one more thought here -- kind of competitiveness I'd like to talk to you about. Let me tell you a story about a summer night, 1981, when a group of California Democrats sat in a restaurant in Sacramento with a pencil and a paper, redesigning California's political landscape. They drew what one of them called at the time their ``contribution to modern art'' -- it was their words. Well, we've got a name for it, and we call it gerrymandering. Lines were drawn across communities, towns, even streets, into twisted, contorted, crazy shapes -- without the slightest regard for either the will of the people or the rules of elementary fairness. Since those lines went into effect, there have been 135 general elections for California's congressional seats, and only once has a seat changed party control.

In 1984, in fact, Republican congressional candidates together received more total votes than the Democratic candidates and yet won nine fewer seats. The 1990 census may, and probably will, give California up to seven new congressional seats -- meaning that nearly one out of every eight Congressmen in Washington will represent California. And all existing California congressional district lines will have to be redrawn -- this time not with pencils in a restaurant but by state-of-the-art advanced computers. The time has come for redistricting reform. And we've got to end the charade of that Phil Burton Democratic gerrymandering that has deprived this State of fair representation.

Look, unlike the Democrats, we don't need gerrymandering, because Republicans can win on the issues. You heard Duke say it. In fact, we can put the Democrats out of business -- on the issues. Look at what this Governor's Republican administration has accomplished since 1983: the unemployment rate was 11, cut to 5.2 percent; 2.7 million new jobs created in this great State. The list keeps growing: 14 new and expanded prisons open in 1991, education funding more than doubled, drug education now included in every school from grades four to eight. California now has some of the toughest environmental laws in the Nation, with thousands of acres of sensitive lands acquired and preserved. And thanks to commonsense policies and strong leadership, California is better off than it ever has been. Let's keep it that way. Let's keep it

Republican, and let's elect Pete Wilson next November to be Governor of this great State.

Unfortunately, Pete couldn't join us tonight. He's in Washington -- a crucial vote in the Senate on education. I appreciate his work, for he's a proven winner -- and the voters know it. And he's a strong environmentalist, a leader of the war on drugs, key member of our team in the United States Senate. And believe me, we'll miss Senator Wilson, but come to think of it, I really like the sound of Governor Pete Wilson. You know Pete will be leading a solid team of candidates for State office to victory, and with him they'll be the ones to keep the taxes low, the environment clean, and the economy strong. People say I'm a cautious guy, and I can understand that -- well, I really can't understand it. I'm going to go out on a limb tonight and make a prediction: 1990 will be a great year for the Golden State because Pete Wilson will be your next Governor. So my plea, in the tradition of Ronald Reagan and George Deukmejian: Let's keep California great and keep it Republican.

Barbara and I are delighted to be with you. Thank you for what you're doing for this party, thank you for what you're doing for the campaign for Governor and the other statewide races. Thank you all, God bless you, and God bless the United States of America. Thank you very much.

Note: The President spoke at 8:26 p.m. in the L.A. Ballroom at the Century Plaza Hotel. In his opening remarks, he referred to Frank Visco, chairman of the California Republican Party, and Tommy Lasorda, manager of the Los Angeles Dodgers.

Nomination of Admiral Frank B. Kelso II To Be Chief of Naval Operations

February 7, 1990

The President today announced his intention to nominate Adm. Frank B. Kelso II, USN, to be Chief of Naval Operations. He would succeed Adm. Carlisle A.H. Trost, whose term expires June 30, 1990.

Admiral Kelso is presently serving as commander in chief, United States Atlantic Command, and supreme allied commander, Atlantic. Previously he was commander in chief, U.S. Atlantic Fleet, 1986 - 1988, and commander, 6th Fleet, 1985 - 1986. Admiral Kelso graduated from the U.S. Naval Academy in 1956. He was born July 11, 1933, in Fayetteville, TN.

Remarks to the Staff of the Lawrence Livermore National Laboratory in San Francisco, California

February 7, 1990

Thank you, Mr. Nuckolls and Dr. Wood, of course, Secretary Watkins, our Secretary of Energy, in whom I have great confidence and who is my trusted adviser on matters that affect your lives on a day-to-day basis. I'm delighted to be here. And I'm told that my visit represents a milestone, a rare phenomenon: one of the very few presentations without a viewgraph. [Laughter]

But before I speak about the programs I've just seen at Livermore Labs, I want to say something about the people here, about your response, actually, in the wake of the earthquake back in October. I am told that Livermore employees raised over $100,000 in contributions for disaster relief, and you did it in just 2 days. So, I thank all of you for your strong commitment to community. I think people are beginning to understand what I mean when I talk about a Thousand Points of Light. And that is a wonderful example of how this whole concept works: one American pitching in to help another. So, you've really set a wonderful example.

It's very exciting for me to have a chance to visit this institution and the people who bring it to life. I loved that spontaneous welcome when I drove in here -- people lined up out there. I don't know how long they've been whipped into shape to be standing there, but -- [laughter] -- I can tell you, it made me feel good anyway. [Laughter] So, if you were in line out there somewhere, thank you for your heroic work.

Yours are the minds that are rarely at rest -- sometimes blessed, sometimes burdened with a flow of ideas that simply won't quit. Maybe even when you're out fishing or at 3 in the morning when you just want to get some sleep -- maybe that works differently. But like the Bells and the Edisons and the Tellers before you, your ideas, your ability to deliver on them, are America's best.

The Livermore's technical prowess is well-known, truly remarkable. And I now have a better feel for it just from kicking the tires and being here for just a few minutes. For nearly 40 years, you've been at the leading edge of scientific knowledge. And I'm delighted that one of the Lab's founders is here today, one of the great pioneers in the national security field, leading minds in science; and of course I'm talking about my friend of longstanding, Dr. Edward Teller. Glad to see you, sir. Let me thank all of you at the Lab for your role in preserving the peace and keeping the world stable and America secure.

You're aware of the tremendous changes -- Mr. Nuckolls referred to them -- that have swept the world over the past 2 years -- past year, actually. In my address to the Nation 2 weeks ago, I referred to it as the ``Revolution of '89," a remarkable and hopeful transition that continues even

now. What I didn't mention, and what you also understand, is how the world's movement toward democracy and freedom is a direct result of our ability to stand firm in the face of threats to stability and peace.

Just over an hour from now, I'm going to be talking to the Commonwealth Club in San Francisco, making an address on our national security strategy at this time of change. But let me say right now that the strength of the U.S. nuclear deterrent, developed through the effort of our national labs and the Department of Energy and Department of Defense, has helped to guard the peace and freedom so precious to all of us.

Now the labs are also developing technologies to strengthen deterrence through strategic defenses. Together with strategic modernization and arms control, programs like SDI, the Strategic Defense Initiative, and one of its most promising concepts, ``Brilliant Pebbles," complement our ability to preserve the peace into the 1990's and beyond. If the technology I've seen today proves feasible, and I'm told it looks very promising, no war planner could be confident of the consequences of a ballistic missile attack. The technologies you are now researching, developing, and testing will strengthen deterrence.

Even as we work to reduce arsenals and reduce tensions, we understand the continuing, crucial role of strategic defenses. Beyond their contributions to deterrence, they underlie effective arms control by diminishing the advantages of cheating. They can also defend us against accidental launches or attacks from the many other countries that, regrettably, are acquiring ballistic missile capabilities. In the 1990's, strategic defense makes much more sense than ever before, in my view.

So, a vigorous research, development, and testing program at our national labs will be as crucial as ever, as we adapt both the size and shape of our nuclear deterrent. We're working on a significant reduction in arms. I think that's what the world wants. I believe in it strongly. But to protect the American people, we will settle for nothing less than the highest confidence in survivability, effectiveness, and safety of our remaining forces.

The scientific expertise of laboratories like Livermore will also serve the national interest in other areas -- problems like economic competitiveness, education, energy, space exploration, waste cleanup, sound environmental practices. These will be enormously important challenges in the future, challenges that your skills, your talents -- those flashes of insight matched with long hours of labor -- will help us meet squarely and well. I'm confident that the Livermore Laboratories will be a crucial part of our ability to meet the challenges of the new decade and the new century.

So, I came out here to learn, and I also came out here to say thank you very much. I have a funny feeling that because of the nature of the work, it is somewhat underappreciated by the average man on the street in our country. But I want to assure you of my support. I want to assure you, as

President, of my gratitude for the dedication that you bring and, really, the service to country that exemplifies the best in America.

Thank you all very much for what you're doing. Thank you.

Note: The President spoke at 10:35 a.m. in the Laboratory's auditorium. In his opening remarks, he referred to John H. Nuckolls, Director of the Lawrence Livermore National Laboratory, and Lowell L. Woods, the facility's special studies programs leader. Prior to his remarks, the President was briefed on the ``Brilliant Pebbles'' project and toured the weapons vault.

Remarks and a Question-and-Answer Session at a Luncheon Hosted by the Commonwealth Club in San Francisco, California

February 7, 1990

The President. Thank you, Dr. Fink. Modesty may not be his long suit, but I like the introduction. [Laughter] And very candidly, I like the pride he takes in his institution, and he gave me a good lecture up here as to how I should be supportive of these smaller and independent colleges. And it struck home to me, I'll tell you.

And Governor Deukmejian, I'm glad to be with you, sir. And our Commonwealth Club president, Joe Perrelli, thank you for your hospitality. And let me just single out our former Secretary of State, George Shultz. I'm honored to see him here and be with him.

I'm going to get in real trouble here, but another San Franciscan who served his country at a very high level is now giving of his time to work with me on the prestigious Science Advisory Committee, and I'm talking about your own and my friend, David Packard. I'm delighted he's here.

And just two more. I'm pleased to see the mayor of San Francisco here -- Mayor Agnos -- delighted to see him. And of course, another who I read in the paper had re-retired, or was about to re-retire, and I'm talking to the former head of the World Bank, Tom Clausen, an old friend who I'm delighted to see him here.

So, I feel encompassed by friends and delighted to be back for, I think it is, my seventh -- Joe, seventh? -- seventh appearance before this prestigious group. A few minutes ago, I asked a 49er fan what he thought was the turning point in the Super Bowl. [Laughter] He said, the national anthem. [Laughter]

Of course not all the recent memories -- as Art knows -- in the Bay area have been pleasant ones. I'm sure you remember the last time I was here, after this city suffered tragedy. And I'm talking about a clutter of car wrecks and a flattened freeway and a terrible black cloud rising from the Marina district. And I know that some damage remains, and certainly some heartache and some hardship. But today I've sensed and felt something else: renewal. The people of the Bay area have stood up and dusted themselves off and are rebuilding because you came together. And San Francisco will be as beautiful and vital as ever. So, I think it's fair to say, from having been here for about 45 minutes, San Francisco is back, and we can understand that. [Laughter]

But I've come here today to California for another reason: to give you a no-nonsense -- you hardnosed business men and women that you are -- a straightforward and hopeful message about

the national security of our country. Yesterday at Fort Irwin, I also thanked our men and women in uniform -- not just because they keep America safe and free, but I came to thank them because they help to make possible the wonderful changes that are sweeping the world. I wish every man and woman here could have been with me as I talked to the young troops out there in the desert. It's very clear why every one of our Joint Chiefs keep telling me our services all have the finest, most dedicated young men and women to ever serve in the uniform of the United States.

And as the threats to our security change, so, too, must our defense strategy. In 1986 defense expenditures consumed 6.3 percent of our gross national product. As you know, I just submitted my 1991 budget to Congress, which holds down defense spending for the fifth year in a row, down to just above 5 percent of gross national product. I'm submitting this budget at a time when the postwar world that we have known, the world that began in 1945, is changing before our very eyes. So, to understand then where we're going, let me first review where we've been and where I think we are today.

The free world's first generation of postwar leaders had the cautionary example of their predecessors. They remembered that the Great War, the war to end all wars, was followed by chaos and conflict. They remembered that visionary statesmen after the First World War had tried to limit large navies, even outlawed war itself. But soon these great hopes faded in the face of unchecked aggression, and no pact could prevent World War II.

So, by 1945 our leaders had acquired a realism, a realism born of bloody experience, a pragmatism born of a sober appraisal of the world as it was. And from Harry Truman to Ronald Reagan, our strength became the world's shield; our ideals of freedom and democracy, the world's hope. We paid dearly for the defense of liberty with our national wealth and with many of our youngest and bravest.

And so, over the past 40 years, our leaders continued to provide for war even as they sought peace. It was during the Truman administration, in this very city, that men and women of great vision and high ideals came from around the world to create an assembly of nations. And so it was, in San Francisco, 45 years ago, that the United Nations was born. Then, as now, the United States strove to balance its role as peacekeeper with that of peacemaker. We helped create the United Nations and NATO. And we encouraged Soviet change even as we thwarted Soviet expansion.

Those who crafted this new policy had a name for it. They called it containment and predicted that if we blocked the easy path of expansion, the Soviet Union would one day have to confront the contradictions of its inhumane, illogical system. The purpose of containment was not to defeat or humiliate the Soviets. The purpose was to preserve and extend liberty. The hope was someday to see, as George Kennan put it in 1947, ``the gradual mellowing of Soviet power." It took nearly a half a century to vindicate this strategy, but we can now see the results: today the cold war is in retreat. That is good news, for no sane man or woman is nostalgic for the cold war.

We're inspired by this Revolution of 1989 -- heartened, for example, to see a man of letters and conscience in Prague move from prison to the Presidential palace. We are heartened to see the Berlin Wall fall, setting off a shockwave that upended a tyrant in Romania. And we're grateful for something more. Now, because of our strength and that of our allies -- now, thanks to the march of freedom and democracy in Eastern Europe and even in the Soviet Union itself -- now the prospects for an enduring peace are greater than ever before. We can now envision a new destiny for the nations of the Continent -- that of a Europe truly whole and free.

We are taking the first steps across a bridge begun by others long ago. And it's a bridge that can lead us from seemingly endless conflict to the promise of a lasting peace. But no matter how great the promise, we must be certain that the bridge is secure. As President, every morning I receive an intelligence briefing, and I receive the best information available to any world leader today. Yet the morning news is often overtaken by the news that very same evening. And the world is moving too fast to forecast with absolute certainty what will happen next. Our challenge is to manage this period of transition from the world of today to the world of tomorrow and safeguard the security of America in the process. When it comes to the security of this country, I would rather be called cautious than I would be called reckless. Our pursuit of this promising future must start with an understanding of today's realities.

Take, for example, our most recent proposal, warmly received by our allies and President Gorbachev. I proposed reducing the troop levels on both sides in Central and Eastern Europe to 195,000 troops. That balance, that balance encourages the less threatening future we envision, and it holds great promise. But right now, right now, the Soviets still have more than 560,000 men under arms in Central Europe.

On the issue of strategic weapons, we've made progress in the START negotiations. And again, I'd like to salute George Shultz for his very important part in this. And we now hope to slash dramatically the number of strategic weapons on both sides. It is these important reductions that Secretary Baker is seeking this very day in Moscow. That's the future we envision, and it, too, holds great promise. But let us not forget that right now the Soviets still have more than 10,000 strategic weapons. They are modernizing them, they have developed two new mobile ICBM's, and their spending on strategic defense is comparable to their spending on strategic offensive forces.

The President of the United States is the Commander in Chief, bound by the Constitution to defend and protect the United States of America. Now, some would have me predicate the defense of our people on promising but as yet unfulfilled hopes for the future. I will not do that. I am determined to seek with the Soviets the collateral to implement a new peace. In international terms, collateral means soldiers discharged, tanks dismantled, nuclear missiles demolished, and chemical weapons banned from the face of the Earth. Some see our measured approach as endangering the process of change. I see our approach as essential to change, essential to the security of this nation, and as the only way to a lasting peace. We have shown that American

resolve can help further Soviet reform. And we've shown that American strength is the catalyst for arms control. And we've shown that the idea called America can inspire change. And now we must not let impatience, born of euphoria, jeopardize all that we hope to achieve in the future.

First, as Americans have always believed, our foremost goal is to prevent another world war. To do so, we will still need to remain fully engaged. European security, stability, and freedom, so tied to our own, requires an American presence. Western Europeans all want us to stay there -- every single country -- want us to avoid pulling back into an uninvolved isolation. I have the feeling that when the dust settles, the new democracies of Eastern Europe will feel exactly the same way. We must remain in Europe as long as we are needed and wanted. And the prospect of global peace, therefore, depends on an American forward presence.

Second, we will, of course, continue to reduce the likelihood of nuclear war. And that's why I will vigorously pursue the START talks with the Soviet Union. But arms control and strategic modernization are not competing strategies. Rather, they can work together to make the world a safer place. Just this morning, I went out and visited Lawrence Livermore Labs and met those visionary men and women who strive to make a nuclear strike on our country, whether from a nuclear superpower or some renegade nation or terrorist group, even more unlikely than it is today. And if the technology I have seen today proves feasible -- and it looks very promising -- no aggressor could be confident of the success of a ballistic missile attack. And that's what deterrence is all about.

And let's be clear: This purely defensive concept doesn't threaten a single person anywhere in the world -- the life of a single person anywhere in the world. God forbid, if it ever had to be used, it would be used against missiles, not against people. When some complain of the cost of developing such technologies, they should first consider the cost of not doing all we can to deter conflict and protect the cities and the citizens of America. And that's why I will seek to persuade the Soviets, through our defense-in-space talks, that, in fact, greater reliance on strategic defenses will contribute to a safer world.

Now let me now tell you something about the strategy behind our 1991 defense budget. First, new threats are emerging beyond the traditional East-West antagonism of the last 45 years. These contingencies must loom larger in our defense planning. Remember the threats of Libyan and Iranian terrorism. And remember the liberation of Grenada and Panama. And remember the dedication of our American servicemen on duty in the Persian Gulf 2 years ago, safeguarding not only the flow of oil -- safeguarding the flow of oil to the industrial democracies -- but an action also welcomed by many small nations over there who were afraid that the Iran-Iraq war would adversely affect their own freedom.

And remember, too, that there are more than 15 countries in the world that will have developed ballistic missiles by the end of the decade -- 15 countries, many with chemical and biological capabilities. Nuclear weapons capabilities are proliferating, much to my regret and the regret of

everybody here. And inevitably, high-tech weapons will fall into the hands of those whose hatred of America and contempt for civilized norms is well-known. We will continue to work hard to prevent this dangerous proliferation. But one thing is certain: We must be ready for its consequences. And we will be ready.

Then there are the narco-gangsters that concern us all, already a threat to our national health and spirit. Now they are taking on the pretensions of a geopolitical force -- whole new force to effect change -- and they must be dealt with as such by our military: in the air, on the land, and on the seas.

Clearly, in the future, we will need to be able to thwart aggression -- repel a missile or protect a sealane or stop a drug lord. We will need forces adaptable to conditions everywhere. And we will need agility, readiness, sustainability. We will need speed and stealth. And we will need leadership.

In short, we must continue to deter both a global war and limited conflicts in new conditions. And for this reason, we doubly need to continue the modernization of our forces. I pray that it will not be my sad duty to commit American fighting men again into combat. But if I do, on my watch, the lives of American fighting men will not be shortchanged.

As I mentioned, just yesterday I visited the National Training Center at Fort Irwin, near Barstow, where our fighting forces prepare for action. It was at this very base that we trained many of our troops who fought with such distinction in Panama. And they were courageous. But being prepared is also the best way to ensure that wars are prevented. And after seeing our men and women again and talking with them, they are indeed up to the challenges of the future.

You know, I once read that Khrushchev once spoke to the Commonwealth Club for 3 hours. [Laughter] Perhaps he began this speech with these words: ``Let me make just a few brief observations before taking your questions." [Laughter]

So, I will get to my final concern: how all this change in our defense budget affects us at home. Many speak of the peace dividend. Few discuss the short-term cost of peace. There will be costs as we cross the bridge to a better future -- for dislocated industries and workers, for communities -- painful personal adjustments to be made. But America has always been willing to pay the price of peace. I know that some of the bases that have been proposed for cutbacks are in this area, just as many of them are in my home State of Texas. But let me state right here and now: There have been no politics in these proposals. Some talk about bases in Democratic districts here. Well, they're also in the same State as a great Republican Governor over here. I ask Congress to join me in a spirit of fairness. Longstanding critics of defense spending should not turn around and block the closing of a base in their home district. There's something just a little bit ironic about certain Members of Congress whose philosophy seems to be, make deep cuts, but be sure to cut in somebody else's State or somebody else's district. And we can't have that

anymore. This is too important. I can't accept that. The taxpayers deserve better, and so do those affected by our decisions.

So let me assure you: If a base closes, it doesn't close Federal concern and commitment. You know, civilians who are laid off will receive top priority for placement in other DOD positions. The Homeowners Assistance Program will protect military and civilian personnel from falling real estate prices. And the Office of Economic Adjustment will work with communities to develop powerful new economic assets, new ways to use old bases. The Bible speaks of beating swords into plowshares. We're transforming military runways into municipal airports, and military bases into industrial parks and community colleges, and missile hangars into factories. I don't know how the pruning hook business is going out there, but we may go back into that too, cast them into pruning hooks.

You know, I know the American people will support these measures for a continued strong defense. My travels around this country tell me that. But to have the means to negotiate reductions and ensure peace, I will need the support, the cooperation, and consultation of Congress. We can now envision a time when the world is more secure than ever, when all the competitive instincts of modern man will be diverted to commerce -- even to football.

You know, I started joking about the 49ers winning the Super Bowl during the national anthem. But it's not how many passes Joe Montana completed, it's that he knew better than to rest on his laurels at the beginning of the fourth quarter. So, so should we. I will work with Congress to build a bridge to a more secure world. And if we work together, then peace itself will be the greatest dividend of all.

Thank you for inviting me to San Francisco. And God bless you all.

Strategic Defense Initiative

Q. Having reviewed SDI at Livermore Lab today, do you support moving ahead with the project?

The President. Yes, I do. And our budget calls for that. And again, I would remind the critics that it is defensive; that the science and technology from it will benefit not just this concept of a reasonably priced way of intercepting somebody else's missile, whether it's from a major power or from some renegade hand, but that the science will benefit, I believe, the environment. I believe it has enormous potential for other uses. I feel more strongly about that than when I went to Livermore.

Defense Spending

Q. Will the expected troop reductions bring about a savings that can be used to offset the

increased cost in strategic arms?

The President. Yes, and I hope that there will not be a greatly increased cost in strategic arms. The Soviets have modernized. They've modernized their systems, and we have not yet. But I would hope that the resulting reductions in the strategic arms, which I am pledged to and which I will work for, will have beneficial effect on and will result in savings.

You see, I am convinced that if politics of international change are handled correctly and if things go more forward, we will eventually have far lower levels of spending. But I've spelled out for you here why I think that should be approached in a very prudent manner.

Trade and Competitiveness

Q. With the recent events in Eastern Europe, do you think we should now again prepare for a world economic struggle rather than be preparing unnecessarily for a military struggle?

The President. Well, I wouldn't necessarily shift priorities. I've told you the priority I place on defense. But when it comes to competitiveness of the United States, we should be struggling with that on the front burner right now -- and I think we are. And that's one of the reasons I increased dramatically R&D spending in our budget. It's one of the inevitable byproducts of a better education system. It's why we're putting more emphasis on math and science. It's why I'm imposing on great scientists like David Packard and others to give us the advice on how we can become more competitive. It's why my trade negotiator, Carla Hills, and our Secretary of Commerce are doing their level best to convince people that if we are going to have free trade, that has to be fair trade.

And so, this competition on the economic front is big. It's going to get even bigger, in my view. And we've got an enormous job to do -- not just the Federal Government. We can't do this. Many businesses have already moved into much more -- in the sense of quality product -- moved much more into the sense of automation and modernization. So, it is a national goal that we be more competitive, but it can't wait until we get our defense program in line. It's right now. It's urgent.

And let me just throw in one, Joe, on the success of the Uruguay trade round, for those who are a little more technically oriented than some. The success of this Uruguay trade round is very, very important to our ability to enhance the rest of the world and ourselves by free trade. But we've got some big barriers out there. We've got some problems we have to overcome.

Budget Deficit

Q. Can you pledge that a certain amount of dollars from armament reduction be transferred as a reduction in the debt?

The President. No, I can't pledge that, but I am pledged to get the deficit down in accordance with the Gramm-Rudman targets. We will have that if we get our way with Congress, which doesn't exactly do things the way I want, I've found out. [Laughter] But if we get that done, I stated in my State of the Union Message that that should be an objective and to move right into it, the minute we are in balance, which would be in 3 years. Now, I expect there will be a lot of pressure on. You hear pressure today on what is referred to alluringly as a peace dividend. And it appeals to me. There are things that I'd love to be able to say -- we can put a little more in this research, or we can help this homeless person a little more, or whatever it is. The pressures will be on, but I think that it would be a very good thing to do because as a grandparent of 12 I must confess, like a lot of people here, you feel that we are burdening the generations to come with a debt that does nothing but click off at the beginning of each year an enormously high and even higher rate of interest that we're pledged -- interest account that we're pledged to pay on the national debt. So, yes, as I said in the State of the Union, that's what I want to do.

Defense Policy

Q. If the Soviet Union and others in the Warsaw Pact substantially scale back their military commitment, doesn't the U.S. run the risk of moving in the opposite direction of the world? Are we prepared to stand alone?

The President. No, because I think as I mentioned to you earlier -- and this is the truth -- our allies want us involved. They don't want to see us decouple or delink from Europe. They see the changes and welcome them. All the allied leaders -- and I talk to the leaders of NATO on a fairly regular basis -- they see and welcome the change, but they do not want to see the United States pull back into what would be perceived worldwide as some kind of a neo-isolationist decoupling.

And I am not suggesting that we can't save money; indeed, we will. If our proposal -- the proposal that I put forward -- is accepted by the Soviets and we negotiate out all the details and get a CFE, conventional force agreement, as we are proposing, I think we will see substantial savings that are made by the -- what do you call it? -- suddenly gone blank -- in terms of when you bring a guy back and he no longer is in the army. [Laughter] But it's not just transferring: it's a question of having fewer troops on both sides. And that will inevitably result in some savings.

So, we're aware that there's a chance to save, but it is not that we are going to be swimming against the tide with our European allies. And as I said in the speech -- and I recognize his question didn't indicate the guy that asked the question was asleep. He probably wrote the question before the speech, I hope. [Laughter] But what I also said is that I hope and believe that many of the new fledgling democracies in Eastern Europe are going to welcome a stabilizing presence on the part of the United States. Now, some will say that's sacrificing. And I say, no, it is in our interest because we provide a certain stability that wouldn't be there if we, the United States, weren't there.

Environmental Protection

Q. Do you see the freedom of the Communist country as a threat to the globe? That is, if they all want the comforts we have, will we use up the resources of our Earth at an even greater rate?

The President. No. I think there's an environmental awareness in the world today that is encouraging. I will readily concede there are some in what is known as the Third World -- I'm not thinking so much as the evolution of Eastern Europe into the arms of democracy -- but I think there's a feeling in some Third World countries: Don't you big guys from the United States who have raped, pillaged, and plundered the environment now come and tell us what we can't do. We understand that, but we've got to work with them and share our tremendously advanced technology, existing technology, as we work to find even greater technological breakthroughs to protect the environment.

But I don't think you're going to necessarily see that is because of the evolution of Iron Curtain countries into, hopefully, growing democracies. I think there's an awareness now in Europe about the need to have sound international environmental practice based on science -- not on myth but on science.

German Reunification

Q. As Eastern Europe and the U.S.S.R. progress toward democracy, do you foresee any potential military alliances being formed that could threaten the free world, such as a united Germany and Japan?

The President. No, I don't. And I think everybody that's interested in foreign affairs, I'm sure, has an opinion one way or another as to what happens on the reunification of Germany, but I think that can be -- well, let me recite, just as background, the U.S. position, which is self-determination -- and this is the NATO position -- self-determination. And then when it comes to borders, I believe Helsinki says no alteration in borders without agreement of the parties. So, that gives you a rather stable framework.

Now, you can read every day about the rapidity of change and what might happen in terms of German reunification. But I think it can be managed in such a way that it will not be a threat to Western Europe or to what was termed in the question, I think, the free world. And when I hear both West German Foreign Minister Mr. Genscher and West German Chancellor Kohl talking about a Germany that remains tied into NATO in some way -- maybe not a NATO in exactly the same form it is -- but that's encouraging. That's encouraging.

Soviet Role in the Middle East

Q. In the past, smaller countries used to play the U.S. versus the U.S.S.R. to get military and

economic aid. Now that relations have improved with the U.S.S.R., and if we can anticipate continued improvement, what are the chances of the U.S. and the U.S.S.R. working together to solve some of the world's problems, such as the Middle East?

The President. Better, far better. And I think there's certain things that the Soviet Union could do that would facilitate their role as a catalyst for peace in the Middle East. One of them would be to assist more, through transportation -- direct flights -- for Soviet Jews wishing to leave the Soviet Union to go to Israel. I think that would send a sign that their interest in the Middle East is not just on the side of -- what heretofore has been the side of the more radical states in the area. So, they can do something like that. I'd like to see them normalize diplomatic relations with the State of Israel. I think that would be helpful. But I would think that as the Soviet Union evolves in a more democratic fashion that some of the concerns we've had in the past will be lessened.

So, I wouldn't say that at some point they wouldn't have a useful role. I've cited two areas where I think they can have a useful role in building credibility not just with the State of Israel but with other states as well. So, let's hope that they can do something.

Soviet Reforms

Q. How can we help Mr. Gorbachev in his quest for a unification of his country -- in demonstration of his country?

The President. I think we can avoid doing dumb things. [Laughter] And that's my cautious approach. You know, he's facing some enormously difficult internal problems. And you may have noted that I have been -- hopefully on behalf of most the people in our country -- supporting perestroika. When for a few months into our Presidency -- mine -- why, people wondered: What does he really care? Does he understand these changes? Does he really mean it when he says, I support perestroika? I do -- and glasnost, the openness concept, as well.

But in the last press conference or so -- a couple of them, maybe -- I referred to support for Gorbachev. And I have felt that he has handled some extraordinarily complicated internal problems, problems inside the Soviet Union, with a certain restraint and finesse that I think demonstrates a real commitment to peaceful change. The last thing I think any United States citizen needs to do when you have the Central Committee meeting is to try to fine-tune it from San Francisco or Washington as to how they ought to conduct themselves. [Laughter] So, I want to be very careful about picking winners and losers or saying how they ought to do things.

But I do think that, generally speaking, it is in our interest to support perestroika. And I will say again: I think Mr. Gorbachev has shown a considerable restraint. And frankly, the dealings that I've had with him here, and then on the sidelines when George [George Shultz, former Secretary of State] and President Reagan were dealing with him, is that he's a man who you can talk to;

he's quite open in his negotiations. He damn sure will tell you if he doesn't agree with you. [Laughter] I mean, you're not under any doubt about that. [Laughter] But it's a new approach. I mean, it's very different than dealing with some of the previous Soviet leaders.

So, I'm not here to anoint or try to shape the deliberations of the Central Committee proceedings in the Soviet Union this very day -- or that will commence again tomorrow, maybe. But I do think that there's an awful lot to be hopeful about there because I find we can talk quite openly. And I'm looking forward to a summit meeting. I don't know why all meetings have to be called summits. [Laughter] We tried to call the Malta meetings something else, and it lasted for about 2 days. [Laughter] And I mean it, because I think summit projects the idea that you have to have some massive breakthrough, or else you disappoint the rest of the world. And I've changed my thinking on this. I think maybe communications where you don't have to do that is better. And that's why I was on the phone with him the other day on a couple of matters. So, I'm optimistic about our dealings with him, but I cannot predict and nor can any of you, with any degree of accuracy, exactly what's going to happen inside the Soviet Union.

Soviet Chairman Gorbachev

Q. Please comment on Mikhail Gorbachev's nomination for the Nobel Peace Prize.

The President. I'd hate to say I wasn't aware of it, but I wasn't aware of it. [Laughter] And I don't follow those proceedings too closely. [Laughter] But I've told you I would salute the man for his adherence to peaceful change in Eastern Europe. I mean, that, I think, is dramatic and, I think, worthy of a positive note. But far be it for me to try to influence the gurus that decide who wins a Nobel Prize. [Laughter]

War on Drugs

Q. As far as the issue of drug trafficking goes and the world drug problem, could you please address the issue of whether or not military forces will be used in a more direct way in the enforcement of international drug traffic?

The President. No, not in a more direct way. Military forces have been used over the years. The arrest power rests with the Coast Guard. The coastguardsmen can be aboard naval vessels. But we have an interdiction network that is manned and operated by our military. But what the question implies to me at least, of a quantum leap forward in terms of this -- I don't know.

One of the things I have felt is that sometimes the military says, well, we can't undertake this mission or that because of readiness. It is my view that sometimes an exercise that results in the interdiction of aircraft coming into this country on an illegal mission is a good mission and should not be detracted from the readiness. So, I think that we're always looking at the mission of the military in this regard, but I don't want to give the military more arrest powers. I think

we've got a very proper justice system in this country. I do think that they can be extraordinarily useful, and have been, in interdiction and in working with countries that want their cooperation.

Q. Are you prepared to use troops in the United States to enforce the laws against drug consumption, to cut down on the demand which entices the supply?

The President. Well, not to cut down on the demand. I don't think that's a function of the U.S. military. We have police powers in this country; they are properly defined; and that should not, in my view, be altered.

Q. There are many questions that ask why do you find it necessary -- --

The President. The demand -- let me be sure -- the demand side really relates also to education, to people -- this is bad; you should not do this. We've condoned things in this country that we should have condemned long ago in terms of narcotics.

Drug Summit in Cartagena, Colombia

Q. There are several questions that have asked why do you find it necessary to physically go to Colombia?

The President. Well, let me explain that to you because I think it's on the minds of a lot of people. I went to a barbecue in Beeville, Texas -- [laughter] -- and there were 800 people there -- not quite this big a mob. And I thought, well, these people are doing this to welcome me back to south Texas. And I decided I would shake hands with everybody there. We politicians are all alike, you know -- go out there and shake hands. Art, you know how that is. [Laughter] So, out I went. And I think about 15 percent of them at that point said, hey, you know, we're hoping you don't do this.

Let me explain it to you. In the first place, I am not going to do something stupid or macho. [Laughter] I love -- the guy they used to call timid is now ``macho man'' or something. [Laughter] It has nothing to do with that; it doesn't have anything to do with personal. It has a lot to do with the support for a courageous leader in Colombia.

And I believe, and I think this goes for those who have the responsibility of protecting any President of the United States, that the security of the President can be protected on this naval base, a place where the man has his own home that is cut off from the mainland except by one entrance.

And I don't want to send a signal on your behalf or my behalf that the United States says to this great President, look, our President can't come there, even though we think the security can be guaranteed; and thus push him, perhaps inadvertently, to make a kind of deal that he has resisted

making with these narco-traffickers.

I talked to a foreign leader the other day from South America, and he agrees with this rationale. So, it isn't whimsical or a desire to be in harm's way. I think we've got good arrangements, and I think it is good, sound antinarcotic policy to support President Barco [of Colombia], who is doing an awful lot to protect our kids from the scourge of narcotics.

War on Drugs

Q. There are claims that the removal of General Ortega will improve our efforts at interdicting international drug trafficking. Do you agree with this?

The President. Yes, I do, because there's some symbolism there. And just as I think the extradition of Carlos Lehder and the Colombians' pursuit of the drug lord that was recently killed down there in battle in Colombia -- those things help, because if they see major participants, traffickers going about their life without threat, why, I just think it sends the wrong signal.

Mexico-U.S. Relations

Q. Since the Panama invasion, have our relations with Mexico improved?

The President. Yes. And I'll tell you one thing that was good. Our Secretary of the Treasury went down there -- I don't know whether you saw it on Sunday -- and signed with President Salinas, the very fine young President of Mexico, an agreement on Third World debt. I think that was a good sign.

Look, I think I know enough about this hemisphere to know that anytime a United States force is used in Central America, or wherever else in this hemisphere, there are going to be concerns built on a foundation of history that concern our friends and those who are less friendly to us in this hemisphere. But I've explained as best I can, through letter and by phone, to these leaders why we acted the way we did.

I will tell you that I am convinced not only is the relationship with Mexico good and is it strong, I see nothing but making it even better. And I'm going to work at that because Mexico -- we must not take for granted the fact that we have marvelously strong allies to our north and friends to our south. Sometimes, blessed as we are by our own geography, we forget that. And there could be an inclination to neglect our neighbors, and I don't want to do that. And I can't tell you that there has been no strains, but I think some of what you've been reading about South American reaction has been overstated. And I base that on some contact with the individual leaders in this hemisphere. But it's an exciting hemisphere. This hemisphere can be, in the next couple of years, totally democratic. We must not neglect it.

So, if somebody disagrees with me on Panama and South America or Central America, that just redoubles my desire to make it right, make them understand that the President of the United States is going to protect American life, make them understand that 92 percent of the people in Panama support what I did, make them understand that democracy now has a chance, and make them understand that we're going to assist that democracy. Once I do a better job of that, I think any last concerns about what happened there will be laid to rest.

General Noriega of Panama

Q. Why are we wasting time with Noriega when he cannot possibly receive a constitutionally fair trial without compromising national security? Why not send him to exile in a country willing to take him? [Laughter]

The President. Well, the line is not very long, for one thing. And secondly -- [laughter] -- secondly, look, I would just disagree with the person writing the question that the given is he can't get a fair trial. Of course he can get a fair trial -- and we've seen that over and over again in highly controversial cases. And so, our justice system that bends over backwards to be fair will, indeed, acquit itself well in this case.

Q. Is your administration -- --

The President. And should. The man's entitled to a fair trial.

Foreign Policy

Q. Is your administration prepared to accept governments you dislike, even if they carry their public support, such as the Sandinistas in Nicaragua?

The President. Please define acceptance. [Laughter] I mean, my aspiration is to help and assist those countries in this hemisphere that want to walk down democracy's road -- freedom, democracy, the very changes that we see coming forward in Eastern Europe. Who would have thought we'd be talking about trying to assist Czechoslovakia a year ago? Or Romania? Or some of these other countries? So, I don't think we can dictate exactly what kind of system somebody else has. It's not our business, particularly if they have free and certifiably fair elections. But I think one's inclination is to help those who have the same reverence for democracy and freedom that we have.

Education Reform

Q. You stated in your State of the Union Address that you wish to improve education and to implement the goal of best by the year 2000. How do you plan to implement your goal of having

our graduates be the best by the year 2000?

The President. Well, we have a sound program, what I call the Education Excellence Act, before the Congress today. It's complex legislation, but I want to see it passed. Probably get amended, probably get changed, but it challenges people to think anew. We've gotten the Governors together in a Governors conference that was more than just frill. What it did was get -- agree to set national goals. And in the speech the other night, I spelled out four of the national goals that the Governors have agreed should be national. And they themselves will get to work and redouble their efforts in their States and try to encourage the localities to implement the program that we've spelled out.

But let me be careful here, because it isn't the role of the Federal Government to do this alone. It can't do it. Seven percent of the educational spending in this country is Federal. And the rest, for very understandable and, I think, wonderful reasons, belong at the State and local level or private educational institution level.

And so, we can exhort; we can push for the kind of legislation; we can push for implementation of the national goals through the use of the bully pulpit in the White House. And then we've got to encourage the Governors and the local school boards and our teachers, when it comes to alternative certification and all of these things, to think anew. And we can do this. But we're trying to put some emphasis on things like math and science, so we can guarantee our ability to compete in the future. But the Federal Government isn't going to do it alone. It wouldn't be good, either, for the Federal Government to try to do it alone.

Mrs. Bush

Q. President Bush, this is your last question. And before I ask the question, I wish to remind our audience to please remain seated until President Bush and Governor Deukmejian have left the room. This is a summary of many different questions that I've received, President Bush, and that is: Where is Mrs. Bush, and how is she? [Laughter]

The President. I know you'll never believe this, but I'm getting a terrible inferiority complex. [Laughter] She's fine. And we both have something in common now -- the vision thing -- because she has this eye problem. But she is doing very well. There is no hidden agenda to her health. And today she is down as one of the Thousand Points of Light, which she's been for a long time, helping on literacy in southern California. And I'll meet her tonight in Omaha. But she's doing just great, and thank you for asking about her.

Thank you very much.

Note: The President spoke at 12:35 p.m. in the Grand Ballroom at the San Francisco Hilton Hotel. He was introduced by Joseph Fink, president of Dominican College and quarterly

chairman of the Commonwealth Club. Following his remarks, the President attended a reception at the hotel and then traveled to Omaha, NE.

Statement by Press Secretary Fitzwater on the President's Remarks to the Commonwealth Club in San Francisco, California

February 7, 1990

In the President's reference to Chancellor Kohl and Foreign Minister Genscher [of the Federal Republic of Germany] today, he meant that Germany would remain as a member of NATO, but NATO may have a changing mission. This changing mission, involving an increased political role for NATO, was discussed in Brussels following the Malta summit.

Statement by Press Secretary Fitzwater on the Presidential Election Monitoring Commission on Nicaragua

February 7, 1990

Senator Richard Lugar, cochairman of the Presidential Election Monitoring Commission on Nicaragua, has announced this afternoon that the refusal by the Government of Nicaragua to issue visas to the entire group has prevented the Commission from carrying out its functions. We are disappointed that Sandinista stonewalling has brought this about. The President's bipartisan Commission reflects the full spectrum of opinion in the Congress on Nicaraguan issues and is universally regarded to be fair and impartial. It is hard to understand why a government that claims to be committed to a free and fair election would fear permitting such a group to observe the electoral campaign and balloting.

Nicaragua's refusal to permit official U.S. observers chosen by the President, in consultation with the Congress, follows a series of other actions which bring into question the Sandinista commitment. These include continued violence and coercion against opposition activists, imbalance in access to the media, and the use of state resources to help the Sandinista candidates. Politically motivated delays by the Sandinistas to disbursement of nonpartisan campaign funds to the opposition for such activities as voter registration and election monitoring have forced cancellation or curtailment of critical election-support programs. These funds, which were approved by the U.S. Congress, have the sole objective of facilitating the conduct of an open campaign in which the maximum number of Nicaraguans can participate, vote in a secret ballot, and have their vote honestly counted.

We believe that a free and fair election and Nicaraguan adherence to its other commitments under the Esquipulas process offer the possibility for a stable peace in Nicaragua and for improved relations with the United States. The United States Government has undertaken a policy for the last year, on a bipartisan basis, which has aimed at doing all that is possible to enhance that possibility. Sandinista actions thus far are troubling, but we continue to remain hopeful that the desire of the Nicaraguan people for full freedom will prevail.

Remarks at a Fundraising Breakfast for Governor Kay Orr in Omaha, Nebraska

February 8, 1990

The President. Thank you all. It's sure nice to be back. Thank you, thank you. Thank you very, very much. Kay, thank you so much. And to P.J., the mayor, delighted to be with you, sir. I remember sitting in that Oval Office just before you were elected. I liked his confidence; I liked his strength. And he's doing a great job. I want to salute our congressional delegation. I don't think Virginia or Doug are here today, but they're doing a superb job in Washington, steadfast in support of the principles Kay just was enunciating.

I'm delighted to see my friend and, in a sense, mentor, your former Governor, Charlie Thone, way down here -- and a good friend he is, and great Governor he was for this State. And then I salute Norm Riffle and Duane Acklie, Sallie Folsom. I'm especially pleased to have our [Republican] national chairman out here, Lee Atwater, who is doing a superb job for the party all across this country. The national committee has never been stronger.

And, of course, my friend and the future Senator, Hal Daub. I've worked with him; I know him well. His wife was extremely active in supporting me in the early days of the last campaign. And I'm grateful to both of them. And I know he'll make a fine Senator. Hal, good luck to you.

I'm delighted to be here at this relatively early morning breakfast. It reminds me of the time I told our oldest grandkid that the early bird gets the worm. He says, ``I think I'll sleep in and have pancakes." [Laughter] You know how these 12-year-olds are.

Well, this morning, appropriately, we're going with Special K -- and, yes, in honor of a very special woman who has come a long way since she first worked for the Republican Party in -- I don't want to date you, Kay, but I'm told it was 1963. And she's gone from ringing doorbells to making history -- the great Governor of the State of Nebraska, Kay Orr. And I am so proud to be with her today. And a confession: We've known each other since 1976. I wanted to come here, and so did Barbara, to personally and enthusiastically endorse her. I'm here because she's made the tough choices and, in my view, the right decisions -- and because her first term has produced not rhetoric, not empty rhetoric, but solid results for Nebraska. Dwight Eisenhower once said, ``Our best protection against bigger government in Washington is better government in the States." So, let's guarantee that that keeps going. Let's help Kay keep making government better, and let's be sure that she wins a second term.

I was going over some of the economic statistics, and I believe that this election will decide whether Nebraska enjoys continued prosperity and whether you continue to have the leadership it takes to win in the battles we're in: the war on crime and drugs. It will decide whether

Nebraska has farm policies that work -- we want a Governor we can work with and listen to as we try to adapt our farm policies to the needs of these States -- an education system that makes the grade. Those are the questions. And I am absolutely convinced that the answer lies in ``Four More for Orr."

Barbara and I love Bill, Kay's husband. And I'm told that he likes to tell -- he went to the bank to cash a check and the teller looked up and said, ``Are you the wife of the Governor?" [Laughter] Then she got a little flustered and tried to make amends. ``What I mean," she said, ``are you Mr. Kay Orr?" [Laughter] Look, Bill, I know what you mean here. Kay said, ``It's fine you're here, Mr. President, but if you really want to get this crowd fired up, bring Barbara." So, here she is. [Laughter] We've got a lot in common, my man. [Applause] Not too much -- look, I've got to live with her, please.

No, but as America's first Republican woman Governor, Kay has become a household name. And why not -- with stats that rival the Big Red. Let me tell you, more than 23,000 new jobs and $2.4 billion in new investment since 1987 -- those are Kay Orr victories. And so is net farm income, nearly tripled, and an unemployment rate -- what's the rate you told me?

Governor Orr. At 2.7.

The President. Two-point-seven. If there ever is full employment in the United States, it has to be an unemployment rate of 2.7 percent. And that's cut in half from what it was. Nebraska's first-ever child care credit, crusade to improve secondary and higher learning -- still further victories -- and so are our Drug Advisory Council. And then, we all know of her commitment to wetlands and to wildlife preservation.

These triumphs have helped the working people of Nebraska. And Kay needs a second term to finish the job that she's so effectively begun. And yet the need, as Ike said, is not a State's alone -- in this instance, not Nebraska's alone. I need her, too, to support the work of our administration. And I mean it, we do want to make America a kinder and gentler place and get more results for more Americans than at any other time in our history. Last Wednesday night I talked of this in my State of the Union Address and of the triumphs of 1989, like the lowest unemployment rate nationally in 16 years, inflation at less than 5 percent, the longest peacetime economic growth in the history of the United States. And yet what I call the ``idea called America" is like Nebraska: It's something to build upon, not to rest upon. I feel that our administration is really just beginning. And I think Kay would concede that although she's been Governor 4 years, she's got a feeling of commencement as well.

And so, we have sent legislation to the Congress now to confront at the national level our most crucial issues. For example, prosperity does mean little if our kids aren't free from drugs. So, last month I announced a 1990 National Drug Control Strategy: Phase II of the comprehensive drug policy we unveiled last year. And I'm very pleased with the support it is getting all across the

country. We're asking Congress to spend over $10.5 billion in fiscal year 1991 for education, treatment, interdiction, and enforcement, about a 70-percent increase since I took office in 1989.

We also want mandatory time for firearms offenses -- no deals when criminals use a gun -- and as Phase II proposes, an expansion of the death penalty for these drug kingpins. I believe it's long overdue. And then we have requested significant increases in Federal assistance to States and localities in drug use prevention, treatment, and law enforcement. And we've already made considerable progress in adding more police, more prosecutors, more prisons. Kay Orr supports these steps. Her initials aren't K.O. for nothing. [Laughter] And that's what she intends to help to do to crime and drug use. I need her. I need her as Governor to work with the local police and the mayors in this great State to take back the streets.

Then there's another priority, and one in which Barbara's been standing for for a long, long time. I'm talking about the education of our kids. Kay Orr knows, as I do, that the future of the country really fundamentally begins with education. So, she supports our Educational Excellence Act of 1989, which can help achieve, by the year 2000, the education goals that I announced in that State of the Union speech last Wednesday -- goals, incidentally, that were developed with almost the unanimous support of the Governors -- certainly, Kay in the forefront of helping us develop these national goals. And let me be clear: They're not trying to dictate to the local school systems or get into the curriculum or to the pay level for teachers; we're talking about broad national goals that respect the concept of federalism that properly has guided our education system for a long time.

We must ensure that every student in America starts school ready to learn. There is a Federal role here. And that's why I've proposed a record increase in funds, an extra half a billion dollars, for a program which has and continues to work: Head Start. And we must see that each school has an environment where kids can learn. That means making every school drug-free. Our graduation rate must be no -- these are goals by 2000 -- no less than 90 percent, and we've got to make these diplomas mean something. So we want U.S. students to be first in the world in math and science achievement. And we've got to guarantee that each American is a skilled, literate worker and citizen. Together, I believe that we can make this idea called America mean a decent education for all.

The idea called America also means that working parents should have increased child care options. Our legislation will achieve that goal. I don't want to see the Federal Government dictate where a kid has to be looked after in a child care program. I want to give the parents the choice to be able to take care of those kids as best they can, give them the ability to provide the day care; and that's what our approach is all about.

It also means a cleaner America. Kay touched on this. And we have sent up the first rewrite of the Clean Air Act in over 10 years. We also want to make a more abundant rural America, where Americans work, invest, and save. In the late 1980's, farm income hit near-record levels. Now

we want to build on that good news, make it even better, and keep Nebraska strong by keeping agriculture thriving in the 1990's. And Kay was in there now discussing with me some new ideas she has on crop insurance, expressing, incidentally, her -- hope this won't betray the confidence of our talk -- her confidence in our great Nebraskan who is the Secretary of Agriculture, Clayton Yeutter. I depend on him. He's good. He knows agriculture, and I'm proud he's at my side.

But speaking of agriculture, first, I hope to negotiate a new trade agreement with the Soviet Union by the time of our 1990 summit, not too many months away. This will relax trade barriers between East and West, expanding markets for American exports. I feel strongly that selling our grain to the Soviet Union is in America's interest as well as in the interest of the Soviet Union. And next, we are going to write a new farm bill this year. It must emphasize market-oriented farm policies giving producers more flexibility to decide what crops to grow. And we need the investment created by passing our capital gains tax cut proposal, which would apply to the sale of farmland and, in my view, will create jobs all across the economic spectrum in this country. Together, these decisions will show what's good for agriculture is good for America.

What's good for all of us, naturally, is that I not talk too long here, with you all having to get to work. [Laughter] So, let me tell you one of my favorite fishing stories. It concerns Mark Twain, who, like all fishermen, loved to brag about his exploits.

Twain once spent 3 weeks fishing in the Maine woods, ignoring the fact that the State's fishing season had closed. On the way home, aboard the train, he sat next to a stranger and immediately started telling about all the fish he'd caught. Finally, Mark Twain asked, ``By the way, who are you, sir?'' The stranger said, ``Well, I'm the State game warden. Who are you?'' With that, America's greatest writer nearly swallowed his cigar. And after a long pause he answered, ``Well, to be perfectly truthful, warden, I'm the biggest damn liar in the whole United States of America.'' [Laughter]

Twain loved to brag. But then, he had much to brag about. And so does Nebraska when it comes to your first elected woman Governor. And let me conclude simply by saying she has my full confidence. She's made tough decisions, right decisions. And their results have enriched Nebraskans from the banks of the Missouri to the Wyoming line.

So, let's ensure ``Four More for Governor Orr'' and pledge to support one of our truly great Governors. Thank you very much for this occasion. Thanks for your support for Kay. And God bless you all. Thank you very much.

Note: The President spoke at 8:35 a.m. in Peony Park Ballroom. In his remarks, he referred to P.J. Morgan, mayor of Omaha; Norm Riffle, Nebraska Republican Party chairman; Duane Acklie and Sallie Folsom, members of the Republican National Committee; and Cindy Daub, wife of senatorial candidate Hal Daub.

Nomination of Keith McNamara To Be a Member of the Board of Directors of the State Justice Institute

February 8, 1990

The President today announced his intention to nominate Keith McNamara to be a member of the Board of Directors of the State Justice Institute for the remainder of a term expiring September 17, 1992. He would succeed Joseph Wentling Brown.

Since 1952 Mr. McNamara has been an attorney with McNamara and McNamara in Columbus, OH.

Mr. McNamara graduated from Amherst College (B.A., 1950) and Ohio State University (J.D., 1953). He was born October 12, 1928, in Upper Sandusky, OH. He is married, has four children, and resides in Columbus, OH.

Remarks to Strategic Air Command Personnel

February 8, 1990

Well, good morning. This is the President speaking to you from the new command post at SAC Headquarters at Offutt. I know it's not morning for all the SAC troops listening in on this call, and that it is very early in the morning for some of you. Now I'm in the middle of a visit at your headquarters to discuss with General Chain your mission, the critical need to continue our strategic modernization program, and strategic arms control.

Earlier this week I visited Fort Irwin, the Army's National Training Center, and spoke to a group in California about strategic defense. All of these subjects are vital. And yet what I am always impressed with in my visits to our military bases around the world is the people who serve. No matter how capable our system, it is the professional men and women of our military who makes them work. The dedicated, skilled individual is the foundation of deterrence. You spend time away from your families and homes so that other Americans can sleep safely in theirs. Thank you for that -- and for braving conditions that are not always the best, especially the weather at some of the bases.

I also want to salute your role in shaping history, for the historical changes we are seeing in the Soviet Union are in no small part due to the vigilance and sheer hard work of the men and women of the Strategic Air Command. Your practice of deterrence has kept the peace and defined the basis for positive change in the Soviet Union. You should be proud of your role in that. But we still live in a time of uncertainty. So, as we push for a major new arms agreement with the Soviets, to increase stability we will continue to modernize strategic forces. Any time day or night, in the missile field or the flight line, in a command post, or in an office, you are deterrence.

So, on behalf of all Americans, I thank you for your sacrifices. For you air crews, keep 'em flying. And for you missile crews, the pointy end is up, and keep 'em in the green. God bless you all, and thank you for your wonderful service to this, the greatest country on the face of the Earth. God bless you.

Note: The President spoke by telecommunications network at 10:41 a.m. from the Command Center Operations Room at Strategic Air Command Headquarters at Offutt Air Force Base, Omaha, NE. In his remarks, he referred to Gen. John T. Chain, commander of Strategic Air Command Headquarters. Following his remarks, the President traveled to Columbus, OH.

Remarks at a Briefing for Head Start Volunteers in Columbus, Ohio

February 8, 1990

Ms. Clark. What I would like to do, President and Mrs. Bush, is to officially welcome you to our Head Start program and to Columbus on behalf of our board of trustees, our executive director, our policy council chairperson, the children of Head Start and their families, the staff, all of our community who work so very closely with us. We'd just like to say welcome.

The President. Well, we're very pleased to be here. Barbara -- the two of us in the family, see, this level of the family -- she knows much more about this because she's visited many Head Start programs. But I do wantÿ7Eÿ7Eÿ7Eÿ7E toÿ7Eÿ7Eÿ7Eÿ7E sayÿ7Eÿ7Eÿ7Eÿ7E thatÿ7Eÿ7Eÿ7Eÿ7E whenÿ7Eÿ7Eÿ7Eÿ7E theÿ7Eÿ7Eÿ7Eÿ7E Governors had the education meeting, education summit, everybody agreed that being ready to learn, the concept of -- what do you give, 18 years to it, or 20-some years? No, but some of us are just really getting out front now in something that many of you worked for a long time, and it is a national objective now. It's one of the key objectives. And so we have increased the funding and all of that for it.

But I really want to hear about parental involvement -- I know some are parents here -- and the whole volunteer aspect of it, as well as the way it just works in practice. Because we believe -- the whole administration -- and it's not Republican or Democrat -- I think on this one it gets way across any partisan politics. And people are saying, Look, the time has come to put even more emphasis on that which a lot of you have given your lives to doing. So we're here to learn and listen and say thank you, too.

Ms. Clark. Okay. What I think -- what I would like to do now is to go around and introduce all of us who are here. And I also think that our group is very representative of what you've just mentioned -- that it's not about partisanism between the parties, but that we're all here and we're working for one common cause.

I would like to introduce our president of our board of trustees, Mr. Richard Trelease.

The President. I met Richard.

Ms. Clark. One of our Head Start directors, Mrs. Christine Franklin, of our John XXIII Head Start program. One of our very faithful parents of John XXIII, Ms. Tamara Scruggs. My assistant director, Mrs. Mary Kay Dailey. The chairperson of our policy council, Mrs. Orlinda Jabbar. Our executive director, Mr. Curtis A. Brooks. And also a former Head Start student who has received an award from you for academic achievement in 1989 -- she received a Presidential award and letter -- Ms. Senta Clark.

The President. How old are you, Senta?

Senta Clark. Seven.

The President. Seven -- all right!

Mrs. Bush. Oh, it's beautiful.

Ms. Clark. And her father, Mr. Nordholm Clark.

The President. How are you, sir?

Ms. Clark. Our Head Start director at Southwestern Head Start, Mrs. Jo Bostic. Our deputy executive director, Mr. William Conley. Another very faithful parent at Southwestern, Mrs. Shelly Cantrell. And I would like to introduce Mayor Veronika Shepard, from the village of Urban Crest, who started out as a Head Start parent. And Veronika may have started out about 22 years ago, I think, with myself. And since that time, she has elevated herself through the years. She is now the mayor of Urban Crest. And she has also just recently returned from a tour in Africa.

The President. Fantastic. I just want to be sure that when we're doing the introducing -- I know you all know, probably, Don Casey and Chalmers -- just so you -- we're so proud of them and glad they're with us. Chalmers Wiley.

Ms. Clark. Absolutely. And they are individuals who definitely give support to our program. Senator Casey and Congressman Wiley. Also at our State legislative level, we have Senator Eugene Watts, Representative Ray Miller, and also Representative Dave Gilmore. And I'd like to commend our State legislative branch because through the sponsorship of Representative Ray Miller, the State of Ohio now is providing funding to Head Start for Head Start expansion to the tune of $19 million. So this is something really great for Ohio, and I really just thank everyone.

The two in the back row -- --

The President. Smiling proudly.

Ms. Clark. -- -- smiling proudly -- [laughter] -- are my parents. Absolutely. Mrs. Alberta Clark and Mr. Spencer Clark.

Mrs. Bush. Your mother's the one who got you interested?

Ms. Clark. Absolutely. My mother's the one who got me interested. My mother is the one that,

when Mr. Curtis Brooks came to our church, the Union Grove Baptist Church, and asked our minister, Reverend Phil Hill, if he could put a Head Start center in our church, and Phil Hill, Reverend Hill, said yes. And then my mother was called out and asked to serve on the committee that was reviewing. So I was very proud.

The President. And that was close to 18 -- how many years ago?

Mrs. Bush. Twenty-three, she said.

The President. Twenty-two. I missed it, yes.

Ms. Clark. I don't think I told you how old I was at the time. [Laughter]

The President. No, no you didn't.

Ms. Clark. Twenty-two years ago.

Mrs. Bush. Ten. [Laughter]

The President. Okay, well. But who's going to tell me how the -- am I supposed to just kind of ask questions, because I'm dying to ask a few questions. And I'd love to hear from the parents exactly how it works, how many parents end up getting involved. The more the better, we think, because it emphasizes not only -- helps when the kids go home and all, but it also is, I think, very good for strong family. But do you want to help me with that one?

Ms. Clark. Can I start you out just a little bit -- --

The President. Yes.

Ms. Clark. -- -- by saying that out of our entire staff -- which we have a staff of 161 individuals -- 50 percent are former Head Start parents.

The President. That's marvelous.

Ms. Clark. So, that gives us the beginning as to what our parents' involvement level is. And now I'm going to turn it over to our parents. I do want to say that we also have a home-based program. We recently converted over the past 2 years to home-base services, so we have a home-based parent; we have a center-based parent. And we have a parent who has done national training at our national Head Start conference.

The President. Tamara, tell us how it works.

Ms. Scruggs. Parent involvement is very important. It's important for the kids because the kids are always excited to have their parents come into the classroom and into the center to help.

The President. Just give me an honest percent. It is a hard -- it is tough. But what kind of percentage? Would 50 percent of them -- I mean, say, you have a room full of kids -- would 50 percent of their parents in one way or another try to be involved, or is that too high, or is that too low? Too high. So some don't, in other words.

Ms. Franklin. Some don't because -- that it's a low income program and the parents are just having so much trouble with things at home that sometimes it's kind of hard. We do have a very good parent involvement. The staff is very instrumental in bringing parents into the school -- --

The President. Maybe I could ask Mr. Clark -- obviously, your daughter, Senta, is doing pretty darn well -- don't be embarrassed -- [laughter] -- pretty darn well. What do you think she got in Head Start that maybe other kids that didn't get to go to Head Start program would?

Mr. Clark. Well, I think it prepared her for -- it's almost like when a kid is in high school getting ready for college. Head Start prepared her for elementary school. And it taught her a lot of things that probably I couldn't have taught her at home at 3 years old. And, therefore, as she got further on in school she excelled and, one day, turned around and you sent her a letter. [Laughter]

The President. The expression, Mr. Clark, that we use on that -- and I expect all the pros around here know this -- but it's ``ready to learn.'' I mean, it's not the final, obviously, learning experience, but the concept is, let's get these kids ready to learn. And perhaps that's exactly what happened.

Did you like it, Senta? Do you remember -- you're too old now, but do you remember much about the program? Did you want to go when your dad said, hey, you're going to go to Head Start? Or were you saying, no, I'd rather hang out here at home? When you were little, I mean.

Senta. I wanted to go.

The President. Yes. And then liked it when you were there?

Senta. Yes.

The President. That's great. Now what do you do? What's your interest now that you're older? Any one subject, or anything?

Senta. Math.

Mrs. Bush. That will please the President. [Laughter]

The President. Math. That's great. Who else wants to chip in on this and how it works from teachers, or volunteers, or -- --

Mrs. Bush. I wanted to ask about the parents, if you -- because I'm into literacy -- if you have programs for furthering education.

The President. And the response down there?

Ms. Shepard. I would like to touch base on that. Even though I'm a past parent, if it hadn't been for the Head Start program encouraging and giving me the incentive to further my education, I really feel that I wouldn't be now in the position I'm in as mayor of Urban Village. And that's one thing Head Start does promote with parents, is to further your education, right along with your child. So it gives a holistic approach when you go into the Head Start program. It touches the whole family, everybody.

Mrs. Bush. The other thing -- I've been briefed on Head Start -- but I'm so thrilled that they get physicals and dentals and hot meals. I mean, it's a wonderful program.

Ms. Clark. Absolutely -- the total comprehensive approach. But to get back to the question in regards to literacy: We do have GED classes that are operating in our program. And what we're finding, and most especially I've seen this in the last couple of weeks -- we have parents that are attending the GED classes. And then some of them are coming to me, letting me know that individuals from their community, or neighbors, are wanting to know, can they attend the classes? So, they're coming back and saying, ``Ms. Clark, can someone else come?'' Or, ``I have a friend, she would like to come into the GED class.'' And we're opening up the doors, of course, and saying yes. And when Senta talks about math being a likable subject to her -- we also have a math and science program that we're initiating. And we're doing this through the National Urban Coalition, who is promoting math and science. And what we're hoping to do through the GED classes is to also extend that into our math and science -- --

Mrs. Bush. That's wonderful.

Mr. Conley. One of the things I would like to just add, too -- when you talk about parents -- is that we recognize that it's not sufficient to just work with the children. That's wonderful, but you've got to do something about the environment from which the families come. And as the overall agency preparing for Head Start, we've been instrumental in accessing other kinds of resources that can impact on the family. As an example, specifically with the parents, is a new program that we have called Project HOPE. That stands for Head Start Opportunities for Parents through Education by Employment.

What we have done was to write for competitive -- which we would receive from the HHS. And with that we were working intensively with a group of parents. We work with 150 people -- well, actually, 75 will be an experimental program because this is a demonstration effort. And we hope by that to be able to show through intensive case work, through education, that we can involve the parents in some kind of a training and job placement and so on. That's going to make them more successful -- --

The President. Good point.

Mr. Brooks. Our goal, of course, is self-sufficiency. Bill is right there. We look forward to a more advanced kind of family planning. I think the leader is doing something magnificent right now. And we just basically believe in the holistic approach. The Head Start child is there because the family is poor. And we're trying our best to come up with strategies to get them out of poverty. One of the problems we, of course, have is that our operating funds come out of community service -- and, of course, that is not in the budget. I talked to the national office this morning and they said that Senator Mark Hatfield would be by to see you to discuss that with you, because he's sponsoring that -- --

The President. You know, it is tough when you have to make choices -- this funding for Head Start dramatically up and then some of these other things. So we'll have to see what we can be helpful in.

Mrs. Bush. How about volunteers in the private sector? Do they get involved?

Ms. Clark. Yes. Yes, they do.

The President. And you're talking about Head Start?

Mrs. Bush. In Head Start, yes. But what -- I mean, do corporations get involved and help? Or -- with equipment? Or volunteers as one on one?

Ms. Clark. Well, we have a lot of one-on-one volunteer efforts that take place. We see the involvement of other community agencies and organizations that work with us. And I think very recently we've had several different agencies that have been calling or sent letters, and maybe Mary Kay might want to speak to a couple of them -- some of the girls that have come in and one of the sororities.

Ms. Dailey. The Methodist children's home here called and they wanted to know if they can send some young ladies. And they were 14 to 17 years old.

Mrs. Bush. Perfect.

Ms. Dailey. I saw that as a beautiful age for the children. And seven of them came last Friday to one of the centers, and the ladies that came were fantastic. Now, what are they going to do? I think if they just go in and sit down with the children, they don't need to tell you what they'll do. And they just went in and they sat a minute, but the children came to them and they went to the children, and they went right off into the afternoon's activities.

The President. What will they do if they keep up their interest? They'll come back once a week or -- --

Ms. Dailey. Yes.

The President. Something like that?

Ms. Dailey. This group will come back once a week every Friday.

The President. Yes.

Ms. Dailey. They gave a commitment to them. So that was really, really a good thing.

Mr. Trelease. As president of the board I guess that makes me the chief volunteer. [Laughter] Your presence and what you just said should help strengthen further efforts getting our community involved. All local people in the room would honestly tell you Columbus is in an era of growth and development unparalleled in its history. That will only remain as strong as the youth in our communities and the involvement of more people in our community. And I think your visit here is -- I can really salute both of you for being here because it underscores the relationship that's needed to move us even further.

Ms. Franklin. I would like to add to that. We have six of our high school children in West Side and in our centers working with our -- what we call the bottom -- who are in our program -- and we're working on a way to eliminate that through the -- [inaudible]. It's been very, very fine in the classrooms.

Mrs. Bush. I hope some corporations will get involved and help you, too.

Ms. Clark. Yes, we're hoping that also.

Mrs. Bush. Maybe with jobs for the parents -- in some fringe way or -- --

The President. You were going to say something, and I think you got preempted, Ms. Jabbar? Or were you? Maybe I had it wrong, but I thought you were getting up there on the edge -- [laughter]. What end of it are you in now?

Ms. Jabbar. I'm a parent in the program, and I'm the policy council chairperson. And the policy council -- --

The President. Here in this installation here?

Ms. Jabbar. Yes.

The President. So, it's a neighborhood -- it's not citywide, in other words?

Ms. Jabbar. It's a countywide.

The President. Countywide. Yes, yes. You have a kid in Head Start now?

Ms. Jabbar. My child was in -- --

The President. Was in, yes.

Ms. Clark. Because she had a 2-year turn as a chairperson.

The President. I see, I see.

Ms. Jabbar. But I've had two kids go through the Head Start program. And when they finished, like Veronika said was that I've grown being involved in the Head Start program and volunteering and so forth. I have grown, and I think with the Head Start program they have given me marketable skills that I know that I can go out and use in the outside world.

The President. You know, a lot of pressure in the communities, of course -- financial, you mentioned a lot of the kids out of impoverished homes and all -- but do you detect a -- is there more interest in parents in trying now, given all the pressures from narcotics in communities all across the whole country? I mean, these pressures -- it's not one neighborhood. I mean, do you find that the pressures of society are making parents more like you, more willing to volunteer and get involved, or not? Or is it -- do we just have to do a lot better in that? Maybe Veronika could help? I mean, I don't know. I'm really asking; I don't have an opinion. I wish your answer was, look, people are waking up, realizing they got to hold these families together, and they're going to do what you did. I'm not sure that we're there yet. We want to try to help as best we can in encouraging this approach. But you get a feeling on it?

Mr. Brooks. Mr. President, I can simply say that when we recruit for this program every year, I have watched the parents grow. And they are growing to a point now where -- we only used to talk to maybe 200 or 300 -- and I went in the room the other day when the recruiting session came, and there were about 700 parents in there.

The President. That is encouraging.

Mr. Brooks. So, I think that the emphasis that you're putting on education is reaching a lot of people. And I don't think you need to shortchange yourself on that. You are causing some things to happen.

The President. Do you all have a program called Cities in Schools in Columbus? New York has it -- one of these where they get -- it's not a Head Start necessarily, but it's to encourage -- it's a mix where the city government and private sector gets involved in trying to get almost -- it's not replacing parents but bolstering -- --

Mrs. Bush. At-risk children.

The President. -- -- at-risk children. Encouraging them to go, seeing that they're not just totally neglected when they leave school and go home. But you don't have that particular program here, I guess. It's a volunteer -- --

Ms. Clark. High school level.

The President. Yes, that's good.

Mr. Trelease. But I think one of the aspects you'd be interested in is the home-based part of the program. We have a parent who is -- --

The President. Shelly, you're on. [Laughter] Your big moment. Address yourself to Dan Rather, wherever he may be. [Laughter]

Ms. Cantrell. Well, I'd like to say about the home base is that it's important for us because we live in a rural area and the bus doesn't come to us. And without the home base, my child wouldn't be in Head Start. And I have a time now each week where we have a one-on-one together. And it helps every day, because we have an activity to work on. And I don't think without the Head Start I would be as conscious of what my children need for their education.

Mrs. Bush. Does someone come to your house one day a week?

Q. Every Monday she comes for an hour and a half and she tells us an activity to work on. And it could be colors or shapes. This week we're working on matching.

Mrs. Bush. But she sets you up for the week?

Q. Yes. And then she'll come back and she'll ask us how we did -- if my child is ready to do that

part. There was an activity that she just wasn't ready to do yet, and so we changed it to something that my child is ready to do. And it's like you say, ready to learn -- she's getting ready.

The President. That's encouraging.

Mrs. Bush. You have more than one child?

Q. I have three.

Mrs. Bush. That keeps you pretty busy.

The President. Ms. Bostic, you've been strangely silent here. Now, you're entitled -- equal time here.

Ms. Bostic. Okay. I was thinking in terms of Head Start really, unlike a lot of programs, reaches out to parents. And we do have families that have very serious problems, more serious than years ago when I first started. But we don't give up on them, and we do go out -- and we have a lot of opportunities for them to get involved. Maybe not necessarily in the classroom, but doing things at home, coming to meetings, or even working with an individual. So, I think our approach to reaching out has made a difference. We don't wait for parents to come to us.

Ms. Clark. Some of that we can see in our average daily attendance. You know, with the Head Start regulations, we have a triggering point, which is 85 percent average daily attendance, that we know we must maintain. And what we've been seeing over this past school year is that we had parents that are sending their children 100 percent of the time. And then we have -- outside our council level, we let the different centers know, so parents are now beginning to compete with one another -- their center against another center as to how many of us can get our kids here every day. So, when we talk about parent involvement, to me that's a part of the starting point. When I see that parents are bringing their children every day, that's a starter. Then there are some that do work in the classroom or some who come to the parent meetings, but we know that they are all involved to some degree.

We're going to have to begin to wrap up, right after my supervisor speaks. [Laughter]

Mr. Conley. I see that you're on a schedule and I saw the cue for us to begin to wrap up, but I think we would be remiss if we didn't point out to you the drawings that the children did.

The President. Let's see these.

Mr. Conley. Some of which are portraits of you and Mrs. Bush. [Laughter]

Mrs. Bush. I don't see me yet.

The President. Here you are. [Laughter]

Mrs. Bush. What's your waiting list?

Ms. Clark. Our waiting list? We've been maintaining something like about 800 children on a waiting list. So, we're really looking forward to the expansion, because we have a lot of individuals that call and we just aren't able to serve them all.

Mrs. Bush. I think yours is better than mine is. [Laughter]

The President. What are you talking about?

Ms. Clark. There's another one up there.

Mrs. Bush. Identical. [Laughter]

The President. So sweet.

Mr. Conley. And we'd also like you to know that we're extremely proud of our Head Start staff and -- --

Ms. Clark. Child Development Associate Credential -- that's a competency-based credential that HHS encourages our staff to receive. And at the present, 80 percent of our staff are to be degreed or credentialed with the competency-based credentials.

The President. That's great. Well, everybody I hope had a say, but I really appreciate this opportunity to learn. It's funny, you go -- you wonder -- all the lights and the kind of hustle and the holding rooms -- but it all adds up. I mean, you do this and then, tomorrow, well, maybe have a chance. And Barbara will come home and say what she did at the hospital or the school, you know. And I think it's a wonderful thing that we feel kind of uplifted when we get -- we love living in this beautiful house that this guy drew over here. [Laughter] It's got two windows and a door. But it is wonderful, and I appreciate you all taking the time to help explain it to us.

Q. Okay, and on behalf of all of us here in our total program, I would like to thank you and Mrs. Bush very, very much. And I hope that God will continue to bless you in your leadership, to protect us and to lead us.

The President. Well, thank you so much.

Note: The President spoke at 3:02 p.m. at St. Aloysius Family Service Center.

Remarks at a Fundraising Dinner for the Ohio Republican Party in Columbus

February 8, 1990

Thank you all very, very much. I'm delighted to be here, and so is Barbara. Thank you, Tim, for all you do for the party and for the outstanding leadership you've brought to this dinner and everything you touch out here. I'll tell you, I'm delighted to be with you once again. I want to salute our Congressmen that are here. We've got outstanding Republican Congressmen in the House, and up at the head table here is Chalmers Wylie. I don't want to date him, but he and I were elected to Congress on the same day a thousand years ago. And John Kasich, Bob McEwen -- all doing a great job. And then, with uncharacteristic modesty, I spot Ralph Regula and Mike Oxley out here -- not even at the head table, but here -- strong, both of them, wonderful Representatives. So, I feel surrounded by friends and former colleagues.

I also want to pay my respects and just tell you from my heart what a good job Lee Atwater is doing as chairman of the Republican National Committee -- sitting over here. I know that the Ohio party is on the move, but I can tell you that that National Committee has taken a real leadership in a lot of these races, in recruitment -- finding good people -- and doing the best job that I can remember the party ever doing there. I want to pay my respects to a lot of the powerhouses of Ohio that are with us -- Stan Aronoff, the president of the Ohio State Senate, a friend of mine of long standing from Cincinnati, is with us here. I thought Corwin was going to be here, but he's not -- Corwin Nixon -- or is he? I don't think so. But Joanne Davidson, ably representing -- where is she? Way down here. Joanne, please pay my respects to Corwin. And I'm just delighted that you're here and have great respect for the job you're doing.

I, too, want to salute the organizers of this dinner -- John Wolfe and Les Wexner and John McConnell. The great Ohio team also that we have on the national committee: our chairman, Bob Bennett; Martha Moore; Mike Colley -- they're all doing an outstanding job. Incidentally -- is this your birthday? This might well be the chairman's birthday today. So we want to wish him a happy one. And, of course, I'd be remiss if I didn't single out my old friend -- still get a little free advice from him, but there's no one quite like him -- Jim Rhodes, over here. Where's Jim? There, he's standing there -- former Governor of this State.

And who would have thought, football and baseball and sports nut that I am, that I'd get a chance to get in there and have my picture taken with Archie Griffin, the two-time Heisman Trophy winner. You talk about a record -- the only one, right? The only two-time winner of the Heisman. And so here we are -- and I also want to single out another friend of mine who headed my campaign some time ago. I want to just announce that my dear friend, Keith -- Keith McNamara, who was with us here a minute ago, has just been appointed to a position on the Board of Directors of the State Justice Institute. It's a very important job, and I'm delighted that he's willing to undertake that. But I want to salute him and thank him for his past support. And

finally, I do want to pay my respects to one who is not here tonight -- the mayor of Columbus, Buck Rinehart. Right now he's Captain Buck Rinehart, U.S. Marine Reserves. He's out at Twenty-nine Palms Base, in California. So even his Commander in Chief couldn't talk him out of that one. Twenty-nine Palms in the middle of February -- don't tell me that Buck isn't willing to undertake those hardship assignments. [Laughter] But there he is. And again, in all seriousness, I do salute him.

I'm delighted to make one of my first fundraising stops of this decade right here in Ohio. And I congratulate you on the record-breaking success of this event. I'll never forget the help that all of you and this State gave to me and Dan Quayle in 1988. Memories of the Ohio campaign are still very fresh in my mind. Pitching horseshoes out there at the Ohio State Fair was one of the highlights. Riding on a campaign stop with Anne Hayes, who's right here with us tonight. She and her son, Steve -- Judge Hayes. We had a marvelous trip, and all that does -- seeing Anne here -- is make me very nostalgic and very sentimental about Woody Hayes. What a wonderful man he was and what a great friend of mine. I'll never forget it.

And, of course -- I'll get over this reminiscing in just a minute -- but one of my final campaign stops was right here just before the election in Columbus at the rally finale, with a fellow who believes as deeply as I do in keeping America strong -- I'm talking about Arnold Schwarzenegger. He was with us that day. And Conan the Republican, we call him. [Laughter] But I thought they were there to see a guy that might be the next President of the United States. But never -- it was the best thing that ever happened because I was getting a little egocentric then -- and all they wanted to do was see Schwarzenegger out here. But I had a marvelous time campaigning here. I spent so much time here that I met people who said that I had their vote -- for Governor. [Laughter] I rode in a firetruck, kissed the babies, even threw out the first ball at the All-Star game. Seems like the only thing I did not do was to dot the ``i'' on the ``Script Ohio.'' [Laughter]

But this is a critical year, as Tim said -- and said it very well, indeed -- Ohio always, but this year a critical State. What happens here is key to the Republican majority that we want to build all across this country. And I'm delighted to see that the party is making great gains here. I brought along a news clipping tonight, a story reporting the results of a new statewide poll on party preference. Apologies to John Wolfe -- it's from the Dayton Daily News. [Laughter] But it says here that of all Ohioans between the ages of 18 and 25, 59 percent identify themselves as Republicans. And here's another statistic that makes the 59 percent even more impressive: Just 6 years ago, that figure was only 30 percent. A dramatic and amazing turnaround. That's a tribute to every one of you in this room tonight -- and every one of you who are working so hard to make the Republican Party the majority party here in Ohio.

You know, last weekend, the Democratic leadership in Washington went on a retreat -- that was their word, not mine -- and they spent a weekend trying to find themselves -- find themselves -- work through an identity crisis that they're having. I read that some of the leadership thinks the problem is that people just don't know what their party stands for. I disagree with that. I think the

problem for the national Democrats is that people know exactly what they stand for, and they don't want any more of that -- more government, more taxes, and more Washington-knows-best bureaucracy. And that's their problem. And I really believe that that's why we're seeing these amazing changes in terms of party identification.

People are looking for something new in the nineties -- and that's why they're looking at a new GOP generation. More Americans are turning to the Republican Party because our party really does have more of the new thinking, more of the answers -- the answers people are looking for to help maintain the competitive edge in this global economy, to clean up our environment, to keep crime and drugs off our street, and to lead a new crusade for excellence in our schools -- to see that every American enjoys the opportunity to live and work, to prosper and advance as far as his or her own efforts will take them.

When we hear from the opposition that there's nothing wrong that can't be fixed with a little redtape and a tax hike -- we know better than that. We know all the answers are not found in Washington, DC. And we know about the vital work that gets done at the State level -- in Columbus and in every other city and town in Ohio. We know the power of the private sector -- the source of growth and jobs. And we know the power of individual citizens -- people in every community across this country who don't wait for the word from Washington before they dig in and make a difference. And we know something else: We know that there is more than enough Federal spending. Ask your neighbors. I mentioned this in the State of the Union Message -- some people still believe that $1.2 trillion is a lot of money, and that's the amount of this year's budget. We Republicans know it's up to us to see that it's spent wisely -- that we measure success not by what we spend, but what kind of results we get. The challenges we face here at home are only half the story. More and more people trust this party to cope with the challenges that we face in the world today.

We've seen a world of change this past year -- unbelievable, unpredictable change -- triumph of democracy from Prague to Panama, the Revolution of '89 now spreading in 1990, perhaps in the Soviet Union itself. I know you followed carefully the deliberations of the Central Committee. Now we've seen them take their first step toward pluralism -- multipartyism, if you will -- inside the Soviet Union.

And we see the need all the more for American leadership -- the need for an America strong enough and sure enough to defend our interests and our ideals, and to make the most of the opportunities now emerging for a more peaceful world, a freer world. You know, in the last few days, I've had an opportunity to visit with some of the men and women who have made the defense of peace and freedom their mission. I'm talking about the young troops in our armed services out at Fort Irwin, California -- the Army's National Training Center -- where our troops hone their battle tactics under the most realistic simulated battle conditions anywhere in the world. And then yesterday, I was at the Lawrence Livermore Labs there in San Francisco, which has such a rich history in helping defend our country, and where today so many of the top minds in science are engaged in pathbreaking work on the Strategic Defense Initiative. The Strategic

Defense Initiative doesn't put people at risk; it puts incoming missiles at risk. And the science is mind boggling, and the fallout from that science will benefit a lot of peaceful pursuits, such as the environment and other areas that need the most advanced science in the world.

And then, finally, just this morning before I came here to Columbus, I paid a visit to the SAC Headquarters there at Omaha, Nebraska -- the Strategic Air Command. I spoke on the SAC network to men and women at SAC bases all around the world -- people who serve as our first line of defense. At every one of those stops, I thought about how much we owe to those dedicated men and women, about their sense of duty -- and about our duty to each of them. This voluntary military that we have today has never, never been better. They are the best -- and every single member of the Joint Chiefs tells me that over and over again. And I just wish you could have been with me to see the spirit of these young people.

I remember the words of one of the great field marshals of the 20th century -- yes, I'm talking again about Woody Hayes -- the saying he loved to repeat: ``You can never pay back. You can only pay forward." That's true for our parents and our teachers, and it's true for the men and women in our Armed Forces. We show our thanks for all they've done for us by the good we do for generations yet to come. And that means taking the necessary steps today to make sure that this nation remains strong in the nineties and into the next century. It means making sure our Armed Forces are capable enough to meet our longstanding commitments -- to deter war -- and flexible enough to cope with whatever new contingencies we might face in the future.

That does not mean dismantling the solid foundation of military strength, alliance solidarity, and international security that has really brought us to this new moment of promise. But it will mean changes to respond to new conditions. It will mean hard choices between defense programs. But we've got to be careful; we've got to do our cutting with a scalpel and not with a meat ax. We're going to have to close some bases, consolidate some others. And I know we're in for a war up on Capitol Hill on this one -- just mention base closing and Congress mans the battle stations. Doves become instant hawks. But let me tell you something: We are going to reorder our defense budget on the basis of our strategic needs, in response to the challenges we will still face in a world of many uncertainties and dangers. There will be no politics in this. It will be done with the best military minds that we can muster to be sure that we do it in an orderly, prudent way. And let's put politics aside and get on with making these tough decisions. [Applause] And for me, I will do my level best to encourage Congress to change that old adage -- cut defense spending, but make the cuts in somebody else's district or in somebody else's State. We can't do that anymore. It's getting too critical now. I want to see prudent cuts, but I want to see it done in an orderly way so what emerges is a strong, robust, vital force. And I believe we can do it.

We're also going to push forward with arms control. And I had a chance to visit with some of you all who are helping on this dinner earlier on, and I told you that I am somewhat optimistic now about our negotiations with Mr. Gorbachev. We're going to push forward with strategic, chemical, and conventional weapons. I'm convinced we can ease tensions, especially in Europe,

and remain every bit as effective in preserving the peace -- at lower levels of troops. That's why I proposed in the State of the Union Message that we would reduce our forward forces to 195,000, provided the Soviet Union would come way on down as well.

I am convinced we can do this. The initial reaction from Mr. Gorbachev has been quite positive. I think that today Secretary Baker had a very positive meeting with Foreign Minister Shevardnadze, and we're hoping, in the course of his discussions over there, to make significant progress towards a START treaty. So, we've seen great change; we've seen great promise this past year -- the promise of the great Revolution of 1989: a freer world, a more peaceful world for us and for our children.

So, tonight, I really want to ask for your support as we work toward that better world -- and I promise you mine in all the many challenges that we face here at home. I know we can succeed, provided that we uphold that proud Republican heritage that has served this nation so well. I'm an optimist about our country. I believe we are living in some of the most fascinating times, certainly the most promising and fascinating times since World War II. And I want to do my level best to keep this country on a forward course, but do it in a prudent manner so that we don't undermine, inadvertently undermine, the change that's taking place around the world -- not just in Europe but the exciting changes that are taking place in this hemisphere. Who would have dreamed that in 1990 we might be on the verge of seeing a totally democratic, free and democratic Western Hemisphere, our own hemisphere?

And so, now we've got to turn to the politics at hand. And I urge you to do your level best to capture the governorship in this State, to win these statewide offices. Because it all ties in -- the more confidence the President has in the State's ability to solve these local problems, the better the relationship. And I see a great change now coming. And I might say, in conclusion, we've got a redistricting problem ahead. And I am sick and tired, when I look at some of the congressional maps and see these wiggles and these turns and these aggressive moves that make these congressional districts look like pretzels. And we want to change that. And the best way to change that and guarantee that the people are fairly represented in this State is to elect a Republican Governor and to elect Republican majorities in both the Houses of your State legislature. And I want to come back and help. I pledge you my support, Mr. Chairman and Tim and others in this room. And we need you. Thank you for this wonderful sendoff for the State party. God bless all of you. Thank you very, very much.

Note: The President spoke at 6:47 p.m. at Ohio Center. In his opening remarks, he referred to Representatives John Kasich, Bob McEwen, Ralph Regula, and Mike Oxley; Corwin Nixon and Joanne Davidson, minority leader and minority whip of the Ohio House of Representatives; John Wolfe, owner of the Columbus Dispatch; Les Wexner, president of Worthington Industries; Martha Moore and Mike Colley, vice chairman and former chairman of the Ohio Republican Party; Anne Hayes, widow of Woody Hayes, former Ohio State University football coach; and Arnold Schwarzenegger, Chairman of the President's Council on Physical Fitness.

Nomination of Robert H. Swan To Be a Member of the National Credit Union Administration Board

February 8, 1990

The President today announced his intention to nominate Robert H. Swan to be a member of the National Credit Union Administration Board for the term of 6 years expiring August 2, 1995. He would succeed David L. Chatfield.

Since 1983 Mr. Swan has been president and chief executive officer with Tooele Federal Credit Union in Tooele, UT. Prior to this, he was vice president for Western United Mines, 1982 - 1983; deputy director of finance for the State of Utah, 1977 - 1982; and owner/operator for Swan's Market, 1962 - 1976.

Mr. Swan graduated from the University of Utah (B.S., 1957; M.B.A., 1961). He was born July 19, 1935, in Tooele, UT. He served in the U.S. Army, 1958 - 1960. He is married and resides in Tooele.

Remarks to Members of the National Conference of State Legislatures

February 9, 1990

Thank you very much. Welcome to what is known as the White House complex. Don't ask me why. And I'm sorry about the delays that I understood some of you had getting in here. You do not have to show a picture I.D. to get out of here, I guarantee you. But I'm very pleased you all are here.

Delighted, of course, that Nick Brady left the national security meeting over there to come here. It, I hope, demonstrates our sense of priority and feeling that it is important that you're here. I salute my Secretary of Education who's with us here, Larry Cavazos, and I'll say a little bit about his line of work in a minute. And, of course, Bill Reilly, who's doing such an outstanding job at EPA and will, indeed, be the first Cabinet Secretary for EPA when we get that change taken care of. Clayton Yeutter was to be here. Deb, is he coming? And I guess he'll be on over. Many of you -- I see some Midwesterners here -- know him very well. And again, as we go to redo the farm bill, I feel very comforted having a person who really understands agriculture as well as he does.

And, of course, I'm delighted to welcome all of you. I'm told it's almost 50 States represented here. Lee Daniels, of course, your president; your former president, Sammy Nunez; and then also, one of your own up here whom I see almost every day, it seems like -- Deb Anderson, the former speaker from the South Dakota House. And proof if there ever was one of Finley Peter Dunne's rule: Every now and then an innocent person gets sent to their legislature. And there she is right there. [Laughter] But I am glad to have this chance to drop in.

State legislatures are America's most practical and resourceful leaders, close to the grassroots, close to the people, close to America's concerns. And each of you has earned a special position of leadership and trust, and not by mastering the tricks of the trade but by mastering the trade itself. And many of you have been leaders in one of the most important and effective revolutions of the past 10 years: the return of the American political power to the States. That's where it began; that's where it belongs. I'm not saying it's done yet, but I want to reassure you we are concerned about further implementation of this broad, philosophical commitment to federalism.

I want to take this opportunity to renew that commitment and to the rights of the States, but also to States as laboratories, forging ahead at the cutting edge of the world's greatest experiment in freedom and security. It's, of course, a continuing experiment. From criminal justice to education, from child care to the environment, State and local governments are looking for new approaches to solving old problems -- and looking not just at our problems but also at the possibilities. And in many cases, my budget will support new demonstration projects, both fostering and financing experimentation in the States. In other cases, my administration is

granting waivers from Federal redtape to encourage new experimentation. But at the bottom line, my formula for federalism comes down to four words: ``more flexibility'' and ``fewer mandates.''

Last week, I submitted my first complete budget as President and gave the first report on the state of the Union. And we do face some big problems, and we've responded with big increases. Record funding for education -- it's up overall, but I'm talking about the discretionary funds up significantly. Drug enforcement, the environment -- other top priorities. We don't need a quick fix, but we do need quick action. More Federal money should not, in my view, automatically mean more Federal management.

In education, the solution to the problem is not reinforcing the Federal bureaucracy but reinforcing the American tradition of State and local education. Because real improvement in the schools is not simply a question of spending more -- and Larry, I believe, is going to talk about that in a bit, and some of you were there when I spoke at your Indianapolis meeting almost 3 years ago -- where we need to provide more, but we also need to demand more, expect more of our schools, our teachers, our kids, and ourselves. Last week, I announced the education goals that was developed in very close consultation with the Nation's Governors. I'll tell you, it was a wonderful team effort, if you will. Not three R's, but six R's -- six goals for the year 2000.

Readiness in America where every child starts school ready to learn, and of course, much more emphasis in spending for Head Start in that regard. Rescuing those most at risk by raising our high school graduation rate to at least 90 percent. Reestablishing excellence. A new renaissance in science and math -- and that's critical if our country is going to be competitive. I don't know, Nick, whether you got into that in your remarks at all, but this whole concept of competitiveness ties in to education, particularly in science, in math -- first in the world by the year 2000. Reading, literacy for every American -- and here we addressed ourselves to the question not just to the kids in school being sure they could read but to adult literacy as well. And then respect -- schools that are disciplined, schools that in that context are totally drug-free.

A drug-free America, a safe America is, of course, one of our top concerns. And we get it from you all. We get it from those that are elected at the local levels, and we get it from the police chiefs, and we get it from the mayors. And it is priority. And there is an increasing and important Federal role in the fighting of crime. I recognize that, and I think our budget gives realization to that. But it is -- with educating our kids -- protecting our streets is one of those fundamental rights, duties that the Founding Fathers reserved for the States you represent.

Last May, I asked Congress to join me in launching a new partnership with America's cities and States, a partnership to ensure that those who scorn justice are brought to justice. A partnership -- we call it ``Take Back the Streets.'' And I'm here today to ask your help, take a leading role in the States in helping put away the violent, repeat, and fugitive offenders who plague American streets. Your role is essential. State and local cops back home need the same tools that we've proposed or ordered for the Feds. And I, again, go into this -- mandatory time for firearms

offenses, no deals on gun charges. We can't plea-bargain away the lives of the cops and the kids. And those who commit the ultimate crime -- and a strongly held view of mine -- must expect to pay the ultimate price.

At the Federal level, I've asked Congress for more than $10 billion for Phase II of our drug strategy, a strategy worked out by Bill Bennett, working with our top Cabinet officials. A 70-percent increase this is, since I became President -- 70-percent increase. It includes an unprecedented $500 million request for assistance to State and local law enforcement. And I am counting on you to match us with the same kind of hard-hitting resources -- police, prosecutors, and prisons -- to ensure that on this crime side, these violent thugs will be put away for good. We've got other parts of this drug strategy, as I'm sure you know: rehab and obviously a major interdiction effort, but which is involving certain military assets. But it's got to be across the board.

In these new partnerships, education and law enforcement, and in all your efforts, you really do -- I get back to where I started -- have my respect and gratitude and support. You have a special sense of belonging and place and sense of duty, or you wouldn't be doing this, you wouldn't be serving in these legislatures. And as public servants, you, too, have learned the simple truth: What we do for ourselves dies with us; what we do for others remains. And so, we're in a very interesting period where a lot of our major problems in this country, domestic problems, can best be solved with a major input from those of you in this room. And, again, education, crime, drug fight, whatever it is -- I'm grateful to you.

I'm delighted you came by. And thank you very much for your support. And God bless you all. Thank you very much.

Note: The President spoke at 11:13 a.m. in Room 450 at the Old Executive Office Building. In his remarks, he referred to Debra Anderson, Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs, and William J. Bennett, Director of National Drug Control Policy.

Nomination of Jonathan Moore To Be the United States Representative at the Economic and Social Council of the United Nations

February 9, 1990

The President today announced his intention to nominate Jonathan Moore to be the Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador. He would succeed Lester B. Korn.

Since 1989 Mr. Moore has been Alternate Representative of the United States for Special Political Affairs in the United Nations, with the rank of Ambassador. Prior to this, he was the United States Coordinator for Refugee Affairs and Ambassador-at-Large and Director for Refugee Programs, 1986 - 1989. He has served as director of the Institute of Politics and lecturer in public policy at Harvard's John F. Kennedy School of Government, 1974 - 1986. In addition, he has served as Associate Attorney General at the Department of Justice, 1973; and counselor at the Department of Health, Education, and Welfare, 1970 - 1973. He was Deputy Assistant Secretary of State for East Asian and Pacific Affairs, 1969 - 1970; executive assistant to the Under Secretary of State, 1969; special assistant to the Assistant Secretary of State for Far Eastern Affairs, 1964 - 1966; and special assistant to the Deputy Assistant Secretary and to the Assistant Secretary of Defense for International Affairs, 1963 - 1964.

Mr. Moore graduated from Dartmouth College (A.B., 1954) and Harvard University (M.P.A., 1957). He was born September 10, 1932, in New York City. He is married, has four children, and resides in Washington, DC.

Nomination of Shirin Raziuddin Tahir-Kheli To Be Alternate United States Representative for Special Political Affairs at the United Nations

February 9, 1990

The President today announced his intention to nominate Shirin Raziuddin Tahir-Kheli to be the Alternate Representative of the United States of America for Special Political Affairs at the United Nations, with the rank of Ambassador.

Dr. Tahir-Kheli has served as Director for Near East and South Asia at the National Security Council Staff at the White House, 1986 - 1989. Prior to this, she was Director for Political-Military Affairs at the National Security Council at the White House, 1984 - 1986. Dr. Tahir-Kheli was an adjunct professor for the School for Advanced International Studies at the Johns Hopkins University, 1988 - 1989. In addition, she has served in several capacities at Temple University in Philadelphia, PA: associate professor for political science, 1980 - 1982; assistant professor for political science, 1973 - 1979; and academic adviser in the Office of the Dean, 1972 - 1973.

Dr. Tahir-Kheli graduated from Ohio-Wesleyan University (B.A., 1961) and the University of Pennsylvania (M.A., 1963; Ph.D., 1972). She was born August 24, 1944, in Hyderabad, India. She is married and has two children.

Remarks at the Presentation Ceremony for the Flo Hyman Award

February 9, 1990

The President. Well, this is very brief, but I just couldn't be more pleased to see everybody here, and I want to welcome you to the White House.

This morning I want to use this occasion to present the Flo Hyman Award to Chris Evert. Now, Chris, you have long represented not just the game of tennis but your country. And you've done it so very well and with grace, dignity, and good sportsmanship, so today it's only fitting that you receive this award.

I know that all of your friends and colleagues here will agree that you certainly are the role model for our nation's young women, and we all miss you on the professional tennis circuit. Maybe Pam and Martina won't miss you on the tennis circuit, but the rest of us certainly will. [Laughter] And as you head off into this new phase of your career, I know that you will continue to serve as a tremendous example to our young people and to all of us.

So, let me speak for all Americans when I say we're very proud of you, and I thank you for your leadership and inspiration. And I'm just tickled to death to be able to present this award to you.

Ms. Evert. Thank you, President Bush. I'm very honored to receive this award, first of all because Flo Hyman, I think, meant so much to all of us who knew her -- and all of us who didn't know her, by her spirit. And also because you presented it to me, and I know that you had to juggle a few things around. Your schedule's really tight at this moment, but I just want you to know it means a lot to me for you to present this.

And you know, I think we had a great day yesterday. It was Women's Sports Day and Girls' Sports Day, and I think one of the things that we tried to get across was a big issue, which was the physical education. And since you, as President, have done so much for education and are doing so much for education, I think it was great that we tried to tie it in with physical education -- trying to make it a little more mandatory in schools, and I personally think it'd really help the kids to be mentally a little more alert. And you know, it's just food for thought for you and for all the Senators and everyone to really think about.

But, I'd just like to say thank you to the Women's Sports Foundation, and I'm just really honored to receive this. So, thank you very much.

The President. Congratulations. Thank you all.

Ms. St. James. I'm Lyn St. James -- --

The President. You want the final word? Get over there, come on. Everybody's entitled. Equal play around here.

Ms. St. James. President Bush, thank you. I'm Lyn St. James. I'm the new president of the foundation. And on behalf of the foundation, but also on behalf of every girl and woman that participates in sports, we want to thank you for taking the time and the opportunity to share this day with us, this moment with Chris.

And we are -- besides Chris representing it -- we have a number of athletes out here and all over the country that are participating in sports and realizing their potential and finding out what they're all about because they do participate -- and hope that you'll continue to carry that message. And we certainly know that you are a living example of it, and your family as well. But sports affects every part of our lives, and education certainly is a part of that. Drugs, everything that we're worried about -- sports is an alternative. So, we really appreciate your support.

The President. You know, there's something Chris said on that. Arnold Schwarzenegger's the new head of the Fitness Council. He was in here -- you probably noticed the change -- [laughter] -- but he was making the point, seriously, he was making the point how little of physical education goes on in the schools today -- much less, he feels, than it used to be. So, we're going to try to use that Council to put more emphasis on women's sports, men's sports, and sports for the kids or fitness. I mean, it is very, very important, and of course, I'm just delighted to hear your thoughts on that.

Ms. St. James. It's something I think our generation didn't know. I thought it was mandatory when I went to school. So, that's something that's gotten, I think, sloughed aside. So, we need to kind of bring it back to the forefront.

The President. Well, that's the end of the formalities. Now can I say hello? Come on up and say who everybody is.

Note: The President spoke at 11:46 a.m. in the Roosevelt Room at the White House.

Nomination of John J. Adair To Be Inspector General of the Resolution Trust Corporation

February 9, 1990

The President today announced his intention to nominate John J. Adair to be Inspector General of the Resolution Trust Corporation. This is a new position.

Since 1984 Mr. Adair has served as an Associate Director of the Audit Oversight and Policy Group at the General Accounting Office in Washington, DC. Prior to this he served as a legislative assistant to Senator Peter H. Dominick, 1974. In addition, Mr. Adair worked in the Philadelphia and Washington regional offices of the General Accounting Office, 1964 - 1974.

Mr. Adair graduated from Duquesne University (1963) and George Washington University (M.B.A., 1969). He is also a graduate of the National Defense University, 1982. Mr. Adair was born July 25, 1941, in McKees Rocks, PA. He is married, has five children, and resides in Springfield, VA.

Statement on the Release of Nelson Mandela

February 10, 1990

President de Klerk has announced his intention to release Nelson Mandela [African National Congress leader] on Sunday. I welcome this move and view it as another significant step on the road to the nonracial, democratic South Africa which we all desire. President de Klerk has shown bold and imaginative leadership in recent days which has earned the admiration of many of us who hope for swift and peaceful evolution in South Africa.

As I stated earlier, I look forward to meeting independently with State President de Klerk and Mr. Mandela in the coming months as part of my continuing dialog with South African leadership.

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With State President Frederik Willem de Klerk of South Africa

February 10, 1990

President Bush called South Africa State President de Klerk today to congratulate him on the announcement of the release of Nelson Mandela tomorrow. In the course of the 5-minute conversation, President Bush extended a personal invitation to State President de Klerk to meet with him at the White House. He also expressed his admiration for the significant initiatives announced by the South African Government in recent days, and reiterated his hope there would be continued progress toward a negotiated solution in an atmosphere of nonviolence. The two Presidents discussed the challenges that face all South Africans in this time of impending transition. President Bush stated U.S. willingness to help create a climate for negotiations and his plan to continue meeting with a broad spectrum of South African leaders. In this connection, he emphasized his intention to invite Mr. Mandela to meet with him to exchange views on how best to move rapidly toward a negotiated solution. Nelson Mandela has given more than 27 years of his life to the cause of human dignity and has inspired millions around the world who value freedom.

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary General Manfred Woerner of the North Atlantic Treaty Organization

February 11, 1990

The President met this weekend with Manfred Woerner, the Secretary General of the North Atlantic Treaty Organization, at Camp David. The President's wide-ranging discussions with Secretary General Woerner began on Saturday, February 10, and concluded on Sunday morning, February 11.

They talked about the recent political developments in Europe, including [West German] Chancellor Kohl's extraordinarily successful weekend visit to Moscow. The President complimented the Secretary General on his recent speech in Hamburg on the Atlantic alliance and German unity, and the Secretary General provided a further elaboration of his views. They expressed their gratification that the Government of the Federal Republic of Germany had affirmed that a unified Germany would remain a member of the North Atlantic alliance. They agreed that NATO, in addition to maintaining the common defense, should adopt new political roles: in helping guide Western policy toward the emerging democracies of Eastern Europe, in coordinating the negotiation and monitoring of arms control agreements, and in developing Western policy for regional and transnational issues.

Both leaders continue to attach a high priority to rapid conclusion of an agreement in the negotiations on conventional forces in Europe (CFE), and the President praised the Secretary General's efforts in winning full allied support for the President's recent CFE initiatives on military troop strength and the treatment of combat aircraft. Looking ahead to the conference that begins on Monday, February 12, in Ottawa, on ``Open Skies," the Secretary General noted the rapid progress that has been made in advancing the President's ``Open Skies" proposal.

Remarks at the Welcoming Ceremony for President Denis Sassou-Nguesso of the Congo

February 12, 1990

President Bush. Well, Mr. President, it is a great pleasure to welcome you and Mrs. Sassou-Nguesso to the United States and to the White House. The last time you visited, 3 years ago, you and I met at the United States Capitol Building, and today we meet at the White House.

In the 3 years since your last visit, southern Africa has seen significant progress towards peace and stability. Namibia is on the verge of independence. And in Angola, Cuban troops have begun the process of leaving. And while our support for the UNITA [National Union For the Total Independence of Angola] freedom fighters continues undiminished, we continue to hope for a negotiated settlement to that tragic war. Nelson Mandela's release from prison yesterday, which we've waited for and worked toward for so long, is another important sign that South Africa may soon begin negotiating a democratic, nonracial society and at last be on the way to ending apartheid once and for all.

Mr. President, to a considerable degree, many of these happy developments resulted from your involvement. As Chairman of the OAU [Organization of African Unity] in 1986, you used your prestige and diplomatic skill to convince those involved to come to Brazzaville to resolve their differences through the Angola-Namibia accords. And just as our diplomats worked ceaselessly to assure the accords were signed, you worked ceaselessly to assure the accords would succeed. Africa, America, and the rest of the world congratulated you for your role in this extraordinary achievement, a major diplomatic milestone in southern Africa. And today it is my privilege, on behalf of the American people, to thank you again for your efforts and ongoing commitment to regional stability.

We also appreciate your support for the continuing African effort, under the mediation of Zaire's President Mobutu Sese Seko, to achieve peace and stability in Angola. Those negotiations have not always gone smoothly, and some continue to believe that war is preferable to peace. Nevertheless, we remain confident that African statesmen, such as yourself, Mr. President, will be able to bring about national reconciliation in Angola and greater peace and stability in your entire region.

Mr. President, as we talk about the world's problems and their peaceful resolution, I would like to use this occasion to send two messages to the people of Africa. Some have suggested that events in the rest of the world, including Central Europe, mean that the United States will no longer pay attention to Africa. I can assure you and everyone in Africa that this is not the case. I had the pleasure of visiting Africa three times while I was Vice President and hope to be able to do so again. And Africa is the ancestral home of many Americans. And Africa is a major contributor to the world's supply of raw materials and minerals and a repository of many of the

world's environmental riches, such as the lush, natural beauty of the Congo's tropical forests. Africa's our friend, and friends don't forget one another. Rather, they provide help and work closely in common endeavors. And I hereby renew the commitment of the American people and Government to continue to do so in partnership with Africa.

Today America celebrates the birthday of one of our greatest Presidents, Abraham Lincoln. Shortly before he took office, Lincoln stopped in Philadelphia to speak at Independence Hall, and he spoke of war and revolution and of America's birth certificate, the Declaration of Independence, signed in that hall less than 100 years earlier. ``The Declaration,'' he said, ``gave liberty not alone to the people of this country, but hope to all the world for all future time.'' And today another century has passed, and today liberty and hope are alive in the world as never before.

We welcome the steps Africa has taken to recognize and nurture this trend in recent years. And we encourage more rapid movement in this direction, for as recent events have proven from Central Europe to Central America, free people and free markets are the way of the future and essential ingredients of a successful, thriving, and truly developed nation. These are among the ideas I plan to share in our dialog over at the White House today.

And I believe that the leaders of Africa are reaching out to the United States, reaching out for a new partnership based on mutual responsibility and mutual respect. And so, the message of freedom and cooperation in my meetings with you, Mr. President, is also a message to the leaders of Africa.

Thank you, sir, for coming to the White House. We look forward to our visit and to mutually beneficial talks. Thank you very much.

President Sassou-Nguesso. Mr. President, as I step on American soil for my first state visit, I wish first of all to salute a great nation which has inspired so many ideals and dreams for mankind now for over 200 years. I wish to pay a well-earned tribute to your great people, who achieved its own freedom in order to spread values which continue to remain today the ideological foundation of contemporary societies. You, Mr. President, are one of the great figures who have inherited this rich legacy which has enabled your country to build a civilization which looks towards progress, which means it looks to the future, and does so in liberty and democracy.

The many highly positive initiatives which your ongoing consultation with your Soviet counterpart, President Mikhail Gorbachev, continue to result in, fall within the very happy prospect of a future that is less uncertain and more serene. We the people of Africa are convinced that such a fruitful dialog can only benefit all of mankind for peace and security as well as for economic development.

Because my visit coincides with the celebration of African-American Month, it gives me, a son of Africa, a chance to extend a respectful and grateful salute to the memory of President Abraham Lincoln and of Dr. Martin Luther King. Their lives, their struggle, represent for us Africans a never-ending source of admiration, pride, and hope. And I should like to include a great symbol of dignity for African men, Nelson Mandela, whose very recent release ushers in great prospects for the negotiations on the future of South African society. From this day on, the Congo can look forward with optimism to the future of its own relations with South Africa.

May this happy coincidence usher in a period of ever more encouraging prospects for the strengthening of friendship and cooperation between our two worlds, between America and the Congo. And as I thank you, Mr. President, for the very wonderful welcome you have extended to me and the message of friendship you have just addressed to me, may I tell you how very happy I am to be today in this great, beautiful capital, where there is so much history and where there is so much hope.

Long live the United States. Long live the Congo. I thank you.

Note: President Bush spoke at 10:12 a.m. at the South Portico of the White House, where President Sassou-Nguesso was accorded a formal welcome with full military honors. President Sassou-Nguesso spoke in French, and his remarks were translated by an interpreter. Following the ceremony, the two Presidents met in the Oval Office.

Remarks Upon Receiving the Boy Scouts of America Report to the Nation

February 12, 1990

Well, let me just say how pleased I am to be here. And thank you, Curtis, and thank you, Secretary Skinner -- Sam proudly proclaiming what we all are reminded of around here all the time: that he is an old Eagle Scout, and he's working on a new merit badge for national transportation policy. We hope that it -- [laughter]. But to Harold and Ben Love and Earl Graves and the members of my administration and, of course, especially to the Scouts who've come here today, it is my pleasure to welcome all of you and to participate once again in this tradition that dates all the way back to 1910, when President Taft received the first Boy Scout delegation right here in the White House.

Let me say to all how deeply honored I am to receive this highest award: the Silver Buffalo. I live with a Silver Fox -- [laughter] -- and now she lives with a Silver Buffalo. But I'm honored because down through the years I've seen what the Boy Scouts mean in the lives of young men. And scouting is more than learning how to build a campfire or to tie a knot. And scouting teaches a love of outdoors and appreciation of our environment. It teaches the spirit of serving others, and self-respect. And let me make it pure and simple: It teaches lessons that last a lifetime. And so, when I hear about Boy Scouts that are out there helping the homeless or feeding the hungry or cleaning up our cities and towns or helping other kids stay drug-free, when I hear about boys as young as 8 and 9, Cub Scouts, doing things like that, I see a glimpse of the future -- what this nation can be like if we follow the lead of the Scouts.

And I know the Scout slogan is ``Do a good turn daily'' -- and every day you do. And that's why right now, with you here representing the national Boy Scouts organization, I want to recognize the work of the Montana Council of Boy Scouts for an environmental program they call Project Good Turn. In the past 5 years, Project Good Turn has collected over 5,000 tons of trash from all across Montana and involved more than 30,000 young people in the cleanup effort. And the Montana Scouts have made this a real community project, enlisting everyone from the Girl Scouts to the State Highway Patrol and the Montana National Guard. And so, today I take great pleasure in naming Project Good Turn the 65th daily Point of Light, a shining example of the kind of community engagement that makes a difference, the kind we've come to expect from the Boy Scouts of America.

I'm proud to accept this year's report to the Nation, the new edition of the handbook, and to have this opportunity to thank you all for the wonderful works done by the Scouts all across this country. Thank you all very much, and God bless you. Thank you for coming.

Note: The President spoke at 11:50 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Eagle Scout Curtis W. Hawkins; Secretary of Transportation Samuel K.

Skinner; Harold Sokolsky, assistant to the chief scout executive; Ben Love, chief scout executive; and Earl Graves, national commissioner.

The President's News Conference

February 12, 1990

The President. Good afternoon. Well, this has been an extraordinary and positive week in East-West relations. In the Soviet Union, progress was made at the Central Committee plenum on moving the Soviet political system toward pluralism and genuine respect for the views of the Soviet electorate. I commend this development, which demonstrates once again why our administration has supported Chairman Gorbachev's efforts to extend glasnost and perestroika through the Soviet Union.

Secretary Baker's visit to Moscow made solid progress in pushing the U.S.-Soviet agenda forward in preparation for the June summit here. We made important headway on conventional arms control, START, nuclear testing, and chemical weapons and continue to explore ways to reduce our differences on regional issues, especially concerning Central America and Afghanistan. All in all, Secretary Baker's talks in Moscow accomplished much of what Chairman Gorbachev and I intended when we set the goals for this meeting during our discussions at Malta. I am confident that if we continue this kind of momentum in our bilateral relationship with the Soviet Union, the June summit will be a major success.

And finally, I want to congratulate [West German] Chancellor Kohl for his successful visit to Moscow. His visit reflects the accelerating pace of German self-determination; and the statements on German unity, on the Soviet side, by the Soviet side, were most welcome. And we support Chancellor Kohl's position that a unified Germany should remain a member of NATO. Let me also express my appreciation of Chairman Gorbachev's statesmanlike view that decisions regarding German unity should be left to the people of Germany. I made a statement this morning on the wonderful news of the release of Mr. Mandela [African National Congress leader], so I will leave that to the question period.

But, Terry [Terence Hunt, Associated Press], I understand you have the first question today.

Conventional Force Reductions in Europe and Arms Reduction Agreements

Q. Yes, Mr. President. What is your reaction to Mr. Gorbachev's counterproposal for troop cuts in Europe? And in the wake of Secretary Baker's visit to Moscow, what do you think the likelihood is that there will be three treaties to be signed this year -- chemical, strategic, and conventional?

The President. Let me take the last one first. I'm not sure that there will be three treaties to be signed by the time we have this summit, but I think there's going to be progress towards all three, and it's still our goal to get that CFE [conventional force reductions in Europe] agreement signed. On the troop -- where Gorbachev wanted to have either 195,000 or 225,000 -- we're

going to stay with our proposal because we don't see this linkage to that degree.

We're talking about the forward deployment there in Europe, the 195,000, and that's what we're challenging him to reduce. And we've got a big ocean between us and Western Europe. And so, the argument that we should always have a linked reduction is one that I want to get away from now. I think we've made some real progress on this, and I was very pleased with his reaction to our proposal, but I don't think we need to have exact linkage from this point on.

Q. Well, if you're rejecting his counterproposal, is there an impasse now?

The President. I wouldn't call it an impasse. This is the way it works when you're discussing these arms control things. No, I don't think we've got an impasse.

U.S. Military Presence in Europe and Defense Spending

Q. With the breakup of the Soviet empire, and you want Germany to remain in NATO, who's the enemy? [Laughter]

The President. What was that?

Q. Who's the enemy? Who are they supposed to be fighting against?

The President. Who?

Q. The NATO troops? U.S. troops in Germany?

The President. The U.S. troops are there as a stabilizing factor. Nobody can predict, Helen [Helen Thomas, United Press International], with total certainty, what tomorrow's going to look like. I've been wrong. You've been wrong. He's been wrong. She's been wrong -- on how it's going to go. And we don't know in our -- --

Q. Do you expect the Soviet -- --

The President. May I finish, please.

Q. Okay.

The President. Our European allies want us there. I have a feeling that some of the Eastern Europeans want us there because they know that the United States is there as a stabilizing factor. And we will be there for a long time to come -- hopefully, at significantly reduced numbers.

Q. May I just add, Mr. President, that there's a wide perception that your whole military budget is out of sync, that you're tone-deaf into what's been happening, and that there is a possibility of this money going for distressing domestic needs.

The President. I don't think that perception is widespread with the American people. I think the American people want a cautious approach to this. I don't think any of us think we can see with clairvoyance what's going to happen the day after tomorrow. And we are reducing our defense expenditures. We sent a budget proposal up there that makes good sense. You're right: Some of the Democrats are jumping all over us. But that's all right; that just goes with the system. The main thing is the Europeans, our staunchest allies, want us there because they see the U.S. as a stabilizing presence. And so, we are going to remain there. Now, as I say, I hope our negotiations go so well that we can have substantially reduced numbers over the years.

South Africa

Q. Mr. President, does the release of Nelson Mandela and the other steps announced by President de Klerk in South Africa alter in any way your views towards the United States economic sanctions which, of course, the Reagan administration, and you as a part of it, were never very enthusiastic about?

The President. What do you mean? In the sense of -- alter my views as to what we ought to do in the future?

Q. Well, as to whether they work or not?

The President. Well, I don't know that one can attribute all the change in South Africa to sanctions. Now, we've got some sanctions on there, and by law, they remain on until the South Africans have taken certain steps. Somebody asked me about this yesterday, and I said, well, I can't judge. Frankly, I think some are counterproductive. I happen to think American jobs there make good sense. And I don't think they perpetuate the status quo. But I think what's really changed is the mindset of the South African leadership. And I think that we ought to give Mr. de Klerk certain credit for being able to look much more realistically about political change and, hopefully, more favorably about a society that eventually eliminates this racism that is equated with apartheid.

Q. Well, would you be willing to push for the lifting of any of the sanctions before all of the conditions set forth in the law have been met?

The President. We can't do that. I'm bound by the law. And what I do want to do is discuss these provisions with Mr. Mandela and with Mr. de Klerk, and I've invited both of them to come here. And I also want to see them continue to talk with each other. And then out of that I think we'll have a much more realistic picture of what the United States might do in the future.

Q. Nelson Mandela continues to call for armed struggle to overturn apartheid. When he comes to the White House, would you urge him to adopt the nonviolent tactics of Martin Luther King?

The President. Yes, I would. But what I -- and I hope I didn't misread it -- I read his statement to be more on the defensive side when I looked at it this morning. Yes, we've always advocated nonviolence, and I think the United States ought not to move away from that.

Q. Could I just follow up on the question about the sanctions? Are there things that you can do for the South African Government apart from lifting sanctions? We realize that by law you can't lift the sanctions unilaterally. Are there other things you can do other than just asking de Klerk to come to Washington?

The President. Well, I would say out of the meeting with Mr. de Klerk I would have a clearer perception of what other things might be. I think having him here is a major step; I think it's a very important step. And so, I would simply have to defer on that question until I have a chance to talk to him.

Q. Mr. President, there are those who say -- keeping on with sanctions -- that now is more of a time than ever to keep all the pressure on and, if not keeping the pressure on, even go one step further. I wonder if you intended your invitation to Mr. de Klerk as a reward for what he's done, given that no South African President has ever been here before? And secondly, do you think it time, regardless of what you think of sanctions, to reward them in some other way?

The President. Reward?

Q. Reward South Africa?

The President. Well, I don't know about rewards. I think his coming here evidences the fact that we see in him a new brand of leadership, a man who is making dramatic changes in South Africa. The freeing of Mandela clearly is a very positive sign. And so, I think there's more to be done, but there are things that he has done that I think deserve our support and, I'd say, appreciation because I think these steps he's taking move South Africa down the road towards racial equity.

German Membership in NATO

Q. Mr. President, on Germany, would you be willing to consider a situation where a united Germany was not necessarily a full member of NATO?

The President. No, I think that Chancellor Kohl is absolutely correct, and we ought to support him -- NATO membership. And I think it's stabilizing. I think it's good.

Q. But full -- --

The President. There might be some flexibility, obviously, on the deployment of NATO forces; but in terms of membership, I think that is the most reassuring and stabilizing concept. I happen to believe that it is the most reassuring and stabilizing in terms of how the Eastern Europeans will eventually look at it. Maybe not today.

Q. But you mean the same kind of membership that West Germany now has?

The President. Sure. There's some flexibility on deployment of NATO forces into Eastern Europe. Nobody wants to threaten the Soviet Union. As I was trying to say to Helen, the U.S. presence is a stabilizing presence.

South Africa

Q. Mr. President, on the de Klerk visit that now seems to be almost a fait accompli, are there any conditions on that? Does he have to lift the state of emergency? And in your conversation with him, did he tell you when he would do that?

The President. There's no conditions on my invitation, if that's the question -- absolutely not.

Q. Well, would he come if the state of emergency has not been lifted? He hasn't done that.

The President. I don't know. I don't know whether he would or not.

Q. You didn't discuss that element with him?

The President. I didn't discuss any conditions. I said I want him to come. You have freed Nelson Mandela, you have taken certain steps that are positive, and we want to see more. We want to see you go further, but you're welcome. And that's the way -- --

U.S. War Games and Soviet-U.S. Relations

Q. Mr. President, do you have any second thoughts about -- --

The President. I was trying to identify the lady next to you, but go ahead.

Q. It happens all the time.

Q. Do you have any second thoughts about the trip last week [National Training Center, Fort

Irwin, on February 6]? I'm especially thinking of the war games with the Soviet tanks, particularly when your views on the defense budget are well-known and the Central Committee was meeting at the same time?

The President. No, I think it was a good trip. And I've read some ticktock inside here, but it doesn't bother me a bit. I think that those people that were there understood that that training has applications elsewhere -- we've seen recent areas where military force was used because it was well-trained. And so, I stand by that as a very good trip. You see, I support our defense budget; I think it makes sense. And the fact that we've got some critics up there that don't like it -- that's too bad. I think the American people want to see us stay strong.

Q. What signal does that send to Mr. Gorbachev, however, who you just praised a few minutes ago?

The President. Well, it sent a pretty good one, I guess, because we came out of that meeting with some forward motion. And I salute him. I can't say the trip to the State of California's desert had a heck of a lot to do with it, but if you'd listen to some of the critique from Capitol Hill, you'd have thought it had been a disaster. And yet I've told you we've just completed one of the most successful ministerial summits that we've had with the Soviets. So, the critics up there on the Hill can't have it both ways.

German Membership in NATO

Q. I just wanted to follow up on the Germany question. You said you thought that the Eastern Europeans would ultimately come to see this alliance with NATO as a positive thing, too. Are you suggesting, sir, that there's something less threatening about a Germany that is in alliance -- any alliance -- rather than a neutral Germany?

The President. I think so, because I think a Germany inside the NATO alliance -- they're good NATO partners now, and they'll be good NATO partners then. And they are very closely linked to the United States, and I think that's a very good thing.

Q. If I could just turn that around: Do you think that a neutral Germany does pose a threat potentially to its neighbors?

The President. Well, I know that's the concern of many Europeans, but it's a concern that would be allayed by having a unified Germany inside of NATO.

Conventional Force Reductions in Europe

Q. Mr. President, you indicated you don't think the conventional talks are at impasse. Would you be willing to consider an agreement in which the U.S. was able to keep extra troops in Europe,

but at a number somewhat less than the 30,000?

The President. Well, we've made our proposal. I don't make these proposals without consulting the allies, and there's agreement that these are the proper levels. It's a level that has been scrubbed by our military, and I think there's a happiness within our own military about this. For this time in history, I think it's the right level. And so, we're not out there trying to trade that away.

South Africa

Q. Mr. President, you talk often about the importance of free markets to democracy. But Nelson Mandela supports the ANC view about nationalizing South African industries, including banks and mines. How do you feel about that? And does that pose a problem for real democracy in South Africa?

The President. We are not for nationalizing. We're for privatization across the -- for free markets. And so, if we have a difference there, that's fine; we'll discuss it with him. But I am not about to embrace the idea that what we want to do is go down to more socialism when socialism is folding its hand and going over to the other side all across the world. I mean, you see this. So, this is a difference that we -- if that's his view, why, certainly we're not going to embrace that.

Q. Is that a severe obstacle, though, to having a successful democracy there?

The President. Nationalization of all the -- I don't necessarily associate nationalization -- socialization of industry, the goods and services produced belonging to the state -- I don't see that as particularly helpful towards democracy, if that's what you mean. But what I do agree with Mandela is, is to try to get a society that is not a racist society, doesn't support a concept of apartheid.

Q. On South Africa, the question is: How willing are you to become personally involved -- your administration become personally involved in facilitating negotiations between Mr. Mandela and President de Klerk? Are you ready to play a role like President Carter did in the Camp David accords in the Middle East?

The President. If such a role would be productive, I certainly would. But I have the feeling from the talks with both men -- just the short phone conversations with both Mr. de Klerk and Mr. Mandela -- that they feel they can talk to each other without the U.S. catalytic role. But, sure, if we could be helpful in a way of that nature, we certainly would.

Conventional Force Reductions in Europe

Q. Mr. President, there are some people who are questioning the need for a conventional forces

treaty at all at this point. The argument being that we're at a situation in which the East European countries are going to invite all the Soviet troops to go home anyway, and all that we'd be doing is codifying a Soviet presence that isn't even wanted in Eastern Europe. What's your response to that argument?

The President. Say it's very interesting, and it may well be that the pressure on the Soviets will have them withdraw to lower levels. I don't think there's great sentiment in the Warsaw Pact countries for continued Soviet presence. I'm not sure that it would negate the need to have an agreement. I think the Soviets would like to get our commitment, too. But you see, those troops are not wanted in Eastern Europe anymore. Our troops are wanted by the free world. And I suspect -- can't prove it -- that some countries in the Warsaw Pact countries today would see us not as a threatening presence but as a stabilizing presence.

Q. But is it possible the Soviets might use a treaty as an excuse to keep troops where they're not even wanted?

The President. I don't think they can do that. I think they've got a problem of a CFE treaty with us and others, but they also have the problem of opinion inside these countries. And they have enormous budgetary problems that make things very difficult.

South Africa

Q. Mr. President, what was your reaction to the rather effusive embrace of the South African Communist Party and the presence of the Communist Party flag on the balcony when Mr. Mandela made his speech yesterday?

The President. I didn't notice that. But you see, I think these Communist parties, for the most part, are sliding downhill. And I think what's coming uphill, and triumphantly so, is democracy and freedom. And I would hope that the steps that Mr. de Klerk is taking and is suggesting be taken would enhance the view that democracy and freedom are on the move.

Q. A followup, sir: If Mr. Mandela persists in allying himself with the Communist Party, would that change your view of his -- --

The President. Too hypothetical. I mean, what's good is that he's out there. Been in jail a long time. And it's an interesting question back here, but I'm not embracing every position of the ANC or some of the positions that are represented here today as Mr. Mandela's positions. What I am doing is embracing the concept that it's good that he's out of jail and that it's good that the South Africans seem to be moving towards a more equitable society.

German Reunification

Q. Do you think it's time for a conference of the Four Powers on Germany?

The President. No, not at this juncture. I know that idea has some credibility right now, but I think it's moving along pretty well. And we have always favored self-determination and that the Germans have to sort this out. At some point, clearly, the Four Powers will have to have some say. There's no question about that. Whether it's two-plus-four or what the formulation is, we're not locked on that at all.

Q. If Gorbachev continues to insist on German neutrality, Mr. President, do you think that could create a dangerous impasse that would spawn a neutrality movement in West Germany?

The President. Not necessarily. But I think that we've seen the Soviet Union's position change on the whole concept -- or the whole acceptability of German reunification. It wasn't so long ago that Mr. Gorbachev and the Soviet system were positioned very skeptically about any reunification. And that's what was so symbolic about the Kohl-Gorbachev meeting, so important about it. And I might say that it was a very emotional day for people in Germany -- GDR [German Democratic Republic] and FRG [Federal Republic of Germany] -- highly emotional. Brother separated from brother, cousin from cousin, and all of this -- now with a chance to have peaceful reunification.

And so, I don't want to buy into any real hypothesis on what might happen, but I think we ought to applaud the fact that the Soviets demonstrated a real flexibility on this question that we didn't think they had a few months ago.

Q. Can I just follow: Do you now think, then, that German unification is unstoppable and that Gorbachev will back off his demands?

The President. Well, I think, again, I'd just refer it to the will of the people there. And it seems to be moving very fast in that direction.

Israeli Trade Minister Sharon's Resignation

Q. Sir, what is your visceral reaction to the resignation of Ariel Sharon and its effect on the peace process? And is this part of the pattern of the hard-liners losing out around the world?

The President. You know, I just heard about this, and I have to understand more about what went on there. But Mr. Shamir [Prime Minister] was the proponent of these talks, and if this clears the way for the talks to go forward, that would be in keeping with U.S. policy.

South Africa

Q. When you talked with Mr. de Klerk and Mr. Mandela, did you talk about -- when you talked

about democracy and freedom, did you make the point that in our understanding of democracy, the majority rules? I'm really wondering about de Klerk. Or will you talk with him about that when he comes?

The President. I'm sure we will -- and with Mr. Mandela. But that did not come up in these conversations. None of the detail here on the various sanctions or anything of that nature came up.

Q. Is that what you would tell him? De Klerk, I'm speaking -- --

The President. Well, let's wait and see what happens when he gets here.

Yes, Sarah [Sarah McClendon, McClendon News]? You haven't had one for a long time.

Military Base Closings

Q. Thank you so much. Sir, we have a big problem in this country with the bases that we have to close and the tens of thousands of personnel we have to let go out of the military, and out of civilian roles, too. I wonder if you would be for taking these military bases and turning them into prisons rather than building new prisons, and if you'd be for using the extra housing for the homeless?

The President. Well, Sarah, let me say this: that when military bases close, various communities historically seem to prosper. And I think the one in Waco, Texas, where a base was closed -- it was years ago -- all kinds of speculation that this would be the end of the world, and then gradually found out that it doesn't work that way. And so, I think there will be socially redeeming uses for these benefits that municipalities and county governments and others -- these bases -- that these entities may want to use them for.

And so, I would say it's a good question, because we can say to others this is not the end of the world. But let me say, on base closings: These suggested closings were made without political favor; and I would hope that we could get the Congress convinced that the age-old adage ``cut here, cut there, but don't cut in my district'' could be laid aside now. And I hope that that's what will prevail.

I said out there in San Francisco that instant doves become feathery instant hawks on base closings -- [laughter] -- only if it's in their district. And I want to see that changed, and I've got to convince these folks that we're not doing this in some vindictive political way. We're doing it to try to accommodate to what will be a new kind of defense force in this country.

Arms Reduction Agreements

Q. Mr. President, I wonder if you could clarify your position on your hopes for the June summit. Is it your view that it may be possible there if not necessarily to sign formal treaties but to substantially complete the CFE and the START and even maybe the chemical?

The President. Chemical. I'd hope we'd be substantially completed -- that's a good way to phrase it.

South Africa

Q. Your Assistant Secretary for Africa seemed to suggest that some sort of gestures were now needed towards South Africa. Has there been any discussion of that or have you pretty much ruled it out, any concrete move, until the state of emergency is lifted?

The President. Well, we have certain provisions in the law that have to be met. But I would hope people would see the invitation to Mr. de Klerk, certainly, as a gesture, but one that will have, after the discussions with him, I think, considerable more substance to it.

German Membership in NATO

Q. Can you support a situation -- back to Germany -- where there is membership, let's say political membership, in NATO, but not a military relationship that exists now, with the possibility of no foreign troops on German soil and a reunified Germany?

The President. I don't think we're contemplating a neutralized Germany, and I have stated my position in terms of the alliance. And that's the way we view it, and I'm sure that's the way our allies look at it.

Q. Can I ask -- since you had mentioned that unification is a matter to be left to the German people -- if there were some referendum where they wanted a configuration without foreign troops on German soil, how would you deal with it?

The President. I would cross that bridge when I came to it. But I would point out that Helmut Kohl, to his credit, is not considering that.

Drug Summit in Cartagena, Colombia

Q. Mr. President -- in a different hemisphere. Over the past couple of months, when asked why you're going to Cartagena this week, you've said you want to show support for the Government down there. Now that you're just a couple days away, do you expect to do anything more than that -- than show the flag? Do you expect anything concrete to come out of it, perhaps increased use of military down there?

The President. Well, I do think that we want to support Mr. Barco [President of Colombia], a courageous leader, and I think going there will certainly indicate how strongly I feel about that. But I think there'll be more than that come out of it. I hope we can get agreement in terms of support for the antinarcotics efforts in these three countries: Peru, Bolivia, and Colombia.

What was the last part?

Q. Anything in particular, like the increased use of the military -- the plan that seemed to have been scuttled earlier -- to use U.S. warships off the coast of Colombia?

The President. Well, what happened on that plan was some mischievous stories that suggested blockade. So, one of the things I'll try to do -- because there's never any intention of a blockade -- absolutely absurd. And yet that threw a panic amongst many of the Colombians, who said we don't want a blockade off our coast. And that wasn't whatever had been intended. But in terms of interdiction, what I'd like to convince them is we can be extraordinarily helpful, particularly to Colombia in their courageous fight against narco-traffickers, by a sophisticated interdiction effort.

Q. Mr. President, on the same subject. Some observers and some headlines recently have talked about we're winning the war on drugs. And I believe your last statement -- you said we're just starting on the war on drugs.

The President. Starting to win.

Q. Starting to win.

The President. Combined the two statements. [Laughter] We'll meld them.

Q. As you head for the drug summit, what will you tell the other leaders about the status on the war on drugs in this country?

The President. One of the points I'll emphasize at the beginning is: Look, I know you three leaders think that this is all the fault -- not entirely, but a lot of the fault because of the demand in the United States. And let me assure you, we're not just talking about interdiction, we're not just talking about anticrime aspects of this in the United States, we're talking about major efforts on the demand side, a major initiative -- and most of it is out in the private sector or in the schools, to educate people against the use of narcotics -- because they think that the United States is causing all this problem. It's changed a little bit, because some of them are beginning to see user problems inside their own countries or neighboring countries or countries that have -- across the ocean even. So, I think we've got to convince them that we are going out on all fronts, and I think I can do that.

Q. As a followup, they're -- from what we've heard -- going to ask you for more money for crop substitution, to substitute other goods for the coca crop down there. Will the U.S. put its money where its mouth is on that?

The President. Well, we'll listen to what they have to say on it, but they ought not to be condoning the growth of crops that are illegal in some areas, and certainly crops that are clearly used in the cocaine trade. And so, that's a moral question. I'd try to put it on that kind of emphasis and then see what we can do over here in terms of trying to help financially.

Warsaw Pact's Future

Q. Yes. You've said that the Eastern European countries want the Soviet troops to leave, and you've also pointed to the progress in talks about conventional force reductions. But the fact of the matter is, virtually all those Soviet troops are still there now in Eastern Europe. Can you point to any real progress on the ground, in terms of any changes in Soviet troop deployments in Eastern Europe? And to what extent do you see the continued threat for reversals, politically, inside the East bloc, that could cause those troops to continue to be deployed?

The President. To be wanted? I can't see a political change inside the Eastern European countries that would have an invitation go out to please remain. I don't see any politics or any political changes that would make me think that that is a likely scenario right now. And I do think that you put your finger on something -- they have not -- I don't know; I was looking for Brent [Brent Scowcroft, Assistant to the President for National Security Affairs] to see if any have been pulled back at all.

General Scowcroft. Yes, they have.

The President. He says some have, so we'll have to get you the information on exactly what withdrawals have taken place.

Soviet-U.S. Summit

Q. Mr. President, do you have a date for the summit with Mr. Gorbachev yet?

The President. Do what?

Q. Do you have a date?

The President. I don't think we've set the exact date.

China

Q. Mr. President, when you won the China veto vote, you said there were signs things were easing up in Beijing. Now they say that before students can leave the country to study abroad they'll spend 5 years at work. Isn't this backsliding, or is there some evidence that you have that things are easing up in China?

The President. Well, I'm disturbed by that statement. I don't like that statement because I feel that student exchanges are very good things to have between our countries. I know that some visas have recently been given to students, so I'd want to check the statement against the reality. I know that some students over there have been issued visas to come to the United States. But I saw the statement, and if you just want me to comment on the statement, I thought that was counterproductive, very much so.

Offshore Oil Lease Sales

Q. Mr. President, has the current oilspill out in southern California in any way changed your thinking about the wisdom of further development of offshore oil lease sales? And what is your timetable for when you're going to make the decision on those lease sales?

The President. A freighter or tanker has a hole punched in it, and I see a whole bunch of guys jumping up and down saying this proves you can't have any offshore drilling. I'm saying to myself, I'm not sure I understand the connection between tankers. Do they want to cut off all tankers, or do we just want to do our level best to make tankering safer?

I have said that we're not going to have drilling in highly environmentally sensitive places. But I'll be darned if I think we ought to shut down all offshore drilling everywhere. And I don't see that a spill from a tanker really has much to do with whether you can drill an offshore well safely, because it's going on all the time. And this country depends on it. We depend on offshore oil domestically for our own energy requirements. But I tell you what it does do: It reinforces my view that we've got to be very careful about leasing in sensitive areas, even though there's no connection between a tanker spill and a drilling of a well.

Q. But when do you plan to make your decision on those lease sales?

The President. Fairly soon. I read the recommendations and the report. It should be fairly soon.

Meetings With South African Leaders

Q. Mr. President, did Mr. Mandela and Mr. de Klerk accept your invitations? And if so, when are they coming?

The President. I have to go back and look at my notes, but I felt they accepted in principle, both of them. I think Mr. Mandela said he wanted to talk, I thought he said, to his executive council

or something. But anyway, he wanted to talk to some others that came right out the first few hours. I must say he seemed very pleased at that, and I think Mr. de Klerk the same way. But there wasn't any time set on either of those invitations.

NATO Military Doctrines

Q. Mr. President, is this the time to reexamine the ``flexible-response'' doctrine of NATO and, particularly, the wisdom of continuing work on the Lance missile?

The President. Well, that decision will not be taken until 1992. That was an agreement between all the NATO partners. And I see nothing to change that at this point.

Q. But could I just follow up? How can you, under current circumstances, justify possible deployment of the Lance, which would hit with nuclear warheads East Germany, perhaps Poland and Czechoslovakia?

The President. If you have these dramatic changes get effected, then you take a new look at all these considerations. That's what I would say.

Troop Cuts

Q. Yes. You talked a lot about troop cuts, but nobody is explaining how tens of thousands of soldiers would physically be removed from the armed services. What are your suggestions?

The President. Well see, I was talking to Marlin [Marlin Fitzwater, Press Secretary to the President] when I should have been listening. Excuse me. What was your question? The first part of it?

Q. A lot of people are talking about troop cuts, but you have not proposed a way to get many thousands of soldiers out of the armed services. How do you propose getting people out of uniform? Should we turn them all into DEA [Drug Enforcement Administration] agents or force a lot of early retirement? Do you want a lot of the people to go into the Reserves?

The President. Well, I'll tell you, in our defense budget, we did propose reductions. They'll come up over the years, not necessarily all at once. Eighty-one thousand troops, 2 active Army divisions, and then 2 battleships, 14 B - 52's, all of which have personnel with them, M - 1 tanks, Maverick missiles, sea-launch system, Apache helicopter -- several different systems that will eventually result in lower personnel. Maybe I'm missing the question.

Q. So, you're only talking about reducing forces by attrition?

The President. Oh. I would hope a lot of it could be done by attrition because of the highly trained, dedicated men and women in the Armed Forces. I would hope a lot could. You have relatively high attrition rates in spite of pretty good retention. But there's still attrition. And I would like to think that a kid that went in to make a career out of this would not be unceremoniously dumped from the armed services. No, that's a good point. And I would hope that attrition can take care of the cuts that inevitably would be coming.

I'm told by Marlin this has got to be the last one.

Antiapartheid Activism

Q. Mr. President, what role did antiapartheid demonstrations in this country play in the release of Nelson Mandela and other political prisoners?

The President. I don't know, because you had antiapartheid demonstrations in many countries. So, I think if people get the feeling in South Africa that apartheid itself is abhorrent to the United States -- through whatever way they get that feeling, whether it's a statement by the President, whether it's some legislative action, or whether it's some demonstration -- that's helpful. But I can't help you on how you would quantify that.

Thank you all. Really, I've got a 2:30 p.m. meeting. But thank you very, very much.

Note: The President's 35th news conference began at 2:01 p.m. in the Briefing Room at the White House.

Remarks on Signing the United Nations Convention Against Illegal Traffic in Narcotic Drugs and Psychotropic Substances

February 13, 1990

Well, I'm pleased today to sign the United States instrument of ratification for the U.N. Convention Against Illegal Drugs. In doing so is a key international goal of our initial drug strategy way back last September. And this important convention lays down clear norms for all nations to criminalize the production, cultivation, and trafficking in the drugs that are poisoning our kids: cocaine, heroin, marijuana, and other dangerous drugs. It calls for outlawing money-laundering and controlling essential and precursor chemicals, the chemical tools for producing the illicit drugs. And it provides for the seizure of drug-tainted assets, the extradition of drug traffickers, and other important measures of international cooperation.

This convention helps equip the international community with the coherent, tough legal authority to stop the flow of illicit drugs. And it says something very important -- sends a message -- and that is that this scourge will stop. And we will stop the criminals that deal drugs, and we'll take back the streets.

As we continue preparations for the Andean drug summit and on the eve of the U.N. General Assembly, I'd like to urge all nations to join the United States in ratifying this United Nations convention, to join us in working together to rid the world of this menace -- the menace from drugs. And now I'll sign the documents.

Thank you all very much. Thank you.

Note: The President spoke at 11:50 a.m. in the Roosevelt Room at the White House.

Statement on Signing the United Nations Convention Against Illegal Traffic in Narcotic Drugs and Psychotropic Substances

February 13, 1990

I am most pleased today to sign the United States instrument of ratification for the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances.

We have labored long and hard to create through this Convention stringent international norms for the criminalization of drug trafficking, the forfeiture of drug proceeds, the control of chemicals essential to the manufacture of dangerous drugs, and cooperation among nations in combating drug trafficking. United States legislation already in place in each of these areas is a model for the rest of the world and indeed formed the basis for many of the central provisions of the Convention.

By signing this instrument of ratification, we move one important step closer to placing in the hands of all signatory nations to this Convention a new and formidable weapon in our continued struggle against international drug traffickers.

The Convention will obligate all participating countries to criminalize each link in the chain of activities with which these dealers in death seek to enslave our citizens, from drug production to the final laundering of drug profits. It will remove the drug lords' shield of bank secrecy and establish effective measures to seize and forfeit the billions of dollars in proceeds realized by their commerce in misery. It will place controls on the international flow of essential chemicals necessary for the production of these poisons. It will mandate unprecedented cooperation in the investigation and prosecution of drug-trafficking offenses and facilitate the extradition of drug traffickers to stand trial for their crimes.

On the eve of our Andean Drug Summit and the United Nations General Assembly Special Session on drugs, we call upon all nations to join us in ratifying this Convention and undertaking its solemn obligations to work together as never before to rid our world of the threat to our freedoms that drug trafficking represents.

The fight against drug traffickers is one that we must win, and this Convention can give us new hope that we will.

George Bush

Nomination of Herman J. Cohen To Be a Member of the Board of Directors of the African Development Foundation

February 13, 1990

The President today announced his intention to nominate Herman J. Cohen, of New York, to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1991. He would succeed Chester A. Crocker.

Currently, Mr. Cohen serves as Assistant Secretary of State for African Affairs in Washington, DC. Mr. Cohen graduated from City College of New York (B.A., 1953). He was born February 10, 1932, in New York, NY. Mr. Cohen served in the U.S. Army, 1953 - 1955. He is married, has two children, and resides in Washington, DC.

Remarks on Signing the Urgent Assistance for Democracy in Panama Act of 1990 and a Question-and-Answer Session With Reporters

February 14, 1990

The President. Well, let me first give this statement. And I want to congratulate Secretary Baker for his superb job at Ottawa and also for following through on his meetings in Moscow on the agenda that President Gorbachev and I set out at Malta. And I'm delighted that the 23 members of the Vienna negotiations on conventional forces in Europe accepted the NATO initiative, which I proposed in my State of the Union Address on January 31st, to resolve the issue of manpower.

The United States and the Soviet Union each will station no more than 195,000 troops in the central zone in Europe. And this will be the overall ceiling for Soviet troops stationed on foreign territory in Europe. The U.S. will be permitted to station the additional 30,000 troops in Europe, outside the central zone. Now, this is an important breakthrough which removes a major obstacle to the early conclusion of a CFE treaty. And it also establishes the principle that U.S. forces in Europe are not to be treated as equivalent to Soviet forces in Eastern Europe.

The other major breakthrough was on German unification. And I called [West German] Chancellor Kohl yesterday to discuss the final details of the agreement that Secretary Baker reached at Ottawa. We and our German allies are in full accord. Things moved quite fast there. And the agreement we've reached calls for the Foreign Ministers of the two German States to meet with the Foreign Ministers of the Four Powers -- the United States, France, the United Kingdom, and the Soviet Union -- to discuss the external aspects of the establishment of German unity. This brings us a step closer to realizing the longstanding goal of German unity. And as I said in Mainz last May, it's a goal we and our allies have shared with the German people for more than 40 years.

These steps, along with the inspiring march of democracy in Eastern Europe, bring within sight the objective that I have stressed throughout the first year of my Presidency: a Europe that is whole and free.

Another subject that's related to the march of democracy in our own hemisphere -- I think it's appropriate that the Secretary of State is here with me today as I sign into law the Urgent Assistance for Democracy in Panama Act of 1990. And I want to thank Congress for acting rapidly on this legislation. And I'm pleased to see such strong bipartisan support for the task of helping Panama rebuild and strengthen its economy and its democracy. With the signing of this legislation, we'll move forward with the broad range of activities to assist Panama, including AID and OPIC, Ex-Im Bank and other assistance in restoring Caribbean Basin Initiative and

GSP trade benefits.

I look forward to working with Congress on these particular initiatives and on implementing the second phase of our economic recovery program for Panama. This legislation is an important step in our continuing effort to cooperate with the Panamanian Government and the people there, as they work to build a new and better life for themselves in freedom and democracy.

And thank you, and now I'm pleased to sign this statement. Maybe you want to give a couple of these to the congressional leaders.

[At this point, the President signed the bill.]

All right. Thank you all.

Conventional Force Reductions in Europe

Q. Mr. President, why do you think Chairman Gorbachev acceded to your proposal on the troop levels?

The President. I think he saw that it made very good sense. I have Jim's [Secretary of State Baker] comment; he discussed it with [Soviet Foreign Minister] Mr. Shevardnadze. But we've stayed firm on this proposal. We think it's a very sound proposal; it has the strong support of our allies. Events are moving awfully fast there, and I think they see this as good for them, and I hope they see it as a stabilizing agreement for Europe.

Q. Mr. President, on Monday -- --

Germany

Q. Mr. President, Mr. Shevardnadze has said up in Ottawa that he could foresee a united Germany with a role for both NATO and the Warsaw Pact. You've always said that NATO has to have its role. I assume that's still your position, but could you see the Warsaw Pact having a role as well?

The President. Well, the way it looks to me is that the allies want the stability of U.S. forces and a united NATO -- U.S. forces in Europe and a strong NATO. The Eastern European countries that make up the Warsaw Pact want the Soviet troops to leave. You have a different equation now. And we are talking about Germany remaining in NATO -- flexibility on where the troops in Germany are, but a strong NATO. And as I said the other day, I think it stabilizing, certainly as far as Western Europe looks at it, and also I think you're going to find a lot of countries in Eastern Europe see us as a stabilizing factor there.

Q. So, no Warsaw Pact?

The President. Well, these things are being discussed. I think changes are going on so fast there that it's hard to keep up with them all. But, again, I salute Secretary Baker and our people who went with him on this trip because a lot of things happened that happened more quickly than certainly I would have thought. This troop agreement is one of them.

Q. You said on Monday -- --

The President. -- -- think we set out some -- --

Q. On Monday you said that the time was not right for a Four Power conference on Germany. Did something change between Monday and the agreement on Tuesday?

The President. Well, I'd let Jim address himself to that, but, yes, I think there was a lot of change -- not about change but certainly there was a feeling on the part of Chancellor Kohl, who told me this on the phone yesterday that the agreement that Secretary Baker had been discussing and details of which he worked out with Shevardnadze and the allied leaders was a very sound step. And we're not trying to dictate to anybody over there how it would work; I left that question open. But, yes, it moved very, very fast.

Do you want to add something to that?

Secretary Baker. No, sir, I think that's it.

Q. Were you not aware on Monday that things were moving in that direction that -- on Tuesday?

The President. Not aware on Monday that we were going to have a deal on Tuesday, absolutely not.

Secretary Baker. Nor were we in Ottawa, I might add.

The President. And nor were we on the troop deal. I mean, you've got to realize, Norm [Norman Sandler, United Press International], we're dealing with historic change; and we need to be very elated about this. [Laughter] Seriously. And it's very, very fast. And the fact that the Secretary was able to close this deal in such a short period of time -- I say short from the time we last talked about it -- I think is evidence of this. But he can't do that alone; he has to have the change from the Germanys. But you've got to remember, [East German Prime Minister] Modrow has talking to Kohl, and Jim's been talking to Shevardnadze. The NATO people were meeting. We had this conversation over the weekend with Woerner [Secretary General of NATO]. And so, there's a lot of diplomacy going on.

But, no, this surprised me that they were willing to make an agreement on that, as it did troops. But I thought it was right to stay firm on it.

Conventional Force Reductions in Europe

Q. In light of that, what about some of the -- I guess it is criticism -- that by agreeing to a CFE agreement with 195,000 that you're legitimizing their keeping that number of troops in Eastern Europe? And is it time to lower that -- --

The President. We're dealing with a period of dynamic change. We are trying to project, as I think I conveyed the other day, and Jim has been conveying, a sense of stability to the question. Our allies view this certainly as a good, sound number.

Now, what hasn't been taken into consideration -- and it takes time to work its way through the system, and it will happen after elections are held in various countries -- is how those countries feel about the presence of Soviet troops. So, what the Secretary was able to do here through the acceptance of our proposal is delink the weapons. And that's good because the Western Europeans -- and again, I repeat, I think some of the Eastern Europeans -- want us there, seeing us not as a threat but as a stabilizing influence. The Eastern Europeans appear not to want the Soviets there, and I have a feeling that Mr. Gorbachev will not want to stay against the general feeling there in Eastern Europe. And also, he has enormous problems on his own economic front.

So, the thing to do is, we got a good deal, a steady, stabilizing deal, and then see what events come along if we go. But now let's close the deal; that's what I want to do. Conclude this CFE agreement and get it done and signed. And there's still some technical problems in it.

Secretary Baker. -- -- a major disproportion in reductions, too.

The President. Yes. The original proposal had the Soviets taking down an awful lot more than we did. Now we've got what I think of as a delinked -- again, I think that is stabilizing. Somebody at the press conference the other day -- I had a question that at least implied to me they thought it may be destabilizing, that you want it linked to equal numbers. I don't agree with that. I think it's just the opposite.

Q. How soon does that get wrapped up now -- CFE?

The President. Jim?

Secretary Baker. The President has stated he wants it this year, so that's what we're shooting for.

Q. How about START? Are you preparing to propose any new initiatives at the START talks? There's been talk about a ban on mobile MIRV's.

The President. Well, I haven't had a chance to talk to General Scowcroft [Assistant to the President for National Security Affairs] in detail since the Secretary has been back, and I haven't had a chance to talk to him about it. But now guess what we're going to do? We're going to go in and talk about this.

Q. He wants it -- --

Q. Will we have trouble finding countries accepting 195,000?

The President. Oh, no. No, no, that's -- all right. Thank you.

Note: The President spoke at 1:45 p.m. in the Roosevelt Room at the White House. Parts of these remarks could not be verified because the tape was incomplete. H.R. 3952, approved February 14, was assigned Public Law No. 101 - 243.

Statement on Signing the Urgent Assistance for Democracy in Panama Act of 1990

February 14, 1990

I have signed today H.R. 3952, the ``Urgent Assistance for Democracy in Panama Act of 1990."

I would like to express my appreciation to the Congress in passing this legislation, which will allow us to proceed expeditiously on Phase I of our plan to foster economic recovery in Panama. We plan now to proceed with the broad range of activities that officials of my Administration have been discussing with interested Members of Congress in consultations that have taken place over the last several weeks. This program contains a range of AID, OPIC, Eximbank, and other assistance, as well as restoration of Caribbean Basin Initiative and Generalized System of Preferences trade benefits for Panama.

I am further appreciative of the provisions that will permit us to provide certain assistance for Panamanian law enforcement agencies on an expedited basis. This will facilitate our efforts to have the Panamanians assume the law enforcement responsibilities now being shouldered by our military forces.

I look forward to working with the Congress on the necessary legislation to implement Phase II of our economic recovery program for Panama.

Finally, I note that Section 104(b)(3) of the Act requires me to report on agreements with Panama ``in the process of negotiation." The Constitution, however, commits to the President the responsibility of negotiations with foreign governments and necessarily provides the President with discretion to determine whether and when to disclose information concerning agreements that are in the process of negotiation. Accordingly, I will construe this section consistent with my constitutional responsibilities.

George Bush

The White House,

February 14, 1990.

Note: H.R. 3952, approved February 14, was assigned Public Law No. 101 - 243.

Nomination of Arthur E. Williams To Be a Member and President of the Mississippi River Commission

February 14, 1990

The President today announced his intention to nominate Brig. Gen. Arthur E. Williams, USA, to be a member and President of the Mississippi River Commission. He would succeed Thomas Allen Sands.

Currently, Brigadier General Williams is commander of the Lower Mississippi Valley Division in Vicksburg, MS. Prior to this he served as commander of the U.S. Army Engineer Division, Pacific Ocean Division, at Fort Schafter, HI, 1987 - 1989.

General Williams received his bachelor of science degree from Saint Lawrence University and from Rensselaer Polytechnic Institute. He received his master of science degree from Stanford University. He was born on March 28, 1938, in Watertown, NY. General Williams served in the U.S. Army, 1962 - present. He is married, has three children, and resides in Vicksburg, MS.

Statement on the Drug Summit in Cartagena, Colombia

February 15, 1990

It is truly a great pleasure for me to be in Colombia today. As I have said so many times, my admiration for President Barco, his colleagues, and all the citizens of Colombia who have joined in this difficult struggle to fight international narcotics traffickers have earned my profound admiration and that of the American people. We are deeply grateful.

I am looking forward to a fruitful and productive exchange of views with President Barco, President Garcia [of Peru], and President Paz Zamora [of Bolivia] in Cartagena. The Document of Cartagena, which we will sign, will establish a broad, flexible framework which will help guide the actions of our four countries in the years to come as we fight this war together.

In addition to signing the document, it is just as important that the four of us have an opportunity to exchange views candidly among ourselves concerning this international scourge that affects all of our countries. Frankly, I look forward to learning from my three colleagues today and expect to take home new ideas.

I would like to report this morning some very good news: that we appear to be making headway in the United States in our effort to reduce the demand for cocaine. Some very encouraging statistics were released Tuesday indicating that, on a wide front, drug use is declining, particularly among our young people, which is so important. Drug use among U.S. high school seniors has declined from a high of 32.5 percent in 1982 to a 1989 figure of 19.7. As I know there is great concern with regard to the use of drugs in the United States, I simply wanted to pass that good news on to you this morning.

Note: In the morning, President Bush arrived at Ernesto Cortissoz Airport in Barranquilla. He then went to the Guest House near the Naval Academy in Cartagena. There, President Bush participated in the arrival ceremony, a bilateral meeting with President Barco, and working sessions with the other summit participants.

Declaration of Cartagena

February 15, 1990

The Parties consider that a strategy which commits the Parties to implement or strengthen a comprehensive, intensified anti-narcotics program must address the issues of demand reduction, consumption and supply. Such a strategy also must include understandings regarding economic cooperation, alternative development, encouragement of trade and investment, as well as understandings on attacking the traffic in illicit drugs, and on diplomatic and public diplomacy initiatives.

The Parties recognize that these areas are interconnected and self-reinforcing. Progress in one area will help achieve progress in others. Failure in any of them will jeopardize progress in the others. The order in which they are addressed in the document is not meant to assign to them any particular priority.

Economic cooperation and international initiatives cannot be effective unless there are concomitant, dynamic programs attacking the production of, trafficking in and demand for illicit drugs. It is clear that to be fully effective, supply reduction efforts must be accompanied by significant reduction in demand. The Parties recognize that the exchange of information on demand control programs will benefit their countries.

The Parties recognize that the nature and impact of the traffic in and interdiction of illicit drugs varies in each of the three Andean countries and cannot be addressed fully in this document. The Parties will negotiate bilateral and multilateral agreements, consistent with their anti-narcotics efforts, specifying their responsibilities and commitments with regard to economic cooperation and intensified enforcement actions.

A. Understandings Regarding Economic Aspects and Alternative Development

The Parties recognize that trafficking in illicit drugs has a negative long-term impact on their economies. In some of the Parties, profits from coca production and trade and from illicit drug trafficking contribute, in varying degrees, to the entry of foreign exchange and to the generation of employment and income. Suppression of coca production and trade will result in significant, immediate, and long-term economic costs that will affect, in various ways, each of the Andean countries.

The President of the United States will request Congress to authorize new funds for the program during fiscal years 1991 to 1994, in order to support the Andean Parties' efforts to counteract the short- and long-term socio-economic impact of an effective fight against illicit drugs. This contribution by the United States would be made within the framework of actions against drug trafficking carried out by the Andean Parties. The Andean Parties reiterate the importance of

implementing or strengthening sound economic policies for the effective utilization of such a contribution. The United States is also prepared to cooperate with the Andean Parties in a wide range of initiatives for development, trade and investment in order to strengthen and sustain long-term economic growth.

Alternative development, designed to replace the coca economy in Peru and Bolivia and illicit drug trafficking in all the Andean Parties, includes the following areas of cooperation. In the short term, there is a need to create and/or to strengthen social emergency programs and balance of payments support to mitigate the social and economic costs stemming from substitution. In the medium and long term, investment programs and measures will be needed to create the economic conditions for definitive substitution of the coca economy in those countries where it exists or of that sector of the economy affected by narcotics trafficking. It is necessary to implement programs to preserve the ecological balance.

1. Alternative Development and Crop Substitution

In order to foster increased employment and income opportunities throughout the entire productive system and implement or enhance a sound economic policy to sustain long-term growth, the United States will support measures aimed at stimulating broad-based rural development, promoting non-traditional exports, and building or reinforcing productive infrastructure. The Parties, in accordance with the respective policies of Bolivia, Colombia, Peru and the United States, shall determine the economic assistance required to ensure sound economic policies and sustain alternative development and crop substitution, which in the medium term will help replace the income, employment and foreign exchange in the countries in which these have been generated by the illegal coca economy. The United States is prepared to finance economic activities of this kind with new and concessional resources.

In order to achieve a complete program of alternative development and crop substitution, the Parties agree that in addition to the cooperation provided by the United States, economic cooperation, as well as greater incentives to investment and foreign trade from other sources, will be needed. The Parties will make concerted efforts to obtain the support of multilateral and other economic institutions for these programs, as the three Andean Parties implement or continue sound economic policies and effective programs against drugs.

The Parties are convinced that a comprehensive fight against illicit drug traffic will disrupt the market for coca and coca derivatives and will reduce their prices. As success is achieved in this fight, those employed in growing coca and in its primary processing will seek alternative sources of income either by crop substitution or by changing jobs. The Parties will work together to identify alternative-income activities for external financing. The United States is ready to consider financing of activities such as research, extension, credit and other agricultural support services and support of private-sector initiatives for the creation of micro-enterprises and agro-industries.

The United States will also cooperate with the Andean Parties to promote viable domestic and foreign markets to sell the products generated by alternative development and crop substitution programs.

2. Mitigation of the Social and Economic Impact of the Fight Against Illicit Drug Trafficking

As the Andean Parties implement or continue to develop effective programs of interdiction of the flow of illicit drugs and of crop eradication, they will need assistance of the fast disbursement type to mitigate both small- and large-scale social and economic costs. The Parties will cooperate to identify the type of assistance required. The United States is prepared to provide balance of payments support to help meet foreign exchange needs. The United States will also consider funding for emergency social programs, such as the successful one in Bolivia, to provide employment and other opportunities to the poor directly affected by the fight against illicit drugs.

3. Trade Initiatives, Incentives to Exports and Private Foreign Investment

An increase in trade and private investment is essential to facilitate sustained economic growth and to help offset the economic dislocations resulting from any effective program against illicit drugs. The Parties will work together to increase trade among the three Andean countries and the United States, effectively facilitating access to the United States market and strengthening export promotion, including identification, development and marketing of new export products. The United States will also consider providing appropriate technical and financial assistance to help Andean agricultural products comply with the admission requirements.

The Parties may consider the establishment of economic and investment policies, as well as legislation and regulations to foster private investment. Where favorable conditions exist, the United States will facilitate private investment in the three Andean countries, taking into account the particular conditions and potential of each.

B. Understandings Regarding Attacking Illicit Drugs

The Parties reaffirm their will to fight drug trafficking in a comprehensive manner attacking all facets of the trade: production, transportation and consumption. Such comprehensive action includes the following:

-- Preventive actions to reduce consumption and therefore demand.

-- Control and law enforcement activities against illegal cultivation, processing, and marketing of illicit drugs.

-- Control of essential chemicals for the production of illegal drugs and the means used for their transport.

-- Seizure, forfeiture, and sharing of illegal proceeds and property used in committing narcotics-related crimes.

-- Coordination of law enforcement agencies, the military, prosecutors and courts, within the framework of national sovereignty of each of the Parties.

-- Actions to bring about a net reduction in the illegal cultivation of coca.

The Parties undertake to engage in an ongoing evaluation of their cooperation, so that the President of the United States, as appropriate, may request Congress to provide additional assistance to the Andean Parties.

Given that the Parties act within a framework of respect for human rights, they reaffirm that nothing would do more to undermine the war on drugs than disregard for human rights by participants in the effort.

1. Prevention and Demand

The Parties undertake to support development and expansion of programs on comprehensive prevention, such as preventive public education in both rural and urban areas, treatment of drug addicts, and information to encourage the public opposition to illegal drug production, trade and consumption. These programs are fundamental if the drug problem is to be successfully confronted.

The Parties recognize that prevention efforts in the four countries will benefit from shared information about successful prevention programs and from bilateral and multilateral cooperation agreements to expand efforts in this field.

To this end, the Parties undertake to contribute economic, material and technical resources to support such comprehensive prevention programs.

2. Interdiction

A battle against an illicit product must focus on the demand for, production of and trade in that product. Interdiction of illegal drugs, as they move from producer to consumer, is essential. The Parties pledge to step up efforts within their own countries to interdict illegal drugs and to increase coordination and cooperation among them to facilitate this fight. The United States is ready to provide increased cooperation in equipment and training to the law enforcement bodies of the Andean Parties.

3. Involvement of the Armed Forces of the Respective Countries

The control of illegal trafficking in drugs is essentially a law enforcement matter. However, because of its magnitude and the different aspects involved, and in keeping with the sovereign interest of each State and its own judicial system, the armed forces in each of the countries, within their own territory and national jurisdictions, may also participate. The Parties may establish bilateral and multilateral understandings for cooperation in accordance with their interests, needs and priorities.

4. Information Sharing and Intelligence Cooperation

The Parties commit themselves to a greater exchange of information and intelligence in order to strengthen action by the competent agencies. The Parties will pursue bilateral and multilateral understandings on information and intelligence cooperation, consistent with their national interests and priorities.

5. Eradication and Discouragement of Illicit Crops

Eradication can play an essential part in the anti-drug fight of each country. In each case, eradication programs have to be carefully crafted, measuring their possible effect on total illicit drug production in each country; their cost-benefit ratio relative to other means of fighting illicit drugs; whether they can be most effective as voluntary or compulsory programs or a combination of the two; and their probable political and social consequences.

The Parties recognize that to eradicate illicit crops, the participation of the growers themselves is desirable, adopting measures that will help them obtain legal sources of income.

New economic opportunities, such as programs for alternative development and crop substitution, shall be fostered to help to dissuade growers from initiating or expanding illegal cultivation. Our goal is a sustained reduction in the total area under illegal cultivation.

Eradication programs must safeguard human health and preserve the ecosystem.

6. Control of Financial Assets

The Parties agree to identify, trace, freeze, seize, and apply other legal procedures for the disposition of drug crime proceeds in their respective countries, and to attack financial aspects of the illicit drug trade. In accordance with their respective laws, each of the Parties will seek to adopt measures to define, categorize, and criminalize money laundering, as well as to increase efforts to implement current legislation. The Parties agree to establish formulas providing exceptions to banking secrecy.

7. Forfeiture and Sharing of Illegal Drug Proceeds

The Parties pledge to implement a system for forfeiture and sharing of illegal drug profits and assets, and to establish effective programs in this area.

In United States cases related to forfeiture of property of illegal drug traffickers where Bolivia, Colombia, and Peru provide assistance to the United States Government, the Government of the United States pledges to transfer to the assisting government such forfeited property, to the extent consistent with United States' laws and regulations. The Parties will also seek asset sharing agreements for Bolivia, Colombia, and Peru, with other countries.

8. Control of Essential Chemicals Used in the Production of Illicit Drugs

The control in the United States of the export of chemical substances used in the processing of cocaine is vital. In addition, there is a need for greater control of the import and domestic production of such substances by the Andean Parties. Joint efforts must be coordinated to eliminate the illicit trade in such substances.

The Parties agree:

-- to step up interdiction of the movements of essential chemicals that have already entered the country, legally or illegally, and are being diverted for illicit drug processing. This includes controlling choke points as well as establishing investigative and monitoring programs in close cooperation with all the Parties' law enforcement agencies.

-- to further develop an internal system to track essential chemicals through sale, resale and distribution to the end user.

-- to cooperate bilaterally and multilaterally to provide each other with information necessary to track domestic and international movements of essential chemicals for the purpose of controlling their sale and use.

-- to support the efforts under the Organization of American States (OAS) auspices to develop and implement a regional inter-American agreement on essential chemicals.

9. Control of Weapons, Planes, Ships, Explosives and Communications Equipment Used in Illegal Drug Trafficking

Illicit drug trafficking is heavily dependent on weapons, explosives, communications equipment, and air, maritime and riverine transportation throughout the illicit cultivation and the production and distribution process.

The Parties agree:

-- to strengthen controls over the movement of illegal weapons and explosives and over the sale, resale and the registration of aircraft and maritime vessels in their respective countries, which should be carried out by their own authorities.

The Parties agree to establish within their own territory control programs that include:

-- the registration of ships and aircraft;

-- the adoption of legal standards that permit effective forfeiture of aircraft and vessels;

-- controls on pilot licenses and training;

-- registration of airfields in their respective countries;

-- development of control measures over communications equipment used in illegal drug trafficking to the extent permitted by their respective laws and national interests.

The United States agrees to work with the Andean Parties to stem weapons exports from the United States to illegal drug traffickers in the three Andean nations.

10. Legal Cooperation

The Parties pledge to cooperate in the sharing of instrumental evidence in forms admissible by their judicial proceedings. The Parties also agree to seek mechanisms that permit the exchange of information on legislation and judicial decisions in order to optimize legal proceedings against the traffic in illicit drugs.

The Parties recognize the value of international cooperation in strengthening the administration of justice, including the protection of judges, judicial personnel, and other individuals who take part in these proceedings.

C. Understandings Regarding Diplomatic Initiatives and Public Opinion

The scourge of illicit drug trafficking and consumption respects no borders, threatens national security, and erodes the economic and social structures of our nations. It is essential to adopt and carry out a comprehensive strategy to promote full awareness of the destructive effects of illegal production, illicit trafficking and the improper consumption of drugs. Toward this end, the Parties commit themselves to use all political and economic means within their power to put into

effect programs aimed at achieving this goal.

1. Strengthening Public Opinion in Favor of Intensifying the Fight Against Illegal Drug Trafficking

Public awareness should be enhanced also by means of active and determined diplomatic action. The Parties pledge to strengthen plans for joint programs leading to the exchange of ideas, experiences, and specialists in the field. The Parties call upon the international community to intensify a program of public information stressing the danger of drug trafficking in all of its phases. In this regard, the Parties undertake to give active support to Inter-American public awareness and demand reduction programs, and will support the development of a drug prevention education plan at the Inter-American meeting in Quito this year.

2. Economic Summit

The 1989 Economic Summit in Paris established a Financial Action Task Force to determine how governments could promote cooperation and effective action against the laundering of money gained through illegal drug trafficking.

The United States will host the next Economic Summit on July 9 - 11, 1990, in Houston. The United States will use this opportunity to seek full attention on a priority basis to the fight against illegal drug trafficking.

The Parties call upon the Economic Summit member countries, and on the other participants in the Financial Action Task Force, to give greater emphasis to the study of economic measures which may help to reduce drug trafficking. In particular, the Parties call upon the Economic Summit countries to take the steps necessary to ensure that assets seized from illicit drug trafficking in Bolivia, Colombia and Peru are used to finance programs of interdiction, alternative development and prevention in our countries.

3. Multilateral Approaches and Coordination

The Parties intend to coordinate their actions in multilateral economic institutions in order to ensure for Bolivia, Colombia and Peru, broader economic cooperation within the framework of a sound economic policy.

4. Report to the UN Special Session on Illicit Trafficking in Drugs

The United Nations has recognized that the problem of drug trafficking presents a grave threat to the security of the states and economic stability. It has called for a Global Action Plan and it has convened a Special Session, February 20 - 23, 1990, to discuss the magnitude of this problem. This will be a proper occasion to reiterate the need to bring into force as quickly as possible the

UN Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, which provides for energetic measures against illegal drug trafficking, while recognizing the ancestral and traditional uses of coca leaf.

The Parties request that consideration be given during the Special Session to the inclusion of the cooperative efforts outlined in this document to develop concrete programs for strengthening multilateral responses to the drug problem, as recommended in Resolution No. 44/141 of the United Nations General Assembly.

5. Report to the OAS Meeting of Ministers and CICAD

The Organization of American States has called an Inter-American meeting of Ministers responsible for national narcotics programs, to be held on April 17 - 20, 1990 in Ixtapa, Mexico. The Parties urge that the meeting of Ministers and the Inter-American Drug Abuse Control Commission (CICAD) give priority to the understandings set forth in this document and lend support to their early implementation within the context of regional cooperation against drugs.

6. Madrid Trilateral Meeting

The Parties stress the importance of the document issued by the Trilateral Meeting in Madrid and the efforts undertaken in Europe, particularly the participation of the European Community, with a view to adopting specific policies and initiatives against illicit trafficking of drugs.

7. World Ministerial Summit to Reduce Demand for Drugs and to Combat the Cocaine Threat

The Parties note with satisfaction the convening of a World Ministerial Summit to Reduce Demand for Drugs and to Combat the Cocaine Threat, to be held on April 9 - 11, 1990 in London. This meeting will serve to highlight the role demand reduction must play in the international community's efforts to reduce the trade in illicit drugs and will underline the social, economic and human costs of the trade. The Parties agree to coordinate their actions and future strategies in this area with the objective of building upon this important initiative.

8. Demarches to Transit Countries

Through specialized agencies of the United Nations such as the Heads of National Law Enforcement Agencies, our countries participate in important coordination efforts. The Parties undertake to strengthen cooperation with transit countries on interdiction of traffic in illicit drugs.

9. World Conference Against Illicit Drug Trafficking

In order to progress towards the goals agreed upon at the Cartagena Summit, the Parties call for

a world conference in 1991 to strengthen international cooperation in the elimination of improper consumption, illegal trafficking and production of drugs.

10. Follow-Up Meeting to the Cartagena Summit

In order to follow up on progress of agreements arising under the foregoing understandings, the Parties agree to hold a high level follow-up meeting within a period of not more than six months.

Note: President George Bush of the United States, President Virgilio Barco Vargas of Colombia, President Jaime Paz Zamora of Bolivia, and President Alan Garcia Perez of Peru met on February 15 in Cartagena, Colombia. This declaration was issued jointly by all of the participants in the summit. The declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

White House Fact Sheet on the Bolivia-United States Essential Chemicals Agreement

February 15, 1990

The U.S. and Bolivia signed a bilateral agreement on essential chemicals today. William J. Bennett, Director of the Office of National Drug Control Policy, signed on behalf of the United States, and Minister of Foreign Affairs Carlos Iturralde signed on behalf of Bolivia.

The agreement:

specifies certain information to be collected by the parties and provides for information sharing, mutual cooperation, and the coordination of investigative and enforcement efforts with respect to essential chemicals;

requires parties to promptly investigate the intended consignee or destination to confirm that the essential chemicals will be used solely for legitimate purposes;

requires the enactment of domestic legislation, where necessary, to implement the agreement, including the ability to seize illicit shipments of essential chemicals;

obligates the parties to invite key nations and international organizations to join these efforts and to support them fully;

is consistent with and complements the Organization of American States' proposed Inter-American Drug Abuse Control (CICAD) agreement on precursor and other chemicals.

The agreement complements existing U.S. legislation and should provide us with additional tools to control movement and usage of those chemicals key to the processing of illicit drugs.

The Declaration of Cartagena reaffirms the need to enhance cooperation in the areas of monitoring, investigation, and enforcement with respect to illicit shipments of essential chemicals. The United States hopes to conclude similar agreements with other countries.

White House Fact Sheet on the Peru-United States Extradition Agreement

February 15, 1990

The United States and Peru signed an exchange of notes on extradition today. Secretary of State James A. Baker III signed on behalf of the United States. Guillermo Larco Cox, Prime Minister and Foreign Minister, signed on behalf of Peru.

This exchange of notes will:

confirm our bilateral commitment to extradition;

confirm explicitly that narcotics trafficking and related drug offenses are incorporated by reference in the 1899 United States-Peru Extradition Treaty.

This agreement represents the mutual desire of our countries to try to enhance effective law enforcement cooperation and to recognize the importance of the return of fugitives to stand trial as part of this effort. The exchange of notes should lead to further discussions between the two Governments with respect to extradition and the return of fugitives generally.

White House Fact Sheet on the Bolivia- and Peru-United States Public Awareness Measures Memorandums of Understanding

February 15, 1990

The United States signed two bilateral public awareness measures memorandums of understanding today in Cartagena, one with Bolivia and one with Peru. Secretary of State James A. Baker III signed both agreements on behalf of the United States. Minister of Foreign Affairs Carlos Iturralde signed on behalf of Bolivia. Guillermo Larco Cox, Prime Minister and Foreign Minister, signed on behalf of Peru.

These understandings will promote concrete measures reflecting the Declaration of Cartagena's emphasis on the need to raise public awareness and support for the measures we need to take to combat drug trafficking and consumption by:

encouraging collaboration on initiatives to build public support for countering narcotics production, distribution, and use;

recognizing that cross-fertilization of ideas, experience, and activities are essential to the success of counternarcotics efforts;

encouraging parties to establish and share the International Narcotics Information Network (ININ), a computerized data base, so that antidrug activities can be made easily obtainable to those needing this information;

promoting joint cosponsorship of mass media projects that promote the sharing of information about drug problems and solutions in the four countries.

The United States is discussing the possibility of similar understandings with other countries.

White House Fact Sheet on the Peru-United States Tax Information Exchange Agreement

February 15, 1990

The United States and Peru signed a tax information exchange agreement (TIEA) today. Secretary of State James A. Baker III signed on behalf of the United States. Guillermo Larco Cox, Prime Minister and Foreign Minister, signed on behalf of Peru.

This agreement will:

permit the exchange of tax records, bank statements, and other information in order to uncover illicit drug profits, trace drug money-laundering, and generally to further civil and criminal tax investigations;

encourage prosecution for tax evasion as an effective way to put drug dealers behind bars;

improve tax compliance, through exchanges of technical know-how, development of new audit techniques, identification of new areas of noncompliance, and joint studies of noncompliance areas.

The agreement is responsive on a bilateral basis to the pledge in the Declaration of Cartagena to tighten monitoring of financial transactions. We are discussing similar arrangements with other countries.

White House Fact Sheet on the Bolivia-United States Weapons Export Control Memorandum of Understanding

February 15, 1990

The United States and Bolivia signed a weapons export control memorandum of understanding today. Secretary of State James A. Baker III signed on behalf of the United States. Minister of Foreign Affairs Carlos Iturralde signed on behalf of Bolivia.

The memorandum of understanding will help diminish the flow of U.S. light arms and other items to drug traffickers in the Andean countries by providing a framework for:

the Department of State's Office of Munitions Control to condition issuance of a U.S. firearms export license upon the presentation of an import certificate validated by the importing government;

subsequent discussions that will specify the weapons and other items to be covered by the understanding.

The U.S. Government is also working domestically to suppress the flow of smuggled arms, which are an important part of the narcotics trafficking problem. We are pursuing discussions with other governments also concerned about limiting the flow of U.S. weapons to illegitimate end users in the Andean countries.

Joint News Conference Following the Drug Summit in Cartagena, Colombia

February 15, 1990

President Barco Vargas of Colombia. The multilateral agreement we have just signed opened a new era in this struggle against drugs. It is the first time that we developed a common scheme for common action. In -- [inaudible] -- we have agreed upon a very clearcut goal to be followed, and it has been agreed that it is necessary to adopt commercial measures to strengthen our economies, with the purpose of confronting the drug problem in all its scope and extension. I am also very pleased because the progress attained here today coincides with an integral policy that I have defended on behalf of the Colombian Government. This summit meeting undoubtedly has been a success. I would like to thank each and every one of my fellow Presidents for having expressed themselves so openly throughout our discussions.

Before beginning the dialog, I wish to say that it is not true, the rumors of certain negotiations with drug traffickers. That is completely untrue and false. The government policy has not changed. It is very clear that drug traffickers must put an end to their illegal activities and submit themselves to the Colombian legal and justice systems. You all know that the Colombian laws will not be negotiated. Thank you very much.

Q. Mr. President, the United States recently halted its plans to deploy naval forces in international waters off Colombia to help trap drug trafficking aircraft. Are you now willing for these operations to resume, and if not, can you tell us why?

President Barco Vargas. The answer is a very clear one. There is territorial maritime area in which -- or which belongs to, and cannot be altered by, nor crossed without permission from Colombia. There are other areas which in order to board or to cross a vessel they must request permission from Colombian authority. That permit is authorized. They will grant that permit. But this has certain legal implications which implies that a vessel in these international waters cannot be attacked.

Q. Sir, my question was U.S. naval forces in international waters off Colombia -- are you now willing for those operations to take place?

President Barco Vargas. No, it's not necessary. We don't need them. Colombian territorial waters are being patrolled by us and controlled by us. Muchas gracias [Thank you very much].

Q. President Bush, with all this security system that has been established, you showed that there is sort of a lack of trust regarding the Colombian authorities; perhaps you thought that we were not able to preserve your life and the people that came with you. So, now we would like to

know: Will we also have lack of trust regarding the cartel of drug users in the United States and people who are being bribed in the United States? Are you willing to fight against those cartels in the United States? It seems that your commitment is not as real as our President's commitment in this struggle against drug traffic.

President Bush. In the first place, I don't think I'd be here if I didn't have any lack of trust in President Barco. I wouldn't be here if I didn't strongly support his efforts to fight drugs. And I wouldn't be here if the best security experts in our country felt that there was undue risk. So, I'm here, and that should answer the first part of your question.

Secondly, fighting any cartel in the United States that has -- you want me to start over? Starting from scratch. The question related to my lack of belief in security here. I wouldn't be here if I had any such lack of belief. I am here. I have great respect for what President Barco is doing in the war on drugs. And I hope that my coming here, as with President Garcia and President Paz, demonstrates a solidarity of support for him. And the security arrangements have been very good. And I will say that there's been a lot of speculation about that in our country that's probably compelled you to ask the question.

Secondly, I don't know what cartel you're talking about, but I owe it to the children of America, the United States -- and I owe it after this cooperative meeting to these three Presidents -- to guarantee them that we will do everything we can to cut out the demand for narcotics in the United States. And that means going after any cartel, any individual, any lawbreaker of any kind who is violating the laws of the United States or, indeed, international law, when it comes to narcotics.

Q. Mr. President Jaime Paz, one of the means of putting an end to the scourge of drug trafficking is through the substitution of coca leaf plantations in a country such as my own. Nonetheless, the coca growers have shown and expressed their concern because of the destiny of trading the products that could substitute the coca leaf plantation and crops. They would like to see a fixed market with fair prices for their new products. Have you reached some type of agreement with the President of the United States of America so that this country will invest in buying the products that will substitute the coca plantations?

President Paz Zamora of Bolivia. Mr. journalist, regarding the point you have just touched, allow me before answering your question in a very specific manner to share with you an impression I had after having finished discussions in the meeting. Regarding the conception of the fight against drug trafficking, in Cartagena, we have begun some type of perestroika, even though I wouldn't say that I am acting as Gorbachev here. But we have given way to a great perestroika because we have reassessed and readdressed many things at the level of what used to be the idea we had not very long ago regarding how we should confront and broach this problem.

And I feel that all of us have changed. This has been a process that has become a reality here in Cartagena because the Presidents of the countries attending this meeting have begun to understand the true scope of this problem and the way to confront it also. And it is within this context that I would like for you to know -- and you will see this in the document that we have signed here in Cartagena -- you are going to see that the third part of the document deals with the need to have some type of alternate development vis-a-vis the problems posed by the surplus cultivation of coca leaves.

Therefore, we have expressed a concept that is very clear. It is not a mechanical substitution of a hectare of coca leaf for a hectare of cacao but rather of a concept related to the economy of the coca. But we have to develop a alternate development scheme that will bring about some type of alternate economy. And supposedly, it will be an economy with the ability to insert itself efficiently and in a competitive manner in the international market.

Therefore, questions such as the one you have just addressed will probably be reduced to a couple of -- [inaudible] -- or three, as can be the case of coffee and sugar at this specific point in time, for they do have fixed quotas in the American market. But the objective, the purpose, is to have an alternate development that will produce in my country an alternate economy, an alternative to the coca economy. But it must be an efficient and competitive economy that must not be subsidized by the international market. That, therefore, means that it must be some type of collaboration, some type of investment, in order to be able to substitute this alternate economy and lead us to have a sound and competitive economy in the international markets. So, it's a different way of approaching the problem in the terms in which we used to do a few months ago.

Q. Mr. President Garcia, your responsibility as President of a large amount of producer of the coca leaf is a total responsibility, vis-a-vis a country that is -- [inaudible] -- have depended for a long time on this crop. And second, you have a responsibility vis-a-vis the welfare of human beings, because you have said that narco-traffic is a crime against humanity. So, within the context that you yourself find in this summit meeting, are you being loyal to these two -- [inaudible]

President Garcia Perez of Peru. I think that this meeting is of the utmost importance. And using the title of an old friend: We are searching for lost time. And after much time, we are reinserting and reformulating here in a very loyal manner the problem of drug traffic and the illegal production of coca. And I do believe -- [inaudible] -- that we are starting with a new chapter not only in terms of -- [inaudible] -- but also in terms of the relations between the United States of America and Latin America.

With the documents that are signed, there is a whole reformulation and reinterpretation as to how we struggle with the drug traffic, a comprehensive and economic -- [inaudible]. And for the first time, it has been acknowledged that drug traffic is an economic aspect of our relations and that the struggle against drug traffic implies we compensate the overall disturbances and

disorders that this struggle might produce in our economies. It also acknowledges that the substitution of crops has to be supported by a -- [inaudible] -- of countries. [Inaudible] -- responsibility as producers, we commit ourselves to the struggle both at the productive level and in terms of humanization.

And we hope that where it is most important -- [inaudible] -- is that for the first time we have come together with the President of the United States, and at a multilateral level, to discuss and debate one of the many problems that we are confronting in Latin America and which unite our hemisphere. And just as we are -- [inaudible] -- Bolivia, Colombia, and Peru -- [inaudible] -- in order to deal with a problem that has been considered to be a security problem in the United States, I think that this is the first chapter of a multilateral approach to the problems of Latin America and its relations with the United States. And I do hope, Mr. President, that we will have the occasion to hold multilateral meetings to discuss problems such as foreign debt or in the commercial relations of our countries in the future. I think a new chapter of multilateral relations between Latin America and the United States -- and we are overcoming past stages at a bilateral level which have made the solutions -- [inaudible].

In answering your question, I feel very certain that we are recovering at a time -- [inaudible] -- because we have -- [inaudible] -- participation and because we are assuming our responsibilities, and as we discussed this morning, we are assuming a commitment of struggling, despite the fact that we are developing countries. And the United States of America -- that its contribution and its aid is not an aid but rather an investment for its future -- [inaudible] -- economic disaster occurring in the United States in view of the problem of drug use and abuse. And I think that in Cartagena every possible step has been taken. [Inaudible] -- we make slow, gradual -- [inaudible] -- in discussion of this issue, but what is important is that we have taken this to a multilateral level.

Q. Mr. President, in your welcoming remarks this morning, you mentioned that the problem of drugs is a problem of the world community. It mainly affects South and North America and Europe. From diplomatic sources in Europe, I've got the information that in an early stage European countries wanted to take part in this summit but have been blocked away. Why was it not possible that any European country could take part in this summit meeting?

President Barco Vargas. The answer to your question of why the European countries did not participate in this meeting is due, first, to the fact that that opportunity was never raised; and it was not logical for us to meet a series of concerns that are different. Whenever Europe wishes to talk with us, the Latin Americans, it will be indeed a great pleasure for us to agree to a meeting with the Europeans.

Q. President Paz Zamora, in Colombia, there are important leaders who consider that the repression against the drug cartels have failed and who encourage a dialog with drug traffickers. Which is your opinion regarding this position? Would you be willing to attempt a dialog in

Bolivia?

President Paz Zamora. As a result of my political vocation and ideology, I personally am willing and happy to have a dialog with everyone. But specifically, in the case we are discussing at this point, undoubtedly, we have come together here to Cartagena on the basis that the four heads of state and four countries agree and accept what is necessary now is to confront drug traffic as a threat against humanity. So, within the context of this meeting, I would say that if you think about, possibly -- the dialog is not something that is possible. We have come together in order to coordinate a joint comprehensive effort in order to struggle against drug traffic, which is considered to be a scourge against humanity.

Q. Mr. President Bush, we're seeing all kinds of military and material assistance to South American countries against drug cartels. Would you agree it's a kind of intervention of internal affairs to other countries? Why don't you invite more of these other countries to form any kind of independent, international organization to provide those kinds of assistance, rather than single, direct involvement?

President Bush. No, I don't agree with the gentleman at all. He asked whether I agree or not that this is some intervention in the affairs of these countries. And I think that's absurd on the face of it. And you've heard the welcome given this summit by President Garcia saluting the multilateralism. You heard President Barco call it this morning an unprecedented agreement -- no, this is President Paz -- an unprecedented agreement achieved in record time. And President Barco -- this meeting is the dawn of a new era in the war against drugs.

So, how anybody could suggest it was an intervention in the internal affairs is ridiculous. What we're trying to do is cooperate starting through this multilateral forum, this important summit of four nations. And then, I am pledged to work bilaterally with each of the countries because the problems are different here. But now, in terms of other countries around the world, I hope the United States will always be concerned about the problems of others and try to assist. And we are assisting. But this meeting should not be characterized as some intervention in the affairs of this country when I, along with two other Presidents, accepted the very gracious invitation -- I might thank you for the hospitality -- from the President of Colombia.

Q. President of Peru, Alan Garcia, our President, has asserted that this is the beginning of a new era; President Paz Zamora, who said that this is sort of a perestroika. You have said that this is a significant event because it is the first multilateral meeting on this level. When you go back to Peru, what will you be telling the people of your country in terms of a practical and real result in terms of the favored solution of their problem? And what could you say to the people of South America -- that they will be witnessing this exchange and that it will not be relevant -- [inaudible]?

President Garcia Perez. Thank you very much for your question. Personally, I would like to --

[inaudible] -- the problems of -- [inaudible] -- at a multilateral level. And most probably, I and President Bush will continue doing this on topics such as foreign debt and in our -- [inaudible] -- but certainly in responding directly to this.

We are doing a reformulation, a reinterpretation, of the struggle against drug traffic which calls for restriction in supply and demand, and substitution crops, and police control -- this is true. But it also predisposes the huge amounts of economic resources as an investment for the future. President Bush -- [inaudible] -- this problem of deciding on alternative crops -- how much will it cost now and how will the -- [inaudible]. As they say in the United States: ``Where is the hamburger?'' I think that -- [inaudible] -- before it was a military -- [inaudible] -- and where will these resources liberated by disarmaments, where are they going -- [inaudible]?

And in defense, I have confidence -- this is why I'm here. I think that this has been a desired effect in terms of confidence and -- this one -- in terms of we shall all make in terms of solving problems. And this is what I will be telling my country. We will start by solving the problems when you understand these problems, and the next step is to make investments to allocate resources for these problems. But what is seen here is the concept. Basically, what I started to say earlier, we have new relations between Latin America and the United States, and we hope that's forever.

Note: The joint news conference began at 4:31 p.m. at the Guest House near the Naval Academy in Cartagena.

The President's News Conference Following the Drug Summit in Cartagena, Colombia

February 15, 1990

The President. We depart Cartagena having forged an unprecedented alliance against the drug trade. This afternoon, my colleagues, President Barco [of Colombia] and President Garcia [of Peru], President Paz Zamora [of Bolivia], and I signed the Document of Cartagena which sets forth the principles of this alliance.

In signing the document we've committed ourselves to the first common, comprehensive international drug-control strategy. We, in fact, created the first antidrug cartel. The document, which creates a flexible framework under which the four of us will coordinate our activities, covers the major issues of economic assistance; demand reduction; expanded law enforcement and interdiction activities; the involvement of military resources, where possible, appropriate; and the control of precursor chemicals, automatic weapons, and other key components of the narcotics trade; the pursuit of profits and sharing of seized assets; and a commitment on the part of all of us to continue together regularly to coordinate our activities.

In addition to signing this Document of Cartagena, we begin the process of executing bilateral agreements in support of the document today. Secretary of State Baker executed the agreements with Peru on tax information exchange, public awareness, and extradition, and with Bolivia on public awareness and the export of defense articles. Director [of National Drug Control Policy] Bennett executed a bilateral agreement with Bolivia on the control of precursor chemicals. Equally important, the four of us today had an opportunity to discuss in total candor the problem that illegal drug trafficking and use presents to each of our societies.

I also had the opportunity to review with my colleagues the greatly expanded counternarcotics activities of the U.S. Government. The $2.2 billion, 5-year program to which the United States is committed to support our partners in this struggle was discussed in some detail. In addition, I had the opportunity to explain our plans to expand to $7.5 billion inside the United States on treatment, prevention, and criminal justice support.

I believe they were impressed with the major increase in resources, which we've committed to reducing demand in our country. I must say, I also listened very carefully to the challenges that each of the three countries face, and have come away with the new ideas worthy of consideration with a better personal understanding and appreciation of the problems that my allies face in this struggle.

And I cannot leave this beautiful country, Colombia, without once again emphasizing that President Barco and all of his citizens who joined him in this brave fight against drug trafficking

are an inspiration to me and an inspiration to the American people. I came here today to make the point as clear as I could that they do not and will not stand alone; they will have the steady and sustained support of the United States. We want to try to help them in the multilateral institutions, help President Barco in asset sharing and opening up markets as best we can. I want to thank him and his many colleagues for the most hospitable arrangements that we encountered here in Barranquilla and over in Cartagena. It was a great pleasure to be here -- albeit, very, very briefly.

So, thank you, again, President Barco. And I offer you my profound appreciation for your steadfast efforts in the fight against narcotics. I'll take just a few questions because we're scooting on.

Q. Mr. President, how long do you think it will take to replace the coca plant? And how much will it cost?

The President. Well, I know we did not go into the replacement costs. And I expect any program that tries to shake their economy, to move it out of planting, which is very difficult for those governments to control, is going to take some time. And I can't give you a time estimate on that.

Q. Mr. President, are you surprised that the narco-terrorists didn't strike today, that there was no attack on you or any bombing in this country just to register displeasure with your visit?

The President. Well, you know, I got a question at the press conference over there on security; and I want to thank not only the security people here but our own security people, Secret Service and others, who are concerned with the security of the President. And I am not surprised.

Q. Mr. President, I gather you chose not to raise today that rather ticklish question of a U.S. Navy radar net somewhere off the coast here. Why not, sir?

The President. Well, there was no discussion of a radar net. There is so much misunderstanding over what was intended in the first place that it's not timely to do that. However, there was discussion of interdiction and my reasserting to those countries, all three of them, my intention to interdict narcotics coming into this country [United States]. But the stories on the U.S. task force were so distorted that I felt it was better to keep talking in general terms about our military interdiction efforts rather than asking for support from any one of the three countries.

Q. Sir, do you feel that now, after this meeting, that your understanding with these leaders may have been enhanced to the point where you might soon be able to raise that topic again?

The President. Well, it depends in what way, yes, in the first place, I'd feel the understanding is enhanced. And it was a frank meeting -- I mean, very frank with us on things that maybe they wanted me to do more of, or disagreed with. But I think that the idea of working cooperatively

for interdiction is very important. You heard President Barco's answer there at Cartagena on that question. So, we're not going to push. We're not going to do something of that nature without a cooperative effort. But there are efforts in terms of interdiction on the high seas that the United States will continue to do.

Q. Mr. President, you acknowledged in the document today that the U.S. has a responsibility to help these economies wean themselves from the drug trade. Do you see that responsibility as job for job and dollar for dollar?

The President. No. But I see us making every effort we can to help them because they do have some severe problems. And I mention now trying to help Colombia, for example, in the multilateral agencies, for example. There's a lot of ways to try to help, but I don't think it is a job-for-job kind of approach. I don't think we can do that. I don't think there's a way the United States can do it or that any of the individual leaders can do it. We had a long discussion about the supply and demand of cocaine, how market prices affect what the farmers do in Peru or Bolivia. So, it isn't a job-for-job question.

Q. Mr. President, any successful interdiction strategy would require increased military-to-military cooperation. Is the U.S. already installing a ground radar system in Peru -- I mean, in Bolivia or Colombia -- I'm sorry -- or in any way helping the Colombians now to install a ground radar system?

The President. No, but I'd have to defer that question to somebody here. I know nothing of it. But I know there was a report that was written up that proved to be totally inaccurate, because I was just told there was a report saying there was some 200 people building a ground radar station. But I simply don't know of it. If there is, I'd be surprised, frankly.

Q. Do you know to what extent the U.S. and Colombia are, in fact, cooperating militarily now, in terms of interdiction efforts?

The President. Yes, I know that.

Q. Can you share that with us?

The President. No.

Q. Why not, sir?

The President. Because I don't feel like it, and because some of the things we do with Colombia -- if I shared it with you, maybe the drug narco-traffickers would find out about it, and I don't want to do that.

Q. Mr. President, the declaration calls for you to go to Congress for more money over the next several years. Does that go beyond the $2.2 billion, and if so, how much?

The President. Well, we're going to stay with this figure right now, but I expect the effort will continue to grow.

Q. Mr. President, perhaps -- for the sake of our children -- perhaps the United States wait too long to take this stand on the drug summit. And what is the timetable from now on?

The President. Well, you raised a very good point. And I think it has been too long before countries get together and try to work on this problem. But we're remedying that. The good news is -- and I shared a dramatic graph with the Presidents -- that we are making progress at home. One of the things that President Barco impressed on me some time ago was the need to do something about demand, and I believe we're making headway. I'm not happy with it, but we're making headway in the United States on that question.

Q. Mr. President, in addition to the good will, to paraphrase President Garcia, ``Where's the beef?'' What are these Presidents taking home to their own countries about the war on drugs?

The President. Read the communique, and I think you'll see.

Last one.

Q. Mr. President, how can we expect the Bolivians and Peruvians not to grow coca if we block their exports of flowers, citrus, sugar?

The President. I don't know if you heard the question. The question is: How can we expect them not to grow coca if we have other trade problems? And you mentioned sugar and flowers. I think the leaders here recognize that growing coca for the international drug market is immoral and wrong. And I think they believe that, and so they need assistance. If we have a flower problem, and we do -- I think we take 80 percent to 90 percent of the cut flowers from Colombia -- we've got to try to help on it. I don't know that we can solve it.

Coffee is a major problem for Brazil and the other countries -- I mean, for Colombia and also Brazil and the other countries with whom met -- please, just 1 minute; I'm not going to get to you, I don't think, because this may be the last one. And so, we have to work with them very cooperatively in trying to get a coffee agreement. But what I did get from these people -- and I think I knew it ahead of time, but had it reinforced -- was that these economies are hurting because of the kinds of export problems they are encountering. I have a problem and tried to explain it to them -- that consumers in the United States, the largest market for coffee, don't necessarily want to pay higher prices for it. And the same for flowers.

So, what we did on the flowers is explain the procedures that the Commerce Department -- and say that we would try to help in negotiating that. But the point is: It shouldn't be linked to whether people condone the growing of a crop that is illegal and that they're trying to stop, as a matter of fact.

Q. What about sugar, Mr. President? Will you address that?

Q. Europe and Japan in future negotiations.

The President. You're the guy. Yes. We're going to talk about that at the G - 7 [economic summit] in Houston, just as we did in Paris last year. It's a very important agenda item for the G - 7. And the more they get involved -- because they're user countries -- the better it'll be. So, I'll give a full report to the G - 7 and other European countries on this ice-breaking meeting here. And you can be sure it'll be on the agenda at the G - 7 summit in Houston.

Listen, thank you all very much. It's been a long day.

Note: The President's 37th news conference began at 6:10 p.m. at Ernesto Cortissoz Airport in Barranquilla, Colombia.

Letter to Congressional Leaders Transmitting a Report on the General Agreement on Tariffs and Trade Negotiations on Agricultural Trade

February 15, 1990

Dear Mr. Chairman:

As required under section 4301 of the Omnibus Trade and Competitiveness Act of 1988, I am enclosing a report on the status of the General Agreement on Tariffs and Trade (GATT) negotiations concerning agricultural trade. The report contains information on the progress that has been made to date in the negotiations, the general areas of disagreement, the anticipated date of completion of the negotiations, and the changes in domestic farm programs that are likely to be necessary on conclusion of the negotiations.

I certify that significant progress has been made in the negotiations, and that implementation of the marketing loan program described in subsection (b)(1) would harm further negotiations, and that implementation of the export enhancement program provided for in subsection (c)(1) would be a substantial impediment to achieving a successful agreement under the GATT.

I understand that Ambassador Hills (the Office of the U.S. Trade Representative) has consulted with your committee about this certification.

Sincerely,

George Bush

Note: Identical letters were sent to Senators Lloyd Bentsen, chairman of the Committee on Finance, and Patrick J. Leahy, chairman of the Committee on Agriculture, Nutrition, and Forestry; and Representatives Dan Rostenkowski, chairman of the Committee on Ways and Means; Dante B. Fascell, chairman of the Committee on Foreign Affairs; and E de la Garza, chairman of the Committee on Agriculture.

Memorandum on Federalism

February 16, 1990

Memorandum for the Heads of Executive Departments and Agencies

Subject: Federalism Executive Order

I wish to take this opportunity to reaffirm an important Executive order, issued when I served as Vice President, and call for your personal commitment in ensuring your department's or agency's compliance with its provisions. This order, which is entitled ``Federalism'' (No. 12612, October 26, 1987), establishes fundamental principles and criteria to guide you in developing and implementing policies that have substantial direct effects on States and local governments. Let me note a few of the order's more important provisions:

In most areas of governmental concern, the States uniquely possess the constitutional authority, the resources, and the competence to discern the sentiments of the people and to govern accordingly.

The nature of our constitutional system encourages a healthy diversity in the public policies adopted by the people of the several States according to their own conditions, needs, and desires. In the search for enlightened public policy, individual States and communities are free to experiment with a variety of approaches to public issues.

Federal action limiting the policymaking discretion of the States should be taken only where constitutional authority is clear and certain and the national activity is necessitated by a problem of national scope.

With respect to national policies administered by the States, the national Government should grant the States the maximum administrative discretion possible.

When undertaking to formulate and implement policies that have Federalism implications, Federal executive departments and agencies should (1) encourage States to develop their own policies to achieve program objectives and to work with appropriate officials in other States; (2) refrain, to the maximum extent possible, from establishing uniform national standards for programs and, when possible, defer to the States to establish standards; and (3) when national standards are required, consult with appropriate officials and organizations representing the States in developing those standards.

The Executive order has special requirements dealing with preemption and with legislative proposals. It also requires that, when a proposed policy has sufficient Federalism implications, the agency must prepare a Federalism Assessment. This assessment is intended to provide the

agency and the Administration with an evaluation of the extent to which the policy imposes additional costs or burdens on States and local governments. You are to consider the Federalism Assessment before adopting and implementing the policy.

The order also requires that you designate an official to be responsible for ensuring your agency's implementation of the order. Please ensure that your agency has provided the name of the designated official to the Director of the Office of Management and Budget.

I want to stress that the principles of this order are central to my Administration. I ask that each of you personally review the provisions of Executive Order No. 12612 and assure that the mechanisms necessary to ensure their implementation are in place.

George Bush

Statement on Signing the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991

February 16, 1990

I have signed today H.R. 3792, the ``Foreign Relations Authorization Act, Fiscal Years 1990 and 1991." This Act authorizes funding for the Department of State at a level sufficient to cover appropriations for this fiscal year. The levels authorized for Contributions to International Organizations and Contributions for International Peacekeeping Activities are those requested by the Administration. These authorizations provide for full funding of our assessed obligations in the international area.

This Act, which provides the Department's basic operational authorities, includes welcome new authorities for the Department, many of them included at the Administration's request. I am pleased that this Act does not contain a provision that compelled me to veto an earlier version of this legislation (Section 109 of H.R. 1487). Additionally, H.R. 3792 also waives a number of restrictive earmarks that would otherwise apply. I regret, however, that the Congress has included several provisions in the Act that raise constitutional difficulties.

The Constitution vests in the President the executive power of the United States. The executive power includes, among other things, the authority to receive and appoint ambassadors and to conduct negotiations on behalf of the United States with foreign governments. Thus, pursuant to the Constitution, the President is entrusted with control over the conduct of diplomacy. The content, timing, and duration of negotiations with foreign governments are also within the President's control. Unfortunately, many provisions of this Act could be read to violate these fundamental constitutional principles by using legislation to direct, in various ways, the conduct of negotiations with foreign nations.

Section 102 of the Act would prohibit the use of certain appropriated funds for any U.S. delegation to any meeting within the framework of the Conference on Security and Cooperation in Europe unless individuals representing the Commission on Security and Cooperation in Europe, a body controlled by the legislative branch, are included in the U.S. delegation. By purporting to deny certain funds for the negotiation of certain arms control agreements unless representatives of the Commission are included in the U.S. delegation to such negotiations, this section impermissibly intrudes upon my constitutional authority to conduct our foreign relations and to appoint our Nation's envoys. I therefore shall construe it to express the sense of the Congress but not to impose any binding legal obligation, and as severable from the ability to continue the critically important negotiations at issue.

Section 108 would restrict the expenditure of appropriated funds for carrying on ``the current dialogue on the Middle East peace process with any representative of the Palestine Liberation Organization if the President knows and advises the Congress that that representative directly

participated in the planning or execution of a particular terrorist activity which resulted in the death or kidnapping of a United States citizen." I have frequently emphasized my determination to work to eliminate the scourge of terrorism, and I have no intention of negotiating with terrorists. This provision demonstrates that the Congress shares my concern. However, if this section were interpreted to prohibit negotiations with particular individuals under certain circumstances, it would impermissibly limit my constitutional authority to negotiate with foreign organizations. Accordingly, I shall construe this section to preserve my constitutional discretion for the conduct of foreign negotiations.

Section 407 of the Act is similarly subject to inappropriate interpretation. This section purports to require that no individual may be admitted to the United States as a representative to the United Nations if the individual ``has been found to have been engaged in espionage activities directed against the United States or its allies and may pose a threat to United States national security interests." In effect, this provision could constrain the exercise of my exclusive constitutional authority to receive within the United States certain foreign ambassadors to the United Nations. While espionage directed against the United States and its allies is a problem of the utmost gravity, curtailing by statute my constitutional discretion to receive or reject ambassadors is neither a permissible nor a practical solution. I therefore shall construe section 407 to be advisory.

Section 134 is consistent with the Administration's planned course of action and improves on prior law. Nevertheless, it infringes upon my constitutional authority to conduct foreign relations and receive representatives of foreign governments by purporting to permit the Soviet Union to occupy a consulate facility in the United States only upon certification that the U.S. mission in Kiev is able to occupy an interim facility. I also shall treat this section as advisory.

A number of other provisions might be construed to require the executive branch to contact foreign governments and espouse certain substantive positions regarding specific issues. See e.g., Sections 115, 210, 902(a)(7). My constitutional authority over foreign affairs necessarily entails discretion over the timing and subject matter of such contacts. Accordingly, I shall construe all these provisions to be merely precatory as well.

Similarly, several sections, in particular section 804, impose significant reporting requirements on the Secretary of State to inform the Congress of specified diplomatic contacts. Such blanket reporting requirements could be read to compel the disclosure of the contents of sensitive ongoing negotiations and may, therefore, compromise my constitutional authority over such negotiations. I am also concerned that such provisions tend to undermine the spirit of cooperation and trust between the executive and legislative branches that I have been laboring to foster. In reporting to the Congress, therefore, I shall construe these provisions in light of my constitutional duties.

Section 206 of the Act would establish a United States Advisory Commission on Public

Diplomacy. Several of its provisions would impermissibly interfere with the President's control over the deliberative processes of the executive branch. Section 206 clearly contemplates that the Commission shall report to the Congress about deliberations within the executive branch and, indeed, shall monitor the executive branch in its execution of the laws. I shall interpret these provisions consistent with my authority as head of the unitary executive branch to ``take care that the Laws be faithfully executed," U.S. Constitution, Article II, Section 3, to coordinate and supervise my subordinates, and to have the executive branch speak with one voice to the Congress.

Certain provisions of the Act could be construed to require impermissible racial preferences. In order to avoid legal challenge, these provisions will also be construed in accordance with the Constitution.

On a different matter, it is my understanding that section 128, removing the sunset provision on section 901 of the 1988 - 89 Authorization Act, which prohibits the exclusion of aliens on certain grounds, has no effect on the substance of section 901 or on the way the executive branch has applied it since its enactment.

Finally, with regard to Title IX, I want to reiterate that legislatively mandated sanctions represent an unwise constraint upon the President's ability to conduct foreign policy. I note, however, that the section provides flexibility, by permitting a Presidential waiver to lift suspensions, in whole or in part, when it is in the national interest of the United States.

George Bush

The White House,

February 16, 1990.

Note: H.R. 3792, approved February 16, was assigned Public Law No. 101 - 246.

Remarks Following Discussions With President Vaclav Havel of Czechoslovakia

February 20, 1990

President Bush. Well, welcome to everybody. And it's been my great pleasure to welcome to the White House a man of tremendous moral courage, one of the heroes of the Revolution of '89, the President of Czechoslovakia, Vaclav Havel.

Mr. President, your life has been one of miraculous transformations from the world of drama to the world of dissent, from the life of the artist to the life of the activist, and of course in the space of just 1 short year, the most miraculous journey of all, from prison to the Presidency. And of course it's possible to measure profound change in more personal terms. For years, as a dissident subject to arrest and imprisonment at any time, you could never go out without your toothbrush in your pocket. But now, as President, you can never go out without one of these neckties. [Laughter]

And many years ago you made a choice. You chose to live your life in keeping with your conscience not for others but for yourself. But others drew strength from the life you led, and your life was a tribute to the difference one man can make, powerful proof of the democratic idea. On the one side stood the state with its prisons and secret police; and on the other, Vaclav Havel, one man alone but with the strength of his convictions, always free with the freedom that comes from living in truth. First one man, and now millions.

President Havel never stopped believing in what he called this unbelievable thought: that any one of us can shake the Earth. Shake the Earth, Mr. President, and part the Iron Curtain. Shake the Earth and knock down the Berlin Wall. Shake the Earth and set in motion a process of change from Budapest to Bucharest, from Warsaw to Wenceslas Square.

And that was the Revolution of '89, and our task now in the 1990's is to move forward from revolution to renaissance, towards a new Europe in which each nation and every culture can flourish and breathe free -- a Europe whole and free.

President Havel, Czechoslovakia has turned to you to lead the way, and is it not fitting for a nation that each day writes a new page in its history to have elected a playwright as its President?

And I am pleased that we've had this opportunity to meet, to speak together about the changes that are taking place from Prague to Moscow, and about Czechoslovakia's place in the heartland of the new Europe now emerging. We know there is no room for illusions. Difficult work lies ahead. The damage of four decades of fear and repression cannot be repaired in a day. But we

know something more: We know that the people of Czechoslovakia have waited long enough, and they know it's time to move forward to freedom.

Czechoslovakia and Europe are at the threshold of a new era. And I know I can speak for all Western leaders when I say that the Atlantic alliance will continue to play a vital role in assuring stability and security in Europe at this great and historic moment. And America will continue to play its part, including a strong military presence for our security and for Europe's.

Mr. President, you've not asked for American economic aid, and you made it clear that democratic Czechoslovakia wants the opportunity to do business on an equal footing. And in that regard, I am pleased to announce that I signed today letters notifying our Congress that I am waiving the Jackson-Vanik amendment for Czechoslovakia. Today our trade representatives began negotiating a trade agreement. Pending passage by your Parliament of new liberal emigration legislation, these measures will permit us to extend the most-favored-nation status to Czechoslovakia without the requirement of an annual waiver, granting your country the most liberal access to the American market possible under United States law.

Mr. President, you've also explained the enormous tasks that you face in rebuilding a democracy on the ruins of the one-party state that you inherited. And you've identified several areas where help is needed, and we are ready to respond. Let me just mention two specifics. First, in response to your request, I am asking Peace Corps Director Paul Coverdell to take the initial steps to bring the Peace Corps to Czechoslovakia by this fall. And second, I am delighted that we will soon reopen our consulate in Bratislava, as well as new cultural centers there and in Prague.

Mr. President, I assure you the United States will be part of your nation's democratic rebirth. Everything I've seen this past year tells me that Czechoslovakia can meet the challenges ahead. And as you've said in your first address as President on New Year's Day, so many times we've heard politics defined as the art of the possible; and this year has taught us something new, something more: It taught us, as you put it, that politics can be the art of the impossible.

Mr. President, before you leave us today, I would like to present you with a lithograph of your illustrious predecessor, Czechoslovakia's first President and author of your nation's Declaration of Independence, Thomas Masaryk. This portrait was done in Prague Castle and kept by President Masaryk until his death, when he gave it to his successor at Charles University's department of philosophy, President Jan Kozak.

In 1939, at the time of the Nazi invasion, Professor Kozak had 2 hours to pack his belongings and to flee Czechoslovakia. Among the items he took with him, this portrait of his friend. Professor Kozak settled in Ohio at Oberlin College, and so did this portrait until today. And now, with freedom returning to Czechoslovakia, so, too, should this portrait of President Masaryk, Czechoslovakia's first President and champion of freedom.

Once again, Mr. President, it has been my privilege to welcome you to Washington and to the White House. And God bless you, and may God bless the people of Czechoslovakia. We are pleased to have you here.

President Havel. Mr. President, I am very moved by your speech. I thank you very much for this drawing. I promise you it will be very soon back in our castle.

We had with Mr. Bush very important negotiations. We had very warm, very open, very friendly discussions. I am very glad that I had the opportunity to be here to explain what happened in Czechoslovakia, to explain our viewpoint, our policy. And thank you very much that we could be here. Thank you for the invitation. And of course I invite you to us in Prague, in Czechoslovakia. And you will see this nice drawing in my office on Prague Castle.

President Bush. Thank you, sir. Godspeed.

Note: President Bush spoke at 1:35 p.m. at the South Portico of the White House. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Czechoslovak officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Presidential Determination No. 90 - 10 -- Memorandum on Trade With Czechoslovakia

February 20, 1990

Memorandum for the Secretary of State

Subject: Determination under Section 402(c)(2)(A) of the Trade Act of 1974 -- Czechoslovakia

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974 (the ``Act'') (19 U.S.C. 2432(c)(2)(A)) I determine that a waiver of the application of subsections (a) and (b) of section 402 of the Act with respect to Czechoslovakia will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

Message to the Congress on Trade With Czechoslovakia

February 20, 1990

To the Congress of the United States:

Pursuant to subsection 402(c)(2) of the Trade Act of 1974 (the Act) (19 U.S.C. 2432(c)(2)), I have determined that a waiver of the application of subsections (a) and (b) of Section 402 with respect to Czechoslovakia will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received the assurances with respect to the emigration practices of Czechoslovakia required by section 402(c)(2)(B) of the Act.

Pursuant to section 402(c)(2), I shall issue an Executive Order waiving the application of subsections (a) and (b) of section 402 of the Act with respect to Czechoslovakia.

George Bush

The White House,

February 20, 1990.

Note: The Executive order is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders Transmitting a Report on the Canada-United States Free-Trade Agreement

February 20, 1990

Dear Mr. Chairman:

Pursuant to section 103 of the United States-Canada Free-Trade Agreement Implementation Act of 1988 (Public Law 100 - 499), I am pleased to submit the attached report and related documents pertaining to a proposed action to accelerate elimination of duties on designated products under the United States-Canada Free-Trade Agreement.

Sincerely,

George Bush

Note: Identical letters were sent to Lloyd Bentsen, chairman of the Senate Finance Committee, and Dan Rostenkowski, chairman of the House Ways and Means Committee.

Nomination of E.U. Curtis Bohlen To Be an Assistant Secretary of State

February 20, 1990

The President today announced his intention to nominate E.U. Curtis Bohlen to be Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs. He would succeed Frederick M. Bernthal.

Since 1981 Mr. Bohlen has served as senior vice president of World Wildlife Fund in Washington, DC. He served as a consultant to World Wildlife Fund and vice president of Eastern Environmental Controls, Inc., in Chestertown, MD, 1979 - 1981, and as a consultant on the Committee on Merchant Marine and Fisheries at the House of Representatives in Washington, DC, 1977 - 1978. In addition, he served in several positions at the Department of the Interior from 1969 to 1977 in Washington, DC, including Assistant to Secretary Cecil D. Andrus, Chairman of the Alaska Planning Group, Acting Assistant Secretary for Fish and Wildlife and Parks, Deputy Assistant Secretary for Fish and Wildlife and Parks, Assistant to Secretary Rogers C.B. Morton, Assistant to Secretary Walter J. Hickel, and Assistant to Under Secretary Russell E. Train. From 1955 to 1969, Mr. Bohlen served in several positions at the Department of State in Washington, DC, including political analyst for east African affairs; second secretary and political officer for the U.S. Embassy in Cairo, Egypt; desk officer for Afghanistan affairs; and economic officer at the U.S. Embassy in Kabul, Afghanistan.

Mr. Bohlen graduated from Harvard University (B.A., 1951). He was born September 29, 1927, in Boston, MA. Mr. Bohlen served in the U.S. Army, 1952 - 1954. He is married, has three children, and resides in Washington, DC.

Remarks at the Presentation Ceremony for the Charles Stark Draper Prize for Engineering

February 20, 1990

Thank you all. Thank you, Jack. I got worried there when Jack was saying, ``When we want somebody that is well known to present the prize." I was thinking, Barbara's not here. [Laughter] But, Jack, thank you for those very kind remarks.

To our honorees, Kilby and Noyce; and to Ambassador Dubinin, our Soviet Ambassador here, who's doing such a good job for his country; and Dr. White; Dr. Charyk; and my old friend Dr. Seamans; also another old friend, Steve Bechtel; Mr. Morrow; and the Under Secretary, Ivan Selin; and Don Atwood here from the Defense Department; and members and guests of the National Academy of Engineering:

I'm reminded of the famous story of the guy that called the insurance company after it closed one evening. A voice answered, and he said: ``Sir, I'd like to talk to you about converting my 20-pay-life into the cash value immediately. And further, I've heard more about your key man insurance that insures the very key people, and we'd like a little more information on that. And lastly, we have this family -- I have six kids, and we want a family health plan." The voice on the other end said, ``Look," he said, ``I'm the janitor around here just cleaning up, and after I said hello, that's all I know at all about insurance."

I feel the same way about engineering here tonight -- [laughter] -- surrounded by all this brainpower. It's overwhelming. But I am pleased to be here. I deem it a very great pleasure to help honor and celebrate National Engineers Week. And of course it is an honor to salute the first two recipients of this, engineering's highest international award, the Charles Stark Draper Prize.

Let me begin with a story that will show you my understanding of engineering, that I see it. It concerns three men that were scheduled to be executed on the same day of the French Revolution. One was a lawyer, another a politician, the third an engineer. First, came the lawyer. He put his head in the guillotine, and the blade went two-thirds of the way down the track and then stopped. The man was set free. Next, the politician. When the guillotine stopped short of his head, he, too, was spared. Finally, came the third man, the engineer, and he focused on the matter at hand. ``I think that guillotine has a problem," he told the executioner. ``But don't worry; I think I have the solution." [Laughter]

I say that with respect. [Laughter] But as you see, engineers just can't help themselves. Whatever the cost -- [laughter] -- they keep aiming for perfection. And they've helped make our century a time of extraordinary exploration, opening doors into an age where mankind not only moved

into the future but reinvented it.

Tonight we honor Jack Kilby and Bob Noyce and their landmark work -- the microchip, an invention which has already taken its place among the greatest of all time. Not to date myself, but when I was growing up, PacMan was a hiker, not a video game. The microchip came along and changed all of that and helped America change the world.

Think, for example, of a computer the size of a room shrunk down to the size that fits on your lap -- the microchip made all that possible -- or a calculator slashed from the size of a refrigerator to the size of a wristwatch. Think, finally, of our planet, and how the microchip has stirred the new breeze of democracy.

Maybe it's a good day to salute that because today the President of Czechoslovakia, Vaclav Havel, came over to the Oval Office and then was our guest at the White House for lunch. And what a stirring moment -- I'll just divert for one second -- I took him up to the Lincoln Bedroom, which is not normally the thing when you have these official visits. But I wanted him to see the room in which Abraham Lincoln had signed the Emancipation Proclamation. And I think I detected tears in his eyes, this playwright who not so many months ago was in jail and here he is the President of a fine, new, burgeoning democratic country. It was a very moving experience.

As I talked with him, I thought of how images of the past year have linked the peoples of Prague and Warsaw and Budapest and Berlin, images of bravery and defiance, of humanity's quest for freedom. And it was the microchip which carried them from one nation to another, becoming an instrument of liberty, the symbol in this information age. Integrated circuits have enabled us to do the unimaginable. Now it is unimaginable to believe we could ever live without them.

Already, the microchip has helped America not to deindustrialize but reindustrialize. To paraphrase Churchill, never has something so small done so much for so many. Yet remember, too, that if we are to lead the world, we must provide that world with further breakthroughs; for engineering is always a beginning, never a consummation.

I know that the National Academy of Engineering shares this belief. So, it has studied how America's engineering talent enhances our competitiveness and is exploring new ways to protect the globe from environmental abuse. You realize that truly informed decisions on issues like climate change require us to better integrate science, technology, and engineering into the policy equation. Our administration agrees and, so, supports research and development in all areas of science, technology, and engineering. We've asked for a record-high $71 billion for R&D in our budget for fiscal 1991. And to short-circuit the prediction that America will run short of engineers, we've introduced a National Science Scholars Initiative to give kids a new incentive to excel in science, math, and engineering. And I have announced an ambitious goal, one of our national goals reached after great consultation with the Governors, but a goal that we can achieve: that U.S. students will be number one by the year 2000.

You can tell -- I hope you can tell from looking around -- that I have great respect for people who have an understanding of science. Jim Watkins is a member of our Cabinet, Secretary of Energy. I'm pleased to see Dr. Bromley here and Secretary Rice and of course my own Chief of Staff, John Sununu, such a man -- engineer. Yet, ultimately, I am convinced -- not that we duck our responsibility in the Federal Government -- but ultimately, I am convinced that it is the private sector that not only has shaped American opportunity but will continue to bring opportunity to the new millennium.

Look at -- Jack, I don't want to embarrass you -- but look at GE, spending $1.2 million a year on minority science scholarships, and a $20 million commitment to involve more inner-city kids in engineering, or Mobil, launching grant programs to help students enhance America's technological ability. I know that I'm going to, just through omission, risk embarrassing others because so many in this room are responsible for programs of this nature.

These efforts, both private and public, will sustain the computer revolution, for they rely on the qualities of American drive and determination, qualities that will contribute, as your Academy says, ``to the advancement of engineering and the well-being of all humanity'' and that are central to the man for whom this evening's prize is named.

Charles Draper was, first, an idealist pushing back the boundaries of mankind's technological future, and yet at the same time a practical man. I'm reminded of a writer who was asked what he would take if his home were on fire and he could remove only one thing. ``I would take the fire,'' he replied. [Laughter] Dr. Draper knew that Yankee ingenuity revolves around what works.

Finally, he was indomitable, a fighter who looked to himself for inspiration. Albert Einstein once spoke of this genius of engineering, which explains in turn the greatness of Dr. Draper. He said: ``Only men who are free create the inventions and intellectual works which make life worthwhile.'' Working in freedom, Charles Draper well used that freedom: used it to create and to inspire, to make history move his way.

This evening, we honor two men who themselves have made history and made each American proud. So, let me now present to Jack Kilby and Bob Noyce engineering's highest award, the Charles Stark Draper Prize, and say thank them, thanks to both of you, for your inspirational leadership.

Thank you all, and God bless the United States of America. Thank you very much.

Note: The President spoke at 8:50 p.m. in the ballroom at the Department of State. In his remarks, he referred to Jack Welch, Jr., chairman of the National Academy of Engineering; Jack Kilby, a consultant; Robert Noyce, president and chief operating officer of Sematech; Robert M. White, president of the National Academy of Engineering; Joseph V. Charyk, chairman of the

Charles Stark Draper Laboratory, Inc.; Robert C. Seamans, Jr., chairman of the Charles Stark Draper Prize Committee; Stephen D. Bechtel, Jr., chairman of the Bechtel Group, Inc.; Richard M. Morrow, chairman and chief operating officer of Amoco Oil Corp.; Under Secretary of State for Management Ivan Selin; Deputy Secretary of Defense Donald J. Atwood; D. Allan Bromley, Science Advisor to the President and Director of the Office of Science and Technology Policy; and Secretary of the Air Force Donald B. Rice.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Vaclav Havel of Czechoslovakia

February 21, 1990

The President and President Vaclav Havel of Czechoslovakia met for approximately 45 minutes today in the Oval Office. This was a continuation of their discussions yesterday. They talked at some length about the future of Europe and agreed to stay in close touch at this time of rapid change. Both expressed their support for President Gorbachev's reforms and his encouragement of peaceful change in Eastern Europe, and both agreed that the presence of American troops is a factor for stability and security in Europe. Although it was anticipated that economic issues would be discussed, most of the conversation focused on political and East-West issues.

Nomination of Nelson C. Ledsky for the Rank of Ambassador While Serving as Special Cyprus Coordinator

February 21, 1990

The President today announced his intention to nominate Nelson C. Ledsky, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Special Cyprus Coordinator.

Since 1989 Mr. Ledsky has served as Special Cyprus Coordinator at the Department of State. He served as Deputy Senior Director and then Senior Director for the National Security Council, 1987 - 1989. In addition, he served in various capacities at the Department of State, including Deputy Director of the Policy Planning Staff, 1985 - 1987; U.S. Minister in Berlin, Germany, 1981 - 1985; Director of the State Department's Olympic Boycott Office, 1980 - 1981; Deputy Assistant Secretary of Congressional Relations, 1978 - 1980; Director of the Office of Southern Europe, 1976 - 1978; Deputy Director of the Office of Southern Europe, 1974 - 1976; Deputy Director of the Office of Central Europe, 1972 - 1974; Berlin desk officer, 1970 - 1972; senior watch officer, 1969 - 1970; second secretary at the U.S. Embassy in Bonn, 1964 - 1969; consul at the U.S. consulate in Enugu, Nigeria, 1962 - 1964; African language training program, 1961 - 1962; vice consul at the U.S. consulate in Georgetown, Guyana, 1957 - 1961; and an analyst at the Bureau of Intelligence and Research, 1957 - 1959.

Mr. Ledsky graduated from Western Reserve University (B.A., 1951) and Columbia University (M.A., 1953). He was born September 30, 1929, in Cleveland, OH. Mr. Ledsky is married, has three children, and resides in Bethesda, MD.

Nomination of LeGree Sylvia Daniels To Be a Member of the Board of Governors of the United States Postal Service

February 21, 1990

The President today announced his intention to nominate LeGree Sylvia Daniels to be a Governor of the United States Postal Service for the term expiring December 8, 1998. She would succeed John Lathrop Ryan.

Since 1987 Mrs. Daniels has served as Assistant Secretary for Civil Rights at the Department of Education in Washington, DC. Prior to this, she served as a staff assistant to former Senate minority leader Hugh Scott; chairman of the Pennsylvania State Tax Equalization Board; commissioner of the Pennsylvania Bureau of Elections; and deputy secretary of the Commonwealth of Pennsylvania.

Mrs. Daniels attended Temple University and Central Pennsylvania Business School. She was born February 29, 1920, in Denmark, SC. Mrs. Daniels is married, has three children, and resides in Harrisburg, PA.

Remarks and a Question-and-Answer Session at the Annual Dinner of the Business Council

February 21, 1990

The President. What I want to do is just make a few remarks, and then respond to a few questions, and then get out of here so you all can eat. But first I want to salute the former Chief Justice -- I still refer to him as Chief -- Warren Burger, and the members of my Cabinet that are here -- many of you met them -- other top officials in the White House scattered through the audience here. All, I might add, doing a first-class job.

I want to pay my respects to the Speaker, who is here tonight, Tom Foley, an outstanding, decent human being. I don't know where he is, but I don't want to overdo it because tomorrow I've got to fight with him on one or two things, but he's here somewhere. And to the other Members of Congress -- the House -- I saw John Dingell, I saw my old friend Chairman Don Riegle here. I know I'm going to miss, so I better stop right here, but I'm delighted that the Members of the Congress are here.

I also know how I got into this line of work, and when I look around this room -- and I seldom speak for Barbara, but I will this time -- we are very, very grateful for the terrific support that I had from so many in this room that have given me this opportunity, now going into the second year being President of the United States. And I will never forget how the political process works, and I will never get over being grateful to many of you friends of long standing.

We're living, as Roger [Roger B. Smith, chairman of the Business Council] pointed out, in fascinating times. President Havel just left here, and I just wish that each and every one of you could have been a fly on the wall or standing at his side to see his feeling about our institutions or our country when he came to the White House yesterday, using the expression ``pinching himself to believe that it was really happening." To see him when I took him up to Lincoln's Bedroom to show him the very room in which Abraham Lincoln had signed the Emancipation Proclamation -- it was a tremendously moving experience, and a privileged one, for me to witness this son of freedom, this playwright, who not long over a year ago was languishing in a prison and who is now the President of a free and, hopefully, democratic country. And it is mind-boggling, and I wish I could tell you that any of us in this room were smart enough to foresee the rapidity of change.

So, what I am trying to do, as your President, is to manage it in a prudent fashion to avoid moves that will inadvertently encourage some kind of a bad action out of the Soviet Union. We have a lot at stake in the success of perestroika. In this room we have some that pioneered doing business with the Soviet Union and were ahead -- a lot of us here -- in terms of understanding this new generation of Soviet leaders. But my view is, and I've said this in my public statements, we have a major stake in seeing perestroika succeed. And of course it has a major effect on the

playwright, now President, that was here today. And it has the same kind of effect on a lot of other countries not only in Eastern Europe but in Western Europe.

I've elevated -- or moved a little bit in the comments I've made and mentioned Gorbachev by name a time or two. And we're doing that deliberately, not to try to intervene into the internal affairs of the political process of the Soviet Union but rather to express our belief in the way in which he himself has managed the rapidity of change. Who would have thought that they would have not only accepted but encouraged the peaceful evolution that we now see has taken place all through Eastern Europe?

Somebody says to me -- you know, when we get up into a big fight on trying to keep what I think are reasonable levels of defense, the big new question, the hot one they think they're going to really burn you with it in these press conferences is: Okay, who's the enemy? It's not a bad question. But the enemy is, in my view, complacency or arrogance or something of this nature. So, I will try to manage these fascinating times, changes, in a prudent fashion; but I will be encouraging the Congress to keep prudent levels of defense because it isn't all that clear as to what is exactly going to happen.

At the same time, we'll be working on an arms control agenda with the Soviet Union that I think will result in sound agreements on conventional forces. [Secretary of State] Jim Baker got a major breakthrough the other day on the chemical weapons, and I think we can do something there. And of course the START talks -- I see Cap [former Secretary of Defense Caspar W. Weinberger] here -- that he was instrumental in, now. I hope we can bring a deal to fruition on that before too long. And so, I'm looking forward to our visit with Gorbachev that will happen this spring or early summer. And I think we can have some real progress going with the Soviet Union.

On the domestic side, I would be remiss if I didn't start these few remarks by thanking so many of you in this room. I still talk about a Thousand Points of Light. And I think the American people are beginning to understand that this isn't an escape from the responsibility of the Federal Government; rather, that it is an attempt to enlist the noblest impulses of the American people in one helping another, the concept that you shouldn't measure a successful life without throwing in the equation of doing something for someone else.

And I look around this room, and I think of some of our priorities, one of them education, another the fight against drugs. And in this room, just sitting here, are people that, when they pool the resources -- and I'm not just talking about money; I'm talking about talent and mobilizing people -- can do more just in this room combined than the Federal Government can do, particularly in the field of education.

And I am grateful to those who are in the forefront of this educational reform. I have in my mind a set role for the Federal Government. I don't believe the Federal Government needs to take over

the local school boards. I don't believe we should set curriculum. I don't believe that we need to intervene in a salary dispute for teachers -- God bless them because they do do a good job. But I do think that we have a proper role in joining with the Governors, as we did, in defining national education goals.

And several people in this room -- I won't embarrass them by singling them out -- have been extraordinarily helpful to me and to my team in the White House by making recommendations on the goals, recommendations that, for the most part, have been accepted by the Governors as we have set out national goals as to where we want to do the achievement levels, testing levels, excellence in math and science -- that certainly will render us more competitive in the years ahead.

And so, I will press forward on an educational agenda. We have got to keep pushing the Congress to think anew. Many want to stay with the old programs that have failed and plow more money into those, and I think we've come to a point where we really have to come up with, as I say, not only these goals but the implementation of them. And it will not be done by the Federal Government alone, although the total dollars on educational spending is up.

On the antinarcotics fight, it's a prime fight. And I am grateful for the fact that Bill Bennett [Director of National Drug Control Policy] is our drug czar. I've never understood why we refer to people here as czars, but nevertheless, he is doing a good job. And we went down to Cartagena the other day and met with the Andean Presidents and Barco of Colombia. And we could show them that we are beginning to make progress on the demand side of the narcotics problem. I think we disarmed Barco and Alan Garcia [President of Peru] and Paz Zamora [President of Bolivia] by saying right up front: ``Look, we know we're a problem. We know we're the big market. But let me tell you what we're doing about it."

And I bragged on the work of Jim Burke [chairman of the Partnership for a Drug-Free America] and others in this room who are out front trying to -- in a private way, no government involvement -- making the American people and the kids, particularly, aware that this use of narcotics cannot be condoned. And once we got by the demand side, then we spelled out a rather broad agenda of working with those countries not only to abort but to interdict what was left of the supply of coca coming into this country.

But as I see many business people here that do business in that area, I remain convinced that the best answer to helping in Colombia and Peru and Bolivia is your end of the line: the business. And we've got to remove some of the regulatory burdens that we have. And it isn't easy because there are strong political influences for very legitimate reasons that are protecting, but we have got to have viable economies there that depend less on growing these insidious coca leaves. But again, the reason I want to mention that subject is because I think the business community has an enormously constructive role to play. And I am, once again, very grateful to you.

I'll mention just one more topic. There are many, many subjects. I see Don Riegle here, and I am very grateful to him for his leadership in the Senate on the savings and loan business. And all these things we can talk about briefly in a question period, but there is another area I want to mention, and that has to do with the environment. I am very pleased that the business community -- large business and small -- are in general support of our efforts to do something about clean air in this country. Today there was an attack leveled mainly against John Sununu [Chief of Staff to the President]. That suits me just fine, but they'll get around to me tomorrow. [Laughter] But the point I want to make is this: that there are no divisions in all of this. And I, obviously, must accept responsibility. But I believe that we are in a proper position.

I want to see market incentives, as much as we possibly can, in terms of cleaning up the environment. I do not want to throw people out of work, and yet I proudly proclaim that I am an environmentalist. And we've got a clean air bill that we've sent up, which is a first, and -- several of you had a very important input into this very important legislation. And now we find that it's being pulled one way or another by the congressional process. And some of it I might be able to accept. Nobody's going to cross the ``t'' exactly the way we want or dot the ``i'', but there's certain limits beyond which I should not go if I remain true to my belief that we have got to find a balance between economic growth and environmental protection. And yet I'm optimistic that we can do that. And we're in a big battle now, and I would ask either your indulgence or support, depending on how you come down on these questions.

But I think we have a pretty good package, and I am convinced that we can do a good job for the environment. But it cannot be driven by the extremes. And it will not be driven by the extremes as long as I have something to say about what legislation becomes law. So, we're working on these issues.

There's others that I will be glad to take questions on, but I'll make just a general comment. I'm glad that my wife, Barbara, is working for so many of you -- or put it the other way around, that you are working for her -- I'm not sure which. But you have been fantastic in terms of the support for literacy and for putting an emphasis where it belongs in terms of the children of the United States of America. And I know that Bar joins me in that sentiment, and I am very grateful for the support that she has received from so many in this room in her work on literacy, other facets of education, the homeless, and just plain caring about the American people.

So, there we are. Thank you very much for inviting me up here. And now, with no further ado, I will be glad to take a few questions until Roger gives me the hook and I will go peacefully. Who's got one?

German Reunification

Q. [Inaudible]

The President. Well, first place, there is concern about it, that you properly put your finger on. I think there is more concern in certain of the Western European countries and in Poland than perhaps in some other countries. The Soviets, obviously, have expressed their concern, mainly on the timing. They have now accepted the concept of reunification. What we are doing is to back [West German] Chancellor Kohl in the concept and let the Germans sort out the time. The longstanding NATO position, just for history, has been self-determination. Let the people decide, and then the border should not be changed without agreement of all the parties. But Kohl is talking about, and I think properly so, a Germany reunited but that remains a part of NATO.

And NATO will take on a broader role. It will have more of a political role; and that is, I think, a very stabilizing thing. I had a long talk with [Czechoslovakian President] Havel, who came here with an approach: Well, let's get all of the Soviet troops out and all the U.S. troops out, and life will be beautiful. Everything will be pruning hooks and plowshares. But I think I convinced him that the United States -- wanted by Western Europe and, indeed, by some of the countries in Eastern Europe -- is there as a stabilizing force. And my approach will be -- and Helmut Kohl is coming up this weekend to Camp David -- to support the concept, let the Germans make the determination. You may remember the formula two-plus-four: Let the two Germanys discuss it, and then we go to the Four Powers that have responsibilities under the post-World War II peace agreement -- their agreement there -- sort out the details.

But the way we see it is a Germany that is unified, a U.S. presence in Western Europe, no advance of what are known as allied troops into the GDR [German Democratic Republic], and a withdrawal of Soviet troops from places where they are not wanted. And that, I think, will take place regardless of what happens to Germany, just given the momentum and the feeling of these newly found democracies. And I think that will provide a rather stable environment.

Now, some of you do an awful lot of business in the Federal Republic, and you know that the German political scene is sometimes highly volatile. And we can't foresee what's going to happen with the Socialists in Germany; and when they align with the Socialist Party, SPD, in East Germany, you're going to have an equation that nobody can analyze. Are the East Germans Socialists -- are they going to join automatically with their brethren in the Federal Republic? Or are they going to say: Hey, wait a minute, we have no linkage there because we're the ones who now want to throw off the yoke of socialism in a classic sense.

So, I still think unification -- we're not going to do anything about it; nothing can be done about it -- a U.S. presence, forces in the Federal Republic but that do not move in any threatening way to the Soviet Union -- and I believe the Soviets have accepted this pretty much.

And then the other question is the Polish border. All of us know that could be highly contentious and emotional and inflammatory. But there I think we're going to see an agreement out of the two-plus-four -- the six -- that there will be no changes in that border certainly without the consensus and agreement of all the countries involved. And that would include in that instance

the Soviet Union.

So, that's the way we're going, and I think it will result in stability. I hope it will. But we are not pressing the timetable. We're not pushing it, nor do I think it's the role of the United States to try to impede it. Gorbachev did that for awhile, and he felt something was moving awful fast. And that's why he said what he did to Kohl about 10 days ago in Germany -- which was, look, in principle, we understand reunification. I can tell you that a month and a half ago he didn't feel that way, because I talked to him directly about it, and they were urging a real cautionary approach to German reunification.

Education

Q. In the area of education, first, I think we all want to commend you for your leadership in this area. Do you have any suggestions which the private sector -- particularly the major companies of our country -- can do to give some help in this area?

The President. Yes, and there's a lot of great examples in this room. I will refer you to John Akers [chairman, International Business Machines Corp.] or David Kearns [chairman of the executive committee, Procter and Gamble Co.] or John Smale [chairman and chief executive officer of Xerox Corp.] or so many others because there are some marvelous examples of how a corporation can get involved in programs like mentoring. I understand that many companies have agreed to actually take a significant role in working with the localities and freeing up corporate personnel to go in and help on some of these programs. And I think that's an important area. But I think right in this room there are some marvelous examples of corporate involvement. And we have a program at the White House, an office, Thousand Points of Light -- a young man, a dedicated, idealistic guy named Gregg Petersmeyer [Deputy Assistant to the President and Director of the Office of National Service]. Some of you knew his dad when he was in the communications business. And Gregg, if you just get in touch with him, can send you the best of what small business and large are doing. And I think and hope it would be helpful. And maybe the council staff itself could be involved in disseminating some of that information.

Defense Spending

Q. [Inaudible]

The President. Well, I'm concerned about it. And they have some legitimate questions. We're up for two missiles, and that may be a difficult -- the Soviets having modernized a couple of really advanced type of missiles. And we're up for that. We're going forward with requests on the B - 2 and the SDI. And the question we get back is: Who's the enemy? And the answer I send back up there is: Well, let's be prudent and careful until we can see extraordinarily clearly where we're going. And I'm not suggesting that Ligachev [Soviet Politburo Member and Chairman of the Agrarian Policy Committee] will come in and you'll have a diametric, different approach or that

Soviet military's going to take over.

But we just don't know, and therefore, we have to have prudent levels. And we may have to take some hits. We're way down from what the previously recommended levels were in defense spending. And I know very well that the constituency is being whittled away all the time. And we're rethinking the kind of force we need. But until, one, the international situation is clear, and until we have completed the review of the kind of force we need -- and General Powell [Chairman of the Joint Chiefs of Staff] is involved in that right now -- I will simply be urging that we not make imprudent cuts in defense.

But in the areas that I've mentioned it's going to be a hard hold for me. It's going to be difficult because people are looking at it that we have to choose between one missile, not two. Or you have to -- here's Don Atwood [Deputy Secretary of Defense]. The poor guy lives with this every single day. And I might say I'm glad one of your former members is willing to undertake, really, the sacrifice involved to come into a high level in this government. But we're under fire. He can talk to you later about the details of it. But I think there's a recognition that we don't want to do anything silly, and we don't want to make cuts that are too drastic.

Having said that, I think our troop level, CFE proposal has been well received. Our allies are saying: Please, until we get CFE done, let's have that as a floor, not some ceiling, and let's hold it. And I think we need to do that to keep our allies together on it. But that's a hard sell because people say: Hey, the Soviets are going to have to get out. Why don't we do more? So, there's another area that we're going to have some difficulty. But I want to see a CFE agreement brought to fruition and, hopefully, to be signed at a CSCE meeting this summer. I think we can do that, as a matter of fact.

But Soviets are making representations of declined spending on defense. And yet a big percentage of the GNP -- Bill Webster [Director of Central Intelligence] can give you a close number -- I think 17 percent, maybe more, going into defense. And you might say, Well, if everything [is] plowshares and pruning hooks, why are they doing this? So, my innate caution says, Let's have a sound defense program. But those areas I mentioned are the ones that are going to be the toughest to hold, I think.

And we got another question. And I see Don here. And I expect John Dingell would agree there is still a sentiment up there in the Congress that perhaps I would have indulged in if I were still a Member from the 7th District of Texas, and that is if you're going to close a base, that's great, but be sure to close it in somebody else's State or somebody else's congressional district. We've got in [Secretary of Defense] Dick Cheney and Don Atwood, people that have looked at this without any politics involved at all. Some say: Hey, that's a Democratic congressional district. And I say: Yes, and it's a Republican Governor in the State of California. So, come on with something else; don't give me that one. And so, what we're going to try to do is have a prudent approach to defense spending in this country as well. And it isn't easy, as Don knows, but we're

going to keep with it and try to encourage the American people to support what we're doing there.

And then we need a lot of programs to help alleviate the suffering or the economic reversal that goes with the closing of a base. But if you look at some of the places, they have been closed, the record is pretty good on economic diversification. But that one is one where we'll be taking the offense. And I've been around here long enough to know that it's not going to be easy, but I'm determined to go forward with it.

China

Q. Just a minute on your thoughts about China, the direction they're going?

The President. Well, I'll have to confess to a certain discouragement. And I would point -- a turning point, as what happened to the Ceausescus [former Romanian first family] in Romania and what happened to that Romanian revolution. But as you know, I was in a different posture -- a fairly lonely one -- with the Congress in terms of whether the way to handle the students in this country was through legislation or through Presidential Executive order. I maintain to this day that the Executive order that I signed and put into effect did more than the legislation, the Pelosi bill, would have done.

But the students sent everybody Christmas cards. Three of the student groups -- the two biggest ones, ironically -- were supporting the President's position, and so were some of the biggest benevolent associations in China-America -- I'm thinking in the San Francisco, Steve -- and some of these groups gave me strong support. But the Chinese students, those that were most vociferous, were well-financed from someplace and did a very good job, saying the only way to guarantee their ability to stay in this country was through legislation.

And my view is, in dealing with China the way I did, I am not condoning tyranny. I am not doing as the Democratic leader said up there today: turning my back on human rights. What I am trying to do is preserve enough contact so the United States can have some influence. And it is my belief that the Fulbright program, the fledgling Peace Corps program is the way you approach bringing about change, and especially with China. And when Mr. Fairbank, a very distinguished Chinese scholar, said the worst way you deal with China -- they are different, and if you think the way to do it is to slap them publicly in the face, that's not the way to do it.

But I cannot tell you that I'm happy about it, David [Kearns], because since the Romanian thing, there has been less forward motion. There's been some. They lifted martial law, and then the liberal press jumped all over me, saying it didn't amount to anything. It did, in my view. They've done a few other things, but they're small. But I can't tell you that the results of trying to keep contact have been totally satisfactory, but I'm going to do it because I believe that we will be in a position to effect change in China by this kind of at least having some contact with them.

And the idea that China is exactly the same as these other countries -- I don't believe it. So, I'm on a little different wavelength with many, and yet I'm convinced that someday this policy will pay off. It hasn't. We want to see the release for Fang Lizhi, this dissident that's in the American Embassy. That has not taken place. They have lifted the ban on VOA [Voice of America] coming in there, but they're still jamming it.

So, there's a mixed review at this point. And yet I have a feeling that China works in more mysterious ways than other countries. And I don't know what internal struggles are going on right now, but I'll guarantee you there are some. And Deng Xiaoping [Chairman of the Central Military Commission] was out three times and bounced back four. And who knows what's going to happen to Zhao Ziyang [former General Secretary], who has not been stripped of all his party powers. He's still a member of the Communist Party there. And let's just see how it works. But I say, it's a little lonely.

Thank you all very much.

Note: The President spoke at 8:03 p.m. in the Great Hall at the Library of Congress.

Nomination of James Henry Michel To Be an Assistant Administrator of the Agency for International Development

February 22, 1990

The President today announced his intention to nominate James Henry Michel to be an Assistant Administrator of the Agency for International Development for Latin America and the Caribbean, U.S. International Development Cooperation Agency. He would succeed Dwight A. Ink.

Since 1987 Ambassador Michel has served as Ambassador to the Republic of Guatemala. He served in several positions at the Department of State in Washington, DC, including Principal Deputy Assistant Secretary for Inter-American Affairs, 1983 - 1987; deputy legal adviser, 1978 - 1982; assistant legal adviser for politico-military affairs, 1974 - 1977; deputy assistant legal adviser for politico-military affairs, 1971 - 1974; and attorney-adviser in the Office of the Assistant Legal Adviser for Administration, 1965 - 1971.

Ambassador Michel graduated from St. Louis University School of Law (J.D., 1965). He was born August 25, 1939, in St. Louis, MO. He is married and has four children.

Remarks at the Presentation Ceremony for the American Institute of Architects Gold Medal Award

February 22, 1990

The President. Now, officially, welcome to the White House. I'm delighted to see Bill Reilly here, our head of the environment; John Frohnmayer, the arts; and so many others. I might single out Rex Scouten, the curator of the White House, sitting behind you. Some know him, but Barbara and I have great respect for him.

As early as 1909, the Presidents, including Taft, Harding, and Franklin Roosevelt, have presented the Gold Medal of the American Institute of Architects to the best of the world's architects; and I am honored and very pleased to continue this tradition.

Architecture holds up a mirror to the soul of any nation; and American architecture, with its rich variety of styles and regional differences, is as diverse and as dynamic as the American people themselves. We recognize that the quality of our lives is shaped by the quality of the environment we create. We understand that the spirit of our country can be seen in our architecture. From the majestic monuments of this, our capital city, to the gentlest main street in smalltown America, our buildings speak to us of who we are, where we have been, and where we're going.

In the spirit of celebrating the best of our nation's architecture, we are here to honor a very special architect, Fay Jones, who has dedicated his life to shaping the American landscape, to making our country a better place to live through the power of the creative mind.

Through humble materials and simple forms, Mr. Jones has created architecture of great power and space. His reverence for the land and his respect for the inner needs of the people who visit or dwell in his buildings give his architecture rare beauty and dignity. In the Nation's heartland, in places like Eureka Springs, Arkansas, and Picayune, Mississippi, he has built masterworks of design that touch the heart as well as the mind. Grounded firmly in his Ozark roots, Fay Jones has created a truly American architecture that is respected the world over.

I would also like to recognize the other distinguished architects here with us today who are past recipients of the Gold Medal Award: Mr. I.M. Pei, Pietro Belluschi, Arthur Erickson, Joseph Esherick.

I am very pleased now to present the Gold Medal to Fay Jones. Mrs. Jones, would you please join me for the presentation. Do I do the honors here?

Mr. Damianos. Yes, indeed.

The President. All right, sir. I don't want to mess anything up, but here we go. Congratulations, sir.

Mr. Jones. Thank you, Mr. President. To be so honored by one's peers and to have this medal presented by you is really the honor of a lifetime. And I'm sure that architects everywhere are pleased that you have now reestablished a tradition, after over 50 years, of having this medal presented at the White House by the President. And certainly we applaud your recognition of the very important and vital role that architects must play in improving our living environment, an environment that should be more supportive and more healthful and more beautiful.

This medal, of course, I know signifies and represents a great deal; and I know I shall spend the rest of my life trying to live up to the challenges that go with something like this. [Laughter] So, to all who've had a part in my selection for this signal honor, for this medal and what it represents, my sincerest thanks and my deepest, deepest appreciation. Thank you very much.

Mr. Damianos. Mr. President, if I could steal a few minutes. Mr. President, I'd like to thank you on behalf of the American Institute of Architects because this is a very special occasion. I'm not going to steal anybody's thunder; I think all the good words have been said. However, you may know already that Teddy Roosevelt helped us establish this medal some years ago. Now, he wasn't able to award it, but I'm sure he'd be delighted that we're able to do it again. And it does represent the highest form of excellence that we have. We are trying to reach the public more than we ever have before, and you're certainly giving us that opportunity. And we thank you very, very much.

The President. Well, it's a pleasure. For those of you who may be here for the first time, this is the Nobel Prize won by Teddy Roosevelt, and this is the Roosevelt Room. And if you didn't know it, you could guess from looking at the pictures. [Laughter]

Thank you all very much.

Note: The President spoke at 1:12 p.m. In his remarks, he referred to William K. Reilly, Administrator of the Environmental Protection Agency; John E. Frohnmayer, Chairman of the National Endowment for the Arts; and Sylvester Damianos, president of the American Institute of Architects.

Remarks at the Centennial Celebration of the Johns Hopkins University Medical Institutions in Baltimore, Maryland

February 22, 1990

Thank you very much, Dr. Muller. Just before coming out, Steven asked me to get one thing right: the name of the university. [Laughter] It's Johns Hopkins. I don't know why he thought an elitist from Yale would miss that one, but nevertheless. [Laughter] Now, he was given his great-grandmother's last name as his first name. I told Dr. Muller: ``You don't need to explain family names to somebody called George Herbert Walker Bush." [Laughter]

I am so glad that Dr. Louis Sullivan, our distinguished Secretary of HHS, could be here with me today. I am very proud of him. And it's always good to be with my admired friend -- wrong political party, but admired friend -- Governor Schaefer, who's doing an outstanding job for this State; and of course my dear personal friend, with whom I've served in the trenches, Maryland's great Congresswoman, Helen Bentley, with us here today; and of course my fellow honorees, so many distinguished scholars and guests, here to honor both the founding of this historic institution and the 100th anniversary of Johns Hopkins Medical Institutions.

I'm very pleased to be here, and I want to salute the society of scholars -- the new ones, the old ones -- and this distinguished group. And if I could be permitted one anecdote: When I heard the citations of my fellow honorees, this distinguished five, I was reminded of the story of the kid that threw a rope around his mongrel dog and started heading over to Madison Square Garden. And they said, ``Well, where are you going?" He said, ``Well, I'm going to enter him in the Madison Square Garden pet show." And they said, ``Well, do you think he has a shot at winning?" He said, ``No, but he's going to be in some damn fine company." [Laughter] When I listened intently to those citations, I'll admit I didn't know what half the words meant. [Laughter] But I know excellence when I see it, and I am very honored.

I was a bit nervous when I heard I'd be in a gown before a group of doctors. [Laughter] At least this one buttons up the front, though. [Laughter]

Gathered up here and out there are some of the best health-care professionals in America. And best in America means best in the world. You know, sometimes when we talk about the best of anything, we add the phrase ``that money can buy." But in medicine, that doesn't quite fit. There's an unease in the health-care community that for all this nation's wealth, for all the money put into the system, American medicine still faces unprecedented problems.

Medical malpractice. Uninsured families. An aging population. Cancer, heart disease, AIDS, drug addiction, Alzheimer's, mental illness -- the price tag is staggering. Today over 11 percent

of our gross national product goes to health care, and we rank number one in the world in per capita health-care expenditures. Yet we do remain behind other industrialized countries in life expectancy. And in the developed world, we rank 22d in infant mortality rates -- 22d.

Clearly, we have our work cut out for us. And yet because of great institutions like Johns Hopkins, we can face these challenges with a sense of optimism and a sense of confidence. Those who think our medical problems today are unsolvable or solvable only by money ought to understand how far we've come.

For example, 19th-century hospitals were not so much centers of healing as of horror. And medical schools of the 1880's were deplorable and dangerous places -- no labs, no patients, no questions permitted. Rookies became doctors after just 18 months, often without ever seeing the inside of a hospital.

Today's date marks Washington's birthday, but some scholars here today may recall his death. Diagnosed with a sore throat, the doctors bled him four times before he succumbed to its effects, thus depriving our young nation of perhaps years of service from its most revered statesman.

In the primitive days of early medicine, change did come slowly until Johns Hopkins revolutionized the way medicine was taught for all time and launched a movement that brought America from medical backwater to world leader. Hopkins' influence was completely out of proportion to its age or resources. It found its wealth at the source of America's wealth: in its ideas, in its people. New and powerful ideas, dedicated and farsighted people, linking a medical school with a hospital, teaching at the bedside, developing new methodologies to fight terrible disease, bringing scientific research to medicine, seeing what works -- Johns Hopkins demonstrates what one biomedical research establishment can do to change and improve health care in thousands of hospitals for millions of people.

Yet in our country today, there is a growing awareness that to make this country as healthy as it can be, all of us -- all of us -- must accept a share of the responsibility: government, the health-care profession, and the American people themselves. First, the Federal Government. In my State of the Union Address, I asked Dr. Louis Sullivan to lead a Domestic Policy Council review of options on the accessibility, the costs, and the quality of America's health-care system. This administration is committed to health-care policies that improve health-care quality while trying to restrain the costs. For example, last December we enacted significant new Medicare physician payment reform, and recently, we announced the first large-scale program to study medical treatment effectiveness. But better, more affordable health care must also be more accessible. Expanded efforts to reduce infant mortality and expanded Medicaid eligibility to cover more women and infants are just two of the steps that we are taking to help.

Yet if American medicine is to continue to do the job, we must maintain our world leadership in medical research and development. It was Hopkins that first isolated a substance that American

Government and medicine can always use: adrenaline. The clock is ticking, and medical breakthroughs tomorrow depend on action today. This administration has committed itself and this nation to not only the largest overall R&D budget but the largest biomedical research budget in our history. We must encourage the development of new technologies to prevent disease and avoid the expense of long-term treatment. A good example of this occurred right here at Johns Hopkins, where the discovery of three types of polio virus made the polio vaccine possible. Ultimately, this high-tech solution, the vaccine, costs only a few cents per patient, versus the tens of thousands of dollars that might be required for a lifetime of care in an old iron lung.

Of course, here at Hopkins you are the leading recipient of Federal research dollars, more than $500 million in the last fiscal year. You won that support the Johns Hopkins way, the American way, the same way that your lacrosse team makes the rankings: by being the very best.

But to keep American medicine the best in the world, individual health-care professionals and institutions must make our medical system responsive and responsible. You are the guardians of your profession -- its ethics and its quality. Your standards must be high, and they must be enforced. The same sense of fiscal discipline that we must apply to government you must apply also to the medical world in a time of rising costs.

And I ask you today to avoid the understandable urge to practice ``defensive medicine," where doctors, fearing litigation, too often dictate treatment that is unnecessary, where the threat of lawsuits threatens the very research that is so desperately needed to save lives. In return, we've got to restore common sense and fairness to America's medical malpractice system. I have directed the Domestic Policy Council to determine steps that the Federal Government can take to help alleviate this serious situation. We've got to remember a simple truth: Not every unfortunate medical outcome is the result of poor medicine. You cannot make life risk-free. No risk means no progress, and that's not the American way.

One of Hopkins' founders, Dr. William Halsted, was the gifted surgeon who introduced rubber gloves. In an age of surgical slashing, he used his scalpel carefully, reducing shock and trauma -- a kinder, gentler surgeon, if you will. [Laughter] But he was not without boldness. And Halsted conceived and perfected a daring feat of surgery, the radical mastectomy, that to this day saves the lives of thousands of women afflicted with breast cancer.

The procedure in that time was unprecedented -- unprecedented in its time. And yet in today's atmosphere of fear of malpractice, it probably would never have been attempted. This fear has not only hurt medical innovation and treatment, it also hurts medical voluntarism. Many doctors used to give a day a week to the needy, and I'm convinced that if not for the liability issue many more would donate time today. And I also worry that the fear of malpractice limits the access of too many Americans in our rural areas to quality medical care, particularly those with high-risk cases. Clearly, we must find a fair and reasonable solution to the malpractice crisis.

But government and health-care professionals alone cannot make this the healthy and productive country we want it to be. America's health-care system will be best in the world only when every American cares about his own health. It is estimated that 40 to 70 percent of the causes of premature death in America are preventable deaths -- unnecessary deaths. And common sense tells us what that means. It's not complicated. Eat sensibly. Exercise. Wear seatbelts. Don't smoke, and if you do smoke, stop. Don't abuse alcohol, and don't use illegal drugs.

We're not talking about lifestyle: We're talking about life. And the best prescription for better health in America is a strong, daily dose of individual responsibility. This sense of responsibility is nothing new. Not far from here, I'm told, is the famous John Singer Sargent painting of the founding fathers of Johns Hopkins medicine. Sargent began by painting the four doctors, but something, he said, was missing. It came as an inspiration. He knocked down a studio wall to get his new props in, and he added a huge Victorian globe and, above the globe, a painting within a painting: St. Martin giving his cloak to a beggar. The globe should remind us of the global responsibilities of American medicine, reaching out to relieve the terrible suffering of innocents like the AIDS babies in Romania or the children of famine in Africa. And St. Martin's gesture should remind us of the special responsibilities of the medical community to reach out to those most in need.

We live in an age of miracles. We really do -- medical miracles as dramatic as the artificial heart, everyday miracles as commonplace as the healing power of love. I believe in miracles and that wondrous accomplishments, wondrous breakthroughs, wondrous days are ahead. And I am privileged to be honored at a place where those wonders will continue to unfold. God speed you in your work, and God bless medicine and those who practice. And God bless the United States of America. Thank you for this esteemed honor. Thank you from the bottom of my heart.

Note: The President spoke at 4:02 p.m. at Shriver Auditorium. In his opening remarks, he referred to Steven Muller, president of the university.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Yitzhak Shamir of Israel

February 22, 1990

Prime Minister Shamir of Israel phoned the President this morning. The Prime Minister thanked the President for U.S. support of Jewish emigration from the Soviet Union, for opposing anti-Semitism, and for supporting the restoration of diplomatic relations as well as the establishment of direct flights between the U.S.S.R. and Israel. The President said that the United States would continue to support these policies.

The Prime Minister stated that Jewish immigration into Israel was a separate matter from the question of settlements and that the Israeli Government had no policy of directing where the new immigrants would live. The President thanked the Prime Minister for his statement and said that the United States would continue to support free emigration from the Soviet Union. At the same time, the President reiterated U.S. opposition to any settlement activity. The President also expressed his hope that the peace process could move forward so that the U.S., Israeli, and Egyptian foreign ministers could meet and that a meeting of Israeli and Palestinian delegations would take place in Cairo soon.

The President expressed his appreciation to the Prime Minister for his call, which both leaders described as helpful and constructive.

Remarks on Signing the American Red Cross Month Proclamation

February 23, 1990

Thank you very much, Chairman Moody, and all of you, ladies and gentlemen. It's a great pleasure for me -- long drive over -- [laughter] -- but I'm willing to make the sacrifice. [Laughter] Literally, it took us about 30 seconds. But what a pleasure to address the Red Cross. One reason is that if my speech is a disaster, relief is close at hand. [Laughter] Moreover, you prove what Emerson said: ``The greatest gift is a portion of thyself."

Seventy-seven years ago it was, William Howard Taft began a great and generous tradition. And since then, every President has been privileged, as I am, to serve as American Red Cross Honorary Chairman and, since 1943, to proclaim March as American Red Cross Month.

To Franklin Roosevelt, the Red Cross embraced in its membership all races and creeds. To Dwight Eisenhower, it mirrored the warm heart of a free people. And another great President, Ronald Reagan, rightly observed that the Red Cross volunteers have proved equal to the challenges of the times. This spirit is crystallized in the three windows beside me, windows commissioned by the Red Cross in 1917, which represent the theme of ministry through sacrifice. These windows tell the Red Cross story, from collecting blood to combating disaster, and what this has meant to Americans and people throughout the world for generations.

Let me tell a story which illustrates that meaning. It's about a violent winter snowstorm and a remote mountain cabin all but covered by snowdrifts. I'm afraid most Red Cross volunteers have heard it. A Red Cross rescue team was carried by helicopter to these snowdrifts, within a mile of the cabin, and then struggled to the cabin, shoveling a path through the snow. Finally arriving at the door, the lead rescuer knocked. It was opened by a crusty mountaineer. ``We're from the Red Cross," the rescuer explained. To which the mountaineer responded by scratching his head. ``Well, it's been a right tough winter," he said at last. ``I don't see how we can give anything this year." [Laughter]

A few moments later, obviously, the mountaineer got the message that rescue team was there to help. Just as for millions of people in need, from that snowbound mountaineer to families made homeless by floods and hurricanes, the Red Cross is what I like to refer to as a brilliant point of light, part of that vast galaxy of individuals, businesses, schools, churches, synagogues, voluntary associations working together to solve problems.

A point of light, a star of hope across the globe -- for 109 years that star has shone anytime there has been a need, anywhere there is a need. And today it dazzles still, in 2,800 chapters, in thousands of towns and cities and at our military bases around the world, providing light at the

end of the tunnel, a rainbow through the clouds.

Look, first, here at home. When forest fires seared the State of Michigan in 1881, or the Dust Bowl ravaged lives, the Red Cross star of light, if you will, helped millions of people. And that legacy continues from Hurricane Hugo in South Carolina to the earthquake in north California. Through CPR, AIDS education, and programs for the elderly, the Red Cross star casts a glow of love and caring, showing that any definition of a successful life must include serving others.

And look around the world. In the late 1800's, the Red Cross sent food and medical supplies to a starving Russia, and since then, has served from San Juan Hill to Hamburger Hill. In 1987, 1,200 Red Cross volunteers assisted when the tiny country of Bangladesh suffered from floods. In 1988, you sent the first international disaster relief to the Soviet Union in 65 years. And today, just take a look at Eastern Europe, where you're providing emergency food, clothing, and medical aid to new refugees. These efforts prove anew that a world without the Red Cross would be a terrible cross to bear and show how the Red Cross star of hope can shine forever by helping the volunteers of today become the leaders of tomorrow.

For evidence then, look at these men and women, each a star player honored by the Red Cross, or as you say, each playing your part: Dorothy Campbell-Bell of Nashville, teaching law in the classroom and the disabled to swim; or Rochester, New York's Joe Delgado, next here, father of the Organization of Latin American Students. In Philadelphia, Bill Gallagher is a Red Cross leader and full-time medical student. And in Cape May, New Jersey, Karen Maiorana started Operation Mail Call. Then there's Ben Robinson, of Hartford, Connecticut, one of Ebony's 10 Young Leaders of America; and then Debra Johnson, of Ashtabula, Ohio, the 1988 Volunteer of the Year.

That's some battalion, some lineup, I'll tell you. And today they're leading a cavalry charge of hope and healing. They're among the more than 1 million volunteers who grace settings from day care centers to inner-city schools and who are buoyed by the donors who last year raised nearly $145 million for the Red Cross disaster relief fund.

I began with a story about such service to others, and so let me close with another. It's about a man, President Woodrow Wilson, who so admired the Red Cross that he once told Admiral Grayson to gather up sheep and put them grazing on the White House lawn. ``He appointed me shepherd of the flock," Grayson recalled. ``When shearing time came, I reported to him that we had a little over 100 pounds of wool." With that, Wilson ordered him to send 2 pounds of wool to every State, telling the Governors to have it auctioned for the benefit of the Red Cross. The auction raised $50,000, and in time, Admiral Grayson went on to become Chairman of the Red Cross. For like you, he believed that we succeed in life only when we make a difference in someone else's life.

You live that belief and have made the Red Cross a star of hope unto the world. This table was

used by Red Cross Chairman William Howard Taft when he was President. So, it's my honor now to use it again as I sign this proclamation making March American Red Cross Month.

Thank you for all you do, and thank you for inviting me. God bless the Red Cross. Thank you all.

Note: The President spoke at 11:42 a.m. in the Board Room at American Red Cross headquarters. In his remarks, he referred to George Moody, Chairman of the Board of Governors of the American Red Cross. The proclamation is listed in Appendix E at the end of this volume.

Message to the Senate Transmitting the Tunisia-United States Consular Convention

February 23, 1990

To the Senate of the United States:

I am transmitting, for the Senate's advice and consent to ratification, the Consular Convention between the United States of America and the Republic of Tunisia signed at Tunis on May 12, 1988. I am also transmitting, for the information of the Senate, the report of the Department of State with respect to the convention.

The signing of this convention is a significant step in the process of enhancing and broadening the relationship between the United States and the Republic of Tunisia. Consular relations between the two countries currently are not addressed by a bilateral agreement. The convention establishes clear obligations with respect to matters such as notification of consular officers of the arrest and detention of the nationals of their countries and protection of the rights and interests of the nationals of their countries.

The people of the United States and Tunisia have a tradition of friendship and cooperation. I welcome the opportunity through this consular convention to promote further the good relations between the two countries. I recommend the Senate give early and favorable consideration to the convention and give its advice and consent to ratification.

George Bush

The White House,

February 23, 1990.

Appointment of Arthur A. Fletcher as a Member of the Commission on Civil Rights, and Designation as Chairman

February 23, 1990

The President today announced his intention to appoint Arthur A. Fletcher to be a member of the Commission on Civil Rights for a term expiring November 29, 1995. He would succeed Sherwin Chan. Upon appointment he will be designated Chairman.

Currently, Mr. Fletcher serves as president of Arthur A. Fletcher and Associates in Washington, DC. Prior to this, he served as Deputy Assistant to the President for Urban Affairs at the White House, 1976 - 1977, and president of Arthur A. Fletcher and Associates, Inc., 1973 - 1976. Mr. Fletcher served as executive director of the United Negro College Fund, 1972 - 1973. He was Alternate Delegate of the United States of America to the 26th Session of the General Assembly of the United Nations, 1971; Assistant Secretary of Labor for Employment Standards in Washington, DC, 1969 - 1971; special assistant to the Governor of the State of Washington in Olympia, 1968 - 1969; member of the city council in Pasco, WA, 1967 - 1968; and an employee relations consultant at Hanford Atomic Energy Facility, 1967 - 1968. In addition, he has served as a teacher in public schools in Berkeley, CA, 1961 - 1965; reports control manager at Aerojet-General Corp. in Sacramento, CA, 1957 - 1961; and an assistant director in the public information office of the Kansas State Highway Department in Topeka, 1955 - 1957.

Mr. Fletcher graduated from Washburn University (B.A., 1950). He was born December 22, 1924, in Phoenix, AZ. Mr. Fletcher served in the U.S. Army, 1943 - 1945. He is married and resides in Washington, DC.

Statement by Press Secretary Fitzwater on Peace Corps Programs in Eastern Europe

February 23, 1990

The President is pleased to note that today in Warsaw the United States and Poland signed a formal agreement for a Peace Corps program in Poland. Under the program, which was arranged in response to a request from the Polish Government, 60 American volunteers will go to Poland in June to provide English language training.

Under a similar agreement with Hungary, signed on February 14, the Peace Corps will send another 60 volunteers to Hungary in June. Czechoslovakia has also requested a Peace Corps English language program, and the President has asked Director of the Peace Corps Paul Coverdell to go to Prague soon to lay the groundwork for such a program. As the Peace Corps expands its activities into Eastern Europe, it will also offer assistance in such areas as the environment, computer training, and small business development.

The President welcomes these programs, which will be of direct benefit to the emerging democracies as they rejoin Europe and the community of democratic states.

Statement on the Death of Jose Napoleon Duarte of El Salvador

February 23, 1990

The President and Mrs. Bush are deeply saddened to hear of the death of former President Duarte. President Duarte was the father of Salvadoran democracy, a dedicated servant to the people of El Salvador, and a firm friend of the United States. His wisdom and dedication to the growth of democracy in Central America will be long remembered. President Duarte was also a strong supporter and exponent on behalf of human rights and social justice and has left a strong legacy in this area.

President Bush enjoyed a warm, close working relationship with President Duarte. President Bush admires the courage he exhibited in building the foundation of democracy in El Salvador and the message of hope he brought to all of Central America. The American people join the people of El Salvador in mourning their loss.

Letter to Congressional Leaders Transmitting the Report on Soviet Noncompliance With Arms Control Agreements

February 23, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 1002 of Public Law 99 - 145 (22 U.S.C. 2592a), I am forwarding herewith the classified version of the Administration's report to the Congress on Soviet Noncompliance with Arms Control Agreements. Also enclosed is the unclassified version of the report.

This is the fifth in a series of reports on Soviet compliance with their international obligations. On the whole, our compliance policy has made progress since last year's report. The report notes certain constructive steps the Soviets have taken, such as the destruction of the radars illegally deployed at Gomel and Soviet Foreign Minister Shevardnadze's commitment to correct the Krasnoyarsk radar violation of the ABM Treaty. At the same time, the report details several issues that continue to concern the United States.

I intend to continue to press for scrupulous Soviet compliance with their arms control treaty obligations. The principle of scrupulous compliance is particularly important as we near completion of new arms control treaties.

I value the strong congressional support for our compliance policy to date, and look forward to working closely with the Congress on these issues in the future.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Continuation of Timothy L. Coyle as an Assistant Secretary of Housing and Urban Development

February 23, 1990

The President today announced his decision that Timothy L. Coyle will continue to serve as an Assistant Secretary of Housing and Urban Development for Legislation and Congressional Relations.

Since 1988 Mr. Coyle has served as Assistant Secretary for Legislation and Congressional Relations at the Department of Housing and Urban Development in Washington, DC. Prior to this, he served in several positions at the Department of Housing and Urban Development, including Deputy Under Secretary for Field Coordination, 1986 - 1988, and Deputy Assistant Secretary for Legislation, 1984 - 1986. In addition, he served as Assistant to the Chairman at the Federal Home Loan Bank Board in Washington, DC, 1983 - 1984; Executive Assistant for Field Operations in the Office of Housing for the Federal Housing Commissioner at the Department of Housing and Urban Development, 1981 - 1983; consultant for the Presidential Inaugural Committee in Washington, DC, 1980 - 1981; and general manager for Richert Steak Houses, Inc., 1977 - 1980.

Mr. Coyle graduated from San Diego State University (B.A., 1976). He was born August 29, 1953, in Los Angeles, CA. Mr. Coyle is married, has two children, and resides in Alexandria, VA.

Appointment of Jose E. Martinez as Special Assistant to the President and Associate Director of Presidential Personnel

February 23, 1990

The President today announced the appointment of Jose E. Martinez to be Special Assistant to the President and Associate Director of Presidential Personnel.

Since January 1990 Mr. Martinez has been Associate Director of Presidential Personnel for National Security Matters. Prior to this he was president of J.E. Martinez & Associates, Inc., a consulting firm located in Alexandria, VA. Mr. Martinez served in the U.S. Air Force from 1961 to 1981. His assignments included congressional liaison officer for the Secretary of the Air Force and country manager for foreign military sales. From August 1981 to March 1985, Mr. Martinez served as a professional staff member for the Senate Committee on Armed Services. His responsibilities included the authorization of the Department of Defense requests for other procurement, military construction, and ammunition. He also served as special assistant to the committee chairman and as committee press secretary. In 1984 Mr. Martinez was Texas campaign director of Hispanics for Reagan/Bush. In 1988 and 1989, he served as national campaign director of Hispanics for Bush-Quayle and codirector for outreach programs in the office of the President-elect, respectively.

Mr. Martinez, of Brownsville, Texas, obtained his B.A. in 1976 from Our Lady of the Lake University in San Antonio, TX, and his M.A. in 1979 from the Catholic University of America in Washington, DC. He is married to the former Shirley Ann White and has five sons.

Joint News Conference Following Discussions With Chancellor Helmut Kohl of the Federal Republic of Germany

February 25, 1990

The President. Barbara and I met on February 24th and 25th here at Camp David with Helmut Kohl, the Chancellor of the Federal Republic of Germany, and his wife, Hannelore. And we were just delighted to have them here.

The Chancellor and I had an opportunity to talk at length about recent political developments in Europe and about East-West relations, and I am pleased to say that we share similar views on the most fundamental issues. We both welcome the prospect of further movement toward German unification, beginning with the steps toward economic and monetary union that are proposed for the period immediately following the elections in the GDR [German Democratic Republic] on March 18th. If events are moving faster than we expected, it just means that our common goal, for all these years, of German unity will be realized even sooner than had been hoped.

We share a common belief that a unified Germany should remain a full member of the North Atlantic Treaty Organization, including participation in its military structure. We agreed that U.S. military forces should remain stationed in the united Germany and elsewhere in Europe as a continuing guarantor of stability.

The Chancellor and I are also in agreement that in a unified state the former territory of the GDR should have a special military status, that it would take into account the legitimate security interests of all interested countries, including those of the Soviet Union. At the same time, the Chancellor and I agreed that we must continue to press hard for arms control efforts which would sharply reduce military forces in Europe from the Atlantic to the Urals.

We want to work together to have a CFE agreement ready for signature this year at a summit meeting of all 35 CSCE member states. The summit could also endorse our proposal for CSCE guidelines on free elections to help show the way and protect the emerging democratic institutions of Eastern Europe.

Chancellor Kohl and I had a good discussion on East-West relations. We both support Chairman Gorbachev's program of perestroika, his efforts to reform his country's political and economic system. Chairman Gorbachev has shown true statesmanship in respecting the will of the people in Eastern Europe, in trying to build new relationships based on cooperation instead of coercion.

Since those difficult days following World War II when America joined hands with the German people in their effort to build a new state and a new society, the United States has been their

partner in a common dream; and that dream was to build a free, democratic, and prosperous German republic committed to peace and working in close harmony with its closest neighbors. That enduring German-American partnership has never been stronger as Chancellor Kohl, the leader of one of the world's greatest democracies, steps toward a golden moment in the history of his nation.

Mr. Chancellor, it was a pleasure to have you with us. And now for your statement, sir.

The Chancellor. Mr. President, ladies and gentlemen, my first word is thank you. I wish to thank you, Mr. President, and your wife, Barbara, in my own name as well as on behalf of my wife, for the very cordial and friendly reception here in Camp David.

The atmosphere, the climate of our meeting, is symbolic of the excellent German-American relations. In particular, now, when the day of unity is drawing near for us Germans, we are conscious with profound gratitude of the fact that all of this would not have been possible without the close friendship and the confident partnership with the United States of America.

In the spirit of this friendship, the two of us, Mr. President, in the course of these hours in Camp David -- we have discussed a vast list of political issues; and the center of our conversations was the future of the transatlantic relations and, embedded therein, the hope of the Germans towards national unity.

Against the background of historic changes on the European continent, we have reconfirmed our common belief. First, the alliance of a free democracies in Europe and North America -- and included therein the German-American partnership -- are of fundamental importance for peace and security. This is true now. This will be true in future.

Second, the security link between North America and Europe is and continues to be today and in future for us Germans -- that is to say also for a united Germany -- of vital importance. That is why we need the presence of our American friends in Europe, in Germany -- and that includes the presence of American forces.

Also for a united Germany and future, maintaining the friendship with the United States of America and the expansion of relations with them will be an important task. We are happy about the ever closer economic cooperation and economic exchange, exchange in the fields of science and culture, and about the ever more meaningful meetings between people -- in particular, of the young generation.

We are convinced that transatlantic relations must systematically be expanded in all fields. It is common security in the alliance which is part of this -- the ever closer contact between the European Community, including political cooperation, and the United States. And this includes, also, our joint efforts to make our way towards a European peace order within the framework of

the CSCE.

Seeing the major changes in central Europe, east Europe, southeast Europe, the European Community continues to be an indispensable anchor of European stability. That is why we, the Federal Republic of Germany and, in particular, myself, do not only want to expand European integration but we want to accelerate this process wherever possible.

Beyond the big internal market, which is to be achieved after the 31st of December, 1992, beyond an economic and monetary union, primordial, the aim continues to be political union in Europe. That was the objective of the treaties of Rome, and nothing has changed in that area.

It is our joint interest that the reform policy in central, east, and southeast Europe and, in particular, the policy led by Secretary General Gorbachev in the Soviet Union will be successful. Europe and North America are and continue to be open for cooperation as partners, in particular with the reform states, and I welcome, particularly, what you have just said about the subject, Mr. President.

In the course of our conversations, we were also agreed that disarmament negotiations must energetically be pursued and be led to a success.

On the path towards German unity, ladies and gentlemen, what we need in particular now is reason and a good judgment. We Germans walk along this path with a particular responsibility in the center of Europe, and we're doing so, if you like, along two tracks which are of equal importance. On the one hand, we are leading intensive talks with the GDR, and at present we will, in particular, have to concentrate on the customs union and the economic community. On the other hand, we do have to consider that the link with our transatlantic partners, that European unity and comprehensive cooperation between East and West are being linked up with the development.

We do respect the legitimate security interests of all states, and we respect people's feelings, especially the feelings of our neighbors. And I am saying this particularly addressing our Polish neighbors. The border question will be settled definitely by a freely elected all-German government and a freely elected all-German Parliament. But let me repeat here what I have recently said in Paris already -- it was in January of this year: Nobody has any intention of linking the question of national unity with changes of existing borders.

In the course of our talks, I have informed President Bush about the situation in the GDR and the talks I have had a couple of days only with Secretary General Gorbachev. And I wish to seize this opportunity, Mr. President, to thank you publicly today, and here before the press, that on the eve of my trip to Moscow you sent me a letter which did not only speak about supporting our policy and was not only marked by the habitual friendship but which will be going down in history as an important document of German-American friendship.

Let me conclude by thanking you very much again for your friendship and for the lovely hours we have been able to spend with you here. I think this will mark our future cooperation as well.

The President. Helmut, if agreeable to you, might I suggest to the press that we alternate the questions between us? Is that agreeable with you, sir?

German Reunification and Developments in Europe

Q. You have declared, Chancellor, that you do not want a change of borders. Does this mean that you consider the Polish border as final?

The Chancellor. My answer is very clear. It is contained in the text, and I am sure it has been translated correctly. According to the legal situation in our country, it is a freely elected Parliament -- thus sovereign -- of the people, which has to decide this question. And this is laid down also in the treaties of 1970 and has been mentioned in the conversations which took place in those years again and again.

Beyond this point, I have again and again declared during the past month that -- and I do want to repeat -- nobody wants to link the question of national unity with changes in existing borders. And nobody is permitted to doubt my attitude there.

Q. Then do you consider to exclude that before German unity a treaty be concluded with the Poles about the Polish border -- do you consider this excluded?

The Chancellor. If I interpret the wish of the Polish Government correctly, and I think I do, then the Polish Government has a very national wish that the legally competent sovereign take that decision. In Poland, there are certain circles who wish that before such a decision to be adopted by an all-German Parliament, decisions be taken in the two German States. In the West German Parliament, we have already pronounced ourselves and confirmed our line about the nonchanging of borders.

The President. Might I just add the U.S. position, with your permission, Mr. Chancellor? The U.S. respects the provisions of the Helsinki Final Act regarding the inviolability of current borders in Europe. And the U.S. formally recognizes the current German-Polish border. I just wanted to get that in.

Q. Do you think there is some difference between what you have just said and what the Chancellor said? There seems to be some bit of equivocation on his part. Do you think there is any difference in the U.S. view and what the Chancellor is saying today?

The President. I think we're in alignment. I would not interpret what he said as equivocating at

all, and I have just given you the U.S. position.

Q. Can you explain for us at this stage precisely how the two-plus-four works and what the sequencing is? Whether they're consecutive, consultative? There has been so much confusion about that. Who has got what rights?

The President. No, those details have not been fully worked out in terms of timing of meetings and things of this nature; they have not been worked out. This formula was approved by the Foreign Ministers in Ottawa, and we simply have not tried to sit here in Camp David and fine-tune the procedures for the two-plus-four. Have you got a follow? I'm not sure I was responsive, Charles [Charles Bierbauer, CNN].

Q. Well, I'm not sure that I know any more than when you started. And that may be part of the problem here: that it is not clear whether the Germans hold their meetings simultaneous with you, whether you're in adjacent rooms, whether you run back and forth.

The President. No, those details have not been worked out. And it would be wrong for the United States to try to sit on its own and work out with the German Chancellor all these technical matters that involve others. So, we did not get into those details here today.

Q. Can I get the Chancellor to comment on how it should proceed?

The Chancellor. I would like to make a brief remark about the subject, all the more so since I don't believe that there is any reason for considering the situation with mistrust.

I'm very happy with the decision adopted in Ottawa: two-plus-four. It is only natural that the two states in Germany, in particular after the 18th of March elections in the GDR, will be discussing the subject in a particular way. This is a subject which concerns the Germans in particular. But I spoke about the two tracks a moment ago, along which things have to proceed. We will then, at the level of two-plus-four, have to discuss things very frankly. And we're not trying to exclude anybody -- that was sort of the background of what you were saying -- but we will have to discuss things in every necessary detail. And I think that is possible within a reasonable timeframe. If we talk to one another, we have a good chance of understanding one another.

Q. Mr. President, how do the Poles come into this process? Are they just one of the 35 at the end of it?

The President. Well, I know of Poland's feeling to want to make two-plus-four into two-plus-five. Is that what you're asking about? The two-plus-four has been agreed upon clearly. No agreement would ever be reached that affects the Polish borders without Polish involvement. But there is no change. We don't sit up here and try to change an agreement that was taken by several countries at Ottawa.

But I should add there will be a lot of consultative mechanisms to deal with the interests not just of Poland but of our allies and everyone else. And the Chancellor is very good about that, and I hope we've been good about it. And it is essential that we stay on the same wavelength with our allies and friends.

Excuse me, Helmut. I interrupted you, sir.

The Chancellor. Let me underpin what the President just said. I do realize that there is a particular interest on the part of the Poles. And I'm certain that in the course of this process we will find ways and means of adopting a solution satisfactory to everybody. I think every one of us has a feeling that there is a particular situation there, but I don't consider it useful that the two of us, when nobody else from amongst our party is here, try and decide on things and make a declaration today.

Q. -- -- seems to be growing across Europe, from Poland to Britain, and our own former Director of Intelligence, Mr. Helms, has called the German unification march a runaway freight train. Given the history, the role that Germany played in two wars in this century, shouldn't there be some assurances before this marriage takes place on borders and security?

The President. I think all those matters will be discussed in the various consultative mechanisms that we've brought up. But I prefer to look at Germany's 45 years of contribution to democracy and to the security of the West, and that's what we are focusing on. I've stated the U.S. position, which is not to be afraid of German reunification but to understand when peoples -- brother on one side, brother on another -- want to get together as one country, as they were before this artificial division that resulted out of World War II. So, we've already crossed that bridge. We welcome reunification. But it's not for the United States to set a timetable. It's not for us to say how fast. It is for us to guarantee as best we can, in consultation with our allies, that whatever evolves will be stable and that peace will be the result.

So, I've already given you the view in my statement about the U.S. toward unification, and we are not in a process of trying to speed it up or slow it down. It's a matter for the German people; it's a matter for the discussions that will be taking place in multilateral fora.

The Chancellor. Just a second. Let me say something about this, because this is a very central question. The question of German unity is a question of the right of self-determination. And all peoples of this Earth have the right of self-determination. It's a part of the Charter of the United Nations. It corresponds to the principles of CSCE. It corresponds to the major democratic traditions of our world. In all documents, all treaties which have been concluded with the Federal Republic, the will to reform the unity of the German nation had always been confirmed.

The second point is that the people in the two parts of Germany do want to unify, want to

overcome the artificial division. The people in the GDR, in a peaceful revolution -- I think the most peaceful revolution of history -- have made it clear that they want it by shouting, ``We are the people. We are one people." Now, if I have a particular feeling seeing and hearing this, I believe that we do have a responsibility to be conscious of the fact that we are situated, geographically speaking, in the center of Europe. We have a certain history. We must understand that there are certain fears on the part of our neighbors, and I'm talking about serious fears and not only the pretended fears -- because there are people who pretend they have fears but what they mean is that they fear the economic power of the Federal Republic plus GDR.

The President very rightly said last year the Federal Republic was 40 years of age. In the course of 40 years, it was a loyal and reliable partner in human rights and the defense of freedom. In 1983, I put my political existence at stake by agreeing that arms be deployed -- NATO arms, American arms -- and missiles be deployed on German soil. So, nobody has to tell me what a reliable partner is.

But I do take all the other data into consideration, and I've also made it clear -- that's part of my answer to you -- that I am amongst those who want to pursue the political union of Europe. The Federal Government is a government which is ready to delegate further competencies to the European Parliament. In other words, we want this united Germany to be ever more embedded in an integration process with its neighbors. So, nobody needs to be afraid.

And as regards economic strength, I can only say that the European Community has been able to draw great advantage of the economic strength of the Federal Republic and will be able to enjoy more advantage from the economic strength of a united Germany.

Q. Mr. President, I'd like to know perhaps the core question: Do you trust that Germany will never become an aggressive, resurgent military power? And if I might ask Mr. Kohl: Mr. Kohl, do you forsake such a power?

The President. I have stated that the U.S. position is that we welcome unification. And clearly, that would not be the position if we held the fears that your question alluded to. I do think that one way to help with stability -- not in relation to this question but European peace and stability -- is to have a strong NATO and to have U.S. troops, if wanted, stationed in Europe. But if I shared the fears that you're talking about, clearly we might well have a different policy.

Let me take this one, Chancellor, because I recognized two at once.

Q. I would like to ask Chancellor Kohl how durable we can see the commitments to NATO and the continued presence of U.S. troops on German soil, given the broad support in the Federal Republic right now for a neutral unified Germany, given the probable outcome of the East German elections, and given some of the political pressures that you may come under later this year with elections in December?

The Chancellor. First of all, it's my affair, these elections in the Federal Republic of Germany in December, and I'm looking forward to them very calmly. A moment ago, I gave you the example. Had I been standing here in the fall of 1982 or in January '82, most of your colleagues would have doubted that the Germans would deploy. We did deploy American missiles, and that is why I really don't think we need to be told what reliability means. Neutralism would be a very false solution for us. I can't see that there would ever be any majority in the Federal Republic nor in the united Germany for a neutralized Germany. I think we have learned lessons, and we do not want to repeat the errors of history. But one mistake in the times of the Weimar Republic, of course, was that Germany was isolated in Europe. One must make Germany a part of the whole.

Q. How would you assess the results of your Camp David meeting? Has this accelerated the way towards German -- --

The Chancellor. I don't think that this was our subject, really. Actually, I must say, I don't quite understand this discussion on who accelerates and who does the contrary. At one point in time, I proposed these 10 points. At that time, the situation was quite different in November, and that is only a couple of weeks back. We had thought that on the path towards German unity we would be able to take certain steps, that we would have an opportunity of concluding this contractual community first and then have further joint structures and then have a confederation.

It is the attitude of the people in the GDR and their exodus which has accelerated things. You must consider the fact that between the 1st of January and today some 110,000 people have left the GDR to come over to the Federal Republic -- I think that equals the figure of inhabitants of Philadelphia -- in the matter of 8 weeks. So, this movement must be stopped. That is why I made this offer of concluding a monetary union -- in order to stop this movement, in order to hold people back, in order to make them stay at home.

If you ask me, we now need a possibility of proceeding along this path towards unity step by step with good judgment. We need this for ourselves. We also need this because of our neighbors. Because the dynamism which has been caused now has been caused by the people in the GDR, but not because anybody wanted to accelerate that movement. I do hope that in a few days, that is to say shortly after the 18th of March, the newly elected Parliament will soon form a government with whom we can agree on how we want to proceed. But I'm not interested in this being so very fast.

The President. The gentleman in the German press asked -- I thought he said for both of us to comment on the nature of the talks. In diplomacy, they always say full and frank, and you can interpret that any way you want. But the benefit of this kind of meeting for me is you can talk in a very informal setting about any subject at all. And the relationship that I have personally with Chancellor Kohl and that the Federal Republic has with the United States enables us to talk very frankly.

But what I come out with, in addition to this statement that I made, is the importance to keep our allies involved. I believe the Chancellor shares with me the importance of the United States and the Soviet Union staying in very close touch. I know he shares with me the importance of our making progress with the Soviets on arms control and on other areas. So, as this meeting winds down, it was extraordinarily frank. We can talk as one does with friends. But we have so much common ground here, including how we're looking at unification and including the need to be sure that it doesn't look like either one of us is dictating to allies security arrangements or anything else for the future. So, it was a very good meeting.

Q. Mr. President, I wonder if each of you gentlemen could comment on whether you would anticipate that a reunited Germany will see fit to develop an independent nuclear weapons capability?

The Chancellor. No. This discussion is over in Germany. We are not at all longing to be an atomic power.

Q. Mr. President, if I could follow up on the question you were actually asked a week or two ago about who the enemy is these days. It seems that less and less it is the Soviets. So, would one purpose of keeping NATO intact and keeping U.S. troops within NATO in Germany be, as some analysts have said, to keep the Germans down?

The President. No. The enemy is unpredictability. The enemy is instability. And it is for that reason that there are agreed security provisions. And that's the answer to it.

Who out here was smart enough to predict for fact-certain the changes that have taken place any time in the last year? Certainly no one up here. Maybe Chancellor Kohl, but not the President of the United States. And so, what I think we want to do in a period of exciting change is to have a stable Western Europe.

The Eastern European countries are throwing off the yoke of communism. The policy of NATO has prevailed. The Soviet Union is engaged in dramatic change, but nobody can predict for fact-certain what will come. And so, what we want to do is use our good offices and our alignment with NATO to help with stability. And that is in the interest of the United States of America.

Some are saying in our country -- and the Chancellor and I talked about this -- well, we ought to take all the troops out. Or some are saying, take all Soviet troops out and all the U.S. forces out of Europe. In my judgment, that would not provide for a stable Europe. And so -- back to your question -- the enemy is instability and unpredictability as this rapid change continues to unfold inside the Soviet Union and inside Eastern Europe.

The Chancellor. I would like to join up with this term ``instability.'' I think this is one of the major talks of all those responsible in East and West, and it's particular, too, for us in Germany.

We must do everything possible in order to avoid destabilization in Europe, in particular in Eastern Europe. I will do whatever I can to respond to that aim. As a matter of fact, I do not only agree with the President on this but also with Secretary General Gorbachev.

Regarding the relationship between NATO and the Federal Republic, you seem to have made a mistake in your calendar. This is not 1945; this is 1990.

Q. Mr. President, going back to what you were saying before about keeping allies informed, would you like to see a NATO summit called together to discuss the unification?

The President. Well, I will let Chancellor Kohl also respond to that.

I don't think at this juncture we need a NATO summit. Jim Baker just had a very successful and forward-looking meeting up in Ottawa. And I wouldn't say that what's called for now is a NATO summit. We're talking about a CSCE summit, provided there's a CFE agreement.

I have -- as the Chancellor knows, and we discussed this -- a one-on-one meeting with Mr. Gorbachev in the late spring. We have a G - 7 meeting [economic summit]. So, we've got all kinds of consultative mechanisms set up in addition to the two-plus-four, and there'll be a lot of bilateral talks. And maybe the Chancellor would like to respond about the need for NATO, in concert, to do more. But the big point is: Keep each other informed. And I don't think it has to be done at a NATO summit because I think most NATO allies share common ground. There's a concern here or a different suggestion there, but generally speaking, I think we're pretty much on the same wavelength with our allies.

Did you want to add to that here, Herr Chancellor?

The Chancellor. I fully agree with what the President has just said, but let me elaborate on that. What is happening now to many is a surprisingly new situation, including for those who have always talked about it but never thought the day would really come. Now the day is coming. That is why it is so important that we talk to one another as much as possible -- so that there be no mistrust. And that is particularly important for us Germans. I agree that this is not the time to convene a NATO summit, but I do agree that we need many detailed conversations within the European Community.

On the 28th of April, we will have an informal summit, an extra summit, just as we have had it in Paris in the beginning of December. The forthcoming one is going to take place in Dublin, Ireland. Now, having the Presidency, I will inform people there. I will also be at the disposal of the representatives of the NATO member states. I have had, and I will be having, a number of contacts. Not long ago, I met with my Italian, Luxembourg, and Dutch colleagues in Italy. Before I came here, I called my friend [Canadian Prime Minister] Mulroney. I had a long telephone conversation with him.

What matters to me is that we make it clear that we play very frankly and fairly and want to cooperate with all our friends and partners, and the result will be good.

Q. For you and for me Germany must be a full member of NATO. And, Mr. President, do you think that at the end of the two-plus-four process there will be a peace treaty -- that a peace treaty will then no longer be necessary?

The Chancellor. I can give a very simple answer to the first part of your question: Yes.

The President. And we agree with that. And eventually, the Four Powers that were set up right at the end of the war -- that'll have to be resolved. But whether it requires a formal treaty or something of that nature, I'm not sure. But there will be a resolution, so there will not be a continued need for this Four Power arrangement, looking over the shoulders of a democratic, unified Germany.

Q. One question. In these conversations which were so frank and free, did you also discuss what needs to be done in the event that the Soviet Union would not agree to Germany being a member of NATO?

The Chancellor. We talked about many things, and also about what we need to discuss with the Soviet Union.

The President. We will do what Lyndon Johnson did -- we will reason together. And it'll all work out.

Nicaragua

Q. Mr. President, with apologies to your guest, a question on another subject. If Daniel Ortega is elected in Nicaragua today, will the United States deal with him as the legitimate leader of Nicaragua? What will your policy be, sir?

The President. Policy will be, short-range, to wait and see how free, how fair the election is. I don't know whether this is going live into Managua, but the last thing I want to do is make any hypothesis about a victory of that sort, because our view is we'd be better off with those who have professed democracy as the route to go. And so, I will cross that bridge when we get there.

However, let me say this: If these elections are certifiably free and fair, whoever wins the election will find a better climate in which to improve relations with Nicaragua. We've had difficulty because Nicaragua has said that they're not giving arms to the FMLN. Now they say, well, if we're elected we won't give arms to the FMLN. There are certain things that are unacceptable not just to the United States but to other countries in this hemisphere. So, we've got

to see where we go. But clearly, a free and fair election that is certified as such in spite of the shortcomings that have been reported to me by observers would be very, very helpful in this relationship.

Q. If I may follow: Would such an election call for a U.S. response, an American initiative?

The President. Well, again, it's too hypothetical, because we've got to know not only how an election works out but we also need to know what follows on. I thought the Secretary of State put it very well in testimony before Congress the other day when he said, look, there's got to be a period of establishing -- he didn't put it this way, but I will -- a bona fides. And I would cite the FMLN as one clear area where there should be change.

A democratic process is important; but what follows on in terms of freedom of the press, freedom of institutions there, freedom to protest, freedom to speak your mind, is also important. And so, all I'll say is that whoever wins that election, if it is certifiably free and fair, that's good. That's a positive thing, and we would certainly take that into strong consideration, the will of the people having been expressed, as we determine what steps next to take. But I would love to see Nicaragua living peacefully within its own borders, not trying to subvert its neighbors, and giving its people a shot at democracy. Once all that was sorted out, why, I can guarantee you there will be better relations with Nicaragua.

German Reunification and Developments in Europe

Q. Chancellor, you talked about elections in December. Seeing the developments in Europe, in Germany, can you foretell that there will be a Federal election, or whether it's an all-German election?

The Chancellor. I do assume that we will have a Federal election as it corresponds to a constitution.

Q. Have you talked about nuclear short-range missiles over the weekend?

The Chancellor. We have talked about how the process should be developed in the near future and what decisions we'll take with regard to the decisions taken in Brussels in spring, last year.

Q. Mr. President, you said you were surprised that perhaps unity was coming sooner than you yourself had expected. Do you believe that those of your other allies within Europe who are cautious about the pace of that unity are wrong, ill-informed, or do they not understand what you have been talking about?

The President. I think they will rejoice in the agreements in what we've said here today. I can understand individuals looking at a problem in a different way. But I can tell you that the

alliance is pretty firmly together on the security matters. I think they're going to be very firmly together on what the Chancellor said here today about NATO membership. And so, I can understand individual countries wanting clarification or raising questions; this doesn't trouble us at all. I have stated the United States position, and I will keep restating it, and I will be discussing this with our allies.

But look, none of our allied leaders have predicted the rapidity of this change or the dynamics of the change in Eastern Europe. And so, we're all trying to sort it out. But the main point is not that there's not nuances of difference but that there is so much common ground as to the way we look at the problems and as to the way we look at it with the Federal Chancellor.

Q. The question is for both leaders. I noticed in your opening remarks you were more specific than the Chancellor in referring to NATO. I wondered if that's an indication that there is some discussion or perhaps some sentiment among the Germans that NATO may somehow fade away or be transformed into a different kind of European security arrangement, and whether that was discussed this weekend?

The President. Well, we ourselves, Jerry [Gerald Seib, Wall Street Journal], have talked about a broader or slightly different roles. Clearly, the stability through the military aspects is part of it. But we've talked -- and we've talked up here with Manfred Woerner [Secretary General of NATO] the other day -- about a broader role for NATO. But I don't feel at the end of these talks that the Chancellor and I are looking at this differently. If there's some nuances there, I'll let him say so, but I don't think so.

The Chancellor. I can only say this is a very natural thing -- that seeing the dramatic changes in the world with which we're confronted. Think only of the Warsaw Pact and its present situation -- we are talking with the Warsaw Pact, NATO versus Warsaw Pact, United States versus Soviet Union -- we are talking about our future. Manfred Woerner, when he was here, indicated, quite rightly so, that the political importance of the NATO alliance will increase. I think this is important.

And there are quite a few people, including in the reformed states of Central and East Europe, who do not feel threatened by NATO at all, but do consider NATO as a fortress of stability and security. And one has to take that into consideration when one talks about future development. I'm quite optimistic there.

Without developing these ideas further, we will not make any headway in disarmament. And this year we do have the good chance of being able to make headway in disarmament. I do not think that this is the time for pessimism.

Q. Chancellor, of the desire on both of your parts to have a unified Germany remain in NATO, you also said that there should be some kind of special arrangement to provide certain security

guarantees for Eastern Europe and the Soviet Union. Does that preclude any participation at all with a unified Germany vis-a-vis the Warsaw Pact? And would it be conceivable that there could actually be Soviet troops in a unified Germany?

The Chancellor. One thing is clear: A united Germany cannot belong to two different pact systems. The other point is a question of sovereignty. We will have transition situations, and that is the subject about which one has to negotiate it. At present, there are 380,000 soldiers of the Soviet Army. Seeing the reductions, one has agreed upon half of that number will be remaining there for the time being. Many things will have to be looked into, and I cannot and will not give any final position here. A united Germany has its own sovereignty -- that is quite clear. But then, in the transition period, one can still think about things which will be helpful.

Q. Can you give any more details of what you discussed in terms of providing these security assurances beyond what you've said so far?

The Chancellor. I don't think that is what a press conference is about, because we first must negotiate and then have a press conference about the results.

The President. Let me ask -- I notice Mr. Fitzwater looking -- that we may have overextended our time. Would it be agreeable, Chancellor Kohl, if we each took one more question?

Q. Mr. President, can you envision a situation where U.S. troops are still deployed in Germany while the Soviet Union has withdrawn all its troops from German soil?

The President. Yes, I can. And the reason I can envision such a situation is that if that's what the Germans want, that's what ought to happen. The U.S. troops are not in Europe against the will of any single country in which they're deployed -- not one. And the Soviet troops have been for years inside the territory of countries that haven't wanted them. This is a fundamental difference. So, my answer is yes, I can so envision it.

Q. Mr. Chancellor, both of you have talked about U.S. troops and Soviet troops, but I'd like to ask a question about Germany's own troops. Both the Federal Republic and East Germany, the GDR, have substantial armies. I know a final decision about those armies won't be made until the united Germany is formed, but as you look ahead, what's your personal feeling? Do you think it will be necessary for Germany to retain an army of this size, or in the future will it be likely that those forces will be scaled down?

The Chancellor. Let me say, first of all, that's the question of the strength of forces which concerns us directly, but this question must be embedded in the overall situation, the overall security development. I do hope very much that in the area of disarmament we'll advance in leaps and bounds. And I do hope that we Germans will be able to profit from that.

That is why today I cannot answer that question, in particular since I am not the representative of an old German State. And I cannot tell you at all, in what I mentioned, a future German State would conceive of these things. In this question of will, one has to consider the effect that the answer will have on all our neighbors. I have spontaneously answered to the questions put to me by one of your colleagues. He asked, did we want to have nuclear arms? And I spontaneously said no. And that is of greatest importance. There shouldn't be any fears in that direction.

By the way, this and many other questions I consider to be able to be solved. We have had more difficult questions to solve -- if I consider legal questions of private property in GDR, the social structure. So, the task ahead of us is enormous. And that is again why I'd plead it shouldn't be put under time pressure, but we should be advancing and solving these problems step by step.

The President. Thank you all very, very much.

Note: The President's 38th news conference began at 11 a.m. at Camp Greentop, MD. The Chancellor spoke in German, and his remarks were translated by an interpreter. Marlin Fitzwater was Press Secretary to the President.

Remarks to Members of the National Governors' Association

February 26, 1990

Before I talk about the issues that we've been discussing with the Governors, I'd like to make a brief comment on yesterday's election in Nicaragua. Any friend of democracy can take heart in the fact that Violeta Chamorro won the election. And the election process, by all accounts free and fair, is a credit to the people of Nicaragua, who chose to determine their nation's future at the ballot box -- and that is a victory for democracy.

Yesterday's election moves us one step closer to the day when every nation in this hemisphere is a democracy. And I'll soon send messages -- I think they may have already gone out -- to Mrs. Chamorro, congratulating her on her victory; to President Ortega, congratulating him on the conduct of the election and on his pledge to stand by its results; to President Carter and his counterpart on that one, Dan Evans, to Mr. Soares of the OAS, to Perez de Cuellar and Elliot Richardson of the United Nations for their leading roles in observing the elections.

In the next few days I'll be speaking with Central and South American leaders. This morning I talked to President Carlos Andres Perez of Venezuela about appropriate trade and economic measures that we can take to support the new government of Nicaragua. We hope now for a peaceful transition, for the institutionalization of the democratic process in Nicaragua. And there is space in a democratic Nicaragua for all political points of view. Given the clear mandate for peace and democracy, there is no reason at all for further military activity from any quarter, and we hope the cease-fire will be reestablished without delay and respected by all sides. For years the people of Nicaragua have suffered, and today the people of Nicaragua have spoken, and now is the time for Nicaragua to move forward to freedom.

And now back to our agenda at hand. I am very pleased to be with you on this occasion, an occasion which I believe will be viewed in years to come as a dramatic turning point for our country. You've come to Washington for this annual meeting with an uncommon agenda. Today we're launching a new era in education reform. Its focus -- high expectations. Its hallmark -- results. Its energy -- derived from the people of our great nation, who will insist on a world-class education for our kids. For the first time in America's history, we now have national education goals and objectives, goals that pave the way to a decade-long commitment to excellence in education for all Americans, goals that will guide us on the journey toward an American renaissance in education.

We made the commitment to develop national goals last fall there in Charlottesville, Virginia. Five months later, I'm glad to see that the spirit of cooperation and bipartisanship, so much in evidence there at Charlottesville, is still very much alive. That spirit has got to endure. And over the coming months and years, the spirit must serve as a signal to America that our commitment

to these common goals remains unshakable, very strong, not for just today, not just tomorrow, but for the rest of the decade, to the year 2000, until we get the job done and get it done right.

You know, only a year or so ago, the notion of the President and the Governors agreeing on education goals was considered a bold step for America to take. Even now, there are some who say the goals we've established are too ambitious. I think they're mistaken. They've failed to appreciate the depth of our commitment to restructuring and change.

We've all been following the extraordinary events which have unfolded before our eyes in Eastern Europe over the last year, and there is a lesson in those events for all of us in this room and for all Americans. And that lesson is: When people unite behind common goals and demand the freedom to pursue their dreams, no system can stop them. And nothing will stop us.

There is nothing more important to the long-term stability and stature of America than establishing a first-class education system. Nothing is more important to a competitive America in the 21st century. Nothing is more important to improving the quality of life for our citizens. And nothing is more important than the promise inherent in these goals that all children in America can realize their fullest potential and reach out for their dreams.

I want to see these goals posted on the wall in every school so that all who walk in -- the parents, students, teachers -- know what we're aiming for, so that everyone knows we have set for ourselves the goal that every child will be ready to learn from the first day they walk into the classroom; the goal of raising the graduation rate to 90 percent by making our schools meaningful, challenging, and relevant to the needs of our students; of setting high standards of achievement among our students, seeing that they leave the transition grades of 4, 8, and 12 having mastered the important subject matter; the goal of achieving first place in math and science among industrialized nations; of every American adult being skilled and literate, equipped to be a productive worker and a responsible citizen; and finally, the goal of every school in America being safe, disciplined, and drug-free.

These goals and objectives have been developed with a great deal of energy and effort over these past 5 months and with the input of hundreds of citizens from all sectors of society. And I want to thank everyone who has participated in this process. Governor Branstad and the members of your education task force, I thank you for your commitment, your dedication, and all the hundreds of hours of hard work -- that as we acknowledge this first step, we've also got to recognize that hard work lies ahead.

Over the next few months, I know you'll be looking at strategies in your States which will move us forward to these goals, and strategies that will focus on measuring progress by results, by how well students are doing. One of the Governors encouraged me in the meeting in there to encourage the people of this country to support State and local initiatives that have to do with making the educational system better. And certainly I am prepared to do that, just as I am

grateful to the Governors for their participation in setting these goals.

In the coming months, we'll work together with Congress on legislation to increase flexibility in Federal funding in return for enhanced accountability. And you, the Nation's Governors, have committed to break the bureaucratic shackles that smother innovation and stand guard over the status quo. Although the Federal Government traditionally has a limited role in education -- and we all respect and acknowledge that it is the dynamism at the State and local level that achieves excellence -- I promise you that this administration is determined to walk with you every step of the way.

When I next meet with my Cabinet, many of whom were with us there in Charlottesville, I'll ask each to work with our domestic policy adviser to devise strategies that can support your efforts and those of your communities in helping to achieve these goals. I will work with you to establish a bipartisan group to ensure that proper and constructive measurements of our educational performance are developed where they don't already exist. And this group is going to report to me each year on the progress we make.

And I'm calling on America's private sector to be a third party in this enterprise. We need to know from them what the workplace will need and expect of our citizens in the 21st century. And we need their talent and their commitment to help move this reform effort forward. And finally, I will do everything I can to provide the national leadership and energy to keep education in the forefront of America's domestic agenda.

The work ahead will not be easy. We're traveling uncharted waters. And never before have we as a nation set such goals for education. And never before have the Nation's leaders stepped forward to say we are willing to be held accountable for the results of this process. And never before have the President of the United States and the Governors joined together in a partnership and a long-term commitment on a single issue.

If we can accomplish just one thing today -- and it may be the simplest and yet most valuable of all -- it is to send a message to parents, teachers, community leaders, and every other American: These goals are not the Governors' goals. They're not the President's goals. They are the Nation's goals. And we are rejecting the status quo, raising our sights, investing our faith in the American people. And so, today I hope the Governors and the Cabinet will join me in extending a challenge to all Americans to adopt these goals as their own and to take aim now at the year 2000 and to enlist every ounce of American innovation, energy, resolve in the effort to achieve these education goals and prepare this nation for the challenges of a new century.

Thank you all very, very much for your superb cooperation.

Note: The President spoke at 11:59 a.m. in the East Room at the White House. Prior to his remarks, the President met with members of the association in the Blue Room.

Remarks Announcing the Publication of ``Growing Up Drug Free: A Parent's Guide to Prevention"

February 26, 1990

The President. Thank you, all of you. And welcome, all of you, and welcome to the White House. We are here, as Secretary Cavazos, our outstanding Secretary of Education, said, to unveil this little book. And I must say I cheated -- I saw it ahead of time. [Laughter] I saw it when we were walking over, and I think it's going to do a lot of good. It's titled ``Growing Up Drug Free: A Parent's Guide to Prevention," published by the Secretary's Department. And it's written for parents who are concerned about their kids and illustrated by a number of promising young artists who are with us today. And this guidebook is being released because we all care about kids, about keeping their futures bright with promise and keeping them free of the enslavement of drugs.

And you, like all Americans, understand that our children are our best and brightest hope. But you don't get a prep course before becoming a parent, and kids don't come with owner's manuals. They have minds and problems of their own. So, the best thing parents can do is talk to them; just as important, listen to them; and know the facts about drugs and the warning signs that a kid's in trouble. And above all, we parents can make sure that our actions are as good as our words. Where illegal drugs and alcohol abuse are concerned, for too long we have condoned what we should have condemned. And that's what this book is about -- knowing when and how to talk to your kids, when to listen, where to draw the line, and when to get help.

This guidebook sets forth simple steps that parents can take for their kids from preschool to high school. It talks about how to make your values and your high expectations known to your kids, how to remind the children that drugs kill dreams and destroy lives, how to make rules and then stick with them. And it emphasizes the importance of telling your kids when they're doing right, because every time you do, every time you help to cultivate character, you're providing another reason not to do drugs.

Schools, churches, synagogues, community groups, law enforcement -- all can help us turn the tide on drug and alcohol abuse, but none can take a parent's place. Drug education must begin at home and in the neighborhood long before the classroom.

I want to thank the young people here today, those up here and some that I see scattered out there, and thank those who did the artwork that they've done for this book -- and for the example that you all are setting for other kids all across the country. And I want to urge parents everywhere to read -- hold this for me, would you? -- [laughter] -- to read ``Growing Up Drug Free." With open minds and listening hearts, parents need to hear what their kids have to say. So, show your kids how ready you are just to listen. And it's often surprising how much they want to do the right thing.

And now I'd like to take this one, and one of the first copies of this parent's handbook to Ann Lynch, the president of the National PTA. Ann, it's good to see you. And that one is for you, you lucky duck.

Ms. Lynch. Thank you. I am so pleased. Thank you. On behalf of the parents, I thank you. Now I have to figure out what to do with it.

The President. Thank you all very much.

Note: The President spoke at 3:05 p.m. in Room 450 of the Old Executive Office Building.

Statement on the Election of Violeta Chamorro as President of Nicaragua

February 26, 1990

In this remarkable year of political change, democracy won another victory yesterday. I am most pleased that there has been a free and fair election in Nicaragua and that the results are being accepted by both sides.

I am sending messages to Mrs. Chamorro congratulating her on her victory and to President Ortega congratulating him on the conduct of the election and his stated willingness to abide by the results. The United States looks forward to working with Mrs. Chamorro's new government in support of her stated goals of national reconciliation and economic reconstruction, and with President Ortega in helping ensure a peaceful transition of power. I have talked this morning with Venezuelan President Carlos Andres Perez, and we agree completely on the need to help all parties in Nicaragua to achieve a peaceful reconciliation and transfer of power.

We also congratulate the international observer delegations whose activities, which took place at the request of the Sandinista government, helped ensure an open and safe electoral process. There were many, but I want to mention delegations led by former President Jimmy Carter and former Governor Dan Evans, the United Nations delegation led by former Secretary Elliot Richardson, and the OAS delegation led by Secretary General Baena Soares.

We hope that all sides in this hotly fought contest will extend the hand of reconciliation and cooperate together in rebuilding their country for the good of all Nicaraguans. There is space in a democratic Nicaragua for the expression of all political points of view. We also hope that the cease-fire will be reestablished immediately and respected by all sides. Given the election's clear mandate for peace and democracy, there is no reason at all for further military activity from any quarter.

We are confident the international community will strongly support the results of yesterday's elections and will join in the effort to help all Nicaraguans to rebuild their country.

Statement by Press Secretary Fitzwater on the Nicaraguan Presidential Elections

February 26, 1990

President Bush called President-elect Chamorro of Nicaragua to congratulate her on her election victory. President Bush noted that this is a great day for the people of Nicaragua. President Bush said the election reinforces the Nicaraguan people's commitment to the peace process and towards building a free and open society.

In addition, President Bush called Prime Minister Thatcher [of the United Kingdom], President Mitterrand [of France], and President Salinas [of Mexico] to thank them for the support they had exhibited over the past months for the return to a democratic process in Nicaragua. Prime Minister Mulroney [of Canada] called President Bush to discuss the Nicaraguan election and to express his support on behalf of the transfer to democratic rule.

Statement by Press Secretary Fitzwater on the White House Conference on Science and Economics Research Related to Global Change

February 26, 1990

President Bush today invited a number of countries, the European Community, and the Organization of Economic Cooperation and Development (OECD) to send official delegations to a White House Conference on Science and Economics Research Related to Global Change. The Conference will be held in Washington, DC, April 17 - 18, 1990.

The President announced his intention to host this Conference during his meeting with President Gorbachev and again recently in a speech to the United Nations Intergovernmental Panel on Climate Change.

The Conference will be devoted to science and economics issues relevant to policy on global environmental issues, including climate change. It is designed to substantially enhance and broaden international understanding of the important science and economics research issues related to global change.

The Conference will also assist in framing a strategy for implementing a joint international understanding of this science and economics research effort, and linking that knowledge to the policy process both nationally and internationally. The administration considers the Conference a vital next step in a joint international approach to address possible changes in the global environment.

Conference participants have been invited to send delegations consisting of their senior scientific, environmental, and economic officials. The President has designated the Director of the Office of Science and Technology Policy, Dr. D. Allan Bromley; the Chairman of the Council of Economic Advisers, Dr. Michael Boskin; and the Chairman of the Council on Environmental Quality, Mr. Michael R. Deland, to serve as Cochairmen of this Conference.

Message to the Senate Transmitting the Algeria-United States Consular Convention

February 27, 1990

To the Senate of the United States:

I am transmitting, for the Senate's advice and consent to ratification, the Consular Convention between the United States of America and the Democratic and Popular Republic of Algeria signed at Washington on January 12, 1989. I am also transmitting, for the information of the Senate, the report of the Department of State with respect to the convention.

The signing of this convention is a significant step in the process of enhancing and broadening the relationship between the United States and Algeria. There currently does not exist a bilateral agreement on consular relations between the two countries. The convention sets forth clear obligations with respect to matters such as notification of consular officers of the arrest and detention of nationals of their country and protection of the rights and interests of nationals of their country.

The people of the United States and Algeria have a tradition of friendship and cooperation. I welcome the opportunity through this consular convention to promote the good relations between the two countries. I recommend the Senate give early and favorable consideration to the convention and give its advice and consent to ratification.

George Bush

The White House,

February 27, 1990.

Remarks Following Discussions With Charles Haughey, Prime Minister of Ireland and President of the European Council

February 27, 1990

The President. Well, it's been a great pleasure to meet today with Prime Minister Haughey. The last time we met was almost a year ago, as we celebrated St. Patrick's Day here at the White House and renewed the shared values and kinship that have bound our two nations together for over 200 years. Nine signers of the Declaration of Independence proudly claimed Ireland as their ancestral home. And so, it's an honor to welcome the Taoiseach to America's home -- designed by an Irishman, I might add.

And today the Prime Minister is visiting Washington, though, in another capacity: as the President of the European Council. And with the rapid change we're witnessing across Eastern Europe and the Soviet Union, the relationship between the United States and the European Community has never been more important.

The Revolution of '89 brought with it new opportunities and challenges, and it is critical that we work to make the strong bonds between this nation and its European friends even stronger. The Prime Minister and I had a productive discussion of the many issues of great interest to the United States, to the EC, to Ireland, including the prospect of German unification, regional issues around the world; and we touched on Northern Ireland as well.

I was especially interested in the Prime Minister's views on the new architecture of Europe. He and I agree on the principles that should guide the design of the new Europe. First, we both welcome the prospect of overcoming the artificial division of the continent and building a Europe whole and free, united by universal values that are based on freedom and democracy. And second, there is no question that Western solidarity protects stability in this time of change and that transatlantic cooperation now is more important than ever. As I've said before, the United States will remain a European power. Third, we both look to the Conference on Security and Cooperation in Europe, the CSCE, to play a greater role in Europe's future, including guidance for the conduct of truly free elections and the transition from planned economies to pluralistic systems. Fourth, we believe the EC must play a vital role in the new Europe.

A more united Europe, able to take its rightful place in world affairs, is good for the United States of America. And we'll look for ways to improve our ties to the Community so a new Atlanticism will be teamed with a new Europe.

And today's meeting takes us forward in building new structures for the U.S. relationship with the Community. We committed ourselves to regular meetings between myself and the President

of the EC to provide overall political guidance for the relationship. We agreed to twice yearly meetings between the EC Foreign Ministers and our Secretary of State. And we committed ourselves to joint efforts in the war against drugs and our hopes to preserve the global environment.

We do not expect perfect agreement between the United States and the EC on every issue, but we do agree that our inherent belief in the value of freedom, democracy, opportunity binds us together and that our mutual cooperation can benefit all. And we also agree that the historic ties of friendship between our two countries, the United States and Ireland, can serve the cause of peace in the international arena.

We're grateful for Ireland's efforts to encourage and enhance U.S.-EC cooperation. And we also appreciate Ireland's efforts to promote economic development, security, reconciliation, and peace in Northern Ireland. In a time when all things seem possible, all Americans hope for an end to the conflict that has brought such sadness to your beautiful land and your wonderful people.

Mr. Prime Minister, we wish you Godspeed on your journey home. The days ahead are exciting ones, full of expectations, and together, they can be days of great cooperation and great progress for all people. Thank you, sir, for your leadership. Thank you for your friendship. And God bless the United States and Ireland. Thank you, sir.

The Prime Minister. Mr. President, ladies and gentlemen, my visit to Washington takes place at a time of profound international change. The President and I, in my capacity as President of the European Council, discussed U.S.-European Community relations and their future evolution in the context of the Community's increasingly important role on the international, political, and economic scene.

The President and I agreed, at this time, to strengthen the links between the European Community and the United States. We agreed for that purpose, as the President has said, that a meeting between the U.S. President and each President in office of the European Council should become a regular feature of the U.S.-European Community relations, and that one such meeting should be held each Presidency of the European Council. And I'll be recommending that to my European colleagues, the heads of state or government of the European Community, immediately on my return. We also agreed that the Foreign Ministers of the Community will meet the U.S. Secretary of State on two occasions a year, at least. In addition, the European Commission is taking steps to increase the frequency of its formal meetings with the U.S. Cabinet. This arrangement will give us both a better overall structure and direction to the wide variety of existing contacts and discussions, and they will also provide a new framework for enhanced political and economic ties between the Community and the United States. We are, in fact, building a broader bridge across the Atlantic.

We also, the President and I, discussed areas for specific cooperation; and we agreed that the fight against international drug trafficking and the international movement of drug funds are areas very appropriate for specific cooperation. We shared common concerns on the need for continuing efforts to protect the environment in areas such as global climate change, the depletion of the ozone layer, and endangered species. And may I say that I think it's entirely appropriate that I, who have set myself the aim of being of a green Presidency of the European Community, should be having these discussions at this stage with President Bush, who has set for himself the role of environmental President in the United States.

During our meeting, we also reviewed developments in Central and Eastern Europe; in particular, implications of German unification. The President and I agreed that the United States and the Community have a pivotal role to play in overcoming the divisions between East and West and in laying the foundations for a Europe united in its commitment to peace, prosperity, democracy, and above all a respect for human rights and fundamental freedoms.

The President and I also discussed a number of bilateral issues, including immigration, super royalties, passive foreign investment companies, and of course the situation in Northern Ireland. And I greatly appreciate the President's deep personal concern for the situation in Northern Ireland and his constant wish to be of any possible assistance he can in bringing forward a solution to that intractable and difficult and tragic problem. I expressed my appreciation for constructive U.S. interest and support for Anglo-Irish relations.

Mr. President, it has been for me a great pleasure to have had the benefit of talking to you and receiving the benefit of your views and your insights into European and, indeed, international affairs at this very exciting time for all humanity. Thank you very much, indeed.

The President. Well, thank you, sir. Well spoken, and thank you very much. It's a great pleasure to have you here. Holler if we can do any more.

Note: The President spoke at 1:24 p.m. at the South Portico of the White House. Prior to their remarks, the President and the Prime Minister met privately in the Oval Office and with U.S. and Irish officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Joint Statement by President Bush and President Charles Haughey of the European Council

February 27, 1990

We meet at a time of historic international change. Our discussions focused on U.S./E.C. relations and their future evolution, in the context of close transatlantic cooperation and of the E.C.'s increasingly important role on the international political and economic scene.

Today's meeting took place against the background of U.S. interest in enhancing its relations with the European Community as outlined in President Bush's speech last May and Secretary of State Baker's speech in Berlin in December. The President of the European Council expressed the Community's appreciation of the positive attitude of the U.S. administration to the Community's role and development. He also emphasized that the Community and its Member States share the U.S. interest in developing our relations.

We agreed on the significance of our meeting for strengthening relations between the U.S. and the E.C. We also agreed that such meetings between the President of the United States and the President of the European Council should become a regular feature of U.S./E.C. relations and that at least one such meeting should be held during each Presidency of the European Council.

These meetings will serve to give overall political direction to the further development of consultation and cooperation.

The arrangements will also include twice-yearly meetings between EC Foreign Ministers and the U.S. Secretary of State. We agreed that such a meeting should take place in the first half of 1990.

We see the arrangements discussed today as important first steps in an evolving process towards a new framework for enhanced political and economic ties between the E.C. and the U.S.

We both agreed that areas of common interest meriting further examination as subjects for practical cooperation should be identified. At this stage, we agreed that the fight against international drug trafficking and the international movement of drug funds are areas appropriate for specific cooperation. The same is true of our continuing efforts to protect the environment in areas such as global climate change, the depletion of the ozone layer, and endangered species. We agreed that there will be further contact at the appropriate levels to follow up our discussions on these areas and to identify other areas of common interest.

At our meeting, we also reviewed developments in Central and Eastern Europe, in particular the implications of German unification. We also discussed the CSCE, and the progress towards and

prospects for European integration. We both agreed that, with their political ideals and common values, the U.S. and the E.C. have a pivotal role to play in overcoming the divisions between East and West and in laying the foundations for a Europe more united in its commitment to peace, prosperity, democracy, and respect for human rights and fundamental freedoms. Our meeting today makes a valuable contribution to enhancing that pivotal role.

Note: The joint statement referred to the Conference on Security and Cooperation in Europe (CSCE).

Remarks Congratulating the Super Bowl Champion San Francisco 49ers

February 27, 1990

The President. Who was it -- Yogi [Berra] used to talk about deja vu all over again. Well, here we are, and Barbara and I are just delighted. It seems, really -- and the talk in coming through the line -- that only just yesterday it seemed that we celebrated the last Super Bowl victory, and now here we are. So, to Eddie DeBartolo and the staff, certainly Coach Seifert and all the players of the 49ers and families, congratulations and welcome to the White House. It's a joy to have you here.

You know, when I first heard that this occasion was in honor of one of the greatest victories in American championship history, I couldn't help but look around and wonder: So, where's Buster Douglas? [Laughter]

But we do have with us the man that I know all you guys recognize. And I hope all of you saw my friend and our new Chairman of the President's Council on Physical Fitness, larger than life himself, but confessed that he felt like Danny DeVito standing next to these guys. [Laughter] And I'm talking about our friend and a man who is undertaking a very important job for this country, heading the President's Fitness Council, Arnold Schwarzenegger. Arnold, thank you very much for being here. I think Arnold and my old colleague from the Congress, the guy sitting next to him -- used to pitch in the major leagues, Senator Ben Mizell -- And we're having a meeting on national fitness tomorrow, so you guys be careful. We may need you for a little leadership for the kids in this country.

But today we're here, though, to honor the 'Niners. Coach Seifert, I hesitate to call this your rookie year. Your team is carrying into the nineties the title the Steelers carried into the seventies: Team of the Decade. I won't mention America's team, the Cowboys -- [laughter] -- but we'll come back someday.

Of course, this last Super Bowl seemed to have been over sometime around the end of the national anthem. [Laughter] And in fact, I was asked to do -- this is true -- public service commercial aired twice during the game, once in the first quarter, once in the fourth. And the five people who saw it the second time -- [laughter] -- been invited as special guests to the White House. All of them work for me. [Laughter]

Joe Cool -- where did Joe go? Where's Joe Montana? I don't spot him back there. There he is, hiding in the back row. But I was impressed by your performance once again -- unsurprised, however. You see, back in '79, Joe played against the University of Houston in the Cotton Bowl. And down by 22 in the fourth quarter and sick with the flu, he still brought Notre Dame back for

a win. As a Houstonian there are some things you never forget. [Laughter] Joe, go right back where you came from. [Laughter]

Now you're MVP for '82, '85, and '90. And in the Super Bowl XXIV, you threw for a record five touchdowns. Cooler than the other side of a pillow. [Laughter] Fair to say he's the most accurate passer in the NFL -- 70 percent. Never thrown a Super Bowl interception.

And Jerry Rice -- three touchdown passes in one game. And of course, I couldn't fail to mention John Taylor, wide receiver, tight end Brent Jones -- each with a touchdown to his credit.

And what I said last year applies today: While Joe and Jerry handled the aerial attack, Roger Craig ground out that tough yardage on the ground. And once again, he's shown what the words ``Gold Rush'' mean. And Tom Rathman, with whom I've just spoke in the line there, you've had an outstanding season, topped off by two bulldozing touchdowns. The only thing is, Tom, I wish you could get over this Mr. Nice image that you've recently developed on the playing field. [Laughter] Mike Cofer, seven for eight -- that's about as close to perfection as a player can get.

The offensive line -- superb, a five-man strategic defense initiative, really, protecting Joe. And here's to the powers of the 'Niners defense, led by Ronnie Lott. I understand that Ronnie gave the team a boost even before the national anthem, with his usual stirring pregame speech. Funny how guys named Ronnie -- [laughter] -- seem to have a knack for this ``Win one for the Gipper,'' you know, kind of thing. [Laughter]

You have all impressed America with a truly awesome performance. In the meantime, let me say -- and I know you guys will understand it -- express my appreciation for the Broncos. They are true sportsmen. You clobbered them. But they're a good team, and they came on to get into the Super Bowl. They're also -- though you beat them -- number two in the NFL, a considerable honor.

But the greatest honor should go to a 49er who's always at your side, someone who's shown great determination, someone with valor -- your defensive back, Jeff Fuller.

It's a little wonder that many are calling the 49ers a dynasty. You've shown us that to excel in football, as in anything, a team must be passionately dedicated to excellence. When asked about this, Joe simply says: ``I see myself as a man struggling in a business that's very competitive.'' Well put -- a bit understated, but very well put. This fighting spirit is the hallmark of each and every member of this team and, I might add, the entire staff of the 49er organization. So, I want to congratulate you, and I'd be remiss if I didn't make one concluding pitch. You don't have too much time off now, with some of you going back to your communities -- a lot of fellow Texans up here, several from Georgia, many, of course, from the coast. But I urge you to take some of this fame that you have earned and help the kids in this country stay off of drugs and learn to read and grow up to be the kind of sportsmen that each and every one of you are.

Thank you for coming to the White House. We're just delighted to have you all here, really. Now, where's Eddie? Oh, here he is. Good.

Mr. DeBartolo. Thank you very much, Mr. President. Thank you, Mr. President and Mrs. Bush. Thank you so much for having us back here and for your hospitality. And I know how very busy you are. We have a little present for the youngest member of your family to help her nights at Camp David to stay a little bit warmer. This [49er sweater] is for Millie.

Mrs. Bush. Oh, it's so cute. He wouldn't let me bring her down.

Mr. DeBartolo. I know. We saw her in the backyard.

The President. Well, thank you all.

Note: The President spoke at 2:50 p.m. in the East Room at the White House. Edward J. DeBartolo is owner of the San Francisco 49ers.

Exchange With Reporters on the President's Telephone Conversation With Chairman Mikhail Gorbachev of the Soviet Union

February 28, 1990

The President. Well, I just wanted to mention that this morning I had a very good talk with President Gorbachev. We touched on matters relating to Nicaragua and Central America and also matters relating to the changes in Europe. I'm not going to say any more on the details of the talk, but it was a very constructive conversation. I thanked him for his reception of Jim Baker and the time he gave him, and told him that Jim had filled me in on the details on the arms control agenda, and reassured him that I wanted to conclude the agenda as set out by the Secretary with Mr. Shevardnadze [Soviet Foreign Minister]. And as I say, we discussed the matters here in this hemisphere and in Eastern Europe.

So, it was a good talk, and I'm going to continue to try to have consultation. He agreed that these kinds of conversation are very useful. And so, I just wanted to get that on the record.

Q. Did you call him?

The President. Yes, I called him, yes.

Q. You talked about the Nicaraguan elections and then -- --

The President. Well, no, just to review these two areas. And I think we need to be doing a little more of that kind of thing, and I think he agrees. So it was -- the mood of it, that's hard to define, but it was very good, very forthright. Where we differ, we can spell out the differences without rancor. And I think that's important in the Soviet-U.S. relationship.

And as Chancellor Kohl [of the Federal Republic of Germany] impressed on me up there at Camp David, the importance to the world of how the U.S. and the Soviet Union interact just cannot be overemphasized. So, it was good.

Q. Why did you want to call him? Generally, you have something specific that you want to request of him.

The President. Well, just to discuss these two areas. No, nothing specific, just these two areas. And I'm not going to go into the details of the talk. But I think it's important that there be some confidentiality if we're going to be able to speak as frankly as we did today. And so, I can't give you the full agenda, but I can tell you it was a very good one.

Q. How long did you talk?

The President. I'd say it was about 40 minutes, something like that.

Q. Did you have trouble getting through to him when you called?

The President. No, we set a time to take the call. He had matters on his mind yesterday that we've all read about, and so, we decided to do it today. But we touched on a lot of matters, and it was good.

Q. Did you talk about the Presidential powers bill?

The President. No, not in detail.

Q. Do you want Gorbachev to impress on Ortega [President of Nicaragua] the importance of turning over control -- --

The President. Well, I was very pleased with the Soviet statements about recognizing the winners of the election. And I think a lot of that stems from leaders in this hemisphere, to be sure that peaceful transition takes place.

Note: A tape was not available for verification of the content of the exchange, which occurred in the morning aboard Air Force One, en route to Staten Island, NY.

Remarks at a Fundraising Luncheon for Congressional Candidate Susan Molinari in Staten Island, New York

February 28, 1990

Thank you very, very much for that warm Staten Island welcome. Thank you all. Please, be seated. Susan, thank you for that warm welcome back. And let me say to those citizens of this marvelous part of New York, I was deeply touched, and I believe Susan was, when we rode in from the landing zone out here, to see the kids in the streets. And I want to thank everybody involved with this visit: first off, the firefighters that were there to greet us; the police officers, who do so much for every one of us, regardless of the politics, every single day; and then the kids that turned out. And I learned something long ago -- it isn't George Bush; it's the Presidency. And I wish you all could be in that beautiful black limousine with Susan and me and just see the respect for the institution, the job, really, that I'm proud to hold. It was very, very moving for us, just as this welcome back is very moving for me.

I'm delighted that our able State chairman is with us, Pat Barrett, the guy that did it all in business and then rolled up his sleeves and put something back in the system by taking on this enormously important organizational job as chairman of the State party.

I had a chance a minute ago to visit with one of my dear friends and supporters, who was one of his predecessors, George Clark, who's here today someplace, too.

And I want to pay my respects to Olga Igneri, Richmond County Republican chairman, and Fred Pantaleone [Kings County Republican chairman], from over across the way -- I've known for a long time, and another great party leader. Mike Long, the State Conservative Party chairman, is here, and we're grateful to him. And I'm so pleased to be with another young old friend of mine, Nelson Rockefeller; I want to see this guy involved in politics, too. I keep telling him that, but he's -- [applause]. But of course we're here today to salute the 14th Congressional District's next Representative, and I'm talking about the one in blue here, Susan Molinari. It's essential that she be elected.

And I also would be remiss if I didn't at least mention -- [laughter] -- another Molinari, one of the outstanding leaders on Capitol Hill, who is now back home to stay, tearing them up right here at home, Guy Molinari, my friend. And what a job he's doing, and I will always be grateful to him.

Deputy Borough President Jim Molinaro is also here today, and I salute him -- a man I've known a long time.

But one more word about Guy. He was there very early on for me. And this room is full of a lot

of politicians -- a lot of statesmen out here, too, I see -- but there's some politicians out here. And you never forget how you got where you're at. And Guy Molinari was at my side long ago when the going was tough and the pollsters had it figured out just about the way they had figured out Nicaragua. [Laughter] And so, I'm proud that he's here with us.

The Silver Fox sends her best. She didn't want to put her hairdo up against Guy Molinari's, so she stayed home. [Laughter] Sorry about that.

But look, the only reason we're kind of imposing on you before lunch is that this is the first stop on a cross-country trip -- on our way to California as soon as I leave here, talking to Californians about some of the things Susan mentioned -- fighting drugs, fighting crime -- issues which certainly concern all New Yorkers, and I want to mention them to you today, too. I'll also be meeting with the Prime Minister of Japan on Friday and then again on Saturday morning to discuss another important issue. It's an issue of concern to everybody in this country and certainly in this dynamic area: the American competitiveness in the Pacific Rim.

It's been -- well, I guess Susan touched on this -- almost 25 years since a President came to Staten Island -- President Johnson dedicating the bridge. And today I'm here to talk about another bridge, a bridge to the future, an election that will determine whether Staten Island gets the experience and leadership and independence that it deserves, the election of the next Congresswoman from New York: Susan Molinari.

So, here I am in the middle of the battle right here in New York, where one of the great contests of 1990 will take place. A lot at stake -- there's been a lot of money spent on both sides, a lot of press attention. But I'm not here to talk about the Trumps. [Laughter]

You know, I'm here to talk about this congressional race. And look, you know it and I know it and the people know it here: Guy has left some big shoes to fill. But I can think of no one better to do the job than Susan. And this isn't kind of Johnny-come-lately because Barbara and I have known her for a long, long time. Like her dad, Susan is going to have that hands-on leadership the voters have come to expect from the name Molinari.

Speaking of names, I'll tell you a true story. Susan found a scrawny little mutt on election day 1988. We were all waiting for the returns to come in, but the dog wasn't doing well, and they didn't think it would make it. But it was a good dog -- loyal, cautious, prudent, some would say timid -- and it pulled through. I still can't figure out why Susan named the dog George. [Laughter] But she did. And being a female pup -- [laughter] -- she'll have it even tougher. Life ain't easy for a girl named George. [Laughter] Let me give you a little serious, political, inside advice, one single word: puppies -- worth 10 points, believe me. [Laughter]

I understand that Susan's opponent is charging that she'll do nothing but follow in her father's footsteps. That's a marvelous endorsement as far as I'm concerned, a very good endorsement.

But look, she's established it here -- an independent, tough leader -- the determination, the understanding, and the experience to get the job done. And when she was 27, she was already making history: youngest member ever elected to the New York City Council, first Republican elected from her district, the only Republican elected to the council -- and she beat her Democratic opponent for reelection 3 to 1. Susan is the new generation of leadership. And she's been tested. She has been tested. During her tenure as minority leader on the council, she's held her own as the toughest ``minority of one'' that anybody's ever seen.

The effects of her leadership will be felt for many years. She opened the door for other Republicans to follow. She gave this party a voice where, literally, there was none. A great bipartisan leader, she proved that the only fair system is a two-party system.

Her opponent says that she can't possibly be effective in Congress because she's not in the majority party. Poor guy, he doesn't understand that there's a direct correlation between effectiveness and experience, between effectiveness and leadership, between effectiveness and independence. And Susan is the only candidate in the race with all three. Plus she has something else -- a friend in the White House. And that's not going to hurt her a single bit.

The Republican leadership needs her in Congress because they need her drive, they need this initiative, and they need this experience I've been talking about. And I need her because we agree fundamentally on the issues: a strong economy; schools and streets free from drugs and violence; a clean, safe environment. We both agree that we need action on these issues and that we need it now.

Drug abuse -- we had a little receiving line down there for some of the heavy hitters or heaviest lifters or whatever it was, I don't know. [Laughter] But more people came through the line: ``Don't give up on the fight against drugs.'' I'm not about to. Drug abuse is a threat to all America, and it's an especially threat here, I'm told, right here in Staten Island. Only a few miles from here, remember the name Everett Hatcher, a veteran DEA agent brutally murdered by cocaine cowards. In the days after his death, his wife put the blame for his death squarely on the shoulders of the so-called casual drug users. We have to win the war on drugs for Everett Hatcher and all those who have given their lives to free America of drug abuse. And we will. And we are making progress, and I need Susan to help out on the legislative side of things.

One of the most vital issues -- and she's been talking about that in the campaign -- is the protection of our planet. Staten Islanders face some of the toughest environmental problems in this country, and Susan will fight, and fight hard, to reduce those air toxics and urban smog.

Right now, we have clean air legislation that I sent up to the Congress. It's strong. It's the toughest revision of the Clean Air Act that's been proposed in a long, long time. And the legislation is up there in both the House and the Senate. I think Susan will take the oath in time to make a difference. We've laid down what I would call a fairminded compromise to help clean

up our air and yet not throw everybody in Staten Island out of work in the process. We've got to be able to grow, and we've got to be able to protect clean air and protect our environment. And that's what I'm fighting for, and that's what I want her help on in Washington, DC. What I want to see is break this stalemate. Let's protect our environment for decades to come. We've already shown we can get the lead out. And now, let's finish the job.

Susan gets action on the environment. You know, when that Exxon spill left sludge on the shores of Staten Island, she got the company officials into her office. By the time they left, the company had agreed to the Molinari nine-point plan for cleanup. And that is tough, effective leadership, and that's what I call results.

There's another result we ought to briefly talk about, and that's the result of 9 years of Republican leadership at the Federal level: lower taxes, the greatest economic expansion in history. And we've got to keep this economy strong so we can keep America strong. Susan and I believe that holding the line on taxes is the key to making America competitive in the global marketplace. She and I know we can outproduce and outmarket and outsell everybody else if we can keep the taxes low on the American working man and working woman and business people. I am going to keep my word and keep those taxes down.

Susan understands what the voters want, because like Staten Island, she does have a proud heritage and this brilliant future I've told you about. Let me tell you a story. Eighty-six years ago, a battered steamer pulled into New York Harbor, and a 6-year-old boy -- one of 14 kids -- and his mother stepped off onto Ellis Island, ready to join his father and siblings after leaving their home on the coast of southern Italy. Looking across the harbor to the Statue of Liberty, little Bob Molinari took the oath of allegiance and became an American. Years later, that small boy became a successful businessman. He taught his five children the value of education and of hard work. He held down three jobs, put himself through night school, and then decided that it was time to give something back to this new land that had given him so much. He entered public service, serving Staten Island tirelessly in the State assembly.

Guy says that his dad was terribly proud of the United States; then he added, ``and he never let us forget it." Guy felt the same way about education, about being an American, about his service to his country. When he was sworn into office not far from here, he, too, took his oath at the foot of the Statue of Liberty. The light that glows from the huge statue's torch shines over Staten Island -- and beside this great community she stands, looking forward to the world and to the future. Now the time has come for Susan Molinari to lead Staten Island forward.

America has given her a lot. I bet she'd agree with that -- a wonderful family, an education, and the opportunity to be the best that she can be. And so, now, like her granddad and her father before her, she wants to give something back, some of the blessings that America has given her. She cares about this country, and she has served you, the people of Staten Island, well. And it is a time now, in this very important seat, for a new generation of leadership.

Your future and that of your children are precious. They're very precious, indeed. We need experience, we need independence, we need honest leadership for a strong Staten Island, of course, and a strong United States. We need her kind of total commitment. And that's why I came up here to tell you we need Susan Molinari in the United States Congress.

Thank you all. And God bless you, and thanks for the welcome back.

Note: The President spoke at 12:44 p.m. in the Grand Ballroom at Shalimar Hall. Following his remarks, he traveled to San Francisco, CA.

Message to the Senate Transmitting a Protocol to the International Civil Aviation Convention

February 28, 1990

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol Relating to an Amendment to Article 56 of the Convention on International Civil Aviation, done at Montreal on October 6, 1989. I also transmit, for the information of the Senate, the report received from the Department of State with respect to the protocol.

Article 56 of the convention concerns the composition of the Air Navigation Commission of the International Civil Aviation Organization and currently provides that it shall be composed of 15 members. The present protocol would increase the membership of the Commission to 19 members.

I recommend the Senate give early and favorable consideration to the protocol submitted herewith and give its advice and consent to ratification.

George Bush

The White House,

February 28, 1990.

Remarks at a Fundraising Dinner for Gubernatorial Candidate Pete Wilson in San Francisco, California

February 28, 1990

Thank you so much for that welcome. And, Pete, oh, how strongly I feel about this gubernatorial race. And I came out here to wish you the very best and to state with confidence, especially after talking to some of your most enthusiastic supporters before dinner, that you will indeed be the next Governor of the State of California. And I am delighted to predict that right here. Just don't use the same pollster Ortega [President of Nicaragua] did. [Laughter]

To you and Gayle, Barbara and I send our very best. The Wilsons were just upstairs and talked to Barbara at home. And sorry she is not here tonight -- she is going to meet me in a day or so as we receive the Prime Minister of Japan in California.

I want to salute Lee Atwater, who is doing an outstanding job as the chairman of the Republican National Committee. And, Frank, I'm not upstaging you, but I'm saying nice things about you it seems just yesterday and the day before. But I'm glad you're here, sir, and I appreciate the work you're doing for the party. I'm delighted to once again be with Bill Walsh, who's been such an example not just in the field of athletics but in his commitment to helping others. And I also think we would be remiss if we didn't thank the Lowell High School Band for their participation here tonight.

And as some of you know, I was just in San Francisco 3 weeks ago. But as Kipling said, San Francisco, like all of California, has one drawback -- it's hard to leave.

So much has happened, even since my last trip right here to San Francisco. And Bishop Swing, my old, dear friend, our pastor, now a bishop out here -- it's not that we find that hard to believe, sir, but I'm so glad to see you again. But he was our pastor in Washington. Would it seem presumptuous of me to say that many of our prayers seem to be answered? From Moscow to Managua, change is in the air. And the Revolution of '89 has continued into a new decade, a decade of democracy.

Time and again in this century, the political map of the world was transformed. And in each instance, a new world order came about through the advent of a new tyrant or the outbreak of a bloody global war, or its end. Now the world has undergone another upheaval, but this time, there's no war. We've seen a bold Soviet leader initiate daring reforms. We've seen a playwright -- humble man that I received in the White House the other day -- Vaclav Havel, move from prison to the Presidential palace in Czechoslovakia. We've seen both the Berlin Wall and the Romanian dictatorship tumble into ruins. And I think it's fair to say that the day of the dictator is over.

Victor Hugo said that no army can match the might of an idea whose time has come. In the Revolution of '89, an idea overcame armies and tanks, and that idea is democracy. This has been true in the East. Now it is becoming true throughout the Western Hemisphere -- first in Panama after Operation Just Cause, and now, at long last, for the brave people of Nicaragua. And how could we ask for more?

Another symbol of change: This morning I called President Gorbachev, and we had a long talk on matters affecting Nicaragua and Eastern Europe. And after the call and this highly rational and, I would say, cordial discussion with this dynamic new Soviet leader, my mind went back to those days not so many years ago when a talk of this nature would not have been possible. The mood of the day back then -- confrontation, rhetorical overkill, tension bordering on hostility.

Yes, we've got some problems with the Soviet Union. But today's talk was so different -- no polemics. Where we differed, we vowed to discuss the differences further. And the point is: Reason and calmness have replaced rhetoric. And as your President, I am determined to consult often with President Gorbachev to keep open the door to negotiation and peace. These indeed are exciting times, and I'm proud to be your President in these times of change.

But we're gathered here tonight to celebrate events closer to home. As I said, California is hard to leave, and for me, it's been hard to leave even when I'm back at the White House. You see, it was just yesterday, Bill, that for the second time in my Presidency, Barbara and I had the pleasure of entertaining the winners of the Super Bowl; and once again, our guests were the San Francisco 49ers. And just a few months earlier, Barbara and I hosted the Oakland A's after their great World Series victory. Something about monopoly -- there's something in the books about cornering the market here -- a little antitrust action. [Laughter] But when it comes to champions, I'm beginning to think you have cornered the market.

Yet I'm here on behalf of another champion, a champion for the victims of crime and drug-related violence, a champion for the environment, a champion for California, a champion for a sound and growing economy. And I'm talking about the next Governor of your State: Pete Wilson. And in this critical -- critical for the Nation -- election, with Pete at the top of the ticket, come November, California will go Republican in a big way.

California is prized for more than its political importance or the size of its GNP that Pete in a slightly braggart fashion there was talking about. We must win the State because California really does represent the future. California is at the forefront not just regionally and nationally but, as he rightfully pointed out, internationally, and needs a special kind of leadership -- and Pete Wilson's kind of leadership it is. Twenty-three-year career in public life -- it began under the dome in Sacramento, and today he is a lawmaker still, this time in Washington, DC. But it was as mayor of San Diego that Pete first showed a flair, a talent, for executive leadership. And it is exactly this kind of executive leadership that the whole State of California needs to take it to the threshold of a new millennium. You've got a good Governor. In my view, we have a great

Governor, and I want to see that tradition continue with Pete Wilson.

And sadly, California needs something else. It needs to continue a crime-fighting tradition. It needs a Governor who will continue the war against violent crime. California needs a Governor who shares our philosophy about crime. And our philosophy -- relatively simple -- prison sentences should be at least as tough as the criminals we convict.

At the Federal level, I relied on Pete's help to pass a major part of our anticrime package. More money has been provided for prison space and more Federal law enforcement officers. But Congress has left too much work undone. We need action on the rest of our proposals to fight violent crime -- by toughening Federal sentences for those who use a firearm in the commission of a felony. And if the kingpins who deal drugs are dealing death, then let's judge them for what they are -- murderers. It's time we took the shackles off the policemen, the courts, and the law. I am convinced we must be tougher on these drug criminals.

And a Governor has to be as tough as the times. But the challenges of the future will also require vision and compassion if we're to protect a fragile coastal ecology or educate a new generation of children.

From the urban canyons of Los Angeles to the Yosemite beloved by Ansel Adams, Californians were among the first to stand up for the environment, and Pete Wilson was among the first environmentalists to hold office. He's added thousands of acres to the California wilderness system, saved canyons, protected urban recreation sites. And he supports our ``America the Beautiful'' initiative to plant a billion trees, to expand our national parks and wildlife preserves, and to make this more like the unspoiled green continent our forebears knew.

Right now Pete is working with me on our administration's proposal to enact our clean air bill, the first significant change since 1977, one that will clean up the smog and curb acid rain and cut back on the air toxics that plague California's air. Cleaner cars, cleaner fuels, cleaner factories -- that's what we're striving for. And with Pete Wilson at the helm, you'll have a Governor who works for a cleaner California, just as he has in the United States Senate.

Education is also critical to the future, and it's a critical responsibility, I'd say, an increasingly critical responsibility of every Governor. Governors across the country are disturbed that there are still many American children -- often in the inner city, often immigrants -- who are denied the American dream because of a lack of literacy, a lack of job skills. This is unfair, this is unjust, and this is unacceptable. And that's why Pete Wilson backs our proposal for a half-billion-dollar increase for Head Start to give these children a hopeful start in life. I need that through the United States Congress.

Almost a year has passed since I sent the Educational Excellence Act to Congress. It's based on a few basic concepts: To make our schools work, we must give parents, teachers, and children the

power to choose. To make our system work, States, schools, and individuals will need greater flexibility in the way in which they can pursue these goals. And then we must all be accountable for the results.

Last April I asked Congress to pass these measures to reform our educational system. And look, thanks to Pete's help and that of others, education reform has already passed the United States Senate. Now it's time for the House to finish its homework and pass our education reform now.

The political future of California and all of America rests on yet another issue -- an issue that affects the voting rights of every Republican, every Independent, every Democratic voter -- an issue of fundamental fairness, and I am talking about reapportionment. Some say reapportionment has been a political gold mine for both parties. They may be right. The Democrats get the gold and we get the shaft. [Laughter]

Remember, after the 1990 census almost one out of eight Members of Congress will represent the State of California. Remember that. This is bigger than party politics. Gerrymandering violates the spirit of one man, one vote. On a summer night in 1981, a group of California Democrats sat in a restaurant in Sacramento with pencil and paper and redesigned your political future. Lines were drawn -- crazy, twisted lines -- that cut across communities, towns, and even streets without the slightest regard for the will of the people. Since those district lines went into effect, there have been 135 general elections for California's congressional seats, and only once has a seat changed party control. And remember, this same brand of political manipulation that hurts Republicans also hurts every minority voter in the State of California.

So, isn't it ironic, if a little sad, that in the very decade democracy dawned around the world a small group sitting around a table in a restaurant who called themselves Democrats infringed on voting rights in America? Still, Republicans do not seek revenge, don't seek a gerrymander of our own. No, with fair lines, we can win on the issues, and we can also win on the strength of our candidates.

You know, in the early days of our great nation, some Americans stayed in the cities of the East and built great industries -- and they have every right to be proud. And some Americans came halfway across the continent and farmed our rich and fertile plains -- and they, too, have every right to be proud. But then there were those who pressed ever forward until they reached the sea. Gumption, gold, and glory took them all the way to the shore of the shining Pacific. We call these people Californians. Some found gold; most didn't. But all Californians found something precious: the future. So, today's State of California is tomorrow's state of the Union. And there's no one better to lead California into that exciting future than Pete Wilson.

It's been said that ``if you would test a man, first give him power.'' For 23 years, Pete Wilson has been tested. He's used power not to glorify self, to glorify one man, but to make a better life for millions. He's a great Senator today, a sterling example of California's passion for excellence.

Tomorrow, the Golden State will be proud to call him Governor.

Thank you, and God bless you all. Thank you for having me here once again. Thank you very much.

Note: The President spoke at 7:48 p.m. in the Grand Ballroom at the St. Francis Hotel. In his remarks, he referred to Gayle A. Wilson, wife of Senator Wilson; Frank Fisco, California Republican Party chairman; and William Walsh, former coach of the San Francisco 49ers football team. A tape was not available for verification of the content of these remarks.

Presidential Determination No. 90 - 12 -- Memorandum on Narcotics Control Certification

February 28, 1990

Memorandum for the Secretary of State

Subject: Certifications for Major Narcotics Source and Transit Countries

By virtue of the authority vested in me by Section 481(h)(2)(A)(i) of the Foreign Assistance Act of 1961, as amended by the Anti-Drug Abuse Act of 1986 (P.L. 99 - 570), the Anti-Drug Abuse Act of 1988 (P.L. 100 - 690), and the International Narcotics Control Act of 1989 (P.L. 101 - 231), 22 U.S.C. 2291(h)(2)(A)(i), I hereby determine and certify that the following major narcotics producing and/or major narcotics transit countries/area have cooperated fully with the United States, or taken adequate steps on their own, to control narcotics production, trafficking and money laundering:

The Bahamas, Belize, Bolivia, Brazil, Colombia, Ecuador, Hong Kong, India, Jamaica, Laos, Malaysia, Mexico, Morocco, Nigeria, Pakistan, Panama, Paraguay, Peru and Thailand.

By virtue of the authority vested in me by Section 481(h)(2)(A)(ii) of the Act, I hereby determine that it is in the vital national interests of the United States to certify the following country:

Lebanon.

Information for this country as required under Section 481(h)(2)(B) of the Act is enclosed.

I have determined that the following major producing and/or major transit countries do not meet the standards set forth in Section 481(h)(2)(A):

Afghanistan, Burma, Iran and Syria.

In making these determinations, I have considered the factors set forth in Section 481(h)(3) of the Act, based on the information contained in the International Narcotics Control Strategy Report of 1990.

You are hereby authorized and directed to report this determination to the Congress immediately, and simultaneously to transmit to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate the report required by section 481(e) of the Act for 1990. This memorandum shall be published in the Federal Register.

George Bush

Note: The memorandum was released by the Office of the Press Secretary on March 1.

Statement by Press Secretary Fitzwater on Narcotics Control Certification

March 1, 1990

The President has decided today to certify by Presidential determination that the following major drug-producing and/or major transit countries have fully cooperated with the United States or taken adequate measures of their own to combat drug production, trafficking, and money laundering:

The Bahamas, Belize, Bolivia, Brazil, Colombia, Ecuador, Hong Kong, India, Jamaica, Laos, Malaysia, Mexico, Morocco, Nigeria, Pakistan, Panama, Paraguay, Peru, and Thailand.

The certification of Lebanon has been determined by the President to be of national interest to the United States. The President has decided not to certify Afghanistan, Burma, Iran, and Syria.

In addition to sending a clear message to countries which are not committed in any way to fighting drugs, decertification precludes the receipt of assistance, except for antidrug programs, from the United States.

The President's decision is based on the State Department's annual International Narcotics Control Strategy Report (INCSR), which is presented to the Congress on March 1 of each year.

Remarks on Legislation To Amend the Clean Air Act and an Exchange With Reporters in Los Angeles, California

March 1, 1990

The President. Let me just say I wanted to make one comment, and then we're going about our business here. A compromise has been worked out in a bipartisan fashion on a clean air bill, and I'm grateful to the Senators who participated in this compromise. It is the best in bipartisanship.

I'm also grateful to those in the administration -- the EPA, our Chief of Staff, Roger Porter -- who worked with the leadership and rank-and-file Senators to hammer out this compromise. And now I would encourage the Senate, this hard work having resulted in a good clean air bill, to move forward promptly; and then let's get it over to the House and do something to clean up the air in this country. It's a very big forward step; and I am very proud of the team, in the Congress and in the administration, that achieved these results. It took a lot of hard work, a lot of compromise.

Q. Mr. President, even as this compromise was reached today, as you're no doubt aware, many in the environmental community are questioning your commitment as an environmentalist because of the continuing reports of infighting between your Chief of Staff and your EPA Administrator over watering down such things as global warming and this compromised legislation. What do you say to that?

The President. I say they're crazy. I say they're wrong. You can't play to the extremes. I say take a look at this compromise in this landmark clean air legislation. It has been agreed to by the Democratic leaders, the Republican leaders, and a lot of the rank-and-file Senators in the Senate; and that lays to rest any such ridiculous allegations. Our EPA Chief is doing a great job. My Chief of Staff is doing a great job. This always trying to get on the inside baseball stuff -- the American people are not interested in that. What they're interested in is cleaning up the air. And now we've made a good breakthrough on that. So, that's what I'd say to them.

And look, I've learned something. You're never going to keep the extremes happy. I'm not going to shut down this country. But I am going to help clean up the air, and that's exactly what this compromise results in.

Now, I've got to run because we're off for a very -- one final question.

U.S. Hostages in Lebanon

Q. There are all kinds of reports that there's some kind of a breakthrough and that you have been involved in direct, indirect, secret talks over the hostages. Can you enlighten us?

The President. Well, I don't spend a day that I don't think about the hostages, but there are no secret talks going on. And I have read some of the most ridiculous stories, printed with anonymous sources, failing to do anything other than repeat rumors. I hope the hostages will be released. And if I see an opportunity to talk in private or in public about this to get them released, I'll do it. But I can tell you, Lesley [Lesley Stahl, CBS News], that it's not -- I saw a report the other day printed -- I hope it wasn't on the air -- about talking to the French President about something of this nature. There never was such a conversation. I said so. I believe we shot it down, and then today I see it comes up again. There's something going on that's crazy. But there are no talks going on.

I saw ones in Geneva. I saw that there were talks in Geneva. And so, I immediately got a hold of our top people, Brent Scowcroft, and said: Look, work through the system. Are there any talks? Have there been any -- direct, indirect -- in Geneva? And he said no.

Now, let me tell you something. If I thought a talk in Geneva would result in letting people go free, I would undertake the talk. And if I thought the way to conduct that talk was to do it quietly, I would do it in that manner. If I thought the best way to get the hostages out were to publicly have talks in Geneva, I would do that. But there aren't any, and I'm glad to have this opportunity to be as definitive as possible.

Q. How come you wanted to ask Scowcroft?

The President. Because he's the one that works through the system. He's the one that calls the State Department. He's the one that does the President's bidding when it comes to national security matters.

Q. Are there talks underway now between the U.S. and the Syrians on the hostage issue?

The President. No talks. I've told you there are no talks underway that I know about.

Q. Is there any movement at all?

The President. I hope so. I sure hope so. I'd love to see them release these hostages. And I will do everything I can, privately, openly -- whatever it takes -- to get them out of there without trading for hostages. We're not in the negotiating process. But Iran knows from the very first day I've been President that good will will beget good will, and good will means releasing kidnaped prisoners. And so, that's where it stands.

Meeting With Japanese Prime Minister Kaifu

Q. Are you going to get something with Kaifu tomorrow, Mr. President?

The President. I'm looking forward to visiting with the Prime Minister in a very important relationship. I look forward to it.

Nicaragua

Q. Mr. President, are you worried that the contras are not going to lay down their arms?

The President. No, I'm not worried. They will.

Note: The President spoke at 9:40 a.m. at the Century Plaza Hotel, prior to his departure for the North Los Angeles County Correctional Facility. In his remarks, he referred to John H. Sununu, Chief of Staff to the President; Roger B. Porter, Assistant to the President for Economic and Domestic Policy; President Francois Mitterrand of France; and Brent Scowcroft, Assistant to the President for National Security Affairs. A tape was not available for verification of the content of these remarks.

Remarks at the Dedication Ceremony for the North Los Angeles County Correctional Facility in Santa Monica, California

March 1, 1990

Thank you all very much, ladies and gentlemen. Thank you, Sheriff Block. Thank you all for that warm welcome back. And, Sherm, let me just say once again the respect that I feel in my heart for you and others that are serving with you in this important work. I understand your daughter, Barbara, is here -- Sergeant Persten, I believe, of the sheriff's department. If it's not inappropriate, I'd like to see her as long as I'm talking about her. There she is, right there -- sorry to embarrass you. And, of course, to all the members of the sheriff's department, and to Mike Antonovich and old friend Pete Schabarum and all the supervisors, delighted to be here. Sybil Brand was introduced to me as our Points of Light lady. And I know that all interested in law enforcement are grateful for all she's done.

And now, I'm going to offend others by being exclusive, except I want to single out my friend, the Congressman Elton Gallegly from this area, doing a superb job in Washington. I wish we had more like him when it comes to support for law enforcement. And to all the other members of the Los Angeles law enforcement community that are here today, it is my view that all too often, you are the unsung heroes on the war on crime, of our assault on drugs. And, yes, it is my honor to visit you here today. I've visited, as President, many education programs, rehabilitation programs, Head Start programs designed to, through education, help kids from the very beginning. And now, I've just completed the tour of Super Max, the 900-block maximum security prison. And I'll tell you, it does concentrate the mind.

It was a short tour, very short, but I won't ever forget it. It was long enough to bring anyone face to face with the reality of what institutions like this represent. Jails and prison do testify to something in the nature of man that most people put aside, prefer not to think about: the capacity for violence, the power of corruption, the ability to turn our back on what's right and do wrong. But they are also the ultimate proof of the community's determination to protect itself and serve justice. One of this nation's Founding Fathers said, ``If men were angels, no government would be necessary." Well, I'm sure that no one here would suggest that men were angels. And that's why there's government to write the laws we live by and correctional facilities like this one for the people who break them.

When this ceremony is over, it will be time for many of you to go back to business. Go after the people who turn our cities into battlegrounds and our kids into drug users. Help our communities fight back.

This facility was built to meet the needs of L.A. County. Every penny -- every penny --

produced by State and local funding. And that's a sign that your vibrant community, the Los Angeles community, the Los Angeles taxpayer, knows that in the fight against crime and drugs, tough talk is simply not enough. And if you're going to be tough on crime you've got to be tough on the criminals. Talk to any law enforcement officer and they'll tell you what that means: No more revolving door. No more criminals out on the street because there isn't enough cell space to hold them.

And I'm here to tell you, citizens and law enforcement officials of Los Angeles County, that the Federal Government is doing its part to combat crime. Right now we're making a new effort in this area. That means more Federal prisons. And this year alone, over $1.5 billion will be devoted to prison construction to build over 24,000 new beds. And that's just this year. I've urged Congress to add another $374 million for more Federal cell space in 1991.

Fighting to win against crime and drugs means tougher laws. I've called on Congress to pass a tough, no-nonsense anticrime package. I'll tell you something. I feel deep in my heart that I owe that to each and every law enforcement officer that's here today and those that are serving all across this country. And so, today, though, let me call on you: Keep working with us and with all the elected officials at every level of government so that every American citizen can have faith that the law is on their side, not the criminal's. And that does mean tougher State and Federal laws, stiffer penalties for crime and violence -- more for crimes of violence, and more certainty in sentencing; an end to easy parole; no deals for criminals carrying a gun; and for anyone who murders an officer of the law, justice means nothing less than the death penalty.

I know every law enforcement officer here today wants only one thing: the chance to do his duty, uphold the law. And for that, you deserve our thanks. Now, I know there have been difficulties. I've read the papers and I've seen the stories this past week about the indictments here. Don't let it get you down. Yours is the largest sheriff's department in the world -- 11,000 people fighting the good fight. Keep your heads high. If some bad apple turns up, if an officer abuses your trust or ours by doing wrong, we must be that much more dedicated to supporting the countless officers, the millions across this country who honor the law by doing what is right.

You are, as I said a few minutes ago, society's unsung heroes. And I thank you for your service not just to your community but to our country. And I've got to tell you, as I walked through that facility with Sheriff Block just now and met some of the young officers in there who are doing this kind of work, I'm saying to myself: This isn't the easy way. There would be other ways that they could find to make a living that might be more easy. But it is the dedicated way. It is a way that really upholds the best in America's tradition of service.

Let me close by paraphrasing William Blake: ``Prisons are the concrete of justice." Prisons are very much about the real world. There's a tendency, particularly among people of great sensitivity, to think about justice in airy and abstract terms: the idea, for example, that in spite of crime, all people are basically good. But it is unwise to think in the abstract when it comes to

crime. Most people are good. But some, let's face it, are not. And today, I've visited perhaps the most modern facility in the country. And to think, I would say to my fellow Americans, to think concretely about crime, you should visit a facility, a prison facility.

I salute you for your work. I appreciate the opportunity to have made this visit. I am grateful to all of you for this warm welcome. And now, Sheriff Block, with your permission, sir, I'll cut the ribbon and officially open the North County Correctional Facility. God bless each and every one of you. Thank you very, very much.

Note: The President spoke at 11:09 a.m. at the facility. In his remarks, he referred to Los Angeles County Sheriff Sherman Block, county supervisors Michael D. Antonovich and Peter F. Schabarum, and institutional inspection commissioner Sybil Brand. Following his remarks, the President attended the Republican Governors Association luncheon in Los Angeles.

Letter to Congressional Leaders Transmitting a Report on International Agreements

March 1, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

Pursuant to subsection (b) of the Case-Zablocki Act (Public Law 95 - 426; 1 U.S.C. section 112b(b)), I transmit herewith a report prepared by the Department of State concerning international agreements.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Statement by Press Secretary Fitzwater on Legislation To Amend the Clean Air Act

March 1, 1990

The President is pleased that agreement has been reached between the administration, the Senate leadership, the Senate Environment and Public Works Committee, and a bipartisan group of other Senators on the major elements of legislation in the Senate on the Clean Air Act. The President is particularly gratified that this agreement is consistent with the legislation he submitted to Congress and is within the parameters and guidelines the administration felt were necessary for an environmentally sound, effective Clean Air Act. The agreement covers provisions relating to acid rain, air toxics, alternative fuels, and ozone attainment for stationary and mobile sources. All parties to the agreement are committed to its passage in the Senate.

The administration has participated for the past month in bipartisan discussions on the Clean Air Act at the request of the majority and minority leaders of the Senate. The administration team included representatives from the White House, the Environmental Protection Agency, the Office of Management and Budget, the Council of Economic Advisers, and the Departments of Energy and the Interior.

The provisions in this agreement are environmentally aggressive and will achieve significant and permanent reductions in pollutants that cause acid rain, will ensure annual improvements to bring our nation's cities into compliance with standards relating to urban smog and carbon monoxide, and will greatly reduce the risk to the public's health from toxic emissions.

This agreement is environmentally sound and strong. It is also designed to effectively achieve these reductions in an economically efficient and innovative way. It will for the first time establish a market-based system of incentives for reducing the pollutants that cause acid rain. It provides for the use of state-of-the-art technology to control toxic emissions. It includes strong incentives for the development and adoption of clean-coal technologies. It will establish a framework for encouraging the use of cleaner fuels to reduce pollution from automobiles.

By incorporating flexibility and innovation in its approach to achieving pollution reductions, it will allow environmental and health standards to be met in a way that creates maximum choice for both States and regulated industries and places fewer burdens on consumers. It will thus improve the Clean Air Act in a way that promotes both a healthy environment and a sound economy.

Exchange With Reporters at a Meeting With Ronald Reagan in Los Angeles, California

March 1, 1990

U.S. Hostages in Lebanon

Q. Mr. Reagan, there are reports out of Geneva that some secret talks are underway to help the release of the hostages in Lebanon. What kind of advice or words of caution do you have for President Bush?

President Reagan. Well, the way most leaks turn out, the caution, I think, would be: Wait until somebody could prove it.

Nicaragua

Q. President Reagan, since the contras were pretty much a creation of your administration, is it time now for them to lay down their arms?

President Reagan. Don't you think it might be time enough for us to wait and make sure that there is a civilian government in place in Nicaragua? Because the Sandinistas had their arms and their weapons long before any Nicaraguan citizens picked up guns and became the contras.

Q. Do you think they should wait, then, until Mrs. Chamorro is inaugurated April 25th?

President Reagan. Well, I don't know whether to wait that long or not, but things could take place foreshadowing what the situation is going to be earlier than that.

Q. Do you share that concern, Mr. President?

President Bush. I've expressed myself on this, and at this photo op I've elected not to take any questions. So, we have a slight differences in policy.

President Reagan. Oh, I was just sitting there. And, yes, he's doing exactly what is right for him. I just have a little more freedom.

President Bush. That's right. Exactly.

Meeting with Japanese Prime Minister Kaifu

Q. President Bush, can you comment on what you hope to accomplish with the Prime Minister tomorrow?

President Bush. It's going to be interesting to meet with Prime Minister Kaifu -- coming because he's just solidified his position in the party and he's been reanointed. And we've got to convince him that we've got to move forward with some of the tough problems, as you know.

President Reagan. Have you met him before?

President Bush. Yes, sir. I've been there a couple of times.

President Reagan. I met him in Japan, too.

President Bush. Yes, impressive. I'm impressed with him. He's a very good man -- good man.

Reel them in there, gang.

President Reagan's Health

Q. How are you feeling, Mr. President?

President Reagan. Just fine.

Q. You look very good, sir.

President Reagan. Well, thank you. I'm back riding horses now and then.

Q. Are you?

President Reagan. Yes.

Q. You've got to get back on them, right? Once they throw you, get back on them. Right?

President Reagan. Yes. And as I've told some of you -- the old cavalry saying -- there's nothing so good for the inside of a man as the outside of a horse. [Laughter]

Upland Earthquake

Q. Did you feel the earthquake?

President Reagan. No, I was traveling. Nancy did. She was on the phone. She hung up.

[Laughter]

Note: A tape was not available for verification of the content of the exchange, which occurred in the afternoon at President Reagan's office in the Fox Plaza.

Remarks at the California Chamber of Commerce Centennial Dinner in Los Angeles

March 1, 1990

Thank you, Governor Deukmejian, for those kind words. It's great to be back in California and to be invited to such a wonderful party. I got to L.A. yesterday, and they told me I'd be appearing before the movers and shakers. [Laughter] I thought they were talking about people, not houses. But nevertheless -- [laughter] -- Steve, I want to congratulate you as the dinner chairman. And to Chairman Stanley Wainer, thank you, sir, for inviting me here tonight.

You know, when we landed at the airport, I was deeply touched to see a red carpet rolled out, 21-gun salute, balloons, confetti -- truly moving. And then I looked around and realized it was the L.A. Coliseum Commission welcoming Al Davis back from Oakland. [Laughter]

Some of you all were up in San Francisco, some of the members of the Chamber, and last night we had some demonstrators there. And on the way over here, I did encounter a few demonstrators. One protester from UCLA was shouting, ``U.S. out of Panama! U.S. out of El Salvador! USC out of Los Angeles!" [Laughter]

But something that really impresses me about California is the west coast's will to survive, even triumph, in adversity. New ways to cope spring up, no matter what kind of disaster strikes. Somebody told me there's even a new support group in Malibu called Parents Without Perrier. [Laughter]

What brings me here tonight, though, is the same appeal that brought so many to California a century ago: a sense that something powerful is happening here in this State. Your heritage was borne by those with the imagination and courage to press westward. After the century of shared progress that you celebrate tonight -- from sailing ships to silicon chips -- you're still the State that sets the pace, breaks the barriers, and defines the future.

The gold rush never really ended in California; it just took on new and truer colors -- from the green abundance of agriculture to the black gold in the earth, the silver screen, the wealth of the blue Pacific. The list of California's first-place rankings reads like the what's what of American business -- number one in aerospace; construction; exports; in business owned by women, by black and Hispanic Americans; in numbers of college graduates, scientists, engineers, Nobel laureates, patents, and Ph.D.'s -- California leads America. And America leads the world.

But California in business isn't just first-class; it's world-class -- home to over 40 Fortune 500 firms, a dynamic job-creating small business sector, and a gross State product that the Duke referred to -- my friend George Deukmejian -- that outside of America ranks among the top 5

nations.

So, if California is the rock-solid edifice of America's economic strength, the California Chamber should be a room with a view, with a vision for the future, where decisions are made and actions taken that will lead the rest of the country in the coming century. You understand that California's economic prospects are strong, thanks to your natural resources and your geographic position on the Pacific rim. Let me add, it's fitting that I'll be meeting in California tomorrow and for the weekend with Prime Minister Kaifu of Japan. We have very important business to do with Japan, and these will be important meetings; I think they're fitting that they be held in California.

But what will truly lead California to success in the new century is her people and the way they do business. As our economy continues to grow and labor markets continue to tighten up, businesses like yours will need to turn to sources of talent once left untapped: youth at risk, who need to see the connection between school and work; the underskilled, who need training; older and more experienced workers, who need new skills; the disabled, who need only a chance to prove their abilities; and dual-career families, who need flexible, creative child-care solutions.

Flexible workplace policies will allow you to find and keep the best talent. And one of the most promising of these new business frontiers is telecommuting: taking advantage of new technology to enable your people to work at home 1 or 2 days a week. Clearly this exciting concept will not apply to every business or every kind of employee, but consider: A typical 20-minute roundtrip commute to work over the course of a year adds up to 2 very stressful 40-hour weeks lost on the road. But if only 5 percent of the commuters in L.A. County telecommuted 1 day each week, they'd save 205 million miles of travel each year and keep 47,000 tons of pollutants from entering the atmosphere. So, telecommuting means saving energy, improving air quality and quality of life -- not a bad deal.

This administration is profoundly committed to protecting the environment that we all share. That's why I'm pleased to say that today we've reached an agreement with a bipartisan group of leaders in the United States Senate for environmentally aggressive and still economically sound revisions to the Clean Air Act. It's a new approach to clean air that will permanently reduce emissions that cause acid rain; greatly reduce the threat from air toxins; and bring clean, healthy air to every city in America, including this important city, Los Angeles.

I know that many of your companies, many represented right here tonight, are involved in forward-looking stewardship efforts for our precious environment. That's a measure of the enlightened management here in California. Along with looking inward for better ways to run your operations, you're also looking outward as active partners in your communities. And we all know that some of your communities will demand -- the problems -- long-term, consistent, collective effort -- work involving worthy sacrifice, but with profound, long-term results.

To make sure our educational system gives our kids the skills they need to thrive in the future, new partnerships between schools and, yes, businesses need to be expanded. Projects to improve schools, like the California Compact, show great promise and deserve all the help you possibly can give them. In fact, I understand there are already over 3,000 educational partnerships here in California, from multimillion-dollar projects for sweeping reform to adopt-a-school programs to low-cost volunteer efforts. Our schools need your time and talents, and if you're already involved, keep at it -- and if you're not, this is your decade to do it.

And where the most troubling challenge to our communities is concerned, the enslavement of illegal drugs, your members can help us turn the tables against the dealers, turn them forever. So-called casual users and their money keep these merchants of death in business. So, anyone who still considers drugs a victimless diversion needs to hear this: You shame yourselves, and you shame your great country. And America now condemns what has too long been condoned. The country has had enough. And I believe we can and will win this battle against drugs. Many of you and your businesses already do preemployment drug screening. Let me encourage all of you: We need to make it very clear to every American that if you do drugs you don't get hired.

Those of you who are involved with the nationwide Partnership for a Drug-Free America are getting far-reaching results. But let me also encourage you to get involved with local efforts, at street level. On every block, in every town, in every city in America, there should be a home or a business willing to serve as a safe house for kids, where they can go for help; for information about drugs; for refuge from dealers; or just for the comfort of somebody who cares, of a caring, listening heart.

As I think of my job, I often think an important priority -- our kids need our help. And that will mean a lot to your communities. But there's one thing more that we should consider for the sake of the world community. We've all watched with wonder and delight the transformations that took place in Eastern Europe during the Revolution of 1989. We greet the triumph of democracy like a miraculous dawn that might somehow cast the whole world in its light at once. But it is not ordained and will not be the work of miracles. It must be the work of the newly liberated peoples themselves, and it must be America's work.

Forty years ago a world wounded, rent asunder by war, was built with America's leadership. In this decade, nations impoverished by ideology and ravaged by dictatorship -- in Eastern Europe, in Latin America -- are also ready to be reborn and rebuilt with the tools of free enterprise, the wisdom of free markets, and the skills of American business. As the political dust settles, the real struggle now begins. The cry for democracy, the redemption of the individual voice, is only the first step. As I said in my State of the Union Address, democracy is a cornerstone of free societies that must be joined with competition, opportunity, private investment, stewardship, and of course, leadership.

Now is the time for our country, for America, to provide that leadership, to do her quiet but

crucial work to help lay the cornerstones of free societies and to widen the circle of freedom. We can rely on what we know. We know that prosperity preserves peace, that the troubled waters of political turmoil are calmed by economic growth, and that our economic influence can be a force for great good.

We are using that influence at the international level, marshaling assistance for nations making a courageous break from their totalitarian past. We're providing direct U.S. aid. And we're working with the Congress and with other nations to do more for these exciting fledgling democracies. But America's leadership in the world does not depend solely on government initiatives. Our influence is profound because our private sector has shown the leadership, and we need your engagement again today.

Every business and community organization, here in California and across the country -- business leagues, Rotaries, clubs of every kind -- all can find ways to help the people of Eastern Europe and Central America as they make this transition to market economies. In this, your national chamber is on the right track. Consider donating some time and expertise to the emerging businesses that are now struggling in Eastern Europe. Work with our important friends and neighbors to the south, in Panama and now in Nicaragua, as the transfer of power takes place. Whatever your specialty -- strategic planning, marketing, inventory, line operations -- it is needed now. Find a sister city or a business that would benefit from what you know of free enterprise and free markets and put your talents to work. Today there is an unprecedented opportunity, certainly an urgent need, for American business leaders to lead the world toward free enterprise.

You know, back in 1890, there were a lot of newspaper articles suggesting that California was in decline or, as one observer put it, ``in a state of decadence." The critics claimed that industry and agriculture were struggling, and it looked like the gold had all been rushed. You know what happened. You know the history. California became a world-class economic superpower. Today you are called upon and privileged as few have been before to bring the world new and unprecedented prosperity. Show the world that commerce has conscience, that prosperity has a purpose, and that any definition of a successful life really must include serving others. In your own businesses, in your communities, and in the community of nations, gather strength and use it to help people.

I am privileged to be President of the United States at this terribly exciting time in not only our history but in the history of freedom and democracy around the world. Let me just say I feel that all of you in this room have an important part to play in this new decade in helping solidify the freedom that people have struggled for, the democracies that they revere, and the future they deserve.

Let me wish this chamber a very happy 100th birthday. Thank you for inviting me. God bless you, and God bless the United States of America. Thank you very, very much. Nice to be with

you. Sorry to eat and run like this, but I'm still on Eastern Time.

Note: The President spoke at 7:50 p.m. in the Los Angeles Ballroom at the Century Plaza Hotel. In his remarks, he referred to Steven Mersamer, dinner chairman; Stanley Wainer, chairman of the board of the chamber; and Al Davis, owner of the Los Angeles Raiders football team. A tape was not available for verification of the content of these remarks.

Remarks to the Academy of Television Arts and Sciences in Los Angeles, California

March 2, 1990

The President. Thank you all very much. Chuck, thank you, sir, for those kind words. And good morning to all of you. I want to thank you for being here at this very early hour. It's great to see such an all-star cast assembled. We Bushes are basically name-droppers. [Laughter] We like this kind of event. And wait until Barbara hears about it. [Laughter] I'm glad to see my good friend, Jerry Weintraub; and, Leo, to you, sir, the president of the academy, thank you very much. In fact, we've got a roomful of presidents: Bob Iger, ABC; Arthur Hiller, DGA; George Kirgo, WGA; Sidney Sheinberg, MCA; George Bush, USA. [Laughter]

And over my shoulder I feel the presence of Roger Ailes, my good friend and trusted adviser whose help was so important to me in my quest for the Presidency. I'm not sure I hit that line just the way Roger wanted me to do it, but the eye contact was superb. [Laughter]

Being President does have its advantages. And this is true: I have a TV set there in the White House with five screens, one big one in the middle, four small ones around it, all of them on at once. Now I don't have to miss the nightly news while I watch ``Wheel of Fortune." [Laughter] It's a wonderful thing.

There's no escaping the fact that we live in the age of television. You know, in my State of the Union, I announced six national education targets to be met by the year 2000. And this morning I want to add a seventh goal: By the year 2000, all Americans must be able to set the clocks on their VCR's. [Laughter]

I know that your industry faces some real challenges right now -- I had a chance to talk to some of the officials at the head table a little earlier -- cable and satellite deals, the controversy surrounding the financial interest rules, the exploration of new revenue streams, regulatory hurdles. The list is a long one. But that's not what I came to talk to you about this morning, interested as I am in those problems facing the industry. I came here this morning to make a serious point about a different kind of opportunity -- about the tremendous power of television and how it can help us meet some of the most pressing social challenges that we face. And I know this industry is more involved than ever in focusing on some of our nation's most serious problems, whether it's hunger or homelessness or drug abuse. And there's tremendous potential in that because every one of us in this room knows that television does more than entertain. It informs, and it educates.

This morning, I want to focus on public enemy number one: illegal drugs. Two weeks ago, I went down to Cartagena to the Andean drug summit -- a country on the front line of the drug

war. Their courageous President, Virgilio Barco, and the people of Colombia have made a courageous choice: Colombia versus the cartels. The battle is far from over. But for the first time, the drug runners are on the run. We're going to keep the pressure on, work with those Andean allies -- Peru, Bolivia, Colombia -- to cut the supply lines that run from the jungles of South America right into the heart of our cities. And we will. Two nights ago, we just learned that in Orange County, two cars were just pulled over carrying nearly 900 pounds of cocaine. Four million doses; street value -- $30 million.

The supply side is a massive, serious problem. And I will continue to address myself to that side of the equation. But if we want to win this war, big busts won't be enough. We've got simply to drive down demand, dry up the market for illegal drugs right here in our own country. We do that by increasing awareness, education -- providing people, especially young people, information that helps them separate fact from fiction when the subject is drugs. That really is why I was so pleased to accept your invitation, Leo and Chuck, to come over here this morning -- to thank you, the leaders in the television industry, for enlisting the power of TV as a force for positive change. Each of you is a Point of Light, with a unique ability to inform and to change attitudes and to catalyze public action in our fight against drug abuse.

This morning, I want to thank so many of you for the work you're doing with my friend Jim Burke, the head of Media Advertising Partnership for a Drug-Free America. We see those hard-hitting antidrug commercials every day, and really, they are hitting home. We're starting to see a shift in attitudes in the regions where those spots are on the air. But it's not just the commercials that are getting the antidrug message across; increasingly, it's also your regular programming, the shows themselves. And that's important.

Most people have no idea how many kids watch those Saturday morning cartoons. This is one group that does. Well, I am astonished at the number: 20 million kids between the ages of 5 and 11, sitting on the living room floor every Saturday morning watching cartoons. Twenty million kids, impressionable, just asking to be entertained. And let me tell you something: Those 20 million kids in front of their TV's on any Saturday are the same target audience for every schoolyard drug pusher 5 days a week.

Today, drugs are an unfortunate fact of life in every city and town across America. And our kids face pressure from their peers -- --

Audience member. Talk about AIDS. Why don't you lead the country on AIDS like you do on drugs? You never talk about it.

Audience members. Sit down! Sit down!

Audience member. Why don't you appreciate people who are fighting AIDS? Why aren't you going to address the AIDS conference?

The President. One of the reasons that we've increased Federal help to an all-time high on AIDS is to try to help people that are concerned. And we will continue to try to help people that are concerned about that subject.

You know, I think -- I'll ad lib here for a minute -- but I think of the dramatic changes in Eastern Europe and the dramatic changes towards democracy in this hemisphere, and I have come a long way in my own political maturity. This guy's interdiction doesn't bother me one little bit. And I'm glad we live in a country where we can all speak up, even if it takes advantage of the hospitality of you all.

But our kids do face peer pressure from their peers, pressure from the pushers out there to snort coke or smoke pot or even a killer called crack cocaine. ``Just once can't hurt." ``Everybody does it." ``It's cool." And that's what our kids hear. That's what they're up against. For too many of our kids, regrettably, that is the real world. And we've got to help our children develop the power to say no, power that comes from self-confidence. We've got to arm our kids with the facts: Drugs aren't part of life in the fast lane; drugs are a dead-end. And that's why I am so delighted that the academy is taking the lead in producing a show called ``Cartoon All-Stars to The Rescue" -- a story about a boy who, with the help of more than a dozen of today's most popular cartoon characters, learns that he can draw the line against drugs, that every kid can be drug-free.

And that's a great message. And I hope that on Saturday, April 21st, the day that that show is first broadcast all across the United States and all over North America, every TV set is on and every kid is watching. And I want to thank all of you associated with the Academy of Television Arts and Sciences for taking part in this collaborative effort. Barbara and I are proud to participate with you. Never before in cartoon history have Bugs Bunny and Daffy Duck worked with the Teenage Mutant Ninja Turtles, the Muppets, and the Smurfs -- [laughter] -- and all the other stars of the cartoon world. And my hat's off to Roy Disney and Buzz Potamkin for keeping all those colorful egos in line. [Laughter]

One thing more while we're talking about cartoons: Every one of us knows those scenes where a character falls off a cliff or gets hit by a truck and then bounces right back up, dusts himself off, and moves right on to the next scene. Kids see that stuff, and they know it isn't real. But how many kids and young adults today have seen the programs or movies that show a character take drugs and, just like the cartoon characters, survive without a scratch? That isn't real, either. And in the real world, whether it's Hollywood or Harlem, or out in the heartland, smalltown America, we know what drugs do. And the simple truth is they destroy. And thank goodness the days when popular culture glorified and glamorized drug use are fading fast. Public opinion is turning around. We used to hear that drugs were fashionable and fun and risk-free. Not anymore. Now we're hearing something different. We're hearing that it's okay -- no, that it's great, really, to be drug-free.

And I think that change is taking place because we all see the damage that drugs can do. We've

seen too many sports stars, too many entertainers, too many of the men and women we look up to, too many of our heroes pulled down, destroyed by drugs. Drugs and success simply do not mix. And I really want to thank every one of you in this room for helping smash that stereotype. Because the truth is: Drugs don't care who you are, how famous you are, how much you earn. Drugs are deadly for everybody.

So, this morning, I want to make sure that I'm understood by all the writers and producers and actors in this room. I'm not asking you to compromise your art. I'm not asking TV producers or filmmakers to portray some kind of a fantasy world where drugs don't exist. Sugar-coating isn't going to solve anything. What I'm suggesting is that you have an opportunity to help your country. And I'm with those of you who believe the answer is to treat drugs with the same degree of realism TV brings to so many other subjects, to show what happens in the real world. When someone does drugs, show what happens: how what starts out as a high turns into the lowest form of self-abasement, where drugs mean more than family, friends, self-respect -- to show in the real world how drugs destroy, how drugs kill every single day.

And that's the real message. It's a message that can save lives. And thanks to you, thanks to you, it's a message that's getting through to the children of the United States of America, to the children of many other countries as well.

Leo and Chuck, thank you for this opportunity to address this exceptionally prestigious and influential group. And I am grateful to all of you. And thank you for all you're doing, and God bless you. And now I'll go over and try to represent you properly as I meet the Prime Minister of Japan. Thank you very, very much.

Note: The President spoke at 8:28 a.m. in the Los Angeles Ballroom of the Century Plaza Hotel. In his remarks, he referred to Charles Fries, chairman of the Academy of Television Arts and Sciences; Leo Chaloukian, president of the academy; Jerry Weintraub, chief executive officer of Weintraub Entertainment Group; Robert Iger, president of ABC Entertainment; Arthur Hiller, president of the Directors Guild of America; George Kirgo, president of the Writers Guild of America; and Sidney Sheinberg, president and chief operating officer of MCA, Inc.

Remarks at an Antidrug Rally in Santa Ana, California

March 2, 1990

Thank you, Jim Everett. And let me say how much I respect you and appreciate the work you're doing to help the young people not just here but all across the country. You are an inspiration to all of us, and thank you very much for welcoming me. I'm also glad to be with Governor Deukmejian, who has done an outstanding job for the State of California -- outstanding. And I want to thank Fred Travalena and my old friend and supporter, Chuck Norris, for being here with you all today -- great examples for the young people. And there are some people up here with me that certainly deserve our thanks for making this fantastic day possible -- another friend of mine, a man I respect, Sheriff Brad Gates, over here. And Mike Hayde, the president of ``Drug Use Is Life Abuse'' -- what a job he's doing. And the board of directors of that great organization, including Dr. Robert Schuller, Georgia Frontiere. Also up here is some of Orange County's congressional delegation, and others as well -- Bob Dornan, Dana Rohrabacher, Chris Cox, Dave Dreyer. And I also have to salute one of America's best teachers, my old hero -- singled him out a couple of years ago -- Jaime Escalante.

Thank you, and Jim Everett, again, thank you for that warm introduction. I heard that someone asked Jim if he was excited about being with the President here today, and he said, ``No, not as excited as I'll be next year when we're invited to the White House after the Rams win the Super Bowl.'' No matter what team you like, you've got to admit that Georgia Frontiere has built one of the toughest teams in pro football. Who says there's no role for women in combat? I've got a confession. Although I love pro football, my first love is pro baseball. And if the Angels are looking for replacement players, I hope they'll remember that I played first base. But I have a confession to all the Angels fans. My son is the managing owner or partner of the Texas Rangers. And I asked him if I could come try out for the club, and he said, ``Sure, Dad. You can come down and throw the ball around. But don't give up your daytime work.'' [Laughter]

It's great to be back in Orange County. Southern California is a place of both beauty and bounty, blessed with some of the greatest wonders of nature and some of the most wondrous works of man. And it's home to many of America's oldest traditions and newest ideas -- the computerized pirate ships of Walt Disney, the real-life cowboys of the Irvine Ranch. And Orange County is a special place -- a place that boasts productive lands, productive minds, and productive people and one of the youngest and hardest working populations in the entire country. And standing here today in Orange County, leading the way into a new decade and a new century, it's easy to see why many young people are looking to the future with a new sense of hope and seeing a world of limitless possibilities.

Something is happening in the world -- something new, something powerful, something wonderful. Czechoslovakia's Vaclav Havel, who began the year as a prisoner and ended it as President of Czechoslovakia, summed it up in his visit to Washington last month. Things are

happening so fast, he said, that ``we have literally no time even to be astonished." And today the wind rushing down from the mountains is not the fierce menace called the Santa Ana wind, but the new breeze that I spoke about when taking office a year ago. It has swept around the world, bringing new hope in Europe, new hope in Africa, new hope in the Americas. Vaclav Havel, free at last. Nelson Mandela, free at last. And Nicaragua and Panama, free at last.

And just as people around the world are casting off the oppression of dictators, so people across America are casting off the oppression of drugs. Week by week, day by day, millions of Americans in thousands of towns are standing up to make the same courageous choice: drug-free neighborhoods, drug-free schools, and drug-free kids. And anyone who thinks that our great country lacks the will to win the drug war better take a look at the spirit that we have here today in this stadium right here in Orange County. It is fantastic. I know you'll win this war. You have what a longtime resident of Orange County, John Wayne, had -- true grit. In one of his classic western movies, John Wayne spelled it out in his simple, all-American, pointblank style. He said: ``There's right and there's wrong. You gotta do one or the other. You do the one, and you're living. You do the other, and you may be walking around, but you're as dead as a beaver hat."

As he did in the conduct of his own life, in that movie John Wayne stood for right; he stood for life. And today in Orange County, thousands of you have made that same choice. You've stood up for right. You've stood up for life. And you sum it up in a phrase: ``Drug Use Is Life Abuse." That slogan -- the power of that slogan -- the slogan is powerful in its simplicity. And the logo itself is apt. In it, the word ``life" is literally torn apart, just as the lives of our young are torn apart and destroyed by the nightmare called cocaine.

While visiting Orange County last spring, I commended the Los Angeles Rams for having every player wear a ``Drug Use Is Life Abuse" patch on his uniform -- a move that was copied by tens of thousands of local fans and student athletes here. The Rams wore the patches for a year. And a Rams spokesman said, ``If it dissuaded one young man or young girl from doing drugs, it was worth the whole year." And I agree. In order to win, America's war on drugs must be total war -- waged from the boardroom to the classroom, from the White House to your house. No element of our society is immune -- certainly not the world of professional sports. And I think the patches were a mighty good idea. Fighting drug abuse isn't a personal message; it's a public service. ``Drug Use Is Life Abuse" is the right message because its goal is not punishing those who are hooked on drugs, but deterring kids from ever getting started. That message is beginning to sink in. By now just about everybody knows this simple truth: Drugs aren't the answer. They never were. And they never will be.

And recently, we've seen some scattered but hopeful new signs of progress against the horror of drugs. It began last summer, when a major nationwide survey found that the number of current drug users in America had dropped by almost 40 percent in just 3 years. And then just 2 weeks ago, another new survey showed that the number of high school seniors using drugs declined again last year, a long-term trend that has brought seniors' drug use to its lowest level in 15 years. Let's keep it going.

There are so many other hopeful signs, visible in every city in America. In my old congressional district in Houston, Texas, the people got together and took back a park from the drug dealers. In Alexandria, Virginia, I visited a neighborhood where they hold all-night vigils every Friday to keep the pushers away from the kids. And then in the heartland, Kansas City, I saw these boarded-up crack houses bearing the six-word victory banner of the local activists -- the words ``This neighborhood fights back against drugs.''

And right here in Orange County, thousands are doing their part. I think of heroic cops like Santa Ana police investigator Henry Cousin. Although severely wounded in a drug raid 3 years ago, Henry wouldn't quit. He joined a special Federal task force and recently helped take down the biggest drug seizure in Orange County history. And I think of heroic mothers like Santa Ana's own Rosa Perez, who fought in Santa Ana for 6 years to rid her neighborhood of pushers.

But the battle isn't only being fought in the streets. About a year and a half ago, I came to Los Angeles for one of the most critical moments in the campaign: the 1988 Presidential debate up there at UCLA. And they asked if there were any heroes left in America. I named an astronaut, an AIDS researcher, a freedom fighter. And I named a high school mathematics teacher from East L.A., a teacher who helped his Hispanic students see beyond poverty and neglect to the real potential of their own minds. Jaime Escalante, Investigator Henry Cousin, Mrs. Rosa Perez -- three heroes, two cities, one dream. All three are here today, and all three deserve our heartfelt thanks. No, with your help, we've covered a lot of ground in the drug war. But tough challenges remain. It's like when the Rams offense crosses the 50-yard line: with every yard you gain, your opponent digs in and progress gets that much harder, not easier.

Make no mistake. Drug abuse in this country is still far too widespread. There's far too much suffering, far too many wasted lives. But we're going to beat drugs the same way the Rams beat many of their opponents: relentless offense, a defense that refuses to give up a single yard to the opposition -- or a single child to these merchants of death. And I might add that I was delighted to be greeted earlier on by so many law enforcement officers from this area. God bless them, and God bless those line officers out there in the streets, helping every one of you kids up here in the stands. Thank you all. Against drugs, a good defense means reducing demand -- and through efforts like the record funding my administration has devoted for increased drug education, treatment, and criminal justice. And a tough offense means an attack on all fronts.

Last month's drug summit in Cartagena, Colombia, marked a good day for the rule of law and a very bad day for the cocaine cartels. I was glad I went to Colombia to support that courageous President of Colombia who was trying to keep the drug dealers where they belong -- in jail. President Barco's courageous crackdown has seized or destroyed their cash, their homes, their labs, and their drugs. And 14 accused traffickers have been extradited to the United States and now face American justice in courtrooms in Miami, in Tulsa, Atlanta, and in San Francisco. The days of the drug lords may not be over yet, but their days are numbered. And we're going to

keep up the fight on the supply side.

You heard the Governor mention it, but let me repeat it. Here at home, my administration recently named the Los Angeles Orange County as one of the Nation's five ``high intensity drug traffic areas,'' a designation that means increased Federal enforcement manpower for the region. And nationwide, Congress -- and bless these Congressmen here that are supporting our efforts -- Congress has approved funding for the new agents, new prosecutors, and new prisons that we asked for to catch, convict, and contain America's most dangerous drug offenders. But Congress also needs to act, and act soon, on my new anticrime proposals. Congress needs to provide tough laws to deal with a tough problem. Working together, we can -- we will -- defeat this scourge.

America has earned her victories through determination and desire. And we will win the war on drugs because we must. Just 2 nights ago, right here in Orange County, two cars were pulled over carrying nearly 900 pounds of cocaine. And thanks to your courageous antinarcotics efforts, four million doses, with a street value of $30 million, will not poison our kids. And that is desire and that is determination. And let no one doubt the commitment we have in Washington as well. The White House has declared war on the crack house. And the only enemy response we'll accept is unconditional surrender.

Thank you for your warm greeting. God bless you all. Keep up the fight. And God bless the United States of America. Thank you all very much.

Note: The President spoke at 12:35 p.m. in the Santa Ana Bowl. In his opening remarks, he referred to Jim Everett, quarterback for the Los Angeles Rams; entertainer Fred Travalena; and actor Chuck Norris.

Nomination of John C. Foltz To Be Administrator of the Federal Grain Inspection Service

March 2, 1990

The President today announced his intention to nominate John C. Foltz to be Administrator of the Federal Grain Inspection Service, Department of Agriculture. He would succeed W. Kirk Miller.

Since 1979 Mr. Foltz has served as executive director of the Ohio Grain and Feed Association in Worthington, OH. Prior to this, he served as chief of the division of markets at the Ohio Department of Agriculture, 1977 - 1978; Assistant Administrator for Market Development at the Foreign Agricultural Service, 1976; Deputy Under Secretary for Legislative Affairs at the Department of Agriculture, 1973 - 1975; deputy director for agriculture for the Committee to Re-elect the President, 1972; Director of Congressional Relations for the Cost of Living Council in the Executive Office of the President, 1971; legislative assistant in the Office of the Secretary at the Department of Agriculture, 1969 - 1971; and staff member and manager of public relations for the Future Farmers of America, 1958 - 1968.

Mr. Foltz graduated from Ohio State University (B.S., 1955; M.S., 1971). He was born February 23, 1933, in West Lafayette, OH. Mr. Foltz served in the U.S. Navy, 1955 - 1957. Mr. Foltz is married, has two children, and resides in Worthington, OH.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Toshiki Kaifu of Japan in Palm Springs, California

March 2, 1990

The President and Prime Minister Kaifu met for approximately 1 hour this afternoon. Their meeting began with a brief one-on-one session, followed by a plenary. In their private session, the President and the Prime Minister took the opportunity to reaffirm the close and friendly bilateral relationship of the two countries and the growing significance of their global partnership. The President congratulated the Prime Minister on his recent electoral victory. The President noted that the pillars of the relationship are the U.S.-Japanese security relationship, the global partnership, and the bilateral economic relationship.

The plenary session was devoted to a discussion of security issues of common concern. The President and the Prime Minister noted the mutual benefits that the security relationship brings to both countries and noted that it continues to be the best guarantee for stability and prosperity in the Pacific region. The President stated that the adjustments the United States is contemplating in its defense posture in the Pacific area will not affect either deterrence or stability, nor its commitment to its Asian allies. The two leaders discussed the issue of burden sharing, noting the need for suitable arrangements for balanced cost sharing. The President reaffirmed the United States support for the Northern Territories issue, and noted that Secretary Baker had raised the subject during his Moscow ministerial and that the U.S. would continue to raise the Territories with the Soviet Union.

The President emphasized that this summit should lay the conceptual framework through which the two countries could realize the full potential of the already close bilateral relationship. The Prime Minister stressed the importance to coordinate our policies and tackle the issues from the standpoint of mutual cooperation.

Remarks Following Discussions With Prime Minister Toshiki Kaifu of Japan in Palm Springs, California

March 3, 1990

The President. Well, I was very pleased to welcome my friend, the Prime Minister of Japan, here to Palm Springs for 2 days of very useful and far-reaching discussions about the critically important relationship between the United States and Japan. In the first instance, I wanted to see Prime Minister Kaifu again and extend personally my congratulations for his victory in the recent elections. I also want to express my very high regard and admiration for the outstanding leadership he has given his country and his party since he was propelled into office just 6 months ago. We first met last September, and in the intervening months we've seen some of the most momentous changes in recent world history. It is important that the leaders of the United States and Japan come together and review the entire scope of their relationship at this time of profound change in the world.

There are three things that are very clear to me: that our relationship with Japan will become even more important to us and to the world in the coming decades; that Japan is moving rapidly to assume a leading role in the world, as was evident in Prime Minister Kaifu's recent trip to Eastern Europe and the nearly $2 billion in assistance that he pledged to the nations of Poland and Hungary; and that no matter where we look around the world -- from Eastern Europe to Panama to Cambodia -- the United States and Japan are working together to promote political and economic transformations that will strengthen democracies and market economies.

Our meetings these 2 days were not formal negotiations. This has been an opportunity to come together and take stock of the entire range of our dealings -- from security, to economics and trade, to foreign policy -- and to talk about where we're going together as we move toward the 21st century. We talked about how we can expand even further our global partnership. I believe that in the coming years we have a unique and challenging opportunity to expand even further our cooperation on international issues across the board; to strengthen the political ``trialog'' among the United States, Japan, and our European allies; to expand our aid cooperation to embrace a larger effort aimed at promoting economic and social development in the Third World; and to think about how Japan can more fully play a leading role in the world's political and economic institutions.

We talked about developments of recent months in Europe and in U.S.-Soviet relationships. And I believe that we're agreed that our two countries must work closely together to promote the same kind of positive changes in Asia. I reaffirmed to Prime Minister Kaifu, as did Secretary of Defense Cheney during that successful visit of his to Tokyo, that the United States is, and will remain, a Pacific power; that the United States attaches great importance, the greatest importance, to its security and political alliance with Japan; and that our two countries must continue to strengthen our defense cooperation. At a time of great change in the world, our treaty

of mutual cooperation and security has become even more important to ensuring continued peace and prosperity as democracy and free markets spread across Asia and the Pacific.

We also discussed our economic relationship -- one of the most broad-ranging and complex set of commercial and financial interactions in the entire world. And there are many economic areas in which we have close cooperation. I think of the Third World debt problems, economic policy coordination -- collaborated there. And we reaffirm our commitment to that process, including cooperation in exchange markets.

We must also remember that Japan is the second largest market in the world for our manufacturers, and the largest market in the world for our farmers. Our exports to Japan already total $44 billion -- only Canada buys more from us -- and our exports to Japan are going up faster than our sales to the rest of the world. The Prime Minister and his government are very aware of the mood and concern in this country about the continuing impediments to further growth of our trade relationship. Even with that 18-percent growth in our exports to Japan last year, we still have a $49 billion bilateral trade deficit. Make no mistake about it: I want to see that deficit come down, not by restricting our markets or managing trade but by further increasing our exports to Japan. And so, in the coming months, our common task must be to further open markets and expand trade.

In addition to increasing our exports to Japan, our other key task is to ensure the success of the Structural Impediments Initiative that we launched last summer. We're facing some important deadlines, and the Prime Minister and I are calling on our officials to redouble their efforts to achieve meaningful interim and final results. We must make the SII, the Structural Impediments Initiative, and our other trade discussions a success. We must put our economic relationship on a solid foundation if we're to achieve the full promise of our relationship. We feel that we presented some valid ideas about removing structural impediments in Japan that will improve market access and reduce our trade imbalances, and we look forward to the Japanese response. But let's face it, these talks are a two-way street. We Americans must increase our savings, reduce our budget deficit, provide more incentive for our investors, strengthen our educational system, focus on producing goods of the highest quality. So, our task is to make the American economy even stronger and even more competitive, and that is a task for America, not for Japan.

So, Mr. Prime Minister, I am delighted that we had this opportunity to discuss all these matters. I am confident that during our time here together, we have launched a process that will continue throughout 1990 and the coming years -- a process that will create a breakthrough relationship and lead to an era of even greater cooperation between our two countries. Together, we must master our problems and expand our opportunities. By working together, in partnership, the United States and Japan have the chance to lead not only our two peoples but the whole world into a new era of peace, freedom, and prosperity. So, Mr. Prime Minister -- Toshiki, my friend, thank you for coming. And I wish you a safe journey home. May you have great success in your efforts in the coming months. You have our full support.

The Prime Minister. George, thank you very much, first of all, for your warm remarks. I would also, first of all, like to express my appreciation for the heartwarming hospitality extended to me by you, George, and Mrs. Bush. I am particularly pleased to have had the opportunity to come together in scenic Palm Springs and to discuss issues at such length that our two countries face and that relate to peace and prosperity of the world.

My meeting with you was a meaningful opportunity to discuss coordination between Japan and the United States as we move into a new era of turbulent international situation in search of a new order based on freedom and democracy. I am fully satisfied that I was able to share fundamental thoughts with you through in-depth exchange of views. I value very highly the careful but bold initiatives taken by the President to foster desirable changes in the East-West relations and to promote arms control and disarmament negotiations. I am determined that Japan must share responsibility from the standpoint of its being one of the countries who are responsible for maintaining and strengthening international order.

During my recent visit to Europe, I have pledged in concrete terms support to the East European countries who are seeking to establish freedom and democracy and introduce market economies. On the German reunification issue, the President explained to me that he conveyed the U.S. position to the Federal Republic of Germany at the recent meeting between the President and Chancellor Kohl concerning the adherence of the unified Germany to NATO and the continued presence of U.S. forces on German soil. I expressed my appreciation for his explanation and expressed my admiration for the efforts by the President. The President and I exchanged views on the Asia-Pacific situation, and we shared the view that the diplomacy of new thinking of the Soviet Union needs to be actively applied in this region as well, and that it is important for both Japan and the U.S. to endeavor together to ensure the political stability and economic prosperity of this region.

This year marks the 30th anniversary of the conclusion of the Japan-U.S. security treaty. Recognizing the roles played by the Japan-U.S. security arrangement for peace and stability of Japan as well as the Asia-Pacific region, I, together with the President, confirmed the increasing importance of the treaty into the future. Furthermore, the President and I share the view that the Japan-U.S. security arrangements continue to be the important basis of Japan-U.S. cooperation in the search for peace through deterrence and dialog at the time of the evolution of the new international situation. I value the continued role of the United States in this vision as a Pacific power which is irreplaceable by any other country. I expressed to the President my determination to extend the cooperation required to secure the continued smooth operation of the Japan-U.S. security arrangements, including host nation support for U.S. forces in Japan.

With regard to Japan-U.S. economic relations, the President and I agreed to continuously enhance our relations with the understanding that the sound development of economic relations between our two countries is indispensable to the development of not only our economies but that of the world economy. Although negative aspects of the issues and problems in our bilateral

economic relations tend to be emphasized, as the President said with profound insight, the two markets are extremely large for each of us and our economies are moving in the right directions, due to the adjustment efforts in the past several years. Both the U.S. budget deficit and Japan's current surplus are being reduced, and their ratios to GNP have been halved. However, the imbalances are still very large, and we should continue to work harder. The SII is extremely important to consolidate this positive trend. I am determined to firmly tackle structural reforms of Japan as one of the top priorities of my new Cabinet, with a view to improving the quality of Japanese life with further stress on the consumer-oriented economy. I hope that the U.S., on its part, will promote structural adjustment as the President has just said. I told the President of my determination to maintain such policies as expansion of domestic demand, the improvement of market access, and deregulation.

The President and I agreed that both Japan and the U.S. will make the maximum efforts for the early solution of pending issues in the spirit of cooperation and joint efforts between our two countries. The President expressed that Japan and the U.S. have worked closely in dealing with debt problems and economic policy coordination and reaffirmed his commitment, including cooperation in exchange markets. The President's statement convinces me to make maximum efforts for Japan-U.S. cooperation in these areas, including in exchange markets. Having in mind that our solid bilateral relations are indispensable to the future stability and prosperity of the world, the President and I shared the recognition of the importance of consolidating our bilateral relations to be the constructive cooperation. In this context, we shared the recognition that it is important and necessary to further strengthen and expand the constructive relations in the 1990's, including educational and cultural exchanges, science and technology cooperation, and two-way technology transfers.

U.S.-Japan relations of today, transcending our bilateral framework, have acquired the significance of a global partnership with responsibilities for tasks facing the world. The President and I welcome that the Japan-U.S. global partnership is bearing specific fruit in such a broad range of fields as a response to regional problems, the management of world economy, economic cooperation for developing countries and debt problems, environment, drugs, and the fight against international terrorism. On the problem of drugs in particular, I highly appreciate the series of initiatives of the President and the courageous determination shown at the Cartagena drug summit. I expressed my determination to the President that Japan will actively participate in the international efforts to eradicate illicit drugs.

I conveyed my intention to the President to promptly implement concrete measures in support of the democratic government in Nicaragua and my belief that an early economic recovery is important for the stabilization of Panama. I expressed Japan's position that Japan would look into economic assistance for the reconstruction of the region as the peace process in Central America progresses. The development of the South Africa situation contains the possibility towards dismantling apartheid. The President and I agreed that Japan and the U.S. will continue to consult with each other on how to eliminate apartheid.

This year marks the final year of the Uruguay round. The President and I agreed that the successful conclusions of the negotiations is extremely important for the fight against protectionism and for the construction of the basis for the continued progress of the world economy as we move toward the 21st century. The President and I reaffirmed our convictions that we should closely cooperate for the success of the round.

Japan and the United States are faced with enormous challenges and opportunities in the strong current of history. Having in mind the significance of the Japan-U.S. partnership as a foundation for the stability of the world, I am fully determined to courageously pave the way, together with the President, toward the 21st century. Thank you.

Ladies and gentlemen, I understand that George will stay on here and have a most wonderful time answering your questions in a press conference. I, however, will have to leave this spot in order to return home in time to answer the questions that will be raised to me in the Diet, and also just in time to arrive in Tokyo before the night landing time limit arrives at 11 p.m. in Tokyo. Well, I hope that you will not call this night landing time limit another structural impediment.

The President. Thank you very much. That was a wonderful statement.

Note: The President spoke at 1:10 p.m. at the Morningside Country Club. Prime Minister Kaifu spoke in Japanese, and his remarks were translated by an interpreter.

The President's News Conference Following Discussions With Prime Minister Toshiki Kaifu of Japan in Palm Springs, California

March 3, 1990

Japan-U.S. Trade

Q. Mr. President, are you satisfied that the Prime Minister has given a sufficient political commitment to break the impasse in trade talks? And did he offer any trade concessions?

The President. You heard his statement, which I thought was very good. And all I can tell you is we had perhaps the best opportunity that I've seen to have genuinely frank discussions. I met with him in a one-on-one yesterday, and then last night sat next to him at dinner. So, I had an opportunity to continue the business part of the discussion.

Then I heard this statement -- we had our other talks, too, but I heard this statement today. And I'd say that the Japanese side knows how important it is to move forward, and clearly I have a renewed feeling of how important it is for us to do some of the things that they were talking about on this structural impediment side. So, I can't tell you in terms of a specific commodity or a specific date. But we were just talking here, and all of us are very pleased with the frankness as well as the spirit of cooperation that I think was reflected by the Prime Minister's statement.

Q. Do you think he went far enough, sir?

The President. Well, nobody ever goes far enough to do everything exactly the way we want it. But I think for those who understand the complexities of this relationship at this juncture, we got everything out of this meeting that we had hoped for. Obviously, we've got things to do, and clearly the Japanese side has things to do. I want to say something on that meeting, if I could. The fact that he came here now -- finished a tough campaign, just given a big speech to the Diet; indeed, he gets home at 11 p.m. and has to go to answer questions in the Diet the very next morning -- should be interpreted by Americans in this manner, that the Japanese feel this relationship is very important. And to the Japanese side, the fact that I invited him when I did should send a very important signal that we have this right up in the forefront of relationships that are critical. And I was very grateful that he accepted -- in such short notice and in a complicated timeframe -- this invitation.

Q. How confident are you that he can produce -- --

The President. Well, he's just won a good victory there. He's solidified his party's position. He,

himself, emerges as a, I would say, dynamic new leader. And so we will simply wait and see. But I wish him well.

Israeli-Palestinian Peace Talks

Q. Mr. President, there are reports out of Israel that [Prime Minister] Yitzhak Shamir is prepared to accept the U.S. formula for Israeli-Palestinian peace talks. Do you know anything about that, and if so, what shape will it take?

The President. Well, as you know, we have been working on this for 8 months. And Jim Baker and I were just talking about it, and I might say I commend him for staying in there, trying to be a catalyst to get this process going. So, we don't know any of the details of that; we just talked to our top officials here. But I hope it's true and I hope we can move forward. And if we do, I'll be glad to salute our Secretary of State and others, including Mr. Shamir, Mr. Mubarak [Egyptian President], for hanging in there, trying to get something moving toward peace.

Q. Has there been any movement, sir? If you don't know about his final commitment, has there been any movement toward acceptance of the U.S. formula?

The President. Well, there has, over the months. But just like the real world, you take two steps forward and take one step back. I hope we're going to go forward now.

Soviet Military Capability

Q. Mr. President, a question about some testimony last week on the Soviets. Secretary Cheney said he still believes they are continuing with modernization. Director [of Central Intelligence] Webster said in some testimony he thinks that the military threat seems to be receding in some significant respects. With your experience in intelligence, how do you explain these divergent views, and have you adopted either of them? What would you tell the American people about what to think about this?

The President. You know, I get asked -- the question is, who is the enemy? And I answer: uncertainty, unpredictability. And I don't see a great disconnect between the way you phrased the question as to whether they are modernizing or as to whether the threat has receded. Clearly, as you see those troops starting to move out of various Eastern countries, and as you've seen the democracies coming in, that results in a diminished threat. But it doesn't say that everything is certain and that stability is guaranteed. I was asked that question in relation to why I felt we ought to continue to have troops in Europe and why I felt that it would be good to have a unified Germany in NATO. And the answer is: stability. Safeguard against unpredictability or instability.

So, I haven't gone into, David [David Hoffman, Washington Post], the testimony of each --

haven't read it, but I really don't see a big conflict there.

Japan-U.S. Relations

Q. How long do you give Mr. Kaifu to produce? It seems we've heard these types of assurances he gave today before. What are you looking for specifically, and when are you looking for it?

The President. Well, we have some timeframes. We have some March talks that I'd like to see successful. But look, we weren't here to throw down definitive deadlines. That's not the way you deal with Japan, in my view. But the sooner the better, is the way I answer the question.

Q. But were there any new initiatives, Mr. President? For example, I mean, you emphasize that this wasn't a negotiating session. But were there any new initiatives on either side -- any new proposals, for example, that you'd recommend some way that he could be of assistance in Nicaragua?

The President. Well, yes, there was a good discussion of that. And I was very pleased with his receptivity to helping the new democracies here. They pledged $1.95 billion to help in the reconstruction in Eastern Europe, help with the democracies there. And he was very openminded in response to my plea to be of similar -- to be of assistance to Nicaragua and to Panama. So, yes, we had some detailed discussion about that, but it wasn't, like, by a certain date we expect a certain -- like to see a certain amount of money, or anything.

Q. Could you tell us about any details -- for example, a new way to be of assistance?

The President. Well, just that I felt a commitment on the part of the Prime Minister of Japan to assist democracy. And I think that is very important, and frankly, I think that will help the U.S.-Japan relationship. Because I think the people in our country, as I told him, want to see the Chamorro [Nicaraguan President-elect Violeta Chamorro] government succeed, want to see democracy in Panama succeed. So, in that particular subject matter, I was very pleased with the forthcoming comments from Prime Minister Kaifu.

U.S. Foreign Assistance

Q. Will you work to reduce some of the foreign aid to the largest recipients, like Egypt and Israel, so that the United States can give more to Eastern Europe, Nicaragua, and the countries -- --

The President. Well, I am against earmarking. I am for more flexibility. We have had discussions with our Congressmen, including the chairman of the House Foreign Affairs Committee. Some of those discussions encourage the concept of a fund that gives the President the flexibility to determine a certain amount of foreign aid money. So, I'm less interested in

reducing somebody than I am getting the flexibility -- so that when you see a country come forward and try to solidify their democracy or work cooperatively with us in the Caribbean as, say, Mr. Manley in Jamaica is doing, we'd like to be able to help him more.

Israeli-Palestinian Peace Talks

Q. Would it be a bad signal right now with Israel trying to move toward talks with the Palestinians?

The President. Would what be a bad signal?

Q. Would the reduction of aid to Israel?

The President. I don't know that moving towards peace need be totally equated with aid. I mean, we're talking about a quest for peace that comes not just in Israel but in Egypt and everything else. So, I'm not tying those two subjects. But Israel has some big economic problems; they've got some big problems facing them that require a very generous apportionment of aid money, and they are getting that.

Resettlement of Soviet Jews

Q. To follow on the question of aid to Israel, Secretary Baker has suggested that we might tie aid to resettle the Soviet Jews to the Israelis' willingness to not settle the West Bank and to withdraw some of its settlements from the West Bank and Gaza. Then the State Department seemed to equivocate on that. What's your position?

The President. Well, I'm not sure there was equivocation. My position is that the foreign policy of the United States says we do not believe there should be new settlements in the West Bank or in East Jerusalem. And I will conduct that policy as if it's firm, which it is, and I will be shaped in whatever decisions we make to see whether people can comply with that policy. And that's our strongly held view. We think it's constructive to peace -- the peace process -- if Israel will follow that view. And so, there's divisions in Israel on this question, incidentally. Parties are divided on it. But this is the position of the United States, and I'm not going to change that position.

Q. So, will you link aid to resettle the Soviet Jews?

The President. I will just simply reiterate that the policy right here -- that we are not going to look favorably upon new settlements.

Japan-U.S. Trade

Q. Mr. President, before coming to this meeting, the Prime Minister outlined in his speech to his own Parliament new measures to increase foreign exports to Japan. And he alluded to that in his departure statement just a few minutes ago. Did you discuss those with him, and how significant and serious do you see them to be?

The President. New measures to increase -- --

Q. Foreign exports -- U.S. sales to Japan?

The President. Absolutely. It was discussed by me, and the Secretary of State had a good chance to discuss it with the Foreign Minister. At dinner, our various participants, including our trade people, had a chance to discuss that whole concept with the rest of the Japanese delegation, and I had every opportunity to discuss it. And so it's something they're quite clear on. We want to and we must increase exports. I covered that in my statement, and I listened carefully to what he said about the deficit we have and the surplus they have.

Q. Do you feel that he has begun to make some good moves in the direction of -- --

The President. Well, I'm very encouraged, as I told you -- or, I'm encouraged by the talks we've had, and I am encouraged with the trend that seems to be taking place. We've got to do more.

U.S. Hostages in Lebanon

Q. Mr. President, regarding the hostages, is there any new movement to report? Is any third country, particularly the French -- there are reports that perhaps French mediaries are working on behalf of the U.S. to negotiate with people in either Iran or Syria.

The President. Nice try. Let me tell you all something. You people reported that I called [French President] Francois Mitterrand to discuss the release of some guy that I had never heard of before, and we denied it, and you keep coming back at me. I'm not sure -- I think it's good for you to do that, though, because I have said that if I find a way to get these hostages released, and the way to do it is through quiet diplomacy with the French, the British, the Iranians, or anybody else, I will do it. I want those hostages out of there. So, keep asking. But on this case, the answer to your question is no.

Japan-U.S. Trade

Q. What new ideas came out of your talks to propel the trade dispute so that you get more progress down the road? Any new ideas you put on the table or that the Prime Minister -- --

The President. What's that?

Q. -- -- new ideas that you put on the table, or the Prime Minister did, to propel the trade talks?

The President. I don't know that we need new ideas. We just need new energy on both sides. And I did say this -- I said, you've got a new Cabinet, and some of your top Cabinet officials that will be engaged in trade negotiation are not here. And I will tell you that our Cabinet officials -- and I was thinking of Carla Hills, thinking of Mosbacher, as well as Secretary Brady and as well as Secretary Baker -- would be on the next plane if it will help solve this problem. And he seemed to take on board that sense of urgency. We'll see where we go.

Q. Mr. President, I'm a little confused. In your statement, you said you did put forth new ideas and you were awaiting a response from the Japanese. I'm wondering if you could -- --

The President. That was one of them.

Q. Okay. Is that it?

The President. No, that's not entirely it. But there is some -- I think we've covered the subject very well.

Q. May I ask you, sir, if you believe now, based on your discussions here, that these two countries will be able to avoid the punitive actions specified under congressionally mandated deadlines?

The President. We had a chance to review that and to review the question of Super 301. And we did discuss that. We discussed the timeframes involved. We discussed product specificity -- and we all know what they are -- satellites and forest products and supercomputers and semiconductors. And so, yes, we did get a chance to go into all that.

Q. Do you think he'll be able to avoid the sanctions?

The President. Well, I'm hopeful we will, because it is going to require progress. But again, both sides understand the U.S. law on this, and I think their side understands it more clearly right now.

Q. Mr. President, 36 Senators wrote you a letter on forest products. What do you tell them and the thousands of timber workers who think they will lose their jobs if Japan takes our logs and not our finished lumber?

The President. I tell them the U.S.-Japanese relationship is important. I tell them I want to see open markets. I tell them I want to see progress made in that category, along with the other three, and many others that I have referenced here. That's what I would tell them.

Q. Mr. President, why did Mr. Kaifu not bring his Trade Minister?

The President. I'm not even sure -- I don't know what their confirmation process -- that they were all totally in place.

General Scowcroft. They are, but just barely.

The President. They are, but just barely. They were appointed, and they had 8 hours to pack up, and I guess that wasn't enough time. I think it was that when I sent them the invitation and when we started dealing with who was going to come, he wasn't quite sure that everything would be in place. I guess I'd prefer that the Japanese side answer that question.

Q. Mr. President, do you think that these talks are going to be able to diffuse protectionist moods in Congress?

The President. I hope so, but I don't know. I think that depends on the results. I oppose protectionism. I'm going to continue to fight against it. I want to open markets, I want to see a successful Uruguay round, and I will do from the executive branch side what I can. But, look, I'm not unsympathetic to those that say let's have markets open further. And that's what was good out of the meeting. We had a chance to say that. But I think the proof of the pudding is in the eating.

Q. It's up to the Japanese?

The President. Yes. And us on some areas. I mean, if you're talking about structural impediments, let's get on with some of the suggestions they make about us -- on the deficit and some other areas. I've told them that we're trying to be more competitive in going forward with an education program. They happen to support the idea of capital gains reductions, and I'd like to see that take place. So it's not just a one-way street.

Q. Mr. Bush, a great deal of American money flows out of the United States through American companies purchased by the Japanese. Did you discuss the question of restraint by Japanese investment in this country?

The President. No.

Q. Why? Why is that not -- --

The President. Because I welcome Japanese investment in this country. Do you know why? Jobs. American jobs -- people working that wouldn't have a job necessarily if there wasn't that investment. And the Japanese are not number one in terms of foreign investment. And so the big

thing is -- and also, the other reason, Frank, is I don't want to see barriers thrown up to U.S. investment in other countries. So, that's why. It's a free trade concept, plus jobs for the American working man and woman in this country.

But it also has to do with financing a deficit that I'd like to see Congress help me get down.

Q. Did you talk about the corollary of lowering barriers to American investment in Japan?

The President. Yes, we did.

Q. And to what effect?

The President. Well, you've heard me discussing that.

Q. According to Mr. Fitzwater's statement, you emphasize that this summit should raise a conceptual framework. What is the meaning of a conceptual framework?

The President. Well, I think I touched on that in the calling for a trialog. We've asked the Secretary of State to meet with the Foreign Minister of Japan to discuss how we can -- this is the global effort that we've been discussing -- and so I think that language relates to that particular part of our discussions.

Q. Are you looking for some new structure for dialog?

The President. Well, yes, but it's going to require now more conversation between our foreign ministries. But I think as we see the world developing into the nineties, it is essential that Japan be included -- U.S., Europe, and Japan -- in a lot of these economic -- discussion of these economic areas. And so, that's what we were talking about there. It's the global approach to some of these problems. But Japan is a key player there, and we've got to structure some of these organizations accordingly.

I think it's thoroughly understandable that Japan, with its contributions and the size of its economy, wants to have a stepped-up influence in some of the multilateral institutions. Well, that would be a discussion -- that subject would be something that would come under these discussions that I've just outlined. You can't follow up on his question, you get a new one. No, you get a new one.

Q. Mr. President, when you used conceptual framework, you had in mind the SII talks and the Super 301?

The President. Excuse me?

Q. When you used the word ``conceptual framework.''

The President. Well, I thought I just explained that to this gentleman here -- probably not as clear as I should have been -- but we believe that Japan will have more of a voice in these international matters, and we're moving accordingly to expand what traditionally or heretofore has been dialog, and the three major factors having an input into it.

Mr. Fitzwater. We'll take a final question, please.

Q. Mr. President, you mentioned that the Japanese were aware of sentiment in the United States and in Congress. Did you specifically mention that to them? There have been some letters in the past week, as you probably know -- Senator Bentsen and Congressman Gephardt have said -- did you specifically tell them, ``Congress is pushing very hard on this -- we've got to do something''?

The President. I had -- in that one-on-one had the opportunity to be just as clear as any Congressman would have liked me to be on what needs to happen to keep this terribly important relationship on track. And similarly, Prime Minister Kaifu was as frank with me as to how some of what we do is viewed in Japan. So, it was very good in that regard. And I hadn't seen probably all the letters from Congress, but you're right, there's a tremendous amount of interest on that. And those letters were, in a sense, helpful to me because -- the ones that I saw -- because they depicted a sense of urgency that I hope I was able to convey and that others in our party were able to convey to our Japanese counterparts. So, I think in that role, in that context, those inputs were very helpful.

Thank you all very much.

Panama

Q. The bombing in Panama -- are American servicemen at greater risk?

The President. We oppose terrorism, and that seems to be a terroristic action. And it happens, regrettably, all around the world, and that would be the only answer I could give you, Ann [Ann Compton, ABC News]. So, I would hope not. The process of democratization is still strongly popular in Panama, so I don't know what that was even about. But if it was some protest against democracy, why, so be it. But it must be condemned by all.

Thank you all very much, and I hope you have a pleasant day. I know I will.

United Negro College Fund

Q. What do you think of Mr. Annenberg's $50 million gift?

The President. Well, it's a little premature. We were planning to discuss that. But I think it's a wonderful thing. I've long been a supporter of the United Negro College Fund. Our administration has stepped up support for historically black colleges and universities and the endowment concept there, and I think that generosity, which is a challenge gift, as I understand it, will bring on well-deserved support from others. It's most generous, and one of the most brilliant Thousand Points of Light I can think of.

Note: The President's 39th news conference began at 1:46 p.m. at the Morningside Country Club. Brent Scowcroft is Assistant to the President for National Security Affairs, and Marlin Fitzwater is Press Secretary to the President.

Remarks at the Presentation Ceremony for a Donation to the United Negro College Fund in Palm Springs, California

March 4, 1990

The President. I'm delighted to be here today with Ambassador Annenberg; Adele Hall, a very active member of the UNCF family; Chris Edley, of course, the head of the United Negro College Fund; and our old friend Dr. Cook, the president of Dillard. And as many of you know, my own personal relationship with the UNCF dates back to my senior year at Yale University, 42 years ago. Bill Trent, who you all remember, was then the head of the United Negro College Fund -- went on to become a senior vice president at Time, Inc. -- but a dedicated individual. And he first got me interested way back then in working with the fund and the historically black colleges and universities. And I must say, on a personal basis, he and I remain very close friends to this day.

But this year I am pleased to serve as honorary chairman of the United Negro College Fund Capital Campaign. And I'm delighted to know that my good friend Walter Annenberg has set such a significant and marvelous example with his gift to this excellent cause. I also want to salute my friend Adele Hall, who has been so active in this important work. Although black colleges represent about 3 percent of American colleges, they enroll about 20 percent of all black students attending colleges and universities. And support for the UNCF provides precious opportunity for thousands of America's most promising students. It's an important effort. It's a noble effort. And our mission must be to strengthen our historically black colleges and universities to meet the challenges of the 21st century. This administration and the many supporters of UNCF around the country are committed to doing just that. And so, spectacular gifts like this one to the UNCF will enable these schools to continue to ensure the highest academic standards.

Walter, I just can't tell you how inspired I am by your generosity, exemplifying the very best of what I call the Thousand Points of Light. And, Chris, thank you for your inspired leadership of the United Negro College Fund. And, Dr. Dillard, thank you for your -- I mean, Dr. Cook, thank you for your hospitality at Dillard. I'll never forget that. And now I'm pleased to turn the podium over to Walter Annenberg.

Mr. Annenberg. Well, I'm indeed delighted to have an opportunity to participate in this very significant role of support for underprivileged human beings.

I'm not going to say a great deal, but I do want to point out that it is the obligation, the responsibility of those who have been fortunate in life to support those who are less fortunate. And if you don't understand that, you're not very much of a citizen. The Navy has a great

expression -- I say the Navy because I want to comment on something that I was sure would appeal to the President. In life, you can reduce it to just a simple phrase: Shape up or ship out. That's it. [Laughter]

Mr. Edley. Ambassador Annenberg, Mrs. Annenberg, Mr. President, Adele Hall and Sam Cook, and ladies and gentlemen of the press: This is the most momentous occasion in the history of the college fund up to this point. And I know that this is a launching pad. Mr. Ambassador, we thank you from the bottom of our hearts for this tremendous gift. I am sure that it will capture the imagination of the Nation -- the foundations, the corporations, other wealthy individuals who can make a difference.

As our country approaches the 21st century, we know that two-thirds of the entrants in the work force will be members of minority groups -- including blacks -- and that two-thirds of those minority groups will be blacks. And we know that as we approach the middle of this decade, a little over 4 years from now, that for the first time in decades, the number of black teachers in the public schools will drop below 5 percent. And even as we speak, there is a tragic decline in the number of blacks participating in all levels of education. We need a crusade not just to raise the money for the sake of raising money but to educate the people who will guarantee a prosperous America in the 21st century. We must not fall behind.

And that is the real significance of what we do today. And I sincerely hope that all Americans will watch to see what is the response to this magnificent challenge as we seek to raise $250 million to meet the challenge that Ambassador Annenberg has given us this day. I thank you all. And again, I thank Mr. and Mrs. Annenberg.

Note: The President spoke at 8:46 a.m. at the Annenberg residence. Following his remarks, he returned to Washington, DC.

Statement on the Economic Situation in Argentina

March 5, 1990

The actions announced yesterday by Argentina's President Carlos Menem indicate that he clearly is determined to bring about economic recovery in Argentina. President Menem called me last Thursday, March 1, to tell me that he would be announcing new economic measures designed to bring stability to his country's economy. The United States encourages him in this effort and in his support for democracy. We realize, however, that this process is not easy and respect the efforts that President Menem is making. We will be studying closely the reforms he has announced, and will look for ways to continue helping the Argentine people to achieve economic recovery and prosperity.

Statement on the 20th Anniversary of the Treaty on the Non-Proliferation of Nuclear Weapons

March 5, 1990

Twenty years ago today, the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) entered into force. One hundred and forty states have joined the treaty, making it the most widely accepted arms control instrument in history. The NPT represents the primary legal barrier to nuclear proliferation and thus constitutes a principal foundation of international security. Later this year, the parties to the NPT will convene the Fourth Review Conference of the treaty. In the context of this review, I reaffirm the determination of the United States to carry out its treaty commitments and to work to assure its continuance in the interest of world peace and security.

The NPT has been not only a significant arms control instrument, it has also facilitated international cooperation in a wide variety of peaceful uses of atomic energy under international safeguards applied by the International Atomic Energy Agency. These applications have included using nuclear technology to improve health conditions as well as to increase agricultural output, electric power generation, and industrial capabilities. The United States will continue to play a leading role in nuclear cooperation pursuant to the treaty. Our longstanding commitment to serious arms control negotiations has helped to bring forth a number of important arms control agreements, including the Intermediate Nuclear Forces Treaty concluded in 1987. At this very moment we are making significant strides toward concluding far-reaching arms control agreements in the nuclear and conventional areas.

It is essential in these times of great change and great promise, and of major progress in arms control, that the community of nations works together even more diligently to prevent nuclear proliferation, which poses one of the greatest risks to the survival of mankind. I urge all states that are not party to the NPT to join and thereby demonstrate their support for the goal of preventing nuclear proliferation, and I call upon all states party to the treaty to join our efforts to secure the integrity of the NPT, which benefits all countries.

Nomination of Lynne Vincent Cheney To Be Chairperson of the National Endowment for the Humanities

March 5, 1990

The President today announced his intention to nominate Lynne Vincent Cheney to be Chairperson of the National Endowment for the Humanities, National Foundation on the Arts and the Humanities, for a term of 4 years. This is a reappointment.

Since 1986 Dr. Cheney has served as the Chairman of the National Endowment for the Humanities in Washington, DC. Prior to this she served as senior editor for Washingtonian magazine.

Dr. Cheney graduated from Colorado College (B.A., 1962; M.A., 1964) and the University of Wisconsin (Ph.D., 1970). She was born August 14, 1941 in Casper, WY. Dr. Cheney is married to Richard B. Cheney, has two children, and resides in McLean, VA.

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With Seymour Reich of the Conference of Presidents of American Jewish Organizations

March 5, 1990

The President talked by telephone this afternoon with Seymour Reich, president of the Conference of Presidents of American Jewish Organizations. The President urged Mr. Reich and all those who shared his concern for the Middle East to continue to devote themselves to bringing about as soon as possible a pre-elections dialog between Israelis and Palestinians. This remains the surest path available to promoting a peace that would ensure Israeli security and the legitimate political rights of Palestinians.

The President also reiterated that U.S. policy toward Jerusalem is unchanged. The United States supports a united Jerusalem whose final status is determined by negotiations. The President also made clear U.S. support for Jews as well as others to live there in the context of a negotiated settlement. The President also reiterated long-standing U.S. policy that all parties avoid unilateral actions, including settlement activity.

The President also used the occasion of his conversation with Mr. Reich to state his strong support for the immigration of Soviet Jews to Israel, and made it clear that the United States will oppose any efforts designed to frustrate this human right. The President expressed his administration's support for proposed housing investment guarantees, provided the United States and Israel can work out assurances that satisfy the United States on settlement activity.

Remarks to Members of the National PTA Legislative Conference

March 5, 1990

The President. Under Secretary Sanders and Roger Porter, distinguished guests -- and Ann, especially to you and the leaders of the PTA -- welcome to the East Room of the White House. Barbara and I are delighted that you're here. It's been said that education is what remains when we've forgotten all we've been taught. By this reckoning, I guess I've become quite a scholar over the years. [Laughter]

But the truth is, we may have forgotten our algebra lessons, but we haven't forgotten logic. We may have forgotten a history lesson from high school, but we haven't forgotten the lessons of history. So, our first concern is for those Americans who never get the chance to learn. No one feels this concern more than you, you who serve on the school boards and work with the PTA all across this country. Since the founding of the PTA in this very city 92 years ago, later merged with the heroic National Congress of Colored Parents and Teachers, the men and women of the PTA have struggled to make this nation fully educated. And you've for years been a strong voice in support of standards of higher achievement.

Well, I'm here today to tell you that your Governors and your President have listened and that the vision of the PTA is now the vision of America. As you know, I met with the Governors last fall at an education summit, the first of its kind. And at Charlottesville, we forged a national compact on education reform. We resolved to put progress ahead of partisanship, the future before the moment, and our children before ourselves. And I am pleased to tell you that in our meeting last week, judging from the enthusiasm of the Governors and education leaders like Ann Lynch, the spirit of Charlottesville is growing ever stronger. Our resolve is strong because we are agreed: The time for rhetoric is past; the time to seek results, at hand.

We did not meet for yet another conference, more speeches, more white papers. No. We met to establish the first national education goals in American history. Our nation is committed, as we have never been before, to a radical restructuring of our schools. And we are committed to this national effort because nothing less than our national future is at stake. And as I speak just a week and a half after the Governors' meeting, I am pleased to announce that a United States delegation headed by former Governor Tom Kean is on its way to a World Conference on Education for All way over in Thailand. And I have charged them to share America's commitment to and enthusiasm for education reform. Both Barbara and I look forward to hearing from these delegates when they return. By the way, two of the delegates, Tom Kean and Jim Duffy from Project Literacy U.S., have something in common with Ann Lynch -- they're all members of my Education Policy Advisory Committee. And Ann, I do want to thank you for your hard work with this group. We have a good one; this is a working group.

And so, as the nations of the world gather this week to discuss goals, we're getting to work right here at home to ensure a bright future for our children and our country. We've got to meet six new goals by the end of the century.

First: American children must be ready to learn from the first day of school. And of course, preparing children for school is a historic responsibility of parents. But where parents are absent or where they're unable to help, we need to provide the right kind of assistance to help children, especially in those early years. And that's why I proposed a record funding for Head Start.

Second: High school graduation rates have improved, but I think we'd all agree they're still unacceptably low. And so, we will raise the graduation rate to at least 90 percent by making our schools meaningful, challenging, and relevant to the needs of the students.

Third goal: We will expect that every child can learn and raise our expectations of what they can accomplish. When our children leave the transition grades of 4, 8, and 12, it is not too much to expect that they will read at the 4th-grade level, and the 8th-grade level, and then the 12th-grade level. And it's not too much to expect that they will have the appropriate mastery of English, math, science, geography, and history.

Fourth: When it comes to math and science, America will no longer settle for the bottom of the list, or even third or second place among the industrialized nations. When it comes to math and science achievement, we will accept only one prime number: number one in the world.

Fifth: Every American adult must be literate and have the skills needed to compete in a global economy. This country has such a marvelous system of junior and vocational colleges ready to teach new skills -- from learning Spanish to car mechanics to computer literacy. And there's no reason that education should end with the conferral of a diploma. And of course, there are many adult Americans who have yet to master the very basics. Barbara has been a leader of the campaign for literacy for 8 years now. And through her, I have learned that a simple lack of letters is a silent sorrow, but it need not be a lifelong tragedy.

Our sixth and final goal is the most basic of all: to free every school in America from drugs and violence. It is no coincidence that the words civility and civilization come from the same Latin root. You're looking at one who studied Latin for 4 years -- don't remember a thing -- [laughter] -- except that it is no coincidence that the words civil and civilization come from the same Latin root. For if rudimentary civility is lost in our schools, then our civilization itself really is in danger.

Every time I meet with teachers and administrators, I am told the same thing: Every State, every district, every school is unique. So, to make our goals work, we will need to relax the Federal regulations that try to force every State, district, and school into exactly the same mold. The Governors impressed on me the need for flexibility.

Last year I met with many teachers to prepare for the education summit. And I was told no two students are exactly alike, and no two schools face exactly the same challenge. And so, while we work to develop appropriate measures and to monitor progress, you must work school by school, class by class, child by child. To raise scores is important, but no statistic can match the thrill of watching the brightening face of a learning child. And yet, when too many strings are attached to Federal funding and by the States, educators and students alike are treated like puppets. And so, I promise to continue to work with the Governors and Congress to cut you loose from excessive Federal regulation.

In return for greater flexibility, we will seek, of course, accountability. Accountability begins when we quit kidding ourselves. We must stop measuring our efforts by what goes into our schools and start measuring our efforts by what comes out of them. So, we will no longer grade ourselves by dollars spent, classrooms filled, chairs occupied: no more A's for effort. We must have the courage to be graded on our results, just like our children. In a very real sense, we will be graded along with our children.

Again, these are not just my goals or the Bush administration goals, nor are they the handiwork of the Governors alone. These are the national goals, and it will take an act of national will to make them stick. So, let's start inside every school by posting these goals so that all who walk in -- parents, students, the teachers -- know where we're going. And to make these goals work, I'm asking you to rethink school procedures and course requirements -- even that challenge, the academic schedule itself. We've inherited hallowed academic traditions from the agrarian age, traditions of discipline that should be strengthened. But when hallowed tradition proves to be hollow convention, then we must not hesitate to shatter tradition.

Parents, perhaps, have the greatest task ahead of them. True, Head Start can work wonders. But too many parents have fallen into the habit of thinking of education as a service we can hand over to the school boards, to you leaders, much in the same way we expect our cities to provide electricity or water or some other service. Education is not a utility. Education is a national mission. It really must include the parents. And that's why we need the leadership of this marvelous organization, the PTA. After all, a school program can't kiss away the pain from an injured knee. And a school program won't calm the fears of a child about to get a first shot. And a school program alone can't instill a lifelong love of learning. But parents can spark the flame of curiosity by reading to their children every night. And you can best reach all the parents of America. You can recruit them as educators not just for their preschool children but to help their children do their homework all the way through school.

The PTA has more than 6.6 million members in 27,000 local units in every State, here in the District of Columbia, and in Defense Department schools abroad. And there is no organization in America that can reach as many schools and as many parents as you can -- not State governments and really not even the Federal Government. Success in education starts with you, from every parent and every teacher who will settle for nothing less than a world-class education

for our kids.

And so, what I wanted to do was to come over here today to this lovely East Room -- Barbara at my side, because I think we would all agree she's doing a great job out there in this literacy -- what we both wanted to do was to come over here and say that for all that you do, and for all that you will do, you have our most sincere thanks. God bless you and God bless the United States of America. Thank you very much.

Ms. Lynch. You only need to stand for one President, not for me. [Laughter] Mr. President, we wanted to take this occasion because it's not often that groups such as ours gets to come to this East Room, to correct a wrong that we think has caused some difficulty in your family.

Several years ago, Mrs. Bush received a national honorary membership from the National PTA. [Laughter] And since we believe strongly that it takes two to really provide good parenting when there are two in the family, we felt to put you on an even keel and to express our appreciation for being truly the education President and for sharing the time and energy and enthusiasm in a world that has so many other problems and excitement for you -- that you have taken this time for education -- we would like to make you a member, an honorary member of the National PTA.

The President. Thank you very much.

Note: The President spoke at 2:33 p.m. in the East Room at the White House. In his remarks, he referred to Under Secretary of Education Ted Sanders; Roger Porter, Assistant to the President for Economic and Domestic Policy; and Ann Lynch, president of the National Congress of Parents and Teachers (PTA).

Remarks at the Welcoming Ceremony for Prime Minister Giulio Andreotti of Italy

March 6, 1990

The President. Mr. Prime Minister and Mrs. Andreotti, and friends of Italy. Barbara and I are pleased to welcome the President of the Council of Ministers of the Republic of Italy, Giulio Andreotti, and his wife, Livia, to the United States and to the White House. Prime Minister Andreotti's public career is rich in achievement, unrivaled in modern Europe. He served his nation with distinction as statesman and diplomat and, of course, as Prime Minister. But Prime Minister Andreotti is also a man of letters, known for his humor and integrity. And here in America, he's known as a good and close friend -- the leader of a strong nation and a strong people. And we are proud and honored to have him as our guest today.

Forty-five years ago the giants of modern history -- Churchill, Truman, and de Gaulle -- were embarking on the great task of rebuilding Europe, what would later be known as the Marshall plan. And another giant worked with them, a man who helped build the strong Atlantic community we have today -- Prime Minister de Gaspari of Italy. I mentioned that Prime Minister Andreotti is a renowned author. Well, he wrote a biography of de Gaspari, and it is in the tradition of his subject that Prime Minister Andreotti leads Italy today.

Like his predecessor, Giulio Andreotti is a leader who fights for freedom, peace, and democracy in an evolving Europe. This week's visit by the Prime Minister bears witness to Italy's continued leadership in the swift-moving stream of events in Europe and to America's steadfast partnership with Italy and Europe through it all. I look forward to exchanging views with you, Mr. Prime Minister, this time on the dramatic developments in Europe -- East and West. Over the past two decades, we've seen Italy's role in world affairs grow under your leadership, both as Foreign Minister and as Prime Minister. And during that time, the United States and Italy have been the firmest allies. Our dialog is constant; it is substantive; it is productive.

We agree on the foundations of a new Europe. We welcome the prospect of overcoming Europe's artificial division and building a Europe whole and free. We look to the Conference on Security and Cooperation in Europe, the CSCE, to play a greater role in Europe's future, particularly in guiding the economic and political transformation of the rising democracies in Eastern Europe. We agree that the EC must play a vital role in new Europe. A more united Europe, able to take its rightful place in world affairs, is good for the United States of America. As Italy assumes the Presidency of the European Community beginning in July, Prime Minister Andreotti and I will work to improve economic and political ties between the United States and the Community. In this role, Italy will have the opportunity to lead the EC in the battle against organized crime and narcotics trafficking -- a fight in which our two nations remain strong, determined, and united.

Above all, we share a common commitment to NATO and the conviction that the United States must and will remain a European power. We are true partners in the Atlantic alliance which serves as the foundation for stability and our common security. So, Prime Minister Andreotti and I have much to discuss about Germany, the alliance, East-West relations, U.S.-EC ties, and other topics. And I am confident that we share the commitment that Chancellor Kohl and I expressed at Camp David 9 days ago: that a united Germany should remain a full member of NATO, including participation in its military structure. In all these areas I look forward to serious and productive talks with Prime Minister Andreotti, a true and valued friend of the United States.

Americans have always held a special place in our hearts for Italy. It was the American novelist Henry James who once wrote: ``We go to Italy to gaze upon certain of the highest achievements of human power, representing to the imagination the maximum of man's creative force." Well, together we can achieve even more, and today's visit will strengthen the deep bonds between us. And we share 12 million Americans who proudly call Italy their ancestral home, and because of them, America is a richer place -- because of their commitment to family and faith and their zest for life. Let me, in closing, express to you, sir, my hope that you have a most successful visit, a safe journey, and a delightful time here. Mr. Prime Minister, welcome back to Washington, DC.

The Prime Minister. Thank you very much for your warm words of welcome. In return, I would like to express to you the great esteem in which you are held by the Italian government and people. My visit is but a continuation of a solid tradition of alliance and cooperation between our governments, a tradition which forms part of the much broader alliance and solidarity between Western countries to which we owe this extraordinarily long period of peace in Europe and prosperity in the world. Within this framework Italy is actively working, as it deems the alliance to be ever more valid and necessary.

The very close links between the United States and Europe is still, for Italy, an essential point of reference in a world in which ideological confrontation is waning and military tensions will everywhere have to yield to a new climate of dialog. We rejoice to see the dawn of democracy in Eastern Europe. We look forward with hope towards a new relationship with the Soviet Union under Gorbachev. These are fresh and exciting prospects that are awakening in Europe today. New balances lie on the horizon, full of promise, yet also fraught with problems. By updating and reviving the spirits and the models of NATO and Helsinki, we must all together seize the challenges that are facing us.

And what challenges: the backwardness in so many parts of the world, the dreadful degradation of the environment, organized crime and, above all, the scourge of drugs that so deeply jeopardizes our society. This is the message of our nation that is profoundly committed to building up a European Community soundly founded on the values of freedom and progress; a country that is open to the world, including those parts of it which are less fortunate, and sensitive to its needs and problems; a country, lastly, that has always been an integral part of the great mosaic of Europe, but also one which is vitally interested in the problems of the Mediterranean area towards which our attention shall not be lessened following to what is now

occurring in Eastern Europe.

Mr. President, I am now thinking about what links America and Italy by history and culture. I'm not referring only to the role of that ingenious Italian Renaissance man, Christopher Columbus, in marking the birth of this country, an event which we shall be delighted to celebrate with the American people on its anniversary in 1992. I'm also thinking to the many millions of Americans of Italian descent whom you have recalled, Mr. President, who are such an important and active part of this country today. My message goes out to them also in the hope they may look more and more to Italy's tradition as well as its contemporary reality for a precious heritage and cherished sense of belonging.

Mr. President, in conclusion I wish to say that Italy desires to continue looking to the United States with sentiments of solidarity that long decades of shared political and military partnership have made so strong and rich, and with that friendship that is now an invaluable asset of both our peoples. It is with these same feelings, Mr. President, that I wish to thank you for your welcome and extend to you my best wishes for the prosperity and well-being of all the American people.

The President. Sir, thank you very much.

Note: The President spoke at 10:10 a.m. at the South Portico of the White House, where the Prime Minister was accorded a formal welcome with full military honors. The Prime Minister spoke in Italian, and his remarks were translated by an interpreter. Following the ceremony, the two leaders met in the Oval Office.

Exchange With Reporters Prior to a Meeting With Prime Minister Giulio Andreotti of Italy

March 6, 1990

German Reunification

Q. Mr. Prime Minister, do you believe the two-plus-four formula will give Italy a sufficient voice in the possible reunification of Germany?

The Prime Minister. No, it's not a problem which belongs to Italy. I think that all the member countries of the Atlantic alliance must handle together these problems, and provided that the specific problems related to Berlin must be handled by the four countries.

Q. Mr. President, are you concerned or hopeful about what's happening in Afghanistan?

Baseball Strike

Q. Mr. President, do you think anything should be done about the baseball strike?

The President. We have a strike, and our son owns one of the teams -- or is the managing owner or managing partner of one of the baseball teams, and she's asking me about the strike, knowing that I don't take questions at a photo opportunity. However, she got close to something I might answer -- very close there. I was tempted.

Meeting With Prime Minister Andreotti

Q. Mr. President, are you going to approve a NATO meeting here on Germany next month?

The President. I'm not going to take any questions at a photo opportunity, except to say this to the Italian journalists: Welcome back to the United States, and we are delighted you're here. And frankly, I view this as a very important meeting with a respected friend. But other than that, I won't take any questions in here. However, the Prime Minister is free to do anything he wants in here.

Note: A tape was not available for verification of the content of the exchange, which began at 10:35 a.m. in the Oval Office at the White House.

Remarks to the American Society of Association Executives

March 6, 1990

Neil, thank you, sir. Thank you all. Thank you, Neil Milner, chairman, for that warm welcome and challenge. And Bill [Taylor], the president, the other president here today, thank you, sir. [Laughter] Let me just say I really am pleased and privileged to be with this group of people that do so much. You know, I really feel comfortable talking to this group because most people think I've been free associating for years. [Laughter]

I heard that last year I accidentally caused panic among your executive directors. They thought I pledged no new faxes. [Laughter]

Believe it or not, there are still some Americans who don't know what the ``association for associations'' is. That's why next week they're doing a bit on you for TV's ``Unsolved Mysteries.'' [Laughter]

Because really, only your organization is big enough and broad enough to include the Leafy Greens Council and the Association of Tongue Depressors. [Laughter] That happens to be a fact.

But I guess it's only natural for the heads of organizations like yours to get together themselves. Some people think of our great country as a nation of rugged individualists alone against the odds. And that is part of the American tradition, but only a part. There's another tradition, a tradition as old as America itself, as old as Pilgrims and the Mayflower Compact, as old as the pioneers who settled the West. It's the tradition that Tocqueville described more than 150 years ago when he came to America, observed the scenes, and wrote that ``Americans of all ages, all conditions, and all dispositions constantly form associations.''

That shouldn't surprise us, because the act of association is nothing less than democracy in action: individuals translating common interests into a common cause. And you know, today we see the power of democracy, and isn't it an exciting time to be alive, seeing this change in Eastern Europe and in Managua, Nicaragua? We see that power of democracy and we see fresh evidence every day that the democratic ideal we cherish, the idea we call America, is alive everywhere: in the Revolution of 1989 that brought down the Berlin Wall and brought freedom to Eastern Europe; here in our own hemisphere, in the great victories for democracy in Panama and then again in Nicaragua -- and millions of people now enjoying the freedoms that America has known for two centuries.

Here at home, we've got to see what these transforming changes in the world mean for us. And those changes carry a challenge, a challenge to us to find in our freedoms new ways to solve the

problems that threaten our society and our continued leadership in the whole world community. Look around at the problems we face: drug abuse, hunger, homelessness, illiteracy, despair in our inner cities, the breakdown of the family. There's a role, a critical role for government in finding solutions, but we know government doesn't always have the answers. If we could eliminate these problems, solve them once and for all with more programs, more bureaucracy, these problems would have disappeared a long time ago.

The fact is, government isn't the only organized entity out there with the powers to change things, the power to make a difference. Everyone in this room is well aware of the advantages of association. But I don't know whether you are really aware of the full extent of your own power, of the resources, the expertise, the potential energy your organizations can bring to bear on these problems -- your ability to help solve community problems.

I know most associations are already active in community service, and I've heard about some of the wonderful work being done: the Medical Association of Atlanta, working after hours to provide free medical care to the homeless; by the Oregon Remodelers Association out there in Portland, Oregon, in Project Pride, a program to do home repairs for the low-income elderly; by the Hotel Association of New York, with its ongoing commitment to donate surplus food to feed the hungry. These are just three, just three of countless community service projects that your associations are engaged in, a commitment of time and talent mirrored in similar community efforts by millions of Americans across the country.

In fact, one study in 1988 found that Americans who volunteered in formal organizations gave almost 15 billion hours valued at an estimated $150 billion. Now that's tremendous, but it's just the tip of the iceberg, just a fraction of all the good works we are capable of. Because the fact is, coping with the problems we face is within our power. There is no problem in America that is not being solved somewhere. Think about it: the programs I've just mentioned -- New York, Atlanta, Portland -- thousands more. Think about ways that your organization, every one of your members, can make this mission of serving others your very own.

The story I want to tell you today -- a story that Martin Luther King, Jr., told in his speech he made the night before that terrible day in Memphis, 22 years ago -- it's a story about serving others and the courage that takes. It's a familiar story about the Good Samaritan and the stranger he helped. But there's another part of the story we don't always remember. Before the Good Samaritan stopped that day, two other men saw the injured stranger and passed him by. And Dr. King thought long and hard about it, and he used to ask himself: Why didn't the others stop to help? And Dr. King came up with some good reasons: They didn't stop because they were too busy, had more important work waiting in Jerusalem of far more consequence than helping one unfortunate man; and so, on they went.

And then one day, Martin Luther King put himself in their shoes. At the age of 30, on his very first trip to the Holy Land, he and his wife, Coretta, traveled that road from Jerusalem to Jericho.

And Dr. King saw the story of the Good Samaritan in a new light. That road starts off more than 1,000 feet above the sea level and ends in Jericho 2,000 feet below sea level -- a twisting road, full of blind curves. He imagined the road 2,000 years ago, each curve a perfect ambush for robbers. And at the moment, Dr. King realized why the two men didn't stop. It had nothing to do with the reasons he had imagined. They didn't stop because they were afraid.

The way Dr. King imagined it, one asked himself: ``If I stop to help this man, what will happen to me?" And he went on about his way. But then the Good Samaritan came along and he asked himself a different question: ``If I don't stop to help this man, what will happen to him?" And he asked himself that question, and he found the courage to stop, the courage to help, the courage to serve.

So which question, then, do we ask ourselves about going down to the soup kitchen in that dangerous neighborhood; about stopping on a dark street to help a homeless man; about reaching out to those desperate kids out there, kids who have no home life, who are hooked on drugs, who live a nightmare we can't begin to imagine? Doing any of these things isn't easy. Every one takes an act of courage. But unlike the Good Samaritan, we don't have to act alone. Each one of you understands the power of collective action: how much we can get done when we work together, pool our resources, combine our talents.

And don't think it won't take courage. It's going to take courage to go back to your member organizations, back to their CEO's and boards of directors, and suggest that they place community service at the center of their agenda. It's going to take courage to insist that community service has a place at the very heart of every organization. It will take courage to make each one believe that from now on in America, any definition of a successful life must include serving others. But that's just exactly what I'm asking you to do.

Today, I want to lay down some challenges, challenges to associations all over America to take up community service. First, build on a firm foundation. Find out what's working in your industry, in your profession, in your community; let your members know which community service programs are most effective; and then, challenge them to make those programs the blueprint for their own efforts. Find new ways to use existing assets. I understand that one of the ASAE's great strengths is its allied societies structure -- 69 State and local organizations, thousands more association executives. And I'm asking each of these allied societies to take the lead in their community for solving social problems, become what we call Points of Light action groups.

And second, set a target of 100-percent participation in community service. Challenge your constituents to call on every employee and member at every level of every organization, from the CEO on down to the newest hire, to make community service their personal mission.

And finally, a third challenge -- recognize those members who are what I like to call Points of

Light. I've belonged, as many of you have, to many associations in my life, and I know one of the things you do best is to recognize outstanding performance. And so, I ask you to turn the spotlight on community service in your newsletters, your magazines, at your annual meetings -- on individuals who give 110 percent helping people in need and on those organizations who demonstrate 100-percent participation in community service.

I'm counting on you, each one of you, to take these challenges to heart. People in this room represent thousands of associations, organizations of all sorts and sizes, a combined membership of 100 million Americans. And so today, I'm asking you: Channel that energy into community service, tap that power, and transform a nation.

Once again, my thanks for all you are doing and all that you're going to do. God bless you, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 2:12 p.m. in Hall A at the Washington Convention Center.

Nomination of Jo Anne B. Barnhart To Be an Assistant Secretary of Health and Human Services

March 6, 1990

The President today announced his intention to nominate Jo Anne B. Barnhart to be Assistant Secretary for Family Support at the Department of Health and Human Services in Washington, DC. This is a new position.

Since 1986 Mrs. Barnhart has served as Republican staff director for the Governmental Affairs Committee of the United States Senate. Prior to this, she served as campaign manager for Senator William V. Roth, Jr., in Wilmington, DE, 1987 - 1988; consultant in the Office of Policy Development at the White House in Washington, DC, 1986; Associate Commissioner for Family Assistance at the Social Security Administration at the Department of Health and Human Services, 1983 - 1986; and Deputy Associate Commissioner for Family Assistance at the Social Security Administration, 1981 - 1983. In addition, Mrs. Barnhart served as legislative assistant for Senator William V. Roth, Jr., 1977 - 1981; project director for SERVE Nutrition Project at the Wilmington Senior Center, 1975 - 1977; legislative liaison for the Mental Health Association of Delaware, 1973 - 1975; and a space and time buyer for deMartin-Marona and Associates in Wilmington, DE, 1970 - 1973.

Mrs. Barnhart graduated from the University of Delaware (B.A., 1975). She was born August 26, 1950, in Memphis, TN. Mrs. Barnhart is married, has one child, and resides in Arlington, VA.

Statement on Signing a Bill Extending the Authorization for School Dropout Demonstration Programs

March 6, 1990

I am pleased to sign today H.R. 2281, a bill that will help to attack the unacceptable dropout rate in our Nation's schools. This bill extends an important Department of Education program, which provides funds to local school districts to devise and demonstrate innovative strategies to reduce dropout rates and to encourage those who have dropped out to return to school. Successful strategies can then be shared with other schools.

We all know that the dropout problem afflicting our educational system is both chronic and severe. Only about 70 percent of our young people graduate from high school on time, and the statistics are even worse for minority children and those in urban areas. The consequences of our high dropout rate are tragic for the individuals who drop out and harmful for our Nation's productive capacity and competitive position in the world.

But this alarming situation can be turned around. As I have previously announced, the Nation's Governors and I have agreed on a wide-ranging set of goals for the future of American education. Among those goals is increasing our high school graduation rate to at least 90 percent by the year 2000. The Governors and I recognize that this is an ambitious target, but we are convinced that it can, and must, be met. The bill before me today acknowledges that meeting this goal is primarily a State and local responsibility, which will also require the commitment and dedication of our Nation's teachers, principals, and business and community leaders. It also recognizes that the Federal Government has an important role to play by funding experiments to develop innovative local projects that can serve as models for other school districts. I have already asked the Congress to more than double the funding for this program over its fiscal year 1989 level. H.R. 2281 will authorize the Congress to meet that request, and I am very pleased to sign it.

George Bush

The White House,

March 6, 1990.

Note: H.R. 2281, approved March 6, was assigned Public Law No. 101 - 250.

Toasts at the State Dinner for Prime Minister Giulio Andreotti of Italy

March 6, 1990

The President. Ladies and gentlemen, we're going to get this part out of the way early. [Laughter]

Mr. Prime Minister and Mrs. Andreotti and distinguished guests, friends of Italy, all: Barbara and I are very pleased to welcome you to the White House tonight to honor the President of the Council of Ministers in the Republic of Italy, our friend Mr. Andreotti. And later on this evening, we will be celebrating Italy's national pastime with a performance by one of the world's greatest opera singers. We'll leave it as a little bit of a surprise. [Laughter]

But I am reminded of a story concerning America's national pastime. It seems that great Italian tenor, Enrico Caruso, was asked by a group of American reporters what he thought of Babe Ruth. Caruso, ever polite, replied that he didn't know, because unfortunately he had never heard her sing. [Laughter]

One American writer called Italy ``The Land of the Immortal Gods'' -- not just the land of mythology but the home of eternal ideas symbolized by the immortal genius of Da Vinci and Michelangelo, Raphael; the timeless architecture -- the Piazza San Marco in Venice; the classic strains heard in La Scala, in Milan. And Italy is the spiritual home of millions -- St. Peter's in Rome -- and the ancestral home of 12 million Americans. And many are here tonight, including our OAS Ambassador Luigi Einaudi, who is also the grandson of Italy's first President.

And Mr. Prime Minister, you are one of America's closest friends, and you know our country well. And we are proud and honored to be with you. We certainly agree on the key role that Italy plays in the new, emerging Europe. And in my discussions with Prime Minister Andreotti today and over the past months, we have shared the excitement on the remarkable changes that we are seeing. I can think of no time in modern history when our strong transatlantic partnership was more crucial.

They say that all the roads lead to Rome, and so Italy was appropriately my first stop on my first visit to Europe as President of the United States. And together we set the tone for critical arms reduction proposals, now even closer to fulfillment. We totally agree that a strong NATO is vital to our collective security in the new Europe. German unification with a unified Germany remaining a full member of NATO, support for the rising democracies in Eastern Europe, and the continued role of the United States as a force for stability in Europe are all part of our agenda today. And as we've done so often in the past, we found much agreement. But we also have much to look forward to.

This summer, we will meet again at the Houston economic summit. And then, beginning in July, Italy becomes Chairman of the European Community, and our two governments will work to develop stronger economic and political ties between the United States and the EC. But most important of all, there is perhaps the toughest issue between our two nations, a meeting which will take place this summer in Italy. And our side has already made bold advances against other nations involved, but we must be allowed to compete on a level playing field. And that's right, I'm talking about the 1990 World Cup in soccer. [Laughter]

And so, Mr. Prime Minister, and our friend, our discussions today reinforced my deep admiration for you and your nation. To our noble and strong union, and to you and the citizens of the Republic of Italy, I ask our guests to join me in a toast. A salute to you and to your great country, sir.

The Prime Minister. Mr. President, the number of our Cabinets, which is a feature of Italy's political life but does not affect the stability of our democracy, has provided me with other opportunities to come to the White House in the last years, although in different ministerial capacities.

Being back in the United States today after more than a decade as President of the Council of Ministers of the Italian Republic is indeed a source of great satisfaction to me. Many decisive events have taken place in the meantime which our continents have often lived through, side by side, in a relationship of alliance and cooperation which has been strong and vital. The world has become increasingly complex and interdependent and certainly not easier to manage today.

I am especially happy to be visiting Washington at this moment when the world, and Europe in particular, are living through such an exciting and crucial time. On the European continent, a decades-long ideological and military confrontation is giving way with astounding speed to new balances and to the promising establishment of democracy in the Eastern European nations. A new Europe is coming into being, in which we trust that a reduction in tensions will make the presence of armaments less disquieting.

We Italians have always believed that Atlantic solidarity would one day bear fruit. My seniority as a politician would enable me to reel off every single stage in this long process, both of resistance and of political cohesion. And we Italians have always held the view that the political and military commitment of the United States and Europe was an indispensable condition for the ultimate success of our common endeavor. Well, Mr. President, Italy is still convinced today -- more than ever before, if it were possible -- that this solidarity must continue to inspire our action. The continuing military and political presence of the United States in Europe is basic to ensuring stability and balance for the whole world.

As ideological and military confrontations wane, Europe needs a broader framework for cooperation, a form which by strengthening the Helsinki formula develops into a system for

comprehensive dialog with the participation of the United States and Canada. And together with NATO, this is the institutional framework in which we can together tackle issues related to the growth of the budding democracies in the East, the reunification of the two Germanys, and the development of the new relationship with the Soviet Union -- in short, and to borrow your own words, Mr. President, the construction of that whole and free Europe which is already taking shape and to which we all look forward with hope.

Italy feels it is part of this Europe -- and indeed, an essential one. But I would like to recall that Italy, by its nature in history, is also part of the Mediterranean world. We shall continue to follow the problems of that area very closely, including longstanding ones such as the Arab-Israeli conflict, the Lebanese crisis, and the problems related to the future development of each people in this important area.

Naturally, Mr. President, what we need today is a new solidarity. By this, I mean a solidarity between the United States and Europe that is newer and subtler than the one tested so successfully at a time when we were threatened from the exterior. This kind of solidarity is today both indispensable and urgent to enable both Europe and the United States to jointly take up other challenges, whether regional or global in scope. I'm referring to the backwardness and indebtedness of developing countries, to environmental protection, and to the fight against drugs, which you, Mr. President, very clearly stated to be an absolute priority issue, showing your solidarity to the Latin American countries which are most suffering at the hands of drug traffickers.

Mr. President, all kinds of dictatorships have failed, even those which believe that by sacrificing freedom they would succeed in solving the economic and social problems of their peoples. To a nation such as the United States that has provided and is providing a generous and sustained contribution to freedom in all continents, we renew the expression of our convinced friendship, genuinely rooted in our hearts and minds and inspired by constructive spirit.

Mr. President, I ask you and all your guests here to make a toast to your health and that of Mrs. Bush. And also, I would like to invite you, if the American soccer team is going to win, to come to Rome and assist to the last game. [Laughter] Thank you, Mr. President.

The President. Well done, sir. Thank you. Very nice. Thank you so much.

Note: The President spoke at 8:12 p.m. in the State Dining Room at the White House. The Prime Minister spoke in Italian, and his remarks were translated by an interpreter. Following the dinner, soprano Roberta Peters performed in the East Room.

Remarks at the American Electronics Association Luncheon

March 7, 1990

Mitchell, thank you. After listening to him, I'm glad it was the other guy from Massachusetts that I ran against a couple of years ago. [Laughter] But really, thank you for that warm welcome, and I'm delighted to be here and, of course, delighted to see Dick Iverson and so many familiar faces out here. Many of you came a long way to be here, and so I won't ask you to sit through a long speech. The punishment should fit the crime. [Laughter] Jim Baker stole my favorite story -- you remember about the kid who went to church with his grandfather, and he said, ``Granddad, what are all the flags along the side of the church for?'' And the grandfather said, ``Well, that's for those who died in service.'' The kid said, ``Oh, really? The 9 a.m. service, or the 11 a.m. service?'' [Laughter] Wasn't this Duke Ellington Band great? Listen, thank you. The choir -- just fantastic. Thank you.

And it is an honor -- really, I mean it -- and pleasure to be here back with this association. And you are the leaders of a vital range of our most innovative and interrelated industries, from semiconductors, microprocessors, and circuit boards to PC's and mainframes, supercomputers, telecommunications, and defense electronics. But at every stage of that impressive technological food chain, yours are the people and the products that really keep this country competitive. I'd add a special tip of the hat to President Gary Tooker of Motorola, winner of last year's Malcolm Baldrige Quality Award. It's a prestigious award and sets a great example for the rest of this country. So, congratulations. Where is he? I can't see with the light. Gary, congratulations to you.

But for almost 50 years now, your industries have been at the center of a remarkable revolution in the way work is done, the way ideas are managed, even the way time and the vast reaches of space are understood. And along the way, you've also become the Nation's largest manufacturing employer, creating jobs for over two and a half million Americans, modernizing services and industries of every kind, assuring our national security, and providing a vital export market.

As technologies, economies, and geopolitics change almost weekly, your industries stand at a threshold of tremendous opportunity. Our first priority is to encourage productivity gains, savings, long-term investment in high-tech industries, by lowering the cost of capital. And we believe that one of the most crucial Federal priorities is to encourage planning for the long term because for too long, where investment is concerned, the Federal Government has been more of a hindrance than a help. And so, we intend to work with you closely, constantly, and consistently to see that American electronics and technologies regain and retain a permanent position in world markets.

Last month we sent to Congress our Savings and Economic Growth Act, which includes an

innovative family savings plan to stimulate capital formation, new incentives for IRA's to help first-time home buyers, and a business-building, job-creating, revenue-enhancing cut in the capital gains tax. Without it, every business in America, of every size, is at a competitive disadvantage abroad. Now, let me read you, lest you have forgotten, a list of the maximum long-term capital gains tax rates for some of America's competitors: Japan, about 5 percent; South Korea, zero; Taiwan, zero; West Germany, zero; Singapore, zero; Hong Kong, zero. And the list goes on. And why some American politicians don't understand the importance of this capital gains differential, I do not know. It's pure politics. And so, we're going to fight hard, with your continued support, for that crucial tax cut.

Along with encouraging investment, we've proposed a budget that will bring the deficit down below those Gramm-Rudman-Hollings targets without raising taxes. And we're committed to unprecedented support for R&D, research and development efforts. We believe that the R&D tax credit should be made permanent. And our budget includes a record-breaking $70 billion in Federal direct investment for research and development.

Our budget also devotes unprecedented resources to space, education, the fight against drugs, environmental initiatives, and other crucial investments in our own future. Such investments over the years have ensured that this country has retained its leadership in terms of the basic research and fundamental discoveries underlying your industry. This administration is also committed to working with you in the critical precompetitive development stage where the basic discoveries are converted into generic technologies that support both our economic competitiveness and our national security. Here again we can help to level the international playing field on which you compete.

But we understand, as you do, that no investment is more important than our human resources. So, together with the Nation's Governors, we have set ambitious national goals for America's students. As one incentive, we've proposed a new National Science Scholars program. We have also requested a 70-percent increase for the Eisenhower Math and Sciences Educational Program and a $100 million increase in the National Science Foundation education budget. By the year 2000, our kids can be first in the world in science and math achievement; and with enough involvement and leadership from groups like this, they will be first.

Your industries face some unique challenges. The marketplace is tough enough without undue constraints and unfair restrictions. So, we've pledged to make sure that trade is fair and free by judiciously but firmly implementing the 1988 Trade Act. We're moving forward with Japan through the Structural Impediments Initiative and by working to develop a more productive relationship overall. Just last weekend, as Mitch referred to, I met with Prime Minister Kaifu and specifically discussed satellites, telecommunications, supercomputers, forest products, and yes, semiconductors. I hope, I fervently hope, that on the basis of our talks Japan will be moving toward early resolution of these problem areas. We agreed that we must both do our very best to make these SII talks a success. We've presented ideas for removing structural impediments in Japan, and they have presented ideas to us about our own structural impediments. We remember,

therefore, that it is a two-way street.

Our task must be to make the American economy even stronger and even more competitive. But we're also committed to strengthening and expanding the multilateral trading system through the Uruguay round. I just can't tell you how important a successful conclusion of that round is for American business, for business all around the world. We've proposed far-reaching reforms of the global trading system, working to bring a wide range of new trade areas under the GATT. These crucial negotiations will help us create a more equitable, more efficient trade climate, worldwide.

I've made it a priority to review and modernize our export controls to provide vital help to the emerging democracies without compromising national security. Given the pace of political change, rapid advances in technology, and the competitive position of American industry, we must ensure that export controls are effective or eliminated. I am happy to report this week we have a team at COCOM in Paris negotiating the modernization of export controls on computers. These controls have been an important part of our security for decades, and I know our allies want to work with us to ensure their relevance in the 1990's.

To provide a further competitive edge for American firms, we will support legislation to reduce the antitrust uncertainty that may discourage joint production ventures. Under such a proposal, the courts would weigh, on a case-by-case basis, the competitive benefits as well as costs of joint production ventures. In addition, joint production ventures announced to the Government would be liable only for actual damages in private antitrust suits. Such an initiative would build on the competitive strength of American business by allowing firms to pool their skills, build new production facilities, and share investment risks.

One risk you all face -- and it's not just business -- citizens working in associations and volunteer organizations, in schools, everyplace -- one risk that you all face at an intolerable level is liability. In your case, I'm talking about product liability. And the Council on Competitiveness, ably chaired by Vice President Quayle, has already begun a concentrated effort to significantly reform our cumbersome and expensive product liability system. It's about time that we made ourselves more competitive by getting rid of those lawsuits and claims that are purely frivolous and patently unfair.

And so, today I'm going to give the Competitiveness Council another challenge: to find ways that American industry can better translate new ideas and technologies into marketable products. So many of the world's most advanced technologies, from robotics to the VCR, were first developed here. And yet, so many of those concepts were ultimately brought to the marketplace by our competitors. We can do better. And I am determined that we will do better.

Today I've outlined some of what we're doing to level the playing field. But it will be leaders like you right here in this room that have to take the ball and run with it. You represent the vital

core of America's competitive potential, with over 3,500 of the most dynamic, technologically advanced, forward-thinking companies in the country. Your ideas are important to us. And your success is absolutely crucial to America's future. So, let me encourage you to work together, and with us, on a long-term program to meet the competitive challenge of a new century.

It's a great pleasure to have been here with you. Thank you very much, and God bless you all. And thank you, again, to the Duke Ellington choir.

Note: The President spoke at 11:42 a.m. in the Grand Ballroom at the Washington Court Hotel. In his remarks, he referred to Mitchell Kertzman and J. Richard Iverson, chairman and president of the association.

Remarks at the National Drug Control Policy Luncheon

March 7, 1990

Bill, thank you. Thank you all. Well, I heard about this luncheon, and I have talked to Bill about your really heroic work. And I'd like to just say a word about his heroic work to start with, because I've never seen a fellow come in and take a tremendously difficult assignment like this, hit the ground running, and accomplish a great deal. And I think we all owe Bill Bennett a vote of thanks. He's out there in the trenches. He's in the boardrooms. He's everywhere. He's like Batman. [Laughter] So, thank you for all you're doing.

No, and I'm very sorry about the delays getting everybody in here. The good news, however: You don't have to show an ID to get out of this place. [Laughter] And I apologize for being a couple of minutes later than I had intended in coming over here.

But I'm glad to see that so many of you could come to Washington. I see Al Brooks and, of course, Erma -- having been and seen their projects I feel a kinship with them -- and really, indeed, with all the rest of you from what Bill has told me. In the past year, I have spent a lot of time praising those involved in service to others. And I'm grateful for this opportunity to salute you not only as what we call Points of Light but as also points of courage.

When I was in Kansas City, in the Baptist church basement where Al has his headquarters, there was a banner on the wall that asked a four-word question. It went like this: ``Is This Dream Possible?" And when I look around this room and when I talk to the Director, I know the answer to that one. In this room are 28 folks who refused to surrender, 28 reasons why I really now believe, as Bill does, that we are going to win.

A few months ago, Bill Bennett wrote a booklet called ``Fighting Back." And many of you here were profiled in that piece. Almost every story was different. But almost every story began the same way. It began when one man or woman threw down the hat, took off the gloves, stepped forward, armed with the most powerful force known to man: the force of an idea. You fought back. You got involved. You made a difference, and you proved to America that this war can be won.

So, I think you are America's hometown heroes -- unconventional warriors, but this is an unconventional war. You've shown how the communities under siege can be united in a battle for life and how they can be restored to health and safety, doing it your way, on your turf.

It's sometimes hard to see with all these lights, but the ceiling here is decorated, and you can see it, with a field of golden stars. Just like real stars, we often forget to notice them. You are the stars in America's war on drugs. You shine through the dark, you give hope in the night. And we're here today really to say that someone noticed. Bill Bennett noticed. And I noticed. And I

hope all of America will notice.

This used to be the Navy's library right here, and of course, stars have a special significance to those who navigate on the seas. And in this sense, stars like you do far more than fuel hopes and prayers. You are also beacons to thousands of other people, immovable lights by which they can chart their course to victory. So, I just wanted to stop by here to say thanks, to assure you that we're going to keep on fighting against drugs and fighting for you, for your neighborhoods, and most of all for the kids, the children out there. And we're going to remember the rallying cry of Chicago's Father George Clemens: ``There are more of us than there are of them."

Congratulations and thank you all for what you're doing. Thank you very much.

Note: The President spoke at 1:39 p.m. in the Indian Treaty Room at the Old Executive Office Building. In his remarks, he referred to William J. Bennett, Director of National Drug Control Policy; Alvin L. Brooks, director of the Kansas City, MO, Human Relations Department and executive director and founder of the Ad Hoc Group Against Crime; and Erma Scales, chairwoman of the Acres Homes War on Drugs Committee in Houston, TX.

Statement by Press Secretary Fitzwater on the President's Space Exploration Initiative

March 8, 1990

On July 20, 1989, in a speech commemorating the 20th anniversary of the Apollo Moon landing, the President announced three major space policy objectives of the administration: the completion of Space Station Freedom, a return to the Moon to stay, and a manned expedition to Mars. In that speech, he asked the Vice President to lead the National Space Council in developing policies and plans to accomplish these objectives.

The President announced today he has approved the first of a series of policy decisions for the long-term space exploration initiative he announced on July 20. Acting upon the recommendation of the Vice President and the National Space Council, the President has approved a program that will give early focus to technology development and a search for new and innovative technical approaches to the Moon and Mars missions.

The policy consists of the following elements:

The initiative will include both lunar and Mars program elements.

The early program will focus on technology development with a search for new and innovative approaches and technologies.

The program will include investment in high leverage innovative technologies with potential to make a major impact on cost, schedule, and/or performance.

The program will take at least several years defining two or more significantly different human space exploration reference architectures, while developing and demonstrating technology broad enough to support all. Selection of a baseline program architecture will occur after that time.

The program will perform mission, concept, and system analysis studies in parallel with technology development.

The program will include robotic science missions.

By spurring research and development in high technology fields, the space program will help promote American economic leadership.

The program will require the efforts of several agencies. NASA [National Aeronautics and Space Administration] will be the principal implementing agency. The Department of Defense

and the Department of Energy will also have major roles in the conduct of technology development and concept definition. The National Space Council will coordinate the development of an implementation strategy for the exploration initiative by the three agencies. To facilitate coordination, the Department of Energy will be added as a formal member of the National Space Council.

Remarks at a Presentation Ceremony for the Panama Campaign Streamer at Fort Myer, Virginia

March 8, 1990

Thank you all very much, Secretary Cheney and General Powell, and all the members of the Joint Chiefs, service secretaries, men and women of the Armed Forces. We are here today to add another campaign streamer to the rollcall of glory, the roster of great American campaigns: Yorktown, Gettysburg, Normandy, and now, Panama. Let us never forget that our Armed Forces have always fought for the children of America, for they are America's future. Panama was no different. The children of Panama deserve a future of freedom and democracy. And the people of that nation, Panama, needed us to stand with them to defend that struggle for democracy and for the opportunity that Americans have enjoyed for over 200 years.

The moment of decision came from me when the lives of America's servicemen stationed in Panama and the lives of American citizens there were threatened. That's when a silent phrase passed the lips, I think, of every American: Enough is enough. Our Armed Forces united in an operation appropriately labeled Just Cause, and 27,000 of America's finest sprang into action. They descended in C - 130's, choppers, parachutes. They came in the cover of darkness, and they came in frontal assault with the sun at their backs. All braved death. All fought with distinction. So, it is especially fitting that the fabric of this streamer is woven with the colors of all the services.

Just last week, General Powell and General Thurman brought a few of these service men and women over to the White House. I heard tales of heroism, all of them told with reluctance, all of them told plainly and as matters of fact. And it was a matter of duty, they told me. I met an Army medic who, though wounded, pulled one serviceman after another from the line of fire before collapsing. This medic now wears the Silver Star and the Purple Heart. I met a corporal whose proudest achievement is not that he stormed the PDF [Panamanian Defense Forces] barracks, but that his unit took the barracks while protecting the lives of a frightened family. Then I met a sergeant, a jump master, whose unit withstood withering fire and suffered severe casualties. But the sergeant told me that he and his men drew courage and conviction from the wild enthusiasm of the Panamanian people and from support that they were getting from back here, back here at home in the United States.

So, it's out of recognition of their bravery that we affix these streamers. But the greatest tribute goes to the soldiers, the sailors, the marines who fell. This streamer is, most of all, for them. It will adorn the service flags standing just a few feet from the Oval Office next to the American flag -- a flag already lined with the crimson color of sacrifice. It is in honor of every American who died in the defense of liberty that we honor our flag. That is why I am determined that the American flag will be consecrated, not desecrated.

Panama was another chapter in a great epic, an act of free men and women in the Revolution of '89 -- a revolution that also swept the East and that is now sweeping the globe. Because of Panamanians whose yearning for freedom is so strong that they will brave beatings to go to the polls, because of young Americans whose commitment to freedom is so strong that they will brave death to fight for it -- it is because of them that the day of the dictator truly is over. And the revolution continues. The people have spoken in Nicaragua. When they speak in Cuba and Haiti, our Western Hemisphere will be entirely within the compass of freedom. And when that day comes, it will be the ultimate tribute to those who have protected our freedom so well for so long.

It is a great privilege, indeed an honor, for me to be here today to salute our Secretary, Dick Cheney; our Chairman, Colin Powell; the other members of the Chiefs; General Thurman; General Stiner; and the men and women who fought so bravely in Panama. Thank you, God bless you, and God bless the United States of America.

Note: The President spoke at 10:25 a.m. in the Ceremonial Hall. In his remarks, he referred to Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; Gen. Maxwell R. Thurman, commander in chief of the U.S. Southern Command; and Lt. Gen. Carl Stiner, commanding general of the XVIII Airborne Corps.

Remarks at the National Transportation Policy Meeting

March 8, 1990

Well, Sam, thank you very, very much. And Deputy Secretary Elaine Chao and to our able Commandant of the Coast Guard and to Dr. Larson, who did such heroic work on all of this, thank you all for being here -- Governor, so many Members of Congress here. And as some of you may know, after Sam Skinner, our able Secretary of Transportation, became Secretary, he took time to earn a license as a jet pilot. I've wondered: if I'd named him Secretary of Agriculture would he have been out milking the cows? [Laughter] But nevertheless, here he is.

But his leadership derives from experience. And it's experience and solid analysis that has shaped this transportation policy that we're unveiling today. No sector is more important to the American economy than transportation. It's an $800-billion-a-year business with $5 trillion worth of assets. To say that it's important to our quality of life, the flow of commerce, and really to our national security, is a gross understatement. As world trade grows even larger, as we continue our leadership in an increasingly global society, we will become even more dependent on transportation than we are today. And when transportation lags or is congested, when people and goods are stranded in traffic or in airports, we'll suffer. And when people and goods flow through a responsive, well-maintained, and efficient transportation system, our quality of life improves with it.

For over 200 years, since the days of barges and riverboats, America has grown and prospered with our transportation system. Our competitive stake will depend no less on American transportation leadership in the future. And still, too often we take for granted the highways that bind America together, and the airports and harbors that bind America to the world. The institutions our forebears created, the technologies they developed, and the transportation systems they built created a new and mobile society far different from the life they knew. For example, as a young man, Dwight David Eisenhower had a vision of a nation united, of an America in which goods and people would flow from city to city, from State to State with great ease. And the vision of his youth became the reality of his Presidency.

Today, Eisenhower's vision of an interstate highway system, the most ambitious public works project in the history of man, is virtually complete -- a fitting tribute in this, his centennial year. Just as the Model T and the Kitty Hawk prepared the way for today's millions of cars and thousands of passenger jets, so it is now our turn to invest in America's future, to begin to create the transportation system of the 21st century. On the ground, over the waterways, and in the air and space, our mission for this decade and the next century is to build on our achievements, to link the nations of the world as we've linked the States of this great country.

The national transportation is our blueprint, if you will, for this new world. And as I said in the State of the Union last month, it's time to act and it's time to give our State and local

governments the flexibility that they need to best use Federal funds. We also have a strategy for airports and for removing economic regulation of the trucking industry -- you heard the Secretary talk about those -- and most of all, we have a strategy to unleash the creative genius of American technology.

This technology took us to the Moon, and now it must make travel to space economical and commonplace. And this genius built a network of highways, and now we must support and encourage advanced technologies in the whole field of transportation, from magnetically levitated trains to intelligent vehicles and highways to advanced materials and engineering.

Finally, sometimes the best transportation policy means not moving people but moving their work. Last week in Los Angeles I spoke of the growing trend in this country toward working outside the office, a trend known as telecommuting. Millions have already found their productivity actually increases when they work nearer the people they're really working for: their families at home. The benefits in reducing congested highways and mass transit are obvious. Think of it as commuting to work at the speed of light.

As we look ahead, it's not enough to have a partnership between Federal, State, and local government. We must have the dynamic fourth partner -- and that's where many of you fit in -- the private sector. Such a partnership has already built a transportation system that is the envy of the world. And if we work together in this joint venture, America can continue to be the world leader in transportation.

I'm delighted to be with you. I want to congratulate the officials from the Department of Transportation. And now, let's go to work. Thank you all very, very much.

Note: The President spoke at 11:41 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Deputy Secretary of Transportation Elaine L. Chao; Adm. Paul A. Yost, Jr., Commandant of the Coast Guard; Federal Highway Administrator Tom Larson; and Gov. Wallace G. Wilkinson of Kentucky.

White House Fact Sheet on the National Transportation Policy

March 8, 1990

President Bush today joined Secretary of Transportation Samuel K. Skinner in releasing ``Moving America,'' the first statement of national transportation policy issued by the Federal Government in over a decade.

Last year, President Bush made development of a new national transportation policy statement one of the administration's major objectives. In developing the policy, the Department of Transportation (DOT) conducted an extensive outreach effort involving over 100 hearings, field visits, and meetings to hear the views of the transportation community and the general public. Reflecting the central role of transportation in Americans' lives, and the broad range of their transportation needs and concerns, the statement issued today is designed to improve America's competitiveness, advance American technology, unleash private sector resources and initiatives, rebuild and expand the transportation infrastructure, and improve the quality of life of all Americans.

The new statement of national transportation policy is a comprehensive framework of policies for all aspects of transportation and a strategy to carry the policies into action. The policies and action strategies reflect new initiatives, such as major increases in funding for Federal aviation and research and development programs, as well as the renewal and extension of sound policies and programs that have worked well in the past, such as increased efforts to reduce highway fatalities and to achieve economic deregulation of transportation industries.

The policy provides a framework for Federal decisions. Federal actions to carry out the new policy will be built on the foundation of a strengthened transportation partnership in which Federal, State, and local governments and the private sector all participate in financing, maintaining, and operating the transportation system.

The policy statement and the action strategies focus on six themes:

Maintain and expand the Nation's transportation system.

Foster a sound financial base for transportation.

Keep the transportation industry strong and competitive.

Ensure that the transportation system supports public safety and national security.

Protect the environment and the quality of life.

Advance U.S. transportation technology and expertise.

Maintain and Expand the Nation's Transportation System

The policy provides a framework for reauthorizing Federal transportation programs by focusing Federal resources on facilities and projects of national significance, reducing categorical grants, and providing greater flexibility to recipients. The policy gives priority to maintaining needed transportation infrastructure, encourages effective management and pricing techniques to improve use of assets and enhance capacity, promotes increased attention to intermodal and rural connections, and supports addition of new capacity where required. The Federal Government will work with its partners, State and local governments and the private sector, to address the projected transportation needs.

Strategies for action include:

Increase Federal research and development funding and aviation capital improvements -- air traffic control modernization and airport grants -- by 70 percent over the amount funded during the previous 5 years.

Focus Federal-aid highway programs on systems and projects of national significance, and provide greater flexibility to State and local governments.

Restructure urban mass transportation programs to provide greater flexibility and increased State and local matching shares.

Foster a Sound Financial Base for Transportation

The policy supports increased reliance on user fees, reduced spending from the General Fund, and use of transportation trust funds in a fiscally responsible manner. It proposes to foster State and local financing by permitting greater use of tolls on highways and passenger facility charges at airports. It also promotes greater private investment in transportation by supporting the removal of legal and regulatory barriers to private participation in financing, building, owning, and operating facilities and services such as roads and transit systems. The policy encourages joint public-private projects at the State and local level.

Strategies for action include:

Spend transportation trust funds for transportation purposes.

Increase aviation user fees to finance an expanded program.

Allow local passenger facility charges at airports, to finance increased airport capacity.

Increase private sector participation in transportation, including local transit and airports.

Increase State, local, and private funding of highways by, for example, opening up opportunities for toll roads.

Establish new Federal user fees to recover a portion of Coast Guard and Federal railroad safety activities.

Keep the Transportation Industry Strong and Competitive

The policy encourages increased productivity and competitiveness in transportation. Federal budgets and programs will emphasize more cost-effectiveness and competitiveness for mass transit, the U.S. merchant marine, and commercial space services. The policy supports elimination of unnecessary and outmoded Federal regulations, including remaining ICC regulation of trucking, inconsistent State requirements and standards for truck regulation and tax reporting, and Federal requirements that impose unique cost burdens on railroads. DOT will reassess Federal user charges and subsidies affecting competition among modes and will review maritime, aviation, and other programs to ensure free and equitable competition. DOT will also participate in negotiations to improve access of U.S. transportation companies to international markets and to encourage harmonization of equipment technologies and standards domestically and internationally. Finally, the Federal transportation work force will be enhanced by increasing the number of air traffic controllers and improving the recruitment and training of controllers.

Strategies for action include:

Encourage uniform international standards for air traffic control, aircraft, and airports.

Encourage more open skies in international agreements.

Promote uniformity in State registration and reporting requirements for motor carriers.

Eliminate remaining economic regulation of trucking.

Support repeal of the Federal Employers' Liability Act for railroads.

Achieve Amtrak self-sufficiency.

Review and restructure maritime programs to improve competitiveness of U.S.-flag ships in world trade.

Ensure that the Transportation System Supports Public Safety and National Security

One of the chief objectives of the policy is to improve transportation safety. A major focus is reducing highway fatalities. The policy also focuses on effective handling of hazardous materials, aging aircraft and aviation security, and standards and procedures for safe construction and operation in all modes. To support national security, the policy commits DOT to work with the Department of Defense to identify defense transportation needs and carry out the new national sealift and airlift policy. Other policy commitments include working with other agencies in fighting terrorism and in battling domestic and international trafficking in illegal drugs.

Strategies for action include:

Support reauthorization of highway safety programs to reduce highway fatalities.

Increase the number of Federal aviation, railroad, and motor carrier safety inspectors.

Increase public awareness and promote enforcement of State seatbelt, child safety, and motorcycle helmet laws.

Reduce drunk and drugged driving.

Improve safety standards for passenger cars, light trucks, and vans.

Enhance marine safety by reducing the incidence of boating while intoxicated and supporting other safety initiatives.

Support legislation strengthening oversight of the transportation of hazardous materials.

Expand safety inspection and enforcement for pipelines with greatest risk.

Improve disaster preparedness.

Increase the level of effort for DOT drug enforcement by 10 percent in FY 1991.

Protect the Environment and the Quality of Life

An essential consideration in transportation is its effect on the environment and on the quality of

life, including access and mobility for all citizens. The statement recognizes the importance of minimizing adverse effects of transportation on the environment, and supports the administration's clean air initiatives as they relate to transportation. Under the policy, DOT will promote stronger measures for oilspill prevention, effective means of responding to spills that occur, and liability requirements for damages caused by oilspills.

Strategies for action include:

Carry out transportation elements of the administration's clean air initiatives.

Support and implement enhanced oilspill protection and liability legislation.

Support no net loss goal for wetlands affected by transportation projects consistent with administration policy.

Enforce mobility rights of disabled citizens.

Advance U.S. Transportation Technology and Expertise

The policy emphasizes the importance of renewed attention to technology and innovation, and supports increased Federal spending for transportation research, including magnetic levitation and intelligent vehicle/highway systems. The policy commits DOT to working with the academic and business communities to build awareness of transportation as a career and increase cooperative programs to prepare professionals for technologically advanced careers in transportation. The policy calls for coordination among Federal agencies and State, local, and private interests to improve collection of transportation-related data, foster more effective dissemination of data, and share knowledge of techniques for applying data in transportation planning and decisionmaking.

Strategies for action include:

Increase overall funding for DOT research and development activities by 17 percent in FY 1991.

Increase funding for new aviation technology and human factors research.

Increase highway research, including intelligent vehicle/highway systems.

Conduct research on magnetic levitation and high-speed rail.

Develop a comprehensive assessment of data needs and priorities of DOT and the transportation community.

Remarks at a Fundraising Dinner for Senator John Warner in Tysons Corner, Virginia

March 8, 1990

Thank you all very much. My introduction to rap. John Warner, thank you for that introduction. [Laughter] And you did say Washington Post. [Laughter] And to Senator Laxalt, my old friend -- boy, do we miss him in the United States Senate, I'll tell you. But I'm delighted he's here with us tonight. And I want to pay my respects to -- I see Congressman Bateman and Congressman Parris. Somebody told me Congressman Slaughter was here. We have a great Virginia delegation, incidentally, in the House. Secretaries Derwinski and Lujan were supposed to be here, and I hope they are someplace. And I'm delighted that they are. We've got a good Cabinet, too, and I'm proud of both of them, both former Members of the United States Congress.

Our vice chairman of our Republican National Committee, Jeanie Austin, is over here. And I'm delighted to see her, and I hope you'll tell Lee Atwater that I'm wishing him all the best when you see him on Monday. I think he'll be going back to work.

I want to pay my respects to Committeewoman Traywick, Marshall Coleman -- an old friend. I felt somewhat overwhelmed by the members of the Redskins that were here earlier, but I was delighted to see all good candidates for the Secret Service these days, I think. [Laughter] Giants.

And Moe Bandy -- that John introduced you to -- he and Barbara and I, along with Loretta Lynn and Crystal Gayle, traveled all through Illinois and Iowa campaigning, and I am grateful to him, and he's a wonderful American. Besides that, he's a fellow Texan, so I've got to brag on him. But, Moe, thank you very, very much.

And it's great to be back in the heart of America -- at least two blocks outside the beltway -- [laughter] -- and to return, though, to one of America's fastest growing areas, certainly Virginia's. I discount the rumors that Tysons Corner will soon be changed to Buster Douglas Corner. [Laughter]

But, nevertheless, we're here to salute Virginia's great Senators. You know, John is Virginia's senior elected statewide official. But more than that, he's in what I think of as the Virginia tradition, and he mirrors that superb mix of qualities that makes Virginians second to none. The first of these qualities, and Paul touched on it, is honor. As Casey Stengel would say, you can look it up. Virginia boasts a tradition of conscience and public honesty, public integrity. From Patrick Henry to our beloved friend Lewis Powell, the record is clear: Virginians ask and get integrity from their public officials.

Let me share a story -- and again, Paul touched on it, and let me elaborate -- that illustrates that

tradition. Happened at the Republican convention in Richmond in 1978 -- four men vying for the GOP Senate nomination, and no one could get a majority. Many of you in the room were there, I know, as delegates, and I was following it very closely. And late Saturday night, one ballot following another, and finally about 11:30 p.m., before the deciding ballot, an aide suggested an idea to John. ``Mr. Warner," he said, ``these are principled delegates. A lot of them won't participate on a Sunday, and a good number of them aren't backing you. Just filibuster, just wait until midnight." And John's response, I think, in the great Virginia tradition I referred to, spoke rather eloquently about his character. He said, ``I'd rather lose the nomination than win it that way."

And you know the rest. He did lose that nomination. He promptly endorsed the winner, Dick Obenshain, that we all remember later lost his life in a terrible accident. And the party then turned to John, and he achieved an upset victory in just 11 weeks of campaigning. First in defeat, and then in victory, he was a symbol of Virginia at its best. It is absolutely essential that he remain in the United States Senate.

Even Virginians who supported others on the other side in '78 are backing John. Honor is one reason. And another is a second quality which this State has cherished throughout its history -- experience. Experience almost really unrivaled in the United States Senate. Ask anyone, John Warner is among the top in terms of being a respected Senator. Pick any issue. Invariably, he's there with calm talk and reasoned thought. And there's a word for that, and it's the third quality which makes John such a superb public servant: the wisdom that will be so crucial to the 1990's.

Nowhere is this sagacity more evident than in foreign policy. And nowhere could that wisdom be more important. Five weeks ago I talked in the State of the Union message about an idea called America. Well, that idea called America is the idea of democracy. And around the world, through what I've called the Revolution of '89, that idea has allowed brave men and women to counter bayonets and conquer barbed wire. The Hungarian playwright Imre Madach once wrote a work entitled, ``The Tragedy of Man." And today, we celebrate the victory of man. Look at Berlin, where a wall is falling, and Panama and Romania, where tyrants fell. Look at Poland and Czechoslovakia and Nicaragua or, yes, at the events of just 2 days this week.

Who could have dreamt it? On Monday, Romanians toppling a statue of Lenin that had stood in a Bucharest square for 30 years. And in the Soviet Union last Sunday and over the past few months, another sight that even Ripley wouldn't believe: that nation's first multicandidate elections at the local or republic level. And think of it: Communist candidates accepting the will of the popular ballot, a ballot which included, incidentally, independent candidates. And even in Moscow, totalitarianism is on the wane because of a dynamic Soviet leader willing, as Lincoln said, ``to think anew." And because we have been resolute, liberty is on the march, for a strong America is an America at peace.

And John Warner is encouraging peace as the ranking Republican on the Senate Armed Services

Committee, where he's helping arms control get done, but done right. John is one of the few Members of the Senate who once negotiated an executive national security agreement with the Soviets. And I'm looking to him to help guide new treaties and new budgets through this new decade of unprecedented change. But our administration has still other priorities because change here at home is just as important as change abroad.

And the first -- John referred to it with his vote when he summarily dismissed his Senators. I've never seen so many Senators told to do something and then do it. [Laughter] I've got to find out the formula. But the first is the environment. And last week, we reached an agreement in principle with the Senate leaders on the first rewrite of the Clean Air Act in over a decade, to cut urban smog and acid rain and air toxics. And John helped negotiate that deal. And like any northern Virginian, he knows that less traffic congestion is needed for clean air.

And in that spirit, earlier today Sam Skinner, our Secretary of Transportation, presented me with our National Transportation Policy. And I'm proud to say that among its many parts will be a strategy to build roads and streamline traffic, and something we especially need in northern Virginia: more flexibility in how Federal transportation funds are spent. Only then can we win the daily battle against gridlock, crashes, and bumper-to-bumper conditions. And as a guy said to me, ``It gets worse after you leave your driveway." Think about it. [Laughter] I'll repeat it. [Laughter] No, I won't. [Laughter]

Another administration priority is the elderly, and John, as you know -- most of you, his close friends know -- serves on the Special Committee on Aging. And I need him to help stop those who would mess around with Social Security.

And for the less elderly, I need him as Senator to support our bill to boost child-care choice through tax incentives, not Federal meddling in child care across this country. And though Barbara and I are veterans in the field -- a personal note -- last month John had the same child-care privilege I've enjoyed. He became a grandfather.

Finally, two priorities concern Americans of every age. One is education, and the other -- you know what I'm going to say, because it's a national priority -- the fight against crime and drugs. In January, I announced the 1990 National Drug Control Strategy, Phase II of the drug policy that we unveiled last year. We're asking Congress to spend over $10.5 billion in fiscal '91 for education, treatment, interdiction, and enforcement, about a 69-percent increase just since I have taken office.

And John supports this strategy, just as he supports such Phase II steps as an expansion of the death penalty for those drug kingpins. And our budget request to increase Federal assistance to States and localities has his support. Let others soft-pedal the need to be hard on crime. I say, as Virginians do: If you do crime, you'll do time. And we intend to take back the streets. We must be successful in the name of our young people of this country.

And at the same time, I hope you know how interested we all are in education. We've got to take back our schools. And last fall, I convened an unprecedented event: this nation's first education summit, appropriately held at the University of Virginia. And UVA's founder, Thomas Jefferson, once said simply, ``I cannot live without books." And so, we met, as Jefferson would have wanted, to find new ways to propel America's love of learning. And from that summit arose the education goals the Nation's Governors and I announced recently -- unanimous approval by the Nation's Governors. And among them, we must see that every student in America starts ready to learn -- and I'm talking about Head Start and great emphasis and great increase in Head Start -- and that each school has an environment where kids can learn, and that means making every school drug-free. These are goals for the year 2000. Our graduation rate must be no less than 90 percent. And we want U.S. students to be first in the world in math and science by the year 2000.

Like Jefferson, John knows that education is America's most enduring legacy and, moreover, that to preserve it we must give our all, as he did during three separate times of war and now does in time of peace.

Let me close then, as I began, with a story, this tale about giving your all. Eleven years ago last month, as Virginia's newly elected Senator, John was scheduled to give the annual reading of George Washington's farewell address. A snowstorm hit Washington, the worst since 1922. The city was paralyzed. Not our Senator -- he put on his boots, began the long walk from his home to the Capitol, stopping to push stalled cars and finally hitching a ride to the Hill on a tractor still here as a part of a protest by farmers. [Laughter] And to John, such tenacity was all in the line of duty. He figured if George Washington could make it to Valley Forge, a freshman Senator could certainly appear. And after 3 hours in the cold, he did appear. And others might not have thought it was very important, but he did, motivated by patriotism and respect for the traditions in the United States Senate. And that day was just one of many that he has made his friends proud.

And so, let's roll up our sleeves, keep in the Senate a man whose honor, experience, and wisdom have so enriched this very special Commonwealth in which you all are privileged to live. God bless you, and thank you very much. I know I speak for Barbara, too, when we said, John, if you need a little extra campaign work, call the White House. We're ready. It is national priority that this man be returned to the Senate.

Thank you all very, very much.

Note: The President spoke at 7:13 p.m. in the ballroom at the Sheraton Premier Hotel. In his remarks, he referred to National Republican Committeewoman Flo Traywick and former Virginia gubernatorial candidate J. Marshall Coleman.

Remarks at the Swearing-In Ceremony for Antonia Novello as Surgeon General

March 9, 1990

The President. Justice O'Connor and Secretary Sullivan, Senator Hatch and Congressman Conte and Dr. Mason, and other distinguished guests, in a few minutes we're going to make history three times over. Surgeon General Novello will be the first woman, first Hispanic, and first Puerto Rican to become Surgeon General of the Public Health Service. Lou Sullivan, our outstanding Secretary, and I agree that women and minorities who serve in vital and visible posts in government also serve as role models for our young people. And Toni, your success as Surgeon General will be an inspiration to millions of people.

Dr. Novello's life is already an amazing success story, a vibrant example of the American dream. Twenty years ago, she graduated from the University of Puerto Rico School of Medicine, and 12 years ago she joined the Public Health Service and rose quickly through the ranks. Dr. Novello is a teacher, scholar, administrator, and a physician who has firsthand knowledge of the Public Health Service and the National Institutes of Health. This ceremony is more than a celebration; it is the beginning of a solemn commitment to the American people. Dr. Novello, you have the privilege, in my view, of working with the very best. And my respect and appreciation of my good friend Lou Sullivan grows every day as he fights for the good health of our people. In your hands, too, we now place the health of our people.

The paths ahead are difficult. And in a few minutes, just the few minutes we've been here, 11 people have died from smoking -- 390,000 people each year. And we must also do all we can to put an end to drug abuse, alcohol abuse, and AIDS. And because so many of these problems begin with our children it is only right that we ask a pediatrician to help. There is one thing each of us can do to live longer and live better, and that is to emphasize health promotion and disease prevention, and it's the best way to save lives and reduce the cost of medical care. Ultimately, we are all responsible for our own health. And we look to you, Dr. Novello, to help guide us in that effort. Godspeed and good luck in this important new assignment. And now we'll ask Justice O'Connor to do the honors. I guess I'll wedge in on my little toe mark here. All right.

[At this point, Surgeon General Novello was sworn in.]

Dr. Novello. Mr. President; Justice O'Connor; Mr. Secretary; my husband, Dr. Joe Novello; my mother, Ana Delia Flores; Dr. Mason; distinguished guests; my dearest family and friends: The American dream is well and alive today, and I might say today the ``West Side Story'' comes to the West Wing. [Laughter] When I was a little girl attending public schools in Puerto Rico, I looked beyond the Caribbean and beyond El Yunque and beyond everywhere that I could. And all I wanted to do when I dreamed was to become a pediatrician, a doctor for the little kids in my hometown. I never told anyone that I wanted to be that. It seemed too grand of a notion. Well,

dreams sometimes come true in unexpected ways, and today I stand before you with pride and humility as the first Puerto Rican, Hispanic, female Surgeon General of this country.

Mr. President, you have bestowed a great honor and a great responsibility on me. By doing so, you have also sent a message. You have sent a message that somewhere this very morning, anywhere in San Francisco, San Antonio, Boston, Biloxi, there's another minority girl or boy who can dream the dreams that I just dreamed yesterday of becoming the Surgeon General of this country. I do not aspire to be the Surgeon General of the Hispanics, or the Surgeon General of the women, or the Surgeon General of the children. I aspire to be the Surgeon General of every American of this great country. As a practicing physician, I learned what patients want from their doctor. They don't care if the doctor is male or female, if the doctor is black or white, if the doctor is Anglo or Hispanic, or even how they voted in the last election. What they do care is that the doctor has compassion, scientific excellence, availability at all times -- the good ones and the bad ones. That's the definition of a good doctor.

Once a dream, it is now my pledge to be a good doctor for all who live in this great country. My motto as your Surgeon General will be ``good science and good sense." And so, I ask for your help and the grace of God as I strive to give something back to the Nation that has been so good to me. Thank you very much. Dios lo vendiga, and God bless America.

Note: The President spoke at 11:28 a.m. in the Roosevelt Room at the White House. In his opening remarks, he referred to James O. Mason, Assistant Secretary for Health.

Remarks Upon Meeting the University of Miami Hurricanes

March 9, 1990

What a day in the Rose Garden. And welcome, all of you especially -- and all of you to the White House. It's great to see Senator Gramm and Senator Mack, and distinguished Members of the United States Congress here, Dante Fascell and Congressman Bennett. Sam Jankovich, the director of athletics at Miami; and, of course, Dennis Erickson and his staff; and then the number one football team in America, the Miami Hurricanes. For all of us name-droppers, it's been 2 great weeks. Last week, the San Francisco 49ers -- [laughter] -- were in here, and the NFL's team of the eighties. And now, we've got the college football team of the decade. The 'Canes have lost five football games in the last 5 years; that's all. A 55-and-5 record. And your Sugar Bowl win this year marked the University of Miami's seventh straight trip -- seventh -- to a New Year's Day bowl game.

And when sports fans think of a college bowl over the last 10 years, they think of two of the biggest games in college football history. January 1, 1984, your team started making college football history when you went 10 and 1, and then upset Nebraska 31 - 30 in the Orange Bowl -- one of the greatest wins ever. And then one that some of you young guys remember, November 25th, 1989. Your titanic struggle with the Fighting Irish at Notre Dame this year resulted in a 27-to-10 win over the then top-ranked defending national champion in what many consider the game of the year. But with Miami, there's also great memories of great championships. Back in 1984, the Nebraska game at the Orange Bowl brought you your first national championship -- national title. And then you beat O.U. in the Orange Bowl to win the 1987 national title. And just when the opposition thought the storm had passed, you beat the Crimson Tide soundly in this year's Sugar Bowl. Three national titles, three great championship games.

And not only have you played great games, but you've produced some of football's greatest players. Take a look at the Miami dynasty of quarterbacks. What is it about the water in Miami? Jim Kelly of Buffalo, Bernie Kosar of the Browns, Vinnie Testaverde -- Tampa Bay, and Steve Walsh of the Cowboys. No wonder they call it Quarterback U. Well, the team of the eighties heads for the nineties with Craig Erickson as quarterback, and your passing game is taking full flight. In fact, some say that when Craig throws the ball, anything that flies that far should be showing an in-flight movie and serving a meal. [Laughter]

But behind this Erickson Express, if you will, this offense is the number-one-ranked defense in the country, led by All-American defensive linemen Greg Mark and Cortez Kennedy. And I hear it's easier to get a tax cut through Congress than a ball carrier through that defense. The man behind it all is right here, Coach Erickson. It was your rookie year as Miami's coach, and yet you made them national champs. And coaching is never easy, but that first year is always the toughest, and you did a great job. And congratulations to all of you. In the best American

tradition, the Hurricanes have shown that they won't settle for second best. Thank you and God bless you all. Welcome to the White House.

Coach Erickson. President Bush, first of all, we'd like to thank you for the Miami weather that you brought with us today. It's very nice. And secondly, we've had a lot of honors and a lot of accolades since winning the national championship, but for us to have the honor to come to the White House and visit with you is truly the greatest honor that any football team could ever have. And we've got a lot of great young guys here that worked very hard to win the national championship. Five of them were here in 1987 with President Reagan. We've got a lot of other young ones here that hopefully will be here in 1990, 1991, 1992. [Laughter] But on behalf of the University of Miami, the administration, my coaching staff, and the football team, we would like to present you with this jersey which signifies that we were number one in the country.

The President. Well, congratulations again, and thank you all. That's terrific.

Note: The President spoke at 11:40 a.m. in the Rose Garden at the White House.

Letter to Congressional Leaders on Nuclear Cooperation With EURATOM

March 9, 1990

Dear Mr. Speaker: (Dear Mr. President:)

The United States has been engaged in nuclear cooperation with the European Community for many years. This cooperation was initiated under agreements that were concluded over 3 decades ago between the United States and the European Atomic Energy Community (EURATOM) and that extend until December 31, 1995. Since the inception of this cooperation, the Community has adhered to all its obligations under those agreements.

The Nuclear Non-Proliferation Act of 1978 amended the Atomic Energy Act of 1954 to establish new nuclear export criteria, including a requirement that the United States would have a right to consent to the reprocessing of fuel exported from the United States. Our present agreements for cooperation with EURATOM do not contain such a right. To avoid disrupting cooperation with EURATOM, a proviso was included in the law to enable continued cooperation until March 10, 1980, if EURATOM agreed to negotiations concerning our cooperation agreements. EURATOM agreed in 1978 to such negotiations.

The law also provides that nuclear cooperation with EURATOM can be extended on an annual basis after March 10, 1980, upon determination by the President that failure to cooperate would be seriously prejudicial to the achievement of U.S. nonproliferation objectives or otherwise jeopardize the common defense and security and after notification to the Congress. President Carter made such a determination 10 years ago and signed Executive Order No. 12193, permitting nuclear cooperation with EURATOM to continue until March 10, 1981. President Reagan made such determinations in 1981, 1982, 1983, 1984, 1985, 1986, 1987, and 1988, and signed Executive Orders Nos. 12295, 12351, 12409, 12463, 12506, 12554, 12587, and 12629 permitting nuclear cooperation to continue through March 10, 1989. I made such a determination in 1989 and signed Executive Order No. 12670, permitting nuclear cooperation to continue through March 10, 1990.

In addition to numerous informal contacts, the United States has engaged in frequent talks with EURATOM regarding the renegotiation of the U.S.-EURATOM agreements for cooperation. Talks were conducted in November 1978, September 1979, April 1980, January 1982, November 1983, March 1984, May, September, and November 1985, April and July 1986, September 1987, September and November 1988, July and December 1989, and February 1990. Further talks are anticipated this year.

I believe it is essential that cooperation between the United States and the Community continue

and, likewise, that we work closely with our allies to counter the threat of proliferation of nuclear explosives. Not only would a disruption of nuclear cooperation with EURATOM eliminate any chance of progress in our talks with that organization related to our agreements, it would also cause serious problems in our overall relationships. Accordingly, I have determined that failure to continue peaceful nuclear cooperation with EURATOM would be seriously prejudicial to the achievement of U.S. nonproliferation objectives and would jeopardize the common defense and security of the United States. I therefore intend to sign an executive order to extend the waiver of the application of the relevant export criterion of the Nuclear Non-Proliferation Act for an additional 12 months from March 10, 1990.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders Transmitting a Report on Telecommunications Trade Negotiations With the European Community and Korea

March 9, 1990

Dear xxxx:

Pursuant to section 1376(c)(2)(B) of the Omnibus Trade and Competitiveness Act of 1988 (``the Act'') (Public Law 100 - 418; 102 Stat. 1221), I am hereby transmitting my report that finds that substantial progress has been made in telecommunications trade talks conducted under section 1375 of the Act with the European Community (EC) and Korea and contains the reasons why an extension of the negotiating period with the EC and Korea is necessary.

Sincerely,

George Bush

Note: Identical letters were sent to George J. Mitchell and Robert Dole, majority and minority leaders of the Senate; Lloyd Bentsen and Bob Packwood, chairman and ranking Republican member of the Senate Finance Committee; Thomas S. Foley and Robert H. Michel, Speaker and minority leader of the House of Representatives; John D. Dingell and Norman F. Lent, chairman and ranking Republican member of the House Energy and Commerce Committee; Dan Rostenkowski and Bill Archer, chairman and ranking Republican member of the House Ways and Means Committee.

Nomination of Karen L. Gillmor To Be Director of the Women's Bureau

March 9, 1990

The President today announced his intention to nominate Karen L. Gillmor to be Director of the Women's Bureau at the Department of Labor. She would succeed Jill Houghton Emery.

Since 1987 Dr. Gillmor has served as manager of physician relations at the Ohio State University Hospitals in Columbus, OH. Prior to this, she served as chief of management planning and research at the Industrial Commission of Ohio, 1983 - 1986; advancement officer for the Ohio Republican Finance Committee, 1982 - 1983; vice president for public affairs and governmental relations and assistant to the chairman at the Huntington National Bank in Columbus, OH, 1981 - 1982; special assistant to the dean of the Ohio State University College of Law, 1979 - 1981; research assistant at Burke Marketing Research, Inc. in Indianapolis, IN, 1978 - 1979; and assistant to the president for Indiana Central University in Indianapolis, IN, 1977 - 1978. In addition, Dr. Gillmor has served as assistant to the vice president, and dean at the Ohio State University, 1972 - 1977, and director of guidance at the Fairfield Union Local Schools in Lancaster, OH, 1970 - 1972.

Dr. Gillmor graduated from Michigan State University (B.A., 1969) and the Ohio State University (M.A., 1970; Ph.D., 1981). She was born January 29, 1948, in Cleveland, OH. Dr. Gillmor is married and resides in Columbus, OH.

Statement by Press Secretary Fitzwater on the Restoration of Lithuanian Independence

March 11, 1990

The United States has never recognized the forcible incorporation of the independent states of Estonia, Latvia, or Lithuania into the U.S.S.R. We have consistently supported the Baltic peoples' inalienable right to peaceful self-determination.

The new Parliament has declared its intention to restore Lithuanian independence. The United States would urge the Soviet Government to respect the will of the citizens of Lithuania, as expressed through their freely elected representatives, and expects the Government of Lithuania to consider the rights of its minority population.

The United States believes it is in the mutual interest of Lithuania, the Soviet Union, and all CSCE countries to resolve this issue peacefully. We call upon the Soviet Government to address its concerns and interests through immediate constructive negotiations with the Government of Lithuania. We hope that all parties will continue to avoid any initiation or encouragement of violence.

Statement by Press Secretary Fitzwater on the President's Meeting With Former Prime Minister Noboru Takeshita of Japan

March 12, 1990

The President met for approximately 1 hour with former Japanese Prime Minister and current LDP [Liberal Democratic Party] leader Noboru Takeshita. They discussed the whole range of issues underpinning the overall U.S.-Japan relationship. The discussion focused on bilateral economic issues, the U.S.-Japan security arrangement, and the global partnership between the United States and Japan. Much of the discussion concerned economic issues currently existing between the two countries and the fact that their solution will require extraordinary efforts on both sides of the Pacific. Mr. Takeshita indicated that the government of Prime Minister Kaifu has become increasingly aware of the urgency of the problems facing the two countries and that Mr. Kaifu has created a new team within the Office of the Prime Minister for coordinating solutions for the Structural Impediments Initiative (SII) talks. The two leaders also discussed the public pressures on both sides of the Pacific concerning the U.S.-Japan relationship and the necessity for leaders in both countries to reinvigorate the relationship.

Nomination of Julian W. De La Rosa To Be Inspector General of the Department of Labor

March 12, 1990

The President today announced his intention to nominate Julian W. De La Rosa to be Inspector General of the Department of Labor in Washington, DC. He would succeed James Brian Hyland.

Currently Mr. De La Rosa serves as secretary to the board of police commissioners at the metropolitan police department in St. Louis, MO. Prior to this, he served in various capacities at the Federal Bureau of Investigation, including Special Agent in Charge in St. Louis, MO; executive at the headquarters in Washington, DC, 1987 - 1988; Special Agent in Charge of the San Antonio Division, 1979 - 1986; supervisory position at the headquarters, 1972 - 1979; Special Agent, 1963 - 1972; and support employee, 1959 - 1963.

Mr. De La Rosa graduated from St. Mary's University (B.A., 1963). He was born September 12, 1939, in San Antonio, TX. Mr. De La Rosa is married and resides in San Antonio, TX.

Appointment of Deborah Amend as Special Assistant to the President for Communications

March 13, 1990

The President today announced the appointment of Deborah Amend as Special Assistant to the President for Communications.

Since 1985 Ms. Amend has served in several capacities at the National Republican Congressional Committee in Washington, DC, including deputy campaign director, 1989 to present; Midwest regional campaign director, 1986 - 1989; and incumbent field representative, 1985 - 1986. In addition she has served as press secretary for Congressman E. Clay Shaw, 1982 - 1985; deputy press secretary for Senator Bob Packwood, 1980 - 1982; and on the national field staff for George Bush for President, 1979 - 1980.

Ms. Amend graduated from the University of Iowa (B.S., 1979). Currently she resides in Alexandria, VA.

The President's News Conference

March 13, 1990

The President. We began this administration by saying that the day of the dictator is over. And now restless millions have spoken and have elected, or prepare to elect, new governments -- their governments. As long as we live, the images of this revolution, the Revolution of '89, will always be with us: a playwright President in Prague, the tumbling of the Berlin Wall, crumbling of a Romanian dictatorship.

But this revolution leaves us with a new challenge: how to best support newborn democracies. This challenge is utterly unlike the task of rebuilding Europe after the Second World War, for no single great plan will do. We need a flexible approach, one that will meet the needs of each country we seek to help.

Today I want to speak about how we can best help two democracies in our hemisphere: Panama and Nicaragua. We should take great pride in the way in which our leadership -- Congress and the administration -- helped the democratic spirit take hold in these two countries, but this is no time to bask in self-praise. These nations need our help to heal deep wounds inflicted by years of strife and oppression, years of loss and deprivation. And we must act, and act soon, to help the peoples of these new democracies in two great and historic tasks: reconstruction and reconciliation.

I've taken an important step today. As a demonstration of our resolve to be part of the process of reconciliation, I just signed an Executive order to end the economic embargo against Nicaragua. Americans are determined to help the people of Nicaragua.

And next I'm asking the Congress and the American people to join me in crafting a bipartisan agreement to help both countries. After all, bipartisanship did work well last year to put the focus on free elections and end the fighting in Nicaragua. Bipartisanship also helped bring an end to the tyranny in Panama. And we need to work again in that same spirit to put together an assistance program for both countries.

I'm proposing the creation of a fund for democracy to assist in the reconstruction and development of these two countries. And I'm requesting the Congress to approve by April 5th a package of assistance of $800 million for these two countries, using funds from the defense budget. This package consists of $500 million for Panama, already requested in that January 25th proposal to Congress, along with $70 million for refugees, and an additional $300 million for Nicaragua. I'm asking the Secretary of State and the Secretary of the Treasury to work together on the economic assistance aspects of these packages and, of course, to consult with the United States Congress.

In addition, under existing authorities, I am initiating immediate action to provide $21 million of previously appropriated economic aid, principally for food and humanitarian assistance. I also will be sending to the Congress in the future a budget amendment for an additional $200 million in fiscal '91 for Nicaragua, consistent with the approach that we've taken this year.

Moreover, I've instructed the Secretary of Defense and Dick Darman at OMB to begin negotiations immediately with the Congress on mutually acceptable offsets from the defense budget that can be used for this democracy fund without having an unacceptable impact on national security. I further propose that in the event that an agreement on offsets cannot be reached by March 27th, the Congress authorize me to select offsets from the defense budget. And should neither of these alternatives prove to be workable, I am prepared, because of the dire need of these funds, to ask for a waiver of the budget act to allow this critical program to proceed on the required timetable.

I urge the Congress to move quickly and also urge in the strongest terms that it not add any extraneous items to this request. It is urgent to advance the prospect for democracy and reconciliation in Nicaragua and Panama. Damage to both economies has been great. We must help, and we want to help. Our help is needed swiftly to bring about demilitarization and advance the whole Central American peace process. If bipartisanship prevails, we will be able to meet this goal and respond to the expectations of our neighbors.

Let me save the details for congressional briefings and give you the three broad categories of assistance: aid for democracy, for development, and for demilitarization. We want to help democratic institutions take root in each country, but democracy begins with the rule of law and respect for human rights. It needs the support of courts that are fair and free of every influence but the law. It needs the support of police forces that are upright and honest. And it needs our support. Development and demilitarization -- they go hand in hand. They start when we provide textbooks for children, when we create thousands of new jobs, when the hand that held a gun guides a plow. In short, as we demobilize the military, we must mobilize the market.

This is a great and historic task, but we are inspired by the courage of our neighbors. We're close -- very, very close -- to a hemisphere that is completely democratic, a compass of freedom that spans half the world, from Alaska to Argentina. And facing this enormous challenge, we are not alone. Other nations can and must help. But only America can take the lead on this one. I stand prepared to work with the Congress to do our part for reconstruction and reconciliation for democracy.

And now I'd be glad to respond to questions. And, Helen [Helen Thomas, United Press International], I believe you have the first one.

Deficit Reduction Plan

Q. Thank you, Mr. President. Your warm reception of the Rostenkowski plan -- does that mean you're ready to negotiate tax increases and a freeze on Social Security benefits, things you have never gone for in the past? And I have a followup.

The President. No, it doesn't. The answer is no. Followup?

Q. A followup? You are not willing to negotiate, or what is your -- --

The President. Overall feeling? Look, I think he -- without rancor, without a lot of rhetoric -- made a very broad proposal. We've made a proposal -- the administration. We now would like to hear from the budget process on the Hill what their proposal is, and then we'll talk. But perhaps, as I told some reporters yesterday, in being receptive through not knocking the things in it we don't like -- and there are plenty -- I was somewhat colored by the way in which Chairman Rostenkowski approached this and with, I think, the evident good will on his part and determination to try to break the ice and move the process forward.

Q. But you're not saying you would go for a tax increase?

The President. No, I'm not for a tax. Let me -- --

Q. How about a freeze on Social Security?

The President. Well, there are a lot of things I'm not for that are in his proposal -- a lot, including taxes.

Lithuanian Independence

Q. Mr. President, the United States has never recognized the forced incorporation of Lithuania into the Soviet Union. Now that Lithuania has declared its independence, the United States seems to be moving tentatively toward full recognition. Is that because we're afraid of offending Mr. Gorbachev or don't want to alienate him?

The President. It's because we want to see the evolution of the control of the territory there, and also we want to see peaceful resolution to the question.

Q. Well, do we still regard Lithuania as a captive nation, along with the other Baltic States?

The President. We might not use that word, but we never have regarded Lithuania as incorporated into the Soviet Union. That's been our policy. And we rejoice as people are permitted the free expression that we take for granted in this country. And clearly, I think, there is a great deal of interest in this concept of Lithuanians working it out with the Soviets to achieve what they want. And so, we're not standing in that way. But in terms of recognition,

there is a standard of control of one's territory that I've been advised should guide this.

Nicaragua

Q. Mr. President, are you concerned about the apparent reluctance of the contras to disband, and what can you do about it?

The President. Yes, I am concerned about it, and I'm also concerned about certain military action by the Sandinistas. But I'm also encouraged, Brit [Brit Hume, ABC News]. And I'm encouraged because yesterday I talked to Dan Quayle, and he told me of his visit with Ortega [President of Nicaragua], where Ortega seemed willing to transfer the Defense Ministry, seemed willing to transfer the Interior Ministry, and was open about the discussion of reducing -- I want to be careful here I don't overstate it -- but reducing a military action on both sides.

There is a United Nations vehicle that can be helpful, ONUCA [United Nations Observer Group in Central America], which could have a useful role to play in the separation of forces and in getting done what Violeta Chamorro [President-elect of Nicaragua] wants, which is both sides start laying down their weapons. That ONUCA has support from other leaders in this hemisphere -- Carlos Andres Perez [President of Venezuela], I believe, supports it. I know Mrs. Chamorro wants us to give more support to this, so I've asked the State Department to look into that immediately.

So, I'm less concerned than I was about the peaceful transfer of power, including the military. But I think to the degree both sides can start laying down weapons and moving towards the kind of market economies we're talking about and with less reliance on military, it's better. So, I can't say I'm not concerned, but I am encouraged the way it's going so far.

Israeli Settlement in the Occupied Territories

Q. Mr. President, do you regret, the other day, raising the issue of settlements in East Jerusalem?

The President. No, I don't regret it. I think all the speculation and commentary of the last 10 days have blown things way out of proportion. What I was doing was reiterating United States policy. But let me say this: Right now in Israel, there's internal developments taking place in the political scene there, and I do not want to look in any way like we're trying to mingle into the internal affairs of Israel as they're going through this difficult political problem right now -- right now. So, I will answer no more on it -- well, try to clarify it because you have the followup. But it's so sensitive and it is so emotional that I just think any further speculation on this question would certainly not be useful, given what's happened just in the last few hours.

Q. Well, can I just ask then -- --

The President. Yes, you can ask.

Q. I'm not really clear why you raised the issue at all. Was there a particular reason? It's long been part of U.S. policy, but it hasn't been talked about a lot.

The President. Well, I understand that. That's why I will speculate no further on it. I think it is highly emotional. But I think any speculation and any commentary at this juncture -- a lot of developments since I made that comment -- would be counterproductive.

Deficit Reduction Plan

Q. Mr. President, following up on Helen's question, could I ask, beyond your well-known friendship with Chairman Rostenkowski, what elements of the plan do you see as meritorious?

The President. The fact that it's aimed at getting the deficit down. Does that help you any?

Q. No, because it doesn't say what -- do you have any ideas to throw in beyond his? Is a 1-year freeze -- --

The President. We've thrown our ideas out on the table, John [John Mashek, Boston Globe], and he's now thrown his out. And now we'd like to have the leaders of the budget process on the Hill throw theirs out, and then perhaps we can talk. Look, there's a lot of changes in the world, a lot of changes out there in terms of Eastern Europe and the requests that I'm making today -- a lot of things going on. And so, I don't want to appear totally inflexible, but I'm not about to stand here and give Dan or the Congress the idea that I want to accept several of the things that are in his approach. But will I be willing to talk when they get all these proposals out there? Certainly. Are we prepared to negotiate? Absolutely.

China

Q. Mr. President, you've opened your comments today by saying that the day of the dictator was over and speaking of the moves for democracy in 1989, and yet the exception to that rule is the situation in China, where since the crackdown at Tiananmen Square we've seen little moves toward democracy and freedom there. Do you have any second thoughts about the approach that you took for the situation in China and your sending of your high-level envoys there, and any thoughts that this policy must now change because of the lack of response from the Chinese Government?

The President. No, but I'm not happy with the evolution of reform in China, but I'd have no regrets about that. And I'm reinforced by a lot of expert opinion that feels the approach I took -- accomplishing something by Executive order that the Congress wanted to do dramatically later on through legislation -- was the proper approach. And so, I hope our policy will bear more fruit.

But, no, I am not happy with the status quo.

Q. Well, Mr. President, if you're not happy with the status quo, why not change your policy now to take a tougher line toward the Chinese regime?

The President. Because I'm familiar with China and I think we're on the right track and I hope that we'll see an evolution of more reform. And that's exactly why not change it now.

Deficit Reduction Plan

Q. Mr. President, back to the surprising administration reaction to the Rostenkowski proposal: Regardless of whatever negotiating positions are being drawn now or politics is being played, can you today assure the American people that there will be no tax increase, no new taxes this year?

The President. I'm only one player, but you know my position, and I have no intention of changing that position.

Q. Under what circumstances might you -- --

The President. Too hypothetical. Nice try. Too hypothetical.

Right here, lady in the front row.

Assistance for Nicaragua and Panama

Q. Thank you. I'd like to ask you something about your Nicaragua/Panama proposal.

The President. Yes?

Q. But in light of what the majority leader of the House says -- that you have not shown strong leadership -- you do not propose in your -- --

The President. Who said that?

Q. Mr. Gephardt, the majority leader of the House. [Laughter]

The President. Thank you for your clarification. I have a follow-on. [Laughter]

Q. I would like you also to comment on that. The Nicaragua question is: You are not proposing to Congress exactly where to cut in the defense budget; you're basically leaving that to them.

Why don't you tell them where they should cut specifically?

The President. On offsets?

Q. Yes.

The President. From the defense budget?

Q. Why don't you say: Here's a B - 2; take it?

The President. We are. We are doing that. And what I'm saying to them -- --

Q. But where?

The President. -- -- well, that's in negotiation up there. But what I've also said here is: If you're not willing to do it, give me the authority on March 27th, and it'll be done like that. I am willing to do it. We're going to take the hits. We're negotiating with Congress now.

Q. Why not tell the American people, then?

The President. We'll tell them on March 27th if they turn it to me. And right now I don't know how much of it's confidential, but I'll let the Secretary of Defense answer the question -- but I don't see any great secrecy in this.

What we're trying to do is to give the Congress the ball and say: Here's what we recommend. Now you tell us what you want to do, but don't go making a lot of add-ons. Do it the way we feel is necessary to keep the focus on Nicaragua and Panama. I think Congress has a very legitimate role here; but if they're not willing to fulfill it, Lesley [Lesley Stahl, CBS News], we have no problem giving you a list that would take care of it just like that. But I think it's the Congress' role now to work with our people.

Representative Gephardt

Q. Why does Gephardt get under your skin so much? You've got -- I don't know, an 80-percent approval rating. He makes a speech attacking you, and -- --

The President. Well, what have I said? What would make you think that he gets under my skin? [Laughter]

Q. He says you're not a strong leader.

The President. Oh, I know. I know. That's so discouraging. [Laughter]

Q. And all the people around the White House and -- --

The President. But why do you think it gets under my skin? The honest answer is -- I know you won't believe this -- it doesn't. It doesn't. I think we're going in the right direction. We're talking substance and policy. I think many in the Congress think that we are being responsive. But look, I expect that. I expect that kind of political criticism. But I think if you want to talk about the substance of his ideas: Do I think it's a good idea to loan money to the Soviet Union today? No. We have no request for food aid to the Soviet Union; you just want to put it on a ship and send it over there? No, I don't think that's a particularly brilliant idea. But I don't want to knock the man. Maybe he'll come on a good idea one of these days. [Laughter]

Assistance for Nicaragua and Panama

Q. The Nicaraguans and the Panamanians are expecting aid very soon. They are in urgent need of the aid.

The President. Exactly.

Q. And the Panamanians say that they cannot wait any longer. What can you do besides Congress? When can they expect something?

The President. I'm going to have this question replayed on Capitol Hill because you're absolutely right. There is a sense of urgency, and I would like to take the opportunity here to encourage the movement in the Congress. We've sent a proposal up on Panama; now let's get going on it. Now we're coupling it with Nicaragua; now let's [get] going on it. There's an urgency in Nicaragua, too, but Panama -- very urgent. And so, we're going to keep pushing. But I think you're right on target with that hypothesis.

Economic Policy

Q. Mr. President, there was a report last week that you were so angry and upset at the Fed's failure to lower interest rates that you wouldn't reappoint Chairman Greenspan next year when his term ends. Can you comment on whether there's any thought being given yet to the question of reappointing Mr. Greenspan and the level of frustration you do feel about interest rates?

The President. No, there is no discussion of that nature at all. I'm not sure I saw the report, but I saw some speculation someplace. Maybe it was on the TV. But that's never been discussed with me. Now, if the question is, am I happy with interest rates -- look, every President would like to see interest rates lower. There's no question. I don't knock the concern that some have on inflation. A President has to be concerned about inflation, too. But there's no bubbling war with

Alan Greenspan, and that's what I got from the commentary I heard -- that there was. But you know, going back a few years here, it's ever been thus, hasn't it? When there's some differences, it's always built into a conflict between the President and the Chairman of the Fed. And I don't want to get into that game because I don't feel that way.

Q. But is there a particular feeling at this point that the Fed is dragging its feet somewhat in getting interest rates down?

The President. I think some feel that way, and I think some probably agree with the inflationary concerns that have been expressed. But I'm not in a Fed-bashing mode. I also think it's very sensitive in terms of markets and everything else to even go as far as I have done, trying to say very little and succeeding only moderately. [Laughter]

President's Popularity

Q. Mr. President, you've been at near-historical public approval ratings now for well into your first term: 80 percent or more. And my question is whether you believe in spending some of this popularity on something controversial -- like, say, what specifically you like about Rostenkowski's proposal -- or just hoarding it. What's the goal?

The President. I don't believe it, one thing. I don't believe in polls that much.

Q. I guess the question is -- --

The President. Talk to Nicaragua's man; talk to Ortega's man -- probably gainfully unemployed right now for missing it by a jillion points. But these things come and go, seriously. And you know where I learned it? Back in Illinois in 1980. I don't remember why, but I remember Vic Gold lecturing me on hanging your hat on polls.

That's not the way I try to call the shots on the policy. You just raised a question about China. If I had my finger in the wind, I might have done that one differently. I might have done differently about going to Cartagena if I put my finger in the wind in terms of polls, but that's not the way I run this administration. I know some think so, but that's not the point. So, I'm not going to dwell on them because tomorrow it may be very different. Then I'll have a -- say, hey, wait a minute.

Q. Can I go on it for one more question? Does it become a possibility, though, that when you're at, like, 80 percent, that almost becomes an end in itself at some point? I mean it's such an extraordinary level.

The President. You mean, pull the ripcord and get out? [Laughter]

Q. Well, I mean -- --

The President. What do you mean?

Q. When you're at 80 percent, it would be tempting, I would think, just to simply protect that lead, sort of fall on the ball?

The President. No. Please believe me. That doesn't guide the decisions we take, and I've given you a couple of examples. And I'm trying to do the best I can for the country and to work with the Congress. And there's a lot of areas where I have not succeeded near as well as I would like to, but I don't live by the polls.

American Hostages in Lebanon

Q. Mr. President, last week we learned that you were so concerned about the hostages that you were willing to take a questionable call. And it might have been from the Iranian President, and then, of course, you found out it wasn't. In response, Rafsanjani made a statement saying that you had been trying to get a hold of him for a month. Did you actually then try to place a call to the real person -- or could you clarify?

The President. I don't know where he got that. I saw that statement, and there was no truth in it -- our trying to contact him for a month. It'd be very easy to do. I responded to an incoming call. I think the bottom line is you have to say, would you do it again based on the information you had? And I'd say yes, I probably would. It may be difficult for somebody to get through again -- [laughter].

But what's wrong with reaching out and touching someone -- [laughter] -- when the hostages are at stake? The hostages are at stake here, and what's wrong with trying? Look, I feel this all the time. I've talked about this -- that I will go the extra mile. And when the whole story comes out on this, you all are going to be very, very fascinated with the details, very fascinated.

But I'm just telling you that it is important, it is very important to run down every avenue in terms of these hostages, and I would be remiss if I didn't. And there are things that go on, going around in back alleys and trying to find out information, and we've got to do that. I owe it to the families of those people and to those people themselves that are held hostage.

Q. Can I follow up, Mr. President?

The President. Yes.

Q. If you didn't try to reach them for a month, can you say whether you or anyone acting on your behalf did try to reach him at all?

The President. Have we been trying to reach Rafsanjani?

Q. Have you tried, yes.

The President. No, other than this one phone call that turns out to be a hoax.

Q. So, as far as you can tell, what he was saying just didn't make any sense on any level?

The President. Yes. It's very much like the rhetoric that they use from time to time. He's got some political problems at home, and we understand that. The main thing is, can we move forward and get the hostages out. And I'll repeat: Good will begets good will. And I'm satisfied that even in this instance the officials there know that nobody is trying to set them up or anything of that nature. I'm interested in saving American lives.

Soviet Reforms

Q. Mr. President, I understand that TASS [Soviet news agency] is reporting this morning that the Soviet Parliament has granted President Gorbachev the expanded powers he wants and has been requesting. I'm interested, sir, if you side with those within the Soviet Union who fear that there are not sufficient checks and balances on this new Presidential system, that it could result in a more totalitarian Soviet Union. How do you feel this might affect your dealings with Gorbachev and whether you envision extending this fund for democracy perhaps one day to the Soviet Union itself?

The President. I answer that by saying I stay out of the internal affairs and deliberations of the Soviet Union. And they are going through a process of reform, which we support in broad terms, perestroika. They're going through a process of glasnost, which is openness, which we support. And it would be very inappropriate for the President of the United States to start passing judgment as that process of perestroika -- democratization, if you will -- moves forward.

And so, yes, the Soviets have created a new post of President, I hear, but that's their business. And we will work with, in this instance, President Gorbachev. As you know, I think we have a reasonably good relationship there, a respectful one; and I'm going to continue to work with him.

Q. Well, can you say, sir, whether you think that as you continue to work with him that will be affected in any way by these changes that have taken place, or is it going to be as it has been between you and Mr. Gorbachev? And would you see involving the Soviet Union in this fund for democracy?

The President. You mean, asking them to give money to -- --

Q. No, no, no. Including them, making them if not currently, as Gephardt has suggested, perhaps

one day a beneficiary of this fund for democracy?

The President. I think the answer is to help in a technical way as best we can for helping the Soviets move towards market economies and free markets and those kinds of considerations. I think that's the next step we ought to take.

And there's discussion of an Eastern development bank. The question is out there whether the Soviets should be members of that bank or not. And as a matter of fact, we have some deliberations going on as to what the U.S. position should be right now. I'm not prepared to state it, but I've been spending some time on this question. But that's an idea that was surfaced by Francois Mitterrand [President of France], I believe. So, there are all kinds of ways in which, down the road, we can work with the Soviet Union, but I think what they need now from us is know-how and technical knowledge, that kind of thing.

Japan-U.S. Relations

Q. Mr. President, after your meeting in Palm Springs with Prime Minister Kaifu, he took a real beating in the Japanese Diet. And I wonder if, in retrospect, were there any misunderstandings in your conversations? He was accused in Japan by his critics of having made some concessions or reached a level of detail in your discussions that some in Japan were unhappy with. Is there any clarification needed about what came out of Palm Springs?

The President. No, those reports just highlight the sensitivity of the situation in Japan. And I think that as far as I'm concerned the talks were very good. We followed up, incidentally, with close to an hour with Mr. Takeshita [former Japanese Prime Minister] yesterday and covered the same broad agenda. I didn't go into every specific, but I'm convinced that both Mr. Kaifu left Palm Springs and Takeshita will leave Washington with a far better understanding of the problems that we face. And hopefully, I have a better understanding of theirs. So, I think I'm aware of the criticism against him at home, but I think that I would just go back to the statements he made when he left Palm Springs, which I viewed as very constructive.

Q. Just one followup: You said in a speech -- the day after you got back -- to the Electronics Association that you had discussed telecommunications with him, and that apparently came as a surprise to some people in Japan. Was that a brief discussion, a lengthy one?

The President. A broad discussion of several categories. And I don't know in terms of the amount of time, but we left the details of all of these categories, that were so well-known as differences between the U.S. and Japan, to the experts. In fact, I think Bob Mosbacher will be going there soon, if he's not already on his way. And so, it was more broad in general, but categories mentioned.

Upcoming Meeting With Chairman Gorbachev

Q. Do you still expect the summit with Mr. Gorbachev will take place in Washington in the last 2 weeks of June?

The President. We've got to get that set soon, pin down the dates and the place. But in terms of expectation, yes.

Baseball Strike

Q. Mr. President, the announcement no one wants to hear -- the delay of baseball's opening day -- is imminent. Is there anything that you as the ``first fan" can do -- [laughter] -- to bring the sides closer together to prevent a tragic delay of the baseball season?

The President. You know, I made a comment on that yesterday, and I misspoke because I said strike. And we got some -- understandably -- got some calls from some of the ballplayers saying hey, that's not technically what the situation is, please. Look, yes, I'm a ball fan, and I want to go to the opening game someplace. Last year, I went to the American League; this year I'd like to go to the National League, if possible -- I don't know whether it's going to work. Maybe end up in Baltimore. But I don't want to intervene. We've already taken a battle on that up there, on another labor matter -- have the Federal Government intervene. But I would simply appeal to both sides to get the matter resolved so the American people can hear that cry ``Play ball!" again.

Q. I have a followup here, sir. I'm reminded by one of the senior correspondents back here that Lyndon Johnson used to lock up both sides and say, ``Don't come out until you've got a settlement." Is that a prospect here?

The President. Not on this particular issue, but on some issues that could well prove to be a prospect. [Laughter]

President Endara of Panama

Q. Mr. President, have you been in contact with President Endara about his fast, and do you view that as a useful means of expressing the plight of the Panamanian people as they wait for U.S. aid?

The President. Well, I have not talked to him since the fast began. And I did note with interest some very supportive statements out of him after the fast began -- supportive of our administration and what we're trying to do. But that's a matter for him to determine.

Assistance for Nicaragua and Panama

Q. Mr. President, in your opening statement, you appealed to Congress to pass your aid program,

but you did not appeal to the American people. And one of the problems a lot of Congressmen say they're having is that foreign aid at this time is not a high priority for a lot of people. Do you think an appeal, first of all, to ordinary Americans is necessary, and what do you say to people who think that perhaps what may be seen as the first part of a peace dividend is going overseas?

The President. I think you put your finger on a good point. However, I believe that both Nicaragua and Panama have strong support from the American people. In fact, there's new information on that. But I think they raise a good point -- I mean, there's a lot of domestic problems. But we're sorting this out now. And I'm convinced that when the American people understand what we're talking about, about offsetting proposals in defense, in other words not going in there and costing them more or taking it away from some other program, that it will have strong support.

But I'm not unsympathetic to that argument. But where I would differ is I think the American people would strongly support what we're saying here. They see a lot at stake for us in a totally democratic hemisphere and the success of democracy in Nicaragua.

Q. Do you feel we particularly owe it to the people of those two countries, given our military activities in both Nicaragua and Panama?

The President. Do we owe support?

Q. Do we owe money?

The President. Well, we've lifted the embargoes, and we've released the funds. So, to the degree there's anything owed, we're trying to comply with that. But what I'm proposing here is an investment in democracy. I don't think anybody would, you know, have the American people try to believe that we owe it. But it's the right thing to do, and we want to see Violeta Chamorro supported, and we want to see the Panamanian democracy succeed. So, that's the way I'd phrase it.

Q. Mr. President, let me ask you about what -- --

The President. I have a meeting with the Congress at 10:45, and I don't -- I mean, 9:45, 9:45 -- sorry, accept the correction please, 9:45.

Texas Primaries

Q. It's primary day in Texas, Mr. President. Can you tell us -- two questions -- one -- --

The President. Now we're talking. [Laughter]

Q. -- -- for whom you voted in the Republican primary and, number two, do you think it should be held against a candidate if perhaps at some point in the past they used drugs, but no longer do? You've talked on that issue before. Can you go back over it for us?

The President. This is election day in Texas. I did vote in the Texas Republican primary. I will not tell you who I voted for, and I hope everybody understands. Otherwise, we'll have a quiz around here of who we voted for earlier on. It's not a proper question to reveal.

Q. But on the drugs issue, which is an issue in the primary and certainly may be in the general election, do you think it should be held against a candidate that at some point in the past they have used drugs?

The President. I think that's a matter for the voters to decide. But in my view, somebody used marijuana some time ago and is not into anything of that nature, why, no, I don't think that should be held against them.

Q. What if it were more than marijuana, sir?

The President. You're getting me involved in the Texas primary, something I don't want to do, Craig [Craig Hines, Houston Chronicle]. The polls opened down there about 2 hours ago, and I'm not about -- --

Q. You'll be involved in the general election, though, won't you?

The President. I'll be involved, but I'm not going to fine-tune that. I'm not going to go into that.

Soviet Compliance With Arms Reduction Agreements

Q. What about the report -- the Soviet noncompliance of the INF treaty in a number of instances in East Germany? Do you think that that could throw a monkey wrench into the CFE and START talks?

The President. To the degree that there are differences on verification on INF, we've got to work those out. And we've got our experts working the problem and trying to eliminate any differences.

Q. What about the differences reported between Secretary Cheney and CIA Director Webster over the threat assessments -- --

The President. Just a minute.

Q. -- -- in the event that Gorbachev is thrown out of power?

The President. Just 1 minute on that one. As I have said before -- [laughter] -- I don't see any real disagreement here. [Laughter] No, I tried to answer that yesterday, and I expect I didn't lay it to rest. But I don't think anybody believes -- including Cheney -- that the Soviet system is going to go back to where it was in -- you know, before 1980, in the middle of the eighties.

But there are differences when you go to try to predict with accuracy based on intentions. So, I've talked to them now, and I feel that they are pretty close together. And it's difficult when you have a fast-changing world, and yet you take a position like I do: We must retain a credible defense. Then you get into a big debate: Well, what is credible? And I think that's what you're seeing here.

So, I can tell you, having talked to these gentlemen, I don't think that there is this enormous defense difference between the intelligence community -- and I say community -- and the Secretary. I think we've come up with a prudent, well-thought-out defense plan. And there will be changes, I'm sure, after our cooperation with and consultation with Congress, but believe me, these are not diametrically different views that you're reading about.

Shall we end with this one? I really do have a 9:45.

Surplus Weapons

Q. Mr. President, here's a question that I please wish you would decide, and I think only you can. You're going to have to deal with billions and billions of surplus weapons. What are you going to do with those? There's been some indication that you've already given 1,000 tanks from Europe out of that surplus pile to Egypt. And if you keep on selling them on credit, the arms that we have, you're going to keep on creating wars in the Third World and other nations.

The President. One of the -- --

Q. Mr. President, would you do this at the microphone, please?

Q. Thank you.

The President. This is a departure. One of the things that is part of the negotiations on CFE is destruction of weapons -- and we're talking about significant numbers. And I had a meeting yesterday with Jim Woolsey, our CFE negotiator, and he was spelling out for me just the mechanical difficulties of doing this. But nevertheless, we are determined that that will be the approach that's taken with these massive numbers of weapons. We still have security needs that we feel are enhanced by transfer of military equipment, sales of military equipment to friendly countries. So, the policy will remain as it is, but we will go forward with the destruction where

that is a part of the policy.

Thank you all very much.

Note: The President's 40th news conference began at 9:18 a.m. in the Briefing Room at the White House. In his remarks, he referred to Representative Dan Rostenkowski, chairman of the House Ways and Means Committee.

Letter to Congressional Leaders Transmitting the Executive Order Terminating the National Emergency With Respect to Nicaragua

March 13, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Enclosed is a copy of an Executive order that I signed today terminating the national emergency with respect to Nicaragua.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter referred to Executive Order No. 12707, which is listed in Appendix E at the end of this volume.

White House Fact Sheet on Economic Assistance for Nicaragua

March 13, 1990

The President has proposed the following economic assistance program for Nicaragua:

Immediate Actions

The President has determined that the February 25, 1990, democratic election in Nicaragua has ended the unusual and extraordinary threat to the national security and foreign policy of the United States previously posed by the actions and policies of the Sandinista government. Accordingly, the President has terminated the national emergency with respect to Nicaragua and lifted all economic sanctions, including the trade embargo.

Twenty-one million dollars of existing funds will be used to provide emergency assistance, including food through PL 480, to support the democratic transition and aid in the repatriation and reintegration of the resistance and refugees.

We have begun to take steps necessary to restore Nicaragua's sugar quota and to assist the Government of Nicaragua to become eligible for preferential treatment under the Generalized System of Preferences and the Caribbean Basin Initiative, as well as the facilities offered by the Export-Import Bank and the Overseas Private Investment Corporation.

Request to Congress for FY 90

The President has requested that Congress approve a FY 90 supplemental appropriation of $300 million for economic assistance to Nicaragua. The objective of these funds are to support the Chamorro government in its efforts to democratize, demobilize, and develop, and for the private sector to restore the productive capacity of Nicaragua's economy. The funds will be used to:

Restore productivity by providing critical agricultural supplies (seeds, fertilizer, equipment), petroleum, and health inputs (approximately $60 million);

Fund emergency employment programs (approximately $10 million);

Provide for the repatriation and resettlement of the resistance and refugees (approximately $45 million);

Provide technical assistance in restructuring the economy (approximately $1 million);

Help clear arrears of $234 million to the international financial institutions (approximately $50 million). These funds would be disbursed as part of multilateral efforts to clear the arrears and would be linked to a sound economic policy framework supported by the IMF [International Monetary Fund];

Provide balance of payments support to restructure the economy (approximately $75 million); and

Help fund development projects (approximately $60 million). Activities would include support for democratic institutions, repair and maintenance of basic infrastructure, education, and health.

Request to Congress for FY 91

The President intends to submit to Congress a separate request for approximately $200 million in economic assistance to Nicaragua in FY 91. Details of this assistance will be announced later.

Source of Funds

The FY 90 supplemental request to Nicaragua will be offset from the Department of Defense budget. The President is requesting Congress approve the FY 90 funds for Nicaragua, along with his January 25 request of $570 million for Panama and refugees, by April 5, 1990.

Remarks Following Discussions With President Joaquim Alberto Chissano of Mozambique

March 13, 1990

President Bush. Mr. President, it was a great pleasure to meet with you here at the White House, sir, as our very special guest. More than 2,000 years ago a prophet once said, ``There are four things that can never be recaptured: the spoken word, the sped arrow, time past, and the neglected opportunity.'' This afternoon, President Chissano and our delegation had a very productive meeting and a very engaging working lunch. We used those opportunities to discuss important bilateral matters, including America's strong endorsement of the Government of Mozambique's political and economic reforms. We spoke openly and frankly, and I told President Chissano that he has our strong support as he undergoes these reforms.

These reforms have enhanced the ties which link Mozambique and the United States, strengthening rights central to America: the right to vote and to own property, the right to worship as we please and to be free of violence. These reforms have buoyed the Mozambique peace process, which we amply discussed today. They have also meant more liberalization and privatization, and led Mozambique to accept the economic rehabilitation program supported by the International Monetary Fund, the IMF. For that, Mr. President, I salute you. Yet we look forward to even further reforms. So, we talked today of common concerns, like refugee issues and Mozambique's humanitarian concerns -- the crisis there in humanitarian concerns, I might add.

We reviewed ongoing developments in the southern region of Africa and explored new ways to propel the trend toward political solutions and regional cooperation. In all of this, we pledge our assistance to help meet Mozambique's humanitarian and development needs, for we've seen your government take significant steps to heal divisions which threaten your nation. And we urge all parties to talk at the earliest opportunity so as to avoid further suffering.

Like many of your counterparts, President Chissano, your government has in recent years begun to open up the economy to market forces and to open up the political process, allowing a freer flow of ideas. As we've learned around the world, democracy and development are directly related; each encourages the other. So, we commend you for taking steps toward democracy parallel with those steps toward economic reform.

Mr. President, ours is the chance to act not merely for Mozambique or any single country but rather all of Africa, helping democracy enrich a continent and your continent enrich the world. Now, there's an ancient proverb which goes, ``God guides whom he wills toward a straight path.'' The path toward progress and freedom is paved with opportunity. And today we spoke of how we can walk that path, and I must tell you, sir, I look forward to working with you toward peace and democracy in Mozambique and in the entire region. I'm so glad you came to the

White House.

President Chissano. President Bush and I had an excellent meeting today. Following it, President Bush invited myself and the Mozambican delegation to join him and the American delegation for a working lunch. Mozambique and the United States relations have been moving forward and expanding ever since President Machel met here 5 years ago with President Ronald Reagan, and I believe today we have taken another giant step forward.

The Mozambique Government and the people are deeply grateful for the assistance the United States Government and the American people have been providing our people in the humanitarian emergency caused by the war and natural disasters. I also told President Bush of the gratitude of our people for United States assistance to help rebuild our railroads, restructure our economy, and develop the private sector.

I briefed President Bush about the ongoing peace process in my country. And I informed him on the decision of my government to enter into a direct dialog with RENAMO [Mozambique National Resistance] as soon as possible and about the measures already taken to bring this decision into effect.

I expressed my appreciation for the stand the United States has taken on the war in Mozambique and for the positive role it has been playing in the peace process.

My government wishes to congratulate President Bush's administration for its efforts to promote peace and democracy in southern Africa, and we make a special note of its work in Namibia and South Africa.

I have asked President Bush that the United States continue to spare no effort until peace, stability, and economic prosperity are achieved in the region of southern Africa. In recent years we have taken important initiatives towards creating the framework for further democratization and economic liberalization in Mozambique. And most recently, we put forward a draft constitution that would provide for direct election of the President and the People's Assembly based on universal suffrage, ensuring a basic set of rights for the people, and establish constitutional bases for private property.

We are a young country, only 15 years old. As we build our country and our democracy, we are grateful that we have as friends the United States of America and President George Bush.

President Bush. Thank you, sir, very much.

Note: President Bush spoke at 1:29 p.m. at the South Portico of the White House. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Mozambican officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Joaquim Alberto Chissano of Mozambique

March 13, 1990

President Bush and Mozambican President Chissano met today for approximately 1\1/2\ hours, followed by a 1-hour working lunch. The primary topic of discussion was the Mozambican peace process. President Bush took particular note of President Chissano's description of the suffering caused by the war in Mozambique and strongly endorsed the decision of the Mozambican Government to begin direct discussions with RENAMO [Mozambique National Resistance] as soon as possible. President Bush also expressed his admiration for the very significant political and economic reforms underway in Mozambique. The two Presidents exchanged views on the regional situation in southern Africa, and particularly in South Africa. President Chissano expressed the gratitude of his government for assistance provided by the United States. The two leaders discussed ways in which the United States might enhance its current assistance program.

Remarks and an Exchange With Reporters at an Alternative Fuel Demonstration

March 13, 1990

The President. Obviously, the reason we're here today is to show the interest we all have -- industry, the administration -- in cleaner air. There's no question about that, and that's why I came over here today. This is the first commercial availability of methanol in the Washington area. I want to commend the Sun Company for taking this leadership role in helping our national efforts to reduce air pollution. And I want to thank Mr. McClements himself, the chairman, for being with us; and I would salute not only him but Ray Poling of the Ford Company, who has taken time out of his busy schedule to be with us here today, explain how all of this works in an automobile. I want to thank Chuck Imbrecht and Bob Hahn, the cochairmen of the Alternate Fuels Council, for being with us.

The clean air legislation that I proposed last year is going to go a long way toward achieving our environmental goals. And a fundamental part of this, an integral part of this program, is the clean fuels program. We're working hard -- and I want to, again, thank both sides of the aisle in Congress -- in a bipartisan way to enact the legislation. The Senate leadership and I, along with our top officials here -- Henson Moore of the Energy Department and Jim Watkins, the Secretary; Bill Reilly of EPA; John Sununu and others -- have all agreed with us on goals and on methods that will achieve our plan.

And a variety of clean fuels, no question, can help to reduce urban smog and toxic air emissions. This, in turn, is going to reduce the regulatory burden on a wide range of small businesses out there. The availability of methanol in a metropolitan area -- say, like Washington -- is an important step toward the widespread use of clean fuels. There are a few clean fuels in addition to methanol. Click off a couple: natural gas, propane, ethanol, reformulated gasoline, and then electricity. The flexible fuel vehicle that we see here today, one of Red's cars, a Ford Victoria, is a government fleet vehicle. By using alternative fuel vehicles, the Federal Government is trying to lead by example.

And at this time, I again want to thank both our CEO's that were here with us today. Under the direction of the Interagency Commission on Alternative Fuels -- Henson Moore chairs that, the Deputy Secretary of Energy -- we're moving forward to bring more alternative-fueled vehicles into our fleet. The Interagency Commission and its advisory body, the U.S. Alternative Fuels Council, have an important job in helping develop a national alternative fuels policy.

This is a part of our overall answer to those who worry about cleaning up the environment, as we do. It's a step; it's not the cure-all and the end-all. But I want to congratulate industry -- in this instance, the Sun Company, Ford Motor Company -- for showing fine leadership. And we will keep working with the Congress to accomplish this first major revision in the Clean Air Act

since it was first written. It's sound for all of our country. And I'm delighted with the bipartisan support we've been getting. So, thank you all.

Q. Mr. President, haven't you already backed off the requirements for alternative fuel vehicles?

The President. You know, I've discovered something: Nobody ever does it exactly the way I want it done. But what we have is sound, strong, environmentally secure compromise that has the support of the best environmentalists I know of. And we're never going to placate those on the extreme side of the equation that want to do nothing or want to just shut down this country and throw every American that's got a job out of work. We've come to a good compromise, a strong compromise. And so, yes, I can fine-tune it, gripe about one phrase and one section or another, but I'm not going to do that. And I'm encouraging our Senators -- both sides -- to get behind this and move it out, and then prompt action in the House.

Q. But you've already thrown in the towel on a million alternative vehicles.

The President. We've thrown it in, and we're doing well, and people who take a look at it know that we've got a good, sound bill that's going to help clean up the environment -- biggest breakthrough since the Clean Air Act was written. And it isn't one that's going to throw America out of work, so don't worry about that. Don't listen to the extremes on this question. Okay?

Note: The President spoke at 2:15 p.m. at a Sunoco station in Washington, DC. In his remarks, he referred to Harold A. Poling, chairman and chief executive officer of Ford Motor Co., and John H. Sununu, Chief of Staff to the President.

Letter to Congressional Leaders Transmitting the Annual Report of the United States Arms Control and Disarmament Agency

March 13, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Effective and verifiable arms control treaties are important to the security of the United States and, as President Gorbachev made clear at our Malta meeting, to the Soviet Union as well. Over the past year we have undertaken new initiatives and made steady and substantial progress in our Strategic Arms Reduction Talks, Conventional Forces in Europe, Nuclear Testing, and Chemical Weapons negotiations. These steps can make a lasting contribution to a safer and more secure world for all mankind.

Because of the role of the U.S. Arms Control and Disarmament Agency (ACDA) in support of these negotiations as well as in other crucial arms control activities, I encourage all members of the Congress to read the attached 1989 annual report. The report reviews the year's arms control initiatives and negotiating efforts, as well as the activities conducted pursuant to the statutory requirements of the Arms Control and Disarmament Act, as amended.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Message on the Observance of St. Patrick's Day, 1990

March 13, 1990

I am delighted to extend warm greetings to all those celebrating St. Patrick's Day.

As history tells us, St. Patrick led a life filled with exciting adventures and tremendous challenges. Born the son of a British city leader, he was captured by pirates as a youth and sold into slavery. After gaining his freedom, Patrick returned home, where he eventually decided to dedicate his life to God as a cleric. Soon he was to discover that God was calling him to take part in yet another extraordinary adventure -- bringing the Christian faith to the people of Ireland. He spent the remaining years of his life serving God and his fellowman with tireless devotion. In so doing, he helped change forever the course of Irish history. St. Patrick's faith, courage, and compassionate spirit have lived on through the centuries, inspiring generations of men and women to follow his example of voluntary service and fervent prayer.

On St. Patrick's Day, Irish-Americans -- indeed Americans of every ethnic background -- happily join with the people of Ireland in celebrating the life of this remarkable man. This occasion also provides us with a wonderful opportunity to celebrate the many contributions the sons and daughters of Ireland have made to our nation. Many of those early pioneers who braved the stormy Atlantic to seek a new life in America were of Irish descent. They, like their spiritual ancestor, Patrick, helped to build a strong and proud nation through faith and hard work. On this day we also celebrate the special friendship the United States shares with Ireland -- one we look forward to enriching and strengthening in the months and years to come.

Barbara joins me in sending our best wishes to all for a joyous and memorable St. Patrick's Day. May God bless you.

George Bush

Appointment of Peter B. Teeley as United States Representative on the Executive Board of the United Nations Children's Fund

March 14, 1990

The President today announced his intention to appoint Peter B. Teeley as the Representative of the United States of America on the Executive Board of the United Nations Children's Fund. He would succeed Rita Di Martino.

Currently Mr. Teeley serves as president of Teeley and Associates, Inc., in Washington, DC. He has served as a political adviser to President George Bush for the past 9 years in several capacities, including Press Secretary to Vice President George Bush; chief spokesman, 1979 - 1980; and Assistant to the Vice President and Press Secretary, 1980 - 1985. In addition, Mr. Teeley served as communications director on the 1988 Bush campaign; communications director and press secretary at the Republican National Committee; a Harvard fellow at the Kennedy School of Government; press secretary to the President Ford Committee; press secretary to Senator Jacob Javits, 1974 - 1977; and press secretary to assistant Senate minority leader Robert P. Griffin, 1970 - 1974.

Mr. Teeley graduated from Wayne State University (B.A., 1965). He was born January 12, 1940, in Barrow-in-Furness, England. Mr. Teeley is married, has four children, and resides in Alexandria, VA.

Remarks Following a Tour of the Potomac Electric Power Company Generating Station at Chalk Point, Maryland

March 14, 1990

The President. I want to first thank Ed Mitchell and Hula Edmonds, who have shown us around this plant -- Ed being the top executive and familiar with all the economic dimension of this tremendous utility, and Hula running the plant here, described by his leader as one of the best in the business.

A few months ago, we sent to Congress -- it was in July of last year -- a very comprehensive Clean Air Act amendment. And these amendments had as their goal cleaning up the smog in our cities, reducing the toxic chemicals that are being emitted into our atmosphere, and halting the damage that's caused by acid rain. Now those proposals, which were the, I think, most dramatic proposed revision of the Clean Air Act in history, are subject to debate and compromise forged with the Senate leadership. And I am grateful to Democrats and Republicans alike who have come together with what we think is a very sensible approach. The Dole-Mitchell compromise substitute is now under consideration, and my appeal again would be to urge all Members to move forward on it within the parameters hammered out in compromise by Senator Mitchell and Senator Dole.

The bill is consistent with the need to balance environmental benefits and to sustain economic growth for this country. And, Hula, I would put that in more personal terms: That means jobs for the men and women that you have under you. We cannot let this country screech to a halt, but I am determined to clean up the air. And we're going to work hard for the passage of this bill. I am confident now that it will remain intact, and I am confident that it will prevail in the Senate. And the same time, we're pursuing an equally balanced measure in the House of Representatives.

So, to get this balance, we're going to rely on market forces -- incentives for technological innovation, provide the private sector with the flexibility to make emissions reductions in the most cost-effective manner possible. Ed was telling me there's megabucks involved in all of this. And we want to be as helpful as possible in making these changes as cost-effective as possible while still meeting our environmental goals.

Now, Pepco, your company, sir, like most, is committed to take these additional steps to meet these even tougher standards under the Clean Air Act, and for that we're very grateful. Under the act, we try to provide these utility companies with flexibility to meet the new and tougher standards. We give them options: burning coal with a lower sulfur content or switching to other fuels, installing new emission control technologies or utilizing some of the emerging clean-coal technologies. Providing this flexibility, we can ensure that the environmental benefits are gained

at the least cost to the guy that pays the bill -- the consumer. And I'm confident that a good-faith attitude toward these environmental goals prevail on the part of most of the companies, and we've seen evidence that today in projects it is going forward. We see this evidence now.

And I also must say I am very impressed with this fish culture here, because raising over a million stripers to replenish the Chesapeake Bay is a significant environmental contribution -- not just for fishermen such as myself but I think it's good for the entire environmental background of the Chesapeake Bay. You've got a wildlife sanctuary here. That's good citizenship, very good citizenship. And in our new Clean Air Act, we're going to be challenging Pepco and these other great companies to do even more in terms of the environment.

So, I think we're on the road to a balanced, environmentally aggressive, economically responsible piece of legislation. And this has given me an example to get a feeling of how this energy is produced and a feeling for the kinds of people that are producing the energy, and then also to have a broad look at an environmental dimension that has not always been a part of the equation, and today it is.

And I salute you, Ed, and your associates in this company for carving out some new ground here. I hope it will serve as an example to others all across this country. So, we've had a good day here.

Q. Mr. President -- --

The President. Hey, listen, I had a press conference yesterday. This is a one-way street, where I do the talking and you guys -- --

Q. About that news conference, though, yesterday, Mr. President -- --

Q. Pepco says that it will cost $300 million at this plant alone --

Q. -- -- there are some conflicting signals coming out of there and out of Mr. Darman's briefing yesterday on taxes. Is that something that's negotiable?

The President. You've got to read all the tea leaves and listen to the nuances. I mean, it's out there, very clearly.

Q. How about the lips?

The President. Keep reading.

Q. What about the cormorants?

The President. Are you a cormorant lover?

Q. No comment.

The President. Come on, Ellen [Ellen Warren, Knight-Ridder Newspapers], you've seen those guys.

Note: The President spoke at 10:30 a.m. outside of the Pepco Aquaculture Center. In his remarks, he referred to Edward F. Mitchell, president and chief executive officer of Potomac Electric Power Co., and Hula Edmonds, general manager of the Chalk Point generating station. During his visit, the President toured the generating station, attended a briefing in the control room, and toured the aquaculture center.

Nomination of G. Philip Hughes To Be United States Ambassador to Barbados, Dominica, St. Lucia, and St. Vincent and the Grenadines

March 14, 1990

The President today announced his intention to nominate G. Philip Hughes to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of Dominica, to St. Lucia, and to St. Vincent and the Grenadines. He would succeed Paul Russo.

Mr. Hughes currently serves as Executive Secretary of the National Security Council, a position he held since February 1989. Prior to assuming his current duties, Mr. Hughes served as the first Assistant Secretary of Commerce for Export Enforcement, from June 1988 until February 1989. Mr. Hughes previously served as Deputy Assistant Secretary for Political-Military Affairs at the Department of State from April 1986 until June 1988. Mr. Hughes began his tenure in the Reagan administration serving as Vice President George Bush's Deputy Assistant for National Security Affairs from February 1981 to September 1985. He then joined the National Security Council staff as Director for Latin American Affairs, with responsibility for Caribbean and Mexican affairs. Mr. Hughes served previously as Assistant Director for Intelligence Policy in the Office of the Secretary of Defense from 1979 to 1981, as research fellow in defense policy studies at the Brookings Institution from 1978 to 1979, and as assistant analyst in the national security and international affairs division of the Congressional Budget Office from 1975 to 1977.

Mr. Hughes received a B.A. in political science from the University of Dayton in Ohio; an M.A. in law and diplomacy from the Fletcher School of Law and Diplomacy, Tufts University; and a master of public administration degree from the Kennedy School of Government, Harvard University. He is married to the former Victoria Knipper, and they reside in Falls Church, VA.

Appointment of Penelope Payne as Special Assistant to the President for Legislative Affairs

March 14, 1990

The President today announced the appointment of Penelope Payne as Special Assistant to the President for Legislative Affairs (Senate) at the White House.

For the past 3 years, Ms. Payne has been director of government affairs for Turner Broadcasting System, Inc., working on legislative and regulatory issues. Prior to this she served as chief counsel to the Senate Budget Committee. Ms. Payne graduated from the University of Iowa (B.A., 1978) and the George Washington University (J.D., 1982). She currently resides in the District of Columbia.

Remarks to the National Association of Manufacturers

March 15, 1990

Dan, thank you, sir. Short and sweet, right to the point. [Laughter] And I'm glad to be here, and I'm delighted to be back with this group. And I want to salute your president, Jerry Jasinowski.

I told Barbara that I'd be spending some time with people who have risen to the top of the financial world by controlling the disbursement of billions of dollars. She said, ``You're addressing the baseball lawyers?'' [Laughter]

But regrettably, baseball's opening day may not be on the calendar yet. But the truth is the calendar offers each of us many opening days, convenient launch points for a fresh start. Sometimes it is a new day, a new year; and now, really, it's a new decade, a decade born amid the shouts of joy and triumph, a decade full of hope, barreling with confidence towards a new century and a new era. The rollcall is exciting, exhilarating, and accelerating. We call it the Revolution of '89, but in Poland, it took about 10 years; then in Hungary, about 10 months; East Germany, 10 weeks; Czechoslovakia, 10 days; and Bulgaria and Romania right behind.

Six nations in six months -- and from six different tongues we heard the same one word: freedom. The people of Central Europe believed it. They fought for it, and they deserve the credit. But take that word ``freedom,'' pick it up out of the newsprint, turn it over, and look on the back. And more often than not, you'll find that same proud label that adorns the products you produce: ``Made in America.''

Eight years ago, Ronald Reagan stood before this group -- your group -- and issued a bold and simple challenge. He said, ``America can serve as the catalyst for an era of unimagined human freedom and dignity.'' And the cry of that great President became the ``shout heard round the world.''

Back here, especially in Washington, there may be some that are still plagued by doubt. Maybe in Washington; certainly not in Warsaw. Asked if Radio Free Europe had been important to democracy in Poland, Lech Walesa responded with a question of his own. ``Would there be Earth without the Sun?'' was his reply.

Maybe in Washington, but not in Wenceslaus Square. Last month Vaclav Havel [President of Czechoslovakia] praised our resolve, the resolve of the United States of America as ``defenders of freedom,'' telling Congress that Czechoslovakia probably wouldn't exist today if it hadn't been for the Atlantic alliance. And just yesterday -- I talked to him this morning -- [West German] Chancellor Kohl told me today that just yesterday he was speaking in East Germany, and he told them that he wouldn't be there and this wouldn't be happening if it hadn't been for the United States of America. And no quotes are needed to tell you the role of American persistence and

American courage in standing up for liberty in Panama and Nicaragua.

Yes, these are heady times. It's a wonderful time to be President of the United States and to be coping with this fantastic change that's taking place around the world. But the good news is it isn't only overseas because the Revolution of '89 marks the triumph not only of free ideas but also free markets. And when it comes to free markets, America continues to lead the way.

Here again, there are doubters, and I can understand that -- some who worry about a slowdown. And true, our economy is not perfect. Each one of you knows that. And I don't want to paint an unrealistic picture. But look at the facts: The United States economy is the largest, strongest, most productive economy on Earth. Our standard of living is one-third higher than that of West Germany or Japan. And with less than 5 percent of the world's people, in 1988 Americans accounted for more than 25 percent of the world's production. Our GNP is more than 2\1/2\ times that of the world's number two economy, Japan. And when a small percentage of people produce a huge percentage of wealth, there's a word for it. It's called productivity, and it is spelled ``USA."

Thanks in no small part to the commitment and imagination of the people and the companies represented here in this room, last year American exports of goods and services hit an all-time high: over $600 billion. And today the United States is once again the world's number one exporter. Nineteen eighty-nine marked our seventh consecutive year of economic growth, and today we see GNP up, exports up, personal income up.

Now, some would say that every economy has its ups and downs. But take a look at what's down: The trade deficit -- I'm not standing here relaxed and saying it's perfect -- the trade deficit is down. The Federal deficit -- still not happy with it -- it's down. The prime rate -- down. And last year's unemployment rate -- down, the lowest since 1973.

And the good news is reaching a broad cross section of Americans. Nineteen eighty-nine unemployment rates for blacks and teenagers were the lowest since the early seventies. And for Hispanics, the 1989 rate was the lowest recorded since the Government began keeping separate data for this group back in 1980.

But we're not just talking about statistics and numbers. As Dick Darman [Director of the Office of Management and Budget] recently reminded me, ``Torture numbers, and they'll confess to anything." [Laughter] It would take Darman to come up with that, but he did. [Laughter]

Well, what we're really talking about here is people -- people who hold the 2\1/2\ million new jobs created just since I took office 1 year ago. For them, it means families and freedom, and it means dignity and decency because 2\1/2\ million American jobs means 2\1/2\ million American futures.

Speaking of futures, earlier I asked one CEO what he sees as the most lucrative growth industry in the 1990's. He said, ``Being a lawyer connected with the Trump case." [Laughter]

Our people and our economy are strong, and so is our resolve. And it's going to be tested soon, as the dramatic new changes in the world produce dramatic new challenges in the world market. And so, we must prepare now to meet these challenges. And our administration is committed to an agenda for growth. It's founded upon investing in our future, and every sound investment has its yield: America's yield is the growth dividend. The growth dividend will provide Americans with jobs and opportunity, higher living standards, and a legacy of prosperity. So, achieving solid and sustainable growth is my most fundamental domestic priority, and it's why I've proposed a strong agenda of growth initiatives.

This is a marathon. This isn't a sprint; it is a marathon. And we can't produce the products needed to capture world markets by focusing on results one quarter at a time. We need to return not only to yesterday's values but yesterday's thinking, the long-term thinking and investment-in-the-future way of doing business that produced the healthy climate that we enjoy today.

First, we need to bring more of America's investment capital back into the productive economy. And lowering the cost of capital will assure the continued investment in productive assets and human resources that are needed to keep our manufacturing sector the most competitive in the world. The bottom line: It's time for Congress to pass the capital gains tax cut. Here's what we're up against: Japan, capital gains rate, 5 percent; South Korea, 0; Taiwan, 0; West Germany, 0; Singapore, 0; Hong Kong, 0. And the list goes on. And we need your support for this critical tax cut. And America wants it done right, America wants it done responsibly, and America wants it done now. It means competitiveness, and it means jobs. And so, let them tell me that I'm favoring some tax cut for the rich; I am favoring jobs for the working man and woman in this country.

And second, we need to keep these interest rates down. And we are committed to helping that process by going to the heart of the matter. We submitted a budget that will continue to bring the Federal deficit down, and today I call on the budget committees to fulfill their legal responsibilities and come up with a budget resolution by April 1st. That is 2 weeks away. And it's time to act, the time to bring the deficit down.

And third, America needs a booster shot of new ideas along with the infusion of new capital that our tax cut -- capital gains differential -- will provide: matching investment capital with intellectual capital. And so, I call on Congress to help sharpen America's competitive edge: double the budget of the National Science Foundation, bring funding for research and development to a record high, make the research and experimentation tax credit permanent, and expand the Eisenhower education grants for math and science.

And fourth, we must stand behind our work force and the quality of our products. American

workers today are good workers, best in the world, but we need to keep pace. Their children are the workers of tomorrow, and we owe them a better education, with an emphasis on basic skills, the sciences, math, and engineering. And we're going to do this in partnership with the American Governors and schools, giving those in need a fair start through Project Head Start, raising our high school graduation rates to at least 90 percent. And in science and math, our goal is unambiguous: first in the world by the year 2000. You see, we've got to reestablish standards and reestablish expectations, the kind of quality control so essential to everything that America produces.

Quality is something that you -- you understand it. You understand it better than most Americans. And quality in manufacturing and quality in education are intertwined. These goals are an important step towards restoring quality in education. They help focus our efforts less on input, the amount of money that goes into our schools, and more on output, the quality of the student that comes out.

The kind of basic quality control is also basic to producing quality goods. And it's being spurred on in American manufacturing by steps taken within your own ranks, steps like the prestigious, high-level competition produced by awards like those named after the late Mac Baldrige.

It's also spurred on by efforts to ensure a literate work force. We salute manufacturers' efforts like the one that Barbara, my wife, visited in Michigan recently, a model of cooperation between the Ford Motor Company and the United Auto Workers -- so many more like it that you all are involved in.

And finally, it's essential that we have a drug-free work force. One way to stop drugs at work is to make sure that it never starts -- preemployment drug screening -- because if you're not part of the solution, you're part of the problem.

A drug-impaired work force is one of the ways in which American competitiveness can suffer from a self-inflicted burden, but it's not the only one. So, next I call for Congress to act now to make the U.S. marketplace work better through two basic reforms: product-liability reform -- to increase our competitiveness without compromising safety -- and antitrust reform -- to remove obstacles to joint production ventures by U.S. companies.

As I've studied the problem, and trying to work with Congress on it and working with our environmentalists and business people, I am also convinced that America's growth need not come at the expense of the environment. Our natural resources are invaluable assets, and like any other assets, they need to be maintained in order to sustain our ability to grow.

For 13 years, Congress has been unable to pass a new Clean Air Act. Two weeks ago, we reached a breakthrough, a bipartisan agreement to untangle the web of regional politics that has stopped clean air. I am very pleased to compliment the Senate leadership for their very

constructive negotiations, and today I call upon the Senate to stand by the agreement and to protect our environment without saddling the bill with new subsidies and cumbersome rules.

I mentioned self-inflicted burdens, and of course not all our competitive burdens are self-inflicted. There are also foreign barriers to U.S. exports which must be addressed. And earlier this month Prime Minister Kaifu and I agreed on the need for action on what we call Structural Impediments Initiative to break down nontariff barriers to the Japanese market. And we are pressing hard to get the Japanese Government to address specific trade categories. We must move aggressively to open markets not just in Japan but around the world and expand our share of global trade. For those of you who follow the Japanese market, you'll agree with me that we need to have more openness there. I can tell you not only were the Kaifu talks good but the talks that we had with the former Prime Minister Takeshita when he was here just a handful of days ago. We have got to have them understand the seriousness of the problem we face.

I still believe that for far-reaching, fundamental reform our best hope is the proposals that we have made in the Uruguay round of the GATT negotiations. We're determined to make a level playing field. Let America compete in an arena of fair trade, and we will take on anyone, anytime, anyplace.

As in Berlin, barriers are coming down all over the world. It took years of persistence, but the ideas championed by America -- freedom, democracy, competition, and investment -- are flourishing because they work, because they are the best. It can be the same for American goods.

In 1986, on the eve of July 4th, a single blue laser split the darkness over New York Harbor, a manmade lightning bolt that relit the torch of a reborn Statue of Liberty. The torch has been held high ever since. And today that light continues to inspire hope from Panama to Prague, from Moscow to Managua.

Somehow, a recent bit of news seems fitting: The bald eagle, the American eagle, may soon come off the endangered species list. Ladies and gentlemen, America is back, and this time we are back to stay. And I look forward to working with this organization, your member companies, to doing what we can in government to facilitate free and fair trade to help maintain and strengthen an economy that is good for the working man and the working woman of this country.

Thank you for inviting me over. And God bless you, and God bless our great country. Thank you very much.

Note: The President spoke at 10:27 a.m. in the Grand Ballroom at the Ramada Renaissance Hotel. In his remarks, he referred to Daniel Krumm, chairman of the association.

Nomination of Robert C. Larson To Be a Member of the Oversight Board of the Resolution Trust Corporation

March 15, 1990

The President today announced his intention to nominate Robert C. Larson to be a member of the Oversight Board of the Resolution Trust Corporation for a term of 3 years. This is a new position.

Since 1974 Mr. Larson has served with the Taubman Co., Inc., in Bloomfield, MI, as chief executive officer and director, since 1988; president, since 1978; and senior vice president and director of eastern development activities, since 1974. Prior to this he was vice president of Inland Steel Development Corp. and has served in various positions in Inland subsidiaries and divisions.

Mr. Larson graduated from Carleton College (B.A., 1956). He was born June 15, 1934, in Minneapolis, MN. Mr. Larson is married, has seven children, and resides in Bloomfield Hills, MI.

Remarks and a Question-and-Answer Session at a White House Briefing for the Board of Directors of the National Newspaper Association

March 15, 1990

The President. Actually, I just came from a St. Patrick's Day lunch put on by Speaker Foley up in the Capitol. Very good hands-across-the-aisle kind of thing.

Well, welcome. We call this the White House complex. That's not the ``beltway syndrome," but this is the White House complex. And you don't have to show any ID to get out of the place, so I'll put you at ease. I know it's been a pain coming in.

But I'm just delighted you all were here. I hope you've benefited from some of the briefings you've had here. And I'm delighted to see you all. We'll go to the questions, but I want to underscore some of the same points that I tried to make this morning to the National Association of Manufacturers annual Washington meeting about the economy.

The fact is that the economy remains sound and steady. The facts are these: The gross national product, up; the exports, up; personal income, up. Take a look, then, at the trade deficit; it's down. The Federal deficit -- I'm not happy with it, but down. And the prime rate -- far better than it was several years ago. And of course, unemployment is down. Last year's rate was the lowest in the past 16 years.

So, that is good news, but there's a great deal that we have to do to keep this expansion going. The economy at this moment isn't as robust as I'd like to see it; but we've got, basically, I think, a sound economy. Now we've got to do certain things. We've got to create incentive for investment. And I get hit in the political arena on my concept of cutting the capital gains tax, or reestablishing what we call a capital gains differential, some calling that a tax that favors the rich. I think it favors jobs. And I cited some statistics today that Japan taxes capital gains at 5 percent; Korea, Germany, Hong Kong, Taiwan tax capital gain at 0.

Now, you should be saying, ``What are you doing to help us be more competitive around the world?" And the capital gains -- one of the reasons I favored it is, is I do think it will help us be much more competitive around the world. I'm also proposing to the Congress incentives to encourage research and development, so that'll keep us competitive.

Of course the most crucial investment is in the field of education. We know that we can't remain competitive or remain a world-class economy without first-class schools. So, we got together with the Governors and adopted national goals, not trying to tell the local schools what kind of curriculum to have but goals that all the Governors agreed with, and now try to go forward and

try to meet those goals, such as Head Start and a literate America and then passing certain standards as the kids go from 4th-grade and 8th-grade and 12th-grade level.

And so, we've got sound goals. And if these work and if we're successful, not only in the tax end but in the education goals, then we're going to have not a ``peace dividend'' but a ``growth dividend'' and a return on our investment in expanded opportunity, more jobs, and a higher standard of living for Americans.

I made that point this morning, and I will continue to make the point that we need to do certain things to stimulate investment and savings. And that, I think, will help us become very competitive. I've had some fascinating meetings in the last couple of weeks with, first, the Japanese Prime Minister and then just a few days ago with Takeshita, former Prime Minister and very much of a power in Japan. And I did my level best to impress on these very important leaders, these friends of the United States, the need for us to have more access to their markets. So, we'll see where we end up.

But no further ado, who wants to go -- yes, sir?

Soviet Political Developments

Q. I'm Jerry Moriarity [Pine-Palm Publishing], from Minnesota and Arizona. I'd like to ask you: With all the power that's gravitating into the hands of Gorbachev while the Soviet world is collapsing about him, do you see any danger of a dictatorship evolving?

The President. No, because I think there's much less danger today given what they've done in their Parliament, or in their congressional side of things. They've come out of the totalitarianism of the past. They give the new President great power, but I don't see it as a threat, and I certainly don't see it as a threat at this juncture in history.

You know, I shifted our support from going more like this: ``We support reform and perestroika,'' to ``We support perestroika and reform, and we want to see Gorbachev succeed.'' I am convinced that one of the reasons we've had peaceful change in Eastern Europe is because of the approach that Gorbachev himself brought to bear on the problem. And I've consulted with him, had communications from him -- one, for example, on the question of Germany -- and I think he's a reasonable man.

So, I'm not worried about the constitutional changes because as you look at the total picture inside the Soviet Union, you see an evolution that none of us would have believed possible 5 years ago or 3 or 2 in terms of democratic institutions. And I'm talking about the power in their Congress. They had a guy named Primakov who is the head of their Congress. And he was over here, and he came and told me -- he said, ``Well, I'm here to learn from the United States.'' And I said, ``Mr. Primakov, you've come to the wrong guy in telling you what to do about the

Congress. I'm not having too much luck." [Laughter]

But the very fact that he was here, you know, and in a spirit of very good will, getting -- and I was only being semifacetious there -- but it's very different, Jerry, than it used to be. It's amazingly different. I dealt with these guys back in the United Nations, and I can't tell you how different it is in terms of self-criticism on their part or debate. When you have a difference, you can do it agreeably. It doesn't have to be disagreeable like it was in the heart of the Cold War days. So, I am not overly concerned.

American Hostages in Lebanon

Q. You said in your national newscast the other day [see news conference, March 13] that the media and all the people there would be surprised and fascinated when the hostage situation is resolved. What did you mean by that? Can you expand on it?

The President. Well, I can't really expand, except to say I was addressing myself more to this incident of this phone call that proved to be a hoax and that I am not at liberty to discuss. In terms of the hostages, there was a wave of speculation a week or so ago that frankly confused me because we are going down every alley, we are trying every avenue to free the hostages. But there is no negotiation going on with any part of the U.S. Government or anything of that nature.

I saw the speculation, and I was wondering if it was some private initiatives on the part of lawyers or those representing the families of individuals held hostage, because I wish I could tell you that there was a serious, immediate effort that would pay off, but that isn't the case. So, when I was talking there, I was really talking about this phone call. And some of you may remember there were some cartoonists -- I gave them a great deal of opportunity to have some fun at, you know, picking up the phone -- ``Who is this," you know, and all that. [Laughter]

But I would do it again because I feel -- I don't know why -- it weighs on me, the burden of Americans held against their will. And I don't mind taking one on the chin if I go the extra mile. I ought to do that as your President, I think. And I made the comment that the next phone call of that nature may have a little more difficulty getting through -- [laughter] -- but I'm glad we tried. So, I was talking in that context.

U.S. Economy

Q. More from the spirit of democracy, this good economy -- what can be done to move some of that into the Rust Belt areas, the pockets like the Ohio Valley Rust Belt?

The President. Not sure I have a specific idea, but I'll guarantee you that if we are successful in getting the budget deficit down, then you have an economic climate in which new businesses start up. We've had a reasonable success -- and I'm not crowing about it -- in the creation of

small businesses that are not identified with one industry. And so, I think from the Federal standpoint the best thing we can do is to see that where we do have assistance -- education, and to installations going into places -- that there's fairplay. But I really believe, for the Ohio Valley or wherever else it is, that just fundamentally sound fiscal policy is the answer.

I am not in favor -- maybe this will be a disappointment, but I had better level with you all -- in targeting funds or kind of choosing winners and losers. I don't think that is the role of the Federal Government -- industrial policy in a broader sense, where you say we're going to put our efforts into one industry or another. I don't think that's the role of the Federal Government. Certainly, I don't think it's the philosophy under which I was elected.

So, there are programs. I'm strongly in favor of job retraining -- Job Training Partnership Act -- I think we're doing better on that. I hope our whole approach to education pays off. So, it's a general response to a very specific question.

Q. There's a growing sense of frustration across America that the standard of living in this country may be in decline. We hear the rich are getting richer, the poor are getting poorer. There are always reports that this country is no longer able to provide the standards of education, health care, housing that other nations in the industrialized world are able to give their people.

The President. We still have the highest standard of living in the world. I think if we are successful in our battle against narcotics -- which is not going to be done by the Federal Government alone, but certainly I must use the bully pulpit and our National Drug Strategy I, National Strategy II to try to set a tone for the rest of the country in what can be done to fight narcotics for a successful education, antidrug fight -- and then the competitiveness legislation that I've referred to -- math and science education, R&D, capital gains -- I believe that we will continue to have the highest living standard.

So, I am not that pessimistic, and yet I don't want to stand here with some Pollyannish attitude about the economy. There are some signs that worry me; there are some signs that make me feel that growth will continue and that the economy may be doing better now than it was a month or two ago. But I don't accept the premise that we're a second-class power or that we are in decline.

There's a marvelous book that was quoted around here about the decline of the United States. We've got some problems. But if you want to put it in a broad philosophical sense, we're winning. Our concept of freedom and democracy is winning around the world. And I sometimes wish as President that there were more funds readily available -- read that less of a deficit -- to help the fledgling democracies of Eastern Europe or of our own neighbors to the south, which we must never neglect.

But even then, even without the largess that we could bestow on others from budget surplus or operating in balance, we still can help countries; and we are winning in the ideological battle and

the philosophical battle. And if we can make fair markets -- help create market incentives and then have fair markets -- I really believe we're just on the threshold of a whole age of increased living standards for the United States. But that's our goal.

American Volunteers in Nicaragua

Q. Mr. President, will you encourage the use of Peace Corps volunteers who see that aid actually gets to the poorest villagers to be a substantial part of the aid you're seeking for Nicaragua and Panama?

The President. Yes. I'm strongly in favor of the Peace Corps. I've talked to our Peace Corps Director. You know, it's not quite right there. Let me tell you something that does trouble me, though, in Nicaragua. I've answered the question because I'm a great believer in the Peace Corps. And I'll tell you, the demands for Peace Corps in some of these countries, particularly in Eastern Europe, now Poland and Czechoslovakia, is wonderful. It's a wonderful tribute to the young volunteers that go into the Peace Corps and to the concept of a great nation willing to help emerging democracies.

But I am frustrated a little bit by some of the Americans that have gone down to Nicaragua, been there for 2 years allegedly to help the people of Nicaragua. And then Nicaragua has a free and fair election, and it turns out these people were interested in helping the Sandinistas, the Sandinismos. And now they're picketing. Some of them have been -- I don't know whether they're still there -- in front of the U.S. Embassy because in their view the wrong people won the election. But that's not the role of the United States. If we want to help the people and there are verifiably, certifiably free elections, they ought to stay down there -- if they're acting in this philanthropic way -- and try to help, as the Peace Corps does in Nicaragua. Consider my spleen vented. [Laughter]

Federal Budget

Q. This noon you had lunch with Speaker Foley. In the spirit of St. Patrick, did you work out a deal on how to reduce defense spending?

The President. No, that has not been worked out. We've made some proposals; and he is, I think, waiting, in fairness to him, for his budget process to work. But I find him very reasonable. We differ philosophically on some of these questions. I've cited capital gains, for example. I mean, I just haven't properly sold an honorable man like Foley on what it means to create jobs, what it means to be competitive -- I cited for you now the differential between what it is in Japan, what it is in Korea, and all of this -- so I've got to do better in communicating with some of those people on the other side.

But on the defense, I think we must retain a reasoned defense. Colin Powell [Chairman of the

Joint Chiefs of Staff] and Cheney have testified on a different kind of force. I've had strong support, vocal support, from Foley on things like our latest proposal on reducing our force levels in Europe, the proposal with Gorbachev to both reduce to 195,000 in Central Europe and then 30,000 additional troops that can be deployed under agreement with the Soviets. So, we're getting some support there, and I believe we will be able to work out an agreed defense program. I hope we will, because I don't want to have to see defense all caught up in politics. And the rapidity of change is such that I think we are in a good position to negotiate further reductions with the Soviet Union, and that's one of the reasons I'm looking forward to the summit with Mr. Gorbachev.

Lithuania

Q. Under what circumstances would the United States begin the process and when would we begin the process of recognizing an independent Lithuania or any other Soviet republic?

The President. In the first place, we have never recognized the incorporation of the Baltic States, which you are talking about -- Lithuania, Estonia, and Latvia -- into the Soviet Union. It was never a question of having recognized their incorporation into the Soviet Union.

I think there are standards of control over one's country -- or control over one's, in this instance, territory -- that guide recognition. But I think that the best role for the United States, having encouraged self-determination, having not been willing to recognize Lithuania being incorporated into the Soviet Union, is to encourage a peaceful evolution from now on.

Lithuania, under the right of self-determination, expressed themselves. To the credit of the Soviet leaders, all the way from Ligachev [Communist Party Chairman, Agrarian Policy Commission] to Gorbachev on over, they have said: We will not use force. We're peaceful. We want to see this resolved peacefully. It is very important to the people in these Baltic States that the evolution be peaceful. And so, I am, just as in East Germany when the Berlin Wall started down -- some of my political opponents were saying I was unenthusiastic about it. And I told one of our star TV commentators, well, that's the kind of person I am. I mean, some people jump with joy and do cartwheels, and I've got different genes or something. [Laughter]

But having said that, another political leader said, Well, you ought to go to Berlin, and the President should be seen at the wall. I had communications from the most respected leaders in East and West, several of them, saying, don't do anything silly. I mean, we're concerned now as this evolves. And sometimes caution and prudence, I think, are right. And I think in this case it proved right because that evolution has moved peacefully, and we did not provoke some kind of outbreak through exhorting there at the Berlin Wall that could have caused other countries to act differently.

I'm very pleased with the way the Lithuanian situation is developing, and we're watching it

closely. We will encourage the fundamental principles of self-determination, and we will encourage the concept of peaceful change. And I hope both major parties in that discussion will continue to adhere to peaceful change.

Voice of America

Q. It seems to me that the Voice of America has been one of our best tools for exporting the ideas of democracy, and yet I understand that we want to cut their budget. Don't you think that it would be better if we just maintained the budget in order to continue to have this influence in the countries of the Eastern bloc?

The President. I'm embarrassed to say I don't have the figures, but I am not aware of any cut in the budget. Because like you, I accept your premise, your hypothesis. And you know why? Because Havel, Vaclav Havel, the playwright President of Czechoslovakia, expressed his not only appreciation for what the Voice of America did in keeping the hope of democracy and freedom alive but also insisted that it's essential that the Voice still go in there.

So, I don't think -- can someone -- we don't think that we have recommended cuts in the Voice, but maybe we could get your name. It's a good specific question. And, Barrie [Barrie Tron, Deputy Director of Media Relations], maybe you could find that, and we'll let you know the exact numbers.

But whatever the figures, believe me, there is no philosophical commitment to ratchet down or cut back on the Voice, because I agree with you that it's even more important that that message of freedom continue to be heard; and I accept the word of Havel in the process.

Now, we've got one more, and I see an urgent -- I've not been very good about the left side of the room. Yes, sir?

Foreign Aid

Q. Don Mulford, Montclair Times. Does it bother you at all the proportion of the foreign aid budget going to two nations, Israel and Egypt? Irrespective of any comment on Jerusalem -- [laughter] -- is there some thought of perhaps lowering the level of the funds going there in the hope that it might promote peace -- to stop funding both nations on such a large level of our resources?

The President. I would not favor that. I do favor greater flexibility for the President, which means a weakening of or an elimination of earmarking, because what's happened is a tremendous percentage, as Don points out, of our foreign aid budget is going to just a handful of countries. And you cited Israel, and I could add Egypt -- well, you added Egypt -- and there's Pakistan and one or two others. And by the time that money is disbursed, there is almost

nothing.

And I'll give you an example. In Jamaica, I must confess that when Mr. Manley [Prime Minister] came in, based on his past record and his proximity to Cuba and his former fraternity with Mr. Castro [President of Cuba], I didn't know how it would go. Manley campaigned on a different policy this time. He said, ``I'm not going to push our country into the arms of Fidel Castro.'' And he's been very good, and I salute him. And when I go to try to help the impoverished people of Jamaica, we have very little flexibility.

And so, I don't want to suggest cutting to good friends, but I have asked that we be accorded more flexibility, perhaps a fund that's known as a discretionary fund, for the President to be able to prioritize the interests of this country and go forward with them.

So, Bob Dole raised the question, and I saluted him for raising the question. And we will continue to work with the Congress. I think there may be some sentiment for it, but I don't think you'll see it in slashes in the budget to accomplish that end because there's some strong reasons of friendship for that and there's some powerful political forces that would argue against that.

Well, listen, thank you all very, very much. A pleasure to be with you.

Note: The President spoke at 3:34 p.m. in Room 450 of the Old Executive Office Building.

Remarks at a St. Patrick's Day Ceremony With Deputy Prime Minister Brian Lenihan of Ireland

March 16, 1990

The Deputy Prime Minister. Mr. President, it gives me great pleasure on behalf of my country, Ireland, to be present here today at the White House to present to you a bowl of shamrock from Ireland. Shamrock is the symbol of unity. St. Patrick, whose feast day we honor tomorrow, on the 17th of March, is a symbol of the values which we share with the American people. The shamrock itself, three leaves on one stem, is a symbol of unity, the essential unity between the American and the Irish peoples that has been celebrated in this manner since the time of the first President of the United States of America, George Washington.

It gives me great pleasure again to present the bowl of shamrock to President Bush.

The President. Well, Tanaiste [Deputy Prime Minister], we're delighted to have you here, you and Mrs. Lenihan. It's always good to see an old friend again. I will confess to something that I said in front of the Senate yesterday: Once you've had a glass of Guinness with a man in Ireland, as I have with Brian Lenihan, why, you're friends. And so, we're delighted to see you back here.

There is one thing all of us here -- all Americans -- are united in, and that is our desire for peace and tranquillity in Northern Ireland. We can't forget the suffering and the tragedy that plagues St. Patrick's island, and there's no place for violence in creating a new future for Northern Ireland.

Here in the United States, 43 million Americans are of Irish ancestry, and I expect many more wish that they were of Irish ancestry. And the millions of our people who share common ancestry form a bond between our nations which will never be broken. We have another bond: the beliefs and the values which hold us together as well. Ireland and America are committed to democracy, justice, and liberty.

Mention an Irish name to an American -- Colleen or Bridget, Patrick or Ronald, if you will -- Ronald as in Ronald Reagan -- and we think of the ones we know with the sparkle in their eye, the way with a story or a song that the Irish possess like no others. Your children are making Ireland young again, creating hope and opportunity for the future, rebuilding a strong economy and a peaceful existence.

So, long live the sons and daughters of Ireland, those at home and those who live here in America. And let me close with a saying of St. Patrick's: ``May the wisdom of God instruct us, may the way of God direct us, and may the shield of God defend us."

Thank you, sir. God bless Ireland, and I'm so glad you came our way.

The Deputy Prime Minister. Thank you very much.

The President. Nice to see you. Brian, glad to see you again, sir.

Note: The President spoke at 9:51 a.m. in the Rose Garden at the White House.

Nomination of Robert Marshall White To Be Under Secretary of Commerce

March 16, 1990

The President today announced his intention to nominate Robert Marshall White to be Under Secretary of Commerce for Technology. This is a new position.

Since 1986 Dr. White has served as chief technical officer and vice president for research and engineering for the Control Data Corp. in Minneapolis, MN. Prior to this, he served as vice president of research and technology for the Data Storage Products Group and Control Data Corp., 1984 - 1986; principal scientist for Xerox PARC, 1983 - 1984; manager of storage technology in the Xerox Corporate Strategy Office, 1978 - 1983; and manager of the solid state research area for Xerox PARC, 1971 - 1978. In addition, Dr. White served as NSF senior postdoctoral fellow in Cambridge, England, 1970 - 1971; assistant professor of physics at Stanford University, 1966 - 1970; NSF postdoctoral fellow at the University of California at Berkeley, 1965 - 1966; and visiting scientist at Osaka University in Japan, 1963.

Dr. White graduated from Massachusetts Institute of Technology (B.S., 1960) and Stanford University (Ph.D., 1964). He was born October 2, 1938, in Reading, PA. Dr. White is married, has two children, and resides in Edina, MN.

Appointment of Joseph Sewall as an Alternate Member of the Roosevelt Campobello International Park Commission

March 16, 1990

The President today announced his intention to appoint Joseph Sewall to be an alternate member on the part of the United States on the Roosevelt Campobello International Park Commission. He would succeed Lawrence Stuart.

Currently, Mr. Sewall serves as chairman and president of James Sewall and Co. in Old Town, ME. He is married, has one son, and resides in Old Town, ME.

Interview by Jim Angle of National Public Radio

March 16, 1990

American Hostages in Lebanon

Q. Why did you decide to meet with Peggy Say?

The President. Because every day I'm President, I have a heavy heart when I think of the hostages. I've met with her before, as you know. I've met with other hostage families. I think we've got to be careful that we don't send a signal to the hostage holders that make them feel there's more advantage in holding the hostages than in releasing them. So, there's a very delicate balance here.

But Peggy Say is a courageous woman. She has suffered for 5 long years. And I just got thinking that Barbara and I would like to hold her hand and say: Stay with him. You're courageous, and we respect you.

Q. How do you keep from sending the signal that you're worried hostage takers might interpret?

The President. Well, there's a delicate balance here. You don't overdo public comments. You don't have too many dramatic meetings or call public attention to this. But on the other side of the equation, if you feel something in your heart, then you try to respond with compassion and understanding. It's delicate.

Libyan Chemical Weapons Plant

Q. Mr. President, it's been 2 days now since we had the fire in Libya at the alleged chemical weapons plant in Rabta. What can you tell us? What have you learned about that fire?

The President. Very little, so far. I know that the fire is serious, and it looks like the plant is out of action. I am absolutely convinced that the plant was manufacturing bad chemicals -- chemicals that would be used for killing people, chemicals to be used for chemical warfare, and therefore, I don't lament what happened. But I can't tell you I know the cause of it.

Q. Well, the White House, just before this happened, called attention to the need for vigorous action to prevent the chemical weapons plant from going any further. It looks like someone, perhaps a close ally, took you up on that.

The President. We're not sure of that. The best intelligence that I've had -- and I think it's the best in the world -- is uncertain as to whether this was an accident or some incident of sabotage. I have stated without fear of contradiction that the United States was not involved in any sabotage

activity. But I think it would be fruitless to speculate as to whether it was an accident -- there are some highly inflammable chemicals in there -- or whether somebody sabotaged it. I've heard what Mr. Qadhafi has said, and he apparently is suggesting sabotage. But I don't think we know enough about it yet.

And if your question somehow relates to the predicate that we were concerned about this plant on-stream producing chemicals, you are absolutely correct. And I have made this very clear -- our concern -- when I met with the Italian Prime Minister. I had a talk with Mr. Chissano [President] of Mozambique on it. And I urged our diplomats to spread the word that this plant was actually not making aspirin but producing chemicals -- --

Q. I understand.

The President. -- -- for chemical weapons.

American Hostages in Lebanon

Q. Let me ask you about the hoax call in which someone pretended to be President Rafsanjani. You said that we'll all be surprised when it comes out. Can't you just tell us what it is you think we'll eventually learn?

The President. No, because there are some real sensitive matters involved. Eventually I'll be able to, but all I'll say related to that call is it was screened enough that I felt I should take the call. And I would do exactly the same thing. Maybe this is a good day to mention it because of the Terry Anderson -- him being held 5 years to the day. And I will go the extra mile. It doesn't matter to me one bit if you take a few shots and people needle you because you took a phone call that was unproductive. It is my intention to continue to reach out as best I can to find any lead whatsoever that will lead to the release of these Americans and the return of Higgins' body and, hopefully, Buckley's someday.

Foreign Aid

Q. On another foreign policy issue, Mr. President, you have discouraged everyone from looking for a ``peace dividend'' just yet from the defense budget, but you declared one this week in order to give aid to Nicaragua and Panama. There are a lot of other countries -- emerging democracies and free markets -- that are lining up at the U.S. door, if you will, for aid -- everyone from Czechoslovakia, Romania, possibly Lithuania someday, Mozambique, as well as Poland and Hungary. Are you going to declare a ``peace dividend'' for them as well, or will you find it necessary to cut other programs?

The President. I don't think I declared any ``peace dividend.'' ``Peace dividend'' implies that you have earnings and you have profitability, and therefore you take the extra money and pass it out.

That isn't the case here. The case is that we have two countries in Central America in which the United States has a vital stake -- a vital stake in seeing that their democracies, often denied their people, now succeed.

So, this isn't the concept of a ``peace dividend''; it's the concept of prioritizing the use of available funds. And I want to see the Congress move fast to pass my requests on Nicaragua. I want to see them move fast to pass my requests on Panama. And does that mean I feel happy about the levels that we can give to countries like Jamaica or other countries that are trying to help their people? No, it doesn't.

Q. Well, that's one of the problems, though. But you asked for a set amount for defense spending at one point, and you have since decided that it was safe to take some money out of that for other purposes. Isn't that a ``peace dividend''?

The President. No, it's not a dividend. It's a reordering of priorities. As the world changes -- and it's changing every single day -- and one reassesses the threats and the risks, one can reorder priorities. And that's what I've done. Dividend -- the context, the way ``peace dividend'' is used is, take money from defense because there's no more threat of war and spend it all on some good cause here at home. And that is a concept that I would resist only because it raises the hopes of the American people beyond fulfillment.

Financial Assistance for the Soviet Union

Q. Let me ask you about what appears to be an administration position. Do you want to prevent the Soviet Union from being able to borrow money from an Eastern European Development Bank?

The President. No, but I think they should only borrow money up to the extent of their paid-in capital. And that Eastern European Development Bank was set up -- the concept being help the smaller countries in Eastern Europe who are going down democracy's road.

The Soviet Union has a long way to go before sound loans can be made there. I think they probably would admit this. And I salute Mr. Gorbachev as he is trying to reform the economy. Their first steps ought to be reform, and our first steps ought to be trying to help them with these reforms and these institutions.

Q. So you're saying he hasn't reached the threshold of change?

The President. He isn't coming in asking for large industrial loans through any bank that I know of. And this concept that we ought to go loaning money or giving money to the Soviet Union now -- I don't accept that. I don't agree with that. That is not administration policy. I have a different vote from majority leader in the House on this, who proposed giving money now to the

Soviet Union. And I don't think that's in America's interest, and I don't think it's needed to encourage reform and perestroika and glasnost in the Soviet Union.

Federal Budget Proposals

Q. Let me ask you about a proposal from another Member of Congress. Illinois Congressman Dan Rostenkowski raised the proposal to reduce the deficit with a combination of spending freezes, some tax increases on alcohol, tobacco, among other things. I'm a little confused about your position. For instance, Budget Director Darman now says that you won't accept any taxes that hurt economic growth. Are there taxes that don't hurt economic growth?

The President. I don't think that's what he literally said. I read that in the paper a day or so ago and then asked him what he was talking about -- growth-oriented revenues increases. And that obviously leads me to my pitch to you and your listeners to enthusiastically endorse and support a capital gains tax cut because there you cut the tax and you stimulate economic activity, you create jobs, and you bring in revenue. That's what Dick intended to say. So, I'm glad to clarify it for him.

Q. So, you're saying only capital gains is the -- --

The President. That is what I am supporting.

Q. Mr. President, if Rostenkowski -- --

The President. That's the difference in the Rostenkowski plan.

Q. Right. If he's talking about a package that includes spending freezes and revenue increases of various kinds, if you're not willing to consider those things, then why even contemplate discussion on the Rostenkowski plan? It isn't just a waste of time?

The President. Look, I'm not going to sit there and say that a seasoned Member of Congress like Dan Rostenkowski, who put forward a plan, ought not do it. He did it, and it's got some very interesting concepts in there as to how he thinks the budget should be brought down. We've put our proposal on the table; now he's put a proposal on the table. Now it's the Democrat-controlled budget committees that ought to put their proposal on the table, and then we'll talk about it.

Q. Let me ask you one -- --

The President. That's the way it is. And so, I salute him. I have some big differences with the Rostenkowski plan, obviously. But he did it without rancor; he did it without critics trying to -- --

Q. I understand.

The President. -- -- being highly critical of the President, or something like that.

Q. Let me ask you one other point on Darman's remarks. It's been widely interpreted he's suggesting some sort of movement here. He seems to say maybe; you say absolutely no. Is this a Presidential version of a good cop-bad cop routine?

The President. I don't think so. I don't think there are any differences between me and Mr. Darman at all on it. I think there's been misinterpretation of what he said. But who knows, we're living in a changing world, and I would be remiss if I didn't talk to Dick Darman and all our people as to whether there were some fine-tuning or something we might do different in terms of our budget proposals. But we put forward a sound proposal; now let Congress say what they're for. They've all been quite critical, or a lot of them have. And now let's see what their best thinking is, and then we'll talk. I'm not saying everything has to be done exactly the way I want it done. And it won't be, so I'm glad I'm not saying that. [Laughter]

Administration Accomplishments and Goals

Q. Mr. President, you have ended your first year with extraordinarily high popularity ratings. Why do you think you're so popular?

The President. Jim, I hate to put anything in terms of the popularity ratings because the more I talk about that, the more chagrin I'll have to write off my face when those numbers change. But we have tried hard. I've tried to do my best. I've tried to show concern for the American people and some of those who are less fortunate. We've tried to put forward ideas on education and antinarcotics that I think have captured the imagination and earned the support of a lot of Americans.

I think we've managed to take proper roles of leadership in the changing world. I think our policy that resulted in unprecedented free and democratic elections in Nicaragua was sensible. I feel I had strong support from the American people on what we had to do in Panama. And so, I think, to the degree there is a feeling that this administration is functioning well, it relates to those things. And there's other things as well: The economy, though soft in some areas, continues to perform.

Q. But you're looking down the road at some enormous problems, hundreds of billions of dollars worth of things that are left over from the last few years. Are you worried at all about what's going to happen to the economy if you have to spend hundreds of billions to clean up nuclear waste, to clean up the environment?

The President. I think we've got all of these things in a proper perspective, but, yes, I'm concerned about all of it. There's enormous demands from the past that are going to have to be

taken care of. You put your sights on one of them. I could add cleaning up savings and loans mess. There are plenty. But fortunately, we've got an enormous gross national product, and if we manage the economy properly and lead properly on fiscal matters, that powerful engine of economic dynamism can solve a lot of the problems.

Q. Okay. I'd like to ask you more, but I think -- --

The President. Fifteen minutes. You don't want to bore your listeners too much, Jim. [Laughter]

Q. Well, I think I've got some more things that would probably keep them from getting bored.

The President. Well, thank you.

Note: The interview began at 11:14 a.m. in the Oval Office at the White House. In his remarks, the President referred to Terry Anderson, the Associated Press reporter who was kidnaped in Beirut, Lebanon, on March 16, 1985; Peggy Say, Mr. Anderson's sister; Lt. Col. William R. Higgins, USMC, the chief of the U.N. peacekeeping force in southern Lebanon who was kidnaped near Tyre on February 17, 1988, and allegedly hanged by pro-Iranian terrorists on July 31, 1989; and William Buckley, the U.S. Embassy political officer who was kidnaped in Beirut on March 16, 1984, and allegedly murdered on October 4, 1985. The interview was released by the Office of the Press Secretary on March 17. A tape was not available for verification of its content.

Remarks and a Question-and-Answer Session With Members of the National Association of Attorneys General

March 19, 1990

The President. I did want to thank you all for coming. And Bill, I think, has had a chance to outline National Drug Strategy II. I want to thank you, Tom, for working so closely with the Federal effort, heading the attorneys general task force on all of this; and it is very, very important.

I needn't say it with him here, but I will: I am very proud of our drug czar. We don't use the name anymore with all the changes going on in the world, but -- [laughter] -- he's done a superb job. We've tried to approach it on a totally nonpartisan manner, recognizing that this problem is national and that nobody's going to make it by dealing just at the Federal level. The more I think of the solutions, the more I think the States and localities and, yes, those private Points of Light have to be involved.

And I don't know whether I should reflect Bill's optimism, but I must say I have been encouraged because as he's looked at this -- he and Judge Walton and others all over this country -- he senses, and I think I do, too, a certain turning around, at least in terms of public opinion, on this question. I think there was some wondering whether all of us -- and this means you all -- were going to stay with the antidrug fight. And when we see the numbers going down in terms of high school usage, of seniors using cocaine, it's encouraging.

And I was able to reflect, when I went to Cartagena, to the three Presidents that, yes, we recognize that our demand for these horrible narcotics was causing them enormous problems. We'd talked about it, Bill and I and others, going there -- John Sununu -- and we decided that right up front at that meeting we'd say, ``We know we've got a demand problem.'' I'm surprised they thought we had to reiterate that because I've tried to make it clear to all of them that we recognize that. But there has been some feeling in South America that we didn't recognize it. And so, once we got that -- say, look, there's a demand problem; here's what we're trying to do about it; now let's talk about the supply -- I think we made a little headway on that.

In any event, that summit, I think, was good because we had three very strong-willed Presidents, one of whom is leading a tremendously courageous fight against the drug traffickers, come together and join us in a communique, or a statement of purpose, that I think is very helpful.

So, I would say that I'm beginning to feel a certain sense of optimism on it. We are getting marvelous support in the private sector -- in the media, for example, some wonderful pro bono advertisements that -- we've got a task force -- have you talked about the Jim Burke effort here?

Jim Burke, of Johnson and Johnson, heading a media task force [Partnership for a Drug-Free America]. The goal: $1 billion -- $1 million a day for 3 years -- $1 billion of pro bono advertising to fight drugs. And it's coming along.

I went out and -- Bill and I -- Bill, I think, set it up; and I went out and talked to the National Academy of Television Arts and a group of other leaders out there in the media. And they're taking a market -- 20 million kids watch cartoons every Saturday. I don't know what that says, but nevertheless, 20 million kids watch cartoons. And they're taking all these cartoon characters, including Ninja the Turtle and Mickey Mouse and all of these, and working -- not to disrupt the entertainment -- but working in an antidrug message. Now, that couldn't have happened, I don't think, if it hadn't been for the focus that you all are putting on the drug problem. And it couldn't have happened, I think, without the focus that Bill Bennett and others are trying to put on it from here.

So, I stand here a little bit optimistic about how we solve it. I would say that I would like to see the Congress move forward on our crime package, and I think it's a tough one. I know there are probably disagreements in this room with certain parts of it. But I feel we've got education on the demand side of the equation, we've got interdiction, but we also have to back our law enforcement people. And you know our administration's position on things like the death penalty for drug pushers and all. And I don't want to see that reversed out in well-intentioned negotiation by certain Members of the United States Congress. So, we're going to fight for our crime package. And I think, inevitably, we're going to succeed on it. I think we will be successful, but for those who do agree with it, I'd like to ask for your help.

We've gotten some of what we've asked for: new agents, new prosecutors, new prison space. We're getting some good support already on certain parts of the package. But I must confess to a certain frustration. I really believe we have to back up our lawmen. And we're talking about an exclusionary rule that is designed to protect the truth and punish the guilty -- changes there. We're talking about habeas corpus reforms to stop frivolous appeals and to allow punishment be meted out in a timely fashion. And as I say, we still favor constitutionally sound death penalty provisions. There's some battle in Congress -- and maybe you've talked about this -- Congress coming on to overturn retroactively certain State death penalty sentences. We're not sympathetic to that.

So, I would ask your support -- this much horsepower in town -- for those of you who believe in our goals there to work with us on getting this crime package through. I understand Bill has called -- [At this point, the President sneezed.] [Laughter]

Audience member. That's news.

The President. That's news. [Laughter] A little hay fever in the air around here. I'll tell you, I got hit with it yesterday. But they've got their job to do, and I've got mine. [Laughter] Sorry. Come

on, you guys.

So, anyway, Bill has proposed a conference with State officials, local officials. I would urge, Tom, as many of your members that feel they can break away to participate in that, please do.

And again, thank you. I'll be glad to take a couple of questions if I haven't overstayed my welcome here. Or I'd be glad to hear from you all. I mean, this is a good chance to have at least a few shots at a two-way street and tell us what you're upset about. Don't say send money. [Laughter]

Tom, why don't you just come on up and tell me what's on the minds of your associates.

Mr. Miller. Thank you. Thank you for being with us, and thank you for the education in Washington -- that when the President sneezes, that is news. [Laughter]

The President. It's not. They just like to -- particularly this center row -- they like to needle me a little bit. I'll get even. [Laughter]

Mr. Miller. Before you arrived, we had a very productive discussion with Dr. Bennett, a good give-and-take and, I think, the building blocks for some very strong cooperation between Dr. Bennett and the attorney generals. We're developing a pattern of some very close relationships with your administration in the antitrust area, the environment, in particular, and see the possibilities with Dr. Bennett. As he sat down, he suggested we get together sort of an executive group to work with him in a session in June so that -- we have so much in common here. We have the bipartisanship -- this is an extremely bipartisan organization. We have the drug war, and we know what that means to America and what we can accomplish. So, what we need to do is really channel the abilities, the strengths, the resources, and the good will in this room to even greater activity. And that's what we're trying to do.

The President. Well, it is very important, and we have no complaints in terms of the cooperation at all from the State and local -- the very fact that we -- shift the gear from drugs a minute to education -- met with the Governors and came up with six national goals. Some might not think that's enough. Some might have in mind a larger role for the Federal Government in terms of spending on education. But all of that was set aside at Virginia, at Charlottesville, Mr. Jefferson's university, to come up with some major national goals. We are not going to dictate -- try to -- through a lot of complicated legislation that mandates certain performance. But the thing that impressed me about the education summit was that, though there were enormous differences in political philosophy amongst the Governors and the President, we came together and set these goals. And now it's my responsibility, I'm sure, to help the Governors follow up on it.

The same thing is happening in the drug field, I think. And we've got differences -- maybe you and I do, Tom -- on certain facets of legislation, but I think the thing that is emerging is the need

to work together to fight drugs. And you can fine-tune it in the States, and I'll tell you what I think quite directly from here.

So, I want to thank you all.

Mr. Miller. Well, we'll start from a common purpose and a lot of good will, and we get a lot done in that direction. Do you have time for a few questions?

The President. Sure. Or a few answers, I mean, if you guys got -- seriously.

Mr. Miller. I think Jeff Amestoy from Vermont has a question.

Environmental Policy

Q. Mr. President, on another issue. As you know, particularly in the Northeast, the environmental matters continue to be a matter of great concern. As chair of the Attorneys General Environmental Control Committee, I want to thank you and your administration for putting the environment on the front burner and, particularly, for the relationship that the Environmental Protection Agency has redeveloped and sustained over the last 8 or 9 months with the attorneys general.

Sir, there have been conflicting reports out of Washington as to the respective roles of Administrator Reilly and Governor Sununu in terms of environmental issues, particularly in the context of the Clean Air Act. I wonder if you might address their participation in this.

The President. Well, one thing I've learned over the years, and I'm sure it's true in State governments, is everybody loves a battle -- trying to figure out who's up and who's down; who's in, who's out; who's listened to, who's not. And in this case, they're both right -- Sununu and Reilly. And they're working together, and they're strongly supportive of the clean air amendments. They've worked side by side in hammering out the compromises that are necessary to get legislation through.

And so, it isn't a question of one being up and the other being down, or one being in and the other being out. But I can understand the speculation on it. And where there are nuances of difference, we do it like I expect you do in the States: get everybody sitting around together and say, Now, wait a minute, here's the way it's going to be. And the President makes the decision. So, when you see that Sununu is putting words into the mouth of the President, that is the endless, inside-the-beltway speculation that a lot of people thrive on; and it happens not to be true.

And so, I think they are working very well together -- and I mean it -- because it is essential that they do. And Bill Reilly's got enormous credibility in the environmental community. And I think

John Sununu, very respectful of where I want to see us go in terms of Federal participation in environmental matters, also knows that I am determined not to shut this country down and throw everybody out of work. And so, in this field as in others, there's compromise involved. But you get to the heart of it on the personnel side, and I would simply say, don't believe all this big feuding that's going on between EPA and the White House. And in the final analysis, I will and do take the responsibility for it.

And they're moving, Jeff; they're moving on this clean air bill. And what I say to those that want to come at us from either the right or the left on clean air is, look, pass what we've got. George Mitchell has compromised -- a very noted environmentalist, a leader in the Senate. [Senator] Bob Dole has been extraordinarily helpful in trying to reach compromise. And so, save your fire -- you that want to move it one way or another -- and let's pass the first major revision of the Clean Air Act since the act was written. Then we'll sort out the further amendments.

So, we've come a long way, and we still got a ways to go.

War on Drugs

Q. Mr. President, I'd like to -- back on the subject of drugs -- to, first of all, thank you and let you know that the Federal drug strategy is alive and well in Maine. We're working closely together with the Federal and State officials. There have been more arrests. And the teachers, including those at Kennebunk High School, are telling me that it makes a real difference and enforcement really drives the education. And I think the only comment I'd like to share with you is that I encourage you to continue to work with the private sector not just in terms of education and publicity but also to develop more meaningful employee treatment programs for their own employees as a way to help address the treatment side of this.

The President. Let me ask you while you're on your feet, if you would, because I have been concerned about the interdiction regarding the Maine coast, with that enormously complex craggy coastline. Is that still as serious a problem as it was, or do you think the interdiction efforts have resulted in less coming in?

Q. We've been successful in terms of the old marijuana shipments, which were much easier to eradicate. As the drug of choice moved towards cocaine, it's much more difficult to detect not just coastally, Mr. President, but also across the Canadian borders. But we're working very closely with the Provincial and Federal Governments in Canada and have had increasing support. It's very difficult to -- --

The President. It's hard to measure, too, I find, but I don't know how you all -- well, thank you.

Agricultural Policy

Q. I hate to make your mind shift in so many directions, but agriculture is very important to North Dakotans, and I know the administration has not as yet submitted a new farm bill, and I just wondered what thoughts you'd have on the shape of the Federal farm legislation?

The President. Well, generally speaking, I've been pleased with the way the agricultural economy has bounded back from abysmal lows. And Clayton Yeutter is working now with the Senate and the House on a new farm bill. I am not for one of these managed-farm-economy farm bills. And we could probably discuss what that means; but I think, in broad terms, matters like the former Harkins bill, for example, will have total opposition from this administration. A farm bill that is market oriented and gives flexibility to the farmers will have the strong support of the administration.

But it is coming along, I think, in terms of negotiation. I feel a great burden to do more in the field of agricultural exports. And we've been successful in getting ag on the table for the Uruguay round, but we're still running into a tremendous resistance from some countries in terms of getting access to foreign markets. We've made some encroachments -- proper encroachments -- into the Japanese market, as you know. But I'm not relaxed about it; and I think you will see in whatever emerges -- in the domestic side of the farm bill -- it will continue to be, as was with the '85 bill, market oriented. But in terms of emphasis, we've got to expand our markets abroad, and that means we are not going to have our negotiators lighten up at all on this.

And I'm troubled about Eastern Europe -- I mean, the EC Western Europe, on this because we're having difficulty getting them to understand. We've got to let them take a whole new look at their farm program. I think we'll have a more harmonious negotiation -- some of it because of where this farm economy stands and some of it because I think there's general agreement on the international aspects of it.

Well, thank you all very, very much for coming by. Nice to see you.

Note: The President spoke at 10:51 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Tom Miller, attorney general of Iowa and president of the association; William J. Bennett and Reggie B. Walton, Director and Associate Director of National Drug Control Policy; and John H. Sununu, Chief of Staff to the President.

Nomination of Thomas Lawrence Sansonetti To Be Solicitor of the Department of the Interior

March 19, 1990

The President today announced his intention to nominate Thomas Lawrence Sansonetti to be Solicitor of the Department of the Interior in Washington, DC. He would succeed Martin Lewis Allday.

Since 1989 Mr. Sansonetti has served as administrative assistant and legislative director for Representative Craig Thomas. Prior to this, he served as Associate Solicitor for Energy and Natural Resources in the Office of the Solicitor at the Department of the Interior in Washington, DC, 1987 - 1989, and founding partner of the law firm Sheehan, Stevens, and Sansonetti in Gillette, WY, 1980 - 1987.

Mr. Sansonetti graduated from the University of Virginia (B.A., 1971; M.B.A., 1973) and Washington and Lee University (J.D., 1976). He was born May 18, 1949, in Hinsdale, IL. Mr. Sansonetti is married and resides in Washington, DC.

Nomination of James B. Edwards To Be a Member of the Board of Directors of the Communications Satellite Corporation

March 19, 1990

The President today announced his intention to nominate James B. Edwards to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1993. This is a reappointment.

Currently, Dr. Edwards serves as president of the Medical University of South Carolina in Charleston, SC. He is married, has two children, and resides in Mount Pleasant, SC.

Nomination of Jerry D. Jennings To Be Deputy Director of the Federal Emergency Management Agency

March 19, 1990

The President today announced his intention to nominate Jerry D. Jennings to be Deputy Director of the Federal Emergency Management Agency. He would succeed Robert H. Morris.

Since 1986 Mr. Jennings has served as Deputy Director of the Selective Service System in Washington, DC. Prior to this, he served as Executive Director of the Office of Science and Technology Policy at the White House and Executive Director of the White House Science Council, 1982 - 1986, and adviser to the Assistant to the President for National Security Affairs, 1973 - 1982. He was a Special Agent for the Federal Bureau of Investigation in Memphis, TN, and New York City, 1968 - 1973, and served as special assistant to the Director of the Office of National Narcotics Intelligence, 1972 - 1973. In addition, Mr. Jennings was with the Central Intelligence Agency as an adviser to foreign intelligence agencies in the Far East, 1965 - 1968.

Mr. Jennings received his bachelor of science degree from Eastern Michigan University. He was born July 2, 1940, in Flint, MI. Mr. Jennings served in the U.S. Marine Corps. He is married, has three children, and resides in Vienna, VA.

Nomination of John K. Lauber To Be a Member of the National Transportation Safety Board

March 19, 1990

The President today announced his intention to nominate John K. Lauber to be a member of the National Transportation Safety Board for the term expiring December 31, 1994. This is a reappointment.

Dr. Lauber has served as a member of the National Transportation Safety Board since 1985. Prior to this he served as Chief of the Aeronautical Human Factors Research Office at the National Aeronautics and Space Administration's Ames Research Center at Moffett Field, CA. Dr. Lauber is married, has one child, and resides in Bethesda, MD.

Remarks on Economic Assistance for Nicaragua and Panama and an Exchange With Reporters

March 20, 1990

The President. What I wanted to say is that what I want to talk about today is Panama and Nicaragua. The changes there are dramatic in terms of democracy. Yesterday I was asked about Cuba, and of course, I'm terribly disappointed that Castro seems to be firming up his totalitarian position instead of moving towards the free and fair elections -- what I think all of us here would like to see. I'd like to see him shift from that highly militarized island and let democracy have a chance.

But I think if we are helpful to Nicaragua and Panama, it will simply increase the pressure in that marvelous island of Cuba for change. And so, this is what I'd like to talk about today. And I know that the Senate and House are going to come to grips with this problem. But this is the agenda, and then anything else that's on you all's mind.

Lithuanian Independence

Q. Mr. President, are you worried that Gorbachev might make some move on Lithuania?

The President. Well, I'm glad that they're still talking peaceful change. That's essential, and they've been very good about it -- the Soviets have -- all through Eastern Europe. And that's what everybody wants to see, is a peaceful evolution in Lithuania. And -- --

Q. Then you don't think he will?

The President. -- -- so, that's the way it is. And I've learned not to go into a lot of hypothetical questions. I'm sure every Member here has asked questions on this subject. And we want to see democracy and freedom. We want to see self-determination. And we also want to see peaceful evolution. And that is in the interest of Eastern Europe as they begin to solidify their democracy. And so, that would be my appeal. And the second one would be please don't ask me any more hypothetical questions because I don't want to get -- --

Q. But it's not a hypothetical. Have you been in contact with Gorbachev on this question?

The President. Previously, yes.

Note: The President spoke at 10:05 a.m. in the Cabinet Room at the White House, prior to a meeting with congressional leaders.

Statement by Press Secretary Fitzwater on Lithuanian Independence

March 20, 1990

The Lithuanian people have freely expressed their intention to restore Lithuanian independence. The United States has consistently supported the Baltic people's right to peaceful self-determination. The United States notes that the Lithuanian Government has expressed its readiness to address all legitimate Soviet interests, including economic interests, during negotiations.

We also note repeated Soviet statements that negotiations, not force, are the proper course in this situation. We have called upon the Soviet Government to address its concerns and interests through immediate negotiations with the Government of Lithuania. We continue to urge a constructive dialog. This would be complicated by an atmosphere of intimidation and increasing tension.

In this regard, the activities and statements of the Soviet Government over the past few days are cause for concern. We are watching the situation closely.

Note: Press Secretary Fitzwater read the statement during his daily press briefing, which began at 12:08 p.m.

Statement on Transmitting the Annual National Security Strategy Report

March 20, 1990

Today I signed and forwarded to Congress the National Security Strategy Report for 1990. This report comes at a time when the international landscape is marked by change that is truly breathtaking in its character and pace. It is a time of great hope, a time when free peoples celebrate the march toward democracy that their commitment and steadfastness have helped bring about. Our national security strategy reflects these changes and joins in these hopes, but it is grounded in realism. We have arrived at a moment of historic opportunity, but continuing uncertainties and new dangers still threaten American interests and values. Today's opportunities have been created by our willingness to bear the burdens our security demands and to join in a common effort with others who share our values. Our strategy foresees many adaptations in how we go about ensuring our security, but we will not abandon the basis of our success.

This report outlines both continuities and changes in our national strategy. While addressing our strategic relationship with the Soviet Union as an inescapable priority, we will work toward a fuller integration of the Soviet Union into the broader community of nations. While contributing to the global balance in a way that only we can, we will make our military forces smaller, more agile, and better suited to likely contingencies. While keeping substantial nuclear and conventional forces in Europe as long as they are needed and wanted by our allies as part of the common defense, we will work for a new Europe, one truly whole and free. While welcoming the prospect of German unification, we join with the Government of the Federal Republic in expecting a united Germany to remain a full member of NATO, including its military structures. And while providing adequately for our defense, we will look to our economic well-being as the foundation of our long-term strength.

I look to this report to be the foundation for a productive, nonpartisan national dialog as we continue to develop and articulate a strategic approach that will take this nation and all who cherish freedom safely into the next century.

White House Fact Sheet on the National Security Strategy Report

March 20, 1990

The President today transmitted to Congress his report on the national security strategy of the United States as required by the 1986 amendment to the National Security Act. The 32-page report reflects the recent dramatic changes in the international environment and outlines U.S. policies to both shape and respond to these changes. It observes that we have reached a moment of historic opportunity, one created by the success of our postwar strategy. Highlights of the report include:

A policy that moves beyond containment and supports the integration of the Soviet Union into the international system.

The goal of a new Europe, whole and free, as Eastern European States rejoin the European cultural and political tradition that is their heritage.

A commitment to a strengthened European pillar in an Atlantic alliance that remains rooted in shared values and that will continue to sustain the overall structure of stability in Europe.

Support for German unification coming about through peaceful means, on the basis of democracy, and in the framework of Western relationships that have nurtured freedom for four decades, including full German membership in NATO.

Continued commitment to advance the march of democracy and freedom in the Western Hemisphere.

Recognition of the continuing importance of East Asia and the Pacific, the vital role our security ties play there, and the need to sustain a dialog with China.

Renewed commitment to an arms control agenda broader than ever before with a goal of agreements this year in START, CFE, chemical weapons, and Open Skies.

Recognition that our economic well-being is the foundation of America's long-term strength and that, in a new era, we must assess which risks can be ameliorated by means other than military capabilities -- means like negotiations, burdensharing, economic and security assistance, economic leverage, and political leadership.

A commitment to adapting U.S. military power to a strategy that looks beyond containment and provides us capabilities appropriate to new opportunities and challenges.

A movement to a smaller military, one more global in its orientation, responsive to changes in warning time, and well-suited to the demands of likely contingencies. This includes improved capabilities for the unique requirements posed by potential Third World battlefields, themselves growing in complexity and lethality.

Changing patterns of U.S. forward deployments as adjustments are made based on new perceptions of the threat, the improved reach of our forces, and the growing capabilities of our allies.

Burdensharing marked by growing national specialization in defense activities. For the United States this would include nuclear and space forces, advanced technologies, strategic mobility, a worldwide presence, power projection, and a secure mobilization base.

Identification of drug interdiction as a high-priority national security requirement.

A restatement that deterrence of nuclear attack remains the cornerstone of U.S. strategy and meeting the requirements of strategic deterrence will remain our first priority.

The report outlines the historical roots of U.S. security strategy: our fundamental values as a people, our tradition of joining in common cause with those who share our values, our commitment to an open international economic system, and the strategic demands placed on us by geography.

The report also points out that America's basic goals are enduring:

d

The survival of the United States as a free and independent nation, with its fundamental values intact and its institutions secure.

d

A healthy and growing U.S. economy to ensure opportunity for individual prosperity and a resource base for national endeavors at home and abroad.

d

A stable and secure world, fostering political freedom, human rights, and democratic institutions.

d

Healthy, cooperative, and politically vigorous relations with allies and friendly nations.

The report explains that the fundamental challenge is to relate the means available to these enduring goals in a world marked by change that is breathtaking in its character, scope, and pace. It is clearly a time of great hope accompanied by the recognition that the future world will not automatically be a safer one for American interests or values. Elements of change that deserve special attention are:

d

The democratic restructuring of Eastern Europe and the potential that exists for instability as these states enter uncharted territory.

d

A shifting balance of global economic power and the danger that trade disputes could strain political and security ties.

d

The proliferation of advanced weaponry, especially weapons of mass destruction and associated delivery systems, to Third World states.

d

The growth of threats like illicit drug trafficking, subversion, and terrorism, which are often fed by poverty, injustice, and ethnic or religious strife.

The report also emphasizes that even with great change there will be substantial continuity. The United States will remain fully engaged in the larger world and will continue to pursue its objectives in concert with those who share its values and concerns. Our approach to security will continue to be shaped by the fact that we are a nation separated by large oceans from many of our most important friends and interests. As a global power the United States will continue to bear primary responsibility for deterring global war and will defend the interests it has in common with its allies as far forward as possible. And this will still require the presence of American forces overseas backed up by an ability to project power from the United States.

The strategy report concludes with a call for close cooperation and consultation with Congress to help construct a security structure appropriate to today's opportunities and challenges.

Remarks on Signing the Greek Independence Day Proclamation

March 20, 1990

Let me just say here -- and one, apologies because we're running a couple of minutes late. But it is a great, great pleasure for me to welcome His Eminence Archbishop Iakovos, friend to everybody in this room, back to the White House, and I'm pleased to see him looking so well. Mr. Ambassador, we're just delighted to have you here, sir. It's most fitting and most appropriate. And to Secretary Derwinski and distinguished Members of Congress that are here with us today and friends of Greece, welcome.

It's my pleasure to just sign this proclamation marking the 169th anniversary of Greek independence in 1821. And I hardly need to tell this row of powerful hitters here about America's ties to Greece. You know the admiration that our Founding Fathers had for ancient Greece. The evidence is there. It's in our own Constitution, and the evidence is there in the letters our Founding Fathers exchanged with one another in charting the course for American democracy. They were all schooled in ancient Greek, and they were all schooled in Greek democracy. And you know, too, the role that so many Americans played in championing the independence of modern Greece in the last century. And this is a time for recalling the roots of our common past and a time for rejoicing in the rebirth of Greek democracy in 1974.

And it's a time, too, for noting the rich contributions so many sons and daughters of Greece -- some of them in this room today -- have made to the success of our own democracy. And as Greeks prepare to go to the polls on April 8th, we join with them in affirming our common devotion to liberty, to democracy, and to independence.

So, now let me sign the proclamation formally designating March 25th, 1990, as Greek Independence Day: A National Day of Celebration of Greek and American Democracy.

Note: The President spoke at 11:53 a.m. in the Roosevelt Room at the White House. The proclamation is listed in Appendix E at the end of this volume.

Message to the Senate Transmitting Amendments to the International Expositions Convention

March 20, 1990

To the Senate of the United States:

I transmit herewith amendments to the Convention of November 22, 1928, concerning International Expositions, as amended (Treaties and other International Acts Series 6548, 6549, 9948, and Treaty Doc. No. 98 - 1), with a view to receiving the advice and consent of the Senate to their acceptance. I also transmit, for the information of the Senate, the report of the Secretary of State on the amendments.

The main purposes of these amendments are: to halt the proliferation of world fairs by requiring 5-year intervals between such expositions, beginning in 1995; to establish a single category of ``registered'' international expositions (world fairs); and to create a new category of ``recognized'' international expositions.

I strongly support these amendments to the Convention concerning International Expositions, as amended, and recommend that the Senate give prompt consideration to the amendments and advise and consent to their acceptance.

George Bush

The White House,

March 20, 1990.

Remarks on Signing the National Agriculture Day Proclamation

March 20, 1990

Mr. Secretary, I'm delighted to see you here. And these distinguished Members of the Congress, welcome to the White House. I'm pleased to be standing next to Clayton Yeutter, glad to see Senator Lugar, Senator Leahy, Chairman [of the House Agriculture Committee] de la Garza; and welcome. And I'm also pleased to see so many leaders of our key national agricultural organizations as I prepare officially to designate this National Agriculture Day.

And I'm grateful to the farm broadcasters for giving me this opportunity to talk directly to American farmers and ranchers, those Americans whose everyday work -- work the soil -- the world's most successful agricultural nation.

American agriculture is a vital resource for the world. People around the globe share in our harvests and our prayers for bountiful crops each year. And the unparalleled productivity of our farmers and ranchers makes American agriculture our greatest export earner, putting a positive balance of $17 billion into the U.S. balance of trade account last year.

Farm families embody what's good in America. They express it in the way they live and in the diligence that they apply to their craft. The spirit of rural America is found in family entrepreneurs running their own businesses; farm and ranch families willing to reach across the fence to help a neighbor; wives, husbands, children pitching in as a team to reap nature's harvest.

This administration is committed to keeping American agriculture strong. And we are committed to working with the Congress and with you, America's agricultural leaders, to provide 1990 farm legislation that gives you the management freedom and planting flexibility to run your farms at peak efficiency. Our farm bill proposal increases market orientation, improves our international competitiveness, and addresses those environmental challenges out there. Our proposal emphasizes production flexibility to allow farmers to respond more readily to market forces in making their production and marketing decisions.

We will do our part to continue aggressive agricultural research, and we will encourage new and alternative commercial uses for ag products. And I will rely heavily on the man right here, on Clayton Yeutter, to be my chief negotiator with the Congress on the farm bill. But I also would be remiss if I didn't tell you I would be relying on you and your organizations to help us pass a good, fair farm bill. Through sound fiscal policies and wise management of our resources and, God willing, good weather, rural America and American agriculture will stay strong through the nineties and beyond.

And so, now I am pleased to sign a formal proclamation designating March 20, 1990, as National Agriculture Day. And I'd like to ask the two chairmen and Dick Lugar, if you would -- Senator Lugar, Senator Leahy, Congressman de la Garza -- join the Secretary and me.

[At this point, the President signed the proclamation.]

Thank you all very much for coming. And I really mean it. We're going to need your help. And we're working with very reasonable people in the United States Congress -- I know Clayton and I talked about this -- we're grateful for that. But it is important that we get a good market-oriented bill. I think we can do it. And with you all's help, I'm sure we can do it.

Thank you very much.

Note: The President spoke at 3:50 p.m. in the Roosevelt Room at the White House. The proclamation is listed in Appendix E at the end of this volume.

Remarks at the Welcoming Ceremony for Prime Minister Tadeusz Mazowiecki of Poland

March 21, 1990

The President. Prime Minister Mazo- wiecki and all members of your distinguished delegation, and to all the many friends of Poland who have joined us here this morning, welcome to the White House. And let me first recognize three distinguished Americans, Board members of the Polish American Enterprise Fund: Chairman John Birkelund, Nicholas Rey, and Lane Kirkland.

Mr. Prime Minister, it is my great pleasure to welcome you here to Washington. Since you took office 6 months ago, we've had occasion to consult one another several times, and I've come to value your counsel, come to think of you as a friend. And today, for the first time, we meet in person, and I'm delighted to have this chance to sit down together to discuss the many changes and challenges that affect our two nations.

And of course, Barbara and I welcome this opportunity to repay in some small way the warm reception that we felt this past summer on our last visit to Poland -- everywhere from the streets and squares of Warsaw to the gates of a now-historic shipyard at Gdansk. The warmth I felt in your country was a sign of the friendship between the people of our two nations, of the unbreakable bonds that link the people of Poland and the United States, not just the millions of Americans of Polish ancestry who trace their roots to the old country but all of us who share a common love of freedom.

And it's that love of freedom that lights our way today, that sparked the changes we've seen this past year -- remarkable changes. On this day 1 year ago, the leaders of Solidarity and the Communist authorities were deep in the midst of those roundtable discussions. Mr. Prime Minister, you sat at the roundtable through the winter weeks of February and on into March. The fate of your nation hung in the balance. All of Poland awaited the outcome. And on April 5, 1989, Poland took its first step towards its democratic destiny. For the first time in more than 40 years in Eastern Europe, a people's voice would speak in free elections.

Here in our country, we celebrate the Revolution of 1776; but we remember April 19, 1775, the day the Revolution began, the day the ``shot heard round the world'' was fired in Lexington, Massachusetts. In your country, Poles will always remember April 5th, the dawn of the Revolution of '89. The revolution that began in Poland touched off a chain reaction that changed Europe and the world. Mr. Prime Minister, those two revolutions share a common aim that unites our two nations in the cause of freedom. At Hamtramck, Michigan, nearly a year ago, I pledged America's strong support for Poland's economic reform and its democratic transition. I said then: ``Liberty is an idea whose time has come in Eastern Europe.'' The enormous changes of this past year have indeed brought that idea, the idea of liberty, to all of Eastern Europe.

Today we welcome to the White House a great Polish patriot and patron of freedom, Tadeusz Mazowiecki, one of the founding fathers of Solidarity -- a man who survived the dark days of December 1981 and the heavy hand of martial law, endured a year in prison, life in the underground, editor of the illegal newspaper of an outlawed trade union.

Mr. Prime Minister, you survived. Solidarity survived -- survived and triumphed. Today you and your heroic union lead a nation -- lead the Polish people from revolution to rebirth.

In the past year, Poland has taken its first steps on the path to a democratic rebirth. For the past 6 months, navigating the difficult transition to democracy has been your daily task. You've shown a great personal courage -- courage in taking the necessary steps to clear away the economic wreckage of a system that produced more long lines and empty shelves than anything else. You deserve great credit for introducing a bold economic reform program which aims to build a free market economy on the ruins of central planning. All of us know this transformation, this road to reform, is not painless. The book of history teaches that the Polish people are well schooled in pain and suffering. But history also teaches a lesson about the Polish spirit: always hopeful, always strong. And today, in this time of trial, there is this difference: Poland's sacrifice is blessed by freedom -- the sacrifice of a nation determined to make its destiny democracy.

Mr. Prime Minister, this is my message to the people of Poland: America wants to help Poland succeed. We want to welcome Poland as a full partner in the community of free nations. We want to see Poland prosper, see your people enjoy the fruits of free enterprise. We want to see the nation of Poland achieve its full measure of democracy and independence. In any decisions affecting the fate of Poland, Poland must have a voice.

At this time of great and turbulent change, let me assure you, sir, that the United States will remain a European power, a force for freedom, stability, and security. We see a new Europe in which the security of all European States -- and their fundamental right to exist secure within their present borders -- is totally assured. And in this new Europe, NATO, linking the United States to Europe in a defensive alliance of democratic states, will remain strong and united. And we want Poland and its neighbors to join with us in building a Europe whole and free.

Once again, Mr. Prime Minister, it is my privilege to welcome you to Washington and to the White House. And may God bless the people of Poland.

The Prime Minister. Mr. President, I express my deep gratitude for your invitation for me to pay this official visit to the United States. We're living in a time of great acceleration of history -- acceleration which has affected my homeland, Poland, as well as Europe, and thereby, in fact, the history of the whole world. The visit which I'm now beginning is one of the visible signs of that acceleration. Our presence here today, just as that of other Eastern and Central European visitors, would not long ago have been totally inconceivable.

Yet in a special way, we have always been here. Throughout all those years, when in the name of building an ideal system we were put into enslavement, the spirit of freedom never died in our hearts. We also felt -- and legitimately, I believe -- that it was the same spirit which had inspired your Constitution and that the Poles persevering, working up their way to independence, was to you Americans particularly close.

Today such strivings are no longer an exclusively Polish phenomenon. The year 1989 became the year of Eastern and Central Europe, one in which that part of the world made its way toward the recovery of freedom peacefully, though not without the sacrifice of blood at the very end.

We are coming here to talk, above all, about the future -- about the future of Polish-American political cooperation in the face of momentous changes in the heart of Europe, about the future of Polish-American economic cooperation, so vital in our building an economy based on free enterprise.

The United States was the first country to adopt, several years ago, the ideals of human rights as a supreme principle of its foreign policy. Poland came to be the first country in Central Europe where the ideals of human rights became the victorious program of a whole nation. It was us who sparked the process of democratic revolution across Eastern Europe. The victory of that revolution will, in a large measure, depend on our success. Therefore, we must succeed, and I do believe that we will.

The time of the present crucial acceleration of history is also one in which partnership is being put to test. Coming to you, I have no doubt that this will be genuine partnership. My conviction springs from our hitherto common experiences, particularly over the past decade when so many signs of a well-wishing attitude and affection for us were shown by the United States, both by your people and the administration. For all this, allow me today to warmly thank you, Mr. President, and the millions of Americans.

I would also like to say that your greatest contribution to the community of man is not material. In the words of your Declaration of Independence, all people are endowed by our Creator with certain inalienable rights. The ultimate inalienable right is a universal value of political freedom. That same brightly burning light of freedom has nowadays guided the peoples of Eastern and Central Europe into the splendid dawn of the 1990's. We have come here as free people. We have come from a country building a new democratic order. We have come from a country which wants to and can play a significant role in the new emerging order in Europe.

I trust that our talks will be fruitful. I trust that our meeting with America will make us stronger. This is the hope which I'm bringing with me to the White House. God bless America.

Note: The President spoke at 10:11 a.m. at the South Portico of the White House, where the Prime Minister was accorded a formal welcome with full military honors. The Prime Minister

spoke in Polish, and his remarks were translated by an interpreter. Following the ceremony, the two leaders met in the Oval Office.

Remarks on Signing the Poland-United States Business and Economic Treaty

March 21, 1990

The President. Mr. Prime Minister, I'm just delighted that we've signed today this treaty concerning business and economic relations, a treaty that will greatly strengthen business and economic ties between our two countries.

I want to salute three distinguished Members of our United States Congress: Congressman Broomfield; Congressman Rostenkowski; Senator Pell, the chairman of our Foreign Relations Committee. I want to salute the newly appointed members of the Enterprise Fund Board that you just met -- these distinguished Americans taking time from exceptionally busy schedules to join in as best they can to guarantee Poland's economic success. And we're looking forward to their mission and their work very much.

This treaty is very important -- important not only in its content but what it says about where Poland is going. It says that Poland wants U.S. investment because this investment is good for the Polish people and vital to the growth and development of the Polish economy. In this treaty, Poland is taking a number of very substantial steps, steps that will orient the Polish economy toward the Western economic system and towards global markets. These are courageous steps, and we applaud them.

Following the steps the United States has taken to open our markets to Poland, we can now take this treaty to the U.S. business community and say, this is why you should invest in Poland. And I'm also pleased to note that this is the first economic treaty that the United States has concluded with the newly emerging democracies in Eastern Europe. And we all think that it's quite fitting that Poland is first.

This treaty is more than an investment treaty: it is a broad and comprehensive agreement that lays the basis of a new economic relationship. It's a milestone for Poland and also for the United States -- a milestone on the road to a prosperous Poland and a stronger U.S.-Polish partnership.

So, once again, welcome. Would you care to say a word, sir?

The Prime Minister. Mr. President, I thank you very much for your kind words.

I also consider this treaty is very important and very significant. As I had a chance to say during our conversation before, we're tying together, linking, political change and economic change in our restructuring efforts. We believe there is a relationship between democracy and the development of an economy based on free market and free enterprise. We believe that to

combine these two kinds of changes in Poland allows us to make changes that reach most deep.

The treaty we have just signed is very important in this sense, because it offers a prospect for American business and for American companies to become committed and engaged in the Polish conditions and the Polish environment. The treaty offers a certain framework, and what needs to be done now is to fill it with contents. Perhaps Poland not in every respect is prepared for this kind of activity. We're having a great deal of problems. Our telephones do not work as they should, and we have many other problems. But I would like to tell you that I think people should not be discouraged by the problems which are typical of this first phase. And we will be looking forward to seeing courageous people who will be willing to come and to move through this half a year of progress.

I believe Poland is a country of big opportunity, and I believe it is a country of opportunity of opening more to the East. I think our economy could play this role, too. And I do hope that this combinative attitude to investment and business in Poland will continue to characterize our economic relationship.

Let me also join the President in expressing our thanks to the newly appointed members of the Board of the Fund that is intended to boost the development of the private sector in Poland. We want to thank them for accepting the effort of doing it. We very much count on the outcome of that Board's work and on the outcome of the Fund's activities.

Mr. President, I believe that signing this treaty is a good step, opening up our economic conduct into the future. Thank you for kindly signing this treaty personally.

Note: The President spoke at 11:45 a.m. in the Rose Garden at the White House. The Prime Minister spoke in Polish, and his remarks were translated by an interpreter.

White House Fact Sheet on the Poland-United States Business and Economic Treaty

March 21, 1990

The President and Polish Prime Minister Mazowiecki today signed a treaty concerning business and economic relations. The treaty is an important and vital step in enhancing the attractiveness of the investment and business environment in Poland.

This treaty, the first U.S. economic agreement with a newly democratic Eastern European country, is intended to encourage and facilitate U.S. investment by providing internationally recognized protections and standards. Some of the key elements of the treaty include:

Treatment of Investment. U.S. investors in Poland will be treated the same as Polish nationals or investors from other countries, whichever is more favorable.

Expropriation. The United States and Poland agreed to internationally recognized standards for expropriation: expropriation will be permitted only for a public purpose and must include prompt payment at fair market value.

Transfer of Funds. The Government of the Republic of Poland has agreed to permit the immediate and complete repatriation of export earnings and capital from Poland to the United States. In addition, the Poles have agreed to progressively eliminate restrictions on repatriation of U.S. investor zloty profits, with no restrictions for profits beyond 1995. Current Polish laws place a 15 percent cap on zloty profits to be repatriated.

Dispute Settlement. The United States and Poland agreed to abide by internationally recognized standards for arbitration which ensure that an investor has the right to go to international arbitration after 6 months for any type of dispute.

Business Rights. The treaty guarantees that U.S. firms will have the right to:

-- market goods and services both at the wholesale and retail level;

-- obtain access to public utilities and financial institutions;

-- obtain commercial rental space and raw materials on a nondiscriminatory basis;

-- conduct market studies and distribute commercial information of all kinds; and

-- obtain registrations, licenses, permits, and other approvals on an expeditious basis.

Intellectual Property Rights. Poland has agreed to adopt major new intellectual property standards which are among the most sophisticated in the world in areas such as:

-- adherence to the Paris Act of the Berne Convention;

-- copyright protection for computer software;

-- product as well as process patent protection for pharmaceuticals and chemicals. The Government of the Republic of Poland will provide protection for U.S. patent holders by enacting legislation within the immediate future;

-- protection for integrated circuit layout designs; and

-- protection of proprietary information.

Ombudsman Office. The Government of the Republic of Poland will designate a Deputy President of the Agency for Foreign Investments to serve as an ombudsman for U.S. investors. The Deputy President will serve as the government coordinator and problemsolver for U.S. investors experiencing difficulties with registration, licensing, nondiscriminatory access to utilities, and regulatory and other matters.

Tourism. The United States and Poland agreed to encourage the growth of tourism and provide tourism services on a fair and equitable basis.

Investment Procedures. The Government of the Republic of Poland also commits to the following procedures in applying its investment laws:

-- A permit for entry of U.S. investments shall be issued automatically within 60 days, unless the U.S. investor is notified in writing of the grounds and reason for denial.

-- In evaluating the impact of the proposed investment on the environment, the standards used shall be the same as those applied to domestic enterprises.

-- Restrictions on the entry of U.S. investment on the grounds that it threatens Polish state economic interests shall be used only in exceptional cases and not for the purpose of limiting competition.

-- In 2 years the Governments of the Republic of Poland and of the United States will review the statutory provisions on screening with a view to narrowing the scope of investments that require a formal entry permit and subsequently phasing out such permits.

Statement by Press Secretary Fitzwater on the Basel Convention on Transboundary Movement and Disposal of Hazardous Wastes

March 21, 1990

President Bush today announced that the United States will sign the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal. The convention prohibits exports of controlled wastes except for recycling or recovery, or except where such exports are environmentally sound and economically efficient. Safeguards required by the convention include notification to and written consent from importing countries prior to the export of controlled wastes. The convention also obligates signatories to ban the export of controlled wastes if there is reason to believe such wastes will not be managed in an environmentally sound manner in the importing country. The administration expects to implement the convention in tandem with the President's decision of March 9, 1989, to ban exports of hazardous wastes except where the United States is a party to a formal agreement with the importing country. Existing bilateral agreements with Canada and Mexico will continue to govern movements of hazardous wastes between the United States and those countries.

The United States played a leadership role in developing the convention. Forty-six countries have joined the United States in signing the convention. Following signature, the convention will be submitted to the Senate for consent to ratification. It will enter into force upon ratification by 20 governments.

Message to the Congress Transmitting the Annual Report of the National Science Foundation

March 21, 1990

To the Congress of the United States:

I am pleased to transmit the annual report of the National Science Foundation for Fiscal Year 1989. This report describes research supported by the Foundation in the mathematical, physical, biological, social, behavioral, and computer sciences; in engineering; and in science and engineering education.

Achievements such as those described here are the basis for much of our Nation's strength -- its economic growth, national security, and the overall well-being of our people.

The National Science Foundation will be 40 years old in 1990. Over those years, it has played a key role in supporting this Nation's remarkable research achievements. The Foundation looks forward to the challenges and accomplishments of the new year, the new decade, and the new century.

George Bush

The White House,

March 21, 1990.

Statement on Namibian Independence

March 21, 1990

The independence of Namibia today marks the end of colonialism in Africa and a proud beginning for the world's newest country. Americans can take pride in the role the United States played in making this transition to independence possible. Brought about in large measure by vigorous American diplomacy, the 1988 Brazzaville protocol and the New York accords cleared the way to Namibian independence and the withdrawal of all Cuban troops from Angola.

I have sent Secretary of State Baker to Windhoek as my representative at Namibia's independence ceremonies as a sign of the respect and esteem in which we hold the world's newest democracy. Secretary Baker carries the good wishes of all Americans to President Sam Nujoma and the Namibian people. We are especially gratified that Namibia's Constituent Assembly has produced a constitution that is among the most democratic in Africa and which provides an excellent basis to ensure national harmony and development.

The United States established diplomatic relations with the Republic of Namibia today, and we will take the necessary steps to exchange Ambassadors as quickly as possible. We welcome Namibia as a full trading partner and are taking steps to ensure that it is given access to the American market. With the end of South Africa's administration, all U.S. sanctions against Namibia are being lifted.

From this promising beginning, we look forward to a warm and productive relationship with Namibia.

Toasts at the State Dinner for Prime Minister Tadeusz Mazowiecki of Poland

March 21, 1990

The President. Mr. Prime Minister and His Eminence Cardinal Szoka and distinguished guests and friends of Poland, Barbara and I are delighted to host this dinner tonight and, as I said this morning on the lawn of the White House, to return in some small measure the warm hospitality that we felt on our visits to Poland.

On our last visit this past July, that warm hospitality was coupled with a heat wave in Warsaw -- ninety degrees. Would have done Washington proud last week. [Laughter] But everywhere we went, Barbara and I felt right at home. I don't want to inject a partisan political note into this lovely nonpartisan evening, but at one point, Barbara even saw one fellow in the square at Gdansk wearing a Bush-Quayle '88 T-shirt. [Laughter] I know I shouldn't have mentioned that.

But I do remember my first visit to your country, Mr. Prime Minister, in the fall of 1987. Solidarity, Solidarnosc, was outlawed, underground, but still very much alive. And I remember well meeting with members of Solidarity. And afterward, as I rode to lay a wreath at the grave of Father Popieluszko, the murdered priest, in protest the state security agents removed the Polish flag from our car. But that was in 1987.

And 2 years later I went back to Poland in the summer of 1989, and I thought back to that first visit, about that incident with that red and white Polish flag. As I was riding through Gdansk, Solidarity's birthplace, to the Monument of the Three Crosses, thousands of Poles lined the streets, in their hands thousands of American flags and, of course, the red and white of Poland, your national flag, and the banner of Solidarnosc, high above the crowd.

What a world of change in those 2 years. On that first visit in 1987, everywhere undeniable determination, but just as undeniable, deep anxiety over the fate of Solidarity and the future of Poland. And on my return this past summer, on the eve of the Revolution of '89, everywhere we found a feeling of hope -- a feeling that Poland once more held its destiny in its hand, that the time had come once more for Poland to live in freedom, for Europe to be whole and free.

Mr. Prime Minister, I assure you all Americans agree that Poland's time has come, and all our prayers are with you at this time of Poland's rebirth.

Our meetings this morning accomplished a great deal. I found a wonderful frankness. We spoke from the heart, in candor, I felt, as friends. And tonight, Mr. Prime Minister, I offer this toast to old and enduring friends, the nations of Poland and America; to the future of a free Poland. And to you, sir, Mr. Prime Minister, let me return the kind wish that your countrymen made me in the

Hall of the Sejm, in the streets of Warsaw, and the square of Gdansk: Sto lat, may you live 100 years.

The Prime Minister. Mr. President; esteemed Mrs. Bush; your Eminence, Cardinal; ladies and gentlemen, I would also prefer to refrain from talking politics here. But I will have to speak something about politics, and please forgive me for that.

Allow me to invoke here a classical piece on modern democracy, which is at the same time a classical work on America. It is a book by Alexis de Tocqueville. De Tocqueville referred to the unstoppable march of democracy; it was 150 years ago. Nowadays, we're witnessing an enormous acceleration of that march in Nicaragua, Chile, even Mongolia, but most of all in Eastern and Central Europe.

Democracy is a system which secures the freedom of the individual, the freedom without which no normal life is possible. Indeed, it has just been that deeply rooted need of normal life which has most strongly inspired the march observed in your country so many years ago by the famous Frenchman. It is also just to that need that, under the pressure of Eastern and Central European nations, totalitarianism is giving way -- the disease of our century which had devoured tens of millions of human lives, forcing hundreds of millions of others into a dead end history for many years. We in Poland are now emerging from a long night of totalitarian oppression.

In 1939 we were ravaged by the Nazi invasion. Our people suffered more than any other on Earth. Poland lost 6 million of its citizens, half of them Polish Jews. The Third Reich was crushed, and the war ended, but to our part of Europe, peace failed to bring an order based on freedom. For the next 45 years, we were forced to live under an alien political system, a totalitarian one which was imposed on the whole Eastern and Central Europe. The Poles never accepted their fate and were the first to challenge it. They succeeded in defending peasant homesteads, churches, and their own families against the greed of the totalitarian state, even through the most difficult times. The struggle by the Polish people to preserve their dignity and franchisement played a great role in sparking the change which today has gained such momentum.

Just as we stood in the forefront of struggle, so today we wish to be in the forefront in establishing the rights and institutions of a stable, democratic order. We're making Poland a state of the rule of law, which guarantees all political freedoms to its citizens. We're building a free-market economy based on free enterprise. It is a program which calls for great sacrifices. Polish people are aware of it. We know that our economy needs to be repaired by our own effort. And so, now that this effort has been undertaken, we have the moral right to seek the support of other countries.

Today Poland enjoys such support, and I am confident that it will continue. A great share of it has come from the United States -- the American Congress and personally yourself, Mr.

President. Allow me to thank you for that.

Ladies and gentlemen, the changes in the Eastern and Central Europe are making the situation across the whole continent essentially different. The era of Yalta is becoming history. A need is emerging for a new structure which would operate within the parity of powers to gradually free Europe of military rivalry and bring the two separated parts closer together. Such a structure needs to be based on a solid foundation. Reconciliation between nations is possible only when they do not fear either for their present or their future. For this reason, an important component of the building must be the recognition of the Polish border along the Oder and Nysa Rivers in the form of a treaty. The direct participation in the talks about that, for Poland, was a very important matter for Poland; and it has already been guaranteed.

To create a new political facet of Europe is going to be a difficult challenge, and one calling for time and an enormous amount of work. A variety of ideas emerging, in this respect, need to become ripe, which in turn requires certain conditions. In our view, a helpful factor would be to form the Council for European Cooperation. Its job would not be to replace any of the existing organizations: it would serve as a platform whereby, within the CSC framework, work might be launched to give the ideas a concrete form. One can hardly imagine such work without a significant role on the part of the United States. After all, your country is linked to Europe by bonds of blood and by experiences of history.

Mr. President, ladies and gentlemen, after General Sikorsky visited the White House in 1943, mine is only the second-ever call by a Polish Prime Minister here. How different the circumstances and how different, I believe, the perspectives of this period in history. I would like the United States to view Poland as one of the important actors of the present-day European politics. A strong Poland engaged in building a democratic order and freed of economic difficulties will be a stable factor of the new European order, an order based on freedom, respect of human rights, and economic and political balance on the Continent. I trust that the United States, with so many of its people linked to Poland by their origin and with the affection for Poland so much alive, will see a friend in the democratic, strong, and economically sound Poland.

Permit me, ladies and gentlemen, to raise in a moment a toast to the good health and the well-being of the President of the United States.

I raise this toast also to the good health of Mrs. Barbara Bush. I wish you strength and perseverance in your difficult role here. It is well-known that the house, even if it's called White, becomes a home only upon the touch of a woman. I know how much Americans like you, and I want to tell you that so do the Poles.

I raise this toast, also, to the well-being of your great country and the millions of its citizens, as well as to our friendship, which at the Polish end has for long been extremely profound.

I raise this toast to you, Mr. President.

Note: The President spoke at 8:15 p.m. in the State Dining Room at the White House. The Prime Minister spoke in Polish, and his remarks were translated by an interpreter. The toasts were released by the Office of the Press Secretary on March 22.

Remarks at a White House Tree-Planting Ceremony

March 22, 1990

Thank you, Secretary Yeutter, Bill Reilly, and Chairman Deland, to Senators Lugar and Leahy and Congressman Kika de la Garza, the chairman also in the House Ag Committee, and distinguished Members of Congress here. I want to single out two other special friends, pioneers in this greening effort, tree planting: Trammell Crow and Margaret [Crow] from Dallas, Texas. Distinguished ladies and gentlemen -- Irv, I haven't forgotten you. Irv Williams, who was introduced by Clayt, really does so much to just keep the White House grounds beautiful. And we're indebted to him every single day that we have custodianship of this lovely house. Welcome to all of you to an event which celebrates how trees can preserve and protect our great outdoors.

I want to talk just a little about the precious inheritance of trees passed from one generation to another. We see it in the great ebonies of India or the sequoias in California, the lush rainforests of South America and the evergreens of the Alps. Their very presence demands that we renew and restore the natural beauty of our land. Trees do enhance our atmosphere, providing oxygen and absorbing carbon dioxide. A tree planted today can enrich the lives of generations yet unborn.

Just think, on these grounds stands a tree planted by John Quincy Adams in 1826. Nearby is the spot where Woodrow Wilson's family so loved bay trees that they often ate lunch in a makeshift grove. And not far from here is the little-leaf linden planted in 1937 by Franklin Roosevelt for Britain's King George VI. Next to the Oval Office -- there you'll find an oak tree planted by President Eisenhower. There's a swing on it. You can almost see it, over past that Suburban over there. Often our grandchild swings on it, and I expect in the future many other grandchildren of Presidents will do the same.

Trees are truly an inheritance that links generations of America. Last summer a terrible windstorm swept through Washington. I remember thinking of these trees around us and the link they provide. Truth is that Barbara and I were a little worried about them -- Grover Cleveland's Japanese spiderleaf, for instance, or Herbert Hoover's oak. They're old trees, and maybe I'm beginning to feel an affinity for them with my birthday coming up, but nevertheless, they're special. For instance, the magnolia over there was planted by Andrew Jackson -- the one next to the South Portico.

Thankfully, the trees here weren't damaged in that storm. Elsewhere in Washington, it was a different story: a lot of people out the next morning surveying the damage, mourning the loss of a favorite oak or an elm, regarding it with concern and affection, just as you would view a friend.

Trees can be fragile, they can be sturdy, but they are always precious. So, in the budget I submitted to Congress, I asked for $175 million to plant 1 billion trees a year. Today I'm asking Congress to approve another step to protect the environment. We call it the National Tree Trust Act of 1990. It will foster the partnership between public and private sectors to plant trees all across America.

Under our plan, we will designate a private nonprofit foundation to receive a one-time Federal grant to promote community tree planting and cultivation projects -- a foundation to solicit contributions from private sources, forging cooperation between individuals, businesses, governments, and community organizations. It will sound a nationwide call for each American to become a volunteer for the environment and, most of all, plant the trees that clean our air, prevent erosion, consume carbon dioxide, and purify our water. This act can preserve the heritage of trees -- their beauty that is breathtaking and their bounty that is breathgiving.

As you can imagine, the foundation's funding won't simply come out of the woodwork. In addition to the $35 million in Federal money we're proposing, the foundation will begin to raise millions of dollars more to help reforest America. The Tree Trust Act will work by using State forestry agencies and private tree-planting organizations -- volunteers helping thousands of new volunteers to learn not only how and where to plant trees but how to care for them, why we need them, and how they help the environment. Our foundation will be one of a Thousand Points of Light, creating 10 billion trees of life. By planting trees in all 50 States, we'll knock Johnny Appleseed out of the Guinness Book of Records.

The National Tree Trust Act of 1990 is a key part of our national tree-planting and forest improvement initiative to be administered by the Ag Department. This two-part program involves both rural areas as well as local tree-planting programs in the cities. And it, in turn, is crucial to my America the Beautiful program, which I announced in the State of the Union.

I am proud of America the Beautiful. It will help maintain and expand our parks, wildlife refuges, forests, and public lands. I do love the outdoors, and I love exploring it with those who are the trustees of our future.

What we're doing today is planting the seeds of environmental stewardship, and that means not only planting trees but other steps just as vital -- clean air, for example. Our clean air proposal promises relief from the smog, acid rain, and toxic pollution that harms trees and people. Once again, I call on the Congress to pass the bill. We're also working hard on energy efficiency and pollution prevention, clean oceans, global cooperation. Just as a tree grows, with roots and branches spreading, our efforts on all these issues will reach into the future.

Nearly a quarter of a century ago, perhaps America's greatest conservationist, Teddy Roosevelt, put it best when he called our lands and wildlife the property of unborn generations and when he said this about America's sequoias and redwoods: they ``should be kept just as we keep a great

and beautiful cathedral."

Today ours is the chance to keep that cathedral great and beautiful by planting not only sequoias and redwoods but poplars and maples and cypress and sassafras. And I can't think of a better time to begin than this spring, the 20th anniversary of Earth Day. Teddy Roosevelt would have loved that one.

Four weeks from now we'll celebrate it, but I thought we'd get a head start this morning. And so, I'm pleased to be able to join Barbara as she plants this eastern redbud blossoming tree in a few minutes. By comparison to other trees, it seems small today. But so, years ago, did the special tree beside me. My kids were the age of some of you when it, too, was planted by President Eisenhower. And when you're my age, Barbara's tree can be just as strong, embody just as much history, do just as much to ensure the splendor of America.

Trees are an inheritance precious to our cathedral of the outdoors. So, just look around us, and in that context, let me thank again Irv Williams -- thank you, sir -- and all the people of the White House grounds staff for the tender loving care they gave to our trees and flowers.

So, let us plant the trees and nurture them so that America will remain America the Beautiful for generations to come.

I am very pleased that all of you came today. And now, with no further ado, let's get on with the tree planting.

Note: The President spoke at 11 a.m. on the South Grounds of the White House. In his opening remarks, he referred to William K. Reilly, Administrator of the Environmental Protection Agency; Michael R. Deland, Chairman of the Council on Environmental Quality; and Irvin Williams, Superintendent of Grounds at the White House.

Message to the Congress Transmitting Proposed Reforestation Legislation

March 22, 1990

To the Congress of the United States:

Today I am pleased to transmit a legislative proposal entitled the ``National Tree Trust Act of 1990." This proposal is a key part of my ``America the Beautiful" initiative, and it would enhance the growing partnership between the public and private sectors to plant trees across America. Also transmitted is a section-by-section analysis.

President Theodore Roosevelt began this century by directing the Nation's attention to the protection of valuable public lands -- America's treasure trove of parks, wildlife refuges, forests, and rangelands. As the end of the century approaches, it is appropriate that this final decade be one in which conservation, enhancement, and protection of our irreplaceable national assets rise to the forefront of national concerns. With this as our goal, my FY 1991 Budget proposes a new initiative -- ``America the Beautiful." Our initiative reflects my support for appropriate expansion and proper maintenance of the Nation's parks, refuges, forests, and public lands. It is also based on my determination to involve all Americans in strengthening the Nation's natural resources heritage. Finally, this initiative expresses my firm commitment to providing responsible stewardship of the country's heritage for the benefit of generations to come.

My ``America the Beautiful" initiative includes three components. First, we propose to expand Federal recreational land acquisition that involves activities of the Departments of the Interior and Agriculture. Second, the Department of the Interior is undertaking an effort -- ``Legacy '99" -- to enhance resource protection and recreation. Third, we propose a national tree planting and forest improvement initiative to be administered by the Department of Agriculture. The first two components will be carried out under existing authorities. The enclosed draft legislation will permit full implementation of the third component.

Trees are one of our most valuable resources. They contribute to the environmental, economic, and social well-being of this country. They enhance biodiversity, wildlife, air and water quality, and recreational opportunities. Trees improve landscape aesthetics and property values, reduce soil erosion, and provide many valuable wood products. They also contribute to energy conservation through the shading and cooling of buildings and by serving as windbreaks.

The proposal I am transmitting to the Congress today authorizes Presidential designation of a private nonprofit Foundation to receive a one-time grant for the purpose of promoting community tree planting and cultivation projects. Second, it authorizes the Secretary of Agriculture to establish a rural tree planting and forest improvement program and a community

tree planting and improvement program. Third, it authorizes appropriations to the Secretary of Agriculture for a grant to permit the Foundation to begin its important work.

The Foundation will promote public awareness and a spirit of volunteerism, solicit private sector contributions, and oversee the use of these contributions to encourage tree planting and cultivation projects throughout the United States.

The Foundation will help forge cooperation among individuals, businesses, governments, and community organizations and provide financial assistance to grass-roots volunteers to plant trees. It will help draw national attention to the need for increased planting of trees in our communities where, on average, only one tree is now being planted for every four that die or are removed. It is a program that will reach every State, if not each and every community. All of our citizens will be encouraged to participate in this program.

Enactment of this proposal will permit us to harness the efforts of individuals and organizations to undertake the nationwide planting and cultivation of invaluable trees. The prompt passage of this proposal by the Congress will demonstrate our shared commitment to preserving one of our most valuable natural resources, our precious heritage of trees. Let us ensure that our descendants will be able to share our pride in referring to this land as ``America the Beautiful."

George Bush

The White House,

March 22, 1990.

The President's News Conference

March 22, 1990

The President. I don't want to have a captive audience, but there are a couple of things that I did want to say -- make a statement here. I'd like to make just a few comments, after which I'll be glad to take a couple of questions.

Last week I unveiled an economic package for the new democracies of Panama and Nicaragua and urged a bipartisan effort aimed at reconstructing and developing these two countries. We have an opportunity to make this hemisphere the first to be wholly democratic; but we must act expeditiously in order to help establish firm democratic institutions, the rule of law, and human rights. And I asked the Congress last week to act quickly on the aid package, and I repeat that request today. If we are unable to resolve our differences regarding offsets, then I would be happy to have Congress authorize me to select the offsets from the defense budget in order to get economic assistance moving in the region.

We must take the lead in helping our neighbors, and we cannot look to others to make sacrifices if we ourselves cannot work in partnership in our own hemisphere. And I'd also add there are those that argue that Panama and Nicaragua are not as vital as Eastern Europe. They're wrong. This is our hemisphere. And we have a strong aid program for Eastern Europe and will continue to do so, and we can do no less for our own neighbors. The world is changing dramatically, and we must meet the challenges in every region with equal commitment and equal dedication.

In this regard today, I just concluded another meeting with the Polish Prime Minister [Tadeusz Mazowiecki] to continue the fruitful discussions that we engaged in yesterday. We discussed questions of European security, Poland's place in a new Europe. And I told the Prime Minister that we see an important role for a free, democratic, and independent Poland as a factor for stability in Europe in the future. And I reaffirmed our commitment to aiding Poland's economic recovery and its movement to democracy and our desire to stay in very close touch, consult on areas of mutual concern. We look forward to Poland joining in and building a Europe whole and free, a Europe in which the security of all states within their present borders is guaranteed, and one in which NATO will continue strong and united.

And I'd be glad to take a few questions. I'll start with Helen [Helen Thomas, United Press International].

Lithuanian Independence

Q. Mr. President, do you see a Lithuania that's whole and free in Europe? And why do you think that the Soviets are getting tough on this when they didn't move in Eastern Europe? Are they justified?

The President. Well, as you know, our position on Lithuania is, we never recognized its incorporation into the Soviet Union. I am convinced that the answer is peaceful emergence and discussion between the parties. I am pleased that Mr. Shevardnadze [Soviet Foreign Minister] reasserted his conviction that the Soviet Union would not use force. It is very important that force not be used. But I believe that they can talk and work out these problems, Helen.

Q. The Lithuanians said today they will not lay down their arms.

The President. Well, they should talk about that. I don't think either side to that difficult debate, discussion, wants to see the use of force. And so, my appeal would again be peaceful resolution through discussion of this difficult question.

Soviet Troops in Poland

Q. Mr. President, I want to ask about your meeting with the Prime Minister. Did he give you any assurances that he wants Soviet troops out of Poland? And when did he say he thought that might happen?

The President. No, he did not give assurances on that, that I recall. And I am convinced he knows that a continued presence of U.S. troops in Europe would be stabilizing and not a threat to anybody. But I don't recall his making a statement to me on that question.

Q. Well, let me ask, what's your reaction to statements by some Polish officials that there's a need for Soviet troops in Poland?

The President. Well, my reaction is: There isn't any need for Soviet troops in Eastern Europe, and the sooner they get out of there, the better. And I can understand the desire for stability and the way it's changed, but I haven't changed my position. The position of the United States is that a unified Germany should remain in NATO; the U.S. troops will be there as long as they are wanted because they are there as a stabilizing force; and that I think things would be enhanced, a peaceful evolution of all, if the Soviet troops moved out. And indeed, we're moving forward with the Soviet side on discussions of CFE. I want to have that agreement done by the time I sit down with Mr. Gorbachev.

Assistance for Nicaragua and Panama

Q. Mr. President, is it true that one of the leading Members of Congress that met with you earlier this week on Panama and Nicaragua said you simply would not be able to get the amounts of aid that you have requested? And if so, do you now feel that that aid package is in trouble?

The President. Well, one of the Members -- several of them indicated to me that there might be

difficulty getting what I feel is essential for Panama. But I am going to continue to reiterate the importance, not just to the United States but to the whole hemisphere, of the aid package that I have requested for both Panama and Nicaragua. But, yes, one particular Senator -- I don't think I'm violating a confidence out of that meeting -- indicated he thought it would be a very difficult sell. And I don't understand it, because I think the United States has a disproportionate role -- others have an important role -- in the evolution of democracy, making firm democracy in Nicaragua and in Panama. We've got a lot at stake in both countries. Everyone knows our security interest in Panama, particularly. But I'm equally as concerned about doing what's right by Nicaragua.

Lithuanian Independence

Q. Mr. President, your spokesman the other day cautioned the Soviet Union against using intimidation and increasing tension with Lithuania. Do you read this latest statement by President Gorbachev calling on Lithuanians to lay down their arms as intimidation?

The President. I would prefer to put emphasis on his statement that there will be no use of force. And that's where I'm going to keep the emphasis and keep reminding every party to this discussion over there: no use of force, peaceful evolution. And I think we've got to look back over our shoulders to a year ago and see how far Europe has evolved, the democracies in Europe, through peace. And there was a great deal of restraint shown by the Soviet Union in that regard. And so, I would like to say: Please continue to exercise that kind of restraint. And remember, no use of force.

Abortion

Q. Mr. President, the State of Idaho is about to enact a tough abortion law, putting severe restrictions on a woman's right to have an abortion. What do you think of that, first of all? And second of all, if the States do voice their individual positions, do you still think that a constitutional ban against abortion is necessary?

The President. I have not changed my position at all; and I think, in answer to the first part of your question, that's a matter for the State of Idaho to decide. The President of the United States has stated his position. It's my position. I feel strongly about it. And I'm not going to change it on constitutional amendment or anything else. But that matter should be debated out there, as it is being, and those people should decide that. That's what the whole Federal system is about.

Lithuanian Independence

Q. Mr. President, do you consider the Lithuanian situation an internal matter within the Soviet Union, or is there a role for outside countries, particularly the United States, to play?

The President. Role in what sense?

Q. In helping them reach whatever goal -- --

The President. I think the way to reach the goal is to have peaceful resolution of the problems between them that result from calm negotiation and discussion between the parties involved.

Q. But is it an internal matter within the Soviet Union?

The President. I've already told you the United States position, and that is that we do not recognize the incorporation of Lithuania into the Soviet Union. However, there are certain realities in life. The Lithuanians are well aware of them. And they should talk, as they are, with the Soviet officials about these differences.

Q. Mr. President, some of those realities include what Mr. Gorbachev has done; that is, giving the KGB more authority, restricting access to Lithuania. Is that, in fact, peaceful evolution?

The President. I wouldn't put that down as peaceful evolution; but that's a matter to be discussed between the Lithuanians themselves, having declared their independence, and the Soviet officials.

Q. But isn't that kind of a stranglehold also a form of force being used?

The President. Well, we see varying reports as to how much implementation there has been to some of these statements that come out.

Germany-Poland Border

Q. Were you able in your meeting with the Polish Prime Minister -- were you able to give him any support for his request that a treaty recognizing Poland's border be initialed by both Germanys prior to the two-plus-four talks and his request that Poland have a broader role in those talks to discuss security matters besides borders?

The President. We discussed those matters. I purposely worked into my statement here the role we see for Poland in a democratic Europe -- standing on its own, independent, very influential in the future. But in terms of the treaty and how the Germans enter into a treaty with the Poles -- that is a matter that I haven't changed our view on it. But I think we may have a nuance of difference here. But that's a matter for the Polish Prime Minister to discuss with the leaders of Germany.

And I believe they've come a long way. They are very, very close now, far closer than I think many of us would have predicted from statements that were made a month or so ago. So, let

them sort it out. It's going well. The mistrust, I think, that you sometimes read about between the parties is down. I think [West German] Chancellor Kohl has come a long way in his view. I think his leadership has been impressive and terribly important. And I would leave it there.

Q. How about two-plus-four talks, though? Do you support the broader -- --

The President. Two-plus-four talks? The role of the United States is, if we're talking in the two-plus-four about Poland, Poland should be there. Poland should be involved. We have a view that the two-plus-four ought to deal with certain rights and obligations that the four parties came up with right after the war. And we don't see this as the group that is going to determine the fate of all of Europe. It has a specific role to it. But if two-plus-four starts talking about Polish borders, for example, clearly, the Poles should be involved.

Lithuanian Independence

Q. Mr. President, I suppose part of the equation in Lithuania is how much maneuvering room does Gorbachev have. Does it seem to you that he has the political ability to let Lithuania go?

The President. Well, he has asserted that whatever changes take place will be peaceful. I guess I'd have to say I honestly don't know the answer to your question.

Texas Gubernatorial Election

Q. Mr. President, when your fellow Texas Republican, Mr. Williams, was in town the other day, he said that he would feel less comfortable running against a woman and that he'd have to be more cautious. Since you've been there -- --

The President. You're talking to an expert in the field.

Q. Well, did you give him any advice, and do you have some for him if that happens?

The President. No, I have none at all. But I know exactly what he means, and I refuse to elaborate on it for fear of complicating his life. [Laughter] But remember 1984. I can't forget it. And he's entitled to his opinion. Maybe he's drawing on my experience.

Soviet-U.S. Summit

Q. Mr. President, in Secretary Baker's talks with Foreign Minister Shevardnadze, was a date set for your summit with President Gorbachev? Is that meeting likely to take place in Washington, Kennebunkport, or elsewhere?

The President. One, a date has not been set. Two, a place has not been set, but I would anticipate that the major business of the summit would be conducted in Washington, DC.

Q. When would you anticipate a date being set, sir?

The President. Soon. And the matter was raised by Jim Baker with Eduard Shevardnadze, and we should pin this down soon because you have many other meetings coming up. You have a NATO ministerial, you have the G - 7 meeting [economic summit] that will be in Houston, Texas -- very important meeting. We have bilaterals -- I will -- with President Mitterrand [of France], probably in Florida. Then we'll have one with Margaret Thatcher [Prime Minister of the United Kingdom] in Bermuda. And so, the calendar is getting full on our side, and I know it is on the Soviet side as well.

Lithuanian Independence

Q. Mr. President, you've gotten a lot of questions about Lithuania. If the Soviet Union does move with force against the Lithuanians -- --

The President. Too hypothetical. Stop right there. I am not going to make an answer to a hypothetical question of that nature. What possible good would come from the President of the United States, standing halfway around the world, speculating on something that he doesn't want to see happen? I mean, I could inadvertently cause something bad to happen, and I don't -- I'm very sorry -- --

Q. Can I ask something else then, Mr. President?

The President. You can start over on a whole new question. [Laughter] I really don't want to go into the hypothetical.

Israeli Political Situation

Q. In another part of the world, do you think that your comments on east Jerusalem contributed to the collapse of the government there? And do you think, over the long haul, that's going to make the peace process more difficult or easier?

The President. No, I think a President, when he reiterates the standing policy of the United States Government, is doing the correct thing. I do not think it contributed to the fall of the government. These are highly complex, internal matters in the state of Israel. Who emerges, the Likud or Labor, is their problem, their right. And I will negotiate and deal openly with whoever, and talk freely and openly with whoever, emerges as the leader. But I don't believe it made a contribution, because I think if you look at the issues, both the domestic economy and the question of the peace talks, that those were the key issues in the campaign, because most people

in Israel understood that I was simply reiterating a standing United States policy, one that I feel very strongly about.

African National Congress

Q. What is the status on U.S. aid for the African National Congress?

The President. I don't know how that came out. Jim Baker had some discussions about it, and I'm embarrassed to say I haven't seen the final resolution. I just don't know the answer to your question.

Q. What is your inclination?

The President. My inclination is -- --

Q. To be cautious.

The President. -- -- to be cautious. [Laughter]

Lithuanian Independence

Q. Mr. President, as you call for these talks between the Soviets and the Lithuanians, are you envisioning government-to-government talks?

The President. I'm envisioning -- let them sort it out any way they want to. And I'm envisioning that they know how to do that, and they don't need any advice from the President of the United States on how to do that.

Q. Well, what kind of a signal does it send that we ask the Soviets to negotiate with a group that we don't recognize as a government?

The President. Look, I'm for peaceful evolution. I don't care -- we're not here to sit here and say who in Lithuania ought to talk to who in Moscow. How presumptuous and arrogant that would be for any President. So, I'd say let them sort it out. They're on the right track. Lithuanians have got elected leaders, and clearly the Soviets have a strong leader. They can figure that out without fine-tuning from the United States.

Travel to Australia and New Zealand

Q. Mr. President, some Down Under questions. The Australian elections are this week. Will you take up their offer to go to Australia, and if you go, would you also follow Secretary Baker's

example and meet with any New Zealand officials?

The President. Come again on the second part of it.

Q. First of all, do you plan to go to Australia at any point after the elections?

The President. Well, I have no immediate plans. But I have been invited to go to Australia, and I'm dying to go to Australia. [Laughter] I really would like to do it, and I think it is very important that we not neglect our friends. Bob Hawke invited me. The last thing I want to do is intervene one way or another in the Australian elections. I know the heads of both the parties there, and I don't think the U.S. ought to indicate anything of that nature. But when I say Hawke invited me -- he is the Prime Minister. Barbara and I both want to go back to Australia, and I hope we'll be able to do it before the end of the year.

Q. I have a second part, sir.

The President. What was it?

Q. If you go to Australia would you also go to New Zealand, or would you follow Secretary Baker's example and meet with New Zealand officials -- --

The President. I'd wait and see how events were at the time. We've had some differences on -- that everyone's familiar with -- with New Zealand and their policy against our ships, and so I'll wait to see how that evolved. We have a strong affection for the people there. I have been to New Zealand, as you may remember. But I would take a look at where things stood at the time.

Two more and then -- I'm handed -- Marlin is putting the hook on me here.

Lithuanian Independence

Q. Mr. President, back to Lithuania. Were you pleased to see the Senate amendment pushed by Senator Helms on Lithuania defeated?

The President. Well, I don't feel that Senate amendment would have been helpful.

Q. Why not?

The President. For the reasons I've stated here to about 20 different questions.

Travel to Nicaragua

Q. Will you be going to Nicaragua at all for the inauguration?

The President. I will not be going to Nicaragua for the inauguration. I hope to be going to Nicaragua at some point. I, as President, don't want to neglect our own hemisphere; and so we're talking about a trip that will take us well south of the Rio Grande.

Assistance for Nicaragua

Q. A followup: If you don't get your aid in time for your deadline, what can you do to get around Congress to get aid to Nicaragua?

The President. Continue to work for it, because I believe strongly in it. And I think that it is in our interest as well as the interest of Nicaragua to support them. We see the emergence of democracy there. We saw free and fair elections, where the people said please make a dramatic change. And now we feel that we want to support those who want to move down -- as the Eastern Europeans have, as other countries in our own hemisphere have -- the road to democracy.

Merit Pay for Federal Workers

Q. Mr. President, have you signed off on a proposal by your Office of Personnel Management to pay workers -- --

The President. On broccoli? [Laughter]

Q. To pay government workers on a merit basis rather than on how long they serve?

The President. The concept of trying to work in merit has my strong support. I have not signed anything in the last couple of days on that. I did talk to Connie Newman, the head of OPM, the other day. We had a meeting with the heads of a lot of these agencies, and she did discuss that. But the concept of merit has my broad support, but we have to finalize the policy.

Thank you all very much.

Broccoli

Q. Mr. President, have you lost the broccoli vote?

Q. What about it, since you brought it up?

Q. Yes, can you give us a broccoli statement?

The President. Now, look, this is the last statement I'm going to have on broccoli. [Laughter] There are truckloads of broccoli at this very minute descending on Washington. My family is divided. [Laughter] I do not like broccoli. [Laughter] And I haven't liked it since I was a little kid, and my mother made me eat it. And I'm President of the United States, and I'm not going to eat any more broccoli. [Laughter]

Wait a minute. For the broccoli vote out there, Barbara loves broccoli. [Laughter] She's tried to make me eat it. She eats it all the time herself. So, she can go out and meet the caravan of broccoli that's coming in from Washington. [Laughter]

Q. Cauliflower?

Q. Lima beans?

Q. Brussels sprouts?

[At this point, the President made a thumbs-down gesture.]

Q. Ah-ha, thumbs down on brussels sprouts.

Note. The President's 41st news conference began at 11:15 a.m. on the South Grounds of the White House. Marlin Fitzwater was Press Secretary to the President.

Appointment of Stephen P. Farrar as Special Assistant to the President for Policy Development

March 22, 1990

The President today announced the appointment of Stephen P. Farrar as Special Assistant to the President for Policy Development.

Since March 1989 Mr. Farrar has been Associate Director for International Economic Policy, Office of Policy Development. Prior to this, he was Special Assistant to the President and Senior Director of International Economic Affairs, National Security Council. From March 1986 to September 1988, he served as Director of International Economic Affairs, National Security Council. Mr. Farrar was chief of the economic affairs branch, International Affairs Division, Office of Management and Budget, from October 1980 to March 1986. He was an international economist in the International Affairs Division, Office of Management and Budget, from November 1972 until October 1980.

Mr. Farrar received a bachelor of arts degree in 1965 from Bowdoin College and a master of science degree in foreign service in 1967 from Georgetown University. He is married to the former Kathleen D. Clark and has two children, Sheila and Scott.

Appointment of Lawrence B. Lindsey as Special Assistant to the President for Policy Development

March 22, 1990

The President today announced the appointment of Dr. Lawrence B. Lindsey of Virginia to be Special Assistant to the President for Policy Development.

Dr. Lindsey has served as Associate Director for Domestic Economic Policy, Office of Policy Development, since January 1989. In September of 1989 he was named as Executive Director of the President's Council on Competitiveness, chaired by Vice President Quayle. Prior to joining the administration, Dr. Lindsey was an associate professor of economics at Harvard University, a position from which he is now on a leave of absence. Dr. Lindsey was also a faculty research fellow at the National Bureau of Economic Research. From 1981 to 1984, he served on the staff of the Council of Economic Advisers, where he became senior staff economist for tax policy.

Dr. Lindsey received his A.B. magna cum laude from Bowdoin College in 1976, where he was elected to Phi Beta Kappa. He received his M.A. from Harvard in 1981 and his Ph.D. from Harvard in 1985 in economics. Dr. Lindsey's doctoral dissertation won the National Tax Association's Outstanding Dissertation Award in 1985. In 1988 he was the recipient of the Citicorp/Walter Wriston Award for Economic Research. He was born on July 18, 1954, in Peekskill, NY, and attended Lakeland High School. Dr. Lindsey is married to the former Susan Ann McGrath of Wakefield, RI.

Appointment of Marianne McGettigan as Special Assistant to the President for Policy Development

March 22, 1990

The President today announced the appointment of Marianne McGettigan to be Special Assistant to the President for Policy Development.

Ms. McGettigan has served as Associate Director for Legal Policy, Office of Policy Development, since July 1989. Before joining the White House, Ms. McGettigan served as counsel to Senator Warren Rudman of New Hampshire, from 1987 to 1988, and as legislative counsel to Senator Slade Gorton of Washington State, from 1981 to 1986. From 1975 to 1981, Ms. McGettigan served in the Washington State Attorney General's Office. She was president of the Washington State Governmental Lawyers' Association from 1977 to 1979.

Ms. McGettigan received her B.A. in 1972 from Clark University, Worcester, MA, and her J.D. in 1975 from Boston University. In June 1989, she was awarded an M.P.A. from Harvard University's Kennedy School of Government, where she was honored as a Lucius N. Littauer fellow.

Accordance of the Personal Rank of Ambassador to Richard J. Smith While Serving as Special Negotiator for Acid Rain Talks With Canada

March 22, 1990

The President today accorded the personal rank of Ambassador to Richard J. Smith in his capacity as Special Negotiator for Acid Rain Talks With Canada.

Mr. Smith has served as Principal Deputy Assistant Secretary for the Bureau of Oceans and International Environmental and Scientific Affairs at the Department of State in Washington, DC, 1985 - 1989. Prior to this, he served as Deputy Assistant Secretary for Finance and Development in the Bureau of Economic and Business Affairs, 1983 - 1985; deputy chief of mission at the U.S. Embassy in Ottawa, 1980 - 1983; country director for Canada at the Department of State, 1978 - 1980; member of senior seminar in national and international affairs, 1977 - 1978; Director of the Office of Investment Affairs, 1974 - 1977; and Deputy Director of the Office of International Marketing at the Department of Commerce, 1971 - 1973. In addition, Mr. Smith has served as a financial economist in the Office of Monetary Affairs at the Department of State, 1971; second secretary in Stockholm, Sweden, 1968 - 1970; assigned to the University of Michigan, 1967 - 1968; South Africa desk officer at the Department of Commerce, 1965 - 1967; vice consul in Nagoya, Japan, 1963 - 1965; and Foreign Service officer, 1962 to present.

Mr. Smith received a bachelor of science degree and a master of arts degree from the University of Connecticut and a master of arts degree in economics from the University of Michigan. He was born February 28, 1932, in Hartford, CT. Mr. Smith is married, has three children, and resides in McLean, VA.

Nomination of Timothy Ryan To Be Director of the Office of Thrift Supervision

March 22, 1990

The President today announced his intention to nominate Timothy Ryan to be Director of the Office of Thrift Supervision, Department of the Treasury, for a term of 5 years.

Currently Mr. Ryan serves as a partner with the law firm of Reed, Smith, Shaw and McClay, formerly Pierson, Ball and Dowd, in Washington, DC. Prior to this, he was Solicitor at the U.S. Department of Labor in Washington, DC, 1981 - 1983; an attorney-advisor to board member Ralph Kennedy of the National Labor Relations Board; associated with the law firm of Venable, Baetjer and Howard in Baltimore, MD; and deputy general counsel of the President Ford Committee, 1976. In addition, Mr. Ryan served as legal counsel for the Reagan/Bush transition, 1980, and as special counsel to the George Bush for President Committee, 1988.

Mr. Ryan graduated from Villanova University (A.B., 1967) and the American University Law School (J.D., 1973). He was born June 13, 1945, in Washington, DC. Mr. Ryan served in the U.S. Army, 1962 - 1970. He is married, has two children, and resides in McLean, VA.

Letter to Congressional Leaders Transmitting the Annual Report on International Activities in Science and Technology

March 23, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Title V of the Foreign Relations Authorization Act of Fiscal 1979, as amended (Public Law 95 - 426; 22 U.S.C. 2656c(b)), I am pleased to transmit the annual report on international activities in science and technology (S&T) for fiscal year 1989.

A characteristic feature of our age is the unprecedented rate of change in science and technology. In 1989, however, the rate of change in foreign affairs, particularly in Eastern Europe, has surpassed even that of science and technology. These remarkable changes in Eastern Europe have provided expanded opportunities for S&T cooperation with countries of the Eastern Bloc.

For example, on July 13, 1989, during my visit to Budapest, Hungary, I committed the United States to work with Hungary to expand bilateral research exchanges between our two peoples. Subsequent negotiations resulted in the signing of an umbrella S&T agreement less than 3 months later. In addition, because of growing concern about the environmental problems that plague the countries of Eastern Europe, I announced the creation of a new, independent Eastern European Environment Center in Budapest, along with initiatives to improve the environmental quality of the historic city of Krakow, Poland. We will continue to look for opportunities to integrate mutually beneficial science and technology cooperation with our broad foreign policy goals that are aimed at encouraging independence, democratization, and economic growth in emerging market economies of Eastern Europe.

My desire to preserve and improve humanity's common heritage and to address issues of the environment and global change found expression in a number of other activities. During the Paris Economic Summit, I joined other heads of state in calling for decisive action to understand and protect the earth's ecological balance. The United States was instrumental in establishing the Intergovernmental Panel on Climate Change as the primary international forum on this topic. These and other efforts highlighted in this report emphasize the need for nations to work together to understand the interconnected earth system and the ways in which human activity is influencing that system.

Because science and technology are truly international activities, it is frequently the case that scientists and technologists collaborate more closely with colleagues on the other side of the globe than with those at the other end of the hall. This international dimension of science is built

on the person-to-person and institution-to-institution bonds that are formed through shared education, collaboration in research and development, and communications.

We in the United States pride ourselves on open access to our educational institutions, not only for students of this country but for students around the globe. Many foreign students have been eager to take advantage of this access, because it remains a fact that the United States has the best system of graduate education anywhere in the world.

The free flow of students finds a parallel in the free flow of ideas around the world today, particularly in the area of basic scientific knowledge. Much of the international character of science derives from its universality. The United States is firmly committed to the free and open international flow of basic scientific knowledge.

This philosophy also underlies the U.S. approach to a very important subset of our scientific efforts today -- namely, the megaprojects in science, such as the Superconducting Super Collider, the human genome project, and Space Station Freedom. The results of these projects are a global resource adding to the knowledge base of all countries. We are moving toward a day when the responsibility for supporting large basic science projects will be distributed around the world, reflecting the truly international character of modern scientific research and the shared financial and intellectual underpinnings of that research.

Perhaps the most important element of federally funded international cooperation in S&T is the over 600 bilateral science and technology agreements involving more than 20 U.S. agencies, 120 foreign countries, and numerous multilateral organizations. These agreements -- many of which are highlighted in this report -- differ from one country to another, reflecting the state of that country's development and its past relations with the scientific community in the United States. However, there are several broad principles that apply in all our international science and technology agreements: comparable access, shared responsibilities for both basic and applied research, adequate protection and fair disposition of intellectual property rights, and effective protection of sensitive knowledge.

These agreements provide exciting opportunities for cooperation between the United States and the rest of the world, but we must remain cognizant of the fact that the global marketplace is becoming increasingly competitive. The United States still has the strongest science and technology enterprise that the world has ever seen, but we no longer are in a leading position in all fields. By concentrating resources and focusing efforts, other nations have succeeded in equaling and in some cases surpassing us in specific areas of research and technology.

This is part of the orderly development of nations and is due, at least in part, to the help that we provided to other countries since the end of World War II. But the internationalization of the marketplace emphasizes that we can no longer take our leadership for granted. In an increasingly competitive world, only a continuing effort to remain at the forefront of science and technology

will ensure our economic and military security.

It has become increasingly clear that science and technology, the economy, and foreign relations are inextricably intertwined. Policy decisions must be made with a clear appreciation of the scientific and technological issues surrounding those decisions. We must find more creative and effective ways to ensure that science and technology are an integral and important part of our foreign policy around the globe. We have begun that process in 1989, and I look forward to continuing that effort in 1990 and beyond.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; Claiborne Pell, chairman of the Senate Foreign Relations Committee; and John Glenn, chairman of the Senate Governmental Affairs Committee.

Remarks on United States Economic Assistance During a Meeting With Vice President Guillermo Ford of Panama

March 23, 1990

The President. Let me just say how pleased we are to see you here. I've heard of your effective work on Capitol Hill, and it is absolutely essential that the Congress move to pass this legislation that will bring urgent, needed help to Panama. And I want to thank you for what you're doing to get that message of democracy in Panama spread across Capitol Hill, and I wish you well. I hope you'll tell your colleagues when you go back that anything we can do to help, we want to do it. But I want to assure you: The priority is passage of this legislation.

Vice President Ford. Thank you very much, Mr. President. And on behalf of the Panamanian people -- this is the first time I have a chance to meet with you again after Just Cause -- God bless you. We are liberated. Now we're free. And we're ready to put our act together.

It has been absolutely wonderful up on the Hill. I think all the Congressmen and the Senators have been just very understanding of our need. We have expressed the necessity of doing it as rapidly as possible. And the most important thing is that this jump start, full battery charge, will allow us to put the show on the road and not having to come back every year, knocking on doors, asking for additional help.

The infrastructure in Panama is in place, and we're ready to start working. So, I hope that Congress will really look upon it very quickly and with full support.

The President. Well, we'll keep pushing from our end. And I am encouraged. I understand you saw 102 Senators, and that's a pretty good job. [Laughter] Might be it just felt like that. [Laughter] But really, it does help, and it's good to get that message out.

Note: The President spoke at 9:30 a.m. in the Oval Office at the White House.

The President's News Conference

March 23, 1990

The President. Well, once again, let me say welcome to the White House. I'm delighted you are all here. Sometimes I'm asked about traveling, why I do it so much, and I must tell you that I really do like to travel outside of the beltway to the rest of this country. And I'm delighted that all of you have traveled here to the White House.

I'm pleased to meet with such a broad cross section of journalists. Wherever you're from, whether you came all the way in from the West Coast -- and some did -- or whether your organization is based right here in Washington, I'm just delighted that you're here. The organizations you represent are part of a proud journalistic tradition, serving every State, every city, community across this country. In a moment, I'll be glad to take some questions, but just a brief statement.

I'll begin with a matter critical to the future of democracy in this hemisphere. All of us have followed the unfolding of freedom in Eastern Europe, and together with Congress, we've moved to offer American assistance to support those emergency [emerging] democracies in the East. Now, that assistance is crucial; it will continue. But there's work to be done, work that I feel is every bit as important, in support of democracy right here in our own hemisphere.

Panama and Nicaragua stand at a historic moment: on the threshold of democracy. In both nations, the people have spoken in favor of freedom, but the difficult work of democracy building remains. This hemisphere, the Americas, can become the first where democracy prevails from north to south. But it cannot happen if we in the United States fail to add our strength and support to the forces of democracy.

I'm pleased you're here today because this is a matter of tremendous interest to all Americans. Whether it's out in El Paso or Paducah, Kentucky; or Rochester, New York; or Jackson Hole, Wyoming, Angus -- the American people believe that what this nation stands for depends on whether we stand with people who seek freedom and democracy.

Last week, I asked the Congress to act, and act quickly, on the aid package that I've proposed to Nicaragua and Panama. I renew that call today. And let me say to Congress: If agreement cannot be reached on finding the money that is needed for this fund for democracy, I am ready to make the hard choices. With Congress' authorization -- and it would require that -- I am ready to select offsets from the defense budget, break the logjam, and get these much-needed resources moving into the region. With democracy at stake, we really cannot afford delay.

Let me turn now just briefly to another part of the world I know you are all interested in: Lithuania. The brave men and women of Lithuania have made known their desire to reestablish

the sovereignty of the Republic of Lithuania. The United States stands with them and supports their right to self-determination. This is a complex and sensitive time when realistic, level-headed leadership is required on all sides. Lithuanian leaders have consistently demonstrated their capacity in this regard, and the United States will do nothing that will make their task more difficult.

We've repeatedly urged the Soviet Government to enter into immediate negotiations with the Lithuanian Government, which has itself called for those talks. We know that the Soviet Union has a longstanding interest in Lithuania, but those interests can only be addressed through dialog and negotiation. Any attempt to coerce or intimidate or forcibly intervene against the Lithuanian people is bound to backfire. That is inevitable.

The Soviet leadership has said again and again that it will not use force, and we welcome that. And let me repeat, we have made clear to the Soviet Union that the situation in Lithuania can only be solved peacefully.

Now I'll be glad to take some questions. Right here.

New Taxes

Q. Mr. President, we've read your lips, and we've heard your words -- no new taxes. Back home in western Pennsylvania, our government leaders are saying, no new taxes that you want to be blamed for. For example, your new transportation policy would cause taxes to go up in our area, would cause transit fares to go up in our area, and our government leaders say it's a disaster. The Federal Government doesn't want to share any more credit in this, but they want the local governments to take more of a burden. And therefore, local taxes will have to raise, therefore, if you can fulfill your promise.

The President. And they feel if the Federal Government spent it all, why, then it wouldn't cost anybody at home. Is that right? They're wrong. They're just as wrong as they can be. And I was very pleased that our transportation policy was endorsed by the National Association -- I believe it was -- State Legislators. Wasn't it, John? So, there's a difference. I mean, I know some take the line that you asked about, but we don't feel that way at all.

We think that by removing some of the impediments to development and leaving some of the financial responsibility in the hands of the States, that's the way to go. That's the Federal system. There is a good deal of Federal money in our national transportation program.

Sanctions Against South Africa

Q. You mentioned Lithuania and Eastern Europe. I want to go back to the South African question, especially considering Secretary Baker's travels there. A lot of people now are

comparing de Klerk [State President of South Africa] to Gorbachev in terms of reform, but they're still concerned about the position on sanctions. Could you address that in terms of whether -- --

The President. Position on what, sir?

Q. Position on sanctions.

The President. Yes.

Q. Are we going to hold the line and keep them?

The President. Well, our law requires holding the line. We've made this very clear to the South Africans. I've invited both Mr. de Klerk and Mr. Mandela to come here. We have no dates set for either one. I strongly support the Secretary of State in the dialog he has established not only with Mandela and other leaders of the ANC [African National Congress] but with Mr. de Klerk. But I don't think this is the time to change the policy on sanctions.

There's some legislation in the Congress introduced by Ron Dellums which would add to the sanction base, and I don't believe that he's going to press that legislation at all. I met with him and Bill Gray and Dean Gallo and a bipartisan delegation that was in South Africa. And they presented this to me as a unanimous view -- were impressed with what they heard from Mr. de Klerk, certainly impressed with what they heard from Mr. Mandela. So, I don't think this is a time to change in either direction. But I want to see more progress.

New York Gubernatorial Election

Q. Mr. President, on the local level, in New York State [Governor] Mario Cuomo is running for election this year. The Republican Party, your party, can't even find a candidate to go up against him.

The President. This is depressing me. [Laughter]

Q. Is Mario Cuomo that unbeatable? Can you give your assessment of this man, and do you have any plans to help out your party in New York State?

The President. I will certainly try to help out the party in the State. I hope we can find a good, strong candidate. And, yes, the man is a formidable political opponent. There's no question about that. So, I'm not standing up here to knock Mario Cuomo.

But I'd like to have the party find a strong opponent for him and have competitive races not just in New York State but in every State. But I think you've got it sized up just about where it stands

right now. I'd like to think that there would be a strong opponent for him.

Q. Would you be willing to help? Do you have any suggestions -- --

The President. No, I don't. I've got all the problems that I can handle right here without trying to second-guess the party in New York. But it is something that I'm interested in, of course. These gubernatorial races have a tremendous impact on my line of work -- the Federal Government -- because of the redistricting that will take place after the '90 elections. So, there are some key Governors' races across this country to which I will devote attention and time in the fall.

Cuba

Q. Mr. President, I'm from Miami, so my question has to do about Cuba. Tell us the policy of the United States as of now toward Cuba as the last military regime in this hemisphere and also if the United States would be willing to help the new Cuban Government after Castro is gone, like it's helping Panama and Nicaragua.

The President. Well, your question implies that Castro will be gone, but clearly the United States would rejoice in being able to help a democratically elected government in Cuba. I am convinced that the people of Cuba want the same thing that the people of Nicaragua demonstrated that they wanted, the people of Panama demonstrated that they wanted, and the rest of the countries in the hemisphere have demonstrated that they want: democracy and freedom.

And Castro has not changed. Indeed, he's swimming against the tide. And I don't believe there would be any resistance from any quarter to helping the people of Cuba once they had the right to express themselves in free and fair elections.

I don't think it will do much good, but I would encourage Castro to move toward free and fair elections. I would encourage him to lighten up on the question of human rights, where he's been unwilling to even welcome the U.N. back to take a look again. And I am not going to change the policy of the United States Government towards Mr. Castro. We're going to continue to try to bring the truth to Cuba, just as we did to Czechoslovakia and Poland and other countries.

Texas-Mexico Border Communities

Q. Your administration is opposed to a provision in the Rural Economic Development Act that would provide $30 million in loans to people living in along the Texas-Mexico border. These loans would be used to install indoor plumbing. The Texas Senate is taking up the resolution today, a plea for the administration to reconsider its opposition. These people, about 300,000, live without running water and sewage facilities -- [inaudible]. If the administration won't make available loans, is there any other help that you might be able to offer these people?

The President. I know of the problem. I must say, with some embarrassment, I don't know of exactly where that provision stands in terms of support or not support from the administration. But it is a serious problem, and it concerns people on both sides of our border, and it's a health question. And I will try to get back to you, in El Paso, with an answer to what we might do if this provision is not supported for budgetary reasons.

Foreign Aid

Q. We asked our readers to bring their questions to you, and the question that seemed to come up most was -- you referred to it today: In the face of all the problems the United States faces -- homelessness, et cetera -- why are we spending so much money overseas? Why don't we spend some of that money at home? Secondly, many also asked: If you want to fight the war on drugs and be the environment President and the education President, where do you plan to find the money to do that, and is it time to start reading their lips and think about raising taxes?

The President. Well, I've had very few people writing in to say please raise my taxes. But nevertheless, on why do we establish the priorities the way we do -- I think it is in our own national interest to see the fledgling democracies of Eastern Europe and of this hemisphere prevail. I think, in a final analysis, it will be to our financial interest, as well, because we will help create stable democracies that will actively trade with the United States.

Secondly, I realize, having been a Member of Congress, that foreign aid is not the most popular account to vote for. I understand that. Never has been. In terms of the total percentage of the budget, it still remains a relatively small percent.

What was the other part of it?

War on Drugs

Q. The idea that you want to -- --

The President. Why don't we raise -- yes. Well, I think -- --

Q. I don't think they were asking specifically for taxes, but they are questioning where you plan to get -- --

The President. Yes. Well, I believe that our National Strategy II -- and I see Bill Bennett [Director of National Drug Control Policy] here -- is receiving very strong support. We've had a tremendous increase in the amount of Federal funds that are going into the drug fight. It's close to $10 billion. What is the exact increase?

Mr. Bennett. A 70-percent increase since you took office.

The President. Since I've taken office. People don't realize this. But the exciting thing on the drug fight -- I salute Bill Bennett and his efforts for what we are doing -- but I honestly can say to the American people I think we are beginning to make significant progress. And I'm not simply pointing to the decline in high school senior use of cocaine -- that's an important figure, down by one-third. I think there's an awareness, a national awareness now, that is going to inevitably lead to success in the war against drugs. There is certainly an international awareness that we didn't have a couple of years ago. And I was involved in it a couple of years ago -- the fight.

We're getting strong cooperation from countries around the world. We are trying to encourage the Congress to go forward with a strong law enforcement package. But I will take this opportunity to say I really do believe in my heart of hearts that we are starting to make significant progress, and we are going to keep the pressure on.

But the money that's spent by the Federal Government is a tiny percentage of the work that is being done at the State, at the local level, and also at what I think is the Points of Light level. The dynamism of individuals participating is fantastic.

Oilspills

Q. Hi, I'm from California, from Los Angeles. And tomorrow, Saturday, is the first-year anniversary of the Nation's worst oilspill, and just last month we in California averted what could have been a disaster in Huntington Beach. And experts are telling us that another one is inevitable. What is the Federal Government doing to guarantee the people of southern California that their beaches are going to be protected?

The President. I think the Federal Government, with the Coast Guard and our Department of Energy, are working very cooperatively with the environmental -- and our EPA -- working closely with the environmental officials in the State of California. But may I answer your question by a question? Is it proposed that we have no more tankers going into California? And if the answer to that is yes, how do you get heat, how do you get energy?

And so, what we're trying to do in this regard is to have a whole new look in the Coast Guard, Department of Transportation, EPA, looking at it as to shipping lanes to see what is the best -- whether there's a way to shift the shipping lanes to avert proximity to the beaches as much as possible.

It isn't going to be possible to deny access to tankers, and we don't want that. So, what the answer is: Make it as safe as possible. But if you're saying to me, can the Federal Government guarantee that no tanker will ever again have a leak or spill oil, no, I can't do that. And I don't

think any reasonable person can suggest that be done. But we can go the extra mile in terms of environmental protection -- safeguarding the sealanes and all of that.

Q. What about double-hulled tankers and -- --

The President. They're moving towards that, yes. But everything we do has a price tag, and you have to look at every suggestion -- the cost benefit. Fortunately, the most recent spill, I am told, does not appear to have lasting environmental damage, and I hope that proves to be right for the people of Huntington Beach.

I'm watching very closely the situation in Alaska because I think we would all agree that the reports at this time last year were total disaster to the environment in Alaska. Now we're beginning to get a little different view of that, and I hope there's reason to be somewhat more optimistic, although that was an unacceptable incident. And that is in the courts right now, so I guess I shouldn't say too much more about it.

But we will try, because I am committed to a sensitivity in anything that has to do with the environment. But I'm not going to throw everybody in America out of work. P.S.: Please support the compromise, the clean air bill that's up before the Senate.

Senator Jesse Helms

Q. Mr. President, as you're developing your administration's responses to the emerging democracies in Eastern Europe, how much of a help or hindrance has the activities of Senator Helms been on Capitol Hill?

The President. I have great respect for Senator Helms, as you know, and I will add friendship, as well. And in terms of Eastern Europe, Jesse Helms has been out in front for a long time as a proponent of democracy in Eastern Europe. And I don't expect he's going to change his view, and I hope he doesn't.

Private Sector Education Initiatives

Q. Mr. President, I'm from Rochester, New York, and one of the issues that came up in your last visit was promotion of Kodak for its involvement in the relationship between the private sector, school boards, and the public sector. Is your administration making progress with getting enough companies directly involved in the public-private partnership, and what kind of progress have you had so far?

The President. Yes, we are, and again, it's exhortation. There is an example of what I talk about when I talk about involvement -- private company being involved in helping others, or an individual being helped -- those monitors or those people that Kodak lends to the school

community out there, on their own, helping others. And we are seeing progress being made. Another example I could cite to you that I've seen personally is Procter and Gamble's efforts in that regard in the city of Cincinnati, and we're seeing it happen in Kansas City.

So, it's breaking out all across this country. And Kodak, to its credit, through that marvelous program of almost a magnet school concept, went into a place -- what he's talking about -- went into a place where the school was just -- people were fleeing it, they were escaping. Not only was it they weren't performing academically but the whole environment was one of fear for the kids. And this company -- along with, I might add, an enlightened school board approach -- decided to do something about it. Rolled up their sleeves. They didn't come up to Washington and say please pay for it all. And it was good; it's worked just beautifully.

Yes, right here, and then I'm told we've got three or four -- let's take five more. This is one. Then I'll go peacefully.

Lithuanian Independence

Q. Mr. President, I understand from your national security adviser there are rumors of a possible event tomorrow in Lithuania. Is the potential for Soviet activity in Lithuania over this weekend of particular concern right now, having seen that intelligence?

The President. I see a lot of the intelligence on this. At this moment, I can't say I'm predicting some kind of conflagration over the weekend, and I hope not. And that's why I will continue to urge, through any forum possible, a peaceful resolution to this question. I am somewhat heartened by [Soviet Foreign Minister] Shevardnadze's statement to Jim Baker just the other day in that regard. But it is a matter of considerable tension, and I hope those tensions can be released through negotiation.

District of Columbia Statehood

Q. Mr. President, you talk a lot about support for democracies around the world. There are people who think the District of Columbia ought to be one of those democracies receiving your support. There are signs that have gone up, pointing out that DC is the last colony. How far is your administration willing to go in supporting full voting representation for the Nation's Capital in Congress, or even statehood?

The President. I'm opposed to it.

Q. Even any further voting representation?

The President. Well, I'd be willing to discuss something of that nature. But I am opposed to statehood. This is a Federal city, and in my view, it should remain that. Its funds come almost

exclusively from the Federal Government. And so, put me down as unsympathetic to that particular case.

National Endowment for the Arts

Q. Mr. President, there's been a lot of flak lately about the National Endowment for the Arts and its grants to numerous groups that rile some conservatives. Your administration apparently is not proposing any direct, specific standards on content for future NEA grants, and I'd like you to explain that, if possible.

The President. I will. I'd be glad to. First place, I have full confidence in John Frohnmayer, whom I've appointed -- came here from Oregon to run the NEA. That's number one. Two, I am deeply offended by some of the filth that I see and to which Federal money has gone, and some of the sacreligious, blasphemous depictions that are portrayed by some to be art. And so, I will speak strongly out opposed to that.

But I would prefer to have this matter handled by a very sensitive, knowledgeable man of the arts, John Frohnmayer, than risk censorship or getting the Federal Government into telling every artist what he or she can paint or how he or she might express themselves. So, I am against censorship, but I will try to convince those who feel differently in terms of legislation that we will do everything in our power to stop pure blasphemy. And I don't want to offend the American people by citing two horrendous examples of what I would call blasphemous material that has no business getting one cent of the taxpayers' money. Having said that, I don't know of anybody in the government or government agency that should be set up to censor what you write or what you paint or how you express yourself.

Military Base Closings

Q. This is a local issue involving a lot of jobs in Philadelphia. There's a major effort underway right now to save the Philadelphia Navy Yard, which is apparently on the Pentagon hit list of base closings. Do you get involved with those kinds of decisions? Will you?

The President. I get involved in them by recognizing that when you're trying to curtail spending and to protect the American taxpayer across this country there are going to be some tough decisions. The adage remains the same: Cut spending, but cut it in the other guy's congressional district. Be sure to cut it in somebody else's State. Don't cut it here. So, I get into it in a broad sense of saying to the Secretary of Defense: You make the tough calls. You go to the military and work with our able Chairman of the Joint Chiefs, General Powell. And you come with a list of where you can save the taxpayers money, given the changed requirements for defense around the world. You make the list, and I will support you. And I will support them, and we'll see how it works out.

Now, Congress -- they have a major say in all of this. But I must say I am not sympathetic with the concept that some of our severest dove critics suddenly turn out to be tremendous hawks if you try to curtail expenditure in their own districts. And I'm not talking about the Philadelphia Navy Yard.

Academy Award Nominees

Q. Mr. President, on a quite different topic, the Oscars are this Monday, and I'm wondering if you think ``Driving Miss Daisy'' will win Best Picture?

The President. Now we're talking about some hard balls. I'll tell you this -- and I'm going to get into trouble because -- maybe I'd better not inject myself into this. But I will just -- you asked about one movie. I saw it, and I enjoyed it. But the thing that interests me -- and please, Academy of Sciences or Arts, wherever you are, discount this -- I have a lot of respect for Morgan Freeman, and he came here the other night, right in this room, and in a very emotional presentation, gave of his time -- one of the Thousand Points of Light -- to help kids in this country be inspired to learn to read. And that made a profound impression on me -- that somebody with this notoriety, this fame, this acclaim as one of the great actors of our time, was willing to take his time to help some little kid somewhere out across this country.

Last one. Right here.

Coastline Cleanup

Q. Mr. President, residents of coastlands are concerned about the pollution that has washed up on their shores. Your budget cuts the reconstruction plans, and States say they can't make up the difference. What assurance can you give them that that -- --

The President. My answer is we're doing far better in terms of maritime pollution than I had thought we would after 1 year. And don't take my word for it; talk to the EPA Administrator, Bill Reilly. Because I read a report card -- this one from environmentalists, objectively critiquing my record -- and in it they were knocking, with a low mark, the progress -- the marine pollution and pollution of the waters. And so, I said to Bill Reilly, ``What is this? I thought we were doing better in this field.'' And he gave me a very stirring advocacy of the program that is doing a lot better. So, I can't address myself in terms of dollars to your question. We've got a big, fat budget, and I don't know the numbers. But I do think it's a very important area, and I think we've made dramatic progress.

And thank you all very much. I hate to cut it out here, with all these questions left, but I really do have to push on. And thank you for coming to the White House. One more -- we have what is known as the shouted question as I go by. [Laughter]

Note: The President's 42d news conference began at 1:06 p.m. in the East Room at the White House and was attended by regional journalists. John H. Sununu was Chief of Staff to the President. A tape was not available for verification of the content of the news conference.

Nomination of Carl J. Kunasek To Be Commissioner on Navajo and Hopi Relocation

March 23, 1990

The President today announced his intention to nominate Carl J. Kunasek to be Commissioner on Navajo and Hopi Relocation. This is a new position.

Currently, Mr. Kunasek is a self-employed businessman in Mesa, AZ. Prior to this, he served as president of the Arizona State Senate, 1987 - 1989; State senator in Arizona, 1983 - 1989; State representative in the Arizona House of Representatives, 1973 - 1983; and pharmacist and owner of three professional pharmacies in Mesa, AZ, 1961 - 1983.

Mr. Kunasek graduated from Creighton University (B.S., 1955). He was born May 23, 1932, in Omaha, NE. Mr. Kunasek served in the U.S. Air Force, 1955 - 1958. He is married, has three children, and resides in Mesa, AZ.

Statement by Press Secretary Fitzwater on the Expulsion of United States Diplomats From Lithuania

March 23, 1990

Our Embassy in Moscow today was informed that two U.S. diplomats in Vilnius were ordered to depart in 12 hours. They will comply. They will return to the U.S. consulate in Leningrad.

This action certainly adds to our concerns. It does not contribute to a lessening of tensions that would make productive dialog easier. We have protested, especially in light of the fact that the United States has not acted in any way to exacerbate tensions.

In addition, it is unclear what specific actions have been taken against journalists. But we are opposed to any infringements on freedom of the press. The expulsion of journalists undermines the spirit of glasnost.

Statement on the Seventh Anniversary of the Strategic Defense Initiative

March 23, 1990

Today marks the seventh anniversary of the Strategic Defense Initiative. SDI offers an opportunity to shift deterrence to a safer and more stable basis through greater reliance on strategic defenses. Moreover, in a new international environment, as ballistic-missile capabilities proliferate, defense against third-country threats also becomes an increasingly important benefit. Furthermore, strategic defenses can protect our security against possible violations of agreements to reduce strategic offensive weapons. In sum, in the 1990's, strategic defenses make much more sense than ever before.

Over the past 7 years, SDI has made great technological strides. In miniaturization, fast computers, powerful sensors, and dozens of other areas, SDI has pushed back the frontier of technology. In order to sustain that progress and to conduct realistic and rigorous tests of SDI concepts, we need to increase SDI's budget, even as we make real cuts in the overall defense budget. I therefore urge the Congress to support my request for SDI funding. I am committed to a robust SDI program to give us the means to defend the United States and our allies against ballistic missile attack.

Appointment of James D. Wolfensohn as a Member of the Board of Trustees of the John F. Kennedy Center for the Performing Arts

March 26, 1990

The President has announced his intention to appoint James D. Wolfensohn to be a member of the Board of Trustees of the John F. Kennedy Center for the Performing Arts, Smithsonian Institution, for the remainder of the term expiring September 1, 1996. He would succeed Joe L. Allbritton.

Currently Mr. Wolfensohn serves as president of James D. Wolf, Inc., in New York, NY. He is married, has three children, and resides in New York, NY.

Statement by Press Secretary Fitzwater on Lithuanian Independence

March 26, 1990

We have been urging a peaceful dialog to resolve this issue. The Soviets themselves have publicly and privately assured us that they have no intention of using military force to resolve the issue. We have also urged that neither side undertake any actions which could preclude the continuation of this dialog. It is incumbent that both sides maintain open communication and not take any actions that can be misinterpreted.

While I do not want to hypothesize on any eventual outcomes, it is clear that any efforts to coerce or intimidate the Lithuanian people is bound to backfire. Further actions will not lead to a lessening of the tensions, could have adverse international repercussions, and could be counterproductive for U.S.-Soviet relations.

Note: Press Secretary Fitzwater read the statement during his daily press briefing, which began at 10:02 a.m.

Nomination of Philip C. Jackson, Jr., To Be a Member of the Oversight Board of the Resolution Trust Corporation

March 26, 1990

The President today has announced his intention to nominate Philip C. Jackson, Jr., to be a member of the Oversight Board of the Resolution Trust Corporation for a term of 3 years. This is a new position.

Currently Mr. Jackson serves as an adjunct professor at Birmingham Southern College in Birmingham, AL. Prior to this he served as vice chairman of Central Bankshares of the South in Birmingham, AL. He is married, has three children, and resides in Birmingham, AL.

Accordance of the Personal Rank of Ambassador to Frederic V. Malek While Serving as Director of the 1990 Economic Summit

March 26, 1990

The President today accorded the personal rank of Ambassador to Frederic V. Malek in his capacity as director of the 1990 economic summit.

Currently Mr. Malek serves as president of Northwest Airlines in Minneapolis, MN. Mr. Malek is married, has two children, and resides in McLean, VA.

Letter to Congressional Leaders Transmitting a Report on Compliance With Arms Control Agreements

March 27, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

Pursuant to section 52 of the Arms Control and Disarmament Act, as amended (22 U.S.C. 2592), I am pleased to transmit the enclosed report on the adherence of the United States to arms control treaty obligations and on problems related to compliance by other nations with the provisions of arms control agreements to which the United States is a party.

This report was prepared by the U.S. Arms Control and Disarmament Agency in coordination with the Departments of State, Defense, and Energy as well as the Joint Chiefs of Staff and the Director of Central Intelligence.

In previous reports to the Congress, I have made clear that the United States expects scrupulous compliance from its arms control treaty partners. For its part, the United States continues to take seriously its commitments to arms control agreements and sets rigid standards and procedures for assuring that it meets these obligations.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Remarks to the African Development Bank Roundtable

March 27, 1990

Being told in advance that this distinguished group was here, I just wanted to stop over and say a quick hello. I hope your meetings have been fruitful; and I hope you'll get the idea that our administration and, hopefully, Congress -- over which I have no control, I might add -- agrees you all are doing the Lord's work and are on the right track in terms of investment. And so, I want to come over here to welcome officially the members of the African Business Roundtable to the United States and, more particularly, to the White House.

You know, Africa -- I view it as a continent with enormous potential, richly endowed with natural resources and -- from my own personal experience as Ambassador to the United Nations and then as one who has traveled rather extensively in Africa -- richly endowed with warm and very friendly people. And we all recognize that Africa faces tremendous challenges. I don't know how one quantifies the problems facing each continent, but I know they're tough; I know they're extraordinarily complex in Africa. Overcoming poverty -- I'll never be the same as when I was in the northern part of Africa and went across the Sahel and saw some of the famine there. The disease problems -- I do salute those who have worked hard in that, the United Nations and others making a significant contribution. And I hope our country has, and we will continue to try to. But I know it concerns everybody here. And then, of course, there's always unresolved, tragic and, I would say, needless armed conflicts. So, this presents a picture of not just events that adversely affect one continent -- it affects a lot of them -- but certainly something that I think we would all agree -- these things plague Africa.

But Africa's most fundamental challenge, I think, is on the economic development side: harnessing the continent's natural and human resources side to create better and richer lives for all of the people there. Governments clearly have a role to play, and African political leaders need to create the proper economic framework for development. Donors, including the United States, have an opportunity to encourage and to support sound economic policies, moving the market forces as much as possible -- private incentives, private ownership. But the key to a richer and more vibrant economy across the continent is found, I think, therefore, in the private sector, not in the hands of governments. That's why you and other African entrepreneurs represent the bright promise of Africa's economic future working, I hope, more and more with America. You're doing exactly the right thing in looking for investment opportunities at home, seeking support from private investors abroad, and working to develop mutually beneficial trade relationships.

I know that you have a busy schedule here in Washington. And I was told that you're going to see some ``outside the beltway" America. We politicians always refer to Washington as ``inside the beltway," meaning it's a little out of touch with the rest of the country. So, I am delighted to know that you're going to Atlanta and Dallas, in my home State of Texas -- and that's where I

got started in business. There's a good business ethic there, climate and feeling. I think you'll find a receptivity in that part of the world which I hope you'll see not only as hospitable but as something that's very promising economics-wise. The same thing would be true of Atlanta and throughout the rest of the country.

But I really just popped over here to wish you a very enjoyable stay. We're glad you came, and we trust that this visit will prove profitable as well as enjoyable. So, good luck in your important work. You really are on the same wavelength we are in terms of our approach to much of the evolution that's taking place in Eastern Europe and, indeed, in our own hemisphere. We think that the private sector stabilization and growth is very, very important, and I think the business groups such as this can disproportionately contribute to the well-being of the continent. So, thank you very much, and I hope we can work closely with you, President N'Diaye, and others as well, to be a catalyst for your success.

I don't know what goes next, but that's the end of my performance.

Note: The President spoke at 10 a.m. in the Indian Treaty Room at the Old Executive Office Building. Babacar N'Diaye is President of the Bank.

Remarks at a Luncheon Commemorating the Dwight D. Eisenhower Centennial

March 27, 1990

Ladies and gentlemen, welcome to the White House. Senator Dole, Speaker Foley, Commission and Foundation members, family of beloved Ike, and the distinguished foreign dignitaries that are here, Ambassadors, honored guests, I know that many of you have just come from this joint session of Congress. Let me just say welcome to the House that Ike and Mamie graced. Barbara said, You've got your nerve speaking after Walter Cronkite; Jim Robinson; Clark Clifford; Arnold Palmer; John Eisenhower, who I hear paid a magnificent tribute to his dad; and Winston Churchill -- say nothing of distinguished Members of Congress. Well, somebody has to do the heavy lifting around here. [Laughter]

You know, every President admires other Presidents. Harry Truman was fond of Andrew Jackson. Gerald Ford studied Abraham Lincoln. And so, today I say it loudly and very proudly: I have always liked Ike. This year marks the centennial anniversary of Dwight Eisenhower's birth, a date your two groups have already done much to commemorate. And as we gather here, America still likes Ike. We like him because he was a man of character; good will was at the core. He was a healer, not a hater. And he had a deep faith in God, and he believed America to be divinely blessed.

Who will ever forget the last words he spoke on Earth: ``I have always loved my wife. I have always loved my children. I have always loved my grandchildren. I have always loved my country." Second, America likes Ike because he liked us. He was one of us. We trusted him to act on behalf of us. In fact -- fracturing syntax -- he even spoke like us. [Laughter] Come to think of it, now I know why he's among my favorite Presidents. [Laughter]

But Ike once said, ``I come from the heart of America." And so he did, enjoying what he called the great and priceless privilege of growing up in a small town. From smalltown America, he learned values and ideals -- what we term its culture. And he played football at the Point -- followed it avidly -- loved to read, loved TV westerns. Among his favorite groups was Fred Waring and the Pennsylvanians. And a few feet from here is where Ike had his famous putting green. He made golf, as I'm sure Arnold will attest to, a nationally popular sport.

And here's another reason America still likes Ike. He was intensely knowledgeable on becoming President, already a giant in foreign affairs. Of Ike it was said that he preserved civilization. Most Presidents try to save the world after they get elected. Well, he got started a little early. Few men were tested more severely. Think of it: 3 long years from the deserts of North Africa to the beaches of Normandy -- 3 long years, the fate of millions of brave fighting men in his hands.

And last December, off the coast of Malta, I spoke to the men of the U.S.S. Forrestal, where I recalled how, on D-day, Ike addressed the sailors, the soldiers, and airmen of the expeditionary force: ``You are about to embark," he told them, ``upon a great crusade. The eyes of the world are upon you." Ike was steadfast; he was courageous. As Supreme Commander, he met the supreme test. He helped bring peace to every corner of the world.

And finally, he was decisive, acting on instincts that were invariably wise. You know, some critics can't figure out how Eisenhower was so successful as a President without that vision thing. Well, his vision -- [laughter] -- his vision was etched on a plaque, sitting on his desk, that many of you around here remember because you were there: ``Gently in manner, strong in deed." And he used that vision not to demagog but deliver.

Listen to Ike's record of Presidential hits: 8 years of peace and prosperity, 8 years of domestic unity unparalleled in our history. He was a role model, everyone's second father. With Ike as President, father did indeed know best. And of course, he was inspired by one of the most gracious of all First Ladies, Mamie Doud Eisenhower, his wife of 52 years.

What a marvelous legacy Dwight Eisenhower left to all Americans, and how we treasure what he was and what he did. He embodied the very decade that he was President and remains the living symbol of freedom, at home and abroad. Ask anyone who shares the love of liberty: They, too, still like Ike.

In life, he enriched us all, and now it's up to us to tell his story and so enrich our kids. And that's what your Commission and your Foundation are doing, and I thank you for it and pledge my help. And God bless this land that Ike so deeply loved.

Thank you all for coming to the White House.

Note: The President spoke at 12:37 p.m. in the State Dining Room at the White House. In his remarks, he referred to CBS News journalist Walter Cronkite; James D. Robinson III, chairman and chief executive officer of the American Express Co., Vice Chairman of the Dwight D. Eisenhower Centennial Commission, and chairman of the Eisenhower Centennial Foundation; Clark M. Clifford, who served in various capacities in the Truman, Kennedy, and Johnson administrations; golf professional Arnold Palmer; John Sheldon Doud Eisenhower, son of President Eisenhower; and British Member of Parliament Winston S. Churchill, grandson of Prime Minister Churchill.

Statement by Press Secretary Fitzwater on the Emigration of Soviet Jews

March 27, 1990

The United States has long championed the right to emigrate from the Soviet Union and has welcomed Soviet decisions enabling greater numbers of Soviet citizens to choose to leave. That many Soviet Jews are going to Israel is a historic event. The President is disappointed, therefore, at the unfortunate developments of recent days which have had the effect of severely limiting the passage out of the U.S.S.R. of large numbers of Soviet Jews heading to Israel via Hungary. Especially disturbing is the decision by the Hungarian airline Malev -- citing terrorist threats -- to restrict travel opportunities for Soviet Jews.

The Polish Government has expressed its willingness to consider expanding transit for Soviet Jews through Poland. We applaud such a resolute approach and call upon other nations, particularly in Eastern Europe, to do the same. We urge Hungary's airline to reconsider its position. We also urge the Soviet Union once again to implement the agreement with Israel for direct flights.

Remarks at the Posthumous Presentation of the Congressional Gold Medal to Jesse Owens

March 28, 1990

The President. Well, this is so nice. And I was just telling Mrs. Owens I'm sorry Barbara is not here and that we view this as a very special occasion. But to Congressman Stokes and Senator Metzenbaum and then friends and teammates of the legendary Jesse Owens, welcome, all of you, to the White House.

It's my pleasure to welcome you here to the White House to honor a man who really honored his own nation -- Olympic hero and an American hero every day of his life. Jesse Owens was born with the gift of burning speed, and he took that God-given talent and developed it through years of training. And he was always the fastest. One afternoon in 1935 in Ann Arbor, Michigan, he set three world records and tied a fourth -- all in 45 minutes. You talk about a young guy in a hurry -- well, I think maybe that was -- [laughter] -- he was the epitome of that.

As an 18-year-old in 1933, he won the city of Cleveland championship -- the 100-yard dash in 9.4, tying the world record while still in high school. He burst onto the world scene in 1936, and I think every American that studies history remembers this -- the 1936 Olympics, Hitler's Olympic games, the last Olympics before the outbreak of the Second World War. And the Berlin games were to be the showcase of Hitler's theories on the superiority of the master race until this 23-year-old kid named Jesse Owens dashed to victory in the 100-, the 200-, and the 400-meter relay. It was an unrivaled athletic triumph. But more than that, it really was a triumph for all humanity.

And Jesse Owens returned to this nation a hero, a household name, billed as the fastest man on Earth. But it's what he did after the spectacular performance of the Berlin games that earned him the enduring gratitude of all Americans. Jesse dedicated himself to upholding the Olympic ideal of sportsmanship and the American ideals of fairplay, hard work, and open competition.

And I know that his friend and fellow Clevelander, Harrison Dillard -- now, which is Harrison? Right here, right behind you -- Harrison Dillard, right here today. In 1941, at the Ohio State high school track championship, Harrison's idol, Jesse Owens -- you correct me if I'm wrong, now -- gave him a new pair of track shoes. And that day, Harrison Dillard won two State titles in those new shoes. And 7 years later, as we all remember, he brought home the gold medal at the 1948 Olympics in Jesse's event, that 100-meter dash, in the first games held since those Berlin games.

Jesse's example and influence extended to Olympians like Harrison Dillard and to all other athletes across the country, and he became a special ambassador for sports -- a man who taught the ideals that I just mentioned were the key to success not just on the athletic field but in the

game of life. And that legacy lives today through the Jesse Owens Games, a playground olympics open to kids from 8 to 15 years old all across our country; through the Jesse Owens International Trophy Award, presented each year to the best amateur athlete in America; and of course, through the Jesse Owens Foundation, which enables talented young people who can't afford college to fulfill that dream and get a degree. And I know it's a point of pride to Ruth Owens that the Jesse Owens Scholarships are awarded without regard to race, creed, or color.

And it's that legacy that we celebrate here today. And we remember Jesse Owens not only as the first athlete in Olympic history to win four gold medals. Today, 10 years since the passing of this great hero, it's my honor to add to Jesse Owens' collection a fifth gold medal -- this one, as Ruth Owens said on Capitol Hill, for his humanitarian contributions in the race of life.

Mrs. Owens, it is with great pride and in honor of your late husband and his lasting achievements that I present to you this Congressional Gold Medal, the Jesse Owens Congressional Gold Medal. And we're just delighted you came here to receive it.

Mrs. Owens. Mr. President, thank you so very much for this honor. Like your predecessors, President Ford, President Carter, who have recognized Jesse for his many contributions. Jesse achieved the unique distinction of being a legend in his own time. Despite the many honors, his greatest satisfaction came from his work with youth. Jesse's work with youth is now carried on through, as you mentioned, the Jesse Owens Foundation, the ARCO [Atlantic Richfield Co.] Jesse Owens Games, and the International Amateur Athletic Association, spearheaded by Herb Douglas.

On behalf of the youth he still inspires, and on behalf of my family, we thank you.

Note: The President spoke at 11:50 a.m. in the Roosevelt Room at the White House.

Nomination of Michael L. Williams To Be an Assistant Secretary of Education

March 28, 1990

The President today announced his intention to nominate Michael L. Williams to be Assistant Secretary for Civil Rights at the Department of Education. He would succeed LeGree S. Daniels.

Since 1989 Mr. Williams has served as Deputy Assistant Secretary for Law Enforcement at the Department of the Treasury in Washington, DC. Prior to this, he served as Special Assistant to the Attorney General at the Department of Justice, 1989; domestic policy analyst for Bush-Quayle 1988 in Washington, DC, 1988; associate attorney with the law firm of Cotton, Bledsoe, Tighe and Dawson in Midland, TX, 1988 - 1989; senior trial attorney at the Department of Justice in Washington, DC, 1984 - 1988; and chief prosecutor and assistant district attorney in Midland, TX, 1984. In addition, he served as an attorney in private practice in Midland, TX, 1980 - 1984; and as an economic development planner for the Midland Chamber of Commerce, 1980 - 1982.

Mr. Williams graduated from the University of Southern California (B.A., 1975; M.P.A., 1979; J.D., 1979). He was born May 31, 1953, in Midland, TX. Mr. Williams is married and resides in Falls Church, VA.

Appointment of Don M. Newman as United States Representative on the Council of the International Civil Aviation Organization With the Rank of Minister

March 28, 1990

The President today announced his intention to appoint Don M. Newman to be the Representative on the Council of the International Civil Aviation Organization. The President also announced his intention to nominate Mr. Newman for the rank of Minister during his tenure of service as Representative. He would succeed Edmund Stohr.

Mr. Newman served as Acting Secretary at the Department of Health and Human Services in Washington, DC, 1989. In addition, he has served as Under Secretary at the Department of Health and Human Services, 1986 - 1989; Principal Deputy at the Department of Health and Human Services, 1985 - 1986; director of the Washington office of Indiana Governor Orr, 1980 - 1985; and director of the Washington office of Indiana Governor Bowen, 1973 - 1980. He also served as a registered pharmacist for 18 years in South Bend and Mishawaka, IN.

Mr. Newman graduated from Purdue University (B.S., 1947), Indiana University (M.S.B.A., 1972; M.B.A., 1989), and Georgetown University (J.D., 1979). He was born July 31, 1923, in Chicago, IL. Mr. Newman served in the U.S. Army Air Corps, 1943 - 1945. He has two children and resides in Washington, DC.

Statement on the Seizure of Nuclear Weapon Component Shipments to Iraq

March 28, 1990

The arrest of Iraqis in London raises once again the administration's deep concern about the issue of nuclear proliferation in the Middle East. Nuclear proliferation, along with the proliferation of chemical and biological weapons and intermediate range missiles, continues to pose serious threats to U.S. interests, as well as the interests of our friends in the region. These programs only serve to heighten regional tensions and exacerbate regional problems.

We again call upon nuclear suppliers to exercise special restraint in providing materials related to the development of nuclear, chemical, and biological weapons and intermediate range missiles in this volatile area. Furthermore, we urge all states in the area to adhere to the nonproliferation treaty. Iraq is a signatory of that treaty. Iraqi officials are well aware of our views on nuclear proliferation, which we have made clear on several occasions.

Remarks at the United States Olympic Committee Dinner

March 28, 1990

Senator Mitchell, thank you, George. And let me just say this: Good athletes can't run on dirty air. And George Mitchell is doing more to lead this country towards a new clean air bill than anyone else, and I am very grateful to him for his leadership there in the Senate. And thank you. I know that the minute this is over, he'll rush back up because the Senate is in session. I know he can afford to rent a tuxedo, but -- [laughter] -- he comes down, leaves, and in just a couple of minutes you turn on CNN, and there he'll be up there on the floor. So, thank you, sir, for taking time.

To you, Barney, thank you, sir, for being here and, more important even than that, for what you and your great organization are doing to support the Olympics.

To Bob Helmick and the members of the Olympic Committee, my thanks to all of you; and to Don and Vernie, for providing a little professionalism in the announcing; and to all the world-class athletes assembled here. I don't want to date -- well, put it this way, I don't want to see that Bob Mathias is dated chronologically -- [laughter] -- but he and I were elected to Congress on the very same day in 1966, and I'm delighted to see my old comrade in politics here.

It's been a big day for me. I received some of the Olympic leaders in the Oval Office, and just now I've been given some wonderful Olympic sweats backstage. I'll wear them with pride and hope I don't get in trouble for impersonating an athlete. [Laughter]

Bar and I are leaving before dinner, and I apologize for that. We heard you were having broccoli. [Laughter] But we do excuse ourselves. The thing that some of you from out of town don't know, if the guy that speaks leaves before dinner, the talk is refreshingly short; and I will try to oblige you all so these guys can sit down.

But it's a special evening. And in ancient Greece -- true story -- competing in the games was the highest honor a citizen could receive. And back then, athletes that won didn't pay taxes for the rest of their lives. I'll get back to you on that. [Laughter]

Hey, listen, it's an honor to be among such talent -- all of you here and many former medalists. Others are hard at work to bring home the gold in '92, '96, even '98, when, if you'll pardon the plug, we hope to see the games back in America in two of our most spectacular cities, Atlanta and Salt Lake City.

Let me put in a plug for fitness. We want to see every kid in America get and stay in shape.

Arnold Schwarzenegger is doing a great job leading the President's Council on Physical Fitness, and I'd love to have each and every one of you help him in your own way. We need your support on this.

These men and women behind me represent some of America's greatest hopes and aspirations. They are portraits of pure dedication. Maybe it's their discipline that sets them apart, their natural talents, as George said, their will to win. But I think it's something more. They aspire to a kind of excellence that transcends the triumph of mind over muscle, of bodies over stopwatch, distance, high bar, hurdle. Their sense of purpose breaks through barriers of every kind. Through the hours and weeks and years of training, with every breath taken, with every heartbeat, they're moving toward a moment -- and you know the oath -- where they will compete ``for the honor of our country and for the glory of sport." And they prove that in sport no one is advantaged. Where you come from, the color of your skin, whether you're rich, you're poor -- it doesn't matter. It's just you against your opponent; it's your own limits.

Olympic athletes understand and show the world what it means simply to strive. They teach us about the triumph of the spirit, about breaking through barriers, and they speak to our highest ideals. Sometimes it's about beating odds and defying expectations. A little girl with polio from Clarksville, Tennessee, grew up to make the bronze medal-winning 1956 U.S. relay team. Four years later she became the first U.S. woman to win three Olympic golds. Tonight, she's fulfilling another ambition: working with the children's foundation she established. Her name: Wilma Rudolph.

During another Olympiad, an underdog discus thrower fell during practice, tore the cartilage in his ribcage. Somehow, over the next 2 days, with his torso turning shades of black, green, blue, and yellow, he made it to the finals, made one last throw, and won the gold medal. He's since become the only athlete to win gold medals in four successive Olympiads. You applauded him tonight: Al Oerter. He's with us here.

At other times, Olympians break barriers of another kind. In Berlin -- we'll never forget it -- in 1936, Hitler's Olympic Games were supposed to showcase his theories about the superiority of his so-called master race, until a 23-year-old black American, Jesse Owens, exploded to victories in the 100-, the 200-, and the 400-meter relay -- and Hitler left the stadium. It was an athletic triumph, but more than that, it really was a victory for humanity. Ruth Owens was at the White House earlier today. She, too, I believe, is with us here tonight. She received, in her husband Jesse Owens' memory, the Congressional Gold Medal. His sprints to glory will forever be celebrated in America's heart. When Jesse Owens broke through a barrier made of man's own ignorance, the world would never be the same again.

Olympiads, like Olympians, are unique: they unite the world in purpose and principle. Something as small as a ping-pong ball brought Americans to China, paving the way for a breakthrough in relations in 1971. The world smiled then, as Zhou Enlai stood next to a 19-year-

old from Santa Monica, discussing the hippie movement with him and gazing at his purple pants and his ponytail.

If Olympic competition is a drama, it's about great people and great contests, uniting mind with body, athlete with coach, player with player, toward a common purpose. Among so many of them, who could forget 1980, in a tiny town in upstate New York, when a group of American kids -- one of them here with us tonight -- grabbed the American flag, took to the ice, and beat the unbeatable.

You watch an athlete in motion, and you might just see the bonds of human limits shattered in a fraction of a second, redefined forever. But the real lesson Olympic athletes teach, the hope and inspiration they offer, is that nations might aspire to the same measure of excellence in their own conduct.

If athletes have the courage to break barriers, so must nations. And if the athlete's mind and body are among the highest expressions of God's perfection, nations should aspire to the same perfection. If we could make it so -- and with enough will, we can -- what would we want the world to look like by the next Olympiad?

In a rebirth of the Old World, in a new Europe, we would heal the wounds of 40 years of false division on a continent made whole and free by the will of its people. In South Africa, as in every nation, we would see the abolition of racial and religious discrimination, making bigotry and bias the dusty relics of the past once and for all. In Asia and in this hemisphere, we would count the blessings of democracy, pluralism, and self-determination.

The Olympics, like democracy, are a kind of dialog, a way that nations can converse in the language of friendly competition, not deadly conflict. What nations can learn from their athletes, I believe in all my heart, can truly move the world toward greater freedom, justice, security, prosperity, and understanding.

You might say, Well, does that sound impossible? So did the 4-minute mile. So did so many barriers believed to be insurmountable, from the 29-foot long jump to the triple axel. Last year we saw a massive political barrier crumble, as young men and women joined hands atop the Berlin Wall. In 1992 we'll see skiers fly by in an icy blur of speed. We'll see sprinters explode out of the blocks so hard that the Earth may almost move. We'll see a half ton of iron hoisted skyward and a vaulting pole handled like the bow of a fine violin. We'll see tiny gymnasts defy gravity, bending the laws of physics. When the world watches those athletes, let it be reminded how much it has to learn from them. Let every nation of the world know that the only barrier remaining now is the will to make the world better.

To the once and future medalists with us tonight: You know that we admire you. You're often told that what you do brings honor to your nation. And so it does. But in these times of great

change, we must do more than simply admire: we should strive to be your equals in our own pursuits. As we approach a new Olympiad, may we all remember that just as these athletes pursue a dream and serve as an inspiration for their country, America still serves as a dream and an inspiration for the entire world.

So, keep training, keep struggling, keep breaking through barriers, and the world will follow you. Thank you all. And God bless the United States of America. Thank you very, very much.

Note: The President spoke at 8 p.m. in the Regency Ballroom at the Omni Shoreham Hotel. In his remarks, he referred to Bernard Tresnowski, president of the Blue Cross and Blue Shield Association; Robert Helmick, president of the U.S. Olympic Committee; Don Criqui, of NBC Sports; and Vern Lundquist, of CBS Sports.

Remarks to the National Leadership Coalition on AIDS

March 29, 1990

The President. Well, thank you, Dr. Sullivan. And let me say at the outset of these remarks that I'm a very lucky person, and I think the country's very lucky, having Dr. Louis Sullivan as our Secretary of HHS. He's doing an outstanding job. And I want to thank Larry Williford, of Allstate; B.J. Stiles, from the coalition; and then salute Dr. June Osborn, Dr. David Rogers, and then Belinda Mason, of the AIDS Commission, with whom I just met in the Oval Office. And then, of course, my friend and the doctor to the President, who's been active in this cause for a long time, Dr. Burton Lee.

I'm delighted -- and I really mean that -- to be here with you today, the leaders who guide American business as it helps those suffering with HIV and AIDS. You make our hearts glad, and you make your country proud. Other generations have faced life-threatening medical crises, from polio to the plague. This virus is our challenge -- not a challenge we sought; not a challenge we chose. But today our responsibility is clear: We must meet this challenge. We must beat this virus. For whether talking about a nation or an individual, character is measured not by our tragedies but by our response to those tragedies.

And for those who are living with HIV and AIDS, our response is clear: They deserve our compassion, they deserve our care, and they deserve more than a chance -- they deserve a cure. America will accept nothing less. We're slashing redtape, accelerating schedules, boosting research. And somewhere out there, there is a Nobel Prize and the gratitude of planet Earth waiting for the man or woman who discovers the answer that's eluded everyone else.

We pray that that day will come soon. But until that day, until this virus can be defeated by science, there's a battle to be waged by society. Because in 1990, the most effective weapon in our arsenal against AIDS is not just medication but also education. Our goal is to turn irrational fear into rational acts.

And every American must learn what AIDS is and what AIDS is not, and they must learn now. You in this room are leaders. You already know. The HIV virus is not spread by handshakes or hugs. You can't get it from food or drink, coughing or sneezing, or by sharing bathrooms or towels or conversation. The transmission of HIV is as simple as it is deadly. In most cases, it's determined not by what you are but by what you do and by what you fail to do. Let me state clearly: People are placed at risk not by their demographics but by their deeds, by their behavior. And so, it is our duty to make certain that every American has the essential information needed to prevent the spread of HIV and AIDS, because while the ignorant may discriminate against AIDS, AIDS won't discriminate among the ignorant.

Like many of you, Barbara and I have had friends who have died of AIDS. Our love for them

when they were sick and when they died was just as great and just as intense as for anyone lost to heart disease or cancer or accidents. And probably everyone here has read the heartbreaking stories about AIDS babies and those infected by transfusions. When our own daughter was dying of leukemia, we asked the doctor the same question that every HIV family must ask: Why? Why is this happening to our beautiful little girl? And the doctor said, ``You have to realize that every well person is a miracle. It takes billions of cells to make a well person, and all it takes is one cell to be bad and to destroy a whole person."

In this nation, in this decade, there is only one way to deal with an individual who is sick: with dignity, with compassion, care, and confidentiality -- and without discrimination. Once disease strikes, we don't blame those who are suffering. We don't spurn the accident victim who didn't wear a seatbelt. We don't reject the cancer patient who didn't quit smoking. We try to love them and care for them and comfort them. We don't fire them; we don't evict them; we don't cancel their insurance.

Today I call on the House of Representatives to get on with the job of passing a law, as embodied in the Americans With Disabilities Act, that prohibits discrimination against those with HIV and AIDS. We're in a fight against a disease, not a fight against people. And we will not, and we must not, in America tolerate discrimination.

The disease is attacking our most precious resource, our people, especially our young; and the statistics are numbing. You know them; you heard them this morning. Just look at the quilts, the amazing quilts hanging here on the walls today. They prove that no one is a statistic. Every life has its own fabric, its own colors, its own purpose, its own soul. And like the quilts, no two are alike.

When Barbara and I left Washington for Christmas, our last stop was out there at that marvelous clinic at NIH [National Institutes of Health]. We were impressed by the determination of the people there -- the doctors, researchers, nurses, health-care workers, and especially the brave people who are living with HIV. We learned a lot about caring, a lot about family, and a lot about hope. And we saw the face of humanity in the face of AIDS.

You, too, are in a powerful, unique position to influence the response to HIV and AIDS. Washing our hands of it won't help solve the problem; rolling up our sleeves will. The roster of participants at this conference is an honor roll. Allstate sponsored a landmark conference on HIV and work. Fortune magazine launched a survey on CEO's response to HIV. General Motors pledged to conduct an education program. Others are fighting the spread of HIV by fighting to keep schools and workplaces drug-free. And this is America responding to a crisis, and this is America at its best.

This epidemic is having a major impact on our health-care system. The Federal response is unprecedented. In 1982 we knew little about AIDS and spent only $8 million. But this year I

have asked Congress for almost $3.5 billion to battle HIV -- money for basic research, for HIV treatment and education, for protecting civil rights. From Seattle to Boston, from Dallas to Detroit, Federal grants have helped coordinate the efforts of care providers, business, and community organizations to set priorities and pool resources to meet the treatment needs of people with AIDS.

We've initiated clinical trials for promising new therapies for HIV, expanded the availability of experimental drugs, approved three new therapies that for the first time offer help to HIV-infected people before they become sick with AIDS. We've started a toll-free number where HIV patients and doctors can get state-of-the-art information on new treatments, worked with the PTA to distribute hundreds of thousands of copies of the ``AIDS Prevention Guide'' for use in schools and families nationwide. And our $10 billion war on drugs is also a war on AIDS. IV drug use now accounts for some of the fastest growing infection rates, afflicting Americans that are often among those least able to get adequate medical help.

America has the most sophisticated health-care system in the world, but it is not without its problems. We face many challenges. Our system depends on private insurance and individual payments, as well as government programs. AIDS magnifies the challenges, including the challenge of expanding access, bringing costs under control, and overcoming obstacles to quality care. With these concerns in mind, I asked Dr. Louis Sullivan to lead a Cabinet-level review of health care in the 1980's. And businesses like those you represent must play a major role in helping improve our nation's health-care system.

The crisis is not over. We report tens of thousands of new cases every year. And many predict we can expect to continue to do so in this decade and even into the next century. And yet where there is life, there is hope. There are hopeful signs. To begin with, we can be encouraged by the news that current projections of the infection rate will not be as high as we thought just a year ago.

Our administration recently acted to extend AZT coverage to help HIV-infected people not yet sick with AIDS. And all 50 States now provide Medicaid coverage for AZT treatments. Thanks to these actions, more and more people will be able to live and work with HIV. Keep them in your work force, as I know many of you are already doing as leaders in this effort. They can serve many, many more productive years with no threat to you, your other workers, or your companies. It will reduce costs for everyone, and it is the right thing to do.

The pace of progress is promising. The HIV virus has been identified, isolated, and attacked with experimental treatments in a span of less than 10 years -- the normal, centuries-long evolution of disease and treatment compressed into a decade. And this race against time has produced an explosion in knowledge and basic understanding about the nature of disease and immunology. Like the unexpected technological boons from Apollo's race to the Moon, some physicians predict the race to cure AIDS may even lead to a cure for cancer.

Dollars spent for AIDS research are dollars spent for the better health of all Americans. AIDS research strikes at the heart of many human health problems from infectious disease to aging and cancer. It includes research on a class of viruses now increasingly believed to be the cause of not only AIDS but also incurable diseases like muscular dystrophy, multiple sclerosis, and at least two of the strains of leukemia.

We're on a wartime footing at NIH and CDC, the Center for Disease Control. Tonight, like every night, the lights out there will burn late in Bethesda and Atlanta, as a group of American pioneers -- selfless, dedicated workers -- work to solve this problem. If they do -- I should say, I'd rather put it when they do -- it will be one of the greatest things our nation could do for the entire world.

We're going to continue to fight like hell, but we're also going to fight for hope. America has a unique capacity for beating the odds and astounding the world. During my own childhood, the silent, whispered terror was a mysterious killer called polio. Like HIV, the virus ignored class distinctions and geographic boundaries.

Audience member. What have you been doing for 14 months? You haven't said the ``A" word yet. Say the ``A" word.

The President. Let me say something about this. I can understand the concern that these people feel; and I hope, if we do nothing else by coming here, I can help them understand that not only do you care but we care, too. And I'm going to continue to do my very, very best.

Monday would come, and kids who'd been in school on Friday were simply never seen again. Theaters were closed -- you remember all that -- summer camps, swimming pools.

As with AIDS, regarding polio, there was a lot of ignorance -- thousands of stray cats and dogs put to death, kids sleeping with camphor inhalers, and at least one town was fumigated with DDT. And there were terrifying outbreaks in the teens, in the thirties, in the fifties. A cure was so far distant the experts refused to speculate. And then, suddenly, it was over -- the dreaded iron lung, unused, cluttering hospital hallways; children again growing up in a world without fear.

Many comparisons have been made to epidemics past -- cholera, smallpox, yellow fever -- none of them perfect. So, let me boil down the lessons of polio to two: There was a lot of ignorance. Let's learn from that. And in the darkest of hours, hope came unexpectedly, powerfully, and with finality. Let's work hard to see that that day comes to pass.

Together, we will make a difference for those with HIV and AIDS and for all Americans. Thank you all for what you do. God bless your important work. Thank you on behalf of a grateful government.

Note: The President spoke at 11:16 a.m. in the Arlington Ballroom of the Crystal Gateway Marriott in Arlington, VA. In his remarks, he referred to Larry Williford, senior vice president of Allstate Insurance Co., and B.J. Stiles, president of the National Leadership Coalition on AIDS.

Remarks and an Exchange With Reporters Prior to a Luncheon With the Founding Directors of the Points of Light Initiative Foundation

March 30, 1990

The President. Well, today I have the pleasure of welcoming to the White House an extraordinary group of Americans. These distinguished men and women, along with two others who couldn't be with us today, have agreed to serve as the founding directors of the Points of Light Initiative Foundation. I'm looking forward to serving as Honorary Chairman. The founding directors and I share the same vision for this foundation, and the aim of it is to make service to others central to the life and work of every individual, group, and institution in America, from our largest corporations to our smallest neighborhood associations.

Drug abuse, illiteracy, inadequate education, homelessness, hunger, environmental decay, and other critical social problems can indeed be solved. In fact, as we demonstrated Monday by naming the 100th daily Point of Light, these problems are already being solved in every corner of the Nation -- men and women of all ages and organizations of every conceivable type who are tackling these problems in a direct and consequential way.

The growth and magnification of Points of Light must now become an American mission. Today we're not creating a program: we're adding a new dimension to a national movement. Block by block, neighborhood by neighborhood, life by life, we can reclaim those living in darkness. And with every American's help, we will.

Thank you, ladies and gentlemen, for being such a significant part of this major national effort. Thank you. Now we go upstairs and have a little lunch.

Lithuanian Independence

Q. Mr. President, what did you tell Mr. Gorbachev in your message?

The President. Well, it's a confidential message, and if I told you what I told him it wouldn't be confidential. [Laughter]

Q. Have you heard back from him? Confidential or not?

The President. Not yet. But I believe there was some indication, in fact, that the message had been received. But as I mentioned to you all, we try to stay in close touch with world leaders, and this is just one more manifestation of that. But I want to be sure that the Soviets understand

our position and understand that we're not trying to make things difficult for Lithuania or the Soviet Union or anybody else.

Q. Could you tell us what prompted you to send this message, Mr. President?

The President. Just this continual feeling of staying in touch and being sure there's no disconnect because of misinformation. Our views on the question of self-determination and all of that are well-known around the world, but I do not want to risk misunderstanding by failing to communicate. So, that's really what it's all about.

Note: The President spoke at noon in the Diplomatic Room at the White House.

Letter to Congressional Leaders Submitting a Report on Counternarcotics Intelligence Activities

March 30, 1990

Dear Mr. Chairman:

The Intelligence Authorization Act, Fiscal Year 1990 (Public Law 101 - 193; 103 Stat. 1711) specified that I submit a report describing how intelligence activities relating to narcotics trafficking can be integrated across the defense, law enforcement, and intelligence communities.

The Control and Coordination of Counternarcotics Intelligence Activities report prepared by the Director of Central Intelligence is enclosed for your information. I am pleased with the progress the Department of Defense and the intelligence community are making in the national effort to counter the flow of illegal narcotics, and I request your continued support for this program.

Sincerely,

George Bush

Note: Identical letters were sent to David L. Boren, chairman of the Senate Select Committee on Intelligence, and Anthony C. Beilenson, chairman of the House Permanent Select Committee on Intelligence.

Message to the Congress Transmitting an Amendment to the International Regulations for Preventing Collisions at Sea

March 30, 1990

To the Congress of the United States:

Consistent with the International Navigational Rules Act of 1977 (Public Law 95 - 75; 33 U.S.C. 1602), I transmit herewith an amendment to the International Regulations for Preventing Collisions at Sea, 1972, as amended, which was adopted at London, October 19, 1989. The Convention on the International Regulations for Preventing Collisions at Sea (72 COLREGS) was adopted at London, October 20, 1972, to replace the 1960 Collision Regulations. The 72 COLREGS entered into force July 15, 1977, and there are currently over 100 countries party to the convention. The 72 COLREGS were previously amended in November 1981 and in November 1987 to clarify technical language in the existing regulations.

This amendment modifies the language of rule 10(d) that governs the conduct of vessels in an inshore traffic zone of a traffic separation scheme adopted by the International Maritime Organization. The amendment was designed to remove the ambiguity inherent in the words ``normal'' and ``through traffic'' as used in the existing text. This ambiguity lent itself to different interpretations by coastal states anxious to limit traffic in inshore traffic zones in order to reduce the risk of pollution from collision or stranding. The new language for rule 10(d) is phrased so that the mariner should have a better understanding of his duties and obligations with regard to the use of inshore traffic zones by ships.

Consistent with section 5 of the Inland Navigational Rules Act of 1980 (section 5 of Public Law 96 - 591; 33 U.S.C. 2073), this proposed amendment has been considered by the Rules of the Road Advisory Council, which has given its concurrence to the amendment.

In the absence of a duly enacted law to the contrary, I will proclaim that the amendment will enter into force for the United States of America on April 19, 1991, unless by April 19, 1990, more than one-third of the Contracting Parties have notified the International Maritime Organization of their objection to the amendment.

George Bush

The White House,

March 30, 1990.

Nomination of Rear Admiral William J. Kime To Be Commandant of the United States Coast Guard

March 30, 1990

The President today nominated Rear Adm. William J. Kime, U.S. Coast Guard, to be Commandant of the United States Coast Guard, Department of Transportation, for a term of 4 years. He would succeed Adm. Paul A. Yost, who is retiring.

Admiral Kime is commander of the 11th Coast Guard District, headquartered in Long Beach, CA. He has served as the commander of the Central California Sector of the U.S. Maritime Defense Zone, Pacific, and as coordinator of the Pacific Region of the Office of National Drug Control Policy.

Admiral Kime graduated from Baltimore City College in 1951, the U.S. Coast Guard Academy in 1957, and the Massachusetts Institute of Technology (M.S., 1964). He is married to the former Valerie Joan Hiddlestone.

Statement by Press Secretary Fitzwater on International Cooperation in the President's Space Exploration Initiative

March 30, 1990

The President announced today that the United States would seek an exploratory dialog with Europe, Canada, Japan, the Soviet Union, and other nations on international cooperation in the Space Exploration Initiative.

The President's announcement comes as part of a series of policy implementation decisions stemming from his address of July 20, 1989, the 20th anniversary of the Apollo lunar landing. On that historic occasion, the President set the future direction of the U.S. space program by proposing a long-term, continuing commitment to completing Space Station Freedom, returning permanently to the Moon, and sending a manned expedition to the planet Mars.

To chart this course, he asked the Vice President to lead the National Space Council in determining, among other things, the feasibility of international cooperation in this endeavor. The Council recently completed a review of potential international cooperation and concluded, in part:

The President's Space Exploration Initiative will be of profound significance for all mankind.

International cooperation in this endeavor is feasible and could offer significant benefits to the United States, subject to the satisfaction of national security, foreign policy, scientific, and economic interests.

Acting on the recommendations of the Vice President and the National Space Council, the President decided that:

The United States will take a sequential and orderly approach to decisions on involving specific countries consistent with decisions made on the overall Space Exploration Initiative.

The United States will seek an exploratory dialog with Europe, Canada, Japan, the Soviet Union, and other nations as appropriate on international cooperation on the initiative.

The exploratory dialog will focus solely on conceptual possibilities for cooperation.

The dialog will be based on guidelines expeditiously prepared by the National Space Council. The guidelines will be consistent with the National Space Policy, taking due account of U.S.

national security, foreign policy, scientific, and economic interests.

The National Space Council will ensure interagency coordination and review during the development of international cooperation on the initiative and provide recommendations to the President as appropriate.

These decisions by the President follow on and relate to earlier decisions on the Space Exploration Initiative announced in the White House press release of March 8, 1990.

Statement by Press Secretary Fitzwater on the Japan-United States Structural Impediments Initiative Negotiations

April 2, 1990

Prime Minister Kaifu of Japan this morning telephoned President Bush to express his interest in resolving issues related to the Structural Impediments Initiative. The Prime Minister has sent two personal emissaries to meet with the President and administration officials to emphasize the Japanese Government's commitment to progress. The two emissaries are former Ambassador to the United States Matsunaga and Deputy Foreign Minister Owada. They arrive at 10 o'clock this morning and will meet today and tomorrow with General Scowcroft and Secretary of State Baker. They will meet with President Bush on Wednesday. In addition, they will deliver a letter from Prime Minister Kaifu to President Bush concerning trade issues.

The Structural Impediments Initiative talks begin today in Washington at the State Department. The U.S. side will be headed by Richard T. McCormack, Under Secretary for Economic Affairs; Linn Williams, Deputy U.S. Trade Representative; and Charles Dallara, Assistant Secretary of the Treasury. An interim report on these meetings will be issued on April 4, with a final report produced in July.

Note: Brent Scowcroft was Assistant to the President for National Security Affairs.

Remarks at the Annual Convention of the National Association of Broadcasters in Atlanta, Georgia

April 2, 1990

Thank you for that welcome. To Messrs. Mays and Fritts, thank you both, and to all of the rest of the leaders of the NAB that are here today. And also I understand there are a lot of Members of the United States Congress here. In my line of work, you always pay your respects to the Members of Congress -- [laughter] -- in the forlorn hope that they will do it exactly my way someday. [Laughter] But nevertheless, I'm glad they're here.

It is my privilege this morning to be back before America's family of broadcasters, the National Association of Broadcasters. And I can't help but marvel at these huge screens as I walked in here. You know, if I were as large as my image -- [laughter] -- on these screens, imagine how easy it would be for me to get my way with the Congress. [Laughter] And this convention is also displayed, I'm told, on monitors throughout the arena, and from here, beamed around the world. I will try to finish each sentence without a preposition. [Laughter]

But there was a time when most Americans knew their Presidents distantly, from woodcut prints in the weekly newspaper. The circle of democracy in ancient Athens and Rome was even more limited, just to those within hearing range of the debates inside the Parthenon or the Forum. But today, through free over-the-air broadcasts, you have brought millions of living rooms within hearing range; you've made every home a part of the American forum. In fact, on this very day, you are providing -- for the 6,000 foreign broadcasters in attendance, through your international seminars, and through USIA's WORLDNET -- a seminar for the world.

Television, which began as the American forum, has become the world forum. And so, when a lone brave man stood up to a column of tanks in Tiananmen Square, the world stood with him. When the people of Prague sang the first Christmas carols in over 40 years, the world sang with them. And when the first German took the first hammer to that wall of shame in Berlin, the world shared in an historic act of courage.

We all know that governments can censor, governments can silence, but the voice of freedom will not be stilled as long as there is an America to tell the truth. These sounds and images of the Revolution of '89 belong to the world. But it was here in America that a free people first explored how to put the airwaves into the service of democracy.

We accept regulation, but we firmly reject government programming. We reject government ownership of stations. And most of all, we reject censorship. You see, the freedom that this association enjoys -- probably takes for granted -- is a model for the world.

In my State of the Union Address, I spoke of the cornerstones of a free society: democracy, private investment, competitiveness, stewardship. We will see what competitiveness means just this afternoon -- I'm going out to visit a General Electric plant in Cincinnati, where free workers transformed foreign investment into foreign business. Tomorrow I'm going to Indianapolis -- help promote stewardship, where the city works with citizens to cultivate an urban forest. But these are not what you'd call isolated whistlestops. America's ideas are powerful, and through the power of communication, we share them with the world. After all, we live in a time when commodity prices and travel reservations and fast-breaking news flash from Hong Kong to Tokyo, Tokyo to Bonn, Bonn to Boston, all in the blink of an eye.

Roam among the hundreds of exhibits in this convention center, and you will find 22 football fields chock-full of the latest gadgets in telecommunications -- personal computers and modems, fax machines, lasers, optical fibers, satellites -- all strands in a growing web of world communications, a growing network linking all of us, ``a global village." The information industry is not an adornment to modern life: it is the essence of who and what we are. It is truly an information age.

Last May, I discussed the future of Europe with the citizens of Mainz, a German city nestled in the green hills along the Rhine River. And it was while I was there that I appreciated anew the Biblical expression, ``In the beginning was the Word." For it was in that German town that the inventor of the printing press, Johann Gutenberg, first put the scholarship of the ages into the hands of millions of knowledge-hungry readers. His one invention made possible all the pamphlets and journals of the Enlightenment and of the American Revolution, from the call to arms of Thomas Paine to the cool logic of ``The Federalist Papers." You might argue that out of that one invention sprang the very idea called America.

Today, along with the word, we have the image: images projected on color television and evoked by the sounds of radio. But while Western democracy broadened as our knowledge broadened, the circle of democracy and knowledge narrowed under Communist regimes that took power on many continents. For these nations, truth was something to be twisted and stretched by the brutal hands of authority, manipulated beyond recognition. The Czech author Kundera calls this time the ``kingdom of forgetting," when whole nations almost forgot their heroic histories and finest traditions. From Havana to Prague to Phnom Penh, the peoples of these lands never fully gave in to the amnesia, because even in the worst hours of repression, they could always count on a friendly voice to remind them of the truth: Radio Marti, Radio Liberty, Radio Free Europe and, God bless it, the Voice of America.

To fully appreciate what these broadcasts mean, you need only ask someone who listened to them. Sichan Siv, a young man now works on our White House staff -- he's a Cambodian, an American who lived through the horrors of the killing fields. And he's told me that when the Khmer Rouge took control of a village the very first items they confiscated were the radios, for if they respected and feared anything, it was the power of free information. But even under the threat of death, men and women like Sichan Siv were so hungry for news from the outside world

that they would turn on a hidden transistor radio at the lowest possible volume and then put it up flush to one ear. We take free news broadcasts for granted in America, but some people risked death to hear the truth. And some people still do, and we're not going to let them down.

In the realm of ideas and ideals, there are no borders. No government should fear free speech, whether it's from entertainment programs or accurate, unbiased news about world events. And that is why Congress strongly supported TV Marti and why I strongly support TV Marti. We will scrupulously adhere to the letter of the law. But let me say again: The voice of freedom will not be stilled as long as there is an America to tell the truth.

And look, I do understand the practical concerns that some of you have about this, but I also understand that you represent the very principle TV Marti exists to serve: that free flow of ideas. Before we are business men and women, before we are doctors, lawyers, or mechanics, we are Americans. Americans have always stood for free speech, and we always will. So, I have come here to ask something of you. I ask you to stand by your traditions, the best traditions of America. I ask you, once again, to stand for TV Marti and to stand for freedom.

If we broadcast freedom, our message will be heard. After the bloodshed at Tiananmen Square and the expulsion of the VOA from China, I was heartened to see that Beijing relented a little bit and permitted a VOA correspondent to return. In the Soviet Union, publications that once vilified the Voice of America now praise it. Warm words of support even come from Izvestia. A commentator in Moscow News thanks VOA and says that it uses, and here is the quote, ``our own broadening sources of information better than we do and without delay return to us what they have gathered." And now Radio Free Europe has bureaus in Warsaw, in Budapest, and VOA even has one in Moscow, an unthinkable development just a few years ago. The very fact that it is no longer considered remarkable for USIA's WORLDNET to link live programs from Washington to Kiev, or from Chicago and New York to Gdansk and Warsaw, is in itself remarkable.

How did this happen? It happened in part because of the power of truth. Czechoslovakia's playwright-President Vaclav Havel paid a very personal tribute to this power in his recent visit to Washington. First he came to the White House and told me personally what this broadcasting of the truth had meant to those who were fighting for freedom. And then he visited the Voice of America and met the employees of its Czech division. It was a very poignant encounter, for though Havel didn't recognize any of them by face, he knew them all by name the instant he heard them speak.

And it's moments like that that convince me of one sure thing: I am determined that America will continue to bear witness to the truth. America must never lose its voice. Just as President Havel and others who were once under Communist domination have thanked us, I am convinced that the people of Cuba will thank us when they, too, win the liberty they yearn for.

Still, we can envision a time when the purpose of Radio Free Europe and Radio Liberty could be utterly fulfilled. But for now, these networks, along with USIA's WORLDNET and VOA, must continue in Eastern Europe until change is complete. We're still seeing the struggle for freedom, and this must continue until all that struggle is won by the forces of freedom. Free stations and newspapers are still struggling to take root. Their access to their Western colleagues is still erratic. We need to be there now more than ever before to describe and explain our own two centuries of experience in building a democracy.

We can also assist the Eastern Europeans in sharing among themselves their own experience in democracy. After all, Eastern Europeans need more than Robert's Rules of Order: they need to know how the process of reform is working with their neighbors. So, if one nation adopts a novel path to reform, pollution control, or currency law, the others need to be able to benefit from that experiment.

And we must also look ahead to the challenges of a new century. To prepare for our future role, I have directed that an interagency review be conducted of U.S. Government international broadcasting.

And of course, we will be looking for advice from many outside the Government. After all, when it comes to setting an example of a free press, the best example must come from you. The Peace Corps is teaching English in Eastern Europe as the lingua franca of business and journalism, but it is not tasked to offer a model of journalistic excellence. Only the American press corps can pick up where the Peace Corps leaves off and provide a model of accuracy, fairness, and objectivity.

As broadcasters, you can -- and you are -- transferring American know-how to the East. You're working with VOA to train and orient foreign broadcasters visiting the United States. In February the director of Polish radio and television visited your headquarters, in part to seek the counsel and assistance of American broadcasters. And you've sent your representatives to meet with their counterparts inside the Soviet Union. And on top of this, you are helping Americans to invest in joint ventures to establish new radio and television networks in the East. So, most of all, I am here to recognize your energetic, international leadership. And I might make a peripheral plea: Do not neglect this hemisphere and this hemisphere's quest for democracy.

The times have changed. We need no longer act in the fine tradition of the Underground Railroad. But before the Revolution of '89, America regularly received the speeches of Lech Walesa, Vaclav Havel, and other brave men and women of conscience on smuggled tapes. And through the power of broadcasting, America became the courier of freedom, returning the eloquent words of these leaders back to their people, returning hope and the promise of liberty to half a dozen lands. That was our vision then; that is our vision today. And by working together, our American vision is fast becoming a reality for the world.

I can tell you many friends in this audience that there has never in my view been a more exciting or challenging time to be President of the United States. The change is mind-boggling -- the changes around the world. The bid of freedom is irreversible. It's bound to happen to places denied freedom today. But the importance of your work, the importance of your commitment to open, fair journalism is unparalleled in any time in our history. So, I came here to say thank you -- thank you all for what you are doing, thank you for the support you've been able to give this administration. And may God bless you. And most of all, may God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 10:09 a.m. in the Thomas P. Murphy Ballroom of the Georgia World Congress Center. In his remarks, he referred to L. Lowry Mays and Eddie Fritts, joint board chairman and president of the association, respectively. Afterwards, the President examined a scale model of the proposed 1992 Olympic Village in Atlanta. In the afternoon, he traveled to Cincinnati, OH.

Remarks at a Fundraising Dinner for Gubernatorial Candidate George Voinovich in Cincinnati, Ohio

April 2, 1990

Thank you, George, very, very much. Thank you for those kind words. And be seated out there. That would mean curling up your feet. [Laughter] And thank you all for this very warm welcome.

I'm delighted to be here with two Members -- well, three Members of Congress -- but with Bill Gradison and Bob McEwen, these two distinguished Members of the Ohio congressional delegation. I'll get to this one in a minute. And let me recognize Cincinnati's next Congressman, Ken Blackwell, who's out here. Ken -- right there. This is a State ticket meeting. Tomorrow Ken and I are going to figure out what I can do to assist him in that very important congressional race.

I also want to take a moment tonight to mention a close friend of mine, a friend of so many Republicans here in this room and across the country, and I'm talking about Lee Atwater, our national chairman. During this difficult time -- and he went into another hospital today in New York, I'm told -- our hearts go out to him and to that wonderful family of his. And I know I speak for all when I just say we wish him our very, very best in this difficult time. And right now there's nothing more important for Lee to do than to get well, and I know that's exactly what he intends to do, given that fighting spirit. Luckily, when it comes to leadership at the RNC -- and I think our very able State chairman here will attest to that -- Lee is backed up by one of this party's most able politicians, a friend of mine of longstanding, Jeanie Austin, over here, who is with us tonight. And she is doing an outstanding job for the party. The Atwater-Austin ticket at our national level is hard to beat.

And that brings me then to the six members of this strong Ohio State ticket here today: Jim Petro, candidate for State auditor; Senator Paul Pfeiffer, Ohio's next attorney general; your next State treasurer, Judy Brachman; and then Bob Taft, my old friend, the current Hamilton County commissioner, and Ohio's next secretary of state. I don't think he needs too much of a word around Hamilton County here.

And then, of course, the two men at the top of the ticket: Mike DeWine, one of the finest Congressmen on Capitol Hill, who's ready to come back home and be the next Lieutenant Governor of this great State. Mike, we wish you well. And of course, with you, locked in tandem, Ohio's man of the hour, the next Governor of the Buckeye State, George Voinovich. I'm here to support all of them, and you have an outstanding ticket.

Let me diverge just a minute to point out that George Voinovich says I was responsive when he

was mayor of Cleveland. I don't know, I guess I want to see him elected -- well, put that down as 100 percent -- but I'll tell you, when you elect him the next Governor, he will be a fighter for Ohio. I can attest to it. He was mayor of Cleveland, and he was in there every single day working for the interests of Cleveland when they interacted with the Federal Government. So, you'll have a bulldog here in Columbus, Ohio, to fight for the rights of the State, and somebody that I can work with and look forward to working with.

You know, this town -- George used the baseball analogy -- has seen its share of great teams, from the days of Robinson and Rose, Perez and Concepcion, Joe Morgan, Johnny Bench, right up to today's team of Davis, Larkin, and Browning. Sounds like a law firm -- [laughter] -- but this Republican lineup of Voinovich, DeWine, and Taft ranks right up there with the best of the great Reds teams ever to take the field -- or, George, I noticed your plug in there for the Cleveland Indians; the same goes for them. [Laughter] And come ``game day'' this November, it's the Democrats who are going to be praying for rain. [Laughter]

It's always good to be back in Ohio. George says native son. I missed by a generation. It was my dad that was the native son, born in Columbus. But it's great to join you here this evening, after what George alluded to, what must be the most expensive hot dogs in the history of the State of Ohio. [Laughter] If marvelous Marge Schott [owner of the Cincinnati Reds baseball team] hears about this, you can bet you've seen the end of the dollar hot dog across the street at Riverfront Stadium. [Laughter]

You know, I know everyone here has had this day circled on the calendar for a long time. I know how the expectations build and how you feel a sense of excitement in the air. So, let me say I know how you feel right now. I was looking forward to throwing out the first pitch at the Reds' opener, but it didn't work out that way. It's all quiet across at that marvelous Riverfront Stadium. And it's not easy to tune in the Reds-Red Sox exhibition game from Plant City when you're up there on Air Force One.

But the fact is, opening day -- and a new season -- is just 1 week away. And in 1990 -- a new year and a new decade for the Republican team -- it's a whole new ball game, too. It really is. The Ohio Republican Party has never had higher hopes, never had a better shot at putting this State into the Republican column and keeping it there. More and more Ohioans are looking to the GOP to lead us into the nineties, and according to the recent polls I've seen, the GOP is now the majority party for Ohioans under the age of 25. And that bodes well not just for this next election but for this whole decade of the nineties. And every one of you here tonight is a proud member of this tough new Republican team.

This year's especially important because the impact of the 1990 elections will be felt all decade long. In the reapportionment of congressional districts that will take place after that 1990 census, Ohio, in all likelihood, stands to lose two seats. We must make sure when those districts are redrawn that the results are fair and equitable to the Republicans and, thus, to the people of

Ohio. No more gerrymandering.

Right now every statewide official in Ohio is a Democrat. The election this November can guarantee three men here tonight -- George Voinovich, Bob Taft, Jim Petro -- a seat at the table come redistricting time. I'm telling you: This is important nationally. The GOP has made great gains in Ohio, and we don't want to see those gains erased -- quite literally -- by the masters of gerrymandering.

But I do believe that we have every reason to be confident. The man we're here to send to the statehouse, George Voinovich, is a triple crown winner in Ohio politics: an office holder on the city, county, and State levels -- Cuyahoga County auditor and, later, county commissioner; Ohio assistant attorney general; State representative; and Lieutenant Governor. And for the past 10 years, he has been an outstanding mayor of Cleveland, a city where Democrats outnumber us -- what is it -- eight to one. Eight to one. The plain truth is this: You won't find anyone who knows how Ohio works better than this man, and you won't find anyone who's more ready than George Voinovich to roll up his sleeves and go to work for the entire State.

I am proud to say, George, that you and I have a lot in common: same first name -- [laughter] -- same charismatic, emotional approach to life -- [laughter] -- same approach to politics, an approach that tells us that decency and democracy are one and the same. George is a man with many qualities I admire -- I might say I speak confidently for the Silver Fox on this one -- Barbara Bush -- [laughter] -- a man of integrity, a family man, father of three fine kids who'll be with him every step of the way in this campaign for the statehouse. One of them is here. Betsy is here someplace. Betsy, where are you? Whoops. Betsy is not here. All right, she was supposed to be. But there's always been a place for politics in the Voinovich household. George met his wife, Janet, at a political rally. And, George, I hope the hot dogs weren't as expensive as they are here. But you can count on him. You can count on this man, this experienced man, to keep his commitment to serve the public, to conduct himself and his administration with all the honor and integrity every elected official owes the people who put him in office.

But best of all, for all Ohioans, George Voinovich is a man -- and I referred to this earlier -- who gets things done, a proven leader in every position he's held in more than two decades in Ohio politics. And what happens here is critical for this State and for the Nation because the fact is many of the challenges we face cannot be met by Washington alone. The answers and the action will come at the State and local level. That's true whether the issue is economic growth or education or cracking down on crime and drugs. And that is the key reason that I'm looking for a partner like George Voinovich to work with here in the Ohio statehouse at Columbus.

Take the issue of crime and drugs. We're working hard -- we really are -- and I think we're beginning to make headway there back at the White House to implement our National Drug Strategy II and to push our tough, no-nonsense anticrime package through the Congress and into the law. We're doing all we can on the Federal level to make life tough on the criminals. We've

increased funding for Federal prisons -- 24,000 new beds this year alone. We've called for tougher laws; stiffer penalties for crimes of violence; more Federal agents and prosecutors and judges; more certainty in sentencing; and for drug kingpins who kill the police officers, the ultimate penalty, the death penalty.

That's what we're doing in Washington. But as a nation, we can't break the deadly grip of drugs -- we can't show the criminals that prey on our citizens that we mean business -- unless each and every State takes the same strong steps against crime and drugs.

It's the same when the issue is education. The President, every American family, knows how much education means for our kids and for our future. Earlier this afternoon -- I wish all of you could have been with me -- I toured the General Electric aircraft engines plant and saw that kind of high-tech, precision manufacturing the workers of this State and this country are capable of. Felt the pride -- you could feel it as you talked to them along the line -- felt the pride that they feel. That's where they build the engines, you know, for Air Force One; and it's where they're building engines in great demand in the international aircraft industry. And I can tell you, if American industry is going to keep its competitive edge in the future, American schools have got to be first-class. And education is the key.

And the States are central to real education reform. And that is the reason, as most of you know, behind last year's education summit with the Nation's Governors; and it's the guiding force behind the goals the Governors and I have agreed on, the education goals we want every student and every school to meet.

We all know those six goals: American high school students first in the world in math and science achievement by the year 2000. Raising the graduation rate to 90 percent or better. In order to make sure those diplomas mean something, we must assess our kids' progress at the crucial 4th, 8th, and then 12th grade levels. Fourth, of course, excellence in education means every American child ready to learn the day they walk into the classroom; and that's why we've stepped up funding requests for Head Start so much. Every American adult literate. Every American school drug-free.

And I know I can count on Governor Voinovich to join me in leading a crusade for excellence in our schools, to prepare every child in Ohio, every kid across this nation, to take his place in the work force of the 21st century.

Whatever the issue, whether it's keeping our streets safe, our government sound, or preparing our kids or promoting economic growth, I need friends and allies to work with me, allies like George Voinovich, Mike DeWine, Bob Taft, and the other fine members of this Ohio Republican team.

Tonight, I really came out here to ask you to go the extra mile. I thank you for your support. And

I ask each and every one of you to recognize that you really are caught up in a national crusade here, because if we can win in Ohio with this clean sweep in the fall of 1990, it sets a fantastic tone for what lies ahead in the remaining 10 years of this decade. So, I'm out here to support enthusiastically and without reservation this topnotch team, to make 1990 a winning season and the 1990's a Republican decade.

Let me just say in closing, I like being President of the United States. I don't believe anybody who's had the Presidency, any of the 40 who have preceded me, could claim to have been President at a more fascinating time in terms of international affairs. And George referred to the changes that are taking place around the world, and they are fantastic. And I urge you not to just concentrate on the marvelous change in Eastern Europe, where we're trying very much to help Poland and to help Hungary and Czechoslovakia and so many other countries. But don't forget our own hemisphere. Don't forget what's happening in terms of democracy south of this border. I talked to President Aylwin of Chile and [President] Carlos Salinas of Mexico, who have enjoyed a democracy, but with whom we're working very closely. And the change in Panama and the change in Nicaragua is, to me, every bit as exciting as what's going on in Eastern Europe.

So, I am President at a fascinating time. We are Republicans at a fascinating time. And as exciting as the international environment is, I do not want to forget, and I will not, the domestic agenda. And that's what brought me here to Ohio, because I believe in this team that you see sitting here. We have the very best anywhere across the country.

Thank you very, very much for your support. And God bless you all.

Note: The President spoke at 5:50 p.m. in the Presidential Ballroom of the Westin Hotel. In his remarks, he referred to Jeanie Austin, cochairman of the Republican National Committee. Following his remarks, he attended a reception for major campaign donors. Earlier in the afternoon, the President attended a briefing and toured the facilities at the General Electric aircraft engine plant.

Statement by Press Secretary Fitzwater on Iraq's Threat To Use Chemical Weapons

April 3, 1990

We have now had the opportunity to review the text of the address given yesterday by Iraqi President Saddam Hussein. The President finds the statements about Iraq's chemical weapons capability and his threatening Israel to be particularly deplorable and irresponsible. Such statements can only exacerbate tensions and further destabilize this already volatile region. What is needed in the Middle East is not inflammatory rhetoric but concrete steps to rid the region of chemical and other unconventional weapons and to move toward peace.

Remarks at a Tree-Planting Ceremony in Indianapolis, Indiana

April 3, 1990

Well, thank you all very much. And Senator Lugar and Senator Coats; the Governor of the State, Gov. Evan Bayh; Mayor Hudnut; Director Strong; and distinguished guests and all of you ladies and gentlemen freezing out there on this spring day, I'm just delighted to be here, ``back home in Indiana'' again, and, as the banner says, to plant ``Trees for Tomorrow'' that will benefit our nation and its kids.

Not far from here is the hometown of a great former Indiana Senator who, in my view, has been an even greater Vice President -- a man I trust, a Hoosier I rely on, Dan Quayle. He is serving our nation very well, thank you.

And speaking of another friend, I'm sorry Bobby Knight isn't here. It wouldn't hurt him to be around a kinder, gentler event like planting trees, but nevertheless -- [laughter] -- please give him my very best.

I'm glad to see all of you here in a city which, unlike some, can see the forest for the trees and which intends this year to plant, as your mayor just said -- my old friend Bill Hudnut -- 30,000. Trees are in a larger sense the sanctuaries of mankind, renewing and refreshing. And many of you have grown up reading the great Hoosier poet James Whitcomb Riley, who often observed that the individual could enrich the tapestry of life. Well, so it is with trees. They renew and restore the natural magic of our world. Think of how trees enhance our atmosphere -- Bill touched on it -- providing oxygen and absorbing carbon dioxide, and how they enhance the environment. For their beauty is breathtaking, and their bounty, breathgiving.

Ten weeks ago I announced a new program to help preserve the wonderful legacy of our trees and, indeed, to help us conserve all natural resources. It's called America the Beautiful. It will help plant the seeds of environmental stewardship not only by planting trees but through other steps as well. America the Beautiful calls for expanded land acquisition for our national parks, wildlife refuges, forests, and public lands and funds to maintain and restore them. Our program is similar to your Clean and Green Month. It seeks clean water, clean land, clean air. In that spirit, let me note that later today the Senate will consider our clean air legislation, the first rewrite of the Clean Air Act in over a decade. I am proud of this proposal to cut smog, acid rain, and toxic pollution -- to make America cleaner and safer. Tonight marks an historic vote. So, I urge the Senate to act not merely for this generation but for all generations to come.

Trees, of course, can help ensure clean air. Consider: One recent study showed that trees, much more than water, consume the carbon dioxide that is building up in our atmosphere. Research

also shows that trees can lower peak energy demand in urban areas by 20 to 40 percent and that three well-placed trees around a home can reduce its air conditioning needs by 10 to 50 percent.

The record's clear: We need trees economically and environmentally. We also need them to lift our minds and our hearts. Trees are something we all can plant, for while they can be fragile or sturdy, they are always precious. And the record shows that Indianapolis is not falling down on the job of planting trees, and neither will our administration.

That's why a key part of America the Beautiful is a national tree planting and forest improvement program to be administered by our Department of the Agriculture. This program involves both rural areas as well as urban tree planting programs in great cities like Indianapolis. And to fund it I have asked Congress for $175 million for fiscal year 1991 to plant 1 billion trees a year.

Two weeks ago I also asked Congress to approve another step to protect the environment. We call it the National Tree Trust Act of 1990. It will foster the partnership between the public and private sector to plant trees all across America. Under this plan, we will designate a nonprofit foundation to receive a one-time Federal grant to promote community tree planting and cultivation projects. It will also solicit contributions from private sources; sound a nationwide call for each American to protect the environment; and most of all, plant the trees that clean our air, prevent erosion, and purify our water.

In the same spirit of our Thousand Points of Light, the National Tree Trust Act will help toward a goal of creating 10 billion trees of life, and it will complement local programs to help conservation enrich America's quality of life, programs like your Trees for Tomorrow.

Talk about cooperation, Trees for Tomorrow links individuals, private groups, and your department of parks and recreation. In April alone, 3,000 trees will be donated. This urban forestry program will help volunteers show new volunteers not only how and where to plant trees but also how to care for them, why we need them, and how they will help our precious environment.

You know, 2 weeks ago I told an audience that I'd been planting so many trees all over the country that I might have to open a branch office. [Laughter] I tried it once before, and it got the same groan. [Laughter] This one is going out of the speech from now and evermore. [Laughter]

I can't think of a better spot than here in Indianapolis. Just as trees grow, with roots and branches becoming stronger and deeper by the year, your effort on behalf of trees can reach far into the future.

I began by talking about two exports: Dan Quayle and basketball. Let me close by referring to an event and then a movie close to Vice President Quayle's heart.

First, the event. Three years ago, after being reelected by a landslide, he was saluted on his 40th birthday in a way each of you will appreciate. Students planted 40 trees in his honor, one at I.U. Law School, 15 at his college alma mater, 24 at his high school. Those trees reaffirm the beauty of Indiana. They embody the kindness of you, his friends.

Second, the movie. It's called ``Hoosiers.'' You've seen it -- probably memorized it. It was filmed here in three nearby towns. Yes, it's about basketball, but it also portrays, unforgettably, the beauty of Indiana. The next time you see it, look for two things: kids and trees. They're everywhere in the film, and they make the movie very special, even magical. And so it is from Evansville in the south to the Michigan State line: trees -- many planted by kids -- enhancing the splendor of Indiana's cathedral of the outdoors.

So, let's help these youngsters plant more trees and nurture them in this State and in all 50 States. Let's plant the Trees for Tomorrow that will bless the children of tomorrow, the generations who will inherit our Earth. Trees are an inheritance passed from one generation to another, and they symbolize the continuity of mankind.

Not far from here there's a special young man who has created a special legacy of his own, and he is in our prayers today. His name is Ryan White, and he's been fighting a courageous battle against a deadly disease and also against ignorance and fear. Ryan has helped us understand the truth about AIDS, and he's shown all of us the strength and the bravery of the human heart. So, today, as together we plant this beautiful American elm, this symbol of new life, this first tree of your magnificent campaign, let it be Ryan's tree.

God bless that young man. God bless his family. And God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 12:07 p.m. at the Trees for Tomorrow Park. In his remarks, he referred to F. Arthur Strong, director of the City of Indianapolis Department of Parks and Recreation, and Bobby Knight, Indiana University basketball coach. Earlier, prior to leaving Cincinnati, the President met with Ken Blackwell, the Republican candidate for the First Congressional District. The President also visited Derrick Turnbow, an honor student at Taft High School who was the innocent victim of a drug-related shooting.

Remarks at a Fundraising Luncheon for Senator Dan Coats in Indianapolis, Indiana

April 3, 1990

First, let me, once again, say how much I enjoyed reveling in the magic of Sandi Patti and her great music, and to see my friend Fred Travalena, again, here. Could have helped him with some of his gestures, the way it is -- [laughter] -- but he's coming along. And it's great, really, to be back in Indianapolis, with good friends like Dick Lugar and, of course, Don Cox and Margie Hill of our national committee, two great representatives there. And then, we're flying up here with our new State chairman -- he's here -- Keith Luce, a hard worker doing a great job to rebuild the party. And most of all, I'm pleased to be here on behalf of a man who brings your Hoosier ideas to Washington every day with great integrity and honor, and I'm talking about Dan Coats, the man of the moment. It is essential he be reelected.

I want to thank Dick Freeland and Bob Irsay and others for this tremendously successful event. I'm sorry I couldn't get over here to have lunch with you today; I wasn't allowed to. On the way over I was notified that the Secret Service had found my food taster face down in the salad. [Laughter] Somebody had washed my lettuce with Perrier. [Laughter] It could have been worse -- broccoli -- could have been worse. [Laughter]

Throughout the eighties -- the decade which saw the greatest economic expansion in U.S. peacetime history and fires of freedom begin to burn all over the world -- throughout this turbulent decade, the people of Indiana had two great men representing them in the United States Senate -- Dick Lugar and then, of course, Dan Quayle -- a foreign policy duo that have been instrumental to the progress we've seen internationally. Dick's tenure on the Senate Foreign Relations Committee has been -- I was telling this to Dick Freeland here -- absolutely nothing less than superb. And I continue to depend on his wise counsel as we wrestle with a world in change.

I don't have to tell you, you know this already, how important Dan Quayle's outstanding leadership has been in crucial areas like Central and Latin America. And he's served our administration well and our nation well. So, Indiana already had a lot to be proud of in these two fine men. And now we have Dan Coats, stepping into that legacy of leadership in the United States Senate.

For the last 10 years, Dick Lugar and Dan Quayle have built this dynasty of Republican leadership in Indiana with a command of the issues that's kept America number one. In 1986 Dan Quayle was reelected by the biggest landslide of any Senate candidate in Indiana history. And yet 2 years later, Dick Lugar came along, broke the record with an even bigger winning margin. And come November my common sense tells me that the voters of Indiana will continue the tradition and give Dan Coats an even greater victory margin. It's going to happen.

So, I'm here, ``back home again in Indiana," in what natives call the Crossroads of America, to talk to you today about common sense, something Hoosiers know a lot about. Indiana is the heart of the heartland, and the Hoosiers are right in the middle of an American mainstream with the kind of values that have made this nation great. And I'm talking about values like hard work and opportunity and decency and loyalty, faith and family. Everyone here believes that the family is the cornerstone of American society. Our administration has placed the family at the center of our agenda for the 1990's: to build an America where every man, woman, and child is drug-free; where schools challenge and support our kids and our teachers; and where our families can live in a clean, safe environment. Dan has been one of the biggest supporters -- as Dick Lugar referred to this -- Dan Coats has been one of the biggest supporters of our pro-family agenda, reaching out to families like yours with hopes and dreams for the children's futures. He is really your voice for your values.

And it's a strong voice. His work in Congress sponsoring important pro-family legislation was crucial to the progress that we've already made in strengthening the family in this country. And he's helped people in areas like education reform and family support and help for ``at risk" children and families in need. In fact the Republican Party felt so strongly about his legislation that we made it a part of our national platform -- mainstream values that all Americans care about. And that's why I believe we need Dan Coats in the Senate, and I know that everybody here today agrees with me on that important point.

Nothing ravages the American family more than drug abuse. Our National Drug Strategy, articulated by Bill Bennett -- we call it National Drug Strategy II -- which I announced last September, deals with all sides of the issue, from education and prevention to expanded treatment to stronger penalties and stepped-up enforcement. It's a tough approach, but it is a sensible approach.

No part of America is safe from the scourge of drugs. This is not simply an inner-city problem or a border problem for bureaucrats in Washington to handle. We've got to get PCP and crack off every street and out of every school in America. And it's time we got more Federal resources into the hands of those in the thick of the fight, those on the front lines. And if we are to build a better future for this country, America first must be drug-free.

As the Republican leader of the Senate subcommittee that deals with drugs, Dan knows the road ahead won't be easy, but that's another strong reason why I need him back in the Senate. I need his experience and his intelligence as we fight to take back our streets.

You know, I noticed a bunch of police officers here today and outside greeting us when we arrived at the airport, and I'd just like to say, parenthetically, we owe a great debt of gratitude to the men and women in police uniform -- sheriff, whatever it is -- that are protecting our kids. I think to myself -- I went over the other day to the funeral home where a recognized, dedicated

police officer, and this in the Maryland State Police, had been gunned down on the highway, on a major highway artery -- and I thought to myself how lucky we are to have dedicated men like, in that instance, Sergeant Wolf or like some that are here today, who are dedicating themselves to protect the lives of our families and our children. It is inspirational to me.

We're talking about values, and bringing Hoosier values and Hoosier vision to Washington is important to me not just in stopping crime and drugs but also in stopping those who measure progress made solely by dollars spent. You know as I do that congressional spending is spiraling out of control -- $1.2 trillion right now. And common sense tells us the American people aren't undertaxed. We need a budget process that can deal rationally with wasteful government spending. We need a line-item veto or some strong rescission legislation. And so, again I appeal to Congress: Give me what 43 Governors have -- the power to cut unnecessary spending.

One of the first things that Dan Coats did when he arrived in the United States Senate was to introduce important line-item veto legislation. In fact, I haven't seen anybody move that adeptly since Chuck Person slam-dunked an opponent at Market Square Arena. Together, we're fighting to keep your taxes low and Federal spending down, and that's what I call just plain common sense.

Americans want to keep the longest peacetime expansion ever moving forward -- 89 months and counting. And Americans want a clean environment -- we want that also. And it is my view we can do both. We can't do it if we move to the extreme. And I am not going to move to the extreme in environmental legislation, but we are going to pass and sign sound environmental legislation.

This morning, here in Indianapolis, I went over a few blocks away and planted a tree to help kick off a great community effort to protect and preserve the beauty of this wonderful city. Today, in Washington, there's also a lot at stake -- Dick and Dan both know this -- clean air, a safe environment, economic growth, and the jobs of thousands of Americans. The Senate today will cast -- what is it, 8 p.m. tonight, I believe -- an historic vote on our amendments, the first meaningful amendments to the Clean Air Act, a vote which will affect generations to come as we work to build a cleaner, safer America. It's going to take a lot of work to protect this great planet without throwing hard-working Americans out of work.

I again reject the extremists in the environmental movement who would burden our economy by mindless regulation, and I reject those who do not recognize their obligations to clean up our environment. We've got to find the middle path. Common sense tells us to find this needed balance, and we will find it.

Tonight Dan Coats will be back in the Senate to cast one of the most important votes of his life, and I know I can count on him. But I need to count on his experience, his judgment, and his concern for people not just tonight or tomorrow but in the months and the years to come. And

that's why I'm counting on each and every one of you in this room to give your all for Dan Coats.

I've talked today just briefly about some of the issues that are important to me as we face the new decade. But one thing to remember: As the world changes, issues will change, but principles remain to the end. And Dan Coats is a principled man who will be a voice for your values. I know Hoosier values, and I admire them. I chose my running mate from Indiana because of them. And on November 6, when the voters of Indiana think of Dan Coats, I know they'll think of the song by another Hoosier, the great Cole Porter, called ``You're the Top."

Senator Dan Coats gives voice to the values of the heartland. Nothing could be more important as we head into a new century of challenge and change. So, do what you can. Let's keep Indiana great and keep the dynasty of Republican leadership going strong. Let's continue the tradition and give this good and decent man a huge victory.

Thank you for your support. God bless the State of Indiana. God bless you all. Thank you very, very much.

Note: The President spoke at 1:11 p.m. in Hall C of the Indianapolis Convention Center. In his remarks, he referred to singer Sandi Patti; impressionist Fred Travalena; Don Cox and Margaret Hill, Indiana Republican national committeeman and committeewoman; Dick Freeland, owner of Pizza Hut of Fort Wayne, Inc.; Bob Irsay, owner of the Indianapolis Colts football team; and William J. Bennett, Director of National Drug Control Policy.

Remarks and an Exchange With Reporters Aboard Air Force One

April 3, 1990

The President. First off, I understand that the House is voting soon on Panama and Nicaragua, and I want to thank the leadership for moving it in a timely fashion. And I hope that it will pass overwhelmingly. And then I would encourage the Senate to act immediately. It is absolutely essential that we get funding for both Nicaragua and Panama, and I will continue to keep that in my sights. It is in the best interest of the United States; it is in the best interest of democracy in our own hemisphere. And so, I would encourage the Senate to move rapidly and to vote on this matter before they consider leaving town at the end of this week. It is essential. It is priority. And I would encourage the Democrats and the Republicans in the Senate to vote promptly on this important measure to help solidify the democracies in Panama and Nicaragua.

And the second subject that concerns me is this comment out of Iraq attributed to Saddam Hussein, the President. This is no time to be talking about using chemical or biological weapons; this is no time to be escalating tensions in the Middle East. And I found those statements to be bad, and I would strongly urge Iraq to reject the use of chemical weapons. And I don't think it helps peace in the Middle East. I don't think it helps the security interests of Iraq, obviously, and it was certainly wrong. So, I would suggest that those statements be withdrawn and that -- forget about talk of using chemical and biological weapons.

Assistance for Nicaragua and Panama

Q. Mr. President, Senator Mitchell says your aid package to Panama and Nicaragua have been presented as a jigsaw puzzle, and he wants to see the whole picture before he moves ahead with it.

The President. I would encourage him to move ahead promptly. There's no jigsaw puzzle when it comes to what is best for democracy in Nicaragua and no jigsaw puzzle when it comes to what is best for Panama. One of the Panamanian leaders was up here, made a convincing case to Members of the Senate. Clearly if any leader would talk to Violeta Chamorro, they'd see the urgency of getting something done on that. I did not see Senator Mitchell's statement, but I would simply say these are laser-like requests -- requests to help Nicaragua and Panama.

And in terms of our overall foreign policy, we are on the right track. And I would urge leaders to take a look at the way democracy has moved in this hemisphere, not just to these two countries but in other countries as well. So, let's keep it going, but let's give support to those who need it.

Iraqi Chemical Weapons Threat

Q. Mr. President, do we evidence that the Iraqis have new, modernized binary chemical weapons, or some new generation of chemical weapons?

The President. I've seen no evidence of that. I saw some comment about that, Norm [Norman Sandler, United Press International].

Q. They seem to refer to dual weapons -- --

The President. -- -- dual weapons, but preliminary checking -- I see no evidence that that means what we think of when we talk about binary weapons.

Q. Is there any reason to feel that he was somehow provoked by threats, real or imagined, in all of this?

The President. Well, I don't know. I know what he cites, but I have no evidence that there's been any threat to his facilities inside Iran, of one kind or another.

Q. Iraq.

The President. I mean, in Iraq.

Q. But Israel could blow up their reactor several years ago.

The President. Well, maybe -- you know, this is what -- there's a lot speculation that he's talking about -- but I've seen no evidence of this.

Q. Will you personally try to contact by Iraq, or any other channels, try to press upon him how strongly you feel at -- --

The President. Well, I think we've made our views to him very, very clearly through proper channels. Maybe this will help.

AIDS Patient Ryan White

Q. Are you going to try to call Ryan White's family?

The President. I don't know. It's a very delicate moment now. And I hope I made clear how strongly I feel about this young man and about his suffering. But if I thought it would help their spirits in any way, I sure would do it

Q. Any plans of visiting him?

Lithuanian Independence and the Soviet-U.S. Summit

Q. How about updates? Have you heard back from Gorbachev yet?

The President. Have I what?

Q. Have you heard back from Gorbachev? And would you expect to -- from Shevardnadze?

The President. I've not had a personal reply, but that's not out of the ordinary because the Foreign Minister will be here tomorrow. I think he gets here tomorrow. And I'll be seeing him.

Q. On Friday.

The President. And that will be the chance to visit with him and see how that message went down in Moscow.

Q. Lock in the summit date?

The President. Well, I don't know that that'll be done on this visit or not. I hope so. I'd like to get that determined. And I would repeat my desire to see this matter handled in a cool fashion, for freedom of democracy, self-determination all goes forward, but where the result is peaceful, and no use of force. So, I was a little encouraged by some comments that I read out of Lithuania yesterday, and I just would encourage the Soviets to remember the pledge to achieve a peaceful resolution to this very difficult question.

Clean Air Legislation

Q. Cut down clean air vote?

The President. Well, I hope the clean air bill goes well. I, in this instance, salute both Senator Dole and Senator Mitchell for very strong leadership. I think the White House has been very helpful in beating back unhelpful amendments. So, this is an evidence of strong bipartisan work, and it's good. I think it sets a good example. I think the country wants it. We are not going to go to either extreme: the extreme of throwing people out of work and shutting down America and stopping all economic growth, or the extreme of doing nothing about the terribly pressing environmental questions.

Mr. Fitzwater. Mr. President, we're on final approach here.

The President. Are we? How high are we, Marlin?

Mr. Fitzwater. We're at 13\1/2\ feet, sir. [Laughter]

The President. Thirteen and a -- [laughter] -- those people down there are ants. [Laughter] All right.

Note: The President spoke at 3:25 p.m., en route to Detroit, MI. Marlin Fitzwater was Press Secretary to the President. A tape was not available for verification of the content of these remarks.

Remarks at a Republican Party Fundraising Dinner in Detroit, Michigan

April 3, 1990

Thank you, ladies and gentlemen. Thank you all very, very much. Let me say that it's a great pleasure to be here. I'm glad to see Congressman Bill Shuette here. Others from the Congress were to be here, but they've got some voting going on. Especially pleased to see two great former Governors of this State: George Romney and Bill Milliken. And it's also wonderful to have our cochairman of the Republican National Committee, Jeanie Austin, here. You all know that Lee Atwater has been sick; and Jeanie, as the number two person at the Republican National Committee, is doing a superb job. I want to welcome her.

Was all this gang introduced ahead of time, I guess -- down there. And of course, to salute your State party leadership: my friend Spence Abraham, the chairman; Ronna Romney and Chuck Yob, the two national committee people; and then, of course, State Senator John Engler. I'm going to say a little more about him in a little bit. And I'm glad to see Detroit City Councilman Keith Butler here tonight. And my thanks, of course, to Heinz Prechter and Randy and Mike and Paul -- and I'm going to get in real trouble here -- all those who did the heavy lifting on this and put together such a tremendous event. It is so well-done.

Ladies and gentlemen and honored guests, thank you for the welcome and for the privilege of being here. And it's good to be back with you all. I particularly want to pay my respects to Max Fisher and thank him, once again, for being at my side, a constant friend, loyal. And of tremendously sound advice -- he gives me that all the time. It's good to be back in the State -- [laughter] -- and I need it, and I need it.

And it's good to be back in the State that produced this year's Miss USA. So, this fall we'll elect a Governor that will be Mr. GOP. [Laughter]

This marks my first political trip to Michigan since becoming President, although, as a baseball fan, I feel like I've been here before. Maybe it goes back to the man I saw on television holding a sign before the recent [baseball] lockout ended. And it read, ``All I ask is a chance to work." And it was great to see Sparky Anderson [manager of the Detroit Tigers baseball team] again. [Laughter]

Well, you've got a great State. Michigan is also basketball country. And like fans across America, I've marveled at the wizardry of your world champion Pistons, who I was honored to have in the White House last year. And actually, when I was younger, I, too, could dribble a ball with either hand, behind my back, through my legs -- which got me thrown out of a lot of bowling alleys. [Laughter]

Sports is one reason that it's a pleasure to return to the State which was so kind to me in 1988 and helped our ticket do well. Politics is another. And let me take this chance to salute the entire Republican ticket -- its candidates and especially those of you who toil so long and hard at the grassroots level.

Yet the real reason I've come to Detroit tonight goes beyond party to the very essence of this campaign. Let me put it straighter than even an Alan Trammell line drive: Your elections this November will be among the most crucial in America. This election will decide whether Michigan chooses liberal policies, which measure progress made by dollars spent and bureaucracies built, or whether it chooses Republican policies, which help people up and bureaucracies down. This election will decide whether Michigan supports a war on thugs and these drug peddlers or whether Lansing is run by those who soft-pedal the need to be really hard on crime. Finally, this election will decide whether we keep control of the State senate and gain control of the State house of representatives, and whether we have a Governor who will ensure fair reapportionment. You know, some say reapportionment has been a political gold mine for both parties, and they may be right. The Democrats walk away with the gold and we head for the hills. And it's been that way, and this election can help change that. It's that clear-cut, that important.

I know this State, I think, probably not as well as many in this room; but I feel I know this State. And I first got to know you -- what Max was referring to in appropriately saluting Bill Milliken -- the primary of 1980. So, tonight I make a prediction: This fall, Michigan will make the right decision by supporting Republican candidates. The right decision means a vote for Republicans at the local, county, and State level and for Michigan's next United States Senator; and most of all, it means a vote for the man who says we need new priorities, not new taxes. To repeat a slogan, ``Just think what the right man can do." Your next Governor, John Engler.

Okay, so I'm slightly biased. John's a personal friend, and I wanted to come here and personally support him and the great party he represents. I know you wanted to hear a few words from a prominent national figure whose charisma can fire up a crowd and generate some excitement. [Laughter] Unfortunately, Bo Schembechler's [president and chief operating officer of the Detroit Tigers] still at spring training in Lakeland, so I'm here. [Laughter]

I will tell you, just parenthetically, we had a little receiving line inside, and many came through there and asked about Barbara's health. And let me say I'm sorry she's not here, but her health is just fine. And if this proud husband of some 46 years may be permitted, I think the Silver Fox is doing a good job for our country.

I'm delighted, just as I was a year ago, when [University of] Michigan's basketball Wolverines were welcomed to the White House. I told the national champions, ``You're truly number one." Well, tonight, with apologies to you [Michigan State University] Spartan fans out there, let me say there's a song we'll be soon singing about the entire Republican ticket: ``Hail to the Victors."

This year Republicans will triumph really for the best of reasons: opportunity -- the opportunity that comes from fiscal sanity, less government, and freedom from crime and drugs; the opportunity which rises from increased prosperity and from the chance to think, dream, and worship as one pleases not just in Detroit and Dearborn but also Budapest and Berlin.

You know, it was 1 year ago this month that I came to Hamtramck, only 10 miles away from here, and spoke of how free speech, free elections, and the exercise of free will could change history and lives in all of Eastern Europe. Since then, of course, that's come to pass, and we've seen events even Ripley wouldn't believe. Look at Hungary: 10 days ago holding that nation's first multiparty parliamentary election since 1945. Look at Nicaragua or Czechoslovakia or, yes, that citadel of conscience, Poland -- nations whose brave peoples are choosing ballots over bullets and showing how the greatest ``peace dividend'' is peace itself.

So far I've talked about opportunity for other nations. Republicans also can and have strengthened opportunity at home. Today thousands of Michigan men and women are in need of opportunity. Some say the way to help them is through this old adage of tax and spend. Republicans say the best way is by enacting local policies which have worked nationally. Here's America's box score: more than 20 million new jobs created since 1982, inflation at less than 5 percent, and real per capita income at record levels. Now, these statistics aren't an accident. They stem from Republican policies that work. We don't want government to spend more money; we want people to have more money to spend. So, let's elect candidates like John Engler who believe in these policies. Let's continue the longest peacetime boom in American history and bring an economic renaissance to Michigan.

You know, opportunity means different things to different people. For some, it's the chance to invest, which reminds me that it is time that Congress passed our capital gains tax cut. It is essential we get this done. For others, it's the freedom to root for the team of your choice, to vote for the candidate of your choice, or, yes, even to eat the vegetable of your choice. [Laughter]

There's something wrong with this country. I read a poll taken by a New England newspaper, a Boston newspaper, a national poll, that showed 79 percent of the people liked broccoli. [Laughter] What's wrong? Where are the 6-year-olds to stand up and join in when they've got something going for them? [Laughter] The other answer is they were using Ortega's pollster. [Laughter]

When it comes to domestic policy, opportunity really does mean many things. For instance, in child care -- we're fighting that battle right now -- it means the freedom to choose. So, we have proposed legislation to help low-income working Americans increase choice in child care through tax incentives, not Federal intervention. Last week the House Democratic leadership passed its child-care bill. The good news is that it's better than their previous efforts. The bad news is it costs $20 billion more than the child-care bill I sent up to Congress and that the liberal Democrats still think Big Brother knows what's best for our kids. We Republicans say parents

know what's best. Keep the family strong. Do not have the Federal Government setting all the standards for child care all across this country. So, I'm going to stand up for my principles, even if I have to end up vetoing a bill labeled ``child care." Child care isn't a slogan; it means the very future of our kids.

Next, there's the environment, where opportunity means an America that's clean and safe. And in that spirit, let me note that this very evening the Senate is going to vote on our clean air legislation, the first rewrite of the Clean Air Act in over a decade. In the finest tradition of American politics, this bill has bipartisan support -- Senator Mitchell on the Democratic side; our very able leader, Senator Dole -- working hand in hand not to win the debating points but to win cleaner air for the generation to come. I am proud of this proposal to cut smog and acid rain and toxic pollution. We've had to compromise from what I sent up originally. The Democrats have given a little bit. But it's going to work. We can and must ensure the purity of our environment. Tonight marks an historic vote, and I urge the Senate to act not merely for this generation but all the generations to come. Some think we must choose between a sound ecology and a sound economy. Republicans say we need both. America can have clean air and good jobs.

And finally, we can strengthen opportunity through two priorities where State officials, especially the Governor, play a crucial role: education, and crime and drugs.

Ten weeks ago, I announced Phase II of the 1990 National Drug Control Strategy that we unveiled last year. And we're asking Congress to spend over $10.5 billion in fiscal '91 for education, treatment, interdiction, and enforcement -- about a 70-percent increase just since I took office. Now, John Engler strongly supports this program, and he'll lead the fight to toughen crime laws at the State level, just as we are trying to do at the Federal level there in Washington, DC. You in Detroit know how bad crime can be and the toll it takes on the families and on communities. And you know how some say there's always a reason for crime and drugs. Well, we say there may be a reason, but there's never an excuse. So, let's elect candidates who will help us take back the streets.

And at the same time, we must also give our kids the opportunity to learn, which is why last fall I convened really an unprecedented event: the Nation's first education summit. From that summit arose six new national educational goals that the Governors and I together announced just recently. Among them, we must see that every student starts school ready to learn -- and that's one reason we stepped up a request for Head Start spending so much at the Federal level -- and that each school has an environment where kids can learn. And that means making every school drug-free. And our graduation rate must be no less than 90 percent. And we want U.S. students to be first in the world in math and science by the year 2000.

We Republicans know that education is America's most enduring legacy, vital to everything we can become, and that excellence will be obtained not by spending more and more money but by demanding higher standards, greater accountability, better teachers, and greater involvement by

parents and communities. And I'd add, and by giving parents more choice in where their kids go to school.

Earlier, I spoke of how liberal Democrats measure progress made by dollars spent and bureaucracies built, and how Republicans view progress as helping people up and keeping bureaucracies down. Nothing shows the contrast more than education. Ours is the opportunity to make American education number one again, and we must seize it for ourselves and for our kids.

In closing, there's only one opportunity that I haven't mentioned: the opportunity to enjoy this marvelous meal. And ordinarily, I'd stay with you, but the Secret Service caught the cook washing my lettuce with Perrier. [Laughter] So, I must be going. And I do apologize for leaving. [Laughter] Let me leave you with the thought that opportunity can help us undertake new priorities and make those priorities come true, priorities like better schools and cleaner air, priorities like safer streets and better jobs.

Nationally, Americans have seen what Republicans can do. Now let's show them what we can do right here. Let's win the State senate, the house of representatives. Let's elect Republican Congressmen and a United States Senator. And let's roll up our sleeves to elect John Engler Governor. We know what he will do -- you know what he'll do, and I know what he'll do: He'll make the great State of Michigan even greater. I'm confident of it. I know him well. I ask you to go the extra mile and elect this outstanding man your next Governor.

Thank you all very much. Good luck on election day. And I hope I'll get invited back. And God bless the United States of America. Thank you.

Note: The President spoke at 7:08 p.m. in the Grand Ballroom at the Ritz-Carlton Hotel. In his remarks, he referred to Heinz Prechter and Randy Agley, cochairmen of the fundraising dinner; Michael Timmis, vice chairman of the Talon Corp.; Paul Borman, a Republican Party donor; and Max Fisher, honorary chairman of the fundraising dinner. Following his remarks, he returned to Washington, DC.

Remarks on Signing the Passover Message

April 4, 1990

Mr. Vice President, Mr. Secretary, and distinguished guests, welcome to the White House. Today we are marking Passover, known as the Festival of Freedom, a poignant occasion in the year that has seen freedom's lights begin to glow all over the world -- in Eastern Europe, in Central and South America, in Africa, and even in the Soviet Union.

``Let my people go." Those were the words of Moses nearly 4,000 years ago, when the Israelites took the first step on the march from captivity to freedom. All Americans share in the solemn pride of millions of Jewish men, women, and children everywhere as they commemorate the Exodus. It was a journey of courage and strength toward the dream of a better tomorrow.

And today, as well, people all throughout the world have continued that epic journey, a quest for a new life of liberty and peace. We support them in their struggle for democracy, we admire them for the strength of conviction, and we pray for their success.

This is a special time of rejoicing for the more than 15,000 Soviet Jews who have made their way to Israel this year. We are proud to have lent a helping hand, over the years, to make possible the historic emigration from the Soviet Union of those who have long sought to leave. The modern exodus is a great event for all those who delight in human freedom. The United States has worked hard to open up this lifeline, and we will continue to do everything necessary to make it possible for Soviet Jews to get to Israel, including continuing to press for direct and indirect flights. We are glad that so many will celebrate the Seder in Israel, and we're going to keep working so that many more can join them.

As we remember the Exodus, it is my deep honor to welcome Zev Raiz to the United States after 18 years of waiting. Zev and Karmella, may you and your children enjoy many years of happiness together in your new home in Israel. For nearly two decades of darkness, you've been a brave symbol for all refuseniks. And we acknowledge and then applaud the dramatic changes that have taken place in the Soviet Union, making possible the emigration of many who have long sought to leave. But we must not -- and I can assure you we will not -- forget those who are left behind.

And I'd also like to welcome Natasha Stonov to the White House. I admire the courage and determination that you and Leonid, your husband, have shown through 11 long years of waiting. You have become the voice of the refusenik community, and your steadfast efforts have been invaluable to us as we strive to convince the Soviet leadership to act on its promises.

I regret that another Passover is here with Leonid still in the Soviet Union. I wish that he were here with you in America so that he, too, could experience the freedoms we enjoy. And we ask

that you convey a message to Leonid and all others who still await freedom: They are not forgotten.

The Nobel laureate -- a friend to so many in this room -- Elie Wiesel said: ``Just as despair can come to one only from other human beings, hope, too, can be given to one only by other human beings." Zev, you have given us hope. For that, we admire you. And together, we look forward to the day when no nation interferes with the faith of any of its people.

So, thank you all for being here with us on this very solemn and special occasion. And once again, I rejoice in your happiness, and we're so pleased you're here. And now I will sign this.

Note: The President spoke at 10:50 a.m. in the Roosevelt Room at the White House. The Passover message was released by the Office of the Press Secretary on April 9.

Statement by Press Secretary Fitzwater on the President's Meeting With the Special Emissaries of Prime Minister Toshiki Kaifu of Japan

April 4, 1990

President Bush met with former Ambassador to the United States Matsunaga and Deputy Foreign Minister Owada, who are Special Emissaries of Prime Minister Kaifu of Japan. The Special Emissaries delivered a letter from Prime Minister Kaifu to the President which contained details on the efforts made by the Government of Japan since the Palm Springs meeting on March 2 - 4. The discussion focused on the progress made in trade and economic matters.

Agreements have been concluded on supercomputers, satellites, and telecommunications; and substantial progress has been achieved in the ongoing SII process. In addition, Prime Minister Kaifu has said that he hopes an agreement will be forthcoming to resolve the forest products issue. The President was very appreciative of all of the work that has been accomplished over the last month. The President expressed his conviction that Prime Minister Kaifu deserves a very large share of the credit for settling the specific trade issues and for achieving substantial progress on SII.

The President emphasized that SII is an ongoing process and that he hopes both sides will take further steps in the final SII report in July and the resulting follow-on phase. Bringing about structural adjustments will not be easy on either side of the Pacific, but both governments are committed to achieving a positive interim SII report as well as a more comprehensive finished product in July. We have had very substantial success to date, but we must continue our efforts because neither the Japanese consumer nor the American public will be convinced until they see concrete results.

The President emphasized the vital importance of maintaining excellent relations with Japan not only in trade but with regard to security and the growing global partnership between the United States and Japan. In particular, the President complimented the Government of Japan for its assistance efforts in Eastern Europe and in Central America. In all of these matters, the President praised the forthright and assertive leadership demonstrated by Prime Minister Kaifu and credited him with having created a new spirit of cooperation between the United States and Japan.

Remarks at the Presentation Ceremony for the National Teacher of the Year Award

April 4, 1990

Well, to the Members of the Congress and Senate that are here today, thank you all for coming, and welcome to the White House. Secretary Cavazos, Senator Pell and Representatives Lowery and Hunter, and Bill Keene and Gordon Ambach, Robert Gwinn, Norman Brown, and specially to our distinguished Teacher of the Year, Jan Gabay, Barbara and I are honored to have you all here.

The kind of people Jan represents are ambassadors to the most powerful province mankind might command, that great undiscovered realm right under your hat. For almost 40 years, the Teacher of the Year program has singled out the few, really because they represent the many. The program's goal is not to identify ``the best'' teacher but the best in all teachers. All teachers are different, of course, but the best have a special kind of energy that ushers ideas to minds, and ideals to souls. They unleash the imagination and turn young eyes toward brilliant constellation of human aspiration and experience.

Maybe it's the pace of history, the pulse of the natural world, or the power of reason; but whatever, America's best teachers are teaching. They all understand that learning is not a spectator sport. The value of knowledge is not in the having but in the sharing. And wisdom is not received: it is pursued.

You might have heard it said that knowledge isn't found in books. In one sense, true. There's nothing intrinsically helpful about a book -- just black marks on a few white pages. But in hands that know how to hold them, how to embrace their ideas and deliver them whole, a book can change a life forever. Those who breathe life into ancient texts have seen that power, seen those words explode in brilliance in a young mind. Through teachers and their students, the ideas of the past are sustained, and the ideas of the future are defined.

And if the life of the mind is one of both work and wonder, I'd like to introduce a man among us today who's lived that life better and longer than anyone else. He was born in 1889, the son of a former slave. He served in the First World War, became fluent in 6 languages, earned 11 degrees, and taught school until he was 81. That alone would be impressive enough. But at the age of 100, he still practices law and still attends law school seminars with the eagerness of a first-year student. Try to praise him, though, and he'll bawl you out, saying, ``There's nothing extraordinary about me.'' And he told me that I was the second President that he's met; the first was Franklin Delano Roosevelt. [Laughter] But having met him, I know this is a risk to praise him, but I have to disagree with him. I hope you'll join me in commending a man who may be America's most seasoned scholar, John Morton-Finney. Would you stand up please, Mr. Morton-Finney? [Applause]

One lesson we might take from Mr. Morton-Finney is this: If he's still ready and willing to learn, so can we all be. And if he's always looking for new ideas and new ways of thinking, so must the entire system of American education.

A year ago this week, here in the Rose Garden, across the way, I sent legislation up to Congress to help reform and restructure America's schools. Today I want to appeal to the Members of Congress to move on those initiatives.

We've already moved in concert to bring a sense of direction to education reform. We've held the first-ever summit with the Nation's Governors, and we've set ambitious goals for our students, our schools, and ourselves -- rallying points for the progress we all know is greatly needed now. But what we must remember, above all, is that education is more important than politics. And while our '91 budget request for education is the largest in American history, our progress won't be measured by bureaucracies built and dollars spent. It will be measured by results and by what our children learn and accomplish.

If we judge our students by their thinking, we must judge ourselves by our own. And there are cases of very creative thinking about education going on right now, ideas for reform that hold promise for the rest of the Nation.

In Milwaukee, Wisconsin, because of a grassroots movement made up largely of poor, inner-city parents, a new experiment in choice is applying the leverage of competition and stimulating change. Thanks to Polly Williams, once a welfare mother of four and now a State legislator, low-income parents can choose to send their kids to private nonsectarian schools, with money from the public school system's budget paying $2,500 in tuition for each student. Choice empowers people, and it puts competition to work, improving schools for every student.

In Kentucky, an entirely new philosophy of management is being put into place which is based on accountability. The school system is being decentralized, with local districts gaining control over our operations and individual schools gaining more autonomy overall. The State is managing a new system of rewards for teachers and administrators, including biyearly awards up to $8,000 and leaving curriculum questions to the local districts.

That kind of creative thinking is government's best role in education: setting goals, providing incentives, and then demanding accountability. But as crucial as good government is, we all understand where the real action is: it's in the hands of our teachers. And that's why we're here today: to recognize a teacher who represents our best.

Her story began with a little collection of books spread out on hardpacked earth beneath a wooden stairway, where she played school with her younger sister. To Jan Gabay, those books revealed an imagined life of seekers, sages, and students -- a life Jan has since chosen to make

real for herself and the students she teaches. Over the past 17 years she has developed her power to motivate minds, to give kids a sense of wonder and bless them with a life of possibilities unimagined in ordinary moments.

She says her goal is to help her students find and refine the ``knowledge, skill, and talent that they do not know they have." But she understands that a real education goes far beyond acquiring skills: it instills a lifelong love of learning. ``Accepting simple competence," she says, ``is the antithesis of what I believe education really is: an unending quest to understand the world by using one's mind and to understand the self by knowing one's heart."

Jan always tells her students that she has succeeded because of them. In that spirit, it is also true that our schools will succeed because of people like her.

So, it is an honor to have you here, Janis Gabay, and to name you the 1990 National Teacher of the Year. God bless you for all you're doing for those kids.

Note: The President spoke at 2:15 p.m. in the Roosevelt Room at the White House.

Remarks on Clean Air Legislation at a Meeting With Members of the Senate

April 4, 1990

The President. Let me just say at the outset of this meeting that I appreciate everybody's coming down. And I want to congratulate the Senate on the Clean Air Act Amendment of 1990. Senators Mitchell, Dole, Baucus, and Chafee have shown real leadership in helping us at last break the legislative logjam on clean air. And at the same time, I think everyone here would agree that a lot of work lies ahead.

Last year I submitted a bill that ensures that future generations in this country will breathe clean air; and we propose to do this through cleaner factories and power plants, cleaner cars, cleaner fuels. And we felt, and we still feel, that we can achieve our goal without major harm to the economy and without a massive job loss. And our legislation and the agreement we've worked out was very carefully balanced. The bill passed by the Senate last night reflects and is based on bipartisan consensus in support of that balanced approach: that we can have cleaner air and a growing economy which continues to produce jobs for the American people.

In that respect, there is no question that the Senate bill is a major step forward, but it is only a first step. And more progress is going to be needed if we're to achieve the balanced bill that I feel is essential. We're going to work to ensure that the bill produced by the House, and ultimately by the conference committee, does not compromise the environmental benefits or the economic balance contained in my original proposal, and certainly contained in that agreement with the Senate leadership.

So, with our friends here, I just want to thank each and every one of you who has played a constructive role in what I think is a major breakthrough, Mr. Leader. And I know Bob and I have talked about it a lot, and I think we all agree to that.

Assistance for Nicaragua and Panama

Q. Mr. President, will you ask Senator Mitchell to break the logjam on Panama and Nicaragua aid?

The President. Yes. [Laughter] I thought you'd never ask.

Note: The President spoke at 2:55 p.m. in the Cabinet Room at the White House.

Appointment of Wilfredo J. Gonzalez as Staff Director of the Commission on Civil Rights

April 4, 1990

The President today announced his intention to appoint Wilfredo J. Gonzalez to be Staff Director of the Commission on Civil Rights. He would succeed Joseph Al Latham, Jr.

Since 1988 Mr. Gonzalez has served as Associate Director for Equal Employment Opportunity and Civil Rights at the Department of State. Prior to this, he was Associate Administrator for Minority Small Business and Capital Ownership Development at the Small Business Administration, 1985 - 1988. Mr. Gonzalez was a consultant in Washington, DC, 1985, and a White House volunteer for the Hispanic Inaugural Ball, 1984 - 1985. In addition, Mr. Gonzalez served in several positions at the Peace Corps, including Chief of Operations for Latin America and Deputy Director of the Peace Corps in Colombia, South America, and Director of the Peace Corps in Ghana, West Africa, 1978 - 1984. He served as special assistant to the Deputy Assistant Secretary at the Department of Labor, 1977 - 1978; HEW fellow at the Department of Health, Education and Welfare, 1976 - 1977; Assistant Director for the Technical Assistant Unit for the Community Service Society Unit in New York, 1975 - 1976; Director of Development for ASPIRA of America in New York, 1973 - 1975; manpower consultant for the New York Urban Coalition, 1973; and management consultant for Costly, Miller and Sattertwaite, Inc., in Chevy Chase, MD, and New York, 1972 - 1973.

Mr. Gonzalez graduated from the University of Puerto Rico (B.A., 1969). He was born March 26, 1943, in San Juan, PR. Mr. Gonzalez served in the U.S. Navy, 1961 - 1964. He is married, has three children, and resides in Springfield, VA.

Remarks at the 20th Anniversary Dinner of the Joint Center for Political and Economic Studies

April 4, 1990

Thank you all for that warm welcome. Wendell, thank you, sir. And to Eddie Williams, my respects and thanks for having me here. And to David Kearns and Vernon Jordan, our old friend, and Jim Robinson, another, thank you all. And to Reverend Newsome, thank you, sir, for that lovely invocation. It's also good to be out on the town with our good friend Elsie Hillman, well-known to many here. And I would especially like to recognize and pay my respects to Doug Wilder, the Governor of Virginia, over here. I'm delighted.

You know, it's remarkable to think that in 1968, less than 2 years before the Joint Center was founded, there were only 200 elected black public officials in all of America. Twenty years later, there are more than 6,000 -- an amazing record. But what I find most heartening is the way in which black leadership in America has become an ordinary, accepted feature of our national life. This new leadership has a tremendous resource in the Joint Center for Political and Economic Studies. A philosopher once said that no problem can stand the assault of sustained thinking. If that is true, then no problem we face today is a match for the Joint Center, truly one of the leading academies of independent thought in Washington today. Eddie, we congratulate you for your steadfast leadership.

We can see for ourselves tonight that Washington is still a city that thrives on ideas. As Americans from different professions and political parties, we are together on this wonderful evening to celebrate our shared ideals. We may not agree on everything, but we agree on a few great things: liberty, equality, opportunity, and justice for all.

And not long ago, a distinguished group of 15 black publishers from across the country came for lunch at the White House; and we discussed everything from our stimulating meetings with Vaclav Havel, the new playwright-President of Czechoslovakia, to our struggle to battle domestically -- get rid of -- this nation -- rid it of drugs and crime. And after lunch, we walked outside; and together we strolled out of the Oval Office, across the South Lawn and through the Diplomatic Reception Room, into the Residence and up to the Lincoln Bedroom. And it's an impressive room, with its high, imposing ceiling and its tall windows, lace curtains, and old Victorian furnishings. But you know what it is about that room that's so powerful? It's not that Lincoln slept there. In fact, he didn't. [Laughter] It's that he worked there and thought there and agonized there, because he made some of his greatest decisions there. It was his office and the Cabinet Room, and it was where he signed the Emancipation Proclamation.

In a display case along the wall is a copy of the Gettysburg Address, sitting on a desk in the corner, written in Lincoln's dignified hand. In fact, of the five copies he made, that he wrote out in hand, it's the only one that he actually signed. And above it is a great painting titled ``Watch

Meeting, Waiting for the Hour." It's a very poignant scene, depicting slaves and their friends gathered around an elderly man, a man who had never known a minute of freedom. And now that Lincoln had proclaimed January 1, 1863, as the first day of freedom, all their eyes are fixed on a watch, waiting for the stroke of midnight, waiting to be free.

It is said that Lincoln's hand shook as he dipped his quill into the ink well before he signed the Emancipation Proclamation. Perhaps he felt the weight of history. Perhaps he was weary. In any event, he waited a moment to steady his hand so that no one would think he wavered on such an important decision. Through the vision of one man, millions were freed.

Together, those of us in his room felt the greatness of the events that had taken place in there and the profound consequences of a simple stroke of the pen. In moments like these, history comes rushing back as a revelation, and that very special moment leads me to reflect on the special responsibilities of the Presidency, responsibilities that haven't changed since that midnight of freedom in 1863. Every President since has been challenged to be part of the legacy of Lincoln, the continuum of freedom.

And the day will come -- and it's not far off -- when the legacy of Lincoln will finally be fulfilled at 1600 Pennsylvania Avenue, when a black man or woman will sit in that Oval Office. And when that day comes, the most remarkable thing about it will be how naturally it occurs. That person will be another President, another traveler in the continuum of freedom, representing all the people of America, representing all that is best about America. You know, I meet a lot of school kids; Barbara goes to a lot of events where kids are there. And I wonder as I look at the faces of brave 10-year-olds swearing to uphold the fight against drugs: Will one of them be President? Is this the kid who will fulfill that legacy?

Now, I saw Jesse Jackson earlier, and I don't want to get anything started, so, Jesse, I'm talking about little kids. [Laughter] I'm not talking about some 49-year-old guy here. I like my job. [Laughter] Let's not rush this thing. Where did he go?

But I also know that prejudice and racial tensions still do exist in America, and that's why I told Ben Hooks and Coretta Scott King and so many others in the civil rights movement that I would use this bully pulpit to condemn in the strongest terms racism, bigotry, and hate.

You know, black Americans have challenged me and our entire administration -- my distinguished friend, Lou Sullivan, who I'm very proud of, knows this to be true -- challenged us to live up to the highest ideals of the civil rights movement, and I accept that challenge. And now let me ask you to work with us to build a better America. There are new missions for the civil rights movement in the 1990's. From now on, the protection of civil rights must also mean the removal of all barriers to opportunity, for there are forms of poverty that cannot be measured or solved by dollars alone.

In fighting against poverty and for opportunity, we must draw inspiration from achievements both at home and abroad. We must draw inspiration from the civil rights and Solidarity movements and from the new hope dawning in South Africa today. For after all, the Freedom March that wound through the country roads of Selma 25 years ago leads to the cobbled streets of Warsaw and Budapest today, and now the winds of change have come to South Africa, where Nelson Mandela is a free man.

Let me just take 1 minute to discuss America's Africa policy, for change is sweeping this troubled continent. But this time, change brings opportunity. So, let us work together to help the peoples of Africa to overcome poverty, disease, starvation, and war. We're working to overcome these problems throughout Africa. And we continue to actively seek national reconciliation in Angola. And we support the efforts of President Chissano to end the fighting in Mozambique. And we are looking for ways we can help the newly independent nation of Namibia.

In Ethiopia, we stand ready to deliver tons of food to save millions facing starvation, and tragically, the war that rages there prevents our access to these people in need. And I call upon the political leaders of Ethiopia to give the highest priority to humanitarian relief by opening all available corridors for the urgent movement of food supplies, and I appeal to other members of the United Nations to use their influence to achieve this vital objective. If you ever have held in your arms, as Barbara and I did -- in the Sudan it was for us -- this kid that is starving -- lay aside the politics. Let's get those routes open. Let's get that food to those starving people in Ethiopia.

South Africa is, of course, of special concern because we can now take hope that the age of apartheid is nearing a close. And there are new signs of flexibility and commitment both from the Government and the opponents of apartheid. President de Klerk has already taken some significant steps, lifting the ban on political parties, releasing Mandela and other political prisoners. And I salute President de Klerk for taking these steps. But even more must be done. The state of emergency must end, and political prisoners must be released. And most of all, there must be an end to the tragic cycle of violence -- a task that demands great courage and resolve from all South African leaders, black and white.

The Government's attempts to enforce apartheid through force and repression have failed, and violent attacks by opponents of apartheid inside South Africa have equally failed. And most tragically, the senseless violence perpetrated by blacks against blacks has become a major impediment to rapid progress toward a negotiated settlement. All sides should follow the spirit of Martin Luther King, Jr., and renounce violence.

And such a step will nurture the climate for negotiations toward a new system based on equal rights and opportunities. It is imperative that the opposition not miss this opportunity to negotiate seriously a framework for a truly democratic South Africa, liberated from the horror of apartheid. And we are encouraged by signs that all sides share a growing commitment to the

negotiating process. We stand ready to support this still-fragile process in any way we can.

Jim Baker, our Secretary of State, has just returned from South Africa, where he met with President de Klerk and the leading members of the black opposition. And he met with Nelson Mandela in Namibia. And I've also invited, as I think everybody here knows, President de Klerk and Mr. Mandela to meet with me at the White House. And I will spare no effort to bring about positive change in South Africa. But we must practice this diplomacy as a nation, and that leads me to say we must continue our programs to assist the disadvantaged majority.

American businesses that remain in South Africa must work for change. And we will make clear our strong conviction that multiparty democracy, based on a vigorous free enterprise system, represents the best model for any successful society. In short, we can all work for change. American influence is strongest when Americans speak with one voice. So, let us work together to forge a strong consensus on South Africa, one that unites all Americans of all races, of both parties in a noble cause.

In America, right here at home, we also seek the fulfillment of a noble cause: to overcome obstacles to opportunity. And in this cause let us look to the heroes of our times. Has the world known more improbable heroes than Rosa Parks and Lech Walesa? But heroes they are. Let us honor them by working together in solidarity.

But opportunity alone is not enough, for there's yet another form of poverty caused by fear. In January, in Kansas City, I saw people who had suffered from crack and crackling bursts of gunfire, not heard there since the days of the old West. And yesterday I visited a 17-year-old black high school student named Derrick Turnbow in a Cincinnati hospital. You see, Derrick was an innocent bystander who got caught in the crossfire of a shoot-out. He was shot in the head, and he's now lying there paralyzed. And the only means left to this honor student to communicate is by winking his eye. And in Alexandria, just across the Potomac, I saw another neighborhood where a crack-crazed addict had slain a policeman. And in my own old congressional district in Houston, Texas, in an area called Acres Homes, I talked with citizens who'd seen their community ravaged by pushers and decided to change all that.

Everywhere I went I found hope. I found people who have had enough of fear, had enough of crime, had enough of dope. And just as the people of East Berlin stood up for freedom, so the people of these neighborhoods are rallying together, using people power to fight for another kind of freedom: freedom from crime and drugs. Freedom from fear. We must march with them in solidarity, side by side, block by block, city by city.

And then there's yet another kind of poverty: the growing poverty of knowledge. Many young men and women in this country are simply not learning. They're not learning the basics to hold down a job or to raise a family, and that is a national disgrace. And we need to improve the quality of education for all Americans and raise our expectations for what we know our children

can learn and accomplish. We must again work in solidarity to better our schools.

And that's why I'm pleased that so many of you, leaders from business -- and I run a risk here, but I'd like to single out David Kearns, of Xerox -- along with leaders in government, education, labor, and the media, are working together to better our schools by serving on the President's Education Policy Advisory Committee.

I've discussed just a few of the many ways in which we're trying to fight against poverty and for opportunity to build a better America, and I could go on. But my favorite story says it all. About the kid that went to church with his grandfather, and he said, ``Granddad'' -- the preacher going on and on and on -- the kid says, ``What's those flags along the side of the church there?'' The grandfather said, ``Well, son,'' he said, ``that's for those who died in service.'' And the kid said, ``Oh, really? The 9 or the 11 o'clock service?'' [Laughter]

So, I know you haven't eaten yet, and we are rudely taking off. But look, we've talked about the struggle against crime and fear, and the struggle for better education and opportunity. But the bottom line is simply this: When the morning comes, will we work together for what we have applauded tonight? I've seen your good works. I know that we will. And let us make this the time for solidarity. Martin Luther King spoke of an arc of justice, a continuum of freedom. It is our legacy, our freedom legacy, that makes the sons and daughters of this American nation like no other.

I'm just delighted to have been with you. I came over, Eddie, to say again my thanks and respects to you, sir. And to all of you, thank you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 7:42 p.m. in the International Ballroom at the Washington Hilton Hotel. In his remarks, he referred to Wendell G. Freeland and Eddie N. Williams, chairman and president of the center, respectively; David T. Kearns, national dinner chairman and chief executive officer and chairman of the board of Xerox Corp.; James D. Robinson III, chairman, president, and chief executive officer of the American Express Co.; Elsie H. Hillman, member of the board of directors of the center; Vernon E. Jordan, Jr., master of ceremonies; Jesse Jackson, political leader and civil rights activist; Coretta Scott King, widow of Dr. Martin Luther King, Jr.; and Benjamin L. Hooks, executive director of the National Association for the Advancement of Colored People.

Excerpt From a Statement by Press Secretary Fitzwater on the Points of Light Initiative Foundation

April 5, 1990

The President was pleased to learn of the addition of George Romney as a founding director of the Points of Light Initiative Foundation. Governor Romney joins John Akers, Ray Chambers, Johnnetta Cole, Marva Collins, Michael Eisner, Roberto Goizueta, Kim Grose, James Joseph, Margaret Kuhn, Edward Malloy, Brian O'Connell, and Robert Wright as a founding director.

Note: The press release also contained biographical information on Mr. Romney.

Statement by Press Secretary Fitzwater on the Upcoming Summit With President Mikhail Gorbachev of the Soviet Union

April 5, 1990

President Bush and President Gorbachev have agreed on dates for holding their summit meeting in the United States. The summit will take place during the dates of Wednesday, May 30, and Sunday, June 3.

Remarks on the Upcoming Summit With President Mikhail Gorbachev of the Soviet Union

April 5, 1990

The President. You've got a few fans over here. This is what we call a photo opportunity. I just wanted to welcome Michael Jackson here, who has been named Artist of the Decade. And he has a tremendous following. He does good work, what we call the Points of Light concept. I just wanted to bring him out here and officially welcome him to the White House once again.

Glad you're here, sir. Very pleased you're here.

And I might say, inasmuch as I understand Marlin said that I might have a word on the summit with Mr. Gorbachev, I'm very pleased the dates have been set, and it is very important that we have these conversations. Dialog is important. And I'm looking forward to seeing Mr. Gorbachev here.

Conversations with Mr. Shevardnadze are going reasonably well, and I will receive him here in the Oval Office tomorrow. I look forward to that. This is the time for a lot of dialog and a lot of discussion, and I'm delighted that this -- --

Q. Where is it going to be?

Q. Why was it moved up a month, Mr. President?

The President. See what I told you was going to happen?

Note: The President spoke at 11:05 a.m. in the Rose Garden at the White House, prior to a meeting with singer Michael Jackson. In his remarks, he referred to Marlin Fitzwater, Press Secretary to the President, and Soviet Foreign Minister Eduard A. Shevardnadze.

Letter to Congressional Leaders Transmitting a Report on the Activities of the Soviet Union-United States Standing Consultative Commission

April 5, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with the Arms Control and Disarmament Act as amended by section 3(b) of the Arms Control and Disarmament Amendments Act of 1987 (22 U.S.C. 2578), attached is a classified report prepared by the United States Commissioner to the U.S.-U.S.S.R. Standing Consultative Commission (SCC) concerning the activities of the SCC during calendar year 1989. The report includes detailed information on all substantive issues raised by either party to the Treaty on the Limitation of Anti-Ballistic Missile Systems and the responses of the other party with regard to such issues during 1989.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Letter to Congressional Leaders on the Termination of the Emergency With Respect to Panama

April 5, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Today I have issued an Executive order, a copy of which is attached, stating that the restoration of a democratically elected government in Panama has ended the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States previously posed by the policies and actions of the Noriega regime. The order therefore terminates the Panamanian emergency declared on April 8, 1988, while preserving enforcement and blocking authorities as authorized by law.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order is listed in Appendix E at the end of this volume.

Nomination of Wendy Lee Gramm To Be a Commissioner and Chairman of the Commodity Futures Trading Commission

April 5, 1990

The President has nominated Wendy Lee Gramm to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1995, and he has also nominated her to serve as Chairman of the Commission. This is a reappointment.

Since 1988 Dr. Gramm has served as Chairman of the Commodity Futures Trading Commission. Prior to this, she served as Administrator for Information and Regulatory Affairs at the Office of Management and Budget, 1985 - 1988; Executive Director of the Presidential Task Force on Regulatory Relief, 1986 - 1988; Director of the Bureau of Economics at the Federal Trade Commission, 1983 - 1985; Assistant Director in the Division of Consumer Protection at the Bureau of Economics at the Federal Trade Commission, 1982 - 1983; and research staff member for the Institute for Defense Analyses, 1979 - 1982. In addition, she served in several positions at Texas A&M University, including associate professor in the department of economics, 1975 - 1979; director of undergraduate programs, 1974 - 1977; and assistant professor, 1970 - 1975.

Dr. Gramm graduated from Wellesley College (B.A., 1966) and Northwestern University (Ph.D., 1971). She was born January 10, 1945, in Waialua, HI. Dr. Gramm is married, has two children, and resides in Washington, DC.

Statement by Press Secretary Fitzwater on the Japan-United States Structural Impediments Initiative Negotiations

April 5, 1990

Since the March 2 - 4 Palm Springs meeting between President Bush and Prime Minister Kaifu, Japan and the United States have been busily engaged in strengthening the U.S.-Japan relationship by resolving on-going trade and economic issues. An agreement has been concluded on supercomputers, and agreements in principle have been reached on satellites and telecommunications.

Today the U.S.-Japan SII working group released its interim report on the progress achieved to date. The SII talks represent an approach that may be unique in the history of bilateral trade and economic discussions. The talks were designed to identify and resolve the structural impediments that contribute to economic tensions between the two countries. Accordingly, the interim report and assessment identifies specific areas impeding the adjustment of the trade imbalance in both countries. The interim report is the first major step in a process that will include a final SII report in July as well as implementation and follow-on.

Prime Minister Kaifu and the political leadership of Japan have worked long and hard to produce the policy commitments embedded in the SII interim report. Because structural problems are deeply ingrained in both economies, complete results will not come quickly. However, the SII interim report is an important way station along the road leading to a strengthened U.S.-Japan relationship. We believe that the Prime Minister will continue to exercise his assertive leadership on these issues and that this will greatly facilitate the work on remaining economic and trade issues. Japan's inputs to the SII interim report have been very positive ones, and we look forward to further cooperation on the final report in July. For its part, the United States will continue to do its utmost to address the structural issues identified in the SII interim report as affecting the competitiveness of the U.S. economy.

As President Bush has said, the leadership of Prime Minister Kaifu has brought a new spirit of cooperation to our relationship -- a positive, cooperative force which will strengthen our security relationship and enhance the U.S.-Japan global partnership while simultaneously facilitating the solution of outstanding economic differences.

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Eduard Shevardnadze of the Soviet Union

April 6, 1990

The President met with Soviet Foreign Minister Shevardnadze for approximately 2 hours and 20 minutes this morning. The President's meeting follows 2 days of meeting that the Foreign Minister has held with Secretary Baker at the State Department. The 3 days of meetings encompassed the 5 baskets which have characterized our relationship over the past year: human rights, bilateral relations, regional affairs, arms control, and transnational issues.

In their discussions, the President urged continued peaceful dialog in Lithuania. The President made clear that the United States does not recognize the forcible incorporation of Lithuania into the Soviet Union. He expressed our desire for self-determination by the Lithuanian people and his concern that the Soviet Union not undertake any actions that might thwart resolution of this issue through peaceful dialog and mutual agreement.

The working group on arms control continues its work this afternoon. There are difficult technical issues yet to be resolved.

In other areas of discussion, there was a fruitful exchange of views. In particular, we pressed the Soviet Union to reconsider its position on direct flights to Israel. The United States has always supported freedom of emigration. This step by the Soviet Union would bring about the freedom of movement that we have long urged for Jewish emigrants from the Soviet Union.

In regional affairs, the two Presidents [the President and the Foreign Minister] continued the discussions on Afghanistan, Central America, Cambodia, Africa, and other regions. The President made clear once again our position on Afghanistan: that the people of Afghanistan must have the freedom of self-determination in selecting their own government.

On European affairs the issue of German unification was discussed and the United States repeated its position that a united Germany should be a full member of NATO. Both sides noted the rapid changes toward democratic and economic reform that are progressing in Eastern Europe, and both emphasized the need for these changes to continue.

Foreign Minister Shevardnadze reaffirmed President Gorbachev's commitment to glasnost and perestroika. He delivered a letter from President Gorbachev on arms control. The Foreign Minister also reiterated President Gorbachev's commitment to resolve the Lithuanian issue by open and frank dialog.

Near the end of the expanded meeting, President Bush offered his personal assessment of the U.S.-Soviet relationship. And I quote:

``Ours is a vitally important relationship. We have problems, including Lithuania. We are determined to resolve current arms control issues and move forward with the process. And finally, we acknowledge the changes in Europe and share a conviction that stability is important."

The President feels this meeting was extensive, cordial, and productive. He looks forward to the summit meeting with President Gorbachev and to this afternoon's discussions between Secretary Baker and the Foreign Minister.

Note: Press Secretary Fitzwater read the statement during his daily press briefing, which began at 1:10 p.m.

Remarks and a Question-and-Answer Session With Members of the American Society of Newspaper Editors

April 6, 1990

The President. To President Ghiglione and distinguished guests, thank you very much. It's a pleasure to be here. I see Hans-Dietrich Genscher here, the Foreign Minister of the Federal Republic of Germany, and I want to single him out and salute him and tell him how much I value the most cordial relations between the Government of the Federal Republic and the Government of the United States of America. And this man has done an awful lot to make those relations better. So, Hans-Dietrich, glad to see you here, sir.

You all understand our system, so I'm looking around to see if I see any Members of Congress to salute. [Laughter] But they adjourned and have all taken off for some exotic place, I'm sure. But I am told that the Governor of the State of Michigan is here, or was to be here. But if he is, I want to pay my respects to Governor Blanchard and all the distinguished guests.

Look, my remarks will be short. After all, ours is the Information Age, so I thought I'd leave sufficient time for questions and answers. But let me just talk for a few minutes about how, as information travels from one place to another in the blink of an eye, our world has become even smaller; so that what happens in Texarkana affects Tokyo or Tbilisi. Like you, I find the Information Age fascinating. Its consequences are many, from the growing global demand for a safe and clean environment to nations uniting against the scourge of crime and drugs. The Information Age has helped liberty spread from Nicaragua to the heart of Central Europe -- what I call the Revolution of '89. For as people come to know more of the free world, they demand their own world of freedom: free elections, free markets, free will unhampered by the state.

As you know, I met this morning with Foreign Minister Shevardnadze, and Lithuania was the key point of discussion. I reiterated the strong United States view that the issue must be dealt with through peaceful means. And we support the right of the Lithuanian people to self-determination. We have never recognized the forcible incorporation of the Baltic States into the Soviet Union. And I told Minister Shevardnadze that this is an issue that could adversely affect the prospects for progress in these important U.S.-Soviet relations. And I urged the Soviet Union to begin a good-faith dialog with Lithuania.

We want, and we believe the Soviets want, to make further progress in U.S.-Soviet relations. And we're working toward important agreements in the area of arms control and to make progress on human rights and the solution of these regional conflicts. I asked him to convey to President Gorbachev that I am looking forward to his visit to the United States at the end of May. This is an important time for discussion and dialog.

America's newspapers, of course, will report the news of this morning's meeting, just as they have for centuries, telling the truth, informing the public as fairly and responsibly as possible, and letting the chips fall where they may. And I know that the best example of today's Information Age will continue to be a free press.

What makes the Revolution of '89 so unprecedented is that at last an increasing number of foreign journalists are also free as well as able to write the truth without censorship or without fear -- reporters, commentators, and editors abroad who have gone from instruments of the state to servants of the people.

Let me take a moment to note one journalist who is not free and who is in our thoughts. Of course, I'm talking about Terry Anderson, and we hope and pray that he will soon be free. And he, more than anyone, would be moved by the men and women who in 1989 and '90 have upheld the tradition of a courageous free press.

In Czechoslovakia, a playwright becomes President. Both his Foreign Minister and chief spokesman are former journalists persecuted by the Communist regime for years.

In Colombia, the respected editor of El Espectador is slain by assassins, but the murdered editor's brother becomes publisher and vows to fight -- and does. ``We cannot back down," he says. A bomb last year injured over 70 employees of that same newspaper, and most of its facilities were wiped out, totally destroyed. But the next day, an edition hits the streets, printed by a competing paper's facilities. The front-page headline says, ``We Will Continue" -- and they do. And let me commend those U.S. papers which bought ads in that paper to show support.

And in Nicaragua, Violeta Chamorro, former editor, wife of a murdered publisher, becomes President in certifiably free elections -- President of the land that they love. Freedom of the press begets freedom of people.

This week, our talks with Japan focused on another aspect of freedom: the ability of people to trade and invest as they wish. This morning I read a quote by a Japanese businessman that demonstrated this point. He was talking about the essence of private enterprise: competition. What the Americans are saying, he said, about keeping prices low and quality high -- they are talking about democracy.

Last night Japan and the United States released that interim report on our Structural Impediments Initiative designed to remove structural barriers to trade in both countries. This SII is a unique undertaking and reflects enormous amounts of hard work on each side. The Government of Japan and Prime Minister Kaifu -- and I salute him -- have shown true leadership. And the Prime Minister, in particular, deserves major credit. He made success on trade and economic negotiations with us his top priority, and in 1 month, we have had real

success.

For the first time, Japan has committed to removing a broad array of structural barriers that constrain trade and impede imports. For its part, the United States will continue to address the structural issues identified by Japan by improving the competitiveness of our own economy -- because structural problems are deeply ingrained in both economies.

Complete results will not come quickly, therefore, but they can and they must come. Neither the Japanese consumer nor the American people will be convinced that progress is at hand until they see concrete results. And this interim report shows not only substantial progress on trade issues but is an important way station leading to a strengthened U.S.-Japan relationship.

The Information Age has served as a catalyst of cooperation, a conduit of knowledge, and an advocate of freedom. As events of the past year have shown, the free press represents the very essence of that age, and you've helped write the first draft of history and breathed new life into democracy.

And for that, I thank you and congratulate you on this significant anniversary. God bless you all. Many thanks for inviting me. And now to the fun part. [Laughter]

Press Coverage of U.S. Troops in Combat

Mr. Ghiglione. The President has agreed to take questions. As is quite clear, members of the society only may ask questions. Please step up to one of the floor mikes, and please identify yourself by your name and your newspaper. If I may exercise the presidential prerogative, Mr. President, and ask the first question.

Given that the experience of the press pool in Panama again proved that this arrangement for covering the early stages of a military action is not working, and given that Secretary Cheney essentially told this society on Wednesday that the issue is closed, would you be willing to ask the Secretary to meet with ASNE and other press representatives to forge a plan that will work? And how soon? [Laughter]

The President. Sure. Knowing Dick Cheney, I expect he'd welcome such a meeting. But if there's any complications, I will encourage him to do it. And we ought to talk about a wide array of things on that press pool. I notified the Members of Congress at the time, or just before the operation began, and one of them told me that he'd already received a call from a great paper asking him about this. The person that called him had a compadre on the pool who had felt free to tell this person about it, and that person had notified a very important Member of Congress before the President could.

So, I think we should have some discussions. And I think, for those who were in the press pool

and felt that they weren't given access, we certainly ought to go the extra mile to see that they get access when they get there. When you're involved in a combat situation, I don't need to tell people in this room there are constraints. But, yes, I'd welcome such a meeting, and I'd be very anxious to hear how it comes out. But I expect Dick will be glad to do it. And I want to commit my man, Marlin Fitzwater [Press Secretary to the President], to attend over there, too, because we are trying. And heaven knows, we can use some suggestions.

Middle East Peace Process

Q. Mr. President, this is a followup to a question I asked you in December here at a meeting of editors -- [laughter] -- in which your answer was that the United States definitely was not going to try to pressure Israel to negotiate with the PLO. Some people seem to see signs now that this government is pressuring Israel by trying to establish linkages between aid and the Israeli Government's performance. And also, there is speculation that President Carter's meeting the day before yesterday with Mr. Arafat [Palestine Liberation Organization leader] and Mr. Mitterand [President of France], at which Mr. Carter was given an oriental rug by Mr. Arafat, that this had the blessing of your administration. I wonder if you would care to comment on these speculations.

The President. Let me -- and if I miss one, why, help me out. [Laughter] On President Carter, he was not acting with the blessing of, nor disapproval of, or anything else of the administration. He was acting in this meeting on his own. I knew nothing about it. And certainly the former President should be free to do his thing. That's exactly what he's doing.

In terms of pressuring Israel to meet with the PLO, that is not true, either. And there is no evidence to support the allegation that I sometimes hear that we are pressuring.

What I would like Israel to do is to meet under the Baker plan and discuss peace, and I'd like to see that happen. And nobody's tied any aid into that, and for that we get some criticism. I have no intention of tying aid into it, but I will keep reiterating that, my support for the Baker plan, the Shamir plan, the Mubarak plan, all of which are really basically one and the same thing. But one of Israel's fears was that they would be compelled to talk to the PLO, and we have made very clear to them in detailed negotiations that that was not the case.

Did I leave out one part?

Q. No, that's all.

The President. Okay, sir.

Military Base Closings

Q. Rather than asking you something difficult about catching bluefish off the Maine coast, let me try to focus on something simpler, such as the downsizing of the U.S. defense economy. What responsibilities do you think the Federal Government has to places like Saco, Kittery, and Bath, Maine, for retraining and retooling as the need for guns and ships diminishes?

The President. I'm a strong believer in the Job Training Partnership Act. I think the Federal Government does have a role in retraining. I think it's been clearly set out by our very able Secretary of Labor. But I'll say this: One of the most difficult things there is -- as you're trying to get control of defense costs -- is to close a base, because instantly the most committed dove becomes the most flaming hawk if the base is in his or her district.

And what I'm encouraging people to do is to look at what's happened where bases and facilities have closed, and for the most part, I think you'll find that the economy compensates and takes care of people. But training should be a very important part of it. That gets me to the fundamental point that you're not going to get job opportunity in a stagnant economy or in an economy that is in recession. So, a fundamental obligation on a President is to keep this longest peacetime expansion in history going.

But I don't worry too much about when a person is put out of work by a defense contract provided the overall economy is sound, because I think history shows the economy can absorb an awful lot of people in very different enterprises.

So, we'll keep on trying to close facilities that aren't needed, don't have priority; and it is very difficult to do that. But I know this area you're talking about. I think some areas in New England have been adversely affected, not necessarily by defense cuts. And I do think we have a role in job retraining.

Soviet-U.S. Summit

Q. Will you bring Gorbachev to Kennebunkport?

The President. I'm not sure. Well, we haven't made any determination on that. We've set the dates for this summit, and most of the summit will clearly be in Washington, DC. But beyond that the agenda, the timeframe, is open.

Lithuania and Panama

Q. After this nation has invaded a sovereign nation -- Panama -- aren't we being a little bit hypocritical telling the Soviet Union what to do in Lithuania?

The President. No, I don't think so, and I don't think we are telling them what to do. We're telling them what not to do. [Laughter] We're telling them what not to do, and that is: Don't use force.

Do what you yourselves say you want to do -- dialog, discuss, do not use force -- because we have an awful lot at stake in the U.S.-Soviet relationship, an enormous amount at stake. It gets into arms control; it gets into human rights, the exodus of Soviet Jews; it gets into regional questions. And this is a major relationship that affects the lives of people all over the world.

I see the able Foreign Minister of the Federal Republic nodding. And I'm not going to violate a confidence, but he points out to me how important this relationship is in arms control and on the peace of an emerging democratic Europe and everything else. So, I want to keep that going. So, we're not dictating or attempting to. We couldn't do it anyway. But we are saying that we want it to be peaceful.

Of course, the Panama -- I think that when you see democracy working and you see the tremendous support for what happened, you see the will of the people that was expressed in free democratic elections, and then had that will aborted by a dictator -- why, I think that situation speaks for itself. My only hope is that we can move briskly forward and help that democracy, because the Congress got out of town without appropriating the funds that I wanted to see brought to bear on helping the people finalize and make more formal their democracy.

Chinese Immigration Relief

Q. Mr. President, you refer in your remarks to the Revolution of 1989, but in China there was what some people would call a counterrevolution. Do you think the Chinese students who are in this country now have a legitimate fear for their safety if they return to China? And if you do, are you willing in some more formal way to guarantee that they will have an indefinite status on their visas, perhaps in the form of the Executive order you talked about when you vetoed the congressional legislation on this subject?

The President. First, I don't know that I know the answer, but some might. And that's why I took far-reaching action that went well beyond the Pelosi bill. And I'm confident that it was the right thing to do.

You raise a technical question that is now being raised about whether I -- I did say I was going to have an Executive order, and what we had was an Executive directive from the President. But I'll tell you what I am going to do. First of all, there are two provisions out there that I want to expand on. And I will have an Executive order, and it will direct the Attorney General to extend the deferral of enforced departure for Chinese nationals which is currently scheduled to expire on June 5th. This was not covered under the Pelosi bill, and it takes care of the hypothesis in your questions, because we don't want to take a chance on somebody being mistreated, brutalized if you will. And so, I think that will be helpful.

The second one is directing that steps be taken to alleviate concerns that have arisen recently about the revocation by the Chinese Government of passports belonging to Chinese nationals.

This is a technical INS, Immigration Nationalization Service, question that's come up. So, these two provisions will be in the Executive order. And, then, to allay any concerns and some of these allegations against us, I will put into the Executive order all of the provisions that were in the Presidential directive that we immediately put into effect and that has been implemented by the Attorney General. And I think that will certainly convince people, those that might be skeptical, that I have every intention of keeping my word. We have kept it by this Presidential directive. But I did say Executive order, so this will formalize it in an official Executive order fashion.

Q. May I follow up briefly, sir? Would the terms of whatever this instrument is say that this is open-ended and indefinite, or will it be a postponement for a fixed period of time?

The President. Well, there are a whole bunch of provisions. This one I referred to will extend it from June 5th to 1994. I believe it's January 1st, 1994.

Federal Budget Deficit

Q. Good afternoon, Mr. President. On the outside chance that I would have an opportunity to ask a question today, I made an impromptu visit with about 30 of our readers, to ask them if they were here personally, what they might ask you. And almost invariably, they were concerned about the deficit. Why, they want to know, does it seem that everybody's talking about it, but nobody seems to be able to do anything about it?

The President. Well, we're trying to do something about it. The next move is up to the Congress. Under the law, they should have budgets by the budget committees on April 1st. Regrettably, April 1st has passed, and the Congress has not put their proposal on the table. But then, when that is done -- and I think the committees will be addressing themselves to that, both the budget committee of the House, budget committee of the Senate -- when they do that, then there will inevitably follow negotiations that hopefully will lead to a guarantee of the budget deficit going down.

But let me take this occasion to tell you one of the concerns I've got. We've got a lot of people around Washington that are saying, hey, why don't you raise taxes? Last week alone, we asked for a supplemental on Nicaragua and Panama and included in there were $2 billion of spending that we did not request. We asked for clean air and there were some things we had to give on there that resulted in a great deal more spending. And there was another -- one other provision, one other piece of legislation -- I'm trying to think what it was -- last week that added -- three pieces of legislation -- substantially to spending.

And so, any agreement to get this budget deficit down is going to have to have some power in the Presidency of somewhere to guarantee that spending will be reduced. I use the Nicaragua-Panama as a clean shot. We feel there was an emergency there -- to help these two democracies.

We went up there with, what I would recall, laser-like approach, and you find that the bill is increased by about $2 billion. So, I would like to get the deficit down. Thank God we have a growing economy; the problem would be a lot worse if we didn't. But that's where it stands, and I think after I hear from these two committees what the Congress is willing to do, why, then we can have some serious negotiations about it.

Security Leaks

Q. Mr. President, I'd like to ask a question about leaks -- not the vegetable. [Laughter] Last year the Justice Department decided to take a tough stand on leaks and to aggressively investigate them with an eye toward prosecution. Since then they've launched several unsuccessful leak probes, including one much-publicized one -- cost almost a quarter of a million dollars and used 11 FBI agents for several months, but proved inconclusive.

Isn't it time to put the taxpayers' money to better use and lighten up on these investigations?

The President. That one has been unsuccessful. In that one, the interests of a Member of Congress were severely damaged, I think, and he felt so. And so, a legitimate attempt was undertaken to try to see that there not be any breaches of this nature. But I'll tell you this, chasing down leaks is pretty hard to do, extraordinarily hard to do. I don't think we've had any that are egregious to our fundamental national security interests. There may be some, but I can't cite some examples for you.

So, I don't think we want to be frivolous in this, but I believe that some things should be protected, and sometimes they say, well, I'm too secretive. But I don't accept that as a serious allegation. I don't know how to answer your question. I mean, if there's something really bad, why, I think we ought to find out what happened and punish the person that does something, if it's against the law, certainly.

But in this case, spent $250,000 -- you're telling me -- and didn't get anywhere, well, I can't be defending that as particularly prudent use of the taxpayers' money.

Q. Are you consulted before they decide to open an investigation on a leak?

The President. I was certainly consulted on that one and strongly supported the Attorney General of the United States.

Offshore Oil Drilling

Q. Mr. President, a lot of us in Florida are concerned with offshore oil drilling. A lot of us would like to see a permanent ban. Would you discuss your position on this?

The President. My position is, there shouldn't be a permanent ban on offshore drilling because then I would be compelled to ask the question: Where do we get the energy to keep this country going and to keep the working man and woman at work and heat the homes? So, I don't think there should be a ban, and I don't want to see the United States become increasingly dependent on foreign oil. We're up close to 50 percent right now. And some remember in this room when we had some real problems getting oil from the Persian Gulf for one reason or another.

Having said that, I think there will definitely be bans on certain environmentally sensitive areas. And what I don't understand is when a tanker bringing oil into California goes aground, people stop saying, hey, this proves you shouldn't have offshore drilling. I mean, do they want to ban tankers, too?

So, what we're trying to do -- you're from Florida, I'll tell you -- is to try to redefine sealanes so to protect the environmentally sensitive Everglades, in this case, and to not drill in areas that are highly sensitive environmentally. You're looking at a bone fisherman, one who likes to go down there and will be in a couple of weeks down at Islamorada. And I know enough about the Everglades and have been briefed enough on the environment of the Everglades to know that that ecological balance is highly sensitive. So, we will be announcing a policy that prohibits drilling in certain highly sensitive areas that will not ban -- your question was broad, you didn't say just in Florida, you said offshore drilling -- and we're not going to ban offshore drilling. It has been proved in my part of the country that offshore drilling can be done compatibly with sound environmental practice.

Negative Political Campaigning

Q. Mr. President, many people felt that your 1988 campaign was excessively negative. In fact, some people felt that the Willie Horton commercial was patently racist. There's a move in this country now to try to combat negative campaigning. David Broder has called it a genuine rebellion against the cheapening of our politics. And I think there are major conferences planned this year at University of Pennsylvania and Harvard.

My question is, are you aware of this movement, do you encourage it, and would you respond to it in your next campaign?

The President. I'm not aware of the conference he's talking about; I'm aware about the allegations. You repeated one. My campaign ad didn't happen to be a campaign ad by the Bush campaign that you're referring to. So, we've got to get the facts out there and deal from facts. But I'm against censorship. I think it would be extraordinarily difficult to censor. You wouldn't want it for your paper, and I don't want it for the campaign. And if there's a way to improve the quality and decency of campaigns, I'm all for it.

Q. Well, there's no suggestion of censorship here, just an appeal to more ethical campaigning.

The President. That would be fine. You might start with the Democrats in Texas. [Laughter] How come you didn't mention that one? I mean, I think there's a myth abroad, and people didn't want to look at the real issues. And I refuse to plead guilty to some of the charges made by, I think, rather biased sources suggesting that the campaign was something that was unique in its ugliness.

Access to Federal Information

Q. Mr. President, most of us in this room share your admiration for the benefits of a free and aggressive and an active press, and yet most of us in this room over the past few months, to name a period of time, have had great difficulty in prying information out of the Federal Government. In fact, there are many of us in this room who believe that the Federal Freedom of Information Act simply does not work.

We are faced repeatedly with delays of weeks or months or sometimes even years. We have filed countless lawsuits trying to get information about worker safety or the environment. Will you use the benefits of presence and power of your office to try to help us to report to the American people what our government is doing by improving the Federal Freedom of Information Act?

The President. I'm not sure I know enough about the mechanics of it, but yes, I would be interested if there are things we can do to streamline it and to make it more efficient because the law was passed to facilitate the distribution of information. And if that's not working, I think we should take a look at it. But I'm just not familiar with enough of the details of it to know wherein these delays take place, wherefrom these delays stem.

Q. I can almost assure you that we will be happy to provide you with those details.

The President. All right. I hope I agree with you because maybe we can get some headway, then, on this question.

Lithuanian Independence

Q. Mr. President, with the foreign press thrown out of Lithuania, the world's eyes and ears, so to speak, removed, what reasons do we and you have to believe President Gorbachev will do what he says and work to a peaceful resolution of the crisis?

The President. I'm not sure I can answer that question. But I know what I can do as President of the United States, and that is to encourage in every way possible through talks like we had today, through talks like I will be having in a couple of months with Mr. Gorbachev -- encourage that kind of performance and encourage access, encourage permission to permit a free press to come there. And that's what we can do. And that's what I will do because I'm strongly in favor of fully

open reporting.

I heard him ask the question. I unfortunately didn't hear the answer today; they asked him about that. But I do think that freedom of the press in these places is part of the new wave of democracy and freedom. And some formerly closed societies are going to have to adjust to it. So, I hope that I can be helpful by dealing with the top Soviet leaders and encouraging them to permit what most democracies take for granted: a free and open press. And I will try hard on that.

Cuban Detainees

Q. Mr. President, there are currently about 1,200 Cuban detainees being held in maximum security penitentiaries around the country who have not committed crimes in the United States. They are in administrative limbo. Do you plan to do anything about those situations? Some of them have been held for as long as 8 years.

The President. I must confess I don't know about that. Detainees in what sense? Detained for what?

Q. They are under the INS being held as detainees. Their status is the same as if they were still floating around in boats off the coast.

The President. Are these people from the Mariel boat lift or something of that nature?

Q. Yes.

The President. They're in jail?

Q. They're in Federal penitentiaries held under lockdown 24 hours a day.

The President. I'm familiar with some that are held, but I must say for innocent people being held, that I'm not familiar with that. So, now I will make sure to look into that one, too. But I know that there are some in the Federal prison in Atlanta who are criminal elements who had full access to the American law, but are still there and probably will be unless the return program works. And we've tried to return to Castro -- in fact, some have gone back -- but I think you're talking about a broader category of presumably innocent people. I'm embarrassed to say I don't know the details of that.

Well, in any event, thank you all very much. I've enjoyed being with you.

Note: The President spoke at 2:30 p.m. in the Grand Ballroom at the J.W. Marriott Hotel. In his remarks, he referred to Terry Anderson, the Associated Press reporter who was kidnaped in

Beirut, Lebanon, on March 16, 1985. Loren Ghiglione, president of the society, introduced the President and acted as moderator during the question-and-answer session.

Remarks at the 25th Anniversary Celebration of President Lyndon B. Johnson's Inauguration

April 6, 1990

Welcome. Well, what a wonderful reunion. And thanks, first, to the family, especially our esteemed friend, Lady Bird Johnson; as well as her daughters, Lynda and Luci; and the grandkids: Lynn, Nicole, Rebekah, Claudia, Catherine, and missing in action, Lucinda, who is finishing her thesis at Princeton University and, thus, cannot be with us on this special occasion -- sends her mother and dad, Senator and Mrs. Robb. And, of course, our distinguished Senator, a member of the family, Chuck Robb. We're delighted he's here. [Senator] Lloyd Bentsen, I'm told, was to be here, but maybe he is not. And I don't see [Senator] Pat Moynihan, but both of them are missing in action and both wanted to be here to pay their respects.

I'm speaking for the Vice President and Mrs. Quayle and Barbara Bush when I say how very pleased we are to have all of you here. I want to single out, and I hope they're here, our fellow Texans over here: the former Speaker, Jim Wright, and Representatives Jake Pickle and Kika de la Garza, and so many other distinguished friends of President Johnson, and so many members of his Cabinet. I know I'm going in trouble with this one, because we haven't got it totally complete. But I'll just stop and say welcome to the former members of the Johnson Cabinet because there are so many. And I think it is fitting that all of you are here. I'll be in trouble if I keep singling out names. But a couple of more ``thank yous" like this -- keep going on this and Valenti will think he's back at the Academy Awards. [Laughter] And none of us can afford that.

Jack Valenti [Special Consultant to President Johnson], our dear friend -- he probably described Lyndon Baines Johnson about as well as anybody ever has. Jack's book was entitled ``A Very Human President," and that he surely was. ``An awesome engine of a man," Jack called him, ``terrorizing, tender, inexhaustibly energetic . . . loving of land, grass, and water. Engulfing, patient, impatient, caring, insightful, devoted to wife, family and friends . . . Compassionate. Courageous. And full of humor."

That about says it all, but I'll go on a little bit. LBJ's humor was matched perhaps only by his bigness of heart. At the Inaugural Ball at the Statler-Hilton, he looked at Hubert Humphrey -- whose sister is with us today, I'm pleased to say -- at that point, Hubert had been Vice President -- there she is -- had been Vice President for less than 12 hours. ``There he is," LBJ exclaimed, ``the greatest Vice President I've ever known." [Laughter]

He was a towering and passionate figure, endlessly in motion. And those in the press who think the White House is hectic today ought trade some notes with Bill Moyers. Bill was LBJ's Press Secretary for a time, and told how one day the President called him in his office and said, ``Bill, I'm going to Honolulu." Bill said, ``Fine, Mr. President. I'll come over and talk to you about it. Where are you?" LBJ replied, ``Over Los Angeles." [Laughter]

Lyndon Johnson loved this country, loved her land, and loved her people. And one of my own personal heroes, Dwight Eisenhower, served as President when LBJ was majority leader in the Senate. And Ike often said that he knew that whenever the great issues of national security were concerned, Lyndon Johnson would always be a partisan of principle, not a partisan of party.

Historians will continue to argue about his legacy, as they do about the legacy of every single President. And some say the greatest thing he ever did was heal the Nation after a tragic loss. Others say it was the 1964 Civil Rights Act, or the Voting Rights Act in '65. But whatever, the greatest thing LBJ ever did -- Sam Rayburn [former Speaker of the House] said there was no doubt about the best thing he ever did, and that was marrying Lady Bird Johnson.

And I think those who know Lyndon better than I would say that she was his anchor and his strength. And she never failed him. And she was always there. And as she has once again today, Lady Bird brought to the White House dignity and warmth and grace. And she was never on stage, never acting out some part, always the same genuine lady no matter what the setting. Her gift of language is a combination of both elegance and simplicity, a vivid imagery that charms our country to this very day.

Mrs. Johnson, you, too, have left this nation a very important legacy. Barbara reminds me of that every single day. And those who travel by car along the banks of the Potomac, or who walk or bicycle along its paths, are each day struck by the wonder of your gift. Friends back home tell me that the wildflowers planted along Texas highways at your direction are the prettiest ever this year. The bluebonnets and the Indian paintbrush line Interstate 10 from San Antonio to Houston. And I remember a few years back when Barbara and I were headed from Houston to College Station for a commencement up at A&M. And we skipped the chopper ride and drove so we could see your beautiful wildflowers in bloom. And today some have renewed the debate about when and where the first Earth Day was conceived, about when the environmental movement was first launched in America. But I have a feeling that it began just about the time a nation of new trees and flowers started appearing at the business end of a shovel held by Lady Bird Johnson.

The Johnsons were close to both the land and the people, and LBJ often spoke about the strength that comes from the power for good that lies out there in the fertile lands and great cities in America, about America's deep confidence in itself -- its conviction that we don't have any problem that we are not big enough to solve ourselves, and always remembering that all our successes can always be improved. He tried with all his heart and to be the best President that this country ever had for the people who are pressed against the wall, whose cries are often not heard. But he heard. Lyndon Johnson heard. And he often told of spotting a tombstone he admired, somewhere out in west Texas, I believe it was. It carried just four simple words: ``He done his damnedest." [Laughter]

Well, some say that that fabled tombstone never existed. But it does now. From the Potomac to the Pedernales, no one ever earned that epitaph more than Lyndon Baines Johnson. ``He done his damnedest."

So, thank you all for coming. Thank you all for coming. And to the members of my own administration -- and I think Marlin [Marlin Fitzwater, Press Secretary to the President] is here and one or two others -- take heart: just 24 years from now, you too might be invited back to your own reunion. [Laughter] Perhaps even hosted by President Robb. [Laughter] President Jennifer Robb.

Note: The President spoke at 3:21 p.m. on the State Floor at the White House. In his remarks, he referred to Lynda Robb, wife of Senator Charles S. Robb and daughter of President Johnson.

Memorandum on the Delegation of Authority for Reporting on Panamanian Bank Secrecy Regimes

April 6, 1990

Memorandum for the Secretary of State

Subject: Delegation of Authority for Reporting to the Congress Pursuant to Section 104(b) of the Urgent Assistance for Democracy in Panama Act of 1990

You are hereby delegated the authority for submitting to the Congress the report on actions being taken by the Government of Panama to modify the existing bank secrecy regime required by section 104(b) of the Urgent Assistance for Democracy in Panama Act of 1990 (Public Law 101 - 243).

This memorandum shall be published in the Federal Register.

George Bush

Statement on Chinese Immigration Relief

April 6, 1990

On November 30, 1989, I sent a directive to the Secretary of State and the Attorney General ordering that certain steps be taken to improve the immigration status of Chinese nationals in the United States. On that same day, I disapproved H.R. 2712, the Emergency Chinese Immigration Relief Act of 1989.

Since then I have recognized that there are two issues important to the Chinese nationals here that were not addressed by that bill or my November 30 directive. I have decided to issue an Executive order addressing those issues.

First, the Executive order will direct the Attorney General to extend the deferral of enforced departure for Chinese nationals, which is currently scheduled to expire on June 5 of this year, through January 1, 1994. This will provide assurance to Chinese nationals that they can remain in this country for the entire period during which the home country residence requirement for Chinese students was waived by my November 30 directive.

Second, the Executive order will direct that steps be taken to alleviate concerns that have arisen recently about revocation by the Chinese Government of passports belonging to Chinese nationals.

It has been noted that my November 30 directive was not an Executive order because it was not so entitled and was not published in the Federal Register. The directive, however, had precisely the same legal effect as an Executive order and extended precisely the same protections to Chinese nationals as would have been the case had it been entitled an ``Executive order." Nevertheless, to allay any concerns, the new Executive order that I will issue will also reiterate the instructions to the Secretary of State and the Attorney General contained in my November 30 directive.

Note: Executive Order No. 12711 is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on the Czechoslovakia-United States Trade Agreement

April 9, 1990

On April 5, 1990, U.S. and Czechoslovak trade negotiators reached provisional agreement on the text of a trade agreement between the two countries. The President welcomes this as the first trade agreement concluded with an Eastern European country since the revolutions of 1989.

President Bush and President Vaclav Havel of Czechoslovakia agreed during their February 20 meeting that reestablishing a more normal trade relationship should be a top priority for both countries. The speed with which this agreement was reached is testimony to the dramatic changes occurring in Czechoslovakia's economic policies and to our shared determination to move quickly to reestablish close ties.

The agreement, along with its side letters on trade and financial matters, intellectual property, and tourism, is scheduled to be signed Thursday, April 12, by U.S. Trade Representative Carla Hills and Czechoslovak Foreign Trade Minister Andrej Barcak. Ambassador Hills and Minister Barcak will be speaking earlier in the day at a symposium on Eastern Europe sponsored by the Department of Commerce and the U.S. Chamber of Commerce.

The trade agreement, when formally approved by both sides, will provide a number of important improvements for business in each country. Most importantly, the U.S.-Czechoslovak trade relationship will be based on a most-favored-nation basis, including tariffs. This will be a significant benefit for businesses and consumers alike.

The two sides also agreed to apply the rules of the General Agreement on Tariffs and Trade (GATT) between themselves, which should put business and trade on a more certain footing. Certain explicit protections for American businesses were included, such as the right to nondiscrimination in renting office space, in paying for local goods, and in establishing bank accounts. Any hard currency earnings from trade may be repatriated immediately. In addition, the Government of Czechoslovakia pledged to continue its economic reform plans, including a commitment to streamline its approval procedures for foreigners and Czechoslovaks wishing to do business together. Other bilateral commitments concern intellectual property protection and tourism.

This agreement should substantially increase two-way trade between the United States and Czechoslovakia. President Bush welcomes this step as an important milestone not only in U.S.-Czechoslovak relations but also in Czechoslovakian reintegration into the global economy and the community of free nations.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

April 9, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with 22 U.S.C. 2373(c), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question.

This report covers the period from January 1 through early March 1990, a period marked by intensive international activity aimed at getting and keeping the intercommunal negotiating process on track. On January 18 I spoke personally with Turkish President Ozal in Washington about the desirability of having an early Cyprus negotiating session under the auspices of the United Nations Secretary General, and received President Ozal's assurances of Turkish support. The subject of Cyprus also arose briefly during the U.S. and Soviet Foreign Ministers' meeting in Moscow in early February with both Foreign Minister Shevardnadze and Secretary Baker agreeing on the need to support fully the U.N. Secretary General's ``good offices'' mission. State Department officials also stressed the need to support a negotiated Cyprus settlement under U.N. aegis to a group of prominent Cypriot parliamentarians who visited Washington in late January.

During this same time period, the U.N. Secretary General invited both Cypriot President George Vassiliou and Turkish Cypriot community leader Rauf Denktash to New York. After some disagreement about dates, both leaders agreed to begin negotiations under the U.N. Secretary General's auspices in New York on February 26.

The talks opened on that date with a statement by the U.N. Secretary General and continued on Tuesday and Wednesday, February 27 and 28. A final negotiating session was held on Friday afternoon, March 2. The 4 days of talks ended without progress. At the final session on March 2, the U.N. Secretary General summed up the objective of the meetings and their results with these words:

``In line with the mandate entrusted to me by the Security Council and the 1977 and 1979 high-level agreements, the objective of the exercise of good offices is a new constitution for the state of Cyprus that will regulate the relations between the two communities in Cyprus on a federal, bi-communal and bi-zonal basis. In this effort, each community will participate on an equal footing and will also have the opportunity to express separately its consent to the arrangements reached.

``In the course of our discussion, Mr. Denktash stated that the term `communities' be used in a manner that is synonymous with term `peoples', each having a separate right to `self-determination'. Mr. Denktash also proposed certain other terms for the word `communities'. In

the context of the intercommunal talks, the introduction of terminology that is different from that used by the Security Council has thus posed more than a semantic problem. Unless acceptable to both sides, any change in terminology could alter the conceptual framework to which all have thus far adhered. In the circumstances, I have come to the conclusion, regrettably, that we face an impasse of a substantive kind, which raises questions regarding the essence of the mandate of good offices given to me by the Security Council and, therefore, regarding the basis of the talks.

``In view of this, I must inform the Security Council of the situation as it exists at present and seek the Council's guidance on how to proceed."

Six days later the U.N. Secretary General sent a report to the United Nations Security Council, a copy of which is enclosed. The report reviewed what had happened and concluded with an appeal that the negotiating process not be allowed to collapse. It also noted that, despite the failure to advance the drafting of an outline of an overall agreement, ``a basis for effective negotiations exists provided both leaders are prepared to take into account each other's concerns, and that both are willing to proceed within the framework of the 1977 and 1979 high-level agreements."

The U.N. Security Council considered the U.N. Secretary General's report and on Monday, March 12, unanimously adopted a new resolution, a copy of which is enclosed, which reaffirms the U.N. Secretary General's ``good offices" mandate and calls upon the two parties to pursue their efforts to reach a mutually acceptable solution. Each of the two Cypriot communities has expressed its satisfaction with the Security Council resolution and has indicated a willingness to resume negotiations under U.N. auspices.

The United States, which worked to ensure a strong, effective Security Council resolution, will now work diligently in the months ahead to ensure that the intercommunal negotiations are restarted and the process of developing an agreed outline for a solution is completed. In this context we believe that each community must have the right separately to determine whether a given set of arrangements meets its essential interests. We fully support the U.N. Secretary General's mandate, which does not accept that an alternative outcome is independence for either community, partition of Cyprus, or the establishment of formal links between either community and some other state.

Achievement of a negotiated settlement to the Cyprus dispute remains a matter of priority for me and my Administration as a whole. In that connection, the White House announced on February 21, 1990, my nomination of Special Cyprus Coordinator Nelson C. Ledsky for the rank of Ambassador during his tenure in that position, subject, of course, to the advice and consent of the Senate.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Message on the Observance of Passover, 5750

April 9, 1990

Four thousand years ago, when Moses sounded the bold cry, ``Let my people go," the Israelites began their historic journey from bondage into freedom. Today, all Americans share in the solemn pride and quiet joy of millions of Jewish men, women, and children around the world as they commemorate the Exodus.

Known as ``the Festival of Freedom," Passover has a special significance this year. A great march of freedom is underway for Soviet Jewry, and this year many thousands will celebrate the Seder with their families in Israel. For these people, and for their brethren waiting to emigrate, ``next year in Jerusalem" is becoming a promise fulfilled.

The call for liberty and freedom is now being heard around the world -- in Eastern Europe, in Central and South America, in Africa, and even in the Soviet Union. Like the Israelites of old, determined peoples in both Hemispheres are beginning great struggles of their own, working to overcome repression and injustice and reclaiming their God-given freedom and dignity.

The call, ``Let my people go," also recalls a spiritual quest, one that has been taken up by generations of men and women who have seen in the Exodus story a symbol of hope. This year, as Jews around the world gather with their loved ones to celebrate their passage to freedom, let us renew our commitment to sustaining that hopeful spirit. Let us pray that the time is approaching when, through God's providence, every human being enjoys the life and liberty He has envisioned for us.

Barbara joins me in wishing the members of the Jewish community in America and throughout the world a fulfilling Passover holiday.

George Bush

Statement by Press Secretary Fitzwater on the Appointment of Richard L. Armitage as Special Negotiator for the Future Status of United States Access to Military Facilities in the Philippines

April 10, 1990

The President today announced the appointment of Richard L. Armitage as Special Negotiator for the future status of U.S. access to military facilities in the Philippines. Mr. Armitage most recently served as Assistant Secretary of Defense for International Security Affairs, and he has had a long career of distinguished public service. The President is pleased that he has accepted the assignment.

Discussions are expected to begin soon on the future of the U.S. military facilities, which contribute to the security of the Philippines, the United States, and the other countries of the region. We look forward to productive talks leading to the conclusion of a mutually beneficial new agreement.

Nomination of Arden L. Bement, Jr., To Be a Member of the National Science Board

April 10, 1990

The President today announced his intention to nominate Arden L. Bement, Jr., to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1994. This is a reappointment.

Since 1980 Dr. Bement has served as vice president for technical resources for the science and technology department of TRW, Inc., in Cleveland, OH. Prior to this, he was Deputy Under Secretary of Defense for Research and Engineering at the Department of Defense, 1979 - 1980, and Director of the Materials Science Office of the Defense Advanced Projects Agency at the Department of Defense, 1976 - 1979. He was professor of nuclear materials at the department of nuclear engineering and materials science and engineering at Massachusetts Institute of Technology, 1970 - 1976; manager of the fuels and materials department, 1968 - 1970, manager of the metallurgy research department, 1965 - 1968, and a senior research metallurgist for Hanford Laboratories of the General Electric Co., 1954 - 1965.

Dr. Bement graduated from the Colorado School of Mines (E.Met, 1954), the University of Idaho (M.S., 1959), and the University of Michigan (Ph.D., 1963). He was born May 22, 1932, in Pittsburgh, PA. He retired from U.S. Army Reserve as a lieutenant colonel. Dr. Bement is married, has eight children, and lives in Mayfield Village, OH.

Exchange With Reporters Aboard Air Force One

April 10, 1990

The President. I'll handle the diplomacy, and the commissioner will take care of the baseball. Go ahead. We've got time for one question between us.

Lithuanian Independence

Q. It sounds like the Soviets are tightening the screws on Lithuania.

The President. Well, we keep hearing that. I've made our position very clear: a peaceful resolution to this question. Because we do not recognize that the use of force would accomplish anything, other than to set back relations, and I think they know that loud and clear by now -- very clear.

Soviet-U.S. Relations

Q. Any more letters exchanged between you and Gorbachev?

The President. Don't talk about internal correspondence between the heads of government. We just don't get into that, Rita [Rita Beamish, Associated Press]. I hope you understand why.

Q. How about phone calls?

The President. And phone calls. That's a correspondence. I consider phone calls and letters the same thing.

Q. You told us about the last phone call.

The President. Well, once in a while we do announce them, when we agree with the Soviets that that should be done, yes. You're right about that one, Owen [Owen Ullman, Knight-Ridder Newspapers].

Q. What did the Gorbachev response on mobile missiles do to the START talks? Is that going to complicate matters?

The President. Well, just go back and work hard. We've got a timeframe now in which there's an awful lot to be done, so I can't even predict how much will be done by the time the summit rolls around. But it's a good thing the summit date is set. It is important that we continue to talk to Mr. Gorbachev. And obviously, this will serve as a bit of a catalyst or goal for getting things done.

But I don't want to overpromise and suggest that we're going to have all the details worked out by the time of the summit.

Q. Do you share the disappointment that others in the administration, Secretary Baker, and Foreign Minister Shevardnadze have expressed about the outcome of last week's discussions?

The President. No, I'm not disappointed. But, I mean, look, you deal with what's on the table; and I'm determined to see that there's no misunderstanding about the American position. And that's why I felt the visit with Shevardnadze was very good.

Anybody want to know anything about the national pastime? [Laughter]

Meeting With Prime Minister Mulroney of Canada

Q. What are you going to talk about?

The President. Wide array of subjects, including Europe, Central and South America, and then there are some bilateral issues. This meeting was -- we talked about it for a long time, but this just seemed a wonderful way to do it. I think it's -- as a baseball fan -- and I think the commissioner agrees with me -- this shows an interest on the part of the President, the commissioner, and the Prime Minister of Canada for baseball being an international sport. And as he pointed out to me, one of the biggest drawing teams in either league is the Toronto Blue Jays, and we're going to see a beautiful baseball park as well as see a good opening game for Canada. So, I think it's good. We forget sometimes they've got two very aggressive, good ball clubs in the big leagues.

Q. Don't detract from the Rangers, right?

The President. No, we don't want to detract from them at all.

Q. -- -- call it the national pastime going to Canada?

The President. Well, I think we want to get them to buy into that definition. That's why we're going.

I want to get there the same time you guys do, so I want to put my seatbelt on.

Q. Are you going to throw a curve or a slider?

The President. I'm going to go with a slider this time. I've had such good luck in the last couple of years. The catcher let me down one time when he couldn't get into the dirt and grab it

properly.

Q. See you later.

The President. I'll see you later.

Q. Are you working your stuff, Mr. President?

The President. No, no. Nolan will handle the fast one, and I'll go with the stuff. You know how it is, Tommie [Tom Raum, Associated Press].

We'll see you. Thanks a lot.

Note: The exchange occurred en route to Toronto, Canada, prior to the President's meeting with the Prime Minister. In his remarks, the President referred to Fay Vincent, commissioner of baseball, and Nolan Ryan, a pitcher for the Texas Rangers. A tape was not available for verification of the content of these remarks.

News Conference of the President and Prime Minister Mulroney in Toronto, Canada

April 10, 1990

The Prime Minister. I just want to tell you that the President and I have had what I consider to be an excellent meeting. We'll be meeting again over dinner before the Blue Jays inflict terrible damage upon the Rangers. [Laughter] But so far, our discussions have been friendly. [Laughter] And they've touched upon East-West relations, our trade relationships, our free trade agreement, the situation in Eastern Europe, the NATO summit, the Houston summit, the results of my recent visit to Mexico and to the Caribbean and the impacts on some American policies.

We had an excellent exchange of views. We were joined by Secretary Baker and his colleagues and Mr. Clark [Canadian Secretary of State for External Affairs] and a full Canadian delegation after, I think, the President and I had met for about an hour or so privately.

So, that, from Canada's point of view, was it. We thank you, Mr. President, for the visit of you and your colleagues. We welcome you all plus your media colleagues to Canada, and we wish you well.

The President. Well, thank you, Mr. Prime Minister. And before taking questions, let me just thank the Prime Minister and his colleagues for their hospitality. I can tell you that I find these talks extraordinarily helpful. We're in complicated international times.

And the relationship between Canada and the United States is strong. I, today, once again, found the 3 hours of talks that we had extraordinarily helpful. It is very important that Canada and the United States be on the same wavelength as much as possible.

And so, sir, I'm delighted to be here. I found that this Prime Minister tells it as it is, with no coloration; and I view that as extraordinarily helpful to the United States, the way a good friend, the head of a friendly country, should do. And he's very forceful. We have some differences; but most of the time, on these big issues that he was referring to, I think we have broad agreement with Canada. And I think, as we move into important talks -- the G - 7 [economic summit] meetings, our meeting that I'm planning to have with Mr. Gorbachev, and other meetings -- it is very important that Canada and the U.S. are together.

So, thank you, sir. I feel it's been well-worthwhile.

Lithuanian Independence

Q. Mr. President, has the stall on arms control and Moscow's tough stand in Lithuania raised

questions in your mind about Mr. Gorbachev's intentions and chances for success?

The President. No. I don't know that it's raised questions about that. I think the Secretary of State made clear to Mr. Shevardnadze [Soviet Foreign Minister] -- and I believe Mr. Gorbachev knows my views -- that should things deteriorate regarding peaceful solution to the question of Lithuania it would be extraordinarily difficult to move forward as rapidly as I'd like to see us move forward with them on a lot of questions. But I think on a situation that's as complicated as that one, why, you give your opinion. Our opinion is that this matter must be resolved peacefully.

We have never recognized the incorporation of Lithuania into the Soviet Union. Self-determination and freedom are hallmarks of the United States policy always. And so, be clear in talking to Mr. Gorbachev, be clear in talking to other Soviet interlocutors, and hope that they will conduct themselves in a way that can move the dramatic progress that's taken place in the last year or so even further forward.

Acid Rain

Q. Prime Minister, don't you think that you could -- with the President, on the need for the U.S. and Canada -- for an acid rain proposal?

The Prime Minister. The President, I think, is of the view that once the legislation passes the Congress -- it's gone through the Senate, thanks to his leadership and the leadership of Senator Mitchell -- when it gets through the House, perhaps this summer we can begin the process of negotiating a bilateral accord on acid rain, which I think would be a great tribute to what both of us have been seeking for both countries.

Lithuanian Independence

Q. Mr. President, on Lithuania and the Soviet Union, sir, you called the other day for what you called good-faith negotiations; and I wonder if you think it's really realistic to call for good-faith negotiations in an atmosphere where one side has tanks in the streets, has closed borders, and used troops to storm buildings?

The President. No, I think it's even more important to have good-faith negotiations when you have a situation of that nature. And I would just appeal to all sides and anyone with any influence to encourage dialog and discussion as a way to solve this very difficult and complicated problem, because the United States position is clear.

Q. If I could follow up, you spoke of the need for peaceful resolutions, but I gather the administration did not comment on the specifics -- as you go along here -- but does the administration care about what the details of that resolution are and whether they're in any way

fair to the Lithuanian side?

The President. We care because the underpinning of our policy is self-determination, freedom, and democracy.

[The next question was asked and answered in French, and a translation was not provided.]

Soviet-U.S. Relations

Q. Mr. President, given the uncertainty about Soviet intentions in Lithuania, why did you agree to move up the dates of the summit? Doesn't that lock in the meeting and deny the United States the means of influencing the situation?

The President. No, it doesn't deny the United States the chance to do anything. I happen to believe when you have complications that that's a good time to talk; it's a good time to have more discussion; it's a good time to avoid difficulty, if possible, and to hammer out differences. But that wasn't why the summit meeting, as I explained to the Prime Minister earlier, was moved up. It just happened to work out that way; and they, I think, accepted a suggestion from us within 1 day that was behind the scenes. So, I want to dispel the idea that because the summit came earlier than some had expected that that had something to do with turmoil out there in anyplace around the world. But it is very important when you have difficulties brewing that you have discussion.

The Prime Minister. To complement just on that, to complement what the President has indicated, when we were in the Soviet Union, Mr. Gorbachev made it very clear that in respect to this problem that there would be -- and I think I'm quoting him -- ``no crackdown in regard to Lithuania." And Mr. Clark, who was there, specifically sought reassurance from Mr. Shevardnadze; and he gave Mr. Clark the reassurances that he gave to Mr. Baker as well: that that was the intention of the Soviet Union, that was the policy of the Soviet Union.

They've moved along somewhat since then. But we support the approach that -- both the United States and Canada have identical positions in respect of the juridical realities of Lithuania and the manner in which it was incorporated into the Soviet Union. And so, we believe that the prudence that the President has exhibited is the proper way to go.

Canada-U.S. Relations

Q. For the President. Sir, Canada's current constitutional problems involving Quebec -- [inaudible]. And I was wondering if I could ask you, sir, whether you're concerned with the rather dramatic rise in independence feelings in Quebec and the future stability and unity -- --

The President. I think, rather clearly, that's a matter for Canada; and it's not a matter that would

be helpful for me to involve myself in or the United States Government to be involved in. It's the internal affairs of Canada. We have always enjoyed superb relations with Canada, and a unified, strong Canada is a great partner -- has been, and will continue to be. But I think it would be inappropriate to comment further on a matter that is not an agenda item nor one that I feel comfortable getting into.

Soviet President Gorbachev

Q. Mr. Prime Minister and then Mr. President as well, if I could get both your assessments on this. We've heard the President and his administration repeatedly say that their foreign policy is not based on the survival of one man in the Soviet Union -- Mikhail Gorbachev. And yet in the current tension with Lithuania, we've seen that Mr. Gorbachev's survival is very important to you. Is that, in fact, the case? Is that a shift in policy? Should it be?

The President. Is this for me?

Q. Both of you, if you would.

The President. Well, I don't think you base the foreign policy of a country on any individual: you base it on what you think is right. In this case, Mr. Gorbachev, the President, has a record of encouraging, or certainly acquiescing in, the peaceful evolution of democratic change in Eastern Europe -- so dramatic that not one single person in this room, and you can start with me and then move briskly down the aisle here, predicted it at all.

In other words, he has demonstrated that he is committed to peaceful change and the evolution of democracy -- inside, as he moves forward on perestroika, outside, as we see a peaceful resolution to questions in Eastern Europe that, as I say, anyone would have found difficult to predict.

But again, he is a known quantity in the West. Western interlocutors like myself -- and the Prime Minister can speak for himself -- find a frankness there and a willingness to discuss difficult problems that has not always been the case in dealing with the Soviet Union.

But again, things happen, and I don't think that the foreign policy can be shaped on the success of any individual. I mean, I think that you have to say what's right. But this man has, I think, in terms of past Soviet leaders, demonstrated an openness and a commitment to reform and openness inside that's remarkable. So, give him credit, and deal openly. But when you have difficulties like we have today, talk frankly with him about it.

The Prime Minister. On that, I was struck by the fact that when we were in Moscow, it was just at that time that the government of Czechoslovakia -- I think the day before -- had been overthrown. And there were 300,000 people in Wenceslas Square listening to Mr. Dubcek. And

I said to him, ``Well, what do you think of this?'' He said, ``I think it's fine; sounds good to me.'' And I was struck by the fact that almost 21 years earlier his predecessor's response had been to send tanks into that same square. And so, as the President says, we're dealing with an entirely different kettle of fish; and this one is more attractive and more realistic and appears to be much more in keeping with some, if not all, of the values that we in the West defend. And there has been, with some few exceptions, a great sense of leadership and the display of reasonableness that we had not come to know in earlier Soviet leaders; and that's encouraging. It's very encouraging that the dialog with President Gorbachev be maintained.

Hostages in Lebanon

Q. -- -- hostages be freed in Lebanon after appeal there today by Colonel Qadhafi [leader of Libya]? The French Foreign Minister [Roland Dumas] praised high-minded -- [inaudible] -- do you believe -- [inaudible] -- marks a possible change in Libyan-U.S. relations?

The President. If, indeed, a person deserves credit for facilitating the release of people held against their will -- anyone in the world -- I would certainly say, fine, give the person credit. I don't know enough about the facts of this release. But a renunciation of terror by evidence that the hostages will be released and that this individual, Colonel Qadhafi, had a part in it -- I would say that's very positive. But we've got some major differences with Libya that continue to exist. But look, who am I to argue on this case? If somebody can help free one hostage, any person held against his or her will, give that person credit.

Q. [Inaudible.]

The President. I don't know. We've talked about that a little bit today, and I don't know that it has any implications at all as it relates to the American hostages. And you know, John [John Cochran, NBC News], a few weeks ago there was a flurry of understandable excitement about the release of these people. And I had a difficulty figuring out where was all this coming from -- what's driving this news flurry? And I still don't know the answer to that. But I just would repeat that good will begets good will, and a manifestation of good will would be the release of these American hostages.

NATO

Q. -- -- Foreign Minister Genscher [of West Germany] in Ottawa earlier suggested it was time for a redefinition of the transatlantic relationship and also a reduction in NATO. Are you and the President eye to eye on the long-term role for NATO and what comes after it?

The Prime Minister. Well, we're eye to eye on the fact that NATO and the solidarity of NATO has been responsible for preserving the peace in Europe for 50 years, and that the solidarity of NATO has been one of the key influences in bringing about the important treaties that the Soviet

Union and the United States have managed to negotiate in the last 4 or 5 years, and that NATO, we believe, is an instrument for political predictability. Its existence is to the advantage both of those of us in the West and the Soviet Union. It is very important that NATO maintain its strength, but perhaps acquire a new dimension as well as the years go by.

But I don't think there's any doubt or any difference between the President and I, and we're the only two North American participants. We both have had troops in Europe since the Second World War, at great costs to both the United States and Canada. And we feel very much a part of Europe, and we want to be involved in that definition of a new architecture of Europe, as both Canada and the United States have an important role to play there. But principal, or key, to that is the solidarity of the NATO alliance.

The President. And I might add on behalf of the United States that I agree with that. And it is our responsibility to convince the Eastern Europeans, convince a unified Germany -- although I hope there won't be much convincing needed -- and convince the Soviet Union that the interests of stability are best served by an expanded role for NATO. Obviously, you've got different problems, different military assignments, strategy, or whatever. But here we're talking about a stable Europe, and the best answer for that is to have an expanded role for NATO. And so, I am convinced that that is the way to go, and I'm pleased that the Chancellor of Germany [Helmut Kohl of West Germany] understands that and others are beginning to understand it very, very clearly.

Q. Thank you.

North American Trade Agreement

Q. Any chance that a trilateral trade agreement with Mexico -- a trilateral trade agreement for North America -- --

The President. Let me just say that on this one that there's no trilateral agreement being discussed. I've benefited from the debrief by Prime Minister Mulroney of a meeting that he had with President Salinas of Mexico. I will be meeting with President Salinas of Mexico. I think it is essential that Canada continue to show its extraordinary interest in matters below our border and, in this case, Mexico. And I think it is essential that the United States, interested as we are and concerned as we are about Europe, not neglect our own hemisphere. So, I learned a great deal about what I might expect when President Salinas comes to Washington by listening to Prime Minister Mulroney. But we're not talking about a trilateral agreement. We are talking about good, sound relationships between all three of these countries.

The Prime Minister. President Salinas is struck by the leadership dimensions of the Canada-U.S. free trade agreement, and I think he sees some trading relationships to be in Mexico's direct benefit. As far as Canada's concerned, while aid to developing countries is very important, we

think it's even more important that developing nations be given a chance to trade their way to greater prosperity. And a free trade agreement with some of these nations may very well be something that they're going to want to consider with the United States and other trading partners.

The President. Thank you. It's been a great pleasure.

The Prime Minister. Thank you. Wonderful pleasure.

Note: The President's 43d news conference began at 5:22 p.m. in the Founders Club Lounge at the Sky Dome, following his meetings with the Prime Minister and U.S. and Canadian officials. Following the news conference, the President was interviewed by Major League Baseball Productions and attended an informal dinner with the Prime Minister. The President and the Prime Minister then threw out the first balls of the opening game between the Toronto Blue Jays and the Texas Rangers. At the conclusion of the game, the President returned to Washington, DC.

Nomination of Dane Farnsworth Smith, Jr., To Be United States Ambassador to Guinea

April 11, 1990

The President today announced his intention to nominate Dane Farnsworth Smith, Jr., of New Mexico, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea. He would succeed Samuel Eldred Lupo.

Since 1989 Dr. Smith has served as director of the economic policy staff for the African Bureau at the Department of State. Prior to this, he served as Deputy Chief of Mission at the U.S. Embassy in Khartoum, Sudan, 1986 - 1989; Deputy Chief of Mission at the U.S. Embassy in Gaborone, Botswana, 1984 - 1986; Economic Counselor at the U.S. Embassy in Monrovia, Liberia, 1982 - 1984; chief of the food policy division in the Office of Food and Policy at the Economic and Business Bureau at the Department of State, 1979 - 1981; international economist on the economic policy staff of the African Bureau at the Department of State, 1977 - 1979; senior economist in the Office of Japanese Affairs at the Department of State, 1975 - 1977; and an economic and commercial officer at the U.S. Embassy in Islamabad, Pakistan, 1972 - 1974. In addition, Dr. Smith served as consular officer at the U.S. Embassy in Dakar, Senegal, 1969 - 1971; international relations officer in the Office of West African Affairs at the Department of State, 1967 - 1969; trainer in international relations for the Peace Corps in Cambridge, MA, 1966; Peace Corps volunteer in Asmara, Ethiopia, 1963 - 1965; youth assistant for the Mountainview Methodist Church in Wayne, NJ, 1962 - 1963; and a forest fire monitor for the Forest Service in McCall, ID.

Dr. Smith graduated from Harvard College (A.B., 1962) and the Fletcher School of Law and Diplomacy (M.A., 1966; M.A.L.D., 1972; and Ph.D., 1973). He was born December 14, 1940, in Albuquerque, NM. Dr. Smith is married, has three children, and resides in Washington, DC.

Appointment of Mrs. Potter Stewart as Alternate United States Representative on the Executive Board of the United Nations Children's Fund

April 11, 1990

The President today announced his intention to appoint Mrs. Potter Stewart to be Alternate Representative of the United States of America on the Executive Board of the United Nations Children's Fund. She would succeed Claudine B. Cox.

Since 1966 Mrs. Stewart has served as a board member and officer of the Family and Child Services in Washington, DC. Prior to this, she served as vice president and a board member of the Visiting Nurse Association of Washington, DC, 1963 to present; past president and board member of Traveler's Aid of Washington, DC, 1964 to present; member of Mainstream, Inc., 1979 to present; and a member of the advisory board of Reading is Fundamental, 1980 to present. In addition, Mrs. Stewart serves on the National Foreign Policy Association; the Foreign Students Service Council of Washington, 1970 to present; board member of the World Affairs Council of Washington; board member of the United Way of Washington; executive committee member and vice president of the National Council on Crime and Delinquency, 1969 to present; board member and adviser for Volunteers in Probation, 1968 to present; honorary chairman and board member of the Friends of the Superior Court, 1968 to present; and a board member and adviser for the Lorton Art Program, Inc., 1978 to present.

Mrs. Stewart attended Bennington College. She was born June 3, 1919, in Grand Rapids, MI. Mrs. Stewart has three children and resides in Washington, DC.

Nomination of Patrick E. McFarland To Be Inspector General of the Office of Personnel Management

April 11, 1990

The President today announced his intention to nominate Patrick E. McFarland to be Inspector General in the Office of Personnel Management. This is a new position.

Since 1986 Mr. McFarland has served as assistant special agent in charge and as the security coordinator for the U.S. Secret Service at the White House. Prior to this, he served as assistant to the special agent in charge for the dignitary protective division, 1985 - 1986; assistant special agent in charge for the liaison division, 1984 - 1985; assistant special agent in charge for the Vice Presidential protection division, 1982 - 1984; special agent in the St. Louis field office, 1974 - 1982; special agent for the Presidential protection division, 1969 - 1974; special agent for the intelligence division, 1969; and special agent in the Chicago field office, 1967 - 1968.

Mr. McFarland graduated from St. Louis University (B.A., 1965) and American University (M.P.A., 1986). He was born February 26, 1937, in St. Louis, MO. Mr. McFarland is married, has four children, and resides in Vienna, VA.

Statement by Press Secretary Fitzwater on the President's Physical Examination

April 12, 1990

President Bush today completed a routine physical examination at Bethesda Naval Hospital and is in excellent health. The President's examination lasted approximately 4 hours. The physical was conducted under the direction of Dr. Burton Lee, the President's personal physician.

``President Bush is in truly excellent health," Dr. Lee said. ``He continues to keep extremely fit through vigorous physical activities."

An early glaucoma of his left eye was detected. Extensive visual testing revealed no loss of any aspect of his visual acuity. He will receive betagan eye drops, 1 drop every 12 hours, and will continue this medication permanently. He has had a stye in his right eye for the past week, which is almost resolved as the result of treatments with soaks and antibiotics.

Among his test results are: chest x-ray, normal; x-rays of hips and neck, mild degenerative osteoarthritis; electrocardiogram (EKG) and stress tests, normal; urinalysis, no abnormalities; blood tests, completely normal, including cholesterol, triglycerides, and lipoprotein levels; dermatology, no significant problem or change; and his allergy problems remain minimal and unchanged.

Assisting Dr. Lee from the physician staff at Bethesda Naval Hospital were Comdr. Steven Fagan, radiologist; Comdr. Boyd Robinson, dentist; Capt. Bruce Lloyd, cardiologist; Capt. Kevin O'Connell, urologist; Capt. Ralph Sawyer, ophthalmologist; Capt. Ted Parlette, dermatologist; Comdr. Tom Jamison, rheumatologist; and Capt. William Ebbeling, allergist.

Appointment of Olin L. Wethington as Special Assistant to the President and Executive Secretary of the Economic Policy Council

April 12, 1990

The President today announced the appointment of Olin L. Wethington as Special Assistant to the President and Executive Secretary of the Economic Policy Council.

Mr. Wethington has served as a partner in the law firm of Steptoe and Johnson in Washington, DC. Prior to this he served as Deputy Under Secretary for International Trade at the Department of Commerce, 1983 - 1985. During the 1988 election campaign, Mr. Wethington was an active participant in the President's international economic issues group.

Mr. Wethington graduated from the University of Pennsylvania and received his J.D. degree from Harvard Law School. He was born November 17, 1948, in Durham, NC. Mr. Wethington is married to the former Nadine Barbara Peiffer, has three children, and resides in McLean, VA.

Statements by Press Secretary Fitzwater on the President's Federal Income Tax Return

April 12, 1990

The President and Mrs. Bush's 1989 tax return shows that they have paid $101,382 in Federal income tax on an adjusted gross income of $456,780, of which $189,167 was the President's salary.

In addition, the President received $6,229 as salary while serving as Vice President during 1989. The Bushes also reported $208,274 in income from their blind trust, $804 in interest income, and $16,238 in income from other sources. A net long-term capital gain from the blind trust of $36,068 was also reported. The blind trust is managed by Bessemer Trust Co., N.A., New York City.

The President and Mrs. Bush claimed $94,702 in itemized deductions, which included $37,272 in contributions to 39 charities and $594 to charities through the blind trust. The net royalties received in 1989 of $14,282 from the President's book, ``Looking Forward," were given to charitable organizations included in this list.

The President and Mrs. Bush's tax return has been reviewed by the Office of Government Ethics and will be filed in the Philadelphia regional office of the Internal Revenue Service.

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Under section 212 of the U.S. Tax Code, the President is allowed to deduct the $8,000 salary as listed under the miscellaneous deductions box on statement A - 1 of his 1989 tax return. This deduction has been part of the President's tax returns for the past 8 years and has been subject to annual Internal Revenue Service audits over that time.

Note: Press Secretary Fitzwater issued two separate statements during the day.

Remarks and an Exchange With Reporters at a Meeting on the Japan-United States Structural Impediments Initiative Negotiations

April 12, 1990

Q. Mr. President, how's your eye?

The President. I'll get to that in a minute. But before then, I would -- the purpose of this meeting is that I want to congratulate everybody around this table, and especially Secretary Brady and Secretary Mosbacher and Ambassador Carla Hills, for the fantastic job that all of you did -- working level and then Cabinet level -- on this Structural Impediments Initiative team and on the other specific cases. It was well-done. I can't remember a 1-month period in our relations with Japan like the one between Palm Springs and now in the release of this interim report, and I congratulate all of you. I also want to thank and congratulate on our behalf Prime Minister Kaifu, who certainly has exemplified the best in cooperation and leadership. He's taken some very strong positions there.

Lest any of you feel like you can totally relax, there are some outstanding issues -- and I'm thinking, Carla, of the need to conclude the forest product. And so, I would just say, we've got to finish this agenda. But on satellites and supercomputers and telecommunications, I think we'd all agree, great progress has been made; and I think we ought to salute that progress. And I would say that for Prime Minister Kaifu and the other Japanese Government and party leaders -- they made success on all this -- trade and economic negotiations -- top priority. And had they not done it, I don't believe we would have this progress.

So, my purpose here is to thank each of you, to pay my respects to the Japanese Prime Minister and thank him, but to remind them and to remind us that we're not finished yet and we want to keep on going. And I have a feeling we can get this concluded.

What's your best bet on the time, Carla, on the ongoing negotiations of forest products?

Ambassador Hills. Well, it's difficult, too, to give a specific time. We are making progress, but as you put it, Mr. President, we have more to do.

The President. What she means is everybody keep working. But thank you.

And now, to the one question -- what was it?

The President's Health

Q. Your eye. They said you've got early glaucoma in your eye.

The President. I haven't felt a thing, felt it at all. I notice they said that on a report. I take a drop now, take some kind of drop -- one in the morning and one at night. But the vision is very good on this. The vision thing is working well. [Laughter]

Is anybody interested in structural impediments or -- [laughter] -- --

Q. Will your vision remain good, sir? Sometimes glaucoma is a -- --

The President. Yes, I think so, because they detected very little change over the last year. And literally, I don't even wear glasses for sports anymore, and I used to. So, it hasn't deteriorated that much, they told me, but there is some technical problem where I'm sticking these in there once in the morning and once in the afternoon. But the overall physical was -- like everybody, you finish one and they give you a good report, you feel very, very good.

Japan-U.S. Trade

Q. Mr. President, on SII, what do you say to the people who are complaining that this won't cause any real reduction in the trade imbalance in the short term and that, over the long term, it could actually exacerbate it?

The President. Well, we have things to do on SII, and so do the Japanese. And we're addressing ourselves to the solution to fundamental problems. In our case, it's the trade deficit, and in theirs, it's some fundamental changes in their economy. So, I can't say to the American people that this is an instant short-term formula for success. It is a long-term -- if we go through with all of this, as we intend and as I hope they intend and am confident they do -- I think you're just paving the way for much better trade relations between the United States and Japan and other countries, as well, that trade with Japan.

So, I wouldn't put it on a short-term basis. I'd say this is part of the big picture. And along with this, we've made progress on certain categories of trade that you might say would have a shorter as well as longer term effect.

Q. Are you confident that all the promises made in these talks are going to be fulfilled?

The President. We have every intention of fulfilling everything we've agreed to, and I trust the Japanese do. And we will keep pushing for results. That's what this is all about.

East German Apology for World War II Atrocities

Q. What do you think of the East German Parliament's apology for World War II atrocities?

The President. To be very honest with you, I haven't been briefed on that and, therefore, probably shouldn't comment.

Weapon Shipments to Iraq

Q. How about the Iraqi gun?

Mr. Fitzwater. Lights. Thank you. [Laughter]

Q. Are you concerned about it?

The President. I've just got back from the hospital, so I've not been briefed on either of those two questions. I have expressed my concern about some of the statements emanating from Iraq. Clearly, we cooperated fully and, really, I'd say, took the lead in unearthing a plot to send material to Iraq that should not have been going there in the first place. We stopped that through the able work of our Attorney General's Department and others as well. And we've spoken out against that kind of thing. But, again, on this one, I just have not been briefed on this particular shipment.

The President's Health

Q. Mr. President, can we see the eye drops down here, sir?

The President. Which?

Q. Your eye drops, sir.

The President. Eye drops? [Laughter] I've got a pocketful of medicine here, but let me be sure to pull out the right one. There it is. You see, what you do is you set that to remind yourself -- you all very interested in this detail? [Laughter]

Note: The President spoke at 3:40 p.m. in the Cabinet Room at the White House. In his opening remarks, he referred to Secretary of the Treasury Nicholas F. Brady, Secretary of Commerce Robert A. Mosbacher, and U.S. Trade Representative Carla A. Hills.

Exchange With Reporters Aboard Air Force One

April 13, 1990

Good Friday Sunrise Service

The President. -- -- very nice service.

Q. Were you the only person there?

The President. No. No. It was surprising. Well, there was, I'd say, about 30 - 40 people. Patty Presock and some came, even though they're not on the trip. But it was sweet, and it was very thoughtful of John Harper to do this -- 20 minutes. I'm sorry that those of you who would like to have been couldn't make it. But we just had -- --

Bermuda Kite-Flying Exhibition

Q. Have you ever flown a kite before?

The President. Yes. I have a large inventory of kites.

Q. You do?

The President. I'm one of the better kite flyers. And I'm often told to go fly my kite. And I have a bunch of them.

Q. What do you expect to accomplish?

Q. Mrs. Thatcher seems a little leery of the event.

The President. Of the kite-flying? It's a tradition down here.

Q. She's afraid that it might be seen as frivolous on her part.

The President. On my part?

Q. On her part.

The President. Why?

Q. It'll loosen her up a little, won't it? [Laughter]

The President. Helen [Helen Thomas, United Press International]! [Laughter]

Meeting With British Prime Minister Thatcher

Q. What do you expect to accomplish on this trip? Is it simply -- --

The President. A continued series of consultations. First, we had the Canadians, about 3 hours of talks. We'll probably have a little more here. Next week, Francois Mitterrand [President of France]. And it is extremely important that close allies stay in close touch during these times of dramatic change in Europe.

So, I would think a lot of it will be about Europe, post-German unification Europe, the present standing of relations between the Soviet Union and the United States, as well as the Soviet Union and Western Europe. So, I think that will probably dominate the conversations.

Q. Is she on the same wavelength with you on these issues in terms of -- --

The President. Yes. I think we're very close together on our assessment of the changes that are taking place inside the Soviet Union. But this is something I want to find out. And in this kind of a meeting, why, you can get into the nuances, and if there are differences, talk about them. And there may be some.

Q. She says she wants to persuade you that nuclear missiles should be put on German soil -- modernized.

The President. We'll probably discuss that subject, and of course, our position is that this matter is really a collective decision for NATO still -- and obviously with a lot of concern for how Germany will treat this. But listen, we'll talk about this and -- --

Q. Who seems to be the most reluctant on the pace of German unification?

The President. I don't think I can say that. I don't think I can say that, but I'll get a better feeling for that after this meeting. But we've got a special relationship with the U.K. We always have. I feel I have a very frank and open relationship with Margaret Thatcher, for whom I have tremendous respect. When I was Vice President she accorded me many courtesies, which included frank discussions at 10 Downing and over here at the Vice President's House, and then that's continued.

But if that's right, Charles [Charles Bierbauer, Cable News Network], then it's important we know that and important that I explain to her as clearly as I can U.S. policy. And then things have a way of coming together. So, I'm very -- --

Soviet Reforms

Q. Do you think there is a rise in Soviet military power? I mean, the hard-liners coming back in?

The President. Well, I don't know.

Q. There seems to be a lot of stories now.

The President. There's some speculation on that, but I think today is not unlike yesterday. We cannot read the tea leaves with total clarity when it comes -- --

Q. It's not unlike yesterday?

The President. -- -- to pressures inside the Kremlin. And so, we'll have to see. And I think she has some good judgment on that. Mr. Hurd is just back from -- I believe he's back, her Foreign Minister -- and will have talked to high Soviet leaders, has talked to them.

Q. Mr. President, are you being -- --

The President. And so, she'll have a good input on it. She has a very clear view of the realities of the world. That's a good subject for us to talk about.

Meeting With British Prime Minister Thatcher

Q. Sir, will you be discussing her domestic problems at all?

The President. I would be inclined to think not. I would not expect that she'd dwell on mine. [Laughter]

Q. What are those?

Q. What are yours?

The President. Congress. Deficits. Moving on Nicaragua-Panama. Thousands of things I want to see different.

Q. Your polls are falling. Did you know that -- slightly?

The President. Well, it doesn't surprise me. As I've told you, I don't believe in them. Nor does Daniel Ortega. Get that one down. [Laughter] You've heard that before? Well, that's why I keep

saying I don't go on these polls. I'm preparing the way when they fall further, Helen. Then I can keep saying: Don't you remember? I'm the guy who doesn't believe in these things.

Q. Is the rain going to stop you from playing golf?

The President. No. If it rains, I'm going to play. I'm going to play golf.

Q. We were afraid of that. [Laughter]

The President. No, but you want to -- I mean, it's a Saturday morning. Why not?

Q. Well, even if it's storming? Don't you remember Malta?

The President. Yes. What else to do? What else is there to do?

Q. I hear they're bringing the Gorky back.

The President. The Gorky -- [laughter] -- --

Lithuanian Independence

Q. Gorbachev says he'll get things accomplished in Lithuania without lectures. Are you lecturing him?

The President. I can understand his position, I mean, why he says that. Up until this point, he has viewed that largely, if not entirely, as an internal matter for him to work out with the Lithuanians. And because of the history, we don't view it that way. So, I can understand why he might suggest that that's in order, but I will continue to say what I think on this subject and convey my thoughts to him.

But I didn't view that as a hostile comment, but I viewed it as one of reiteration of his well-known position, just as we reiterated our well-known position when I met with those Baltic leaders the other day.

East German Apology for World War II Atrocities

Q. Mr. President, the East Germans have asked the world for forgiveness for the Holocaust. Should the world forgive them?

The President. Well, I'm one who believes in forgiveness. And for those of us who have faith, most of the teachings have ample room for forgiveness and moving on. And there's -- I don't

know -- for our family, Easter is a very special time of year, and it's a time to take stock, and it's a time to be glad. So, I'm inclined to think we ought to forgive -- not forget, necessarily, because I think you learn from history, learn what not to do wrong, how to conduct oneself.

But I'm a Christian, and I think forgiveness is something that I feel very strongly about. So, that's a personal observation. That's not a statement for our country.

Strategic Arms Reduction Talks

Q. Gorbachev -- Shevardnadze [Soviet Foreign Minister] thinks that there will be a START treaty initialed -- at least initialed -- sort of a general agreement, framework.

The President. Well, I noticed he was quite upbeat there, and what he said about instructing his people to move forward. I viewed that as a very positive statement. And we're sending the same signals to our negotiators and policymakers, so I view that as positive.

Q. So it's possible, then, huh?

The President. Well, I don't know, Helen. I had hoped that, as you know, before. Then I think there was our feeling that things had walked back a little bit. But now that's most encouraging. I'm anxious to see [Senator] George Mitchell and get a little more detail on that.

Upcoming Summit With President Gorbachev

Q. Are you thinking of a side trip after the summit, maybe up to Maine, still?

The President. I'm not thinking anything yet on the logistics. Haven't gone beyond our last public statements on that.

Q. Do you plan to brief the NATO alliance after that summit?

The President. Personally?

Q. Yes.

The President. I don't know. There are so many visits. There's some talk about that, but then we have the G - 7 meetings [economic summit] right after that. So, I don't have a plan to do it. But it is essential that they be filled in on every single detail. Maybe the Secretary of State does that.

Listen, Happy Good Friday. Nice to see you.

Note: The exchange began at approximately 7 a.m., prior to the President's departure from Andrews Air Force Base for a meeting with British Prime Minister Margaret Thatcher in Hamilton, Bermuda. Earlier in the morning, the President attended a Good Friday sunrise service at St. John's Church at Lafayette Square. Rev. John Harper was rector of the church. Patricia Presock was a Deputy Assistant to the President. During the exchange, a reporter referred to the Soviet passenger liner ``Gorky,'' which was used as a meetingplace during the 1989 Malta summit. A tape was not available for verification of the content of the exchange.

News Conference of the President and Prime Minister Margaret Thatcher of the United Kingdom in Hamilton, Bermuda

April 13, 1990

The Prime Minister. Mr. President, ladies and gentlemen. I'm very grateful to the President for coming to Bermuda for these talks, and we've had a very full and useful discussion, lasting about 4 hours. We've discussed just about everything, and I think we agree on just about everything.

We both attach the greatest possible importance to preserving NATO as the heart of the West's defense and to keeping American forces and their nuclear weapons in Europe. We're both clear that united Germany should be part of NATO. We'll be happy to see NATO play a bigger political role within the Atlantic community. At the same time, we want to see the CSCE developed as a forum not for defense but for wider East-West political consultation and as a framework for drawing the East European countries into the mainstream of Europe. On defense, we both believe NATO will continue to need a mix of conventional and nuclear weapons, and they must be kept up to date. Whether we can make further reductions in the overall number of NATO nuclear warheads in Europe is something which will need to be considered in NATO as a whole. With so much happening, we shall need to consult particularly closely in NATO this year, and the President and I agreed to keep in very close touch on that.

We also, of course, discussed developments over Lithuania and are very much agreed that this is a problem which must be worked out by dialog and discussion. We also covered a very large number of regional issues, as well as matters such as the Uruguay round, the EBRD [European Bank for Reconstruction and Development, Eastern Europe], and relations between the European Community and the United States. We would like to see Europe and the United States together, trading and cooperating ever more closely in an Atlantic community.

So, very good talks, conducted in a very friendly atmosphere, with a very wide measure of agreement. Just as you would expect. Thank you.

The President. Thank you, Prime Minister. And first may I thank you and the Governor General [Desmond Langley] and the Premier [John W.D. Swan] of Bermuda for your wonderful hospitality. It's a pleasure to be here, not least because the Prime Minister and I have had this opportunity to sit down and consult frankly and freely and openly, at length about recent developments and what the future holds for Europe.

Naturally, we talked about the prospects of a unified Germany. We both welcome the fulfillment of the deepest aspirations of the German people to end their artificial separation. Both of our governments have supported the unification of Germany for more than 40 years, and we are glad

that it is finally coming to pass in peace and in freedom.

The Prime Minister and I agree with Chancellor Kohl [Federal Republic of Germany] that Germany should remain a full member of NATO, including its military structures. And this is the view of the Federal Republic of Germany, of the entire North Atlantic alliance, and several of the countries in Eastern Europe as well. We believe that continued full German membership in NATO is in the genuine security interest of all European States. And in this context we also look forward to the continued development of the two-plus-four talks on the external aspects of the establishment of German unity. These talks will focus on bringing to an end the special Four Power rights and responsibilities for Berlin and Germany as a whole. A united Germany should have full control over all of its territory without any new discriminatory constraints on German sovereignty.

And we also had a good exchange about the situation in the Soviet Union and Lithuania. We agree that these issues must be dealt with through dialog so that the Lithuanian people's right to self-determination can be realized.

And just before coming in here, in the last few minutes, we were handed a deeply disturbing wire service report. Obviously, there's been no time to look into this matter in detail or to determine all the facts. But we have been calling on Moscow, publicly and privately, for avoiding escalatory measures in favor of dialog. And so, I'd say here: Now is no time for escalation. It's time for talk.

In talking together about the future of Europe and the Atlantic community, the Prime Minister and I discussed the opportunities which lie ahead for the North Atlantic alliance, the European Community, the Conference on Security and Cooperation in Europe -- that's the CSCE -- to help in building a Europe that's whole and free. The Prime Minister gave me more information about her recent proposals for the future of the CSCE, and I believe these ideas do hold a lot of promise.

These talks with Prime Minister Thatcher have been especially valuable to me. Our two countries have worked together for peace and freedom for many years now, and we've watched that cause prevail in many places and times, sometimes against great odds. The U.S.-U.K. friendship is the kind that doesn't need the words to describe it. It's a special friendship that is evident from the way we share a common vision for the future of humanity.

Thank you, Prime Minister, for a very helpful and illuminating 3 or 4 hours -- whatever it's been. Thank you.

Nuclear Weapons in Europe

Q. May I ask President Bush whether you discussed the question of air-launched cruise missiles?

And do you favor the basing of air-launched nuclear missiles in a united Germany?

The Prime Minister. Well, he was asking you, Mr. President. I think you'll have to get a microphone to be heard. Have we got a roving microphone? Because I'm afraid your words went into the middle distance. The question -- look, while you're doing that, can we have the next question?

The President. I think he's established the ground rule that the first one goes to the Prime Minister. Were you talking to me or her, or both?

Q. I was asking you, President Bush, because I think we know Mrs. Thatcher's answer. But I'll ask her as well. Do you think that air-launched nuclear missiles should be based in Germany, in a united Germany, as well as in Britain?

The President. I think the question of disposition of missiles is a question for the alliance. We will be having future consultations with the alliance, and I would leave it right there. Our position is that we need to do whatever it is that will fulfill America's role in helping keep the peace and in helping guarantee stability and security in Europe. So, I would leave the details of that, but I think the U.S. position is well-known. There was no change coming out of this meeting.

Lithuanian Independence

Q. I would like to ask Mrs. Thatcher: What do you think of the Gorbachev ultimatum? And also, I'd like to ask both of you, the President and Prime Minister: What can you do about it? Not only what do you think about it, but what can you do about it?

The Prime Minister. First, the President very kindly showed me the flash which he had received. And we discussed the matter, and we agreed the points which he has already made to you. The full facts are not yet known, and I would abide by the statement the President has just made.

Q. That it is deeply disturbing to you also?

The Prime Minister. I abide by the statement the President has just made. Yes, of course, we want reduction of tension so that discussion can start. And I have nothing further to add, dear.

Q. What can you do about it?

The President. Too hypothetical, Helen [Helen Thomas, United Press International]. She just said neither of us know that much about what ``it'' is. And I learned long ago not to go into answering a lot of hypothetical questions. But what we have done about it -- and I speak for the United States -- not this particular incident -- but to have crystal clear, publicly and privately, to

Mr. Gorbachev that coercion, escalation is not the way to go. The way to go is dialog. And I'll repeat it here. And that's what we're doing about it, right at this point, calling on them to heed these words.

Nuclear Weapons in Europe

Q. May I ask of both of you: When the Prime Minister says that all nuclear weapons need to be kept up to date, does that include all nuclear weapons, including short-range ones? And can we expect more of them to be based in the United Kingdom?

The Prime Minister. That phrase, of course, comes from the comprehensive concept which we agreed last at NATO, as you know, and the previous meeting. We agreed that all weapons, including nuclear, need to be kept up to date if they are to be effective. That does, of course, include short-range nuclear weapons as well.

Strategic Arms Reduction Talks

Q. Mr. President, earlier you said that you thought that President Gorbachev's willingness to initial a START treaty at the summit was a positive statement. What have you seen that's happened since last Friday when the negotiations were termed disappointing by both sides? Can you share with us any insight you might have on what has happened to make this encouraging?

The President. Well, only that the preliminary reports from Senator Mitchell and that delegation, I would say, was upbeat. I have not talked to them yet, though, Tom [Tom Raum, Associated Press]; and I want to do that as soon as they get back. But there was a rather thorough discussion, I'm told, and I think Gorbachev made the statement that he wanted to push his negotiators so that there would be an agreement. That's a little different slant than when Mr. Shevardnadze [Soviet Foreign Minister] left town.

Communications With President Gorbachev

Q. Is it time now to phone Mr. Gorbachev and ask him about this treaty as well as the Lithuania situation?

The President. Well, I don't know about the telephone. I use it once in a while, as you read today. And I might, and I might not. But certainly it's time to stay in close contact, and we have many ways of doing that.

South Africa

Q. Madam Prime Minister, have you and President Bush discussed at all about sanctions against the apartheid government in South Africa?

The Prime Minister. Yes, we discussed the situation in South Africa and the situation on sanctions. I described my point of view to the President, which is that, insofar as we are bound by law on sanctions -- for example, through the United Nations, also orders which we have made to our Parliament in agreement with the European Community or the Commonwealth -- those stand. But I took the view that as [South African] President de Klerk had, I thought, been very bold and courageous in the things that he is now doing, he should have some encouragement, and the voluntary sanctions which are not subject to orders should, therefore, be taken off. And that's why we took off the voluntary ban on investment.

Lithuanian Independence

Q. May I ask both of you if you're somewhat puzzled by this report from TASS [Soviet news agency] that Gorbachev is threatening to cut off raw materials to Lithuania? Because your Foreign Secretary, Prime Minister, Douglas Hurd, said on Wednesday that Gorbachev told him on Tuesday, I believe, that there would be no such economic blockade of Lithuania. Was that your understanding? So, are you surprised? And is the President surprised?

The President. You go ahead on Mr. Hurd. But I'll say this: Look, how can we comment on this when we've just seen about a four-line wire service report?

Q. It's a TASS report.

The President. Well, TASS report -- I haven't seen the TASS report. I've told you what I've seen, and I don't think I can make conclusive judgments based on four sentences. However, I have expressed a real concern, and I do think that this is -- if it proves to be accurate -- is somewhat different than certainly what I would like to see coming out of there, as I've tried to make clear.

Q. Prime Minister, can you discuss what the Foreign Secretary was told?

The Prime Minister. I understood that the undertaking given was that essential supplies would not be cut off. That, of course, is very much more limited than the expression which you gave. I haven't the precise words, but I've given you my understanding.

With regard to this particular flash, it is not precisely clear what is meant by it. And therefore, I think it inadvisable to comment further, except in the general terms; namely, that it's a reduction of tension that we now need in order to get fundamental discussions going.

Vietnamese Refugees

Q. Could I ask both of you, Mr. President and Prime Minister Thatcher, whether you had any discussion on the Vietnamese boat people, and whether the President is any closer to you, Prime

Minister, on that issue?

The Prime Minister. Yes, we did discuss the Vietnamese boat people, because it's quite possible that there may be a further attempt from nonrefugee Vietnamese people to get into Hong Kong. And that will be deeply embarrassing and very, very difficult because Hong Kong is already full. But we have nothing further to report.

Arms Shipments to Iraq

Q. Mr. President, I understand that there was some discussion of what's called the gun, the Iraqi gun. Is it your sense, and I'd like to ask you both, that you need stronger controls on exports of this kind of equipment; that there needs to be something more done internationally to keep those kinds of things, whether they be guns or chemicals or what have you, out of the hands of terrorist nations?

The President. Well, anything we can do to keep guns or chemicals out of the hands of terrorist nations we should be doing. So, if this disclosure proves to be a gun and proves to be that it was being illegally shipped, I would encourage and would offer our cooperation to guarantee total banning and firming up the ban of weapons or potential weapons to countries that are illegally getting them.

But I would defer to the Prime Minister, because we were talking about this, and I think there still is some question. But Prime Minister, am I misstating that?

The Prime Minister. Thank you. The experts are still considering and conferring as to whether it is or is not part of a gun or whether it is large steel piping. They have not yet made up their minds. If it were to prove to be part of a gun, it would require an export permit, which it has not got. And therefore, that is why it has been held up, pending consideration of precisely what it is. It is our purpose to keep such things out of the hands of the Iraqi Government.

Q. But if I could follow: This is the second incident in the last couple of weeks of weapons or parts of some sort being dealt with by the Iraqis. Is there some stronger effort needed in general to deal with the Iraqis specifically, or anyone else?

The Prime Minister. But this was a pretty strong effort. It was caught before it was loaded to see whether or not it was the kind of export that would have required an export permit, because it doesn't have one. In the meantime, they are conferring as to precisely what it is and not altogether agreeing. So, I think it's a pretty good rule: First, find the facts before you make any further comment. But the point is that, even though we don't quite know, it was apprehended and not allowed to be loaded, pending decision.

The President. And let me just add, Charles [Charles Bierbauer, Cable News Network], on your

question -- there has been superb cooperation between the U.K. and the United States in trying to avert such breaches in the law. And it isn't easy. And they've got laws on their books; we've got laws on our books. And if people are determined to break the law, then you have to resort to law enforcement and to intelligence to see that these bad things don't happen. And I think that great credit should be given to those in law enforcement and intelligence in the U.K. and in the United States for stopping that shipment of these alleged nuclear devices. And so, we ought to look at that half of the glass while saying if there's a way that we can tighten up export controls, certainly we ought to be doing it. And I think our people look at that all the time.

France's Role in NATO

Q. Mr. President, did you and the Prime Minister have any discussion about ways to encourage France to rejoin the military structure in NATO? And will you be raising this subject in your talks with President Mitterrand next week?

The President. No, we didn't specifically talk about that. But I will be raising with President Mitterrand the whole question of European security -- question in which he is keenly interested. And one of the reasons that the Prime Minister and I have determined that we don't want to go out on a lot of new initiatives coming out of this important meeting is that we understand fully that we've got to consult with our NATO partners and our European partners. So, that subject specifically didn't come up that I recall, but I think our determination to work with France I think is well-known, but I would simply repeat it here. They are very important players in Europe, and clearly I'll be interested in discussing the broad security concerns of Europe with Francois Mitterrand.

Lithuanian Independence

Q. Mr. President, do you consider the latest move by the Soviets a violation of their pledge not to use force in Lithuania? And secondly, if Mr. Gorbachev carries out his threat to impose economic sanctions in 2 days if they don't rescind their call for independence, will that impact the summit?

The President. I've learned not to answer hypothetical questions, and I've told you that I can't give you more. Not that I want to avoid your question, but I simply don't know enough. I might know enough to answer a hypothetical question, but I don't think that's a prudent thing to do. And I just can't help you on that.

Europe-U.S. Relations

Q. Prime Minister, did you discuss Secretary Baker's call for a more formal treaty relationship between the U.S.A. and the European Community? And how do his ideas for a more political role for NATO fit with your ideas for the development of CSCE?

The Prime Minister. Well, we didn't discuss the first part of your question. The second, we did speak about, and I had hoped I had made it clear in my opening statement. I am very, very much in favor of increased dialog and an increased close relationship between both sides of the Atlantic community.

Therefore, giving an increased political role to NATO meets very much with my approval because I think the center of freedom and the defense of freedom is the whole Atlantic community. I have no difficulty in that. When it comes to the wider discussion, including Eastern Europe and the Soviet Union, it seems to me that the CSCE group of nations is just made for that wider political discussion. I think it's a forum in which we could draw in some of the East European nations to discussion with the United States and with the rest of Europe in a more formal and a more regular way than happens now. And I think that would be very useful for us all.

So, the one is the defense of the freedom nations having greater political contact. The other is a bridge across the divide. Both have their purpose. And they don't interfere with one another; they're complementary to one another.

The President. Might I just add that I agree wholly with what the Prime Minister has just said.

Lithuanian Independence

Q. Mr. President, this news report out of Moscow today comes a day after Senator Mitchell was reportedly told by Mr. Gorbachev that further lectures from American officials on the need for peaceful dialog were not welcome. And I wonder, sir, if you or Prime Minister Thatcher are beginning to see here the emergence of a pattern in Soviet conduct which might suggest that the policy of simply calling for restraint and not recognizing the Lithuanian Government, as it has requested, may not have been the right thing to do?

The President. No, I think we're on the right track. I, obviously, am concerned about the reports; but I did note what you reported that he said to Mitchell and that senatorial delegation. And so, I need to know a great deal more. But, look, the question is am I concerned about the report? If it proves to be accurate, the answer is yes, because it goes against the policy of dialog and a no-coercion dialog that will result in peaceful evolution of democracy and in self-determination. So, I'm concerned about the report. I'm concerned about the timing. But I just don't want to comment any further.

The Prime Minister. We're just not lecturing anyone, but we are entitled to express a view. We've frequently expressed it. This is not a problem that should be solved by force and which cannot be solved by force. It, therefore, must be solved by discussion.

We had a duty to say what we think. We still think that way, and we still think that is the only way to go. We've come a long way in relations between the Soviet Union and the free world, and we wish that improvement to continue. But it could not continue if the Soviet Union were to resolve this by force.

Soviet Political and Economic Situation

Q. Mr. President, you said that you had a full discussion on the situation in the Soviet Union. Mr. William Webster [Director of Central Intelligence] has just given a speech talking about a prolonged and deepening crisis there in the Soviet Union. Did the two of you agree in your assessments about the political situation in the Soviet Union at the moment, and would you agree with Mr. Webster's characterization of this as a crisis for Gorbachev?

The President. Lithuania being a crisis for Gorbachev?

Q. The political situation in the Soviet Union being a crisis for Gorbachev.

The President. Well, those are his words. I would say there are some very difficult problems facing him. And I would say that, in listening very carefully to the Prime Minister and then giving her my views, I think we are very close together in terms of our assessment of what the problems inside the Soviet Union right now, be they economic or as they relate to the Baltic States, other ethnic problems. The problems are enormous. And I expect both of us wish we had a little more information, because in dealing with a question of this nature, why, you never have all the facts you need.

But I feel very comfortable that I am in accord with the assessment by Prime Minister Thatcher of the situation there. And I think we have general agreement as to what the problems are, and I think we have solid agreement that we want to see a peaceful resolution to the problems as they relate to the outside world. But there are enormous problems inside the Soviet Union. And you can start and talk about the economy and the need for restructuring and reform and market incentives and a whole wide array of problems that are facing Mr. Gorbachev, and it's there that I think we need more information. Did you want to add to that?

The Prime Minister. No, nothing to add.

Lithuanian Independence

Q. Mr. President, you've been talking and calling for restraint for several weeks now, yet Mr. Gorbachev doesn't appear to be listening. In Lithuania, is there anything more you can do without sacrificing East-West relations? Is Lithuania being sacrificed to better relations or maintaining relations with the Soviets?

The President. I don't think so. I'm troubled by it, and we've made our position very clear to Mr. Gorbachev. But I know there's a great desire on the part of Americans to know what we might do, what can be done, what can the President of the United States do to force change upon somebody; and it's not that clear. If I had responses in mind, I'm not sure I'd share them with you, because I don't want to get into hypothetical situations.

As one of these reporters pointed out, it was only 24 hours ago that there was quite a different tone in report coming out of the Soviet Union. All I would keep repeating is it's highly complex, highly complicated; and the answer, in terms of smooth, ongoing relations that have no adverse effects on other things, is dialog and peaceful change.

Bombing of Pan American Flight 103

Q. I'd like to follow up. Will you in the West, both you, Mr. President, and you, Madam Prime Minister, allow an economic blockade of Lithuania?

The President. Too hypothetical. I'll let the Prime Minister speak.

May I add one word -- and I wouldn't dare to speak for the Prime Minister -- but a flyer was put out relating to the victims of Pan American Flight 103. First, I want to say that the cooperation between the United Kingdom and the United States has been good in trying to track down the culprits, those that were guilty.

Secondly, we were called upon by two grieving parents, Mr. Bert Ammerman -- and I don't know Dr. Swire, of Bromsgrove, England, who obviously have suffered and been hurt by the loss of loved ones. And they asked us at the conclusion of the talks to put out a joint communique condemning the terrorist attack on 103 and a renewed joint avowal to bring the perpetrators and their sponsoring nations to justice -- putting terrorists on notice, et cetera. Of course, we're glad to do that. I am. I just hope that we can bring to justice those that caused this act.

Certainly, when we are asked to speak out against terrorism, I think the record of the United Kingdom and the record of the United States are very clear. But I don't think it hurts to reiterate our conviction that these dastardly terrorist acts must stop. So, we've formed a commission, and I know great inquiry has gone on in the U.K. -- Prime Minister Thatcher showing her own special brand of concern by being at the site, et cetera. And so, I would simply say to these people that appealed to us through this petition, in terms of the United States: We understand, and we do care. And we will continue to do everything we can in cooperation with the U.K. and other countries to get to the bottom of this cowardly, dastardly incident.

The Prime Minister. No one wants to solve that terrible tragedy more than we do. We have got quite a long way, but we have not yet completed the investigations. I wish we had. But we

understand the feelings of all the relatives and understand why some of them are here. We, too, want it solved. We, too, wish there were far less terrorism in the world. We spend a great deal of our time and effort on trying to counter it. But we simply can't pull solutions out of the hat. It's a question of patient, continuous work on that investigation and patient, continuous determination to try to defeat terrorism.

The President. Thank you all very much.

Note: The President's 44th news conference began at 4 p.m. at Government House.

Statement by Press Secretary Fitzwater on the President's Meeting in Bermuda With Prime Minister Margaret Thatcher of the United Kingdom

April 13, 1990

The President and the Prime Minister met for 2 hours and 10 minutes and discussed a full range of international issues facing the North Atlantic alliance. Their warm and productive conversation focused on German reunification; NATO; the status of conventional forces in Europe talks; East-West relations, particularly the situation in Lithuania; Iraq; and the status of COCOM.

President Bush and Prime Minister Thatcher have mutually supportive views on these issues. The special relationship between our two countries was evident as they considered a strong and steady Western response to the changes in Eastern Europe.

Remarks at a White House Briefing on Nicaragua

April 16, 1990

The President. Welcome to the White House. Bernie, have you been on yet?

Assistant Secretary Aronson. Yes, sir.

The President. Okay then. As you've just heard from Bernie Aronson, our chief Latin American expert, we are committed to the future of Nicaragua under democracy. And I think Fred Zeder, esteemed head of OPIC, will be briefing you in a minute; Jim Berg, of OPIC also; and Fred Schieck, of AID. And in these presentations I think that you all realize -- and most of you know it already -- that this is a time of tremendous change and hope and, indeed, opportunity.

Less than 2 months ago, there were a lot of pollsters looking for work after the Nicaraguan elections. But I don't think we should have been too surprised. I think the skepticism was, well, would the elections be free and fair. But given the choice, a free and fair choice between democracy and totalitarianism, people all around the world are opting for democracy. In the 7 weeks since the people have cast their ballots for peace and freedom, real progress has been made in negotiating what is really a difficult transition leading up to a peaceful transfer of power.

I've spoken several times with President-elect Violeta Chamorro since the election; and she really is, for those of you who have not met her, a woman of great moral courage, an inspiration to the people of her nation. And when she takes office in just 10 days -- 9 days from now, on the 25th -- Nicaragua will close a painful chapter in its history and begin a new story, a new life in democracy. I have pledged to Mrs. Chamorro that the United States Government would respond in Nicaragua's hour of need.

I've called on the Congress to create what we call the Fund for Democracy, a fund to assist Nicaragua and its neighbor in Central America, Panama, as these two countries take their first critical steps on the road to democracy. I was gratified that the Congress, before adjournment, began action on our aid package, which includes $300 million for Nicaragua, but I'm disappointed that Congress failed to take the final steps to make the funds available before the Easter recess. That's why today I wanted to come here and to renew my plea to the United States Senate to act immediately when Congress reconvenes this week. Nicaragua and, of course, Panama, too, need these funds. With democracy at stake, there is simply no time for delay.

Government aid is crucial, but we all know that government aid alone cannot solve all the problems of Nicaragua. The business of democracy-building is a task that requires strong and steady support from the private sector, from individuals like many of you out here and those institutions that you represent.

Right now in Nicaragua I'd say the real hard work is just beginning. For the past decade, that nation has experienced terrible starvation and deprivation. And its energies were consumed, just eaten up, in that bitter civil war; its economy slowly strangled by a system of central control and mismanagement. Those days really have ended with the return of democracy. I'm told by Bernie and others that there's a new sense of confidence there in Nicaragua -- people ready to roll up their sleeves and ready to turn things around, to build the institutions of free government and free enterprise and then create a climate for growth, to plant the seeds of peace and prosperity.

So, today I wanted to thank all of you for showing this interest, for coming here to the White House and meeting with these top members of our administration on this key question. I believe the United States of America has a great deal at stake in the success of Violeta Chamorro, but more so in democracy itself in Nicaragua.

I know that some of you are leaving tomorrow to go down there on a mission under the auspices of a private development group called Caribbean/Central American Action. And I know that OPIC is now planning a mission of its own the first week in June. I might say parenthetically that OPIC is a dynamic organization, bringing investment and thus hope to countries all around the world now, as this new season of democracy is upon us.

I hope all of you here and all of you who take part in these special trips find it worthwhile to invest in Nicaragua. When you do, you'll be doing more than business, because I think you will really be showing the flag for, and your confidence in, democracy itself.

So, I really just want to scoot on over and wish you the very best, and please follow through. We need your commitment, and certainly Violeta Chamorro and the others that believe in democracy need your help. Thank you all very, very much.

Note: The President spoke at 1:38 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs; Fred M. Zeder, President and Chief Executive Officer of the Overseas Private Investment Corporation (OPIC); James D. Berg, Executive Vice President of OPIC; and Frederick W. Schieck, Acting Assistant Administrator for Latin America and the Caribbean at the Agency for International Development.

Statement by Press Secretary Fitzwater on Offsets in Military Exports

April 16, 1990

The President announced today his policy on offsets in military exports. This responds to the requirement under the FY 1989 National Defense Authorization Act, section 825, 10 U.S.C. 2505.

The President stated that the United States Government is committed to the principles of free and fair trade. Consequently, the United States Government views certain offsets for military exports as economically inefficient and market distorting.

Mindful of the need to minimize the adverse effects of offsets in military exports while ensuring that the ability of U.S. firms to compete for military export sales is not undermined, the President has established the following policy:

No agency of the U.S. Government shall encourage, enter directly into, or commit U.S. firms to any offset arrangement in connection with the sale of defense goods or services to foreign governments.

U.S. Government funds shall not be used to finance offsets in security assistance transactions except in accordance with currently established policies and procedures.

Nothing in this policy shall prevent agencies of the U.S. Government from fulfilling obligations incurred through international agreements entered into prior to the issuance of this policy.

The decision whether to engage in offsets, and the responsibility for negotiating and implementing offset arrangements, resides with the companies involved.

Any exception to this policy must be approved by the President through the National Security Council.

The President also noted that the time has come to consult with our friends and allies regarding the use of offsets in defense procurement. He has, therefore, directed the Secretary of Defense, in coordination with the Secretary of State, to lead an interagency team to consult with foreign nations with a view to limiting the adverse effects of offsets in defense procurement. This interagency team will report periodically on the results of these consultations and forward any recommendations to the National Security Council.

Note: The Office of the Press Secretary issued a fact sheet on the same day which provided the

following additional information on offsets in military exports:

Offsets have become a common feature in the international arms trade. In the most general sense, offsets are industrial and commercial compensation practices offered or demanded in connection with the purchase of defense goods and services. While offsets also occur in civil trade and include business practices as old as barter itself, the scope and variety of offsets associated with military exports have become the focus of increasing public attention.

Some forms of offsets have become basic components of achieving defense sales and of furthering national policy goals of the U.S. and foreign governments. The objectives of a government making a foreign arms purchase often go beyond procuring arms at cost-effective prices and include considerations of the political acceptability of a foreign source; the maintenance and development of domestic defense and nondefense industries; obtaining advanced military and commercial technology; increasing employment; and other economic goals, such as conserving foreign exchange.

In this context, a U.S. seller of defense goods and services is often faced with difficult choices. The seller can elect not to offer offsets, which could result in the loss of sales because of the existence of competition willing to offer offsets. The seller can elect to offer offsets and hope to minimize their costs during implementation. The seller may face foreign government demands that obligate the seller to provide offsets as a non-negotiable condition of sales.

Because some offsets can alter the nature of defense sales transactions by including terms unrelated to price and performance of the product or service, offsets can introduce market rigidities and increased costs to the purchaser. In these circumstances, the result not only distorts trade and reduces economic efficiency but it diminishes the purchasing power of scarce defense resources.

Nomination of Charles H. Thomas To Be United States Ambassador to Hungary

April 16, 1990

The President today announced his intention to nominate Charles H. Thomas, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Hungary. He would succeed Robie Marcus Hooker Palmer.

Mr. Thomas served as Principal Deputy Assistant Secretary for European and Canadian Affairs at the Department of State, 1986 - 1989. Prior to this, he served as Deputy Assistant Secretary for European and Canadian Affairs at the Department of State, 1985 - 1986; Deputy Chief of Mission at the U.S. Embassy in Brussels, Belgium, 1982 - 1985; French language training, 1982; Director of the Office of European Security and Political Affairs, 1980 - 1982; Deputy Director of the Office of European Security and Political Affairs at the Department of State, 1978 - 1980; student at the National War College, 1977 - 1978; counselor for political affairs at the U.S. Embassy in Lisbon, Portugal, 1974 - 1977; Portuguese language training, 1974; and Executive Secretariat at the Department of State, 1973 - 1974. In addition, he served as Director of the Operations Center at the Department of State, 1972 - 1973; Deputy Director of the Operations Center, 1971 - 1972; director of the executive studies seminar for the Foreign Service Institute, 1969 - 1971; Director of the Peace Corps in Uruguay, 1967 - 1969; Deputy Director of the Peace Corps in Honduras, 1966 - 1967; desk officer for the Bureau of Inter-American Affairs for the State Department and the Agency for International Development for eastern Caribbean countries, 1964 - 1966; Third Secretary for the U.S. Embassy in La Paz, Bolivia, 1962 - 1964; vice consul for Ciudad Juarez, Mexico, 1960 - 1962; and Foreign Service officer for the Department of State, 1959 - 1960.

Mr. Thomas graduated from Harvard University (A.B., 1956). He was born June 23, 1934, in Buffalo, NY. Mr. Thomas served in the U.S. Navy, 1956 - 1959. He is married, has four children, and resides in Bethesda, MD.

Nomination of Alan Philip Larson To Be United States Representative to the Organization for Economic Cooperation and Development

April 16, 1990

The President today announced his intention to nominate Alan Philip Larson, of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador. He would succeed Denis Lamb. Currently, Dr. Larson serves as Deputy Assistant Secretary for Economic and Business Affairs at the Department of State. Dr. Larson is married, has three children, and resides in Reston, VA.

Appointment of Gerald William Ebker as a Member of the President's National Security Telecommunications Advisory Committee

April 16, 1990

The President today announced his intention to appoint Gerald William Ebker to be a member of the President's National Security Telecommunications Advisory Committee. He would succeed Vincent N. Cook. Currently, Mr. Ebker serves as vice president of IBM and president of IBM Systems Integration Division in Bethesda, MD. Mr. Ebker is married, has two children, and resides in Potomac, MD.

Appointment of Bobby Lynn Brantley as a Member of the National Commission on Agriculture and Rural Development Policy

April 16, 1990

The President today announced his intention to appoint Bobby Lynn Brantley to be a member of the National Commission on Agriculture and Rural Development Policy. He would succeed Arthur R. Brown, Jr.

Since 1986 Mr. Brantley has served as Lieutenant Governor for the State of Florida. Prior to this he served as an elected member of the Florida House of Representatives, 1978 - 1986. Lieutenant Governor Brantley was born April 6, 1948, in Atmore, AL. He served in the U.S. Marine Corps, 1968 - 1972. He is married, has two children, and resides in Tallahassee, FL.

Appointment of Andrew L. Lewis, Jr., as a Member of the Dwight David Eisenhower Centennial Commission

April 16, 1990

The President today announced his intention to appoint Andrew L. Lewis, Jr., to be a member of the Dwight David Eisenhower Centennial Commission. He would succeed Walter N. Thayer.

Since 1987 Mr. Lewis has served as chairman and chief executive officer of Union Pacific Corp. in Bethlehem, PA. Prior to this he was president and chief operating officer, 1986 - 1987. Mr. Lewis served as the Secretary of Transportation during the Reagan administration.

Mr. Lewis received a bachelor of science degree from Haverford College and a master's of business administration from Harvard Graduate School of Business. He is married, has three children, and resides in Schwenksville, PA.

Interview With Foreign Journalists

April 16, 1990

The President. This is timely in one sense because we're in the process of what appears to be organized consultations with Canada, France, and the U.K. I'm not sure that 6 months ago we envisioned this. But I am very pleased these meetings are taking place because I've tried hard as President to stay in close touch with our alliance leaders; and talks, given the rapidity of change in Eastern Europe, seemed very timely.

So, we've had two-thirds down, and one to go. And as far as the United States goes and as far as I go, I've been very pleased with the consultations -- diplomacy, we'd say, frank and full. But they are very good exchanges, and I've learned from both. And I hope both [Canadian] Prime Minister Mulroney and [British] Prime Minister Thatcher have a better feel for the U.S. stance on important alliance matters.

But with no further ado, I'd be glad to take questions.

Lithuanian Independence

Q. Mr. President, one of the things that you've been talking to your coleaders about is, of course, Lithuania. Your position so far has been to suggest that the Lithuanian crisis can be resolved by dialog. I just wonder whether you think that we're approaching the moment when Western nations will have to give more direct assistance to Lithuania, particularly if there's an oil embargo.

The President. I think that's a little hypothetical, because I have been in contact with the Soviet leaders -- indeed, had an opportunity to talk to Mr. Shevardnadze [Soviet Foreign Minister] right here, in that chair over there -- and also have been in contact with Gorbachev. And I feel comfortable that they know the U.S. position; and I've felt that, having expressed our interest in self-determination and the peaceful evolution of all of this, that we're positioned about right. I don't think there's any question as to where I feel and, indeed, after consultation with our allies, where they feel.

But I think it's a little premature to -- or perhaps a little hypothetical to suggest escalation of what we might do. I want to be sure anything we do is productive. There's been dramatic change in the world, and I don't want to inadvertently take some action that would set it back. And yet I don't want to be seen as one who is not interested in the peaceful change and in the self-determination for Lithuania.

We're in a position of never having recognized the incorporation of Lithuania, and indeed Estonia and Latvia, into the Soviet Union. So, that gives us a little bit of a standing that others

might not have in terms of how we view this problem. But I just don't want to go into what we might do. I can understand the great interests in other countries and, certainly, in this country. But right now I'd like to, having expressed our concerns to the Soviets, watch the evolution here.

France's Role in NATO

Q. Mr. President, you are going to meet Mr. Mitterrand [President of France] next Thursday in Key Largo. And there has been in the French press a report about some misunderstanding in France and the U.S. about the NATO future role. Do you share any of those views, and it is true that your administration is pushing for France to get more involved in the alliance?

The President. Look, the main thing is that France and the United States be in total synchronization on alliance problems. France has a special historical position regarding the NATO alliance. But one of the reasons for having this meeting is to narrow any differences that might exist. I go down to Key Largo not feeling there are big differences with Mr. Mitterrand in this question. But I want to get his views. I want to tell him ours, and if there are differences, see if we can narrow them.

But it is my conviction that NATO will have a perhaps even more important role to play in the stability of Europe -- East and West -- projecting stability for East and Western Europe. And I would think that that might be shared by President Mitterrand, but I'll be talking to him about this question because there have been reports that there was a little drift and a little separation. And the best way to find that out is simply to sit and talk, as we will do there.

I can say this: that I've found my direct talks with him extraordinarily helpful in the past, and I expect this will be the same way. One of the key subjects will be security and arrangements for Europe after the unification of Germany. And that obviously will entail discussing our view for an expanded role for NATO.

His view -- it doesn't exclude that but has a keen interest in a role for CSCE. And we see that. We've also talked about expanded participation in the EC, and I will try to elaborate on that with Mr. Mitterrand. So, I know we're not egregiously apart at all. But if there are these differences, get them out on the table and talk about them.

Quebec Independence

Q. Mr. President, you say you're concerned about what might happen in Lithuania. There is also a strong independence movement in Quebec. And recently declassified State Department documents show that during the last peak of separatist sentiment in Quebec about a dozen years ago the U.S. was indeed very concerned about the prospect of a separate Quebec. Can you tell me what your concerns are about that prospect and what it could mean for U.S.-Canada relations and Quebec-U.S. relations?

The President. My experience is to stay out of a matter that's bubbling around up there in Canada right now, courageously sit on the sidelines, and say this: that we have always enjoyed the most cordial relations with a unified Canada. And that came up at a press conference we had up in Canada the other day there at the ball park. And I took the same view: that this is not a point at which the United States ought to involve itself in the internal affairs of Canada.

United Kingdom-U.S. Relations

Q. Mr. President, the British Labour Party, the opposition Labour Party, is very, very far ahead in the opinion polls in Britain at the moment. It's had an avowedly unilateralist past, and your predecessor seemed to treat it with a great deal of suspicion. I wonder if you now think that these people are people you can do business with and people you can talk to, and whether you have this sort of special relationship that you would like to have with the British Government?

The President. May I say this: that I haven't given any thought to it all because Margaret Thatcher is the head of the Government and the Prime Minister and we are in close consultation and negotiation with her.

So, I really would leave it there, because without suggesting any hostility toward opposition parties or towards -- in this sense, since you asked about Labour -- but I just, again, think it would be inappropriate to publicly speculate on what the U.S. might do. We do have a special relationship, and it'll continue, I'm sure. And these talks just reinforce that, these talks that I had with Prime Minister Thatcher. So, excuse me if I don't want to get into the bubbling caldron of domestic politics inside the U.K. right now.

Japan-U.S. Relations

Q. Mr. President, you seem to have had very substantial success in your relationship with Japan in the last couple of months. The SII [Structural Impediments Initiative negotiations] seems to have been moving along quite happily. I wonder whether that's a vindication of 3 years' worth of pressure from the Hill for a tough stance on trade issues.

The President. There is no question that the Hill, and indeed a lot of America, have wanted to see action taken by the Japanese. I would like to give credit to our negotiators, who are in the administrative executive branch of the Government, and also to Prime Minister Kaifu, who has taken the position that I think some of his critics here and abroad felt he wouldn't take, a position that we view quite forthcoming on SII and on specific categories of trade.

So, the jury is still out in terms of how the Hill will look at what has happened, but I've been very pleased so far that most of the leaders on Capitol Hill seem to feel that under Kaifu's leadership Japan has really moved on these important items.

But I guess the answer is, the proof of the pudding is in the eating. Also, there are certain undertakings that we make under SII. And Congress ought not to simply criticize Japan, even though I will readily concede there's been room for criticism there, and so stated. But I think we, the executive branch and the legislative branch, ought to work together now to fulfill our undertakings on investment, savings, education, budget deficits. It's a two-way street. But so far, I've been quite pleased. And -- back to your question -- I don't know whether it's Hill pressure, because for years Japanese leaders would come here, and hear the message from the Hill, go back; and we didn't have demonstrable progress. So, I think, in fairness, the Hill pressure has been relatively constant.

We ought to take a look at what's different. And what's different is the way in which Prime Minister Kaifu, and indeed some of the other leaders there, have approached this problem.

NATO

Q. Mr. President, just to go back to the NATO issue, could you envision now the French being supreme commander of NATO?

The President. We're very happy with the present arrangements. You see, I think it's true in France and I know it's true in other countries: People view the U.S. presence as stabilizing, as having played a significant role in preserving a peace that, in terms of European history, is a long one. And I don't want to have this coming out in a chauvinistic sense, but I think the American people have to feel, one, the American presence is wanted. And part of the command structure, I think, contributes to the view that we have an important role to play and the Europeans want us to have an important role to play.

So, I've given no thought to any substantive changes in all of this. But if anybody has a different view, I'd be willing to hear it. But this is why I'm happy with the existing structure.

North American Trade Agreement

Q. Mr. President, your officials and Mexican officials have said they are ready to pursue, or at least consider, the idea of a free trade agreement. When you were in Toronto last week, you did say that you thought Canada should continue to show interest in trade with Mexico. Do you think it's a good idea for Canada to pursue a separate deal with Mexico; or should Canada, Mexico, and the United States sit down together and pursue a three-way deal, just as the European Community is working together?

The President. Are you talking about a free trade agreement?

Q. A free trade agreement.

The President. I think it's premature for a three-way free trade agreement. I expect Mexico feels that way; I believe that Canada feels that way. I talked in the campaign about a North American accord and doing more together. But the sensitivities on this question in Mexico are such that we ought to let President Salinas set the pace here. And so, it is a sensitive subject there, just as some fallout from the free trade agreement with Canada and the U.S. is sensitive.

So, I think it's better to crawl before you walk, walk before you run. And the next step is to sit and talk with the President of Mexico, if this is still on his agenda, when he comes up here. And I say that because I don't want to be out saying what our meeting is going to be about. But you're right that there has been public speculation on this; indeed, different officials in our administration and Mexico have talked about it. But because of its sensitivity, I prefer to let Mexico speak for itself, and simply say I think we need to move forward in a bilateral sense, and Canada might want to move forward in a bilateral sense -- that's up to them, though -- before we talk about a North American accord meeting, a three-way free trade agreement.

British and French Nuclear Capabilities

Q. Mr. President, when you were in Bermuda, did you discuss with Mrs. Thatcher the status of the Trident, which as you know the Labour Party would like to include very quickly in arms control negotiations? Do you expect to discuss the French independent deterrent with Mr. Mitterrand?

The President. We touched only peripherally on that. Prime Minister Thatcher knows that she doesn't have to sell me on the French and British deterrence and the way in which they view their own nuclear capability. So, it wasn't what I would call a significant agenda item because I don't think we have any differences.

Brent [Brent Scowcroft, Assistant to the President for National Security Affairs], you were in those. Is that about the way it was? I don't think it was, unless there were some other discussions that went on not in our group.

Mr. Scowcroft. No, there wasn't an extended discussion because there aren't really any points at issue.

The President. Yes, we didn't have it as a formal agenda item.

U.S. Role in Europe

Q. Mr. President, did you like the phrase, ``first among equals,'' as a description of your vision of America's place in the network of democratic alliances?

The President. Well, I think many of our allies look to us as the first among equals, given the blessing of the size of our gross national product and given our historic commitment to the security of others. But I don't know that -- when I go sit down at a NATO meeting, I don't go there seeking a kind of recognition on that point. But I think the realities of the world are such that many look to us as essential -- in this instance -- the security of Europe. Certainly, we've got to be dealt with on trade matters.

And I am one who does not believe some of these elitist theories about the decline of America. I don't believe it; I don't think the American people believe it; I don't believe our allies believe it.

German Reunification

Q. Mr. President, do you think that the new Germany we've seen to come out in -- one day is going to make and to cause any major problems -- we being the EEC?

The President. No. Within these what?

Q. The EEC, the European Economic Community. There are some worries, you know.

The President. Yes, there are some concerns there about it, but I expect they can be sorted out. But the concept of a unified Germany does not cause me worries. I know there are perhaps nuances of difference on this one, but Germany has been a strong democracy here for a long time now -- a long time. And the NATO position has been: Unification is okay. We don't worry about that at all.

But we want to stay involved as the United States. We want to be there as one who enthusiastically would deal with a unified Germany. And after this unity, there will be problems that we probably haven't even considered. But we're not opposed to it, and we don't worry about it.

Mr. Fitzwater. We're going to have to break. If you've got a final question or two.

Q. Well, I -- --

The President. In the name of egalite, fraternite.

Q. -- -- stay on the sidelines just on a followup.

The President. Go ahead. Try.

Quebec Independence

Q. You have made clear your -- --

The President. You'll find I'm immovable -- --

Q. -- -- preference for a strong, unified Canada. Why? What difference does it make whether the United States is dealing with a separate Quebec?

The President. It makes the difference that this is the internal affair of Canada. And I learned something long ago: Do not intervene in the internal affairs of another country. That's pretty hard sometimes. In this one, it's easy.

You get another question because that was so cinchy. Go ahead.

Q. Oh, I do have another question?

The President. Yes. That's because that's just a follow-on to the other one, and it's just -- look, that's a cinch, that one.

The President's Visits to Canada

Q. The question that many young Canadians sometimes ask me when I'm visiting back in Canada is: Mr. Bush has come to Ottawa -- a quick trip to Ottawa, a quick trip to Vancouver, a quick trip to Toronto. He never seems to stay overnight. When he goes to Bermuda, he'll stay overnight, or he'll do this. Is there some reason that you don't like Canada, or is it too cold for you? Is there not good sporting and fishing up there? It's worth staying for?

The President. It's fantastic, but I have mean schedulers. I have invidious people there that do not let me do that which I'd like to do. And besides that, I have such a good feeling about Canada that frankly it never entered my mind if some might feel this way. But someday I will have the joy of doing that which I like best: recreating in Canada. Because I've been to Banff; I've been to the west. I know the country reasonably well. And I'd like to think that I would have a scheduler around here who would be a little more considerate and permit me to do that.

Frankly, I think it's a good thing -- the baseball recreation there -- because the Blue Jays drew more, I am told, than any other team last year. They've got a fantastic stadium. And it sends a good hands-across-the-border signal. So, even though I get sheer pleasure out of going there and the little annoyance about Canada's defeat of the Texas Rangers, I think it was worthwhile for our national pastime -- a game that I really enjoy.

So, I got some recreation there in that fantastic baseball stadium, but not near enough. So, if any of your readers feel there is any slight, tell them to call a man named Joe Hagin. [Laughter] His

number is 456 - 1414. [Laughter]

British Prime Minister Thatcher

Q. Could I just ask, Mr. President, do you think that after a week in which Mrs. Thatcher was very heavily criticized and virtually written off in the American press whether her final reputation will be affected by -- --

The President. By what?

Q. Whether her final reputation will be affected by the pasting which she has taken in the last couple of weeks here and the differences you've had over Europe and Germany?

The President. Look, I read these polls. And I don't know what Mr. Ortega's pollster is doing now, and I don't know what the guy that said I wouldn't win because I was 17 points back in the summer of 1988 is doing now. But whether polls are right or wrong -- and I don't want to denigrate all pollsters because I think there is a science there that sometimes is quite accurate. But I've just pointed out a couple of egregious errors here.

But I don't think you deal with heads of government based on whether they're up or down in the polls, or even speculate. So, I was giving you a very honest answer about the opposition. I mean, the opposition leaders would come here, we'd see them. I would think that's the way it ought to be. But I'm enough of a politician to know that people can be down one moment and then soaring like an eagle the next.

So, I missed your question just a little. What was it?

Q. I asked about her long-term reputation. Perhaps you could sum up, because whatever happens, she is coming to the end of a very long time in office. Could you say anything about what you think her long-term -- --

The President. No, no. That would be a matter for -- --

Q. -- -- reputation?

The President. Well, a reputation -- --

Q. Do you think -- --

The President. Oh, excuse me. I thought you meant whether she would rebound from all of this. Well, I think, at least in this country, people see her as a very courageous, principled leader who

fights for her beliefs and has survived many ups and downs. So, they give her great credit. And I would be, in that vein, for courage and for -- and another thing that she gets credit for here is a special feeling about the United States, a recognition that it's good for the U.K. and the U.S. to be close. I think she gets great credit from that not just in conservative circles or, say, Republican circles or IDU-affiliated circles, but across the board here in our country they see her as a tough, courageous leader who has enjoyed great success and with whom Presidents have enjoyed a very close, important relationship. It's about in there, I'd say.

Mr. Fitzwater. Thank you all very much.

Note: The interview began at 10:10 a.m. in the Oval Office at the White House. Participants included Peter Stothard, Times of London, United Kingdom; Norma Greenaway, Southam News, Canada; Michael Elliott, the Economist, United Kingdom; and Jerome Marchand, Le Point, France. Marlin Fitzwater was Press Secretary to the President. The interview was released by the Office of the Press Secretary on April 17. A tape was not available for verification of its content.

Remarks at the Opening Session of the White House Conference on Science and Economics Research Related to Global Change

April 17, 1990

Thank you very much for the welcome. I apologize for the slight delay in there. Thank you, Secretary Brady and members of the U.S. delegation; members of my Cabinet and the cochairmen of this Conference, Michael Boskin and Allan Bromley, Michael Deland. And I'm pleased to welcome this international field of distinguished high-level officials, experts all on the environment, economics, science, and energy. Welcome to the White House Conference on Global Change.

Two months ago I had the honor of addressing the Intergovernmental Panel on Climate Change. And let me recognize Bert Bolin, who is here -- IPCC Chairman -- here with us this morning. I see this Conference helping to accelerate the IPCC's agenda as it searches for understanding of some very critical questions, broadening the dialog by exploring the link between scientific research and economic analysis in the study of global change.

And of course, this Conference is itself another sign of the growing importance of the environment on the international agenda. Here in the United States, we've moved one step closer to a great victory for the environment, strengthening our own clean air statutes, already the world's toughest, with a comprehensive package of new clean air initiatives.

Ten months ago we renewed momentum lost in legislative stalemate for 12 years. Just this month, a clean air package cleared the United States Senate, with House action hopefully possible in May. We're moving forward on clean air legislation because it is in America's interest. But like so many of the environmental issues that concern us, we aren't the only beneficiary of a better environment.

When it comes to the environment, we are learning that local actions can have global consequences. Understanding the effects of our actions on our Earth's system is the first step to a sound environment. And the subject that led me to invite all of you here is just exactly that. I want to speak just briefly this morning so you can get on about your work. But I want to speak about what we can do over the course of the next couple of days to advance our understanding of global change. This Conference will help in three ways. First, it provides an opportunity to help sort out the science on this complex issue; to start with what we know about the Earth and this home we share, about the factors, natural as well as man-made, that cause our environment to change; and to work from what we know toward answers to the many uncertainties that abound.

Perhaps it's not surprising, when the subject is global change, that the debate often generates

more heat than light. Some of you may have seen two scientists just on one of our talk shows on Sunday -- respected men debating global change. One scientist argued that if we keep burning fossil fuels at today's rate, and I quote, ``By the end of the next century, Earth could be nine degrees Fahrenheit warmer than today." And the other scientist saw no evidence of rapid change and warned against a drastic reordering of our economy that could cause us, in his words, ``to end up the impoverished nation awaiting a warming that never comes." Two scientists, two diametrically opposed points of view -- now, where does that leave us?

What we need are facts, the stuff that science is made of -- a better understanding of the basic processes at work in our whole world, better Earth system models that enable us to calculate the complex interaction between man and our environment. And that's why I've asked our Congress to approve a 60-percent increase in our budget for the global change research program, an aggressive research program for which we budgeted more than $1 billion in 1991 to reduce the uncertainties surrounding global change, to advance the scientific understanding we need if we are to make decisions to maximize benefits and minimize the unintended consequences.

The second way this gathering can advance our understanding is to address the economic factor in environmental questions. We know that cleaning up our environment costs money -- a lot of money -- and we know it means changes in the way we work and live. Here in the United States, we're already making those changes -- moving forward on clean air, planting trees through our America the Beautiful initiative, and working with other nations to find ways to halt deforestation, phasing out the use of CFC's, encouraging conservation, exploring alternative sources of fuel and energy and market-based incentives for pollution control. And yet as we move forward, all of us must make certain we preserve our environmental well-being and our economic welfare. We know that these are not separate concerns; they are two sides of the same coin. Recognizing this fact is in the interest of every nation here today. It's in the interest of the developed world and the developing world alike.

Let me focus for just a moment on the developing world. In a climate of poverty or persistent economic struggle, protecting the environment becomes a far more difficult challenge. Cold statistics don't begin to capture the harsh realities that are at stake. Development doesn't mean just another point in the gross national product, the GNP; it's measured in human lives, an end to hunger, lower infant mortality, longer life expectancy -- not just quality of life but life itself.

Environmental policies that ignore the economic factor, the human factor, are destined to fail. But there's another reason to consider the economic factor when the issue is the environment. There is no better ally in service of our environment than strong economies: economies that make possible the increased efficiencies that enable us to make environmental gains, economies that generate the new technologies that help us arrest and reverse the damage that we've done to our environment. We need new economies that allow us to make vital investments in our common future.

And that brings me to the third way this Conference contributes to a net gain in knowledge: the fact that it provides us the opportunity to form a partnership between nations and across the many disciplines represented here. Few subjects offer a greater challenge to the understanding of man than global change. And yet too often the different disciplines focusing on this question have worked in isolation, with little interchange of ideas, analysis, information. This Conference is a new departure because it brings together environmentalists and economists, experts on energy and science to search for common ground, to search the expertise each discipline can bring to this difficult and demanding concern. And this new partnership must bind nations as well. The fact of the matter is, no one nation acting alone can safeguard our Earth environment. Success requires a sense of global stewardship, an understanding that it is the Earth that endures and that all of us are no more than tenants in temporary possession of a sacred trust.

For the next 2 days, you, in essence, will be grappling with the questions, the fundamental questions, of global stewardship, questions of global consequence. I know there's a debate raging out there, but I am confident that this approach that brings all of you experts together is the way to go.

I thank you very much for joining us here. I will be over after digesting the product of your work tomorrow to have a few more words to say. But from the bottom of my heart, I thank you for coming. There have been a lot of these environmental conferences around the world; but this one, I think, approaches the fundamentals. And we are fortunate to have here in America you experts from all around the world.

Thank you for coming. I look forward to hearing the results of your work. God bless you all. Thank you very much.

Note: The President spoke at 10:06 a.m. in the Grand Ballroom at the J.W. Marriott Hotel. In his remarks, he referred to Secretary of the Treasury Nicholas F. Brady; Michael J. Boskin, Chairman of the Council of Economic Advisers; D. Allan Bromley, Science Advisor to the President and Director of the Office of Science and Technology Policy; and Michael R. Deland, Chairman of the Council on Environmental Quality.

Remarks on the Situation in Lithuania

April 17, 1990

The President. Let me say that I understand Marlin has waived my prohibitions on saying anything at photo opportunities. But inasmuch as a lot of questions have been asked of our Press Office regarding Lithuania, I asked dispensation from our esteemed guest from Honduras, with whom I'm looking forward to visiting. And I told him if it's agreeable we would just make a brief statement about Lithuania. He acquiesced in that and was very pleasant about it.

But first, welcome, sir. We're just delighted you're here.

Let me just say on Lithuania -- and this is all I'll say on it right now -- obviously, we are watching the situation very, very closely. And we are waiting to see if the Soviet announcements are implemented. Clearly, those announcements are contrary to the approach that we have urged and that others have urged upon the Soviet Union. We are considering appropriate responses if these threats are implemented.

And I'm going to leave it right there. But I would simply repeat that what we need is dialog, discussion, and a peaceful resolution of this great difficulty there.

Q. But what is your -- --

The President. That's all. Some missed it: I said I'd take no questions. Some missed it: I said I would take no questions.

Note: President Bush spoke at 11:13 a.m. in the Oval Office at the White House, prior to a meeting with President Rafael Callejas of Honduras. Marlin Fitzwater was Press Secretary to the President.

Remarks Following Discussions With President Rafael Callejas of Honduras

April 17, 1990

President Bush. Mr. President and members of the Honduran delegation, let me again thank you for coming to the White House, all of you. We're very pleased and honored that you're here, and it's been a great and personal pleasure to meet President Callejas in his first official visit to Washington. We met before, but this was his first official visit since taking over as President.

The President is a long-time friend of the United States, dating back to his university days at Mississippi State University. And Vice President Quayle carried our warmest regards in January when he attended the President's historic inauguration, the first peaceful transfer of power to an opposition party in nearly 60 years and, indeed, an inspiring example of the democratic promise that today is spreading throughout the Americas.

I remember with great fondness the natural beauty of Honduras and the history of the Honduran people when I visited Tegucigalpa some years ago for the inauguration of your distinguished predecessor.

President Callejas and I shared very friendly and useful talks today on several subjects. We both expressed our appreciation for the stable and constructive relations shared by our two nations. The U.S. applauds Honduras' productive role in achieving a multilateral agreement on the peaceful demobilization and repatriation of the Nicaraguan resistance in conditions of safety for all concerned. We support this process and will work to ensure humanitarian assistance to those in need in both Nicaragua and Honduras as they return to their homes, their families, and their jobs, and play a vital role in helping Nicaragua establish lasting democratic institutions.

The President and I explored our mutual goals for Central America and also for our own bilateral relationship. We agreed on the importance of continuing our close cooperation in the struggle against the scourge of cocaine in our hemisphere. The U.S. remains firmly committed to helping economic development in Honduras. And we fully support President Callejas' bold economic reforms, and we are working together to help arrange new financing of Honduras' international obligations.

Mr. President, in your own Inaugural Address, you proclaimed that burning in the heart of the peoples of Central America is a flame of hope and faith in the democratic path. And, Mr. President, the people of the United States share your hope, and we share your faith. It is well-known that in Spanish the word ``Honduras'' means great depths. But we believe that the democratic path of which you spoke in January will lead to great heights for Honduras and for all of Central America.

Thank you for coming. We wish you Godspeed and success in your continuing talks here over the next 2 days. Thank you, sir.

President Callejas. Thank you, Mr. President. Ten years ago I came to the White House in company of a military President of Honduras. It was the beginning of a very complicated decade for Central America. Now we perceive new opportunities. We have concluded in the region, by the 25th of April, the election of democratic Presidents. And we hope that this next decade will be, in its priority, oriented to economic development and welfare.

Today, with President Bush, we have had a very cordial and fruitful meeting. We had the opportunity to discuss frankly and extensively bilateral and regional issues. I thank President Bush for the support of his administration for the efforts the Honduran people are doing in order to advance a program of economic reform. It is important that we quite well understand that there's no possibility to have democracy without economic development. And on that means the President assured us of the continued support of the United States for Honduras to recuperate its economic difficulties. I was very encouraged by the appreciation President Bush has demonstrated for the measures that we have taken.

We also discussed the regional situation. We have entered a new era in Central America. We have built upon democracy in the past decade, and now we must build an economic recovery. We have high hopes and expectations on the new prospectus of the region. With the assumption of power of Mrs. Chamorro in Nicaragua, a new page has been turned in Central America. And we all will support the efforts that the region demands and needs. This success can only be achieved by continued support of friendly countries like the United States. And in that regard, I hope that the United States will continue to be close to the region in its new era.

I thank you, Mr. President, for your support and for your commitment to continue to give Honduras a helping hand in its effort to create a better place to live for its people. Thank you very much, Mr. President.

Note: President Bush spoke at 1:11 p.m. at the South Portico of the White House. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Honduran officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Remarks on Meeting the National Collegiate Athletic Association's Men's and Women's Basketball Champions

April 17, 1990

First, let me salute our Members of Congress who are here, Senators Reid and Bryan and Representatives Bilbray and Vucanovich and Kolbe; coaches, of course, Tara VanDerveer and Jerry Tarkanian. And the athletic directors are with us, Andy Geiger, Brad Rothermel. And I also want to single out a couple from our administration, Mike Boskin and Condi Rice, of Stanford, and Sig Rogich, who was a former regent of the UNLV.

I'll try to cut this down a little, but I've got a lot to say about these guys, all of them -- generic use of the term, I might add. [Laughter] We're here today to honor two great teams out of the West, the final two of the Final Fours, Stanford and the University of Nevada at Las Vegas, better known as the Cardinal and the Runnin' Rebels. Well, to put it simply, both teams were awesome.

The Cardinal women's basketball team won a Stanford and PAC 10 record of 32 games -- in all a total of 100 individual and team records broken in this season. So, no one was surprised when Tara VanDerveer was named the Naismith National Coach of the Year. From the very start, she installed this winning attitude so that you all began your seasons, in a sense, as champions. Coach, you've given everyone a reason to be proud down on the farm.

So has Trisha Stevens. I understand that in your career the number 35 has some significance. That's the number of points you keep reaching, game after game after game. [Laughter] And when you came out on the court against Auburn, you set the tone for the rest of that game. And so did Katy Steding. Three must be your magic number, considering the way you bombed the opponents with treys. Julie Zeilstra, you managed to start all 33 games this season as forward despite a problem with your Achilles heels. When the going got tough, you only got tougher.

Let me also recognize Sonja Henning. After your victory over the Lady Tigers, Stanford should light 21 candles in your honor. They say you're one-half of what is considered to be the best backcourt in women's collegiate basketball. So, let me turn, then, to your partner. You know, one of my favorite bands is the Oak Ridge Boys -- [laughter] -- so let me salute an Oak Ridge Lady, a young woman from Tennessee who went to play basketball in Palo Alto only to achieve her greatest triumph in Knoxville, 20 miles from home. It's no coincidence that Stanford senior guard Jennifer Azzi won the Margaret Wade Trophy and the James Naismith Award, the two top honors in all of women's basketball. We welcome you all; delighted you're here.

And now, we'll turn to the UNLV. Let me begin with a salute to the coach, Coach Tarkanian. I'm

not saying that ``Tark the Shark'' has any influence on me, but the next time I'm sweating out a close vote in the Congress, don't be surprised if you see me -- I'll try anything -- chew on a towel. [Laughter]

Towel or no towel, it was the opposition that was shark-bitten. And of course, we should give the Blue Devils their due. You are, after all, the first team to trip 100 in a final.

Stacey Augmon, Stacy Cvijanovich, and David Butler, you duked it out with Duke all the way. And, David, you ought to feel at home today. Anderson Hunt, you kept the Blue Devils behind the Mason-Dixon line and made 12 of 16, to become the MVP of the Final Four. Congratulations!

And then there's Moses. You know the biblical Moses parted the waters with his staff. Moses Scurry could part the Potomac with his rebel yell. [Laughter] And, Larry Johnson, no wonder you're the First Team Consensus All-American. In just half an hour, you racked up 22 points, 11 rebounds, 4 steals, and 2 treys. But what impresses me the most is that while you're a probable first choice, you made it clear that you'll go for the B.A. before you go for the NBA.

And, Greg Anthony, I understand you suffered a broken jaw that had to be wired shut during the season. But you played through your pain. As vice chairman of the -- this is a little political pitch here -- UNLV Young Republicans -- [laughter] -- I hope you'll be coming back to Washington some day. And thank you for telling the world that your first priority is education and that you may go on to get an M.B.A. or a law degree. That message has the right kind of impact on kids all across our great country.

And finally, let me congratulate every player in both teams -- those of you on the bench as well as on the center court -- and all the assistant coaches, managers, and trainers: This is your day.

In closing, let me say we're here today to celebrate another kind of championship, the kind of satisfaction that comes not from a fast break or a slam dunk but from the quiet achievement of scholarship and learning. And this is the commitment of so many, from Greg and Larry to Trisha, who aspires to be a doctor, to Chris MacMurdo, with a 3.7 average in human biology, to Stacy Parson, a social psych major who is said to be the team encyclopedia. This is the commitment of the Runnin' Rebels for teaching grade schoolers basic reading skills and geography. In fact, I understand that you'll be making at least one classroom visit here in DC, where David Butler started his schooling, at John F. Cook Elementary.

Just look at your institutions. U.S. News and World Report identified UNLV as one of the up-and-coming schools of the nineties. Little wonder -- it's already one of the fastest growing universities in America. And of course, we're also familiar with the academic tradition of Stanford University. So, whether you study amid the Moorish arches of Stanford or in the modern complexes of UNLV, you're learning that when the cheering has faded and the trophy is

up on the shelf you still have something to give back.

Once again, congratulations. I thank you, and God bless you all. Keep up that quest for excellence and the achievement you've all demonstrated so well. We're just delighted you all were here.

Note: The President spoke at 2:19 p.m. in the Rose Garden at the White House. In his remarks, he referred to Michael J. Boskin, Chairman of the Council of Economic Advisers; Condoleezza Rice, Director of European and Soviet Affairs for the National Security Council; and Sig Rogich, Assistant to the President for Special Activities and Initiatives.

Statement on the Death of Ralph David Abernathy

April 17, 1990

Barbara and I were deeply saddened to learn of the death of the Rev. Ralph David Abernathy. In recalling Ralph Abernathy's life, we inevitably recall the great campaigns for civil rights for black Americans in which he played such a signal part. From his father's farm in Alabama, he joined the ministry and became pastor of the First Baptist Church in Montgomery. Responding to Rosa Parks' refusal to sit in the back of a segregated bus, he and the Rev. Dr. Martin Luther King, Jr., began the Montgomery Improvement Association to ensure the success of the boycott which led in turn to the desegregation of buses in that city. Later, he and Dr. King organized the Southern Christian Leadership Conference, of which he originally served as secretary-treasurer.

Throughout, Rev. Abernathy was committed to the principle of nonviolence. As he said, ``Violence is the weapon of the weak, and nonviolence is the weapon of the strong." Barbara and I join with all Americans to mourn the passing of the Rev. Ralph Abernathy, a great leader in the struggle for civil rights for all Americans and a tireless campaigner for justice.

Nomination of Anthony J. Hope To Be Chairman of the National Indian Gaming Commission

April 17, 1990

The President today announced his intention to nominate Anthony J. Hope to be Chairman of the National Indian Gaming Commission for a term of 3 years. This is a new position. Since 1987 Mr. Hope has served as senior vice president of Mutual of Omaha and United of Omaha Insurance Cos. in Washington, DC. He was born July 1, 1940, in Chicago, IL. Mr. Hope is married, has two children, and resides in Washington, DC.

Message to the Congress Reporting Budget Deferrals

April 18, 1990

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three revised deferrals of budget authority now totalling $2,097,533,159.

The deferrals affect programs in Funds Appropriated to the President and the Departments of Defense and Health and Human Services. The details of the deferrals are contained in the attached report.

George Bush

The White House,

April 18, 1990.

Note: The attachment detailing the deferrals was printed in the ``Federal Register'' of April 24.

Message to the Senate Transmitting the Spain-United States Convention on Taxation and Fiscal Evasion

April 18, 1990

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Convention between the United States of America and the Kingdom of Spain for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, together with a related Protocol, signed at Madrid on February 22, 1990. I also transmit the report of the Department of State.

The convention is the first income tax treaty to be negotiated between the United States and Spain. Based in large part on model income tax treaties developed by the Department of the Treasury and the Organization for Economic Cooperation and Development, it also reflects changes in tax law resulting from the enactment of the Tax Reform Act of 1986.

The convention provides rules governing the taxation by each State of income derived by residents of the other State. The convention also contains provisions that prevent ``treaty shopping'' and authorize the exchange of information and administrative cooperation between the tax authorities of the two States.

I recommend that the Senate give early and favorable consideration to the convention and protocol and give its advice and consent to ratification.

George Bush

The White House,

April 18, 1990.

Nomination of Olin L. Greene, Jr., To Be Administrator of the United States Fire Administration

April 18, 1990

The President today announced his intention to nominate Olin L. Greene, Jr., to be Administrator of the U.S. Fire Administration, Federal Emergency Management Agency. He would succeed Clyde A. Bragdon, Jr.

Since 1982 Mr. Greene has served as State fire marshal in Salem, OR. Prior to this, he served as director of the division of State fire marshal for the State of Florida, 1973 - 1982; deputy State fire marshal in Miami, FL, 1969 - 1973; combat firefighter, fire inspector, and fire investigator for the City of Miami Fire Department, 1960 - 1969.

Mr. Greene attended the University of Miami and Georgia Tech. He was born January 15, 1937, in Miami, FL. Mr. Greene is married, has one child, and resides in Dallas, OR.

Remarks at the Closing Session of the White House Conference on Science and Economics Research Related to Global Change

April 18, 1990

Thank you, ladies and gentlemen. Thank you, Dr. Bromley, very much, Dr. Boskin, Mr. Deland, and Secretaries Watkins and Lujan of our Cabinet, Dr. Bolin, and distinguished delegates to this truly unprecedented conference.

After all of the hard work that's taken place here, in what I know was an atmosphere of lively debate, I would begin with thanks and a moment of perspective; for your purpose here is profoundly important to the state of nature and the fate of mankind. Your presence has offered hope for a new era of environmental cooperation around the world and the promise of a quieter, more thoughtful, more careful tenancy of nature's legacy to humanity.

You know, during these last 2 days, we've listened and learned -- and I've been briefed thoroughly on some of the committee's works -- learned about Brazil's new initiatives to protect the Amazon rain forest, about Nigeria's plans to remove lead from gasoline, about Mexico's promising efforts to reduce the Mexico City air pollution.

A year ago I participated in an American education summit and found the most productive sessions were those working groups. This Conference was structured with that lesson in mind. So, my thanks go to all the delegates who played such an integral role in those working groups, particularly the foreign delegates who served as cochairmen.

A growing sense of global stewardship prompted us to host this Conference. It's a sense of stewardship shared by all of you and by the nations you represent. And it arises out of a natural sense of obligation, an understanding that we owe our existence, all that we know and are, to this miraculous sphere that sustains us. Somebody told me that the evening you had over at the museum brought this into very, very clear perspective when you heard from some of the NASA people.

Such stewardship finds expression in many ways, from public demonstration to landmark legislation, but it is also rewarded in many ways, in moments unexpected and unforgettable. Nature's beauty has a special power, a resonance that at once elevates the mind's eye, and yet humbles us as well. Before nature, the works of humanity seem somehow small. We may build cathedrals, temples, mosques, monuments, and mausoleums to great men and women and high ideals, and still we know we can build no monuments to compare with nature. Our greatest creations really can't equal God's smallest.

Yet as our tools and intellect advance, we've learned of our power to alter the Earth. We understand that small actions, taken together, can have profound global consequences for the environment we share and the humanity we share it with. The importance of global stewardship can be best understood in human terms.

We also recognize that ours is an increasingly prosperous planet, with greater hopes now than ever before that more of our people in every nation may come to know an enduring peace and an unprecedented quality of life.

So, we're called upon to ensure that the Earth's integrity is preserved and that mankind's prospects for prosperity, peace and, in some regions, even survival are not put at risk by the unintended consequences of noble intentions. That's the reason we've held this conference.

The minds at work here are among the very best we have, and they are the best insurance that our actions are sound. We've gathered talent from around the world -- scientists, economists, environmentalists, energy ministers, policymakers -- to address the environmental and developmental future of the planet, an unprecedented cross-fertilization of disciplines and of nations. That alone, I think, is reason for hope.

But if diversity of perspective is expected, unity of purpose is crucial. In an atmosphere of uncertainty, we must foster a climate of good will and a stubborn hope that we might forge solutions without the excessive heat of politics.

Among all the challenges in our tenancy of this planet, climate change is, of course, foremost in your minds. We're leading the search for response strategies and working through the uncertainty of both the science and the economics of climate change. But there is one area where we will allow for no uncertainty, and that is our commitment to action -- to sound analyses and sound policies.

To those who suggest we're only trying to balance economic growth and environmental protection, I say they miss the point. We are calling for an early new way of thinking to achieve both while compromising neither by applying the power of the marketplace in the service of the environment.

And we cannot allow a question like climate change to be characterized as a debate between economists versus environmentalists. To say that this issue has sides is about as productive as saying that the Earth is flat. It may simplify things, but it just doesn't do justice to the facts or to our future. The truth is, strong economies allow nations to fulfill the obligations of stewardship, and environmental stewardship is crucial to sustaining strong economies. If we lose sight of the forest for the trees, we risk losing both.

But above all, the climate change debate is not about research versus action, for we've never

considered research a substitute for action. Over the last 2 days you've heard, formally and informally, that the United States is already taking action to stabilize and reduce emissions through our clean air legislation, our use of market-based incentives to control pollution, our search for alternative energy sources, our emphasis on energy efficiency, our reforestation initiatives, and our technical assistance programs to developing nations. These policies were developed to address a broad range of environmental concerns. In particular, our phaseout of CFC's, the impact of our Clean Air Act on emissions, our tree planting initiative, and other strategies will produce reductions in greenhouse gas emissions that will reach 15 percent in 10 years and considerably more later on.

We're also making a leading investment in climate change research -- absolutely essential because it will tell us what to do next. But what bears emphasis is that we are committed to domestic and international policies that are environmentally aggressive, effective, and efficient.

And we are deeply committed to an international partnership through the IPCC [Intergovernmental Panel on Climate Change] process. We look forward to its interim assessment. And we would encourage a framework convention as a part of a comprehensive approach to address the system, sources, and sinks as a whole if a decision is made that environmental action is needed to reduce net emissions. We hope to provide a venue for the first negotiating sessions here in the United States.

And finally, here in conference working groups, we've offered four new ideas: a charter for cooperation in science and economic research related to global change, possible creation of international institutes for research on the science and economics of global change, data and information transfers through a global change communications network, and a statement of principles for implementing international cooperation in scientific and economic research related to global change.

I call on you to support these suggestions. All of you here today understand climate change as one of many challenges in the call to global stewardship: ozone depletion, water supply, ocean pollution, wetlands, deforestation, biological diversity, population change, hunger, energy demand -- in short, all of the interrelated issues of the global environment. Each demands our attention. Each will have great impact.

And some we can predict, and regrettably and frankly, some can't be easily anticipated. But each has a human dimension we must never forget. Understand the choices we are making; they affect us all, but in profoundly different ways. We have many paths to choose from, and some of them are fraught with risk to precious and life-giving resources; risk to geopolitical stability; and certainly, man-made limits to prosperity, most painfully reflected in the hollow eyes of hungry children and their prospects for survival.

If developed nations ignore the growth needs of developing nations, it will imperil us all. We

know that even small changes in GNP growth rate often threaten adequate shelter, food, and health care for millions and millions of people. And to bear this in mind is no barrier to action. Those who have ascended the economic hill must break down the barriers to progress and assist others now making the climb. But this will only be possible if the nations of the world are linked in partnerships of every kind: scientific, economic, technical, agricultural, environmental.

Pollution is not, as we once believed, the inevitable byproduct of progress. True global stewardship will be achieved not by seeking limits to growth, which are contrary to human nature, but by achieving environmental protection through more informed, more efficient, and cleaner growth. Those who value environmental quality the most should be the most ardent supporters of strategies that tap the power of free wills and free markets, strategies that turn human nature to environmental advantage. Equally, those who value economic development most highly should be the most ardent defenders of the environment, which provides the basis for a healthy economy. Efficient strategies are the only realistic hope for developing nations to save themselves from the mistakes that developed nations have already made.

And we have made mistakes. But over the past century, we've made tremendous progress in this country, especially in the last 20 years. In the United States, automotive emission controls have brought about a new generation of cars that emit only 4 percent as much pollution as the typical 1970 model. We've cut airborne particulates by 60 percent, carbon monoxide by about 40 percent, cut sulfur emissions, and virtually eliminated lead from the air -- all during a period of population growth and economic expansion. And now we want to share that knowledge -- our technologies, new processes, and pollution prevention techniques -- with the developing world.

Two decades ago, America, holding to its birthright of free expression, was home to a movement symbolized by Earth Day. It motivated President Nixon to sign into law a national policy to encourage productive and enjoyable harmony between man and the environment, and it set in motion a new sense of conscience that a few idealists hoped would change the world.

And it did. What began as an isolated American movement 20 years ago is now shared by over 130 countries on 7 continents. And while many thought this experiment in environmental protection would prove impossible, that you couldn't maintain both a productive economy and a healthy environment, we've learned that economic prosperity and environmental protection go hand in hand. And we've learned that worldwide, united action is essential and possible, as the Montreal protocol proved.

America and other nations must now extend an offered hand to emerging democracies in Eastern Europe and to developing societies around the world. In some, the raging fires of forests and grasslands burned for compelling but devastating economic reasons have been visible to astronauts in space. Other nations, in the struggle to support life, have been virtually stripped of the resources that sustain life.

And in Eastern Europe, whether through the tyranny of neglect or the neglect of tyrants, pollution has been unveiled as one of the Old World's cruelest dictators, an oppressor -- not man but manmade. In the majestic city of Krakow that I visited a couple of years ago, monuments to great men, statues that survived countless invasions by kings and emperors, by Hitler and by Stalin, have been defaced by pollution, their medieval majesty reduced to shapeless lumps of stone.

If mankind's greatest creations cannot equal God's smallest, some may grieve that our greatest destruction is turned at times upon ourselves. Let us neither grieve nor quarrel but act on what we know can help and act in good faith. Our challenge is global stewardship: to work together to find long-term strategies that will meet the needs of the entire world and all therein.

Our convictions and my sincere belief is that environmental protection and economic growth, well-managed, complement one another and that we can serve this generation while preserving the Earth for the next and all that follow. It is an uncommon opportunity we share. And so, let us seize the moment. And together, we will succeed.

Thank you for what I believe is a significant contribution to environmental progress in the world. Thank you for coming our way. Thank you very much.

Note: The President spoke at 2:32 p.m. in the Grand Ballroom at the J.W. Marriott Hotel. In his remarks, he referred to D. Allan Bromley, Science Advisor to the President and Director of the Office of Science and Technology Policy; Michael J. Boskin, Chairman of the Council of Economic Advisers; Michael R. Deland, Chairman of the Council on Environmental Quality; Secretary of Energy James D. Watkins; Secretary of the Interior Manuel Lujan, Jr.; and Bert Bolin, Chairman of the Intergovernmental Panel on Climate Change.

Letter to Congressional Leaders Transmitting a Report on the United States Military Presence in East Asia

April 18, 1990

Dear Mr. Chairman: (Dear Senator:) (Dear Congressman:)

Pursuant to section 915 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101 - 189), I am hereby transmitting classified and unclassified versions of a report on the military presence of the United States in East Asia, including the Republic of Korea. The reports include a strategic plan relating to the continued United States military presence in East Asia.

Sincerely,

George Bush

Note: Identical letters were sent to Robert C. Byrd and Mark O. Hatfield, chairman and ranking Republican member of the Senate Committee on Appropriations; Jamie L. Whitten and Silvio O. Conte, chairman and ranking Republican member of the House Committee on Appropriations; Sam Nunn and John W. Warner, chairman and ranking Republican member of the Senate Committee on Armed Services; and Les Aspin and William L. Dickinson, chairman and ranking Republican member of the House Committee on Armed Services. The letter was released by the Office of the Press Secretary on April 19.

Nomination of James Keough Bishop To Be United States Ambassador to Somalia

April 19, 1990

The President today announced his intention to nominate James Keough Bishop to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Somali Democratic Republic. He would succeed Trusten Frank Crigler.

Since 1987 Ambassador Bishop has been Ambassador to the Republic of Liberia. Prior to this, he was Deputy Assistant Secretary for African Affairs at the Department of State, 1981 - 1987; Ambassador to the Republic of Niger, 1979 - 1981; Director of North African Affairs at the Bureau of Near Eastern and South Asian Affairs at the Department of State, 1977 - 1979; senior seminar student at the Foreign Service Institute in Washington, DC, 1976 - 1977; and Deputy Director for West Africa at the Department of State, 1974 - 1976. He was a desk officer for Ghana and Togo, 1972 - 1974; desk officer for Chad, Gabon, Mauritius and Madagascar, 1970 - 1972; economic officer in Yaounde, Cameroon, 1968 - 1970, and Beirut, Lebanon, 1966 - 1968; consul in Beirut, Lebanon, 1966; vice consul in Auckland, New Zealand, 1963 - 1966; and a press officer at the Department of State, 1961 - 1963. He entered the Foreign Service in 1960.

Ambassador Bishop graduated from the College of the Holy Cross (B.S., 1960) and Johns Hopkins School of Advanced International Studies (M.I.I.P., 1981). He was born July 21, 1938, in New Rochelle, NY. He is married, has six children, and resides in Washington, DC.

Nomination of Daniel F. Evans To Be a Director of the Federal Housing Finance Board, and Designation as Chairman

April 19, 1990

The President today announced his intention to nominate Daniel F. Evans to be a Director of the Federal Housing Finance Board for a term of 7 years. Upon confirmation and appointment he will be designated Chairman. This is a new position.

Since 1985 Mr. Evans has served as a partner with the law firm of Baker and Daniels in Indianapolis, IN. Prior to this, he served as a partner with the law firm of Tabbert and Capehart, 1981 - 1985, and an associate and partner with the law firm of Duvall, Tabbert, Lalley and Newton, 1976 - 1981.

Mr. Evans graduated from Indiana University (B.A., 1971) and Indiana University Law School (J.D., 1975). He was born April 19, 1949, in Indianapolis, IN. Mr. Evans is married, has four children, and resides in Indianapolis, IN.

Nomination of Lawrence U. Costiglio To Be a Director of the Federal Housing Finance Board

April 19, 1990

The President today announced his intention to nominate Lawrence U. Costiglio to be a Director of the Federal Housing Finance Board for a term of 3 years. This is a new position.

Since 1988 Mr. Costiglio has served as a partner with the law firm of Rivkin, Radler, Dunne and Bayh in Uniondale, NY. Prior to this, he served as counsel to Certilman Haft Lebow Balin Buckley and Kremer in East Meadow, NY., 1987 - 1988; special counsel to the Savings Bank Association, 1984 - 1986; executive vice president of the Savings Bank Association of New York State, 1961 - 1985; attorney with the law firm of Oliver and Donnally in New York, 1959 - 1961, and acting deputy superintendent and counsel to the banking board, associate attorney and executive assistant to superintendent, 1957 - 1959. In addition, he has served as an attorney with the law firm of Finely and Lilienthal, Esqs., 1955 - 1957; Assistant United States Attorney for the Southern District of New York in the Criminal Division, 1951 - 1955; and an attorney in private law practice, 1946 - 1951.

Mr. Costiglio attended the College of the City of New York and graduated from Fordham University School of Law (LL.B., 1941). He was born August 8, 1916, in New York, NY. Mr. Costiglio served in the U.S. Army, 1935 - 1942. He is married, has four children, and resides in Woodside, NY.

Nomination of Daniel H. Carter To Be a Member of the National Commission on Libraries and Information Science

April 19, 1990

The President today announced his intention to nominate Daniel H. Carter to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1994. This is a reappointment. Since 1986 Mr. Carter has served as president of Daniel Carter Consulting in Houston, TX. He resides in Houston, TX.

News Conference of President Bush and President Francois Mitterrand of France in Key Largo, Florida

April 19, 1990

President Bush. Well, it's been a great pleasure having President Mitterrand as our guest here at Key Largo, after his splendid tropical hospitality at St. Martin in December. And our meetings, starting last May at Kennebunkport, have been invaluable in ensuring close French-American cooperation during this period of historic change in Europe.

President Mitterrand and I spent most of our time today discussing the profound and encouraging transformation of Europe, and we reviewed the enormous advances towards democracy and economic reform which have occurred in Eastern Europe since we met in Paris in July.

In addition to the economic and political reforms moving forward in Eastern Europe, we discussed the welcome prospect of a unified Germany. This fulfillment of the natural aspiration of the German people is a goal which both France and the United States have supported for over two generations. President Mitterrand and I both believe that a united Germany should remain a full member of NATO, as called for by Chancellor Kohl [of the Federal Republic of Germany]. All of our allies and several Eastern European countries share this view as well.

In this context, we also look forward to the continuation of the two-plus-four talks on the external aspects of the establishment of German unity. These talks will focus on bringing to an end the special Four Power rights and responsibilities for Berlin and Germany as a whole. And we agreed that a united Germany should have full control over all of its territory, without any new discriminatory constraints on German sovereignty.

In discussing the evolution of European security, the French President and I spoke about the key role the North Atlantic alliance has played in making possible the positive changes of the past year. The alliance must remain vigorous in this critical period of transition. I told the President that the U.S. will retain militarily significant nuclear and conventional forces in Western Europe as long as our allies desire our presence as part of a common security effort, and he indicated strong French support for the continued U.S. presence.

We also discussed the progress of the European Community towards increased integration, and I repeated the unequivocal support for European unity that I'd expressed last May when we were together up there at Boston University. We agreed that as the EC evolves, closer U.S.-EC linkage and more effective channels for dialog will be required. We both believe that as the division of Europe gives way to a new era of reconciliation we must strengthen the CSCE process in ways that can enhance mutual confidence and peaceful cooperation in Europe.

We also had a thorough discussion about the situation in the Soviet Union and Lithuania. And we share a conviction that this issue must be dealt with through dialog so that the Lithuanian people's rights to self-determination can be realized. We're deeply disturbed by recent Soviet statements and activities regarding Lithuania which will clearly not improve the atmosphere, and I told President Mitterrand that the U.S. is considering appropriate measures to be taken in light of Soviet actions.

Mr. President, thank you for coming our way. I am confident that these talks have enhanced our mutual understanding. And let's hope they make a contribution to stability and peace in Europe and elsewhere.

President Mitterrand. Ladies and gentlemen, President Bush has just told you of the content of our conversations; and he, naturally, put the emphasis on the things which he considered to be the most important, which is only natural, and I will proceed likewise.

First, I'd like to say how happy I am to be meeting with the President of the United States in these circumstances, in these new circumstances. I'm extremely happy, too, to have received such warm hospitality in Key Largo. And I'd particularly like to say this to the people who have been good enough to lend us their home, to welcome us and in order that we should be able to spend some hours here, well, working admittedly, but under the extremely pleasant setting which you have in front of you. But I'd really like to express our thanks to the President of the United States, his advisers, and the people who extended their personal hospitality to us.

Well, now, to come to the substance. And I'd like to begin with three things that for France, anyway, are obvious truths. The first is that the United States and France have, in fact, always been friends and allies; and today we can say that there is nothing of importance that divides us. The second postulate is that the Atlantic alliance, in the fields defined by the treaty, provides the organic framework for the cooperation between our two countries; and this is something that should be reasserted. The third postulate is that, well, as everyone knows, or at least should know, France has a specific defense policy which she firmly intends to retain. And this is not in any way contrary to the interests of her allies, as this has been shown over the last quarter of a century.

Now, secondly, the new situation -- and this is pretty obvious to everyone -- a new situation is emerging in Europe. And first, Central and Eastern Europe is moving towards democracy, and these countries are also moving towards their integration -- they're aspiring towards integration within the economies of the rest of the continent. Now, I feel and I have said that that part of Europe, like the other part of Europe -- it would be natural for it. It is, in fact, in its calling to move towards a confederal type of structure comprising the European countries that would have a representative system of institutions.

There would be nothing against the idea, I would say -- very much on the contrary -- of having

agreements between such a confederation and the United States of America. As to the European Community, it will, in fact, increase its movement towards integration in the field of monetary affairs, foreign policy, and security. And indeed, the most recent document in such matters is the Franco-German proposal that was published today in Paris.

Still, in the present evolution of Europe right now, we note that the talks on conventional disarmament are progressing, and this is a trend that must continue. It is true that the bringing into question of the Warsaw Pact on the part of several of its members and, secondly, the unity of Germany are things which clearly change the basic elements of the situation. I would add, also, that we hope that the talks on strategic disarmament will be brought to fruition.

In view of this situation in Europe, which is at a state of evolution, what should the alliance do? The first thing is to maintain its cohesion, and in this respect, it's necessary to reassert the need for the presence of United States forces in Europe. Secondly, support must be given to the process of unification of Germany, while at the same time taking into account the security interests of the Soviet Union, which must never be lost sight of. And of course, I'm referring to the presence within the alliance of unified Germany. Still on the question of what should the alliance do, the second answer is to make sure that one excludes from its purview no aspect of security related to the equilibrium of Europe. Thirdly, to facilitate and verify progress towards disarmament verification among allies through consultations which are always necessary. Fourthly, to seek out areas of complementarity with the other parties within which the allies find themselves together in Europe. And I would mention the CSCE and the European Economic Community. And I would add a very important additional note on this: to prepare the Europeans with the idea of playing an increased role in working for their own defense.

So, on this basis, France is prepared to participate in a common reflection on how to adapt the alliance to meet the requirements of the new times ahead. And with that in mind, I suggested to President Bush -- and he agreed -- that we propose to our allies to hold a summit of the alliance before the end of the year.

And lastly, a few brief remarks. Let's take the United States and the European Economic Community -- we're no longer specifically within the alliance, as such yet. Now, there should be greater coordination in terms of action between the United States and the European Economic Community because economic cooperation is too piecemeal, I would say, and political cooperation is perhaps still a bit too informal. So, I think the idea should be considered of having an overall agreement on cooperation in terms of trade between the European Economic Community and the United States, just as the Community has with its main trading partners. And there could also be regular contacts in terms of political affairs at ministerial level.

Another remark on the CSCE. I have emphasized the importance of this 35-member body in the new European context. The meeting of the 35 heads of state and government in order to consider a conventional disarmament agreement reached among the 23 would make it possible to

consider the future of cooperation and security in Europe. And we must always remember that the CSCE is, and has been in the past, the only place where all European countries can meet. And in this respect, the Foreign Ministers have begun working on the agenda of this future summit of the CSCE.

On Germany, I would repeat what President Bush has said: first, concerning the legitimate right -- and this has been mentioned several times in France -- the legitimate right for the Germans to achieve the unity of their two states. And in order to consider the consequences of this unity, the work of the four-plus-two must continue. And the problem of borders, dealt with in this framework, should be able to be solved fully and once and for all.

Now, following what President Bush has said, I would just add one thing on Lithuania. We have considered the situation as has been mentioned, and we have noted that there is a real need for opening a genuine dialog. I would add that France has never recognized the annexation of the country. But this is a phase of this stage which must be tackled in a very level-headed fashion, and in particular, it's important that the two parties should be able to talk about the specific and general aspects of the issue in a framework of overall peace. And we hope to be able to help such a dialog.

Thank you.

American Hostages in Lebanon

Q. Mr. President, the Islamic Jihad says it's postponing the release of an American hostage in Lebanon because you refused to meet its demand to send Ambassador Kelly [Assistant Secretary of State for Near Eastern and South Asian Affairs] to Damascus. What's your reaction to that, and what's the next step?

President Bush. Well, I hadn't heard the connection with Ambassador Kelly, but I think the U.S. position is clear: We do not meet demands. Our Ambassador to Syria is back in Syria. We've been disappointed before -- hopes raised only to have them dashed by excessive speculation. I would add that we are not talking to the hostage holders. I would further add we are grateful to Syria for trying to play a constructive role in what is going on. But beyond that, I can't think of anything I could say that would contribute to the release of the hostages.

Lithuanian Independence

Q. Mr. President, you said that you wanted to help the dialog between the Soviet Union and the Lithuanians. Have you in mind an initiative which France would take, you would take, or that you would take together, or that the alliance would take? How do you see the situation?

President Mitterrand. I think all initiatives should be welcomed; none should be rejected. They

should all tie in with each other. France, at any rate, is prepared to act in that sense, like the United States; and France could do so on her own behalf.

Q. The Lithuanians, through Mr. Landsbergis [Lithuanian leader], have now said that the oil cutoff, in fact, has happened; so, Lithuania is facing deprivation. Apart from trying to help the dialog between Moscow and Vilnius, are you prepared to help the Lithuanian people with aid, possibly through a third agency such as the Red Cross? And this question is directed to both of you.

President Bush. I will go first, with your permission. John [John Cochran, NBC News], we have not been able to confirm, oddly, the exact extent of any Soviet crackdown. And what is happening here today is an early stage of consultation with allies, and I think that's very important.

As you know, Secretary Baker discussed this matter with [Soviet] Foreign Minister Shevardnadze yesterday. We are in touch with the Soviets, and they know our views. And I cannot speculate beyond saying that I will discuss options with our allies as to what the United States will do in conjunction with allies or on our own. I am still hopeful that the dialog that the French President called for and that I have called for will take place.

President Mitterrand. I can but confirm what President Bush has said. Priority must be given to a dialog. Then one will have to reflect about what happens if the dialog is refused, depending on who refused the dialog. And I expressed the way I see the situation directly to the Lithuanian President in a letter that went off 48 hours ago.

Middle East Nuclear-Free Zone

Q. To the two Presidents. You have been discussing disarmament in Europe and security arrangements in the continent. Have you discussed the proposal of President Mubarak [of Egypt] for a nuclear-free zone in the Middle East, as well as all destructive arms in the area?

President Bush. That subject was not discussed between me and the President of France.

President Mitterrand. But we will have other opportunities of doing so.

Lithuanian Independence

Q. Mr. President, in your statement, you indicated that the Soviet Union had now moved beyond mere statements into action against Lithuania. In light of that, sir, since you have said repeatedly that you would defer comment on what you might do so long as it was unclear whether they were merely threats, could you tell us when you might be willing to say what you might do and whether your reluctance to say what the Soviets have done is a result of Mr. Baker's

conversation with Mr. Shevardnadze?

President Bush. No, I can't tell you when the United States might do something. But my reluctance stems from trying to keep open a dialog and discussion that affects many, many countries. And I'm talking about arms control. I'm talking about solidifying the democracies in Eastern Europe. I'm talking about a lot of matters where U.S.-Soviet relations affect a lot of other countries. So, that's one question.

And I also have very much in the forefront the right of the Lithuanians to have self-determination. And what I keep coming back to and what we're trying to do through discussions like this to see if we can find a way, or discussions with the Soviet Foreign Minister, is to see if we can be helpful in getting that dialog started. But I can't help you in terms of time.

Middle East Peace Process

Q. I'm asking the two Presidents if you have some ideas of activating the deadlock peace in the Middle East and especially stopping the settlement in the Old Jerusalem. And I'm asking President Mitterrand your impressions after your meeting with President Arafat [of the Palestine Liberation Organization].

President Mitterrand. The position of France has been known for a long time. I say, alas, for a long time because events have not taken the turn that we would have hoped. Now, we on our part would have hoped for the convening of an international conference. We've also presented some observations to the Israeli leaders concerning the manner in which the election should be held.

My position is that one should reject no opportunity for moving towards peace. And I appreciate the efforts that have been made in various quarters, including by President Mubarak. Now, as to Mr. Yasser Arafat, on two occasions I've had the possibility of having talks with him in considerable depth -- when he first came to visit a number of French leaders and, more briefly, during his recent visit when I received him at the same time as President Carter, where they were good enough to tell me about the results of their conversations. Since the Algiers conference, the PLO has seen with lucidity what the new perspectives are, and I think that such a move on their part should not be discouraged.

Now, as to the Israeli settlements on the West Bank, there should be no misunderstanding here. First, there can be no question of placing any restrictions, any conditions, on the fundamental right of the Jews from the Soviet Union to move about freely wherever they please. To place conditions on their destination and to ask the Soviet Union to sort people out on the basis of such criteria is something that is unacceptable, and this I have stated recently. Now, as to the settlements themselves, my reasoning is very simple: that whatever the origin of the Israelis are, whether they are from the country itself or from outside, it is not wise to multiply such

settlements because they give rise to a climate of uncertainty and lack of security, which is not conducive to the general process of reconciliation.

President Bush. She asked both. Let me just say quickly, our policy has not changed. We feel the Baker plan, which originally was thought up by Mr. Shamir [Prime Minister of Israel], is the right way to go to get discussions going and to take the first major step towards peace. And we salute -- I agree with my friend the President of France -- of the constructive role being played by President Mubarak.

Lithuanian Independence

Q. Mr. President, you've given Mr. Gorbachev pretty generous leeway to attend to his problems at home. Is there at this point, though, a limit to your patience, to American patience, on Lithuania? Have you communicated that to him? And also isn't there a danger here that at some point he might feel a free hand to do almost anything except send in the troops to crush the independence drive?

President Bush. Yes, there are limits. And having said that, I am convinced that Mr. Gorbachev knows that there are limits in terms of this matter. And what was the second part now?

Q. Isn't there a danger here that, in view of the tolerance that you've shown, he may feel a free hand to continue moving in the direction they are now?

President Bush. I don't think there is any danger that there will be a misunderstanding on this point -- none at all. We have been in touch, and I don't think there can be that big a communications gap at all.

Q. Can you cite any evidence that your restraint has led to any moderation on his part?

President Bush. Evidence in relation to the evolution of freedom in Eastern Europe? Yes. I've seen considerable constraint there. I am concerned about Lithuania. I am encouraged every time I hear them say no use of force, but I am greatly concerned by this escalation in terms of using energy to push the Lithuanians into line. But I am not concerned that there is any miscommunication or a gap of misunderstanding between the Soviets and the United States on this particular point.

European Security Arrangements

Q. President Bush, Germany and France today called for close cooperation in Europe on security matters. Do you see here any threats to the U.S. interests in Europe?

President Bush. None at all.

Q. Did you get assurances from President Mitterrand about that?

President Bush. I believe that President Mitterrand and I are very close together in our view of security arrangements for Europe, now and in the future. And I must say I felt very enlightened by the long-term view that he presented to me. So, I don't see any danger of what you asked about coming in between the United States and France, or the United States and Germany, or the United States and the rest of Europe.

Q. Mr. President, is today the first day that you learned of this confederation proposal of Mr. Kohl [Chancellor of the Federal Republic of Germany] and Mr. Mitterrand? And isn't it your view that NATO ought to play more of a role in coordinating contact between the U.S. and Europe, rather than the EC, as suggested by the other two?

President Bush. No. I think that President Mitterrand and I are very close together on the concept of NATO in the future. We're talking about the equilibrium and security of Europe, and then you include political questions that involve the equilibrium and security of Europe. So, this arrangement referred to -- announcement -- in my view does not adversely impact on what I've just said. The German -- Helmut Kohl -- you heard him stand there next to me in Camp David and reiterate his position on a unified Germany inside NATO. That, indeed, is the French position. And clearly, France has a key NATO role -- slightly different in definition than other members, but clearly an ongoing commitment to exactly what the French President talked about. So, I don't see a problem here.

No, I heard about it before Mr. Mitterrand's visit.

Mr. Fitzwater. We'd like to take two final questions. Is there a French correspondent?

Hostages in Lebanon

Q. Mr. President, I'd like you to come back to Terry's [Terence Hunt, Associated Press] first question, and that is about the hostages, sir. Perhaps President Mitterrand could comment as well. The French seem to have found a formula for getting their hostages released. Did you in any way discuss that? And why, sir, is it so difficult to send Secretary Kelly to Damascus if he's there in response to the possibility of getting a hostage released and not as a negotiator?

President Bush. The answer is, we have a perfectly capable, accredited diplomat on the scene in Syria to work toward the release if it comes to that. The second answer is, the United States does not knuckle under to demands. The third answer is that, yes, I believe some of our people discussed with our French interlocutors the freeing of the French hostages, but I prefer to let President Mitterrand address himself to that. I was just delighted when they were released.

President Mitterrand. The freeing of the hostages in the earlier period, back in the beginning of 1988, took place in somewhat different circumstances than what took place last week and under different conditions compared to those prevailing for the United States hostages. Unfortunately, one has to say that each individual case of hostages is, in fact, a separate and a different case. The French government, back in 1988, the government that was in power at that time, has always said that no special conditions had been accepted -- there was no particular deal involving the release of the hostages made with the hostage-takers. And I don't think there's any reason to question that assertion.

As to the release that took place last week -- there the climate was again fairly different because there is no war at present in Chad. And France is no longer in direct conflict with Libya. There was no deal involving any particular counterpart. As to the -- with the hostage-takers -- whose responsibilities and the connections between the responsibilities of various hostage-takers is something that's sometimes very difficult to ascertain -- so, in other words, there was no -- well, it was clear that the hostage-takers had no longer any particular interest in keeping these hostages. And so, what was required then was very patient diplomacy, and it really was patient because it took almost 4 years.

But France is not in any way setting herself up as a sort of model that other people should follow, because we know that the United States' problem of hostages is an extremely difficult situation, and we know that our American friends are doing all that it is their duty to do with not making any specific concessions in order to achieve the release of those hostages.

Mr. Fitzwater. Last question to the gentleman in the fourth row.

President Mitterrand. I think that we should be fair and say that we would probably not have succeeded without the contribution of Morocco, Algeria, and Egypt.

Relations With Iran and Libya

Q. This is a question to the two Presidents. Do you feel that one should be talking with countries like Iran and Libya who still do not respect our common values and who still condone terrorism?

President Mitterrand. You mentioned Iran and Libya. This could apply to others, of course. They have always said that they were not at the origin of the hostagetaking. Now, the general attitude that they have adopted on a number of issues, I think, is such that, shall we say, that one's judgment could be left open on the subject.

But we -- like most countries -- we have diplomatic relations with both Libya and Iran and, indeed, with many other regimes in the world that we do not like. It's always a very difficult question. At one time, we were thinking of breaking off diplomatic relations with Chile, at the time of the bloody dictatorship. But it was at the request of the democratic forces in Chile that

we kept our Embassy open because it was a useful point of transit for the protection and the assistance of the people who were working in the resistance. So, it's always a very difficult question. And as far as Iran is concerned, we have diplomatic relations with Iran and Libya, and once one has such relations, like many others, I think it's probably a good idea to try to use those relations in order to try to help to get the release of the hostages.

As to the responsibility, perhaps, of those countries in the earlier taking of the hostages, there I cannot say. I would add, however, that most Western countries do business with these countries, and often on a large scale, with big companies based in the area, and in those countries. So, it's very difficult to draw the line and say this should be allowed and this should not be allowed. At any rate, what is clear is that any country that would be directly involved in hostagetaking or that would be a clear accomplice in hostagetaking should be set outside the pale of the civilized world community.

President Bush. As you know, we have a different situation in terms of relations with Iran and Libya. So, let me just take this opportunity to repeat what I said when I first became President: Good will begets good will. And I link that to the release of American hostages. We can't have normal relations when hostages are held. And I would only add a -- in our country there's this list of terrorism, and I would say a verifiable renunciation of terror is terribly important, for example, in the case of Libya, if we are to have better relations there.

Mr. Fitzwater. Thank you all very much.

Nuclear Weapons in Europe

Q. Has your administration effectively decided not to modernize the Lance missiles in Europe?

President Bush. No decision has been made on that. None.

Note: President Bush's 45th news conference began at 3:50 p.m. at the home of Carl Linder, owner of the Ocean Reef Club. Marlin Fitzwater was Press Secretary to the President. President Mitterrand spoke in French, and his remarks were translated by an interpreter.

Remarks at a Fundraising Luncheon for Senatorial Candidate Bill Cabaniss in Birmingham, Alabama

April 20, 1990

The President. Thank you for that welcome back. It is not my intention to parade naked before you. [Laughter] But I will say that I was delighted to be introduced here by an old friend, a guy that helped me so much to be standing here as President -- Ray Scott. And I'm delighted he's with us today. And thank you for the unique introduction. And to another friend, Congressman Callahan -- Sonny Callahan, from Mobile. He's running for office exactly the way one should. He has no opponent at all. [Laughter] And that shows you what a great job he's doing for the State of Alabama, I might say. I see we have some people from Mobile back there.

I'm glad to see our chairman, Chairman Outlaw; and our national committeewoman Jeannie Sullivan, an old-time, long-time friend and supporter. And, of course, Jerry Denton, who did a great job for this State in Washington, respected and admired as he is. Mayor Arrington, it is most gracious of you, sir, to be here to welcome me as President to your fine city. And thank you for coming. I'm delighted to see my friend Bart Starr again -- legend, of course. And Randy Owen, of Alabama -- anybody that can take on a song like our National Anthem and stand up here with no note and do it that beautifully has got to be some special kind of talent. Thank you very, very much. And my special congratulations to Neil and Ann Berte and the Birmingham-Southern basketball team, which just won the NAIA [National Association for Intercollegiate Athletics] Championship. And, of course, Senator Cabaniss -- and I'll get to him in a minute. And let me also mention Secretary of State Perry Hand. Joan, I called Perry from Air Force One and I expect I spoke for everyone here when I wished him a very speedy recovery and sent him our warmest best wishes. And I think Reverend Claypool put it best of all. So, we're thinking of him.

A writer once said, ``Each spring in Alabama is as delicate as the wisteria in the rain and as gentle as falling in love." Well, it's great to be here in this kinder, gentler time of year -- way, way away from Washington, DC. And it's also a privilege to be in Birmingham on behalf of a man who truly is a very dear friend. One of the great leaders in your State senate, soon to be a great member of the United States Senate -- and I'm talking about my long-time friend, Bill Cabaniss. And I do a lot of these kinds of things, and I think it's an important responsibility of a President, but it's a delight to be back in this State to help elect a superb U.S. Senator, someone this State and my administration really need in Washington -- a Senator who will make Alabama proud, a leader who will make the nation proud. And I am absolutely certain Bill Cabaniss is that man.

We go back a long way. We first met in the seventies; we've been friends for years. We're so close that not long ago Barbara and I invited ourselves, after we found that for dinner Bill and Katherine were having Ollie's pork barbecue. [Laughter] But you know how it goes. Twenty

Secret Service men went over and swept in ahead of us. The good news is that by the time we got there they had big smiles on their faces, and the bad news is, all the barbecue was gone. [Laughter]

But this year, Bill Cabaniss has plenty to offer the Alabama voters: a man of character, family man -- great wife, two great kids. He values loyalty, and so do I -- he worked for me back in 1980. In '88, he cast our first vote at the Republican National Convention. Like me, he's a charismatic speaker. [Laughter] And he also keeps things in perspective. It's like he says -- he's got this degree of frankness -- like he says: ``It's fine that you're here, Mr. President. But if you really want to wow the crowd, bring Barbara." I will only say in that regard that the Silver Fox shares the same views that I do about the Cabaniss family, and I'm sorry she's not with us today.

Not surprisingly, these qualities that I've mentioned have endeared Bill to the voters since his election to the State legislature, just as they've impressed his peers. In 1987, Bill was named the Outstanding State Legislator by colleagues in a body then six-to-one Democratic. He's respected because he's a man of experience and judgment. He knows that only new ideas can create the new leadership needed for the decade of the 1990's. These ideas are found at every level of our Republican Party -- they're the reason you don't just mean Alabama football when you refer to a Southern ``Tide." Since the 1988 election, 215 former Democrat elected officials and leaders have turned Republican -- 179 from the South -- 14 from Alabama. Churchill said, ``Some men change their principles for their party." These men and women changed their party for their principles. They joined us because they want to see an Alabama of growth in the nineties, an Alabama of progress, prosperity, and new ideas. The Alabama that Bill Cabaniss stands for.

One new idea is our belief that greater competitiveness and incentives mean greater growth, and one way to ensure continued growth is through a lower capital gains tax. As a businessman, Bill knows that lower taxes free more capital for investment, and that more investment means more jobs. And he knows his geography. Japan has a much lower capital gains tax, as low as 1 percent on stocks and bonds; while economies like Taiwan, Korea, Singapore, and Hong Kong don't tax capital gains at all. And these countries don't consider reducing capital gains a tax break for the rich because they think of it as an incentive to invest and create employment, create jobs -- and they are absolutely right. And Bill Cabaniss supports my proposals on the capital gains tax cut. Once again, I would take this opportunity to call on the United States Congress to let the Senate and the House work their will and to pass that bill. It's time that we stop giving the edge to countries that we can match in ability and performance any day of the week.

Bill also understands that only an educated work force can be a competitive work force. Alabama needs him and I need him in that Senate to back our Educational Excellence Act of 1990. Bill and I know that there's nothing new about excellence. What is new is the idea of demanding higher standards and greater accountability, and more involvement by parents and communities to achieve it.

You know, Ray Scott says that the fish I catch aren't any bigger than his -- but my stories about them are. [Laughter] Let me tell a story that's true. In 1961, Bill was in Airborne School in Fort Benning, Georgia. The sergeant called out, ``Cah-BAN-ahs.'' Bill corrected him; he said, ``Sir, my name is Cabaniss.'' Not surprisingly, at midnight he was still running laps and doing pushups. [Laughter] The next day, the sergeant again called, ``Cah-BAN-ahs.'' Bill replied, ``Yes, sir.'' The point is this -- talk about a quick study. That's what we need in the Senate. We need that as this country faces enormous challenges in the decade of the nineties, like the fight against crime and drugs, our campaign for a cleaner environment. And it's the Republicans who have the new ideas to meet these challenges.

For instance, in January, we unveiled Phase II of our National Drug Control Strategy to knock out drugs and crime. We've got to toughen our laws and expand the death penalty for drug kingpins. Capitol Hill doesn't need politicians who soft-pedal the need to be hard on crime. It needs Bill Cabaniss, who believes that the penalty should be just as tough as the crime.

And when it comes to the environment, here, too, we Republicans have plenty of new ideas to make it clean and safe. After all, it was a Republican, Teddy Roosevelt, who was our first environmental President. Teddy knew then what we know today: that we can have a sound environment and a strong economy. That means rejecting the ideas of the extremists on both sides -- and we will. It means using market forces in the service of the environment -- and we will. Let's keep it in mind: We don't have to throw people out of work to protect our environment.

But we must protect -- and protect it we will -- through new ideas, from expanding our parks to planting over a billion trees a year to banning asbestos to no net loss of wetlands. What's more, earlier this year we proposed landmark legislation, rewriting the Clean Air Act to cut smog and acid rain and toxic pollution. I'm glad to say the Senate has now passed a clean air bill -- a bill that was gridlocked through the 1980's. It's been 13 years in coming. But no American should have to wait another day for cleaner air. So, I call on the House of Representatives to move promptly to produce a bill consistent with the principles that I have stated for an environmentally strong and economically sound new Clean Air Act. In that spirit, this week is the 20th anniversary of Earth Day. And I can't help thinking what a breath of fresh air Bill Cabaniss would be in Washington, DC. But we're together on this. Like me, he hopes the House will act soon and responsibly. As a staunch defender of the environment, there's one thing Bill wants to make absolutely clear -- and that's Alabama.

Let me close with another issue which clearly shows the gulf between new and old ideas. I'm talking about child care. Bill's child-care position rests on that historic 'Bama trait, common sense. Like me, he supports what works. And that's why he backs our child-care program which gives parents the freedom to choose. It's a nearly $10-billion program to help low-income working Americans by increasing choice in child-care through tax incentives, not Federal intervention. You see, we want to ensure that parents, not bureaucrats, decide how to care for America's kids. And I will not see the option of religious-based child care restricted or

eliminated. Bill is right when he wants to protect religious child-care centers and parents' freedom to use them.

But many liberals back the child-care legislation passed last month by the House and supported by the Democratic leadership. Let's take a look at what that bill would mean to this State and every State. The House bill would cost almost $30 billion and force many States to change their own rules. It would create a Federal committee -- really, a straitjacket -- to produce national child-care standards, intended to replace local standards that reflect local needs. And it would put Federal funds into more endless paperwork -- creating 120 pages of new child-care law. Now, who would be hurt the most? Those who need help the most -- the parents and, indeed, the kids. The truth is that we don't need this bureaucracy. It would be redundant, wasteful -- and invitation for Big Brother to get involved in yet another part of our lives.

We don't want to expand the budget of the bureaucracy. We want to expand the horizons of our kids and the child-care options for the parents. So, let's reject those who measure progress simply by adding money to a proposal, who measure it by dollars spent, and instead give families the help they need to solve the child-care problem themselves. The Democratic leadership says the Federal Government knows what's best for our children. Bill Cabaniss and I say, thank you -- parents do.

You can see, I hope, how much I think of Bill, how I respect him and trust him, and how much we need him in the United States Senate. To some, new ideas mean another bureaucrat to pick your pocket, but Bill knows better, because he knows the families, the taxpayers, the working people of Alabama. His ideas will help those people and reflect the values of this State he loves so much. Bill Cabaniss unashamedly believes in patriotism, love of country, love of God. He thinks like we do. And as a U.S. Senator, he will act on your behalf. I am absolutely confident that he will stand up for a strong America, a free America, a safe America -- a great America. He'll be the kind of Senator this State needs and deserves.

I came to Alabama to ask you to help this man, a public servant I admire, a wonderful friend I rely on. Help him do for America what he's already demonstrated he can do for Alabama. Thank you for this occasion. God bless the United States. And let's make Bill Cabaniss the next Senator from the great State of Alabama. Thank you all very much.

Note: The President spoke at 12:22 p.m. in the Main Exhibit Hall at the Birmingham-Jefferson Civic Center. In his opening remarks, he referred to Ray Scott, president of the Bass Anglers Society; Arthur Outlaw, chairman of the Alabama Republican Party; Senator Jeremiah Denton; Bart Starr, former professional football player; Randy Owen, musician and vocalist for the country music group Alabama; Joan Hand, wife of Alabama Secretary of State Perry Hand; Rev. John Claypool, rector of St. Luke's Episcopal Church; Katherine Cabaniss, wife of Bill Cabaniss; and Ollie McClung, restauranteur.

Remarks on Presenting a Points of Light Award to the Birmingham-Southern College Conservancy and on Signing the National Recycling Month Proclamation in Birmingham, Alabama

April 20, 1990

The President. To Will Phillips and all the others involved in this magnificent project, my thanks. I am delighted to be here with the members of the Birmingham-Southern Conservancy. Let me now salute the students, the faculty, and staff of Birmingham-Southern who have worked together to create this important environmental initiative.

By enlisting elementary schools in neighborhood beautification efforts and working with the Cahaba River Society to involve inner-city youngsters in cleanup efforts, you are not only working to enhance our environment, you're also imparting your love for nature and concern for its well-being to the environment's future custodians, our youngest citizens. And you're helping them learn that we all have a role to play in solving some of our most pressing problems.

If we're to preserve our precious national heritage, each organization, business, individual in America must take direct and consequential action to protect our environment. So, it is my pleasure to present to you a letter designating the Birmingham-Southern Conservancy as a Point of Light.

Let me just hand this over to you, Will Phillips.

Mr. Phillips. Thank you very much.

The President. Among the many efforts this organization has undertaken, recycling is one of the finest. And I thought, therefore, it would be most fitting to have your organization and, indeed, this school be present for the signing of the proclamation designating April as National Recycling Month. And so, I'm delighted to do it. I can think of no more appropriate place to do it, inspired as I am by the work of all of you involved in this great conservation effort.

Thank you for letting me come, and now I will sign this one.

Note: The President spoke at 12:59 p.m. at the Birmingham-Southern College Recycling Center. Will Phillips was president of the conservancy. The proclamation is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on Soviet Economic Sanctions Against Lithuania

April 20, 1990

We are increasingly concerned by news reports today of an economic crackdown in Lithuania. Although our information is sketchy, we are disturbed that this signals another unfortunate step in the pressure being brought to bear on Lithuania by the Soviet Union.

The President has stepped up consultations with our allies concerning appropriate responses that the United States should take. We expect these consultations, now underway through a wide array of diplomatic channels, to be concluded early next week. At that time, President Bush will meet with congressional leaders to advise them of our consultations and to discuss possible courses of action. We continue to urge the Soviet Union to pursue a course of peaceful dialog in the hope that this matter can be resolved in a responsible manner.

Statement on the Observance of the 75th Anniversary of the Armenian Massacres

April 20, 1990

Throughout this century, the United States has had a special, enduring relationship with the Armenian people. Armenians around the world share with their friends in the United States a love of freedom, and as proud people, they have a strong commitment to the preservation of their heritage and culture.

Their history, though marked by a number of tragedies, nonetheless reflects their faith and the strength and resilience of their tradition. Those tragedies include the earthquake of 1988 and, most prominently, the terrible massacres suffered in 1915 - 1923 at the hands of the rulers of the Ottoman Empire. The United States responded to the victims of this crime against humanity by leading international diplomatic and private relief efforts.

The Armenian-American community now numbers nearly 1 million people. Those who emigrated to the United States and their descendants continue to make significant contributions to the betterment of our country in many fields of endeavor.

On this 75th anniversary of the massacres, I wish to join with Armenians and all peoples in observing April 24, 1990, as a day of remembrance for the more than a million Armenian people who were victims. I call upon all peoples to work to prevent future acts of inhumanity against mankind, and my comments of June 1988 represent the depth of my feeling for the Armenian people and the sufferings they have endured.

Remarks at a Republican Party Fundraising Dinner in Orlando, Florida

April 20, 1990

I know you're getting starved. I have to leave before the broccoli to go down to the Everglades. But I'm delighted to be here, and thank you, Governor. Let me pay my respects to Secretaries Brady, Mosbacher, Derwinski, and Skinner, four members of the President's Cabinet; and to Ambassador Fred Zeder, who's with us; and of course, the Governor that I mentioned. And it's always good to see Senator Connie Mack -- doing an outstanding job in Washington for you and for us. And of course, we're privileged to have also the distinguished leader in the Senate, Senator Al Simpson from Wyoming, back here -- the big, tall, skinny guy.

What a great turnout by the whole Florida delegation -- the Members of Congress. They're doing an outstanding job. We could use even more. But we have a class Republican congressional delegation, and I'm proud of them every single day. And I'm delighted to salute your State chairman, Van Poole, an old friend; and, of course, pay tribute to another horseshoe-playing friend of mine, Lee Greenwood, who did us honors here in the music a minute ago; and the indefatigable Armand Hammer, properly here saluting his friend Alec; and Leo Nadeau, my tail gunner from way back when. And of course, I hope you'll understand if I salute the dinner chairman, Jeb Bush. You'll forgive a granddad one editorial comment: Didn't George P. give a good speech? It's nice to know that there's at least one charismatic silver-tongued devil in the family. [Laughter]

Speaking of happy events, I forgot to mention with the congressional delegation, I want to congratulate Bill Grant and his wife on the birth of their brand-new daughter, Madison. Great happiness.

And of course, my friend Alec, it's good to see you. Here's a man who breeds race horses for the same reason he works so hard for the party: only one place will do for Alec -- first place.

And finally, let me just say a word -- Jeanie Austin, the cochairman of our party nationally -- Floridian -- she's not here today. She's out with all the State chairmen -- doing an outstanding job, she is, and I also might mention, along with our great Republican National Committee chairman, Lee Atwater. Lee's fighting spirit is certainly an inspiration to all of us. Everyone who knows him knows that this is one campaign he is determined to win.

Bob pointed it out, but I found it very hard to stay away from Florida. And it's not just the beaches: it's the company, the determined optimism of Florida Republicans. You certainly have every reason to be in high spirits. After all, it's here in the land of the sun and gateway to the stars that voters are rejecting the politics of the past. It's here that you are pioneering the future

of America -- a Republican future.

I believe, as Bob Martinez does, as Connie Mack does, as our Congressmen do, that we can build this future, a future with a cleaner environment, great strides in education, more opportunity, and streets safe from crime. And in Florida, you need a Governor with the same vision, who will carefully balance the needs of nature and man, who will make the most of economic opportunity while protecting your special way of life. That's the kind of Governor you want, that's the kind of Governor you've got, and that's the Governor you're going to reelect this fall -- Governor Bob Martinez.

It is because of Republican leadership that Florida ranks number one in the creation of new businesses and jobs, especially in high-tech manufacturing. But we call this the Sunshine State because of your quality of life. From the panhandle all the way down to the Keys, Florida is a tropical jewel glistening with rivers and marshes and freshwater swamps and beautiful beaches and mangrove forests. And I intend to work with you to help you keep it just that way.

Two weeks ago, the famous south Florida conservationist Marjory Stoneman Douglas celebrated her 100th birthday. And in her century, she's seen the vast swamp prairie of the Everglades wither to half its size. She's watched and worried as crocodiles and turtles and the Florida panther almost disappeared. She's seen rookeries of wading birds, once counted in the millions, dwindle to mere thousands. She was the first, really, to sound the alarm. She made us realize that the Everglades is the heart of Florida. We must not let it die.

Floridians want action on the Everglades, and you're getting it from Republicans because the State of Florida was willing to set aside part of the land and because of the leadership of these, your Republican congressional delegation in Washington. Because of that, I was able to sign into law a bill increasing the size of the park by more than 100,000 acres. Of course, more needs to be done, but we are determined that the Everglades will be everlasting.

To protect our natural habitats will also require local leadership. As you know, I'm honoring Americans from all walks of life who are part of that constellation of volunteers that I call a Thousand Points of Light. So, it was my pleasure this afternoon and again tonight to recognize our 122d daily Point of Light, Dr. Daniel Keith Odell, who lives right here in Orlando. You know, Dr. Odell, right here in this neighborhood, a marine biologist with Sea World, has been applying his knowledge to better the environment by learning how pollutants can harm certain marine mammals. And he's known locally for his efforts in the campaign to save the manatees. In both efforts, Dr. Odell is working to make Florida a better place to live. He is a Point of Light, like so many others here tonight.

Still, it isn't enough to preserve nature if our cities are filthy, the air we breathe foul, and our urban beaches desecrated. So, Floridians also want action on a cleaner environment, and they're getting it from Florida Republicans.

You're also getting action at the national level. In fact, as we head into Earth Day, I am pleased to announce that Tampa Bay will be included in EPA's National Estuary Program. Under this program we will bring together Federal, State, and local agencies; citizens groups; and others to develop a plan to preserve and protect the aquatic riches of Tampa Bay. Now, this program will also allow us to coordinate and focus activities of many Federal agencies and fund environmental demonstration projects in Tampa. By working together, we can preserve and protect Tampa Bay.

We will also preserve and protect other estuaries that today are also adding to the National Estuary Program: the Indian River Lagoon, also in Florida; Casco Bay, in Maine; Massachusetts Bays; the Barataria-Terrebonne Estuary Complex, in Louisiana.

At the national level, too, we've been active on clean air. And as you know, I also proposed the first major revision of the Clean Air Act since 1977, one that uses market solutions to cut acid rain and smog and other poisons in our air. And this will mean cleaner cars, cleaner fuels, cleaner factories. And if Congress passes our compromise proposal, it will mean cleaner air for America.

Floridians also want to be safe from crime, and that's another reason why they turn to Republican leadership. In Tallahassee, Republicans have toughened prison sentences and added the prison space to enforce it. And in Washington, we worked closely with your great Senator Connie Mack, your House Republican delegation to pass part of our administration's anticrime package. We share a simple philosophy: Prison sentences should be at least as tough as the criminals we convict.

Congress has provided money for new prison space and more Federal law enforcement officers, but the Democratic leadership in Congress has left too much work undone on our violent crime package. And so, I call on Congress to recognize a truth: If the kingpins who deal drugs are dealing death, then let's judge them for what they are -- murderers.

And Floridians want one thing more: to give your children the education they deserve. Your business and education leaders are already working together to make Florida a world leader in math and science and computer education by 1999. What you want to do for Florida, I want to try to do for all of America. American students must be number one in math and science. Every American, every American adult, must be a literate citizen and worker. And every school in America must have a disciplined environment and, most of all, be drug-free. You see, education is critical to everything we are and can become, and that's why I've declared a new era of education reform in America, focusing not just on how much money we put into the schools but on how well educated are the kids who are coming out of the schools. Republicans focus on quality, not just on quantity. And that's why I brought all the Governors, as Bob said, together in an education summit in Charlottesville. And that's why I've promoted promising ideas like greater parental choice of schools and alternative certification of teachers.

So, when it comes to social progress, from jobs to a cleaner environment to fighting crime or educating yet another generation, the party of Lincoln is leading America while America leads the world.

Sadly, sadly, the other party has no firm principles and no new ideas to offer the world at this critical time. And that's why Democratic voters and leaders are crossing over in record numbers. Forty-six elected Democrats in Florida alone have crossed over just since I was elected, and now I know that some political observers are busy trying to figure out the political calculus behind Bill Grant's move to our party. Well I suggest they miss the point. Bill simply shares the wisdom of Winston Churchill, who said that while some may change their principles for the sake of their party, a statesman will change parties before changing principles. And it is because of his commitment to principle that Bill Grant is a Republican leader today, and that's why he will be reelected along with these others in the fall.

Nowhere have our principles been more effective than in the international arena. Bob was talking about that. Look at the results: In the Revolution of '89 we saw freedom dawn in Eastern Europe. And now we're close -- so very close -- to extending the compass of freedom across the Americas. Look at the map. There was once a dictatorship, a brutal one, in Panama. But the people spoke in a democratic election, and then came Operation Just Cause, and now the people rule in Panama. And they're going to continue to rule. I might say, Connie, I wish we had more Senators like you, because we then would have passed long ago that money that we need to support the democracy in Panama and the democracy in Nicaragua. The Senate ought to move.

We all remember there was once a militant regime in Managua, but then came that election. Now the people are about to begin to rule in Nicaragua, just next week when Violeta Chamorro takes office. And of course, there is one last hardline holdout in the West -- only one: Cuba. But I believe that, like its neighbors in every direction, Cuba, too, will join the ranks of free nations, making this the first totally democratic hemisphere in history. It may not happen tomorrow. It may not happen next week or next month. But it will happen. The people of Cuba will be free. I will guarantee you that.

These are historic times. These are historic achievements. And it is Republican leadership that has brought us to this moment. But to continue to work for jobs and opportunity and a better environment, a safer America and a free world, I need a Congress that will work with me, not against me. I will need partners in leadership like Bill and Ileana Ros-Lehtinen, Craig James and Andy Ireland and Cliff Stearns, just as Governor Martinez needs a Republican legislature in Tallahassee. As you know, we are just four seats away from a majority in the Florida Senate.

The political future of Florida and of all of America rests on winning these seats and reelecting Bob Martinez. The reason is simple, and it affects the voting rights of every Republican, every Independent, every Democratic voter. I am talking, of course, about the reapportionment of congressional districts after the 1990 census. We must not allow the Democrats to enact another

gerrymander, a form of political manipulation that can also hurt every minority voter in Florida.

If the Democrats get their way, they'll again draw crazy, twisted lines that cut across communities, towns, and even streets without the slightest regard for the will of the people. So, remember this: In Florida, the difference between the party of big promises and the party of big achievements can be counted by four seats. We can bridge that difference. By working together, we can make sure that Florida will once again go Republican.

Thank you all for all that you have done. Thank you for all you're pledged to do -- all the way down to the wire, to that victory night in November, a Republican victory. Alec, congratulations. Now, get to work Monday. Thank you all very much, and God bless you, and God bless the United States of America.

Note: The President spoke at 8:17 p.m. in the Hall E auditorium at the Orange County Convention Center. In his remarks, he referred to Secretary of the Treasury Nicholas F. Brady; Secretary of Commerce Robert A. Mosbacher; Secretary of Veterans Affairs Edward P. Derwinski; Secretary of Transportation Samuel K. Skinner; Fred M. Zeder, President of the Overseas Private Investment Corporation; Lee Greenwood, musician and lead singer of the country music group Alabama; Armand Hammer, philanthropist and businessman; Alec P. Courtelis, finance chairman of the Florida Republican Party; Leo Nadeau, crewmember in the aircraft President Bush flew in World War II; Representatives Bill Grant, Ileana Ros-Lehtinen, Craig James, Andy Ireland, and Cliff Stearns.

Remarks at the Presentation of a Point of Light Award to Reef Relief and an Exchange With Reporters in Islamorada, Florida

April 22, 1990

The President. Well, Craig and Deevon Quirolo, and guests, I'm here this morning because I want to recognize the good work, the outstanding work, of Reef Relief of Key West, Florida, as the 123d daily Point of Light.

After witnessing an alarming increase in the loss of coral reefs from anchors and excessive ocean traffic, Craig founded Reef Relief, and today Quirolo and hundreds of other individual volunteers -- they volunteer their time and effort to protect these environmentally sensitive areas off the Florida Keys. These volunteers install buoys to which boats can tie up as an alternative to dropping anchor. And volunteers also participate in community education, teaching the public how to preserve and care for these precious reefs. And through a program called Marine Debris, still more volunteers participate in cleanup efforts and water quality research. I applaud them and all the volunteers associated with Reef Relief for their dedication to protecting their environment. They continue to demonstrate that individuals can and do make a difference.

And now I want to present the letter -- thank you, Governor. If I could just hand that off to you, sir, with great pride in your work and say how much the whole country appreciates this effort.

Today on Earth Day and in the presence of a dedicated organization like Reef Relief, I'm also pleased to announce that I'm sending to the International Maritime Commission in London my proposal to create an Area To Be Avoided to protect the entire Florida reef track from shipping traffic. The area will extend roughly 10 miles off the Florida coast and encompass the Florida reefs which lie 5 miles off the coast. The proposal, when implemented, will instruct all vessels carrying cargoes of oil or hazardous material and all other vessels greater than 50 meters in length to avoid transiting close to the reefs.

The Exxon Valdez disaster has made us all painfully aware of the ecological devastation which can result from a major oil spill. The Florida coral reefs are one of the most diverse ecosystems in the world and a unique national treasure. And protecting the reefs from damage both from vessel groundings and pollution is imperative.

And I want to thank the Commandant of the Coast Guard, Admiral Paul Yost; Governor Martinez, who's worked on this; concerned Florida Congressmen such as Bill Lehman and Dante Fascell; and concerned citizens who are working together to protect this beautiful and environmentally sensitive reef area.

Thank you, sir, and well-done. The floor is yours.

Mr. Quirolo. I'd like to say on behalf of Reef Relief that we're very excited about receiving this award for this Point of Light. And we're very excited that the coral reefs of the Florida Keys have taken notice up in Washington, and we're assured that your judgment will give us future hope for the future of our living coral reefs. And I'm really excited about this because it gives us an open dialog between the actual coral reef down here in Florida and the President of the United States, and I don't think you can have a better partnership than that. And I feel assured that our future down here and the future of the reef will be in good hands.

The President. And just so his constituency will know that he faithfully fulfilled not only his conviction but what he and I both feel is an obligation for citizens to talk frankly to the President, he raised with me the very sensitive question of offshore drilling. I want to just know -- --

Mr. Quirolo. Good -- thank you, sir. [Laughter]

The President. And I told him there would be an answer very, very soon. And I didn't think he'd be too disappointed.

American Hostages in Lebanon

Q. What's the word from Syria? Will a hostage be released, do you know?

The President. Look, I don't want to conduct a press conference here; but on that one, since the hopes of the American people have once again been raised, I can't tell you that I've learned anything new this morning at all. I've not talked to General Scowcroft. We'll be over there to do that right now before we go off once again to the flats out there. But I've not heard anymore about it, and so, I just don't want to be a part of raising the hopes of the families and then not have something happen. And I've said that for the last 3 months while this understandable speculation has been going on. So, I wish I could tell you, but there isn't any news that's been brought to my attention this morning. But let's hope, because this was one of the days that's been singled out where there might be some action.

Thank you all.

Q. How will you respond to that, Mr. President? You talk about good will begetting good will.

The President. Too hypothetical, Charles [Charles Bierbauer, Cable News Network]. We've got to see what happens, and I'm talking about release of all the hostages. We want every American held against his will, her will, released wherever they may be. And that's the ground rules, and that's the bottom line. And so, let's hope there's some action, but there's no point of my

speculating. Put yourself in the place of these families: one day there's a picture of one of these hostages; the very next day it's another. I don't consider that a very good way to deal with the emotions and the prayers of families, frankly. So, I can't contribute any more to it.

Off we go.

Note: The President spoke at 7:05 a.m. on Cheeca Lodge Beach. Brent Scowcroft was Assistant to the President for National Security Affairs.

Remarks in a Telephone Conversation With the Earth Day 20 International Peace Climb Team

April 22, 1990

The President. Hey, Jim, can you hear me okay?

Mr. Whittaker. Hello, Mr. President, I sure can.

The President. Well, listen, I think back to our meeting in January, and here you are back at extraordinary heights. But listen, I wanted to simply send greetings on Earth Day to you and, frankly, to all the climbers with you from the United States, China, and the Soviet Union. And you know, reaching the top of Mount Everest in the name of peace and understanding reminds all of us on this special day that there is no task that's too great for the human spirit; and that means, as you reminded me when I last saw you, working together to help the environment.

So, thank you for what you're doing. I also want to congratulate your team on its very practical goal of cleaning up the debris that's been left by previous expeditions. That will set a great example for the whole world, especially from your unique vantage point there. So, we wish you well. In a sense, I wish you were here as one of the great leaders to help celebrate Earth Day. But I think what you're doing is significant and important, and I think it will send a great signal to all of us wherever we may be on the blessings of a sound environment. So, keep it up, and please give my best to everybody that's with you.

Mr. Whittaker. Well, thank you very much, Mr. President. You put it very well. We're celebrating Earth Day here on the mountain with a great cleanup effort, and especially on this Earth Day.

We've got camp 6 in. We're about ready to push to the summit. So, I figure about the first week of May we'll be standing -- the climbers from each country -- on the summit. And so, we'll be celebrating that event as well.

The President. Let me ask you a practical question. When I was flying airplanes a thousand years ago, they made us put an oxygen mask on at 10,000 feet. And here you are at what -- right this minute -- 17,500? Question: How are you breathing?

Mr. Whittaker. That's correct. We're at 17,500. We've been climatized quite well to this elevation, but we've got some climbers now at the camp 6 at 27,300 feet without bottled oxygen.

The President. Oh, for heaven's sake!

Mr. Whittaker. It's amazing what the body can do.

The President. Well, it certainly is. Well, listen, keep up the great work, and thank you for taking time for this little interlude. But I hope it sends a message worldwide, not only the significance of what you're doing but of the importance of Earth Day.

Mr. Whittaker. Thank you very much, Mr. President. And thank you for being part of the team, and we'll sure tell everybody here how much you support us.

The President. Okay. And you come back to the White House and let me know how it was in reality there.

Mr. Whittaker. You bet. We'll come back and have a nice chat in the Rose Garden at a good, low elevation.

The President. Okay. Good luck. Over and out.

Mr. Whittaker. Thank you very much, Mr. President. This is base camp, Mount Everest. Over and out.

The President. Loud and clear. That's wonderful. Well done, men.

Note: The President spoke at 4:15 p.m. from Tarpon Flats in Islamorada, FL.

Remarks to Participants in the Columbia River Gorge Earth Day 20 Rally

April 22, 1990

The President. Hello, Ed. Greetings to you and, certainly, to Governor Booth Gardner. Can you hear me all right?

Listen, we just wanted to wish you well. My respects to the Governor, who was so helpful on this education conference and now taking a leadership role for the environment. And I want to welcome all. I understand you have an enormous group there assembled to celebrate Earth Day. I don't think you could have chosen a better location for this celebration. The Columbia River Gorge is so beautiful -- its natural beauty -- that it makes a perfect setting to celebrate your commitment to protect, preserve, and enhance our national heritage. So, to all assembled, my greetings.

The focus on Earth Day better enables all of us to build on our own successes -- and there have been many -- and acknowledge that so much yet remains to be done. We've got to integrate the goal of a strong economy with that of an improved environment, and we don't have to trade off a lot of jobs in order to protect and preserve. Having said that, by working together through public and private partnerships and through government at the local, State -- and, yes, plenty of involvement from the Federal level -- and then through individuals like you gathered in this extraordinary amphitheater, we can really make a difference.

It takes you all -- dedicated individuals, committed, courageous -- to make that difference. Like Frank Lockyear of Wilsonville, Oregon, who was named by us, by me as President at the White House, as the 118th Point of Light. He founded on his own, ReTree International, and his tireless work has resulted in over a million trees planted around the world. Thanks to Frank and the thousands of people like him, even more Americans will take part in building a better America. I really am confident that when we celebrate Earth Day's 30th anniversary, we will have a cleaner, a safer, and a healthier world.

It might interest you to know that just this minute I hung up from talking to Jim Whittaker 17,500 feet aboard Mount Everest, up there to send a message of environmental purity by cleaning up the debris that was left by expeditions. And now I'm talking to all of you in the beautiful gorge, and I just wish you well. Thank you for setting an example for our entire country. God bless you all.

Mr. Furia. Thank you, Mr. President. Thank you for honoring us and addressing the people gathered here at the Columbia Gorge.

The President. Is this you, Ed, or is this Booth?

Mr. Furia. No, it's me, Mr. President. We had a little technical difficulty with the microphone. I was saying that you honor all of us, not just here in the Columbia Gorge but all of us participating in Earth Days across the country, by participating with us.

The President. Well, listen, we're proud of you, and I'm proud to have weighed in here. We're going to keep up the interest from our end, and I hope that everybody there will find a way to involve himself or herself -- or child -- in protecting the environment and making this place just a little better for those that come on after us.

So, thanks, have a wonderful rest of the day, and thanks for taking the call. Over and out.

Mr. Furia. Over and out. Ten-four.

The President. You've got it.

Note: The President spoke at 4:21 p.m. from Tarpon Flats in Islamorada, FL, via an electronic hookup with the rally site. In his remarks he referred to Edward Furia, president of the rally, which took place at Columbia River Gorge, WA.

Statement on the Release of Former Hostage Robert Polhill

April 22, 1990

We are pleased at the news that Robert Polhill has been freed by his captors. We are obviously happy for him, his family and friends. We also wish to thank those who had a hand in the release, particularly the Governments of Syria and Iran, whose efforts have contributed to the release of this hostage.

Our satisfaction at the release, however, is substantially tempered by the knowledge that seven other innocent Americans, as well as a number of foreign nationals, are still being cruelly held hostage in Lebanon. We cannot rest until all hostages are free. Once again, we urgently call on all parties who hold hostages or who have any influence to work to obtain the immediate and unconditional release of the remaining hostages as a humanitarian gesture.

Note: Robert Polhill, an accounting professor at Beirut University College, was kidnaped by pro-Iranian terrorists in Beirut on January 24, 1987.

Remarks on the Release of Former Hostage Robert Polhill and an Exchange With Reporters

April 22, 1990

The President. It's marvelous, this communications here. I was out there, way out on the flats, and talked to our Ambassador in Syria, prior to his going to the Foreign Ministry to greet our hostage, Mr. Polhill, and now sitting here with you all, and talking to Mount Everest and then the Columbia Gorge on the west coast. And I really think this modern-day communication is inspiring. And I want to take this opportunity to thank all at WHCA [White House Communications Agency] who do this kind of thing for the President and, indeed, for many others day in and day out. I think it's a marvelous example of their communications skills, and I'm very grateful.

Having said that, they patched me through, before this meeting here, to talk to our hostage, Mr. Polhill, to talk to his wife. And then there was a little delay because I also wanted to say hello to his mother, who is still here in the States, and I got her. And I guess what I would say is that the joy of this family knows no bounds. And I told them that Barbara and I sent our love, as I expect all Americans do. And I also told them that we were not going to forget these other hostages. I haven't. I don't intend to.

I think it's proper to thank the Syrians, who played an instrumental role in this, I understand. But this is mission uncompleted. There are other Americans held against their will. And the Polhills, all three, mentioned their concern about others. So, it's a joyous day in that sense. But I will carry the burden of the other hostages with me until every single one of them is free, and I mean it. There's not a night goes by that I don't think about it.

Q. Mr. President, what did Robert Polhill have to tell you?

The President. Well, just that he was pleased to be free. I said I could hardly hear him, and he said that his voice was a little weak. But other than that, it was just joy at being released. And everyone in our country can understand that.

Q. Did he have any report on the other hostages?

The President. Norm [Norman Sandler, United Press International], I really didn't ask him that, and I expect I'll get debriefed as soon as that whole process goes forward. I didn't go into any of the substance or the details of the release with him or with our Ambassador.

Q. Mr. President, you said good will begets good will. Is this the sort of gesture from Iran of good will -- --

The President. I'm not looking for gestures. I'm looking for the release of our hostages. And by our hostages, I mean all of them. But in terms of good will, I must say in my heart I have good will toward Syria for playing an active role in this release, yes.

Q. -- -- good will toward Iran. Marlin said the White House thanks both Syria and Iran. Do you have good will toward Iran?

The President. To the degree Iran's role is known in this. I can't tell you I honestly know what it is. But I'd have good will to those who facilitated the release. If that included Iran, absolutely, because I meant what I said. But I can't rejoice or say all is well until every single one of those hostages is out.

This is a cruel process. You see pictures flash, loved ones getting their hopes up, and then some hopes are dashed. And so, it's a very troubling process. I feel great joy in my heart, great happiness, but I also feel a great anxiety about those families who are separated from their loved ones still.

Q. Mr. President, is there some goodwill gesture that you can return?

The President. I'm not trying to think up any gesture. I've said right here what I think. I want all of those hostages out. We're not going to trade. I think our policy is sound. I think we have support from the hostage families. It's very important to me that we do because I want them to know exactly how much anxiety I feel about their loved ones still being held. But we're not going to change our policy. And we are going to say that we're grateful to those that facilitate the return of Mr. Polhill, but there are seven other Americans that are held against their will.

Q. Is this a test of your good will message, Mr. President?

Q. Will you speak tomorrow with the leaders of Congress on Lithuania?

Q. Is this a test?

The President. Let me go here, and then I'll come back.

Q. Is this a test for you, Mr. President?

The President. A test of what? Every day is -- --

Q. Of testing your goodwill gesture?

The President. Every day is a test of my good will because I don't have forgiveness in my heart

as long as one American is held against his will and as long as one family has a broken heart. And so, we're not into this mode of a test at all. It's a joyous occasion that this family is reunited, but there are seven other families that are hurting, crushed every day by the burden of this.

Soviet Economic Sanctions Against Lithuania

Q. Mr. President, do you now know what course of action you will follow in response to the Soviet tightening of the economic screws in Lithuania? And will the meeting with leaders of Congress be tomorrow?

The President. Well, I don't have any plans for a meeting tomorrow. It might be, but I don't think that's scheduled. And I can't tell you I honestly have made that determination, no.

Q. They have not already gone so far that you would act -- --

The President. I am not going to go into hypothetical questions. I've simply said all I want to say on that for now.

Release of Robert Polhill

Q. In thanking Iran for its apparent role in the release of Mr. Polhill, do you also hold the Iranians -- --

The President. Norm, I'm stopping a little short of that because I don't know what the role is.

Hostages in Lebanon

Q. -- -- any apparent role. Do you also hold the Iranians responsible for the other seven hostages?

The President. I don't want to assign blame, and I don't want to give credit when I don't know the facts. All I want to do is see those hostages released.

Q. Mr. President, when you say all the hostages, you say all the American hostages need to be released. What about the other Western hostages?

The President. I feel very strongly, particularly about Terry Waite [Anglican envoy], that I've met, feel that I know. But look, it's not a question of just American hostages. I think you raise a good point. It's a question of the immorality of holding hostages for whatever political end. It is an immoral practice, and it has to stop. And I'm pleased that we've seen this fascinating and wonderful development, but I can't say that the burden is lifted -- not from me but from the

American people and from the rest of the families and for those who share my belief that it is brutal to hold man or woman hostage against their will.

Q. Mr. President, is there any concern that without a return goodwill gesture to the hostage-takers or to Iran, for example, that this whole agonizing process just could be prolonged even further?

The President. I don't have that feeling at all. I think people that hold people hostage know the American policy. I hope there's respect for the American policy. And I am not going to change the American policy.

Q. Mr. President, why not go ahead and make the goodwill gesture if it might bring them home?

Q. Do you have any idea why they might have released Mr. Polhill today?

The President. No, I don't.

Q. Did Djerejian give you any indication that the other hostages -- --

Q. Why not go ahead and make the goodwill gesture if it might mean the -- --

The President. I'm not making gestures. I don't trade for hostages. I don't go ``ante up'' one step and one another. I rejoice at this release. And the American policy is sound, and it's not going to change. And I will thank those who facilitated the release, and that's exactly the way it's going to stay. And I feel the burden of these hostages -- and I mean it -- every single day. We say prayers about them every single night.

Note: The President spoke at 4:25 p.m. on Tarpon Flats in Islamorada, FL. Robert Polhill, an accounting professor at Beirut University College, was kidnaped by pro-Iranian terrorists in Beirut on January 24, 1987. Marlin Fitzwater was Press Secretary to the President. Edward Djerejian was U.S. Ambassador to Syria. Following his remarks, the President returned to Washington, DC.

Remarks at the Swearing-In Ceremony for Ronald W. Roskens as Administrator of the Agency for International Development

April 23, 1990

Well, welcome to this very special occasion. Vice President and Mrs. Quayle; and Secretary Baker; Ron Roskens; Ambassador Reed, who'll do the honors in a minute; Members of Congress; and distinguished guests, it's a great pleasure for me to witness the swearing-in of Ron Roskens as the Administrator of AID. Jim Baker and I are very fortunate to have such an able person head this very, very important agency.

Dr. Roskens brings proven leadership and valuable administrative experience to this job. Everybody here knows that. He was president of the University of Nebraska at Lincoln for a dozen years and before that held an important administrative and teaching post at the University of Nebraska at Omaha and at Kent State. Being a university president these days requires substantial diplomatic skills -- [laughter] -- and I expect we'll be making good use of that talent as well.

So, Ron, you take the helm at AID at an extremely important time. Around the globe, new democracies are being born, and nations are seeking to establish free-market, democratic institutions. And your important agency will play a vital role in nurturing such transformations and in sharing our knowledge and our skills worldwide.

Today AID operates in over 70 countries, extending America's helping hand by assisting these fundamental economic reforms, improving our agricultural methods and our nutrition work, expanding access to basic education, providing humanitarian assistance, and many other tasks.

And so, in this good work, I wish you Godspeed, and I'm delighted that a man of your standing is willing to undertake this terribly important assignment.

And now we will get on with the ceremonies, Ambassador, if we could.

Note: The President spoke at 11:12 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Secretary of State James A. Baker III and Joseph V. Reed, Chief of Protocol at the Department of State.

Remarks to the National Academy of Sciences

April 23, 1990

Apologies for being late. To the distinguished members of the National Academy -- all -- and to Dr. Press and Dr. Ebert, Dr. Raven, Dr. Gordon, Dr. Blout -- now we start on our side -- Dr. Bromley -- [laughter] -- Jim Watkins, a member of our Cabinet, Admiral Truly, ladies and gentlemen, it really is an honor to be with you today.

We stand at a very interesting time. And the advice and counsel of this academy has been really crucial to American Presidents for well over a century, and I'm proud to be the latest to come over here to say thank you. We also stand at a moment of wondrous prosperity, but our wealth goes far beyond the merely material. Ours is an intellectual prosperity, unprecedented in history. For that and the health and security it affords this nation and the world, gratitude is owed to the men and women who have committed their minds and lives to science. Those devoted to such work -- its patient searching, its passionate struggles -- have engaged themselves in mankind's most exalted mission and the mind's manifest destiny: the search for understanding. That's what it all boils down to.

President Lincoln established this great institution in the dark hours of our nation's greatest crisis, which testifies to the enduring importance of scientific knowledge. In the years that followed, your academy has responded to urgent national needs in times of war and peace. When this magnificent building was dedicated, Calvin Coolidge predicted ``a new day in scientific research. A new sun is rising,'' he said. He was right. The awesome scientific advances of this century, many of which you've brought about, bring us ever closer to the understanding that's required of the universe, its origins, and our own. And science has told us a stranger and more wondrous story than myth might even have written for us.

Fourscore and 10 or 20 billion years ago, the theory goes, it all began with a universe of energy and mass unimaginably hot and compressed containing everything that would become what we now see in the heavens. And then, science tells us, in one incomprehensively powerful instant, energy and matter of every kind exploded in every direction -- or as a layman might explain it, somebody hit that cosmic baseball right out of the park. [Laughter] But while the pace of cosmic change may have begun with blinding speed and slowed down since, the pace of our scientific evolution has been rapidly accelerating, growing in intensity like a series of chain reactions in a critical mass of highly trained American gray matter, touching off scientific and technical revolutions in every direction.

Today I wanted to come over here to outline the role that this administration is playing to advance those revolutions, because as the pace of science accelerates, I believe that government must keep pace and will keep pace.

First, we've moved to better integrate science and technology into the policy process. We've created an interagency working group that will more closely link science and technology -- link their considerations with the policymaking process of the Economic and Domestic Policy Councils. My assistant for science and technology, Dr. Bromley, chairs this working group and participates in those Councils, advising them on matters related to science and technology, as well as serving on the National Space Council.

And we're also committed to greater cross-fertilization with talent from the private sector on issues ranging from pure research to manufacturing performance. So, this year we created a President's Council of Advisors on Science and Technology -- experts whose guidance I value and depend on. I've already had two meetings with that group myself. We'll also be looking for counsel from this academy's new manufacturing forum, just announced this month.

We want to advance America's tradition of innovation, and we intend to get the biggest bang for the Federal buck. And this administration has also taken steps to reinvigorate the Federal Coordinating Council for Science, Engineering and Technology, in order to assure that the Federal investments in R&D programs are closely integrated across these agency boundaries.

In January we sent a budget to Congress that includes a record $71 billion for research and development -- an investment in a stronger economy, a more secure nation and, indeed, a brighter future. Our administration is committed to investing in the future. It's evident in the policies we're creating and the budget we're calling for, with everything from a 24-percent increase for NASA to our support of a major agricultural research initiative.

To improve the international competitiveness of American industry and our overall standard of living, we've called for a permanent extension of the research and experimentation tax credit. And we're working to lower the cost of capital and clear away regulatory burdens so that industry can make the kinds of investment that the future demands.

Along with the applied, market-driven knowledge so crucial to this country's competitive future, let me reaffirm two other priorities: first -- and I'm going to keep talking about this one -- math and science education. We understand that only with a new generation of scientists and engineers will your work and America's preeminence be assured. And so, we're engaged in a broad initiative of reform and restructuring in cooperation with the States. It's an effort that began with our first-ever education summit with the Nation's Governors last fall. And our goal is to make American students first in the world in science and math achievement by the end of this century and to convince more women and minorities to study science.

We're providing a number of new incentives for students, like the National Science Scholars Program that I've proposed. We're opening the doors of Federal laboratories, facilities, and agencies to students and teachers. Our budget increases funding by 26 percent to over $1 billion for science, math, and engineering education, through the Departments of Education, Energy,

Interior, and others as well as the National Science Foundation and NASA.

And today I ask our industrial and business communities to create new alliances for education, mobilizing more of this nation's great technical resources for the sake of the future. We are committed to ensuring that America has the brainpower to remain at the forefront.

A second priority of this administration is basic research, the historical wellspring of this nation's well-being. Science must be able to continue seeking answers to our most fundamental questions. For such reasons, our budget calls for increasing funding for the U.S. Global Change Research Program by 57 percent to over $1 billion. And earlier this year, I reiterated my commitment to double the National Science Foundation budget by 1993. Today I want to call on Congress: Put our money where our future is. Put an increased National Science Foundation budget back on track.

Today science and technology are assuming a broader and more interrelated role in human life than ever before, and they're becoming forces for historical change. Satellites already help us study the Earth's natural systems and assess environmental threats, and the Mission to Planet Earth will further our work of global stewardship. But this past year, in the Revolution of '89, we've also seen communication satellites, along with video cameras and VCR's and fax machines, becoming a potent force for peace -- both a product of science and a source of conscience -- bringing the actions of nations before the eyes of the world. Pictures from Poland and South Africa, scenes on the Berlin Wall -- the eye of technology has proved more powerful than chisels for breaking down barriers; etching the idea of freedom on the psyche of humanity; and setting off a wondrous, hopeful, political chain reaction worldwide.

It's no accident that many of the individuals at the center of today's worldwide political revolutions share a vision of the future based on personal freedom, openness, and freedom of inquiry. These values are shared by our political system and by science alike. Science, like any field of endeavor, relies on freedom of inquiry; and one of the hallmarks of that freedom is objectivity.

Now more than ever, on issues ranging from climate change to AIDS research to genetic engineering to food additives, government relies on the impartial perspective of science for guidance. And as the frontiers of knowledge are increasingly distant from the understanding of the many, it is ever more important that we can turn to the few for sound, straightforward advice.

The National Academy of Sciences is re-nowned for objectivity and immunity to partisan pressures. Your impartial guidance has been invaluable to American Presidents and to the American people for well over a century. So, I am confident that the members of this body, the most distinguished scientists in America, will continue the tradition that has been the academy's hallmark. On this I know we agree, because so many of our technical and scientific achievements have been the products of independent minds. And if the Earth-moving events of

1989 reminded us of anything at all, it's that complex bureaucracies and centralized planning don't work well in the governance of societies. We will not try to impose them on science.

Just as entrepreneurs and small businesses fuel the growth of the American economy, the backbone of American science is its brilliant array of individual investigators spread across the Nation. Among so many, think of Chester Carlson, who invented the photocopy machine in a little room over a Long Island pub, or Barbara McClintock, working alone, who made monumental discoveries in genetics nearly 50 years ago that the world began to understand only in the last decade.

Look, of course, I can't claim to comprehend how science does its work. Like many, my scientific understanding has been influenced by those Gary Larson cartoons -- [laughter] -- like the one where, after detailed calculations, Einstein discovers that time is actually money.

I'm not here as an expert but as a believer. And one of the best things government can do to support the magnificent creativity and energy of the American technical community is to locate individual scientists with talent, furnish them with adequate resources and state-of-the-art instrumentation -- through agencies like our marvelous National Institutes of Health, the National Science Foundation, and then the Departments of Defense and Energy and others -- to help these investigators make progress.

But there are also scientific challenges that, because of their unprecedented scope and importance, demand unusual support and international cooperation. Already, the European Space Agency, Japan, and Canada are making hardware contributions valued at more than $7 billion for Space Station Freedom, a key component of our Space Exploration Initiative. Combined with our total investment of about $19 billion, this will be the largest international R&D project ever undertaken.

We're exploring new ways to encourage international cooperation on the big science projects, like mapping the human genome, global change research, and the superconducting supercollider -- a technological giant that will recreate the fireball of our origins and allow us to study forms of matter that haven't existed since the birth of the universe.

There's a vote coming up in Congress this week on that supercollider, so I'd like to call on the members to support that project, as well as our NASA budget. Only by doing so will we keep America on the leading edge of advancing human knowledge and pushing the limits of space exploration.

Tomorrow morning the space shuttle is scheduled to lift into the heavens the most sophisticated celestial object that mankind has ever built -- the Hubble Telescope -- with the power to see the ends of the universe and back to the birth of time. I understand it's half a billion times more sensitive than the human eye. You talk about the vision thing -- try on the Hubble Telescope for

size. [Laughter]

But on the southwest grounds of this great academy rests a bronze memorial to a scientist who helped define mankind's understanding of time and space, of matter and energy. Among the engravings on that memorial are words of wonder about the ``joy and amazement'' Einstein felt ``at the beauty and grandeur of this world of which man can just form a faint notion.'' Your work, the work of science, daily brings that beauty and grandeur into sharper focus.

I'm blessed to be President at this fascinating time in the history of the world, in the history of our country. And as President, I can assure you of this: My administration is committed to supporting you as you pursue the knowledge that illuminates the world, knowledge that will surely, ceaselessly continue to bring benefit to all mankind.

Thank you very much for what you do, and God bless each and every one of you. Thank you.

Note: The President spoke at 2:09 p.m. in the auditorium at the National Academy of Sciences Headquarters Building. In his opening remarks, he referred to Frank Press, James Ebert, William Gordon, and Elkan Blout, president, vice president, foreign secretary, and treasurer of the academy; and D. Allan Bromley, Science Advisor to the President and Director of the Office of Science and Technology Policy.

Remarks on Signing the Hate Crime Statistics Act

April 23, 1990

First of all, let me give a special welcome to the Members of Congress -- Congress in session, taking the time to come down here -- several here who were so instrumental in the passage of this bill. Senator Simon, Senator Hatch, Senator Metzenbaum, Congressman Conyers, Congressman Sangmeister, Jack Brooks -- Chairman Brooks, I should say, respectfully, to a fellow Texan -- [laughter] -- and to Barbara Kennelly, and members of the civil rights community, religious leaders, and friends, welcome here. We join together to celebrate a significant step to help guarantee civil rights for every American: the passage and now the signing of the Hate Crime Statistics Act.

When I first heard that this bill had passed both Houses of Congress, I thought of a photograph in the news recently. And it's of the plaza near a Montgomery, Alabama, church where Dr. Martin Luther King, Jr., preached during the '55 bus boycott. And in that plaza stands a new civil rights memorial inscribed with the names of 40 brave Americans who died in the civil rights struggle, each one the victim of a hate crime. On the memorial's wall, water cascades over the vow made by Dr. King on the steps of the Lincoln Memorial: ``We will not be satisfied until justice rolls down like waters and righteousness, like a mighty stream."

His pledge is just as powerful today. We will not be satisfied. Justice for all has been the historic mission of the civil rights movement, and it's a mission still to be fulfilled. Bigotry and hate regrettably still exist in this country, and hate breeds violence, threatening the security of our entire society. We must rid our communities of the poison we call prejudice, bias, and discrimination. That's why I'm signing into law today a measure to require the Attorney General to collect as much information as we can on crimes motivated by religion, race, ethnicity, or sexual orientation -- the Hate Crime Statistic Act.

One of the greatest obligations of this administration and of the Department of Justice is the guarantee of civil rights for all Americans. As I said in my State of the Union Address, every one of us must confront and condemn racism, anti-Semitism, bigotry, and hate not next week, not tomorrow, but right now -- every single one of us. For hate crimes cannot be tolerated in a free society.

We have vigorously prosecuted Federal violations involving hate crimes. We will continue to do so. As we speak, 17 racist skinheads in Dallas are waiting to be sentenced by a Federal court for conspiring to commit hate crimes against Jewish, black, and Hispanic citizens. The mail bombings which killed a Federal judge and a NAACP lawyer are being investigated tenaciously by Federal authorities. We will not rest until the cowards who committed these senseless crimes are behind bars.

The Hate Crime Statistics Act is an important further step toward the protection of all Americans' civil rights. Our administration will work with Congress to determine whether new law enforcement measures are needed to bring hatemongers out of hiding and into the light of justice. And at the same time, by collecting and publicizing this information, we can shore up our first line of defense against the erosion of civil rights by alerting the cops on the beat.

I'm pleased to announce today that the Department of Justice has established a new toll-free phone number for reporting complaints of these hate crimes. Those incidents that can and should be prosecuted will be reported directly to the appropriate Federal, State, or local agency for action. The faster we can find out about these hideous crimes, the faster we can track down the bigots who commit them.

We must work together to build an America of opportunity, where every American is free finally from discrimination. And I will use this noble office, this bully pulpit, if you will, to speak out against hate and discrimination everywhere it exists.

Enacting this law today helps move us toward our dream: a society blind to prejudice, a society open to all. Until we reach that day when the bigotry and hate of mail bombings, and the vandalisms of the Yeshiva school and the Catholic churches we've seen recently, and so many other sad, sad incidents are no more -- until that day, we must remember: For America to continue to be a good place for any of us to live, it must be a good place for all of us to live.

So, you wouldn't be here if you weren't extraordinarily interested in the work of the United States Congress. So, I want to thank each and every one of you for coming. And now I'm pleased to sign the Hate Crime Statistics Act into the law.

Note: The President spoke at 3:02 p.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Representative Jack Brooks, chairman of the Judiciary Committee, and Representative Barbara B. Kennelly. H.R. 1048, approved April 23, was assigned Public Law No. 101 - 275.

Letter to Congressional Leaders Transmitting a Report on Compliance With the Southern Africa Tripartite Agreement

April 23, 1990

Dear Mr. Chairman:

Pursuant to the provisions of section 417(c) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (Public Law 101 - 246; 104 Stat. 72), I am transmitting herewith a report on compliance by the governments of the People's Republic of Angola, the Republic of Cuba, and the Republic of South Africa with the Tripartite Agreement of December 22, 1988.

Sincerely,

George Bush

Note: Identical letters were sent to Senators Robert C. Byrd, chairman of the Appropriations Committee; David L. Boren, chairman of the Select Intelligence Committee; and Claiborne Pell, chairman of the Foreign Relations Committee; and to Representatives Anthony C. Beilenson, chairman of the Permanent Select Intelligence Committee; Dante B. Fascell, chairman of the Foreign Affairs Committee; and Jamie L. Whitten, chairman of the Appropriations Committee.

Message to the Congress Reporting Budget Rescissions

April 23, 1990

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three proposed rescissions totalling $226,883,000.

The proposed rescissions affect programs of the Departments of Agriculture and Commerce.

The details of the proposed rescissions are contained in the attached report.

George Bush

The White House,

April 23, 1990.

Note: The attachment detailing the proposed rescissions was printed in the ``Federal Register'' of April 24.

Nomination of James F. Blumstein To Be Administrator of the Office of Information and Regulatory Affairs

April 23, 1990

The President today announced his intention to nominate James F. Blumstein to be Administrator of the Office of Information and Regulatory Affairs at the Office of Management and Budget. He would succeed S. Jay Plager.

Mr. Blumstein serves as a professor of law at Vanderbilt University School of Law in Nashville, TN. Prior to this, he served as the John M. Olin Visiting Professor of Law at the University of Pennsylvania Law School, 1989; senior fellow at the Vanderbilt Institute for Public Policy Studies, adjunct professor of health law at Dartmouth Medical School, and special adviser to the chancellor for academic affairs at Vanderbilt University, 1984 - 1985; visiting associate professor of law and policy sciences at Duke Law School and Duke Institute of Policy Sciences and Public Affairs, 1974 - 1975; and director of the Vanderbilt Urban and Regional Development Center, 1972 - 1974.

Mr. Blumstein graduated from Yale College (B.A., 1966), Yale University (M.A., 1970), and Yale Law School (LL.B., 1970). He was born April 24, 1945, in Brooklyn, NY. Mr. Blumstein is married and resides in Nashville, TN.

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Remarks and a Question-and-Answer Session With the National Association of Agriculture Journalists

April 24, 1990

The President. Thank you for that unique introduction -- [laughter] -- and I am -- look, we're just delighted you're here -- Secretary and Cooper Evans telling me that they feel it's most worthwhile. And then I was just picking the brain of my friend -- brains, plural -- of my friend Roger Porter; and I think he, too, has gotten something out of this. So, thank you for coming.

Unfortunately for me, this is a fairly short appearance. But I am glad that you're here -- Clayton telling me this was your, what, 37th annual meeting. Your membership has covered food and ag issues that are absolutely vital. Given the press of today's world, sometimes they may not be in the headlines in the paper every day, but they're vital.

And we do understand it, and frankly I am very pleased with the team that I have in this administration -- agricultural team headed by Clayton Yeutter; in the White House with Roger Porter and Cooper Evans that know this subject well; and then in our trade field, one that Clayt knows so well, and Carla Hills and her people also keenly interested. So, I think I get good advice on it, and I think they hope I'll learn faster. But at least I feel comforted by the fact that our team is respected around the country and on Capitol Hill. So, I'll take this opportunity to thank them.

Just a quick word -- Clayt said you've been very much interested in the farm bill. As you know -- because I assume you've been given that green book that I have, and from that you'll see that we've forwarded some 70 recommendations to the Hill. And they are intended to fine-tune that '85 act, not dramatically change the underlying philosophy. And again, here, all of you are familiar with ag legislation. And I salute Clayton and the White House staff, too, because it isn't easy. You've got a lot of competing interests up there on Capitol Hill.

The '85 act really provided, I think, a sound underpinning for the recovery in agricultural America; and farm exports as a result, I think, have rebounded. Jotted down the figure -- the low $26 billion in '86 to nearly $40 billion last year. In '89, farm income overall hit an all-time high. That is good, but we intend to build on that progress, not relax, because we known some people are still hurting.

You know, this is the Year of the Environment. We've just concluded Earth Day, and I know that there are some conflicting interests here. I happen to think agricultural America, like the rest of the country, is environmentally conscious. But I also know there are some areas where there's conflict. Clayton and Cooper were just over in the Oval Office talking to me about the wetlands question. I am committed to no loss of wetlands. I am not committed to throwing people out of

work. And so, we have to balance out some of these interests. And where the regulations have gotten excessive, let us know -- you can't, but your papers will, I'm sure -- and we will try to see that we have a reasonable policy.

But I think we all are committed to a sound environment, and the bill proposals would help preserve this environmental interest without placing an unfair burden on the farmer. And just to put you all at ease, it isn't just agricultural America where we're trying to achieve balance: it's through the whole Ohio Valley and other places where there's a concern that we not end up with an economy in which there is no growth or where people are not able to achieve jobs. So, I guess it ends up on my desk to try to establish a proper balance, but here I'm told by your Secretary that we're getting good, strong cooperation from the farm communities on this question. So, we are proposing a stronger research program, frankly, that will help farmers and the Government make sound, and thus better, environmental decisions.

Now, I know that some have expressed an interest here on the GATT -- Roger whispered to me there's some interest -- and I'll be glad to take questions on Gorbachev, grain sales, and all of that. But, look, I recognize, as I think many farmers do, that agriculture is one of the most distorted sectors of trade. In the last 40 years, GATT has been successful in leveling the playing field in industrial goods by reducing these distortive trade practices while, in the same period -- let's be very candid -- we have not been successful, and certainly as successful as I'd like to see us, in leveling the playing field. There's too much protection for agriculture, and it's almost doubled around the world.

And I think I'll be meeting with EC today -- is it Delors? -- I will be seeing him. And I will tell him what I've already said to him before as President and mentioned to him as Vice President: that we have got to make progress on the agricultural section of our negotiations in this Uruguay round. So, we are not lightening up on that. There's no tradeoff between industrial -- I see Clayt nodding; he's been down that road, and he knows that's true. But if you ask me do I feel comfortable about the progress we've made, the answer is no, I want to do better. I'm trying, but I recognize I've got to do better.

So, those are some of the subjects. But let me just throw the meeting open to questions, and please, you don't have to restrict yourself to agriculture. Why don't we go one, two for openers.

Wetlands

Q. As the ``environmental President," the people in Virginia, the farmers and the agricultural community in Virginia, are wondering how we can allow four agencies of the Federal Government to overrule and countermand each other in the wetlands issues -- soil conservation will go onto a farm, improve the activities, even help put them in place. Years later, the EPA will come in, call them violation. The Army Corps of Engineers will come in and say, we don't see any violation. And then the Federal wildlife people will come and say, well, we'd like to

have that wetland returned to a wildlife sanctuary.

Now, how -- this is really -- --

The President. The answer to your question -- and you phrased it very well, indeed, because you're talking about the complexity of the Federal Government -- is to do a better job. And the concern of the farmer has been brought to our attention -- do a better job in eliminating some of these overlapping jurisdictional interests.

I am committed to no net loss of wetlands. I am not committed to decisions that take productive land out of production. So, I can only say I understand the frustration. We are trying to do a better job of getting these agencies to work together.

You've got zealots in various levels of the bureaucracy. I think we can handle it pretty well at the top. The problem is, in some areas I think the conflict that you run into is at the very local level, where one agency will come in with a mandate and another will say, Well, we've got a different one.

So, look, all I can say is, we will try very hard to get from the top on down in this instance, in this case, the clarification that is needed so we avoid this frustration to the farmer. And I'm not happy with where it stands.

Price Supports

Q. We listened to Senator Bob Kerrey this morning, who is taking the lead in the Senate on program crops, price supports. He says that the recovery, which you mention, is very fragile and that in order to continue recovery that the support system has to be based on production costs; and that could be at least $12 billion, which is considerably higher than what the administration is proposing. He says if it's not at least that much the cost in the future to make up for the problems that will be caused by not helping the farmers in production will be much greater. Can you speak to that?

The President. No, I can't. I believe in what we're trying to do. And I get criticism all day long about this economy from liberal Democrats like Bob, whom I have respect in some fields -- [laughter] -- and he's entitled to his opinion. But I place my confidence in our Agricultural Department and in what we're trying to do in the farm bill.

I'll tell you what we do have is sometimes we have just a philosophical difference of opinion. We ran into that in the campaign -- this supply management approach, and I'm not sure that's what he's advocating, is not one I'm for. And I expect I'll find some advocates for the different positions sitting here, of people to whom you write. But I just have a different view than he does on this.

Secretary Yeutter. Can I just add one supplementary -- --

The President. Yes.

Secretary Yeutter. -- -- comment very quickly, because this has come up, Mr. President, before, not only with Senator Kerrey but some others, by Members of Congress determining through themselves that farm incomes are directly related only to government financial assistance.

Somehow or other, Senator Kerrey and others have forgotten that there is a market out there and that farmers get most of their income from the marketplace, and hopefully over time will get more of it from the marketplace.

All of us, including the President and myself, are concerned about the farm incomes. But that doesn't suggest that the only way to increase farm incomes is to increase Federal subsidies.

Economic Sanctions Against the Soviet Union

Q. We understand that you are considering some economic sanctions against the Soviet Union for what may or may not happen in Lithuania. I know you can't make any announcements today -- couldn't give out information about it -- but could you tell us whether you have ruled out -- --

The President. No, I can't tell you what I've ruled in and ruled out, except one area that would be very -- I mention this only because we're all here today with agriculture as the matrix of this meeting. I would refer you back to statements I have made in terms of using grain as a political weapon. And I'm talking here, obviously, about the grain agreement with the Soviet Union. I am disinclined to accept any suggestions about using a grain embargo as a manifestation of our displeasure and our grief over what's happening in Lithuania. So, I won't say what I might do.

I've just concluded a very interesting meeting with the bipartisan leadership of the Congress. And I will say this: that in my view, the meeting that we have just concluded exemplifies the best in bipartisanship and the best in consultation. Out of that meeting, different Senators and different House Members will have differing views. But I can tell you, not one single person there suggested that I change my position and use the grain deal or sales of wheat to the Soviet Union as a tool to try to change the Soviets' minds on things. So, that will give you a sense of the meeting, anyway. But I have no intention of changing my mind.

What I have said on that is if we ever reached a point in our trade relations where all trade was off, then I expect the farmer would understand. But to go back to the disastrous grain embargo that hurt us with our markets and hurt our farmers worse than I think it hurt anybody else, I'm simply not going to do that.

Q. I have one of those famous two-part Washington questions for you. One, when will you share with the American people your decisions on Lithuania, since obviously the Soviet Government will know what your policy is? Do you think the American people should know it, too?

And the second part of my -- --

The President. Would you like me to repeat it for you right here?

Q. No, I mean on your decisions on what you're going to do and the appropriate response to Lithuania. And part number two: You've spoken to the environmental initiatives being in the farm bill. Is your administration willing to go beyond that and accept a suggestion such as a farmer should reduce use of agricultural chemicals that reduce erosion on environmentally sensitive land? Should they write 5-year programs in to reduce those certain problems? Should they keep records on pesticide use?

The President. I would refer those questions to my Secretary of Agriculture, and I will be heavily persuaded by what he tells me. On the first question, though, let me tell you that I will share with the American people my decision when I make the decision. And you know that I have not decided what will be done. And this is a highly complex situation that we're facing, and there's a lot at stake in this situation. I don't want to make -- you know, remember Yogi Berra: ``What happened? Why did you lose the ball game?'' He said, ``We made the wrong mistake.'' [Laughter] You got to think about that one. And I don't want to make the wrong mistake.

I may do something that is imprudent, but I'm encouraged by the consultation because I feel that the American people do understand my policy. And that is to handle this situation as follows: One, make very clear that the American people feel that the independence and the self-determination of Lithuania is right -- a part of our very fiber, a part of our very soul -- the right to self-determination. And indeed, heartened as we are by democratic change in Eastern Europe, we would like to think that the Baltic countries, whose incorporation into the Soviet Union we have never recognized, would someday enjoy that freedom. So, that's the hallmark of the policy.

Secondly, we are considering ways to encourage the Soviet Union to go forward. The whole matter could be resolved today in this matter -- that if they would begin a dialog, if they would discuss peaceful change in the evolution of freedom. And I would encourage right here the Soviet Union and the Lithuanians to go forward with dialog. Right now there's a delegation from Lithuania in the Soviet Union, and let's hope they can start talking. This has a great deal of potential for the freedom that we seek for the Lithuanians, and yet have it done in a way that is not egregious to the Soviet Union. And so, therein lies the answer.

But in relation to your question -- What are we going to do about it? -- I will let the American people know and the Congress know when I decide to take certain action. And the decision has not been made. And once again, I'd like to say I wish you all could have been flies on the wall in

the Cabinet Room, because the meeting on consultation was extraordinarily helpful. And I am very grateful -- this is the first chance I've had to speak to the AP [Associated Press] or the UP [United Press International] or other reporters -- very grateful for the spirit of bipartisanship, the frank discussion that took place and, indeed, the support that I felt existed around the table for the approach that I am taking.

And I think the American people are in support of that approach, and I say that with total appreciation for the strength of the feeling that Lithuanians in this country have about their own freedom. But I also am concerned about the freedom of Poland. I'm concerned about the evolution of freedom in the other Baltic States, whose incorporation we haven't recognized. I am concerned that we not inadvertently do something that compels the Soviet Union to take action that would set back the whole case of freedom around the world.

So, it's a very complex time, and that's why I would respond to your question that I just will certainly announce it as soon as I have made any determination as to what steps should be taken. And I think you'd see that any steps we did take -- if there was anything done, it would most apt to be in the economic side. But I'm not going to give up on trying to get the Soviet Union and the Lithuanians into a dialog. I think that's a constructive approach; I think that that's the approach that the American people and others around the world want. We've had extensive consultation with our allies and with friends in different parts of the world, and that approach is the approach that I think would have universal support.

Last one.

Federal Deficit Reduction

Q. Interest rates are still too high, too high -- too high for industry as well as for agriculture. I think there's a general feeling out there that Congress and the White House are dealing in gimmickry to bring the deficit down. There are not serious steps of reduction even after all is said and done. Outside of capital gains, are you considering any other strategies to bring the deficit down?

The President. What's happened on that is we sent a budget proposal -- some criticized it as having gimmicks. Congress, under the law, was supposed to have their budget proposals on the table by April 1st. Had a little time slippage on that. They will come forward at some point, and then we sit down and try to negotiate out the differences and move this deficit forward. But I'm glad you mentioned it, because it does affect interest rates on every quadrant, every section of our economy, and something needs to be done.

I would also say that I am still very much concerned about the spending side of the equation. And that isn't just in agriculture, it's across the whole specter. I send up a special resolution to try to send a laser-like support for Nicaragua and Panama, and the next thing you know, we've

added over a billion dollars' worth of spending to that request. And next week it's something else, and yesterday it was something else.

So, I have to be the one, feeling as I do about the economy, that tries to constrain the excesses of spending. And some will say raise taxes, but what's the point of raising taxes if it just opens the floodgates to more spending. So, we're in a time period here where the Congress has the next move, and then I'm sure we'll have a negotiation that I hope will lead to real reductions in this deficit. I am somewhat encouraged by the fact that the economy continues to grow. I am very encouraged by the fact that our deficit is significantly lower percentage of our gross national product than it's been. But that is no argument to lessen our desire to get the deficit down. So, that's about where we stand.

Listen, thank you all very much for coming. Appreciate it. I appreciate your being here.

Note: The President spoke at 11:36 a.m. in the Indian Treaty Room of the Old Executive Office Building. In his opening remarks, he referred to Secretary of Agriculture Clayton K. Yeutter; Cooper Evans, Special Assistant to the President for Agricultural Trade and Food Assistance; and Roger B. Porter, Assistant to the President for Economic and Domestic Policy. Jacques Delors was President of the European Community Commission.

Remarks at a White House Briefing for the Associated General Contractors of America

April 24, 1990

This is what we call a cameo drop-by. It means you don't have to listen very long to me speaking. But as I was walking over here, my friend Sam Skinner was out there trolling around Executive Avenue in the sun on this beautiful day, and I said, come on, let's go over and say thank you to the AGC. And that's why he's here, and that's why I'm here. And I might say parenthetically that this knowledgeable Secretary of Transportation, in my view, is doing an outstanding job for our country. And I'm very, very pleased he's here with me.

I just wanted to come over really to say thank you for the support and urge your continued support on some matters that I'd like to just briefly touch on. But here's an opportunity to visit with the national, State and, I'm told, local levels of the American General Contractors.

Before I got involved in politics -- and there are not many old enough to go back that far -- but I, too, was in business. And I earned my livelihood with the skies as the roof -- mine in the offshore drilling business. So, I have a special appreciation for the work of contractors, special appreciation for the work that you do, hard work that helps build something -- build businesses and create jobs and provide opportunity and allow communities to grow and to prosper. So, this industry, the construction industry, can be proud of its most important role in the American economy.

I can't help but note a common denominator among your firms, and that is family ownership in a lot of them. The U.S. construction industry has more than 400,000 businesses ranging from really small mom-and-pop operations to substantial companies, and virtually all are family-owned. That fact helps strengthen our families, frankly, our society fabric that I must confess that I worry about, Barbara worries about. And we are committed, this administration, as Sam knows so well, to enhancing the climate so that you'll have the ability to grow and to compete.

And I will need your help and that of all Americans to weigh in on Capitol Hill. You're effective at that. I think your Senators and your Congressman, because they know that you're community oriented, listen to you. And we need your help in enacting what I think is an ambitious agenda to build a better America. And I'd be remiss, once again, if I didn't say thank you for past support, including your efforts on this capital gains tax reduction initiative, as well as your help in bolstering a choice position, a family-strengthening position, on child care.

You know, I get hit out there from Capitol Hill on a capital gains differential as being a tax cut for the wealthy. Well, if that were the case, why does Japan have a rate of about 5 percent, Korea 0, and other major countries that are coming along 0 way of taxing capital gains? And so, they

can call it what they want; I'm talking about jobs for the American people; and I'm talking about the incentive, if you will, to start businesses. And I'm going to stay with this fight. But your organization, your people here in Washington, as well as many of you, have been extraordinarily, extraordinarily helpful; and I just want you to know we're going to not back off.

I know that your organization has been very interested in its zero-tolerance drug policy. You're promoting this nationwide, I'm told, through 102 chapters; and we applaud your emphasis on health and safety in the workplace. The drug fight -- there's some encouraging signs. Cocaine use of high school seniors moved dramatically down in 1 year. But we've just really begun to be engaged in this battle. And I am very grateful to what I call the Points-of-Light approach, which is a volunteer approach to helping pitch in and educate the young people of this country, to change the ethic in the entertainment business on cocaine use and drug use generally, and then to be supportive of our efforts on the curtailment of crime approach -- being tough on these drug dealers. And you all have been with us on most of this, and I'm very grateful to you.

Some of you might recall my memorable address that kept at least a third of you awake at your 63d annual convention in 1982 -- [laughter] -- when I was Vice President. And I invoked President Johnson's memorable quote: ``We can either stand with the President or paint our tails white and run with the antelopes." Well, he said it a little more graphically, but I would -- [laughter] -- you can picture it. [Laughter] But the tendency around here is -- Sam, he's the guy who has to go up to the Hill, and our other Cabinet members. I don't have to do that so much. But there is this tendency when the going gets tough to look kind of like Custer out there. But you haven't done that, and I'm very grateful for the fact that you have stood with us on some of these tough issues.

So, now I'm here not as Vice President, with those memorable lines in mind, but as President to really again ask for that same steadfast support. I must tell you the number one objective domestically has got to be to keep this economy strong. And I am an environmentalist: I believe in leaving this Earth a little bit better than when we found it. But I'm also a believer that we've got to find a balanced approach so that we don't say to a young man or a young woman coming into the work force, sorry, we're in a no-growth mode today, and you don't have a chance for a job. And so, it's a balancing position, and I think this organization -- I am told by our pros around here -- understands that. So I would like to ask for your same steadfast support as we work to strengthen this economy; keep it growing; and then enact our competitiveness agenda, which will build an even better and stronger America.

And that competitiveness agenda talks about research and R&D. It talks about education. It talks about leveling the playing field internationally, of course. And I think we're making some progress there with our Japanese friends. I hope so. We'll know more very soon on that.

So, I know that our work isn't done, but I also know that I am President of the United States at perhaps the most interesting time in post-World War II history. And it is fascinating, the changes

that are taking place for democracy and freedom.

And I might say to those of you who are from southern climes here, and thus maybe feel a little closer to what's happening in Central and South America, it's very encouraging what's going on there. And I would like to avail myself of your ears and attention to say I hope that the Congress will move on my request for support for Panama and Nicaragua and do it soon. I asked that they do that back in March. I asked that the legislation be finished on April 5th. And tomorrow Violeta Chamorro is being sworn in as President of Nicaragua, and we don't have that.

We have a commitment now to help those democracies, and it fits into our budget. So, if you have any spare time, please call your friendly Senator and tell him to get going and get this legislation passed, because we are a symbol up here for these countries in our own neighborhood, our own front yard, if you will. And I'd like to have that legislation intact so that our able Vice President can report that to Mrs. Chamorro when he goes down there tomorrow.

End of pitch. Thank you for your help. I hope you have a pleasant meeting in Washington, and thank you so much for all you're doing. Thank you.

Double jeopardy -- you have to hear it twice. Sit down, please. [Laughter] I really do have to go, but he asked me just to say a word because I know Lithuania is on your minds. And we just completed a very interesting and, in my view, productive meeting with the leaders of the Senate and the House over in the Cabinet Room just before lunch.

It is an extraordinarily complicated situation. There are no easy calls. I am determined to make clear to the world that we have a stake, a fundamental stake, in self-determination for Lithuania. We have never recognized the incorporation of Lithuania into the Soviet Union. So, we have no problem that some have -- the Secretary General and some countries -- of considering Lithuania a part of the Soviet Union, an integral part, and thus saying any concern we express about Lithuania is mingling into the internal affairs of the Soviet Union. We don't have that dilemma because we never recognized the incorporation of Lithuania or Latvia or Estonia into the Soviet Union.

Having said that, what I'm trying to do -- and I have not made a determination exactly what I will do specifically on sanction approach that many are talking about -- what I am determined to do is to try to get a dialog going, or see that the Soviets and the Lithuanians get a dialog going, so they can talk about and then decide upon the peaceful evolution of democracy in keeping with our age-old principle of self-determination for people.

And I don't want to do something that would inadvertently set back the progress that has been made in Eastern Europe. And it's been dramatic progress, far faster than I think any of us here -- if we went to confessional -- would say we could possibly see coming up. And so, it is delicate. And you've got to look at the real options. I'm old enough to remember Hungary in 1956 and

where we exhorted people to go to the barricades, and a lot of people were left out there all alone.

And so, I will continue to articulate the view that we are committed to self-determination of these Baltic countries and encourage them to indulge in a dialog, both sides, that will result in this end being achieved. Gorbachev has indicated a willingness to do this. The Lithuanians have indicated some willingness to do this. Indeed, there's a delegation in Moscow today from Vilnius. And let's hope that they can get together and start the discussion, because the progress that's been made towards democracy in Eastern Europe is mind-boggling.

We have a great stake, I think, in helping those countries in Eastern Europe. And frankly, I'd like to see the progress in the Soviet Union go forward without having some elements that are opposing Gorbachev on all of this crack down and set the clock back to a day that we all remember of a cold-war mentality and confrontation instead of negotiation in progress.

So, we're at an interesting period here, no determination having been made by your President yet as to specific action, but a determination -- and I am convinced, incidentally, that the Soviet leadership knows of our adherence to this principle and to our conviction that dialog is the way to go.

So, we will see what can happen. And in the meantime, I will make clear to the Lithuanians in this country, the most patriotic, wonderful people, whose enthusiasm for independence now I can certainly understand, that we are not going to back off 1 inch from this principle of freedom and self-determination.

So, we are in an interesting period here, and I have been gratified to have the support of the American people on this one. And I'm gratified to have what appears to be good bipartisan support from the Congress at this juncture. But it's an interesting call, and we will try to handle it so progress tries to keep going instead of inadvertently setting the clock back.

I love the old expression of Yogi Berra's: You say, ``What happened to the Mets, Yogi?'' He said, ``Well, we made the wrong mistakes.'' [Laughter] I expect in this job I'll make plenty of mistakes, but I don't want to make the wrong mistakes.

Thank you all very much.

Note: The President spoke at 1:12 p.m. in Room 450 of the Old Executive Office Building.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jacques Delors of the European Community Commission

April 24, 1990

President Bush met today with European Community Commission President Jacques Delors to discuss the development of relations between the United States and the European Community, an important part of U.S. relations with Europe. President Delors described the Community's continuing political and economic integration and the Community's developing relations with Eastern Europe and the Soviet Union. President Bush emphasized the United States traditional and continuing support for European integration and the importance the United States attaches to the Community's role as coordinator of a broad Western effort to aid Hungary and Poland, as well as other Eastern European countries as they move toward market economies and democracy.

President Bush and President Delors discussed the roles of the United States and the European Community in a changing Europe. They both stressed the need to further strengthen institutional links between the United States and the Community as the EC integration process progresses, and to refine procedures for continuing close political and economic consultations at all levels. President Bush said he was pleased with the progress made in this regard during the visit of Irish Prime Minister Haughey in February as President of the EC Council. The U.S.-EC Ministerial yesterday and President Bush's meeting today with President Delors should permit additional progress.

President Bush reiterated to Commission President Delors that the United States is firmly committed to improving the multilateral trading system and strengthening the GATT through agreements reached during the Uruguay round GATT negotiations scheduled to conclude in Brussels next December, and that the cooperation of the European Community is essential, particularly in the agricultural area.

Message to the Senate Transmitting a Protocol to the Canada-United States Extradition Treaty

April 24, 1990

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol signed at Ottawa on January 11, 1988, amending the Treaty on Extradition Between the United States of America and Canada, signed at Washington on December 3, 1971, as amended by an exchange of notes on June 28 and July 9, 1974. I transmit also, for the information of the Senate, the report of the Department of State with respect to the protocol.

The protocol amends the Extradition Treaty Between the United States and Canada, signed at Washington on December 3, 1971, as amended by an exchange of notes on June 28 and July 9, 1974. It represents an important step in improving law enforcement cooperation and combatting terrorism by excluding from the scope of the political offense exception serious offenses typically committed by terrorists; e.g., murder, manslaughter, kidnapping, use of an explosive device capable of endangering life or causing grievous bodily harm, and attempt or conspiracy to commit the foregoing offenses.

The protocol also will help to improve implementation of the current extradition treaty in several other respects. Most significant, the protocol substitutes a dual criminality clause for the current list of extraditable offenses, so that, inter alia, parental child abduction and certain additional narcotics offenses will be covered by the new treaty.

I recommend that the Senate give early and favorable consideration to the protocol and give its advice and consent to ratification.

George Bush

The White House,

April 24, 1990.

Nomination of Steven E. Steiner for the Rank of Ambassador While Serving as United States Representative to the Special Verification Commission

April 24, 1990

The President today announced his intention to nominate Steven E. Steiner for the rank of Ambassador during his tenure of service as the United States Representative to the Special Verification Commission.

Since 1988 Mr. Steiner has served as the United States Representative for the Special Verification Commission. Prior to this he served as Director of Defense and Arms Control for the National Security Council at the White House, 1983 - 1988. Mr. Steiner graduated from Yale University (B.A., 1963) and Columbia University (M.I.A., 1966). He was born July 14, 1940, in Kittanning, PA. Mr. Steiner is married, has three children, and resides in Chevy Chase, MD.

Nomination of Ming Hsu To Be a Commissioner at the Federal Maritime Commission

April 24, 1990

The President today announced his intention to nominate Ming Hsu to be a Federal Maritime Commissioner for the remainder of the term expiring June 30, 1991. She would succeed Elaine L. Chao.

Since 1982 Mrs. Hsu has served as the Governor's special trade representative for the State of New Jersey and director of the State commerce department's division of international trade in Newark, NJ. Prior to this, she served as vice president for international trade relations for the RCA Corp. in New York, NY, and has served as director of international planning and director of marketing planning. In addition, Mrs. Hsu served as a member of the Defense Advisory Committee on Women in the Services, 1989; on the National Commission on the Observance of International Women's Year; and on the Secretary of Commerce's Advisory Committee on East-West Trade. Mrs. Hsu was awarded the Woman of the Year Award for the Asian-American Professional Women's Association, 1983.

Mrs. Hsu graduated from George Washington University School of Government Affairs (B.A., 1949), Ramapo College (LL.D., 1988), and Kean College (LL.D., 1989). She was born September 14, 1924, in Beijing, China. Mrs. Hsu is married, has one child, and resides in Westfield, NJ.

Presidential Determination No. 90 - 17 -- Memorandum on Export-Import Bank Services for Nicaragua

April 25, 1990

Memorandum for the Secretary of State

Subject: Determination Under Section 2(b)(2) of the Export-Import Bank Act of 1945, as Amended in 1986 -- Nicaragua

Pursuant to section 2(b)(2) of the Export-Import Bank Act of 1945, as amended in 1986, I determine that Nicaragua is no longer a ``Marxist-Leninist'' country; it is therefore in the national interest for the Export-Import Bank of the United States to guarantee, insure, extend credit and participate in the extension of credit in connection with the purchase or lease of any product or service by, for use in, or for sale or lease to Nicaragua.

Please transmit this determination to the Speaker of the House and to the President of the Senate.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:59 p.m., May 1, 1990]

Presidential Determination No. 90 - 18 -- Memorandum on Emergency Assistance for Nicaragua

April 25, 1990

Memorandum for the Secretary of State

Subject: Determination to Authorize Assistance for Nicaragua

By virtue of the authority vested in me by section 451 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the use of up to $2.5 million in funds made available under Chapter 4 of Part II of the act in fiscal year 1990 for emergency assistance to Nicaragua, notwithstanding any other provision of law.

You are requested to report this determination to the Speaker of the House of Representatives, the House Appropriations Committee, and the Senate Committees on Foreign Relations and Appropriations immediately.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4 p.m., May 1, 1990]

Remarks to Capital Area Community Food Bank Volunteers

April 25, 1990

Hey, listen, I'm the one that should be clapping for you all. And I want to thank Barry Scher, the chairman; and Lynn Brantley; and I guess everybody else for the tour of this Capital Area Community Food Bank. It's nice to know that all the broccoli -- [laughter] -- that my wife loves so much found a good home. And I'm told that it was well received.

It's especially fitting that I come over here today, as your President, because this is National Volunteer Week, a time to applaud those who are reaching out to those in need and to resolve to make serving others a part of America's life. I'm here to express my own thanks and the thanks of a grateful community for all that you do to address the problem of hunger in the Washington metropolitan area.

And this Capital Area Community Food Bank is a volunteer-intensive organization. In this room are some of the more than 5,500 people who volunteer to make this initiative work -- distributing a minimum of 500,000 pounds of food per month. And by encouraging individuals, supermarkets, and other bulk suppliers to save their surpluses and by distributing that food to the needy in our community, those of you who are gathered here today are among those Points of Light that shine so brightly all across our country.

For the neighborhood pantries, low-income day-care centers, senior citizen lunch programs, and homeless shelters -- a population served -- this effort makes a difference. It makes a difference in the lives of others. And I hope that every community in the Nation will follow your lead and become, in your words, a community that cares for its own.

Thank you for demonstrating that any definition of a successful life must include serving others. You inspire me, you inspire my wife, and you inspire the country. Thank you very much.

Note: The President spoke at 10:27 a.m. at the food bank. In his opening remarks, he referred to Barry Scher and Lynn Brantley, chairman of the board and executive director of the Capital Area Community Food Bank.

Remarks Announcing Federal Budget Reform Proposals

April 25, 1990

The President. Let me welcome Senators Thurmond -- I thought Pete Domenici was going to be here -- certainly Dan Coats; and Tom Tauke, Lynn Martin; Representatives Craig, Penny; and of course, Secretary Brady and the Attorney General and Director Darman, General Counsel Boyden Gray.

Today I'm signing letters to send to Congress a budget reform package that would propose an amendment to the Constitution to provide a line-item veto; reiterate my previous support for the Legislative Line-Item Veto Act to enhance Presidential rescission authority; and finally, to reendorse a balanced budget amendment.

As President, I repeat the call of many of my predecessors for the line-item veto, and today I am proposing an amendment to the Constitution to accomplish this. The President needs the power to remove unnecessary expenditures that have been made a part of the appropriations bills without sacrificing entire legislative enactments. This power would give the President the same tool that 43 Governors have: the line-item veto.

I also want to repeat my strong endorsement of August 4th of last year for the Legislative Line-Item Veto Act, which was introduced in the Senate by Senator Coats and by John McCain. I'm glad you're here, Dan; but John, I think, is in Nicaragua for the inauguration. Otherwise, he would be here as well. The House sponsors are here: Tom Tauke, Lynn Martin, Larry Craig, and Tim Penny -- all out front on this issue.

The Legislative Line-Item Veto Act strengthens the rescission authority in current law. Now an appropriation can only be canceled through rescission, but Congress can reject a Presidential rescission simply by inaction. And that's precisely what's happened to the vast majority of rescission proposals since the present law went into effect in 1974. And so, I ask Congress to require an up-or-down vote on Presidential rescissions. The President needs the power to make the tough calls on spending, take the heat, and I'm perfectly prepared to do that.

The third and final element of this budget reform package is a balanced budget amendment. A balanced budget amendment, properly drafted, is both necessary and appropriate to protect the interests of a group of citizens not now able to protect themselves; and I'm talking about the citizens of future generations. Senate Joint Resolution 12, introduced by Senator Thurmond, is one such balanced budget amendment, and today I am pleased to endorse that Thurmond resolution. More than 30 State legislatures have already called for a constitutional convention for this purpose.

These three tools -- a line-item veto constitutional amendment, enhanced rescission authority for

the President, and a balanced budget amendment -- together with political courage and discipline are vital to solving the problems of budget deficits.

So, I am prepared -- I will tell all of you here -- to work with Congress to enact a meaningful, credible, and effective budget reform process. Getting our fiscal house in order is crucial to our nation's long-term economic health and prosperity.

Thank you all for your leadership, and I look forward to working with you for success here.

[At this point, the President signed the letters.]

The President. So, there we are. Keep up the good work.

Lithuanian Independence

Q. Mr. President, Mr. Landsbergis [Lithuanian leader] has likened your policies to Munich. Would you care to defend yourself?

The President. I don't need any defense. The policy decisions I've taken have strong support from the American people. That's who I work for.

Note: The President spoke at 11:15 a.m. in the Roosevelt Room at the White House. In his opening remarks, he referred to Senators Pete V. Domenici and Dan Coats, and to C. Boyden Gray, Counsel to the President.

The Office of the Press Secretary issued a fact sheet on the same day which provided the following additional information on the President's budget reform proposals:

Line-item veto amendment: The amendment would give the President authority to separately approve, reduce, or disapprove any provision of a bill containing any `item of spending authority.' `Items of spending authority' have been broadly defined, to capture the whole range of Federal spending. They include: items of appropriation, spending authorizations, authority to borrow money on the credit of the United States or otherwise, dedications of revenues, entitlements, uses of assets, insurance, guarantees of borrowing, and any authority to incur obligations. The basic veto mechanism currently in the Constitution has been retained in the amendment. When the President exercises the item veto, he will signify in writing the portions approved or approved as reduced, which will then become law, and return disapproved portions and reductions to Congress, which will reconsider each of them just as it now does with vetoed bills.

Balanced budget amendment: The proposed amendment would require that outlays not exceed receipts, thus allowing the budget to be balanced or to run a surplus. The proposal also includes

a safeguard against a resort to higher taxes as a means of complying with the constitutional mandate. The President called for a change in Senate Joint Resolution 12: that the mandate for a balanced budget be effective beginning with fiscal year 1993 -- the year in which the Gramm-Rudman-Hollings law requires elimination of the deficit.

Letter to Congressional Leaders on Federal Budget Reform

April 25, 1990

Dear Mr. Speaker: [Dear Mr. President:]

Today I am proposing to the Congress a budget reform package. In order to help restore fiscal integrity, we need a balanced budget amendment to the Constitution, a line-item veto constitutional amendment, and enhanced rescission authority for the President. These tools -- together with political courage and discipline -- are vital to solving the problem of budget deficits.

The most fundamental change needed in the Federal budget process is a constitutional amendment to require a balanced budget. A balanced budget amendment is both necessary and appropriate to protect the interests of a group of citizens not now able to represent themselves: the citizens of future generations. More than 30 State legislatures have already called for a constitutional convention for this purpose.

A balanced budget amendment must also include safeguards against a resort to higher taxes as a means of complying with the constitutional mandate. Senate Joint Resolution 12, a balanced budget amendment introduced by Senator Thurmond, includes such a safeguard and has my full support. There is, however, one change I would make in S.J. Res. 12: the mandate for a balanced budget should be effective beginning with fiscal year 1993. The current Gramm-Rudman-Hollings law requires elimination of the deficit by that time, and the balanced budget amendment will help ensure that the Federal budget stays in balance thereafter.

Second, as President, I repeat the call of many of my predecessors for the line-item veto. The President needs the power to remove individual and unnecessary expenditures that have been made a part of major appropriations bills without sacrificing entire legislative enactments. This power would give the President the same tool that 43 Governors have -- the line-item veto. With that power, we can put the national interest above the special interests. Therefore, I am submitting to the Congress today a proposed amendment to the Constitution granting such authority.

Finally, we need to correct the budget procedure known as rescission. Present law allows for cancellation of an appropriation only through the rescission process, in which the Congress can reject a Presidential proposal for rescission simply by inaction. That is precisely what happened to the vast majority of rescission proposals submitted by three Presidents since the present law was enacted in 1974.

Thus, I urge passage of The Legislative Line-Item Veto Act of 1989 (H.R. 3271 and H.R. 3583, companion bills to S. 1553) [(S. 1553)], which would provide enhanced rescission authority to the President. I commend, in particular, Representatives Tom Tauke, Larry Craig, Lynn Martin, and Bob McEwen for their leadership in introducing this important legislation. [I commend, in particular, Senators Dole, Domenici, Armstrong, Humphrey, McCain, and Coats for their work in drawing together this important legislation]. This legislation will provide the President with strong and effective authority to rescind appropriations that are wasteful or unnecessary.

I am prepared to work with the Congress to enact meaningful, credible, and effective budget reforms. Getting our fiscal house in order is crucial to our Nation's long-term economic health and prosperity.

Sincerely,

George Bush

Note: Letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The material appearing in brackets was contained in the letter sent to the President of the Senate.

Message to the Congress Transmitting a Joint Resolution Proposing a Line-Item Veto Constitutional Amendment

April 25, 1990

To the Congress of the United States:

I forward to you today a Joint Resolution proposing an amendment to the Constitution of the United States to authorize the President to disapprove or reduce items of spending authority and to disapprove substantive provisions contained in appropriations measures.

Amending our national charter is a profoundly serious step, and I am fully aware of the great responsibility involved in proposing such an action. My proposal, however, is supported by ample precedent. Today, the Governors of 43 of the 50 States have line-item veto authority, and for more than a century American Presidents have urged the Congress to adopt this reform at the Federal level. We have never needed it more than now. By enabling the President to open up massive omnibus spending packages and pare out wasteful and unneeded spending, this amendment would address one of the most serious and intractable issues facing the Nation today -- the collapse of Federal fiscal discipline that has helped to saddle us with trillions of dollars of debt.

This amendment has been painstakingly crafted to ensure that the Congress has a chance to pass on each item lined out of a bill, using procedures essentially identical to those now in the Constitution. Its only purpose is to enable both the President and the Congress to take a closer look at the way we spend the taxpayers' money -- to bring out into the sunlight the kinds of hidden, abusive spending proposals that would never make it on their own.

I look forward to working with you on this proposal, and I am confident that by enacting it we will place the Constitution and the Nation on a sounder footing than ever before.

George Bush

The White House,

April 25, 1990.

Remarks at a White House Ceremony for the Observance of National Crime Victims' Rights Week

April 25, 1990

Welcome to the White House. And may I say I'm very pleased to see so many members of the House and the Senate here today to pay their respects to these honorees. I want to thank them for their outstanding support -- Republicans, Democrats alike -- on this whole concept of National Crime Victims' Week. It's always a pleasure to see our able Attorney General, who will do the honors in a minute, and in my view, he's doing an outstanding job for our country.

I'm delighted that I just signed the Presidential proclamation declaring this to be National Crime Victims' Rights Week. And I want to thank you, all of you out there who work so diligently in public service and the private sector on behalf of the victims of crime.

I'm glad to see so many of you could come -- some from far away -- come here to Washington. It's good to see Howard and Connie Clery again, and some of the others who have worked with the White House over the past year. Howard and Connie embody the power of voluntarism, the power of the physically challenged, and the power of a just cause -- the campaign to build an America where every victim of every crime is treated with the dignity and the compassion that they deserve.

Shortly after I took office, the Attorney General came to the Oval Office and introduced me to the seven recipients of last year's awards. And today it's an honor for me to stand with you again as we commemorate the great strides that we've made toward preserving the rights of our victimized citizens.

In the not-so-distant past, crime victims often became the forgotten people, subjected to continued victimization by the criminal justice system. The victims' rights movement really emerged in the seventies, when concerned Americans like one of today's honorees, South Carolina's Dr. Dean Kilpatrick, took part in a grassroots effort to assist victims of rape and family violence.

And the past 8 years have seen a new emphasis placed on crime victims issues: landmark Federal legislation, task forces led by the President and the Attorney General, 45 States where a victims bill of rights is now in force, and a nationwide expansion of victim assistance and compensation programs. My administration has continued to build on this foundation. We've backed the Attorney General's call for full implementation of the Victim-Witness Protection Act. We've obtained reauthorization for the 1984 Victims of Crime Act, extending the innovative fund that turns the tables on the bad guys by taking the criminal's money and using it to assist and compensate the criminal's victims. Last year, for the first time, deposits into the fund

exceeded the legislative cap. And for 1990, $125 million will be available for vital services to victims of crime, $30 million over the 1989 level. Another example of how we're protecting victims is the fact that in securities fraud and similar financial crimes we're regularly seeking to recover funds to compensate the victims of those offenses.

Through the Office for Victims of Crime, we've also recently established new victim assistance programs serving Native Americans in 17 States, because when violence strikes, every American should have a place to turn for help. Some of the best successes have come about as a result of partnership -- cooperation between Federal, State, and local authorities; teamwork between public and private efforts. One of today's heroes is Mimi Olson, who has devoted 23 years to channeling victim assistance and other services for Native American children on the Crow Creek Sioux Reservation.

And you have Federal partners, like the victim-witness coordinators in the U.S. Attorneys offices who not only arrange emergency services for Federal victims' assistance but also educate prosecutors about the needs of these people -- Federal victims' needs.

And all of these efforts are important, but we also know that the best defense is a good offense. We're determined to stop crime at its source, and that means tougher laws, like the stringent drunk-driving law Sandra Heverly helped enact in Nevada. And it means fighting back -- community patrols, like the one pioneered in Boston by Milton Cole.

Milton, in recent months, I visited your neighborhood counterparts in Houston, Kansas City, Santa Anna, and right across the river over here in Virginia. And like you, they got angry, and they got organized, and they got results.

Community results have also been magnified by the power of television and the work of yet another crime victim who refused to be further victimized: John Walsh, of ``America's Most Wanted." John says, ``Look, I was victimized once. My heart has been broken. And I believe you take a stand and fight back not as a vigilante but through the system. You figure out a way to do it with some dignity and some integrity, and you fight back." Those are his words. John's video version of the old post office wanted posters have received national exposure, and the results speak for themselves: over 100 criminals nabbed in under 2 years -- 7 of the FBI's ``10 Most Wanted." And just this month, John's program helped earn the conviction of a coldblooded killer who had eluded authorities for 18 years.

The message and the popularity and effectiveness of this broadcast is simple: The people of this country are prepared to do whatever it takes for as long as it takes to take back the streets, to take back what's theirs.

And it's here where we'd like to ask your help. I mentioned tougher laws. Congress has approved our request for more agents, more prosecutors, and more prisons to catch, convict, and contain

this country's most dangerous offenders. But Congress also must act on our full range of tough new anticrime proposals. Our package is in danger of being weakened in the Senate, and it's been left gathering dust in the House. And it's time to act. The American people want it done right, and they want it done responsibly, and they want it done now.

Many challenges remain. But thanks to you and your government partners, the future holds the promise for crime victims of both continued support and a continued voice.

From a community activist in Boston's public housing to one of America's most unlikely new television stars, your courageous seven personify the selfless acts of thousands of concerned Americans who strive every single day to take back the streets. And you're living proof of Father George Clemens' rallying cry in Chicago: ``There are more of us than there are of them."

Congratulations, and God bless you all. Thank you.

Note: The President spoke at 11:31 a.m. in the Rose Garden at the White House. At the conclusion of his remarks, the following individuals received Department of Justice awards for outstanding public service on behalf of victims of crime: Howard and Constance Clery, Milton Cole, Sandra Heverly, Dean G. Kilpatrick, Emilia ``Mimi" Olson, and John Walsh. The proclamation is listed in Appendix E at the end of this volume.

Remarks to the Bethesda-Chevy Chase Rescue Squad in Bethesda, Maryland

April 25, 1990

Thank you all very much. From George to George, thank you. [Laughter] President Giebel, thank you very much, and Chief Dwyer and members of this marvelous Bethesda-Chevy Chase Volunteer Rescue Squad. And of course, I want to pay my respects to our county executive, Sidney Kramer -- thank him for being with us today. Congressman Curt Weldon, an old friend of mine, a current Member of the United States Congress, is the founder of the Congressional Fire Service Caucus, one of the most rapidly growing caucuses in the Congress and one that really has unanimous, across-the-aisle support. So, Curt, I'm delighted to be with you.

And of course, I don't need to say to you, her constituents, too much about my friend, your own friend, and our Representative in the United States Congress, Connie Morella. I will tell you, coming out, she wanted to be sure -- you know Connie -- she wanted to be sure I knew absolutely everything I needed to know; so she was telling me that it was -- and she said it not in a partisan sense, but in a sense of civic commitment -- that this is the heart and soul of the community. And she said that it enthusiastically let her have her announcement here, her victory celebration and, indeed, even her son's wedding reception here. [Laughter]

So, in addition to other good works, I salute this organization for being the heart and soul, as Connie said, of the community. This is the organization that I spoke to as a Vice Presidential nominee in 1980, and I'm certainly glad to be back.

One reason that I'm so pleased to be here is that if my speech is a disaster, relief is at hand. [Laughter] Then, too, there's another point that Curt and Connie and I were talking about coming out here: This week -- it is National Volunteer Week, which celebrates the selfless character of the American people. National Volunteer Week salutes what I call this nation's Points of Light, this vast galaxy of individuals and businesses and schools and churches and synagogues, unions and voluntary associations working together to solve problems. This rescue squad really is a Point of Light; it is also a source of life.

Many people don't realize that fully 80 percent of America's fire protection and emergency medical service is supplied by volunteers -- an amazing total, absolutely amazing. And here's the point: Volunteers who meet local emergencies -- risking lives to save the lives of others, just as America's firefighters have done for more than 200 years.

You know, being here today reminds me of a story that I heard, which happened a number of years ago. It seems that 25 of Boston's top Prohibition bootleggers were rounded up in a surprise raid. And as they were being arraigned, the judge asked the usual question about occupation.

The first 24 men were engaged in the same profession -- each claimed to be a firefighter. Well, naturally, the judge asked the last prisoner, ``And what are you?'' ``Your honor,'' he said, ``I'm a bootlegger.'' Surprised, the judge laughed and asked, ``And how's business?'' He said, ``Well, it would be a hell of a lot better if there weren't so many firefighters around.'' [Laughter]

Well, you get the gist. Even back in Prohibition, your numbers turned the tide. Then, as now, volunteers like you were the first responder not only to fire but also to accidents and floods and cave-ins and collapsed buildings. Then, as now, you acted as the backbone of America, showing that any definition of a successful life must include serving others.

National volunteer work -- it embodies that definition, as do your 50 years of service to the Bethesda-Chevy Chase community. Talk about variety: cats rescued from treetops; children from smashed automobiles; helping victims of heart attacks; and senior citizens, alone and vulnerable, after falls within their own home. Young kids and retirees, executives and laborers -- each of you, to quote the squad's original motto, has ``answered the call.''

Listen to an anonymous letter that appeared on your bulletin board. It talked of the comfort the B-CC Rescue Squad provides. ``You can watch people's faces begin to relax just by your presence. And that gives you a special feeling.'' And look at the man with me here, David Dwyer, chief of the squad for the past 21 years. He's one of the heroes responsible for that feeling. And by day, he works at the NIH [National Institutes of Health]; at night, he's a volunteer -- anywhere there is a need, anytime he is needed.

So, by risking your lives to save others, you are on the front lines. And those who directly take up the fight against drug abuse, illiteracy, homelessness, hunger, environmental decay, and AIDS are also on the front lines. Like you, they are finding the meaning and the adventure that all of us seek in our own lives.

We know that life itself means nothing without a cause larger than ourselves. Firefighting was such a cause when, in 1736, Ben Franklin founded one of the first volunteer companies. And so it is in 1990, with firefighters and EMS [emergency medical service] personnel today 1 million strong. I salute you, as does your community. We respect and admire you for a job well done. Today America is grateful for your special brand of skill and courage, the courage to put another's life before one's own.

Let me close with a Bible verse that defines your lives: ``Greater love hath no man than this, that a man lay down his life for his friends.'' You and countless thousands of others like you around this great country serve strangers. You save lives, and you walk the path of engagement in the lives of those in need. And this really is the heartbeat of America and the true meaning of serving others.

Thank you for what you've done. I simply wanted to come out, down the street -- through the

skies, I will confess -- [laughter] -- but to say thank you from the bottom of a grateful heart. And I will try to continue to tell America how grateful we are for those who serve others. Thank you very, very much, and God bless you all.

Note: The President spoke at 2:05 p.m. outside the station house. He was introduced by George Giebel, president of the rescue squad.

Nomination of Peter Jon de Vos To Be United States Ambassador to Liberia

April 25, 1990

The President today announced his intention to nominate Peter Jon de Vos, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Liberia. He would succeed James Keough Bishop.

Since 1989 Mr. de Vos has served as Principal Deputy Assistant Secretary of State for the Bureau of Oceans and International Environmental and Scientific Affairs. Prior to this, he served as Deputy Assistant Secretary of State for Science and Technology, 1987 - 1989; Ambassador to the People's Republic of Mozambique, 1983 - 1987; Ambassador to the Republic of Guinea-Bissau and to the Republic of Cape Verde, 1980 - 1983; Deputy Director of Southern African Affairs at the Department of State, 1979 - 1980; National War College, 1978 - 1979; political officer in Athens, Greece, 1975 - 1978; Special Assistant for the Bureau of Inter-American Affairs at the Department of State, 1973 - 1975; political officer in Brasilia, Brazil, 1971 - 1973; political officer in Sao Paulo, Brazil, 1970 - 1971; deputy principal officer in Luanda, Angola, 1968 - 1970; political officer in Naples, Italy, 1966 - 1968; desk officer for Brazil, 1964 - 1966; and a Foreign Service officer general in Recife, Brazil, 1962 - 1964.

Mr. de Vos graduated from Princeton University (B.A., 1960) and Johns Hopkins University (M.A., 1962). He was born December 24, 1938, in San Diego, CA. He is married and resides in Cabin John, MD.

Memorandum on Senior Executive Service Positions in the Federal Bureau of Investigation and the Drug Enforcement Administration

April 25, 1990

Memorandum for the Director of the Office of Management and Budget

Subject: Delegation of Authority to Allocate Senior Executive Service Positions to the Federal Bureau of Investigation and the Drug Enforcement Administration

By the authority vested in me as President by the Constitution and laws of the United States of America, including Section 5108 (a) of Title 5 and Section 301 of Title 3 of the United States Code, I hereby delegate to the Director of the Office of Management and Budget the authority to establish and, from time to time, revise the maximum numbers of Senior Executive Service positions that may be placed in the Federal Bureau of Investigation and the Drug Enforcement Administration.

You are authorized and directed to publish this memorandum in the Federal Register.

George Bush

Statement by Press Secretary Fitzwater on the President's Eye Examination

April 25, 1990

President Bush was examined today at Bethesda Naval Hospital by Dr. Harry Quigley of Johns Hopkins in Baltimore, MD, and Dr. Richard Brubaker of the Mayo Clinic in Rochester, MN, prominent experts on glaucoma.

During the President's last routine physical on April 12, an early glaucoma in his left eye was detected. Extensive visual tests at that time revealed no loss of any aspect of his visual acuity. Betagan eye drops were prescribed, 1 drop every 12 hours.

The examination today was requested by Dr. Burton Lee, the President's personal physician, to confirm the earlier diagnosis and assess the treatment strategy. ``The physical findings were reviewed by the consultants and the diagnosis of exfoliation syndrome was confirmed with slightly increased intraocular pressure noted again in the left eye, one type of early glaucoma," Dr. Lee said. ``Extensive testing of the eye, including detailed photographs, once again revealed no abnormalities and no visual loss. It was decided to stop the Betagan eye drops and follow him closely for now, on no treatment."

Remarks at the Welcoming Ceremony for President Carlos Andres Perez of Venezuela

April 26, 1990

President Bush. Welcome, all of you. It is my great honor to welcome the leader of one of South America's oldest democracies and one of Latin America's most respected statesmen, Carlos Andres Perez, President of Venezuela. And I am especially pleased that we welcome him today. He's just come here from Managua, just hours after attending the inauguration of Violeta Chamorro as the new President of Nicaragua -- democratic Nicaragua. A great day for democracy and a great advance for the cause of freedom in our hemisphere.

President Perez, on the morning after Nicaragua's recent elections, I remember calling you to discuss the stunning victory the Nicaraguan people had won at the ballot box. I called to confer with you because I knew how long and hard you personally had worked to bring democracy to Nicaragua. From the final days of the Somoza regime to your efforts on behalf of the Contadora group, and now to the moment of freedom's triumph, your deep personal commitment to the advance of democracy has never wavered.

Today another nation has joined freedom's ranks. For the people of all America, all the Americas, this is a time to celebrate. More than that, it's a time to dedicate ourselves to the day, perhaps not so distant, when all the people of this hemisphere live in freedom and democracy.

Mr. President, in just a few moments we'll move inside to the Oval Office and begin our consultations. But before we do, let me just say a few words about the new course your nation has chosen, about the changes your nation is making in its economic orientation, and about Venezuela's version of what I have heard described as ``Perezstroika."

In the past year we've seen the thirst for freedom transform the world, and with that unquenchable desire for political freedom has come a realization that freedom is also the key to economic development. From Moscow to Managua, we've witnessed a shift from the teaching of Marx to the lessons of the free market. That shift parallels the one you've begun in Venezuela by stripping away the layers of state control that stifled development in favor of free market principles that experience proves provide fertile ground for growth.

I know this transition, with its difficult, short-term effects, has meant some pain for the people of Venezuela. But it is the kind of new beginning that will lay the foundations for future growth. It isn't an easy path, but we're convinced it is the only path to prosperity and better lives for all Venezuelans.

That's why I'm pleased to see that Venezuela and its main creditors have reached agreement

under the Brady plan for dealing with debt burden, a plan that opens the way for opportunity and growth. With this agreement, Venezuela can take the next step forward toward economic vitality and growing prosperity for all its people.

That, Mr. President, is not only a testament to Venezuela energy and enterprise but, clearly, sir, to your vision and your courage. I am really looking forward to our talks. On behalf of all Americans, it is my great pleasure to meet with you here at the White House.

Once again, welcome, and may God bless the Republic of Venezuela.

President Perez. Mr. President, Mrs. Bush, I come from a continent, Latin America, and from a nation, Venezuela, whose citizens strive to consolidate their economic and social progress and their democracy. It is to speak of these efforts that I have accepted your kind invitation, Mr. President. We will talk to each other with the same friendly sincerity that has become customary in us. I shall also meet leaders of American economic and political life, as well as outstanding representatives of your intellectual and cultural world. To all of them, we will want to express our joy at the new surge of democratization which is sweeping today's world and undoing in its wake the age of cold war and bipolarity.

We rejoice at the fact that time has come now for detente and a great joint effort aimed at facilitating economic development, social progress, equilibrium, and cooperation among nations. Latin America has much to contribute to today's world. Our continent wants to participate in shaping a world of peace -- of peaceful neighborliness and respect of human rights and the rights of the nature that is to be the heritage of our children -- so as to set the foundations of a democracy and a quality of life consonant with the yearnings and possibilities of mankind.

Latin America has made progress. We have become free of dictatorships, and our democracies are being consolidated. Currently, all the countries of the region are waging their individual battles to achieve sound economies and make Latin America competitive. The Latin American continent is determined to modernize its structures, institutions, and relations, even in spite of the fact that our efforts do not always meet with proper understanding, cooperation, and encouragement.

In seeking solutions to conflicts, Latin American nations have devised their own ever more efficient mechanisms. Today Latin America is able to solve serious conflicts; and I am certain, Mr. President, that we have come to the end of all solutions that fuel the historic lack of understanding existing between our people. And in this regard, let me highlight some Latin American agreements for peace, democracy, and cooperation -- such as the group of Contadora, the group of Rio, and Esquipulas II -- which have set the marvelous examples of these past elections in Nicaragua.

And I come here today to Washington directly from Managua, where I attended the inauguration

of a government freely elected by the people. The San Jose agreement is another example of the same thing. And our present economic difficulties have not prevented us from disbursing for the sake of solidarity over $3 billion as our contribution to peace and democracy. We feel full confidence in the coming new age of peace and solidarity. We trust that we will not go back to political, military, economic, and trade conditions that will place us again on an unequal footing in a world that is becoming ever more interdependent and resistant to any subservience of either the citizens of a nation to any party or sect, or some nations to others, based on their political or military might.

We want our efforts in favor of the region's peace, its democratic revival, its economic recovery, and its social harmony to be matched with support, equitable cooperation, and uniform and balanced treatment for our nations. In such a framework, we will be able to progress and contribute to the establishment of a true hemispheric community, thus bridging our traditional mutual lack of understanding, our nonencounter as I like to call it.

We must work together to solve the problems of our continent, and we will be able to do it much more successfully if we recognize the solid friendship that binds us. Between your country and mine, there is a common and complimentary interest concerning production and consumption of energy resources. We obviously need to exchange views on how to maintain an adequate strategic production potential in this hemisphere. This is the hope we all have. And as your great poet Carl Sandburg said when he compared our need of cooperation to an echo that resounds further and further, we also say we have to travel further, much further, much beyond what we have achieved. And this is why I have come to meet your wonderful people and to talk to the President and other representatives of this immense, great, and admirable nation.

Note: President Bush spoke at 10:13 a.m. at the South Portico of the White House, where President Perez was accorded a formal welcome with full military honors. President Perez spoke in Spanish, and his remarks were translated by an interpreter.

Message to the Congress Transmitting Amendments to the China-United States Fishing Agreement

April 26, 1990

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith an agreement between the Government of the United States of America and the Government of the People's Republic of China amending and extending the 1985 Agreement Concerning Fisheries off the Coasts of the United States, which was effected by exchange of notes at Washington, March 14 and 22, 1990. This agreement extends the 1985 agreement for an additional 2 years until July 1, 1992, and amends the port access procedures contained in the 1985 agreement. The exchange of notes, together with the present agreement, constitute a governing international fishery agreement within the meaning of section 201(c) of the act.

Because of the importance of our fisheries relations with the People's Republic of China, I urge that the Congress give favorable consideration to this agreement.

George Bush

The White House,

April 26, 1990.

Remarks at a White House Briefing for Conservative Leaders

April 26, 1990

Did I interrupt Porter? And if so -- well, to Roger, my thanks if I did, and may I say hello to Doug Weed and, of course, the people that herded this outstanding group together: Jerry Falwell, Ed Prince, Mike Valerio. But in any event, I'm delighted to see you all.

With all the traveling that I'm doing, it's a little different for me to be making an appearance so close to the White House. I was just talking to Barbara. She says, ``You spend more time on the road than Charles Kuralt." [Laughter]

This morning, I was talking about this, and I said, I'm looking forward this afternoon to going over and spending some time with friends, and indeed with people who were very instrumental in helping me get to be President at perhaps the most fascinating time in history, or among the most fascinating, certainly, I think, since World War II.

I'm delighted to be with a group for whom ``conservatism" is not a catchword. As the past two decades show, it's a philosophy to which most Americans subscribe, and I think that's still very true across the country. Conservatives believe in Yankee ingenuity. I recall how a mother once told her son, ``I have a pretty good idea that you skipped your piano lesson and played baseball." The son said he hadn't, and the mother said, ``Are you sure?" And the son said, ``Yes, I have a fish to prove it." [Laughter]

Conservatives also believe in science and technology. The more I know about the Hubble telescope, the more impressed I am. So powerful that it'll help us, I'm told, understand the black holes. What I don't understand is why anyone would want to know more about the liberal philosophy.

Conservatives share a vision. I know some reporters say I don't have a vision -- sorry, I don't see it. [Laughter] Instead, I see a vision -- I really do see a vision -- as sweeping as our heritage: an America of prosperity, a world of real peace. And the question is how do we ensure that vision for our generation? As you get a little older, you think even more about the kids.

For an answer, recall how 150 years ago de Tocqueville envisioned a future that would open before us. Its possibilities were infinite, he wrote, because of America's new model, this paradigm of government. A democracy based on a free market unleashing the full energy of the human heart and mind. And that government arose from perhaps the ultimate exercise in returning power to people: the American Revolution.

Now, two centuries later, when old centralized bureaucratic systems are crumbling, the time has come for yet another paradigm; a form of government which, like the spirit of '76, gives power back to localities and States and, most important, to the people; a model which rejects the view that progress is measured in money spent and bureaucracies built.

The first principle in our new paradigm is that as market forces grow stronger our world becomes smaller. Put another way, we must be competitive to ensure economic growth. So, I'd like to take this opportunity to urge the Congress once again -- and I'm going to keep on urging this -- that they pass our capital gains tax cut, spurring investment and thus creating jobs. We don't want government to spend more: we want private enterprise to thrive so that people will have more money to save, to invest, and to spend. To most Americans, I feel, that's a good idea.

As a second principle of our new paradigm -- the freedom to choose. We want to reduce what government should do and increase what people can do. And so, I support a constitutional amendment, will continue to support it, restoring voluntary prayer. We need the faith of our fathers back in our schools. I haven't been President very long, but the longer I am in this job, the more strongly I feel about that.

A choice also means that parents should decide which public school is best for their kids. So, we have proposed -- what many of you have been helpful to us on this -- the Education Excellence Act of 1990 to provide incentives for these magnet school programs. Many States are trying out policies based on choice and finding out they work.

In this one, I want to give credit. It isn't just my party, the Republicans; it's some of the Democratic Governors are out front, way out front, on this particular theory -- choice. Some only think that Big Brother can revive education, but I believe that excellence comes from higher standards, a greater accountability, and more freedom to move within a school system. And if you agree -- I don't want this many influential people to go untapped or arms untwisted -- if you agree with me, I would strongly solicit your help in convincing Congress that the time for this is now.

That leads me to the third principle in the new paradigm -- that means the means to choose. We must empower disadvantaged Americans. So, we've unveiled a program to help the poor run or, better yet, own their public housing units. And we support a child-care tax credit for low-income working parents that enable them to care for their kids in the manner they choose. I will not see the option of religious-based child care restricted or eliminated. We're going to fight against that.

I know many liberals disagree with what I've just said and the philosophy behind it. But that's why last month the House Democratic leadership passed a bill that would cost nearly $30 billion, three times our original proposal, and force, compel, many States to change their rules. In effect, it would produce national child-care standards intended to replace local standards that meet local needs and put in place a lot more unnecessary paperwork.

Conservatives know that we don't need this bureaucracy. It would merely prove what Will Rogers once said: ``Half of America does nothing but prepare propaganda for the other half to read." [Laughter] So, let's expand the horizons of our kids, not the budget of the bureaucracy, and through tax incentives give families the help that they need to solve their child-care problems themselves.

Next comes the fourth principle of this new paradigm: decentralization. In America, this means dispersing authority to the level closest to the source of authority -- the people. Places such as Peru, for example -- Hernando deSoto, the brilliant Peruvian economist, found that without any centralized bureaucratic direction the ordinary streetside entrepreneurs of Lima are producing wealth on a scale that rivals the economy officially approved by the state bureaucracy. Elsewhere in the world, decentralization has come about through nothing less than the triumph of democracy over bureaucracy.

Conservatives know that a strong defense has and will continue to help all people secure the right to think and dream and worship as they please. In Lithuania -- as in Czechoslovakia and Nicaragua, Budapest, Berlin -- the words of Thomas Dewey ring true: You can't beat down ideas with a club. Today freedom is on the march and will not be denied.

The fifth and final principle of the new paradigm is what I referred to earlier: We want what works. Our principles, conservative principles, were always right. And now the whole world can see that what's right is also what works. As I've said many times before, and I don't say it with arrogance, we know what works -- freedom works. We are not going to let discredited ideologies block the progress of our principles. You can ask anyone in Poland or Panama: Tyranny doesn't work; freedom does.

At home, we also want what works. So, we've reached agreement with the Senate in the first rewrite of the Clean Air Act in over a decade. I call on the House to respond soon and respond responsibly. This one is difficult because I think we are all committed to leaving the Earth a little better than we found it, and yet we've got to do it in a balanced way -- forward-looking, forward-leaning. But I will not accept legislation that needlessly throws a lot of Americans out of work because of lack of scientific data. I'm going to hold that line, and I would appeal for your help in urging the Congress to keep reality in mind as we go about getting ourselves out front on the cutting edge of environmental protection. I'm determined to be both a person who protects the environment and one who protects the rights of Americans to have jobs. It isn't easy, but I'm convinced that it can be done.

We've unveiled a comprehensive strategy to free America of crime and drugs. A lot of people in this room have given our planners and Roger and his able team -- because of respects, you've worked very closely with Bill Bennett -- to help us with this comprehensive strategy to free America of crime and drugs. We're asking Congress to expand the death penalty for drug kingpins. We need to toughen the crime laws at the State level, just as we are in Washington. My

vision for the nineties is an America where punishment is at least as tough as the crime.

Just yesterday, we sent up to the Congress a three-part budget reform package that proposes an amendment to the Constitution -- and I campaigned on this, so there's no surprise -- to provide a line-item veto. We endorsed the Legislative Line-Item Veto Act to strengthen the President's rescission authority and endorse a balanced budget amendment.

The time has come to enact into law these important changes. I sent up to the Congress a special piece of legislation to help Nicaragua and to help Panama. I think we have a real commitment to seeing the success of these fragile new democracies. Before it leaves the House of Representatives, billions -- literally billions, plural -- of spending is added to this very special legislation. I think I need the authority to make the tough decision on spending. Nobody likes to have to say no to constituents or to interests around the country, but if the Congress continues to demonstrate that they can't do it, only the President can.

So, I'd love to have your support on this package on the line-item veto, the legislative line-item veto that will strengthen the President's rescission authority; and then, of course, our commitment to this balanced budget concept. This vision, if you will, is one that I think most conservatives support. It's a vision of limited government, but unlimited opportunity -- a vision to protect the family, empower the poor, and reward creativity.

I like bass fishing. There's a young bass fisherman who is a national champion, a guy named Ricky Clune. Texans will know his name. He's from Montgomery, Texas. One time I was down in Arkansas and saw him win -- or, at the weigh-in -- they did it -- 4,000 or 5,000 people, as these bass boats were driven into the coliseum there. I couldn't believe this -- 4,000 or 5,000 watching people weigh fish there in the middle -- but Ricky Clune, when he got up to speak, said this: ``I learned to fish following my dad down the creeks in my underpants," he said, ``down the creeks of Oklahoma." And then he said this: ``Isn't it great to live in a country with no limits?"

I've thought about that a great deal. What we're talking about here in this conservative philosophy is unlimited opportunity -- a vision to protect the family, empower the poor, and reward creativity. This new paradigm can fulfill it. I really would ask for your support to achieve promise, not empty promises: lifting people up, helping keep the government bureaucracies at all levels under control and, as conservatives, reject the hand of big government in favor of a Thousand Points of Light, joining hands and linking hearts.

You know, when we started talking about a Thousand Points of Light, there was a few snickers out there. I had to keep defining what I meant. But I think people understand this. I think Americans -- well, since de Tocqueville took a look at America -- understand it. It's real, one American wanting to help another. So, I am going to continue to say that any definition of a successful life must be the involvement in the lives of others, one American helping another. That, I think, is a fundamental part of my concept of how we can do an awful lot more to help

people who are desperately in need of help in our country.

So, this is my vision -- yours, I think. What a dream: to enrich America and help us to continue to lead, help us to enrich the world. I am really pleased you were here. Thanks for the privilege of addressing you. And might I say, God bless the United States of America. Thank you all very much.

Note: The President spoke at 1:35 p.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Roger B. Porter, Assistant to the President for Economic and Domestic Policy; Douglas Weed, Special Assistant to the President for Public Liaison; evangelist Jerry Falwell; Edward Prince, president of Prince Corp.; and Michael Valerio, chairman of the board of Papa Tino's of America, Inc.

Nomination of General Michael J. Dugan To Be Chief of Staff of the Air Force

April 26, 1990

The President today announced his intention to nominate Gen. Michael J. Dugan, United States Air Force, to be Chief of Staff of the Air Force. He would succeed Gen. Larry D. Welch, whose term expires June 30, 1990.

General Dugan is presently serving as commander, Allied Air Forces Central Europe; commander in chief, United States Air Forces in Europe; and Air Force component commander, United States European Command. General Dugan is married and has six children. He was born February 22, 1937, in Albany, NY.

Letter to Congressional Leaders on Modifications of the Generalized System of Preferences

April 26, 1990

Dear Mr. Speaker: (Dear Mr. President:)

I am writing concerning the Generalized System of Preferences (GSP) and six current beneficiary developing countries. The GSP program is authorized by the Trade Act of 1974, as amended (``the 1974 Act'').

I intend to suspend indefinitely Liberia from its status as a GSP beneficiary for failure to comply with section 502(b)(7) of the 1974 Act concerning internationally recognized worker rights. In addition, I intend to designate current beneficiaries Kiribati, Mauritania, Mozambique, Tuvalu, and Vanuatu as least-developed beneficiary developing countries, in accordance with section 504(c)(6) of the 1974 Act.

My decisions will take place at least 60 days from the date of this letter.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter was released by the Office of the Press Secretary on April 27.

Memorandum on Modifications of the Generalized System of Preferences

April 26, 1990

Memorandum for the United States Trade Representative

Subject: Actions Concerning the Generalized System of Preferences

Pursuant to subsections 502(b)(4) and 502(b)(7) and section 504 of the Trade Act of 1974, as amended (the 1974 Act) (19 U.S.C. 2462(b)(4), 2462(b)(7), and 2464), the President is authorized to make determinations concerning the alleged expropriation without compensation by a beneficiary developing country, to make findings concerning whether steps have been taken or are being taken by certain beneficiary developing countries to afford internationally recognized worker rights to workers in such countries, and to modify the application of duty-free treatment under the Generalized System of Preferences (GSP) currently being afforded to such beneficiary developing countries as a result of my determinations.

Specifically, after considering private sector requests for a review of the alleged violation by Costa Rica and Uruguay of the expropriation provisions of subsection 502(b)(4) of the 1974 Act, I have decided to terminate the reviews of Costa Rica and Uruguay without prejudice, noting that modification of GSP eligibility is not warranted at this time.

Second, after considering various private sector requests for a review of whether or not certain beneficiary developing countries have taken or are taking steps to afford internationally recognized worker rights (as defined in subsection 502(a)(4) of the 1974 Act) to workers in such countries, and in accordance with subsection 502(b)(7) of the 1974 Act, I have determined that Indonesia and Thailand have taken or are taking steps to afford internationally recognized worker rights, and I have determined that Liberia has not taken and is not taking steps to afford such internationally recognized rights. Therefore, I am notifying the Congress of my intention to suspend the GSP eligibility of Liberia. Finally, I have determined to continue to review the status of such worker rights in Benin, the Dominican Republic, Haiti, Nepal, and Syria.

Further, pursuant to section 504 of the 1974 Act, after considering various requests for a waiver of the application of section 504(c) of the 1974 Act (19 U.S.C. 2464(c)) with respect to certain eligible articles, I have determined to modify the application of duty-free treatment under the GSP currently being afforded to certain articles and to certain beneficiary developing countries.

Specifically, I have determined, pursuant to subsection 504(d)(1) of the 1974 Act (19 U.S.C. 2464(d)(1)), that the limitation provided for in subsection 504(c)(1)(B) of the 1974 Act should not apply with respect to certain eligible articles because no like or directly competitive article

was produced in the United States on January 3, 1985. Such articles are enumerated in the list of Harmonized Tariff Schedule of the United States (HTS) subheadings in Annex A.

Pursuant to subsection 504(c)(3) of the 1974 Act, I have also determined to: 1) waive the application of section 504(c) of the 1974 Act with respect to certain eligible articles from certain beneficiary developing countries; and 2) waive the application of subsection 504(c)(2)(B) of the 1974 Act with respect to certain eligible articles from certain beneficiary developing countries. I have received the advice of the United States International Trade Commission on whether any industries in the United States are likely to be adversely affected by such waivers, and I have determined, based on that advice and on the considerations described in sections 501 and 502(c) of the 1974 Act (19 U.S.C. 2461 and 2462(c)), that such waivers are in the national economic interest of the United States. The waivers of section 504(c) of the 1974 Act apply to the eligible articles in the HTS subheadings and the beneficiary developing countries opposite such HTS subheadings enumerated in Annex B. The waivers of subsection 504(c)(2)(B) of the 1974 Act apply to the eligible articles in the HTS subheadings and the beneficiary developing countries opposite such HTS subheadings enumerated in Annex C.

These determinations shall be published in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 12:19 p.m., April 30, 1990]

Note: The memorandum was released by the Office of the Press Secretary on April 27.

Statement on International Trade

April 27, 1990

After extensive discussions with Ambassador Hills, Secretary Brady, and the members of my Economic Policy Council (EPC) on the Super 301 provisions of the Omnibus Trade and Competitiveness Act of 1988, I have directed Ambassador Hills to give her highest priority to bringing the Uruguay round of multilateral trade negotiations to a timely and successful conclusion in December of this year. I believe that multilateral negotiations in GATT are the most promising route for creating new opportunities for American industry and agriculture and strengthening the global trading system.

Promoting a vibrant, open trading relationship with Japan remains a key trade priority of the administration. I have carefully reviewed with the EPC the recent progress in negotiations with Japan. Since my meeting with Prime Minister Kaifu in March, Japan has moved to address our concerns in the Structural Impediments Initiative (SII) and in bilateral negotiations involving supercomputers, satellites, and wood products. The interim SII report made a promising start toward reducing structural barriers that contribute to bilateral trade imbalances.

I am not under any illusion that the SII interim report will lead to an immediate improvement in the trade balance with Japan or an end to bilateral trade disputes. When two nations like the United States and Japan share dynamic economies, a commitment to excellence, and strong trading traditions, some commercial differences are inevitable. Nevertheless, I believe that Prime Minister Kaifu and the Japanese political leadership share my commitment to ensuring that trade strengthens rather than undermines the friendship between our nations.

Accordingly, I look forward to substantial progress with Japan in the final SII report in July and on a variety of other trade issues. I will work closely with the Congress to implement the U.S. side of the SII, particularly in the areas of savings, education, and budgetary reform.

I have directed our U.S. negotiators to seek agreement with their Japanese counterparts on a joint mechanism to monitor the implementation of SII in both nations and consider the need for further actions. This mechanism should include regular reports on actions and results.

Because last year's Super 301 investigations on India remain unresolved, I have continued the identification of India as a trade liberalization priority. I have decided not to identify any new priority countries or practices under Super 301.

Let there be no mistake. This administration is committed to free and fair trade. We want open markets and fair treatment for our products, services, investment, and ideas. We will move forward in the Uruguay round and, as appropriate, under section 301 to remove foreign barriers to American goods. I am also directing Ambassador Hills to expand her semiannual report on

section 301 to review both the status of existing section 301 investigations and related initiatives in important markets such as Japan.

I have directed Ambassador Hills immediately to brief the Congress on the reasons for my decision today.

Remarks at a White House Briefing for the American Legislative Exchange Council

April 27, 1990

The President. Such enthusiasm for Sununu finishing -- it's wonderful. [Laughter] Look, I'm just delighted to be back with this most distinguished group.

Let me say, having interrupted our Chief of Staff, how fortunate I am to have someone as Chief of Staff here in the White House who did -- as Sam Rayburn often talked about -- did run for sheriff. Remember what Rayburn said? He said: ``Well, that guy's trouble. He never ran," he said, ``never ran for sheriff." And what he really meant is didn't have a feel for the people. And John not only ran successfully for Governor of his great State but he understands and keeps reminding me of the philosophical underpinnings of our administration: decentralization and federalism, which I want to mention to you today about. And so, I am very, very pleased that he was over here, and I have great confidence in him and in Roger Porter, as well, who's up here, who handles so many of our -- have you already unloaded on these guys?

Mr. Porter. No, I'm following.

The President. Following? [Laughter] And Roger has respect on the Hill that really is unparalleled in terms of the job that he fills and in previous administrations. And so, I'm very, very lucky.

I also have another person over here that ran for sheriff. She was the speaker -- as many of you know -- of her legislature. And that brings another dimension to this outreach that we're trying to do, because we learn from the input we get from people coming in here. The danger is isolation. And I know some think I'm a little frenetic in my activities, but when you get out, even if it's just driving as we did to a food bank a couple of days ago, you get a feel for what's on people's minds and what works and what we ought to try to do better. So, I'm delighted you're here in that spirit.

I want to thank Frank Messersmith, who came out and handed me a letter and told me of the support that you all are giving us, which I've already heard about, in the field of education. I want to congratulate Ellen, who's soon to become your new president -- Ellen Sauerbrey. And it's also good to see Sam Brunelli, Ron Scheberle, and so many other familiar faces out there in the back benches and all across this room.

You know, before I get into the substance here, let me just talk about something that is important to America and to every State, and that is the completion of this U.S. census. Today Census Bureau workers are beginning to visit all addresses from which census forms have not been

received, a mammoth undertaking. I simply want to take this opportunity to urge every American who has not returned the census form to do so, to stand up and be counted.

Now, it's great to be back among so many leaders from the States, those of you who belong to ALEC, the American Legislative Exchange Council, more than 2,300 strong. As State leaders, in alliance with leaders from the business community, you're proving every day what I mentioned at the beginning: that the government closest to the people is truly the government of the people. We've seen the wisdom of federalism vindicated over and over again.

In the sixties -- just think back -- the prevailing belief was that big problems required big government solutions. And of course, this country did face very real, big problems -- private heartaches that, taken together, afflicted all of America. But our pockets were often deeper than our thinking.

Take the War on Poverty as a prime example. This was a unilateral war in which the Federal Government sought no allies and followed only one strategy. And we soon learned what the strategy lacked: It lacked an understanding of the problems, it lacked flexibility, and often it simply lacked programs that worked. And so, we learned a very hard lesson. And this wasn't just Democrat or Republican; it was across the aisle, across the board, across -- to some degree, back then -- even philosophical differences. But we learned, and good intentions can go astray. And if the Federal Government neglects State and local government, it's bound to.

So, let me say it plain and simple: I am a believer in the Jeffersonian tradition. I believe that innovation springs from these 50 laboratories of democracy. And I believe in the inherent wisdom and leadership of the States.

Federalism must be a dynamic partnership if we're to end that age-old affliction of mankind: poverty -- poverty of knowledge and skills, poverty of opportunity, poverty of hope. We're going to need such a partnership if we're to meet new missions to keep expanding opportunity in this field that we were just talking about -- improving education, to implement a national transportation strategy, and to fight the scourge of illegal drug use.

Our partnership must begin with an accurate account of the depth and scope of our needs that can only begin with the U.S. census, a project that needs your involvement. Again, at this moment these census workers are beginning to visit all addresses from which they haven't come back in. And we really need to get moving on this, because census data will help you make important decisions for the States. And it really fits into this theme of decentralization, part of the decentralization of government, of putting our trust where it belongs: with the people.

So, it's not enough to seek a dynamic partnership between Washington and Austin, Atlanta, and Sacramento. We must turn to our families, our schools, our small businesses; and we must often seek the achievement of public goals through private means and individual action, individual

empowerment. Our partnership must include everyone if we're to fulfill our agenda -- an agenda that is progrowth, profamily, and profreedom. We need this partnership to keep America growing. And that's why Congress must pass a cut in the capital gains tax this year.

For America to be competitive, we need to invest money in productive uses, generating new jobs, generating opportunities for all. We also need the partnership I referred to a second ago to keep America moving, to implement a national transportation strategy for the 21st century. You understand that leadership must begin with those closest to our transportation problems: the States. And you understand that the States deserve a greater say in how our transportation dollars are spent. And so, I'm asking you to help others understand that our transportation strategy is, indeed, the road to the future.

And as you often stress, we also need to protect the bedrock institution of American life: the family. We are not yet certain what kind of child-care legislation this Congress will pass. But if Congress stamps out the power of the parents to choose family or church-affiliated child care, I will give that legislation a stamp of my own: I will give it the veto stamp because I am not going to accept highly centralized standards and standards that rule out participation of local churches or local family groups in solving this national problem.

We also want to bring these same principles of choice and flexibility to the way in which we educate our kids. I'll leave it to Roger Porter, who is perfectly capable -- far better than I, actually -- to brief you on the education goals, on our education summit, all that we can do working together. But just let me say that as I work with the Governors to bring renewed excellence to American education, I'm also looking for advice and support and, certainly, leadership. And when it comes to leadership, your federation is already supporting open enrollment plans to give parents choice in selecting their schools; alternative certification to let the talented share their knowledge; and finally, merit pay with accountability for all. So, we're not just thinking along the same lines; we're working to achieve the same goals in education.

Your federation also calls itself -- and I think properly so -- profreedom. What does this mean? It means working at the Federal and State levels to develop ways to liberate people from dependency on government, not bind them to it, one generation after another. And it can only mean freedom from drugs. I commend your Substance Abuse Task Force for doing an excellent job in devising a set of tough, realistic recommendations that complements and expands our National Drug Strategy, our national effort.

And finally, Americans must be free from fear. When honest working people are afraid to go to the corner grocery store or to walk home from the bus at night, then fear of crime has stolen our most precious possession -- our liberty. And it is to protect this freedom and the freedom to safely walk the streets that we offered up a good crime package. I sent this crime package last year to the Hill. Congress has, to its credit, approved new prison space and more Federal law enforcement officers. But too much work remains unfinished on the rest of this crime package,

the portion that concerns violent crime. And once again, I call on Congress to pass laws at least as tough as the criminals we convict.

Crime and illegal drug use, transportation, education -- as we near the end of the century, these challenges that confront our nation sometimes seem bigger than our ability to solve them. And they are if we act only as partisan Democrats or partisan Republicans, as parochial members of a region or a faction or an interest group. But by working together as Americans, I still feel that we can lick any problem, no matter how big, how complex, or how deeply rooted it may be. That's why I value our partnership, our dynamic partnership, and look forward to working with you in the years ahead.

Thank you for the tremendous support that you have given our administration, and I hope that you will continue. We are grateful to you. Thanks for coming our way, and God bless you all.

Note: The President spoke at 10:59 a.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to John H. Sununu, Chief of Staff to the President; Roger B. Porter, Assistant to the President for Economic and Domestic Policy; and Frank S. Messersmith, Sam Brunelli, and Ronald Scheberle, president, executive director, and chairman of the business sector of the council.

Remarks at the Presentation Ceremony for the President's Volunteer Action Awards

April 27, 1990

Welcome, everybody. Please be seated. Well, welcome all. I'm just delighted to be with you. And I was looking around because I'm told that Senator Durenberger was going to be here -- I don't quite spot him. But in any event, I'm delighted that you all are here. Is Governor Kean here? There he is, way back there, and Deb -- I want to say hello to the former Governor of New Jersey, who I was told was going to be here -- uncharacteristically, in the back row, but nevertheless -- [laughter] -- welcome to the White House.

The famous broadcaster you all know, Paul Harvey, tells a story of a man named Vincent who lived in southern Belgium. And he was a very poor man who lived in a simple hut, dressed in an old coat, trousers made of sacking cloth. But Vincent embodied the spirit of helping others. For he knew that although he had very few possessions, he still had a great gift to give. When a mining disaster struck, many villagers injured, no one fought harder to save them than Vincent did. And for days on end he cared for the injured and helped feed and clothe the needy. And years later Vincent Van Gogh, today one of the world's beloved masters, painted his famous ``Starry Night." Though 100 years have passed since he put brush to canvas and created a masterpiece, the value of serving others has not changed.

I've often said that from now on any definition of a successful life must include serving others. The members of our Cabinet are taking the lead in their departments and in their trips around the country, and I'm grateful to all of them. I know that two are with us today -- Secretary Lujan and Secretary Mosbacher -- and if others are, I'm sorry I can't spot you right now. But we owe them a vote of gratitude for the way they're carrying this message as well.

Today it's my special honor to present the President's Volunteer Action Awards to 19 of America's Thousand Points of Light who embody that definition of success. Let me just tell you about a few of them and then we'll get on with the ceremony. There's Clarence Wilson of St. Louis, a 17-year-old high school student who watched the neighborhood where he grew up give way to crime, drug dealing, and condemned housing. And then a year ago, personal tragedy struck: a fire destroyed his home and killed his mom, his cousin, and his aunt. He decided it wasn't just a time to mourn; it was a time for action. And he began a neighborhood watch program, set up a citizens team to paint over the graffiti and encourage neighbors to cooperate with police to rid the community of drugs. Clarence, you are an outstanding example to the young people of this country. And I hope every single one of them will follow your example.

Providence House is a network of six residential facilities in New Rochelle, New York, that provide a home and a haven to women and children in crisis situations. Unfortunately, too many facilities serving women in trouble do not accept their children. Providence House is different,

opening its doors to mothers and children, giving them the security they need. One of the homes in the Providence House network is creatively called My Mother's House. And it gives shelter to the children of incarcerated women, allowing them to tell their friends, truthfully, I live at My Mother's House with my mother's friends. [Laughter] Another one of the homes is a homeless shelter providing family and job counseling. Over 100 concerned volunteers are involved in the Providence House program. We appreciate your dedication to making a better life for these men and women.

And then there's a story -- the next one. Henry Gaskins, a supervisor at the Library of Congress, who holds a doctor's degree, a doctorate in education, and his wife Mary Ann who works at NASA and also has an education degree. And they began a youth club several years ago, but soon decided that young people in the inner city needed more than just a place to go. What began as afterschool recreation soon became afterschool workshops on education and jobs, so these young people could really go places. The Gaskins began tutoring young black children for free, 6 days a week in their own home. The Freedom Youth Academy, as the kids themselves named it, soon became a reality. And now over 80 percent of the academy students, from kindergarten to 12th grade, have earned academic distinction. In fact, the high school students' SAT [Scholastic Aptitude Test] scores have improved from anywhere from 50 to 360 points, with many students going on to the Nation's very top schools. Mr. and Mrs. Gaskins, you've done so much for these young people, and we are very grateful to you.

And among the many businesses pitching in across America is the Adolf Coors Company. Nearly half the total Coors work force in the State of Colorado, about 4,000 company employees and retirees, have banded together to donate approximately 35,000 hours of service to 116 separate projects in their communities. They've participated in winter clothing drives, food drives, community health checkups, low-income housing renovations, recycling programs, special olympics. You name it, all across the board, they've done it. Must be something in the water out there, but nevertheless -- [laughter] -- it sounds grueling, 35,000 hours, but what a wonderful example. The enthusiasm that these employees have for community service really is remarkable. And every company in America should follow that lead. To all the Coors employees: Thank you for opening your hearts to your communities.

Every award recipient here today really has an amazing story. For today's winners know that only in serving others do we find the fulfillment that everyone is seeking in life. Listen to every one of the men and women here with us today, and every one will tell you that serving others enriches their own lives at least as much as it enriches the lives of those that they touch. Each of these Americans holds the light of humanity in their hearts. And, like a candle in a steady hand, they share that light and inspire commitment in so many others. There is a bright path of goodness and love through the dark night of sadness and despair. I thank you, all of you, for what you've done. And God bless each and every one of you.

Now, Barbara and I will present the 1990 President's Volunteer Action Awards with the help of two other very special people who've devoted so much of their time and talent to helping others --

Jane Kenny, the head of ACTION; and my good friend, Governor George Romney, the Chairman of VOLUNTEER: the National Center. So, could I ask you all to come forward, and we will begin.

[At this point, the awards were presented.]

The President. Well, I am also pleased to announce that Mrs. Madrid is this administration's second recipient of an award named for a great President, a good friend, the originator of the President's Volunteer Action Awards -- the Ronald Reagan Award for Volunteer Excellence. This special award was created to honor the individual whose contribution to voluntarism is greatest among the winners of the President's Volunteer Action Awards. Awfully difficult choice, but, Mrs. Madrid, we'd like to present you the Ronald Reagan Award. To you, and to all of you, our warmest congratulations. And again thank you all for coming.

Note: The President spoke at 12:10 p.m. in the East Room at the White House. In his opening remarks, he referred to Debra Anderson, Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs.

Designation of Edward E. Allison as Vice Chairman of the Board of Directors of the Pennsylvania Avenue Development Corporation

April 27, 1990

The President today designated Edward E. Allison as Vice Chairman of the Board of Directors of the Pennsylvania Avenue Development Corporation. He would succeed Arthur A. Fletcher.

Currently Mr. Allison serves as a partner with the law firm of McAuliffe, Kelly, Raffaelli and Siemens in Washington, DC. Prior to this, he served as an associate with Heron, Burchette, Ruckert and Rothwell in Washington, DC; senior adviser in the 1988 George Bush for President campaign; administrative assistant to Senator and General Chairman of the Republican Party Paul Laxalt; and press secretary and administrative assistance for Senator Laxalt.

Mr. Allison received a bachelor of arts degree and a master of arts degree from the University of Nevada. He was born January 9, 1940, in Denver, CO. Mr. Allison served in the Army National Guard and the Air National Guard. He is married, has two children, and resides in Great Falls, VA.

Remarks to Participants in the Rally for Life

April 28, 1990

Well, thank you, Henry Hyde. Thank you for the introduction, and thank you, as well, for your commitment to life. Incidentally, this magnificent rally looks very, very good on television. How do I know? Because I've seen some of it.

I want to pay my respects to our able Vice President, Dan Quayle -- thank him for his commitment -- to other Members of Congress that are there, to Dr. Willke, to Dr. Dobson, and a special greeting to my friend -- Your Eminences Cardinal O'Connor and Cardinal Hickey and others that might be in attendance.

I am very pleased to have this opportunity to express to you my deeply held views about abortion on demand. In January of this year, I addressed the March for Life on this very issue, and I said then and reaffirm now that your presence on The Mall today reminds all of us in government that Americans from all walks of life are committed to preserving the sanctity and dignity of human life. Like you, I realize that the widespread prevalence of abortion in America is a tragedy not only in terms of lives destroyed but because it so fundamentally contradicts the values that we as a nation hold dear. When I look at adopted children, I give thanks that their parents chose life.

Today, as a nation of faith and compassion, our mission must be to help more and more Americans make the right choice -- the choice for life. One day your lifesaving message will have reached and influenced every American. Until then, continue to work for the day when respect for human life is sacrosanct and beyond question. I know from your devotion and selflessness that this day cannot be far away.

God bless you, and God bless life. Thank you very, very much.

Note: The President spoke at 2:20 p.m. by telephone to the rally site from the Oval Office at the White House. Participants had gathered on The Mall to affirm their commitment to outlaw abortion and their support of last year's Supreme Court decision opening the way for States to restrict abortions. In his remarks, the President referred to Representative Henry Hyde; John C. Willke, president of the National Right to Life Committee; James Dobson, president of Focus on the Family; James Cardinal Hickey, Roman Catholic Archbishop of Washington; and John Cardinal O'Connor, Roman Catholic Archbishop of New York.

Remarks at the Annual Meeting of the United States Chamber of Commerce

April 30, 1990

Thank you very, very much, John. And what do you think about that Marine Corps Band, led by Colonel Bourgeois? Aren't they first class? Thank you, ladies and gentlemen, very much. And it's always a pleasure to meet with this high-powered group. I want to pay my respects once again to Dick Lesher, the president of the chamber; to salute your outgoing chairman, John Clendenin, for the leadership that he's shown and the sacrifice that he's given over the past year; and then to salute your incoming chairman, James Baker. Not a Cabinet shakeup -- [laughter] -- I'm talking about James K. Baker, who will carry the chamber's fine tradition forward into this new decade.

And finally, let me welcome our special guests: all these Washington-area schoolchildren, right here in front. I know that you all have been looking forward to today for a long time. And after all, it's not every day that you get out of math and spelling. [Laughter] And I know it won't be easy to understand all the things we're talking about this morning, but there's one thing that I'm sure you can understand: You're here because you're important, because when you grow up you might just run your own business, like the people here. Or maybe you'll even run for President of the United States. It may be hard to believe, but I was once a second-grader just like you are now. [Laughter] So, today I want to challenge all of you to keep working hard in school. Do your very best, and don't be afraid to reach for your dreams.

And I want to challenge the Chamber of Commerce as well -- that's all the rest of you who are past the second grade out there. [Laughter] All of you know that the Governors and I have agreed on a set of national education goals, goals we must meet by the year 2000, the year these second-graders here graduate. And I'm delighted at all the Chamber of Commerce is doing to advance this great cause of excellence in education, but today I challenge you to get involved in every school and community across America. Help us make that classroom a place where miracles happen.

And before I go any further, I want to thank the chamber for its support on an issue essential to our nation's economic future. Last week I sent to the Congress a three-point plan for budget reform: one, supporting the Legislative Line-Item Veto Act; two, proposing an amendment to the Constitution to provide a Presidential line-item veto; and three, a balanced budget amendment. The chamber, together with other organizations in the Coalition for Fiscal Responsibility, has been out there on the front lines of the battle for budget reform; and I ask you now to push hard for this three-point plan. The time has come to put our fiscal house in order.

And let me say a few words about my administration's trade strategy. First, success in the Uruguay round trade talks is my top trade priority. The GATT needs strengthening. It doesn't

cover services, investment, or intellectual property rights. Its rules on agricultural trade are far too weak, creating counterproductive pressures to subsidize farm exports. And we've got to strengthen GATT as a matter of principle: as a sign to the emerging democracies in Eastern Europe and in this hemisphere that free trade is the way of the future.

Second, let me just say a word about Japan. All of you know that I did not name Japan a priority country under the Super 301 provisions of the 1988 Trade Act. That does not mean that all of our problems with Japan have disappeared. We know that we could sell more American products if Japan's market were truly open. But we've been working hard on that and, I think, with impressive results. Over the past few months, we've made more progress on trade issues with Japan than at any other time I can recall. And part of the reason for this success, if you will, is that the Prime Minister, Prime Minister Kaifu of Japan, shares our commitment to ensuring that trade strengthens rather than undermines the friendship between our nations. Now, we are going to continue to press for progress. And keep in mind, section 301 and other trade law authorities remain available to the President, and we will use all the tools at our disposal to open markets and ensure fair treatment for American products, services, American investments and ideas. I'm confident in Carla Hills, our very able and tenacious Trade Representative. I'm confident in her ability, and I'm confident we will achieve lasting results.

John Clendenin mentioned in his speech the whirlwind of the changes we've seen this past year. And last year I spoke to you on May 1, May Day, by tradition one of the great days of celebration in the Socialist world. I said then that even the Socialist world was coming to see that socialism wasn't just another economic system: it was the death of economics. And that much was clear. What none of us could have seen on the eve of May Day 1989 was how close we had come to the wholesale collapse of communism.

First in Poland, then across Eastern Europe -- one nation after another broke the stranglehold of the state and embraced democracy. And here in our own hemisphere, in Panama and Nicaragua, the day of the dictator gave way to the decade of democracy. These transforming events brought freedom to tens of millions of people, and with that freedom, new challenges -- digging out from under the wreckage of ruined economies, reclaiming rights and freedoms long denied. Everywhere from Prague to Panama City, the time has come to make a start in the difficult work of democracy building.

It's that challenge that I want to talk to you about today, and it's a challenge that can engage every single one of you because you and the institutions you represent are proof of the power of the private sector. Democracy prospers when it rests on the firm foundation of the free market. Think about that. What it means is that one of the chief aims of our public policy must be to involve the private sector, in all its diversity, in the business of building democracy.

That's not to say that there's no work for government to do. Government-to-government aid is essential, especially in the first days of democracy when the institutions of free government are

most fragile. That's why we put together aid packages for Poland and Hungary, and that's why I continue to urge Congress to move our Nicaragua and Panama emergency aid legislation to final passage as soon as possible. It is embarrassing. Today I meet with President Endara of Panama. I've asked the Senate and the House to move on that legislation over a month ago, and they haven't done it. I call on them again today to take action in the Senate so we can help those fledgling democracies in Panama and Nicaragua.

It is frustrating to see the Congress delaying its work. Here's the facts. On this legislation, I called for aid on March 13th, to be exact, and asked that it be passed by April 5th. In the House, $800 million in domestic discretionary spending was added. The Senate added another half a billion dollars and, in committee, tacked on a contentious abortion provision. No wonder the American people get so frustrated with the way the Congress operates. Nicaragua and Panama quite simply need this aid. We've got to deliver, and we've got to show that when democracy is at stake America always extends a helping hand.

But as I've said many times, government aid alone is simply not the answer. It's more than a matter of finding enough funds: it's a matter of principle, of what we mean when we talk about building democracy. The simple truth is this: Democracy and the freedoms it enshrines can never be a gift of government.

Earlier this year, in the State of the Union, I talked about the cornerstones of free society, the building blocks of democracy, all these elements that make America what it is: competition, opportunity, stewardship, private investment. Those building blocks are what make America work. More than that, they're what makes democracy work. They're what the newly emerging democracies of this hemisphere and in Eastern Europe need to grow and prosper.

Think back to what Lech Walesa said last November when he spoke to the AFL - CIO. Picture it -- Solidarity labor leader speaking before our great AFL - CIO about the needs of the new Poland. Here is the quote: ``Such is the fate of a Polish trade unionist," he said, ``that he has to launch a publicity campaign for private entrepreneurship."

Lech Walesa told the Congress that he hadn't come to ask for charity -- as we know that we can't create democracy by writing a check. We build democracy in other nations not by taking responsibility for their needs but by helping them take responsibility for themselves. We build democracy whenever we help individuals take their destiny into their own hands. Democracy puts the focus not on government but on the freedom of the individual, not on the state but on society, the private sector. Democracy thrives in direct proportion to the flowering of individual freedom and free enterprise.

Our administration is doing all it can to promote private sector development. The Commerce Department, under Bob Mosbacher's able leadership, has opened its Eastern Europe Business Information Center and, with the chamber, has hosted a conference on doing business in Eastern

Europe. Carla Hills, our able Ambassador, and her USTR team have been negotiating with the emerging democracies to open the way for expanded trade. At Labor, we've got a great Secretary of Labor -- Elizabeth Dole. She's directing programs assisting Poland on key issues such as job training and unemployment insurance. At Agriculture, most of you know Secretary Clayton Yeutter. He's doing a fine job. He's led this effort, our effort, to provide food aid and free market expertise to spearhead agricultural reform.

Today I want to turn the spotlight on one of the best-kept secrets in town -- an agency called OPIC, the Overseas Private Investment Corporation. OPIC's programs have been around since the days of the Marshall plan, providing loans and risk insurance to American companies expanding into markets across the developing world. Here's a fact I know this crowd in particular will appreciate: OPIC is one government agency that actually turns a profit. Today especially, OPIC is an important tool in our overall approach to help the world's emerging democracies sustain themselves.

But we've got to be realistic. Economic growth won't come overnight. Eastern Europe sustained four decades of economic decay, and here in our own hemisphere, years of dictatorship in Nicaragua drove its economy right into the ground, destroyed the basic commercial infrastructure that makes growth possible. But with the emergence of democracy, these nations are working around the clock to jump-start their stalled economies, to make the fundamental changes needed to create a functioning free market. For democracy's sake, we've got to do all we can to help this transition take place.

Let me tell you what OPIC then is doing to strengthen the free market foundations of democracy in Panama. Just 60 days after Operation Just Cause, OPIC led an investment mission of 27 American businesspeople to meet with their counterparts in Panama. The investment agreements that came out of that 7-day mission should lead to the direct investment of more than $70 million in Panama and 400 new jobs.

Now, here's the story of one company that took part in that OPIC mission -- Servrite International, a small dairy company based in New Haven, Connecticut. Servrite had plans to invest in Panama, plans that it abandoned because of the old regime. Now, with the return of democracy, Servrite is moving forward, building a modern milk processing plant in the rural province of Chiriqui. The project will create 50 new jobs and provide technical assistance to help 30 Panamanian dairy farmers get their milk to market. For Servrite, this is a good business opportunity, but for the Panamanians involved, it's more than just a paycheck: it's a chance to build a future.

We're looking then to create the same kind of opportunity for investment in Nicaragua and, of course, beyond our own hemisphere, in Eastern Europe. As we speak, OPIC's President, my good friend Fred Zeder, a successful businessman in his own right, is leading a mission to Hungary and Poland, playing matchmaker to 43 American corporations and a far larger number

of Eastern Europe's aspiring entrepreneurs.

Most of you know about the $150-million deal between G.E., General Electric, and Hungary's largest electric enterprise, Tungsram. What you may not know is OPIC's leading role in making that investment possible. That's just a fraction of the interest generated so far. Already OPIC has received requests representing more than $2 billion worth of American investment in Hungary and Poland alone, for the potential for growth and the dividend for democracy are both great.

You may have heard about some of Japan's new joint ventures in Eastern Europe -- Suzuki's plan to build cars in Hungary or Daihatsu's deal to do the same in Poland. There's nothing unfair about these ventures, just proof that one of our key competitors is engaged in a hardnosed hunt for good opportunities in a new market. And I've said it before, and I'll say it now: American business can outthink, outwork, outperform any nation in the world. But we can't beat the competition if we don't get in the ball game. And if American business wants to keep ahead of the competition, the time to act is now.

Government must act, too, to help energize the private sector, and today I'm announcing a new initiative under OPIC's auspices to establish an Eastern European growth fund, a magnet for the kind of investment capital that can create self-sustaining growth and responsible development. This fund will be privately managed, underwritten in part by OPIC, and backed by its political risk insurance within existing budget authorities. And when fully capitalized at $200 million, this fund will provide a significant source of new capital for promising economic ventures.

I know the chamber is already involved in expanding free market forces. I've heard about your newly created Eastern European Trade and Technical Assistance Center and about the new American Chamber of Commerce in Budapest. You are helping millions of people realize their dream of democracy.

It will be a tremendous struggle, measured not in days or months but years. But what I've seen on my visits to Poland and Hungary and what I've learned in my conversations with the new leaders of Nicaragua and Panama is that all the years of despotic rule have not crushed the human spirit. These people are determined, full of hope and dreams, and now they're free. And if our American example teaches anything, it teaches that freedom is the world's most powerful force.

It's been a great privilege to speak to all of you today. Thank you, and may God bless these little kids, and may God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 10:12 a.m. at DAR Constitution Hall. He was introduced by John Clendenin, the 1989 - 1990 chairman of the U.S. Chamber of Commerce.

Remarks Following Discussions With President Guillermo Endara of Panama

April 30, 1990

President Bush. Mr. President -- President Endara -- and distinguished members of the Panamanian delegation, friends, and colleagues: It's been a pleasure and, indeed, an honor to welcome President Endara to Washington. His struggle, the struggle for prosperity and democracy in Panama, has special meaning for all Americans throughout this hemisphere. It both inspires and reminds us that the cause of freedom is as hard as it is just. And many struggle for it; some pray for it, fast for it, are beaten, shed blood for it. Guillermo Endara and his people have done all of that and more. But while the challenges they face are daunting, the people of Panama remain steadfast, for theirs is a rare privilege: to be present and serve in the rebirth of a great nation.

Two hundred and one years ago today, George Washington was sworn in on the steps of Federal Hall as the President of a newly created nation, an office he didn't seek but felt compelled to serve. He was called into the service of his country ``on the eve," he said, ``of an arduous struggle for its liberties." While Washington was actually aware of the responsibilities of his office and the power that attended it, he once said that ``The most enviable of all titles is the character of an honest man."

President Endara, freely elected and called forth on the eve of his nation's struggle for liberty, is renowned for that character. His intelligence; his grace; his ability as a leader, as conciliator, as consensus builder have won the confidence of Panamanians and all Americans. But the struggle is not over in Panama. While democracy has been restored and the peace is now preserved, we must see that prosperity returns to the people of Panama, and that's been the principal focus of President Endara's visit and our discussions.

And now that Panama enjoys freely elected, legitimate leadership in a democracy based on equality of opportunity, the United States is working to lay a foundation for cooperative relations that will serve both nations well into the coming century. And in that light, I'd like to emphasize our commitment to the Panama Canal Treaties as a framework for the smooth and orderly transfer of canal management responsibilities to a sovereign Panama. And I'm happy to announce today the nomination of the Panamanian Administrator of the Canal: Gilberto Guardia. I want to say that both countries are eager to look beyond the 1990's to begin to consider together the future of that vitally important path between the seas, the Panama Canal.

We're committed to cooperation with Panama across the entire range of our relations -- diplomatic, cultural, economic. And we're already beginning to see signs of a Panamanian renaissance, as ransacked stores are restocked and reopened, depositors and lenders are returning, and a new economic confidence is now emerging.

The four agreements that we sign here today -- three on drug cooperation, the other on reentry of the Peace Corps to Panama -- are evidence of this. And still it will take time to rebuild the economy and correct the economic distortions and social dislocations of a dictatorship's corruption. Too many now find their most basic needs for food and shelter still unmet. Unemployment in Panama remains unacceptably high. And we want to help President Endara reduce it and meet the rising expectations of a liberated Panamanian people.

The liberation brought with it high expectations for a prosperous and stable future, expectations that will be fulfilled over time as democratic processes are secured and the economy revitalized. There is no risk in rising expectations when people have the means and reason to succeed. In fact, high expectations are the best motivation for economic growth and Panama's very best hope for the future.

But in the near term, we must help ensure that unfulfilled expectations do not weaken the foundations of democracy so recently restored. America is committed to Panama's future, and that's why we proposed the aid package for Panama last January. Half of that package, our trade and credit guarantees, has been approved to the great credit of the Members of Congress; but it is time to finish the job. And just as you can't cross a chasm in two small steps, the people of Panama can't hope to make the leap to liberty and prosperity with only halfhearted support from her neighbors to the north. And so, today I want to appeal to Congress. I have asked and asked again that our aid package to the newly liberated people of Panama be passed and passed swiftly. And still it waits, and with it, the future of a fledgling democracy.

Many material things may now be in short supply in Panama, but freedom is there in abundance. And with freedom, everything else follows. Panama, a nation newly reborn in liberty, can count on the support of the United States of America. We were with you in times of conflict, and we will stand with you in peace. And I'm delighted, sir, that you came to the White House.

President Endara. I have had an important meeting, a working meeting, with President Bush, during which we have analyzed matters which are of interest to Panama, to the United States, and to both countries.

Democracy is on the upsurge in the world. It is being reborn in our America, and it has returned to Panama. We agree with President Bush that we must maintain it forever on the upsurge. We must nourish it always, and we must protect it day and night. It is only in freedom and as master of his own destiny that man can develop his potential in this life. The tyrannies of any kind, of any sort, must be relegated to the past. My people have suffered for 21 long years, but now it is nourishing hope and the possibility for a better future.

I have thanked President Bush on behalf of the Panamanian people for the hand of friendship which he has extended to us and the permanent consideration he has never failed to show us. On

a basis of mutual respect, of serious intentions, and reciprocal trust, there are no limits at all to friendship and to understanding between the Panamanian people and the people of the United States. In this spirit, we are lighting the road to a new relationship of dignity, in equality and in freedom. And the designation of the first Panamanian Administrator of the canal is an act of justice which does honor to President Bush.

Mr. President, if you allow me, I would like to address you, my friend, President Bush. Let me, my friend, Mr. President, thank you for your kind and inspiring words. They fill our spirits with enthusiasm and optimism and gives us reason to face the future with added strength, knowing that we have such support behind our own efforts. The people of Panama will always be grateful for the support and friendship of the American people and for the sunshine of freedom we currently enjoy.

Thank you, and God bless America.

Note: President Bush spoke at 1:18 p.m. in the East Room at the White House. President Endara spoke in Spanish, and his remarks were translated by an interpreter. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Panamanian officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Nomination of Gilberto Guardia Fabrega To Be Administrator of the Panama Canal Commission

April 30, 1990

The President today announced his intention to nominate Gilberto Guardia Fabrega to be Administrator of the Panama Canal Commission. He would succeed Dennis P. McAuliffe.

In 1952 Mr. Guardia founded Diaz and Guardia, an architectural and engineering company in the Republic of Panama, and currently serves as president and chairman of the board. Prior to this Mr. Guardia served as a civil engineer with the Panama Canal Co., 1951 - 1952. In addition, he has served on the board of directors for Fiduciary Bank of Panama and Industrial Development, S.A.; officer in the National Council of Private Enterprise, the Chamber of Commerce, Industry and Agriculture of Panama, and the Panamanian Chamber of Construction.

Mr. Guardia graduated from Santa Clara University (C.E., 1950). He was born February 13, 1930, in Panama City, Panama. Mr. Guardia is married, has three children, and resides in La Cresta, Panama.

Message to the Congress Reporting on the Transfer of Panamanian Governmen Assets Held By the United States

April 30, 1990

To the Congress of the United States:

1. I hereby report to the Congress on developments since the last Presidential report of October 19, 1989, concerning the national emergency with respect to Panama that was declared in Executive Order No. 12635 of April 8, 1988. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

2. On December 20, 1989, I ordered U.S. military forces to Panama to protect the lives of American citizens in Panama, to exercise the right and obligation under the Panama Canal Treaty to protect and defend the Canal, to assist the democratically elected government in Panama to return to power, and to bring General Noriega to justice in the United States. Since that date, civil order and civilian rule have been restored to Panama, and General Noriega awaits trial in the United States. On December 20, 1989, I directed the Secretary of the Treasury and the Secretary of State to lift the economic sanctions with respect to the democratically elected Government of Panama, headed by President Endara, and, in cooperation with that government, to effect an orderly unblocking of Panamanian government assets in the United States. The Panamanian Transactions Regulations, 31 C.F.R. Part 565 (the ``Regulations''), administered by the Office of Foreign Assets Control (``FAC'') of the Department of the Treasury, were amended accordingly to clarify that all obligations owed the Government of Panama first falling due on or after December 20, 1989, may be paid, and that property in the United States in which the Government of Panama obtains an interest on or after that date is not blocked, with the exception of payments made into certain blocked accounts for pre-December 20, 1989, obligations. The Regulations were also amended to authorize any person holding a blocked reserve account pursuant to section 565.509 (``509 Account'') (1) to transfer the unadjusted gross balance of such account, with applicable interest, to the Government of Panama, or (2) to apply for a specific license to transfer an amount other than the gross balance upon concurrence of the Government of Panama.

I am enclosing a copy of the amendment to the Regulations, 55 Fed. Reg. 3560 (Feb. 1, 1990). This was the only amendment to the Regulations since my last report of October 19, 1989.

3. Over the past 6 months the licensing section of FAC issued fifteen (15) specific licenses authorizing U.S. companies to establish 509 accounts on their books. Since the imposition of the sanctions, a total of fifty-three (53) U.S. companies have been authorized to establish 509

accounts.

FAC is currently engaged in effecting the orderly transfer of funds to the new Government of Panama. The Panamanian Embassy and consular space in the United States have been reopened, and bank accounts have been unblocked on a case-by-case basis as requested by the new government. Upon issuance of the regulatory amendment of February 1, 1990, a mechanism was also provided to unblock amounts held in 509 accounts by general or specific license, depending on the circumstances.

Each licensed transfer of blocked funds has stringent reporting requirements, and the reports are being tracked and closely monitored. FAC has initiated a review process to examine outstanding 509 Account licenses, scrutinize open enforcement files, and identify companies that may have failed to comply with the requirements of the Regulations to either pay into Account No. 2 or establish a 509 Account.

Additional Panama compliance activities included frequent FAC staff phone contact with affected U.S. parties, numerous speeches to trade groups, such as the Council of the Americas, and publication of a Panama fact sheet entitled ``What You Need to Know About U.S. Economic Sanctions."

As of March 12, 1990, FAC had released $256 million of the total $426 million blocked to the control of the Government of Panama in the manner described above. This $256 million was comprised of $82 million from escrow accounts at the Federal Reserve Bank of New York, $31 million from blocked accounts at commercial banks, and $142.8 million from 509 accounts. I am attaching a fact sheet to the end of this report outlining these transfers of blocked funds.

The $82 million released from the Federal Reserve Bank of New York consisted of the entire balance ($10.2 million) of Account No. 2, which contained payments by U.S. companies to the Government of Panama, and a portion ($72 million) of Account No. 3, which contained escrowed United States Government payments to the Government of Panama. (Account No. 1 originally contained $10.5 million of Government of Panama funds that were located in the United States prior to the sanctions. These funds were used to fund operations of the Embassy in Washington of then-President Delvalle and were completely expended before September 1, 1989.)

The $169.7 million remaining blocked consists of $122.6 million in the Federal Reserve Bank of New York that has been set aside by the Government of Panama to fund payment of Panama's arrears to international financial institutions, $1.5 million in commercial banks for which the Government of Panama has not requested unblocking, and $45.4 million in 509 accounts. The remaining 509 Account balances are subject to bilateral negotiations between the Government of Panama and U.S. firms that have both debts to and obligations owed from the Government of Panama.

4. During the most recent reporting period, FAC continued to take actions to promote compliance with the Regulations and to tighten measures to deny the illegal Noriega regime funds belonging to the Panamanian people. Despite the economic hardships sometimes involved for U.S. persons in Panama, FAC stressed the importance of complete compliance with the Regulations by all persons in the United States and all U.S. persons and their controlled Panamanian entities in Panama. Several significant enforcement actions have taken place since the last report.

In September 1989, following written notification by FAC to over 150 U.S. entities with interests in Panama and specific orders to a number of U.S. companies and their Panamanian subsidiaries to cease and desist from making indirect payments of employee income and educational taxes to the Noriega regime, all recipients of such instructions certified that they had brought themselves into full compliance with the Regulations. This initiative had the immediate effect of denying tax revenues to the Noriega regime as well as promoting full compliance with the Regulations.

As the result of this enforcement effort, several U.S. firms also presented voluntary disclosures to FAC of prior actions taken in violation of the Regulations. Other indications of willful or inadvertent noncompliance with the Regulations are being systematically investigated by FAC. The circumstances of voluntary disclosures and measures taken to ensure full compliance with the Regulations may be considered mitigating factors in seeking criminal indictments or applying FAC civil penalties under the Regulations.

In compliance with instructions from FAC, a major U.S. oil company notified the Noriega regime in late September 1989 that the Government of Panama was required to pay on a cash basis for any future fuel oil deliveries. After considerable protest, regime officials agreed to this procedure, which placed further financial pressure on the Noriega regime.

Also in September 1989, FAC initiated civil penalty actions against the Panamanian Directorate of Consular and Maritime Affairs in New York and its two principal officers, in whose bank accounts the Government of Panama had an interest. Since all Government of Panama accounts in the United States were blocked effective April 8, 1988, each unlicensed transaction involving such accounts was determined to be in violation of the Regulations.

On October 31, 1989, FAC published a notice in the Federal Register adding the names of Panamanian dictator General Noriega, his wife, and 32 companies to the existing list of 134 firms and individuals in Panama who act for or on behalf of Cuba. The listing of Noriega and the other entities as Specially Designated Nationals of Cuba in Panama had the effect of applying the full force of the U.S. trade and financial embargo against Cuba to Noriega and the other designated persons and firms operating in Panama. The action taken was another step to halt the channeling of funds to the illegal Noriega regime and to undermine the extensive network of commercial and financial collusion between the Noriega and Castro regimes.

On November 27, 1989, following coordination with FAC, the U.S. Customs Service at Dallas-Fort Worth International Airport seized a helicopter part that had been imported for repair by a U.S. company. Inspection of documents revealed that the owner of the aircraft part was the Panamanian Air Force. The merchandise was seized for violation of the Regulations as an attempted unlicensed transfer of property in which the Government of Panama had an interest.

On November 30, 1989, I directed that Panamanian flag vessels not be permitted to enter U.S. ports after January 31, 1990. This measure was intended to deny the Noriega regime revenue from vessel registrations as well as illegal income in the form of bribes and kickbacks. I wanted to make it very clear that there would be no accommodation with the illegal Panamanian regime. This directive was rescinded by my directive of December 20, 1989, upon the fall of the Noriega regime, to lift the economic sanctions with respect to the new democratically elected Government of Panama and to take steps to effect an orderly unblocking of Panamanian government assets in the United States.

On January 24, 1990, FAC issued a blocking order freezing a wire transfer of $300,000 being made by a Specially Designated National of Cuba in Panama who was attempting to transfer funds from its account in a London bank to a Bahamian bank, through a bank in Miami. The FAC blocking order required that the Miami bank not complete the transfer and place the $300,000 in a blocked account. This action constituted the first FAC blocking of major funds tied directly to the Noriega regime and was the first case in which an international wire transfer by a Specially Designated National of Cuba was blocked in midstream.

5. On December 20, 1989, I ordered U.S. troops into Panama to safeguard American lives, protect the integrity of the Panama Canal Treaties, assist Panama to restore democracy, and bring General Noriega to justice. I undertook this action after all peaceful means to resolve the crisis had been exhausted. Our action reflected the unique circumstances in Panama that evolved from our Treaty commitments and obligations and achieved all our objectives. The new government in Panama is a dejure government, freely elected by the Panamanian people on May 7, 1989, and certified by the Noriega-appointed Electoral Tribunal on December 27, 1989. The new government moved quickly to restore normal government functions; it has named a full Cabinet, Supreme Court, and regional and municipal authorities. The Legislative Assembly held its first session, as required by the constitution, on March 1, 1990. The Government of Panama's top priorities are economic recovery and the organizing of a civilian-controlled Public Force. Internationally, the new government has been recognized by 45 states, including Japan and major European and Latin American states. The United States is committed to assisting the democratic transition in Panama.

6. The expenses incurred by the Federal Government in the 6-month period from September 20, 1989, through March 20, 1990, which are directly attributable to the exercise of powers and authorities conferred by the declaration of the Panamanian national emergency, are estimated at $737,088, most of which represents wage and salary costs for Federal personnel. Personnel costs

were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, the Office of the General Counsel, and the Customs Service), the Department of State, the Federal Reserve Board, the National Security Council, and the Department of Defense.

7. On April 5, 1990, I issued Executive Order No. 12710, terminating the national emergency declared on April 8, 1988, with respect to Panama. While this order terminated the sanctions, the blocking of Panamanian government assets in the United States was continued to permit completion of the orderly unblocking and transfer of funds I directed on December 20, 1989, and to foster the resolution of claims of U.S. creditors involving Panama, pursuant to 50 U.S.C. 1706(a). The termination of the national emergency will not affect the continuation of compliance audits and enforcement actions with respect to activities taking place during the sanctions period, pursuant to 50 U.S.C. 1622(a). I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1706(d).

George Bush

The White House,

April 30, 1990.

Remarks and an Exchange With Reporters Prior to a Meeting With Former Hostage Robert Polhill

April 30, 1990

The President. Well, let me say that the purpose of all of this is simply to welcome Mr. and Mrs. Polhill to the White House. I just had a chance to tell him how pleased we are that he is free. And of course, this comes at a very special moment because Mr. Reed is now free, and I expect to be talking to him as soon as he finishes that initial contact and debrief over there, hopefully within the next hour or two.

But I do want to take this opportunity to thank Syria for its role in not only bringing Mr. Polhill home but its role in the Reed release; similarly, to thank Iran for its role; and simply to say that I hope this is a forerunner to the release of the other American hostages and the others from other countries held against their will. Things seem to be moving on this.

Mr. Polhill, welcome to the White House. I just can't tell you how overjoyed Barbara and I are to have both of you here.

Mr. Polhill. Thanks very much, President Bush. I feel very badly that I can't talk to you quite as well as I'd like to be able to, because there are a lot of things I want to say to the American people. But the most important thing, I think, now to say is to reinforce what President Bush has just said: that I am at this moment truly as happy for Frank and Fifi Reed as I was 8 days ago for Ferial and myself and for both families.

I sincerely hope that Frank is step two in what will be a continuing release of hostages and to bring us all back, from American hostages through all of the other countries who may be involved. The warmth and sincerity of the welcome I've received everywhere I have been, from Damascus to Wiesbaden to Washington, has been truly thrilling. Frank Reed is going to feel the way I felt because the American people are behind us and have been behind our families throughout this ordeal. And we're deeply grateful to you for that.

I'm not going to try to say very much more because I know even with the help of this device you're not going to get very much more. So, I'll just -- even though I'm a bit of a ham, you see. I'd like to be able to do better, but you'll have to work with my sons, I think. Thank you so much.

Q. Mr. President, has Israel now cut a deal for the remaining Shiite prisoners?

The President. I have no knowledge of anything of that nature.

Q. Why do you think this is happening now, Mr. President? Why do you think that Iran and

Syria are cooperating at this point?

The President. Well, because I hope there's a realization that holding people against their will is not the way to effect political change. I'm not suggesting in reply to your question that Syria and Iran are the ones that are holding the remaining hostages. But I can't explain the rationale, but I can express a certain gratitude that things seem to be moving. And what I feel in my heart about the return of now these two Americans is, in a sense, overwhelming. But I don't think any American can totally rejoice until the rest are free. And indeed, we can't limit our concern and our feelings to just the Americans, in my view.

So, we will just keep on track; and when, as now, there's a reason to say thank you, certainly we'll do that. But beyond that, I just hope that the process -- this is a process -- I just hope it continues. I don't want to make Mr. Polhill speak again, but I feel confident I speak for him and for his wife. You heard what he said beautifully about Mr. Reed. We feel that way about all the rest of them, too.

Q. Mr. President, is there any way possible at this point to return the good will gesture?

The President. As I've said, we can't, in terms of overall relationship between countries, expect normalcy or expect vast improvement until all Americans are freed. We're not in a piecemeal basis: bidding for one human life, holding out hopes, only to have them dashed, to one American family or another. That is not the way I see, certainly, my responsibilities. But when a step is taken that goes toward that day when all hostages are released, I should say thank you. But beyond that, I can't say that I can be happy. I've tried to put myself in the place of the other families and say, hey, how about my loved one? So, this is a tough business. I just want to conduct the policy of this country in a way to facilitate the continuation of this process if, indeed, it is a process. I don't know that, and I don't expect Mr. Polhill knows it, either.

I've got time for a couple more, and I don't want to keep this tired man -- make him even tireder.

Q. Mr. President, can you tell us what it is that Iran did that you're thanking them for and whether you've had any further information on whether they aided in Mr. Polhill's release?

The President. We did hear from Syria that Iran had been helpful, and it is that that I'm saying thank you for.

Q. Is it time for Israel to perhaps make a deal to release Sheik Obeid or the 400 Shiites? Or would you object if they did?

The President. I don't -- certainly no objection, and that is a matter for others to determine. I've stated that holding people against their will is not a way to facilitate political change or any other kind of change. So, that's it. Last one.

Q. Sir, then are you rejecting or ruling out any type of a good will gesture towards Iran or Syria at this time until all the Americans are released?

The President. I've said that we cannot have normalcy as long as any American is held against his will, and I think everybody understands that. But in terms of expressing appreciation to those who facilitate the release of Mr. Polhill or the release of Mr. Reed, certainly I'm prepared to do that. I've done that here today. But I can't say that that's an overwhelming expression of good will because I have on mind those other six Americans that are held.

But, look, if it's beginning to work and if, indeed, there's a process, I expect I speak for all Americans when I say I rejoice in that. But that's about where we've got to leave it, Ellen [Ellen Warren, Knight-Ridder Newspapers]. We've got to see every American returned, and that's the way it's going to be. And I'm very pleased that this Polhill release has been facilitated. And you heard him express his joy for the Reeds, and all I'd say to that is: Amen. Thank God.

Q. Sir, do we still regard Syria as a terrorism-sponsoring state?

The President. Listen, I can't take any more questions. I can't do it.

Q. A question for Mr. Polhill. A question for Mr. Polhill. Mr. Polhill, do you think there's anything that can be done to return the good will gesture at this point?

Mr. Polhill. No, I'm not conversant -- you may be surprised, but I really don't know very much about what was going on around me. So, I don't think I can offer a lot of help to anyone. The only thing I can suggest is that the American people continue to show, as hostages continue to be released on a regular basis, how much we are wanted back. And I think that message might get across very clearly.

The President. That's a good point. That's a good point.

Q. Are you carrying a message to the President?

Q. Are you carrying a message from the hostage-takers?

Mr. Polhill. They said I was.

The President. Listen, I deal with these guys; you'll be out here all night. [Laughter]

Note: The President spoke at 5 p.m. on the South Lawn at the White House. Robert Polhill, an accounting professor at Beirut University College, was kidnaped by pro-Iranian terrorists in Beirut on January 24, 1987. In his remarks, the President referred to Frank Herbert Reed, the

director of the Lebanon International School who was kidnaped by members of the Organization of the Islamic Dawn on September 9, 1986; and Sheik Abdul Karim Obeid, the senior Moslem cleric and Hizballah leader who was abducted from his home in Jibchit by Israeli forces in southern Lebanon on July 28, 1989.

Statement by Press Secretary Fitzwater on the President's Conversations With Former Hostages Frank Reed and Robert Polhill

April 30, 1990

President Bush spoke by telephone this afternoon at approximately 5:30 p.m. with Mr. Frank Reed and the American Ambassador to Syria, Mr. Edward Djerejian. The President gave Mr. Reed greetings from the American people and offered him the complete support of the United States Government as he recovers from his ordeal. The President wished Mr. Reed well and said he hoped he would soon be reunited with his wife and family.

The phone call was placed as President Bush was visiting with Mr. Robert Polhill, who was released from captivity only last week. The President put Mr. Polhill on the telephone line for a brief conversation with Mr. Reed. They exchanged warm greetings and wished each other well. The phone call lasted several minutes, and Mr. Polhill departed the White House at approximately 6:15 p.m. The President's meeting with Mr. Polhill had lasted approximately an hour.

In the meeting, Mr. Polhill said he had a private message for the President from his captors. The President received that message in private and indicated he would not discuss the message publicly. The President and Mr. Polhill had a very warm and informal meeting in which Mr. Polhill was in excellent spirits. He described his life in captivity and gave his impressions of his captors, of the confusing situation in Beirut, and of the hardship he suffered during 3\1/2\ years. He spoke of his personal ordeal of survival day by day in a hostage setting. President Bush was grateful for the conversation and told Mr. Polhill how much he admired his courage and strength during this terrible period in his life. Mrs. Bush also attended the meeting.

Note: Frank Herbert Reed, director of the Lebanon International School, was kidnaped by members of the Organization of the Islamic Dawn in Beirut on September 9, 1986. Robert Polhill, an accounting professor at Beirut University College, was kidnaped by pro-Iranian terrorists in Beirut on January 24, 1987.

Statement on the Release of Former Hostage Frank Reed

April 30, 1990

We are pleased that hostage Frank Reed has been freed by his captors. Mr. Reed had been held hostage for nearly 4 years. This is a joyous day for Mr. Reed, his family, his friends, and all Americans. With Mr. Reed's release, we have six innocent Americans that are still being held hostage in Lebanon. In addition, there are a number of foreign nationals that are being held hostage. Their predicament weighs on our mind and tempers the joy we feel today by Mr. Reed's release.

Once again, we wish to express our gratitude to all those who through their efforts helped in Mr. Reed's release. In particular, we would like to thank the Government of Syria for facilitating this release. We would also like to thank the Government of Iran for using its influence to help bring about this humanitarian step. We cannot rest, however, until all hostages are free. We urge all parties who either hold hostages or have any influence over the hostage-takers to work for the expeditious and unconditional release of the remaining hostages.

Note: Frank Herbert Reed, director of the Lebanon International School, was kidnaped by members of the Organization of the Islamic Dawn in Beirut on September 9, 1986.

Remarks on Signing the National Physical Fitness and Sports Month Proclamation

May 1, 1990

Well, welcome to the White House. I think Secretary Sullivan looks better already. [Laughter] And to Arnold Schwarzenegger and members of the President's Council on Physical Fitness and Sports, honored guests, ladies and gentlemen, welcome. Welcome to the White House, and a pleasure to be with all of you, especially the man who symbolizes physical fitness, Arnold Schwarzenegger.

You know, he's stronger than I thought he was. He bench-pressed the Federal budget. [Laughter] This weekend we had our grandson Sam LeBlond. I said, ``If Arnold Schwarzenegger can do that, why can't you pick up your socks?" [Laughter]

But look, this morning we're here for a very special event. I want to thank all the participants. It kicks off National Physical Fitness and Sports Month. And today -- I hope this doesn't get me in trouble with another vegetable -- [laughter] -- but today we're declaring war on couch potatoes. [Laughter] And all of us have a stake in making exercise a part of America's fitness and fitness a part of America every day. No matter what your age, sex, or physical condition, the Great American Workout can enhance the quality and longevity of each American's life.

And just look at these workout stations. Barbara and I came around and toured them all last night. In a couple of moments, we'll be visiting them again. And one involves aerobic dancing; others are for American pastimes like baseball and basketball and football and, yes, horseshoes -- and a martial arts station.

And I'd like to give a special salute to the heroes here representing the Disabled and Special Olympics. Their strength and determination inspires us all.

The Great American Workout shows how fitness can reduce heart disease and stroke -- lowering stress, blood pressure, cholesterol. And yet surveys show that only 40 percent of American adults exercise regularly. And among our kids fitness hasn't improved over the last decade; in fact, in some cases, it's declined. And one way to change that is by placing a new emphasis on quality physical education in our schools.

Arnold briefed me on this the other day. Only one State now requires daily physical education in its schools from kindergarten through 12th grade. So, let's encourage all 50 States.

And also, let's pledge to eat a balanced and nutritional diet, avoid excessive alcohol use and, of course, say no to drugs. And all you broccoli lovers, eat your heart out, out there. [Laughter]

Together these steps can make America more competitive in the classroom and the factory, as well as on the playing field.

Through fitness, we can build a healthier America that's number one academically, economically, and athletically. By participating in so many sports, I'm not trying to get my picture on a Wheaties box. I love sports, as do the kids at these workout stations -- kids from 6 to 65. And, yes, fitness can be an individual activity or a family affair. Either way it can help create an America that out-performs any nation in the world.

Thank you to every participant. It's my pleasure to officially proclaim National Fitness and Sports Month. And now, to quote a great golfer who often dieted but seldom exercised -- Jackie Gleason -- a little traveling music. Arnold, let's take a look at these workout stations. And thank you all once again.

Note: The President spoke at 7:10 a.m. on the South Grounds at the White House. In his opening remarks, he referred to Secretary of Health and Human Services Louis W. Sullivan and Arnold Schwarzenegger, Chairman of the President's Council on Physical Fitness and Sports. The proclamation is listed in Appendix E at the end of this volume.

Remarks at a White House Briefing for the Leadership of National Small Business United and the National Association of Women Business Owners

May 1, 1990

Thank you all very much. Thank you all, officials of both organizations, and welcome to Washington. Let me say I apologize; I'm afraid I might have kept you waiting for a few minutes. Let me pay my respects to the man that comes on next with all the facts, John Robson, who is a Deputy at Treasury -- an enormous job. He is a successful businessman and great success in academia. Elected to come and serve his country, and he's doing a superb job. So, you're going to hear from one of our very, very best in a minute.

But as for now, a lot of dust gets kicked up around here these days. They say, if you stay too long, it's easy to forget just how well things are going in the land of the free. Last year, though, was a remarkable year for job-creating, which I think of is the matrix in this get-together here today. The entrepreneurial core of American business did well. Small businesses created over a million and a half new jobs in 1989 alone, about two-thirds of the jobs created in the entire Nation and almost equal to the entire labor force of the city of Los Angeles.

Also last year, the number of woman-owned small businesses created notably in mining, construction, and transportation increased at twice the rate of those owned by men. Nineteen eighty-nine was an important year for another reason: because it reminded us of the role that government should and shouldn't play in enterprise. It set off a collective movement toward democracy worldwide that has us all looking up from our work for a moment in wonder, bearing witness as the world confirmed the wisdom of our forefathers. They understood the importance of a limited government -- those forefathers -- so they fought for a social order that gave free reign to ambition and unleashed the power of individual aspiration. We rose, in fact, as a nation of upstarts who didn't know their place. This was a new idea: that government, far from fearing private initiative, should be all for it. It still seems like a new idea.

Last year, from Lima to Warsaw to Moscow to Memphis, we were reminded that the power of any economy flows not from an entrenched centralized bureaucracy elite but from the vitality of free competition, free market, and free wills. Men, women, immigrants, Americans of every kind, from every corner of this great country, are empowered by opportunities, by the degree of choice and the kind of motivation that only free markets can provide.

Adam Smith shocked the establishment 200 years ago with something we've realized only recently: that everyone has a natural desire and a natural right to improve their situation, to truck and barter and bargain in trade, everyone from a CEO to a kid with a pocketful of marbles. Society benefits from that creative, competitive impulse.

In this century, we defined that impulse as the American Dream. The dream has done more than endure: it is as dynamic as ever, as every one of you proves every single day. Every man and woman who builds an enterprise, from a shoeshine stand to a multinational, understands what it is I'm talking about here. It is what has made us a nation of imagination, of mavericks willing to take a gamble on the unexpected, the untried, the untested, the untraditional.

They're out there, moving in every direction and working to create new economic orders out of chaos -- building empires out of garages, foreseeing needs, forming strategies, finding investors, and founding corporations of every kind. That is free enterprise. That's what we're working here to try to encourage. But it's not just free enterprise alone, free enterprise by itself: it's an entirely new way of looking at the world that no longer assumes that bureaucratic, top-down organization is the answer. Rather than stifling individual creativity and responsibility, we want to encourage initiative. This new vision of freedom and democracy is circling the globe. We want this democracy to mean opportunity for everyone.

So, we began with the lessons that our forefathers left us about limited government, which revealed an obstacle to opportunity they faced then that we face now. I'm talking, of course, about excessive taxes. Limited government must mean limited taxes. This government should not be preventing people from investing in small businesses, nor should it swallow a third of the business you've spent your life building. But that's what our taxation of capital gains does, and that's why we are working to cut the rate on long-term held assets and counting on your support.

For anyone launching a small business -- whatever their age, their background, or condition -- a capital gains cut makes it easier to attract start-up capital. For growing businesses, it means more investment for the long term, and for all Americans, it means opportunity and the kind of continued job creation that only new and expanding businesses bring about. So, we're fighting for this tax cut. It does, as John will tell you, raise revenue to the Treasury, creates jobs, puts us on a more equal footing with out trading partners, and underwrites American ingenuity and creativity and businesses of every kind.

We see Japan taxing capital gains at 5 percent; Korea and Taiwan, I believe, is 0. And you look around the world, and you find that those countries that are doing well in stimulating investment have much lower rates on capital gains. So, we've got to do more to fuel the kind of flexible, creative energy that drives American business. On the wide range of issues concerning business owners across this country, from deficit reduction to education to product-liability reforms -- something I'm very interested in -- and especially health-care cost containment, we are with you working towards solutions. And we're also encouraging the kinds of creative thinking that business will need to retain and attract talent, like flexible workplace policies, telecommuting, and choice in child care.

We greatly appreciated the well-thought-out book of policy recommendations recently produced by your two groups. We're working on a range of ideas to help business move with markets as

they change, from encouraging more R&D research and experimentation to allowing joint production ventures that let American firms pool their skills, build new production facilities, and share investment risks.

But the principle that encompasses our thinking on all of these issues is something our forefathers knew and the rest of the world reminded us of last year: No state has yet managed to mandate prosperity or creativity -- no state at all. And the cruelest societies are those that are static and stagnant, cultures that run counter to human nature and human aspiration. But the surest sign of a nation's kindness is the kind of social and economic mobility that it allows people. What the world learned in the Revolution of '89 is that democracy is another way of saying opportunity, that government's best role and greatest security is not in consolidating power but in empowering the individual. And the truest kindness the state can offer the people is to govern with a gentle hand.

After two centuries, we're still convinced that government should be limited. But if our experience has taught us anything, it's that the creative potential of men and women with a mission is unlimited. You are such people; you are such men and women. So, this administration salutes you and will do everything in our power to support the work you do. I've left out the major fiscal problems facing our country, but again, I'll ask John to touch on that -- hammering away at keeping the deficit under control, trying to keep the lid on spending.

Let me just give you one anecdote on that. I sent legislation up in March, early March, asking the House and Senate to act on it in early April. And what it was about was helping democracy in Panama and helping democracy in Nicaragua. And there's a provision for a special supplemental in the way the Congress operates. And it was a dire emergency. And we need that, we need that money to help Violeta Chamorro [President of Nicaragua] solidify their democracy. We need it to help the people of Panama -- incidentally, I had a very good visit yesterday with President Endara [of Panama] -- but what happened to it? It goes up to the Congress. The House of Representatives added about $2 billion to the spending on Nicaragua and Panama. None of it related to Nicaragua. None of it related to Panama. All of it related to other priorities they had. It goes over to the Senate, and the same thing is happening. I don't know what the total is over there now, but not only did they add a lot of domestic spending but they put on contentious provisions on abortion and contentious provisions on capital punishment. No matter how one feels on these issues, that hasn't anything to do with Nicaragua; it hasn't anything to do with Panama.

I just wanted to kind of debrief here and vent my frustration with the process, thinking that perhaps you'd understand. [Laughter]

But I'm not here to complain, because I feel it's a real responsibility to try to get things moving on these priorities that I think you and I share, and that is limited government, control the spending side as best you can, guard against excessive taxation, and encourage through saving

and investment and as best we can to guarantee our own productivity and competitiveness into the future. I need your help, I welcome the support that you have given us, and I am very grateful you came our way. Thank you all, and God bless.

Note: The President spoke at 2:25 p.m. in Room 450 of the Old Executive Office Building.

Message to the Congress Reporting on the Economic Sanctions Against Nicaragua

May 1, 1990

To the Congress of the United States:

I hereby report to the Congress on developments since my last report of October 25, 1989, concerning the national emergency with respect to Nicaragua that was declared in Executive Order No. 12513 on May 1, 1985. This report also provides final information on total Administration expenses directly incurred in exercise of emergency authorities pursuant to that order from May 1, 1985, through my termination of the national emergency on March 13, 1990. Executive Order 12513 prohibited: (1) all imports into the United States of goods and services of Nicaraguan origin; (2) all exports from the United States of goods to or destined for Nicaragua except those destined for the organized democratic resistance; (3) Nicaraguan air carriers from engaging in air transportation to or from points in the United States; and (4) vessels of Nicaraguan registry from entering United States ports. On March 13, 1990, in Executive Order No. 12707, 55 Fed. Reg. 9707 (March 14, 1990), I terminated the emergency declared with respect to Nicaragua and lifted the economic sanctions imposed on that country, in response to the successful completion of a democratic presidential election in Nicaragua.

1. The declaration of emergency was made pursuant to the authority vested in the President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act, 50 U.S.C. 1701 et seq. (``IEEPA"), the National Emergencies Act, 50 U.S.C. 1601 et seq. (``NEA"), chapter 12 of title 50 of the United States Code (50 U.S.C. 191 et seq.), and section 301 of title 3 of the United States Code. The termination of emergency and removal of sanctions were made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including those just noted. This report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c).

2. The Office of Foreign Assets Control (``FAC") of the Department of the Treasury issued the Nicaraguan Trade Control Regulations implementing the prohibitions in Executive Order No. 12513, effective May 7, 1985, 50 Fed. Reg. 19890 (May 10, 1985).

3. Since my report of October 25, 1989, fewer than 20 applications for licenses have been received by FAC with respect to Nicaragua, and the majority of these applications have been granted. Of the licenses issued in this period, some authorized exports for humanitarian purposes, covering donated articles beyond the scope of the exceptions to the export ban. Certain licenses authorized the export of equipment to La Prensa, the major opposition publication in Nicaragua, as well as to other opposition press groups. A license was also issued to the Free Trade Union Institute of the AFL - CIO to export equipment and supplies to the Nicaraguan Confederation of Trade Union Unity in Managua for use during the elections that were held on

February 25, 1990, in Nicaragua. Our licensing action was taken pursuant to Public Law 101 - 119, which was enacted by the Congress to provide assistance for free and fair elections in Nicaragua.

4. Since my last report, several cases have been referred to the FAC civil penalties division for civil penalty actions. The companies in question are based in the United States and engaged in unauthorized exports to Nicaragua from the United States. We expect at least four of these exporting companies to be assessed penalties.

In addition to cases currently under civil penalty consideration, there are approximately 34 companies under active investigation by the U.S. Customs Service. These cases involve unauthorized importation and/or exportation of goods between the United States and Nicaragua.

5. The U.S. Government expects to have greatly improved relations with Nicaragua now that the new Nicaraguan government has taken office, particularly in light of President Chamorro's commitment to democratization and to a free market economy. For these reasons, I terminated the national emergency with respect to Nicaragua on March 13, 1990.

6. The expenses incurred by the Federal Government in the period from November 1, 1989, through May 1, 1990, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the national emergency with respect to Nicaragua are estimated at $119,667.48, all of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Customs Service, as well as in FAC and the Office of the General Counsel), with expenses also incurred by the Department of State and the National Security Council.

7. For the full period of the national emergency with respect to Nicaragua (May 1, 1985, through March 13, 1990), the total expenditures of the Federal Government directly attributable to the exercise of powers and authorities conferred by the declaration of the national emergency are estimated at $1,309,783.48, all of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Departments of State and the Treasury, and the National Security Council.

8. The February 25, 1990, democratic election in Nicaragua ended the unusual and extraordinary threat to the national security and foreign policy of the United States previously posed by the policies and actions of the Sandinista government in that country, and led to my termination of the national emergency to deal with that threat. Accordingly, this is the last periodic report that will be submitted pursuant to 50 U.S.C. 1703(c). This report also constitutes the last semiannual report and the final report on Administration expenditures required pursuant to 50 U.S.C. 1641(c).

George Bush

The White House,

May 1, 1990.

Message to the Congress Transmitting the District of Columbia Budget and Supplemental Appropriations Request

May 1, 1990

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the District of Columbia Government's 1991 Budget request and 1990 Budget supplemental request.

The District's general fund 1991 operating budget request is $3,241 million. Total 1991 Federal payments anticipated in the District's budget are $540 million. The District's 1990 general fund budget supplemental request contains $111 million in cost increases and $131 million in budget authority rescissions, for a net decrease of $20 million. This transmittal does not affect the Federal budget.

There are three District budget issues to which I would direct your attention. First, I encourage you to continue the abortion funding policy that the Congress established in the District's 1989 and 1990 appropriations laws, which prohibit the use of both Federal and local funds for abortions.

Second, the 1991 Budget proposes to modify and make permanent the 1990 pilot project that requires the District of Columbia to charge Federal establishments directly for water and sewer services. Inappropriate charges and excessive usage have been eliminated through this pilot project. As a result, Federal appropriations under the pilot program for water and sewer services for 1990 will be roughly $4 million (or about 12 percent) lower than under the old, lump-sum payment system.

Third, I ask that the Congress reinstate the President's apportionment authority over the Federal payment to the District of Columbia. Directing immediate disbursement of the Federal payment at the start of the fiscal year increases Treasury's cost of borrowing. Further, the Congress very clearly did not intend to exempt this payment from sequestration in the original Gramm-Rudman-Hollings Act as current law permits.

George Bush

The White House,

May 1, 1990.

Statement on the Death of Henry Gregory

May 1, 1990

Barbara and I are deeply saddened by the death of Rev. Henry Gregory. As minister of the Shiloh Baptist Church of Washington, Reverend Gregory reached out to help those in need. He saw the church as a promoter of ``activities that are beneficial to the interests of those without work, food, shelter, or hope," and ``an advocate for people who don't have a voice." His leadership led to the construction of the church's Family Life Center, which provides both spiritual and physical help to those coping with hardships of inner-city life. Barbara and I well remember our visits with Reverend Gregory at the Vice President's house and the White House and attending services at his church. We commend his spiritual leadership and are proud to have known him. He was an outstanding leader, and he will be missed. Our condolences go out to his wife and children, and we share the loss with his parishioners and the community he loved and served so well.

Statement by Press Secretary Fitzwater on Proposed Legislation Concerning Federal Pay Reform

May 1, 1990

Today the administration is transmitting to the Congress the Federal Pay Reform Act of 1990. This legislation would reform and modernize the pay system for the Government's white collar civilian employees. The administration's proposal will provide several interim measures to address the most serious recruitment and retention problems and then, over the next several years, will initiate broader reforms of the pay-setting machinery. These changes will help make the system more flexible in responding to the labor market and will strengthen the ties between pay and performance.

The administration feels these changes will enable us to recruit and retain outstanding employees to continue our nation's tradition of excellence in the civil service. We urge prompt congressional enactment of this legislative proposal.

Remarks at a Fundraising Dinner for the Korean War Veterans Memorial Commission

May 1, 1990

Thank you, Ed. Thank you all. Thank you very, very much. May I thank our Secretary, Ed Derwinski, whom I knew very well when I served with him a thousand years ago in the Congress. But let me just say he's doing a superb job for the veterans of this country, and I'm very proud to have been introduced by him. I want to salute General Stilwell, an old friend, a strong friend, a man I've respected for years and with whom I worked about 15 years ago in the intelligence community, and salute all the members of the Commission, salute those honorees, those distinguished Members of Congress with us tonight, other veterans of the Korean war, other veterans. And thank all of you. And for me, it's great to be here tonight. I want to single out Chairman Lee of Samsung, whose generosity and commitment means so much to this very special evening, and thank him.

In the spring of 1951, almost 40 years ago, President Truman addressed the American people in the midst of the Korean war, saying, ``In the simplest terms, what we are doing in Korea is this: We are trying to prevent a third world war." The allied men and women who fought in Korea -- and who continue to guard the boundary of the Republic of Korea -- fulfilled that mission and helped ensure peace in the world. Korea, the first major struggle in the nuclear age, evolved into a war of battlefield stratagem and a war of international politics; but it was a war in which we turned the tide against communism for the first time in a victory regrettably sometimes ignored by history.

And a year before President Truman spoke, tensions in the Korean Peninsula had heightened, breaking out into a bitter conflict on June 25th, 1950, when the North Koreans launched a surprise attack on the fledgling Republic in the south. And President Truman quickly made the decision to commit American troops under the leadership of General Douglas MacArthur to stop the Communist aggression. And the world watched as fighting continued throughout 1950, and then from late April through this month of May in '51, the Communists began their Spring Offensive to drive us from the peninsula. But it was our two leaders, General Jim Van Fleet, commanding the 8th Army, and General Matt Ridgway, commanding the U.N. forces, who repelled the offensive and drove Communist troops back to the north. Although they could not join us tonight, General Van Fleet and General Ridgway -- ages 98 and 95, respectively -- deserve our respect and our gratitude.

So, we are here tonight to remember our veterans' remote battles and their combined talents in what is often called the forgotten victory. Once this memorial, this fantastic memorial, is constructed, no American will ever forget the test of freedom our brave sons and daughters faced as they sought to stop aggression. You see, it is right that America remember that struggle in the Pusan perimeter to the landing at Inchon to the recapture and brave defense of Seoul. It is never

too late for America to express her gratitude to all those who served under our flag in Korea -- those who made it home and those who didn't.

Looking back at the Korean conflict, our defense of freedom laid the foundation for the march of democracy we're seeing today around the world. And that march is reflected in this memorial -- in the memorial itself -- with 38 soldiers from all services moving down a path toward the United States flag -- the strongest symbol of freedom known throughout the world. It's those men and women honored by this memorial who joined the South Korean troops under the U.N. banner to help save a proud nation from communism, men like the Members of Congress you are saluting here tonight who served in the Armed Forces during the Korean war. Because of these brave soldiers and so many others, South Korea is now on its way to becoming one of the world's greatest economic powers with a freely elected democratic government and secure borders.

And so, to the veterans of the Korean war and to all attending, thank you for this opportunity to join you in saluting these Members of Congress, these old soldiers who have not just faded away but who have continued to serve their country in elected office. And in closing, let me share with you a line from Tennyson, in which Ulysses looks back with his soldiers on the battles they fought as young men and tells them, ``Though much has been taken, much abides."

We honor tonight the heroic hearts and strong will of our Korean war veterans, who have given so much that others might have freedom. God bless you all, and thank you for letting me come over to pay my respects to your honorees tonight. Thank you and God bless you.

Note: The President spoke at 7:45 p.m. in the Regency Gallery at the Omni Shoreham Hotel. In his opening remarks, he referred to Secretary of Veterans Affairs Edward J. Derwinski; Gen. Richard G. Stilwell, USA, Ret.; and Lee Kun Hee, chairman of the Samsung Group.

Remarks to the President's Committee on Employment of People With Disabilities

May 2, 1990

Good morning. And, Justin, thank you, my dear friend, for that most generous introduction. I'm just delighted to be with all of you. I want to say how pleased I am to see Ed Rensi and thank him for what he and his company are doing in this field of interest to all of us. I had a little opportunity just before I came in here to say hello to another person I admire very much -- Patricia Neal, over here. And then I was glad to see Chris Burke again. Last time I saw him he was running wild in the White House. Not really -- but he came over, and we did a little tape together. But he's doing great, and I'm so proud that he's with us here today.

I'm going to get into real trouble on all this acknowledgment; but I'm delighted, of course, to be with Justin Dart. He is truly a great humanitarian. He's one of the strongest advocates for equal rights and equal opportunity for all Americans that I've ever met, especially those with disabilities. And his hard work and perseverance through adversity benefited all of us. And you have to forgive me for rambling on about Justin. It's just that not only is he a friend but he truly is one of the founding fathers of the Americans with Disabilities Act, one of the most important pieces of legislation to ever reach Capitol Hill.

And as I said almost 2 years ago, it is time -- past time -- that people with disabilities are included in the mainstream of American life. As members of a community who are actively involved in helping disabled Americans join the work force, I don't have to tell you that we face many difficulties. More than two-thirds of our fellow citizens with disabilities of working age are, indeed, unemployed; and that is intolerable. And much of that unemployment stems from lack of opportunity. And ADA, that act, will form the foundation for policies and programs that can create opportunities for Americans with disabilities to find and hold jobs and to enjoy the income and satisfaction that productive participation in society brings to us all. And no longer can we allow ignorance or prejudice to deny opportunities to millions of Americans with disabilities.

We recognize your right to equal opportunity, and we need your abilities and skills. Anybody who takes a look at the demographics in this country and looks just over the horizon into the future knows that the problem is going to be not finding jobs for people but finding people for the jobs that exist as we move towards the end of this decade. We welcome you, the disabled, into the mainstream of American life because it is your life as well as ours.

Every American should be able to join the work force to the fullest extent of their abilities. And I am hopeful that the House of Representatives will take action soon on the ADA, just as the Senate took enthusiastic action last September. I look forward to signing a bill that will address the needs of our disabled citizens. And frankly, it is my view that disabled citizens have waited

long enough for equality.

Now, I was asked over here for a special purpose. And this morning I have the pleasure of sharing the stage with some truly exemplary Americans. And I wish I had time to introduce each one of them because their efforts are certainly outstanding. There is, however, one individual who deserves special mention. His name is David Schwartzkopf. As you saw -- and I understand you've just seen this video -- David has overcome some extremely tough obstacles -- cerebral palsy, legal blindness, early misdiagnosis -- to become a completely mainstreamed professional in a high-technology industry. Not content to merely be successful in his professional career, David is out in society doing all that he can to help other disabled Americans overcome some big hurdles. His inventions have helped visually impaired people enter the work force, his speeches have inspired management to rethink their hiring practices, and his consulting is helping to bring about equal opportunities. David gives meaning to the words dignity and independence.

And so, it is with great pleasure that I present you, David, with the President's trophy, proclaiming you the 1990 Disabled American of the Year. Congratulations for your help to so many others. Congratulations.

Note: The President spoke at 10:28 a.m. in the Ballroom at the Washington Hilton Hotel. In his remarks, he referred to Justin Dart, Chairman of the President's Committee on Employment of People With Disabilities; Edward Rensi, president and chief operating officer of McDonald's Corp.; and entertainers Patricia Neal and Chris Burke.

Remarks to the President's Youth Leadership Forum

May 2, 1990

Well, Barbara and I heard there was a good meeting going on, and we thought we'd slide over and say hello and officially welcome you to the White House. I'm delighted that my favorite Point of Light, as we call it, is with me this morning. I'm sure some of you are familiar with what we mean: Points of Light -- one American helping another, group of Americans helping other Americans. And my favorite Point of Light is right here, the Silver Fox.

One of the reasons we were a little late in coming over is that we were waiting for truly one of America's brightest stars. She's proven she's human by getting caught up in airplane delays. And of course, I'm talking about Whitney Houston, who we still hope might be along at any minute. But the airlines or somebody did not cooperate -- weather or something. But in any event, she's on her way.

Look, we're here because we know that America can be really transformed by youth engaged in service. There's no problem in America that young people cannot solve or certainly help solve. This first President's Youth Leadership Forum will demonstrate the ability of youth to identify community problems, design action plans to solve these problems, marshal community resources, and then implement those action plans.

Sometimes we adults forget the capability of young people to change the world, but you should remind all of us that youth is no barrier to great achievements. Knowing I was coming over here, I asked for some examples from history. Joan of Arc was barely 17 when she began her quest to drive the English from France. By the age of 20 -- I'm not recommending that you have the end results that Joan of Arc had -- [laughter] -- but I'm simply pointing this out here. By the age of 20, Mozart had composed 250 of his most beautiful pieces of music. Einstein had discovered the theory of relativity by the age of 26. And by the age of 32, Alexander the Great's empire stretched from Indiana -- [laughter] -- it included Indiana -- from India to the Adriatic.

Today's young people can bring that same strength and ingenuity, courage, and sensitivity to bear on the great challenge of our day, ensuring that no American goes through life unloved, uncared for, unclaimed. Third-graders in Nebraska call elderly shut-ins each morning to offer a word of comfort and cheer. A teen in Texas has her own program providing peer-to-peer counseling to other victims of child abuse. Countless other young people here in Washington mentor little brothers and sisters, feed the hungry, minister to the homeless, tend to the sick. Young Americans of all ages, genders, races, income levels, all backgrounds, are breaking down the invisible walls that too often separate us -- standing shoulder to shoulder, each giving his or her own special gift to another and each receiving in return the fulfillment that comes only from serving others.

And if serving others can teach young people anything, it is that no matter how unfortunate your circumstances, no matter how much you need someone else, someone else needs you even more. This forum is an important event for those of you who have resolved to make service central to our daily lives, and I will be following your progress with great expectations.

And I'm just delighted to have had this opportunity to be here. I don't know what the fate is of our featured guest, but I should probably go back to work at the White House. But we did want to come over and just wish you all the best. And thank you for what you're doing, and thank you for what you're fixing to do.

Note: The President spoke at 11:33 a.m. in Room 450 of the Old Executive Office Building.

Statement by Press Secretary Fitzwater on Modifications of Export Controls for Strategic Technologies and Goods

May 2, 1990

The President is recommending to the Coordinating Committee for Multilateral Export Controls (COCOM) that significant changes be made in the list of technologies subject to export control. For over 40 years, COCOM controls have helped the allies protect our technological achievements from being exported to our adversaries. The President initiated a comprehensive study of these controls in January to reflect the changes in Eastern Europe and the Soviet Union, as well as other military priorities that have emerged in the last year or more. The President has concluded that a complete overhaul of the control list is warranted. Therefore, the United States will recommend to COCOM the development by the end of 1990 of a new core list of goods and technologies that is far shorter and less restrictive than the present list.

The President's proposals will continue to protect our advanced technology from being exported to the Soviet Union and other adversaries. In effect, our proposals will build ``higher fences around fewer goods'' by focusing on those items that are the most sensitive in terms of our national security. We will be able to pinpoint a streamlined list of exports that can make a major contribution to Soviet power while changing the restrictions on items such as personal computers which are readily available throughout the world anyway.

We will propose that of the 120 categories on COCOM's industrial list 30 will be eliminated completely, and the scope of another 13 will be reduced substantially. These changes reflect specific analysis by the Department of Defense that identifies technology of crucial importance to weapons production in the Soviet Union and other countries. They have the unanimous support of all security agencies.

Careful study indicates that most of the goods and technologies that we currently control to Eastern Europe and Soviet destinations are of low strategic value and should be decontrolled. These categories include computers, telecommunications equipment, and machine tools. More specifically, these categories will include off-the-shelf personal computers and some mainframe computers for use in banking, airline reservations, etc.

We are proposing greater access for Eastern Europe to modern fiber optics equipment and some microwave telecommunications systems. Access to this technology is dependent on adoption of safeguards against diversion, such as identification of authorized uses and verification inspections.

The United States will begin consultations immediately with our allies on these changes. We

think it is crucial to be able to provide maximum protection of our highly sensitive technologies while at the same time giving the Eastern Europeans access to technologies desperately needed to improve their infrastructure and modernize their industrial plants.

Note: The Office of the Press Secretary issued a fact sheet on the same day which provided the following additional information on modifications of export controls:

Core List

As a result of its evaluation, the United States recommended to its COCOM allies the development of a core list of technologies that need to be controlled to maintain the strategic technological edge that is a key component of our military strength.

The U.S. core list proposal, which is similar to a British proposal, would replace current export controls with a completely restructured list of key technologies and goods. This new list would be built from scratch. The military priorities identified by the Department of Defense's analysis would be a vital guide in identifying those technologies and goods that are militarily critical to our technological lead. The United States proposes that the new list supersede the regular COCOM lists by the end of 1990. The U.S. proposal would allow for phased or complete implementation as long as strategically critical items are fully integrated into the new list.

Decontrol in Priority Sectors

There are three priority sectors identified by COCOM for immediate or partial decontrol: computers, telecommunications equipment, and machine tools. These sectors account for a large portion of all export license applications and are key to infrastructure improvements in Eastern Europe. The United States has proposed significant decontrol in these categories as follows:

Computers. The U.S. proposal would provide for decontrol of computers to all destinations which have a Processing Data Rate (PDR) of 275 megabits per second (mps), which is half way to the China Green Line [limits of licensing to China], and favorable licensing treatment to civilian end-users all the way to the China Green Line (a PDR of 550 mps). This action would result in the decontrol of most off-the-shelf personal computers and allow access to some mainframe computers for applications in banking, airline reservations, etc.

Telecommunications Equipment. The United States proposes relaxation of controls, for example, in some cellular communications systems and some satellite ground stations, to all destinations. We are proposing for Eastern Europe greater access to modern fiber optics equipment (to a transmission level of 156 megabits) and some microwave telecommunications systems. Access to this more advanced technology is dependent on adoption of safeguards against diversion.

Machine Tools. The U.S. Government will support with a few modifications a COCOM

proposal calling for significant decontrol of machine tools and their numerical controllers. This results in decontrol of many machine tools with a positioning accuracy down to the ÿ1B2 or 3 micron level depending on the type of machine tool.

Differentiation

The United States will recommend to COCOM that more favorable licensing treatment be accorded to countries adopting COCOM-approved safeguards against diversion of controlled goods and technologies to proscribed destinations or to unauthorized end-users. Such countries would be determined to be in transition to a status of a nonproscribed destination pursuant to COCOM-agreed conditions. COCOM would be asked to develop a list of technologies and goods to which such countries would have presumed favorable treatment.

Enforcement of Export Controls

The U.S. Government continues to encourage the enforcement of the controls by its allies. It is essential to obtain the agreement of our COCOM allies to a renewed commitment to improve compliance so that the core list of identified technologies is protected. The United States will seek adherence to the previously agreed common standard levels of protection against diversion or illegal acquisition of controlled goods and technologies.

White House Statement on the Proposed Foreign Acquisition of UniSoft Group Limited

May 2, 1990

The President has decided against intervening in the possible acquisition by CMC Limited, a firm owned by the Government of India, of UniSoft Group Ltd. (UGL), a British computer software firm with a subsidiary in the United States.

The President based his decision on the results of the investigation by the Committee on Foreign Investment in the United States (CFIUS), chaired by Treasury Secretary Nicholas F. Brady. CFIUS conducted a thorough investigation of various national security issues relating to India's acquisition of UniSoft Corp., the U.S. subsidiary. UniSoft develops, markets, distributes, and customizes software operating systems.

The CMC-UniSoft investigation was conducted pursuant to section 5021 of the Omnibus Trade and Competitiveness Act of 1988. That provision, known as the Exon-Florio provision, authorizes the President to investigate and, if necessary, to suspend or prohibit a proposed foreign acquisition of a U.S. business engaged in U.S. interstate commerce. The criteria to suspend or prohibit a transaction are that the President must find:

d

credible evidence to believe that the foreign investor might take actions that threaten to impair the national security;

d

that existing laws, other than the International Emergency Economic Powers Act and the Exon-Florio provision itself, are inadequate and inappropriate to deal with the national security threat.

The President's News Conference

May 3, 1990

The President. Let me just open with a statement, and then be glad to take some questions.

The revolutionary changes transforming Europe are moving us from the postwar era to a new era in history beyond containment. The revolutions of 1989 that have brought democracy to Eastern Europe, the prospect of German unification, and my hope for rapid conclusion of a CFE agreement bring us close to a peaceful and more stable Europe, whole and free.

And I'll be speaking tomorrow at commencement ceremonies in Oklahoma State University about my conception of America's place in the new Europe. And I want to use this press conference today as an opportunity to highlight for you a few of the ideas I plan to discuss at greater length tomorrow.

We've arrived at this historic point by maintaining a strong partnership with our European allies. NATO will remain vital to America's place in Europe. It is a proven structure upon which to base our security and from which to promote a stable, cooperative European order.

The alliance is now ready to take on new challenges. And in order to set a new Western strategy for these times and after consulting personally with my allied colleagues, a consultation completed by Secretary Baker in Brussels today, I'm calling for a NATO summit in early summer -- late June or early July, probably. The fundamental purpose of this summit should be to launch a wide-ranging NATO strategy review for the transformed Europe of the 1990's.

To provide direction for this, I suggest that this summit should address, first, the future political mission of the alliance, reaffirming its crucial role in managing and stabilizing the transformation of Europe.

Second, the alliance's conventional defenses for the future and next steps for conventional arms control. While we're still in a period of transition, as Soviet forces leave Eastern Europe and our arms control works move forward, we need to develop a new strategy for the period ahead.

And third, the role of U.S. nuclear forces in Europe. As democracy comes to Eastern Europe and Soviet troops return home, there is less need for nuclear systems of the shortest range. And in response to these new conditions, I've decided to terminate the follow-on to Lance program and cancel any further modernization of U.S. nuclear artillery shells deployed in Europe. The NATO summit should agree on broad objectives for future negotiations between the United States and the Soviet Union on the current short-range nuclear missile forces in Europe, which should begin shortly after a CFE treaty has been signed.

Fourth, the future of the Conference on Security and Cooperation in Europe, CSCE; to give it and especially its Eastern European member states a more active part in shaping Europe's future. The CSCE can help to build free societies and provide a forum for political dialog in a united Europe. My allied colleagues and I should agree to take up these ideas at the CSCE summit this fall, to be held around the signing of a CFE treaty.

The future of the United States cannot be separated from the future of Europe. And so, along with our allies, we must prepare for the magnificent opportunities that lie ahead. In these times of uncertainty and hope, NATO will continue to be vital to America's place in Europe and a bulwark of democratic values and security.

So, this is what I'll be talking about tomorrow. And it has been discussed by Jim Baker with our allies in Brussels yesterday and today.

I don't know who has the first question but -- Helen [Helen Thomas, United Press International]?

U.S. Hostages in Lebanon

Q. Mr. President, you said that things were moving on the hostage front. Can I ask you what are the prospects of getting all the hostages out? They may sometimes feel like sacrificial lambs as the U.S. stands and waits. What good will gesture do you have in mind to facilitate this and expedite their release?

The President. I would have in mind any gesture that wouldn't be perceived as negotiating for the release of hostages. We have a policy; I'm going to stay with that policy.

But let me give you an example, Helen. One of the things that the Iranians are interested in is the fate of, I believe it was, four Iranians that were taken, I think, back in '82. Now, if there's some way that we can go back and get any information that would relieve the anxieties of the loved ones of those four people, we ought to do that. And it is our view -- and I've said this, made this clear that it is the best information we have -- that these people are not alive.

But just as we'd like a full accounting for Higgins, our heroic Marine that apparently has been killed, I can understand the Iranians wanting a full accounting, even though they know we have nothing to do with this. So, here's an area where they have said they'd like some information, and if we can get it, I think we ought to get it. And we're trying. So, if that is good will, so be it. I hope it is. That's the way I would intend it. And there may be other things we can do. But, look, I understand the anxiety of the hostage families, and I can understand the broken hearts. And that's why I'm not going to shift and act like everything is normal.

Q. Well, what are you really doing now to -- --

The President. I've just given you one example. And if there are others, why -- --

Q. And are you passing this word to Iran, and also in terms of the frozen assets and -- --

The President. Yes. Well, that's been going on, as you know -- some discussion on frozen assets. Abe Sofaer [Legal Adviser, Department of State] has been over there, and if they view that as good will, fine. And if that can continue now in some way, fine. But that we've already discussed in open -- and I'm not sure they would view that as enough, you know.

Q. Does it look brighter, though?

The President. There's a third follow-on here. I don't know, Helen, and it's an awful good question. Look, I have tried very hard not to raise the hopes of the hostage families only to have them dashed. And there's a certain cruelty in this process when you flash a picture of a person that's held hostage and then another person appears in freedom. I welcome the release of Polhill and Reed. But I can't rejoice and say that my heart is full of great good will as long as six others are held hostage.

Yeah, Terry [Terence Hunt, Associated Press]?

Export Controls

Q. Mr. President, within the last 2 weeks, you've been considering penalties against Moscow for its treatment of Lithuania. Now, however, you're liberalizing sales of computers and other high technology to Moscow. Senator D'Amato, among others, says that now is not the time to be nice to the Soviet Union. Why have you decided on this course of reward rather than punishment?

The President. Well, I don't consider the COCOM reevaluation a policy of reward. I'll have to discuss that with Al D'Amato to see that he understands the facts, because what we're doing is putting up tighter walls around needed items that are in the national security interest. When the other items that are not on the list for pure national security now, they're going to come off. And I don't view this as giving something to the Soviets at all. So, we just have a difference of opinion with the good Senator.

Lithuanian Independence

Q. To follow up on Lithuania: Do you endorse the idea from West Germany and Britain that Lithuania suspend some of the laws pertaining to independence?

The President. I think this is a matter that Landsbergis [President of Lithuania] spoke to yesterday and indicated some flexibility there. And whatever will facilitate dialog is good. And he has seen some merit in what was suggested by Mitterrand [President of France] and Kohl

[Chancellor of the Federal Republic of Germany]. And I think that is very, very positive, and let's hope it goes forward.

U.S. Hostages in Lebanon

Q. Mr. President, on hostages, didn't the ceremonious welcome that you gave Mr. Polhill here the other night and his access to you, to pass a message supposedly from his captors, send a signal to terrorists that the best way to communicate with the President of the United States is to capture an American and give him a message? And second, didn't the welcome given Polhill suggest that even citizens who disobey their government's warnings and then are captured, something their government's trying to prevent, can then be treated as heroes even by the President?

The President. Both of these considerations worry me, Brit [Brit Hume, ABC News], to be very honest with you. And I must say I enjoyed this meeting with this highly civil human being, who has a marvelous sense of humor in spite of his captivity, and I'm delighted. But what happened on that one was, we hadn't planned a great public ceremony of this nature. Timing was such that Mr. Reed came out, there was keen interest in having a response to the present, and so we accommodated this understandable interest by having a press conference. So, it wasn't timed to make a high visibility reception of Polhill.

The other thing is, he did have a message for me. And I've said I'm going to go the extra mile; I am not going to leave any stone unturned. And he brought it. He asked that it be kept confidential, and it will. And I don't think that part of it is bad.

I think that part shows that the message -- I don't worry so much of the message. What I do worry about is if anybody perceives that we're putting a higher price on some human being by all of this. So, I was troubled by what you said. But I sorted it out and did my best.

Q. What about the message, sir? Can you tell us without laying it out in detail whether it taught you anything new about the situation over there?

The President. No, it did not teach me anything new about it. But it was the putting it all in one capsule that was very interesting. And I will share it discreetly with key members of our National Security Council and the intelligence community, but I must not violate his request that the message be confidential.

Relations With Eastern-Bloc Countries

Q. Mr. President, back to Europe for a minute. Your actions speak to a policy of helping Gorbachev even though your own Defense Secretary says he's probably not going to succeed. And I think this is a question a lot of Americans would like to hear you answer: Why have you

decided on Gorbachev over speaking out for American principle?

The President. I don't think I have, Lesley [Lesley Stahl, CBS News].

Q. Well, what about Lithuanian independence over Gorbachev?

The President. I don't think that's the choice. I don't think that's the choice. And let me repeat here -- if anybody has any doubt about where their President stands: Of course, we favor self-determination. I don't think that's new -- my saying that. And of course, we favor democracy and freedom. There's a lot at stake in all of this, and there's complications in all of this. Poland, Eastern Europe -- I want those troops out, and I want to see the firming up of the democracies in Eastern Europe, and I want to see us keep this process going forward. So, our foreign policy is not based on just Mr. Gorbachev. Now, if the man has done something good and surprised everybody in this room, including me, about the acceptance of freedom and democracy in Eastern Europe -- and he has -- give credit for that.

But on Lithuania, there's an enormously complicated problem. And I must say I'm looking forward to visiting with the Prime Minister in a little bit -- of Lithuania. But I must convince the Lithuanian-Americans that my desire for their freedom and their self-determination is just as strong as anybody else's. And I also must convince those here and around the world that we want to see the peaceful evolution that's taking place towards democracy continue. So, when Terry asked his question about dialog, that is our policy. And I'm delighted to see that Landsbergis now feels there may be some merits in this policy.

But,ÿ7Eÿ7Eÿ7E Lesley,ÿ7Eÿ7Eÿ7E weÿ7Eÿ7Eÿ7E can'tÿ7Eÿ7Eÿ7E placeÿ7Eÿ7Eÿ7E thisÿ7Eÿ7Eÿ7E onÿ7Eÿ7Eÿ7E a you-have-to-choose-between-Gorbachev-or-Landsbergis. That's not the policy of the United States Government, nor should it be.

Soviet May Day Demonstrations

Q. Well, a followup: The May Day parade -- Mr. Gorbachev was heckled. Your Defense Secretary says he doesn't think that Mr. Gorbachev can succeed with his reforms. Do you?

The President. The May Day parade? He ought to come join some of the parades I go to around here. This goes for your horse, too. I mean, you ought to see some of the expression of -- [laughter] -- look, that's the fruits of democracy. He's just learning. He's just learning. So, I wouldn't read too much into that. Yes, there's some discontent. A lot of it relates to the economy, and some of it relates, by Lithuanians inside the Soviet Union, to the handling of Lithuania.

There's a good side to all of this. I sometimes ask myself if that's true, but it is because that's the way fledgling democracies are beginning to work and that's the way our system has worked. And I don't suppose if anytime anyone points to a demonstration that gets rambunctious in the

United States and points to -- that means instability in the United States system; there's got to be something crazy. Because that isn't the way it works.

Federal Budget

Q. You seem to be getting serious about the budget now. You invited congressional leaders to the White House Sunday night to talk about the budget. No one in Congress believes your budget projections partly because interest rates have risen since you announced your budget. Should you revise your budget projections? And when you talk to Mitchell [Senate majority leader] and Foley [Speaker of the House of Representatives], is everything on the table? Everything negotiable, including taxes?

The President. In the first place, yes, we've been a little off on interest rates. But I will say that we've been very close to right on growth in the GNP. But I think we're required by law to come up with a new forecast later on this year.

But, look, here's what we need to do. We sent a budget up, and, okay, so nobody was too enthusiastic about it. Nobody's very enthusiastic about the Senate budget. Nobody's very enthusiastic about the House budget, in my view -- really enthusiastic.

So, what we have to do is start talking process and how we go forward. And I'm not going to sit here and do nothing. So, that process has worked. Congress was supposed to have moved by April 1st, and they didn't. Now there seems to be more action, so it seemed to me like a good time to sit down and talk process and see where we go now.

Q. You didn't say you were going to talk taxes. And beyond that -- --

The President. I didn't say we were going to talk any substance. This meeting that you've referred to is to sit down and meet with four leaders. Oddly, it worked out very nicely because I wanted to invite them all to come to a Presidential lecture series on Teddy Roosevelt on Sunday, and afterward we'll get together and discuss something a little more complicated.

Q. I haven't heard any ``read my lips." Are taxes -- --

The President. No, you haven't heard it because I'm going to sit down and talk to them about what I said I was going to talk about.

Q. Can I follow on the budget?

The President. Nice try, though, John [John Cochran, NBC News]. I'm not saying -- we're not into a negotiation. We're talking process. One problem about having that all out is, people are going to understandably want to know all these conditions and preconditions. But we're not

there. What we are at is, we've got to move forward, and I've got to find a way to do that.

Federal Deposit Insurance Corporation Chairman Seidman

Q. Can I follow on the budget, Mr. President? It appears now the administration has acknowledged what your FDIC Chairman, Bill Seidman, had been saying all along, which is that the savings and loan bailout is going to be a lot more expensive than you initially anticipated. Why, then, are you so anxious to see him leave, and how are you going to accommodate his increased costs at a time of fiscal constraint?

The President. Hey, listen, I haven't told you I'm anxious to see Bill Seidman leave.

Q. Aren't you saying that you wouldn't be unhappy to see him leave?

The President. Bill Seidman asked to see me a while back -- came to see me. Said he was not going to fulfill the rest of his term, and we discussed that. He asked to see me to tell me that. Today he called me with the name of a successor that he enthusiastically supports. And he's done a good job. We have a significant project that he's in the middle of handling -- we call it the June 30th Project -- to get a lot more done with a lot of these savings and loan in a short period of time. He's agreed to enthusiastically tackle that.

And he also said, look, I understand if you might want to put your own person in there. But it's his initiative with me, and today he suggested the name of a Bill Taylor who we're very high on to take over his responsibilities. So, it's one where everyone wants to have winners and losers, and I don't think there are any. I think Seidman has conducted himself with extraordinary grace and great ability. I've known him for years, worked with him way back when.

Savings and Loan Bailout

Q. Mr. President, the costs -- how to deal with the increased costs of the bailout.

The President. We've got to work with the Congress on how to deal with the cost. And right now, there's a significant review going forward to see what the costs are. The figures change all the time on you.

Defense Spending and Foreign Aid

Q. Mr. President, you talked a minute ago about fledgling democracies in Eastern Europe. Has your administration given any thought to a wholesale reevaluation of America's foreign aid requirements now that the Warsaw Pact is collapsing? And two, what's your response to those who say that we ought to take some money from the military and spend it on foreign aid for these fledgling democracies?

The President. My response to the latter part is: Everybody wants to take money from defense to do something else. And the Defense Secretary and I want to provide adequately for the defense in a changing world. And I think Dick Cheney's done a good job up there trying to hold the line against a Congress that says, Anytime there's a need for anything, please take it out of Defense. And so, we're in a problem of my trying to hold the line, ably supported by and, in some instances, led by Dick Cheney, who's up there really fighting this battle.

What was the first part, excuse me?

Q. About a full-scale review of America's foreign aid requirements. Are you interested in doing one of those or not?

The President. Well, I'd be interested in a full-scale review. I mean, a lot of our percentage of aid goes to a handful of countries. And here we have a man coming in here today -- the Prime Minister of Jamaica, Mr. Manley -- who has just done a first-class job in trying to move Jamaica forward in many, many ways. And I salute him for that. But his aid was a small amount, and I believe it's been just lined out because of insufficient resources or failure to reallocate.

I've suggested that the President be given a discretionary fund out of all this foreign aid so we can accommodate a person that is trying to take his small country and firm up its democracy. So, I think a review of the nature you're talking about might be helpful, but I remember my days in Congress: Foreign aid doesn't have the constituency out there that domestic programs do.

U.S. Hostages in Lebanon

Q. Mr. President, have you done an analysis of these hostage releases, such that you conclude whether or not this is the beginning of a process that's likely to lead to all the releases? And what is the United States doing behind the scenes that might have contributed to these releases? We know you're talking to Iran through third countries, but can you give us sort of a status -- --

The President. I can't say that our actions facilitated the release of Reed and Polhill. I hope that the affirmation and reaffirmation of our policy might have contributed to it, but there was no behind-the-scenes negotiations that will come out that show that we pulled this off. I wish I could -- I was going to say, I wish I could say that was true, but it would have to be true within these confines I've spelled out here earlier on. But we will continue to stay with the policy, trying to show good will where we can do it without violating the policy.

Q. Then have you concluded, sir, whether this is the beginning of a process of -- --

The President. The intelligence community's looking at that right now. The debrief of Reed and the debrief of Polhill might contribute to that. But you can rest assured that I have asked for that

answer: Will this lead inevitably to the release of others? But I can't say that I've gotten any feeling that this process is destined to go forward in a short period of time. I wish it was different. I so wish it were different.

Soviet President Gorbachev

Q. Mr. President, there's a report in Europe today, citing Western intelligence sources, that on February 25th, the day of large demonstrations in Moscow, Mr. Gorbachev was perilously close to being overthrown -- the Soviet Army troops were mobilized. Is it your assessment that he has come that close to facing a coup of some type within the Soviet Union?

The President. I was not advised of that by the intelligence community.

Q. Well, beyond that, sir, is there at any point, in any sense -- as we've heard you say many times, you want Gorbachev and perestroika to survive -- that you are structuring your program to assist him in any way, shape, or form? That that's why you're toeing this very difficult line between Lithuania and Moscow?

The President. I've expressed my keen interest in seeing perestroika succeed. Gorbachev is the architect of perestroika. Gorbachev conducted the affairs of the Soviet Union with great restraint as Poland and Czechoslovakia and GDR [German Democratic Republic] and other countries achieved their independence. But you can't build a foreign policy of a country on the presence of an individual. You can build it on ideas. You can build it on how do you facilitate the change toward democracy and freedom, whether it's in the countries where that's taken place or in the countries where it hasn't taken place. And so, I would say I salute the man for what he has done. I think he's under extraordinary pressure at home, particularly on the economy; and I do, from time to time, worry about a takeover that will set back the whole process. But I have no evidence to support the incident or the timeframe that you asked about.

Q. Or any other?

The President. Or in any timeframe, yes.

China-U.S. Relations

Q. Mr. President, it's been nearly a year since the Tiananmen Square massacre. Can you point to anything in the last year in your policies that have improved the situation there after a year of trying to head off severe sanctions and keep the rhetoric down?

The President. Well, several things. I've already mentioned them, and I'd repeat -- Fulbright and Peace Corps and some of these matters. But I'm disappointed. I've said that publicly before, and I am because I would like to think there would be a more vigorous response. I was pleased that

they lifted martial law in Tibet the other day.

So, there are some things that are happening that are going in the right direction, but overall, I'm disappointed. And yet preserving a relationship with the People's Republic of China in the broad global context is important. So, I have no apologies. I have no feeling that I took the wrong path. I mean, we did, by Executive action, everything that the Congress would have done by legislative action -- everything. And so, there wasn't any substantive difference with the Congress on this.

And so, look, I'll express a certain disappointment because I'd like to see more action, more things happen that really move the whole process forward.

Q. Do you have anything in mind other than expressing disappointment to move things along?

The President. We've got some diplomacy in mind.

Soviet Acceptance of European Realignment

Q. Do you think that your proposal of nuclear weapons in Europe will be enough for the Soviet Union to accept a reunified Germany within NATO?

The President. Our policy on what?

Q. Your change on nuclear weapons in Europe -- will that give you -- --

The President. You mean on the Lance follow-on?

Q. Will that be enough for the Soviet Union to accept a reunified Germany?

The President. I think they're going to accept it because that's the right thing to have happen. And I want to see that determined by the alliance and keep the solid alliance position. And I want to see the Soviets understand that it is in their interest for a U.S. presence, in their interest for an expanded NATO, in their interest in a united Germany to be inside that expanded NATO.

We got to get back to some of these backbenchers, or I'm going to catch it. You can hear the enthusiasm for that.

Arms Reduction Negotiations

Q. Mr. President, the Soviets seem to be backpedaling in both START on the cruise missiles and some of the things we think they agreed to on troop levels on CFE. Are you concerned about

this? And what's your assessment now of the prospects for both a START treaty and a CFE treaty this year?

The President. We're going to have to hustle. We're going to have to hustle, and they're going to have to come forward. But I don't want to say we're not going to get a CFE agreement, and I don't want to say we're not going to get the principles of a START agreement locked in. And that's what I'd like to see happen, and the summit that's coming up serves as some incentive for that to take place.

Q. Were you concerned that they've reneged on some things the United States thought they agreed to, and does that suggest Mr. Gorbachev's not living up to his commitment to move -- --

The President. It suggests a lot of things. When you analyze the Soviet Union very carefully -- some things that are quite disturbing if, indeed, they stay in a position where they back off. But let's hope that that can all be resolved. But if you analyze carefully that they pull back on that, then you've got to say, Why is that happening? What's the military saying who are most affected by decisions of that nature? This is a matter of some concern.

War on Drugs

Q. Mr. President, on drugs, have you changed or are you contemplating a change in your stated administration policy which forbids active operational involvement of U.S. military forces in foreign countries?

The President. I'm not sure I understand what you're -- what policy that involves active military? I want our military to be involved in interdiction. And they are involved in interdiction, and they're doing a good job in that.

Q. Will they be or have they been involved in specific operational missions, such as searching for drug cartel leaders?

The President. Inside Colombia? Be more specific, please, and I'll try to help you.

Q. Much talk about Gacha. Were they involved in the Gacha -- --

The President. No. U.S. troops in Colombia? No. That's the answer. Next. Do you have a followup?

Q. I have an unrelated follow.

The President. No, unrelated follow-ons are not fair.

Hostages

Q. Mr. President, on the hostages, you have frequently pressed the kidnapers to release them. You have urged Iran and Syria to do whatever they can to release them. One of the Iranians' demands -- or the kidnapers' demands is the release of the 400 Shiites and Sheik Obeid that the Israelis hold. You have not pressed the Israelis to do something to facilitate a resolution of that problem. I'd like to ask you why not and why the Arab nations should not see it as a double standard?

The President. I've stated my position: that hostage-holding is unproductive towards facilitating political change. And I'll repeat it again. I want to see all hostages released. There are some, obviously, in all Muslim countries. In Israel, there's definitional problems there. But the United States is opposed to taking hostages.

Q. Why is there a definitional problem?

The President. Because some people view people that they hold as having broken their laws, and some don't. And it's not for the U.S. to make these determinations. It is for the United States to say we oppose taking of hostages and holding people against their will just to effect some kind of political change.

Arms Reduction Negotiations

Q. Mr. President, you raised the question a moment ago about what is it that the Soviet military is saying in the apparent backing off. What do you think that they are saying, and do you believe that your announcement today about missiles in Europe will change the Soviet military's attitude towards the negotiations that are currently going on?

The President. No, I'm not doing these things just to put at ease the Soviet military at all. We're doing this because we feel that it's in the alliance's interest and in the interest of world peace. But I must tell you, I sometimes do worry about the military resurgence of some kind inside the Soviet Union. Of course, I worry about that.

Baltic States Independence

Q. Mr. President, the Legislature of Latvia meets today to consider its independence. Would you advise them to be less confrontational in their approach than Lithuania was?

The President. I have no advice for them whatever. I can identify with their aspirations for freedom. I have noted that there's some nuances of difference in the way they are approaching the matter. But that is a matter for them to work out. And the answer is dialog -- some would say negotiations; call it what you will -- talking to each other to facilitate self-determination and

independence. And that's the way they ought to do it. And I get the feeling that that's what they're about.

Q. Mr. President, with this call for dialog and with this step of meeting with the Prime Minister of Lithuania [Kazimiera Prunskiene] later today, do you see yourself assuming some sort of a mediation role between Vilnius and Moscow?

The President. If there was a role for the United States -- and I've thought about that. I've talked to Brent [Brent Scowcroft, Assistant to the President for National Security Affairs] and Secretary Baker about this. And if there was a constructive role for the United States, of course, we should fulfill that role. But there's not. And I don't see that emerging for a lot of different reasons. But if somebody said you can facilitate that through being a negotiator, which is just hard for me to conceive given the realities in the world, of course, we'd be interested in doing that. But I don't think that's a reality.

Q. A followup, sir. Do you find yourself in an unusual or odd diplomatic position in referring to this woman as the Prime Minister? Marlin Fitzwater [Press Secretary to the President] has told us that you will address her as Prime Minister, but yet you do not recognize her as the Prime Minister of an independent country.

The President. No, I don't find myself in a dilemma there.

Mrs. Bush's Commencement Address

Q. Mr. President, a small group of students at Wellesley have objected to Mrs. Bush's -- --

The President. Yes, Ellen [Ellen Warren, Knight-Ridder Newspapers]! [Laughter]

Q. Mr. President, do you believe that there is any merit to their argument that Mrs. Bush's accomplishments are largely related to her marriage to yourself? [Laughter] And secondly -- --

The President. I can't have any argument with that. [Laughter]

Q. Oooh.

Q. We've got a lead. [Laughter]

Q. -- -- by their hesitation to have her speak to them?

The President. Yes. And Mrs. Bush herself has put it that her ability to serve as, I think, a terribly effective Point of Light stems from the fact that she's married to the President of the

United States. But I think that these young women can have a lot to learn from Barbara Bush and from her unselfishness and her advocacy of literacy and of being a good mother and a lot of other things. So, I have no objection. As Bar said yesterday, she isn't concerned that the 125 students feel this way. And I think they'll learn a lot from her. And she wants to go, and she's not concerned by it at all. But she herself said, ``Look, I know why I'm privileged to be able to serve in this visible fashion." She's not trying to be something she's not. The American people love her because she's something she is and stands for something.

Mexico-U.S. Relations

Q. Mr. President, do you think that the relations with Mexico have been damaged by the Machain case? And can the United States pay bounty to foreigners to abduct people in other countries?

The President. The United States has had an official system of rewards. Remember at the time of Noriega and stuff there were some rewards out. But I hope the relations haven't been damaged. The Vice President, incidentally, did a very good job in explaining the policy to President Salinas himself. Our Attorney General [Dick Thornburgh] has worked very closely with the Mexicans. We have had superb cooperation from Mexico in fighting drugs -- outstanding. And so, I salute them. But, yes, there was some misunderstanding here, and I have told our key people: Eliminate the misunderstanding. We don't want misunderstanding with Mexico; we don't need it. We need continued cooperation, and we're getting continued -- --

Q. But in the future, are they going to continue going into Mexico -- the agents of the United States?

The President. That's a matter for Mexico to decide. And if Mexico wanted to have some people work with our people here, and that could help the fight against narcotics, I would be very open to that if it fit into our fight against drugs.

I've got time for two more. One in the middle, and then, Sarah [Sarah McClendon, McClendon News], you get the last one.

Federal Deposit Insurance Corporation Chairman Seidman

Q. Mr. President, if Bill Seidman has done such an outstanding job at the FDIC in overseeing the savings and loan bailout, why didn't you prevail on him to stay on to assure continuity and an independent voice at that agency?

The President. Because I think that his decision was a personal one, and he's entitled to make it, and that's why. And I support it, and I salute him again.

Q. He didn't bring bad news about what the cost of that bailout might be, did he?

The President. Listen, if all the people who brought bad news in here were asked to do something else, it would be a little lonely. No, that's not the reason for this at all. I would ask that you talk to Bill about it.

Q. Mr. President, is this the last question?

The President. This is the last one. You've been a very good sport.

War on Drugs

Q. Sir, thank you very much. I want to know if you are going to ask permission from Congress to send U.S. troops into Peru and take $35 million of our much-needed money right now and build a military installation down there for us to train their troops to fight drug cartels?

The President. To send U.S. troops in there to do that?

Q. Are you going to ask Congress for permission to do that?

The President. I have not considered asking Congress for that. But if there's some training role that will facilitate the fight against drugs, I would be willing to consider it. But I have no intention of asking Congress at this moment for anything of that nature.

Q. Do you feel now that you have the authority to build this installation, which has been reported that you were planning to build, down there in Peru?

The President. Just a minute. I need expert advice on this. Your talking about building a facility? What facility? What facility are we talking about? We'll have to get back to you. [Laughter] See the kind of advice I'm getting here. [Laughter] No, really, I'm sorry. I just don't know about any facility. But I do know that the concept of training is a very valid concept. I don't think it requires approval from the U.S. Congress. But if the law requires me to ask, if we do something that's going to require that along the lines here, then I would ask. We're not trying to get around Congress; we work very cooperatively with them.

I have to go.

Q. One more.

The President. No, I have to -- all right, one more. No, not you.

Missing Iranians

Q. Earlier you dropped a hint about the United States helping obtain the release of some Iranian hostages. Who has got them, and how can you help?

The President. These were four Iranian diplomats that were taken in Lebanon in 1982. And the Iranians don't feel that they've had a full accounting of these people. In fact, I think they still hope that those people are alive. The best information we have as an outside party to all of this is that they are not still alive.

But my point is, if Iran feels that way and the families of these four people feel that way, this is something where we should use every asset we have to disperse the lack of information, to bring them the facts if we can. See, this is something they feel strongly about. They've mentioned it to us several different times. And here's something we can do without violating our policy. It's something I'd like to do. And I think they would consider this a gesture of good will.

So, we're trying very hard. Again, I wish I felt that the answer we gave them would be different than the one -- because there's a human equation here. There is some suffering here on families in Iran. So, it's -- --

Q. Are you doing something, though, in this specific case?

The President. What?

Q. You've spoken about the things that you could do. Are you doing something in this case?

The President. Yes, we're trying to find -- it's very hard to do.

Q. How did the Iranians mention it to us? How did they mention it to us?

The President. Very carefully.

Note: The President's 46th news conference began at 10 a.m. in the Briefing Room at the White House. In his remarks, he referred to the following individuals: Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, who was kidnaped by pro-Iranian terrorists on February 17, 1988, and allegedly hanged on July 31, 1989; Robert Polhill, an accounting professor at Beirut University College who was kidnaped by pro-Iranian terrorists in Beirut on January 24, 1987; Frank Herbert Reed, the director of the Lebanon International School who was kidnaped by members of the Organization of the Islamic Dawn on September 9, 1986; and Sheik Abdul Karim Obeid, the senior Moslem cleric and Hizballah leader who was abducted from his home in Jibchit by Israeli forces in southern Lebanon on July 28, 1989.

Remarks Following Discussions With Prime Minister Michael Manley of Jamaica

May 3, 1990

The President. Mr. Prime Minister and members of the Jamaican delegation, thank you for coming to the White House. We are pleased and, indeed, honored that you are with us here today. It's been my pleasure to host Prime Minister Manley on this first official visit to Washington. Columbus may have had something going correct when he said in 1494 -- he called it ``the fairest isle that eyes have beheld," speaking about Jamaica. And those of us who have been there, and I'm included, understand exactly what Christopher Columbus meant.

The United States and Jamaica enjoy a very close relationship, and that's because we have so many bonds of friendship and family. Some 5,000 Americans have made Jamaica their home, while 400,000 of your people have settled here in the United States, and I think that's to the enrichment of both countries. Early in this century, one Jamaican couple moved to this country. They raised a son, told him to do something with his life. Their son grew up to be the man that both Jamaicans and Americans can be very proud of, and I'm talking about our Chairman of the Joint Chiefs of Staff, General Colin Powell. I had a chance to discuss him behind his back with the Prime Minister at lunch, and he assured me that Jamaicans have that same high regard that we do for our Chairman.

In our meeting today, we not only renewed a friendship that I value, but I had a chance to express to him the total satisfaction that I feel about the cooperation between our countries. We talked about some difficult problems: the economic and financial situation. The Prime Minister, no holds barred, told me of some of the problems that he faces in terms of an external debt. That was coupled with some news he gave me about the dynamic growth in the Jamaican GNP. I commended his efforts to meet the difficult economic and developmental challenges through diversification. And then again, he's been out front on the private sector investment front, and I salute that and told him so.

The United States wants to help in these efforts, and I'm afraid I cried on his shoulder a little about some budget limitations that we face here in the United States. But we will continue to support development and growth in Jamaica. And as neighbors that share democratic traditions, we explored the historic political developments in the Caribbean and Latin America. I asked him for his views about what was happening in Central America as well as the Caribbean, and he shared them with me -- a very insightful presentation.

I do appreciate his insights, and I very much appreciate the role that Jamaica plays in regional affairs. We gave particular applause to his efforts on behalf of democracy and economic reform. I think we see eye to eye on the need for that to continue. I've commissioned Secretary Brady and asked Secretary Eagleburger [Deputy Secretary of State] both to undertake some specific

assignments to see how much flexibility the United States can have in helping Jamaica in the ways that would benefit their move towards more privatization, more economic growth, and more to the benefit of all Jamaican people.

So, we touched on the subject of cooperation in narco-trafficking. Jamaica has been steadfast in working with us, determined to cut down this trafficking. We want to salute those individuals in Jamaica who are working in cooperation with the United States in the war on drugs. The Jamaican efforts are crucial, and we look forward to continued cooperation in this area.

So, all in all, it was just the kind of visit that I, at least, look forward to: a frank discussion between friends. We also shared with the Prime Minister our global view of our relations with the Soviet Union and our insight into developments in Eastern Europe, knowing that, though, the way we handle these matters affect countries here in the Caribbean and all around the world.

Your country's motto, sir, ``Out of many, one people," and ours is ``E Pluribus Unum," which is pretty much the same thing. So, we've got different people, one common aspiration, one common goal -- and that's freedom. So, let's not rest until all the nations of our hemisphere enjoy the fruits of democracy and freedom. I guess what I really want to say is: Good luck, sir. I'm glad you came our way.

The Prime Minister. Mr. President and distinguished members of the administration, I'd, first of all, like to thank you very much for this invitation and for the marvelous hospitality, courtesy with which we've been received and for the very interesting discussions that this made possible.

I'd like to say to everybody that when the next winter comes, if anybody has the slightest doubt about where they should go, I refer them to the President of the United States quoting Christopher Columbus. [Laughter]

I might also say that I assured the President that we Jamaicans regard General Colin Powell as perhaps our most distinguished export, of whom we are very proud.

We had, as the President has said, extremely interesting discussions, and very frank. We share your delight in the increasing triumph of democracy all over the world. On the other hand, we have been concerned that some of us who have been in the trenches of democracy all along might get forgotten in the new excitement. But I am very confident from things that we had observed in President Bush's administration and from our talks today that you do not intend to divert from our immense needs but rather to seek new ways of helping new friends -- you might say, new members of the family of democracy.

I must also say that we have been very impressed with the feeling that the President has a genuine interest in this hemisphere outside of North America. We really have felt his personal interest in the Caribbean, Central America, and Latin America. And I must say, Mr. President,

that even though we argue strongly not to divert resources from us but equally realize that the United States is under tremendous pressure, has tremendous problems of its responsibilities all over the world.

And I think that, to me, the most interesting and constructive single thing that came out of these talks is that we feel that when you look at debt, when you look at problems of capital formation -- where do we get the capital to sustain economic development in a country like Jamaica -- that we can't so much try to find new money to throw at the problem but what we have to do is to use our ingenuity, use our sheer brains and imagination to find ways that take resources that are there and put them to work. And it has been a great source of encouragement to me, Mr. President, to feel that you and your administration are responsive to that. I think together, if we just put our imagination to work, put our brains to work, we can accomplish remarkable things.

And as I say, when next you plan to travel, Jamaica is there and within reach. Thank you very much, Mr. President. God bless you and your great country.

The President. Thank you very much. Just beautiful. Thank you, sir. That was wonderful.

Note: The President spoke at 1:18 p.m. at the South Portico of the White House. Prior to their remarks, the President and the Prime Minister met privately in the Oval Office and with U.S. and Jamaican officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Remarks at the Presentation Ceremony for the Achievement Against All Odds Awards

May 3, 1990

Thank you all. I'm surprised you're so polite. A thousand apologies for keeping you waiting. Senator Kasten and Secretary -- glad to see you, Jack -- and other Members of Congress and other distinguished guests, again, my official apologies. But at least you had a fair weather in which to wait in this beautiful Rose Garden; look at it that way. But to Secretary Kemp and Bob Woodson, Wayne Hedien, Members of the Congress, it's great to get outdoors again. [Laughter]

Perhaps you saw on the news that Millie was hanging around, just over the other side, down in the ivy down there, when something bit her on the nose. I'm not sure if it was a squirrel or a rat, but I had to investigate.

And of course, anyplace you go here -- I do, as President -- there's a bunch of Secret Service guys following right along. So, imagine this: the seven of us -- [laughter] -- poking around in the hedges, looking for the culprit, when, you guessed it, the sprinklers came on. [Laughter] So, I just want you to know there's a real life inside this magnificent complex.

But, look, we're here today because of the leadership of the Allstate Foundation and the vision of Robert Woodson and the National Center for Neighborhood Enterprise. For years, Bob has opposed the idea that big problems can only be solved by big government solutions, and he believes that no Federal program can begin to match the strength of our people and our neighborhoods. And he believes that to fight poverty, crime, and despair, we must first empower the powerless: empower Americans to help themselves; empower them to help their neighbors; empower them to become leaders, to make the coming century yet another American century.

And this is, in truth, happening, as the age of the individual dawns around the world, from Moscow to Managua. So, let's remember, in this heartland of individualism, our own American tradition of self-reliance and helping others. While government certainly has a critical role to play, we've been too willing in recent years to look first to Big Brother in Washington for the answers. And we're learning that if there is to be a better future, it must arise in the hearts of the men and women who struggle daily against poverty and ignorance and prejudice.

And so, we're here today to honor a select few -- could be many of you out there -- but today, we honor a select few who are creating such a future, seven people chosen to receive the first Achievement Against the Odds Award. They're not winning Oscars, they are not recipients of the Pulitzer or the Nobel, but what they have done and what they have achieved is, in truth, every bit as great and as beautiful as the work of any actor, artist, or scientist. For we have with us today seven men and women who have prevailed over handicap and heartache.

You've heard me speak of the Thousand Points of Light, my expression for that constellation of volunteers who are serving our communities, our cities, our nation, making America just a little better each day through national service. Well, some of those Points of Light, those shining stars, are with us.

Take Charles Ballard -- which is Charles? Where are we? Right here -- an orphan, grew up to be a teen father, chemically dependent, prison inmate. And now he's legally adopted and raised a son; earned a master's degree; founded the Teen Father Program, which helps thousands of teen fathers deal with their responsibilities.

And also Bobby Drayton. There he is -- Bobby. He will tell you that he himself was twice victimized, first by epilepsy and then by an attack of self-pity. But by age 17, he had enough of feeling sorry for himself, and he decided to fight his condition through athletics, becoming one of the toughest competitors on the Howard University gymnasts team. And he also formed and headed youth programs for disadvantaged kids. Like a gymnast on the parallel bars, he balances his success -- his success -- with service to others.

Freddie Garcia. Freddie? Freddie Garcia grew up amid poverty, illiteracy, and too much discrimination. And in fact, some of his teachers and students actually managed to convince Freddie that he was a failure. And as so often happens, the prediction became a bit self-fulfilling, and he eventually became addicted to drugs and a criminal. But then he found his faith. He earned a degree from the Latin American Bible Institute, founded Victory Outreach of Texas, a Christian-oriented rehabilitation center which under his leadership has developed one of the most effective programs in the fight against drug addiction, alcoholism, and other life-consuming problems. A man who has come back from the precipice can best warn others of the danger of drugs, and he is such a man. And he's living proof that success is also a self-fulfilling prophecy.

Cheryl Hayes, right there -- Cheryl. She's a mother who was dependent on welfare and, much worse, dependent on drugs. And now she's the head of a support group for youth with addicted family members. And she's also working hard with her family to invest 500 hours, Jack, of ``sweat equity'' in the home she's building with Habitat for Humanity. We congratulate you.

Or consider Kathleen Smallwood Johnson -- Kathleen -- whose father was murdered when she was 14 and mother was murdered when she was 16. So, at an age that for most of us is the most carefree time of our lives, she became the head of her family. And she raised her three brothers and sisters. She reentered college and graduated. She's now a successful attorney, and a mother to her late sister's three children and two children of her own, and still has time to serve others, still has time to serve her community.

Brad Linnenkamp -- here we are. Brad Linnenkamp. He calls himself physically challenged because he challenges cerebral palsy with a tenacity that most of us can only imagine. He

volunteers and now works full-time as a counselor. And he has no time to worry about his own problems because he's too busy caring for others who are in a greater need than himself.

And finally, Vivienne Thompson. She's wheelchair-bound, as you can see -- single parent. But Vivienne didn't let that hold her back. She often confronts the barriers -- some concrete; others, sadly, of culture -- that have fenced in so many disabled Americans. As an antipoverty leader in Boston, she also helped establish the first Head Start class for severely disabled, handicapped, low-income children.

Each of these seven Americans provides a definition of the word that I've learned to respect so much -- learned from Jack Kemp -- ``empowerment." Whether they turned to a higher faith for inspiration or drew deep from strength of their souls, they represent the very best of the survival instinct in all of us and something more: a yearning to help others, to be a guiding star to someone who is lost -- indeed, a Point of Light.

Zane Grey once wrote that ``To bear up under loss, to smile when tears are close, to resist evil men and base instincts, to seek ever after the glory and the dream, that is what any man can do, and so be great." In this way, each of you have achieved greatness -- the kind that brings out the greatness in others.

And now, Bob, let's get on with the show, to the brisk business of presenting these awards. It's all yours, sir.

Note: The President spoke at 3:31 p.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Housing and Urban Development Jack Kemp; Robert L. Woodson, president of the National Center for Neighborhood Enterprise; and Wayne E. Hedien, chairman and chief executive officer of Allstate Insurance Co.

Statement by Press Secretary Fitzwater on the President's Meeting With Mayor Teddy Kollek of Jerusalem

May 3, 1990

The President expressed his personal admiration for Mayor Kollek. The President believes Jews and non-Jews in Jerusalem ought to act in a manner that does not threaten the city's comity or in any way prejudice prospects for the peace process. As recent events in the Christian quarter have demonstrated, the real question is not an abstract one of the rights of Jews and others but rather how these rights are implemented. The longstanding opposition of the United States to settlement activity in the territories occupied by Israel in 1967 is well known. So, too, is the position of the United States supporting a united Jerusalem whose final status is determined by negotiations.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Kazimiera Prunskiene of Lithuania

May 3, 1990

The President met with Lithuanian Prime Minister Kazimiera Prunskiene for approximately 45 minutes in the Oval Office this afternoon. The President was pleased to receive a firsthand account of the current conditions from Mrs. Prunskiene, a freely elected leader of the Lithuanian people. She has provided similar information in recent days during meetings with the Prime Ministers of Norway and Sweden and the Foreign Ministers of Denmark and Canada.

The President reiterated our longstanding policy of refusing to recognize the forcible incorporation of the Baltic States into the U.S.S.R. He reaffirmed our strong support for the Lithuanian people's right to self-determination. He urged all parties to enter into a good-faith dialog. He stressed our desire to see the situation in Lithuania resolved peacefully and without intimidation. He emphasized the deep commitment of the American people to freedom and democracy around the world and the further progress of reform in the Soviet Union.

The President concluded the meeting by asking Mrs. Prunskiene to take this message back to Lithuania: ``I am personally, and the United States Government is, committed to the self-determination of the people of Lithuania."

Statement by Press Secretary Fitzwater on the Establishment of a Presidential Emergency Board To Investigate Railroad Labor Disputes

May 4, 1990

The President today announced the creation, effective May 5, 1990, of a Presidential emergency board to investigate and report on the disputes between 11 railroad unions and most of the Nation's major railroads.

The creation of this Board, pursuant to section 10 of the Railway Labor Act (45 U.S.C. 160), is necessary to forestall the possibility of a crippling nationwide rail strike. The National Mediation Board has concluded that the situation is extremely critical and that it threatens substantially to interrupt interstate commerce to a degree such as to deprive various sections of the country of essential transportation service.

The Department of Transportation has advised that the railroads move over one-third of all intercity freight traffic, which involves goods valued at more than $1 billion each day. Interruption of rail service could idle nearly 200,000 railroad employees and result within 2 weeks in over 500,000 layoffs in industries served by railroads. A strike could also affect 100,000 commuters and 30,000 intercity travelers each day. The direct costs of a strike could be at least $16 million per day, and the indirect economic costs could be much higher.

In light of the immediate and devastating effects that a nationwide strike in this industry would have on the public, the President concluded that creation of a Presidential emergency board offers the best means of protecting the public interest while the parties continue their efforts to resolve their disputes.

Accordance of the Personal Rank of Ambassador to John Houston Hawes While Serving as the Open Skies Negotiator

May 4, 1990

The President has accorded the personal rank of Ambassador to John Houston Hawes, of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, in his capacity as the Open Skies Negotiator.

Since 1989 Ambassador Hawes has served as Executive Assistant to the Under Secretary of State for Security Assistance, Science and Technology at the Department of State in Washington, DC. Prior to this, he served as Deputy Chief of Mission in Rabat, Morocco, 1987 - 1989; Deputy Assistant Secretary for Politico-Military Affairs, 1985 - 1987; Office Director for the Bureau of European and Canadian Affairs, 1982 - 1985; political officer in Brussels, 1980 - 1982; political officer in Vienna, 1978 - 1980; Office Director for the Bureau of Politico-Military Affairs, 1977 - 1978; political/military affairs officer for the Bureau of European and Canadian Affairs, 1975 - 1977; and Special Assistant in the Bureau of Intelligence and Research, 1974 - 1975. In addition, Ambassador Hawes has served in political affairs for the Bureau of Near East and South Asian Affairs at the Department of State, 1972 - 1974; staff assistant in New Delhi, India, 1971 - 1972; economic/commercial officer in Calcutta, India, 1969 - 1971; vice consul in Addis Ababa, Ethiopia, 1966 - 1968; and vice consul in Naples, Italy, 1964 - 1965.

Ambassador Hawes graduated from Princeton University (A.B., 1963). He was born May 23, 1941, in New York, NY. Ambassador Hawes is married, has five children, and resides in Washington, DC.

Nomination of Stephen Anthony Trodden To Be Inspector General of the Department of Veterans Affairs

May 4, 1990

The President today announced his intention to nominate Stephen Anthony Trodden to be Inspector General at the Department of Veterans Affairs. This is a new position.

Since 1986 Mr. Trodden has served as Assistant Inspector General for Auditing at the Department of Defense. Prior to this, he served as Director for Major Acquisition Programs in the Office of the Assistant Inspector General for Auditing, 1983 - 1986; Director for Procurement in the Office of the Assistant Secretary of Defense (Comptroller), 1981 - 1983; Deputy Director for Procurement in the Office of the Assistant Secretary of Defense (Comptroller), 1975 - 1981; Deputy Director for Research and Development in the Office of the Assistant Secretary of Defense (Comptroller), 1973 - 1975; technical adviser for the Directorate for Procurement in the Office of the Assistant Secretary of Defense (Comptroller), 1969 - 1973; project manager's staff officer for the REDEYE and SAM-D Missile Systems, 1966 - 1969; and industrial engineer with the United States Army Materiel Command, 1962 - 1966.

Mr. Trodden graduated from the University of Michigan (B.S.E., 1962) and Georgetown University Law Center (J.D., 1965). He was born December 13, 1939, in Washington, DC. Mr. Trodden is married, has two children, and resides in Arlington, VA.

Message on the Observance of Cinco de Mayo

May 4, 1990

I am pleased to send my warmest greetings to all who celebrate Cinco de Mayo.

The Mexican people prize liberty above all of life's blessings. That is why we in the United States are happy to rejoice with our southern neighbors each year on the anniversary of their great victory in the struggle for freedom and independence.

Outnumbered three to one, Mexican troops defeated invading French forces at the Battle of Puebla. We remember these brave sons of Mexico for their valor and for providing a lasting reminder that no threat or form of persecution can overcome a people's yearning for self-government. The story of this remarkable victory remains a source of hope and inspiration to freedom-loving people around the world.

In commemorating this great event in Mexican history, we also reaffirm our ties of culture and friendship with the people of Mexico and send them our good wishes. Vayan con Dios.

George Bush

Nomination of Wallace Elmer Stickney To Be Director of the Federal Emergency Management Agency, and Appointment as a Governor of the Board of Governors of the American National Red Cross

May 4, 1990

The President today announced his intention to nominate Wallace Elmer Stickney to be Director of the Federal Emergency Management Agency. He would succeed Julius W. Becton, Jr. After confirmation, the President also announced his intention to appoint Wallace Elmer Stickney as a Governor of the Board of Governors of the American National Red Cross for a term of 3 years.

Since 1985 Mr. Stickney has served as a commissioner of the New Hampshire Department of Transportation. Prior to this, he served as special assistant for environmental affairs to Gov. John H. Sununu, 1983 - 1985. In addition, Mr. Stickney served as Director of the Environmental and Economic Impact Office at the Environmental Protection Agency's Region I office in Boston, MA, for more than 8 years and as Federal activities coordinator for 3 years. He served as the town engineer for the community of Salem, NH, and as an instructor at Wentworth Institute in Boston, MA. Mr. Stickney is a member of the American Society of Civil Engineers, and he served as commissioner of the Southern Rockingham Regional Planning Commission, 1975 - 1977.

Mr. Stickney graduated from New England College (B.S., 1959) and Harvard University (M.A., 1981). He received a master of science degree from Northeastern University. Mr. Stickney was born November 24, 1934, in Salem, NH. He is married, has four children, and resides in North Salem, NH.

Statement by Press Secretary Fitzwater on Mrs. Bush's Meeting With Former Hostage Frank Reed

May 4, 1990

Mr. Frank Reed, a recently released hostage from Lebanon, arrived at Andrews Air Force Base earlier this afternoon. At about the same time, Mrs. Bush was preparing to depart Andrews Air Force Base for a commencement address at the Southeast Community College in Cumberland, KY. Following a press conference by Mr. Reed at Andrews at about 2:45 p.m., Mr. Reed and Mrs. Bush briefly met on the tarmac near her aircraft. Mr. Reed said he was thrilled to meet Mrs. Bush and ``glad to be home." Mr. Reed introduced his family to Mrs. Bush. Mrs. Bush said, ``We're so glad you're home. I know the President wishes he was here to meet you."

Both parties then proceeded on to their planned destinations. Mr. Reed will undergo further medical examination at the Malcolm Grow Hospital at Andrews Air Force Base. The White House will release in Washington a photograph of this meeting as soon as possible.

Note: Frank Herbert Reed, director of the Lebanon International School, was kidnaped by members of the Organization of the Islamic Dawn in Beirut on September 9, 1986.

Remarks at the Oklahoma State University Commencement Ceremony in Stillwater

May 4, 1990

Thank you so much for that warm welcome. And thank you, Governor Bellmon, my long-time friend; President Campbell, you, sir, for your wonderful hospitality. And Senator Don Nickles, my collaborator and colleague up in Washington, DC; Congressman Wes Watkins, another graduate of this great institution -- Bellmon, '42; Nickles, '71; Watkins, '60. I am delighted to be with these three distinguished public servants. I want to congratulate Chief Wilma Mankiller and Mr. Donnelly, the recipients of the coveted Bennett Awards, and say how proud I am of them. And salute the regents; the administrators; the faculty; the parents; Liz Taylor, right here; and most of all, O.S.U.'s centennial graduating class. Congratulations to each and every single one of you. I'm sorry Barbara couldn't be with me here. She did tell me to get a beer and some cheese fries over at Eskimo Joe's. Hoping at the same time they have enough T-shirts for all the grandchildren.

You know, when graduates of my vintage were sitting through ceremonies like this, right after the Second World War, we faced a world of changes, full of potential and new possibilities. Barbara and I got into a red two-door Studebaker -- you still drive those, don't you, around here? [Laughter] But nevertheless, we drove from Connecticut down to west Texas. I've often wondered how far I'd gone if I'd made it on up to Oklahoma.

Postwar America was ready back then in 1948 for peace and prosperity. But while the free world was recovering, the nations of Eastern Europe were being ``consolidated'' behind an Iron Curtain. So began four decades of division in Europe -- 40 long years of suspicion between two superpowers, the Soviet Union and the United States. And today you also graduate at an end of an era of conflict -- but a contest of a different kind, a cold and abstract war of words and walls. Now Europe and the world have entered a new era: the Age of Freedom.

I hope you'll forgive me if I use this great forum at your great university to handle a subject of a very serious nature. It may be a little longer than you want to hear. I remember the graduation at Yale University, my school. The man giving the graduation speech got up and said, ``Y is for youth.'' And he talked about 25 minutes. ``A is for altruism.'' Another 32 minutes. ``L is loyalty.'' Brushed that one off in 20 minutes. ``E is for excellence.'' And when he finished, there was one kid out here in the audience -- everyone else had fled. He looked like he was praying. And the speaker said to him, ``Well, I'm glad you're saying a prayer. What are you praying for, son?'' He said, ``I'm praying to God and giving thanks that you didn't go to Oklahoma State University.'' [Laughter]

But I want you to bear with me because I'll be reflecting on the power and potential of democratic changes in several of these commencement addresses that I make this year. I begin

today -- my very first, at your great university -- with a few words on the changes and America's place in the new Europe. A few of you may be wondering what a continent 4,000 miles away has to do with your class and you. Throughout our history, great upheavals in Europe have forced the American people to respond, to make deep judgments about the part we should play in European affairs. This has been true from the time of the French Revolution and the wars which followed it, to World War I and the flawed peace which ended it, on to the Second World War and the creation of the postwar order. I believe that now we are poised at another such moment -- a critical time in our strategic relationship with our neighbors across the Atlantic.

Many of the graduates of America's Class of 1916 have wondered why the faraway war making headlines in their newspapers would have anything to do with them. They might have agreed with President Wilson, who that year said, ``We are not interested'' in the causes of the war, in ``the obscure foundations from which its stupendous flood has burst forth.'' But a year later those classmates and their country were swept up in the torrent, carrying them to the horror of the trenches in France. Yet after the war, we again turned away from active involvement in European affairs. Instead, we sponsored a treaty to outlaw war and then, as the outlaws gained strength, the United States passed new neutrality laws. Another generation of Americans sat in the bright sun of commencement ceremonies at colleges all across our country, thinking war in Europe would somehow pass them by. But when war came, they paid an awful price, a horrible price for America's isolation. Then when the war ended, those students who -- no longer questioned our role in the future of Europe. They no longer asked what Europe had to do with them because they knew the answer -- everything.

About a year ago in Germany, I defined the kind of Europe our country is committed to: a peaceful, stable Europe, a Europe what I call whole and free. Today that goal is within our reach. We're entering a new Age of Freedom in a time of uncertainty, but great hope. Emerging democracies in Eastern Europe are going through social, political, and economic transformations shaking loose stagnant, centralized bureaucracies that have smothered initiative for generations. In this time of transition, moving away from the postwar era and beyond containment, we cannot know what choices the people of Eastern Europe will make for their future. The process of change in the Soviet Union is also still unfinished. It will be crucial to see, for example, whether Moscow chooses coercion or peaceful dialog in responding to the aspirations of the Lithuanian people and nationalities within the Soviet Union. The only noble answer lies in a dialog that results in unencumbered self-determination for Lithuania.

President Gorbachev has made profound progress in his country -- reforms so fundamental that the clock cannot be turned back. And yet neither can we turn the clock ahead to know for sure what kind of country the Soviet Union will be in years to come. And for the sake of the future we share with Europe, our policies and presence must be appropriate for this period of transition, with a constancy and reliability that will reassure our friends, both old and new.

My European colleagues want the United States to be a part of Europe's future. And I believe they're right. The United States should remain a European power in the broadest sense:

politically, militarily, economically. And as part of our global responsibilities the foundation for America's peaceful engagement in Europe has been and will continue to be NATO. Recognizing in peace what we'd learned from war, we joined with the free nations of Europe to form an Atlantic community, an enduring political compact. Our engagement in Europe has meant that Europeans accept America as part of their continent's future, taking our interests into account across the board. Our commitment is not just in defense; it must be a well-balanced mix of involvement in all dimensions of European affairs. Because of our political commitment to peace in Europe, there hasn't been a war on the continent in 45 years. Think of your history books -- not a war on the continent in 45 years. This long peace should be viewed through the long lens of history then. Europe has now experienced the longest uninterrupted period of international peace in the recorded history of that continent. The alliance is now ready to build on that historic achievement and define its objectives for the next century. So, the alliance must join together to craft a new Western strategy for new and changing times.

Having consulted intensively with Prime Minister Thatcher recently there in Bermuda, and President Mitterrand in Key Largo in Florida, and Chancellor Helmut Kohl up in Camp David, and then by telephone or cable with NATO Secretary General Woerner and all of my other allied colleagues, I am now calling for an early summit of all NATO leaders. Margaret Thatcher, one of freedom's greatest champions of the last decade, told me that while NATO has been fantastically successful, we should be ready now to face new challenges. The time is right for the alliance to act. The fundamental purpose of this summit should be to launch a wide-ranging NATO strategy review for the transformed Europe of the 1990's. And to my NATO colleagues, I suggest that our summit direct this review by addressing four critical points: One, the political role that NATO can play in Europe. Two, the conventional forces the alliance will need in the time ahead and NATO's goal for conventional arms control. Three, the role of nuclear weapons based in Europe and Western objectives in new nuclear arms control negotiations between the United States and the Soviet Union. And four, strengthening the Conference on Security and Cooperation in Europe, CSCE, to reinforce NATO and help protect democratic values in a Europe that is whole and free.

Now, the first task the NATO summit should consider is the future political mission of the alliance. As military threats fade, the political dimension of NATO's work -- always there but seldom noticed -- becomes prominent. And so, at the NATO summit we should look for ways to help our German friends sustain freedom and achieve German unity, something which we and our allies have supported for over 40 years. And we should reaffirm the importance of keeping a united Germany as a full member of NATO. The alliance needs to find ways to work more closely with a vigorous European Community that is rightly asserting its own distinct views. And in Eastern Europe, governments once our adversaries are now our partners in building a new continent. And so, we must also talk about how to encourage further peaceful democratic change in Eastern Europe and inside the Soviet Union.

But even as NATO gives more emphasis to its political mission, its guarantee of European security must remain firm. You see, our enemy today -- if you think about it, what's the enemy

today -- our enemy today is uncertainty and instability. And so, the alliance will need to maintain a sound, collective military structure, with forces in the field backed by larger forces that can be called upon in some crisis.

And which brings me then to the second task for the NATO summit: a review of how the alliance should plan its conventional defenses. While we need to recognize that it will take some time before the Soviet military presence is gone from Eastern Europe -- before those Soviet troops are taken out of Eastern Europe and before the major reductions contemplated by both sides can be implemented -- we need to develop our strategy for that world now. Obviously, as I look at the equation, Soviet actions -- what the Russians do -- will be critical. Yet even after all the planned reductions in its forces are complete, even if our current arms control proposals are agreed and implemented, the Soviet military will still field forces dwarfing those of any other single European State -- armed with thousands of nuclear weapons. Militarily significant U.S. forces must remain on the other side of the Atlantic for as long as our allies want and need them. And these forces demonstrate, as no words can, the enduring political compact that binds America's fate with Europe's democracies.

If the Soviet withdrawal continues and our arms control efforts are successful, we must plan for a different kind of military presence focused less on the danger of an immediate outbreak of war. And we must promote long-term stability and prevent crises from escalating by relying on reduced forces that show our capability and our readiness to respond to whatever may arise. The Conventional Forces in Europe Treaty which we have proposed would be the most ambitious conventional arms control agreement ever concluded. And we must finish the work on this treaty soon and plan to sign it at the CSCE summit this fall. But at the NATO summit we need to look further ahead, preparing follow-on negotiations after the conclusion of a CFE treaty. The NATO summit should develop the alliance's objectives for these talks.

Third, the NATO summit should also assess the future of U.S. nuclear forces in Europe. As democracy blooms in Eastern Europe and as Soviet troops return home and tanks are destroyed, dismantled, there is less need for nuclear systems of the shortest range. The NATO summit should accelerate ongoing work within the alliance to determine the minimum number and types of weapons that will be needed to deter war, credibly and effectively.

In light of these new political conditions, and the limited range and flexibility of these short-range nuclear missile forces based in Europe, I've reviewed our plan to produce and deploy newer, more modern, short-range nuclear missiles to replace the Lance system that's now in Europe. And we've almost finished the R&D, research and development work, for these new missiles. But I've decided, after consultation with our allies, to terminate the follow-on to Lance program. I've also decided to cancel any further modernization of U.S. nuclear artillery shells deployed in Europe. There are still short-range U.S. -- and many more Soviet -- nuclear missile systems deployed in Europe. And we're prepared to negotiate the reduction of these forces as well as a new set of arms control talks. And at the NATO summit, I will urge my colleagues to

agree on the broad objectives for these future U.S.-Soviet negotiations and begin preparations within the alliance for these talks. I would also like to suggest that these new U.S.-Soviet arms control talks begin shortly after the CFE treaty on conventional forces has been signed.

In taking these steps, the United States is not going to allow Europe to become ``safe for conventional war." There are few lessons so clear in history as this: Only the combination of conventional forces and nuclear forces have ensured this long peace in Europe. But every aspect of America's engagement in Europe -- military, political, economic -- must be complementary. And one place where they all come together is in the Conference on Security and Cooperation in Europe, an organization of 35 states of Europe and North America. The CSCE is already a beacon for human rights and individual freedoms. Now, it must take on a broader role.

And so, the fourth task for this NATO summit I'm calling for is to reach common allied objectives for the future of CSCE itself. It can help the victorious forces of democracy in Eastern Europe secure their revolutions and -- as they join the commonwealth of free nations -- be assured a voice in a new Europe. The CSCE should offer new guidelines for building free societies -- including setting standards for truly free elections, adopting measures to strengthen the rule of law, and pointing the way in the needed but painful transition from centralized, command economies to the free markets. The CSCE can also provide a forum for political dialog in a more united Europe. I agree with those who have called for regular consultations among senior representatives of the CSCE countries. We should consider whether new CSCE mechanisms can help mediate and settle disputes in Europe. I believe my allied colleagues and I should agree to take up these new ideas at a CSCE summit later this year, in conjunction with the signing of the treaty I talked to you about -- that conventional force treaty, the CFE treaty.

In Eastern Europe, in this hemisphere, the triumph of democracy has cast its warm light on the face of the world like a miraculous dawn. But the outcome of this struggle for freedom is not ordained, and it's not going to be the work of miracles. All of you who graduate here today are part of a historic decision for America's engagement in the future of Europe. I am convinced that our work to protect freedom, to build free societies will safeguard our own peace and prosperity. The security of Europe and the world has become very complex in this century. But America's commitment to stability and peace is profoundly clear. Its motivation really derives from the strength of our forefathers -- from the blood of those who have died for freedom and for the sake of all who live in peace. And as you leave this great university every voice, every heart's commitment to freedom is important.

There's a story about a man trying to convince his son that in the struggle for freedom every voice counts. They stood in a valley, watching the snow fall on a distant mountain. It might have been a day like today. [Laughter] But they stood there. ``Tell me the weight of a snowflake," the man said. ``Almost nothing," answered the boy. As the snow swirled around them, up on the mountain they saw an avalanche whose thunder shook the Earth. ``Do you know which snowflake caused that?" the old man asked. ``I don't," answered the boy. ``Maybe," said the man, ``like the last snowflake that moves a mountain, in the struggle for freedom a single voice makes

a world of difference."

America's mission in Europe, like millions of individual decisions made for freedom, can make a voice -- can make a world of difference. The cry for freedom -- in Eastern Europe, in South Africa, right here in our precious hemisphere to our south -- was heard around the world in the Revolution of 1989. Today, in this new Age of Freedom, add your voices to the thundering chorus.

It's a great honor for me to have been at this university. Thank you very much. God bless you. And God bless the United States of America. Thank you all. Thank you so much.

Note: The President spoke at 2:35 p.m. in Lewis Stadium at Oklahoma State University. In his opening remarks, he referred to John R. Campbell, president of the university; Wilma Mankiller, chief of the Cherokee Nation of Oklahoma; H.F. Donnelly, research associate of the OSU Center for Community Education; and Liz Taylor, the oldest living graduate of OSU. Following his remarks, the President traveled to Tulsa, where he attended a Republican fundraising reception at the Doubletree Hotel.

Remarks at the Oklahoma Foundation for Excellence Dinner in Tulsa

May 4, 1990

Thank you all very much. And thank you especially, Senator Nickles, for that warm introduction. To Governor Henry Bellmon, early supporter and friend of longstanding; Senator Boren, to whom I give enormous credit for this wonderful evening; and all the principals that led to this evening and will lead to so much more for academic excellence. And to other distinguished Members of the Congress that might be here -- especially I want to pay my respects to Carl Albert [former Speaker of the House] and Mrs. Albert, who's here; and members of the foundation, honored guests, and ladies and gentlemen. I like the Sapulpa Band, too. I thought they did an outstanding job over there.

You'll be pleased, this will be a short speech. I will leave before the broccoli. [Laughter] Did you see the kid over there while I was speaking at Oklahoma State University holding up a sign: ``George, eat your broccoli." I don't need advice from little kids about what I'm going to eat. [Laughter]

But earlier today I gave that speech -- first, just let me say I appreciate this reception very much and am delighted to be in this State of open hearts and open skies. But let me say a word about Oklahoma State. I gave that speech over there at Oklahoma State University, and I was delighted to be there, at Stillwater. They'll never forgive me in Norman. After all, the musical ``Oklahoma" says ``the farmer and the cowman should be friends." It doesn't say a thing about the Sooners and Cowboys. [Laughter]

This evening, though, I want to talk about one thing all Americans have in common, the reason we're all here: our dedication to America's most enduring legacy. I refer, of course, to the education that is vital to everything we are and can become. It's been said there are only two bequests we can hope to give our children: one of these is roots, and the other, wings -- a theme embodied, I might add, in the beautiful sculptures here. These words reaffirm that knowledge provides the foundation for every idea that takes flight in the mind of a child.

Yet today the facts are clear, and they don't make for pleasant reading. Erratic standards -- Dave referred to this -- an unacceptable drop-out rate, too little parental involvement, too little accountability by teachers and students, too many schools wracked by drug use, and too many kids ill-equipped to read or write. Let's be honest: Our educational system isn't making the grade.

Five years ago, a United States Senator acted to convert that grade to pass from fail -- believing, like you, that if excellence breeds achievement, then excellence should be rewarded. So, David

Boren set out to ensure that future generations will say of us: They taught their children well. His creation was the Oklahoma Foundation for Excellence. This foundation wisely believes that America can only be as great as her children are educated and that while the Federal Government must help, education is and should be a local and a State responsibility. Parents, teachers, local administrators -- not faraway, distant bureaucrats -- best understand the local needs. So, this program here affirms values as central to Oklahoma as love of freedom and of God.

First of all, the foundation reflects Oklahoma's belief in high achievement. Someone said, ``Anything can have happened in Oklahoma. Practically everything has." Your work has raised private money to give $1,000 cash scholarships to the State's top 100 high school seniors. And I loved seeing those kids march across this stage just a minute ago. I salute these academic all-staters who are the true trustees of our posterity.

Next, this foundation mirrors your dedication, Oklahoma's dedication to excellence. You understand that those with the responsibility for our children's education literally hold the future in their hands. So, you're giving $5,000 each to three magnificent teachers and a superb public school administrator. I salute the recipients of the 1990 Oklahoma Medals for Excellence in Teaching and Administration. And I also want to mention that $5,000 award to the public school system that has had the most effective dropout prevention program. Keeping kids in schools is absolutely critical, and you're doing a great job.

Finally, the Foundation for Excellence reflects the belief that education can be the great uplifter and equalizer. Perhaps that great Broadway character, Oklahoma's Aunt Eller, put it best when she said, ``I don't say I'm better than anybody else, but I'll be danged if I ain't just as good." Well, your idea can enrich education and help education enrich our lives.

Achievement, excellence, and equality -- what a definition of Oklahoma. And I love the button that Henry Bellmon gave me here -- Oklahoma, State of Excellence. What a wonderful signal that sends to everybody here and all that come here. And what a magnificent difference this movement has made in just 5 years -- over $2 million raised. Today, more than 100 Oklahoma communities have local private foundations, many inspired by your lead. Think of it: Each of these foundations -- I call them Points of Light -- each does what the Federal Government cannot do -- serve as a wonderful model for other States and localities to emulate. So, tonight I challenge every State in America to do what Oklahoma has already done: make American education a beacon of excellence. By increasing private support for public education, you've enriched academic opportunities for students all across this State. If there's any doubt, you've resolved it. When it comes to Oklahoma education, Washington doesn't know best, Oklahomans do.

The result is that today Oklahoma ranks first per capita in the number of private foundations. Yet you also know that progress made can't be measured by dollars spent alone. So, you're showing

how parents, teachers, administrators, school boards can work together to help our kids -- like Oklahoma's fabled pioneers -- discover the unlimited frontiers of learning.

We know, of course, that it won't be easy. Let me recall how once, marking an examination written shortly before Christmas, the noted Yale scholar William Lyon Phelps came across this note: ``God only knows the answer to this question. Merry Christmas." Phelps returned the paper with the annotation: ``God gets an A. You get an F. Happy New Year." [Laughter] You remember that?

Yes, of course, education is going to meet roadblocks. But they're obstacles we can overcome. For you're not in this alone. The Federal Government does have a legitimate role. That's why a year ago we sent to the Congress our Educational Excellence Act, legislation which can help America out-think, out-work, and out-perform any nation, any day of the week.

For instance, we want to create a $500-million program by 1994 to reward schools that improve the most. And a Magnet Schools of Excellence Program -- we believe parents, not Big Brother, should decide which public schools their kids attend. Our program will reward schools that cut the dropout rate; create a National Science Scholars Initiative providing incentive to excel in science, mathematics, and engineering. And recently I signed into law legislation to help schools that are hit the hardest by drug use.

Now, these steps will help our children unlock the future, give them the tools to master the new world of new technologies, and reverse the trend we saw in a recent comparison of 13-year-olds in the United States and five other countries where America placed last in mathematics and near last in science.

Most of all, our Educational Excellence Act can help make American education number one again by achieving the goals that we announced in February with Governors like Henry Bellmon. We want U.S. students to be first in math and science by the year 2000, and every American to be skilled and literate. We want every student to start school ready to learn -- that means Head Start, and it means programs like it. And each school to have an environment where kids can learn -- that means making every school drug-free. Finally, we want to see a graduation rate of at least 90 percent with every student competent in important subjects. Like a future graduate -- Erin Amato, a third-grader from Sugarland, Texas -- who recently wrote me this letter:

``Dear President Bush. I have been doing good in school I made all `A' honor roll last 6 weeks and I hope I make it this 6 weeks also. Do you like rolls? I like rolls but I do not like broccoli." Obviously, a bright kid here. [Laughter] And then Erin concluded, saying, ``I do like carrots. I love Texas."

Let me close with a story that I think this kid would appreciate, a story about the scholarship

that, together, all of us can build. The story goes that physicist James Franck was professor at Gottingen University in Germany when Robert Oppenheimer, then only 23, was being examined for his doctorate. On emerging from the oral exam, Professor Franck said, ``I got out of there just in time. He was beginning to ask me questions."

In coming years, these academic all-staters will ask many questions -- questions about their faith and future, why we're here, and what we can become individually and as a nation. How can education supply some answers? The same way this administrator and these teachers have -- by embodying the spirit of Oklahoma's past. Think of the heroes who settled this State. They didn't believe in government by bureaucrat. They believed in themselves. They built homes out of sod, schoolhouses from scratch. Salt Fork, Black Bear, Apache. Dirt floors, log walls. Often, supplies were limited, but there were always enough hands -- pitching in, teaching classes, fighting off everything from claim-jumpers to bears.

These pioneers dreamed dreams as big as Oklahoma and made their dreams come true. Like us, they knew where the future lay: in their kids, through education. The Oklahoma Foundation for Excellence can help us achieve our dreams, so that future generations will proclaim, as the musical ``Oklahoma" says, American education, ``you're doing fine -- OK."

Thank you for this occasion. Good luck to the Oklahoma Foundation for Excellence. And God bless each and every one of you that cares about our kids. Thank you all very, very much.

Note: The President spoke at 8:08 p.m. in Exhibit Halls B and C of the James L. Maxwell Convention Center. Following his remarks, he traveled to Camp David, MD, for the weekend.

Remarks on Signing the Asian/Pacific American Heritage Month Proclamation

May 7, 1990

First, let me just express a warm White House welcome to Prime Minister Namaliu from Papua New Guinea. I just wanted to walk out with him, show him a little hospitality. I look forward, sir, to visiting with you this afternoon.

To Senators Inouye and Phil Gramm, welcome. To Representative Pat Saiki, my old friend, welcome back to the White House. And [Representatives] Norm Mineta; Ben Blaz; of course, Bill Broomfield; and Eni Faleomavaega -- [laughter] -- Eni, tough on your name, but I got close, didn't I? Okay. And all the Members of Congress who are with us here today, and a special welcome to Frank Horton. My heavens, Frank, because of your diligence in working with so many of your colleagues in the Congress in the support of Jeanie Jew and Ruby Moy, we established Asian/Pacific American Heritage Week.

Now, I'm proud to take one more step and proclaim this May to be the first Asian/Pacific American Heritage Month. First, let me acknowledge with respect the gentleman in the Senate who was Frank's cosponsor -- someone who has left us -- a great man, a great friend who wrote both haiku and lasting legislation with that same graceful fluency. And I, of course, am talking about our beloved friend, the late Senator Spark Matsunaga of Hawaii. I think this ought to be his day.

We also have with us a number of Asian and Pacific American leaders from many walks of life: Virginia Cha, I.M. Pei, Dr. Taylor Wang, Nancy Kwan, Dr. Samuel Lee, Dr. T.D. Lee. And with us, also, some distinguished Ambassadors. I also especially want to single out Governor Peter Coleman, of American Samoa, and Lieutenant Governor Benjamin Manglona, of the Northern Mariana Islands, and every member of their very distinguished delegations. Thank you all for being with us. You've come so far, and your presence is most welcome and deeply appreciated.

As I said, we're here in large measure because of the vision of Frank Horton and Spark Matsunaga. Spark's brilliant career was the culmination of a history that began 146 years ago with the arrival of Nisei, the first Japanese Americans to land on these shores. And now, people from Asia and the Pacific, from dozens of lands across a broad swath of the world that spans from the Middle East to the Philippines, have found this new homeland called America. They represent the whole range of religions -- Christian, Muslim, Hindu, Buddhist. They're Arab, Iranian, Indian, Korean, Thai descent. But they will tell you that they are Americans first.

Look at the scope of America's demographic change. Cambodian, Laotian, Vietnamese neighborhoods flourish just across the Potomac River. The minaret of a mosque rises over the

skyline of a Dallas suburb. The student body of a school in southern California is made up almost entirely of Hmong children. Pacific islanders have enriched the culture and heritage of Orange County. Filipinos have called America home since the first son of the Philippines arrived on these shores in 1763. All of these are subtle signs that Asian and Pacific Americans are our fastest-growing minority population. They're changing America, and they are changing America for the better.

Some Asian and Pacific Americans come from families that have lived in America for more than a century. And others have literally just arrived, by boat or jumbo jet. But all can rely on strong communities, networks of family and friends, often with the support of a church, synagogue, mosque or temple. So, whatever their background, all enjoy strong communities -- a great sense of community, too. These 7 million Americans show us an example of how strong families can instill an abiding respect for the law, tenacity in the endeavor of life and work, and most of all, excellence in education.

Consider this: The last U.S. Census showed that 75 percent of Asian Americans age 25 and over had at least a high school degree -- well above the national average of 66 percent. This nation is incomparably richer because of great scientists like Nobel Prize winner Dr. Yuan Lee and the late An Wang. We are richer because of the talent of Michael Chang and the courage of the late Ellison Onizuka. And we are richer because of Asian Pacific American leaders, many of them with us here today.

Count among them Elaine Chao, number two in this enormous Department of Transportation of ours; Wendy Gramm, Chairman of the Federal Commission on Commodity Future Trading; Cindy Daub, Commissioner of the Copyright Royalty Tribunal; Kyo Jhin, who will be named shortly to a senior position at the Department of Veteran Affairs; my own -- I say my own -- our own Sichan Siv, on the White House staff, who fled the killing fields and is now doing an outstanding job for the White House in every way; and Julia Chang Bloch, U.S. Ambassador to Nepal, our first Asian-American Ambassador.

As shown by public-spirited leaders like Spark Matsunaga and those here today, Asian Pacific Americans are beginning to excel in the field of politics, just as they have excelled in every other field. While politics is often a second-, third-, or fourth-generation profession, the time is coming when more and more Asian and Pacific Americans will seek office to lead our cities, our States, and our nation. As America looks toward the Pacific in the century ahead, we will need your insights and your leadership as never before.

You know that the future of Europe has been very much on my mind of late -- I think, on the mind of all Americans. But America's destiny is also tied to the Pacific Rim. And I've lived in Asia, and I know that the fate of Asia and the Pacific is no less important to America than the future of Europe. We are encouraged by the changes in Eastern Europe and by the rise of democracy to our south right here in our own hemisphere. Make no mistake about that. But we

will not neglect Asia and the Pacific. My administration is committed to promoting open trade and fighting protectionism so that the economic ties between the United States and Asia can continue to grow. Like Asian and Pacific Americans in the United States, these nations are a testament to the power of self-initiative. With time, we will create a true community of nations surrounding the Pacific Rim, bound together by commerce, a shared commitment to democracy, and an abiding friendship.

And that's why we support the emerging Asian and Pacific democracies. And that's why we advocate peaceful change, why we will remain in solidarity with the aspirations of the peoples of these many lands. And that is why America must stand for more than mere material success. America must remain the beacon of liberty, a light of hope for the troubled, the oppressed, the downtrodden. The people of this land know that it is not enough to let a man purchase what he wants. He must be allowed to say what he believes. He must be allowed to go where he wants. He must be allowed to choose his government. Economic freedom alone will not provide sufficient room for the restlessness of the human spirit.

Let us, as we celebrate the contributions of Asian Pacific Americans to our precious freedoms, remember the restless millions who remain behind. In looking for inspiration they need look no further than the success of their grandchildren, their children, their brothers, sisters, and cousins who found freedom in America. And so, it is in your honor that I sign this measure proclaiming this to be Asian/Pacific American Heritage Month.

Thank you all. May God bless you. And may God bless the United States of America.

Note: The President spoke at 11:36 a.m. in the Rose Garden at the White House. In his remarks, he referred to the following individuals: Jeanie Jew, lecturer and consultant on Asian Pacific American issues; Ruby Moy, chairperson of the Congressional Asian/Pacific Staff Caucus; Virginia Cha, Miss Maryland 1989; I.M. Pei, architect; Taylor Wang, payload specialist for the May 1985 ``Skylab I'' mission; Nancy Kwan, actress; Samuel Lee, Olympic gold medalist; T.D. Lee, 1957 Nobel Prize winner for physics; Yuan T. Lee, 1986 Nobel Prize winner for chemistry; An Wang, founder of Wang Laboratories, Inc.; Michael Chang, professional tennis player; and Ellison S. Onizuka, crewmember of the space shuttle ``Challenger'' who was killed in the explosion of January 28, 1986. The proclamation is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater Announcing Importation Restrictions on Archeological Treasures From Peru

May 7, 1990

The Federal Register will publish new regulations barring the importation of archeological treasures from Peru. These measures are designed to help curb looting in the Sipan region, and respond to a request for such action made to us by the Government of Peru. The discovery of important archeological sites at Sipan has unfortunately generated intense demand for these treasures in the illegal art market. The tombs of the Moche nobility, which have produced gold artifacts unlike any previously seen in the pre-Columbian cultures of Peru, have prompted looters to engage in rampant destruction of these sites in order to satisfy the illegal trade in archeological artifacts.

The United States believes that the illegal trade in cultural property does immense damage to our hemispheric cultural heritage, and is willing to cooperate with other governments of this region and elsewhere to prevent illegal trafficking in archeological treasures. This is the third such action by the United States in imposing import restrictions under the provisions of the Convention on Cultural Property Implementation Act and the 1970 UNESCO [United Nations Education, Scientific and Cultural Organization] Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property. The United States imposed emergency restrictions on certain pre-Columbian artifacts from El Salvador in 1987, and on certain antique Andean textiles from Bolivia in 1989. At present, requests from the Governments of Canada and Guatemala are being considered by the Director of the U.S. Information Agency, who is advised by the President's Cultural Property Advisory Committee.

Nomination of William Bodde, Jr., To Be United States Ambassador to the Marshall Islands

May 7, 1990

The President today announced his intention to nominate William Bodde, Jr., of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Marshall Islands.

Since 1989 Mr. Bodde has served as the dean for senior seminar at the Foreign Service Institute at the Department of State in Washington, DC. Prior to this, he served as Deputy Assistant Secretary for European and Canadian Affairs at the Department of State, 1986 - 1989; consul general in Frankfurt, Germany, 1983 - 1986; diplomat in residence for the East-West Center in Hawaii, 1982 - 1983; Ambassador to Fiji, Tonga, Tuvalu, and Minister to Kiribati, 1980 - 1982; director of the Office of Pacific Islands Affairs at the Department of State, 1978 - 1980; political officer at the Department of State, 1977 - 1978; political officer in Bonn, Germany, 1974 - 1977; and political officer in Berlin, Germany, 1973 - 1974. In addition, Mr. Bodde has served as a political officer at the Department of State, 1970 - 1972; political officer in Stockholm, Sweden, 1967 - 1970; public information officer at the Department of State, 1965 - 1966; and political officer in Vienna, Austria, 1962 - 1965. Mr. Bodde joined the Foreign Service in 1962.

Mr. Bodde graduated from Hofstra College (B.A., 1951) and Johns Hopkins School of Advanced International Studies (M.P.P.A., 1967). He was born November 27, 1931, in Brooklyn, NY. Mr. Bodde served in the U.S. Army, 1950 - 1954. He is married, has three children, and resides in Maryland.

Nomination of Joseph Edward Lake To Be United States Ambassador to Mongolia

May 7, 1990

The President today announced his intention to nominate Joseph Edward Lake, of Texas, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Mongolian People's Republic. He would succeed Richard Llewellyn Williams.

Since 1987 Mr. Lake has served as director of the operations center at the Department of State in Washington, DC. Prior to this, he served as an adviser to the U.S. delegation to the 41st United Nations General Assembly, 1986; Deputy Director of the Office of Regional Affairs for the Bureau of East Asian and Pacific Affairs at the Department of State, 1985 - 1986; counselor and deputy chief of mission for the U.S. Embassy in Sofia, Bulgaria, 1984 - 1985; Charge d'Affaires for the U.S. Embassy in Sofia, 1984; counselor and deputy chief of mission for the U.S. Embassy in Sofia, 1984; first secretary and chief of the political/economic section at the U.S. Embassy in Sofia, 1982 - 1984; language student in the Foreign Service Institute, 1981 - 1982; consul and principal officer for the U.S. consulate in Kaduna, Nigeria, 1978 - 1981; and second secretary and political officer for the U.S. Embassy in Lagos, Nigeria, 1977 - 1978. In addition, Mr. Lake has served as a political-military officer for the Office of Philippine Affairs in the Bureau of East Asian Affairs at the Department of State, 1976 - 1977; second secretary and political officer for the U.S. Embassy in Taipei, 1973 - 1976; language student for the American Embassy in China, 1971 - 1973; and analyst in the Office of Research for East Asia in the Bureau of Intelligence and Research at the Department of State, 1969 - 1971. Prior to this, Mr. Lake served in several capacities in Canada, Dahomey, and China. He joined the Foreign Service in 1962.

Mr. Lake graduated from Texas Christian University (B.A., 1962; M.A., 1967). He was born October 18, 1941, in Jacksonville, TX. Mr. Lake is married, has three children, and resides in Falls Church, VA.

Nomination of James R. Moseley To Be an Assistant Secretary of Agriculture for Natural Resources and Environment

May 7, 1990

The President today announced his intention to nominate James R. Moseley to be an Assistant Secretary of Agriculture for Natural Resources and the Environment. He would succeed George S. Dunlop.

Currently, Mr. Moseley is owner and manager of Jim Moseley Farms, Inc., in Clarks Hill, IN. Mr. Moseley received his bachelor of science degree from Purdue University in 1973. He was born June 2, 1948, in Peru, IN. Mr. Moseley is married, has six children, and resides in Peru, IN.

Remarks Following Discussions With President Jaime Paz Zamora of Bolivia

May 8, 1990

President Bush. President Paz and distinguished members of the Bolivian delegation, it really has been a great pleasure to meet with you to discuss the issues of importance to both our countries. President Paz and I first met last September at the United Nations in New York, where I was addressing the General Assembly on making the world more secure and furthering our chemical weapons agreement. Last February, we joined with our fellow Presidents from Colombia and Peru in Cartagena, where we agreed on the need to control a different type of chemical threat by securing strong international cooperation in the fight against narcotics trafficking. Today, our conversations have been wide-ranging and, from my view at least, very productive. We've discussed the deep aspirations for democracy that we share for the entire hemisphere, believing that it one day will be the first totally democratic hemisphere in the world. I am very sorry, Mr. President, that Barbara is not here. Right now, she and our son Jeb and our Chief of Staff, John Sununu, are in Central America representing the United States at the inauguration of President Calderon in Costa Rica.

But, look, the United States has been very impressed, Mr. President, by the tough economic measures that have been taken in Bolivia over the past 5 years. A strong economy is one of the building blocks of a strong democracy. So, our economic and trade discussions dealt with the improved investment climate in Bolivia and the advantages of open markets -- for both the United States and Bolivia. Alternative development are two key words -- alternative developments -- because we share your aspiration that the people will benefit from these bold economic measures that you have taken. And so, it's in this total context that we're building a framework for the implementation of our assistance agreement with Bolivia. President Paz, both in New York and Cartagena, emphasized the importance of development assistance to his country, something that the United States has long supported. This fiscal year the U.S. will provide Bolivia with about $88 million in economic aid. And with the approval of Congress, it is my hope that our assistance next year will increase substantially.

The United States has also been impressed by what Bolivia has done during the past decade to strengthen its democratic institutions. But President Paz and I both know that the dangers facing democratic institutions -- one of the dangers is this whole concept of international narcotics trafficking. And so, in Cartagena we forged an unprecedented alliance against both trafficking and use, and today we're continuing to build on our comprehensive international drug control strategy on a number of fronts. By way of example, in the first 4 months of this year, Bolivia has eradicated more acres of illegal coca than it did all last year -- just in 4 months. In fact, if the current pace of eradication is maintained, Bolivia may be able to eliminate all coca grown within its borders for illegal use. That would truly be a brave battle won in the war against drugs. And we in the United States should give total cooperation to this courageous President.

On the economic front, the United States and Bolivia will also sign an agreement creating a high-level trade and investment consultative mechanism, because we want to help Bolivia get the word out that Bolivia is a country that deserves and, indeed, needs more investment. And I told the President that I want very much to do my part -- we want to do our part to help.

Bolivia is making this progress because President Paz has wisely adopted an integrated strategy of eradication, interdiction, and alternative development -- I stress that again -- to fight the cocaine trade. But we also realize that long-term success in the struggle depends also on the will of the people of the United States, to leave lives that are free from the temptation of drugs and to help those who are too weak to help themselves. The war against drugs is being fought in the Andes Mountains and Chaco plains of Bolivia, but it is also being fought in the schools and streets of the United States. And I am determined, Mr. President, to do my level best to reduce demand, rampant demand, in this country.

Mr. President, let me just assure you that you and your countrymen will not stand alone in the fight against cocaine, or in the drive for economic development. Because we do want what you want, and that is economic benefit for your people. So, together we're going to wage a strong fight. I look forward to continuing our relationship of cooperation and consultation. And again, it was a great pleasure welcoming you to the White House. And might I say, on a personal basis, what a pleasure it was to meet those two fine sons of yours. Welcome, sir.

President Paz. My dear friend President George Bush, and esteemed colleagues and assistants and ministers, dear friends from North America and from Bolivia. A bit before arriving here to the United States, I received a very warm letter from President Bush where he pointed out that now, more than ever, we should make our America a common home. When I read this phrase, I became very emotional, but now after having visited the President here in the White House, these feelings have become a conviction. Once again, I am convinced that you would like for us, all of us, to work jointly to make our Americas a common home. And a common home has to be taken care of. It has to be loved, it has to be nourished, and one has to help the weakest parts of the home, and among all of us, get results.

I think we are working in that spirit, Mr. President; I think we will attain it. I want you to be very certain that Bolivia, because of a sovereign decision of its people, is a full-time member working towards this common home. We are fervent allies, and we are ready to give you all of our efforts and all of our cooperation in a very clear way, in a very efficient way, to everything that would be of a common interest. And this is why I would like to thank you and express my appreciation, Mr. President, because we have found in you and your government a true understanding of what happens in our hemisphere and what happens between our relations and in Bolivia. You have understood the sacrifice that has cost our people in these economic adjustments. You have understood the hope of growth and the hope of development that the Bolivian people feel. And you have understood the effort that the Bolivians are doing to contribute to this fight against drugs. And we are aware of this common responsibility that involves Bolivia also.

You have given me the honor of citing a couple of amounts of numbers of what Bolivia has attained a few minutes ago that are completely true. And I am glad that you have understood this to make a further contribution to what we call an alternative development which will carry forward along with efficient work in interdiction and prevention.

Thank you, Mr. President, and I thank you for mentioning my children. Well, I brought them to just come with me, to be with me, but also so that you could see this new youth that is growing in Bolivia. Thank you. And I know we're going to have very efficient results. And this is a new stage to our relationship.

Note: President Bush spoke at 1:36 p.m. at the South Portico of the White House. President Paz spoke in Spanish, and his remarks were translated by an interpreter. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Bolivian officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Remarks at the Presentation Ceremony for the Small Business Person of the Year Award

May 8, 1990

Well, thank you all, and welcome to the White House. I'm sorry about the delays getting some of you all in here. But good news -- you don't have to show a picture to get out of this madhouse, I've discovered. [Laughter]

It's good to see Secretary Mosbacher here, doing an outstanding job as our Secretary of Commerce. And I am very, very proud of him. And the same can be said for Susan Engeleiter, who is heading up the SBA and also keeping the focus where it belongs.

You know, the people that are gathered here come from 50 States and beyond, hometown heroes who are leading America into the 21st century, as the theme for this Small Business Week proclaims. And today marks a wonderful occasion not only for them but also for our nation and our future.

Small business is the backbone of the U.S. economy, creating two out of every three new jobs, employing half the private work force, accounting for 40 percent of America's total gross national product. And it's one of the reasons Americans are enjoying this longest era of peacetime growth in the history of our country. But, of course, the magic of small business is not in the power of its numbers but in the power of its dreams, of its aspirations.

And each of your businesses began as the dream of one man or one woman and soon became a dream for many others. And I look at people like Phyllis Apelbaum, one of today's finalists, whose messenger service in Chicago provides jobs for over a hundred people in transitional neighborhoods. Every job you create can mean another family with a future, another family with hope, another family with a chance for the American dream.

And as a former small business person, I know firsthand the struggles of entrepreneurs and growing businesses, the combination of adrenaline and anxiety, the adversity and the adventures that fills your days.

Iowa's Barney Roberts started his empire out of his basement. David Mathews began his ironworks on an Arkansas mountaintop without electricity or running water. Oatmeal Studios Greeting Cards were launched at a place called the Frog Hollow Craft Center. And Phyllis slept on the floor and was told no 17 times before her messenger business was licensed. By her own description, she broke the logjam when she walked into the commissioner's office -- and I quote -- ``screamed like a fish seller on Maxwell Street.'' [Laughter] I don't know where Maxwell Street might be, but I can tell you, I can just picture it. [Laughter] Phyllis, don't do it here, okay?

[Laughter]

All four are American success stories. All four know that no nation ever drowned in sweat. And all four know that good citizenship is good business, reaching out from their communities to the homeless and the Special Olympics and others.

Their rules are simple and they make sense. ``People are our best assets," says Barney, ``take care of them and they won't leave." And Phyllis says, ``You have to love what you're doing." And David's time-proven formula for success needs just three words: ``Never sacrifice quality." And Oatmeal Greeting Cards' Joe Massimino describes their brand of humor as ``Not corny, not punny, not bizarre, not offensive."

I'm not the first President to recognize and appreciate the importance of smaller companies. And today is Harry Truman's birthday, and as always, he told it like it is. He said: ``You don't have a prosperous country unless the little man -- the farmer, the worker, the small businessman -- is well-off. And when the little man prospers, big business gets along just fine."

Well, that's why one of my priorities after assuming the office was to develop Federal policies that promote and support this vital sector of our economy. We're revitalizing -- thanks to Susan -- the Small Business Administration. We're working to ensure the interests and concerns of small business are made part and parcel of efforts such as Federal contract procurement. And we need your support on one of this year's top legislative priorities. And of course, I'm talking on a tax cut on capital gains. Especially for small businesses and entrepreneurs, it will attract start-up capital, provide more long-term investment, create new jobs, and help level a playing field with our trading partners overseas, some of whom don't tax capital gains at all.

The strength of America lies with those who are willing to take a chance in small business and build for the future. And it's here you find the determination and the ingenuity and the vision that have created the enterprises which drive our economy and enrich our lives. It is around small businesses that you find communities growing and prospering. It is here where women and minorities make their mark as business owners. It is here where you find so many of the Thousand Points of Light that are aiding those in need all across the country. We can take pride in the fact that nations around the world are using small business in the United States as a model for economic growth. So, small business is America at its best. And it's a pleasure for me to recognize those who have excelled in this vital field of endeavor.

Congratulations! Thanks, and I'm delighted you all came to the White House. And now I'll turn the podium over to Susan Engeleiter to present today's awards. Thank you all very, very much.

Note. The President spoke at 2:15 p.m. in Room 450 of the Old Executive Office Building.

Statement on the Observance of Schuman Day

May 9, 1990

On May 9, the European Community will celebrate Schuman Day. This year the occasion is particularly momentous, as it marks the 40th anniversary of the 1950 Declaration which initiated the European Coal and Steel Community and started a chain of events in European integration which has led to the strong and vibrant European Community of today. The early efforts were led by European statesmen of vision: Robert Schuman, Jean Monnet, Konrad Adenauer, Alcide de Gasperi, and Paul-Henri Spaak, among others. They foresaw clearly the need for a more integrated Europe that would reach beyond a customs union to an entity that would integrate Europe politically and economically.

From those difficult post-war days, Americans have shared that dream and encouraged it. President Eisenhower and Secretaries Marshall and Acheson, strong supporters of European integration, foresaw that our transatlantic alliance would preserve the peace in Europe and that the example of Western economic prosperity and multi-party democracy would lead to change in the Soviet Union and Eastern Europe. The United States is proud of the role its support and presence in Europe have played in furthering European integration.

Today, we continue to support European unity. The vision of cooperation that took form 40 years ago has become a reality. It has led to a Europe that is economically strong and committed to democratic principles and an outward-looking international trading system, and we celebrate these successes with our European allies. The transatlantic partnership, today as in 1950, is a beacon of hope to societies in transition in Eastern and Central Europe and elsewhere.

We salute the European Community on this significant anniversary.

Statements by Press Secretary Fitzwater on the Federal Budget Negotiations

May 9, 1990

The President, the Speaker of the House [Thomas S. Foley], the Senate majority leader [George J. Mitchell], the Senate Republican leader [Robert Dole], and the House Republican leader [Robert H. Michel] have agreed to establish a special bipartisan budget negotiating group. The purpose of the special budget group is to seek bipartisan agreement on a package of measures that would have four basic objectives: First, to reduce the deficit substantially on a multiyear basis; secondly, to allow the economy to grow at a continued strong pace; third, to strengthen the budget process; and fourth, to avoid the adverse economic and programmatic effects of the stalemate that might otherwise ensue.

The President and the bipartisan congressional leadership agreed that the special budget group would function best if there were no preconditions for negotiation and if there were no negotiations through the public. The special budget group will hold its initial organizational meeting on Tuesday, May 15.

In the session this morning the leadership and the President discussed this matter for about an hour. The discussion was quite friendly, of course, and focused on procedures, on process, on participants, and on timetable. The timetable is that they would like to work as quickly as possible and complete agreement as soon as possible. There are no specific deadlines, but as I said the other day, all parties feel it's in the best interest to try to move this process forward immediately. And the first meeting on Tuesday, the 15th, will indicate a rapid pace as they proceed to deal with this issue.

The White House announced the members of its internal budget summit coordinating group. That group will be comprised of the President, the Chief of Staff [John H. Sununu], the Secretary of the Treasury, the Director of the Office of Management and Budget, the Secretary of Defense, the Chairman of the Council of Economic Advisers [Michael J. Boskin], the national security adviser [Brent Scowcroft, Assistant to the President for National Security Affairs], and the Assistant to the President for Economic and Domestic Policy [Roger B. Porter].

The negotiating team for the administration who will meet with the legislative bipartisan budget group will consist of the President, the Secretary of the Treasury, the Chief of Staff, and the Director of the Office of Management and Budget. This basic negotiating group will be complemented by several formal and informal sub-groups. When such groups deal with tax and economic policy, the Chairman of the Council of Economic Advisers will join the negotiators; with defense policy, the Secretary of Defense and national security adviser will join; and with domestic spending programs, the Assistant to the President for Economic and Domestic Policy will join.

Note: The first statement was read by Press Secretary Fitzwater during his daily press briefing which began at 11:38 a.m.

Appointment of Raymond Philip Laverty as Deputy Administrator of the Panama Canal Commission

May 9, 1990

The President today announced his intention to appoint Raymond Philip Laverty as Deputy Administrator of the Panama Canal Commission. He would succeed Fernando Manfredo.

Currently, Mr. Laverty serves as Acting Deputy Administrator for Operations for the Panama Canal Commission in the Republic of Panama. Prior to this he served in several capacities with the Panama Canal Organization: General Manager of the Panama Canal Supply Division, Director of the Office of Executive Planning, and United States Representative to the Treaty Coordinating Committee.

Mr. Laverty graduated from the University of Notre Dame (B.A., 1954) and Boston University (M.B.A., 1958). He was born November 11, 1932, in Brockton, MA. Mr. Laverty served in the U.S. Army, 1954 - 1956. He is married, has three children, and resides in the Republic of Panama.

Nomination of Sylvia Alice Earle To Be Chief Scientist of the National Oceanic and Atmospheric Administration

May 10, 1990

The President today announced his intention to nominate Sylvia Alice Earle to be Chief Scientist of the National Oceanic and Atmospheric Administration, Department of Commerce. She would succeed Melvin N.A. Peterson.

Since 1981, Dr. Earle has served as founder, director, and chief executive officer of Deep Ocean Technology, Inc., in San Leandro, CA. Prior to this, she served on the board of directors for Undersea Industries, Inc., 1978 - 1981; and as corporate secretary-treasurer of Sea Films, Inc., and Ocean Films, Inc., of Berkeley, CA, 1976 - 1978. In addition, Dr. Earle has served as a part-time manager and operator of Mead Ranch in Napa, CA, 1967 - 1976; and co-founder and secretary-treasurer of Aquaculture International, Inc., 1967 - 1970. She has served as fellow, research biologist, and curator at the California Academy of Sciences since 1979; research associate at the University of California, Berkeley, from 1969 to 1981; and research fellow at the Farlow Herbarium, Harvard University, since 1967.

Dr. Earle graduated from St. Petersburg Junior College (A.A., 1953), Florida State University (B.A., 1955), and Duke University (M.A., 1956; Ph.D., 1966). She was born August 30, 1935, in Gibbstown, NJ. Dr. Earle is married, has seven children, and resides in Oakland, CA.

Remarks at the Texas A&I University Commencement Ceremony in Kingsville

May 11, 1990

Thank you, Mr. Secretary. Thank you all. What a great day! Thank you. Thank you very, very much for that welcome back, and good luck to all of you. Please be seated. What a privilege for me to be introduced by our great Secretary of Education, Lauro Cavazos. We work closely on these problems, but I guess it was a wonderfully emotional return today as we flew into this city in which he grew up -- to see the excitement on his face and on his wife's face -- and I felt a real part of this coming home for our great Secretary.

I want to thank your president. I can call him ``the" president -- President Ibanez -- because Barbara and I had the chance to greet him in the White House but 6 days ago, and here he is, greeting me on his home turf. And I'm delighted, sir, to be with you.

I want to pay my respects Chancellor Adkisson, the chancellor of the whole system; of course, to our Governor, my old, close friend, Bill Clements; and to our two outstanding United States Senators, Senator Gramm and Senator Lloyd Bentsen -- doing a fantastic job for our State. And of course, I'm proud to be in the home turf of Congressman Ortiz, Solomon Ortiz, who flew down with me -- also your Congressman, the Congressman for many here; and another old friend of the Bush family, a distinguished chairman in the House, Kika de la Garza, Congressman from Texas and south Texas. And of course, to be introduced by another old friend -- it seems like old-home week here -- but Billy ``Mac" McKenzie, the chairman of the whole system here. Thank you, Billy ``Mac." And to Tony Armendariz, who's with me, came down -- a south Texan, now a member of my team at the Federal Labor Relations Authority. He was formerly a general counsel of A&I. And then, also, another hometown boy of whom I'm very proud: David Valdez, a Kingsville favorite son. He's a photo dog, we call him. He's the head photographer at the White House. I just met with his family -- that's the family that's filling up that whole bleacher over on that side there. [Laughter] So glad to see them.

But anyway, it's a pleasure to be back here in my home State of Texas. Congratulations also to those of you up there who paid the bills -- all the families, the friends, and especially to the faculty of this great, outstanding institution. Thank you all.

And now, belatedly, I get to the main act: the Texas A&I Class of 1990. Go for it! I'm delighted to be here.

You know, when President Ibanez first contacted us about A&I's graduation, he called my son, George, Jr., up there in Dallas at the Texas Rangers Stadium; and he said that you wanted to hear a speech from a reasonably popular but aging Texan who has risen to the top of his field. And

George says, ``Does that mean you're inviting Nolan Ryan?'' [Laughter]

So, I'm second choice, but I'm honored to be in the home of the legendary Javelinas, the wild hogs. And I'm deeply honored to be speaking from the hallowed space on the playing field usually reserved for ``Porky.'' [Laughter] But I haven't seen the mascot today. I think he got the word that we eat pork rinds there on Air Force One. [Laughter]

Javelinas aren't the only wildlife native to these parts. The mesquite outside Kingsville is shot through with rattlesnake and deer, and doves rise on the warm gulf winds, soaring over the trees and the red tile roofs of Texas A&I. And south Texas is a very special place for the Bush family. I come down here nearly every December with friends, hunt just outside of Beeville -- Berclair, to be exact. And let's hear it for the Berclair contingent. There's got to be at least one. [Applause] And as your president referred to, when I was an 18-year-old Naval Aviation cadet way back in 1943, I flew all over this country -- Corpus and Cabiness and Waldron and Kingsville -- and I loved every single minute of it. So, I do feel at home.

The reputation of the area is changing. When I told Barbara that I was flying down to south Texas to talk with college students and see the wildlife, she said, ``Aren't you getting a bit old to be going to South Padre for spring break?'' [Laughter]

But like springtime itself, college commencements signal a time of change. Last week at Oklahoma State University, I spoke about America's new leadership in the Atlantic alliance. Tomorrow morning up at South Carolina, we'll be talking about change among the people of Eastern Europe, people yearning to emulate not only our standard of living but also our standard of justice. But democracy isn't just the wave of the present: it's the wave of the future. And as your generation assumes a leadership role in a free world that's growing bigger all the time, others will continue to look to our shores for leadership and direction. I have proposed that one of those directions be space.

The American adventure has always had the capacity to inspire others and to astonish the world: the voyages of Columbus, the Declaration of Independence, the taming of a continent, the invention of flight. America's democracy is the world's greatest experiment in freedom and diversity, an ongoing experiment that continues to unleash the creative energy of the world's most diverse population. It's what took American pioneers to the Moon and back. It is what will take you as far as your dreams can soar.

Like Texas itself, A&I is also a place of pioneers: the first 4-year college in south Texas; a leader in bilingual education, with the first such doctoral program in the United States; home to research and innovations from natural gas engineering to snake venom to Rio Star grapefruit. And many of you are yourselves pioneers, the first in your families ever to attend college.

In America's unique democratic heritage, our pioneers commissioned themselves and took off.

We are a searching people, future-oriented, impelled to push on. After graduating from my college, I took my family out West, looking for a country to test ourselves and our dreams. We found it in Texas, with enough opportunities to last many lifetimes.

Of course, Texas has always had its share of pioneers and visionaries. One was Sam Houston. Where others saw empty plains and dust, he saw farms and ranches and towns. Where others saw obstacles, he saw opportunity. But Houston could scarcely have imagined that little more than a hundred years after his death the entire planet would hold its breath as his name became the first word ever uttered on the plains and dust of another world.

It was July 20, 1969. And although Apollo 11 had just survived one of the most harrowing landings in the history of space, the voice of Neil Armstrong was confident, strong, American. He said, ``Houston: Tranquility Base here. The Eagle has landed." Eight words. ``Houston: Tranquility Base here. The Eagle has landed." Eight words, and the world was changed forever.

And when America accepted the Apollo challenge, we rolled up our sleeves and took on a daunting and dangerous job. Apollo 11 showed we could meet our commitments to ourselves and to the world, proof that democracy could triumph as decisively in peace as it had in war. And it lifted the spirits of a generation and raised forever the horizons of the human race. Last summer, in a speech commemorating the 20th anniversary of the Apollo Moon landing, I announced three major space policy objectives: First, to have space station Freedom up before the century is out. Second, for the new century, a permanent lunar base: ``Back to the Moon, back to the future, and this time back to stay." And third, a manned expedition to Mars.

And together, these objectives form the cornerstone of my administration's far-reaching plan for investing in America's future. Our space program will, indeed, help rekindle public interest in science and mathematics, revitalize an area of our educational system that has become disturbingly weak. In fact, one of the education goals that Dr. Cavazos referred to, one that we announced in January, is to make the United States first in math and science by the year 2000. But this space program will do more. It will revolutionize everything from computers to communications, from medicine to metals, regaining and retaining America's high-tech competitive edge. It will create new technologies, new industries, and new jobs.

It's an adventure that I hope many of you will be part of. You see, it's an adventure that's already underway. The space shuttle is back and ushering in a new era of space. And it's led by a talented new generation: scientists like A&I professor John Linder, who is working here to improve shuttle communications; shuttle engineers like Ruben Zabala, A&I class of 1977; avionics experts like Primitivo Perez, the class of 1971; and new American heroes like Franklin Chang-Diaz, NASA's first Hispanic astronaut.

You are coming of age during a golden age of space, and there's no better example of this than the miracle now orbiting 380 miles above Kingsville: the Hubble Space Telescope. It will see to

the furthest reaches of the universe, to the very edges of time. It will, quite literally, even enable astronomers to see back in time, perhaps far enough back to when the Dallas Cowboys last had a winning season. [Laughter] You talk about history. [Laughter] And it's hoped that the telescope will see objects so clearly that, in theory, it could pick out the writing on a dime 100 miles away. Talk about the ``vision thing."

Even while Galileo and Hubble begin looking out across space, another array of new satellites will be looking back at Earth and taking the pulse of the most important planet in the universe. You may remember of a couple years back when Time magazine named Earth ``Planet of the Year." And the comedian -- you remember Jay Leno, the comedian -- he said: ``What did you expect? All the judges came from Earth." [Laughter]

We call this initiative Mission to Planet Earth. It's an effort of such magnitude that it dwarfs everything in the past. A worldwide study of the complex interactions between land, sea, ice, and air, as well as between the Earth and the Sun. It's an effort of global interest in which we're inviting other nations to join. As Chairman of the National Space Council, the Vice President has just returned from Europe, where our allies expressed serious interest in both Mission to Planet Earth and in our continuing exploration of the solar system.

Initiatives like these mark a critical investment in America's future. They will help protect the environment, fuel an educational renaissance, and hone America's competitive edge. But the importance of the space program, especially the manned space program, goes deeper than that. Throughout our history, America has been a nation of discoverers. It's a part of our national character, part of our democratic heritage. In fact, Monday marks the day in 1804 when Meriwether Lewis and William Clark set out across the Mississippi to map much of what was to become the great American West. And despite Thomas Jefferson's love of machines, it's hard to imagine his sending a robot out alone to describe the wonders of the American Rockies and the Pacific coast. In the American experiment, in the experiment called democracy, there will always be a place for individual men and women with imagination and daring.

Our nation's quest for the unknown took American pioneers from the bluffs of the Mississippi to the mountains of the Moon. But today we're no longer just asking for the Moon. We've been there. We're looking further: to carry the American adventure to wherever opportunity, curiosity, and need will take us. It's time to open up the final frontier. There can be no turning back. America's space program is what civilization needs to begin this journey and to perfect the commitment to go beyond. Each time we go to the frontier and beyond, we bring back more than we hoped for. And this time we have the chance to bring back more than we can possibly imagine.

Our 1991 budget is proof positive of America's commitment to an active, exciting, and continuing presence in space -- to America's leadership in space. Our proposal of $15.2 billion for NASA, an increase of 24 percent -- almost $3 billion, which is the largest increase for any

major agency of the government.

But leadership in space takes more than just dollars: It also takes a decision. And so, I'm announcing one today. We stand at a halfway point in our exploration of the immediate solar system: the planet Earth, its Moon, and the terrestrial neighborhood. Thirty years ago, NASA was founded, and the space race began. And 30 years from now I believe man will stand on another planet. And so, I am pleased to return to Texas today to announce a new Age of Exploration, with not only a goal but also a timetable: I believe that before Apollo celebrates the 50th anniversary of its landing on the Moon the American flag should be planted on Mars.

Up beneath the dome of the United States Capitol -- where decisions about our space program will be made in the coming weeks -- the American adventure is told in stone, a tableau of U.S. history carved around the rim of the dome itself. It begins with Columbus' arrival in the New World and ends with the first flight of the Wright brothers' plane. But you see, they got it wrong. The Wright brothers' flight doesn't mark the end of the American adventure but the beginning of a new chapter, a never-ending story, a story about a democracy where anything is possible and where no dream is too large.

We live in a century that began with great promise and hope for the idea we call democracy, then only beginning to assume an important place on the world stage. That hope has been fulfilled and surpassed beyond the wildest dreams of our Founders. And the promise of democracy is beginning to be tasted by more people in more places than ever before. It's their inspiration; and it's our strength, our heritage, and our future. And so, as this century closes, it is in America's hands to help determine the kind of people, the kind of planet, we will become in the next. We will leave the solar system and travel to the stars not only because it is democracy's dream but because it is democracy's destiny.

Around campfires, by moonlight and starlight across the ages, men and women have turned their gaze skyward and dreamed an ancient dream. And somewhere in America today, maybe right here in this stadium, there is a young man or woman who, like Neil Armstrong, will seize this dream and change the world for all time. I believe, I truly believe, that the class of '90 will leave footprints not only in the sands of our State, in the sands of Texas, but also in the sands of time and ultimately on the plains of Mars.

You who have lived this past 4 years in Kingsville know a lot about the sky. The plains of south Texas are as flat as the sea, a land without hills or impediments, a land of limitless horizons and dreams to match. It is exactly the kind of nighttime sky where the cream of America's youth -- the cream of Texas A&I -- can point confidently to the stars, to eternity, and to their own future, the future of this great nation, and the future of free people everywhere.

America is proud of you. We are proud of your families. And I came here to say congratulations, and thank you, and God bless the United States.

Note: The President spoke at 11:45 a.m. in Javelina Stadium on the campus of the university. In his remarks, he referred to Manuel L. Ibanez, president of the university; Perry Adkisson and William A. McKenzie, chancellor and chairman of the board of regents of the university system, respectively; and Nolan Ryan, pitcher for the Rangers baseball team. Following his remarks, the President traveled to Columbia, SC.

Nomination of Jimmy Gurule To Be an Assistant Attorney General

May 11, 1990

The President today announced his intention to nominate Jimmy Gurule to be an Assistant Attorney General for the Office of Justice Programs at the Department of Justice. He would succeed Richard Bender Abell.

Since 1989 Mr. Gurule has served as an associate professor of law at Notre Dame Law School. Prior to this, he served as an Assistant U.S. Attorney in the Criminal Division of the Office of the U.S. Attorney in Los Angeles, CA, 1985 - 1989; deputy county attorney in the justice division of the Salt Lake County Attorney's Office, 1982 - 1985; adjunct professor of law at the University of Utah College of Law, 1983 - 1985; and a trial attorney in the Criminal Division of the Department of Justice, 1980 - 1982. In addition, Mr. Gurule has served as a Special Assistant U.S. Attorney for the Southern District of Florida, 1982, and a Special Assistant U.S. Attorney for the District of Columbia, 1981.

Mr. Gurule graduated from the University of Utah (B.A., 1974; J.D., 1980). He was born June 14, 1951, in Salt Lake City, UT. Mr. Gurule is married, has three children, and resides in Granger, IN.

Nomination of J. Michael Luttig To Be an Assistant Attorney General

May 11, 1990

The President today announced his intention to nominate J. Michael Luttig to be Assistant Attorney General for the Office of Legal Counsel at the Department of Justice. He would succeed William Pelham Barr.

Since 1989 Mr. Luttig has served as Principal Deputy Assistant Attorney General in the Office of Legal Counsel at the Department of Justice. Prior to this, he served as an associate with the law firm of Davis Polk and Wardwell, 1985 - 1989; special assistant to the Honorable Warren E. Burger, Chief Justice of the U.S. Supreme Court, 1984 - 1985; law clerk to the Honorable Warren E. Burger, 1983 - 1984; law clerk to the Honorable Antonin Scalia, U.S. Court of Appeals, District of Columbia Circuit, 1982 - 1983; and Assistant Counsel at the White House, 1981 - 1982.

Mr. Luttig graduated from Washington and Lee University (B.A., 1976) and the University of Virginia School of Law (J.D., 1981). He was born June 13, 1954, in Tyler, TX. Mr. Luttig is married to Elizabeth Ann Luttig, and they reside in McLean, VA.

Nomination of William Pelham Barr To Be Deputy Attorney General

May 11, 1990

The President today announced his intention to nominate William Pelham Barr to be Deputy Attorney General at the Department of Justice. He would succeed Donald Belton Ayer.

Since 1989 Mr. Barr has served as Assistant Attorney General for the Office of Legal Counsel at the Department of Justice. Prior to this, he served as a partner with the law firm of Shaw, Pittman, Potts and Trowbridge in Washington, DC, 1984 - 1989; a member of the domestic policy staff at the White House, 1982 - 1983; an associate with the law firm of Shaw, Pittman, Potts and Trowbridge, 1978 - 1982; and a law clerk to Judge Malcolm Wilkey of the U.S. Court of Appeals for the District of Columbia Circuit, 1977 - 1978. In addition, he has served with the Central Intelligence Agency, 1973 - 1977.

Mr. Barr graduated from Columbia University (B.A., 1971; M.A., 1973) and George Washington University (J.D., 1977). He was born May 23, 1950, in New York, NY. Mr. Barr is married, has three children, and resides in Falls Church, VA.

Nomination of Charles M. House To Be Director of the Office for Victims of Crime

May 11, 1990

The President today announced his intention to nominate Charles M. House to be Director of the Office for Victims of Crime at the Department of Justice. This is a new position.

Since 1988 Mr. House has served as operations sergeant for court services in Los Angeles, CA. Prior to this, he served in various positions for the Los Angeles County Sheriff's Department, including watch commander, 1987 - 1988; international liaison officer, 1980 - 1987; a patrol officer, 1978 - 1980; fraud investigator, 1977 - 1978; and operations planner, 1975 - 1977. He also served as a bailiff in the Los Angeles Superior Court System, 1966 - 1975.

Mr. House graduated from California State University (B.S., 1971). He was born November 17, 1935, in Austin, TX. Mr. House served in the U.S. Army, 1958 - 1960. He is married, has two children, and resides in Hacienda Heights, CA.

Nomination of Steven D. Dillingham To Be Director of the Bureau of Justice Statistics

May 11, 1990

The President today announced his intention to nominate Steven D. Dillingham to be Director of the Bureau of Justice Statistics at the Department of Justice. He would succeed Steven Roger Schlesinger.

Since 1988 Dr. Dillingham has served as Deputy Director for Policy and Special Programs for the Bureau of Justice Assistance at the Department of Justice. Prior to this, he served as a senior associate and project manager for Carter, Goble and Associates, Inc., 1987 - 1988; attorney and adviser in the Office of the General Counsel at the Department of Energy, 1986 - 1988; academic adviser to the law and justice task force for the American Legislative Exchange Council, 1987 to present; attorney in the Office of General Counsel for the Office of Personnel Management, 1985 - 1986; special counsel on criminal law for the Senate Judiciary Committee, 1985; and assistant professor for the College of Criminal Justice at the University of South Carolina, 1981 - 1986. In addition, he has served in various capacities as a research analyst and a teaching associate.

Dr. Dillingham graduated from Winthrop College (B.A. 1973) and the University of South Carolina (M.P.A., 1978; J.D., 1976; and Ph.D., 1987). He was born May 12, 1952, in Orangeburg, SC. Dr. Dillingham attended the U.S. Air Force Academy, 1970 - 1972. He is married, has one child, and resides in Alexandria, VA.

Nomination of Robert C. Bonner To Be Administrator of the Drug Enforcement Administration

May 11, 1990

The President today announced his intention to nominate Robert C. Bonner to be Administrator of Drug Enforcement at the Department of Justice. He would succeed John C. Lawn.

Since 1989 Mr. Bonner has served as U.S. District Judge for the Central District of California in Los Angeles. Prior to this, he served as U.S. Attorney for the Central District of California, 1984 - 1989; in the private practice of law with the firm of Kadison, Pfaelzer, Woodard, Quinn and Rossi, 1975 - 1984; Assistant U.S. Attorney for the Central District of California, 1971 - 1975; and a law clerk to U.S. District Judge Albert Stephens, 1966 - 1967.

Mr. Bonner graduated from Maryland University (B.A., 1963) and Georgetown University Law Center (J.D., 1966). He was born January 29, 1942, in Wichita, KS. Mr. Bonner served in the U.S. Naval Reserve, 1967 - 1971. He is married, has one child, and resides in Pasadena, CA.

Remarks at a Fundraising Reception for Governor Carroll A. Campbell, Jr., in Columbia, South Carolina

May 11, 1990

Thank you all. What a great evening here in South Carolina. Thank you very much. Thank you very much. Please be seated there. [Laughter] Sorry about that. It's great to be back here, back with you all. And I'm so pleased to see Congressman Floyd Spence, behind me, looking so well -- doing a great job for this State up in Washington. I'm told that Congressman Ravenel was to be here from Charleston, but I don't know if he made it. But I do see the former Congressman and my friend and associate for a long time, Tommy Hartnett, over there, standing there. And of course, I want to salute the Governor and Iris and Carroll the three and Mike and Commissioner Les Tindal and Dick Greer, another longtime supporter of all the good causes in South Carolina on the political scene and certainly a friend and supporter of mine. And last, but certainly not least in this State, nor in Washington, the one and only Strom Thurmond. It's great to be with him.

It's marvelous how Carroll does it; he's always coming up with new ways to raise campaign funds. [Laughter] Next week he's going after that $10,000 first prize by sending his skiing tape to ``America's Funniest Home Videos." [Laughter]

But really, it's a pleasure to be back here. And, Strom, your election is so important; and you are looking rarin' to go in the nineties, I'll tell you. [Laughter] And good luck, best of luck to you. I'm always tempted to ask Strom, What's your secret? But I'm afraid he'd say, Eat your vegetables. So, I'm not going to. [Laughter]

And let me just say how delighted I was to get that firsthand report from Lee. Barbara and I talk to him regularly, and I'm so pleased to pay his respects to this crowd of his friends. And he is staying in close touch there at the national committee, and the committee is going very well.

You know, it's a delight for Barbara and me to be back here in a State where friendships grow as easily as the yellow jasmine and back with so many South Carolina Republicans. You get the feeling things are on the move not just for the Republican Party but for the conservative cause, generally. And I am grateful for the support that I get from this Governor and this Senator and this Congressman every single day. I couldn't do without it.

When Iris -- I guess I'll give her credit -- and Carroll invited us to come back here, we accepted before they could change their minds because I did want to say to his friends and his supporters and then to all through the media across the State that South Carolina deserves a Governor who works hard, has demonstrated the ability to make the tough choices, who offers leadership every single day. And that is the Governor that clearly you'll reelect this coming November, and I'm

talking about Carroll Campbell.

So, let me ask you to look for 1 minute at the record. South Carolina enjoys almost 200,000 more jobs today than when he took office. This is what happens when a Governor pursues policies that encourage growth, when he trusts the people to do what they do best: make a better life for South Carolina.

In fact, your Governor has done something for this State that I want to see done for America: He slashed the capital gains tax. And that meant more jobs for South Carolina. And so, I might take this opportunity to call on Congress to follow the example of this State -- to open the floodgates of investment, to increase jobs and opportunity for all Americans by cutting the capital gains tax -- and doing it soon. I'm going to keep on like a broken record until I get that thing done up there.

But this State is great for more than just its business climate. From the Sassafras Mountain to the home of Barbara Bush's alma mater over there, Ashley Hall, in Charleston; from the green valleys of the Piedmont -- Ashley Hall has got a modest delegation back here -- [laughter] -- from the green valleys of the Piedmont to the dune-swept shoreline of Myrtle Beach, this State is special. And I know of your commitment to keep it that way. That's why Carroll has already acted against helter-skelter coastal development. He's protected the precious beaches of this State. And that's why he put together a fair, a reasonable wetlands policy, one that strives for no net loss.

On the national level, we, too, are striving for no net loss, and we seek to safeguard our beaches and redeem our wetlands. And that is going to be a crusade as long as I'm President.

As you may know, I also proposed the first major revision of the Clean Air Act since 1977, one that will sharply cut acid rain and smog and toxic pollutants. But Congress has got to respect -- and thank God we have Strom there because he'll see to that -- they've got to respect another kind of delicate ecology; that's the one of jobs and opportunity. So, I call on the House of Representatives not to keep America waiting for cleaner air; to pass a reasonable clean air bill in line with the compromise that we reached with the Senate leaders, not another bill that consumers and workers cannot afford.

South Carolinians also want to be safe from crime, and no one has been tougher in the war against crime and drugs than your Governor. He created this strike force that captured more than 1,800 drug offenders, confiscated literally hundreds of millions of dollars worth of drugs. But he's also reached out on the other side of the equation -- with compassion, with understanding -- to the most distressed neighborhoods to help them take back the streets.

While your Governor's been busy here in the State, I've been working closely with the United States Congress, with Congressmen like Floyd Spence and Arthur Ravenel and, of course, Senator Thurmond, who is the chairman of -- the ranking member -- he should be chairman; we

lost control of the Senate, darn it all -- [laughter] -- but Senator Strom Thurmond, to provide money for new prison space, more Federal law enforcement officers. But the Democratic leadership in Congress has just left too much work undone on our violent crime package. And I call on Congress to recognize that the kingpins who are dealing drugs and dealing death -- judge them for what they are -- they are murderers, and we must be tough on those people.

Finally, there's one other issue above all others, and that's the state of American education. I might say parenthetically -- maybe this is wrong, but I think we all owe a vote of gratitude to Barbara for her crusading efforts in literacy and fighting to make this society more literate.

But on the government side, Carroll Campbell knows the priority for education. He's been working to make this State second to none in educational excellence. And what you are striving to do for South Carolina, I am determined to do for all of America. American students must be -- we've set these national goals now -- must be first in math and science. Every American adult must be a literate citizen and worker. And every school in America must have a disciplined environment and, most of all, must be drug-free. You see, education is critical to everything we are and can become. And that's why Governor Campbell was such a leader and worked so closely with me at our education summit -- the first education summit with all the Governors, called there in Charlottesville, Virginia. When it comes to education, we've got to measure success not by dollars spent but by the results achieved.

In closing, let me say one thing more about Carroll and this State, something that transcends politics. South Carolina had -- and he alluded to this -- had a very unwelcome visitor last year, a vandal by the name of [Hurricane] Hugo. You also had a Governor, though, who moved decisively to bring people inland, to save countless lives. During those tough days, he was up to his hips in mud. Also helping with relief efforts were Members of Congress, State legislators, and mayors, and also, God bless them, the policemen and women of South Carolina, the State troopers, the Boy and Girl Scouts, whole church congregations, and too many volunteer groups to possibly name.

Everyone lost something to Hugo, and some lost everything. But no one had time -- and I saw this, because Strom and I and Carroll went down there together just for a little bird's-eye view -- no one had time for self-pity or worry as long as one neighbor remained stranded or needed a helping hand. In those terrible days of wind and rain, and during the long months of cleanup, that ghastly cleanup that followed, South Carolina became a point of light, giving all of America a shining example of the very best within us.

And that's the way for the greatest country on Earth; that's the American way. You know, this same spirit of openness and giving found right here in South Carolina makes America a beacon of hope for the world. Isn't it an exciting time -- to see the changes for democracy and for freedom that are taking place all around the world, that have taken place just in the last 12 months. I can think of no more exciting time in history to be President of the United States than

during this last year of dynamic change for democracy and freedom around the world.

I hear a lot of marvelous stories. I wish you could have seen the look on the President of Czechoslovakia's face, Vaclav Havel, the playwright. Bar and I thought it would be nice for him to see the Lincoln Bedroom in the White House, the bedroom in which Lincoln actually signed the Emancipation Proclamation. And the look on his face, as a man who was in jail and dying, or living -- whatever -- for freedom, stood out there, hoping against hope for freedom. It just was so moving to see this marvelous symbol of our identity there.

But I recently heard of a man living in Romania who braved arrest by possessing what the previous regime considered to be a dangerous and subversive weapon: a single American newspaper. This courageous man was so enthralled that he not only kept this paper, he read it every day for 3 years. He memorized it, and he savored the uncensored news and the freewheeling editorials and even the advertisements. That's how hungry the world is for the truth. That's how vital our liberty is to the oppressed. That's why America truly is a point of light for the world.

And no star in this American constellation burns brighter than the State of South Carolina. After all, historic changes are occurring around the world because of American leadership, leaders like your great Senator that stands for something, Strom Thurmond. When America needed to be protected during the Cold War years, Strom, rock-solid, standing for freedom -- we'll never forget it. This country owes him a great vote of gratitude. We need his hard-won wisdom and leadership, really, as never before.

Today it's been my special honor to appear on and try to help honor someone who embodies South Carolina's determination, courage, and just plain old common sense. And of course, I'm talking again about Carroll Campbell. He's been a great Governor, and with your support, he can bring an even greater future for South Carolina.

Thank you for this magnificent turnout, this fantastic support for a great Governor. God bless the United States of America. Thank you very, very much.

Note: The President spoke at 7:12 p.m. at the Governor's Mansion. In his opening remarks, he referred to Governor Campbell's wife, Iris, and sons, Carroll and Mike; Les Tindal, South Carolina Commissioner of Agriculture; Dick Greer, chairman of the Re-Elect Governor Campbell Committee; and Lee Atwater, chairman of the Republican National Committee.

Remarks at the University of South Carolina Commencement Ceremony in Columbia

May 12, 1990

Thank you, President Holderman, distinguished officials of this wonderful university. My special respects to two great United States Senators, Senators Strom Thurmond, Fritz Hollings, over here -- I'm proud to be with them today -- and to Representatives Floyd Spence and Elizabeth Patterson, with us; of course, to my dear friend, your Governor, Carroll Campbell, who's a tremendous partner in our national crusade for excellence in education. I also want to say how pleased I am to be on this stage with Archbishop Iakovos, one of the great church leaders of today.

I know, looking around, that tickets were hard to come by today. It wasn't simply parking. Barbara's here. [Laughter] Thank goodness she's getting an honorary degree there because it was the only way I could get her a seat in this big place. [Laughter] But thank you for honoring her.

And she's in great company, as am I, with today's other recipients of honorary degrees. I don't know how many of you have heard me speak before, but being on stage with Andrew Lloyd Webber is about as close as I'll ever get to a dramatic presentation. [Laughter] Congratulations to you, sir.

And to Michael Eisner: The success that he's achieved at Disney is the envy of CEO's worldwide. His secret's simple: Just surround yourself with the best and the brightest -- Dopey, Dumbo, Goofy. [Laughter] But what you may not know, and you should, is I salute him, too, for his commitment to this concept of Points of Light, the best impulse of America -- and Michael Eisner exemplifies it -- one American willing to pitch in and help another. He's a great American.

Now to you all. I've saluted -- hope I have -- your faculty. I should; they're outstanding -- the trustees and those who govern this great institution, and to the class who I'm here to help these others honor. You've gone to school for 4 years; the last thing you want to hear is a long lecture. But I wanted to use this great university as a forum for some serious foreign policy observations. I've chosen to make each of several commencement speeches this spring a reflection on democratic change. Last week, at Oklahoma State, I focused on the new role of our Atlantic alliance. Yesterday, down in Texas, at Texas A&I, I spoke about technology and the vast frontier of space. This morning, I want to talk about a frontier of a different sort, about the new world of freedom opening up in Eastern Europe.

Now, that's pretty serious business, but I'm going to ask you to bear with me, but telling you I do remember a graduation at Yale, where the graduation speaker got up -- my alma mater -- Y is for

youth -- that took 20 minutes. A is for altruism -- young people be altruistic -- another 32 minutes. L for loyalty -- brushed that one off in about 18 minutes. E obviously for excellence -- another 32 minutes. When he left, one student left, praying. And the speaker walked down. ``I see you're giving thanks to the Lord." He said, ``Yes, sir, I am. I'm giving thanks that I did not go to the University of South Carolina." [Laughter]

So, bear with me, because we are living in exciting times. In the past year, one nation after another has pulled itself out from under communism, onto the threshold of democracy. Each has endured great suffering, tremendous economic damage. We've all seen the images of long lines and empty shelves. But what we can't see so easily, what's beneath the surface but no less real, is the moral damage, the deep scars on the spirit left by four decades of Communist rule.

Because in these regimes, the human spirit was subject to systematic assault. Religion, morality, right and wrong -- any challenge to the rule of the state became the enemy of the state. Believers were persecuted, churches and cemeteries razed. Citizens were turned one against the other, enlisted into the ranks of the regime's informers. Nothing stood outside the reach of the regime, not even the past. History -- well, it was rewritten to suit the needs of the present -- yesterday's heroes airbrushed from the pages of history. Milan Kundera, the Czech author, called it organized forgetting.

Of course, these nations had laws. They had courts. They had constitutions. All in service to the state. They had, in name at least, rights and freedoms; in reality, the empty shell of liberty -- not the rule of law but the perversion of law: rules made not to serve the will of the people but the whim of the party. That's how in Romania the law made it illegal for three or more people to have a conversation in the street. That's how in another country a man whose so-called crime was teaching others about religion was jailed for 6 months. The trumped-up charge: walking on flower beds. We will never know how many dissidents were punished as common criminals and how many millions of others were frozen by fear into silence and submission.

That's the legacy, the landscape of moral destruction. The tragic consequence of four decades of Communist rule: a breakdown of trust. From ancient times, the great minds have recognized the link between the law and trust. As Aristotle wrote: ``Law is a pledge that the citizens of a state will do justice to one another" -- the bond that makes the collection of individuals into a community, into a nation.

Fortunately, the moral destruction in Eastern Europe, as you all know, was not complete. Individuals somehow managed to maintain an inner strength, their moral compass; to sustain the will to break through the regime's wall of lies. They did so, as Vaclav Havel [President of Czechoslovakia] put it, by the simple act of ``living in truth." They created ``flying universities," where lecturers taught in private homes. They formed underground publishing houses and groups to monitor human rights, an authentic civil society beyond the reach of the ruling establishment. And today the builders of those civil societies no longer live underground. They

are the new leaders of Eastern Europe. And they've begun to build, on the ruins of Communist rule, democratic systems based on trust.

Today I want to focus on how America can help these nations secure their freedoms, become a part of a Europe whole and free. Early this year, in the State of the Union, I talked about America's role as a shining example, about the importance of America not as a nation but as an idea alive in the minds of men and women everywhere. And that idea was, without doubt, a guiding force in the Revolution of 1989.

Let me share a story with you about a recent American visitor to Romania who asked the people she met what they needed now, what was most important to them. This simple question produced some unexpected answers. In Timisoara, one woman pulled from her purse a worn copy of TV Guide, an issue from July 1987, containing a bicentennial copy of the United States Constitution. And she held it out to the American visitor. And she said, ``What we need is more of these."

And there on the streets of Timisoara -- in a country where food is in short supply, where homes are without heat and streets dark at night -- there a woman pins her hopes on our Constitution. What that Romanian woman wanted, what all the nations of Eastern Europe aspire to, is democratic life based on justice and the rule of law.

Poland, Czechoslovakia, and Hungary stand now, in the spring of 1990, as America stood in the summer of 1787. Who will be their Franklins, their Washingtons, their Hamiltons, their Madisons, their men and women of towering genius, the nation builders who will set in place the firm foundations of self-government? Some of them we know by name, the heroes of the Revolution of '89. But for Eastern Europe's constitution builders, the work has only now begun because the fate of freedom depends not just on the character of the people who govern but whether they themselves are governed by the rule of law.

And just as the framers of our own Constitution looked to the lessons of history, Eastern Europe's new democracies will look to their own parliamentary past, to Europe's example and, of course, to our own American Constitution. And that's why we must export our experience, our two centuries of accumulated wisdom on the workings of free government.

Already we're actively engaged with Eastern Europe and the Soviet Union with an ongoing series of exchanges bringing jurists and parliamentarians, political leaders here to the United States to meet their American counterparts. And today I'm pleased to announce four new initiatives, four steps that the United States will take to support democratic development in Eastern Europe.

First, America will continue to act to advance economic freedom. In the past year, we've committed more than $1 billion in direct economic assistance to Eastern Europe. We've

extended loans and credits, opened our markets through most-favored-nation status, and promoted American investment. And today I'm pleased to announce yet another economic initiative: The Export-Import Bank will provide Poland a new line of medium-term export credits and loan guarantees for purchasing machinery, technology, and services from American suppliers.

And second, the United States will work to help ensure free and fair elections in Eastern Europe. And next week, we'll send a Presidential delegation to observe the elections in Romania and another team to next month's elections in Bulgaria.

Third, America will work to broaden the mandate of the CSCE, the Conference on Security and Cooperation in Europe. Less than a month from now, as one of the 35 nations of the CSCE, the United States will take part in a conference on human rights, including free elections, political pluralism, and the rule of law. And I've instructed Ambassador Max Kampelman, head of our delegation, to seek a new consensus on these cornerstones of freedoms, rights, and democracy. As I said last week at Oklahoma State University, we must work within the CSCE to bring Eastern Europe's new democracies into this commonwealth of free nations.

Fourth and finally, we will work to strengthen the foundations of free society in Eastern Europe. And I am pleased to announce today the creation of a Citizens Democracy Corps. Its first mission: to establish a center and a clearinghouse for American private sector assistance and volunteer activities in Eastern Europe. We know the real strength of our democracy is its citizens, the collective strength of individual Americans. We're going to focus that energy where it can do the most good.

America has much to contribute, much it can do to help these nations move forward on the path to democracy. We can help them build political systems based on respect for individual freedoms; for the right to speak our mind, to live as we wish, and to worship as our conscience tells us we must; systems based on respect for property and the sanctity of contract; laws that are necessary not to amass fortunes, not to build towers of gold and greed, but to provide for ourselves, for our families; systems that allow free associations -- trade unions, professional groups, political parties -- the building blocks of a free society. We've got to help the emerging democracies build legal systems that secure the procedural rights that preserve freedom and, above all, a system that supports a strict equality of rights, one that guarantees that all men and women, whatever their race or ancestry, stand equal before the law.

In this century, we've learned a painful truth about the monumental evil that can be done in the name of humanity. We've learned how a vision of Utopia can become a hell on Earth for millions of men and women. We've learned, through hard experience, that the only alternative to tyranny of man is the rule of law. That's the essence of our vision for Europe: a Europe where not only are the dictators dethroned but where the rule of law, reflecting the will of the people, ensures the freedoms millions have fought so hard to gain.

There is still work to be done. In the Baltic States, where people struggle for the right to determine their own future, we Americans, so free to chart our own course, identify with their hopes and aspirations. For, you see, we're committed to self-determination for Lithuania and Latvia and Estonia. And ultimately, the Soviet Union itself, now committed to openness and reform, will benefit from a Europe that's whole and free. Democracy and freedom threaten absolutely no one.

We sometimes hear today that with freedom's great triumph -- and, oh, what exciting times we're living in -- that America's work is done. Nothing could be further from the truth. I want to close today with a story about the enduring power of the American idea and the unfinished business that awaits the generation that you proudly represent.

It's about a town called Plzen in Czechoslovakia; a town that just last week celebrated the day, 45 years ago, when it was liberated by American troops. Of course, within a few short years, Plzen's dream of freedom vanished behind the Iron Curtain, and with it, the truth about that day back in 1945. A generation grew up being taught that Plzen had been freed not by your fathers and granddads in the United States Army but by Soviet soldiers dressed in American uniforms. But the people of Plzen knew better. They never forgot. And today, finally free to speak the truth, the town invited their true liberators back. After 45 long years, those old American soldiers returned to the streets of Plzen, to the sounds of ``The Star-Spangled Banner," to a hero's welcome.

Those GI's, my generation, were your age in 1945. And now it falls upon you, the graduating class of this great university, to uphold our American ideals not in times of war, thank God, but in a time of tremendous excitement, helping these nations secure the freedom that your fathers and grandfathers fought for, the freedom millions only dreamed of until today.

Once again, it's been my honor to share this special day with you, your families, and your friends. Thank you, and may God bless this great university and the class of 1990. Thank you all very, very much. Thank you.

Note: The President spoke at 11:25 a.m. at Carolina Coliseum on the campus of the university. In his remarks, he referred to James B. Holderman, president of the university; Archbishop Demetrios A. Iakovos of the Greek Orthodox Archdiocese of North and South America; composer Andrew Lloyd Webber; and Michael D. Eisner, chairman and chief executive officer of the Walt Disney Co. Following his remarks, the President traveled to Lynchburg, VA.

White House Fact Sheet on the Citizens Democracy Corps

May 12, 1990

The President announced today the creation of a Citizens Democracy Corps. The objective of this major new program is to support democratic change and market-oriented economic reform in Eastern Europe by mobilizing and coordinating American private sector initiatives.

Since the President's historic visits to Poland and Hungary and the revolutions of 1989, private Americans and voluntary organizations have stepped forward with extraordinary generosity with offers to assist the process of democratic change in Eastern Europe. To make best use of the enormous energy and creativity of the American private sector, the President supports the creation of a new center to promote these volunteer initiatives and match them with requests for assistance from Eastern Europe.

The Citizens Democracy Corps will serve as an information clearinghouse for U.S. private volunteer assistance programs for Central and Eastern Europe. It will establish an information base of technical services and equipment available from the United States on a private, volunteer basis. The Democracy Corps will also be a recipient of requests from Central and Eastern Europe for assistance in such areas as constitutional law and parliamentary procedures; English-language training; journalism, broadcasting, and publishing; public health and medical support; market economics, banking, and financial services; business law, commercial practices, and agriculture; and environmental protection.

The Citizens Democracy Corps will be the point of contact for U.S. businesses, voluntary organizations, and educational institutions that want to find out what is now being done and where further efforts are needed. The Democracy Corps could also launch new volunteer initiatives to meet the changing requirements of the region.

The President will ask prominent citizens representing a cross section of the American private sector to form a commission to direct the program and stimulate volunteer groups. The commission and the volunteers mobilized to provide assistance will be called the Citizens Democracy Corps. While the U.S. Government will help provide initial funding, the Democracy Corps will create its own financial base so that it can become, in the full sense of the term, ``citizens democracy."

Remarks at the Liberty University Commencement Ceremony in Lynchburg, Virginia

May 12, 1990

Thank you so much. And to all of you who are done medium well or medium well-done up here in the stands, I'll try not to keep you too long. [Laughter] But I am delighted to be here. And to Dr. and Mrs. Falwell, thank you for your hospitality. Jerry, I'm glad to have been introduced by a loyal friend. Thank you very much, sir. And to President Guillermin and my dear friend John Warner and Mayor Bryan and members of the board of trustees and the faculty, administrators, parents, and graduates, thank you for that welcome and introduction and for this most generous reception. I was privileged to address the students and faculty of this wonderful university before. And now, as then, it's good to know that if it takes divine intervention to save my remarks, help is close at hand. [Laughter]

I couldn't help but notice the honorees, and I would like to say that I am proud to be numbered among them -- Reverend Henderson, Reverend Theis, Reverend Cox, Reverend Irvin and, of course, Mr. Williams, who's been such a benefactor to this wonderful university and to many other great causes. And let me say how it's not all just religion around here, because I recognize Eric Green over here. How many small colleges have a first-round draft choice for the National Football League? Eric, stand up there. [Applause] And I think we all can recognize that Eric didn't do it alone. Sam Rutigliano is a pretty good influence on these kids around here.

This afternoon, I'm honored to be back here and to join my fellow graduates. Of course, I also want you to enjoy today. Therefore, I'll renew my promise: I will be brief. After all, you've worked and studied for 4 long years, and now comes the hard part: listening to a commencement address. [Laughter]

Looking around campus as we flew in, I marveled at the changes since I was here last: new name, certainly a beautiful new stadium, three times as many students. And it got me to thinking how college itself has changed since my days as a undergraduate. The students are so much younger -- [laughter] -- I can't understand it -- and so much smarter -- that I can understand. Nowadays, with computers, bringing an apple to the teacher has a whole new meaning. [Laughter]

This spring, I've spoken in each of my commencement addresses about another kind of change: the democratic change that in 1989 and '90 has stirred and amazed the world. Last week, at Oklahoma State University, I discussed how this change will affect our Atlantic alliance. Yesterday in south Texas, at Texas A&I, I talked about how the American adventure in democracy inspires greater deeds here at home and around the globe. Earlier today, at the University of South Carolina, my subject was the importance of the rule of law to the emerging democracies in Eastern Europe. This afternoon, I'd like to talk about another element of

democratic change, what I call individual empowerment: loving our neighbors, helping them help themselves.

True democracy, of course, has always entailed putting power in the hands of the individual. The ancient Greeks spoke of it. Millions have given their lives on behalf of it. Perhaps Woodrow Wilson said it best: ``I believe in democracy because it releases the energy of every human being."

More than 200 years ago, we secured democracy through the American Revolution, ensuring rights like freedom of speech, due process under the law, and to think and dream as we choose -- also, I might add, the freedom to pray as we choose, which is why I support a constitutional amendment restoring voluntary prayer. We need the faith of our fathers back in our schools. The rights of free elections, free markets, and the expression of free will form the very essence of America. And over the past year, they've become the message of America, helping liberty triumph over dictatorship in every corner of the globe.

Jerry referred to it, but look at Panama. And he referred to Romania. Look at Romania, where tyrants fell, or Hungary, holding its first multiparty parliamentary election in more than four decades. Look at Czechoslovakia, where last week U.S. soldiers returned to the small town of Plzen they freed exactly 45 years before. Finally able to celebrate, the Czechs greeted the GI's as brothers, liberators. Love united strangers. There was magic in the air.

What I call the Revolution of '89 has been a year of democratic change, and never has democratic change spawned a greater age of freedom. Nor have individuals your age had a greater chance to enrich the Earth. Yet as I said 2 weeks ago, addressing the National Prayer Breakfast, with opportunity comes responsibility. ``America not only is divinely blessed, America is divinely accountable." This accountability means assuring that government does what it must and does it well, but it also means increasing what individuals can do, empowering people politically by showing them how democracy works and economically by fostering the entrepreneurship and competition and investment so crucial to private enterprise. Empowerment must also be spiritual and intellectual through the scholarship vital to everything we are and can become. Great goals? Yes. Obtainable? You bet. By acting as what I term a Thousand Points of Light: volunteers who measure life by holding themselves accountable for the well-being of their community.

The idea of voluntarism, or community service, is rooted, first, in faith. Perhaps a little boy put it best with this simple prayer: God bless mother and daddy, my brother and sister. And, oh, God, do take care of yourself, because if anything happens to You we're all sunk. [Laughter] Like that boy, we believe that God requires us, as He says in Micah 6, ``to act justly and to love mercy."

Community service is also grounded in our history. Think of the pioneers who tamed a wild frontier -- clearing forests and building towns -- or the teachers of a century ago -- ill-supplied,

paid less than $30 a month, often boarded in small homes with large families. They knew the future lay in children, through education. Remember Clara Barton? She, too, was a catalyst who empowered individuals. And today we have with us Art Williams, whose magnificent We Can Make a Difference program is helping to make kinder the face of the Nation and gentler the face of the world. For over 200 years, we have freely accepted, as Dwight Eisenhower said, ``whatever sacrifices might be required of us." The reason: In a world with so much emphasis on imports and exports, America's major export has always been generosity.

Today, more than ever, we need to use that generosity to combat such global problems as hunger and health care, literacy and helplessness. Remember, individually, we can change a life; collectively, we can change the world. Each of you can reject membership in a ``me" generation, proving that yours is the ``we" generation, and in the process show how a definition of a successful life must include serving others.

Abroad, this will require real commitment -- drawing inspiration from the heroes of Leipzig and the gulags and Tiananmen Square. In Beijing, students last year quoted Jefferson. Their image of America is not dollars but democratic ideals. We must uphold those ideals through what I call one-on-one caring. And here at Liberty, you are.

Dr. Falwell was telling me about your Kenya relief project and the annual scholarships that you offer to two students from every foreign country in the world -- you talk about an academic United Nations. You've helped a children's home in Korea, a school in Costa Rica; provided medical supplies and clothing to countries in Asia and Europe. This June a student team will complete construction of a medical clinic and food distribution center in Rio de Janeiro. I salute these deeds of the heart, as you give of yourselves -- missionaries in the finest sense of the word.

Yet I also challenge you to build on these deeds once you graduate. You know, there was once a mother who told her son, ``I have a pretty good idea that you skipped your piano lesson and played baseball." The son said he hadn't. The mother said, ``Are you sure?" The son said, ``Uh-huh. And I have a fish to prove it." [Laughter] That's what I call American ingenuity, the kind of ingenuity that can help newly democratic countries secure the freedom and opportunity that we simply take for granted in our great country. Whether raising a family, pursuing a career, continuing your studies, or all of the above -- it doesn't matter -- you can help all America do as a nation what you are already doing locally.

Let me tell a story which illustrates how. It's about an American, Richard Neimeyer, who was part of an HHS initiative -- paid his own way to Romania to address the needs of institutions for disabled children. A 70-year-old man greeted him in tears. ``God bless you for being here," he said. ``Everything about Americans is true. You are here when we need you." Finding no trained aides, no nursing schools, as many as seven babies in a crib, Dr. Neimeyer was soon to return to Romania accompanied now by nurses and doctors and therapists and hope.

This American shows how each of us can make a difference in the life of another, from Poland to Panama, not through a central bureaucratic state but, rather, individually and through the Chamber of Commerce, the Red Cross, your church, or through the Peace Corps, which is operating in Eastern Europe for the first time. In Hungary and Poland, soon to be in Czechoslovakia, volunteers will be teaching English and providing management training. Earlier today at the University of South Carolina, I announced the creation of a Citizens Democracy Corps for Eastern Europe. It will be a clearinghouse for private voluntary organizations, assisting them and challenging their energy and initiative into programs to support Eastern Europe's transition to democracy and free market economies. Yet the need for involvement in the lives of others is not just a problem outside our borders: empowerment must be for Americans, too.

Here at Liberty, you've shown how a Thousand Points of Light can become a galaxy of people working to solve problems in their own backyard. I think of your Elim Home for Alcoholics, your Center for Urban Outreach, and the Liberty Godparent Home for Unwed Mothers. And now let America follow your lead.

Today the choices for your future are many. Make one of them, just one of them, continued commitment to community service. Be tutors at inner-city schools or candy stripers at local hospitals. Assist those without food to eat or a place to sleep or those coping with AIDS. Help not merely colleagues but strangers, stemming their desperate aloneness to make them feel needed and loved. And if you become a lawyer, ask the firm to do pro bono work. If a teacher, volunteer for counseling. Let the Office of National Service -- which our administration formed last year to encourage voluntarism -- let it know what you're doing. Serve at day care centers, homes for the elderly, shelters for the addicts. Join what Edmund Burke called little, but mighty, platoons. Become a light unto the world.

In this more peaceful time, when our armies can become smaller, we must mold a world where the armies of people -- people helping others -- can become bigger, using what has been given to us, freedom and opportunity, to give back of ourselves. Through the adventure of community service, we can unlock new frontiers of empowerment, joining hands and linking hearts to further the work of God and man.

Thank you for this special occasion. Good luck to each of you in the graduating class. And to each of you my most heartfelt congratulations. And God bless the United States of America. Thank you very, very much.

Note: The President spoke at 4:16 p.m. in Willard May Stadium on the campus of the university. In his opening remarks, he referred to Rev. Jerry L. Falwell and A. Pierre Guillermin, chancellor and president of the university, respectively; Reverend Falwell's wife, Macel; Senator John Warner; Rev. Daniel Henderson, pastor-teacher of Los Gatos Christian Church, in Los Gatos, CA; Rev. George Theis, executive director of the Word of Life Ministry; Rev. David Cox,

missionary; Rev. James Irvin, director of Pro-Missions in Memphis, TN; Arthur L. Williams, president of A.L. Williams Insurance Agency, in Atlanta, GA; Eric Green, a member of the Liberty Flames football team and first-round draft choice of the Pittsburgh Steelers; and Sam Rutigliano, coach of the Liberty Flames. Following his remarks, the President returned to Washington, DC.

Message to the Congress Reporting on the National Emergency With Respect to Iran

May 14, 1990

To the Congress of the United States:

I hereby report to the Congress on developments since the last report of November 14, 1989, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170, dated November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)), and section 505(c) of the International Security and Development Cooperation Act of 1985 (22 U.S.C. 2349aa - 9). This report covers events through March 31, 1990, including those that occurred since the last report under Executive Order No. 12170, dated November 14, 1989. That report covered events through September 6, 1989.

1. Since the last report, there have been no amendments to the Iranian Assets Control Regulations, 31 C.F.R. Part 535 (the ``IACRs''), or the Iranian Transactions Regulations, 31 C.F.R. Part 560 (the ``ITRs''), administered by the Office of Foreign Assets Control (``FAC''). The major focus of licensing activity under the ITRs remains the importation of certain non-fungible Iranian-origin goods, principally carpets, which were located outside Iran before the embargo was imposed, and where no payment or benefit accrued to Iran after the effective date of the embargo. Since September 6, 1989, FAC has made 333 licensing determinations under the ITRs.

During the reporting period, the Customs Service has effected numerous seizures of Iranian-origin merchandise, primarily carpets, caviar, and pistachios, for violations of the Iranian Transactions Regulations. FAC and Customs Service investigations of these violations have resulted in forfeiture actions and imposition of civil monetary penalties amounting to $409,736. Numerous additional forfeiture and civil penalties actions are under review.

In the case of United States v. Ahmad Elyasian, the defendant was sentenced to 2 years' probation, a $3,000 fine, and the merchandise was forfeited. Criminal proceedings are pending in various jurisdictions involving several individuals and corporate entities. One arrest warrant is outstanding.

2. The Iran-United States Claims Tribunal (the ``Tribunal''), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. Since the last report, the Tribunal has rendered 38 awards, for a total of 476 awards. Of that total, 341 have been awards in favor of American claimants: 210 of these were awards on agreed terms,

authorizing and approving payments of settlements negotiated by the parties, and 131 were decisions adjudicated on the merits. The Tribunal has dismissed a total of 30 other claims on the merits and 65 for jurisdictional reasons. Of the 40 remaining awards, 2 were withdrawn and 38 were in favor of Iranian claimants. As of March 31, 1990, awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at $1,296,219,879.08.

As of March 31, 1990, the Security Account has fallen below the required balance of $500 million 33 times. Iran has replenished the account 33 times, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. Iran has also replenished the account twice when it was not required by the Accords, for a total of 35 replenishments. This figure includes the transfer of $243 million to the Security Account on November 22, 1989, from Dollar Account No. 2 held at the Bank of England. The total amount in the Security Account as of March 31, 1990, was $643,268,583.07. The amount in the interest account as of March 31, 1990, was $118,520,896.63. The aggregate amount that has been transferred from the interest account to the Security Account is $695,648,999.39.

3. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for $250,000 or more. Over 70 percent of the nonbank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 145 such claims on the docket. The largest of the large claims, the progress of which has been slowed by their complexity, are finally being decided, sometimes with sizable damage awards to the U.S. claimant. Since the last report, eight large claims have been decided.

4. The Tribunal continues to process claims of U.S. nationals against Iran of less than $250,000 each. As of March 31, 1990, a total of 432 small claims have been resolved, 38 of them since the last report, as a result of decisions on the merits, awards on agreed terms, or Tribunal orders. Eight contested claims have been decided since the last report, raising the total number of contested claims decided to 36, 18 of which favored the American claimant. These decisions will help in establishing guidelines for the adjudication or settlement of similar claims. To date, American claimants have also received 72 awards on agreed terms reflecting settlements of claims under $250,000. The Tribunal's current small claims docket includes approximately 200 active cases.

5. In coordination with concerned government agencies, the Department of State continues to present U.S. Government claims against Iran, as well as responses by the U.S. Government to claims brought against it by Iran. Since the last report, the Department has filed pleadings in eight government-to-government claims. The Department defended a claim concerning standby letters of credit brought by Iran against the United States in a hearing before the Tribunal. In addition, 15 claims have been settled.

6. Since the last report, nine bank syndicates have completed negotiations with Bank Markazi Jomhouri Islami Iran (``Bank Markazi," Iran's central bank) and have been paid a total of $2,403,504.53 for interest accruing for the period January 1 - 18, 1981 (``January Interest"). These payments were made from Dollar Account No. 1 at the Federal Reserve Bank of New York (``FRBNY"). Moreover, under the April 13, 1988, agreement between the FRBNY and Bank Markazi, the FRBNY returned $1,748,999.00 of Iranian funds to Bank Markazi. This amount includes settlement amounts for two syndicates that made no claim to the funds held on their behalf in Dollar Account No 1. All such funds were consequently returned to Bank Markazi. That transfer represents the excess of amounts reserved in Dollar Account No. 1 to pay off each bank syndicate with a claim for January Interest against Bank Markazi.

On November 3, 1989, the United States and Iran agreed to the disposition of $810 million in Dollar Account No. 2 at the Bank of England that was not needed to pay remaining claims against that account. Pursuant to that agreement, on November 22, 1989, $243 million was transferred to the Security Account and $567 million was returned to Iran. The latter payment was made in accordance with the Algiers Accords, which calls for the return of excess funds in Dollar Account No. 2 to Iran.

7. Since the last report, there have been no amendments to the Iranian Assets Control Regulations, 31 C.F.R. Part 535, administered by the Office of Foreign Assets Control. There have been no amendments to the Iranian Transactions Regulations, 31 C.F.R. Part 560, since their publication on November 17, 1988.

8. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States properly to implement the Algiers Accords. Similarly, the Iranian Transactions Regulations issued pursuant to Executive Order No. 12613 continue to advance important objectives in combatting international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

George Bush

The White House,

May 14, 1990.

Nomination of Robert E. Lamb To Be United States Ambassador to Cyprus

May 14, 1990

The President today announced his intention to nominate Robert E. Lamb, of Virginia, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus. He would succeed Bill K. Perrin.

Since 1985 Mr. Lamb has served as Assistant Secretary of State for Diplomatic Security. Prior to this, he has served in various positions at the Department of State, including Assistant Secretary for Administration, 1983 - 1985; Administrative Counselor in Bonn, West Germany, 1979 - 1983; Deputy Assistant Secretary for Passport Services, 1978 - 1979; Deputy Director in the Office of Passport Services, 1977 - 1979; Director of the Office of Personnel/Career Management, 1976 - 1977; Special Assistant in the Bureau of Administration, 1974 - 1976; Deputy Director of the Regional Finance Center in Bangkok, Thailand, 1973 - 1974; and administrative officer in Kathmandu, Nepal, 1971 - 1973. In addition, he served as an administrative officer for the Bureau of Administration in the Office of Operations, 1969 - 1971; and personnel officer in career management, 1968 - 1969. He was assigned to the Foreign Service Institute in 1964. In 1963 Mr. Lamb entered the Foreign Service.

Mr. Lamb graduated from the University of Pennsylvania (B.A., 1962). He was born November 17, 1936, in Atlanta, GA. Mr. Lamb served in the U.S. Marine Corps, 1958 - 1961. He is married, has three children, and resides in Alexandria, VA.

Nomination of James Wilson Holsinger, Jr., To Be Chief Medical Director at the Department of Veterans Affairs

May 14, 1990

The President today announced his intention to nominate James Wilson Holsinger, Jr., to be Chief Medical Director at the Department of Veterans Affairs for a term of 4 years. This is a new position.

Currently, Dr. Holsinger serves as the Director of McGuire Veterans Administration Medical Center in Richmond, VA. Prior to this he served as chief of staff for the Veterans Administration Medical Center in Augusta, GA. In addition, Dr. Holsinger serves as conference lay leader for the Virginia Conference, United Methodist Church in Richmond, VA.

Dr. Holsinger graduated from Duke University (B.A., 1960; M.D., 1964; Ph.D., 1968) and the University of South Carolina (M.S., 1981). He was born May 11, 1939, in Kansas City, KS. Dr. Holsinger has served in the military since 1960 and serves as a major general in the U.S. Air Force. In this capacity, he serves as the Assistant to the Director for Logistics in the Office of the Joint Chiefs of Staff. Dr. Holsinger is married, has four children, and resides in Richmond, VA.

Remarks at the Welcoming Ceremony for President Zine El Abidine Ben Ali of Tunisia

May 15, 1990

President Bush. Mr. President, welcome back to the United States, and welcome back to the White House. I look forward to continuing the dialog that we began last November, and we are pleased to have this opportunity to welcome you to Washington for a longer visit than was possible last year.

We're especially pleased to have this opportunity to repay the fine hospitality that Tunisia showed us in 1983 and then again in 1986, when I visited as Vice President. As with those journeys, your visit continues a tradition of high-level discussions, demonstrating that our relations -- dating back to 1797, and close since Tunisian independence in 1956 -- are still sound and growing.

True to its heritage as an ancient crossroads between Europe and Africa, Tunisia has played an effective role as intermediary between the Arab countries and the West. It's been an example of pragmatism, stability, and progress in the Middle East. And Tunisia has consistently supported a peaceful, negotiated resolution to the Middle East issues, including the Arab-Israeli conflict.

Tunisia also has an impressive record in other respects. It has the highest literacy rate in north Africa. It has always honored its debt obligations. It is persevering in the fourth year of a disciplined, market-oriented restructuring of its economy. And it's made a renewed commitment to democracy.

Your visit comes at a time of transition for north Africa. And we look forward to this opportunity to consult closely on the broad range of issues and concerns that we share. Today your friends in the Maghreb are searching for prosperity and stability. Political pluralism and market-based economies have taken root and are beginning to flourish there. Towards this, Tunisia's reforms are a potential model. We support Tunisia's commitment to democracy and a market-oriented economy, and pledge continuing assistance and cooperation in these important efforts.

It is fitting, Mr. President, that you should visit as we approach our Memorial Day services. From my visits to your homeland, I recall the moving sight of the American military cemetery in Carthage, spread out across 27 acres donated by Tunisia, a dramatic plateau between the Mediterranean and the Bay of Tunis. There in north Africa lie the graves of nearly 3,000 brave Americans who gave their lives in the allies' first major overland offensive in World War II, 3,000 Americans who will never come back home. And there in north Africa are inscribed the names of nearly 4,000 missing, 4,000 Americans whose fate will never be known.

But their sacrifice remains well-known to all. That sight reminds us that the ties between the United States and Tunisia are old and deep. And their sacrifice, like the sacrifices of freedom-loving people everywhere, reminds us of the new opportunities for both progress and peace that are today sweeping the world.

Amid this time of great change, both in the world and in the region, we look forward to our discussions with President Ben Ali, who also comes to Washington as the current President of the Arab Maghreb Union. We welcome him with a spirit of understanding and cooperation, looking forward to our conversations as allies and as friends.

Welcome back, Mr. President. God bless you and the friendship that is shared by our two nations. Thank you for coming.

President Ben Ali. In the name of God, the clement, the merciful, Mr. President, I'm conveying the warmest greetings and the most sincere expression of friendship of the Tunisian people to the American people, whom we highly regard and admire.

Indeed, we are proud of the deeply rooted friendship between our two countries, which dates as far back as 1799, when the first treaty was signed between the United States of America and Tunisia. This treaty as well as the agreement that followed do illustrate the common determination of our two countries to establish relations founded on mutual respect and close cooperation, and to undertake joint action towards upholding the noble principles in which we believe, and promoting security and peace among nations.

Mr. President, it is with great pleasure and deep gratitude that we recall the support extended by your country to Tunisia during its national struggle for freedom and independence, as well as the assistance our country has been receiving from the United States in its efforts towards achieving development and progress. Our visit comes in fulfillment of our common resolve to strengthen the bonds of friendship between our two peoples, as well as the fruitful cooperation between our countries. Indeed, Tunisia, which has entered a new era, is as firmly determined as the United States is to give these relations the attention and the support they deserve. Mr. President, we are pleased to say that we are committed as firmly as you are to the ideals of democracy, human rights, and free market economy, for such are our fundamental choices. And we are confident that you will continue supporting and strengthening these options.

We have welcomed with as much satisfaction as you have the historic changes the world is witnessing today, which mark the triumph of the noble principles in which we both believe. Indeed, such changes illustrate the determination of peoples and their legitimate aspirations to secure dignity and freedom.

Mr. President, the privileged position held by your country and the important role it plays on the international scene entails major responsibilities in the active contribution it has to make for the

triumph of rightful causes: the causes of justice and freedom, as well as the support for the efforts of development and progress. All these endeavors will help establish a balance between the members of the international community in which the rights of individuals and nations are safeguarded and the security, stability, and well-being of mankind guaranteed.

Mr. President, I would like to reiterate my deep appreciation and sincere thanks for your warm welcome and kind words, and am looking forward to the valuable opportunities that my visit will provide for talks and consultation on matters of common interest in order to strengthen our bilateral relations as well as security and peace in the world. Thank you.

Note: President Bush spoke at 10:12 a.m. at the South Portico of the White House, where President Ben Ali was accorded a formal welcome with full military honors. President Ben Ali spoke in Arabic, and his remarks were translated by an interpreter.

Statement by Press Secretary Fitzwater on the Federal Budget Negotiations

May 15, 1990

The President met for 1 hour and 40 minutes this afternoon with congressional budget negotiators to consider a Federal budget that would reduce the deficit substantially on a multiyear basis, allow the economy to continue to grow, strengthen the budget process, and avoid the adverse economic and programmatic effects of a stalemate that otherwise might ensue. The President and the negotiators agreed that it was important to reach an agreement as soon as possible. The President discussed the reasons for these summit meetings. He said there was no immediate crisis. ``We are fortunate that the economy continues to grow," he said, ``but it is important to act while the economy is still growing, for growth is not as strong or secure as it should be."

The President said interest rates are higher than forecast and receipts are lower. S&L related borrowing is up, so the estimated fiscal 1991 deficit is also going up. The President concluded his opening remarks by saying, ``The American people are tired of seeing the budget process seem to fail year after year. They would welcome our doing the job right and our fixing the process at the same time."

The congressional leadership gave opening remarks concerning their interest in achieving a successful agreement, and all indicated a shared responsibility by both branches of the Government to reach agreement.

Budget director Dick Darman outlined the current budget status. Several Members discussed the extent of this problem and the difficulty of the task faced by negotiators. The group concurred that they must tackle this problem in good faith and would not publicly discuss specific recommendations or proposals.

Congressman Richard Gephardt will chair the next meeting Thursday, May 17, on Capitol Hill.

Toasts at the State Dinner for President Zine El Abidine Ben Ali of Tunisia

May 15, 1990

President Bush. Mr. President and distinguished members of the Tunisian delegation, it's a great honor for Barbara and me to welcome you back to the White House -- a great pleasure, a personal pleasure.

We have some things in common. Before becoming President you were an ambassador. You come from a large family, in which you take great pride. You also take pride in physical fitness, and from a youthful passion for soccer to an interest in jogging today. And I'm told you like to keep your staffs jumping -- [laughter] -- by heading out onto the streets for surprise visits with your countrymen. You keep track of your Cabinet personally, using a home computer. Your home computer is called an Apple -- [laughter] -- mine is called John Sununu. [Laughter] Looking at you, I can't believe this, but I'm told that you take great pride in your role as a grandfather. You're a youthful one at that.

But in this country, the combination of grandchildren and computer games has produced some unexpected results. This is a true story, Mr. President. The most popular computer game in America is called Teenage Mutant Ninja Turtles. [Laughter] Don't worry about the translation; it doesn't make any sense in English, either. [Laughter]

But tonight, in a more serious vein, I want to toast a leader who, with dignity and respect, took Tunisia through a critical transition in its history. President Ben Ali's peaceful and constitutional accession to power in 1987 really marked a turning point in Tunisia's history. He boldly but wisely chose the difficult path of political and economic reform.

Tunisia's greatness as a nation goes back to the earliest foundations of Mediterranean civilization. For centuries, Carthage dominated the western Mediterranean, rivaling the splendor and the power of Rome. And Tunisia today serves as a model of pragmatic change in the Arab world -- a country that looks to the future, not to the past; a country that has shunned the path of radicalism; a country that draws on the progressive tradition within its north African and Islamic heritage to address the challenges of a fast-changing world without, outside your borders. And you've already faced great challenges with the tenacious and pragmatic approach that we admire, and we will support you in your efforts.

Mr. President, in our welcoming ceremony this morning, I described the American military cemetery in Carthage, where nearly 3,000 brave Americans are buried in Tunisian soil. And let me conclude tonight with the words left on your shores by their commanding general, America's beloved President Eisenhower -- Ike -- when he spoke in Tunisia when he was President back in

1959.

Ike noted that he'd last visited your beautiful country exactly 16 years earlier, 1943, in the midst of a war that we thought would bring permanent peace. And he added -- and this is his quote -- ``We have found that peace does not come just because the guns are stilled. We have to work for peace. We have to work with our hearts, with our substance, with our hands. We have to work all the time to maintain the peace and to make it more secure."

Mr. President, our talks here today reflect President Eisenhower's sentiments. They've strengthened the special friendship that is already deep and enduring; improved our understanding of each other's concerns; and laid the foundation for expanded cooperation and, yes, for expanded peace in the region and expanded peace in the world.

Earlier this morning, we enjoyed a glorious day out there on the South Lawn. And in Tunisia, it is common to compliment a visitor who brings rain. But because Washington has just weathered 2 weeks of rain, Mr. President, today we appreciate your bringing us the sunshine.

So, let me ask all of you to toast the health and success of President Ben Ali and the friendship between our two great nations. Welcome, Mr. President.

President Ben Ali. In the name of God, the clement, the merciful, Mr. President, it gives me pleasure to express to you, Mr. President, and to Mrs. Bush my thanks and gratitude for the warm welcome and kind hospitality extended to me personally and to the Tunisian delegation accompanying me. Such a warm reception sincerely reflects the mutual friendship and respect that characterize our traditional and sustained ties and represents a further step towards the consolidation of our common values of freedom, democracy, and defense of human rights.

Mr. President, ladies and gentlemen, the world is witnessing major radical changes in accordance with people's will and aspiration for freedom, democracy, and protection of dignity of individuals and of the community as a whole. Those changes reflect undoubtedly the common values that we both share. In fact, we have fully subscribed since November 7, 1987, to these very principles, as we are convinced that evolution is necessary as well as the fulfillment of the aspiration of the Tunisian people.

We have consequently reorganized the Tunisian society on a new basis to enable Tunisians to exercise their natural and legitimate rights and to live freely and democratically in a state of law and constitutional institutions. We are also committed to a policy of free market economy and open the way to private initiatives.

In view of the emergence of regional groupings and the need to find ways to deal with them, the Maghreb States have succeeded in establishing a union that I have presently the honor to chair and which is a great achievement, with a flexible and open structure which responds to the

aspirations of the peoples of the region for cooperation and integrated development.

Mr. President, we have, on various occasions, called upon the international community to bring in a qualitative change in its relations, one taking into account the international detente and going beyond the international relations between advanced countries and developing ones to reach a more comprehensive concept designed for laying down a covenant for peace and progress that preserves the interests of all parties and brings about a new spirit of solidarity and justice. We believe that such an achievement is likely to provide the propitious climate which will give new impetus to the democratic process that has widely emerged on the international arena, ensure balanced development, protect our societies from the dangers of regression and extremism, and alleviate the tensions that threaten peace and security in the world.

Among the chronic factors of tensions within our region, in the Middle East and Africa, we have to mention the Palestinian-people issue and the conditions prevailing in South Africa. We believe that, owing to its weight, the position it enjoys, the influence it exerts, and its traditional and noble values, the United States can persuade Israel to respond positively to the bold initiatives taken by the Palestinian leadership and endorsed by Arab summits and to recognize the legitimate national rights of the Palestinian people. As to South Africa, while the situation is still a source of concern, despite the recent positive development, it is necessary that the international community should continue its support to leader Nelson Mandela's pledge to eradicate apartheid and build a society founded on equality and respect of democracy, standards, moral values, and international law.

Mr. President, ladies and gentlemen, my visit to your country, with which we are maintaining a traditional and deep-rooted friendship, aims at strengthening and enhancing these relations for the benefit of our two countries, as we share a commitment to freedom and democracy and work for peace, security, and stability in the world on the basis of people's right for self-determination and solidarity between nations.

Ladies and gentlemen, I invite you to stand up and join me in a toast in honor of the President of the United States and Mrs. Bush as an expression of our deepest appreciation for the feelings of friendship he expressed this morning to Tunisia -- a country he visited more than once -- and a tribute to the American people. Long live the Tunisian-American friendship. Thank you very much.

Note: President Bush spoke at 8:15 p.m. in the State Dining Room at the White House. In his remarks, he referred to John H. Sununu, Chief of Staff to the President. President Ben Ali spoke in Arabic, and his remarks were translated by an interpreter.

The President's News Conference

May 16, 1990

The President. Today I'm making an urgent appeal to Congress to come to the assistance of the peoples of Nicaragua and Panama. I announced my original request for $500 million in assistance to Panama on January 25th. On March 13th, I submitted my modified request for $800 million for both Nicaragua and Panama. At the time of submission, I asked the Congress for passage of the legislation by April 5th. When that date passed, I asked for passage in time for Violeta Chamorro's inauguration on April 25th. I also asked Members of Congress, in public and in private, that the bill not be loaded with extraneous items.

Members of our administration have met with the Congress to explain the content and the urgency of this request, but the Easter recess came and went with no passage. And moreover, the bill has tripled in size as extraneous items have been piled onto it. Even worse, the additional amendments include provisions that I vetoed as recently as last fall, provisions that have absolutely nothing to do with Nicaragua and Panama.

I've met repeatedly with the leadership of both Houses of the Congress to urge rapid passage. In the last several days, I've shared with them the contents of this letter that I received from President Chamorro of Nicaragua pleading for prompt passage.

The situation in Nicaragua is critical. Mrs. Chamorro's government is absolutely bankrupt, and there are strikes and demonstrations in the streets. She's asked me for an emergency bridge loan, but I can't provide that because the Nicaraguans have no assured means of repayment. And our hands are tied, and I can't provide a loan anchored on legislation which is not assured.

Panama is also in dire need of the jump-start that our assistance will give to enable it to recover from the economic devastation of the Noriega dictatorship.

We're now facing the Memorial Day recess without the assurance that this legislation will be passed. I would like the legislation this week, certainly early next week. But I will call on the Congress to remain in session until it completes action on a bill that I can sign. We must not let this procedural gridlock in the Congress destroy the hopes for freedom in these two fledgling democracies. I feel very strongly about it, and I will again appeal to Congress to get moving on this bill.

Arms Reduction Negotiations

Q. Mr. President, officials accompanying Secretary of State Baker to Moscow say the Soviets have backtracked on earlier agreements on arms control. Does it appear unlikely that you'll have the outlines of a START treaty to sign at the summit? And how much of a setback would that

be?

The President. Terry [Terence Hunt, Associated Press], I wouldn't say that it appears unlikely. I have not heard from Jim Baker since the talks have started in Moscow. I expect we'll be hearing pretty soon. But I would not predict that these matters cannot be resolved in time for the summit. But if they're not, we're going to keep on because we want a START agreement, and I'm convinced the Soviets want a START agreement.

Summit With President Gorbachev

Q. How much of a cloud has been put over the summit by the tension, the Soviet pressure on the Baltic States?

The President. I'll be able to answer that a little more after Jim comes back from Moscow, but I'd say that it has certainly put some tension on the summit. We want to see negotiations or dialog or whatever you call it -- discussions between Gorbachev and the Lithuanians get going. And then I'd like to see the release of that economic pressure on Lithuania. And that would clear the air fast. But until something like that happens, there will be tension.

But we have a broad agenda of items that we must go forward on. We have negotiated with the Soviets when all of Eastern Europe was in captivity and when we had Cold War times. I'm unhappy about the state of play in the Baltics because I'd like to see them obtain their desire of freedom as soon as possible. But I feel it's important from our standpoint, the important standpoint of Eastern European countries and Western European allies and, indeed, the whole world, that we have these discussions with Mr. Gorbachev. And I look forward to them very much, and I particularly look forward to the private ones, where I can get a better feel for the problems facing him and I can tell him of our priorities in a very frank setting.

Pending Legislation

Q. Mr. President, will you sign the Panama-Nicaraguan aid bill if it contains funding for abortion? Will you sign the parental leave bill? And will you sign the civil rights act?

The President. I will not accept the Nicaragua-Panama bill with that mischievous language placed on it. It has nothing to do with Nicaragua and Panama, and it ought to be taken out. But if it comes to me that way, it'll go right back up, and we'll still urge the Congress to do what they ought to do to help these democracies.

What were the other two?

Q. The civil rights act and parental leave. You have -- I mean, you removed a veto threat on civil rights, and the threat remains on parental leave.

The President. Civil rights -- we're working hard to get agreement. We've had a series of meetings. I've participated in two of them. We've had three at the White House with leadership groups. Our staff is working with Congress, and I hope we can narrow the differences enough so that we can go forward together on this legislation.

And parental leave -- I've got some real problems with that one, but I just have to wait until I get recommendations on it.

Federal Budget Negotiations

Q. Mr. President, the Democratic leaders who came out of yesterday's first round of the budget talks indicated that before they're going to advance any proposals at all for dealing with the problem they want to hear first the administration's discussion of how grave the problem is, and then an administration proposal or set of proposals for dealing with it. Does the administration have ready a set of budget proposals that would address the deficit fully at this time?

The President. Not fully, but Dick Darman has already begun discussions after yesterday's meeting with Congressman Gephardt. And I think that the negotiation can go forward so that both sides come to the table, say what they think, and we get an agreement. I'm confident we can get one, but this mandating who does what first -- that's not going to get the job done. So, we're going to go up there -- no preconditions -- and have a good discussion. And I think after there's some initial posturing around we're going to make some headway. We have to make some headway.

In terms of the magnitude of the problem, I do feel that we have an obligation to be sure the Congressmen understand it. But, Brit [Brit Hume, ABC News], in this sense of going out right now to the American people, I want to go out when we have a bipartisan answer to the problem. Say, here's what the problem is, and here's what the answer. And if I go out there today, we don't have a bipartisan answer. And that's the only way this problem's going to be solved. It's not going to be done one party or another. And it is urgent enough. And when the Congress sees the data and the estimates, and then CBO [Congressional Budget Office] and OMB work with the estimates, I'm convinced that we'll have enough of a sense of urgency that we'll go forward and get a deal.

Q. Well, Mr. President, surely you must recognize that part of the reason why they're so wary is that they heard what they thought were conflicting signals from the administration, last week -- you saying no preconditions; Governor Sununu [Chief of Staff to the President] suggesting something quite otherwise. First of all, what happened there? And second, what did you say to him about that?

The President. Well, I haven't said anything to him about it. But I've heard conflicting signals

out of Congress from the first day I said no condition -- people trying to interpret what that meant -- and a wide array of blasts out of Congress, on both sides of the aisle.

But it doesn't help for me to do anything other than to cool it down and say: Look, we've got a big problem. Here's the problem, let me explain it to you all, as best OMB can. You tell us how CBO sees it. Then let's, as Lyndon [Johnson] said, reason together and try to get a deal and then make sure the American people understand how serious it is. But, Brit, I'm not going to go out there and do something that might inadvertently suggest crisis and frighten markets.

What I think we ought to do is get agreement on the size of the problem and then have a bipartisan answer. This is very sensitive stuff. Right now the markets are reasonably optimistic, and there are reasons to be optimistic about the economy. Earlier on, there were some predictions of recession, but right now it appears that most economists don't think there will be a recession. So, we're blessed by dealing with this problem at a time of some growth -- not the robust growth that some of us would like to see but with some growth. And yet there are still some concerns on the part of the Fed and others on inflation, so I don't want to inadvertently send the wrong signals to the markets.

Q. Mr. President, Mr. Darman has already indicated that there is little probability of getting all the cuts that are necessary in a problem that's estimated at $100 billion. What is your predisposition towards stretching out or amending Gramm-Rudman so that you can do this at a more measured pace?

The President. Charles [Charles Bierbauer, Cable News Network], it's a very good question, very direct, and I'm not going to answer it because I am not going to go out there with a lot of suggestions to part of the problem. And I've said that. I've agreed with the Congress. I think they're not supposed to do that, either. So, we will conduct our discussions in private, and then we will have recommendations. That might be part of it, because the problem is pretty big. But I don't have a position on that because I've said there are no preconditions.

Q. Well, sir, actually your spokesman, Mr. Fitzwater, has listed some conditions. He says you wouldn't -- --

The President. Down with him. Down. He's -- [laughter].

Q. You wouldn't do anything on the budget deficit, and you wouldn't advocate any solutions that would be a drag on the economy. My question to you is: Can you be persuaded that a tax exists that would not be a drag on the economy? Do you know of any such taxes?

The President. John [John Cochran, NBC News], you're trying to get me to do that which, just 1 second ago, I said I wouldn't do. And I'm trying to negotiate and to keep the negotiating process in good faith. But I just can't -- if I start going into answering questions like that, no matter how

much merit they have, then I start having conditions or preconditions; and I can't do that and deal in good faith with Congress.

Q. Well then, can I ask for your concept of leadership on this?

The President. Yes.

Q. You will not advocate any solutions? You will not go on prime time television to spell out the nature of the budget deficit?

The President. At the appropriate time, I will.

Q. You will? When will that be?

The President. I don't know. We got to get on with what I told you the process is. And the process is not setting preconditions, and the process is to go forward in good faith with the Congress. And I think they're dealing in good faith. I believe that the two leaders I've been dealing with want this process to go forward in this way.

Q. Is this the biggest test of your leadership on a domestic problem?

The President. I expect so.

China

Q. Mr. President, you are facing a deadline on the decision of granting most-favored-nation status to China.

The President. Yes.

Q. Can you tell us, first of all, if you've made the call? Secondly, if you haven't, what pressures do you face in terms of once again rewarding China in the absence of significant concessions or changes on their part?

The President. I have not made a decision on it. That issue is under, I would say, lively discussion. I have seen significant editorial comment that urges strongly against cutting off MFN. That comment coming from people that were quite critical of me in the way I handled the student matter. In other words, they would have preferred to see the Pelosi legislation as opposed to the executive action that I took. There's another dimension that -- you ask what the thought process is here -- that it relates to Hong Kong, that it is quite important in terms of trade, a significant importance. Some of the people that opposed my earlier approach are urging that

MFN continue.

And so, it isn't an easy call because I don't want to send a signal that we are happy with the human rights record. I still am of the mind that having contact and working in an area where there has been progress on the economic side with China is important.

So, these are some of the ingredients we're considering right now, but it isn't that clear a call for me yet.

Q. Well, do you think that you might not grant most-favored-nation status as a way to signal them of the disappointment that you have admitted to because they haven't changed that much after Tiananmen Square?

The President. I'm not suggesting that's what I plan to do.

Family and Emergency Leave Legislation

Q. Mr. President, a lot of Republicans, especially Republican women, Congresswomen, are wondering how you could threaten to veto a bill that would guarantee job security to pregnant women and other people with family emergencies, especially since every other industrialized nation except South Africa has such a bill?

The President. I think it boils down to the concept of whether you are in favor of mandated benefits or not. And one of the complaints I get from our close proximity to the Governors and working with the Governors is, please don't mandate more benefits from the central government. So, we've had a difference. I've been quite open with my concerns about that, and yet I have great respect for the Republican women and others that you mention that differ with me on that one.

U.S. Hostages in Lebanon

Q. Mr. President, a few weeks ago when the two hostages were released, you said you hoped that it was the beginning of a process. Has anything happened since then that has encouraged you that a process is underway?

The President. No.

Q. I mean, is it that blunt? I mean -- --

The President. Yes. [Laughter]

Q. -- -- is it worse than that? Does it look like nothing has happened at all?

The President. I answered it as best I can. I have seen no reason to be encouraged that the process is underway. But I think I said right in this room there were certain things we could do, and we're trying to follow up -- things we can do without violating some fundamental principles on negotiating or trading hostages for something. And we're going forward there.

I remember, I mentioned trying to account for four Iranians that were taken and whom our Government feels are dead. But the Iranians are very much interested in having an accounting for that, and that is something I feel that we can move forward on. So, we're trying to get more information, although they didn't suggest, and I can confirm, that we had nothing to do with the taking of those people. But it's a matter of human concern to their families and all. So, here's an area where we might be able to facilitate matters there.

The Economy

Q. Mr. President, if you cut taxes -- or if you raise taxes -- I'm sorry -- or if you cut spending, either way there will be a drag on the economy unless interest rates also fall. Are you operating under an assumption or some kind of guarantee from the Fed that that will happen?

The President. No, there's no such guarantee. I'd like to see interest rates falling, and I think when the fears of inflation decline one might expect interest rates to come down. But, no, I have no such guarantee.

Q. Well, are you taking, then, a gamble that even if you come up with some kind of package that it won't help the actual economic performance today?

The President. I think you raised a very good economic question, and that is: How much can be taken out of an economy, what percentage of the GNP can be taken out in terms of taxes, and not threaten the dynamism of the economy? One figure that I've heard bandied about is -- I want to be careful here -- but I'd say we're growing at, what, 2 percent of each -- now it looks like we're growing at 2-percent growth GNP. And I'd say anything over half of that would risk doing what you say -- slowing down the economy further -- and that's exacerbating the problem rather than making it better.

Federal Budget Negotiations

Q. Mr. President, if I could return to the budget negotiations for a second, there's a lot of speculation -- without getting into the details of the negotiations -- about why you personally decided the matter was urgent enough now to resort to this process. Is it because you're afraid interest rates might stop the economic growth that you want so much? Is it because the automatic spending cuts would be too painful for the country to absorb? Or are you just

frustrated that the deficit continues to restrict your ability to maneuver on a lot of issues?

The President. I want to say almost all of the above, but it's really that when you take a look at the most recent estimates -- and one of the ingredients in the shortfall has been interest rates -- is that the problem is of such a magnitude that we need to address it. It's more that than it is a fear of any specific categories. Just big enough that we have to do something about it, and that's why I have taken the approach I have taken.

But in here, you see, it is a place where we need to get understanding from the American people. But I want to go there saying: Look, here's the problem. Everybody's agreed on it now. We're not going to have some new organization come in and argue with the estimates, and that means getting CBO and the OMB together as much as possible. Here's a bipartisan answer -- taking compromise here, give and take there -- and this is what we must do as a nation on the deficit. I'm hopeful that we will be able to come forward with such an agreement that will enable me to do that.

Q. Do you have a timetable of your own?

The President. No. We talked about timetable this morning, Jerry [Gerald Seib, Wall Street Journal], but that has not been agreed with Congress. And again, I want to work with them on these answers, not do it just in -- --

Offshore Oil Drilling

Q. For sometime, you've hinted, Mr. President, that you would ban offshore oil drilling off the coast of Florida. Can you tell us where you are now on that decision as well as the issue in California?

The President. A while back, I said weeks and not months, and today I'll say days and not weeks because we've just concluded a meeting with those Cabinet Departments that have recommendations to make to the President. And now we've got to sort it out internally. But I can't give you an exact date, but we're getting very close to making recommendations in that regard.

Q. Can you tell me, is there a big difference in how you see the situation in Florida compared with California?

The President. I think I've already said that I'm concerned about the environmental aspects as it relates to Florida, albeit the drilling, as I was told this morning, is quite a ways offshore -- the leases are. But that is a highly sophisticated and sensitive area. So, I've already said that, but I don't want to suggest that I don't feel that way about certain areas off California.

Another aspect of all this is the overall energy requirements of the country. And regrettably, I'm going to have to make a decision on this, or feel compelled to, before we have our whole energy study, which is quite important. But I have to go forward anyway without that, and it's too bad. I am increasingly concerned about our dependence on foreign oil. So, it is my responsibility, then, to balance out these needs.

Assistance for Nicaragua and Panama

Q. Mr. President, I know you're -- as a former Member of the House, that you know it's not unusual for legislation to be loaded down with amendments. Have you exhausted all administrative relief for -- possibility of relief for Panama and Nicaragua and contingency funds?

The President. Yes, we have. I tasked the Treasury, upon hearing from Mrs. Chamorro, to see if there is some way to arrange a bridge loan. And as I said in my statement, regrettably you can't make a bridge loan based on pending legislation; in other words, using pending legislation to bridge it, to pay it off. So, we've tried very hard on that. Indeed, I asked -- through General Scowcroft [Assistant to the President for National Security Affairs] -- the Secretary of the Treasury to see if we couldn't encourage private lending to help Violeta get across this difficult problem. And they run into collateral problems as well. So, it is a matter of dire urgency, and -- --

Q. Did you tell the Democratic leaders that yesterday?

The President. Yes, I did.

Q. -- -- the budget? What did they say?

The President. They said they'd try very hard. With fairness to Speaker Foley, I talked to Congressman Jamie Whitten about it, and it is very frustrating. And I think the American people are frustrated by the inability of the Congress to do business in a prompt and orderly fashion. I believe this has the support of the American people.

Federal Budget Negotiations

Q. Mr. President, many of the participants from yesterday's budget meeting came out shaking their heads and scratching their heads in frustration at the size of the problem -- as you just talked about here -- magnitude of this deficit problem and the lack of trust that appeared to be in the room. In fact, one of the participants said they all turned back their papers that they had written notes on so that no one would be able to quote from them. And they all said it's going to take a lot of leadership -- --

The President. That was a heartening development, Jessica [Jessica Lee, USA Today].

Q. -- -- a lot of leadership. I'm wondering, what is it that you think you can do that can move the atmosphere forward, the atmosphere of trust, first of all, so that people will believe in the good faith that you are expressing?

The President. I think there was a meeting that involved a fair degree of trust. I don't think people think I'm trying to blindside them in the Congress. That might have been early on when I first said, Let's go, no preconditions, but I didn't get the feeling of distrust. And when people handed the papers back, it was so the process could work in an orderly fashion. And it wasn't the Republicans that suggested it, as I recall. It was a Democratic leader who said, Let's leave these and let our group that's going to meet on Thursday discuss these matters, and discuss it in as quiet a surrounding as possible, without having a big flurry out there surrounding the discussions. And so, I think I interpreted that as a determination to work together, Jessica, not the other way. I hope I'm right.

Q. But they all say that there's a stalemate about how to address the one side of the equation, the tax side of the equation, that it's going to take leadership to move things. Someone's going to have to move first now. Do you have some -- --

The President. That's what the process will do. No tricks.

Q. -- -- trick in your bag to make them forward, or are you -- --

The President. No tricks in the bag. But when you start a negotiation, a labor management negotiation, they get behind closed doors, and they say: Now look, here's our view. And what is yours? And reasonable people go forward and try to negotiate. So, I think the Democrats did come down -- some of them -- saying, Well, you should go first.

I said to them, Wait a minute, who appropriates all the money? Where's the revenue? Who's got the obligation under the Constitution to raise the revenues? So, let's not talk about who's going first. We've got a problem. We have a national problem. And I want to be a part of having the American people understand the problem, and I want to have an answer to the American people that I know can work. And it's not going to work with just Republicans or just the White House or just the Democrats.

So, I think we got over that hurdle -- I hope we did -- of suspicion. And I'm trying very hard here today because these are good, tough questions about procedure and substance. And I am not going to get into those. I'm going to try to keep my share of the bargain by not discussing what we might do or might not do, what my bottom line is, what my opening wedge is, because once I do that, you'll have 435 people in the House doing it and 100 in the Senate. And that isn't the way we're going to solve this national problem.

Thank you all very, very much.

U.S. Bases in the Philippines

Q. How about one on the Philippines, Mr. President?

The President. The Philippines?

Q. Yes. Do we need those bases there now as much as we did in the past?

The President. I thought our negotiator made a very sound statement -- Rich Armitage -- on the Philippines, because what he pointed out is, we don't have a total blank check regarding this. And there's another point he made: And if we're not wanted there, we're not going to be there.

And so, this isn't something that is absolutely essential to the United States. They're great facilities, those two facilities, and we will negotiate in good faith. But there are certain parameters; there are certain limits to what I will do, what I will accept as President. And it's very important that we -- in dealing in good faith -- that the Philippine Government and its leaders know that. And that's why I strongly support -- which Rich Armitage said, or what I saw that he said on the television, which is almost that.

Q. Will we be able to protect our interests in the Pacific if we're thrown out of the Philippines?

The President. Yes, there are other ways to skin this cat. But some of them are quite expensive, and some of them are less expensive. But you can be assured I am looking at those options.

Note: The President's 47th news conference began at 12:17 p.m. in the Briefing Room at the White House.

Message to the Congress Transmitting a Report on United States Countermeasures to Political Repression in China

May 16, 1990

To the Congress of the United States:

I am transmitting herewith the report on bilateral and multilateral measures taken in response to the military crackdown in China in June 1989, pursuant to Title IX, subsection 902(c), of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (P.L. 101 - 246).

George Bush

The White House,

May 16, 1990.

Nomination of David Passage To Be United States Ambassador to Botswana

May 16, 1990

The President today announced his intention to nominate David Passage, of North Carolina, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana. He would succeed John Florian Kordek.

Since 1989 Mr. Passage has served as Director for Africa of the National Security Council at the White House. Prior to this, he served as Director of the Office of Regional Affairs in the Bureau of African Affairs at the Department of State, 1986 - 1989; Deputy Chief of Mission at the U.S. Embassy in San Salvador, El Salvador, 1984 - 1986; Deputy Director of the Office of Southern African Affairs at the Department of State, 1982 - 1984; National War College, 1981 - 1982; Deputy Spokesman and Director of the Office of Press Relations at the Department of State, 1979 - 1981; Political Counselor at the U.S. Embassy in Canberra, Australia, 1977 - 1979; and Special Assistant to the Secretary of State, 1975 - 1977. In addition, he has served in the following positions at the Department of State: as a political officer at the U.S. Embassy in Quito, Ecuador, 1974 - 1975; special assistant in the Bureau of Politico-Military Affairs, 1972 - 1974; on the Secretariat staff, 1971 - 1972; in the Operations Center, 1970 - 1971; a pacification program analyst in Saigon, Vietnam, 1969 - 1970; and a political officer at the U.S. Embassy in London, England, 1966 - 1968. Mr. Passage entered the Foreign Service in 1966.

Mr. Passage graduated from the University of Denver (B.A., 1964) and Georgetown University (M.S., 1966). He was born June 16, 1942, in Charlotte, NC. Mr. Passage resides in Washington, DC.

Nomination of Richard Wayne Bogosian To Be United States Ambassador to Chad

May 16, 1990

The President today announced his intention to nominate Richard Wayne Bogosian, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chad. He would succeed Robert L. Pugh.

Since 1988 Mr. Bogosian has served as Director of the Office of Monetary Affairs at the Department of State. Prior to this, he served in the following positions at the Department of State: as Ambassador to Niger, 1985 - 1988; Director of East African Affairs, 1982 - 1985; chief of the aviation negotiations division, 1979 - 1982; Deputy Chief of Mission at the U.S. Embassy in Khartoum, Sudan, 1976 - 1979; and chief of the economic section at the U.S. Embassy in Kuwait, 1972 - 1976. In addition, he has served at the Foreign Service Institute for Economics, 1972; in the Bureau for Intelligence and Research at the Department of State, 1969 - 1971; in the Bureau of Near East and South Asian Affairs at the Department of State, 1968 - 1969; as vice consul for the U.S. Embassy in Paris, France, 1966 - 1968; at the Foreign Service Institute, 1965; at the U.S. Embassy in Baghdad, Iraq, 1963 - 1965; in the Bureau of Near Eastern and South Asian Affairs at the Department of State, 1963; and at the Foreign Service Institute, 1962 - 1963. Mr. Bogosian entered the Foreign Service in 1962.

Mr. Bogosian graduated from Tufts College (A.B., 1959) and the University of Chicago (J.D., 1962). He was born July 18, 1937, in Boston, MA. Mr. Bogosian is married, has three children, and resides in Gaithersburg, MD.

Nomination of Philip S. Kaplan for the Rank of Ambassador While Serving as Deputy United States Representative to the Negotiations on Conventional Armed Forces in Europe

May 16, 1990

The President today announced his intention to nominate Philip S. Kaplan, of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Deputy U.S. Representative to the Negotiations on Conventional Armed Forces in Europe.

Since 1989 Mr. Kaplan has served as Deputy U.S. Representative to the Negotiations on Conventional Armed Forces in Europe. Prior to this, he served in the following positions at the Department of State: as a senior intelligence officer, 1987 - 1989; Minister and Deputy Chief of Mission at the U.S. Embassy in Manila, 1985 - 1987; Principal Deputy Assistant Secretary of State for Policy Planning, 1981 - 1985; director of multilateral policy at the Bureau of International Organizations, 1979 - 1980; and as a member of the policy planning staff, 1975 - 1979. In addition, Mr. Kaplan has served on the U.S. delegation to the East-West negotiations on mutual and balanced force reductions in Vienna, Austria, 1974 - 1975; as political officer at the U.S. Embassy in Bonn, 1970 - 1974; and as an economic officer at the U.S. Mission to the European Communities in Brussels, Belgium, 1968 - 1970. Mr. Kaplan entered the Foreign Service in 1967.

Mr. Kaplan graduated from the University of Connecticut (B.A., 1959) and the University of California (J.D., 1962). He was born March 28, 1937, in New Britain, CT. Mr. Kaplan is married, has one child, and resides in Millbrae, CA.

Nomination of Russell Flynn Miller To Be Inspector General for the Federal Emergency Management Agency

May 16, 1990

The President today announced his intention to nominate Russell Flynn Miller to be Inspector General for the Federal Emergency Management Agency. This is a new position.

Mr. Miller currently serves as a consultant for the Central Intelligence Agency. Prior to this, he was assistant director in the office of security for the office of the President-elect, 1988 - 1989, and he worked for the Bush-Quayle campaign, 1988. He was a private consultant, 1986 - 1988. In addition, Mr. Miller worked in several capacities with the United States Synthetic Fuels Corporation, including Deputy Inspector General, 1985 - 1986, and Director of Investigation in the Office of the Inspector General, 1981 - 1985. Mr. Miller worked for the Reagan-Bush Presidential campaign, 1979 - 1980. Prior to that he was a career officer in the Operations Directorate at the Central Intelligence Agency.

Mr. Miller received a bachelor of arts degree from the University of Iowa and a bachelor of laws degree from Drake University College of Law. He was born October 25, 1921, in Panora, IA. Mr. Miller served in the U.S. Army, 1943 - 1945, and in the U.S. Army Reserve, 1946 - 1966. He is married, has four children, and resides in Potomac, MD.

Statement by Press Secretary Fitzwater on the Death of Sammy Davis, Jr.

May 16, 1990

The President and Mrs. Bush are deeply saddened by the death of Sammy Davis, Jr. The Bushes are longtime admirers of Mr. Davis, who has given a lifetime to bringing joy to others through his special entertainment and good will. The President and Mrs. Bush telephoned Mrs. Davis on Saturday, May 12, to extend their best wishes and prayers.

Mr. Davis has been a major figure in the entertainment world. His legacy of humor and songs, as well as charity work, will continue to be a part of future generations. The President and Mrs. Bush extend their sympathy and condolences to Mr. Davis' family and friends.

Remarks at a Meeting With the Commission on Civil Rights

May 17, 1990

Welcome to the Rose Garden and to the White House. Thank you all very much for coming. To the Attorney General and Secretary Cavazos and Secretary Sullivan, thank you for joining us; Director Newman, the same. And to Senators Dole, Hatch, and Garn, Congressman Ham Fish, thank you very much for being with us today. To Chairman Fletcher, an old friend and a man I'm very proud of, welcome, sir. To Commissioners Buckley, Ramirez, Redenbaugh, Wilfredo Gonzalez and the State Advisory Committee Chairpersons and to the distinguished leaders -- I see Ben Hooks here and others of the civil rights community across this great country -- it is -- and I mean it -- an honor to have you here today.

I think we've made it a moment that's very hopeful worldwide. In a minute from now, I'll be meeting in this marvelous Oval Office with Chancellor Kohl, talking about the dramatic changes that have taken place in the world. There is a time when the thundering cry for freedom is being heard and answered from Panama, hopefully in Johannesburg, to Warsaw. And around the world, peoples are warring against tyranny, citizens struggling against State control, economies weary of bureaucratic central planners -- all are looking to America as reason for hope, the bright star by which to chart their course to freedom. And so, it's all the more crucial now that we look carefully to the kind of country we are, to the state of democracy here in the Land of Liberty. And we're called upon to ensure that this democracy means opportunity for all who call it home.

Few have worked harder to deliver the promise of democracy, to make an enduring dream a living reality, than the men and women assembled here today in this Rose Garden. And particularly, I want to give credit again to these men and women standing behind me.

From its earliest origins, the Commission on Civil Rights has been an independent, bipartisan voice for justice. And the Commissioners, the Directors, the Advisory Committees all share a cultural diversity and an intellectual and moral conviction that are truly America's best. And these men and women have earned our admiration, and today they deserve our thanks.

Joining a new Chairman -- and as I said, my friend of many years, Art Fletcher -- are two outstanding additions: Carl Anderson and Russell Redenbaugh. I know Bob Dole shares my admiration for Russell, a man of impressive credentials, who knows, as all Americans should know, that physical disability will not be a barrier to service in this administration. That's why I remain firmly committed to the landmark Americans for Disabilities Act to help ensure equal rights and opportunities for these Americans. And today I'd like to announce a new member of the Civil Rights Commission, Mr. Charles Pei Wang, President of the China Institute in America, an outstanding new addition.

Over the last few days, I've met to discuss pending civil rights legislation with leaders representing America's rich tapestry of cultural, religious, and ethnic diversity. And I got, as I knew I would, a lot of sound advice. Much of which I can accept. [Laughter] But these leaders, this Commission, the Congress, and this administration, believe me, all share a common conviction for equal opportunity. It's a responsibility that I've tried to take very seriously, especially now, when our most vital export to the world is democracy. And we must make sure that we as a nation continue to lead by example. We must see that true affirmative action is not reduced to some empty slogan and that this principle of striking down all barriers to advancement has real, living meaning to all Americans. We will leave nothing to chance and no stone unturned as we work to advance America's civil rights agenda.

This nation's progress against prejudice -- from the '64 act to the Voting Rights Act to the Fair Housing and Age Discrimination in Employment Acts -- it's all hinged on the principle that no one in this country should be excluded from opportunity. And so, we're committed to enacting new measures like the Hate Crimes Statistics Act, the HOPE [Homeownership and Opportunity for People Everywhere] initiative of housing, a revitalized enforcement of restrictions against employment bias. This administration seeks equal opportunity and equal protection under the law for all Americans, goals that I know are shared by Senator Kennedy and Representative Hawkins, and certainly by the four distinguished Members of Congress with us here today.

And so, we've supported efforts to ensure an individual's ability to challenge discriminatory seniority systems. We've also moved to stiffen the penalties for racial discrimination in setting or applying the terms and conditions of employment. And today, as we work to ensure that America represents democracy's highest expression, I want to begin by offering three principles that must guide any amendments to our civil rights laws. These principles are firmly rooted in the spirit of our current laws. After the extensive discussions that we've had this week, I think they're principles on which all of us, including the leadership on the Hill, can agree. And so, I will enthusiastically support legislation that meets these principles.

First, civil rights legislation must operate to obliterate consideration of factors such as race, color, religion, sex, or national origin from employment decisions. So, in essence, we seek civil rights legislation that is more effective, not less. The focus of employers in this country must be on providing equal opportunity for all workers, not on developing strategies to avoid litigation.

No one here today would want me to sign a bill whose unintended consequences are quotas because quotas are wrong and they violate the most basic principles of our civil rights tradition and the most basic principles of the promise of democracy. America's minority communities deserve more than symptomatic relief. And we want to eradicate the disease, and that will require systematic solutions, strategies that transcend statistics.

We should empower and ennoble our minority communities. We should seek systematic change

that allows every American to excel. During these meetings this week, I invited the civil rights leadership to work with me to craft a bill that moves us towards this goal. After these consultations, I am confident that this can be done. I want to sign a civil rights bill, but I will not sign a quota bill. I think we can work it out.

The second, civil rights legislation must reflect fundamental principles of fairness that apply throughout our legal system. Individuals who believe their rights have been violated are entitled to their day in court, and an accused is innocent until proved guilty. In every case involving a civil rights dispute, constitutional protections of due process must be preserved.

And third, Federal law should provide an adequate deterrent against harassment in the workplace based on race, sex, religion, or disability and should ensure a speedy end to such discriminatory practices. Our civil rights laws, however, should not be turned into some lawyer's bonanza, encouraging litigation at the expense of conciliation, mediation, or settlement.

Let me add that Congress, with respect, should live by the same requirements it prescribes for others. In '72, the Civil Rights Act of '64 was justly applied to executive agencies and State, local governments; and Congress, however, is not yet covered. This is not an assault on Congress. I'm just trying to -- I've got about -- [laughter] -- but seriously, this inconsistency should be remedied to give congressional employees and applicants the full protection of the law to send a strong signal that it's both the executive branch and Congress that are in this together. And the Congress should join the executive branch in setting an example for these private employers.

Now, we seek strategies that work, putting power where it belongs: in the hands of the people. That means new ideas, like giving poor parents the power of an alternative choice in where to send the kids to school so that all can have access to the best. It means more tenant control and ownership of public housing, tax credits for child care to give parents more flexibility and choice, policies that underwrite prosperity by encouraging capital flow to businesses in poor neighborhoods. The door is open wider now than it ever has been. Together, I believe we can open it still wider.

Today an expanding economy is working in the service of civil rights. And so, let's not set the clock back. Let's look past the differences that divide us to the shared principles and the better natures that we have within us. To the civil rights leadership assembled here today -- Dorothy, excuse me, I didn't see you earlier -- and so many -- I'm in real trouble if I single them out here. Look, I have offered you my hand and my word that together we can and will make America open and equal to all. Now, this administration is committed to action that is truly affirmative, positive action in every sense, to strike down all barriers to advancement of every kind for all people. We will tolerate no barriers, no bias, no inside tracks, no two-tiered system, and no rungless ladders. And I'm willing to take the time to make sure that this is done right, simply because it's worth doing right. Now is the time, really, to extend a hand to all that are struggling

and to devote our energies to a broader agenda of empowerment, that all might join in this new age of freedom.

I am delighted that you all came here. Thank you for bringing honor to this prestigious Rose Garden and to paying tribute to our Commission here, in which I have great confidence and in which I take great pride. Thank you all very, very much.

Note: The President spoke at 10:02 a.m. in the Rose Garden at the White House. In his remarks, he referred to Constance B. Newman, Director of the Office of Personnel Management; Arthur A. Fletcher, Esther G. Buckley, Blandina C. Ramirez, Russell G. Redenbaugh, Wilfredo J. Gonzalez, and Carl A. Anderson, Chairman and Commissioners of the Commission on Civil Rights, respectively; Benjamin L. Hooks, executive director of the National Association for the Advancement of Colored People; Chancellor Helmut Kohl of the Federal Republic of Germany; and civil rights leader Dorothy Haight.

Statement by Press Secretary Fitzwater on Armenia's Expression of Appreciation to Jeb and George P. Bush for Their Earthquake Relief Efforts

May 17, 1990

On behalf of the Armenian Supreme Soviet and Council of Ministers, Soviet Ambassador Yuriy Dubinin presented medallions and certificates of appreciation to Jeb Bush and his son, George P. Bush, in gratitude for ``the sincere sympathy you extended to the Armenian people during their recent misfortunes and the generous help you offered during the aftermath of the devastating earthquake that took thousands of human lives and ruined many cities and towns." The certificates note that the Armenian people ``will never forget this demonstration of human charity." The presentation was made to the President by Ambassador Dubinin during a brief visit to the White House on May 14.

The earthquake struck Armenia on December 7, 1988. Jeb and his son were among the volunteers who accompanied the fourth airlift by Americares, the international medical relief agency based in Connecticut, to Armenia on December 24, 1988. The airlift carried approximately 100,000 pounds of medicines, clothing, and toys for the children of Armenia. The Bushes visited the devastated region around the Armenian capital of Yerevan and conveyed a message of sympathy from the American people to the Armenian people and especially to the children during that holiday season. The U.S. Government also provided disaster relief through the Agency for International Development's Office of U.S. Foreign Disaster Assistance.

Remarks Following Discussions With Chancellor Helmut Kohl of the Federal Republic of Germany

May 17, 1990

The President. Chancellor Kohl and I had an opportunity to follow up on our extended discussions at Camp David back in February and review the progress toward German unification and the progress in East-West relations. I'm grateful to the Chancellor, together with Minister Genscher and Minister Stoltenberg, for taking the time to come to Washington today to continue our important dialog on these historic issues before us.

What's clear from all our discussion over the past months, including our extensive talks today, is that the United States and the Federal Republic of Germany share the same approach and have the same goals regarding German unification. We both want a united Germany which enjoys full sovereignty; a united Germany which is a full member of the Western community and of the NATO alliance, including participation in its integrated military structures; a united Germany which is, as the Federal Republic has been for over 40 years, a model of freedom, tolerance, and friendly relations with its neighbors.

During our discussion today, we reviewed the talks in Bonn on May 5th among Foreign Ministers of the two German States, the United States, Great Britain, France, and the Soviet Union -- those are the two-plus-four talks. Chancellor Kohl and I agreed that these talks should terminate all Four Power rights and responsibilities at the time of German unification. A united Germany should have full control over all of its territory, without any new discriminatory constraints on German sovereignty. Forty-five years after the end of the war, there is no reason that a unified democratic Germany should be in any way singled out for some special status. In keeping with the Helsinki Final Act, Germany should be fully sovereign, free to choose its own alliances and security arrangements. And we agree that U.S. military forces should remain stationed in the united Germany and elsewhere in Europe to continue to promote stability and security.

The Chancellor and I also discussed the broad issues of East-West relations. And I expressed my hope for a successful U.S.-Soviet summit at the end of this month but also reiterated my own concern, which the Chancellor shares, about the situation in Lithuania. We reaffirmed our commitment to the opening of a dialog in good faith between the Soviet leaders and Lithuanian representatives.

We also discussed the forthcoming NATO summit. It will be held in London on July 5th and July 6th. And the Chancellor and I reviewed my proposal that the summit address the political role that NATO can play in the new Europe; the conventional forces the alliance will need in the time ahead and NATO's goals for conventional arms control; the role of nuclear weapons based in Europe and Western objectives in new nuclear arms control negotiations between the United

States and the Soviet Union; and the alliance's common objectives for strengthening the CSCE, Conference on Security and Cooperation in Europe.

At this time of enormous and, I would say, encouraging change in Germany and Europe as a whole, we reaffirm the continuing vital role of the North Atlantic alliance in guaranteeing stability and security. We also want that CSCE to pursue a more ambitious agenda in helping the rising democracies in Eastern Europe join the community of free nations and have a strong voice in the new Europe.

When I visited Germany last May, I spoke of the Federal Republic and the United States as partners in leadership. The remarkable changes that have occurred in this short year since then have fully confirmed that partnership, and we now look together with hope and confidence to a Germany united in peace and freedom and to a Europe whole and free.

Chancellor, thank you very much for coming, sir.

The Chancellor. Mr. President, ladies and gentlemen, allow me to thank you, first of all, very warmly for the warm hospitality with which you have received me here today -- me and the members of my delegation. We had intensive discussions in a very warm and friendly atmosphere.

Allow me to summarize my message in three points. First of all, on behalf of all Germans, I express sincere thanks to the American people, and especially to you, President Bush, for the magnificent support that you have granted from the outset and continue to grant to us Germans during this decade on our path to German unity. The Americans and Germans stood side by side at the time of the Berlin blockade and the erection of the Berlin Wall. And together we championed, not least in the difficult days of the Cold War, our vision of freedom, democracy, and human rights. Now that this vision is becoming a reality in the whole of Europe, that the Berlin Wall is being torn down and sold as souvenirs, that Germany and its former capital, Berlin, are becoming reunited, there is something that is all the more true: The friendship and partnership with the United States continue to be vital to us Germans. Naturally, this also applies to a united Germany.

A united Germany will remain a member of the North Atlantic alliance. But in view of the change occurring in Europe, in view of the triumph of human rights, democracy, pluralism, and a social market economy in the whole of Europe, the alliance must concentrate more on its traditional political role. As the threat is decreasing appreciably, the alliance must keep the initiative in the field of disarmament and arms control and review its strategy and structure accordingly.

I'm extremely grateful to you, Mr. President, for having presented important and forward-looking proposals. Together, with our allies, we shall chart the course at the NATO summit

meeting in London early in July.

Mr. President, allow me to state at this opportunity here, once and again, how important it is going to be for the future of Germany and Europe that the United States take their legitimate place in Germany and in Europe as a whole.

You, Mr. President, and I agreed in our talks that in order to achieve this the three anchorages must be strengthened. That means NATO as an indispensable transatlantic security link between the European and North American democracies. Cooperation between the United States and the European Community -- this is going to be of ever-growing importance in view of the completion of the internal market within the European Community by 1992 and also in view of the ever-closer political union within the European Community. What is also important is the expansion of the CSCE into a system of assured human rights, guaranteed security, and comprehensive cooperation for all 35 member countries. We continue to strive for a just and lasting peaceful order in Europe, in which the division of Europe, also as regards the date, is overcome together with the division of Germany.

Mr. President, for many of us in Germany, a dream is coming true now, is becoming reality also for me. German unity and unity of Europe are two sides of the same coin. We have a lot of reason to be grateful with regard to many who have helped us, but particularly towards our American friends. And you, Mr. President, have a very important role in all this.

Thank you very much.

Note: The President spoke at 2:08 p.m. in the Rose Garden at the White House. In his opening remarks, he referred to German Foreign Minister Hans-Dietrich Genscher and Defense Minister Gerhard Stoltenberg. The Chancellor spoke in German, and his remarks were translated by an interpreter.

Statement by Press Secretary Fitzwater on President Bush's Meeting With Acting President Arpad Goncz of Hungary

May 18, 1990

President Bush met in the Oval Office for approximately 35 minutes this morning with the Acting President of Hungary, Arpad Goncz. President Goncz is in the United States on a private visit. President Goncz was named Acting President by the new democratically elected Hungarian Parliament on May 2. Hungary will have an Acting President until new election laws are enacted this summer.

In the course of the meeting, President Bush expressed his great admiration for Hungary's progress in building democracy, and he reaffirmed the United States commitment to supporting economic growth and democracy. President Bush mentioned the Hungarian-American Enterprise Fund as a means of supporting ongoing economic reforms and strengthening U.S. investment in Hungary. President Bush also discussed the recently announced Citizens Democracy Corps, which is designed to mobilize private voluntary assistance to Eastern Europe.

The two Presidents discussed U.S.-Soviet relations and the situation in Lithuania. They agreed on the need for opening a process of dialog between the Soviet and Lithuanian leaders as a prerequisite for creating a stable environment in which the countries of Central and Eastern Europe can consolidate their democratic reforms. President Bush also stressed the importance of maintaining a strong U.S. presence in Europe, including a military presence as a guarantee of stability. President Goncz expressed his full agreement.

Nomination of Harry W. Shlaudeman To Be United States Ambassador to Nicaragua

May 18, 1990

The President today announced his intention to nominate Harry W. Shlaudeman, of California, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nicaragua. He would succeed Richard Huntington Melton.

Since 1989 Mr. Shlaudeman has served as a consultant to the Department of State. Prior to this, he served as Ambassador to the Federative Republic of Brazil, 1986 - 1989; Ambassador at Large and the President's Special Envoy for Central America, 1984 - 1986; Executive Director of the National Bipartisan Commission on Central America, 1983 - 1984; Ambassador to Argentina, 1980 - 1983; Ambassador to Peru, 1977 - 1980; Assistant Secretary of State for Inter-American Affairs, 1976 - 1977; Ambassador to Venezuela, 1975 - 1976; Deputy Assistant Secretary of State for Inter-American Affairs, 1973 - 1975; Deputy Chief of Mission in Santiago, Chile, 1969 - 1973; and Special Assistant to the Secretary of State, 1967 - 1969. In addition, Mr. Shlaudeman has served as Assistant Director for the Office of Caribbean Affairs at the Department of State and adviser to Ambassador Ellsworth Bunker, 1965 - 1966; Dominican Republic desk officer, 1964 - 1965; political officer in Santo Domingo, Dominican Republic, 1962 - 1964; consul in Sofia, Bulgaria, 1960 - 1962; political officer in Bogota, Colombia, 1956 - 1958; and vice consul in Barranquilla, Colombia, 1955 - 1956. He joined the Foreign Service in 1954.

Mr. Shlaudeman graduated from Stanford University (B.A., 1952). He was born May 17, 1926, in Los Angeles, CA. Mr. Shlaudeman is married, has three children, and resides in Washington, DC.

Nomination of Eugene L. Scassa To Be United States Ambassador to Belize

May 18, 1990

The President today announced his intention to nominate Eugene L. Scassa, of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belize. He would succeed Robert G. Rich, Jr.

Since 1986 Mr. Scassa has served as Executive Director of the Bureau of Inter-American Affairs. Prior to this, he served as Deputy Executive Director for the Bureau of Inter-American Affairs, 1985 - 1986; Division Chief of the Bureau of Personnel, 1983 - 1985; National War College, 1982 - 1983; Administrative Counselor at the U.S. Embassy in Jidda, Saudi Arabia, 1980 - 1982; administrative and conference officer for the U.S. Mission in Geneva, 1978 - 1980; administrative officer for the U.S. Embassy in Reykjavik, Iceland, 1974 - 1977; and administrative officer for the U.S. Embassy in Lusaka, Zambia, 1973 - 1974. In addition, he has served as an administrative and consular officer for the U.S. Consulate General in Monterrey, Mexico, 1971 - 1973; administrative officer for the U.S. Embassy in Madagascar, 1971; administrative officer and consular officer for the U.S. consulate in Mozambique, 1969 - 1971; Special Assistant in the Bureau of African Affairs, 1967 - 1969; administrative assistant for the U.S. Embassy in Libreville, Gabon, 1965 - 1967; communications officer for the U.S. Embassy in Quito, Ecuador, 1964 - 1965; and communications and records clerk for the U.S. Embassy in Panama, 1962 - 1964. Mr. Scassa joined the Foreign Service in 1962.

Mr. Scassa attended Geneva College, 1957 - 1958 and 1960 - 1961, and he attended Florida State University night school, 1963 - 1964. He was born February 6, 1939, in Monaca, PA. Mr. Scassa served in the U.S. Army, 1958 - 1960. He is married, has three children, and resides in Reston, VA.

Remarks at a Republican Party Fundraising Dinner in Dallas, Texas

May 18, 1990

The President. Thank you very, very much. Barbara and I are delighted to be here. And, Phil, thank you for that most generous introduction. You have the heart of old Texas in you. And for a college professor, your brevity was an appreciated departure from tradition, and your comments were far too generous. But Bar and I are just delighted to be back here.

Wasn't Yolanda Garcia marvelous, standing up here without -- [applause]. And, Boone, this is a great party you're throwing for a great party. And so many familiar Texas faces here tonight, people that have shaped this party and served this State. First, of course, our great Governor, my friend Bill Clements. He and Rita have done an outstanding job for the State. And to our chairman from Dallas, Fred Meyer. I'm told he did a lot of the work on this dinner -- Fred. And of course, to the all-time star of Texas, Tom Landry. Where's Tom? Right there. And to Bobby Holt, the finance chairman, my pal from west Texas. And to Fort Stockton's son, Claytie Williams. I'll get to him in a bit -- [laughter]. And to, I guess, the guy that I would always look to as my mentor in Texas politics, my dear friend John Tower, who's with us tonight. I salute him. And of course, our great statewide Republican ticket and the Victory '90 fellow over there, our son George. Glad to be with him. Go Rangers!

And again, so many wonderful friends from over so many years. Barbara and I realized on the way down here that we're talking 42 years ago next month that we moved to Texas. Of course, that was in a '47 Studebaker, and today it was in Air Force One. More leg room now. [Laughter] But all the same, it's just a wonderful feeling of coming home. And Texas remains larger than life in our hearts. It is a place of family and duty and loyalty and honor. But then, what more could you expect from a State whose name means ``friend''?

I'd love to come back home to my friends again next October. Things have to change a little bit. I want to throw out the first ball at the opening game of the Rangers and the Astros in the World Series. We can all dream, you know. [Laughter] I asked George, knowing they needed a little help on the Rangers, if I could try out for the club. He said, ``Don't give up your daytime job.'' [Laughter] Then he added, ``Why don't you go out for the oldtimers' game?''

But also, as we flew in, there's some sadness involved in this homecoming, too, because from the plane and then from our room, Barbara and I saw some of the areas devastated by the flooding. We were astounded that we could only see the tops of some trees where the Trinity's overflowed. Two weeks ago, I signed an emergency FEMA proclamation at the request of our Governor, bringing Federal disaster aid to the beleaguered counties. And how many, Bill, now are there in the official list?

The Governor. I think it's 37.

The President. Way up there, some 37 or more counties -- more counties, more counties being added.

And so, in this terrible disaster, the losses have been heavy. But the one thing that comes through to me from talking to my friends is that this State will never lose -- one thing it will never lose -- and that is its soul. And I heard some wonderful Texans from Liberty talking on the television today. And, yes, Texas is big, but not as big as the generous hearts and indomitable spirit of its people. So you know, when I hear the candidates of the other party, sometimes I wonder if they know the people of this State at all -- know how they think, know how to listen to their voices. I realized you can explain it to them, but you can't understand it for them.

More than 40 years ago, as a salesman peddling drilling bits out in west Texas, I crisscrossed all across west Texas in my car, from Muleshoe to Wink to Notrees, from the panhandle down, Claytie, to Fort Stockton. I learned a lot about the people then. Shared barbecues and saw their pain when they were laid off and the paychecks weren't there. Listening to the pulse of the people -- that's how you hear the heartbeat of Texas, and that's how Texas gets into your blood. Sticks to you like a tumbleweed in a barbed wire fence. And you know, once it's there, it never leaves. For those of you who might be worried that I'm spending too much time in Washington or in Maine and in the Northeast in general, let me tell you that we do get homesick, and that chicken-fried lobster is no substitute for the real thing. [Laughter]

Coming home and seeing what the Texas GOP is doing makes me very, very proud. This is the party of inclusion. And I congratulate Claytie Williams for the kind of race he tells me he's planning to run -- inclusion. And as Phil pointed out -- and no one stands for this more -- of idealism. No one stands for that more than Phil. And of ideas -- the same. You believe that progress is not measured in money spent and bureaucracies built but in people helped. And I'm proud, very proud of this slate, this statewide slate of Republican candidates, the strongest team in the history of the State; proud that for the first time there are candidates for 15 State offices and the United States Senate.

First, of course, there's Senator Phil Gramm. Phil says he's running for reelection like he was running for sheriff in each of Texas' 254 counties. And I believe him. But when he asked to hold the budget talks there at high noon in the middle of Pennsylvania Avenue, I thought he'd gone too far. But let me say this: Thank God that this able Senator is such a key player on the high-level budget negotiations that we're undertaking in Washington now. Thank God for his common sense.

And Clayton Williams, Claytie, the next Governor of Texas -- I respect what he's achieved in business, and we respect his record of success in creating jobs in his 32 years in business. We respect his commitment to fighting this insidious poison of drugs. And we respect that he has

broadened the base of our party. Clayton Williams will bring his own energetic style to the Governor's office. You ought to ride in the limousine with this guy. You get ulcers just watching him jumping up and down in there. [Laughter] And he will stamp his brand of leadership on the Texas of the 1990's. Claytie, I am for you 100 percent. You must and you will win this race and follow Bill Clements into office. It's absolutely essential.

And the rest of this great State and local slate, men and women who make up a coalition that reflects Texas, all of Texas, as it really is and as it will be, a coalition of diverse people -- Kay Bailey Hutchison; Lou Sturns; Rick Perry; Tony Garza; old friend Bob Mosbacher -- Rob; Wes Gilbreath; Warren Harding; Buster Brown -- you are today's Texans, with the large and generous spirit of yesterday's Texans.

You know, on Inauguration Day, I talked in the State of the Union Message about a new breeze blowing. Let me tell you, standing back here in Texas, I can feel it. It is the warm gulf breeze of a State where people are independent minded and open, as bold as its frontiers. It's the wind of a land where risktaking comes from the strength of your beliefs and where your spirit is as big as the Texas sky. Each of you in the Texas GOP has helped to open the window of the musty darkness of outdated big government. You're blowing away the stuffiness of irrelevant liberalism because your new breeze carries the new ideas Texas needs for the nineties, ideas that encourage investment in business and in the business of our children, education.

In Washington we share your belief that education is the only path to a brighter American future. It is critical to everything we are and everything we can become. And I must say, I salute Barbara Bush for her lead in trying to make this country a literate America. We've declared a new era of education reform in America. We began in September with the first education summit in American history, bringing together at Charlottesville the Nation's Governors -- and I will pay tribute here -- including our own Bill Clements, who took a leadership role, brought them together to tackle this crisis.

Last winter we announced our goals -- they were unanimous; they got across party lines -- goals to make American education number one. Among them: American students must be the first in math and science. All children must start school ready to learn, with help from programs like Head Start. They must demonstrate competency in crucial subject areas, while we increase the percentage of graduating high school students to 90 percent. Finally, every school in America must have a disciplined environment and, most of all, be drug-free.

The curse of drugs threatens our communities, our schools, our workplaces and, most importantly -- and God bless them -- our children. There is no greater threat today to the health of the American family and the future of our land. The strength we bring to win the war on drugs has got to be of hurricane force. It must roar with the determination from the smallest town squares to those concrete canyons of our cities.

Our national drug control strategy is clear. The rules of the game have changed. America will no longer tolerate drug use. For too long we condoned that which we should have condemned. And those who violate the law will pay a heavy price. We will take back the streets of our country.

We must and we will stop the horror, the pollution of drugs drifting across our borders. We've designated the Houston area and the southwest border high-intensity drug trafficking areas. This means that you'll receive special Federal enforcement assistance to disrupt and dismantle drug trafficking organizations.

The additional drug legislation that our administration sent to the Hill this week contains a number of proposals that will help stop drugs and drug smugglers from breaching our borders. We've called for more border patrol agents, extending general arrest authority to them so they can enforce our drug laws as they protect our frontier. We're also proposing legislation that will permit authorities to exclude criminal aliens convicted of drug felonies.

And to win this war on drugs, we must continue the fight being waged so well by our own Governor right here in Texas, Bill Clements. We need this Republican team, headed by Clayton Williams, in Austin to continue this cooperative battle. And needless to say, I need Phil Gramm in Washington, where he is a leader in the quest for drug-free communities.

But I need Phil in Washington for something else, and I alluded to it earlier: our struggle with the budget. In this last decade, not once but twice, his vision has changed the fiscal firmament of this land. On Tuesday, we convened an extraordinary, ongoing bipartisan budget summit. Phil is designated -- without the ranking member on the specific committee -- as a key member, one of, I think, only two in the whole process designated by the leadership. He's working closely with me at the table, providing the kind of sound fiscal advice that he's known for.

And so, education, the fight against drugs, the budget deficit -- I think we're making progress, and with our Texan Republican leadership in place in Austin and Washington, we're going to make a lot more progress.

We're going to win here -- you know what's at stake on redistricting across this country -- we're going to win here and across the country in 1990. We have to win in 1990. If we don't, once again the opposition will gerrymander fair representation right out the window and into thin air. The Democratic leaders know that today Republicans will win in a fair fight because times are changing. Party identity, as Phil pointed out to you, is changing.

When I was running, with a spectacular lack of success, for the Senate back in 1964, my first speech was about building a two-party system in Texas. Barbara listened, and three other people listened, and that was it. [Laughter] And that's the gospel truth. But back then during elections, they might as well have put up a sign: Public Office Available, No Republicans Need Apply. Well, today Texas voters have put up a new sign. It tells everyone: Public Office Available, No

Outdated, Big Spending, Bureaucracy-Building, Liberal Democrats Need Apply. And that's the message.

So, the next 6 months are crucial to this State -- I really feel that deep inside me -- crucial to Texas and to our country itself. The future's at stake, and we've got to join together. We're going to take the Republican message to every farm and ranch, to every town and city, to every Texan willing to listen in this magnificent State of ours. And if we do, on election day the people of Texas will lift their faces and feel that Republican breeze of change, of new ideas that's sweeping our land. And then together we can face whatever challenges the future may bring because in togetherness there is strength. And in Texas togetherness is the finest kind of strength of all.

Thank you all very much for your fantastic support for our ticket. God bless the great State of Texas, and God bless America. Thank you. It's a great pleasure to be home.

Note: The President spoke at 7:41 p.m. in the Chantilly Ballroom of the Loews Anatole Hotel. In his remarks, he referred to Senator Phil Gramm, who introduced the President; T. Boone Pickens, chairman of the dinner; Rita Clements, wife of Gov. William P. Clements, Jr.; Fred Meyer, Texas Republican Party chairman; Tom Landry, former coach of the Dallas Cowboys football team; Bobby Holt, finance chairman of the dinner; former Senator John Tower; George W. Bush, general partner of the Texas Rangers baseball team; Kay Bailey Hutchison, nominee for State treasurer; Louis Sturns, nominee for Texas Court of Criminal Appeals; Rick Perry, nominee for State agriculture commissioner; Tony Garza, nominee for county judge; Rob Mosbacher, nominee for Lieutenant Governor; Wes Gilbreath, nominee for State land commissioner; Warren Harding, nominee for State comptroller; and Buster Brown, nominee for State attorney general.

Remarks at the Houston Economic Summit Headquarters and an Exchange With Reporters

May 19, 1990

The President. First, what I really wanted to do is to come by and not just see where all this is taking place but to thank all of you, the volunteers. I think the day when we got Ken and George to cochair this significant international event we were very fortunate. And I guess it goes under the heading of busy people can do the biggest and, in my sense, one of the most important jobs we've got: to be sure this runs right. Then I looked at the array of cochairmen in there, and it's impressive -- the leadership of Houston, from all different parts of our great city. And Ken has told me and then George, who was up in Washington the other day and had gotten briefed on the extent of the volunteer effort here. It is unbelievable, and it is so very important.

And I might say -- I don't know how many of you recognize this guy, but that's General Brent Scowcroft over here. And if we had the luxury of the time I would let him handle any of the tough questions on the -- [laughter] -- international affairs because he is, as you know, the national security adviser to the President and intimately involved in the substantive work that's going to determine whether this summit is a success or not. I am absolutely convinced from what I know already in terms of logistics and appearance and entertainment and presentation of our city to the leaders of the world and to I don't know how many thousand press will be here -- but that's going to go just perfectly. And I'm very grateful to all of you. So, thank you for what you're doing.

The summit, incidentally, will be taking place at a fascinating time, as we see the evolution of democracy in Eastern Europe. We will have had the Gorbachev summit, which happens within a couple of weeks. Then just before I come down here for this -- Brent and I and others, the Secretary -- we will have come -- in fact, I think we'll probably come directly from a NATO meeting, a meeting that we'll discuss this common subject of how will the United States stay involved in a post-German-unification Europe. And then, of course, not only that subject will be discussed amongst our closest allies here but we'll be talking about the broad economic relations between our country. And that affects, obviously, the Government. But those discussions will have an effect on how much trade we do. Here we are in Houston with a very active port, and we're trying to guarantee the success of the Uruguay trade rounds. So, we'll have a lot at stake in terms of substance -- at stake in the sense of how it affects all the business interests and people interests of the people of the United States, not just here in Houston.

So, it is an important meeting, and I am very grateful to all of you for your significant role. And one last point: I lean -- I know I'm a politic -- this is nonpolitical -- but we depend on volunteers. And Barbara and I have both been emphasizing, and I think with some effect around the country, this concept of a Thousand Points of Light, people willing to help others. Well, in a sense, what you all are doing is that concept, because you're helping the city. When Ken told me about this

concept of Houston's Clean and the committee that's all involved in this -- it is a wonderfully significant event. And if it all works out the way we think it will, then we can highlight just that facet of this for the rest of our cities around the country and say, look what Houston did. Admittedly, they had a focus point, which was the summit. But other cities can do exactly the same thing. And in these times of tough financial times for some of the cities, I think we might set an example, Ken and George, for the rest of the country.

So, thank you all very, very -- sorry to drop in on you -- [laughter] -- thanks a lot.

Arms Reduction Negotiations

Q. Mr. President, do you have an update from Baker?

The President. Well, Brent and I were just talking about that. And it's interesting developments, but we're not sure we know all of it yet. I think the General will be in touch and might have a little more later on. But it's -- how would you describe it? Some encouraging things -- --

General Scowcroft. Some progress.

The President. -- -- and some problems that still remain to be solved. So, it's a mixed review right now, but we'll keep going forward. We want the Gorbachev summit to be successful, but it's going to take some give on the Soviet side, in my view. But we're going to keep pushing.

Q. What are they not giving on, Mr. President?

The President. Well, we still have some unfulfilled arms control problems that we're all familiar with.

Note: The President spoke at approximately 9:23 a.m. in the lobby of the Kirby Mansion. In his remarks, he referred to Ken Lay and George Starke, Cochairmen of the Houston Economic Summit Committee, and Secretary of State James A. Baker III.

Remarks at the University of Texas Commencement Ceremony in Austin

May 19, 1990

Governor, thank you. Thank you very, very much. Delighted to be here. A magnificent turnout. Thank you all. Governor Clements -- Bill -- thank you very much for that gracious introduction. And to you and Rita, my profound thanks. I do view you as friends, and I'm very lucky for that. To Congressman Jake Pickle and Beryl, congratulations, and congratulations on the graduation of your granddaughter, Bergan Norris, out here somewhere. And to Chairman Beecherl and members of this distinguished board of regents and to Chancellor Mark and President Cunningham, distinguished platform guests, Reverend Bethune, most distinguished faculty of this great university, thank you all.

I'm pleased to be here, and there is nothing like the great outdoors. For once, it doesn't seem to matter whether you sit on the 50-yard line or not. And I understand I'm also too late for Eeyore's birthday party. But it's great to be back in Longhorn country, just the same.

I gave my first U.T. commencement address in '73, when I had just completed a tour of duty as Ambassador at the United Nations, and I am pleased to be back. And I am grateful and, indeed, honored by this honorary degree [in law]. Thank you very much for that high honor, to the regents.

So many great Americans have given this address, including a former Texas public school teacher by the name of Lyndon Johnson and, later, his wonderful wife who served this university as a regent, Lady Bird Johnson. So, I consider it the highest honor to once again address the graduates of this great institution.

The ideals of U.T. were born with Texas, when the revolutionaries of 1836 called for ``a university of the first class." And Texas began dirt-poor, but Texans were rich in land and vision. And so, what began as a dream of 40 acres of pasture is now a minimetropolis housing some of the best schools in America. Nobel and Pulitzer Prize winners rank among your faculty; National Merit scholars lead your students. So, let me say it loud and clear: The first Texans, in a sense, were wrong. This is not just a first-class university. You are graduates of a world-class university. And if I ever forget this, if I ever should forget that, our Secretary of State, Jim Baker, would remind me, and so would our own son Jeb, another proud graduate of this University of Texas.

Your splendid libraries house the manuscripts of Joyce and Hemingway and Beckett. You are justly proud of rare books and folios that resound with the rich voices of Chaucer and the Italian Renaissance, Shakespeare and Spenser. But a world-class university must have a revered

tradition of its own. And so you do. It was near here that J. Frank Dobie held court with other scholars of the Southwest on the beloved Paisano Ranch, and it was here that Walter Prescott Webb scrutinized old legends and O. Henry spun new ones.

And since then, students from around the world have become a true part of the University of Texas community as U.T. has certainly become more of a part of the world. And within this wide world, you can choose to work and succeed in Paris, France, or Paris, Texas. And in short, you face the best of dilemmas, a wealth of opportunities -- opportunities born of democracy.

In four commencement addresses this spring, I have examined what makes democracy such a special way of life: how democracies refuse to perish by uniting in a strong defensive alliance; how they are strengthened by the rule of law; how freedom empowers people to solve the toughest problems; and how democracy leads to progress and adventure. Tonight, in this, for me, my final commencement address of the year, I want to discuss the personal side of democracy: what it offers us and what we can make of it.

To graduate from college in America is to be as free as any man or woman can be. And now, for the first time in half a century, a new generation in Eastern Europe is reveling in freedom, throwing their caps in the air and shouting to the high heavens because finally they are free to live where they want and free to be what they want. From Austin, Texas, to Berlin to Budapest, we live during a remarkable moment in world history, an exhilarating time: the triumph of freedom.

But freedom has a constant companion: challenge. And so, I am here tonight to challenge you to make the most of our changing world, to live these remarkable times, to take risks, to do something extraordinary. This is what Jack London was getting at when he wrote: ``I would rather be a superb meteor, every atom of me in magnificent glow, than a sleepy and permanent planet. The proper function of man is to live, not to exist."

And of course, you don't have to strike out for the South Seas or the wild country of Alaska like Jack London, but you can make your life an adventure. Next month will be 42 years since my own graduation. And like many of you, I, too, was presented with some choices on my graduation day: further study or maybe a law firm or a bank or the stock market, and probably for me in New York or in the East -- honorable interesting professions, all. But the truly great decisions we make in life are rarely logical or practical. They spring right from the heart. And so, I packed up, Barbara and I packed, and I drove my red Studebaker from the Eastern States of our upbringing to the oil fields of west Texas. And we chose a future that would be uniquely our own. And like most Americans, we were free to live where we pleased, do what we wanted. We came of age at a time when the postwar possibilities of America seemed limitless.

But outside of America back then, the world of free choices was shrinking. Winston Churchill's prediction that an Iron Curtain would sever Europe into two hostile camps was soon fact. An

Iron Curtain did cut Eastern Europe from the West and Germany from itself. And when every brick, every guard tower, and every strand of barbed wire was in place, two worlds existed: one of free people and free choice, and one of tyranny and subjugation. Eventually, millions of men and women were told what to think and study, what job to take, and where to live. Imagine, all that drive, talent, and imagination misused and wasted. Yet many still held fast to what Barbara Jordan calls conviction values. Even under the pain of death, they resisted.

This was the conviction Andrei Sakharov, who, you remember, confronted Khrushchev with the truth on above-ground nuclear testing. And that's one reason the Soviet people revere his memory today. This is the conviction of an electrician from Gdansk, who I'm proud to know, Lech Walesa, who led the Polish people to freedom. And it's the conviction of Vaclav Havel of Czechoslovakia, the imprisoned playwright who now leads a great nation.

Let me tell you a little incident about President Havel and a few other brave souls from the East. It was this man that I had the honor of inviting up to the White House Residence not so many days ago to see the Lincoln Bedroom. And President Havel was in awe because he knew that this room was really President Lincoln's old office, and it was there that Lincoln worked, deliberated, agonized over a terrible war. But President Havel knew that that room is hallowed for one reason above all: It was there that President Lincoln signed the Emancipation Proclamation. It was there in that room that he freed a people, and it was there in that room that I saw President Havel moved to tears by the knowledge that freedom's bell was ringing at long last for his beloved Czechoslovakia.

What one man draws from history another finds in music. President Landsbergis of Lithuania, who adopted Beethoven's Ninth Symphony as an anthem for his people's movement, was asked why the strains of Beethoven should resound through the streets and squares of Vilnius; and he replied that it is because the Ninth is a ``symphony of freedom and victory against slavery, insidiousness, and darkest hatred."

And what one finds in music another finds in words. Consider the case of a man named Cestimir Suchy, a Czech journalist who refused to describe the 1968 Soviet invasion of his country as an act of brotherly love. Mr. Suchy was fired for his honesty, but he was allowed to make a living at a new profession: washing windows. Ask him for his business card today, and it still says Suchy, Window Washer. But this is an example of the man's good humor, for now he has a job with a new title. He is the dean of journalism at Prague's Charles University. Throughout the universities of the East it is the mandarins of Marxist dogma who are now out of work.

Let me tell you one last story, that of Arpad Goncz of Hungary, who came to visit me just yesterday in the Oval Office. Like President Havel, President Goncz is also a playwright. I don't know what it is about playwrights becoming Presidents of great countries in Eastern Europe, but a former anti-Fascist fighter and newspaper editor, he was sentenced to life imprisonment during the 1956 revolution. But once released, he persevered as a dissident, and today he leads the

Hungarian people as their acting President.

And so, the determination of men and women yearning to be free is simply proving tougher than the walls that surround them. Because of their courage, the free world is now more vast than anyone ever dared imagine. And this is our amazing new world of freedom. And with greater freedom comes greater opportunity -- in the East and the West. Whether you will make your careers in the arts, business, law, or science, this can only be good news.

Just this morning, I toured the Houston office of what will be the site of our next economic summit with Canada, France, Great Britain, Italy, Japan, and Western Germany. When we meet, it will be more than just a comparison of balance sheets: it will be an act of fellowship between free nations. These nations stood with us through that long twilight struggle; through the painstaking building of alliances and the endless preparations for a war that must never be; through the human toil and the human toll, the sacrifice of resources that could have been used for gentler ends. And this is what the Cold War has cost Western Europe and America, but that sacrifice has been rewarded by the most precious gift of all: the dawn of new freedom and new hope for millions.

Today we see progress on many important fronts. As you know, Secretary Baker has been meeting this week with Soviet leaders to prepare for my summit conference with President Gorbachev beginning May 31. And while there is additional work to be done, I think Jim Baker's meetings represent a major step forward. This breakthrough should allow us to reach the important goal that we set in Malta: completing the major substantive elements of an historic strategic arms reduction treaty. In addition, we will be able to conclude other arms control measures with the Soviets, including an agreement on dramatic reduction in chemical weapons, as well as technical and commercial agreements. I am confident that the progress that we have made will allow this summit to be another solid step forward in the vital U.S.-Soviet relationship.

Today, as perhaps never before in history, freedom is prevailing throughout the world because freedom works. Freedom is not only right, it's practical. It's not only good, it is better. And it is because of the indomitable spirit of man that the day of the dictator is over. But there are also many extraordinary men and women to be found right here at home, like Felicitas Atabong, a student from Cameroon, who tonight will receive a degree in computer science. She just turned 19. And then there's Maggie Taylor, who graduates tonight with a bachelor of fine arts degree at the age of 70, or Irene Burnside, a nurse whose experience goes back to the Army Nurse Corps in the Pacific theater of World War II. And tonight she earns her Ph.D. in nursing with a speciality in gerontology.

But like them, you -- all of you -- have spent years learning, and now is the time as you leave this great university to spend your life doing. Make your Czech or Polish lessons work for the Citizens Democracy Corps. Put your Spanish in service of the Peace Corps. Or work with

VISTA right here in our precious United States of America. Care for the AID babies. Love every child, in the hospital corridors of your own backyard in Austin to the beleaguered clinics of Central Africa. But whatever you do, live a life of adventure and meaning so brilliant that, like a Roman candle, it lights up the world. Dazzle us. Astonish us. Be extraordinary.

Once again, it is a delight to be back. God bless all of you graduates of this great university, and may God bless the United States of America. Hook 'em, 'Horns! Thank you very, very much. Thank you. Thank you all.

Note: The President spoke at 8:20 p.m. at the Neuhaus-Royal Athletic Complex on the campus of the university. In his remarks, he referred to Rita Clements, wife of Gov. William P. Clements, Jr.; Beryl Pickle, wife of Representative J.J. Pickle; Louis A. Beecherl, Jr., and Hans Mark, chairman of the board of regents and chancellor, respectively, of the university system; and William H. Cunningham, president of the university. The President also referred to the city's annual celebration of the birthday of Eeyore, a character from the Winnie-the-Pooh children's stories by A.A. Milne.

Remarks at the Dedication Ceremony for the Police Memorial in Portland, Oregon

May 20, 1990

Thank you, Chief Walker, and I just want to repeat what I told you: I've been looking forward very much to being here today, pay my respects to so many. And thank you for doing the introduction. Wonderfully brief -- a wonderfully brief introduction. [Laughter]

And let me just say what a pleasure it is to have Bill Bennett with me. He is our leader in the Federal Government, all across the Federal Government, in the fight against narcotics. And in my view, he is doing not only a job of sacrifice but an outstanding job for our country, and we ought to be very, very grateful to him.

And also, one of our great Congressmen is here, Denny Smith, one of the people I count on in Washington in our efforts to fight crime, and also Secretary of State Roberts and Attorney General Frohnmayer, my great friend who is doing a fine job in this law enforcement field -- has been for years -- out front long before its time.

And Mayor Clark and friends, relatives, and all of us who are admirers of Portland's finest, it's a privilege to be with you and to officially dedicate a monument that embodies integrity, sacrifice and, above all, courage -- just plain courage -- qualities that define the essence of law enforcement officers and of the United States of America as well. In the Bible we read: ``Greater love hath no man than this, that a man lay down his life for his friends." The men we salute today laid down their lives for us. We meet today to thank them on behalf of every American.

There will be 21 names on the Portland Police Memorial, names like McCarthy, Owens, Palmer. They ranged in age from 26 to 68. Yet their story eclipses mere stone and masonry, as striking as they are. Each life was precious; each life very, very precious indeed. Each loss, searing and individual. They left behind fathers and mothers and children and wives.

The first to give his life, Thomas O'Connor, died in 1867. He was shot in a saloon, trying to break up a brawl. Like other cops of his day, his task was to civilize society. Six years ago, Stanley Pounds became Portland's last police officer killed in the line of duty. He knew, as we do, that our task must be to defend civility through America's system of law.

Achieving this will require character to rival these 21 policemen who gave of themselves and their lives, cops who knew that in a job where one sees too often man's inhumanity to man one could also prove man's fidelity to honor. They, like the disabled law enforcement officers here, are heroes of the great Pacific Northwest. We must salute them, remember them. But how?

First, in the most elemental sense, by recalling what they stood for -- and against, as well. They were men of peace, fighting crime. They stood for good, against evil. They knew that black and white hats were not Hollywood fiction. They despised the cruelty of thugs who brutalize America's quiet, gentle, decent people.

Second, we can honor them by enacting laws which free our country from the fear of crime and drugs. When we ask what kind of a society the American people deserve, our answer is a nation in which law-abiding citizens are safe and feel safe. We must reject those who soft-pedal the need to be hard on crime.

One year ago this week, I stood on Capitol Hill before a group of law enforcement officials and announced my comprehensive package to combat violent crime. One year later, Congress has addressed part of the problem by providing the new Federal troops we asked for: new agents to arrest violent criminals, new prosecutors to convict them, and new prisons to hold them. But our job isn't finished; it's just begun.

So, today, I call on the United States Congress to pass the major part of the Violent Crime Act, legislation that will back up our new lawmen with new laws, laws that are fair, fast, and final. Fair: an exclusionary rule designed to punish the guilty and not good cops who've acted in good faith. Fast: we need habeas corpus reforms to stop the frivolous appeals that are choking our courts. And final: fair, constitutionally sound death penalty provisions.

I hope by now the country knows my belief; I hope you know my belief: For anyone who kills a law enforcement officer, no legal penalty is too tough. And that goes for drug kingpins who threaten a Federal witness, a juror, or a judge. We want Congress to enact the steps needed to expand the death penalty not sometime, not someplace, but across our great country, America. And I mean now.

The Violent Crime Act will achieve these reforms. And yet for the past year it's gathered dust in the House, spawned weak imitations in the Senate. America deserves better, and so do the 163 police officers who died last year. And tomorrow the Senate begins debate on our crime legislation, and I call on it to honor the memory of police, both living and dead.

Now, I know some say there are reasons for crime, and I say there's never an excuse. And, yes, we support programs for rehabilitation and recovery -- we should. We do. We support education, the goal of which is to keep people off drugs and away from crime. And we support counseling and other steps to prevent crime. But we cannot and we must not neglect law enforcement. When it comes to understanding, I say let's have a little more understanding and caring for the victims of crime and certainly for our law enforcement officers. And that is why our Violent Crime Act is based on three principles: Criminals must understand that if they commit crimes they will be caught; and if caught, they will be prosecuted; and if convicted, they will be punished. By taking hoods off the streets, we can, and must, take back the streets.

Already, we've acted administratively to ensure no deals when criminals use a gun. Our Violent Crime Act goes still further. Remember, it does no good to send law troops into battle wearing handcuffs. And so, I urge the Senate and, in coming weeks, the House to act quickly and build America up by opposing those who would tear America down. Together, let's pass this bill and help win our war on crime.

Yet I was talking to the attorney general coming in here. Our war on the Federal level alone isn't going to get the job done -- can't be won on the Federal level alone. Here in this great State, here in Oregon, as elsewhere, you know that crime is personal; it's not remote. And so, led by Denny Smith, your outstanding Congressman, you founded Oregonians Against Crime, a citizens' crime-fighting group of 115,000 law-abiding Oregonians. We can honor the heroes of the great Pacific Northwest by doing nationally what you're doing locally.

Oregonians Against Crime successfully passed the anticrime initiative that requires repeat, violent career criminals to serve their full sentences behind bars -- no parole, no temporary leave, no time off for good behavior, no weekend passes, none of this mumbo jumbo which blames the failings on the TV or on the schools or other scapegoats of society for the evil of certain individuals.

This initiative, supported by close to 1 million Oregonians, the highest vote total in this State's history, led the Oregon Legislature last year to pass a full slate of anticrime legislation, from more prison cells to tougher sentencing. You have shown the way, and every State in our country should follow. So, I call on all legislatures to boost local law enforcement through new prosecutors, police, and new prisons and by toughening crime laws at the State level, including the death penalty for the killing of local enforcement officers.

This brings me then to the final way we can honor the heroes of the great Pacific Northwest. We must tell their story to generations yet unborn, like the story of two men who are with us today. One is Sergeant Earl Johnson, shot and blinded while trying to cover his fellow officers. The other, Stanley Harmon, shot by a drug addict, now a paraplegic. To you, to your colleagues: a grateful nation salutes you.

Nothing we can say here can equal the sacrifice of Americans like these. What we can do is ensure that that sacrifice was not in vain. So, let us honor the men of this memorial, acting not only through words but deeds, to ensure a future as great as America herself. This memorial will be a monument to a nation that is right-minded and resolute, a people at once unafraid and free. It's my great privilege to now open the tribute to the greatest heroes any country could have: the Portland Police Memorial.

God bless them, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 4:35 p.m. at Memorial Coliseum. In his remarks, he referred to

William J. Bennett, Director of National Drug Control Policy; Barbara Roberts, secretary of state of Oregon; and David Frohnmayer, State attorney general and Republican gubernatorial candidate.

Exchange With Reporters During a Meeting With Representative Denny Smith in Portland, Oregon

May 20, 1990

Northern Spotted Owl

Q. Hi, how are you? What are you going to do with -- --

The President. I'm not taking any questions here. This is what they call a photo opportunity, and I'm not taking questions, especially on Sunday. Denny might.

Q. Denny, you're making some announcement after this, can you clue us in to what it might be?

Representative Smith. Well, it depends on how hard I'm able to twist his arm.

Q. What might it be?

Representative Smith. We've got a real big problem here with the timber supply because of the threatened and endangered species of the spotted owl, and it's important we get a fair hearing and get the opportunity to know whether we're going to have any jobs in the forest industry here.

Q. Mr. President, what's your inclination on that?

The President. My inclination is that we have a balanced policy. There's a lot of people whose livelihood is threatened out here, and I want to hear more about it from this Congressman who's been in the lead on this subject. And I've said that before, I'll say it again at the breakfast tomorrow, and I've been saying that in terms of the environment I want to be known as an environmental President, but I also want to be one who's concerned about a person's ability to hold a job and have a job. And there's a lot at stake here on this question. One of the things I'm doing is listening very careful. I listen to the Attorney General. And Dave Frohnmayer, in whom I have great confidence, and Denny Smith -- been out in front on this question a long time. So, though we had law enforcement at the last event, an area that both of them have had leadership roles in, now we've got some economic questions and some environmental questions. And so, we're listening to find out all I can about it.

Thank you, gang, for your understanding.

Note: The exchange took place at approximately 5:20 p.m. at the Portland Hilton Hotel. Denny Smith was the U.S. Representative for Oregon's Fifth District. David Frohnmayer was State attorney general and the Republican gubernatorial candidate. The northern spotted owl inhabited

an area of the State that was targeted for logging.

Exchange With Reporters During a Meeting With Congressional Candidate Bob Williams in Portland, Oregon

May 20, 1990

Northern Spotted Owl

Mr. Williams. Our position is that we support strongly what you've been saying about a balanced approach -- --

The President. Yeah.

Mr. Williams. -- -- to what you have to protect the owl.

The President. Yeah, we've just simply got to find a way not to throw any of these people out of work. We have it in this question. We have it in other areas -- the Clean Air Act. And I've just determined to come down on the side of the people, but -- --

Q. Mr. President, what about the owl?

Q. What about the owl, Mr. President?

The President. What kind of owl are you inquiring about?

Q. The owl that they say is endangered.

The President. That's the spotted one.

Q. The cute little ones.

The President. The spotted owl. I'm interested in the owl, very much so, and I'm also interested in jobs and the American family. So, we've got a real serious problem here, but we'll find a balanced approach. That's the one you're talking about, Sandy [Sandy Gilmour, NBC News].

Q. Yes, sir, same owl.

Q. What are you going to do with President Gorbachev? Are you taking him up to Camp David?

The President. Jessica [Jessica Lee, USA Today], this is a bona fide photo opportunity, where I

take questions only on the one subject that these guys want to talk about because we're not throwing this open to yet another press conference. Okay?

Q. Mr. President, are you going to change the threatened, endangered species act?

The President. Well, we're trying to find out what is the right thing to do. I'm not sure I know the answer to that yet. Except I do know the answer is we've got to be concerned about the human equation as well as the environmental equation. And I care about the working men and women of this country and what some of these changes mean to their families. So, we're trying to sort this out, and it is not easy, believe me.

Thank you all.

Note: The exchange took place at approximately 6:10 p.m. at the Portland Hilton Hotel. Mr. Williams was a candidate for the U.S. Congress in Washington State. The northern spotted owl inhabited an area of Oregon that was targeted for logging.

Remarks at a Fundraising Breakfast for Gubernatorial Candidate David Frohnmayer in Portland, Oregon

May 21, 1990

Thank you very, very much, Dave, for that wonderful introduction. It's great to be here this morning. It's good to see you, my old friend, Governor Vic Atiyeh, and of course Representative Denny Smith, one of our anticrime leaders in the United States Congress. To Lynn Frohnmayer, Dave's strong right hand, I know she's one of the mainstays of this campaign. I had my picture taken with her family. I think half the audience -- this half -- is all Frohnmayers. [Laughter] But nevertheless, that's okay. We Bushes understand that. [Laughter] Thank you, Lynn, for all you do in this cause.

Oregonians have a wonderful way of making you feel at home. We had a receiving line for some who have done an extraordinary amount for this successful event. I said to one most attractive young couple, I said, ``Where are you all from?" He said, ``Well, we're from eastern Oregon. We're in the frozen vegetable business, but we don't do broccoli." [Laughter] So, I was very grateful for that -- [laughter] -- sensitivity there.

I did want to single out the man who's doing so much to lead the crusade, the fight against narcotics: Bill Bennett. We had a marvelous event yesterday where we were both privileged to honor the police in Portland. Sometimes, we take for granted their service to communities like Portland -- their law enforcement people. So, Bill Bennett was with me, and you should know of the confidence I have in him and the gratitude I feel for him every day for leading this all-important national fight against narcotics.

And of course, it's always a pleasure to join your dynamic Republican leadership: My old friend Craig Berkman, the chairman; and Marylin Shannon; Don Wyant; Frohnmayer finance chairman, always dependable, Claris Poppert; Colonel Morelock. And of course, I want to congratulate and pay my respects to and once again say hello to Norma Paulus. Congratulations on your great victory. And I know Norma Paulus will be an outstanding superintendent of public instruction. When it comes to education, I believe you'll make a great team with the next Governor of Oregon, Dave Frohnmayer. I think it's going to be good for this State.

You know, Dave, as a Texan, if I was wearing that hat, I'd take it off to the Blazers. Couldn't go home to Texas if I did, but nevertheless, I want to salute them. And really, it is great to be back here in Oregon and a beautiful State. So much to do outdoors. I'd love to get in some fishing while I'm here. The way I fish, we don't have 3 weeks to spare, however. [Laughter] But I do remember my last trip with some wonderful adventure, going down one of your most beautiful rivers. But I'm not here today to tell fish stories. I'm here to talk for a few minutes about the future of this State, the future of our great country.

This November, there's going to be an election to decide what kind of Governor will lead Oregon into the 1990's. And I can tell you one thing: Oregon doesn't need a Governor who needs on-the-job training. Oregonians want Dave Frohnmayer, and I'm encouraged by the strong surveys and by the spirit of his campaign.

Dave's a family man. In fact, as I said, I just met three of his five kids -- Katie, Mark, and Kirsten -- and believe me, I know campaigners when I see them. One of them, Kirsten, is even one step ahead of her old man -- her father. [Laughter] She was just elected president of her high school student body. And I know how proud Dave is of her and of all of his children.

Dave is a family man and more: a native Oregonian; Rhodes Scholar; degrees from Harvard, Oxford, and Berkeley -- awesome combination there; professor of law; 49 years old; 6 years in the State house of representatives; and now in his 10th year as attorney general of this State. In 1988 he was reelected with no opposition and both parties' nominations, setting the record as the largest vote-getter in Oregon State history by winning nearly a million votes. And all this before breakfast. [Laughter] I wish I could stick around and see what's next.

We all have an idea of what's next. After a decade as a law professor, another decade in public life, Dave has emerged as a leader in educational excellence. Now the time has come for us to support him, to help him become an education Governor. Like Dave, our administration has made excellence in education one of the top priorities. Back in September, the Nation's Governors joined me at an education summit in Charlottesville, Virginia, to set new education goals for America -- not to dictate to the States, but to set educational goals for America. And in my State of the Union Address, I announced those goals: to better assess students' performance, increase our graduation rate, produce a nation of literate adults, and make our schools drug-free, assure that all children start school ready to learn through programs like Head Start, and ensure that by the year 2000 our students are first in the world in math and science achievement.

The author John Ruskin once wrote: ``Education is leading human souls to what is best and making what is best out of them." By teaching our young people well, we ensure a bright future for them in commerce or public service or medicine, high-tech industries. We make the best out of America, and we build a better America. This is our legacy of freedom to future generations, and it is one that is very important to me as President.

Part of protecting this legacy also means keeping America safe. Dave has served this State as attorney general, protecting our schools and streets from the violence of drugs and crime. During that time, he's won six out of seven cases that he's argued before the United States Supreme Court, the best record of any attorney general in the country.

Simply put, Dave Frohnmayer is the only candidate running with the experience and the determination to stand up and fight the drug dealers and violent criminals that are threatening our neighborhoods. We need Dave's take-charge attitude to take back the streets of America.

But we will also need a strategy that involves both the State and the Federal levels. So, I've asked Congress to pass tougher laws, stiffer penalties, and increase prosecutorial powers in the Violent Crime Control Act. The U.S. Senate will take up these proposals this afternoon. So, let us call on the Senate to take the next step and protect Americans with tougher laws.

Just last week my administration also sent to the Hill new proposals to stop drugs and drug smugglers from breaching our borders, to stop them cold. We've called for more border patrol agents, extending general arrest authority so they can enforce our drug laws. We're also proposing legislation that will permit Federal judges to more swiftly deport criminal aliens convicted of drug felonies. And we will also seek the power to order airborne planes suspected of drug smuggling to land. So, our message to those who traffic in human misery is clear: Keep out of America.

To those who ask if our measures are too harsh, I say that the threat to many Americans, especially those living in the inner city, is too great. Or as Benjamin Rush, a signer of the Declaration of Independence, wrote: ``There are two doors to the temple of tyranny. One is government so strong that it can do whatever it pleases without regard to justice, and the other is government so weak that it cannot protect the public from the worst among themselves."

But there is another side to the drug problem, a personal side, and so, that is why Dave seeks the same approach for Oregon that I seek for all of America: to expand the drug treatment programs. And since I took office, my administration has proposed a 68-percent increase in drug treatment funding; and now we're asking Congress, through our new legislation, to help make those dollars work better. And we want the States to develop drug treatment plans so that the right kind of treatment reaches the people who need it, especially pregnant women and drug-affected newborns.

But it's going to take a coordinated effort by our State leaders across the country to free our citizens of the revolving door approach to criminal law, a comprehensive approach to fighting drugs and crime in this State. And that's another reason why I need Dave Frohnmayer as Oregon's next Governor.

Oregonians also want a Governor who understands this beautiful State. From the Snake River to the Pacific coast, Dave knows and loves Oregon, knows and loves its precious environment. As an outdoorsman, he's deeply concerned, as I am, about preserving and protecting our environment. It's going to take a lot of work to protect this great planet and its wildlife without throwing hard-working citizens out of a job. I reject those who would totally ignore the economic consequences on the spotted owl decision. The jobs of many thousands of people -- it's a human equation -- the jobs of many thousands of Oregonians and whole communities are at stake. But I also think that we ought to reject those who don't recognize their obligation to protect our delicate ecosystem. Common sense tells us to find a needed balance. And together, I am convinced that we can work to find that balance.

We also need to find a balance when it comes to clean air. I am committed to a cleaner environment, and that's why I've proposed the first major revisions in the Clean Air Act in more than a decade. I want Congress to pass a bill that will sharply cut acid rain, smog, toxic pollutants, but Congress has got to respect another kind of delicate ecology: that of jobs and opportunity. So, I call on the House not to keep America waiting for cleaner air, to pass a reasonable clean air bill in line with the compromise that we hammered out with those Senate leaders -- both sides of the aisle -- not another bill that consumers and workers cannot afford.

Here in Oregon, you have a strong Republican team that we need to send back to the United States Capitol. I just can't tell you how much I enjoy working with your friend and mine, Senator Mark Hatfield -- very important that he be reelected -- and the Smith duo, Bob and Denny. Denny, who is with us here this morning, is a key member of our administration's efforts on Capitol Hill. All of these leaders, along with our own Bob Packwood, are tackling the problems of crime and drugs, the environment, and education. But this great team really needs a Governor back home to get the job done right.

You know, at my invitation, Dave came to the White House last fall to talk about these issues and other issues. Maybe he popped in to see his brother -- and I might say, I am very proud of John Frohnmayer and what he's trying to do for this country.

But anyway, Dave's a forceful and passionate spokesman for the people of this great State. He's a fighter. He believes in the people of Oregon. He believes in the principles this State has stood for since Thomas Jefferson sent Meriwether Lewis and William Clark on their noble expedition across the unknown wilderness. They spent the winter of 1805 near the mouth of the great Columbia River, where a memorial still stands in their honor. And it was 87 years ago today that another great leader and outdoorsman, President Theodore Roosevelt, laid the cornerstone of that memorial and spoke to the people of Oregon: ``Let us carry on the task that our forefathers have entrusted to our hands, and let us resolve that we shall leave to our children and our children's children an even mightier heritage than we received in our turn." Those are the words of one of the great conservation Presidents.

Well, Dave Frohnmayer is a man of integrity, achievement, and honor; a man who will leave Oregon an even mightier heritage than the one left to him. I'm proud to say that he's got a good friend in Washington pulling for him on election night. So, let's keep Oregon great; let's keep it Republican; and this November, let's make Dave Frohnmayer the next Governor of this great State.

Thank you all, and God bless you. And now you can have your breakfast. Thank you very much.

Note: The President spoke at 8 p.m. in the Grand Ballroom of the Portland Hilton Hotel. In his remarks, he referred to David Frohnmayer's wife, Lynn; William J. Bennett, Director of National

Drug Control Policy; Craig Berkman, Oregon Republican Party chairman; Marylin Shannon and Don Wyant, Oregon's Republican national committeewoman and committeeman; Lt. Col. Mervin L. Morelock, divisional commander of the Salvation Army; and John Frohnmayer, Chairman of the National Endowment for the Arts. The President also referred to the Portland Trail Blazers basketball team, who had recently eliminated the San Antonio Spurs from the National Basketball Association playoffs, and the northern spotted owl, which inhabited an area of Oregon that was targeted for logging.

Remarks to Members of Self Enhancement, Incorporated, in Portland, Oregon

May 21, 1990

Well, good morning everybody. Thank you for coming out. I'm just delighted to be here to salute Self Enhancement, Inc. You've got the sign right there. And I love that motto, ``Life has options.'' This worthwhile organization was selected as our 69th daily Point of Light, setting an example for the entire country.

Back in 1981 -- some of you guys were just real little ones then, some might not have even been there -- Self Enhancement began as a summer camp for student athletes, and today it's a full-service program dedicated to the total development of disadvantaged young people. Some 700 young people are provided with a positive alternative to drugs and crime and their activities during school hours and after school to improve study skills; expand knowledge; and learn personal responsibility, communication, employment tips. Youngsters whose future was once bleak, can, thanks to Self Enhancement, look forward to futures bright with promise, limited only by their dreams.

And Self Enhancement is providing what these young people need most: not money or a job but something worth so much more, a sense of dignity and self-worth. This group teaches them to believe in themselves and to care about themselves. Once these youngsters find the greatness within them, there can be absolutely no stopping them.

So, keep up the great work. To all of you adults connected with this program, you have my profound thanks and the gratitude of our country, and to all you kids involved, stay in there and get the job done. You've got great and exciting lives ahead of you.

Thanks for coming out to say hello. Thank you all very much.

Note: The President spoke at 8:53 a.m. at Portland International Airport prior to his departure for Los Angeles, CA.

Remarks to Oakwood Community Members in Los Angeles, California

May 21, 1990

Well, it's a beautiful day, and I'm delighted to be here. Thank you, Foster Webster, for inviting me into your home today. I'm pleased to have with me today Director Bill Bennett, who's doing such an outstanding job leading our country's fight against drugs. And of course, another leader in that fight, your own great United States Senator, Pete Wilson. But here in Los Angeles you also have a talented and dedicated chief of police, a man I respect greatly, Daryl Gates, with us here today -- doing a great job and doing it right.

I also want to mention Jim Hahn with us, your city attorney, and your city councilperson Ruth Galenter, here today. Thank you to the community of Oakwood for this welcome and for the extraordinary example of neighborhood unity and dedication which you set for us all. You're truly a Point of Light. Daryl Gates says that's no point of light: this is a beacon of light for the entire country, leading others out of the darkness.

The world which we see now from Mr. Webster's front yard is a good one. Carved on the face of this community is a message of family and future. We see a neighborhood united no longer out of fear but out of strength. This world is one of hope, but the world of this community's memory is not. This vivid world which still haunts many here was a cruel one, one whose inhumanity and hopelessness dominated their lives, where drugs and crime made them prisoners of fear.

And it's from this shattered world that the members of the Oakwood neighborhood crafted a new dream. They wanted to be free in their own homes. So, working with the police, they decided to reclaim their streets, to reclaim their children, to reclaim their future. And they are succeeding.

The first time some neighbors met with the police to discuss what they could do, two police cars were parked outside a resident's home while the officers talked with the people inside. But on the corner across the street, in defiant mockery of the police, drug dealers continued to sell their poison. It was a world of drive-by shootings; of frustrated anger that exploded in gang graffiti, vandalism, armed robberies and, above all, the obsessed tragedy of drug abuse. It was a world held captive to crime; a world without center, without safety, without sense.

But since the community undertook its quest to clean up their streets, police estimate that drug- and gang-related crimes in Oakwood have declined 44 percent. The darkness of drugs, crime, and fear is being banished; and in its place shines the light of honor, respect, and family pride. When the legendary bird called the phoenix was destroyed by fire, it rose again from its own ashes, reborn stronger than ever. Oakwood is a phoenix. It's a magnificent reminder of the power of the human heart.

I want to tell you the story of two boys who grew up here right in these neighborhoods. It's not his name, but let's call the first one Michael. A few years ago, a picture of Michael might have shown him playing baseball down the block -- loving the game, loving the moment. But later would come other pictures -- one of him around the corner from the baseball diamond he loved, selling drugs in its shadow; another of him in gang colors, his gun blazing into the night. Today we see a final picture: His heart hollow, his eyes empty, he drags himself bitterly through the prison he now calls home. He is lost to us now. His life was as brief as the frozen image in that first photograph of innocent youth, when his eyes were looking brightly toward a future he will never see.

Yet in Oakwood, the memory of the emptiness of his lost life will last forever; so will the emptiness left by the devastation of his own neighborhood, shattered by his streetside dealing, rampages of violence, his shootings. For he was Oakwood. His life was the route to take a few years ago when you grew up here with nothing but drugs and crime and hate as your models.

But finally there came a moment when the people of this community could no longer bear what they lived with every day: the wasted lives of those who terrorize and who are terrorized. Michael may never have a second chance, but the Oakwood residents became determined that the rest of their community would have a second chance, a chance to face the sun together.

Let's call the next boy Paul. Last month, when neighbors were holding their candlelight vigil for a drug-free community, a woman noticed a little kid, a little 6-year-old boy at the side, just watching on curiously. ``What's going on?'' he asked. She explained that the vigil celebrated his neighborhood's rebirth. Then she asked him where his parents were. ``I don't have any,'' he answered. It turned out he lived with his grandmother and his uncle, a drug dealer. The boy walked away. The woman thought, Well, that's the sad end of another sad story. But a little while later, as the vigil continued, she saw him again, shyly joining the others. Dressed in his best clothes, he stood in the soft light of a hundred candles, with a candle of his own in one hand, his grandmother's hand in the other.

If Oakwood had continued the way it was going, Paul, too, might have been lost to us, in the tragedy of death or the blank-eyed hopelessness of prison. Instead, he can now grow up playing on a community baseball team coached by the policemen Michael and his gang had spent their young lives taunting. He will help his neighbors paint over the violent graffiti with which Michael's gang had scarred the face of the neighborhood. He will grow up knowing that there is an alternative to drugs and crime, and its name is hope.

That's what we celebrate today. More than this community's freedom from the oppression of crime and despair, we celebrate their hope, their determination, their spirit. In a special way, when the first people decided to take back their community, they lit the first candle of hope. When more and more of their neighbors joined them, their unified spirit shone with a light that banished the darkness of despair.

Thanks to the vision, courage, and wisdom of the residents of Oakwood, we are today witnessing the wonder of a rebirth. It's more than a rebirth of community: it's a rebirth of hope, of life, and of the future. And so, today I am proud to name the Oakwood community the 148th national Point of Light for the inspiration and the example that you are setting for our entire country. Oakwood proves that no community has to accept things as they are. Americans don't have to live in fear. Crime, drugs, hunger, homelessness, and so many other social problems can be driven from every community if every community cares enough to light the candle of hope.

God bless each and every one of you for what you're doing, setting an outstanding example for our great country. And God bless the United States of America. Thank you all.

Note: The President spoke at 12:07 p.m. outside the home of Foster Webster, chairman of the Oakwood Beautification Committee. In his remarks, the President referred to William J. Bennett, Director of National Drug Control Policy.

Remarks to the Council of the Americas

May 22, 1990

Thank you for that welcome, and thank you, Secretary Baker. Jim Baker's just back from a very interesting and highly significant trip to the Soviet Union, which I'm sure you've all read about. From my standpoint, it went very well indeed. I think he's done a lot of clearing the way for what I hope will be a highly successful meeting with Mr. Gorbachev not so many days away from now. I want to thank him. Normally, he's not awake this close to his jet lag recovery -- it takes him a little longer -- but he was looking forward to being here. But he had a tough and grueling trip, and it's still, I'm sure, on him. But I thank you very much for being here today.

To David Rockefeller, my friend and the chairman of the Council of the Americas, I want to thank you. David came to see me a while back and told me of the emphasis that he felt should properly be placed on Central America, South America -- the Americas -- something he's stood for for a long time. But I will address myself to some of those concerns in a minute. But I want to thank him. I want to thank Ambassador Landau and Kim Flower; and, of course, pay my respects to my trusted right arm in the White House in foreign affairs, General Brent Scowcroft, who is head of the National Security Council; to Bernie Aronson, for whom I have great respect and with whom I personally work very closely on a lot of these matters -- he, Jim and I and Brent -- matters affecting our common interests here today.

I am pleased once again to speak to this most influential group, pioneers, if you will, in the private-sector effort to expand trade investment between the United States and Latin America. I'm delighted to address this gathering after what has been a remarkable year of change.

I told a group out in Oregon yesterday, I can't think of a more fascinating time in the recent history of our country, certainly in the Nuclear Age, to be President of the United States. Over the past 12 months, it sometimes seemed that the eyes of the world rest solely on Eastern Europe, on the miraculous transformation that's taken place there. Our friends in Latin America have watched these historic events unfold with inspiration, certainly with awe, but also, I know, with an unmistakable sense of anxiety -- and it was this that David was talking to me about -- concern that our active involvement in Europe will mean a decline in the United States interest in Latin America.

I'm here today to assure you, just as I've assured the many Latin American leaders with whom I've met, that the events of the past year have increased our interests in this region, strengthened our desire to forge a new partnership with the growing forces of freedom in Latin America, because the fact is, the great drama of democracy is unfolding right here in our own hemisphere. Think about the tremendous gains made for freedom just this past year. When I spoke here last May, the people of Panama were preparing to go to the polls, even as the dictator of Panama was preparing to steal the election. And in Nicaragua, civil war raged, the Sandinistas ruled, and the

brave men and women of the Nicaraguan opposition were just beginning the long campaign that led to this year's great victory for democracy.

In Central America -- Nicaragua and Panama; in South America -- Paraguay and Chile. All across the Americas, today more people live under freely elected governments than ever before; and we are closer than ever before to the day when all the people of the Americas, North and South, will live in freedom. Even in Haiti, the scene of so much human suffering and anguish and turmoil, the provisional government has now announced its intention to hold free elections. This Thursday, I will be meeting with the new leader of Haiti, where we're sure to discuss ways that we can support democracy in Haiti.

In all of Latin America, only Cuba remains -- Castro's island -- isolated, totally out of step with the democratic tide. But today we're celebrating the anniversary of Cuban independence. And let me say with certainty that even in Cuba the dream of democracy can only be pushed back a little, only deferred; it will never be destroyed.

As we in the United States welcome our Central and South American neighbors into the ranks of democracy, we must offer them our help and something more: we must offer them our respect, the respect due one free nation from another, and the outstretched hand of partnership.

I've been working with Jim and Brent and others to strengthen our ties. Just this year alone, I've met with Presidents Barco [Colombia], Paz [Bolivia], and Garcia [Peru], at the Andean drug summit in Cartagena. It was a good meeting, incidentally. Here in Washington, I've hosted Presidents Carlos Andres Perez [Venezuela], Paz Zamora, Cristiani [El Salvador], and Endara [Panama], Collor de Mello [Brazil], Calderon [Costa Rica], and Callejas [Honduras], and Prime Minister Manley [Jamaica] as well. And in each case, I've come away from our talks with a strong sense of optimism, and I believe every one of those leaders left the White House knowing that the U.S. is engaged as never before in the future of this hemisphere.

While from country to country conditions differ, we know now that our challenge is to consolidate democracy and accelerate development. That means advancing the intellectual revolution now sweeping Latin America, a movement away from stale statist doctrines; away from dictatorships of the right and the left; toward democracy, free government, free enterprise; toward the true political and economic empowerment of the people themselves.

That means encouraging, for the first time in many cases, genuine free market reform. Even in the countries that claim no kinship with communism, true free enterprise did not exist. In practice, economies were often organized to ensure the prosperity of the people in power, not to open an avenue toward upward mobility for anyone ready and willing to work.

Peruvian economist Hernando de Soto describes the maze of bureaucratic barriers that stood in the way of the entrepreneur and stifled economic growth in his country. De Soto also shows how

much Lima, Peru's capital, owed its economic vitality to what he calls the informal sector, the thousands of individual and enterprising individuals doing business without the consent of the state. De Soto's prescription, and mine -- is to free this economic force, unleash the million sparks of energy and enterprise, let the incentive of reward inspire men and women to work to better themselves and their families.

Already, Latin America is discovering this path. In Brazil and Bolivia, in Argentina, Venezuela, Mexico, Costa Rica, and Jamaica, free market reforms are going forward, creating space for private initiative to take hold and flourish. And as they succeed and as they reap the rewards that will follow this -- I would say what will certainly be a painful transition -- these nations will bring others along in their wake.

We in the United States must do all we can to ensure the future of free markets in the Americas because our nation has a stake in the economic health of this hemisphere. We know that since the late seventies Latin America's share of all U.S. trade dropped from 10 percent of all U.S. exports down to 7 percent. And yet last year, for the first time ever, two-way trade between the United States and Latin America topped $100 billion. As that trade continues to grow, so will the link between our prosperity and the prosperity of our Latin American partners.

Let me provide just a few statistics to drive home this point. Last year the Colombian economy grew 3 percent; U.S. exports to Colombia rose 9 percent. Mexico's economy grew 3 percent, and U.S. exports to that country climbed 21 percent. In Chile, with an overall growth rate of 10 percent, U.S. exports increased by triple that rate -- more than 30 percentage points.

The most effective way to ensure expansion of trade between the United States and Latin America is for all countries of the hemisphere to support a successful Uruguay round. The ambitious agenda in the Uruguay round, including proposals for significant multilateral tariff reductions, will benefit our Latin American trading partners. We are committed to the expansion of trade and investment liberalization, and we seek Latin American support for these very important objectives. In addition, the strengthened debt strategy launched last spring has reinvigorated market-oriented economies and reinvigorated the reforms in Latin America. These economies help provide the needed foundation for democracy itself.

That's why I'm so pleased to report on the progress we've made this past year under the Brady plan. Mexico, Venezuela, Costa Rica have all reached agreements with their creditors on ways to reduce their debt, ways to complement their efforts to restructure their economies along free-market lines, because in the long term, the free market remains the only path to sustained growth.

We all know the private sector plays a crucial role. Taking advantage of new investment opportunities is good for business; but at this critical moment, there's something beyond the bottom line, something that can't be measured simply in terms of GNP. The role the Council of

the Americas can play -- expanding trade and strengthening the private sector -- that role contributes not just to economic growth but to the growth of democracy itself.

Now, there is, of course, an important role for government to play as well, especially during the difficult days of transition from dictatorship to democracy. That's why, frankly, I've called on Congress to provide $800 million in emergency economic aid to Panama and Nicaragua. We have a big stake in this. This aid is critical.

A little over a week ago, I received a letter from President Chamorro, Violeta Chamorro, just 3 weeks into her term in office, telling me that Nicaragua was bankrupt. And yet, for more than 2 months now, this emergency aid has been bogged down on Capitol Hill. To give you an idea of the magnitude of this problem, in March I requested $800 million for Panama and Nicaragua, asking that this bill be finished on April 5th -- April 5th. It's now May 22d, and the funds for Panama and Nicaragua have been reduced by $80 million, even though $1.4 billion in extra spending has been added to this legislation. Finally, it appears the Congress may act this week on this vital measure. For the people of Nicaragua and Panama, meanwhile, democracy hangs in the balance.

So, let me again say to the Congress: The fate of freedom rests in your hands. Do the work of democracy and pass this emergency aid package now.

Today I began by speaking about the changes that have riveted world attention on Europe. Part of the power of the story is that it can be told in intensely personal terms, as the story of the dissident playwright who is now President or of the electrician who came to symbolize his people's hopes for freedom. Democracy's advance in Latin America has produced its share of heroes, and today I'll close with three from one country alone, Latin America's newest democracy, Nicaragua.

For 4 years, beginning in 1979, the year the Sandinistas took power, Enrique Dreyfus was head of Nicaragua's Supreme Council of Private Enterprise, a private-sector group in many ways similar to this one. His criticism of Sandinista rule put him on the Sandinista black list and landed him in prison. Today, with the Sandinistas swept from power, Enrique Dreyfus is not just free from persecution, he is Nicaragua's new Foreign Minister.

In 1985 members of the Sandinista internal security force beat Sofonias Cisneros for criticizing the way the Sandinistas had politicized the schools. Today Mr. Cisneros is Minister of Education.

And on July 10th, 1988, opposition leader Myriam Arguello was beaten, taken from her home in the middle of the night by Sandinista police, tried, and sentenced to 6 months in prison. Today Myriam is President of Nicaragua's freely elected National Assembly.

These three stories underscore in personal terms the truly revolutionary political change that's taken place not just in Nicaragua but across the Americas, change that proves beyond doubt that the day of the dictator is over and democracy's day has come.

For our part, we in the United States must do all we can to help secure for all the Americas the freedom, the peace, and the prosperity we enjoy. Please, keep up, more now than ever, your important work in guaranteeing that democracy succeeds in this precious hemisphere of ours. Thank you for what you're doing, and God bless the United States of America. Thank you all very much.

Note: The President spoke at 11:30 a.m. in the Loy Henderson Conference Room at the Department of State. In his remarks, he referred to Secretary of State James A. Baker III; George Landau, president of the council; Ludlow Flower III, managing director of the council and vice president of the Americas Society; Brent Scowcroft, Assistant to the President for National Security Affairs; and Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs.

Statement by Press Secretary Fitzwater on the Killing of Palestinian Laborers in the Israeli-Occupied Gaza Strip

May 22, 1990

The President wishes to extend his sympathies to the families of the Palestinian workers who lost their lives in the tragic killings in Israel on Sunday, May 20. The President is also deeply troubled by the violent aftermath to these deaths. Besides expressing condolences to the families of all those who have lost their lives amidst the subsequent violence, the President calls upon the Israeli security forces, as well as others, to act with maximum restraint. Additional bloodshed and loss of life will only compound the tragedy.

It is not enough, however, to deplore what has happened and to call for restraint. It is essential to address the political issues that lie at the core of the region's strife. Based on experience, we believe that violence in the Middle East will continue and possibly grow so long as there is an absence of a promising peace process that nourishes hope among Israelis and Palestinians alike.

The United States remains committed to promoting such a political process. We believe that the initiative of the Government of Israel, which the United States has been trying to implement, offers the best path to a negotiating process that would protect Israel's security, further the legitimate political rights of Palestinians, and bring about a broader reconciliation between the State of Israel and its Arab neighbors. We look forward to the quick emergence of an Israeli government that is capable of making decisions on issues of peace and is committed, just as we are, to moving ahead on the peace process.

Statement on Signing the Biological Weapons Anti-Terrorism Act of 1989

May 22, 1990

I am pleased today to sign S. 993, the ``Biological Weapons Anti-Terrorism Act of 1989." This Act will impose new criminal penalties against those who would employ or contribute to the dangerous proliferation of biological weapons, and it will add teeth to our efforts to eradicate such horrible weapons. I salute the bipartisan consensus in the Congress that has demonstrated its support for this humanitarian objective and the leadership's commitment to our shared goal of destroying forever the evil shadow these weapons have cast around the world.

The United States has renounced these weapons, as have all civilized countries, by joining the Biological Weapons Convention of 1972. Scrupulous compliance with the obligations of that Convention and similar prohibitions against the use of chemical weapons are essential to the security of all mankind. I call upon the leaders of all nations to join us in our drive to rid the world of biological and chemical weapons and to do everything in their power to stop the proliferation of these weapons of mass destruction. We must halt and reverse the threat that comes from such weapons and their proliferation. This Act that I sign today is a measured but important step in that direction.

George Bush

The White House,

May 22, 1990.

Note: S. 993, approved May 22, was assigned Public Law No. 101 - 298.

Remarks at the Presentation Ceremony for the ``E'' Star Awards

May 23, 1990

To distinguished Members of Congress and other guests, welcome to the White House. It's a pleasure to have two of our administration's top trade team people here today: Secretary Bob Mosbacher and Ambassador Carla Hills. These two are working every single day, day and night, to open markets for American goods and services. And in my view, they're successful, and I am grateful to both of them. And I also want to single out Susan Engeleiter, head of the SBA here; and all Members of the Congress, once again, welcome.

For American business, confronting protectionist barriers is like having a door shut rudely in your face. And more and more, American business is looking to Carla to open the door and Bob to help them through it. But in the end, it is up to American business to step beyond the open door to enter foreign markets, and that's why I'm here today to present the ``E'' Awards, honoring American firms that have been such outstanding competitors abroad. Later on I'll let you know what the ``E'' stands for, but first -- it does not stand for Elvis, I was asked to point out. [Laughter]

Before I get to the awards, let me talk trade. I believe the protectionist path leads to closed markets, lower living standards, unemployment in our country; and so, our direction is to open markets, expanding trade, and negotiating a set of clear and enforceable rules to govern world trade. And this is the path to prosperity and growth and high employment, and that's why my top trade priority for this year is an ambitious multilateral agreement. We must conclude that Uruguay round of global trade talks by December. And unfortunately, world trade has outgrown the rules of the GATT, of the General Agreement on Tariffs and Trade, that served us so well for four decades.

The United States and almost a hundred other nations, representing more than 85 percent of the world's trade, are working with us to revise and improve GATT's rules. And this is what we're striving to achieve: First, we seek to reform agricultural trade, a market inadequately covered by GATT rules and badly distorted by subsidies and trade barriers that cost farmers and consumers alike hundreds of billions of dollars. There simply cannot be a successful conclusion to the Uruguay round without fundamental agricultural reform. Second, we want to expand market access. We challenge our trading partners to join us in creating a world of sharply reduced tariffs. Thirdly, the United States wants to curb hundreds of billions of dollars of trade-distorting subsidies. And we believe that entrepreneurs should compete on the basis of price and quality, not on the basis of government's deep pockets. Fourth, we want to ensure that the rules we have and those that we are negotiating apply to developing countries so these countries are no longer at the margin of the trading system. Fifth, we want to develop fair rules for new areas -- services, investment, intellectual property -- not covered under current GATT rules. Sixth and finally, we

want to create swift and effective means to resolve trade disputes.

All told, we're striving to incorporate roughly $1 trillion worth of goods and services, a third of the world's trade, that is not sufficiently covered by rules of fair play. In our efforts, we will, of course, work closely with our friends in the Congress and the business community as well, especially the private sector advisers, many who are here today. But time is short; our task is great. I call on our trading partners to move these negotiations forward at the Organization for Economic Cooperation and Development meeting this month and at our Houston economic summit in early July.

This round of GATT is an ambitious undertaking, the last, best chance for the world to enter the next century with free and fair trade for all. So, let me be blunt: To the United States, no agreement is better than a bad agreement.

Even as we're driving at full speed to complete the round, the United States is also making progress in market-opening negotiations with Japan, in keeping the flow of goods and services open with Canada and Mexico, by intensifying our dialog with the dynamic states of the Pacific rim, and by ensuring that America will have access to Europe after creation of this historic single market in 1992.

We're also negotiating trade and investment agreements with the democratic governments of Eastern Europe and engaging in market-opening initiatives with Latin America. They stand to reap enormous gains from the Uruguay round and other steps to integrate their economies into this big global trading system; but the United States will also gain from their new found freedom to invent, to invest, and to imagine. Our objective is to anchor these countries in the ideal of freedom -- economic as well as political freedom. And so, we're striving for free trade not just because it is good for America but because it is good for all mankind.

As the winds of freedom blow down old barriers and liberalize markets from Managua to Warsaw, we must be prepared to take advantage of this historic opportunity to compete and to win. And that's why today I directed the Economic Policy Council to undertake a Commercial Opportunities Initiative to encourage American business to move competitively into foreign markets. The EPC will implement this initiative through a working group called the Trade Promotion Coordinating Committee, TPCC, to be chaired by Bob Mosbacher, our Secretary of Commerce. This Committee will for the first time harness all the resources of the Federal Government to serve American exporting businesses. It will provide a focal point for business and industry in the markets of the world's emerging democracies. And I'm also directing the Committee to promote U.S. businesses in new or neglected markets through official Presidential trade missions, missions to be headed by the Secretary of Commerce.

And so, that is an overview of our trade picture. And now for the ``E'' Awards, a word. At the height of the Second World War, ``E'' Awards were presented to those war plants in recognition

of excellence in production. In a time of peace, we used the ``E'' symbol to celebrate excellence in American exports. And as it turns out, this is a very appropriate time to confer these awards.

You see this week, the Commerce Department is joining with State and local governments, international trade groups, and universities throughout the Nation to celebrate World Trade Week. And this week, I think we really have something to celebrate: last Thursday's announcement that U.S. exports in March hit $33.3 billion -- a record high.

And this is yet another sign that America remains a superpower in world trade. But America's exporting strength is no accident, as all of you here today know. It's the result of the hard work of leaders like our Secretary of Commerce and our dynamic Trade Representative, Carla Hills, here with us here today, but first and foremost, it's because of the leadership of the American worker, the American farmer, the American entrepreneur.

You and all the other ``E'' and ``E'' Star Award winners that we honor today started the decade off in a winning spirit. And you've done something more than just represent your firms: you've represented American drive and creativity to the world. And for that, you have our gratitude and my congratulations and my thanks.

And so, it's a pleasure now to join Bob and Carla in presenting this prestigious award for exporting excellence to 11 outstanding companies that have earned the highest level ``E'' Award, the ``E'' Star. And now, Bob, if you will take over from here.

[At this point, the awards were presented.]

Thank you all very much. Thank you for coming, and congratulations to all these winners. Now everybody else go out there and work harder. Thanks a lot.

Note: The President spoke at 2:04 p.m. in the Rose Garden at the White House. In his remarks, he referred to Susan S. Engeleiter, Administrator of the Small Business Administration. The ``E'' Star Award was presented to the following individuals: Jan R. Endresen, president of Aerotech World Trade Corp.; Harvey L. Herer, president of the American Bureau of Collections; William P. Farrell, president of the American Hardware Manufacturers Association; William E. Fisher, chief operating officer of Applied Communications, Inc.; J.S. Brown III, president of Bruce Foods Corp.; Jonathan M. Kemper, president of Commerce Bank of Kansas City; Robert W. Reid, Jr., president of the Jacobsen Division of Textron, Inc.; Bill Aossey, Jr., president of Midamar Corp.; Dan Williams, president of the Mid-South Exporters' Roundtable; Herman Proler, chairman of the board of Proler International Corp.; and William F. Welsh II, president of Valmont Industries.

The Office of the Press Secretary issued a fact sheet on the same day which contained the following additional information on the Trade Promotion Coordinating Committee (TPCC):

The TPCC will for the first time unify and streamline Federal trade promotion activities, including: collection and analysis of market information; trade events, including trade missions, and identification of agents and distributors; dissemination of information on export financing; representation of U.S. business interests with officials of foreign governments and international organizations; assistance in identifying joint venture partners and foreign research and development projects; and counseling on foreign standards, testing, and certification requirements.

TPCC members include the Departments of Commerce, State, Treasury, Agriculture, Defense, Energy, and Transportation; the Office of Management and Budget; the Office of the U.S. Trade Representative; the Council of Economic Advisers; the Export-Import Bank; the Overseas Private Investment Corporation; the U.S. Information Agency; the Agency for International Development; the Trade and Development Program; and the Small Business Administration.

Nomination of William B. Milam To Be United States Ambassador to Bangladesh

May 23, 1990

The President today announced his intention to nominate William B. Milam, of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary to the People's Republic of Bangladesh. He would succeed Willard Ames De Pree.

Since 1985 Mr. Milam has served as Deputy Assistant Secretary of State for International Finance and Development. Prior to this, he served as Deputy Chief of Mission for the U.S. Embassy in Yaounde, Cameroon, 1983 - 1985; Director of the Office of Monetary Affairs, 1980 - 1983; Deputy Director of the Office of Monetary Affairs, 1977 - 1980; international economist in the Office of Fuels and Energy, 1975 - 1977; financial economist for the U.S. Embassy in London, United Kingdom, 1973 - 1975; and financial economist in the Office of Monetary Affairs, 1970 - 1973. In addition, Mr. Milam was in training at the University of Michigan, 1969 - 1970; an economic officer and Mali desk officer for the Bureau of African Affairs, 1967 - 1969; in economic training for the Foreign Service Institute, 1967; an assistant economic officer in Monrovia, Liberia, 1965 - 1967; and vice consul in Martinique, French West Indies, 1962 - 1964. He entered the Foreign Service in 1962.

Mr. Milam graduated from Sacramento City College (A.A., 1957), Stanford University (A.B., 1959), and the University of Michigan (M.A., 1970). He was born July 24, 1936, in Bisbee, AZ. He is married and resides in Washington, DC.

Nomination of James Daniel Phillips To Be United States Ambassador to the Congo

May 23, 1990

The President today announced his intention to nominate James Daniel Phillips, of Kansas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of the Congo. He would succeed Leonard Grant Shurtleff.

Since 1986 Ambassador Phillips has served as the Ambassador to the Republic of Burundi. Prior to this, he served as consul general for the U.S. consulate general in Casablanca, Morocco, 1984 - 1986; Office Director for the Bureau of International Organizations, 1981 - 1984; student at the National War College, 1980 - 1981; Permanent Charge d'Affaires for the U.S. Embassy in Banjul, Gambia, 1978 - 1980; Deputy Chief of Mission for the U.S. Embassy in Luxembourg, 1975 - 1978; first secretary at the U.S. Embassy in Paris, France, 1971 - 1975; economic officer in the Office of European Community Affairs, 1968 - 1971; and second secretary at the U.S. Embassy in Kinshasa, Zaire, 1967 - 1968. In addition, Mr. Phillips served as vice consul and consul for the U.S. consulate in Lubumbashi, Zaire, 1965 - 1967; third secretary for the U.S. Embassy in Paris, 1963 - 1965; and a foreign service generalist, 1961 - 1963. Mr. Phillips entered the Foreign Service in 1961.

Mr. Phillips graduated from Wichita State University (B.A., 1952; M.A., 1958). He attended the University of Vienna, 1956 - 1957, and Cornell University, 1958 - 1961. He was born February 23, 1933, in Peoria, IL. Mr. Phillips is married, has five children, and resides in Washington, DC.

Nomination of Thomas W. Simons, Jr., To Be United States Ambassador to Poland

May 23, 1990

The President today announced his intention to nominate Thomas W. Simons, Jr., of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Poland. He would succeed John R. Davis, Jr.

Currently Dr. Simons is diplomat-in-residence, visiting scholar, and adjunct professor of history at Brown University in Providence, RI. Prior to this, he served as Deputy Assistant Secretary of State for European and Canadian Affairs; member of senior seminar in foreign policy, 1985 - 1986; Director for Soviet Union Affairs at the Department of State, 1981 - 1985; Counselor for Political Affairs at the U.S. Embassy in London, United Kingdom, 1979 - 1981; Deputy Chief of Mission at the U.S. Embassy in Bucharest, Romania, 1977 - 1979; and chief of the external reporting unit in the political section of the U.S. Embassy in Moscow, 1975 - 1977. In addition, Dr. Simons served as a member of the policy planning staff, 1974 - 1975; international relations officer (MBFR and CSCE) in the Bureau of Politico-Military Affairs at the Department of State, 1972 - 1974; council on foreign relations international fellow at the Hoover Institution in Stanford, CA, 1971 - 1972; political officer at the U.S. Embassy in Warsaw, Poland, 1969 - 1971; consular officer at the U.S. Embassy in Warsaw, 1968 - 1969; Polish language training, 1967 - 1968; and secretary of delegation and technical secretary for the U.S. delegation to the 6th round of trade negotiations in the GATT, 1964 - 1967.

Dr. Simons graduated from Yale University (B.A., 1958) and Harvard University (M.A., 1959; Ph.D., 1963). He was born September 4, 1938, in Crosby, MN. Dr. Simons is married, has two children, and resides in Washington, DC.

The President's News Conference

May 24, 1990

The President. Today, after long and thorough deliberation, I have determined that MFN [most-favored-nation] trade status for China should be extended for a year. MFN is not a special favor; it is not a concession; it's the basis of everyday trade. And taking MFN away is one thing I said I would not do; that is, in doing that, take steps that would hurt the Chinese people themselves. I do not want to do that.

To express America's outrage at the tragedy of Tiananmen, the Congress and my administration promptly enacted sanctions against China. These sanctions remain basically unchanged today. And while implementing those sanctions, I have repeatedly made clear that I did not want to hurt the Chinese people. And this was a difficult decision, weighing our impulse to lash out in outrage that we all feel -- weighing that against a sober assessment of our nation's long-term interests.

I concluded that it is in our best interest and the interest of the Chinese people to continue China's trade status. Not to do so would hurt the United States. Trade would drop dramatically, hurting exporters, consumers, and investors. China buys about $6 billion a year of American aircraft and wheat and chemicals, lumber and other products. Lose this market, and we lose American jobs: aircraft workers in the West, farmers in the Great Plains, high-tech employees in the Northeast.

Our economic competition will not join us in denying MFN. Without MFN, an average of 40 percent higher costs for Chinese imports will turn into higher prices for American consumers. Hong Kong weighed on my mind. Hong Kong would be an innocent victim of our dispute with Beijing. Twenty thousand jobs and $10 billion could be lost in a colony that is a model of free enterprise spirit. The United Kingdom and China's neighbors have urged me to continue MFN. Korea, Japan, Thailand, Singapore, even Taiwan made clear that MFN should be retained.

In recent weeks, China has taken modest steps that appear intended to show responsiveness to our concerns. Beijing lifted martial law in Tibet, restored consular access there, giving us a chance to judge the situation for ourselves. Two hundred eleven detainees were recently released and then their names provided for the first time. While we welcome these and earlier steps, they are, let's face it, far from adequate. And I am not basing my decision on the steps that the Chinese have taken so far.

Most important of all, as we mark the anniversary of Tiananmen, we must realize that by maintaining our involvement with China we will continue to promote the reforms for which the victims of Tiananmen gave their lives. The people in China who trade with us are the engine of reform, an opening to the outside world. During the past 10 years, we've seen our engagement in

China contribute to the forces for justice and reason that were peacefully protested in Beijing. And our responsibility to them is best met not by isolating those forces from contact with us or by strengthening the hand of reaction but by keeping open the channels of commerce and communication.

Our Ambassador [James R. Lilley] came to see me here in the Oval Office the other day and told me that not only the people that he's in contact with but the students there, the intellectuals there, all favor -- there in China -- favor the continuation of MFN. So, this is why I've made the decision I have made.

And I will be glad to respond to questions. I understand, Helen [Helen Thomas, United Press International], you are first.

Savings and Loan Crisis

Q. Mr. President, every day the American people read a different figure on the savings and loan debacle. What is the true figure? What does it all mean? What are you going to do about it? And what is the impact on the average taxpayer? Do you know the true figure?

The President. We don't know the impact on the taxpayer yet. We do know that we are going to protect the depositors, and that's what this is all about. It isn't protecting any savings and loan people; it is protecting the depositors. Nick Brady testified on an array of figures because we don't know a specific figure. But he gave some broad parameters yesterday that are on the record.

And what we're going to do about it is have negotiations with the Congress, and out of this I'm sure we will have an answer Congress agrees with. And incidentally, I'm pleased with the way those talks are going -- that we'll figure out what to do. We can't brush this problem under the rug. It's been building for 20 years, and it is something that causes me great concern.

Q. Well, is it going to go as high as $300 billion, $500 billion? Do you have any ballpark?

The President. We don't think so. And I would simply refer you to the Secretary of the Treasury's testimony.

Trade With China

Q. Mr. President, it's been a year now since the world has watched China mow its own people down in Tiananmen Square. How can we expect the prodemocracy movement fighters around the world to have faith in the United States when they see a reward to Beijing such as the MFN?

The President. I made clear, Tom [Thomas Raum, Associated Press], I don't think this is a

reward to Beijing. I think it is very important we keep these commercial contacts. I think it is in the interest of the United States that we keep these contacts. MFN is based on emigration, and emigration has continued from China at respectable levels. And so, that is why I'm making this decision.

And what irks me is when some of the people up on the Hill accuse me of being less interested than they are in human rights. I think we're on the right track here. I've cited the number of countries that agree with us. I've cited the fact that the students and the intellectuals in China itself agree with what I've just done. And so, it is not a favor we're doing. I have cited the need to balance out the interest of others, including Hong Kong, which is under enormous pressure from the refugee situation there. And so, this decision is the proper decision. And it has nothing to do with saying we're condoning human rights excesses. I took the lead a year ago at the G - 7 [economic summit of industrialized nations] meeting in Paris and got our allies to join in sanctions that still exist. So, I'm glad you asked it because then I vented a spleen here.

Q. But, sir, if it's not a favor, how do you square this with our policy on denying the same status to the Soviet Union, based on the fact that they haven't codified their emigration policy?

The President. Because the MFN is related to emigration. And the Soviets have not passed the necessary emigration legislation.

Q. Mr. President, is it time now for -- --

The President. And China does have the proper policy.

Cambodia-U.S. Relations

Q. Is it time now, sir, for a review of our policy toward Cambodia, in light of the expressed willingness of the government there to permit international supervised elections and in light of the fact that our policy has thrown widespread condemnation for helping, directly or indirectly, the Khmer Rouge?

The President. We've seen some inaccurate reporting on whether we were sending arms in there, and we are not. And we are reviewing our Cambodian policy. It's very complicated. And, listen, anytime we can get free and certifiably fair elections, we should be encouraged by that. I'm troubled by it because it isn't clear in Cambodia at all.

Q. Were you made particularly uncomfortable, sir, by the fact that our support for the non-Communist resistance has the effect at least, since they are fighting alongside the Khmer Rouge of helping the notorious Khmer Rouge?

The President. To the degree it has any effect to help them, yes, I am uncomfortable about. But

when we have this kind of compromise that has been worked out, at this juncture, I think we're on the right track. But there's a discomfort level, Brit [Brit Hume, ABC News], because of the brutality of the Khmer Rouge. And if anybody even perceives that we're trying to help those people, why, then it does cause discomfort. But I think we're on the right track. We are reviewing the whole policy now.

Lithuanian Independence

Q. Mr. President, this morning the Soviet Government, specifically the Prime Minister [Nikolai Ryzhkov], rejected Lithuania's latest compromise offer to get talks going. Are you disappointed that Moscow seems to be persisting in this hard line? And what do you plan to tell President Gorbachev about Lithuania when you see him?

The President. Michael [Michael Gelb, Reuters], I was encouraged when the Prime Minister [of Lithuania, Kazimiera Prunskiene] -- having made her swing of the United States and other countries -- Prunskiene went to Moscow. I was encouraged when she was received by Mr. Gorbachev. I can't tell you I'm encouraged about where it stands right now. I have told you, told the American people, that this Lithuanian situation and, indeed, the situation regarding the Baltics, whose incorporation into the Soviet Union we have never recognized, does cause certain tensions. And Jim Baker had a very frank discussion with President Gorbachev about that. He understands from Jim Baker and, frankly, from me directly how we feel about this.

So, I wish I could give you a more optimistic assessment, but the only answer to this question lies in dialog between the affected parties. And I was encouraged when Prunskiene met with Mr. Gorbachev, but I have no reason now to report to the American people further encouragement.

Q. If I could follow up: About a month or so ago, you said that you thought Mr. Gorbachev was showing willingness to compromise and the Lithuanians only showing some willingness to compromise. Is that still your assessment, or have you viewed a balance on that?

The President. Well, you're presenting me with some semantic difference that I did not intend to make. But I'm not here to assess blame; what I am here to do is to try to encourage dialog on this important question. It is extraordinarily difficult for both sides. And I think President Gorbachev is concerned not just about the Baltics but about other Republics. And I think the Lithuanians, understandably, are concerned about their freedom and their right to self-determination, although the Soviet Union still says self-determination is proper. They've got a difference on referendum; they have other differences.

Trade With China

Q. Mr. President, critics of this decision on China believe it is based too heavily on a blind faith that you have of those leaders based on your experience as envoy over there. What message does

this send to the younger generation of Chinese leaders who are going to come along and replace those in power now?

The President. It says that economic contacts are the best way to keep the economic reforms going forward. It says that the more economic contacts we have with China, the more they're going to see the fruits of free-market economies. I've told you that the students in China, according to our Ambassador, want to see this MFN continue. And so, it should send no message other than that isolation is bad and economic involvement is good.

And the whole fact that we've had economic involvement, I think, has moved China more towards reform than if we hadn't had it. And so, I want to see it continue. And that is the message to the people because it has -- some will interpret the way you've said, and I will say it has nothing to do with that. It has nothing to do with that at all. We have certain sanctions in place; they remain in place. China has got an emigration policy going that qualifies, and you have the interests of -- Taiwan says keep it going, Hong Kong says keep it going. Three editorials in this country -- well, maybe many, many more, I think -- who were upset with the fact that I opted for executive action instead of legislation all support continuation of MFN. And those people who were on my case, if you will, about the decision I took, which I still think was the correct decision, are now saying continue MFN.

Q. You're satisfied that these students, who now say that they favor the policy, aren't doing that under some duress since the crackdown by the regime in Beijing?

The President. No, because I think you wouldn't see all these other interests out there if it was simply that. Maybe there's some pressure on them; I don't know. But that's not what our Ambassador is telling me.

Federal Budget Negotiations

Q. Your favorite subject, taxes. Some of the polls are -- --

The President. Texas?

Q. Taxes. [Laughter] Several polls, including one broadcast last night, are showing that most Americans think that there will be taxes and, in fact, they think you'll go along with taxes. And about half say they're willing to go along with taxes themselves if the case can be proven that taxes are needed. Does this give you more leeway as you make your decisions?

The President. Look, I have stated right here at this podium that I'm not going to go into the details of what might be discussed up there. I've said that there's no preconditions. I'm satisfied with the way the process is going. Indeed, I should give credit to [Representative] Mr. Gephardt for the conduct of these initial meetings. Our people -- Dick Darman, Nick Brady, John Sununu

[Chief of Staff to the President] -- up there, all working in good faith.

And I've seen those surveys, but it is way too early to start talking about remedies here. I want to let that process go forward; and then when I get agreement, I will go out and say to the American people, Here's what we recommend. And I'm not going to prejudge it.

Q. Can I just follow that up on the timeframe?

The President. Yes.

Q. You're going to host the economic summit in Texas in early July. By that time, do you think you must have gone to the American people to suggest remedies? Do you not want to go into the economic summit and say to your fellow world leaders, Well, we really haven't resolved this, and I don't have anything to tell you fellows?

The President. I think the G - 7 leaders know of my determination to do something about the budget deficit. So, I don't have the timeframe linked into progress or lack of progress by the time the summit meets in Houston.

Q. Some of the Democrats up on the Hill -- --

The President. Yes, Lesley [Lesley Stahl, CBS News]?

Q. -- -- Mr. President, say that you're ducking the tough issue by saying what you just said: that you're not going to tell the American people what's at stake.

The President. Yes, I've heard that criticism.

Q. They want you to outline the problem and explain to the American people that it's going to take sacrifice. Are you ready to do at least that?

The President. I'm going to outline the problem when we get agreement so we can go forward with the solution. If I outlined the problem now, I'd rely on some of the fact that the Congress appropriates all the money and raises all the revenues. That's their obligation. And I'm not one to dwell on surveys recently, but I will point out that people understand that the Congress bears a greater responsibility for this. But I'm not trying to assign blame. That's why I'm not doing it right now. [Laughter] That's why I'm not doing it. That's why I'm saying we're going to sit and talk. Because if I go out now and say what I think without keeping in mind the need to get some progress, I might say something like I just said, and I don't want to do that. [Laughter]

Q. They're going to come back at you today up on the Hill, and they're going to say, See, he's not showing leadership. What's your answer to that?

The President. My answer is, I am. We've gotten these people together. I've said there's no preconditions; let's talk. And I think it's making progress. You're going to always have some people on the fringes sniping at you. That goes with this territory. But I think we're on the right track, and we'll try to do our best to get a deal.

Trade With the Soviet Union

Q. Mr. President, come back to the earlier questions about MFN for the Soviet Union. While you point out that there's no emigration law there as yet, the Soviets are moving towards that. Is there any additional -- and some people would suggest Lithuania is an additional condition -- under which you do not want to extend MFN at this point to the Soviet Union?

The President. Well, I think there's a political climate in this country that would make it extraordinarily difficult to grant it. But that is not a bridge we're having to cross at this juncture because the legislation is not in place in the Soviet Union.

Q. It is a bridge that you're going to have to cross when that legislation is in place, and it seems to be when rather than -- --

The President. Well, but let's hope there's some progress on the Lithuanian question, because I think many feel there's a direct linkage there. And I must say it concerns me.

Q. In what way, sir?

The President. Because I want to see these negotiations start, and I want to see this emigration law pass. And there's a lot of things going on that are going to affect the whole climate of the economic aspects of this summit.

Upcoming Summit With President Gorbachev

Q. I'd like to ask you about the climate of the summit. The Soviets have slowed down the negotiations on conventional arms control. You're not going to be signing a START treaty, which we've been led to believe was going to be the centerpiece of this summit. It looks like there won't be any kind of trade treaty signed. Has the summit changed from one of consolidating gains and moving ahead to just trying to get the relationship back on track?

The President. I wouldn't phrase it exactly that way. You may recall that I mentioned in here -- in answer to the question, ``Who's the enemy?'' -- instability, unpredictability; and it would seem to me that I would repeat that. And I don't want to have two ships pass in the night -- Soviet Union and the United States. And we've got a lot to talk about.

I don't want to, by answering the question this way, indicate I don't think there will be significant progress on START. I hope we can move things forward on CFE. Indeed, I was heartened by what Shevardnadze [Soviet Foreign Minister] and Genscher [West German Foreign Minister] talked about yesterday. That was somewhat encouraging. Chemical weapons -- I hope I've expressed with great enthusiasm and passion my desire to do something about chemical weapons, and it looks to me like we're very, very close there.

So, we've got a lot of things that I think will be seen properly as progress, but there's enormous problems that just need to be talked about where I can't say there will be an answer. And I would refer you to the highly complex question of German unification: where forces will be deployed, and whose forces will be deployed after German unification. We've got questions on borders. We've got a lot of things to discuss that might not result in a signed agreement.

Q. Considering all those things, especially the Lithuanian situation, has your personal relationship with Mr. Gorbachev changed coming into this summit?

The President. Well, I have to wait and see what he says when he gets here. But I feel that the man has got some enormous problems. He's made some enormous progress. I think he knows, from talking to Jim Baker after he got back, that we're not trying to undermine him or make life complicated for him. But we have certain differences with the Soviet Union, which I'll be perfectly prepared to talk about.

So, you know, it's a good question, and we were talking about it before coming in here. Because I don't want to overpromise, but I don't want to act like I think it's just some kind of a dance out there on this meeting because what we're going to talk about is really substantive. And I think the part where we can sit and talk at Camp David there -- I'm glad the Soviets have agreed to that because I think it's in that kind of a session after which I would probably be better able to answer the question you asked about the relationship itself.

Violence in the Israeli-Occupied Territories and the Middle East Peace Process

Q. Mr. President, the conflict in Israel between the Israelis and the Palestinians seems to become increasingly violent. Do you think the Israelis at this point are acting appropriately and responsibly?

The President. I've called on both sides for restraint. I've called on the Israeli forces to show constraint. I'm worried about it. I'm troubled about the loss of human life in this area. I'm deeply troubled about -- well, totally human life, but I think particularly of children in this kind of situation. The answer is to get these talks going. I will do everything I can to get the talks for peace going. And so, we're talking. I was on the phone yesterday, I think it was, with Mubarak [President of Egypt]. And we had very good talks -- pre-Baghdad summit -- with Ben Ali [President of Tunisia] here, who represents a friendly country. We're talking to a lot of people

about how that can go. But, yes, I am very troubled by this.

Q. But, Mr. President, is there anything the United States can do with its enormous clout with Israel to push the Israelis to be more open to these peace talks?

The President. The problem we face right now is this -- almost an interregnum -- there's no firm decisionmaking government in place. So, we're in a bit of hiatus because of that.

Mexico-U.S. Relations

Q. Do you think that the relations with Mexico are going to be damaged now that Mexico is asking for the extradition or the return of Dr. Alvarez Machain?

The President. No.

Q. And I'd like to follow up.

The President. The answer is no. Go ahead and follow up.

Q. Yes. What can be done in that case? Are you going to return him?

The President. I'm not going to get into that because we have some matters in the court on that question. But the reason I answer -- and I wasn't being flip about it -- that relationship is too important that no incident is going to disrupt it. The respect I feel for President Salinas is shared by the American people. The determination to keep this relationship that has already moved forward continuing to move forward is shared by the American people.

Today I'll be meeting with some parliamentarians, a group, incidentally, that I've belonged to 20 -- let's see how many -- 20-some years ago. And I'm sure some of these questions will come up. But I'm not going to go into anything that might conflict with the legal problem. But I did be sure that the President of Mexico knows that we did not grab that doctor and -- Americans did not do that. I think that has helped somewhat.

Gun Control

Q. Mr. President, your administration has raised the likelihood of a veto of Senate legislation that bans several types of semiautomatic weapons. And we see that you're supporting Republican legislation that doesn't even include your own proposal which would have restricted the ammunition capacity of these weapons. Why is it that you insist on having a different standard for these domestically produced weapons than you do for imports?

The President. Look, Rita [Rita Beamish, Associated Press], I have not changed my position on ammunition clips. I read in the paper somewhere that we had changed it, backed off of that position. That isn't true. I sent a crime bill, however, to the Congress, and I'd like to see it enacted -- a law enforcement bill. Congress knows of the difficulties. You saw it passed yesterday by one vote -- this ban. I am not supporting that.

And I wish the Congress wouldn't keep adding matters of this nature. Let's get a good strong anticrime bill, and then we can have an open debate again on whatever they want to talk about. But all I can do is perfect legislation by saying, Here's what I can accept, and here's what I can't. And if they want to add something on these clips, that's fine; it would have my strong support. The automatic weapon part does not have my strong support.

Q. Mr. President, are we going to see then your administration and your people on the Hill pushing to get that provision back in a law?

The President. Consider this a strong pitch for it right now.

Federal Budget Negotiations

Q. Mr. President, what happened to your promise to balance the budget without raising taxes? Are we going to make it?

The President. Are we going to make the promise? Things are complicated out there on this subject. We're trying very hard to get a budget agreement, and that's the way it is, and we'll see how we go. And I reported I think that we've started off now, in a bipartisan nature, doing a good job. I wish we could control the spending side better. I refer you once again -- I don't want to ruin the last minute getting Nicaragua-Panama passed, but I sent it up there at $800 million, and it's now $2-plus billion. But we'll keep plugging away, and I'd like to do it exactly the way I propose. I'm now enough of a realist to realize that it might not be done exactly that way.

Now, here's my problem. I have a 10 a.m. meeting with the leader of Haiti [President Ertha Trouillot], and we've got some problems there that we're trying to help to resolve. So, I can take two more. One. Two.

Arms Reduction Negotiations

Q. Mr. President, I'd like to ask about the news reports coming out, in the aftermath of the Moscow meetings with Secretary Baker, that you were not as pleased with the outcome of those talks, especially pertaining to START, as Secretary Baker was.

The President. There is no light between us on that at all. The administration has a unified position. It is a sound position. There's no point just before you sit down to say, They caved;

they gave more than we did. But I am very satisfied with where we stand. All I want to do is be sure we can move forward and get these deals finalized, and we may not be able to do that. But it doesn't help for me to go out and say who gave the most, who knuckled under, who took the most heat -- too much pressure. I support what Jim Baker reported to me was where we stand at this juncture in negotiations.

I'll tell you what troubles me is that we're not -- somebody asked the question here -- not further along on conventional forces. But the strategic arms talks are going very well. We still haven't got a firm deal, as you know.

But to get back to your question, there isn't any daylight between the White House and the State Department or the arms control community or Defense. The proposals that Jim Baker is talking about has the strong support of the Joint Chiefs and of the Secretary of Defense. So, this is very encouraging that the administration is united. Now, we're going to have some criticism. Many times you make a deal, you have editorials out there telling you exactly how it should be done. But I am confident that we're on the right track.

Follow up, and then we go over for one more to Frank [Frank Murray, Washington Times].

Q. You mentioned your concern about the stall in the conventional force talks, and some people are saying that conventional forces is now the real litmus test for Soviet intentions, given the developments in Eastern Europe. If they don't pull those troops back out of Eastern Europe, then that tells you something about their ultimate intentions.

The President. Well, I think that that's a good point and one that I expect the Soviets would want to dispel through action, because I don't get the feeling that they are opposed to CFE agreements. I do think, for complicated reasons involving Eastern Europe, that the talks haven't gone as far or as fast as I would like to see them.

But read carefully what Shevardnadze and Genscher allegedly talked about yesterday, and Genscher will be here talking about that. And maybe we can find some way at the summit or before the summit to move CFE forward. It's important, and I think it does send a bad signal if the Soviets look like they are refusing to go forward and don't want to, say, pull forces out of countries in accordance with previous deals.

Statehood for the District of Columbia

Q. Mr. President, a few weeks ago, in answer to a question about statehood for DC, you suggested that voting representation might be a better alternative and you would consider it. What consideration have you given, and what -- --

The President. None so far, and I am opposed to statehood for the District.

Q. Could you please explore the representation question? What did you have in mind when you talked about that?

The President. About what?

Q. About voting representation rather than -- --

The President. Haven't really got it in mind; interested in talking about it. Have done nothing about it at all except to continually restate my opposition -- because this is a Federal city -- to statehood for the District.

Q. So, the statehood bill now pending would be vetoed?

The President. Well, I haven't even seen the legislation. I don't know whether the Senate and the House have agreed on a bill. But I think my position is very clear, and I'm not going to sign a statehood bill. And so, I don't want to be under any false colors on this. I've said that over the years, and I have not changed my position.

Thank you.

Q. Sir, just to follow up on that -- --

The President. That's a followup on a followup. I've got to go see the President of Haiti.

Q. Yes, sir. You premised your opposition to statehood the last time on the inordinate share of Federal funds that went into the local budget. And I think it has been clarified to some extent. Could you just tell us why you're opposed to it?

The President. Marlin [Marlin Fitzwater, Press Secretary to the President] had to clean up what I said. [Laughter]

Q. Right. Could you tell us why you're opposed to statehood, since that is not a factor?

The President. Because it's a Federal city. That's it.

Thank you very much.

Note: The President's 48th news conference began at 9:33 a.m. in the Briefing Room at the White House.

Presidential Determination No. 90 - 21 -- Memorandum on the Renewal of Most-Favored-Nation Trade Status for China

May 24, 1990

Memorandum for the Secretary of State

Subject: Determination Under Subsection 402(d)(5) of the Trade Act of 1974 -- Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93 - 618), January 3, 1975 (88 Stat. 1978) (hereinafter ``the Act''), I determine, pursuant to subsection 402(d)(5) of the Act, 19 U.S.C. 2432(d)(5), that the further extension of the waiver authority granted by subsection 402(c) of the Act will substantially promote the objectives of section 402 of the Act. I further determine that the continuation of the waiver applicable to the People's Republic of China will substantially promote the objectives of section 402 of the Act.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

Message to the Congress on the Renewal of Most-Favored-Nation Trade Status for China

May 24, 1990

To the Congress of the United States:

I hereby transmit documentation referred to in subsection 402(d)(5) of the Trade Act of 1974 with respect to a further 12-month extension of the authority to waive subsections (a) and (b) of section 402 of the act. These documents constitute my decision to continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waiver applicable to the People's Republic of China will substantially promote the objectives of section 402. The attached documents also include my reasons for extension of the waiver authority and for my determination that continuation of the waiver currently in effect for the People's Republic of China will substantially promote the objectives of section 402.

An additional document and determination with respect to Czechoslovakia will be forwarded under separate cover.

George Bush

The White House,

May 24, 1990.

Statement by Press Secretary Fitzwater on the Renewal of Most-Favored-Nation Trade Status for China

May 24, 1990

The President informed the Congress today that he will extend China's most-favored-nation (MFN) status for another year. In notifying Congress of his decision, the President emphasized that he remains deeply concerned about human rights violations in China.

The President found the MFN decision to be an extremely difficult one. He is personally disappointed that the Chinese Government has not taken more decisive steps to demonstrate a commitment to internationally accepted human rights. While there have been modest gestures, such as lifting of martial law and renewing our consular access in Tibet and the release of 211 more detainees, these are clearly inadequate. The United States and many other Western countries and the President himself have repeatedly called upon China to initiate a process leading to real improvements in human rights. The President nonetheless concluded that not to renew MFN would harm rather than help U.S. interests and concerns. He also is determined to help and not harm the people of China, who aspire for a better and more open life.

Extending MFN will substantially promote freedom of emigration, the objective of section 402 of the 1974 Trade Act and an explicit requirement for China's continuing eligibility for most-favored-nation status. China has continued to permit emigration to the United States without interruption over the past 12 months. Approximately 17,000 Chinese nationals received U.S. visas to emigrate from the mainland in 1989, most for the purpose of family reunification.

The commercial opportunities created by MFN trade status give millions of Chinese workers and thousands of enterprises a stake in China's market-oriented reforms and opening to the West. They also make possible a wide range of contacts with Americans and American institutions that expose Chinese students, workers, teachers, and officials to our free enterprise system and political values. MFN status is essential for maintaining our commercial relationship with China and to avoid a costly trade war that will hurt business interests and consumers in both countries. In 1989 U.S.-China trade amounted to $18 billion, and China was our 10th largest trading partner worldwide.

MFN also bolsters confidence in Hong Kong's free enterprise economy, which is heavily dependent on U.S.-China trade and the health of industries in southern China. Not to continue MFN for China would deliver a terrible blow to Hong Kong, costing as many as 20,000 jobs and reducing the colony's GNP by as much as 2.5 percent. Hong Kong should not be the innocent victim of our disappointment with the Chinese administration.

We have also heard support expressed for continuation of China's MFN status from Taiwan, the

United Kingdom, the Republic of Korea, Japan, and others in the Asian-Pacific region.

As we approach the anniversary of the tragedy in Beijing, we pay tribute to its victims by continuing to sustain as high a level of people-to-people contact and commerce as we can. The U.S. Government intends to press vigorously during the coming year for significant improvement in China's human rights practices. We want to see China's people enjoy the full scope of human rights to which people all over the world are entitled.

In the notification to Congress, the President reaffirmed that the sanctions against China he authorized in June 1989 remain in force. They include suspension of arms exports, the suspension of high-level government exchanges, and opposition to all multilateral development bank loans to China except those aimed at addressing basic human needs. U.S. policy remains that normal relations with China are not possible until China takes further major steps to respect human rights and returns to the path of reform.

Statement by Press Secretary Fitzwater on President Bush's Meeting With Provisional President Ertha Pascal Trouillot of Haiti

May 24, 1990

President Bush met at 10 a.m. in the Oval Office with Ertha Pascal Trouillot, Provisional President of Haiti. President Bush expressed admiration and respect for President Trouillot and welcomed her commitment, and that of the Haitian people, to hold a free and fair election. In this regard, President Bush took note of the invitation by the Haitian Government to the U.N. and OAS to provide technical assistance and election observers. President Bush expressed hope that an election date be set soon and that the Haitian Government and Armed Forces take all necessary steps to enhance respect for human rights and ensure a secure environment for the election campaign and the balloting. President Bush said the United States will support Haiti's transition to democracy with election aid.

The two Presidents also discussed Haiti's economic situation and U.S. assistance. We have announced $18 million in PL - 480 food assistance to Haiti ($6 million now and $12 million in the first quarter of fiscal year 1991) and are examining other ways to assist Haiti's development.

Remarks at a White House Ceremony Celebrating the 25th Anniversary of Head Start

May 24, 1990

Well, good morning, and welcome to this beautiful morning in the Rose Garden. And Representative Kildee's here. I appreciate your coming, sir. And to others, welcome. It's a great pleasure to have you here. Connie Horner, Mary Gall, great to see both of you. Let me congratulate you, Connie, as number two in this enormous HHS for what she's doing, and, Mary, to your continued commitment to our young.

First of all, happy 25th birthday to Head Start. Like all birthday parties, today we celebrate both where we've been and where we will be tomorrow.

In May 1965, on a beautiful spring day right here in the Rose Garden, a great idea came into being. President Lyndon Johnson first spoke of a new initiative that he would soon propose: Head Start. And he said then that the program would -- here were his words -- ``rescue these children from the poverty which otherwise could pursue them all their lives. The project," he went on, ``is designed to put them on an even footing with their classmates as they enter school."

Since that day, Head Start has reached over 11 million children, providing comprehensive development services to nearly half a million low-income children every year. Head Start provides these children not only with preschool education and social skills but with health and nutrition services as well. Virtually all of the children enrolled in Head Start get the medical attention they need, and for many children, Head Start gives them their best meal of the day.

Everyone agrees Head Start is a program that works for children by enhancing their educational performance and really fostering success in life. Head Start also works for families by offering child care and child development programs for parents, which builds self-confidence, and by encouraging a commitment to improve their lives and the lives of the children. And it works for the thousands of communities nationwide where Head Start graduates give so much right back to society by helping to build strong families and strong neighborhoods.

Today almost a third of the 80,000 Head Start staff members across America are current or former Head Start parents themselves -- 80,000 -- parents like Eugenia Boggus, here with us today, who is now president of the National Head Start Association. Where is she? You stand up. Thank you.

Or Claude Endfield of White River, Arizona. When she enrolled her child in a White Mountain Apache Indian Head Start program in 1973, she was unemployed. She became a volunteer at the Head Start center, then a Head Start teacher, and today is program chairman of the early child

development department at Northland Pioneer College in Arizona. Head Start, you see, gave her the skills and confidence she needed to turn her whole life around.

But as vital as the parents and the staff are to the success of Head Start, we must especially congratulate the kids. Many -- some of you kids here are grown up now -- but they are grown up now, and because they were given an equal chance at the starting block, they crossed the finish line on their own and most of them winners.

Seba Johnson, for example, attended Head Start as a child in the Virgin Islands and, at the age of 14, became the first black woman skier to participate in the winter Olympics, representing the Virgin Islands. Today she lives in Nevada, where she is training for the next winter Olympics, and is volunteering her time to help celebrate Head Start's 25th anniversary.

Carlos Jimenez of Meadville, Pennsylvania, who was a Head Start student back in 1977. This year Carlos is graduating from high school, third in his class of 320. A National Honor Society member, Carlos will attend college in California this fall.

Or another example, Carl Brenner, who is with us today. Carl? Where's Carl? Right here. Oh, here's our man, right here. He's now going to be performing. Also a Head Start alumnus. Graduated first in his high school class. Now a senior cadet out at the U.S. Air Force Academy in Colorado.

These kids earned a lot of attention with their brilliant success stories, but there are also quiet ones, special children that otherwise might get overlooked. Take the example of Timothy Combs from Buffalo, West Virginia, a child born with Down's syndrome who wasn't yet talking when he enrolled in Head Start at the age of 3. Head Start provided Timothy with speech therapy, help for his hearing problem. And 2 years later, Timothy was able to enroll in public school, where he continues to get the special attention that began in Head Start.

There are so many stories to tell and so many Americans to thank in Head Start centers all around the country. In fact, over 600,000 committed volunteers, each one a Point of Light, are giving their all to make Head Start a national treasure. The kids we have with us today are from Head Start programs throughout the Washington area. And by getting them ready to learn today, we ensure that they too will have success stories to share tomorrow.

It's because of children like these, and parents and staff like many of you here, that at the historic education summit last September in Charlottesville I asked every Governor in the Nation to join in our commitment to quality programs like Head Start and give every poor child a chance to start school ready to learn. We proposed -- our administration -- the largest one-time funding increase in the history of Head Start, a half a billion dollars. And I know that the Congress will join me in giving Head Start the best 25th birthday present possible, enough -- and I salute Representative Kildee in this regard -- enough money to enroll as many as 180,000 more

children in this successful program.

As they say, that's a gift that keeps on giving by enriching the lives of the kids, strengthening our families, and building our communities. To everyone who has supported Head Start for so many years, thank you, and God bless each and every one of you. Thank you very, very much.

Note: The President spoke at 11:04 a.m. in the Rose Garden at the White House. In his remarks, he referred to Constance Horner and Mary S. Gall, Under Secretary and Assistant Secretary for Human Development Services at the Department of Health and Human Services.

Message to the House of Representatives Returning Without Approval the Amtrak Reauthorization and Improvement Act of 1990

May 24, 1990

To the House of Representatives:

I am returning herewith without my approval H.R. 2364, the ``Amtrak Reauthorization and Improvement Act of 1990."

H.R. 2364 contains an unprecedented new regulatory review requirement and represents a step backward for the entire rail industry.

This new regulatory burden would interfere with the ability of the Nation's largest freight railroads to obtain needed capital or to change existing capital structure. The provision would institute for the first time, and for the railroad industry alone, Government review and approval of acquisitions by entities that are not actual or potential competitors, including a carrier's own management or employees. This requirement is an unwarranted regulatory roadblock to financial restructuring of the railroad industry.

There is already adequate authority to protect the public interest in acquisition situations. Acquisitions of railroads by other railroads are now closely scrutinized under existing law to prevent reductions in competition. Dispositions of rail line segments are also subject to scrutiny when appropriate. Any financing of an acquisition, whether or not by another carrier, that involves the issuance of securities or new obligations by the target carrier is subject to review as well. This review focuses on the acquisition's effect on the public interest and on the carrier's ability to provide service. Current law is therefore more than sufficient to protect shippers and the general public.

The rejuvenation of the rail industry since 1980 is due in large part to the Congress's decision to lift outdated and counterproductive Government oversight from the railroads. The result was the creation of a favorable environment for capital investment for the first time in decades. The new regulatory hurdle in H.R. 2364 would counter this progress by adding uncertainty to refinancing and by delaying the infusion of cash when it may be most needed. Further, this delay and uncertainty would likely drive up the railroad industry's cost of capital, which could ultimately jeopardize the industry's financial stability and endanger needed rail service. For no justifiable reason, the bill could inhibit the future flexibility of Class I freight railroads to use capital restructuring to adapt to ever-changing markets and economic circumstances.

Existing law is adequate to ensure protection of the public interest when railroad acquisitions are

being proposed. Because H.R. 2364 would impose a new, unprecedented, and unjustified regulatory review requirement for railroad acquisitions, I am compelled to veto the bill.

George Bush

The White House,

May 24, 1990.

Nomination of Roger Gran Harrison To Be United States Ambassador to Jordan

May 24, 1990

The President today announced his intention to nominate Roger Gran Harrison, of Colorado, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan. He would succeed Roscoe Seldon Suddarth.

Since 1989 Dr. Harrison has served as a diplomat-in-residence at Colorado College. Prior to this, he served as Deputy Assistant Secretary of State for Defense and Arms Control for the Bureau of Politico-Military Affairs, 1987 - 1989; Political Counselor at the U.S. Embassy in Tel Aviv, Israel, 1985 - 1987; first secretary for the U.S. Embassy in London, United Kingdom, 1981 - 1985; officer in charge for NATO political affairs, 1979 - 1981; an associate professor at the Air Force Academy, 1977 - 1979; and a member of the national security staff, 1975 - 1977. In addition, Dr. Harrison has served as a Special Assistant at the Politico-Military Bureau, 1973 - 1975; second secretary in Warsaw, Poland, 1970 - 1973; and vice consul in Manila, Philippines, 1967 - 1969. Dr. Harrison entered the Foreign Service in 1967.

Dr. Harrison graduated from San Jose State College (B.A., 1965) and Claremont Graduate School (Ph.D., 1979). He was born May 25, 1943, in San Jose, CA. Dr. Harrison is married, has two children, and resides in Arlington, VA.

Statement on the House of Representatives Action on Clean Air Legislation

May 24, 1990

I congratulate the House of Representatives on passage of the Clean Air Amendments of 1990 last night. The overwhelming backing it received shows that the American people strongly support steps to reduce acid rain, smog, and air toxics emissions. I am particularly pleased that the legislation is similar in approach, structure, and content to the bill the administration submitted last summer.

The bill includes an acid rain program that will permanently reduce sulfur dioxide emissions by 10 million tons while employing an innovative emissions trading system; a new program to promote clean alternative fuels in cars, trucks, and buses; and a new standard to use the best technology to cut air toxics emissions. Such provisions represent major steps forward in breaking the logjam which has existed for too long on the subject of clean air.

I especially want to congratulate Chairman Dingell, Congressman Lent, and Congressman Waxman, and the administration team of Governor Sununu, Administrator Reilly, and Roger Porter for helping to steer the legislation through the House.

While the administration remains opposed to certain provisions, such as the Wise amendment, we are confident that these can and will be addressed in conference. We look forward to working with conferees from the House and the Senate to produce quickly a final package that will help bring cleaner air to all Americans.

Interview With Martyn Lewis of BBC - 1, British Television

May 24, 1990

Upcoming Summit With President Gorbachev

Q. Mr. President, your Secretary of State talked yesterday of hard choices to be made on both sides. What are the main difficulties facing you and President Gorbachev as you sit down at the table next week at the summit?

The President. Well, of course, there's a cloud of tension because of the Baltic States. I determined long ago that it was important that this summit meeting go forward and be successful, and yet I would be misleading you if I didn't say that the inability to get dialog going there between the Lithuanians and the Soviets does cause a lot of concern to a lot of us here in the United States.

Secondly, I'd like to think we can move the conventional force talks further along than they are now. I think in START [strategic arms reduction talks] we're in reasonable shape, although it won't be ready for a treaty signing. On the chemical weapons side, I think there could well be good news for the free world and everybody in the world if they share my concern about reduction and eventual elimination of chemical weapons.

The European questions are not solved by a long shot. How, for example, does post-German unification Europe look? Who will be calling the shots? What's the role for the United States in terms of stability?

So, all of these questions will be on the table, and I look forward to a very frank and full discussion. One thing I've found is Mr. Gorbachev will lay it on the table, and I think I owe it to him to let him know how we in the alliance feel and how we in the United States feel on our bilateral.

Lithuanian Independence

Q. Mr. President, taking those one at a time, Lithuania and the other Baltic States are struggling for the kind of freedom and independence that is right at the heart of the American ideal. Are you in any sense embarrassed that your pursuit of arms control success is in fact preventing you from saying what you would like to say about Lithuania?

The President. I don't think it is preventing me, because what I say about Lithuania is, Lithuania is entitled to self-determination, to determine their own future. You see, our country has never

recognized the incorporation of Lithuania into the Soviet Union. But where it could be a problem is some say because we feel that way -- and we do passionately -- and because talks are not going forward between the Lithuanians and the Soviets, therefore you ought to not have this meeting or set this summit meeting back. I don't feel that way. But I don't think it diminishes my personal commitment to freedom and democracy because we talk with the Soviets.

I would give you an example. We talked to the Soviets when Czechoslovakia wasn't free and Hungary wasn't free and Poland wasn't free. And so, we have a broad agenda there. And I'd like to feel that Mr. Gorbachev wants to go forward with what he says he's for, that is, eventual self-determination. But I don't feel a conflict there.

Q. But if Mr. Gorbachev continues to deny the Lithuanians and the other Baltic States self-determination, the right to go independent, will you not be forced to sacrifice the arms control treaty at some stage?

The President. You know something, I've learned long ago not to answer questions quite that hypothetical, with respect, because we can conjure up a lot of scenarios, good and bad, and answer; but that I don't think is helpful on the eve of his visit here. But believe me, I will have an opportunity, as our Secretary of State did just within the last week, to reaffirm the United States commitment to freedom and to self-determination.

Q. You don't feel that you are sacrificing Lithuania on the order of arms control expediency?

The President. I don't think so. And our agenda with the Soviet Union has far more to do with a lot of other subjects, too, than just arms control. But may I answer your question with a rhetorical question? When we talked to the Soviet Union when Czechoslovakia was what we call captive nation -- Hungary was and Poland was -- were we sacrificing their freedom in discussing arms control with the Soviet Union? Now, the world would clearly say of course you weren't, as long as we adhere to our principle of self-determination and freedom. So, that's the way I'd respond to my critics.

Soviet-U.S. Relations

Q. And you're saying that arms control is the most important thing on your agenda, and you will go for that come what may?

The President. No, I'm not saying that's the most important. That's what you're saying or suggesting or asking me if I'm saying. We have a lot of regional problems that we discuss with the Soviet Union. We have the whole question of post-German unification Europe that is very, very important to the people in the U.K. and France and other NATO countries. We have the questions of German participation in NATO -- a vital question.

So, I'm not trying to set out for you priorities. Do I think arms control is important? Yes. Are we working with diligence to try to have a good arms control agenda? Absolutely. But I can't tell you that's the only thing that drives the meetings between me and Mr. Gorbachev. I want to talk to him frankly about things in Europe and in this hemisphere, and I don't want these two gigantic ships to pass in the night because of misunderstanding.

President Gorbachev

Q. Finally, Mr. President, do you think that Mr. Gorbachev is going to survive, that he's going to be the person you'll be negotiating with in a year's time, given the pressures that he has from the democrats and the radicals on one hand and from the military on the other?

The President. I'm inclined to think the answer to your question is yes, but it is not my role as President of the United States to try to sort out who should lead the Soviet Union. In Mr. Gorbachev I see a man who has presided over dramatic changes in Eastern Europe that benefit freedom and benefit mankind, if you will, and so I give him credit for that.

I see somebody who's talking about perestroika and reform inside -- and openness, glasnost -- inside the Soviet Union, and I give credit for that.

But Soviet leadership is up to the Soviet people. And I don't think one's foreign policy can be determined or be predicated on one person -- can't be. But I think most Western leaders feel that in Mr. Gorbachev we have a man with whom we can talk frankly, with whom we agree on many principles; a man who has many problems, internal problems, facing him -- I'm talking about predominately economic problems -- a man who has tried to work with us constructively on many fields. So, that's why we're going to approach this summit with great openness, and yet there are outside events -- and you mentioned Lithuania -- outside concerns that put a little bit of a tension on this meeting.

But in terms of my sitting down, up at Camp David, and talking frankly with Mr. Gorbachev, he's the kind of person you can do that with. And I believe that that's useful to every country -- that the United States deal in this manner with Mr. Gorbachev. But that is not to say we have no problems.

Q. Mr. President, thank you very much for talking to the audience.

The President. Thank you for coming all this way. Thank you sir.

Note: The interview began at 2:39 p.m. in the Family Dining Room at the White House.

Interview With Gerd Helbig of ZDF, German Television

May 24, 1990

German Reunification

Q. Mr. President, after Secretary [of State] Baker's visit in Moscow, it seems as if we and you can't have both at the same time speedy unification of Germany and full membership in NATO and full sovereignty. What can be done at the summit to make it more acceptable to Mr. Gorbachev?

The President. A full discussion of the unification question and then postunification Europe. And that would include Germany in NATO. I feel incumbent on me to try to convince Mr. Gorbachev that there is no threat to the Soviet Union with a unified Germany and with a U.S. presence and with Germany as a full member of NATO. Now, the Soviets don't agree with what I've just said. But here's one of the good things about this kind of a summit: We'll sit down, he'll tell me his views, and I will tell him that he has absolutely nothing to fear from that formulation.

Conventional Force Reductions in Europe

Q. The crucial point for Europe and the world powers are the reduction talks on troops in Vienna, and they seem to be stalled. Now, what are you willing to do to get them going again and have a treaty at the end of your meetings?

The President. I was very much interested in the fact that [West German] Foreign Minister Genscher and [Soviet] Foreign Minister Shevardnadze had talks that appeared to offer some optimism on the conventional force formulation. So, Genscher will meet with our Secretary of State, and then the Secretary and General Scowcroft [Assistant to the President for National Security Affairs] and I and others who are responsible for U.S. policy will be seeing if, out of those talks, we have some hints as to what we can do on our side to move the process forward.

Very candidly, I am a little disappointed in conventional force. I thought we would have the agreement further along. It is in the interests of everyone in the free world and, I think, the Soviets to move faster on conventional force agreement. So, I'm hoping that the optimism that I detected out of the Shevardnadze-Genscher talk will give us some leads as to what we can do to encourage the Soviets to come along a little more there.

NATO

Q. You proposed this summit of NATO leaders in London in July.

The President. Yes.

Q. And major shift and change in the alliance strategy is on the agenda. Can it be far-reaching enough to be acceptable to Mr. Gorbachev?

The President. I don't know. And it's a very good question. But historically, they've seen NATO as an enemy. And we've seen the Soviets as an enemy. Today the enemy, in my view, is instability, unpredictability, not sure -- lack of confidence in each other. So, if we have a NATO that has a broader mission, I believe we can convince the Soviets that that is in their interest. We've not sought territory from any country over the years. And I think they don't need to have inordinate fears of a unified Germany. So, we've got to talk all this out with Mr. Gorbachev.

German Reunification

Q. Do you think that the monetary and economic and military offers and concessions of Germany towards the Soviet Union are too generous or even dangerous?

The President. Well, I think that's a matter for Germany and the Soviet Union to work out. But I see nothing that contradicts the United States interests in anything that they have decided or might decide in that regard. We have supported German unification. We've been out front in the United States.

And you know, what's touching to me is the emotion with which many Germans have told me that their -- well, I don't want it to come out wrong, but their thanks to the United States for this position. But it's the right position, and I hope the people of Germany understand that we have confidence in a unified Germany. We have confidence in the contribution that the Federal Republic has made for 50 years to democracy and to freedom. And so, when I stand up for these principles of a unified Germany, I do it from the heart, because I believe this.

Upcoming Meeting With President Gorbachev

Q. When you last met with Mr. Gorbachev in Malta, it was anticipated that this meeting in Washington would be a big success. If not, would you consider it a major setback?

The President. No, I would not, because we're living in fascinating but rapidly changing times, and when we were talking in Malta not so many months ago, the question of the Baltic States and the Republics was not right in the middle of that TV screen. And that happened. On the other hand, the rapidity of German unification wasn't on the table then. And that happened. Some good things happen; some things that are less good happen; and some that concern us greatly, like the freedom of the people of Lithuania -- that's in a difficult phase right now.

So, I approach this meeting: Here's the hand we're dealt, here's what's on the table today. Now how do we, as mature people who want peace, and we, the United States, committed to democracy -- ours and others -- how do we conduct ourselves in dealing with the Soviet power and with Mr. Gorbachev, who has dramatically changed things in the world and changed things inside the Soviet Union?

So, we've got some big problems here, but we also have a lot of common ground, more common ground than anyone would have dared predict even 2 years ago or 1 year ago or even when we met in Malta. So, it's a mixed bag, and I'm going to do my best to keep things moving forward on arms control, the reduction of regional tensions, seeking agreement with the Soviet Union on unification of Germany, and post-German unification Europe. There's a lot of things to discuss.

Q. Mr. President, thank you very much for your time.

The President. Thank you, sir, very much.

Note: The interview began at 2:50 p.m. in the Family Dining Room at the White House.

Interview With Christian Malar of Channel 5, French Television

May 24, 1990

Soviet Relations With the West

Q. Mr. President, thank you very much for welcoming us here in the White House first. My first question would be: Gorbachev is reluctant to take drastic decisions concerning disarmament, especially concerning the integration of the new Germany to NATO. Do you still maintain that you have to help him if he doesn't make any effort, I should say, in your direction?

The President. No, I don't think we have to help him. I think we ought to do what's, in my case, the interests of the United States, and clearly in the interests of the alliance. But Gorbachev has handled up until now change in Eastern Europe with great ability. And so, I will approach him and make my case for a Germany in NATO. But I have to sell him on the fact that this presents no threat to the Soviet Union. It doesn't present a threat; indeed, a NATO with a broader mandate, I think, helps provide for stability in Europe.

Q. But, Mr. President, do you think that Gorbachev is blocked in a certain way by, I would say, his military high-ranking chief?

The President. I don't think we know that, but that's certainly a concern. But I gather he's in pretty strong control now, but facing enormous problems. But it's not my role to figure out whether Gorbachev is having a problem with his right or his left; it's mine to deal with what's on the table. And what's on the table is a strong Soviet leader, clearly in charge, with whom we have a lot of business items.

And they range from contentious ones, like the Lithuania problem, to more reconcilable problems, like arms control, and to some other difficult ones, like a post-German unification Europe.

NATO

Q. Mr. President, you are thinking of a new structure of NATO -- military NATO structure. Would you include France in it?

The President. Listen, the more France wants to be involved in that, the better it is. Now, I'm well aware of the historical problems, but, yes, I think -- and I talked to President Mitterrand, for whom, incidentally, I have not only respect but affection. And so, I can talk rather frankly with him. And I talked to him about a broader role for NATO, and I had the feeling that on some of

the things I was talking about he understood. I don't want to put words in his mouth, but we have the kind of relationship where I can tell him why I think an expanded role for NATO will be the best way, certainly, for the shorter run for the U.S. to make a role of contributing to stability in Europe.

Middle East Peace Process

Q. The situation is deteriorating in the Middle East. What can you and Gorbachev do to bring back peace in the area?

The President. I'm not sure that Bush and Gorbachev, working as a team, can do anything about it. I am sure that what has to happen is these talks have to get going. And our Secretary of State, supported by this President, has been doing our level best -- working with Mubarak [President of Egypt], working originally with Shamir's [Prime Minister of Israel] own plan to try to get talks going. But I am very concerned about it. And I think of the needless loss of life and those -- as I told a press conference today, maybe what moves me the most is the children. And you know, you see these little kids hurt, and we have to do better. But I don't think it's a U.S.-Soviet role that's going to solve this problem.

Communism and Muslim Fundamentalism

Q. What would you fear most today, Mr. President, communism or the growing of Muslim fundamentalism?

The President. Well, I haven't thought about that in terms of priorities. Communism is on the wane; it's on the way out. In our hemisphere, there's only one left, and that's Castro. And I don't know what he believes, but he darn sure can't be excited about the way things are going for good, old Communists -- going down the drain. And I think when you see people have a free choice, nobody's speaking up: Hey, I want to have a Communist government. It just isn't happening. And so, I don't fear communism at all. I don't like that ideology, and so, I worry about that.

But in terms of Muslim fundamentalism, the real extremes there, I am concerned about that. We lived through a terrible time in Iran. We still have difficulties there. But I'm hopeful some day we can have better relations because I think Mr. Rafsanjani is showing a sense of reasonableness in some areas that perhaps his predecessor didn't feel he could show or didn't feel like showing. So, I worry about this problem.

Q. Mr. President, I know that you can express yourself in French. I remember in the past when I saw you for the first time.

The President. Mais non. [Laughter] Je parle seulement un peu. J'ai besoin de pratiquer. [I speak

only a little. I need to practice.]

Q. Oui. But could you, before the summit, deliver a little message, short message I can understand -- [laughter] -- to the French people before the summit. What would you like to say to them?

The President. I'm afraid it would be embarrassing -- [laughter] -- and they might think I was putting -- I love the French language. J'etudiais pendant onze ans a l'ecole et l'universite. Mais j'ai besoin de pratiquer. [I studied for 11 years in school and in college. But I need to practice.] But I don't want to insult the French people by making them think I speak French.

Q. The French don't speak much English. The French -- [laughter]

The President. No, I will try. I will try -- J'essayerai faire -- to bring about -- la paix -- the peace. And to work for peace. And whether it's English or French, I have a strong feeling with Mr. Mitterrand [President of France] and others in France that we have an obligation, the French have an obligation, to work so that our grandchildren will live in peace. And I wish I could say it in French because it's a beautiful language.

Q. I want to thank you very much, Mr. President. I hope to see you again, and I wish you all the best for the future.

The President. Well, thank you for coming all the way on the Concorde. Thank you. Grand plaisir. Merci. [A great pleasure. Thank you.]

Note: The interview began at 2:59 p.m. in the Family Dining Room at the White House.

Statement on Signing a Bill Amending Indian Laws

May 24, 1990

Today I am signing S. 1846, a bill ``To make miscellaneous amendments to Indian laws, and for other purposes." Our Constitution contemplates a special relationship between the Federal Government and Indian tribes, and I applaud the Congress for acting once again to fulfill our obligation to the tribes. S. 1846 contains many provisions that will permit Federal agencies to administer more effectively laws affecting Indians. S. 1846 also contains, however, a provision that raises a serious concern.

The Supreme Court has made clear that the Congress and the executive branch may act to benefit members of Indian tribes, as opposed to Indians defined as a racial category, and I fully support efforts to provide such assistance. I am very concerned, however, that section 2(a)(6) of the bill authorizes racial preferences, divorced from any requirement of tribal membership, that will not meet judicial scrutiny under the Constitution. Accordingly, I am hereby directing interested Cabinet Secretaries to consult with the Attorney General to clarify and resolve this issue.

Notwithstanding this concern, I am approving S. 1846 because it does contain beneficial provisions.

George Bush

The White House,

May 24, 1990.

Note: S. 1846, approved May 24, was assigned Public Law No. 101 - 301. The statement was released by the Office of the Press Secretary on May 25.

Nomination of Paul L. Ziemer To Be an Assistant Secretary of Energy

May 25, 1990

The President today announced his intention to nominate Paul L. Ziemer to be an Assistant Secretary of Energy for Environment, Safety and Health. He would succeed Ernest C. Baynard III.

Since 1983 Dr. Ziemer has served as head of the School of Health Sciences at Purdue University. Prior to this, he served in various positions at Purdue University, including acting head for the School of Health Sciences, 1982 - 1983; acting head for the bionucleonics department, 1982; associate head of the School of Health Sciences, 1979 - 1981; associate head for the bionucleonics department, 1971 - 1981; professor of health physics, 1969; associate professor of health physics, 1966 - 1969; assistant professor of health physics, 1962 - 1966; and a radiological control officer, 1959 - 1982. In addition, Dr. Ziemer has served as health physicist for the Oak Ridge National Laboratory, 1959; radiological physics fellow at Vanderbilt University and Oak Ridge National Laboratory, 1957 - 1958; physicist for the U.S. Naval Research Laboratory in Washington, DC, 1957; and a mathematics trainee for the U.S. Naval Research Laboratory, 1956.

Dr. Ziemer graduated from Wheaton College (B.S., 1957), Vanderbilt University (M.S., 1959), and Purdue University (Ph.D., 1962). He was born June 28, 1935, in Toledo, OH. Dr. Ziemer is married, has four children, and resides in West Lafayette, IN.

Statement by Deputy Press Secretary Hart on President Bush's Telephone Conversations With Presidents Violeta Chamorro of Nicaragua and Guillermo Endara of Panama

May 25, 1990

President Bush this morning called President Chamorro of Nicaragua and President Endara of Panama to inform them of the congressional passage of the Panama-Nicaragua aid bill.

President Chamorro and President Endara expressed their gratitude for the congressional action and thanked President Bush for his efforts on behalf of their countries. They stated that this is a major step forward in solidifying and supporting the growth of democracy in Panama and Nicaragua. President Bush expressed his support of their efforts and stated the continued U.S. desire for close relations and for the continued partnership with Panama and Nicaragua and the rest of Latin America.

President Bush will sign the aid bill as soon as he receives it. It is expected the bill may arrive as early as today or tomorrow.

Statement on Signing the Dire Emergency Supplemental Appropriations Bill

May 25, 1990

Today I have signed into law H.R. 4404, the Dire Emergency Supplemental Appropriations Act of 1990.

The Act provides $720 million in emergency funding to assist Panama and Nicaragua. I am pleased that this Act supports our efforts to restore peace and to support the emerging democracies in Panama and Nicaragua. The funds will help the citizens of these nations to rebuild their economies after years of economic mismanagement and privation. As further economic progress is made in Panama and Nicaragua, their democracies will grow stronger and add to the stability of Central America.

The Act provides additional funds for several mandatory programs, including $1.2 billion for Food Stamps and $0.4 billion for veterans' programs. The Act also funds immediate needs for several discretionary programs, including the 1990 Census, disaster relief following recent floods, Veterans Medical Care, and NASA.

I regret that the Congress has used this important legislation to enact many special interest provisions that are not in response to dire emergencies, and that Defense programs rather than domestic discretionary appropriations were used as offsets. I note that section 205 of the Act would infringe upon my constitutional authority over the conduct of diplomacy by requiring the inclusion of a particular provision in certain international agreements, and by imposing preconditions on my ability to enter into those agreements. I shall construe section 205 consistently with the Constitution and therefore shall regard it as advisory. Notwithstanding these concerns, the need to provide immediately for the legitimate emergency needs of Panama and Nicaragua is sufficient to counterbalance the Act's objectionable characteristics.

George Bush

The White House,

May 25, 1990.

Note: H.R. 4404, the Dire Emergency Supplemental Appropriations for Disaster Assistance, Food Stamps, Unemployment Compensation Administration, and Other Urgent Needs, and Transfers, and Reducing Funds Budgeted for Military Spending Act of 1990, approved May 25, was assigned Public Law No. 101 - 302.

Exchange With Reporters in Kennebunkport, Maine

May 28, 1990

U.S.S. ``Iowa'' Explosion

Q. Mr. President, can I ask you a quick Memorial Day question?

The President. Yes.

Q. Do you believe Clayton Hartwig -- --

The President. Who?

Q. Do you believe Clayton Hartwig -- --

The President. I have no opinion on that.

Q. -- -- is owed an apology by the Navy?

The President. I have no opinion on it. I think they're looking into it, and I really have no judgment. But if the man is proved innocent of these allegations, clearly there should be a statement to that effect. But I can't judge it from what -- I haven't read the report, and just all I've seen is the headlines on it.

Q. Do you think it's a testament of how the Navy conducted its investigation, sir?

The President. Can't assess it until I get all the facts.

Q. Have you requested one -- requested a report from -- --

The President. They'll get that to me within about -- well, I don't know how long, but clearly, I'm interested in it. I haven't requested it, but it will come to me, I'm sure.

Upcoming Summit With President Gorbachev

Q. Are you ready for Thursday?

The President. Thursday? Yes. I've got some more work to do, but I've been reading my briefing books. We have two big ones here. I've got about -- almost through the first one, and I'll get the second one done tonight. And then we'll have 2 days of intensive consultations to bring us up to

date on where we go. But I think I know the issues, and I'm sure that all our people do. There's nothing that's changed in the last few days.

So, German unification, Germany's role in NATO, arms control, START, conventional forces, chemical weapons, nuclear treaties. We've got some commercial agreements. We've got a discussion of their political problems and ours. And we've got a big agenda, and I'm looking forward to the meeting.

Soviet Political Stability

Q. -- -- for Gorbachev. Every day a new headline, things are getting worse -- --

The President. Well, because he has enormous problems. But it's not our business as the United States to sort out the other person's economic problems. We've got some of our own. But it is our business to understand them, to make clear to him what we can do and those things we can't do, and so, I'm taking a lot of time to try to assess the economic situation there. We had some very good briefings on that the other day by some outside experts -- Steve Cohen and others.

Q. Do you agree with Secretary Baker that he's in more danger of being overthrown from below than -- --

The President. I don't think that's my business to sort that out. I deal with the Soviet leader that's there in place, coming to the United States to discuss these matters. And I think we spend too much time trying to figure out how long a leader in any country will be there. I mean, this man has survived. I've given him, I think, appropriate credit for the dramatic changes in Eastern Europe, conducting himself in a manner that none of us would have predicted possible 2 years ago. And so, I'll deal with him. And my own personal opinion is that he's pretty darn strong there, and I say that after talking to an awful lot of Soviet experts.

Q. Is most-favored-nation status become even more critical now, considering the economic straits -- --

The President. Well, it's not on the table because, as you know, there's an emigration law that's required; and there's no evidence that such a law is going to be on the agenda at this time. We thought it was, but it doesn't look like it. So, I don't think that issue will be an action item. I expect it will be talked about because as they move towards a free-market economy, trade with the West is vitally important to them. And I'd say that certain items are very important to us as well, and I've told you that the Baltic States is one situation that concerns me enormously.

We'd better get going.

Q. Do you expect any ``Gorby'' surprises?

The President. I don't think so. I don't know. You always hear about that. I don't think so.

You guys got the honor.

Q. Do you have any surprises for him?

The President. No. [Laughter]

Q. You can tell us. [Laughter]

The President. I hope golf doesn't come to the Soviet Union. If he has to put up with what I put up with, why, it might shatter him. These guys! [Laughter]

Note: The exchange began at 7:20 a.m. on Cape Arundel Golf Course. Gunner's Mate Clayton M. Hartwig, USN, was accused by the Navy of setting off an explosion aboard the U.S.S. ``Iowa." Experts outside the Navy suggested that the cause of the explosion was accidental. Stephen F. Cohen was director of the Russian studies program at Princeton University.

Remarks at a Memorial Day Ceremony in Kennebunkport, Maine

May 28, 1990

Thank you, Stedman. Our thanks to our able State representative, Stedman Seavey. I see his family is here. And my thanks to those from Kennebunk High School, Kennebunk Junior High School, the elementary, and also the recording band back there. Thank you for this. And let me just tell you that Barbara Bush is looking forward to speaking at the Kennebunk graduation not so many days from now. I salute Wally Reid, who puts on this little piece of Americana every year, this marvelous parade that symbolizes not just for the people in Maine but for the people across the country what Memorial Day is all about. I salute the color guard; and I would like to draw the attention of those who maybe didn't notice it to the POW-MIA flag back here, this black flag with white symbols, because we must never forget those who are unaccounted for wherever they may be. And I also want to thank Reverend Pat Adams, my pastor, for her remarks.

Let me just say that on this very special Memorial Day, in a world literally crying out for peace, we have a lot to be thankful for. We should never forget the veterans, those who served their country well, particularly those who gave their lives. I can assert to you, as the Commander in Chief of the United States Armed Forces, that we have never had a better fighting force than we have today; and we should be grateful to every man and woman that wears the uniform of the United States of America.

I have a special guest with me here today who is the Secretary of Transportation; and in that role, he is, as you know, the top official for the United States Coast Guard -- Secretary Sam Skinner. I'd like him to just say hello here. And I guess everybody in Maine, certainly along the coast, is grateful to that fantastic service, the U.S. Coast Guard. And I might say that I know what a fantastic job they are doing in trying to save our country through interdiction from the threat of narcotics.

We thank God on this Memorial Day for all who served. I can assert to you that the day of the dictator is over. The day of the dictator is over, and democracy and freedom are winning all around the world. On this Memorial Day, I'm especially grateful to the young men who gave their lives in Panama. Panama -- now joining the free countries, the countries who practice democracy right here in our own hemisphere. And I'm grateful to every one of those fine kids, those who gave their lives and those who fought with such courage.

On this special day, we think of those people who are not free, and we hope that they will have the blessings that I'm afraid too often we take for granted in this country. Stedman says, and I go -- I leave here this afternoon, do a little more preparation, and then on Thursday we meet at the summit -- I meet with President Gorbachev of the Soviet Union. And things have changed

dramatically. There's no question that we have a better chance now for a lasting world peace, but there are still some enormous problems out there. And this country must remain strong. We must remain committed to the values that have made us great over the last 200-plus years. So, I go to the summit with open arms to welcome the President of the Soviet Union. But we must stand on our principles when we discuss world peace. We must stand on our principles when we discuss the stability in Europe or the fate of the countries around the world that yet are not free. And that's exactly what I plan to do -- refurbished, I might add, by these beautiful 4 days right here in our beloved Kennebunkport.

So, I really just came here as Commander in Chief of the Armed Forces of this country to thank God for those who serve with such distinction and such patriotism, and then, as one who served many years ago in World War II, to thank heavens for the veterans, those who sacrificed their lives and those who serve with such distinction and are with us here today and other such ceremonies all across the country. It is great to be an American. God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 10:45 a.m. at Dock Square. In his remarks, he referred to Wally Reid, retired businessman and former owner of the Green Heron Inn; and Patricia Adams, United Church of Christ minister for the First Congregational Church of Kennebunkport.

Remarks at the Welcoming Ceremony for President Mikhail Gorbachev of the Soviet Union

May 31, 1990

President Bush. Friends and distinguished guests, welcome to all of you, especially our guests from the Soviet Union. It is my great honor to welcome to the White House the President of the Soviet Union, Mikhail Gorbachev.

Mr. President, just over a year ago I said that the United States wanted to move beyond containment in its relations with the Soviet Union toward a new era, an era of enduring cooperation. When we last met in Malta, we agreed to accelerate our efforts on a full range of issues. Today differences remain, of course, but in the short 6 months since the Malta summit, we've made encouraging progress. I want this summit to take us farther still, and I know that that is your view as well, Mr. President.

We've seen a world of change this past year. Now, on the horizon, we see what, just 1 short year ago, seemed a distant dream: a continent cruelly divided, East from West, has begun to heal with the dawn of self-determination and democracy. In Germany, where the Wall once stood, a nation moves toward unity, in peace and freedom. And in the other nations of the most heavily militarized continent on Earth, at last we see the long era of confrontation giving way to the prospect of enduring cooperation in a Europe whole and free. Mr. President, you deserve great credit for your part in these transforming events. I salute you, as well, for the process of change you've brought to your own country.

As we begin this summit, let me stress that I believe we can work together at this historic moment to further the process of building a new Europe, one in which every nation's security is strengthened and no nation is threatened. Around the world, we need to strengthen our cooperation in solving regional conflicts and building peace and stability. In Nicaragua, for example, we've shown that we can work together to promote peaceful change. In Angola, our support for an early resolution of that country's tragic conflict -- is a resolution acceptable to the Angolan people -- is now paying off. So, let us expand this new spirit of cooperation not merely to resolve disputes between us but to build a solid foundation for peace, prosperity, and stability around the world.

In that same spirit, Mr. President, let me quote the words of one of your nation's great minds, one of the world's great men in this or any age, Andrei Sakharov. Fourteen years ago, he wrote: ``I am convinced that guaranteed political and civil rights for people the world over are also guarantees of international security, economic and social progress." Sakharov knew that lasting peace and progress are inseparable from freedom, that nations will only be fully safe when all people are fully free.

We in the U.S. applaud the new course the Soviet Union has chosen. We see the spirited debate in the Congress of People's Deputies, in the Soviet press, among the Soviet people. We know about the difficult economic reforms that are necessary to breathe new vigor into the Soviet economy. And as I've said many times before, we want to see perestroika succeed. Mr. President, I firmly believe, as you have said, that there is no turning back from the path you have chosen.

Since our meeting in Malta, we've reached agreements in important areas, each one proof that when mutual respect prevails progress is possible. But the agreements we've reached cannot cause us to lose sight of some of the differences that remain. Lithuania is one such issue. We believe that good faith dialog between the Soviet leaders and representatives of the Baltic peoples is the proper approach, and we hope to see that process go forward.

Over the next 4 days, we're not going to solve all of the world's problems. We won't resolve all of the outstanding issues that divide us. But we can and will take significant steps toward a new relationship.

This summit will be a working summit in the strictest sense of the term, one where we mark the real progress we've made by signing new agreements and where we address the differences that divide us in a spirit of candor, in an open and honest search for common ground. In a larger sense, though, that the success of this summit depends not on the agreements we will sign but on our efforts to lay the groundwork for overcoming decades of division and discord, to build a world of peace in freedom.

Mr. President, together, your great country and ours bear an enormous and unique responsibility for world peace and regional stability. We must work together to reduce tensions, to make the world a little better for our children and grandchildren. And to this end, I pledge you my all-out effort.

Mr. President, you've brought us a beautiful day, and you've brought back Mrs. Gorbachev -- that brings joy to all of our hearts. A hearty welcome to her as well. So, it is my privilege to welcome you to the White House. And may God bless our peoples in their efforts for a better world. Welcome, sir.

President Gorbachev. Mr. President, Mrs. Bush, ladies and gentlemen, comrades, thank you for this welcome. May I also greet all Americans on behalf of the peoples of the Soviet Union.

My present visit to the United States is a confirmation that Soviet-U.S. relations are acquiring greater stability, clarity, and predictability. I am convinced that both the Soviet people and the Americans approve such changes. I think that they are also properly appreciated throughout the world. Therefore, it is the great responsibility of the President and myself to make sure that the capital of trust and cooperation accumulated in recent years is protected and constantly

increased.

I remember well my first visit to the United States, and not only because I saw America for the first time then. During those days in December 1987, President Reagan and I signed the treaty on the elimination of INF [intermediate-range nuclear force] missiles. That was truly a watershed not only in our relations but in the history of modern times. It was the first step taken together by two powerful countries on the road leading to a safe and sensible world.

Since then, our two great nations have traveled a long way toward each other. Thousands of American and Soviet citizens; dozens of agencies, private companies, and public organizations are involved in political and business contacts, humanitarian exchanges, scientific and technological cooperation.

In the same years, the world around us has also changed beyond recognition. Mr. President, this generation of people on Earth may witness the advent of an irreversible period of peace in the history of civilization. The walls which for years separated the peoples are collapsing. The trenches of the cold war are disappearing. The fog of prejudice, mistrust, and animosity is vanishing.

I have come to the United States with the impressions still fresh in my mind of how our people celebrated the 45th anniversary of the victory over nazism and of my meetings with war veterans. I recently had many meetings with my countrymen. They all understand the importance of Soviet-U.S. relations. They look upon their improvement with the hope that the tragedies of the 20th century -- those horrible wars -- will forever remain a thing of the past. I think that this is what the Americans want, too.

Mr. President, living up to these hopes of our two nations is your mission and mine. This meeting is part of it. My colleagues and I have come to do serious work in order to make a decisive step toward an agreement reducing the most dangerous arms, which are increasingly losing their political significance, and to provide further impetus to interaction between our two countries -- interaction and, of course, cooperation in solving international problems in trade, scientific, technological, and humanitarian fields; in cultural exchanges; in expanding information about each other; and in people-to-people contacts.

We want progress in relations between the Soviet Union and the United States of America. I am looking forward to meetings with the Americans and, to the extent possible, getting to know better your unique and great country.

On behalf of Mrs. Gorbachev and myself and of all those who have come with me to your Nation's Capital, I thank once again President George Bush and Mrs. Bush and all those present here for this warm welcome.

Note: President Bush spoke at 10:14 a.m. on the South Lawn of the White House, where President Gorbachev was accorded a formal welcome with full military honors. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter.

Remarks and an Exchange With Reporters on the Soviet-United States Summit

May 31, 1990

The President. Well, I'll just say, at the end of a very interesting day, that the talks have gone reasonably well. The mood is very positive in the sense that I had a very good, and I mean genuinely -- not in a diplomatic sense -- very good, exchange for a couple hours this morning with President Gorbachev. I'm very well pleased with the ground we've covered. This afternoon's meeting -- the tone was positive. Differences remain.

We talked about the German question there. I believe President Gorbachev indicated after the meeting that he didn't think the whole question of Germany would be resolved. Certainly, we're not in any position to resolve that entire question, but when he said that the differences had been narrowed somewhat -- I'm taking some heart from that. And we'll continue these discussions tomorrow.

But I think, given the difficulties of some of the problems we face, the talks have gone, certainly, as well as I could have expected up to now. We still have a lot of discussion. We've touched on almost every contentious issue, as well as spelling out the areas of which we have common interest, where things are going very well between us.

So, that's the report for tonight; and tomorrow, why, we'll be able to say a little bit more. But I won't go into details because we've agreed we're going to talk about them.

Trade Agreement

Q. None of us understand why you can't sign a trade agreement if it's all wrapped up.

The President. We haven't said whether we can sign a trade agreement or not yet.

Q. Why?

The President. We haven't discussed that yet.

German Reunification

Q. Mr. Gorbachev said you've instructed the Foreign Ministers to discuss something that emerged today about Germany, sir. Could you tell us about that?

The President. No, because we agreed we wouldn't. We agreed we'd let them discuss it. I think

when I heard what President Gorbachev said -- that's exactly what we had agreed he would talk about. So, we're just going to stay with that guidance.

Q. When will they meet again?

The President. I don't know. Probably tomorrow.

Q. Was there some narrowing of differences that made you decide the Foreign Ministers should get together or some specific details you have them working on?

The President. That was a proposal that President Gorbachev made, and I think the Foreign Ministers need to discuss in great detail the subjects we discussed to see. But I must say, Michael [Michael Gelb, Reuters], I took some heart from that. I was encouraged by that. Our position has been stated and restated, and we'll see where we go. But I think the important point is, we've talked very frankly -- no rancor there. And let's hope some of the differences have been narrowed. But when he says this whole German question will not be solved in a meeting of this nature, I would agree with that. We consult our allies, and he knows that. He knows we have a lot of consultation. But basically, my position is the same as it was when I went into the meetings, but I'm listening very carefully -- listening to their views and trying to understand their position.

Q. Did he offer something specific for the Foreign Ministers to discuss on Germany?

The President. I think they do have some specifics to discuss, but that can be discussed after they get through talking -- --

Q. Mr. President, did you offer any concessions? Did you give him anything in return?

The President. No. I want to stay with the guidance that we agreed on. But our position is well-known, and -- --

Q. You gave nothing?

The President. -- -- the fundamentals have not changed.

Q. You gave nothing at all?

The President. The fundamentals have not changed.

Soviet-U.S. Differences

Q. Has he taken offense to your stand on Lithuania or your remarks today in the arrival ceremony?

The President. He didn't seem to take offense to anything. He knows that we have differences. I've been very up front with him, and he's been very, very direct and up front with me. So, that's one of the good things about the meeting. Great powers have differences. Sometimes they haven't been able to talk about them in a civil way. We are talking about them in a very civil way. I commend him for that approach. It's one I like, it's one I understand, and it's one I think benefits not just the United States and the Soviet Union but a lot of other countries as well.

Trade Agreement

Q. Would a trade bill be contingent on what you hear on Lithuania?

The President. We're going to discuss the details of that -- probably get into some of that tomorrow.

German Reunification

Q. Does he feel that he has a proposal to talk about on Germany -- means that he is more ready to come your way than you are to his, sir?

The President. We're not dealing on that. Look, we agreed to some guidance, he and I, and I'm going to stick with it. And he did, and I think that's a good sign. We're in the middle of some discussions about where it stands.

Summit Tone

Q. Why do you think it is going so well? Both of you have talked about a really good relationship that -- the two of you have talked about the hours he's spent here. Why do you think this time there has been such -- is it a good chemistry?

The President. Well, I don't know. That's a good question. I feel very comfortable with him. I feel very free to bring up positions that I know he doesn't agree with. And as I've said, that hasn't always been the case. There have been times when people banged their shoes when they didn't agree. That's not the mood or the tone of this meeting. And we both realize we're engaged in very, very historic and important work here. I think when these meetings are over people in this country are going to be pleased with some of the positions he takes concerning U.S. interests. And hopefully, I can be reassuring to people in the Soviet Union about the kind of relationship we want. But the tone of it is important so that we can try to ``narrow differences."

Lithuanian Independence

Q. Mr. President, does either side have a better understanding of the other's position on Lithuania now? Have you narrowed any differences?

The President. That subject has been discussed, but not in the plenary meetings and not in great detail yet. It will certainly be discussed in more detail.

Q. You said you were heartened by the discussion on Germany. Was there any reason for similar encouragement on Lithuania?

The President. As I say, that matter has not been discussed. And I can't quantify for you my hopes on each important question, and that is an important question.

German Membership in NATO

Q. Mr. President, has he backed off anything since his comment yesterday about dictating to the Soviets?

The President. I don't recall. You mean, something he said in Canada?

Q. Yes, sir.

The President. I think when I said out there that we're dealing from positions of unique responsibility, I think he understood that I have certain respect for the standing of the Soviet Union and I'm not attempting to dictate. But I clearly am entitled to and will put forward the views of the American side as forcefully as I can. But you don't get any progress if you give the impression that you're in a situation of dictation. The age of the dictator is over. Remember my speech a while back?

Q. Mulroney [Prime Minister of Canada] seems to think that most of the West is insensitive to what the Soviets suffered in World War II.

The President. I think Mulroney, with whom I've talked twice in the last 2 days, knows very well the United States is not insensitive to the fact that the Soviets lost 27 million lives in the war. And I know Mr. Gorbachev understands that I'm quite sensitive to that. I think he's also sensitive to the fact that a lot of American kids lost their lives. It might have been that I was only one of the two of us who was old enough to remember from being there.

Q. That's why he doesn't want Germany in NATO as a military -- --

The President. You're putting words into his mouth.

Q. Mr. President, is there any change in his ability to negotiate -- --

Length of the Summit

Q. Will you have enough time in 3 days, or is that too short a period of time?

The President. Well, I don't know. I think the Camp David meeting, where we have a lot of one-on-one time, is going to be fruitful. I think we've got to do better on -- simultaneous, as opposed to consecutive, translation speeds things up. And today in the Oval Office we had the longer version, so I'd like to move that up a little bit. But I guess there's never enough time when you're dealing with an agenda that is this important. We've got regional questions that we haven't touched on yet. We have more refinement on -- each side to refine its views on the European questions. We have arms control that's still being talked about behind the scenes, but that he and I have not gone into. So, we've got a big agenda. Whether we'll have enough time to do everything that he wants and that I want, I don't know.

I am convinced that, out of this meeting, we will narrow differences and the two ships are less apt to pass in the night based on simple misunderstanding. And I'm convinced of that because I can talk very frankly with him. And when he talks, I listen, and when I talk, he listens. We're not shouting at each other. There's not a rancor in there. And once in a while, both of us, if we feel strongly about something, we might get a little more passionate than the rest of the time in presenting our views. But I'm very pleased with that mood of his wanting to understand the United States position, my having the opportunity to express it. And I hope he understands the receptivity on my part.

German Reunification

Q. Mr. President, may I try once more on the question of Germany, sir?

The President. You can try, but I'm not going to give you any more because we agreed with the President of the Soviet Union on the guidance -- if you want me to read it to you again, I'll get my notes. I can't help you on it. Nice try. Another question, though, maybe.

President Gorbachev and Soviet Domestic Problems

Q. Mr. President, have you noticed a change in the Soviet President since Malta? Have his domestic problems constrained him at all in your talks?

The President. He's 6 months older. No, I don't really -- I don't -- --

Q. Has he brought up his own domestic problems and offered that as a stumbling block in these

solutions?

The President. No. He's not done that. He's not trying to hide anything, nor is he wringing his hands. To me, there is a certain -- I don't know whether Brent [Brent Scowcroft, Assistant to the President for National Security Affairs] felt this way -- but a certain strength and confidence that was there in Malta and certainly is still there now. And you can feel that. I mean, this wasn't just a casual observation. I felt strongly about that. So, I don't feel a weakened presence or anything of that nature. I feel a man determined to do his job.

Q. Do you think there is anything you can or should do to help him in the short term?

The President. I'm going to do what's in the national interest of the United States -- our security interests, our global interests. And working closely with the Soviet Union -- a lot of questions -- is in our interest. So, with that approach in mind, I think maybe he can go away feeling that he's got people here that are not just dealing with some innate animosity towards the Soviet Union. We're in a fantastic era of change. We focus on the problems at meetings like this; but we ought not to neglect the fact that we're sitting here, talking to the head of the Soviet Union at a time when Eastern Europe, for the most part, enjoys the democratic process and enjoys a freedom that none of us would have predicted possible. A lot of that is because of the way in which Mr. Gorbachev has conducted himself.

So, there's some problems out there. But we ought not to overlook the fact that we've come a long, long way, and there is less tension in terms of world catastrophe. But there are still some big problems. So, it's that kind of an approach that I'm bringing to these meetings.

Arms Reduction Negotiations

Q. Sir, was there any progress today on START or CFE?

Q. Conventional weapons? What about conventional? You haven't talked about that. Any problems on -- --

The President. That's going on, but didn't come up -- the arms control agenda was not discussed today.

Q. Do you think he'll invite you to Moscow?

President Gorbachev's Meeting With American People

Q. Did you watch him when he got out of the car down there at 15th Street?

The President. No, I didn't see that.

Q. A big crowd.

The President. Was it?

Q. A big crowd. Yes. I hear he's taken your advice about parades.

The President. How was it received?

Summit Discussions

Q. When did he last indicate that he was hoping there would be more in-depth discussions? Weren't there in-depth discussions today?

The President. I thought they were in depth.

Q. He didn't seem to feel that way.

The President. I think he thinks they were in depth.

President Gorbachev's Meeting With American People

Q. Did you talk with him about the handshaking out on the street, pressing the flesh, working -- --

The President. No, we didn't discuss that.

Q. You didn't really settle anything today, did you?

President Bush's Exchange With Reporters

Q. Did you come out here because you felt you weren't in the game, and he was getting all the publicity by talking to us?

The President. Michael, I knew you'd want a debriefing. You know how I'm jealous about air time. [Laughter] It's one of my driving factors is to be sure you're on for 30 seconds. You know how I am. [Laughter]

Good seeing you guys. You've got to stop laughing. [Laughter]

Note: The exchange began at 6:26 p.m. in the Rose Garden at the White House.

Excerpts of White House Fact Sheets on Soviet-United States Scientific and Commercial Agreements

May 31, 1990

Ocean Studies Agreement

Provides for a broad range of oceanographic research cooperation, use of port facilities in each other's countries, and far-reaching scientific exchanges.

Intellectual property rights (IPR) provisions are included.

Results of joint studies will be published openly.

Shared use of research vessels will result in substantial savings for both sides.

Expanded Civil Aviation Agreement

Total passenger and cargo flights per side would increase from 7.6 Boeing-727 equivalents/week to 15.1 immediately; to 42 on April 1, 1991; to 58 on April 1, 1992.

U.S. airlines could increase services to Moscow and Leningrad. They would gain new rights over the North Atlantic to four additional cities and over the Pacific to two additional cities.

Soviet airlines could increase services to New York and Washington. They would gain new rights over the Atlantic to two additional cities (with onward service to South America) and over the Pacific to two additional cities.

Each side could designate up to seven airlines to serve the other, with no more than two passenger airlines per side serving a city pair.

A charter article would be added guaranteeing each side annual approval of 100 charter flights over the Atlantic, within certain national constraints, and positive consideration of charter flight requests over the Pacific.

Soviet airlines would retain unrestricted rights to sell tickets in the United States. Until Soviet currency becomes convertible for purchase of air transportation, U.S. airlines could only sell tickets in the U.S.S.R. for hard currency. To ensure U.S. sales access to Soviet citizens in absence of ruble convertibility, Soviet airlines would sell ruble tickets on U.S. airlines equal to 8.75 percent of our airlines' round-trip capacity, and remit the profits to U.S. airlines in hard currency.

Maritime Transportation Agreement

The agreement commits both parties to eliminate discriminatory treatment, although it permits Soviet shippers to pay Soviet carriers in rubles as an interim measure.

The agreement contains no provisions for cargo-sharing, but does require Soviets to charter U.S.-flag carriers for Soviet Government controlled bulk cargoes whenever U.S. carriers are available on terms and conditions equal to or better than those offered by non-U.S. carriers. U.S. carriers wishing to participate in bilateral bulk trade are encouraged to inform Soviets of their interest, time availability, and price.

The agreement establishes a forecast mechanism to trigger consultations on U.S. liner trade. The agreement goes into effect following the conclusion of first joint forecast, expected to take place within a few months of signature.

It grants 2-day reciprocal notification access to 42 U.S. and 42 Soviet ports.

Soviet-flag vessels are permitted to reenter U.S. cross-trades, subject to Soviet assurances with regard to past Soviet predatory rate practices.

Note: This item contains information excerpted from three fact sheets released by the Office of the Press Secretary.

Toasts at the State Dinner for President Mikhail Gorbachev of the Soviet Union

May 31, 1990

President Bush. Friends and distinguished guests, and especially President and Mrs. Gorbachev, Barbara and I are delighted to welcome you to the White House to share bread and salt with us on this special evening.

We're now nearing the end of a momentous day, the first of 4 in this Washington summit. And tomorrow, Mr. President, comes the moment that so many have been waiting for, a day when expectations will be at a fever pitch. That's right, tomorrow Barbara and Raisa go to Wellesley College. [Laughter]

And back here at the White House, sir, we will meet again, this time to sign our names to a series of agreements that signify the progress that our two nations have made in forging a new relationship, agreements on everything from nuclear testing and chemical weapons to expanded contacts between the people of America and the people of the Soviet Union. These agreements are a continuation of all that began in Malta just 6 months ago, a foundation we can build on, proof that differences can be resolved even while others remain. And let me assure President Gorbachev: Whatever deep differences divided us in the past, the United States and the American people approach every issue with a sincere belief that our two nations can find common ground. Indeed, because of our unique positions in the world, we must find common ground.

We meet at a time of great and historic change in the Soviet Union, in Europe, and around the world. Such profound change is unsettling, but also exhilarating. And we don't shrink from the challenges before us, but we welcome them, determined to build the foundations of enduring peace and security.

Mr. President, you deserve great credit for the course that you have chosen, for the political and economic reforms that you have introduced, and for creating within the Soviet Union this commitment to change. As I said this morning when I welcomed you to the White House, we want to see perestroika succeed. We want to see this transition now underway in the Soviet Union maintain its momentum.

Mr. President, it's said that your country is the land of possibilities. You have demonstrated the truth of that statement. And we've seen this past year that ours is a world of possibilities, that our time is a time of historic change, a time when men and nations can transform history, can turn possibility into progress, into peace. So, let us raise our glasses to our guests, President and Mrs. Gorbachev, to the growing friendship between American and Soviet people and to the

possibilities now open to us, to the prospect of progress and lasting peace.

President Gorbachev. Mr. President, Mrs. Bush, ladies and gentlemen, allow me on behalf of Mrs. Gorbachev and myself and all the members of our delegation to thank you for your warmth and for the kind words of President Bush.

We share the assessment of President Bush that we have done fruitful work today, and I'm sure that as a result of this meeting our countries will go to a new level of cooperation. Even now our relations, to which history assigned such an important role in the events and lessons of the 20th century, differ dramatically from what they were before the 1985 Geneva summit. To achieve this, we have worked together.

The enemy image is becoming a thing of the past. Ideological stereotypes are fading away. We have begun to understand each other's motives. As we are changing and becoming closer to each other, we have not ceased to be different. But it turns out that that is not so bad. Quite the opposite: it is useful, for diversity is a vital force of development.

The world, too, has changed beyond recognition. It has made significant progress toward a new period of genuine peace in its long history. I think we can say with confidence that the most important and decisive step in this direction was made by our countries. Our two countries had the will, common sense, and understanding of the situation and of the imperatives of the future to embark on a long and difficult road which led from Geneva via Reykjavik, Washington, Moscow, and New York to Malta, and now once again to Washington.

Today I would like to repeat here what I said to the President 6 months ago at Malta. The Soviet Union does not regard the United States as its enemy. We have firmly adopted the policy of moving from mutual understanding through cooperation to joint action. Today, when I was meeting some American intellectuals at the Soviet Embassy, I said to them this: ``Yes, indeed, we used to be enemies, or almost enemies. Now we are, maybe, rivals, at least to some extent. And we want to become partners. We want to go all the way to become friends."

Improved Soviet-American relations have reduced the threat of war. This is the main achievement of these years. We have concluded close to 20 bilateral agreements in various fields. There has been an unprecedented expansion of exchanges among our people -- and that is especially valuable -- from schoolchildren to prominent personalities in the fields of science and the economy. I think that the work we have been doing together with President Bush during these days can be considered as another step toward a more humane and just world.

I cannot say yet how we are going to conclude this meeting, what the results would be. That would be premature. But I think that my talk today with the President and also the meeting of the delegations makes it possible to expect major results from this meeting, and maybe even major results, the biggest results, compared to all the other meetings in previous Soviet-

American summits. Maybe I'm too optimistic, but let's wait and see. We have 2 days. I believe that maybe we will have those major results.

I feel that we're now witnessing the emergence of a general idea which is conquering people's minds on the eve of the 21st century: it is the idea of unity. To make this idea a reality is a truly monumental challenge. The world's diversity and its complex problems are such that we can only do it by synthesizing, or at least interlinking, the aspirations, values, achievements, and hopes of different nations.

In the world confronted with the nuclear, environmental, and other threats, global unity means a chance for the survival of our civilization. But mankind cannot be merely a community of survival. It should be a community of progress, progress for all, the East, the West, the North, the South, the highly developed, and the less fortunate. But today we have to rethink the whole idea of progress. Mankind's ascent toward the realization of the idea of its history should not result in irreparable damage to the environment, in the exploitation of man or entire nations, or in irreversible moral and ethical losses.

It is a difficult and novel task to build a new civilization. Coming from a country in which more than 100 nationalities live together, we know that, perhaps better than anyone else, our own house is in need of an overhaul and a fundamental restructuring along the lines of reason and justice. We are aware of the magnitude of this undertaking, unprecedented in the history of mankind.

Judging by the response of the rest of the world to our perestroika, we can conclude that it is a necessary and desirable element of mankind's political and philosophical potential. That is why, while rethinking that potential and restructuring ourselves, we believe that we are making a contribution to the cause of universal development and universal unity.

We have not yet completed the task of creating a durable democratic system in our country, but I am convinced that the reserves of our society's energy already committed to this great undertaking are enough to bring it to its completion. I can say this firmly: We shall act on the basis of our values; we shall move resolutely but prudently.

The goal of our policy is to bring our society to a qualitatively new level. This will enable us to be predictable participants in the international process, partners to all who want a secure, just, and free world. In building this world, we count on long-term cooperation of the United States of America.

The most important developments in relations between our two countries and in world politics are probably yet to come. It is important not to lose sight of our goal, to resist the temptation of trying to secure unilateral advantages. Let us move ahead while overcoming both current and future problems and roadblocks. Let us cooperate and work together.

To the health of Mrs. Barbara Bush and to your health, Mr. President, to the success and well-being of all those present here, to a life worthy of today, and to our common and better future. Thank you.

Note: The President spoke at 8:20 p.m. in the State Dining Room at the White House. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter.

Exchange With Reporters Following a Meeting With President Mikhail Gorbachev of the Soviet Union

June 1, 1990

President Bush. We had a very good talk this morning, very good talk.

President Gorbachev. Yes, it was a good talk. The important thing is that we get results. And I think that we will get results, specific results.

Q. -- -- press out here, Soviet press. [Laughter]

President Gorbachev. I hope so.

President Bush. Certainly, there will be on some things. You can put that in the bank.

Q. There are problems; there are complications?

President Bush. We always have complications, but we measure it not by whether the glass is half empty or the glass is half full.

President Gorbachev. I will say this: We have gone two-thirds of the road in our talks. We have had mostly one-on-one discussions with the President. Right now we were discussing the central question of the 50-percent START reductions, and in this the main -- the forces of our delegations participated, and we made a lot of progress. We have also tomorrow. I think we'll negotiate in a good setting. There's a lot of fresh air there, and I think we'll work and think more expansively, and I think that we'll complete our discussions successfully.

I think we can already say that this meeting is going to be an important one. And it can become even more productive and more important. Whether it is just important or very important, that will be decided tomorrow.

Q. [Inaudible]

President Bush. -- -- significant accomplishment if it all works out. It will be viewed by the American people anyway as enormously important. So, I felt positive about that one.

Thank you all.

Q. Thank you. We very much appreciate it.

President Bush. Not at all. See you later.

Note: The exchange began shortly after 1 p.m. in the Rose Garden at the White House. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter. A tape was not available for verification of the content of the exchange.

Remarks on Signing Soviet-United States Bilateral Agreements

June 1, 1990

President Bush. President Gorbachev, again, welcome to the White House. Mr. President, you and I set a course 6 months ago off the island nation of Malta. And at that time we agreed on an agenda, much of which was completed for this week's summit. Of course, our Malta agenda remains unfinished, but we've made great progress in the last 6 months and in the last 2 days.

We're about to sign agreements concerning many areas of vital interest to our countries and to the world, and to record specific understandings in joint statements that are being published today.

First, we'll sign a bilateral agreement that will, for the first time, eliminate the great majority of the chemical weapons that our countries have stockpiled over the years. And let this landmark agreement quickly lead to a global ban on chemical weapons.

Secondly, we will be signing protocols on limiting nuclear testing. After long, sometimes arduous negotiations, we both agreed on unprecedented improvements for on-site verification of the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty.

Third, we will sign a major new agreement that updates and expands our 1973 agreement on the peaceful uses of atomic energy. This new agreement provides for substantial U.S.-Soviet cooperation in atomic energy research and civilian nuclear safety.

In addition, President Gorbachev and I are issuing a joint statement recording major agreed provisions of a strategic arms reduction treaty as well as a joint statement in which we agree to future negotiations on nuclear and space arms designed to enhance stability and reduce the risk of war. We're also issuing a statement on the conventional armed forces in Europe, committing us to intensify the pace of the Vienna negotiations and to reach rapid agreement on all outstanding issues. You see, we agree that a CFE treaty is an indispensable foundation for the future of European security.

There are many other agreements the United States and the Soviet Union are signing or announcing during this summit, agreements that represent hard work and a lasting achievement not just by our governments but also for the peoples. For example, an agreement to establish a U.S.-Soviet park across the Bering Strait. This park will preserve the unique natural, environmental, and cultural heritage of the Bering Sea region of Alaska and Siberia. Just as a bridge of land once joined our two continents, so let a bridge of hope now reach across the water to join our two peoples in this spirit of peaceful cooperation.

In this same spirit, President Gorbachev and I will sign an agreement that realizes our Malta objective of expanding undergraduate exchanges by 1,000 students on both sides, allowing more of our young people to experience firsthand each other's culture and politics, to live as friends. And out of simple acts of friendship, a profound revelation eventually arises: the people of the world have more in common than they have in conflict.

In just a few moments, Secretary of State Baker and Foreign Minister Shevardnadze will also sign four important new agreements concerning maritime boundaries, ocean studies, civil aviation, and a long-term grains agreement. Minister Shevardnadze and Transportation Secretary Skinner will sign a fifth agreement on maritime transportation. President Gorbachev and I are also signing a commercial agreement and are looking forward to the passage of a Soviet emigration law.

President Gorbachev, I am very gratified by what we've accomplished over the last few days and determined to build on this solid foundation. The agreements we record today and those yet to come will advance the cause of peace -- agreements in the best interests of both our nations and all nations.

Not long ago, some believed that the weight of history condemned our two great countries, our two great peoples to permanent confrontation. Well, you and I must challenge history, make new strides, build a relationship of enduring cooperation. We may not agree on everything, and indeed we don't agree on everything, but we believe in one great truth: the world has waited long enough; the cold war must end. And so, today with gratitude in my heart for all those on the Soviet side and the United States side that worked so hard at all levels to bring these agreements to fruition, I say let's renew our pledge and build a more peaceful world.

President Gorbachev. Mr. President, ladies and gentlemen, comrades, first of all, I would like to thank President George Bush for presenting so well the results of our work that we've been doing over these days in Washington. So, I have a problem: What shall I talk about? [Laughter] So, I think that I will do some thinking aloud in this context.

I would say that maybe this room has seen many important events and many agreements signed, but I think that what is happening now and what you have listed as the results of our work together represents an event of momentous importance not only for our two countries but for the world.

President Franklin D. Roosevelt half a century ago spoke of a world in which four essential freedoms will triumph: freedom of speech, freedom of worship, freedom from want, and freedom from fear. And this ideal has not yet been attained in the world, and it could not be attained in the world of animosity and confrontation. And therefore, while liberating the world from fear, we are making steps towards a new world; and this is the important work of our two nations, of our two peoples.

What is very important, I think, is that we do not just declare our commitment to moving toward a healthier international environment, toward better international relations, toward a nonviolent world; we are taking practical steps in that direction. And what you have just listed and what we'll be signing during this visit, I think, is a confirmation that both our declarations are right in that they seek to justify the hopes of our peoples and that we're also taking those practical steps. The important steps that we are taking today illustrate the degree of agreement between our two countries, despite the fact that -- and here I quite agree with you -- that there are things on which we disagree and there are differing views that we have on certain questions. But that area of disagreement is being narrowed in the course of our work together. What we will be signing, I think, is the best demonstration that we are ready to participate at the level of our responsibility in building a new civilization.

There are still many difficult challenges awaiting us. It is evident that to dismantle that monumental artifact of the cold war, the accumulated arsenals of mutual destruction, is not at all a simple or even an entirely safe thing to do. The slightest imbalance and due haste or lack of equilibrium in this process may dangerously destabilize the overall international situation. But I'm sure that if we take a balanced and responsible approach, if we take into account the concerns and positions of each other even when we disagree, if we do all that, I'm sure that we will be able to move ahead more resolutely and more vigorously.

Mr. President, you have just mentioned Malta. Mr. President, I'm pleased to note that the turbulent developments of recent months after Malta have not led us astray from the goal we set together. So, I believe that we have passed the first test.

Mr. President, let me reaffirm here something that I've been saying to you during our one-on-one talks. We have had many such talks during this summit, and I welcome this style of negotiating. But let me reaffirm to both of our peoples that the Soviet Union is committed to the objective set at Malta: completing before the end of this year the preparation of the START treaty. I believe that this goal is attainable even though it is difficult.

I also can confirm what you have said: that we have agreed during our talks that this year we will seek to sign a treaty at the Vienna talks. And of course, we believe that in that case that will be the CSCE European security summit meeting. I think we already have good results and a good potential to work.

I believe that this is all possible as a result of the efforts of both sides over the past few years, including the efforts in which you, sir, have participated vigorously and actively and with great foresight in order to expand our relationship and to build on the capital of trust in our relations.

It would seem that I've said even more than I intended to say. I think it means that I'm human in the sense that I'm emotional. I would like to say that we've done a great deal in order to assure

the success, and I would like to congratulate our two nations. And I would like also to shake your hand, Mr. President, so that we congratulate each other.

Note: The President spoke at 6:13 p.m. in the East Room at the White House. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter.

Soviet-United States Joint Statement on the Treaty on Strategic Offensive Arms

June 1, 1990

The President of the United States George Bush and the President of the Union of Soviet Socialist Republics Mikhail S. Gorbachev discussed the status of the Treaty on the Reduction and Limitation of Strategic Offensive Arms. The two Presidents expressed their satisfaction with the great progress which has been made in the negotiations on this Treaty. In particular, they welcomed the mutually acceptable solutions which have been found in major issues in the talks and reaffirmed their determination to have the Treaty completed and ready for signature by the end of this year. They instructed their negotiating teams in Geneva to accelerate their work to complete the Joint Draft Text recording the details of these solutions in order to fulfill this goal.

The START Treaty will be a major landmark in both arms control and in the relationship between the United States of America and the Union of Soviet Socialist Republics. It results from the recognition by both sides of the special obligation they bear to reduce the risk of outbreak of nuclear war, enhance strategic stability, and strengthen peace and international security. As such, the START Treaty will signal a turning point in U.S.-Soviet arms control efforts toward a more rational, open, cooperative, predictable and stable relationship. The Treaty will complement to a remarkable degree the important political changes which have recently begun to remove the hostility and suspicion and will facilitate the reduction of the sizeable stockpiles of strategic offensive arms which now exist.

The benefits of this Treaty are many. For the first time ever, both sides will carry out significant reductions in strategic offensive arms -- up to 50 percent in certain categories. More importantly, these reductions will be designed to make a first strike less plausible. The result will be greater stability and a lower risk of war.

Major agreed provisions of the Treaty are as follows:

The total number of deployed ICBMs and their associated launchers, deployed SLBMs and their associated launchers and heavy bombers will be reduced to no more than 1600; within this total deployed heavy ICBMs and their associated launchers will be reduced to no more than 154;

The total number of warheads attributed to deployed ICBMs, deployed SLBMs and heavy bombers will be reduced to no more than 6000. Of these, no more than 4900 will be warheads on deployed ICBMs and deployed SLBMs, no more than 1540 will be warheads on heavy ICBMs, and no more than 1100 will be warheads on mobile ICBMs;

The aggregate throw-weight of the deployed ICBMs and SLBMs of each side will be limited to

an agreed level which will be approximately 50 percent below the existing level of the aggregate throw-weight of deployed ICBMs and SLBMs of the Union of Soviet Socialist Republics as of a date to be determined. This limit will not be exceeded for the duration of the Treaty;

Heavy bombers equipped for long-range nuclear air-launched cruise missiles (ALCMs) will be distinguishable from other heavy bombers. Heavy bombers equipped for nuclear armaments other than long-range nuclear ALCMs will be counted as one delivery vehicle against the 1600 limit and will be attributed with one warhead against the 6000 limit;

Heavy bombers equipped for long-range nuclear ALCMs will be counted as one delivery vehicle against the 1600 limit and shall be attributed with an agreed number of warheads against the 6000 limit. Existing and future U.S. heavy bombers equipped for long-range nuclear ALCMs will be attributed with 10 warheads each. Existing and future Soviet heavy bombers equipped for long-range nuclear ALCMs will be attributed with 8 warheads each;

Within the 1600 limit on delivery vehicles the United States of America may have no more than 150 heavy bombers equipped for long-range nuclear ALCMs that are attributed with 10 warheads each. The Union of Soviet Socialist Republics may exceed that number of heavy bombers by 40 percent. If the United States of America exceeds the 150 number, each additional heavy bomber equipped for long-range nuclear ALCMs will be attributed with the number of long-range nuclear ALCMs for which it is actually equipped. If the Union of Soviet Socialist Republics exceeds 210 heavy bombers equipped for long-range nuclear ALCMs, each such heavy bomber will be attributed with the number of long-range nuclear ALCMs for which it is actually equipped;

Existing and future U.S. heavy bombers may be equipped for no more than 20 long-range nuclear ALCMs; existing and future Soviet heavy bombers may be equipped for no more than 12 long-range nuclear ALCMs;

Long-range ALCMs will be considered those with a range in excess of 600 kilometers. Future long-range non-nuclear ALCMs will not be considered nuclear if they are distinguishable from long-range nuclear ALCMs. There will be no restrictions on deploying such ALCMs on aircraft not limited by the Treaty.

Reductions will be carried out in three phases over a period of seven years. Specific, equal interim levels for agreed categories of strategic offensive arms will be achieved by the end of each phase of reductions;

The numerical limitations provided for by the Treaty will be achieved and complied with through conversion or elimination in accordance with agreed procedures.

Sea-launched cruise missiles (SLCMs) will not be constrained in the START Treaty. Each side

will provide the other with a unilateral declaration of its policy concerning nuclear SLCMs and, annually for the duration of the Treaty, with unilateral declarations regarding its planned deployments of nuclear long-range SLCMs, i.e., those with a range in excess of 600 kilometers. Those declarations will be politically binding. In the annual declarations the maximum number of deployed nuclear SLCMs for each of the following five Treaty years will be specified, provided that the number declared will not exceed 880. In the declarations of policy it will be specified that the United States of America and the Union of Soviet Socialist Republics will not produce or deploy nuclear sea-launched cruise missiles with multiple independently targetable warheads. The sides reaffirmed their 1987 Washington Summit Joint Statement to continue to seek ``mutually acceptable and effective methods of verification".

Except as specifically prohibited, modernization and replacement of strategic offensive arms may be carried out.

The START Treaty will include specific prohibitions on certain categories of strategic offensive arms, basing modes and activities. The following are among the bans under the START Treaty:

-- new types of heavy ICBMs;

-- heavy SLBMs and launchers of heavy SLBMs;

-- mobile launchers of heavy ICBMs;

-- new types of ICBMs and SLBMs with more than 10 reentry vehicles;

-- flight testing and deployment of existing types of ICBMs or SLBMs with a number of reentry vehicles greater than the number specified in the Washington Summit Joint Statement of December 1987;

-- rapid reload of ICBM launchers;

-- long-range nuclear ALCMs equipped with multiple independently targetable warheads.

The far-reaching reductions and other constraints contained in the Treaty will be accompanied by the most thorough and innovative verification provisions ever negotiated.

Taken together, the START Treaty's comprehensive verification regime will create a degree of transparency in the military sphere which would have been unthinkable only a short time ago. It will not only provide for effective verification of the obligations of the Treaty, but will also greatly increase the mutual confidence which is essential for a sound strategic relationship. In addition, this verification system can provide a model which may be incorporated into future agreements. The verification regime under development includes:

On-site inspections: For the purpose of ensuring verification of compliance with the Treaty, each side will, on the basis of reciprocity, conduct twelve kinds of on-site inspections, as well as continuous monitoring of mobile ICBM production facilities, in accordance with agreed procedures. Inter alia, each side will conduct short-notice inspections at facilities related to strategic offensive arms, including inspections to verify the numbers of reentry vehicles on deployed ballistic missiles, inspections to verify elimination of strategic offensive arms and facilities related to them, suspect site inspections, and various exhibitions.

National technical means of verification: For the purpose of ensuring verification, each side will use national technical means of verification at its disposal in a manner consistent with generally recognized principles of international law. The Treaty will include a series of cooperative measures to enhance the effectiveness of national technical means of verification. There will be a ban on interference with such means;

Ban on denial of telemetric information: The sides agreed to make on-board technical measurements on ICBMs and SLBMs and to broadcast all telemetric information obtained from such measurements. Except for strictly limited exceptions, there will be a ban on any practice, including the use of encryption, encapsulation or jamming, that denies full access to telemetric information;

Information exchange: Before signature of the Treaty the sides will exchange data on the numbers, locations and technical characteristics of their strategic offensive arms. These data will be updated on a regular basis throughout the lifetime of the Treaty;

A comprehensive agreement on the manner of deployment of mobile ICBM launchers and their associated missiles and appropriate limitations on their movements so as to ensure effective verification of adherence to the numerical limitations provided for in the Treaty. In addition, the number of non-deployed ICBMs for mobile launchers will be limited and mobile ICBMs will be subject to identification through the application of unique identifiers, or tags.

To promote the objectives of the Treaty, the sides will establish the Joint Compliance and Inspection Commission.

The sides have agreed that the Treaty will have a duration of 15 years, unless superseded earlier by a subsequent agreement. If the sides so agree, the Treaty can be extended for successive five year periods, unless superseded.

The progress outlined above fulfills the aim, set forth by the Presidents of the United States of America and the Union of Soviet Socialist Republics during their Malta meeting, of agreeing upon the basic provisions of the strategic offensive arms Treaty by the time of their Washington meeting. The two Presidents express confidence that the Foreign Ministers and the delegations

of the two countries at the Geneva talks will be able to reach agreement in the remaining months on the outstanding issues that are still being negotiated.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Soviet-United States Joint Statement on Future Negotiations on Nuclear and Space Arms and Further Enhancing Strategic Stability

June 1, 1990

The United States of America and the Union of Soviet Socialist Republics, building on the results of the current negotiations, agree to pursue new talks on strategic offensive arms, and on the relationship between strategic offensive and defensive arms. The objectives of these negotiations will be to reduce further the risk of outbreak of war, particularly nuclear war, and to ensure strategic stability, transparency and predictability through further stabilizing reductions in the strategic arsenals of both countries. This will be achieved by seeking agreements that improve survivability, remove incentives for a nuclear first strike and implement an appropriate relationship between strategic offenses and defenses.

In order to attain these objectives, the sides have agreed as follows:

First. This year the sides will complete work on the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms. Following the signing of the Treaty, the sides will hold consultations without delay regarding future talks and these important talks will begin at the earliest practical date. Both sides in these future talks will be free to raise any issues related to any strategic offensive arms.

Within the existing negotiating framework on Nuclear and Space Arms in Geneva, the two sides will continue negotiations on ABM and space without delay. Thus, in the future talks the two sides will discuss strategic stability issues of interest to them, including the relationship between strategic offensive and defensive arms, taking into account stabilizing reductions in strategic offensive arms and development of new technologies. The sides will work toward the important goal of reaching an early outcome in these negotiations.

Second. The United States of America and the Union of Soviet Socialist Republics, as is the case in the emerging START Treaty, will, in the new negotiations, seek to reduce their strategic offensive arms in a way consistent with enhancing strategic stability. In the new negotiations, the two sides agree to place emphasis on removing incentives for a nuclear first strike, on reducing the concentration of warheads on strategic delivery vehicles, and on giving priority to highly survivable systems.

In particular, the two sides will seek measures that reduce the concentration of warheads on strategic delivery vehicles as a whole, including measures related to the question of heavy missiles and MIRVed ICBMs. Effective verification will be provided by national technical

means, cooperative measures, and on-site inspection.

Third. Having agreed on the need to ensure a predictable strategic relationship between the United States of America and the Union of Soviet Socialist Republics, the sides will, for the entire duration of the START Treaty, exchange, at the beginning of each calendar year, information on planned changes in the numbers of strategic offensive arms as of the end of the current year.

Fourth. The sides will pursue additional measures to build confidence and ensure predictability of the military activities of the United States of America and the Union of Soviet Socialist Republics that would reduce the possibility of an outbreak of nuclear war as a result of accident, miscalculation, terrorism, or unexpected technological breakthrough, and would prevent possible incidents between them.

Fifth. The sides believe that reducing the risk of outbreak of nuclear war is the responsibility not only of the United States of America and the Union of Soviet Socialist Republics, and that other States should also make their contribution toward the attainment of this objective, in particular in the field of nonproliferation of nuclear weapons. They call upon all States to consider the new opportunities for engagement in mankind's common effort to remove the risk of outbreak of nuclear war worldwide.

Accordingly, the United States of America and the Union of Soviet Socialist Republics will give these future negotiations the highest priority so that the benefits of strengthened stability can be realized as soon as possible.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Soviet-United States Joint Statement on Conventional Armed Forces in Europe

June 1, 1990

President Bush and President Gorbachev agreed that early conclusion of an agreement on conventional armed forces in Europe (CFE) is essential to the future stability and security of the continent. A CFE agreement will constitute the indispensable foundation for new European relationships and for a future security architecture in Europe. The Presidents reaffirmed the commitment they made at their meeting in Malta in December 1989 to conclude a CFE agreement by the end of 1990. They agreed further that the forthcoming summit of the CSCE nations should be held after the CFE agreement is ready for signature.

In the course of their talks, the Presidents committed themselves to intensifying the pace of the negotiation in Vienna and to reaching rapid agreement on all outstanding issues.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Soviet-United States Joint Statement on the Establishment of a Soviet-United States International Park in the Region of the Bering Strait

June 1, 1990

The Presidents of the United States of America and of the Union of Soviet Socialist Republics, expressing support for the expansion of bilateral cooperation in the field of environmental protection and in the preservation of cultural heritage, endorse the intention of the two countries to create, in the region of the Bering Strait, a U.S.-Soviet International Park embracing protected terrestrial and aquatic areas.

Both leaders recognize that elements of natural and cultural heritage of the Bering region represent a common heritage of the American and Soviet peoples. Thousands of years ago, across a land bridge uniting the Asian and American continents, the first arrivals came to North America. Later, the sea divided the continents but failed to destroy the ecological, cultural and spiritual community of the inhabitants of Beringia. This community has remained essentially undisturbed by the influences of historical change.

Both leaders recognize that the creation of an international park would facilitate permanent recognition of the unity of this heritage and secure a framework for joint efforts in its preservation.

During 1990 - 1991, both countries will undertake the following practical steps:

-- preparation and signature of a protocol on the creation of a complex of specially designated protected terrestrial and aquatic areas; and

-- determine all organizational details connected with the functioning of the park.

Continuing close cooperation regarding the international park, between the representatives of both countries, may take the form of regular meetings of senior park management officials, the exchange of park personnel for professional training and orientation, joint research and consultations on planning and exchange visits to both sides of the park for touristic and cultural purposes, in particular by native populations.

The two sides express their confidence that establishment of the international park will serve the development of U.S.-Soviet cooperation in the protection of nature, and the activities of local populations in preserving the unique natural and cultural heritage of the Bering region.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

The Office of the Press Secretary issued a fact sheet on the same day which provided the following additional information on the establishment of the Soviet-U.S. international park:

The U.S.-U.S.S.R. joint report ``International Park Program, Beringian Heritage Cooperation'' was endorsed as the framework for establishing an international park by the end of 1991.

The Bering Land Bridge National Reserve will be the initial companion site to be linked with a Soviet protected area on the Chukotskiy Peninsula.

Excerpts of White House Fact Sheets on Soviet-United States Bilateral Agreements

June 1, 1990

Trade Agreement

At Malta, President Bush proposed targeting the June summit for completion of a MFN (most-favored-nation trade status) commercial agreement, provided that the Soviets approve and implement new emigration legislation. New emigration legislation passed the first reading in the Supreme Soviet in November. The Second Supreme Soviet reading, which would codify the law, was set for May 31. No serious opposition has appeared, but the press of other business could delay final passage. We have emphasized to the Soviets at all levels the importance of expeditious passage.

This agreement breaks much new ground in commercial agreements with the Soviets. Specifically, it:

provides improved market access, for example, by prohibiting adoption of standards which are discriminatory or designed to protect domestic production;

facilitates business by establishing expedited accreditation procedure for commercial offices, allowing offices to hire directly local and third-country employees on mutually agreed terms, permitting access to all advertising media, and allowing companies to engage and serve as agents and to conduct market studies; and

offers strong intellectual property rights protections by reaffirming commitments to the Paris Convention and the Universal Copyright Convention, obligating adherence to the Bern Convention for the Protection of Literary and Artistic Works, providing copyright protection for computer programs and data bases and protection for sound recordings; providing product and process patent protection for virtually all areas of technology; and providing comprehensive coverage of trade secrets.

The Soviets have reaffirmed their commitment, once they receive MFN and USG lending restrictions (Stevenson and Byrd amendments) are lifted, to resume lend-lease repayments.

Long-Term Grains Agreement

The new agreement is to take effect January 1, 1991.

The Soviets are required to buy a minimum of 10 million metric tons of grain from the United

States annually (up from 9 million metric tons), including at least 4 million metric tons of wheat; 4 million metric tons of feed grains (corn, barley, or sorghum); and 2 million additional metric tons of either wheat, feed grains, or soybeans/soymeal, with soy measures counted double for purposes of quantity.

The Soviets may buy up to 14 million metric tons annually (up from 12 million metric tons) without prior consultation with the Department of Agriculture.

U.S.-U.S.S.R. Chemical Weapons Destruction Agreement

The U.S.-U.S.S.R. Bilateral Agreement

The key provisions of the destruction agreement are:

Destruction of the vast bulk of declared stocks to begin by the end of 1992.

Destruction of at least 50 percent of declared stocks by the end of 1999.

Declared stocks are to be reduced to 5,000 agent tons by 2002.

Both countries will stop producing chemical weapons upon entry into force of this agreement, without waiting for the global chemical weapons ban.

On-site inspections during and after the destruction process to confirm that destruction has taken place.

Annual exchanges of data on the stockpile levels to facilitate monitoring of the declared stockpiles.

Details of the inspection procedures will be worked out by December 31, 1990.

Both countries will cooperate in developing and using safe and environmentally sound methods of destruction.

The United States and U.S.S.R. will take steps to encourage all chemical weapons-capable states to become parties to the multilateral convention.

Both countries took an initial step in this direction by exchanging data on declared chemical weapons stockpiles in December 1989 and by initiating verification experiments to build confidence and gain experience for a chemical weapons ban treaty.

This agreement will be submitted to Congress for its review and approval.

A Global Chemical Weapons Ban

The bilateral U.S.-Soviet agreement was designed to provide new impetus to the conclusion of a comprehensive, verifiable global chemical weapons ban at the earliest possible date. Toward that end:

Both countries have agreed to accelerate their destruction of chemical weapons under a global chemical weapons convention so that by the eighth year after it enters into force, the United States and U.S.S.R. will have reduced their declared stocks to no more than 500 agent tons.

The United States and U.S.S.R. will propose that a special conference be convened at the end of the eighth year of a multilateral convention to determine whether participation in the convention is sufficient to complete the elimination of chemical weapons stocks over the following 2 years.

The Nuclear Testing Protocols

Verification Methods

Two verification protocols being signed at the Washington summit will provide for effective verification of compliance with the treaties.

Verification methods for Threshold Test Ban Treaty (TTBT) and Peaceful Nuclear Explosions Treaty (PNET) include hydrodynamic yield measurement, on-site inspection, and some seismic monitoring on the territory of the testing party. The U.S. hydrodynamic method is CORRTEX [Continuous Reflectrometry for Radius versus Time Experiments] is the most accurate nonintrusive technique the United States has found. CORRTEX determines the yield by measuring, at the detonating site, the rate at which the supersonic shock wave in the ground crushes co-axial cable buried near the explosive device. On-site inspections permit each side to take core samples and rock fragments from the area of the explosion to confirm geological/geophysical data near the explosion. Seismic monitors measure distant shock waves produced by the explosion (as in measuring earthquakes) in order to arrive at an estimate of the explosive yield.

National technical means also will be used to monitor all explosions.

How the Protocols Work

PNET verification: Both sides have the right to hydrodynamic measurement (CORRTEX for the United States) for explosions with planned yields above 50 kilotons; the right to on-site inspections for explosions with planned yields above 35 kilotons; the right to a local seismic

network for a group explosion above 150 kilotons.

TTBT verification: the right to hydrodynamic measurements of nuclear weapons tests with planned yields above 50 kilotons; on-site inspection for tests with planned yields above 35 kilotons; in-country seismic monitoring for tests with planned yields above 50 kilotons, using three designated seismic stations off the test site but within the testing party's territory; special provisions for monitoring unusual cases: tests with nonstandard geometries, tests with multiple nuclear explosions; in each of the first 5 years of the treaty, if a side does not have at least 2 tests with planned yields above 50 kilotons, the other side may use hydrodynamic measurement that year on up to 2 tests with planned yields below 50 kilotons.

Required notifications under TTBT (PNET notifications are similar): Each June, the parties will inform each other of the number of explosions with planned yields above 35 kilotons and 50 kilotons for the following calendar year. No later than 200 days prior to the planned date of any explosion, the other side would have the right, under protocol provisions, to monitor; the testing party must provide notification of the planned date, location, and whether the planned yield exceeds 35 or 50 kilotons. Within 20 days of receipt of such notification, the verifying party must inform the testing party whether it plans to carry out verification activities, and, if so, which type.

Under both treaties, joint commissions will be used to discuss implementation and verification issues.

Once the protocols are signed, the administration will seek Senate advice and consent as to ratification of the TTBT and the PNET and their protocols.

Customs Cooperation Agreement

The agreement provides for mutual assistance between the customs services of the United States and the U.S.S.R.

The agreement provides the basis for cooperative activity in deterring and detecting narcotic trafficking.

The agreement is designed to strengthen cooperative measures which the two services typically undertake.

The agreement provides a formal basis for cooperation in areas of customs law enforcement assistance, export control, and commercial fraud.

U.S.-U.S.S.R. Maritime Boundary Agreement

The parties agree that the line described as the ``western limit'' in the 1867 U.S.-Russia convention ceding Alaska is the maritime boundary along its entire length.

Further, the agreement contains innovative provisions to ensure that all areas within 200 miles of either coast fall under the resource jurisdiction of one or the other party. The U.S.S.R. transfers to the United States jurisdiction in three ``special areas'' within 200 miles of the Soviet coast, beyond 200 miles of the U.S. coast, and on the U.S. side of the maritime boundary. The United States transfers to U.S.S.R. jurisdiction in one ``special area'' within 200 miles of the U.S. coast, beyond 200 miles of the Soviet coast, and on the Soviet side of the maritime boundary.

Cultural Centers Agreement

The Centers -- constituted as non-diplomatic, nonprofit institutions -- will be opened in Washington and Moscow.

The Center Directors and one Deputy Director for each side are to have diplomatic titles and be accredited by their governments to their respective Embassies, with this exception: Center personnel, properties, and papers will not have diplomatic status.

The Centers will carry out a variety of functions, e.g. operating libraries; sponsoring seminars, films, and performances; and providing student counseling and language instruction.

The public is guaranteed free, unrestricted access to the Centers.

The U.S. Center in Moscow has the right to use rubles to cover domestic operating expenses.

Occupancy and opening dates will be determined by mutual agreement on basis of reciprocity.

The agreement is to take effect after an exchange of notes confirming each side has completed the domestic measures required for implementation.

Agreement on Expansion of Undergraduate University Exchanges

Increase existing exchanges (750 U.S. and 250 Soviet) by 250 students both ways in academic year 1991 - 1992.

Increase targeted numbers to 1,500 each way by 1995 - 1996, subject to availability of funds.

Mix of private and U.S. Government funding (arrangements to be determined) to cover the costs of the Soviet participants in the United States; the U.S.S.R. is to cover all in-country costs for Americans.

Participants on both sides are to be chosen on basis of academic excellence and language proficiency.

Participants would pursue full-time academic work in a variety of disciplines, including agriculture. The preferred length of the students' participation would be 1 year, though shorter periods would be considered.

Memorandum of Understanding to Increase Circulation of America and Soviet Life Magazines

The memorandum of understanding (MOU) amends the 1989 - 1991 Program of Cooperation under General Exchanges Agreement.

The MOU provides for increased circulation of America and Soviet Life magazines up to 250,000 copies in 1991.

The distribution of both magazines after 1991 is to be governed solely by demand.

Each side may print commercial advertising and distribute unsold copies of its magazine at official premises, cultural centers, and exhibitions under its sponsorship.

Note: This item contains information excerpted from eight fact sheets released by the Office of the Press Secretary.

Toasts at a Dinner Hosted by President Mikhail Gorbachev of the Soviet Union

June 1, 1990

President Gorbachev. Mr. President, Mrs. Bush, ladies and gentlemen, comrades, we have completed the second full day of talks, but I would like to sum things up. This meeting is only a stage, though a major one, in the gigantic and forward-looking project of perestroika and Soviet-American relations.

We are going to have at least two more meetings with President Bush this year alone: one at the Conference on Security on Cooperation in Europe, where I hope a treaty reducing conventional arms in Europe will be signed, and the other to sign a treaty reducing strategic offensive arms.

I believe that the agenda for 1990 that we approved at Malta can be implemented. We may reach greater heights in building a new Soviet-American relationship only by setting our sights higher and higher while abandoning all that was nurtured by the ideology and geopolitics of the cold war.

In assessing the outcome of our talks, I believe I can say that they have demonstrated a growing mutual understanding between the U.S.S.R. and the United States, which means progress in sustaining the profound and positive changes underway in the world. In this regard, our in-depth discussion of the problems and prospects of the European process was no doubt a useful one. It has served to clarify views and positions, and brought in new arguments for consideration and exploration of acceptable solutions.

It is quite natural that we focused on the external aspects of German unification. As we see it, two processes should be completed: that of the final postwar settlement, and that related to the internal issues of interforming the two parts of Germany into a single state. We believe that those two processes form the substance of the period of transition which when completed will result in the cancellation of the rights of the four victorious powers; the rights which, incidentally, stem from the outcome of the war and not from the division of Germany. The transition will end in the emergence of a new sovereign state.

At the same time we believe that the discussion is not over, that it continues. And there may be more than one approach. We have to consider all of them together, including also our allies. What is acceptable in the final analysis is only a jointly developed approach which would not prejudice anybody's interest or erode the overall process of positive changes in Europe and in the world. Those changes are the principle achievement of recent years and the main product of growing trust between us and of the growing awareness that our civilization is one.

A very important result of this summit is the agreements we have signed today and the official statements we have made. They demonstrate that our joint policy of moving from constructive understanding to constructive interaction is bearing fruit. There is no doubt that this has been made possible -- and I would say that what happened today is a confirmation of what I'm going to say -- this has been made possible only in the environment produced by our meeting with President George Bush at Malta.

The Soviet Union and the United States had to conduct a major and, I would say, courageous reassessment of how they viewed each other and the world. They had to realize that our mutual isolation was an anomaly and that human civilization is indivisible. Therefore, it is quite logical that the agreements we have signed reflect our common readiness to obtain greater interdependence from people-to-people communication and cooperation in vitally important areas and through reinforcing the legal framework of Soviet-American relations. The package of our new agreements also reflects the special role the Soviet Union and the United States play in building bridges of understanding and trust between the East and the West.

In particular, I would like to call your attention to the agreement on trade. This agreement takes on special relevance since it has been concluded at a time of a dramatic change of direction in the Soviet economy which is crucial for the future of perestroika. I am convinced that the Soviet people will appreciate the fact that the United States, the President of the United States, is signing this agreement to normalize Soviet-American commercial relations at this moment of special importance for our country.

Now that we have recorded the progress we have made and laid down guidelines for the future, I would like to express the hope that the ship of Soviet-American relations will continue to sail on this course. It is clear that there are still some disagreements between us as to the optimal structure of our relationship. But this area of disagreement is being narrowed while the area of trust, agreement, and cooperation is expanding. An indication of the sincerity and seriousness of our countries' intentions is that we have started a difficult process of revising what appeared to be eternal concepts of the role of military power in safeguarding national security. In taking a radically different approach to security, we should not forget people who were ahead of their time. Andrei Sakharov is one of them.

One of the fathers of nuclear super weapons, Sakharov had the courage of his convictions to uphold to the end that force could no longer play a role in relations among states. Sakharov taught us another lesson, too: One should not fear dogma, nor be afraid of appearing naive. Political decisions that truly meet peoples' best interests should be based on the realities of life, not on contrived schemes.

Today our society is going through a complex, and sometimes dramatic, but promising process of perestroika on a democratic and humane basis with full respect for human rights and freedoms. Perestroika is also a contribution to building a new world, for we are searching for

answers to the questions that confront in one way or another with greater or lesser intensity all nations and, indeed, all mankind.

We believe that once we are clear of the thorns on this path we have chosen, we shall not only reach new frontiers in our country's history but also help to build a new civilization of peace. We are ready to do that, together with the United States of America.

I would like to propose a toast to a future of peace for the Soviet and the American people, and for all nations on Earth. To idealism and the idealists. To the health of the President of the United States of America, Mr. George Bush, and Barbara Bush. To the health and well-being of all present here. To the happiness of our children and grandchildren.

President Bush. Mr. President and Mrs. Gorbachev, Barbara and I would like to thank you for this splendid dinner and for your wonderful hospitality and for your most interesting and gracious remarks. Yesterday we welcomed the Gorbachevs back to Washington still filled with memories of the things we shared in Malta: friendship, cooperation, seasick pills. [Laughter]

For us here in this country, Mr. President, this week began with our observance of our Memorial Day, a day for not only remembrance of those who gave their last full measure of devotion but also for recommitment to the ideal that they shall not have died in vain.

And the week has now ended with a new memorial, a living memorial marked by historic agreements on both nuclear and chemical arms. And they've been shaped by a remembrance of shared interests and a recommitment to forging a just and lasting peace. And they stand as a memorial not to the past but to the future, a memorial to wars that need never be fought, to the hardship and suffering that need never be endured.

This afternoon we signed a landmark agreement to destroy the great majority of our chemical weapons. And we issued a joint statement recording major agreed provisions of a strategic arms reduction treaty. And the President and I also signed a commercial agreement, and we're looking forward to the passage of a Soviet emigration law. And we also agreed on this long-term grain agreement.

But true peace takes more than just laying down of arms. It also requires the reaching out of hands. And you know, Americans and Soviets have often tended to think of our two countries as being on opposite sides of almost everything, including the opposite sides of the world. But we share an important northern border, and we are, in fact, next door neighbors across the Bering Sea.

Today, we've also signed an agreement fixing our maritime boundary in the Bering Sea area and announced our agreement to establish a U.S.-Soviet park across the Bering Strait, a new gateway to the Arctic and a new gateway to the future.

Mr. President, I learned that the name of your home town out in the northern Caucasus, Privolnoye, can mean spacious or free.

President Gorbachev. Thank you for mentioning it.

President Bush. I know my pronunciation was bad, but I'm sure I'm right when I say it means spacious or free. [Laughter]

President Gorbachev. Great pronunciation -- can mean both.

President Bush. Well, anyway, it reminded me of the new breeze, the new spirit of freedom that we've seen sweep across Europe and around the globe. I sensed it last summer, speaking in front of the shipyard gates to the people of Gdansk. And I told them because Americans are so free to dream, we feel a special kinship with those who dream of being free. Today that kinship is quickly becoming a shared spirit, a spirit that inspires millions here in our nation, in your own, and around the world.

So, ladies and gentlemen, I invite all of you to join me in a toast to our gracious hosts, the President and Mrs. Gorbachev. To lasting peace, and to this wonderful spirit of freedom.

Note: President Gorbachev spoke at 7:55 p.m. in the Golden Dining Room at the Soviet Embassy. He spoke in Russian, and his remarks were translated by an interpreter.

Exchange With Reporters Following Meetings at Camp David, Maryland, With President Mikhail Gorbachev of the Soviet Union

June 2, 1990

Meetings With President Gorbachev

Q. President Bush, how was the meeting?

President Bush. Just a minute, wait until I get out of this thing. [Laughter]

President Gorbachev. In today's discussions with the President I rate them no less than the conversations we had yesterday and the day before yesterday, over the past 2 days. We worked very constructively and fruitfully, and I think that had we not had this day like today my visit would have been different. But the discussions we have had today make it possible for me to state with full responsibility and in a balanced manner the full and two things: there is really ample opportunity for our cooperation, even though there are some real problems to which neither the President nor myself turn a blind eye to. And I set high store by the personal relationship that the President and myself have established, the personal rapport between us.

We showed a great responsibility, both to our people as well as to the peoples of other nations. But this kind of personal rapport that we have established enables us to approach all problems in a better way by presenting argumentation and reaching a certain balance.

Q. But will you reassess your position on Germany as a result of these informal talks?

President Gorbachev. We discussed that, and the President and myself are going to mention the subject tomorrow. We exchanged views on this question, too. But there's one point that has to be borne in mind: for all the importance of our positions and responsibilities, we must remember that we are all part of this process. There is also the six -- the two-plus-four formula. There are also interests of other European nations involved. And I think the President and myself took that into account. It's been a big day, indeed.

Q. On what issues did you make progress today?

President Bush. I would simply say that my assessment of the meetings and President Gorbachev's are in close parallel. He pointed out there's some differences, and I'll point out there's some differences. But as I said yesterday, I see this glass not half empty but half full, and more. And I think the point is, we've been able to discuss these differences and the common

ground in a very civil way. I will repeat what I have said before: that President Gorbachev has presided over and, indeed, led in ways that have brought about significant change. That change benefits mankind and it benefits U.S.-Soviet relations.

So, some will argue that we haven't solved all the problems. To me, that's not the point. The point is, we have an awful lot of common ground. We sat there today and talked about regional problems, not in the sense of dividing up the world -- maybe that would have happened years ago -- but in terms of ironing out problems, achieving common ground as we looked at a lot of regional problems. We did the same thing yesterday and the day before on bilateral problems.

So, at the end of the day here in Camp David, no neckties, very relaxed. The only thing that went wrong is, I pride myself as a horseshoe player, and President Gorbachev picked up a horseshoe, never having played the game to my knowledge, and literally, literally -- all you horseshoe players out there -- threw a ringer the first time. [Laughter] Really. And I like to think -- there's not much more to say.

President Gorbachev. Well, I couldn't give in, after all. [Laughter]

President Bush. But there's a more significant point. And that is that he pointed out in a very warm and friendly atmosphere at dinner that a horseshoe in the Soviet Union, when posted in one's house, symbolizes warmth and friendship. That made an impression on me.

Bilateral Agreements

Q. Mr. President, ``close enough'' is only good enough usually in horseshoes.

President Bush. Yes.

Q. But you went ahead and signed the trade agreement despite the differences on Lithuania.

President Bush. Exactly. And the maritime agreement and the grain agreement and a lot of other agreements, including arms control agreements.

Q. Despite the difference on Lithuania.

President Bush. And this, in my view, is the interest of the United States. The agreement we signed on arms, the agreement we signed on trade, maritime, Bering Straits. Why do you single out one agreement? I look at the overall relationship. If somebody wants to argue with me, fine, we'll take him on. I'm doing what I think is in the best interest of the United States of America.

President Gorbachev. Goodbye.

President Bush. You got it. Thank you all.

President Gorbachev. Thank you.

President Bush. We'll see you guys.

Note: The exchange began at 8:15 p.m. on the grounds of Camp David. In his opening remarks, President Bush referred to the golf cart that he was riding in. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter.

Soviet-United States Joint Statement on Ethiopia

June 2, 1990

The U.S. and USSR discussed relief requirements and the prospects for a political solution to Ethiopia's internal conflict. They welcome the Ethiopian government's agreement to permit relief food to enter northern Ethiopia through the Port of Massawa under a UN sponsored relief effort, and they believe that such operations would not compromise the unity and territorial integrity of Ethiopia. They also welcomed the agreement expressed by the Ethiopian government to have UN representatives present in the course of the negotiations between the Ethiopian government and the Eritreans.

In addition, to deal with the growing problems of starvation, the U.S. and the USSR are prepared to work together and combine their assets. U.S. food will be transported on Soviet aircraft to demonstrate our joint commitment to responding to this tragic humanitarian problem.

Recognizing the continuing political and military conflicts that exacerbate the problems of starvation and recognizing also the lack of momentum on peace talks, the U.S. and USSR will support an international conference of governments under the auspices of the UN on settlement of conflict situations in the Horn of Africa.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Soviet-United States Joint Statement on the Environment

June 2, 1990

During the state visit of Mikhail S. Gorbachev, President of the USSR, at the invitation of George Bush, President of the United States, the two sides affirmed their serious concern about the health of the global environment, and their commitment to expand U.S.-Soviet cooperation in the field of environmental protection and the study of global change. Mindful of their obligations under international environmental conventions, and committed to continued international discussion aimed at other understandings on matters of common concern, the sides emphasized the need for practical and effective joint measures on environmental protection.

The United States and the USSR attached great importance to full and open exchange of environmental data, and to careful coordination of existing global atmospheric, terrestrial and ocean monitoring systems. Accordingly, they endorsed intensified bilateral cooperation in areas of environmental, ecological and pollution monitoring, and in related research.

The United States and the Soviet Union noted with satisfaction their agreement to establish, by the end of 1991, a Beringian International Park in the region of the Bering Strait. On other bilateral matters, they also pledged to facilitate contacts and cooperation between their respective non-governmental environmental organizations.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

News Conference of President Bush and President Mikhail Gorbachev of the Soviet Union

June 3, 1990

President Bush. Good morning, everybody. Please be seated. Well, when President Gorbachev and I were at Malta, we agreed that we would try to build a fundamentally different U.S.-Soviet relationship, one that would move beyond containment to an era of enduring cooperation. At the time, no one knew the momentous events that would unfold around the world. And our task is, if anything, more urgent, and the case for a new U.S.-Soviet relationship more compelling, because the opportunities before us are so great.

We've not shied away from discussing issues about which we disagree. There were some tough ones before us, particularly the aspiration of the Baltic peoples, a cause which the United States fully supports. I think it's a mark of how far the U.S.-Soviet relationship has come that in all our exchanges, whether about issues on which we agreed or disagreed, the spirit of candor and openness, a desire not just to understand but to build bridges, shone through.

President Gorbachev and I had intensive discussions on the transforming events in Europe, events that have put before us our best chance in four decades to see Europe whole and free. I stressed that the long-held aspirations of the German people should be met without delay. On the matter of Germany's external alliances, I believe, as do Chancellor Kohl and members of the alliance, that the united Germany should be a full member of NATO. President Gorbachev, frankly, does not hold that view. But we are in full agreement that the matter of alliance membership is, in accordance with the Helsinki Final Act, a matter for the Germans to decide.

Over the last 6 months and in Washington this week, we made great progress in our mutual effort toward building a more peaceful and stable world. We signed a very important chemical weapons accord, nuclear testing protocols and gave a political push to others, including negotiations to reduce U.S.-Soviet strategic nuclear forces and conventional military forces in Europe. I'm also hopeful that the good discussion between President Gorbachev and -- the one we had about the importance of ``open skies'' -- we'll revive those negotiations. We discussed regional issues and human rights in considerable detail, made progress in the economic sphere, concluding a commercial agreement, a long-term grains agreement.

In closing, let me say how productive I really feel the last few days have been. President Gorbachev and I have agreed to meet on a regular basis, perhaps annually. Both of us would like to think that we can get together more often with less formality because, you see, we're now at a stage in the U.S.-Soviet relationship, and indeed in world history, where we should miss no opportunity to complete the extraordinary tasks before us.

Mr. President, it's been a pleasure having you here, sir.

President Gorbachev. Ladies and gentlemen, comrades, what has happened over these days enables me to characterize this summit meeting as an event of enormous importance, both for our bilateral relations and in the context of world politics. President Bush has listed the results of the work that we have done together here, which enables you to see the scope, the scale, of this work and, I think, confirms the conclusion that I have drawn.

I agree with President Bush fully, who many times emphasized that we took Malta as a point of departure. And it is Malta that added momentum to the process which, of course, given all the difficulties and disagreements which we have and which we do not deny, still leads us to a qualitatively new relationship with the U.S.S.R. and the U.S.A. The atmosphere and the results of this meeting make it possible for us to speak, really, of a new phase of cooperation, which the President has just mentioned.

I believe that this transition is both the result and a factor for further changes that affect all countries. The constructive spirit of these days, the spirit of responsibility in which we discussed all questions, have made our success possible; and that's very important because that has a stabilizing effect on the entire international situation at a time when we are addressing fundamental issues of civilization.

I would not want to now give a listing of all that we discussed, to mention all the agreements, all the important questions and statements that we have made and that have a lot of potential for the future. But let me still mention what is most important: We signed the main provision for a treaty on the reduction of strategic arms. And I would like to emphasize that this is the first time that we're not just limiting but we will be reducing the most devastating means of warfare. And I hope that we will sign the treaty itself this year. We also signed a statement about the future treaty negotiations on nuclear and space arms. We have agreed to make sure that we will complete the Vienna talks this year and sign an agreement on conventional arms at a European summit by the end of this year. Not everything depends on us, but this is our position; we want to achieve that.

We also discussed problems relating to the European process; specifically, external aspects of German unification. I cannot say that we have reached agreement, but that does not mean that our efforts were futile. Many new arguments emerged as a result of these discussions, and new, possible perspectives. We have clarified our positions, and it is our position that we will continue discussion in order to find a mutually acceptable solution. We could not resolve this issue in Washington with the two of us. There is also the two-plus-four formula and other European countries which are concerned and which want to see a mutually acceptable solution, a solution acceptable to all of us. The position of the Soviet Union is that we have to find solutions that would fit into the overall positive trend of changes in Europe and in the world that would strengthen and not erode security.

I would like, in particular, to emphasize the importance of our dialog at Camp David, where we talked during the day yesterday; and this is a new phase in strengthening mutual understanding and trust between us. We really discussed all world problems. We compared our political perspectives, and we did that in an atmosphere of frankness, a constructive atmosphere, an atmosphere of growing trust. We discussed, specifically, such urgent international issues as the situation in the Middle East, Afghanistan, southern Africa, Cambodia, Central America. That is just some of what we have discussed. I would not want to go into detail right now. I think that you will probably seek to get clarification on this. But anyway, I think that the Camp David dialog was very important.

We have agreed to make a special statement on Ethiopia, to support efforts to reestablish peace there and also, with the help of the United Nations, to give humanitarian relief to the Ethiopian people.

Speaking of bilateral relations, we have some important political achievements here. Specifically, there is movement on such important areas as trade agreement, grain trade, agreement on civil aviation cooperation, maritime agreement, peaceful uses of the atomic energy science and technology, and education.

While we and the President were working -- and our Ministers were also discussing things -- there were important contacts and discussions with the various American companies. And some important decisions were made, such as Chevron, that will be participating in the exploration of the Tengiz oil fields. That will mean an investment of about 10 billion rubles. A group of our academicians were here with me, and they had a good discussion which resulted in the signing of a memorandum of intent with IBM, which will participate in the program of using computers for education in the Soviet Union. I think that this economic area and other areas create a good foundation for our political dialog and creates a kind of solid pillar of support for our cooperation.

I would like to express my profound gratification at this work that we have done together with President George Bush. I appreciate very much him as a political leader who is able, in a very human way and in a politically responsible way, to engage in dialog and cooperation. We spent many hours together and were able to come to know each other very well. I don't know whether anyone will be ever able to say that we know each other totally well or completely. I think that would take many, many years. But now we have a good human relationship and, I think, a good human atmosphere between us.

The President has said, and I would like to confirm this, that we have decided to have regular meetings on a working basis in a businesslike manner, and this is really what is necessary. I would like to tell you that I've invited President George Bush, the President of the United States, to visit the Soviet Union, to come for a state visit to our country, in concluding -- and that is something that is not within the framework of the official negotiations but was part of our visit.

I would like to say both to the Americans and to the Soviet people that here we -- the Soviet delegation -- we have felt very good feelings of the American people, feelings of solidarity, and a lot of interest from the Americans toward what we are doing in the Soviet Union for perestroika. I have felt that on many occasions in my short exchanges with the Americans and also in various talks. I would like to thank all Americans for that, and they certainly can expect reciprocity from the Soviet Union for that.

And finally, we, the two of us, were discussing things of concern to us, various regions, various problems affecting the lives of other countries; but that does not mean that we were trying to decide anything for others anyway. We remembered always that what we were doing must be useful not only for our countries but for the world -- and of course, specifically, for the Third World.

And let me, at this, wrap up my initial remarks at this press conference.

German Reunification and Membership in NATO

Q. I'd like to ask both Presidents about Germany. President Bush, you've mentioned that you still have a disagreement about a united Germany being in NATO. In any concrete sense, did you narrow your differences on this subject, and are any alternatives being seriously considered?

President Bush. I'm not sure we narrowed them. I feel I understand President Gorbachev's position. But I know this for fact certain: I had every opportunity to explain in considerable detail why I felt a united Germany in NATO would be stabilizing, would be important for the stability of a post-German unification Europe.

So, I can't say whether we narrowed them; but the benefit of a meeting like this is, once again, you can talk in great frankness about it. I have no suspicion about his position, and I hope he has no suspicion about mine. And we've got collective decisions to take with NATO allies on matters of this nature, but in the final analysis, it's the question for Germany to decide that. And maybe we're closer on that, but I would defer to President Gorbachev.

President Gorbachev. Since I have already made quite a few remarks on many occasions during these days on this subject, I will confine myself to comments which I think important in order to emphasize the thinking on this score and in order for us to understand better what we are after. We're not insisting that it should be an option of the Soviet Union. We are not saying that this should be a version by the United States of America or anybody else's option.

What we are talking about is an option -- or a solution of external problems related to Germany unification which would organically incorporate the European process and improvement of international politics as a whole -- so that a solution of these issues would help enrich this

process and make it more stable and reliable. We're opposed to any options whatever it may come from. We ourselves are not going to offer one that would weaken these processes or create difficulties for the unfolding processes in the European continent. We've not going to put spokes in the wheels, as it were. So, I believe the fact that the President, myself, and our colleagues have devoted a great deal of time to this issue -- we have thrashed out this idea very, very thoroughly -- I think has been very helpful and beneficial because we will continue our debates on this.

Rapport Between Presidents Bush and Gorbachev

Q. I have this question to address to you. You have just mentioned President Bush as having qualities of a statesman. Could you tell us what role they played in helping you make so many accomplishments at this summit meeting and advance in the solution of many problems that seem to be intractable?

President Gorbachev. I can reiterate what I have said, and I can add the following: Mr. Bush and I met each other a bit earlier before finding ourselves in this position together. And during my contacts with him, I felt -- and it was during my first visit here in 1987 -- that this is the kind of person to do business with, to build our relations with. Then we had contacts at Governors Island, which persuaded me even more of that.

We have maintained correspondence between us, and perhaps Malta was exactly the point where President Bush and I could get to know each other even better and to engage in some thinking on one-on-one meetings. I must say that everything began with discovering the fact that President Bush and myself have a desire to do business informally, which is very, very important. If we added to this the fact that each of us, while being himself and while representing their own people, should react in a responsible fashion to everything and in context of the real role played by the Soviet Union and the United States of America, we could very well imagine the human compatibility which exist between people and which enables them to create a kind of atmosphere that makes it possible to clarify the root causes of some particular processes.

I can say that this dialog is well underway. And as to yesterday's meetings at Camp David, they were a great accomplishment in and by themselves. This is my assessment, and I think the fact that we have established a rapport will be very important.

Israeli-Occupied Territories and the Middle East Peace Process

Q. This is a two-pronged question for both Presidents. Beyond words, what guarantees can you give the Palestinians that the decisions you made on emigration will not result in the further usurpation of their lands? And why is it that President Gorbachev has shown so much human sympathy for the Palestinians, while the U.S. vetoes even a U.N. look at their plight under military siege?

President Bush. Did you have a particular order you wanted us to answer that question in? [Laughter]

Q. If you can.

President Bush. The United States policy on settlement in the occupied territories is unchanged and is clear. And that is: We oppose new settlements in territories beyond the 1967 lines -- the stated, reaffirmed policy over and over again. Now, we do not oppose the Secretary-General sending an emissary to the Middle East to look at this important question. The question is compounded, however, when you see, on the eve of the discussion of that, an outrageous guerrilla attack on Israel launched from another country. That is unacceptable to the United States. Having said that, the position of our country is we do not think that it needs U.N. troops or U.N. Security Council missions, but we do favor Mr. Goulding, a representative of the Secretary-General, going there.

So, when the question came -- and we differed with the Soviet Union; indeed, we differed with many of our other allies on this question -- it is our view that the most productive way to handle that question was to have an emissary from the Secretary-General, not, as the other countries in the Security Council favored, a Security Council delegation go there.

Q. But, Mr. President, you agree that there have been settlements, even though this has been our policy for many years?

President Bush. Yes, I agree there are settlements that go contrary to the United States policy; and I will continue to represent the policy, reiterate the policy, and try to persuade the Government of Israel that it is counterproductive to go forward with additional settlements in these territories. Our objective is to get the parties to the peace table. And our Secretary of State has worked diligently with the Israelis, and I've tried to do my best to get them talking. And that's what we think is the most immediate step that is needed. And I will continue to reiterate American policy and continue to push for peace talks.

President Gorbachev. Just a moment. I'd like to respond, too. You formulated your question in precise terms, namely: What kind of guarantees can we issue so that those who want to leave -- those who have chosen Israel as their place of residence -- those who leave from the Soviet Union should not be resettled on occupied territories?

This is not a simple question, and this is what I have to say in this connection. The Soviet Union is now being bombarded by a lot of criticism from Arab countries lately. I have had meetings with President Assad of Syria and President Mubarak of Egypt. Those were very important talks with them. Nevertheless, this was the question that was also raised by them in acute terms -- the question of guarantees now. We are facing the following situation.

Either, after these meetings and exchanges with the President of the United States of America on this particular issue, our concern would be heeded in Israel and they will make certain conclusions or else we must give further thought to it in terms of what we can do with issuing permits for exit. And some people are raising the matter in these terms in the Soviet Union, namely: As long as there are no assurances from the Israelis that this is not going to be done by them for the -- to postpone issuing permits for exit, to put it off. But I hope they will heed what the two Presidents strongly advise them, that they should act in a wise fashion. Perhaps this is what I would like to express by way of reacting.

President Boris N. Yeltsin of the Russian Republic

Q. My question is addressed to Comrade Gorbachev. Your relationship with President Bush, perestroika activities well-assured inside, but there is a cooling of interest. Everybody's concerned with internal matters at home. Taking advantage of this opportunity, I'd like to ask you what do you think of your relationship with Yeltsin? Are you going to offer an olive branch of peace to each other?

President Gorbachev. I don't think you have chosen the best place for clarifying our internal problems. [Laughter] But c'est la vie, as they say -- [laughter] -- there is real life. There are certain processes underway back home. And I thought I tried to respond to this question when I was in Canada. As soon as I stepped out of the plane, they asked me this particular question. And I said that what I was worrying about most was a kind of an impasse which emerged at the Congress itself, because there is no strong preponderance. It took really three rounds for Comrade Yeltsin to gain a majority of votes, by just a few votes, to be elected. So, the situation remains.

And I said that in recent days something has happened which calls for thinking on our part. Comrade Yeltsin, with respect to some very serious, important, political, fundamental issues, has changed his position. At least he has introduced clarity. And I said if this is not a political gain for him to hold high office it is one thing. A certain approach can be adopted on the basis of that, and we could certainly forecast a certain kind of developments in the Supreme Soviet and in Russia.

But if this is nothing but a maneuver and he will return to what he has been doing in recent years -- not only critical terms if Americans believe this is to be constructive but also in destructive activities, destructive efforts. He went as far as to fertilize in the framework of perestroika our efforts with ideas regarding forms of life where we are making a turnaround in all spheres. So, if he is going to come back to this, then, of course, his chairmanship will certainly complicate these processes. I should say that, after that he gave an interview and people began to see that he is changing again, the very next day he was interrogated at a session. He tried to explain his position.

In short, I always say life will place everything in proper perspective. Now that we have reached a phase of radical, fundamental change where everybody is supposed to show great responsibility for their country, where we're changing everything, now that we're about to make a radical change in our economy, it is all very serious. Everything will become clear pretty soon what Comrade Yeltsin is after.

Soviet-U.S. Trade

Q. Mr. President, President Bush, I'd like to ask you about the trade agreement that you signed yesterday, already a matter of some political controversy and criticism in this country. Secretary Baker has indicated it will not go to Congress for its action until the Soviet codification of its new emigration policies. Does that mean, sir, that when that law is passed in the Soviet Union that you are prepared to go ahead as well with most-favored-nation trading status for the Soviet Union, or will that further step require some action, some loosening, some shift on the Baltics?

President Bush. We had a chance to discuss the Baltics, and I made clear that the Baltics -- I think I said it at a U.S. press conference several weeks ago -- caused some tensions. But the linkage is between the trade agreement and the emigration legislation. I'm not going to send that legislation up -- and I've tried to be very frank -- until the Soviet Union has completed action on the legislation guaranteeing the right of emigration.

Q. Well, what about, sir, the further step of actually granting most-favored-nation status?

President Bush. I've given our position in the linkages between the emigration, and that's it.

Q. May we take it, then, sir, that most-favored-nation status would then be forthcoming if this emigration law is codified?

President Bush. We'll cross that bridge when we get to it. But the trade agreement linkage is between the -- MFN is hooked into the emigration law being passed. That's it.

We have other agreements -- the grain agreement, and we have a maritime agreement. And the difference of position we have on the Baltics, you might say, is one of the thorns in the side of an overall relationship. We've always had a difference on this. We have not recognized the incorporation of the Baltic States into the Soviet Union; that's been the historic position of the United States. But that concern, you might say, affects a wide array of issues that we have with the Soviet Union.

Frankly, I've been very pleased. First place, I've tried to be very frank with President Gorbachev not just here but before he came here, saying the difficulties that I face. And Jim Baker was very frank with [Soviet Foreign Minister] Eduard Shevardnadze, saying the problems we face. I think it is important in this emerging relationship that we share as directly as we can with the Soviet

side the political problems we face. We've got a Congress that has its rights. They have every right to look at what I've signed and every obligation to do that and make their judgment as to whether it's in the best interests.

I signed the trade agreement because I am convinced that it is in the best interests of the United States. I believe the same thing about the grain agreement. I believe the same thing about the maritime agreement. But I don't want to mislead the American people and say that I have lessened my concern over the Baltic States. I've tried to be frank with the Soviet side on this. But the linkage -- back to your question -- the linkage with trade is on MFN -- emigration law being passed. And then we go forward.

Negotiating Strengths and Weaknesses

Q. In connection with this meeting, there was a lot of speculation about weak and strong points -- somebody speaks from a position of strength, someone from a position of weakness. How would you define what a strong position is, a position of strength? What is the place where a factor of force or strength holds? What are the components of force? What makes politics strong? This is a question that is addressed to both Presidents.

President Gorbachev. Let me begin first in order to let President Bush have a little rest. [Laughter] I think this is a certain speculation on this score. Both during the preceding period and in the course of our talks, we have been representing our peoples and countries, well aware of what the dialog is all about. And I think to assume that someone -- myself or President Bush -- can dictate to each other or to the Soviet Union is absurd. This would be the greatest misconception, on the basis of which no progress could ever be made.

I think that this idea is suggested because at this point in time the Soviet Union is deep into profound change. And since fundamental change is involved, we are walking away from one particular way of life toward different forms of life: we're changing our political system; we're introducing a new model in economy. All these are fundamental things, indeed. Debates are underway. Doubts are being expressed. Views are being compared. And this is very important because what is at stake is our destiny.

Of course, when you look from outside -- well, we ourselves can feel the strain of our society; it is very much politicized. But a look from outside, without knowing all the subtleties, without knowing all the depth of sentiments -- one could certainly arrive at some erroneous conclusions. Hence, the question of how long will Gorbachev stay in his office and how this whole perestroika will end and so on and so forth.

Even this, I think, fits into this process of profound change, and perhaps this is something we cannot do without. But the most important thing is that everything that is happening confirms not only the fact that we're cleaning up our courtyard, we are really revamping our entire society.

We are trying to adapt it to human needs on the basis of freedom and democracy. We want to make it more open toward the outside world. That is the essence, and therein, Soviet people do not differ. And I hope there are no differences on that among the journalistic corps.

Perhaps some part of society thinks otherwise, but the question is how to do all this to avoid losing everything that we should keep and jettison everything that we don't need, that stands in the way. I don't think we have ever tackled tasks like this in the history of our country. I don't know whether anybody else has been able to resolve so many tasks within such a short period of time. So, it is for this particular reason that we appreciate so highly the fact that the whole world understands this correctly.

So, from this particular perspective, I wish to state -- and this goes to show the farsightedness of President Bush and his colleagues, to say nothing of the American public, which overall understands what is happening in the Soviet Union today, understands that this is something that we need. Above all, of course, it's up to us to solve all of these problems; but of course, everybody understands full well that this is something that the whole world, all the nations, need. For without such changes, without a stronger, balanced, harmonized world, we will not accomplish our objectives.

So, today the pivotal point of world politics is perestroika in the Soviet Union, not because we are there but because this is an objective reality.

President Bush. May I simply add that the United States is not trying to deal from strength or weakness. I tried to say this at the welcoming ceremony for President Gorbachev. We have a unique responsibility to deal with world peace. No other countries have the same degree of responsibility that the Soviet Union and the United States have. So, we're not looking for winners or losers. We salute reforms that make our systems more compatible on the economic side, on the human rights side, the openness side. But we're not looking for trying to achieve advantage. We sat down here, one-on-one, and tried to hammer out agreements and get closer together on vital matters affecting other countries.

And it is because of the standing of the Soviet Union and the standing of the United States in the world that we have responsibilities. So, I can tell you -- all the journalists from the Soviet side, the European journalists -- the United States is dealing with mutual respect here. We salute the changes, of course. But we have a unique responsibility in the world. And I plan to -- one of the things I'm pleased about in our agreement is that we will be meeting more often now, and we can't miss an opportunity to enhance stability and peace in the world. So, that's where I'm coming from on your question.

Mr. Fitzwater. Let's turn to the international press.

Soviet-U.S. Relations

Q. Following on President Bush's comment, on a scale that had adversaries at one end and allies at the other, would you now say that each other's country was more of an ally than an adversary?

President Bush. I don't want to get into semantics. ``Alliances'' have a connotation to some that they might not have for another. ``Adversaries'' sometimes convey the concept of hostility or enmity. In my view, we've moved a long, long way from the depths of the cold war. We've moved towards a -- I don't quite know how to quantify it for you, but we could never have had the discussions at Camp David yesterday or as we sat in the Oval Office a couple of days before with President Gorbachev 20 years ago. We all know that. So, there's been dramatic move. And the more this reform and openness takes place, the more compatible the relationship becomes. Neither of us tried to cover over the differences.

So, I know that's too general for you, but that's where I'd leave it.

NATO's Future and German Reunification

Q. Question to President Bush, if I may, to follow up my colleague's one. Are there circumstances under which you would be prepared to recommend the total dissolution of NATO? What's the threat that still keeps it in business?

And a question to President Gorbachev, too. How long do you think the transition period should last before the responsibilities of the Four Powers run out -- the four victorious powers in World War II?

President Bush. You want me to start with that one?

As I look at the world, the threat is unpredictability and stability -- or instability is the threat. We feel that a continued U.S. presence in Europe should not be seen as hostile to the Soviet interests, but indeed, we hope a continued U.S. presence there will be seen as something that's stabilizing. And NATO is the existing machinery that we feel, with an expanded mission, can best provide that stability. And herein, we have a difference with the Soviet Union.

But it is that, rather than some kind of cold war mentality, that drives our decision to, one, remain in Europe and two, to try to have a broader role for NATO. Under article II of the NATO treaty, there is language put in there, I'm told, by Lester Pearson years ago that provides a broader than just military assignment for NATO. So, we see this as not exclusive to an expanded role for CSCE, not contradictory to the aspirations of many Europeans for an expanded EC, but as a way in which we can continue without hostility to anyone to provide a stabilizing presence.

President Gorbachev. I'd like to respond to this extremely important question if I may.

First, as an overall statement of the fact, it seems to me that if some kind of option is suggested, one that would replace or would be accompanied by replacing an isolation on the European continent, either of the United States of America or of the Soviet Union, then I would say in no uncertain terms -- and I could even make a forecast -- that that particular option would be doomed. It would be doomed in the sense that it would be difficult to put into effect, but what matters most, it would lead to exacerbation rather than improvement in the situation. For that reason, we believe that we will not be able to make any further progress in restructuring international relations, including in the main European area, without an active participation of the United States of America and the Soviet Union. These are realities, and there's also a great sense of responsibility behind those realities. This is the first point.

The second point now. Yes, indeed, we believe that the option which we think will be found eventually and which will provide powerful momentum and which would contribute to the strengthening of the European process must necessarily include some kind of a transition period during which we could join our efforts to conclude a final document, exhausting thereby the rights we are endowed with as the victorious Four Powers under the results of the Second World War. These are the issues that were raised by history itself; and so, therefore, in the framework of international law it must be brought to conclusion.

A concurrent unification of Germany and its presence would mean the coincidence of these two events. This would mean that this would be an independent and sovereign state. I really don't know, and I wouldn't like to engage in speculation about the timeliness. But I think that we must be very, very active now so as to ensure some kind of synchronization between the internal processes which lead to the unification of Germany and the settlement of external aspects so that they would be combined.

I can see, and I offered, many options in our position. Those options are there, and it seems to me there are some points the American side has noticed. I am expressing my supposition. I am not saying that I heard this from the President. But I think they have something to think about, and I think we will give serious thinking to the U.S. position, too.

Q. President Gorbachev, on the subject of NATO membership for a united Germany, you have complained in the past about Western sensitivity to your security concerns. Some of your aides say privately that a united Germany could belong to NATO and your security concerns could be satisfied by both a limited American presence in Germany and, primarily, by strict limits on German troops and armaments. The real problem, they say, is psychological: a matter of national pride. They say that if you accept Germany in NATO it will be a humiliating admission to the Soviet people that you've lost the cold war.

In your talks with President Bush, were you frank about this? Is this a problem for you? And, President Bush, have you considered this problem yourself in your own thoughts?

President Gorbachev. First, I do not think that whatever I am saying on this extremely important question of world politics appears to be a complaint from me or from the Soviet Union -- ``this would be humiliating for the Soviet Union'' to pass, you said, around -- to come here to Washington or to Bonn or elsewhere -- this is out of the question. And please bear that in mind. This is the first point.

The second point is: You know there is a process underway, a beneficial process, and look how far we have progressed in this process. We're entitled to raise the question in these terms. Each subsequent step must strengthen it rather than weaken it. We have a right to that. Take, for example, our negotiations on 50-percent reductions in strategic offensive arms. If this whole negotiating process were to be depicted to you in its entirety, you would certainly see the kind of battles we are having on each and every point. Why? Because nobody really wants his security to be diminished.

Incidentally, our own position is that we find it unacceptable that we should have greater security than the United States of America. In a situation like this, we won't be able to move forward. I would recommend to all our partners to give some thought to this position. If decisions are made of the kind that will cause concern to the Soviet Union, this would not be beneficial to the Soviet Union; this would not be beneficial to others as well.

So, the question arises: a united Germany, its advent on the horizon -- all this is very important and serious. While applauding the Germans' desire to be united, we must at the same time think about ways of preserving the balance that has been emerging and taking shape for decades.

Here is the central point. If we were to adopt only one point of view, then I would think that it would not be complete, for it gives rise to concerns. And if that is the case, then if there were no other way out -- but I believe that such a way out will be found to mutual satisfaction -- but if this were to be the only option and some would like to impose it on us and say that we reject this, then we should go back and see where we are. What's happening to our security? What should we be doing with our Armed Forces, which we are both reforming and reducing? What should we do about Vienna? How should we behave there? All these are matters of strategic importance for everything happening in Europe; it is really the highest level of strategy.

This is one way, one pathway, which gives rise to some doubts or suspicions, one that can certainly slow down things. But there is another pathway that we are offering -- let it be American or German or British. We are not claiming to have it as our own. We are claiming one thing only: We want to see an option that would strengthen everything in Europe rather than weaken things.

As to the second part: It's a question of pride? Well, I'd say that the problem is not pride, really, if today I have to remind you once again that we lost 27 million people in the fronts, in partisan detachments -- 27 million people during World War II. And 18 million people were wounded

and maimed. Then I think it's not a matter of pride, but of justice -- supreme justice. For these sacrifices of our people enable us to raise these matters with all nations, and we have a moral right to do so, so that everything that was obtained at such tremendous costs -- that so many sacrifices would not spell new perils. So, this is what I wanted to say, and I think that this is what should be said.

President Bush. Mr. President, may I simply add, in answer to your question, the answer is no because our policy is not predicated on pride or on humiliation or on arrogance. It is predicated on what do we see, from the U.S. standpoint, is the best for the future, best for stability and peace in Europe and elsewhere. So, the considerations that you asked about have nothing to do with the formulation of U.S. policy on these important questions. I'm just going to do what I think is best for the United States and the rest of the free world and the Soviets. So, we're not dwelling on what you asked about.

Soviet Relations With Pacific Nations

Q. Mr. Gorbachev, you say that you have established new relations with the United States. Could you tell us how you are going to develop the process in the area of the Pacific Ocean and whether you're going to convene some kind of representative conference or meeting to discuss those matters with representatives of different zones?

President Gorbachev. It seems to me that I have already expressed myself in rather a great detail on this score. And it also seems to me that what I said back in Vladivostok, in Krasnoyarsk, remains today. And I re-iterate that approach. And it seems to me that this is not a thing of the past, for the processes are beginning to develop in that region, too, which is inhabited by billions of people. One way or another things will be more complex with due regard for the real specifics over there. We must act with due regard for those specifics without copying blindly the European process, but borrowing something from it.

At this time, I can say that what happened with armaments, with INF [intermediate-range nuclear force] missiles along the border with China, and the kind of dialog which is underway now between countries and, finally, the fact that we have traveled a certain distance toward a settlement of the situation of Afghanistan -- all these are signs showing that there is a positive process emerging over there.

Of course, I think this road will be longer and more thorny. But still, it is especially necessary over there because those peoples need an opportunity to reallocate their resources to overcome a lot of social problems that have been accumulated. This is number one.

And number two, I'd like to say that, following the intensive contacts we have had and the dialog that we are developing with India and now with China and other countries, such as Indonesia, I am planning to go on a visit to Japan so as to open that area for discussions. So, we're going to

intensify our efforts in that direction.

I wish to say right away that here, too, we must cooperate with the United States of America. I said this before in my statements; and now, too, I wish to reiterate it once again in the presence of the President of the United States of America.

Lithuanian Independence

Q. This question is directed to President Bush, but, President Gorbachev, feel free to join in, of course. Mr. President, about 6 weeks ago you suggested your patience was nearing an end in regards to the Lithuanian situation. I was wondering if that's still the case. If not, what has changed? And specifically, have you received any assurances that the embargo will be lifted?

President Bush. No, there have been no such assurances. I'm not sure anything has changed. I don't recall placing it that my patience is nearing an end. I've tried to make clear to everybody that we have not recognized the incorporation of these Baltic States into the Soviet Union and, therefore, we have a difference with the Soviet Union. They consider this an internal matter; and we say that, having not recognized the inclusion, why, we have a different problem.

But we had some good discussions of this. I've been encouraged to see discussions going on over there between various leaders. And let's hope the matter can be resolved, because I haven't lessened my view as to people's aspirations for self-determination, and I feel strongly about that. That's a hallmark of American belief and policy, and I haven't changed one bit on that. But I would turn it over to President Gorbachev, who has a different view on it.

President Gorbachev. I really don't even know what I can tell you now, because 2 days ago, in a meeting with representatives of the congressional leadership, I explained our position in great detail. It seems to me that our position is constructive and convincing.

Our Constitution has recorded the right for each people to make a choice for self-determination up to and including secession. We did not have a mechanism that would regulate the implementation of that right. Now we have it recorded in the law. So, we are reforming our federations. We are expanding the Republics' sovereign rights. And we hope that a full federation is something that we are in vital need of to resolve all the problems that have been accumulated. This is our conviction; this is the way we're acting. And shortly, in the next few days, there is to be a Federation Council meeting convened to consider specific steps, dates, and ways of resolving this particular problem in specific, concrete terms.

Perhaps this particular process will develop in a way that would imply the presence of different levels of federative ties, just like various ties or links between the Republics. This will be a new process, new forms of links of the kind that would be in consonant with the purposes of our perestroika, with the goals of reforming our federation. This is one direction.

If, nevertheless, in the framework of this process, some Republic or other is going to raise this question -- and I'm sure they will -- they must be addressed and dealt with in the framework of the constitutional process. We want to see this happen precisely on the basis of the Constitution. Any other different approach leads only to an impasse. And the experience that we have by now not only with respect to Lithuania but also with respect to other Republics in terms of dealing with ethnic problems, where some people are trying to resolve the problem by different methods, without due regard for the Constitution, leads to exacerbation, aggravation, and confrontation. And this is not beneficial either for people, for their families, or for the economy, or for the overall atmosphere in our country.

The President of the Soviet Union, just like the President of the United States of America -- and I happen to know the American Constitution -- have as one of their main responsibilities to defend and protect the constitutional system. I swore an oath of allegiance to the Constitution; and for that reason, we are prepared and willing to address any issue, including those that have been raised by the Supreme Soviet of the Lithuanian SSR, in the framework of the constitutional process. This implies a referendum, incidentally. As to the referendum, those who have engineered this kind of solution, if I may say so, regarding the statehood of Lithuania, will also address our own option and let the people decide.

After they make a choice, I'm sure no fewer than 5 or 7 years would be required for us to sort things out. There will be this divorce proceeding underway, for there are 800,000 non-Lithuanians who live there. Defense, missiles, navy -- they're all there. Today Lithuania's territory includes five areas that used to belong to Byelorussia. Stalin ceded Klaipeda, which the Soviet Union, as the basis of the results of World War II, received just as it did Kaliningrad in Eastern Prussia. It received Lithuanian territories. So, they raise this question: to return to Russia these lands.

Recently, I held a press conference with President Mitterrand of France, just as I am doing now with President Bush here. And I said: Listen, in order to make a decision how to act with respect to overseas territories such as Caledonia, France has projected a period of 10 years. How is it possible for us to resolve issues such as this overnight, when people met pending the opening of the Third Congress of People's Deputies and put the question to the vote? Is that a responsible policy really, I ask myself. I really think that we are acting in accordance with the mandate from the Third Congress of People's Deputies. And we have a vast reserve of good will and constructive spirit; and we do our best in order to resolve, on the basis of constitutional approaches, this particular issue. But any other way would be unacceptable.

I keep referring to -- well, I'm not asking the President to come over to us and bring order to our house. But I keep saying that President Bush would have resolved an issue like this within 24 hours, and he would have restored the validity of his Constitution within 24 hours in any State. [Laughter]

But we are going to resolve it. We are going to do it ourselves. With full responsibility, I wish to declare here now for all of you to know that we are anxious to see this issue resolved in such a way as everybody's interest would be taken into account and within the Constitution's framework.

Note: President Bush's 49th news conference began at 10 a.m. in the East Room at the White House. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter. Marlin Fitzwater was Press Secretary to President Bush.

Presidential Determination No. 90 - 22 -- Memorandum on the Waiver of Requirements for Most-Favored-Nation Trade Status for Czechoslovakia

June 3, 1990

Memorandum for the Secretary of State

Subject: Determination Under Subsection 402(d)(5) of the Trade Act of 1974 -- Continuation of the Waiver Applicable to the Czech and Slovak Federal Republic

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93 - 618) (``the Act''), I determine that the continuation of the waiver applicable to the Czech and Slovak Federal Republic will substantially promote the objectives of Section 402 of the Act, 19 U.S.C. 2432.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

Note: The memorandum was released by the Office of the Press Secretary on June 4.

Letter to Congressional Leaders on the Waiver of Requirements for Most-Favored-Nation Trade Status for Czechoslovakia

June 3, 1990

Dear Mr. Speaker: (Dear Mr. President:)

I hereby transmit my determination that continuation of the waiver applicable to the Czech and Slovak Federal Republic will substantially promote the objectives of Section 402 of the Trade Act of 1974. The attached documents, referred to in Section 402(d)(5) of the Trade Act of 1974, include my reasons for my determination that continuation of the waiver in effect for the Czech and Slovak Federal Republic will substantially promote the objectives of Section 402.

Sincerely,

George Bush

Pursuant to section 402 of the Trade Act of 1974, I have today determined that continuation of the waiver currently applicable to the Czech and Slovak Federal Republic will substantially promote the objectives of section 402 of the Act. My determination is attached and incorporated herein.

The Czechoslovak Government has already instituted reforms ensuring freedom of emigration for all of its citizens. The reform government of Vaclav Havel has implemented sweeping liberal emigration policies, eliminating virtually all the emigration restrictions of the previous communist regime. Under the new travel regulations issued by the Government of the Czech and Slovak Federal Republic on January 1, 1990, potential emigrants need only a valid passport and a foreign immigrant visa. Passports are now issued routinely and are valid for travel to all countries. Citizens no longer need exit visas to travel. All pending bilateral family reunification cases have been resolved.

Further, since I waived application of the Jackson-Vanik amendment on February 20, 1990, new laws have been passed guaranteeing freedom of religion, freedom of speech, freedom of association, and freedom of the press. Czechoslovakia's ethnic groups have agreed that interethnic disputes should be resolved by constitutional means.

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter and attachment were released by the Office of the Press Secretary on June 4.

Soviet-United States Joint Statement on Nonproliferation

June 4, 1990

The United States of America and the Union of Soviet Socialist Republics oppose the proliferation of nuclear weapons, chemical weapons, missiles capable of carrying such weapons, and certain other missiles and missile technologies. The more nations that possess such weapons, the more difficult it will be to realize the desire of people everywhere to achieve effective arms control and disarmament measures and to reduce the threat of war. Weapons proliferation can provoke or intensify insecurity and hostility among nations, and threatens mankind with warfare of unprecedented destructiveness.

Our discussions over the past months point the way to a new era in relations between our two countries. We have taken major steps toward concluding agreements to reduce our own strategic nuclear arsenals, to bring limits on nuclear testing into force, and to reach a global ban on chemical weapons. Together with the nations of Europe, we are taking unprecedented steps to reduce existing conventional weaponry as part of a process of building a lasting structure of European security. The progress we are making and the commitments we have made in these bilateral and multilateral arms control efforts clearly demonstrate that arms reductions can contribute to increased security, even when there have been long-standing and deep-seated differences between countries.

The historic steps we have taken to improve U.S.-Soviet relations and to cooperate in the interests of international stability create the possibility of even closer and more concrete cooperation in the areas of nuclear, chemical, and missile non-proliferation.

With these considerations in mind, The United States and the Soviet Union:

Declare their commitment to preventing the proliferation of nuclear weapons, chemical weapons, and missiles capable of carrying such weapons and certain other missiles and missile technologies, in particular those subject to the provisions of the Missile Technology Control Regime (MTCR);

Agree to work closely together and with other members of the international community to develop and to put into action concrete measures against the proliferation of these types of weapons; and

Call on other nations to join in a renewed commitment to effective non-proliferation measures as a means of securing international peace and stability and as a step toward the effective limitation worldwide of nuclear weapons, chemical weapons, missiles, and missile technology.

The two sides have taken specific actions to advance these commitments.

Nuclear Weapons Non-Proliferation

In order to prevent the proliferation of nuclear weapons, the United States and the Soviet Union:

Reaffirm their steadfast and long-lasting commitment to prevent the proliferation of nuclear weapons and to strengthen the international nuclear weapons non-proliferation regime;

Reaffirm their strong support for the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and agree that it continues to make an invaluable contribution to global and regional security and stability;

Urge all countries which have not yet done so to adhere to the NPT;

Urge all NPT parties to implement scrupulously their International Atomic Energy Agency (IAEA) safeguards obligations under the Treaty;

Affirm their intention to cooperate together and with other Treaty parties to ensure a successful 1990 Review Conference on the Treaty on the Non-Proliferation of Nuclear Weapons which would reaffirm support for the objectives of the Treaty and its importance to international security and stability;

Support the Treaty for the Prohibition of Nuclear Weapons in Latin America (the Treaty of Tlatelolco) and urge all countries in the region to bring it into force at an early date;

Reiterate their continuing commitment to strengthening the IAEA, whose unique system of safeguards has contributed to the widespread peaceful use of nuclear energy for social and economic development;

Support increased international cooperation in the peaceful uses of nuclear energy under IAEA safeguards;

Call on all non-nuclear-weapons states with unsafeguarded nuclear activities to place these activities under international safeguards;

Agree on the need for stringent controls over exports of nuclear-related material, equipment and technology, to ensure that they will not be misused for nuclear explosive purposes, and urge all other nations capable of exporting nuclear-related technology to apply similarly strict controls;

Continue to support efforts to improve and strengthen the international nuclear export control

regime;

Support discussions among states in regions of nuclear proliferation concern for the purpose of achieving concrete steps to reduce the risk of nuclear proliferation, and, in particular, join in calling on the nations of the Middle East, Southern Africa, and South Asia to engage in and pursue such discussions;

Agree to continue their regular, constructive bilateral consultations on nuclear weapons non-proliferation.

Missile and Missile Technology Non-Proliferation

In order to stem the proliferation of missiles and missile technology, the United States and the Soviet Union:

Have signed the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles, demonstrating that controls on -- indeed the elimination of -- such missiles can enhance national security;

Reaffirm their intention that the START Treaty be signed by the end of the year;

Affirm their support for the objectives of the Missile Technology Control Regime, covering missiles, and certain equipment and technology relating to missiles capable of delivering at least 500 kilograms of payload to a range of at least 300 kilometers and they call on all nations that have not done so to observe the spirit and the guidelines of this regime;

Are taking measures to restrict missile proliferation on a worldwide basis, including export controls and other internal procedures;

Have instituted bilateral consultations to exchange information concerning such controls and procedures and identify specific measures to prevent missile proliferation;

Agree to work to stop missile proliferation, particularly in regions of tension, such as the Middle East;

To this end, affirm their intent to explore regional initiatives to reduce the threat of missile proliferation, including the possibility of offering their good offices to promote such initiatives;

Recall that they favor international economic cooperation including cooperation aimed at peaceful space exploration, as long as such cooperation could not contribute to missile proliferation;

Appeal to all countries -- to exporters of missiles and missile technology as well as purchasers -- to exercise restraint, and express their willingness to continue their respective dialogues with other countries on the non-proliferation of missiles and missile technology.

Are resolved, on their part, to continue to work to strengthen such international restraint with respect to missile and missile technology proliferation.

Chemical Weapons Non-proliferation

In order to stem the use and proliferation of chemical weapons, the United States and the Soviet Union:

Declare that a multilateral, effectively verifiable chemical weapons convention banning the development, production and use of chemical weapons and eliminating all stocks on a global basis is the best long-term solution to the threat to international security posed by the use and spread of chemical weapons, and that non-proliferation measures are considered a step toward achieving such a convention;

Will intensify their cooperation to expedite the negotiations in Geneva with the view to resolving outstanding issues as soon as possible and to finalizing the draft convention at the earliest date;

Have instituted bilateral confidence building measures, including chemical weapons data exchange and reciprocal site visits;

Have just signed a trailblazing agreement on destruction and non-production of chemical weapons and on measures to facilitate the multilateral convention on chemical weapons;

Commit themselves, in that agreement to take practical measures to encourage all chemical weapons-capable states to become parties to the multilateral convention;

Having declared their possession of chemical weapons, urge other states possessing chemical weapons to declare their possession, to commit to their destruction, and to begin immediately to address, through research and cooperation, the need for chemical weapons destruction capability;

State that they themselves will not proliferate chemical weapons;

Have instituted export controls to stem the proliferation of chemical weapons. These measures are not intended to hinder or discriminate against legitimate peaceful chemical activities;

Have agreed to conduct bilateral discussions to improve the effectiveness of their respective export controls to stem the proliferation of chemical weapons;

Conduct regular bilateral consultations to broaden bilateral cooperation, including the reciprocal exchange of information on the problems of chemical weapons proliferation;

Confirm their intent to pursue political and diplomatic actions, where specific cases give rise to concerns about the production, use or spread of chemical weapons;

Join with other nations in multilateral efforts to coordinate export controls, exchange information, and broaden international cooperation to stem the proliferation of chemical weapons;

Reaffirm their support for the 1925 Geneva Protocol banning the use of chemical weapons in violation of international law;

Are taking steps to strengthen the 1925 Geneva Protocol by:

-- Encouraging states that are not parties to accede;

-- Confirming their intention to provide active support to the United Nations Secretary General in conducting investigations of reported violations of the Protocol;

-- Affirming their intention to consider the imposition of sanctions against violators of the Protocol, including those under Chapter VII of the United Nations Charter;

-- Agreeing to consult promptly in the event of a violation of the Protocol to discuss possible bilateral and multilateral actions against the offender, as well as appropriate assistance to the victims of such violation;

Agree that the presence and further proliferation of chemical weapons in areas of tension, such as the Middle East, is particularly dangerous. The two countries therefore affirm their intent to explore regional initiatives in the Middle East and other areas, including the possibility of offering their good offices to promote such initiatives as:

-- Efforts to broaden awareness of the dangers of chemical weapons proliferation and its negative impact on implementation of the multilateral convention on chemical weapons;

-- Bilateral or multilateral efforts to stem chemical weapons proliferation, including the renunciation of the production of chemical weapons;

-- Efforts to destroy chemical weapons in advance of the multilateral convention on chemical weapons, as the United States and the Soviet Union are doing.

The United States and the Soviet Union call on all nations of the world that have not already done so to join them in taking comparable, effective measures to stem chemical weapons proliferation.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Soviet-United States Joint Statement on Bering Sea Fisheries Conservation

June 4, 1990

In the course of the state visit by the President of the Union of Soviet Socialist Republics to the United States of America, the sides reviewed problems posed by the development of an unregulated multi-national fishery for pollock in the central Bering Sea. In light of the magnitude of that fishery, which accounts for more than one-third of the total annual catch of pollock in the Bering Sea, the situation is of serious environmental concern. In particular, there is a danger to the stocks from overfishing. This may result in significant harm to the ecological balance in the Bering Sea and to those U.S. and USSR coastal communities whose livelihoods depend on the living marine resources of the Bering Sea.

The sides agreed that urgent conservation measures should be taken with regard to this unregulated fishery. The sides noted that, in accordance with international law as reflected in the relevant provisions of the 1982 United Nations Convention on the Law of the Sea, all concerned states, including coastal states and fishing states, should cooperate to ensure the conservation of these living resources. To this end, both sides noted that they would welcome cooperative efforts towards the development of an international regime for the conservation and management of the living marine resources in the central Bering Sea.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Soviet-United States Joint Statement on Cooperation in Peaceful Uses of Atomic Energy

June 4, 1990

During the state visit of Mikhail S. Gorbachev, President of the USSR, at the invitation of George Bush, President of the United States, the sides concluded a new U.S.-USSR Agreement on Scientific and Technical Cooperation in the Field of Peaceful Uses of Atomic Energy. This Agreement strengthens the longstanding framework for important research in a number of fields of mutual interest, including controlled thermonuclear fusion, fundamental properties of matter, and civilian nuclear reactor safety.

Recognizing the need to manage responsibly the development and utilization of nuclear power, the two sides have agreed on cooperation in the study of the health and environmental effects of past, present and future nuclear power generation, and in strengthening operational safety practices in civilian nuclear reactors. The sides intend to develop and implement promptly a mutually beneficial joint program of work in these fields under this Agreement. They also agreed to explore the possibilities for cooperation in the management of hazardous and radioactive waste.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Soviet-United States Joint Statement on the International Thermonuclear Experimental Reactor

June 4, 1990

At their meeting in Geneva in 1985, the leaders of the United States and the Soviet Union emphasized the importance of the work aimed at utilizing controlled thermonuclear fusion for peaceful purposes, and advocated the widest practical development of international cooperation in obtaining this essentially inexhaustible source of energy for the benefit of all mankind.

The International Thermonuclear Experimental Reactor (ITER) project, involving joint efforts by the USSR, the United States, Japan and the European Community, under the aegis of the International Atomic Energy Agency, is making significant progress towards this end. A conceptual design will soon be completed.

Noting with satisfaction the results being attained under this project, the United States and the Soviet Union look forward to continued international efforts aimed at promoting further progress in developing controlled thermonuclear fusion for peaceful purposes.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Soviet-United States Joint Statement on Technical Economic Cooperation

June 4, 1990

The two sides reiterated their commitment to the program of technical economic cooperation outlined by Presidents Bush and Gorbachev at Malta in December and expressed a desire to expand the scope and number of joint projects. This program is a concrete expression of U.S. and Soviet commitment to work together in support of economic perestroyka. Its goal is to advance the process of market-oriented economic reform by sharing experience and expertise regarding the problems and opportunities involved in building market structures and institutions.

Projects and contacts currently underway at the expert level include statistical cooperation, development of small businesses, establishment of financial markets, banking reform, and tax administration. The two sides also had useful discussions on economic policy issues during visits by the Soviet Minister of Finance and State Bank Chairman to Washington, and the Chairman of the President's Council of Economic Advisors and the Chairman of the Federal Reserve Board to Moscow.

The two sides will work to expand the scope of current cooperation projects and in particular to develop new projects in areas of special interest, including anti-trust issues, enterprise management, and economic education. The two sides also noted that private exchanges and projects can be consistent with and complement technical cooperation. Both sides believe that technical economic cooperation is in their mutual benefit in promoting the successful development of market-oriented reforms.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Exchange With Reporters at a Briefing for Cabinet Members on the Soviet-United States Summit

June 4, 1990

Q. What was the applause all about, Mr. President?

The President. Scintillating personality, I guess? [Laughter]

Q. Something we don't know about happen at the summit?

Q. Scintillating results?

The President. I'm very pleased with the results of the summit. And I think the American people are. I think maybe that was manifested by the welcome I was given here.

Maybe it is a good time to thank everybody around this table and the White House staff and staffs in the various Departments because often -- Jules knows this for the work he's done here and abroad -- we don't really adequately get to thank the people in the Government, career people or appointed people, who flesh out the agreements and work up the agenda and deal behind the scenes with no credit, no sitting at the head table. And this meeting, with a broad array of issues, convinces me that I am very fortunate to have this Cabinet team and to have the White House staff, as energetic as it is, and General Scowcroft and his people -- doing a superb job on preparation -- and then the Departments themselves that work for everybody around this table. And I know Jim Baker would second the motion.

So, I am pleased with the results. And I think the reception from the American people was rather clear. There are some problems. We never said there wouldn't be. We had a chance to describe the problems.

And that's it, because this is what they call a modified photo opportunity. [Laughter]

Q. How many allies did you call?

The President. I'm not going to take any questions; I took them all yesterday. And Marlin will give you that; but the mood from the allies so far, the ones I've talked to, have been very, very positive. And that is important when you're dealing with issues of this nature. Let me elaborate, Helen [Helen Thomas, United Press International] -- I will now modify the modification.

I did talk with Helmut Kohl yesterday, and I talked to Margaret Thatcher yesterday. And I'm not going to put words in their mouth, but I was very pleased with their response. And then I talked

to President Reagan, to give him a briefing as to what he might anticipate at his breakfast. So, I did that after the meeting. But we'll have to wait and see what the response is from around the world, but so far our experts have been very pleased.

Note: The exchange began at 10:08 a.m. in the Cabinet Room at the White House. In his remarks, he referred to Julius L. Katz, Deputy U.S. Trade Representative; Brent Scowcroft, Assistant to the President for National Security Affairs; Marlin Fitzwater, Press Secretary to the President; Helmut Kohl, Chancellor of the Federal Republic of Germany; and Margaret Thatcher, Prime Minister of the United Kingdom.

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations

June 4, 1990

The President met today with United Nations Secretary-General Javier Perez de Cuellar. Following a meeting, the President hosted a working luncheon in honor of the Secretary-General. They discussed United Nations activities and matters of mutual interest, and they noted the increased role the U.N. has been playing in the changing world.

The President explained that the United States will soon release an additional $62.5 million to the United Nations to pay current dues. The President reaffirmed to the Secretary-General his view that the United States should meet its financial obligations to the United Nations, which are solemn international obligations made by the United States after full consultation with Congress. He expressed his hope that Congress will provide the necessary funds, including payment of arrears.

Appointment of Edith E. Holiday as Assistant to the President and Secretary to the Cabinet

June 4, 1990

The President has appointed Edith E. Holiday to be Assistant to the President and Secretary of the Cabinet. She would succeed David Bates.

For the past 21 months Ms. Holiday has served in the Treasury Department, most recently as General Counsel, 1989 - 1990. Prior to this, she served as Assistant Secretary of the Treasury for Public Affairs and Public Liaison and Counselor to the Secretary, 1988 - 1989; chief counsel and national financial and operations director for the Bush-Quayle 1988 Presidential campaign; director of operations for George Bush for President, 1987 - 1988; and special counsel for the Fund for America's Future, 1985 - 1987. In addition, Ms. Holiday has served as Executive Director for the President's Commission on Executive, Legislative, and Judicial Salaries, 1984 - 1985; an attorney with the law firm of Dow Lohnes and Albertson, 1983 - 1984; an attorney with the law firm of Reed Smith and McClay, 1977 - 1983; and legislative director for United States Senator Nicholas F. Brady, 1982.

Ms. Holiday graduated from the University of Florida (B.S., 1974; J.D., 1977). She was born in Middletown, OH. Ms. Holiday is married to Terrence B. Adamson; has one child, Kathlyn, and one stepson, Terrence Morgan Adamson; and resides in Atlanta, GA, and Washington, DC.

Statement by Press Secretary Fitzwater on the Appointment of William Frederick Sittmann as Executive Secretary of the National Security Council

June 4, 1990

The President today announced the appointment of William Frederick Sittmann as Executive Secretary of the National Security Council.

Mr. Sittmann is a native of Decatur, IN. He attended the University of Richmond in Richmond, VA, and received a B.A. degree in political science and history. Following his graduation, he served in the Foreign Service with the State Department from 1974 to 1982. From 1982 through 1985, Mr. Sittmann served in the White House as a Special Assistant to President Reagan. He then joined the Washington, DC, firm of Michael K. Deaver and Associates before assuming the position of vice president of Kissinger Associates, Inc., a New York consulting firm. Mr. Sittmann has served since June 1989, as the Deputy Executive Secretary of the National Security Council.

Mr. Sittmann is married to the former Anne Marie Sclichter. They have one daughter, Meredith, and reside in Alexandria, VA.

Nomination of David H. Leroy To Be Nuclear Waste Negotiator

June 4, 1990

The President today announced his intention to nominate David H. Leroy to be Nuclear Waste Negotiator. This is a new position.

Currently, Mr. Leroy serves as an attorney with Leroy Law Offices in Boise, ID. Prior to this, he served as Lieutenant Governor of Idaho, 1983 - 1987; Idaho attorney general, 1979 - 1983; Ada County prosecuting attorney, 1974 - 1978; deputy prosecuting attorney for Ada County, 1973 - 1974; and an associate attorney with the law firm of Rothblatt, Rothblatt, Seijas and Peskin in New York, NY, 1971 - 1972.

Mr. Leroy graduated from the University of Idaho (B.S., 1969; J.D., 1971) and New York University School of Law (M.L., 1972). He was born August 16, 1947, in Seattle, WA. Mr. Leroy is married, has two children, and resides in Boise, ID.

Statement on the Anniversary of the Suppression of the Demonstrations at Tiananmen Square

June 4, 1990

One year ago, as China commenced the brutal suppression of peaceful demonstrators around Tiananmen Square, I deeply deplored the decision to use force. Two days later, on June 5, I again deplored the violence, emphasizing that the demonstrators in Tiananmen Square were advocating basic human rights, including freedom of expression, freedom of the press, and freedom of association. These are freedoms that are enshrined in both the U.S. Constitution and the Chinese Constitution, and are goals we support around the world. America will always stand with those who seek greater freedom and democracy -- this is the strongly felt view of my administration, of our Congress, and most important, of the American people.

China's citizens, through massive demonstrations in scores of cities, were expressing the same yearnings and aspirations we have seen in so many places in the world during the last several years. The peoples of the Philippines, the Republic of Korea, Taiwan, Mongolia, Panama, Nicaragua, Czechoslovakia, East Germany, Bulgaria, Poland, Hungary, Romania, the Soviet Union, South Africa, and Burma have expressed those desires with their lives, their voices, and their votes. The institutions that each chooses to adopt will vary, but the values of democracy and freedom underlie the movements in all of them.

Transforming China -- with its 4,000 year-old civilization, its own distinct and extraordinary traditions, an undeveloped economy, and an historically authoritarian political system -- is a monumental task. China made great strides from 1978 to 1988 in the face of difficulties, and the dramatic growth in U.S.-China relations during those 10 years was testimony to that progress. I remain deeply concerned by the lack of respect for internationally recognized human rights in China today, and urge a rapid return to the most positive course set before Tiananmen occurred.

As China's people and leaders seek to recover from the wounds of Tiananmen, they should find inspiration in the modern, universal urge for freedom and democracy. At the same time, they will find guidance in those benevolent traditions of China which emphasize righteousness and justice.

The world watched with awe the restraint of the peaceful demonstrators in Tiananmen, the people of a great nation seeking freedom and economic modernization. The world will continue to watch in the years ahead with the hope that China will turn decisively away from repression and toward the path of reform. The American people and government -- who value good relations with the Chinese people and government -- stand ready to develop this relationship as China resumes that path.

Remarks at a Ceremony Honoring the GI Bill

June 5, 1990

Thank you all. And I'm delighted to be here with two members of my Cabinet: Dick Cheney, who's doing an outstanding job leading America's defense forces, and of course, Sam Skinner, our very able Secretary of Transportation. Chairman of our Joint Chiefs is here, General Colin Powell, Secretary Stone, Secretary Rice. General Gray was to be here, and there he is. And I'm going to omit somebody, so I'll stop right there. But just welcome all of you.

And I also want to recognize, single out, so many Members of the United States Congress that are here today. I'm delighted that you are. And, of course, the representatives of the Armed Forces. Most of all, I guess we got to pay tribute to the distinguished Representative from the State of Mississippi, the Chairman of the House Veterans Affairs Committee, and the Army veteran for whom this historic bill was named, our old friend, my old friend, Sonny Montgomery.

Sonny -- I got to hand it to Sonny. He and I were elected to Congress on exactly the same day many years ago. And he's the one who's got his name on both a major, significant piece of legislation and a gigantic building -- Air National Guard complex down in Mississippi.

But today, I'm very pleased and honored to welcome you to the Rose Garden and to have this opportunity to tell you personally just how important I believe this program is. From the time it was first launched in 1944, the original GI bill was a huge, bold, and successful experiment, an ongoing experiment in which young men and women from all walks of life are given not only a choice but also a chance: a chance for a higher education and their own piece of the American dream.

In 1945, October, Barbara and I joined the ranks of more than 40,000 couples who headed to college that year on the original GI bill. America's schools were soon swamped with prefab housing and trailers. And by 1946 and 1947, the flood tide had crested, and more than 2\1/2\ million veterans had embarked on getting their education.

The GI bill has special importance to me, and special importance to the peace and prosperity that America has enjoyed during the 46 years since it first began. The GI bill changed the lives of millions by replacing old roadblocks with paths of opportunity. And, in so doing, it boosted America's work force, it boosted America's economy, and really, it changed the life of our nation.

And thanks to people like Congressman Montgomery and other leaders here from both the Senate and the House today, the GI bill has continued to successfully improve and evolve. And I remember some of the tough battles that were fought to get the new bill through Congress.

Sonny interrupted one marathon conference session with a rather unique reminder of the needs of the military and of his own commitment to stick it out. He brought in C-rations. Well, I've tried C-rations, and eating them on the Hill is my definition of serious commitment.

The success of Sonny's effort is evidence in the young American heroes we salute today, the men and women here representing America's armed services and symbolizing the one millionth participant in the Montgomery GI bill. Airmen like Alabama's Jeramie Brown, who leaves for Munich tomorrow to help tell the story of America through the Armed Forces Network. The Coast Guard's Keith Pyle, who was part of the honor guard last month at the wreath-laying ceremony at the Tomb of the Unknown Soldier. Medical specialists like the Army's Linda Meidling, who's been on the dean's list at Stockton State College since 1987. And reservists like Chicago's Teryl Speights, who puts in time with two jobs: reading x-rays at the West Side V.A. Hospital and reading radar screens at Glenview Naval Air Base. Those are definitely two jobs, Teryl, that you don't want to get mixed up. [Laughter]

But for America, as for these individuals, the payback has been terrific. Today, the Montgomery GI bill ranks among the most practical and cost-efficient programs ever devised and represents one of the best Federal investments since Betsy Ross bought needle and thread.

To begin with, right now the program is more than paying for itself, and even as payouts increase, four decades of experience have taught us that the increased earnings of these educated GI's also mean increased tax revenues for America. And the additional education its participants receive continues to produce a technological gain for our country.

Even more important are the improvements in our Armed Forces. The Montgomery GI bill has been an important component in the success of America's all-volunteer forces. And let me just repeat here what Colin Powell and the other Chiefs have told me over and over again: we have never had better men and women in the Armed Forces than we have today. This program contributes to savings because better educated recruits mean training costs and attrition have gone down, while productivity and morale have gone up.

This bill is playing an important role in promoting excellence in our Armed Forces. And it's also playing an important role in promoting excellence in education. Several of its components -- choice, flexibility, competitiveness -- parallel some of the most important components of the Educational Excellence Act that we sent to the Congress last April, a critical first step in our efforts to revitalize quality in America's schools. It was passed by the Senate in February. And I believe it's time for the House to act now. So, let's make this year of change, a year of progress in education. Let's strike a blow for excellence, and let's get that legislation passed.

Education is our most enduring legacy, vital to everything we are and can become. And the Montgomery GI bill is a powerful example of what is right about education in America. Our Armed Forces and our system of higher education are today the envy of the world. And so, I'm

here to thank you for your important work, the work you do in defending our nation's freedom; in educating our nation's youth; and in ensuring that, whether in military might or educational excellence, the United States of America stands second to none.

Thank you for coming to the White House today. And God bless you in your efforts. And God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 11:27 a.m. in the Rose Garden at the White House. In his remarks, the President referred to Secretary of the Army Michael P.W. Stone, Secretary of the Air Force Donald B. Rice, and Commandant of the Marine Corps Gen. A.M. Gray, Jr.

Appointment of the 1990 - 91 White House Fellows

June 6, 1990

The President today announced the appointments of the 1990 - 91 White House fellows. This is the 26th class of fellows since the program was established in 1964. Twelve fellows were chosen from nearly 1,000 applicants who were screened by 11 regional panels. The President's Commission on White House Fellowships, chaired by Ronna Romney, interviewed the 33 national finalists prior to recommending the 12 persons to the President. Their year of government service will begin September 1, 1990.

Fellows serve for 1 year as special assistants to the President's principal staff, the Vice President, and members of the Cabinet. In addition to the work assignments, the fellowship includes an education program that parallels and broadens the unique experience of working at the highest levels of the Federal Government. The program is open to U.S. citizens in the early stages of their careers and from all occupations and professions. Federal Government employees are not eligible, with the exception of career Armed Forces personnel. Leadership, character, intellectual and professional ability, and commitment to community and national service are the principal criteria employed in the selection of fellows.

Applications for the 1991 - 92 program are available from the President's Commission on White House Fellowships, 712 Jackson Place, NW, Washington, DC 20503.

The 1990 - 91 White House fellows are:

Andrew I. Batavia, of Washington, DC. Mr. Batavia is the Director of the Health Services Research Program at the National Rehabilitation Hospital Research Center in Washington, DC. He is also a faculty member of the department of community and family medicine of the Georgetown School of Medicine in Washington and has authored over 20 publications on issues of health care and disability policy. Mr. Batavia graduated from the University of California at Riverside (B.A., 1980). He received an M.S. degree in health services research from Stanford Medical School in 1983 and graduated from Harvard Law School (J.D., 1984). Mr. Batavia was born June 15, 1957, in Brooklyn, NY.

Samuel Dale Brownback, of Topeka, KS. Mr. Brownback serves as the secretary of agriculture in the State of Kansas. A specialist in agricultural law, he has taught at Kansas State University and has written numerous articles and two books on the subject. Mr. Brownback graduated from Kansas State University (B.S., 1979) and from the University of Kansas (J.D., 1982). Mr. Brownback was born September 12, 1956, in Garnett, KS.

Robert Bruce Chess, of Palo Alto, CA. Mr. Chess is the president of Penederm, a biotechnology company he cofounded in 1986. A successful entrepreneur with both a technology and business

background, he has started two companies and helped in the establishment of three others during the past 6 years. Mr. Chess graduated from California Institute of Technology (B.S., 1978) and from Harvard Graduate School of Business (M.B.A., 1980). He was born January 31, 1957, in Inglewood, CA.

Jody Ann Greenstone, of Greenville, SC. Ms. Greenstone is a vice president in public finance with the Robinson-Humphrey Co., Inc., a subsidiary of Shearson Lehman Hutton. Her interest in the improvement of housing in South Carolina has afforded her the opportunity to serve as a member of the board of the South Carolina Low Income Housing Coalition and as an appointee to the South Carolina Affordable Housing Council. Ms. Greenstone graduated from the University of Michigan (B.A., 1979) and from the University of Virginia School of Law (J.D., 1982). She was born March 18, 1958, in Philadelphia, PA.

Robert R. Grusky, of Croton-on-Hudson, NY. Mr. Grusky is a vice president in the investment banking division of Goldman, Sachs & Co. He actively supports the Hackley School in Tarrytown, NY, where he serves as a member of the alumni board of directors and as an adviser to the investment committee of their board of trustees. Mr. Grusky graduated from Union College (B.A., 1979) and from the Harvard Business School (M.B.A., 1985). He was born August 19, 1957, in New York City.

Willie Arthur Gunn, of Fort Lauderdale, FL. Captain Gunn serves in the U.S. Air Force as a circuit defense counsel for a five-State region in the western United States, defending service members in complex criminal cases. He also serves as vice chairperson of the National Bar Association's military law section. Captain Gunn graduated from the U.S. Air Force Academy (B.S., 1980) and from Harvard Law School (J.D., 1986). He was born December 14, 1958, in Birmingham, AL.

Randall Herman Kehl, of Albuquerque, NM. Major Kehl serves in the U.S. Air Force as an attorney in the office of the Judge Advocate General, Washington, DC. He has been a member of the adjunct law faculty at the University of Alaska, and in 1989 the American Bar Association honored him as the Outstanding Young Military Service Lawyer of the Year. Major Kehl graduated from the U.S. Air Force Academy (B.S., 1976) and from the Graduate School of Business Administration, University of North Dakota (M.B.A., 1980). He graduated from the School of Law, Pepperdine University (J.D., 1983). Major Kehl was born May 18, 1954, in Furstenfeldbruck, Germany.

John William Miller, of Annapolis, MD. Lieutenant Commander Miller is a flight officer in the U.S. Navy. He is presently assigned as a leadership section head in the department of leadership and law at the U.S. Naval Academy, Annapolis, MD. In 1984 he was selected as the Fighter Wing One Radar Intercept Officer of the Year and the Atlantic Fleet Naval Flight Officer of the Year. He graduated from the U.S. Naval Academy in 1979 and is a recent graduate of the Naval War College. Lieutenant Commander Miller was born October 2, 1957, in Chicago, IL.

Eric McLaren Phillips, of Maplewood, NJ. Mr. Phillips is currently a district manager within AT&T International Communications Services, Basking Ridge, NJ. In 1989, he received an Outstanding Service Award from AT&T Bell Laboratories for his exceptional contribution in his field of electrical engineering and computer science. Mr. Phillips graduated from McMaster in Canada (B.S., 1976) and from New York University (M.B.A., 1983). He was born October 19, 1952, in Dundee, Mahaicony, Guyana.

Edward Augustus Rice, Jr., of Yellow Springs, OH. Major Rice is currently assigned as a rated force manager in the directorate of plans and operations, U.S. Air Force, Washington, DC. He is a distinguished Air Force pilot and graduated with highest distinction from the College of Naval Command and Staff at the Naval War College in Newport, RI. Major Rice graduated from the U.S. Air Force Academy (B.S., 1978) and from Embry Riddle Aeronautical University (M.S., 1987). He was born March 31, 1956, in Albuquerque, NM.

Joseph E. Samora, Jr., of Albuquerque, NM. Mr. Samora is chairman of the New Mexico Public Service Commission. In 1988, he was selected by the American Bar Association's young lawyers division's Barrister magazine as one of ``20 Young Lawyers in the United States Who Make a Difference." He graduated from the University of New Mexico (B.A., 1978) and from the University of New Mexico School of Law (J.D., 1982). Mr. Samora was born September 6, 1955, in Albuquerque, NM.

Kimberly Till, of Prattville, AL. Ms. Till is an international management consultant with Bain & Co. in London, England. In 1980 - 81, she was selected as a Henry Luce scholar and spent a year working in Japan on trade and investment projects. She graduated from the University of Alabama (B.A., 1977), from Duke University School of Law (J.D., 1980), and from the Harvard Graduate School of Business Administration (M.B.A., 1983). Ms. Till was born September 22, 1955, in Bainbridge, MD.

Message to the Congress Transmitting the Annual Report on Environmental Quality

June 6, 1990

To the Congress of the United States:

The people of this country share a deeply rooted love and concern for the environment. We have been blessed with a wealth of natural resources that enrich our physical and spiritual lives, and throughout our history we have recognized our responsibility to protect those resources for the generations to come.

Even as the pioneers traveled west to civilize a wild and seemingly endless frontier, there were Americans who understood that the Nation's natural resources had to be conserved for the future. In 1871, long before all of the continental states were incorporated into the Union, two million acres were set aside to create Yellowstone, our first national park.

The consequences of thoughtless exploitation of our natural resources began to be noticed more than a century ago. In 1908, President Theodore Roosevelt convened at the White House a national conference on conservation, where he said: ``The wise use of all our natural resources, which are our national resources as well, is the great material question of today." That conference was a historical landmark in the development of public policy to protect and manage this country's natural resources.

Our national environmental ethic was expressed with particular clarity and conviction in 1970. On the first day of that year, President Nixon signed the National Environmental Policy Act, which created the Council on Environmental Quality and incorporated environmental awareness into the planning processes of the Federal Government. On the last day of 1970, the President signed the Clean Air Act, the Nation's first comprehensive environmental protection law. During that year, the Environmental Protection Agency and the National Oceanographic and Atmospheric Administration were established. And on April 22, 1970, millions of Americans voiced their environmental hopes and concerns on Earth Day.

This long national tradition of natural resource stewardship and environmental protection continues today, and in many ways it is stronger than ever. During the last 20 years we have built on the work begun in 1970, and the results have been remarkable. Possible effects on the environment are now weighed carefully whenever Federal agencies plan major actions. Our scientists have developed pollutant detection and control technologies that are far more effective than anything available in 1970. Environmental laws are now enforced, and environmental crimes punished, at every level of government, and enforcement officials have more legal and technical tools at their disposal than ever before. Besides spending billions of dollars a year to

capture pollutants before they enter the air or water, American companies are beginning to invest in production materials and processes that generate much less pollution. And governments around the world are working together in unprecedented ways to solve pollution problems that affect the global quality of life.

We can be proud of our environmental track record. In many ways we have set an example for the rest of the world, and other nations continue to look to the United States for environmental leadership. Over the past year, as the countries of Eastern Europe shook off their chains and took charge of their own political and economic lives, they turned to us for help in reversing decades of environmental neglect.

This 1989 Report to the Congress on Environmental Quality is a retrospective -- a look back at the ways our national environmental ethic has evolved over the past 20 years. And in looking back, the report also suggests a fair measure of hope for the future.

We have not solved all our environmental problems. Some we have only begun to understand. But over the past 2 decades we have proven to ourselves, and to the rest of the world, that we are willing to act on our beliefs. If the best prophet of the future is the past, as Lord Byron once wrote, then our children and grandchildren can look forward to the same good health, clean environment, and abundant natural resources that so many Americans have been so fortunate to share.

George Bush

The White House,

June 6, 1990.

Nomination of Roy M. Huffington To Be United States Ambassador to Austria

June 6, 1990

The President today announced his intention to nominate Roy M. Huffington, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Austria. He would succeed Henry Anatole Grunwald.

Dr. Huffington has served as owner of Roy M. Huffington, Inc., 1956 to present, and as president, chairman of the board, and director and treasurer since 1958. Prior to this, he served as a field geologist, senior geologist, and division exploration geologist with the Humble Oil and Refining Co., 1946 - 1956; instructor in geology at Harvard University, 1942; and as a teaching fellow at Harvard University, 1939 - 1942.

Dr. Huffington graduated from Southern Methodist University (B.S., 1938) and Harvard University (M.A., 1941; Ph.D., 1942). He was born October 4, 1917, in Tomball, TX. Dr. Huffington served in the U.S. Navy, 1942 - 1945. He is married, has two children, and resides in Houston, TX.

Nomination of Hugh Kenneth Hill To Be United States Ambassador to Bulgaria

June 6, 1990

The President today announced his intention to nominate Hugh Kenneth Hill, of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bulgaria. He would succeed Sol Polansky.

Since 1988 Mr. Hill has served as counselor and then chief of the Senior Officer Division at the Department of State. Prior to this, he served as Deputy Chief of Mission for the U.S. Embassy in Lusaka, Zambia, 1984 - 1988; Deputy Chief of Mission for the U.S. Embassy in Sofia, Bulgaria, 1982 - 1984; Deputy Director of the Office of Security Assistance and Foreign Military Sales in the Bureau of Political-Military Affairs, 1980 - 1982; management analyst in the Bureau of Management Operations, 1978 - 1980; human rights officer in the Bureau of Human Rights at the Department of State, 1976 - 1978; and political officer for the U.S. Embassy in Belgrade, Yugoslavia, 1973 - 1976. In addition, Mr. Hill has served as a desk officer for the Federal Republic of Germany in the Office of German Affairs at the Department of State, 1970 - 1972; vice consul/consul for the U.S. mission in West Berlin, 1968 - 1970; vice consul for the U.S. consulate general in Frankfurt am Main, West Germany, 1966 - 1968; and vice consul for the U.S. consulate general in Jerusalem, 1965 - 1966. He entered the Foreign Service in 1964.

Mr. Hill graduated from the University of California (B.A., 1959; M.A., 1964). He was born June 14, 1937, in Cushing, TX. Mr. Hill served in the U.S. Army, 1961 - 1963. Mr. Hill is married, has three children, and resides in Bethesda, MD.

Nomination of Frederick Vreeland To Be United States Ambassador to Burma (Myanmar)

June 6, 1990

The President today announced his intention to nominate Frederick Vreeland, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Burma (Myanmar). He would succeed Burton Levin.

Since 1989 Mr. Vreeland has served as vice president of John Cabot International College in Rome, Italy. Prior to this, he served as contributing editor of Conde Nast Traveler in New York, 1988; director of Aspen Institute in Rome, Italy, 1985 - 1987; counselor and political officer for the U.S. Embassy in Rome, 1978 - 1985; political officer for the U.S. Embassy in Paris, 1971 - 1978; political and security officer for the U.S. mission to the United Nations in New York, 1967 - 1971; deputy chief of the economic section for the U.S. Embassy in Rabat, Morocco, 1963 - 1967; temporary aide to the National Security Council at the White House, 1963; and political officer for the U.S. Embassy in Bonn, Germany, 1959 - 1963. In addition, he has served as an economic officer for the U.S. mission in Berlin, Germany, 1957 - 1959; and economic officer for the U.S. mission in Geneva, Switzerland, 1952 - 1957. Mr. Vreeland entered the Foreign Service in 1952.

Mr. Vreeland graduated from Yale University (B.A., 1951). He was born June 24, 1927, in Danbury, CT. Mr. Vreeland served in the U.S. Naval Reserve, 1945 - 1947. He is married, has two children, and resides in Rome, Italy.

Nomination of Aurelia Erskine Brazeal To Be United States Ambassador to Micronesia

June 6, 1990

The President today announced his intention to nominate Aurelia Erskine Brazeal, of Georgia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federated States of Micronesia.

Since 1987 Ms. Brazeal has served as Minister-Counselor for Economic Affairs for the U.S. Embassy in Tokyo. Prior to this, she served as a member of the Senior Seminar, 1986 - 1987; Deputy Director for Economics at the Department of State, 1984 - 1986; in the Economic Bureau of the Office of Development Finance at the Department of State, 1982 - 1984; economic officer in Tokyo, 1979 - 1982; review officer for the Treasury Department Secretariat, 1977 - 1979; Uruguay/Paraguay desk officer, 1974 - 1977; and watch officer and line officer for the Secretariat staff at the Department of State, 1973 - 1974. In addition, she has served as an economic reports officer in the Economic Bureau at the Department of State, 1971 - 1972; and a consular and economic officer for the U.S. Embassy in Buenos Aires, 1969 - 1971. Ms. Brazeal entered the Foreign Service in 1968.

Ms. Brazeal graduated from Spelman College (B.A., 1965) and Columbia University (M.I.A., 1967). She was born November 24, 1943, in Chicago, IL.

Accordance of the Personal Rank of Ambassador to John F. Maisto While Representing the United States at the Organization of American States

June 6, 1990

The President today accorded the personal rank of Ambassador to John F. Maisto, of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, in his capacity as Vice Chairman of the U.S. delegation to the OAS General Assembly, and as Head of the U.S. delegation to the Inter-American Council for Education, Science, and Culture (CIECC) and the Inter-American Economic and Social Council (CIES).

Since 1989 Mr. Maisto has served as Deputy U.S. Representative to the Organization of American States. Prior to this, he served as Deputy Chief of Mission for the U.S. Embassy in Panama, 1986 - 1989; in political affairs for the Bureau of East Asian and Pacific Affairs, Department of State, 1984 - 1986; deputy office director for the Philippines in the Bureau of East Asian and Pacific Affairs, 1982 - 1984; political officer at the U.S. Embassy in Manila, Philippines, 1978 - 1982; political officer at the U.S. Embassy in San Jose, Costa Rica, 1975 - 1978; international relations officer for the Bureau of Inter-American Affairs in the Office of Andean Affairs, 1973 - 1975; and an international relations officer for the Operations Center and Special Assistant in the Office of the Counselor of the Department, 1972. In addition, Mr. Maisto has served as an economic and commercial officer at the U.S. Embassy in La Paz, Bolivia, 1969 - 1972, and administrative assistant for the Foreign Service Institute at the Department of State, 1968 - 1969. Mr. Maisto entered the Foreign Service in 1968. He served in the U.S. Information Agency, 1963 - 1968. Mr. Maisto was assistant cultural affairs officer, 1966 - 1968, and he served at the BiNational Center in Cochabamba, Bolivia, 1963 - 1966.

Mr. Maisto graduated from Georgetown University (B.S.F., 1961) and San Carlos College (M.A., 1962). He was born August 28, 1938, in Braddock, PA. Mr. Maisto is married, has one child, and resides in Washington, DC.

Nomination of William Eric Andersen To Be Administrator of the Wage and Hour Division at the Department of Labor

June 6, 1990

The President today announced his intention to nominate William Eric Andersen to be Administrator of the Wage and Hour Division at the Department of Labor. He would succeed Paula V. Smith.

Currently Mr. Andersen serves as Deputy Assistant Secretary for the Employment Standards Administration at the Department of Labor in Washington, DC. Prior to this he served as an attorney with the law firm of Baker, Worthington, Crossley, Stransberry and Woolf in Johnson City, TN.

Mr. Andersen graduated from the U.S. Military Academy (B.S., 1976) and Vanderbilt Law School (J.D., 1984). He was born September 28, 1954, in Bristol, TN. Mr. Andersen served in the U.S. Army, 1976 - 1981. He is married, has one child, and resides in Washington, DC.

Letter to Congressional Leaders Transmitting National Forest and Rangeland Management Proposals

June 7, 1990

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to transmit my Statement of Policy for the Recommended 1990 RPA Program regarding Federal management and use of our Nation's natural resources pursuant to the Forest and Rangeland Renewable Resources Planning Act (RPA) of 1974 (16 U.S.C. 1606). Accompanying the Statement of Policy is the RPA Assessment of the Forest and Rangeland Situation in the United States, 1989, and the Secretary of Agriculture's recommended program entitled The Forest Service Program for Forest and Rangeland Resources: A Long-term Strategic Plan.

The Secretary of Agriculture's proposed program provides important guidance for the conservation and wise use of the Nation's natural resources. The proposal recommits the Forest Service to multiple-use principles, while emphasizing the importance of seeking a proper balance among resources and the commitment to a healthy environment. It is a strategy that will help to ensure a proud legacy of diverse forests and rangelands for future generations of Americans.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Deputy Press Secretary Glen on the Termination of the State of Emergency in South Africa

June 7, 1990

We welcome the announcement of the ending of the state of emergency in South Africa, except in Natal. This is another significant step toward creating a climate conducive to negotiations that will lead to a democratic, nonracial South Africa. This announcement builds on earlier decisions by President de Klerk to release Nelson Mandela and certain other political prisoners, to unban the ANC [African National Congress] and other organizations, and to permit free political debate to take place in South Africa.

Much work remains to be done by all sides. The issue of the remaining political prisoners needs to be resolved. The continuing climate of violence and intimidation must be transformed. The senseless killings in Natal Province must end.

However, we are encouraged by the remarkable progress that has been made in recent months. With this latest move, the Government has moved to meet almost all of the opposition's requirements to enter into negotiations. We look forward to the early beginning of a negotiating process.

Remarks at a Fundraising Luncheon for Governor Tommy Thompson in Milwaukee, Wisconsin

June 7, 1990

Thank you all very much. Thank you, Tommy, very, very much -- and all of you -- for that warm welcome. I'm pleased to be joined today by several illustrious people -- one, my very able chief of the Small Business Administration, Wisconsin's own Susan Engeleiter, who is with me here today. And also, one of our most able and effective Cabinet Secretaries, Sam Skinner, the Secretary of Transportation, is here. I want to recognize some of Wisconsin's own. Here today is the man who led the Bucks for so many years, the fellow with that soft-shooting touch and the size 19 shoes, Bob Lanier somewhere out there. [Laughter] And Pat Richter, who recently brought the national champs to the White House -- he's here with us today, and John McLaughlin and Pete Vukovich and so many others -- so many of Wisconsin Republicans' leading lights. I would be remiss -- I won't single out any of them, except for my friend John MacIver, my patron in the world of Wisconsin politics. And of course, I want to salute our ticket with a special welcome to your next secretary of state, Bob Thompson, who made the switch to the GOP just last week, and we are going to support him 100 percent.

I'm proud, of course, to show my support for the hardest working man in Wisconsin, Governor Tommy Thompson -- hardest working and, if my polling data is right, best known, because I understand there's a poll out that shows that Tommy's better known than anyone in the State, even the American League MVP on the Brewers, Robin Yount. I guess that puts him all in a league by himself.

We've seen a world of change this past year, and Tommy alluded to it -- unforgettable images of what I call the Revolution of '89. And now, in 1990, we've entered a new period of democracy-building, a renaissance, if you will -- a renaissance of freedom. Let me share a story with you -- and there are so many emotional stories coming out of Eastern Europe -- but a story about an American visitor on a recent trip to Romania who asked the people she met what they needed most. Listen to a surprising answer: In a country where food is in short supply, where the streets are dark at night and the homes lack heat, one Romanian woman pulled from her purse a worn copy of an American magazine, a 3-year-old issue, with a special bicentennial copy of the U.S. Constitution. And she told the American, ``What we need now is more of these." You've got to think about that answer and what it means for America, for the moral example we owe the world, for the material help we must provide -- not just American aid but expertise -- to people the world over who seek only to have for themselves and their families the freedoms that we enjoy and sometimes take for granted.

And we're entering a new era -- Tommy alluded to it here -- in U.S.-Soviet relations as well. Just this past Sunday, President Gorbachev paid a visit to your neighbors in Minnesota. I'm pleased to be here today in the great State of Wisconsin, pleased to share with you my thoughts on what

I believe was a very productive Washington summit.

We signed a number of agreements: deep reductions in our chemical weapons arsenals; agreement on reaching rapid closure on major outstanding issues governing a strategic arms treaty, a START treaty; protocols on nuclear testing; agreements on trade and grain sales. But perhaps even more important than the agreements we signed is the progress we made in understanding the great political challenges that we face. A united Germany in NATO, the future of the Baltics, regional problems -- these aren't questions that can be solved simply or in one single summit meeting. But we make progress on these difficult issues whenever we speak with candor, without animosity, about our aims and interests. I am grateful to Mr. Gorbachev for the forthright spirit in which he addressed every issue on the table, and I take it as proof that we have indeed entered a new era in our relations with the Soviet Union.

Of course, we have differences. You're reading now, post-summit, a lot of analysis of what I might have done different or what they should have done. Of course, we have differences. I want to see Lithuania have its freedom. We are committed to self-determination for the Baltic States. And although I take great pleasure and joy and am pleased that the emigration of Soviet Jews is at an all-time high, I want to see unfettered emigration. We differ on Cuba and, for now, on a united Germany in NATO and on many other issues as well. But as I chatted informally with President Gorbachev up there at Camp David, I kept thinking that this new Soviet leader, committed to reform and openness, is indeed a remarkable man. It was a good summit.

Today I want to focus on the new era that we're entering here at home, on the challenges that will command our attention in the decade ahead. You all know the three R's. Well, today I want to talk about the three E's: the economy, education, and the environment -- three areas that Governor Thompson and I agree are crucial to the citizens of this State and every State.

Let me start with the economy, America's great engine of progress. And let's start right here in Wisconsin. Think about the turnaround since Tommy Thompson's been in office. You heard some of the statistics: unemployment down, income up -- rising faster than the national average. Two hundred thousand new jobs in the first Thompson term -- and he's pledged to 200,000 more the second time around.

We're working to do the same nationally: to maintain a business climate conducive to growth, one that opens the door to entrepreneurs, the small business men and women who are America's great jobs machine. And I am committed to taking decisive action against the Federal budget deficit, to keep our record 91-month economic recovery going strong.

We're also working to strengthen America's competitive edge abroad. My administration's top trade priority is to lower barriers to free and fair trade the world over, to bring the Uruguay round trade talks to a successful completion by the end of this year. And let me tell you, any trade agreement we sign will be an agreement that is good for the American farmer, for

American agriculture. It has to be that way.

Every State and city and town in America is going to feel the impact of the global market. Governor Thompson knows this; he knows it well. And that's why he's worked to open Wisconsin industry to the world, to expand business-to-business contacts with Japan and South Korea and establish export markets. This guy doesn't miss an opportunity for the farmers of this State, either. He was the only Governor at last week's state dinner at the White House for President Gorbachev. He tried out his Russian -- I think he was saying, ``Eat more cheese." [Laughter] No, actually, the star of this one is Sue Ann. She sat right there next to President Gorbachev, and we Bushes took great pride in that. He was looking at one of our very best first ladies, I'll tell you. Tommy had to settle for a seat next to Secretary of State Baker. [Laughter] So, I guess if the Soviets start importing Wisconsin cheddar you have a right to thank -- maybe Tommy -- probably Sue Ann. [Laughter]

But when it comes to long-term economic opportunity, education is the key. Among the agreements that we signed at the summit was one expanding U.S.-Soviet education exchanges, exchanges that will allow that American and Soviet students to live and learn in one another's lands so that the foreign becomes familiar.

Those education exchanges are in keeping with the crusade for excellence in education now gaining momentum across this country. It's no surprise to me that Wisconsin is the scene of one of the most interesting experiments in education reform or that Tommy Thompson's the catalyst for change. Tommy's told me about the Milwaukee Choice Program. Starting next school year, nearly 1,000 underprivileged kids from Milwaukee's inner-city schools are going to have a chance to attend the private, nonsectarian school of their choice, with the State supplying their share of tax dollars for tuition. And I think we all see that when schools compete to attract students that can't help but raise the overall level of education.

Tommy found an ally in his fight for Milwaukee Choice in a former welfare mother and Democrat named Polly Williams, a woman who had heard a lifetime's worth of wornout excuses on what's wrong with our schools. And now some might say that's an unlikely alliance. Not if they know Tommy Thompson. What matters to him is what works -- forging consensus with people who share his burning desire to get the job done. In education reform, that means parents, parents who are tired of waiting for the system to work for them, parents who are ready to reform the system, ready to make it work.

I'm counting on my friend Tommy to spread the word that the Federal Government will also do its part to help make our schools better. Over a year ago, I sent Congress an education bill, a seven-point plan for school reform, built on the bedrock concepts of parental choice, flexibility, innovation -- initiatives aimed in encouraging excellence by rewarding our teachers, our students, our schools for what works. It's been over a year, and I am still waiting for a bill to sign into law. So, where is the Congress when our schools need help? It's time to get serious about

our schools and take some commonsense steps to make them better. I want your support for that Education Excellence Act.

Well, we mentioned the economy and education, and now there's a third E, the environment -- and here again, an issue with what I would call international dimensions. Last week at the summit, we established a U.S.-Soviet Bering Sea Park to preserve the unique natural environment in that string of islands that mark the border between our two nations.

Right here in Wisconsin, I know the environmental ethic is strong. And Tommy's pledge to plant 110 million trees by the year 2000 -- that fits right into our America the Beautiful Initiative: to plant a billion trees a year for the next 10 years. And I support all that Wisconsin is doing to preserve our precious natural heritage, and I ask your help: Work with me to keep the pressure on in Washington. Send Congress a signal to pass a sound and sensible clean air package -- and pass it soon. It's been 13 long years since we last strengthened the Clean Air Act, and let's make 1990 the year that we take action on the environment.

And let me say I believe we can have a sound national environmental policy without throwing a lot of working men and women out of work. I'm convinced that we can find a proper balance on these important questions.

It's been my pleasure to come out here today to this beautiful State on a typical Wisconsin day. [Laughter] I remember the last time I was here. It didn't seem quite like this somehow. But I'll take his word for it if this is the way it is all the time. But nevertheless, it's been a pleasure to come here and speak with all of you.

You know, right here in the auditorium, almost 80 years ago, Teddy Roosevelt came to meet with the citizens of Milwaukee. His speech that day saved his life -- literally. He was shot by a deranged assassin while on his way here. And TR had his draft speech folded up in his jacket pocket, where it helped blunt the bullet. Tough guy. He delivered the speech anyway. But the moral is: It's not whether a speech is long or short; what matters most is how thick it is. [Laughter]

So, let me thank all of you for this warm welcome back to your wonderful State of Wisconsin and commend you on all that Wisconsin has to be proud of. As other States search for solutions to today's challenges, you can say: Take a look at what works. Take a look at Wisconsin.

And to the citizens of this great State, who will go to the polls in November to choose a Governor, I say: Take a look at Tommy Thompson, at all he's done to turn this State around and all he'll do the next 4 years working hard for Wisconsin. I am proud that he is my friend, and I am proud to enthusiastically endorse him for another term as Governor of the State of Wisconsin.

God bless you, and God bless the United States of America. Thank you very much.

Note: The President spoke at 12:30 p.m. at Mecca Auditorium. In his remarks, he referred to Bob Lanier and John McLaughlin, former members of the Milwaukee Bucks basketball team; Pat Richter, athletic director at the University of Wisconsin; Pete Vukovich and Robin Yount, former member and current member of the Milwaukee Brewers baseball team; John MacIver, chairman of the Wisconsin Bush/Quayle 1988 campaign committee and the Committee to Reelect Governor Thompson; and Sue Ann Thompson, wife of the Governor.

Remarks at a Fundraising Dinner for Gubernatorial Candidate Jim Edgar in Chicago, Illinois

June 7, 1990

Thank you, Jim Edgar, for that very generous introduction. Please, you all be seated, will you? [Laughter] I like this kind of event, though. No broccoli, no head table. It's wonderful. [Laughter] Please don't send it. [Laughter] First, let me just be a little emotional as I pay my respects to Governor Jim Thompson and Jayne, who are with us tonight. What a magnificent service this man has rendered this State over all these years. A good friend, and a great -- really, in the best sense, public servant. I also want to say a word -- this is Jim Edgar's evening, and I'll tell you what I think about him in a minute. But I have a friend in Washington who I want to see stay there. And I'm talking about Lynn Martin -- Barbara's and my great friend who is running for the U.S. Senate over here. Really, as I look at the problems in my trying to fulfill the agenda upon which I was elected, it really is significant and important that Illinois have a Republican in that seat and have a capable one like Lynn Martin. So, please, do your best.

I want to pay my respect to other Republicans here tonight -- George Ryan, an old friend; Pate Philip, the same; Lee Daniels, Jim Ryan, Greg Baise, Susan Suter, Bob Kustra. And of course, we have two congressional candidates. Maybe more, but I saw these guys out at the helicopter -- Manny Hoffman and Wally Dudycz. We need your support for them as well. A plug for a local Illinois boy that's making good in Washington -- Sam Skinner, our able Secretary of Transportation -- flew out here with me. And what a job he's doing for his country.

I'm glad to be back here. Last time I was here, people started -- there was a handful of people in the front, started yelling to me about Nicaragua. And I said, Nicaragua will someday be democratic. Two months later, it was. So I hope we have a few -- they were protesting something or other. But it made me feel at home.

Let me just say a word about those -- [Laughter] -- let me say a word in great seriousness about the people outside. These are decent, honorable people who feel strongly about the freedom of Lithuania. And I feel strongly about the self-determination and the freedom of Lithuania. So, there's no difference between us at all on that. And if our policy is successful, let's hope that they will have the same self-determination and freedom that Poland and Hungary and Czechoslovakia and other countries now enjoy, thanks to the changes in the Soviet Union and thanks to the foreign policy of the United States of America over the years. Let me say about -- I love Illinois. It's lively. It's wonderful and it's lively.

Voice. What about AIDS?

The President. Hey, listen -- not only are we -- let me just address myself to that subject. Last

time it was Nicaragua; this time it's AIDS. The Federal Government is doing far more in terms of research on AIDS to help this horrible national crisis than it's ever done in the past. And it will continue to. And with compassion and caring, that problem, too, someday must be solved.

Now, back to where we were -- [laughter] -- the man of the hour, Jim Edgar. Let me say this -- he takes every aspect of his job seriously. He takes an activist approach, one that makes government work for the people of Illinois, work for the good of this State.

So, I want to talk this evening a little bit about what he's done, all he can do. But let me just share with you a couple of more developments in the world, if I might -- to say a few comments about the recently completed summit with President Gorbachev, because it does affect not only the lives of the Lithuanians and other Baltic States but so much else in terms of the United States itself and our European allies. Every superpower summit is shaped by history. I believe that last week's summit can alter history. Our many hours of talk led to, frankly, much better understanding. I've dealt with the Soviets since I was Ambassador to the United Nations in 1971. And others here have -- in business and perhaps in government as well. But there's all the difference in the world today in terms of candor and frankness. No longer the hostility and the outrage and the banging of the shoe, but reason. When you have differences, at least you can get them out on the table. And I think that is a good thing -- a good reason for itself to have a meeting with President Gorbachev.

We had a breakthrough agreement on chemical weapons. I don't know why, but Barbara and I talk about these issues when we go home. And one that's always concerned me is the goal of trying to eliminate chemical weapons -- to ban them from the face of the Earth. We signed a good agreement with the Soviet Union. They're meeting our proposal that I made at the United Nations just last fall. We agreed on a joint statement on strategic arms limitation -- these, the most destabilizing of weapons, cutting those SS - 18's in half; and that's good. We agreed to go forward and pursue negotiations on nuclear and space arms. We signed protocols allowing unprecedented improvements for on-site verification in limiting nuclear testing. Who would have thought years ago with that closed society that we would now have an agreement on on-site verification to be sure both sides keep their words. That is progress in this relationship. We agreed to increase our cooperation in atomic energy testing and civilian nuclear safety.

But most important to Illinois, I think, we signed a long-term grain agreement, one that will bring grain to Soviet consumers and business to the farmers of Illinois. And I am not going to let food be used as a political weapon. I remember the failed Carter embargo, and we're not going to have that kind of foreign policy anymore. We negotiated a trade deal with the Soviets, an agreement that depends on the passage of key emigration laws within the Soviet Union. Certainly, I believe that's in the best interest of the United States, and it will mean an improved trade relationship between our two countries, expanded markets for American goods and services, expanded markets for Illinois workers and farmers. And it will mean, through economic interaction, a continuation of this perestroika, this reform and openness inside the Soviet Union itself.

So, I'm delighted that we did it. There is a danger -- Mike Ditka might want to trade a couple of Bears for Soviet weightlifters, but we'll see how all that works out.

No, but I am very pleased with this. I realize we've got a long way to go, but we've made progress. With a safer world come other challenges -- many of them right here at home. Challenges like a better environment, better schools, safer streets. You need someone now to continue in Jim Thompson's footsteps. Someone who will continue to move this state on those key issues in the right direction. That's why I am convinced Jim Edgar will be your Governor. I like this sign. I like this sign that -- and a philosophy that is summed up by this sign -- let the future begin. And he has been a dynamic Secretary of State, creatively using his position to begin that future today.

For example, he's been a leader in the fight against drunk driving, initiating tough new laws and heightening public awareness. His persistence has paid off. Traffic deaths in Illinois have been reduced by one-fifth. Jim Edgar and I can also work together to make a better future for America. For example, we can work together to preserve wetlands, to clean up toxic wastes. And just as he will work for a cleaner Illinois, I will continue to work with Congress in Washington to bring about a cleaner environment for all Americans. That is why I have proposed the first major revisions in the Clean Air Act in more than a decade. I want Congress to pass a bill that will sharply cut acid rain, smog, toxic pollutants. But Congress has to respect another kind of delicate ecology -- that of jobs and opportunity. We can do both: have a cleaner environment and still keep this state and other states growing.

So, I really would like to take this opportunity with this many present to call on the United States Congress not to keep America waiting any longer for clean air. We've made a compromise. It's a good one. It is a sound one. And now, the Congress ought to act so I can put my John Hancock on a good clean air bill. I get so frustrated at times.

And Jim and I talk about these other issues. And I believe the future should begin with safer streets, an America free of crime. Look, as Secretary, he has shut down sixty auto theft operations and illegal security operations that prey on the unsuspecting. And as Governor, he will work in Springfield for tougher laws against those who sell the drugs and those who commit violent crimes. So, you see, we share a simple philosophy. If dealing drugs is dealing death, then let's get those big dealers to have what they deserve, and I mean the ultimate penalty. We cannot condone and coddle these drug criminals.

We need the tougher laws and the stiffer penalties and more prosecutorial powers proposed in our Violent Crime Control Act. And again, I call on the United States Congress to pass the major parts of our Violent Crime Act, new laws that are fair, fast and final. Fair: an exclusionary rule designed to punish the guilty and not to punish good cops who have acted in good faith. We owe a lot to the men on the street, men in blue, and women as well. And fast: We need reforms

to stop the often repetitive appeals that are choking our courts. And final: fair, constitutionally sound provisions for the death penalty, for the ultimate penalty. And we want Congress to enact the steps needed to expand the death penalty -- not sometime, not some other place, but now. And the U.S. Senate fortunately has begun debate on these measures. But now is the time for them to take the next step and protect Americans. And we can protect Americans by passing laws that are at least as tough as the criminals we convict.

A cleaner environment, a crackdown on crime -- they're important issues. But Jim and I also believe -- and we had a marvelous experience today at one of your wonderful schools -- also believe that education really is the paramount issue; for the state, the classroom today is the state of the union tomorrow. And so, as chief executives, we will also work to make American education second to none.

We visited this school, this Farnsworth Elementary today. And I met some of the top principals -- the school principals in the entire area here -- listened to their concerns and ideas about quality education. An impressive group of people saving the lives and helping our kids every single day. And then, just a little later, I sat down -- did Barbara's bit -- I sat down with the first, second, and third graders. And you know, when their principal told them that the most important man in the world was coming to their class, one little boy looked around and said: ``Oh yeah? So where's Michael Jordan?" Well, I finally got around to telling them about my responsibilities, and what I'm doing now that Congress is on recess. You should have seen their eyes light up at the word ``recess". But, nevertheless, some things never change. [Laughter] And then I read them a story -- a story about reading, actually. And I saw the bright faces, and I heard the laughter, and I answered the question of curious third-grade minds. And one thought stays with me from that experience: these kids really do deserve the best education that America can offer. And we must not let these children down.

That's why last September -- and I want to again thank Jim Thompson for his key role in this -- we asked the Nation's Governors to join us at an education summit, the first ever held with Governors of any kind of a summit, at Charlottesville in Virginia. And it was there that we agreed to set national education goals for our students, our teachers and ourselves. And in my State of the Union address, I announced these goals: To improve students' academic performance, increase our graduation rate, produce a nation of literate adults, and make our schools drug-free, ensure that all children start school ready to learn -- and that means more vigorous Head Start, more fully-funded Head Start programs, too -- and ensure that by the year 2000 our students are first in the world in math and science achievement.

And you know what? Just after that speech, that State of the Union, I received a telegram from our candidate, your friend and mine, Jim Edgar. And he was first to make a commitment, pledging to lead Illinois into a new era on education -- at the foremost of moving the nation to reach these education goals. He committed himself and now he's ready to move into that Governor's office and follow up on what Jim has done. And he's leading another effort that is related -- one which is very close to my heart, and one in which Barbara Bush has been such an

outstanding leader -- and I'm talking about our national campaign against illiteracy.

And so what Jim is doing is living up to the highest ideals, the Republican ideals of Abraham Lincoln and Teddy Roosevelt -- to imaginatively use the limited resources of government to share opportunity, to bring enlightenment. And when a leader truly cares, and gives a darn, and truly wants to make a difference, people can tell that. American people aren't dumb. They can sense it immediately if somebody cares. And that's why Jim does so well downstate. And that's why he is the one Republican who does so very well right here in Chicago.

And so I've come here today not just to thank you for your support for Jim Edgar -- I've come here to say something to Chicago as well. For too long, too many have felt as if they live outside of the American political process. For too long, they have believed elections are irrelevant to their own futures, their very lives. And I'm here today to throw open the doors of the two-party system. I am asking this city to take a good hard look at the Republican Party and all of its candidates. And I'm inviting Chicago to return to the party of Lincoln where it belongs.

I was a minute late coming down because I was on the phone to tomorrow's birthday girl, the one who did so well at Wellesley, if I might take some pride in Barbara Bush. And she asked me -- you know, you can put the hook on me, but let me just make one comment about that. I was calling some of the world leaders after the Gorbachev summit. And I talked to the Prime Minister of Japan and Germany's Chancellor, you know, and the President of Brazil and others. And I called Margaret Thatcher, and she didn't want to talk about the Gorbachev summit; she wanted to talk, because she had seen live on television over there -- she'd seen Barbara Bush speaking at Wellesley. So, I was very proud of her assessment of what went on.

When I was on the phone to Bar a few minutes ago, she asked me to give Brenda a hug. That was easy -- I did that upstairs -- and to wish the Edgars the very, very best. Because you see, she, like me, considers them close friends. And we know a great opportunity for a great State when we see one. Thank you for your support. Now, go out and work hard for Jim Edgar. Thank you very, very much. Thank you. Good to see you.

Note: The President spoke at 6:39 p.m. in the Ballroom at the Hyatt Regency Hotel. In his remarks, he referred to Lieutenant Governor George Ryan; Pate Philip and Lee Daniels, Illinois Senate and House minority leaders; Jim Ryan, State's attorney for DuPage County; Greg Baise and Susan Suter, candidates for treasurer and State comptroller; Robert Kustra and Wally Dudycz, Illinois State senators; State representative Manny Hoffman; Mike Ditka, coach of the Chicago Bears; and Michael Jordan, a member of the Chicago Bulls basketball team.

Remarks at a Fundraising Breakfast for Governor Terry Branstad in Des Moines, Iowa

June 8, 1990

Thank you all very much. Thank you, Terry. Thank you, Governor Branstad. I'm just delighted to be back with so many friends. I was looking around for Chuck Grassley, who is doing an outstanding job in the Senate. I assume he's back there, but I want to just put in a plug for our Senator.

But I see one who I want very much to be in the Senate, and I'm talking about my old friend Tom Tauke. We've got to elect him. And, Tom, keep up the great work. And of course, perhaps my oldest Iowa friend and a guy that's helped me today a lot as President -- helped me in the past very much, indeed -- and I'm talking about Jim Leach over here, a Member of Congress in the eastern part of the State.

I'm going to get in trouble, but I also want to single out Jim Lightfoot and Fred Grandy. But I think both of them are in Washington, working. And I might add that now we have this important second district coming up, and I'm for Jim Nussle. He came out to the airport last night, and I want to see him win this race. We do not want to lose seats in the United States Congress. And the strength's not just with Governor Branstad at the top of this ticket, and Tom Tauke and others, when you have candidates like Burt Day and Varel Bailey over here, whom I've known forever -- I don't want to date him -- [laughter] -- I mean, put him outdated, put it that way -- [laughter] -- Beverly Anderson and Edward Kelly. And then, another old friend that -- I guess he's a household word by now. He's just being sworn-in as the national president of the State Auditors. And I'm talking, of course, about Dick Johnson. I wish he were here, but I wish him well, too.

I don't want to forget the party organization, because when we move into an election year, the party organization means something. It's terribly important, as so many of you out here know, that the candidates are backed with a strong party structure, led by Rich Schwarm over here, our chairman; Gwen Boeke, our national committeewoman; and Marvin Pomerantz, who -- gosh, everybody knows him. Ask somebody to get some money raised -- get Marv to head it up, I'll tell you. And it's not simply that; it's his judgment and his experience and the respect level that he brings to anything he's interested in.

Of course, I'm going to get in trouble as I look around this room -- but Charlotte Mohr and my old friend George Wittgraf. I don't think she's here, but I do want to pay an emotional tribute to Mary Louise Smith, who followed me as national chairman when I left being chairman of the Republican Party. And we've remained good, close friends. I'm told that she's in Washington today.

The last time I was at this particular hotel was the night before the Iowa caucuses -- [laughter] -- and today I've come back to this great State to let Terry in on my secret formula for political success. [Laughter] But I'm confident he'll win Iowa anyway.

Now let me put a little different spin on this. I'll tell you something I know very well -- and I mean it, and the Silver Fox knows this, too -- that's Barbara -- [laughter] -- that I would not be President of the United States if it hadn't been for Iowa, albeit in 1980. It was very important. And I look around this room, and I see so many people into whose homes I and Barbara and our kids have intruded. And I remain very grateful because I know just exactly how I got here -- having an opportunity to serve as President in this most fascinating of times. So, I came to say thank you as well as support for our great Governor, Terry Branstad.

So, for me, it is great to be back in the Hawkeye State. Whenever I'm here, I take the advice of a great Iowan, the ``Duke," John Wayne, who once said, ``Talk low, talk slow, and don't say too much." [Laughter] So, as I look at all these pages, I may be -- [laughter]. But you can't say enough about what another great Iowan -- and I mean that -- this Governor, Terry Branstad, has done for this State. You look at his background: a family man, attorney, farmer -- served three times in the Iowa House of Representatives and then a term as Lieutenant Governor before being elected Iowa's youngest Governor ever.

Look at his record: he's running for his third consecutive term as Governor. Over the past 7 years, Terry has turned the State economy around through sensible fiscal policies and by staying with the controlling of spending. He put education at the top of his agenda, ensuring world-class status for Iowa's school system. He's one of America's leading Governors, elected by his peers as chairman of the National Governors' Association. Iowa needs this kind of experience and leadership; and frankly, if you believe as I do that a lot of the best answers are found in the States and at the local level, so does America need Terry Branstad to continue as Governor of this State.

Terry touched on the Governors' summit that we had at Charlottesville. He and I worked closely together at that summit in Virginia last September, where he played a key role -- and I mean this -- a key role in his position as head of the Governors. You know, exactly 26 years ago today, former President Eisenhower addressed that same group, saying, ``Our best protection against bigger government in Washington is better government in the States." Well, that's still true today, and Terry Branstad proves that every single day.

My last visit to this great State was just a few days after the Malta summit, at an appearance on behalf of the next Senator over here, my friend Tom Tauke. We laid a solid foundation for progress at Malta, and I shared many things with President Gorbachev: dialogs, cooperation, and Dramamine. [Laughter]

I told Iowans that night that President Gorbachev and I had just agreed to new initiatives

nurturing Europe's tide toward democracy, accelerating arms control, and expanding trade. I'd like to talk to you this morning about some of the progress we've made at the Washington summit and what it means for Iowans and, indeed, for all Americans.

This historic summit has furthered the process of peace by working toward a safer world and a stable, new Europe, one in which every nation's security is strengthened and no nation is threatened. In a spirit of cooperation and hope, President Gorbachev and I reached a number of new agreements that will affect the lives of all Americans. Among them is a bilateral agreement, between the Soviet Union and us, to eliminate, for the first time, the great majority of these ghastly chemical weapons that our countries have stockpiled over the years. That is progress. At long last, we have also signed new protocols that will allow 15-year-old nuclear testing treaties to be ratified as well as a major new agreement that updates and expands our 1973 agreement on peaceful uses of atomic energy. And we made substantial progress on our negotiations governing reductions in both these strategic arms, these deadly, destabilizing weapons -- these SS - 18's and others. And also in conventional forces, I think we did make progress, though we haven't signed a CFE treaty. And we issued joint statements in both these areas.

These agreements, we hope, represent the beginning of the end of the Cold War. And I think I represent all Americans when I hope that we are having now a new relationship of enduring cooperation between the Soviet and American peoples, cooperation further strengthened with new agreements on trade and grain sales.

And while our trade deal with the Soviets, properly, in my view, depends on the passage of key emigration laws within the Soviet Union, the trade agreement we negotiated is, in my view, in the best interest of the United States because an improved trade relationship between our two countries means expanded markets for American goods and services and expanded markets for, in your case, Iowa corn and soybeans. And, in fact, the new U.S.-Soviet grain agreement signed at the summit calls for at least 40 million metric tons of grain to be purchased by the Soviets over the next 5 years. And that's nothing but good news for agricultural America. Our task is to keep moving forward and to keep Iowa productive and to keep America strong.

But despite all our progress, let's be candid, we cannot lose sight of the significant differences that remain between our two countries. Lithuania is one difference. And I urged the Soviet President to establish a good-faith dialog between the Soviet leaders and the Baltic peoples. And the United States will continue to speak out on behalf of peoples rightfully yearning for freedom and self-determination. We must never retreat from our commitment for democracy and freedom.

The question of a unified Germany is not one that will be solved by the United States alone. When I leave here, I stop off in Nebraska and then fly home to have yet another meeting with the Federal [Republic of Germany] Chancellor -- with Chancellor Helmut Kohl -- to talk about this very important question, that affects not only the stability of Europe but greatly affects the

interests of the United States. But it's not going to be solved by the U.S. alone, nor is it one that will be solved quickly or easily. In the final analysis, I think we would agree that it's a question for the people of Germany to decide. But the United States remains committed to German membership in NATO as a part of a stable Europe, whole and free.

As one who has strongly supported the exodus of Soviet Jews, and it is a question of fundamental rights and fundamental integrity of a country, I am pleased to see that after last year's record-setting total emigration of 72,000 Soviet Jews, this year's emigration rate may become the highest ever. And we must keep the door to freedom open for these Soviet Jews.

And I've said often that we want perestroika to succeed, and we do. As a world leader in agriculture, farm technology, and education, you, Iowa, can play a significant role in making that happen. In fact, you already are helping perestroika succeed. Many people here may remember the first American-Soviet summit in the United States, back in 1959. After his meetings with President Eisenhower, Chairman Khrushchev toured Des Moines. And he was obsessed with the vision of productivity that he had seen on American farms and with the idea of growing corn. And yet because the Soviet system was not a free enterprise system, one with open markets and good distribution and production incentives or any of the economic freedoms we enjoy, its experiment in collective farming was a dismal failure.

As a young man, Mikhail Gorbachev witnessed the struggle of the Russian farmers. He went on to become the Party Secretary of Agriculture, some may have forgotten that. And by the time President Gorbachev and I sat down at the table last week, a delegation of collective farmers had already journeyed 5,000 miles to the fields of Iowa to learn from our system, the most efficient and bountiful in the entire world. And how amazed -- how amazed Chairman Khrushchev would have been at the interaction between the American farmers and the Soviet farmers.

Under the leadership of Governor Branstad, Iowa is forging a new sense of cooperation between its citizens and the Soviet people. In fact, 2 years ago, Terry signed an agreement making Iowa a sister State with President Gorbachev's native region, the Stavropol district.

But another way to help perestroika succeed is through education, learning about each other's countries and peoples. In Washington last week we agreed to increase undergraduate exchanges by 1,000 students, college students, on both the American and Soviet sides. This agreement will allow more of our young people to learn firsthand about each other's culture and politics. Here in Iowa, learning and education have always been a priority. Your internationally renowned writers workshop at the University of Iowa is living proof of that, and with a Soviet writer currently in the international writing program.

You've got a Governor who puts education at the top of his list. At the education summit with the Nation's Governors last September, Terry really made a difference -- it wasn't just the cameo appearance of the chairman -- he made a difference. And he's made a difference right here in this

State, ensuring that your State's education system is one of the best in the entire country, with Iowa students ranked first in ACT scores in America. And Iowans can brag -- they've got the fifth highest percentage [rate] of high school graduates in the entire country. And like Terry, we've made education one of our top priorities at the national level. And so, we can do nationally, we must do nationally, what you've done locally.

Under Terry's leadership -- and after he personally journeyed to the Soviet Union twice for the negotiations -- Iowa State University became the first institution in the United States to forge a relationship with a Soviet academic institution, the Agricultural Academy of Science. So far, Iowa has received five Soviet official delegations to discuss trade and education ties. In fact, a Soviet trade representative will be coming into the State in just a few days.

I came to you today to talk about Terry Branstad and our work together for a better America and a better world. His dedication to this State and nation is what drew Terry Branstad into public service, and it's what keeps him working so hard for the future of this State and for America's future as well. You see, we need him to remain in the Governor's chair. We need his experience, his energy, and then this proven ability.

This decade is fast becoming known, for quite obvious reasons, as the decade of democracy, the decade of opportunity. But to make those goals a reality, we will need leadership. Terry Branstad has been providing that leadership to his State and nation for nearly 20 years. And they say, ``The Time is Right'' for Iowa. Well, ``The Time is Right'' for Terry Branstad to continue to lead Iowa forward into the new decade of democracy and opportunity.

Let me say once again, and I did talk to Barbara this morning, she seemed unexcited about her 65th birthday, but nevertheless, I -- [laughter] -- just a couple of observations since some in the receiving -- she's doing just great. And I thought she was superb up there at Wellesley University, representing the values of this -- [applause]. And so she joins me in saying to our friends in Iowa, thank you. Thank you for your support for this outstanding Governor.

And thank you for giving Barbara and me the opportunity to serve the greatest country on the face of the Earth. God bless you all. And God bless America.

Note: The President spoke at 8:11 a.m. in the Iowa Ballroom of the Des Moines Marriott. In his remarks, he referred to Representatives Jim Lightfoot and Fred Grandy; Burtwin Day, candidate for State treasurer; Varel Bailey, candidate for State secretary of agriculture; Beverly Anderson, candidate for State secretary of state; Edward Kelly, candidate for State attorney general; Charlotte Mohr, cochairperson of Governor Branstad's reelection committee; and George Wittgraf, a former member of the Bush for President Committee.

Exchange With Reporters Aboard Air Force One

June 8, 1990

Middle East

Q. Are you going to make a decision on the PLO, or have you made one?

The President. Well, we're discussing all of that. No decision has been made.

Q. Do you want to override the veto?

The President. Incidentally, I had a very interesting phone call from [Egyptian] President Mubarak just a few minutes ago. We discussed a wide array of subjects of interest to the Middle East, and both of us still committed to getting these peace talks going forward. And it's been complicated, as you know. But we're going to keep on trying. So, there's no answer to your question right now.

Q. Have you ascertained the responsibility for that attack?

The President. Well, I just said, I don't really want to say anything more about it now. I've expressed my outrage about the attack. And indeed, I'd like to -- maybe I could take this opportunity to express my outrage about all violence in the Middle East and in this troubled area of the world. But this one was horrendous. There was no rationale for it, other than, in my view, terror, and that is clearly something that is unacceptable to us. So, we're trying to figure out a little more about this and see where we go. But I'm not prepared to make an announcement of policy at this point.

Q. When you say the Middle East is more difficult -- --

The President. Well, everything there. Every time you get something started, why, there seems to be some outbreak. I'm still outraged by the holding of American hostages, and I understand that -- what is it -- Sutherland's -- --

Q. Five years.

The President. Five years as of tomorrow, or today.

Q. Terry Anderson.

The President. Well, Anderson -- no, but the other -- --

Q. Seven.

The President. Yes. And so, I have this on my mind all the time. All of these things have a way of coming together, but on this one, why, we just haven't made a final decision.

Q. How do you approach [Israeli Prime Minister] Shamir forming a right wing government?

The President. Well, that's an internal matter for Israel. But they know the policy of the United States. The policy of the United States is firm: that we want the peace talks to begin, to get going. After all, Shamir, to his credit, was one of the originators of this; Mubarak with his points helping, Jim Baker actively involved with both sides on this. So, it has to go forward, and that is the answer. And I'm not going to -- I mean, Israel can do what it wants in its government, and I'll work with whoever the country puts forth as the government. But they know the policy of the United States in terms of peace talks. So, we're going to stay -- --

Q. Is the peace process harder because of this, sir?

The President. Well, I'm not going to say that. Let's see. Maybe it will go forward, but I've read speculation on that. But I think it's not really officially done yet, either. So, we've got a little time there to see what happens. But the world is crying out for negotiations on this question. It's happening in many other places around the world, and it's essential that it go forward. So, we'll see what happens. We'll keep going on it.

But anyway, I hope you've enjoyed this swing through the Midwest. It's good to get out of Washington, DC.

Veto of Amtrak Bill

Q. How about the veto on the Amtrak? Do you think you can -- --

The President. I don't know. I think it's going to be very close in the Senate, and we'll see what happens.

Condoleezza Rice

Q. Have you gotten a report on the Condi Rice incident yet?

The President. Not yet, except I have great regret about it any time a staffer is handled in that nature. But I'm satisfied from what I do know about it that it was a big, big mistake. And nothing egregious -- or singling her out -- of any kind. But it's not good -- I mean, to treat staff people -- and I have great respect for the Secret Service and the way they do their job. But there was an

excess here, and she understands it, and she understands how upset I've been with it. But we'll get to the bottom of it, and just make every effort to see there's no recurrence.

Cold War

Q. Gorbachev says the Cold War is over, sir. You just say it's the beginning of the end. Do you have a difference of opinion with him on that?

The President. I don't know. We've got a difference of semantics, don't we?

Q. Is the Cold War over?

The President. As I say, I don't know. We've got to wait and see how we resolve all these problems out here. There's plenty of them around. I felt that the summit moved in the right direction regarding that question.

Soviet-U.S. Relations

Q. Did Baker report any progress in the [Soviet Foreign Minister] Shevardnadze meeting?

The President. Yes, he did, as a matter of fact. I talked to him a couple of days ago, Lori [Lori Santos, United Press International]. I didn't talk to him yesterday. He'll be back tonight. I'm having this dinner for [West German Chancellor] Helmut Kohl, which will be interesting in the wake of the Baker trip. I think Jim will be -- if he can keep his eyes open, he'll be there.

Q. What kind of progress?

The President. Well, we'll wait and see. But I think he felt a certain degree of optimism. I'll tell you one thing, that all these leaders that I talked to around the world were very encouraged with what they thought happened at the summit and the tone of it. I just talked a few minutes ago with Michael Manley, Prime Minister of Jamaica.

Michael Manley

Q. How is he feeling?

The President. Well, I don't know. He sounded pretty good, but I think he's been quite sick because they told me he was not routinely taking phone calls. But I was impressed with his spirit, certainly been impressed with what he's trying to do for his country. But my point is, he was very generous in his assessment of the summit from their standpoint, a small country in the Caribbean. But I'm afraid he's had some health difficulties, and he's -- mainly pulmonary at this

point.

Soviet Union

Q. Gorbachev faces much more ethnic turmoil back there. Did he get into that with you?

The President. Yes, we talked about it. We talked about that, we talked about the federation -- the republic's problems, but he was determined to go back and lead. And I think there will be a meeting coming up soon of the republics, and that will be very interesting and hopefully productive. We want to see this evolution of democracy and freedom and openness inside the Soviet Union as well continue. And that's what's at stake here.

Q. Sir, could you foresee a solution where there would be a Soviet military enclave in Lithuania?

The President. I don't go to any hypothesis on something of that nature. Let's just hope the process continues, so that self-determination is fulfilled. That's our aspirations. Really is -- comes back to freedom. Freedom. Choice. But we can't fine-tune all the individual decisions that they might work out -- with agreements they might work out with each other. It's not our role.

Terrorist Raid in Israel

Q. Sir, are you disappointed that the PLO has not spoken out following that attack?

The President. I would like to see Mr. Arafat [Yasser Arafat, chairman of the Palestine Liberation Organization] speak out. One of the members of the PLO council spoke out very strongly against it. But I'd certainly like to see Arafat speak out and denounce it because part of our discussions and dialog was predicated on the renunciation of terror. In my view, this is sheer terror. So, I'd like to see that happen.

Q. But you're not ready to assign responsibility?

The President. I'd like to see that happen.

Note: The exchange took place shortly after 10:40 a.m. en route to Omaha, NE. An early question referred to a terrorist raid on an Israeli beach on May 30, and a later question referred to an incident in which a Secret Service agent reportedly shoved Condoleezza Rice, a Director of European and Soviet Affairs for the National Security Council, while she was attending the departure ceremony for President Mikhail Gorbachev of the Soviet Union. A tape was not available for verification of the content of this exchange.

Remarks at a Fundraising Luncheon for Senatorial Candidate Hal Daub in Omaha, Nebraska

June 8, 1990

Thank you all. Hal, thank you so very much for that warm and most generous welcome, and to all of you for that warm welcome back to Nebraska. To Governor Orr, let me say how important I think your reelection is. You've done a good job, and I want to see you back for another term here. I'm sorry that Virginia's not here, but I see Congressman Bereuter. We've got a good delegation, a strong Nebraska delegation in Washington. We need more. And so, when I salute Doug Bereuter, I wouldn't speak for him, but I know that he would welcome more Republican support in the House. And thus, I want to single out Ally Milder, who's running as a candidate in the Second District and urge strong support for her. We got a good candidate.

I'm delighted I heard P.J. Morgan's remarks out there and his enthusiastic support for Hal. And I might say one of the things I take pride in is just before his election, he found time to come back to the Oval Office so we could publicly give the abrazo, and I was right. He's doing a superb job, I'll tell you, for this city. And the voters were certainly right on that one.

And I want to salute our chairman, Chairman Riffel. I want to say how pleased I am to see Bob Kasten, an outstanding Senator from Wisconsin, who was one of the leaders in the Senate. And he's out here to join me in showing our unified and strong support for our candidate here. To Father Val Peter, who's so well-known, so well respected by both Barbara and me and so many around the country. My greetings to you, sir. And to Rabbi Nadoff, as I understand the situation here, he's one of the great leaders of the Jewish community all across this State.

And I'll just mention, sir, in a minute, how pleased I was at the recent summit to have a very frank discussion with President Gorbachev about the need to keep this high level of Soviet Jews emigrating from the Soviet Union going forward. I am convinced we're on the right track. And we're going to not let up until we get even more of those people able to go home and able to join their families.

And I want to salute Cindy Daub, a member of my team in a sense and long-time friend. If Hal has about half as much energy as Cindy, I expect he's got it made already. [Laughter] But, anyway, ladies and gentlemen and friends, it's a pleasure to be back in one of America's greatest and most Republican States -- two things that go together as naturally as the Cornhuskers and winning football.

And today, I am here to support a candidate who, like those Cornhuskers, has made a difference in Nebraska. And he's been one of you. And he's never failed to speak for you. My friend, your next United States Senator, Hal Daub. He has my enthusiastic endorsement.

We've known each other since the early seventies. And I wanted to come here and personally endorse him. And one reason is his great family. Another, we heard some of it today, his Main Street values and his career of dedication. And Hal isn't going to get to the Senate on PAC money, incidentally. He'll get there on shoe leather and hard work. And then, there's the reason you may not know. As a kid, Hal wanted to be a musical conductor.

Peony Park, of course, is where Lawrence Welk made his debut. And Cindy tells me that Hal still wakes up chanting, ``A one and a two," and you know how it is out there. [Laughter] But Lawrence Welk, he played champagne music. And this November, Republicans will be playing a victory march because the people of Nebraska know Hal Daub has made a difference -- as a lawyer, businessman, four-term Congressman. And starting in January, he'll mean even more to a State whose compass, as one writer said, is the Sun, the distant hilltops, and its own resolution.

Now people say it doesn't matter anymore. There is a frustration, I'm afraid. Some say it doesn't matter who's elected to the Senate or which party controls it. And that's like saying it doesn't matter if Nebraska beats OU [Oklahoma University]. [Laughter] But, so in a moment, I'd like to talk about the Hal Daub difference and how it can benefit Nebraskans from the bluffs of the Missouri to the Wyoming line. And first, though, Hal referred to it -- let me just speak about the summit that President Gorbachev and I held last week in Washington which can make a difference by benefiting Nebraska and the world.

Every summit between America and the Soviet Union is shaped by history. And I believe that last week's summit will alter history. In 4 days of talks, we discussed the power of freedom to dismantle walls between nations. And because the greatest peace dividend is a safer, more democratic world, we signed agreements concerning areas of interest to both our countries and recorded bilateral understandings in several joint statements.

First, we signed a bilateral agreement that will, for the first time, eliminate the great majority of chemical weapons that have been stockpiled over the years. And our common goal is nothing less than a global ban on these devastating chemical weapons. And second, I joined President Gorbachev in signing protocols on limiting nuclear testing. And they will create unprecedented improvements for on-site verification on the Threshold Test Ban Treaty and PNET, the Peaceful Nuclear Explosions Treaty. And the third agreement updates and expands our 1973 pact on the peaceful uses of atomic energy, increasing our cooperation in atomic energy research and civilian nuclear safety. You know, that tragic Chernobyl accident shows that the fate of our planet eclipses ideology and nation. And the agreements we signed can help create a better future for the community of nations.

You know, there is an old Russian story that reflects the spirit of last week's summit -- a spirit of friendship growing as knowledge grows. It concerns a traveler walking to another village. And who, coming upon a woodsman, asked how much further he had to go. The woodsman said he didn't know. Whereupon the traveler, angered, continued down the road. And at that point the

woodsman called out to him, ``Stop. It will take you 15 minutes." And the traveler then asked why he didn't tell him that in the first place. ``Because," the woodsman said, ``I didn't know your stride."

Last week President Gorbachev and I learned more about each other's stride. And so, in addition to our agreements, we also signed understandings. We released a joint statement on strategic arms limitations, recording our agreement on major outstanding issues governing a START treaty. We pledged to continue future negotiations on nuclear and space arms. And we also issued a statement on conventional armed forces in Europe, the CFE area. A CFE agreement is crucial to a Europe that is whole and free.

In particular, let me talk about the trade agreement that Hal referred to, and an agreement that we negotiated that will relax barriers between East and West, creating new markets for American products and, in the process, new jobs for American workers. As he reminded me, President Gorbachev used to be the Party Secretary for Agriculture. And he knows that an improved trade relationship between our two countries means a greater demand for American goods and services.

In our talks, we also agreed that selling our grain to the Soviet Union will benefit both our nations. So, the new U.S.-Soviet grain agreement we signed at the summit calls for at least 40 million metric tons of grain to be purchased by the Soviets over the next 5 years. Incidentally, I have not changed my views on using food as a political weapon. I still remember that disastrous grain embargo put into effect by President Carter. And to that I say: Never again! We are not going to use food for that purpose.

Now, look, let me be candid. Serious differences still remain. Of course they still remain between us and the Soviets. We must heed the desire of self-determination in the Baltic republics and elsewhere while protecting the rights of minority populations. I can identify with those Lithuanian-Americans outside this building, proudly holding that flag. And I want to see that they have the self-determination that other nations are achieving all across this world. We must see that German reunification adheres to the wishes of the German people while respecting the views of other nations. And when I leave here, I'm heading back to Washington to have yet another meeting with [West German] Chancellor Kohl at the White House to discuss post-unification Europe and what it means after Germany is unified. And moreover, while I am pleased that the emigration of Soviet Jews is at an all-time high, I want to see unfettered emigration. And I believe Gorbachev is a leader willing, as Lincoln said, ``to think anew." And I believe that because look at the changes that have taken place in Eastern Europe with his encouragement as well as his acquiescence. And he is committed inside to reform, and he faces these enormous economic problems. And as I told him, though, I will not send our new agreement on trade to Congress until the Soviet Legislature passes key emigration laws.

I've often said we want perestroika to succeed. And I believe that. I believe it's in the interest of

the United States that those internal reforms keep going forward, as they move towards economic reform and more human rights. And I believe that the steps I've outlined can help it triumph. But America can't do it alone, and we need the support of our allies. And our administration needs the support of Senators who will actively support these historic new directions in foreign policy.

At the summit we talked of many issues that will confront your great State, the State of Nebraska, and, indeed, America. But this country also faces a lot of important domestic challenges. So, let me shift now because we need the support of Senators who can make a difference for America at home as well as abroad.

And one of those challenges, of course, is agriculture. As you know, in the late eighties, farm income hit near-record levels. Our job is to make good news even better. Our grain agreement will help, and so will passing our administration's capital gains tax cut proposal. I wish that Senate would get on and do something about it.

What's more, we need a new farm bill that emphasizes market-oriented farm policies, giving producers more flexibility to decide what crops to grow. And our new farm bill -- of course, it's got to be even-handed and level-headed, leading, in turn, to a lower Federal deficit, lower interest rates, and increased choice for farmers and consumers. And so, I need Hal Daub to make these objectives a reality. We agree on this philosophy. And I want to see him in the United States Senate.

Another issue that's absolutely critical to the America of the nineties is education. And last week President Gorbachev and I signed an agreement to expand undergraduate exchanges by 1,000 students on both sides. You see, I believe that as these students interact -- those Soviet students here -- that that further enhances the changes that are taking place. And I think when our students go there, the people in Russia can learn a great deal about the American ethic, the American commitment to family and freedom and democracy, just from the interchange with the students.

On the domestic front, I wish Hal Daub were in the Senate now to help our kids by urging his colleagues, as Bob Kasten is doing, to pass our Educational Excellence Act of 1989 because this legislation would promote excellence and choice and flexibility in our education system. For 1 year, some Members of Congress have stalled for a whole year, stalled on this bill. And again, it is time for action now. In addition, Hal supports something that happened this past Monday that I feel strongly about, the Supreme Court ruling that affirms student religious groups' equal access to public high schools. I'm pleased by this ruling. To Omaha's own Bridget Mayhew, my congratulations -- in the forefront of all of this.

And finally, we must act on another issue that we discussed at the summit, and that Hal alluded to here, and that I've talked to your Governor about many times. And I'm talking about the

environment, cleaning up our air. We need to keep America what a child once called, ``the nearest thing to Heaven. And lots of sunshine, places to swim, and peanut butter sandwiches." [Laughter] So, I call on the House-Senate conference committee, which will begin work soon, to send me clean air legislation that I can sign.

Issues like world peace, agriculture, the environment, and education are not merely American questions. They affect every part of the world from the Midwest to the Ukraine. And we must do our part, and we will. To questions that confront America, Hal Daub really will help provide answers, answers that make a difference, and mirror what an author said of Nebraska's plains: ``Men began to dream." Today, like the pioneers before them, Nebraskans still dream impossible dreams and make them a reality, relying on Nebraska values to build the Main Street of America, an American example to the world.

Hal Daub understands those values. He'll support those values in the United States Senate. I'm delighted to have been here. I wish that Barbara were here on her big birthday, the hero of Wellesley. I'm very, very proud of her. And she asked me to tell you that she, too, supports the Daubs, all out, in this important race. So, let's all go out and help Hal make a difference for Nebraska and the Nation.

Thank you for this wonderful occasion. It's a great pleasure to be back in the State of Nebraska. Thank you all, and God bless you.

Note: The President spoke at 12:57 p.m. in the ballroom of Peony Park. In his remarks, he referred to Representative Virginia Smith; P.J. Morgan, mayor of Omaha; Norman Riffel, State Republican Party chairman; Val Peter, executive director of Boys Town; and Isaac Nadoff, Rabbi Emeritus of Beth Israel Synagogue.

Remarks to Members and Supporters of MAD DADS in Omaha, Nebraska

June 8, 1990

First, thank all of you for that warm welcome, and thank you, John Foster. And to the Governor of this State, Governor Orr; and to the mayor of this great city, P.J. Morgan; and of course to Eddie Staton and Robert Tyler, George Garrison, Lafayette Nelson, and all of you wonderful, inspiring MAD DADS, MAD MOMS, MAD KIDS -- MAD everything -- I'm glad to be here with you today to meet you. And we've just had a wonderful visit with these men, these MAD DADS that I've just clicked off their names, right next door here, briefing me on how this organization is coming together and what it's doing to help the kids of Omaha, not just this neighborhood but, through its example, the kids of America -- all the kids across this country.

And so, I will carry back with me to Washington the story of this extraordinary war for decency waged in a parking lot and on this street and across the streets of this community. And you are truly what I call a Point of Light, a beacon for others to turn to in the grim and lonely darkness of their despair. And we are grateful to each and every one of you that are involved in this program.

Your Reverend Tyler put it this way about drugs and gangs and emptiness: ``Used to be," here's what he'd call it, ``a cancer festering in the heart of north Omaha." Well, you've done some radical surgery, my friends, on that cancer. And you've ripped it out, and you've replaced it with the healing balm of love -- caring about the other guy.

And of course, I'll take back with me to Washington, in a few minutes, the lesson of how this revolution began, how you transformed tragedy into hope. And I'll tell others of last May, when Sean Foster, a college student with no ties to gangs or drugs, was beaten viciously by the member of a gang; and of how his father, John, took one look at his bloodied son and something inside him exploded. He took to the streets to find his son's attackers. He never did, but what he did find serves his community, and all of us, much better.

He found that the streets belonged not to the families but to the gangs, not to hope but to the drug dealers, not to a bright future but to a brutal cycle of violence and crime. And John Foster found that voice within him to shout: ``This madness must stop."

So, this angry father and his friends formed MAD DADS. In the last year, along with more than 550 others who have joined them, they have become the dominant presence on their previously devastated streets. And they're father figures who take a hard line against the drugs and the gangs which are the predators, but speak softly, put their arm around and hug the kids who are the victims.

Your MAD DADS logo behind me tells the story: the outstretched, caring hand of the loving father who embraces positive change, and the fist of determination of the strong father who resolves to be the force behind that change.

And these good, strong men who talk with pain in their hearts about pain on the streets take action. They paint over gang graffiti to proclaim that they're reclaiming the city. Nightly, they patrol the killing grounds of their streets, going out, as one said, with nothing but ``a radio, a conversation, and a prayer." They speak to schools, they provide protection from gang threats, they sponsor events, counsel, and I guess most of all, they care. They are fathers to a neighborhood desperately in need of family. In the shifting shadows of midnight streetcorners, they reach out to the lost sons of other men. But most importantly, they're there. They are simply there. And they care. And they are voices crying in the dark: ``See us and fear; see us and believe; see us and hope."

The handful of determined neighbors who formed MAD DADS were those voices. They shouted out against this meaningless violence that they saw leading today's young men and women into self-destruction, and one by one, others joined them in their cry of protest. And now their world is filled with a lion's roar, supremely strong, fiercely proud, challenging, and redeeming.

And so, we are today witnessing the wonder of a rebirth. It's more than a rebirth of community: it is a rebirth of hope, of respect for life, and of the future. And so, MAD DADS, for the inspiration and the example you set, I am proud to have honored you as our nation's 126th daily Point of Light.

If every community could band together as you have, we could see the MAD DADS' spirit of caring spread, street by street, neighborhood by neighborhood, city by city. Crime, drugs, and hopelessness can be and will be banished from the shadows of our great land when each individual cares enough to add his or her voice to the growing chorus of outrage.

The government wants to help: the Federal Government, the State government, the city government. But far more important -- and we will do our level best -- but far more important is that spirit exemplified by the men that we honor here today.

Thank you for all that you do in the name of love. God bless you, and God bless these wonderful children. Thanks for giving them a chance, and God bless the future of the United States of America. Thank you all very, very much. Thank you. Good luck to you, kids. Thank you all.

Note: The President spoke at 2:16 p.m. in a lot at 30th and Spencer Streets. In his opening remarks, he referred to John Foster, Eddie Staton, Robert Tyler, George Garrison, and Lafayette Nelson, chairman of the board, president, secretary treasurer, vice president, and director of field security of MAD DADS, respectively. Following his remarks, the President returned to Washington, DC.

Remarks and an Exchange With Reporters Following Discussions With Chancellor Helmut Kohl of the Federal Republic of Germany

June 8, 1990

The President. Well, let me just say in the beginning here that we were delighted to have Chancellor Kohl back at the White House for a small dinner -- one more step in the very close consultations that the United States has with the Federal Republic. We are in general and, I'd say, firm agreement on how we both look at Europe now. And once again, Chancellor Kohl, it was a pleasure having you here, sir. And thank you very much for your courtesy in coming to us this soon again. I'm very grateful to you.

The Chancellor. Mr. President, thank you very much for these warm words of welcome. This was a very good opportunity to meet with you only a few days after your meetings with President Gorbachev, on the occasion of my short visit to New York and to Boston -- the University of Harvard. And I should like to make use of this opportunity to thank you, Mr. President, for the friendly and very effective support which you have shown to us once again -- to us Germans -- during this visit. After all, we're seeing an historic hour here in world politics, in European politics, in the whole process of German politics, and it is of particular importance at this particular point in time that the relationship between the United States and the Europeans, also between the Germans and the United States, and particularly between the two of us personally, should be so excellent at this very point in time.

And let me say how pleased I am that, again today, we were able to work together, to work also in the whole field of preparation for the NATO summit meeting, to prepare also for our meeting during the world economic summit meeting in Houston, Texas.

I think we can now expect you to ask questions. I should like to ask you for your understanding; I have only limited time because I fly back to Germany. And you know what a pleasant experience it is to fly by night.

German Membership in NATO

Q. Mr. President, during your talks, were you able to come up with any options between the two of you that would allow Germany to remain in NATO, as you've insisted, and, at the same time, some kind of options that would calm the Soviets' worries, give them assurances about the things they're concerned about?

The President. Well, I think Chancellor Kohl and I agree -- clearly we agree on Germany, a united Germany, remaining as a full participating partner in NATO. There's no difference of

even nuance between the Federal Republic and the United States on that point. We also agree that the Soviets have understandable interest in all of this.

But we did not try to fashion, Rita [Rita Beamish, Associated Press], some compromise at this juncture; but we will be talking about an expanded role for NATO. I will be consulting with Chancellor Kohl before the NATO meeting, and then at the NATO meeting, we will be talking to the other leaders in NATO about how we lay to rest any concerns that the Soviets might have by having an expanded role that certainly will be seen to be as unthreatening to the Soviet Union. But we had no formula that we agreed on. Now, maybe the Chancellor would like to add to that.

The Chancellor. First of all, I should like to underline that our position, the position of the President and my own position, are completely identical as regards the question of membership in NATO for a united Germany. To me it is totally clear that membership in NATO for a united Germany is of existential importance. Any singling out, any neutralization, always means isolation. And out of the isolation of Germany, which happened during the twenties, a lot of bad things came about. We want that the unified Germany is part of NATO, part of the community of free nations, and part of the European Community so that in both cases we are bound in and that we are under no circumstances in any way isolated.

Secondly, I actually think that we're on a good way now, in spite of all the discussions. I've never expected that this important question could be solved overnight. I have always said the internal aspects, the intra-German aspects, must be settled until unification and the external aspects. That, after all, is the purpose behind the two-plus-four negotiations -- the negotiations, the talks, which united the two German States, the United States of America, the United Kingdom, France, and the Soviet Union. And we have always said we will need two to three rounds of talks. And we have just now completed the first round. But our objective will remain, and we stand a good chance that this will be possible to complete this by fall.

And of course, we as Germans, as a matter of course, are in this whole process also going to bear in mind the Soviet security. And it's going to be important that NATO and the Warsaw Pact meet in a good atmosphere. The President has already made proposals, and we're going to talk about this. I'm optimistic that a good message is going to come out also in this sense from the London NATO summit meeting.

The President. Is there a question from the German press?

Visit of Prime Minister Lothar de Maiziere of the Democratic Republic of Germany

Q. Chancellor Kohl, did you talk about the first coming visit of the East German head of government, de Maiziere? Did the President ask you about your opinion? You do know de Maiziere quite well.

The Chancellor. Yes, of course, we did talk about this -- a matter of course.

The President. Let me simply add that he will be cordially received here in the White House. We're looking forward to that visit, and I think it's just one more step that demonstrates the magnificent changes that have taken place over the past year and a half. So, he will be well-received here in the White House -- he and those with him.

German Membership in NATO

Q. Mr. President, in the wake of the Baker-Shevardnadze talks recently this week, and as the Secretary has just returned, do you hear anything new from the Soviets in terms of their willingness to swallow Germany's staying in NATO?

The President. I don't think anything to report on that. But I think as these talks go forward -- the talks we had with Mr. Gorbachev here, the talks that Jim Baker had with [Soviet Foreign Minister] Shevardnadze over there -- I'd like to think we can be very helpful in narrowing the differences that we all know exist. I felt, without being able to document it, that we narrowed the differences at Camp David.

But it is my intention to continue to try to convince Mr. Gorbachev that there is no threat, indeed, to the Soviet Union from a united Germany in NATO and, indeed, in a NATO that has an expanded political role. And I think Jim would like to feel -- I don't want to put words in his mouth -- that perhaps he made some progress in this regard. But for the U.S. side, we're going to just keep on pushing to that end because it is the right answer and it is not threatening to the Soviet Union.

NATO's Purpose and Strategies

Q. Mr. President, Chancellor Kohl -- to both of you -- you both have made reference to the upcoming NATO summit meeting in July. Do you anticipate that out of that summit meeting there will be a clear statement of new purpose for NATO, perhaps fundamental changes in the alliance's military strategy, on the subjects of no first use, forward deployment, that sort of thing?

The Chancellor. We're working on that. And of course, this summit meeting is being met with great expectations; and we're trying to fulfill them because the world, after all, has changed very much, if you think of the fact that we saw the Warsaw Pact summit meeting just recently happening and that within the normal rotation procedure which is applicable there Lothar de Maiziere was in the chair of that meeting.

The President. To that I would simply add we are determined to more clearly define what we're

talking about. I wouldn't look for the final and only answer to come out of that summit meeting. We've got a lot of consultation between now and then. But I think what we'll see emerging after the NATO summit is a common direction for this expanded concept. But I don't think, Frank [Frank Sesno, Cable News Network], that it's going to be every ``t'' crossed and every ``i'' dotted.

Upcoming German Elections

Q. Can I ask the Chancellor if he has reached an agreement with the East German Prime Minister about the date of the election for January, as has been reported?

The Chancellor. There is no agreement to this effect at the moment because we are in the habit of doing our work stage by stage, taking it as it comes. And our most important job of the next 2 weeks is going to be to see in the People's Chamber in the GDR the state treaty ratified and to see to it that it is also ratified in the German Bundestag and the Bundesrat. And I'm convinced that both Parliaments are going to ratify that treaty. And then, as of the 1st of July, we're going to see the deutsche mark introduced in the German Democratic Republic and also a market economy. And that, of course, obviously, is going to have enormous consequences. And very soon, out of that, discussion is going to evolve. And I'm waiting for that one, and I'm very calm about it. And it's only fair and reasonable that here the German Democratic Republic should have the first say. But the election is going to be soon. That's what I think.

German Troop Levels

Q. Chancellor Kohl, would you be willing, as a way out of the impasse over the size of the German army, to offer voluntarily some limits, some ceiling on the size of the German army, to the Soviets as an assurance?

The Chancellor. The strength of the future German army is not a private matter to be decided only by Germans; it's a question which is of enormous importance for the overall security configuration of Europe. And I'm strictly against any going it alone by the Germans -- assuming a single or separate course. What we need now is more and more confidence and trust, and trust and confidence can only grow out of friendly consultations.

And of course, hidden behind your question is also a question directed against the Warsaw Pact and NATO. And that is to say it is a question which is connected with the Vienna negotiations. And we, the Germans, are ready to participate in a reasonable solution for the future.

German Membership in NATO

Q. Mr. President, you and Secretary Baker and Chancellor Kohl have all expressed some optimism that you could somehow reduce the Soviets' fears of a unified Germany. Can you be

specific, sir, on why you have reason to be optimistic that your differences are narrowing?

The President. Because the facts are on our side. I mean, I don't think anyone inside the Soviet Union would fear -- with the changes going on in the Soviet Union, I think it's much more likely we can find common ground. Secondly, I think that Mr. Gorbachev himself accepts the concept that U.S. forces in Europe are stabilizing and not threatening. So, you have these two points to build on.

And I can't be too specific on it, Ellen [Ellen Warren, Knight-Ridder], but I just have the feeling from some of the things that were said not just at Camp David but in that Cabinet Room over there -- that they understand that. They also paid some lip service, gave some credibility to the idea that a country could decide what alliance it wanted to be in. So, these points make me feel that we can, indeed, make progress and convince Mr. Gorbachev and his associates that the solution that we strongly favor is not threatening to them, indeed, will be the most compelling in terms of adding to the stability of Europe.

And you're seeing other countries in Eastern Europe begin to accept that concept -- some enthusiastically. So, I think we're making progress, but I can't make a prediction as to how totally successful we're going to be. But we're going to keep on trying because the facts are on our side: A united Germany in NATO will not be threatening to the Soviet Union. A U.S. presence will not be threatening to the Soviet Union. So, we've just got to keep on making our case. Do you want to add to that, Helmut?

The Chancellor. No.

The President. Well, thank you all very much. The Chancellor must fly on to Germany, and I must fly on elsewhere. [Laughter]

Note: The President spoke at 9:05 p.m. in the Rose Garden at the White House. The Chancellor spoke in German, and his remarks were translated by an interpreter.

Statement by Press Secretary Fitzwater on President Bush's Dinner With President Carlos Salinas de Gortari of Mexico

June 10, 1990

President Bush hosted a private dinner in the White House this evening for President Carlos Salinas de Gortari of Mexico. President Salinas is in the United States on a private visit to address the Business Roundtable. He will meet with Secretary Baker on Monday, June 11, and with Vice President Quayle on Tuesday, June 12.

At dinner, the two leaders discussed a wide range of bilateral and international affairs. President Bush discussed his recent meeting with President Gorbachev and his consultations with European leaders. The Presidents discussed the status of our mutual efforts to fight the spread of narcotics. President Bush reiterated our desire to continue close cooperation with Mexican authorities.

The Presidents focused considerable discussion on economic issues. In 1989 trade between the two countries totaled $52 billion. U.S. exports to Mexico were $25 billion. The United States has $5.5 billion in direct foreign investment in Mexico.

Both leaders believe that the United States and Mexico would each derive substantial and long-term benefits from a comprehensive bilateral trade agreement. They agreed that bilateral efforts to maximize trade and investment opportunities can and should complement the trade liberalization achieved in the Uruguay round of the GATT.

Consultations on the free trade issue will continue tomorrow with Members of Congress and in President Salinas' meeting with Secretary Baker. Both leaders agreed on a future course of increased economic and political cooperation between the two countries.

A reception before dinner was attended by the Vice President; Secretary of the Treasury Brady; Secretary of Commerce Mosbacher; U.S. Trade Representative Carla Hills; the President's national security adviser, General Scowcroft; Ambassador Negroponte [U.S. Ambassador to Mexico]; and William Pryce, of the National Security Council.

Mexico-United States Joint Statement on Negotiation of a Free Trade Agreement

June 11, 1990

During their June 10 meeting in Washington, the Presidents of Mexico and the United States held discussions on bilateral relations, with the particular purpose of broadening and strengthening economic relations between the two countries. Both Presidents agreed that their two countries must look to the future and devise ways to meet the challenges of the 1990s and the next century, establishing a climate of greater stability and confidence for trade and investment.

The Presidents share a commitment to forge a vigorous partnership for sustained economic growth and opportunity -- one which will open markets, so that trade and investment can expand further.

The two Presidents have determined that a comprehensive Free Trade Agreement is the best vehicle to achieve these ambitious objectives and, therefore, agree to move in a timely manner toward that end. They are convinced that free trade between Mexico and the United States can be a powerful engine for economic development, creating new jobs and opening new markets.

Accordingly, they have directed Ambassador Carla A. Hills, the United States Trade Representative, and Dr. Jaime Serra Puche, the Minister of Commerce and Industrial Development of Mexico, to undertake the consultations and preparatory work needed to initiate such negotiations, in accordance with each country's internal procedures, and to report back to the two Presidents as soon as practicable, but in any event before their next meeting in December.

The Presidents agreed that the greatest possible mutual benefit would derive from an agreement that entails the gradual and comprehensive elimination of trade barriers between the two countries, including: the full, phased elimination of import tariffs; the elimination or fullest possible reduction of non-tariff trade barriers, such as import quotas, licenses and technical barriers to trade; the establishment of clear, binding protection for intellectual property rights; fair and expeditious dispute settlement procedures; and means to improve and expand the flow of goods, services, and investment between the United States and Mexico.

The Presidents reaffirmed their commitment to the multilateral trading system and the General Agreement on Tariffs and Trade. They agreed that a successful conclusion of the Uruguay Round of multilateral trade negotiations by December is their highest priority, since this would yield the greatest benefit to both countries. They pledged to work toward that end. They also concluded that bilateral efforts to expand trade and investment opportunities can and should

complement the trade liberalization achieved in the Uruguay Round.

The Presidents agreed that they would stay in close personal touch on this issue and review progress during President Bush's visit to Mexico in December 1990.

Remarks at the Presentation Ceremony for the Drug-Free School Recognition Program Awards

June 11, 1990

Thank you all very much. Welcome, Secretary Cavazos and all of you, the principals, the students, parents, teachers, and friends. I'm delighted to have you here in the Rose Garden today. We're here to celebrate a cause that's near and dear to your hearts and mine: the battle to free our schools and our children from the poisonous plague of drugs. We're so proud to honor the 51 schools named as winners in our 1989 to '90 Drug-Free School Recognition Program.

You've distinguished yourselves and your country by substantially reducing alcohol, tobacco, and other drug use among your students. And each school represented here today has been selected because they have a clear no-drug-use policy, established enforcement procedures, and an ongoing plan to remain or become totally drug-free. You're each stars on your own, and together you form a constellation of hope, illuminating the blackness of the night's sky.

We've established these awards because nothing should be more important to us than the young people of America. And because they are our future, they trust us to leave our land healthy and at peace and our values strong and true so that the world they inherit will be a good one. And they trust us to prepare them to take advantage of the opportunity that the world has to offer.

You know, education means more than just teaching our children the skills that are needed to hold a job; it's also about passing on to each new generation the values that serve as the foundation and cornerstone of our free society: loyalty, compassion, courage, and the ability to make the crucial distinctions between the right and wrong. But to get the finest education in our schools, we must get the drugs out.

As President, I have seen much and heard even more, but as a parent, few stories have wrenched me as hard as those about schoolchildren trapped in this evil nightmare of drugs. We've seen the tragic devastation that drugs cause, seen how they're draining the lifeblood of our best and greatest hope. We've heard the stories, have thought about the young lives being wasted. And finally, as a nation, we declared: This is war, and let the victory begin with each one of us.

We must win our war on drugs by persuading our young people that drugs are not ``cool,'' that drugs will chew them up and spit them out, and that they must see that the choice of drugs over self-reliance is the choice of death over life. But you know, ultimately the most important weapons in the war on drugs are the least tangible ones: self-discipline, courage, support from family, and faith in one's self. The answer is traditional values. And if we want to stop our kids from putting drugs in their bodies, we must first ensure that they have good ideas in their heads and moral character in their hearts.

And that's exactly what the 51 schools that we honor here are doing. But actions not words, speak most vividly, most poignantly. Listen to the extraordinary stories of some of the schools represented here today.

Almost half a century ago, a scene from a movie captured the hearts of Americans: An older boy, troubled but now reformed, carries a younger boy. And when a priest offers to relieve him of his burden, the boy quietly but firmly refuses. ``He ain't heavy," he says, ``he's my brother." The movie was ``Boys Town."

In 1990 the extraordinary mission of this community continues, inspiring its students to take responsibility for their lives and the lives of those around them. A model town for ``at risk" teens, it teaches right from wrong in a loving environment that stresses self-respect and moral values. It's a healing balm that restores lost youngsters physically, mentally, and spiritually.

A visitor to Boys Town High School once said: ``Here, they make the kids want to resist drugs by showing them that they're people who deserve respect -- from themselves as well as from others. I've never seen kids so in touch with themselves."

And, for the real truth of this place, here's what one Boys Town High student said: ``There are lots of holes in my life that were filled with pain. And now I'm going to fill them with joy."

Another place where kids are finding joy is the Mollie Ray Elementary School in Orlando, Florida. Principal Paul Van Mitchell is a hero with faith in commonsense values which have never failed us when we've had the courage to live up to them.

The school is in what's been called an ugly environment with pretty kids. Paul and his staff are warriors defending what's beautiful by destroying what's evil. They provide special after-school drug prevention programs for the most ``at-risk" students and have an open-door mentor program. And Paul has also inspired a communitywide drug program and is part of a task force to combat drugs.

And another principal-hero, Robert McCarley, of Crockett Junior High School in Odessa, Texas, is also the backbone of that school's drug-free program. He set up a hotline where kids can call and report drug use. Robert has transformed the school from one run by three gangs to one with a proud and successful no-use policy.

But it is Robert's own example that shines as a proud beacon, a North Star for all to follow. For years, he and his wife have taken problem kids into their home. And then came Ginger, an abused child from a family filled with drugs. She was malnourished, depressed, and failing school. And after a year with them, she is now healthy, well-adjusted, making A's and B's. And this is the most wonderful news of all: The McCarleys are adopting Ginger.

I've told you three stories today, but behind each school here are similar tales of joy and success, tales that show people are working together toward our national education goals. The Governors of the U.S. and I agree: By the year 2000, every school in America will be free of drugs and violence. I know that with people like you to inspire them, others will follow until every school in America is safe. And with people like you, America's future will be bright beyond our dreams.

Today we honor these 51 schools from across our country, selected from hundreds -- literally hundreds -- nominated by public and private education's groups. You're from 25 States and include 42 public and 9 private schools, from elementary to high schools. You're being saluted today as the finest in the Nation, and you should be very proud of your achievements and your legacy. And I am proud of you.

Congratulations, and God bless you for your unselfish example. Thank you for what you're doing; keep up the great work. Thank you all very much. Now, Dr. Cavazos will pass out the awards.

Note: The President spoke at 11:08 a.m. in the Rose Garden at the White House.

Exchange With Reporters on the Supreme Court Decision Overturning a Federal Flag Desecration Statute

June 11, 1990

Q. Mr. President, are you going to renew your flag amendment now?

The President. Absolutely.

Q. What's your next step?

The President. I don't know. We just heard the decision. But I'm not in any way pulled back from my conviction that that's what we need. And I think some of us said ahead of time that this legislative approach would not be upheld, and apparently the Court has decided that. So, I will continue to press for what I strongly believe is in the best interest of this country.

Q. Do you believe that's the public appetite for an amendment?

The President. I hope so.

Note: The exchange took place at 11:23 a.m. in the Rose Garden at the White House. On June 11, the Supreme Court of the United States ruled that a law making it a crime to burn or deface the American flag violated the free-speech guarantee of the first amendment. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Lothar de Maiziere of the German Democratic Republic

June 11, 1990

The President met for approximately 2 hours today with Prime Minister Lothar de Maiziere of the German Democratic Republic, first in the Cabinet Room and then at a working lunch in the Residence. It was the first meeting ever held between an American President and an East German Prime Minister.

The President expressed his admiration for Prime Minister de Maiziere's role in the GDR's democratic transformation and reiterated the goal the United States has long shared with the German people: German unity in peace and freedom.

The bulk of their discussion was on German unification. The President and Prime Minister de Maiziere agreed that a united Germany should enjoy full sovereignty from the time of unification, with no discriminatory constraints on its sovereignty, and that Germany should be free to choose its own alliance arrangements as stipulated in the Helsinki Final Act. They also discussed the future of Germany in NATO and agreed on the continuing vital role of the alliance and of U.S. forces stationed in Europe as guarantors of stability and security.

The President reviewed the results of the U.S.-Soviet summit and discussed Prime Minister de Maiziere's recent meetings with President Gorbachev at the Warsaw Pact meeting in Moscow. The President outlined his proposals for a transformed Atlantic alliance, further negotiations on conventional and nuclear forces, and a stronger role for the CSCE process. He and Prime Minister de Maiziere agreed that these steps were important to demonstrate to the Soviet Union that a united Germany in NATO is no threat to Soviet security.

Exchange With Reporters

June 12, 1990

The President's Birthday

The President. It's a vast improvement. [Laughter] Helen [Helen Thomas, United Press International], where's yours?

Q. I don't know what they're running for. [Laughter]

The President. No answers -- only those wearing hats get their question answered. [Laughter]

Q. Touche.

The President. One birthday question.

Q. Have you gotten a birthday card from the President of the Soviet Union?

The President. No, I have not -- that I'm aware of. But I've got to be careful; he may well have sent something.

German Membership in NATO

Q. Mr. President, have you seen his latest remarks where he's proposed associate membership for Germany in NATO and the Warsaw Pact?

The President. That matter was discussed here. So, I haven't seen any recent remarks, except I saw a proposal of some consideration, and of course, that has been discussed with the leaders in Eastern Europe. It's been discussed here, and our position is well-known to him, which is that a unified Germany should be in NATO with no conditions. But the more talking we do, the more convinced I am that they will see that what we're proposing is most stabilizing and is best for the Soviet Union as well as Western Europe and Eastern Europe. So, we'll keep on trying. But these ideas -- let them float them out there. And we'll listen, and we'll discuss them without rancor.

Thank you all very much.

Note: The exchange began at 10:05 a.m. in the Cabinet Room at the White House, prior to a meeting with Republican congressional leaders. The reporters entered the room wearing birthday hats.

Letter to Congressional Leaders on the Canada-United States Free Trade Agreement

June 12, 1990

Dear Mr. Chairman:

Pursuant to section 103 of the United States-Canada Free-Trade Agreement Implementation Act of 1988 (Public Law 100 - 449), I am pleased to submit the attached report and related documents pertaining to a proposed action to accelerate elimination of duties on designated products under the United States-Canada Free-Trade Agreement.

Sincerely,

George Bush

Note: Identical letters were sent to Lloyd Bentsen, chairman of the Senate Finance Committee, and Dan Rostenkowski, chairman of the House Ways and Means Committee. Proclamation 6142, which implemented the accelerated schedule of duty elimination under the agreement, was printed in the ``Federal Register'' of May 30 and is listed in Appendix E at the end of this volume.

Remarks Upon Receiving a Replica of the Iwo Jima Memorial and an Exchange With Reporters

June 12, 1990

The President. Well, first, my profound thanks to Mr. Felix de Weldon. A great pleasure, sir, having you here in the Rose Garden, and of course my old friend Senator Mark Hatfield. Mr. de Weldon has just presented me with this beautiful replica of the memorial, which he designed. It's of a battle in which Senator Hatfield served, the battle of Iwo Jima.

You all know the story: Early in 1945, 8 square miles of black sand and volcanic rubble, and gallant marines fought hand to hand, yard by yard; and finally, Mount Suribachi. And when the marines reached the top, six men raised a piece of pipe upright, and from one end floated a flag. And in the most famous image of World War II, a photograph was taken; and from it came, ultimately, the Iwo Jima Memorial. This memorial embodies self-expression and opportunity and democracy for all.

And, well, so does another symbol that I'd like to talk about here today: concern for the American flag and what it represents. That concern is not new. For instance, 75 years ago, President Woodrow Wilson said: ``A patriotic American is never so proud of his flag as when it comes to mean to others, as to himself, a symbol of liberty." He knew that the flag was more than mere fabric; rather, a mosaic of values and of liberty.

What that flag encapsules is too sacred to be abused. You all know yesterday's Supreme Court decision. It wasn't surprising. One year ago this month, many of us deeply concerned about protecting the American flag from willful desecration predicted that any congressional legislation would be declared unconstitutional. I take no joy that this prediction has been upheld.

Accordingly, I want to take the chance today to renew my commitment to the surest, safest way to guarantee that, while speech remains free, flag desecration is unacceptable and must carry a price, and, yes, a constitutional amendment to protect the truly unique symbol of all that we are and that we believe. Our constitutional amendment will preserve the widest conceivable range of options for free expression. It applies only to the flag. Its language is simple but eloquent: The Congress and the States shall have power to prohibit the physical desecration of the flag of the United States.

Our forefathers, with remarkable foresight, provided a mechanism for amending the Constitution. And they wished it to be used sparingly and wisely, and it has been, and it must today. Just as the Constitution is a unique symbol of America, so is our flag.

And as Justice Stevens said so eloquently last year when he spoke of the ideas of liberty: ``If

those ideas are worth fighting for, and our history demonstrates that they are, it cannot be true that the flag that uniquely symbolizes their power is not itself worthy of protection from unnecessary desecration." Amending the Constitution to protect the flag is not a matter of partisan politics. It's not a Democrat nor a Republican issue. I don't see it as either liberal or conservative. It's an American issue. And so, I call on the Congress to act by July 4th, this nation's birthday. I know that honest and patriotic Americans may differ on this question, but I am absolutely convinced that this is the proper course for our country. I feel it deep in my heart because the flag and what it means is carried in the hearts of all Americans.

Henry Ward Beecher once said: ``A thoughtful mind, when it sees a nation's flag, sees not the flag, not the flag only, but the nation itself." Through a constitutional amendment, let us honor the greatest symbol of this great country.

And now, Mr. de Weldon and Senator, thank you very much for coming to the Rose Garden, and thank you for this magnificent presentation. It is most appropriate, and I'm proud to have it at my side as I express my heartfelt support for this important constitutional step. Thank you very much, sir. Thank you.

Flag Desecration

Q. Senator Hatfield, are you in favor of this amendment?

Q. Mr. President, what do you say to those who say every country has a flag, but only we have the Bill of Rights. It's never been amended; why should we amend it today?

The President. I say that the forefathers provided for amendment of the Constitution, including the Bill of Rights, and that the flag is a unique symbol. I can't speak for the other countries, but I can speak for how strongly I feel about this being the unique symbol of the United States. And it should be protected. The Congress tried to protect it by legislation; that legislation did not stand up. And it wasn't Republicans alone or Democrats alone; it was Republicans and Democrats that voted for that legislation. When it was knocked down by the Court, I feel there's no other way to go but this constitutional amendment, which was provided for. So, that's what I say. I keep emphasizing the word ``unique" symbol of the United States of America.

Q. But isn't burning it free speech, sir?

Q. Mr. President, if it's not a partisan matter -- --

The President. No, there's some -- let me get this question right here -- because the Court has determined that there are excesses to free speech. And I would like to see one of these excesses be the burning of the American flag. So, yes, I am all for free speech, but I am for protecting the flag against desecration. The law books are full of restrictions on free speech, and we ought to

have this be one of them. Shouting ``fire'' in a crowded theater is a good one for you.

Q. Mr. President, but that endangers people. Does burning the flag endanger people?

The President. Yes. It endangers the fabric of our country, and I think it ought to be outlawed.

Q. If it's not a matter of partisan politics, Mr. President, why are members of your party already gearing up to put together 30-second campaign commercials dealing with their opponents' votes?

The President. I know nothing about those campaign commercials, and I expect both sides will be talking about their position on this issue. I disagree with what I heard the chairman of the Democratic Party [Ronald H. Brown] say when he made a political comment about this. And I'm putting it in what I think is best for the United States. I feel strongly about it. That's my answer.

Any others? Yes, Brit [Brit Hume, ABC News]? I get credit for a press conference now. I've been asked more than three questions. So, I want to put this down as number 56.

Q. Senator Hatfield, could we hear your position on this issue, sir?

Senator Hatfield. It's the President's press conference, not mine.

Q. Will you be commenting on this during the election?

The President. You're darn right. I want this done now. I hope it will be out of the way by the time of the election.

Q. Will you talk about individual Member's of Congress position on this?

The President. I will talk about the fact that I think the flag should be protected by a constitutional amendment.

Palestine Liberation Organization

Q. Can I ask a question on another topic? Have you made up your mind on continuing or not continuing the PLO dialog?

The President. No, no decision on that yet.

Q. How close are you?

The President. John [John Cochran, NBC News], I can't help you on how close. There's quite a

bit going on behind the scenes, but I just can't tell you. Incidentally, I had a talk with President Mubarak [of Egypt], and that subject came up today. But I'm not prepared to make my decision known on that yet.

Q. Are you giving Arafat [Yasser Arafat, chairman of the PLO] some more time?

The President. I want to see that terroristic act condemned and those who did it condemned.

Nelson Mandela

Q. We've heard reports, Mr. President, that the CIA was involved in Nelson Mandela's arrest in 1962. Would you offer him an apology when he arrives here?

The President. I don't know what I'll do about that. But I'm very pleased that he's coming here; I'm very pleased that he is free. I saw a story about that, but I cannot attest to it. I haven't looked into it yet.

Q. Was that an appropriate role for the CIA then or now?

The President. What role?

Q. To be involved in the -- essentially turning over someone -- --

The President. I can't comment on that matter.

Any other questions?

The President's Birthday

Q. How does it feel to be 66?

The President. Slightly worse than being 65, but not bad, not bad. In fact, this has been a happy birthday. I started off kind of regretting it, but along comes Mr. de Weldon. I'm not saying he says this is a birthday present, because this has been in the mill, but it's been a very good one. I feel like a spring colt. I'm ready to take two more questions, and that's it. It's been a good birthday. I hadn't thought so, but good cake, good cards, and not bad.

Offshore Oil Drilling

Q. -- -- decision on offshore oil drilling?

The President. Very soon now.

Baltic States

Q. Have you heard from Gorbachev -- --

Q. We've been hearing that a lot.

Q. -- -- on Germany?

The President. About the German question?

Q. The German question and also the fact that Gorbachev is meeting with the Baltic States representatives.

The President. I think that's a heartening development. I hope that out of that comes a further step towards self-determination for the Baltics. And I view dialog, John, as something that's very important. I've said all along that we want dialog to go forward because he knows that I have a difference with him on the status of Lithuania -- the United States never having recognized its incorporation into the Soviet Union.

Last one. Who's got it?

Nolan Ryan

Q. Nolan Ryan?

The President. Nolan Ryan. [Laughter] Well, I just hung up talking to Nolan about 1:30. I said, ``Where are you?'' And he said, ``Well, I'm out at the ballpark.'' And I think it was a magnificent performance. I loved what he said -- and it's typical of Nolan, because I've known him for a long time -- giving credits to his teammates. He told me that his wife and his son had gotten there 5 minutes before the game started. I said, ``Well, had you told them you were going to pitch a no-hitter?'' He hadn't gone quite that far. But, look, here's this guy -- what's Nolan -- 43, and just the tops, a top human being and a top performer. And it's a great symbol for the kids around this country that love baseball as much as I do. It was a wonderful moment, I'll tell you. I wish I'd been there.

Thank you all very much.

Q. Is that why you feel better about 66?

The President. Yes, that's one of the reasons.

Note: The President spoke at 4:08 p.m. in the Rose Garden at the White House. On June 11, Nolan Ryan, a pitcher for the Texas Rangers baseball team, pitched a no-hitter against the Oakland Athletics.

Nomination of Kenneth Noel Peltier To Be United States Ambassador to Comoros

June 12, 1990

The President today announced his intention to nominate Kenneth Noel Peltier, of Texas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal and Islamic Republic of Comoros.

Mr. Peltier served as Executive Director for the Bureau of European and Canadian Affairs from 1985 to 1988. Prior to this, he served as Counselor for Administrative Affairs at the U.S. Embassy in Kinshasa, Zaire, 1983 - 1985; administrative officer for the U.S. Embassy in Ouagadougou, Burkina Faso, 1982 - 1983; administrative officer for USOECD [U.S. Organization for Economic Cooperation and Development], Paris, France, 1979 - 1982; and on a training assignment at the Ecole Nationale d'Administration in Paris, France, 1978 - 1979. In addition, Mr. Peltier has served as an assignments officer in Africa for the Bureau of Personnel for the Department of State, 1976 - 1978; administrative officer for the U.S. Embassy in Antananarivo, Madagascar, 1974 - 1976; general services officer for the U.S. Embassy in Fort Lamy, Chad, 1972 - 1974; and foreign service officer for the Foreign Service Institute, 1971 - 1972. He joined the Foreign Service in 1971.

Mr. Peltier graduated from the University of Missouri (B.A., 1967) and the University of Texas (M.B.A., 1971). He was born June 9, 1944, in Boston, MA. Mr. Peltier is married, has three children, and resides in Arlington, VA.

Nomination of George Fleming Jones To Be United States Ambassador to Guyana

June 12, 1990

The President today announced his intention to nominate George Fleming Jones, of Texas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Co-operative Republic of Guyana. He would succeed Theresa Anne Tull.

Since 1989 Mr. Jones has served as vice president for State Department affairs for the American Foreign Service Association in Washington, DC. Prior to this, he served as Deputy Chief of Mission for the U.S. Embassy in Santiago, Chile, 1985 - 1989; Deputy Chief of Mission for the U.S. Embassy in San Jose, Costa Rica, 1982 - 1985; Director of the Office of Regional Political Programs, 1980 - 1982; Deputy Director of the Office of Regional Political Programs in the Bureau of Inter-American Affairs at the Department of State, 1978 - 1980; National War College, 1977 - 1978; Political Counselor at the U.S. Embassy in Guatemala, Guatemala, 1974 - 1977; and political adviser at the U.S. Mission to the International Atomic Energy Agency in Vienna, Austria, 1971 - 1974. In addition, he was assigned to the Department of State, 1967 - 1971, and served in the U.S. Embassy in Caracas, Venezuela, 1963 - 1966; the U.S. Embassy in Accra, Ghana, 1961 - 1963; and the U.S. Embassy in Quito, Ecuador, 1958 - 1960. Mr. Jones joined the Foreign Service in 1956.

Mr. Jones graduated from Wabash College (A.B., 1955), the Fletcher School of Law and Diplomacy (A.M., 1956), and Stanford University (M.A., 1967). He was born June 27, 1935, in San Angelo, TX. Mr. Jones is married and resides in Fairfax, VA.

Nomination of Richard V. Bertain To Be an Associate Director of ACTION

June 12, 1990

The President today announced his intention to nominate Richard V. Bertain to be Associate Director for the ACTION Agency for the Office of Domestic and Anti-Poverty Operations.

Since 1978 Dr. Bertain has served as superintendent and assistant superintendent for business services for the El Segundo Unified School District in California. Prior to this, he served as assistant superintendent for business services for the Palm Springs Unified School District in California, 1978; management consultant and president of the American Educational Services in Los Angeles, CA, 1971 - 1978; deputy superintendent of schools, acting planning director, and special consultant to the superintendent for the Glendale Unified School District in California, 1969 - 1971; deputy of secondary schools and high school principal for the Culver City Unified School District in California, 1967 - 1969; and assistant to the superintendent of the Beverly Hills Unified School District in California, 1963 - 1967. In addition, he has served on the advisory council of the Boy Scouts of America and is a sustaining member of Young Men's Christian Association.

Dr. Bertain graduated from St. Mary's College (A.B., 1951), California State University (M.A., 1960), and Harvard University Graduate School of Education (Ed.D., 1964). He was born July 4, 1930, in Scotia, CA. Dr. Bertain served in the U.S. Navy, 1955 - 1957. He is married, has six children, and resides in West Hills, CA.

Remarks at a Reception for Supporters of the Annual Republican Congressional Fundraising Dinner

June 12, 1990

Welcome, everybody, for many a return engagement. And Barbara and I are delighted to have you here. Once again, we're in your debt. First, let me single out our chairman of tonight's dinner, under the theory that you get a busy person to get in and get the job done. The committee, the blind committee -- because nobody wanted to take the blame nor the credit -- said, ``We'll go get Howard Baker; we'll try." And sure enough he accepted, and sure enough I think tonight we have the most successful dinner ever.

And just to guarantee that -- as I walked up here, I'm sure you wondered what the deep, dark secret was that Howard told me -- that thanks to the generosity of Armand Hammer, to the tune of $500,000, that we're now over the top and going strong. So, Armand, my great vote of thanks to you.

And that is a very nice supplement to what so many others have done, either through wearing out the telephone -- guys like Jack McDonald, my old colleague in the House, who I understand is modestly standing back here but should be hanging from the rafters because of his performance, probably the leading ticket seller or participant in that manner, according to Howard. And then, of course, Carl Lindner and Dwayne Andreas -- just stars in this, and I am very grateful to them. But in the same vein, I'm grateful to every single person here, you who did the heavy lifting out there and most of the work. So, thank you all very much because this comes at an important time in what we feel could be an historic year.

The dinner I hope will be fun if we can see each other across a rather intimate ballroom over there -- [laughter]. But nevertheless, it's marvelous. Let me just say a word about it, and I really should defer to Don Nickles, who's our superb chairman on the Senate side, and Guy, on the House side, and, of course, the National Committee weighing in in a great way on all this, too. And I want to thank them. But they are better to comment on the day-to-day political activity.

But you know the litany: The party in power loses seats in an off year, historically. Well, we want to change that. And I had a report from both Senator Nickles and Congressman [Guy] Vander Jagt when I met in the Cabinet Room with the leadership of the party this morning on the Hill -- our Hill leadership -- Dole, Michel, et cetera. Without kind of putting too optimistic a spin on it, the Senate report was very strong, and the House report -- where everyone knows we have a great difficulty because of the locking in of incumbency -- even there, Guy was able to give us a pretty upbeat report.

And I can tell you I'm going to try to do my share. The Vice President has been magnificent --

Dan Quayle -- in what he's been able to do in helping candidates raise money. The recruitment, I think I can say without putting words in the mouths of these two, has gone well. The party under Lee Atwater and Mary Matalin is pitching in. Jeanie Austin doing a good job on that as well. So, the team is together, and the importance of the year is enormous.

I don't want to overlook the Governors' races because they are key when you look at this concept of redistricting that we're going to have to grope with in the years ahead. And we have some very key Governors' races out there. And the Republican Governors Association has been active and strong in doing their part.

So, we're getting the assistance, and we're getting the financial support, thanks to the approach that many of you have taken to this. But again, the election is important. I know Howard Baker is probably better able to speak to this than anybody else here. But the difference between controlling one body in the Congress and not is night and day in terms of how a President can operate. And Howard saw it when he so effectively led the Senate majority when he was Senate leader. And you could move the agenda. The President would campaign on certain things, and then he'd be able to at least be sure they were considered.

The way it is now in the Senate, as Don knows, we're playing -- our leader is doing a superb job. Bob Dole is just outstanding, and he and I are working very closely together for the same objectives. But the problem is, with the numbers the way they are, it is very difficult to get our agenda placed ahead of their agenda. And the result is we're often playing defense and trying to amend a proposal that's far different philosophically than what we would have proposed in the first place.

So, we're keeping working on it, and I'm very pleased that we've been able to get some things done. Sometimes you measure progress by keeping bad things from happening. And I don't know what's going to happen at 6:15 p.m. on our veto override. We've got a technical bill up there that has a technicality that even some of our own Republicans are having difficulty with. But we've been very lucky that the vetoes have been sustained and not overridden. We may take one on the chin here today or in the next few days on another issue.

But generally, the Republican side has stayed together enough to be able to negate very unhappy legislation. Now I'd like to take that a step forward this fall and make it a more optimistic process, where we can take the offense and get done the things that join us all together as Republicans, and those who come from a more conservative side of the ledger when it comes to the free economy, free market, and all of those kinds of points.

I might -- just looking around the room, I know of the interest of so many here in the international aspects. I just would say a word on the summit meeting that we had with Gorbachev. I was very pleased with it -- not that we solved all the problems, the tough problems of the Baltic States. We're different. I told him very candidly and very frankly and, indeed, at an

open press conference, sitting side to side. We could talk about our differences without rancor and without people getting all upset with each other the way it used to be.

We've got differences on the Baltic States, and I'm very pleased that now he's back there talking to the three leaders of the three Baltic States. And I'm hopeful that that can be resolved so we can get a dialog going and get the economic blockade lifted and then move forward in these areas that are very important not just to Gorbachev and the Soviet Union but in my view to the United States. And I'm talking about a freer, more open trading system where we can interact with each other more on the economic side, because I firmly believe that is in the interest of our country. And I know it is in the interest of markets and of an economy that has got to change and will change. But the more we interact with them, in my view, the more dramatic the change and the sooner the change can come.

And so, the meeting with Gorbachev was a good one. We made some progress on a lot of subjects. One near and dear to my heart -- they accepted our proposals that lead to a ban on chemical weapons, which I think is a very civilized thing to be talking about in the year 1990. And I just wanted you to know that the tone of these meetings were quite different than anything that has transpired before, although the last Reagan-Gorbachev summit did have a very good climate, too.

The man is facing enormous problems at home. It is my view that we need to keep our eyes open, that we need to keep our country strong, that we don't want to be naive in the treatment with any country. But I just thought that you ought to know that the mood of it was good, and I think it will lead to an understanding on questions such as the Baltic States or a unified Germany being a full, participating member in NATO or whatever the question was. It's a wonderful challenge that so many of you -- that all of you, really -- have given me and, I would say, to the star of Wellesley, too, to represent this country at this very special time in our history. We like -- I won't speak too confidently for Barbara -- but we like every single minute of it. [Laughter]

It's a challenge, it's a great challenge, and I will never forget how we got here. And we got here just exactly through the generosity and commitment of people in this room, just as other future Senators are going to get to the Senate as a result of that same generosity, just as a wide new group of new courageous young Congressmen are going to get to the Congress for the same very reason.

So, once again, our heartfelt thanks to you for what you're doing. Thank you. And I look forward to seeing you all, I think, at a large dinner later on. Thank you for making it such a success.

Note: The President spoke at 4:37 p.m. in the East Room at the White House. In his remarks, he referred to Jack McDonald, Carl Lindner, and Dwayne Andreas, members of the President's Dinner leadership committee; and Lee Atwater, Mary Matalin, and Jeanie Austin, chairman, chief of staff, and cochairman of the Republican National Committee. Mrs. Bush spoke at the

Wellesley College commencement ceremony. A tape was not available for verification of the content of these remarks.

Remarks at the Annual Republican Congressional Fundraising Dinner

June 12, 1990

Thank you very, very much. Thank you all. What a wonderful evening. Please be seated, and Guy, thank you for that wonderful introduction and also for the great job you are doing as chairman of the House campaign committee. We are very, very grateful to you.

I think that's Dan Quayle way down there. But let me point out what an outstanding job Dan is doing for our country and for our party. He's carried this message of opportunity practically a quarter of a million miles around the world. And we are very grateful to him, and I am very lucky that he is my Vice President, your Vice President.

I also want to single out and salute our two great leaders with whom I work so closely every day and to whom I'm very grateful. To Bob Dole, our outstanding leader in the United States Senate, my thanks. Today was just another bit of his handiwork, coming against the odds to carry that veto vote up there, and I'm grateful to him and to his colleagues. And of course, to Bob Michel, our indefatigable leader in the House -- my sincere thanks to you, Bob, for working so closely with our administration. I want to thank Don Nickles and simply suggest that he keeps up the great work that he's doing for the Senate campaign committee. We've got a lot riding this fall, and Don is doing a great job.

Also, thanks to our wonderful host tonight, the man who is our outstanding dinner chairman, and I'm talking about Senator Howard Baker, who really has thrown himself into the breach and produced these magnificent results. Howard, thanks so much.

I want to thank all of our dinner leadership: Dwayne Andreas and Carl Lindner, especially, and Armand Hammer and my dear friend and former colleague -- the one that, I'm told, on an individual basis, made the most calls or got the most done working for Howard Baker -- and I'm talking to my former colleague Jack McDonald, who did an outstanding job on these ticket sales. It's a pleasure to see all of you, and I thank you for your hard work and dedication.

I want to acknowledge the outstanding men and women of my Cabinet, and I count my blessings every single day for the kind of administration we have. We can fight like cats and dogs in that Cabinet Room, and then we go out and stay close together, working for a common cause, a common objective. I'm very fortunate, and I know it. And I count my blessings for the Cabinet and for our Chief of Staff and for those others in the executive branch who are with us here tonight.

Let me mention a man who is not with us tonight, a good friend and one of the most dynamic

chairmen this party has ever seen. I, too, am talking about Lee Atwater. You know, he is a real pro, a real professional. And I just can't wait till he's back full-time in that saddle again, leading the party to more victories in the future.

I think all of us, especially those of us who are 66, remember a few losses over the years, too. I remember when I was running, with this spectacular lack of success, for the Senate back in 1964. My first speech was about building a two-party system in Texas. Barbara listened. Literally, three other people listened, and that was it. That was the whole thing. I'm pleased to see now a few more people here tonight.

But I understand some of you circulated a petition complaining that the only reason I was invited to speak tonight was because I'm Barbara Bush's husband. Guy put it very well, and perhaps generously. But I thought Barbara did a wonderful job at Wellesley, and I was very, very proud of her.

I'll tell you a story that's the gospel truth. I called Margaret Thatcher [Prime Minister of the United Kingdom] up to debrief her on the Gorbachev summit, as I did with Kohl [Helmut Kohl, Chancellor of the Federal Republic of Germany] and Mitterrand [Francois Mitterrand, President of France] and the other leaders of Western Europe. And Margaret, before I could get a word in -- some of you know her, and she makes her point of view early -- but she said, ``Please, I watched Barbara's speech, and please tell her I thought it was magnificent." Here she was all the way across the Atlantic. She didn't want to talk about the Gorbachev summit; she wanted to talk about what Bar said up at Wellesley.

But a little-known secret is, Barbara did try to get me to go, too. She told me that I might as well face up to the fact that she was invited only because of the popularity and prominence of, as she put it, ``the sweet soul who shares my bedroom at the White House." [Laughter] I said, ``They invited you to Wellesley because of Millie?" [Laughter]

But you know, I just returned from the Midwest on a trip for some great Republican candidates, where I talked about this meeting that I felt was a very successful summit -- the one we held with President Gorbachev.

And over the past year -- remarkable change -- we have seen literally, as Howard alluded to, millions of people freed from the bonds of tyranny; and we felt this new breeze of freedom sweep away decades of oppression. And it was the Republican policy of peace through strength coupled with our unyielding commitment to freedom and democracy that helped breathe life into the Revolution of '89 and provided us the opportunity to make so much progress at the Washington summit 2 weeks ago, a policy so successful in the 1980's because of the vision and the leadership of many people, but none more than my predecessor, President Ronald Reagan. I remember some cynics saying -- when he stood in Berlin and said, ``Mr. Gorbachev, take down this Wall" -- I remember some critics coming at him from the left. The Wall is down, and I think

some of that is due to the steadfast conviction of the last President of the United States.

You know, President Gorbachev and I worked together during these 4 days to further the process of peace by working toward a safer world, a stable new Europe, one in which every nation's security is strengthened and no nation is threatened. And important differences? Of course they still remain: self-determination for Lithuania, to which we are committed, and the question of a unified Germany in NATO, which will contribute to the stability of a post-German unification Europe. But the summit was a success, and real progress was made.

I've also come here tonight to set a few things straight. Apparently there are some people whose sense of priorities is out of whack. And I'm talking about the people who believe that there is no difference between the Republican and the Democratic Parties. But there's a big difference. On our side, the Republican side, lies opportunity, empowerment, free market solutions to critical problems. Republican wants power in the hands of people, not in the hands of big government.

And what's scaring the heck out of our opponents is the simple fact that this fall they're up against the Republican record: the longest peacetime economic expansion in the history of the United States, the lowest unemployment rate in 16 years, and almost 22 million jobs created. And Republicans are the ones who want to keep this economy strong, and we fought every step of the way against those who want to bring America to a grinding halt. And we're fighting against mandated benefits that would burden every small business in America. We're fighting against mindless redtape, more tax-and-spend programs. And we are the ones who support a balanced budget amendment and, certainly, the line-item veto because with a more sane budget process, we know that we can build a better America.

Republicans are the ones who sent the Violent Crime Control Act to the Congress last year, with tougher penalties and enforcement measures. This administration is leading the charge to take back the streets, and we will win that battle. We are the party that brought you the Education Excellence Act and the education summit -- for the first time developing national goals for our schools, for the first time in American history, so that American students can be the best in the entire world.

And we care about the environment. Take a look at the record. We sent to the Congress the first major overhaul of the Clean Air Act in over a decade because we must protect our planet for our children and their children. But this administration also believes in market-oriented policies, policies that protect our planet and keep hard-working Americans on the job.

These are just a few of the greatest hits from the Republican record. But as everyone here knows, achieving more depends on winning more elections for Congress. We can beat our Democratic opponents on the issues when the fight's a fair one; but we lose, and the American people lose, when the fight's rigged because of Democratic gerrymandering. This year's election also presents an opportunity for us to regain a majority in the United States Senate. I feel it in

my bones. We can get the majority in the Senate, and we can end the Democratic stranglehold on the U.S. Congress.

Our goal is to build a better America for our children and for those who will come after them in the next century. Our goals are ambitious, but we have the best candidates and the best supporters in the entire country to get us there. And many of them are you. Many of them are right here in this room.

Republicans all across America are making a difference in our party, in our country, and in the lives of others: people like David Kirschner of Hanna-Barbera, who joined with other industry leaders to use the unique power of television cartoons to teach children at an early age to avoid the temptation of drugs, or Lod Cook over here, who's led Atlantic Richfield to become one of the most aggressive companies, mobilizing its work force to engage in what I call a Thousand Points of Light -- to engage in community service, helping the other guy. And there are so many others like them here tonight who make up this Grand Old Party. We do call them Points of Light. We can and will continue to make a difference for those who are hurting, those who are in need. And that's what building a better America is all about.

Thank you all for this glorious evening. Thank each and every one of you for caring, for your commitment. God bless you all. And aren't we lucky to live in the United States of America at this fascinating time of change in the world. Thank you very, very much.

Note: The President spoke at 9:48 p.m. in Hall A at the Washington Convention Center. In his opening remarks, he referred to Representative Guy Vander Jagt and John H. Sununu, Chief of Staff to the President.

The President's News Conference With the Regional Reporters Association

June 13, 1990

Baltic States

The President. Sorry for keeping you. Thank you very much. I'm very glad to meet with you all today -- leaders of the RRA -- for the newspapers and media represented in this room provide a daily, some times hourly, forum for the American people. From the large dailies in New York and Denver and Houston to the Watertown Daily Times, and from the cable networks to the radio affiliates, you cover regions as well as the Nation, and you provide this vital bridge from Washington to your own hometowns.

You also provide a bridge to the world, and I would like to start today's conference by just a very brief comment on the significant change that's occurred in the Soviet Union. You see, we applaud President Gorbachev's meeting with the Baltic Presidents. For some time, we've urged a peaceful resolution of this confrontation, one that will result in dialog -- negotiation, if you will -- in lifting of this economic blockade against Lithuania.

So, I hope that what we saw yesterday is a first step in a dialog that will lead to the self-determination that we strongly support. In any event, I think it was good news. I don't want to overstate it, but I was very, very pleased to see this occur in the wake of what I think was a successful summit meeting.

Now I'll be glad to respond to questions. I don't know how we're going to do this. We need a moderator.

High School Dropout Rate

Q. Mr. President, the Tennessee General Assembly passed a law this year in which they will take away the driver's licenses of any high school students who drop out until they're 18 years old. And I wondered if that's the kind -- would be a good national policy to keep more students in school.

The President. I'd be interested to know how it works. One of the great things about our educational system is its diversity. I'd be very interested to see if that works because I have been very much concerned about the dropout rate. I've been concerned not just as it affects everybody but there are certain groups that are most adversely affected where the numbers are very high on dropout. So, without going any further, I'd simply like to know how it works, and perhaps in our whole educational approach, we could use that as an example of something that will help correct

the abysmal dropout rate that we have in this country.

Niobrara River Scenic River Designation

Q. The House is voting this week on a scenic river bill for the Niobrara River in Nebraska. Why is your administration opposed to this bill, and will you veto it?

The President. That has not come to me yet, and I cannot comment on it in detail at all. I'm very sorry I can't help you on it.

Offshore Oil Drilling

Q. Mr. President, you said a few weeks ago that your decision on offshore drilling was a few days away. It's been more than a few days.

The President. How much is a few days? You said a few weeks ago. Let's not get into semantics.

Q. About 2 weeks ago. When are you going to announce a decision?

The President. Okay, that's only 14. I don't know. I really don't. But it's a matter of -- --

Q. What's the delay?

Mr. President. Just wanting to be sure that I have all the information I need. We're still getting opinions. It's a very hot item as you know, but we'll have a decision, as I said, within days.

Mexico-U.S. Free Trade Agreement

Q. Mr. President, some Northeastern border States are worried this week about the future of their economic relationship with the north. You agreed or promised this week to lay the groundwork this year for a free trade agreement with Mexico very similar to the deal struck 18 months ago with Canada. The feeling in some Northern States seems to be that an abundance of cheap Mexican labor might undermine business links with Canada. My question to you is: How would you protect the Canadian free trade agreement from that cheap Mexican labor in the event of a deal?

The President. We're a long way from an agreement with Mexico. But in principle, I am strongly in favor of a free trade agreement with Mexico. We had a very good discussion -- I did Sunday night -- with President Salinas [of Mexico] at our house. You know, every time you try to work out a free trade agreement -- and this was true of the Canadian one -- you hear a lot of horror stories. But I think the pluses so far outweigh the negatives that it's worth pursuing. I haven't

even really gotten into thinking about what an adverse effect on Canada of a free trade agreement with Mexico, if that was your question, or of border States.

I do know that I live in a border State, in Texas. And I've talked to several of the leaders who come from Texas in the Congress -- and they are very important ones, people that have some say on this -- and they're all very enthusiastic in principle. I expect there will be some organized labor opposition to some aspects of it, but we really haven't gotten that far. I would simply respond to the concerns that you ask about by saying the benefits will far outweigh any negative aspects, in my view.

Maine Gubernatorial Race

Q. Mr. President, you also live in another border State sometimes.

The President. Probably more than the other one right now. [Laughter]

Q. Some Maine Democrats are sort of viewing the Maine gubernatorial race as a political test of strength between yourself and Senate Majority Leader George Mitchell. Governor McKernan, the Republican, was one of your earliest supporters. Former Governor Brennan, who is running as a Democrat, appointed Mitchell to the Senate. You're a part-time resident of the State of Maine, so I assume you have some interest in the race. Is this a test of strength between yourself and Mitchell, and if it is, who is going to win?

The President. No. I don't think it's a test of strength between any other outside observers. But what I do think is that it's very important that Jock McKernan be reelected Governor of Maine. And I am strongly for him, and I hope that I can help him. And I think I know something about that State because I have a great affinity for it and connection with it, as you point out. So, I would simply say I want to do everything I can to help Jock McKernan. He's an outstanding Governor, and I think he is locked in a tough battle there with Joe Brennan.

Neil Bush

Q. Mr. President, your son Neil's lending practices while a boardmember of Silverado Savings and Loan will cost taxpayers $106 million. How should Neil make restitution, and are you not providing the FBI the enforcement tools it requested because Neil might get caught in the web?

The President. I don't accept your premise at all, and I don't think the Congress does, either.

Environmental Policy and Employment

Q. As you know, your administration opposes the provision in the Clean Air Act that the House passed to compensate workers displaced from the Clean Air Act. Would you apply that same

sort of logic to the Pacific Northwest -- in that workers could be displaced by the listing of the spotted owl -- would you want to help those workers out in some form of compensation?

The President. I want to help them out in the decision. I do not support -- I think what you're referring to was the Byrd amendment that was debated. And I oppose that, and I would oppose a similar amendment, but I am very much concerned about the potential loss of jobs as a result of this spotted owl problem. I want those 30,000 families to understand that we care very much about that. But I cannot say that I would support the very kind of amendment that I opposed. But I hope that we can have a resolution of this problem that will not result in throwing 30,000 families out of work.

Terrorism and Iran

Q. Mr. President, more than 30 Syracuse University students were killed in the bombing of Flight 103, and it's been about a month since the Commission on Aviation Terrorism released its report. I'm wondering what you plan to do to implement the recommendations in the report. I'm wondering also, since aviation experts and terrorism experts have said that Iran paid for the bomb in the flight, why you have unfrozen Iranian assets and reached out to Iran?

The President. We aren't sure where the guilt lies on that. I wish I could say to the suffering members of the families who were here in this room not so many weeks ago that we knew definitively. We do have a mechanism set to follow up on Ann McLaughlin's report. The NSC [National Security Council] will coordinate that for me.

Some of the recommendations can be implemented really quickly, some will require some time, and I'm not sure I will accept them all. We've just gotten that report a couple of weeks ago. But it was very good work. And the thing I liked about the meeting with the families -- at least I had an opportunity to dispel some concerns I think that they felt: that there was a lack of caring here about this.

On Iran, there has been very limited progress; and there will not be a normalization of relations with Iran, I'm afraid, until all of our hostages are out. They asked me, you know, at the time of the release of two, what good will I could exhibit, saying good will begets good will.

Incidentally, the minor adjustments in the -- what do you call it, on the Iran sanctions, Iran money that was held up, and our money that was held up -- came out very far in favor of United States interest. But it was a small amount of the overall problem that was discussed. But we cannot have normalized relations until we make more progress on getting the hostages out. It's like saying, Okay, two are out, but four are still kidnaped. So, for each one, you make some deal. I'm not going to do that.

Clean Air Legislation

Q. Mr. President, Mr. Porter, your domestic aide, said you would actually veto the Clean Air Act if the conference committee puts in the House amendment which does provide special unemployment and retraining aid for those who are made jobless by the Clean Air Act. Is that so?

The President. I'm not sure I can address it in that much detail. I tried to answer the question over here, and I just have to stay with that until I -- I've learned something in this job: You don't make decisions until you have all the facts. And I don't have all of them here, and I don't want to go into a hypothetical example like that.

Once in awhile, we do that. Once in awhile we say, If this isn't changed, we'll put down a veto on it. And I think I try to do that so as to shape the legislation early on. On this one, I'd need to know more before I'd take that position.

Federal Assistance for Depressed State Economies

Q. Mr. President, the economies in the Northeast right now are going through some really tough times. Could you comment, please, about what the role of the Federal Government should be to help these States out?

The President. The role should be the same as it was when Texas and the Southwest were going through some very difficult times 2 years ago. And indeed, some areas of that State and others are still going through it. And that is to provide an economic climate in which there is job opportunity. I don't believe that the Federal Government has a kind of what I would call an industrial policy role in alleviating a problem that's on a certain city or a certain State. The Federal Government has the obligation to try to provide an economic climate in which prosperity can prevail and thus lift up the lives of all Americans. And then we have some specific other roles. But if you're talking about impacted aid, I don't believe that's the proper response.

Way in the back, only because we haven't been back there. These two. One, and then -- --

Cuba-U.S. Relations

Q. Mr. President, as you know, the people are quite interested and concerned about our relations with Cuba. I'm interested in knowing what you think of the Soviet proposal that the United States loosen its economic embargo of Cuba as a step toward the Soviet Union reducing its subsidies for Cuba.

The President. I've got a better idea: The Soviets ought to stop spending $5 billion a year in Cuba. I think that would be enormously helpful to get for the Cuban people what most every

other country in this hemisphere has and clearly what many in Eastern Europe are enjoying -- democracy and freedom.

So, my suggestion would be: If that totalitarian and brutal society were not propped up by an enormous subsidy from the Soviet Union, I have every reason to believe that Cuban people would have a right to achieve the freedom that other countries have achieved. So, that's where I'd start on that question, and I would not accept the idea that this is a time to change our policy toward Fidel Castro [President of Cuba].

Larry McAfee

Q. Mr. President, I understand your domestic policy staff has been working on the case of Larry McAfee, the fellow with the respirator in Alabama. I'd like to know what steps they've taken and how soon someone might be able to give him an answer about whether he'll be able to live in his own house and help support himself.

The President. I'm embarrassed to say that one has not come to me. But we should get an answer, David [David F. Demarest, Jr., Assistant to the President for Communications], to that before you leave here. I mean, I want you to have it. It's not come to me yet.

Taxes

Q. Governors, including Governor Bill Clinton of Arkansas, have complained repeatedly in the past that your no-new-taxes pledge that you made at the Republican Convention in 1988 has dramatically limited the ability to raise needed tax revenues at the State and local level. Did you intend for ``Read my lips!'' to apply to the local level?

The President. No, it's a good question, and I think I've spoken out on that. I know I have before, because certain States have found that they have had to raise revenues. And I am not about to criticize, and have not criticized, Governors, Democrat or Republican, who have gone that route, or ballot proposals that take an opposite view from that. What I'm talking about is the Federal role. And so, I'm glad to have a chance to clear it up, and it's a very good question.

We'll take two more on the aisle here.

Environmental Policy and Employment

Q. A followup to the earlier question on the spotted owl. Were you saying that you are trying to influence Mr. Turner's [John F. Turner, Director of the U.S. Fish and Wildlife Service] decision on whether the owl should be listed?

The President. No. We have very limited control over that. I'm saying I care very much about

environmental concerns, and I care very much about family concerns. It's tough when a person is thrown out of work in this country, and we've got to keep in mind family concerns as well as environmental concerns. But I'm glad you raised it because, really, the act provides a certain mechanism for addressing problems of this nature. And the administration has very little way to get involved in that.

Space Exploration

Q. You've spoken optimistically about the need for a space station -- it's going to cost about $35 billion, four times its original estimate -- a Moon-Mars mission, which could cost as much as $500 billion over the next 30 years. How do you get Congress, at a time when NASA is notorious for cost overruns and when they've got to tighten the budgets everywhere, to go along with your vision for space, or in the alternative, how do you convince the American public that this is not just a grandiose, feel-good plan from the White House?

The President. Well, of course, some of the proposals we're talking about are stretched out over many years. But you know, I've been very pleased that Congress has been willing, in difficult fiscal times, to support a meaningful space program. I think it is important not only to be out front in terms of scientific achievement but also to recognize that what Sally Ride [shuttle astronaut] called a visit to planet Earth, I believe, is important. In other words, there's benefits that come to medical science and to environment and to everything else from having a very active space program.

And you put it well because there's a tremendous demand for dollars in a budget, especially when you have an enormous deficit to face, like we're doing. And so, I've been pleased that our proposals have had broad supports, crossing party lines, Democrat and Republican, in the sense of support for the objectives in space that I've spelled out. And I hope that support remains because I think there is benefit to the United States and I think it's always been our heritage, our pride, to reach out and be on the cutting edge of science. And so, I think the American people will continue to support that. You ask how the people -- I don't believe Congress would be supporting it if the American people looked at it quite differently.

I really do have to go, and thank you all very much.

Q. Mr. President, will you do this again?

The President. Now, wait a minute, you're changing this again. You already asked two questions. Get out of here. [Laughter] Thank you all very much. You have a question -- aw, aw, no two questions. [Laughter]

Q. Will you do this again? Will you do this again?

The President. This is a walking exit. This is a walking exit. I may not answer it if it's not the kind in general.

Transportation Policy

Q. With airline deregulation and Greyhound bankruptcy, many cities have lost their airline and inner city bus services. Does the Federal Government have a responsibility to preserve transportation options for rural America?

The President. I think the Federal Government would like to see options preserved, and they'll like to see it done by supply and demand. I would like to see it done not by the Federal Government coming in and saying you've got to have this carrier here and that mode of transportation there but by having the market provide the transportation that is often essential, and that's the way of it. But I am concerned when you have a major carrier like Greyhound having the fiscal problems they do because it could be enormous interstate inconvenience. So, we're taking a look at that one right now.

Thank you all very much.

Note: The President's 50th news conference began at 11:14 a.m. in Room 450 of the Old Executive Office Building.

Nomination of Townsend B. Friedman, Jr., To Be United States Ambassador to Mozambique

June 13, 1990

The President today announced his intention to nominate Townsend B. Friedman, Jr., of Illinois, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Mozambique. He would succeed Melissa Foelsch Wells.

Since 1987 Mr. Friedman has served as Director of the Office of Southern European Affairs at the Department of State. Prior to this, he served as Deputy Director of the Office of Southern European Affairs, 1986 - 1987; Political Counselor at the U.S. Embassy in Athens, Greece, 1983 - 1986; student at the National War College, 1982 - 1983; political officer at the U.S. Embassy in Buenos Aires, Argentina, 1979 - 1982; labor-political officer at the U.S. Embassy in Buenos Aires, Argentina, 1978 - 1979; and political officer at the U.S. Embassy in Athens, Greece, 1975 - 1978. In addition, he has served as a Special Assistant for Policy Planning, 1973 - 1974; Special Assistant to the Counselor, 1973; information officer at the Department of State, 1972; political officer at the U.S. Embassy in Santiago, Chile, 1968 - 1972; staff aide at the U.S. Embassy in Santiago, Chile, 1967 - 1968; analyst for the Bureau of Intelligence and Research at the Department of State, 1965 - 1967; vice consul in Porto Alegre, Brazil, 1964 - 1965; and a junior officer at the U.S. Embassy in Rio de Janeiro, Brazil, 1962 - 1964. Mr. Friedman joined the Foreign Service in 1962.

Mr. Friedman graduated from Cornell University (B.A., 1962). He was born January 4, 1940, in Chicago, IL. Mr. Friedman is married, has two children, and resides in Potomac, MD.

Nomination of Richard C. Brown To Be United States Ambassador to Uruguay

June 13, 1990

The President today announced his intention to nominate Richard C. Brown, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Oriental Republic of Uruguay. He would succeed Malcolm Richard Wilkey.

Since 1990 Mr. Brown has served as special adviser for International Security Affairs at the Department of Defense. Prior to this, he served as Deputy Assistant Secretary of Defense for Inter-American Affairs, 1988 - 1990; Deputy Chief of Mission at the U.S. Embassy in Montevideo, Uruguay, 1985; Director of the Office of Caribbean Affairs, 1984 - 1985; Director of the Grenada Task Force, 1983 - 1984; Deputy Director of Caribbean Affairs at the Department of State, 1982 - 1983; student at the National War College, 1981 - 1982; staff member for Latin American Affairs on the National Security Council, 1978 - 1981; Deputy Chief of Mission at the U.S. Embassy in Port Louis, Mauritius, 1976 - 1978; principal officer for the U.S. consulate in Recife, Brazil, 1974 - 1976; and political officer for the U.S. consulate general in Rio de Janeiro, Brazil, 1972 - 1974. In addition, he has served as Special Assistant to the Assistant Secretary of State for Inter-American Affairs, 1969 - 1972; political officer for the U.S. consulate general in Barcelona, Spain, 1967 - 1969; provincial officer in Vietnam for the Agency for International Development, 1965 - 1966; in Vietnamese language training for a Foreign Service Institute, 1964 - 1965; and projects officer for Special Information Project on Cuba, 1963 - 1964. Mr. Brown joined the Foreign Service in 1963.

Mr. Brown graduated from George Washington University (B.S., 1960; M.S., 1961). He was born November 1, 1939, in Tulsa, OK. Mr. Brown is married, has two children, and resides in Chevy Chase, MD.

Statement by Press Secretary Fitzwater on the Violence in Romania

June 14, 1990

The United States condemns in the strongest possible terms the rioting of the past 2 days and the government-inspired vigilante violence that departs from the commonly accepted norms of democracy and the rule of law. We are concerned that the deplorable events of the past 2 days are being used to justify the suppression of legitimate dissent in Romania. This underscores the urgent need for Romania's newly elected leaders rapidly to establish the rule of law and to demonstrate in action their expressed commitment to genuine democratization.

Note: Press Secretary Fitzwater read the statement during his daily press briefing, which began at 10:03 a.m.

Remarks Following Discussions With Prime Minister Chatchai Chunhawan of Thailand

June 14, 1990

The President. To our visitors, Prime Minister Chatchai, Minister Sitthi -- Foreign Minister -- and all the honorable members of the delegation: It has been a pleasure to host this delegation from Thailand, one of America's oldest friends and closest allies.

Prime Minister Chatchai is a distinguished emissary from a noble land. From the temples and palaces of Bangkok to the teak forests and fertile rice paddies of the provinces, the Kingdom of Thailand is a land proud in its independent history, rich in its resources, and steadfast in its culture and faith. But in this era of breathtaking change, in Asia and around the world, what is most remarkable about Thailand is that it has combined a double-digit economic growth with the emergence of parliamentary democracy.

As His Royal Majesty King Bhumibol reminded a joint session of Congress 30 years ago this month, the word ``Thai'' actually means ``free.'' Thailand is the only country in Southeast Asia that maintained its independence throughout the colonial era. So, even though our peoples live on opposite sides of the globe, our countries are joined by a common vision. And we have made freedom our common cause. And in freedom, our nations have found an abiding friendship.

In our discussions, the Prime Minister and I agreed on the importance of maintaining a U.S.-Thai security relationship. I told him that while regional circumstances and world conditions have changed, America's commitment under the Manila Pact to Thailand's security and integrity remain firm.

America is proud of her role in the Pacific -- a commitment that has fostered peace and freedom and economic development among democratic friends like Thailand. But the Prime Minister and I agreed that much work remains, and I expressed our profound appreciation for Thailand's long cooperation in providing asylum to Indochinese refugees and assured him that we will continue to welcome to America our share of Vietnamese refugees presently residing in Thailand.

And we also talked about resolving the tragic conflict in Cambodia. And we agreed that both our countries should continue our diplomatic efforts to end the violence, to achieve a comprehensive solution that meets the aspirations of the Cambodian people by assuring genuine self-determination through free and fair elections under U.N. auspices and in the presence of an international peacekeeping force.

The Prime Minister's visit comes shortly before a meeting in Singapore on greater economic cooperation among the Pacific Basin countries. And Thailand and the five other ASEAN nations

are key to the success of this promising initiative.

I assured the Prime Minister of America's commitment to closer cooperation, to a successful conclusion to the Uruguay round of trade negotiations this year, and to mutually beneficial economic growth.

In the spirit of collective effort that extends back to our first economic treaty back in 1833, the Prime Minister and I agreed to establish a joint U.S.-Thai Committee for Commercial Cooperation, chaired by the Secretary of Commerce for the United States and by Thailand's Minister of Commerce. This committee will develop opportunities for bilateral cooperation in trade and investment while promoting greater commercial activity between the United States and Thailand.

Thailand is now enjoying a diversified and rapidly expanding economy, a stable government, and a business community attractive to foreign investors. We are working closely with the Thai people to assure that the mutual benefits of economic growth as well as environmental protection in joint science and technology efforts.

But there's one kind of business we agree we will not tolerate, and that is narcotics. It's a challenge of global proportions, and we look forward to expanding cooperation with Thailand in suppressing the production and trafficking of these poisons. And I assured the Prime Minister we were going to continue our battle on the demand side of the narcotics equation.

Mr. Prime Minister, relations between our countries now span some 150 years, and we share many goals in common. But what unites us is our commitment to peace, prosperity, and to the freedom that makes peace and prosperity possible. So, as you and your delegation depart after what we feel were very productive meetings and cordial discussions, we wish you the very best. Good luck and Godspeed, sir.

The Prime Minister. Mr. President, it is a great honor for me to be here at the White House on this auspicious day when the Americans throughout the United States are celebrating Flag Day, a day of great pride for all Americans. It is also with a sense of pride that we Thai look upon our relationship with this great nation. I have expressed to President Bush my hope that we would be able to build upon our 157 years of friendship and cooperation and together forge a closer and active partnership into the future.

With the more favorable trends of international relations, our two countries are committed more than ever to work together in bringing peace to Cambodia and to end the suffering of the Cambodian people. We will do all we can to accelerate the ongoing peace process. In this regard, we are prepared to work with the United States and the other permanent members of the United Nations Security Council to obtain our common objective of comprehensive peace in Cambodia through a free and fair election. We look upon the United States active participation

in the Cambodian peace process and a United States presence as a stabilizing role in the region as being vital to peace and stability of Southeast Asia.

In our economic relations, we have agreed to set up consultative mechanism on all aspects of our economic relation, which I hope could lead to a new framework for economic cooperation and partnership between our two countries. Such a mechanism would allow us to regularly discuss any potential trade issues before they become trade disputes. It would also serve as a vehicle to promote the constructive areas of economic cooperation, especially in Thai investment, which is bound to assume greater significance in our economic relation in the future. United States technology is second to none, and so United States investment should be second to none.

Mr. President, I share with you your concern on the need to rid our societies of the menace of drugs. It is tearing apart the very fabrics of our societies. Our efforts must be directed at both the supply and demand side of this problem. On our part, His Majesty the King is particularly concerned about the problem and has urged the Government to take serious steps to tackle it. I pledge to you the full support of the Thai Government in the war against drug trafficking.

These are the important issues which President Bush and I discussed. These are the issues that our two governments will be working on in the days and months ahead. Lastly, I would like to thank President Bush and the United States Government for the warm and cordial reception accorded to us.

Thank you, sir. Mr. President, thank you.

The President. Mr. Prime Minister, thank you. Glad you were here.

Note: The President spoke at 1:23 p.m. at the South Portico of the White House. Prior to their remarks, the two leaders met privately in the Oval Office and with U.S. and Thai officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Andres Rodriguez Pedotti of Paraguay

June 15, 1990

President Bush met with Paraguayan President Andres Rodriguez this morning. President Rodriguez is here on a private visit en route to the Far East.

President Bush expressed his support for the democratization process underway in Paraguay. The country held its first truly open and free election last year. Press freedom has been established. And the opposition is free to speak out and organize.

The two Presidents also discussed the question of drugs. President Bush told President Rodriguez that we would like to cooperate more intensively with Paraguay to prevent drug traffickers from establishing a foothold in that country.

President Rodriguez expressed the hope that GSP benefits for Paraguay would be restored as a result of the hearings now scheduled to begin on June 27.

Remarks at a White House Ceremony Marking the Entry of the Peace Corps into Central Europe

June 15, 1990

Thank you all very much, and welcome to the drizzly Rose Garden. [Laughter] But we're very pleased you're here on this special day. And I want to thank Paul Coverdell for his leadership during this exciting period, this new period in the history of the Peace Corps. I'm delighted that Secretary Mosbacher is here, and Secretary Eagleburger and Robson and, of course, Chief Justice Burger. It's a pleasure to welcome you back to the White House. And we're honored to have the representatives of the Hungarian and Polish Governments here as well, Ron Roskens, the head of AID, and so many former Peace Corps veterans, Members of Congress here today. I'll be careful; I'm sure I'll omit some. But I see Silvio and Jim Leach, Tom Petri, and Chris Shays and others. Jerry Lewis was supposed to be here -- and Silvio Conte I mentioned -- for this historic sendoff rally. Most of all, we're honored to have this opportunity to salute a dedicated, committed group of talented Americans who were here to take leave of these shores and become the first Peace Corps volunteers to serve in Eastern Europe. And today we're very pleased to welcome all of you, to tell you just how exciting and important we believe that this new mission will be.

From the time it was first launched in 1961, the Peace Corps has been a thrilling and an ambitious undertaking -- lofty in principle and yet, in its day-to-day struggle with challenging circumstances around the world, as practical and down-to-earth as government ever gets. The United States Peace Corps built its reputation the old-fashioned way -- step by step, village by village, family by family -- bringing the world a bit closer, one friendship at a time. For nearly 30 years it has drawn 120,000 idealistic Americans from all walks of life and sent them to the far corners of the Earth. And for nearly 30 years, the men and women of America's Peace Corps have built bridges of understanding and good will between the peoples of the United States and the peoples of scores of other nations. And today we launch a new people-to-people effort through which the citizens of America, Poland, and Hungary can work together in the exhilarating process of building new democratic societies.

Paul says that in many ways it is as if the Peace Corps had been in training for this historical moment. It shows that our mission, our desire for peace, knows no political or geographic boundaries. I agree with what he has said. Barbara and I have traveled all over the world, and the experience has taught us one important lesson: History is made not simply by nations but by their people. And that's why your efforts are so very, very important.

With your arrival in Poland and Hungary, the Peace Corps will serve in 70 nations, including half of all the developing nations. And our volunteers do battle against the age-old enemies of humankind -- famine, illiteracy, poverty, and disease.

I think back to 1985, when we visited the famine-stricken regions of Africa and saw firsthand the heartbreaking conditions of those lands. And I remember visiting our Peace Corps project and witnessing the quiet heroism of young Americans whose efforts were providing relief and whose lives were truly making a difference. Tomorrow you will set sail for a different region, and you'll encounter a different kind of hunger, a different kind of craving from that which Bar and I saw in Africa.

But the hunger is powerful, and the need is real for the nourishment of free ideas and the sustenance of free enterprise. Vaclav Havel, Czechoslovakia's beloved playwright-turned-President, spoke of this need when he addressed that magnificent joint session of Congress just last spring. And he said, ``We must all learn many things from you, from how to educate our offspring, how to elect our representatives, all the way to how to organize our economic life so that it will lead to prosperity and not to poverty."

The key you carry with you will be the English language -- what Paul calls the language of commerce and understanding. And just as national literacy has long been the key to power, so today English literacy has become the key to progress. Like your liberty, your language came to you as a birthright and a credit to the dreams and sacrifices of those who came before. And today you're investing that birthright in the ancient dreams and the new ideas of faraway peoples and their own nations reborn. Your investment is America's investment in the consolidation of democracy and independence in Central and Eastern Europe. Peace Corps programs in Poland and Hungary, and then soon in Czechoslovakia, are another tangible element of America's sustained commitment to Central and Eastern Europe's democratic transformation toward a Europe whole and free.

The 121 Points of Light gathered today -- make that 122 -- [laughter] -- gathered today in the Rose Garden represent 121 reasons why this new Peace Corps initiative is bound to succeed: pioneers like Margaret Mary McGill, an Adrian Dominican Sister who has also pioneered the use of bilingual classrooms; recent graduates like Katherine Uderstadt, who taught math and reading to second graders in Massachusetts public housing; lifelong public servants like Washington's own Felix Lapinski, a veteran educator who has tutored in English across three continents; and volunteers like Belle Rothberg, who has taught English to Spanish-speaking working people. Born to Polish immigrants before the Great War, teaching has kept Belle as young as her ideas. She recently even taught a course on the American Dream. And Belle says -- the quote here -- ``I remember my mother's yearning for the Vistula, and I have longed to walk in her footsteps. I love to teach, and I want to teach, continue to teach as long as I can."

Now, that's one great ambition, and that pretty much says it all -- speaks well of a great nation. To Belle and to all of you, we wish you Godspeed in this very important journey and wisdom and strength in the challenges ahead. Congratulations. Thank you for what you're doing for this country. Thank you for what you're doing for the people of the world. And God bless you all. Thank you very much for coming.

Note: The President spoke at 9:30 a.m. in the Rose Garden at the White House. In his opening remarks, he referred to Paul D. Coverdell, Director of the Peace Corps; Deputy Secretary of State Lawrence S. Eagleburger; Deputy Secretary of the Treasury John E. Robson; and Representatives Silvio O. Conte, Jim Leach, Thomas E. Petri, Christopher Shays, and Jerry Lewis.

Message to the House of Representatives Returning Without Approval the Hatch Act Reform Amendments of 1990

June 15, 1990

To the House of Representatives:

I am returning herewith without my approval H.R. 20, the ``Hatch Act Reform Amendments of 1990.'' This bill would alter unacceptably the provisions of Federal law, commonly known as the Hatch Act, that bars Federal employees from active participation in partisan politics.

As one who has devoted much of his life to public service, I take great pride in the integrity of our Federal work force. Thus, to protect Federal employees from political pressure and preserve the impartial, evenhanded conduct of Government business, I am obligated to disapprove H.R.20.

Originally enacted in 1939 as a bulwark against political coercion, the Hatch Act has successfully insulated the Federal service from the undue political influence that would destroy its essential political neutrality. It has been manifestly successful over the years in shielding civil servants, and the programs they administer, from political exploitation and abuse. The Hatch Act has upheld the integrity of the civil service by assuring that Federal employees are hired and promoted based upon their qualifications and not their political loyalties. It also has assured that Federal programs are administered in a nonpartisan manner, which is critical to maintaining the public's confidence and trust in the operations of Government.

H.R. 20 would effectively repeal the Hatch Act's essential prohibitions on partisan political activity by Federal civil servants. It also would convert the present rule that partisan politicking by Federal civil servants is prohibited, into a presumption that such partisan campaigning should be encouraged.

Under this legislation, Federal employees would be able to participate actively in partisan political campaigns and hold official positions in political parties; actively endorse partisan political candidates in the public media; and solicit political contributions in most situations from other employees who are members of the same ``employee labor organization'' for that organization's political action committee. The obvious result of the enactment of H.R. 20 would be unstated but enormous pressure to participate in partisan political activity.

History shows that such a reversal in the role of partisan politics in the ethic of public service would inevitably lead to repoliticizing the Federal work force. The sanctions provided in the bill would add little if anything to the effectiveness of existing criminal prohibitions. Moreover,

experience with enforcement of criminal anti-patronage laws shows that the Federal criminal justice process is ill-suited to the task of protecting Federal employees from subtle political coercion. Public servants who are subjected to direct or indirect partisan political pressures understandably would often be reluctant to file criminal complaints against their superiors or peers, possibly putting their livelihoods in jeopardy. They deserve better protection than that.

Overt coercion is difficult enough by itself to guard against and detect. The more subtle forms of coercion are almost impossible to regulate, especially when they arise in a climate in which the unspoken assumption is that political conformity is the route to achievement and security. Such a climate leads inexorably to subtle, self-imposed pressures on employees to conform, or appear to conform, to whatever political tendency will assure greater job security.

After all the debate, no real need to repeal the existing Hatch Act has been demonstrated. Under present law, the Hatch Act allows Federal employees to engage in a variety of forms of political expression. Only forms of active participation on behalf of partisan political causes and candidates are barred. The Supreme Court has twice determined that these limits on active partisan political activity are constitutional. These rules provide reasonable balance between participation in the political process by Federal civil servants and the need to protect them from harassment and coercion that would jeopardize the fair and impartial operation of the Government. H.R. 20 poses a grave threat to that delicate balance.

Indeed, the lack of any grass-roots clamor for repeal of the Hatch Act either now, or at any time during its 50-year existence, testifies to the support this statute has received within the ranks of the Federal civil service and among the general public.

I am firmly convinced that any appreciable lessening of the current protections afforded to Federal civil servants by the Hatch Act will lead to the repoliticization of the civil service and of the programs it administers. We cannot afford, in the final decade of this century, to embark on a retreat into the very worst aspects of public administration from the last century.

George Bush

The White House,

June 15, 1990.

Nomination of Timothy J. McBride To Be an Assistant Secretary of Commerce

June 15, 1990

The President today announced his intention to nominate Timothy J. McBride to be an Assistant Secretary of Commerce for Trade Development. He would succeed Michael Philip Skarzynski.

Since 1989 Mr. McBride has served as a Special Assistant to the President of the United States. Prior to this, he served as Personal Aide to the Vice President of the United States, 1985 - 1989; Deputy Director of the Vice Presidential Advance Office, 1985; consultant to the Republican National Convention Arrangements Committee in Dallas, TX, 1984; and a small business management consultant in Coral Springs, FL, 1982 - 1984.

Mr. McBride graduated from Eastern Michigan University (B.B.A., 1982). He was born October 10, 1958, in Orange, CA. Mr. McBride resides in Alexandria, VA.

Nomination of W. Lee Rawls To Be an Assistant Attorney General

June 15, 1990

The President today announced his intention to nominate W. Lee Rawls to be an Assistant Attorney General for the Office of Legislative Affairs. He would succeed Carol T. Crawford.

Since 1988 Mr. Rawls has served as a managing partner with the law firm of Baker, Worthington, Crossley, Stansberry and Woolf in Washington, DC. Prior to this, he served as a partner with the law firm of Vinson and Elkins, 1986 - 1988; resident director of Keleher and McLeod, P.A., 1985 - 1986; administrative assistant for Senator Pete V. Domenici, 1982 - 1985; manager of Federal Government relations for the Penzoil Co., 1980 - 1982; and administrative assistant and legislative director for Senator Pete V. Domenici, 1977 - 1980. In addition, Mr. Rawls served as a professional staff member for the Senate Committee on Environment and Public Works, 1975 - 1977; manager of government affairs for the Water Pollution Control Federation, 1974 - 1975; and legislative specialist in the Office of Legislation and Subcommittee Director for Senator Howard H. Baker for the Environmental Protection Agency, 1971 - 1974.

Mr. Rawls graduated from Princeton University (B.A., 1966) and George Washington University (J.D., 1977). He was born November 20, 1944, in Newport, RI. Mr. Rawls served in the U.S. Navy, 1967 - 1970. He is married, has three children, and resides in Kensington, MD.

Designation of Anne E. Brunsdale as Vice Chairman of the United States International Trade Commission

June 15, 1990

The President today announced his intention to designate Anne E. Brunsdale as Vice Chairman of the United States International Trade Commission for the term expiring June 16, 1992. This designation will be effective June 16, 1990. She would succeed Ronald Cass.

Since 1989 Ms. Brunsdale has served as Chairman of the United States International Trade Commission in Washington, DC. Ms. Brunsdale graduated from the University of Minnesota (B.A., 1945; M.A., 1946) and Yale University (M.A., 1949). She was born October 1, 1923, in Minneapolis, MN. Ms. Brunsdale resides in Washington, DC.

Statement by Press Secretary Fitzwater on the Soviet-United States Short-Range Nuclear Forces Negotiations

June 15, 1990

On June 8, the Soviets proposed that short-range nuclear forces (SNF) negotiations in Europe begin before a conventional forces in Europe (CFE) agreement is reached. The President has stated that SNF negotiations should begin after the conclusion of a CFE agreement. In addition, NATO strategy is based on maintaining an adequate mix of nuclear and conventional weapons. NATO will be discussing its approach to SNF negotiations over the next few months, most notably at the upcoming summit in London.

NATO has significantly and unilaterally reduced its nuclear forces over the past decade. In addition, the United States is canceling the follow-on to the Lance and will not be progressing with the modernization of nuclear artillery in Europe. The Soviet offer of unilateral cuts, therefore, would be welcome since it would parallel NATO's actions. The Soviets have a preponderance of forces in this category in Europe, and any unilateral reduction can help enhance predictability and stability.

The position of NATO, as articulated in the Turnberry North Atlantic Council Communique of June 9, is that negotiations on U.S. and Soviet SNF systems in Europe should begin shortly after a CFE agreement is concluded.

Statement by Press Secretary Fitzwater on the Review of Regulatory Issues by the Council on Competitiveness

June 15, 1990

The President today designated the Council on Competitiveness, chaired by Vice President Quayle, as the appropriate council to review issues raised in conjunction with the regulatory program under Executive Order 12498. The President has also directed the Council on Competitiveness to exercise the same authority over regulatory issues as did the Presidential Task Force on Regulatory Relief under Executive Order 12291, which established the administration's regulatory review process.

In taking these actions, the President reaffirmed his commitment to regulatory relief and the use of cost-benefit principles to remove unnecessary regulatory burdens from American businesses, workers, and consumers.

Statement by Chief of Staff Sununu on the Establishment of an International Fund for the Termination of Chlorofluorocarbon Production

June 15, 1990

The administration will propose a fund, operated and administered by the World Bank, to assist less developed countries (LDC's) in phasing out the production of CFC's by the year 2000. The President's proposal is intended to allow the parties to the Montreal protocol to conclude an acceptable agreement on a package of amendments. The proposal includes specific requirements addressing the uses of the fund, the precedential nature of the fund, the administration of the fund, assessments, control of the fund, and voting rights within the fund.

The President's proposal is structured to reflect the unique circumstances that create the need for a fund specifically designed to assist LDC's in phasing out CFC's in a nonprecedential framework. This approach meets the President's essential criteria for any such funding mechanism:

-- First, there is adequate scientific evidence of the causes and effects -- in this case, of ozone depletion.

-- Second, there is strong evidence that the steps to be taken, under the amended protocol, will successfully address the problem.

-- Third, the resources needed to address the problem are reasonable and predictable.

The President expects the parties to the Montreal protocol to successfully conclude negotiations on a package of amendments to the protocol next week in London. The administration's proposal will be offered at that time. The President's proposal is designed to meet the financial needs of LDC's as they transition from the production of ozone-depleting substances to environmentally safe alternatives. At the same time, it addresses previously stated, significant U.S. concerns about the use and management of the fund and the concern that there be no precedent-setting nature to such aid.

The United States has been a world leader in efforts to control emissions that adversely affect the ozone layer: The United States outlawed the use of CFC aerosol propellants in 1978, strongly supported the initial negotiations that led to the Vienna Convention for the Protection of the Ozone Layer in 1985, and was among the first to sign the Montreal protocol in 1987.

Nomination of Stephen D. Potts To Be Director of the Office of Government Ethics

June 18, 1990

The President today announced his intention to nominate Stephen D. Potts to be Director of the Office of Government Ethics, Office of Personnel Management, for a term of 5 years. He would succeed Frank Q. Nebeker.

Since 1961 Mr. Potts has served as a partner with the law firm of Shaw, Pittman, Potts and Trowbridge in Washington, DC. Prior to this, he served as vice president of Cherokee Life Insurance in Nashville, TN, 1959 - 1961, and as an associate attorney with the law firm of Farris, Evans and Evans in Knoxville, TN, 1957 - 1959. He has served in the U.S. Army Judge Advocate General's Corps in the Defense Appellate Division at the Department of Defense in Washington, DC, 1955 - 1957.

Mr. Potts graduated from Vanderbilt University (A.B., 1952; LL.B., 1954). He was born November 20, 1930, in Memphis, TN. Mr. Potts served in the U.S. Army, 1954 - 1957. He is married, has three children, and resides in Bethesda, MD. Mr. Potts has won five national father-son tennis championships.

Message to the Congress Transmitting the Annual Report on Radiation Control for Health and Safety

June 19, 1990

To the Congress of the United States:

In accordance with section 360D of the Public Health Service Act (42 U.S.C. 2631), I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act during calendar year 1989.

The report recommends that section 360D of the Public Health Service Act that requires the completion of this annual report be repealed. All the information found in this report is available to the Congress on a more immediate basis through the Center for Devices and Radiological Health Center technical reports, the Radiological Health Bulletin, and other publicly available sources. This annual report serves little useful purpose and diverts agency resources from more productive activities.

George Bush

The White House,

June 19, 1990.

Nomination of Edward William Gnehm, Jr., To Be United States Ambassador to Kuwait

June 19, 1990

The President today announced his intention to nominate Edward William Gnehm, Jr., of Georgia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait. He would succeed W. Nathaniel Howell.

Currently Mr. Gnehm serves as Deputy Assistant Secretary of State for Near East and Southeast Asian Affairs. Prior to this he served as Deputy Assistant Secretary of Defense for Near Eastern and Southeast Asian Affairs. In addition, Mr. Gnehm served as Deputy Chief of Mission at the U.S. Embassy in Amman, Jordan. He has served as a career Foreign Service officer in Sanaa, Yemen Arab Republic; Riyadh, Saudi Arabia; Damascus, Syria; Lebanon; Tunisia; Vietnam; and Nepal.

Mr. Gnehm graduated from George Washington University (B.A., 1966; M.A., 1968). He was born November 10, 1944, in Carrollton, GA. Mr. Gnehm is married, has two children, and currently resides in Potomac, MD.

Nomination of Genta Hawkins Holmes To Be United States Ambassador to Namibia

June 19, 1990

The President today announced his intention to nominate Genta Hawkins Holmes to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Namibia. This is a new position.

Since 1988 Mrs. Holmes has served as Deputy Chief of Mission for the U.S. Embassy in Pretoria, South Africa. Prior to this, she served as Deputy Chief of Mission for the U.S. Embassy in Port-au-Prince, Haiti, 1986 - 1988; Deputy Chief of Mission for the U.S. Embassy in Lilongwe, Malawi, 1984 - 1986; member of the Board of Examiners, 1983 - 1984; member of the 25th Executive Seminar in National and International Affairs, 1982 - 1983; and Assistant Administrator for Legislative Affairs at the Agency for International Development, 1979 - 1982. In addition, Mrs. Holmes has served in the Bureau of Congressional Relations at the Department of State, 1978 - 1979; in the congressional fellowship at the American Political Science Association, 1977 - 1978; as chief of the economic and commercial section for the U.S. Embassy in Nassau, Bahamas, 1974 - 1977; in the Office of Development Finance for the Economic Bureau at the Department of State, 1973 - 1974; in the Office of Economic Opportunity at the New York Regional Office, 1972 - 1973; as special assistant to the Ambassador and youth officer at the U.S. Embassy in Paris, France, 1968 - 1971; and in the Office of Special Assistant to the Secretary of State for Refugee Affairs, 1966 - 1968.

Mrs. Holmes graduated from the University of Southern California (B.A., 1962). She was born September 3, 1940, in Anadarko, OK. Mrs. Holmes is married and resides in Washington, DC.

Message to the Senate Transmitting the Poland-United States Business and Economic Relations Treaty

June 19, 1990

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Poland Concerning Business and Economic Relations, with Protocol and four related exchanges of letters, signed March 21, 1990, at Washington. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty is the first to be transmitted to the Senate under my initiative to strengthen economic relations with East European countries, in support of the political and economic reforms taking place there. It will encourage, facilitate, and protect U.S. investment and business activity in Poland. The treaty also will serve to stimulate the growth of the private sector and of market institutions in that country. The treaty is fully consistent with U.S. policy toward international investment. A tenet of this policy, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the parties also agree to international law standards for expropriation and compensation; free financial transfers; and procedures, including international arbitration, for the settlement of disputes.

I recommend that the Senate consider this treaty as soon as possible and give its advice and consent to ratification of the treaty, with protocol and related exchanges of letters, at an early date.

George Bush

The White House,

June 19, 1990.

Remarks at the Great Outdoors Award Dinner

June 19, 1990

Thank you all very much for that warm introduction and that special honor. And thanks -- I think it's the Marines I see down there in the glow. [Laughter] I thank them especially for providing the music tonight, and David Humphreys and Galey Coleman here and Sheldon. I understand we have some distinguished Senators or Congressmen. Every time you announce them, somebody says, ``Oh, they're not here. They're off voting someplace." [Laughter] But Senators Burns and Roth, Ron Marlenee, Congressman Hiler and, of course, my friend Derrick Crandall and Stu Northrop and Dick Nunis over here and Jeff Napier.

Look, it's a great pleasure for me to be with you tonight, and I will be relatively brief, speaking before the broccoli. I've got to get out of here and get back home. [Laughter] But really, what an honor to accept this Sheldon Coleman Great Outdoors Award. He was a great friend, I bet, to everybody in this room and to many others across the country -- a great friend of nature, and his influence is still with us today in so many ways: in partnerships for the outdoors that he encouraged throughout his entire life. And like the lanterns that bear his name, glowing beside the tents and RV's across this country, those partnerships do shine bright with promise for the environment -- the precious environment we share.

I am deeply honored that you consider me worthy of this award, and I imagine there was some controversy. [Laughter] Some might say that the award should have gone to a more accomplished outdoors-person. It probably should have gone to the only person I know who can fish and read at the same time: Barbara Bush [Laughter]

Look, there's some fishermen out here. Please understand my frustration. [Laughter] We're looking for these damn bluefish, and -- [laughter] -- Barbara's reading away, studying, reading -- ``Oh, I've got a fish." And I'm out there working and studying and changing bait, and nothing happens. [Laughter] But I don't worry when somebody reaches into the tackle box and pulls out a lure like a Mepps Spinner or a Johnson Silver Spoon, because I've got the Silver Fox. [Laughter]

And like every pursuit in the great outdoors, fishing is a great equalizer, whether you're out there with a friend or a head of state or one of the grandkids. You get out there; and you just simply love it, just like the other 60 million American men, women, and children who fish from boats and beaches and bridges and riverbanks all across this great country.

I remember, fishing off the Saco River in Maine, there was a guy with a belly that made one of these sumo wrestlers, or whatever they are, look skinny, you know. [Laughter] And he's standing out there, fishing with his grandson; and I come by in our cigarette [boat] with our couple, trolling, I admit, nice and slow. And the guy yells out, ``Only in America." [Laughter] And you

know, he was absolutely right. [Laughter] Here we were. It was just very special, and all of us have our own tales to tell. [Laughter]

But all of you understand how time spent in nature, in camping or hiking or fishing, frees up the mind, restores the soul, and makes memories -- tranquil, peaceful, wonderful memories that stay with you the rest of your life. Among the greatest joys that Barbara and I have ever known have been exploring the outdoors with our kids and our grandkids. You saw George P. here with us. Look at the majesty, then, of the Grand Tetons through the eyes of a 13-year-old grandson, teach a grandkid a few mysteries of the ocean, and you're powerfully reminded that our kids will truly inherit the Earth.

You don't even have to leave home. Every summer on vacation, up at our house there at Kennebunkport, we put up a tent -- I don't want to prejudice any other vendors here or manufacturers. [Laughter] But I call Sheldon Coleman and say, ``Hey listen, I need a tent." This was several years ago. And I get a tremendous kick out of -- that same tent goes up every year -- and I get a tremendous kick -- you don't have to leave home -- hearing the nighttime giggles of the grandchildren out there. It's wonderful. You see them reading by a lantern and telling stories, hear them whispering to each other before they drop off to sleep with the sea pounding away in the background.

These are special moments, moments in the outdoors, and they are all very, very special. So, preserving nature for future generations demands special effort. And I've been very happy to support the public-private partnerships like this Wallop-Breaux -- was Dingell-Johnson -- but the Wallop-Breaux Trust Fund to protect our wetlands and preserve and enhance the boating and fishing, and by encouraging private partnerships like Ducks Unlimited and groups like the American Recreation Coalition and the Recreation Roundtable to engage this nation in a new spirit of renewal. I want to try my very hardest to do my part to help build that spirit.

In this year's budget, we included funds to help save the Everglades and to implement the historic North American Waterfowl Management Plan, to stop the tragedy of thousands of birds dying at the Stillwater Wildlife Refuge. But the cornerstone of our program was something called America the Beautiful, to expand our parks, our forests, and wildlife refuges; to promote recreation; and, yes -- one of the ones that I'm most interested in -- to plant a billion trees a year in America.

Tonight I want to ask for your help. I've seen too many budgets frittered away on other priorities. We all agree that trees are good for our water and good for air, good for our communities. So, take this message with you, please, to the legislative branch: Don't leave our tree planting initiative out on a limb.

Groups like this one are helping us build a new ethic of stewardship in America. And you know, I do believe that we have reason to be hopeful. This year, in a tradition that dates back to

President Taft, I was presented with the first salmon caught in the 1990 season in the Penobscot River in Maine. It was a tradition that died back in the 1950's because the river had deteriorated so much. But this year, a State fisheries spokesman said they had the biggest opening day that he could recall. Right here in Washington, DC, the once-polluted Potomac River is now a site for first-class bass fishing tournaments.

I was fishing in Pintlala, Alabama, with Ricky Clune, a kid from Montgomery, Texas, one of the great bass fishermen in this country. And Rick -- I'll never forget his winning a bass tournament. If you haven't been to one of these weigh-ins, you ought to go. Four or five thousand people in a stadium when these guys come trailering their fishing boats in and bringing out the bass. And I'll never forget Rick Clune, when he won Bass Masters Championship, saying that he learned to fish when he was in his underwear following his dad in the creeks of Oklahoma. And he said, ``Isn't it great to live in a country with no limits." And I like that, and I think he's right.

He was telling me in Pintlala this winter, he said, ``You don't have to come all the way down here to Alabama to fish." He said, ``The Potomac River is back. You can go right across from the Pentagon and get good 5-, 6-, 7-pound bass out there." And he was right. I think it's an exciting thing that you all are doing for this country, helping us bring back these fantastic resources that regrettably we took for granted maybe 10 or 20 years ago.

So, I'm honored that you'd grant me the Great Outdoors Award, in the memory of Sheldon Coleman. He was a great inspiration to me. I knew him personally. I loved that remarkable spirit that you all remember, and I salute his memory. I'm also here to tip my hat to all of the individuals in America, like yourselves, who are raising awareness, raising money, and sometimes raising hell to preserve -- [laughter] -- our natural heritage for future generations. Sometimes that does mean conflicts, but I believe that the efforts we put into finding constructive partnerships will take us much farther than debate and contention. We need to spend less time arguing and more time working on solutions.

All of you here tonight have the creativity, the will, and the love of the outdoors to create new private partnerships to protect this nation's natural beauty. So, let me encourage each of you: Help us build momentum for a new spirit of American stewardship. As your President, I will not ever miss any opportunity at all to go fishing, to go hiking, to go camping -- [laughter] -- to go out in my boat. I want to do my part. And so, I'll go to work early in the morning and sometimes go home late at night, but I'll be damned if I'm going to let anybody keep me from the great outdoors.

Thank you all very, very much. I'm honored to be with you. Thank you so much.

Note: The President spoke at 8:23 p.m. in the ballroom at the Vista International Hotel. In his remarks, he referred to David Humphreys, chairman of the board of the American Recreation Coalition; Galey Coleman, the widow of Sheldon Coleman, Sr.; Sheldon C. Coleman, Jr.,

chairman of Sheldon Coleman Enterprises; Representative Ron Marlenee; Derrick Crandall, president of the American Recreation Association; Stuart Northrop, chairman of the executive committee of Huffy Corp.; Richard Nunis, president of Walt Disney Attractions; and Jeff Napier, president of the National Marine Manufacturers Association.

Remarks at a Fundraising Luncheon for Governor Guy Hunt in Huntsville, Alabama

June 20, 1990

Thank you, ladies and gentlemen. Thank you for that warm welcome back to Huntsville. Thank you very much, all of you. These guys that did that extra applauding over here, you young guys, you can have my broccoli when they serve the lunch. [Laughter]

I want to thank Governor Hunt and his family, who I had a chance to meet with earlier, especially Helen. I'm glad to see her looking so fit, working so hard on the campaign trail. I want to pay my respects to Mayor Folmar and Anita, other friends of longstanding -- he of Montgomery fame. And it's great to see so many others. John Grenier was there to greet me when I got off the plane, and we go back a long, long time. And of course, another old, close, personal friend that Barbara asked me to convey her love to, and I'm talking about Bill Cabaniss, who's running such a great race for the United States Senate. We've got to have him elected.

And I'm pleased to see our chairman, Arthur Outlaw. And I'm told Jean Sullivan is here, though I didn't see her. And there is someone here today, in addition, that I really need in Washington, DC -- someone who can help the fight to win the battle against drugs, someone that is committed to expanding and protecting our space program, and someone who stands for a strong national defense. And I'm talking about your next Congressman from this district, Albert McDonald. We've got to see him elected. We need that Fifth District seat.

It's great to be back, back in what the song calls sweet home Alabama. In fact, I've recently been down this way -- several months now -- first, recently to Birmingham and, prior to that, doing a little bass fishing in Pintlala. Considering my record as a fisherman, the bass have nothing to worry about, nothing at all. [Laughter] But I loved every minute of it, and I want to be invited back. And we had a reception over here -- and I will spare her the embarrassment -- but a beautiful Alabamian said to me -- how she got this past the Secret Service, I don't know -- what she meant was: You're a lousy fisherman, and I think I can help. And she reached into her pocket and pulled out a rubber, kind of a pink-looking frog, or something of that nature -- a worm, exactly. And I thanked her very, very much, because when we get out of Washington, we talk about the things that really matter. [Laughter]

This time I've come to Alabama, though, with a more serious purpose in mind. This State is so special and so unique, so who can say what best captures the spirit of Alabama? Is it the voices of the choir in Montgomery's Dexter Baptist Church or the ornate balconies and French windows of Mobile? Or is it the hustle of that dynamic Birmingham business or the quiet intensity of this fantastic space center? This much we can say: Alabama is diverse, and Alabama needs a Governor who understands what it means to serve all of the people. And that's exactly the kind of Governor you've got. And come November, that's the man that Alabama must and will

reelect. And of course, I'm talking to Guy Hunt, your friend and mine.

I'm told that a New York Daily News reporter was recently touring the State with Guy, and he literally was astonished by what he saw. The reporter spoke with admiration of how your Governor strives to bring in new businesses and tourists and how he inspires this whole State to come together, to pull together. This New Yorker saw for himself what Alabamians have seen for almost 4 years now: Leadership works.

And Guy Hunt is a leader who switches from one area of expertise to another with all the grace of Bo Jackson out there going from baseball to football. Look at how he helped create the most new jobs in Alabama history. Just look at the way in which he established a first-of-its-kind program to transfer NASA technology to apparel manufacturers, small businesses, and universities all across this State.

But Guy believes, and I believe, that government has certain serious obligations. One, of course, is our national security. But there's another one, and I'm talking about the protection of the people. And so, when it comes to this fight against crime, the country preacher from Holly Pond in Cullman County is as tough as Elliot Ness. And I think the people in Alabama understand that, and we certainly understand it and appreciate it in Washington. You see, we share a simple philosophy: We will not condone or coddle the drug criminals. And he agrees with me that if dealing drugs is dealing death, then let's give those major narcotics dealers what they deserve: the ultimate penalty.

America needs the tougher laws, stiffer penalties, and criminal justice system -- the reforms proposed in our Violent Crime Control Act. And that's why I am hopeful that the Senate leaders will work with me to pass the major parts of our Violent Crime Act, new laws that are fair but also fast and final. Fair: assure that those who are guilty are held accountable for their actions. Fast: we need reforms to stop the repetitive appeals that are choking our courts. And finally: constitutionally sound provisions for the death penalty, particularly for those who are major dealers in narcotics or those who take the lives of a police officer.

And let me just say a quick word on another constitutional issue. And it's a debate going on right now; and I'm trying to do it in a nonpartisan way because this issue, in my view, should be above partisanship. But I do believe that our flag is a unique symbol. And until the recent Supreme Court decision, I'm told that 48 States had spoken, 48 States had laws protecting the flag against desecration. And that meant that the people of the States were speaking. And I strongly believe we should use the amendatory procedures wisely provided by the framers to pass a carefully drawn, narrow amendment to make the burning of the American flag a crime. And I'm going to fight for it with everything I have.

Another area of concern that I share with the Governor is the fate of our environment. He and Bill Cabaniss and I were talking about the natural wonders of this State on the way down here --

the fate of our environment. From the estuaries of Mobile Bay to the lakes and misty mountains of the north, Alabama truly is beautiful, and it's beautiful in part because this Governor is working to preserve your very special quality of life. We're also working in Washington with the Congress to bring about a cleaner environment for all America. In fact, that is why I have proposed the first major revisions in the Clean Air Act in more than a decade. We can have clean air and clean water while respecting another kind of delicate ecology: that of jobs and opportunity.

A cleaner environment, safer streets, more jobs -- all these are absolutely critical to our future. But if there is a paramount issue -- and we have to click them all off there and try to -- if we had to put them in a list, you can't overlook education because the state of the classroom today really is the state of our Union tomorrow.

We believe in asking more of our teachers, our children, and ourselves. And that's why I was very grateful to have Governor Hunt at my side at the recent education summit in Charlottesville, Virginia -- the first time such a summit had ever been convened. And at the summit, we agreed to develop America's first national education goals, not to inflict our views onto the State education system but to set broad national goals. And we agreed to ensure our kids -- that they master important subject areas, math and science being part of it; to boost graduation rates; to make this nation a nation of literate adults; to kick drugs out of our schools; and to see that all children start school ready to learn through vigorous programs like Head Start. And then we agreed to one thing more: to ensure that our students by the year 2000 are first in math and science achievement. America should not accept second place to any nation when it comes to education and the quality of the education for our kids.

When it comes to making a difference in the world, America has always been first. And we've already seen the difference America is helping to make in what I call this magnificent Revolution of 1989, a struggle of the democracy-building that continues to this day.

Let me share a story about an American visitor on a recent trip to Romania -- a troubled land that it is -- who asked the people she met what was most important now, what they needed most. And listen to one surprising answer: In a country where the streets are dark at night and the homes lack heat, one Romanian woman pulled from her purse a worn copy of an American magazine -- a 3-year-old issue, with a special bicentennial copy of the United States Constitution. And she said, ``What we need now is more of these."

And this is the moral example that our great country owes the world. Some may say the goals we set for ourselves and the example we offer the world are too ambitious. And I say only great ambitions can galvanize a nation; only great examples can change the world. When the first rockets lifted off the pad at Cape Canaveral -- rockets built at Redstone -- the eyes of America were already on the Moon. We need once again to work together as a people so that our future will be as bright as that Redstone rocket. And with the leadership of Guy Hunt, I know that your

possibilities will be as limitless as the stars over Alabama.

Guy Hunt is the right Governor to lead Alabama in the nineties. I believe he would agree with me that this is a fascinating time to be Governor of your great, progressive, forward-moving State. And I might say parenthetically, as I look back over my shoulder at the recent history of this country, I can't think of a more fascinating time to be President of the United States of America than today.

I am very grateful for the support that you're showing for Guy Hunt. I'm very grateful for the fact that many people in this room made it possible for me -- and, I might say, for the Silver Fox, Barbara, to be at my side as we undertake the duties of the Presidency.

Thank you for your support in the past, and now -- not that you haven't paid for this hamburger -- but go out and work extra hard for Guy Hunt. Alabama needs him, and I need him. Thank you all. And God bless you, and God bless our wonderful country.

Note: The President spoke at 12:22 p.m. in the North Hall of the Von Braun Civic Center. In his remarks, he referred to Helen Hunt, wife of the Governor; Emory M. Folmar, mayor of Montgomery, and his wife, Anita; John Grenier, chairman of Friends for Guy Hunt; Arthur Outlaw, chairman of the Alabama Republican Party; and Jean Sullivan, Republican national committeewoman.

The President's News Conference in Huntsville, Alabama

June 20, 1990

The President. Well, first, I want to thank our hosts here at the Center and thank Admiral Truly, who is doing an outstanding job at NASA, for coming down here and thank Mr. Lee and all the others. It's inspiring to be here, and it just reinforces my conviction that we must have a vigorous, forward-looking space program. And I'm convinced we will. But I think anybody who sees the dedication of the workers here and then hears what the possibilities are will be supportive. But I salute the workers here in Huntsville and across our whole space agency.

But today I have an announcement I'd like to make, and then I'll be glad to take a few questions here.

Well, based on the recommendation of the Secretary of State, I have decided to suspend the dialog between the United States and the PLO, pending a satisfactory response from the PLO of steps it is taking to resolve problems associated with the recent acts of terrorism, in particular, that May 30th terrorist attack on Israel by the Palestinian Liberation Front, a constituent group of the PLO.

By way of background, on December 14, 1988, Yasser Arafat, speaking on behalf of the PLO Executive Committee, recognized Israel's right to exist. He accepted the United Nations Security Council Resolutions 242 and 338, and he renounced terrorism. Now, subsequently, the United States announced that because the PLO had met our longstanding conditions for dialog we would begin a substantive dialog with the PLO. And at the time, we applauded Chairman Arafat for taking these essential steps. And we have conducted such a dialog with the PLO through our Embassy in Tunis.

Over the past 18 months, representatives of the United States and the PLO regularly exchanged views about the political and security situation in the region. On balance, we believe that these exchanges contributed to progress in the peace process.

On May 30th, 1990, the Palestinian Liberation Front attempted a seaborne terrorist infiltration into Israel. Palestinian Liberation Front Leader Abu Abbas represents the PLO on the Executive Committee of the PLO. The size of the force and the geographical target area strongly indicate that civilians would have been the target.

That day we issued a statement deploring this attempted terrorist attack. On May 31st, we raised this incident with the PLO in Tunis. We told them that it could not avoid responsibility for an attempted terrorist action by one of its constituent groups and needed to take steps to deal with

the matter by condemning the operation, disassociating itself from it, and by also beginning to take steps to discipline Abu Abbas, the perpetrator.

We've given the PLO ample time to deal with this issue. To date, the PLO has not provided a credible accounting of this instance or undertaken the actions outlined above. The U.S. does take note of the fact that the PLO has disassociated itself from this attack and issued a statement condemning attacks against civilians in principle, but as we previously indicated this is not sufficient -- this alone is not sufficient.

The U.S.-PLO dialog has demonstrated that it can advance the Arab-Israeli peace process. And at the same time, the dialog is based on the assumption that the PLO is willing to abide by the conditions it accepted in December, 1988, including renunciation of terror.

At anytime that the PLO is prepared to take the necessary steps, we are prepared to promptly resume the dialog. In the meantime, we would hope and expect that the peace process would proceed as intended and without delay. We remain committed to the pursuit of a comprehensive settlement of the Arab-Israeli conflict and to a just and lasting peace. And as is often stated, it is our view that such a peace must be based on those two resolutions, U.N. Resolution 242 and 338, and the principle implicit therein of territory for peace, and provide for Israel's security and Palestinian political rights.

We believe that Palestinian participation is vital to any successful process and that there are real opportunities for Palestinians in this process. We strongly hope that Israelis, Palestinians, and the Arab States will recognize these opportunities and take the necessary steps to create an environment in which a viable peace process can thrive.

We denounce violence in the area and call upon all parties to eschew violence and terror and opt instead for dialog and negotiation. We're prepared to continue working with the parties toward this end.

I'll be glad to take a few questions.

Middle East Peace Process

Q. Mr. President, doesn't your announcement of today, coupled with Secretary Baker's words that the Israelis should call the White House when they're serious, mean that the U.S. position in the peace process, though, in the Middle East is dormant right now?

The President. John [John Mashek, Boston Globe], it's not moving forward right now. And the offer still stands. I have sent a letter to Prime Minister Shamir [of Israel]. I have very specifically asked questions that relate to seriousness about the peace process. But I would like to see the peace process move forward. Nothing herein should indicate anything different. Because here

we are simply taking a narrow shot at terrorism.

Norm [Norman Sandler, United Press International] -- excuse me, I forgot my protocol.

Savings and Loan Crisis

Q. Mr. President, yesterday, Marlin [Marlin Fitzwater, Press Secretary to the President] seemed to have lit a fairly short political fuse with his comments on the S&L bailout in accusing the Democrats of having a big part in that mess. Are you ready to play that game this election year and blame the Democrats for a problem that others have laid on years of kind of permissive regulation by the Reagan administration?

The President. Norm, you're almost getting me into the fight by the way you ask the question, but I know I'm not going to. No, I want to get the savings and loan problem solved. And Marlin, properly, seeing a couple of shots across my bow from certain distinguished Members of the United States Senate, decided not to acquiesce in those attacks without some response. What he did was appropriate.

But what I'm trying to do is not respond to individuals and to simply keep moving forward on this process and not try to be out there saying here's who's to blame and here's who's not to blame. But it was interesting because I think you're right, a spark seemed to be ignited there. And I think more important than continuing to pour fuel on that spark is to work cooperatively with Congress in trying to get this mess solved. And of course, that is a part of what will be discussed in the budget process.

I would say to the American people on this one: The obligation is to protect the depositor. That's what our obligation is. And another obligation is to prosecute those who have broken the law, and there has been an active prosecution underway. I talked with Dick Thornburgh at lunch yesterday. I got some impressive numbers -- of the numbers of cases that are being followed up on now -- and I expect we'll see plenty more. So, protect the depositor; put those that are guilty into the dock, where they belong; and see that they are brought to responsibility for what they've done.

Q. Do you, in retrospect, though, agree with the argument that deregulation or unregulation of the savings and loans, the financial industry, occurred too quickly, went too far in the eighties?

The President. Well, I think -- in looking back -- I think some of the excesses of the loan policies are rather obvious. Basically, we made some proposals, I think, in that task force that I headed that might have corrected some of the abuse. But I don't want to argue in favor of reregulation of industries. But I will say that I think some of the loan policies instituted after the changes were made were foolish and were certainly ill-advised. And the result is a pounding for the original purpose of the S&L's, which was primarily financing housing in this country.

Palestine Liberation Organization

Q. Is it true that none of our allies, with the exception, of course, of the Israelis, wanted you to suspend these talks with the PLO? And you said you have given the PLO enough time. I mean, why now? Is there some reason it's happening today?

The President. No, I don't think of any reason today, and I didn't set in my mind x numbers of days. But, John [John Cochran, NBC News], I think there will be a lack of agreement with what I've done here on the part of some of our strongest allies. And I know this is true on the part of some of the most reasonable and moderate Arab States. But I would simply remind them of the conditions upon which the dialogs started in the first place, and I would also remind them that if they look at this statement and remedial action is taken the dialog from the U.S. side can promptly be restored.

Israeli-Occupied Territories

Q. Mr. President, at the same time you're having this trouble with the PLO, you've also got a new Israeli government that has an avowed policy of settling in the West Bank more rapidly than it's been settled in the past. How are you going to deal with that government? What's your policy going to be on aid toward that government, specifically on housing guarantees for Soviet emigrants?

The President. Jerry [Gerald Seib, Wall Street Journal], my position on settlement in the territories is probably as well-known as anything. And our policy is not to have new settlements, and our policy is certainly not to finance new settlements. Is that responsive, or is there another part to your question?

Q. This is a specific question now, though, of whether we'll provide housing guarantees for Soviet emigrants -- $400 million.

The President. But not to settle in the post-'67 territory -- in the territories beyond the '67 lines.

Q. Are you going to seek specific new guarantees from this new government that that won't happen with that money?

The President. Well, I will, and I hope I'm successful. But I think there is no question that the Shamir government knows my position on this, knows the standing position of the United States.

Economic Sanctions Against South Africa

Q. Mr. President, as you know, Nelson Mandela [South African antiapartheid leader] arrived in

the United States today, and you're going to meet with him next week. What are you going to tell him on the sanctions question? And the second part: There have been reports some weeks ago that the United States Central Intelligence Agency was involved in the process that led to his arrest many years ago, and there have been suggestions that you should apologize on behalf of the United States Government and the American people. Will you do that?

The President. No, I will take my leadership on that question from Mr. Mandela, who put it very well when he said let bygones be bygones. And that is not to agree with or disagree with the charge.

On the second point -- your first, my second: The sanctions under the law cannot be lifted until certain additional steps are taken by South Africa. Let me be very clear. I salute Mr. de Klerk [President of South Africa] for what he's done. He's come a long, long way. And I salute Mr. Mandela for his approach to De Klerk. I think that demonstrates a willingness to talk that few of us might have predicted a couple years ago.

But there still are things that have to be done under our law in order to lift the sanctions, and I've listed them here. But anyway, you don't want to go into the details on it -- but if you do I'll be glad to click them off for you. But in any event, there has to be progress. And I'd like to find a way to show Mr. de Klerk that we, the United States, are grateful for this new approach that is having South Africa evolve to a much more open society and, hopefully one day, to one which is colorblind in terms of participation in the political process. But I can't lift the sanctions under existing U.S. law.

But I'm looking forward to talking to Mr. Mandela about this. There are black leaders in South Africa that disagree with him on this question of sanctions. Foremost of those that come to mind is Mr. Buthelezi, with whom I have talked about this question. And I historically have not felt that, certainly, adding to the sanction base would help at all. And I had some original reservations about sanction approach, but I will say that it seems to -- if you can credit sanctions with the evolution towards democracy in South Africa, I'd have to say, well, it seems there are some good things to it.

But it's delicate because I want to find a way to show our appreciation to De Klerk, and yet I don't want to pull the rug out from under Mr. Mandela.

Economic Assistance for the Soviet Union

Q. Mr. President, are you planning to support a G - 7 initiative to offer economic aid to the Soviet Union at next month's economic summit? And if so, what has caused you to change your mind about the wisdom of such a program?

The President. No, I'm not planning to do that. And I expect, though, that matter may be

discussed. I've tried to be very up-front with Mr. Gorbachev, when he was here, about difficulties in terms of financial support. I talked to him in Malta about that. Indeed, we presented him with a list of things that might be done to improve our ability to work in full cooperation with him on that. But I don't plan a new initiative.

And yet I want to see perestroika continue. I haven't changed my view that economic reform is important, and I recognize that support from the West can well help the economy. But there's an awful lot of reform that has to take place in the market, in the distribution systems. There are some political problems that we have that I've discussed very frankly with Mr. Gorbachev, not the least of them $5 billion a year going down to Cuba. So, we've still got some problems there. But discount the fact that we are planning some bold new initiative. On the other hand, I'm perfectly prepared to talk to our allies on any subject, and I think that will probably be one of them.

Q. There are reports that President Mitterrand [of France] will propose such a plan. Do you expect that?

The President. Well, the Germans are interested, too. I'm not saying we're not interested but I'm saying there are some formidable obstacles.

Palestine Liberation Organization

Q. Back on the PLO. One of the theories passed around in your own administration was that the intent of this terrorist attack was to derail the peace process. Are you at all concerned that by suspending the dialog you're playing into the hands of the hardliners like Abu Abbas? And is there also a danger -- --

The President. Yes. Let me stop you there just to respond so I don't forget the question. Yes, I am concerned about that. Go ahead. [Laughter]

Q. Well, if you're so concerned about it then why did you take the stand?

The President. Well, because we had to weigh the whole question; and the question was complicated by the fact that there were three specific undertakings, one of which, a very important one in my view, has clearly been violated. It's not an easy call because I know some feel that the PLO dialog is totally unproductive, and as I indicated in this statement, I don't. The question up here was: Well, do our allies -- will they agree with the steps that I've taken here in Huntsville today? And the answer is no; some of them will not agree because they do feel that the dialog has kind of helped calm things in some parts of the Middle East.

So, what the answer to it is, is for the PLO to take the action that I've called for and to satisfy us that those who were responsible will be disciplined and condemn this specific act. It's not

enough to simply reiterate one's concern on terror.

Q. If I may follow up?

The President. Please.

Q. Is there a danger, too, that those Palestinians who had put some hope in the dialog between the PLO and the U.S. might now throw up their hands in desperation and resort to violence?

The President. Well, I hope that's not the case, and yet I would refer you to my last paragraph or two of the statements when I did call for no violence. And I think it's fair to say that anytime you're dealing with something as complicated as the Middle East you worry about that. But I hope that's not the case. And I hope they'll see in my statement a rather temperate view here: that we're specific in calling for the condemnation of this particular terrorist act; that once that is done, in keeping with Arafat's undertaking, that we can resume talks.

There has been a frustration, Jim [Jim Miklaszewski, NBC News], in the Arab world that this dialog has not resulted in more progress. And I understand the frustration. I don't happen to agree with it. I think things are better because we've had the dialog. But Israel has strongly objected to it; and some Palestinians have been, as we can clearly see, concerned about it. But I believe we ought to try to find a way to get it back at some point.

Q. But the flip side of that coin, if I might: As you grappled with this, did you worry, and are you worried now, that Israel will just take this and say, See, we've been right about the PLO all along, and we won't talk to them?

The President. I'm not so troubled on that because I think they will see here that I am not accepting the premise that there is no good to come from talking to the PLO. So, I don't worry too much about that point.

Middle East Peace Process

Q. Do you see Mr. Shamir as too hardline, as the kind of leader who is going to say, Well, we were right, and therefore, we'll stay away from the table even longer?

The President. Well, I'm hoping that's not the case. And one of the reasons I sent him this long and lengthy letter was to make clear to him that it is our view the peace process ought to go forward. And it's going to be difficult for him, but it must go forward. And it must go forward along the lines of what originally was the Shamir plan, and then it became -- Mubarak [President Hosni Mubarak of Egypt] got interested and he played a useful role in it. Then Jim Baker got involved and done a heroic job in trying to get the talks going.

So, I hope that the U.S. will have a useful role to play, regardless of the step I've taken here in the PLO, because as we all know, we were not proposing that the PLO be at the table. This was a charge made against us by some in Israel, and that doesn't happen to be the case. And I think the government knows that.

Family and Medical Leave Legislation

Q. Mr. President, during the campaign you said often that we've got to find a way that people who have children won't be threatened with the loss of their jobs, and now you're saying that that has to be a voluntary position on the part of employers to give parental leave. How does that fulfill your campaign promise for people who work for employers who won't give voluntary leave, and what do you have to say to those people?

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some might say, Well, it's about time. And I'm one of them. But that was quite a step forward. It was quite a step forward when he recognized Resolution 242, and I think that was positive. And then I think we've had a chance to solidify those gains, modest though they might have been, through dialog. But I can't point to the fact that that has really solved the question of Middle East peace. I just feel that talking offers more potential than stiff-arming each other. And yet we can't digest it as long as this terroristic act is sticking in our throat. And properly so, as a country that decries international terrorism.

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Q. Mr. President, do you feel that Israel has committed acts of terrorism when it bombs Palestinians?

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Q. Mr. President, sir, can we go back to why you're here in Huntsville, sir? If you are here to help raise money for Governor Guy Hunt's gubernatorial campaign -- --

The President. I'm not standing right here to do that, but I was downtown doing exactly that. And I hope we were successful because I am totally committed to his reelection. I have respected the progress the State of Alabama has made under his leadership. And as I look at the way my philosophy of government works, the Governors are very, very important on all this. I cite not just the education summit, in which I worked closely with Guy, but this whole concept that the States and localities have a significant role to play not just in the money end of it but in the whole setting of objectives and goals. So, I'm glad you raised it; and, yes, that part of the trip was strongly to support him, to support other political leaders, too.

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Q. Did you say how long you would take to make an appointment?

The President. Matter of days. [Laughter]

Offshore Oil Drilling

Q. What about OCS [outer continental shelf]?

The President. A few days, a few days. Not for him, for this.

Thank you all very much.

Note: The President's 51st news conference began at 1:40 p.m. in the Space Exploration Initiative Exhibition Room at the George C. Marshall Space Flight Center. In his opening remarks, he referred to Richard H. Truly, Administrator of the National Aeronautics and Space Administration, and T.J. Lee, Director of the Center. Prior to the news conference, the President toured the facilities and was briefed by the Center's staff.

The President's News Conference in Huntsville, Alabama

June 20, 1990

The President. Well, first, I want to thank our hosts here at the Center and thank Admiral Truly, who is doing an outstanding job at NASA, for coming down here and thank Mr. Lee and all the others. It's inspiring to be here, and it just reinforces my conviction that we must have a vigorous, forward-looking space program. And I'm convinced we will. But I think anybody who sees the dedication of the workers here and then hears what the possibilities are will be supportive. But I salute the workers here in Huntsville and across our whole space agency.

But today I have an announcement I'd like to make, and then I'll be glad to take a few questions here.

Well, based on the recommendation of the Secretary of State, I have decided to suspend the dialog between the United States and the PLO, pending a satisfactory response from the PLO of steps it is taking to resolve problems associated with the recent acts of terrorism, in particular, that May 30th terrorist attack on Israel by the Palestinian Liberation Front, a constituent group of the PLO.

By way of background, on December 14, 1988, Yasser Arafat, speaking on behalf of the PLO Executive Committee, recognized Israel's right to exist. He accepted the United Nations Security Council Resolutions 242 and 338, and he renounced terrorism. Now, subsequently, the United States announced that because the PLO had met our longstanding conditions for dialog we would begin a substantive dialog with the PLO. And at the time, we applauded Chairman Arafat for taking these essential steps. And we have conducted such a dialog with the PLO through our Embassy in Tunis.

Over the past 18 months, representatives of the United States and the PLO regularly exchanged views about the political and security situation in the region. On balance, we believe that these exchanges contributed to progress in the peace process.

On May 30th, 1990, the Palestinian Liberation Front attempted a seaborne terrorist infiltration into Israel. Palestinian Liberation Front Leader Abu Abbas represents the PLO on the Executive Committee of the PLO. The size of the force and the geographical target area strongly indicate that civilians would have been the target.

That day we issued a statement deploring this attempted terrorist attack. On May 31st, we raised this incident with the PLO in Tunis. We told them that it could not avoid responsibility for an attempted terrorist action by one of its constituent groups and needed to take steps to deal with the matter by condemning the operation, disassociating itself from it, and by also beginning to take steps to discipline Abu Abbas, the perpetrator.

We've given the PLO ample time to deal with this issue. To date, the PLO has not provided a credible accounting of this instance or undertaken the actions outlined above. The U.S. does take note of the fact that the PLO has disassociated itself from this attack and issued a statement condemning attacks against civilians in principle, but as we previously indicated this is not sufficient -- this alone is not sufficient.

The U.S.-PLO dialog has demonstrated that it can advance the Arab-Israeli peace process. And at the same time, the dialog is based on the assumption that the PLO is willing to abide by the conditions it accepted in December, 1988, including renunciation of terror.

At anytime that the PLO is prepared to take the necessary steps, we are prepared to promptly resume the dialog. In the meantime, we would hope and expect that the peace process would proceed as intended and without delay. We remain committed to the pursuit of a comprehensive

settlement of the Arab-Israeli conflict and to a just and lasting peace. And as is often stated, it is our view that such a peace must be based on those two resolutions, U.N. Resolution 242 and 338, and the principle implicit therein of territory for peace, and provide for Israel's security and Palestinian political rights.

We believe that Palestinian participation is vital to any successful process and that there are real opportunities for Palestinians in this process. We strongly hope that Israelis, Palestinians, and the Arab States will recognize these opportunities and take the necessary steps to create an environment in which a viable peace process can thrive.

We denounce violence in the area and call upon all parties to eschew violence and terror and opt instead for dialog and negotiation. We're prepared to continue working with the parties toward this end.

I'll be glad to take a few questions.

Middle East Peace Process

Q. Mr. President, doesn't your announcement of today, coupled with Secretary Baker's words that the Israelis should call the White House when they're serious, mean that the U.S. position in the peace process, though, in the Middle East is dormant right now?

The President. John [John Mashek, Boston Globe], it's not moving forward right now. And the offer still stands. I have sent a letter to Prime Minister Shamir [of Israel]. I have very specifically asked questions that relate to seriousness about the peace process. But I would like to see the peace process move forward. Nothing herein should indicate anything different. Because here we are simply taking a narrow shot at terrorism.

Norm [Norman Sandler, United Press International] -- excuse me, I forgot my protocol.

Savings and Loan Crisis

Q. Mr. President, yesterday, Marlin [Marlin Fitzwater, Press Secretary to the President] seemed to have lit a fairly short political fuse with his comments on the S&L bailout in accusing the Democrats of having a big part in that mess. Are you ready to play that game this election year and blame the Democrats for a problem that others have laid on years of kind of permissive regulation by the Reagan administration?

The President. Norm, you're almost getting me into the fight by the way you ask the question, but I know I'm not going to. No, I want to get the savings and loan problem solved. And Marlin, properly, seeing a couple of shots across my bow from certain distinguished Members of the United States Senate, decided not to acquiesce in those attacks without some response. What he

did was appropriate.

But what I'm trying to do is not respond to individuals and to simply keep moving forward on this process and not try to be out there saying here's who's to blame and here's who's not to blame. But it was interesting because I think you're right, a spark seemed to be ignited there. And I think more important than continuing to pour fuel on that spark is to work cooperatively with Congress in trying to get this mess solved. And of course, that is a part of what will be discussed in the budget process.

I would say to the American people on this one: The obligation is to protect the depositor. That's what our obligation is. And another obligation is to prosecute those who have broken the law, and there has been an active prosecution underway. I talked with Dick Thornburgh at lunch yesterday. I got some impressive numbers -- of the numbers of cases that are being followed up on now -- and I expect we'll see plenty more. So, protect the depositor; put those that are guilty into the dock, where they belong; and see that they are brought to responsibility for what they've done.

Q. Do you, in retrospect, though, agree with the argument that deregulation or unregulation of the savings and loans, the financial industry, occurred too quickly, went too far in the eighties?

The President. Well, I think -- in looking back -- I think some of the excesses of the loan policies are rather obvious. Basically, we made some proposals, I think, in that task force that I headed that might have corrected some of the abuse. But I don't want to argue in favor of reregulation of industries. But I will say that I think some of the loan policies instituted after the changes were made were foolish and were certainly ill-advised. And the result is a pounding for the original purpose of the S&L's, which was primarily financing housing in this country.

Palestine Liberation Organization

Q. Is it true that none of our allies, with the exception, of course, of the Israelis, wanted you to suspend these talks with the PLO? And you said you have given the PLO enough time. I mean, why now? Is there some reason it's happening today?

The President. No, I don't think of any reason today, and I didn't set in my mind x numbers of days. But, John [John Cochran, NBC News], I think there will be a lack of agreement with what I've done here on the part of some of our strongest allies. And I know this is true on the part of some of the most reasonable and moderate Arab States. But I would simply remind them of the conditions upon which the dialogs started in the first place, and I would also remind them that if they look at this statement and remedial action is taken the dialog from the U.S. side can promptly be restored.

Israeli-Occupied Territories

Q. Mr. President, at the same time you're having this trouble with the PLO, you've also got a new Israeli government that has an avowed policy of settling in the West Bank more rapidly than it's been settled in the past. How are you going to deal with that government? What's your policy going to be on aid toward that government, specifically on housing guarantees for Soviet emigrants?

The President. Jerry [Gerald Seib, Wall Street Journal], my position on settlement in the territories is probably as well-known as anything. And our policy is not to have new settlements, and our policy is certainly not to finance new settlements. Is that responsive, or is there another part to your question?

Q. This is a specific question now, though, of whether we'll provide housing guarantees for Soviet emigrants -- $400 million.

The President. But not to settle in the post-'67 territory -- in the territories beyond the '67 lines.

Q. Are you going to seek specific new guarantees from this new government that that won't happen with that money?

The President. Well, I will, and I hope I'm successful. But I think there is no question that the Shamir government knows my position on this, knows the standing position of the United States.

Economic Sanctions Against South Africa

Q. Mr. President, as you know, Nelson Mandela [South African antiapartheid leader] arrived in the United States today, and you're going to meet with him next week. What are you going to tell him on the sanctions question? And the second part: There have been reports some weeks ago that the United States Central Intelligence Agency was involved in the process that led to his arrest many years ago, and there have been suggestions that you should apologize on behalf of the United States Government and the American people. Will you do that?

The President. No, I will take my leadership on that question from Mr. Mandela, who put it very well when he said let bygones be bygones. And that is not to agree with or disagree with the charge.

On the second point -- your first, my second: The sanctions under the law cannot be lifted until certain additional steps are taken by South Africa. Let me be very clear. I salute Mr. de Klerk [President of South Africa] for what he's done. He's come a long, long way. And I salute Mr. Mandela for his approach to De Klerk. I think that demonstrates a willingness to talk that few of us might have predicted a couple years ago.

But there still are things that have to be done under our law in order to lift the sanctions, and I've listed them here. But anyway, you don't want to go into the details on it -- but if you do I'll be glad to click them off for you. But in any event, there has to be progress. And I'd like to find a way to show Mr. de Klerk that we, the United States, are grateful for this new approach that is having South Africa evolve to a much more open society and, hopefully one day, to one which is colorblind in terms of participation in the political process. But I can't lift the sanctions under existing U.S. law.

But I'm looking forward to talking to Mr. Mandela about this. There are black leaders in South Africa that disagree with him on this question of sanctions. Foremost of those that come to mind is Mr. Buthelezi, with whom I have talked about this question. And I historically have not felt that, certainly, adding to the sanction base would help at all. And I had some original reservations about sanction approach, but I will say that it seems to -- if you can credit sanctions with the evolution towards democracy in South Africa, I'd have to say, well, it seems there are some good things to it.

But it's delicate because I want to find a way to show our appreciation to De Klerk, and yet I don't want to pull the rug out from under Mr. Mandela.

Economic Assistance for the Soviet Union

Q. Mr. President, are you planning to support a G - 7 initiative to offer economic aid to the Soviet Union at next month's economic summit? And if so, what has caused you to change your mind about the wisdom of such a program?

The President. No, I'm not planning to do that. And I expect, though, that matter may be discussed. I've tried to be very up-front with Mr. Gorbachev, when he was here, about difficulties in terms of financial support. I talked to him in Malta about that. Indeed, we presented him with a list of things that might be done to improve our ability to work in full cooperation with him on that. But I don't plan a new initiative.

And yet I want to see perestroika continue. I haven't changed my view that economic reform is important, and I recognize that support from the West can well help the economy. But there's an awful lot of reform that has to take place in the market, in the distribution systems. There are some political problems that we have that I've discussed very frankly with Mr. Gorbachev, not the least of them $5 billion a year going down to Cuba. So, we've still got some problems there. But discount the fact that we are planning some bold new initiative. On the other hand, I'm perfectly prepared to talk to our allies on any subject, and I think that will probably be one of them.

Q. There are reports that President Mitterrand [of France] will propose such a plan. Do you expect that?

The President. Well, the Germans are interested, too. I'm not saying we're not interested but I'm saying there are some formidable obstacles.

Palestine Liberation Organization

Q. Back on the PLO. One of the theories passed around in your own administration was that the intent of this terrorist attack was to derail the peace process. Are you at all concerned that by suspending the dialog you're playing into the hands of the hardliners like Abu Abbas? And is there also a danger -- --

The President. Yes. Let me stop you there just to respond so I don't forget the question. Yes, I am concerned about that. Go ahead. [Laughter]

Q. Well, if you're so concerned about it then why did you take the stand?

The President. Well, because we had to weigh the whole question; and the question was complicated by the fact that there were three specific undertakings, one of which, a very important one in my view, has clearly been violated. It's not an easy call because I know some feel that the PLO dialog is totally unproductive, and as I indicated in this statement, I don't. The question up here was: Well, do our allies -- will they agree with the steps that I've taken here in Huntsville today? And the answer is no; some of them will not agree because they do feel that the dialog has kind of helped calm things in some parts of the Middle East.

So, what the answer to it is, is for the PLO to take the action that I've called for and to satisfy us that those who were responsible will be disciplined and condemn this specific act. It's not enough to simply reiterate one's concern on terror.

Q. If I may follow up?

The President. Please.

Q. Is there a danger, too, that those Palestinians who had put some hope in the dialog between the PLO and the U.S. might now throw up their hands in desperation and resort to violence?

The President. Well, I hope that's not the case, and yet I would refer you to my last paragraph or two of the statements when I did call for no violence. And I think it's fair to say that anytime you're dealing with something as complicated as the Middle East you worry about that. But I hope that's not the case. And I hope they'll see in my statement a rather temperate view here: that we're specific in calling for the condemnation of this particular terrorist act; that once that is done, in keeping with Arafat's undertaking, that we can resume talks.

There has been a frustration, Jim [Jim Miklaszewski, NBC News], in the Arab world that this dialog has not resulted in more progress. And I understand the frustration. I don't happen to agree with it. I think things are better because we've had the dialog. But Israel has strongly objected to it; and some Palestinians have been, as we can clearly see, concerned about it. But I believe we ought to try to find a way to get it back at some point.

Q. But the flip side of that coin, if I might: As you grappled with this, did you worry, and are you worried now, that Israel will just take this and say, See, we've been right about the PLO all along, and we won't talk to them?

The President. I'm not so troubled on that because I think they will see here that I am not accepting the premise that there is no good to come from talking to the PLO. So, I don't worry too much about that point.

Middle East Peace Process

Q. Do you see Mr. Shamir as too hardline, as the kind of leader who is going to say, Well, we were right, and therefore, we'll stay away from the table even longer?

The President. Well, I'm hoping that's not the case. And one of the reasons I sent him this long and lengthy letter was to make clear to him that it is our view the peace process ought to go forward. And it's going to be difficult for him, but it must go forward. And it must go forward along the lines of what originally was the Shamir plan, and then it became -- Mubarak [President Hosni Mubarak of Egypt] got interested and he played a useful role in it. Then Jim Baker got involved and done a heroic job in trying to get the talks going.

So, I hope that the U.S. will have a useful role to play, regardless of the step I've taken here in the PLO, because as we all know, we were not proposing that the PLO be at the table. This was a charge made against us by some in Israel, and that doesn't happen to be the case. And I think the government knows that.

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Q. Did you say how long you would take to make an appointment?

The President. Matter of days. [Laughter]

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Q. What about OCS [outer continental shelf]?

The President. A few days, a few days. Not for him, for this.

Thank you all very much.

Note: The President's 51st news conference began at 1:40 p.m. in the Space Exploration Initiative Exhibition Room at the George C. Marshall Space Flight Center. In his opening remarks, he referred to Richard H. Truly, Administrator of the National Aeronautics and Space Administration, and T.J. Lee, Director of the Center. Prior to the news conference, the President toured the facilities and was briefed by the Center's staff.

The President's News Conference in Huntsville, Alabama

June 20, 1990

The President. Well, first, I want to thank our hosts here at the Center and thank Admiral Truly, who is doing an outstanding job at NASA, for coming down here and thank Mr. Lee and all the others. It's inspiring to be here, and it just reinforces my conviction that we must have a vigorous, forward-looking space program. And I'm convinced we will. But I think anybody who sees the dedication of the workers here and then hears what the possibilities are will be supportive. But I salute the workers here in Huntsville and across our whole space agency.

But today I have an announcement I'd like to make, and then I'll be glad to take a few questions here.

Well, based on the recommendation of the Secretary of State, I have decided to suspend the dialog between the United States and the PLO, pending a satisfactory response from the PLO of steps it is taking to resolve problems associated with the recent acts of terrorism, in particular, that May 30th terrorist attack on Israel by the Palestinian Liberation Front, a constituent group of the PLO.

By way of background, on December 14, 1988, Yasser Arafat, speaking on behalf of the PLO Executive Committee, recognized Israel's right to exist. He accepted the United Nations Security Council Resolutions 242 and 338, and he renounced terrorism. Now, subsequently, the United States announced that because the PLO had met our longstanding conditions for dialog we would begin a substantive dialog with the PLO. And at the time, we applauded Chairman Arafat for taking these essential steps. And we have conducted such a dialog with the PLO through our Embassy in Tunis.

Over the past 18 months, representatives of the United States and the PLO regularly exchanged views about the political and security situation in the region. On balance, we believe that these

exchanges contributed to progress in the peace process.

On May 30th, 1990, the Palestinian Liberation Front attempted a seaborne terrorist infiltration into Israel. Palestinian Liberation Front Leader Abu Abbas represents the PLO on the Executive Committee of the PLO. The size of the force and the geographical target area strongly indicate that civilians would have been the target.

That day we issued a statement deploring this attempted terrorist attack. On May 31st, we raised this incident with the PLO in Tunis. We told them that it could not avoid responsibility for an attempted terrorist action by one of its constituent groups and needed to take steps to deal with the matter by condemning the operation, disassociating itself from it, and by also beginning to take steps to discipline Abu Abbas, the perpetrator.

We've given the PLO ample time to deal with this issue. To date, the PLO has not provided a credible accounting of this instance or undertaken the actions outlined above. The U.S. does take note of the fact that the PLO has disassociated itself from this attack and issued a statement condemning attacks against civilians in principle, but as we previously indicated this is not sufficient -- this alone is not sufficient.

The U.S.-PLO dialog has demonstrated that it can advance the Arab-Israeli peace process. And at the same time, the dialog is based on the assumption that the PLO is willing to abide by the conditions it accepted in December, 1988, including renunciation of terror.

At anytime that the PLO is prepared to take the necessary steps, we are prepared to promptly resume the dialog. In the meantime, we would hope and expect that the peace process would proceed as intended and without delay. We remain committed to the pursuit of a comprehensive settlement of the Arab-Israeli conflict and to a just and lasting peace. And as is often stated, it is our view that such a peace must be based on those two resolutions, U.N. Resolution 242 and 338, and the principle implicit therein of territory for peace, and provide for Israel's security and Palestinian political rights.

We believe that Palestinian participation is vital to any successful process and that there are real opportunities for Palestinians in this process. We strongly hope that Israelis, Palestinians, and the Arab States will recognize these opportunities and take the necessary steps to create an environment in which a viable peace process can thrive.

We denounce violence in the area and call upon all parties to eschew violence and terror and opt instead for dialog and negotiation. We're prepared to continue working with the parties toward this end.

I'll be glad to take a few questions.

Middle East Peace Process

Q. Mr. President, doesn't your announcement of today, coupled with Secretary Baker's words that the Israelis should call the White House when they're serious, mean that the U.S. position in the peace process, though, in the Middle East is dormant right now?

The President. John [John Mashek, Boston Globe], it's not moving forward right now. And the offer still stands. I have sent a letter to Prime Minister Shamir [of Israel]. I have very specifically asked questions that relate to seriousness about the peace process. But I would like to see the peace process move forward. Nothing herein should indicate anything different. Because here we are simply taking a narrow shot at terrorism.

Norm [Norman Sandler, United Press International] -- excuse me, I forgot my protocol.

Savings and Loan Crisis

Q. Mr. President, yesterday, Marlin [Marlin Fitzwater, Press Secretary to the President] seemed to have lit a fairly short political fuse with his comments on the S&L bailout in accusing the Democrats of having a big part in that mess. Are you ready to play that game this election year and blame the Democrats for a problem that others have laid on years of kind of permissive regulation by the Reagan administration?

The President. Norm, you're almost getting me into the fight by the way you ask the question, but I know I'm not going to. No, I want to get the savings and loan problem solved. And Marlin, properly, seeing a couple of shots across my bow from certain distinguished Members of the United States Senate, decided not to acquiesce in those attacks without some response. What he did was appropriate.

But what I'm trying to do is not respond to individuals and to simply keep moving forward on this process and not try to be out there saying here's who's to blame and here's who's not to blame. But it was interesting because I think you're right, a spark seemed to be ignited there. And I think more important than continuing to pour fuel on that spark is to work cooperatively with Congress in trying to get this mess solved. And of course, that is a part of what will be discussed in the budget process.

I would say to the American people on this one: The obligation is to protect the depositor. That's what our obligation is. And another obligation is to prosecute those who have broken the law, and there has been an active prosecution underway. I talked with Dick Thornburgh at lunch yesterday. I got some impressive numbers -- of the numbers of cases that are being followed up on now -- and I expect we'll see plenty more. So, protect the depositor; put those that are guilty into the dock, where they belong; and see that they are brought to responsibility for what they've done.

Q. Do you, in retrospect, though, agree with the argument that deregulation or unregulation of the savings and loans, the financial industry, occurred too quickly, went too far in the eighties?

The President. Well, I think -- in looking back -- I think some of the excesses of the loan policies are rather obvious. Basically, we made some proposals, I think, in that task force that I headed that might have corrected some of the abuse. But I don't want to argue in favor of reregulation of industries. But I will say that I think some of the loan policies instituted after the changes were made were foolish and were certainly ill-advised. And the result is a pounding for the original purpose of the S&L's, which was primarily financing housing in this country.

Palestine Liberation Organization

Q. Is it true that none of our allies, with the exception, of course, of the Israelis, wanted you to suspend these talks with the PLO? And you said you have given the PLO enough time. I mean, why now? Is there some reason it's happening today?

The President. No, I don't think of any reason today, and I didn't set in my mind x numbers of days. But, John [John Cochran, NBC News], I think there will be a lack of agreement with what I've done here on the part of some of our strongest allies. And I know this is true on the part of some of the most reasonable and moderate Arab States. But I would simply remind them of the conditions upon which the dialogs started in the first place, and I would also remind them that if they look at this statement and remedial action is taken the dialog from the U.S. side can promptly be restored.

Israeli-Occupied Territories

Q. Mr. President, at the same time you're having this trouble with the PLO, you've also got a new Israeli government that has an avowed policy of settling in the West Bank more rapidly than it's been settled in the past. How are you going to deal with that government? What's your policy going to be on aid toward that government, specifically on housing guarantees for Soviet emigrants?

The President. Jerry [Gerald Seib, Wall Street Journal], my position on settlement in the territories is probably as well-known as anything. And our policy is not to have new settlements, and our policy is certainly not to finance new settlements. Is that responsive, or is there another part to your question?

Q. This is a specific question now, though, of whether we'll provide housing guarantees for Soviet emigrants -- $400 million.

The President. But not to settle in the post-'67 territory -- in the territories beyond the '67 lines.

Q. Are you going to seek specific new guarantees from this new government that that won't happen with that money?

The President. Well, I will, and I hope I'm successful. But I think there is no question that the Shamir government knows my position on this, knows the standing position of the United States.

Economic Sanctions Against South Africa

Q. Mr. President, as you know, Nelson Mandela [South African antiapartheid leader] arrived in the United States today, and you're going to meet with him next week. What are you going to tell him on the sanctions question? And the second part: There have been reports some weeks ago that the United States Central Intelligence Agency was involved in the process that led to his arrest many years ago, and there have been suggestions that you should apologize on behalf of the United States Government and the American people. Will you do that?

The President. No, I will take my leadership on that question from Mr. Mandela, who put it very well when he said let bygones be bygones. And that is not to agree with or disagree with the charge.

On the second point -- your first, my second: The sanctions under the law cannot be lifted until certain additional steps are taken by South Africa. Let me be very clear. I salute Mr. de Klerk [President of South Africa] for what he's done. He's come a long, long way. And I salute Mr. Mandela for his approach to De Klerk. I think that demonstrates a willingness to talk that few of us might have predicted a couple years ago.

But there still are things that have to be done under our law in order to lift the sanctions, and I've listed them here. But anyway, you don't want to go into the details on it -- but if you do I'll be glad to click them off for you. But in any event, there has to be progress. And I'd like to find a way to show Mr. de Klerk that we, the United States, are grateful for this new approach that is having South Africa evolve to a much more open society and, hopefully one day, to one which is colorblind in terms of participation in the political process. But I can't lift the sanctions under existing U.S. law.

But I'm looking forward to talking to Mr. Mandela about this. There are black leaders in South Africa that disagree with him on this question of sanctions. Foremost of those that come to mind is Mr. Buthelezi, with whom I have talked about this question. And I historically have not felt that, certainly, adding to the sanction base would help at all. And I had some original reservations about sanction approach, but I will say that it seems to -- if you can credit sanctions with the evolution towards democracy in South Africa, I'd have to say, well, it seems there are some good things to it.

But it's delicate because I want to find a way to show our appreciation to De Klerk, and yet I don't want to pull the rug out from under Mr. Mandela.

Economic Assistance for the Soviet Union

Q. Mr. President, are you planning to support a G - 7 initiative to offer economic aid to the Soviet Union at next month's economic summit? And if so, what has caused you to change your mind about the wisdom of such a program?

The President. No, I'm not planning to do that. And I expect, though, that matter may be discussed. I've tried to be very up-front with Mr. Gorbachev, when he was here, about difficulties in terms of financial support. I talked to him in Malta about that. Indeed, we presented him with a list of things that might be done to improve our ability to work in full cooperation with him on that. But I don't plan a new initiative.

And yet I want to see perestroika continue. I haven't changed my view that economic reform is important, and I recognize that support from the West can well help the economy. But there's an awful lot of reform that has to take place in the market, in the distribution systems. There are some political problems that we have that I've discussed very frankly with Mr. Gorbachev, not the least of them $5 billion a year going down to Cuba. So, we've still got some problems there. But discount the fact that we are planning some bold new initiative. On the other hand, I'm perfectly prepared to talk to our allies on any subject, and I think that will probably be one of them.

Q. There are reports that President Mitterrand [of France] will propose such a plan. Do you expect that?

The President. Well, the Germans are interested, too. I'm not saying we're not interested but I'm saying there are some formidable obstacles.

Palestine Liberation Organization

Q. Back on the PLO. One of the theories passed around in your own administration was that the intent of this terrorist attack was to derail the peace process. Are you at all concerned that by suspending the dialog you're playing into the hands of the hardliners like Abu Abbas? And is there also a danger -- --

The President. Yes. Let me stop you there just to respond so I don't forget the question. Yes, I am concerned about that. Go ahead. [Laughter]

Q. Well, if you're so concerned about it then why did you take the stand?

The President. Well, because we had to weigh the whole question; and the question was complicated by the fact that there were three specific undertakings, one of which, a very important one in my view, has clearly been violated. It's not an easy call because I know some feel that the PLO dialog is totally unproductive, and as I indicated in this statement, I don't. The question up here was: Well, do our allies -- will they agree with the steps that I've taken here in Huntsville today? And the answer is no; some of them will not agree because they do feel that the dialog has kind of helped calm things in some parts of the Middle East.

So, what the answer to it is, is for the PLO to take the action that I've called for and to satisfy us that those who were responsible will be disciplined and condemn this specific act. It's not enough to simply reiterate one's concern on terror.

Q. If I may follow up?

The President. Please.

Q. Is there a danger, too, that those Palestinians who had put some hope in the dialog between the PLO and the U.S. might now throw up their hands in desperation and resort to violence?

The President. Well, I hope that's not the case, and yet I would refer you to my last paragraph or two of the statements when I did call for no violence. And I think it's fair to say that anytime you're dealing with something as complicated as the Middle East you worry about that. But I hope that's not the case. And I hope they'll see in my statement a rather temperate view here: that we're specific in calling for the condemnation of this particular terrorist act; that once that is done, in keeping with Arafat's undertaking, that we can resume talks.

There has been a frustration, Jim [Jim Miklaszewski, NBC News], in the Arab world that this dialog has not resulted in more progress. And I understand the frustration. I don't happen to agree with it. I think things are better because we've had the dialog. But Israel has strongly objected to it; and some Palestinians have been, as we can clearly see, concerned about it. But I believe we ought to try to find a way to get it back at some point.

Q. But the flip side of that coin, if I might: As you grappled with this, did you worry, and are you worried now, that Israel will just take this and say, See, we've been right about the PLO all along, and we won't talk to them?

The President. I'm not so troubled on that because I think they will see here that I am not accepting the premise that there is no good to come from talking to the PLO. So, I don't worry too much about that point.

Middle East Peace Process

Q. Do you see Mr. Shamir as too hardline, as the kind of leader who is going to say, Well, we were right, and therefore, we'll stay away from the table even longer?

The President. Well, I'm hoping that's not the case. And one of the reasons I sent him this long and lengthy letter was to make clear to him that it is our view the peace process ought to go forward. And it's going to be difficult for him, but it must go forward. And it must go forward along the lines of what originally was the Shamir plan, and then it became -- Mubarak [President Hosni Mubarak of Egypt] got interested and he played a useful role in it. Then Jim Baker got involved and done a heroic job in trying to get the talks going.

So, I hope that the U.S. will have a useful role to play, regardless of the step I've taken here in the PLO, because as we all know, we were not proposing that the PLO be at the table. This was a charge made against us by some in Israel, and that doesn't happen to be the case. And I think the government knows that.

Family and Medical Leave Legislation

Q. Mr. President, during the campaign you said often that we've got to find a way that people who have children won't be threatened with the loss of their jobs, and now you're saying that that has to be a voluntary position on the part of employers to give parental leave. How does that fulfill your campaign promise for people who work for employers who won't give voluntary leave, and what do you have to say to those people?

The President. You've got to keep working for them until they do because my campaign promise did not go to what they call mandated benefits. Just to be sure I was right we looked it up again yesterday. But my position has not changed, and I see that I must convince some Republicans as well as many Democrats that it hasn't changed.

Q. Do you have any point of view on how you're going to convince these employers? Many of them say if it's not a mandatory requirement, why should they do it?

The President. Well, I have a great faith that collective bargaining and market forces move towards progress. And we've seen it in the private sector, and I want to see it faster and quicker in the private sector without burdening every business by the same formula of mandated benefits.

Palestine Liberation Organization

Q. Mr. President, you specified that the PLO dialog has been positive and productive, but you haven't really told us in what way. Could you be a little more specific about that? What productivity do you see in it?

The President. I think the very fact we are talking can -- and that's one of the reasons I would hope that it can be restored -- can eliminate differences. And I would like to feel that the PLO, because of our dialog, doesn't see us as quite the hostile country that once they did. There's all kinds of small points that are taken up by our Ambassador Pelletreau in Tunis that I think have reduced the levels of misunderstanding.

I don't want to leave you the wrong impression: that I think the dialog has resulted in a more dynamic peace process. But I do think that it's good, and I think that it encourages moderation within the PLO ranks. I think we lose sight of the fact that Arafat did something that was predicted no Palestinian leader could do when he recognized Israel's right to exist as a state. And some might say, Well, it's about time. And I'm one of them. But that was quite a step forward. It was quite a step forward when he recognized Resolution 242, and I think that was positive. And then I think we've had a chance to solidify those gains, modest though they might have been, through dialog. But I can't point to the fact that that has really solved the question of Middle East peace. I just feel that talking offers more potential than stiff-arming each other. And yet we can't digest it as long as this terroristic act is sticking in our throat. And properly so, as a country that decries international terrorism.

Space Program Funding

Q. A question about space. How serious are you about this lunar base and Mars mission proposal? Would you go so far as to veto the bill that contains NASA appropriations if Congress decides to delete all the money?

The President. I haven't even contemplated any veto strategy. I'd like to get what I want. I think it's in the national interest. I think that the United States must remain way out front on science and technology; and this broad program that I've outlined, seed money that I've asked for, should be supported. But I think it's way too early to discuss veto strategy. We took one on the chops in a House committee the other day, and I've got to turn around now and fight for what I believe.

Q. Mr. President, how far will you go to protect the NASA budget in the future? Can you remove it from HUD and give it some security?

The President. It's pretty hard, given the way Congress functions, and that is a function of the Congress, not of the executive branch -- to decide under what committees these budgets are worked. But I think it is fair to say that I will fight for a fully funded space program. We've put forward what I think is a bold one. I've taken some shots -- saying, Hey, how can you propose something this big when we have such a large deficit? And I understand the question. But we're talking about stretched-out financing, and we're talking about, hopefully, a continued dynamic economy. And between the two, we can accommodate this goal if we all get with it.

Palestine Liberation Organization

Q. Was there not a need here, sir, to not appear to be indulging to the PLO at a time when the administration has been tougher than perhaps any recent administration has been with Israel?

The President. That's not what made my decision. And I don't know that we've been tougher. I'm the President of the United States. The United States has a policy. And I'm supposed to, I think, go forward with our policy. And one of the big problems we've had is the question -- between ourselves and the Israeli Government -- is this question of settlements. But I wouldn't read my decision here to go as follows: He made this decision because he's concerned about a complicated relationship with Israel at this point. That's not why I made the decision, but some may read it as that. But we're staying with our concept on the peace process, and we are staying with our policy on settlements. And this action that I've taken today is consistent with our policy on antiterror.

Violence and Terrorism in the Middle East

Q. Mr. President, do you feel that Israel has committed acts of terrorism when it bombs Palestinians?

The President. We spoke out on the recent violence in the Gaza. And please note my last comment calling for peaceful resolution to these questions as opposed to violence and international terror. And that's the way I would respond on that.

Governor Guy Hunt of Alabama

Q. Mr. President, sir, can we go back to why you're here in Huntsville, sir? If you are here to help raise money for Governor Guy Hunt's gubernatorial campaign -- --

The President. I'm not standing right here to do that, but I was downtown doing exactly that. And I hope we were successful because I am totally committed to his reelection. I have respected the progress the State of Alabama has made under his leadership. And as I look at the way my philosophy of government works, the Governors are very, very important on all this. I cite not just the education summit, in which I worked closely with Guy, but this whole concept that the States and localities have a significant role to play not just in the money end of it but in the whole setting of objectives and goals. So, I'm glad you raised it; and, yes, that part of the trip was strongly to support him, to support other political leaders, too.

Q. You have goals for your space initiative. Do you believe Governor Hunt can help you reach some of those by being so strong in the Tennessee Valley?

The President. I think he's a proponent of the space program that I've set forth. I think he's got great credibility with other Governors. If I'm not mistaken, I think he's hosting the national

Governors down here, and that will give him to have an opportunity to make the case for space or any other initiatives for. But he is seen by other Governors to know what he's talking about in this area and clearly to be a strong proponent. So, I guess the bottom line is, yes, I think Governor Hunt here can be helpful to our objectives in terms of a vibrant space program.

Tennessee Valley Authority Appointment

Q. Mr. President, are you going to nominate or appoint Governor Hunt's nominee to the TVA board?

The President. I don't know that I'm going to carry my enthusiasm that far. [Laughter] But he's made a strong case for a person that he believes in, and he did it in his typical way, typical of Guy Hunt: right, direct. He told me exactly why he favored a certain nominee and then seemed to be saying, look, I recognize that you have a lot of factors to weigh in this decision. But I leave here understanding exactly why he has taken the position he has, and the position has respect. And I'm not prepared to discuss further what I might or might not do in this TVA -- you're talking about the TVA appointment.

Q. Did you say how long you would take to make an appointment?

The President. Matter of days. [Laughter]

Offshore Oil Drilling

Q. What about OCS [outer continental shelf]?

The President. A few days, a few days. Not for him, for this.

Thank you all very much.

Note: The President's 51st news conference began at 1:40 p.m. in the Space Exploration Initiative Exhibition Room at the George C. Marshall Space Flight Center. In his opening remarks, he referred to Richard H. Truly, Administrator of the National Aeronautics and Space Administration, and T.J. Lee, Director of the Center. Prior to the news conference, the President toured the facilities and was briefed by the Center's staff.

Remarks to Employees of the George C. Marshall Space Flight Center in Huntsville, Alabama

June 20, 1990

Dick, Admiral Truly, I'm very glad to be here. Let me just say something very personal: I can't tell you how fortunate the country is to have Admiral Truly lead NASA through these very exciting times. I salute him, and I'm very grateful to him. And I'm pleased to be here with the Governor of this State, a man whose unwavering support for the space program is so well-known. I want to thank Jack Lee, the director of this center and my tour guide today. I'm grateful to him. There is no quiz. If there was I would probably fail, because I am mightily impressed with the dedicated NASA workers, men and women, young and old, who are doing such a superb job on the cutting edge of science.

I was sorry we were a little late getting started. These arrangements affect everything. Even I couldn't find a parking place. [Laughter] Reminds me of my days in college. Everybody would gather around to get cooled off watching me strike out.

But nevertheless, I really am pleased to be back in Alabama, back in Huntsville. And I'm very proud of this State, proud of this special facility. The Marshall Space Flight Center is the birthplace of America's first satellite, America's first space station, and the world's first Moon rocket; and it was here with Saturn 5 that humankind began its historic journey to the stars.

Because of these traditions, Huntsville has a special importance to America and, indeed, to the entire world. And it has a special importance to me, as well. It was to Huntsville that I journeyed in the fall of 1987 to give a campaign -- for me, at least, a first major address on space. And on that October day 2\1/2\ years ago, I promised to create a National Space Council, chaired by the Vice President. I pledged to underwrite Mission to Planet Earth, to boost space science, and to launch a dynamic new program of both manned and unmanned exploration of the solar system.

And today I'm pleased to return to Marshall to report that we have made good on these promises. And we've done it the old-fashioned way, done it the American way -- step by step, program by program, all adding up to the most ambitious and far-reaching effort since Marshall and Apollo took America to the Moon.

The Space Council I proposed is not only up and running but under the dynamic leadership of our Vice President. It's leading the way into the 21st century. Mission to Planet Earth, a bold and unprecedented initiative to preserve our precious environmental heritage, has been plucked off the drawing board and placed in the hands of the scientists who will make it happen. And now that the shuttle program has put America back in space, we stand at the dawn of a new era in space science, with wonders like that magnificent Hubble Space Telescope and the fantastic

voyage of Galileo to Jupiter.

Exactly 11 months ago, I was at the Air and Space Museum in Washington to commemorate a special anniversary for you who work at the Marshall Space Flight Center: the 20th anniversary of Apollo 11's thunderous journey to the Moon. And standing with Neil Armstrong and dozens of other astronauts, I announced three major space policy objectives: first, to have space station Freedom up before the century is out, and second, for the new century, a permanent lunar base. And we're going back to the Moon, back to the future, and this time back to stay. And the third objective was refined last month in Texas, where I went to announce a new age of exploration with not only a goal but a 30-year timetable. I declared -- permit me to read it again -- before Apollo celebrates the 50th anniversary of its landing on the Moon, the American flag should be planted on Mars.

Being first in space is not just America's dream: it is indeed our destiny. And to see this happen, we're matching rhetoric with resources. Our budget proposes $15.2 billion for NASA, an increase of nearly 25 percent and the largest increase for any major agency of the United States Government.

Now for the bad news. Unfortunately, not everyone on Capitol Hill shares this commitment to investing in America's future. And last week, the House Appropriations Subcommittee for Space voted to pull the plug on this historic undertaking, completely gutting the seed money we proposed for the Moon-Mars mission.

But you know, space used to be a bipartisan effort, just a plain American effort. And the last time a President visited Marshall, John F. Kennedy compared those who were uncertain about America's leadership in space to those in Queen Isabella's court who counseled, in effect, ``Turn back. Leave the riches and rewards for other nations and braver hearts."

Some say the space program ought to wait, that we should only go forward once the social problems today are completely solved. But history proves that that attitude is self-defeating. Had Columbus waited until all the problems of his time were solved, the timbers of the Santa Maria would be rotting on the Spanish coast to this very day. And instead, he went forward, he ventured forth, and his travels brought Spain to the zenith of her stature as a nation.

Many an American schoolkid has read the story of Columbus' doubters and shook their heads in disbelief that these naysayers could have been so shortsighted. We must not let the children of the future shake their heads at our behavior. And right now, in the funding wars on Congress, we face a central question -- the question of whether America will continue to be a pioneering nation.

And when John F. Kennedy stood before the Congress in 1961 and spoke about the Moon, he spoke to a nation of pioneers. Now some in Congress appear ready to give up on that pioneering

spirit, to turn their sights inward, to concede that America's days as a leader in space have passed. Well I, for one, am not ready to give up. America has always been and will always be a nation of pioneers. I may not be around in the year 2019, but all of you guys will, and a lot of people out here in this marvelous, young, vigorous work force will. And on that special day 30 years from now, I want you to think back to the commitment that we made here today as you look at the TV monitors, maybe right here at Marshall, and watch the first American plant his feet on Mars. It's going to happen. With your work and our support it is going to happen.

During the Apollo era, America's space efforts grew at unprecedented rates. The Government hired the biggest and the best scientific force in history, and colleges and universities swelled with applicants and graduates in science and engineering. And it produced a golden age of American technology and advancement, an age that, today, we can recapture and begin anew.

Wernher von Braun was the giant who, in a sense, put Huntsville on the map. And when someone asked him what it would take to build a rocket to reach the Moon, Von Braun replied simply, ``The will to do it." And so, I'm here today at this monument to daring, this monument to imagination that Von Braun built, and call on the American Congress to step forth with the will that the moment requires. Don't postpone greatness. History tells us what happens to nations that forget how to dream. The American people want us in space. So, let us continue the dream for our students, for ourselves, and for all humankind.

Thank you for your dedicated work to this great country of ours. God bless the United States of America. Thank you for this warm, warm welcome. Thank you very much. Thank you.

Note: The President spoke at 2:26 p.m. on the grounds of the Center. In his remarks, he referred to Richard H. Truly, Administrator of the National Aeronautics and Space Administration, and Gov. Guy Hunt of Alabama. Following his remarks, the President traveled to Charlotte, NC, where he participated in a Point of Light recognition ceremony at Charlotte/Douglas International Airport for the Duke Power Co.

Nomination of Edwin D. Williamson To Be Legal Adviser of the Department of State

June 20, 1990

The President today announced his intention to nominate Edwin D. Williamson to be Legal Adviser of the Department of State. He would succeed Abraham D. Sofaer.

Since 1964 Mr. Williamson has been with the law firm of Sullivan and Cromwell, serving as a partner in Washington, DC, since 1988; partner in New York, NY, 1979 - 1988 and 1971 - 1976; resident partner in London, England, 1976 - 1979; and an associate, 1964 - 1970.

Mr. Williamson graduated from the University of the South (B.A., 1961) and New York University School of Law (J.D., 1964). He was born September 23, 1939, in Florence, SC. Mr. Williamson served in the U.S. Marine Corps Reserve, 1958 - 1960. He is married, has three children, and resides in Washington, DC.

Nomination of C.M. Schauerte To Be Federal Insurance Administrator of the Federal Emergency Management Agency

June 20, 1990

The President today announced his intention to nominate C.M. Schauerte, of Texas, to be Federal Insurance Administrator of the Federal Emergency Management Agency. He would succeed Harold T. Duryee.

Since 1972 Mr. Schauerte has served as vice president of government affairs for the American General Corp. in Houston, TX. Mr. Schauerte received a bachelor of arts degree, bachelor of journalism degree, and a master of arts degree from the University of Missouri. Mr. Schauerte served in the U.S. Air Force, 1949 - 1951. He is married, has four children, and resides in Houston, TX.

Nomination of James M. Stephens To Be a Member of the National Labor Relations Board, and Designation as Chairman

June 20, 1990

The President today announced his intention to nominate James M. Stephens to be a member of the National Labor Relations Board for the term of 5 years expiring August 27, 1995. This is a reappointment. Upon confirmation, he is to be designated Chairman.

Since January 1988 Mr. Stephens has been Chairman of the National Labor Relations Board in Washington, DC, and served as a member, 1985 - 1988. Prior to this he was labor counsel of the Senate Committee on Labor and Human Resources, 1981 - 1985. Mr. Stephens was assistant counsel, 1977 - 1978, and then associate counsel, 1978 - 1981, for the associate minority labor counsel of the House Committee on Education and Labor.

Mr. Stephens graduated from Wittenberg University (B.A., 1968) and Case Western Reserve University (J.D., 1971). He was born September 16, 1946, in Rochester, NY. He is married, has two children, and resides in Vienna, VA.

Nomination of John N. Raudabaugh To Be a Member of the National Labor Relations Board

June 20, 1990

The President today announced his intention to nominate John N. Raudabaugh to be a member of the National Labor Relations Board for the remainder of the term expiring December 16, 1992. He would succeed John E. Higgins, Jr.

Presently Mr. Raudabaugh serves as a partner with the law firm of Constangy, Brooks and Smith in Atlanta, GA. Prior to this he was a partner with Powell, Goldstein, Frazer and Murphy in Atlanta, GA.

Mr. Raudabaugh graduated from the Wharton School of Finance and Commerce, University of Pennsylvania (B.S., 1968); Cornell University School of Industrial and Labor Relations (M.S., 1974); and the University of Virginia Law School (J.D., 1977). He served in the U.S. Navy, 1968 - 1972. He was born July 12, 1946, in Sioux City, IA. Mr. Raudabaugh is married and resides in Atlanta, GA.

Appointment of Norman Sisisky as a Member of the Board of Trustees of the James Madison Memorial Fellowship Foundation

June 20, 1990

The President today announced his intention to appoint Norman Sisisky to serve in an advisory capacity as a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for the remainder of the term expiring October 3, 1990. He would succeed James R. Olin. He will also be appointed for a term expiring October 3, 1996.

Mr. Sisisky is presently serving his fourth term as a United States Representative for the Fourth District of Virginia. Prior to this he was a Virginia State legislator. Representative Sisisky graduated from Virginia Commonwealth University (B.S., 1949). He was born June 9, 1927, in Baltimore, MD. In addition, he served in the U.S. Navy. He is married, has four children, and resides in Petersburg, VA.

Nomination of Earl Roger Mandle To Be a Member of the National Council on the Arts

June 20, 1990

The President today announced his intention to nominate Earl Roger Mandle to be a member of the National Council on the Arts, National Foundation on the Arts and the Humanities, for a term expiring September 3, 1994. He would succeed Raymond J. Learsy.

Since 1988 Mr. Mandle has served as the Deputy Director of the National Gallery of Art. Prior to this, he was director of the Toledo Museum of Art, 1977 - 1988, and associate director, 1974 - 1976. He was associate director of the Minneapolis Institute of Arts, 1967 - 1974.

Mr. Mandle graduated from Williams College in 1963 and New York University (M.A., 1967). He was born May 13, 1941, in Hackensack, NJ. He is married, has two children, and currently resides in Washington, DC.

Nomination of Bert W. Corneby To Be Superintendent of the United States Mint at West Point

June 20, 1990

The President today announced his intention to nominate Bert W. Corneby, of New York, to be Superintendent of the Mint of the United States at West Point, NY, Department of the Treasury. He would succeed Clifford M. Barber.

Since 1985 Mr. Corneby has served as deputy commissioner of finance for the County of Orange in Goshen, NY. Prior to this, he served as partner/manager for ALFA Market in Central Valley, NY, 1982 - 1985; general manager for Vornado, Inc., Sutton Place Catalog Showrooms in Rahway, NJ, 1981 - 1982. Mr. Corneby served in several capacities at the Grand Union Co. Grand Catalog Showrooms in Ridgewood, NJ, including vice president/division general manager, 1978 - 1981; operations vice president, 1975 - 1978; administrative vice president, 1973 - 1975; director of personnel, 1972 - 1973; and in the supermarket division, 1959 - 1972.

Mr. Corneby graduated from West Virginia Wesleyan College (B.S., 1959). He was born December 15, 1937, in Scranton, PA. Mr. Corneby is married, has three children, and resides in Monroe, NY.

Remarks at a Fundraising Dinner for Senator Jesse Helms in Charlotte, North Carolina

June 20, 1990

Thank you, Senator. Thank you all very, very much. Thank you, Jesse. Thank you very, very much, Jesse, for that very warm introduction. And I am so pleased to be here. And to Dot Helms, my respects. Barbara sends her love. To our outstanding Governor, Jim Martin, a friend of longstanding, my respects, and to his cohort from across the way, Carroll Campbell, another close friend. The Carolinians are lucky -- they've got it made with these two Governors. I want to salute another friend, the Congressman from this district who's making such a superb record for himself and for North Carolina values in the United States Congress, Alex McMillan, going strong. And I'm very proud of him. Another old friend -- I don't want to date Jim Gardner in a sense, but he and I were elected to the Congress on exactly the same day several years ago. And I am proud of him as he serves this State as Lieutenant Governor.

I want to salute the Mayor, Sue Myrick; our chairman, Jack Hawk; old friends of mine, Jack and Helen Laughery, who do so much for the cause and with whom I spent a nervous primary night in this State 2 years ago. Roger Milliken, from Spartanburg down here, right across the way; strong supporter of the Republican Party and the conservative cause. And, of course, the real star of tonight's show -- a truly great North Carolinian with an unparalleled record of success, loved by his fans, feared by his opponents. You all know him -- professional wrestler Ric ``Nature Boy'' Flair, down here. Ric, I was thinking you ought to team up with my friend, the Chairman of the national Fitness Council, Arnold Schwarzenegger. You know, Conan the Republican. [Laughter] And maybe the two of you could bench-press the Federal budget. I'm glad you're here.

And I don't have what they call in baseball ``rabbit ears'' -- you know, the guy that always hears the heckling from the sidelines -- but I did notice some protest going on outside as we were coming in tonight. And they're upset because they think that the only reason I was invited to speak this evening is because I'm Barbara Bush's husband. [Laughter] I thought it came out pretty well -- Bar Bush, seven; Wellesley, you know what. [Laughter]

Anyway, it's a pleasure to be with you in the birthplace of one of America's greatest religious leaders, too, a friend of all of ours, the Reverend Billy Graham. And what's more, I am privileged this evening to salute one of America's most dynamic political leaders, a steadfast champion of what he believes -- what he believes. And, of course, I'm talking about Senator Jesse Helms, my friend.

You know, it's been said that Jesse Helms is a political partisan. He still maintains that ``One Flew Over the Cuckoo's Nest'' was really the title of a film on the 1972 Democratic Convention. [Laughter] Yet partisanship really is only a small part of the Jesse Helms story. The son of a

police chief, Jesse worked his way through school. Later, telling the plain truth as a columnist and commentator. And as a Senator with seniority and prestige, he's been a clear, strong voice for North Carolina, reflecting this State's motto: To be rather than to seem.

The theme of this campaign is ``you know where Jesse stands." Yet I'd like to talk about the Jesse Helms you may not know about. Not just professionally -- I'm talking personally. And why his reelection isn't a partisan crusade but a national necessity. The Jesse Helms that I know and that all of us that orbit around that Senate from time to time know is a man of courtesy, unfailing courtesy, and conviction. He isn't a trendy follower who flows with the current. He's a visionary who alters the tide. Sam Ervin put it best: ``Jesse is one of the few men with the courage to stand up for what he believes." And the Jesse Helms I know also embodies the values of North Carolina's good, quiet, and decent people -- people who pay their taxes and believe in hard work and have a love of country and of God. And like them, Jesse's a man of integrity, a great family man -- lovely wife, Dot, and three great kids, six grandchildren. And a man of kindness and humanity.

Let me tell you a revealing story. Barbara and I have two adopted grandchildren, the younger christened in the Rose Garden 2 weeks ago. And they are a constant source of happiness in our lives. Well, 28 years ago, at Christmas, Jesse and Dot were reading a story about a boy with cerebral palsy living in a Greensboro orphanage. And asked what he would most like from Santa Claus, the boy had said, a mother and a father. And soon after, Jesse and Dot visited that boy and they adopted him -- became his mother and father. Brought him through several operations. And today, he's a successful businessman with a family of his own. Like Barbara and I, Dot and Jesse know the joy of adoption. And I know we all salute them for bringing the caring light of love to another.

And that is the Jesse Helms I know -- a parable of character. The character which led Jesse to go out and buy glasses for the son of a woman in Johnson County whom he heard couldn't see the blackboard, or caused him to help Durham's Thuy Doan. Having escaped from Vietnam, she tried for 7 years to get her mother out. And Jesse reunited her family.

Let's face it: people don't always agree with him, but they always respect him. And where does Jesse stand? You know where. He places principle and people above partisan politics -- strengthening the United States of America. By way of example, look first at foreign policy, where naturally, the liberal Democrats want us to make reckless defense cuts. And as long as I'm President, there's as much chance of that happening as there is of Mike Krzyzewski going to the Boston Celtics. It isn't going to happen.

And the truth is, a strong national defense has and is helping to build a more democratic world. Consider: Earlier this month, President Gorbachev and I held our Washington summit, and we signed an agreement to update and expand our 1973 pact on the peaceful uses of atomic energy. Another agreement on nuclear testing will create unprecedented improvements for on-site

verification -- a course that Jesse has urged since the 1970's. And President Gorbachev and I also issued a joint statement on conventional armed forces in Europe in which both sides committed themselves to intensify the pace of the negotiations in Vienna and agreed that such a treaty is essential to the future security of Europe. And furthermore, we also agreed to hold future negotiations on nuclear and space arms once the START treaty is concluded.

The great humorist Will Rogers once said, ``A man in the country does his own thinking -- but you get him into town and he soon will be thinking second-handed." In North Carolina, even city folks are commonsense country thinkers. And you understand that giving peace a chance does not mean taking a chance on peace. As we build upon our new relationship with the Soviet Union -- and I'm going to keep on trying there -- America must heed the desire for self-determination for the Baltic Republics. And we will. And I was pleased to see last week's meeting between President Gorbachev and the Presidents of these three Republics. And those talks began a dialog that we hope can lead to a peaceful resolution of this situation, an end to the Soviet economic blockade of Lithuania, and freedom for millions more.

And as we work to consolidate the positive change of the past year, we must also maintain the policies and institutions that made that change possible: a strong NATO, with Germany remaining a full member, and a strong American military presence in Europe as guarantors of stability, security, and freedom. Carolinians know these challenges can only be met through an America unafraid to adjust but committed to remain strong. You see, weakness will not preserve the peace that our national defense policies have helped us win. And I need Senators who will help our defense maintain that peace.

And where does Jesse stand? You know where Jesse stands: for a safer, more secure, and stable world. And turning to America, a lot of challenges also remain. And so, quoting Asheville's own Thomas Wolfe, let's ``look homeward." And here, too, I need Jesse Helms to keep standing up for what's right.

A noted preacher once said, ``A thoughtful mind, when it sees a nation's flag, sees not the flag only but the nation itself." And yet, what would we say to the brave men and women who fought and died for the Stars and Stripes if they were alive today? Forty-eight States had laws protecting the flag against desecration. Forty-eight States. And those laws were effectively struck down when the Supreme Court ruled that flag-burning is protected by the Constitution. Now, I know this is an emotional issue on which Americans of good faith can and do disagree. As I look at it, it's not a Republican issue or Democrat, or even a liberal or conservative issue. To me, it is an American issue.

And our forefathers, with remarkable insight, knew that the Constitution must evolve in order to be contemporary. And so, they provided a mechanism for amending this sacred and marvelous document. And like us, they knew that the flag is the unique symbol of America. And I emphasize that word ``unique." I honestly can't believe that they would condone burning it under

the cover of free speech. The constitutional amendment we have proposed is carefully drawn. And here's what it says: ``The Congress and the States shall have power to prohibit the physical desecration of the flag of the United States." I will fight for that amendment, and I am proud to have Jesse Helms at my side.

And Jesse and I, of course, agree on many other issues -- things that I think we all agree could be called value issues. An example: Jesse believed that kids should have the right to have voluntary prayer in the classroom -- and so do I. As an old-fashioned guy, he believes in fiscal sanity. And when it comes to solving problems, liberals measure progress made by dollars spent. And Jesse and I, on the other hand, want to clean up the deficit through proposals requiring a balanced budget and a line-item veto. If the Congress can't make these cuts, give the President what 43 Governors have, and let him have a shot at it.

And finally, there's the issue of fighting crime. And last May I outlined our Violent Crime Act. And at its heart is the belief that for anyone killing a law enforcement officer, no legal penalty is too tough. Liberals oppose the death penalty. And where does Jesse stand? Where I do: We want to eliminate loopholes that allow these, the worst criminals, to escape just punishment. And what's more, we want to expand its coverage to include major drug traffickers. Not sometime, not someplace but right now all across America.

I'm told that Jesse's favorite movie is ``Patton." And in closing, let me recite the words of Patton telling his troops that in coming months they would often wonder whether they'd retreat under fire. ``Don't worry about it," he advised them. ``I can assure you, you will all do your duty." For 18 years Jesse Helms has done his duty, acting as a United States Senator to protect what Mayberry's own Aunt Bee, of the beloved ``Andy Griffith Show," called ``home and people's feelings, and how they grew up." He continues to lead with the civility and conscience that is a metaphor for North Carolina and with a spirit that would make even General Patton proud.

Two years ago, after an operation, Jesse -- typical of him -- disobeyed the doctor's order by leaving his sickbed early to hit the campaign trail for me and Dan Quayle. And I'll never forget how he literally stood up to support me. And tonight, I came down here to pledge him my support. You know where Jesse stands: for a safe, strong, and moral America. And I need him in the United States Senate, so let's keep him there -- for your sake, for North Carolina's sake, and for America's sake.

And thank you for this occasion. And let's reelect Jesse Helms. And God bless the United States of America. Thank you.

Note: The President spoke at 7:25 p.m. in Liberty Hall at the Merchandise Mart. In his remarks, he referred to Jack Hawk, chairman of the State Republican Party; Jack Laughery, president of Hardees; Roger Milliken, president of Milliken Industries; Mike Krzyzewski, coach of the Duke University basketball team; and author Thomas Wolfe. Mrs. Bush spoke at the Wellesley

College commencement ceremony. Following his remarks, the President returned to Washington, DC.

Remarks at the Ribbon-Cutting Ceremony for the Children's Inn at the National Institutes of Health in Bethesda, Maryland

June 21, 1990

What a beautiful day! Thank you, Dr. Sullivan. And I love the music, too. I love to sing. We heard you when we were just getting ready to come out here. Thank you very much. I guess I needn't tell this group, infiltrated by so many doctors and friends from NIH, of my high regard for our Secretary of HHS, Dr. Sullivan. I'm just delighted he's with me and very proud to be introduced by him. I really want to single out those who have worked so hard, recognizing that I might, by omission, risk offending. But Bar and I've had this warm welcome here, and then we've been reading up on the hard work that's gone into it. Certainly, I want to single out Debbie Dingell for her commitment, Dr. Pizzo, Dr. Raub, Dr. Vagelos, Alan Kay, Carmala Walgren, Chris Downey, Kathy Russell, and -- again, excuse me, I'll stop there -- but everybody else as well.

It's good to see so many friends and believers from the Hill over here -- from Capitol Hill, those who are giving this project a lot of heartfelt support -- Congressmen Dingell and Downey and Walgren and Morella and Lowery. Welcome to all. And a special greeting to the kids, the parents, and the friends who have come down from NIH this morning.

I have been so impressed by what I've learned about the unique concept of Children's Inn. Barbara and I have talked about it, and she's told me of this wonderful concept. It's an extraordinarily sensitive idea to provide this place of refuge and renewal so that sick children and their families can live together during treatment. I am very moved to be here today to see how joyously your vision of caring has been realized. This is a story of how dreams come true, and if you believe with all your heart and work with all your might, dreams do come true.

Yours is also an inspiring message of bravery, sacrifice, and hope that can bring together individuals, political parties, professionals, volunteers, private businesses, and then the Government itself. The Children's Inn, this extraordinary home for those who need it most, is a remarkable lesson in unity of purpose and caring. As brilliant Points of Light in the hard, dark world of battling illness, you've given this rare and loving gift, and you've shown your belief in the shining role which family support plays in the treatment of a sick child.

Carmala and Debbie and Chris and all of the congressional spouses, your vision and compassion and caring touch us all very deeply. Dr. Pizzo, your professional commitment to this dream has lasted a decade; the remarkable legacy that you've helped to create will last for generations. And, Dr. Vagelos, you and Merck & Co. have embodied in a most exemplary way the ideal of corporate responsibility, utilizing the unique talents and gifts that your company has to give.

And then to NIH: Your generous gift of land and medical expertise has and will change the lives of many of the children and so many, many others. Your leadership and gifts, both spiritual and physical, have made this dream an astonishing reality.

The lesson of the Inn will show us all that the most important part of life is a very simple one: taking time to hold a hand, share a laugh, wipe away a tear. Many people will be doing exactly that to comfort the 36 families who will live at this Inn: people like resident manager Kate Higgins and her staff; people like the volunteer fundraisers and more than 4,000 donors who have raised over $7 million for construction and who will continue to raise $500,000 a year for operating expenses; people like those at the Clinical Center and the entire campus of NIH, who have been involved in caring for decades, in planning for years, and in construction since last August. I think it's wonderful that over 3,000 of you came to tour this place earlier this week. And Debbie said that -- knowing her, I'm sure there were a few arms twisted -- but nevertheless, she said that most of you have volunteered to help, and I would encourage the others to listen to her message.

We can't forget those who simply care, like the eighth graders at Baker Intermediate School in Damascus, Maryland, who made a squadron of 35 toy airplanes for the Inn.

But above all, it will be the families themselves who will be providing the love. As your Children's Inn slogan says: ``There is a closeness that can only come from the family."

Let me give you an example of the importance of the family bond in bringing new hope to a sick child. Today 10-year-old Breanne Schwantes can swim up to 54 laps a day, plays hard with her sisters and cousins, and is so concerned about the penguins in Antarctica that she even wrote a letter to me about them. But she could have spent these last 10 years in a world bounded by her hospital room walls, like others with her illness, for Breanne has osteogenesis imperfecta, brittle bone disease. But what is more important is that she also has her loving parents, Terry and Theresa, and sister, Elizabeth.

When Breanne's condition was diagnosed, Theresa gave up her Ph.D. work, saying nothing else mattered except devoting herself to the health of her daughter and the health of her family. And she says: ``We decided that our gift to Breanne would be that she have a life that was full and joyous and that all of our lives would be truly lived." And now, whether at home in Wisconsin or in the Schwantes' second home here at NIH, those who know Breanne say it is her family's depth of support that has given this child her life.

There is nothing that hurts more than a child afraid of the darkness whose cries go unheard, a lonely child whose tiny spirit is wrapped up in a brave fight too big for its years. And that is what this splendid cause, your splendid cause, so eloquently recognizes.

As I thought about why I was so deeply touched by the sensitivity of your concept, I

remembered Barbara's words a couple of weeks ago at Wellesley. To me they sum up the spirit of this place: that the family is the key to everything. She told the graduates there, you may remember, ``You will never regret not having passed one more test, not winning one more verdict, or not closing one more deal. You will regret, however, time not spent with a husband, a friend, a child, or a parent."

We share the belief that the family is the bright center of love and life itself. Quite simply: Family comes first.

Those of you who are parents of these special, gravely ill children share something. You learn to carve out your daily lives with the tools of courage, faith, and love.

Dr. Vagelos and Dr. Pizzo and the Friends of the Children's Inn are people of exceptional goodness, and we are very, very grateful to them. And I also want to thank the nurses, the nurses who hold these kids in their arms and take care of them, and all the other fine people here at NIH who help and care. And to the families of these kids -- you live with a special grace. You who spend precious time with these kids, these intensely ill children, have learned the true meaning of the prayer of St. Francis:

``Where there is despair, let me sow hope; where there is darkness, light; and where there is sadness, joy."

You've had the extraordinary opportunity to bring joy and strength to each other, and that is the greatest strength of all.

Thank you, and God bless this wonderful work right here at this very special Inn. And now off to cut the ribbon.

Note: The President spoke at 10:14 a.m. outside the Children's Inn. In his remarks, he referred to Secretary of Health and Human Services Louis W. Sullivan; Philip Pizzo, Chief of Pediatrics at the National Cancer Institute; William F. Raub, Deputy Director of the National Institutes of Health; P. Roy Vagelos, chairman and chief executive officer of Merck & Co., Inc.; Carmala Walgren, Debbie Dingell, Chris Downey, Alan Kay, Kathy Russell, and Katie Lowery, president, vice president, secretary, and members of the board of directors of Friends of the Children's Inn, respectively.

Remarks Congratulating the Detroit Pistons on Winning the National Basketball Association Championship

June 21, 1990

The President. Well, thank you all very much. Deja vu all over again, as Yogi Berra would say. [Laughter] To the Members of the Senate -- both Senators -- and several Members of the House delegation from Michigan, welcome to the steamy Rose Garden. There hasn't been so much excitement around here since Michael Jackson swung out through that door a while back. But I want to welcome you all back and to say to the deputy commissioner here, Russ Granik, and all distinguished guests, welcome to the White House. Bill Davidson and General Manager McCloskey and, of course, Coach Daly and all the proud members of the Pistons, we're very proud of you. I'm delighted to welcome all of you here to the Rose Garden to join in honoring the world champion Detroit Pistons on this repeat performance.

I know that -- one serious note -- that it is a bitter-sweet victory for one member of the Pistons team -- I should say the Pistons family. And I'm talking about Joe Dumars. And our hearts go out to you and to your family on your loss. And all of us admire the strength and the dignity that you displayed these last very difficult weeks.

You know, today is a proud day for the Pistons; it's one for the record books. You've become only the third team in pro basketball history to win the NBA championship back to back. First the Celtics, then the Lakers, and now the Detroit Pistons. And each great team has a trademark style, the Pistons being no exception. The style starts with Chuck Daly, voted Coach of the Year by Gentlemen's Quarterly -- [laughter] -- who knows it's not just how you play, it's how you look. How he made it some of us don't know. But anyway -- [laughter] -- --

In Detroit, it's defense, the take-no-prisoners, wall-to-wall pressure that held Pistons' opponents under 100 points for 44 times this season and 13 of the 20 games in the playoffs. And the key is to keep that focus, play with the same intensity for the full 48 minutes. And that's the Pistons' brand of basketball that has captivated the hearts of this country. Take the fifth and final game. The Trailblazers had a tough team. They played the Pistons dead-even all game long -- 47 minutes, 59.3 seconds to be exact. Good, but not good enough. And in the last, seven-tenths of a second, Vinnie Johnson nailed a jumper, and the Pistons nailed another championship banner to the rafters in the Palace.

And on a team with this tremendous talent, it's no surprise to find some of pro basketball's very best. I should start, I guess, with everybody's MVP, Isiah Thomas, the kind of guy who gets lost in a crowd until you toss in a basketball out there. And his game goes into overdrive in the playoffs. Listen to these stats: In the last 7 minutes of game 1, Isiah scored 16 points. Or game 4 -- 30 points in the second half. And of course, the final, last Thursday night, Isiah led the way with a team-high 29 points. That concludes today's reading from Isiah. [Laughter]

Detroit got championship-level play all series long, all season long, from every member of the team. Instant offense from Mark Aguirre, Joe Dumars. Aggressive -- I see their families are here. [Laughter] Aggressive defense from John Sally and the NBA's number one defensive player, Dennis Rodman. And there's the front court -- James Edwards and, of course, my old friend, Mr. Congeniality over here, Bill Laimbeer. [Laughter] James' nickname may be Buddha, but I know no one is ever going to call Bill Laimbeer Gandhi. [Laughter] Kinder and gentler maybe, but not peaceful.

In any event, key contributions along the way from Jerome Henderson and Scott Hastings, David Greenwood, William Bedford, all under the guidance of the great coach, Coach Daly, and his topnotch staff. There may be 5 men out there on the court, but no one knows better than this proud Piston team that it takes a 12-man effort and more to bring home the title 2 years in a row.

So, I want to welcome you here today, welcome you back, true champions that you are. Once again, my sincere congratulations to you, to the city of Detroit, the home of the world champion Pistons. Maybe I'll see you next year, too.

Thank you all very much.

Isiah Thomas. As they said in ``Poltergeist," ``We're back!" [Laughter]

On behalf of the Detroit Pistons -- well, let me say one other thing. Vice President Quayle, sir, you've come to see us play twice. [Laughter] The first time was in Indiana, and I think we ended up losing by about, what was it, 30 that night? It was the worst game we played all season. So, we're happy and everything that he's going to come and watch us play again in Detroit. So, he comes to the final game, and that's the only game we lose in the finals. [Laughter] We lose it in overtime. Thanks for all your support. [Laughter]

Now, on behalf of the Detroit Pistons, my teammates, the whole organization, we again would like to present President Bush with a Piston jersey. And even though we may be number one, he's also number one. Thank you.

The President. Thank you very much. Thank all of you guys.

Note: The President spoke at 2:17 p.m. in the Rose Garden at the White House. In his remarks, he referred to Russ Granik, executive vice president of the National Basketball Association, and William Davidson and Jack McCloskey, managing partner and general manager of the Detroit Pistons, respectively.

Designation of Susan M. Coughlin as Vice Chairman of the National Transportation Safety Board

June 21, 1990

The President today designated Susan M. Coughlin to be Vice Chairman of the National Transportation Safety Board for a term of 2 years. She would succeed James L. Kolstad.

Since 1989 Mrs. Coughlin has served as a member of the National Transportation Safety Board. Prior to this she served as Deputy Administrator of the Federal Railroad Administration at the Department of Transportation in Washington, DC, 1987 - 1989. Mrs. Coughlin has served in various capacities for the Export-Import Bank of the United States in the Office of Public Affairs and Publications, Washington, DC, including Acting Vice President, 1986 - 1987, and as Deputy Vice President, 1983 - 1986. In addition, she has served as an officer in intergovernmental relations in the Office of the Secretary at the Department of Transportation, 1981 - 1983.

Mrs. Coughlin graduated from Moravian College (B.A., 1972). She was born March 17, 1946, in Naval Station, MD. Mrs. Coughlin is married, has four children, and resides in Washington, DC.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

June 22, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (92 Stat. 739; 22 U.S.C. 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question.

This report covers the period from mid-March through mid-May 1990, a time marked by intense activity in both Cypriot communities, as well as international efforts at resuming direct intercommunal negotiations.

In northern Cyprus elections were held on April 22 and May 6, 1990, which reconfirmed the positions of leadership and authority long held by Mr. Rauf Denktash and the Turkish Cypriot National Unity Party, respectively. Observers have since interpreted these electoral successes as endorsements by the Turkish Cypriot community of existing Turkish Cypriot policies and intercommunal negotiating positions.

In the south, the arrest of a Greek Cypriot youth who crossed into northern Nicosia, defaced a public building, and was arrested and jailed by the Turkish Cypriot police led to a series of demonstrations by Greek Cypriot students along the U.N.-controlled buffer zone. These demonstrations and protests intensified as the intercommunal negotiations in New York ended in early March without a positive result. For some days the checkpoint near the Ledra Palace was closed, thus effectively blocking travel between the two communities on Cyprus. In addition, a handful of young Greek Cypriots managed to dart through the lines and commit small acts of vandalism, which led to further arrests and jailings by Turkish Cypriot authorities. Several of these Greek Cypriots remain in northern Cyprus jails.

While elections and heightened tensions were the order of the day in Cyprus, strong efforts continued by the United Nations Secretary General, supported by the United States and others, to find a way to restart direct intercommunal negotiations aimed at completing an outline for a Cyprus settlement. Toward this end, I discussed the Cyprus situation personally with Prime Minister Thatcher during our meeting in Bermuda in early April, and my Cyprus Coordinator, Ambassador Nelson Ledsky, held 4 hours of talks with President Vassiliou in New York in late April.

During this same time period the United Nations Secretary General met separately with the Turkish Foreign Minister and President Vassiliou of Cyprus. There were also extensive conversations about Cyprus during President Vassiliou's official visit to Canada on April 30 -

May 1.

Finally, on May 15, I nominated to the Senate Robert E. Lamb, a distinguished career Foreign Service Officer, as Ambassador to Cyprus.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Remarks to United States Attorneys

June 22, 1990

Thank you all, and welcome back to Washington, many of you. For those here, my thanks to you as well for the job you're doing. I want to thank Secretary Brady for being with us, Nick, and of course my valued counselor and friend, the Attorney General, Dick Thornburgh, who is doing an outstanding job for our country. And I'm grateful to him every single day that I'm President.

To the prosecutors and crimefighters, you know what -- when I told the grandchild that's with me there in the White House now that I'd be spending some time with some of America's finest crimefighters, Noelle asked me if I'd be sure to bring back an autograph from Dick Tracy. [Laughter] We just saw that show in the White House.

But nevertheless, true villains are drawn from life, not from primary colors; and where financial fraud is concerned, it takes a discerning mind and a determined spirit to distinguish the incompetent from the fraudulent, the unlucky from the unlawful. And this nation is very fortunate to be able to look to you, the United States attorneys of America, to make these tough calls. And we depend on you as you work with the FBI and other investigative and regulatory agencies to sift through piles upon piles of documents and understand that in the cold numbers of a ledger can be found the tragedy of an embezzled pension, the heartache of stolen savings.

White-collar crime is not as dramatic as violent crime, but white-collar crime still ruins lives, and it murders the fondest dreams of whole families. And it takes a snake, a coldblooded snake, to betray the trust and innocence of hard-working people. And so, if we have to look under rocks to find these white-collar criminals, then we will leave no stone unturned.

This administration, from our first days in office, has worked with Congress to crack down on white-collar criminals -- to crack down on fat-cat financiers who launder the smell of blood out of drug money and white-collar crooks who cheat the elderly out of their life's hard work, and to bring to justice government contractors who steal by the numbers. You already know of the 37 convictions from the Ill Wind probe of Federal defense contractors, and you already know of the 127 people rounded up in Operation Polar Caps crackdown on drug financiers.

And let me say I wanted you here today to also thank you because there are signs that we are starting at long last to make credible progress in the war on drugs. Dick and Nick Brady and I have just come from a meeting with Bill Bennett [Director of National Drug Control Policy] -- a report on where we stand; and we're beginning to get the sense -- and I think the country is beginning to get the sense -- that we will, indeed, win this war on drugs.

You already know that among cases involving abuse of HUD contracts, the Department of Justice has already obtained 65 convictions this fiscal year, including 21 convictions in

Oklahoma alone, while courts have ordered almost $2\1/2\ million in restitution in that State, more than half of which will come from an executive who has a 5-year reservation in prison. And in all, the Government has won 10,000 financial fraud convictions since 1985. And just last year alone, the Department of Justice aggressively won almost 800 convictions in major financial institution fraud cases -- cases involving more than $100,000 each.

But the most critical financial fraud problem we've faced is the -- Dick referred to it -- the savings and loan crisis. Working closely with Congress, we succeeded in obtaining many critical regulatory reforms, but a great deal of wrongdoing had already taken place, had already occurred. And so, in the third week of my administration, I directed the Attorney General to give cases of S&L fraud the highest priority; and he did just exactly that. And when it comes to civil action, we have sought restitution to protect taxpayers through tens of thousands of civil suits leveled against S&L executives, owners, and borrowers. And when it comes to criminal action, we aim for a simple, uncompromising position: Throw the crooks in jail.

And this aggressive attitude is paying off, and in 3 years, we've won more than 150 S&L convictions: $100 million ordered in restitution -- $100 million; more than 400 years in prison terms meted out. And I know that because of you and your firm support there will be much, much more. I am grateful to each and every one of you that is fighting hard to bring these people to justice.

Consider all that is happening. An S&L chairman gets 30 years in the celebrated case in Dallas, Texas. An S&L CEO in Santa Rosa is sentenced to prison, and the courts ordered almost $7 million in fines and restitution. In Illinois, top officers of an S&L go to prison and are ordered to pay $17 million. Now, these cheats have cost us billions, and they will pay us back with their dollars, and they'll pay us back with years of their lives.

These prosecutions are the result of a determined effort, an effort which we are boosting with 202 FBI agents, 100 more FBI accounting technicians, and 118 more United States attorneys. The Dallas Task Force has been particularly successful, obtaining 52 convictions. So successful, in fact, that Attorney General Thornburgh is expanding the task force concept to 27 cities.

Now, we could have been moving even faster, but very candidly, Congress did not act on my request for $36.8 million in additional investigatorial and prosecutorial resources for 1989. And further, approval of my request that Dick talked about for $50 million for the current fiscal year was delayed.

Under Secretary Brady's leadership, the IRS is aggressively pursuing individuals suspected of tax fraud in connection with failed savings and loan institutions, while the Resolution Trust Corporation is adding about 300 members to its investigative staff this year to become part of a new national investigative network. The FDIC is pursuing more than 1,200 cases of fraud and negligence against thrift officials -- attorneys, accountants -- and has collected more than $120

million in damages this year. Treasury's Office of Thrift Supervision, the OTS, has also required 664 institutions to agree to terminate unsafe and unsound practices, remove more than 150 senior thrift officers and directors, and issued 111 cease and desist orders to stop unsafe and unsound practices.

Throughout it all, our men and women in the Federal agencies are doing a great job, from the halls of Justice and Treasury to the passport clerk who recovered $3 million in cash, jewelry, and gold by keeping a former savings and loan owner from skipping the country.

We're learning a lot from our successes, and so, I'm here today to back new legislative and administrative action. In further ways, we can crack down on white-collar crime. First, let me declare my support for a proposed amendment to the Omnibus Crime bill to enhance and enforce the civil and criminal penalties for fraud against financial institutions. This legislation, sponsored by leaders -- Bob Dole, Republican leader, and Bob Michel, by Senators Heinz and Garn, as well as Congressmen Hiler and Wylie -- will strengthen our investigative and prosecutorial tools in the service of justice, and it will provide added protection to the victims of crime.

We want to allow the use of court-approved wiretaps in investigating bank fraud. And we also want Congress to authorize Federal regulatory agencies to ask the courts to freeze the corporate and personal assets of defendants in civil cases involving financial institution fraud so that they will not leave the taxpayers high and dry. And we want to prevent rip-off artists from using bankruptcy as a strategy to avoid paying damages.

Now, these are some of the legislative steps that we can and must take, but we must also build on our recent successes by taking further administrative action. The Attorney General will establish within this great department, the Department of Justice, a new unit to direct and sharpen the Department's actions even further while helping to coordinate actions with other Agencies.

Where new problems emerge in S&Ls we'll need to get involved fast, and that's why Attorney General Thornburgh and Secretary Brady have created a new approach: rapid response teams against fraud -- teams of razor-sharp prosecutors and auditors recruited from their Departments and other Agencies striking city by city, teams that will jump right into the paper chase, teams that will hit the trail while that trail is still hot. These teams will be deployed to help you. You're on the cutting edge, you U.S. attorneys. And I am confident that they will work well with you.

I have already seen the men and women of these two Departments working together, sharing a tenacious spirit born of a thirst for justice. Of course, we will always quantify the importance of our work together in terms of billions of dollars lost, but perhaps it is more appropriate to remember why this mission is so important to so many people -- a thought that will sustain you in the months to come as you sip that cold coffee long after everyone else has gone home. You'll

be working late because you will not let those people be forgotten: savers whose hard work and honest trust must and will be protected, elderly people whose faith in the future must be preserved. It's your duty -- I would say it is your sacred duty -- to right these wrongs, to stand up for the vulnerable against the unscrupulous, the guileless against the conniving.

We will not rest until the cheats and the chiselers and the charlatans spend a large chunk of their lives behind the bars of a Federal prison. You do a difficult job in a spirit of professionalism. Sometimes you come under fire -- partisan political fire. And I will do my level best to see that the facts are out there so that the American people can understand and appreciate, as I do, the job that you all are doing. I can thank you, only thank you, on behalf of all Americans for this dedication, this dedication that you bring to the people's work.

I want to thank all of you for coming here to Washington, and may God bless each and every one of you. Thank you for what you're doing. We want to support you 100 percent. Many, many thanks.

Note: The President spoke at 11:12 a.m. in the Great Hall at the Department of Justice.

Statement by Press Secretary Fitzwater on the Renewal of the Hungary-United States Trade Agreement

June 22, 1990

The President has renewed the bilateral trade agreement between the United States and the Republic of Hungary. Under the agreement, which went into effect in 1978, the United States and the Republic of Hungary grant each other most-favored-nation tariff treatment. The President based his decision on, among other criteria, a satisfactory balance of concessions in trade and services between the two countries during the life of the agreement.

The administration will seek further negotiations in the near future with the newly elected Hungarian government on investment matters, intellectual property protections, and other measures aimed at increasing trade and business contacts between the two countries.

In renewing the bilateral trade agreement with Hungary, the President reaffirmed support for the Republic of Hungary's commitment to market mechanisms and the country's continued movement toward trade liberalization and nondiscriminatory practices with her trading partners.

Japan-United States Joint Statement on the 30th Anniversary of the Entry into Force of the United States-Japan Treaty of Mutual Cooperation and Security

June 22, 1990

On this historic day 30 years ago, representatives of the United States and Japan exchanged instruments of ratification and put into effect the U.S.-Japan Treaty of Mutual Cooperation and Security, an agreement which is the very foundation of the overall relationship between our two countries and provides the framework for peace and stability in Asia.

The past three decades have witnessed remarkable progress and prosperity among the free nations of the Pacific region. Such progress would not have been possible but for the framework for peace and stability that the Treaty has provided. As we consider the important role that the Treaty has played over these years, our respect deepens for the wise judgment made by our predecessors.

With our combined economic strength, our steadfast security relationship, and our common adherence to political and economic freedom, the United States and Japan, working together, constitute a force for positive change in the world.

We are partners for peace, and the foundation of our partnership is the Treaty of Mutual Cooperation and Security. In the coming decades, as we pursue our global partnership, the Treaty will remain a vital instrument for ensuring the freedom and security of our two nations and promoting peace and prosperity throughout the world. On this occasion, therefore, we hereby renew our commitment and efforts steadfastly to maintain and effectively implement the U.S.-Japan Treaty of Mutual Cooperation and Security.

Remarks Prior to Discussions With Nelson Mandela

June 25, 1990

The President. Welcome to all of you. It is a great pleasure, a sincere pleasure, for Barbara and me to welcome to the White House Mr. and Mrs. Mandela -- Mr. Mandela, a man who embodies the hopes of millions. In our meetings this morning, he and I will talk about the future of South Africa, and it is my sincere hope that these talks will be productive discussions that will contribute to positive change toward true democracy and the dismantling once and for all of apartheid.

We meet at a time of transition for South Africa. We applaud the recent steps President de Klerk and the Government of South Africa have taken to expand the rights and freedoms of all South Africans. These are positive developments, steps toward a fully free and democratic future that we all wish to see for all of the people of South Africa. In order for progress to continue, we must see on all sides a clear commitment to change.

All parties must seize the opportunity to move ahead in a spirit of compromise and tolerance, flexibility and patience. And from all parties, we look for a clear and unequivocal commitment to negotiations leading to peaceful change. I call on all elements in South African society to renounce the use of violence in armed struggle, break free from the cycle of repression and violent reaction that breeds nothing but more fear and suffering. In the words of the great Martin Luther King, Jr., ``Let us not seek to satisfy our thirst for freedom by drinking from the cup of bitterness and hatred."

Mr. Mandela, in the eyes of millions around the world, you stand against apartheid, against a system that bases the rights and freedoms of citizenship on the color of one's skin. That system is repugnant to the conscience of men and women everywhere, repugnant to the ideals that we in America hold so dear. No system that denies the rights that belong to each and every individual can endure forever. Apartheid must end.

The United States, committed to the concept of free market and a productive private sector, is ready to do its part to encourage rapid and peaceful change toward political and economic freedom. We will continue to urge American firms that are still doing business in South Africa to play a progressive role in training and empowering blacks and building a foundation for future prosperity.

But while the reform process has moved forward -- and it has -- apartheid remains a reality, and genuine democracy a dream. Our sanctions have been designed to support change. And when the conditions laid down in our law have been met, then, and only then, will we consider, in consultation with the Congress, whether a change in course will promote further progress through peaceful negotiations.

Mr. Mandela, we in this country support the struggle against apartheid. For two centuries, we had our own battles. America fought its own battles to promote the standard of equal rights. It was here at the White House -- in a room now obscured by these coverings because we're repainting the White House -- but it's right there, in the midst of the Civil War, that Abraham Lincoln signed the Emancipation Proclamation, that great beacon of light and hope. In the room where this historic document was signed, even now we feel the power of the undeniable truth that guided Lincoln's hand: that all men must be free.

In this past year, freedom has made great gains. A terrible chapter of oppression has ended for millions of men and women in Eastern Europe, in Asia, and in this hemisphere. People have defeated, through peaceful means, dictatorships that promised freedom and progress but delivered only poverty and repression. The triumph is far from universal. There are still those who rule through force and terror. But the events of this past year have been clear: The future belongs not to the dwindling ranks of the world's dictators but to democracy, the millions of friends of freedom the world over.

Mr. Mandela, you said many years ago, before the first of your 10,000 days in prison, that there is no easy walk to freedom. Your years of suffering, your nation's suffering -- they've borne that out. But just as, this past year, so many millions of people in Eastern Europe and elsewhere tasted freedom, so, too, South Africa's time will come.

As Martin Luther King said on the steps of the Lincoln Memorial, we cannot walk alone. Sir, we here in America walk in solidarity with all the South Africans who seek through nonviolent means democracy, human rights, and freedom.

Once again, it is a sincere privilege to welcome you to the White House, and may God bless you and all the people of South Africa. Welcome, sir.

Mr. Mandela. Mr. President, it is an honor and a pleasure for my wife, my delegation, and I to be welcomed by you. This is a continuation of the rousing welcome which we have received from the people of New York and Boston, of black and white. That welcome has far exceeded our wildest expectations. We look forward to visiting Atlanta and other cities because we are confident that the warm welcome we have received is not confined to New York, Boston, and Washington. That mood expresses the commitment of all the people of the United States of America to the struggle for the removal of apartheid.

One thing that is very clear, and it has been made even more clear in the remarks by the President, is that on the question of the removal of apartheid and the introduction of a nonracial democracy in our country we are absolutely unanimous. That is something that we have always known because the people of America and the President, in particular, have spoken in this regard in very clear and firm terms. And this has been a source of great encouragement to our people. To receive the support of any government is, in our situation, something of enormous

importance; but to receive the support of the Government of the United States of America, the leader of the West, is something beyond words. If today we are confident that the dreams which have inspired us all these years is about to be realized, it is, in very large measure, because of the support we have got from the masses of the people of the United States of America and, in particular, from the Government and from the President.

There are very important political developments that have taken place in our country today, and it is my intention to brief the President as fully as possible on these developments. We are doing so because it is necessary for him to understand not only in broad outline what is happening in our country, he must be furnished with the details which may not be so available to the public so that the enormous assistance that he has given us should be related to the actual developments in the country.

I will also ask the President to maintain sanctions because it is because of sanctions that such enormous progress has been made in the attempt to address the problems of our country.

I will also inform him about developments as far as the arms struggle is concerned. The remarks that he has made here are due to the fact that he has not as yet got a proper briefing from us. I might just state in passing that the methods of political action which are used by the black people of South Africa were determined by the South African Government. As long as a government is prepared to talk, to maintain channels of communication between itself and the governed, there can be no question of violence whatsoever. But when a government decides to ban political organizations of the oppressed, intensifies oppression, and does not allow any free political activity, no matter how peaceful and nonviolent, then the people have no alternative but to resort to violence.

There is not a single political organization in our country, inside and outside Parliament, which can ever compare with the African National Congress in its total commitment to peace. If we are forced to resort to violence, it is because we had no other alternative whatsoever. But even in this regard, there have been significant developments which I hope to brief the President on. I am also going to brief the President on the key role which the ANC now occupies in the country as a result of his efforts to mobilize the entire country around the question of peace.

We have and are addressing the question of black unity. We are also addressing ourselves to means and methods of helping Mr. de Klerk to maintain his position with confidence and to go on with the negotiations without looking over his shadow. We have already started important initiatives in trying to mobilize the white community, not only those who support him but even the right wing, because we are the only organization in the world that can help Mr. de Klerk to maintain his position.

And I am going to urge on the President not to do anything without a full consultation with the ANC in regard to any initiative which he might propose to take in order to help the peace

process in the country. As people who are operating inside, and as the architects of the peace process, it is absolutely necessary for everybody who wants to be of assistance in the struggle of the black people inside the country and who want to help promote the peace process to have a full consultation with the ANC before any step is taken.

Finally, Mr. President, I would like to congratulate you and President Gorbachev for the magnificent efforts that you are making in order to reduce international tensions and to promote peace. It is my hope that governments throughout the world will follow your example and attempt to settle problems between governments, and between governments and dissidents inside its country, by peaceful methods. You and comrade Gorbachev have opened a chapter in world history which might well be regarded as the turning point in many respects. And here we congratulate you and wish you every success.

Note: The President spoke at 10:42 a.m. at the South Portico of the White House. Following their remarks, the President and Mr. Mandela met in the Oval Office and then attended a luncheon in the Old Family Dining Room.

Statement by Press Secretary Fitzwater on Fang Lizhi's Departure From China

June 25, 1990

Dr. Fang Lizhi and his wife, Li Shuxian, have left the U.S. Embassy in Beijing to proceed to the United Kingdom. The United States Government welcomes the PRC Government's decision to facilitate the departure of Dr. Fang and his wife for reasons of Dr. Fang's health and well-being and to permit Dr. Fang to pursue his important research in astrophysics. This humanitarian action is a farsighted, significant step that will improve the atmosphere for progress in our bilateral relations.

Statement by Press Secretary Fitzwater on the Acquisition of Norton Company by BTR of the United Kingdom

June 25, 1990

The President has decided against intervening in the possible acquisition of Norton Co. by BTR plc of the United Kingdom. Norton Co. manufactures abrasive products and engineering materials, including advanced ceramics. In addition, Norton has engaged in extensive research and development of advanced ceramics and diamond films.

The President based his decision on the results of the investigation by the Committee on Foreign Investment in the United States (CFIUS), chaired by Treasury Secretary Nicholas F. Brady. CFIUS conducted a thorough investigation of various national security issues relating to this possible acquisition.

The BTR-Norton investigation was conducted pursuant to section 5021 of the Omnibus Trade and Competitiveness Act of 1988. That provision, known as the Exon-Florio provision, authorizes the President to investigate and, if necessary, to suspend or prohibit a proposed foreign acquisition of a U.S. business engaged in interstate commerce. The criteria to suspend or prohibit a transaction are that the President must find: credible evidence that leads him to believe that the foreign investor might take action that threatens to impair the national security; that existing laws, other than the International Emergency Economic Powers Act and the Exon-Florio provision itself, do not provide adequate and appropriate authority to protect the national security.

Statement on the Federal Budget Negotiations

June 26, 1990

I met this morning with the bipartisan leadership -- the Speaker, the Senate majority leader, the Senate Republican leader, the House majority leader, and the House Republican leader -- to review the status of the deficit reduction negotiations.

It is clear to me that both the size of the deficit problem and the need for a package that can be enacted require all of the following: entitlement and mandatory program reform, tax revenue increases, growth incentives, discretionary spending reductions, orderly reductions in defense expenditures, and budget process reform to assure that any bipartisan agreement is enforceable and that the deficit problem is brought under responsible control. The bipartisan leadership agree with me on these points.

The budget negotiations will resume promptly with a view toward reaching substantive agreement as quickly as possible.

Note: The statement referred to Thomas S. Foley, Speaker of the House of Representatives; George J. Mitchell, Senate majority leader; Robert Dole, Senate Republican leader; Richard A. Gephardt, House majority leader; and Robert H. Michel, House Republican leader.

Message on the Observance of Independence Day

June 26, 1990

Each July 4th, people across the United States pause to celebrate the continued success of our Nation's great experiment in self-government. It is a day marked by joyous gatherings with family and friends, by colorful parades and brilliant displays of fireworks -- all the fanfare and festivities that befit a celebration of our freedom.

On this Independence Day, we have added cause for rejoicing: during the past year, in nations that once bore the heavy yoke of totalitarianism, freedom-loving men and women have triumphed over regimes maintained by intimidation and force. The seeds of democratic thought planted on these shores 214 years ago have also taken root around the world.

I am convinced that the people of the United States have inspired many of these changes -- by word, deed, and example -- particularly during the past 45 years. Recognizing the cause of freedom as universal, we have steadfastly defended human rights around the world, holding true to the belief ``that all men are Created equal, that they are endowed by their Creator with certain unalienable rights, that among these are Life, Liberty, and the Pursuit of Happiness."

Indeed, it is our devotion to these timeless ideals that has made the United States a model of freedom and a source of hope to so many. Today, as we raise the flag in celebration, we can take great pride in all that it represents. For millions of people around the globe, Old Glory has bid a warm welcome, marking a place of refuge from tyranny and persecution. For millions of others, it has represented the liberty to which all men are heirs. To us, may it always be the cherished symbol of freedom's first home and most steadfast ally on earth.

All Americans have my best wishes for a safe and happy Independence Day. I offer special greetings and a heartfelt salute to those who will be observing the Fourth in Veterans Hospitals and at military installations far from home. The freedom and peace we enjoy would not be possible without your courage and sacrifice. May God bless you.

George Bush

Nomination of Michael Martin Skol To Be United States Ambassador to Venezuela

June 26, 1990

The President today announced his intention to nominate Michael Martin Skol, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Venezuela. He would succeed Otto J. Reich.

Since 1988 Mr. Skol has served as Deputy Assistant Secretary of State for the Bureau of Inter-American Affairs. Prior to this, he served as Director of the Office of Andean Affairs, 1987 - 1988; Minister-Counselor for the U.S. Embassy in Bogota, Colombia, 1985 - 1987; Deputy Director of the Bureau of Inter-American Affairs in the Office of Policy Planning and Coordination at the State Department, 1982 - 1985. In addition, Mr. Skol has served as Political Counselor in San Jose, Costa Rica, 1978 - 1982; commercial attache in Rome, 1976 - 1978; economic/commercial officer in Naples, 1975 - 1976; and commercial attache in Santo Domingo, Dominican Republic, 1972 - 1975. He also served as a desk officer at the State Department Bureau of Inter-American Affairs for Paraguay and Uruguay, 1971 - 1972, and Costa Rica, 1970 - 1971; a political officer in Saigon, Vietnam, 1967 - 1968; and a political officer in Buenos Aires, Argentina, 1966 - 1967. Mr. Skol entered the Foreign Service in 1965 and became a member of the Senior Foreign Service in 1984.

Mr. Skol graduated from Yale University (B.A., 1964). He was born October 15, 1942, in Chicago, IL. Mr. Skol is married and resides in Washington, DC.

Statement on Outer Continental Shelf Oil and Gas Development

June 26, 1990

I have often stated my belief that development of oil and gas on the outer continental shelf (OCS) should occur in an environmentally sound manner.

I have received the report of the interagency OCS Task Force on Leasing and Development off the coasts of Florida and California and have accepted its recommendation that further steps to protect the environment are needed.

Today I am announcing my support for a moratorium on oil and gas leasing and development in Sale Area 116, Part II, off the coast of Florida; Sale Area 91, off the coast of northern California; Sale Area 119, off the coast of central California; and the vast majority of Sale Area 95, off the coast of southern California, until after the year 2000. The combined effect of these decisions is that the coast of southwest Florida and more than 99 percent of the California coast will be off limits to oil and gas leasing and development until after the year 2000.

Only those areas which are in close proximity to existing oil and gas development in Federal and State waters, comprising less than 1 percent of the tracts off the California coast, may be available before then. These areas, concentrated in the Santa Maria Basin and the Santa Barbara Channel, will not be available for leasing in any event until 1996, and then only if the further studies for which I am calling in response to the report of the National Academy of Sciences satisfactorily address concerns related to these tracts.

I am also approving a proposal that would establish a National Marine Sanctuary in California's Monterey Bay and provide for a permanent ban on oil and gas development in the sanctuary, and I am asking the Secretary of the Interior to begin a process that may lead to the buyback and cancellation of existing leases in Sale Area 116, Part II, off southwest Florida.

In addition, I am directing the Secretary of the Interior to delay leasing and development in several other areas where questions have been raised about the resource potential and the environmental implications of development. For Sale Area 132, off the coasts of Washington and Oregon, I am accepting the recommendation of the Secretary that further leasing and development activity be deferred until a series of environmental studies are completed, and directing that no such activity take place until after the year 2000. I am also canceling Lease Sale 96, in the Georges Bank area of the North Atlantic, and directing that no leasing and development activity take place in this area until after the year 2000. This will allow time for additional studies to determine the resource potential of the area and address the environmental and scientific concerns which have been raised.

Finally, I am today directing the Secretary to take several steps to improve the OCS program and respond to several of the concerns expressed by the task force. My goal is to create a much more carefully targeted OCS program, one that is responsive to local concerns, to environmental concerns, and to the need to develop prudently our nation's domestic energy resources. Although I have today taken these strong steps to protect our environment, I continue to believe that there are significant offshore areas where we can and must go forward with resource development.

While I believe that a leaner OCS program will ultimately be more effective, Americans must recognize that the OCS program is a vital source of fuel for our growing economy. My desire is to achieve a balance between the need to provide energy for the American people and the need to protect unique and sensitive coastal and marine environments.

Note: The Office of the Press Secretary issued a fact sheet on the same day which provided the following additional information on outer continental shelf development:

Guiding Principles

The President's decisions were based on the following principles:

(1) Adequate Information and Analysis. Adequate scientific and technical information regarding the resource potential of each area considered for leasing and the environmental, social, and economic effects of oil and gas activity must be available and subjected to rigorous scrutiny before decisions are made. No new leasing should take place without such information and analysis.

(2) Environmental Sensitivity. Certain areas off our coasts represent unique natural resources. In those areas, even the small risks posed by oil and gas development may be too great. In other areas, where science and experience and new recovery technologies show development may be safe, development will be considered.

(3) Resource Potential. Priority for development should be given to those areas with the greatest resource potential. Given the inexact nature of resource estimation, particularly offshore, priority should be given to those areas where earlier development has proven the existence of economically recoverable reserves.

(4) Energy Requirements. The requirements of our nation's economy for energy and the overall costs and benefits of various sources of energy must be considered in deciding whether to develop oil and gas offshore. The level of petroleum imports, which has been steadily increasing, is a critical factor in this assessment.

(5) National Security Requirements. External events, such as supply disruptions, might require a reevaluation of the OCS program. All decisions regarding OCS development are subject to a

national security exemption. If the President determines that national security requires development in the areas of these three lease sales or in other areas, he has the ability to direct the Interior Department to open the areas for development.

General OCS Decisions

The President also decided that:

(1) Air quality controls for oil and gas development offshore California should be substantially the same as those applied onshore.

(2) Immediate steps should be taken to improve the ability of industry and the Federal Government to respond to oilspills offshore, regardless of their source.

(3) Federal agencies should develop a plan to reduce the possibility of oilspills offshore from whatever source, including and especially from tanker traffic. This plan should include moving tanker routes further away from sensitive areas near the Florida Keys and the Everglades.

Restructuring the OCS Program

The President directed Interior Secretary Lujan to take three actions to improve the overall OCS program:

(1) Improve the information needed to make decisions on OCS development by conducting the studies identified by the National Academy of Sciences and studies to explore new technologies for alleviating the risks of oilspills from OCS platforms and new oil and gas drilling technologies, such as subsea completion technology.

(2) Target proposed sale areas in future OCS 5-year plans to give highest priority to areas with high resource potential and low environmental risk. This will result in offering much smaller and more carefully selected blocks of tracts.

(3) Prepare a legislative initiative that will provide coastal communities directly affected by OCS development with a greater share of the financial benefits of new development and with a larger voice in decisionmaking.

Lease Sale 96 in the North Atlantic

The President also directed Interior Secretary Lujan to consult with the Governors of the States whose residents would be affected by future development of oil and gas in the North Atlantic.

Message to the Congress Reporting Budget Deferrals

June 26, 1990

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report two revised deferrals of budget authority now totalling $2,547,688,227.

The deferrals affect programs in International Security Assistance and the Department of State. The details of the deferrals are contained in the attached report.

George Bush

The White House,

June 26, 1990.

Note: The attachment detailing the proposed deferrals was printed in the ``Federal Register'' of July 11.

Statement by Press Secretary Fitzwater on the President's Meeting With Thorvald Stoltenberg, United Nations High Commissioner for Refugees

June 26, 1990

President Bush met June 26 at the White House with the United Nations High Commissioner for Refugees, Thorvald Stoltenberg. The President expressed his appreciation and U.S. support for the important worldwide humanitarian work of UNHCR.

President Bush and High Commissioner Stoltenberg discussed the issue of Vietnamese boat people and the overall issue of potential population movements in the coming years. The President restated the U.S. position in support of first asylum in Southeast Asia and against involuntary repatriation to Vietnam under current conditions there. It was agreed that the United States would continue to be in touch with the High Commissioner on the issue of preserving first asylum in Southeast Asia.

Remarks at a White House Barbecue for Members of Congress

June 26, 1990

The President. Glen, thank you. Thank you all very much. You really turned it on tonight.

Let me just say to everybody how pleased -- I think I speak for all of you -- we are to have Glen here -- 40 albums, 4 gold singles, and 4 special awards, one of the great musical talents in our country and a friend to everybody out here. And we are very, very pleased, Glen. Thank you for that marvelous, lively performance.

Mr. Campbell. You are quite welcome, sir. Thank you, everybody.

The President. And all this wonderful band of yours. We're delighted to have you all here. And let me say to the Members of the Congress that Barbara and I are delighted that you came down here -- a good, relaxed evening and a beautiful night at the White House. We've got a lot of work ahead, but I think at least as far as we're concerned from this end of Pennsylvania Avenue it's been a joy. We're delighted you were here. Now, make yourselves at home, and thank you once again, Glen Campbell. Thank you so much.

Mr. Campbell. Thank you, Mr. President. Thank you a lot.

Note: The President spoke at 8 p.m. on the South Lawn at the White House.

Nomination of George F. Murphy, Jr., To Be Inspector General of the United States Information Agency

June 27, 1990

The President today announced his intention to nominate George F. Murphy, Jr., to be Inspector General of the U.S. Information Agency. He would succeed Anthony J. Gabriel.

Since 1988 Mr. Murphy has served as Deputy Director for the U.S. Arms Control and Disarmament Agency in Washington, DC. Prior to this, he served as a consultant to the nuclear industry, 1986 - 1987; director of the Senate National Security Office, 1977 - 1986; executive director of the Joint Committee on Atomic Energy, 1975 - 1977; deputy director of the Joint Committee on Atomic Energy, 1968 - 1975; and a professional staff member on the Joint Committee on Atomic Energy, 1958 - 1968. In addition, Mr. Murphy worked for the Central Intelligence Agency, 1950 - 1958.

Mr. Murphy graduated from Harvard College (A.B., 1949). He was born May 1, 1924, in Boston, MA. Mr. Murphy served in the U.S. Army Air Corps, 1942 - 1946. He is married, has two children, and resides in Bethesda, MD.

Statement on Signing a Bill Protecting Natural and Cultural Resources in New Mexico

June 27, 1990

I take great pleasure in signing into law S. 286, an Act to establish the Petroglyph National Monument and the Pecos National Historical Park in New Mexico, and to resolve various New Mexico land issues.

West of Albuquerque, New Mexico, the major landscape feature is the West Mesa, marked by a 17-mile long basalt escarpment and five volcanic cones. Within the area are an estimated 15,000 to 17,000 petroglyphs, which are designs carved or pecked into the rock. Establishment of the Petroglyph National Monument will provide an excellent opportunity to form a strong partnership among the Federal Government, the State of New Mexico, and the City of Albuquerque to ensure the protection of seriously threatened ancient Pueblo Indian and Spanish rock art. Cost sharing will be an important component of the success of this joint effort, and I look forward to a successful partnership.

S. 286 also will expand the existing 365-acre Pecos National Monument into the 5,865-acre Pecos National Historical Park. This will allow for expanded protection and recreation programs in an area rich in cultural resources.

I wholeheartedly support the measures contained in S. 286 because they will ensure the protection of rich natural and cultural resources within the State of New Mexico that are now seriously threatened.

George Bush

The White House,

June 27, 1990.

Note: S. 286, approved June 27, was assigned Public Law No. 101 - 313.

Remarks Announcing the Enterprise for the Americas Initiative

June 27, 1990

Thank you all very much for coming to the White House, and it is my pleasure to welcome so many distinguished guests with such strong interests in the vital Latin American and Caribbean region. Let me recognize the many members of the diplomatic corps that are here and extend to you a warm welcome -- from Latin America, particularly, and the Caribbean, Europe, Japan. Members of our Cabinet -- Nick Brady and Secretary Baker, Carla Hills, Secretary Mosbacher -- delighted you're here. Chairman of the Council of Economic Advisers, Mike Boskin, is here. Bill Webster, welcome. And of course, we're delighted to see Alan Greenspan, Chairman of the Federal Reserve Board, here and then an old friend, Barber Conable, of the World Bank, and Richard Erb, from the IMF. And Ricky Iglesias, an old friend of the Bushes, and we welcome him, of the IDB, and so many leading lights in the business and financial communities. To all of you, then, a welcome.

In the past 12 months, every one of us, from the man in the White House to the man on the street, has been fascinated by the tremendous changes, the positive changes, taking place around the world. Freedom has made great gains not just in Eastern Europe but right here in the Americas; and we've seen a resurgence of democratic rule, a rising tide of democracy, never before witnessed in the history of this beloved hemisphere. And with one exception, Cuba, the transition to democracy is moving towards completion, and we can all sense the excitement that the day is not far off when Cuba joins the ranks of world democracies and makes the Americas fully free.

With one exception, that's the case. But the political transformation sweeping the rest of Latin America and the Caribbean has its parallel in the economic sphere. Throughout the region, nations are turning away from the statist economic policies that stifle growth and are now looking to the power of the free market to help this hemisphere realize its untapped potential for progress. A new leadership has emerged, backed by the strength of the people's mandate, leadership that understands that the future of Latin America lies with free government and free markets. In the words of Colombia's courageous leader, Virgilio Barco -- President Barco: ``The long-running match between Karl Marx and Adam Smith is finally coming to an end" with the ``recognition that open economies with access to markets can lead to social progress."

For the United States, these are welcome developments, developments that we're eager to support. But we recognize that each nation in the region must make its own choices. There is no blueprint, no one-size-fits-all approach, to reform. The primary responsibility for achieving economic growth lies with each individual country. Our challenge in this country is to respond in ways that support the positive changes now taking place in the hemisphere. We must forge a genuine partnership for free-market reform.

Back in February, I met in Cartagena [Colombia] with heads of the three Andean nations, and I came away from that meeting convinced that the U.S. must review its approach not only to that region but to Latin America and the Caribbean as a whole. And I asked Treasury Secretary Brady to lead a review of U.S. economic policy towards this vital region, to make a fresh assessment, if you will, of the problems and opportunities we'll encounter in the decade ahead. And that review is now complete, and the results are in, and the need for new economic initiatives is clear and compelling.

All signs point to the fact that we must shift the focus of our economic interaction towards a new economic partnership because prosperity in our hemisphere depends on trade, not aid. And I've asked you here today to share with you some of the ideas, some of the ways we can build a broad-based partnership for the nineties -- to announce the new Enterprise for the Americas Initiative that creates incentives to reinforce Latin America's growing recognition that free-market reform is the key to sustained growth and political stability.

The three pillars of our new initiative are trade, investment, and debt. To expand trade, I propose that we begin the process of creating a hemispherewide free trade zone; to increase investment, that we adopt measures to create a new flow of capital into the region; and to further ease the burden of debt, a new approach to debt in the region with important benefits for our environment.

Let's begin with trade. In the 1980's, trade within our hemisphere trailed the overall pace of growth in world trade. One principal reason for that: overrestrictive trade barriers that wall off the economies of our region from each other and from the United States at great cost to us all. These barriers are the legacy of the misguided notion that a nation's economy needs protection in order to thrive. The great economic lesson of this century is that protectionism still stifles progress and free markets breed prosperity. To this end, we've formulated a three-point trade plan to encourage the emerging trend toward free-market reform that are now gathering forces in the Americas.

First, as we enter the final months of the current Uruguay round of the world trade talks, I pledge close cooperation with the nations of this hemisphere. The successful completion of the Uruguay round remains the most effective way of promoting long-term trade growth in Latin America and the increased integration of Latin nations into the overall global trading system. Our aim in the Uruguay round is free and fair trade, and through these talks we are seeking to strengthen existing trade rules and to expand them to areas that do not now have agreed rules of fairplay. And to show our commitment to our neighbors in Latin America and the Caribbean, we will seek deeper tariff reductions in this round on products of special interest to them.

Second, we must build on the trend we see toward free markets and make our ultimate aim a free trade system that links all of the Americas: North, Central, and South. And we look forward to the day when not only are the Americas the first fully free, democratic hemisphere but when all are equal partners in a free trade zone stretching from the port of Anchorage to the Tierra del Fuego.

I'm announcing today that the U.S. stands ready to enter into free trade agreements with other markets in Latin America and the Caribbean, particularly with groups of countries that have associated for purposes of trade liberalization. And the first step in this process is the now-announced free trade agreement with Mexico. We must all recognize that we won't bring down barriers to free trade overnight; changes so far-reaching may take years of preparation and tough negotiations. But the payoff in terms of prosperity is worth every effort, and now is the time to make a comprehensive free trade zone for the Americas our long-term goal.

And third, I understand that some countries aren't yet ready to take that dramatic step to a full free trade agreement. And that's why we're prepared to negotiate with any interested nation in the region bilateral framework agreements to open markets and develop closer trade ties. Such agreements already exist with Mexico and Bolivia. Framework agreements will enable us to move forward on a step-by-step basis to eliminate counterproductive barriers to trade and towards our ultimate goal of free trade. And that's a prescription for greater growth and a higher standard of living in Latin America and, right here at home, new markets for American products and more jobs for American workers.

Promoting free trade is just one of three key elements in our new Enterprise for the Americas Initiative. And our second pillar is increased investment.

The competition for capital today is fierce, and the key to increased investment is to be competitive, to turn around the conditions that have discouraged both foreign and domestic investment -- reduce the regulatory burden, clear away the thicket of bureaucratic barriers that choke off Latin America's aspiring entrepreneurs.

In one large Latin city, for instance, it takes almost 300 days to cut through the redtape to open a small garment shop. In another country, the average overseas caller has to make five phone calls to get through, and the wait for a new telephone line can be as long as 5 years. And that's got to change.

Investment reform is essential to make it easier to start new business ventures and make it possible for international investors to participate and profit in Latin American markets. In order to create incentives for investment reform, the United States is prepared to take the following steps:

First, the United States will work with the Inter-American Development Bank to create a new lending program for nations that take significant steps to remove impediments to international investment. The World Bank could also contribute to this effort.

And second, we propose the creation of a new investment fund for the Americas. This fund, administered by the IDB, could provide up to $300 million a year in grants in response to market-oriented investment reforms in progress in privatization. The U.S. intends to contribute $100 million to the fund, and we will seek matching contributions from Europe and Japan.

But in order to create an attractive climate for new investment, we must build on our successful efforts to ease the debt burden. That's the third pillar of this new Enterprise for the Americas Initiative.

Many nations have already undertaken painful economic reforms for the sake of future growth, but the investment climate remains clouded, weighted down by the heavy debt burden. Under the Brady plan, we are making significant progress. The agreements reached with Mexico and Costa Rica and Venezuela are already having a positive impact on investment in those countries. Mexico, to take just one example, has already seen a reversal of the destructive capital flight that drained so many Latin American nations of precious investment resources. That's critical. If we restore confidence, capital will follow.

As one means of expanding our debt strategy, we propose that the IDB add its efforts and resources to those of the International Monetary Fund and the World Bank to support commercial bank debt reduction in Latin America and the Caribbean, and as in the case of World Bank and IMF, IDB funds should be directly linked to economic reform.

While the Brady plan has helped nations reduce commercial bank debt, for nations with high levels of official debt -- debt owed to governments rather than private financial institutions -- the burden remains heavy. And today, across Latin America, official debt owed to the U.S. Government amounts to nearly $12 billion, with $7 billion of that amount in concessional loans. And in many cases, the heaviest official debt burdens fall on some of the region's smallest nations, countries like Honduras and El Salvador and Jamaica.

That's a problem we must address today. As the key component in addressing the region's debt problem, I am proposing a major new initiative to reduce Latin America and the Caribbean's official debt to the United States for countries that adopt strong economic and investment reform programs with the support of international institutions.

Our debt reduction program will deal separately with concessional and commercial types of loans. On the concessional debt, loans made from AID or Food for Peace accounts, we will propose substantial debt reductions for the most heavily burdened countries. And we will also sell a portion of outstanding commercial loans to facilitate these debt-for-equity and debt-for-nature swaps in countries that have set up such programs. These actions will be taken on a case-by-case basis.

One measure of prosperity and the most important long-term investment any nation can make is environmental well-being. As part of our Enterprise for the Americas Initiative, we will take action to strengthen environmental policies in this hemisphere. Debt-for-nature swaps are one example, patterned after the innovative agreements reached by some Latin American nations and their commercial creditors. We will also call for the creation of environmental trusts, where interest payments owed on restructured U.S. debt will be paid in local currency and set aside to

fund environmental projects in the debtor countries.

These innovative agreements offer a powerful new tool for preserving the natural wonders of this hemisphere that we share. From the vistas of the unspoiled Arctic to the beauties of the barrier reef off Belize to the rich rain forests of the Amazon, we must protect this living legacy that we hold in trust. For an increasing number of our neighbors, the need for free-market reform is clear. These nations need economic breathing room to enact bold reforms, and this official debt initiative is one answer, a way out from under the crushing burden of debt that slows the process of reform.

I know there is some concern that the revolutionary changes we've witnessed this past year in Eastern Europe will shift our attention away from Latin America; but I want to assure all of you here today, as I've assured many democratic leaders in Central and South America and the Caribbean and Mexico, the United States will not lose sight of the tremendous challenges and opportunities right here in our own hemisphere. And indeed, as we talk with the leaders of the G - 24 about the emerging democracies in Europe -- I've been talking to them also about their supporting democracy and economic freedom in Central America. Our aim is a closer partnership between the Americas and our friends in Europe and in Asia.

Two years from now, our hemisphere will celebrate the 500th anniversary of an epic event: Columbus' discovery of America, our New World. And we trace our origins, our shared history, to the time of Columbus' voyage and the courageous quest for the advancement of man. Today the bonds of our common heritage are strengthened by the love of freedom and a common commitment to democracy. Our challenge, the challenge in this new era of the Americas, is to secure this shared dream and all its fruits for all the people of the Americas -- North, Central, and South.

The comprehensive plan that I've just outlined is proof positive the United States is serious about forging a new partnership with our Latin American and Caribbean neighbors. We're ready to play a constructive role at this critical time to make ours the first fully free hemisphere in all of history. Thank you all for coming, and God bless the peoples of the Americas. Thank you very, very much, indeed.

Note: The President spoke at 2:48 p.m. in the East Room at the White House. In his opening remarks, he referred to William H. Webster, Director of Central Intelligence; Barber B. Conable, Jr., President of the International Bank for Reconstruction and Development, also known as the World Bank; and Richard D. Erb, Deputy Managing Director of the International Monetary Fund. The President also referred to the Group of 24, the industrialized democracies that pledged support for economic and political reform in Poland and Hungary.

Message to the Congress Reporting Budget Rescissions

June 28, 1990

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report eight proposed rescissions totalling $327,375,000.

The proposed rescissions affect programs of the Department of Defense. The details of the proposed rescissions are contained in the attached report.

George Bush

The White House,

June 28, 1990.

Note: The attachment detailing the proposed rescissions was printed in the ``Federal Register'' of July 6.

Statement on the Japan-United States Trade Negotiations

June 28, 1990

Last year the United States and Japan launched a new cooperative endeavor in economic policy called the Structural Impediments Initiative. This initiative is designed to address underlying structural problems in both of our economies with the goal of contributing to more open and competitive markets and to the reduction of payments imbalances. A joint working group was formed to identify and solve these problems. Over the past year, these discussions have demonstrated the constructive and cooperative spirit which characterizes the relationship between our two countries.

The joint report of the SII working group has just been issued in Tokyo, following up an interim report issued in April. I welcome and endorse this joint report. Both countries have identified structural impediments, taken initial corrective actions, and made commitments to take further steps to resolve a wide range of structural problems. We expect that the structural policy actions to be taken will have a positive effect on our economies, encouraging open and competitive markets, promoting sustained world economic growth, contributing to a reduction in global payments imbalances, and enhancing the quality of life in both Japan and the United States. Although our efforts on SII are bilateral, the effects will be beneficial for the entire world.

I particularly welcome the clear commitment by Japan to reduce further its current account surplus and view the SII process as an important framework in which the underlying causes of trade imbalances can be removed.

Removing structural impediments is a two-way street. As Japan tackles its structural problems, so must the United States. In particular, I look forward to working closely with the Congress on efforts to strengthen both public and private saving and to reduce our budget deficit through the negotiations now underway.

Both our governments recognize that further effort will be necessary in order to address fully these structural problems and to maintain the momentum of our adjustment efforts. I am pleased that an effective follow-on mechanism has been established. Continuing success on SII can help us move away from trade disputes, thus allowing us to focus our efforts on more positive activities as we continue to develop a global partnership between our two countries.

The personal efforts of Prime Minister Kaifu were responsible in large measure for the substantial progress on our joint effort to address these structural problems. I commend Prime Minister Kaifu for his strong and courageous political leadership. I look forward to a full range of discussions with Prime Minister Kaifu when we meet July 7 in Houston.

Message to the Congress Transmitting the Annual Report of the Federal Council on the Aging

June 28, 1990

To the Congress of the United States:

In accordance with section 204(f) of the Older Americans Act of 1965, as amended (42 U.S.C. 3015(f)), I hereby transmit the Annual Report for 1989 of the Federal Council on the Aging. The report reflects the Council's views in its role of examining programs serving older Americans.

George Bush

The White House,

June 28, 1990.

Message to the Senate Transmitting Protocols to Soviet-United States Treaties on Underground Nuclear Testing

June 28, 1990

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Protocol to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Underground Nuclear Weapon Tests, and the Protocol to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on Underground Nuclear Explosions for Peaceful Purposes (the Protocols). The Protocols were signed at Washington on June 1, 1990. I transmit also, for the information of the Senate, the Report of the Department of State on the Protocols, including section-by-section analyses of the Protocols and letters exchanged by the Heads of Delegation to the Nuclear Testing Talks, which will implement certain aspects of the Protocol to the Treaty on the Limitation of Underground Nuclear Weapon Tests.

The Protocols provide for effective verification of compliance with the Treaty on the Limitation of Underground Nuclear Weapon Tests, signed on July 3, 1974, and the Treaty on Underground Nuclear Explosions for Peaceful Purposes, signed on May 28, 1976 (the Treaties). These Treaties, which limit the yield of nuclear weapon tests and individual nuclear explosions for peaceful purposes to no more than 150 kilotons, were transmitted to the Senate for its advice and consent to ratification on July 29, 1976. The Protocols replace, and should be substituted for, the protocols that were submitted with the Treaties at that time. In addition, the Administration remains committed to the nuclear testing treaty safeguards that were submitted to the Senate in 1987, which are essential to the national security and to the maintenance of a credible nuclear deterrent.

The Protocols represent the successful culmination of several years of effort to provide for effective verification of compliance with the Treaties. Negotiations to develop new Protocols to verify compliance with limits established by the Treaties began in November 1987 and continued until May 1990, when the Protocols were completed. The Protocols provide for a variety of activities related to verification, including the use of the hydrodynamic yield measurement method. Operational changes in the U.S. nuclear test program, including changes at the Nevada Test Site, which implementation of the verification measures will entail were considered carefully and have been judged manageable and therefore acceptable in the interests of effective verification.

I believe these Treaties are in the national interest. Therefore, I urge the Senate to give early and favorable consideration to the Treaties including their Protocols and to give its advice and consent to their ratification.

George Bush

The White House,

June 28, 1990.

Nomination of Robert S. Mueller III To Be an Assistant Attorney General

June 28, 1990

The President today announced his intention to nominate Robert S. Mueller III to be an Assistant Attorney General for the Criminal Division at the Department of Justice. He would succeed Edward S.G. Dennis, Jr.

Since 1988 Mr. Mueller has served as a partner with the law firm of Hill and Barlow in Boston, MA. Prior to this, he served in the Office of the U.S. Attorney, District of Massachusetts, in several capacities: Deputy U.S. Attorney, 1987 - 1988; U.S. Attorney, 1986 - 1987; First Assistant U.S. Attorney, 1985 - 1986; and Chief of the Criminal Division, 1982 - 1985. In addition, Mr. Mueller served in the Office of the United States Attorney, Northern District of California, in several capacities: Interim Chief of the Criminal Division, 1981 - 1982; Chief of Special Prosecutions Unit, 1980 - 1981; Assistant U.S. Attorney in the Criminal Division, 1978 - 1980; and Assistant U.S. Attorney in the Civil Division, 1976 - 1977.

Mr. Mueller graduated from Princeton University (B.A., 1966) and the University of Virginia (J.D., 1973). He served in the U.S. Marine Corps, 1967 - 1970, and was awarded the Bronze Star, two Navy Commendation Medals, and the Purple Heart. He was born August 7, 1944, in New York, NY. Mr. Mueller is married, has two children, and currently resides in Weston, MA.

The President's News Conference

June 29, 1990

The President. Good morning, everybody. I'm leaving in a few hours and will be gone from Washington for several days. Congress is about to close up shop for the Fourth of July holidays. And so, I thought it would be a good idea to bring you up to date on a wide array of current topics and respond to your questions.

During the next 2 weeks, the U.S. will join its allies in considering a number of crucial political, security, and international economic issues. And seldom in the last 40 years have such questions had such direct impact on the lives of all Americans. Today in the U.S., we are carefully examining the historic changes in Eastern Europe, size of our military forces, our ability to compete in world markets, the assistance that we provide to help emerging democracies, and the size and priorities of our own budget, and how to continue the 90 months of economic expansion that we've enjoyed. These issues are not abstract. Every American has a stake in how we as a nation address these very complex questions. On July 5th and 6th in London, the NATO alliance will gather to forge a new direction for the future. And at the Houston economic summit, we will press for progress in the Uruguay round of trade negotiations, discuss economic support for various countries, and review progress on the environment.

These international concerns are reflected in many of the decisions I made just this week. First, we're doing what is necessary to assure continuation of the economic expansion, now in its 90th month, and we want to keep it going.

We now estimate a deficit of over $150 billion in fiscal 1991, not counting the costs of the savings and loan cleanup. And this means that unless Congress acts there will be a cutoff in October of nearly $100 billion in government services under the sequester provisions of the Gramm-Rudman-Hollings. The potential results: draconian cuts in defense, student grants, and a wide array of other necessary domestic services.

To avoid this, tough decisions must be made. Leadership is needed, and that is exactly what administration officials are seeking to provide and, indeed, in these talks, I believe, are providing. The budget negotiations now underway are a make-or-break effort at responsible government. The congressional budgeting process must succeed. The negotiators are facing tough questions about where to make cuts and where to raise the revenues.

These are not decisions that anyone relishes. They are decisions that Democrats and Republicans alike have got to face with candor and courage. Frankly, I believe that ultimately good politics is rooted in good government. I'm optimistic that we can get a budget agreement legislated which not only tells the world that America puts its fiscal house in order but also will garner the full support of the American people.

Secondly, this week we reached an agreement with the Japanese on a structural impediments initiative that's going to help to open markets and create new opportunities for business and commerce.

Next, we took an important step toward increasing jobs, opportunity, and economic prosperity throughout our own hemisphere -- Enterprise for the Americas -- an innovative and, I think, visionary plan for increased trade and investment with Latin America and the Caribbean. The response from south of our border has been overwhelmingly positive. This included a new proposal on official debt in the hemisphere which will help our neighbors in Latin America and the Caribbean resume the process of growth.

We developed a plan for protecting our coastal resources, this OCS [outer continental shelf oil and gas development] decision, while also endeavoring to protect energy independence.

As I leave for the Fourth of July holiday and then from there to the NATO summit, and then to the Houston economic summit, I just wanted to assure you that America will squarely face the challenges of leadership that are before us, both domestically and in terms of international affairs.

Tax Revenue Increases

Q. Mr. President, I'd like to ask you about your reversal on no new taxes. Do you consider that a betrayal of your promise? And what do you say to Republicans who complain that you've robbed them of the same campaign issue that helped get you elected?

The President. I think -- what I consider it is a necessary step to get stalled budget negotiations moving. I am very encouraged with the approach taken now by Republicans and Democrats in these important discussions that are going on. I'm not going to discuss details -- what I'll accept and what I won't accept -- but things are moving, and I think that much more important today is getting this deficit down, continuing economic expansion, and employment in this country. So, that's the way I'd respond to it.

Q. Can people trust politicians if they make statements and are willing to break them?

The President. You know, I recall a previous flurry when I was Vice President, and there was some economic plans proposed back in '82 that caused a furor -- something like we're hearing now. And the President, in my view, did what was right. And so, I think that we're on the right track. I think that the arrows have been flying -- front, back, sideways -- but that's what I get paid for. I think we're on the right track now. I think we'll have strong support from both sides of the aisle.

Q. Mr. President, but do you believe it will hurt your credibility?

The President. No, not in the long run.

Q. Why not? People are already questioning -- --

The President. Because what people are interested in are jobs, economic growth. People know this deficit is bad. People know that we're going to have to take some action. And that's why I think not.

Q. What will you say to American people who said you made a promise, no new taxes, now you've -- --

The President. I'd say I take a look at a new situation. I see an enormous deficit. I see a savings and loan problem out there that has to be resolved. And like Abraham Lincoln said, I'll think anew. I'm not violating or getting away from my fundamental conviction on taxes, anything of that nature, not in the least. But what I've said is on the table, and let's see where we go. But we've got a very important national problem, and I think the President owes the people his judgment at the moment he has to address that problem. And that's exactly what I'm trying to do.

Look, I knew I'd catch some flak on this decision -- just those two words -- but I've got to do what I think is right, and then I'll ask the people for support. But more important than posturing now or even negotiating is the result. Do we continue to provide jobs for the American people, and do we continue to provide economic growth, and do we try to stop saddling the generations on the way up, the young people, with absolutely unacceptable deficits?

Savings and Loan Crisis

Q. What will you do with the savings and loan situation? Is there any way to do a budget with that still coming out of general revenue, or do you have to push the whole issue off to the side?

The President. We can't push it off to the side: We've got to solve the problem. My interest on that one, incidentally, is to protect the depositor, put the people that broke the law in jail. And that is exactly what the policy that we proposed did. We came in here and 18 days after taking office initiated a very important savings and loan policy. And the size of the savings and loan problem is terrible. And we're trying very hard to go after the criminals and to have in place rules and regulations so that this will never happen again and to protect the depositors. Those are the three key elements of what I'm trying to do.

Q. But where do you pay for it? Is it out of the taxes the Government takes in every year from the American taxpayer?

The President. Well, we have to. People are going to have to pay for it. And it goes as a part of all

our expenditures I'm talking about. There has got to be a remedy.

Middle East Peace Process

Q. Mr. President, on another subject. Prime Minister Shamir [of Israel] has sent you -- --

The President. Good, Michael [Michael Gelb, Reuters]. I was hoping we'd get to another one. [Laughter]

Q. We can go back and do taxes later. Prime Minister Shamir has sent you what appears to be a pretty tough letter ruling out flatly talks with any Palestinians with any sort of authority. Do you feel the peace process is deadlocked, and are you concerned that the hardliners, the voices of extremism, now have the upper hand throughout the region?

The President. I'm concerned about a deadlock in the peace process. We have received the Shamir letter; came over to me late last night. The analysis process between NSC [National Security Council] and State has just started, so I can't give you or provide the American people with a response to that letter. But, yes, I am very concerned about a high centering of the peace process.

And we've had a plan, and it is a sound plan, and I want to see it go forward. So, we will be analyzing the Shamir response very, very carefully and, hopefully, then go back and say: Find some way; find some material in the response that permit us to get these talks going again. It is essential. The status quo is unacceptable to everybody. But I can't give you right now whether I think the letter is negative or positive or something of that nature.

Q. Well, can you see any way to get this peace process going unless the Israelis show some willingness to talk to Palestinians with some authority?

The President. I think there has got to be discussion with Palestinians, and that has to happen. And we will push and find ways to make it happen if we can. We're halfway across the world, but we are not going to give up on that kind of solution to this problem. We have to do that. But if we get totally stiff-armed on the [Secretary of State] Baker approach, or what was the Shamir plan, Mubarak's [President of Egypt] help on it -- he could have his name on it -- then we go back to the drawing board because we're not going to sit here and do nothing.

Federal Budget Negotiations

Q. Mr. President, I'm sorry, but I'd like to go back to taxes.

The President. Lesley [Lesley Stahl, CBS News], I thought you'd want to get back to that.

Q. I'm sorry. I know it's hard for you. I can tell it is, and it's difficult.

The President. It's not hard.

Q. Okay, if it's not hard, could you clarify what seems to be a fuzzing up of the issues by some Republicans who are trying to say that your new statement isn't new? Are you telling the American people that this budget outcome is going to be higher taxes?

The President. I'm telling the people that there are negotiations going on right now. There are no preconditions, and everything is on the table. We will see where we come out. And when we get an agreement that is supported by Democrats and Republicans alike -- and if I think it's a good agreement -- I will then tell the American people clearly why they need to support it -- what's at stake for them in terms of jobs, continued growth in this economy.

Q. You're not saying it. You're not saying we have to raise taxes. Why aren't you saying those words?

The President. I'll tell you -- sorry I missed your point. We've agreed with the Democratic leaders that we would not discuss the details of what's going on in these discussions, and we're not going to do that. If and when we come up with a program that raises revenues -- and our original budget talked about that -- and if there are taxes in it, why, then I will go out there and advocate strong bipartisan support for this. But if I get into going into each kind of tax that's discussed or each kind of budget reform or each kind of spending cut, I will be doing something that I have asked our negotiators and the Congress not to do.

Q. Yes, but when you say in your statement tax revenues are required, is that the same as taxes?

The President. And I say budget reforms are required, and I say spending cuts are required. So, let's see where we come out on that.

Q. Is it taxes?

The President. Is what taxes?

Q. What you're saying. Are you saying higher taxes are required?

The President. Lesley, I've told you what I've said, and I can't help you anymore. Nice try.

Q. You said we needed candor.

The President. You've got it. You've got it. You've seen the arrows coming my way, and that's fine. But let people interpret it anyway -- --

Q. A lot of people -- --

The President. Well, I want to leave it the way I said I would so the negotiators are free to discuss a wide array of options, including tax increases. Does that help?

Q. No. [Laughter]

Tax Revenue Increases

Q. Mr. President, you mentioned a couple of times that you're getting arrows from all directions. One newspaper headline that declared ``Read My Lips: I Lied.'' Is this kind of criticism justified? Is it fair? Do you deserve it?

The President. Well, I expected it, but I think the deserving of it -- the proof of the pudding is going to be in the eating and how it comes out. Because I think the American people recognize that the budget is greater than we had predicted and the Democrats had predicted. The economy has been slower. And so, we'll just wait and see how we come out. But, no, I can't say I didn't expect to hear some campaign words played back to me, and it's been fairly intense.

But I'll tell you, I've been more relaxed about it than I thought it would be. I went back into history and took a look at what others have had to go through in this job. So, it hasn't been as tense. You know, we had some congressional candidates over there yesterday -- people running. And they don't want to see tax increases. Some of them -- I could see them: How are we going to handle this? We don't want to be rude to the President, but we feel strongly. So, one or two of them, a couple of them, spoke up. And I could totally empathize with what they were going through. We didn't have time because it was about a 45-second handshake. But if we had, I'd have said: Now, look, you've got to look at the big picture here. Stay with your position. Advocate what you believe and what you tell your constituents what you'll try to do. Then just stay a little bit openminded so when we get an agreement -- and I hope we will -- that is good for the country that you can say, Well, we can accept this. Because we're going to need support from Republicans and Democrats alike, to say nothing of the American people. But I think the people will support it. I think they want to see jobs and economic growth, and that is what is at stake here.

Federal Budget Negotiations

Q. But within hours after you released the statement, some of your staff members -- Chief of Staff John Sununu, for one -- was up on the Hill trying to assure conservative Republicans that nothing's changed. At this point, whose lips should the American people believe?

The President. I think what he was talking about is that everything is on the table. Nothing's changed. I saw a lot of interpretations of what he said, but I've not seen a statement or anything of

that nature. You've got various interpretations from various political factions. You've seen the Democratic study group has put out a mandate of what has to happen to have it just exactly their way. We have people that feel very strongly on our side. And so, this we expected. We expected Members of Congress who have strong convictions on how to approach this problem to weigh in. We expected editorial comment. We expected, as I say, some of the slings and the arrows.

But I just have a comforting feeling after 2 or 3 days now that if I do my job right -- and that is to help facilitate the negotiations -- and then we can get a bipartisan agreement. And then I can go to the American people and say: Look, we've all had to give or take a little on this. But this agreement is going to be good for future generations. It's going to be good for the economy. It's going to be good for jobs. Then people will say: Look, we support the President.

Tax Revenue Increases

Q. Mr. President, can you walk us through your thinking just a little bit? Was there one particular moment when you realized you were going to have these campaign promises played back at you all day?

The President. The minute I decided that we would go forward on a joint statement, which I felt was necessary to get the budget process moving. But I'd had a preview of coming attractions because when we said no preconditions -- maybe that wasn't the exact word -- but no preconditions, arrows started flying. And I understand this. I've been in the political wars. But I am also President, and I've got to try now to look at the big picture and the welfare of this country and put it ahead of my own strongly held preferences and everything else. And that's exactly what's happening. The process has started to move forward as a result of that statement with a seriousness that I applaud.

Q. Could you talk a little bit about what led you to feel that you needed to -- --

The President. Is this a third followup? That's unfair.

Q. No, a second. Second for me.

Q. Lesley got eight followups.

Q. But could you talk more about what led you to believe that that statement was necessary? Was there some moment of epiphany? Was there any particular bit of data that -- [laughter] -- --

The President. You mean, did I suddenly get hit with the lightning? No, I suddenly was presented with the fact from Democrats and Republicans and our three able negotiators, in whom I have tremendous confidence, we've got to do something to get the process going for it. But I don't recall any -- because I'm not changing my view on taxes. I'm just saying everything's on the table.

We may have to do something here. But if I were going to go back and, say, do it my way, we'd figure out a way that would be somewhat less controversial than this approach has been.

Q. Mr. President, if it were so comforting and good for the country, why didn't you do it a year ago?

The President. Because we've got a problem, that of far greater magnitude today, because we've had a much slower economy than anybody predicted. And that has meant revenue shortfalls, and that means bigger budget deficits, and that means more burden for future generations of Americans and unacceptably high interest rates. And so that is why I -- --

Q. Are you saying the economy is in some kind of trouble now that these problems -- --

The President. I'm saying the economy is sluggish. And I think a deficit package that is seen to be a real one will have an ameliorating effect on that and, hopefully, will result in lower interest rates and thus have a more vibrant, a more robust economy.

NATO Summit

Q. You talked about the next NATO summit as a milestone. Next Friday, what are we going to see? Are we going to see a totally different NATO? How different will it be?

The President. No, but we're going to see a NATO that makes very clear to the world, one, that it's purely defensive and, two, it has a broadened agenda beside just military -- building on article II of the NATO document, the founding document. That's what you'll see. I can't help you with the details because we obviously haven't even met yet.

Q. Will there be any American proposals there at NATO -- something entirely new?

The President. I was asked the other day at a meeting with some foreign journalists whether there would be -- I don't know that they used the word ``bombshells,'' but big surprises. I don't anticipate that, but let's wait and see what happens when we get there. The NATO goal at this juncture should be to convince President Gorbachev that a reconstituted NATO with Germany as a full member is not a threat to the Soviet Union, but rather provides stability for Europe and thus will guarantee the continuance of the longest peace that Europe has had in its history.

Tax Revenue Increases

Q. Mr. President, you're a great student of the American electorate. Have you concluded that the American public is more willing to consider and accept new taxes to deal with the deficit?

The President. Not particularly. If you say to a guy, do you want to pay more taxes -- I haven't

found anybody that would say that. But I think if we do our job properly and they understand the magnitude of the problem at hand in terms of this deficit and then we make a proposal that is fair on the revenue side, on the spending side, and then on the reform side so that we don't get in this mess again -- and I'm going to restrain myself from putting the blame on Congress -- [laughter] -- because it's hard to constrain spending, so we need some reforms -- then I think if they see all three of these things and they see it's fair that people will support this.

Q. Would you, under any circumstances, consider increasing income tax rates?

The President. I've said and told the leaders that I'm not going to go into the details. They are not going into the details of what they will or won't accept. And the only way to accomplish a negotiation is to keep faith with that approach. And they are doing that, Republicans as well as Democrats, so I'm not going to go into the details.

Q. Income taxes are on the table, too?

The President. I'm not saying what's on or off. I've made my statements on that, and I'm just going to go forward. I've got preferences, strongly held preferences that people are familiar with, but I'm not going to reiterate them because more important than my posturing or protecting from arrows coming from one direction is getting a deal that's fair and good for the American people.

Yes, Maureen [Maureen Dowd, New York Times]. Then we'll go to the back. The middle -- sorry.

Q. Mr. President, I wonder if you can try to explain today why you made the no-new-taxes promise in the first place? At the time, the deficit was absolutely horrendous, the savings and loan situation was absolutely horrendous, and most people greeted your promise with a fair amount of cynicism, saying taxes were eventually going to be needed to bring down the deficit. Can you sort of blame people for now looking back -- --

The President. No, I don't want to blame anybody.

Q. No, I'm just saying can you blame people for looking back and saying, Well, maybe he didn't really mean it the whole time?

The President. I can understand people saying that. I think it's wrong, but I can understand it. I'm presented with new facts. I'm doing like Lincoln did: think anew. And I'm thinking anew. I've still got the principles that underline my political philosophy. It hasn't changed my view about whether -- you know, taxes. But we've got a major problem facing this country. I have the responsibility, leading the executive branch, to get things moving, to get a solution.

The budget deficit is bigger, far bigger. I had thought I could do a better job on getting spending

down and perhaps getting the reforms of the budget process that I also talked about. So, we're not talking about just in the campaign talking about one aspect. I was talking about reform, I was talking about spending constraints and not having everything go exactly my way. Now we've got to address ourselves to a worse problem, Maureen, than any of us visualized back then.

Federal Budget Negotiations

Q. Mr. President, throughout the '88 campaign, you kept saying -- and this was a quote -- ``The surest way to kill economic growth in this country is to raise taxes." Now you're telling us that the reason you're thinking anew about raising taxes is to make sure that you sustain economic growth. And yet you also told us that you're not changing your views about taxes. Exactly what are your views about taxes?

The President. Wait until you see the agreement that comes out. That will be my view as what has to happen, hopefully, within a month of 1990. That will be my views, faced with a problem very different than the problem facing the Presidency in the end of 1988.

Taxes and Economic Growth

Q. Well, can you just say -- do you believe that taxes kill economic growth, or do you believe that higher taxes -- --

The President. I think taxes wrongly applied can kill economic growth. And, yes, I do think that. So, I think we've got to be very careful as to how we get this formula to see that we don't kill off economic growth. You've got to look at the overall gross national product when you talk about that, too.

Q. Why didn't you say that during the campaign, Mr. President?

The President. Well, I don't think anybody did such a good, penetrating job of questioning, and because the problem is different. The problem is quite different, Owen [Owen Ullmann, Knight-Ridder Newspapers], today than it was then.

Tom [Tom DeFrank, Newsweek] and John [John Mashek, Boston Globe]. Patience is what it is.

Federal Budget Negotiations

Q. Some Members of Congress and some members of your own staff are saying that your three able negotiators, as you just described them, have signaled one important possible deal. And that is, if the Democrats will give you your capital gains tax cut, you're prepared to go along with eliminating the bubble on the high end of the tax rates scale.

The President. We're going to leave all -- --

Q. Is that a fair -- --

The President. No, it's not a fair -- I'm not sure your dope is correct, either. But I just don't want to violate this concept of confidentiality while we're in the negotiating stage, and so I can't respond to it. But I wouldn't put too much trust in that one.

Tax Revenue Increases

Q. Mr. President, if your statement here this morning represents your latest thinking, why is it that a whole flock of conservative Republicans have already disavowed your position, considering it a tacit request that taxes will be increased?

The President. For the same reason that that same response occurred in 1982, John. We have people who feel very strongly on this question, and I'm one of them. But I've got to make the case for the broader addressing, ourselves, of this problem here. But I can understand that.

Q. It doesn't give you any pause that this fall you're going to be out campaigning for Republican candidates who disagree with you on taxes -- --

The President. No.

Q. -- -- as well as abortion and perhaps other issues?

The President. No. We've always had differences with me on all those issues, one way or another, one side or another. But we also have a matrix of a party that is opposed to tax and spend, who wants to constrain spending and who wants reform. I still feel a fundamental part of that, even though we're talking now about an agreement that will hopefully cover all three aspects of that. If it doesn't, there won't be an agreement, I guess.

Q. Mr. Secretary -- [laughter] -- Mr. President.

The President. Do you have a message for me? [Laughter] This is going to work out. This is going to work out, don't worry about it. [Laughter]

Economic Assistance for the Soviet Union

Q. Yesterday, the Secretary of State, Mr. Baker, seemed to duck a question that encompassed two of your dilemmas. One is the specter of taxes, but the other is the pressure from the allies, which you'll see in NATO and then again at Houston, to help the Soviet Union, to give them actually

more than technical aid. Have you changed your thinking? Are you moving toward some sort of agreement with the allies?

The President. We have some differences in the alliance on this question. Are you talking about just strictly the aid to the Soviet Union? I've tried to be very frank and up-front not only with the allies but with the Soviets on the difficulties we have at this juncture, because there has got to be economic reform there, market reform, and all kinds of changes that I believe Gorbachev wants to see take place. But they have to be in place for the United States to go forward. Then we have a political agenda that we've tried to be very frank about. Secretary Baker has presented it in considerable detail to Mr. Shevardnadze [Soviet Foreign Minister], and I had a chance to touch on it with President Gorbachev.

You see, it is hard for the American people to say: Why put x billions of dollars of money into the Soviet economy when it's not reformed, when they're spending 18 percent of their gross national product on military, and when they're spending an estimated $5 billion in Cuba? Some of our allies might not be as concerned about that last point as we are. I'm very concerned about it.

So, we want to try to be of assistance in reform. We can do a lot in terms of helping institutionally. The EBRD [European Bank for Reconstruction and Development], in which we are a participant, now has in place some facility for future lending. But I don't want to misrepresent this to our allies nor to the Soviets. And that's why I say we've got difficulties with this that perhaps transcend the difficulties that others have.

Q. And you will not oppose the allies giving direct aid, though?

The President. I want to talk to them about it, but I don't think we should tell Mr. Kohl [Chancellor of the Federal Republic of Germany] what his lending policy or finance policy should be. It's understandable. He's a neighbor. They've got quite different problems with the Soviet Union than we do. But normally, it's best to have the alliance act in concert. And I expect we'll be talking about this not only at Houston but perhaps at the summit at NATO.

Q. Mr. President, do you believe that we reporters are being somewhat naive when we suggest in our stories that -- --

The President. Yes, because I didn't recognize you. I recognized him. [Laughter] I'll come back to it, Frank [Frank Murray, Washington Times].

Tax Revenue Increases

Q. A senior economic adviser in the last administration was fond of telling us that economic expansions don't die, bad policies kill them. Now that you're admitting that the economy is growing sluggish enough that tax revenue increases are needed, what policies went wrong? Why

do we need this budget agreement so badly now?

The President. In theory I'm not sure I disagree with that. In practice, provided everything is kept in proper perspective in terms of the total GNP, revenue increase would not kill off economic growth. You've got to see what the size of it is, what form it takes, whether it's accompanied by incentives for growth -- something I'm very much interested in. So, you can't look at one piece of the package at this point, as we're talking about solving a major deficit problem. And you also have to consider the total size of the deficit as it relate to our economy.

Q. Well, sir, what I was asking is what went wrong? Why is it necessary now? Is this -- --

The President. Yes. I think we got slower economic growth than had been anticipated and, thus, fewer revenues, thus, a bigger deficit. We have a law requiring us to get the deficit down to certain levels, and so you've got a combination: the discipline that the Gramm-Rudman-Hollings causes and economic growth not being as robust as we predicted. And that is why we've got to do something right now.

Frank, yes.

Q. Mr. President, in your research of what's happened to others, have you concluded that we're naive to suggest that the public takes campaign promises seriously?

The President. No. I think people are smarter than a lot of us think they are, including me, and I think they're fair. And I go back to the experiences of previous people that have been in this office who say one thing in a campaign; come in and keep that pledge, if you're talking about taxes, for quite a while; and then see that there's an enormous problem facing the Nation that requires a bipartisan answer. And if I had control of this Congress, both Houses, we might not even be talking about this today. But there's a different feeling here, and I've got to see the country go forward. And I've got to take the heat that comes from certain quarters, political and other, and I'm prepared to do that because I think I'm on the right track and I think in the final analysis the American people will understand that.

Q. And you think the public understands this and takes this into account when they hear campaign pledges?

The President. Well, I've seen polling figures that indicate that. But I don't want to suggest that all politicians are cynical. Certainly when I was making comments of that nature, I was convinced that I could stay the course, and we did for a long time, and we may now, but let's see where we go on this negotiation. Because more important than how people look at what I've said is what happens to the economy, what happens to jobs, what happens to economic growth.

So, when you make a change that people see as a dramatic shift, you've got to batten down the

hatches and take the heat. But I really am not trying to misrepresent my position. I feel comfortable about that because I've gone back and done a little research and seen these firestorms come and go -- people who feel just as strongly on one side or another of an issue as I do and haven't gotten their way exactly. That's the American system, and I've got to work with it. Congress can -- they can go out, everybody up there can go out and take a position, but it's only the President that has the responsibility for the whole executive branch approach to it.

Couple more and then I'm going.

Q. Mr. President, how do you explain to the country why you're treating this as essentially a Washington insider's game right now? Why not explain to the public what your list of priorities are within the spending and tax issues? Are there no longer any lines to be drawn in the sand based on your convictions on these areas?

The President. Yes, and they will be drawn in the negotiations. And then I'm going to do exactly what you're talking about. I'm going to tell the American people why this bipartisan agreement, which I'm still hopeful we'll get, is essential to the national interest.

Q. The Republicans have gotten a lot of mileage in the last several elections out of what the Democrats think has been shameless demagoguery on the tax issue. By assuming that you get this bipartisan agreement, haven't you basically undercut that argument for your party? Hasn't your party now lost that issue?

The President. Some will say so, but not if I go out and do my part and if I remind them of history. Take a look at the reaction in 1982, and it didn't have that kind of an adverse effect.

Sarah [Sarah McClendon, McClendon News Service]? Sarah, you thought I'd never -- --

U.S. Support of NATO Allies

Q. Here's a way, sir, I think you can solve your problems. [Laughter] You're going to NATO, and you're going to try to reform it. Research shows that you could save a $150 billion to $160 billion by cutting out the support that we give to other foreign countries by paying for their defense of Europe. Now, why, in the name of God, don't you cut down the spending that you're putting on NATO when we're really paying this for other countries that are going to the summit with you?

The President. Because I believe that a strong NATO is in the national security interest of the United States. I think it is in our interest that Europe has kept the peace for 40-some years, that it is going more and more the democratic route. And we have a stake in it. Every taxpayer in the United States has a stake in world peace. And that's why I feel as I do about it.

Last one.

Neil Bush

Q. Mr. President, going back to the S&L scandal, your son Neil has been involved in one of those failed S&L's in Colorado. And I'm wondering if you've discussed this issue with him. Are you convinced that he is not guilty of any wrongdoing? And are you convinced, also, that a government that you head will be able to fairly investigate his role?

The President. Yes, to your last question. And I have -- what dad wouldn't -- full confidence in the integrity and honor of my son. And I will stay out of anything to do with the investigation, but this is a fine young man. Everyone that knows him and saw him testify feels he's a fine young man. But yet the system's got to go forward, and I'm convinced that if he has done something wrong the system will so state. And if he hasn't, I hope it's fair enough to say: Hey, the boy did nothing wrong.

Q. Have you discussed this issue with him?

The President. Only in that broad parental way. But making clear -- and he would be the last to ask me, in any way, to get involved in any side or the other. I do think that those that allege misconduct ought to speak up and say what it is. But it's not been easy for him. He's probably the most sensitive of our four boys, maybe second most sensitive -- I can't quantify this for you with all four of them -- but he's a good kid. And it's not easy. He's held his head up. He, too, has taken a few shots on this. But he's had some good defenders from both sides of the aisle. And the system is going to work, whether it's the President's son or somebody else. And to suggest that it doesn't undermines the basic integrity of the American process, the American system. But it's not easy for him, but he'll do okay.

Mayor Marion Barry of the District of Columbia

Q. Mr. President, have you seen the Marion Barry tape, and what's your reaction?

The President. I thought I'd get asked that, and I am simply not going to get into that matter. It is not appropriate. It's a matter for in the courts. Please forgive me for not commenting on that one.

Thank you all very much.

Note: The President's 52d news conference began at 9:32 a.m. in the Briefing Room at the White House.

Letter to Congressional Leaders on the Designation of Bahrain as a Beneficiary Developing Country

June 29, 1990

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add Bahrain to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program is authorized by the Trade Act of 1974, as amended (``the 1974 Act'').

Bahrain was a GSP beneficiary from the inception of the program in 1976 to July 1, 1988. Proclamation No. 5805 of April 29, 1988, terminated Bahrain as a designated beneficiary developing country under the GSP pursuant to section 504(f) of the 1974 Act. Section 504(f) provides that if the President determines that the per capita gross national product (calculated on the basis of the best available information, including that of the World Bank) for any beneficiary country for a calendar year subsequent to 1984 exceeds the applicable limit for the determination year in question, such country shall not be treated as a beneficiary developing country under this Act after the close of a 2-year period. Based on the best available information, it was determined that Bahrain's per capita gross national product for the calendar year 1985 had exceeded the applicable limit provided in section 504(f).

The World Bank has now revised its per capita GNP statistics for Bahrain, indicating that Bahrain did not exceed the GSP statutory limit for 1985 or succeeding years. On the basis of these revised statistics, I have determined that the previous determination in Proclamation No. 5805 that the per capita gross national product of Bahrain for calendar year 1985 exceeded the applicable limit under section 504(f) of the 1974 Act was erroneous, and the restrictions of section 504(f)(1) of the 1974 Act are therefore inapplicable to Bahrain. I have further determined, pursuant to sections 502(a) and (c) of the 1974 Act and having due regard for the eligibility criteria set forth therein, that it is appropriate to designate Bahrain as a beneficiary developing country for purposes of the GSP.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974, as amended.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement on the Copenhagen Declaration of the Conference on Security and Cooperation in Europe

June 29, 1990

Last May, in a commencement address at the University of South Carolina, I identified free elections, political pluralism, and the rule of law as the cornerstones of freedom and urged that they be enshrined among the principles of the 35-nation Conference on Security and Cooperation in Europe (CSCE). I am pleased to report that this morning, the 35 nations of the CSCE Conference in Copenhagen adopted a document laying precisely that foundation for freedom. I commend the U.S. delegation, under the direction of Ambassador Max M. Kampelman, for its major role in that historic achievement.

With the Copenhagen Declaration, the CSCE has sought and reached an historic new consensus. The nations of Europe -- along with the United States, Canada, and the Soviet Union -- have now committed themselves to the path of democracy based on justice, peace, security, and cooperation. The promise of the 1975 Helsinki accords now has become a program of democratic action. This is the most significant step forward that the CSCE has taken since the inception of the Helsinki process.

This program of action has been shaped and embraced by our NATO allies, the neutral and nonaligned European States, the Soviet Union, and the emerging democracies of Central and Eastern Europe. It brings together nations, large and small, and opens the house of democracy -- the commonwealth of free nations I have spoken about -- to all of Europe's peoples. Together, the CSCE signatory nations now stand before their own peoples and before the world community on the solid ground of shared democratic values. Together, we now must put our program of democratic action to work fulfilling the promise of a Europe whole and free.

Message to the House of Representatives Returning Without Approval the Family and Medical Leave Act of 1990

June 29, 1990

To the House of Representatives:

I am returning herewith without my approval H.R. 770, the ``Family and Medical Leave Act of 1990.'' This bill would mandate that public and private employers with 50 or more employees, and the Federal Government, provide their employees with leave under specified circumstances.

In vetoing this legislation with its rigid, federally imposed requirements, I want to emphasize my belief that time off for a child's birth or adoption or for family illness is an important benefit for employers to offer employees. I strongly object, however, to the Federal Government mandating leave policies for America's employers and work force. H.R. 770 would do just that.

America faces its stiffest economic competition in history. If our Nation's employers are to succeed in an increasingly complex and competitive global marketplace, they must have the flexibility to meet both this challenge and the needs of their employees. We must ensure that Federal policies do not stifle the creation of new jobs, nor result in the elimination of existing jobs. The Administration is committed to policies that create jobs throughout the economy -- serving the most fundamental need of working families.

The strong American labor market of the past decade is a sign of how effectively our current labor policies work. Between 1980 and 1989, the United States created more than 18 million new jobs. In contrast, within European countries, where mandated benefits are more extensive and labor markets less flexible, job growth has been weak. Between 1980 and 1989, all of Europe generated only 5 million new jobs. As a Nation, we must continue the policies that have been so effective in fostering the creation of jobs throughout our economy. H.R. 770 is fundamentally at odds with this crucial objective.

H.R. 770 ignores the realities of today's work place and the diverse needs of workers. Some employees may believe that shorter paid leave is more important than the lengthy, unpaid leave mandated by this legislation. Caring for a sick friend, aunt, or brother might be just as critical to one employee as caring for a child is to another. In other cases, some employees may prefer increased health insurance or pension coverage rather than unpaid family and medical leave.

Choosing among these options traditionally has been within the purview of employer-employee negotiation or the collective bargaining process. By substituting a ``one size fits all'' Government mandate for innovative individual agreements, this bill ignores the differing family needs and

preferences of employees and unduly limits the role of labor-management negotiations.

We must also recognize that mandated benefits may limit the ability of some employers to provide other benefits of importance to their employees. Over the past few years, we have seen a dramatic increase in the number of employers who are offering child care assistance, pregnancy leave, parental leave, flexible scheduling, and cafeteria benefits. The number of innovative benefit plans will continue to grow as employers endeavor to attract and keep skilled workers. Mandated benefits raise the risk of stifling the development of such innovative benefit plans.

My Administration is strongly committed to policies that recognize that the relationship between work and family must be complementary, and not one that involves conflict. If these policies are to meet the diverse needs of our Nation, they must be carefully, flexibly, and sensitively crafted at the work place by employers and employees, and not through Government mandates imposed by legislation such as H.R. 770.

George Bush

The White House,

June 29, 1990.

Statement on Signing a Bill Calling Upon the United Nations to Repeal General Assembly Resolution 3379

June 29, 1990

I have today signed S.J. Res. 246, a joint resolution of Congress ``calling upon the United Nations to repeal General Assembly Resolution 3379," which declared Zionism to be ``a form of racism and racial discrimination." S.J. Res. 246 requests the President to report periodically to the Congress on progress made to repeal the resolution.

The United States vigorously opposed the 1975 adoption of the pernicious proposition, in United Nations General Assembly (UNGA) Resolution 3379, that Zionism is a form of racism. We continue to work actively for its renunciation. It is long overdue that all of the member states of the United Nations join us in renouncing UNGA Resolution 3379.

For these reasons, I wholly agree with the sentiments underlying this congressional repudiation of a totally counterproductive UNGA resolution. By signing S.J. Res. 246, I add my full endorsement as President of the United States, and the person charged by the Constitution with maintaining the foreign relations of this Nation, to this otherwise nonbinding expression of congressional sentiment.

At this time, I also want to reaffirm U.S. determination to pursue efforts toward a comprehensive, just, and lasting Middle East peace. In our view, this peace must be achieved on the basis of United Nations Security Council Resolutions 242 and 338 and the principle of territory for peace. It must provide for Israel's security and recognition and for Palestinian political rights. We strongly hope that Israelis, Palestinians, and the Arab states will take the necessary steps to create an environment in which a viable peace process can thrive.

George Bush

The White House,

June 29, 1990.

Note: S.J. Res. 246, approved June 29, was assigned Public Law No. 101 - 317.

Exchange With Reporters in Kennebunkport, Maine

July 2, 1990

Upcoming NATO Summit

Q. Mr. President, are you changing your policy on nuclear use?

The President. We're discussing the NATO agenda here today, and we'll discuss it with our colleagues when we get over there.

Q. Well, it sounds like your proposal changes from flexible response and no first use.

The President. I'm anxious to hear from Secretary Cheney and General Powell and others on this matter that you've raised. And then we've got a wide array of other issues we're talking about there -- economic and political dimension of NATO. So, we're trying to get our act totally together. We're in good shape for the meeting. I think our side is generally agreed on the big questions. And then, before we comment on these items, we're going to talk to our allies. That's the way I've tried to do it from the very beginning with NATO, and I'm going to continue that. We don't dictate; we just say, here's our views, and then represent them as best we can.

Q. But your views seem to represent a change.

The President. Well, we'll wait until we see what comes out of the NATO meeting; we're not going to prejudge it. But I'm encouraged because I think we've got a good position here. You know, the other day Marlin bawled me out. I said there's nothing earthshaking about all of this. [Laughter] But he and Scowcroft went into a frenzy, saying, well, maybe others will interpret it as this. So, I don't want to understate where we're going or overstate it, but some will look at it as this major change in direction and others won't. But I want to take this opportunity to get myself off the hook.

Q. Have you had any responses from the allies here?

The President. Oh, sure. That's one of the things I want to hear about from Secretary Baker today. They've been in close contact. And he'll go off and -- what, tonight do you head off?

Secretary Baker. Tomorrow morning.

The President. Tomorrow morning, and iron out some of the differences before we get there.

Q. Do you expect policy changes to be made at the summit?

The President. Well, what I expect is a document that is unanimously agreed to that will set the course for the future. And as conditions have changed, NATO will change. And I've addressed myself to that. But some will call it dramatic policy changes, and others won't. And so, I don't want to understate it. I don't want to be in trouble saying, Well, you said there would be no changes. But there will be some changes, but I don't happen to believe that it's of a bombshell dimension. Remember the last time we went over there we had a troop policy change. And so, I don't want to mislead you, but there will be some very interesting developments out of it.

Q. Are the allies in agreement with you in the responses that you've gotten to your proposals?

The President. Well, as I say, Jim's going over. We've gotten broad general agreement on a lot of issues, but there's still some work to be done. That's one of the things we're talking about in here today.

President Gorbachev of the Soviet Union

Q. Have you had any contact with Mr. Gorbachev going into his party congress?

The President. No, I haven't talked to him since he was over here -- or been in telegraphic. Now, maybe Jim has with Mr. Shevardnadze.

Secretary Baker. Not since -- --

Q. What are the keys to watch for in terms of that congress? What are your expectations?

The President. Stay tuned to CNN [Cable News Network]. [Laughter] We've got to go to work.

Note: The exchange began at 8:45 a.m. at the President's home at Walker's Point. In his remarks, the President referred to Colin L. Powell, Chairman of the Joint Chiefs of Staff; Marlin Fitzwater, Press Secretary to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and Soviet Foreign Minister Eduard A. Shevardnadze.

Statement by Press Secretary Fitzwater on the Deaths of Moslem Pilgrims in Mecca, Saudi Arabia

July 3, 1990

The Government and people of the United States are deeply saddened by the deaths of the many Hajj pilgrims near Mecca on the eve of Eid al-Adha, the Feast of the Sacrifice, this very significant holy day in Islam. On behalf of the people of the United States, the President extends his sincere condolences to the families of those individuals killed in the accident and to King Fahd, the Custodian of the Two Holy Mosques.

Note: On July 2, over 1,000 Moslem pilgrims suffocated or were trampled to death in a stampede in a pedestrian tunnel near holy shrines in Mecca.

Exchange With Reporters

July 3, 1990

The President. Smile. [Laughter]

Houston Economic Summit

Q. -- -- a few surprises at Houston, Mr. President?

The President. No surprises. I think we're in good shape for that meeting, though -- those meetings. We'll have a chance to get a preview talking to some of the leaders at the NATO summit about Houston, too -- but it will go well. There are some big issues to discuss -- trade, particularly.

Q. What would you like to see come out of the Houston summit?

The President. Well, I'd like to see us move forward on the Uruguay round, which means we've got to get moving on the question of agriculture. I've been saying that for some time, and that's very important. We spent a lot of time on that this morning, and it's important work.

NATO

Q. Have you got any feedback from the allies yet on the language concerning last resort -- --

The President. I'm ready to discuss that with them. I talked to the Prime Minister of Belgium and the Prime Minister of Denmark just now, and we didn't go into that specific, but I think the general approach that we're proposing seems to be getting wide acceptance. I don't want to comment, Jim [Jim Miklaszewski, NBC News], on that one because we didn't discuss that particular issue.

Q. Well, why is it now that we have to assure the Soviets that NATO is a threat? What's different? Or not a threat -- I'm sorry -- [laughter].

The President. Well, I think as things change we want to be sure that everybody understands that NATO is the stabilizing factor that we think it should be and will be. And it's not a question -- we don't have to assure them of anything, but I want them to understand the facts. I spent a lot of time working with Mr. Gorbachev when he was here to see that he did understand that a unified Germany in NATO is not a threat to the Soviet Union. And if there are certain things we can do to expand NATO's role that drive that point home, so much the better.

Q. Is there anything really different about this last resort?

The President. Well, you have to wait and see what comes out of it. You'll notice I'm not even commenting on your question because I told you, I think, yesterday that I wanted to discuss the specifics with our NATO partners.

Economic Assistance for the Soviet Union

Q. Mr. President, are you going to still reject the Soviet economic aid package in Houston?

The President. Well, I've explained to our economic summit partners and to the Soviets and to others that we have specific problems with, you know, giving money to the Soviet Union at this point. So, we'll be discussing that at Houston, and we had a good briefing on that here today.

Q. Are you afraid that the money might be wasted?

The President. Well, I still feel the same way I did: that economic reform is essential. And to Gorbachev's credit, he's trying to reform the economic system there.

Q. What are you proposing on the environmental front?

The President. We've tried it the other way, you see, with Poland several years ago and before economic reform, and I think everybody recognizes that that money did not help do what it was intended to.

Houston Economic Summit

Q. Any proposals on the environmental front in Houston?

The President. There will be a good discussion of the environment, yes.

Mr. Fitzwater. Thank you, Mr. President. [Laughter]

The President. What do you think, Marlin?

President Gorbachev of the Soviet Union

Q. How do you think Gorbachev handled himself yesterday? He was pretty tough, wasn't he?

The President. I haven't gotten a full report on that, so I can't comment on it.

Interest Rates

Q. How about bringing down interest rates in Houston, worldwide? Is that one of your goals?

The President. It's always a goal. I don't think that's a specific agenda item -- worldwide interest rates.

Golf With the President

Q. Mr. Vice President, did you throw the golf game yesterday? There was a story that you went into the tank to purposely lose -- [laughter] -- --

Q. Widely speculated.

The Vice President. I went into the tank, and I stayed there. The President won, as he should.

The President. I think he played well.

Q. Well, he was in the sand all the time. Every time I saw a picture, he was hitting out of the sand.

The President. He got five birdies -- no, six birdies. That's pretty good golf.

Q. You got six birdies?

The President. Yes. That's not bad.

Q. You started the story then, that you lost.

The Vice President. That's because when the camera was there, I double-bogied the 9th hole and I hit it in the sand on the 18th hole -- just record it. I wanted the bad part of the golf game recorded -- --

The President. Secretary Brady's team won the match. Did you get credit for that, Nick?

Q. No, he wouldn't tell us.

The President. He didn't? They were the victors.

Q. I thought you won. The Vice President said you won.

The President. No, no. Oh, he was just being pleasant, I'll bet.

The Vice President. He won on the first tee.

The President. Won one hole. That's what he meant.

Well, let's go suit up.

Note: The exchange began at 11:20 a.m. at the President's home at Walker's Point in Kennebunkport, ME. During the exchange, the President referred to Wilfried Martens, Prime Minister of Belgium, and Poul Schluter, Prime Minister of Denmark. Marlin Fitzwater was Press Secretary to the President.

London Declaration on a Transformed North Atlantic Alliance

July 6, 1990

Issued by the Heads of State and Government Participating in the Meeting of the North Atlantic Council in London on 5th - 6th July 1990

1. Europe has entered a new, promising era. Central and Eastern Europe is liberating itself. The Soviet Union has embarked on the long journey toward a free society. The walls that once confined people and ideas are collapsing. Europeans are determining their own destiny. They are choosing freedom. They are choosing economic liberty. They are choosing peace. They are choosing a Europe whole and free. As a consequence, this Alliance must and will adapt.

2. The North Atlantic Alliance has been the most successful defensive alliance in history. As our Alliance enters its fifth decade and looks ahead to a new century, it must continue to provide for the common defence. This Alliance has done much to bring about the new Europe. No-one, however, can be certain of the future. We need to keep standing together, to extend the long peace we have enjoyed these past four decades. Yet our Alliance must be even more an agent of change. It can help build the structures of a more united continent, supporting security and stability with the strength of our shared faith in democracy, the rights of the individual, and the peaceful resolution of disputes. We reaffirm that security and stability do not lie solely in the military dimension, and we intend to enhance the political component of our Alliance as provided for by Article 2 of our Treaty.

3. The unification of Germany means that the division of Europe is also being overcome. A united Germany in the Atlantic Alliance of free democracies and part of the growing political and economic integration of the European Community will be an indispensable factor of stability, which is needed in the heart of Europe. The move within the European Community towards political union, including the development of a European identity in the domain of security, will also contribute to Atlantic solidarity and to the establishment of a just and lasting order of peace throughout the whole of Europe.

4. We recognise that, in the new Europe, the security of every state is inseparably linked to the security of its neighbours. NATO must become an institution where Europeans, Canadians and Americans work together not only for the common defence, but to build new partnerships with all the nations of Europe. The Atlantic Community must reach out to the countries of the East which were our adversaries in the Cold War, and extend to them the hand of friendship.

5. We will remain a defensive alliance and will continue to defend all the territory of all of our members. We have no aggressive intentions and we commit ourselves to the peaceful resolution of all disputes. We will never in any circumstance be the first to use force.

6. The member states of the North Atlantic Alliance propose to the member states of the Warsaw Treaty Organization a joint declaration in which we solemnly state that we are no longer adversaries and reaffirm our intention to refrain from the threat or use of force against the territorial integrity or political independence of any state, or from acting in any other manner inconsistent with the purposes and principles of the United Nations Charter and with the CSCE Final Act. We invite all other CSCE member states to join us in this commitment to non-aggression.

7. In that spirit, and to reflect the changing political role of the Alliance, we today invite President Gorbachev on behalf of the Soviet Union, and representatives of the other Central and Eastern European countries to come to Brussels and address the North Atlantic Council. We today also invite the governments of the Union of Soviet Socialist Republics, the Czech and Slovak Federal Republic, the Hungarian Republic, the Republic of Poland, the People's Republic of Bulgaria and Romania to come to NATO, not just to visit, but to establish regular diplomatic liaison with NATO. This will make it possible for us to share with them our thinking and deliberations in this historic period of change.

8. Our Alliance will do its share to overcome the legacy of decades of suspicion. We are ready to intensify military contacts, including those of NATO Military Commanders, with Moscow and other Central and Eastern European capitals.

9. We welcome the invitation to NATO Secretary General Manfred Worner to visit Moscow and meet with Soviet leaders.

10. Military leaders from throughout Europe gathered earlier this year in Vienna to talk about their forces and doctrine. NATO proposes another such meeting this Autumn to promote common understanding. We intend to establish an entirely different quality of openness in Europe, including an agreement on ``Open Skies''.

11. The significant presence of North American conventional and US nuclear forces in Europe demonstrates the underlying political compact that binds North America's fate to Europe's democracies. But, as Europe changes, we must profoundly alter the way we think about defence.

12. To reduce our military requirements, sound arms control agreements are essential. That is why we put the highest priority on completing this year the first treaty to reduce and limit conventional armed forces in Europe (CFE) along with the completion of a meaningful CSBM package. These talks should remain in continuous session until the work is done. Yet we hope to go further. We propose that, once a CFE Treaty is signed, follow-on talks should begin with the same membership and mandate, with the goal of building on the current agreement with additional measures, including measures to limit manpower in Europe. With this goal in mind, a commitment will be given at the time of signature of the CFE Treaty concerning the manpower

levels of a unified Germany.

13. Our objective will be to conclude the negotiations on the follow-on to CFE and CSBMs as soon as possible and looking to the follow-up meeting of the CSCE to be held in Helsinki in 1992. We will seek through new conventional arms control negotiations, within the CSCE framework, further far-reaching measures in the 1990s to limit the offensive capability of conventional armed forces in Europe, so as to prevent any nation from maintaining disproportionate military power on the continent. NATO's High Level Task Force will formulate a detailed position for these follow-on conventional arms control talks. We will make provisions as needed for different regions to redress disparities and to ensure that no one's security is harmed at any stage. Furthermore, we will continue to explore broader arms control and confidence-building opportunities. This is an ambitious agenda, but it matches our goal: enduring peace in Europe.

14. As Soviet troops leave Eastern Europe and a treaty limiting conventional armed forces is implemented, the Alliance's integrated force structure and its strategy will change fundamentally to include the following elements:

-- NATO will field smaller and restructured active forces. These forces will be highly mobile and versatile so that Allied leaders will have maximum flexibility in deciding how to respond to a crisis. It will rely increasingly on multinational corps made up of national units.

-- NATO will scale back the readiness of its active units, reducing training requirements and the number of exercises.

-- NATO will rely more heavily on the ability to build up larger forces if and when they might be needed.

15. To keep the peace, the Alliance must maintain for the foreseeable future an appropriate mix of nuclear and conventional forces, based in Europe, and kept up to date where necessary. But, as a defensive Alliance, NATO has always stressed that none of its weapons will ever be used except in self-defence and that we seek the lowest and most stable level of nuclear forces needed to secure the prevention of war.

16. The political and military changes in Europe, and the prospects of further changes, now allow the Allies concerned to go further. They will thus modify the size and adapt the tasks of their nuclear deterrent forces. They have concluded that, as a result of the new political and military conditions in Europe, there will be a significantly reduced role for sub-strategic nuclear systems of the shortest range. They have decided specifically that, once negotiations begin on short-range nuclear forces, the Alliance will propose, in return for reciprocal action by the Soviet Union, the elimination of all its nuclear artillery shells from Europe.

17. New negotiations between the United States and the Soviet Union on the reduction of short-range nuclear forces should begin shortly after a CFE agreement is signed. The Allies concerned will develop an arms control framework for these negotiations which takes into account our requirements for far fewer nuclear weapons, and the diminished need for sub-strategic nuclear systems of the shortest range.

18. Finally, with the total withdrawal of Soviet stationed forces and the implementation of a CFE agreement, the Allies concerned can reduce their reliance on nuclear weapons. These will continue to fulfil an essential role in the overall strategy of the Alliance to prevent war by ensuring that there are no circumstances in which nuclear retaliation in response to military action might be discounted. However, in the transformed Europe, they will be able to adopt a new NATO strategy making nuclear forces truly weapons of last resort.

19. We approve the mandate given in Turnberry to the North Atlantic Council in Permanent Session to oversee the ongoing work on the adaptation of the Alliance to the new circumstances. It should report its conclusions as soon as possible.

20. In the context of these revised plans for defence and arms control, and with the advice of NATO Military Authorities and all member states concerned, NATO will prepare a new Allied military strategy moving away from ``forward defence'', where appropriate, towards a reduced forward presence and modifying ``flexible response'' to reflect a reduced reliance on nuclear weapons. In that connection, NATO will elaborate new force plans consistent with the revolutionary changes in Europe. NATO will also provide a forum for Allied consultation on the upcoming negotiations on short-range nuclear forces.

21. The Conference on Security and Cooperation in Europe (CSCE) should become more prominent in Europe's future, bringing together the countries of Europe and North America. We support a CSCE Summit later this year in Paris which would include the signature of a CFE agreement and would set new standards for the establishment, and preservation, of free societies. It should endorse, inter alia:

-- CSCE principles on the right to free and fair elections;

-- CSCE commitments to respect and uphold the rule of law;

-- CSCE guidelines for enhancing economic cooperation, based on the development of free and competitive market economies; and

-- CSCE cooperation on environmental protection.

22. We further propose that the CSCE Summit in Paris decide how the CSCE can be institutionalised to provide a forum for wider political dialogue in a more united Europe. We

recommend that CSCE governments establish:

-- a programme for regular consultations among member governments at the Heads of State and Government or Ministerial level, at least once each year, with other periodic meetings of officials to prepare for and follow up on these consultations;

-- a schedule of CSCE review conferences once every two years to assess progress toward a Europe whole and free;

-- a small CSCE secretariat to coordinate these meetings and conferences;

-- a CSCE mechanism to monitor elections in all the CSCE countries, on the basis of the Copenhagen Document;

-- a CSCE Centre for the Prevention of Conflict that might serve as a forum for exchanges of military information, discussion of unusual military activities, and the conciliation of disputes involving CSCE member states; and

-- a CSCE parliamentary body, the Assembly of Europe, to be based on the existing parliamentary assembly of the Council of Europe, in Strasbourg, and include representatives of all CSCE member states.

The sites of these new institutions should reflect the fact that the newly democratic countries of Central and Eastern Europe form part of the political structures of the new Europe.

23. Today, our Alliance begins a major transformation. Working with all the countries of Europe, we are determined to create enduring peace on this continent.

Note: Paragraphs 12 and 13 of the declaration refer to confidence- and security-building measures (CSBM). The declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

The President's News Conference Following the North Atlantic Treaty Organization Summit in London, United Kingdom

July 6, 1990

The President. I'd like to begin by thanking Prime Minister Margaret Thatcher for hosting this splendid meeting, and I want to express my appreciation also to Manfred Woerner not only for his kind remarks just now but for his outstanding leadership in NATO and in this alliance which is at a turning point in its history.

I'm pleased to announce that my colleagues and I have begun a major transformation of the North Atlantic alliance, and we view it as a historic turning point. NATO has set a new path for peace. It's kept the peace for 40 years and today charted a new course for stability and cooperation in Europe.

We, as you know, are issuing a document, the London Declaration; and it makes specific proposals and establishes directions for the future in four key areas.

First, the London Declaration transforms our relationship with old adversaries. To those Governments who confronted us in the cold war, our alliance extends the hand of friendship. We reaffirm that we shall never be the first to use force against other states in Europe. And we propose a joint declaration between members of the alliance and member states of the Warsaw Pact which other CSCE states could join in, making a solemn commitment to nonaggression. We say to President Gorbachev: Come to NATO. We say to all the member states of the Warsaw Pact: Come to NATO and establish regular diplomatic liaison with the alliance.

And second, the London Declaration transforms the character of NATO's conventional defenses. We can start, and must start, by finishing the current CFE [conventional forces in Europe] talks this year. Once CFE is signed, we would begin follow-on negotiations to adopt additional measures, including measures to limit manpower in Europe. With this goal in mind, a commitment will be given when the CFE treaty is signed concerning the manpower levels of the armed forces of a united Germany. We will also seek in the nineties to achieve further far-reaching measures to limit the offensive capability of conventional armed forces. We'll change our strategy for a conventional defense. We agreed to move away from NATO's current strategy of forward defense to a reduced forward presence. We agreed, in addition, to make the principle of collective defense even more evident by organizing NATO troops into multinational corps.

And third, the London Declaration transforms NATO's nuclear strategy. For 23 years we've had a nuclear strategy called flexible response, developed to meet a danger of sudden overwhelming conventional attack. As that danger recedes, we've agreed to modify flexible response.

Nuclear deterrence has given us an unprecedented period of peace, and it will remain fundamental to our strategy. But by reducing its reliance on nuclear weapons, NATO in the new Europe will adopt a new strategy making its nuclear forces truly weapons of last resort.

This new strategy will require different forces. We've decided that once negotiations begin on short-range nuclear forces we are prepared to eliminate all NATO nuclear artillery shells from Europe in return for reciprocal action by the Soviet Union. We agreed that this review should report its conclusions as soon as possible.

And fourth, the London Declaration transforms the alliance's vision for the CSCE and the structure for building a Europe whole and free. We know the CSCE process -- bringing together North America and all of Europe -- can provide a structure for Europe's continued political development; and that means new standards for free elections, the rule of law, economic liberty, and environmental cooperation. And we agreed today on six initiatives to give life to CSCE's principles and realize its potential.

As you can see, the London Declaration will bring fundamental change to every aspect of the alliance's work. This is indeed a day of renewal for the Atlantic community. For more than 40 years, we've looked for this day -- a day when we have already moved beyond containment, with unity on this continent overcoming division. And now that day is here, and all peoples from the Atlantic to the Urals, from the Baltic to the Adriatic, can share in its promise.

I'd be glad to take some questions. Helen [Helen Thomas, United Press International]?

Economic Assistance for Eastern Europe and the Soviet Union

Q. Mr. President, with the end of the cold war, the drawdown in forces, and eventual denuclearization of Europe, are you now ready to give some economic help -- as other allies want -- to include the Soviet Union and Eastern Europe so that they can get back on their feet, as we did after World War II with Germany and Japan?

The President. Well, we have given substantial help to certain countries in Eastern Europe. I have had a discussion -- not here at NATO but with Mr. Gorbachev and others at different times -- about support for the Soviet Union. We are most interested in helping them go forward with their reforms.

But there was no decision taken, certainly, to send money to the Soviet Union. I have some big problems with that one. I think the American people do. But there are ways that we can assist in this transformation, in this reform that is taking place in the Soviet Union.

Q. Well, you're not opposed to other countries giving it?

The President. If the Germans decide they want to do that, that's their business. But I have made very clear to those who have spoken to me about this that at this juncture we have some serious problems, and I've not been under any false colors about that at all.

Q. President Gorbachev has imposed a 2-year deadline on himself and the Communist leaders for reversing their country's economic tailspin. Does your reluctance to give the Soviets any financial aid complicate his chances for success in meeting that deadline?

The President. I hope not, because as you know, not only have I spoken very fondly of and enthusiastically about what he's trying to do in terms of reform but I've spoken about him personally and about our interest in seeing him succeed. And he's got some extraordinarily difficult problems, but I don't think that our position on financial aid at this time should -- hopefully, it will not complicate his standing. He deserves support for this reform.

Q. Do you view Western aid for the Soviet Union now as a subsidy for its military machine?

The President. Well, I'll tell you, we've got some problems that I've been very frank with concerning the Soviets. And one of them is a great percentage of their GNP going into the military. Another is some regional problems that perhaps are unique to the United States, but things that concern me -- spending $5 billion a year in Cuba, for example, to sustain a totalitarian regime that is highly critical of the Soviet Union from time to time. So, we have some regional problems. We have some reform problems that should take place before financial support can be given. But perhaps there are ways that we can assist them as we go forward with credit or other matters before we go to direct government loans.

U.S. Armed Forces in Europe

Q. Mr. President, with the threat receding, in the way your communique describes, do you think it's inevitable that at some point in the next few years the Europeans will decide it's better that American troops just go home? And what do you say to American taxpayers to convince them that it's worth continuing to pay the bill to have them in Europe?

The President. Well, I don't think the American troops will stay against the will of the host country. I don't want to see American forces deployed where American forces are not wanted. I don't want to see Soviet forces deployed where Soviet forces are not wanted. And I expect the same would be true of other nationalities' forces as well. But I don't foresee that day because I think the alliance has spoken rather eloquently about the need for a common defense. And all the members of the alliance are united in their view that a U.S. force presence in Europe is stabilizing and very, very important. So, I don't see that day looming up on the horizon.

Q. But do you fear that American taxpayers' support for that continuation might be eroding?

The President. Well, I see some attacks on this, and I think this NATO declaration should help in that regard. But I view it as my responsibility to make clear to the American taxpayer why it is in our interest to help keep the peace. And that's exactly what these forces are engaged in.

Economic Assistance for the Soviet Union

Q. Mr. President, in light of the stress that's been placed here on the continued cohesion within this alliance sir, would it not be a major breach of that cohesion if a country like West Germany were to provide direct aid to the Soviet Union in light of the deep concerns which you have expressed about such aid from the West?

The President. No, I don't feel that that's a breach of alliance cohesion. The Germans have their own bilateral relationship with the Soviet Union, and it doesn't concern me one bit. I've not made one single effort to try to have the Germans look differently at that question.

Q. Mr. President, would it not then be possible that aid from our ally West Germany would, at least arguably or indirectly, flow to a country like Cuba?

The President. Well, if you want to say that anything that goes to the Soviet Union facilitates aid to Cuba, I suppose we could say the same about our trade. But I don't think that would be a fair charge to make against the Germans.

Chinese Dissident Fang Lizhi

Q. Tonight, in an interview to be broadcast in the United States, Fang Lizhi, the recently released Chinese dissident, says you owe him a dinner. He couldn't make it to the one you threw in Beijing, and he would like to be invited to the White House for dinner. Would you do that? I have a followup.

The President. Well, he's here in this country. I thought he wanted to stay out of the public eye. I thought he himself said so. So, you've got a little different information than that. We'll just defer the rest of your question. What's your followup?

Human Rights

Q. If I can follow up: If you do meet him, he is going to complain that you have a double standard for human rights -- that you have one standard for the Soviet Union where you complain about human rights violations -- or have in the past, at least pre-Gorbachev -- and that you don't complain so much about human rights violations -- you're not as tough with the Chinese. He complains about sending Brent Scowcroft [Assistant to the President for National Security Affairs] and Larry Eagleburger [Deputy Secretary of State], et cetera. What would you say to

him?

The President. I'd say that he's wrong. He's got a little time warp here because we spoke out at the NATO meeting. Indeed, I think we took the lead at a meeting in Europe -- I guess it was the G - 7 meeting, not NATO -- where we took the lead in expressing our joint indignation in terms of the abuses of human rights at Tiananmen Square. We've kept certain sanctions on China. I am heartened that Fang Lizhi is free and free now to say what's on his mind like this. So, I would say that if he feels that way he's simply not expressing the facts as they are. I don't agree with that. I notice some of my critics in the United States Congress say that, and I think they're just as wrong as they can be.

Eastern European Membership in NATO

Q. Mr. President, back to the declaration. You're inviting the Warsaw Pact countries to come to NATO as observers. What if they want to become members of NATO -- Hungary, for instance, or even Poland? Are you saying by inviting them to just be observers that you do not look favorably on them becoming full members?

The President. I'm saying NATO views this as a open invitation, and who knows what will happen in terms of membership down the line? That's not in the cards right this minute. We're just coming out of an adversarial environment of varying -- I think there's varying degrees of enthusiasm for what you're talking about amongst the members of the Warsaw Pact at this juncture, so I'd say it's premature.

Q. Would you oppose any country -- for instance, Hungary -- becoming a member of NATO?

The President. Not forever. But at this juncture, I support the NATO doctrine.

Strategic Nuclear Weapons

Q. Mr. President, in your communique you talk about nuclear weapons becoming truly weapons of last resort. You say the fundamental strategy of the alliance is being transformed here. As part of this review, are you considering going back home and taking another look at some of the strategic nuclear modernization programs that you have supported -- looking at some of the very expensive weapons programs that some say should be a bonus, a part of the ``peace dividend''?

The President. Not as a result of anything that's transpired here in NATO, no. We are interested in strategic arms agreements with the Soviets. The Soviets, as we all know, have indeed modernized their forces. We're on the horns of a dilemma in that question, you might say, because we have not to the degree they have. But that was not a consideration here at NATO, nor has anything transpired here that will make me go home with a different approach to strategic arms.

Q. If I may follow up, sir: You'll proceed across the board with strategic modernization? Your commitment to that -- --

The President. Yes. I will proceed in negotiating with the Soviets to achieve a strategic arms agreement.

NATO Policy

Q. Mr. President, how much did threats to perestroika and reforms in the Soviet Union play in changes you've announced today at NATO?

The President. You mean, what's going on at the Congress [28th Communist Party Congress of the Soviet Union]? None, in my view. I mean, I think what's contributed to the changes in our approach -- NATO -- are the changes that have taken place, particularly since our last meeting, in terms of Eastern Europe and in terms of the Soviets' willingness to withdraw forces, hopefully, through a CFE agreement. So, I don't think anything was short -- that there was short-term thinking as a result of the debates that are going on in Moscow this very day.

Q. Well, if I can follow up then: What kind of messages do the changes announced today send to Gorbachev?

The President. They send to him that here's an alliance that you should view, Mr. Gorbachev, as defensive and not threatening. And, please, convince your military and others in the Soviet Union of this fact.

You see, from my discussions with Mr. Gorbachev and others, I've had the feeling that they have viewed NATO as much more threatening to them than the way in which I've looked at NATO. But now, as a result of the actions that we've taken here, I think it should be clear to the Soviet military, to Mr. Gorbachev, to his adversaries, and to his friends inside the Soviet Union that NATO is changing. And to the degree they had seen it as a threat to their shores or to their borders, they should look at it not as a threat to their borders or to their people.

Anytime you sit down with people from the Soviet Union, they tell you of the fact that they lost from 20 to 27 million lives. It's ingrained in them. They do it not as a defensive mechanism but they do it because they feel very strongly about that. I hope that they will look at the changes that NATO has taken and say: Well, if NATO had been a threat to us, it no longer is a threat to us. And then I hope we can go forward to further document that spirit by mutual agreements on arms control.

Q. How are you going to communicate what's in this document to Mr. Gorbachev and the people there? Are you going to talk with him personally? Did the NATO leaders decide on some other method of communication with him to let him know what it means, what the communique

means?

The President. The NATO leaders have decided that the Secretary General will be going there, and that will be a very good face-to-face chance to discuss these matters. I believe our Secretary of State is meeting soon with Mr. Shevardnadze [Soviet Foreign Minister], you can be sure the matters will be discussed then. And then, in all likelihood, I will discuss it personally by telephone with Mr. Gorbachev.

I think it's very important that the leader of the United States and the leader of the Soviet Union stay in touch. In fact, when he was here in Washington, we talked about more such contacts. So, perhaps within the next couple of weeks, I will be talking to him about what transpired, because I want to make some of these points here again, particularly that they ought not to view NATO as a threat and certainly ought not to view it as a roadblock to progress in arms control or withdrawal of conventional forces or whatever it might be.

Soviet Response to NATO Policies

Q. Mr. President, what kind of tangible response would you like to see from President Gorbachev now to this? And I'm thinking particularly of the issue of Germany and NATO.

The President. In terms of the question of Germany and NATO, I would like to see the tangible response be an acceptance of the concept that a unified Germany in NATO is not only good but that it certainly is no threat to them. And we've had long talks with Mr. Gorbachev about that. And perhaps this declaration will be a document that he can use to convince others that a unified Germany in NATO is in the interest of stability and world peace. So, I think that is probably the most important message. And then I'd like to think that out of this he would feel more confident in going forward with arms control, bringing the two-plus-four talks to a conclusion, and a wide array of other things as well.

Middle East Peace Process and Talks With the Palestine Liberation Organization

Q. Did the topic of the Middle East come up during your discussions in the margins of the NATO summit? And can you comment on press reports which indicate you might be considering resuming your dialog with the PLO? And what conditions would you attach to such a resumption?

The President. The discussion of the Middle East in the NATO meetings did not come up. It may have been discussed in the corridors, but it was not a discussion in the meetings at all, and I didn't have discussions in a NATO context about the Middle East.

My position on the dialog with the PLO is that one of the preconditions for discussion was a renunciation of terror. And I viewed the aborted attack on the shores of Israel by some Palestinian

commandos as a terrorist act. So, we didn't cancel; we suspended the talks with the PLO. And I would like to think that Mr. Arafat [PLO leader] could some way bring his council not only to denounce that particular terrorist act but also to take some action against the person that perpetrated it. And then I think we would certainly give rapid consideration to renewal of the dialog. I happen to think the dialog has been useful. I don't think Mr. Arafat particularly agrees with that, and I'm quite confident that Mr. Shamir [Prime Minister of Israel] doesn't agree with that, but nevertheless, that's the view of the United States.

Soviet President Gorbachev's NATO Address

Q. Mr. President, Mikhail Gorbachev is already under fire from conservatives for essentially giving away Eastern Europe. Are you at all concerned, sir, that by inviting him to speak to NATO you're further undermining him? And I have a followup.

The President. No, not only do I think we're not undermining him but I would think that would send a signal that NATO has no hostile intentions to the Soviet Union. So, I would hope nobody at home would consider this an effort to undermine Mr. Gorbachev, nor would it have the effect of undermining a man who has clearly tried to move forward, who has presided over the Soviet Union at a time when this fantastic change towards democracy and freedom has taken place in Eastern Europe. And you're seeing that same kind of quest for change -- democratic change and economic change -- inside the Soviet Union. So, I don't think it would have the effect that the question suggests.

Q. If he accepts your invitation, sir, will you attend that meeting, or would it be an occasion for some sort of a superpower summit?

The President. The level of the Gorbachev meeting at NATO has not been determined. And I would be guided by what the other NATO members think is appropriate. The level at which Mr. Gorbachev would speak to NATO has not been set. If it was a head of state level, why, of course, I would attend. Others have addressed NATO at varying levels.

East-West Relations and Political and Economic Change

Q. Having attended quite a number of these things, these NATO conferences, I'd like to ask a question, Mr. President, that I asked -- [inaudible] -- is this to some extent a celebration of the victory of NATO in the cold war -- the cold war is over and NATO has won? Or don't you believe it's the idea that NATO has won the cold war?

The President. Excuse me, back up, now. I've tried to avoid code words, and the cold war being over is something that I'd rather not comment on. I don't think we're dealing in terms of victory and defeat. We're dealing in terms of how do we stabilize and guarantee the peace and security of Europe. So, to the degree a chief of state or head of government dwells on the kinds of rhetoric

that you understandably ask about, I think it is counterproductive. Does that answer it?

Q. Would you say that NATO has to a great extent caused Gorbachev to be -- that the whole changes in Eastern Europe have to some extent been caused by what's been going on in Western Europe for the last 40 years?

The President. I would say to some degree that the changes in Eastern Europe and in the Soviet Union have been because they have seen the success of market economies. They've seen a craving for freedom and democracy on the parts of people. And to the degree NATO countries contributed to that proper perception, so be it. I'd like to think that -- I'm convinced that NATO's solidarity during the last 40 years has guaranteed the peace for Europe. And when you look back at history, it is a long peace, given some of the conflagrations on this continent. So, I think NATO deserves a lot of credit.

But I think the yearning for freedom and democracy is pretty fundamental. NATO has nothing to do with the changes in our own Western Hemisphere, and yet you're seeing now the emergence of democracies, and you've seen the emergence of free people there. So, it's fundamental: People want democracy and freedom. But I think NATO's major contribution has been to keeping the peace, and yet it has set an example that I think many in Eastern Europe now want to follow.

Changes in the Soviet Union

Q. Mr. President, how do you square your concern over stability in Europe, which is the new purpose of NATO, with increasing signs of instability in the Soviet Union, particularly on the political and economic front? And what can you do to put those two pieces of the puzzle together?

The President. A very good and very difficult question because, frankly, one thing we do is stay out of the internal affairs of the Soviet Union. I realize that some think that I'm not staying out of the internal affairs of the Soviet Union when I speak pleasantly about Mr. Gorbachev.

But I think they have to sort it out now. They have to decide what they want, how much of their gross national product ought to go into arms, whether the threat is much less than they have historically perceived. And once they take that decision, then we in the West will stand ready to work very cooperatively with them. But I think the next move, what I'm saying, is up to them. I think they have to make these determinations. And in the meantime, NATO, having seen the changes that have taken place in Eastern Europe and the predicted changes in terms of force levels, can go forward with what I think people will view as a historic document.

Excuse me, I did tell you I'd get over here.

Nuclear Artillery

Q. Thank you very much. How conditional is the proposal to remove nuclear artillery from Europe? Are you actually saying that you will not do this unless the Soviet Union does likewise? Are you saying it should be part of negotiations, or are you actually merely inviting the Soviet Union to withdraw their nuclear artillery?

The President. Well, I'd certainly invite them to do it, and the document is fairly clear on that point. I think that the withdrawal of nuclear artillery on the part of the West is conditioned on the withdrawal of Soviet nuclear artillery.

German Membership in NATO

Q. On paragraph 12 -- ``manpower levels of united Germany'' -- what happened to nonsingularization of Germany?

The President. Well, I don't see that as singularization. That was a question that had to be addressed anyway. And I think that you're going to see the United States addressing its force levels through CFE talks. So, I would think that this is not what I have always thought of as singularization, trying to single Germany out, for example -- a united Germany -- from being a part of NATO. I think what it simply says is this question, at an appropriate time, will be addressed. And we are going forward, addressing ourselves now to U.S. force levels under our conventional force talks. So, I don't see any contradiction in that.

There was a guy on the aisle that I identified back there -- no, I'm afraid it wasn't you, but right there -- that had his hand up. Well, he's vanished. The guy in the open shirt here. Then I have to go. Go ahead, we'll get these two, and then I really have to take off.

East-West Relations

Q. Would you say that you are hoping that Gorbachev can convince other people that through this document that they do not have to fear NATO? Are you saying that some of the people in the Soviet Union are imposing this fear to NATO -- to Mr. Gorbachev, and who are these people? I have a followup question, please.

The President. If I got the first part of it correctly, I think there's been a historic fear on the part of some about the West because of the Soviets' own history. I happen to believe that that fear has been misplaced all along. But to the degree people still have that fear, and they look at this document, it would seem to be de minimus. I can't single out which people they are, but I think there has been a historic concern on the part of the Soviets because of their own history in -- certainly as recently as World War II, with an enormous loss of life. I think over the years, as we have improved our relations with the Soviet Union and, indeed, as they have changed, those fears have diminished. I think -- given the new openness, the glasnost -- I think they're going to

diminish even more.

What was the followup?

Q. How do you expect that Mr. Gorbachev can be helped in his present problems in the Soviet Union with this London Declaration?

The President. I think he will say: Look, NATO has indeed changed in response to the changes that have taken place in Eastern Europe. If I were him, I'd say: I've been right. They're changing. And now I want to go forward with the United States and negotiate some more deals. I want to see us reform. I want to see us stop some of what we've been doing in various regions around the world that others view as detrimental to the interests of freedom and democracy. And so, if I were him, I would take a hard look at this document. I'd listen carefully to what he hears from Manfred Woerner when he goes there. And I would think he could say: We've been right to reach out as we have tried to do to the United States and, indeed, to improve relations with countries in Western Europe. They're changing. They have now changed their doctrine because of steps that I, Mr. Gorbachev, have taken. And I get on the offense. Then let the rest of us help him with some of his hardliners. And there's plenty of work to do.

But I would think that he would view this as a very positive step forward and one that vindicates some of the moves that he's made over the past year or two.

Q. Will he join NATO?

Middle East Peace Process

Q. Mr. President, now that you've had time to digest Prime Minister Shamir's letter to you of last week, how does that letter leave you feeling? Does it leave you feeling, as Secretary Baker said, that maybe we should just leave him with the White House phone number and to call when he's serious; or does it leave you feeling you're ready now to get involved in a prolonged negotiation with him, once again spending another few months or years to try to modify his position?

The President. It leaves me feeling we need further clarification in terms of the questions that I've put to him, clarification on some of the answers. But, look, we want to see the peace process go forward. We had good talks with -- I did, and so did Jim Baker -- with the Egyptian Foreign Minister [Ahmed Esmat Abdel Meguid] the other day. I've been on the phone to Mr. Mubarak [President of Egypt], to King Hussein [of Jordan], to others. And we want to see the process go forward. We have the United States policy, and we're going to stay with the policy in terms of settlements and other things of this question.

But we will do everything we can to encourage a discussion that will end up in peace. There has got to be talks; Palestinians have to attend these talks. And so, the ground rules are out there, and

we've got to go forward. But we need more clarification, and very candidly, I'd like to think that Israel would now move forward again. And that's about where we stand.

Thank you very much.

The President's Hand

Q. What's wrong with your hand?

The President. It's skewered. I was cleaning the mackerel, and I plunged the knife into it. Minor wound.

Note: The President's 53d news conference began at 12:18 p.m. in Churchill Auditorium at the Queen Elizabeth II Conference Center. In his opening remarks, he referred to Prime Minister Margaret Thatcher of the United Kingdom and NATO Secretary General Manfred Woerner. Following the news conference, the President traveled to Houston, TX, for the economic summit of industrialized nations, which took place July 9 - 11. A complete tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Toshiki Kaifu of Japan Prior to the Houston Economic Summit

July 7, 1990

President Bush and Prime Minister Kaifu have just finished 2 hours of wide-ranging discussions on our bilateral relationship and the global partnership of international cooperation between our two countries. The two leaders have a very warm, personal relationship, calling each other by first names.

They agreed that the state of U.S.-Japan relations today is excellent and that both countries need to continue to work together in a spirit of cooperation to strengthen their bilateral relationship and support democracy, freedom, and economic liberty around the world.

The President took this opportunity to thank the Prime Minister for his outstanding leadership, which contributed so much to achieving an excellent joint report in our Structural Impediments Initiative (SII). The commitments for reform in this report, when implemented, will strengthen the economies of both our countries and lead to a better life for the Japanese and American peoples and a healthier economic relationship. The progress we have made these past 4 months in the SII process and our other trade discussions has laid a firmer foundation for our overall relationship. But we cannot become complacent in the days to come; we must ensure that our relationship continues to rest on a solid economic base.

The President and the Prime Minister emphasized that the time has come for the United States and Japan, as two of the world's greatest trading nations, to devote their full energy to securing the benefits of an open world trading system through successful completion of the Uruguay round this year.

The President took this opportunity to brief the Prime Minister on the results of the NATO summit just concluded in London. The Prime Minister and the President reaffirmed in this, the 30th anniversary year of the security treaty, the continuing importance of the alliance to peace and stability in Asia.

Japan and the United States agreed to continue to promote important global cooperation in this era of great change, in cooperation with our other summit partners. The President welcomed and encouraged Japan's growing international role, as evidenced by the contributions it is making in support of political and economic freedom in Eastern Europe, Central and South America, and elsewhere. Cooperation among Japan, the United States, and their summit partners in support of common goals will form a central part of the talks to be held during the next few days and is a manifestation of the trialog to which both leaders committed themselves at their meeting in Palm

Springs.

The President and the Prime Minister discussed the issue of lending to China. They had useful talks on this matter and agreed to continue these discussions with the other summit leaders.

Finally, the President and the Prime Minister, looking back at the progress our two governments have made toward the goals at the Palm Springs summit last March, agreed to continue to work to build the kind of economic, security, and political relationship between our two countries that will be appropriate to our two great nations in this dramatically changing world.

Note: The President met with the Prime Minister at approximately 11:30 a.m. at the Houstonian Hotel's Manor House in Houston, TX. Later, the two leaders were joined by U.S. and Japanese officials and participated in a working luncheon.

Remarks Announcing Canada-United States Air Quality Negotiations and an Exchange With Reporters in Houston, Texas

July 8, 1990

The President. Well, we're here to comment on the acid rain agreement. The joint statement that we're issuing today on beginning negotiations is long overdue. I know that this is very important for the Canadian side; and I want to say to you, sir, I appreciate your patience and understanding.

Both Houses now in the United States Congress have passed clean air bills, similar to mine, by huge margins; and the House-Senate conference will begin this week. And I think it will be of enormous benefit to both our countries. Bill Reilly, the head of the EPA, plans to be in Ottawa on July 16th and will be prepared to open preliminary discussions. We should be able to begin formal negotiations shortly after that.

And we've made great progress. And I think we ought to both be very pleased about that. Great progress has been made, but we still have a long way to go. We recognize that. And I pledge to my Canadian friends that we want to do our part, and I think this clean air legislation -- that I hope I'll be able to sign soon -- is but one manifestation of that.

Welcome to Houston, sir. And the floor is yours.

Prime Minister Mulroney. Thank you, Mr. President.

I'm pleased to confirm that the President and I have agreed to begin negotiations for an air quality accord. Our two countries share a long history of cooperation on transboundary environmental problems. An acid rain agreement will safeguard the natural health of our respective ecosystems, and we both fought -- President Bush and I -- have fought long and hard to get to where we are today.

Bill Reilly and Bob De Cotret [Canadian Minister of the Environment] will discuss this issue when they meet in Ottawa in about a week's time, and as the President has indicated, negotiations will begin shortly thereafter.

And so, we have worked hard for a bilateral accord, and I think that this day will long be remembered in the history of our relationship for the significant departure that it constitutes from past positions in regard to the environment and the protection of the environment in North America.

Thank you, Mr. President.

Q. Are you going to take some from the Canadian press?

The Prime Minister. I think I'll -- the Canadians have been in the heat too long.

Q. Mr. President, can I just clear -- --

Q. -- -- an accord will give Canada any more protection than it already gets from legislation?

The President. I simply refer you to the statement.

Q. Mr. Mulroney, we'd like to talk to you.

Economic Assistance for the Soviet Union

Q. -- -- Canadian credit to the Soviet Union, sir? Does that not undercut your policy?

The President. Nothing undercuts our policy like that -- --

Q. Mr. Mulroney, what would the accord give you that the clean air legislation does not?

Q. He subsidizes aid to Cuba if he gives him credit?

Q. Mr. President, we're still confused about whether Mr. Gorbachev, who specifically asked this summit last year for a role -- whether he has made any direct appeal to you as host of the summit to -- --

The President. We'll have more to say about that later. What I want to do is talk to our summit partners on that very question. We had a good discussion with the Prime Minister on new ideas from the Canadian side. But I don't want to get out ahead of the process here, and I have some responsibility to be sure that our summit partners are briefed on that Gorbachev letter before we go public.

Note: The President spoke at 11:42 a.m. in the front foyer of the Houstonian Hotel's Manor House, following a meeting with Prime Minister Brian Mulroney of Canada.

Joint Statement Announcing Canada-United States Air Quality Negotiations

July 8, 1990

Our two countries share a great legacy of bountiful natural resources and scenic grandeur, as well as a long history of cooperation on transboundary environmental problems. It is critical to the future well-being of Canada and the United States that we assure the continued productivity and environmental health of these natural systems: the Great Lakes and other shared water bodies, the forests, the wildlife, and the soils and farmlands.

Thus, we announce with great satisfaction that our countries have agreed to begin negotiations for a practical and effective air quality accord. U.S. Environmental Protection Agency Administrator William K. Reilly and Canadian Environment Minister Robert de Cotret will discuss this issue when they meet in mid-July in Ottawa. We expect to begin negotiations shortly thereafter.

The initial focus of these negotiations will be on reduction of sulfur dioxide and other precursors of acid rain. With clean air legislation now before a Conference Committee of the House and Senate of the U.S. Congress, the United States anticipates substantial progress in the years ahead in curbing acid rain and improving air quality. Since 1985 Canada has had in place its own control program which will reduce both acid rain damage in Canada and the export of pollution to the United States. We look forward to a close working relationship between Canada and the United States to assure that our agreement on air quality and our other bilateral programs yield tangible environmental improvements and benefits.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Francois Mitterrand of France Prior to the Houston Economic Summit

July 9, 1990

President Bush and President Mitterrand met for about an hour this morning to discuss the summit agenda. They had lengthy talks on the Uruguay round and the prospect for a summit statement that moves the Uruguay round forward.

They talked about a number of environmental issues, including the general progress that summit countries have made in cleaning up various pollutants, in preserving their forests, and in balancing economic and environmental objectives.

The two Presidents were encouraged by the Soviet response to their recent NATO communique. Both the United States and France want to support perestroika and glasnost and encourage the success of President Gorbachev. They discussed the role of economic support and considered the economic possibilities raised in the letter to the [economic] summit from President Gorbachev. President Bush reiterated the U.S. position that we believe technical economic assistance is appropriate; and he has proposed several steps, both at Malta and in Washington, which should be helpful. However, the United States continues to believe that further economic reforms and spending priorities in the Soviet Union are necessary before direct aid is justified.

Note: The two Presidents met at approximately 9 a.m. at the Houstonian Hotel's Manor House in Houston, TX.

Statement by Press Secretary Fitzwater on the President's Meeting With Chancellor Helmut Kohl of the Federal Republic of Germany Prior to the Houston Economic Summit

July 9, 1990

President Bush met with Chancellor Kohl for approximately an hour this morning and discussed the summit agenda. Chancellor Kohl congratulated President Bush on the success of the NATO summit. Both Presidents expressed appreciation for the Soviet response.

The two leaders discussed President Gorbachev's letter to the [economic] summit and their positions on aid to the Soviet Union. President Bush said he understood the German desire for unilateral support to the Soviet Union. President Bush emphasized that the United States supports perestroika and glasnost and had suggested a variety of technical economic assistance measures in support of President Gorbachev's efforts. President Bush indicated that we continue to believe that further economic reforms and changes in Soviet military spending are necessary before we can consider direct aid.

The two leaders discussed the progress of change in Eastern Europe and reviewed the democracies emerging in Poland, Hungary, and Czechoslovakia.

Both the President and the Chancellor expressed great concern about the world environment and pledged to continue efforts at reducing pollution and preserving forests on a global basis.

Note: The President met with the Chancellor at approximately 10:30 a.m. at the Houstonian Hotel's Manor House in Houston, TX.

Remarks at the Welcoming Ceremony for the Houston Economic Summit

July 9, 1990

Welcome to Houston. And we think this city is a very appropriate place to host this economic summit not of the postwar era but of the post-postwar era.

Over the past decade and a half, the leaders of the largest industrialized democracies have held these summits to address common problems and challenges. These economic summits have become framework for frank and constructive dialog, a dialog for progress that I believe will be advanced greatly in these next 3 days. And together, we're called upon as allies and as friends to work toward decisions here in Houston that will bring a new stability and prosperity to the world by tapping the power and energy of free wills and free markets.

A new world of freedom lays before us, hopeful, confident -- a world where peace endures, where commerce has conscience, and where all that seems possible is possible. So, let us begin in good faith to set the stage for the new millennium. Thank you for coming to Houston, and thank all who have made us feel so at home here. Thank you very much.

Note: The President spoke at 2:13 p.m. in the Academic Quadrangle at Rice University in Houston, TX. The 1990 economic summit of industrialized nations was hosted by the United States. The following foreign leaders, accompanied by their foreign and finance ministers, attended the summit: Prime Minister Brian Mulroney of Canada, President Jacques Delors of the European Community, Chancellor Helmut Kohl of the Federal Republic of Germany, President Francois Mitterrand of France, Prime Minister Giulio Andreotti of Italy, Prime Minister Toshiki Kaifu of Japan, and Prime Minister Margaret Thatcher of the United Kingdom. A tape was not available for verification of the content of these remarks.

Houston Economic Summit Political Declaration: Securing Democracy

July 10, 1990

1. We, the Leaders of our seven countries and the Representatives of the European Community, salute the men and women around the world whose courage and wisdom have inspired and brought about the historic advances of democracy we have witnessed over the past year. As we enter the final decade of this century, which we intend should be a Decade of Democracy, we reiterate our commitment to support the strengthening of democracy, human rights, and economic reconstruction and development through market-oriented economies. We emphasize the important opportunity provided in this forum for representatives from Europe, Japan, and North America to discuss critical challenges of the coming years.

2. Europe is at the dawn of a new era. We welcome enthusiastically the profound and historic changes sweeping the continent. The London Declaration on a Transformed North Atlantic Alliance provides a new basis for cooperation among former adversaries in building a stable, secure, and peaceful Europe. We are determined to seize all opportunities to achieve a Europe whole and free and recognize the European Community's contribution to that effort. We applaud the unification of Germany, which is a tangible expression of mankind's inalienable right to self-determination and a major contribution to stability in Europe.

We welcome the replacement of repressive regimes in Central and Eastern Europe by governments freely chosen by their peoples. We applaud the introduction of the rule of law and the freedoms that are the bedrock of a democratic state. We urge Romania, following recent events, to adhere to the positive trend taking place in other countries of Central and Eastern Europe.

3. We welcome the intention of the Soviet Union to move toward a democratic political system, as well as Soviet attempts to reform their economy along market principles. We commit ourselves to working with the Soviet Union to assist its efforts to create an open society, a pluralistic democracy, and a market-oriented economy. Such changes will enable the Soviet Union to fulfill its responsibilities in the community of nations founded on these principles. We are heartened by indications that a constructive dialogue is underway between the Soviet government and the Baltic states, and we urge all sides to continue this dialogue in a democratic spirit.

4. The advance of democracy accompanied by market-oriented economic reforms is not just a European phenomenon. Since we last met, we have witnessed the spread of democratic values in many parts of the world.

In Asia, there are encouraging signs of new political openness in Mongolia and Nepal. In the Philippines, the government continues to engage in courageous efforts to consolidate democracy.

We acknowledge some of the recent developments in China, but believe that the prospects for closer cooperation will be enhanced by renewed political and economic reform, particularly in the field of human rights. We agree to maintain the measures put into place at last year's Summit, as modified over the course of this year. We will keep them under review for future adjustments to respond to further positive developments in China. For example, in addition to existing lending to meet basic human needs, we will explore whether there are other World Bank loans that would contribute to reform of the Chinese economy, especially loans that would address environmental concerns.

5. In Africa, we hope that Namibia's attainment of independence and democracy will be a positive example for freedom, pluralism, and market-oriented economic reform throughout the continent. We also welcome the positive developments that have taken place in South Africa, especially the launching of talks between the government and representatives of the black majority. We hope this will lead to a peaceful transition to a non-racial democracy and the complete dismantlement of the apartheid system. We will continue to support this process and we call on all parties to refrain from violence or its advocacy.

6. In Latin America, we welcome the re-establishment of freedom and democracy in Chile. We applaud the recent fair and free elections in Nicaragua, as well as progress on the path to peace through dialogue in El Salvador and Guatemala. We encourage the efforts of the Panamanian government to re-establish democracy and the rule of law. We note with satisfaction the positive evolution in Haiti. We hope that Cuba will take steps to join the democratic trend in the rest of Latin America.

7. While we applaud the reduction of ideological conflicts that have divided much of the world since the end of the Second World War, we note with deep concern the reemergence of intolerance affecting ethnic and religious groups. We agree that such intolerance can lead to conflicts, which can threaten fundamental human rights, as well as political and economic development.

8. We reaffirm our commitment to the fundamental principles we seek to realize in our own societies, and we underscore that political and economic freedoms are closely linked and mutually reinforcing. Each of us stands ready to help in practical ways those countries that choose freedom, through the provision of constitutional, legal, and economic know-how and through economic assistance, as appropriate.

In drawing from our different constitutional and historical experiences, we stand ready, individually and jointly in relevant fora, to:

-- assist in the drafting of laws, including bills of rights and civil, criminal, and economic framework laws;

-- advise in the fostering of independent media;

-- establish training programs in government, management, and technical fields;

-- develop and expand people-to-people contacts and exchange programs to help diffuse understanding and knowledge.

In the same spirit, the recent G - 24 Ministerial agreed to extend its assistance in Central and Eastern Europe in parallel with progress in political and economic reform.

We agree the challenge facing the industrialized democracies is to continue the effort already underway in Europe while expanding efforts to support political reform and economic development in other parts of the world. We call on our people and the people of other democracies to join in this great endeavor.

Note: The declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

Houston Economic Summit Statement on Transnational Issues

July 10, 1990

Terrorism

We, the Heads of State or Government, reaffirm our condemnation of terrorism in all its forms, our commitment to make no concessions to terrorists or their sponsors, and our resolve to continue to cooperate in efforts to combat terrorism. We demand that those governments which provide support to terrorists end such support immediately. We are determined not to allow terrorists to remain unpunished, but to see them brought to justice in accordance with international law and national legislation.

We welcome the recent release of several hostages, but remain deeply concerned that hostages are still being held, some for more than five years. Their ordeal and that of their families must end. We call for the immediate, unconditional and safe release of all hostages and for an accounting of all persons taken hostage who may have died while being held. We call on those with influence over hostage-takers to use their influence to this end.

We note with deep concern the continuing threat presented to civil aviation by terrorist groups, as demonstrated by such outrages as the sabotage of civil aircraft over Lockerbie, Scotland on December 21, 1988, above Niger on September 19, 1989, and over Colombia on November 27, 1989. We reiterate our determination to fight terrorist assaults against civil aviation.

Accordingly, we will continue our cooperation to negotiate a convention requiring the introduction of additives into plastic explosives to aid in their detection. We pledge to work to strengthen international civil aviation security standards. Consistent with this objective, we note the importance of making available training and technical assistance to other nations. We support initiatives undertaken through the International Civil Aviation Organization (ICAO) regarding this issue. We will work together with ICAO to expand such assistance.

Non-Proliferation

We discussed the threat to international security posed by the proliferation of nuclear, chemical and biological weapons, and of ballistic missile weapons delivery systems.

With regard to nuclear proliferation, we take special note of the recent declaration issued by the European Council in Dublin on that subject. That document underscored the great importance attached to the maintenance of an effective international nuclear non-proliferation regime and the need to make every effort to contribute to strengthening non-proliferation and encouraging the

participation of further countries in the regime. The Treaty on Non-Proliferation of Nuclear Weapons (NPT) is an important element of that regime. We further endorse the EC's call for all states to apply IAEA safeguards on as universal a basis as possible.

We also urge all nuclear suppliers to adopt nuclear export control measures equivalent to the Nuclear Suppliers Group Guidelines.

Whether NPT parties or not, we commit ourselves to working actively to secure a satisfactory outcome to nuclear non-proliferation discussions in the forthcoming months, including those at the Fourth Review Conference of the NPT.

We hope that these discussions will contribute to the achievement of as broad a consensus as possible in favor of an equitable and stable non-proliferation regime. Such a regime should be based on an indispensable balance between the non-proliferation of arms and the development of peaceful and safe uses of nuclear energy.

The global community has focussed for decades on nuclear proliferation, especially when combined with advanced missile delivery systems. Today we also face new and growing problems from the proliferation of chemical and biological weapons.

With regard to chemical and biological proliferation, we commit ourselves to pursue efforts to prevent the diversion of chemical precursors at a national level, as well as in the relevant Western fora. We similarly commit ourselves to be vigilant about the danger of potential diversions in the field of biological technologies.

We endorse a complete ban on chemical weapons, through an effective and verifiable treaty, as the only long-term guarantee against the proliferation of chemical weapons. We believe an important step toward achieving such a treaty was made in the recent U.S.-Soviet agreement on destruction and non-production of chemical weapons and the recent declaration of intent by NATO states to become original signatories to the Chemical Weapons Convention. We reiterate our determination, first expressed at the 1989 Paris Conference on Chemical Weapons, to redouble the effort at the Conference on Disarmament in Geneva to resolve the remaining issues and to conclude the Convention at the earliest date. We also urge all states to become parties as soon as it is concluded. Similarly, as the 1991 Review Conference on the Biological Weapons Convention approaches, we call on all nations that have not become party to the Convention to do so and to participate in confidence-building measures designed to strengthen its effectiveness.

We wish to highlight the importance of dealing with the related threat of ballistic missiles capable of delivering nuclear, chemical and biological weapons. We note especially the contribution of the Missile Technology Control Regime (MTCR) to our joint efforts to control missile proliferation. We applaud the recent decisions of additional nations to adhere to the MTCR, and we call upon all nations to observe the MTCR Guidelines.

Note: The portion of the statement concerning nonproliferation referred to the International Atomic Energy Agency (IAEA). The statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Houston Economic Summit Economic Declaration

July 11, 1990

1. We, the Heads of State and Government of the seven major industrial democracies and the President of the Commission of the European Communities, meeting in Houston for our annual Economic Summit, celebrate the renaissance of democracy throughout much of the world. We welcome unreservedly the spread of multiparty democracy, the practice of free elections, the freedom of expression and assembly, the increased respect for human rights, the rule of law, and the increasing recognition of the principles of the open and competitive economy. These events proclaim loudly man's inalienable rights: When people are free to choose, they choose freedom.

2. The profound changes taking place in Europe, and progress toward democracy elsewhere, give us great hope for a world in which individuals have increasing opportunities to achieve their economic and political aspirations, free of tyranny and oppression.

3. We are mindful that freedom and economic prosperity are closely linked and mutually reinforcing. Sustainable economic prosperity depends upon the stimulus of competition and the encouragement of enterprise -- on incentives for individual initiative and innovation, on a skilled and motivated labor force whose fundamental rights are protected, on sound monetary systems, on an open system of international trade and payments, and on an environment safeguarded for future generations.

4. Around the world, we are determined to assist other peoples to achieve and sustain economic prosperity and political freedom. We will support their efforts with our experience, resources, and goodwill.

The International Economic Situation

5. In recent years, substantial progress has been achieved in promoting a stronger world economy through sound macroeconomic policies and greater economic efficiency. The economic expansion in our countries, now in its eighth year, has supported notable income growth and job creation in the context of rapid growth of international trade. However, unemployment remains high in a number of countries. Inflation, although considerably lower than in the early 1980s, is a matter of serious concern in some countries and requires continued vigilance. External imbalances have been reduced in the United States and Japan, whereas in other cases they have increased. Continuing adjustment remains a priority in order to counter protectionist pressures, alleviate uncertainties in financial and exchange markets, and contribute to avoiding pressures on interest rates. Sound domestic macroeconomic policies, which may differ according to conditions in each country, will make a major contribution to further external adjustment.

6. In the developing world, the experience of the late 1980s varied widely. Some economies,

particularly in East Asia, continued to experience impressive domestic growth rates. The economies of a number of other developing countries have been stagnant or declined. Nonetheless, serious efforts -- in some cases by new leadership -- to implement economic adjustment and market-oriented policies have begun to yield positive results and should be continued.

International Monetary Developments and Policy Coordination

7. At a time of growing economic interdependence, the Summit countries have developed a cooperative process based on a common appreciation of the need for market-oriented policies and the importance of sound domestic budgetary and monetary policies. This process has contributed importantly to the strengthened performance of the world economy and to improved stability of exchange rates by concentrating attention on multilateral surveillance and close coordination of economic policies, including cooperation on exchange markets. It is important to continue and, where appropriate, to strengthen this cooperative and flexible approach to improve the functioning of the international monetary system and contribute to its stability.

8. To sustain the present economic expansion to the benefit of all countries, each nation must pursue sound policies. Balanced expansion of demand with increasing productive capacity is key, while external imbalances and structural rigidities require correction. Price pressures warrant continued vigilance.

9. Countries with sizable current account deficits should contribute to the adjustment process by the reduction of fiscal deficits, and undertake structural reforms to encourage private saving and increase competitiveness.

10. Countries with large external surpluses should contribute to the adjustment process by sustained non-inflationary growth of domestic demand with structural reform in order to improve the underlying conditions for growth and adjustment and to promote increased investment relative to saving.

11. The investment needs of the world as a whole are expected to grow in the coming years, particularly in Central and Eastern Europe and in developing countries undertaking market reforms, as well as in some industrial countries. To meet these needs, industrial and developing countries alike should foster saving and discourage dissaving.

12. The market-oriented restructuring of Central and Eastern European economies should stimulate their growth and increase their integration into the global economy. We support these changes and seek to assure that this difficult transformation will contribute to global growth and stability.

13. Within the European Community, the European Monetary System is leading to a high degree

of economic convergence and stability. We note the European Community's decision to launch the Intergovernmental Conference on Economic and Monetary Union and the beginning of the first stage of that union. During this first stage, closer surveillance and coordination of economic and monetary policies will contribute toward non-inflationary growth and a more robust international economic system.

14. We welcome the prospect of a unified, democratic Germany which enjoys full sovereignty without discriminatory constraints. German economic, monetary, and social union will contribute to improved non-inflationary global growth and to a reduction of external imbalances. This process will promote positive economic developments in Central and Eastern Europe.

15. We call on the member countries of the International Monetary Fund (IMF) to implement the agreement by the IMF to increase quotas by 50 percent under the Ninth General Review of Quotas and to strengthen the IMF arrears strategy.

Measures Aimed at Economic Efficiency

16. Considerable progress has been made over the past few years in supplementing macroeconomic policies with reforms to increase economic efficiency. We welcome the progress in the realization of the internal market in the European Community and the continuing efforts to reduce structural rigidities in North America and Japan. Nonetheless, we emphasize the widespread need for further steps to promote regulatory reform and liberalize areas such as retail trade, telecommunications, transport, labor markets, and financial markets, as well as to reduce industrial and agricultural subsidies, improve tax systems, and improve labor-force skills through education and training.

17. We welcome the major contributions of the Organization for Economic Cooperation and Development (OECD) in identifying structural policy challenges and options. We encourage the OECD to strengthen its surveillance and review procedures, and to find ways of making its work operationally more effective.

The International Trading System

18. The open world trading system is vital to economic prosperity. A strengthened General Agreement on Tariffs and Trade (GATT) is essential to provide a stable framework for the expansion of trade and the fuller integration of Central and Eastern Europe and developing countries into the global economy. We reject protectionism in all its forms.

19. The successful outcome of the Uruguay Round has the highest priority on the international economic agenda. Consequently, we stress our determination to take the difficult political decisions necessary to achieve far-reaching, substantial results in all areas of the Uruguay Round by the end of this year. We instruct our negotiators to make progress and in particular to agree on

the complete profile of the final package by the July meeting of the Trade Negotiations Committee.

20. We confirm our strong support for the essential broad objectives of the negotiations: reform of agricultural policies; a substantial and balanced package of measures to improve market access; strengthened multilateral rules and disciplines; the incorporation of new issues of services, trade-related investment measures, and intellectual property protection within the GATT framework; and integration of developing countries into the international trading system.

21. As regards agriculture, achieving the long-term objective of the reform of agricultural policies is critical to permit the greater liberalization of trade in agricultural products. Experience has shown the high cost of agricultural policies which tend to create surpluses. The outcome of the GATT negotiations on agriculture should lead to a better balance between supply and demand and ensure that agricultural policies do not impede the effective functioning of international markets. We therefore reaffirm our commitment to the long-term objective of the reform, i.e., to allow market signals to influence agriculture production and to establish a fair and market-oriented agricultural trading system.

22. The achievement of this objective requires each of us to make substantial, progressive reductions in support and protection of agriculture -- covering internal regimes, market access, and export subsidies -- and develop rules governing sanitary and phytosanitary measures. Variations among countries in the mechanisms of agricultural support reflect differences in the social and economic conditions of farming. The negotiations on agriculture should therefore be conducted in a framework that includes a common instrument of measurement, provides for commitments to be made in an equitable way among all countries, and takes into account concerns about food security. The framework should contain specific assurances that, by appropriate use of the common measure as well as other ways, participants would reduce not only internal support but also export subsidies and import protection in a related way.

23. Agreement on such a framework by the time of the July meeting of the Trade Negotiations Committee is critical to the successful completion of the Uruguay Round as a whole. Accordingly, we commend to our negotiators the text submitted by the Chairman of the Agricultural Negotiating Group as a means to intensify the negotiations. We intend to maintain a high level of personal involvement and to exercise the political leadership necessary to ensure the successful outcome of these negotiations.

24. Negotiations on market access should achieve agreement on a substantial and balanced package of measures. As regards textiles, the objective is to liberalize the textile and clothing sector through progressive dismantling of trade barriers and its integration, under a precise timetable, into GATT on the basis of strengthened GATT rules and disciplines.

25. Negotiations on multilateral rules and disciplines should strengthen GATT rules in areas such

as safeguards, balance of payments, rules of origin, and updated disciplines for dumping and antidumping measures. Concerning subsidies, rules are needed which will effectively discipline domestic subsidies so as to avoid trade distortions, competitive subsidization, and trade conflicts. Improved disciplines must also cover countervailing measures so that they do not become barriers to trade.

26. As regards the new areas, the aim is to develop new rules and procedures within the GATT framework, including: a frame-work of contractually enforceable rules to liberalize services trade, with no sector excluded a priori; an agreement to reduce trade distorting effects of trade-related investment measures; and an agreement to provide for standards and effective enforcement of all intellectual property rights.

27. A successful Uruguay Round is essential for industrialized and developing countries alike. We seek the widest possible participation of developing countries in the Round and their further integration into the multilateral trading system. To achieve this objective, developed countries are prepared to accept greater multilateral disciplines in all areas and to offer improved market access in areas of interest to developing countries such as textiles and clothing, tropical products, and agriculture.

28. For their part, developing countries should substantially reduce their tariffs and increase the percentage of tariffs that are bound; subscribe to balanced and effective restraints on all forms of exceptions, including measures imposed for balance-of-payments difficulties; and participate meaningfully in agreements covering the new areas. The end result should be a single set of multilateral rules applicable to all GATT contracting parties, although some developing countries, especially the least developed, may need longer transition periods or other transitional arrangements on a case by case basis.

29. The wide range of substantive results which we seek in all these areas will call for a commitment to strengthen further the institutional framework of the multilateral trading system. In that context, the concept of an international trade organization should be addressed at the conclusion of the Uruguay Round. We also need to improve the dispute settlement process in order to implement the results of the negotiations effectively. This should lead to a commitment to operate only under the multilateral rules.

Direct Investment

30. Free flows of investment increase global prosperity by complementing the open international trade system. In particular, foreign direct investment can help restructure the economies of developing and Central and Eastern European countries, create new jobs, and raise living standards.

31. All countries should therefore seek to reduce their barriers to investment and resist

protectionist pressures to discourage or discriminate against such investment. The OECD and the GATT should continue to promote investment liberalization. The multilateral development banks and the IMF should require investment liberalization in their programs in Central and Eastern Europe and developing countries.

Export Credits

32. We welcome the important negotiations that are underway in the OECD on a balanced package of measures to strengthen multilateral disciplines on trade- and aid-distorting export credit subsidies. This package, to be completed by spring of 1991, should reduce substantially, through improved discipline and transparency, distortions resulting from the use of officially supported commercial and aid credits. It is also important to avoid introducing trade distortions in financial flows to the nations of Central and Eastern Europe.

Reform in Central and Eastern Europe

33. We welcome the political and economic reforms taking place in Central and Eastern Europe. At the recent Conference on Security and Cooperation in Europe (CSCE) in Bonn and by the agreement to establish the European Bank for Reconstruction and Development (EBRD), the participating countries of the region accepted the key principles underpinning market economies. However, the degree of implementation of economic and political reform varies widely by country. Several countries have taken courageous and difficult measures to stabilize their economies and shorten the transition to a market economy.

34. We and other countries should assist Central and Eastern European nations that are firmly committed to economic and political reform. Those providing help should favor countries that implement such reforms.

35. Foreign private investment will be vital in the development of Central and Eastern Europe. Capital will flow to countries with open markets and hospitable investment climates. Improved access for their exports will also be important for those Central and Eastern European countries that are opening up their economies. Western Governments can support this process by various means, including trade and investment agreements. The recent decision by the Coordinating Committee for Multilateral Export Controls (COCOM) to liberalize export controls is a positive step.

36. We commend the work done by the Commission of the European Communities onÿ7Eÿ7E theÿ7Eÿ7E coordinationÿ7Eÿ7E byÿ7Eÿ7E theÿ7Eÿ7E Groupÿ7Eÿ7E ofÿ7Eÿ7E 24 (G - 24) of assistance to Poland and Hungary inaugurated at the Summit of the Arch, which has made a significant contribution to helping these countries lay the foundation for self-sustaining growth based onÿ7Eÿ7Eÿ7E marketÿ7Eÿ7Eÿ7E principles.ÿ7Eÿ7Eÿ7E Weÿ7Eÿ7Eÿ7E welcomeÿ7Eÿ7Eÿ7E theÿ7Eÿ7Eÿ7E decisionÿ7Eÿ7Eÿ7E ofÿ7Eÿ7Eÿ7E the G - 24 to enlarge the

coordination of assistance to other emerging democracies in Central and Eastern Europe, including Yugoslavia.

37. We recognize that these countries face major problems in cleaning their environment. It will be important to assist the countries of Central and Eastern Europe to develop the necessary policies and infrastructure to confront those environmental problems.

38. We also welcome the recent initiatives in regional cooperation, e.g., in transport and the environment, that will make a positive contribution to economic progress and stability in the region.

39. We expect the new EBRD to play a key role in fostering investment in those countries and to contribute to orderly transitions toward market economies and a sound basis for democracy. We urge the rapid entry into force of the Bank.

40. The Center for Cooperation with European Economies in Transition at the OECD will encourage reforms and strengthen relations between these countries and the OECD, as will the OECD's follow up work from the CSCE Economic Conference in Bonn.

41. We invite the OECD to consider a closer relationship with those Central and East European countries that are committed to political and economic reform.

The Soviet Union

42. We discussed the situation in the Soviet Union, and exchanged views regarding the message that Soviet President Gorbachev sent us several days ago on his economic plans. We welcome the efforts underway in the Soviet Union to liberalize and to create a more open, democratic, and pluralistic Soviet society, and to move toward a market-oriented economy. These measures deserve our support. The success of perestroika depends upon the determined pursuit and development of these reform efforts. In particular, we welcome President Gorbachev's suggestion for a sustained economic dialogue.

43. We have all begun, individually and collectively, to assist these reform efforts. We all believe that technical assistance should be provided now to help the Soviet Union move to a market-oriented economy and to mobilize its own resources. Some countries are already in a position to extend large scale financial credits.

44. We also agreed that further Soviet decisions to introduce more radical steps toward a market-oriented economy, to shift resources substantially away from the military sector and to cut support to nations promoting regional conflict will all improve the prospect for meaningful and sustained economic assistance.

45. We have taken note of the decision of the European Council in Dublin on June 26. We have agreed to ask the IMF, the World Bank, the OECD and the designated president of the EBRD to undertake, in close consultation with the Commission of the European Communities, a detailed study of the Soviet economy, to make recommendations for its reform and to establish the criteria under which Western economic assistance could effectively support these reforms. This work should be completed by year's end and be convened by the IMF.

46. We took note of the importance to the Government of Japan of the peaceful resolution of its dispute with the Soviet Union over the Northern Territories.

47. The host Government will convey to the Soviet Union the results of the Houston Summit.

The Developing Nations

48. We reiterate that our commitment to the developing world will not be weakened by the support for reforming countries in Central and Eastern Europe. The poorest of the developing nations must remain the focus of special attention. The International Development Association replenishment of SDR 11.6 billion, agreed to last December, will provide needed resources for these countries, and marks the incorporation of environmental concerns into development lending. It is our intention to take a constructive part in the Paris Conference on the least developed countries in September.

49. The advanced industrial economies can make a number of major contributions to the long-run development of the developing countries. By sustaining economic growth and price stability, we can offer stable, growing markets and sources of capital for the developing world. By providing financial and technical support to developing countries undertaking genuine political and economic reform, we can reinforce their ongoing liberalization. The industrialized nations should continue to make efforts to enhance their development aid and other forms of assistance to the developing countries, including reinforcing the effectiveness of the aid.

50. In the developing world, there is a growing acceptance of the view that growth can be encouraged by a stable macroeconomic framework, sectoral reform to provide more competition, and an opening of markets. Open, democratic, and accountable political systems are important ingredients in the effective and equitable operation of market-oriented economies.

51. Important contributions to a hospitable investment climate can be made by the protection of intellectual property, and by liberalization of investment regimes, including transparent and equitable investment rules, and equality of treatment for foreign and domestic investors.

52. The recent Enterprise for the Americas initiative announced by the U.S. President will support and encourage more market-oriented policies in Latin America and the Caribbean. We believe that such U.S. efforts hold great promise for the region and will help improve prospects for

sustained growth in the Americas through the encouragement of trade, open investment regimes, the reduction of U.S. bilateral concessional debt and the use of debt for equity and nature swaps.

53. In a number of countries, sustainable development requires that population growth remains in some reasonable balance with expanding resources. Supporting the efforts of developing countries to maintain this balance is a priority. Improved educational opportunities for women and their greater integration into the economy can make important contributions to population stabilization programs.

54. In the Mediterranean basin, the initiatives of economic integration, which are underway, deserve encouragement and support.

Third World Debt

55. Significant progress has been made during the past year under the strengthened debt strategy, which has renewed the resolve in a number of debtor countries to continue economic reforms essential to future growth. In particular, the recent commercial bank agreements with Chile, Costa Rica, Mexico, Morocco, the Philippines, and Venezuela involve significant debt and debt-service reduction. Important financial support for debt and debt-service reduction is being provided by the IMF and the World Bank, as well as by Japan. The Paris Club has agreed, in order to support medium term IMF-supported reform and financing programs, to provide adequate restructuring agreements, notably through multiyear reschedulings and through lengthening of the repayment period. The combination of debtor reform efforts and commercial bank debt reduction has had a notable impact on confidence in debtor economies, as clearly demonstrated through flows of both new investment and the return of flight capital to Mexico, in particular.

56. These measures represent major innovations in the case by case debt strategy and are potentially available to all debtor nations with serious debt-servicing problems which are implementing economic adjustment policies.

57. The adoption by debtor nations of strong economic reform programs with the IMF and World Bank remains at the heart of the debt strategy, and a prerequisite for debt and debt service reduction within commercial bank financing packages. It is vital that debtor countries adopt measures to mobilize savings and to encourage new investment flows and the repatriation of flight capital to help sustain their recovery. In this connection, the recent U.S. Enterprise for the Americas initiative to support investment reform and the environment in Latin America needs to be given careful consideration by Finance Ministers.

58. For countries implementing courageous reforms, commercial banks should take realistic and constructive approaches in their negotiations to conclude promptly agreements on financial packages including debt reduction, debt-service reduction and new money.

59. Creditor nations will continue to play an important role in this process through ongoing contributions to the international financial institutions, rescheduling of official debt in the Paris Club, and new finance. We encourage the Paris Club to continue reviewing additional options to address debt burdens. In the case of the lower middle-income countries implementing strong reform programs, we encourage the Paris Club to lengthen the repayment period, taking account of the special situations of these countries. We welcome the decisions taken by France with respect to Sub-Saharan Africa and by Canada with respect to the Caribbean to alleviate the debt burden of the lower middle-income countries.

60. Creditor governments have also provided special support for the poorest countries through the implementation of Toronto terms in Paris Club reschedulings. All of us have cancelled official development assistance (ODA) debt for the poorest countries. We encourage the Paris Club to review the implementation of the existing options that apply to the poorest countries.

61. We note and will study with interest the Craxi Report on debt commissioned by the UN Secretary General.

The Environment

62. One of our most important responsibilities is to pass on to future generations an environment whose health, beauty, and economic potential are not threatened. Environmental challenges such as climate change, ozone depletion, deforestation, marine pollution, and loss of biological diversity require closer and more effective international cooperation and concrete action. We as industrialized countries have an obligation to be leaders in meeting these challenges. We agree that, in the face of threats of irreversible environmental damage, lack of full scientific certainty is no excuse to postpone actions which are justified in their own right. We recognize that strong, growing, market-oriented economies provide the best means for successful environmental protection.

63. Climate change is of key importance. We are committed to undertake common efforts to limit emissions of greenhouse gases, such as carbon dioxide. We strongly support the work of the Intergovernmental Panel on Climate Change (IPCC) and look forward to the release of its full report in August. The Second World Climate Conference provides the opportunity for all countries to consider the adoption of strategies and measures for limiting or stabilizing greenhouse gas emissions, and to discuss an effective international response. We reiterate our support for the negotiation of a framework convention on climate change, under the auspices of the United Nations Environment Program (UNEP) and the World Meteorological Organization (WMO). The convention should be completed by 1992. Work on appropriate implementing protocols should be undertaken as expeditiously as possible and should consider all sources and sinks.

64. We welcome the amendment of the Montreal Protocol to phase out the use of

chlorofluorocarbons (CFCs) by the year 2000 and to extend coverage of the Protocol to other ozone depleting substances. The establishment of a financial mechanism to assist developing countries to tackle ozone depletion marks a new and positive step in cooperation between the developed and developing worlds. We applaud the announcement in London by some major developing countries, including India and China, that they intend to review their position on adherence to the Montreal Protocol and its amendments. We would welcome their adherence as a crucial reinforcement of the effectiveness of the Protocol, which would ultimately lead to a worldwide phase out of ozone depleting substances. We urge all parties to ratify the amended Protocol as quickly as possible.

65. We acknowledge that enhanced levels of cooperation will be necessary with regard to the science and impacts of climate change and economic implications of possible response strategies. We recognize the importance of working together to develop new technologies and methods over the coming decades to complement energy conservation and other measures to reduce carbon dioxide and other greenhouse emissions. We support accelerated scientific and economic research and analysis on the dynamics and potential impact of climate change, and on potential responses of developed and developing countries.

66. We are determined to take action to increase forests, while protecting existing ones and recognizing the sovereign rights of all countries to make use of their natural resources. The destruction of tropical forests has reached alarming proportions. We welcome the commitment of the new Government of Brazil to help arrest this destruction and to provide sustainable forest management. We actively support this process, and we are ready for a new dialogue with developing countries on ways and means to support their efforts. We are ready to cooperate with the Government of Brazil on a comprehensive pilot program to counteract the threat to tropical rain forests in that country. We ask the World Bank to prepare such a proposal, in close cooperation with the Commission of the European Communities, which should be presented at the latest at the next Economic Summit. We appeal to the other concerned countries to join us in this effort. Experience gained in this pilot program should immediately be shared with other countries faced with tropical forest destruction. The Tropical Forestry Action Plan must be reformed and strengthened, placing more emphasis on forest conservation and protection of biological diversity. The International Tropical Timber Organization action plan must be enhanced to emphasize sustainable forest management and improve market operations.

67. We are ready to begin negotiations, in the appropriate fora, as expeditiously as possible on a global forest convention or agreement, which is needed to curb deforestation, protect biodiversity, stimulate positive forestry actions, and address threats to the world's forests. The convention or agreement should be completed as soon as possible, but no later than 1992. The work of the IPCC and others should be taken into account.

68. The destruction of ecologically sensitive areas around the world continues at an alarming pace. Loss of temperate and tropical forests, developmental pressures on estuaries, wetlands and coral reefs, and destruction of biological diversity are symptomatic. To reverse this trend, we will

expand cooperation to combat desertification; expand projects to conserve biological diversity; protect the Antarctic; and assist developing countries in their environmental efforts. We will work within UNEP and other fora to achieve these objectives, and will participate actively in UNEP's work to protect biodiversity.

69. Efforts to protect the environment do not stop at the water's edge. Serious problems are caused by marine pollution, both in the oceans and in coastal areas. A comprehensive strategy should be developed to address land-based sources of pollution; we are committed to helping in this regard. We will continue our efforts to avoid oil spills, urge the early entry into force of the existing International Maritime Organization (IMO) Convention, and welcome the work of that organization in developing an international oil spills convention. We are concerned about the impact of environmental degradation and unregulated fishing practices on living marine resources. We support cooperation in the conservation of living marine resources and recognize the importance of regional fisheries organizations in this respect. We call on all concerned countries to respect the conservation regimes.

70. To cope with energy-related environmental damage, priority must be given to improvements in energy efficiency and to the development of alternative energy sources. For the countries that make such a choice, nuclear energy will continue to be an important contributor to our energy supply and can play a significant role in reducing the growth of greenhouse gas emissions. Countries should continue efforts to ensure highest worldwide performance standards for nuclear and other energy in order to protect health and the environment, and ensure the highest safety.

71. Cooperation between developed and developing countries is essential to the resolution of global environmental problems. In this regard, the 1992 UN Conference on Environment and Development will be an important opportunity to develop widespread agreement on common action and coordinated plans. We note with interest the conclusions of the Siena Forum on International Law of the Environment and suggest that these should be considered by the 1992 UN Conference on Environment and Development.

72. We recognize that developing countries will benefit from increased financial and technological assistance to help them resolve environmental problems, which are aggravated by poverty and underdevelopment. Multilateral development bank programs should be strengthened to provide greater protection for the environment, including environmental impact assessments and action plans, and to promote energy efficiency. We recognize that debt-for-nature swaps can play a useful role in protecting the environment. We will examine how the World Bank can provide a coordinating role for measures to promote environmental protection.

73. In order to integrate successfully environmental and economic goals, decisionmakers in government and industry require the necessary tools. Expanded cooperative scientific and economic research and analysis on the environment is needed. We recognize the importance of coordinating and the sharing the collection of satellite data on earth and its atmosphere. We

welcome and encourage the ongoing discussions for the establishment of an International Network. It is also important to involve the private sector, which has a key role in developing solutions to environmental problems. We encourage the OECD to accelerate its very useful work on environment and the economy. Of particular importance are the early development of environmental indicators and the design of market/oriented approaches that can be used to achieve environmental objectives. We also welcome Canada's offer to host in 1991 an international conference on environmental information in the 21st Century. We support voluntary environmental labelling as a useful market mechanism which satisfies consumer demand and producer requirements and promotes market innovation.

74. We note with satisfaction the successful launching of the Human Frontier Science Program and express our hope that it will make positive contributions to the advancement of basic research in life science for the benefit of all mankind.

Narcotics

75. We urge all nations to accede to and complete ratification of the UN Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (the Vienna Convention), and to apply provisionally terms of the Convention.

76. We welcome the conclusion of the UN Special Session on Drugs and urge the implementation of the measures contained in the Program of Action it has adopted.

77. We support the declaration adopted at the ministerial meeting on drugs convened by the United Kingdom that drug demand reduction should be accorded the same importance in policy and action as the reduction of illicit supply. Developed countries should adopt stronger prevention efforts and assist demand reduction initiatives in other countries.

78. We endorse the report of the Financial Action Task Force (FATF) and commit our countries to a full implementation of all its recommendations without delay. As agreed at the May meeting of Task Force Finance Ministers, the FATF should be reconvened for a second year, chaired by France, to assess and facilitate the implementation of these recommendations, and to complement them where appropriate. All OECD and financial center countries that subscribe to the recommendations of the Task Force should be invited to participate in this exercise. The report of the new FATF would be completed before we next meet. We also invite all other countries to participate in the fight against money laundering and to implement the recommendations of the FATF.

79. Effective procedures should be adopted to ensure that precursor and essential chemicals are not diverted to manufacture illicit drugs. A task force similar to the FATF should be created for this purpose, composed of Summit participants and other countries that trade in these chemicals, with the involvement of representatives of the chemical industry. The task force should address

the problems which concern cocaine, heroin and synthetic drugs and report within a year.

80. We support a strategy for attacking the cocaine trade as outlined in particular in the Cartagena Declaration. We recognize the importance of supporting all countries strongly engaged in the fight against drug trafficking, especially Colombia, Peru, and Bolivia, with economic, law enforcement, and other assistance and advice, recognizing the need to make contributions within the framework of actions against drug trafficking carried out by the producer countries.

81. The heroin problem is still the most serious threat in many countries, both developed and developing. All countries should take vigorous measures to combat the scourge of heroin.

82. We should support an informal narcotics consultative arrangement with developed countries active in international narcotics control. Such a group could strengthen efforts to reduce supply and demand, and improve international cooperation.

83. We welcome the current review of UN drug abuse control agencies and urge that it result in a more efficient structure.

Next Economic Summit

84. We have accepted the invitation of Prime Minister Thatcher to meet next July in London.

Note: The declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

Remarks on Presenting the Final Communique of the Houston Economic Summit

July 11, 1990

I would say to my distinguished colleagues that we've had a chance to review the declaration that was agreed this morning by the eight of us. And I first want to thank all of you for the spirit of full cooperation that I think we all agree existed here in this summit. The eight of us -- representing the people of France, the United Kingdom, the Federal Republic of Germany, Canada, Italy, Japan, the United States, and the European Communities -- all met; and our declaration reflects decisions taken during the past 3 days here in Houston to extend our long economic expansion, strengthen the world trading system, reiterate our support for the strengthened debt strategy, ensure open investment, assist reform in central and eastern Europe and the Soviet Union, safeguard the environment, help developing nations, and reduce the scourge of drugs.

On behalf of my colleagues, I'd like to note several points of particular importance to us, summarizing -- not reading in its entirety but summarizing -- some key points out of this declaration.

We are enormously heartened by the resurgence of democracy throughout much of the world. We welcome the spread of multiparty democracy, the practice of free elections, the freedom of expression and assembly, the growing respect for human rights and the rule of law, and the increasing recognition of the strength of open and competitive economies. These events proclaim loudly man's inalienable rights: When people are free to choose, they choose freedom.

We, the G - 7, are now in the 8th year of an economic expansion which has created millions of jobs, accelerated the growth of world trade, and provided tangible support for developing countries. The process of economic policy coordination, which we have developed over the years, has contributed importantly to this economic performance. However, we cannot rest on current accomplishments. Each of us will continue efforts, individually and together, to maintain and improve conditions for growth.

Economic prosperity depends critically on an open world trading system, and we will devote close personal attention in the months ahead to achieving a successful outcome of the Uruguay round of multilateral trade negotiations. We have given our trade negotiators clear instructions on our commitment to conclude a comprehensive agreement which expands trade worldwide while bringing the greatest number of participants into a strengthened General Agreement on Tariffs and Trade -- the GATT. Each of us recognizes that reaching this goal will require difficult steps by all participants. We will not hesitate to take them. This is especially true for agriculture, where we are committed by this declaration to provide the strong political leadership necessary to ensure a successful and enduring result.

We agreed on the significance of the steps underway in the Soviet Union to liberalize and democratize its society and to move toward a market economy. We welcome President Gorbachev's message to us, in particular, his desire for a sustained economic dialog with the West. We want to support the reforms underway in the Soviet Union, and all agree that technical assistance can help the Soviets move toward a market-oriented economy. Some of us are already prepared to extend large-scale credits to the Soviet Union. We all agree, however -- all of us -- that the Soviet Union could greatly improve the prospects for sustained Western assistance if it introduced further market reforms, cut its military spending, and ceased supporting governments which promote regional conflicts. We also took note of the importance to the Government of Japan of peaceful resolution of its dispute with the Soviet Union over the Northern Territories.

We see the need for a considered, comprehensive Western response in support of Soviet reform efforts. We've asked the major international economic institutions to provide us by year's end their recommendations for reform of the Soviet economy and possible criteria for Western assistance.

We are keenly aware of our responsibilities to pass on to the future generations a world environment whose health, beauty, and economic potential are safeguarded. Environmental challenges such as climate change, ozone depletion, deforestation, marine pollution, and the loss of biological diversity require closer and more effective international cooperation and action. We are united on the goals and measures to be taken now, particularly in relation to climate change and the protection of forests. And in this regard, we have agreed to complete by 1992 the work of the IPCC [Intergovernmental Panel on Climate Change] on a framework convention on climate change; to begin work immediately on developing a pilot project to address tropical deforestation in Brazil; commence negotiations -- this is the third point -- to commence negotiations on a global forest convention or agreement to curb deforestation, promote biodiversity, and encourage sound forestry practices and reforestation.

We recognize the difficult economic challenges facing many developing countries, including reduced growth and severe debt burdens. We have been in the forefront of addressing these problems, and we are encouraged by the progress that has been made under the international debt strategy over the past year. We have agreed to review options for helping those countries that are heavily indebted to our governments. Economic and political reform are essential for economic prosperity and political stability. For those countries undertaking these difficult steps, we offer our experience, resources, and good will.

We leave Houston renewed by the strength of our common commitments to healthy economic growth and prosperity and freedom for peoples everywhere. And in conclusion, we have accepted Prime Minister Thatcher's kind invitation to meet again next July in London.

Again, my thanks to my colleagues. I think the plan is we now go and have our own opportunity

to respond to questions from the press. But I want to thank my colleagues for what I, at least, feel has been a good summit. And we're very pleased you were here. And might I just take one more opportunity to thank the people of Houston for their hospitality. Thank you all very much.

Note: The President spoke at 12:11 p.m. in Assembly Hall at George R. Brown Convention Center in Houston, TX.

The President's News Conference Following the Houston Economic Summit

July 11, 1990

The President. Thank you all very much. And I have a brief opening statement, and then I'll be glad to respond to your questions.

My colleagues from France and the United Kingdom, Germany, Canada, Italy, Japan, and the European Communities and I have just completed this 16th meeting of the leaders of the largest industrialized democracies. This, the first economic summit of the postwar period, celebrates the resurgence of democracy and free markets around the world. Over the past 3 days, we've had full discussions on the key issues of our times: advancing political and economic freedom; promoting sustained economic growth, both in developed and in developing countries; assisting the transition to market economies in central and eastern Europe and, indeed, in the Soviet Union; and protecting the environment. We are united in a common goal to extend to those who seek political and economic freedom a helping hand with our resources, talents, and experience. As our declaration states, when people are free to choose, they choose freedom.

We identified the successful completion of the Uruguay round of global trade talks as one of the highest economic priorities. We recognize that agreement on fundamental reform of agriculture is critical to achieving this goal. We commended the report by the chairman of the GATT agricultural group, the De Zeuuw report, to our negotiators as a vehicle to move these talks forward; and we also committed to maintain our personal involvement and to exercise political leadership at every step along the way as we move toward the final ministerial meeting in December.

On the Soviet Union, we discussed our common efforts to assist the Soviet reform effort, the success of which is in our common interest. In addition to offering the Soviets technical assistance, we've asked the IMF to coordinate a major study of the Soviet economy and make recommendations for its reform. In keeping with the agreements reached here, I will be conveying to President Gorbachev the results of our deliberations.

We achieved major progress on the environment, particularly on climate change and forests. We committed to finish the negotiations on a framework climate change convention by 1992. In a first, we agreed that implementing protocols should consider all sources and sinks of greenhouse gases, consistent with the comprehensive approach that we recommend. We agreed to launch a special effort to address the deforestation in the rain forests, a concern that was very forcefully raised by Chancellor Kohl [of the Federal Republic of Germany]. I found a very receptive audience for my proposal that a freestanding global forest convention be negotiated without delay, and we agreed to move ahead on this rapidly.

In short, this was a summit that addressed itself to a rapidly changing world. We agreed to welcome, respond to, and manage the changes on behalf of free markets, free political systems, and a better life for people everywhere. It is no small achievement that we came to a positive and unanimous conclusion on so many important and difficult issues, and I would stress those two words: positive and unanimous.

And I want to congratulate my colleagues on the results of the collective effort. I think they left feeling good. We had a very generous letter to our Secretary of State just now from Prime Minister Mulroney [of Canada], and he's a veteran of these summits. And I must say to the Canadians here: I once again benefited from not only his commitment -- learned from his commitment on certain issues like the environment but benefited from his advice.

I also want to thank the two Secretaries that were at my side, Secretary Baker and Secretary Brady; Ambassador Carla Hills, Secretary Yeutter, Secretary Mosbacher, who worked with their colleagues and others at this summit. I want to thank the sherpas -- I understand they all stayed up until 4 o'clock this morning in ironing out this Final Communique.

So, it was a team effort, and I think most of our -- well, I think all of our summit participants left feeling good about this particular summit.

And now I think Terry Hunt [Associated Press] has the first question.

Economic Assistance for the Soviet Union

Q. Mr. President, I'd like to ask you about Soviet aid. Is this 6-month study of Soviet needs a way of delaying the political decision on aid, or at the end of that, will the United States make a commitment to send some cash to Moscow?

The President. It's not an effort to delay anything. It is, as we said in the report, a step towards assisting the reforms. And I'll make clear to President Gorbachev that he ought to view this outcome of this summit very positively. You may remember that in London only a few days ago I gave my views on the U.S. lending money at this time. So, it's not an effort to forestall anything; it's an effort to move forward, encourage forward motion, and be helpful to the Soviet Union in terms of reform. They need much, much more reform, and they're the ones that say this. And in Gorbachev's letter, he asked for assistance in many areas -- personnel management and how they change their systems. And we've already started bilaterally, as have other countries, in trying to assist. So, it's really a coordinated effort to help the Soviet Union.

Q. Well, in 6 months, then, can Mr. Gorbachev expect that the United States would be sending some financial assistance to meet these needs?

The President. Not particularly. Not necessarily. But what he can expect is that we will have been

helpful to him in the reforms that he knows that he has to undertake, and maybe this could lead to support. But there are things that have to happen, and I've been very up front with him personally and then in public statements as to what has to happen for the United States to send money. And incidentally, I don't -- I'm trying to think on the Gorbachev letter -- I don't think there was a request for sending money. And then I also told our Soviet partners that we had some problems -- legal problems -- the settlement of this Kerensky debt, for example -- before we would be free to give more like financial support.

So, I wouldn't set a timeframe on when and if the United States decides to go forward. But I must say that I hope the Soviets will view this as positive. And, indeed, I've contacted Mr. Gorbachev already by cable telling him I want to talk to him about the summit and telling him why I felt that it is positive -- and also congratulating him on his landslide win. Certain readings I was doing before then -- I wasn't sure that it was going to work out quite that way. But he's in the political arena, and he did pretty darn well, and I congratulated him.

Q. Mr. President, for 40 years we've spent untold billions to fight the Soviet Union. Is it conceivable, as you and Secretary Baker have portrayed, that the American taxpayer would not be willing to spend a dime to help them now?

The President. We are trying to help them now; and I think we're going to send the kind of help that, in the long run, will be most beneficial to them. And they need reform, and they know it. And we're going to try in every way to facilitate that reform because we are in a very different age. But we have some problems. I'm not particularly enthusiastic about the intercontinental ballistic missiles aimed at U.S. cities. I find it a little contradictory to think that they will continue to spend $5 billion a year for Cuba, a totalitarian system whose leader is swimming against this tide of democracy and freedom that is lifting up most hopes in the Soviet Union. So, certain things have to happen before I, as President, will make recommendations for direct financial aid. So, what we're trying to do is carry our part of the load in helping the reforms.

Q. In your discussions, why did Germany and other countries think it's necessary now?

The President. Well, Germany has some very special interest that we understand. As I said over in London, Helen [Helen Thomas, United Press International], we're not urging everybody to march in lockstep. Just as in our programs for Central America -- I want to see more help from the G - 7 and the G - 24 and anybody else who will listen to help the democracies in Central and South America. And they've got certain priorities, and I hope they will be able to help in this way. But if we go forward as we have in assisting Nicaragua and Panama, I don't feel that everybody has to move in lockstep on that support for democracy.

Agricultural Subsidies

Q. Mr. President, the Final Communique here, reflecting your views in no small part on

agriculture subsidies, calls upon each nation to ``make substantial progressive reductions in support and protection of agriculture." Does this mean, sir, that you're prepared to ask Congress to abolish some of the more notorious forms of support and subsidy that are part of our farm program?

The President. Absolutely! And we have to do it, and it's a two-way street. And I expect there would be some political opposition because, like many of these countries, we protect. But I am convinced -- and I believe Congress would support the concept -- that if we all do this and we all reduce barriers and we all make a freer trading system, that the United States can compete. But I'm sure I would have some obstacles from the supporters of certain programs that have been in existence for a long time.

But that's a little down the road now, and I think as far as the EC goes, it's a little down the road. So, what we're trying to do is move the whole thing forward without saying that we have to have tomorrow totally unprotected trade. I'd like to shoot for that some day. I've said that before.

Q. Well, how soon, sir, will you be going to Congress with a legislative package to begin to undo -- --

The President. As soon as we see what progress is made in the GATT. That's where the next action is, is in these talks that are coming up -- I think it's just on the 23d of this month or sometime. That's why I think this language that we worked out and that all of you have, I think, now is encouraging, because we all know that agriculture has been a major stumbling block.

And my special Trade Representative, Carla Hills, impressed on me the need to move that particular category forward, and we did get agreement. But the next step before we talk about needing a legislative package is to get agreement out of the GATT.

Economic Assistance for the Soviet Union

Q. Mr. President, if the study delays a decision on aid to the Soviet Union beyond German reunification, would it not be expected that there would be a lessening of interest in the summit countries in helping the Soviets if the German unification question is resolved by that time?

The President. No. I think events are changing so fast that different countries are going to look at this with slightly different senses of priority. But in the meantime, this study will go forward. We have sent, in a bilateral sense, many missions to the Soviet Union. Alan Greenspan [Chairman of the Federal Reserve Board] was over there on his own. We've had Dick Thornburgh over there talking about helping reorder the justice system. We have people from the stock markets over there. We've had a wide array of individuals and groups of business people go. And so, that process of trying to assist in change and in reform is underway bilaterally.

But this look that the IMF will coordinate and be done by these other agencies will kind of give an official -- at least for the G - 7, we will look at it in rather an official way and then see if we can decide on more collective action at the next summit or whether we proceed individually on a case-by-case basis.

Environmental Policy

Q. Mr. President, on the question of the environment, you, in the past, and your Chief of Staff [John H. Sununu], to say at least two, have always said that there has not been enough information -- you needed to study more. Now you're prepared to move, particularly on the global warming question. Who twisted your arm? What changed your mind, sir?

The President. I think we're moving forward because we recognize there is a problem. I thought we called for more data in here. Clearly, we need more. When you take the NASA study -- and then some people point to that as challenging the concepts of global climate change -- why, I think everybody -- well, put it this way, everybody at this summit agreed that we needed more scientific information.

But the steps that we've recommended here in this communique we can enthusiastically endorse. So, I think we came out with a reasoned position, not a radical position that's going to throw a lot of American men and women out of jobs. And yet we've done an awful lot -- and I think others at the summit recognized it -- in terms of cleaning up the air. We've got a proposal -- and I told them proudly of it -- to redo our Clean Air Act, and they were very much impressed with that. You might have heard Prime Minister Mulroney's supportive comments about that. So, there's a lot of things working bilaterally in terms of emissions, and I think we have a very reasonable position at this point.

Q. If I could follow, there seems to be a little wiggle room on CO2. Are you making a clear commitment to do something about it?

The President. I wouldn't read anything into these texts beyond what is actually printed there.

Economic Assistance for the Soviet Union

Q. I understand that it would take some time for the Soviet economy to reform. But are you suggesting, when you link Soviet aid to arms control, that you could never imagine any direct aid so long as there are any Soviet weapons aimed at the West?

The President. No, I didn't say that. But I would really prefer to stand on what I've simply said. The world is changing very fast. But they know that we've got some big difficulties on the regional questions and on the fact that a lot of missiles are aimed at the United States. A good way to start in doing something about that is to have a successful conclusion on the START

treaty. So, I don't want to go beyond where we are right now. If you'd have asked me last year at this time if I could have predicted the rapidity of change, the changes that have taken place, I couldn't have predicted them. So, I don't know exactly where we will be, but I do know that this proposal we've made is sound.

Q. Do you think if the IMF does say that some direct aid is necessary that perhaps that would spur greater arms control movement?

The President. Excuse me, the IMF says what?

Q. If the IMF study suggests that direct aid is appropriate, do you think that in turn could stimulate or speed up the arms control on behalf of the Soviets?

The President. I would hope so. I think Gorbachev is committed to a fast track on strategic arms.

Q. On aid to the Soviets, you keep saying that the American people simply aren't ready to give cash to Gorbachev. Now, if the IMF comes back with a report, Gorbachev accepts some of those recommendations, they cut way back on aid to Cuba -- largely which consists of oil shipments, after all, not money -- he does these things you want, are you ready before the 1992 Presidential campaign to go out there and tell the American people you would send American cash or supply credits to Gorbachev?

The President. Your question is too hypothetical. I can't go into a hypothesis like that. And we will wait and see. We've taken a path. It's based on the facts right now. And I would just say that I think Mr. Gorbachev understands that at this juncture sending money from the United States is not in the cards. And he knows what needs to be done to change the formula, and I'd like to think he's going to try. And maybe he'll come out of this Congress where many predicted his demise and feel encouraged to go forward. But I'm not going to answer a hypothetical question of that nature.

Economic Summit

Q. Let me ask you this. You got some sort of a delay on aid to the Soviets because of this study, which will not be completed until December. A lot of people are painting this summit as they did the NATO summit: as a victory for George Bush across the board, whether it's cutting agricultural subsidies for Europeans or whether it's the environment. What didn't you get at this summit that you wanted? What did you lose here?

The President. In the first place, I don't -- I'm glad to hear that -- but really, honestly, we don't look at it as a victory for one side and a defeat for another. That's the good thing about this G - 7 group. And so, there weren't any winners or losers in it, but there was compromise along the way. But again, I'm not going to reopen the hard work that went into this agreement by saying what we

would like to have had that was different. But it did work out in a way that I can strongly support. But again, excuse me for not projecting winners or losers or helping you with what we got and what we didn't get.

West German Chancellor Kohl

Q. Mr. President, at the NATO summit and then again here, it seems as though you have developed a special working relationship with Chancellor Kohl. I wondered -- one of the German delegation also said that after you had supported him on Soviet aid he couldn't come back and not support you on the environment. Can you describe that relationship, and would you say that's a fair assessment?

The President. It's not a fair assessment because he's a bulldog when it comes to the environment. He's a fighter for what he believes in. And I think he felt satisfied with what he got. And maybe he would like to have had more. But when we focused in on this forestry agreement and on the question of the rain forests, I think Chancellor Kohl felt that he had achieved something that he came here to achieve.

But the relationship is -- it's hard to explain. I do think that the Germans appreciate the fact that we have stood at their side on this question of German reunification. I think that's an element. But there isn't any quid pro quo. There was no ``I owe you one'' or ``I want to pay you'' for taking what we feel is a principled position in terms of German reunification. And he fought hard. And there were some compromises in terms of wording. But I think the declaration in terms of reforestation and the forestry agreement and the Amazon all speak to his keen interests. And so, I hope that he will be able to tell his constituencies and all the German people that there is a new awareness and a heightened awareness because of the eloquence that he brought to bear on the question.

Q. Would you say, however, that you find more common ground or common interest with Chancellor Kohl now than you would perhaps with Margaret Thatcher [Prime Minister of the United Kingdom]?

The President. No, I wouldn't say that at all. But I find plenty of common ground with both. Nice try. [Laughter] You're going to get me in trouble; they haven't even left town here.

Economic Assistance for the Soviet Union

Q. I have two questions about the summits' kind of do-your-own-thing on Soviet aid. One, is it really good for the alliance? And number two, doesn't it bode poorly for America's leadership in the alliance?

The President. No, I think, without reopening the hypothesis of the earlier question about how the

Americans fared, I think we're doing all right in the alliance. And it doesn't work, Cragg [Cragg Hines, Houston Chronicle], that you have to march in lockstep on all these questions. I don't feel that I have to defer on a lot of questions that we initiate on loans to the G - 7. And I don't think they should have -- these individual countries who have very special agendas and special relationships -- I don't think that they should defer to us on these questions.

Now, when you get into some arms control initiatives or matters of that nature, why, obviously, you want to stay together as much as you can. And as the world -- I don't worry about that; I don't worry about it all.

Q. Isn't it drawing it a little fine, though, to say arms control, yes, but aid to the Soviets -- which, really, there were no conditions placed on, that could be used for anything, German aid that could be used for anything. Isn't that -- --

The President. Well you may be a little ahead of me on what the Soviets plan to use the German aid for, aid that has not yet been forthcoming. I understand that Chancellor Kohl is going to Moscow, I think -- is that correct? -- within the next couple of weeks. But we don't know that as to what conditions will be on the funding and how it will be used in the Soviet Union. But I gave him our position. He gave me his. But that's not enough to break up a strong alliance and a very comfortable and strong bilateral relationship between the Federal Republic and the United States.

Environmental Policy

Q. Mr. President, on the forestry issue, there are a number of sentences in the declaration talking about the importance of preserving forests globally. What impact would that have on the American domestic field? Would it, for example, change the balance that your administration has been trying to strike on the issue of the Pacific Northwest forests and the spotted owl there?

The President. No, we are committed to prudent forest management, but we're also committed to planting a billion trees a year and putting real emphasis on reforestation. So, I don't think there's any contradiction. Some would argue -- some of the purists in the environmental movement -- that you've got to stop where we are, not harvest any lumber at all. And some of it would be done in the protection of the owl, and some because they're opposed to harvesting the old growth forests. I don't share that view. And I do think we can find a balance where the net is an increase in the numbers of trees.

Q. If I could follow up: What response do you have to the people in Third World countries who argue that you're asking them to make sacrifices on their economic development, that you're not willing to ask American workers to make parallel sacrifices?

The President. I think we have to find ways to assist those who would take that view. And I think many of our countries will move forward -- and did not have great respect for the environment

and now are doing a good job on it -- and I would put the United States in that category, with pride, I might say -- should find ways to assist these countries.

Agricultural Subsidies and Assistance for Latin America

Q. Back on agriculture, Mr. President. You said that you were encouraged about the language on agricultural subsidies. Could you say why, specifically, when the U.S. gave in on the key question of allowing one common measure to be used for all subsidies? And also, on a separate matter, could you tell us whether you got any commitment for help from your allies on the Latin American aid initiative?

The President. Not being a technical expert on these highly technical GATT negotiations, I relied heavily on advice from experts like Carla Hills, who is one -- such an expert. And Clayton Yeutter, Bob Mosbacher, involved also. And these people who have been wrestling with the technicalities of the trade question were very pleased at the formulation we came up with. They felt without such formulation the whole successful conclusion of the GATT round was at stake. But they think that the wording we have that refers peripherally to this De Zeuuw report is enough now to move the agricultural discussion forward when they meet soon again.

What was the second part? I don't know on the others. I know that some of them have expressed an interest in helping, but I didn't ask for a collective decision out of the G - 7 on that question.

Economic Assistance for the Soviet Union and China

Q. Mr. President, the Soviets have already reacted negatively to advance word of the part of the communique that says that reform would help them get further aid. What would you tell Mr. Gorbachev when you speak to him -- why he should not view this as the allied countries saying: The cold war is over; you lost. Here's what you have to do; here are our conditions for integrating you back into Western society?

The President. I think you phrase it well, because we've got to be careful that we don't send the signal that we don't want to send. But I don't worry about this one because I sat up there at Camp David with Mr. Gorbachev in a very frank discussion and told him the problems that I have with going forward with financial aid. I've been quite open about it in the press conference following a highly successful NATO summit.

And incidentally, I think the reaction from the Soviet Union on the NATO summit has been extraordinarily positive, extraordinarily so; and some of that, I think, has been masked by the understandable attention given to the G - 7 meeting here. But it's been extraordinarily positive.

And so far, I think -- put it this way: It just totally diminishes the risk of the kind of misunderstanding that your question implies. Now, you saw the lively debate in the peoples

Congress [Soviet Union's Communist Party Congress]. It looks like our own Congress up there -- yelling at each other and debating and calling people names and doing all these frantic things. So, I'm not saying that somebody's not going to jump up, having finished trying to filet Gorbachev, and jump on me for the way we've reacted in this summit. I am saying that I am not going to have misunderstanding creep in because of failure to communicate. And, indeed, I've already sent off a communication to Mr. Gorbachev, and I will be in touch with him personally very soon to discuss this. But I don't think there's too much of a danger of that.

Q. If I could follow up: In his letter to you in your role as host of this summit, did he ask for direct cash aid?

The President. I need help on that, but I think not. My reaction is that he did not ask for that. I know he didn't have a price tag on it, but he listed several categories of places where we could give support, including credits.

Bob [Robert D. Blackwill, Special Assistant to the President and Senior Director for European and Soviet Affairs at the National Security Council], was that a proper answer? I don't want to -- okay. So, I was right.

Q. Some of your colleagues accused you of a double standard, Mr. President, in supporting language yesterday that opened the door to lending to China, particularly if it moves toward economic reforms, and yet taking the much less flexible position regarding the Soviet Union. How do you respond to that?

The President. I respond by saying we already have sanctions on China because China has not moved forward far enough on human rights. Those sanctions remain. We have offered the hope that if they take further steps in the human rights field more can be done. We've said that all of us together would consider World Bank loans -- whichÿ7E rightÿ7E nowÿ7E areÿ7E discouragedÿ7E byÿ7E the G - 7 -- consider World Bank loans that would contribute to the reform of the Chinese economy. And then I think we added a little thing about especially those that would help on this world environmental problem.

So, my answer to those is that they're wrong and that the pressure is still on. And let's hope it will not be counterproductive. Again, my position is -- and I think every summit leader there agrees with me, everyone, I believe -- that we should not further isolate China. There have been some things that we can take some encouragement from. But the sanctions are on China. We took the lead on this question a year ago at the G - 7 summit, and some who criticize me fail to realize that. But I want to see them move forward, and I want to see restored good relations with China. But we're not there yet.

Q. Do you believe that financial aid could play a role in stimulating reforms in the Soviet Union?

The President. Well, some think that. I don't particularly agree with that. I think when you see the Japanese move forward, as they plan to do, to keep a commitment -- they feel a solemn commitment -- to China for this third yen loan, that they feel that way -- I have great respect for Prime Minister Kaifu, and I had a long talk with him about that. As you know, they plan to move forward. Just as I can't get all exercised over what Chancellor Kohl does, I feel the same way about what Prime Minister Kaifu is doing. But he feels that the step he is about to take would encourage reformers. I'm not sure that he's right in this regard, and I think that the people in power there can build on the steps that they've taken in a way to satisfy the rest of the people in the G - 7 that we should go back to more normal relations.

Changes in the Western Alliance

Q. Mr. President, a followup on Craig's question. In the past, the United States did call the tune on allied relations with the Soviet Union. Now that we're seeing key allies going their own way on aid to the Soviet Union, aren't we seeing at least a subtle change in the way the United States has to lead the alliance? Aren't you having to give a little more leeway to the allies now that the cold war is over?

The President. We're dealing in entirely different times. Earlier on, in terms of the alliance, we had a much more formidable military opposition. Now we see the Warsaw Pact in almost a state of disarray: we see troops coming out; we see democracies replacing totalitarian systems. So, you have an entirely different era. For the United States side, I think we have very good understanding inside the G - 7 about the Soviet Union. But if your question is, is it bad or does it alter the U.S. role if Chancellor Kohl, for very special reasons, goes forward, I would argue that it does not.

Soviet President Gorbachev

Q. Mr. President, there's a lot of concern over President Gorbachev's ability to hold on to power. Does his victory yesterday suggest he will be around for a good while despite his serious economic problems?

The President. I don't know yet, but certainly he's surprised a lot of us in this room, hasn't he -- including me. Who would have thought he'd have a 3 to 1 victory or whatever it was? I had the figures at the tip of my tongue a while back, because it was an impressive landslide inside a body where, if I had gone by just some impressions, I wouldn't have thought he had gotten quite that big a landslide. So, I don't know. And I think there's some discontent inside the Soviet Union. I think he's got enormous problems. I hope that what we're doing to help here will help with those problems. But certainly, I'd have to leave it there because I couldn't go beyond that. And I think if you go to experts you'll find divisions on that question.

Q. You don't think the election proves that he has a grip on power now?

The President. Well, I think it does at this juncture, certainly in terms of the party. And certainly, I think, the way he's handling his foreign affairs is probably getting great credit at home. I do understand there's consumer concern and that everybody, including Mr. Gorbachev and Mr. Shevardnadze, recognize that they have enormous economic problems inside the Soviet Union.

Neil Bush

Q. Mr. President, on an issue outside the purview of this summit, your son Neil has suggested that the savings and loan regulators are conducting something of a vendetta against him, largely because his last name is the same as yours. Do you agree with that charge?

The President. I agree that the President ought to stay out of it and that the system ought to work. And I have great confidence in the integrity and honor of my son, and beyond that, I say no more. And if he's done something wrong, the system will digest that.

This is not easy for me as a father. It's easy for me as a President because the system's going to work. I will not intervene. I have not discussed this with any officials and suggested any outcome. But what father wouldn't express a certain confidence in the honor of his son? And that's exactly the way I feel about it, and I feel very strongly about it. And for those who want to challenge it, whether they are in the Congress or elsewhere: Let the system work; and then we can all make a conclusion as to his honor and his integrity.

And it's tough on people in public life to some degree. I've got three other sons, and they all want to go to the barricades. Every one of them, when they see some cartoon they don't like, particularly those that are factually incorrect and demeaning of the honor of their brother, they want to do what any other kids would do. And I say: You calm down now. We're in a different role now. You can't react like you would if your brother was picked on in a street fight. That's not the way the system works.

But we have great emotions that I share with Barbara, I share with my sons and my daughter, that I won't share with you except to say: One, as President, I'm determined to stay out of this and let it work and let it work fairly. And secondly, I have confidence in the honor and integrity of my son. And if the system finds he's done something wrong, he will be the first to step up and do what's right.

Chairman of the Federal Deposit Insurance Corporation

Q. Does the same confidence, sir, extend to William Seidman, who has Democrats as well as Republicans -- --

The President. He wouldn't be there if I -- well, I don't know about -- I was about to say he wouldn't be there if I didn't have confidence in him. I have confidence in his integrity and his

honor.

Last question.

Environmental Protection Agency Administrator Reilly and Environmental Policy

Q. Mr. President, the environmental groups that were very much in evidence here don't seem too happy with the results of the summit.

The President. They haven't seemed happy with me for a long time, and I'm not too happy with them. I think their grading system is absolutely, essentially absurd. But what's the question? [Laughter]

Q. Sir, the question is: They're calling your forestation initiative a figleaf to cover up your inaction on the environment. A second portion of this question is why did you leave Bill Reilly home, when last year you brought him to Paris when you weren't even planning to put him in the Cabinet?

The President. Last year many of the environmental ministers were there, and including some of the people -- you remember that was the Paris centennial. And many from other countries were there as well. So, he was not here for that reason, nor were other Secretaries whose counterparts were not here. So, that was the reason. This is predominantly an economic summit. But lest anybody have any doubt about it, Bill Reilly retains my full confidence and my full support. I have great respect for him.

What was the rest of your question?

Q. They call the forestation initiative a figleaf to cover up your inaction on global warming.

The President. Look, come on, I'm not going to respond to those groups that have been attacking us every time we turn around. And you cannot appeal -- I have to be careful because there were some reasonable people involved -- but on the environmental extreme, they don't want this country to grow. They don't want to look down the road at the human consequence of men and women thrown out of work and families put into a whole new state of anxiety. And I, as President, have to be concerned about that as well as being a good custodian, a good steward, for the environment. And so -- but we cannot govern by listening to the loudest voice on the extreme of an environmental movement.

And I did not rely heavily on them for support in getting elected President of the United States, and I'm not going to be persuaded that I can get some brownie point by appealing to one of these groups or other. And the attacks that they made on some of my summit partners -- I resent them, too, because it's not just the United States, in attacking the President or the policies of the

Government, it's the attack on some of these other leaders. So, they're entitled to their opinion. Their signs can be held just as high as others. And their rating systems can attract as much or as little attention as you care to give them. But I am not going to shape the policies -- when I know we have sound environmental policies -- by the loudest voice or the biggest sign.

So, they're welcome to Houston. I hope they've enjoyed it. I hope they feel they've had an opportunity to get their message out. But I had a little cloakroom conversation with some of the participants, and I think most of them are disinclined to change policies in their countries that they think are sound because of some of the statements that I saw and perhaps some that you were referring to here. So, I'd say, welcome, and we'll listen and keep trying to do better. But I'm determined that we can find a sound environmental path -- and I think we've found it -- continue to be good stewards for the environment and still have some concern for the workingman and the workingwoman in this country. And that really is what it boils down to when you talk about no growth. And I'm not going to talk about no growth for the United States because I feel a deep concern about the human equation as well as the environment.

I was very pleased with the mood amongst the summit leaders as a result of the common ground that we hammered out on the environment here.

Thank you all very much.

Note: The President's 54th news conference began at 12:59 p.m. in Assembly Hall at George R. Brown Convention Center in Houston, TX. In his remarks, he referred to the Kerensky debt, which was incurred by Russia's Kerensky government after the fall of the czar. The President also referred to the Group of 7 (G - 7), the industrialized nations that participated in the economic summits, and the Group of 24 (G - 24), the industrialized democracies that pledged support for economic and political reform in Poland and Hungary.

White House Fact Sheet on the President's Proposal for a Global Forest Convention

July 11, 1990

President Bush today proposed to the leaders of the summit of industrialized nations that negotiations begin on an international convention on forests.

Background

The U.S. Forest Service estimates that the world is losing about 27 million acres of tropical forest each year. A recent study estimated even higher losses -- in the range of 40 - 50 million acres per year. Severe and widespread forest declines have occurred in eastern and western Europe, and a body of evidence is accumulating that forests in North America and elsewhere are being damaged by stresses caused by air pollution.

The world's forests are the lungs of the Earth, absorbing carbon dioxide from mankind's activities and releasing oxygen critical to human existence. Forests serve as air-conditioners and filters to protect us against heat, dust, and pollutants. They are essential in the protection of water supplies on which agriculture, industry, and cities depend. Not only are they a vital source of wood for fuel and shelter but we are increasingly learning of other resources which can be extracted in a way that provides economic benefits. And forests provide vital habitat for all manner of animal species. The Amazon Basin alone contains over 50,000 species of higher plants and a fifth of all the species of birds on Earth.

The U.S. Proposal

President Bush today proposed at the summit of industrialized nations to begin negotiations as expeditiously as possible on a global convention on forests. This would be a freestanding convention, similar to the highly successful Vienna convention on chlorofluorocarbons. The President proposed that negotiations be completed and the convention be ready for signing by 1992. The President expressed the hope that the convention would, to the maximum extent possible, emphasize market-based mechanisms and flexibility for achieving its goals.

The President outlined several areas in which international cooperation could help to address threats to the world's forests and could lead to positive action:

Research and Monitoring. The convention could accelerate cooperative research in programs to protect natural forests and to improve forest management practices, the development of more cost effective reforestation techniques, and the development of sustainable yield strategies consistent with each country's economic, environmental, and forest management objectives. The President

suggested, as a first step, that the Tropical Forestry Institute in Puerto Rico be expanded into a full-fledged International Tropical Forests Institute.

The President proposed the launching of a worldwide network to monitor the world's forests to improve understanding of their health and vigor, the effects of pollution, and the rate at which they are being converted to other uses. The President called for cooperation in developing an inventory of the resources of the world's forests, as a tool for analyzing their potential for new products and uses.

Education, Training, and Technical Assistance. The convention could help establish vehicles for formal and technical training in forest conservation and forest practices, reforestation, and related subjects; for the provision of technical assistance, extension services, and project expertise.

Reforestation and Rehabilitation. The convention could be used to develop national and international strategies for reforestation, timber stand improvement, and restoration of the health of the world's forests. The President highlighted the commitment of the United States to reforestation through his proposal to plant a billion trees a year in America. That proposal is now awaiting funding by the U.S. Congress.

Noting the importance of economics and trade, the President reaffirmed U.S. support for the International Tropical Timber Organization.

Tropical Forestry Action Plan Reform. The President also reiterated U.S. support for the goals of the Tropical Forestry Action Plan and called for strengthening and reform of the programs contained therein, with an emphasis on wise stewardship and sustainable management.

Reduction of Air Pollution. International action is needed to curb acid rain and tropospheric ozone, which are believed to cause damage to forests. This is essential to relieving stress on forests in Europe and to ensure that the restoration and replanting of forests in eastern Europe will be successful. The President has proposed in his Clean Air Act legislation dramatic reductions in emissions which contribute to acid rain (sulfur dioxide and nitrogen oxides) and ozone formation (volatile organic compounds). The Clean Air Act proposal has passed both Houses of Congress and is awaiting final action by a House-Senate conference committee. The convention could lay the groundwork for bilateral and multilateral agreements with respect to air pollution.

Bilateral and Multilateral Assistance Program. The convention might also address the need for a review of bilateral and multilateral assistance programs to put greater emphasis on conservation of forest areas and sustainable use of forest resources. In addition, it could explore possible ways to promote sound forestry practices and reforestation and to ensure that such programs are not designed in ways which adversely affect forests.

Debt-for-Nature Swaps. The convention could promote sound use and protection for forests

through debt-for-nature swaps, particularly with the support of the multilateral developments banks. In addition, it could encourage local currency environmental trust fund programs and similar devices to help finance environmental programs. The United States recently proposed to pursue such arrangements in Latin America as part of its Enterprise for the Americas Initiative.

Removal of Harmful Subsidies. The convention could address itself to identifying and, where appropriate, changing subsidies and other market distortions which inadvertently encourage deforestation or discourage afforestation of lands which could be best used as forest. One possibility is the reduction of subsidies that encourage the conversion of marginal lands that are economically more productive as forest lands into crop or grazing lands.

Remarks at the Thank You Houston Celebration in Houston, Texas

July 11, 1990

Listen, Barbara and I really wanted to come over and say thank you to all of you. To Judge Lindsey and to Mayor Whitmire, to Ken Lay and George Strake, Fred Malek, and so many others, I am very, very grateful -- and so is Bar -- and to our entertainers for tonight, Randy Travis and Jaclyn Smith, Marilyn McCoo. You know, when Marilyn was last here with the Fifth Dimension, she sang a hit called ``Last Night I Didn't Get to Sleep at All.'' Well, we understand that, and I expect that Secretary Baker and Secretary Brady -- from the hard work they put in in the summit -- understand it. But let me tell you that, in the views of the United States delegation to this important summit, it has been a howling success. And much of the credit goes to Houston, Texas, and the thousands of volunteers that made all of us feel so at home.

And so, it's this celebration that tops off 3 days -- I would say 3 historic days -- for the people of Houston and, indeed, for the people of the world. For decades, we've kept the faith of freedom burning, we've borne the banner of liberty, and now the people of Berlin and Budapest and so many other parts of the world have lifted that liberty banner for themselves. And in Houston, the Presidents and the Prime Ministers who lead the largest industrialized democracies met to build a world beyond the cold war; to uphold the Revolution of 1989; to help liberated nations enter the 21st century as enduring democracies; and to support free world, free wills, and free markets for all mankind. So, you see, this hasn't just been a successful summit; in a broad foreign policy sense, it's been a celebration -- a celebration on behalf of all nations and of all peoples, a celebration of their victory over barbed wire and concrete walls and discredited despotism.

The tone of this summit was set by the people of Berlin last fall. And the success of this summit is a tribute to my six colleagues from abroad. But it is also a tribute to you, those who made this summit work, the people of the city of Houston, Texas. You know, I know that you've put up with a lot having us here -- closed streets, tail-bumper driving, nerve-racking regularity of helicopters, and constant security -- and I know how tough this can be on a town. But even more to the point, I want to thank you, thank you all, for all you have done to make this summit such a success.

You know, Houston, in my view, has always been a clean city; but thanks to the people of Clean Houston, this volunteer effort, this city sparkles. And I wish I could go out there and just shake hands and thank each and every one of the thousands -- literally thousands -- of volunteers who pitched in during their spare time to make Houston a showcase for the world. And just look at what you've done: thousands of volunteers -- we call them Points of Light, Texas Points of Light -- who scoured the streets and the alleys for litter, planting flowers in the parks, painting over graffiti. And by June 23d, Ken Lay and George Strake told me, 5,261 Houstonians put in 26,200 hours to remove 2.7 million pounds of trash and debris. And what a record -- what an example for

the rest of our country.

You know, I really do believe that you've shown the world what Houston pride is all about. So, in closing, let me say that I know that Houston, our great city, has had a rough go in the last few years; but as I travel around town, I see more and more signs of a city not just on the mend, which we all know is true, but a city totally rebounding, a city on the go -- and not just a city with a future but a city of the future.

One other comment on today. I know that Barbara and I will never forget when the seven leaders and I moved through that downtown area how the whole city turned out -- the newscast this evening said more than 100,000 people along the streets with the balloons and the bands and the welcoming signs and the friendly smiles. And you turned this ordinary procession of motorcades into a parade, a moment of unforgettable international hospitality that the visiting Presidents and Prime Ministers and Chancellor will take home with them. Every single one of them commented to me on that warm outpouring of hospitality and friendship.

So, in short, you've shown the world what Houston hospitality is all about. You set it -- you set the background for a highly successful and very important meeting between these countries. And you made this Houstonian very, very proud of his hometown tonight. Thank you. Thank you all very, very much.

Note: The President spoke at 7:13 p.m. in Butler Plaza at the University of Houston. In his remarks, he referred to Harris County Judge John Lindsey; Kathryn J. Whitmire, mayor of Houston; Ken Lay and George Strake, cochairmen of the Host Committee of the Houston Economic Summit; Ambassador Fred Malek, Director of the Houston Economic Summit; and Gov. Bill Clements. Following his remarks, the President returned to Washington, DC.

Remarks Following a Meeting With Greek Patriarch Dimitrios I

July 12, 1990

May I just say that it's a great honor for me as President of the United States to receive His All Holiness in the Oval Office. And as I survey the changes that are taking place in Eastern Europe and around the world, my thoughts go to the faith of individuals in so many countries, a faith that is sustained and strengthened by the church and by the leadership of His All Holiness. And so, it is appropriate to be received respectfully in the Oval Office, and that I have an opportunity to tell him that I see faith of people as a driving force for change in the world today and have an opportunity to salute him for his principles and leadership.

So, it's been a joy to have you here, a joy to have you here. And to have the various metropolitans [ecclesiastical officials] here, too, is special. Thank you all.

Note: The President spoke at 11:50 a.m. in the Rose Garden at the White House.

Remarks to the 30th Biennial Greek Orthodox Church Clergy-Laity Congress

July 12, 1990

Thank you very, very much. Thank you. Who would have thought that I would be introduced by Peter Jennings before a beautiful evening like this? [Laughter] It's just wonderful. Ted, thank you very, very much. Barbara and I are delighted to be here this evening. When Ted said that ``a person we hold in such reverence,'' I was ready. You see, I'm used to it now. I thought he was talking about Barbara, not the All Holiness. [Laughter]

I am so pleased to be with you. Your All Holiness, once again, welcome to the Capital of our great nation. It was an honor and, I think, an appropriate honor for us to greet you in the Oval Office today. And I was proud to be at your side in the Rose Garden. And it's an extraordinary privilege tonight to be with you and your distinguished delegation, and also to be with our respected and revered friend Archbishop Iakovos, who's distinguished himself in the 30 years that he's been the spiritual leader of your church in the Americas. I apologize for the order of the program and speaking before dinner, but Archbishop Iakovos said you were having broccoli, and I figure I have to get out of here. [Laughter]

But to more serious things, Your All Holiness, meeting with you earlier today was a rare and an inspiring opportunity. Once again, I want to express my profound respect. You are a holy man of great spirituality and vision and humility, a gentle and revered pilgrim on this mission of peace. We are especially blessed to be part of this historic journey -- the first time in the 1,400-year history of the Patriarchate that the successor to St. Andrew has visited the Western Hemisphere.

Greetings to all of you, the members of the 30th Clergy-Laity Conference from 555 parishes across the sweep of the Americas. I still remember the outpouring of warmth that you gave me when I had the privilege of addressing you 2 years ago and 2 years before that. It is a delight to see you again because I feel that we do have a special bond. In particular, I cherish the Greek-American legacy of putting family values first. This is the finest example of what our country needs in order to be strong and wise and flourishing. We admire your unflinching devotion to the passing on of clear moral values and your emphasis on the importance of a good education.

I noted that in the census returns for the last three decades, you have ranked the highest of any community in education. And I'm not just saying that because John Brademas is here, either. [Laughter] Also, you stress hard work and the individual initiative that creates opportunity and, thus, have become the backbone of small businesses throughout this country. And statistics show that through your shining example of love and faith and, of course, family tradition, you've almost no crime and drug problems. And how wonderful that 3,000 of your young people this week took part in a forum about the bitter plague of drugs.

I also admire your strength as a community in which your Greek Orthodoxy means your deeply rooted spiritual beliefs, as well as the richness of your cultural life. In any age when so many challenges threaten the fabric of our society, your intense devotion to your faith and traditions have made you messengers of hope. You share the richness of your ancient, undivided faith. You've impressed us with the vibrant ethnic vitality of your immigrant parents and grandparents -- and I love what Ted Koppel said about that earlier -- and with your commitment to Christian service both here and in the lands of your ancestors' birth. They were drawn here by the beacon of Liberty's torch. And now, you are shining your own beacon of promise back to your homelands, always remembering the words of the Greek national anthem: ``Now as ever valor prizing/Hail, all hail sweet Liberty!"

And what a splendid place Washington is for you to meet. Here in his hometown, you can proudly tell the story of your Greek-American predecessor, Constantino Brumidi -- Brumidi, the Michelangelo of the U.S. Capitol. More than 100 years ago, Brumidi produced those eloquent friezes showing scenes from American history and said with reverence: ``My one ambition is that I may live long enough to make beautiful the Capitol of the one country on Earth in which there is liberty."

In Washington, you can rejoice in the magnificence of your Cathedral of St. Sophia. When I was Vice President, I used to live just down the road from Hagia Sophia, the Cathedral of Holy Wisdom. How impressive is its rich Byzantine style; how moving the sight of its candlelit icons and those astonishing mosaics. And it must have been a place of rare beauty much like this that, back in the 10th century, inspired the envoys of Prince Vladimir to bring your Orthodox faith to Kiev. For they said that upon their first glimpse inside an Orthodox church in Constantinople, ``We knew not whether we were in heaven or on Earth."

Your All Holiness, you are today trying to bring the peace of heaven to this earthly life. Your global vision is one of hope, hope for what we can do with and for your 250 million spiritual children, so many of whom have lived in the chilled darkness of religious persecution. The world rejoices that the new freedoms of the past year mean that your Orthodox followers in so many lands are now once again able to follow freely and openly the road of holy light.

We celebrate the dawn of hope for these people, particularly those for whom you speak in Eastern Europe. We also celebrate the tremendous strength of spirit which has sustained them through these generations of repression, spirit like that of the 50 million Russian Orthodox believers who still dream of the day when they can worship openly in their faith which is, after all, 930 years older than communism itself. And we know -- we know with certainty that day will come because, as a persecutor of Orthodoxy admitted: ``Religion is like a nail. The harder you hit it, the deeper it goes into the wood." But while the events of this past year have been a glorious beginning, there is still much to do -- because peace is more than just the absence of war.

As we continue the struggle for liberty for all, our way will be lit with the inner radiance of

pastoral pilgrims of peace like Your All Holiness. I have often spoken of hope as a Thousand Points of Light ablaze in the black sky, and so, I was struck by this conference's theme: ``Walk as children of light.'' I noticed how this first began -- in Ephesians: ``For you were once darkness but now you are light.''

Eastern Europe was once in dark bondage and now begins to see by the pale glow of a new dawn. It's like your own Easter midnight service. As the priest calls, ``Come and receive the light,'' he brings a candle, I'm told, from the altar into the unbroken blackness of the church. And then he passes the flame to each worshiper's own individual candle until the church is ablaze with flickering lights proudly shining together to defeat the dark.

Your All Holiness, you are that candle. Your faithful here and around the world are that congregation which takes the light of your vision and spreads it through all lands. I was touched to hear that during this trip you will be walking across the Peace Bridge that links our great country, the United States, and Canada. And really, if you think about it, what a wonderful symbol of what all individuals and nations must do: build peace bridges that link -- not separate -- nations, and then walk upon those bridges to meet others halfway in order to celebrate our similarities, not to battle our differences.

Together, we ask your prayers, Your All Holiness, that God will guide us in our efforts for peace and that the wide arms of faith and forgiveness will one day soon embrace a world with justice and compassion for all.

God bless you, Your All Holiness, and God bless every one of you gathered here tonight. Barbara and I were honored to be your guests. Thank you very, very much.

Note: The President spoke at 7:40 p.m. in the Sheraton Ballroom at the Sheraton Washington Hotel. In his remarks, the President jokingly referred to Ted Koppel, of ABC News, as Peter Jennings, also of ABC News. The President also referred to His All Holiness Ecumenical Patriarch Dimitrios I, His Eminence Archbishop Iakovos of the Greek Orthodox Archdiocese of North and South America, and John Brademas, president of New York University.

Message to the Congress Transmitting a Report on Hungarian Emigration Policy

July 13, 1990

To the Congress of the United States:

In October 1989 I determined and reported to the Congress that Hungary meets the emigration criteria of the Jackson-Vanik amendment to the Trade Act of 1974. This determination allowed for the continuation of Hungary's most favored nation (MFN) status without the requirement of an annual waiver.

As required by law, I am submitting a formal report to the Congress concerning emigration laws and policies of the Republic of Hungary. You will find that the report certifies continued Hungarian compliance with U.S. and international standards in the areas of emigration and human rights policy.

George Bush

The White House,

July 13, 1990.

Message to the Congress Reporting on the Economic Sanctions Against Libya

July 13, 1990

To the Congress of the United States:

1. I hereby report to the Congress on developments since my last report of January 25, 1990, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (``IEEPA"); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c).

2. Since my last report on January 25, 1990, there have been no amendments to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the ``Regulations"), administered by the Office of Foreign Assets Control (``FAC") of the Department of the Treasury. Additionally, since January 25, 1990, there have been no amendments or changes to orders of the Department of Commerce or the Department of Transportation implementing aspects of Executive Order No. 12543 relating to exports from the United States and air transportation, respectively.

3. During the current 6-month period, FAC has issued a limited number of specific licenses to individuals and corporations to permit them to engage in activities that would otherwise be prohibited by the Regulations. Under FAC licensing procedures, 15 individuals registered to travel to or remain in Libya with Libyan immediate family members. Fifteen licensing decisions were made authorizing or prohibiting transactions in connection with Libya. The most significant licensing activity since the last report was the authorization of U.S. involvement in a U.N. Food and Agriculture Organization program to eradicate the screw worm, an infestation that threatened both humans and animals in North Africa.

4. Various enforcement actions mentioned in previous reports continue to be pursued. In February 1990, in the U.S. District Court for the District of Minnesota, Sealed Air Corporation and two of its former corporate officers each received criminal sentences for engaging in shipments of rust inhibitor chemicals to Libya in violation of the Regulations. The corporation was fined $500,000, the maximum penalty permitted for a violation of IEEPA. A senior vice president of the firm was fined $100,000 and was ordered to perform 400 hours of community service. A general manager was fined $40,000 and was ordered to perform 200 hours of community service.

In April 1990, FAC closed the offices of a Libyan student group for failure to abide by the terms of its FAC license. All tangible property of the organization and all bank accounts of the organization were blocked. The student group has since elected a new board of directors and has agreed to renew its licensed contractual arrangements for outside monitoring of financial

transactions and to obtain funds from Libya in order to resume its operation in accordance with FAC licensing requirements.

5. The expenses incurred by the Federal Government in the period from January 25, 1990, through June 1, 1990, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at $442,541. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Department of Commerce, the Department of Justice, the Federal Reserve Board, and the National Security Council.

6. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya as long as these measures are appropriate and will continue to report periodically to the Congress on significant developments as required by law.

George Bush

The White House,

July 13, 1990.

Message to the Congress Transmitting the Annual Report on Nuclear Nonproliferation

July 13, 1990

To the Congress of the United States:

I have reviewed the activities of the United States Government departments and agencies during calendar year 1989 related to preventing nuclear proliferation, and I am pleased to submit my annual report pursuant to section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95 - 242, 22 U.S.C. 3281(a)).

As the report demonstrates, the United States continued its efforts during 1989 to prevent the spread of nuclear explosives to additional countries. This is an important element of our overall national security policy, which seeks to reduce the risk of war and increase international stability. I want to build on the positive achievements cited in this report and to work with the Congress toward our common goal: a safer and more secure future for all mankind.

George Bush

The White House,

July 13, 1990.

Statement on Congressional Action on the Americans With Disabilities Act

July 13, 1990

I am delighted that Congress has now approved the conference report on the Americans with Disabilities Act. I am looking forward with great pleasure to signing this important civil rights legislation. This is a great day in the history of our country because for the first time Americans with disabilities will enjoy full civil rights protection with respect to employment, transportation, places of public accommodation, public services, and communications. Further, it is proof that individual rights can be given full and necessary protection without undue regulatory burdens. In this month of the 214th anniversary of the independence of our nation, this legislation will serve as a declaration of independence for millions of persons with disabilities in this country.

Remarks on the Proposed Balanced Budget Amendment and an Exchange With Reporters

July 13, 1990

The President. Let me just say before I leave here that on Tuesday the House is going to vote on a balanced budget amendment. And if enacted, that would halt the steady buildup of the national debt. I think it will bring much-needed discipline to the process, discipline on the executive branch, discipline on the legislative branch, on the Congress of the United States.

We've had one surplus in 30 years. And 30 State legislatures -- more than that -- have already called for this action. I think this would be a very important tool. This passage is important too, I think, to the current budget negotiators. It would send them a good signal. We are very, very serious not only in the budget negotiations now in process but the commitment to the balanced-budget process. I think this vote on Tuesday is important, so I wanted to urge strong support for it.

Q. What about the civil rights compromise?

Q. How practical is it, Mr. President?

The President. Phase it in and it will be very practical, and it will work. And it ought to be tried. We've tried a lot of other things, and it hasn't worked. And we hear a lot about controlling spending, and then we see bills up there -- we're going $4 billion over the President's request in 1 day. Turn around and that's what happens. So, I'd like to give this a shot, and I think the country would like to give it a shot.

Q. When you can't meet Gramm-Rudman in 1 year, sir, how can you reach zero?

The President. We're not going to reach it in 1 year.

Q. Has the budget bogged down?

Civil Rights Legislation

Q. Are you feeling optimistic about the civil rights compromise now, after Sununu's letter?

The President. Well, we're trying very hard on that.

Do I get credit for a full press conference here? Otherwise, I'm leaving.

Q. Half credit on it.

Q. We'll give you credit.

Federal Budget Negotiations

Q. How about tax increase revenues? Have you decided -- --

The President. The budget process? I think they're working in seriousness as of today, and I've vowed to stay out of it. I notice others are positioning themselves on what they will or won't accept. I made a deal with the leadership that I wouldn't do that, and I'm going to keep my pledge as long as I can -- I may be the only one in town doing that, but -- --

Q. Have you gotten closer to a package on taxes?

The President. I think -- well, I don't know, Helen [Helen Thomas, United Press International]. That's a good -- and I can't tell you. Sometimes I think our negotiators -- Brady, Darman, and Sununu -- are optimistic, and sometimes they come back with a little less optimism. But I hope that this statement today will be supportive of the process, and I hope that what I've suggested will happen because I think in the long run that's what's required to keep our fiscal house in order.

Civil Rights Legislation

Q. Where do things stand on civil rights?

The President. Negotiations going on. John Sununu was back today and had a fairly, I would say, reasonably optimistic proposal. My position on that one remains clear: I want to sign a civil rights bill; I will not sign a quota bill. And that's about where we are, but I think it's looking encouraging. I saw [Senator] Ted Kennedy down here yesterday and had a chance to share my views with him once again. And he's been working, I would say, quite cooperatively with us -- Republican side, under Senator Hatch -- most cooperative. So, as I leave here for the weekend, I hope I'm right in saying that it looks like we can work something out on that. I want to do it.

Federal Budget Negotiations

Q. Can you say, sir, if in fact the administration has signed on for the need for about $25 billion in tax revenues as part of this overall package?

The President. No. I've said I wasn't going to discuss the specifics of the negotiations. And I really think I -- I know it's not too specific, but I really feel I ought to keep my share of the bargain on that. I see a lot of speculation and a lot of people saying what we will or won't do or what they will or won't do -- Republicans and Democrats -- and, look, I understand that. But I

gave my commitment to the leadership -- Republican and Democrat -- in the House, and I'm going to stay with that. And at some point, I may have to go out and say, look, this is all we can do, or here's where we go. But I'm not going to do that now.

Q. Is your commitment -- --

The President. I'm going to try.

Q. Is your commitment to a capital gains tax cut waning or weakening in any way?

The President. I'm not going to -- you know, if I start going into even one facet of the negotiations, I will, in my view, be violating a commitment I made to the Congress. So, I really want to ask to be forgiven for not answering that nice-try question.

Q. When do you think you'll have some answers?

The President. Well, we're moving along, Helen. We all know what the dates are out there. You'll see some figures next week on the magnitude of this problem. The figures are out there pretty much in the public domain, and certainly, the Congress has them. But the American people want something done. And so, I'm going to keep pushing, and our negotiators are working in total good faith. And I think the problem is so important nationally that something positive will happen. It has to.

Russian Republic President Yeltsin

Q. What do you think about Boris Yeltsin bolting the Communist Party?

The President. Boris bolting his party -- very interesting development, very interesting.

Hey, I'm tired, come on, and so are the rest of you guys. I can tell from the quality of the questions.

Note: The exchange began at 1:33 p.m. on the South Lawn at the White House, prior to the President's departure for Camp David, MD. In his remarks, the President referred to John H. Sununu, Chief of Staff to the President; Secretary of the Treasury Nicholas F. Brady; and Richard G. Darman, Director of the Office of Management and Budget.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President-Elect Cesar Gaviria of Colombia

July 13, 1990

Colombian President-elect Cesar Gaviria, who is in the United States on a private visit, met today with President Bush for 30 minutes.

President Bush again congratulated him on his May 27 victory in the Colombian election, a completely open and democratic process. He told President-elect Gaviria that the United States looks forward to working closely with his administration. President Bush asked Gaviria to convey his warmest best wishes to President Barco upon his return to Colombia.

The two leaders also touched on bilateral issues, concentrating principally on the fight against drugs and cooperation in economic relations. With regard to drugs, President Bush briefed President-elect Gaviria on our budget requests for the drug fight for the coming fiscal year. There is currently a request for $80.5 million in drug-related assistance pending before the Congress, along with an additional request for a regional Economic Support Fund which would include Colombia. In the area of economics, both sides pledged to continue working toward mutually satisfactory agreements on various trade issues.

President Bush also informed President-elect Gaviria that there was no foundation to recent press reports about massive U.S. military involvement in Colombia or other Andean countries. He reaffirmed that our drug interdiction activities in the Andean countries are and will continue to be fully coordinated with the countries.

On economic issues, the two leaders reviewed President Bush's Enterprise for the Americas Initiative as it might apply to Colombia. Colombia was the first country to take up President Bush's offer to negotiate bilateral trade and investment framework agreements, and we have been holding discussions on this.

Statement on the Federal Budget Deficit

July 16, 1990

The midsession budget review shows the Nation is facing a budget deficit which, if Congress fails to act responsibly, will dictate a $100 billion across-the-board cut in Federal spending. Absent congressional action, this cut will go into effect automatically on October 1. Such a cut would be required by law.

If a fully responsible deficit reduction program is not enacted by the Congress, this automatic $100 billion cut will affect almost all that the Federal Government touches, from military readiness to air safety to vaccinations for children to programs for the elderly to drug abuse prevention to prison violence. It is, therefore, all the more important that the budget summit reach agreement promptly and that the Congress act responsibly to bring the deficit down.

Statement on German Membership in the North Atlantic Treaty Organization

July 16, 1990

I welcome President Gorbachev's statement, at his press conference with Chancellor Kohl, accepting a united Germany's right to choose to remain a member of NATO. This comment demonstrates statesmanship and strengthens efforts to build enduring relationships based on cooperation. It can be seen as a response, perhaps in part, to the outcome of the NATO summit in London, where the alliance displayed its readiness to adapt to the new realities in Europe and reach out to former adversaries in the East.

Five months ago, in February, Chancellor Kohl and I agreed that a united Germany should remain a full member of the North Atlantic alliance, including its military structures. East German Prime Minister de Maiziere joins us in supporting continued German membership in NATO. The Helsinki Final Act guarantees Germany's right to make this choice. And we think this solution is in the best interests of all the countries of Europe, including the Soviet Union.

Note: The statement referred to Mikhail Gorbachev, President of the Soviet Union, and Helmut Kohl, Chancellor of the Federal Republic of Germany.

Nomination of Wayne Lee Berman To Be an Assistant Secretary of Commerce

July 16, 1990

The President today announced his intention to nominate Wayne Lee Berman to be an Assistant Secretary of Commerce (Counselor). In this capacity, he will serve as the senior adviser on policy matters to the Secretary and will coordinate the external affairs of the Department of Commerce.

Since 1989 Mr. Berman has served as Counselor to the Secretary of Commerce in Washington, DC. Prior to this, he served as Director of the Commerce Department transition team; director of congressional relations for the Bush-Quayle 1988 campaign and for the George Bush for President campaign; and partner with the consulting firm of Berman, Bergner and Boyette, Inc., in Washington, DC. In addition, Mr. Berman has served as director of corporate and political affairs at the Center for Strategic and International Studies and as deputy to the director of the resources group for the 1980 Reagan-Bush transition.

Mr. Berman graduated from the University of Buffalo (B.A., 1978). He was born November 8, 1956, in Rochester, NY. Mr. Berman is married, has one child, and resides in Washington, DC.

Letter to Congressional Leaders on the Balanced Budget Amendment

July 16, 1990

Dear Mr. Speaker: (Dear Mr. Leader:)

I am writing to urge prompt adoption of H.J. Res. 268, which proposes an amendment to the Constitution to provide for a balanced budget for the United States Government and for greater accountability in the enactment of tax legislation. In order to help restore fiscal integrity to the Government, we need such a balanced budget amendment, along with a line-item veto constitutional amendment, and enhanced rescission authority for the President. Together with political courage and discipline, these tools are vital to solving the problem of budget deficits.

A constitutional amendment to require a balanced budget is the most fundamental change needed in the Federal budget process. A balanced budget amendment is both necessary and appropriate to protect the interests of citizens not now able to represent themselves: the citizens of future generations. The seriousness of this issue is reflected in the fact that more than 30 State legislatures have already called for a constitutional convention for this purpose. As for alternatives that would require statutorily a balanced budget, such alternatives are an inadequate substitute for a constitutional amendment.

Sections 2 and 4 of H.J. Res. 268 raise technical concerns related to the public debt and taxes, respectively. These concerns are addressed separately in a Statement of Administration Policy on H.J. Res. 268.

I am prepared to continue working with the Congress to enact meaningful, credible, and effective budget reforms. Adoption of H.J. Res. 268 will be an important first step toward this goal, which is crucial to our Nation's long term economic health and prosperity.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; Richard A. Gephardt, House majority leader; and Robert H. Michel, House Republican leader.

Remarks and a Question-and-Answer Session With the Magazine Publishers of America

July 17, 1990

The President. Apologies for keeping you waiting. Let me just open with a brief -- I don't want to filibuster -- but open with a brief statement on a word about Germany. And then I'll be glad to respond to your questions.

I talked this morning with both Chancellor Kohl and Mikhail Gorbachev and had a fairly long conversations -- about 30 or 40 minutes -- with each one. I feel that the agreement that was announced yesterday between Gorbachev and Kohl is very, very significant and very important, and I'd like to reflect on how we got -- I say ``we'' because the U.S. has been in the forefront of suggesting the best way for stabilization and peace would be a united Germany, a unified Germany as a full-fledged member of NATO. So, let me reflect on how we got here.

First, everybody had to recognize that this unification was going to take place, was going to happen, and that it was right. And you don't have to go very far back in your minds to remember there was some debate about the speed of unification and whether a unified Germany indeed would be a factor for peace. I remember telling the press last October, before the Berlin Wall came down, that when we said we supported German unity we really meant that, and we meant it without qualifications. After the East German elections in March, people began to realize that unification could actually occur this year, and my view was the sooner the better. And I know the German people have appreciated that stand by the United States.

And the second step was to put together a solid Western position on the external aspects of German unification. In February Chancellor Kohl and I had a very long talk out there at Camp David about the alignment of a united Germany, and we came out after those meetings and agreed unequivocally that a united Germany needed to remain in NATO, including its full membership in the integrated military structures. Prime Minister Thatcher and President Mitterrand, as well as other leaders in the alliance, developed a solid meeting of the minds on German unification.

And the third step, though, was to persuade the Soviet Union. And President Gorbachev and I discussed this in Washington. We discussed it in considerable depth on that Saturday up at Camp David. And then in our joint press conference, I said that I thought we both agreed that Germany should be free to choose the alliance that it would belong to.

President Gorbachev, if you remember, didn't challenge that; and we all thought that that was a good sign then -- the Soviet having been positioned, as you remember, against Germany in NATO. But he didn't challenge that idea that everybody ought to choose what alliance they want to be in.

We also had to show him that the NATO alliance was not his enemy but was a force for stability that could, indeed, adapt -- could, indeed, change -- adapt to the new realities in Europe. And that's why the recently completed NATO summit was so important, where all of our colleagues agreed to our proposals for the transformed alliance. And I'm very proud of my collaborators here -- the top foreign affairs and national security people, Jim Baker, Brent Scowcroft -- in formulating this position, this leadership position, on behalf of the United States.

I sent a paper around prior to the NATO meeting, and it was that paper from which everybody worked, and it became the basis for this agreement. Then yesterday, President Gorbachev commented that -- and here's what he said -- that without the ``very important impulse'' from the London Declaration it would have been difficult to make headway. So, the Soviets viewed the NATO agreement as something that was very important to them and demonstrated less of a threatening mode on the part of NATO.

Both Kohl and Gorbachev have displayed, I think, exceptional qualities of leadership during this challenging period. I commended -- as a politician -- commended President Gorbachev on the outcome of the Party Congress over there. You talk about a guy getting hit from all sides -- I mean, I felt just -- [laughter] -- totally relaxed about what's happening in this country.

So, anyway, I don't know -- but I must say, I take pride in the way Europe is moving into this new era of freedom. It's a goal that we Americans have long worked to achieve. We've still got some very important problems that lie out there ahead of us. But it's a challenging and very exciting time to be President of the United States, and I expect my other co-leaders in the alliance would feel that way. I'm not sure Mr. Gorbachev feels that way yet, but isn't it exciting when you think back a year and a half ago to where we stand today?

Now, with no further ado and without this opening designed to deflect you away from matters domestic, I'll be glad to respond to questions on any subject.

Yes, sir?

Media Literacy Campaign

Q. Mr. President, my name is Peter Diamandis, and I'm the chairman of the magazine publishers association. First of all, I'd like to thank you for spending some time with the representatives of the industry. We're planning a party next year -- this is sort of a statement, not a question. [Laughter]

The President. All right, I'll take it. [Laughter]

Q. Okay. We're going to plan a party next year. We're having a 250th anniversary of the first

magazine in America. It started in 1741, appropriately titled the American Magazine. This industry has now grown to 10,000 titles on every conceivable subject. And in honor of that celebration, we're going to devote a big part of our budget and our time to fighting illiteracy -- I know that's a big subject for you and your wife. I would just like for you to know that and hopefully support that in 1991.

And on that note, I'd like to introduce a fellow Texan, Mr. Reg Brack, who's the president of Time, Inc., magazine.

The President. Well, first, I'm delighted to hear that. And it is very important. This whole media support for the antinarcotics and for education, with literacy being in the forefront, has been dramatic. I will say this -- not to avoid my responsibilities as President, but it couldn't be done -- the Federal Government -- there are not enough chips around to do what your industry and others are doing on a pro bono, Thousand Points of Light basis.

Excuse me Reg, go ahead, sir.

Postal Service

Q. Well, Mr. President, first of all, I'd like to congratulate you on your most recent accomplishment regarding the German issue and the handling of NATO and the development of Europe in general.

I would like to take this opportunity, on the heels of yesterday's troublesome news about the deficit, to address some issues domestically. And in that respect, I hope you know that I'm sure all magazine publishers are supportive of the administration's apparent willingness to begin to seriously address the deficit crisis.

But in that respect, I'd like to just make a quick comment and then ask a question. The comment has to do with the fact that magazines are particularly dependent on two things if we're going to continue our contribution to America's knowledge and vitality and diversity. Those obviously are advertising -- and you just mentioned how advertising functions on some important national matters -- the other is the United States Postal Service. And since advertising is, by a large measure, the machine or the engine that drives the consumer demand in this country, we would all hope that you would agree that anything that constrains or restricts advertising of any kind is actually a restriction, really, on the free enterprise system.

As you can imagine, as an industry we're more dependent than any part of the knowledge business on the United States Postal Service. Now, we know we have to pay more; and in fact, the Nation, next year I believe, will be confronted with a cost for its mail $7 billion greater than it pays this year.

My question really has to do with your view of the Postal Service in general and, specifically, your position on the Postmaster General's strategic initiative to address costs in general and reduce labor costs in particular, because it's vital to the way the Nation gets its information.

The President. In the first place, I would obviously support bringing the Postal Service even more significantly into the end of this century. I mean, I think most people that look back historically have found that there are certain inefficiencies there. The whole concept of getting it more out of the political patronage business was to be able to overcome some of those inefficiencies. You people would probably be in a better position than I to judge how successful those efforts have been.

But certainly, I would be for encouraging the ultimate in that. I happen to not be fearful of the competition that has been brought to bear on the Postal Service. I know that some are critical of it, but on the other hand, I think it's a good thing. And I think if that's the way to stimulate efficiency, more efficiency on the part of the public side, the Postal Service itself, so much the better. So, it's a very general answer to a rather specific question, but clearly, I'd like to think the answer is in reducing costs through efficient management as opposed to raising more revenues to support what historically most people think has been politically abused and, to some degree, inefficient system.

Who's next? Yes, sir?

International Competitiveness

Q. Ed Torrero, executive editor, IEEE Spectrum magazine. I'd like to change the topic to international competitiveness, if I might. There are three technologies which are generally agreed upon to be essential to the national security. They are electronics, computers, and telecommunications. Their vitality depends on a vibrant commercial industry. Sir, are there any conditions or scenario under which you would support a somewhat more focused support of critical technologies by a stronger buttressing of commercial activities?

The President. I'm not sure I understand what you mean by ``buttressing commercial activities.'' I mean, clearly, you put your finger on the future. And what we are trying to do, recognizing America's historic ability to lead in these areas, is to open up markets. But I'm not sure I understand what you mean in buttressing -- --

Q. If I might clarify. In the commercial area, there have been three specific examples in recent years where we may have been able to do something in terms of public policy, but thought better of doing it. One is in the supercomputer area, where we've lost some companies; another is in HDTV, where the former speaker gave some information; and a third is -- if I may continue the specifics -- in the area of semiconductor equipment manufacturers, which was almost lost to this country. A government agency recently predicted, therefore, that by 1994 the Japanese will,

among other Asian technologies, dominate this particular area. So, the previous speaker outlined a very exciting program to help R&D and so on. The question is: Is that enough in time?

The President. I think it's enough in time for the Government. In other words, we are trying to take a look at antitrust to see that we're not giving our producers and our industries a disadvantage. We are trying to open up markets so that we can compete, and we are putting a lot of emphasis on research. I forget the total budget figure for research this year, but it's enormous, not just as it relates to electronics, computers, and telecommunications. But I think that I would draw the line in terms of R&D and then trade policies that give us a chance to compete.

I've just come from an appeal by a United States Senator for support on -- this is a little off your question -- for the textile industry, to protect the textile business further. And I can't do that. I can't say that I think the answer to the problem of textiles is further protection. Nor can I say that I think the answer to these three very important elements of our technology is further protection. So, that leads you then to R&D and to opening the markets abroad.

Fundamental Values

Q. Mr. President, I'm Jim Guthrie of the MPA. I'd like to address you as our spiritual leader who would like to keep us looking ahead. We're coming out of a decade that could probably be politely defined and characterized as one of self-indulgence and immediate gratification. There were inquisitive yuppies. There were junk bond LBO's that led to certain decrements in our own economic fabric. There were Wall Street convictions. And now we're at the S&L crisis. Secretary Mosbacher talked about the Baldrige Award. You've talked about a Thousand Points of Light. What else is going on that will keep us looking ahead to the quality and the value that we're talking about restoring to all areas of our life?

The President. You know, I've never been too pessimistic about America in this regard. I'll make you a slight confession: I still am trying to find the appropriate way to discuss, using the bully pulpit of the White House, these matters you talk about -- talking about religious values, family values, or whatever. I think there is a danger that one can overdo it, and yet I think it's appropriate that the President try to not only adhere to those values but to discuss them.

Having said that, I'm not pessimistic about America. We go through cycles. We went through a cycle in the Vietnam war where our own sons and, to some degree, daughters were told that our cause was immoral -- people feeling as strongly as they did. I was old enough or blind enough, or whatever, not to accept that view. I still don't accept that view, because when I look at Southeast Asia and I see a Vietnam where the charge was against us -- if we'd only get out; this is an indigenous civil war; you'd have a little more democracy there -- that hasn't worked out that way. And in your line of work, where there were many publications, there are now but a few. And you see, still, people going out in these boats.

But the point is, as it relates to your question, we had a generation of Americans that were taught about a deep conviction by professors and politicians and others that our purpose, our cause, was wrong. And then we condoned as a society certain excesses that we should have condemned. And I'm talking about an elevation of understanding about narcotics, for example, which gets right to the core of values.

Well, you've got to understand. I even think that we condoned graffiti as an expression of people's -- wasn't this marvelous -- creativity, when all it was, was littering and cluttering up not exactly beautiful subway cars but -- [laughter] -- nevertheless, we condoned things we should have condemned. I have confidence that the country goes somewhat cyclically, but always moves forward to our fundamental values.

I'm not discouraged about it. I wrestle with things that I think are important -- and I don't want to get into a debate with you all about the flag amendment. I happen to feel strongly about it, and I'd like to see the debate done so you could do it without having to call the other guy a demagog. I may be wrong, but I feel strongly about it. And I've fought for it because I do think there was a unique symbol there. And there's pretty good understanding on the part of the American people. The debate can go on without denigrating the other person's convictions that disagrees or feels that amending the Bill of Rights or the Constitution would be an egregious error.

But I keep coming back, as I listen to the debates on all these questions -- the National Endowment of the Arts -- all of them -- that we have a way of finding our way through, in the United States, these -- what appear to be -- dilemmas or these challenges. And the reason is, I think, there is a fundamental understanding that we are one nation under God, that we have great respect for religion diversity, and that as we see the social problems of the day we return more and more to the importance of the family.

So, I don't know what we can do about it. I want to be very careful about censorship and about demagoging these issues, whatever they are. But I don't feel that I ought to address myself, in a legislative sense, to helping with this question because I think we can sort it out as people. And I'm confident not only of our decency and honor as a country but of our tremendous generosity as a country. We've got some big problems here at home, and I've got to address myself perhaps more effectively to some of those. But I don't put down one of them the weakening of the moral underpinning of this country. I hope I'm right.

Here we've got a couple of more. I was late getting over. Yes? [Laughter] Thank you, Kristin [Kristin Clark Taylor, Director of White House Media Relations]. I don't want to overrule my leader here. [Laughter] She'll kill me when we get out of here.

Federal Budget Negotiations

Q. Mr. President, I'm Tom Ryder, from American Express. After yesterday's disappointing budget

news, does the administration's game plan on deficit reduction change?

The President. No -- --

Q. Where do we go from here?

The President. The news in the Congress has been somewhat discounted because the numbers have been shared with them. And that news is one of the reasons I tried to make very clear that we would go with no preconditions to these talks.

We're getting to a crunch. The debt ceiling vote is going to drive some of the action. I'm still optimistic -- or put it this way, fairly optimistic that we're going to get a budget bill. But it can't be on one side of the equation or not. By that I mean it can't be done by all spending increases, it darn sure can't be done by revenue increases, and it cannot and will not be a budget agreement unless we get budget reform. The American people ought not to be asked to put a Band-Aid on a problem because of the budget process on Capitol Hill.

So, we've got three ingredients to the question, and I think we're going to have to move forward on all three of them. I believe that we can get something done, and I think it is essential, given yesterday's public news -- which I think has been discounted by the budgeteers -- but I think it is absolutely essential something be done. I will do my part. And I have felt constrained on talking about what kinds of revenues or what kinds of spending cuts or what kinds of reforms because I made a deal with the congressional leaders that I wouldn't do that.

As I said as I departed for Camp David the other day, I'm perhaps the only guy in town abiding by those constraints -- [laughter] -- which isn't all that bad. Because people on both sides of the aisle feel strongly. We've got to make progress. And given yesterday's news, Tom, it is essential. The time for game playing is over. And we have to get something done that is not only a sound budget agreement but is seen by the American people to be a sound budget agreement. And I worry that if we don't get one -- about the confidence in the marketplace that, obviously, you know a good deal more about than I do.

So, we will be pushing in the next couple of weeks. And the meter is running. We're getting close to adjournment of the Congress. And we're getting close to a deficit ceiling that has to be raised. But I'm very serious about it, and I will stay with them just as long as is required to get a sound deal.

But the news is disturbing. It's big. It's strong -- most of it or a lot of it coming because the economy has been more sluggish. But I still feel -- and I'm going to filibuster here -- but I still feel that there isn't quite the acute awareness on the part of the average American as deserves to be there. And maybe that means I'll have to do a little bit more once I feel unfettered from my agreement with the leaders.

Let me take three more, and then I will go peacefully.

Space Program

Q. Mr. President, Terry McGraw, McGraw-Hill. Since the completion of the Apollo space program, the U.S. space program has seemingly struggled for a definitive notion of its mission. Could you comment on your priority the space program has in your agenda and, more specifically, what your expectations are in this new investigation of NASA?

The President. One, I have great confidence in Dick Truly, the Administrator of NASA. And so, to lay that part of the question to rest, what we are doing is asking him to form an outside committee of the best minds he can find to look to the future, not go try to assign blame because a mission is delayed getting off the ground. I mean, these shots are highly complex. We have been the leaders in space, and I want to see us continue to be the leaders in space.

So, the group that was advertised a couple of days ago or heralded as an investigation of NASA is nothing of the kind. I saw the stories and, once again, went semiballistic, thinking, my heavens, how could somebody write this when that is not what the President intends? But I think the Vice President, who is doing a good job as head of the Space Council, clarified that.

In terms of goals, we've got some broad objectives that go far beyond lunar landings now. But the first one obviously would be this space station, but with continued shots back and forth to do what's almost becoming journeymen's work in space. I'm confident we can do it. Obviously, we're in tight budget times, so we've set the goals for Mars and beyond out there many, many years. But I have confidence in NASA. And it's a perilous business, I guess, anytime you put people up there into space; but the record has been very good.

And yet, I think the management is such a complex -- it's such a complex organization that it is appropriate that the Administrator now call on the best minds he can find to see how we're going to meet these next goals and meet them, hopefully, within budget. And I'm talking about the space station; I'm talking about what Sally Ride [shuttle astronaut] talked about, Mission to Planet Earth, where we actually utilize to the fullest extent possible space shots in improving matters on Earth -- obviously, the environment comes to mind, and agriculture comes to mind. And then taking that third step, how do we organize NASA to meet this big, tremendous management challenge that will come about for this next quantum leap forward -- and discuss the cooperation with other nations in all of this.

I mean, as the whole world is changing -- and it has dramatically changed -- there may be some real opportunities now to do more with the Soviet Union, for example, or with other countries. So, all of this requires a new look, and that's what this story was about.

Two more. Who's got them? Right here. Yes, sir?

South Africa

Q. Mr. President, Ed Lewis, publisher of Essence magazine. Mr. Nelson Mandela, who has visited us, had great impact on many Americans. What are you doing to -- or are you -- doing to negotiate an agreement between Mr. Mandela and Mr. de Klerk [President of South Africa] to facilitate a hopeful, peaceful resolution for all South Africans?

The President. What we're doing now is encouraging Mr. de Klerk to come here. And I think it is important, having had good visits with Mr. Mandela -- and they were good, and I'll tell you about that in a minute -- that de Klerk come here. It will be somewhat controversial. There will be a lot of picketers out here. I think they're wrong. I think in de Klerk you have a new kind of leader in South Africa.

I detected quite a respect on Mandela's part for de Klerk. And thus, I have concluded that it is important for the President to sit down with Mr. de Klerk. In the meantime, why, we're having a lot of diplomacy going on as to how we can encourage further change on the part of South Africa towards the elimination of apartheid.

We are not going to change our sanctions position until there is more progress. And you can argue that. I've sometimes felt that sanctions might be counterproductive, but I'm not going to change them now. And I think we're right -- nor am I going to strengthen -- nor am I going to acquiesce in their being increased right now. And I think that position is understood by Mandela as head of the ANC [African National Congress], and I think it's understood by de Klerk. They may not agree with it.

So, that's about where we are. I will say that the visit with Mr. Mandela was very interesting. I had a long talk with him over here, and then took him and his wife over for lunch. What impressed me -- this is kind of a personal observation and off the substance -- is how a man who had been incarcerated for so long could retain this quiet sense of dignity and, I thought, reasoned understanding. I disagree with him on, at this juncture in history, the use of violence. He made his position clear. And I happen to think that my position is correct for the United States to keep emphasizing peaceful resolution to this question as opposed to a violent one.

But I talked to him very frankly about the differences we have on Castro [President of Cuba] or Qadhafi [leader of Libya], and yet he didn't take offense by that. But I felt if these talks are going to be meaningful at all, you might as well tell him what he's running into in the United States in terms of Castro, Qadhafi, Yasser Arafat [leader of the Palestine Liberation Organization].

So, we had a good, frank discussion; and I hope that he went away -- I think he did -- he called me up just before he left -- with a feeling that the United States Government had been responsive

and certainly interested. And we'll see where we go. But I think more than any of the European countries we can be catalytic. We were not a colonial power, and we are united in our opposition to apartheid. And then we have an Afro-American population here that feels fervently -- this is a gut issue. And I think that's a good thing. That might not be quite as prominent in other countries as well.

So, I think those ingredients make our country uniquely able to serve as a catalyst between the various factors in South Africa, and that's what I want to try to do.

Last one. Who's got it? Yes, ma'am?

President's Reading Habits

Q. Marie Petersen, Crafts 'n Things magazine. Our business is communicating via the written word. But many of us in this room are so busy doing our business we don't have time to read. When you have time to read, Mr. President, what is it that you choose to read for pleasure?

The President. What do I read as President?

Q. And for pleasure.

The President. For pleasure? Thank God you added that, because -- [laughter] -- because really, this job is -- and I don't want to single out -- well, he's not even here to defend himself -- but his able deputy and my trusted friend, Bob Gates [Assistant to the President and Deputy for National Security Affairs], is here from the National Security Council -- and Brent Scowcroft, who's not here. Part of the job -- I'll address myself just to the concept of reading -- is endless numbers of papers. I do better getting briefed in person where I can ask questions of our Cabinet or of our national security team, but I have to have reading ahead of that. So, most of my reading is formal and heavy going. But in terms of process, I have enough confidence in our people that when they take those yellow, underlining-highlighting pens, they can take a 40-page document and convert it into 10 pages of reading. I cite this as process.

And it's not just foreign affairs. It's Bob Mosbacher's business or Dick Darman's business, the budget stuff. And so, there's plenty of that to do. The CIA, in which I have great confidence, has some marvelous studies of things all round the world. They've got a good economic part of the house out there. So, I have to do a lot of that reading.

What I do in terms of pleasure is to read mostly novels, some of them not so -- I wouldn't say that they would be particularly weighty. ``Bonfire of the Vanities'' is one which was pretty darn good and was up near the top of the list. I'm reading ``Network News'' right now. I'm halfway through that. I read a couple of books on Teddy Roosevelt. I'm reading Caro's ``Lyndon Johnson.'' I say reading -- I've got about two or three books going right now. There's a plain mystery by a guy

named Beschloss called ``Mayday'' that I started and put aside because Barbara gave me the other one. [Laughter] But it's relaxed reading. It is relaxed kind of reading, and it's novels. I find I can do that just before -- instead of taking one of these Halcion sleeping tablets, a good novel will help. [Laughter]

But I wish I could tell you that I was doing more serious historical reading; I am not at this moment.

Listen, thank you all very, very much for coming, and I'm glad to have had this opportunity.

Note: The President spoke at 11:35 a.m. in Room 450 of the Old Executive Office Building. In his opening, remarks, he referred to Chancellor Helmut Kohl of the Federal Republic of Germany, Prime Minister Thatcher of the United Kingdom, and President Francois Mitterrand of France. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the President's Meeting With British Labour Party Leader Neil Kinnock

July 17, 1990

The President met for about 35 minutes this afternoon with the leader of the British Labour Party, Mr. Neil Kinnock, in a wide-ranging discussion of East-West relations, including the just-concluded summit meetings in London and Houston. The two men had a good exchange of views. It was the first opportunity in this administration for the President to meet with the leader of Britain's opposition.

The President expressed his pleasure with the July 16 announcement after the Kohl-Gorbachev meetings that the Soviet Union was prepared to accept a united Germany as a full member of NATO if that was the German choice. The President emphasized his support for the continuing process of reform in the Soviet Union. While the London summit had shown the alliance's readiness to adapt to the new European realities, the President stressed that the United States remains fully committed to the North Atlantic alliance.

Following his meeting with the President, Mr. Kinnock was scheduled to meet separately with Vice President Quayle and the national security adviser, Gen. Brent Scowcroft.

Remarks to the National Council of La Raza

July 18, 1990

Thank you all very much. Well, thank you so much for that welcome. I'm delighted to be here, and I had a little visit in the hall with the jefes [chiefs], Raul and Tony -- [laughter] -- and Rita, Patricia -- gave me the warm welcome. And I rode over here with Dr. Cavazos, our Secretary of Education, who is with us and of whom I'm very, very proud. And, of course, I'm delighted to see Lou Sullivan, who's doing a superb job over at HHS, a major position in our administration.

I shouldn't quote Larry Cavazos, but he says, ``You know, it's a strange world." He says, ``Here I am Secretary of Education for the United States, and I just met with the Minister of Education from Mexico. The Minister from Mexico's name is Bartlett; the Secretary from the United States' name is Cavazos." So, I tell you -- [laughter] -- things are really moving.

But again, I'm very proud of him. And I am grateful for this opportunity to appear before this distinguished group, to greet the National Council of La Raza, and pleased to see so many distinguished leaders from America's Hispanic service, education, and business communities, all gathered here in our Nation's Capital. And I want to thank the person whose brilliance, foresight, and tenacity made this July gathering in Washington possible. I'm talking about the man who invented air conditioning. [Laughter] It is hotter than blazes out there! [Laughter] And I'm delighted to be here.

Something about me, I'll tell you. It was hotter than blazes in Houston last week. We should have known it was coming because the weatherman that we consulted was the same guy who set up our summit with Gorbachev at Malta. [Laughter] Some of you may remember that one.

But today, I did want to drop in -- I'm on my way out to California in just a little bit -- but to welcome you to Washington and really to tell you how important I believe and our administration believes your efforts are.

I mentioned Dr. Cavazos and, of course, Lou Sullivan. But I also wanted to salute an old comrade of mine in Congress, now a Secretary: Manuel Lujan, from New Mexico, the Secretary of the Interior. But he and Larry, outstanding Cabinet Secretaries, they do represent not only the new energy and, I would say, leadership Hispanic-Americans are bringing to our country but also two of the most important priorities: the protection and use of our natural resources and the excellence in education -- the quest for all-across-the-board excellence in education. And, indeed, our administration has made educational assistance for Hispanic-Americans one of the top priorities of our campaign to revive national educational excellence. And you heard from Larry yesterday in some detail, I understand. But, look, we will seek and we will demand educational excellence for all America, and that means reforms, like giving parents a choice in their children's education and educational excellence for all Americans.

Let me just touch -- without being redundant here and repeating what Dr. Cavazos has said -- on just a few of our most important efforts. Last December, we launched a new effort specially designed to assist Hispanic-Americans and developed in part with the assistance and advice that we received from many right here at this table and in this room today. They helped us develop -- you all helped us develop this program. And I directed our Secretary of Education to form what we call the Hispanic education task force. And it is aimed not only at identifying educational obstacles but also -- and I'd say this is more a part of it -- educational opportunities. Larry has told me that the work of the task force is well underway, seeking new ways to improve Federal education programs that basically serve Hispanic-Americans and seeking ways to make them better. We need to focus on finding solutions.

And you who are a proud part of the La Raza tradition have also been one of those solutions, efforts like Project Second Chance, the Family Reading Program -- and I wish Barbara Bush were here to tell you how moved she is by that effort on a nationwide basis -- and Project EXCEL, all designed to help Hispanic community organizations become effective partners with the schools. And they're already making a difference for thousands of young Americans. And, look, I view it as a national goal that this unacceptable dropout rate for Hispanic kids come down, way down below the national average.

I don't want to overstay my welcome. I was told to have very brief remarks, and our time today is short. And if I'm not out of the hotel by 2 o'clock, they'll probably charge me for an extra room. [Laughter] So, another day, you know. [Laughter]

Let me just address briefly one of the most important priorities of our administration, and this is a current subject: helping to build a better America where the doors of opportunity are open to every citizen and every child. And I hope you know where I have stood and always stand on the civil rights matters. And the Civil Rights Commission has been reauthorized. I think that's proper. The Hate Crimes Statistics Act is now the law of the land. And I will sign another, I would say, historic piece of legislation next week, and I'm talking about the Americans with Disabilities Act.

And for the past several months, we have been working diligently to make another civil rights law a reality. And I met with many of you at the White House back in May -- several of you -- Mario Moreno of MALDEF, Mexican American Legal Defense and Education Fund, you know him. Jesse Quintero of LULAC was there. Raul was there. But I told Raul that I wanted to sign the civil rights bill of 1990 and not a quota bill of 1990.

Morris Abram, a very respected American now serving as an ambassador over in Geneva, but really I think it's fair to say known as a champion of civil rights, recently wrote me about the bill that's before the Congress right now, urging me to oppose the bill as currently written. And he told me, look -- here's this quote: ``All my life, even in the darkest days of segregation in Georgia, I fought against the principle of color preference, then known as white supremacy." This bill, he pointed out, would ``achieve precisely what the '64 Civil Rights Act stood four-square

against."

And he recalled Frederick Douglass' famous statement of 1871. And here was that quote: ``Equality of numbers has nothing to do with equality of attainment." And we all know quotas aren't right. They are not fair. They divide society instead of bringing people together. And as leaders and representatives of the Hispanic-American community, I owe it to you to see that this legislation does not say to the young kids, you only fit in if you fit into a certain numbered quota. That is not the American dream.

And I gave Raul a commitment back in May that I want desperately, I want very much, to sign a civil rights bill. And I did then, and I still do. And yesterday's announcement marked only the end of a chapter, not the end of a campaign, because today I just met with some on the Republican side of the aisle. Talks are still going on. And we renew the fight for a civil rights bill that I can sign. But I want to ask for your help to make the changes. And we're talking now about legal changes -- they're relatively small -- to make the changes needed to ensure that a bill does not result in quotas that could somehow inadvertently work to the detriment of the very kids you all are trying to help, changes needed to ensure a bill that will protect the rights of all Americans and injure the rights of none.

From the time it was first launched in '68, your National Council, Council of La Raza, has played a unique role in helping to improve opportunities for Americans of Hispanic descent. I know sometimes you see only the problems out there, and it's proper you keep them in focus, but I think the success of your efforts is evident in the many success stories that are represented throughout this room. And so, I came over here today to salute you for the important work that you do. By working today for Hispanic-Americans, you're building a better tomorrow for all Americans.

As President of the United States, I want to do my part. I want to lead for equity. I want to lead in the field of education. And I again am grateful for the support I receive there. I want to take the crusades that Dr. Sullivan is involved in to get better health care out there for our people and be as of the much leadership and support for those initiatives as I possibly can. And some of you know that with me this is more than a passing interest. And I would just say to you, keep up the good work for La Raza. It inspires the American people. And I want to do my part.

Thank you all, and God bless you. Thank you very, very much.

Note: The President spoke at 1:17 p.m. in the Regency Ballroom at the Omni Shoreham Hotel. In his remarks, he referred to Tony Salazar, Raul Yzaquirre, Rita DiMartino, and Patricia Asip, chairman, president and chief executive officer, and executive committee members of the national council of La Raza.

Exchange With Reporters Aboard Air Force One

July 18, 1990

The President. -- -- say welcome. No questions, of course, because we've just finished this press conference, and you know -- --

Q. Press conference?

The President. Well, 2 days ago, that one that we had, the one with the magazine editors. Had the one with -- --

Federal Budget Negotiations

Q. How did the budget meeting go?

The President. Well, we've agreed to meet again Monday, and we'll see how it goes. A lot of work still to be done.

Q. Did you make any progress?

The President. Well, I think every time we sit down we get rid of some of the differences. But in the meantime, Dick Darman is going to have more meetings with Dick Gephardt [House majority leader], who, incidentally, I will say is, I think, doing a first-class job -- both Dick Darman and Nick Brady on our side, and certainly, Dick Gephardt trying to hold this big group together and lead it. And I think we all owe him a vote of thanks for the way he's proceeding as chairman of the process.

But, no, we've still got some problems out there. But they're going to be meeting while we're on this trip, and then we'll get back together early in the week.

Q. Do you have basic agreement yet just on the outlines, on the size of the package?

The President. Well, that's what Darman and Dick Gephardt are going to be talking about further. We've had some discussions, and the way it was outlined to me, there's some agreement, but I don't think you can call it total agreement at this time.

Q. Are you more optimistic now than previously?

The President. Well, it's hard to say; it's hard to quantify that. But it's not a question of optimism or pessimism; it's a question of having to get this done. The deficit problem is so serious that

there must be a bipartisan, responsible answer. And I will keep saying that and keep encouraging the White House negotiators and the Republicans to go forward, but it's hard. It's a good question, and I don't know how to answer it.

Q. Did you do taxes today?

The President. We just had the kinds of discussions I talked to you about, about getting the problems in shape. And there's five major ingredients, and all of them are being discussed.

Thank you all. I hope you have a wonderful trip out here.

Richard M. Nixon Presidential Library

Q. Are you glad to be honoring Richard Nixon?

The President. What?

Q. Are you glad to be out here for Richard Nixon?

The President. I'm very pleased to be going to this dedication of this library, and I'm very pleased that President Nixon's daughter is with us. And I only regret that a previous commitment on the part of Mrs. Nixon and President Nixon prevented them from being with us today. Yes, I'm glad to be going out.

Note: The exchange occurred in the afternoon while the President was en route from Washington, DC, to Anaheim, CA. A tape was not available for verification of the content of these remarks.

Nomination of Steven B. Kelmar To Be an Assistant Secretary of Health and Human Services

July 19, 1990

The President today announced his intention to nominate Steven B. Kelmar to be an Assistant Secretary of Health and Human Services for Legislative Affairs. He would succeed Gerald L. Olson.

Currently Mr. Kelmar serves as Principal Deputy Assistant Secretary for Legislative Affairs at the Department of Health and Human Services in Washington, DC. Prior to this, he served as an administrative assistant for Representative Sherwood Boehlert, 1982 - 1989; deputy assistant for Representative George C. Wortley, 1981 - 1982; special assistant to Senator S.I. Hayakawa, 1979 - 1981; a lead advance representative in the Office of the Vice President, 1983 - 1989; and campaign manager for Boehlert for Congress, 1982 - 1986.

Mr. Kelmar graduated from Pennsylvania State University (B.A., 1979). He was born May 6, 1953, in Philadelphia, PA. Mr. Kelmar resides in Alexandria, VA.

Remarks at the Dedication of the Richard M. Nixon Presidential Library in Yorba Linda, California

July 19, 1990

The President. Thank you all very, very much. What a wonderful reunion. And I am very proud to have been introduced to this gathering by Ronald Reagan. I know how I got here. [Laughter] President Reagan is my mentor and my esteemed friend, and I will always be grateful to him.

But to President and Mrs. Nixon, Barbara and I are delighted to be with you on this memorable day. My special greetings to all my predecessors -- to President and Mrs. Reagan, to President and Mrs. Ford -- to members of the Nixon family, who are right out here; to Secretary Simon, who has done such a superb job on all of this; to my current Secretary of Commerce, Bob Mosbacher; and of course, to our old friend, your own Governor, George Deukmejian; to all these Cabinet officials out here -- former Secretary Haig and Secretary Schultz, and I'm told that Chief Justice Warren Burger was there -- all the senior members of the Nixon administration; of course, all of our friends -- Reverend Billy Graham and Reverend Peale and Ambassador Moore, all the way from Ireland, and Ambassador Annenberg and Ambassador Zhu-qizhen of China -- welcome, sir -- to Hugh Hewitt and Vicky Carr, and ladies and gentlemen. Thank you, Mr. President, once again, for that introduction.

I'm not sure, President Reagan, whether it's you or me that attracted this noise over here; but I remember as Vice President, you had your share of this kind of attention. [Laughter] But let me just say to all of you: Our thanks for the privilege of helping to dedicate this beautiful library of the 37th President of the United States of America.

To Lincoln, the Presidency helped play, as he put it, ``America's mystic chords of memory." Shall we wait just one minute? And to Teddy Roosevelt, the Presidency meant the ``bully pulpit" -- calling on America's boundless energy. And it was Dwight Eisenhower, beloved Ike, who described its power ``to proclaim anew our faith" and summon ``lightness against the dark." To occupy this office is to feel a kinship with these and other Presidents, each of whom in his own way sought to do right and, thus, to achieve good. Each summoned the best from the idea we call America; and each wondered, I suspect, how he could be worthy of God and man.

This year an estimated 1\1/2\ million people will visit Presidential museums and libraries, exploring the lives of these Presidents, passed down, like oral history, from one generation to another. And they will see how each President is like a finely cut prism with many facets -- their achievements and their philosophy, their family and their humanity.

For instance, not far from here, as we've heard, visitors will soon see the library of my distinguished predecessor, the 40th President of the United States, and Mrs. Reagan. President Reagan, we will not soon forget how you truly blessed America.

Look next to Michigan, where a museum and library honor the 38th President of the United States, Gerald Ford, and Mrs. Ford. An entire nation is grateful for your decency, your leadership, and your love of country.

And tomorrow morning the first visitors will enter our newest Presidential library; and they will note that only F.D.R. ran as many times as Richard Nixon -- five -- for national office, each winning four elections, and that more people voted for Richard Nixon as President than any other man in history. They will hear of Horatio Alger and Alger Hiss; of the book ``Six Crises''; and the seventh crisis, Watergate. And they will think of Checkers, Millie's role model. [Laughter] And, yes, Mr. President, they will hear again your answer to my ``vision thing'' -- ``Let me make this perfectly clear.'' [Laughter]

And many of these visitors will know of your times as President, perhaps as tumultuous as any since Lincoln's, and of your goal as President: a world where peace would link the community of nations. And yet others, young visitors, will not remember the years 1969 to '74. They'd not even been born when Richard Nixon became President. So, to help them understand our 37th President, here is what I would tell those who journey to Yorba Linda.

I would say first: Look at perhaps the truest index of any man -- his family. Think of his mother, a gentle Quaker, and his father, who built their small frame house that we see less than 100 yards from here, and his daughters, Patricia and Julie. Any parent would be proud of children with the loyalty and love of these two women. And think finally of a very gracious First Lady, who ranks among the most admired women of postwar America, the woman who we know and love as Pat.

As First Lady, we remember Pat Nixon championed the Right To Read program, helped bring the Parks To People program to the disadvantaged. She refurbished the White House and opened it to more people than ever before. And she was our most widely traveled First Lady, visiting five continents and 22 nations, overcoming the poverty and tragedy of her childhood to become a mirror of America's heart and love. And when, in 1958, foreign mobs stoned the Nixons' car, she was, an observer said, ``stronger than any man.'' And yet it was also Pat who moved pianist Duke Ellington at a White House dinner to improvise the melody -- ``I shall pick a name,'' he said, ``gentle, graceful, like Patricia.'' Mrs. Nixon, the Secret Service called you Starlight, and your husband has said it best: ``You fit that name to a T.'' So, once again, I won't ask you to stand up again -- you've already done it. But let us show our appreciation for the grace and the beauty that Pat Nixon brought to the White House. [Applause]

And then next I would say to visitors here: Look at Richard Nixon the man. He had an intellectual's complexity. Knowing how you feel about some intellectuals, Mr. President, I don't mean to offend you. [Laughter] But he was an author -- eight books, each composed on those famous yellow pads -- who, like his favorite author, Tolstoy, admired the dignity of manual labor. And he worked in the most pragmatic of arenas, and yet insisted that politics is poetry, not prose.

And he believed in love of country and in God, in loyalty to friends and protecting loved ones. And he was also a soft touch when it came to the kids -- believe me, I can empathize with that.

Let me repeat a story which President Nixon himself enjoys -- I hope he enjoys it. One day, greeting an airport crowd, he heard a young girl shouting, ``How is Smokey the Bear?" -- and at that time living in the Washington zoo. And the girl kept repeating the question. And not understanding her words, the President turned to an aide for translation. ``Smokey the Bear," the aide mumbled, pointing to the girl, ``Washington National Zoo." Triumphant, President Nixon walked over, extended his hand and said, ``How do you do, Miss Bear." [Laughter] I'd be the last to criticize verbal confusion. After all, I confess, some say English is my only foreign language. [Laughter] President Nixon -- the point is -- he was merely being kind, just as he mailed those handwritten letters to defeated rivals, like his friend Hubert Humphrey, or saw that when the POW's returned home in early '73 to a White House dinner each wife received a corsage.

Just as Richard Nixon was extraordinarily controversial, he could also be uncommonly sensitive to the feelings of other people. This brings me to what I would next tell those who travel to Yorba Linda. What President Nixon said of Dwight Eisenhower in a '69 eulogy was true, also, of himself: ``He came from the heart of America, not geographically, perhaps, but culturally." And Richard Nixon was the quintessence of middle America and touched deep chords of response in millions of our citizens. As President, upholding what he termed the ``silent majority" from Dallas to Davenport and Syracuse to Siler City, he loved America's good, quiet, decent people. And he spoke for them. He felt deeply on their behalf. Theodore White would say: ``Middle America has been without a great leader for generations, and in Richard Nixon it elevated a man of talent and ability." For millions of Americans, this President became something they had rarely known: a voice speaking loudly and eloquently for their values and their dreams.

And finally, and most importantly, I would say to visitors: Richard Nixon helped change the course not only of America but of the entire world. He believed in returning power to the people -- so he created revenue sharing -- and that young people should be free to choose their future -- so Richard Nixon ended the draft. And he helped the United States reach new horizons in space and technology. He began a pioneering cancer initiative that gave hope and life to millions. And he knew that the great outdoors is precious but fragile, and so he created the Environmental Protection Agency, a historic step to help preserve and widely use our natural resources.

And all of this Richard Nixon did, and yet future generations will remember him most, in my view, for dedicating his life to the greatest cause offered any President: the cause of peace among nations. Who can forget how he endured much in his quest for peace with honor in Vietnam. He knew that true peace means the triumph of freedom, not merely the absence of war. And as President, he served this country's special mission to help those around the world for whom America has always been a morning star of liberty, engaging in diplomatic summitry and helping change the postwar bipolar globe.

Who can forget how in Moscow Richard Nixon signed the first agreement to limit strategic nuclear arms, giving new hope to the world for lasting peace, or how he planted the first fragile seeds of peace in the Middle East. And Golda Meir [former Prime Minister of Israel], whose statue is inside, credited him with saving Israel during the Yom Kippur War. And even now memories resound of President Nixon's trip to China -- the week that revolutionized the world. No American President had ever stood on the soil of the People's Republic of China, and as President Nixon stepped from Air Force One and extended his hand to Zhou En Lai, his vision ended more than two decades of isolation.

``Being President," he often said, ``is nothing compared with what you can do as President." Mr. President, you worked with every fiber of your being to help achieve a generation of peace. And today, as the movement toward democracy sweeps our globe, you can take great personal pride that history will say of you: Here was a true architect of peace.

Yes, there have been literally millions of words written about this President, but let me close with a passage from the President himself that comes from his first Inaugural Address, January 20, 1969, where the new President spoke of how the greatest honor history can bestow is the title of peacemaker. And he began by noting that within the lifetime of most present mankind would celebrate a new year which occurs only once in a thousand years, the start of a new millennium, and that America had the chance to lead the world onto that high ground of peace that man has dreamed of since the dawn of civilization. And finally, Richard Nixon concluded, ``if we succeed, generations to come will say of us that we helped make the world safe for mankind. I believe the American people are ready to answer this call," he said.

Mr. President, you helped America answer its summons to greatness. Thank you for serving the cause of peace. God bless you and your wonderful family. And now it is my honor, as President of the United States, to introduce the 37th President of the United States, Richard M. Nixon.

Note: President Bush spoke at approximately 10:55 a.m. outside of the library. In his opening remarks, he referred to William E. Simon, Secretary of the Treasury during the Nixon administration and head of the foundation responsible for the Richard M. Nixon Presidential Library; Alexander M. Haig, Jr., national security adviser to President Nixon and Secretary of State during the Reagan administration; and George P. Shultz, also Secretary of the Treasury during the Nixon administration. President Bush also referred to the shouting of hecklers present at the ceremony. Presidents Gerald R. Ford, Ronald Reagan, and Richard M. Nixon also spoke at the dedication ceremony. Following the library's dedication, President Bush had lunch with President Nixon. Earlier in the morning, President Bush attended a fundraising breakfast in Anaheim for the California Republican Party.

Remarks at a Fundraising Dinner for Senatorial Candidate Larry Craig in Boise, Idaho

July 19, 1990

What a great crowd. My heavens, this is wonderful! Thank you all. Please, be seated. Thank you all very much. Larry, thank you. I hope you enjoy your dinner tonight. Rest assured, the Idaho potato is one vegetable I approve of. [Laughter] But I'm not going to put myself at risk that the other vegetable might be served, so I have to leave before dinner. [Laughter] I hope you'll forgive me. But thank you all, really. You have a wonderful way of making me feel at home.

I want to salute Steve Symms, a great Senator, fierce advocate for Idaho and, indeed, for the fundamental principles of the United States. I want to salute the Lieutenant Governor, an old friend of mine, Butch Otter. I see my fellow aviator down there, Pete Cenarusa. He presented me with a model of the plane I flew a thousand years ago. The only good news is he got his wings 3 months before I did, so he's older and perhaps more experienced. I want to salute the attorney general, Jim Jones; State Treasurer Edwards; and also Roger Fairchild, our distinguished nominee for Governor of this State -- and I want him to win. I want him to win the governorship. Our outstanding successor -- and this has to be also -- successor to Larry Craig, Skip Smyser -- we want to see him hold this seat that's so important to us. And we have another superb candidate running in the other seat, Sean McDevitt. And it's important you give him your support -- a distinguished veteran of the United States military. And a special salute to a 15-year-old from Boise whom I just met, Olen Hsu, who won this year's Idaho State essay contest. There he is, way down, tethered down on the end down there.

And we just had a receiving line in there, and so I say this from the bottom of my heart: I wish that the pride of Wellesley was with me here tonight -- Barbara Bush. She was with me at the library with the four Presidents there, but now she's campaigning next door in Washington State. But, you know, I say this not just with husbandly pride, but, I think, with some objectivity: I thought Barbara did a great job up at Wellesley talking about values and family. And so, that leads me to pay tribute to Suzanne Craig, who is such an important part of all of this -- important part in lifting a great career to new heights, doing so much for family. Let us all give a round of applause to Suzanne, and to the kids as well -- Mike, Shae, and Jay.

And it is a delight to be back among friends in Idaho. I know you feel I'm like the bad penny turning up every couple of years for the last 8 or 10, but you have this wonderful way of making somebody feel at home. It's especially delightful to be with you during this centennial year. Of course, we know that the history of this great State reaches beyond a century. If we had to choose the one day that Idaho history began, it would undoubtedly have to be March 4, 1863, when the first Republican President, Abraham Lincoln, created a new territory of the United States with a stroke of his pen. And as I look around this room, at Senator Symms and Congressman -- Senator-to-be -- Larry Craig and at our outstanding candidate for Governor, Roger Fairchild, I can't help

but reflect how fitting that this great State of Idaho and our Republican Party were born together. Now a new century is beginning for Idaho. So, let us make it a century of promise and prosperity. Let us do that by sending Larry Craig to the United States Senate.

You know, Larry is a white-water rafter. And he's just the kind of guy who would enjoy a hair-raising adventure, with chills and spills, ups and downs, where you're knocked around and never sure if you're going to make it through in one piece; and that's just what it's like to run for the United States Senate. But nevertheless, he's going to make it, and come November, I'm sure he will have forded the river with this marvelous skill that he has demonstrated in the Congress. I believe that this is his destiny: to join the ranks of great Idaho statesmen, to follow in the footsteps of Borah and Symms and my dear friend and former classmate in the Congress, Jim McClure.

Of course, I don't want to break any myths here, but Larry hasn't been a statesman all his life. In fact -- we did a little homework for this meeting -- Larry, I understand that when you were a boy, a farm boy in Midvale, you house-trained a pig. [Laughter] Imagine that, your Senator-to-be house-training a pig. [Laughter] That ought to help him in Congress. [Laughter] And at a community car wash, you washed the hood of a farmer's brand new car -- unfortunately, using SOS pads. [Laughter]

Well, given his decade of achievement in Congress and service to the people of the First District, I reckon that even that farmer has forgotten about his car and cast his vote for Larry Craig -- a strong, consistent, steady voice for Idaho and for the bedrock principles and beliefs that Idahoans hold dear: the freedom to own land, to reap the rewards of hard work, to provide for one's family; and then an undying faith in God and country. Larry embodies these values. That's why I have looked to him for advice as Congressman Craig. And I want to rely on Larry Craig's advice and consent in the years ahead, when he is Senator Craig.

As you know, I presided over the Senate as Vice President when that body was controlled by Democrats, and earlier, by Republicans. And I can tell you this: When it comes to an administration and a Congress working together, compromise is often necessary if you're going to make this great country go forward, but there is no substitute for having a United States Senate that shares our outlook, that will work with us to build a better America. And that means, in my view, with considerable experience in Washington, a Republican Senate. And I need Larry Craig to hold that McClure seat to give us a chance to have a Republican Senate.

Electing Larry to the Senate would be a major step toward a Republican future, giving me a partner in leadership. After all, he and I share the same outlook. When it comes to our national defense, he says that it is strength, not weakness, that brought about the Revolution of '89. Larry and I believe that the marvelous changes -- and are they ever exciting -- taking place in Eastern Europe are a result of 40 years of American and allied vigilance. This is no time for America to turn its back on world leadership nor to fundamentally weaken the defense of this country.

As you know, in the last few weeks, I've attended three summits: one with Mr. Gorbachev, one NATO summit over in London, and then the G - 7 economic summit recently concluded in Houston. And the outcome of each summit has convinced me that we are on the right path -- keeping America strong, but keeping America strong for peace.

The first summit, with Mikhail Gorbachev, made new progress toward an important goal: engaging the Soviet Union as a constructive partner in the international community. The second summit, with my NATO colleagues in London, confirmed the vitality of the alliance of the Western democracies and reached out to the East to establish a lasting peace in Europe. And our third summit, in Houston, recently concluded with the great industrial democracies, lead to a consensus that we need to open up world trade to give farmers, like those right here in Idaho, like those right here in this room, a better chance to compete. We also discussed how we can help the nations of the East move toward freer economies and freer societies. But our message in Houston was clear: We must take the trade barriers down -- not just us, but all countries. Let's have a free and fair playing field for American products, and let's not us start throwing up new trade barriers of our own. The best answer for America is a level playing field because I am convinced not only our farmers but our businessmen can compete with anybody, anywhere in the world, if the rules are fair.

And no one can convince me or Larry Craig that this extraordinary new world would have come about if America had followed the liberal path of military weakness and unilateral concessions. Of course, there are still some liberal Democrats who would take America back to the days of big-spending, malaise, self-doubt, and drift. Well, there's a river here in Idaho that sums up the course these liberals would have America take -- the River of No Return. [Laughter]

Well, America isn't taking that course. And Idaho voters want elected officials who will protect us from all threats -- threats from afar and from just down the street. And it's for this last reason that Idaho is going to support the candidate who sides with our policemen against the crooks, families against fear, and kids against drugs -- and Larry Craig stands for all three of those.

And I would like to take this opportunity to thank the mayor and those leaders in the antidrug coalition, volunteers who met with me before this meeting to explain to me what Boise is doing -- trying to fight drugs, trying to help in education, trying to do what they're doing in law enforcement. It is an impressive program that I think has significance for the entire country.

Larry has been a strong champion, leading the fight for laws every bit as tough as the criminals we convict; but our war against drugs and crime will not, cannot, be won from Washington alone. In this war, we will also need to count on local heroes. And right here in the Treasure Valley, a Boise policeman is doing his part by creating and leading, along with Senator Symms and Louise McClure, a volunteer organization that teaches substance-abuse education: Parents and Youth Against Drug Abuse. Prevention is our most critical tool against drug abuse. And that's one reason why I've come to Boise to thank all of the many people who have been on the front lines

fighting against drugs. Once again, I was mightily impressed by what I heard this afternoon, and I want to thank you for not only what you are doing for your community but for what you're doing for the entire United States.

There are so many issues: Larry Craig and I will also work together for and not against the right for a kid to pray voluntarily in the school. We will work to pass our Educational Excellence Act and encourage reform of America's entire educational system. And we will work against needless Federal regulation of your schools. But Larry and I will work against unnecessary Federal regulations that stifle opportunity and kill the aspirations of working men and women.

We agree that the congressional budget process is, at best, clumsy and illogical and, at worst, cynical and chaotic -- in short, a metaphor for what's wrong with Washington today. As you know, that's why I am currently negotiating with the congressional leadership to bring this budget back towards balance. The deficit is estimated to be over $160 billion. Congress, as the American people know, appropriates every dollar and tells the President how to spend every single penny.

And I have said I will negotiate without preconditions, and I will. And you've seen the firestorm about revenues on the table. Well, I've done my part, and now it's their turn. A truly comprehensive package, not a temporary Band-Aid -- there must be reform of the budget process and there must be real spending control. And the American people are entitled to it. And that's why this man's leadership is so valuable. He and I know that this problem stems from too much spending, not too few taxes.

And Larry Craig believes Congress must be forced to act responsibly. That's why he's been fighting, as the founder and chairman of Congressional Leaders United for a Balanced Budget, for the balanced budget amendment to the Constitution. It would discipline my branch of the Government, the executive branch, and it would discipline the congressional branch. Larry was the leader in signing up hundreds of Republicans and conservative Democrats in support of the amendment and in forcing congressional liberals to show their true colors in a direct, up-and-down floor vote just this past Tuesday. And we lost by just a handful of votes -- a tremendous majority voted for the amendment, but we missed getting the required two-thirds by just seven votes -- seven votes.

And finally, let me say just a few words about the philosophy that Larry and I share concerning something that's near and dear to the heart of everybody in Idaho. I know it is. I've been here. Every time I come here, I sense it. And of course, I'm talking about the great outdoors; I'm talking about the environment.

We know that from Bear Lake to Pend Oreille, from the shadow of the Sawtooth clear up to Sandpoint, the Idaho way of life is special. I saw it -- I've just had a little fringe tastes of it -- but I saw it for myself when Jim McClure and I floated and fished the middle fork of the Snake River. And Idaho truly is the Gem State, as bright and clear as one of your deep mountain lakes. And

your land is unique, and yes, it does deserve to be protected.

But Larry and I also believe in protecting yet another kind of delicate ecology. And I'm talking about jobs. I'm talking about homes. I'm talking about families. And we believe multiple-use land policies should govern most of our public lands. And we can have a sound economy and a healthy environment. They are not mutually exclusive. And I'm going to continue to fight to protect and enhance both.

I think everybody here would agree that the environmental policy of this country cannot be set by those who have no regard for our precious inheritance. That is a given. And I think of myself as an environmentalist. I care about the great outdoors. I love the recreational places in this country. And I guess one of the best things that happens to me is when I can see the wonders of nature through the eyes of my grandchildren. But the environmental policy of this country cannot and will not be set by the extremes on the fringe of the environmental movement. They're not going to do that to the working men and women in this country. No, Idaho needs a strong, reasoned voice on natural resource policy. That's why, once again, Idaho needs Larry Craig in the United States Senate.

So here we are, and this is the Republican approach: a philosophy of environmental commitment, keeping America strong, laws tougher than the criminals who threaten us, and less government interference in the way you run your schools and in your State. And all this adds up to a very special kind of freedom, the Idaho way of life.

I want to thank each and every one of you for all you have done and all you are pledged to do to advance Republican leadership. And with Larry Craig on his way to the United States Senate, I know that Idaho is on its way to a great second century.

Thank you from the bottom of a grateful heart for this warm Idaho welcome. God bless you all. Thank you.

Note: The President spoke at 6:42 p.m. in the Eyries Ballroom at the Boise Convention Center. In his remarks, he referred to Pete Cenarusa, candidate for secretary of state; Skip Smyser and Sean McDevitt, candidates for the U.S. House of Representatives; and Dirk A. Kempthorne, mayor of Boise. Mrs. Bush spoke at the Wellesley College commencement ceremony. Prior to his remarks, the President attended an antidrug briefing by community leaders at city hall.

Remarks at a Fundraising Breakfast for Senatorial Candidate Allen Kolstad in Billings, Montana

July 20, 1990

Thank you all, and, Allen, thank you for that wonderful introduction. First, it's a delight to see our Governor, your friend and mine, Governor Stephens here. What a job he's doing. And I felt this warmth when I was with him not so long ago at the centennial. Of course, in a very short period of time, Conrad Burns, our unique Senator -- [laughter] -- you can interpret that any way you want to. He hasn't been there that long, but he hasn't forgot how he got there. [Laughter] And people understand that, and they respect it in Washington. And clearly, you love him here, as I do. And, Conrad, I appreciate the effort you made to get out here, rushing off to all kinds of connecting airplanes, because he had to work up until the gong sounded yesterday in the Senate. And as for our State chairman, Barbara Campbell, I salute her. She's doing a great job for the party, and she gave me a wonderfully upbeat assessment just now about Allen's chances to win this important Senate seat. Barbara, thank you for what you're doing. And then to our [Republican National] committee members: Jack Galt, Ione Brownson; and my old friend of longstanding, Chuck Heringer. And then, of course, to your outstanding congressional candidate, Brad Johnson -- we've got to see him win. I also want to salute one who's not here but who is doing a superb job. I'm talking about Ron Marlenee, who was with me early on -- very, very early supporter. And that brings us at last to the next Senator from the State of Montana, Allen Kolstad.

Let me just say it is great to be back in Montana, near some of the best fishing streams and forests in the country. I remember coming to Glacier National Park last year with a grandson and being told that Montana has 896 catchable fish per square mile. [Laughter] My question is, why don't they count the uncatchable fish? [Laughter] I've found from my vast experience there are quite a few of those. But there is nothing better for the soul than seeing the grandeur of the snowcapped mountains in the distance or a Montana sunset, as we saw it last night, streaked across the fading skies. Montana is, proudly, the Big Sky State, a State of big skies.

And America still is a country of big dreams. But to help make those dreams come true -- and I know Conrad would agree with this -- we have got to have more grassroots, sound representation in the United States Senate, and to help make those dreams come true for America and Montana, I need Allen Kolstad working with me in the United States Senate.

Allen Kolstad and Iva, sitting over here next to me, know Montana as few others do. Five generations of Kolstads have called Montana home. Allen is a farmer, rancher, who has given over 20 years of his life to public service, to the people of this great State. He was elected to the Montana Legislature back in 1968, the first Republican to serve Liberty County in almost 50 years. Then, in 1988, Stan Stephens and Allen Kolstad stunned the Democrats by giving them their first loss in a Governor's race in 20 years. And just like our friend Conrad Burns did in the last Senate election, Allen Kolstad's about to hand the opposition another stunner. We need him

in the Senate, and we need him there now.

You see, I am convinced that with more people like Allen there and more Republicans we can build a better America. Despite its minority status on Capitol Hill, the Republican Party has fought hard for what's right. They're fighting to preserve and protect the longest peacetime economic expansion in history, the lowest unemployment rate in the Nation in 16 years, and the 22 million jobs created in the last 7\1/2\ years.

Having said that, I am very concerned about problems that remain out there ahead of us. And, Iva, thank you for those lovely words of prayer from your heart. The outrageous deficit, for example, is over -- fasten your seatbelts -- over $160 billion a year. That is not acceptable, and I am determined to do something about it.

We Republicans have a good record at home and abroad, one we can stand on with pride. And it was our policy of peace through strength that helped bring freedom to the lives of millions from Panama to Poland. And with a Republican majority in Congress working with me, we could do much, much more to ensure that America remains economically strong and becomes fiscally sound.

Instead, with the Democrats now in the control of the United States Congress -- both Houses -- we're facing government by gridlock in Washington, with spending skyrocketing out of control, good legislation thrown aside for pork-barrel programs, and a budget deficit looming over our children's children. And while the Republican Party is using everything we've got to build a strong, competitive America, the Democratic stranglehold on the United States Congress has finally taken its toll.

Unfortunately, it is the American people who are paying the price. Let me just give you a few specific examples. In April of 1989, our administration sent to the Congress the Educational Excellence Act. Our proposals would advance education reform, reward achievement, and encourage educational choice. And yet, as the bill moved through the Congress -- and Conrad knows this so well -- some of its most sensible and cost-effective programs were scrapped, ripped out of the bill, substituting tired, old, expensive Democratic substitutes. Almost $1 billion worth of unnecessary, unrelated, and costly changes were heaped on top of our original $400 million education bill. So, it came out not $400 million but it totaled $1.4 billion, more than triple our original request. In fact, they even changed the name of the bill.

I know Allen Kolstad would have said no to these unnecessary changes. Listen, Montana's graduation rate is 87 percent. And that's terrific; you ought to take great pride in that. But Allen and I want to make it even higher. Montana ranks third among the 28 States which administer the ACT test. You've done it by rewarding excellence, putting choice in the hands of parents and students, and building in something that is essential -- and that is accountability. And that's exactly the thrust of our Federal program: Choice, accountability, flexibility, excellence is the key

-- national goals to challenge our students, our teachers, and our schools to succeed. This is the program.

And that's just part of the Republican agenda. Twenty-nine out of the last 35 years of Democrat control is long enough. We must have more Republicans in Congress.

But there's more. We proposed new child-care legislation. Based on our belief that there is nothing more precious than America's children, we asked for $9 billion in funding spread over a 5-year period. We proposed a bill that put choice in the hands of all families, whether low- or middle-income, by helping them get the kind of child care that they wanted -- at home or, yes, in a church or a church-related facility or from a local child-care provider. And the Senate passed a child-care bill at double the money -- remember I proposed $9 billion; they come up with $18 billion in the Senate. And then the House, under solid Democratic control, outdid the Senate by tripling my request to $29 billion. In short, we started at $9 billion, and the last word from Congress was $29 billion. And if Congress has its way, the Federal Government will intrude upon one more area of your lives, using that money to pile more redtape on child-care providers, including friends and neighbors providing the child care. Democrats still believe that the Federal Government knows better how to do all this than parents or local communities. And I know what that tells me: It tells me that we must have more Republicans in the United States Congress.

Just this year, in February, March, I requested $800 million in dire emergency -- this is a term that's used when you have to do something special -- dire emergency funds for immediate assistance to the Governments of Panama and Nicaragua to help those fledgling democracies build their shattered economies, to help them strengthen their democracies. And I challenged the Congress to act in 30 days. I said this is a dire emergency, and we need to have action now. One hundred eight days later, the Congress acted. Who am I to complain? It's been over 20 years since Congress produced a balanced budget.

But here's what caused the delay: some so-called dire emergency additions to the bill by Congress -- almost $3\1/2\ billion more in spending than I requested. Everyone on Capitol Hill knew how important this bill was, and for 108 days, Congress decided to hold it hostage. For 108 days, Congress calculated how much spending they could pile on top of this emergency request that they knew I needed to support the democracies that were just beginning in Panama and in Nicaragua. And for 108 days, inaction by the Congress jeopardized not only the economic recovery of these two critically strategic nations, it jeopardized the hard-won freedom of the brave people of Nicaragua and Panama. That's more than a difference between parties. In my view, that was a disgrace. And I say we must have more Republicans in the United States Congress.

You know Republicans like what works. We think that finding a cure to the budget deficit means funding those programs that we know work, not throwing billions of hard-earned tax dollars at untested ideas with no track record or built-in accountability. Americans are fed up. Year after

year after year, they hear about budget wrangling in Washington, DC. They hear about the President trying to hold the line on spending and the Congress spending money it doesn't have. And I think now, given the magnitude of this problem, enough is enough. We must end this deficits-don't-matter mentality. And I do not want to preside over these god-awful deficits that are saddling these young people here with billions of dollars of debt.

The deficit is estimated to be over $160 billion for 1 year. And Congress, as the American people know so well, appropriates every single dollar we spend. And at this very moment, our White House negotiators are trying to do something meaningful about this deficit. And, frankly, I think in fairness to say, we are getting some good cooperation with the leadership on the Democratic side of the aisle -- I'd say on both sides of the aisle. And we must control spending; we must reform the budget process itself. And I've taken a few shots -- you've heard it rebounding around out here. I've said before that I'll negotiate without preconditions, and I will, in spite of the outcry about revenues, but there must be budget reform and true spending control. We owe it to the young people in this country.

Some people think that there's no difference between the two parties. I've come here to tell you probably something you already know: to tell you there is. And it's as big as the Great Divide. On one side -- the Republicans out there, our side -- that side lies opportunity, growth, choice in child care, choice in education, the creativity of the marketplace, and a government that understands it works for you and not the other way around. And I'll tell you something: That's why I think Conrad Burns has what I know Allen Kolstad will have when he comes to Washington -- the full confidence of the people of Montana. You have the feeling, and properly so, that he works for the people of this State that sent him to the United States Senate.

And on the other side, the far side, lies the Democratic Party, the party of redtape and bureaucracy. Still pushing for higher and higher spending; still telling the States how to conduct their affairs; still pushing for mandated benefits. Dictation from Washington to every drug program in the country or every education program or every program of whatever nature -- mandated benefits -- that's the hallmark of the Democratic Party. And now we're getting to the election cycle, and the choice is up to America.

And right here in Montana you know that there's a better way of doing things, a Republican way. I remember the last time I was in this State. It was for Montana's 100th birthday, when Allen was chairman of the centennial commission. For my part, I planted a tree. Now, you may know that my record's not too good in that respect. [Laughter] I planted a tree in North Dakota, and regrettably, it got attacked by gypsy moth. [Laughter] And I planted a tree in Spokane, Washington, and I hadn't left town before some vandals ripped off the whole tree. [Laughter] And so, you can understand why they've asked me not to dedicate any buildings here. [Laughter] But the tree -- when I climbed off the plane I got a firsthand report from the Governor, who confessed to a certain nervousness about the tree. But the tree I planted in Helena -- believe it or not, it's alive, and it's well -- [laughter] -- and it's flourishing. Well, in that spirit, what a great job Allen did for the centennial commission. First of all, he didn't use one penny of taxpayer money, not

one. And secondly, the centennial is expected to give thousands of dollars back to the State treasury. And that is the kind of fiscal responsibility that America needs on Capitol Hill.

Allen Kolstad agrees -- and most Americans, I believe, when we take the case to them, will, too -- we must have budget process reforms. We must have budget process reforms. And your Senator sitting there in Washington now understands exactly what I'm talking about. We must have spending cuts, and frankly, I'd like to have that line-item veto. And if the Congress can't do it, let the President have a shot at it. And I'd like to see the balanced budget amendment. In the House it missed by seven votes. It would have disciplined the executive branch that I head, and it surely would have disciplined the legislative branch. And I think that kind of disciplinary measure would be good for the United States. We like what works, and our budget process is simply not working.

It was one of the most famous Democratic Presidents, Franklin Roosevelt, who said, about some 50 years ago: ``The future lies with those wise political leaders who realize that the great public is interested more in government than in politics." The Republican Party is ready to govern in the United States Congress, and Allen Kolstad is ready to be your next United States Senator.

As for my part, I like my line of work. I like the challenges that face me. I like the fact that Barbara Bush is spelling out a lot of fundamental values that we all believe in for the country. I've dwelt here on what we must do and the things we're trying to do on the domestic side, but when you look around the world, you can't help but wonder and be excited about the changes that are taking place all through Eastern Europe and in our own hemisphere -- changes toward democracy and freedom. It's a very exciting time to be the President of the United States. But we cannot succeed without your help, the help of the American people.

And once again -- we had a little reception earlier on that Barbara put on and then one that Allen arranged, and I couldn't help but feel the warmth and the genuineness of the people of this country and, in this instance, the people of Montana, as I shook hands with several who were nice enough to greet me once again to this State.

I like my line of work, but I need help. Send Allen Kolstad to the United States Senate.

Thank you, and God bless you, and God bless the United States of America. Thank you.

Note: The President spoke at 8:11 a.m. at the Billings Plaza Trade Center.

Remarks at an Antidrug Rally in Billings, Montana

July 20, 1990

Thank you for that warm welcome on this cool day, and thank you, Governor. I am so very happy that so many of you could join us this morning in this Daylis Stadium, home of the Big Sky State Games. Cycling, golf, handball, shooting, swimming, tennis, track and field -- sounds like a weekend at Camp David. [Laughter] How come no horseshoes around here? [Laughter] I am very pleased to see sports play a prominent role in education, drug awareness programs, and scholarship activities. And first, best of luck to all tomorrow's participants. Good luck to each and every one of you.

I want to thank everybody and single out a few for this special hospitality: Doris Poppler, the Acting United States Attorney, has done a superb job on pulling all this together; the attorney general, Marc Racicot; Senators Baucus and Burns; and Governor Stephens and Mayor Larsen. We're honored to have with us also Robert Helmick, the president of the U.S. Olympic Committee. And then, of course, a very special hello to a special guest, Edwin Moses, whom I just was chatting with earlier -- an Olympic hurdler and, would you believe, a bobsledder, too? [Laughter] But you got a great turnout and great participants.

And I'm especially honored to be able to congratulate the 5th and 6th grade graduates of the D.A.R.E. program who are out there in the crowd. You see, these kids are setting a wonderful example not only for their friends and classmates but for all the adults as well. And they're proof that each of us, no matter how young or how old, has a part to play in this war on drugs.

The drug problem facing America is the reason that I'm out here today with you. For over 100 years now, the people of Montana have been known as proud, hardworking, community-minded people. And that is where the answer to this nation's drug problem lies -- right here in the community. And there is no problem so great that all of us working together cannot solve.

We're beginning to see signs that our national efforts against drugs are working. And last summer, a major nationwide survey found that the number of current drug users in this country had dropped by almost 40 percent in just 3 years. That's good news for America. It's good news for the next generation. And then in February, mid-February, another survey showed that the number of high school seniors using drugs declined in 1989, a long-term trend that has brought seniors' drug use to its lowest level in 15 years. So, that's all good news. But the good news isn't limited to just these national statistics. Last year the State of Montana reported a decrease in the number of drug abuse violations. It is news like this that deepens my faith, my conviction, that together we can win this national war against drugs.

But like all wars, we must be united in our efforts as a country and as a community. Parents, teachers, children, law enforcement officials must join as one. Business, labor, the professions --

all must be a part of this crusade for a drug-free America. Each of you here today, by your presence, is sending the dealers of death a strong Montana message: We will not surrender our children. We will not surrender our community. Billings, Montana, is in this fight to win -- and win it you will, win it we will.

You know, I know you're going to win because this State, like so many others across this great land, is taking the initiative. You're fighting back. You've had enough. Last year the Montana Board of Crime Control began the innovative Drug Abuse Resistance Education program throughout the State. For those of you not familiar with that, with D.A.R.E., it is a unique program that targets primarily 5th and 6th graders by using well-trained uniformed officers to teach the kids about the dangers of drug use. The program helps students recognize and resist the subtle pressures that influence kids to experiment with drugs and alcohol. Over 7,500 children statewide received instruction in the program's first year, and this number does not include the kids in kindergarten through 4th grade who were taught about drugs through another program designed especially for them. So, let's give a pat on the back to all the kids who have said no to drugs, and our thanks to the law enforcement officers who help them say no. We're very proud of all of them. Keep up the good work. In your own way, you are making America proud.

Another example of community involvement with young people are the antidrug programs supported by the Freemasons of America, like the Center for Adolescent Development's Montana Teen Institute. This innovative center takes at-risk teens who are willing to commit to swear off drugs and gives them the tools they need to avoid drug use, teens like Manuel Zuniga. An alum of the teen institute, Manuel's new goal in life is to be a U.S. marshal so he can help others. Manuel says, ``all kids need the help of parents and all adults to fight the bad guys. I would rather be a role model to my community and have made a stand to live a drug-free life."

Often kids themselves are some of our best troops on the front line against drugs. They understand the enormous power of friendship in helping one another avoid drugs. One such program gaining recognition not just around the country but around the world is Youth to Youth, a community drug prevention program for middle school and high school age young people. Recognizing the influential force of peer pressure, the Youth to Youth program uses that pressure to encourage young people to live alcohol and drug-free lives. Proof that kids talking to kids can make a difference is reflected in the words of a young man in Landisville, PA, who said, ``All my friends are drug-free, so I've learned that drug-free is the way to be." Wise, wise words.

Parents will agree that there is nothing more heart-wrenching than to witness something as sinister as drugs and alcohol dim the sparkle of your children's eyes, steal their exuberance, destroy their dreams. But parents don't have to stand by and hope their kids are spared from this devastation. Instead, each and every one of us -- that means grandparents, aunts and uncles, cousins, neighbors, friends, anyone -- can make a huge difference by setting a good example and by watching for the overt signs of abuse, the overt signs of trouble. But the most effective way to reach our kids is by talking to them about drugs, and even more important -- listening to them. Then, through caring and, yes, discipline, help them turn their backs on drugs. When a kid has

someone who cares enough to listen, he will not care about drugs.

But kids, communities, families, and friends have some special allies in this battle. In towns as small as Laurel and as big as Los Angeles, brave men and women who believe that this country is worth fighting for face danger and face death every single day. They form the ``thin blue line'' between good and evil, protecting our children from drugs, protecting all of us from the terrible threat of crime.

Right here in Montana, you know all too well that sometimes these modern day champions are called upon to pay the ultimate price. You've lost one of the town of Hardin's finest in Janet Rogers, and our hearts go out to George Rogers and his three boys -- Jace, Logan, and Chad -- whom I'm told are here today. Your wife, your mother, was a true American hero.

But let's face it, heroes alone can't win wars. So, in Washington the administration, under the able leadership of our tough drug czar, Bill Bennett, is taking action to help support our law enforcement officers across the country. As we meet today in Montana, this beautiful State, we're still waiting for the House to act on our anticrime package. Earlier this year, we were pleased that Congress passed our request for more agents, more prosecutors, and more prisons to get criminals off the streets and behind bars, where they belong. But we must do more.

I urge the House of Representatives to pass a major portion of the Violent Crime Act, legislation that will back up our new lawmen with new laws -- laws that are fair, fast, and final. Fair -- an exclusionary rule designed to punish the guilty and not punish the good cops who have acted in good faith. And when I say fast -- we need habeas corpus reforms to stop the frivolous appeals that are choking our courts. And final -- I'm talking about fair and constitutionally sound death penalty provisions for these major traffickers. To win the war on drugs, we must have a united effort. This isn't Republican or Democrat or liberal or conservative: it's got to be bipartisan. But now, it's time for Congress to act. Our children, our communities, and our cops have waited long enough.

As I look out over this magnificent audience -- an ocean of red, white, and blue, I see America at her best. This country's strength has always been her people, people who for generations have always helped not only for the neighbor next door but for the stranger in trouble down the street. This was true over a hundred years ago, when this great land, Montana, became a State. Back then, the sight of smoke on the horizon, a sure sign of trouble, farmers would drop their plows and mountain men would leave their traps and shopkeepers would abandon their stores to help a neighbor in distress -- some of our first what I call Points of Light. In 1990, this sense of community, this sense of caring, still remains, as Americans support one another in this battle against drugs. Today there is again smoke on the horizon, and every single one of you in this stadium are here to help. You're a community bound together not by geography but by caring, and you should be very, very proud.

So, thank you for having me here, and God bless the great State of Montana. Thank you all very, very much. Thank you.

Note: The President spoke at 9:10 a.m. at Daylis Stadium, a day prior to the start of the Big Sky Games.

Remarks at the Frontier Days and State Centennial Parade in Cheyenne, Wyoming

July 20, 1990

Thank you, Mike. Thank you very much, Governor Sullivan, thank you for that warm introduction, and I am very pleased to be here. And Barbara sends her love to Jane, and we hope someday you'll come back and have supper at the White House -- the Sullivans.

It's great to be back in Cheyenne and great to be back under -- I would call it -- a big open sky -- I had other words planned. [Laughter] But in the place that as you say, the pavement ends and the West begins. Let me salute, in addition to Mike Sullivan, two former Governors who I just spot out here in the crowd, both friends, both admired Americans -- Governor Cliff Hanson and Martha, and Governor Stan Hathaway -- Stan and Bobbie -- right down in front. It's a great pleasure to see you here. There are also some other special friends here: Senator Malcolm Wallop, an ardent worker for so many things that Wyoming people hold dear. And of course, Senator Al Simpson -- as a key member of the leadership in the Senate, he takes on the tough fights and sticks with them and always has this -- don't quite know how to describe it -- sense of humor. [Laughter] Something he's going to need later when he takes me fishing. I'm not sure if I'm up to your State's cutthroat trout. I have trouble with the kinder, gentler rainbow kind of trout. [Laughter]

And to Dick Hartman, the chairman here; and Jerry Jessen, the chairman of the Frontier Days; and Dick, the chairman of the centennial, thank you for this warm welcome. Thank you for letting me and those with me be a part of this great day. And, of course, I want to salute Congressman Craig Thomas, with whom I work closely in the United States House of Representatives -- glad to have Craig with us. And special thanks to the mayor. I'm sure he'll be glad to see us leave town, but nevertheless, you couldn't tell that from the warmth of his welcome. Mayor Gary Schaeffer, congratulations on this wonderful day and thank you very, very much, Craig.

So, it's great to be here for this 94th Frontier Days, for the ``granddaddy of them all." It reminds me of rodeo atmosphere in Texas. But I want to say a special thanks first to the Casper Troopers. I've heard of them, but never heard them in action before. I haven't known him too long, but you ought to ride in a parade with Timber Jack and have Toughy at your feet when you're in that wagon out there.

Timber Jack. Yahoo!

The President. Thank you, Timber Jack.

I listened to that for three blocks. [Laughter] You know, I really do feel at home here. It's

wonderful, watching them get hurled about by bucking broncos, wrestling steers, struggling to ride wild horses, not to mention bull riding. Enough about trying to deal with Congress. [Laughter] I'm really disappointed, though. I was looking forward to taking place in the chuckwagon races until I discovered the menu: barbecue, beans, and -- you guessed it -- broccoli. No thanks, I'm going on. [Laughter]

But on a more serious vein, I'm pleased to be here because there really is so much to celebrate about Wyoming: the exhilaration of the land, of course -- we talked about that -- crystal streams, some of the cleanest air in our entire country. And yours is the land where the passage of time and man have had little impact. And our Native Americans understand the meaning of land. A wonderful Native American poet, Peter Blue Cloud, writes of what land can tell to those who listen. And he says: ``Each day a different story is told me by the rain and wind and snow, the sun and moon shadows, this wonderful Earth, this Creation."

But what we're celebrating most of all today is that you're keeping alive the most unique period of our communal history. For the West does begin here -- the special, sacred place that still fires our imaginations and swells our hope. There's a magic in it, a magic that's felt most of all here in Wyoming, the closest State we have to the Old West -- a State whose values, whose fundamental values, continue to inspire America, for its spirit is the most uniquely American that there is. And the values I speak of reject temporary fashion. Instead, they are values which are always in fashion. For a century they've shaped Wyoming, uplifted it, just as they mold it today. And they are as pertinent to 1990 as that year 1890 when Wyoming became a star in the American constellation.

To begin, Wyomingites believe in self-reliance and this drive, this insatiable rugged pioneer drive. And that's why, when it comes to our young people, you believe that the Federal Government doesn't have all the answers and doesn't know best, that families right here in Wyoming know what's best. You walk down any street here and ask about the kids, and you want to make the choice -- you want to make it -- about their care. You want to ensure that parents, not bureaucrats, decide how to care for America's children. And Wyomingites don't want to expand the budget of the bureaucracy, you want to expand the horizons of our kids. And so, you know that education is best which is closest to the people.

Education -- it's not a Republican issue or it's not a Democratic issue. It's not liberal or it's not conservative. It is an American issue. And we must do better in the United States of America. But here in Wyoming, your graduation rate is second in the entire Nation. And you rank seventh in the entire Nation of States who administer these ACT tests. You can ask Mike Sullivan here. He's of a different party from me, and I don't think he wants more red tape. And I know he doesn't want more mandated benefits out of Washington, DC, and as long as I'm President we are going to resist saddling Wyoming people with mandated decrees from Washington.

Because these Members of the Congress with me and the Governor agree that what we ought to

do is reward excellence and seeing that the Federal dollars help those most in need. We've got to demand accountability. We've got to give parents and students greater flexibility. We've got to give them choice and ideas, in short, based on the values of local trust and local autonomy -- values as revered in Wyoming as love of freedom and love of God. You talk to Wyomingites and they'll tell you that political values without moral values simply cannot sustain a nation. So, you want voluntary prayer restored to America's classrooms. And so do I. Together, somehow, we've got to put the faith of our fathers back in our schools. And I think one of the reasons that Barbara's speech at Wellesley touched a chord is she was talking about these Wyoming values of family and faith. And the American people are crying out for just that. So, you go to any Wyoming county and see these values in action.

And here, too, we agree with a noted preacher who said, ``A thoughtful mind, when it sees a nation's flag, sees not the flag only, but the nation itself." And I have a funny feeling, in spite of some of the criticism that I took for my recent attempt -- ably assisted by those right here -- to protect our flag, I have a funny feeling that Wyoming's sons and daughters might understand more than most why I feel so strongly about the flag of the United States. I have great respect for the Constitution and great respect for the Bill of Rights. But I'm determined to push through an amendment that protects that unique symbol of America -- I emphasize the word unique -- the American flag.

Finally, let me close with perhaps the greatest Wyoming value of all -- neighborhoods and hearts as big as the open sky. No one has had to tell you to lend a hand. You've done it. You are doing it. Building homes from sod, and schools to be constructed so kids could learn. You've all heard me talk about a Thousand Points of Light of community service, of one American helping another. In the last few months, I've named two Wyoming groups as America's daily Points of Light -- the Cheyenne Botanic Gardens and the Yellowstone Recovery Corps. The volunteers -- the descendants of heroes who forded rivers and tilled your farms, fought off everything from claim-jumpers to grizzly bears. In Wyoming, ``do unto others" is, indeed, a century-old creed.

My friends, this stunning sculpture of ``The Spirit of Wyoming" says so much about you and your State and about the values I've talked about: generosity, self-reliance, love of country, love of God. Not only does it preserve a wonderful moment of Old West history for generations to appreciate but also, by being located between the capitol and your new Herschler Building, it leads us all from the past to the future. That is what the centennial is all about. By recapturing our history and by renewing the bonds between past and present and between each other, we can discover the way to move ahead together to face the challenges of future frontiers.

Ladies and gentlemen, we are living in exciting times. We're seeing these dramatic changes in the world where totalitarian states are giving way to democracy and freedom. It is an exciting time to be a member of the United States of America family. And I came out here to salute you for keeping the underpinnings of America's greatness alive. Thank you, and God bless each and every one of you. Thank you very, very much.

Note: The President spoke at 1:15 p.m. on the steps of the capitol building.

Remarks at the Francis Earl Warren Air Force Base in Cheyenne, Wyoming

July 20, 1990

Let me just say that I did want to stop by here at Warren, and it's wonderful to be with you all. I understand that you've had your share of visitors lately, so I promise not to overstay. [Laughter] Not only the Soviets, but the Inspector General just were here.

But you and other missileers throughout the SAC [Strategic Air Command] are working hard every single day to maintain a strong deterrent. Your ears should be burning when you hear the colonel telling us about the quality of the men and women serving here, a view also expressed by those Senators and our Congressmen from Wyoming who take pride not only in having you as professionals but in the work that this command does to help others in the community. So, I salute you not only for your professionalism but for the way you're doing something here to help others. You work hard every day, maintaining this strong deterrent. Along with the strategic bomber crews and the submarine crews, your commitment to vigilance has helped create the conditions for the changes we are witnessing today. There can be no doubt about that whatsoever.

As we strive for strength and stability, we must maintain an effective deterrent especially in the face of continuing across-the-board modernization of the Soviet strategic forces. Now, this won't be easy in the fiscal environment that we face now. We all recognize that we must get the deficit under control, and the defense will contribute its share. But I don't want defense to contribute more than its share, and I'm asking Congress to hold the line at the already painful reduction in the defense budget set down by the Senate Armed Services Committee earlier this week. There were some positive things for the committee, especially their support of strategic modernization -- as well as some actions, on the other hand, that cause me problems.

One point I want to emphasize today is that the deeper and more painful the cuts in the defense budget, the greater is my need for flexibility from the Congress in order to manage these funds. We must have an orderly build-down, not some kind of a fire sale. I especially need that flexibility so that the bedrock of the military, its highly trained, highly motivated, and exceptionally dedicated men and women -- people such as you -- will be protected. I cannot support reductions in the defense budget that would unfairly penalize those of you who have given so much to our country.

When senior Soviet officers visited the United States military bases several years ago, the thing that impressed them the most was the talent, confidence, commitment, and responsibility of junior officers and enlisted men and women. The Soviets know what deters, and so does this President. And I just wanted to come by, thank you, encourage you to keep up the great work.

Actually, I'm personally well-acquainted with the quality people that serve here at F.E. Warren.

John Gordon -- you may remember Colonel John Gordon, your commander through May of last year -- he's now back in Washington, advising us on a host of questions on our strategic forces, on our arms control. So, you've got a voice in the White House. And, John, thank you. Pleased to see you, and great to visit with all your fellow wingmates and fellow missileers.

Thank you very much for what you're doing. I hate to hit and run like this, but I did want to come by and pay my respects, learn something, and thank you for your dedication and commitment to the greatest country on the face of the Earth. Thank you very much.

Note: The President spoke at 1:25 p.m. in the Peacekeeper missile training silo area. In his opening remarks, he referred to Col. Richard Farkas, wing commander. Following his remarks, the President went fishing at Middle Crow Creek and then returned to Washington, DC.

Remarks at the Christening of the U.S.S. George Washington in Newport News, Virginia

July 21, 1990

Thank you very much. What a great day in Newport News. And to all of you out there, thank you for the warm welcome. And Dick Cheney, our able Secretary of Defense, thank you, sir, for those kind words.

You know, we're living in changing times, very exciting times for world peace. We're living in tough times in a lot of ways. But it is so important that we have an able Secretary of Defense leading for our country's best interests, our security interests. And I just want to say to this marvelous gathering today, I can think of no one better to be Secretary of Defense at this critical time than Dick Cheney. I am blessed to have him at my side.

And I'm very proud to have other strong supporters of defense with us today: Our distinguished Senator from Virginia, Chuck Robb, a longtime friend and a strong supporter of all that the Navy undertakes. And it's a pleasure to see the Tidewater contingent from Congress -- Herb Bateman and Owen Pickett, Norm Sisisky -- all who understand the Navy's mission, all who understand national defense. And of course, I'll single out one other Member of Congress I recognize -- though he's known as ``B - 1'' Bob Dornan from California, he, too, a strong supporter -- Congressman Dornan. I don't want to reminisce too long, but I see Senator Harry Byrd out here. Harry, stand up -- [applause] -- a great Virginian and another one who has stood for defense. Ed Campbell, my thanks to you, sir, president of Newport News Shipbuilding. And then my dear friend from Houston, Jim Kettleson, who is the CEO of Tenneco. Secretary Larry Garrett -- doing a superb job for the Navy; and of course, our new CNO [Chief of Naval Operations], my friend Admiral Kelso; all our other distinguished guests.

I am very pleased to be here this morning with my daughter, Dorothy. She's today's matron of honor. And I know that Barbara -- the Silver Fox, we call her -- [laughter] -- is deeply honored that you've chosen her to christen this magnificent ship, the George Washington.

Coming to the shipyards today put me in mind of my first government job that Dick referred to. I was commissioned at the age 18, an ensign in the Navy and a carrier pilot, and things were quite different then. The planes were slower. The ships were smaller. And as I look around at these admirals and some of the enlisted men and women that I've been privileged to meet with, they all seem a lot younger today. Captain Nutwell looks too young to drive a great big ship like this. [Laughter]

But what I think it sums up to is that I've been told by our Chief of Naval Operations, by General Powell, by the other Chiefs, that we have never had finer officers or enlisted men and women in the armed services than we have today. And they look young to me, but they're the best, and we

are very, very proud of them. I don't want to get too nostalgic here -- notice my Navy tie, however. [Laughter] But on my ship, the San Jacinto -- it was one of those ``fast carriers,'' built atop a cruiser hull in the early months of our entry into the war -- the deck wasn't much wider than the wing span of the plane I flew, a TBF Grumman Avenger. Now, looking up at the Washington, I'm not sure that the San Jacinto itself wouldn't fit on a hangar deck of this behemoth here.

For all of you -- and I now speak to those who are doing the work of building this magnificent vessel, who have put months and years of your best work into this aircraft carrier -- this has got to be a very proud day for you, as it is for me. The George Washington joins a noble line that begins with the first aircraft carrier built here -- that was the Ranger, back in 1934.

Many of you out here are sons and daughters of shipbuilders. In some families, I'm told, four generations have worked here, turning steel into ships -- men like Edgar Davis, 80 years old now, who followed his father and four brothers into these yards, and whose son and two grandsons work here today. When Edgar started work in 1926, there were no portable electric lights, so the steel workers went down into the hull holding candles. And yet before he retired 48 years later, Edgar Davis and his fellow workers here at Newport News had helped launch the nuclear Navy.

Edgar said he'd be here today if the weather was good. We tried to oblige him. He said, ``I've seen so many launchings, but I'll tell you, I'm just as enthused about this one as I was about my very first.''

This magnificent ship is a tribute to your talents. Few realize the magnitude of your task: what it means to build a state-of-the-art supercarrier -- a warship, a floating city, an airport all rolled into one. But here she is, about to be launched, one step closer to service, one step closer to the sea.

The carrier came of age, I think, in the Second World War. And the ships built in this yard helped us turn the tide in the Pacific: the Battle of Midway, the greatest naval contest in history; at Leyte Gulf, where our Navy captured control of the Western Pacific. When Jimmy Doolittle led his legendary raid on Tokyo, he took off from the deck of the Hornet, built right here at Newport News. Today the carrier remains an indispensable element in the American arsenal, projecting power, preserving the peace.

Today, fortunately, is not a time of war. A new chapter is opening, a day of great promise, a time of triumph for the ideals all Americans hold dear. But while freedom has made great gains, we have not entered an era of perpetual peace. What George Washington said in the 18th century is truer today than it ever was: ``To be prepared for war is one of the most effective means of preserving the peace.'' American power is still the world's paramount force for freedom. And as in the time of war, when America waged the fight for freedom far from our shores, so today we must maintain a policy of peacetime engagement and armed forces sufficient to sustain our vital national interest. We are inescapably the leader of free world defense, the connecting link in a

global alliance of democracies, the pivotal factor of stability. We will not shrink from this responsibility. Let the George Washington proclaim America's commitment to remain forever free.

Once again, Barbara, Dorothy, and I thank you for this warm welcome. We are pleased and honored to be a part of these proceedings. May God bless the George Washington and all who sail in her and all who fly from her deck. Thank you very, very much.

Note: The President spoke at 11:21 a.m. in the Newport News Shipbuilding Yard. In his remarks, he referred to Colin L. Powell, Chairman of the Joint Chiefs of Staff.

Statement by Press Secretary Fitzwater on the Importation of Semiautomatic Weapons

July 23, 1990

The importation of weapons that meet the legal criteria for sporting purposes will continue to be allowed. The current ban on semiautomatic assault weapons was implemented last July, after comprehensive review, because these weapons have features which render them unsuitable for sporting purposes under the 1968 Gun Control Act. As manufacturers redesign these weapons to eliminate the undesirable features, the manufacturers may reapply for approval to import the redesigned weapons. If the redesigned weapons meet the criteria of the 1968 Gun Control Act, the application will be approved by ATF [Bureau of Alcohol, Tobacco and Firearms]. Thus, the requests for imported weapons reported in today's Washington Post were granted because the weapons had been redesigned. This is entirely within the law.

The crime bill which the administration proposed limits the number of rounds in detachable magazines. However, it will not influence the redesign of weapons within the configuration of traditional sporting rifles. I was wrong to suggest that the new crime bill will influence redesigned weapons. The goal of keeping firearms out of the hands of felons is deeply held by this administration. The crime bill will go a long way toward ensuring the right of every American to be free from fear of violent crime.

Remarks Following Discussions With President Rodrigo Borja Cevallos of Ecuador

July 23, 1990

President Bush. It has been a great pleasure to talk once again to my colleague, President Borja, with whom I had this marvelous tennis game yesterday. You know, when we met in Costa Rica, we enjoyed some good conversation, and we also found time to work in a little tennis. And so, today we had stimulating, substantive talks, and yesterday we worked in a little tennis. And I can say unequivocally that we thoroughly enjoyed the rematches on both fronts.

For many years, the whole world has been watching the progress of this courageous Pacific nation. A little over a decade ago, Ecuador became one of the first to set sail in the rising tide of democracy in Latin America, and like so many of its neighbors, it's raised our hopes for a fully democratic hemisphere. And today the people of Ecuador can be proud of their free press and their exemplary record on human rights, hallmarks of both true democracy and true leadership, I might say.

When he first came to office, President Borja faced difficult economic challenges. Inflation was up at about 100 percent; a debt, a staggering 110 percent of GNP, all payments suspended. But undaunted by the great political pressures he faced, President Borja began taking the kind of courageous steps that characterized the new generation of democratic leaders in this hemisphere. He made important economic reforms, such as improving the tax and tariff systems, and there's also been movement toward reforming market mechanisms and government programs, including steps taken toward the elimination of price controls that have created serious distortions in the past.

As a followup to the Cartagena [antidrug] summit and because of my special concern for the needs of the Andean countries, I am today announcing a package of new measures for the Andean region. These measures will build on my Enterprise for Americas Initiative and will be steps en route to achieving our ultimate objectives of trade and investment liberalization and economic reform in the region.

First, I will ask Congress for legislative authority to enter into a one-way tariff preference arrangement for duty-free entry for selected imports from Ecuador, Bolivia, Peru, and Colombia, to give these countries a special boost in fighting drugs and promoting their transition into a comprehensive free trade zone for the Americas.

And second, I am proposing that we expand U.S. cooperation in technical assistance with the countries of the entire Latin American and Caribbean region, and particularly with Andean countries to enhance the immense potential for agricultural trade.

Third, in fulfillment of my commitment last year to consider additional GSP access for Andean products, this morning I signed a proclamation granting GSP treatment to 67 new products.

And fourth, concurrent with the transitional preferential tariff regime, we propose to negotiate with the Andean countries comprehensive, long-term undertakings on trade and investment liberalization. Bilateral framework agreements are appropriate vehicles for achieving these goals. Today our governments will be signing such an agreement establishing a joint council to help our efforts to expand trade and investment between our countries.

Ecuador has also led the way in environmental reforms, becoming one of the first countries to engage in a debt-for-nature swap program. When we visited Ecuador in 1984, I saw a beautiful country -- an extraordinary mix of animal and plant life, the towering Andes, the sweeping vista of the Pacific, and the Galapagos beyond. And we are committed to assist Ecuadorean efforts to preserve their unique environmental heritage.

Ecuador has collaborated closely with the United States in our global effort to deal with the scourge of cocaine. And Ecuador is a leader in rolling back coca cultivation. In fact, several years ago, Ecuador eradicated all coca plantings. And the antidrug legislation you have sponsored not only has kept the destructive cocaine culture from taking root in Ecuador, it also aids us in stanching the drug flow here.

President Borja, I look forward to continued close cooperation with you across the full range of our common concerns, from strengthening democracy throughout our hemisphere to working for expanded trade and investment opportunities to the fight against cocaine trafficking. Our talks have served to reconfirm the great value of our partnership.

Thank you, and Godspeed in your journey ahead. Thank you for coming here.

President Borja. Mr. President Bush and ladies and gentlemen, it has been truly a pleasure to have been invited to this country and to have been received by Mr. Bush and by his family, to have enjoyed the warmth of a close personal association with the family, and especially to have had the opportunity of continuing our tennis match, which started in Costa Rica. And yesterday, fortunately, not due to any diplomatic reasons or -- of that nature -- the results were tied.

I would like to take advantage of this opportunity to offer you some reflections and some comments as to the nature of the world in which we are living and the nature of the relationships in which we live in this environment between Ecuador and the United States.

Every day, we are witnessing surprising and astounding events. I am certain that the years of 1989 and 1990 will go down in history as 2 years of extraordinary interest and extraordinary events. All of these events that we have witnessed have come with surprising speed and agility. We have been present at the fall of the Wall of Berlin. We are also witnessing the destruction and

the disappearance of the Marxist monocracies that are giving way to a new concept of socialism and liberty. We are also witnessing that there is a decrease in the armament race. There are changes in what is NATO and the Warsaw Pact. There are also indications of the unification of Germany, and Korea is also attempting to do the same.

I think that all of these things bring to mind that there are two basic elements that are worthy of mentioning. One is the end of the cold war, which began in World War II. And the second element of importance is the fact that we are witnessing the appearance of a new opening as far as international relations -- an era where there will be more just and equitable relations between the various countries.

We are present here at these various elements of this new international order; and we hope that this new international order will be based upon a system of equity, of justice, and of equal participation. We applaud and commend the initiative of President Bush, his Enterprise for the Americas, which is based on three basic columns: one is the participation and growth of trade, the second one is a promotion of investments in all of these other countries, and the third is a reduction of the international debt that weighs so heavily upon us.

We admire the words that have been mentioned by President Bush and his concept that prosperity for Latin American nations depends basically on trade and not so much on foreign assistance that our countries may receive. We are sure that this prosperity will be the result of the work and of the creativity that we ourselves can develop.

Therefore, we are a country that, at present, together with other countries in Latin America, have very low saving rates in our population. The capital transfers are beyond any reason in this sense, and they can provide better opportunities for the future to have better investments that will allow us to find the solutions to the social and economic problems of the countries.

Ecuador is truly a nation of peace. It is an oasis where you find a great deal of tranquillity and peacefulness. We have a group of citizens that are hard-working people, and we have a government that is responsible not only for its mandate but also is projecting the future of Ecuador. And we are also having the basic foundations laid out for a democracy that will continue to survive. Our country, therefore, offers an excellent environment for foreign investments, and we will welcome all foreign investments that come into our country, and that they will also comply with the needs of our country and meet the social and legal elements.

President Bush, Mr. Baker, and Mr. Brady have been extremely courageous in attempting to find solutions to the problems of the foreign debt. This foreign debt, as they have indicated, is not only a financial problem but it also constitutes a political problem with different expressions. The foreign debt for Latin American countries is basically a matter of survival. And we are seeing that this debt, the burdens that it weighs upon our countries, provides the risks of placing our governments into a position of incompetence, of inability of being able to find and solve social

and economic problems.

I have mentioned to Mr. Bush and his associates that our government in Ecuador has dedicated the decade of the nineties as the decade for ecological development. We, as all the nations of the world, wish to breathe pure, crystalline air, we wish to have healthy, good, fertile lands, and we also want to have clear waters running through our countries. As Ecuador is a member of the Amazon Basin pact, we are aware that the Amazon region is the largest humid tropical forest that exists in the world. This provides 40 percent of the oxygen that the world breathes. One fifth of the fresh water supplies are residing in this section. We have over 4,000 vegetable species in these lands. Just to give you an idea: 1 square mile of Amazon jungle has more species than all of the United States and Canada together. Therefore, we must take care of this environmental concern, to handle it properly, and to give it the necessary balance and equilibrium for future generations.

First, I want to thank President Bush for this opportunity of visiting the United States and also for being the first Latin American President that has been invited to hold talks at the issuance of the Enterprise for the Americas. Also, a special word of thanks for the family, for the warmth, for the cordiality that we received during yesterday. And further thanks for the important statements that Mr. Bush has just issued.

We wish to hold the President and the Government of these people responsible in the future to assist us in their commitment to achieve the progress and the well-being of Latin America and the Caribbean nations. And furthermore, a special expression of appreciation for the very kind and warm hospitality that President Bush has given us during these few hours in this wonderful country.

Thank you.

Note: President Bush spoke at 1:12 p.m. at the South Portico of the White House. President Borja spoke in Spanish, and his remarks were translated by an interpreter. In his remarks, President Borja referred to Secretary of State James A. Baker III and Secretary of the Treasury Nicholas F. Brady. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Ecuadorean officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room. The proclamation is listed in Appendix E at the end of this volume.

Remarks Announcing the Nomination of David H. Souter To Be an Associate Justice of the Supreme Court of the United States and a Question-and-Answer Session With Reporters

July 23, 1990

The President. My oath to the Constitution charges me to faithfully execute the Office of President and, to the best of my ability, preserve, protect, and defend the Constitution of the United States. Few duties are more important in discharging that obligation than my responsibility, under article II, section 2 of our Constitution, to select from among all possible choices one nominee to fill a vacancy on the Supreme Court of the United States.

The task of narrowing the selection to one highly qualified jurist, committed to the rule of law and faithful to the Constitution, could never be easy; but I have found it enormously satisfying. My choice will serve the Court and the Constitution well.

I am most pleased to announce that I will nominate as Associate Justice of the United States Supreme Court a remarkable judge of keen intellect and the highest ability, one whose scholarly commitment to the law and whose wealth of experience mark him of first rank: Judge David Souter of the United States Court of Appeals for the First Circuit.

Judge Souter, I believe with all my heart, will prove a most worthy member of the Court. His tenure as an Associate Justice of the Supreme Court of the State of New Hampshire, as Attorney General of that State, and more recently as a Federal appeals judge unquestionably demonstrates his ability, his integrity, and his dedication to public service. And he has a keen appreciation of the proper judicial role rooted in fundamental belief in separation of powers and the democratic principles underlying our great system of government.

Let me pay tribute, too, to the Justice whose retirement from the Court created the vacancy: Justice William Brennan. His powerful intellect, his winning personality and, importantly, his commitment to civil discourse on emotional issues that, at times, tempt uncivil voices have made him one of the greatest figures of our age. No one can question his dedication to the Nation and the energy that he has brought to his high office. His retirement is marked by the dignity and honor that characterized his 34 years of service on the bench. And I told him the other day when I talked to him of the respect that Mrs. Bush and I have for him, for his wonderful service. In choosing to nominate Judge Souter -- who, like Justice Brennan, is largely a product of the State court system -- I have looked for the same dedication to public service and strength of intellect exemplified by Justice Brennan.

My selection process was not geared simply to any legal issue. It is not appropriate in choosing a Supreme Court Justice to use any litmus test. And I want a Justice who will ably and fairly interpret the law across the range of issues the Court faces. Our country serves as a model for the world at a time of special significance, and I stress within the White House and to the Attorney General that our process could not be dominated by politics or special interests. And I believe that we've set a good example of selecting a fair arbiter of the law.

Judge Souter will bring to the Court a wealth of judicial experience on the Supreme Court of his State, and before that as a State trial court judge. Prior to his appointment to the State bench, he was Attorney General of the State of New Hampshire. Judge Souter is a graduate of the Harvard Law School, Phi Beta Kappa graduate of Harvard College. He was also a Rhodes scholar.

My respect for his outstanding record led me earlier this year to nominate him to his present position on the court of appeals. The Senate unanimously confirmed him to that position because of his exceptional qualities and his experience. His opinions reflect a keen intellect as well as wise balance between the theoretical and practical aspects of the law. Judge Souter, committed to interpreting, not making the law -- he recognizes the proper role of judges in upholding the democratic choices of the people through their elected representatives with constitutional constraints.

Judge Brennan's retirement took effect last Friday. The Court is now reduced to eight members. It is important to restore the bench to full strength by the first Monday in October, when the Court begins its 1990 term. I look forward to presenting Judge Souter's nomination to the Senate as quickly as possible, and I look forward, as well, to a fair and expeditious confirmation process.

Helen [Helen Thomas, United Press International]?

Q. Did you ask Judge Souter his views on abortion? Do you know what his views are? And affirmative action -- all of these things that have become so controversial, the major issues of the day.

The President. No. And I had one meeting with Judge Souter. I was very impressed. But in my view, it would have been inappropriate to ask him his views on specific issues. This process has been going on -- this selection process -- not with any specific seat in mind but just being prepared for a long, long time. Judge Souter was considered for the High Court back when Mr. Justice Kennedy was selected, and so there's a lot. And then, of course, his name was very much in the forefront when he was nominated and subsequently confirmed for the appeals court. So, I am familiar with him, with his general views; but I did not and would not, as I think I've said before when I talked about -- not just here but at other times -- the litmus test approach -- I wouldn't go into that with him.

Q. Sir, does that mean you do not care what he thinks on these issues?

The President. It means that I have selected a person who will interpret the Constitution and, in my view, not legislate from the Federal bench.

Q. Mr. President, barely 3 days have passed since you learned of Justice Brennan's resignation. Why did you move so quickly on this appointment? And you also called the leaders of Congress and others over the weekend for their advice. When did you come to the choice of Justice Souter?

The President. I came to the choice this afternoon. And I think I told the leaders that I talked to over the weekend that I wanted to move very fast. As I've said, this isn't precipitous in the sense that we just started looking for names last Saturday. I remember meeting with the Attorney General and Boyden Gray [Counsel to the President] perhaps within the first month I was President -- at least the first 2 months. And I've had a couple of meetings with them, and they've been in discussion with each other for a long time on this. Just the prudence would dictate that one be prepared lest there be a vacancy. So, we've been talking about who I might want to appoint for a long time.

Q. Sir, if I could follow up: You're not certain in your own mind how Justice Souter will vote if Roe v. Wade comes before the Court next term?

The President. What I'm certain of is that he will interpret the Constitution and not legislate from the Federal bench.

Q. Mr. President, I believe Judge Souter is about 50 years old, as many of the candidates you've considered were younger than the current Justices. What kind of lasting legacy do you want to leave on the Supreme Court? Do you expect this to be a long-term shifting of the center of balance for the Court?

The President. I'm not looking -- he's in good health. I was looking over there to see how he's looking at 50 -- [laughter] -- but he seems to be in very vigorous health, and I would expect he'd serve a long term on the bench. But, Ann [Ann Compton, ABC News], I'm not viewing this as some personal Bush imprint on the Court. I've pledged to seek out excellence, and I've pledged to look for somebody who would interpret the Constitution, and I am satisfied I have found the very best in that regard.

Q. Do you expect the Court would shift to the right, philosophically?

The President. I haven't put it in terms of shifting left or right. I read a great deal of speculation about all that, but all I'm saying is that we've got a nominee here who is extraordinarily intelligent, has a record, has been confirmed by the Senate, and who has satisfied inquiry at the State and Federal level as to his objectivity and as to his judicial philosophy. And I'm satisfied as to all those counts.

Lesley [Lesley Stahl, CBS News]?

Q. Mr. President, as you know, the whole issue of abortion has, over this choice -- is major in all of this. Do you know if the judge has written on this issue? Does he have a record on this issue that either side can point to, to make it an even bigger issue; or is it unknown and, therefore, more difficult to get at?

The President. In the first place, I think it would be inappropriate, although I'll let him make up his own mind, for Justice Souter -- [laughter] -- to make any comments on any specific issue. Out of respect for the Senate, I would urge that he not do that. Any specific questions on specific issues should be addressed in an orderly confirmation process by the Senate. But beyond that, Lesley, you know, I think what I said earlier responds to your question.

Q. You said you hadn't asked him, but I wonder if he has a record, if it's in print or if he's made -- --

The President. Well, I don't know about that. I didn't consider that, as I thought I had made clear.

Q. Mr. President, if you've concluded that it's inappropriate to ask about a specific case like Roe versus Wade, do you also therefore consider it to be inappropriate for the Senate committee that'll do the confirmation to ask about a specific case like that?

The President. I would let the Senate do whatever they want. They're a separate and an independent body of our government, and there are certain precedents for how they approach these issues. But listen, I've got enough problems down here without trying to tell the Senate how to conduct its confirmation hearings.

I've been handed a protocol note. Marlin Fitzwater [Press Secretary to the President], who is not known for his protocol -- [laughter] -- he says it would be most appropriate to let Judge Souter respond at this juncture. So, with your permission, we'll proceed.

David?

Judge Souter. Thank you, Mr. President. I'm really not sure how to do that. If it were possible for me to express to you the realization that I have of the honor which the President has just done me, I would try, and I would keep you here as long tonight as I had to do to get it out. But I could not express that realization, and I'm not going to try to do the impossible. Beyond that, I hope you will understand that I think I must defer any further comments of mine until I am before the Senate in the confirmation process.

Q. Mr. President, conservatives recently have expressed some disappointment with what they call

the flip-flop on no-new-tax pledge, your position on China, Lithuania, and the like. [Laughter] And since Governor Sununu [Chief of Staff to the President] is recognized as the champion of conservatives in the White House, is the Judge's connection to Governor Sununu -- is this meant as an appeasement to the conservative right? Do you think it will appease them?

The President. Sununu's got problems with his own credentials. I mean, he's not going to help on that. [Laughter] And that's not what this is all about. This matter, as I've indicated, was -- there was almost a certain recusal on the part of Governor Sununu on this. Clearly, he knows Judge Souter. He has great respect for Judge Souter. But this process, as I'm sure Boyden Gray and Dick Thornburgh will tell you, came up through a system. Excellence came to the top. And so, there is no politics of this nature in this kind of an appointment.

If I was looking to shore up one factor or another, there would be plenty of more visible ways to do it. Here, we are talking about excellence, judicial excellence, and the highest degree of qualification based on excellence to be on the Court.

Q. Mr. President, earlier today Marlin Fitzwater said that whomever you chose as your candidate, your nominee, would reflect your general philosophy of government. Is it still your philosophy that Roe versus Wade, the abortion law, should be overturned?

The President. Look, you all can keep trying all day long to get me to comment on abortion in relation to this nomination. And please stop trying, because I'm not going to respond in that vein. It would be unfair to Judge Souter. It would be untrue because I haven't looked at the nomination in that manner. And so, I simply cannot, and -- you get another question, though, instead.

Q. Well, my other question would simply be: Let's not respond in the connection of Judge Souter. How about just your own personal philosophy?

The President. I haven't changed my views, if that helps you any.

Q. Mr. President, I'm still not totally certain by why you feel it was inappropriate to ask the judge's views on issues.

The President. Because I understand that's the customary way of doing it, and that more important are the broad concepts of excellence: Is the man qualified? Does he share a broad view that what he ought to do on the bench is interpret the Constitution and not legislate? And so, that's all I need. And when you see the background of this man, I'm confident that the Senate will share my views. You're looking for fairness. You're looking for equity. I wrote down a bunch of words to help me make the determination, and I wish I had them because they're all along those lines -- experience. And I did say that I'd like somebody that will interpret the Constitution, not legislate.

Q. But to even be sure of that, sir, does that mean that you've at least studied some of his rulings?

The President. There's been a great deal of work done in the Justice Department at several levels, in our General Counsel's shop on all that kind of thing. But again, it would be inappropriate to go into those cases that he may have ruled on when he was on the State court or on the Federal bench. And I would simply leave that to the Senate. But, yes, there has been a thorough study of Judge Souter's tremendously impressive record.

Maureen [Maureen Dowd, New York Times]?

Q. Mr. President, given the reality of getting a person confirmed to the Supreme Court these days, are you braced for a big battle?

The President. I'm not going into this nomination or thrusting Judge Souter into the nomination expecting a highly contentious battle. The man was confirmed by the Senate unanimously -- and after testimony. So, I'm not suggesting there has to be or should be. I remember calmer days when there weren't. So, I would not anticipate a contentious battle. I would anticipate thorough questioning. I would anticipate each Senator having enough information to make up his or her mind based on the record or responses to questions. But, no, we're not bracing for some horrendous fight with the United States Senate. And given his record, I would expect that the chances of that are minimal.

Q. Do you think a President these days has to do more of a selling job than in the past?

The President. I don't know, Maureen. I don't think so -- if the record speaks for itself. If I had selected somebody out of the political arena that had never been on the bench and never had any experience but was in my view well qualified, there might well have been more intervention on my part. I'm prepared to do whatever is appropriate in not only defending but advocating this confirmation. But I don't believe there's going to be a lot of personal involvement necessary because I think his record and his standing will speak for itself.

Q. Mr. President, I'm going to make one more try. You say it's inappropriate to ask. But you also admit there is a lot of background paperwork on someone. Judge Souter was appointed to the New Hampshire court by Governor Sununu, whose feelings on abortion are well-known. Your feelings on abortion are well-known. Why should we not believe that that is a factor in your selection -- even in making a list?

The President. Because I've told you it's not, and because you ought to listen to the testimony on the Hill, and then you can make up your mind better when you've seen the evidence. And I expect people will be raising this question. I've seen a lot of speculation on it over the last 48 hours, or whatever it was, since Justice Brennan retired. But I'm telling you -- you asked me what my view was, and I've told you how I approached this matter. And that's all I can do.

Q. Mr. President, you said a moment ago that there are Senate precedents on how questioning happens in the Judiciary Committee. In fact, there are two very contrasting precedents. There was the Bork precedent where the nominee answered all sorts of questions, and there was the Justice O'Connor-Justice Kennedy precedent, in which the nominee declined to answer a lot of specific questions about how the nominee felt. Do you have any preference about how your nominee handles these questions?

The President. No, but I have confidence my nominee will handle it properly. Look, the man is a judge on appeals court. He knows how to treat with this. And the Senate is a free Senate, and they know how to treat with it. I'm not going to get into that. I think it's inappropriate for a President to do that kind of thing.

Q. If I could follow up: Do you think it's appropriate for a nominee to answer specific questions about how he might rule on cases?

The President. I would leave that to the nominee and let the Senate make the final determination.

Q. Were there one or two aspects of the judge's background, his qualifications, that particularly brought him to the top of the list?

The President. Being bright -- extraordinarily bright -- and then a record for fairness -- extraordinarily fair.

Q. Surely -- [inaudible] -- who were bright and fair, though.

The President. Well, I've made my judgment based -- you've asked me what I decided it on, and these are some of the qualifications that I think are essential. Plus I gave you the underpinning, which I want somebody that is not going to be a legislator sitting on the Supreme Court.

Q. Did you meet Judge Souter before you made this decision within the last couple of days?

The President. Yes. Just within the last couple of days.

Q. Is this the first time you had seen him?

The President. First time I had met him. And who knows? The amount of time I've spent in New Hampshire, I might well have seen him. [Laughter] We've been -- as I have indicated -- been talking to our Attorney General and Boyden Gray on resumes or on records for a long, long time. And the man is very highly regarded. I just had a short visit with Judge Souter today and obviously was quite impressed.

Q. You had already decided at that point?

The President. No, I had not decided, and that's the truth, as is everything else I've said here.

Q. In speaking to your advisers about resumes and records, as you say, did you ask your advisers to produce only nominees who had no extensive written record on the abortion issue, that is, Trojan Horse candidates who would not provoke a large debate over -- --

The President. No.

Q. Can you tell me how is it possible to make the selection without reviewing the judge's record or a summary of his record that dealt with specific cases -- if not abortion, affirmative action, civil rights issues, free speech, a lot of the emotional issues that the country is very concerned about?

The President. Most of his writings have been at the State level, and I made the decision based on the criteria that I gave you.

Q. So, you're telling us that you have no idea what his judicial opinions are on abortion, affirmative action, civil rights, flag burning?

The President. I'm telling you that you should stay tuned and let the testimony before the United States Senate determine whether he's confirmed or not and that that will bring out all the questions that you are asking here. And the answers -- that's up to the judge to see how he should handle that, as one who is going to have to deal with a lot of issues in the future.

Q. Mr. President, has Governor Sununu, who is well-acquainted with the nominee, given you his reading on the judge's views on controversial issues such as -- --

The President. No.

Way in the back. One, two, three, and then I'm leaving.

Q. Am I back far enough?

The President. One, two, three, four -- you're in the middle.

Q. Mr. President, I wonder if you can tell me, sir -- you extolled the judge's virtues and pointed out more than once that he was unanimously confirmed by the Senate for his present position. Can you think of any reason, any possibility, the Senate would not confirm the judge for this post, other than ideological grounds?

The President. No. I can think of none why they would not confirm him. None. Period.

Q. And would you object strenuously to a confirmation battle over ideological grounds?

The President. Look, I have nothing to say about that. This is a separate body. I don't control the Senate. I would hope they would accept the -- when they've had a chance to ask questions and they've had a chance to review his record -- would conclude, as I have, that he is outstandingly well-qualified for the Federal bench, a judgment that was given to him not too long ago by the ABA [American Bar Association] itself -- well-qualified, which I gather is the highest rating a judge can have.

Q. You have said you're not interested in making a Bush imprint on the Court. But you may also -- --

The President. I have to, I guess, but I'm not interested in having this known as a Bush Court or something of that nature.

Q. Well, you may be called upon throughout your term to actually name one or two others. Do you have those in mind?

The President. Yes.

Q. And also, if by -- --

The President. Yes, right there.

Q. Who are they?

Q. -- -- by having those names in mind of who you would appoint, are you doing the same thing like in foreign policy, saying that you want to choose a prudent man, or that the imprint would be something peculiar to you?

The President. Look, I'll tell you how I look at this -- not in terms of some specific imprint but I want it said when I'm about 90, 24 years from now, that I made a superb choice. And I think it will be so writ.

Q. Mr. President, I'd like to ask you about the phrase you're using -- you're opposed to somebody who would legislate from the bench. You're on record as wanting Roe versus Wade overturned. You're on record as favoring a flag burning amendment to the Constitution. Aren't those sorts of issues tantamount to legislating from the bench as well?

The President. You'd have to tell me the case and advise me as to how -- I don't think so. I don't think when called upon to answer a constitutional question that that has to be legislating from the bench.

Q. You would not be upset if the Court overturned Roe v. Wade, or if the courts upheld the flag burning law?

The President. No, and a lot of other things, too. I believe in the separation of powers, and I happen to think that there's been many, many things that trouble me -- encroachment of micromanagement by the United States Congress on the Presidency. But I haven't asked this able judge about those things. But I could cite -- you cite two -- you cite one that's been on everybody's lips ever since Justice Brennan retired. Listen, I never heard such coverage on the television. You might think the whole nomination had something to do with abortion. And it's far broader than that. I have too much respect for the Supreme Court than to look at one specific issue and one alone.

I've got time for one. Yes, Kathy [Kathy Lewis, Houston Post]?

Q. Mr. President, there had been some speculation you might name an Hispanic this time and make history in doing so. You went a different route. What do you say to those who might be disappointed that didn't happen, and what is the likelihood you might name a Hispanic should another vacancy develop?

The President. First, I say to whoever it is that inquires: I've made the best choice I possibly could make in terms of qualifications, ability, background, and temperament to serve on this Court. And then I say: look, the great thing about this country is you can achieve anything. There's a lot of time down the road in which I'm sure you'll see a different makeup on the Court. But I'm not going to deal in any one specific group vis-a-vis another one. That's what I would say.

I just would ask the American people to understand I looked at a wide array of names prior to my getting into it in as much depth as I have very recently. The Attorney General, his staff, Boyden Gray, and his staff went through this process. It's a process that's been going on for some time, and the excellence was just there at the top. And so, I would not cite this as something discouraging for anybody that aspires to the Supreme Court or any group that would aspire to have representation on the Supreme Court.

Listen, I really do have to go.

Q. What did you ask him when you interviewed him?

Q. Did he win in the interviews?

The President. He did very, very well.

Let me get one. I failed to -- --

Q. Two or three of the candidates that were mentioned were from your home State, and there was talk that you perhaps would choose somebody from the South because you felt the South had been underrepresented since Justice Powell resigned. Wasn't anybody qualified in the South, or -- --

The President. Plenty of people qualified. And you raise a good point, because there is nobody from what I would call the Southeast Conference South, but the South excluding Texas, that is on the bench now. And there's about a quarter of the people from there. So, this is a consideration and was a consideration that was forcefully brought home to me by key Members of Congress. And yet I determined that Judge Souter, given the qualifications I've tried to extol here, the virtues, is the choice for the Supreme Court at this time. But, no, these calls are not easy. And Kathy asked about different ethnic groups. You asked about regional distribution. And I think one considers all these criteria. I think it's fair to say that New England, which is not represented on the bench now that Justice Brennan is retired, might look at it if I had gone with another nominee as, why were they excluded. So, I can understand regionalism. But please believe me, as a proud Texan I tried to look at it in a national sense. And I think I've come up with the best nominee.

Jessie [Jessica Lee, USA Today], I'm sorry to disappoint you.

Q. A very quick followup if I could: Senator Simpson suggested that you follow the counsel of Mrs. Bush. Did you in any way on this decision?

The President. How did he know? He doesn't even know who I nominated. How could he have said that?

Q. He said that he hoped that that would be what you would do.

The President. Oh, I see. Wonderful fellow, Al. [Laughter]

Note: The President spoke at 5:04 p.m. in the Briefing Room at the White House.

Designation of Robert Elsner as Chairman of the Marine Mammal Commission

July 23, 1990

The President today designated Robert Elsner to be Chairman of the Marine Mammal Commission. He would succeed William W. Fox, Jr.

Dr. Elsner has been a professor emeritus at the Institute of Marine Science at the University of Alaska in Fairbanks, AK. Prior to this he was a professor of marine science at the Institute of Marine Science at the University of Alaska.

Dr. Elsner graduated from New York University (B.A., 1950) and the University of Washington (M.S., 1955; Ph.D., 1959). He was born June 3, 1920, in Boston, MA. He is married, has two children, and resides in Ester, AK.

Remarks at a Republican Party Fundraising Luncheon in Philadelphia, Pennsylvania

July 24, 1990

The President. Thank you, Elsie. For heaven's sakes, you talk about somebody that really gives of herself to help others, I think our national committeewoman, Elsie Hillman, fits that description to a tee. And I'll tell you, we Bushes love her, and we're very grateful to her. I want to salute Senator Arlen Specter, who came up with me on Air Force One today, and also Congressman Larry Coughlin, who was here -- said he had to go back. I don't see him right now. Both of them fantastic Republicans, leading in the Senate and in the House, and I'm delighted to be with them both. I mentioned Elsie Hillman, and I want to also say to Herb Barness, our new committeeman, we're proud of you, sir. And of course, my friend of longstanding, Anne Anstine, our State chairperson, chairwoman, who is doing a superb job -- and a tough, but terribly important job. And I salute them all, the party leadership. And I hope you'll forgive me if I single out one who is priority, particularly this year, and I'm talking about the person that should be our next Governor for Pennsylvania: Barbara Hafer. Please get in there and work hard for her.

And to Matt and to Senator Jubelirer and the leaders of the legislature, let me assure you I want to do whatever I can to help your party leadership and all of you in strengthening our numbers at that legislative level. I still believe in federalism. I still believe that the answers that are best for all America are those that are closest to the people. And that argues, then, not just for the election of a Governor but argues for the need to have a Republican control of the houses of both legislative bodies in this State and in many other States as well. So, please do your best after August and the campaign heats up to help our outstanding candidates that have been recruited this year.

You know, we live in a remarkable age. Isn't it wonderful how everywhere you look in the world you see centralized bureaucracies crumbling -- the removal of discredited, monolithic leadership and the inevitable rejection of the stagnant, tired dogma of the past.

Audience member. So, why are we funding death squads in El Salvador?

The President. Enough about the Democrats. [Laughter]

Audience member. Why are we funding death squads in El Salvador if monolithic leaderships are crumbling? We're paying $1 million a day to fund death squads in El Salvador.

The Audience. Boo!

The President. May I continue here? It's a wonderful thing about our system. You have an elected

democracy in El Salvador -- certifiably free elections -- and then you have people come here to express their opinion. I think it's a wonderful thing. However, I would like to have a little -- please -- I haven't even said anything yet, and I'm lying. [Laughter]

You know, it really is a wonderful deal. When you look around the world and see the move towards democracy and free elections and freedom, it is a wonderful thing. So, I used to get all uptight when I'd hear these little protests that would come up. And I'd say, no, these people feel strongly about it; let them have their say. And then a little politeness should prevail, and the guy that's up here speaking ought to be given his day in court. So, don't get all upset about it. I run into this all the time.

I'm sorry to hit and run, but two reasons. As Herb said, I'm off to an inspiring neighborhood action program. And then they did tell me that broccoli was on the menu, and I am staying with my position. [Laughter] You know I never change my position on anything. [Laughter]

It is easy to understand why the Republican Party held its very first national convention here in Philadelphia and why this was once the Nation's Capital. For three centuries now, Philadelphia has shown the world the true meaning in the measure of freedom. It was here that William Penn founded a colony -- considered an unusual, even impossible experiment back then -- where people of diverse ethnic and religious backgrounds could live peacefully together, free to work and worship as they chose. And here, just over a mile from where I stand, the Declaration of Independence and the American Constitution were signed -- documents the free world has always revered, that now inspire people newly free, from Managua to Gdansk in Poland.

And those documents find meaning in the spirit of the people that sustain them. So, the appointment of a Supreme Court Justice becomes one of the most serious responsibilities facing any President. The Supreme Court must be guided by independent minds. Its members are appointed for life, largely to keep them above the flames of political passion. So, in my nomination of Judge David Souter for Senate confirmation, to fill the seat vacated by Justice William Brennan, there was no single issue, no litmus test or standard, dominating my decision to nominate. And I will add: There should be no litmus test in the process of confirmation. My sole priority was to appoint a Justice true to the life and the spirit of the Constitution, a priority that I'm confident will also guide the Congress in the confirmation process.

America has a longstanding tradition of judicial restraint, going all the way back to the convictions held by a Philadelphian named James Wilson, one of the first Justices of the American Supreme Court, whose writings spoke against adventurous pronouncements on policy by the Court. I believe I'm recommending an individual with a strong, incisive, independent devotion to interpreting the Constitution. He's a quiet man of enormous intellectual strength, a tough trial court judge with a great legal mind and an impartial quality that will serve the Court well. I've nominated this man, David Souter, because I believe his combination of education, experience, and integrity are second to none. And he's a man of great judgment, and I firmly

believe that he will be a great Justice on our Supreme Court.

In that light, let me just say a word about the key role that our Attorney General, Dick Thornburgh, has played not only in this search but in working so hard for other things we all believe in. What an outstanding job he's doing for the Nation and, I would also say, for the people of Pennsylvania. And every once in a while, the flak gets pretty heavy down there. But I wanted you, his friends, to know that this President is proud of him, stands by him, and I think we have an outstanding Attorney General.

This city and State have always stood as a focal point of freedom, a center of intellectual, economic, and humanitarian development through three centuries of revolutionary ideas. Today, in this room, that spirit continues, carried on by those who believe in limited government and the accountability of leaders. You're showing the people of Pennsylvania that there is a Republican alternative, a new American independence from big government, from burgeoning bureaucracies -- free from these things -- from the invasive experiments of the big spenders.

There is room in the Republican Party for differences on some issues, but on principles we stand united, because there is work to be done. And we Republicans know what works. We believe that power has only one purpose -- to help people. We believe that America transcends adversity and finds her greatest strength in diversity. And we are, as we always have been, a nation of quiet strength, tolerance, faith, freedom. So, we seek this new American independence for the sake of limited government that spends within its means and a new agenda of unlimited empowerment for the individual.

Right now, the Congress and I are working hard to put America's fiscal house in order, to put the spending policies that brought us to this point behind us. For all of the appropriation bills that have passed the House, our Federal budget called for just under $188 billion. Well, Congress has appropriated over $202 billion. In fact, seven out of eight of those Democrat-controlled House appropriations bills have already surpassed the budget authority that we requested. As long as spending runs out of control in Congress, the American people will pay the price.

There's nothing compassionate about building ever-larger, ineffective, centralized bureaucracies and then adding to the deficit to pay for them. All of us, on both sides of the aisle, in all branches and levels of government, need to stop looking for new ways to spend the people's money and stop measuring success by dollars spent and bureaucracies built and start measuring our actions by how well they empower people. We have to stop asking, ``How much are we spending?'' and start asking, ``Is it working?'' And all of us, Republicans and Democrats, deserve and should demand real budget reform -- through enhanced rescission or a line-item veto or a balanced budget amendment -- some discipline on the process.

Last Tuesday only seven votes stood between victory and defeat in the House for that balanced budget amendment, an amendment that would have disciplined the executive branch and certainly

disciplined the legislative branch. Well, this budget charade, these fiscal follies, must end. And I salute those Democrats in the leadership who are now working with me -- and several of them were in the Oval Office before I left to come up here -- trying to achieve a bipartisan agreement that we all can live with, that would be good for our country, good for everybody around the world who are affected by these ever-increasing deficits.

In the hope for a better future, let me tell you just a little about the recent past. We believe that nothing is more precious than America's children, and so, we put together child-care legislation to put choice in the hands of all families, whether low- or middle-income. We want to help families get the kind of child care they want, whether at home or at church or a synagogue or from a local child-care provider.

Well, the Senate passed a more restrictive child-care bill that takes choice out of the hands of parents, piles more redtape on providers, and builds a bigger day-care bureaucracy at double the cost of our bill -- from $9 billion to $18 billion. And then the House, deciding spending equals compassion, outdid the Senate by tripling my request to $29 billion. And there you have a classic budget-busting bidding war -- another $20 billion added to the deficit over the next 5 years.

But that wild spending habit is hard to break. Our emergency assistance to Panama and Nicaragua -- after 3 long months, our $800 million package had doubled in cost not with emergency aid but with over $1 billion of new, unrequested, unrelated domestic spending. Our Educational Excellence Act -- designed to advance educational reform, reward achievement, and encourage accountability and choice -- started at a cost of $400 million, but increased to $1.4 billion as costly and unrelated changes were piled on, more than tripling my original request. And it's time we left the tradition of runaway spending behind.

In the budget negotiations now underway, I'm encouraged by the kind of cooperation that we're seeing from both sides of the aisle. I'm hopeful we can break this spending spiral, reach a real budget agreement, and bring about meaningful reform.

But there are clear differences between the parties, and when the voters understand those differences, I think our side wins. Do the voters want a party that rewards excellence in education and empowers local school boards and parents, or the Democrats who've empowered the Washington bureaucracy to limit parental control in the lives of their children? We say the Republicans. Do they want the empowerment of a million new private homeowners or the same old Democratic welfare handouts that stifle hope and devastate our cities? Again, we say the Republicans. And do they want the empowerment of choice in child care -- private centers, churches, consortiums, in homes -- or do they want government designed day-care centers to warehouse the kids, all run out of Washington? And the answer again is clear -- the Republicans.

So, here in Pennsylvania and across the country, we need Republican leadership that understands the value of limited government and the power of the people themselves. You've already got two

Republican U.S. Senators who are, in my view, doing an outstanding job. And now, if you believe in this philosophy that I've tried to articulate here today, Pennsylvania needs a Republican Governor -- for education reform, for mass transit and better highways, and for better government, government that wouldn't take a $348 million surplus inherited from Dick Thornburgh's administration and turn it into a projected $1 billion deficit. So, the bottom line: Pennsylvania needs Barbara Hafer, needs her bad.

And we need to keep the State senate in Republican hands under Bob Jubelirer's leadership, and we need State senators like Joe Rocks right here in Philadelphia and outstanding new Republican challengers here and across the State. And this year we have a chance to give Republican leadership back to the State house of representatives and make Matt Ryan the next speaker, and believe me, that would help in getting Pennsylvania under control.

Matt and John Perzel have been all over the State recruiting outstanding candidates. And the candidates for both houses are letting Pennsylvania know that there is an alternative to the invasive and destructive tax-and-spend policies of the past. Some may define empowerment as giving government more power to control the people, but we in the party of Lincoln understand that empowerment means individual freedom, and that government exists to serve.

Those who still struggle in this society want opportunity, not paternalism; a hand up, not a handout; not the servitude of welfare and public warehousing but jobs, private property, prosperity. Nobody wants to be dependent; they want a new declaration of independence.

So, keep fighting for it here in Philadelphia. Keep reminding the people of Pennsylvania that we stand for good government. They deserve nothing less.

Thank you for this wonderful support for our party, for our ticket. Thank you all. And may God bless you, and may God bless the Commonwealth of Pennsylvania. Thank you very, very much.

Note: The President spoke at 12:32 p.m. in the Windham Ballroom at the Franklin Plaza Hotel. In his remarks, he referred to Matthew Ryan and John Perzel, State representatives.

Nomination of Ryan Clark Crocker To Be United States Ambassador to Lebanon

July 24, 1990

The President today announced his intention to nominate Ryan Clark Crocker to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon. He would succeed Thomas McCarthy.

Since 1987 Mr. Crocker has served as political counsel at the U.S. Embassy in Cairo, Egypt. Prior to this, he served as Deputy Director of the Office of Israel and Arab-Israeli Affairs at the State Department, 1985 - 1987. Mr. Crocker served as chief of the political section at the U.S. Embassy in Beirut, Lebanon, 1981 - 1984. In addition, he served in various capacities in Iran, Qatar, Tunis, and Iraq. Mr. Crocker joined the Foreign Service in 1971.

Mr. Crocker graduated from Whitman College (B.A., 1971) and attended University College in Dublin, Ireland. He was born June 19, 1949, in Spokane, WA. Mr. Crocker is married and resides in Cairo, Egypt.

Statement by Press Secretary Fitzwater on the Appointment of the United States Representatives to the Board of Trustees of the Regional Environmental Center for Central and Eastern Europe

July 24, 1990

The administration today named Frank Loy, John Schmitz, and Helen Petrauskas as the three U.S. representatives to the Board of Trustees of the Regional Environmental Center for Central and Eastern Europe being established in Budapest, Hungary. All 3 have agreed to serve as part of a 15-member board that will oversee the operations of the Center. President Bush first proposed the Regional Center last year during his visit to Budapest.

At the President's request, Congress authorized $5 million for the Regional Environmental Center as part of the Support for Eastern European Democracy (SEED) Act of 1989. The United States and the Republic of Hungary signed an initial agreement in January outlining the goals and structures of the Center. Since then, the U.S. Environmental Protection Agency has been at work laying the operational groundwork for the Center. Today's appointments are effective immediately, although the Center's official opening will not take place until September 6, 1990, when EPA Administrator William K. Reilly will represent the President at the opening ceremony.

The Hungarian Government has committed approximately $800,000 for the Center's operations. When the Center's charter was signed on June 20, 1990, the European Community and The Netherlands joined as cofounders, offering financial support of $2.5 million and $250,000 respectively. The Governments of Austria and Norway have also indicated they will support the Center. Indeed, the list of founders is expected to grow as other governments sign the Center's charter before the official September opening.

Establishment of the Center comes as nations around the world look for ways to assist the Governments of Eastern Europe to institute economic and political reforms. The region is faced, in particular, with critical problems of air and water pollution due in large part to the region's dependency on soft coal, its lack of adequate waste treatment facilities, and the failure of centrally planned economies to give adequate priority to environmental protection.

Although the Regional Environmental Center is being funded initially by government contributions, it will be a nonprofit, independent organization dedicated to finding regional solutions to the environmental challenges common to Central and Eastern Europe. It will draw on business and other private resources. As a source of information and assistance to the citizens and governments of the region, the Center will place special emphasis on the role of non-government environmental organizations in addressing these problems. The Center's charter outlines its

mission in four categories: data collection and dissemination, development of institutional capabilities, education, and matching available resources with the needs in the region via a clearinghouse. The Center will focus initially on three major areas of concern: the impact of environmental degradation on health, energy efficiency, and pollution prevention.

The Center's day-to-day operations will be under the management of the Executive Director, Dr. Peter Hardi, a Hungarian who currently serves as the director of the Hungarian Institute of International Affairs and as a professor of political science at Budapest University of Economics.

Frank Loy, of Washington, DC, is the president of the German Marshall Fund of the United States, which sponsors several exchange programs with Eastern European countries. He is also chairman of the Environmental Defense Board. John Schmitz, of McLean, VA, currently serves as Deputy Counsel to the President for environmental and energy matters. Helen Petrauskas, of Davisburg, MI, is vice president for environment and safety engineering for the Ford Motor Co. The U.S. board members will be joined by representatives selected by the Governments of Hungary and other East European countries, the European Community, and Austria.

Also named today as the Center's first program manager was Stephen Wassersug. Mr. Wassersug is currently the Director of the Hazardous Waste Management Division for EPA Region III in Philadelphia. He has served in a number of Agency programs on air, water, and waste during his tenure with EPA.

Remarks at an Antidrug Rally in Philadelphia, Pennsylvania

July 24, 1990

Thank you, Herman. Thank all of you out there for that -- thank you, sir, for that terrific welcome. And let me just say hello to all those that are outside, listening on the loud speakers. We know they're out there.

First, a heartfelt thanks to Herman Wrice, for that introduction and for all he's doing. I want to single out Reds Bagnell and Inspector Durkin and Al Wilson, of course, Herman, for all they're doing in leading this fight against drugs. You know, Mayor Goode was here a minute ago, and I was delighted to be with him and hear right from him firsthand about this fight and about the neighborhood's participation in it. And I also would like to give a hand to Cedrick Ward. What an outstanding job thatÿ7Eÿ7Eÿ7E guyÿ7Eÿ7Eÿ7E didÿ7Eÿ7Eÿ7E upÿ7Eÿ7Eÿ7E here.ÿ7Eÿ7Eÿ7E Whereÿ7Eÿ7Eÿ7E areÿ7Eÿ7Eÿ7E you, Cedrick? There he is. And I think it's a great thing that Charles Barkley is here, Reggie White, Mark Howe, Lionel Simmons, and so many others showing their support for what you are doing in these neighborhoods. I'm proud of you. You might not realize it, but while you're working away out here, America has been hearing you. It's listening to the tolling of a bright new sound: Philadelphians shouting firmly and defiantly to the terrorists who deal drugs, ``We're beating the odds." And you are, and we're proud of you.

I love those teeshirts. I saw a couple of them: ``Yes To Sports, No To Drugs." Another good message. I'm sure these four big guys will tell you that they appreciate it, too. You kids have the right idea -- no crack in Philadelphia except for the one in the Liberty Bell.

But here's what I learned today. Here's what I learned today. Here in this birthplace of independence, you have another kind of independence. You don't have to depend on drugs or on dealers or on crime. You're free to believe in yourselves. And I love those teeshirts that say, too: ``I Believe In Me." Well, I believe in you, too. Keep up that pride.

Let me tell you the two stories that stick in my mind as I learned about this Philadelphia Antidrug Coalition. In one, your neighborhood families, numbed by fear, routinely barricaded themselves inside their homes while the sounds of battle raged outside -- the burst of gunfire in these drive-by shootings, the echoing threats of the drug dealers, and the shuffle of the zombie-like procession to the infested crack house next door.

And it was, in those days, a war zone of despair. But listen, that was from the past. And here's a story from today. An 11-year-old boy named James used to hang around the edge of those cleanup projects. And he didn't want to go home to his alcoholic mother. He needed money for shoes, but was too young to earn anything but the $15 that these drug pushers would pay him to be a lookout.

And you might say, well, why do I like this story? Because someone who cared found James. And he was Herman Wrice, the John Wayne of Philadelphia and this towering mountain of a man who started a whole movement by declaring war on a crack house with a sledgehammer. To James, living drug-free in the safety of the Wrice home, he is now ``Dad."

My friends, you show that individual neighborhoods can, indeed, work together to restore hope and self-respect. You show that community commitment can extinguish the destructive blaze of crack burning up our streets and our kids. And you speak loudly and clearly. The adults are saying that no more children will be won over by these desperados of death. They're saying: We're not going to surrender to you. We're taking back our kids, and we're taking back our streets. That's the message from Philadelphia to Washington, DC.

And you kids out here, just a word to you guys -- you're the ones we're proudest of because you're saying: Hey, I believe in me. I believe I'm worthwhile, and I'm not going to waste my life for the filth of your crack houses. And I'm going to believe in something bigger than that; I'm going to believe in my community and my life and my family and in my future.

You've formed this antidrug olympics I've been hearing about and these after-school activities as an alternative to drugs. You've stood on the streetcorners -- I love that. For those who are not from this neighborhood, let me tell you about that. They stand on the streetcorners all night long, bearing witness by your presence to the victory being won. And drug dealers see them coming, and they scatter like cockroaches in a sudden burst of light. In an America that worships heroes, in your own way, you are the real thing.

We're also excited about this Operation PEARL, an unprecedented effort to uncover and destroy the dark, dirty roots of drug corruption one neighborhood at a time. This experiment that I've heard about today in community-government cooperation combines the services of city, State, Federal agencies, all with local volunteers. And it embodies the sort of vision and success that our drug czar [William J. Bennett, Director of National Drug Control Policy] in Washington has encouraged since taking command of our drug war.

You know, America has waited too long. And now we've got to move forward to help in Washington with the crime bill and other pieces of legislation, because you are getting your job done right here -- in efforts like the all-night bonfire vigil one rainy night, when 300 of you in white hardhats closed down drug action on Indiana Avenue. When you lit that first bonfire, you were lighting more than just one flame against the cold: you were setting up a beacon of hope against evil, a symbol to other communities in despair.

So, in conclusion, you know, I remember the westerns of my youth -- the good guys wore the white hats, and they stood firmly and proudly for morality. I am glad to see that right here in this precious neighborhood in Philadelphia the good guys still wear the white hats, still stand firmly

and proudly for those same virtues. Now, Herman put it this way. He said he'll take off his hat on the streets of Philadelphia ``only when we win this war.'' Well, I know that I'll return one day and find you out there bareheaded, with your neighbors -- strong, drug-free -- at your side.

Thank you for this example that you are setting for the entire United States of America. I leave impressed, inspired, and determined to do my part to help you kids in your fight against drugs. Thank you all very, very much.

Note: The President spoke at 1:58 p.m. in the West Philadelphia Community Center. Prior to his remarks, he visited a preschool class at the center.

Nomination of Jerome H. Powell To Be an Assistant Secretary of the Treasury

July 24, 1990

The President today announced his intention to nominate Jerome H. Powell to be an Assistant Secretary of the Treasury for Domestic Finance. He would succeed David W. Mullins, Jr.

Since 1984 Mr. Powell has served as an investment banker with the firm of Dillion, Read and Co., Inc. Prior to this, he was an attorney with Werbel and McMillin, 1983 - 1984; an attorney with the firm of Davis Polk and Wardwell, 1981 - 1983; and a law clerk for Judge E.A. van Graafeiland of the U.S. Court of Appeals for the Second Circuit, 1979 - 1980. He was a legislative assistant for Senator Richard Schweiker, 1975 - 1976.

Mr. Powell graduated from Princeton University (B.A., 1975) and Georgetown University Law Center (J.D., 1979). He was born February 4, 1953, in Washington, DC. He is married, has two children, and resides in Pelham, NY.

Nomination of Edward P. Brynn To Be United States Ambassador to Burkina Faso

July 24, 1990

The President today announced his intention to nominate Edward P. Brynn to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Burkina Faso. He would succeed David H. Shinn.

Since 1989 Dr. Brynn has served as a member of the Senior Seminar at the Foreign Service Institute. Prior to this, he was deputy chief of mission in Yaounde, Cameroon, 1987 - 1989; Charge d'Affaires in Moroni, Comoros Islands, 1985 - 1987; and deputy chief of mission in Nouakchott, Mauritania, 1982 - 1985. He served as a staff member on the Senate Select Committee on Intelligence, 1981 - 1982. Dr. Brynn served at the Bureau of African Affairs, 1980 - 1981; political officer in Bamako, Mali, 1978 - 1980; Foreign Service officer in residence at the U.S. Air Force Academy, 1976 - 1978; and as a political and economic officer in Sri Lanka, 1973 - 1975. Dr. Brynn served in the U.S. Air Force, 1968 - 1972.

Dr. Brynn graduated from Georgetown University (B.A., 1964) and Stanford University (M.A., 1965; Ph.D., 1968). He was born August 1, 1942, in Pittsburgh, PA. Dr. Brynn is married, has five children, and resides in Washington, DC.

Accordance of the Personal Rank of Ambassador to Bradley Gordon While Serving on the Nuclear Non-Proliferation Treaty Review Conference Preparatory Committee

July 24, 1990

The President today accorded the personal rank of Ambassador to Bradley Gordon in his capacity as Alternate Head of Delegation to the 1990 Nuclear Non-Proliferation Treaty Review Conference Preparatory Committee.

Since 1990 Dr. Gordon has served as Assistant Director of the U.S. Arms Control and Disarmament Agency in the Bureau of Nuclear Weapons and Control at the Department of State in Washington, DC. Prior to this he was legislative assistant in the office of Senator Rudy Boschwitz, 1987 - 1989. He was a professional staff member for the Senate Committee on Foreign Relations, 1985 - 1987; political analyst for the Central Intelligence Agency in the Office of Near Eastern/South Asian Analysis, 1979 - 1985; research assistant with the Middle East Institute at Columbia University, 1975 - 1976; and a research assistant with the Bureau of Applied Social Research at Columbia University, 1975.

Dr. Gordon graduated from Brandeis University (B.A., 1971), University of Vermont (M.A., 1974), and Columbia University (Ph.D., 1979). He was born May 22, 1949, in Burlington, VT. He is married, has three children, and resides in Reston, VA.

Remarks at a Republican Party Fundraising Dinner in New York, New York

July 24, 1990

Thank you all. Thank you so much, Senator. And let me say how very pleased I am to be here. A salute first to Senator D'Amato, who's doing such a superb job in Washington. He and I have to leave before the broccoli to get back to -- [laughter] -- get back down there, so I hope you'll excuse us. But let me salute my old friend, the borough president. Mr. President, we're proud of you -- Guy Molinari.

And of course, our senate leader, Ralph Marino -- I just met with him, and we talked about the importance of keeping control of this senate, given the significance of redistricting coming up. It is absolutely essential, and thus I want to thank everybody that has helped in this dinner. It is key that Ralph continue to run the senate on the Republican side. We've got to keep control of it.

And I expect, because of his responsibilities as head of this whole campaign for the senate, Guy Velella, over here, knows that he's got some big shoes to fill, too -- big responsibilities. Rapp, it's good to see you again -- Rapp Rappleyea, the leader over here on our -- I wish we had some more troops for him, and maybe we will out of this selection on the assembly. I want to salute our able party chairman, Pat Barrett, a man who's given up an awful lot to lead our troops; and my old friend Dick Rosenbaum, the national committeeman; Comptroller Ned Regan; and Bernard Smith, running here. Is it okay to mention my brother John? Okay. All right. And I'm going to be in real trouble, but Rita -- Rita DiMartino, I see her all over the place. She's like Batman -- she's everywhere. And Joe Mondello and many other leaders. I'm very pleased to be here. I want to single out two, however, who deserve our support. They have mine, and they are going to surprise a lot of people: Pierre Rinfret for Governor, and Geff Yancey. We need them. They're a good team. They've got great families.

You know, for 2 years, when I was Ambassador to the U.N., Barbara and I lived up here, in this -- rough living here in this very hotel, room 42 - A. And whenever I complained about anything, the Silver Fox would roll her eyes and say, ``Just where do you think we live? The Waldorf Astoria?'' Well, here we are back again, and I'm pleased to be here. And I understand that New York has been selected as the site of a very important event in 1992 -- a convention that will attract thousands of participants from all over the country, people who hope to put their past setbacks behind them and plan a winning strategy for the future. That's right, the first reunion of all the ex-managers of the New York Yankees will be held right here in New York City. [Laughter]

Then there's the other future New York convention: the Democrats'. Let me say that my hand is still extended to them when it comes to working for the good of the Nation. I look forward to the Senate hearings of David Souter. I am sure that they will find him to be tough, but fair. He's a first-rate appellate judge, an outstanding jurist, and a great legal mind. And I am delighted that he

is the nominee for the Supreme Court.

Many Democrats in Washington have supported me in meeting this fantastic era of change abroad that Al D'Amato so generously referred to, are working with me now to pass the first revision of the Clean Air Act in more than 13 years -- tougher standards to cut down on acid rain and other air pollutants. And they worked with me so I could sign into law a bill ending discrimination against disabled Americans. So, tough negotiations can get results. I see Amory Houghton out here, and he and other Congressmen on the Republican side know this. They're in the minority, but they're working hard. Tough negotiations can get results. But differences between the parties are still broad, and they're still deep, and much remains to be done -- too much. With more Republicans in Washington and in Albany, think of how much more we can achieve.

In New York, we face a tremendous opportunity to fight the Democrat gerrymander, an opportunity to end discrimination against voters by race and by party. That is our mission this November. That is our mission, and it is one that transcends mere politics because we're deeply concerned about the future of this great State.

To coin a phrase, we love New York, all of New York, from the oak-lined avenues of Long Island to Yankee Stadium to Broadway. From the city streets of Buffalo to the New York of farm towns and the Adirondacks, New York is a city of lights, a State of grandeur, a place where dreams come true. It certainly is for me. After all, New York is where Barbara Bush was born, and she's doing pretty darn well.

But we are concerned for the future because New York has become something else: It's become a showcase of liberal policies. And after 16 years of dominance by liberal Democrats, it's time to judge the results.

For 92 months, America has enjoyed peacetime economic expansion and the creation of more than 22 million jobs. But not all the benefits of those years were enjoyed by the people of New York State. Throughout the 1980's, while most of America was growing and looking forward to the future, life in New York, especially in the city, was becoming more expensive, more difficult, and more dangerous, regrettably, than ever before.

Liberal Democrats blame every problem on Republican policies, especially Republican economic policies. But in the late seventies, a large airline centered in New York didn't go out of business; it just decided to move south to Texas, taking more than a thousand jobs with it. And in 1987, a large energy corporation based in New York didn't go out of business; it just decided to move south to Virginia, taking 3,600 jobs with it. In fact, since 1983 almost a third of the Fortune 500 corporations based here have chosen to leave.

Now New Yorkers want a change. New Yorkers want the companies and the good jobs they represent to stay right here in New York. And New Yorkers want an end to open-air drug marts

and these muggings. And New Yorkers want a government that empowers people, not bureaucracies.

Twenty-nine out of the last 35 years of Democratic dominance in Congress have also taken their toll. Only a President carries a national mandate. But like Republicans before me, I know that to deal with a Democrat Congress is to often face government by gridlock, with spending skyrocketing out of control, good legislation thrown aside for pork, and a budget deficit looming over our children's children.

It is time we asked the American people to end the gridlock -- to choose the liberal mindset of the Democratic Party or to choose our path, the Republican path of opportunity and growth; to empower government to run their lives or to empower people to run their lives for themselves. Time to ask America to choose.

Here in New York, you must choose a Governor. And let it be a Republican Governor: Pierre Rinfret. Here's a family man -- I hope you've all met his family -- a decorated war hero, a successful entrepreneur who pulled himself out of Hell's Kitchen and wants to lead others out of poverty. And some say maybe he's not a politician. Well, he may not be a politician, but maybe New York doesn't need another politician. Maybe New York needs a change right now. So, Pierre, we are all for you -- you and your ticket. Best of luck!

You know, New York faces another choice: to keep your outstanding senate leader, Ralph Marino, and his colleagues as your prime line of defense against a liberal Governor and his assembly. Republicans, you see, like what works. And that's why your Republican senate has been, and will remain, your watchdog against big spenders and, more, a sane proponent of what works.

So, be thankful that your Republicans in the senate forced a spending cap, forced baseline budgeting. It is the Republicans in the New York Senate who managed to trim $1\1/2\ billion in Democratic spending proposals. They know you can't trust a party that would double the fare of the Staten Island Ferry. [Laughter] And kidding aside, think of what these Republicans would achieve if they could work with a Republican Governor and a Republican assembly.

Jobs and spending are important, but safe streets are of equal concern, especially in a city that lives in fear. And that's why New York agrees with us: Those violent criminals deserve nothing less than punishment, swift and sure. So, Republicans are united in wanting to change lenient, blame-the-victim laws; liberal Democrats don't want to change these laws. Republicans want to allow the women of this State to be able to defend themselves with Mace, and liberal Democrats don't. And Republicans -- and this is a big one nationally -- Republicans want murderers and drug kingpins to pay the ultimate penalty, and liberal Democrats don't.

In Washington, we argue that those who sell drugs are selling death, and we propose that drug

kingpins reap what they sow. But our crime bill faces another obstacle. Fifteen months ago, I stood before the U.S. Capitol and announced America's determination to take back the streets. The Senate has now cleared a crime bill -- Al D'Amato fighting for it -- a major new package, 423 days after I proposed it. It's not a perfect bill. It does nothing to ensure that evidence gathered by good, decent policemen acting in good faith isn't barred by technicalities that let bad people go free. But this bill will go a long way toward toughening sentences for violent crime and reducing repetitive appeals. Now, this legislation is over in the House side now, before the House. And let us tell the Members of the House: 423 days is long enough. Don't keep our men and women in blue waiting. Pass a tough bill, and pass it soon.

Let me give you another example of how a liberal Congress, long in power, jealously clings to the failed policies of the past. In April of last year, our administration asked Congress to pass the Education Excellence Act, reform proposals to reward achievement and allow educational choice. And yet Congress killed many of these sensible and cost-effective proposals, and then they doubled our request with hundreds of millions of dollars' worth of unnecessary, unrelated and costly changes.

If liberal Democrats should have learned anything, it is that you cannot reform an education system by throwing billions of dollars at it. So, when is it going to penetrate liberal thinking that we shouldn't throw money at an ineffective education system that is already the most expensive in the entire industrialized world? When are they going to start demanding results and stop measuring the value of a program by the size of its price tag? And when are they going to stop blocking genuine, much-needed reform?

Where the liberal mindset dominates, the net result has been the same: bad schools, dangerous streets, big deficits. Of course, times can change, and I hope they do. As you know, I met this morning, and will meet every morning this week, with the congressional leadership -- the Speaker and the Democratic leader and the minority leader on the House side and the two Senate leaders, one Republican, one Democrat on the Senate -- met to work for an agreement to lower our Federal deficit. We all know that the Democrats have a long track record on spending. But if the Berlin Wall could come down in the same year that America goes nuts over the Teenage Mutant Ninja Turtles, who knows what could happen next?

And again, times can change. The leaders of Congress can work with me to break the impasse on reducing the budget deficit, and I think they are trying. I've saluted Dick Gephardt, and I'll do it here again tonight. I believe he's trying hard. He's the one that has to lead this enormously diverse group into trying to get a deal. The spotlight is on both sides to place progress over partisanship and the national interest over special interest. I welcome sincere efforts from both sides of the aisle, and I'm eager to get an agreement with congressional leaders to achieve meaningful budget reform. And this is my hope, but as long as the liberal mindset dominates, we will be forced to measure our successes in catastrophes averted and calamities mitigated.

The genius of the American system is that it allows for checks and balances; but this doesn't mean that the voters must choose political stalemate, year after year, decade after decade. So, let me be blunt: Divided government just isn't good enough for America or for New York. We must have more Republicans up there in Albany and in Washington. And I think it's time to ask the American people to let us show what we can do without the albatross of liberal legislatures. It's time to ask America to choose.

As we go into the 1990 election season, remember an adage from a great Republican Governor of New York and a great President. Theodore Roosevelt said, ``In life, as in a football game, the principle to follow is: Hit the line hard." The choice is clear: Republican reform or the Democratic status quo. And when we present the people with this stark choice, rest assured, we will hit the line hard in November.

Thank you for all you have done to help this party. We are pledged to be in there supporting Pierre Rinfret and the rest of the ticket. May God bless you, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 7:50 p.m. in the Grand Ballroom at the Waldorf Astoria Hotel. In his remarks, he referred to Clarence D. Rappleyea, State assembly minority leader; Pat Barrett, State Republican Party committee chairman; Dick Rosenbaum, Republican national committeeman; Ned Regan, State comptroller; Bernard Smith, Republican candidate for State attorney general; John Bush, former official of the State Republican Party; Rita DiMartino, State Republican Party committee vice chairwoman; Joe Mondello, Nassau County Republican Party chairman; Geff Yancey, Republican candidate for Lieutenant Governor; Thomas S. Foley, Speaker of the House of Representatives; Richard A. Gephardt, House majority leader; Robert H. Michel, House Republican leader; Robert Dole, Senate Republican leader; and George J. Mitchell, Senate majority leader. A tape was not available for verification of the content of these remarks.

Remarks at a Ceremony Commemorating Captive Nations Week

July 25, 1990

The President. Thank you very much, and welcome -- welcome to the Rose Garden. And a special welcome to some of our guests -- to all of you -- but to some special guests today. Of course, I'm very pleased the Vice President is with me for this special occasion; Secretary Derwinski over here, who's been a leader in all of this for many, many years; and of course, our Deputy Secretary, Larry Eagleburger -- Deputy Secretary of State; and Dick Carlson, the head of the Voice. And so many of our friends from Congress, welcome to all of you. And a special, again, salute and welcome to all of you who have been in the forefront of the captive nations cause for so many years.

You know, for the last 32 years, Presidents from Eisenhower to Reagan have commemorated the ongoing struggle of captive nations. And traditionally, this one has been the ceremony to commemorate the ongoing struggle of these nations, to bear witness to the suffering of millions -- a ceremony to honor courage, a ceremony to tell everyone still in captivity that they are not forgotten. These previous captive nations ceremonies have not been moments of joy but really, rather, of serious rededication and sadness that so many in our world lived in the throes of tyranny.

The Revolution of 1989 was stunning -- thrilling, clearly a historic time. And at this ceremony last year, we told the world that we would keep faith with those who were oppressed; and we did. And then taking their lives into their own hands, the very people who are in our hearts crafted an unforgettable year of triumph -- the triumph of brave hearts, the triumph of people declaring they would control their own destinies. And last summer while we were in Eastern Europe, Barbara and I sensed that excitement in the air, that some of you here had been telling me about. In meetings with the people of Poland and Hungary, I pledged America's strong support for their historic struggle. And like most Americans, we watched in joy as the barbed wire on that Austrian-Hungarian border came down. And we were deeply moved as the changes swept across the continent bringing within reach the vision of a Europe truly whole and free.

For four long decades, America and her allies have remained united and strong in our mission for peace and freedom. That strength has at long last borne some fruit. What an amazing year this has been -- a year of technicolor glory in lands that had been defined by these black watchtowers and walls, and the drab emptiness of lost dreams.

But we are gathered here today not just to celebrate the joyous change of this past year but to celebrate it in a very special way. With us today are some of the young people whose countries were a part of this Revolution of '89. And each is proud of his country. And it's easy to understand why they believe in themselves and in their homelands. For the bold and brilliant light

of freedom now illuminates their world. And so, to honor that shining faith in the future, I dedicate this day to this new generation of freedom and to future generations who will never have to bear the burden of tyranny. For some of this new generation this freedom means a whole new world in their own backyard. On that unforgettable morning when the East German borders fell, parents gathered up their kids and brought them to the Brandenburg Gate, the final symbol of tyranny in Berlin. And still in their pajamas, these children on this day of new freedom were passed up from friendly hand to friendly hand to have the thrill of sitting on top of the wall, looking across at the endless horizon of their dreams. And now, a new generation is coming of age in freedom.

Inÿ7Eÿ7E theÿ7Eÿ7E audienceÿ7Eÿ7E todayÿ7Eÿ7E isÿ7Eÿ7E aÿ7Eÿ7E groupÿ7Eÿ7E of young interns from Poland, Hungary, and Czechoslovakia. Supported by funding from private American organizations, they are spending the summer working and learning in our great country. And one is working with the speaker of North Carolina's House of Delegates, another with a television station in Washington, another with the U.S. Chamber of Commerce. And they are here learning how a free society works and will return to build a free Poland, a free Hungary, a free Czechoslovakia.

But while we celebrate for those who are now free, we must also remember those who are not. And I continue to be moved by what I see and hear throughout the rest of the world where unfinished revolutions continue, one heroic story at a time. In the Americas, where a boy with nothing but a board and sail windsurfed to escape the politics of repression. In Asia, where iron tanks were met by the iron will of a courageous lone man. And today, I also want to remember especially the people of Latvia, Lithuania, and Estonia, and renew our unflagging support for their long quest for national self-determination. The road ahead is going to be difficult. But we can now join them in looking forward with hope to the day when their long-cherished dreams will become reality.

Alongside this success story of nations, we also hear quiet stories of individuals who, even in darkness, could see the vision of liberty; those who have risked everything in countries not yet free -- the countries we must still remember today; the desperate people we must never forget, boys like Quang Trinh, a young Vietnamese teenager. He almost died escaping from the shattered life of a country where he had seen his mother killed, his father jailed, his brother's spirits broken. Quang fled the only life he had known for freedom. And he jumped into shark-infested waters for freedom. And he starved in delirium for freedom. And after he was finally rescued and told he could enter the United States, he wept all night long.

When did something touch our lives so completely that we cried for joy through the entire night? Quang calls America ``freedom country." And how many of us have stopped to think of our homeland in those terms? You know, on my desk inside there in the Oval Office, I have two special mementos with me at all times. One is a small American flag, given to me in an army hospital by a soldier wounded while fighting to free our friends in Panama. It represents America's commitment to freedom and to proud people wherever they may be who seek that

freedom. And the other souvenir is a piece of the Berlin Wall, one of the very first chiseled from that horrifying affront to humanity. I keep it as a reminder of the miracle which courage, strength, and unity can achieve. It's sitting right here. And I also wanted to bring with me today this piece of barbed wire which I brought to last year's ceremony -- some of you may remember. It came from the Austria-Hungary border. And these two symbols of tyranny should never be forgotten.

Sitting in this peaceful Rose Garden today are several generations of these nations of miracles, including the new generation. But there are also countries that are still waiting to be free. So let us all work together so that next year this dream of freedom extends to all those countries where it is now denied. Let us pray together that the light of liberty will shine across our entire planet and that the next Captive Nations Week will be the last. Thank you all for coming here, and God bless you for your steadfast commitment to freedom around the world. Thank you all very, very much.

Note: The President spoke at 1:35 p.m. in the Rose Garden at the White House. In his opening remarks, he referred to Secretary of Veterans Affairs Edward J. Derwinski and Richard W. Carlson, Associate Director for the Voice of America.

Appointment of Richard W. Porter as Special Assistant to the President and Executive Secretary for the Domestic Policy Council

July 25, 1990

The President today announced the appointment of Richard W. Porter to be Special Assistant to the President and Executive Secretary for the Domestic Policy Council. Mr. Porter succeeds Kenneth P. Yale, who is assuming the position of Chief of Staff in the Office of Science and Technology Policy, Executive Office of the President.

Since February 1989 Mr. Porter has been the Deputy Assistant Secretary for Policy Review and Analysis at the Department of the Treasury. Prior to this he was an analyst and the chief writer on the domestic policy staff of Bush/Quayle '88. Mr. Porter also served as a law clerk to Judge Richard A. Posner on the U.S. Court of Appeals for the Seventh Circuit and worked as a lawyer/economist at Lexecon, Inc., a law and economics consulting firm in Chicago, IL.

Mr. Porter is a Phi Beta Kappa graduate of Middlebury College and received his law degree from the University of Chicago Law School, where he was awarded the John Olin Prize as the outstanding graduate in law and economics. Mr. Porter was born and raised in Mount Kisco, NY. He is married to the former Karen Louise Anderson of Barrington Hills, IL.

Remarks on Signing the Americans with Disabilities Act of 1990

July 26, 1990

Evan, thank you so much. And welcome to every one of you, out there in this splendid scene of hope, spread across the South Lawn of the White House. I want to salute the Members of the United States Congress, the House and the Senate who are with us today -- active participants in making this day come true. This is, indeed, an incredible day -- especially for the thousands of people across the Nation who have given so much of their time, their vision, and their courage to see this act become a reality.

You know, I started trying to put together a list of all the people who should be mentioned today. But when the list started looking a little longer than the Senate testimony for the bill, I decided I better give up, or that we'd never get out of here before sunset. So, even though so many deserve credit, I will single out but a tiny handful. And I take those who have guided me personally over the years: of course, my friends Evan Kemp and Justin Dart, up here on the platform with me; and of course -- I hope you'll forgive me for also saying a special word of thanks to two from the White House, but again, this is personal, so I don't want to offend those omitted -- two from the White House, Boyden Gray and Bill Roper, who labored long and hard. And I want to thank Sandy Parrino, of course, for her leadership. And I again -- it is very risky with all these Members of Congress here who worked so hard, but I can say on a very personal basis, Bob Dole has inspired me.

This is an immensely important day, a day that belongs to all of you. Everywhere I look, I see people who have dedicated themselves to making sure that this day would come to pass: my friends from Congress, as I say, who worked so diligently with the best interest of all at heart, Democrats and Republicans; members of this administration -- and I'm pleased to see so many top officials and members of my Cabinet here today who brought their caring and expertise to this fight; and then, the organizations -- so many dedicated organizations for people with disabilities, who gave their time and their strength; and perhaps most of all, everyone out there and others -- across the breadth of this nation are 43 million Americans with disabilities. You have made this happen. All of you have made this happen. To all of you, I just want to say your triumph is that your bill will now be law, and that this day belongs to you. On behalf of our nation, thank you very, very much.

Three weeks ago we celebrated our nation's Independence Day. Today we're here to rejoice in and celebrate another ``independence day,'' one that is long overdue. With today's signing of the landmark Americans for Disabilities Act, every man, woman, and child with a disability can now pass through once-closed doors into a bright new era of equality, independence, and freedom. As I look around at all these joyous faces, I remember clearly how many years of dedicated commitment have gone into making this historic new civil rights act a reality. It's been the work

of a true coalition, a strong and inspiring coalition of people who have shared both a dream and a passionate determination to make that dream come true. It's been a coalition in the finest spirit -- a joining of Democrats and Republicans, of the legislative and the executive branches, of Federal and State agencies, of public officials and private citizens, of people with disabilities and without.

This historic act is the world's first comprehensive declaration of equality for people with disabilities -- the first. Its passage has made the United States the international leader on this human rights issue. Already, leaders of several other countries, including Sweden, Japan, the Soviet Union, and all 12 members of the EEC, have announced that they hope to enact now similar legislation.

Our success with this act proves that we are keeping faith with the spirit of our courageous forefathers who wrote in the Declaration of Independence: ``We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights." These words have been our guide for more than two centuries as we've labored to form our more perfect union. But tragically, for too many Americans, the blessings of liberty have been limited or even denied. The Civil Rights Act of '64 took a bold step towards righting that wrong. But the stark fact remained that people with disabilities were still victims of segregation and discrimination, and this was intolerable. Today's legislation brings us closer to that day when no Americans will ever again be deprived of their basic guarantee of life, liberty, and the pursuit of happiness.

This act is powerful in its simplicity. It will ensure that people with disabilities are given the basic guarantees for which they have worked so long and so hard: independence, freedom of choice, control of their lives, the opportunity to blend fully and equally into the rich mosaic of the American mainstream. Legally, it will provide our disabled community with a powerful expansion of protections and then basic civil rights. It will guarantee fair and just access to the fruits of American life which we all must be able to enjoy. And then, specifically, first the ADA ensures that employers covered by the act cannot discriminate against qualified individuals with disabilities. Second, the ADA ensures access to public accommodations such as restaurants, hotels, shopping centers, and offices. And third, the ADA ensures expanded access to transportation services. And fourth, the ADA ensures equivalent telephone services for people with speech or hearing impediments.

These provisions mean so much to so many. To one brave girl in particular, they will mean the world. Lisa Carl, a young Washington State woman with cerebral palsy, who I'm told is with us today, now will always be admitted to her hometown theater. Lisa, you might not have been welcome at your theater, but I'll tell you -- welcome to the White House. We're glad you're here. The ADA is a dramatic renewal not only for those with disabilities but for all of us, because along with the precious privilege of being an American comes a sacred duty to ensure that every other American's rights are also guaranteed.

Together, we must remove the physical barriers we have created and the social barriers that we have accepted. For ours will never be a truly prosperous nation until all within it prosper. For inspiration, we need look no further than our own neighbors. With us in that wonderful crowd out there are people representing 18 of the daily Points of Light that I've named for their extraordinary involvement with the disabled community. We applaud you and your shining example. Thank you for your leadership for all that are here today.

Now, let me just tell you a wonderful story, a story about children already working in the spirit of the ADA -- a story that really touched me. Across the Nation, some 10,000 youngsters with disabilities are part of Little League's Challenger Division. Their teams play just like others, but -- and this is the most remarkable part -- as they play, at their sides are volunteer buddies from conventional Little League teams. All of these players work together. They team up to wheel around the bases and to field grounders together and, most of all, just to play and become friends. We must let these children be our guides and inspiration.

I also want to say a special word to our friends in the business community. You have in your hands the key to the success of this act, for you can unlock a splendid resource of untapped human potential that, when freed, will enrich us all. I know there have been concerns that the ADA may be vague or costly, or may lead endlessly to litigation. But I want to reassure you right now that my administration and the United States Congress have carefully crafted this Act. We've all been determined to ensure that it gives flexibility, particularly in terms of the timetable of implementation, and we've been committed to containing the costs that may be incurred.

This act does something important for American business, though -- and remember this: You've called for new sources of workers. Well, many of our fellow citizens with disabilities are unemployed. They want to work, and they can work, and this is a tremendous pool of people. And remember, this is a tremendous pool of people who will bring to jobs diversity, loyalty, proven low turnover rate, and only one request: the chance to prove themselves. And when you add together Federal, State, local, and private funds, it costs almost $200 billion annually to support Americans with disabilities -- in effect, to keep them dependent. Well, when given the opportunity to be independent, they will move proudly into the economic mainstream of American life, and that's what this legislation is all about.

Our problems are large, but our unified heart is larger. Our challenges are great, but our will is greater. And in our America, the most generous, optimistic nation on the face of the Earth, we must not and will not rest until every man and woman with a dream has the means to achieve it.

And today, America welcomes into the mainstream of life all of our fellow citizens with disabilities. We embrace you for your abilities and for your disabilities, for our similarities and indeed for our differences, for your past courage and your future dreams. Last year, we celebrated a victory of international freedom. Even the strongest person couldn't scale the Berlin Wall to gain the elusive promise of independence that lay just beyond. And so, together we rejoiced when

that barrier fell.

And now I sign legislation which takes a sledgehammer to another wall, one which has for too many generations separated Americans with disabilities from the freedom they could glimpse, but not grasp. Once again, we rejoice as this barrier falls for claiming together we will not accept, we will not excuse, we will not tolerate discrimination in America.

With, again, great thanks to the Members of the United States Senate, leaders of whom are here today, and those who worked so tirelessly for this legislation on both sides of the aisles. And to those Members of the House of Representatives with us here today, Democrats and Republicans as well, I salute you. And on your behalf, as well as the behalf of this entire country, I now lift my pen to sign this Americans with Disabilities Act and say: Let the shameful wall of exclusion finally come tumbling down. God bless you all.

Note: The President spoke at 10:11 a.m. on the South Lawn of the White House. In his opening remarks, he referred to Evan Kemp, Chairman of the Equal Opportunity Employment Commission; Justin Dart, Chairman of the President's Committee for Employment of People With Disabilities; C. Boyden Gray, Counsel to the President; William L. Roper, Deputy Assistant to the President for Domestic Policy and Director of the Office of Policy Development; Sandy Parrino, chairperson of the National Council of Disabilities; and Robert Dole, Senate Republican leader. S. 933, approved July 26, was assigned Public Law No. 101 - 336.

Statement on Signing the Americans with Disabilities Act of 1990

July 26, 1990

Today, I am signing S. 933, the ``Americans with Disabilities Act of 1990." In this extraordinary year, we have seen our own Declaration of Independence inspire the march of freedom throughout Eastern Europe. It is altogether fitting that the American people have once again given clear expression to our most basic ideals of freedom and equality. The Americans with Disabilities Act represents the full flowering of our democratic principles, and it gives me great pleasure to sign it into law today.

In 1986, on behalf of President Reagan, I personally accepted a report from the National Council on Disability entitled ``Toward Independence." In that report, the National Council recommended the enactment of comprehensive legislation to ban discrimination against persons with disabilities. The Americans with Disabilities Act (ADA) is such legislation. It promises to open up all aspects of American life to individuals with disabilities -- employment opportunities, government services, public accommodations, transportation, and telecommunications.

This legislation is comprehensive because the barriers faced by individuals with disabilities are wide-ranging. Existing laws and regulations under the Rehabilitation Act of 1973 have been effective with respect to the Federal Government, its contractors, and the recipients of Federal funds. However, they have left broad areas of American life untouched or inadequately addressed. Many of our young people, who have benefited from the equal educational opportunity guaranteed under the Rehabilitation Act and the Education of the Handicapped Act, have found themselves on graduation day still shut out of the mainstream of American life. They have faced persistent discrimination in the workplace and barriers posed by inaccessible public transportation, public accommodations, and telecommunications.

Fears that the ADA is too vague or too costly and will lead to an explosion of litigation are misplaced. The Administration worked closely with the Congress to ensure that, wherever possible, existing language and standards from the Rehabilitation Act were incorporated into the ADA. The Rehabilitation Act standards are already familiar to large segments of the private sector that are either Federal contractors or recipients of Federal funds. Because the Rehabilitation Act was enacted 17 years ago, there is already an extensive body of law interpreting the requirements of that Act. Employers can turn to these interpretations for guidance on how to meet their obligations under the ADA.

The Administration and the Congress have carefully crafted the ADA to give the business community the flexibility to meet the requirements of the Act without incurring undue costs. Cost may be taken into account in determining how an employee is ``reasonably accommodated," whether the removal of a barrier is ``readily achievable," or whether the provision of a particular

auxiliary aid would result in an ``undue burden." The ADA's most rigorous access requirements are reserved for new construction where the added costs of accessible features are minimal in relation to overall construction costs. An elevator exemption is provided for many buildings.

The careful balance struck between the rights of individuals with disabilities and the legitimate interests of business is shown in the various phase-in provisions in the ADA. For example, the employment provisions take effect 2 years from today for employers of 25 or more employees. Four years from today that coverage will be extended to employers with 15 - 24 employees. These phase-in periods and effective dates will permit adequate time for businesses to become acquainted with the ADA's requirements and to take the necessary steps to achieve compliance.

The ADA recognizes the necessity of educating the public about its rights and responsibilities under the Act. Under the ADA, the Attorney General will oversee Government-wide technical assistance activities. The Department of Justice will consult with the Architectural and Transportation Barriers Compliance Board, the Equal Employment Opportunity Commission, the Department of Transportation, the Federal Communications Commission, the National Council on Disability, and the President's Committee on Employment of People with Disabilities, among others, in the effort. We will involve trade associations, advocacy groups, and other similar organizations that have existing lines of communications with covered entities and persons with disabilities. The participation of these organizations is a key element in assuring the success of the technical assistance effort.

In signing this landmark bill, I pledge the full support of my Administration for the Americans with Disabilities Act. It is a great honor to preside over the implementation of the responsibilities conferred on the executive branch by this Act. I pledge that we will fulfill those responsibilities efficiently and vigorously.

The Americans with Disabilities Act presents us all with an historic opportunity. It signals the end to the unjustified segregation and exclusion of persons with disabilities from the mainstream of American life. As the Declaration of Independence has been a beacon for people all over the world seeking freedom, it is my hope that the Americans with Disabilities Act will likewise come to be a model for the choices and opportunities of future generations around the world.

George Bush

The White House,

July 26, 1990.

Note: S. 933, approved July 26, was assigned Public Law No. 101 - 336.

Appointment of Michael P. Jackson as Special Assistant to the President and Executive Secretary for Cabinet Liaison

July 26, 1990

The President today announced the appointment of Michael P. Jackson to be Special Assistant to the President and Executive Secretary for Cabinet Liaison.

Since January 1990 Mr. Jackson has served as Executive Secretary for Cabinet Liaison at the White House. From January 1989 to December 1989, he served as Associate Director in the White House Office of Cabinet Affairs. From 1986 to 1988, Mr. Jackson worked in the Office of the Secretary at the Department of Education, first as Special Assistant for Public Affairs and later as Special Assistant to the Secretary. Mr. Jackson has worked for the White House Conference on Small Business and the American Enterprise Institute and has taught political science at the University of Georgia and Georgetown University.

Mr. Jackson graduated from the University of Houston (B.A.) and Georgetown University (Ph.D.). He is married and resides in Alexandria, VA.

Letter to Congressional Leaders Transmitting the Report of the Test of Television Broadcasting Into Cuba

July 27, 1990

Dear XXXXX:

Enclosed please find the report on the findings of the test of television broadcasting to Cuba required by section 247(b)(2) of Public Law 101 - 246.

Sincerely,

George Bush

Note: Identical letters were sent to Claiborne Pell and Jesse Helms, chairman and ranking member of the Senate Foreign Relations Committee; Dante B. Fascell and William S. Broomfield, chairman and ranking member of the House Foreign Affairs Committee; and John D. Dingell and Norman F. Lent, chairman and ranking member of the House Energy and Commerce Committee.

Exchange With Reporters Aboard Air Force One

July 27, 1990

The President. Well, this is not yet another news conference, but I just want to welcome everybody. We're looking forward to this weekend. Thank you very much.

Supreme Court Nomination of DavidH.Souter

Q. How do you gauge the initial reaction of the Senate to your nominating -- --

The President. Very favorable, so far. It's hard to tell about the Senate because a lot have not expressed their views. But nationally, I'm very pleased, and there seems to be a well-deserved support for Judge Souter. So, we'll see.

Q. Do you expect any difficulty with the confirmation?

The President. Well, I don't really think so. I hope not. I talked yesterday to Senator Thurmond, who is our ranking man on Judiciary, and he was giving me a little across-the-board assessment. And then Senator Rudman, I think, has a positive feeling.

Q. Think he'll sail through? No -- --

The President. Well, I don't know. I mean, I hope so. I think it deserves to. But I've been very pleased with the initial response; and then the second wave, I think, is very positive because the more people that know him and speak up -- it seems to be broad support.

Q. About the only complaint seems to be that nobody knows -- people seem to be not sure where he stands. Marshall [Supreme Court Associate Justice] said he'd never heard of him.

The President. Well, I think he's not the most well-known figure in the country, but that's not why I selected him. So, he'll be plenty well-known when he gets testifying and gets through this process, which I think he'll do with flying colors.

Q. Did you see Thurgood Marshall's interview last night?

The President. No, I didn't.

Q. Did you hear about it?

The President. Yes.

Q. Would you respond to it?

The President. My response is: I have great respect for the Supreme Court, and I have no comment at all on it -- none.

Q. He says Mr. Sununu [Chief of Staff to the President] is calling the shots on this.

The President. I have no comments at all on this incident. I have a very high regard for separation of powers and for the Supreme Court, and thus I think people can get along without a comment from me on this interview.

Federal Budget Negotiations

Q. How about the budget, Mr. President? Are the Democrats dragging their feet, or -- --

The President. Well, we're going to have more meetings next week. And I think we're narrowing some differences, Sandy [Sandy Gilmour, NBC News], but it's not dramatic progress at all. So, I'm still sticking by our agreement, and we'll see where we go here next week.

Q. Will you keep them in town, if necessary, in order to -- --

The President. Well, part of the agreement is not to discuss details of what we're talking about. And that subject is, as you know, being widely discussed.

Q. Details of your plan, and whether your plan will have them out?

The President. Well, on both sides, yes.

Q. What's been the reaction to the plan?

The President. Well, you know, I'm not locked into any specific proposal. And it would be bad faith for me to start taking one part or another out of a proposal. But again, I think both Dick Darman [Director of the Office of Management and Budget], who is really kind of the lead for the White House -- he and Brady [Secretary of the Treasury] -- and then Dick Gephardt [House majority leader] are dealing in very good faith here. And so, let's see where we come out on it. But I'm not going into any specifics on any plan.

Supreme Court Nomination of DavidH.Souter

Q. Going back to Judge Souter, is there a precondition that he had expressed that he would not come to Washington unless you promised not to ask him his specific opinions on some of these

controversial issues?

The President. No, no.

Q. Senator Rudman sort of indicated that he had expressed that view to him.

The President. I think he's going to come back and chat, but nothing on my side on that.

Gasoline Prices

Q. Mr. President, is there anything you can do about OPEC raising the price by 5 cents or 10 cents a gallon on gasoline?

The President. No, there's not a thing in the world we can do about it. The market forces, as always, will determine what the ultimate prices are, though. You know, they make these agreements, and then markets have a funny way of dominating. But there's nothing we can do on an OPEC decision.

Roseanne Barr

Q. The national anthem -- should there be a constitutional amendment to protect -- desecration of the national anthem?

Q. Yes, how about Roseanne Barr? What was your reaction to the song?

The President. My reaction is: It was disgraceful. That's the way I feel about it, and I think a lot of the San Diego fans said the same thing. But anyway, that's -- --

Q. Does this mean that Roseanne Barr won't be coming to the White House real soon?

The President. There's no change of plans in that. [Laughter]

Q. You mean, you're going to stop watching her show?

The President. Which show?

Note: The exchange occurred while the President was en route from Washington, DC, to his home in Kennebunkport, ME. In his remarks, the President referred to comedienne Roseanne Barr's performance of the national anthem at a San Diego Padres baseball game. A tape was not available for verification of the content of this exchange.

Remarks to the National Governors' Association

July 30, 1990

The President. Terry, can you hear me?

Governor Branstad. Yes, Mr. President?

The President. How are you doing?

Governor Branstad. We're not hearing you very well.

The President. Well, do you want to try another connection or can you hear it now better?

Governor Branstad. It's better. Mr. President, we appreciate your call, and I think we can hear you a little better now. Can you hear us okay?

The President. Loud and clear. Yes, it sounds like a loudspeaker. But listen, I just wanted to check in. I understand you're having a lunch there with the Governors, and I just wanted to report in and say that I understand from others that you're having a good conference. I'm sorry I'm not down there with you. And also it might be appropriate, but let me just pay my respects to Governor Guy Hunt. He told me about the enthusiasm in his State for this, and I just want to thank him for hosting the conference. Is he right there with you?

Governor Branstad. He's sitting right next to me.

The President. All right. Well, pass along a warm abbracio [embrace] to him. And, Terry, to you and all of you, let me just thank you for what you've accomplished this past year. I still feel that the education summit in Charlottesville last September was historic, and I want to continue the partnership that we announced when we announced those six national education goals. I have the report here, your report, on State strategies for achieving the national education goals. And I'm pleased that you've got our two reports on the actions that we're taking at the Federal level to support the goals and on the changes that we're making to give you a greater flexibility in the use of the Federal funds.

Also I want to commend your executive committee for recommending the establishment of a bipartisan panel that will determine how to measure progress. I think it is essential that there be some definitive way of measuring progress toward these education goals during the nineties, and this decision by the executive committee makes good sense. I think all of these actions reflect the enormous amount of work and effort that's being devoted to improving and strengthening our education system, and I can tell you I'm pleased with the progress. I still talk about the spirit of the Governors' meeting, the summit. I talk about it all over the country.

I recognize there is diversity; and I've made it a point not to get involved in any State, pointing out how a Governor might attempt to do the job better, but mainly to support -- from a national standpoint -- to support these goals. And I want to thank everyone there for the constructive relationship that we've developed and want to assure you that I want it to continue to work together.

And then lastly, if I might, I want to pass along to Booth Gardner, the incoming chairman of the NGA, my best wishes. And, Booth, both you and Terry have worked well; and I appreciate very much -- I mentioned him in the beginning, but let me mention you here at the end -- I'm very grateful to you for your continued approach on this matter. And I appreciate your input at the beginning, and now I look forward to working with you in this partnership that I think is going to serve our country very well indeed.

So, that's all I wanted to say. But I'm just delighted to have a chance to check in with you.

Governor Branstad. Mr. President, first of all, I think this is the eighth time since you've been President that you've communicated directly with the leadership of the National Governors' Association, and I really think that's unprecedented. We very much appreciate the personal attention that you've given to this association -- working with us -- and the cooperation that you and your staff have given us in developing these national goals and now this oversight panel.

And let me tell you, it wasn't easy yesterday. Many of us spent a lot of time locked away in a small room to try and get it resolved. We feel real good about the consensus proposal that was approved by the executive committee yesterday. And I just want to say the cooperation and help from the administration and the Congress is going to be essential for us to achieve these very ambitious goals. I also want to give Guy Hunt a chance to say a few words. This is the first time in the history of the National Governors' Association we've ever met in Alabama, and he has really shown us what southern hospitality is all about.

The President. That's not surprising, but put him on.

Governor Hunt. Mr. President, we wish you were here. We would like to show you some more of this southern hospitality, but we appreciate you staying on the job while all of us are away. And we just appreciate what you've done and just to let you know that you are still very much loved in Mobile, Alabama, and in Alabama. And come to see us when you can.

The President. Well, thank you, sir, and my respects to all the others that are assembled there. Booth, do you want the last word?

Governor Branstad. I want to turn it over to Booth, because at the end of the plenary session tomorrow, he's going to become chair of the National Governors' Association, and he will have

the responsibility to appoint those six Governors to the oversight committee. And I can't think of a better person to turn over the chairmanship to than to the great Governor of the State of Washington, Booth Gardner.

The President. Put him on there. Booth.

Governor Gardner. He's on. [Laughter] We're switching from youth and energy to wisdom as leadership of the National Governors' Conference. [Laughter]

The President. I got you.

Governor Gardner. Terry's done a great job, and I appreciate your recognizing that. I just want to add what I think a lot of us feel, which is we appreciate your partnership in this educational effort. And we recognize that you've got financial difficulties like many of us do, but that the major commitment and the first goal was preparing children to get ready for school. And our goal as States is to make sure that we can fully fund our end of it as quickly as possible. And if the Federal Government can help us with that by fully funding Head Start or early childhood education, by the end of your first term, you'd have a lot of friends here.

The President. Listen, I appreciate it. And of course, that's in keeping with one of our major goals, so we'll see what we can do in that regard. But listen, good luck to you and my respects to all. And tell those on the new committee I look forward to working with them. And I'll see you, Booth and Terry, when you come east next. And thanks a lot.

Governor Branstad. Thank you.

The President. All right. Good luck.

Governor Branstad. Thank you, Mr. President.

The President. Over and out.

Note: The President spoke at 1:34 p.m. by telephone from the Oval Office at the White House.

Nomination of Stephen H. Rogers To Be United States Ambassador to Swaziland

July 30, 1990

The President today announced his intention to nominate Stephen H. Rogers to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland. He would succeed Mary A. Ryan.

Since 1986 Mr. Rogers has served as counselor for economic and commercial affairs and officer-in-charge at the U.S. Embassy in Pretoria, South Africa. Prior to this he was a senior policy adviser for oceans and international environmental and scientific affairs at the Department of State, 1985 - 1986. He was international affairs adviser at the Industrial College of the Armed Forces at the National Defense University, 1984 - 1985, and a professor of international economic policy at the Industrial College of the Armed Forces, 1982 - 1984. Mr. Rogers served as Counselor for economic affairs at the U.S. Embassy in Mexico City, 1978 - 1982; Director of the Office of Regional Economic Policy at the Bureau of Inter-American Affairs at the Department of State, 1975 - 1978; and Counselor to the U.S. delegation to the Organization for Economic Cooperation and Development in Paris, France, 1972 - 1975. He has served as Counselor for economic affairs at the U.S. Embassy in London, United Kingdom, 1970 - 1972. In addition, Mr. Rogers has served in several capacities in the U.S. Embassies in Paris and New Delhi.

Mr. Rogers graduated from Princeton University (B.A., 1952), Columbia University (M.A., 1956), and Harvard University (M.P.A., 1962). He was born June 21, 1930, in Flushing, NY. He served in the U.S. Navy, 1952 - 1955. He is married, has three children, and resides in Brooklyn, Pretoria.

Nomination of Mary Sterling To Be Inspector General of the Department of Transportation

July 30, 1990

The President today announced his intention to nominate Mary Sterling to be the Inspector General at the Department of Transportation. She would succeed John W. Melchner.

Since 1989 Mrs. Sterling has served as Assistant Secretary of Labor for Labor Management Standards at the Department of Labor in Washington, DC, and a Special Assistant, 1989. Prior to this she was an attorney with the law firm of McDowell, Rice and Smith in Kansas City, MO, 1989. Mrs. Sterling has served as a White House fellow and Special Assistant to the Attorney General at the Department of Justice, Washington, DC, 1987 - 1988. Mrs. Sterling was in the private practice of law, 1986 - 1987, and an organized crime prosecutor at the Department of Justice for the organized crime and racketeering section of the Kansas City Strike Force, 1985 - 1986.

Mrs. Sterling graduated from Harvard University (A.B., 1976), Ohio State University (M.A., 1977), and New York University School of Law (J.D., 1980). She was born September 4, 1955, in Pioneer, OH, and resides in Arlington, VA.

Remarks to the Youth Leadership Coalition

July 30, 1990

Thank you very, very much. It's good to see you guys. I think this is the darnedest group we've had to the White House. [Laughter] I'll tell you, I was looking at the list walking over and a wide array of interests from all over the country. The matrix is youth. And then I guess another possible matrix might be love of country, determination to lead. And so, I wanted to come over and salute you, each and every one of you. And it's great to be here.

I was talking to Lisa, and she said that when she told one of you that the most powerful man in America would be stopping by to say hello, the wise guy said, ``Yeah, when is Arnold Schwarzenegger coming in?'' [Laughter]

I was not too thrilled with the unceremonious way that we interrupted Lew Crampton here. But he's doing a great job over there. And I hope you'll come back onto the scene after I blow this place. [Laughter] And, of course, Reg Walton, the Judge, is doing a superb job not just here in Washington but all across the country, as Bill Bennett's number two in this all-out fight against drugs. And I want to thank all of you in this room who have actively engaged yourselves in this struggle one way or another.

You know, what I wanted to do is come over and just say a word about a recent happening to this group that has the optimism and the energy and the vision to shape our country into the 21st century. And that's a big challenge, incidentally. I also might say it's a tremendous responsibility because one of our greatest obligations ought to be to leave a legacy of excellence to the children and grandchildren. But what I really wanted to mention was, in that context, my decision to nominate Judge David Souter to the Supreme Court.

I'm sure a lot of you have been reading about that. I view this as one of the most critical, crucial decisions that any President can make. And I'll tell you what was on my mind; and it was this nation's absolutely crucial demand for dedication, intelligence, and integrity in its leaders.

And you know, nominating a Supreme Court Justice is a responsibility. I felt that to live up to that responsibility, that trust that the American placed in me back in election time, I had to ensure that my nominee would bring these kinds of values of commitment to the service of our country. And I'm convinced that Judge Souter, the man whom I have named, will do exactly that.

You know, America's going to change tremendously over the coming decades, and technology may really make this world unrecognizable from today's standards. So, we can't even imagine the variety and the complexity of the decisions that the next Supreme Court is going to be called on to make. And that's why we can't choose a Justice based on some simplistic -- they call it -- litmus test on one issue or another. It's a much broader responsibility, and I tried to have that in mind in

this nomination.

We have to choose the next Supreme Court Justice on the basis of his inner core as a human being; on the strength of character that informs his decisions; and then, I would also say, the depth of his intellect and his caring and his thoughtfulness and fairness and his faithfulness to the Constitution.

You know, you are the ones, obviously, who are going to be inheriting this country; and so, I want to make you a promise and a pledge. And I do this with total confidence and candor. Judge Souter will serve us all fairly and wisely and well as our generation turns the reigns of the administration over to yours; and he will bring to this country experience, informed impartiality, and an admirable moral compass that will guide us through the changes and crises that lie ahead.

I am very happy with the way this choice has been received across the country -- really in a nonpartisan manner. I'm proud of him, and I know that when the country gets to know him, the country will be very proud of David Souter as well.

So, I wanted to come and put that in focus, not asking anything of you in terms of activism on this. The matter is now going to be before the United States Senate. Everyone here who has studied our system knows that the Senate has a responsibility to advise and to consent. And now they'll be taking a look at it in hearings that start before the Judiciary Committee in mid-September. But it's moving in the proper direction. I probably won't have too much more to say about it. But knowing this group and looking at whence you've cometh and seeing the degrees of excellence that you all have, I wanted to at least come over and put this in proper perspective for all of you.

I'm delighted to have had a chance to pop in. I hope you're finding these briefings and these seminars worthwhile. I don't want to sound gratuitous, but I am one who has great confidence in the young people of this country. And I'm just delighted that you took the time, what for some I'm sure was a nice summer vacation, to come to hot Washington and to hear from some of our very top people.

But thank you for coming, and bless all of you. Thank you very, very much.

Note: The President spoke at 1:51 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Elisabeth Battaglia, Executive Assistant for the Office of Public Relations at the White House; Lewis S.W. Crampton, Associate Administrator of the Office of Communications and Public Affairs at the Environmental Protection Agency; and William J. Bennett and Reggie B. Walton, Director and Associate Director of National Drug Control Policy. A tape was not available for verification of the content of these remarks.

Joint Statement by the President and the Governors on a Process for Measuring and Reporting on Progress Toward the National Education Goals

July 31, 1990

At the historic Education Summit, the President and the Nation's Governors, as elected chief executives, made a commitment to be held accountable for progress in achieving the national education goals. To fulfill this commitment, this Joint Statement establishes the process for identifying measures of performance and reporting on progress toward the goals, and reaffirms the decade-long partnership toward realizing the goals.

In order to provide the direction and support needed to instill public confidence and the full cooperation of Federal and state officials, the President and Governors agree to establish the National Education Goals Panel to oversee the development and implementation of a national education progress reporting system. The process for developing and establishing appropriate measures and reporting annually on progress will build on the constructive, bipartisan partnership between the President and the Governors initiated at the Charlottesville Summit.

National Education Goals Panel

The National Education Goals Panel will be composed of:

Four senior-level Federal Executive Branch officials appointed by the President;

Six Governors appointed by the Chairman of the National Governors' Association in consultation with the Vice-Chairman, with no more than three of the Governors being from the same party; and

Four Congressional Leaders (Senate Majority and Minority Leaders, the Speaker of the House or his designee and House Minority Leader) invited to serve as ex officio non-voting members.

The Chairman of the Panel will be appointed annually by the Chairman of the National Governor's Association.

The Executive Branch officials will serve at the pleasure of the President. Governors will be appointed to the Panel for a two-year term, except that two of the initial appointments, equally divided between the two parties, shall be for a three-year term.

The Panel will be responsible for determining the indicators used to measure the national

education goals and reporting progress toward their achievement. Its responsibilities shall include:

Selecting interim and final measures and appropriate measurement tools to be developed as necessary in each goal area;

Determining baselines and benchmarks against which progress may be evaluated;

Determining the format for an annual report to the Nation; and

Reporting on the Federal government's action to fulfill those responsibilities set forth in the Federal-state partnership at Charlottesville, including funding the Federal financial role, providing more flexibility in spending under existing Federal programs, and controlling mandates that limit the states' ability to fund education, as defined in the Joint Statement issued at the Charlottesville Summit.

In addition, the Panel will review proposed changes in national and international measurement systems as appropriate and make recommendations to the President, the Congress, and the Governors for needed improvements.

The Panel will not be limited by availability of current data and measurements in its decisions. It will seek to identify fair, constructive measures that will boost the performance of students at all levels.

In making final decisions, the Panel will operate on the principle of consensus among the Governors, the Executive Branch, and the Congress. In the event that a vote must be taken, a decision will require 75 percent of the voting members.

Expert Advisers

The process for developing and establishing appropriate measures shall benefit from the experiences and expertise of the education research and measurement communities and other interested parties.

The Panel, in carrying out its responsibilities, will consult broadly with experts in the field of research and measurement, as well as with other interested parties, in order to:

Identify and evaluate existing indicators; and

Prepare specific options and recommendations for the Panel concerning: the selection of appropriate indicators; baselines and benchmarks against which performance may be evaluated; and the format for an annual report.

Report to the Nation

The President and the Governors agree that beginning in 1991, the Panel will issue a report card to the Nation on the anniversary of the Education Summit (September 27 - 28) on progress toward the national education goals. The Governors reaffirm their commitment made in Charlottesville to report individually on restructuring efforts in their states on the first anniversary of the Education Summit.

In developing the report card, the Panel will be guided by the following principles:

The measurements and benchmarks should be consistent with the intent of the Charlottesville Joint Statement and the comprehensive statement of national education goals adopted by the President and the Governors.

The measurement of benchmarks should not discriminate in favor of or against any state based on its current performance or the degree of improvement needed to reach the goals. The main focus of the national report card will be measuring each state's progress toward achieving the goals based on each state's baseline.

Following the release of the annual report card, each Governor shall issue a report on progress in his or her state related to the goals.

Extending the Partnership

Although the immediate task relates to national, state, and international assessments, the President and the Governors encourage the creation of similar systems of accountability in every school in America.

The President and Governors agree to begin work immediately to fulfill the commitments made in this Joint Statement.

Statement on the Establishment of the National Education Goals Panel

July 31, 1990

I am pleased by the agreement reached with the Nation's Governors to establish a National Education Goals Panel to measure and monitor progress toward these goals. This is an important step in the process which began last September at the education summit in Charlottesville, VA.

As administration representatives on the panel, I have designated Secretary of Education Lauro F. Cavazos, Gov. John H. Sununu [Chief of Staff to the President], Director of the Office of Management and Budget Richard G. Darman, and Assistant to the President for Economic and Domestic Policy Roger B. Porter.

I look forward to working with the members of the panel in the important task of identifying and implementing a fair, constructive way to report to the Nation on the education goals.

Remarks Following Discussions With President Gnassingbe Eyadema of Togo

July 31, 1990

President Bush. With your permission, Mr. President. First, it has been a privilege to welcome you to the White House on this historic visit to our country. From the first days of Togo's independence 30 years ago, ties between our two nations have been very strong, and today's meetings are proof that Togo and the United States build on firm foundations, proof that we share a commitment to work together in what can be a decade of great promise for all of Africa.

In the past year, we have seen a narrowing of many of the great differences that divide nations, a growing consensus on the principles and policies that secure peace and progress. As our meetings today made clear, there is no more potent engine of economic progress than the free market.

Mr. President, I was very interested to learn more about the reforms that the Togolese Government is taking to open trade, encourage investment, and improve overall economic growth. And I am pleased that the United States has been able to assist Togo in this time of transition, pleased that AID and OPIC are now working with your government to create a duty-free industrial zone near the port of Lome, the point of entry for so many of the goods bound not only for Togo but for the neighboring nations of Mali and Burkina Faso and Niger. With each of these steps, Togo moves steadily toward a more prosperous future for its people and a leading role in the development of west Africa.

The U.S. is ready to do what it can in order to build on the encouraging economic changes already taking place in Togo. Our aim is to provide expanded trade opportunities and help Togo attract new capital to fuel lasting economic growth. But in the great revolution of ideas the world is now witnessing, the free market is only one half of the equation. What we have seen in country after country in every continent is the universal desire to live, work, and worship freely; a universal desire that finds its political expression in democracy. As in Europe, Asia, and right here in the Americas, the love of freedom is alive in Africa. And people the world over are discovering that, in the deepest sense, the path to development and the path to democracy are one and the same.

Mr. President, I'm encouraged by your recent statements in favor of a more open political system and on the value of the free flow of ideas. Mr. President, we share the view that Togo, like so many of its African neighbors, is a land of tremendous potential. And our talks today, proof of the strong and stable relationship between our two countries, point the way to a future of progress and prosperity.

So, once again, welcome to Washington. And with your permission, and at great risk, I would like to just say a few words in my very bad French to the Togolese people.

[At this point, President Bush spoke in French, but a translation was not provided.]

God bless you, sir, and God bless the people of Togo.

President Eyadema. Mr. President, it is a great pleasure for us to be in your great and charming country on this official and working visit at Your Excellency's kind invitation. This visit has given us a good opportunity to exchange views on problems concerning relations of friendship, cooperation, and ever-broadening solidarity which unites the American and the Togolese people. Taking place at a time when serious changes are happening throughout the world, this visit has also given us the opportunity to go over a wide range of matters which concern the international community, and especially the Third World.

Seven years ago, when I visited your country for the first time, nobody could imagine that our world would become today the scene of social, economic, and political changes which, in so short a time, have thoroughly shattered the well-known facts of contemporary history. In less than 3 years, rivalries between ideological blocs have diminished and have removed the barriers of prejudice, thus favoring the negotiated settlements of several regional conflicts and the process of a nuclear disarmament which has become a reality today. This climate of eased tensions, trust, and tolerance, as a token of balance of mankind, is the result of the pragmatic, realistic, and perfected policy that you have instituted -- and which quite recently opened right here in Washington, DC, a new era of cooperation between your country and the Soviet Union.

Yet the positive evolution which marked international relations in recent months and which gave rise to rightful feelings of hope within people who love peace, freedom, and justice will only be fruitful if appropriate remedies are found for the serious development problems facing Third World countries in general and Africa in particular.

Our continent, victim of starvation, widespread diseases, and all kinds of calamities, relies only on an economy which is still at a preindustrial stage. The considerable decrease of export revenues resulting from the constant fall of the prices of the raw materials is at the origin of our shaky economies as well as the burden of the African debts, which according to estimates will rise from $250 billion in 1990 to $600 billion in the year 200 [2000]. That is the reason why we are instantly calling on industrialized countries that supplies the market of raw materials to eliminate obstacles that hinder the North-South trade and to set up resources in favor of Africa in order to enable her to promote a sustained and lasting development.

I would like to take this solemn opportunity to once again appeal to the friendly nations of Africa, such as the United States, so that, like the aid granted to the Eastern countries, they set up a real Marshall plan in favor of the African Continent. Just as in the past, I'm quite sure that Togo can rely on your country, to which it is bound by links of friendship and cooperation covering not only agricultural, social, and political sectors but cultural ones as well.

This American-Togolese cooperation, which grows stronger and stronger every day thanks to the contribution of the U.S. AID and of the Peace Corps volunteers, recently found a new inspiration through the position of your government and that of the OPIC to set up an industrial free zone in the Togolese territory. Allow me to acknowledge to you, Mr. President, how the Togolese people are so much touched and honored by this invaluable gift you offer them and which is particularly meant for our young people, whose hopes lie in that industrial free zone as a source of prospect and job opportunities. Our country, which has already chosen the way of private initiative, economic liberalism, protection and defense of human rights, and which continues its step-by-step democratization processes, enjoys all the necessary conditions that guarantee the success of that industrial free zone.

I, therefore, wish to invite American investors to come in numbers and settle in Togo where, within the framework of that industrial-free zone, they could enjoy a climate of peace, security, and freedom, a necessary condition for the development of their businesses, including the best attracting conditions of investments.

Our country has a strong belief in the future of the close cooperation which links our two nations, and there is no doubt on my mind that this official visit will further consolidate the friendship and the solidarity which bind the people of both nations and strengthen our thoughtful and sincere relations in any field.

Long live the United States of America. Long live the friendship and the cooperation between America and Togo.

Note: President Bush spoke at 1:16 p.m. at the South Portico of the White House. President Eyadema spoke in French, and his remarks were translated by an interpreter. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Togolese officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Nomination of Thomas F. Kranz To Be an Associate Director of the Federal Emergency Management Agency

August 1, 1990

The President today announced his intention to nominate Thomas F. Kranz to be an Associate Director of the Federal Emergency Management Agency for External Affairs. He would succeed James P. McNeill.

Since 1989 Mr. Kranz has served as Associate Director of the White House Office of Presidential Personnel for National Security Affairs. Prior to this, he served as Principal Deputy General Counsel in the Office of the Secretary of Army at the Department of Defense in Washington, DC, 1985 - 1988; member and then partner with the law firm of Alexander, Inman, Taner and Wedemeyer in Los Angeles, CA, 1977 - 1985 and 1969 - 1974; special counsel to the Los Angeles County district attorney for superior court hearings, 1975 - 1977; and deputy public defender in the Los Angeles County public defender's office, 1965 - 1968.

Mr. Kranz graduated from Stanford University (B.A., 1959), University of California at Berkeley (LL.D., 1964), and University of California at Los Angeles (M.A., 1973). He was born March 18, 1938, in Los Angeles, CA. Mr. Kranz served in the U.S. Navy, 1959 - 1961. He is married, has two children, and resides in McLean, VA.

Statement by Deputy Press Secretary Popadiuk on the Iraqi Invasion of Kuwait

August 1, 1990

The United States strongly condemns the Iraqi military invasion of Kuwait and calls for the immediate and unconditional withdrawal of all Iraqi forces. We have conveyed this message to the Iraqi Ambassador in Washington and to the Iraqi Government through our Embassy in Baghdad. We deplore this blatant use of military aggression and violation of the U.N. Charter. Together with Kuwait, we are calling for an emergency session of the U.N. Security Council.

Statement by Deputy Press Secretary Popadiuk on the Iraqi Invasion of Kuwait

August 2, 1990

National Security Adviser Brent Scowcroft has been chairing an interagency task force in the Situation Room monitoring the Iraqi invasion of Kuwait. The President was informed of the initial signs of the Iraqi action at approximately 9 p.m. yesterday by National Security Adviser Scowcroft and has been receiving periodic updates since.

The United States is deeply concerned about this blatant act of aggression and demands the immediate and unconditional withdrawal of all Iraqi forces. We do not have exact details at this time concerning the extent of the Iraqi action, although it is clearly extensive. We have no reports of any harm to American citizens. The State Department is in constant contact with our Embassy in Kuwait concerning the status of U.S. citizens.

At the urging of Kuwait and the United States, the United Nations Security Council will be meeting early this morning to consider this matter. In addition, we have been informed that the Arab League and the Organization of the Islamic Conference will be convening to review the situation. We are urging the entire international community to condemn this outrageous act of aggression.

The United States is reviewing all options in its response to the Iraqi aggression.

Remarks and an Exchange With Reporters on the Iraqi Invasion of Kuwait

August 2, 1990

The President. Let me make a brief statement here about recent events. The United States strongly condemns the Iraqi military invasion of Kuwait. We call for the immediate and unconditional withdrawal of all the Iraqi forces. There is no place for this sort of naked aggression in today's world, and I've taken a number of steps to indicate the deep concern that I feel over the events that have taken place.

Last night I instructed our Ambassador at the United Nations, Tom Pickering, to work with Kuwait in convening an emergency meeting of the Security Council. It was convened, and I am grateful for that quick, overwhelming vote condemning the Iraqi action and calling for immediate and unconditional withdrawal. Tom Pickering will be here in a bit, and we are contemplating with him further United Nations action.

Second, consistent with my authority under the International Emergency Economic Powers Act, I've signed an Executive order early this morning freezing Iraqi assets in this country and prohibiting transactions with Iraq. I've also signed an Executive order freezing Kuwaiti assets. That's to ensure that those assets are not interfered with by the illegitimate authority that is now occupying Kuwait. We call upon other governments to take similar action.

Third, the Department of State has been in touch with governments around the world urging that they, too, condemn the Iraqi aggression and consult to determine what measures should be taken to bring an end to this totally unjustified act. It is important that the international community act together to ensure that Iraqi forces depart Kuwait immediately.

Needless to say, we view the situation with the utmost gravity. We remain committed to take whatever steps are necessary to defend our longstanding, vital interests in the Gulf, and I'm meeting this morning with my senior advisers here to consider all possible options available to us. I've talked to Secretary Baker just now; General Scowcroft and I were on the phone with him. And after this meeting, I will proceed to deliver a longstanding speech. I will have consultations -- short ones -- there in Aspen with Prime Minister Thatcher, and I will be returning home this evening, and I'll be here in Washington tomorrow.

I might say on a much more pleasant note, I just hung up from talking to Mr. and Mrs. Swanson, the parents of Tim Swanson, the Peace Corps volunteer who has been held against his will -- held hostage or kidnaped -- there in the Philippines. And I want to thank everybody in the U.S. Government that was so instrumental in working for his release. And, Bob, I hope you'll convey that to the Ambassador and others in our Philippines country team.

Q. Mr. President?

The President. Yes, Helen [Helen Thomas, United Press International]?

Q. Do you contemplate intervention as one of your options?

The President. We're not discussing intervention. I would not discuss any military options even if we'd agreed upon them. But one of the things I want to do at this meeting is hear from our Secretary of Defense, our Chairman, and others. But I'm not contemplating such action.

Q. You're not contemplating any intervention or sending troops?

The President. I'm not contemplating such action, and I again would not discuss it if I were.

Q. What is the likely impact on U.S. oil supplies and prices?

The President. This is a matter that concerns us, and I don't know yet. Again, I'm going to hear from our experts now. Our Secretary of Energy is here, if you'll note, and others who understand this situation very well indeed -- our Secretary of Defense. And we'll be discussing that. But this is a matter of considerable concern, and not just to the United States, I might add.

Q. Are you planning to break relations?

The President. You've heard me say over and over again, however, that we are dependent for close to 50 percent of our energy requirements on the Middle East. And this is one of the reasons I felt that we have to not let our guard down around the world.

Q. Are you contemplating breaking diplomatic relations?

The President. I'm discussing this matter with our top advisers here in just a minute.

Q. Is this action in your view limited to Kuwait?

The President. There's no evidence to the contrary. But what I want to do is have it limited back to Iraq and have this invasion be reversed and have them get out of Kuwait.

Q. Do you think Saudi Arabia is threatened or any of the other Emirates?

The President. I think Saudi Arabia is very concerned; and I want to hear from our top officials here, our Director of Intelligence and others, as to the worldwide implications of this illegal action that has been condemned by the United Nations.

Q. And you were taken by surprise?

The President. Not totally by surprise because we have good intelligence, and our intelligence has had me concerned for some time here about what action might be taken.

Thank you all very much. And I expect I will say something further because I'm having a joint press meeting with Margaret Thatcher and, at that time, I might be able to take a few more questions on this subject. But the main thing I want to do now is hear from our advisers, and then we will go forth from this meeting all on the same wavelength. I'm sure there will be a lot of frenzied diplomatic activity. I plan to participate in some of that myself, because at this time, it is important to stay in touch with our many friends around the world, and it's important that we work in concert with our friends around the world.

Q. Gorbachev?

The President. Thank you very much.

Obviously -- Helen, you might be interested -- this matter has been discussed at very high level between Secretary Baker and the Foreign Minister of the Soviet Union. And so far I've been pleased with the Soviet reaction.

Q. Well, do you expect to make decisions?

The President. That's all I've got to say right now. We've got to go on with this meeting.

Note: The President spoke at 8:05 a.m. in the Cabinet Room at the White House. In his remarks, the President referred to Brent Scowcroft, Assistant to the President for National Security Affairs; Prime Minister Margaret Thatcher of the United Kingdom; Robert M. Gates, Assistant to the President and Deputy for National Security Affairs; Colin L. Powell, Chairman of the Joint Chiefs of Staff; William H. Webster, Director of Central Intelligence; and Soviet Foreign Minister Eduard A. Shevardnadze.

Remarks and a Question-and-Answer Session With Reporters in Aspen, Colorado, Following a Meeting With Prime Minister Margaret Thatcher of the United Kingdom

August 2, 1990

The President. Let me first welcome Prime Minister Thatcher back to the United States. It's a very timely visit, and as you can well imagine, we have been exchanging views on the Iraq-Kuwait situation. Not surprisingly, I find myself very much in accord with the views of the Prime Minister. I reported to her on contacts that I've had since I left Washington: personal contacts with King Hussein [of Jordan]; Mr. Mubarak of Egypt, President Mubarak; President Salih of Yemen -- a long conversation just now. I can tell you that [Secretary of State] Jim Baker has been in close touch with the Soviet leadership, and indeed, the last plan was for him to stop in Moscow on his way back here.

We are concerned about the situation, but I find that Prime Minister Thatcher and I are looking at it on exactly the same wavelength: concerned about this naked aggression, condemning it, and hoping that a peaceful solution will be found that will result in the restoration of the Kuwaiti leaders to their rightful place and, prior to that, a withdrawal of Iraqi forces.

Prime Minister, welcome to Colorado and to the United States. And if you care to say a word on that, then we can take the questions.

The Prime Minister. Thank you, Mr. President, and thank you for the welcome.

We have, of course, been discussing the main question as the President indicated. Iraq has violated and taken over the territory of a country which is a full member of the United Nations. That is totally unacceptable, and if it were allowed to endure, then there would be many other small countries that could never feel safe.

The Security Council acted swiftly last night under the United States leadership, well-supported by the votes of 14 members of the Security Council, and rightly demanded the withdrawal of Iraqi troops. If that withdrawal is not swiftly forthcoming, we have to consider the next step. The next step would be further consideration by the Security Council of possible measures under chapter VII.

The fundamental question is this: whether the nations of the world have the collective will effectively to see the Security Council resolution is upheld; whether they have the collective will effectively to do anything, which the Security Council further agrees, to see that Iraq withdraws

and that the government of Kuwait is restored to Kuwait. None of us can do it separately. We need a collective and effective will of the nations belonging to the United Nations -- first the Security Council and then the support of all the others to make it effective.

Iraqi Invasion of Kuwait

Q. Mr. President, when Kuwaiti shipping was in danger in the Gulf war, you put those ships under American flags. Now Kuwait itself has been invaded. The Kuwaiti Ambassador says that they're desperate for help and that American intervention is of paramount importance. Will you answer that call, and how will you?

The President. I answer that we're considering what the next steps by the United States should be, just as we strongly support what Prime Minister Thatcher said about collective action in the United Nations.

Q. Are you still not contemplating military intervention?

The President. No. I mentioned at the time we were going to discuss different options, which I did after that first press conference this morning. And we're not ruling any options in, but we're not ruling any options out. And so, that is about where we are right now. We had thorough briefings -- you know who was at the meeting today -- by General Powell [Chairman of the Joint Chiefs of Staff], General Schwarzkopf [Commander of the U.S. forces in the Persian Gulf] and others. But I think it would be inappropriate to discuss options.

Q. What are the chances of U.S.-Soviet cooperation in restoring peace to the Gulf?

The President. I would say they're very good. I reported to Prime Minister Thatcher on a conversation that I had with Jim Baker on the plane flying out here. And I think you could say that he would not be stopping in Moscow unless there would be a good degree of cooperation between the Soviet Union and the United States. But again, the Soviet Union is a member of the United Nations. They voted with the United Kingdom and with the United States. And so, I think there is a good level of cooperation with the Soviets and, hopefully, with other permanent members and, hopefully, with the rest of the members of the Security Council.

Q. We understand that the Soviets have announced that they are cutting off arm shipments to the Iraqis. Are the French, which is the other big arms supplier to Baghdad, also planning to cut off arms shipments?

The President. I've not talked today -- I believe you had contact, Prime Minister, at some level with the French Government, but I can't answer that question.

The Prime Minister. We had contact. Douglas Hurd [British Foreign Secretary], I believe, had

contact with Mr. Dumas [French Foreign Minister]. This was about the Security Council resolution which France, of course, fully supported.

Q. Mr. President, isn't Saddam Hussein [President of Iraq] at the root of this problem? Hasn't he replaced Qadhafi [leader of Libya] as sort of the bad boy of the region? Would you like to see him removed? And what can you do about him?

The President. I would like to see him withdraw his troops and the restoration of the legal government in Kuwait to the rightful place, and that's the step that should be taken. I might say that I am somewhat heartened by the conversations I had with Mubarak and with King Hussein, Mr. Salih -- all of whom I consider friends of the United States -- and all of them who are trying to engage in what they call an Arab answer to the question, working diligently behind the scenes to come to an agreement that would satisfy the United Nations and the rest of the world. So, there are collective efforts beginning to be undertaken by these worthy countries, and let's hope that they result in a satisfactory resolution of this international crisis.

Q. But, Mr. President, Saddam Hussein has been the source of the most recent mischief in the region -- nuclear triggers, missiles, the big gun -- as Prime Minister Thatcher knows about. Is he going to be a constant source of problems there in that region?

The President. If he behaves this way, he's going to be a constant source. We find his behavior intolerable in this instance, and so do the rest of the United Nations countries that met last night. And reaction from around the world is unanimous in being condemnatory. So, that speaks for itself.

The Prime Minister. Did I hear someone say Prime Minister?

The President. You hope you did. [Laughter] Please.

The Prime Minister. I'm sorry. I told you I'd finished. [Laughter] But so, I thought that that guy shouldn't have it all. [Laughter]

Q. Prime Minister, is there any action short of military intervention that Britain or the other United Nations countries could take -- --

The Prime Minister. Yes, of course.

Q. -- -- that would be effective against Iraq?

The Prime Minister. Yes, of course. Yes, of course there is -- you know, the whole chapter VII measures. And that, of course -- obviously we're in consultation now as to which measures we could all agree on so the Security Council would vote them. And then they'd become mandatory.

The question then is whether you can make them effective over the rest of the nations. And obviously, the 14 couldn't do it on their own. And so, there will be a good deal of negotiation as to what to put in the next Security Council resolution if Iraq does not withdraw.

Q. But are you confident that you'd be able to mobilize that kind of international support?

The Prime Minister. I believe that further chapter VII measures would have a good chance of getting through. We certainly would support them.

The President. May I add to that, that the United States has demonstrated its interest in that by the action that I took this morning by Executive order: cutting off imports from Iraq to this country.

Q. Mr. President, can I ask both of you to answer this? How does the fact that they apparently have chemical weapons now affect your decisionmaking and narrow your options?

The Prime Minister. I don't figure it affects it at all. What has happened is a total violation of international law. You cannot have a situation where one country marches in and takes over another country which is a member of the United Nations. I don't think the particular weapons they have affects that fundamental position.

Q. But doesn't it affect what actions we can take? And doesn't it make military action -- --

The Prime Minister. No, I do not think it necessarily affects what actions we can take.

The President. I would agree with that assessment.

Q. What did the Arab leaders that you talked to ask the United States to do? Did they ask you to either restrain yourself or to become militarily involved? And have you contacted Israel?

The President. We've had contact with Israel, yes. I have not personally, but we have. And they asked for restraint. They asked for a short period of time in which to have this Arab solution evolve and be placed into effect. And they are concerned, obviously, with this naked aggression. But it was more along that line: Let us try now, as neighbors and Arabs, to resolve this. And I made clear to them that it had gone beyond simply a regional dispute because of the naked aggression that violates the United Nations Charter.

Q. What did Israel say it would do at this point?

The President. I would have to think back to the details of it; but offering cooperation, I think, was about where I would leave it there.

Q. Mr. President, we're hearing reports now that some of the Americans, particularly in the oil fields, may have been rounded up by Iraqi troops. Do you have anything to that? How does that affect your reaction?

The President. Well, I don't have anything on that right now. And secondly, it would affect the United States in a very dramatic way, because I view a fundamental responsibility of my Presidency as protecting American citizens, and if they're threatened or harmed or put into harm's way, I have certain responsibilities. But I hadn't heard that, Charles [Charles Bierbauer, Cable News Network], and I hope that that is not correct.

Q. May I also ask about British citizens? Any word? Are they safe?

The Prime Minister. We have some British citizens in Kuwait. You probably know that there was a British Airways flight there on its way to Africa, and the passengers there are now in a hotel in Kuwait. So, we have some there, and of course, we have a number of other British citizens in Kuwait. And we, too, are concerned for their safety.

Q. Mr. President, some of the smaller nations in the Persian Gulf -- Bahrain, the Emirates, and the others -- obviously have reason to worry about what has happened here. What can the United States and Great Britain say to those countries and those people who are feeling very concerned today?

The President. Well, the United States can say that we are very much concerned for your safety. And this naked aggression would understandably shake them to the core. And so, what we are trying to do is have collective action that will reverse this action out and to make very clear that we are totally in accord with their desire to see the Iraqis withdraw -- cease-fire, withdraw, and restitution of the Kuwaiti government. And that would be the most reassuring thing of all for these countries who, whether it's true or not, feel threatened by this action.

Q. At the risk of being hypothetical, if Iraq does not move out quickly and has gained a foothold among the smaller Gulf nations, what can the United States and other nations do militarily?

The President. We have many options, and it is too hypothetical, indeed, for me to comment on them. And I'd refer that also to the Prime Minister.

The Prime Minister. That's precisely why you're looking at the next stage in the Security Council; second, what other measures can be put into action mandatorily; and why the very nations to whom you refer -- we should also need their cooperation in putting other actions into effect.

Q. Mr. President, have you dispatched the U.S.S. Independence to the region, and have you heard from Saudi Arabia?

The President. Well, I would not discuss movement of any U.S. forces. And what was the second part of your question?

Q. Have you heard from Saudi Arabia?

The President. No, but I have a call to King Fahd, and I was supposed to have taken that call before now, but it's been delayed by a few minutes. And so, I hope before I leave here I will talk to him. I think it is very important I do talk to him. And I'd leave it there.

Q. What do you expect him to say?

The President. Well, that's too hypothetical, too. I know he'll be expressing the same kind of concern that we feel.

Q. Prime Minister, if I could, the President's Executive order this morning established a U.S. embargo on trade with Iraq. When you mentioned chapter VII measures, would you support in the Security Council a call for an international embargo on Iraqi oil?

The Prime Minister. We are prepared to support in the Security Council those measures which collectively we can agree to and which collectively we can make effective. Those are the two tests. We have already frozen all Kuwaiti assets. Kuwaitis have very considerable assets, and it's important that those do not fall into Iraqi hands. Iraq, we believe, has only very, very small assets and rather a lot of debts, so the position is rather different with her.

Note: The question-and-answer session began at 2:10 p.m. outside the residence of Henry Catto, U.S. Ambassador to the United Kingdom.

Memorandum on the Withholding of Assistance to Iraq

August 2, 1990

Memorandum for Heads of All Departments and Agencies

Subject: Withholding of Assistance to Iraq

Effective immediately, you are instructed not to provide any form of assistance to Iraq, including, but not limited to, financial assistance, loan guarantees, and export licenses.

George Bush

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia

August 2, 1990

President Bush and King Fahd of Saudi Arabia discussed the Iraq attack on Kuwait in a telephone call at approximately 4:45 p.m. MDT. The two leaders spoke for nearly one-half hour. They agreed that the attack on Kuwait was absolutely unacceptable, and they discussed possible options for dealing with the situation. President Bush described the conversations he had earlier in the day with other Arab leaders and with Prime Minister Thatcher [of the United Kingdom]. The President emphasized the United States demand for the immediate and unconditional withdrawal of Iraqi forces.

Statement by Press Secretary Fitzwater on Secretary of Health and Human Services Louis W. Sullivan

August 2, 1990

Louis Sullivan, Secretary of Health and Human Services, is an outstanding Cabinet officer who has forcefully and effectively spoken out for the public's health and welfare. His courage is exemplary. President Bush and Chief of Staff Sununu commend his work on behalf of health and social issues, including his leadership for civil rights. He is a role model for black and white youth in America who aspire to high achievement.

Congressman Fortney Stark's bigoted assault on the integrity and ability of Secretary Sullivan is an affront to the Congress and the Democratic Party. We trust the Democratic Party and its chairman, Ron Brown, will disassociate themselves from Congressman Stark's ill-tempered and shameful remarks.

Remarks at the Aspen Institute Symposium in Aspen, Colorado

August 2, 1990

Thank you. Lod Cook, thank you so very much for that genuinely warm welcome. I've really been looking forward to coming here. To David McLaughlin, our president, and John Phelan, the chairman, I salute you for what you are doing, what you have done. To Henry Catto, our distinguished Ambassador to the Court of Saint James, I salute him and Jessica and thank them for their hospitality. I'm honored that the Governor of the State of Colorado, Governor Romer, is here today. Thank you, sir, for being with us. And to all the Aspen alumni and all our distinguished guests, many, many thanks for this warm welcome.

And of course, I've saved the piece de resistance to the very end, our very special guest, our friend, the distinguished world leader, Margaret Thatcher. It was very, very comforting to me today when I went out to try to represent you, the people of the United States, in expressing our views on the current emergency, I would say, in the Persian Gulf -- naked aggression by the State of Iraq. I felt very comforted by the fact that as I spoke Prime Minister Thatcher was there with me answering the tougher questions and standing shoulder to shoulder with the United States. Madame Prime Minister, let me say that for more than a decade now America has known no better friend of freedom anywhere in the world than you, and it's an honor to join you today.

Kind of ironic, isn't it? Washington is getting more like a three-ring circus -- and here I am -- [laughter] -- under the big tent. [Laughter] Of course, it's a special pleasure to experience the splendor of Aspen in August. The climate in Washington's tough this time of year. Lots of heat and temperatures rising. Everyone's hot under the collar. The weather's fine, but I'm talking about the budget summit. [Laughter]

I am delighted to celebrate with all of you the 40th anniversary of this most illustrious Aspen Institute. In those 40 years, the spirit of Aspen has come to signify the attempt to bridge the worlds of thought and action and, of course, to understand the tremendous changes taking place around us. Think back to the headlines 40 years ago, the time of that first Aspen conference, in 1950. North Korea roared across the 38th parallel. Klaus Fuchs was caught and convicted for revealing the secrets of the atom bomb to the Soviets. The ``cold war'' -- a term introduced into our political vocabulary by Bernard Baruch -- had come into its own as the shorthand to describe the halfway house of an armed and uneasy peace, a world divided, East from West. That was the world as Aspen came into being, the world Aspen sought to study, analyze, and to shape.

The 40 years since then have been a time of tremendous progress for the nations of the West, an era of unparalleled prosperity, peace, and freedom. But at the same time, we lived in a constant condition of tension, cold war and, indeed, conflict.

That world is now changing. The decades-old division of Europe is ending, and the era of democracy-building has begun. In Germany, the divided nation in the heart of a divided continent, unity is now assured as a free and full member of the NATO alliance. The Soviet Union itself is in the midst of a political and economic transformation that has brought unprecedented openness -- a process that is at once full of hope but, let's face it, still full of uncertainty.

We've entered a remarkable stage in our relationship with the Soviet Union. Just today I talked to Jim Baker in Ulan Bator. He'd just left Irkutsk. And he had very positive talks with Foreign Minister Shevardnadze. And my discussions with President Gorbachev have been open and honest. All the issues are on the table; we don't dodge the tough ones. That's been the secret to our success so far, and over time, that's how we are going to narrow our differences and seize this historic opportunity to help create lasting peace.

The changes that I'm talking about have transformed our security environment. We're entering a new era: the defense strategy and military structure needed to ensure peace can and must be different. The threat of a Soviet invasion of Western Europe launched with little or no warning is today more remote than at any other point in the postwar period. And with the emergence of democracy in Eastern Europe, the Warsaw Pact has lost its military meaning. And after more than four decades of dominance, Soviet troops are withdrawing from Central and Eastern Europe.

Our task today is to shape our defense capabilities to these changing strategic circumstances. In a world less driven by an immediate threat to Europe and the danger of global war, in a world where the size of our forces will increasingly be shaped by the needs of regional contingencies and peacetime presence, we know that our forces can be smaller. Secretary Cheney and General Powell are hard at work determining the precise combination of forces that we need. But I can tell you now, we calculate that by 1995 our security needs can be met by an active force 25 percent smaller than today's. America's Armed Forces will be at their lowest level since the year 1950.

What matters now, then, is how we reshape the forces that remain. Our new strategy must provide the framework to guide our deliberate reductions to no more than the forces we need to guard our enduring interests -- the forces to exercise forward presence in key areas, to respond effectively to crisis, to retain the national capacity to rebuild our forces should this be needed.

The United States would be ill-served by forces that represent nothing more than a scaled-back or a shrunken-down version of the forces that we possess right now. If we simply prorate our reductions, cut equally across the board, we could easily end up with more than we need for contingencies that are no longer likely, and less than we must have to meet emerging challenges. What we need are not merely reductions but restructuring.

And what we require now is a defense policy that adapts to the significant changes we are witnessing without neglecting the enduring realities that will continue to shape our security

strategy, a policy of peacetime engagement every bit as constant and committed to the defense of our interests and ideals in today's world as in the time of conflict and cold war.

And in this world, America remains a pivotal factor for peaceful change. Important American interests in Europe and the Pacific, in the Mediterranean and in the Persian Gulf -- all are key reasons why maintaining a forward presence will remain an indispensable element of our strategy.

We all remember when the Soviet Union viewed our presence, that forward presence, as a threat. Indeed, when we met at Malta, at the seasick summit -- [laughter] -- President Gorbachev handed me a map -- I still have it, I still have it on display in my library -- a map purporting to show American encirclement of the Soviet Union. And we talked about this in depth. And I think he understands now that we have no intention of threatening his country. And I happen to think that it's those kinds of conversations, frankly, that we had up there at Camp David that help make such progress.

I was candid with him, and I told him that for all the positive changes we have seen, the Soviet Union remains a world-class military power. Even after the conventional arms reductions that we're now negotiating, the Soviets will continue to maintain 2 to 3 million men under arms. And of course, our number one concern: the Soviets continue to maintain and modernize their arsenal of strategic weapons.

We and our allies welcome this new course, this clearly new course that the Soviet Union has chosen. But prudence demands that we maintain an effective deterrent, one that secures the peace not only in today's climate of reduced tensions but that ensures that renewed confrontation is not a feasible option for any Soviet leadership.

The Soviets will enter a START treaty with a fully modernized, highly capable, and very large strategic force. To maintain clear and confident strategic deterrence into the next century, we need the B - 2. Secretary Cheney has already scaled back the program. Seventy-five aircraft makes strategic sense. Further delays will only increase the costs. And we need to complete the Trident program. Those 18 submarines will ensure a survivable, submarine-based deterrent. And we can defer final decisions on our land-based ICBM's [intercontinental ballistic missiles] as we see how the START talks proceed but we must keep our options open. And that means completing the development of the small ICBM and the rail-based Peacekeeper.

And finally, I am convinced that a defensive -- and I reemphasize that word -- a defensive strategic deterrent makes more sense in the nineties than ever before. What better means of defense than a system that destroys only missiles launched against us without threatening one single human life. We must push forward the great promise of SDI [Strategic Defense Initiative] and deploy it when ready.

And the United States will keep a force in Europe as long as our allies want and need us there. Prime Minister Thatcher and I have discussed this at length. We will keep forces there as long as we are wanted and needed. As we and our allies adapt NATO to a changing world, the size and shape of our forces is destined to change to suit new and less threatening circumstances. But we will remain in Europe to deter any new dangers, to be a force for stability, and to reassure all of Europe -- East and West -- that the European balance will remain secure.

Outside of Europe, America must possess forces able to respond to threats in whatever corner of the globe they may occur. Even in a world where democracy and freedom have made great gains, threats remain. Terrorism, hostagetaking, renegade regimes and unpredictable rulers, new sources of instability -- all require a strong and an engaged America.

The brutal aggression launched last night against Kuwait illustrates my central thesis: Notwithstanding the alteration in the Soviet threat, the world remains a dangerous place with serious threats to important U.S. interests wholly unrelated to the earlier patterns of the U.S.-Soviet relationship. These threats, as we've seen just in the last 24 hours, can arise suddenly, unpredictably, and from unexpected quarters. U.S. interests can be protected only with capability which is in existence and which is ready to act without delay. The events of the past day underscore also the vital need for a defense structure which not only preserves our security but provides the resources for supporting the legitimate self-defense needs of our friends and of our allies. This will be an enduring commitment as we continue with our force restructuring. Let no one, friend or foe, question this commitment.

In spite of our best efforts to control the spread of chemical and nuclear weapons and ballistic missile technologies, more nations -- more, not less -- are acquiring weapons of mass destruction and the means to deliver them. Right now, 20 countries have the capacity to produce chemical weapons. And by the year 2000, as many as 15 developing nations could have their own ballistic missiles. In the future, even conflicts we once thought of as limited or local may carry far-reaching consequences.

To cope with the full range of challenges that we may have to confront, we must focus on readiness and on rapid response. And to prepare to meet the challenges we may face in the future, we must focus on research -- an active and inventive program of defense R&D.

Let me begin with the component with great long-range consequences: research. Time and again, we have seen technology revolutionize the battlefield. The U.S. has always relied upon its technological edge to offset the need to match potential adversaries' strength in numbers -- cruise missiles, Stealth fighters and bombers, today's ``smart'' weapons with the state-of-the-art guidance systems, and tomorrow's ``brilliant'' ones. The men and women in our Armed Forces deserve the best technology America has to offer.

And we must realize the heavy price that we will pay if we look for false economies in research

and development for defense. Most modern weapons systems take a minimum of 10 years to move from the drawing board to the battlefield. The nature of national defense demands that we plan now for threats on the distant horizon. The decisions we make today, the programs we push forward or push aside will dictate the kind of military forces we have at our disposal in the year 2000 and beyond.

Second, we must focus on rapid response. As we saw in Panama, the U.S. may be called on to respond to a variety of challenges from various points on the compass. In an era when threats may emerge with little or no warning, our ability to defend our interests will depend on our speed and our agility. And we will need forces that give us a global reach. No amount of political change will alter the geographic fact that we are separated from many of our most important allies and interests by thousands of miles of water. And in many of the conflicts we could face, we may not have the luxury of matching manpower with prepositioned material. We'll have to have air- and sea-lift capacities to get our forces where they are needed, when they are needed. A new emphasis on flexibility and versatility must guide our efforts.

And finally, as we restructure, we must put a premium on readiness. For those active forces we'll rely on to respond to crises, readiness must be our highest priority. True military capability never exists on paper; it's measured in the hours spent, experience gained on the training ground, under sail, and in the cockpit. Nothing is more shortsighted than cutting back on training time to cut costs; and nothing, I might add, is more demoralizing to our troops. Our soldiers, sailors, our airmen, our marines must be well-trained, tried and tested, ready to perform every mission we ask of them.

In our restructured forces, reserves will be important, but in new ways. The need to be prepared for massive, short-term mobilization has diminished; and we can now adjust the size, structure, and readiness of our reserve forces to help us deal with the more likely challenges we will face.

Our strategy will guard against a major reversal in Soviet intentions by incorporating into our planning the concept of reconstitution of our forces. By the mid-nineties the time it would take the Soviets to return to the levels of confrontation that marked the depths of the cold war will be sufficient to allow us to rely not solely on existing forces but to generate wholly new forces. The readiness to rebuild, made explicit in our defense policy, will be an important element in our ability to deter aggression.

A rational restructuring of the kind that I've tried to outline here will take 5 years. I am confident we can meet the challenges that I've outlined today provided we proceed with an orderly reduction, not a fire sale. Any reduction of this magnitude must be managed carefully to minimize dislocations not just to the military balance but, in my view, equally as important, to the morale. And I can say right now as Commander in Chief that we will take every step possible to minimize the turbulence of these changes. The turbulence that will be created for our soldiers, sailors, airmen, and marines. I simply will not break faith with the young men and women who

have freely chosen to serve their country.

And frankly, any parents who might be under this tent, you talk to any one of the general officers, and they'll tell you that we have the finest group of young people serving at any time in the history of this country. They are absolutely superb. And they are all volunteers, every single one of them.

All of us know the challenges we face are fiscal as well as military. The budget constraints we face are very real; but so, too, is the need to protect the gains that 40 years of peace through strength have earned us. The simple fact is this: When it comes to national security, America can never afford to fail or fall short.

Let me say once again how very pleased I am to appear here today -- especially with our honored friend, Margaret Thatcher. Today, of course, is not the only time American and British leaders have shared the stage. The world remembers that day 44 years ago in Fulton, Missouri, when Churchill delivered what history calls now the Iron Curtain speech. But that wasn't what he called it. He titled it ``The Sinews of Peace." And by that he meant to summon up a vision, a vision of strength of free nations united in defense of democracy.

At long last we are writing the final chapter of the 20th century's third great conflict. The cold war is now drawing to a close, and after four decades of division and discord, our challenge today is to fulfill the great dream of all democracies: a true commonwealth of free nations. To marshal the growing forces of the free world, to work together, to bring within reach for all men and nations the liberty that belongs by right to all.

Thank you very much for all you do to contribute to the deliberations that, frankly, have helped lead to a more peaceful world. It is a great honor for me to be here; and I might say, with some special pride, I brought with me one of the movers and shakers of this institute, who I'm proud to have at my right hand every day. I wished I hadn't seen him at 5 o'clock this morning. I'm talking about Brent Scowcroft, who's done such a great job for this institution -- hiding in the trees over here. But now I see firsthand what the people here at Aspen saw long ago: just how decent and honorable he is and how strong and knowledgeable. So, I would end by saluting him.

I'm sorry that the Silver Fox is not here. [Laughter] At this time of year, we're heavily in the grandchild business, and we have a sick dog. [Laughter] So, our priorities are such that she asked me to send you her love and affection and to tell you she's very sorry she's not here. And if I might say parenthetically, I'm proud of Brent, but I'm even prouder of Barbara Bush.

And I would also say -- we were faced with a lot of problems here, budget problems, problems with Iraq and Kuwait, problems of restructuring the best defense force in the entire world -- but I can't think of a more exciting time in the history of the United States to be your President. And I'm grateful. Thank you very, very much, and God bless you.

Note: The President spoke at 3:35 p.m. in the Music Tent at the Aspen Institute. In his remarks, the President referred to Lodwrick M. Cook, David McLaughlin, and John Phelan, trustee, president, and chairman of the institute; Jessica Catto, wife of Ambassador Catto; James A. Baker III, Secretary of State; Colin L. Powell, Chairman of the Joint Chiefs of Staff; and Brent Scowcroft, Assistant to the President for National Security Affairs.

Message to the Congress Transmitting the ``Regulatory Program of the United States Government"

August 3, 1990

To the Congress of the United States:

The annual Regulatory Program of the United States Government sets forth the Administration's regulatory priorities for the coming year. This is my Administration's first Regulatory Program published pursuant to Executive Order No. 12498. it represents my long-standing commitment to prudent and cost-effective Federal regulation.

The decade of the nineties will demand governmental action to meet a broad range of challenges and opportunities. Cleaning up the environment, encouraging the use of new technologies, maintaining America's global competitiveness -- these are just a few of the issues that will vitally affect the quality of life of all Americans.

My Administration is committed to using necessary Federal regulation, reasonably applied, as an effective tool for positive change. At the same time, imprudent and unnecessary regulation can create greater cost than benefit. Further, many regulations burden the economy by staying on the books long after their useful life is over.

Federal regulations impose estimated direct costs on the economy as high as $175 billion annually -- more than $1,700 for every taxpayer in the United States. These costs are in effect indirect ``taxes" on the American public -- taxes that should only be levied when the benefits clearly exceed the costs.

I strongly believe in the commonsense regulatory principles that I helped develop and implement when as Vice President I chaired the Task Force on Regulatory Relief. These principles provide that regulations should be issued only when they are necessary, economically sensible, responsive to public comments and concerns, and understandable. Except where prevented by law, agencies should not take regulatory actions unless the benefits outweigh the costs. Regulations should also improve the quality of life for all Americans, rather than benefit a narrow special interest.

Agencies need to consider the effect of new regulations in the context of existing ones. The overall regulatory structure should be coherent, and obsolete regulations should be eliminated or revised. After considering all of these factors, agencies should select the best regulatory options from among the available alternatives. In doing so, they should select alternatives that minimize paperwork burdens on the public. Agencies should, where appropriate, establish performance standards that allow American businesses (and the marketplace) to choose the most cost-effective way to reach those standards; they should avoid command-and-control regulations that dictate

specific solutions. I count on our Cabinet Secretaries and agency heads to use these principles of prudence and cost-effectiveness in developing regulations consistent with law.

To ensure that this Administration continues to remove unnecessary regulatory burdens from the American people, I have asked the Council on Competitiveness, chaired by Vice President Quayle, in conjunction with the Office of Information and Regulatory Affairs, to oversee the regulatory review process established by Executive Orders Nos. 12291 and 12498. Such review should bolster our Nation's competitiveness and strengthen the economy.

Regulatory reform is a continual, dynamic process. In the coming months, agencies within the executive branch will propose, under the guidance of the Council on Competitiveness, new and revised regulatory reforms to reflect the priorities and policies of this Administration. I expect our agency heads to report to me on their progress in these areas. I also expect our regulatory review process will continue to lead to important improvements in the regulatory program of the United States.

George Bush

The White House,

August 3, 1990.

Nomination of Paula J. Dobriansky To Be an Associate Director of the United States Information Agency

August 3, 1990

The President today announced his intention to nominate Paula J. Dobriansky, of Virginia, to be an Associate Director of the United States Information Agency for Programs. She would succeed Charles Edward Horner.

Currently Ms. Dobriansky serves as Deputy Assistant Secretary of State for the Bureau of Human Rights and Humanitarian Affairs in Washington, DC. Prior to this, she served as Director of European and Soviet Affairs for the National Security Council at the White House, and Deputy Director of European and Soviet Affairs for the National Security Council, 1983 - 1984.

Ms. Dobriansky graduated from Georgetown University (B.S.F.S., 1977) and Harvard University (M.A., 1980). She was born September 14, 1955, in Alexandria, VA. Ms. Dobriansky resides in Washington, DC.

Message to the Congress on the Declaration of a National Emergency With Respect to Iraq

August 3, 1990

To the Congress of the United States:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. section 1703(b), and section 201 of the National Emergencies Act, 50 U.S.C. section 1621, I hereby report that I have exercised my statutory authority to declare a national emergency and to issue two Executive orders that:

-- prohibit exports and imports of goods and services between the United States and Iraq and the purchase of Iraqi goods by U.S. persons for sale in third countries;

-- prohibit transactions related to travel to or from Iraq, except for transactions necessary for journalistic travel or prompt departure from Iraq;

-- prohibit transactions related to transportation to or from Iraq, or the use of vessels or aircraft registered in Iraq by U.S. persons;

-- prohibit the performance of any contract in support of Government of Iraq projects;

-- ban all extensions of credit and loans by U.S. persons to the Government of Iraq;

-- block all property of the Government of Iraq now or hereafter located in the United States or in the possession or control of U.S. persons, including their foreign branches; and

-- prohibit all transfers or other transactions involving assets belonging to the Government of Kuwait now or hereafter located in the United States or in the possession or control of U.S. persons, including their foreign branches.

The Secretary of the Treasury is authorized to issue regulations implementing these prohibitions. These two orders were effective 5:00 a.m. e.d.t., August 2, 1990.

I am enclosing a copy of each Executive order that I have issued making these declarations and exercising these authorities.

I have authorized these measures in response to the Iraqi invasion of Kuwait, which clearly constitutes an act of aggression and a flagrant violation of international law. This action is in clear violation of the national sovereignty and independence of Kuwait and the Charter of the United

Nations. It threatens the entire structure of peaceful relations among nations in this critical region. It constitutes an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States.

The measures we are taking to block Iraqi assets will have the effect of expressing our outrage at Iraq's actions, and will prevent that government from drawing on monies and properties within U.S. control to support its campaign of military aggression against a neighboring state. Our ban on exports to Iraq will prevent the Iraqi government from profiting from the receipt of U.S. goods and technology. Our ban on imports, while not preventing sales of Iraqi oil to third countries, denies Iraq access to the lucrative U.S. market for its most important product.

At the same time, in order to protect the property of the legitimate Government of Kuwait from possible seizure, diversion, or misuse by Iraq, and with the approval of the Kuwaiti government, we are blocking Kuwaiti assets within the jurisdiction of the United States or in the possession or control of U.S. persons.

We are calling upon our friends and allies, and all members of the world community who share our interest in the peaceful resolution of international disputes, to join us in similar actions against Iraq and for the protection of Kuwait.

George Bush

The White House,

August 3, 1990.

Note: The Executive orders are listed in Appendix E at the end of this volume.

Nomination of Arlene Render To Be United States Ambassador to The Gambia

August 3, 1990

The President today announced his intention to nominate Arlene Render to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia. She would succeed Ruth V. Washington.

Currently Ms. Render serves as a member of the senior seminar in the Foreign Service Institute in Rosslyn, VA. Prior to this she served as Deputy Chief of Mission in Accra, Ghana. In addition, Ms. Render has served as a career Foreign Service officer in Cote d'Ivoire, Iran, Italy, the People's Republic of the Congo, Jamaica, and Ghana.

Ms. Render received her bachelor of science degree from West Virginia State College and her masters degree in public health from the University of Michigan. She was born August 16, 1943, in Cleveland, OH. Ms. Render resides in Alexandria, VA.

Nomination of Gordon L. Streeb To Be United States Ambassador to Zambia

August 3, 1990

The President today announced his intention to nominate Gordon L. Streeb, of Colorado, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zambia. He would succeed Jeffrey Davidow.

Since 1988 Dr. Streeb has served as Senior Inspector in the Office of the Inspector General at the Department of State. Prior to this, he served as Deputy Chief of Mission for the United States Embassy in New Delhi, India, 1984 - 1988; Deputy Assistant Secretary for Economic and Social Affairs at the Bureau of International Organization Affairs at the Department of State, 1981 - 1984; executive assistant for the Under Secretary for Economic Affairs at the Department of State, 1980 - 1981; economic Counselor for the United States Mission to the European Office of the United Nations and other International Organizations in Geneva, 1977 - 1980; instructor in economics, 1974 - 1975; international economist in the Office of Trade Agreements for the Bureau of Economic and Business Affairs at the Department of State, 1973 - 1977; examiner for the Board of Examiners for the Foreign Service at the Department of State, 1972 - 1973; and as an instructor in economics, 1969 - 1972.

Dr. Streeb graduated from the University of Colorado (B.S., 1959) and the University of Minnesota (Ph.D., 1978). He served in the United States Air Force Reserve, 1961 - 1966. Dr. Streeb was born December 24, 1935, in Windsor, CO. He is married, has three children, and resides in Centreville, VA.

Nomination of Donna M. Owens To Be Director of the Bureau of Justice Assistance

August 3, 1990

The President today announced his intention to nominate Donna M. Owens to be Director of the Bureau of Justice Assistance at the Department of Justice. This is a new position.

Ms. Owens has been the mayor of the City of Toledo in Ohio, 1983 - 1989. Prior to this, she served as a city councilwoman in Toledo, 1979 - 1983. In addition, Ms. Owens served as vice president of the Lucas County Board of Education, 1976 - 1979.

Ms. Owens attended Stautzenberger Business College, 1955. She was born August 24, 1936, in Toledo, OH. She has three children and resides in Toledo, OH.

Remarks and an Exchange With Reporters on the Iraqi Invasion of Kuwait

August 3, 1990

The President. I listened to Marlin's briefing, and I know most of your questions have been handled. And I don't intend to have a major question and answer period here; but I wanted you to know that, first off, we view this situation with gravity. We view it as a matter of grave concern to this country, and internationally as well. What Iraq has done violates every norm of international law.

I have been meeting this morning with my top security experts from the defense side, the economic side; and I'll have another such meeting tomorrow at Camp David. I've been talking to some of the world leaders, and one of the reasons for the delay is I've just hung up from talking again to Margaret Thatcher, informing me of steps that the United Kingdom has taken. We are moving with them and many other countries in terms of how we view these international sanctions -- tightening that up along the way.

I talked also to another staunch friend of the United States just a few minutes ago: President Ozal of Turkey. Turkey, as you know, is in a very strategic location of geographical importance -- importance as a steadfast member of NATO. I think it's fair to say that President Ozal and I look at this matter with the same sense of urgency and concern.

So, we're following it closely. We've got many diplomatic channels open. I will be making several other calls to world leaders before I go to bed tonight, and I expect over the weekend. But before I left here, I wanted to make very clear to everybody how strongly I feel about the nature of this uncalled-for invasion and our determination to see the matter resolved.

Q. They're only 5 miles from the Saudi border.

The President. Helen [Helen Thomas, United Press International]?

Q. What can you do if Iraq decides to expand into Saudi Arabia?

The President. I'm not discussing options, but I would simply say the status quo is unacceptable, and further expansion would be even more unacceptable. There are a lot of options. I'm not going to discuss what they are. We've already taken economic steps, and all options are open -- economic and otherwise.

Q. Mr. President, do you feel your hands are tied until these Arab meetings conclude and they decide what they're going to do?

The President. No. I support the fact that Foreign Ministers have met in Cairo. I am very pleased that there is active diplomacy going on in Saudi Arabia -- high-level official from Iraq meeting today, as I understand it, with the top officials in Saudi Arabia. All that is good. But my hands aren't tied in terms of having to wait for somebody else in any way. But there's a certain complication to all of this that requires a certain amount of time. It's not an easy matter in any sense -- economically, militarily, anything else.

But I want to just make clear here how strongly we all feel about it. And I'm not just talking about the United States; I'm talking to every leader I've talked to.

Q. Mr. President, it's been reported that Saddam Hussein [President of Iraq] has informed the Soviets that he was going to pull his troops out of Kuwait in a few days.

The President. Well, let's see him haul them out right now, then. I saw that report. And very candidly, let me say something about the Soviet Union. I am very, very pleased with the cooperation that we're having with the Soviet Union on this important question. If you go back a few years, that would have been a very different ingredient, a different part of the equation. So, because the Soviet Union has had in the past reasonably good relations, let us hope that Saddam Hussein will do what that report indicated. But I can't comment, Jim [Jim Miklaszewski, NBC News]. I don't know how accurate it is.

Q. Mr. President, economic sanctions have not had a very good history of effectiveness. Why do you think they will work in this case?

The President. I didn't say I thought they would work. But we're putting them on there, and we're going to go and do everything we can to see that they do work. But, yes, you're right, there's been a spotty record of economic sanctions working. Iraq, in spite of its underground wealth, has some big economic problems. We have taken the lead, and I think properly so, in slapping an embargo on those. And then we're also talking at the United Nations about chapter VII action. But you're right; you put a finger on what's happened to some of them in the past, and I think we have to consider that as I review all options.

Brit [Brit Hume, ABC News]?

Q. Mr. President, you said yesterday morning in the Cabinet Room that you would not discuss intervention. Now you're saying, and have been saying since yesterday afternoon, that all options are open. What, if anything, has changed, sir?

The President. Nothing has really changed. I perhaps was inaccurate in answering the question. What I thought I was doing was waiting until the briefing was over.

Q. Are you committed to defending Saudi Arabia if the Iraqis cross the border?

The President. The integrity of Saudi Arabia, its freedom, are very, very important to the United States; and I've made that clear to King Fahd in a very long conversation with him yesterday. General Scowcroft met with the Saudi Ambassador today, and I think he's had other meetings with government officials. And we're making sure that the Saudis know that. When you look at vital interests of the United States, the relationship with Saudi Arabia and its independence and its freedom come under the heading of very, very important.

Q. Did the Saudis ask for anything specifically? And I'd like to ask you about the Turks as well.

The President. I can't divulge the details of the conversations I've had with King Fahd; but if they ask for specific help, it depends, obviously, what it is. But I would be inclined to help in any way we possibly can. It's that serious. All you have to do is look at the energy requirements of the world plus the direct violation of international law by Saddam Hussein to understand why I feel so strongly about it.

What was the second part?

Q. Will the Turks cut off the Iraqi pipeline? Did you ask them to?

The President. I'm again not going to go into details. But clearly, a good deal of that oil goes out through Turkey. And that will be an option I'm certain.

Q. But if he's in accord with you, doesn't he need to do this?

The President. I'm not discussing the details of these conversations. One of the difficulties is there's a lot of questions that the American people would like to have the answers to. But I have got to go forward with a reasonable degree of confidentiality so that I work in concert with our allies. And then, sometimes, maybe we'll have to work on our own. In this question, clearly, we need to have cooperation of allies.

Q. They just asked mine.

The President. Did they? Good. Well then I'll go to Camp David. Thank you all very much. Thank you.

Q. Mr. President, there's some talk of a meeting in Jedda. Do you see the diplomatic efforts getting better at all within the Arab League?

The President. I'm encouraged when I see diplomatic efforts. But, no, I can't tell you I see the results of those any better today than I did yesterday.

Q. What about the effect on our energy supply, sir?

Q. What about the missing Americans, Mr. President? How concerned are you about them?

The President. We have no reports of Americans being held against their will, because as I indicated yesterday, that is a matter of importance to us.

Q. What about the effect on our energy supply, sir, and the ramifications about the price situation and the supply situation?

The President. The economic aspects of this are well-known to the American people. And fortunately, right now there's a bit of an overhang of surplus crude, but that's short-run. And long-run economic effects on the free world could be devastating, and that's one of the reasons I'm as concerned as I am. And that's one of the reasons, incidentally, I've been talking about having a strong defense in this country. And it's time some of our Congressmen wake up to the need to have a strong defense.

Thank you all very much.

Note: The exchange began at 3:15 p.m. on the South Lawn at the White House, prior to the President's departure for Camp David, MD. In his remarks, the President referred to Marlin Fitzwater, Press Secretary to the President; King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia; Brent Scowcroft, Assistant to the President for National Security Affairs; and Prince Bandar bin Sultan, Ambassador from Saudi Arabia.

Statement by Press Secretary Fitzwater on the Evacuation of United States Citizens From Liberia

August 5, 1990

We have been advised that the initial stages of this morning's Liberia operation have been successfully completed. A total of 59 people were flown to U.S. Navy ships offshore by U.S. Marine Corps helicopters. The U.S. Marine Corps reinforced rifle company is in place providing protection for U.S. citizens. The initial operation went well, and we are unaware of any shots being fired or resistance encountered.

Statement by Press Secretary Fitzwater on Japanese Economic Sanctions Against Iraq

August 5, 1990

Prime Minister Kaifu of Japan called the President this morning to inform the President of Japan's decision to impose various sanctions against Iraq. These unprecedented measures undertaken by Japan are in step with those that the United States and other countries have put in place against Iraq for its blatant aggression against Kuwait. The President welcomed Prime Minister Kaifu and the Japanese Cabinet's decision and expressed confidence that such measures will help intensify international pressures aimed at achieving the immediate, complete, and unconditional withdrawal of Iraq from Kuwait.

Remarks and an Exchange With Reporters on the Iraqi Invasion of Kuwait

August 5, 1990

The President. Hello, everybody. I just wanted to fill you all in on the diplomatic activity that is taking place -- intensive diplomatic activity around the world. I've got to go in now. I'm getting another call from President Ozal of Turkey, with whom I have been in previous conversation. Yesterday I talked to him.

I talked this morning to Prime Minister Kaifu, and I applaud Japan's stance: cracking down on the imports from Iraq. I just hung up, up there in Camp David, talking with Prime Minister Mulroney. We're all in the same accord -- he and President Mitterrand, with whom I've spoken, Chancellor Kohl, Margaret Thatcher. I think the alliance, the NATO alliance, is thinking exactly the same way on this. I also talked yesterday to Kuwait's Amir and gave him certain assurances.

What's emerging is nobody seems to be showing up as willing to accept anything less than total withdrawal from Kuwait of the Iraqi forces, and no puppet regime. We've been down that road, and there will be no puppet regime that will be accepted by any countries that I'm familiar with. And there seems to be a united front out there that says Iraq, having committed brutal, naked aggression, ought to get out, and that this concept of their installing some puppet -- leaving behind -- will not be acceptable.

So, we're pushing forward on diplomacy. Tomorrow I'll meet here in Washington with the Secretary General of NATO. And Margaret Thatcher will be coming in here tomorrow, and I will be continuing this diplomatic effort. And I'm sure you know of the meeting I had in Camp David with some of our top military people, and I will continue that kind of consultation as well.

Q. How are you going to keep the puppet government from being accepted and installed? And are you going to move militarily?

The President. There is no intention on the part of any of these countries to accept a puppet government, and that signal is going out loud and clear to Iraq. I will not discuss with you what my options are or might be, but they're wide open, I can assure you of that.

Q. Have you talked to Saudi Arabia and the Turks about turning off the oil pipeline to their countries to -- --

The President. All options are open. There is a strong feeling on the part of the NATO countries to whom I've talked, Turkey being one of them, that we must have concerted and, I'd say -- well, concerted action to isolate Iraq economically. And you can just assume from there that those

matters are being considered.

Q. Are the Saudis inclined to cut off the pipeline, Mr. President?

The President. I can't tell you the state of play. I've discussed this with King Fahd and I -- whether I'll be talking to him again today, I don't know. But I'm not going to characterize their position on this. Let them speak for themselves.

Q. Mr. President, what is the situation on the ground? Do the Iraqis appear to be dug in, or are they readying for -- --

The President. Iraqi lied once again. They said they were going to start moving out today, and we have no evidence of their moving out.

Q. Do we have evidence that there's 18 new divisions coming in as -- --

The President. I'm not going to discuss the intelligence situation on the ground right now, but I've not heard a figure of 18 new divisions going in.

Q. Have you given any time of ultimatum -- --

Q. Are Americans in danger in Kuwait or other areas down there? And you said -- --

The President. I wouldn't want to say they're in danger, but you know how I feel about the protection of American life and willingness to do whatever is necessary to protect it. But I don't have the feeling that they're in imminent danger right now.

Q. And the people who are now in control in Kuwait are saying they may close some of the Embassies in Kuwait City, that they will regard any reaction against them as, ``You should take care if you have your nationals in our country." Isn't that a threat?

The President. I'm not trying to characterize threats. The threat is a vicious aggression against Kuwait, and that speaks for itself. And anything collaterally is just simply more indication that these are outlaws, international outlaws and renegades. And I want to see the United Nations move soon with chapter VII sanctions; and I want to see the rest of the world join us, as they are in overwhelming numbers, to isolate Saddam Hussein.

Q. Mr. President, how can you and other world leaders prevent the installation of what you term a puppet government?

The President. Just wait. Watch and learn.

Q. Mr. President, have you, in fact, tried to reach Saddam Hussein to tell him all these other things?

The President. No. No, I have not.

Q. But King Hussein has embraced him.

Q. Mr. President, have we asked the Saudi Arabians for the use of their military bases?

The President. I'm not going to discuss what I'm talking to the Saudis about. I'm not going to discuss anything to do about military options at all.

Q. Mr. President, have you talked to King Hussein of Jordan, because he indicated his support for -- --

The President. I talked to him once, and that's all.

Q. Are you disappointed in what he said?

Q. But he's embraced Saddam Hussein. He went to Baghdad and embraced him.

The President. What's your question? I can read.

Q. Are you disappointed in what King Hussein has said?

The President. I want to see the Arab States join the rest of the world in condemning this outrage, in doing what they can to get Saddam Hussein out. Now, he was talking -- King Hussein -- about an Arab solution. But I am disappointed to find any comment by anyone that apologizes or appears to condone what's taken place.

Q. Is Secretary Cheney going to Saudi Arabia, sir?

The President. I'm not going to comment on anything that we're doing of that nature.

Q. Mr. President, are you disappointed in the failure of the Arab nations -- --

The President. Well, I was told by one leader that I respect enormously -- I believe this was back on Friday -- that they needed 48 hours to find what was called an Arab solution. That obviously has failed. And of course, I'm disappointed that the matter hasn't been resolved before now. It's a very serious matter.

I'll take one more, and then I've got to go to work over here.

Q. Have you already taken steps to protect Americans over there? Have you -- --

The President. I'm not going to discuss what we're doing in terms of moving of forces, anything of that nature. But I view it very seriously, not just that but any threat to any other countries, as well as I view very seriously our determination to reverse out this aggression. And please believe me, there are an awful lot of countries that are in total accord with what I've just said, and I salute them. They are staunch friends and allies, and we will be working with them all for collective action. This will not stand. This will not stand, this aggression against Kuwait.

I've got to go. I have to go to work. I've got to go to work.

Note: President Bush spoke at 3:05 p.m. on the South Lawn of the White House upon returning from a weekend stay at Camp David, MD. In his remarks, he referred to Prime Minister Brian Mulroney of Canada, President Francois Mitterrand of France, Chancellor Helmut Kohl of the Federal Republic of Germany, Prime Minister Margaret Thatcher of the United Kingdom, Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait, NATO Secretary General Manfred Woerner, and President Saddam Hussein of Iraq.

Remarks at the Presentation Ceremony for the All-American Cities Awards

August 6, 1990

The President. Thank you very much. Excuse the little delay here. Welcome to the White House. I want to single out an old friend of mine, Henry Cisneros, the chair of the National Civic League. Wayne Hedien of Allstate, Members of Congress who are here, State representatives, mayors and, above all, some friends of the finest cities in America, it's an honor and, indeed, a pleasure to have you here at the White House.

The event is special. It's special because too often it seems the function of the Federal Government is to make laws and set limits. But the cities and citizens we honor today are reminders that America's potential is truly unlimited. The All-American Cities are all-American success stories. At a time when so many mourn what's wrong with American cities, you have quietly gone to work to make them right. You've refused to surrender to crime and to drug dealers and to natural disaster, to despair. You refuse to see the problems of the homeless and the jobless as somehow impossible to solve. Instead, you've set out to unleash the infinitive range of what is possible when Americans really put their minds to it.

Along the way, you've reaffirmed the American ideal of empowerment. Empowerment sounds like a new idea, but it's something President Teddy Roosevelt well understood and wanted to promote when he founded the National Civic League back in 1894. ``There are many different ways," he once wrote, ``in which a man or a woman can work for the higher life of American cities."

Well, the men and women with us are proving Teddy Roosevelt right. So, we've gathered to celebrate the spirit of empowerment and the potential of partnerships perhaps unique in America, the spirit that in an earlier time could have built a meetinghouse or raised a barn on a windswept field.

Today the All-America Cities are forming partnership for challenges of every kind. In small industrial towns, in urban canyons, citizens, businesses, government, and volunteers are joining forces for the future of their communities. In some cases, they've mobilized after an accident, like Flight 232 in Sioux City, Iowa, whose citizens had planned and acted on an outstanding emergency response system. Or, they've responded to a natural disaster the way the people of Charlotte-Mecklenburg, North Carolina, did after Hurricane Hugo.

All Americans are uplifted by stories of courage and compassion that emerged during those difficult times. No hand was idle and, certainly, no heart was untouched. But these cities and others have been just as notable, I think, for their courage and creativity in meeting the longer term challenges.

When the schools of South Gate in Los Angeles faced an enrollment explosion, young kids -- many of them immigrant and at-risk in overcrowded classrooms -- civic volunteers, and local businesses volunteered money and time and talent to turn the tide against drugs and gangs. The kids, 15,000 of them, got involved in marches and posters and essay contests and assemblies and antigang, antidrug pledges. Test scores improved. Attendance went from among the lowest to among the highest in the Los Angeles School District, and the dropout rate is now the lowest in the L.A. Unified School District -- an outstanding case study in how to save our schools.

The same vision for a better future has driven the city of South St. Paul as they deal with the challenges and the change. Rather than mourning the loss of a key industry, citizens began to plan a public walkway and trail system on old industrial land along the river. And volunteers work tirelessly at town meetings to convince their neighbors that urban renewal means an improved city, economic growth, and new jobs. Stock certificates for Mississippi Miles were sold for $1 each, enlisting even the kids. Now the center of South St. Paul is coming back to life. One high school senior even told a local historian, ``I just have to thank you for giving me back my hometown."

For 41 years the National Civic League has recognized community excellence through these awards. Success stories like these -- as in Bakersfield, California, and Tampa, Florida; Coeur D'Alene, Idaho; Hamlet, North Carolina; Harrisburg, Pennsylvania; Abilene, Texas -- all are a hopeful reminder that the success of democracy depends on the resilience and capacity of citizens for self-governance, education, civic responsibility, and economic development.

We single out all 10 of these cities not because they claim to be the best cities in America -- I think they're too smart or, in some instances, too modest for that -- but because they represent what's best about American cities. Rather than looking for an outside solution or a quick fix, they're looking within for the answers and they're finding them. By recognizing and unleashing the power and potential of the people themselves, they're proving that big cities can meet enormous challenges, small towns can do very big things.

So, congratulations to all of you. You've earned the admiration of the Nation because when people say, ``It can never be done," you're doing it. And when they say, ``You can't get there from here," you've proved that you can. So, I'm very grateful, and now if I could ask Henry and Wayne to join me up here, we'd like to present this year's awards. Congratulations to all of you.

Note: The President spoke at 10:15 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Wayne Hedien, chairman and chief executive officer of Allstate Insurance Co.

Nomination of Herbert Donald Gelber To Be United States Ambassador to Mali

August 6, 1990

The President has nominated Herbert Donald Gelber, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mali. He would succeed Robert Maxwell Pringle.

Since 1986 Mr. Gelber has served as Special Assistant for International Affairs to the Supreme Allied Commander in Europe. Prior to this, he served as Charge d'Affaires in Lagos, Nigeria, 1985 - 1986; Deputy Chief of Mission in Lagos, Nigeria, 1982 - 1984; Director of the Office of Research and Analysis for Western Europe, 1980 - 1982; counselor for political-military affairs in Ankara, Turkey, 1978 - 1980; legislative management officer in the Bureau of Congressional Relations, 1976 - 1978; foreign policy adviser to the Commander in Chief for the U.S. Naval Forces in Europe, 1973 - 1976; Special Assistant for International Affairs to the Chief of Naval Operations, 1971 - 1973; and Special Assistant to the Assistant Secretary for Political-Military Affairs, 1969 - 1971. In addition, Mr. Gelber was assigned to the consulate general at Calcutta, India, 1965 - 1969; the Embassy in Pakistan, 1961 - 1965; and assigned as a junior officer to the Embassy in Greece, 1958 - 1960. He joined the Foreign Service in 1957.

Mr. Gelber graduated from City College of New York (B.A., 1954) and Columbia University (M.A., 1956). He was born July 20, 1932, in Brooklyn, NY. Mr. Gelber is married and has two children.

Nomination of Scott M. Spangler To Be an Assistant Administrator of the Agency for International Development

August 6, 1990

The President has nominated Scott M. Spangler, of Arizona, to be an Assistant Administrator of the Agency for International Development, U.S. International Development Cooperation Agency, for the Bureau for Africa. He would succeed Charles L. Gladson.

Currently Mr. Spangler serves as president of First Phoenix Capitol, Inc., in Scottsdale, AZ. Prior to this, he served as president, chief executive officer, and director of AZL Resources, Inc., 1973 - 1984; president of Spangler and Co., in Houston, TX, 1970 - 1973; vice president of finance for the industrial group at White Motor Co., in Houston, TX, 1968 - 1970; assistant controller and assistant treasurer for Cooper Industries, Inc., in Mount Vernon, OH, 1966 - 1968; and an MIT fellow in Africa, 1963 - 1966.

Mr. Spangler graduated as a mechanical engineer from the University of Cincinnati in 1961, and he received a master's in business administration from Harvard Business School in 1963. He was born August 4, 1938, in Toledo, OH. Mr. Spangler is married, has three children, and resides in Paradise Valley, AZ.

Nomination of Charles B. DeWitt To Be Director of the National Institute of Justice

August 6, 1990

The President has nominated Charles B. DeWitt, of the District of Columbia, to be Director of the National Institute of Justice, Department of Justice. He would succeed James K. Stewart.

Currently Mr. DeWitt serves as an independent consultant for the Department of Justice and as a research fellow for the National Institute of Justice for the Department of Justice in Washington, DC. Prior to this he served as director of the justice division for Santa Clara County, CA, 1978 - 1984; program manager in the office of the county executive in Santa Clara County, CA, 1978; criminal justice specialist for the criminal justice planning board in Santa Clara County, CA, 1974 - 1978; staff analyst for community development study at Stanford University, 1970 - 1972; and deputy sheriff in the office of the sheriff in Santa Clara County, CA, 1971 - 1974.

Mr. DeWitt graduated from Stanford University (B.A., 1972). He was born March 13, 1950, in Los Angeles, CA. Mr. DeWitt served in the U.S. Marine Corps, 1968 - 1971. He is married and resides in Washington, DC.

Appointment of Charles E.M. Kolb as Deputy Assistant to the President for Domestic Policy

August 6, 1990

The President today announced the appointment of Charles E.M. Kolb to be Deputy Assistant to the President for Domestic Policy. He would succeed William Roper.

Since 1988 Mr. Kolb has served as Deputy Under Secretary for Planning, Budget, and Evaluation at the Department of Education. Prior to this, he served as Deputy General Counsel for Regulations and Legislation at the Department of Education, 1986 - 1988; Assistant General Counsel in the Office of Management and Budget, 1983 - 1986; and a lawyer with the law firm of Covington and Burling and with the law firm of Foreman and Dyess.

Mr. Kolb graduated from Princeton University (A.B., 1973), Oxford University (M.A., 1980), and the University of Virginia (J.D., 1978). He is married and resides in Alexandria, VA.

Remarks and an Exchange With Reporters Following a Meeting With Prime Minister Margaret Thatcher of the United Kingdom and Secretary General Manfred Woerner of the North Atlantic Treaty Organization

August 6, 1990

The President. We better get Manfred Woerner. But listen, it's raining out here. This was basically a chance to have a photo to show that we were having these very important consultations. I might say that we are very encouraged, all of us, by the action taken in the United Nations -- a strong resolution up there that shows, I think, that the world is united against the kind of aggression that we've witnessed.

But I'd like to ask our guest, the Prime Minister, to say a word, and then the Secretary General, who's just arrived. We were going to do this differently, but now we're out here. Go ahead, please, Margaret.

The Prime Minister. May I support the President of the United States in saying that the news from the United Nations and the strength of the vote -- 13 votes in favor of mandatory, comprehensive sanctions and no votes against -- is very good. That means that it becomes law in all the countries of the world. That is extremely good. It also follows the strong support that has been given by the European countries in their condemnation of the action of Saddam Hussein in invading Kuwait. Japan also condemned strongly, and so did the Soviet Union. So, really, the world is condemning the action, and the United Nations resolution will become mandatory and mean that those sanctions must be enforceable.

I cannot remember a time when we had the world so strongly together against an action as now, and I hope that those sanctions will be properly and effectively enforced as a positive action against what we all totally and utterly condemn.

The President. Manfred, are you prepared to say a word?

The Secretary General. I just arrived. Just a few thoughts which we have exchanged. My impression is that this is the moment for the West to show cohesion, determination and to make it clear what cannot be accepted in this world and to safeguard its own security interests.

The President. Thank you all.

Iraqi Invasion of Kuwait

Q. Mr. President, have you received any assurances from Saddam Hussein that he won't invade Saudi Arabia?

Q. Mr. President, did you hear from Saddam today?

The President. I have had no such assurances directly to me.

And what was the last question? We really have to get in. You all are getting -- --

Q. Did you get a message, a personal message, from Saddam?

The President. No, I have not had a personal -- --

Q. Do you hope that, in light of these sanctions, that you can forgo a blockade?

The President. These sanctions -- we need to discuss full and total implementation of these sanctions, ruling out nothing at all. These sanctions must be enforced. I think the will of the nations around the world -- not just the NATO countries, not just the EC, not just one area or another -- the will of the nations around the world will be to enforce these sanctions. So, we'll leave the details of how we implement it to the future. But we'll begin working on that immediately, working -- one of the consultations that's going on right now in the Oval Office is just exactly how we go about encouraging others to do that and what we ourselves should be doing.

Q. Mr. President, the oil pipeline in Saudi Arabia -- --

Q. Well, what did Saddam tell the U.S. Counselor -- Charge?

The President. These things will be enforced, whatever it takes.

Note: The President spoke at 3:57 p.m. in the Colonnade at the White House. Saddam Hussein was President of Iraq.

Statement by Press Secretary Fitzwater on the Cease-Fire Between the African National Congress and the Government of South Africa

August 6, 1990

We welcome the report of a cease-fire in South Africa. We are very encouraged and congratulate both parties for having made this important step forward. The United States has urged dialog for bringing an end to apartheid. We hope this step facilitates this process.

Statement by Press Secretary Fitzwater on the Anniversary of the Central American Peace Plan

August 7, 1990

August 7th commemorates a decisive anniversary in the history of Central America: the third anniversary of the signing in Guatemala City of Esquipulas II, the Central American peace plan. On this date 3 years ago, farsighted and courageous Central American leaders decided to forge a destiny of peace by constructing a framework for democracy. Enshrined as the central pillar of this agreement was the promise to ``make dialog prevail over violence and reason over rancor."

Three years later, Central Americans can proudly claim progress. Fair and honest elections were held in Nicaragua, a coalition committed to the consolidation of democratic institutions has been elected, and the civil war has ended. President Chamorro [of Nicaragua] is courageously rebuilding her country. Although irregular forces still conduct campaigns of violence against democratically elected governments in El Salvador and Guatemala, a serious process of dialog has begun in both countries which we hope will lead to an end to the war and a strengthening of democracy.

We salute the work of Presidents Calderon [of Costa Rica], Callejas [of Honduras], Cerezo [of Guatemala], Chamorro, and Cristiani [of El Salvador] and the work of their predecessors. On this day, we join with them in recommitting the United States to work with them and all Central Americans for democracy, development, and peace in the spirit of Esquipulas.

Address to the Nation Announcing the Deployment of United States Armed Forces to Saudi Arabia

August 8, 1990

In the life of a nation, we're called upon to define who we are and what we believe. Sometimes these choices are not easy. But today as President, I ask for your support in a decision I've made to stand up for what's right and condemn what's wrong, all in the cause of peace.

At my direction, elements of the 82d Airborne Division as well as key units of the United States Air Force are arriving today to take up defensive positions in Saudi Arabia. I took this action to assist the Saudi Arabian Government in the defense of its homeland. No one commits America's Armed Forces to a dangerous mission lightly, but after perhaps unparalleled international consultation and exhausting every alternative, it became necessary to take this action. Let me tell you why.

Less than a week ago, in the early morning hours of August 2d, Iraqi Armed Forces, without provocation or warning, invaded a peaceful Kuwait. Facing negligible resistance from its much smaller neighbor, Iraq's tanks stormed in blitzkrieg fashion through Kuwait in a few short hours. With more than 100,000 troops, along with tanks, artillery, and surface-to-surface missiles, Iraq now occupies Kuwait. This aggression came just hours after Saddam Hussein specifically assured numerous countries in the area that there would be no invasion. There is no justification whatsoever for this outrageous and brutal act of aggression.

A puppet regime imposed from the outside is unacceptable. The acquisition of territory by force is unacceptable. No one, friend or foe, should doubt our desire for peace; and no one should underestimate our determination to confront aggression.

Four simple principles guide our policy. First, we seek the immediate, unconditional, and complete withdrawal of all Iraqi forces from Kuwait. Second, Kuwait's legitimate government must be restored to replace the puppet regime. And third, my administration, as has been the case with every President from President Roosevelt to President Reagan, is committed to the security and stability of the Persian Gulf. And fourth, I am determined to protect the lives of American citizens abroad.

Immediately after the Iraqi invasion, I ordered an embargo of all trade with Iraq and, together with many other nations, announced sanctions that both freeze all Iraqi assets in this country and protected Kuwait's assets. The stakes are high. Iraq is already a rich and powerful country that possesses the world's second largest reserves of oil and over a million men under arms. It's the fourth largest military in the world. Our country now imports nearly half the oil it consumes and could face a major threat to its economic independence. Much of the world is even more dependent upon imported oil and is even more vulnerable to Iraqi threats.

We succeeded in the struggle for freedom in Europe because we and our allies remain stalwart. Keeping the peace in the Middle East will require no less. We're beginning a new era. This new era can be full of promise, an age of freedom, a time of peace for all peoples. But if history teaches us anything, it is that we must resist aggression or it will destroy our freedoms. Appeasement does not work. As was the case in the 1930's, we see in Saddam Hussein an aggressive dictator threatening his neighbors. Only 14 days ago, Saddam Hussein promised his friends he would not invade Kuwait. And 4 days ago, he promised the world he would withdraw. And twice we have seen what his promises mean: His promises mean nothing.

In the last few days, I've spoken with political leaders from the Middle East, Europe, Asia, and the Americas; and I've met with Prime Minister Thatcher, Prime Minister Mulroney, and NATO Secretary General Woerner. And all agree that Iraq cannot be allowed to benefit from its invasion of Kuwait.

We agree that this is not an American problem or a European problem or a Middle East problem: It is the world's problem. And that's why, soon after the Iraqi invasion, the United Nations Security Council, without dissent, condemned Iraq, calling for the immediate and unconditional withdrawal of its troops from Kuwait. The Arab world, through both the Arab League and the Gulf Cooperation Council, courageously announced its opposition to Iraqi aggression. Japan, the United Kingdom, and France, and other governments around the world have imposed severe sanctions. The Soviet Union and China ended all arms sales to Iraq.

And this past Monday, the United Nations Security Council approved for the first time in 23 years mandatory sanctions under chapter VII of the United Nations Charter. These sanctions, now enshrined in international law, have the potential to deny Iraq the fruits of aggression while sharply limiting its ability to either import or export anything of value, especially oil.

I pledge here today that the United States will do its part to see that these sanctions are effective and to induce Iraq to withdraw without delay from Kuwait.

But we must recognize that Iraq may not stop using force to advance its ambitions. Iraq has massed an enormous war machine on the Saudi border capable of initiating hostilities with little or no additional preparation. Given the Iraqi government's history of aggression against its own citizens as well as its neighbors, to assume Iraq will not attack again would be unwise and unrealistic.

And therefore, after consulting with King Fahd, I sent Secretary of Defense Dick Cheney to discuss cooperative measures we could take. Following those meetings, the Saudi Government requested our help, and I responded to that request by ordering U.S. air and ground forces to deploy to the Kingdom of Saudi Arabia.

Let me be clear: The sovereign independence of Saudi Arabia is of vital interest to the United States. This decision, which I shared with the congressional leadership, grows out of the longstanding friendship and security relationship between the United States and Saudi Arabia. U.S. forces will work together with those of Saudi Arabia and other nations to preserve the integrity of Saudi Arabia and to deter further Iraqi aggression. Through their presence, as well as through training and exercises, these multinational forces will enhance the overall capability of Saudi Armed Forces to defend the Kingdom.

I want to be clear about what we are doing and why. America does not seek conflict, nor do we seek to chart the destiny of other nations. But America will stand by her friends. The mission of our troops is wholly defensive. Hopefully, they will not be needed long. They will not initiate hostilities, but they will defend themselves, the Kingdom of Saudi Arabia, and other friends in the Persian Gulf.

We are working around the clock to deter Iraqi aggression and to enforce U.N. sanctions. I'm continuing my conversations with world leaders. Secretary of Defense Cheney has just returned from valuable consultations with President Mubarak of Egypt and King Hassan of Morocco. Secretary of State Baker has consulted with his counterparts in many nations, including the Soviet Union, and today he heads for Europe to consult with President Ozal of Turkey, a staunch friend of the United States. And he'll then consult with the NATO Foreign Ministers.

I will ask oil-producing nations to do what they can to increase production in order to minimize any impact that oil flow reductions will have on the world economy. And I will explore whether we and our allies should draw down our strategic petroleum reserves. Conservation measures can also help; Americans everywhere must do their part. And one more thing: I'm asking the oil companies to do their fair share. They should show restraint and not abuse today's uncertainties to raise prices.

Standing up for our principles will not come easy. It may take time and possibly cost a great deal. But we are asking no more of anyone than of the brave young men and women of our Armed Forces and their families. And I ask that in the churches around the country prayers be said for those who are committed to protect and defend America's interests.

Standing up for our principle is an American tradition. As it has so many times before, it may take time and tremendous effort, but most of all, it will take unity of purpose. As I've witnessed throughout my life in both war and peace, America has never wavered when her purpose is driven by principle. And in this August day, at home and abroad, I know she will do no less.

Thank you, and God bless the United States of America.

Note: The President spoke at 9 a.m. from the Oval Office at the White House. In his remarks, he referred to President Saddam Hussein of Iraq, Prime Minister Margaret Thatcher of the United

Kingdom, Prime Minister Brian Mulroney of Canada, and King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia. The address was broadcast live on nationwide radio and television.

The President's News Conference

August 8, 1990

The President. Terry [Terence Hunt, Associated Press]?

Persian Gulf Crisis

Q. Mr. President, how many American troops have you sent to Saudi Arabia? How long are you committed to keeping them there? And why not use them to drive Iraqi forces out of Kuwait?

The President. There will be a military briefing at the Pentagon -- I think it's within an hour -- and so, I'll leave the numbers to them. I would expect there would be some reluctance to give out specific numbers at this point for very obvious reasons.

What was the last part of your -- --

Q. The other parts, sir, were: How long will you keep American forces in Saudi Arabia, and why not use them to drive the Iraqi troops out of Kuwait?

The President. Well, as you know from what I said, they're there in a defensive mode right now, and therefore, that is not the mission to drive the Iraqis out of Kuwait. We have economic sanctions that I hope will be effective to that end. And I don't know how long they'll be there. They just got there or are just getting there.

Q. Is this an open-ended commitment? I mean, could this drag on for years?

The President. Nothing is open-ended, but I'm not worrying about that there at all. I'm worrying about getting them there and doing what I indicated in our speech in there is necessary: the defense of the Saudis and trying through concerted international means to reverse out this aggression.

Q. Mr. President, are we in a war? And what other nations have agreed to join our forces in defending Saudi Arabia? And I take it you also have included other Gulf nations in that umbrella.

The President. We're not in a war. We have sent forces to defend Saudi Arabia. I will leave announcements about what other nations will be participating to the Saudis. But I believe Margaret Thatcher, after talking to King Fahd [of Saudi Arabia], has announced that forces will be going in; and then I think you'll see other such actions. But I'd much prefer to leave that to Saudi Arabia, who indeed -- it's their country.

Q. But was [Secretary of Defense] Cheney's mission successful in rallying support with Egypt

and Morocco?

The President. Well, I, having talked to Mubarak [President of Egypt] a couple of times myself, feel that we are in very close agreement with him.

Who was your other country you asked about?

Q. Morocco, Yemen.

The President. Morocco -- very, very supportive of the Saudis and of our overall position on the Mideast. So, I was very pleased with the Cheney mission in that regard.

Brit [Brit Hume, ABC News]?

Q. Mr. President, there are several dozen Americans in Baghdad apparently not able to leave at this point, and perhaps hundreds more in Kuwait -- perhaps elsewhere in Iraq as well. In view of the extreme political sensitivity of Americans toward this whole question of hostages, why should not Saddam Hussein feel that he holds very high cards now in dealing with the United States?

The President. I've been encouraged that there have been actually announcements, I believe, saying people were free to leave. So, I'm not going to speculate or hypothecate beyond that. I want to see them out of there, obviously. But what he does -- that's a bit unpredictable. But I'm not going to try to heighten tensions in this regard by responding to hypothetical questions that might go beyond your question.

Q. Well, I just wonder what assurances you might be able to provide, sir, that our policy in this instance will not become, as it has in the past, hostage taking.

The President. I can provide only the assurance that I consider the protection of American life fundamental to my job and responsibilities as President.

Q. Mr. President, the question of chemical weapons -- there are reports that the Iraqis were seen loading airplanes with chemical weapons. How concerned are you that he would use these over our troops that are there now?

The President. I think anytime you deal with somebody who has used chemical weapons on the battlefield you are concerned about it. I would think that he'd know, given the way the world views the use of chemical weapons, that it would be intolerable and that it would be dealt with very, very severely. So, I would hope that there would be no use of chemical weapons.

Q. Mr. President, I'm being told in my ear that there is a report or a rumor out of Jedda that

Saddam Hussein is dead. Have you heard anything of this?

The President. I have not heard anything of that.

Q. Do you know if the Saudis are going to follow the Turks' lead in shutting off an Iraqi pipeline, the one to the south? Have you had any promises from the Saudis or any other oil-producing countries that they will increase production to make up for this shortfall?

The President. I believe that the Venezuelans have announced a significant increase, and I expect you'd find others to follow.

And what was the first part, John [John Cochran, NBC News]?

Q. The Saudis cutting off the pipeline.

The President. That matter will be discussed, I'm sure. And I know that the Saudis are fully in accord with the action taken by the United Nations in terms of chapter VII sanctions. But we have no deal with them in that regard.

Q. Sir, it's difficult for us to get information from Saudi Arabia, one reason being the American news media were not permitted to accompany American troops into Saudi Arabia. Was that your decision or King Fahd's?

The President. That decision didn't come to me, but there's plenty of reporters in Saudi Arabia right now.

Q. Well, do you think there should be a Pentagon pool as there was, for example, in Panama?

The President. I'd have to discuss that with the Secretary of Defense. I'm glad that that many forces could be moved with not too much advance warning and with not too much, therefore, risk to Saudi Arabia or to these troops.

Q. Mr. President, was there any one single thing that tipped your hand into deciding to send U.S. troops and aircraft into Saudi Arabia? And secondly, how supportive have the Soviets been of your decision?

The President. There was no one single thing that I can think of, but when King Fahd requested such support, we were prompt to respond. But I can't think of an individual, specific thing. If there was one, it would perhaps be the Saudis moving south when they said they were withdrawing.

Q. You mean the Iraqis, sir?

The President. I mean the Iraqis. Thank you very much. It's been a long night. The Iraqis moving down to the Kuwait-Saudi border when, indeed, they had given their word that they were withdrawing. That heightened our concern.

Q. How supportive have the Soviets been of your decision, sir?

The President. The Soviets have been very responsible, in my view. They have joined the United Nations on that resolution; and [Secretary of State] Jim Baker, as recently as yesterday afternoon or evening, was in touch with Shevardnadze [Soviet Foreign Minister] again. And you know, I can't ask for a more favorable response than he received.

Yes, Gerry [Gerald Seib, Wall Street Journal]?

Q. Mr. President, is it your intention to let economic pressure alone provide the force that drives Iraq out of Kuwait? And are you prepared to wait several months, which is how long it might take for the economic sanctions to really bite?

The President. Well, we've taken this first significant step to defend Saudi Arabia. The economic sanctions should begin to bite pretty soon. There will be further steps taken to ensure that they are fully effective. And then we'll wait and see where we go from there. But I'm not beyond that in my thinking. There obviously is a lot of contingency planning that always goes on and, prudently, should go on.

Charles [Charles Bierbauer, Cable News Network], then Ann [Ann Devroy, Washington Post].

Q. Mr. President, I can understand the need for individual countries to announce their own intentions with regards to the multinational force, but it's our understanding that the Saudis wanted an Arab component in that force. Is that, in fact, the case, and will there be one?

The President. They didn't tell us that, but it would not be at all surprising if there was an Arab component in that force, not at all.

Q. But you do not have one at this point?

The President. Well, I'm not going to comment on -- because I think announcement of all components really should come from the participating countries.

Yes, Ann?

Q. Not even broadly to define it as Arab, if not by nation?

The President. No. I told you I wouldn't be surprised if that happened but I'd much prefer to have the announcements of that come from others. I think it is important that the focus be on Saudi requests and on defensive nature of the move we've made with these forces.

Yes, Ann?

Q. Mr. President, you've told us several times of Saddam Hussein's lies in his dealings with other leaders and with the United States on his intentions. Why do you now believe the Iraqi Government's statements that they will let Americans go if there is no evidence of an American being let go?

The President. I'm not sure I totally believe them. I hope they're telling the truth.

Q. Do you have assurances from any intelligence source, any other source that indicates movement by those Americans or any -- --

The President. Well, I've had a source of movement by some foreigners. So, I would hope that this would then apply to Americans.

Q. Which foreigners?

Q. Mr. President, you said in your speech this morning that the puppet regime in Kuwait was unacceptable, and so was the acquisition of territory. At the same time, though, you said that the deployments are wholly defensive. The question is: How do you actually expect to force Hussein to withdraw from Kuwait?

The President. Economic sanctions, in this instance, if fully enforced, can be very, very effective. It's a rich country in terms of oil resources. They're a poor country, in a sense, because he squandered much of the resource on military might. And there are some indications that he's already beginning to feel the pinch, and nobody can stand up forever to total economic deprivation.

Q. Can I just follow: Will you rule out preemptive strikes against Iraq as a way of forcing -- --

The President. I am not going to go into hypothetical situations. We've been very careful not to do that, and I simply am not going to respond.

Maureen [Maureen Santini, New York Daily News]? Then we'll go to the aisle.

Q. Mr. President, could you share with us the precise military objective of this mission? Will the American troops remain there only until Saddam Hussein removes his troops from the Saudi border?

The President. I can't answer that because we have a major objective with those troops, which is the defense of the Soviet Union, so I think it's beyond -- --

Q. Saudi Arabia. [Laughter]

The President. A defense of Saudi Arabia. So, I think it's beyond just the question of the tanks along the border.

Q. Sir, are you prepared for a prolonged ground war?

The President. They have a lot of air power, for example.

Q. Are you prepared for a prolonged ground war in the Persian Gulf?

The President. I'm not preparing for a long ground war in the Persian Gulf. There's not a war going on there right now.

Q. But I'm just saying, could you just tell the American people what your specific military objective is?

The President. My military objective is to see Saudi Arabia defended. That's the military objective. Our overall objective is to see Saddam Hussein get out and go back and to have the rightful regime of Kuwait back in place.

Q. Mr. President, can you tell us what U.S. and Saudi forces will be up against? You mentioned surface-to-surface missiles. You've spoken previously of the chemical warfare capability of the Saudis. What are they up against? And the second part of the question is: Did we misread Saddam Hussein? A couple of months ago the administration was up on the Hill deflecting a move to put sanctions on Iraq.

The President. Let me ask you -- I'm not going to take the question on the exact military problem there because we're going to have a thorough briefing at the Pentagon. I think they're much better equipped to handle that kind of detail.

On Saddam Hussein, look, we've tried very hard to see if there wasn't a way to have somewhat improved relations. There's no question about that. And I have no regret about having tried to have discussions that might have led to a better relationship. But that had to stop the minute you have this kind of aggression. But I think, having tried tentatively to have a little better relationship

with the person over the last couple of years, we've still been very, very wary all along of his intentions.

Q. Did our intelligence let us down, or did you know that what has happened -- when did you get an indication it would be, as far as moving into Kuwait and that sort of thing?

The President. No, I don't feel let down by the intelligence at all. When you plan a blitzkrieg-like attack that is launched at 2 o'clock in the morning, it's pretty hard to stop, particularly when you have just been given the word of the people involved that there wouldn't be any such attack. And I think the intelligence community deserves certain credit for picking up what was a substantial buildup and then reporting it to us. This information was relayed properly to interested parties, but the move was so swift that it was pretty hard for them to stop it. I really can't blame our intelligence in any way -- fault them in this particular go-around.

Yes, Ellen [Ellen Warren, Knight-Ridder Newspapers]?

Q. Mr. President, you said this morning that our troops would also defend our other friends in the Gulf. Do we view the American troops there as peacekeepers throughout the Gulf?

The President. We view them there to defend Saudi Arabia, and hopefully, their presence there will deter adventurism against any of the other Gulf countries.

Q. What other countries, sir, are we prepared to defend in the Gulf region?

The President. I'm not going to give you a list, but we're certainly interested in the freedom and the independence of all those countries in the GCC [Gulf Cooperation Council], just for openers.

Q. Mr. President, do you see any domestic impact on the budget talks or deficit from this situation in the Middle East -- impact on the gasoline tax possibility, or in any other way?

The President. An operation of this nature has considerable expense associated with it. But I've asked for some estimates now as to what that price may be. But whatever it is, we're going to have to pay it, but I don't have the exact figures yet.

John [John Mashek, Boston Globe]?

Q. Mr. President, national security analysts say that this crisis demonstrates once again the constant vulnerability of the oil fields in the Middle East. Doesn't this suggest that this force that you've sent over there may be there for some time or at least fragments of it will be there to make sure that there is a steady flow?

The President. You might interpret it that way. I'm not prepared to say that I think that's what the outcome will be because I think if there is this pullback that the world is calling for, and if the sanctions are effective, I think you would reduce the risk of future adventurism.

Q. In your call to the producing countries to pick up the slack, do you expect that to begin immediately?

The President. Well, I think it will start very, very soon. I don't know about today by way of -- --

Gerry [Gerald Seib, Wall Street Journal]?

Federal Budget Negotiations

Q. Mr. President, with the economy tipping or close to the edge of recession, do you think you still can afford to raise taxes and cut spending, or won't that increase the risk of a deep recession?

The President. I still think it's absolutely essential to get a budget agreement. And that's going to require a lot of compromise, and it's going to require a lot of principle. But you know, what I want to do is separate out my feelings about the budget now that I feel uninhibited by an agreement not to say anything, because I want to tell you exactly how strongly I feel about it, but I don't want to do it here today. I don't want to mix it into this briefing that is largely dominated by the world concern about the Middle East. But I feel like a liberated human being now. I don't feel bound by -- --

Q. Why not?

The President. May I finish what I'm saying here? I don't feel -- [laughter] -- I don't feel bound by an agreement that I've told the congressional leaders is no longer in effect. We've been getting one side of that, mainly from the Democrats in the Congress, and now you're fixing to get the other. But not this minute; you have to stay tuned.

Persian Gulf Crisis

Q. Mr. President, to follow up. Do you think the spike in oil prices, if that occurs significantly at home as a result of the Persian Gulf problems, could edge the economy into a recession?

The President. I have not been advised of that. I hope that is not the case. What I hope to do is see a reduction in oil prices once it becomes clear that there will not be shortage. There's an overhang now of oil in the marketplace -- thank God. We have a Strategic Petroleum Reserve that we can draw from. Other countries have the same -- a couple of other countries have SPR's themselves. And I hope that this rapid spike on oil prices will not be permanent. And I think if the world begins to see assurances that there will not be a dramatic cutoff or cut-down on oil, that then

things will return much more to normal in the market.

Q. Mr. President, assuming -- --

The President. One more after this.

Q. Assuming that you achieve your withdrawal of Iraqi forces out of Kuwait, Saddam Hussein is still going to be sitting there on top of a million-man army that he's shown an inclination to use. What happens in the long run after that? And can you contain that, short of removing Saddam Hussein from power?

The President. I would think that if this international lesson is taught well that Saddam Hussein would behave differently in the future. And that's what has been so very important about this concerted United Nations effort -- unprecedented, you might say, or certainly not enacted since 19 -- what was it -- 23 years ago, 23 years ago. So, I don't think we can see that clearly down the road. But a line has been drawn in the sand. The United States has taken a firm position. And I might say we're getting strong support from around the world for what we've done. I've been very, very pleased about that. Large countries and small countries -- the world reaction has been excellent. And I would hope that all of this would result in Saddam Hussein or some calmer heads in Iraq understanding that this kind of international behavior is simply unacceptable. We see where we go.

Yes, Sarah [Sarah McClendon, McClendon News]?

Q. Sir, would you please -- --

The President. This is the last question.

Q. I understand that we provide most of the food for Iraq and have done so on the long term and short term, and subsidies, payments -- credit systems -- for some time. That means that we've been letting them have a lot of food and a lot of other products from our farmers at probably low rates, arranged by the Department of Agriculture. Now, would you please discuss the effect of your embargo, and how much do you think that the Iraqis already owe us for food?

The President. I don't know what they owe us for food. But I know that this embargo, to be successful, has got to encompass everything. And if there's a humanitarian concern, pockets of starving children or something of this nature, why, I would take a look. But other than that, this embargo is going to be all-encompassing, and it will include food. And I don't know what Iraq owes us now for food. Generally speaking, in normal times, we have felt that food might be separated out from -- you know, grain, wheat -- might be separated out from other economic sanctions. But this one is all-encompassing, and the language is pretty clear in the United Nations resolution.

Thank you all very much. And let me just say this on a personal basis: I've screwed up a couple of times here, and I'm very grateful for your assistance in straightening it out. God, I'd hate to have some of those answers stand. Thank you.

Note: The President's 55th news conference began at noon in the Briefing Room at the White House.

Statement by Press Secretary Fitzwater on the President's Meeting With the United States-Mexican Binational Commission

August 8, 1990

President Bush met today with the U.S.-Mexican Binational Commission, whose annual meeting is taking place today in Washington. President Bush praised the work of the Commission, noting that the high-level attention given to its work is a sign of the importance both countries attach to managing their special relationship in a coordinated and amicable manner based on mutual respect.

Secretary of Commerce Robert Mosbacher and Mexican Secretary of Foreign Affairs Fernando Solana reported on the Commission's discussions of bilateral and international issues. These included trade and investment, antinarcotics cooperation, border relations, environmental issues, education, and agriculture.

President Bush heard from U.S. Trade Representative Carla A. Hills and Mexican Secretary of Commerce and Industrial Development Dr. Jaime Serra Puche, who jointly recommended to him and Mexican President Salinas the formal initiation of negotiations on a comprehensive bilateral free trade agreement (FTA). President Bush was pleased to learn that the Ministers agree that an FTA could create a more prosperous trade and investment relationship between Mexico and the United States and that they found substantial support in both countries for this view.

President Bush announced that, if President Salinas agrees, he expects to notify Congress formally when it reconvenes in September of the intent of the United States and Mexico to negotiate an FTA.

President Bush lauded Mexico's aggressive drug enforcement policy, which has given Mexico the world lead in cocaine seizures. The United States will continue to support these efforts through law enforcement cooperation and material assistance.

President Bush reiterated his admiration for President Salinas' dynamic leadership. He said he looked forward to his state visit to Mexico later this year in Monterrey, in President Salinas' home state, where the two Presidents will continue discussions on the issues dealt with in the Binational Commission.

Appointment of Frances McMurtray Norris as Special Assistant to the President for Legislative Affairs

August 8, 1990

The President today announced the appointment of Frances McMurtray Norris as Special Assistant to the President for Legislative Affairs. She would succeed Nancy Dorn.

Since 1989 Mrs. Norris has served as Director of Congressional Relations for the Office of National Drug Control Policy. Prior to this, she served as Assistant Secretary of Education for Legislation; assistant to Representative Trent Lott, the Republican whip, on the House Rules Committee; and legislative assistant to Representative G.V. Montgomery.

Mrs. Norris graduated from the University of Mississippi (B.S., 1968) and the University of Kentucky (M.S.L.S., 1970). She is a native of Jackson, MS, and resides in McLean, VA, with her husband, Stephen.

Nomination of Jeanne S. Archibald To Be General Counsel of the Department of the Treasury

August 9, 1990

The President today announced his intention to nominate Jeanne S. Archibald, of Virginia, to be General Counsel of the Department of the Treasury. She would succeed Edith E. Holiday.

Since 1988 Mrs. Archibald has served as Deputy General Counsel of the Department of the Treasury. Prior to this, she served as Deputy Assistant General Counsel of the Department of the Treasury, 1986 - 1988; Associate General Counsel and Chairman of the Section 301 Committee at the Office of the U.S. Trade Representative, 1980 - 1986; and a professional staff member on the trade subcommittee for the Committee on Ways and Means, 1975 - 1980.

Mrs. Archibald graduated from State University of New York at Stony Brook (B.A., 1973) and Georgetown University Law Center (J.D., 1977). She was born January 30, 1951, in Copiague, NY. Mrs. Archibald is married, has one child, and resides in Reston, VA.

Letter to Congressional Leaders on the Deployment of United States Armed Forces to Saudi Arabia and the Middle East

August 9, 1990

Dear Mr. Speaker: (Dear Mr. President:)

On August 2, 1990, Iraq invaded and occupied the sovereign state of Kuwait in flagrant violation of the Charter of the United Nations. In the period since August 2, Iraq has massed an enormous and sophisticated war machine on the Kuwaiti-Saudi Arabian border and in southern Iraq, capable of initiating further hostilities with little or no additional preparation. Iraq's actions pose a direct threat to neighboring countries and to vital U.S. interests in the Persian Gulf region.

In response to this threat and after receiving the request of the Government of Saudi Arabia, I ordered the forward deployment of substantial elements of the United States Armed Forces into the region. I am providing this report on the deployment and mission of our Armed Forces in accordance with my desire that Congress be fully informed and consistent with the War Powers Resolution.

Two squadrons of F - 15 aircraft, one brigade of the 82nd Airborne Division, and other elements of the Armed Forces began arriving in Saudi Arabia at approximately 9:00 a.m. (EDT) on August 8, 1990. Additional U.S. air, naval, and ground Forces also will be deployed. The Forces are equipped for combat, and their mission is defensive. They are prepared to take action in concert with Saudi forces, friendly regional forces, and others to deter Iraqi aggression and to preserve the integrity of Saudi Arabia.

I do not believe involvement in hostilities is imminent; to the contrary, it is my belief that this deployment will facilitate a peaceful resolution of the crisis. If necessary, however, the Forces are fully prepared to defend themselves. Although it is not possible to predict the precise scope and duration of this deployment, our Armed Forces will remain so long as their presence is required to contribute to the security of the region and desired by the Saudi government to enhance the capability of Saudi armed forces to defend the Kingdom.

I have taken these actions pursuant to my constitutional authority to conduct our foreign relations and as Commander in Chief. These actions are in exercise of our inherent right of individual and collective self-defense. I look forward to cooperation with the Congress in helping to restore peace and stability to the Persian Gulf region.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate. The letter was released by the Office of the Press Secretary on August 10.

Letter to Congressional Leaders on Additional Economic Measures Taken With Respect to Iraq and Kuwait

August 9, 1990

Dear Mr. Speaker: (Dear Mr. President:)

On August 2, 1990, I reported to the Congress that, pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. section 1703(b), and section 201 of the National Emergencies Act, 50 U.S.C. section 1621, I exercised my statutory authority to declare a national emergency and to issue two Executive orders that imposed a comprehensive economic embargo against Iraq and blocked both Iraqi and Kuwaiti government property within the jurisdiction of the United States or under the control of U.S. persons.

In the days after the imposition of U.S. economic sanctions, the Iraqi government has tightened its unlawful grip over the territory of Kuwait and has installed a puppet regime that in no way represents the people or legitimate Government of Kuwait. On August 6, the United Nations Security Council, to bring the invasion and occupation of Kuwait to an end and to restore the sovereignty, independence, and territorial integrity of Kuwait, decided that all nations shall impose sweeping economic sanctions against both Iraq and Kuwait.

Today, I have taken additional steps to respond to these developments and to ensure that the economic measures we are taking with respect to Iraq and Kuwait conform to United Nations Security Council Resolution 661 of August 6, 1990. Specifically, pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. section 1703(b), section 201 of the National Emergencies Act, 50 U.S.C. section 1621, and the United Nations Participation Act, 22 U.S.C. section 287(c), I have issued two new Executive orders.

The order I have issued with respect to Iraq:

-- prohibits exports and imports of goods and services between the United States and Iraq, and any activity that promotes or is intended to promote such exportation and importation;

-- prohibits any dealing by a U.S. person in connection with property of Iraqi origin exported from Iraq after August 6, 1990, or intended for exportation to or from Iraq to any country, and related activities;

-- prohibits transactions related to travel to or from Iraq or to activities by any such person within Iraq, except for transactions necessary for prompt departure from Iraq, the conduct of official business of the United States Government or of the United Nations, or journalistic travel;

-- prohibits transactions related to transportation to or from Iraq, or the use of vessels or aircraft registered in Iraq by U.S. persons;

-- prohibits the performance by any U.S. person of any contract in support of certain categories of projects in Iraq;

-- prohibits the commitment or transfer of funds or other financial or economic resources by any U.S. person to the Government of Iraq, or any other person in Iraq;

-- blocks all property of the Government of Iraq now or hereafter located in the United States or in the possession or control of U.S. persons, including their foreign branches; and

-- clarifies that the definition of U.S. persons includes vessels of U.S. registry.

In a separate order, I have extended to Kuwait all economic sanctions currently in effect against Iraq. Specifically, that order:

-- prohibits exports and imports of goods and services between the United States and Kuwait, and any activity that promotes or is intended to promote such exportation or importation;

-- prohibits any dealing by a U.S. person in connection with property of Kuwaiti origin exported from Kuwait after August 6, 1990, or intended for exportation to or from Kuwait to any country, and related activities;

-- prohibits transactions related to travel to or from Kuwait or to activities by any such person within Kuwait, except for transactions necessary for prompt departure from Kuwait, the conduct of official business of the United States Government or of the United Nations, or journalistic travel;

-- prohibits transactions related to transportation to or from Kuwait, or the use of vessels or aircraft registered in Kuwait by U.S. persons;

-- prohibits the performance by any U.S. person of any contract in support of certain categories of projects in Kuwait;

-- prohibits the commitment or transfer of funds or other financial or economic resources by any U.S. person to the Government of Kuwait, or any other person in Kuwait;

-- blocks all property of the Government of Kuwait now or hereafter located in the United States or in the possession or control of U.S. persons, including their foreign branches; and

-- clarifies that definition of U.S. persons includes vessels of U.S. registry.

Today's orders provide that the Secretary of the Treasury, in consultation with the Secretary of State, is authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of those orders. The orders were effective at 8:55 pm e.d.t., August 9, 1990.

The declarations of national emergency made by Executive Orders 12722 and 12723, and any other provision of those orders not inconsistent with today's orders, remain in force and are unaffected by today's orders.

I am enclosing a copy of each of today's orders.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate. The Executive orders are listed in Appendix E at the end of this volume. The letter was released by the Office of the Press Secretary on August 10.

Appointment of Condoleezza Rice as a Special Assistant to the President for National Security Affairs

August 10, 1990

The President today announced the appointment of Dr. Condoleezza Rice as a Special Assistant to the President for National Security Affairs.

Since February 1989 Dr. Rice has served on the staff of the National Security Council as the principal Soviet specialist. She became Senior Director for Soviet Affairs in May 1990. She is on leave from her post as associate professor of political science at Stanford University, where she was a member of the Center for International Security and Arms Control. In 1986 - 87, Dr. Rice was the recipient of a 1-year Council on Foreign Relations fellowship during which she acted as Special Assistant to the Director of the Joint Chiefs of Staff assigned to strategic nuclear policy. She is the author of ``The Soviet Union and the Czechoslovak Army" and, with Alexander Dallin, ``The Gorbachev Era," as well as numerous articles on Soviet and East European military policy. In 1984 Dr. Rice was awarded the Walter J. Gores Award for excellence in teaching at Stanford. She was a Hoover Institution national fellow in 1985 - 86. Dr. Rice has also served as a consultant to ABC News on Soviet affairs.

Dr. Rice graduated from the University of Denver (B.A., 1974; Ph.D., 1981) and the University of Notre Dame (M.A., 1975).

Exchange With Reporters Aboard Air Force One on the Persian Gulf Crisis

August 10, 1990

Q. What's your reaction to Saddam Hussein's declaration of war against the United States -- --

The President. It's not unexpected. He is so isolated in the world, so much backed into a corner by world opinion, which is almost 100 percent against him, that he has to find some mechanism to rally support. And it won't work. His problem is in the Arab world and the Moslem world as well as it is in the rest of the world, so it's a rather frantic ploy to try to gather some support. But it's going to be ineffective; it will not work.

Q. Mr. President, are you hearing anything out of the Arab summit that encourages you?

The President. Haven't got any reports yet from the Arab summit, one way or another.

Q. Mr. President, are you confident there are enough American troops already in Saudi Arabia to be able to withstand any sort of an assault? Basically, do you think American troops can -- would be able to win?

The President. To be able to withstand an assault on Saudi Arabia? Well, I think -- --

Q. Immediately, if it happens now.

The President. Well, there's no evidence as of right now that Saddam Hussein would be foolish enough to cross that border. But we have implemented the air power out there, air forces. Saudi has strong air power. Some of the Kuwaiti air force is there in Saudi Arabia. Other elements will be there. We have a carrier there. So, I think that our fighting men that are on the ground there will be safe. But I don't want to heighten concern because I've seen -- they have not presented me with any evidence that the troops that have already been moved forward are being reinforced, or that they are preparing to move across the Saudi border.

Q. [Inaudible] -- obviously now leaving the United States to go over there. Can you please give us more of an idea of the size of the force you're sending and how long you're going to need to ask the American people to keep them there?

The President. No. They haven't even gotten there yet, so I can't estimate how long it will be. I might say, since you mention the American people and asking them how long they should be supported, I am very pleased with the strong support for what we've done from the American people -- indeed, from around the world. I think it's been very gratifying and I think it means that

people understand that this aggression cannot go unchallenged.

So, in terms of the numbers, I'd prefer not to go into that. I never believe that it's good to pinpoint numbers of forces. And that's, of course, the way [Secretary of Defense] Dick Cheney and General Powell [Chairman, Joint Chiefs of Staff] conducted themselves. So, I can't give you any help on that right now, and I'm not going to even give you any estimates on it right now. But it will be a substantial force, and others will be coming in with more forces, too.

Q. The numbers of ground troops that we obviously see leaving along with their equipment suggest some preparation for extensive capabilities on the ground. Can you enlighten us -- is that your plan? They would suggest that you're preparing for something other than -- --

The President. Listen, I'd love to see the economic sanctions be so successful that the forces could be withdrawn. And I think they will be successful. But I just can't -- my problem is, I just can't estimate the time right now, how long it will take. But there will be substantial force. There will be enough force so that Americans are protected from unwarranted attack, and it won't be just U.S. forces and Saudi forces.

Q. [Inaudible] -- foreigners are being taken out of Kuwait into Baghdad -- --

The President. Well, I view that as a prime responsibility. But you're right, there have been very disturbing reports of violence against the citizens of several countries. And there was a report of a British airline stewardess having been violated and humiliated by Iraq soldiers. There are scattered reports, but I will say that it's not just against Americans. But I think all countries are concerned about the safety of their citizens, and part of any planning has to be about how to protect citizens. Now, we all know the difficulties of that if somebody does violence like has already taken place, as a matter of fact. So, it worries me because I do view it as a prime responsibility. But I would say -- I'm not going to go beyond that and I'm not going to invite further harassment by elevating the value of any citizen.

Q. [Inaudible]

The President. We're not helpless, no. But as we've seen with hostage situations -- and I don't think this is one -- sometimes it's very difficult.

Q. Mr. President, how do you read Saddam's -- [inaudible] -- is this just rhetoric?

The President. Yes, rhetorical, because he's backed into a corner. He's been isolated by the rest of the world. Nobody supports him. And so, he's trying to rally Arab support generally. The problem he's got is that most of the Arab countries violently disapprove of what he's done. But he doesn't have many options, so he's resorting to radical rhetoric trying to mobilize opinion. But his problem is everybody sees through this. Everybody around the world will see through this

rhetoric.

Q. -- -- the Arab leaders -- --

The President. No. No, I think it's going well, and my talks with Arab leaders have been very supportive. It's the right thing that you have an Arab meeting of this kind. I salute [Egyptian] President Mubarak for having stayed with the idea. The more such meetings, the better. Maybe, just maybe -- and I'm not too optimistic -- somebody can talk some sense into this man who has been thoroughly censured by the rest of the world.

Q. You say that Saddam -- [inaudible] -- rhetoric, but is there no danger to that kind of rhetoric -- --

The President. No, I don't see any danger.

Q. [Inaudible] -- holy places being turned over to foreigners?

The President. I think it's so extreme that people that are in Saudi Arabia, loyal to the King -- they're not going to rise up when a cornered radical tries to mobilize support when he has none. I mean, people see this so clearly that I wouldn't worry about that.

Q. Mr. President, speaking of the safety of Americans, what about the safety of Americans outside of Iraq and Kuwait? What are you being told about the possibility of terrorist attacks as a result -- --

The President. Well, you always worry about that. As you know, I've worried about that for a long time, long before this incident. And, indeed, Americans are still being held against their will, probably in Lebanon, and this will continue to concern me, wherever they are -- whether it's in the Middle East or elsewhere. So, I do worry about extremists taking extreme action.

Q. Do you have reason to believe that it's more likely?

The President. No specific reason on this case, and no intelligence that has me alarmed. But I continue to worry about it. And we, of course, take the proper warning procedures in our various embassies. But all you can do is make clear to people that there are these dangers.

Q. What's your best assessment -- --

The President. The best assessment is that I'm very encouraged by the worldwide support for sanctions in the United Nations. I am very encouraged by King Fahd's determination to stand up against this reckless action taken by Saddam Hussein. I am pleased the way the Alliance -- our allies are coming through, and I am determined that the economic sanctions that are already

beginning to bite against Iraq can be tightened up even more. So, at this juncture, I've got a lot to be grateful for. I'm very pleased with the way our defense forces on short notice answered the call to mobilization that I put out, and the way -- the professional manner in which they moved these forces without incident. And so, there's a lot of good things out there.

The troubling thing is we're up against a man who is known for his brutality and irrationality and who has taken a step that, though widely condemned, has still not been reversed.

Q. [Inaudible] -- a blockade -- [inaudible]

The President. The United Nations has already moved for chapter VII sanctions, which are all-encompassing. I'm not prepared to use the word ``blockade," but I am prepared to say that we will do whatever is necessary to see that the exports from Iran referred to under the U.N. resolution do not go forward. And that means pipelines and that means seeing that the product does not get to market that might attempt to. But I'm not prepared to go further than that for several reasons. But I would just leave it right there right now.

But we're moving ships; the British and the French are moving ships; others will be moving ships. Right at this very minute Canada is announcing that they are joining with some ships. So, we'll just let those signals go out that there is a determination on the part of a lot of countries to implement the U.N. action.

Q. -- -- bottled up right now?

The President. Less of it is getting to market, but I cannot tell you that it is totally out of the market.

Q. Mr. President, are you saying that you're going to -- if an Iraqi oil ship went out today, U.S. ships would stop it or some ship would stop it?

The President. I didn't say that.

Q. [Inaudible]

The President. What is your question?

Q. If an Iraqi ship went out today, would a U.S. ship or another ship -- --

The President. Put it this way: I would advise Iraqi ships not to go out with oil.

Q. Could you tell us a little more -- --

The President. No, I'll just leave it right there because there are a lot of things going on right now that I don't feel like commenting on.

Q. Mr. President, you mentioned earlier about terrorism that all you can say is that there is -- [inaudible] -- because this man is known for his brutality and his irrationality. Is there any kind of warning you would give to the American people?

The President. Yes, I'd say don't go to Iraq right now. How's that?

Q. How about other kind of -- --

The President. Don't go to Kuwait. You'll find it difficult to land. No, but it's a very good question, and certainly I'd say to Americans be careful about travel to certain areas right now. There's been concerns about terrorism for many years. And those concerns have been there long before this irrational action by Saddam Hussein, and they are ongoing. Because, you know, you could well see terrorist groups try to capitalize on this.

Q. Do you think Americans need to be careful in travel to other places in the Middle East?

The President. Well, I think they've always been advised to be careful of travel. I'm not prepared to say nobody should travel anyplace in the Middle East. I'm not prepared to say that at all.

Q. What about outside the Middle East?

The President. I'd be careful wherever you go these days.

Q. Do you have any concern about your own trip to Kennebunkport? Will you be able to stay on top of the game while you're up here?

The President. I think we're going to have a safe trip. Are you referring to the safety of the trip?

Q. No -- stay on top -- --

The President. No, I can easily stay here. We have highly complex and highly efficient communications. I have some of my top advisers here. Others will be coming up there from time to time. I expect to see [Secretary of State] Jim Baker up there very soon. And I am in very close -- I will be in very close touch with Pentagon officials or whoever is behind the National Security Council. Right now, it'll be General Scowcroft [Assistant to the President for National Security Affairs]. So, I'm determined that life goes on.

I will have a busy schedule, busier than I'd like to have had, of contacts. In fact, I've got a list of

calls that I'll be making over the next couple of days -- not all to the Middle East, incidentally. So, it will be a little different than I had hoped, but I think I'm doing the right thing. I think the American people want to see life go on, so long as they understand that their President and his top officials are on top of a troubled situation.

So, that's the way I looked at it. And if I find matters seem to require my going back, it's an hour and a half to go back. So, I think we're in pretty good shape on that.

Q. [Inaudible]

The President. Yes. Haven't you seen the telephone in my golf cart? Or boat? Word of honor. Well, I talked, you know -- where was it? We talked to -- where was it when we were out in the Fidelity the last time?

Q. [Inaudible]

The President. No, no. Well, that was one. Yes, that was one. But, no, the other day we were out and talked overseas, I believe it was. But in any event, I think I should reassure the American people that the communications is extraordinarily good. And if I found that I needed meetings with these top officials or with foreign officials and it would be more convenient to do it in Washington, it's very easy to go back.

Q. [Inaudible]

The President. No. I think the American people will support what I'm -- you mean on this?

Q. -- -- going on a vacation at the same time -- --

The President. No, not at all. Because I'm going to be working -- normally, you know, what I've said is, look, if I'm on vacation I want to have a vacation. And I don't want to try to kid the American people that I'm working. Play and play hard, and then work like hell the rest of the time when you're in Washington. And I think I've done that -- go to work early in the morning, go home late at night. This one will be different because there are some tasks that I must undertake up here, so it will be a little -- it will be legitimately a combination of work and play. But I don't want to deceive the American people -- just tell them what you think and ask for their support. And I think people will understand that. So, that's the way I approach this.

You know, what you don't want to do is appear to be held hostage in the White House to events. And I'm not going to do that. That's why we have all this sophisticated intelligence. So, I feel all right about it.

Q. [Inaudible]

The President. I don't think you weigh your vital national security interests and then say, well, we can't undertake these because there are other pressing problems. There are other pressing problems, but this is so fundamental to the security of the United States and to the free world and, indeed, to the whole integrity of a lot of free countries around the world that when I went to do this I didn't say, listen, please give me a cost estimate to do it. This is what we have to do. And so -- --

Q. [Inaudible]

The President. Probably will. But as you look at some of the forces -- you know, we've not had to enhance the Armed Force units there; they're all there. It's not like a mobilization where you bring in a lot of people that are not on the payroll. So, you have a lot of costs that are ongoing that can apply here to the forces in Saudi Arabia just as they'd apply to them if they were sitting in a base in the United States. Having said that, there will be additional costs -- a lot of it logistical support, getting the materials there. But we're beginning now to get some hard estimates on this.

But regrettably, this is just something that we have to do. And you're faced with decisions where you can't say, I'm not going to do this because of the arts, or education, or the drug fight, or whatever. This is something that is in the national interest, and it is essential that we do it. And I am very gratified that the American people seem to understand that. And I would cite the strong support for what I've done as something that makes me feel they do understand it.

Q. Mr. President, any suggestion that the Saudis would be able to defray any of the cost -- --

The President. Well, I think that they more than likely would. And I think the Kuwaitis have already made clear that they want to help with some of the expenses involved to the Turks, for example. So there's a -- I think you'll see a rather cooperative effort, those that have military forces and those who mainly have funds. But I don't know exactly on the Saudis. We haven't gone into that that I know of.

Thank you all. I hope you get a little relaxation.

Q. What are you going to do tonight?

The President. I don't know. I'm debating. I've got to wait and see what the weather's like. Might go fishing -- test the communications -- or might tee it up. But I've got to wait and see what's happening up there. We haven't -- it's not set yet. But I'll do something. I'm not going to sit idly by.

Q. You wouldn't want to do that.

Q. Will Baker come in tonight?

The President. No. I think he's going to Washington and then come up over the weekend, either tomorrow or the next day. Pretty well locked in. But he won't -- unless there's a last-minute change, he won't. I think he gets back -- what -- 9:30, 10:30 tonight. And so I think it will be over the weekend. But it will give us some interesting stuff to talk about. I'm very interested to see how it went with our NATO consultations.

Q. Are you going out tonight?

The President. Tonight? No, no. You guys are free.

Note: The exchange took place at approximately 1:35 p.m. en route from Andrews Air Force Base to Kennebunkport, ME.

Statement by Press Secretary Fitzwater on the Arab League's Statement on the Persian Gulf Crisis

August 10, 1990

We welcome the Arab League statement as a positive and significant statement.

We are pleased with the very strong condemnation of Iraqi behavior and the equally strong support for Kuwaiti sovereignty and the return of the legitimate government. We are gratified to see the explicit statement of support for the measures taken by Saudi Arabia as regards its right to self-defense. We see as positive the fact that the Arab summit resolution provides a basis for individual governments to send forces to support Saudi Arabia and other Arab States of the Gulf.

National security adviser Brent Scowcroft called the President aboard the Fidelity this afternoon to discuss the Arab League statement.

Excerpts of a Statement by Press Secretary Fitzwater on the Persian Gulf Crisis

August 11, 1990

President Bush called President Mubarak of Egypt at 5:45 a.m. this morning to congratulate him on the successful outcome of the Arab League meeting. President Bush praised President Mubarak's constructive role in securing passage of the resolution to send Arab troops to participate in a multinational force. The President said the Arab League action was very favorable and gives us significant optimism for the future of the mission.

President Bush this morning also telephoned Amir `Isa bin Salman Al Khalifa of Bahrain to thank him for his efforts on behalf of the resolution and to discuss the situation generally. President Bush plans to call Amir Khalifa bin Hamad Al Thani of Qatar.

The United States welcomes the participation of forces from so many countries in our joint efforts to fight the aggression of Saddam Hussein. Military participation by Canada, Australia, West Germany, France, Belgium, and the United Kingdom signal a high degree of unity. We expect others to join this group as well. The NATO pledge of support was also important with so many individual countries bringing their resources to bear on the situation.

We are pleased to confirm that 11 Americans, including Penelope Nabokov, have been able to leave Iraq and cross the border into Jordan. We do not have details on their departure, but it is encouraging that this group has been able to join other Americans in leaving Iraq and Kuwait. Our Embassy is in contact almost hourly with Iraqi officials concerning the safety of U.S. citizens.

There are news reports this morning in three different publications showing three different levels of eventual troop strength in Saudi Arabia. We will not comment on these stories nor provide any numbers on troop strength for obvious national security reasons. Similarly, we will have no comment on the stories today about a possible blockade. We have said in the past that planning for a blockade is underway, should it be necessary.

Right now the United Nations sanctions are being widely implemented, and there is no Iraqi oil leaving Turkey or Saudi Arabia. The embargo appears to be having a considerable effect. We are pleased that Venezuela, Iran, and other countries have indicated ability to make up for oil shortfalls. Fortunately, oil stocks in the United States are quite high, and the surge capacity around the world is also high. America is in a very positive situation in terms of its ability to withstand existing oil disruptions.

Note: The statement referred to President Saddam Hussein of Iraq and to Penelope Nabokov, a 10-

year-old girl from Albany, CA, who was taken into custody by Iraqi troops on August 2, when her commercial air flight was grounded in Kuwait City during the Iraqi invasion of Kuwait.

Material from the statement that pertained to the President's stay at his home in Kennebunkport, ME, has been included in Appendix A at the end of this volume.

Remarks and an Exchange With Reporters on the Persian Gulf Crisis

August 11, 1990

The President. Well, let me just say that we've had a very good briefing, update, from the Secretary of State. I thanked him for the success of his diplomatic mission, a very important trip to our good friend President Ozal of Turkey. And Jim filled me in on the details of the Turkish leg. And then, of course, I'm so pleased that the NATO alliance is together and that we're in accord on how to look at the problems in the Middle East; and I think every single member of NATO is in accord with our economic plan. And so, it was a good trip, and I'm very grateful to Secretary Baker, just on the heels of this long swing, to come back up here and brief us.

I filled him in on four phone calls I had today: President Mubarak [of Egypt], King Fahd [of Saudi Arabia], and then two other countries. And I think things are moving in the right direction, and we're pleased so far with the solidarity, cohesiveness of the economic actions that have been taken.

So, I'll be glad to take one or two questions. And then I know the Secretary would, too. Yes?

Q. Mr. President, did President Mubarak say that Egyptian troops would stand shoulder to shoulder with American troops in Saudi Arabia?

The President. Well, he -- did who say that?

Q. Did President Mubarak tell you Egyptian troops will be on the ground next to ours in Saudi Arabia?

The President. Well, he made clear that they're willing to do their share and, yes, that they will be there.

Q. When will they be there?

The President. I don't have the exact time on that. But they will do their share, and so will other Arab countries. And I think we've been saying all along, or indicating all along, that, indeed, this would be a multilateral force and it would be a multilateral force with some Arab components. And that's exactly the way it's working out, and I think that sends a very good signal.

Q. Mr. President, did you -- or can you tell us, please, the state of play on the thinking of an international naval quarantine of Iraq at this time?

The President. The good news is that no shipping from Iraq is coming through the Strait of Hormuz. And we are in consultation -- active consultation -- with other powers who have naval vessels there or underway to be sure that no oil goes out. But we aren't prepared to announce anything more than that. But I think, in terms of the world market and in terms of the effectiveness of the sanctions, I can tell you that, with the exception of one small tanker, I believe it was, no vessels from Iraq or Kuwaiti ports are trying to get out of there with cargo, with oil cargo.

Q. Sir, if I may follow up: Haven't you made the decision in principle anyway to impose this kind of quarantine?

The President. I've made the decision in principle -- and I think most other leaders have -- that the sanctions will be fully enforced and that exports from Iraq will not get into the market.

Q. Let me ask you, at this point, with all of the diplomatic efforts that you've constructed, what exactly is your strategy now? If not simply just patience -- is that it?

The President. No. Well, the goal is to get Iraq out, obviously, of Kuwait and have the legitimate rulers return. That is the goal. And the strategy is to use economic sanctions, fully effective, to see that that happens. And there's another part of our strategy, and that is to show a willingness on the part of the United States and other countries to tell Saddam Hussein [President of Iraq] that aggression will not be successful and that friends will be protected.

Q. Is it part of your thinking, sir, that with all of these sanctions in place and the effective encirclement that you have going, that there will be forces inside Iraq who will rise up against Hussein?

The President. That sometimes happens when leaders get so out of touch with reality that they commit their country to outrageous acts. That does happen. And I know that some countries around the world are hoping that that will happen in this situation. But we'll wait and see.

Q. Is the United States one of them?

The President. My feeling is that whatever it takes to have our objectives met is what should take place.

Q. Mr. President, who is in command of the multinational force that is on the ground in Saudi Arabia now? And who will take the lead -- --

The President. Well, General Schwarzkopf is in command of the United States forces, and then arrangements are being worked out as these other countries send components to have a more detailed structure. And clearly, we're in Saudi Arabia at the invitation of the King. The Saudis

have forces on the ground, so we will be very sensitive to the requirements of the Saudi Government.

Q. But is it the Saudis who are actually in control of -- --

The President. Well, as I say, the arrangements -- I don't believe -- you could ask General Scowcroft -- --

General Scowcroft. Still working on it.

The President. Still being worked out.

Q. Mr. President, yesterday you said that maybe, just maybe, somebody could talk some sense into Saddam so he'll retreat and back off. But you said you weren't optimistic. Following the events of the past 24 hours with the Arab League and whatnot, are you any more optimistic that -- --

The President. Well, I don't know about being optimistic or pessimistic, but I must say that the forthright position taken by the Arab summit is very, very positive, and it must make Saddam Hussein realize how isolated he is in terms of world opinion. There have been many manifestations of that before the Arab summit; but now with the Arab countries weighing in, in spite of Saddam's outrageous rhetoric and outrageous military action against Kuwait, I'd say that's very promising.

Q. Mr. President, you just said a moment ago you supported doing whatever it takes to meet your objective. Does that include overthrowing Saddam Hussein?

The President. I'll just leave it sit out there, and everybody can figure it out. And they can see the mobilization of forces and they can see the determination on the part of the whole world to make these economic sanctions be successful.

Q. Mr. President, can you give us any optimistic report on efforts to get out nondiplomatic citizens who are trapped there?

The President. Well, I might ask Secretary Baker to comment on that. But some Americans have come out today. But, Jim, can you add anything to that?

Secretary Baker. Simply repeat what I said yesterday in Brussels, and that is that we are still discussing this matter with representatives of the Government of Iraq. We're hopeful that we'll be able to resolve the situation, because it does, after all, run against all international norms -- the fact that American citizens and other foreign nationals as well are not permitted to leave Iraq or to leave Kuwait.

Q. Why do you not believe this constitutes a hostage situation, since they are, in fact, detained there?

Secretary Baker. Well, nothing has been demanded or asked in connection with permitting them to leave the country, for one thing. And we think it would be a mistake to characterize it as a hostage situation and to use a word like that since we are in discussion with respect to the matter. And as far as we know, no American citizens have as yet been mistreated.

Q. Will you keep the Kuwaiti Embassy open, Mr. Secretary, unless the Iraqis force it closed? Is that what it would take to close the Embassy in Kuwait City?

Secretary Baker. That's a matter that, frankly, we are discussing today; and we will continue to discuss it. The European Community, the ASEAN nations, and others have all told Iraq that they are going to maintain their Embassies because they do not want to give credence to the suggestion that Iraq has somehow annexed Kuwait. I think it's important to remember that not only do we have these loyal government officials there, but we have 3,800 American citizens in Kuwait as well.

Q. Mr. President, there are now reports there may be as many as a quarter million American troops going to Saudi Arabia -- --

The President. Again, I'm not prepared to comment on troop numbers. I've tried to make that clear. I believe that [Secretary of Defense] Cheney and Powell [Chairman of the Joint Chiefs of Staff] have taken that same position, and as long as forces are moving, we're just going to leave it there.

Q. But, sir, is a quarter million out of the realm of possibility?

The President. You must have misunderstood me. I said I'm not going to comment.

Q. Mr. President, did you talk to King Hussein [of Jordan]?

Q. Mr. President, on the subject of -- why don't you go over there. I'll come back.

The President. Okay. No, I did not speak to King Hussein. The two other Arab leaders that I talked to today were the rulers of Qatar and Bahrain [Amir Khalifa bin Hamad Al Thani and Amir `Isa bin Salman Al Khalifa, respectively].

Q. There seems to be some concern that Jordan is something of a back door for Iraq, both in terms of being able to provide a supply line and also perhaps further military exercises. What are you saying or trying to do to convince Hussein that he should perhaps go along with the rest of

his Arab neighbors?

The President. Well, you know, it was interesting at the Arab summit that Jordan did not vote against the resolution. I believe they abstained. But in any event, they were not against. We all recognize the difficult position that King Hussein is in; there's no question to that. And in my view, he has been a friend of the United States for a long time, and I'd like to see that friendship be reinstated or be reinvigorated in the future. He's in a difficult position, and I was pleased that he did not vote against that resolution yesterday. But let's face it, we have had some differences with Jordan over what initially appeared to be a little bit of a strong backing for Saddam Hussein.

So, we respect the territorial integrity of Jordan. We respect its sovereignty. And I will not -- not inclined to go into hypothetical situations as what might happen to Jordan. But it is a relationship that Presidents for years have valued; and it's one that I hope we can restore, through a lot of contact, to its vitality in the future. I think I spoke quite candidly the other day when I said there was a certain disappointment factor there. But now, with what the King was able to do yesterday, perhaps we can find ways to move forward -- and would like to do that when all of this calms down.

Q. What's your next step, Mr. President, now?

The President. My next step is to stay in touch with the situation over there and to implement the plan that is already in effect. And that is to do what we can to guarantee the total effectiveness of the chapter VII sanctions and then take further steps -- that I'm not prepared to discuss in detail -- that will guarantee the integrity of Saudi Arabia for openers and, by being there, offer some moral support at least for countries in the area who could be threatened in the future from this Saddam Hussein.

Q. Mr. President, some said yesterday's Arab summit effectively exhausted the diplomatic solution. Do you feel that as well? Is the next step military?

The President. No, I think we've still got plenty of diplomacy ahead of us with lots of countries and in lots of different avenues. So, I wouldn't say that.

Q. How do you get to Saddam Hussein? He's not listening to anybody, it would seem, right -- --

The President. Well, we have these economic sanctions. They haven't been in effect very long. Already, as I've indicated, there are some signs that they are going to have an effect; and we'll just have to wait and see. These kinds of actions cannot be judged 48 hours after they're put into place -- or 72 or whatever. I think we've just got to wait and see how all of this develops.

But I think he does see today more clearly than he saw yesterday at this time that the world is united against him. And by that I mean the action of the Arab summit was very, very important in

this regard. So, these things are happening as we go along now -- different countries taking strong positions. And so, I'd say there's still room for more diplomacy, but we'll just have to wait and see whether it makes an impact on him.

Q. Mr. President, would you like to see a United Nations military force? And can you tell us specifically what other countries you expect to put troops on the ground in Saudi Arabia?

The President. No, I can't tell you what others. But I think you'll see others and -- I know you'll see others. And I cannot prematurely say who they will be. And in terms of the United Nations, I think that there could be a role in the naval side for some U.N. role. But I don't think that our plans are contingent upon a U.N. flag flying over the effort, as was the case in Korea, for example.

Q. How critical is it that there be other troops besides Americans? So that this does not look just like an American effort?

The President. Well, they are there, and that's very important.

Q. Mr. President, is the United States prepared in any way to support the overthrow of Saddam?

The President. No, we're not prepared to support the overthrow. But I hope that these actions that have been taken result in an Iraq that is prepared to live peacefully in the community of nations. And if that means Saddam Hussein changes his spots, so be it. And if he doesn't, I hope the Iraqi people do something about it so that their leader will live by the norms of international behavior that will be acceptable to other nations.

This is the last one.

Q. Mr. President, we all noticed yesterday that you didn't want to use the word ``blockade.'' Is that because, in your own mind right now, you consider that the chapter VII sanctions enable you legally to stop an Iraqi ship at sea?

The President. I think we have the authority to stop a ship at sea under chapter VII. There may be some difference of opinion on that. But there's no use using words that may have different connotations in different countries, and this one does in terms of legality. And so, why do that? What we want to do is see that no oil comes out through the Strait of Hormuz. And if it requires naval vessels to see that that happens, fine. But I just am not one who flamboyantly believes in throwing a lot of words around. I'm more interested in action. And so far I've been very pleased that the Iraqis recognize that the export of oil is almost an impossibility now. But we've got some more diplomacy to make sure that it's a total impossibility.

Thank you all very much. I'm glad it's cleared up.

Q. Have the oil companies stopped gouging?

The President. Well, I think there's been a lightening up on the pricing. And there's a lot of efforts underway to see that there's plenty of supply in the international market. For those who are familiar with the availability of production that isn't on the market, one would conclude that other countries can be helpful in making up the loss in Kuwait and loss from Iraq.

So, to the American people I would say: We are using every diplomatic channel we can to be sure that there are no shortages and there is no gouging and there isn't some profit windfall out of these most unfortunate events.

But I'm confident that there can be stability in the international oil market because there is excess capacity around the world. And some countries have stepped up and said they want to help, and we salute them for that. And I'm encouraged by how the diplomacy is working there. And yet we still have more to do to guarantee that there not be a lot of hardship for countries around the world.

Thank you all very, very much. Thank you.

Note: The President spoke at 1:35 p.m. at Walker's Point, his home in Kennebunkport, ME. In his remarks, he referred to Gen. H. Norman Schwarzkopf, USA, commander in chief of the U.S. Central Command, who was in charge of the Persian Gulf deployment. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the Persian Gulf Crisis

August 12, 1990

This morning the President received a letter from His Highness, Sheik Jabir al-Ahmad al-Jabir Al Sabah, the Amir of Kuwait, requesting on behalf of the Government of Kuwait and in accordance with article 51 of the U.N. Charter and the right of individual and collective self-defense that the United States Government take appropriate steps as necessary to ensure that the U.N.-mandated economic sanctions against Iraq and Kuwait are immediately and effectively implemented.

In view of the Amir's request, the President has decided that the United States will do whatever is necessary to see that relevant U.N. sanctions are enforced. The President stressed that these efforts will complement, not substitute, for individual and collective compliance that has been highly successful thus far. The United States will coordinate its efforts with the Governments of other nations to whom the Kuwaiti Government has made similar requests.

Regarding Saddam Hussein's proposals announced today, the United States categorically rejects them. We join the rest of the U.N. Security Council in unanimously calling for the immediate, complete, and unconditional withdrawal of Iraqi forces from Kuwait and the restoration of Kuwait's legitimate government. These latest conditions and threats are another attempt at distracting from Iraq's isolation and at imposing a new status quo. Iraq continues to act in defiance of U.N. Resolutions 660, 661, and 662, the basis for resolving Iraq's occupation. The United States will continue to pursue the application of those resolutions in all their parts.

Note: The statement referred to President Saddam Hussein of Iraq.

Statement Announcing the Lifting of Restrictions on Soviet Businesspeople in the United States

August 13, 1990

I have today lifted our longstanding ceiling on the total number of Soviet businesspeople who are permitted to work and reside in the United States. This action is taken as an expression of our policy to build a more normal economic relationship with the Soviets. It is also consistent with our interest in expanding business contacts and trade with the U.S.S.R. At the Malta summit last December, I proposed a work program for closer economic cooperation between our two countries. At the June summit in Washington, we signed four landmark economic agreements, including a trade agreement to expand and deepen our economic relationship. Our work continues, and as I stressed at Houston, we now place special emphasis on technical economic cooperation to help institutionalize lasting, market-oriented economic reforms in the U.S.S.R.

Our businesspeople in the U.S.S.R. and Soviet businesspeople here play an important role in this process. The time has come to eliminate obstacles to commercial presence in both of our countries and to allow the number of resident businesspeople to grow in tandem with the expansion of our economic relations.

We have made clear to the Soviets that we retain the right to reconsider our decision should there be evidence that this opportunity is being misused for intelligence gathering or other inappropriate activities.

The step taken today will of course be important to establish overall equality of opportunity for American businesspeople resident in the Soviet Union. I believe President Gorbachev shares my view and will ensure that our efforts are matched with reciprocal improvements in the climate for American business in the U.S.S.R.

Statement by Press Secretary Fitzwater on United States Interdiction of Iraqi Shipping

August 13, 1990

There seems to be some confusion about what is covered in terms of our interdiction efforts. When the President said ``everything," he obviously meant everything that is included in the U.N. resolution. We do not intend to go beyond the resolution. Specifically, the resolution lists those items covered and says, ``but not including supplies intended strictly for medical purposes. . . ."

The President's News Conference

August 14, 1990

The President. Excuse the slight delay on the timing. I was just on the phone with Mr. Mandela [African National Congress leader].

Let me just say -- I have a statement here on the -- [laughter] -- it's that kind of world, I'll tell you. And with your forbearance, I will make a statement here at the beginning. Bear with me. It may be a tad longer than we're used to in this press room, but I want to get in focus the question of the budget.

I know that the focus of the media attention today, and understandably, is on a crisis 6,000 miles away. But there's another important, well-known, longstanding crisis at home, and that's the failure of the budget process to produce a solution to this nation's terrible deficit. Even while we address our critical international obligations, we must address that persistent, real need. Therefore, I want to just take a few minutes to talk about that.

Our current budget, or lack thereof, constitutes a real threat to the economic well-being of this country. In this case, the problem is a lack of action on the part of the Congress, an abdication of responsibility that endangers our economic vitality and the jobs that go with it.

It is no secret to the American people that the congressional budget process has broken down. Over the last couple of decades, we've seen the real problems of overspending. We've seen the stalemate in budgeting which is the result of internal congressional conflicts and a committee system that is so complex that not only have the hard decisions been postponed or avoided but today nearly all budget decisions are being finessed.

Previous Presidents have urged fundamental budget reform. We can all remember President Reagan slamming down that massive continuing resolution. And yet Congress has failed to straighten out this procedural monstrosity. As a result, the deficit continues to grow.

With the growing threat such deficit spending poses, I took the initiative in May in calling on the Democratic congressional leaders to join me in a bipartisan summit on the budget. The success of this summit is essential to ensure the economic health of the Nation; to resolve once and for all the deficit dilemma; and in doing so, to avoid the painful sequester cuts which will occur without an agreement.

As the talks flagged, I acted to jump-start them, and you're all familiar with that. When the Democrats sought to hold the talks hostage over new revenues, I made a very difficult decision to put everything, including taxes, on the table to make those budget talks succeed. To keep those budget talks going, I feel I kept my share of the bargain. The administration refrained from

divisive rhetoric. We worked in earnest. We held meeting after meeting without any preconditions and emphasized the need, above all, for progress to put a budget package together. We offered billions in additional spending cuts even as congressional committees were voting out spending bills that would bust the budget.

On July 26th, both sides agreed to put budget plans on the table. We again had a complete proposal ready for negotiation. After weeks of good faith negotiating, we honestly believed there would be a specific Democratic plan in exchange.

While the summit failed to move forward with specific solutions, the Congress continued with counterproductive legislation. For example, the House has already passed 10 appropriations bills, 8 of which exceed my request for discretionary spending by $14 billion and are $25 billion higher than the budget for last year. And the Senate is asking that the taxpayer now put up another $150 million to finance election campaigns of Congress. And let me be clear on that one: I oppose adding this kind of taxpayer financing of congressional elections, and I'm going to veto any such bill that appears on my desk.

Congress is now on recess; and 100 days after I called on Democrats and Republicans in the Congress to work with me toward a bipartisan solution, I note, frankly in sadness, that after 3 full months the Democrats have yet to offer one single proposal at the budget summit.

I've been reluctant to go public in this manner. We've dealt in good faith with the leaders. We have played by the rules. Now it is up to the Democrats who control Congress -- it is up to the Democrats in Congress.

I stand ready to work on this process as long as it takes to get a 5-year package which solves the problem. I've postponed what I think was a very important September trip to Latin America so as to focus on this issue. There are, however, a number of specific realities to be noted.

First, it's the Congress that has the responsibility to pass a budget. While they have the power of the purse, like any President, I've got the power of the veto pen; and I will use that pen to veto any and every spending bill that busts the budget.

Second, if no agreement is reached, that means a sequester on October 1st of about $100 billion. As painful as such deep cuts would be, I must uphold the law. I'm determined to manage them as best I can, knowing I've done all in my power to avoid them. So, the Democrats in Congress should know that if it comes to sequester they will bear a heavy responsibility for the consequences.

Third, if the Congress really wants economic growth and increased government revenues, the place to start is not with tax increases but with incentives for growth, investment, and jobs. And again, I cite the capital gains area as one that would stimulate and be investment-oriented.

Fourthly, the Congress must recognize the utter failure of their budget process to control spending. It's got to be reformed; the process has to be reformed.

Fifth, our budget must maintain a defense posture consistent with the demands on American leadership in the world and in the dangers we face.

And finally, the Democratic leadership of Congress must understand that the American people expect them to get that job done -- to come forward with concrete proposals to cut the deficit. I and the members of my administration stand ready to work with them in meeting these obligations.

And I know that it's a complicated time for our country, but it is essential that the American people focus -- as they are now on international matters -- also focus on the domestic problems we face in terms of budget. That's why I'm doing this today. Congress will be back soon. I hope we can rejoin these talks and get this budget deficit under control once and for all.

Now, I'll be glad to take some questions. Who is the first? Helen [Helen Thomas, United Press International]?

Persian Gulf Crisis

Q. Mr. President, I have a two-part question. After successfully internationalizing opposition to the Iraqi aggression through the U.N., why did you jump the gun and unilaterally order a blockade, upsetting other members? And two, is the U.S. policy against the annexation of captured lands in the Middle East an across-the-board policy with the U.S.?

The President. Upsetting -- I don't think we've upset members on our policy of interdiction. We are acting within our legal rights. And I think the world wants to see these chapter 51 sanctions carried out, and that's the role that the United States is trying to do.

Q. We didn't go through the step-by-step of chapter VII.

The President. Well, we're doing it the way our attorneys and others around the world recommend. And I think we're doing it properly, and I hope we're doing it to the degree that all ships will turn back if they are in contravention of the U.N. action.

Q. How about the last -- --

The President. Last? What was that?

Q. Opposition to annexation of conquered lands -- is that our policy?

The President. I can only address myself in the current -- currently. I don't know whether there are any exceptions or not; but I know that annexation, if this is what one calls this invasion of Kuwait, is unacceptable and that it won't stand.

Q. Mr. President, Jordan says that it's abiding by the U.N. sanctions, yet truckloads of goods are rolling through Jordan into Iraq, coming from the port of Aqaba. Do you think that Jordan is subverting the sanctions? And what will you do about it?

The President. Before I answer your question, I ought to let King Hussein [of Jordan] tell me what is happening. And if a country is permitting a flow of commerce, it would be in violation of the sanctions. But he's coming here, and I'll have a chance to talk to him and explain the U.S. view, though I'm pretty sure he understands it clearly.

Q. Let me ask you: What do you think about King Hussein's charges that the American forces in the Persian Gulf have created an explosive situation?

The President. I don't know what he means by that, but I don't agree with that. I think we are there not to have the situation explosive but to supplement fully what the United Nations has done in condemning this outrageous aggression. So, we'll discuss that one, too. It's going to be an interesting conversation, I see, if you're writing his agenda for him.

Q. Why is King Hussein coming? When he called to ask you that he'd like to come -- his brother has told reporters in Jordan that one of Jordan's problems is it would suffer so economically if it abided by the sanctions, that they complained that they had no guarantees or assurances from the West that Jordan -- what can you offer -- --

The President. Maybe that's what he wants to talk about. I hope it is because, clearly, we've always been a friend of Jordan. We've helped them in the past; we'd help them in the future if they fulfill their obligations here. Ann [Ann Compton, ABC News], I can just tell you what he told me on the telephone yesterday. When he called, he said he'd like to come over and talk about the whole situation. There was no agenda. There was no discussion of any support for action of that kind.

Q. But you are willing to support him economically or have other countries in the region help him?

The President. I think we would, provided Jordan joined these other countries in fulfilling these obligations under the sanctions.

Q. Mr. President, is there any hope at all of a diplomatic solution to this crisis?

The President. I don't see it right now. But as the sanctions begin to take effect -- and it's going to take a while -- I would hope there would be a diplomatic solution to this crisis.

Q. But, sir, the other day when Saddam Hussein [President of Iraq] offered his proposal, which I realize was totally unacceptable to you -- I mean, could that serve as a basis for perhaps some type of negotiation?

The President. I don't think just any proposal serves as a basis for negotiation. No, I don't see enough positive elements there to think that that would be a basis for a negotiation at all. It was bringing in extraneous problems, and it did not address itself to the fundamental problem, which is that they took over Kuwait and that they've got to get out of Kuwait and they've got to let the rightful rulers return to Kuwait. So, I don't see that as a possibility to negotiate from those proposals at all.

Q. Mr. President, you have ambassadors coming to the State Department, presumably to discuss a U.N. multinational quarantine, or interdiction, whatever word you want. Is it now the policy of the United States to potentially submit to a joint U.N. command or to reflag U.S. ships under a U.N. command?

The President. That is not the plan right now, but we are talking to see how we can make this naval presence most effective. What you've said there is not the policy of the United States.

Q. Well, sir, may I ask: Do you consider in any way -- there are reports out of the U.N. that there is some criticism that you have acted unilaterally and perhaps outside your legal authority in the de facto blockade that's going on. Do you consider that you've had your hand slapped, or do you think -- --

The President. No, I don't think so at all. And I think we're acting legally. So, this little meeting that was called by Cuba yesterday -- it doesn't disturb me in the least. I mean, there can be differences, people can discuss them. But I'm convinced we're acting properly, and we are determined to continue to act in that manner.

You see, Perez de Cuellar [U.N. Secretary-General] apparently talked about only the U.N. through resolutions can decide about a blockade. But he also said every country has the right to bring up article 51, and the Secretary-General had nothing to say against it. And we have good opinions that we are acting properly. And I have no intention to change at all. I think it's important that others join in and do their part, which most of them are doing in their determination to see that commerce does not continue.

Q. Mr. President, given the staggering number in the deficit and the cost of the military operation in the Gulf and in Saudi Arabia, doesn't it make sense that some of the countries that are relying on us will pay some of the cost? I'm thinking, of course, of Japan, Germany, France, Italy.

Shouldn't they pay some of the cost of our troops over there?

The President. I think that we will find a very cooperative spirit in that regard from countries. I am convinced, from a good talk I had -- I think it was yesterday -- with Prime Minister Kaifu that the Japanese are more than ready to entertain proposals along those lines. I've not talked to Kohl [Chancellor of the Federal Republic of Germany] about that recently. France, of course, has vessels and are spending funds on their own right now. I think we'll have a cooperative effort here -- some on the financial side, some on the military and shipping side.

Q. What about the Saudis themselves, the most direct beneficiaries?

The President. Yes, I think the Saudis will do their part in helping out along the way. I'm confident of that. I also would say -- the question hasn't yet been asked -- that I am also confident that other countries will make up the shortfall in production that comes about from Iraqi oil and Kuwaiti oil not going to market. I can't give you the details on that, but I've had enough conversations with people around the world -- [Secretary of State] Jim Baker has as well, General Scowcroft [Assistant to the President for National Security Affairs] -- to feel that things are moving in the right direction there.

Q. Sir, I'm a little confused about the King Hussein invitation. When it was first announced, there was a flurry of excitement. Now it seems to be treated rather casually. He's getting in here about 1 o'clock in the morning Washington time. You're not going to meet with him until Thursday morning at Kennebunkport. He's supposed to have a letter from Saddam. Why the casual nature of this?

The President. One, he mentioned no letter from Saddam to me. He may well have it. Secondly, he told me he wanted to come over and see me. I said: Okay, how about tomorrow? And he said: Well, I'll let you know. So, I said: Well, call Brent, will you? Because I didn't want to get called at 2 in the morning or whatever it was. So, he called Scowcroft, and they agreed that they would meet the soonest. But I think what he indicated -- and I don't think I'm violating a confidence -- that he would like some time to rest before we head into the meeting.

So, that was all there was to it, because I would have been prepared to meet with him now or tomorrow. I think it's important to talk with him. But there was no -- I think you're right. The way it was presented to me by His Majesty was, I want to come talk to you about the situation over here, with no specific -- not as a specific emissary of some kind or another. So, I made myself available.

I have a longstanding relationship with King Hussein. Some of us have brought out the differences here that are on the table now between Jordan and the United States, and I'd like to see if we can't reduce those differences and eliminate them if possible. So, I'm looking forward to seeing him.

Q. Can I just ask you about Saddam and this offer he made on Sunday? You rejected it out of hand. But do you feel he blinked a little bit? Are you encouraged at all?

The President. One might say that the fact that he took some step, even though I wasn't particularly impressed with his steps, is encouraging. But it seemed to me like a replay of old positions. So, I don't want to mislead the American people by saying that I'm heartened in any way by Saddam Hussein's proposals, John [John Cochran, NBC News].

Q. As you assess your budget situation, are you now able to put a cost figure on the operation in the Middle East?

The President. Not yet. And I'm going over to the Pentagon -- maybe I'll get a better idea of the numbers there tomorrow, but I don't have any figures for you on that right now.

Federal Budget Deficit

Q. Have you, though, inevitably lowered your estimates on what you're going to be able to do in terms of reducing the deficit?

The President. I don't want to lower the estimates in what we can do in reducing the deficit at all. We still stay with $50 billion and $500 billion as the targets -- $50 billion for the first year and $500 billion over the five. But it may cause for a rearrangement in how money is spent, because this is not a freebie out there in terms of the expenditure. But I just don't have the figures to give you. But I don't want to move away from those targets now.

Persian Gulf Crisis

Q. Are you pleased with the support that you've been getting from the Soviet Union -- --

The President. Well, let me put it this way: Suppose we set the clock back 5 years, say nothing of 10 or 20, and we had an event of this nature in the Middle East. The major unknown and the major area of concern would have been: How would the Soviets react? How would the Soviets view this? What actions are the Soviets apt to take? Now, today we don't have that concern because they have joined in in the United Nations in condemning this aggression. That's a significant difference from the way it used to be. It makes the equation much easier to solve.

So far, I am very pleased with the Soviets' reactions. Jim Baker, I believe, talked to Mr. Shevardnadze [Soviet Foreign Minister] as recently as yesterday, and I know he shares this assessment. I'm not saying we have no differences with them, but it is much, much different, Jessie [Jessica Lee, USA Today], than it would have been 5, 10 years ago.

South Africa

Q. What did you talk with Nelson Mandela about?

The President. Well, what I talked to him about was the apparent breakthrough over there between the ANC [African National Congress], Mandela, and De Klerk [President of South Africa] and the Government in terms of the peaceful resolution to the problem of how you eliminate apartheid. I talked to him a little bit about the joy we felt and the progress that's been made on releasing prisoners. That was about it -- congratulating him, and Mr. de Klerk yesterday, on the same progress. It's very exciting what's taking place there.

Persian Gulf Crisis

Q. Mr. President, the Iraqis have now held Americans for 12 to 13 days. Are you willing to sacrifice those Americans should it come to direct military action?

The President. I'm never willing to sacrifice the life of any American. Sacrifice -- no.

Q. Do you believe the Iraqis are using those Americans as a shield against potential American -- --

The President. I don't have that feeling now, and I hope I never come to that. Because you see difficulty of others getting out, but it's a troubling situation when people are held against their will or delayed from leaving. It troubles me.

Q. What's the status, in your view?

The President. The status is inconvenienced people who want to get out. And it's not only them but a lot of others. I hope that it doesn't become more than that. I have no reason to think at this juncture that it will. But the more we talk about it and the more we speculate about it, the less helpful it is, I think. But I'd like to feel that all foreigners who want to leave Kuwait or want to leave Iraq would be free to do so. And there have been some encouraging statements -- you heard from their Ambassador this morning -- that make me say, well, let's wait and see on that one.

Federal Budget Negotiations

Q. Mr. President, your June 26th statement specifically said there were points in it that were jointly agreed by Democrats and Republicans. Why do you suppose the Democrats have not made any proposals other than that, and what other proposals have the Republicans offered?

The President. We had a proposal that happened to ease into the public domain there against my best judgment. I'd like to say I have no control over those leakers -- they got out there. We were still prepared to hand over that proposal in all its detail to the Democrats in accord with their

handing us one. But that didn't materialize.

I think there was some politics in it. I'm not going to accuse Tom Foley [Speaker of the House of Representatives] of this, or Dick Gephardt [House majority leader] of this. But I think there was some saying: Hey, we think we've got the President over a barrel here. We've made him back away and give and give and give and get nothing. My view is: Well, fine, if that's the game that some up there want to play. But I think the American people understand it is the Congress that has to pass this budget. They're the ones that have the power of the purse. I sat there and played by the rules, didn't comment on this proposal or that proposal, just as I said. Others did, and frankly, some Republicans as well as Democrats did.

But I think what I'm trying to do now is to put it in focus so the American people will understand that it is the Congress that must move now to bring this deficit under control.

A followup?

Q. Yes, sir. Other than sequestration, do you have any tools at your disposal to get anything done on this?

The President. Well, sequestration is a pretty strong one, and veto is a helpful one.

Q. -- -- pan out publicly?

The President. No, not now. I still have hopes that we can resume this kind of summitry that is essential if you're going to get a deal. I felt that way when we entered into the deal, and I still feel that way, in spite of the fact that I do think there has been some politics rearing its head.

Persian Gulf Crisis

Q. Assuming that Saddam Hussein were to work out some face-saving way to withdraw from Kuwait, he would still be there with a very large army, still presumably intimidating to his neighbors, having invaded once. Given all that, do you think it is possible for this crisis ultimately to be resolved without removing Saddam Hussein from power, and if so, how?

The President. All I want to do is see it resolved the way the world opinion wants it resolved, and then we will worry about the rest of that later on. But the main thing is to have the withdrawal and the restoration of the rulers to their responsibilities. So, it's too hypothetical for me to go into what happens beyond that. But, yes, I'd like to feel that that can still happen. The economic sanctions are just beginning to -- Marlin [Marlin Fitzwater, Press Secretary to the President] says pinch, I'd say bite -- and I think that they're going to be quite effective, more so than in the past -- I certainly hope so. So, let's just see how all that works.

Q. Mr. President, if I could go back to the naval interdiction effort for a second. The Soviets apparently are proposing some kind of a joint security council command to control the naval interdiction effort. Are you pursuing that in any way with the Soviets? Are you interested in the idea at all?

The President. There was originally a -- I think that was raised to Jim Baker by Shevardnadze. And I don't have any problem talking to the Soviets about that. I think it would be a very good thing to have an active Soviet presence to enforce these U.N. resolutions. All I'm saying is that I don't think it is essential that you have a U.N. flag in order for countries to carry out their responsibilities. But I'd be somewhat openminded to talk further along those lines.

Q. Do you think it will be necessary at some point to stop ships going into Aqaba because that is a potential lifeline -- --

The President. I think at some point it might well be. If it's a hole through which commerce flows in an otherwise tight net, I would certainly think that Aqaba should be closed to Iraqi commerce.

Federal Budget Negotiations

Q. I have a question about the budget, Mr. President. After 100 days of negotiating, don't you think the I'll-show-you-mine, you-show-me-yours strategy is getting a bit silly? And why not just as President show some leadership and put your proposal on the table and say, here's where I want to go?

The President. No, we got one out there. And it wasn't totally on the table; it was kind of oozed out on the side. And all we did was have a bunch of Democrats going after me, going to every special interest, raising hell. And now it is time that the Congress, who have to pass the budget -- must pass the budget -- get going. I'm still here in a nice, tranquil mood wanting to discuss it with them. [Laughter] And I will discuss it with them.

But I'm using this -- you see we had -- there's kind of a truce on this abiding by the Marquis of Queensberry's no-comment rules. And so, during this period of truce, I'm going to put the focus where it belongs and where the American people year after year know it belongs, and that is on the party that controls the United States Congress. And then I'll be here in a reasonable mode come September, saying: Well, here, here's our proposals. What's yours? Let's go. But it doesn't do any good. They've been laughing all the way to what they think is the electoral bank saying -- every time we throw up a proposal, they gun it down and rush off and tell the special interest of one kind or another, We're going to protect you. Ha ha. Now it's time for them to come forward. And we will be more statesmanlike and try to resolve this national problem. [Laughter]

Q. Is it also true that when that proposal oozed out, as you say, it was Republicans who were involved in the -- --

The President. That's why I was very careful how I said who leaked it.

Q. They led the fight for that plan in revolt, I think.

The President. Which one?

Q. The proposal that oozed out, as you said.

The President. Listen, if you're ever -- I can't find anybody elated over any facet of taxes, Democrat or Republican. They want to stick it to the other guy a little bit. But what I'm saying is: We had a proposal. People know what was in it. We had an original proposal with detail. They've had none. And the deal was they were to have a proposal. Now let's come forward with it and set aside politics. It's getting tough now. It's getting right down to the crunch. And the American people know that the Congress appropriates every single dime and tells us how to spend every single dime. Now, they ought to get on with doing something about budget reform, process reform. Nobody's interested in the jurisdiction of this committee or another. The American people want the deficit down, and they don't want to have these delaying arguments about, Well, I can't move because the chairman of this committee hasn't passed a continuing previous resolution and seconded the motion. Nobody cares about that. They want the deficit --

I can't hear you, Sarah [Sarah McClendon, McClendon News Service]. You're right in the middle. [Laughter]

Persian Gulf Crisis

Q. Mr. President, should the American people look forward to an ongoing American presence in Saudi Arabia over a period of years?

The President. I don't know about a period of years, but certainly we're going to be there long enough to get the job done. But I'd like to give you a timeframe, and I can't.

Q. Mr. President, you called the President of Venezuela [Carlos Andres Perez] to ask him for some help with the oil. Did you talk numbers with him at all?

The President. No, I called him to thank him for what I understood was a Venezuelan willingness to step up and increase production -- they can still do it at a reasonably efficient rate, I am told -- and to thank him for his approach on this. He told me that he'd sent his Foreign Minister [Reinaldo Figueredo Planchart] to various capitals to coordinate all of this. And I had a couple of other matters to discuss with him, too, that were unrelated to the Persian Gulf. Mainly -- I can give you a little hint -- on Central America, an area where he and I stay in very close consultation and touch on this. But I didn't have a -- if your question was, did I have a specific request of him,

no, I didn't.

Last one.

Q. To follow up, just a second: Are you satisfied with the offer of Mexico as far as oil -- 100,000 barrels a day?

The President. I haven't the slightest way of knowing whether it ought to be more or less, but I am very, very pleased with Mexico's cooperation on all of this. President Salinas, a courageous man, and I am very pleased that he is willing to pitch in and help. I can't help you with the exact numbers -- whether it ought to be 100,000 or something else. But when we heard that, I said that's good. We've got a good relationship now with Mexico.

Thank you. All right, here's the last. This is -- I really do have to run.

Q. Thank you, Mr. President. Just very briefly: You have called repeatedly for the Iraqis to be out of Kuwait, to withdraw unconditionally and completely, and you've helped put sanctions in place to try to force them to do that. How important is that withdrawal? Is it important enough that if the sanctions don't seem to work after a short period then you will promise to use military force to force Saddam Hussein out?

The President. It is too hypothetical a question. We have a plan, and the plan is to implement fully the United Nations sanctions. And also part of our arrangement with King Fahd [of Saudi Arabia] is to help protect Saudi Arabia, in a part of a multinational force now of quite a few countries, against aggression from Saddam Hussein -- the same kind of aggression that took over Kuwait. So, that's where we are. That's the plan, and I just can't help you by going in a hypothetical sense any further.

Listen, I hate to run, but I do have an appointment in here. And thank you very much.

Note: The President's 56th news conference began at 4:19 p.m. in the Briefing Room at the White House.

Presidential Determination No. 90 - 30 -- Memorandum on Trade With the German Democratic Republic

August 15, 1990

Memorandum for the Secretary of State

Subject: Determination under Section 402(c)(2) of the Trade Act of 1974 -- German Democratic Republic

Pursuant to section 402(c)(2) of the Trade Act of 1974 (the ``Act''), 19 U.S.C. 2432(c)(2), I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to the German Democratic Republic will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:55 p.m., August 28, 1990]

Note: The Executive order is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on Trade With the German Democratic Republic

August 15, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to subsection 402(c)(2) of the Trade Act of 1974 (the Act) (19 U.S.C. 2432(c)(2)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 with respect to the German Democratic Republic will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received the assurances with respect to the emigration practices of the German Democratic Republic required by section 402(c)(2)(B) of the Act.

Pursuant to section 402(c)(2), I shall issue an Executive order waiving the application of subsections (a) and (b) of section 402 of the Act with respect to the German Democratic Republic.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order is listed in Appendix E at the end of this volume.

Remarks to Department of Defense Employees

August 15, 1990

Thank you, Secretary Cheney and General Powell and distinguished members of the Joint Chiefs, General Schwarzkopf, and all of you who do all the work. Thank all of you for joining us today and, really most of all, for your hard work in defense of freedom and America every day.

Over the past 10 days you've launched what history will judge as one of the most important deployments of allied military power since the Second World War. As I told the American people last week, let no one underestimate our determination to confront aggression. It is you, the men and women of the Department of Defense, who turn these words into deeds that transform hope and promise into reality.

I've just received a wonderful briefing from Secretary Cheney and General Powell and others here at the Pentagon. Our objectives remain clear: the immediate, complete, and unconditional withdrawal of all Iraqi forces from Kuwait; the restoration of Kuwait's legitimate government; security and stability of Saudi Arabia and the Persian Gulf; and protection of the lives of American citizens abroad. We will achieve these honorable goals.

We've worked for decades to develop an international order, a common code and rule of law that promotes cooperation in place of conflict. This order is imperfect; we know that. But without it, peace and freedom are impossible. The rule of law gives way to the law of the jungle. And so, when the question is asked: Where does America stand? I answer: America stands where it always has -- against aggression.

Today, the brave American and allied forces are keeping watch along the sands and off the shores of Saudi Arabia. They're there for a purpose: to serve the cause of justice and freedom, a cause the world supports. But Saddam Hussein would have us believe that his unprovoked invasion of a friendly Arab nation is a struggle between Arabs and Americans. And that is clearly false. It is Saddam who lied to his Arab neighbors. It is Saddam who invaded an Arab State. And it is he who now threatens the Arab nation. We, by contrast, seek to assist our Arab friends in their hour of need.

Saddam has claimed that this is a holy war of Arab against infidel -- this from the man who has used poison gas against the men, women, and children of his own country; who invaded Iran in a war that cost the lives of more than half a million Moslems; and who now plunders Kuwait. Atrocities have been committed by Saddam's soldiers and henchmen. The reports out of Kuwait tell a sordid tale of brutality.

Saddam would also have us believe that this is a struggle between the haves and the have-nots. But Iraq is one of the haves, for you see, next to Saudi Arabia, Iraq has the largest oil reserves in

the world. But thanks to his ruinous policies of war against other Moslems, he -- Saddam Hussein -- has transferred wealth into poverty. Sadly, it is the Iraqi people who suffer today because of the raw territorial ambition of Saddam Hussein.

Our action in the Gulf is not about religion, greed, or cultural differences, as Iraq's leader would have us believe. What is at stake is truly vital. Our action in the Gulf is about fighting aggression and preserving the sovereignty of nations. It is about keeping our word, our solemn word of honor, and standing by old friends. It is about our own national security interests and ensuring the peace and stability of the entire world. We are also talking about maintaining access to energy resources that are key, not just to the functioning of this country but to the entire world. Our jobs, our way of life, our own freedom, and the freedom of friendly countries around the world would all suffer if control of the world's great oil reserves fell into the hands of that one man, Saddam Hussein.

So, we've made our stand not simply to protect resources or real estate but to protect the freedom of nations. We're making good on longstanding assurances to protect and defend our friends who have the courage to stand up to evil and are asking for our help. We are striking a blow for the principle that might does not make right. Kuwait is small. But one conquered nation is one too many.

A half a century ago our nation and the world paid dearly for appeasing an aggressor who should and could have been stopped. We're not about to make that same mistake twice. Today Saddam Hussein's Iraq has been cut off by the Arab and Islamic nations that surround it. The Arab League itself has condemned Iraq's aggression. We stand with them, and we are not alone. Sanctions are working. The armies and air forces of Egypt, Morocco, the United Kingdom, and the Gulf Cooperation Council States are shoulder to shoulder with us in Saudi Arabia's defense. Ships of numerous countries are sailing with ours to see that the United Nations sanctions, approved without dissent, are enforced. Together we must ensure that no goods get in and that not one drop of oil gets out.

I am very grateful for the support all of us here are receiving from the American people. The American people are with us. Congress is with us. Our allies are with us. And the vast majority of the Arab people are with us. No one should doubt our staying power or our determination. We are in a new era, one full of promise. But events of the past 2 weeks remind us that there is no substitute for American leadership, and American leadership cannot be effective in the absence of America's strength. I know that this strength does not come cheaply or easily. You pay for it every day in the work you do, in the sacrifices you make, in the time you spend away from your families. I am relying on you to shape the forces of the future, to preserve peace and freedom in the face of new threats and new dangers.

General Powell told me today that it's a great honor, during these dangerous times, to serve as an American soldier. I know it's a great honor for me to serve as your Commander in Chief. I thank

you. And I join people everywhere in praying for you, for those in the field, and for the United States of America. God bless you all. And thank you for what you're doing for your country.

Note: The President spoke at 11:40 a.m. at the River Entrance of the Pentagon. In his remarks, he referred to Secretary of Defense Richard B. Cheney; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; Gen. H. Norman Schwarzkopf, USA, commander in chief of the U.S. Central Command, who was in charge of the Persian Gulf deployment; and President Saddam Hussein of Iraq. Prior to his remarks, the President received several briefings on the situation in the Middle East and toured the Logistics Readiness Center at the Pentagon. Following his remarks, he traveled to his home in Kennebunkport, ME.

The President's News Conference on the Persian Gulf Crisis

August 16, 1990

The President. We've had some good meetings here today -- two good meetings -- one with King Hussein of Jordan, the other with the Foreign Minister, His Highness Prince Sa`ud of Saudi Arabia. In addition, I was on the phone earlier to President Ozal of Turkey. He reported in on some conversations he's had and, I must say, was somewhat optimistic about the effectiveness of these international sanctions in which most countries around the world have joined. So, it's been a very illuminating day.

I, of course, was very pleased that King Hussein, who previously had announced his support for sanctions, his willingness to go with sanctions, reiterated that to me, making clear that this was a decision that Jordan had taken some time ago. But nevertheless, I put this under the heading of very encouraging developments.

In terms of the Saudis, Prince Sa`ud very kindly thanked me for the strong support from the United States, and I told him that we were determined and wanted to do everything in our power to enforce the United Nations resolution which calls for Iraq to get out of Kuwait and calls for the restoration of rulers to Kuwait. So, we're in sync with the Saudis.

I feel that the differences that possibly existed with Jordan have been narrowed, and I cited one extremely important point there. But I was pleased to see them both here at our home.

I'll be glad to take some questions.

Q. Mr. President, what kind of report did King Hussein give you on his trip to Baghdad, and did he offer any kind of hope that Saddam Hussein would pull his troops out of Kuwait and let the Amir return to power?

The President. He didn't go into any details of his trip to Baghdad, and I did not come away from that conversation with a feeling of hope that Saddam Hussein would do that which he's been called upon to do under international law.

Q. Mr. President, what can you tell us about reports -- or what do you know about reports that foreign nationals in both Iraq and Kuwait have been ordered segregated and been reported to report to one place, including some 2,500 Americans? Are you concerned that their lives may be in danger at this point?

The President. I'm concerned that any coercion on foreign nationals in some other country is a

violation of international norms, and I must say that I did see a report. We've discussed it. They've checked with one of the hotels to which people were encouraged to go, and the hotel had no knowledge of an influx of people coming there. So, it's a little vague right now, Jim [Jim Miklaszewski, NBC News], but anything that compels individuals to do something against their will would of course concern me.

I don't want to overstate it, because we continue to get statements out of these various representatives of Iraq -- the Ambassador to the U.N., for example -- that these people in all countries will be permitted free passage or will not be harassed. But I saw the report, and thus, I must say I was concerned.

Q. Following up on that: The Americans who are in Baghdad, I believe, are the ones who were taken from Kuwait. Today the American Embassy personnel were, for the first time, not allowed to go in and see them, and news people were thrown out. Isn't it getting more dangerous for those Americans, and would there be anything that would -- --

The President. It gets more dangerous, I think, if I heighten the concern that I've already expressed. I have said that the other day, and I'll repeat it here. On the other hand, when you get reports of this nature, of course you're concerned about them.

Q. Mr. President, may I ask your reaction to the rather bellicose speech we heard today from Saddam Hussein in which, as you probably know, he called you a liar and vowed to send Americans home in body bags?

The President. I really haven't seen the speech. I've seen some excerpts -- or the open letter, I think it was. I think it's clear that what we need to do at this point is to enforce the international law. The statements at the United Nations from many countries really say it all, so there's no point in me responding to the letter. Nobody has at least presented, so far, to me from that letter any concrete proposals to which I feel a necessity to respond.

Q. Mr. President, what is the situation on the ground in Iraq and Kuwait? What's going on with the sanctions? How are they working today compared to how they were working 2 days ago, say?

The President. The sanctions against Iraq and Kuwait? I get the feeling that the sanctions just put into effect and just being put into effect are beginning to take hold. I would cite a very upbeat statement from President Ozal of Turkey in this regard.

And so, there doesn't appear to be any shipments of oil coming out of Iraq, and that is very positive because I think 90 percent of their foreign exchange -- I'm looking for help here -- is based on petroleum. And so, I'd say that is a very encouraging step. And the other part of it has to be arms being interdicted, and everything, all across the board -- foodstuffs, whatever it is. They have been penalized by the United Nations. Chapter VII is seldom used, but it has been used now

to bring these people to do what's right. And I must say I'm encouraged with this concept of the world staying together and making these sanctions fully effective.

Q. But is there evidence of their feeling it, though?

The President. I can't cite specific evidence. There was one little tidbit that we saw saying that -- and again, I probably shouldn't even go into the details of it at all -- but anyway, it was a report that some of the bakers had been ordered to stop making confectionery goods, whatever it is, sweets and these things, and concentrate on the fundamentals, the staples. But knowing the economic situation in Iraq, I don't think one can sustain true international isolation for long, especially when you depend on the outside world for a lot of your goods.

Q. Did you call up or sign the order calling up the Reserves, and is that something you think you may have to call upon?

The President. I've not signed anything on that. There's some consideration. We have a Ready Reserve. We have a Reserve that I've been told by a couple of proponents of the Reserves they're very eager to do their part. But no decision has been made in that regard.

Q. Mr. President, your feeling now of the situation: Do you think the situation is stabilizing, or do you think the United States and Iraq are getting closer to war?

The President. I don't know that I can choose between the two options. But I do know that there is a determination on the part of so many countries to do something about redressing the grievances that I think it's going to work. But I can't say that it's stabilized totally. I hope that the American presence and the presence of Arab forces and the presence of others -- many others -- in Saudi Arabia and in those areas has lessened the risk of further adventure on the part of Saddam Hussein.

Q. Is King Hussein in any way a go-between the United States and Iraq?

The President. I didn't get the feeling. I read some reports, and now I'm wondering where they all came from because I'd read some previous reports indicating that the man was coming with a letter from Saddam Hussein. Some maybe printed it here, which I find hard to believe without any evidence. And so, I was wondering where all this was coming from. And I think I addressed myself to that question at the press conference -- when was it, yesterday or the day before -- where I said I didn't know of that and that I -- and I felt to myself -- and whether I said it -- is I think he might have mentioned to me if there was such a letter.

But back to your question. There was no intermediary mission that I detected at all. I think he'd like to find some way to be helpful, and he reiterated his interest of making everything in an Arab context. But I had an opportunity to tell him my views on the situation and to tell him that in spite

of the differences that may have appeared to be grievous a week or so ago that, on the part of this President and I think of the United States entirely, we'd like to see better relations. And I do think that his expressed willingness -- again, expressed before he came here and then reiterated -- to go forward on this international sanctions is something that will be widely appreciated here in the United States and, indeed, around the world.

Q. Mr. President, did King Hussein give you assurances that Jordan would not allow Iraqi goods in and out of the port of Aqaba?

The President. Yes.

Q. Mr. President, Iraq made some pretty significant peace overtures to Iran. Were you surprised by that? What do you know about it? How do you think it will affect the overall equation there? Are you concerned by it?

The President. No, I'm not concerned at all by it, and I -- surprised only in the fact that it seems to be acquiescing to all of Iran's terms, something that Saddam Hussein has been unwilling to accept -- not totally all of them. But I don't know the effect of it. And I do know that Iran has expressed their indignation about the takeover of Kuwait by Iraq, and I see nothing that has changed that. I don't know of any statement that leads me to be concerned that they're going to reverse their position on that point.

Q. You're not concerned that Iran may throw in with Iraq? Or what does it tell you about Saddam Hussein's position right now?

The President. Well, I'm not concerned about the former, and I would simply let the facts and the evolution of events answer the last part because, you see, I don't know that there's been an agreement on all these points. I don't think there has, that I know of. I don't think it's been fully, finally agreed -- has it?

Q. But if it comes to that, don't you think he's desperate, sir?

The President. Well, that's what you think. I'd rather just not speculate on that and just keep my eye on the ball, which is to just isolate -- in conjunction with others -- to isolate Iraq.

Q. Back to King Hussein, Mr. President: You said that he agreed to cut off shipments to Iraq to the port of Aqaba, but he told us that he's exploring with the United Nations what the sanctions mean. Did he tell you that everything would be cut off, including food, oil?

The President. Let me ask Jim because I think he'd -- let me ask the Secretary -- lawyer, fine lawyer that he is, in addition to being a good Secretary of State -- to answer that because he was the one that engaged the King in that particular discussion.

Secretary Baker. I think what the King meant was that there is a provision in the sanctions that permits food for humanitarian purposes, or some such language. And there's really been no definition of exactly when that triggers and what that means, and the Government of Jordan is seeking some guidance from the United Nations on the subject.

Q. Is that a loophole?

Secretary Baker. No, it's not a loophole; it's the way the sanctions were written by the United Nations when they voted 13 - 0 to impose them.

The President. Last one.

Q. Are you satisfied that goods will no longer go through Jordan to Iraq? Are you -- --

The President. I'm not satisfied to total satisfaction on any point regarding the sanctions. I'm very encouraged that they look like they'll be effective. We've got to guard against cheaters. You've got to guard against people who, for economic gain, will try to violate these sanctions from whatever part of the world they come from, whatever country they come from. So, I can't say I am satisfied. But what I am is encouraged that Jordan, prior to the King's coming here, took this position. And I think that is something that is encouraging, and I think it might send a message to some around the world who need a little leadership in that regard.

Thank you all very much. I know you have a deadline. It's been a full day.

Note: The President's 57th news conference began at 5:08 p.m. at his home in Kennebunkport, ME. In his remarks, he referred to President Saddam Hussein of Iraq. President Bush met at his home with King Hussein I of Jordan at noon and with Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia at approximately 3 p.m.

Presidential Determination No. 90 - 31 -- Memorandum on Export-Import Bank Services for the German Democratic Republic

August 17, 1990

Memorandum for the Secretary of State

Subject: Determination Under Section 2(b)(2) of the Export-Import Bank Act of 1945, as Amended -- German Democratic Republic

Pursuant to section 2(b)(2) of the Export-Import Bank Act of 1945, as amended, 12 U.S.C. 635(b)(2), I hereby determine that it is in the national interest for the Export-Import Bank of the United States to guarantee, insure, extend credit and participate in the extension of credit in connection with the purchase or lease of any eligible product or service of U.S. origin by, for use in, or for sale or lease to the German Democratic Republic.

You are authorized and directed to report this determination to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:56 p.m., August 28, 1990]

Statement by Press Secretary Fitzwater on the Treatment of Foreign Nationals in Iraq and Kuwait

August 18, 1990

On several occasions since the Iraqi invasion and subsequent occupation of Kuwait, the President has stated publicly his interest in the well-being of American citizens and all foreign nationals in both Iraq and Kuwait. The President thus views yesterday's statement by the Speaker of Iraq's National Assembly [Sadi Mahdi], that Iraq will ``play host to the citizens of these aggressive nations as long as Iraq remains threatened with an aggressive war," to be totally unacceptable. He is deeply troubled by the indication that Iraqi authorities intend to relocate these individuals within Iraq against their will. The President is also deeply concerned about today's announcement by the Government of Iraq that foreign nationals may not have access to adequate quantities of food.

The use of innocent civilians as pawns to promote what Iraq sees to be its self-interest is contrary to international law and, indeed, to all accepted norms of international conduct. We urge that Iraq immediately reconsider its refusal to allow any foreign national desiring to leave to do so without delay or condition. We would also hope that Iraq would take note of yesterday's statement by the U.N. Security Council President expressing the Council's concern and anxiety over the situation of foreign nationals in Iraq and Kuwait and calling upon the Secretary-General to take all appropriate steps. The United States intends to consult with other governments with citizens being held in Iraq and Kuwait to determine what additional measures ought to be taken.

Statement on Signing the Oil Pollution Act of 1990

August 18, 1990

I am today signing into law H.R. 1465, the ``Oil Pollution Act of 1990.'' In May 1989 the Administration sent its comprehensive oil pollution liability and compensation legislation to the Congress in the wake of the worst marine environmental disaster this Nation has ever experienced. During this disaster 11 million gallons of oil spilled into the waters of Prince William Sound, Alaska. Since then, California, the Gulf of Mexico, the Mid-Atlantic, and New England have suffered serious oil spills.

In most respects, the Oil Pollution Act of 1990 is a responsible piece of legislation. Most important, the prevention, response, liability, and compensation components fit together into a compatible and workable system that strengthens the protection of our environment.

The Act addresses the wide-ranging problems associated with preventing, responding to, and paying for oil spills. It does so by creating a comprehensive regime for dealing with vessel and facility-caused oil pollution. It provides for greater environmental safeguards in oil transportation by: setting new standards for vessel construction, crew licensing, and manning; providing for contingency planning; enhancing Federal response capability; broadening enforcement authority; increasing penalties; and authorizing multi-agency research and development. A one billion dollar trust fund will be available to cover cleanup costs and damages not compensated by the spiller, whose financial responsibility requirements are significantly increased.

Although I am approving this legislation, I deeply regret the Act's inclusion of an unrelated provision that would place a moratorium on exploration for oil and natural gas off the coast of North Carolina. This area, located over 38 miles offshore, is the largest potential natural gas field east of the Mississippi and could be used to offset our dependence on foreign energy sources. Much work has been done to address my environmental concerns related to exploration in this area -- and it should be noted that exploration for gas this far offshore carries little environmental risk. It is shortsighted to restrict exploration for this relatively clean energy source, especially in light of our recent efforts to accommodate national and State concerns regarding the environmental effects of energy exploration and development. Such a moratorium is ill-advised in view of recent events in the Persian Gulf, where I have found it necessary to deploy American soldiers 7,000 miles from home to protect our vital national interests. The moratorium contained in H.R. 1465 is highly objectionable, and my Administration will seek to repeal it.

In addition, H.R. 1465 does not implement the 1984 Protocols to the 1969 Civil Liability Convention and the 1971 Fund Convention. These oil spill treaties, if ratified, would provide our Nation with swift and assured compensation for foreign tanker oil spills and access to up to $260 million per spill from an international fund. Our failure to ratify the Protocols may weaken long-standing U.S. leadership in the development of international maritime standards.

Ultimately, the threat of oil pollution is a global challenge, and the solutions we devise must be broad enough to address the needs of all nations. Therefore, I urge the Senate to give immediate consideration to the international Protocols and give its advice and consent to ratification of these treaties.

I am concerned about another consequence of the failure to ratify the Protocols. We must work to ensure that, in response to the provisions of this Act, a situation is not created in which larger oil shippers seeking to avoid risk are replaced by smaller companies with limited assets and a reduced ability to pay for the cleanup of oil spills. We will need to monitor developments in order to protect against such undesirable consequences.

The oil industry faces many new requirements as a result of this legislation. These requirements include substantially increased financial responsibility; preparation of contingency plans; and the replacement of fleets with safer oil tankers. A balance has been sought to give the industry the flexibility to meet the requirements of the Act without incurring excessive costs.

Finally, I note that section 3004 of the bill could be construed to infringe on my constitutional authority over the conduct of diplomacy by requiring me to take certain actions with respect to international organizations. I shall construe this section consistently with the Constitution and therefore shall regard it as advisory.

In signing this landmark Act, I pledge the support of the Administration for the Oil Pollution Act of 1990, notwithstanding the concerns that I have addressed. This represents a continuation of my Administration's efforts to work with the Congress and other nations to protect the Earth's environment.

George Bush

The White House,

August 18, 1990.

Note: H.R. 1465, approved August 18, was assigned Public Law No. 101 - 380.

Statement on Signing the Customs and Trade Act of 1990

August 20, 1990

I am pleased to sign into law H.R. 1594, the ``Customs and Trade Act of 1990." This legislation is the culmination of many long hours of work. It was worth the effort, for the Act accomplishes a number of important goals shared by both my Administration and the Congress:

-- The extension and enhancement of the Caribbean Basin Initiative, which will continue to promote economic growth and democracy in that region;

-- The amendment of Jackson-Vanik procedures, which will facilitate cooperation between the Executive and the Congress to encourage reform in the Soviet Union and assist the emerging democracies of Eastern Europe; and

-- A new structure for U.S. customs user fees, which demonstrates our unfaltering commitment to the General Agreement on Tariffs and Trade (GATT).

Furthermore, the spirit of bipartisan cooperation that this Act represents bodes well for the coming months. We head into the fall facing the challenging tasks of completing the vital Uruguay Round of global trade talks by December and then drafting implementing legislation in 1991.

The results of this Round of negotiations, held under the auspices of the GATT, can be the engine that drives the United States and world economies into the 21st century. The agreement we reach will be the ultimate competitiveness initiative. It will open new markets for American business, help reduce prices and increase choices for consumers, and secure rigorous rules of fair play in international trade.

The Customs and Trade Act of 1990, therefore, is part of the cooperative process that ultimately will result in growth, jobs, and prosperity, not only for America, but also for the world.

Let me give special mention to three vital provisions of the legislation I am signing today.

First, this legislation makes permanent and enhances the Caribbean Basin Initiative, or CBI.

Since its inception in 1983, CBI has promoted stability, security, and the movement to democracy and free markets that we now celebrate not only in this hemisphere but around the world. This legislation will foster continued economic growth and opportunity in the region.

By enacting this bill we assure investors in the Caribbean and Central America that their investments will continue to earn returns on duty-free exports indefinitely. It further extends the range of products that receive preferential duty treatment under CBI.

Because of the success of the CBI example, I announced on July 23 that I would seek legislation for limited-duration CBI-like trade preferences for the Andean countries of Bolivia, Colombia, Ecuador, and Peru. This measure would assist these countries in eliminating the production of illegal drugs and promoting competitive activity in world markets. I hope that my proposal will be given rapid, favorable consideration once it is presented to the Congress.

America's security and prosperity depend in large measure on continued progress toward democracy and economic development in the Caribbean Basin.

Second, the Act will help the United States support the emerging democracies of Eastern Europe and encourage change within the Soviet Union.

It does so by amending Jackson-Vanik procedures for approval of the historic trade agreements the United States has signed with the Soviet Union and Czechoslovakia. These agreements provide for improved access to each country's markets; facilitate business by easing restrictions on commercial activities; and offer strong intellectual property protections.

By working together to gain approval for these accords, the way is paved for continued cooperation between the Administration and the Congress on future agreements with other countries subject to the Jackson-Vanik Amendment.

Third, the Act is another demonstration of our Nation's abiding commitment to the GATT, the international constitution of trade.

A GATT panel in 1988 adopted a finding that the structure of U.S. customs user fees violated GATT rules. This Act authorizes a new fee structure that brings us into compliance with GATT rules.

This demonstration of our dedication to GATT comes at a critical point in the Uruguay Round of global trade talks. The great trading nations of the world can choose either to open their markets so that trade can expand, and thereby create global prosperity; or, they can choose to close their markets, splinter into exclusionary trading blocs, and thereby cause dangerously diminished prosperity for all.

The United States has chosen the first path. With the cooperation and support of the Congress and the private sector, we stand committed to the successful conclusion of the negotiations by December and prompt implementation of the results in 1991.

H.R. 1594 also contains a set of provisions that will be helpful both to our environment and our economy. The Act makes permanent the current ban on the export of unprocessed logs taken from Federal lands west of the 100th meridian and would sharply restrict the export of such logs taken from State lands. On June 23, the U.S. Fish and Wildlife Service listed the Northern Spotted Owl as a threatened species under the terms of the Endangered Species Act. There can be no doubt that high levels of export of unprocessed timber have contributed to the decline in habitat that has caused this species to be listed. This legislation will help to address problems related to this listing decision. While I am supporting this provision because it assists in the preservation of critical habitat, I also note that it will ease the economic transition in areas affected by the listing of the spotted owl.

Finally, I note that one of the provisions of H.R. 1594 warrants careful construction to avoid constitutional concerns. Under Article II, section 3 of the Constitution, the President has the discretion to determine what legislative proposals he will present to the Congress, as well as the discretion to determine the procedure he will follow in formulating a legislative proposal. Section 223(b) of this Act purports to require the President, in exercising his discretion to prepare legislative proposals on ``rules of origin,'' to take into account a particular report and obtain the advice of various entities, including committees of the Congress. In light of the President's constitutional discretion with regard to preparing and submitting legislative proposals, I will construe this provision to be precatory rather than mandatory. As always, I will endeavor to consult with the Congress about our policy on such matters.

George Bush

The White House,

August 20, 1990.

Note: H.R. 1594, approved August 20, was assigned Public Law No. 101 - 382.

Remarks at the Annual Conference of the Veterans of Foreign Wars in Baltimore, Maryland

August 20, 1990

Thank you so much. Please be seated. And it's a privilege to join you and a deep personal pleasure to renew old ties, greet new friends. My thanks to all of you, but especially to you, Walter Hogan -- doing a great job as commander in chief. Following the likes of Larry Rivers isn't easy -- we all know that -- but Walter's done the VFW proud. I also know we're looking forward to the same kind of strong leadership from James Kimery. And let me offer my thanks again to another old friend, Cooper Holt, a real legend who gave so many years of service to the VFW. Cooper, we welcome you.

Next I want to thank my outstanding Veterans Secretary, fellow VFW member, Ed Derwinski. Ed's got so much going on, but I'm especially happy to see the work he's doing to improve these veterans hospitals. His Department is intent on serving you, much as you have served America.

I'm glad to see the Secretary of the Army with us today, an old friend of mine, a friend of yours, Mike Stone. And let us remember those who could not be with us. Our administration will not forget our POW's and MIA's as well as those brave men and women who gave what Lincoln termed ``the last full measure of devotion."

Again, my acknowledgement to Mike Stone and also Baltimore's mayor, who courteously came to greet me, Kurt Schmoke. Glad to see you here, sir. And finally, also let me single out today's honorees, Budd Dudley and our own United Nations Ambassador, Tom Pickering, who is doing an outstanding job up there in the United Nations for the United States of America. Both Budd and Tom are being honored appropriately by you tonight.

Apologies for keeping you waiting. There are some events going on around the world. And I was on the telephone to a good friend of the United States, President Ozal of Turkey, and also to another great friend of the United States, Prime Minister Thatcher of the United Kingdom. And I must say, I'm proud of the support that we are all getting around the world.

You know, as a veteran, I want to salute this organization on its 91st year. By supporting our nation's veterans, the VFW has enriched America. And I'd like to take a moment to ask your support for a man whom I'm convinced will also enrich America -- I want to work in a strong plug -- and I'm talking about our Supreme Court nominee, Judge David Souter. [Applause] I see the New Hampshire delegation is here. [Laughter] Well, they know something we all know, and that is that he is an exceptional jurist and a brilliant legal mind. He will be a voice of excellence on the Nation's highest court, and I call on the Senate to confirm him without delay.

But this morning I'm also grateful to have this special opportunity to discuss an issue of great concern to all Americans: the crisis in the Persian Gulf -- a crisis that will require American planning, patience, and yes, personal sacrifice; but a crisis that we must and will meet if we are to stop aggression, help our friends, and protect our own interests and the peace and stability of countries around the globe.

Eighteen days ago, these beliefs prompted me to take action in the Middle East to restore the sovereignty of Kuwait and deter those who threaten friendly countries and the vital interests of America. I acted knowing that our cause would not be easy but that our cause is right. And that while one should not underestimate those who endanger peace, an even greater mistake would be to underestimate America's commitment to our friends when our friends are imperiled or our commitment to international order when that, too, is imperiled.

Today, the outcome is not yet decided. Hard choices remain, but of this we are certain: America will not be intimidated. When some ask: Where does America stand? our answer is: America stands where it always has -- against aggression, against those who would use force to replace the rule of law.

And who better than this group know? Throughout history, we have learned that we must stand up to evil. It's a truth which the past 18 days have reaffirmed, and its lessons speak to America and to the world.

The first lesson is as vivid as the memories of Normandy, Khe Sanh, Pork Chop Hill. We have been reminded again that aggression must and will be checked. So, at the request of our friends, we have sent U.S. forces to the Middle East -- reluctantly, but decisively -- knowing, as Teddy Roosevelt said, that America ``means many things, among them, equality of rights and, therefore, equality of duty and obligation."

Yet we are not acting alone but in concert, helping to protect our own national security interests as well as those of the broader community of nations, which brings me to the second lesson reaffirmed by the past 18 days. By itself, America can do much. Together with its friends and allies, America can do much more -- for peace and for justice.

Think back with me to World War II, when together allies confronted a horror which embodied hell on Earth, or Korea, where United Nations forces opposed totalitarianism. Today, once again, many nations -- many of them Moslem -- have joined to counter aggression and, thus, to restore the peace.

Our Saudi friends, under the wise leadership of King Fahd, asked for our help in deterring further aggression by Iraq. I salute the many countries who have courageously responded to Saudi Arabia's request. I also salute those governments who were responding to the Amir of Kuwait's call for the full enforcement of United Nations sanctions.

We must not delude ourselves: Iraq's invasion was more than a military attack on tiny Kuwait; it was a ruthless assault on the very essence of international order and civilized ideals. And now, in a further offense against all norms of international behavior, Iraq has imposed restrictions on innocent civilians from many countries. This is unacceptable. And that's why the United Nations Security Council voted unanimously Saturday night to condemn Iraq's action, just as it earlier voted to condemn the invasion itself. They know, as we do, that leaders who use citizens as pawns deserve and will receive the scorn and condemnation of the entire world.

And so, to the leaders of Iraq, I will now make two points clear: In moving foreign citizens against their will, you are violating the norms of your own religion. You are going against the age-old Arab tradition of showing kindness and hospitality to visitors. And so, my message is: Release all foreigners now! Give them the right to come and go as they wish. Adhere to international law and U.N. Security Council Resolution 664.

We've been reluctant to use the term ``hostage." But when Saddam Hussein specifically offers to trade the freedom of those citizens of many nations he holds against their will in return for concessions, there can be little doubt that whatever these innocent people are called, they are, in fact, hostages. And I want there to be no misunderstanding. I will hold the Government of Iraq responsible for the safety and well-being of American citizens held against their will.

Let me also take a moment to thank President Gorbachev for his recent words condemning the Iraqi invasion. He has shown -- if anyone doubted it -- that nations which joined to fight aggression in World War II can work together to stop the aggressors of today.

A third lesson has also been reaffirmed by the last 18 days -- as veterans, it won't surprise you: the steadfast character of the American will. Look to the sands of Saudi Arabia and the waters offshore, where brave Americans are doing their duty, just as you did at Anzio and Inchon and Hamburger Hill. And think of the men and women aboard our planes and ships -- young, alone, and so very far from home. They make us humble; they make us proud. And I salute the finest soldiers, sailors, airmen, and marines that any nation could possibly have. And moreover, I pledge to you: We will do whatever it takes to help them complete their mission.

This means realizing the fourth lesson reaffirmed by the past 18 days. Although the size of America's Armed Forces in the years ahead will be smaller because the threat to our security is changing, future American defense capacity must be even more ``a lean, mean fighting machine." And by 1995, we estimate that our security needs can be met by an active force 25 percent smaller than today's, the lowest level since 1950. And yet we must ensure that a reduction of numbers does not mean a reduction in American strength.

Operation Desert Shield proves vividly that instead of relieving past contingencies we must prepare for the challenges of the 1990's and beyond. By ensuring that our troops are ready and trained, we can exert our presence in key areas and respond effectively to crisis. And this is

readiness measured in days and hours, not weeks and months. And Operation Desert Shield has underscored the need to be able to get our soldiers where they are needed and when they are needed. This kind of responsiveness will be critical in the crises of the future.

Recently, our outstanding Chairman of the Joint Chiefs, General Colin Powell, spoke to this when he praised ``the finest peacetime military in the history of America." We will be smaller in troop strength and restructured, but we will remain purposeful, proud, and effective. Just look at the last 18 days. Desert Shield has been a classic case of America's military at its best.

I think, for instance, of Airman First Class Wade West, home on leave to be married. On August 7th, he was called up, and within an hour he had the ceremony performed and left for the Middle East. And he's now stationed over in Saudi Arabia. You talk about a guy that gets things done. [Laughter] But I would like to empathize with his bride wherever she may be. [Laughter] And another example: 7 years ago, Diana Kroptavich worried at home while her husband, Walter, steamed off the Lebanon coast on the U.S.S. New Jersey defending the marines. Today their roles are reversed. Retired, Walter is at home with their 6-year-old son, and Diana serves aboard the destroyer U.S.S. Yellowstone. [Laughter] Here's an Army couple: today paratrooper Joseph Hudert of the 82d Airborne Division is serving in Saudi Arabia, and his wife, nurse Dominique Allen, of the 44th Medical Brigade, will be deployed there within the next 2 weeks. Finally, recall the 8-year-old who, watching her dad leave for the Mediterranean, spoke truth from the mouths of babes. ``I just think," she said, ``that they shouldn't let daddies go away this long. But they still have to, to keep the world safe."

These profiles show the true caliber of America and the vital essence of our mission. What's more, they remind us of the fifth and final lesson reaffirmed by the past 18 days: the need for a continued strong defense budget to support American troops, or as George Washington said in his first inaugural address, ``To be prepared for war is one of the most effectual means of preserving the peace." History has shown the wisdom of his words -- especially in our century. What Desert Shield has shown is that America can ensure the peace by remaining militarily strong.

Now, I know that we're operating in a time of budget restraint. We have limited resources; we must use them wisely. The budget deficit is a threat to our vital interests at home and won't be made easier by today's threat abroad. Everyone realizes that the deficit is too large, that it's got to be brought down, and that Congress must act courageously and immediately when it returns from recess. But here's the point: We cannot attack the deficit by attacking the very heart of our Armed Forces -- committed men and women who are motivated and ready.

Last week I asked Congress to do what we have done: produce a budget proposal, including defense, that is both responsive and responsible and, most of all, fair. When they do, I will listen -- listen, but not break faith with the troops who are defending our nation. Make no mistake: To prevent aggression, to keep America militarily prepared, I will oppose the defense-budget slashers who are out of tune with what America needs to keep freedom secure and safe.

You know, most Americans know that when it comes to national defense, finishing second means finishing last. So, they reject what the House Armed Services Committee recently suggested: unacceptable cuts from our defense budget for fiscal year 1991. Most Americans know, too, that giving peace a chance does not mean taking a chance on peace. So, they endorse giving the military the tools to do its job: the Peacekeeper, the Midgetman, B - 2 bomber, and the Strategic Defense Initiative. Americans want arms negotiations to succeed, but they know that even a START treaty will not help our security if we disarm unilaterally.

Let us never forget that our strong national defense policies have helped us gain the peace. We need a strong defense today to maintain that peace. I will fight for that defense, and I need your help. So, help me convince the Congress, given recent events, to take another look and to adequately fund our defense budget.

Let me tell you a little story about why I feel so strongly. I was talking to some of the young soldiers who liberated Panama. We invited them to come with General Thurman and others to the Cabinet Room for a briefing for me. I asked one of them -- a medic -- about the operation. Corporal Roderick Ringstaff spoke of combat, and he spoke of the heroics of others, but not of his own. Next to him was his commanding officer, and so his commanding officer filled in the rest. This medic had been wounded, but repeatedly braved fire to rescue others wounded, pulling soldier after soldier to safety. For that he was awarded the Silver Star for bravery. Listening, I thought to myself: I will never send young men and women into battle with less than the very best that this nation can provide them. I will never -- I will never, ever -- let Americans like this down.

August 1990 has witnessed what history will judge one of the most crucial deployments of allied power since World War II. Two weeks ago, I called for the complete, immediate, and unconditional withdrawal of all Iraqi forces from Kuwait; second, the restoration of Kuwait's legitimate government; third, the security and the stability of Saudi Arabia and the Persian Gulf; and fourth, the safety and protection of American citizens abroad. Today, I say, those objectives are and will remain unchanged.

Will it take time? Of course. For we're engaged in a cause larger than ourselves, a cause perhaps best shown by words many of you remember -- words spoken by one of the greatest Americans of our time to allied soldiers and sailors and airmen. ``The eyes of the world are upon you," he told them. ``The hopes and prayers of liberty-loving people everywhere march with you." And then he concluded with this moving prayer: ``Let us all beseech the blessing of almighty God upon this great and noble undertaking."

Fellow veterans, more than half of all VFW members fought in World War II, many of you serving under the man who spoke those words, Dwight David Eisenhower. You know how America remains the hope of ``liberty-loving people everywhere." Half a century ago, the world had the chance to stop a ruthless aggressor and missed it. I pledge to you: We will not make that mistake again. For you see, together we can successfully oppose tyranny and help those nations

who look to us for leadership and vision.

Thank you for your support and your prayers. And may God bless the land we so deeply love, the United States of America. Thank you all, and God bless you.

Note: The President spoke at 10:39 a.m. at the Baltimore Arena. In his remarks, he referred to Walter G. Hogan, Larry W. Rivers, James Kimery, and Cooper Holt, commander in chief, assistant adjutant general and executive director, vice commander in chief, and former commander in chief of the Veterans of Foreign Wars, respectively; Budd Dudley, executive director of the Liberty Bowl Festival Association; President Saddam Hussein of Iraq; and Gen. Maxwell R. Thurman, commander in chief of the U.S. Southern Command.

Exchange With Reporters Aboard Air Force One

August 20, 1990

Persian Gulf Crisis

Q. -- -- turn up the heat today by, in fact, calling these Americans held against their will hostages. What's the strategy behind that?

The President. I don't think it was any turning up the heat. It's a recognition of the fact that now demands are being made for the release of people. And that, I think, is the definition of hostages.

Q. But there was some reluctance on the part of the administration earlier because now it will require some kind of response, would it not, from Saddam Hussein?

The President. Well, it's only in the last couple of days that these demands have been made -- obviously, demands that are totally unsatisfactory to most countries in the world -- demands that these multilateral forces and U.S. forces, of course, included, get out and return to the status of Saddam Hussein's having invaded Kuwait. And that can't stand. So, he linked a demand to it. But it's a semantical thing. The situation is about the same as it was a few days ago.

Q. Are we prepared to stop the tankers, actually stop the tankers that -- --

The President. Well, just watch. You just watch and see. Please don't ask hypothetical questions because there's a lot going on there, and we're just going to -- --

Q. We've been shadowing them, though, for a day.

The President. You said it.

Lee Atwater

Q. Mr. President, let me switch gears. How is Lee Atwater? What do you hear?

The President. Well, I haven't heard anything in the last few days. I've been concerned, but I haven't heard anything in the last few days about him. He's still in the hospital, so I've got to get a report from our doctor here.

Presidential Campaigning

Q. Mr. President, can I ask you, on the front, is there anything incongruous about going and doing

political fundraisers and bashing Democrats at a time of national crisis like this? Are you at all uneasy about it?

The President. I don't feel I've bashed Democrats too much. But life goes on, so I'm not uneasy about going to political fundraisers, no. I have to do that. Reelections are coming up in a couple of weeks, and I want to help Republicans. I want to help people that look at these problems the way I do.

Relations With the Press

Q. So, you're back talking to us again now? The silent period is over or -- --

The President. How long did the silent period last? What silent period? Which one?

Persian Gulf Crisis

Q. Mr. President, in your speech, when you talked about personal sacrifice, were you making a specific reference to those Americans being detained? Are you concerned, sir, that this may require a sacrifice on their part, that we may in fact lose some of these -- --

The President. I'm just going to let the words stand just exactly for what they say here. I'm not going to go beyond what I've said on it. There's no point in heightening all this. We'll just leave it there.

Defense Budget

Q. On the budget talks, are Pentagon cuts now off the table, but taxes still on the table?

The President. No, as I said, Pentagon cuts are not. But reckless Pentagon cuts are -- we just can't tolerate them. And I think that most Members of Congress will return and understand this now.

Persian Gulf Crisis

Q. When did you decide to call them hostages? Last night we were told that you did not regard them as hostages.

The President. Well, I think that when we had a meeting there last night, and then this morning I decided: Look, as long as these demands are being made, why, it's semantical. Why not just say that?

Q. What about them asking us to close our Embassies?

The President. What?

Q. In 5 days they want all the outside Embassies closed -- foreign -- --

The President. For all over, yes. That's unacceptable.

Q. Calling up Reserves?

Q. Are we going to stay?

The President. Well, I'll have something to say on that later on.

Q. Today? Later on today?

Q. Are you trying to get more of an international and United Nations leadership -- --

The President. We're in the United Nations right now, and the United Nations has performed very, very well. And it's important because that keeps world opinion strongly with us. I found out today -- talking to Margaret Thatcher reiterated that.

Thank you all.

Note: The exchange took place approximately at noon en route from Andrews Air Force Base, MD, to Providence, RI. In his remarks, President Bush referred to President Saddam Hussein of Iraq; Prime Minister Margaret Thatcher of the United Kingdom; and H. Lee Atwater, chairman of the Republican National Committee, who was undergoing treatment for cancer. A tape was not available for verification of the content of this exchange.

Remarks at a Republican Party Fundraising Luncheon in North Kingstown, Rhode Island

August 20, 1990

Thank you all very much. Thank you for that warm welcome back. Ed, thank you especially. This may have escaped some, but it has not escaped Barbara and me: Ed DiPrete was perhaps my earliest supporter, or certainly one of them, when I started the quest for the Presidency.

I'm delighted to be here. Slightly -- only slightly -- disappointed. I kind of expected to be driven up here in Winnebago One. [Laughter] And though Nick Janikies tells me that the club's chef makes terrific broccoli -- [laughter] -- I understand that the Winnebago is the best place around to get a homemade bologna sandwich. [Laughter] But really, it is a pleasure to be here and to see so many of our other good Rhode Island friends.

You know, I was asked, I think, an appropriate question -- not all questions are appropriate, but this one was -- by the press coming up. And they said, ``Well, don't you feel a little funny going to a political event at this time?'' And I knew exactly why the question was asked, and I certainly respect it. But life goes on, and we have an election coming up in the fall. And I think it's important that I conduct my duties of the Presidency in the best way I possibly can. But you can't exclude the fact that there's a lot of things happening. And a lot of it gets right back to the kind of elected officials that we're going to have in the future. And so, I didn't think about changing this event.

And I'm delighted to be here and see so many friends. Of course, Senator Chafee and I go back longer than either of us would like to admit, I'm sure. Claudine Schneider -- more later. Ron Machtley, who's doing such an outstanding job as a member of the Armed Services Committee and a great Member of the United States Congress, and Norma and Elinor and Ned Grace, who's done such a great job chairing this event. And I might also mention another. If she can save the bay, she ought to be able to save Congress -- I'm talking about Trudy Cox, sitting over here, and wish her well. But you know, with a strong leadership team like this, elected officials and party leaders, Rhode Island's party, I believe, is headed for victory in November; and it's very important.

I want to give a special thanks to Traf -- mayor, my old friend Mayor Traficante -- for letting us play through, so to speak. He's got his own golf tournament working, and two things worried my Secret Service agents about that tournament. First, that it's a ``shotgun'' start. [Laughter] And second, that Jerry Ford might be teeing off on the 18th while we're here. [Laughter] But we're safe. And, Traf, good to see you.

What a great sight it was as we came in. I must say I was very moved by the response from your fellow Rhode Islanders. And to see the bay, the clean beauty of that bay, as we came in -- a sight

that we must not and cannot take for granted. And I remember, as you do, last year's oilspill and how Ed, the man on my right, immediately leaped into action and tapped into Federal resources and, indeed, many say, prevented a catastrophe. And that kind of sums up Ed DiPrete: committed to the environment, a take-charge leader.

I've seen his leadership first-hand. I saw it at our education summit with the Governors last year -- the first such summit ever held -- the one in Charlottesville. He had a tremendous impact with his innovative public-private partnership, the Children's Crusade for Higher Education. And he has a great record in other areas of urgent priorities, where he stands shoulder to shoulder with me, and I'm thinking of our battle that we must win in the war on drugs. One of the most aggressive fighters in the anti- narcotics field is Ed DiPrete. His national leadership for the rights of the people with disabilities is well-known. And I might say parenthetically, I was delighted to have worked for and then the other day signed the ADA bill [Americans with Disabilities Act of 1990] -- long overdue, but a wonderful bill to help those with disabilities in this country.

And all of us familiar with the area know that New England has had a tough time in a lot of ways economically. But I'm proud of the way that he's revitalized economic growth in this State where the American Industrial Revolution began and, in the process, has restored Rhode Island's bond rating, which is a good indication of how others, how the markets, feel about this State. And so, after all, if you want to talk business in Rhode Island, talk to a businessman, talk to the Governor. And I want him there, reelected, strong, at my side as we face the problems coming up for the rest of the nineties.

And now I turn to another Rhode Islander because, very candidly, we need Claudine Schneider in the United States Senate. She's a special friend of mine and of Barbara's and, I'd say, of Rhode Island's. She's one of your best exports. In Washington we're amazed by her vitality, her passionate enthusiasm, and that astounding, almost frustrating energy level of hers that leaves others in the dust. I think I work hard. And I try to. Sometimes play hard. But try to keep up with Claudine, it's impossible. Try to overtake her in a 3K or a 10K or a marathon, it can't be done.

But it's not just in a road race that she's leading the pack. She's a principled, independent leader in the finest tradition of John Chafee, the finest tradition of Rhode Island -- tenacious, fierce individualism. She's setting the pace in areas like education and like fighting crime and especially in the worldwide struggle to preserve and protect the environment.

Claudine has been a great Member of the United States Congress. She'll be a great Senator. Rhode Island needs her voice and leadership, and I really do need her in the Senate. The difference between the Senate today and the Senate when it was controlled by the Republicans for a Republican President is night and day. And so, we need her for her own merit, but we also need her to get us back in control of the United States Senate. So, get the message out. Go on and have some more debates, Claudine. You did just great in the debate, and I hope you have more.

Today I want to just mention a couple of challenges. We've been talking about them here, challenges that our able Members face -- Members of Congress. But today two of them -- really two of the most critical issues that our nation has faced in decades -- I'm talking about our own fiscal affairs, our own budget deficit; and then, of course, the subject that's on everybody's minds, the question of the Middle East.

I have stated here the frustrations of dealing with a Congress that's controlled by the other party and controls the purse strings. And I'll work with the Congress. I have tried to work cooperatively and with compromise with the United States Congress, and I will continue to do that. But we were working towards a budget summit, an economic summit, a summit that would solve once and for all the budget deficit. And that broke up when Congress decided it was time to go on and have the recess. But the Congress comes back soon. And what I want to say to you is: I have not lost my interest in seeing us get a budget agreement that is going to reform the budget process, get the deficit down, and get it under control once and for all. We owe that to the younger generations here today.

This is a national problem, and it isn't going to go away. And sure, it's been affected by events that are happening halfway around the world. But we must not let those events reduce the urgency that we all feel about getting the Federal deficit under control.

I don't intend to dwell on it here, but let me just point out that the House has passed appropriations bills this year exceeding my request by $14 billion in spending. And the Senate Budget Committee voted a new legislation weakening the budget process. In my view, this is going in the wrong direction. I think we've got to turn around now, get an agreement, and get some reform and get some incentive built into the system.

I know some people think I'm a broken record. But if there ever was a time that you need to stimulate economic growth it's now, and one of the best ways to do that is to reduce the tax on capital gains. It will bring in revenue, and it will create jobs.

You know, I've been blessed by a steadfast group in the House and in the Senate, and I'm very grateful to them. But I must say that if the spending bills continue like this, I have to say, as I've said before in Washington a few weeks ago, that I will veto every single spending bill that busts the budget. We're in that tough a shape now, and I'm going to do it. So, they can mark it down and put it in the bank.

So, I think cooperation is still possible. As I said down there in Washington a couple of weeks ago, I've been pleased with the way some of the Democratic leadership has approached this process. I think Senator Chafee would agree with me, and I think Claudine would agree with me and Ron would agree with me: that there's been some good faith effort in terms of negotiation. But it is essential now when the Congress comes back that this cooperation be renewed and that it continue because it is our country that's at stake.

Every day now, we're witnessing an extraordinary unity of individuals and of parties and of nations, showing what can happen when people put personal goals aside in pursuit of something bigger. So, even while we're here in this extraordinarily tranquil setting, our thoughts are, indeed, over in the Middle East, where other Americans are seeing not this serene beauty of Narragansett Bay but an arid landscape where the hot desert winds carry, regrettably, the threat of conflict. No sane person likes the specter of confrontations, and yet as we try to chart the course of our existence, we must be guided by the imperatives of a strong moral compass.

It was not with passionate haste but really with a heavy heart that I had to commit our troops to Saudi Arabia. I took this action not out of some national hunger for conflict but out of the moral responsibility, shared by so many committed nations around the world, to protect our world from fundamental evil. We cannot remain silent, for peace is more than just the absence of war. And its preservation really exacts on great countries like ours a certain obligation.

It is this obligation that the finest troops -- if you talk to the Joint Chiefs, they'll tell you, every one of them, whatever their service, that we have the finest young men and women that the service has ever had, an all-volunteer Army, all-volunteer force, if you will, and the finest young kids ever, suited up and serving. So, it is this obligation that brave men and women are shouldering today in Saudi Arabia -- the finest -- finest men and women.

But they don't act alone. And this is another key point; Ed and Claudine both referred to it. Nations of every language, of every religion, size, and form of government have joined in renouncing the aggression against Kuwait. It is also important to note that 12 Arab countries condemned Iraq -- 12 condemned Iraq at the Arab summit and at the United Nations Security Council. And I want to commend Ambassador Pickering and the fine work that our delegation is doing at the United Nations, because it is important that we bring along and lead our friends around the world in this regard. The United Nations Security Council approved chapter VII sanctions on Iraq because of its aggression. It was the first time that's happened in, I think, something like 23 years. We've seen an extraordinary expression of world unity, and I am hopeful that together the United States and the many other peace-loving nations committed to this noble effort will prevail.

I wanted to talk about this because of your State's own history: commitment to individual rights. Your State may be small -- Kuwait is small -- but your ideals loom large. And you've always responded to the call of moral responsibility. In the early days of this country, Rhode Island answered threats upon individuals by fiercely defending each person's right to believe what he wanted and worship as he or she wished. Just a few minutes ago, in here, I met with leaders of the Touro Synagogue -- an impressive, moving story -- the oldest synagogue in continental America, a symbol of your State's lifelong affirmation of the inalienable rights of all people. And Rhode Island also responded to the moral obligation to defend these rights when the world was called upon to confront staggering aggression during World War II. Your State answered by sending 58,000 of its finest sons and daughters into battle.

The world is now called upon to confront another aggressor, another threat made by a person who has no values when it comes to respecting international law, a man of evil standing against human life itself. I am convinced that the same moral underpinnings that have underpinned this State for years and underpin our great country is the compass that's going to guide us. And I believe that our presence in the Middle East sends a great signal of commitment around the world.

I must tell you that I'm troubled by Americans that now seem to be held against their will and other foreigners held against their will.

I'm grateful for our friends. This morning, I had a long talk with President Ozal of Turkey on the telephone. If you'll look at the map and then see the courageous stand taken by President Ozal and the Turks, you will understand what it means to work cooperatively with other countries, and you'll understand why I am grateful for the full cooperation of this strategically placed ally.

Another talk I had this morning -- and one of the reasons I was a little late on this trip -- was with Margaret Thatcher. You talk about somebody that stands tall when the going gets tough, and you talk about somebody that knows what it is to have a moral compass. Thank God for allies and friends like Margaret Thatcher when the going gets tough. And right now, it could get fairly tough over there.

I might say parenthetically, I feel blessed as your President by the quality and the character of the leadership in our own government. I can do my job knowing that options come my way; knowing that our team stays together; and knowing I'm relying, perhaps, on the finest Cabinet and the finest people in the Pentagon that any President could have to work with. And I am very grateful to each and every one of them as we approach some very tough decisions that lie ahead.

The bottom line is life goes on. And so, we're here today talking some politics. We're here today talking some fiscal sanity. We're here today to say a prayer for the United States and all the people around the world that are supporting us in our bid to provide a moral compass for the rest of the world.

I am grateful. I am privileged. Even though this time may be a little difficult, I am privileged to be your President in one of the most fascinating times in history. I'll do my best I possibly can. And thank you for your warm hospitality.

Note: The President spoke at 1:45 p.m. on the grounds of the Quidnessett Country Club. In his remarks, he referred to Nicholas Janikies, president of the country club; Norma Willis, State Republican Party chairwoman; Elinor Clapp, Republican national committeewoman; Ned Grace, the luncheon chairman; Trudy Cox, candidate for the House of Representatives and former executive director of Save the Bay; Michael Traficante, mayor of Cranston, RI; former President Gerald Ford; and Prime Minister Margaret Thatcher of the United Kingdom. Following his remarks, the President traveled to his home in Kennebunkport, ME.

Statement by Press Secretary Fitzwater on President Bush's Conversations With President Francois Mitterrand of France and Senator Robert Byrd on the Persian Gulf Crisis

August 20, 1990

President Bush this afternoon telephoned President Mitterrand of France. They spoke for about 30 minutes. President Bush said he appreciated the firm response and leadership that France has taken in this crisis. The two Presidents also discussed their concern about foreign nationals being held hostage in Kuwait and Iraq.

The President also called Senator Robert Byrd, who was in Amsterdam on his way to Turkey. The President discussed the situation in the Gulf with the Senator and certain other matters that might be raised during his trip to Turkey.

Letter to Congressional Leaders on the Mobilization of United States Reserves

August 22, 1990

Dear Mr. Speaker: (Dear Mr. President:)

I have today, pursuant to section 673b of title 10, United States Code, authorized the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service within the Department of the Navy, to order to active duty units and individual members not assigned to units of the Selected Reserve to perform such missions the Secretary of Defense may determine necessary. The deployment of United States forces to conduct operational missions in and around the Arabian Peninsula necessitates this action.

A copy of the Executive order implementing this action is attached.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on the Mobilization of United States Reserves

August 22, 1990

The President today authorized the Secretary of Defense to call Reserve units of the Armed Forces to active duty. The order permits the Secretary of Defense to call to duty selected members and units of the Reserve components of the Army, Navy, Air Force, and Marine Corps as needed to support United States and multinational operations now underway. The President signed the order after the Secretary of Defense advised him that the effective conduct of military operations in and around the Arabian Peninsula may require augmentation of Active components of the Armed Forces. The actual number of Reserve personnel to be called to active duty will depend upon the operational needs of the Armed Forces, but at this time, we do not anticipate approaching the full 200,000 authority provided by law.

The Total Force Policy, which was established in 1973, allocates various military capabilities among the Active, Reserve, and National Guard components that together make up the Armed Forces of the United States. Under this policy, the capability to perform certain critical military activities has been concentrated in the Reserve component. Activating reservists to support operations such as those now underway has been a central feature of this approach.

The skills concentrated in the Reserve component include airlift, food and water handling, surface transportation, cargo handling, medical services, construction, and intelligence. By making judicious use of the President's authorization, the Secretary of Defense will be able to ensure that essential capabilities such as these and others are available to support our operational requirements.

The President issued the order authorizing the Secretary of Defense to call Reserve units to active duty in accordance with section 673b of title 10 of the United States Code. The order also authorizes the Secretary of Transportation to call to active duty elements of the Coast Guard Reserve. Another order signed by the President permits the Secretary of Defense greater flexibility in military personnel management actions.

Note: The Executive orders are listed in Appendix E at the end of this volume.

The President's News Conference on the Persian Gulf Crisis

August 22, 1990

The President. Let me make a brief opening statement, and then I'll be glad to take any questions.

First, Secretary Cheney and General Powell have just given me a very full and, I would say, encouraging briefing on the status of our deployment to the Persian Gulf. This has been a very complicated mission calling for precision, calling for maximum coordination with Saudi Arabia and the other nations providing forces. The process has gone smoothly, and we've now moved what amounts to a medium-sized American city, completely capable of sustaining itself, all the way over to the Middle East.

And the Secretary reports that the men and women in the Armed Forces have performed with extraordinary ability, their morale is high, and they've accepted the challenge of their mission with extraordinary dedication to duty. And I'm very proud of each and every single one of them, and I want them to know that the American people are behind them 100 percent, supporting them strongly.

And it's also crucial that everyone understand that we are not in this alone. We stand shoulder to shoulder right there in the Middle East with the armed forces of 22 other nations from the Middle East, from Europe, and around the world.

Secretary Dick Cheney reports an impressive alliance of multinational forces that stands behind the United Nations resolve that Iraq completely and unconditionally withdraw from Kuwait with the restoration of the legitimate government in that country. The United Nations has provided enormous leadership to the whole world community in pursuing this objective and voting the sanctions necessary to carrying it out. And let's be clear: As the deployment of the forces of the many nations shows and as the votes in the United Nations show, this is not a matter between Iraq and the United States of America; it is between Iraq and the entire world community, Arab and non-Arab alike. All the nations of the world lined up to oppose aggression.

And as our forces continue to arrive, they can look forward to the support of the finest Reserve components in the world. We are activating those special categories of reservists that are essential to completing our mission. The United States considers its Reserve forces to be an integral part of the total military command. These essential personnel will soon be joining the cohesive organization required to support the military operations in and around the Arabian Peninsula, and I have the highest confidence in their ability to augment the Active forces in this operation.

We continue to pursue our objectives with absolute determination. I might add that I talked to the

four leaders of Congress today, and I am very pleased that they are giving us the strong support they have been -- the Speaker, Senator Mitchell [majority leader], Senator Dole [minority leader], Congressman Michel [Republican leader]. And the world simply cannot waiver in its opposition to the threat that Iraq has placed on the doorstep of all nations who cherish freedom and the rule of law.

Now what I plan to do is take some questions, and then I know you'll have more questions for Secretary Cheney and General Powell. And then the discussions that we've had with these two gentlemen and with Secretary Eagleburger and General Scowcroft, our Chief of Staff, and Bob Gates will continue for a little while this afternoon before they return to Washington.

But Dick, I am very grateful to you for your successful mission. And, both to you and Colin, my sincere thanks for the superb leadership you are giving the United States military, the superb leadership you are showing in working with other countries as we pursue these high moral objectives.

Q. Mr. President, the Soviets have voted with us in the Security Council for the economic sanctions, but we learned today that they have 193 military advisers still advising the Iraqi army on how to use Soviet-built weapons against the allied forces. Do you call upon them to pull those people out?

The President. Frankly, I'd like to see Iraq do what is civilized and permit foreigners who want to leave, leave. But I'm not going to comment on that because I don't have this information that you're telling me about. Maybe Dick Cheney can comment on it later.

Q. Can I just follow, sir?

The President. Yes.

Q. You've talked to at least a dozen world leaders right from here in the past week and a half. Have you called President Gorbachev, and will you call President Gorbachev for his help in the crisis?

The President. Secretary Baker talked to Foreign Minister Shevardnadze less than 2 hours ago. And we are in close touch with the Soviets. At this point, I can say we are getting superb cooperation from the Soviets. There may be some differences. In fact, I think it's fair to say we've been discussing some of them regarding the timing of certain further U.N. action. But I have no argument with the way in which they have cooperated, and I would expect that Secretary Cheney would agree on that point.

Q. Could I follow on that, sir -- talking about the U.N., the action that you would hope to have. The U.S. forces fired across the bow of a ship that then was allowed to continue on, is now in

Yemen. Why did they not pursue that farther? Do you want to wait until you now have that U.N. authority?

The President. Well, you know, we feel we have all the authority we need; and the world leaders I've talked to, particularly Francois Mitterrand [President of France] and Margaret Thatcher [Prime Minister of the United Kingdom], agree that we have all the authority we need. We have been trying, and I think prudently so, to work with other countries around the world; and the more unanimity we get out of the United Nations, for example, the better. So, we're prepared to intercept shipping. But where I stand now is: I'm talking to my top advisers here and been on the phone to Secretary Baker a couple of times in the last 2 hours, talking about should the United Nations -- should we give the United Nations more time to take more productive action. And it has taken productive action, obviously; the chapter VII was a significant step. So, I think we've made clear to the shipping that they can be stopped and that we have the forces to stop them right now. And I believe that General Powell would back me up on what I've just said.

So, my question is: How much more United Nations action is required? And so, I'm going to continue the discussion, asking for the advice of my officials here. But at this juncture, I'm not prepared to say whether we're going to insist on U.N. action before we go further. But I think the signal must go out to the world that many countries are prepared to fully enforce these sanctions. And if there's some U.N. action that will help, so much the better.

Q. How long would you wait for that U.N. action?

The President. We haven't made a determination. I think the signal is out there -- as we pursue certain vessels and clearly have the demonstrated ability to board these vessels -- that we can do it. So, now the question is: How much more U.N. action benefits this idea of the world staying more closely together? And I might be prepared to give a little time, speaking just for the U.S. -- we're only one country there, important one though it may be -- in order to get more collective action. But on the other hand, I need more advice in terms of the logistics: where these ships are, what the signal would be if we go ahead and take action to stop them, which we could confidently do.

Q. Mr. President, despite demands from the Iraqis that the U.S. and other countries close their Embassies in Kuwait and remove all their diplomatic personnel, the State Department announced today that the U.S. would not do that. Why have you decided to take that course of action, and how can you possibly enforce that?

The President. Because the occupation of Iraq is illegal under international law, and other countries agree totally that we must not take the position that this illegal regime can shut down legitimate Embassies as a result of their aggression. That's why.

Q. But with Iraq in military control of Kuwait, how can you possibly hope to enforce that?

The President. My view is let's wait and see what happens. I don't go into these hypothetical questions. I'd like to explain this because I know there's a lot of them out there -- as to what I might not or might do under certain circumstances. But here, I think most countries that I'm aware of, and I defer to Secretary Eagleburger, would agree that they will not go along with agreeing to this kind of affirmation of Iraq aggression -- aggression that has been thoroughly condemned by the United Nations.

Q. I'd like to ask, please, about your hostage policy. You were very firm the other day in warning Saddam [Saddam Hussein, President of Iraq] not to harm the Americans. But I wonder: As Commander in Chief, sir, do you consider the U.S. has been provoked right now?

The President. Consider what?

Q. Has been provoked. Has the United States been provoked now by -- --

The President. I don't think it's a question of the United States; I think it's a question of the world is being provoked by this illegal action -- outrageous action.

Q. Do you have a plan for getting them, sir?

The President. I don't discuss hypothetical contingencies. But I would reiterate, it is a grave concern to all the countries whose leaders I've talked to.

Q. Mr. President, will the United States give safe haven to our citizens in Kuwait and Iraq in the Embassies if -- --

The President. If citizens came to the Embassies seeking support and help, clearly we would do that.

Q. Do you have plans to draw down the number of Americans in our Embassy in Kuwait?

The President. I'd like to defer that question to Secretary Eagleburger when I continue this. There has been talk of it. Indeed, I think we're talking about taking down some personnel. But I'd like to ask him to be a little more definitive.

Q. Mr. President, how constrained do you feel by the Americans trapped in Kuwait as you make your decisions?

The President. I think any decisionmaker in the United States or in any of these countries is concerned about the lives of innocent civilians, innocent people. And so, you weigh that very thoroughly against your actions. Having said that, international law, in this case the chapter VII

sanctions, must be enforced.

Q. Mr. President, you said last Wednesday at the Pentagon that part of what we're fighting for, or standing for, in the desert is our way of life. Part of our way of life is heavy usage of energy, much more so than any other industrialized country. We haven't really heard you call upon Americans to conserve as part of this crisis. Will you do so now?

The President. I call upon Americans to conserve.

Q. You won't elaborate?

The President. No. I think we ought to conserve in times like this. On the other hand, we're doing everything we can to guarantee that we don't panic Americans and that there will be an adequate supply of hydrocarbons. But I think it is a good time to conserve. So, I'm glad you reminded me of that, and I would call upon Americans to conserve. And I think that doesn't mean that life screeches to a halt. And, therefore, I would say that. But I also think that we're going to be able to guarantee an adequate supply of petroleum.

Q. Mr. President, how many Reserves are going to be called up as a first step in the next few weeks?

The President. I will defer that question to Secretary Cheney.

Q. Mr. President, do you sense any frustration or even desperation in the recent statements we've been hearing out of Iraq?

The President. I certainly sense a sense of isolation. I think the urgency in these statements and the high immoderate tone is due to worldwide isolation, and I think that's very clear. And I think he's trying to whip up support and make this Iraq versus the United States. Indeed, it is Iraq versus the rest of the world. I talked to leader after leader after leader -- talked at length to Helmut Kohl [Chancellor of the Federal Republic of Germany] today, and he's been making just that point and will continue to make that point. But, yes, I think there is some of that feeling: that as they become isolated from their Arab brothers -- and they are -- and as they become isolated from traditional trading partners -- and they are -- there is a sense of irrational urgency there.

Q. How seriously do you take his public threats?

The President. The United States won't be threatened.

Q. Mr. President, the other day you called on Americans for personal sacrifice, but you didn't really elaborate. Were you talking about economic deprivation or were you perhaps -- --

The President. No, I was not particularly talking about economic deprivation. I'm thinking of families whose plans have been severely altered by this. I'm thinking more of that kind of thing when I made the statement.

Q. Are you preparing Americans for the possibility of war and American deaths?

The President. I think anytime you move American forces and anytime you are up against what most of the world now considers to be an outrageous violator of international law that the best thing is to be prepared.

Yes, Charles [Charles Bierbauer, Cable News Network]?

Q. Mr. President, King Hussein today in Jordan suggested that perhaps you moved too precipitously, in his words, that if there had not been this buildup that we might not be in the situation we're in and that Saddam Hussein might have withdrawn. Was there ever any signal, anything that was suggested that that might have been the case?

The President. No. And the King regrettably did not have much support in the Arab world for that position. You recall the vote at the Arab summit. He certainly had no support for that position in the United Nations and as the United Nations moved toward chapter VII. I would simply remind people who hear that allegation that it isn't just the United States, it's the rest of the world.

But when we are invited by a friend to help defend it against aggression that has recently taken place and that threatens to take place again, we're going to respond. And that's a good signal to send to friends around the world. And I might say the request for support was not taken without reason. The Saudis were very much concerned. And let me just recite the history for the American people here.

Saddam Hussein had said, ``We're withdrawing." I believe it was on a Sunday. And they had a picture of one truck, people frantically waving goodbye to the beloved brothers in Kuwait as they went north. And at the same time, there was truckload after truckload of armor and mechanized equipment moving south. Now, we're not dumb when we see that, nor are the Saudis, nor are the other countries that are rejoicing, as Dick Cheney will tell you, in the fact that we moved. But I think it's important to keep reminding people of why the Saudis felt threatened and probably today still feel threatened.

Q. If I could follow up, sir -- --

The President. Let Charles follow up, and I'll be right over, Ann [Ann Devroy, Washington Post].

Q. -- -- just to get another sense of the enormity of this buildup. The reports have come during the Secretary's visit that the Saudis wanted -- and we're preparing to send them -- the most advanced

fighter, the F - 15E. Is that, in fact, the case? And isn't there a political problem with that?

The President. I will let Secretary Cheney address himself to it. But the Saudis have been threatened; a neighboring country has been aggressed against. International law has condemned it. We should do all we can to help the Saudis arm themselves against aggression. So, he can talk about 15E's or some other weapon system; I want to do everything I can. And I hope there would be no political problem because the world clearly sees that the Saudis have been strongly threatened, Charles.

Q. Prince Bandar [Saudi Ambassador to the United States] is on his way into Moscow. King Hussein says he's going back to Baghdad. Is there a new stage of diplomacy that's beginning now?

The President. There's a lot of activity, Ann, going on, a lot of diplomatic activity. I'm continuing to conduct a good deal of it; Secretary Baker is. I mentioned his recent call with Shevardnadze. Other countries are reaching out to friends, trying to be sure that we all stay together in this; and indeed, the Japanese, I might say, have a very big diplomatic initiative going now. And I must say once again that I think Prime Minister Kaifu's [of Japan] willingness to help some of these countries that might be victimized by a full enactment of the sanctions is very good. The Turks, as I've told you, have been heavily involved. I talked to Mr. Mitsotakis [Prime Minister] in Greece today, who have been cooperative. So, there's an awful lot of diplomatic activity behind the scenes.

Q. And does it help to have King Hussein going back to Baghdad?

The President. I have no feelings about that. I -- --

Q. -- -- a message?

The President. No, there was no message or anything of that nature. As you remember, there was a lot of speculation that the King was coming here bearing a message, and I can tell you unequivocally there was no request on my part for a message to go back -- other than one: our determination to stay joined up with others to see that this aggression is reversed and that the rightful rulers of Kuwait are returned.

Yes, Jim [Jim Miklaszewski, NBC News]?

Q. Mr. President, you mentioned concern for the families here in the United States a few minutes ago. Traditionally, those families have been able to rely on open press coverage of young men and women who are sent into the breach, such as they've been now. Despite their earlier hospitality, the Saudis are now restricting press coverage and are saying that they will probably order foreign press out of that country, perhaps by the end of this week. Is there anything you can

do to ensure that Americans will have free, complete, and open press coverage of their young men and women abroad?

The President. We are the guests of Saudi Arabia, in their country. I think Dick can address himself to that question because it has been discussed. And the more coverage the better, as far as we're concerned. However, when people travel to countries like Iraq and countries of that nature, I hope the press coverage will be totally objective, just as it is right here in this marvelous setting.

Q. Are you saying then that we're at the total mercy of Saudi Arabia, that there's nothing we can do to ensure -- --

The President. No, I'm not saying that. I'm saying I'll let the Secretary address himself to this question.

Q. Has the coverage not been -- --

The President. I'm saying I hope the same tough questions are asked in every country as they are in this country. And I'm speaking of Iraq particularly.

Q. Are you saying they were not?

Q. Is that a criticism of the press coverage, Mr. President?

The President. No, that's not criticism, Jim. I've learned long ago that you've got the loudest mike, and I just am standing here. So, I'm not criticizing. Don't be so sensitive about it. [Laughter]

Q. How was the coverage?

The President. The American people know what the American people see. And so, all I'm simply saying is: Don't be sensitive. It's not a criticism; it is an objective statement.

Q. Mr. President, why is Iraq still being allowed to receive supplies through Jordan?

The President. I'm not sure they are, and I hope they're not. And very little is going into the Gulf of Aqaba these days -- don't be sensitive -- and so it is a question, though, that if it is going in it clearly violates not only the sanctions but what King Hussein told me.

Q. Is it your understanding that it's been stopped? I mean, many of our colleagues at the border say -- --

The President. Yes, there's a difference of view on it. And I'm not sure I know the total facts on

that because we were discussing it a few minutes ago.

Yeah, Mike [Michael Gelb, Reuters]?

Q. Mr. President, when you made the announcement that you were sending U.S. troops to Saudi Arabia, you said their mission was not to kick the Iraqis out of Kuwait. Do you still rule out the use of U.S. military force to evict the Iraqis?

The President. I don't rule in or rule out the use of military force. And I learned long ago not to tie oneself down by stating what I will or will not do in that regard.

These two last, and then I'll go peacefully, Marlin [Marlin Fitzwater, Press Secretary to the President]. One and two.

Q. Mr. President, we asked you last week if you saw any hope of a diplomatic solution. You said, ``I don't see it right now." Do these statements from Baghdad that they are willing to put their cards on the table increase the hopes there will be a diplomatic solution?

The President. If they're willing to put all their cards on the table, that's good. I didn't hear that; but if they're willing to put them all out there, including complying with international law, that would be good. And in terms of readiness to talk, we've got a very able person [Joseph C. Wilson IV, U.S. Charge d'Affaires] there in Baghdad who is prepared to talk. And they came in the other day and said they'd like to talk. Well, there he is, available to talk. But please, don't tell us that they're going to talk with conditions that are unacceptable under international law, because that is not the way it would work. And the world community has made a strong statement, a very strong statement, and I don't sense any view in the world community that it's going to back away from that statement. And that statement included removal of Iraqi forces from Kuwait and the restoration of the rulers.

Yeah, Charles? Last one.

Q. Mr. President, somebody's got to ask the tough question. You've talked about conservation. Does that include Fidelity?

The President. I'm going to keep using my boat, and I hope the rest of America will prudently recreate. I don't think we've reached the point where I want to call on everybody in the recreation industry to shut it down or everybody that's taking a vacation in America to shut it down. So, it's not a tough question; it's a very fair question. And I would simply say that there's a lot of industry, a lot of people that have been looking forward to vacations in this country; and I would not suggest that the situation at home requires they stay at home now or that they don't use their recreational facilities.

Q. We're not in any energy -- --

The President. No, now, we are not.

Q. In what condition are those 54 missing Americans? Have you been told? And is the number still 54?

The President. I can't answer the question about the condition. Maybe Larry can expand on this later on. He says we don't know.

Thank you all very much. And now I will turn it over, again with a vote of thanks, to Dick Cheney and to Colin, who are doing a superb job, and to both of whom the American people owe a strong vote of thanks, and people around the world, too.

It's all yours. Good luck.

Note: The President's 58th news conference began at 2:07 p.m. at his home in Kennebunkport, ME. In his opening remarks, he referred to Secretary of Defense Richard B. Cheney; Gen. Colin L. Powell, USA, Chairman of the Joint Chiefs of Staff; Deputy Secretary of State Lawrence S. Eagleburger; Brent Scowcroft, Assistant to the President for National Security Affairs; John H. Sununu, Chief of Staff to the President; and Robert M. Gates, Assistant to the President and Deputy for National Security Affairs.

Statement by Press Secretary Fitzwater on the United States Commercial Space Launch Policy

August 22, 1990

The United States seeks a free and fair international commercial space launch market to further the use of outer space for the betterment of mankind. At the same time, because space launch technologies have significant military applications, important U.S. national security considerations must be addressed by our commercial space launch policy.

Over the past several weeks, the President has had detailed discussions with the Vice President and other senior advisers on U.S. commercial space launch policy developed by the National Space Council. The President has authorized the Secretary of State to approve a license application for participation by a U.S. firm in Australia's Cape York space launch project, provided certain agreements necessary to ensure U.S. national security interests are reached.

Specifically, the U.S. will seek agreements to ensure that:

(1) The U.S.S.R. will provide launch services (boosters, equipment, technology, or training) only from Cape York or any other single location,

(2) The U.S.S.R. and Australia will observe the Missile Technology Control Regime, and

(3) U.S. regulations on technology transfer to the Soviet Union will be observed.

The United States hopes and expects that these agreements can be concluded quickly so that the license can be granted. To permit continued U.S. participation, the United States in the coming months will also be seeking agreements to ensure free and fair trade in the international commercial space launch market. Details of the U.S. commercial space launch policy will be announced in the near future.

Letter to Congressional Leaders Transmitting an Alternate Federal Civilian Pay Plan

August 24, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Under the Federal Pay Comparability Act of 1970, the President is required to make a decision each year on what, if any, pay adjustment should be provided for Federal employees under the General Schedule and the related statutory pay systems.

My pay advisors have reported to me that the following increases in pay rates, to be effective in October 1990, would be required under existing procedures to raise Federal pay rates to comparability with private sector pay

(TABLE START)rates for the same levels of work:

@h1

@h1Percent

GS - 1 .... 22.32

GS - 2 .... 22.78

GS - 3 .... 23.29

GS - 4 .... 23.86

GS - 5 .... 24.48

GS - 6 .... 25.16

GS - 7 .... 25.89

GS - 8 .... 26.68

GS - 9 .... 27.54

GS - 10 .... 28.45

GS - 11 .... 29.42

GS - 12 .... 31.55

GS - 13 .... 33.94

GS - 14 .... 36.60

GS - 15 .... 39.55

GS - 16 .... 39.55

GS - 17 .... 39.55

GS - 18 .... 39.55

(TABLE END)

However, the law also empowers me to prepare and transmit to the Congress an alternative plan for the pay adjustment if I consider such an alternative plan appropriate because of ``national emergency or economic conditions affecting the general welfare."

Pay raises of this magnitude are clearly unacceptable. They would be detrimental to our efforts to set Government spending at levels that promote noninflationary growth. Further, if a fully responsible deficit reduction program is not enacted by the Congress, we will face a massive across-the-board cut in Federal spending that will adversely affect almost every Federal program. Excessive Federal pay raises would only exacerbate these effects.

Accordingly, upon consideration of the reports of my Pay Agent and the Advisory Committee on Federal Pay, I have determined that the fiscal year 1991 Federal civilian pay raise will be made in accordance with the following alternative plan:

In accordance with section 5305(c)(1) of title 5, United States Code, the pay rates of the General Schedule and the related statutory pay schedules shall be increased by an overall percentage of 3.5 percent for each schedule, with such increase to become effective on the first day of the first applicable pay period beginning on or after January 1, 1991.

Accompanying this report and made a part hereof are the pay schedules that will result from this alternative plan. I am also including, as required by section 5382(c) of title 5, United States Code, the rates of basic pay for the Senior Executive Service that will take effect at the same time, assuming implementation of changes made to Executive Level pay by the Ethics Reform Act of

1989.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Press Secretary Fitzwater on United Nations Authorization of Enforcement of Economic Sanctions Against Iraq

August 25, 1990

The United Nations Security Council has passed Resolution 665 calling for enforcement measures to maintain the comprehensive sanctions against Iraq. The unanimous vote further underlines the deep concern of the world community regarding the blatant aggression by Iraq against Kuwait. The resolve of the international community is strong. The vote exhibits the commitment of the world to act effectively to achieve the complete, immediate, and unconditional withdrawal of Iraq from Kuwait. The United States pledges its complete support of the United Nations action.

Excerpt of a Statement by Press Secretary Fitzwater on Soviet President Mikhail Gorbachev's Endorsement of United Nations Economic Sanctions Against Iraq

August 25, 1990

President Gorbachev's statement yesterday supporting the United Nations sanctions was a very important development. We welcome his voice to the world condemnation of the aggression by Saddam Hussein. The United Nations resolution passed last night further strengthens the world resolve to force Iraq out of Kuwait. We are encouraged by the progress of events at the United Nations and by President Gorbachev's strong support.

Note: The statement referred to President Saddam Hussein of Iraq. It also provided additional information on President Bush's stay at his home in Kennebunkport, ME, which has been included in Appendix A at the end of this volume.

Initial Order for Emergency Deficit Control Measures for Fiscal Year 1991

August 25, 1990

By the authority vested in me as President by the laws of the United States of America, including section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law No. 99 - 177), as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100 - 119) (hereafter referred to as ``the Act''), and in accordance with the report of the Director of the Office of Management and Budget issued August 25, 1990, pursuant to section 251(a)(2) of the Act, I hereby order, pursuant to section 252(a), that the following actions be taken effective October 1, 1990, to implement the sequestrations and reductions determined by the Director in that report:

(1) Each automatic spending increase that would, but for the provisions of the Act, take effect during fiscal year 1991 is suspended as provided in section 252. The programs with such automatic spending increases subject to reduction in this manner, specified by account title, are National Wool Act, Special Milk Program, and Vocational Rehabilitation.

(2) The following are sequestered as provided in section 252: new budget authority; unobligated balances; new loan guarantee commitments or limitations; new direct loan obligations, commitments, or limitations; spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended; and obligation limitations.

(3) For accounts making payments otherwise required by substantive law, the head of each Department or agency is directed to modify the calculation of each such payment to the extent necessary to reduce the estimate of total required payments for the fiscal year by the amount specified in the Director's report.

(4) For accounts making commitments for guaranteed loans and obligations for direct loans as authorized by substantive law, the head of each Department or agency is directed to reduce the level of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and specified in the Director's determination of August 25, 1990.

In accordance with section 252(a)(4)(A), amounts suspended or sequestered under this order shall be withheld from obligation or expenditure pending the issuance of a final order under section 252(b).

This order shall be reported to the Congress and shall be published in the Federal Register.

George Bush

The White House,

August 25, 1990.

[Filed with the Office of the Federal Register, 10:25 a.m., August 25, 1990]

Note: The report of the Director of the Office of Management and Budget issued August 25 was printed in the ``Federal Register'' of August 27.

Statement by Press Secretary Fitzwater on the Continuation of United States Television Broadcasting to Cuba

August 27, 1990

The President signed on Sunday, August 26, a Presidential determination that the tests of TV Marti have demonstrated that television broadcasting to Cuba is feasible and will not cause objectionable interference with the broadcasts of domestic television licensees. Our international telecommunications commitments have been observed throughout the test period.

The President has determined that TV Marti broadcasts will continue in a manner which is consistent with our international obligations. TV Marti is an integral part of U.S. policy to provide free access to information for people who are denied that right. We regret the Cuban regime's decision to attempt to deny the free flow of information by jamming. But we recall the experience of Radio Free Europe and Radio Liberty in which the broadcasts were jammed for years, yet people were able to listen.

Note: The Presidential determination was printed in the ``Federal Register'' of September 20.

Remarks and a Question-and-Answer Session With Reporters in Kennebunkport, Maine, Following a Meeting With Prime Minister Brian Mulroney of Canada

August 27, 1990

The President. Let me simply say that, once again, Prime Minister Mulroney and I have had a very good discussion -- talked about bilateral matters, but also, obviously, about the situation regarding Iraq.

And Canada, a member of the Security Council, has been not only in a role of leadership there but side by side with the United States and others. I told the Prime Minister that I'm very grateful for Canada's position. As we all know, they've contributed to this -- I believe it's now 22-nation -- international force, both on the land and Canada's participation on the sea -- ours also -- as well as land. And so, we're very grateful to them.

And once again, as I say, we've had very fruitful discussions. And Prime Minister, welcome back to what -- when this was divined -- was to be a purely social event because we want to once again welcome Brian Mulroney and his wonderful family here. But we have some of that, but we also have had an opportunity to discuss in-depth world events.

Welcome, sir, and the floor is yours until we go to the questions.

The Prime Minister. Thank you, Mr. President. We've had, and will continue a little later on, some excellent discussions, both in regard to bilateral problems which are in the process of clearing up -- somewhat like the weather, although we have some important matters on our plate -- but also, principally, the matter in Iraq.

I, along with all members of the government of Canada and the people of Canada, were pleased -- very pleased -- with the decision of the United Nations Security Council to provide what I believe is quite unprecedented leadership. Certainly one of the most important days of the United Nations since its foundation have been the series of resolutions in respect of Iraq, where the United Nations as one -- Security Council -- dealt effectively and well with a rogue leader who sought to annex another nation and believed that he could conduct himself with impunity, both vis-a-vis his Arab neighbors and the world.

And the world turned against him in a quite extraordinary manner. And that is to the credit of the United Nations and those who -- pursuant to the lead of the United States under President Bush -- like-minded nations who participated in what we believe is a very important initiative to curb aggression in the Middle East.

And so, I'm happy to have this opportunity to review some very important matters with the President, thank him again for his hospitality. And I would be happy to take whatever questions come my way.

The President. Maybe we could set some ground rules here. What we did last time was to alternate the questions, and if that's agreeable with everybody, as it seems to be, why, we'll go ahead.

You're the guest.

Persian Gulf Crisis

Q. Prime Minister, if I could start by asking you whether there was some discussion of the conditions under which Canada's military presence in the Middle East might be enlarged?

The Prime Minister. No. We believe that our contribution for the moment is adequate, but as the Minister of Defense has indicated in the past, we haven't ruled out or ruled in anything else either. We are firmly resolved to resist the aggression and to join with our friends and allies in pursuit of that objective. But we seek, obviously, a peaceful resolution of this; and we're very pleased with the initiatives that may hold some promise from the Secretary-General of the United Nations [Javier Perez de Cuellar de la Guerra]. And the President and I have had an opportunity to touch on that briefly.

Q. Mr. President, aren't you concerned, by the action that you took today against the Iraqi Embassy [expulsion of Iraqi diplomats from the United States], that you're increasing the tension and lessening the possibilities for a diplomatic solution and you're also possibly giving the Iraqis more of a rationale to take harsher action against our own diplomats and the hostages?

The President. No, I'm not concerned about that at all. This is an action that others are taking. Nobody will be held against their will. They're all free to go. In essence, we're kind of keeping some reasonable parallelism in terms of numbers. So, I don't think there's any chance for any misunderstanding on that account.

Q. Can I ask you, just to follow up, Mr. President: You said a couple of weeks ago that you didn't really see much prospect at the time for a diplomatic solution. Has that changed? Do you see more hope now?

The President. Well, I don't particularly see more hope now because it's so clear what the world is demanding of Saddam Hussein [President of Iraq]. Clearly the objectives remain the same: Get out of Kuwait and restore the rightful leaders to their place. But the Secretary-General, I understand, will be meeting with Foreign Minister of Iraq [Tariq `Aziz] -- I think it's in Amman, Jordan. I haven't talked to him yet. I have a call in to him and will probably get him. But the U.N.

mandate is so clear and, on the other hand, Saddam Hussein has been so resistant to complying with international law that I don't yet see fruitful negotiations.

But the Secretary-General, knowing the U.N. mandate, is a very good man. And I might add, parenthetically, the Prime Minister and I both did talk about this, and we both agree that the U.N. has perhaps demonstrated its finest in recent actions. So, if Perez de Cuellar, an old friend of mine, wants to go forward and try to find some way to get the U.N. action complied with, so much the better.

Q. Mr. Prime Minister, in light of the U.S. decision today, would Canada consider similar action in expelling Iraqi diplomats or nationals from Canada or taking any sort of action against them?

The Prime Minister. We are going to -- this is a time-honored diplomatic practice, and if it applies to Canada, we won't hesitate to take remedial action. What you have is an abuse of -- one of the most fundamental privileges of democratic and civilized nations is, namely, to be represented in another's country without our representatives being harassed or intimidated or assaulted. Those assaults can take place in many ways, and we have to make sure that the fundamental rule of international law is respected. So, if there is a requirement for us to do so in Canada with our own Ambassadors and our own representatives, we will exercise reciprocity.

Q. Mr. President, do you have any assurances or will you seek any assurances from Perez de Cuellar not to try to negotiate something beyond the U.N. sanctions -- cut a deal that may undercut the sanctions themselves?

The President. It's inconceivable to me that the Secretary-General, an experienced diplomat, a good leader, would do that. I think it would be gratuitous for me to discuss that with him. He knows what the United Nations has done. He knows how unanimous the support has been for resolution after resolution. So, it's inconceivable to me that he would not have that message. He's a very sound man. Actually, as Brian Mulroney reminded me, he had a very useful role, I believe, in between Iran and Iraq. But, no, I wouldn't give any gratuitous advice of that nature. It's so clear; it's so obvious.

Q. Is there a danger once you go down this path of negotiations on one day and small peace offerings the next that this thing could be dragged out and world resolve will crumble?

The President. No. I've never seen the world community so closely aligned against this man. Somebody asked me the other day at a press conference here -- Saddam Hussein said he'd like to talk. We have a Charge there [Joseph C. Wilson IV, U.S. Charge d'Affaires in Baghdad, Iraq], a very able person. He could go talk to him, have his people talk to him.

So, I'm not saying we're not going to talk. But what, clearly, world opinion is saying and what the United Nations has said and what is now codified in international law is: Out, Saddam Hussein,

Iraqi, out of Kuwait, and restore the leaders! But you have to talk to get there. But that doesn't mean there is to be compromise. Clearly, we would oppose any compromise on these fundamental principles that have been laid down by the United Nations.

Conflict Between the Mohawks and the Canadian Governments

[At this point, a question was asked and answered in French, and a translation was not provided.]

Q. Aren't you afraid, sir, there could be a bloodbath if the army goes in to take down the barricades?

The Prime Minister. The laws of Canada have to apply to all citizens equally. I indicated yesterday that the Government of Canada and the Government of the Province of Quebec had demonstrated what I thought was quite exceptional patience. And yet, in the end, the laws of a civilized nation must apply to us all. There can't be a double standard. They apply to all of us.

Persian Gulf Conflict

Q. Mr. President, President Gorbachev of the Soviet Union called on Arabs today to display their ability to consolidate very quickly to increase their presence in this conflict to avoid actual armed confrontation. He said it would be necessary for them to do that. Do you agree with that? is the first question -- do you agree that they have to interject themselves more forcefully into this?

The President. I think the Arab world has been responsibly united in opposition to Saddam Hussein's aggression. I did not see that particular comment by President Gorbachev; but since you've invoked his name, let me simply say I've been very pleased with the way the Soviets, for their part, have conducted themselves at the United Nations and elsewhere. But I didn't see that, so I can't comment. But I would simply say that I think both the Prime Minister and I are very pleased that a number of Arab countries have joined in the position that we've talked about here. And indeed, it's only a tiny minority that is in opposition.

And so, I keep coming back -- it is not as Saddam Hussein is trying to make it: the Arab world against the United States. It is the United States and most of the Arab world and Canada and other countries against this outrageous aggression. We've got to keep saying that so there will be no erosion -- the erosion that Jim [Jim Miklaszewski, NBC News] asked about. But it's true, and everyone knows it's true.

Q. Have you talked with President Gorbachev or do you plan to, if not?

The President. I haven't talked to him recently. As you know, the Secretary of State has been in very close contact with [Soviet] Foreign Minister Shevardnadze.

Q. Mr. Mulroney, can you say exactly how many Canadians are trapped in Iraq and Kuwait, and why you won't call them hostages, as George Bush does?

The Prime Minister. Well, I've indicated that President Bush has information and circumstances that quite appropriately allow him to describe American citizens held the way they are in the manner in which he has. There are large numbers of Canadian nationals being held -- I think the third largest number of foreigners held in Kuwait and in and around Baghdad. And we have not yet the kind of information that would allow me to apply that word to the Canadian citizens being detained. Which is not to suggest that it couldn't happen tomorrow, and it certainly is not to suggest that it shouldn't have happened at all.

It's quite an achievement when a leader of a state in 1990 can make himself a pariah not only with leaders around the world but with his immediate Arab neighbors. That's quite a piece of work to be able to do that all in a short period of time. And to provoke what is an extraordinary response of leadership by the United Nations and the allies in such a short period of time is in itself another good piece of work -- among the finest in the United Nations since its foundation.

President's Schedule

Q. President Bush, you've decided this morning to go back to Washington for 2\1/2\ days. Some people consider that some kind of concession to the need to be in Washington during the crisis. Why shouldn't they think that?

The President. Think what?

Q. That the need to go back to Washington for 2\1/2\ days, a need to be in Washington -- why shouldn't people believe that's some kind of concession on your part, to be in Washington at a time you need to handle a crisis instead of here?

The President. Well, I was in Washington -- what was it -- a week ago -- --

Q. Why are you going back to Washington for 2\1/2\ days?

The President. Well, we've got -- wait until you see the schedule we've got back there.

Q. Well, tell us about it.

The President. A wide array of meetings. And they're all -- some of them have nothing to do with the Iraq situation. We've got budget discussions that are going to take place. I'll be talking about our energy requirements there. And it just seemed easier to accommodate others than rather bring all the people with whom I'll be meeting up here. So, you'll see as the schedule develops that it's, in my view, good; and I expect to get back here as soon as possible.

Q. The stories say that you're not enjoying this vacation. You don't look like it's any fun.

The President. Well, Ann [Ann Compton, ABC News], that's not true. Tied into four enormous bluefish today, having struck out earlier this morning, starting at 5:15 a.m. I've been able to keep in very close touch, and of course, we're making a lot of international phone calls that you wouldn't normally expect at the time of a vacation. But I've got a good team, and they've been supportive. A lot of them have been up here. And then I've been able to conduct international meetings of some importance up here. And again, I'm grateful, very grateful, that a meeting that was scheduled as pure R and R with Prime Minister Mulroney has turned out to be extraordinarily substantive.

So, I see people making these comments, but we're on top of the situation. I think the American people understand that. And when you see the schedule that works out over the next 2\1/2\ days, I think it will be clear that it is wise to conduct that business there. I might have encouraged everyone to come here, but it seemed to be better to go down there, as we did last week. It's a mixture. But have I enjoyed this vacation? A lot of things about it I have, yes.

Persian Gulf Crisis

Q. Mr. President, how would you describe your policy for ousting Saddam Hussein right now, as of this moment? Would it be fair to describe it as wait and see?

The President. No. My policy is to do everything we can, working with other nations, to enforce the sanctions. We have moved forces, considerable forces, and I hope that that has safeguarded Saudi Arabia, which in my view was clearly threatened when Saddam Hussein moved his forces south from Kuwait City. So, I think it is now: Get plenty of force in place -- we're still doing that. Enforce the United Nations sanctions rigorously -- and for the U.S., we will do that and encourage others to do it. And that's about where we are right now.

Q. You were very effective, sir, in getting the U.N. to join in on this sea blockade. Are you now considering doing the same thing on an air interdiction policy?

The President. Well, I don't think there have been many examples of this net being penetrated, broken through, by air. But we have been talking to countries about not permitting overflight and tightening up in every way, all aspects of the economic sanctions that were called for by the United Nations.

Q. Prime Minister, have you discussed, the two of you, under what circumstances Canada could play a larger role in this? And, Mr. President, would you welcome a larger Canadian role?

The Prime Minister. We haven't discussed it, but I've indicated earlier that Canada hasn't added

anything in or added it out. We will play it as circumstances develop. We think that our contribution is appropriate. As I said when I announced it, Canada is not a superpower. But we believe that we -- along with countries, for example, all the way to Australia -- have an obligation to stand with our friends and allies and resist aggression. And if more is required, the Government of Canada will consider that and make an appropriate decision. But for the moment, we're pleased with the leadership of the United Nations, very pleased with the skill of the President of the United States and the manner in which he has brought about quite a remarkable display of solidarity, both from our European partners and around the world.

I think that the achievement of the President, if I may say, in respect to the Arab world is certainly unprecedented in my memory. That this kind of action would be contemplated with the results of approval coming as strongly as they have from so many Arab nations is in itself a remarkable achievement of political leadership, and I think it's important to note that.

The President. Charles and Norm [Charles Bierbauer, Cable News Network, and Norman Sandler, United Press International], I've recognized both. So, if we can do, with your permission, those two; and then you take as many as you want. But I should do those. Marlin [Marlin Fitzwater, Press Secretary to the President] is getting a little restless.

The Prime Minister. And I'm going for a swim.

Q. This is really a question for both of you, sir. For all this talk of unanimity, there seems to be divergences on tactics. You are content to use force. The Soviets say they won't use force to stop the blockade. You have hostages; Prime Minister Mulroney does not have hostages. Mrs. Thatcher doesn't think talking is such a good idea. Is there a divergence, and is it potentially undermining?

The President. I think any nuances of difference are so overwhelmed by the common ground that they are almost meaningless, is the way I view it. I mean, I think the thing of note is how together everybody is, not that there might be nuances of difference.

I don't know whether you want to -- --

The Prime Minister. Well, I've noticed the points that you make. If somebody had told you 2 years ago that this kind of crisis would emerge and the Soviet Union would repudiate Iraq and that the United Nations Security Council would stand in unanimous support of five resolutions and that you would see this kind of support emerge, as I say, from Canada to Australia, you would have bought him a ticket to the funny farm right away.

This is an historic achievement by the United Nations, by members of the alliance, and by the President of the United States. This is a remarkable achievement. There are few parallels for it, certainly, in modern history. But there are differences of opinion. Sure there are. You better

believe it; they happen all the time. The story is not that. It's that there are so few of them and so modest in nature, given the profound dimensions of the challenge. There will be others ahead of us, and it's going to require this kind of cooperation and consultation to make sure that they all mesh together and that we try and bring about the end that is sought.

The President. Norm?

Q. Mr. President, if Saddam Hussein is in a box, as General Scowcroft [Assistant to the President for National Security Affairs] said yesterday, are you willing to give him any way out short of unconditional surrender? Which is to say, if there are going to be negotiations, what's negotiable here?

The President. Well, certainly not the U.N. position. The position of the international law is not negotiable. I think that's what Prime Minister Thatcher was addressing herself to. I would agree with that. The United Nations has spoken -- country after country supporting the action taken by the Security Council. So, there's no room for compromise or negotiation on that point. But I don't think you should ever say you'll never talk about anything. But I'm not saying that there's any flexibility, is what your question is. And there is no flexibility on Iraq getting out of Kuwait and the rulers being permitted to come back to Kuwait.

Q. But is there any flexibility on the future composition of the Kuwait Government, which is to say -- --

The President. No.

Q. -- -- is the United States firmly committed now to restoring the Al Sabah family, to keeping that family in power?

The President. That's a matter for the Kuwaitis to decide. Of course, they should be restored. I suppose that you might say that's true of any country -- leadership, whether it's the United States or Iraq or Kuwait or anyplace else. But there's no compromise on the question of getting legitimate government back and getting the illegitimate invaders out. And so, that's where we stand. And I haven't heard one single country that has been supportive at the outset suggest that we should back off from the principle so clearly stated, certainly, by the United Nations and, hopefully, by the United States and Canada and many others.

Q. Mr. President, you've been pretty fortunate in that Congress has been on vacation all this time. Tomorrow aren't you opening a Pandora's box by meeting with 150 of them?

The President. Is that all that will be there, only 150 out of 450, 465, is it? No, what is it, 450? Look, the Congress, I think, has stayed in close touch. I'm very grateful to the leadership for the almost Vandenbergian support for the actions that we have taken. Indeed, in this case, differences

have seemed to end at the water's edge. And so, if this briefing is helpful to them, and I hope it will be, so much the better. And I again might just take this opportunity to thank the leaders on both sides of the aisle for the support they've given us.

But I don't think there's any Pandora's box involved in briefing the Congress. They'll have an extensive briefing period, because not only will I brief them and tell them what's on my mind but I believe the Secretary of Defense, Secretary of State -- and, Brent, I don't know if you're scheduled to brief or not -- but they'll have adequate briefing. And it is most understandable that they want to know what is going on and get up to speed on things. Some, indeed, will be going there. So, I welcome this, and I don't worry about any Pandora's box aspect of it at all.

You can always dig around and find somebody that will want to fine-tune it or have some little criticism. But look, the support has been overwhelming, and I think the American people see that. They know that this isn't a Republican or a Democrat policy, but it's the policy of their country. And to the credit of the Members of Congress, I think they have helped convey that.

Meeting of the Canadian Parliament

Q. Prime Minister Mulroney, why do you not see any need to recall Parliament, facing the situation in Oka and also in the Persian Gulf?

The Prime Minister. Well, I'd indicated that I'd be happy to recall Parliament if the government were of the view that it would be helpful and appropriate. We haven't arrived at that view yet, but should that change, I'll be happy to call the House back. Wouldn't hesitate at all.

Conflict Between the Mohawks and the Canadian Governments

Q. Prime Minister, is military intervention now the sole option of resolving the Oka situation?

The Prime Minister. Pardon me?

Q. Do you consider further military intervention as the sole option now to resolve the Oka situation?

The Prime Minister. All I've said is that we have negotiated now for some 46 or 47 days, demonstrated, I think, quite remarkable patience. And we've sought a negotiated settlement of this. And if the settlement is elusive and we are getting these demands at the table which can only be construed as bizarre, then obviously the law of Canada must be applied to all of us and will be applied to all of us in exactly the same way.

Thank you very much.

President's Dogs

The President. I'd like to just clear up one thing. And this is just if the Canadian press would drop all notebooks and not write this down and consider this off the record. This is just for the American press.

The other day our dog Ranger appeared at the press conference, and he was called ``Millie.'' He's a strong male dog here, as you can see, and his feelings were slightly hurt. And some decreed that because Ranger looked so frisky that Millie was well -- calling Ranger ``Millie.'' So, I'd like to clear it up as best I can. Knowing my way with the English language, I hope that's got it all clear for you guys. [Laughter]

Note: The President spoke at 3:33 p.m. outside his home. In his remarks, the Prime Minister referred to a conflict between Mohawk Indians and the Quebec and Canadian Governments that began when police tried to remove barricades erected by the Indians to prevent commercial development of land they considered to be sacred. Prime Minister Mulroney and his family arrived in Kennebunkport at noon and returned to Canada the following day.

Remarks at a White House Briefing for Members of Congress on the Persian Gulf Crisis

August 28, 1990

Let me just start off by thanking all of the Members of Congress who were able to get back here to discuss this situation of deep concern to every American. What we will do is, I'll make a few remarks here and then we'll go into executive session. And I will be glad to respond to your questions as best I can, backed up ably by the team that's here with me.

But meeting the challenge in the Persian Gulf is not something that I or this administration can do by ourselves. We can only succeed if all of us -- executive and legislative, Republican and Democrats -- work together. And that was one of the reasons I wanted you to come here today. Let no one at home doubt my commitment to work with the Congress, and let no one abroad doubt our national unity or our staying power.

Let me begin by providing some background to the unfolding drama in the Gulf; and then later, I want to hear from you and, as I say, respond to questions.

First, the background. When this administration began, we sought to strengthen the cease-fire between Iran and Iraq and to improve relations with Iraq. We held no illusions about that. We hoped, along with many in the Congress, that Iraqi behavior might be moderated. But even before the current crisis, though, Iraq was moving at odds to our interests and to the interests of many around the world. So, we suspended the provisions of the CCC [Commodity Credit Corporation] agricultural credits, stopped the export of furnaces that had the potential to contribute to Iraq's nuclear capabilities.

You all know the events of the last several weeks. Iraq threatened Kuwait, lied about its intentions, and finally invaded. In 3 days, Iraq had 120,000 troops and 850 tanks in Kuwait, moving south toward the Saudi border. And it was this clear and rapidly escalating threat that led King Fahd of Saudi Arabia to ask for our assistance. We knew that an Iraq that had the most powerful military machine in the Gulf and controlled 20 percent of the world's proven reserves of oil would pose a threat to the Persian Gulf, to the Middle East, and to the entire world. We responded to this quickly, without hesitation. Our objectives were obvious from the start: the immediate, complete, and unconditional withdrawal of all Iraqi forces from Kuwait; the restoration of Kuwait's legitimate government; security and stability of Saudi Arabia and the Persian Gulf; and the protection of American citizens abroad.

Our actions to achieve these objectives have been equally clear. Within hours of the assault, the United States moved to freeze Iraq's assets in this country and to protect those of Kuwait. I asked Dick Cheney, Secretary Cheney, to go to Saudi Arabia, Egypt, and Morocco to arrange for military cooperation between us and key Arab States. And I asked Jim Baker, Secretary Baker, to

go to Turkey and to Brussels to rally the support of our NATO allies. Both of these missions were extraordinarily successful. The world response to Iraq was a near-unanimous chorus of condemnation.

With great speed, the United Nations Security Council passed five resolutions. These resolutions condemned Iraq's invasion of Kuwait, demanded Iraq's immediate and unconditional withdrawal, and rejected Iraq's annexation of Kuwait. The U.N. has also mandated sanctions against Iraq, those chapter VII sanctions, and endorsed all measures that may be necessary to enforce these sanctions. And the United Nations has demanded that Iraq release all foreign nationals being held against their will without delay.

The United Nations sanctions are in effect and have been working remarkably well, even on a voluntary basis. Iraqi oil no longer flows through pipelines to ports in Turkey and Saudi Arabia. And again, I want to thank both the Saudis and the Turks for their lead role in all of this. And today reports indicate that traffic through Aqaba has come virtually to a halt.

U.S. military forces stand shoulder to shoulder with forces of many Arab and European States to deter and, if need be, defend Saudi Arabia against attack. And U.S. naval forces sail with the navies of many other states to make the sanctions as watertight as possible. This is not, as Saddam Hussein claims, the United States against Iraq. It is truly Iraq against the majority in the Arab world, Iraq against the rest of the world.

And so, the basic elements of our strategy are now in place. And where do we want to go? Well, our intention, and indeed the intention of almost every country in the world, is to persuade Iraq to withdraw, that it cannot benefit from this illegal occupation, that it will pay a stiff price by trying to hold on and an even stiffer price by widening the conflict. And of course, we seek to achieve these goals without further violence. The United States supports the U.N. Secretary-General and other leaders working to promote a peaceful resolution of this crisis on the basis of Security Council Resolution 660.

I also remain deeply concerned about the American and other foreign nationals held hostage by Iraq. As I've said before, when it comes to the safety and well-being of American citizens held against their will, I will hold Baghdad responsible.

That's the general comments I wanted to make for public consumption. And then I'd now like to suggest that we all remain, if we could, and excuse our friends from the press and go into executive session here so I can just make one or two more comments and then respond to the questions that may come to me or any of the others here. But thank you all very much for attending.

Note: The President spoke at 3:19 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to President Saddam Hussein of Iraq and United Nations Secretary-General

Javier Perez de Cuellar de la Guerra. Prior to the briefing, he met in the Cabinet Room at the White House with congressional leaders to discuss the Persian Gulf crisis.

Radio Address to United States Armed Forces Stationed in the Persian Gulf Region

August 29, 1990

Of the many duties and responsibilities I've worked to fulfill as President, there can be no greater honor than to offer a few words to the brave men and women serving in our Armed Forces -- especially now, to those who stand ready to repel aggression in Saudi Arabia and the Gulf region, because you represent America's best, and the world's best hope for peace.

Last week I reminded the American people that this nation stands where she has always stood: against aggression. And today, with a tradition of two centuries behind you, you stand on the front line against aggression and international lawlessness. We've never sought conflict, nor do we hope to chart a course for other nations. But at the hands of injustice, in the face of aggression, ours is a once-reluctant fist now clenched resolutely.

To preserve the peace, America will always stand for what's right. To preserve her commitments, America will always stand by her friends. Together with allies, old and new, we've seen a nearly unanimous condemnation of Iraq's injustices in the Persian Gulf region, and we've been a part of a remarkable international commitment to peace and the rule of law.

And from the beginning we've been guided by four straightforward principles. One, we seek the unconditional and complete withdrawal of Iraqi forces from Kuwait. Two, that nation's legitimate government must be restored. Three, we are committed to the security and stability of the Persian Gulf. And four, we are determined to protect the lives of American citizens abroad. Those are the principles that drive us. But it's your presence, your skills, your talents, your judgment that bring America's principles to life and give them strength and meaning.

You're now in the middle of one of the toughest military missions in modern memory, enduring the long, hot days of the Gulf region's cruelest month. As one young soldier in the 82d Airborne Division put it: ``You never get climatized; you just learn to tolerate it." Well, as tough as it is, know this: Thanks to you, nobody's feeling the heat more than the government in Baghdad.

And while all of you should know that what you're doing is just, a few of you have already gotten a glimpse of the gratitude of the Kuwaiti people. Like one lieutenant colonel in the AWACS control center in Saudi Arabia who was approached by a Kuwaiti refugee in the lobby. The man spoke almost no English, but he handed the colonel a note for their commanding officer, a note that included the letter ``I" and a heart and ``U.S.A."

So, to the sailors who have kissed their wives or husbands goodbye for now, to the soldiers and marines protecting peace in the desert heat, to the flyers in the air, to the reservists committed and

ready, to the men behind the guns: Stand strong. Our troops around the world are providing the kind of strength and security that makes this mission possible. And with the support of friends and family and the admiration of this great nation, you're proving you'll do what it takes at any hour, anywhere, to contain aggression and keep freedom's light alive.

We have an important advantage in the Persian Gulf, because in the air, at sea, and on land, soldiers of peace will always be more than a match for a tyrant bent on aggression. With your strength, we have the will; together with our allies, we will find the way to peace.

May God bless you and bring you home safely and soon.

Note: The President spoke at 8:47 a.m. from the Oval Office at the White House.

Statement by Deputy Press Secretary Popadiuk on Consultations on the Persian Gulf Crisis

August 29, 1990

General Scowcroft met recently with a former official of a previous administration in which that official relayed ideas concerning the Persian Gulf situation. The administration has received many such proposals and ideas, as it does at any time during a crisis, from various individuals. There was nothing in this particular proposal that merited its pursuit. As is customary, at the time of this particular message, General Scowcroft informed Secretary Baker of the suggestions he had received.

Note: The statement referred to Brent Scowcroft, Assistant to the President for National Security Affairs, and Secretary of State James A. Baker III.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

August 30, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (92 Stat. 739; 22 U.S.C. 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question.

This report covers the period from mid-May through July 1990, a time in which American efforts with respect to Cyprus were concentrated on finding a means to restart the U.N.-sponsored intercommunal negotiations. These negotiations had come to an abrupt and unsatisfactory end in early March.

I discussed the Cyprus issue personally with President Gorbachev during the U.S.-Soviet summit at the end of May, and we both agreed to do whatever we could to support the efforts of the United Nations Secretary General. Then on June 4 and 6, respectively, Secretary Baker and I reaffirmed directly to Greek Prime Minister Mitsotakis during his visit in Washington the United States strong interest in progress toward a Cyprus settlement. While we expressed our willingness to discuss ideas about Cyprus with all interested parties, we emphasized as well that a Cyprus solution could not be provided by the United States but had to be reached through direct negotiations between the two Cyprus communities in the context of U.N.-sponsored talks.

In late May and early June the U.S. Special Coordinator for Cyprus, Ambassador Nelson Ledsky, visited Athens, Ankara, and Nicosia. During his trip he met with the Prime Minister and Foreign Minister of Greece, the Foreign Minister of Turkey, and President George Vassiliou and Mr. Rauf Denktash in Cyprus. In all his discussions Ambassador Ledsky emphasized the importance of resuming intercommunal negotiations in accordance with U.N. Security Council Resolution 649 of March 12, 1990. He also stressed the need for confidence-building measures as a means of creating trust between the two communities and, in turn, enhancing prospects for a durable political settlement. He urged leaders of both communities to take the initiative in proposing confidence-building measures of this type.

On May 31, the United Nations Secretary General reported to the Security Council on U.N. operations in Cyprus for the period December 1, 1989 - May 31, 1990 (report attached).

The report concluded that the continued presence of the U.N. Forces in Cyprus (UNFICYP) ``remains indispensable to achieve the objectives set by the Security Council,'' and recommended extension of the UNFICYP mandate for a further 6-month period. The Secretary General also underlined that UNFICYP faced ``a chronic and ever-deepening financial crisis, which imposes

an inordinately heavy burden on the countries contributing troops to the force."

In mid-June, both President Vassiliou and Mr. Denktash provided assurances to representatives of the Secretary General that they endorsed all the provisions of U.N. Security Council Resolution 649. This was of particular significance, given the Resolution's call ``to co-operate, on an equal footing, with the Secretary General in completing, in the first instance and on an urgent basis, an outline of an overall agreement . . . [and] to refrain from any action that could aggravate the situation." On June 22, Mr. Denktash reaffirmed publicly Turkish Cypriot acceptance of ``all aspects" of Resolution 649 and pledged that ``the Turkish Cypriots are ready to cooperate with the Secretary General . . . with the aim of completing the basic lines of a comprehensive solution."

Progress toward reconvening U.N.-sponsored intercommunal talks was interrupted by two developments in July. Each in its own way was viewed by one community or the other as cause for concern, and as a step that soured the atmosphere for productive negotiations.

First, on July 4, the Government of Cyprus submitted an application for membership in the European Community (EC). The mere filing of the document angered the Government of Turkey and the Turkish Cypriot community. Both viewed the application as a unilateral effort on the part of the Cyprus Government to arrange the island's political and economic future without consulting directly the Turkish Cypriot community.

Second, in mid-July the Turkish army completed a transfer of responsibility for the security of the fenced, uninhabited area of the city of Varosha to Turkish Cypriot security forces. This area had been under the control of the Turkish army since 1974. The Government of Cyprus feared that this action could constitute a first step in the eventual movement of Turkish and Turkish Cypriot settlers into Varosha. The United States expressed its concerns on this matter directly to the Government of Turkey.

As required by U.N. Security Council Resolution 649, the U.N. Secretary General submitted to the Security Council on July 12 a further report on his mission of good offices (report attached). The report referred to ``a general deterioration" of the atmosphere and went on to urge both sides to show moderation and compromise. The report then outlined ``a plan of action" that would begin with separate discussions in Nicosia -- designed to begin preparation of an outline for a Cyprus settlement -- between U.N. authorities and each of the two Cypriot communities. The Secretary General envisioned that as work progressed on this outline it would be possible late this year to call for a meeting between him and the two community leaders.

On July 19 the U.N. Security Council, responding to the U.N. Secretary General's report of July 12 unanimously adopted a statement that was read by the President of the Security Council, as follows:

``The members of the Security Council have considered the Secretary General's report on his mission of good offices in Cyprus (S/21393). They are unanimous in giving their full support to the Secretary General's current effort to assist the two communities to reach a just and lasting solution. They agree with his assessment of recent developments, share his concern about the lack of progress, and endorse his plan of action.

``The members of the Council reaffirm their Resolution 649 (1990) of 12 March, 1990 which was accepted by both sides, and reiterate the importance they attach to an early negotiated settlement of the Cyprus Problem.

``The members of the Council call on the leaders of the two communities to cooperate fully with the Secretary General on the basis of his plan of action and to arrive, on an urgent basis, at an agreed outline of an overall agreement. In line with Resolution 649 (1990), they request the Secretary General to make suggestions as necessary, to assist the two communities in arriving at an agreed outline.

``The members of the Council again call on the parties concerned to refrain, especially at this sensitive stage in the process, from any action or statement that could aggravate the situation. They express their concern over any action which contravenes paragraph 5 of UNSC Res 550 (1984) and paragraph 5 of UNSC Res 649 (1990). They call upon both communities to concentrate their efforts on promoting mutual confidence and reconciliation.

``The members of the Council request the Secretary General to inform the Council by 31 October, 1990 about the implementation of his plan of action."

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

The President's News Conference on the Persian Gulf Crisis

August 30, 1990

The President. I have a brief statement, and then I'll be glad to take some questions.

The United States is engaged in a collective effort, involving the overwhelming majority of the member states of the United Nations, to reverse the consequences of Iraqi aggression. Our goals, enshrined in five Security Council resolutions, are clear: the immediate and unconditional withdrawal of Iraqi forces from Kuwait, the restoration of Kuwait's legitimate government, the stability of Saudi Arabia and the Persian Gulf, and the protection of American citizens.

What is at stake here is truly significant: the dependability of America's commitments to its friends and allies, the shape of the post-postwar world, opposition to aggression, the potential domination of the energy resources that are crucial to the entire world. This effort has been truly international from the very outset. Many other countries are contributing. At last count, 22 countries have either responded to a request from Saudi Arabia to help deter further aggression or are contributing maritime forces pursuant to United Nations Security Council Resolution 665. Still others are providing other forms of financial and material support to these defense efforts or to countries whose economies are affected adversely by sanctions or by higher oil prices. Still others are paying a heavy economic price at home for complying with the United Nations sanctions. It is important that the considerable burden of the effort be shared by those being defended and those who benefit from the free flow of oil. Indeed, anyone with a stake in international order has an interest in ensuring that all of us succeed.

The United States has large interests in the balance and has undertaken commitments commensurate with them. We're more than willing to bear our fair share of the burden. This includes, above all, the thousands of men and women in our Armed Forces who are now in the Gulf. But we also expect others to bear their fair share.

A number of countries already have announced their willingness to help those adversely affected economically by this endeavor. It's essential, though, that this be a concerted and coordinated one and that all affected countries participate. It is important to get the priorities right and make sure that those most deserving of assistance receive it and that those most able to contribute do so.

For that reason, I directed an interagency effort to develop a strategy to accomplish this objective. The group's report was presented at yesterday's National Security Council meeting here, and this morning I approved an action plan. Our approach calls for substantial economic assistance to those states -- in particular I'd single out Turkey and Egypt -- who are bearing a great part of the burden of sanctions and higher oil prices. The plan also targets additional countries, including Jordan, the countries of Eastern Europe, and others, for special assistance. The United States will

also seek burden-sharing for part of our own effort.

At the same time, we will be asking other governments, including Japan, the Republic of Korea, the Federal Republic of Germany, Saudi Arabia, the Emirates, free Kuwait, and others, to join us in making available financial and, where appropriate, energy resources to countries that have been most affected by the current situation. To facilitate this undertaking, I've asked Secretary of State Jim Baker and Secretary of the Treasury Nick Brady to lead high-level delegations to the Persian Gulf, Europe, and Asia. And I'll be getting directly in touch with the leaders of these countries before Secretaries Baker and Brady arrive to spell out our general objectives.

Let me close by repeating what I said the other day in meeting with the congressional leaders. The basic pieces of our policy are in place. The Iraqi regime stands in opposition to the entire world and to the interest of the Iraqi people. It is truly Iraq against the world. But I want to make this point clear: We have no argument with the people of Iraq.

The sanctions are beginning to take hold. In the meantime, we want to ensure that countries contributing to this unprecedented collective response do not suffer for doing so. And what I've announced today and what I expect will be implemented in the coming days should help create a context in which sanctions against Iraq can be sustained with the intended effect.

Another area where there has been unprecedented international solidarity is OPEC's willingness to take up the slack in oil production created by the embargo on Iraqi and Kuwait's oil. In this connection, I met this morning with our energy advisers, who are watching the oil production situation very, very closely. And we are pleased with OPEC's decision to help take up the slack in crude oil production.

And although we're in what I would see as a transition period, the situation appears manageable. At the present time, we don't anticipate major imbalances in the oil market, but we do have the strategic petroleum reserve tested and available if it is truly needed. Our energy policy is resulting in increased oil production and fuel switching to natural gas and to other fuels.

I also repeat my previous request for Americans to conserve and for all parties to act responsibly. Right now the situation, I would say, is relatively stable, and I am very pleased by the coordination that is taking place with so many countries in maintaining adequate fuel levels.

And now I would be glad to take some questions. Who's first? Terry [Terence Hunt, Associated Press]?

Q. Mr. President, Saddam Hussein [President of Iraq] has rejected demands that he pull his troops out of Kuwait, and he's holding several thousand foreigners hostage to keep the world at bay. You say you don't see much chance for diplomacy to work. How long can the West allow this impasse to go on? And would you take any action that might endanger the lives of those hostages?

The President. It will go on as long as it takes to have these United Nations sanctions fully implemented. And I'm glad that these diplomatic efforts are taking place. Perhaps one will hit pay dirt. But as of now, I must say I'm not optimistic because the man keeps reiterating terms that simply fly in the face of the United Nations action.

And on the second question, look, I feel very concerned about Americans that are held against their will. But we cannot permit hostage-taking to shape the foreign policy of this country, and I won't permit it to do that.

Q. Sir, does that mean that their lives would be expendable if you judge in the national interest -- --

The President. That's too hypothetical a question. It means I will not change the policy of the United States -- and I don't think other leaders whose foreign nationals are in the same predicament will change their policies -- to pay homage or to give credibility to this brutal move of staking out citizens and a brutal move of holding people against their will.

Q. Mr. President, there are reports that there's a split in your administration -- some who want to expand the goals to include the eventual ouster of Saddam. And also, there are many, many suggestions for a Middle East conference that would include in what you would call the post-postwar shape of the world, the perennial problems of the Middle East. What do you think on both -- --

The President. Well, I think on the second part of the question that we ought to get on with the business at hand, the shorter run business, which is the solution to this question: the making right the situation in Kuwait, meaning the pulling out of forces, obviously, and the restoration of the rulers. As I look at the countries that are chipping in here now, I think we do have a chance at a new world order, and I'd like to think that out of this dreary performance by Saddam Hussein there could be now an opportunity for peace all through the Middle East. But we have to be sure that what's been undertaken so far is successful before we can move to that other agenda, it seems to me.

Q. Well, would you support then a conference afterwards? I mean, this may be premature, but the question is: Are you shooting for that?

The President. I haven't -- that's not an objective, a conference. Peace through the Middle East is an objective. And as you know, we have never ruled out a conference of any nature. In fact, it was part of our diplomacy just several years ago. But I don't want to get out ahead of where we are right now on this. The question right now is: What do we do to get Saddam Hussein to comply with international law?

I left out -- you had another part of it.

Q. And you want to get him out of his job? You want to get him out of -- --

The President. Well, it wouldn't disappoint me if the Iraqis got up and said, look, this man is our problem. I've said right here the problem is not with the people in Iraq -- simply isn't. But I've spelled out our objectives here, and I've stopped short of adding to them what -- the answer that you were seeking from me on the President -- --

Q. Mr. President, some have expressed the fear that Saddam Hussein might seek to inflame the Arab world against the United States by drawing Israel into the conflict here, perhaps by a strike against Jordan. Can you tell us if you're prepared for such a contingency, and if so, how?

The President. Well, that's, again, hypothetical. I can't predict what he's going to do. But I can tell you that we are continuing to implement our forces and we are continuing to take all the diplomatic moves that are necessary to prepare for any eventuality.

Q. Let me just follow up by asking a question about Jordan's participation in the U.N. sanctions. There are numerous reports coming out of the East, some quoting Israeli intelligence, to the effect that Jordan is a highway, really, for supplies still reaching Iraq. Are you aware of those reports, and what do you -- --

The President. I'm aware of some. But, Brit [Brit Hume, ABC News], it is my view, based on what I've seen most recently, that commerce has come down to a bit of a trickle there. There are reports of enormous numbers of trucks being laid up with no goods to transport. So, I don't know how effective it is right now. I do know that King Hussein [of Jordan] told me, looking me right in the eye, that they were going to comply with the sanctions. But I've seen reports that indicate there's some leakage there, but I just can't give you the quantity. I just don't know.

It's my feeling that commerce through Aqaba, the port of Aqaba, and, indeed, through Jordan going to Iraq and vice versa has slowed down. Regrettably, there's a lot of refugee traffic, and I think that's hurting the Saddam Hussein image because people see the humblest being brutalized the most. And they see a lot of refugees out there, and I think that's sending not a very good signal as far as he's concerned.

Q. Sir, you're going to return to Kennebunkport this afternoon. May I ask how bothered you may have been by the opinion of many Americans, many of whom think you're doing a great job in this crisis, who nonetheless are bothered by you going out and fishing and golfing while in command of the troops in the Gulf?

The President. No, I'm not bothered by it. I've expressed myself on that. If I were bothered, I wouldn't be going back there for the Labor Day weekend with my family. And I think the

American people are supporting strongly what I'm doing. And I would repeat: I am in very close touch, done a lot of the diplomatic work that has gone into this project from my house there, received a couple of foreign visitors there, have had many briefings there. And I think the American people are fundamentally fair, and I think they see that. So, I'm not troubled by it. If I were, I expect I wouldn't be going back again.

Q. Marlin Fitzwater at one point said that you were pretty adamant or stubborn about it, saying to him at one point that you needed the rest. [Laughter] Is that what it boiled down to? [Laughter]

Mr. Fitzwater. I beg your pardon. [Laughter]

The President. I need to rest, and I haven't gotten as much as I'd like. But I wouldn't call it adamant or stubborn because I refuse to -- --

Mr. Fitzwater. Neither would I. [Laughter]

The President. He better not have, either. [Laughter] Marlin's going through kind of a downer, though, because the Iraqi spokesman has the matching tie and hankie, you know, so he's been a little -- [laughter] -- --

Q. You were about to answer the question about the rest.

The President. No, I think I do. I'm getting some -- not as much as I'd like. But it's been very pleasant there, and yet I've managed to accomplish my objectives in terms of work, too.

Q. Mr. President, on the question of burden-sharing, since you're sending your envoys out, it sounds like you have not gotten the voluntary contributions you might have liked to have gotten. Can you give us a sense of how much you're looking for and where you expect to find it?

The President. No, I don't think it's a question of doing this because we haven't gotten what we think is fair for other countries and for burden-sharing generally.

What we're talking about here, Charles [Charles Bierbauer, Cable News Network], is a consulting and coordinating effort, and we've had strong indications of support. But now we're moving up a little bit and trying to take the lead here -- leadership in helping sort out who should help whom. Somebody has to do that. And we've made a significant commitment in various ways. And so, it seemed appropriate that we take the lead in working with our friends and allies.

But look, Prime Minister Kaifu [of Japan] called me last night -- no, he didn't need a mission for this -- and made a significant contribution and then pledged to do more in terms of support for other countries. Now, that is very good, and that was voluntary. But it needs to be coordinated. Somebody needs to take the lead on saying: Look, we don't put all the money to this one country.

Several countries are involved here, and let's see that these generous responses are fairly allocated.

Q. If I could follow up: There have been concerns expressed about the Japanese not making any military contribution. They could send minesweepers or something like that. Is money not enough in the Japanese case? And what has happened to your good friend Helmut Kohl [Chancellor of the Federal Republic of Germany], who seems extraordinarily silent?

The President. I wouldn't say money is not enough. I'm fully aware of the constraints on the Japanese, and I've not pressed him to go beyond what his Constitution provides. Helmut Kohl -- I think they'll be very responsive. And part of what we're talking about here is to follow up on comments like the ones Helmut Kohl made to me about, we want to be a part of this -- we want to help. So, I have no argument with the Germans at all.

Q. Is the United States doing anything to help the Kuwaiti underground, the Kuwaiti rebels, in training, supplies -- anything?

The President. One, I wouldn't comment on it. Two, but in a broad way, I support the Kuwaiti underground. I support anybody that can add a hand in restoring legitimacy there to Kuwait and to getting the Iraqis out of Kuwait.

Q. How do you justify it legally under the U.N. resolution -- for any support activity for the underground?

The President. I'm just encouraging people who are patriots and feel that their country has been pillaged and aggressed against.

Q. Would you draw the line at sending the Green Berets or some sort of American military force in cross-border raids? And do you -- --

The President. That's too hypothetical. I've given you the principle. If there were some quiet support, which I wouldn't ever confirm or deny -- we never comment on those matters -- I would simply leave it out there. But you say, well, am I supportive of -- I think what you said was resistance. And I'd be supportive of anybody that wants to try to fulfill the statements that the world has made through the United Nations.

Q. You didn't rule out cross-border raids by American military personnel either.

The President. Well, if they're going to happen -- let me be clear on this -- if it were going to happen, I wouldn't comment on it. It would be the dumbest thing I could possibly do, in my view, to tip your hat. But I have no plans for that right now.

Q. Mr. President, a related question about this. There are some Iraqi opposition groups in London and elsewhere, and the Kurds, and they have all said in recent weeks they've heard nothing from your administration. If anything, they've been encouraged just to -- that the United States only wants covert contacts with them. Why not, if, as you say, you want the Iraqi people to rise up, why has this administration not done anything with the opposition groups?

The President. We've got a plan, and the plan is to work diplomatically, and the plan is to put on the ground a significant military force. And if these comments I made today about anybody who wants to help the United Nations and those of us who want to see Iraq out of Kuwait succeed, so much the better.

Q. If I could just follow up: You said also today, you don't want to hurt the Iraqi people. But isn't this embargo and these sanctions only hurting them and hurting them first before they hurt Saddam?

The President. There's nothing that's painless, David [David Hoffman, Washington Post], when you get into a situation like this and when you have a leader that could brutalize his own people. There's nothing that's painless in all of this.

Q. On the question of negotiations, Mr. President, are all channels still open? Specifically, have there been any back-channel contact or proposals to White House officials that are worth pursuing?

The President. None that I know of.

Q. If I could follow on that, sir: Saddam Hussein has suggested that you and he and Margaret Thatcher [Prime Minister of the United Kingdom] go on TV to debate this. What do you say to that?

The President. I say he can put an empty chair there as far as I'm concerned. [Laughter]

Q. Mr. President, in your peptalk to the armed services yesterday, you mentioned the difficulty of the mission, citing the weather. Isn't boredom even a bigger factor as weeks slip into months over in the desert?

The President. Well, I would hope not, but I'm not sure it's the world's most exciting assignment, if that's what you mean. But I think there will be programs to keep morale high. Right now it's extraordinarily high.

Q. A suggestion has been made that some reduction in the troops might be made in the days ahead to give a more international tinge to the force over there. Would you entertain such -- or support such a move?

The President. I'm more interested in seeing the fulfillment of commitments made.

Q. Mr. President, you're about to begin a new round of budget negotiations. Federal employees are facing furloughs because of the Gramm-Rudman law. And this operation is costing over $1 billion a month. How do you assess the impact of the cost of Operation Desert Shield on your budget problem?

The President. It's difficult at this juncture to know fully what the impact will be. Clearly, it will have some budget implication. I have not moved off of my view that we must get a budget agreement with Congress as soon as they get back, and I'll have more to say about that in the weeks ahead. But I really haven't changed my view on that. And I think it will be very clear to Members of Congress that the deficit problem has gotten worse as a result of the action that we have had to take.

Q. If I could follow that up: Senator Leahy has suggested a sort of war tax to pay for this. How do you feel about that concept?

The President. I don't feel that the answer is a war tax.

Q. Mr. President, do you have any problem with the live TV coverage of Saddam Hussein's media events, which a lot of people complain just gives him a propaganda platform?

The President. No, I have no complaints about it. I think that it hasn't helped him very much with world opinion. I don't know what it's done at home; maybe it's been reassuring to the people there. But I don't think that it is cutting into the desire to see the U.N. sanctions fulfilled. I must say, I haven't seen the last couple of interviews with the man, but I think the one with the -- what he calls guests and what we call hostages was really so brutal and so totally unacceptable that it worked against him -- was manipulative and cynical. So, I haven't been concerned that he's got a shot there. He's had a real opportunity to present his case to the American people. I'd like to have a similar opportunity to present our case to the people in Iraq. But I have no complaints about that at all, Rita [Rita Beamish, Associated Press].

Q. Mr. President, could you accept a situation where Iraq withdraws from Kuwait but keeps its military power intact, regardless of who's in charge?

The President. Well, again, that's too hypothetical. I want to see the goals that I stated fulfilled. And of course, I think part of that would be -- I think the world would demand that there be no chance of another invasion the minute this ended.

Q. If I could follow, sir: Senator Lugar and some others have said that this is something that we should discuss now.

The President. Well, we are discussing it now. I had dinner with him last night, as a matter of fact, because I knew he felt that way. It was a very good evening, as a matter of fact. I had about 11, 12 Members of Congress over there, and it was helpful to me to get these diverse views. I got some of the feeling of that from briefing the Congress. But I have great respect for Dick Lugar, and so we'll be talking more. But I have not changed the objectives, you'll notice, in the publicly stated objectives here.

Q. What is the total amount of money you are expecting from the allies?

The President. There is no total price tag that I have in mind.

I do have to go, in a couple of questions -- after two.

Q. Has Israel served as a strategic ally in this crisis? And is there anything you can do to help protect Israel and Saudi Arabia against a chemical attack as was threatened today?

The President. Israel has behaved very well, and Israel has never had difficulty defending itself. In terms of Saudi Arabia, we are committed to the defense of Saudi Arabia, and I believe that we have a major stake in protecting them against that kind of further aggression.

Q. May I follow? Of the countries you're asking for assistance, have you asked South Africa to contribute anything to this?

The President. I don't think we've asked any of these -- well, we may have asked some of them so far, but I don't know that there's been a request made of South Africa or not.

Last one.

Q. Mr. President, some of the Members of Congress who attended the meeting with you the other day left here with the feeling that the longer the situation drags on, the less the chance there is of outright fighting involving U.S. troops. At the moment, what is your assessment of the risk of fighting involving our forces?

The President. Well, it's so hard to answer that question because of the unpredictable nature of Saddam Hussein himself. And so, I think it's almost impossible. I've had meetings today with some of our top analysts and specialists on the Arab world. I don't want to put words in their mouth, but that was one of the questions that I asked. It's very hard to predict; it's very hard to measure intentions. But I think the answer is to have the forces in place to be ready. I would think that the defense of Saudi Arabia is far more assured today than it was 2 weeks ago because the United States and others have moved substantial forces there. And they're ready, and they're strong, and they're able, and their morale is high. Similarly, there's a lot of naval power and, of

course, air power that's there. I would think that that would be a deterrent to anybody with any degree of rationality. Having said that, I don't know what is in this man's mind.

Q. To follow on, sir: What actions by Iraq, sir, would trigger a U.S. response?

The President. That is too broad a question to get a response from. But we're ready, and if there's some provocative action, why, then we'd have to make a determination at that time. But I just can't help you. Your question is too broad.

Last one from Texas. Cragg [Cragg Hines, Houston Chronicle]? And then I've got to go. I really do.

Q. Mr. President, are you concerned that this burden-sharing, as you call it, is going to make American forces look like mercenaries in the Middle East?

The President. I wouldn't want to have anything done that would make them look like mercenaries. But I don't think so. In fact, we would be very careful that that conclusion could not be drawn.

I raised that question -- one of the Members of Congress asked me that -- said I don't want mercenary forces. But there are ways that burden-sharing can be accomplished without making the forces mercenary. And I'm thinking of the enormous fuel bills that are involved and transportation and these kinds of things that are involved in moves of this nature.

But I'm glad you raised it, because U.S. forces should never appear to be mercenary forces. And that will not be the outcome of this, I can guarantee you.

Thank you all very much. Thank you so much.

Note: The President's 59th news conference began at 2:02 p.m. in the Briefing Room at the White House. Marlin Fitzwater was Press Secretary to the President.

Remarks Announcing the Upcoming Meeting With President Mikhail Gorbachev of the Soviet Union and an Exchange With Reporters in Kennebunkport, Maine

September 1, 1990

The President. I have a brief announcement that I'd like to make, and that is that President Gorbachev and I will meet on Sunday, September 9th, in Helsinki, to discuss international and bilateral matters.

I spoke with President Koivisto of Finland this morning, and I believe the Soviets made a similar approach to President Koivisto to secure the final arrangements. Secretary Baker and [Soviet] Foreign Minister Shevardnadze have been working out the details of this meeting over the last few days. And we got word this morning that an announcement at this time would be agreeable to the Soviets, so I wanted to get that out.

And I'm looking forward very much to seeing Mr. Gorbachev again. We have many matters to discuss. There is no special agenda relating to the Middle East. Nobody is doing any negotiating or anything of that nature. When President Gorbachev was here, he and I agreed that it would be useful to have periodic meetings without casting them in the vein of a summit, and that's exactly what this meeting is about. And I will be delighted to see him again, and we have many subjects to discuss.

Q. Mr. President, this is a little bit sudden. Can you tell us what you hope to accomplish? I mean, it seems sudden, on such short notice. What do you hope to accomplish? And also, was this your initiative or his?

The President. It's not overly sudden. We just haven't been discussing it. I believe, in this case, I made the suggestion that we have this meeting at this time and at this place.

Q. What do you hope to accomplish?

The President. Being sure we're together. As you know, I've been very pleased with the cooperation we've been getting from the Soviet Union on a wide array of questions and subjects, and I think it is important at this juncture that we discuss issues not just as they relate to Europe -- and try to update where we can on these arms negotiations -- but also to discuss the Middle East.

Q. Is this at all motivated by concern that the Soviets either don't understand or don't agree with U.S. actions in the Gulf region, specifically, the military deployment that they've expressed some doubt about?

The President. No, I'm very pleased, as I think I've said before publicly, that we seem to be in general agreement on a lot of issues, a lot of questions that relate to the Middle East. But it is my view that it is just important that we have good, free-flowing discussions about this. So, it wasn't driven by any worry that we might be apart, rather that there's a wide array of questions that could use consultation at this time.

Q. Can you tell us why you haven't talked to President Gorbachev until now, since this crisis erupted a month ago?

The President. Because I had anticipated seeing him.

Q. Have you talked to him about the summit meeting?

The President. No, but I've been in direct contact with him about the summit meeting personally.

Q. Mr. President, will you be asking Mr. Gorbachev to pull his military advisers out of Iraq?

The President. We have no agenda, no issues of that nature that have been agreed on to discuss.

Q. Is it a concern here, though -- doesn't that help the Iraqi military?

The President. I'm not sure of the status of those military advisers right now, Sandy [Sandy Gilmour, NBC News].

Q. Can you say what you will be talking about other than the Middle East? Will you be discussing, for example, START talks, CSCE, or any other possible meetings later in the year?

The President. Other meetings?

Q. With Mr. Gorbachev.

The President. Well, I hadn't -- I mean, we've just set these meetings up, and the way I've described it from our side to him was that we'd have no agenda and that it would be free-flowing discussions. But I know that we'll have discussions of, as I mentioned, CFE; and a CFE agreement would lead to the CSCE meeting. So, I think we'll be talking about all these things, Sandy.

Persian Gulf Crisis

Q. Mr. President, what role would you like to see the Soviets play in the burden-sharing campaign that the administration has started for the Persian Gulf?

The President. I don't know that they have a role to play in burden-sharing at all.

Q. Why?

The President. The Soviet Union has a lot of responsibilities around the world. If they want to help in the burden-sharing, that's fine. But I don't go there with a specific burden-sharing role in mind. It should be disconnected from the mission that Secretary Baker and Secretary Brady are undertaking. It has just -- put it this way -- this meeting, in my view, is not about burden-sharing. We may get a better idea of all of this because I think Jim Baker will be in Moscow very soon.

Q. Mr. President, given the Soviet relationship with Iraq, do you see Moscow playing a mediating role in the crisis in the Gulf?

The President. I don't see a mediating role at all, and I don't think the Soviets see themselves having a mediating role. There are a lot of mediators out there trying hard, [United Nations] Secretary-General de Cuellar being in the forefront of this. I talked today to the President of Yemen from up here, who thinks there's some chance for some mediation. And so, it's fine for them to go forward, but I don't think the Soviets see themselves in a mediating role, and I don't intend to ask them to see themselves in a mediating role, nor do I expect him to ask the United States to be in a mediating role.

Q. You said last week when you didn't foresee at that point a diplomatic settlement of this problem. Has your view of that changed?

The President. Well, I haven't seen any flexibility on the key point, which is the operating within the United Nations mandate. I've listened carefully and follow up as carefully as we can on various conversations that Saddam Hussein has, and what the world community has said is to get out of Kuwait and to restore the rulers. And now you see the Arab League acting and calling for reparations, for Saddam Hussein to make good on reparations. But I don't see any willingness on his part to undertake what the world community is looking for.

So, I'd like to be optimistic, and I think it's fine to have these talks going on. I encouraged Javier Perez de Cuellar and told him I wished him great success. But I don't want to mislead the American people by saying I think that there's some breakthrough at hand or some flexibility that is clearly going to be required on his part to live within the mandate of the United Nations.

Q. Sir, what do you make of the piecemeal approach that Saddam has been taking in releasing a few women and children at a time?

The President. I don't like that. Yes, I don't like it. I don't like it. I don't think the world likes it. I'm glad when any American comes out of there, but there's a certain brutality, a certain tawdry

performance in all of this.

Q. What do you think his motive is in handling it that way?

The President. I can't anticipate his motive. But it's just turning off world opinion. It is so base and so outrageous that I think most people in the Arab world are very embarrassed by this, and I think that's certainly true of others around the world. I've talked to so many leaders, and they all agree that this is just a despicable performance.

Q. How long can you let it go on, sir?

The President. Well, I don't -- I'm not one on deadline -- I don't deal in deadlines.

Upcoming Meeting With President Gorbachev

Q. Mr. President, can you tell us when you first broached this idea of a meeting with Mr. Gorbachev?

The President. Over a week ago, maybe, or something like that.

Q. And why have you opted for what seems to be a fairly -- just kind of a hit-and-run brief encounter in Helsinki as opposed to talks over a couple of days?

The President. I think we can get done what we need to do in one day, and that's what he feels also.

Egyptian Debt

Q. Mr. President, there were reports that you're going to recommend forgiving $7 billion in Egyptian debt. Can you comment on those reports? Are you going to -- --

The President. No, I have no comment on it. But Egypt, in my view, has been stalwart in this Middle East situation, and they do have grave financial problems, and I want very much to work with President Mubarak to alleviate these problems. But the steps that I'd have to take is to make any recommendations along that line to the United States Congress. And my gut instinct is to do that, but I'm just not prepared to say where we stand on it.

Upcoming Meeting With President Gorbachev

Q. Mr. President, just to clarify, you said there is no special agenda relating to the Middle East, and you seem to be telling us that, well, you were going to have this meeting on other topics. But

yet, you brought it up just a week ago. Is it that the timing of it was spurred by the Middle East crisis?

The President. It's a subject that certainly will be discussed. But what I'm trying not to do is say this meeting is about the Middle East. I've already gotten a question here, is there some negotiating role or is there some agenda about the Middle East? And there isn't; but, yes, it will be a subject that we discuss. But we have a wide array of other issues, is all I'm trying to say. I mention CFE because I do want to see that lead to a CSCE summit, but I can't say that the Middle East has nothing to do with this meeting at all. I just don't want to mislead you. But it is not the whole thing. But I'm very anxious to discuss that subject, but please add a wide array of other subjects.

And so, I've had in mind, as I think I've mentioned to you all, more frequent meetings. I think I said that, and I think he agreed with this when he left, that we would have more frequent meetings. We both agreed up at Camp David that this kind of informal, unstructured format might be very good in a world where there are so many changes, so it's a good chance to test that now. And it's reported to me that he is very enthusiastic about this, Jim Baker having been handling the modalities of it all and making the overtures, although the original one was a proposal by me direct to Mr. Gorbachev. But Jim's been working the details of this out, and I expect he'll have something to say about that.

Persian Gulf Crisis

Q. Mr. President, there was a report on the wires this morning that U.S. marines have moved to positions -- at least a unit of them has moved to a position within 25 miles of the Kuwaiti border, whereas before they were well over 100 miles behind the scenes. Anything going on -- --

The President. I have no comment on it, Sandy, because I'm not aware of that. It's a tactical matter. It gives me a great opportunity to repeat the enormous confidence I have in our CINC, General Schwarzkopf, and also in our Chairman and others involved in this enormous movement of troops, the logistical support for them, and the deployment of them. I just have full confidence in our military that they will take the proper action to achieve our objectives.

Thank you all very much.

Note: The President spoke at 1:03 p.m. at his home. In his remarks, he referred to United Nations Secretary-General Javier Perez de Cuellar de la Guerra; President `Ali `Abdallah Salih of Yemen; President Saddam Hussein of Iraq; Gen. H. Norman Schwarzkopf, USA, commander in chief of the U.S. Central Command and commander of the U.S. forces in the Persian Gulf; and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff.

Message on the Observance of Labor Day, 1990

September 1, 1990

This year, we celebrate Labor Day at a time of both change and challenge for the United States and its workers. However, trial and change are nothing new to America or to the working men and women who have done so much to make this Nation a source of hope and inspiration for people throughout the world.

When the Industrial Revolution transformed the United States from an agrarian society into an industrialized power, millions of Americans moved from the farm to the factory and helped to forge the most productive economy the world has ever known. When World War II threatened the lives and liberty of millions of people, American workers converted their assembly lines into a pillar of our national defense, helping to make the United States a strong and effective guardian of freedom and human rights. More recently, when we attempted to conquer Space, our highly skilled work force built machines that have not only enabled us to travel safely to the Moon but also allowed us to send unmanned missions far beyond Earth's orbit. Dauntless and determined, American workers have risen to every challenge and opportunity to come before us.

Today, our economic strength and our competitive instincts are also being tested in a swiftly changing global marketplace, one that demands flexibility and rewards technological excellence. We must continue to emphasize education. We must continue to provide our work force with the training and tools needed for success in a highly competitive global economy. I am confident that America's working men and women will respond as they always have -- with courage, ingenuity, and the will to succeed.

On this Labor Day, we take special pride in the rights and opportunities that our system of government and innate sense of fairness ensure all American workers. As long as we cherish these rights and opportunities that are uniquely ours, this Nation will continue to be blessed with prosperity and progress.

At a time when our commitment to freedom and justice and our resolve to defend these cherished principles are being tested in the Middle East, let us remember that keeping the United States free, strong, and prosperous is the responsibility of all Americans -- and it is a job that is never finished. As we look to the future, we can take great confidence in the capabilities and the indomitable spirit of the American worker.

George Bush

Remarks at a White House Briefing on National Drug Control Strategy

September 5, 1990

I wanted to come over here today just to make a brief statement prior to Bill Bennett's presentation. One year ago today, I announced one of the most important initiatives of our administration: the National Drug Control Strategy, a blueprint -- a clear blueprint -- for the war on drugs. We've devoted unprecedented new resources to the fight -- new material, new money, new management, new manpower. And this is true virtually across the board: for law enforcement; for treatment; for school, community, and workplace prevention; and for our friends in Latin America. We've pulled the entire Federal effort together. We've given every participating Department a clear antidrug mission. And we've joined hands with State and local governments -- and of course, private citizens -- all across the country. Never before has so much effort, involving so many people, been applied to the scourge of drugs.

In a moment, as I say, our very able drug czar, Bill Bennett, will give you a more detailed assessment of the progress that the Nation's already made, what we've done and, of course, what is left to be done. But I'm here because I wanted to tell you personally that I think America is making progress against drugs and will continue to do so. The crisis is far from over, but there are clear signs of progress. So-called ``casual drug use'' is continuing to decline. There are early promising signs that even the problem of hardcore addiction has taken a turn for the better. Today in America, cocaine is harder to find, more expensive, less pure than it was just one year ago.

Statistics like these help put perspective in the very real progress that we've made in this war on drugs. Too often, public attention focuses only on the face of the battle -- the drive-by shootings and the horrible individual tragedies. The other side might not make good television. But many of you in the press have traveled with me this past year. We've seen the recovering drug addicts who are getting help, seen the families, the neighborhoods, the whole communities that are being restored to health and safety.

I think back to Erma Scales who took back a part of Acres Homes, a big park there -- part of my old congressional district in Houston. Heroes like Al Brooks in that Baptist church basement in Kansas City -- he just had enough and decided to do something on his own and mobilize the spirit of that community. The rallying cry of Father George Clemens in Chicago -- here's the way he put it: ``There are more of us than there are of them.'' Just those few words, and mobilized opinion and got community action going.

So, while the statistics are good, progress can't be measured only by statistics. The past year has also seen a fundamental change in attitude, a growing awareness that drugs can take away your family, your job, your health, your freedom and, yes, even your life. We've also seen stunning new successes in law enforcement in both this country and Latin America that are difficult to

measure by statistics alone. There are drug lords who -- arrogant and free only a year ago -- are today behind bars or on the run, or have already paid the ultimate price for a life of crime and violence.

Today's good news that Bill is going to share with you is welcome. We've made important progress. But clearly, that's not enough. There is still too much violence, too much destruction, too many innocent victims. Drugs are still an international menace. So, we're going to stick to this comprehensive drug strategy. We're going to renew our call for Congress to pass a true crime bill -- one that's tough on the criminals and not on the police. My administration will remain on the front lines until this scourge is licked for good. Block by block, school by school, child by child, we will take back the streets. We will never surrender. I know that other subjects are preoccupying all of us these days. But this one remains number one. It will continue to remain number one when the international situation has calmed down -- an entirely different climate.

I want to thank all of those here who have been laboring, sometimes without identity or without acclaim, on the front lines. I am proud of the work of Judge Walton and, of course, Bill Bennett and all of you, and I want to thank you for what you're doing, and keep it up. I now will turn the podium over to our able drug czar, Bill Bennett. Thank you all very much. Good luck.

Note. The President spoke at 11:11 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Reggie Walton, Associate Director for State and Local Affairs in the Office of National Drug Control Policy.

Statement by Press Secretary Fitzwater on the United States Commercial Space Launch Policy

September 5, 1990

The President has approved a new National Space Policy Directive providing important guidance which will further encourage the growth of U.S. private sector space activities. This policy, developed by the Vice President and the National Space Council, is completely consistent with and provided the policy framework for the President's August 22, 1990, decision regarding participation by a U.S. firm in Australia's Cape York space launch project. The policy supplements the National Space Policy which the President approved on November 2, 1989.

The commercial space launch policy recognizes the many benefits which a commercial space launch industry provides to the United States. It balances launch industry needs with those of other industries and with important national security interests, and establishes the long term goal of a free and fair market in which U.S. industry can compete. The policy specifies a coordinated set of actions for the next 10 years aimed at achieving this goal.

White House Fact Sheet on the United States Commercial Space Launch Policy

September 5, 1990

Policy Findings

A commercial space launch industry can provide many benefits to the U.S. including indirect benefits to U.S. national security.

The long-term goal of the United States is a free and fair market in which U.S. industry can compete. To achieve this, a set of coordinated actions is needed for dealing with international competition in launch goods and services in a manner that is consistent with our nonproliferation and technology transfer objectives. These actions must address both the short term (actions which will affect competitiveness over approximately the next 10 years) and those which will have their principal effect in the longer term (i.e. after approximately the year 2000).

-- In the near term, this includes trade agreements and enforcement of those agreements to limit unfair competition. It also includes the continued use of U.S.-manufactured launch vehicles for launching U.S. Government satellites.

-- For the longer term, the United States should take actions to encourage technical improvements to reduce the cost and increase the reliability of U.S. space launch vehicles.

Implementing Actions

U.S. Government satellites will be launched on U.S.-manufactured launch vehicles unless specifically exempted by the President.

Consistent with guidelines to be developed by the National Space Council, U.S. Government agencies will actively consider commercial space launch needs and factor them into their decisions on improvements in launch infrastructure and launch vehicles aimed at reducing cost and increasing responsiveness and reliability of space launch vehicles.

The U.S. Government will enter into negotiations to achieve agreement with the European Space Agency (ESA), ESA member states, and others as appropriate, which defines principles of free and fair trade.

Nonmarket launch providers of space launch goods and services create a special case because of the absence of market-oriented pricing and cost structures. To deal with their entry into the market there needs to be a transition period during which special conditions may be required.

There also must be an effective means of enforcing international agreements related to space launch goods and services.

Appointment of Shawn Smeallie as a Special Assistant to the President for Legislative Affairs

September 5, 1990

The President today announced the appointment of Shawn Smeallie as Special Assistant to the President for Legislative Affairs (Senate) at the White House.

Since February of 1989 Mr. Smeallie has been in charge of Senate Relations in the Office of Legislative Affairs at the Office of Management and Budget. Prior to this, he served as a legislative assistant to United States Senator Alfonse D'Amato, 1984 - 1989.

Mr. Smeallie graduated from St. Lawrence University (B.A., 1981) and Georgetown University (M.A., 1990). He currently resides in Washington, DC.

Remarks at a Fundraising Luncheon for Governor Mike Hayden in Topeka, Kansas

September 6, 1990

Mike, thank you for that very kind and very generous introduction. It's great to be here with you and Patti. And, of course, always a pleasure to be with -- glad to see today your distinguished Senator, Nancy Kassebaum. What a job she's doing for this State and for the entire country. Your reelection is crucial not just to Kansas, but to the entire Nation. You know, Nancy is part of Kansas' superb Republican team in Washington. Let me salute another part of that team, a man who could not be with us today -- our outstanding Republican leader in the Senate, Bob Dole. As President -- and I mean this from the bottom of a grateful heart -- I could not possibly have a finer leader with whom to work in the United States Senate than Bob Dole. He has been outstanding and superb and supportive. And I wanted to congratulate him in front of his friends from his State, but he's not here, so give him that message. I hope he knows I feel that way anyway.

Jan Meyers, Congresswoman Jan Meyers, is here. I salute her and I know she will continue to represent her Third District with style. And she's been magnificent in Washington. And also, let me put in a plug for two fine candidates who will make an important contribution to the Congress: Scott Morgan and Dick Nicholls. To Harland and Wynn Priddle, thank you for cohosting this luncheon. Also, thanks to Lieutenant Governor Jack Walker and Harold [Howard] Wilkins, my old friend and our Ambassador there in The Netherlands. We're proud of him and the job he's doing for our country in helping one of our important NATO allies in staunch step with us. He's done a great job over there.

I'm pleased -- I heard her announced just before Patti and Mike and I walked in -- to have Jeanie Austin with us today. She is, as you know, the cochairman of the Republican National Committee. And I salute her along with the national committee members from this State: Mary Alice, Jack Ranson, Rochelle Chronister, who's our chairwoman. And it's great to see all of them and John Peterson, who did such a magnificent job of running our campaign here in 1988, as well as Don and Adele Hall. And a special hello to a friend of Mike's, Lacey Cook of Dodge City. This brave young girl won her battle for a liver transplant, and she'll be 3 years old next Tuesday. All Kansans can take pride in the courage evidenced by this wonderful child.

Today, I'm privileged to be back in the very heartland of America -- and to speak on behalf of a friend. He is a Vietnam veteran; he's an environmentalist and a businessman. Most of all, he is a great Governor of a truly great State. Ladies and gentlemen, Governor Mike Hayden.

As you may have read, I had some mishaps on my way here. First, I was fishing with the Canadian Prime Minister on my boat when it broke down. I crunched a rock, I think. But anyway, the next day we went back out, and I got hooked in the ear while fishing with the Prime Minister and my son Jeb. The barb from one of these hooks went all the way through the ear. We refer to

our son as Captain Hook now. [Laughter] Talk about adding insult to injury -- after they unhooked me, Jeb tried to throw me back. [Laughter] Luckily, he was dissuaded.

But it's wonderful to be here now, back to work -- discuss how far the last 4 years Mike has come. Mike's compass, Mike Hayden's compass, has helped chart the future -- not just for now but the future of Kansas. It's a compass of integrity, embodying the Kansas of hard work and character. And if I wasn't aware of that, you should have heard Mike telling me about that on the way in from the airport as we saw the citizens lining the street with that warm, warm Kansas welcome. Man of family -- think of Mike's wife, Patti, and the two girls who were out there to greet us at the airport. A compass of what I like to think of as traditional values. And plain common sense -- he keeps things in perspective. It's like Mike -- never a man of failing to say what he thinks -- he tells me: ``It's fine that you're here, Mr. President. But if you really want to help out, bring Barbara." [Laughter]

These qualities have endeared Mike to Kansas' good and quiet and decent people. And it's no surprise that ``Kansas Likes Mike." And just look at this background: Kansas State graduate; member, then Speaker, of the Kansas House of Representatives. He's living proof of the words spoken by that great Kansan to whom he referred, Dwight Eisenhower. Ike said, ``Our best protection against bigger government in Washington is better government in the States." And today we meet to help Mike keep making government better in the State of Kansas. And so, let's reelect him to a second term in the Governor's mansion.

Take a look at the numbers. Today, more Kansans are working than at any time in our history. Unemployment is the lowest in 11 years. And no wonder ``Kansas Likes Mike." Here's more: Think of the increase in net farm income -- up $4 billion since '87. And we realize some farmers are hurting because those wheat prices are down. Four billion dollars since '87 and a $2.6 billion construction program to modernize the highways. Affection stems from achievements like these. And how did they happen? Not from Washington, DC, doing for Kansas but through Kansans doing for themselves. Not expanding the budget of the bureaucracy; rather, expanding the horizons of Kansans young and old.

And now, you may have heard -- I hope you haven't heard too much about it -- but we have a budget, too, in Washington, DC. And back in June, when the budget talks were at an impasse, I decided that the time had come to put it all on the table, lay it right out there for all to see, whatever it was -- revenues, spending cuts, budget reform. And I did that as an act of good faith. And I believe I've tried hard, and I believe I have kept the faith. And, yes, took some heat, understandably -- I expected that -- through 5 long months of budget talks. But today -- and I really feel strongly about this when I see the young people that are here today and that were out to greet us when we arrived -- time is running out.

And here's a fact: October 1st begins a new fiscal year for the Federal Government, and still no agreement on getting our deficit under control. Another fact: We've got to draw the line on

spending -- break free once and for all from the tired old mindset that says for every new problem we must create a new bureaucracy. And the budget I've asked for -- $1.5 trillion -- is not exactly miserly. It is certainly enough to do the vital work of government. And so I say, Congress, let's get with it.

I pledge again to work with the leaders in Congress on both sides of the aisle to get an agreement that makes real cuts in the deficit now and eliminates the deficit within 5 years. The time for partisanship, in my view, is past; and the time for avoiding the tough decisions is gone. They're not going to do it exactly the way I want, and I understand that. And I can't do it exactly the way one element or another in the Congress wants, and I think they must understand that. But the time is now for decision. And I say let's fix this Federal budget mess once and for all -- get it done.

All of you remember Nancy's dad, another great Kansan, Alf Landon. And perhaps you don't recall how once he said, ``There are some intelligent people in Washington. There are more of them in Kansas." Well, Mike Hayden encapsules Kansas' thinking. So, let me briefly talk about how he and you can help meet America's challenges. Challenges at home -- the budget among them; also, challenges abroad.

At home, we begin with education, where Mike has launched a campaign to make Kansas number one in the whole country. And your support can help him convince the Congress to pass our National Educational Excellence Act. And then, comes the environment. Here, too, I need Mike; I need his commitment. I need, Mike, for you to help support me in Washington. Your support can help convince Congress to grant the Environmental Protection Agency cabinet status and pass clean air legislation that I can sign. I want to do that. I think it's important for our country. But we also have to remember the job base in this country. So, we've got to get a bill that the President can sign. And finally, I need Mike to keep Kansas our nation's breadbasket. Look, you produce more wheat than any other State. You know how vital agriculture is to America and to the entire world.

Mike grew up in a farm family. You get strong support coming out of the farm families across this State. And I'm sure he's heard the tale -- old -- most have heard it -- of how a city person bought a chicken farm. A friend was astonished. ``Do you know anything about breeding chickens?" he asked. ``No," said the city person, ``but the chickens do." Well, in Kansas, even chickens realize that when it comes to farming, Washington does not know best, Kansans do. So, I ask you to back a new farm bill that emphasizes market-oriented policies. Bob Dole understands this; Nancy Kassebaum understands it; Jan Meyers understands it. Our new farm bill must be even-handed and level-headed, enhancing America's competitiveness. I know winter wheat goes in the ground this month, and I hear from Mike of your concerns about the wheat market, and I understand that. We must help lower interest rates and the deficit while increasing choice for farmers and consumers.

We also need to get the most from the grain agreement that President Gorbachev and I signed at

our recent summit, a deal calling for at least 50 million metric tons of grain to be purchased by the Soviets in the next 5 years. Our ongoing Uruguay round of negotiations can continue this movement toward cooperation and free trade. Here's one more way to keep agriculture strong. I ask you to support our capital gains tax cut proposal which will create new investment. And I will again call on the United States Congress to take action on this proposal now.

So far I've discussed a little about how we can keep America proud at home. So, let me close by talking about what we can do to serve the principles we hold dear abroad. I refer to the issue, of course, that's central to our minds and hearts, the crisis in the Persian Gulf. As you know, the events are still unfolding. Hard choices remain. But of this we are certain: When some ask, where does America stand, our answer is, America stands where it always has -- against aggression. And America will not be intimidated.

You know, 5 weeks ago, these beliefs prompted me to take action in the Middle East toward restoring the sovereignty of Kuwait and deterring those who threaten -- who threaten friendly countries and the vital interests of America. Those objectives are unchanged today, and they will remain unchanged. And we will not stand by while one country devours another unthreatening country. We will stand firm against the aggression now condemned around the entire world.

Our cause may not be easy, but it will always be right. So, we will do whatever it takes to help our men and women restore peace and, thus, complete their mission. We're doing this with the cooperation of the United Nations -- 22 countries involved in the Persian Gulf effort -- 22. I'm proud that a substantial majority of Arab nations support our efforts. Saddam Hussein is trying to make it America against the Arabs -- couldn't be more untrue. It is the rest of the world, including most of the Arabs, against Saddam Hussein -- most standing with us against this brutal aggression. The world is united for stability and security, and we will remain united. In that spirit, I look forward to Sunday's meeting with President Gorbachev in Helsinki.

When he and I met last June, I mentioned the hope then that we could meet more frequently. The better we understand each other, the closer, I believe, that we can work. The past year has seen new levels of cooperation between our two nations. The Persian Gulf shows what this cooperation can achieve. So, on Sunday, President Gorbachev and I will talk of the Gulf crisis and other regional issues as well -- arms control issues, a wide array of issues. I also hope to also discuss the progress of Soviet reform. And I will continue to press for a prompt resolution of a START treaty. This meeting can further expand cooperation between the United States and the Soviet Union.

Yet to complete our Persian Gulf mission will also require what Chairman of the Joint Chiefs of Staff Colin Powell called ``the finest peacetime military in the history of America." As long as I am President, that military will remain purposeful and proud. They are the finest young kids that have ever served the United States Government.

Today, those finest soldiers, sailors, airmen, and marines that any nation could have are showing how the best way to keep the peace is to keep America militarily strong. Here are just a handful of examples, all now on active duty in Saudi Arabia with the Air National Guard's 190th Air Refueling Group from Topeka's Forbes Field. Sergeant Johnnie Keller is a graduate of Osage City High School, who last March joined the Guard. Today, he's standing shoulder to shoulder for what is right and good with colleagues like Theresa Boyd of Lawrence, a jet engine mechanic and 11-year Guard veteran, and technical sergeant Bill Hortenstine, a Highland Park grad who helps maintain these KC - 135 tankers that refuel planes all the way on their way over to faraway Saudi Arabia.

These Kansans reflect the true caliber of America and the vital essence of our mission, a mission embodied by a short note received by Lieutenant Colonel Don Fowler in the Saudi Arabian control center. And the note came from a Kuwaiti refugee who didn't speak English well, but whose words had a simple eloquence: a capital ``I'' and then a small heart and the letters ``USA.'' And the letters ``USA'' aren't merely part of the alphabet. They stand for something called freedom and justice -- qualities that Kansans have upheld for decades. And they express the belief that America could not be the land of the free if it were not the home of the brave -- a belief that Kansans are courageously defending right now on the sands and the waters offshore of Saudi Arabia.

For more than half a century, generations have marveled at a movie -- wonderful movie -- set here in Kansas. And ask anyone from Warsaw to Wichita; they know what Dorothy said: ``There's no place like home.'' And there is nothing I want more than for our American servicemen and women to come home -- and they will -- and once we've completed a mission that does right by America and does right by the entire world. Abroad, let us raise the flag of peace and justice. And at home, let's show that Kansas does like Mike. On November 6th, ours is the chance to show what we think of the past 4 great years. And let's seize it -- and by reelecting Mike Hayden Governor, help make the next 4 years the greatest in Kansas' history.

Thank you for this wonderful reception. And may God bless the United States of America and those fine men and women serving her today. Thank you all very much.

Note: The President spoke at 11:56 a.m. in Landon Arena at the Kansas ExpoCentre. In his remarks, he referred to Donald J. Hall, chairman of Hallmark Cards, Inc. Following his remarks, the President traveled to Tallahassee, FL.

Remarks at a Fundraising Barbecue for Representative Bill Grant in Tallahassee, Florida

September 6, 1990

Bill Grant, thank you, Congressman, thank you for that warm introduction. If I was about to be hung, I believe I'd listen to the man. [Laughter] Bobby, Coach Bowden, thank you, sir, for being with us. To Janet, Janet Grant, who greeted us at the airport here, my respects and glad to see you -- what a campaigner she is. Jeanie Austin is with us, who is a former Florida chairman, now doing a great job as cochairman of the Republican National Committee. And our State chairman, Van Poole, is with us. Finance chairman, Alec Courtelis, an old friend of the Bushes. And then, of course, the man who's going to take Florida forward into the nineties, who's earned the right to a second term, a great friend, an early supporter of mine, a leader among the Nation's Governors, and I mean your own, Bob Martinez. We must see him elected. And, Mary Jane, the same goes for you.

And I want to salute Congressman Bill McCollum. Congressman Bill Young was to be here; I'm not sure he's made it yet. And, of course, an old friend of mine and a man that's served Florida with great distinction, former Congressman Bob Sykes, over here. Bob, it's great to see you here.

Well, it's a pleasure to be with you -- Jim, Tom, so many others, too -- but it's a pleasure to be with all of you here to share the summer's last cookout together -- [laughter] -- and, of course, to be standing at the side of north Florida's pride, Congressman Bill Grant.

Bill told me everyone in Tallahassee's been looking forward to this week, getting ready for the main event. Coming in today, I could see the excitement on people's faces. I'll bet there's not a person within 50 miles of here who doesn't know the Seminoles play this Saturday. Good luck! If you're for Bill Grant, okay, we're for you.

Well, look, I'm here really today to show my support for one of Florida State University's favorite sons. Eighteen months ago, Bill made a decision of principle. He joined the ranks of the Republican Party, and he became a valuable member of my team up there on Capitol Hill. I remember the talk we had when I called and invited Bill and Janet down to the White House to make the announcement. Bill knew that because of some traditions in this part of the State, for a lot of reasons, that he'd be opening himself up to an all-out challenge in the upcoming election. But he made this switch with the complete confidence that he had the support of the people of this district because here in north Florida, when someone stands by his convictions and is motivated by principle, you stand by him. And that's why I believe he's going to win.

And there's never been a question, never been a question of party label. Bill Grant stands on the side of every hard-working family in northern Florida. He's been a key player in the United States Congress, backing a tough, no-nonsense strategy in the war on drugs. He knows that drugs and

the violence that drugs breed aren't confined to the cities; they're not simply confined to urban America. Smalltown America faces the same threat. And every community must take steps to defend itself against the deadly scourge of drugs.

Bill Grant stands with me in his unshakable commitment to our environment. He can take great pride in being named Forest Conservationist of the Year by the Florida Wildlife Federation -- no small honor. Through Bill's efforts, Florida has added 25,000 prime acres of black bear country to the Osceola National Forest.

And he's been a leader in the crusade to restore fiscal restraint in Congress. Today, I want to just mention a few words about the key challenge in this crusade. I'm talking about the budget talks up there. You know how I feel about raising taxes: I'd rather eat broccoli for breakfast. [Laughter]

But back in June when the budget talks were at an impasse, I decided that more important than anything is the future of these kids, kids that are here today. We cannot continue to mortgage the future of the young people by keeping these deficits. And so, I put it out on the table -- all of it -- and said, let's talk in order to fix this budget mess once and for all. I did it as an act of good faith, and I hope I've kept the faith; I've tried hard. And I took a little heat, through 5 long months of these budget talks.

But now time's running out. October 1st begins the new fiscal year; there's still no agreement. Congress is back now. When I leave here I'll go tomorrow to bipartisan budget talks that resume tomorrow. I want a budget agreement. I think it is in the interest of every family here that we get a budget agreement. The country needs it. And I'll approach these talks, I pledge to you, in good faith -- work with the leadership to get a sound deficit-cutting agreement. In my view, it's no longer time -- Republican or Democrat, liberal or conservative, the time for action is now, and we've got to succeed. And, thank God, we have people like Bill Grant in the Congress that understand this. I believe one of the reasons I'm here is that Bill has been one of the tough people holding the line on spending -- cost-cutters, you might say -- a real bulldog in the battle against government waste. I pledge to you and to every American taxpayer that I will not accept a budget agreement that isn't fiscally sound and fundamentally fair.

These are challenging times here at home and, of course, as Bill mentioned, abroad. And so, let me just speak for a moment about the situation in the Persian Gulf. So many people -- we had a small reception here and -- coming up and saying, ``Well, I've got a son in Saudi Arabia," or ``My kid is ready to go," or something of this nature. No President, no President is quick to order American troops abroad. But there are times when this nation, when any nation that values its own independence, must confront aggression. What's at stake is a matter of vital interest. Beyond the very real threat of our economic independence -- and that is at stake -- there is a larger issue, there's a more fundamental issue. There's an issue of principle that the people of northern Florida will understand, an issue with lasting implications for peace and security.

Just as we suffer here at home when law-breakers walk our streets and plague our communities, the world suffers when outlaws assault the international order. Every use of force unchecked is an invitation to further aggression. Every act of aggression unpunished strikes a blow against the rule of law and strengthens the forces of chaos and lawlessness that, ultimately, if unchecked, threaten us all. Nothing strikes with greater force at the very heart of the international order than the act of naked aggression perpetrated by [President] Saddam Hussein of Iraq.

I'm confident our response is the correct one. I believe that these economic sanctions, enforced by almost the entire world, are beginning to bite. The squeeze is on, and Saddam Hussein is up against a united front -- forces from 25 nations stand side by side in the Gulf region -- and a strong mandate -- 5 resolutions overwhelmingly supported by the United Nations Security Council. Strong international support for what your sons and daughters are doing halfway around the world. It is vital that that support remain. So, tomorrow I depart for Helsinki, Finland, where I've asked President Gorbachev to meet me to talk about a wide array of issues including, of course, the situation in the Gulf and the world's response -- its overwhelming response -- to Iraq aggression. Never before have we seen the kind of cooperation between nations, proof that the world community will not stand aside and watch one nation swallow up another. The world is united against this aggression. And I am glad the Soviet Union is on our side on this one.

Let me be very clear: We seek a peaceful solution to this crisis. And let me be clear on another point: There can be no compromise when it comes to the sovereignty for Kuwait and the removal of all Iraqi forces. And that removal must be complete, it must be immediate, and it must be unconditional.

And this crisis has taught us that there is no substitute for American resolve, American strength in the service of the rule of law. And there is no substitute for the support of the American people. Under our system, you're the ones with the power. You've got it in your hands. And I need your support, and I hope I have it as we continue to stand up against aggression in the Middle East. I am very grateful. And I thank Congressman Bill Grant and the people here. I am confident that with your support and the continued, concerted action of the world community, justice will prevail over the forces of aggression.

And one more thing. You know, I think we Americans should make something very clear. Our argument is not with the people of Iraq. Rather, it is with Iraq's dictator, who uses innocent travelers as shields; who now, in direct contravention of international law, holds hostage civilians from many countries, using them as shields -- a vital violation of international law, no matter how you look at it. But he must know that our policy and the policies of the many countries that stand with us will not be altered by this brazen blackmail. I will not change the policy of the United States Government in standing up against aggression in order to submit to this international blackmail.

So, let me close with a few words of appreciation for the young people in our armed services

from the cities and towns of northern Florida -- Bill and the Governor telling me in the short time we've had to visit of the patriotism and the support of the people here, many of them on duty right now, half a world away: servicemen like Ensign Les Pulley and his brother, Charles, a marine corporal who grew up in Tallahassee. Charles is a veteran of Operation Just Cause in Panama, and Les now shipped out for the Middle East. Or Sergeant Roy Land of the 82d Airborne, who went to school right here at Godby High, served -- [applause] -- some of his fellow students over here -- served 2 years ago as a NATO peacekeeper out in the Sinai Desert, and serves today with our proud peacekeepers in the sand and the heat of Saudi Arabia.

As Commander in Chief of the Armed Forces, let me tell you: With men like these, with all the brave young men and women of our Armed Forces, rests America's spirit of pride and sense of purpose. Every single member of the Joint Chiefs of Staff has told me -- from the Chairman, General Colin Powell, right through the Services -- that never in their lives have they seen finer young men and women in the service of the country than they have today. And never have they seen more people properly motivated in operation than they're seeing right now in this operation halfway around the world. It is a tribute to the sons and daughters of northern Florida and to the rest of the United States.

And as I said a moment ago, these are challenging times when we draw on the very best America has to offer. We are a country, one nation under God. And I like what Bill said about the faith of the people in northern Florida, always respectful of the denomination of another. But one nation under God. And I'm here for Bill Grant because Florida and the Nation needs public servants like him that understand that point and need public servants that are motivated by principle.

It is not easy. It is not easy to leave a party, but he did it based on principle. And he's brought with him many, many people -- many who are here today -- that say, ``I'm a Democrat," and that's fine. But I want to ask you to vote for Bill Grant because we need public servants of principle in Washington, DC.

It's been a wonderful sendoff for me, coming here to northern Florida before heading for Helsinki and meeting the President of the Soviet Union. It will be a little cooler in Helsinki, I expect -- [laughter] -- but I hope that the spirit over there is about half as warm as this, and the United States will do just fine, thank you.

Thank you all, and God bless you.

Note: The President spoke at 6:14 p.m. at Tom Brown Park. In his remarks, he referred to Bobby Bowden, coach of the Florida State University football team, the Seminoles; Janet Grant, wife of Representative Grant; Mary Jane Martinez, wife of Governor Martinez; Jim Smith, secretary of state of Florida; and Tom Gallagher, secretary of the treasury and insurance commissioner of Florida.

Memorandum on Trade With Czechoslovakia

September 6, 1990

Memorandum for the Secretary of State

Subject: Determination under section 405(a) of the Trade Act of 1974, as amended -- the Czech and Slovak Federal Republic

Pursuant to the authority vested in me under the Trade Act of 1974 (P.L. 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I determine, pursuant to section 405(a) of the Trade Act, that the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of the Czechoslovakia Federative Republic'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to appropriate members of Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:29 p.m., September 24, 1990]

Letter to Congressional Leaders on Trade With Czechoslovakia

September 6, 1990

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 407 of the Trade Act of 1974 (P.L. 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I am transmitting a copy of a proclamation that extends nondiscriminatory treatment to the products of the Czech and Slovak Federal Republic. I also enclose the text of the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of the Czechoslovak Federative Republic,'' including exchanges of letters that form an integral part of the Agreement, which was signed on April 12, 1990, and which is included as an annex to the proclamation.

The Agreement will provide a nondiscriminatory framework for our bilateral trade relations, and thus strengthen both economic and political relations between the United States and the Czech and Slovak Federal Republic. Conclusion of this Agreement is an important step we can take to provide greater economic benefits to both countries from this relationship. It will also give further impetus to the progress we have made in our overall relationship since the general improvement in our diplomatic relations last year.

I believe that the Agreement is consistent with both the letter and the spirit of the Trade Act. It provides for mutual extension of nondiscriminatory tariff treatment, while seeking to ensure overall reciprocity of economic benefits. It includes safeguard arrangements to ensure that our trade with the Czech and Slovak Federal Republic will grow without causing disruption to the U.S. market and consequent injury to domestic firms or loss of jobs for American workers.

The Agreement also confirms and expands for American businesses certain basic rights in conducting commercial transactions both within the Czech and Slovak Federal Republic and with Czechoslovak nationals and business entities. Other provisions include those dealing with settlement of commercial disputes, financial transactions, and government commercial offices. Through this Agreement, Czechoslovakia also undertakes obligations to modernize and upgrade very substantially its protection of all forms of intellectual property rights. Once fully implemented, the new Czechoslovak intellectual property regime will be on a par with that of our principal industrialized trading partners.

On February 20, 1990, I waived application of subsections (a) and (b) of section 402 of the Trade Act to the Czech and Slovak Federal Republic. On June 3, 1990, I determined that continuation of this waiver will substantially promote the objectives of section 402 and, pursuant to section 402(d)(5) of the Trade Act, submitted a report to the Congress outlining the reasons for my determination.

I urge that the Congress act as soon as possible to approve the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of the Czechoslovak Federative Republic."

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks and an Exchange With Reporters on the Federal Budget Negotiations

September 7, 1990

The President. I just wanted to say a quick word on the budget. We're going out now with Dick Darman and with Scowcroft. We're going to try to insist that -- working with the leaders of Congress on both sides of the aisle to get these budget talks moving. I'm pleased with what Dick Darman told me about the cooperative attitude that exists up there now. I think there's a new opportunity to do what this country desperately needs, and that is to have a budget agreement that will get these deficits under control.

And I am very hopeful that this spirit of cooperation that I'm told by Dick exists across both sides of the aisle will be the catalyst in getting a budget agreement which, in my view, is long overdue and is absolutely essential in terms of the well-being of our economy. So, that's what this trip is about. Then we'll head on back.

Q. Why are you taking Scowcroft? Does that mean the Gulf is going to have a part of this -- --

The President. Well, it means that the defense component and the domestic component are together as far as the administration goes. That's why Brent's going out. I've got to run.

Note: The President spoke at 10 a.m. on the South Lawn at the White House. In his remarks, he referred to Richard G. Darman, Director of the Office of Management and Budget, and Brent Scowcroft, Assistant to the President for National Security Affairs.

Exchange With Reporters Prior to a Meeting With Federal Budget Negotiators

September 7, 1990

Q. Are we going to get an agreement here, Mr. President?

The President. Let's walk over and talk about that for 1 minute. I just want to say at the outset here that I'm very pleased to be out here at the kickoff of these very important budget meetings. Dick Darman has filled me in on preliminary talks that have started since the recess ended. I think there is a new spirit of optimism that we can get an agreement. It's going to take compromise. But I want to thank the leaders on both sides of the aisle for what I understand is a good mood, now, towards getting final agreement. If big differences remain, I will tell them that I remain committed to a budget agreement. We haven't changed our focus or objectives as to the size of that agreement, and I will reiterate there that nothing has transpired anywhere that makes me less interested in getting a budget agreement that gets this deficit under control once and for all.

So, I won't take any questions here, but I'm now going in to tell the leaders essentially what I've said here, go into a little more detail on it. And then I look forward to meeting with them when we come back from our important visit with Mr. Gorbachev [President of the Soviet Union] in Helsinki. But that's about where we are. Our people are, I'd say, somewhat optimistic that this can be hammered out in a very short period of time. And then again, the Congressmen have committed to staying with this, and I think that's good. So, let's see what we can do. But it is still vitally important to our country that this deficit get under control once and for all.

Q. Fifty billion carved in stone?

The President. Yes.

Note: The President spoke at 10:26 a.m. on the tarmac at Andrews Air Force Base.

Statement by Press Secretary Fitzwater on the Presidential Mission to the Soviet Union

September 7, 1990

The President today announced a Presidential mission to the Soviet Union to demonstrate his commitment to expanding U.S.-Soviet trade and economic cooperation. Secretary of State James A. Baker III and Secretary of Commerce Robert A. Mosbacher will lead a group of 15 U.S. business executives to Moscow and Leningrad September 10 - 14 for meetings with senior Soviet officials. The mission is part of the administration's continuing efforts to expand trade and investment and strengthen U.S.-Soviet economic relations. The mission's efforts will focus particularly on energy, housing, transportation, food processing and distribution. The mission members will report their findings to the President on their return.

Mission participants will meet with the President in Helsinki on September 9 after the conclusion of his meeting with President Gorbachev. In the U.S.S.R., mission members will meet with a wide variety of Soviet officials, including President Gorbachev; Prime Minister Ryzhkov; Russian Republic President Yeltsin and other republic leaders; the mayor of Moscow, Gavril Popov; and the mayor of Leningrad, Anatoly Sobchak. The mission will provide an opportunity for the business executives to exchange views freely with the Soviets on how trade and investment can work to further Soviet economic reforms. The business executives will also discuss a number of projects with their appropriate counterparts in the Soviet industrial ministries to explore possible trade and investment opportunities.

Following up on proposals made by President Bush at Malta, Secretaries Baker and Mosbacher will announce several new and expanded economic cooperation programs. These programs are designed to help the Soviets make the transition to a market economy.

The private-sector members of the delegation are:

Dwayne O. Andreas, chairman and chief executive officer, Archer-Daniels-Midland Company, Decatur, IL.

Lodwrick M. Cook, chairman and chief executive officer, Atlantic Richfield Company, Los Angeles, CA.

Kenneth T. Derr, chairman and chief executive officer, Chevron Corp., San Francisco, CA.

John J. Murphy, chairman, president and chief executive officer, Dresser Industries, Inc., Dallas, TX.

James B. Hayes, publisher, Fortune magazine, New York, NY.

James D. Jameson, chairman, Glenair International, Del Mar, CA.

H. Leighton Steward, chairman, president, and chief executive officer, The Louisiana Land and Exploration Co., New Orleans, LA.

Donald B. Marron, chairman and chief executive officer, Paine Webber Group, Inc., New York, NY.

Donald M. Kendall, chairman of the executive committee, Pepsico, Inc., Purchase, NY.

Chesley Pruet, president, Pruet Oil Co., El Dorado, AR.

Leonard Sylk, chairman and chief executive officer, Shelter Systems Group, Hainesport, NJ.

Alex J. Mandl, chairman and chief executive officer, Sea-Land Service, Inc., Edison, NJ.

James W. Kinnear, president and chief executive officer, Texaco, Inc., White Plains, NY.

Mark C. Hungerford, chairman and chief executive officer, Transcisco Industries, Inc., San Francisco, CA.

William T. Esrey, chairman, United Telecommunications, Inc., Westwood, KS.

Statement by Press Secretary Fitzwater on Emergency Assistance for Persian Gulf Refugees

September 7, 1990

The plight of innocent people turned refugees by the current situation in Iraq and especially Kuwait, caused by the Iraqi invasion and occupation of Kuwait, demands immediate and effective international response. The President has, therefore, authorized the use of $10 million from the Emergency and Migration Assistance Fund for emergency assistance to the tens of thousands of people fleeing Iraq and Kuwait who are in Jordan and Turkey. This authorization brings total U.S. assistance for this humanitarian purpose to $28 million.

The $10 million approved today by the President will go for food, water, and shelter and for transporting persons back to their countries of origin. Earlier U.S. help consisted of $13 million in food assistance and $5 million for tents, water, and other emergency items.

We are pleased to note that the other governments are also contributing to this urgently needed relief effort. In particular, Saudi Arabia, many countries of Europe, and Japan are providing generous levels of assistance. Secretaries Baker and Brady are urging potential donor governments to provide transportation and additional humanitarian aid. We call upon governments, and especially those whose citizens are among the refugees, to make available transportation that would facilitate their rapid return home. We are also working closely with the United Nations and private voluntary organizations in the United States to ensure that the services and supplies required by the refugees are provided as quickly as is possible.

Note: Presidential Determination No. 90 - 39 of September 7, which authorized the emergency assistance, was printed in the ``Federal Register'' of December 14.

Remarks at the Arrival Ceremony in Helsinki, Finland

September 8, 1990

President Koivisto, Mrs. Koivisto, and members of the Finnish Government: The city of Helsinki has often been a meeting place for nations seeking to advance the cause of peace. And my thanks to the people of Finland first for hosting this meeting and for setting an example for all the world in your resolute commitment to liberty and independence.

When President Gorbachev and I met in Washington, we discussed the possibility of meetings such as the ones we'll hold here tomorrow. We agreed that the United States and the Soviet Union had reached a stage in our relations where meetings should occur more frequently -- less fanfare, working meetings, held as circumstances might dictate. And our aim was that these meetings be unstructured and informal, with an open agenda and a maximum opportunity to exchange views on issues of mutual importance.

Well, in keeping with that aim, here in Helsinki President Gorbachev and I will focus on a full range of issues. We seek continued movement towards a new Europe, whole and free. We seek to advance the pace of arms control, strategic and conventional. And I want to hear about the progress of the Soviet reform and explore other issues of interest to our two countries. And, of course, I expect that we will devote a large part of our time together to the situation in the Persian Gulf.

I've said many times this past year that we have entered a new era in world affairs. This meeting comes at a critical time, at a moment when the actions we take can shape this new world for years to come. In the past, many regional conflicts have played themselves out against the background of the larger conflict of the cold war. Renegade regimes and unpredictable rulers resorted to force, counting on superpower stalemate to frustrate a united response. International law and international organizations were often paralyzed, powerless to prevent conflict or restore the peace. But the international response to Iraq's invasion proves how much has changed. Here in Helsinki, President Gorbachev and I meet hopefully to strengthen our common approach to this unjustifiable act of aggression.

Much is at stake, and there is much the world stands to gain if we succeed. If the nations of the world, acting together, continue, as they have been, to isolate Iraq and deny Saddam the fruits of aggression, we will set in place the cornerstone of an international order more peaceful, stable, and secure than any that we have known.

To our Finnish hosts, let me simply say that I intend to take full advantage of this very brief but welcome opportunity to renew America's warm friendship with Finland. I meet today with President Koivisto, whose counsel I have valued over the years. Barbara and I often talk about our visit here in the early eighties -- 1983. And it was then that I first met your President,

President Koivisto. We've stayed in very close touch since then. And I look forward to hearing his views on the many issues that I've just mentioned and others as well.

Finland has long been a voice of peace and stability between nations in the councils of the CSCE, as a member of the United Nations peacekeeping forces. And today at this time of challenge, Finland once again stands with the forces of peace. I thank the Government of Finland for its staunch support as a member of the United Nations Security Council, upholding international law in face of Iraq's unwarranted aggression.

Together with the nations of the world, I am confident that we can reverse the dangerous course of events brought on by the actions of Saddam Hussein and restore peace, stability, and respect for the rule of law.

Thank you, Mr. President. And may God bless the people of Finland. Thank you. In his remarks, he referred to President Saddam Hussein of Iraq.

Note: The President spoke at 11:24 a.m. on the tarmac at Helsinki-Vantas Airport. In his remarks, he referred to President Saddam Hussein of Iraq.

Remarks to Members of the American Embassy Community in Helsinki, Finland

September 8, 1990

Well, I'm delighted to be here. And what I really want to do is to shake hands and say hello, cut these ropes down if we can, and just have a quick visit before we go off to accept more of this fabulous Finnish hospitality staying at the Guest House.

I want to pay my respects to the Finnish business people that are here and their families, and thank them very much for adding to what's been a wonderful welcome so far. Of course, I'm very proud of our Ambassador. He and Virginia have been our friends for a long time. And I knew they would do a superb job in Finland, and sure enough, they have. And I'm delighted, and I thank them for welcoming this invasion squad from the United States.

And to your new DCM, and to your admin officer, and to everybody else who has anything in the world with the planning on this visit, we make a solemn promise. And that promise is that we will leave on time -- [laughter] -- and you won't have to put up with us for long.

But, you see, I have a little inkling of what this Embassy has gone through because -- as I said, I think, when I was here 5 years ago -- I was on the receiving end of a visit like this when Barbara and I had the mission in China. And we survived one visit from President Ford and two visits from Henry Kissinger. [Laughter] So, if you think you have it rough, you ought to have been where we were. [Laughter]

But in all seriousness, I know the logistics and the communications and all of these things are very complex, and I am grateful to you, the Ambassador telling me that you all have pitched in. And it's gone, from our standpoint anyway, very well.

I must say, I don't know how an American feels living here and working in the Embassy exactly, but if it's anything like the feeling Barbara and I got when we came in in separate cars and saw all those people and the warm welcome for the United States, why, it really is very touching and very moving. And we are very grateful.

We're in tough times. Finland is an important player in all of this international action. As a member of the Security Council, the Finns have been in a very out-front position. And I am very pleased that we are side by side with Finland as we try to stand up against aggression down in the Persian Gulf.

I know that we have several Finnish employees or workers or coworkers in our Embassy. And to you I would simply say: You enrich our staff by your knowledge of and love of your own

country, and it's good. You know, I think some countries don't permit foreign nationals in their embassies, and they miss something. We get a lot from that all around the world. And I know it's true here just as it is in so many other embassies. So, to those from Finland who have worked here -- and I talked to some of them inside -- those out here I want to simply say: We appreciate what you do working with us. We respect your country, and we think we're enriched by your being a part of all of this.

I'll simply say one last word, and that is that this meeting tomorrow with Mr. Gorbachev is indeed an important meeting. We are very fortunate to be trying to coordinate and, in a sense, lead in an international effort here to stop aggression in the Persian Gulf -- fortunate to have the Soviet Union very much in accord with what we're trying to do and what Finland is trying to do. And if you wanted to think of a complicated situation, shift the clock back several years and think about how difficult it would be to work this equation now, get the international support that has been gotten, but try to do it without the Soviet Union being a part of it.

So, tomorrow we'll be speaking not to some adversary but to a leader of a country with whom I think we're going to have increasingly productive relations. And clearly, I hope that we'll come out of this meeting tomorrow not with every difference ironed out but with the common purpose so that Finland and the United States and the Soviet Union will all be seen by others around the world to be in accord in our determination to stop this ugly aggression, this brutal treatment of civilians that's being put into effect by Saddam Hussein of Iraq.

We've got a major national challenge, but I'm very proud of the way countries around the world have come together. And I view it as a very important part of my responsibility to see that we keep this cohesion and that the aggression against Iraq [Kuwait] be rectified and that the rightful rulers of Kuwait be restored to their place. And I can tell you the United States is determined.

And for those of you who might have relatives -- brothers, cousins, sisters, whatever it might be -- in Saudi Arabia, let me simply tell you what the Joint Chiefs have told me, and what General Colin Powell, our distinguished Chief Chairman has said, and that is that never in the history of the United States -- and perhaps our military attaches would agree -- have we had finer men and women serving in the Armed Forces.

So, when you take a large force like this, send it on a mission of peace halfway around the world, and see the way it all came together, it is phenomenal what our military has done. And I am grateful to them every single day. And it's not just the United States, it's not just the President that's grateful, it's many, many other countries that don't have the forces and don't have the ability to stand up who are counting on us and counting on those kids that are over in Saudi Arabia.

So, I think we -- wherever we are, if it's Helsinki or Washington, DC -- I think we can be grateful to these young men and women who are serving over there -- 135-degree heat and all of that, 120 or whatever, and downing gallons of water -- but they're doing a first-class job. And I just want

you to know how proud I am, as Commander in Chief of the Armed Forces, of these young people. What a marvelous signal it sent around the world.

So, with no further ado except, once again, to say thank you to you, I'd love to come out there, and maybe we can get some pictures with the families. And Barbara -- Bar is suggesting we get the kids, all children, all you guys under -- let's see, how old are you? Twelve and under, all come here, and we're going to get a family picture with all the children. And then we'll get a chance to visit with everybody.

Note: President Bush spoke at 1:57 p.m. in front of the U.S. Ambassador's residence. In his remarks, he referred to U.S. Ambassador John G. Weinmann and his wife, Virginia; Max Robinson and William J. Burke, deputy chief of mission and administrative officer at the Embassy; and President Saddam Hussein of Iraq.

Soviet Union-United States Joint Statement on the Persian Gulf Crisis

September 9, 1990

With regard to Iraq's invasion and continued military occupation of Kuwait, President Bush and President Gorbachev issue the following joint statement:

We are united in the belief that Iraq's aggression must not be tolerated. No peaceful international order is possible if larger states can devour their smaller neighbors.

We reaffirm the joint statement of our Foreign Ministers of August 3, 1990 and our support for United Nations Security Council Resolutions 660, 661, 662, 664 and 665. Today, we once again call upon the Government of Iraq to withdraw unconditionally from Kuwait, to allow the restoration of Kuwait's legitimate government, and to free all hostages now held in Iraq and Kuwait.

Nothing short of the complete implementation of the United Nations Security Council Resolutions is acceptable.

Nothing short of a return to the pre-August 2 status of Kuwait can end Iraq's isolation.

We call upon the entire world community to adhere to the sanctions mandated by the United Nations, and we pledge to work, individually and in concert, to ensure full compliance with the sanctions. At the same time, the United States and the Soviet Union recognize that UN Security Council Resolution 661 permits, in humanitarian circumstances, the importation into Iraq and Kuwait of food. The Sanctions Committee will make recommendations to the Security Council on what would constitute humanitarian circumstances. The United States and the Soviet Union further agree that any such imports must be strictly monitored by the appropriate international agencies to ensure that food reaches only those for whom it is intended, with special priority being given to meeting the needs of children.

Our preference is to resolve the crisis peacefully, and we will be united against Iraq's aggression as long as the crisis exists. However, we are determined to see this aggression end, and if the current steps fail to end it, we are prepared to consider additional ones consistent with the UN Charter. We must demonstrate beyond any doubt that aggression cannot and will not pay.

As soon as the objectives mandated by the UN Security Council resolutions mentioned above have been achieved, and we have demonstrated that aggression does not pay, the Presidents direct their Foreign Ministers to work with countries in the region and outside it to develop regional security structures and measures to promote peace and stability. It is essential to work actively to

resolve all remaining conflicts in the Middle East and Persian Gulf. Both sides will continue to consult each other and initiate measures to pursue these broader objectives at the proper time.

Note: The joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Joint News Conference of President Bush and Soviet President Mikhail Gorbachev in Helsinki, Finland

September 9, 1990

President Bush. I've been advised that I'm to take the first question. And if so, I would identify Helen Thomas, of the UP [United Press International].

Persian Gulf Crisis

Q. I'd like to ask both Presidents whether we are going to have a war in the Persian Gulf. And I'd like to follow up.

President Bush. Well, with your permission, Mr. President, I hope that we can achieve a peaceful solution, and the way to do that is to have Iraq comply with the United Nations resolutions. And I think the part of our joint statement, two short lines, said it most clearly: Nothing short of the complete implementation of the United Nations Security Council resolutions is acceptable. As soon as Saddam Hussein realizes that, then there certainly will be a peaceful resolution to this question.

Q. How about President Gorbachev -- what do you think?

President Gorbachev. In replying to your question I should like to say that the whole of our 7 hours of meeting today were devoted to the quest for a political resolution of that conflict. And I believe that we're on the right road.

Q. Mr. President, if I may follow up with you, President Bush. You are indicating that hostilities could break out if this is not resolved peacefully.

President Bush. The question is what?

Q. I said, you are indicating that there could be hostilities.

President Bush. No, the United States is determined to see these resolutions enforced, and I'd like to feel that they will be enforced and that that will result in a peaceful resolution.

Middle East Peace Efforts

Q. Do you think, Mr. President, that the conflict of the Gulf gives the opportunity to solve the Palestinian problem through an international peace conference for the Middle East? And my second question is, was this problem discussed today with Mr. Gorbachev?

President Bush. Well, let me say that I see the implementation of the United Nations resolutions separate and apart for the need to solve the other question. That question has been on the agenda of many countries for many years, and it is very important that that question be resolved. The Secretary of State said the other day, and I strongly support that, that under certain circumstances the consideration of a conference of that nature would be acceptable. Indeed, it's been a part of our policy from time to time. But the thing that I feel strongly about is that these issues are not linked. And any effort to link them is an effort to dilute the resolutions of the United Nations.

Persian Gulf Crisis

Q. This question to President Bush from Soviet radio and television. How long will the United States troops be present in the Persian Gulf area?

President Bush. They will be present in the area until we are satisfied that the security needs of the area have been met and that these resolutions have been complied with. And the sooner they are out of there, as far as I'm concerned, the better. I made very clear to President Gorbachev, as I think he will confirm, that we have no intention keeping them a day longer than is required. So, I'd leave it right there.

President Gorbachev. I'd like to add something and to confirm what the President of the United States has just said to me in our conversation -- that the United States of America does not intend to leave their forces in the zone. And in connection with the change or the normalization of the situation, the United States administration and, personally, the President will do everything possible to ensure that the forces are withdrawn from the region, from the zone. And that is a very important statement.

Economic Assistance for the Soviet Union and Soviet Military Advisers in Iraq

Q. I have a question for both Presidents. The unity that you're expressing doesn't ignore the fact that there is still some irritants between the two countries. President Bush, are you more sympathetic to suggestions of Western economic aid to the Soviet Union? And President Gorbachev, would you be willing to withdraw the Soviet military advisers from Iraq?

President Bush. For my part, I am very much interested in assisting to be sure that perestroika is successful. We, indeed, have a mission of high-level businessmen on their way to the Soviet Union -- right now they happen to be in Helsinki. This is but one manifestation of the fact that we are trying to encourage economic cooperation in as many ways as possible. And we had a good, long discussion in our expanded meeting this afternoon about that. And I am -- given the common stand that the Soviet Union and the United States have taken at the United Nations, it seems to me that we should be as forthcoming as we possibly can in terms of economics, and I plan to do that. There are certain constraints, as you say. There are certain nuances of difference; there are certain

differences -- real differences.

But on the other hand, I have said before -- and I'll repeat it here in front of all these journalists from all around the world -- we, of course, want perestroika to succeed. It is an internal matter of the Soviet Union. But I think this remarkable cooperation that has been demonstrated by the Soviet Union at the United Nations gets me inclined to recommend as close cooperation in the economic field as possible. And I will be saying this to the Congress when I get back. We still have problems. Look, we've got some big problems ourselves in our economy, and we are not in the position, operating at the enormous deficits, to write out large checks. Having said that, there are many ways that we can endeavor to be of assistance to the emerging economy in the Soviet Union.

President Gorbachev. There was a question also addressed to me. I would like, nevertheless, on the question which did appear also to be addressed to me -- the Western assistance to the Soviet -- I would like to continue. The conversation with President Bush is continuing on the Western assistance to the Soviet Union. I see that there is an attempt being made to link, to establish a link between this and disagreements or the lack of disagreements. In response to that, I would say the following:

We began our conversation today together by reviewing the situation and realizing that the whole of world society and our two great states are undergoing a trial. This is a test of the durability of the new approach to resolving world problems. And as we enter upon a new peaceful period and as we emerge from the cold war, we see that no less efforts are necessary in order to find ways and means in this period of peace to meet the new situation and to tackle all problems that may arise. I think if it hadn't been for Malta it would have been very difficult for us to act in the very difficult situation which arose in Eastern Europe -- in Europe and in the situation connected with the unification of Germany.

I think that if, following that, there hadn't been Washington and Camp David and the other meetings on this level with other partners in international relations, we would now be in a difficult situation facing the crisis in the Persian Gulf. And the fact that today we have taken a common approach to such difficult problems -- problems which may well have tragic consequences for the whole world, not just for the peoples of that region -- demonstrates that we still are moving forward in the right direction and that we are capable of resolving the most difficult and the most acute problems and to find appropriate responses to the challenges of our time. And the greater part of our conversation together was devoted to this. I believe that this is the most important point to bear in mind. Differences, nuances in the differences of view, arguments, these can be -- these are natural. It's natural those should arise. But what we have seen today is that we have confirmed the most important progress of recent time.

Now I should like to say something about the Iraqi question -- but, in fact, I haven't quite finished on the first subject. I wouldn't want President Bush's reply to give rise to the opinion that the

Soviet Union is going to align a certain sum with a certain behavior. We are acting in a difficult situation. We are finding a solution. We shall find a solution which will be satisfactory and, above all, which will remove the danger of an explosion. And this is becoming a normal element of the new kind of cooperation -- in trade, in technology, in human exchange. All of these elements characterize the new peaceful period upon which we are just now embarked, which we have to get used to.

It would be very oversimplified and very superficial to judge that the Soviet Union could be bought for dollars because, although we do look forward to cooperation in this very serious time of far-reaching changes in our economy -- and that's normal -- let's remember the reforms of recent years in a number of states. They always, in addition to the principal efforts made by the peoples concerned themselves, they always involved also the participation of the world community in one form or another. So if anybody wants to try to impose a different view, that's unacceptable to us. It's unacceptable to the United States, it's unacceptable to the Soviet Union, and it would be unacceptable to any other state.

Now, to move on the second part of your question concerning our experts in Iraq. They are not so much advisers as specialists or experts who are working under contract. And their number is being reduced. Whereas at the beginning of the conflict I think there was still 196 of them, there are now some 150 of them. And the Iraqi leadership looks upon the matter thus: that if they haven't completed their work, their normal work under contract, even though it may be a matter of weapons, then they are nevertheless leaving Iraq and the process is going forward. So, I don't really think there's a problem.

Persian Gulf Crisis

Q. A question to both. Did you discuss any possible military options for curbing Iraqi aggression? And what would be the conditions, and what would be the point where you would consider that the political options were exhausted and it was time to go to the Security Council and talk about -- through the Security Council -- demanding an Iraqi withdrawal from Kuwait?

President Bush. The answer to your question is, no, we did not discuss military options. And your question is too hypothetical. And I would like to see this matter peacefully resolved.

President Gorbachev. I would like to support what was said by President Bush. And I stress once more that the whole of our time together was spent on talking about this conflict in a mutual search for a political solution. And I think we can look with optimism, in the final analysis, on the efforts being taken by the international community working together within the Security Council of the U.N.

Q. You were just saying that if Iraq doesn't withdraw its forces peacefully, then it will be necessary to take military steps. What kind of Soviet contribution will there be to those military

steps? And what will happen then to the Soviet citizens who are in Iraq now? And what will the Arab factor be?

President Gorbachev. Firstly, I did not say that if Iraq does not withdraw peacefully we're going to have recourse to military methods. I did not state that. I do not state that. And moreover, in my view, that would draw us into consequences which we can't at this stage forecast. Therefore, our country and the United Nations as a whole has a whole range of possibilities of finding a political solution to this problem. Therefore, I would limit ourselves to that and, therefore, the second part of your question is irrelevant.

Q. If I could ask President Gorbachev, specifically: Iraq had been your ally. What directly have you done in contact with Saddam Hussein to reverse the situation there? And, President Bush, what specifically have you asked Mr. Gorbachev to do directly? Have you asked him to make a direct contact with Saddam Hussein?

President Gorbachev. I should say that from the start of the crisis we've been actively exchanging views and carrying forth dialog, not only within the Security Council, not only with the administration of the U.S.A. These types of contacts have great importance to us, but we are also holding active dialog with the leadership of China, of India, of all the other European states, especially those which are members of the Security Council. And in my view, it's this dialog which has helped us towards the Security Council resolution which was passed.

On top of that, we're also actively cooperating with the Arab States, the countries of the Arab world. And here our dialog is no less intensive than with our partners in the countries I previously mentioned, including dialog with President Hussein. And I can state that what we have announced publicly is also being said to President Hussein in our dialog with him. Which all means that the President and the leadership of Iraq are expected to show a reasonable approach, to stop and to understand what is implied by the position taken by the Security Council on this issue. This is the dialog which we have undertaken with him. And we are trying to make sure that our arguments are convincing. We discussed various options for ending the situation with him. And we are also attempting, as I already said, to make it quite clear to Saddam Hussein that if Iraq were to provoke military action then the result would be a tragedy first and foremost for the Iraqi people themselves, for the whole of the region, and for the whole of the world.

You know, this is, of course, a dialog in a very difficult situation; but we consider it's a very useful dialog. And we don't exclude the possibility of establishing new contacts, of having new meetings at various levels. And the type of communication which we have had up until now with the Iraqis gives us hope that those links we have with them can be used positively for the sake of all of us, for the sake of finding a peaceful solution to this problem and especially of preventing the situation turning into aggression in the situation.

President Bush. My answer would simply be that there is no need to ask President Gorbachev to

contact Saddam Hussein. Clearly, from his answer you can see that President Gorbachev answered the question about the contact with Saddam Hussein. And clearly, your question to me is if I asked him to contact Saddam Hussein? The answer is no.

The Soviet Union is in contact. He, himself, received the Foreign Minister, `Aziz. But I would just simply sum it up by saying the best answer to Saddam Hussein -- or the best contact is the contact that took place at the United Nations when there was worldwide condemnation of the aggression. And I happen to feel that this statement showing the Soviet Union and the United States in essential agreement here is another good statement for Saddam Hussein. And hopefully, he will see that he is not going to divide us and divide other countries and that he will do what he should have done sometime ago, and that is comply with the United Nations' sanctions. But I did not ask him to do that because they're way ahead of us on that. They are having contacts and trying to be helpful in that regard.

Arms Control Negotiations

Q. I have a question to Mr. Bush. Mr. President, what is your position on the question of signing a treaty limiting strategic offensive weapons? And when do you think that such a treaty will, in fact, be signed?

President Bush. We still remain committed to a strategic arms treaty. We vowed that we would encourage our negotiators to move forward more rapidly on both the strategic arms treaty and the conventional force agreement. And I'm still hopeful that by the end of the year we will have such an agreement.

President Gorbachev. I'd like to confirm what President Bush has just said: that we really have agreed to make fresh efforts to give further instructions because we see that there is a possibility successfully to complete the negotiating process in those two fora and to come up with positive results in the course of this year.

Middle East Peace Efforts

Q. My question is for President Bush. And I would also like to hear President Gorbachev's comment on that. President Bush mentioned that you fail to see the link between the Palestinian question and the present situation. I would like to know how come it is so important to implement U.N. resolutions in this particular instance when other standing ones have been frozen and overlooked and disregarded for so long? So I'd like to know how come this situation is so different from other ones. And I would also like to add that I personally feel that the Palestinian dilemma and question needs the attention of the superpowers more than ever. Thank you very much.

President Bush. I agree that it needs it, and we are very much interested in implementing

Resolution 242 of the United Nations. We've been zealously trying to do that, as have many other powers for many years. But the fact that that resolution hasn't been fulfilled when it calls for withdrawal to secure and recognized boundaries -- and it should be, and hopefully we can be catalytic in seeing that happen -- does not mean that you sit idly by in the face of a naked aggression against Kuwait. And the United Nations has moved, and the United Nations resolutions should be implemented on their face without trying to tie it in to some other unresolved dispute. But I couldn't agree more that it is important. It is very important that that question eventually, and hopefully sooner than later, be resolved.

President Gorbachev. I think that everything that is taking place in the Middle East is a matter of concern to us -- of equal concern. And even more than in the case of the Persian Gulf, we need to act more energetically in order to resolve the complex of problems in the Middle East and to come up with decisions and to devise a system to devise guarantees that would ensure the interests of all peoples and of the whole world community because it's a matter which is of vital concern to all of us.

And it seems to me that there is a link here because the failure to find a solution in the Middle East at large also has a bearing on the acuteness of the particular conflict we've been talking about here.

Persian Gulf Crisis

Q. A question for both Presidents, please. In your statement, you pledged to work individually and in concert to ensure full compliance with the U.N. sanctions against Iraq. May I inquire what, if any, specific and concrete steps you have agreed to take in furtherance of that?

President Bush. We didn't agree to specific and concrete steps. I think President Gorbachev in the contacts he's had with Saddam Hussein -- I mean with the Iraqis -- and if they continue, will be a step in that direction. Clearly, this message itself will be a step in the right direction. But we did not sit at this meeting and try to assign each other or ask each other to undertake specific measures in keeping with that particular paragraph.

President Gorbachev. I'd like to add to that that the emphasis here is on the significance of the political fact that we feel necessary to reflect in this statement and which testifies to our political will to act jointly, or in parallel, independently really, in search of these new steps toward a peaceful resolution of the problem.

I think that, therefore, the meeting and the document that we've just adopted is more important than our enumerating various steps that might have been taken here. That forms the basis for the further active quest for solutions.

Soviet-U.S. Relations

Q. I also have a question to the Presidents of both countries -- Mr. President, Mr. Gorbachev, first of all. Since the last meeting, it seems to be that you've had a good mutual understanding. Have you succeeded in deepening that mutual understanding in the course of today's meeting? And how, in general -- what bearing, in general, is that factor having on the results of your negotiations?

President Bush. I think clearly there has been a developing mutual understanding over the years. I like to feel, and I think President Gorbachev agrees, that our meeting in Malta had something to do with furthering that understanding. I'm convinced that our meeting in the United States, at Camp David particularly, furthered that understanding. I think the world sees clearly that if this had occurred 20 years ago, there wouldn't have been this cooperative feeling at the United Nations. And I think it's very important.

So, I don't know how one quantifies mutual understanding, but I feel we're moving on the right track. Neither of us, when we talk, try to hide our differences. Neither of us try to indicate that we look at exactly every problem exactly the same way. But the very fact we can talk with that degree of frankness without rancor, I think, enhances mutual understanding. And then, when we see us on a question of this nature, standing shoulder to shoulder with many other countries at the United Nations, I think it is obvious manifestation of this developing mutual understanding.

It's a very broad philosophical question. But differences still remain. But the common ground, in my view at least, surges ahead of these differences. And we will continue to cooperate with President Gorbachev.

President Gorbachev. I don't know if I would be allowed to tell you a secret here. I haven't asked President Bush if he'll let me. But I must admit that I'm dying to take the risk and tell you. [Laughter] But it's too important to give you an answer to this particular question. But that last sentence does really give me the hope that we'll get by. In our talks, the President said, ``You know, there was a long time when our view was that the Soviet Union had nothing to do in the Middle East -- had no business being there." This was something that we had to talk through during this meeting here in Helsinki. And what was said here is that it's very important for us to cooperate in the Middle East, just as it is on other issues of world politics.

So, that is -- in answer to your question, it is very important that at each meeting we move forward, we enrich our relationship, and I think I should say that we increase our trust. If trust is engendered between the leaders of two such nations during meetings of this kind -- then I'm sure you'll agree with me -- that that is for the good of all of us, whether we want it or not. History dictates that a lot is going to depend on whether the two countries can work together. That's not our ambition, it's just the way that history has gone. So, far from excluding such a possibility, we intend to cooperate with all sorts of other countries as well, more and more. That's how we see our role in the world developing.

And my last comment is also very important. It seems to me that the way the world is, the way the world is changing, in today's world no single country, however powerful, will be able to provide the leadership which individual countries formerly tried to provide, including some countries which are represented here. We can only succeed if we work together and solve our problems together. That is what is emerging from these negotiations, and that we consider the most important aspect.

Persian Gulf Crisis

Q. I'm going to speak French, if I may. Could I ask Mr. Gorbachev whether the Soviet Union is still Iraq's friend, as Minister Tariq Aziz declared in Moscow last week? Are you still the friend of Saddam Hussein? And another question also directed to Mr. Gorbachev -- President Saddam Hussein stated yesterday that the Soviet Union would demonstrate that it is a great power by resisting George Bush's pressure and by supporting the Baghdad regime. Could you indicate to me, if you would, what your reply would be to Saddam Hussein?

President Gorbachev. I want to reply to you and so to repeat it also to Saddam Hussein -- the same reply that I've given to previous questions -- my position is unchanged. We see our role and our responsibility, and within the framework of that responsibility we shall act in cooperation with the other members of the Security Council. And, in this instance, I can once again say since we are sitting here, two Presidents together, I should interact and cooperate with the President of the United States.

I'd very much like to express the hope that President Saddam Hussein will display -- I really hope that he will display sobriety, will look carefully at the whole situation and will respond to the appeals and the demands of the world community, and that he will take steps that are suitable to the situation, that are carefully weighed in their worldwide implications and in their implications for the Arab world, too. No one has any intention of trying to exclude Iraq from the community of nations, but what the present Iraqi leadership is doing is driving it into a dead end. And I hope that President Saddam Hussein will heed this appeal to him.

Q. As a neighboring country of the conflict -- we're from Turkish press.

Q. I think I'm next. I'd like to ask Mr. Gorbachev if you have ruled out the possibility of a Soviet military participation in this effort in any sense, either as part of the naval blockade or as part of some future peacekeeping force in the region? And I would follow up with a question to Mr. Bush -- to what degree that would be a disappointment to you if that's Mr. Gorbachev's position?

President Gorbachev. I don't see the point of doing that now. And we shall continue to act in cooperation within the Security Council and in strict compliance with all of its decisions.

President Bush. I'm not disappointed in that answer. [Laughter]

Q. I mean, you said you're determined to see this aggression end and current steps are being considered. What does this mean? What comes next?

President Bush. It's too hypothetical. We want to see the message get through to Saddam Hussein. We want to see him do what the United Nations calls on him to do. And that statement can be interpreted any way you want to interpret it, but it's out there. And I would simply not go into any hypothetical questions that would lead me beyond what that statement says.

President Gorbachev. Could I add a couple of words? Please, if you would excuse me, I'll add a couple of words just to what Mr. Bush has already said. You know, in my view, I have the impression that both the press and public opinion in some countries is in some ways saying that there's a lack of decision on somebody's part, that we're withdrawing in the face of those who are trampling on international law. I cannot agree with that view. In fact, it's a view which causes a certain amount of embarrassment to the leadership of nations which are acting through the Security Council in this respect.

What has been done up until now in answer to Iraqi aggression is very important because action has been taken not only within the framework of the Security Council, but there has been unanimous world opinion, a kind of solidarity which has never been expressed before in the history of the world. And we have prevented the aggression going any further. We have preserved the functioning of the structures which are of economic importance which would affect so many other countries as well.

And finally, the resolution has been taken on an embargo, which is a very stiff measure, in reaction to the aggression. In my view, this is a strategic way of tackling the question which has been tackled successfully at the first stages. And we are convinced that the next stage of a political solution, achieved politically, to put an end to this acute international crisis and make sure that a political sentiment should be possible -- that in this situation, decisiveness, willpower, and responsibility, and political faith in the possibility of a political solution to this very difficult issue shows that the political leaders of the world are being responsible to their own nations and to the world. And we do not want to get caught up in arguments about prestige and so on.

Q. Concerning the humanitarian aid, does your joint statement mean in practice that you consider that food should be now allowed to Iraq?

President Gorbachev. The Presidents felt it necessary to reflect in our joint declaration that we see the need to uphold what was decided by the Security Council on this subject. And the Security Council was prepared to admit, for humanitarian purposes, the supply of medicines and of foodstuffs required first and foremost for children. We've actually stated this quite plainly in our statement. And so, we've taken a very clear-cut position on that. But we've also made it clear that this mistake is within the framework of certain international organizations and being monitored by them at all stages of the operations. So I think that this is being stated in the correct terms.

President Bush. I agree with President Gorbachev on that point and that the language is very good because it does express the concern that both countries feel in the event there actually are children and others who are suffering because of lack of food. I hope that nobody around the world interprets this as our view that now there should be wholesale food shipments to Iraq. Because I can speak only here for the United States when I would call attention to the fact that we need some kind of international agencies to see that there is this humanitarian concern, as expressed, this exception in the United Nations embargo for humanitarian purposes -- and not only is it required for this humanitarian circumstance but that the food gets where it is supposed to go. So, this should not be, from the U.S. standpoint, interpreted as a wholesale big hole in this embargo. It was not our intention, and I think the language is very clear on that point.

Q. A few things if you could clear up for us. First of all, you seem to disagree on the military option when you talk about further steps being taken to implement the U.S. sanctions. President Bush, you seem to be saying the military option is still out there. President Gorbachev seems to disagree. Do you disagree on that? Did you ask President Gorbachev to pull his experts out of Iraq? And did you ask him to send troops into the Gulf region?

President Bush. I did not ask him to send troops in. If the Soviets decided to do that at the invitation of the Saudis, that would be fine with us. But I did not ask him to do that. I believe with the 23 countries that are participating on the ground -- 23 countries that are participating on the ground and at sea -- that the security of Saudi Arabia is close to safeguarded.

What were the other two points?

Q. Did you ask him to pull the experts out of Iraq? And do you disagree on the use of military force? You seem to say it's still an option. He seems to say it's not an option ever.

President Bush. We may have a difference on that. As I think I've answered over and over again at home, I'm not going to discuss what I will or won't do. And President Gorbachev made an eloquent appeal, to which I agree, that a peaceful solution is the best. So I've left it open. He can comment on the other.

Again, John [John Cochran, NBC News], I'm sorry -- the second point.

Q. The experts, pulling the experts out.

President Bush. Well, I think it would facilitate things. But on the other hand, he's given his answer here. And that is not a major irritant. You've said that -- I think he said that he is reducing the numbers there. But I think I tried to make clear that this was a question that was widely being raised in the United States, and it would facilitate things if they were out of there in terms of total understanding. But I heard his answer, listened to it very, very carefully, and must say that I

would let it stand at that. If I was just saying, would I like to see them all out of there, I think I'd say, absolutely. But I'd let him add to that.

President Gorbachev. In answer to all these questions which you gave us such a clear list of, I've already given answers. I really don't have anything to add to the answers I've already given.

Q. A question to the two Presidents, please. You mentioned something about the security arrangements. Is the Soviet Union going to participate in any kind of security arrangements, and what is the role of the region and the countries of that region of the Middle East?

President Gorbachev. To the first question, as we began, we intend to continue to cooperate closely and actively in the framework of the Security Council. And on the basis of the decisions that have been adopted we shall act accordingly. That's the first point.

Secondly, as concerns the role of the countries of the region, yes, I think that, generally speaking, I would stress the importance of the Arab factor not yet really having been brought to bear in efforts to help resolve this crisis situation. I don't want to offer you an analysis right now as to why that's the case, but nevertheless, I am convinced that there is an obvious activation of the quest on the part of Arab States to find the response to the urgent situation which faces us all here. We cooperate with all the Arab countries and I might say, not unusefully. The outlines of possible steps are beginning to emerge, but it is too soon to be specific. We are continuing our cooperation with Arab countries, and at a certain stage when the situation has changed and when the tension has been reduced, then perhaps we might carry this further. But we shall continue in the Security Council, the United Nations Security Council, to guarantee security.

I have no doubt that we shall succeed in resolving the problem by political means.

President Bush. May I comment on that one, please? I am very glad that the Arab States -- the Arab League, and in other ways -- have stated their condemnation of Saddam Hussein. He is trying to make this a contest between the Arab world and the United States. And it is no such thing -- if you will look at how the United Nations has overwhelmingly condemned him. So the Arab States have a very key role in this. Many Arab States have responded in the defense of Saudi Arabia -- Syria, Morocco, Egypt, say nothing of the GCC countries. So, it is not Saddam Hussein and the Arab world against the United States; it is Saddam Hussein against the United Nations and against a majority of the Arab League. And that is a very important point that I will continue to make, because the Arab League itself has stood up to him and urged his compliance with the sanctions and condemned his aggression.

So, in this case, I see the Arab States as having a very important role to play in the resolution of this question. And they have not been taken in by his attempt to make this the Arab world versus the United States of America when it is nothing of the kind.

Mr. Fitzwater. Thank you very much.

President Gorbachev. I want, the President and myself, to conclude this press conference by stressing our deep sympathies and feelings for the people of Finland, for the hospitalities extended to us on this soil, and to appreciate highly the contribution made by the President of this country and his wife to make these excellent arrangements for these meetings.

President Bush. May I simply add that President Koivisto and Mrs. Koivisto have been most hospitable. And I agree with this. We owe them a great debt of gratitude, and the people of Finland.

Note: President Bush's 60th news conference began at 5:52 p.m. in Finlandia Hall. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter. Marlin Fitzwater was Press Secretary to President Bush. Following the news conference, President Bush returned to Washington, DC.

White House Statement on Reform of the Federal Financial Accounting System

September 10, 1990

The President today approved and sent to Congress requests for fiscal year 1991 budget amendments that reallocate funds to reform the Federal financial accounting system. This reform is part of an effort to improve financial control and to bring greater attention to claims on future Federal financial resources.

Because reform of Federal financial management systems and operations is a key component of the President's commitment to improving management in the Government, the Office of Management and Budget has initiated improvements in several areas of financial management. One of these is a policy that calls for developing and auditing agency financial statements. The current accounting system lacks an adequate balance sheet, satisfactory controls or audits, and the capability to provide an accurate picture of the Government's assets, liabilities, or financial risks.

Audits of these agency financial statements are especially important because they would help to ensure the accuracy of agency financial reports. At present, the Federal Government and most of its component agencies are not capable of producing annual general-purpose financial statements that can be audited. This initiative calls for the 14 Cabinet Departments, the Environmental Protection Agency, and the National Aeronautics and Space Administration to have agency financial statements developed and audits conducted by fiscal year 1994.

Preparation and audit of financial statements for all or part of 10 of the 16 targeted agencies would be conducted in fiscal year 1991. Five of the agencies will proceed without further congressional action. These amendments would permit 5 of the 10 agencies to reallocate funds to provide for audits.

Message to the Congress Transmitting the Report on the Fiscal Year 1991 Federal Budget Sequestration

September 10, 1990

To the Congress of the United States:

In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99 - 177), as amended, I transmit herewith the program, project, and activity information required by section 252(a)(5) of the act.

The attachment provides information on both base and sequester amounts for each program, project, and activity in each budget account subject to the sequester.

George Bush

The White House,

September 10, 1990.

Nomination of Richard A. Claytor To Be an Assistant Secretary of Energy

September 10, 1990

The President today announced his intention to nominate Richard A. Claytor to be an Assistant Secretary of Energy for Defense Programs. He would succeed Sylvester R. Foley, Jr.

Currently Mr. Claytor serves as Principal Deputy Assistant Secretary for Nuclear Energy at the Department of Energy. Prior to this he served with Burns and Roe Enterprises, Inc., in several capacities, including president, 1981 - 1989; president of Humphreys and Glasgow Synthetic Fuels, Inc., a joint venture company formed by Burns and Roe, 1979 - 1981; and vice president, 1973 - 1979. In addition, Mr. Claytor served in the U.S. Navy in several capacities from 1949 to 1973, including project manager for the Nuclear Power Division, Bureau of Ships, and assistant manager for the Pittsburgh Naval Reactors Office for the U.S. Atomic Energy Commission.

Mr. Claytor graduated from the U.S. Naval Academy (B.S., 1949) and the Webb Institute of Naval Architecture (B.S., 1956; M.S., 1956). He was born September 4, 1927, in Roanoke, VA. Mr. Claytor served in the U.S. Navy as a captain, 1949 - 1973. He is married, has three children, and resides in Bethesda, MD.

Nomination of Frederick P. Hitz To Be Inspector General of the Central Intelligence Agency

September 10, 1990

The President today announced his intention to nominate Frederick Porter Hitz, of Virginia, to be Inspector General of the Central Intelligence Agency in Washington, DC. This is a new position.

Currently Mr. Hitz serves as managing partner with the law firm of Schwabe, Williamson and Wyatt in Washington, DC. Prior to this, he served as legislative counsel to the Director of the Central Intelligence Agency, 1978 - 1982, and Deputy Assistant Secretary of Defense for Legislative Affairs, 1975 - 1977. He served in the Central Intelligence Agency from 1967 to 1973.

Mr. Hitz graduated from Princeton University (A.B., 1961) and Harvard Law School (J.D., 1964). He was born October 14, 1939, in Washington, DC. Mr. Hitz is married, has one child, and resides in Alexandria, VA.

Statement by Press Secretary Fitzwater on the President's Telephone Conversations With Foreign Leaders on the Persian Gulf Crisis

September 10, 1990

President Bush called Presidents Mitterrand [of France], Mubarak [of Egypt], and Ozal [of Turkey], King Fahd [of Saudi Arabia], and Prime Minister Mulroney [of Canada] today. President Bush noted the historic nature of the joint statement on the Persian Gulf issued at the conclusion of his meetings with President Gorbachev [of the Soviet Union], and pointed out how this underscores the world community's determination to oppose Iraq's aggression against Kuwait. All the leaders expressed satisfaction on their concerted efforts against Iraq and pledged continued cooperation in this endeavor.

Remarks at the Presentation Ceremony for the National Medal of the Arts

September 10, 1990

First, a greeting to the members of the President's Cabinet that are here today. I want to welcome all of you. And I'm very happy to have John Frohnmayer here. As a matter of fact, I'm very happy to have him heading the National Endowment for the Arts. And, of course, Barbara, awake now, after -- [laughter] -- a kind of rather hectic trip. And I want to welcome the new Chairman of our Committee on the Arts and Humanities, Don Hall, whom I have not seen, but is here someplace -- right over here. Don, thank you for undertaking this.

And thanks, especially, to our honored guests, the artists and the patrons of a special American tradition who grace us with their presence here today. Welcome to the White House. Welcome to the sixth annual presentation of the National Medal of the Arts.

Last year -- I'll never forget it -- this luncheon was held a week before Thanksgiving and was delayed when I got held up in the Rose Garden doing a photo opportunity with the national turkey. [Laughter] We awarded medals that day to some of the artistic giants of our time: Alfred Eisenstaedt and John Updike, Katherine Dunham, Dizzy Gillespie, among others. And with all that assembled talent, guess which one was pictured standing next to the President on the news that night? The national turkey. [Laughter] So, we've done a little better on the scheduling this year, Helsinki notwithstanding.

The people we honor today who have earned a collection of awards with names that have become the world's touchstones of excellence -- names like Grammy and Oscar and Tony and the Pulitzer Prize and the Kennedy Center Honors -- a collection of awards that would just about fill its own Smithsonian. But where most of these awards were aimed at honoring individual works, today we gather to salute the full body of their work -- their contributions to the arts, to the Nation, and really to life in the 20th century. Embracing an era that reaches back as far as George Abbott's birth in 1887 and representing many generations of American talent, our artists stand alongside the artists who helped define America, no longer just another sprawling industrial nation but one of the cultural giants of the world.

Most had humble beginnings. I think of Jessica Tandy, sewing her own costumes in a backroom theater in Soho. B.B. King, touring backstreet bars and dancehalls -- somebody had to do that -- and on the road for over 20 years before most Americans would ever even hear his name. Even their hometown names read like the very tapestry of America itself: Forestville, New York; Centralia, Washington; Itta Bena, Mississippi; Brooklyn; and Atlantic City. Three were foreign-born, drawn here by freedom and opportunity, seeking not to enrich themselves but to enrich our culture. And today, they are Americans all, striving in the creation of beauty.

Taken together, today's honorees represent an apparently inexhaustible reserve of creativity, one that's often defied categorization. But there are at least two characteristics, I believe, that can apply to each. Each is a trailblazer, an authentic pioneer who literally helped to shape his or her art form. And each is an artist who pressed the very limits of his or her particular art form, often crossing over to combine distinct mediums in new and very different ways. Sometimes that cross-fertilization is self-evident, such as with the multidisciplinary approach of landscape architect Ian McHarg; with New York legends like George Abbott and Beverly Sills, who've thrilled audiences with their performances onstage and with their leadership behind the scenes; or with the love and magic of Hume Cronyn and Jessica Tandy, whose creations seem to float effortlessly from stage to screen and back again.

I probably shouldn't do this, but I might tell you of a frustration -- not an overwhelming frustration but a frustration that I have. I think Barbara Bush is secretly in love with Hume Cronyn. [Laughter] There they go again.

But you also see it in painter Jasper Johns' collaborative efforts with choreographer Merce Cunningham; and the visual arts, where Frederick Douglass was brought to new life beneath the brush of Jacob Lawrence; and in the cries and hollers and work songs of field hands who labored in another time, once again heard rising on the wind through the guitar of B.B. King.

Speaking at Wellesley College back in June, Barbara urged young Americans to go out and seek their own true colors. And that's, of course, exactly what our honorees have done. You've created sights and sounds and characters, crafted anew within the human imagination, and in doing so, enriched the colors on the canvas of our national life. And that's why America continues to need and want and appreciate your creativity, your talent, and your diversity. Indeed, it is your efforts in the arts and humanities and the realm of the spirit that distinguish America as a world leader rather than as merely a world power.

And I'm proud that as a people and as a nation we continue to support the arts, both through public agencies and through private champions of the arts -- patrons like our old friends Harris and Carol Masterson from Houston, Texas; a Southwestern Bell company in the forefront of all of this, St. Louis; and Washington's own David Lloyd Kreeger. We salute you for the joy you have given to Americans of many ages.

Thank you. Congratulations to all of you. And now I'd like to ask John Frohnmayer to assist me in presenting the awards. Well done, each and every one of you. Thank you very much.

Note: The President spoke at noon in the East Room at the White House.

Statement by Press Secretary Fitzwater on the Iraqi Offer To Give Oil to Developing Countries

September 10, 1990

Iraqi President Saddam Hussein's latest statement is a transparent attempt to deflect the focus of world attention from his blatant aggression against another country. Such maneuvers have not worked in the past and will not work this time. The international community is united in its strong determination to overcome the Iraqi aggression. U.N. Security Council Resolution 661 makes quite clear that all commodities and products originating in Iraq or Kuwait are prohibited from importation anywhere. It does not delineate between free exchanges or those paid for. Sanctions are complete, comprehensive, and binding on all nations. In addition, U.N. Security Council Resolution 665, which calls upon states to use measures as may be necessary to enforce sanctions, would still apply.

It is an affront to all countries for Saddam to think that they would sacrifice the principles of freedom and nonaggression for the Iraqi oil or the oil that he has taken through his naked aggression against Kuwait. Saddam's isolation in the world is complete, and the world community will not be deterred from its determination to have sanctions achieve the complete, immediate, and unconditional withdrawal of Iraq from Kuwait.

Memorandum on the Combined Federal Campaign

September 10, 1990

Memorandum for the Heads of Executive Departments and Agencies

Americans who make serving others central to their life and work are part of our kinder, gentler Nation. This commitment is displayed through no better example than Federal employees contributing every year to the Combined Federal Campaign. Public servants working in nearly every corner of the globe not only contribute to the campaign, but many spend countless hours in leadership roles each year to assure that the campaign is a huge success. I am asking you to become part of the team of Federal employees who, voluntarily, give a part of themselves through their leadership of the Combined Federal Campaign.

Secretary of the Interior Manuel Lujan, Jr., has agreed to serve as Chairman of the 1990 Combined Federal Campaign of the National Capital Area. I am asking that you support Secretary Lujan by personally serving as Chairman of the campaign in your agency and appointing a top official as your Vice Chairman. Please confirm with Secretary Lujan your willingness to serve and provide him with the name of your designated Vice Chairman.

Your involvement and visible support are essential to a successful 1990 campaign. Please join me in encouraging Federal employees everywhere to become a part of this important effort.

George Bush

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board

September 11, 1990

To the Congress of the United States:

I hereby submit to the Congress the Annual Report of the Railroad Retirement Board for Fiscal Year 1989, pursuant to the provisions of section 7(b)(6) of the Railroad Retirement Act, enacted October 16, 1974, and section 12(l) of the Railroad Unemployment Insurance Act, enacted June 25, 1938.

The Railroad Retirement Board (RRB) serves over 900,000 railroad retirees and their families and 290,000 railroad employees who rely on the system for retirement, unemployment, disability, and sickness insurance benefits. Beneficiaries depend on the financial integrity of the pension fund for payment of their benefits.

Unfortunately, the long-term financial outlook for the rail pension system remains bleak, primarily because of steady drops in rail employment. Time and again, refinancing legislation has been enacted to address the Board's chronic solvency crises, yet the trust funds still have a $34 billion unfunded liability.

In 1987, the Congress acknowledged the problems faced by the system, and the rail sector was given a chance to address them with the creation of the seven-member legislative advisory Commission on Railroad Retirement Reform. The Commission was directed to examine different ways to resolve the long-term stability of the railroad pension system that do not include continued general fund subsidies. I urge the Commission to adhere to the Congress' wishes and propose ways to put the total cost of current and future rail pensions on a sound basis financed solely with rail sector resources.

In 1983, the rail sector was granted a limited rail pension subsidy by a diversion of Federal income tax payments to the rail fund. The temporary subsidy expires at the end of fiscal year 1990. Extending the subsidy would set an undesirable and threatening precedent. In the long run, railroad workers will be served best by stable rail sector funding. The condition of our budget calls for restraint on Federal spending. I therefore strongly oppose renewal of the diversion of Federal income taxes to the rail pension.

While the Commission has been examining the financial solvency of the Railroad Retirement Board, the Office of Management and Budget (OMB) has been scrutinizing its operations and recently completed a Management Review of programs run by the Board. Based on that review, OMB and the Board are developing a joint plan to address RRB's management weaknesses. I am

particularly pleased that the Board's Inspector General has in recent weeks identified $73 million owed the Government. This good management work will benefit both railroad retirees and taxpayers generally. The Congress has also shown an interest in this review, and we would like to work with its Members on solutions to problem areas that could be improved with legislative changes.

George Bush

The White House,

September 11, 1990.

Address Before a Joint Session of the Congress on the Persian Gulf Crisis and the Federal Budget Deficit

September 11, 1990

Mr. President and Mr. Speaker and Members of the United States Congress, distinguished guests, fellow Americans, thank you very much for that warm welcome. We gather tonight, witness to events in the Persian Gulf as significant as they are tragic. In the early morning hours of August 2d, following negotiations and promises by Iraq's dictator Saddam Hussein not to use force, a powerful Iraqi army invaded its trusting and much weaker neighbor, Kuwait. Within 3 days, 120,000 Iraqi troops with 850 tanks had poured into Kuwait and moved south to threaten Saudi Arabia. It was then that I decided to act to check that aggression.

At this moment, our brave servicemen and women stand watch in that distant desert and on distant seas, side by side with the forces of more than 20 other nations. They are some of the finest men and women of the United States of America. And they're doing one terrific job. These valiant Americans were ready at a moment's notice to leave their spouses and their children, to serve on the front line halfway around the world. They remind us who keeps America strong: they do. In the trying circumstances of the Gulf, the morale of our service men and women is excellent. In the face of danger, they're brave, they're well-trained, and dedicated.

A soldier, Private First Class Wade Merritt of Knoxville, Tennessee, now stationed in Saudi Arabia, wrote his parents of his worries, his love of family, and his hope for peace. But Wade also wrote, ``I am proud of my country and its firm stance against inhumane aggression. I am proud of my army and its men. I am proud to serve my country.'' Well, let me just say, Wade, America is proud of you and is grateful to every soldier, sailor, marine, and airman serving the cause of peace in the Persian Gulf. I also want to thank the Chairman of the Joint Chiefs of Staff, General Powell; the Chiefs here tonight; our commander in the Persian Gulf, General Schwartzkopf; and the men and women of the Department of Defense. What a magnificent job you all are doing. And thank you very, very much from a grateful people. I wish I could say that their work is done. But we all know it's not.

So, if there ever was a time to put country before self and patriotism before party, the time is now. And let me thank all Americans, especially those here in this Chamber tonight, for your support for our armed forces and for their mission. That support will be even more important in the days to come. So, tonight I want to talk to you about what's at stake -- what we must do together to defend civilized values around the world and maintain our economic strength at home.

Our objectives in the Persian Gulf are clear, our goals defined and familiar: Iraq must withdraw from Kuwait completely, immediately, and without condition. Kuwait's legitimate government must be restored. The security and stability of the Persian Gulf must be assured. And American citizens abroad must be protected. These goals are not ours alone. They've been endorsed by the

United Nations Security Council five times in as many weeks. Most countries share our concern for principle. And many have a stake in the stability of the Persian Gulf. This is not, as Saddam Hussein would have it, the United States against Iraq. It is Iraq against the world.

As you know, I've just returned from a very productive meeting with Soviet President Gorbachev. And I am pleased that we are working together to build a new relationship. In Helsinki, our joint statement affirmed to the world our shared resolve to counter Iraq's threat to peace. Let me quote: ``We are united in the belief that Iraq's aggression must not be tolerated. No peaceful international order is possible if larger states can devour their smaller neighbors." Clearly, no longer can a dictator count on East-West confrontation to stymie concerted United Nations action against aggression. A new partnership of nations has begun.

We stand today at a unique and extraordinary moment. The crisis in the Persian Gulf, as grave as it is, also offers a rare opportunity to move toward an historic period of cooperation. Out of these troubled times, our fifth objective -- a new world order -- can emerge: a new era -- freer from the threat of terror, stronger in the pursuit of justice, and more secure in the quest for peace. An era in which the nations of the world, East and West, North and South, can prosper and live in harmony. A hundred generations have searched for this elusive path to peace, while a thousand wars raged across the span of human endeavor. Today that new world is struggling to be born, a world quite different from the one we've known. A world where the rule of law supplants the rule of the jungle. A world in which nations recognize the shared responsibility for freedom and justice. A world where the strong respect the rights of the weak. This is the vision that I shared with President Gorbachev in Helsinki. He and other leaders from Europe, the Gulf, and around the world understand that how we manage this crisis today could shape the future for generations to come.

The test we face is great, and so are the stakes. This is the first assault on the new world that we seek, the first test of our mettle. Had we not responded to this first provocation with clarity of purpose, if we do not continue to demonstrate our determination, it would be a signal to actual and potential despots around the world. America and the world must defend common vital interests -- and we will. America and the world must support the rule of law -- and we will. America and the world must stand up to aggression -- and we will. And one thing more: In the pursuit of these goals America will not be intimidated.

Vital issues of principle are at stake. Saddam Hussein is literally trying to wipe a country off the face of the Earth. We do not exaggerate. Nor do we exaggerate when we say Saddam Hussein will fail. Vital economic interests are at risk as well. Iraq itself controls some 10 percent of the world's proven oil reserves. Iraq plus Kuwait controls twice that. An Iraq permitted to swallow Kuwait would have the economic and military power, as well as the arrogance, to intimidate and coerce its neighbors -- neighbors who control the lion's share of the world's remaining oil reserves. We cannot permit a resource so vital to be dominated by one so ruthless. And we won't.

Recent events have surely proven that there is no substitute for American leadership. In the face of tyranny, let no one doubt American credibility and reliability. Let no one doubt our staying power. We will stand by our friends. One way or another, the leader of Iraq must learn this fundamental truth. From the outset, acting hand in hand with others, we've sought to fashion the broadest possible international response to Iraq's aggression. The level of world cooperation and condemnation of Iraq is unprecedented. Armed forces from countries spanning four continents are there at the request of King Fahd of Saudi Arabia to deter and, if need be, to defend against attack. Moslems and non-Moslems, Arabs and non-Arabs, soldiers from many nations stand shoulder to shoulder, resolute against Saddam Hussein's ambitions.

We can now point to five United Nations Security Council resolutions that condemn Iraq's aggression. They call for Iraq's immediate and unconditional withdrawal, the restoration of Kuwait's legitimate government, and categorically reject Iraq's cynical and self-serving attempt to annex Kuwait. Finally, the United Nations has demanded the release of all foreign nationals held hostage against their will and in contravention of international law. It is a mockery of human decency to call these people ``guests." They are hostages, and the whole world knows it.

Prime Minister Margaret Thatcher, a dependable ally, said it all: ``We do not bargain over hostages. We will not stoop to the level of using human beings as bargaining chips ever." Of course, of course, our hearts go out to the hostages and to their families. But our policy cannot change, and it will not change. America and the world will not be blackmailed by this ruthless policy.

We're now in sight of a United Nations that performs as envisioned by its founders. We owe much to the outstanding leadership of Secretary-General Javier Perez de Cuellar. The United Nations is backing up its words with action. The Security Council has imposed mandatory economic sanctions on Iraq, designed to force Iraq to relinquish the spoils of its illegal conquest. The Security Council has also taken the decisive step of authorizing the use of all means necessary to ensure compliance with these sanctions. Together with our friends and allies, ships of the United States Navy are today patrolling Mideast waters. They've already intercepted more than 700 ships to enforce the sanctions. Three regional leaders I spoke with just yesterday told me that these sanctions are working. Iraq is feeling the heat. We continue to hope that Iraq's leaders will recalculate just what their aggression has cost them. They are cut off from world trade, unable to sell their oil. And only a tiny fraction of goods gets through.

The communique with President Gorbachev made mention of what happens when the embargo is so effective that children of Iraq literally need milk or the sick truly need medicine. Then, under strict international supervision that guarantees the proper destination, then food will be permitted.

At home, the material cost of our leadership can be steep. That's why Secretary of State Baker and Treasury Secretary Brady have met with many world leaders to underscore that the burden of this collective effort must be shared. We are prepared to do our share and more to help carry that

load; we insist that others do their share as well.

The response of most of our friends and allies has been good. To help defray costs, the leaders of Saudi Arabia, Kuwait, and the UAE -- the United Arab Emirates -- have pledged to provide our deployed troops with all the food and fuel they need. Generous assistance will also be provided to stalwart front-line nations, such as Turkey and Egypt. I am also heartened to report that this international response extends to the neediest victims of this conflict -- those refugees. For our part, we've contributed $28 million for relief efforts. This is but a portion of what is needed. I commend, in particular, Saudi Arabia, Japan, and several European nations who have joined us in this purely humanitarian effort.

There's an energy-related cost to be borne as well. Oil-producing nations are already replacing lost Iraqi and Kuwaiti output. More than half of what was lost has been made up. And we're getting superb cooperation. If producers, including the United States, continue steps to expand oil and gas production, we can stabilize prices and guarantee against hardship. Additionally, we and several of our allies always have the option to extract oil from our strategic petroleum reserves if conditions warrant. As I've pointed out before, conservation efforts are essential to keep our energy needs as low as possible. And we must then take advantage of our energy sources across the board: coal, natural gas, hydro, and nuclear. Our failure to do these things has made us more dependent on foreign oil than ever before. Finally, let no one even contemplate profiteering from this crisis. We will not have it.

I cannot predict just how long it will take to convince Iraq to withdraw from Kuwait. Sanctions will take time to have their full intended effect. We will continue to review all options with our allies, but let it be clear: we will not let this aggression stand.

Our interest, our involvement in the Gulf is not transitory. It predated Saddam Hussein's aggression and will survive it. Long after all our troops come home -- and we all hope it's soon, very soon -- there will be a lasting role for the United States in assisting the nations of the Persian Gulf. Our role then: to deter future aggression. Our role is to help our friends in their own self-defense. And something else: to curb the proliferation of chemical, biological, ballistic missile and, above all, nuclear technologies.

Let me also make clear that the United States has no quarrel with the Iraqi people. Our quarrel is with Iraq's dictator and with his aggression. Iraq will not be permitted to annex Kuwait. That's not a threat, that's not a boast, that's just the way it's going to be.

Our ability to function effectively as a great power abroad depends on how we conduct ourselves at home. Our economy, our Armed Forces, our energy dependence, and our cohesion all determine whether we can help our friends and stand up to our foes. For America to lead, America must remain strong and vital. Our world leadership and domestic strength are mutual and reinforcing; a woven piece, strongly bound as Old Glory. To revitalize our leadership, our

leadership capacity, we must address our budget deficit -- not after election day, or next year, but now.

Higher oil prices slow our growth, and higher defense costs would only make our fiscal deficit problem worse. That deficit was already greater than it should have been -- a projected $232 billion for the coming year. It must -- it will -- be reduced.

To my friends in Congress, together we must act this very month -- before the next fiscal year begins on October 1st -- to get America's economic house in order. The Gulf situation helps us realize we are more economically vulnerable than we ever should be. Americans must never again enter any crisis, economic or military, with an excessive dependence on foreign oil and an excessive burden of Federal debt.

Most Americans are sick and tired of endless battles in the Congress and between the branches over budget matters. It is high time we pulled together and get the job done right. It's up to us to straighten this out. This job has four basic parts. First, the Congress should, this month, within a budget agreement, enact growth-oriented tax measures -- to help avoid recession in the short term and to increase savings, investment, productivity, and competitiveness for the longer term. These measures include extending incentives for research and experimentation; expanding the use of IRA's for new homeowners; establishing tax-deferred family savings accounts; creating incentives for the creation of enterprise zones and initiatives to encourage more domestic drilling; and, yes, reducing the tax rate on capital gains.

And second, the Congress should, this month, enact a prudent multiyear defense program, one that reflects not only the improvement in East-West relations but our broader responsibilities to deal with the continuing risks of outlaw action and regional conflict. Even with our obligations in the Gulf, a sound defense budget can have some reduction in real terms; and we're prepared to accept that. But to go beyond such levels, where cutting defense would threaten our vital margin of safety, is something I will never accept. The world is still dangerous. And surely, that is now clear. Stability's not secure. American interests are far reaching. Interdependence has increased. The consequences of regional instability can be global. This is no time to risk America's capacity to protect her vital interests.

And third, the Congress should, this month, enact measures to increase domestic energy production and energy conservation in order to reduce dependence on foreign oil. These measures should include my proposals to increase incentives for domestic oil and gas exploration, fuel-switching, and to accelerate the development of the Alaskan energy resources without damage to wildlife. As you know, when the oil embargo was imposed in the early 1970's, the United States imported almost 6 million barrels of oil a day. This year, before the Iraqi invasion, U.S. imports had risen to nearly 8 million barrels per day. And we'd moved in the wrong direction. And now we must act to correct that trend.

And fourth, the Congress should, this month, enact a 5-year program to reduce the projected debt and deficits by $500 billion -- that's by half a trillion dollars. And if, with the Congress, we can develop a satisfactory program by the end of the month, we can avoid the ax of sequester -- deep across-the-board cuts that would threaten our military capacity and risk substantial domestic disruption. I want to be able to tell the American people that we have truly solved the deficit problem. And for me to do that, a budget agreement must meet these tests: It must include the measures I've recommended to increase economic growth and reduce dependence on foreign oil. It must be fair. All should contribute, but the burden should not be excessive for any one group of programs or people. It must address the growth of government's hidden liabilities. It must reform the budget process and, further, it must be real.

I urge Congress to provide a comprehensive 5-year deficit reduction program to me as a complete legislative package, with measures to assure that it can be fully enforced. America is tired of phony deficit reduction or promise-now, save-later plans. It is time for a program that is credible and real. And finally, to the extent that the deficit reduction program includes new revenue measures, it must avoid any measure that would threaten economic growth or turn us back toward the days of punishing income tax rates. That is one path we should not head down again.

I have been pleased with recent progress, although it has not always seemed so smooth. But now it's time to produce. I hope we can work out a responsible plan. But with or without agreement from the budget summit, I ask both Houses of the Congress to allow a straight up-or-down vote on a complete $500-billion deficit reduction package not later than September 28. If the Congress cannot get me a budget, then Americans will have to face a tough, mandated sequester. I'm hopeful, in fact, I'm confident that the Congress will do what it should. And I can assure you that we in the executive branch will do our part.

In the final analysis, our ability to meet our responsibilities abroad depends upon political will and consensus at home. This is never easy in democracies, for we govern only with the consent of the governed. And although free people in a free society are bound to have their differences, Americans traditionally come together in times of adversity and challenge.

Once again, Americans have stepped forward to share a tearful goodbye with their families before leaving for a strange and distant shore. At this very moment, they serve together with Arabs, Europeans, Asians, and Africans in defense of principle and the dream of a new world order. That's why they sweat and toil in the sand and the heat and the sun. If they can come together under such adversity, if old adversaries like the Soviet Union and the United States can work in common cause, then surely we who are so fortunate to be in this great Chamber -- Democrats, Republicans, liberals, conservatives -- can come together to fulfill our responsibilities here. Thank you. Good night. And God bless the United States of America.

Note: The President spoke at 9:09 p.m. in the House Chamber at the Capitol. He was introduced by Thomas S. Foley, Speaker of the House of Representatives. The address was broadcast live on

nationwide television and radio.

Remarks to Federal, State, and Local Prosecutors

September 12, 1990

Please be seated. And please take off your coats. I mean, it's a little warm out here in the Rose Garden. Well, thank you, Attorney General Thornburgh, and U.S. attorneys, State attorneys general. I see our Director of the FBI here, and local district attorneys and other law enforcement officials. I am just delighted to have this opportunity to welcome our nation's prosecutors to the White House. I know that you spent the morning over at Justice with Dick Thornburgh. I just got briefed on that -- discussing the legal changes that we need to help you do your jobs more effectively. And I know that other subjects are preoccupying all of us these days, but I repeat today what I said last week: Drugs and violent crime remain a top priority.

And on behalf of all the American people, I want to thank you, all of you, for working to help us take back the streets. We know full well that the life of a prosecutor is not easy. For gifted, hard-working lawyers like yourselves, the financial sacrifice is immense. And more importantly, over the past 30 years America's criminal justice system has become bogged down with technicalities that stymie our prosecutors' simple goals -- to see the truth come out, the guilty punished, the law upheld, and justice done. Too many times, in too many cases, too many criminals go free because the scales of justice are unfairly loaded against dedicated law men and women like you.

Since taking office, we've worked with many of you to try to steady the scales of justice, to seek a fair balance between the legitimate rights of criminals and criminal suspects, and society's right to protect itself from evil predators. And America took an important step towards balancing these scales when I had the chance to name a tough, a fair-minded, intellectually brilliant judge as my first nominee to the Supreme Court -- New Hampshire's Judge David Souter. With a decade of law enforcement experience prior to being elevated to the bench, Judge Souter comes from your own ranks. The Senate starts these confirmation hearings tomorrow, and I call on them to act swiftly so that he can take his place as the only career prosecutor on the Court in time for the Court's first sitting. And, of course, I am very pleased -- all of us are pleased -- that the American Bar Association gave him their highest rating by a unanimous vote. And we're especially pleased that the National District Attorneys Association endorsed Judge Souter for the Supreme Court, praising him as a tough anticrime judge. This is a group that knows all too well the problems with the criminal justice system that all too often simply doesn't work.

And that's why I stood before the Capitol on a rainy day in May last year -- and many of you were there -- calling on Congress to pass legislation to give our prosecutors and police the tools they need to fight back against the epidemic of violent crime still raging in America. That was over a year ago. And despite the urgency of the problem, the Congress has failed to act on key aspects of my proposal. What's worse, several measures receiving serious consideration in the House this week would actually weaken law enforcement and hamper your efforts to protect the citizens of this nation. But your presence here today sends a powerful warning to Congress, a shot across the bow of a ship that is moving in the wrong direction. We will not accept a crime bill that is

tougher on law enforcement than it is on criminals.

We need a crime bill that will stop the endless abuse of habeas corpus, that guarantees that criminals who use serious weapons face serious weapon charges and serious time, and that ensures that evidence gathered by good cops acting in good faith isn't barred by technicalities that let bad people go free. And for the most unspeakable of crimes, we do need a workable death penalty, which is to say a real death penalty. I simply will not accept anything that rolls back the clock on America's ability to fight crime and punish wrongdoers. The bottom line is really this: I will not sign a crime bill that handcuffs the police. I will not sign a bill that overturns recent Supreme Court decisions limiting frivolous habeas corpus petitions, that expands the coverage of the exclusionary rule, or that creates a racial quota system for capital punishment.

You know the difference between my proposals, which give you the legal tools you need to win this fight, and the anti-law-enforcement proposals that some in the Congress are attempting to peddle as a crime bill. For the past 2 weeks America's been gripped by chilling headlines that tell of kids going back to school in bulletproof coats; and a visiting Utah man, a kid really, sports lover, killed while defending his mother from a New York subway gang said to be after pocket money so they could go dancing. The American people really are fed up. You know this perhaps better than I because you're on the front lines, but they're fed up. And I urge the Congress to heed the voices of our people, our police, and our prosecutors, and send me a crime bill that will help take back the streets.

I want to thank you. I really wanted to have this meeting, and so did Dick, so that both of us here, in the majesty of the Rose Garden and the shadow of the White House, we could tell you that we are grateful to you. And we know it's not easy, but keep up your dedicated efforts to make our community safe. We're lucky -- America is lucky -- to have men and women of your quality and your character out doing the job for all of us.

Thank you and God bless you. And God bless our great country. Thank you very much.

Note: The President spoke at 2:05 p.m. in the Rose Garden at the White House. In his opening remarks, he referred to William Sessions, Director of the Federal Bureau of Investigation.

Nomination of Harmon Elwood Kirby To Be United States Ambassador to Togo

September 12, 1990

The President today announced his intention to nominate Harmon Elwood Kirby, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Togo. He would succeed Rush Walker Taylor, Jr.

Currently Dr. Kirby serves as Director of the Office of Performance Evaluation at the Department of State. Prior to this he has served as Director of United Nations Political Affairs at the Department of State. He has been a Foreign Service officer for the Department of State in Geneva, Madras, New Delhi, Brussels, Khartoum, Rabat, and Washington, 1961 to present. In addition, Mr. Kirby has served as an executive assistant to the executive vice president of Hudson Pulp and Paper Corp. in New York City, 1960 - 1961, and in personnel and labor relations for the Diamond National Corp. in Middletown, OH, 1959 - 1960.

Mr. Kirby received his bachelor of arts degree from Harvard University and his master of arts degree from George Washington University. He was born January 27, 1934, in Hamilton, OH. Mr. Kirby served in the U.S. Army, 1956 - 1958. He is married, has two children, and resides in Bethesda, MD.

Statement by Press Secretary Fitzwater on the Treaty on the Final Settlement With Respect to Germany

September 12, 1990

The President welcomes the historic signing in Moscow this morning of the Treaty on the Final Settlement With Respect to Germany. Today's agreement settles the external aspects of the establishment of German unity and makes the achievement of a unified, free, and democratic Germany just a short step away. With formal unification scheduled for October 3, the way is now clear for creation of a united Germany, enjoying full sovereignty and remaining a full member of the North Atlantic alliance and the Western community of nations.

The treaty provides for the termination of the historic rights and responsibilities of the four wartime allies -- the United States, Great Britain, France, and the Soviet Union -- for Berlin and for Germany as a whole, dating from wartime and early postwar agreements. It restores full sovereignty to Germany over all its territory, including Berlin, and confirms that the borders of the united Germany will be the frontiers of the current Federal Republic of Germany and German Democratic Republic. The Government of Poland has expressed its satisfaction with the treaty's resolution of the border issue.

Last October, before the dramatic opening of the Berlin Wall on November 9, the President expressed his strong support for German unification and his full confidence in Germany's commitment to the Western alliance. The President is gratified that the United States was able to play a leading role in supporting the aspirations we have long shared with the German people for a Germany united in peace and freedom. Last February, the United States proposed that negotiations to resolve the external aspects of German unification be held among the Two Plus Four, the two Germanys together with the United States, Great Britain, France, and the Soviet Union. Those negotiations are now complete, and we join the German people in looking forward to the unification of Germany and a continued close and fruitful relationship between our countries and peoples. The United States and Germany will be, as the President put it in his speech in Mainz of May of last year, ``partners in leadership."

Statement by Press Secretary Fitzwater on the President's Taped Address to the People of Iraq

September 13, 1990

In his meeting with Acting Secretary [of State] Eagleburger this morning the Iraqi Ambassador stated that the President's taped message to the Iraqi people would be broadcast in its entirety in prime time. We are disappointed, however, that he declined to take personal possession of the tape for transmittal to Baghdad. The State Department will be transmitting the tape to our Embassy in Baghdad for delivery to the Iraqi Government. We expect that this will take place within the next day or two.

Remarks on Transmitting the Enterprise for the Americas Initiative Act of 1990

September 14, 1990

Please be seated. Thank you all very much for being with us today. A most distinguished gathering here this morning. And I want to thank the Vice President, Secretary Brady, Secretary Eagleburger, and Ambassador Hills, and Bill Reilly for being with us today. I'd also like to welcome the OAS Secretary General Baena Soares, and the IDB President Enrique Iglesias. It's very good to have you all here.

In Latin America and the Caribbean, a new generation of leaders, with the support of their citizens, has turned increasingly to market forces as they pursue economic reforms designed to encourage growth. And we've welcomed these developments. And that's why in June we announced the Enterprise for the Americas, a major new initiative to help forge a genuine partnership of free market reform that will sustain both growth and political stability in Latin America and the Caribbean. I consider this one of the most important initiatives of my administration. It opens a bold new chapter in hemispheric relations -- one based on trade, not aid.

Since announcing this initiative, I've been extremely grateful for the warm response that it's received from leaders in the hemisphere. Prime Ministers and Presidents from Jamaica to Uruguay, from Brazil to Honduras have either written or called me to express their support. And as I said back in June, I know there's been some concern in the Americas that with so many things going on in the world that our focus will shift away. But I've assured the leaders throughout our hemisphere that the United States will not lose sight of the tremendous challenges and opportunities right here in what we hope will soon be the first fully democratic hemisphere in the world.

For the first time, the three economic issues of greatest importance to Latin America -- trade, investment, and debt -- have been joined in a single endeavor. On trade, we've set forth clearly our long-term objective -- a hemispheric free trade zone from Alaska to Argentina. As a step in that direction, we offer to negotiate framework agreements and will address specific Latin American trade concerns within the Uruguay round. We've already signed framework agreements with Mexico, Bolivia, Colombia, and Ecuador, and others are in progress. On investment, we want to increase the incentives for countries to adopt policies that will attract capital. And on debt, we're supplementing the Brady Plan with a new proposal to reduce official debt.

The legislation that we're transmitting to Congress today advances both the investment and debt portions of the initiative and contains an innovative approach to the environment. I ask for prompt action this session by the Congress. Without congressional authority we cannot get underway on some of the most important elements of the initiative.

To cite two examples: Our initiative includes a $1.5 billion multidonor investment fund administered through the Inter-American Development Bank to provide support and technical assistance to carry out investment reforms. And we want to thank the IDB President Iglesias for his strong support of this initiative. And congressional action is also necessary to authorize reduction of the debt owed by our Latin American neighbors to the United States Government. We will also pursue debt-for-equity and debt-for-nature swaps to improve the hemisphere's environment.

We believe these measures together will boost trade, investment, and growth in our hemisphere. This legislation is good for our neighbors. It's good for the hemisphere. And I believe it is very good for the United States of America. It has my full backing and my support. The Western Hemisphere is our common homeland, and its political and economic well-being will always be of the utmost importance to us. That's why we need to move forward. Let's pass this important legislation soon. And so, now I would like to invite our two distinguished guests here, if you would, to join me while I sign this. Please come forward, if you will. Might I express my appreciation to everybody here that worked on all of this. I know David and the others here -- John, everybody -- thank you all very much. I think it's very, very important, and I will assure you, those in the departments that have worked on it, I will push it in every way I can.

And thank you all for being with us.

Note: The President spoke at 10:36 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Deputy Secretary of State Lawrence S. Eagleburger; Carla A. Hills, U.S. Trade Representative; William K. Reilly, Administrator of the Environmental Protection Agency; and David Mulford and John Robson, Assistant Secretaries of the Treasury.

Message to the Congress Transmitting the Enterprise for the Americas Initiative Act of 1990

September 14, 1990

To the Congress of the United States:

I am pleased to transmit a legislative proposal entitled the ``Enterprise for the Americas Initiative Act of 1990." This proposal sets forward key measures to implement the investment, debt, and environmental components of my ``Enterprise for the Americas" initiative announced on June 27, 1990. It will build more constructive relations in the Western Hemisphere and a more hopeful future.

The last 14 months have been a remarkable time for the world. Yet the rapid changes at which we have marveled in Eastern Europe are not unique. Freedom has made great gains in our hemisphere, as a resurgence of democratic rule has swept through the Americas.

Parallel to this political shift has come a realignment of policies in the economic sphere. As the people of Latin America and the Caribbean search for prosperity following a difficult decade of painful economic adjustment, their governments are focusing on economic growth and the free market policies needed to nourish it.

For the benefit of all people of this hemisphere, the United States needs to reach out to support the efforts of these countries as each undertakes its own approach to economic reform. My new Enterprise for the Americas initiative aims to build a broad-based partnership for the 1990s that will strengthen our economic ties and encourage economic growth and development throughout the Western Hemisphere.

This initiative rests on three pillars -- actions on trade, investment, and debt -- through which we can reach out to our neighbors and support economic reform and sustained growth. First, we want to expand trade both by cooperating closely with the nations of Latin America and the Caribbean as the Uruguay Round comes to a close and by entering into free trade agreements with the ultimate goal of a hemisphere-wide free trade system. Second, we want to encourage investment and help countries compete for capital by reforming broad economic policies and specific regulatory systems. Third, we want to build on our successful efforts to ease debt burdens and to increase the incentives for countries to reform their economies by offering additional measures in the debt area. As part of our efforts on debt, we want to support the environment by promoting sustainable natural resource management as a key element of building a strong future for the hemisphere.

The proposal I am transmitting to the Congress today focuses on the investment, debt, and

environment components of the Enterprise for the Americas initiative.

The proposal provides for contributions by the United States to a multilateral investment fund to be established by the Inter-American Development Bank (IDB) to foster a climate favorable to investment in Latin American and Caribbean countries. This Enterprise for the Americas Investment Fund will provide additional support for reforms undertaken as part of the new IDB investment sector lending program. It will do so by advancing specific, market-oriented investment policy initiatives and reforms and financing technical assistance.

The proposal establishes the Enterprise for the Americas Facility to support the objectives of the initiative through administration of debt reduction operations for those nations that meet the investment reform and other policy conditions. Latin American and Caribbean countries can qualify for benefits under the Facility if they:

d

have in effect International Monetary Fund/World Bank reform programs;

d

have in place major investment reforms in conjunction with an IDB loan or are otherwise implementing an open investment regime; and

d

for countries that owe a substantial part of their debt to commercial banks, have negotiated a satisfactory financing program with commercial banks, including debt and debt service reduction if appropriate.

The proposal authorizes the reduction of concessional obligations extended under the Foreign Assistance Act of 1961 and credits extended pursuant to title I of the Agricultural Trade Development and Assistance Act of 1954. The agency whose loans or credits are affected will exchange -- at the direction of the Facility -- new obligations for obligations outstanding as of January 1, 1990. Principal on the new obligation will be paid in U.S. dollars. Interest will be at a concessional rate and paid in local currency if an eligible country has entered into a framework agreement establishing an Environmental Fund; otherwise, interest will be paid in U.S. dollars.

The Environmental Fund into which local currency interest payments are deposited will be owned by the debtor country but be subject to joint programming by the debtor country and the United States Government. An environmental framework agreement will establish joint programming requirements and will also specify the use of the Environmental Fund to support environmental projects and programs. It is envisioned that local committees in each eligible country will include

strong representation of local private environmental groups, as well as the United States Government and the host government, and will initiate overall country plans and carry out a fundamental review of proposed projects. In setting up this broad framework and establishing relationships in each eligible country, we will consult closely with nongovernmental organizations with expertise in natural resource management and conservation.

The proposal also authorizes the sale, reduction, or cancellation of loans made to eligible countries under the Export-Import Bank Act of 1945, as amended, and assets acquired under export credit guarantee programs authorized pursuant to the Commodity Credit Corporation Charter Act or section 4(b) of the Food for Peace Act of 1966. These sales, reductions, or cancellations will be undertaken only when purchasers confirm that they will be used to carry out debt-for-equity or debt-for-nature swaps in eligible countries.

We believe that these investment, debt, and environment measures will provide significant support to the efforts of Latin America and the Caribbean to build strong economies.

The United States has not gone untouched by the economic crisis faced by Latin America and the Caribbean over the last decade. As countries in the region cut imports, postponed investment, and struggled to service their foreign debt, we too were affected. We lost trade, markets, and opportunities.

Latin American and Caribbean leaders have made a great deal of progress in coping with this crisis. A new generation of democratically elected leaders is turning the tide away from economic decline. Enactment of the Enterprise for the Americas Initiative Act of 1990 will permit the United States to support the efforts of these leaders, increasing the prospects for economic growth and prosperity throughout the hemisphere.

George Bush

The White House,

September 14, 1990.

White House Fact Sheet on the Enterprise for the Americas Initiative Act of 1990

September 14, 1990

The President will transmit to the Congress a legislative proposal to implement the investment, debt, and environmental elements of his Enterprise for the Americas Initiative. The purpose of this legislation is to encourage and support market-oriented reform and economic growth in Latin America and the Caribbean through inter-related actions that will promote investment reforms, debt reduction, and environmental protection.

In the investment area, the proposed legislation will provide for contribution by the United States to the Enterprise for the Americas Investment Fund, a multilateral investment fund to be established at the Inter-American Development Bank. Authorization for contributions of $500 million to the Fund and authorization of appropriations for the contribution will be sought. The President will seek $100 million a year over 5 years for the Fund. The Fund is designed to foster a climate favorable to investment in Latin American and Caribbean countries and would support efforts in these countries to facilitate investment and the reflow of flight capital. It would advance specific, market-oriented investment policy initiatives and reforms and finance technical assistance for privatization efforts, business infrastructure, and worker-training and education programs. The Secretary of the Treasury will seek contributions from other countries to the Fund.

The proposed legislation will also establish the Enterprise for the Americas Facility in the Department of the Treasury to support the objectives through administration of debt reduction operations for nations that meet certain investment reform and other policy conditions.

The legislation would establish criteria to govern eligibility to participate in the debt reduction operations under the Facility. These criteria will aim to encourage economic reform, including measures to liberalize investment regimes. An eligible country should:

have in effect an International Monetary Fund (IMF) standby arrangement, extended fund arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or, in exceptional circumstances, an IMF-monitored program or its equivalent;

as appropriate, have received structural or sectoral adjustment loans under the International Bank for Reconstruction and Development (World Bank) or the International Development Association (IDA);

have in place major investment reforms in conjunction with an IDB loan or otherwise be implementing open investment regimes; and

as appropriate, have agreed on a satisfactory financing program with commercial banks including, if appropriate, debt and debt service reduction.

Clear authority will be necessary to undertake the actions proposed in the debt element of the Initiative. The administration will seek authority to reduce concessional loans extended under the Foreign Assistance Act of 1961 (FAA) and credits extended under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (P.L. 480). This reduction would be accomplished through an exchange of new obligations for obligations outstanding as of January 1, 1990. Once agreed by the President, the responsibility for executing an exchange of obligations that will result in the debt reduction rests with the agency that holds loans or credits to be affected. Such agency will act at the direction of the Facility.

Once an exchange is undertaken, principal payments on new obligations will be paid in U.S. dollars and credited to the accounts established to receive principal payments on the old debt obligations. Interest payments will be at a concessional rate and will be made in local currency if the debtor country has reached an environmental agreement with the United States establishing an Environmental Fund. Under such an agreement, interest payments would be deposited in an Environmental Fund and jointly programmed by the U.S. and debtor country government. In the absence of such an environmental agreement, interest would be paid in U.S. dollars into the account established for interest payments of the obligations exchanged therefor.

The President would be authorized to enter into agreements with countries receiving debt reduction under the Initiative which, in addition to establishing Environmental Funds and providing for joint programming, could specify the uses of monies in the Funds. The President intends to encourage the involvement of local private environmental groups in decisions on the use of grant funds and to consult with nongovernmental organizations in the United States and abroad regarding the establishment, structure, and operation of the Environmental Fund program.

In addition to the authority to reduce concessional debts, the President would be authorized to sell, reduce, or cancel loans made to an eligible country under the Export-Import Bank Act of 1945, as amended, and assets acquired as a result of credit guarantees made in connection with export sales to eligible countries under programs authorized pursuant to the Commodity Credit Corporation (CCC) Charter Act, as amended, or section 4(b) of the Food for Peace Act of 1966, as amended. Such sale, reduction, or cancellation would only be undertaken for those loans made or assets acquired prior to January 1, 1990 and would be consistent with terms or conditions of prior agreements relating to the loans or assets.

Eligible purchasers for Eximbank loans and CCC assets would depend on the presentation of satisfactory plans for engaging in debt-for-equity or debt-for-nature swaps. Once an eligible purchaser is identified, the Facility will notify the agency that holds the loans or assets to be affected, and that agency will carry out the sale, reduction, or cancellation. Prior to such a transaction, consultations would be undertaken with the eligible country regarding the amounts to

be affected and their uses for debt-for-equity or debt-for-nature swaps. The proceeds of any sale, reduction, or cancellation of a loan or asset would be credited to the account established for the repayment of that loan or those assets.

Such sales, reductions, or cancellations of loans or assets would be carried out in a way to maximize return to the U.S. Government. These transactions would not be required to be registered pursuant to the Securities Act of 1933 and, for the purposes of that Act, neither Eximbank nor CCC would be deemed an issuer or underwriter with respect to any subsequent sale or other disposition of such loan or asset pursuant to a debt-for-equity or debt-for-nature swap.

The President would transmit an annual report to Congress on the operation of the Facility.

Implementation of the Initiative

The key investment, debt, and environment components of the ``Enterprise for the Americas'' initiative are as follows:

(1) Contributions to the Enterprise for the Americas Investment Fund to be administered by the Inter-American Development Bank (IDB).

(2) Development of an investment sector lending program in the IDB to provide loans in support of investment reforms.

(3) Creation of the Enterprise for the Americas Facility within the Treasury Department to support the objectives of the Initiative through debt reduction operations for eligible nations.

(4) Reduction of concessional (AID and P.L. 480) debts owed by eligible countries.

(5) Use of interest payments on reduced concessional obligations to support environmental programs in the debtor country.

(6) The sale, reduction, or cancellation of Eximbank loans and CCC assets to facilitate debt/equity or debt-for-nature swaps.

The following provides further detail on the expected operation of these elements.

Enterprise for the Americas Investment Fund

This fund is expected to be multilateral in nature, although it could commence operations based initially on U.S. contributions if other contributions are not available. The administration will be

seeking authority to contribute (as grants) $100 million annually to this Fund over five years beginning in FY 1992.

The Fund is expected to provide support for investment policy initiatives and reforms and to finance technical assistance for privatization, development of business infrastructure, and worker training and education programs.

The administration discussed this proposal with other G - 7 industrial countries at the Houston economic summit and will continue to seek contributions from European countries, Japan, and Canada.

Although the IDB would manage the Fund, contributing countries would be expected to provide guidelines for disbursement of grants to eligible countries.

IDB Investment Sector Loan Program

The President has proposed the establishment of an IDB sector lending program to provide fundamental support for investment reforms. Liberalization of investment regimes is particularly important as a means of attracting the scarce capital critical to sustained growth. The objective for Latin America and the Caribbean must be to compete effectively for investment in a world of limited resources and to attract the capital of their nationals back home.

The U.S. Government will work with the Inter-American Development Bank to develop an investment sector lending program consistent with these goals.

Enterprise for the Americas Facility

The Enterprise for the Americas Facility will support the objectives of market-oriented reform and economic growth, investment reform, and environmental protection through the administration of debt reduction operations for eligible countries.

To be eligible for debt reduction, Latin American and Caribbean countries must:

have in effect International Monetary Fund/World Bank economic reform programs;

have in place major investment reforms in conjunction with an IDB loan, or otherwise be implementing an open investment regime; and

for countries that owe a substantial part of their debt to commercial banks, have negotiated a satisfactory financing program with commercial banks, including debt and debt service reduction if appropriate.

Decisions on country eligibility, based on these criteria, will be made through an interagency process chaired by the Secretary of the Treasury. The Enterprise for the Americas Facility will issue instructions to the appropriate Federal agencies to effect the debt reduction, sale, or cancellation which has been negotiated with eligible countries (see below). It will also provide technical support for an interagency team, to include relevant agencies, which will negotiate the terms of debt reduction with individual countries.

Reduction of Concessional Debts

Decisions on the extent of debt reduction on Agency for International Development and P.L. 480 obligations of individual eligible countries will be made through an interagency process chaired by the Secretary of the Treasury.

Debt reduction will be effected through the exchange of outstanding obligations for new, reduced AID and P.L. 480 obligations bearing concessional interest rates (see environmental support discussion below).

Reduction, Sale, or Cancellation of Eximbank and CCC Obligations

Decisions on the amount of Eximbank loans (and loans acquired pursuant to its guarantee and insurance programs) and the amount of CCC assets acquired as a result of its export sales guarantees which will be available for reduction, sale, or cancellation for eligible countries will be made through an interagency process chaired by the Secretary of the Treasury.

Such reductions, sales, or cancellations will be made solely to facilitate debt/equity swaps or debt-for-nature swaps. Specific mechanisms will be developed to assure that this objective is realized.

Enterprise for the Americas Environmental Funds

The administration will seek to negotiate an environmental agreement with each country determined eligible for debt reduction. Conclusion of such an agreement would allow the eligible country to make interest payments on new obligations resulting from debt reduction in local currency. The agreement would establish an Environmental Fund to receive interest payments and would determine the operation of the Fund and the use of its resources to provide grants for environmental projects and programs.

The local currency interest payments would be deposited in an eligible country's Environmental Fund and would be jointly-programmed by the United States and that country. It is contemplated that local committees -- composed of U.S. Government representatives, eligible country representatives, and representatives of local private environmental groups -- would have a significant role in formulating programs and projects funded by each country's Environmental Fund.

The administration is committed to encouraging the involvement of local nongovernmental environmental groups in the decision-making process. We have heard preliminary views from nongovernmental organizations in Washington and believe it will be important to consult with these groups regarding the establishment, structure, and operation of the Environmental Fund program.

We anticipate that annual programs for individual countries would be formulated at the local committee level, as would proposals for specific projects to be funded. Annual programs would be subject to the joint approval of the U.S. Government and the debtor government.

Remarks to Participants in the International Appellate Judges Conference

September 14, 1990

Welcome to the White House, everybody. I'm delighted that you all are here and very pleased to be sharing this platform, this stage, with two people for whom I have very high regard: Justice Sandra Day O'Connor, Justice of our Supreme Court, and then my own legal counsel in whom I have great confidence, Boyden Gray.

I wanted to single out for special commendation Judge Cynthia Hall, for all the work that you have done, ma'am, on making this a highly successful event and making this conference possible.

And, of course, someone else I think we all should thank for his role in the conference, and, of course, I'm talking about our Chief Justice William Rehnquist, Chief Justice of the Supreme Court, who regrettably could not be with us today. He wanted to be here.

Rarely has the White House been graced by such distinguished talent. More than 100 chief judicial officers from around the world, chief justices representing most of America's 50 States and territories, and practically the entire leadership of the Judicial Conference of the United States.

I heard that Judge Souter might invite some friends to Washington for his hearing, but I never dreamed it would get out of control like this. [Laughter] Truly it is a great honor to welcome this extraordinary assembly to Washington and a great honor to welcome you here at the White House.

It's an historic visit for many reasons, yours. Your Washington gathering marks the first time this conference has been held in the United States. But even more historic than the place are the times. And your visit comes as the capstone of America's celebration of 200 years of the world's oldest continuous constitution and independent judiciary. And with what I call the Revolution of '89 just behind us, your conference also serves to commemorate the emergence of some of the world's newest democracies. And so, I'm especially pleased to welcome and congratulate those justices representing the new and more independent judiciaries of Central Europe and Central America and, yes, also our new friends from the Soviet Union.

More than 200 years ago, 55 Americans met late into the night during a sweltering hot Philadelphia summer, debating a document that would be adopted by the American people as the supreme law of the land. By common agreement, Americans chose to live not under individual dictate but according to the rule of law. Its greatest innovation, an independent judiciary that protects constitutional principles through judicial review of executive and legislative actions. And

truly, the U.S. Constitution stands as one of the world's great experiments in freedom and diversity and one of the world's great milestones in the effort to be free of tyranny, to be just, and to be civilized.

The American experience is a continuing one, and our success as a nation that is ruled by law and not by men depends upon our continuing commitment to an independent judiciary, a judiciary that is not subject to the political whims, to the nation's changing political climate, but that will interpret fairly and impartially our Constitution and the statutes as adopted by the elected representatives of our people.

And in the American tradition, the key to preserving a truly independent judiciary is ensuring that the role of the judiciary, like the role of the government itself, remains true to its constitutional function. The role of our judiciary is not to set policy but to apply the law of the land as found in our Constitution and in our statutes. Our Supreme Court plays a role of referee; it does not make up the rules but rather applies the rules to the situation that comes before it. And thus, our judiciary is not a substitute, you see, is not a substitute for representative government; rather, it's a limitation on it.

I mention the historic times, and of course, it's also an historic week right here in Washington. Even as we speak, our constitutional experiment is unfolding up the street in the United States Senate, where America is engaged in the solemn process of the confirmation of a very fine and decent judge -- a judge who I hope and believe will be our next, our newest Supreme Court Justice.

My old friend and neighbor, and one who I think Sandra Day O'Connor admires as well, was the late and beloved Justice Potter Stewart. He was once asked to name the most important attributes in a judge. And he fired back without hesitating, ``Quality and competence, temperament and character, and diligence." Well, those attributes are exactly the qualities that I believe describe Judge Souter, my nominee to the Supreme Court. He's strong, incisive, has an independent devotion to the Constitution that was demonstrated during 12 years of distinguished service on the trial court, the U.S. Court of Appeals, and in particular, on the supreme court of his State, the New Hampshire Supreme Court. And I understand that after the conference ends today many of you are going to go out to observe our State supreme courts in action. They are America's judicial laboratories, the court of last resort for most of our citizens' cases, the proving grounds for some of our most distinguished U.S. Supreme Court Justices: New York's great jurist, Benjamin Cardozo; William Brennan, who has just stepped down after 34 years on the Supreme Court; and of course, Oliver Wendell Holmes.

But as we gather to talk about the rule of law this week, there's another subject that I'm sure is on everybody's mind, and I've said many times in the past year that we've entered into a new era in world affairs. And the international response to Iraq's naked aggression against a tiny neighbor proves just how true that is. As I said in Helsinki, just 6 days ago when I was over there to meet

with President Gorbachev, if the nations of the world acting together continue to isolate Iraq and deny Saddam the fruits of aggression, we will set in place the cornerstone of an international order more peaceful, stable, and secure than any we have known.

One of the leaders of the world's last great unified alliance before the chilly descent of the cold war was Dwight David Eisenhower, a man that occupied this House as President of the United States. And Ike understood the stakes when he said: ``The clearest way to show what the rule of law means to us in everyday life is to recall what has happened when there is no rule of law."

And as we stand here today commemorating more than 200 years of constitutional government in America, we look back with pride on the justice that we've achieved as a nation and the promise that has been offered the world through this one simple, magnificent idea: the idea known as the rule of law. Because like many of the principal nations you represent, all today who embrace the rule of law stand as a powerful force for justice at home and as a powerful example for justice abroad. I salute this great tradition, its rich heritage, and all the fine men and women gathered here who are dedicated to justice and the rule of law.

I want to thank you all once again for coming to the White House. Congratulations on what I'm told has been a highly successful conference. And Godspeed, all of you, in your service in the cause of justice around the world. Thank you all very, very much.

Note: The President spoke at 11:35 a.m. in the East Room at the White House. In his remarks, he referred to C. Boyden Gray, Counsel to the President, and Cynthia Hall, U.S. Circuit Judge for the Ninth Circuit and chairman of the Committee on the International Appellate Judges Conference.

Appointment of Teresa A. Gorman as Special Assistant to the President for Policy Development

September 14, 1990

The President today announced the appointment of Teresa A. Gorman as Special Assistant to the President for Policy Development at the White House.

Before joining the White House, Ms. Gorman was a professional staff member with the House Energy and Commerce Committee for over 5 years. She was responsible for the assessment and evaluation of environmental issues, including the Clean Air Act, Superfund, and global climate change. In addition, Ms. Gorman served as a policy analyst in the Environmental Protection Agency's Office of Policy, 1982 - 1984, and as a policy analyst at the Department of Energy, 1981 - 1982.

Ms. Gorman graduated from Cornell University (B.A., 1979) and George Washington University (M.A., 1982).

Nomination of Walter E. Massey To Be Director of the National Science Foundation

September 14, 1990

The President today announced his intention to nominate Walter E. Massey, of Illinois, to be Director of the National Science Foundation for a term of 6 years. He would succeed Erich Bloch.

Currently, Dr. Massey serves as vice president for research for the Argonne National Laboratory and a professor of physics at the University of Chicago in Chicago, IL. In addition, Dr. Massey has served as chairman of the board of the Argonne National Laboratory for the University of Chicago Development Corp. Prior to this, he served as a professor of physics at the University of Chicago, 1979 - 1982, and laboratory director for the Argonne National Laboratory, 1979 - 1984. He was an associate professor, 1970 - 1975, and a professor of physics and dean of the college at Brown University, 1975 - 1979. Dr. Massey was an assistant professor of physics at the University of Illinois, 1968 - 1970; staff physicist, 1968; postdoctoral fellow for the Argonne National Laboratory, 1966 - 1968; a postdoctoral research associate at Washington University, 1966; and a teaching assistant at Washington University, 1960 - 1961. In addition, Dr. Massey has served as an instructor of physics at Howard University, 1960; instructor of physics at Atlanta University, 1959; and an instructor of physics at Morehouse College, 1958 - 1959.

Dr. Massey graduated from Morehouse College (B.S., 1958) and Washington University (M.A., 1966; Ph.D., 1966). He was born April 5, 1938, in Hattiesburg, MS. Dr. Massey is married, has two children, and resides in Chicago, IL.

Nomination of Leonard H.O. Spearman, Sr., To Be United States Ambassador to Lesotho

September 14, 1990

The President today announced his intention to nominate Leonard H.O. Spearman, Sr., of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho. He would succeed Robert M. Smalley.

Since 1988 Dr. Spearman has served as U.S. Ambassador to the Republic of Rwanda. Prior to 1980 he served in various positions at the Department of Health, Education, and Welfare in the Office of Education in Washington, DC: Associate Deputy Commissioner for Higher and Continuing Education, 1978 - 1980; Acting Deputy Commissioner for Higher and Continuing Education, 1976 - 1978; Associate Commissioner for Student Assistance, 1975 - 1978; Director of the Division of Student Financial Assistance, 1972 - 1975; and Director of the Division of Student Special Services, 1970 - 1972. In addition Dr. Spearman has served as a distinguished professor of educational psychology at Texas Southern University, 1986 - 1988; president of Texas Southern University in Houston, TX, 1980 - 1986; professor of psychology at Southern University in Baton Rouge, LA, 1960 - 1970; associate professor of psychology at Florida A&M University, 1957 - 1960; teaching fellow in the School of Education at the University of Michigan Hospital Children's Psychiatric Institute, 1954 - 1957; instructor for the School of Education at Florida A&M, 1950 - 1954; science instructor at Lincoln High School in Tallahassee, 1948 - 1949; and a laboratory assistant at Florida A&M University, 1947 - 1948.

Dr. Spearman graduated from Florida A&M University (B.S., 1947) and the University of Michigan (M.A., 1950; Ph.D., 1960). He was born July 8, 1929, in Tallahassee, FL. Dr. Spearman is married and has three children.

Remarks on the Persian Gulf Crisis and an Exchange With Reporters

September 14, 1990

The President. Well, I just want to say a couple of things here, and be glad to take just a handful of questions.

First, I want to publicly acknowledge and express my appreciation for the decision by the Japanese Government to make additional contributions to the effort that we're all making in the Gulf. Specifically, Japan will be providing significant economic assistance to key countries in the region that are most severely affected by the sanctions and higher energy prices. Japan is also increasing its support for the multinational forces involved in the collective defense effort. And I gave my personal thanks to Prime Minister Kaifu last night when he called me to tell me about this news. And we are grateful to the Japanese -- significant contribution.

And second, and in a similar vein, I want to say that early this morning Prime Minister Thatcher phoned to give me the additional good news of her country's latest contribution. She informed me that the United Kingdom would be sending a full armored brigade along with the additional helicopters and aircraft to Saudi Arabia. Some Americans may remember the name, the Desert Rats. And that's who will be going. As I told the Prime Minister over the phone, given all that the United Kingdom is already doing, this truly comes as the icing on the cake, a significant move by the Brits.

And I also called President Mitterrand a few minutes ago to consult with him on the outrageous Iraqi break-in at the French Embassy residence in Kuwait. These developments not only underscore the brutal behavior of Iraq but also the international support that exists and is marshaled against Iraq's occupation of Kuwait. I've often said that it is not the United States against Iraq but Iraq against the world. And for our part, we will continue to do everything possible to ensure that the sanctions work as intended and to deter and, if need be, defend Saudi Arabia against armed attack.

And here I just want to reiterate what I said when I first ordered the U.S. forces to Saudi Arabia -- namely, that the United States forces were sent to Saudi Arabia at the request of the Saudi Government. And those same U.S. forces will depart as soon as they are no longer needed or wanted. And they will remain not one day longer than is absolutely necessary.

Q. Are we any closer to armed combat because of what has happened at the French Embassy and also because a U.S. warship apparently has now fired across the bow of an Iraqi tanker? What do you know about that, sir?

The President. I wouldn't put it closer to a war situation. I still hope that this matter can be peacefully resolved. And the way for that to happen is for Iraq to comply with the sanctions. Yes, an American vessel did, in accordance with United Nations resolutions and in accordance with the sanctions, cause another Iraqi vessel to heave to, and it has been boarded. And I expect confidently that if it indeed is not carrying any contraband or anything that will violate the sanctions, it will be permitted to go on its way. But it did require a bit of a warning before the captain pulled over and permitted the boarding party to have a look.

Q. Mr. President, what can you tell us about the U.S. consul that was detained in the Canadian Ambassador's house? Any protest or any action about that?

The President. I don't have all the details on that one. But again, I would lump that into the unacceptable action category. I don't have the facts on that.

Mr. Scowcroft. They've been released, Mr. President.

The President. They have been released.

But any of these incidents -- all of them add up to clear violations of international law. And I think they do raise tensions; they clearly do.

Q. Mr. President, how is Ambassador Howell [U.S. Ambassador to Kuwait], and would the U.S. have to respond militarily if Iraq entered the United States compound in Kuwait City?

The President. That's too hypothetical, the last part of the question. But I have no reason to believe that Ambassador Howell is not in good shape. I haven't heard anything to the contrary.

Q. How long are you going to keep him there, sir?

The President. I've not made a determination on that.

Q. Mr. President, gasoline prices are up dramatically, and heating oil is at a record level in today's wholesale price report. What kind of warning signals does that send to you about the overall economic situation related to the Gulf crisis?

The President. Well, I think anytime you have price inflation, sudden inflation, it is a matter of concern, given the state of the economy. What it does is make me argue even more vociferously for a budget agreement. But the shortages -- this speculation -- we're talking about future market prices. We're talking about futures. That speculative atmosphere belies the reality, which is that there are sufficient petroleum products so that the market should not be going for higher prices. In other words, it's speculation. It's futures speculation.

Q. What's your reading on -- --

The President. I believe you're talking about October prices that are quoted on the crude market.

Yes.

Federal Budget Negotiations

Q. What's your reading on the budget negotiations as the clock ticks out?

The President. Well, kind of up and down like a roller coaster. This morning, there was the feeling -- Dick Darman and John Sununu, Secretary Brady felt that they were closing the gap. Last night it was a little more pessimistic. So, I can't tell you; I haven't talked to our negotiators in the last 2 hours.

Persian Gulf Crisis

Q. Is France going to take action as a result of the Embassy incursion? Will the United States take action as a result of that?

The President. I don't know what France is going to do. But clearly, I will continue close consultation with Mr. Mitterrand because I told him I view this as a matter that is of grave concern to the United States. It happens to be the French Ambassador's residence, but it is a matter that we look at as -- it concerns everybody, and told him that I would do anything I could to support whatever he decides to do. And he will be back -- I found him in Czechoslovakia, and he will be back, and I believe he has a Cabinet meeting tomorrow. So, we'll simply wait and see what they recommend.

Q. Does that include help militarily?

Q. Mr. President, you're suggesting that the Iraqis are, in fact, tightening the screws in a number of areas. Is there an escalation now required from you and your allies?

The President. When an escalation is required from me, Saddam Hussein will know it.

Q. What about the tape, Mr. President?

The President. The tape? Haven't heard. I think it's there now. Do we know if the tape has arrived?

Mr. Fitzwater. It should be there tonight.

The President. It got off to a slow start with that Eagleburger handoff, but it should be there tonight. [Laughter] One of the classic scenes. [Laughter]

Supreme Court Nominee

Q. Mr. President, have you had a chance to see any of Judge Souter's testimony, and do you have any kind of a feeling for how it's going?

The President. I have seen it, and I think it has been magnificent. I haven't seen it all, but I must confess, slight confession -- and maybe it's because our budgeteers were out at the summit doing all the heavy lifting -- I watched it for about an hour and a half yesterday, and I watched it for about 20 minutes today. And my admiration for Judge Souter, respect for him is even higher. I really think he's conducted himself extraordinarily well.

Q. Do you believe the questioning has been fair?

The President. What I've seen so far, yes. And a Senator has the right to ask any question he wants. And what I think has been masterful is the way Judge Souter has gone as far as he possibly can and yet has handled it with such intellect, in such a knowledgeable manner. I don't think anybody gets the feeling that he is improperly avoiding things.

Federal Budget Negotiations

Q. Senator Dole this morning said that if you can't get the capital gains issue resolved, maybe you shouldn't continue with the budget talks. Is it fair to hold the budget talks hostage to the capital gains differential?

The President. Listen, Senator Dole is doing a magnificent job out there. I don't know in what context he placed that. I think everybody in the summit knows of my commitment to it. I am absolutely convinced that it would not even be a revenue loser, although it's scored that way, and it is something that is fundamentally important to the continued growth in the economy, a growth that, frankly, is far too slow right now. So, I hope it's put into effect. But I'm not going to kind of go beyond that.

Q. But last November, on November 2d, you issued a statement to the effect that if you were ever going to get a deficit cut deal arranged, you should pursue capital gains as a separate vehicle. Why don't you do that now if you're serious about -- --

The President. Because we've got a strategy. And I think it's working, and I think all our people are on the same side on this issue.

Rita [Rita Beamish, Associated Press], and then I've got to go.

Persian Gulf Crisis

Q. Mr. President, I couldn't hear what Charles [Charles Bierbauer, Cable News Network] asked, but did you tell Mitterrand that you would back him with military retaliation if that's the way he wants to go?

The President. We didn't go into the details of the backing, but I just told him he has the full support of the United States. And he does.

Q. Have you talked to Ambassador Howell about what he should do if Iraqi forces -- --

The President. I haven't talked to Howell in the last week.

Last one, John [John Cochran, NBC News], and then I've really -- --

Q. Mr. President, is it different, sir, from the American Embassy being invaded, however?

The President. I'm not sure I'd make that distinction.

Q. Well, are you rattling at least one saber? You talk about -- --

The President. No, I'm not rattling sabers. You're trying to get me to sound like I'm rattling sabers. When I rattle a saber, the man will know it.

Q. But you talked about grave concern, but you also talked about the fact that you'll pull the troops back as soon as you can. So, we saw a mixed signal there.

The President. Oh, no, there should be no connection between those at all. I mean, what I was trying to do is there's been some speculation, some of it mischievous, in the Middle East that the United States wants to remain there. And so, what I want to do is just reiterate what I think I said in the meeting to the Joint Session, and that is that we want those people, all of them, out as soon as possible. And so, that should be separated from anything I'm saying here. I'm glad you asked. Let me clarify that.

Q. Are the Saudis getting anxious about having so many American troops there?

The President. I haven't heard that at all, and I don't think so. I know I would have heard it if that were the case. They're totally clued in on what our plans are. So, there's no disquiet on that at all.

Thank you all.

Federal Budget Negotiations

Q. Do you expect a budget agreement this weekend?

The President. Expected one a week ago.

Note: President Bush spoke at 1:31 p.m. on the South Lawn of the White House prior to his departure for Camp David, MD. In his remarks, he referred to President Francois Mitterrand of France; John H. Sununu, Chief of Staff to President Bush; President Saddam Hussein of Iraq; and Lawrence S. Eagleburger, Deputy Secretary of State. Brent Scowcroft was Assistant to the President for National Security Affairs, and Marlin Fitzwater was Press Secretary to the President. A reporter referred to an address that President Bush taped for broadcast to the Iraqi people.

Address to the People of Iraq on the Persian Gulf Crisis

September 16, 1990

I'm here today to explain to the people of Iraq why the United States and the world community has responded the way it has to Iraq's occupation of Kuwait. My purpose is not to trade accusations, not to escalate the war of words, but to speak with candor about what has caused this crisis that confronts us. Let there be no misunderstanding: We have no quarrel with the people of Iraq. I've said many times, and I will repeat right now, our only object is to oppose the invasion ordered by Saddam Hussein.

On August 2d, your leadership made its decision to invade, an unprovoked attack on a small nation that posed no threat to your own. Kuwait was the victim; Iraq, the aggressor.

And the world met Iraq's invasion with a chorus of condemnation: unanimous resolutions in the United Nations. Twenty-seven States -- rich and poor, Arab, Moslem, Asian, and African -- have answered the call of Saudi Arabia and free Kuwait and sent forces to the Gulf region to defend against Iraq. For the first time in history, 13 States of the Arab League, representing 80 percent of the Arab nation, have condemned a brother Arab State. Today, opposed by world opinion, Iraq stands isolated and alone.

I do not believe that you, the people of Iraq, want war. You've borne untold suffering and hardship during 8 long years of war with Iran -- a war that touched the life of every single Iraqi citizen; a war that took the lives of hundreds of thousands of young men, the bright promise of an entire generation. No one knows better than you the incalculable costs of war, the ultimate cost when a nation's vast potential and vital energies are consumed by conflict. No one knows what Iraq might be today, what prosperity and peace you might now enjoy, had your leaders not plunged you into war. Now, once again, Iraq finds itself on the brink of war. Once again, the same Iraqi leadership has miscalculated. Once again, the Iraqi people face tragedy.

Saddam Hussein has told you that Iraqi troops were invited into Kuwait. That's not true. In fact, in the face of far superior force, the people of Kuwait are bravely resisting this occupation. Your own returning soldiers will tell you the Kuwaitis are fighting valiantly in any way they can.

Saddam Hussein tells you that this crisis is a struggle between Iraq and America. In fact, it is Iraq against the world. When President Gorbachev and I met at Helsinki [September 9], we agreed that no peaceful international order is possible if larger states can devour their neighbors. Never before has world opinion been so solidly united against aggression.

Nor, until the invasion of Kuwait, has the United States been opposed to Iraq. In the past, the United States has helped Iraq import billions of dollars worth of food and other commodities. And the war with Iran would not have ended 2 years ago without U.S. support and sponsorship in

the United Nations.

Saddam Hussein tells you the occupation of Kuwait will benefit the poorer nations of the world. In fact, the occupation of Kuwait is helping no one and is now hurting you, the Iraqi people, and countless others of the world's poor. Instead of acquiring new oil wealth by annexing Kuwait, this misguided act of aggression will cost Iraq over $20 billion a year in lost oil revenues. Because of Iraq's aggression, hundreds of thousands of innocent foreign workers are fleeing Kuwait and Iraq. They are stranded on Iraq's borders, without shelter, without food, without medicine, with no way home. These refugees are suffering, and this is shameful.

But even worse, others are being held hostage in Iraq and Kuwait. Hostage-taking punishes the innocent and separates families. It is barbaric. It will not work, and it will not affect my ability to make tough decisions.

I do not want to add to the suffering of the people of Iraq. The United Nations has put binding sanctions in place not to punish the Iraqi people but as a peaceful means to convince your leadership to withdraw from Kuwait. That decision is in the hands of Saddam Hussein.

The pain you now experience is a direct result of the path your leadership has chosen. When Iraq returns to the path of peace, when Iraqi troops withdraw from Kuwait, when that country's rightful government is restored, when all foreigners held against their will are released, then, and then alone, will the world end the sanctions.

Perhaps your leaders do not appreciate the strength of the forces united against them. Let me say clearly: There is no way Iraq can win. Ultimately, Iraq must withdraw from Kuwait.

No one -- not the American people, not this President -- wants war. But there are times when a country -- when all countries who value the principles of sovereignty and independence -- must stand against aggression. As Americans, we're slow to raise our hand in anger and eager to explore every peaceful means of settling our disputes; but when we have exhausted every alternative, when conflict is thrust upon us, there is no nation on Earth with greater resolve or stronger steadiness of purpose.

The actions of your leadership have put Iraq at odds with the world community. But while those actions have brought us to the brink of conflict, war is not inevitable. It is still possible to bring this crisis to a peaceful end.

When we stand with Kuwait against aggression, we stand for a principle well understood in the Arab world. Let me quote the words of one Arab leader, Saddam Hussein himself: ``An Arab country does not have the right to occupy another Arab country. God forbid, if Iraq should deviate from the right path, we would want Arabs to send their armies to put things right. If Iraq should become intoxicated by its power and move to overwhelm another Arab State, the Arabs

would be right to deploy their armies to check it."

Those are the words of your leader, Saddam Hussein, spoken on November 28, 1988, in a speech to Arab lawyers. Today, 2 years later, Saddam has invaded and occupied a member of the United Nations and the Arab League. The world will not allow this aggression to stand. Iraq must get out of Kuwait for the sake of principle, for the sake of peace, and for the sake of the Iraqi people.

Note: The President recorded this address in the Oval Office at the White House on September 12, and it was broadcast unedited on Iraqi television on September 16.

Remarks and a Question-and-Answer Session With Members of the Regional News Media

September 17, 1990

The President. Let me just make a few opening comments, and then I'll be glad to respond to your questions. I've been talking to him, and I understand from [Secretary of Defense] Dick Cheney, who's left, and also Roger Porter [Assistant to the President for Economic and Domestic Policy], who was with me, that you've been discussing both the international situation and the domestic budget scene. And if I may, I just want to add one or two comments and then take questions. As I told the American people and the Congress on Tuesday night in that address to the Joint Session, the level of world cooperation in opposing Iraqi aggression is simply unprecedented. More than 20 nations have joined us. Now, armed forces from countries spanning four continents have taken up defensive positions at the request of King Fahd of Saudi Arabia.

Over the last several days we've seen Great Britain announce that it will send a full armored brigade -- the famous Desert Rats. And France has announced that it'll also be sending a significant ground force. Japan and Germany have also said that they will contribute billions to the cost of the multinational effort and to the related effort of easing the economic hardship of those nations that are hardest hit -- those supporting sanctions. Just this weekend the United Nations Security Council has once again strongly condemned Saddam Hussein [President of Iraq] for those outrageous break-ins at the diplomatic premises in Kuwait.

For America to maintain its responsibilities abroad, America must remain strong and vital. Again, as I said last week, our world leadership and domestic strength are mutual, and they are reinforcing. That's why I am very interested in these negotiations going on on the budget and, again, calling on the budget negotiators from the Congress and the administration to redouble their efforts to get a budget agreement. I want to see one that is oriented toward growth -- a point I made in last week's address to the Joint Session -- one which contains incentives like the capital gains tax cut, which I am absolutely convinced will create jobs. The Congress must also enact real spending cuts, not these smoke-and-mirror cuts that simply don't cut spending as advertised. Congress must ensure that the budget process reform takes place. And its 5-year plan absolutely must be enforceable.

Finally, Congress must enact a multiyear defense budget that meets the needs of this country not only in terms of the improvement of East-West relations but also our broader responsibilities in other parts of the world -- responsibilities that the crisis with Iraq has once again brought home to us.

Earlier, I asked for an up-or-down vote on a complete $500 billion deficit reduction package, with or without a budget summit agreement, by September 28th at the latest. The Nation stands only 13 days away from the drastic consequences of what's known as a mandated sequester, required if

Congress is unable to get me a budget by then. We in the administration stand ready to do our part. I am confident that Congress will do its part. I've been happy to see that we've made some headway recently in budget talks, but it really is time now to get an agreement now. I think we owe that to the American people.

So, on both these fronts there's a lot going on. I wanted to get those comments on the record, and I'll be glad to take a few questions.

Persian Gulf Crisis

Q. Sir, going back to the Iraqi matter again -- the raid on the residence of the French Ambassador on Friday -- French President Mitterrand was quoted as saying, ``There is no sign coming from Iraq about avoiding an armed conflict.'' The French President seems to be saying our chances of talking our way out of a shooting war are diminishing. Could I have your comments, please?

The President. I talked to him yesterday from Camp David, had a good conversation with him. As I indicated, we are together on how we look at most aspects of this problem. We were very grateful that France took the action. I had called him a few days before to express empathy with him on what had happened to their Embassy. I must say that I didn't get the feeling that he has given up on any kind of a peaceful solution from the two contacts I've had with him personally within the last 2 weeks. But I think when you see actions like this that the French Embassy went through take place, you wonder what motivates this. France, historically, has been reasonably close to Iraq. They have never condoned the terrorism or some of the happenings in the Iran-Iraq war, even, but they've had a long relationship there. And I think the French Government and the French President wonder: Why in the world is he behaving like this? So, there's an uncertainty that perhaps he was reflecting there. But I didn't get the feeling that he feels that there is no chance for a peaceful solution.

Dismissal of the Air Force Chief of Staff

Q. Mr. President, thank you. Has General Dugan's actions put you in a difficult bargaining position in Iraq, and how much damage has that done?

The President. No, it hasn't. I'll have nothing to say about that, except I strongly support our Secretary of Defense. And he'll have more to say on the details of that in a few minutes at a press conference. But I don't think that we can possibly assess that at this juncture to give you a real answer.

Q. Just a quick followup. Are our troops in any more jeopardy now today than they have been in the past because of those remarks?

The President. Well, I wouldn't want to say that we are less able to protect our troops in Saudi

Arabia. We're going to do that, and I am not -- that is not the concern I have.

Economic Incentives

Q. Sir, in New England as elsewhere around the country, thousands of people have been laid off in their defense jobs. What initiative should the Government take to help these people or help them find new work?

The President. Well, it's a very difficult situation for many families in New England. Other areas of the country have gone through similar regional downturns. I think of the Southwest, particularly in Texas not so many years ago, my hometown of Houston. I think the best thing the Federal Government can do is to get these interest rates down and to adopt growth incentives so that people will continue to create jobs. And that's the major responsibility, it seems to me, of the Federal Government -- fiscal discipline and a budget agreement that will incentivize the economies. You may recall what Alan Greenspan [Chairman of the Board of Governors of the Federal Reserve System] said recently about if you get an agreement, the Fed would then feel inclined to move quickly to significant interest rates.

So, I really think that job creation is the best thing we can do, and I think private sector job creation is the answer, not government programs in that sense.

Q. Mr. President, are you adamant about a capital gains tax reduction in the budget talks?

The President. I've indicated all along that this is something to which I am -- I really believe is necessary to stimulate the economy. And I have not changed my view on that.

Urban Crime

Q. You have acted decisively in the Iran crisis. But many in New York City, for example, feel that efforts to control the flow of drugs and crime is not working. Why are you doing not more to meet the challenge?

The President. I think we are doing as much as we can to meet the challenge. Perhaps there's more, and I would welcome any constructive criticism. But we are doing pretty well in terms of interdiction -- --

Q. A followup.

The President. I'm not quite finished with the beginning, but then you can follow up when I finish with it. We want you to do that. [Laughter] But I'd like to see our crime bill pass. I think that would send a good message to the policemen on the streets of New York that we plan to back them up more. I favor the ultimate penalty for these drug traffickers, these major traffickers, and

we've got a difference with some in New York on that one. So, we've put forward an anticrime proposal last year that, if enacted, I think would have already been of benefit. But in terms of the interdiction, I think we're getting reasonably good cooperation from abroad. It can be better. And we're working on more initiatives with those Andean countries.

What was the followup?

Q. What do you say to the folks on the street that we talk to every day who just see it getting worse? They can't walk outside without somebody getting shot by a stray bullet. What do you tell those people?

The President. I tell them that I'd like to get more anti -- in the Federal level. I don't know how the States -- let the city and the States do their job; that's their responsibility. But at the Federal level, please support me. Please get all your Congressmen to support the anticrime legislation that we have called for. And I really believe that will help. And in some of these areas where people are -- they just feel that they're up against enormous odds. And the condonation of crime that comes through soft treatment of the criminal I think sends exactly the wrong signal to those embattled citizens.

Economic Incentives

Q. Mr. President, the economy is showing some troubling signs that Americans can see with the rising gas prices and the stock market condition, the budget negotiators holed up at the Air Force base and the talk about the teetering on the brink of a recession. How would you characterize the condition of the economy? And do you think there's a financial crisis in America?

The President. I don't think there's a financial crisis. I think the economy's growth is slow. I do not think that nationally we're in a recession. I heard the Secretary of the Treasury yesterday. I agree with what he said. I agree with what the conference board says. I agree with what the Chairman of the Fed says on that. But I do think that a budget agreement is the best antidote to further economic slowdown because I think it'll result in lower interest rates and a renewed sense of confidence in investment in America, both of which are necessary to guarantee a more robust growth.

Q. Do you think that pessimism among consumers could create a snowballing effect with this -- it could get worse, people see the economy getting worse, and therefore it becomes worse?

The President. Certainly I don't want to contribute to that psychology by making a comment that goes beyond what I've just said. So, I don't want to answer it in a way that that is a concern I really have. I think all of that -- the psychology of the market -- can be turned around by a good budget agreement that has some growth incentives in it.

Persian Gulf Crisis

Q. Mr. President, do you think the American people would support the Persian Gulf policy as much as they have been if we started to take thousands and thousands of casualties, which is a likelihood if there is fighting?

The President. I don't know. But I am inclined to feel that we're off to a very good start. I think your hypothesis alluded to that. But I don't want to make a prediction as to how the American people would respond under that. I'm old enough to remember a clear-cut case -- different circumstances, different times -- World War II. Many here are too young to actually remember the effect that had on American public opinion and all of that. But there was a lot of sorrow; there was a lot of regret. Everyone identified with the families who lost loved ones. But the country stayed fairly well together. Now, at this juncture, I think the American people are magnificently united in terms of standing up against this aggression. But I think it's a little too hypothetical for me to feel comfortable going beyond that.

Q. There is the thought, too, that the American public traditionally doesn't support stalemates that last a long, long time. If this gets bogged down in a nonshooting stalemate, will that support erode?

The President. I don't know. I read lots of predictions from people that say it would, and I would hope not. But, again, it's a little hypothetical because I think you have to know what else is going on at the time. But how long is too long? How much -- I think about those questions, but I can't define it for you. I want those soldiers out as soon as possible. I want them all out. All out, period. And yet, I can't say when that will be.

What we are trying is this all-out, full-court international press on the diplomatic side. And I want to see that work. Interestingly enough, you have different interlocutors, heads of government that'll tell you in varying degrees how effective they think the sanctions will be -- some absolutely convinced that these economic sanctions not only are working but will be very, very effective in a short run; others thinking it's going to take longer. But I don't think it would be good for me to get into that debate because I'm not clear in my own mind how long this kind of support holds up.

AIDS

Q. Mr. President, but we have had thousands and thousands of casualties in the AIDS crisis in the San Francisco area where we have been particularly hard hit. And there are many there who feel that the Federal Government has not done enough and you've sort of drug your feet a bit on this issue. I'd like to know first of all what you think when you see in the papers every day the escalating number of casualties, and secondly, what you could say to the people of the bay area who are fighting AIDS?

The President. Breaks my heart when I see it. And I think of the families. I think of the loved ones. I think of the personal tragedy. I also think of the fact that when you're wrestling with an enormous medical problem of this nature, it is very difficult to have a snappy answer that will allay the fears of all the people. I also think of the fact that we are spending a considerable amount of money, through NIH [National Institutes of Health] and other ways, to beat this dreaded disease.

I think some groups do not give proper credit to the fact that a lot of people are laboring night and day doing just that. And a lot of people are -- I think of some of the nurses and doctors, particularly -- really giving of themselves around the clock to take care of these people. So, I wish there was some quick and easy cure. I wish somebody could convince me that if you could only spend a quarter of a billion dollars more, we would have the answer. I have been listening to what I think are the finest research people and doctors in the country, and I think they feel that we've done pretty well in funding levels at the Federal level. And then there's an awful lot going on across private hospitals and private research labs all across the country.

So, I can understand the agony. I must say some of the excesses of those groups does not help the cause. When Secretary Sullivan, a dedicated doctor and the head of HHS, goes to California and isn't even permitted the courtesy to get his message out because of people shouting throughout it, I don't think that helps the so-called activists in the movement. And I had a lot of mail saying people were quite embarrassed by that. But, again, I have to say I feel very sad and can identify with those families whose kids are suffering or older people who are afflicted by this disease. And I just hope we have a breakthrough.

Q. But, meanwhile, while we're waiting for a cure, the hospitals are overcrowded. Is there anything that you could suggest for people who are not getting the proper care?

The President. No, not anything beyond what Secretary Sullivan suggested out there, which was pretty good.

Persian Gulf Crisis

Q. Not long ago, the Wall Street Journal reported that as recently as the day before the Iraqi invasion of Kuwait, members of your administration were quietly lobbying against a bill by Representative Howard Berman that would have essentially slapped Kuwait [Iraq] on the knuckles -- proposed sanctions for their increasingly aggressive behavior. That bill and other examples of administration support for Iraq -- do you now regret those things in light of the invasion?

The President. Absolutely, in light of the invasion. However, there was some reason to believe that perhaps improved relations with the West would modify the behavior. But given the invasion, absolutely. I think if everybody had the benefit of total hindsight, why, you'd go back

and say, hey, this didn't make much sense. I'm not sure, having said that, that that would have changed Saddam Hussein's intention to take over Kuwait.

Q. Where was the miscalculation in U.S. policy?

The President. I don't think this is caused by miscalculation in the United States policy. I think it's caused by a miscalculation by Saddam Hussein. And I think the American people understand that to a fare-thee-well.

Q. Mr. President, if Saddam Hussein is a loose cannon, is he going to respond to any logic or rational -- in any logical or rational way to this -- to the embargo?

The President. That's a good question. And I don't know how one responds to it, because what he has done is clearly irrational if he felt it would bring down the wrath of the United States and 20 other countries and, indeed, the entire world at the United Nations.

But I am convinced that the sanctions are working to some degree. I can't tell you definitively how effective they are at this minute. But they are working. And what we want to do is tighten them up every way we can, joining other countries in doing that, to give that approach the maximum attempt at success, and then we'll see. But it may be beyond his control because nobody wants to see their whole economy screech to a total halt. And you got to remember, 90 percent of his funds from abroad came from oil, and that is tightened way down. In fact, I don't think there are any exceptions to that at all.

Q. Mr. President, do you -- --

The President. Coming over.

Q. Do you think that perhaps an air embargo might encourage Saddam Hussein to react more rationally to the sanctions?

The President. I can't certify to you how much is going in by air. What we want to do is tighten up the United Nations sanctions so nothing is going in. And that's hard to do in terms of overflights and some countries that seem to be more willing than others to avoid the sanctions. But I know that Francois Mitterrand has talked to this point, and I understand it. And I would be prepared to work with anybody to tie that additional knot in the sanctions.

Q. I have a followup. Do you think that your message to the Iraqi people had any impact on public opinion there? I think there was a report that said that the cartoon ratings did a little better.

The President. It got a good exercise for the demonstrators who had been notified to demonstrate before they even heard what I had to say. So, it kept them hustling around, jumping up and down,

screaming about the United States. And if that helped them vent their frustrations, fine. [Laughter]

What I do think it will do is to send a word, very objectively, to other Arab countries that it isn't Saddam Hussein and the rest of the Arab world against the United States, but it's something quite different. And if two Iraqi citizens heard that, it would be worth the effort. And who knows? Those things -- the truth is a good thing. It's a good thing to put into Iraq -- getting very little of it now. And so, I think it was worthwhile. And I'm told that the response in other areas has been pretty good. So, we'll have to -- I think it's a little early to evaluate it all. But I think they must have been a little concerned about it because the demonstrators with their signs already printed -- at least from one report I read -- were already heading to the demonstration point before they knew what I said. How did they know what I was going to say?

Medicare

Q. Mr. President, on this, the 25th anniversary of Medicare, we have the budget coming down to the wire again, and again Medicare is taking it on the chin, very hard. It seems to be getting worse every year. The providers are complaining. Hospitals are closing. Certainly, the elderly are complaining, and their organizations are getting very vocal. What do you have to say to these people? Why Medicare?

The President. I'm saying that no decisions have been made. And I've tried to avoid discussing details of this budget agreement while these details are being hammered out. I think the American people are very much concerned about the escalating costs of hospital care. There's no question about that. That shows up as something that's very much on their minds. But beyond that I don't feel like going at this point because there's some negotiations going on. But I'm not sure that I've seen anything in print that accurately reflects a consensus out there at Andrews.

Persian Gulf Crisis

Q. Mr. President, with regard to the question of national unity in response to the Gulf crisis, do you have any worries that the political battles over the economic summit -- some of the things that have been said -- are tearing away at that?

The President. No. And that's a very important point. And I don't see any evidence of that whatsoever. And I think that's very good. And it transcends liberal, conservative, Republican, Democrat. The support is there, and I have seen no evidence that any of the deliberations about the summit, at the summit or outside of the summit meetings, have eroded support in Congress, for example, or amongst the American people. But I think it's important that that not happen.

Q. Mr. President, what are your concerns about Iran's apparently warming relations with Iraq and how that might affect the equation in the Gulf crisis?

The President. Iran got almost everything they wanted from Iraq. This has not enhanced Saddam Hussein's standing in Iraq. Hundreds of thousands of lives were lost on both sides. And now, the victory has been handed to Saddam Hussein. We have had indirect assurances from Iran that they want to see these sanctions complied with and enacted. Until I am shown that Iran is violating the sanctions, I'm not going to buy into the argument that they've made some secret deal to violate the sanctions.

Q. Even with the statements by the Iranian clergy, the fundamentalist clergy, that this is time for a holy war against the United States?

The President. Nobody has suggested that out of this there's going to be a harmony and sweetness between some of those factions in Iran and the United States. But read carefully what he said. I'm told by some experts that he did not call for a jihad. But you've got to analyze it very carefully. But there will be factions inside Iran that will continue to resist any improvement in relations between Iran and the United States, and we understand that.

But the main thing is, I think the important thing is right now is that Iran do what Iran has publicly said it would do, and that is to comply with the international sanctions. And they have said that publicly.

Q. You've been reporting with some pleasure on the fact that our allies and friends around the world have been joining us in the Gulf, and even those countries that are constitutionally restrained, like Germany and Japan, from sending troops have been sending money. At the same time as this is happening, the cost estimates for our presence there have been jumping just as much as the troop counts have, and earlier Secretary Cheney mentioned that the deployment isn't even finished. Should we be concerned as taxpayers that the Persian Gulf crisis has been written a blank check for the duration?

The President. You know what I think about that one? I think the American people want me to do exactly what we ought to do to fulfill our four objectives over there. And if that means that we have to ask others to support certain aspects of this in a burden-sharing way, we're going to continue to do that. But I believe that the American people have confidence in the decisions that we've taken, and I don't think they would want to shortchange the effort, no matter how serious the budget complications are right now.

Q. Does this scotch any hope for -- big-city mayors, for instance, have talked about a peace dividend. It may have been a phantom all along.

The President. I've always felt that that was a phantom because I don't think you can declare a dividend when you're operating at a loss. And we're operating at a tremendous deficit. So, I hope that they have been disabused of the fact that there would be enormous money to spread around.

But I think a big-city mayor would stand right up next to me, no matter how serious the problems in his or her city, and would say, we don't want to shortchange the military effort. If we're going to have those people over there, we ought to do what is necessary to give them full support. I think that's the way they'd all react.

Energy Policy

Q. Mr. President, at the beginning of the crisis, there were some calls for you to use the strategic petroleum reserve to hold down gas prices. What do you consider a proper use of the strategic petroleum reserve, and are you satisfied with the level at which it is right now?

The President. I think that when you have a real shortage of a product or you see an external event that is going to guarantee that there be shortage, then would be the time when you most certainly should use the SPR. It is my judgment that there isn't such a shortage at this time. There is some feeling that a demonstrative, albeit not large, drawdown would calm a fluctuating market. We'd say, now, wait a minute, you speculators that are speculating on the price of oil out into October sometime do so at your own risk. You could make a case -- and I'm listening to those in the administration and on the Hill that make the case -- that such a drawdown of a small amount perhaps at the beginning might argue against or guarantee against speculation in the futures market. That's an intellectual and economic argument that has some appeal.

But the reason we haven't drawn down the SPR is, in my judgment, I have not felt that there was a shortage. Fortunately, if this had to occur, it occurred at a time when there was reasonable amounts of stock. So, you're seeing the fluctuation driven not by market forces, not by supply and demand today, but by speculation as to what it might be in the future, and I just don't think that that would entirely be offset by a SPR drawdown.

So, there are other circumstances under which you would clearly have to draw down. I mean, if we had left Saudi Arabia undefended and if, when Saddam Hussein sent the tanks and the armor south from Kuwait City down to the border, they had gone across, cut off Dhahran or something like that, then you would have had a situation where you might have short-range stocks overhanging the market that would last for a few days, but clearly you would have had an emergency. You would have had something that any President would have, I think, instantly called for a drawdown of the SPR.

Q. Mr. President, can you address the question down the road about the tradeoffs in environmental concerns with regard to the current oil situation, and in particular if you could address what's going on in California right now? You banned offshore oil drilling for 10 years. But there are a lot of environmentalists in California who are afraid that you're going to go back on your word.

The President. I have no plans to revisit the decisions I have taken. But what I do want to do --

and I may run into conflict with some groups -- is to more vigorously go forward with incentives for domestic drilling. I mentioned Alaska, I mentioned tax incentives that I proposed a year ago -- over a year ago -- and I want to press for those.

When I met with the California delegation, I said to them: We simply cannot have it prevail that we don't want any drilling here, and she doesn't want any drilling there, and he doesn't want any drilling there. Everybody do some drilling, but do it in somebody else's area. That is not good enough. And I said someday we're going to realize that we are becoming too dependent on foreign oil. You can ask the California delegation with whom I met just prior to my decision. I don't believe that the supply situation is such that I have to revisit the decisions I did make that affect Florida and affect those certain areas in California.

Q. A followup. You're going to be going to California tomorrow to do some campaigning for Senator Wilson. He is currently opposed to an initiative in California that would ban offshore oil drilling. Will you be saying anything about that when you are there?

The President. I doubt it. I've got enough problems right here in Washington without going out and commenting on a provision out there. [Laughter] But if the question is put to me at a press conference, ``Do you want to ban offshore drilling?'' the answer will be no. If the question is put to me as you put it, ``Do you feel you need to change the decisions you've already made?'' I'll say no, I don't think I need to do that. I'm not familiar with that proposition, but this is the point: I mean, I don't think these regions can have it. Some never want a refinery. Some never want a drilling rig anywhere near their place. And yet, they see clearly the adverse economic effect on their citizens that comes from a dislocation of this nature.

The bottom line is: It's going to have to be conservation. It's going to have to be alternative sources. It's going to have to be more hydrocarbon drilling. I think we can accomplish those objectives through incentives and through sounder practice and through new technology and -- for example, clean coal technology -- without having to do damage to the highly sensitive environmental areas.

I've got time -- 28:40 -- and I said to answer questions for 30 -- so I don't want to get in trouble with Kristen [Kristen Taylor, Director of Media Relations at the White House]. But it's 28:47.

Q. Mr. President, you won't hear many people in Houston or in Texas saying, ``We don't want drilling here.''

The President. No, I haven't heard that.

Q. What are your Houston oil men and women friends telling you they want by incentives? And what are you telling them?

The President. I haven't been in personal touch with the Houston oil people, though [Secretary of Commerce] Bob Mosbacher, unrecused now from giving advice to the President, feels that the incentives that we put forward last year should be vigorously pushed to stimulate domestic drilling. There are also things that we had in there that would give an exemption -- you'd understand -- maybe not all of us here today -- on secondary oil, a break to permit some of this secondary -- these stripper-well productions from going offstream. The oil is there, but -- produce so little, the option is, do I get some incentive to do this, or do I shut the well down?

So, I think there are things we can do in that. I think there are things we can do in R&D in terms of tertiary production that would be of benefit. But the major incentive would be to give a tax incentive to domestic drillers for future drilling. It won't detract from current income, current revenues in the tax situation. I think that is the place where we'd push hard. Now, there's all kind -- you're hearing other ideas around that would have an effect on the constituency that you ask about: import fees or taxes on petroleum products or whatever. And I just don't want to comment on those as long as this summit is going on.

I've got time for the last one. Here it is, right in the middle.

Persian Gulf Crisis

Q. Mr. President, who makes the decision on how troops from foreign nations are deployed in Saudi Arabia -- where the Syrians are deployed, the Egyptians, French, the British? And is there going to be an overall command?

The President. Because of the overall magnitude of the United States force there, there is an active consultation with General Schwarzkopf, our CINC, our commander in chief, in the area. And we have not forsworn the right of that general officer to control American troops, nor have the French -- who aren't quite there yet in force -- or the Brits, or others, done that. But it is a matter of close coordination, particularly with the host country.

But I don't want to diminish the importance of General Schwarzkopf in the deployment of forces. Clearly, he can't order the Desert Rats to a certain deployment. But in working very closely with his counterpart in the British forces, or the one that controls the British forces, those matters have all been worked out through really fundamental consultation and in accordance with an overall plan that we've worked on with the various -- the commanders that have forces in the area. So, it's a coordinated effort. And I have no hesitancy at all to say to the parents of the kids over there, or families: Should something happen that required combat, the command structure will function very, very smoothly. And we're not going to have to stand around waiting for someone else to decide if there is some provocation, either.

Thank you all very, very much.

Note: The President spoke at 2:02 p.m. in Room 450 of the Old Executive Office Building.

Remarks to Participants in the Elementary School Recognition Program

September 17, 1990

Thank you, and welcome to the White House lawn on this beautiful fall day. We're delighted to have you all here. And thank you, Secretary Cavazos, and thank you especially for your leadership in keeping education at the very top of our national agenda. A special welcome to the Governors who are with us today and those who participated in last year's economic [education] summit. I'm so glad that this many are here. And I want to greet Governor Campbell and Governor Casey, Governor Perpich, Governor Schaefer, and I'm just delighted they are here. Will you all stand up, please, and have a welcome from the crowd here? [Applause]

And also with us today is Gil Grosvenor, a great friend of ours, friend of education, president of the National Geographic Society, to whom we are indebted for the distribution of this pro-education poster. Gil, thank you very much to you and your associates. And a special welcome to all of you, our special guests.

You know, Barbara's here. I happen to think with some husbandly pride that she's doing a remarkable job for education. She's just finished a reception inside for her new radio program, ``Barbara Bush Story Time." It's going to be kind of like Fiorello LaGuardia for you oldtimers -- [laughter] -- used to do this. There's a slight complication on this, however, because attending that reception, and with us today, is Bob Saggett of ``America's Funniest Home Videos." Is he over there somewhere? Bob, you're welcome to stay, but your act is over there in the press room; that's where you ought to be to get your material. [Laughter] Thank you very much for joining us today.

I'm honored to welcome the representatives of 221 elementary schools chosen this year as winners in our school recognition program. Each of your schools is as diverse as this great country: They are public and private; they range in size from 170 to 1,400 pupils; they serve children from scarcely populated rural areas to some of our largest cities. But you all have something important in common: your success and achievement, ideals to which the other schools across the breadth of this nation can look for inspiration.

This year's winners were judged on the quality of the education they provide, their students' achievements and attitude, and their teachers' and administrators' leadership. But perhaps the most important criteria was a sense of shared purpose among faculty, students, parents, and then the entire community. These schools share a vision of hope that they can foster the full potential and development of each child and, by doing that, help make this a better nation and a better world.

However, those higher goals may have been lost on some of the youngest winners. I understand that when one first grader from Colwyn Elementary School told her parents about her principal

being honored, she exclaimed: ``Sister Mary won the Academy Award?'' [Laughter]

We're here today not only to salute these individual schools but also to restate our commitment as a nation to education. For our democracy can remain vital only if our people continue to grow in knowledge and wisdom, facing each new choice with an increased understanding of the complex and competitive world in which we live. And we must realize that education is the key to our future, to our identity as a nation, and to our very soul as a people. I came to this job believing that America can and must have a restructured and revitalized education system to enable us to compete successfully in the world and to empower each citizen to achieve his or her fullest potential. After all, education is our most enduring legacy, vital to everything we are and everything we can become.

We're celebrating an important anniversary here. One year ago this month, we held the President's education summit with the Governors. In fact, my first stop after the summit was right here, where I spoke to last year's winner of this prestigious award. And the summit itself grew out of our pledge to lead a national effort toward a renaissance of excellence in American schools. As a result of this historic event, involving the Nation's Governors and our Cabinet, we emerged with a sense of direction for individual and collective efforts to improve the quality of education for all. For the first time, Americans now have a clear sense of direction toward national education. With the invaluable cooperation of teachers and parents and community leaders and a variety of educators, and working with the Governors at the beginning of this year, I announced our six education goals to be met by the year 2000 -- absolutely essential goals that recognize education as a lifelong enterprise. And I want to repeat them now because they must become so familiar that they seem woven into the fabric of our lives.

First, by the year 2000, all children in America must start school ready to learn. And second, the high school graduation rate must increase to at least 90 percent. And third, American students must be competent in 5 critical subjects with their progress measured in grades 4, 8, and 12. Fourth, our students must be first in the world in science and math. And fifth, every adult American must be able to read. And finally, every one of our schools must be safe, disciplined, and drug-free.

I am very pleased today to be able to unveil a wonderful poster displaying these important goals that have been produced, as I said earlier, by the National Geographic Society, and it will be sent to every single school in the Nation. National Geographic has joined the fight to ensure a first-class education for every American child. And once again, Gil Grosvenor, we are very, very grateful to you and your associates over there. And I'm grateful to you two for holding that up in the wind. [Laughter] You're doing a first-class job there, Marcus and Jennifer.

You know, in this past year since our summit, as we've turned our attention to the formidable task of ensuring that these goals are attained, we've seen an extraordinary response as reform took off across our nation. And one of the most important reforms sweeping our great country is

educational choice, empowering parents to get involved in their children's education. Today, with us -- and I spot her right down here -- is Polly Williams, a courageous leader who brought choice to Milwaukee, Wisconsin, school. Polly, would you please stand up, too?

And it's teamwork that's engendering this inspiring success, an extraordinarily constructive partnership between the Federal level, the Governors of our States and territories. Showing our administration-wide commitment to educational excellence, we've also begun exciting programs involving all of the Cabinet Departments.

Today, I issue a challenge to every American to join us. Step forward in your own way to respond to one of the most crucial issues that we face. And students, set your sights and your personal goals high, so that your future can match your finest dreams. Educators, you're engaged in noble, terribly important work. And we congratulate you and look forward to your continuing dedication to American educational excellence. And then to parents, we urge you to become more involved, more involved in your children's education. And lastly, to the communities, we've made great leaps in getting communities more engaged. The Governors have done a sensational job going to the communities getting them more engaged in local-level action, too. But we need more.

All of us must commit ourselves fully now -- right now. And America, really on this one, can't afford to wait, or waste, an entire generation. To all of you, as we look ahead to our goals and to the year 2000, let's answer the call: Let tomorrow begin today.

Congratulations to all of you. Thank you for your interest in education. Thank you for caring about our kids. Thank you very, very much.

Note: The President spoke at 3:36 p.m. on the South Lawn at the White House. In his remarks, he referred to Governors Carroll A. Campbell of South Carolina, Robert Casey of Pennsylvania, Rudy Perpich of Minnesota, and William D. Schaefer of Maryland; Wisconsin State legislator Polly Williams; and students Marcus Laruex and Jennifer Abreo.

Letter to Congressional Leaders on Textile, Apparel, and Footwear Trade Legislation

September 17, 1990

Dear Tom: (Dear Bob:)

I am writing to express my strong opposition to the textile, apparel, and footwear quota bill (H.R. 4328) which the House is scheduled to consider tomorrow. The bill is a threat to the stability of the world trading system and is completely contrary to the economic, commercial, and political interests of the United States. If the bill passes, I will veto it.

This legislation would seriously restrict textile and footwear imports and violate international trade rules. It represents the worst form of economic policy for America, one based upon the mistaken belief that less trade throughout the world will somehow save American jobs and enhance our prosperity. In reality, the bill would cause slower growth, result in fewer jobs, and create far higher costs for all American consumers. We are enjoying the greatest export boom in our history. This bill will place at risk our $400 billion in exports and the millions of American jobs that depend on world trade.

Ironically, this vote comes at a time when the world is adopting the American model of free enterprise, open markets, and greater competition. It would send the wrong message to retreat now from the world economy and build protectionist walls just when the reform governments of Eastern Europe, Latin America, and Asia need our leadership in forging a more open international economy.

Furthermore, this legislation would close the U.S. market to countries that, despite economic hardship for them, have stood firm with us against Saddam Hussein's brutal aggression. Passage of the textile and footwear quota bill would violate 38 agreements, including agreements with Turkey and Egypt, countries indispensable to our efforts to forge an historic alliance to resist Saddam's aggression against Kuwait.

A vote in the House tomorrow approving the textile and footwear quota bill would be a negative statement about Congress' vision for our economic future and about the value of America's word in international relations.

I urge your support in defeating this damaging piece of legislation.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert H. Michel, Republican leader of the House of Representatives.

Remarks at a Republican Party Fundraising Luncheon in Denver, Colorado

September 18, 1990

Thank you very much, Natalie. Thank you for that very, very generous introduction. What a job she's doing as Colorado's top elected Republican official -- outstanding -- and I am confident she'll win big in the fall. It's great to see so many friends out there and to be back in Denver -- be with our family, Neil and Sharon.

When Bruce Benson, the State chairman, called and said it would be a big boost if our party's number one asset came out to Colorado, I said, ``Sure. What time do you want Barbara to be there?" [Laughter] I bring you greetings. I am flying solo today. She sends her regrets. She and our dog are doing a number in the bookstores, but nevertheless -- [laughter] -- I'm pleased, very pleased, to be back in Denver to show my support, to express my appreciation to Bruce and to Barb and everybody else that worked to make this luncheon so successful.

It is great to be in the Mile-High City. Today there's another city that's feeling a mile high, and that's Atlanta. And I want to say congratulations to them. We know they're going to host a terrific Olympics, and I'm proud the Olympic games will be back in the United States.

This tremendous ticket that we're here to support shows the great strength of the Colorado GOP. We've got a strong team of congressional challengers, ready to contribute, ready to fight for what's best for Colorado and for this country: Bob Ellis, Gloria Gonzales Roemer, Jason Lewis, Wayne Allard -- all good. And Colorado's got Capitol Hill veterans like my friend Joel Hefley and Dan Schaefer -- back at work in Washington, represented here today by their wives, Lynne and Mary. So, we've got a good team, and we need your support to get them elected. Then there's a well-known voice here in Colorado and Chairman of my Advisory Council on Education, Colorado's candidate for Governor, John Andrews.

And also I want to single out another. I'm talking about our nation's drug czar, who flew out here today with me on Air Force One, Bill Bennett. A year ago we announced a national drug strategy, and a few days ago, Bill and I gave a 1-year update to the Nation. In his view and mine, we are making significant progress on the war on drugs. And Bill has been waging a tireless fight, and he deserves a heartfelt vote of thanks from all Americans for what he's doing to help our kids.

And of course, there's another -- not with us today -- but my good friend and your great Senator, Bill Armstrong. And I think, like all his friends here, we regretted his decision to leave the Senate. Bill's been Colorado's articulate voice for lower taxes and balanced budget and a strong national defense and cleaner air. I would only say that Colorado, however, is very fortunate to have a strong successor waiting in the wings, a man who's made his mark as a proven leader on Capitol Hill -- and I'm talking about Hank Brown.

As you may know, he was scheduled to fly out here with us today, but congressional business kept him back in Washington, on the job -- and that's exactly where Hank Brown belongs. And it's great to have Nan with us today. But we need Hank elected to the Senate. All of us who've seen him work there in Washington know he's one of a rare breed. President Reagan and I learned in the eighties that we could rely on Hank in the Congress. And now we're moving briskly into this new decade, in the nineties, and we really do need him. We've got to hold that seat, and I need his excellence in the United States Senate.

Now that Congress is back in session, we've got a lot of work to do. We've got to preserve this precious natural legacy of ours and pass the first package of comprehensive amendments to strengthen the Clean Air Act, the first in a dozen years. And the Congress ought to move now and give the Nation that legislation. I'm convinced the people are coming to realize that this party, our party, is a strong advocate for clean environment. That's an issue that matters to us -- every one of us -- an issue championed by Hank Brown, a man whose roots in the Rocky Mountain State go back five generations, and the other members of this Colorado ticket that I've talked about here today.

We've got work to do to enhance in all our cities and towns a strong and saving sense of community. That means keeping our streets safe so that young and old alike are free from fear. You have my word: I will not sign a so-called crime bill that makes life tougher for the police than it does for the criminals. We must have strong crime legislation.

And above all, for the sake of our communities and our children, we must draw the line against drugs. No more free ride for drug users. No more freedom, period, for the illegal drug merchants who deal death right on our streets -- literally, sometimes on your doorsteps.

But for all of America, the key issue here at home remains, I think, the health of our national economy and the challenge we face to keep this recordsetting economic expansion alive. We can't meet this fundamental challenge until we break free of the spend-now-save-later mentality that has done so much to drive up the national debt.

Just 12 days from now, the fiscal year ends, and the automatic sequester begins. The clock is ticking. That's why I issued my challenge to Congress 1 week ago and why I will renew that challenge today. I've set out a budget agenda that goes beyond the quick fix and gets to the heart of real fiscal reform.

First, I've called on Congress to enact a package of growth-oriented tax incentives, everything from expanded IRA's and family savings accounts to enterprise zones and, yes, a cut in the capital gains tax. Once again, this is not a tax break for the rich. The Treasury estimates that my proposal will not lose revenue -- this is the United States Treasury -- not lose revenue. In fact, it will increase revenues to the Federal Government, and it will create jobs. And these are the steps we

must take to spur savings, encourage investment, expand jobs for the men and women of America, increase competitiveness -- to give this national economy of ours more of what it needs to keep on growing.

And that's just one reason I'm counting on this talented Colorado team, because I need the support of people of Colorado and the votes up on the Capitol Hill to put this progrowth program into effect.

And second, I've called on the Congress to take forward-looking measures to encourage additional energy production here in the United States. [Applause] I'm glad there's a few oil men left here in Denver. [Laughter] No, but we've indulged a dangerous habit as a nation far too long. And so, today we must move now to end America's excessive dependence on foreign oil. And that means alternate sources; that means more incentives to increase domestic drilling; and, yes, that means more conservation.

Third, I've made clear to Congress it's time to reach a binding budget agreement that shows the American people that we are serious about real deficit reduction. We all know the danger that high deficits can, indeed, drag our economy down. It's time to put ourselves to the test as a nation, as political leaders. Whether we've reached a budget summit agreement or not, I call again on the Congress to allow a straight up-or-down vote on a 5-year, $500 billion deficit reduction package no later than September 28th. I think the Congress owes that to the American people.

This is a critical time. There are challenges we face now in Washington and around the world, challenges that will affect each and every American. I want to speak for just a moment about the most momentous challenge of all -- Natalie so generously referred to, talking about me and introducing me -- and I'm talking, of course, about the situation in the Persian Gulf.

Never before has the world community been so united -- never, anyway, since World War II. Never since the invasion began has Iraq stood so isolated and alone. The key is collective action: sharing the responsibilities and the risks, the challenges and the costs; meeting Saddam Hussein's outlaw act with a common front against aggression. And that is why forces from over 20 nations -- rich and poor, Arab, Moslem, Asian, African -- now serve side by side in the Gulf. And that is why Britain and France are sending a substantial group of forces to Saudi Arabia. That's why our Arab friends, together with Japan and Germany, will contribute almost $20 billion towards the costs of operations and to offset the effects of both sanctions and higher oil prices. The message is steady, strong, and certain: The world will not look the other way; Iraq's act of aggression will not stand.

Saddam's illegal act has meant misery and suffering for millions: the brave people of Kuwait, victimized but not vanquished; the hostages held against their will; and those pitiful refugees fleeing Iraq and Kuwait, flooding into neighboring nations ill-equipped to deal with this human tidal wave of tragedy -- the poorest of the poor being brutalized by that dictator's inhumanity. For

the Iraqi people themselves, the pain that they now experience is a direct consequence of the path that Saddam has chosen.

Let me make clear about any humanitarian and emergency food and medical supplies we might send to the people of Iraq in the future: Should aid become necessary, it must be distributed under strict international supervision to make certain that emergency aid reaches those Iraqis who need it the most, because we cannot allow Saddam Hussein to divert needed humanitarian aid in order to sustain his army of occupation.

We mean to keep the sanctions in place, to keep the pressure on, and prove to Saddam Hussein that aggression does not pay.

You know there's a lot at stake. Much is at stake. And there's much the world stands to gain if we succeed. Even in the midst of the current crisis, I believe that we can all see the outlines emerging of a stronger, more peaceful world order, one where old animosities give way to a new partnership of nations acting to uphold international order and the rule of law. And let me be clear: With all that's at stake, the world will not allow one dictator's aggressive ambitions to stand in the way.

Let me close this afternoon by thanking the young men and women of Colorado who are doing their part out in the sand and hot sun halfway around the world, soldiers like the ones from Fitzsimons Army Medical Center in Aurora, Colorado -- like Major Carmelo Otero, Dr. Otero, who's shipping out in the next few days. In the busy final days before his departure, Major Otero's spent most of his time with his wife and two kids. And he even found time to tape-record bedtime stories for his kids to listen to until he's back home again. Or Sergeant Clifton Gordon, an x-ray technician, who's been serving in Saudi Arabia since the end of August and who missed his son's first three football games -- three wins -- as a freshman quarterback.

And I want to pass along a request made by Sgt. Gordon's wife, Robin, who's here with us today. She's noticed how many support groups there are for spouses and parents; and she thinks maybe its time to spread the word that we've got to do all we can, as individuals and organizations, to help the kids out there whose moms and dads are on duty in the Persian Gulf. You know, she's right. Robin's right. And even as I ask, I know that that support is there in Aurora and here in Denver and in every community all across this country. Let's not wait until our servicemen come home to show our appreciation. Let's start right now by doing something special for their kids.

One final message today as we focus on November 6th. From the revolutions that changed the face of Eastern Europe from Budapest to Berlin, to the young men and women in our armed services serving now in Saudi Arabia, the world around us reminds us every day that there is nothing more precious than freedom. And so, I urge every citizen of Colorado and every American to get out and vote. Don't take democracy for granted.

Once again, it's a great pleasure to be here today to show my support for this party; to show my support for this strong ticket, for candidates who have so much to contribute to Colorado and to their country. And I thank all of you for this very, very warm welcome. And may God bless this great State and those young men and women serving overseas. Thank you, and God bless you all.

Note: The President spoke at 12:35 p.m. at the Colorado Convention Center. In his remarks, he referred to Natalie Meyer, Colorado secretary of state; Neil and Sharon Bush, the President's son and daughter-in-law; Bruce Benson, chairman of the State Republican Party; Barbara Card, chairperson of the fundraising luncheon; Representative Brown's wife, Nan; and President Saddam Hussein of Iraq. The President also referred to Mrs. Bush's promotion of ``Millie's Book as Dictated to Barbara Bush." Following his remarks, the President traveled to Los Angeles, CA.

Remarks at a Fundraising Dinner for Gubernatorial Candidate Pete Wilson in Los Angeles, California

September 18, 1990

Thank you very much, Pete and Gayle. Pete, thank you for that welcome. And all of you, and to Assemblyman Ross and Diane Johnson; Senator Marian Bergeson and Garth; Councilwoman Joan Milke-Flores; Matt and Paula Fong down here; and our State chairman, Frank Visco; of course, Dan and Bobby Lundgren; and Chuck Heston, my friend here; Tom and Mary Hayes; and Johnny Grant -- what a wonderful turnout -- thank all of you. Robby Britt, that was an inspiring rendition of the national anthem. Thank you very, very much.

Let me convey the apologies of a very close member of my family who couldn't make it tonight. As it turns out, Millie is back East, promoting her new book. [Laughter] Her celebrity status has gone to her head. [Laughter] I gave her a bowl of Alpo, and she asked to see the wine list. [Laughter]

I'm sorry that our national fitness czar, Arnold Schwarzenegger, could not be with us tonight. You know, he wanted to entertain the troops in Saudi Arabia, but we had to put him down, say no. It turned out they didn't think it was very entertaining to watch a guy bench-press an M - 1 tank. [Laughter]

But we do have another czar with us tonight, and that is our drug czar, Bill Bennett, who flew in with me today on Air Force One. Bill's bringing his tough and fearless leadership to our national war against the scourge of drugs. A few days ago, there at the White House, he and I gave a 1-year update on our national drug strategy; and we both feel that in many ways we are, indeed, making significant progress. And that's due to the tireless fight that Bill and so many communities and so many police forces -- including the one right here, the LAPD -- are making, waging against drugs. And we're grateful to you, Bill, and we're grateful to the citizens out here from whatever walk of life that are participating in this war against drugs. We owe him a vote of thanks and, again, all of the volunteers that are pitching in.

Let me say it is great to be back with so many good friends, back here in this Golden State. You know, the people who came to California wouldn't stop looking for gold and glory until the trail stopped at the edge of the Pacific. That's why this State is a place where the dreamers are the doers and why California is leading America into the future. And I can't think of anyone better qualified to lead California into that future than your next Governor, Pete Wilson.

I will say I am very sorry that Barbara's not with us tonight, but she thinks the world of Gayle, just as I do. And both of us are strongly in your corner as you go down to the stretch.

I'll have a lot to say tonight about Pete and the Republican future in California, but first, let me just speak of two matters that are critical to the future of America and the world. A week ago tonight, I went before the Congress and the American people to discuss two urgent yet interrelated matters: the aggression in the Middle East -- and, Rabbi, thank you for your overly generous comments, sir -- and the Federal budget deficit.

Even before the Persian Gulf crisis, we were already more economically vulnerable than we should ever be, especially with a projected Federal deficit of $232 billion. So, I told the Congress -- and I know that Pete Wilson agrees -- that we must address our budget deficit not in 1991 or '92 but right now.

We need a budget agreement that meets four basic tests. It must include measures to increase economic growth and cut our national dependence on foreign oil. It must be fair -- everyone should be called upon to make a sacrifice, but no one should bear the burden alone. A budget agreement should address the growth of the Government's hidden liabilities, and it must reform the budget process. And one thing more: We can cut this budget without hurting the economy; without another phony-baloney plan; with an agreement that is credible, real, and enforceable -- one that will save America half a trillion dollars in 5 years.

I also told the Congress that if America remains strong at home, America can continue and will continue to lead abroad. But there's another component of American leadership that has no price tag, none at all, and I'm talking about the men and women who are serving this country in the Persian Gulf. America is a mighty nation, but we are a great nation only because of those who are ready to leave the comfort of their homes in Oceanside or San Bernardino to serve on the front line halfway around the world in defense of freedom. America is great because its courage is great.

And we all wish their job was done, but we know that it's not. Certain objectives must be met: Iraq must withdraw from Kuwait without condition. Kuwait's legitimate government must be restored. The security and stability of the Persian Gulf must be assured. And American citizens abroad must be protected. These objectives are not ours alone. They've been endorsed by the United Nations Security Council six times in 7 weeks.

And let me note the good news from our allies. West Germany has pledged to support the mission with almost $2 billion and provide transport ships and planes. Japan has now pledged a package worth $4 billion. France has added another 4,000 troops. And Great Britain has sent 120 tanks, 6,000 troops -- the famous Desert Rats that some of us remember from World War II. It is truly, then, Iraq against the world.

We've also put tight sanctions into effect while working with the United Nations Security Council to allow food to reach innocent children, mothers, the sick, and the elderly. And we've been working with many nations to get relief to the most pitiful victims of this conflict -- I'm talking

about those thousands and hundreds of thousands of refugees, those that can afford it the least, humbled in the desert off the Iraq border.

I spoke of our four objectives. But we have another, final objective; and that is to create a new partnership of nations, a new world order -- freer from the threat of terror, stronger in the pursuit of justice, more secure in the quest for peace. The international community has already taken a giant step toward that day. Together with our friends and allies, ships of the United States Navy are patrolling the Mideast waters -- already intercepted more than 700 ships to enforce these sanctions against Iraq. And the world is simply telling Saddam Hussein, we will not give in to intimidation.

On matters like these, we are called upon to put country before self and patriotism before party. And so, it's good that politics now are stopping at the water's edge, but that still leaves a lot of America in between. And from Long Beach to Long Island, we should and we will vigorously campaign right up to the November election. And for those of us at home, we can serve our country by being the best candidates, the best citizens and, yes, the best Republicans and Democrats we can be.

I am sure every Democrat agrees: We will not allow our political life to be held hostage to a crisis. When Californians go to the polls, absentee ballots will be coming in from Americans in uniform, including those stationed in the Persian Gulf region. And if our soldiers, sailors, airmen, and marines can find time to vote under such difficult circumstances, surely those of us at home will do our civic duty as well.

Just a few moments ago I spoke of international intimidation. Well, it does Americans no good to stop aggression abroad if bullies take over the streets at home. As a former U.S. marine, as a Senate leader in foreign policy and defense, Pete Wilson understands the need to repel, stand up against aggression abroad. But he also understands the need to repel aggression at home.

Let me tell you a story that means a lot to him, about an immigrant from Ireland named Michael Callahan, who came to these shores to find peace and prosperity. Michael Callahan moved to Chicago, started a family, worked hard, and rose to the rank of detective sergeant on the city police force. And then one evening, while on duty, Sergeant Callahan tried to arrest two cocaine dealers. They drew their guns first. And although Callahan managed to shoot one of the dealers, the other one shot him. Sergeant Callahan died in Chicago at the age of 30, fighting the first wave of cocaine to sweep America. But that was not in 1990 or 1980. Michael Callahan died fighting cocaine in 1908. And his grandson Pete Wilson is with us tonight. So, when your Senator says we need to protect the public and the police from cop killers and kingpins, and when he says that those who deal in death should reap what they sow, you can be sure Pete Wilson means business.

And I share his sense of mission. On a rain-soaked morning in May of 1989, surrounded by hundreds of law-enforcement officers at the foot of the Capitol, I called on Congress to pass a

tough crime bill to build on what our Attorney General here tonight, William French Smith, worked on, to build on what my predecessor Ronald Reagan worked on and tried to accomplish. We put forward a new program, and now 16 months have now gone by. And despite the leadership of Pete Wilson and others in the Senate, the House Democratic leadership has gone off into deep left field. And even worse, several measures receiving serious consideration in the House last week would actually weaken law enforcement, would actually make our cities and our streets less safe than they are now. And such a bill will stop at my desk. It will not become law. I'll guarantee you that.

Pete Wilson and I want a crime bill that will stop the abuse of habeas corpus, a bill that guarantees that criminals who use serious weapons will face serious weapons charges and serious time, a bill that guarantees that evidence gathered by good cops acting in good faith isn't barred by technicalities that let bad people go free. I cannot sign a bill that overturns Supreme Court decisions limiting frivolous habeas corpus petitions, expands the coverage of the exclusionary rule, and weakens capital punishment. And I will not sign a bill that handcuffs the police officers all across the United States of America.

But if some in the House have been an obstacle to tougher laws, Pete Wilson has been an advantage in the Senate. He played a key role in passing the death penalty provisions of the 1988 antidrug act, one that allows capital punishment for the murder of a law enforcement officer working on a drug-related case. And Pete says, ``I will not have California under siege to rapists and thugs and drug dealers." He wants to govern a California where women need no longer fear the night because drug dealers and criminals will instead fear the law. And he would start by extending capital punishment in California to major drug traffickers, the same as my proposals before the United States Congress.

And so thus, I have to ask: Is it any wonder that the endorsement of a dozen law enforcement organizations has gone to the grandson of Michael Callahan? Pete, we need you to continue the work in this anticrime field.

Tomorrow in San Francisco, I'll speak of Pete Wilson's fiscal philosophy and especially of his longstanding environmental leadership. He is and always has been a conservative, but Pete Wilson also is and always has been an activist who wants to use government creatively to improve our quality of life. And this balanced approach is the key to his success as a legislator in Washington and Sacramento and as mayor of San Diego.

It was as mayor that Pete first showed a flair for executive leadership, and now he seeks the largest executive job in America, second only to my own. And he faces a California skeptical of all rhetoric, impressed only by action. But he's faced the voters before, retaining a Senate seat that six predecessors lost. He broke the jinx and made history because he delivers on his promises.

And now Pete says, ``If the voters think I'll be more useful as a Governor than as a Member of the

U.S. Senate, then that's what I'll be." Well, all of us here know that filling the Governorship after George Deukmejian is not going to be easy, but all of us here know that if there's anyone that can do it, it is Pete Wilson. And I am very proud to be here for him. He should be the Governor. And that is what he must be: Governor Pete Wilson of California.

Thank you for your support. Keep it up. And God bless the United States.

Note: The President spoke at 7:46 p.m. in the San Francisco Ballroom of the Westin Bonaventure Hotel. In his remarks, he referred to Senator Wilson's wife, Gayle; Matt Fong, candidate for State comptroller; Dan Lungren, candidate for State attorney general; Charlton Heston, actor and political supporter; Tom Hayes, candidate for State treasurer; Johnny Grant, master of ceremonies for the dinner; Arnold Schwarzenegger, Chairman of the President's Council on Physical Fitness and Sports; William J. Bennett, Director of National Drug Control Policy; Rabbi Isaiah Zeldin, who gave the invocation; and President Saddam Hussein of Iraq. A tape was not available for verification of the content of these remarks.

Remarks at a Fundraising Luncheon for Gubernatorial Candidate Pete Wilson in San Francisco, California

September 19, 1990

Thank you, Pete, and thank all of you. It really is great to be back in California, united with all of you for such a good cause.

You know, when they called about this fundraiser, they said to me, ``It would be a big boost if this country's most famous Republican came here to help out." I replied, ``Fine. What time do you want Millie to be there?" [Laughter]

Which brings me to the fact that Barbara is not here. And she sends her love. She is as committed as I am to seeing Pete and Gayle Wilson be the first family -- succeeding a wonderful first family -- but to be the first family of this great State. She sends her love and affection. And I expect she'll be out here campaigning for you.

To my friend -- our friend -- George Deukmejian, thanks for another welcome here to your State. I can think of a handful of people to whom I especially owe this challenge of being President of the United States, and certainly George Deukmejian, who helped me early on -- his name comes to mind. It's great that you're here once again, unselfishly helping the man that now you want to see be your successor. I'm proud of you. What a record you've set for this State. What a terrific act to follow.

I want to echo what both George and Pete said. Looking around, I see lots of reasons why the California GOP is going to be so strong in November -- the whole ticket concept, the rest of the ticket -- Thomas Hayes, your current treasurer; Marian Bergeson, right here, candidate for Lieutenant Governor; Joan Flores for secretary of state; and Matt Fong for controller; as well as our congressional candidate who's with us today, Alan Nichols. And a special thanks to Frank Visco, our State chairman, who's doing an outstanding job for the State party -- a thankless job, but he's doing it very, very well.

And then those who have done and continue to do the heavy lifting around here on making these events so successful: Katie Boyd, Gene Trefethen, and my old friend Ben Biaggini. What a wonderful job you all have done pulling this marvelous event together -- twice, I might say.

You have to agree, there's a very great and formidable woman involved in this gubernatorial race, but of course, Gayle Wilson is too modest to admit it. And I know it's true. And, Gayle, good luck to you, and thanks for all you're doing on the campaign trail.

And one other with me here today and traveling with me through southern California and here is

our brilliant and hard-working leader in the fierce war -- national war -- against drugs. And I'm talking about our drug czar down here, Bill Bennett. He and I, a year after the national drug strategy was announced, made a report to the American people a few days ago. And I think it is fair to say that there is reason now to be optimistic about this war on drugs. A lot of that stems from the dedication of Bill Bennett and his able team.

And also -- I'm remiss here -- I should thank the reverend. Father, thank you for that prayer at the outset of this meeting. And of course, to see my old friend, a true hero, Admiral Jim Stockdale -- I'm just delighted to see you again, sir. Your patriotism, your love of country shines through today just as it did when you were held as a prisoner those many years ago.

I had some doubts about coming back to California. Our latest Agriculture Department figures show that your State is the leading producer of broccoli. [Laughter] And that sort of gives new meaning to this Big Green movement that we're hearing all about, you know. [Laughter]

But here in San Francisco, you've got some fantastic champions -- your 49ers. But we're all here today to show the respect and friendship and confidence that we feel for another champion -- a champion of the environment, a champion for the victims of crime, a champion for the hard-working taxpayer, a champion of the American vision. The champ: Pete Wilson.

Here's what some say about him. President Reagan calls him principled. George Deukmejian calls him experienced. Congressman Campbell calls him dedicated. Congressman Lewis calls him thoughtful. And even his opponents call him wonderful. [Laughter] And as for me, I plan to call him Governor.

Because as we look ahead to the year 2010, when your State's population could soar from 30 to 40 million, we realize that this State needs a Governor committed to the quality of life issues: protecting our natural heritage, fighting crime and drugs, ensuring economic security, creating more jobs and opportunities. That person is, of course, the one we're all here to support: Pete Wilson.

It was important to have Pete in the Senate, and it's now vitally important to have him in Sacramento. To begin with, his brand of environmental activism is the kind California needs. You know, in this area, as in all areas of his commitment, he holds a position of conviction, not convenience. He wrote the first coastal protection act before the environmental movement even began, and he's long fought for clean air -- to remove toxic emissions and smog and acid rain from our skies.

Clean air has been one of our administration's top priorities, as he said a minute ago. And so, let me take this opportunity to urge the Congress to send me a clean air bill I can sign. You know, I sent Congress a comprehensive bill more than a year ago, and I negotiated an agreement with Pete's colleagues in the Senate. But I'm still waiting for Congress to send me a solid clean air bill.

We must see balanced, rational clean air legislation enacted this year because it's one of the most important endowments we can make to protect the ecology of our nation and, indeed, of the entire world.

I think of how the late photographer Ansel Adams described California beauty: ``It's always a sunrise, a glitter of green and golden wonder in a vast edifice of stone and space.'' Well, Pete will preserve that for our children and our children's children.

These future generations also need the legacy of a strong economy led by a Governor with a truly exceptional fiscal record. Pete will give them that. After all, not only did he balance 11 straight budgets as mayor, he also received the Watchdog of the Treasury award in Washington for his antispending role every single year that he has been in the United States Senate.

No domestic issue has been on our minds of late more than our economy. And it remains an absolutely critical imperative that we reach a bipartisan agreement on this budget deficit and reach it immediately.

When I spoke last week to the Congress, I said I wanted to be able to tell the American people that we've truly solved our deficit problem. But I added, in order for me to do that, there were several tests that the budget agreement would have to meet.

First, it must include the measures that I spelled out to increase economic growth and reduce dependence on foreign oil. And second, it must be fair to all programs and all people. And third, it must address the growth of government's hidden liabilities. And fourth, it must reform the budget process itself, and it must be real. And finally, it must avoid anything that would threaten economic growth or return us to the days of punishing income tax rates.

And I want very much to stand in front of the American people and tell you that the negotiators have come up with an agreement that meets these tests. And I want to tell you that the agreement reflects not only the improvement in East-West relations but also our broader responsibilities to deal with the continuing risks of outlaw actions and regional conflict. And I really hope we will see this agreement soon. I look forward to saying to America: Together, let us all work for the promise of an exciting and strong new future that's now within our grasp.

And there's one other subject, of course, that's on everyone's mind today that I want to talk about: our commitment to the situation in the Persian Gulf. And this is something Pete, a former military man, understands firsthand. Time and circumstances have proven him farsighted. Pete Wilson has always eloquently supported the utterly essential need for a strong defense.

Six weeks ago we sent our troops half a world away because we were compelled by the moral compass that guides our nation. As Americans, we could not ignore this brutally aggressive act against international law and order, and nor could the rest of the civilized world. The unity of

outrage across the globe, the depth of support in the Gulf, and the ferocity of condemnation in the United Nations are unprecedented.

And now Saddam Hussein has been given notice by the extraordinary joint declaration that President Gorbachev and I signed in Helsinki [September 9]. It is an absolutely unparalleled message of solidarity, a clarion call for Iraq to comply immediately and completely with the five resolutions that had been so urgently ordered by the United Nations Security Council. And it heralds a new era for our world: the Soviet Union and the United States, standing together in vigorous condemnation of an outrageous aggression.

What a dramatic legacy for our children to inherit, this stunning new partnership of nations. Ours is a generation to finally see the emergence of promising, exciting new world order which we've sought for generations. And we are witness to the first demonstration of this new partnership for peace: a united world response to Iraq's aggressive ambition.

And so, the U.N. and the United States and the Soviet Union and countries across the globe have issued with one voice these unequivocal demands: One, Iraq must withdraw totally and immediately from Kuwait. Two, Iraq must restore Kuwait's legitimate government. And three, Iraq must free all hostages in both countries. Humanity itself will tolerate nothing less.

If Iraq does not meet these nonnegotiable conditions, then its isolation will not end. And we are, as I have said before, prepared to take additional steps if sanctions and the quest for a political resolution do not work.

In the meantime, action through diplomatic channels continues. Just this past weekend, the U.N. Security Council passed its seventh resolution -- in this case, condemning Iraq for its illegal treatment of foreign diplomats. And last Thursday the United Nations, with our support, passed Security Council Resolution 667, establishing a framework so that food can be delivered under close supervision to Iraq and Kuwait, for humanitarian reasons require this. And this will provide a fair procedure for allowing food to reach civilians in need -- innocent children, mothers, the sick, and the elderly.

And on Friday, I sent to Congress a request that will provide the legal mechanism for the United States to share the extraordinary burden of our presence in the Gulf with our friends and allies. It is important that a considerable part of this effort be borne by those being defended and by those benefiting from the free flow of oil. I am gratified at the international willingness to help. You know, the Arab response has been extraordinary. And last week alone, Prime Minister Kaifu pledged $4 billion on behalf of Japan, and Germany agreed to contribute $2 billion plus transport ships and planes.

But we can't think about the Persian Gulf just on these statistics. We can't think about it without remembering our young men and women there, joined by brave compatriots of armed forces from

countries spanning four continents, all standing firm and unyielding in the distant desert sands.

Young Americans like 18-year-old Michael Pigeon, of Detroit, who wanted to join the Marines here in California in order to serve his country in the Gulf. But he wasn't accepted because he was over the weight limit. Here was a young man who yearned so desperately to defend American values that mean everything to him that he trekked the 2,500 miles from his home in order to reach his dream and his goal. And not only did he make it to the San Diego boot camp but he lost the weight along the way. [Laughter] And today he's on his way to making a proud marine. And he points out now that marching in combat boots will be no problem for him. [Laughter] Gives a new meaning to ``I'd walk a mile for a camel.'' [Laughter] Mike, I knew it was risky. [Laughter] No, but his kind of -- [laughter] -- but Mike's kind of patriotic self-sacrifice reflects the incredible spirit of the American people, splendid Americans from children to great-grandmothers. And they give our brave young service men and women loving support and proud resolve.

It's touching to hear of the grassroots efforts swelling from coast to coast. Radio stations volunteering to tape family messages to send to the soldiers. Enough cookie airlifts to fill Candlestick Park. A pen pal network to mail greetings to service men and women. Army mothers encouraging everyone to fly their flags in honor of our young people so far from home. Yellow ribbons waving their bright, silent tribute from Maine to California, Washington State to Florida. I even heard of a group of women -- some of you've heard of it too, I'm sure -- who have formed a group called MASH: Mothers Against Saddam Hussein. [Laughter]

Once again, our people, the people of our country, have come together to show the world our finest strengths: American optimism, unity, unselfishness, the wonderful values of family, and the will to stand up for what's right and good -- strengths that form the very heart of America and that make possible the freedoms our brave service men and women are striving to defend.

And let's not forget one of these freedoms, approaching -- the right to vote, to choose our form of government. And I can't think of anything that better guarantees our own freedom than to exercise that privilege.

I know that every American looks forward to the day when our extraordinary young men and women will return home to a nation proud of its ideals of freedom, integrity, and honor; a nation committed to its tradition of preserving, protecting, and defending those precious beliefs which have always made America a beacon of hope and freedom to the entire world.

I want to thank you, once again, for your warm welcome and for the support that you're giving to the next Governor of this great State, Pete Wilson. God bless you and the United States of America. Thank you all very, very much.

Note: The President spoke at 12:35 p.m. in the Grand Ballroom at the Fairmont Hotel. In his remarks, he referred to Millie, the First Family's dog; Katie Boyd, cohost of the dinner; Gene

Trefethen, owner of Trefethen Winery; Ben Biaggini, cohost and master of ceremonies of the dinner; William J. Bennett, Director of National Drug Control Policy; Rev. John Bakas, director of the Valley Children's Hospital Foundation, who gave the invocation; and President Saddam Hussein of Iraq. He also referred to Big Green, the environmental protection initiative on the November ballot in California. Following his remarks, the President returned to Washington, DC.

Nomination of Mary Shannon Brunette To Be an Assistant Secretary of Housing and Urban Development

September 20, 1990

The President today announced his intention to nominate Mary Shannon Brunette, of Virginia, to be an Assistant Secretary of Housing and Urban Development for Public Affairs. She would succeed Sherrie Sandy Rollins.

Since 1989 Ms. Brunette has served as Assistant to the Secretary for Policy and Communications at the Department of Housing and Urban Development in Washington, DC. Prior to this she served as legislative director/press secretary to Representative Jack Kemp, 1988 - 1989; press secretary to Representative Jim Courter, 1988; senior adviser for Jack Kemp for President, 1987 - 1988; legislative director for Representative Jack Kemp, 1985 - 1987; legislative assistant to Representative Jack Kemp, 1982 - 1984; and staff assistant to the House Republican Conference, 1982.

Ms. Brunette graduated from Le Moyne College (B.A., 1982). She was born September 12, 1960, in Rochester, NY, and currently resides in Falls Church, VA.

Nomination of John P. Leonard To Be United States Ambassador to Suriname

September 20, 1990

The President today announced his intention to nominate John P. Leonard, of Virginia, a career member of the Senior Foreign Service, Class of Counselor, as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Suriname. He would succeed Richard C. Howland.

Since 1988 Mr. Leonard has served as Deputy Chief of Mission for the U.S. Embassy in Managua. Prior to this, he served with the State Department, 1987 - 1988; Counselor of the U.S. Embassy in Montevideo, Uruguay, 1985 - 1987; and Counselor of the U.S. Embassy in Asuncion, Paraguay, 1983 - 1985. In addition, Mr. Leonard served in the Arms Control and Disarmament Agency, 1981 - 1983; a politico-military officer in Madrid, Spain, 1978 - 1981; and in the Department of State, 1973 - 1978. He also served in Seoul, Republic of Korea, as a political officer, 1970 - 1973, and as vice consul, 1969 - 1970; and third secretary and vice consul at the U.S. Embassy in Luxembourg, 1966 - 1968.

Mr. Leonard graduated from Harvard University (B.A., 1962). He was born July 16, 1940, in New York, NY. Mr. Leonard served in the U.S. Army, 1962 - 1965. He is married and has two children.

Statement by Deputy Press Secretary Popadiuk on the President's Meeting With the Administrator and Deputy Administrator of the Panama Canal Commission

September 21, 1990

The President met today in the Oval Office with Gilberto Guardia and Raymond Laverty to congratulate them upon their installation as Administrator and Deputy Administrator of the Panama Canal. They were sworn in on September 20, 1990, in a ceremony at the Department of State. Mr. Guardia is the first Panamanian citizen to head the Canal and the first non-U.S. citizen to head a U.S. Government Agency. Panamanian Vice President Guillermo Ford also attended the meeting.

The President noted that the assumption of the offices of Administrator and Deputy Administrator, according to the procedures agreed to by the United States and Panama in the Panama Canal Treaty, is a demonstration that the two countries can work together on the basis of equality and mutual respect to ensure a safe and efficient canal. Vice President Ford's presence is a fitting reminder of the vitality of the new democratic government in Panama and the strength of the ties between our two countries.

The Panama Canal Treaties provide a sound framework for the common interests of the United States and Panama in seeing the canal continue as a secure and efficient link for world trade. The United States is committed to preparing for a smooth and trouble-free transfer of the canal to Panama at the end of the century. The President asked that Mr. Guardia and Mr. Laverty convey to the American and Panamanian employees of the Panama Canal Commission the thanks and appreciation of the U.S. Government for their skilled and dedicated service.

Nomination of Merrill A. McPeak To Be Chief of Staff of the Air Force

September 21, 1990

The President today nominated General Merrill A. McPeak, U.S. Air Force, to be Chief of Staff of the Air Force. He will succeed General Michael J. Dugan.

General McPeak is presently serving as commander in chief, Pacific Air Forces; air component commander for U.S. Pacific Command; and executive director, Pacific Air Combat Operations Staff. General McPeak was born January 9, 1936, in Santa Rosa, CA.

Nomination of Roscoe Burton Starek III To Be a Member of the Federal Trade Commission

September 21, 1990

The President today announced his intention to nominate Roscoe Burton Starek III, of Illinois, to be a Federal Trade Commissioner for the term of 7 years from September 26, 1990. He would succeed Terry Calvani.

Since January 1989 Mr. Starek has served as Deputy Assistant to the President and Deputy Director of Presidential Personnel at the White House. Prior to this he served as deputy director of presidential personnel for the Bush transition team. In addition, Mr. Starek has served in several positions with the Department of State over a period of 7 years, including Deputy Assistant Secretary for Policy and Counterterrorism; Legislative Counsel to the Undersecretary for Management, 1985 - 1986; deputy chief negotiator for transportation and telecommunications, 1984; and State Department-White House liaison, 1982 - 1983. In addition, he has served as chief minority counsel to the Select Committee on Narcotics Abuse and Control of the House of Representatives, 1979; associate counsel to the House Judiciary Committee, 1976 - 1979; counsel to the minority of the House Select Committee on Intelligence, 1975; Assistant General Counsel to the Presidential Clemency Board at the White House; counsel to the impeachment inquiry, 1974; legislative assistant and then as a professional staff member for United States Senator Charles Percy, 1972 - 1973.

Mr. Starek graduated from Syracuse University (A.B., 1969) and the American University, Washington College of Law (J.D., 1973). He was born November 17, 1947, in Minneapolis, MN. Mr. Starek served in the U.S. Army Reserve, 1969 - 1975. He is married, has one child, and resides in Alexandria, VA.

Nomination of Charles L. Cragin To Be Chairman of the Board of Veterans Appeals

September 21, 1990

The President today announced his intention to nominate Charles L. Cragin, of Maine, to be Chairman of the Board of Veterans Appeals for a term of 6 years. This is a new position.

Currently Mr. Cragin serves as a partner with the law firm of Verrill and Dana in Portland, ME. Mr. Cragin graduated from the University of Maine (B.S., 1967) and the University of Maine School of Law (J.D., 1970). He was born October 9, 1943, in Portland, ME. Mr. Cragin is married, has two children, and currently resides in Raymond, ME.

Appointment of Leigh Ann Metzger as Special Assistant to the President for Public Liaison

September 21, 1990

The President today announced the appointment of Leigh Ann Metzger to be Special Assistant to the President for Public Liaison.

Since 1987 Ms. Metzger has been coalitions and organization director at the National Republican Congressional Committee. Prior to this she served as legislative director for the Eagle Forum in Washington, DC.

Ms. Metzger graduated from Samford University (B.A., 1984) in Birmingham, AL. She is a native of Decatur, GA, and resides in Alexandria, VA.

The President's News Conference

September 21, 1990

The President. I have just a few brief remarks before departing. First, I had a very good and useful meeting this morning with the congressional leaders. We talked about the situation in the Gulf. I made clear that sanctions remain our strategy for resolving this crisis. At the same time, I pointed out my deep and growing concern over what Iraq is doing to Kuwait and to the Kuwaiti people, and to American citizens and foreign nationals, more generally. And I also pointed out that Iraqi support for terrorism would indeed have serious consequences.

I also asked the congressional leaders for the prompt approval of key aspects of our policy; in particular, I urged that the supplemental funds needed to cover defense operations be passed quickly. Similarly, I emphasized just how critical it is that Congress agree to forgive the FMS [foreign military sales] debt of our stalwart ally Egypt. And I also informed the congressional leaders that it is essential that we continue to meet Saudi Arabia's legitimate defense requirements.

Let me just say that I appreciate the support that Congress is giving to the administration during this situation. It's good, and it's strong. And for my part, I pledge to continue to consult fully, consult regularly with the Congress. The United States stands determined and united in its quest to see the Iraqi forces withdraw from Kuwait fully and unconditionally.

On the domestic scene, as the budget negotiators continue their meeting this afternoon, I want to just make it clear to the American people that the goal of these negotiations remains unchanged. We must fix the Federal budget mess and the Federal budget process once and for all. A budget deficit agreement is necessary to help maintain our economic vitality, our competitiveness, and our growth in job opportunities.

And there are several tests that this agreement must meet. I will insist on an agreement that really does promote economic growth. And I will insist on an agreement that is fair, credible, and real. And it must contain real spending cuts. And I will insist on an agreement that addresses reform of the budget process itself. I cannot accept a temporary quick fix that sweeps this problem under the rug, and I will not accept a deal that fails to address in a foolproof way the Government's deficit. We must have a 5-year, $500 billion plan that keeps our country strong, competitive, and puts us on the path to long-term economic health.

In the absence of a budget agreement, the law requires that the sequester will begin in just over a week. We are now 9 days and counting. And so, I hope some progress is made today.

Persian Gulf Crisis

Q. Mr. President, does your warning today of serious consequences about Iraqi terrorism and your statement of concern about what's happening in Kuwait mean that the United States is moving any closer toward a conflict with Iraq? And how do you describe the situation in the Gulf today?

The President. No, I don't want to send that signal. I indicated to the Congressmen that I want to see a peaceful resolution. Obviously, these economic sanctions are going to take some time to work. I don't know how long that is, but we want to see them be effective. In the meantime, I must continue to emphasize to people in this country and around the world that there are certain principles here -- right and wrong -- moral principles, and that's what I was talking about when I was talking about Iraq pulling out of Kuwait unconditionally, for example. But I don't intend to be sending a signal that I'm shifting more towards the military, if that was your question.

Q. But generally, how do you describe the situation?

The President. Generally? Pleased with the cooperation, concerned about anybody held against his or her will there. But I think the coalition is holding together. Others are pitching in and doing their part. So, I think things are moving forward. I had a good meeting this morning, by way of example, with a Defense Minister from the United Kingdom [Thomas King]; and I believe that after his talks at the Pentagon, we are all on the same wavelength in terms of how our forces interact and will interact when the Desert Rats get down there, for example. So, I think there's a lot of coordinative work going on. And I must say that a lot of this depends on support from Congress and the American people, and so far I'm very pleased with that.

Q. Mr. President, Saddam [President Saddam Hussein of Iraq] has said that he would not be the first to strike the first blow for a shooting war. Do you believe him? And would the U.S. and the U.N. make that kind of commitment also?

The President. I'm not making any commitments. There are so many contingencies. I've spelled them out. The treatment of American citizens is one thing that concerns me greatly. Possible use of terror is another thing that concerns me greatly. So, we'll just have to leave it. I've tried to spell it out very, very clearly, and I believe I'm in total synchronization with other powers that have forces in the Gulf or moving towards the Gulf.

Q. Do you think that he is ready for a war?

The President. I don't know the answer to that. We watch the deployment of their forces. But I would like to see him comply with the sanctions, is the way I'd phrase that.

Q. -- -- saying, sir, that sanctions continue to be the policy for bringing about these changes, and yet your expressions of concern in these various areas raise the question of whether further deterioration along the lines you've described might cause you to change that policy. Is that what

you're saying?

The President. No, I'm just putting down several universally heralded markers, for example, in terms of the treatment of hostages and the terror. I was very much concerned, out of that meeting in Jordan the other day, when a lot of radicals gathered and they were talking about terroristic acts. We hold Saddam Hussein responsible if there is any terrorist act against us. We just want to be clear, that's all.

Q. Well, Mr. President, if I may follow up, sir, it would appear that there are not a lot of diplomatic or economic arrows left in the quiver of this coalition; and I wonder, if you're going to hold him responsible, what exactly do you mean by that, sir?

The President. I'm saying that the fundamental diplomatic arrow is not fully in the air yet, and I'm talking about the full effect of the economic sanctions. That's going to take a little time for that arrow, which is the major thrust of our policy, to be effective. Again, I can't tell you how long it is, but there are signs that those sanctions are taking hold.

Let me go, one, two, three, then I got to get over here.

Q. Mr. President, how far are you willing to go within the context of the United Nations in enforcing an air embargo? Are you willing to allow airplanes to be shot down, and are you willing to have the U.S. participate?

The President. We haven't crossed that. I'm listening to the discussion in our own administration, and we're in close consultation with other countries, so I'd prefer to not go into that. But if the sanctions specifically include forcing planes down that could be carrying contraband or carrying cargo that violates the sanctions, obviously, the United States would do its part.

Terrorism

Q. Mr. President, you have mentioned terrorism now three times. What has happened that has prompted this heightened concern about that?

The President. Nothing. It's just on my mind because I know irrational people sometimes behave in -- regarding terrorism -- and the only thing that's fairly new was that outrageous conference in Jordan the other day. That was the only new thing. And then we follow it very, very closely, as best one can through intelligence channels.

Q. Is intelligence showing you heightened activity?

The President. No, I would never discuss what intelligence is showing me. But I would say that I am concerned about this. All you have to do is look at that public conference over there and listen

to some of those outrageous radical statements; and that gives me reason to say, hey, you're going to be responsible.

Q. Do you blame King Hussein [of Jordan] for that?

The President. No, I blame Saddam Hussein for that. Everything to do with it that affects our forces -- that's where the blame will be and should be.

Q. On the budget?

The President. One, two, three.

Arms Sale to Saudi Arabia

Q. Mr. President, some of the Congressmen came away from the meeting today saying they wanted to see the size of the Saudi arms package scaled back. Are you willing to do that?

The President. We're going to just -- I don't want to answer your question directly. I want to stay in close touch with Congress on that. I think there's a universal feeling that we should go forward. We're willing to discuss the details of the package with them. But whatever we send up, I'll stand behind that, is what we think is necessary. But there are some discussions that I think will be taking place on the details of the package, but I don't want to go beyond that right now.

Egyptian Debt Relief

Q. Do you think your reassurances on Egyptian debt forgiveness plan -- that this would not open the floodgates to other countries making similar requests for being heeded by Congress?

The President. It could. But what I made clear to the Congressmen, I hope, is the unique importance of taking care of the Egyptian situation right now.

Persian Gulf Crisis

Q. Mr. President, we've talked several times today about the treatment of Americans in Iraq and Kuwait. Do you have any evidence, sir, that they're being more mistreated than they have heretofore?

The President. Not in the last couple of days, Ellen [Ellen Warren, Knight-Ridder Newspapers]. Not in the last couple of days.

Q. But prior to that, did you get reports, sir, that the mistreatment level had increased somehow?

The President. Well, I'll tell you what concerns me -- and I really think it concerns all the American people -- are the debriefings from these people coming out of Kuwait. Now, that's been within the last 2 or 3 days. And those reports evoke enormous outrage.

Q. Sir, to follow up: Members of Congress who came out of the meeting today felt that the prospect of war really had increased, some of them told us. Have they misinterpreted your remarks?

The President. Well, I don't know, because, certainly, I didn't tell them that. But we're going to continue to move forces -- others, the British, the French, moving forces -- and maybe that's what they're talking about. But I wouldn't necessarily view that as a step closer to war. It certainly is putting us in a much stronger position, and that will take a while.

Q. Mr. President, last night Saddam called the U.S. a dwarf, among other things. Last Sunday, he called you a liar. He's apparently getting ready to release a 90-minute tape. Do you feel like you're getting involved -- --

The President. That will finish him off in the United States. I can't speak for the rest of the world -- [laughter] -- --

Q. Do you feel like you're getting involved in a global communications war? Do you feel like you have to respond -- --

The President. No, I don't.

Q. -- -- in order to keep up U.S. support -- --

The President. No.

Q. Do you care if the networks broadcast it, or would you -- --

The President. No, I'd welcome it. Nobody could stay awake through that, honestly. He's had plenty of exposure here. Networks have been extraordinarily fair in giving him a lot of coverage. I have no problem with that. But what he has to understand is, under our system -- and who better than you all know it -- government can't mandate television time for him. But I have no problem with that. The American people know that the world has acted in concert against this man, so there is very little he can say. He reiterated his view yesterday, and then somebody here, I think, referred to an escalated statement by him. So, I have no problems with that.

And you'll notice I'm not heightening the rhetorical output. And I'm just kind of saying this is the way it is, and not try to elevate it. People ought to analyze carefully the statement that I made to

the Iraqi people, which was preceded by about 20 minutes, I am told, on Iraqi television of people downgrading it before it was even played. And then afterward, the mobs that had been rented for the occasion were dancing around in the street criticizing on their way to their destinations before they even heard what I had to say.

So, we've got a different approach. All I'm doing is reiterating the goals here, and I'm going to continue to do that. And I think it's important that people around the world know we are not shifting our position here. It's steady. It's not highly rhetorical. And the tape that I ask that you look at was very measured in the message to the Iraqi people, and I like to feel that it made some impression. We've had a couple of reports that were right favorable on that, and then some that said it didn't get much mileage.

Q. Mr. President, also in that speech last night, Saddam Hussein said Iraq would not retreat from Kuwait, that Iraq was prepared to fight a long war to a final victory. You say that the U.S. cannot let the Iraqi aggression stand. Isn't that a formula for armed conflict? Isn't that inevitable at this point?

The President. It's not I that says it, Jim [Jim Miklaszewski, NBC News]. It's the United Nations. It's every country on the Security Council. It is steadfast world opinion that says it. See, I don't want to make it Saddam Hussein versus the United States. You've asked a question -- --

Q. Well, that's -- --

The President. Wait, may I finish? You've asked a question that puts it in his context. That's not the context. It is the whole world versus Saddam Hussein. And so, he can reiterate his views. He can say what he thinks. And every time he says, it he puts himself in direct contravention of international law.

Q. But given the allied commitment not to let the Iraqi aggression stand and his commitment not to retreat, doesn't that make armed conflict inevitable at this point?

The President. No, because, as I said, the first major pressure to get him out will come from a tight economic embargo. Now, my goal is to see that it's very tight, and I know everybody that's a part of it will do the same thing. So, we have to see how effective that can be.

You know, the man's changed position. We saw, after losing hundreds of thousands of lives, a total retreat and withdrawal, giving the Iranians everything that the Iraqis fought for. And so, maybe he'll sober up here.

But he's standing against -- I just keep wanting to make the point when the question is put that it's me versus Saddam Hussein: Wait a minute, it's the whole world. It is the Security Council of the U.N. and all that. I don't mean to be contentious here, but I have to keep making that point

because he's trying to make the point that it is simply the United States versus the Arab world, when the whole majority of the Arab League supports us.

Q. Mr. President, on the sanctions and embargo: There are reports today that a number of heavily loaded oil tankers have left port in Iraq, presumably heading for Iran. Is Iran going to abide by the U.N. embargo, or have they struck a secret deal?

The President. One, as of 8 this morning, I had no evidence that these three tankers -- and there were three, I believe -- were heading for Iran. There were some rumors that they were. Two, on your broader part of your question, so far it appears to me that Iran is doing what Iran said it would do -- supporting the sanctions. There may be some leakage in terms of food across the border, but generally speaking, it looks like Iran is doing what Iran has represented to a lot of countries that they would do, and that is to apply the sanctions. They also have taken an open position that they would not permit shipping, albeit from any country, to use their territorial waters. So, I saw some speculation earlier that those tankers might do that, but I still believe -- reserving the right to change my opinion -- but I still believe that Iran is doing what it has indicated to the world community it would do.

Federal Budget Negotiations

Q. On the budget, you spelled out several tests that any budget agreement should reach. In your opinion, does Senator Dole's proposal to separate capital gains out of any final budget package pass or fail your test?

The President. Look, we're down to the wire, and I believe that's all being discussed right now, so I would just leave you with the broad principles. Bob Dole was trying to be helpful and trying to get this impasse broken. And I'd rather not, while we have our three negotiators sitting with the congressional negotiating team, go into more specifics than I made in that opening general statement.

Q. But you issued something last November very similar, calling for capital gains to be taken up separately from the budget reconciliation process. Why shouldn't you pursue that separate track system now?

The President. Well, I want to get a capital gains -- nobody thinks I'm ``soft'' on capital gains.

Q. But he's calling for it to be taken up separately.

The President. Well, I want to get capital gains. I'm not endorsing the Dole suggestion, nor would it be appropriate for me to criticize it.

Q. But are you ready to compromise?

The President. Hey, you got to go talk to my negotiators. If I were negotiating with you, why, I'd tell you. But I'm not; I'm negotiating with the Hill.

Last one, Lesley [Lesley Stahl, CBS News], then I've got to go.

Persian Gulf Crisis

Q. Saddam Hussein's speech last night -- he was in his military uniform for the first time since this began, and he was more militaristic. How concerned are you -- you've been talking about terrorism -- that he has shifted now; that he is, in fact, in a more militaristic mood and that he might miscalculate? You seem to be suggesting that he's changed, he's ratcheting up.

The President. I'm glad you phrased it that way. I don't think he's ratcheting up; I think he's hunkering down. And I say that from the way his forces are deployed. But if you're suggesting ratcheting up to attack the allied forces there, I don't believe so.

Q. Terrorism?

The President. Terrorism concerns me, and it will continue to concern me. And I will hold him, as will our allies, directly responsible for terrorist acts. But I'm glad you raised that, because I don't have the intention of suggesting that he is getting more bellicose. You know, Jim asked about his comments, and we analyze all those things, but it's really a reiteration of a very unpopular position. But as these economic sanctions work, I expect you might see more heated rhetoric from him. As the sanctions start grabbing ahold, it would not surprise me if he had to resort to this kind of flamboyant rhetoric in order to keep his public opinion behind him. And public opinion could shift. I don't know where it really is in Iraq, but it could certainly dramatically shift if they see that his policy of invading a neighboring country has brought hardship on every citizen in Iraq. So, I am watching that very carefully, and I think it is something we ought to -- I got to go.

Q. World financial leaders are meeting here this weekend, and over the next week -- --

Q. The question is time. Can the -- --

The President. Let me just finish this one. I can't help you on time. I've said that over and over again. I just can't help you.

Q. But, Mr. President, do you think the embargo will have effect before Saddam destroys Kuwait and -- --

The President. That worries me -- the dismantling of Kuwait. But we're watching that carefully, and again, I can't give you an answer to that question, nor can anybody else. But you've raised a

good point, because there seems to be a systematic dismantling of Kuwait that does violence to the rights of every single Kuwaiti, but also sends a signal that he is trying to incorporate Kuwait into a kind of a piece of territory of Iraq, which he's already stated. He claims it, but now he's trying to do this. This is another ingredient that we're weighing.

Q. So, who blinks?

Q. Please, Mr. President.

The President. Yes.

Federal Budget Negotiations

Q. World financial leaders are meeting here this weekend and -- --

The President. True. This weekend.

Q. -- -- and next week to decide the course of interest-rate policy and inflation policy and dollar outlook amidst the crisis. What would you want to steer them towards -- growth or anti-inflation -- as they try to decide -- --

The President. I'd want to tell them that we're getting a budget agreement. We're going to have a sound budget agreement. And I'd like to say -- before they leave town, I'd love to think we had such a budget agreement that every financial leader from around the world would see was serious and real in terms of getting the budget deficit down. And that is the very best thing that the United States can do. It's the best signal it can send to the Third World, to every country that's plagued by interest rates that are higher than they ought to be because of the interest rates in the United States.

So, my message, I think, would be: We're working hard to get this budget deficit down. And I think if we're successful when they're here it would make a very successful visit by these financial leaders to the IMF and World Bank.

Thank you all very much.

Note: The President's 61st news conference began at 3:03 p.m. at the South Portico of the White House.

Statement by Deputy Press Secretary Popadiuk on United States Military Assistance to Saudi Arabia

September 21, 1990

The United States has a close and valued relationship with its longtime friend Saudi Arabia. It was in the spirit of this relationship that the United States responded favorably to King Fahd's request that we send troops to the Kingdom to deter and, if need be, help defend Saudi Arabia against an attack by Iraq.

Providing Saudi Arabia with improved ability to defend itself is another important element of this relationship. For more than a decade, the United States has made available to the Kingdom defense articles and services. Consistent with this policy and in response to the current threat, the administration recently provided Saudi Arabia equipment on an emergency basis.

Following consultations with the Saudi Government and the Congress, the administration has determined that it is in the interest of the United States to provide Saudi Arabia with additional means to protect itself. Following our consultation with Congress, we will provide this assistance in phases. The specific items to be provided in the first phase are still being determined and will encompass equipment and training requiring early action. This request will be sent to the Congress early next week. Those items that do not require expedited review will be submitted to the Congress early in the new year.

In both cases, we believe that it is essential that the United States be able and willing to provide the Saudi Arabian Armed Forces with the weapons and training it needs to deter and defend itself against aggression. Such support constitutes a key dimension of our overall strategy toward the Persian Gulf and could serve as well to protect American lives.

Remarks at a Fundraising Breakfast for District of Columbia Mayoral Candidate Maurice Turner

September 24, 1990

Thank you all very much. I am delighted to be here with all of you. What a magnificent turnout in support of Chief Turner.

I first want to say that I'm proud to be back, side by side, with Wally Ganzi, a tireless worker for things he believes in and people he believes in. He is the finance chairman of this campaign. And I expect, Chief, that we agree on this and many other things, but we couldn't have a better man in our corner than Wally Ganzi. Thank you.

I want to thank Pastor Brown for his comments and opening prayer. Of course, I believe the Chief is very lucky to have such a distinguished lady as Florence Booker as his campaign chairman. I think it sends a wonderful signal. And to Harry Singleton here, our candidate for DC Delegate, my very best wishes to you. Best of luck in the race coming up. And to Julie Finley, the same -- running hard for a seat on the city council. Julie, good luck to you.

Chief, I bring you greetings from People magazine's cover girl this week, Barbara Bush. [Laughter] She'd have been here in an instant, but she's getting ready to head up to New York. But she sends her love and her warm, best wishes. And she is with you all the way, too.

I wanted to come over here today and tell you that for me -- and I go back with the Chief some time -- it is a distinct pleasure to be with you to join in supporting a candidate who can do so much for the District of Columbia; and he is my friend, the Chief, Maurice Turner. We're here this morning to show our support for a man who has given all his adult life to a particular phase -- a very important one -- of public service: as a proud member of the United States Marines, as a 32-year veteran who worked his way up through the ranks of the DC police force to serve 8 years as chief of police. And now he's going to be the next Mayor of Washington, DC.

You heard what he said about the precincts, and that's the truth: He's been out on the streets of Washington, walking the beat, if you will, speaking to the people of this city, and listening to them talk about the kind of leadership that they're looking for. He tells me that since April he's walked about half the city, from Anacostia to Wisconsin Avenue, and in the process, he's lost 35 pounds. [Laughter] But he's gained the fighting edge that he needs to boost this underdog over the top and into the Mayor's office. He'll do anything to get this job done in terms of hard work.

I'd like to ask the voters here to listen to the cops that he's worked with -- those that are protecting us every single day -- the neighbors who know him, those who know his family. They call him tough, honest, concerned, committed, competent. Well, come November 6th, that's just one thing

more I'd like to call him, and that is Mayor.

Maurice has been a fighter from the early days back on Girard Street -- a boy his father nicknamed ``Little Joe Louis," whose friends and family still call him Joe today. And just like Joe Louis, he's got a strong message for the criminals who create a climate of fear and the drug dealers who prey on our kids: You can run, but you cannot hide. That's his message, and that's one we need to hear over and over again.

No one's tougher on crime and drugs. Then, on the other hand, no one is more concerned about our children -- their safety and their schools. And no one's more dead set on getting the deadwood out of city government and providing leadership to help heal Washington, to help this city hope again.

You know, Maurice Turner knows what it is to take pride in being a citizen of our Nation's Capital. He knows how much it hurts to see a city pulled down -- from the plague of crime and crack on the streets right up to the crisis of confidence that grips the District Building. That's why it is time for a change: time to put Chief Turner in charge of the whole city.

Maurice Turner knows this city inside out, not just the Washington of monuments and marble, not the cruel Washington the world sees on the 6 o'clock news, but the Washington of neighborhoods, of communities, of churches, of solid citizens and strong values -- a Washington full of life and hope and opportunity for everyone who calls this city home. That's the Washington that Maurice Turner comes from, and it's the Washington he'll fight to keep alive and flourishing. So, I ask every one of you to keep working hard for him, and I ask hard-working Washingtonians to give him your vote. Help Maurice Turner turn this city around.

One thing more -- a message to all Washingtonians as you get ready to go to the polls on November 6th. This past year, everywhere from streets and squares of Eastern Europe now to the sands of Saudi Arabia, we've learned a powerful lesson about the risks people are willing to take to win freedom and keep it. I urge every citizen in the District of Columbia to get out and vote. Do not take democracy for granted. Go to the polls and exercise your precious right and vote for the candidate of your choice. If you take a little advice from all of us here today, vote for Maurice Turner. He's going to get the job done.

I know these are very trying times for our country. They're trying times internationally. They're trying times certainly on the many domestic fronts that come together to represent the entirety of the United States of America. I mentioned this out campaigning the other day across the country. I am proud that the country has come together in the spirit of former Senator Vandenberg, certainly when it comes to support for what we are trying to do in rolling back aggression in the Middle East. The country is united, transcending political ideology, liberal or conservative; transcending party, Republican, Democrat, or even independent -- everybody pulling together. But we must not neglect the domestic agenda. We're coming up into an election cycle. I think it is

beholden on those who hold office to get out and say what they think.

So, when Maurice Turner invited me to come here today, I accepted before he could change his mind -- [laughter] -- because I want to see this good, decent, honorable man the next Mayor of Washington, DC. Thank you all for what you're doing to support him. Good luck, and God bless you all.

Note: The President spoke at 8:26 a.m. in the Grand Ballroom at the Mayflower Hotel.

Remarks Following Discussions With State President F.W. de Klerk of South Africa

September 24, 1990

President Bush. To our friends from South Africa, once again, welcome to the White House. We've just come from an extraordinarily useful meeting. President de Klerk and I have conversed on the phone several times in the past, but it was a great pleasure to hold this face-to-face meeting with the first South African leader to visit the United States in more than 40 years.

President de Klerk described for me in detail what he is trying to accomplish in South Africa: the process of ending apartheid and negotiating a new political reality for all. We talked of this very promising, sometimes difficult situation, especially the recent violence. And I think all Americans recognize that President de Klerk is courageously trying to change things. After all, we have seen in other parts of the world the culture of political violence overwhelm the culture of dialog, and this must not happen to South Africa. The Government has a special responsibility to maintain order, but all political parties and groups have a special responsibility to support the process of peaceful transition.

One thing is apparent in this process of change: The move away from apartheid toward a new political reality is indeed irreversible. And much has already happened. Leading political figures, including Nelson Mandela, have been released from prison. The Government and the ANC, the African National Congress, have reached an agreement on a plan for the release of the remaining political prisoners. Political organizations banned for years are now free to conduct peaceful political activities, and restraints on the media have largely been removed. A framework has been agreed to, between the ANC and the Government, to lead to negotiations over the political future of the country. Other groups are invited to join in. Except for the beleaguered Natal, the nationwide state of emergency has been lifted through the country.

Who among us only a year ago would have anticipated these remarkable developments? Clearly, the time has come to encourage and assist the emerging new South Africa. The United States clearly endorses the principle of constitutional democratic government in South Africa, and I'm here to tell you that I have enormous respect for what President de Klerk and Nelson Mandela are trying to achieve together in pursuit of this principle. And it is not simply this President -- I believe, sir, it's the entire American people that feel that way.

South Africa needs a constitutional system based on regular and free elections with universal suffrage, a civil society where authority is responsible in every sense of the word. South Africa needs an unvarying respect for human rights and equal opportunity for all its citizens. And we also would like to see an economic system that's based on freedom and individual initiative and market forces. We believe that only a society that opens equal opportunity to all can remedy the social and economic deprivations inflicted on so many people for so many years by apartheid.

And President de Klerk agrees with this principle of equal opportunity for all.

And it is in such a context that the issue of sanctions often arises. Although our meetings today were not about sanctions, obviously, we discussed it; the topic did come up. And let me just say a quick word. As I stated, we believe the process of change in South Africa is irreversible, a fact that we'll bear squarely in mind as we consider specific issues in the future. Our goal must be to support the process of change, and of course, I will consult fully with the Congress on these issues. And as you know, all the conditions set in our legislation have not yet been made, in spite of the dramatic progress that we salute here today. But let me emphasize that these conditions are clear-cut and are not open to reinterpretation, and I do not believe in moving the goalposts.

Finally, we will be in touch with our traditional allies in Western Europe and elsewhere on what we can do to help build democracy in South Africa. It is only in this way that South Africa can again be fully accepted into the wider international community.

Apartheid has long hindered South Africa from within, depriving it of the talent and very dreams of millions of men and women. Little wonder then that the end of apartheid holds the promise of unleashing the creative energies of the restless millions, and that's why the end of apartheid can really mean the beginning of a greater South Africa.

Mr. President, if you're successful in this effort, South Africa around the world will become a beloved country not for one people but for all. And for that -- your efforts, your courage -- you leave with our gratitude, our appreciation, and a hearty Godspeed. Good luck to you, sir, in this wonderful endeavor. We're pleased you're here, very pleased, indeed.

President de Klerk. Mr. President, ladies and gentlemen, may I, at the outset, also say publicly how appreciative we are of the very kind reception which we have had here in the United States of America. For us it is, indeed, an historical occasion for me to be the first State President ever to visit the shores of America from South Africa.

From the moment we set foot here, we've been overwhelmed with friendliness. And in particular, Mr. President, I want to thank you for the very frank, very open, and very fruitful discussions which we were able to have today for over 2 hours.

I want to say, Mr. President, that from the people of South Africa I bring a message, a message of recognition for the awesome responsibility which rests upon your shoulders in the handling of the very difficult situation in the Gulf. We admire you for the strong leadership which you have shown, and South Africa has fully identified itself with that leadership. You can count on us, as we have publicly stated, to support the steps you have taken to assure that democracy and that the political process of dialog and the political process of keeping all channels open will also be maintained in that part of the world. We will support you, sir, in the very definite steps you have taken to assure that the unacceptable form of aggression which manifested itself there will be

withstood; and South Africa will play its part in that regard. We wish you well in handling this awesome and tremendous responsibility.

Mr. President, I want to thank you for the acknowledgment of the new reality which exists in South Africa. There is, indeed, as you have stated, sir, a new reality; and the process in South Africa is indeed an irreversible one. There will be negotiations, and from those negotiations there will come about a new constitutional situation, a new constitution which will offer full political rights within the framework of internationally acceptable definitions of what democracy really is.

There will be a vote of equal value to all South Africans. There will be effective protection of the very values which you in the United States of America hold so dearly: values such as an independent judiciary; such as effective protection of the rights of the individual in the form of a bill of rights, of checks and balances to prevent the abuse of majority power to the detriment or suppression of minorities and smaller communities. There will be in South Africa the protection of fundamental values with regard to the assurance of an economic system which will create sufficient growth to meet the tremendous challenges which we face in the field of addressing the problems of poverty and illiteracy and housing and urbanization.

There will be in South Africa -- the process is irreversible -- through negotiation a new constitutional and economic dispensation which will offer equal opportunities and full democratic rights to all its people. In that sense of the word, the international community can rely on us. We will not turn back. The fact, sir, that you have today given recognition to this fact will serve as inspiration to us. We stand on the threshold of a tremendously exciting period in the history of our country. We are adamant to use the window of opportunity which history has given us to assure that we will bring about a new and just South Africa.

In that process, the Government of South Africa won't be acting unilaterally. Our goal is to bring about this fundamental change, to bring about this new and just South Africa, on the basis of building and achieving a broad consensus between all the leaders with proven constituencies, whether they be large or small, in South Africa.

We are making headway with that. There are some stumbling blocks in the way. We have a problem of volatility to deal with which sometimes erupts into violent situations which are totally unacceptable. We've taken steps in an impartial manner, through the use of our security forces, curbed the violence. We are as anxious as you are, sir, that we should move as soon as possible to a situation where also in the Province of Natal the state of emergency can be lifted and where the political process in South Africa can be fully normalized. We've already taken great steps in that direction.

I view, Mr. President, today as an important moment where real progress has been attained in normalizing our country's situation with regard to the international community. You, sir -- as leader of the strongest country in the world, economically speaking and militarily speaking --

your acknowledgment of the progress which we have made and your encouragement with regard to the progress which we are committed to make in the future is, for us, extremely important.

I thank you for the warm reception. And I look beyond the immediate problems and the historical problems, forward also to the day when South Africa, the new South Africa, with a new constitution and a new government, will, together with the United States of America and other important powers -- being one of the strongest regional powers in the Southern Hemisphere, being the hope of the rebuilding of prosperity and opportunity for almost the whole continent of Africa -- where South Africa will, by taking hands as we are now already doing with you and with others, will play a constructive role in ensuring stability on the globe, in ensuring that the vision which we share with you of peace between all countries -- where we can make a contribution to ensure that that vision will also become reality.

We wish you, sir, and the American people everything of the best. We invite you to play the constructive role which you have spelled out here today. South Africa is going to overcome its problems. South Africa will become once again a proud member of the international community. And South Africa will be a trustworthy friend of the United States of America in maintaining the very values on which your system is built.

My country, ladies and gentlemen, today finds itself in step, in step with the basic value systems of this great country, the United States of America. And we say to you, sir, thank you for a kind reception. Everything of the best in your endeavors to assure global peace. You will not find South Africa lacking in support when you need it.

Note: President Bush spoke at 1:30 p.m. at the South Portico of the White House. In his remarks, he referred to Nelson Mandela, African National Congress leader. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and South African officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Remarks and a Question-and-Answer Session at a White House Briefing for Representatives of the Arab-American Community

September 24, 1990

The President. Welcome to the White House. Thank you very, very much. First, let me thank Richard and Paul. I've been doing a little homework listening -- hey, Bill -- listening to your questions and saying, thank God I don't have to answer any of them, because I'm -- [laughter] -- but I'm here to just make a few comments. And I want to start by thanking both the gentlemen that are behind me here, and those with whom they work -- in Richard's case, Brent Scowcroft; in Paul's case, Secretary Cheney -- and all the team that we have. But these two individuals have worked night and day during this series of events that are called on the evening news, and properly so, the Gulf crisis. So, to both of you, my sincere thanks. And this one over, too, here that some of you know, John Sununu. He's been concentrating a lot on trying to do something about the budget deficit, and the same time being at my side as we cope with the problems in the Gulf. So, all three have been extraordinarily busy, as I know you have. But I want to welcome you to the White House -- a pleasure to see so many distinguished leaders of the Arab-American community here.

I'm told that Congressman Nick Rahall is here. Nick, where are you? Oops, way back there -- modestly sitting in the back. I don't understand that, but he ought to be in the front row because he's of good conscience and he helps me understand the heartbeat in some of these Arab communities, and certainly in the Arab-American community. And I'm grateful to him that he took the time to be with us today.

I'm going to keep my remarks brief because in the words of the famous Arab-American poet, Kahlil Gibran, ``We shall never understand one another until we reduce the language to seven words." Well, I've got a few more than seven words, so please indulge me. But I won't keep you too long.

I am honored that you could be with us to discuss the vital issue of our collective security, both abroad and at home. And I understand that you've had a good briefing. I heard a couple, and I don't know whether you've had others as well, but those were good on the situation in the Gulf. I've never seen an issue, certainly since I've been President, that just pervaded the thoughts of everybody in our country. You, more than most, I think, understand what's at stake here. And our action in the Gulf is not about religion, nor is it about greed or culture or imperialist ambitions, as Saddam Hussein would have the world believe. Our action in the Gulf is about our determination to stand up with other nations against aggression, and to preserve the sovereignty of nations. It is about keeping our word and standing by our friends. It is about our vital national security interests and ensuring peace and stability in the world. So, to sum it up: It is about principle.

Our objectives remain clear: Iraq must withdraw from Kuwait completely, immediately, and without condition; Kuwait's legitimate government must be restored; the security and stability of the Persian Gulf assured; and American citizens abroad must be protected. And finally, a fifth objective can emerge from these: a new world order in which the nations of the world, East and West, North and South, can prosper and live together.

The extent of world cooperation in condemning Saddam Hussein is literally unprecedented. The concept of burden-sharing is gaining acceptance with our allies and with our friends -- from Britain and France to Germany, Japan, and the Arab world -- contributing troops and supplies and economic assistance to those countries affected by the economic blockade. In fact, since Saddam Hussein's unprovoked attack on Kuwait, more than 20 countries have answered the call for help from the Gulf nations to provide defensive assistance against Iraq. And indeed, Iraq stands alone against the world community. Over and over again, Saddam Hussein has attempted to make this the Arab world against the United States. You've heard it over and over and over again. And that lie is not going to be perpetuated. It simply is not true. We are joined with many others around the world. Iraq stands alone against the world community. The United Nations Security Council has strongly condemned Saddam Hussein's actions no less than seven times. Active consideration going on for another resolution right now. United against aggression, the world community is working to resolve the crisis peacefully.

We must also resist his attempt -- Saddam Hussein's attempt -- to link the Iraqi invasion with other conflicts. There are other regional conflicts, and they're serious, and they've got to be solved. And we've got to do our level best to be catalysts for the solution. But we are going to resist his attempts to justify what he did based on other regional concerns. So, I think these are merely, on his part, an effort to create additional pretexts so that he can stay in Kuwait. And I'll guarantee I'm not going to be distracted by this. Once the Gulf crisis is on its way to resolution, of course, we want to go forward with the peace process. And our position is clear and consistent, calling -- I heard your questions and I understand where you're coming from. And I agree with much of what I thought was being said here -- certainly agree with what our people here have told you. But our position is clear, calling for negotiations based on these two resolutions. And these negotiations have got to involve territory for peace, security, recognition for Israel, and legitimate political rights for the Palestinians.

As I said before, we have no quarrel with the people of Iraq either. Our mission is to oppose the invasion ordered by Saddam Hussein. As you well know, love of justice and respect and dignity are principles as deeply embedded in the Arab tradition as they are in the whole Western tradition -- no question about that. And these are qualities embodied in the 2\1/2\ million Americans of Arab descent, with origins from Morocco to the Arabian Peninsula. Just like so many who have come to America, Arab immigrants pursued new beginnings. And they came in search of freedom and justice and equality. Unfortunately, today -- I'm glad the media are here because I want this message to go out beyond this room -- today some Americans are the victims of appalling acts of hatred. And this is a sad irony that while our brave soldiers fight aggression overseas, a few

hatemongers here at home are perpetrating their own brand of cowardly aggression. Death threats, physical attacks, vandalism, religious violence, and discrimination against Arab-Americans must end.

These hate crimes have no place in a free society and we're not going to stand for them. I've been appalled by reports from some of you, friends of mine, here in this room -- by reports of discrimination against Arab-Americans. And I condemn such acts, and I will continue to condemn them. This administration has supported enactment of the hate crimes legislation because bigotry and hate still do exist in this country. And hate breeds violence, threatening the security of our entire society. As I said when I signed the bill, all Americans must join together to rid our communities of the poison of prejudice, bias, and discrimination.

America is home to millions of Moslems who are free to live, work, and worship in accord with the traditions and teachings of Islam. Similarly, America is also home to the millions of Christians and Jews, also free to live, work, and worship. And surely the multinational troops -- men and women of every religion and color -- who are now on duty in the glare of the desert sun are an example to us right here at home. They prove that a crisis abroad is no excuse for discrimination at home. As we reflect on our ongoing commitment in the Gulf, we should remember an old Arab proverb: God is with those who persevere. With God's help, we shall persevere, and we shall prevail. And I'm very proud to have all of you here today. Thank you.

I have a signing ceremony out there on the South Lawn at 3:30. Let me just take a couple of questions here to get a random feel of what's on you all's mind. [Laughter]

Persian Gulf Crisis

Q. I'm Dr. Mansour. I'm with the American Iraqi Foundation. Mr. President, you are a strong and successful advocate of direct dialog between parties in conflict in crisis situations. We saw your skill in influencing President Gorbachev to abandon plans for economic sanctions and military actions against the Lithuanian people during their struggle for independence earlier this year. You were instrumental in bringing about a peaceful resolution to that crisis by encouraging Mr. Gorbachev to have direct negotiations with the Lithuanian leadership. Mr. President, why don't we apply this same successful strategy to the current conflict and have a direct dialog with the Iraq leadership in order to bring about a peaceful resolution to this crisis?

The President. Dr. Mansour, it's a good point, and I think the United States should always be willing to talk. But the United Nations has acted in concert. There can be no negotiation in terms of the criteria set down. We can't talk about dividing up Kuwait, or elections not restoring the leaders, or occupying -- permitting this aggression to stand in any way. Eventually, we may do this. But what you've heard is reiteration over and over again from this dictator that they'll never withdraw and all of that. So, I think it's going to take a little time before there can be any fruitful and serious negotiations. Others have tried. You've seen people calling for ``an Arab solution,"

and that's fine. But they have failed, because each time they've tried to do that, whether it's King Hussein [of Jordan] or whether it's [President] Salih of Yemen or whoever else has stepped up to the plate, they have struck out because of this man's insistence on remaining in Kuwait. So, maybe it will come about.

I appreciate what you've said about the fact that sometimes negotiations can bring things forward. We want a peaceful solution, but we don't want to do it and undermine -- and I won't do it and undermine the solid consensus that exists in the world. We're not going to yield 1 inch on those provisions that I spelled out, sir.

Q. We are the foundation, and we are ready to have our offices extend -- to have a direct dialog between the administration here and the leadership in Iraq. We are ready to take this opportunity with your approval.

The President. You've got my approval if you can succeed without giving on these important points. I mean, that is the thing. I think the Iraqi people would welcome that. I know the American people would welcome it. I know all other 19 countries in the Gulf would welcome it. And I know a hundred jillion members of the United Nations would welcome it. But we cannot give at this junction. We're not going to do that.

Right here, and then over here. Thank you, Dr. Mansour.

Q. In the name of God, I thank you very much that you allow me to speak, Mr. President. I just want to bring four points to your notice. One is, as -- [inaudible] -- we condemn the aggression and annexation of Kuwait in no uncertain terms. And number two, as Moslems, we also object to Saudi Arabia inviting the foreign troops to our land. Number three is, what are you defending now? The oil interest has already been defended, the Saudi Arabia has already been defended, and if you are defending to put a sultan on the throne, I think it is not comparable to the high ideals of democracy elsewhere in the world.

In Eastern Europe you wanted democracy. We want democracy in Russia. But according to Random House, as of today, 60 percent of all population enjoys the freedom to elect their own governments. Only 40 percent of the people of the world do not enjoy the freedom. And who are those 2 billion people? One billion are Chinese, and the other billion are Moslems from Morocco to Malaysia, because they are under the thumb of their monarchs and dictators because they rule by their fear and fraud, conceit and coercion, and tyranny and terror. So, if they object to put the Sultan back to the throne, I think it is not ideal for a big office like the President of the United States.

The President. The objective is to see that naked aggression does not pay off, sir. That's what the objective is, and that's why we are going to stay with that position and we're not going to permit this. Iraq is no model of democracy, nor was Kuwait. That isn't the question here. The question is

international law and respect for one's neighbor.

Q. What I urge you, Mr. President, is to have justice and equality and peace. There should be no double standard there.

The President. That's what I'm for.

Q. There has to be a negotiated settlement -- --

The President. No negotiations. Withdrawal totally from Kuwait.

Q. But the Palestinians should also have a right -- --

The President. Yeah, two over here, and I've got to go. I've got a meeting out there on the South Lawn at 3:30. I'm going to be in serious trouble. Right here. Yes, sir.

Q. Mr. President, I'm Woodward W. Woody, from Detroit. I have a proposal that will be a blessing to mankind and solve the Middle East problem.

The President. Let's hear it. Quick. [Laughter] We need it.

Q. Solve the Arab-Israeli conflict tenaciously by implementing pressure on both Israel and Iraq to relinquish their occupied territories in exchange for a trade and defense treaty with the United States. Then offer the same trade and defense treaty to other deserving Arab States. Since there would be no remaining cause for belligerency from either side, hopefully peaceful coexistence may be accomplished permanently. Israel knows that time and 150 million Arabs are against them. I have a letter to you -- --

The President. Send it over, yes. It's got some interesting points. But first, we've got to take care of the situation that exists right now because of naked aggression, one country against another. That cannot be permitted to stand. We have been trying to be involved in the other process. You know that some territory has been given up. We want to see [United Nations Security Council Resolution] 242 implemented. But to permit Saddam Hussein to link these two questions and approve of his aggression that way -- I simply can't do that.

Q. Mr. President, my name is Saif Abdullah, and I'm from Kuwait. I thank you very much, sir. In response to this gentleman here, it is up to the Kuwaiti people to choose whether they want an amir or a sultan, and nobody impose anybody upon them.

The President. Good statement. Thank you, sir.

Last one. Listen, you guys are going to get me in trouble. [Laughter] One, two.

Q. My name is Donna Nassor -- --

The President. Donna.

Q. -- -- from the National Association of Arab Americans.

The President. Yes, ma'am.

Q. We thank you very much for inviting us here today and we hope -- and my question, really is to you -- will this be the first in a number of briefings that we will be able to have as Arab-Americans? Because we can help you, as you can help us -- --

The President. Donna, this isn't the first. Maybe for the first the organization. But I see people in this room that I have met with before. And I want to continue to do that. We've tried hard to do this. But I'd like to assure you that it will not be the last. We can argue whether it's the first, because I don't know how -- but no, I think you raise a very good point. I meant what I said in these prepared remarks about what I feel in my heart about what some of you all are going through because you happen to be Arab-Americans. It is simply not fair to lump the outrageous behavior of a dictator halfway around the world into how people are treated here at home.

There are plenty of other reasons to have meetings with you, but that's a good one right there. Sure, hand it over. Now, last one. Thank you.

Q. God bless you, Mr. President.

The President. Thank you, sir. Last word here. Thank you. Go ahead.

Q. Mr. President, my name is Abraham Lutfi, from Los Angeles. I'm from Iraq. I was born in Iraq. Mr. President, I am very concerned about the next President of Iraq who today is a child and today is cutting the food from him. If this young fellow is going to be malnourished and one day he has to sit down with the next President of the United States who will take your office, how he is going to deal with him? Can you please, from humanitarian point of view, let go with the food emergency? It is needed. And I do appreciate it. Thank you, Mr. President.

The President. Absolutely. But let me tell you this. The United Nations -- it's a very important point. This is a very important point. It includes Kuwait, it includes Iraq, it includes wherever food and little kids are going without nourishment. But the United Nations has addressed itself to this. And do you know what the response so far has been? The response has been that you cannot -- they will not permit any kind of distribution supervision to see that the food gets to the -- particularly a lot of Asians stranded there. I talked to one of the most distinguished citizens of the

world who has devoted a lot of his life to the refugee business. And he's just back, on behalf of Perez de Cuellar, from surveying the situation. And what he was told is that the Asians particularly who are suffering the most -- I'm talking about Filipinos, I'm talking about Bangladeshis and Indians and people -- they're the ones who are hurting the most because of Saddam Hussein's refusal to permit what the United Nations has called for.

But look, every American, all of us here, must have our concerns out there for the women and the children and all these others. I am much less interested in feeding Saddam Hussein's army at this point. But we want to get the food to those that need it. And that includes refugees that aren't Iraqi citizens. They're hurting the most. These were the poorest of the poor that had jobs there in Kuwait. And now they're being thrown out with -- and the message is coming through -- well, you people in Pakistan, you people in India, you people in Bangladesh, feed your own people. We're going to take care of Iraq.

All he has to do is agree to what the world has called for -- international supervision. And the United States and others would stand at the ready to help. We're standing at the ready to help anyway. But this is a matter of international law now under the sanctions. So, he can't violate that. You must use your influence, if anyone has any with him.

Q. -- -- the American Iraqi Foundation. Can we supervise it?

The President. That would be great if we can get that done, yes.

Lebanon

Q. One question about Lebanon, please.

The President. Shoot.

Q. Very short. [Laughter] We in the National Alliance of Lebanese Americans applaud and support the lead our government has taken in responding to the Iraqi aggression against Kuwait. In fact, our government has taken every action against Iraq that we have been urging should be taken against Syria for its similar action in Lebanon. Syria is now apparently allied with our government and others against Iraq. This disturbs us greatly, unless our government has some plan to use its newfound leverage on Syria to cause Hafiz Assad to conform to the norms of civilized behavior that we are attempting to enforce against Saddam Hussein.

This is the question: What is our plan to make Syria conform? And if there is no plan, doesn't our alliance with Syria compromise our moral position in the worldwide effort against Iraq?

The President. This thing is so complex over there that it's pretty hard to give you a definitive answer. Out of this, though, there could well be a new world order. And part of that must be the

peaceful resolution of the division of Lebanon. I've been there; I've worked there years ago. And I'm old enough -- you're too young, but I'm old enough -- no, you're not too young, but she is -- [laughter] -- no, seriously, to remember Lebanon as the peaceful crossroad. It didn't matter what was going on in the rest of the world; commerce survived, people got along one with the other, different religions and different ways of life all thriving there.

We want to help on that. I've been frustrated. One of the great frustrations of my job, as John Sununu can tell you from sitting there and listening to me wring my hands all the time, is my inability to have helped bring peace to the Lebanon. And Syria does have a key role. And I hope out of this that we can use this new world order, if you will, that might emerge if we all stay together to be catalysts for peace in the Lebanon. That's why I came back here, because you struck a chord that I really feel strongly about. And so, I would hope that that and many other things that are happening over there would result in the solution to these problems that have escaped us for so many years.

Listen, I do have to go. And thank you all very, very much.

Note: President Bush spoke at 3:11 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Richard N. Haass, Special Assistant to the President for National Security Affairs; Under Secretary of Defense Paul B. Wolfowitz; Brent Scowcroft, Assistant to the President for National Security Affairs; Secretary of Defense Richard B. Cheney; John H. Sununu, Chief of Staff to the President; President Saddam Hussein of Iraq; Javier Perez de Cuellar de la Guerra, United Nations Secretary-General; and President Hafiz al-Assad of Syria.

Remarks on Signing the National Hispanic Heritage Month Proclamation and the Educational Excellence for Hispanic Americans Executive Order

September 24, 1990

Thank you all, and welcome to the White House Lawn on this spectacular fall day. It is wonderful to have Secretary Lauro Cavazos standing here next to me, a man who is bringing purpose and dedication to one of the toughest and most vital jobs in our administration and in our country, Secretary of Education. And welcome also to another you know well, the Secretary of the Interior, Manuel Lujan, who's doing a great job heading a Department which is crucial to both the economic growth and the beauty of this nation. Thank you, Manuel, for what you're doing. And I'd like to honor all of the Hispanic American appointees of my administration who are here with us today. Congratulations and my thanks to all of you for what you're doing. We appreciate it very, very much.

And I want to salute the Members of Congress who are with us today and ask them to stand if they would -- honored -- the delegation right over here. Thank you guys for being with us -- appreciate it very much. Chairman, thank you.

I was going to salute our own son and his wife, Columba, but I don't see them here. So -- oops, they're missing in action somewhere.

And, well, all of our special guests, and especially so many Hispanic leaders who have given me their guidance and valued input on so many critical issues, thank you for your generosity and that true, true friendship of your greeting here today. There's one other I've got to single out, and that is my old friend Governor Don Luis Ferre, over here, from Puerto Rico. Stand up. What a guy; what a man! [Applause]

The one in our family who gets that kind of reception, Luis, is our author, Millie, the dog. [Laughter] But I told them out there in California that she's impossible to live with now that she's sold so many books. I gave her Alpo last night and she asked to see the wine list up there. [Laughter]

My friends, I'm delighted you're here. This is special, the chance to celebrate Hispanic Heritage Month. You know, America is often called a melting pot, but that doesn't mean that everyone and everything merge into some bland sameness. Rather, our country is a living tapestry. And to this rich identity, Hispanic Americans contribute the bright culture and vital traditions, making this nation a stronger nation and a better nation.

When Barbara and I were spending all of our time in Texas, we saw the wonderful Hispanic

communities which gave that State, the vibrant State, so much of its character. And you know, Jeb's wife, Columba, many of you know, is a Hispanic American. Just became a citizen of our country last year. And we cherish the wonderful richness that she and those grandchildren bring to our family. And I remember how very proud Barbara and I were when little Noelle and her mariachi group sang at the First Lady's luncheon during our inauguration. We thought we could never get them off stage; they went on and on and on. But it was our grandkid, and we were proud of her.

The Hispanic dedication to the dignity of life and to faith and to family and to freedom is an inspiration. These are the very principles on which this country was founded. And they're the ideals which have been interwoven into the strong, bright fabric of your traditions for generations. And they're ideals which enrich Hispanic lives today.

Over the past few months I've named many Hispanic individuals and groups as what I call the daily Points of Light, stars of strength and hope shining brightly in the American sky. And with us today are three of these recipients: Jesse Berain, of Boise, Idaho -- and where is he? Right here. Jess, good to see you. Representative from San Antonio's Project Amigos -- where are you all? Right over here. Thank you very much. And the Hispanic Employees Association of the Pacific Gas and Electric in Fresno, California, right here. Thank you for coming all that way, sir. But I single these out at the risk of embarrassment because they are doing so much to help in their communities. And that, of course, is an example to all of us.

One of the most important jobs any of us can do in our communities is reflected in the theme of this year's Hispanic Heritage Month: ``Education Excellence -- Key to Our Future.'' ``Education Excellence -- Key to Our Future.'' And you couldn't have made a better nor a more timely choice. It was Simon Bolivar who said, ``Nations move toward the pinnacle of their greatness in proportion to their education progress.'' We must see that education is the key to our future, to our identity as a nation, and to our very soul as a people.

Tragically, too many Hispanic Americans are not getting the kind of first-rate education they need and they deserve. And that must change. And we must work together. And we must start now.

Within 5 years, Hispanics will make up more than half the high school population in some major cities, such as Los Angeles. Within 10 years, 12 percent of all school-age children will be Hispanic. The group's median age is now 26. And in the next century, Hispanics will become the largest ethnic minority of our population.

And this means that youth is the key to the flourishing Hispanic community. Today, though, less than two-thirds of Hispanic young adults earn a high school diploma. We must find new strategies to boost graduation and literacy rates, strategies that really do get the job done, strategies that really work. We must figure out how to help these young people, how to equip

them with the tools to enter a nation and a world where technology advances so rapidly that literacy and analytical and technical skills are not luxuries but essentials.

We must help education to help Hispanic children enter the 21st century prepared to take their rightful place at the American table of opportunity. After all, yours is a history strong in education. In 1551, your Hispanic ancestors founded the first universities in the New World, 85 years before Harvard.

To ensure that Hispanic educational needs are met, last December I directed Secretary Cavazos to create this Hispanic Education Task Force. As a result of this task force's hearings, assessment, and reflections, I am pleased to announce that I will sign today the Executive order on educational excellence for Hispanic Americans. It is my fervent hope that this will ensure that Hispanic education is the priority it must be and will be.

This Executive order will create the President's Advisory Commission on Educational Excellence for Hispanic Americans. This group, made up of representatives of business, educational, and community organizations, will advise on how to improve efforts for quality education for Hispanic Americans. The order directs the Cabinet agencies to be actively involved in helping to advance educational opportunities for Hispanic Americans working with those serving the Hispanic community.

Secretary Cavazos will also join with the Governors from key States to develop criteria for a high school diploma for migrant workers, and Federal education programs will work to strengthen the involvement of parents and community groups in education.

But to be effective, we must make sure that at-risk Hispanic American children start school ready to learn. So, our Head Start program will intensify efforts to increase language development for preschool children.

I am excited about these and the other efforts we at the Federal level will be undertaking to give Hispanic Americans the kind of first-rate education they deserve. It's about time. There is much to do, and we must do it together. We can't afford to wait; we can't afford to waste a whole generation. And together let's answer the call: ``Let tomorrow begin today."

And so, it is with great pride and, I want to say, a sense of optimism that I proclaim this Hispanic Heritage Month and lift my pen to sign this Executive order.

God bless you all. And thank you very much for being part of this significant day. Thank you.

Note: The President spoke at 3:40 p.m. on the South Lawn of the White House. In his opening remarks, he referred to Representative E. de la Garza, chairman of the House Agriculture Committee. The proclamation and Executive order are listed in Appendix E at the end of this

volume.

Nomination of Robert A. Flaten To Be United States Ambassador to Rwanda

September 24, 1990

The President today announced his intention to nominate Robert A. Flaten, of Minnesota, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Rwanda. He would succeed Leonard H.O. Spearman, Sr.

Currently Mr. Flaten serves as the Director of the Office of Pakistan, Afghanistan, and Bangladesh Affairs at the Department of State of Washington, DC. Prior to this, he served as Deputy Chief of Mission at the U.S. Embassy in Tel Aviv, Israel, 1982 - 1986; Director of the Office of North African Affairs; and Deputy Assistant Secretary in the Bureau of Congressional Relations at the Department of State. In addition, Mr. Flaten has served in France, Pakistan, and Israel; and as a Foreign Service inspector and a legislative management officer at the Department of State.

Mr. Flaten received a bachelor of arts degree from St. Olaf College and a master's degree from George Washington University. He was born May 21, 1934, in Minneapolis, MN. Mr. Flaten served in the U.S. Air Force, 1956 - 1959. He is married, has four children, and resides in Arlington, VA.

Remarks on Signing the Message to the Senate Transmitting the Treaty on the Reunification of Germany

September 25, 1990

Mr. Ambassador, welcome to the White House, once again, sir. And, Secretary Baker, distinguished visitors here, I'm delighted to welcome all for this historic occasion.

In a few minutes I'll be signing a letter to the United States Senate asking its advice and consent to the ratification of the Treaty on the Final Settlement with Respect to Germany. This treaty is the culmination of 6 months of negotiation among its six signatories: two German states, along with the United States, Great Britain, France, and the Soviet Union. More than that, it is a culmination of more than four decades of Western resolve and determination, from the darkest hours of the cold war to the bright, new horizons that now stretch before us.

This agreement will end the artificial division of Germany and Berlin, and it will restore to Germany sovereignty over all its territory and end all remaining Four Power rights and responsibilities. This agreement clears the way to achievement of the goal we Americans have long shared with the German people: a united, democratic, and sovereign Germany.

I congratulate Chancellor Kohl and the German people in both East and West Germany and in Berlin, so long divided, for keeping their dream of national self-determination ever alive. Together with our other partners in the Atlantic alliance, we Americans are proud to have stood beside you during your long vigil, and proud especially during this past year to have worked with you in common cause toward the goal of German unity.

Our policy, our commitment, never wavered as this goal drew nearer. Today Germans and Americans share the fruit of our friendship, and we join our German friends in looking to the future with hope and confidence to the new beginning this treaty will make possible.

On behalf of the American people and the American Presidents before me who sustained our joint resolve, I am pleased to sign this letter transmitting this historic document to the Senate for its advice and consent.

I want to express my appreciation to Secretary Baker, who worked so hard on this, and once again say that it has been a pleasure for me to work with Chancellor Kohl and others from Germany on this very important question.

And now for the signing.

Note: The President spoke at 9:33 a.m. in the Rose Garden at the White House. In his remarks, he referred to Ambassador Juergen Ruhfus and Chancellor Helmut Kohl of the Federal Republic of Germany and Secretary of State James A. Baker III.

Message to the Senate Transmitting the Treaty on the Reunification of Germany

September 25, 1990

To the Senate of the United States:

I submit herewith, for Senate advice and consent to ratification, the Treaty on the Final Settlement with Respect to Germany and a Related Agreed Minute, signed by the United States, the Federal Republic of Germany, the German Democratic Republic, the French Republic, the Union of Soviet Socialist Republics, and the United Kingdom of Great Britain and Northern Ireland in Moscow on September 12, 1990. I transmit also, for the information of the Senate, a report of the Department of State with respect to this Treaty.

The Treaty that I am submitting today is the culmination of 6 months' negotiation among its six signatories in what has come to be called the ``Two-plus-Four'' forum, established for this purpose at Ottawa in February 1990. This agreement will end the artificial division of Germany and Berlin; it provides for the full withdrawal of all Soviet forces over the next 4 years; and it terminates all remaining Four-Power rights and responsibilities for Berlin and for Germany as a whole. It thus creates the basis for the emergence of a united, democratic, and sovereign Federal Republic of Germany, capable and ready to assume a full and active partnership in the North Atlantic Alliance, the European Community, and in the many other fora for international cooperation to which the Federal Republic of Germany has already contributed significantly.

The Treaty makes clear that the current borders of the Federal Republic of Germany and German Democratic Republic shall be the final and definitive borders of a united Germany. All the provisions relating to Germany's border with Poland were worked out with the participation and approval of the Government of Poland.

The Treaty specifies that the right of a united Germany to belong to alliances with all the rights and responsibilities arising therefrom shall not be affected by any of its provisions.

The Treaty provides for the withdrawal of all Soviet troops from the territory of a united Germany by the end of 1994. The Treaty also provides for the continued presence of British, French, and American troops in Berlin during the interim period at the request of the German government. During this period the German government shall have complete freedom regarding the stationing of territorial defense units of its own armed forces within the territory of the former German Democratic Republic, and these armed forces shall remain outside the integrated NATO military command structure. Following the departure of Soviet troops by 1994, there shall be no remaining limitations regarding the location of German armed forces throughout Germany and their integration with NATO structures. Non-German Allied forces and nuclear weapons systems shall not be stationed or deployed within the territory of the present German Democratic

Republic. The Agreed Minute, for which I am also seeking your advice and consent, provides a special rule for application of the term ``deployed."

The Treaty contains a number of assurances provided by the Federal Republic of Germany and the German Democratic Republic on behalf of a united Germany. Among these are a reaffirmation of their renunciation of nuclear, biological, and chemical weapons, and their stated undertaking to reduce the personnel strength of the German armed forces to 370,000 within 3 to 4 years.

Finally, the Treaty provides for the termination of all remaining Four-Power rights and responsibilities for Berlin and Germany as a whole.

I would also like to draw to the attention of the Senate the texts of three letters that were exchanged on issues arising in the context of the unification of Germany (enclosed as attachments to the report of the Department of State). The first is a letter from Secretary of State Baker to Foreign Minister Genscher of the Federal Republic of Germany dated September 11, 1990; the second is a letter from Foreign Minister Genscher and Prime Minister and Foreign Minister de Maiziere of the German Democratic Republic to their counterparts in the Two-plus-Four negotiations dated September 12, 1990; and the third is a letter dated September 18, 1990, from Foreign Minister Genscher to Secretary Baker.

In their letter of September 12 to their counterparts in the Two-plus-Four negotiations, Foreign Minister Genscher of the Federal Republic of Germany and Prime Minister and Foreign Minister de Maiziere of the German Democratic Republic formally convey several additional assurances. Among these are their declaration that the constitution of a united Germany will protect the free democratic order and provide the continuing basis for prohibiting parties and associations with National Socialist aims. In his letter of September 18 to Secretary Baker, Foreign Minister Genscher also makes clear that the Government of a united Germany accepts responsibility for the resolution of unresolved claims against the German Democratic Republic, both of American citizens, and of Jewish victims of the Nazi regime. In this letter he commits his government to seek, shortly after unification, to provide expeditious and satisfactory resolution of claims of Jewish victims of the Nazi regime against the German Democratic Republic. In this same letter he states that the Federal Republic of Germany will, shortly after unification, resolve through negotiations with the United States Government the claims of U.S. nationals that were previously under discussion with the German Democratic Republic. The commitments contained in these two letters are further evidence that the Government of the united Germany will sustain and build on the exemplary record of the Federal Republic of Germany in promoting democratic values.

The Treaty represents a major achievement for our German allies, who have not forgotten the past or the role Germany once played in the horrors of 1933 - 45, but who have demonstrated over 4 decades of steadfast support for democracy and the Western alliance what the world can expect from the united Germany.

The Treaty is also a tribute to the courage and the determination of the people of Germany to achieve unity in peace, freedom, and concord with their neighbors.

The emergence of a free, united, and democratic Germany, linked to the United States and to its European neighbors by indissoluble ties of friendship, common values, and mutual interests, and ready to act as a full partner within a broader community of democratic nations, has been an enduring goal of American foreign policy for over 40 years. Seldom has any President had the privilege of submitting for the Senate's advice and consent an agreement which so fully realizes our national purposes. This agreement is the result of decades of steadfast effort and resolve on the part of past Presidents and Congresses, and our Allies. It is an achievement of which we can all be proud.

It is wholly fitting that Germany formally and irrevocably achieve its unified status at the earliest possible moment, unfettered by Four-Power rights, shared by the Soviet Union, which are now outmoded and unnecessary. I therefore ask the Senate to act expeditiously in giving its advice and consent to ratification of the Treaty and the Related Agreed Minute.

George Bush

The White House,

September 25, 1990.

Nomination of Elsie V. Vartanian To Be Director of the Women's Bureau

September 25, 1990

The President today announced his intention to nominate Elsie V. Vartanian, of New Hampshire, to be Director of the Women's Bureau at the Department of Labor. She would succeed Jill Houghton Emery.

Mrs. Vartanian currently serves as founder and president of Elsie V. Vartanian, Inc., in Salem, NH. In addition she has been a member of the New Hampshire House of Representatives from 1979 to the present, serving as assistant majority leader from 1987 to 1988. She was born July 19, 1930, in Haverhill, MA. Mrs. Vartanian is married, has one child, and resides in Salem, NH.

Remarks Following Discussions With President Turgut Ozal of Turkey

September 25, 1990

President Bush. It has been a very great pleasure for me, and all of us -- American side -- to welcome President Ozal to the White House. And on behalf of every American, Mr. President, I salute your leadership and your courage.

Our talks today have been most cordial and constructive, as befits good friends, and marked by respect and total candor, as befits allies and equal partners. Our two nations have been faithful to each other in war and in peace for more than 40 years. And we in the United States have always valued Turkey's vital contribution to NATO. We've stood together to defend the bedrock principles that unite us: freedom and democracy.

Our solidarity has never been more apparent than since Saddam Hussein marched ruthlessly into a peaceful Kuwait 8 weeks ago, violating all norms of international order. And since then, many nations have worked together to contain and repel Iraq's brutal aggression -- not America alone but the United Nations and staunch allies like Turkey who have told the world: We will not tolerate this invasion; it will not stand.

From the earliest stages of this struggle, Turkey has been in the forefront of the international condemnation of Iraq, thanks in large part to President Ozal's leadership. Turkey promptly shut off the pipeline of Iraqi oil and closed its border to trade with Iraq. And Turkey was among the first to endorse the U.N. embargo of Iraqi goods. Turkey has stood firm and steadfast despite the heavy burden the Iraqi invasion has placed on its own economy.

Throughout this crisis, President Ozal has been a decisive leader and a true friend. We've been in touch often since August 2d, and I look forward to continued close consultation with him in the period ahead.

In short, Turkey has served as a protector of peace, rallying to its friends when those friends are imperiled. And so, recently Secretary of State Baker and Secretary of Treasury Brady went to 13 nations, securing over $20 billion in international assistance. Many allied governments gladly offered aid in recognition of Turkey's generous contribution in defending our mutual interests. And we stand by those who stand up for civilized values around the world.

In that spirit, President Ozal and I discussed today how we might expand the ties -- political, economic, cultural, and military -- which link Turkey and America. We agreed to work together to invigorate our economic relationship and pledged, as a first step, to initiate negotiations next month toward a new agreement on textiles.

I also told President Ozal that the United States continues to support Turkey's application for membership in the European Community. As events in the Gulf have demonstrated the indisputable strategic importance of Turkey to NATO and the United States, we also agreed to maintain our close security and military relationship.

The administration will work with the Congress to make sure that Turkey receives its fair share of security assistance in fiscal year 1991. We will also work to help modernize the Turkish Armed Forces by the future sale of F - 16's and provision of other military equipment.

Finally, President Ozal and I discussed the importance and desirability of improved relations among all countries of the eastern Mediterranean, including Turkey and Greece.

Mr. President, ties have never been stronger, our friendship never deeper. And for now, I bid you an affectionate farewell. I wish you well up there at the United Nations. And I hope and believe we will see much of each other in the months and the years ahead. Thank you for coming our way.

President Ozal. Thank you, Mr. President. I am very grateful to President Bush for his kind words about my country and myself. I was here in January, and we had a similar meeting, but then we didn't have this Gulf crisis in our hands. Today -- along with bilateral relations, which are satisfactorily gaining scope and reflect the longstanding friendship between Turkey and the United States -- the Gulf crisis, of course, was the top issue.

President Bush has shown exceptional leadership not only for his country but for the whole community of nations since the outbreak of this crisis. His firm stand against aggression and immediate reaction based on the correct assessment of the implications of Iraq's invasion of Kuwait have been instrumental in the mobilization of a united front against the aggression.

I think I am one of the few to know best the invaluable efforts of President Bush since I have been in close and constant contact with him from the very first days of the crisis. For your sagacious and determined stand, Mr. President, you deserve the appreciation of the civilized world all over.

Turkey, on her part, has not only become the key to the successful implementation of the sanctions but by her actions has also been instrumental in encouraging several other countries to follow suit. It is preferable that this crisis is resolved through peaceful means. The effective implementation of the economic embargo may be the only hope for achieving this objective. Therefore, each and every country has a collective duty to strictly observe the mandatory U.N. sanctions and make them work.

During our talk, President Bush and I had the opportunity to discuss extensively our bilateral relations. I am gratified to say that both countries have the political will to promote these relations

in every field. Our relations recently began to diversify, and our economic cooperation started to gain momentum.

I emphasized to President Bush today that our motto remains unchanged: Turkey wants more trade than aid. I believe it's a valid object since we should be partners not only in security cooperation but, perhaps even more so, in such other areas as increased trade and economic cooperation. In view of our desire to enter into a closer relationship in this field with the United States, the rapid elimination of trade barriers will be in conformity with the spirit of such a partnership.

I would like to conclude by stating that our discussions were very satisfactory, reflecting the close friendship that exists between our two countries since many, many years.

Thank you.

Note: President Bush spoke at 1:38 p.m. at the South Portico of the White House. In his remarks, he referred to President Saddam Hussein of Iraq. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Turkish officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Remarks at the Annual Meeting of the Boards of Governors of the International Monetary Fund and World Bank Group

September 25, 1990

Thank you very much, and my special thanks to my good friend, our Secretary of the Treasury, Nick Brady, for those kind words and for the outstanding job that he's doing as our Secretary. To Chairman Saitoti and Mr. Camdessus and my old friend and former seatmate on the Ways and Means Committee, Barber Conable, it really is a pleasure to be back with you this year to welcome you all to Washington for this very important work. And it's a particular pleasure today to welcome the new members here from Bulgaria, the Czech and Slovak Republic, and Namibia, and of course, the special invitees from the Soviet Union. Your presence here reminds us all of how events of the past year are producing a new partnership of nations -- a fundamental, indeed, inspiring change in the world's political and economic order.

The movement toward democratic rule, already strong throughout the 1980's, accelerated during what I call the Revolution of '89. The rights of the individual have been reaffirmed with greater adherence to the rule of law. The freedom to choose political leaders, and even political systems, has triumphed in countries that only a year ago were ruled by single-party regimes. And hand in hand, new economic freedom has begun to emerge as well. Today leaders around the world are turning to market forces to meet the needs of their people, and of course -- and I understand this -- change has not come easily. But as I said last year at this same meeting, the jury is no longer out -- history has decided.

And today the results of that global experiment are unmistakable. Today the consensus is this: Governments by themselves cannot deliver prosperity. Rather, the key to economic growth is setting individuals free -- free to take risks, free to make choices, free to use their initiative and their abilities in the marketplace. We are seeing this, for example, in the restoration of private ownership in countries where the state once controlled every single aspect of economic life. And for efficient production, private ownership is still the most powerful incentive known to man.

Matched by the rejuvenation of markets, the ability to make individual economic choices is the fastest, most effective way to achieve and sustain broad-based economic growth. And that is why leaders everywhere are undertaking difficult economic reforms; building stronger, more versatile private sectors; improving efficiency; and making government decisionmaking much more rational.

That process takes time. Economic adjustment is often difficult. And in recent months, a new challenge has arisen which could hinder this process of change, and of course, I'm talking about Iraq's illegal and unprovoked aggression against the sovereign nation of Kuwait. Clearly, the

greatest harm is to Kuwait and its people. When the Saudi border was opened, Kuwait's newest refugees brought fresh tales of cruelty and horror inflicted on the Kuwaiti people and foreign nationals as well by the occupying forces of Saddam Hussein.

And today other countries, already facing painful economic and political transformations, must now deal with additional hardships. Serious challenges have emerged for countries rocked by unpredictable tides in the flow of oil, trade, displaced workers, and -- God bless them -- the refugees. This staggering burden, which is pressing upon these most seriously affected countries, calls for a generous response from the world community. Toward that end, we have already begun to mobilize financial resources for the frontline states to ensure responsible sharing among creditors.

The initial response to that effort has been impressive. Now, in order to transform commitments into concrete contributions, I am pleased to announce the formation of a Gulf crisis financial coordination group under the chairmanship of Secretary Nicholas Brady, our Secretary of the Treasury, with the aim of achieving effective, timely, and sustained financial support to these most seriously affected countries.

But let us not forget an even larger group of countries represented here will suffer from higher oil prices and other economic dislocations. While world attention has rightly focused on those countries closest to the situation and bearing the heaviest economic burden, I can tell you that the rest of the world is certainly not forgotten and never will be.

This gathering here of world financial leaders gives us an opportunity to discuss how we can work together to address the special financial burden of this crisis, and do so in a way that will sustain the dramatic worldwide transition to free markets. The IMF and World Bank, given their central role in the world economy, are key to helping all of us through this situation by providing a combination of policy advice and financial assistance. The political leadership of the U.N. must be matched by the economic leadership of the IMF and the World Bank.

Secretary Brady will be making some specific suggestions in his remarks for possible means of utilizing current IMF and World Bank programs more effectively. But let me say it again: We are determined not to allow the brutal behavior of one aggressor to undermine the historic process of democratic change or to derail the movement towards market-oriented economic systems.

Let me continue more broadly with a vision of the role of the United States and of a world economy we can all share.

First, we believe that the United States should contribute to economic stability and growth. And perhaps the greatest contribution that the United States can make to the health of the international economy is to get our own house in order. Our budget deficit must be brought under control and reduced.

And second, the United States is strongly committed to promoting development and growth in the newly emerging democracies of Latin America, Central and Eastern Europe, Africa, and Asia. We're working in all four regions to ease debt burdens under the Brady plan. In this hemisphere, where debt overhang holds back progress -- impedes progress -- we announced the Enterprise for the Americas Initiative to promote economic growth by expanding trade and investment, to reduce debt owed to the United States Government, and to provide funds for needed local environmental projects. In Eastern Europe, where massive restructuring is needed, we are working with other nations to provide billions of dollars in assistance to the newly emerging democracies. And in Africa, where undevelopment hangs on so stubbornly, many of the lowest income countries have already benefited from reductions in debt owed to the United States.

Third, the United States is committed to the central role of the IMF and World Bank in helping bring about economic reforms. Reform efforts can only be successful if countries carry through on their responsibilities; and that means regulatory reform and privatization, sound macroeconomic and structural policies, and open borders for trade and investment.

This is why your work here in Washington this week is so important. For more than 40 years, the Fund and the Bank have quietly been enlisting the talents and the energies of the developed and developing world in a global struggle against poverty. And today, in a world where ideology no longer confronts and big-power blocs no longer divide, the Bank and the Fund have become paradigms of international cooperation. Indeed, we especially appreciate your efforts in carrying out a study of the Soviet economy that is unprecedented in its scope. This study will produce recommendations for economic, financial, and structural reform.

As the coming week unfolds, part of your task will also be to plan for the future of your two great institutions. And I pledge the continued support of the United States for a World Bank and IMF which so clearly advance our common struggle to improve the quality of life for all people everywhere. For this reason, we strongly support the IMF quota increase and the strengthening of the IMF arrears policy. And we would also like to challenge both institutions to intensify their focus on building dynamic private sectors in member countries, one of the most important stimulants for energizing these new market economies.

And we would also ask the World Bank to place a high priority in three other issues vital to sustain growth. First is protecting the environment. As I said here last year, environmental destruction knows no borders. Second, eradicating poverty must continue to be a central mission of the Bank. And third, we strongly support greater efforts to integrate women into the development process.

Finally, as we plan for the future, we must work together for success in another important international economic institution: the GATT. As we meet today, less than 70 days remain in the 4-year Uruguay round of global trade talks. Lasting reform is essential for developed and developing countries alike, and it's the key to a successful round which establishes new rules and

opportunities for all countries. These negotiations are one of the world's greatest economic opportunities of the decade, but much remains to be done.

The round is not just a trade issue: it is a growth issue. And it's not just an exercise for bureaucrats in Geneva. The trade talks are the last train leaving the station, and countries throughout the world must jump aboard. It can be the engine of economic growth that carries us into the 21st century.

The round promises to remove barriers in four crucial areas, areas untouched in previous rounds: services, investment, intellectual property, and agriculture. As a matter of fact, agriculture reform remains a major stumbling block. Indeed, it threatens to bring down the rest of the round. We must let farmers compete with farmers, instead of farmers competing with the deep pockets of government treasuries. We need a successful resolution of the agricultural issues if we are to have an agreement.

If countries around the globe don't muster the political courage to face these tough issues in the time remaining, we will forfeit new markets for our businesses, impose higher prices on our consumers, and forgo new jobs and higher incomes for workers in all countries. Worst of all, we will endanger a vital, proven framework of international cooperation. A collapse of the round will inevitably encourage increased protectionist pressure and political instability; and that, frankly, is something that we can ill afford as we forge a new partnership of nations against aggression in the Persian Gulf.

I urge you to work actively within your governments to ensure success, and I urge my counterparts around the world -- as we did at the Houston economic summit -- to instruct your negotiators to bring all the components of the Uruguay round to a successful conclusion by December.

In all these efforts, there is so much at stake. Almost 35 years ago, President Eisenhower first appeared at an IMF-World Bank meeting, and he spoke of the lessons that he learned while waging a war that brought together so many different soldiers from so many different lands. Ike noted, as I do now, that there were people in the audience who were our allies in that grand effort. And he said: ``We early found one thing. Without the heart, without the enthusiasm for the cause in which we were working, no cooperation was possible. With that enthusiasm, subordinating all else to the advancement of the cause, cooperation was easy."

As the unity of the nations has demonstrated in the past 2 months, the worldwide enthusiasm for today's noble cause, the cause I've described as a new partnership of nations, is not only unprecedented but truly remarkable. And I urge you to seize that enthusiasm in your meetings this week, to forge the new levels of cooperation needed to succeed.

Thank you very much for coming to Washington, DC. I hope you feel welcome, because you are.

Good luck this week in the meetings ahead, and God speed you in your travels home. Thank you all very, very much.

Note: President Bush spoke at 3:06 p.m. in the ballroom of the Sheraton Washington Hotel. In his remarks, he referred to George Saitoti, Chairman of the International Monetary Fund and the World Bank Group; Michel Camdessus, Managing Director and Chairman of the Executive Board of the International Monetary Fund; Barber B. Conable, President of the World Bank Group; and President Saddam Hussein of Iraq.

Remarks on the Federal Budget Negotiations

September 25, 1990

Let me just make a comment, if you all are ready, on this deficit problem. Frankly, I had a good report from the Hill, and I want to commend the Republican members of the House Appropriations Committee for voting to deal with the budget problem forthrightly.

The Democrats in the House wanted to avoid fiscal responsibility and keep government spending growing and deficit growing. And the Republicans said: Look, no more business as usual. No more dodging responsibility. It is time to get the budget agreement done. Without an agreement, the deficit gets worse, the economy gets worse, and clearly it's the American people that will suffer.

So, if there is no budget agreement with real spending reduction and real process reform by the end of the week, I will have to veto it -- I will veto any continuing resolution that suspends Gramm-Rudman and budget discipline and thereby destroys our best chance of bringing this deficit under control once and for all.

So, I want to thank the Republicans who have stood firm on this. I do not want to see further delays and kicking this problem on down the road. Enough is enough! The American people want a deal, and they want it now. They want to get the deficit down, and that's what I want.

That's it. Thank you.

Note: The President spoke at approximately 3:40 p.m. on the South Lawn of the White House, upon returning from the annual meeting of the Boards of Governors of the International Monetary Fund and the World Bank Group.

Statement on Signing the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990

September 25, 1990

Today, I am signing H.R. 7, the ``Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990." This legislation amends and extends the Carl D. Perkins Vocational Education Act. It reauthorizes one of the Federal programs that supports State and local efforts to develop a work force that will keep this country competitive in the world market.

This Act creates a more effective vocational education program through its emphasis on accountability and program improvement. The Act requires that each State develop a system of performance standards and measures for secondary and post-secondary vocational education programs. It requires that State leadership activities include teacher training, curriculum development, and program assessment. It places a greater emphasis on programs that combine academic and vocational instruction and on programs that develop a coherent sequence of courses beginning in high school and continuing through community college. The Act encourages cooperative academic links between secondary and post-secondary institutions, with the goal of providing students with higher levels of technical competency.

In addition, H.R. 7 continues the important emphasis on providing access to quality vocational education programs to our least advantaged populations. It focuses on students with disabilities, students with limited English proficiency, and students who are educationally disadvantaged.

In signing this legislation, however, I must take note of two provisions that raise constitutional concerns. First, the Act requires that each State receiving funds must set aside a certain percentage for ``Sex Equity Programs" that can be used, among other purposes, for educational activities for girls and women aged 14 through 25. Such activities would, on their face, discriminate on the basis of gender. Since the funding for ``Sex Equity Programs" also can be used for other, nondiscriminatory programs, these nondiscriminatory programs will be preferred in administering the legislation. The discriminatory programs will be implemented only if there is a sufficiently strong justification to withstand judicial scrutiny.

Second, the Act requires the Secretary of Education to submit directly to the Congress two reports prepared by the Department of Education's Office of Educational Research and Improvement. According to subsection 403(c)(3), these reports ``shall not be subject to any review outside the Office of Educational Research and Improvement before their transmittal to Congress . . . ." This provision is unconstitutional because it purports to preclude me from exercising my constitutional duty to supervise the executive branch. Because I cannot abandon my oversight responsibility, I shall treat the unconstitutional portion of the Act as severable from the rest of this legislation.

In conclusion, H.R. 7 excludes many of the changes proposed by my Administration and includes certain constitutionally troublesome provisions. However, it does reflect progress over current law. My Administration, particularly Secretaries Cavazos and Dole, will continue to work with the next Congress to make more improvements in the overall systems for financing and delivering training.

George Bush

The White House,

September 25, 1990.

Note: H.R. 7, approved September 25, was assigned Public Law No. 101 - 392.

Message to the Congress Transmitting the South Pacific Environmental Protection Convention and Protocols

September 25, 1990

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, with Annex, and the Protocol for the Prevention of Pollution of the South Pacific Region by Dumping, with Annexes, done at Noumea, New Caledonia, on November 24, 1986. The report of the Department of State in respect of the Convention and Protocol is attached for the information of the Senate. I also transmit to the Senate, for its information, the Protocol Concerning Cooperation in Combating Pollution Emergencies in the South Pacific Region.

The Convention for the Protection of the Natural Resources and Environment of the South Pacific Region will create general legal obligations designed to protect the marine environment of the region from a variety of sources of marine pollution. In so doing, the Convention provides new environmental protection for American Samoa, Guam and the Northern Mariana Islands, as well as for the Convention area generally.

The Convention and its Protocols on dumping and pollution emergencies entered into force on August 22, 1990. Ten countries have ratified or acceded to the Convention. These are: France, Australia, New Zealand, Papua New Guinea, Solomon Islands, Fiji, the Marshall Islands, the Federated States of Micronesia, Western Samoa, and the Cook Islands. Expeditious U.S. ratification of the Convention and Protocol would demonstrate not only our commitment to the protection of the marine environment of the South Pacific but our continuing political commitment to the region as well. It would also allow the United States to participate fully at the first meeting of Parties, which will likely establish the financial and institutional arrangements for implementing the Convention.

I recommend that the Senate give early and favorable consideration to the Convention and Protocol and give its advice and consent to ratification, subject to the two understandings described in the accompanying report of the Secretary of State.

George Bush

The White House,

September 25, 1990.

Letter to Congressional Leaders on Mexico-United States Free Trade Negotiations

September 25, 1990

Dear Mr. Chairman:

In a letter to me of August 21, President Salinas formally proposed initiation of negotiations for a free trade agreement between the United States and Mexico (copy enclosed). As you know, President Salinas and I had endorsed the objective of a free trade agreement at a meeting in June, and our respective Trade Ministers, Secretary Serra and United States Trade Representative Hills, had so recommended in a joint report of August 8 (copy enclosed).

Mexico is our third largest trading partner, and you are aware of the dynamic, market-oriented reforms undertaken by President Salinas. We see substantial opportunities for mutual benefit in further lowering impediments to bilateral trade in goods and services and to investment.

Accordingly, I welcome the recommendations in the joint report and President Salinas' proposal. Negotiation of a comprehensive free trade agreement is consistent with the efforts of both my Administration and the Congress to eliminate barriers to the flow of goods, services and investment, and to protect intellectual property rights.

Therefore, pursuant to Section 1102(c) of the Omnibus Trade and Competitiveness Act of 1988, I am hereby notifying the Senate Committee on Finance [House Committee on Ways and Means] of trade negotiations with Mexico.

I also want to inform you that the Government of Canada has recently expressed a desire to participate in the negotiations, with a view to negotiating an agreement or agreements among all three countries. I welcome the opportunity to work with our two neighbors towards this end. We, with the Canadian and Mexican Governments together, will be consulting in the coming months to explore the possibilities in this regard, which we will also discuss with your Committee. I will send a further or revised notice to your Committee as appropriate, depending on the outcome of our consultations.

I want to emphasize that such trilateral consultations will not affect the continued validity of the existing free trade agreement with Canada. Further, in all these discussions, we expect to build on our multilateral negotiating efforts in the Uruguay Round, which is scheduled to conclude at the end of this year.

Ambassador Hills has already begun consultations with your Committee, and the Administration will continue that process throughout the negotiations.

Sincerely,

George Bush

Note: Identical letters were sent to Lloyd Bentsen, chairman of the Senate Finance Committee, and Dan Rostenkowski, chairman of the House Ways and Means Committee. The letters were released by the Office of the Press Secretary on September 26.

Message to the Senate Transmitting the Soviet Union-United States Maritime Boundary Agreement

September 26, 1990

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Agreement Between the United States of America and the Union of Soviet Socialist Republics on the Maritime Boundary, with Annex, signed at Washington, June 1, 1990. I also enclose for the information of the Senate the report of the Department of State with respect to this agreement and an illustrative chart of the maritime boundary.

In the agreement, the Parties agree that the line described in Article 1 of the Convention Ceding Alaska, signed March 30, 1867 (the 1867 Convention Line), is, as defined in the agreement, the maritime boundary between the United States and the Soviet Union. As such, it defines the limits within which each Party may exercise territorial sea jurisdiction or exclusive economic zone jurisdiction in those areas where their claimed 12 nautical mile territorial seas or 200 nautical mile exclusive economic zones would otherwise overlap or were otherwise in dispute. It also delimits, as between the Parties, such continental shelf jurisdiction beyond 200 nautical miles from their coasts as they may exercise in accordance with international law in the Arctic Ocean, Bering and Chukchi Seas, and a portion of the North Pacific Ocean.

I believe the agreement to be fully in the United States interest. It reflects the view of the United States that the maritime boundary should follow the 1867 Convention Line. The agreement resolves differences over where each Party has the right to manage fisheries and oil and gas exploration and development, as well as exercise other sovereign rights and jurisdiction, in these marine areas. Through its transfer of jurisdiction provisions, it also ensures that coastal state jurisdiction, in accordance with international law, is exercised by one or the other Party in all marine areas within 200 nautical miles of either or both coasts. Therefore, the agreement will permit more effective regulation of marine resource activities and other ocean uses and removes a significant potential source of dispute between the United States and the Soviet Union.

I recommend that the Senate give early and favorable consideration to this agreement and advise and consent to ratification.

George Bush

The White House,

September 26, 1990.

Exchange With Reporters Aboard Air Force One on the Federal Budget Negotiations

September 26, 1990

Q. Did you have a good flight?

The President. Big political day today.

Q. How did the discussions this morning go, sir?

The President. Good. Good. Republicans are staying solid.

Q. Are you concerned that you've lost Mr. Michel's support on your -- --

The President. I always like to talk to the people involved.

Q. Are you flexible on capital gains at all, sir?

Q. What did he tell you, Mr. President?

The President. He told me that they're working hard to get a deal. And we are. And the Republicans know what I want when I talk about growth. I'm not interested in raising the tax rates on the American people. And our team is fighting very hard. So, we'll see where we go.

Q. Can a sequester be avoided, or do you think it will go right up until the deadline?

The President. It can be avoided if they get doing what they should. It's the Congress -- and I would say now the Democrats in the Congress that are in charge of the Congress that have not come forward with a package. And we're still working hard in a good, bipartisan spirit there, they told me today. We're getting right down to the wire.

Q. Are you concerned that you might look too inflexible on the capital gains issue?

The President. No, I'm not concerned about that at all because there's an awful lot of issues that are still out there, like spending and trying to tax the American people excessively and things where the American people are on our side. So, we'll just see how we go. But I want to see the Democrats now get into a spirit of compromise. I started early on. You all wrote about it; everybody talked about it. We talked about the revenue side. Now I want to see some flexibility on their part, and I'm going to take our case to the American people. The American people don't need this. They don't need it all. They don't want it. I don't think they yet realize how serious

sequester is.

But this concept that they tried yesterday -- the Democrats did -- to just move it on down the road, kick the can down the road, is not fair to the American people nor to the economy. So, we're going to stay with what I said yesterday. And I was very proud that the Republicans stayed together and would not permit the Democrats in the House of Representatives to simply delay the day of reckoning. That's what they tried to do. Everybody knows that. I think the American people know it -- loud and clear.

Q. Are you going to join the talks at some point this week, sir?

The President. They know -- both Democrats and Republicans -- that if my presence there would be helpful, I'm available.

Note: The exchange occurred in the morning while the President was en route from Washington, DC, to Akron, OH. In his remarks, he referred to Robert H. Michel, Republican leader of the House of Representatives. A tape was not available for verification of the content of this exchange.

Remarks at a Fundraising Luncheon for Gubernatorial Candidate George Voinovich in Akron, Ohio

September 26, 1990

Alex, thank you. Thank you all. What a great welcome back to Akron -- same place, a couple years later. Thank you all very, very much. Thank you, Mayor -- soon to be Governor -- Voinovich. And Janet, Barbara sends her love. She looks forward to being with you. I don't know whether it's next week or when it is, but she'll be out here to show not only support for the ticket but to show the affection that she and I have for you and George.

To Mike and Fran DeWine, we wish you well. I can't wait for the day that you are Lieutenant Governor, but I'm going to be disappointed to have you leave the House of Representatives that you served so very well, indeed.

And of course, it's like old home week here with Alex -- your Alex, mine. [Laughter] One of the great political leaders -- and I mean this -- is a former national chairman who himself studied under Ray Bliss of Akron and still has great affection in his heart for Ray Bliss. They don't have many political leaders like Alex around this country. And he's good, and he's honest, and he's decent, and I get fired up every time I'm around him. Alex, thank you for this wonderful event here today -- Alex Arshinkoff.

And while we're at it, I want to salute our State chairman, Bob Bennett, over here. The State party has never been more vibrant or supportive of these candidates. Bob, stand up there.

And Senator Roy Ray is here, 1 of 10 Republican State legislators out of 3,000 in the country to win the prestigious Legislator of the Year Award -- Roy. There he is, right there.

And I want to put in a plug right at the beginning for the strong State ticket we've got, and one of those members is with us today -- I think the only one. If I'm wrong, somebody holler, but Jim Petro, who's running for auditor, standing right here. And it's a very important position because it has a lot to do with the redistricting. And we want a fair redistricting not just in Ohio but all the way across this country, and his election can contribute to that.

As for Paul Mifsud, over here, who's running the Voinovich campaign, he's the guy that suggested I meet Gorbachev in Malta. [Laughter] He's from Malta, you may know. And people are still throwing up over there because of the weather. [Laughter]

You know, there's a handful of people across the country to whom Barbara and I always will be indebted for the marvelous opportunity to serve in this office that I have now, and one of them is Paul. And he's worked very, very hard, always helpful to me and, of course, always at George

Voinovich's side. So, you've got a good team.

I want to apologize for a very close member of my family who couldn't make it today. As it turns out, Millie is on the road, promoting her new book -- [laughter] -- our springer spaniel. I told them last night that her celebrity status has gone to her head. I gave her a bowl of Alpo, and she asked to see the wine list there at the White House last night. [Laughter]

But look, enough of this. If I seem a little relaxed, it's because you have a wonderful way here in Akron of making a person feel at home. And I really am delighted to be back here in a State that Barbara and I feel we know very well, indeed. For us, Ohio means Dayton, where Barbara's parents lived; Miami, where both Bar's mother and dad went to college. For me, Columbus, where my father was born and where he grew up. It also means many other things, having campaigned extensively in this State: smalltown boulevards of Lima, busy streets of Cincinnati -- I've probably been in Hamilton County as much as everybody in this room put together; it seems like it -- and then of course the vibrance and the factory yards of Akron and the farms nestled in the Appalachian foothills along the Ohio River.

So I mention all this because to know the diversity we call America you really just have to get a feeling for the State of Ohio. So it should come as no surprise that I've been looking forward to coming out here to say a few words about an Ohio leader who revitalized your neighboring city of Cleveland, taking it from the gloomy and dark days of ridicule and despair and bringing it into the bright light of achievement and respect. I didn't come out here to talk about Bernie Kosar, incidentally. [Laughter] I'm here today to show my support for an Ohio leader, a great mayor, soon to be a great Governor; and I'm talking about George Voinovich.

I think all Ohioans, regardless of party, agree that he's already demonstrated this uncommon ability we're talking about in his three terms as mayor of Cleveland. Little wonder, then, that George often says that Cleveland ``is off the rocks and on a roll." Now he wants to do the same for all of Ohio. And make no mistake, after 8 years, Ohio needs this Voinovich leadership and this Voinovich integrity in the Governor's office.

For years now, you, as Ohioans, and some of us from outside have been reading the investigative journalists' reports detailing the cronyism, the political favoritism, the taxpayer rip-offs that have taken place in this State. And at least one candidate for Governor has had enough. Here's what George Voinovich says: ``State government needs a thorough housecleaning, a gust of fresh air." And I can guarantee you he'll do that for the State.

So, this campaign is about the future of Ohio -- an Ohio whose natural beauty is preserved for future generations, an Ohio that empowers people and not the bureaucrats, an Ohio that leads this country -- and you heard him commit to this -- to education reform to keep America competitive and to give our children a better future.

Both George and I believe that when we ask more of our kids, they'll respond; so will our teachers and our schools and our parents and, yes, our elected public officials. With his ``schools first'' policy, George would upgrade the entire Ohio educational system while rewarding outstanding teachers and excellent schools. And he has embraced fully the goals of the Charlottesville educational summit that I convened last year because, he says, ``these goals are right for the entire Nation and for Ohio.''

And the first goal of all is that George and I want our schools to be free of violence and drugs, and we must work towards that end. There's also the heartfelt goals of our Congressman here, Congressman Mike DeWine, who's been a leader in shaping the antidrug laws for the Nation as a Member of the United States Congress. And I'm going to miss his advice, as I said, in Washington. Not only has he distinguished himself fighting this whole concept of illegal drugs and crime but he's earned recognition from Watchdogs of the Treasury and the National Taxpayers Union -- both -- as a fighter for fiscal responsibility. This outstanding record of service to the people of Ohio at county and State and national levels makes Mike DeWine the right choice for Lieutenant Governor of Ohio, and we urge your strong support for the ticket.

Let me just take a minute to address a couple of other matters important to the people of Ohio, but also to the people of our entire country and, indeed, to the world. This is, indeed, as George pointed out, an extraordinary moment, a moment when our national will is being tested both at home and abroad.

We can meet the test at home -- I'm confident we can meet it -- but what we must do is first put our fiscal house in order. And right now, at this very minute, we are coming down to the wire in Washington, the final few days of the fiscal year. You remember, the new fiscal year starts October 1st, the way the Federal Government keeps its books. So, we're right down at the end of the old fiscal year, coming to the new one, final few days; and still we do not have an agreement in hand to bring this deficit down. It's up there in the Congress right now. We sent a proposal there months ago.

Five days from now the ax falls, an automatic, mandated sequester that will cut $100 billion from the Federal budget. A cutback of this scope is going to hit hard, and it's going to hit home, and it's going to hit many, many people.

Let me give you a couple of examples so you'll understand when you hear that word what sequester means. For air travelers, it means big cutbacks in air traffic control and substantial increases in flight delays and outright cancellations. For farmers, it will mean that ASCS [Agricultural Stabilization and Conservation Service] offices will close during harvest time. For meatpackers, plants may close when inspectors fail to show up. For college students, it means an end to 1.2 million Pell grants -- 1.2 million eliminated outright. Add to that a 22-percent cutback in grants to another 2 million students. In this very city, this means that the poor students, the poor kids, will not be able to attend Akron University.

And let me tell you, the sequester is strong medicine, but it's medicine patented by the Congress itself. It represents the last attempt by Congress to cure itself of its feverish spending habits, and without an agreement, it is the only way for Congress to force itself to make the very necessary tough choices. It is the law of the land. And I took an oath to the Constitution to uphold the law of the land. And we've tried to do our part to solve this difficult problem, and I made a good-faith effort to reach a sound and sensible budget agreement.

Let me go back to the beginning, back to February 1st, when I sent a complete budget up to Capitol Hill, and back to April 1st, when Democrats who controlled both Houses of the United States Congress missed the deadline to take action on that budget -- their own deadline, spelled out in their own rules for the Congress. A month later, in May, I convened a budget summit, recognizing we only had a few months to go to this October 1st that's now a few days away. We wanted to jump-start the process.

And at the end of June, when the talks bogged down, I made a concession demanded by the Democrat leaders to get Congress off dead center. And I put it all on the table, even taxes, and I took a lot of political heat coming out of the Democratic Party and the Democratic leaders. They had a great bunch of joy out of all of that. And then in July, when both sides pledged to exchange comprehensive budget plans, the Democrats delayed while we delivered.

And all through the talks, for 135 long days, time and again I've gone the extra mile, and I think the Republicans in the Congress have gone the extra mile. And each time, the other side says: It's still your move. It's still your move.

Well, that's not just our move anymore. And if and when the ax falls, the Democratic Congress knows that it will be held accountable, and I will take that message to every State in the Union. It is their fault for holding up getting a budget agreement. I've sat on my hands; I've suffered the slings and arrows that I expect from the political process. But I have a podium, too. I have a bully pulpit, too. And I'm going to see that it is not printed one side of this story, one Democrat after another knocking my socks off on Capitol Hill. The American people want a budget agreement. They know who controls the Congress, and they want them to deliver a budget agreement to get this deficit down.

Let me come again to you. It goes well beyond political rhetoric. It's one of the great economic challenges that our country has faced. It is important to get a solution. But the threat of sequester doesn't change the fact that the fundamental test of any agreement is whether it sustains conditions for continued economic growth and job creation. And that's why I've called on Congress to build a package of progrowth incentives into a budget agreement, incentives that create jobs and encourage aggressive, competitive R&D that sustain growth and steer this economy clear of recession.

And, yes, that's why I will continue to push hard for incentives for capital investment. In this

global environment, many of our fiercest competitors are way ahead of us in promoting the savings and essential investment opportunity to success in the international marketplace.

And contrary to what you may have heard, the hangup is not capital gains; the hangup is with the Democrats on Capitol Hill. And we're still waiting for the Congress to come up with enough real spending cuts -- cuts that are enforceable, not just another empty promise of future savings, a promise waiting to be broken. And we're still waiting for Congress to commit to meaningful budget-process reform -- reform that builds real discipline into the budget process. The American people are not dumb. They know, as they watch the Congress, that the budget process is a mess and it must be fixed once and for all.

We're going to bear the heat here. The last thing we want is for the year's budget fiasco to become next year's instant replay. So today I say this to the United States Congress: Keep those lights burning on Capitol Hill if you have to, but before that deadline passes 5 days from now, let's reach the agreement that the American people are waiting for. No quick fix. No deal to delay these difficult budget decisions until after the election.

Yesterday, one of the powerful committees controlled by the Democrats voted on party line to delay the solution. Kick it on down the road. Don't make the tough decision today. Well, I'm going to stand in the way of that plan, if using every ounce of pressure I have, including the veto, to see that that does not happen. No quick fix. No delays.

October 1st is the zero hour, and it's real. We've got to prove to the American people once and for all that we can come together to deal with this deficit. There have been times when the cooperation has been good. And frankly, I'll be honest with you, I think the leaders -- the two or three top leaders on the Democratic side -- have tried pretty hard on this matter. But that's not enough. That is not enough. The control lies there, and the responsibility to come forth with an agreement lies there.

Congress should listen to men like Mike DeWine, Members like he; Lynn Martin, who is with us here today, who is running over in Illinois; and others, who say it's simply outrageous that important government services be jeopardized because Congress cannot do its job and pass a budget with the necessary reductions.

Reaching an agreement is critical. It really is. And we simply cannot fail to put our fiscal house in order, especially now with the challenge that we're facing over there, halfway around the world, in the Persian Gulf.

Emotions in the budget debate, as I report to you today, I can tell you, are running high -- they're running very high. You haven't heard much out of me on this. I've waited in the wings and tried to conciliate, and as I told you, I think I've given a great deal. But no matter how heated the exchange of words may be over the budget, we need to -- and I will do this -- continue to

maintain a bipartisan spirit in support of America's response to Iraqi aggression. I would be remiss if I didn't tell you I am grateful, in this Vandenberg concept of partisanship ending at the water's edge, that the Democrats and the Republicans in the House and the Senate are pulling together. And I'm grateful to the Democratic leadership for the support that they have publicly given -- what this country is trying to do in the Middle East.

I am often asked when we can bring our kids home -- some still arriving. But I can understand that from parents and loved ones here in this country -- the concern they feel about our men and women that are serving over there. The answer has got to be general: It's got to be as soon as possible -- every single one of them -- but when the job is done.

Certain objectives have to be met. Iraq must withdraw from Kuwait, without condition. Aggression unchecked today will rear its ugly head tomorrow. Kuwait's legitimate government must be restored. The security and the stability of this vital area, an area that affects the lives of every American, must be assured. And American citizens abroad, those held hostage in this brutal shielding technique that Saddam Hussein is using, must be protected.

But we have another, final objective: to create a new partnership of nations; a new world order that is free from the threat of terror, stronger in the pursuit of justice, more secure in the quest for peace.

These are our objectives and those of the United Nations Security Council and our allies. There are many, many countries to whom I am extraordinarily grateful for this tremendous cooperation. West Germany has pledged to support the mission with almost $2 billion and provide ships and planes, while Japan has pledged a package worth more than $4 billion. France added another 4,000 troops, and Great Britain is sending 120 tanks, 6,000 troops, the famous Desert Rats those of us who are old enough to remember World War II will recall. And we're side by side in the soil there with Egyptian troops and Syrian troops and other Arab troops. It's truly Iraq, then, against the world. The world is simply standing up and telling Saddam Hussein: We will not give in to intimidation.

Americans are showing their determination right here in Ohio. Look no further than Ashland University, to the father of a marine stationed in the Gulf region, Professor Charles Brereton. Dr. Brereton published in the school newspaper a list of soldiers in his son Jim's Alpha Company weapons platoon. That one appeal led to a massive outpouring, a flood, of letters and hometown papers and care packages.

This is just one way -- tiny way, perhaps -- but it's one way that Ohio is sending a message to the Americans stationed in the Middle East. That message is a simple one: We're with you all the way. And another thing, support for our mission is strong, bipartisan in the sense of what Senator Vandenberg meant. For those of us at home, we believe that the best way we can serve our country is to debate and campaign and be the best Republicans and Democrats we can be. But we

cannot allow our political life to be held hostage to a foreign crisis.

When Ohioans go out to the polls, absentee ballots will be streaming in from Americans in uniform, including those stationed in the Persian Gulf. If our soldiers, sailors, and airmen, and marines can find the time to vote under such difficult circumstances, I hope America can count on all Ohioans to get out there and vote. And when you do -- let me end it this way -- when you do, I hope you and thousands like you around this great State will make George Voinovich the next Governor of Ohio.

Thank you. God bless the United States of America. Thank you all.

Note: President Bush spoke at 12:07 p.m. at the Tangier Restaurant. In his remarks, he referred to Mayor Voinovich's wife, Janet; Representative Michael DeWine and his wife, Fran; Ray C. Bliss, former State and national Republican Party chairman; Alex Arshinkoff, executive committee chairman of the Summit County Republican Party; Bernie Kosar, quarterback for the Cleveland Browns football team; and President Saddam Hussein of Iraq. He also referred to Millie, the First Family's dog, and ``Millie's Book as Dictated to Barbara Bush.'' Following his remarks, President Bush attended a private reception and then traveled to Chicago, IL.

Remarks at a Rally for Senatorial Candidate Lynn Martin in Chicago, Illinois

September 26, 1990

The President. Thank you very, very much for that warm introduction.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you, thank you. Thank you all. Lynn, thank you. Thank you, all of you. And, Lynn, thank you for that warm and wonderful introduction, and thank all of you for making me feel so at home.

We were in Ohio earlier today, and the crowds there were almost as enthusiastic. One exception: I saw a lady holding up a sign -- true story -- that read, ``Where's Millie?'' [Laughter] Which reminds me to bring you greetings from Barbara Bush. She salutes Lynn, as I do.

And like Lynn, I was thrilled to see that wonderful turnout from the Bears, those great linemen. I was thrilled to be with my friends the Gatlins once again and, of course, thrilled to feel this enthusiasm here.

I saw Jim Edgar a little earlier, and I don't know if he's still here, but I want you to know how strongly I support him for Governor. There he is. And marvelous support for our next Governor. And then the next Lieutenant Governor I believe is with us, Bob Kustra. And the rest of our statewide ticket is also here: George Ryan for secretary of state, Jim Ryan for attorney general, Gregg Baise for treasurer, and Sue Suter for comptroller. We've got a first-class ticket.

And I want to make a special notice of two that are with us who are running for the Congress, who flew with me today from Akron -- two -- back here to Chicago. And of course, I'm talking to two outstanding candidates, both of whom have an excellent shot to win, Walter Dudycz and Manny Hoffman. We've got to get them in the Congress. I need their support.

And I understand my old friend Pate Phillip is here, and Bill Weiss. And I want to thank them for putting on this magnificent event.

It's great to be here, back in the Chicago area. And it is a particular joy to speak on behalf of this close friend and a national cochairman of my 1988 campaign, five-term Congresswoman, and the next Senator from Illinois, Lynn Martin. And I wouldn't say it's ironic but it's appropriate that we're here at the home of the great DePaul Blue Demons, because come November, Lynn Martin is going to give the opposition one devil of a surprise.

And really, you heard it. You heard a little taste -- what's this bug doing here? [Laughter] Making it very difficult. You heard it tonight, and really what it's about -- it's because Lynn is someone that people believe in. She began as a working mother and schoolteacher and State senator, and then became a nationally prominent Member of the United States Congress, the first freshman ever to serve on the prestigious Budget Committee. She won the respect of her colleagues simply by outsmarting her opponents, speaking out against injustice and unfairness, and always standing up for the people of this great State. I believe and Lynn believes, as we all do, that power should be in the hands of people, not government. Empowerment is at the heart of Lynn's campaign, and it is a cornerstone of our administration's domestic policy.

[At this point, audience members interrupted the President's remarks.]

There's something about me. Why do I attract -- I don't know what it is. [Laughter] Thank you, thank you very much. I don't know whether it's me or Lynn. [Laughter] This happens sort of deja vu, as Yogi Berra would say, all over again. It happened downtown here. But in any event, they're entitled to their say, and it doesn't hurt a thing. Thank God we live in a country where they can pay 25 bucks and have their say.

But the point -- back to the subject at hand -- the point is we do stand for opportunity and empowerment for all Americans. You know, the Democrats believe that every time a new problem arises in America it's time to create a new bureaucracy -- turn to the Federal Government. Republicans don't. We prefer not to expand the budget of the bureaucracy. But like this sign behind me says -- ``Victory on the Horizon'' -- we seek to expand the horizons of Illinoisans, young and old, from offering more options to parents seeking child care to giving students and parents more choice in education, from allowing tenant management for residents of public housing. And we believe in a clean environment, and we believe in creating free-market answers to environmental problems -- and taking back our streets, incidentally, from the drug dealers and the murderers. In short, we are working hard to build a better America, and that's why I need Lynn Martin in the Senate. We need a change.

And I'm here not to speak against her opponent, but for her. But I have to say in all candor, I'd love to have someone in the Senate in this seat who would vote with me every once in a while. [Laughter]

Lynn will help us accomplish these goals by helping us first keep the economy moving forward. You know, over the last 8 years, we've seen the longest peacetime economic expansion in history. Twenty-two million jobs have been created. But to build the best America we can, we've got to get our own fiscal house in order. We must bring down this overwhelming Federal budget deficit. And that means we've got to do it now. And that means we must first have a budget agreement -- one that maintains our economic strength, bolsters our international competitiveness, and spurs continued job growth. The reason we don't have an agreement is simple: Congress -- both Houses controlled by the Democrats -- hasn't acted on our proposals. Let me give you a little history,

because this is on the minds of the American people tonight.

On January 29th, we sent a complete Federal budget to Capitol Hill. By April 1st, Congress was supposed to act under the rules. One hundred seventy-eight days later, we're still waiting. On May 15th, I took the initiative and called on the Democratic congressional leaders to join me in a bipartisan summit on the budget. That was 134 days ago.

On June 26th, with the budget summit going nowhere, I was asked by the Democratic leaders to make a sacrifice, to allow everything to be put on the table, to allow taxes to be put on the table. Not my first choice. Not my second. But in a good-faith effort to get Congress off dead center, it was a concession that I felt had to be made. A month later, our administration prepared another comprehensive budget plan with the understanding that it would be considered side by side with the Democratic offer, but the other side arrived emptyhanded. And that was 62 days ago, and we're still waiting.

Now, I do want to clarify one point because at this very moment the budgeteers are meeting again -- the leaders are meeting. And Secretary [Speaker] Foley and Leader Mitchell raised a point that I want to clarify. Earlier today I said the Democrats had not come forward with a package. And they have put a series of proposals on the table in these private negotiations. I accept that in the private negotiations there have been such proposals. And if my statement on Air Force One confused things and if I can clarify it here, I want to do that. I apologize for misspeaking on that technical point. However, my concern remains that we have yet to see from the Democrats a comprehensive plan that contains serious spending cuts, necessary budget process reform and enforcement, growth incentives, and a sound approach to defense. And I do hope that in the negotiations taking place as I speak that we can see the progress that will finally bring this process to a conclusion.

We have proposed several 5-year, $500 billion deficit reduction packages. The American people are not dumb. You've seen the headlines about these negotiations and the arguments over which party is ``on the side of the working people." I'm talking, though, about incentives for job growth, capital investment, and credits for research and development because I want to continue economic growth, I want to avoid a recession, and I want to produce more jobs for the people of Illinois. And that's what this debate is about.

We are keeping our eyes on the goal that does the most good for everyone, and we want to keep creating jobs for all the American people. But without a budget agreement, 5 short days from now we'll have tough decisions. We'll face a $100 billion mandated sequester: multibillion-dollar across-the-board budget cuts that will have a damaging effect on Americans young and old, rural and urban. It is the law of the land. And I took an oath to uphold the law, and that's what I'm going to do. We know these cuts will be tough.

Let me just give you some examples of what life will be like when this sequester hits. For college

students, Pell grants for 1.2 million college students would be eliminated outright. For young children, approximately a million would not be vaccinated for polio, measles, and rubella. For air travelers here at O'Hare Airport, flights will be canceled; in fact, each day, up to 58 arrivals and departures would be canceled per hour because there won't be enough air traffic controllers to ensure safe operations.

Sequester will be painful, but it can still be avoided if Congress will make the tough choices. And as I said this morning, the hangup isn't capital gains; the hangup is with the Democrats on Capitol Hill.

And on this subject, you might say Lynn Martin sounds like a broken record, but I'm glad she does. We are still waiting for the Congress to come up with enough real spending cuts, cuts that are enforceable, not just another empty promise of future savings waiting to be broken. We're still waiting for the Democrats in Congress to commit to meaningful budget reform -- reform that builds real discipline into the budget process. The last thing we want is for this year's budget fiasco that worries the American people to become next year's instant replay. Clearly, the budget system cannot work if Congress will not act.

Just yesterday, in a straight party line vote, House Democrats once again moved to dodge the budget deadline and reach into America's wallet and keep Government spending growth and the deficit ballooning. Only a unified Republican response was able to sidetrack this effort, at least temporarily. And while the rest of the Nation faces across-the-board cuts, with Head Start programs sitting empty without teachers and Social Security offices closing early, we simply cannot afford business as usual. It's time we then sent a message to the Congress: Time has run out. Congress must act because America deserves better.

And today it is especially important that America is economically healthy and militarily strong, at home and abroad. Let me caution those who might take advantage of the current crisis in the Persian Gulf; those who might seek profit by subverting the sanctions; or here at home, those speculators who might try to drive up the price of oil. While the oil market is very tight with little spare capacity, there is sufficient oil to meet current needs. The oil markets have simply not taken into account the additional production coming onstream from a variety of sources nor the available commercial stocks. There is no justification for intensive and unwarranted speculation in oil futures.

However, should the oil supply situation deteriorate, the United States, in concert with our partners in the International Energy Agency, is prepared to bring additional oil to the market. And we must make sure that we can act quickly, if necessary. And, therefore, I have today directed the Secretary of Energy to conduct an immediate test to the Strategic Petroleum Reserve, which contains 590 million barrels, by selling 5 million barrels of SPR reserve oil. And I'm prepared to take additional steps, if necessary, to ensure that America stays strong right here at home.

We all know who's keeping America strong right now halfway around the world: those brave soldiers who left their spouses and children to serve in the front lines in the Persian Gulf. And they are some of America's finest men and women, and we're proud of them -- proud of every single one of them that's serving their country. I've said it before: Our service men and women are proving that America could not be the land of the free if it were not the home of the brave.

As I mentioned before -- or you may have detected -- I have major difference with the Democrats in the Congress on the tax-and-spend issue. But in the finest tradition of bipartisanship, support for our effort in the Middle East is strong. And I'm grateful to the Democratic leaders of the House and the Senate for this steadfast support. That's what Senator Vandenberg meant years ago when he said: ``Politics stops at the water's edge." And again, I am grateful to the Democrat leaders and the Members for their strong bipartisan support in the Middle East. Our effort is not Republican or Democrat or liberal or conservative; it is truly American -- all American.

You know, each one of these kids, each one of our soldiers in the Gulf is a story of America at its best. For example, last week I read in the Chicago Tribune about Lorraine Kuryla, a 63-year-old grandmother from nearby Hillside who volunteered for active duty with the Air Force Reserve Unit out of O'Hare. Her kids called her Grambo. [Laughter] After hearing about her tenacity, her courage, and her toughness, all I can say is: ``Move over, Mike Ditka." [Laughter]

Master Sergeant Kuryla and other reservists alongside her are standing up to aggression and preserving the sovereignty of nations. But our G.I.'s are in good company. Not only do we have 22 nations now, including many Arab States and the Soviet Union, on our side -- well over half the Arab League, a vast majority -- we have freedom and justice on our side. Our goals have been endorsed by the United Nations Security Council eight times. For as I told the joint session of Congress 2 weeks ago: America and the world must defend our common vital interests. America and the world must support the rule of law. America and the world must stand up to aggression. And we will not be intimidated by Saddam Hussein.

Recent events prove that there is no substitute for our American leadership in the shaping of a new partnership of nations. Lynn Martin's known that from day one. Unlike others, she has consistently voted for a strong defense. She knows you can't stand up to tyranny and despotism while recklessly slashing military levels. Her opponent called for bombing Iraqi pipelines, on one hand, and, on the other hand, cut defense spending by 50 percent. Not logical. People know Lynn stands for a strong America, economically and militarily. That's another reason why we need Lynn Martin in the United States Senate.

So many in this room have done so much for her campaign, and I thank you for it. But another important task lies ahead. On election day our G.I.'s, in the searing heat of the desert dunes and the hot glare of the Persian Gulf, will send in their absentee ballots. We owe it to those brave men and women, laying their lives on the line for peace and stability in the world, to exercise the precious right to vote.

I am grateful for this tremendous rally, for all the work you've done for Lynn Martin. And now, go out and vote, each and every single one of you. Drag any unsuspecting customer to the polls with you. Let's be sure we make Lynn Martin the next Republican Senator from this great State because Illinois deserves the best.

Thank you, and God bless you all.

Note: President Bush spoke at 8:23 p.m. in the Rosemont Horizon Arena. In his remarks, he referred to Millie, the First Family's dog; the Gatlin Brothers, country music entertainers; DePaul University's Blue Demon basketball team; State Senators Walter Dudycz, Manny Hoffman, and Pate Phillip; Thomas S. Foley, Speaker of the House of Representatives; George Mitchell, majority leader of the Senate; Mike Ditka, head coach of the Chicago Bears football team; and President Saddam Hussein of Iraq. A tape was not available for verification of the content of these remarks. Following his remarks, President Bush traveled to Minneapolis, MN.

Letter to Congressional Leaders on Legislation to Amend Clean Air Act

September 26, 1990

Dear XXXXX:

It has now been more than a year since I sent to Congress legislation to reauthorize and strengthen the Clean Air Act. As you know, my proposal would have permanently reduced sulfur dioxide emissions by 10 million tons below 1980 levels, cut smog-causing emissions by over 40%, brought virtually all of the 100 cities now in violation of our air quality standards into attainment with those standards by the year 2000, and cut by more than three-quarters the amount of toxic emissions into America's air.

As the current session of Congress draws to a close, I am concerned that the House-Senate conference committee still has not completed its work and that its direction has strayed significantly from that of my proposal and of the bipartisan Administration-Senate agreement announced in March of this year. In short, I fear that the slow progress and apparent course of the conference committee may jeopardize enactment of this critically important legislation.

It is particularly important that any bill presented to me for signature abide by certain principles:

It must not contain extraneous and costly provisions that are unrelated to clean air and set highly adverse precedents for other environmental legislation;

It must achieve, at a minimum, the environmental benefits I have set forth in my bill, and it must do so in an efficient manner, that is, for the lowest possible cost to American jobs, consumers, and businesses; and

It must be capable of being administered in a straightforward and sensible manner, one that minimizes the kind of time-consuming litigation that could prevent the law from being implemented on schedule.

There are several pending features of both bills which are not in accord with these principles. The conference committee must act quickly to produce a bill that is environmentally strong and economically sound. All Americans deserve clean air, but they also deserve the good jobs and rising living standards that only a competitive economy can provide. Unless the committee produces such a bill, Congress will not have time to make any necessary adjustments, and the substantial progress made in the past 21 months will be undone.

To help avoid that outcome, I have instructed my staff to make available a comprehensive

proposal to the conference committee to help break the logjam that has once again appeared. This comprehensive proposal will achieve the same environmental benefits as either the House or Senate bills -- and in fact it draws on the best features of each proposal. By employing the most cost-effective approaches contained in each, and avoiding those provisions which add gratuitous burdens, this compromise will achieve those benefits at a cost to America's economy of several billion dollars per year less than either bill.

It has been 13 years since the Clean Air Act was reauthorized. By developing a comprehensive proposal and reaching an historic agreement with you and your colleagues, I have worked actively to break the legislative stalemate which has precluded earlier action on clean air. I offer the enclosed comprehensive proposal to help finish the job before time runs out in the current session of Congress.

It would be a terrible shame, and a disservice to the American people, if the prospects for cleaner air were to be scuttled because of a continuing impasse in the conference, or because of the addition by the conference of restrictive and inefficient provisions that saddle the American people with additional costs but yield no additional environmental benefits.

Sincerely,

George Bush

Note: Identical letters were sent to Senators Max Baucus and John H. Chafee and Representatives John D. Dingell and Norman F. Lent.

Comprehensive Proposal

Acid Rain

Senate acid rain provisions.

Modify House and Senate provisions on WEPCO (and related modification provisions in other titles) to parallel Administration proposal.

The Senate acid rain provisions will provide utilities and independent power producers with greater certainty and can be administered in a clear and efficient manner. The Senate acid rain provisions do not include extraneous provisions, such as the restrictions on clean coal technology funding found in the House bill. The administration's proposed solution to WEPCO addresses the serious uncertainties created by the WEPCO decision in a balanced manner that protects the operation of the allowance trading program.

Air Toxics

House provisions on MACT and utility emissions.

Senate provisions on residual risk, the NAS study, voluntary risk reduction, and NRC regulation.

The House provisions requiring the maximum achievable control technology coupled with the Senate provisions on residual risk and voluntary risk reduction will provide for a 75- to 90-percent reduction in air toxics exposure in a cost-effective manner. The Senate National Academy of Sciences study and the House provision on toxic emissions from utility plants will allow for scientifically sound regulatory decisions that are based on the public health risks posed by those emissions.

Nonattainment

Senate title I provisions.

The Senate provisions on stationary source controls would not saddle smaller businesses with excessive controls and would provide emissions reductions in a cost-effective and administratively superior way. The Senate title I does not include extraneous and potentially costly provisions, such as the Wise amendment on labor protection which is unacceptable.

Mobile Sources

House Tier I and Tier II tailpipe standards.

Senate approach to mobile source toxics.

The House provisions for Tier I and Tier II standards for tailpipe emissions, modified by substituting the Senate study on mobile source toxics, ensure progress in reducing tailpipe emissions in a rational way that reflects cost, need, and feasibility of controls.

Fuels

Modified Senate reformulated gasoline program to include: (1) a 15 percent reduction in VOC and toxic emissions, as defined in the Senate bill; (2) a minimum 2 percent oxygenate requirement; and (3) a general equivalency program starting in 1993, with full phase-in by 1995.

Modified House oxygenated fuels program in all 44 CO nonattainment areas with a 2.7 percent oxygenate requirement; and new provisions to permit opt-out or opt-down from the 2.7 percent requirement based on modeling attainment demonstrations.

Senate nine city alternative fuels program with a composite standard of .75 gpm in 1995 and .66 gpm in 2000. States would have the flexibility to opt-in to the nine city program or opt-up to the California program.

This combination of Senate and House provisions builds upon the administration's clean fuels program by achieving environmental benefits in a cost effective way. It will allow for the phase-in of the most promising low-emitting fuels in a way that avoids market dislocations and supply problems.

Permits and Enforcement

The permit program as recently agreed to by the conferees, striking the permit requirements in all other titles.

Maintain core of Senate enforcement provisions with House citizen suit provisions and safe harbor for firms who initially discover potential violations while conducting internal audits.

The permit provisions found in the air toxics, nonattainment, and acid rain titles of the Senate bill are unnecessary and potentially conflicting.

CFC's

The CFC provisions as agreed to by the conferees.

Remarks at a Fundraising Breakfast for Gubernatorial Candidate Jon Grunseth in Minneapolis, Minnesota

September 27, 1990

Thank you all very, very much. Thank you for that warm welcome. Jon, thank you for that generous introduction. Vicki, great to be with you. Also, my old friend Senator Dave Durenberger, delighted you're here, sir. And it's good to see our wonderful emcee, another friend of some time, State Auditor Arnie Carlson; and our State chairpeople, Bob Weinholzer and Barb Sykora; and our national committee man and woman, Frank Graves, Evie Axdahl. What a team we've got. And then our next Republican in Congress, Republican taking Bill Frenzel's place, Jim Ramstad. He's got to win. We want him to win. I think he will win.

And let me give a special hello to my friend and outstanding United States Senator, Rudy Boschwitz. Rudy is up for reelection this year, and I feel good about it. But I can't think of a Senator anywhere in this great country more deserving of another term than Rudy Boschwitz. He has done an outstanding job for the State, and he has been a strong supporter of this President when I've needed him, and I'm very, very grateful to him. I seldom speak for the Silver Fox, but, Rudy, Barbara and I wish you the very best. Good luck! [Laughter]

And now to Jon's talented runningmate, Sharon Clark. Let me pose a question of the hour: Isn't it about time we had a hog farmer on the ticket? [Laughter] Talk about rooting for a candidate. Whoops! [Laughter] I knew I shouldn't have done it; I'm sorry.

Well, in any event, moving onward, it is an honor to be here, to root for Jon Grunseth. His talents as a leader have been noted already at the Federal level several years now. One example: After Minnesota experienced the worst pipeline explosions in history, it was Jon who was called upon by his current opponent to cochair the Commission on Pipeline Safety. So, President Reagan appointed him to the National Board. And I personally looked to the entire Grunseth family during the last Presidential campaign when they served on this State's steering committee. So, I am very proud to be here today to support a great candidate.

You know, I was talking just as we walked in here a few minutes ago with someone involved in planning this event. She told me that, of all the details and decisions, what concerned her most was the speaker. I said I imagined she wanted someone influential, a world leader, a charismatic speaker. And she said, ``No, Mr. Gorbachev has already been here." [Laughter] In any event, President Gorbachev came to Minnesota to see some of the leading-edge technology being produced by your private sector, the kind of technology and aggressive economic enterprise Jon Grunseth understands because he's made it happen himself.

Today I've come here to affirm the kind of leadership that can make sure Minnesota moves forward with fresh ideas, new leadership and, indeed, new hope for the future. But before I focus

on change in Minnesota, I'd like to make note of a significant change in our relations with Moscow.

Over the last year, if anyone were to ask me what is the most meaningful and really hopeful sign of change in the world, I'd point to the quality of real cooperation now shared by the United States and the Soviet Union as we work to face down aggression in the Persian Gulf. It is amazing what's happened, and it is strongly in our interest that it continue. Our two nations haven't shared such unity of purpose for 45 years, but now in the heat of crisis in the Middle East, we forge reason for real hope -- hope for a more peaceful, more stable world order. Through uncommon cooperation, we have made peace our common cause. That is reason for celebration.

Still, while that kind of cooperation is new, there's one thing we've been able to rely on: that is the commitment of the American service men and women to contain aggression and the American people's support of our men and women in uniform. We've seen no greater proof of that commitment than right here among the people of Minnesota: Minnesota radio stations sending tapes of local news, Park Center High School students tracking down names of earlier graduates now in the Gulf and writing them to let them know how the football team's doing. And among so many others, I heard about a group here in Minneapolis, newly established, called S.O.C.M., Support Our Country's Military. They're a volunteer group providing financial and emotional support for people with family members in the military. Writing letters and sending board games to the troops -- even arranging for child care to help the grandmother of two girls who was worried her son and daughter-in-law might both be called up. That kind of collective spirit, that kind of shared commitment, is important. And it is those actions, large and small, celebrated or little noticed, that make possible American leadership around the entire world.

But leadership abroad -- shifting back -- demands good leadership here at home. Minnesotans are great people, and they deserve a great Governor, and that's just exactly what Jon Grunseth will be. You've got a lot to be proud of. Nestled in this fertile land of 10,000 lakes, of forests and rolling farmland, the Twin Cities are vibrant, prosperous examples of urban life the way it ought to be. You've got a diverse economy -- building the world's largest and fastest computers and producing more turkeys than almost any other State. [Laughter] I hope your political opponents don't take that the wrong way. [Laughter]

But as one who first was exposed to Minnesota in the fall of 1943, when I came out here as an 18-year-old kid to learn to fly airplanes at Wold-Chamberlain as a naval aviation cadet, I understand -- because I saw it then and I've seen it every time I've come back here -- that Minnesota's greatest strength has always been its people. And so, today I'm here to give my whole-hearted support to a candidate for Governor who understands the power of the people themselves, a candidate for change who wants to unleash the full potential of the great State of Minnesota. And once again, Jon Grunseth understands that and is determined to empower the people.

Jon knows -- we've talked about this -- he knows that a bright future for Minnesota, industrial and

agricultural, won't be built by a burgeoning bureaucracy. It will be built by the people, empowered and encouraged to make a difference for themselves and their communities.

He arranged for me to meet with some rural educators from Minnesota today, and you can just feel that sense -- not Federal Government do more but empower the people to help solve, in this case, the problems of rural education. I was most impressed, Jon, by that wonderful turnout from these dedicated teachers that came to rally support for you and to tell me of their concerns about rural Minnesota.

That's why Jon's devoted himself to reforming of education, also protecting the environment and controlling State spending.

Minnesota has always had a strong bipartisan tradition in education. But now education has captured national attention, and that says something about America because the importance of a well-educated citizenry transcends partisanship and politics. Real education reform demands that all of us work together to improve our schools. And that's why this candidate isn't interested in who's taking credit for what program. He cares about what works -- results. Results are what we're after. And working together with Jon Grunseth, results are what we are going to get.

But along with this deeply held conviction on the importance of education, Jon shares the environmental ethic that is so crucial to preserving the grandeur of the great North Woods. He believes, as I do, that we can and must recapture the heritage of Teddy Roosevelt. And he understands the importance of community involvement in preservation efforts, to carefully manage our wild lands and our wildlife.

But Minnesota's outstanding record on air and drinking water quality, conservation, and recreation reflects a community effort and a special volunteer ethic that Jon Grunseth will promote and expand. And he knows what he's talking about. He helped build a billion-dollar business, applying new ideas and new technology in environmental sanitation. As Governor, he will be a leader for the environment right here in Minnesota.

And he'll also be a leader in managing fiscal resources. You heard just the tip of the iceberg here this morning. He's proved his prowess in the private sector, and he'll apply the same financial fortitude that he's demonstrated there -- he'll apply that as Governor. He's called for a cap on State spending and real, honest property-tax reform. He has said, as this party believes, that the answer is not to spend as much as you can tax, but to tax only as much as you need to spend. And you know, there's a good lesson there for all of us. He's absolutely right about that.

Which brings me to my line of work. As you all know, we've been trying to reach an agreement on the Federal budget for months. Four days from today -- and I listened carefully to what Rudy said, and I had a chance to talk to Dave on Air Force One when Jon and he and I flew up here last night -- 4 days from today America, under the law, faces serious automatic, indiscriminate, across-

the-board cuts in services of every kind. Why? Because Congress and that Democratic leadership there could not get serious about making real cuts in spending, enforceable cuts in spending, and they wouldn't get serious about real budget reform. No point going through this dance every year; we need budget reform in Washington, DC. Lacking discipline of their own, they've delayed so long that that Gramm-Rudman meat ax is about to do it for them.

And you might say: Well, what does that mean to me? What does that mean to Minnesota? What does that mean to my family or to the schools? What does it mean to you? It means many -- and this is not a worst case or what they call in Washington the Washington Monument syndrome -- it means many of Minnesota's spectacular parks, recreation, wildlife management programs will be shut down; they'll be closed. Funds to curb demand for illegal drugs through prevention and treatment will be cut by one third -- Federal programs. Air traffic controller cutbacks will lead to delays and cancellations. And nearly 1.5 million college students will lose their Pell grants because the Congress could not do its homework.

These cuts -- the figure is $100 billion in all, total -- will be hard for everyone to take. And there may be teachers who can't go to work in Head Start programs. There may be senior citizens wondering why their Social Security checks are late. We can't afford business as usual. The American people deserve better, and the people of Minnesota deserve better.

Let me give you a little history. Back in January I sent a complete budget up to the Hill. There was a deadline set by themselves, as Rudy and Dave know. The leadership there missed the deadline -- it was in April -- they missed the deadline to respond. And in May I then convened a budget summit -- some of you may remember that -- to get things moving. In June they still weren't moving. And the Democrats, seeking political gain because they know how I feel about taxes and they know how I feel about spending, demanded that I put everything on the table, including taxes, to get Congress off dead center. And I had to make a decision. It was a tough decision. But to put our fiscal house in order, I did what had to be done to get Congress to act.

And they acted, all right -- they acted like they had all the time in the world. And so, in July I offered up another budget plan that would save half a trillion dollars over 5 years, and again I extended a hand to the Members of Congress, asking them to work together in good faith. And again, they did not respond. We talked about the summer recess, and I said: Would it help to keep the Congress in? The Democratic leadership said: No, don't do that. That will be counterproductive. That will make it more difficult to get a job. So, I complied there with that request -- my gut instinct being we ought to have kept Congress there in August to get the job done.

Now, 2 months have passed since I made that proposal, and they have still offered no serious comprehensive plan with the needed budget reforms to reduce the deficit. And 4 days from now, sequestration will become a tragic fact of life. So, I call on the Congress again: Deal with this deficit through real, enforceable spending cuts and meaningful budget reform now.

Talks are going on probably -- well, probably now, but certainly within a few minutes, the clock ticking. And I'm very hopeful that the Congress will get the message and that there will be the compromise that's needed to keep this country from screeching to a halt at this critical time.

You know, everything I read, everyone I talk to tells me that they are fed up with the Federal lawmakers' evasion of responsibility. You hear this new thrust there. And thank heavens we have people like Rudy Boschwitz in the Congress, in the Senate -- this year up for election -- who sets an example that sends a strong message to the Democratic leadership and the Democratic opposition.

We need leaders who are going to fight for fiscal discipline in every branch of government and at all levels, from the White House to the Minnesota statehouse. And that's reason enough to be here this morning, because I do believe that here in Minnesota Jon Grunseth will make sure that spending stays under control. It has to happen at the Federal level, and it must happen at the State level. I honestly know in my heart that he'll make a great Governor.

It's been a genuine pleasure to come back here and join you today. But before I go, there's one more thing: Let me ask each one of you to make an effort to get out the vote this fall. On the farms and fields, in the suburbs and cities, make sure that the people of Minnesota know what's at stake here. In an era that celebrates the dawning of democratic freedoms around the world, when so many who have struggled so long have at last found their voice, those who live in freedom should never rob themselves of the priceless power of the ballot. Encourage people to exercise that power, to confirm the kind of leadership they're after, and to preserve the enduring glow of the North Star State.

By electing Jon Grunseth and by electing a Republican majority in the State legislature, you can unleash new ideas and bring about a change for an even greater Minnesota.

Thank you for what you're doing. God bless you, and God bless the United States of America. Thank you all very much.

Note: The President spoke at 8:27 a.m. in the Nicollet Ballroom at the Hyatt Regency Hotel. In his remarks, he referred to Jon Grunseth's wife, Vicki. Prior to the breakfast, the President met with educators at the hotel. Following his remarks, he traveled to Cleveland, OH.

Remarks at a Fundraising Luncheon for Gubernatorial Candidate George Voinovich in Cleveland, Ohio

September 27, 1990

Thank you, George, for those kind words. Janet, what a pleasure it is to see you again.

Before we begin, I just got some good news from Washington. Just moments ago, the Senate Judiciary Committee strongly endorsed my outstanding nominee for the United States Supreme Court, Judge David Souter. It was a 13-to-1 vote, and they recommended Judge Souter to the Senate. And I called and thanked Senator Biden just now and Senator Thurmond, two ranking Members on that important committee. I now would urge the full Senate to act as quickly as possible to confirm this man. He is an outstanding jurist, and I want to see him join his colleagues on the Nation's highest court, as the Court's new session begins next week. But I think that is good news for all of us who are committed to the Constitution of the United States. He'll be a superb Justice for the Supreme Court.

I understand now that -- back to the business at hand -- Wayne, you say you were in charge of the budget for the Cavs [Cavaliers]? If so, come with me on Air Force One. We have a mission to do. [Laughter] In Texas, as they say, we could use a man of your ``big'' over there. [Laughter] But thank you, sir, for being here and emceeing this. To Rabbi Rube, thank you, sir. We heard outside your very generous blessing.

I understand that most of our statewide ticket is here. I know Bob Taft is. Bob, where are you? Would you please stand up? [Applause] It's very important that Bob win as secretary of state -- that race. And then the next one, Jim Petro -- Jim, are you out here someplace? I can't see too well. But in any event, that's the State auditor's job Jim's running for, and that one's a key race because between the Governor and these two races it has an awful lot to say about fair, nongerrymandering redistricting. And also, another old friend of mine running statewide, Judith Brachman for State treasurer. I know she's here, because I saw her. Judith, please stand up wherever you may be. Maybe she fled.

Then, the ones who couldn't join us today: Mike DeWine, who was with me yesterday -- but his wife, Fran, is here, and want to wish her well -- a wonderful candidate for Lieutenant Governor. And then, the other is an old friend of mine, Paul Pfeifer, who we want to see elected attorney general. So, we have an outstanding ticket this year for the whole statewide offices in Ohio.

Of course, there's another that I want to pay tribute to, a person that makes it all possible. That is Bob Bennett, the chair of the Ohio State party. And then, of course, my old friend and compadre in the political wars from -- I don't want to date him or me, but he goes back a long time -- Bob Hughes up here. And Paul Mifsud. These are political operators, and good ones.

I'd be remiss if I didn't single out my old friend who gives me lots of free advice about the caribou and how to run the country, and I mean Jim Rhodes, who served this State with such distinction.

Now, with Wayne Embry, the general manager of the Cavs; Dick Jacobs, owner of the Indians; and Art Modell, my old friend, the owner of the Cleveland Browns -- Art, I don't know how the Browns are going to do this year -- [laughter] -- but I can tell you one thing: The way the fans throw the dog biscuits out onto the field, the Browns are Millie's favorite team. [Laughter]

But look, I mean this, it is great to be back here, and I look around this room out there, and then others up here, and I see so many to whom Barbara and I are indebted for your having given us the support that was required, the support that we needed when we were running for office, and now, most recently, when I ran for President of the United States. So, it is great to be back here, the capital city of the North Coast, to show my support now for one of the real standouts on Capitol Hill, a man who has been strong and effective in Washington. And again, I want to refer to him, because he's not here today. He's now ready to serve this State as Lieutenant Governor; I mean Mike DeWine. I wish he were here. You've got to know him. He's going to be a superb Lieutenant Governor.

And now to the piece de resistance. Center stage there's the man who led this city's comeback, the man who's served with distinction in a career that spans 3 decades in elective office. And I'm talking about the next Governor of the Buckeye State, Cleveland's own George Voinovich. Please give him a round of strong endorsement. [Applause] I want to again say hello to a woman who will make a great first lady, one that Barbara Bush loves, Janet Voinovich. Janet, good luck to you on the campaign trail.

I'm always a little leery about having George and me at the same event. You don't want the audience to suffer from a charisma overdose. [Laughter] We agreed not to speak too long because we realize you can only stand so much excitement, you know, here in Cleveland. [Laughter]

Cleveland may be the home to the Rock and Roll Hall of Fame; but let me tell you, come November 6th, George Voinovich is going to make the opposition shake, rattle, and roll. You can count on him to lead the way, to make Ohio one of the great path-breaking States in the nineties -- in Ohio's cities and towns, where crime and drugs breed fear and violence and threaten our whole fabric of society, our sense of community. In Ohio's schools, he knows as well as I do that the key to competitiveness tomorrow is our classrooms of today.

He will bring the same drive and determination, the same intelligence and integrity to the Ohio statehouse that he brought to Cleveland's city hall. The people of Ohio can count on George Voinovich -- Governor Voinovich -- to create a climate for growth; to work with the business community to help the Ohio economy adapt and advance, attract new businesses, and -- you heard him -- create new jobs; to help the Ohio entrepreneur realize his dreams.

Take a look at this man's track record right here in Cleveland, the way he retooled this proud smokestack city to meet the high-tech challenges of the 1990's. The bottom line is beyond doubt: George Voinovich has developed a formula for success that can work statewide, right down from Cleveland to Cincinnati and in every city in between. George knows what it takes to keep this economy on the upswing. And rest assured, we're going to do our part in Washington to help this State prosper and grow.

And it starts with a sound Federal budget. Unfortunately, we're running out of time to put our fiscal house in order. Four short days from now the fiscal year ends, and there's still no budget agreement in hand.

You've seen the headlines about these negotiations, and you've heard the arguments over which party is on the side of the working people. Well, let me tell you -- let me tell you what Americans want. They want to keep on working. Ohioans want to keep on working. And the last thing they need is a budget breakdown that puts us on the road to recession.

We need a budget agreement to help maintain our economic vitality, our competitiveness, and our job creation. And that's why I continue to push the Congress to enact incentives for job growth; incentives that promote savings and investment, research and development; incentives that will help us sustain economic expansion and steer clear of recession. We need an agreement that contains real spending cuts and the means to enforce these real spending cuts. No more promises to spend now and save later. And finally, I insist on agreement that will reform the budget process itself. Let this be the last time that the American taxpayer is forced to witness a fiscal fiasco.

And I don't want to sound defensive, but I made a good-faith effort to reach agreement. Let me review a little history. In January I sent a complete budget to Congress, and under the rules, Congress was due to respond on April 1st. And Congress, with both Houses controlled by the Democrats, failed to respond. So, in mid-May -- you may remember this one -- we began this budget summit process -- 135 days ago. A month later, when the talks were at an impasse, I was asked by the Democratic leadership to allow taxes to be put on the table -- it's like making me eat broccoli -- [laughter] -- put them on the table. They called on me to make a sacrifice. It wasn't my first choice, it wasn't my second choice, but it's a concession I made to get Congress moving. And that was over 3 months ago, and still, no agreement. In late July, after both sides pledged to put forward a comprehensive budget plan, we delivered. Congress delayed. And since then, we've advanced a number of serious proposals built around a 5-year, $500-billion deficit reduction package; and still Congress has failed to offer a comprehensive plan with serious spending cuts, real budget-process reform and enforcement, incentives for growth, and a sound approach to the defense of this country.

Because of congressional inaction, the Nation is now 4 days away from mandated sequestration -- $100 billion in across-the-board budget cuts that will hit hard all across America. The sequester will -- it will cause real pain, and no one wants to see it take effect. But without an agreement, the

lever of sequestration is the only way to force the Congress to make tough choices.

Take a look -- let me just give you some examples -- take a look at what sequestration will mean. For air travelers, it will mean cutbacks in air traffic control. And this will mean untold hours of flight delays and, in many cases, flight cancellations. For anyone living near a toxic waste site, it means no new cleanups, a complete stop in all the new Superfund projects. For college students, it means the loss of 1.2 million Pell grants. And with over 130,000 college students in the Cleveland area alone, that's bound to take its toll.

Of course, there are 4 more days now until the ax falls, and it isn't too late to act. So, today I say again to the United States Congress: Don't delay 1 day longer. Prove to the American taxpayer once and for all that we can deal with this impossible deficit. Let's get it down once and for all.

And another point: reaching a sound budget agreement is critical. We simply cannot fail to put our fiscal house in order, especially now, with the challenge that we face halfway around the world in the Persian Gulf.

Let me speak for a moment about what this crisis is all about. When Iraq crossed over the Kuwaiti border -- when Saddam Hussein set out to erase the existence of a sovereign nation that posed no threat to his own, he set in motion what is really the first test of this new postwar era. The stakes are clear. The world community must act to draw the line against Saddam's outlaw act. Failure is an invitation to further aggression. Success is a step into a new partnership of nations, more peaceful, stable, and secure than we've ever known before. And I am confident that we can succeed. World response, as George referred to it, has been swift and certain; and Saddam Hussein must know now that the world will not allow his outlaw aggression to stand.

As I mentioned before, I have major differences with the more liberal elements of the Democratic Party and with some of the leaders in this Congress on this budget question -- I don't hide that -- and, yes, on other issues like our crime bill and on our education bill and -- but let me just say this in fairness. In the finest tradition of partnership, support for our Middle East effort is strong; and that is what, you remember, Senator Vandenberg meant years ago when he said that politics stops at the water's edge. I am proud of our country. And I am very proud of the way the Democrat and Republican leadership as well as Members of Congress have pulled together, for our support effort is not Republican or Democrat or liberal or conservative -- it is truly American.

And I can sense this when you meet with or interact with the American people. And I wish you could have been in the car riding in from the airport with George Voinovich and me and the mayor of Cleveland today. You could feel the support for what America is trying to do in leading all around the world. You could feel it from the hardhats in the construction projects or those working around that airport or those that -- more white-collar jobs -- when we came in here. It was for me a very emotional experience knowing that the American people stand steadfast in support of the principles I've outlined all the way around there in the Middle East. It is a

wonderful thing. And I will do my level best to keep our country out front and to hold this fantastic international coalition together.

Now, let me close with a word of recognition for the young men and women in our Armed Forces, on duty now over there, halfway around the world, servicemen like Private First Class John Brickley -- known as the Brick to his old teammates on the Orange High School football team -- now serving with the 82d Airborne; like Air Force Staff Sergeant John Kinton -- a three-sport athlete from Cleveland's Collinwood High -- or as he's now called, Tiffany, as in ``Breakfast at Tiffany's." And Sergeant Kinton's tent kitchen serves up some of the best pancakes and scrambled eggs in Saudi Arabia -- [laughter] -- a little bit of home out in the sand and hot sun.

These two men -- all our soldiers, sailors, airmen, and marines deserve every ounce of our support. And with them in mind, I want to add just one more thing -- and, incidentally, I might tell you, every member of the Joint Chiefs I've talked to has told me, as they looked back over their shoulders in history of military service in this country, that never have we had more motivated, better educated, or more dedicated troops than the men and women that are serving in Saudi Arabia right now. It is a great tribute to the young people in this country.

But I'd like to just add one more thing, a message to all Ohioans as November 6th draws near. Right now, in the sands of Saudi Arabia, the young men and women of our armed services are teaching us a lesson about what it means to love liberty, the precious freedom that gives America its meaning. And I urge every citizen in Cleveland and all across this great State to get out and vote. Do not take democracy for granted. And so, that's the message. Please participate. And all of you here are doing that in this magnificent support for our outstanding candidate for Governor.

Once again, let me thank you for this warm welcome back to Cleveland. I'm proud to be here to show my support for Mike DeWine, and for the man I am sure is well on his way to the statehouse, your next Governor, George Voinovich.

May God bless the State of Ohio, and God bless the United States of America. Thank you all very, very much.

Note: President Bush spoke at 1:40 p.m. in the Grand Ballroom at Stouffer's Tower City Hotel. In his remarks, he referred to Robert Hughes, Cuyahoga County Republican Party chairman; Paul Mifsud, manager of the George Voinovich for Governor campaign; Jim Rhodes, former Governor of Ohio; Michael White, mayor of Cleveland; and President Saddam Hussein of Iraq. He also referred to Millie, the First Family's dog. Following the luncheon, President Bush met with Eastern European-American community leaders at the hotel and then traveled to Detroit, MI.

Remarks at a Fundraising Dinner for Senatorial Candidate Bill Schuette in Detroit, Michigan

September 27, 1990

I was going to say it's nice to be back where I started; but I think back to that Republican Convention right here in Detroit, 1980, and maybe that's not an overstatement. But in any event, thank you for the warm welcome. And to my dear friend, close friend Max Fisher, thank you for that most generous introduction. And I'm proud, once again, sir, to be back at your side.

To Bill Laimbeer, it's amazing -- [laughter] -- how one of the ``bad boys'' can do such a good job as master of ceremonies. [Laughter]

And of course, I want to salute another old friend, a man that helped me enormously in 1988, a man who is going to be the next Governor of this great State, John Engler. John, good luck to you. Best of luck.

And one who next January will become a sorely needed Republican Congressman, Jim Dingeman. Jim, where are you? Somewhere -- right back in the middle. Good luck to you. And I also want to single out another traveler with me on Air Force One, a member of my Cabinet, doing an outstanding job, my superb Secretary of Veterans Affairs, Ed Derwinski. Where is Ed? Anyway, he's here. Oh, right here. There he is. How could I miss him?

And also I want to extend a warm welcome to your State party leadership -- our chairman, Spence Abraham, over here. Spence, good to see you again. And Detroit city councilman Reverend Keith Butler, welcome. Down there. And Larry Patrick, school board chairman. And finally, Jermaine Davis, who did such a great job of going with the Pledge of Allegiance. And that's it. You've got a lot of big shots out there.

So, thank you all. And ladies and gentlemen and honored guests, I appreciate the chance to be with you and, what's more, the chance to support a man who can provide ``the change we need'' and that Michigan needs; and that is the next Senator from the State of Michigan, Bill Schuette.

Now, I was told that Bill wanted a speaker who is beloved in Michigan, a man known for his popularity, quick reaction, grace under pressure. Unfortunately, Isiah Thomas could not make it -- [laughter] -- and so I'm here instead.

This past summer, Isiah, Bill, and the rest of Chuck Daly's team visited the White House after winning the NBA title. And we saluted that winning team, and today we salute another winning team: the entire Michigan Republican ticket. And I want to salute all of you who've worked so hard and long at the grassroots level.

You know that support has never been more crucial than in this election year of 1990. Together we must maintain our majority in the State senate and gain a majority of the house of representatives. Together we must elect a Governor who ensures fair reapportionment. No more gerrymandering! We need a Governor to guarantee fair reapportionment, and of course, that's John Engler once again. And together, we must bring change and new ideas to Michigan by electing the Man from Midland, Bill Schuette.

You all know him, but let me just recite a little background: educated at Georgetown University and the University of San Francisco Law School; became a practicing attorney up in the Saginaw Valley and then, at 30, the energetic, outstanding Congressman from the 10th District. The Detroit News calls him an unusually fine candidate. Bob Dole calls him the clear candidate. And Guy Vander Jagt calls him a natural. For my part, I plan to call him Senator.

Let me tell you why I support him. He's a friend, first. When he was managing my Michigan campaign in 1980, he drove me around the State in his car and in his mother's jeep. We spent more time on the road together than Hope and Crosby. [Laughter] So, if anyone tries to tell you that he's not a man of character, that Bill Schuette is not the candidate who can do more for Michigan's future, then tell them to ask somebody who knows him. Tell them to ask George Bush.

Without going into great detail, let me mention several issues where he can be ``the change we need." The first is education. He knows that excellence in our schools comes from accountability, flexibility, and more parental choice in their children's education. I need Senators like him to help pass our administration's Educational Excellence Act that for 17 months has sat on the Congressman's desk without any movement at all. The American people voted for that kind of education program when they elected me in 1988, and they've got no action on it because it's been stymied by the old thinkers who want to continue to have the Federal Government figure out all the answers from back there. I want the Michigan input into the educational excellence, and the way to get it is to get more like Bill Schuette in the Senate.

And the second issue -- and it's of great concern to everybody in this beautiful State -- is the environment. And here, too, Bill is what we need. He backed legislation to protect the Great Lakes from the oilspills, and yet he also believes we don't have to throw people out of work to protect these resources. For 14 months, Congress has delayed our administration's bill to rewrite the Clean Air Act, and I need Bill Schuette and Senators like him to help pass a Clean Air Act that I can sign.

And next, the third issue, where the needed change Bill can bring will help America -- and I don't know whether they're number one issues or two, but this is right up at the top -- and I'm talking about crime and drugs. Bill supports our Comprehensive Violent Crime Control Act. And he and I want a crime bill with a workable death penalty for the killers of Federal law enforcement officers. And we want a bill that gets tougher on the criminals and cares more about the victims

of crime, not one that slaps the handcuffs on the police officers. And we've got such a bill, and it's gone nowhere because of the liberal control of the Congress.

So far, I've talked about Bill's views -- some of his views and achievements. And if that isn't enough for you, think about this one: Last month he won the celebrity cow milking contest at the Michigan State Fair. [Laughter] But even without that experience, Bill Schuette knows it's the cows who should be milked, not the taxpayers. [Laughter]

Which leads to a final domestic issue where change is needed. And of course, I refer to what he mentioned, the Federal budget negotiations, and to this twilight zone of sequestration, now just 4 days from now -- 4 days away.

Let me take a moment -- not to bore you to death -- but I just want -- it's important. We're going right down to the wire, this nation is, towards sequestration. So, let me take a moment to briefly sketch the history of these negotiations.

Last February I proposed a budget for the coming fiscal year, and Congress by its own rules needed to respond by April. It did not. In May, in order to get Congress off the dime, I called for a budget summit, bringing together the leaders of the Republicans and the Democrats in both Houses of the Congress. And by the end of June, the talks were going nowhere. To jump-start the budget process, I agreed to the demand of the Democratic leadership to put everything on the table, including revenues, including taxes. I didn't want to, but felt I had to, to get this deficit down and get the Democrats off of dead center. And 1 month later, we prepared another revised comprehensive budget plan -- we did, and again, the Democrats came up emptyhanded. And that was 2 months ago. I thought about keeping Congress in session in August. I talked to the leaders and they asked me not to do that. They felt it would be counterproductive and that if I didn't do that we'd have a better chance to get a budget agreement early in September. So once again, I compromised and went along, hoping that this would be the approach to use to get a deficit reduction deal early in September.

And here we are, 4 days from sequestration, and today Congress still refuses to make real spending cuts, enforceable cuts, or enact real budget-process reform that we've got to have. And the result? Under Gramm-Rudman-Hollings, we face a mandated sequestration that will cause $100 billion -- $100 billion -- in automatic spending cuts. Need this occur? Of course not. If it occurs, there will be no doubt whatsoever about who is responsible: a Congress addicted to tax and spend.

And here are just a few examples of what would happen -- and this isn't what we call in Washington the Washington Monument syndrome, when you cite all the things that ought to go on in order to get your way with the Congress or something of that nature. Let me tell you what would happen under sequestration. Here in Detroit, the Social Security office will be closed on Fridays. Hundreds of young children will be cut off from Head Start funding. And investigations

of white-collar criminals will drop by 25 percent. All of this and more will happen -- much, much more -- unless Congress does what it was elected to do: serve the American people.

And so, today I call on the Congress to do exactly that -- to avoid sequestration and, instead, help fix the budget problem. We need the Congress, particularly the Democrats, to support growth incentives -- growth incentives that promote savings, job creation, and capital investment. Congress has got to stop being manic-depressive: manic on spending, depressive for the economy. [Laughter]

And one more thing: If Congress doesn't see the light, on November 6th the voters will make it feel the heat, because they know where the blame for this delay stands.

Bill Schuette, of course, has always seen the light at home, as a member of the Budget Committee, receiving the Golden Bulldogs award from the Watchdogs of the Treasury. That's an organization that's trying to keep spending down. Watchdogs of the Treasury -- the Golden Bulldog award -- our dog Millie liked that award. [Laughter] Incidentally, I bring you -- because I talked to her this morning at 5 a.m. I woke up at 5 a.m., and I was on the next time zone over. And I thought, well, Barbara is always up at 6 a.m., so I called. Regrettably, she was in Texas, and it was also 5 a.m., and I did not get an overly warm welcome. But I did tell her I was going to be here this evening. She shares my affection for Bill Schuette and for Max Fisher and for so many people in the room. So I bring you warm regards from the Silver Fox, who in my view is doing an outstanding job for education all across this country.

But look, in all seriousness, Bill knows that we've got to meet this budget challenge to keep us economically strong; Max, an experienced businessman, once again driving that point home to me this evening. And as I look around the room, I am sure there is unanimous agreement that we've got to get a deal that's going to bring this deficit down once and for all. So, I hope that the negotiations that are going on right now -- right this minute -- that the Congress will result finally in the kind of budget agreement that I can accept and bring to you, the American people, for approval.

Bill also knows that we've got to meet our challenges abroad. You heard him refer to that. So in closing, let me just discuss an area where change is especially urgent. And I refer to the need for more Senators who understand, like Bill, that when it comes to national defense, preparedness is not something to rest upon. Preparedness is something to build upon. And all of us know that we must defend civilized values around the world. So, we are resolved that aggression in the Persian Gulf cannot stand.

Our four objectives in the Gulf reflect a multinational resolve. Iraq must withdraw from Kuwait immediately and completely. Kuwait's legitimate government must be restored. The security and the stability of the Persian Gulf must be maintained. And American citizens and others must be protected abroad. Those are our four objectives, and I will see that those four objectives are

fulfilled.

I hope I don't need to repeat it, but let me say those objectives are unchanged. And we can't say how long it will take to reach these objectives. We don't know what sacrifice will be demanded, but this we do know: America will not stay in the Persian Gulf 1 day longer than necessary, but we will remain for as long as we need to complete our mission.

This means that our friends and allies must be with us, and they are. Think of what Max referred to: the unprecedented support in the United Nations, or aid -- economic or military -- from a variety of countries. Think of the support of the American people. They know that no country should mug another and get away with it. And finally, especially think of how our service men and women are standing for us, reflecting America at her finest. What wonderful young kids we have in the Armed Forces, all volunteers, every single one of them proudly serving with an unprecedented morale. The greatest soldiers, sailors, airmen, and marines that any country could have are showing that the best way to keep the peace is to keep America militarily strong.

Just a couple of examples -- all sons and daughters of Michigan now on active duty in Saudi Arabia. Navy Petty Officer Leslie Rogers is a medic from Williamston. He's standing shoulder to shoulder for what is right and good with colleagues like Lansing's Enrico Arquisola, serving aboard the U.S.S. Independence, or Army Engineer Todd Dimock of Mount Morris or First Lieutenant Stacey Miller -- she's from Kalamazoo -- of the Air Force's 379th Combat Support Group. These men and women reflect the true caliber of America and the vital essence of our mission. They show that America would not be the land of the free if it were not also the home of the brave.

Now, I think you may have detected that I have some disagreements with the Congress -- liberal Democrats, particularly -- on the budget issue -- and I do -- and, quite frankly, on a number of other issues as well, where Bill Schuette and I stand in one place on education, crime, child care, and those that control the Congress on the other party stand exactly 180 degrees opposite. But there's one thing we do agree on, and we agree strongly on it, and that is support for our service men and women in the Gulf. I am proud of them, and I am proud of the congressional leadership -- Democrat and Republican -- as well as individual Members for the way that they've pulled together to stand up against aggression. This is exactly what Senator Arthur Vandenberg meant years ago when he said that politics stops at the water's edge. We should all be grateful for this kind of bipartisan support because our effort isn't Republican or Democrat, liberal and conservative: it is an American effort, and it's gained the respect of everybody around the world.

And lastly, Bill Schuette knows that, while our forces are defending us around the world, we must provide leadership here at home and that a Senate sharing this belief can help build a truly better America. So, now let's go out and get out the vote. Let's win the statehouse. Let's win the Senate. Let's win both houses of the State legislature. Let's pick up seats in the U.S. Senate and the U.S. House of Representatives. Let's elect Republican Congressmen and John Engler as Governor.

And let's roll up our sleeve and elect a superb United States Senator.

Thank you for this evening. God bless the United States. And let's make Bill Schuette the next Senator from the great State of Michigan. Thank you all very, very much.

Note: The President spoke at 6:42 p.m. in the Renaissance Ballroom at the Westin Hotel. In his remarks, he referred to Max Fisher, honorary dinner chairman; and Bill Laimbeer, Isiah Thomas, and Chuck Daly, players and head coach of the Detroit Pistons basketball team, respectively. Prior to the dinner, the President met with Eastern European-American community leaders and major campaign contributors. Following the dinner, he returned to Washington, DC.

Remarks and an Exchange With Reporters Prior to Discussions With President Zhelyu Zhelev of Bulgaria

September 28, 1990

President Zhelev. Mr. President, I'm very grateful for the time you spare to receive us, considering your busy schedule. It's a great support for our young democracy indeed.

President Bush. We're wishing that young democracy all the best. The American people are very excited about the changes.

Q. Are you pleased with the way things are going at home in this democratic change?

President Zhelev. Generally, yes. Our country has embarked firmly upon the road of democracy. And for our nation, this is a symbolic visit because the greatest democracy in the world is extending a helpful hand to the youngest democracy in Europe.

President Bush. We're very anxious to see this democratic change solidified and continuing in a lot of countries. But we have great respect for what you're trying to do, a great respect for that.

Just wanted to have a chance to wish you well and to say in front of the press here in our country and around the world that the changes in Eastern Europe have really captured the imagination of the American people. Every place you go, people are talking about it. I've been meeting the last couple of days in our Midwest with ethnic Americans from different heritage groups, and the excitement is still very high, very high.

Q. Mr. President, would you convey some words for the Bulgarian television?

President Zhelev. The processes in Bulgaria are irreversible. Mr. President, this country's no longer a Communist, a totalitarian state. We have a multiparty system, for instance, independent trade unions, free press, independent radio and television, a democratically elected parliament, and a democratically elected President in my capacity.

President Bush. It is this kind of exciting change that has the full support of the American people. I hope you feel that in your visit now.

Q. Mr. President, some words for the Bulgarians?

President Bush. I just said that we support strongly the democratic change all across Eastern Europe. Thank you all very much.

Note: President Zhelev spoke at 10:06 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks.

Remarks Following Discussions With Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait

September 28, 1990

The President. Well, it is my great pleasure to welcome His Highness Sheik Jabir Sabah to the United States. His Highness is visiting Washington for the first time. What normally would be a pleasurable occasion instead is a time for sobriety and sorrow. Our meeting has taken place with the backdrop of the tragedy that has been vested on Kuwait and its people by a ruthless and ambitious dictator.

Iraqi aggression has ransacked and pillaged a once peaceful and secure country, its population assaulted, incarcerated, intimidated, and even murdered. Iraq's leaders are trying to wipe an internationally recognized sovereign state, a member of the Arab League and the United Nations, off the face of the map.

To them and to the world, I will state what I told His Highness, the Amir. Iraq will fail. Kuwait -- free Kuwait -- will endure. And I have reaffirmed to the Amir that America's resolve to end this aggression against Kuwait remains firm and undiminished. Kuwait's sovereignty and territorial integrity will be restored, the stability and security of the Persian Gulf region is assured, and the safety of all innocent citizens is secured. And this is consistent with our longstanding interests endorsed by all my predecessors since Harry Truman. And this is consistent with the will of the world community, endorsed by the United Nations in eight Security Council resolutions. And just yesterday, the standing ovation that greeted the Amir's moving address to the U.N. General Assembly was one more powerful expression of international support for a free Kuwait.

His Highness and I reaffirmed our support for the U.N. Security Council resolutions as the means to bring about a peaceful end to the crisis. But ultimately, that is up to Saddam Hussein. I reiterated our strong belief that we just continue to stand on the principles by which the United States and the rest of the civilized world are governed. And that means that no nation should be allowed to conduct its relations with another on the basis of threats or the use of brute force. And finally, His Highness and I agreed that we must keep all our options open to ensure that Iraq's unlawful occupation of Kuwait is ended and Kuwait's legitimate government restored. We also discussed the key role that His Highness, his government, and the Kuwaiti people are playing and will continue to play in the international effort to achieve these efforts.

I want to thank the Amir for his generous support for those who are being asked to make sacrifices. And I also want to single out the valiant efforts of the Kuwaiti resistance who are continuing to fight vigorously for their country. Despite incalculable risks, many are willing to pay the highest price to rid their country of foreign occupation and to protect innocent citizens, including Americans, from harm. And many have already paid the ultimate price.

His Highness and I will continue to stay in close touch and to work together to find a solution to this tragedy. As I stated in my address to the Nation earlier this month, we will stand by our friends.

And to my guest, let me, sir, say one more thing, sir. I look forward to the day that I can visit you and the Kuwaiti people in your rightful home Kuwait.

Thank you for coming.

The Amir. Mr. President, I am pleased to have visited the capital of your great nation. And I wish I could have had the pleasure of receiving you in Kuwait City, the capital of my country, were it not for the Iraqi aggression which has denied us that opportunity temporarily, God willing. Nevertheless, the people of Kuwait, as well as myself, look forward to receiving you, Mr. President, in liberated, independent Kuwait.

I take pleasure in expressing to you once again, Mr. President, and to your great people the deep feelings of friendship and appreciation Kuwait feels for you. Our stand together in the face of treachery and aggression is proof that relations between our two countries are based on the solid foundation of common values and principles that, in turn, provides guidance for the fruitful cooperation that evolved and developed in various fields between the United States and Kuwait.

Your principled, courageous, and decisive position in face of the Iraqi aggression on Kuwait is a true expression of the unabated faith and commitment of the American people to the humanitarian morals on which and for which the United States of America was founded. The unity of the international community in support of our position against aggression and occupation, the two most flagrant violations of human rights, conclusively indicates the determination of all nations and peoples of the world to put a definitive end to armed aggression as any country's foreign policy tool. This unity takes on added relevance given the world's entrance to an era dominated by an atmosphere of peace, rapprochement, cooperation, and optimism.

We look with admiration to the role you, Mr. President, and your nation have played in inaugurating and enhancing the foundation of this era. Mr. President, your just position by the side of Kuwait in this ordeal represents a categorical rejection of aggression in all its forms and manifestations, whatever its source or pretext. The unity and support shown by the friendly American people towards the position and measures taken by you, Mr. President, against Iraq's aggression, whose first and foremost victims are the human rights of the Kuwaiti people, are perfectly compatible with the unflinching faith in the standards of justice and fairness for which the American people stand. This is the faith that brings together the nations and peoples of the civilized world.

I am fully satisfied by the identical views we hold on issues covered in our talks this morning with you. Truly, this mutual agreement reflects the advanced stage in relations our two friendly

countries and peoples have reached.

Thank you, Mr. President.

Note: President Bush spoke at 1:45 p.m. at the South Portico of the White House. In his remarks, he referred to President Saddam Hussein of Iraq. The Amir spoke in Arabic, and his remarks were translated by an interpreter. Prior to their remarks, the two leaders met privately in the Oval Office and with U.S. and Kuwaiti officials in the Cabinet Room, and then attended a luncheon in the Old Family Dinning Room.

Statement by Press Secretary Fitzwater on the Cancellation of the State Visit of President Wojciech Jaruzelski of Poland

September 28, 1990

President Wojciech Jaruzelski of Poland has written President Bush to decline his invitation to pay a state visit to the United States this fall. President Jaruzelski explained that because of the forthcoming Presidential elections in Poland and his decision to step down before the expiration of his term he did not feel it appropriate to proceed as planned with his visit to the United States.

President Bush accepts President Jaruzelski's decision with full understanding. It is in keeping with President Jaruzelski's contribution to the process of democratic change in Poland since the historic Roundtable Agreement of April 1989. President Jaruzelski deserves great credit for the role he has played, together with the government of Prime Minister Mazowiecki, in working toward Poland's economic recovery and democratic consolidation.

President Bush regrets that President Jaruzelski will not be able to accept this longstanding invitation for a state visit but looks forward to receiving President Jaruzelski at the White House in a private capacity at some time in the future.

Remarks at the Washington National Cathedral Dedication Ceremony

September 29, 1990

Thank you all, ladies and gentlemen. Thank you, Bishop Browning, and it's a great pleasure to be with you again. And a special thanks to Bishop Haines, and special thanks to Colonel Bourgeois and our wonderful Marine Band. Thank you, ladies and gentlemen. And a warm welcome to all of you out there, standing and seated, in this splendid scene of bright unity across these gorgeous grounds -- the clergy and other interfaith leaders, members of this great Washington National Cathedral, representatives of our government and other countries, and the men and women who have worked on this magnificent structure, and all our friends.

Barbara and I feel privileged, privileged to be with you on this day of ecumenical thanksgiving. There's one man, mentioned by Bishop Browning, who has gone before us, yet who is in so many of our hearts today, the late Episcopal Bishop of Washington, John Walker. Like many of you here, I treasured his friendship, and I valued his counsel. And were he still with us, the stone setting would be the culmination of his life's work and his life's dream. But tomorrow, on the first anniversary of his death, the very first service will be held in the completed cathedral. I'd like to dedicate these remarks to his memory.

What an extraordinary moment this is. Eighty-three years ago this day, this hour, our predecessors here laid a cornerstone. Now, eight decades later, we look at Mount St. Alban and say: Here we have built our church -- not just a church, a house of prayer for a nation built on the rock of religious faith, a nation we celebrate as ``one nation under God," a nation whose founding President, George Washington, said: ``No people can be bound to acknowledge and adore the invisible hand which conducts the affairs of men more than the people of the United States."

And so, we have constructed here this symbol of our nation's spiritual life, overlooking the center of our nation's secular life, a symbol which combines the permanence of stone and of God -- both of which will outlast men and memories -- a symbol that carries with it a constant reminder of our moral obligations. You know, whenever I look up at this hill and see the cathedral keeping watch over us, I feel the challenge is reaffirmed.

Woodrow Wilson's last public words, inscribed here on the wall next to his tomb, say it best: ``Our civilization cannot survive materially unless it be redeemed spiritually." To do that, we must govern by the imperatives of a strong moral compass; a compass based on the kind of purity and vision and values that inspired our early founders; a compass that would lead us to enter this building through its oldest door, ``The Way of Peace"; and a compass oriented to the words of St. Paul, who gazes down from our left: ``And now abideth faith, hope, and love, these three; but the greatest of these is love."

Our personal family compass has for many years led us here for public and private worship. We were neighbors when we lived in the Vice President's residence, and before that, our children went to school at St. Alban's. I was a board member at National Cathedral School, and Canon Martin baptized one of our grandchildren, and two sons were confirmed here. And Barbara's even read ``The Christmas Story.'' I'll stop in case each of you want to tell me of your family connection with this wonderful institution. [Laughter]

One of the high points of our inaugural weekend was the prayer service here, part of a national day of prayer across the country. I want to take a moment to say goodbye to Provost Perry, Charles Perry, who so beautifully organized that service and who is leaving tomorrow after a dozen years of devoted work.

I'd like to share with you some thoughts on why we find this cathedral so moving. To begin with, there is profound meaning in the physical beauty. The devout say they can see here the invisible hand of God in the visible handiwork of man. We all can see in this astonishing place of stone and light a massive 300-million-pound mountain of Indiana limestone created as an act of worship.

I want my grandchildren to come here. I want them to feel reassured that there always will be comfort here in the presence of God, and I want them to delight in the colors and the sounds and the tapestries and mosaics to the fine old hymns. And I want them to know a very special way of understanding this wondrous place -- studying the brilliant stained-glass windows. From where we now stand, the rose window high above seems black and formless to some, perhaps; but when we enter and see it backlit by the sun, it dazzles in astonishing splendor and reminds us that without faith we too are but stained-glass windows in the dark.

But the magnificent story of this place, then, is human as well as spiritual. The greatness of this masterpiece comes from the loving and sometimes lifelong dedication of the finest craftsmen. For some, it has been a multigenerational work, son following son throughout the birth of this house of worship. Many of these workers are now gone. For their memorial, simply look around you.

But most of the gifts that made this great American dream a reality -- gifts of funds, work, love, spirit, and prayer -- were from the people who were its congregation: the millions across America. They caught the exhilaration of the dream that seized those who envisioned this cathedral and yet who didn't live to see it a reality, men like Pierre L'Enfant, whose 1791 plan for Washington included ``a great church for national purposes,'' or Henry Satterlee, this city's first Episcopal Bishop, who yearned for a place ``forever open and free,'' and the Members of Congress who voted the 1893 Charter of Foundation.

There are some here who share that dream in a unique way. They were also here 83 years ago today for the laying of the cornerstone, and they remember sunlight shining through the rain while 10,000 watched and cheered. For instance, Elsie Brown is now 90, but was 7 when her

mother took her to that event. Ninety-five-year-old Taylor Eiker was 12 when he donned his cassock to sing in the boys choir that noon. And Ruth Oliphant, now 98, walked over with her other 15-year-old Cathedral School classmates.

It was a very American ceremony. President Teddy Roosevelt spoke, and Bishop Satterlee tapped the stone with the gavel which George Washington had used to set the cornerstone of the United States Capitol. That was only right for a cathedral whose style is 14th-century Gothic and yet also very much American, a cathedral that's not just about faith but was also about a nation and its people: a cathedral where mosaics of the Great Seal of the United States and the State seals are set into the floors; where bays honor Washington, Lincoln, Stonewall Jackson, and Robert E. Lee; where you can find an eagle, a bison, and even a stained-glass codfish; where needlepoint memorials are to Herman Melville, Alexander Graham Bell, Harriet Tubman, and John Fitzgerald Kennedy; where lie the graves of President Wilson, Admiral George Dewey, and Helen Keller; where the mesmerizing stained-glass Space Window includes a Moon rock given by astronaut Michael Collins, who went to school on these very grounds at St. Alban's; and where an unexpected shaft of sun can leave a stunning memory -- the statue of George Washington, strong and solid and earthbound, suddenly dappled by the brilliance of stained-glass light. It's a place where the history of the cathedral and of the country have been interwoven.

When we need to grieve, we come here. We held funerals for Presidents Truman and Eisenhower and Vice President Humphrey, the burial of President Wilson, and a fantastic memorial service for Winston Churchill.

When we want to understand, we come here. Over a 3-day period, at the dedication of the Vietnam Memorial, the names of 57,939 lost Americans were read in chapels. Other times, we listened to Bishop Tutu or Billy Graham or Martin Luther King.

When we want to celebrate, we come here. When the hostages were freed from our Embassy in Tehran, there was a service of thanksgiving. Later, a national prayer service for the 50th Presidential inauguration. And bells peal out on the national holidays.

When we want to express our concern, we come here: to hold a memorial for victims of the American Embassy bombing in Beirut; a service of reflection on the 40th anniversary of Hiroshima; and even now, prayers for our brave young service men and women in the harsh, distant deserts.

And so, today, we prepare to raise that final 1,008-pound grand finial to its spot on one of the great pinnacles of St. Paul's Tower, the last step in an eight-decade-long journey.

Now that our national treasure is complete, how will it fit into our lives? I would love to see the entire country discover this cathedral as America's resource, refuge, and reminder, somewhere to strengthen the Nation's heart. We should consecrate this place in the words of Isaiah: ``For mine

house shall be called a house of prayer for all people." All people. All America. And we should come here to pledge ourselves to the work of Martin Luther King, envisioned from the splendid Canterbury pulpit in his last sermon, 3 days before he died. And he said: ``We will bring about a new day of justice and brotherhood and peace. And on that day, morning stars will sing together, and the sons of God will shout for joy."

For eight decades, the dream of a completed cathedral dominated this hill, and now Dr. King's words should become our new vision. Eighty-three years ago on this spot, President Teddy Roosevelt said: ``God speed the work begun this noon." And today I say: God speed the work completed this noon and the new work yet to begin.

God bless all of you, this magnificent cathedral, and the United States of America. Thank you all very much.

Note: The President spoke at 12:31 p.m. in front of the cathedral. In his remarks, he referred to the Most Reverend Edmond L. Browning, Bishop of the Episcopal Church of the United States, and the Right Reverend Ronald H. Haines, Bishop of Washington.

Statement by Press Secretary Fitzwater on President Bush's Meeting in New York City With President Cesar Gaviria of Colombia

September 29, 1990

President Bush met with President Gaviria of Colombia at approximately 4:15 this afternoon and discussed a number of bilateral issues of interest to both countries. President Bush advised President Gaviria that he will include Colombia in legislation that he will soon send to the Congress on a CBI [Caribbean Basin Initiative]-like trade preference system for four Andean countries. One product of special interest to Colombia, cut flowers, will be included in this legislation. The two countries have discussed tariffs on cut flowers for a number of months, and President Bush has promised to seek relief.

President Gaviria expressed his concern about a new wave of terrorism in Colombia and the need for both countries to deal forthrightly with the drug situation. The two Presidents discussed possible trade benefits that could accrue to Colombia to make up for adverse economic impacts due to the drug war.

President Bush raised the issue of ``consensual'' boarding of ships suspected of carrying drugs. President Gaviria indicated he would look into the process of getting approval for U.S. coastguardsmen to inspect ships at sea. President Bush reiterated that the United States wants to cooperate with Colombia in drug interdiction and would not act without Colombian approval.

The two Presidents discussed the situation in the Persian Gulf, including its impact on oil prices in the United States and Colombia. President Bush thanked President Gaviria for his decision to increase oil production in Colombia. President Bush repeated his concerns about market speculators driving up the price of oil. President Bush thanked President Gaviria for his support in the United Nations on the resolutions related to Iraq.

Statement by Press Secretary Fitzwater on the President's Meeting in New York City With Prime Minister Salim al-Huss of Lebanon

September 29, 1990

The President met with the Prime Minister of Lebanon, Salim al-Huss, at 5 p.m. The President assured the Prime Minister of continued U.S. support for the Government of Lebanon. He said the United States supports Lebanon's independence, unity, sovereignty, and territorial integrity. The President also advised the Prime Minister that the United States seeks the withdrawal of all foreign forces from Lebanon. The President emphasized that the U.S. contacts with Syria would in no way be detrimental to Lebanon.

The two leaders discussed the situation in the Persian Gulf at some length.

The President raised the issue of American hostages in Lebanon, pointing out that we continue to seek all information that could be helpful in securing the release of our hostages. The Prime Minister assured the President that he would provide any information that might possibly be helpful in securing their release.

Statement by Press Secretary Fitzwater on the President's Meeting in New York City With Prime Minister Brian Mulroney of Canada

September 29, 1990

The President met with Prime Minister Mulroney of Canada at 6 p.m. to discuss the United Nations World Summit for Children. Prime Minister Mulroney is one of the sponsors of the World Summit for Children. The Prime Minister discussed the major themes of the summit and the scenario for tomorrow's meeting. The Prime Minister said there were 15 million children in the world under 5 years old who die every year from disease. He said we must work to improve the world environment.

The President and the Prime Minister also discussed the situation in the Persian Gulf and the status of the multinational force there.

Statement by Press Secretary Fitzwater on the President's Meeting in New York City With Prime Minister Tadeusz Mazowiecki of Poland

September 29, 1990

The President and Prime Minister Mazowiecki met at 6:30 p.m. to discuss the status of Poland's move toward the development of a private economy and democratic reforms. The Prime Minister said his country is making considerable progress in building democracy and has undertaken several specific efforts to privatize their economy. He indicated an initial emphasis on moving smaller companies into the private sector.

The President congratulated the Prime Minister on the success they have had so far. He said the United States supports Poland in its reform efforts. ``America wants you to succeed," the President said. ``We will help in every way we can." The President outlined the U.S. economic assistance program for Poland.

The President thanked the Prime Minister for Poland's contributions to the Persian Gulf. Poland is sending a hospital ship and a field hospital to the region. The Prime Minister said his country is considering other helpful measures as well.

Remarks at the Opening Ceremony of the United Nations World Summit for Children in New York City

September 30, 1990

Mr. Secretary-General and President Traore, Prime Minister Mulroney, and my distinguished colleagues from around the world, thank you all, and welcome to the United States.

I'm proud to address you here today as the President of this country, in which this special summit is being held. And at the outset, let me join all in expressing our appreciation to UNICEF and then to the kids here with us today.

President Traore, our thanks to you, sir. And may I extend my special respects and special thanks to the Prime Minister of Canada. It was largely his foresight and persistence that resulted in this impressive turnout.

In recent days, the world community has acted decisively in defense of a principle: that small states shall not become souvenirs of conquest. It was just 3 weeks ago that I spoke to the American people about a new world order, a new partnership of nations -- freer from the threat of terror, stronger in the pursuit of justice, more secure in the quest for peace. Today we are holding this unprecedented world summit to work for the well-being of those who will live in and lead this new world. Their voices are still faint and unheard. So, we've come together, more than 70 strong -- heads of state, chiefs of government -- chiefs of state and heads of government -- to speak for the children of the Earth.

But first, we should acknowledge that for many children the only blessing they will ever know is their innocence. The facts are as stark as they are oppressive: There are almost 3 billion young people on Earth today, and more than 14 million of them will die this year. In the next hour alone, 1,000 babies will perish. But I think we're all gathered here to defy these statistics. We've seen children -- swollen bellies. We've seen the pleading eyes of starvation. We've heard the cries of children dying of disease. So, let us affirm in this historic summit that these children can be saved. They can be saved when we live up to our responsibilities not just as an assembly of governments but as a world community of adults, of parents.

In my time as President, I've heard the heart-rending cries of AIDS babies. I've stood helpless over infants born addicted to cocaine, their tiny bodies trembling with pain. But I've also been to many classrooms across America where the influence of love and well-being can be seen instantly in bright faces and wondering eyes. From all these experiences and many more, I've learned that our children are a mirror, an honest reflection, of their parents and their world. Sometimes, the reflection is flattering. At other times, we simply don't like what we see. So, we must never turn away.

So, let me tell you what the American people intend to do. This month, our Secretary of Health and Human Services, Dr. Sullivan, announced ambitious new health objectives that we as a nation -- citizens, families, business, and government -- hope to reach by the year 2000. We seek to reduce infant mortality and low-weight births, to increase child-immunization levels and improve the health of both mothers and children. And we want to see the day when every American child is a part of a strong and stable family.

We're working in partnership with other governments and international organizations to eliminate child-killing diseases. Of course, many diseases are but a manifestation of an even more basic disorder: malnutrition. And to combat world starvation, the United States will continue to help food production in many countries, and we will send almost 150 million metric tons of food abroad this year.

And sadly, there is another child-killer loose in the world that knows no cure: AIDS. And nowhere is this killer taking more lives than in Africa. So, I've asked Dr. Sullivan and Dr. Ronald Roskens, the Administrator of AID, to go to Africa to see what else America and the world can do to advance child survival across that continent and across the world.

So far, I've spoken here just briefly of the most urgent issues of survival, but simple survival is not enough for a child lacking in health or learning, or denied the love of family and time for play. One year and two days ago, I met with the Governors of our 50 States on a single topic of national importance. We agreed to set ambitious education goals for the year 2000. For America, this is a stiff challenge, self-imposed. I see among us today many leaders who should take pride in giving the world examples of educational excellence, examples the next generation of Americans will not leave unchallenged.

But of course, education is a mystery to the 100 million children not in school. It's an outrage that so many spend their childhood in mines, in factories, in the twilight world of the streets. The United States outlawed most forms of child labor decades ago. Let us strive together to make education the primary work of all children.

So, all children must be given the chance to lead happy, healthy, and productive lives. Let me be the first to say that the United States can learn from many of the nations represented here today, but what my countrymen have learned from hard experience is that progress begins when we empower people, not bureaucracies. Programs can best enhance the welfare of children by strengthening the mutual responsibilities of public institutions and individual families. We should also look to the private sector as an essential partner. Public efforts on behalf of children should encourage experimentation among neighborhoods and local governments, not stifle it. So, when it comes to improving the welfare of children, empowerment should begin first with their parents, as President Salinas a minute ago so eloquently stated.

Saving one child is a miracle. As world leaders, we can realize such miracles, and then we can

count them in millions.

My friends and colleagues, thank you very much. And may God bless the children of this world. Thank you very much.

Note: President Bush spoke at 10 a.m. in the General Assembly Hall at the United Nations. He referred to United Nations Secretary-General Javier Perez de Cuellar de la Guerra; President Moussa Traore of Mali and Prime Minister Brian Mulroney of Canada, cochairmen of the summit; and President Carlos Salinas de Gortari of Mexico. Following his remarks, President Bush returned to Washington, DC.

Message to the Congress on the Continuation of Export Control Regulations

September 30, 1990

To the Congress of the United States:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b), I hereby report to the Congress that I have today exercised the authority granted by this Act to continue in effect the system of controls contained in 15 C.F.R., Parts 768 - 799, including restrictions on participation by U.S. persons in certain foreign boycott activities, which heretofore have been maintained under the authority of the Export Administration Act of 1979, as amended, 50 U.S.C. App. 2401 et seq. In addition, I have made provision for the administration of section 38(e) of the Arms Export Control Act, 22 U.S.C. 2778(e).

The exercise of this authority is necessitated by the expiration of the Export Administration Act on September 30, 1990, and the resulting lapse of the system of controls maintained under that Act.

In the absence of controls, foreign parties would have unrestricted access to U.S. commercial products, technology, and technical data, posing an unusual and extraordinary threat to national security, foreign policy, and economic objectives critical to the United States. In addition, U.S. persons would not be prohibited from complying with certain foreign boycott requests. This would seriously harm our foreign policy interests, particularly in the Middle East.

Controls established in 15 C.F.R. 768 - 799, and continued by this action, include the following:

-- National security export controls aimed at restricting the export of goods and technologies which would make a significant contribution to the military potential of certain other countries and which would prove detrimental to the national security of the United States.

-- Foreign policy controls that further the foreign policy objectives of the United States or its declared international obligations in such widely recognized areas as human rights, antiterrorism, regional stability, missile technology nonproliferation, and chemical and biological weapons nonproliferation.

-- Nuclear nonproliferation controls that are maintained for both national security and foreign policy reasons, and which support the objectives of the Nuclear Nonproliferation Act.

-- Short supply controls that protect domestic supplies, and antiboycott regulations that prohibit compliance with foreign boycotts aimed at countries friendly to the United States.

Consequently, I have issued an Executive order (a copy of which is attached) to continue in effect all rules and regulations issued or continued in effect by the Secretary of Commerce under the authority of the Export Administration Act of 1979, as amended, and all orders, regulations, licenses, and other forms of administrative actions under the Act, except where they are inconsistent with sections 203(b) and 206 of the International Emergency Economic Powers Act.

The Congress and the Executive have not permitted export controls to lapse since they were enacted under the Export Control Act of 1949. Any termination of controls could permit transactions to occur that would be seriously detrimental to the national interests we have heretofore sought to protect through export controls and restrictions on compliance by U.S. persons with certain foreign boycotts. I believe that even a temporary lapse in this system of controls would seriously damage our national security, foreign policy, and economic interests and undermine our credibility in meeting our international obligations.

The countries affected by this action vary depending on the objectives sought to be achieved by the system of controls instituted under the Export Administration Act. Potential adversaries may seek to acquire sensitive U.S. goods and technologies. Other countries serve as conduits for the diversion of such items. Still other countries have policies that are contrary to U.S. foreign policy or nuclear nonproliferation objectives, or foster boycotts against friendly countries. For some goods or technologies, controls could apply even to our closest allies in order to safeguard against diversion to potential adversaries.

It is my intention to terminate the Executive order upon enactment into law of a bill reauthorizing the authorities contained in the Export Administration Act.

George Bush

The White House,

September 30, 1990.

Note: The Executive order is listed in Appendix E at the end of this volume.

Remarks Announcing a Federal Budget Agreement

September 30, 1990

The President. I am joined here today by the bipartisan leadership of the Congress -- the Speaker of the House, the Senate majority leader, the Senate Republican leader, the President pro tem of the Senate, the House majority leader, and the House Republican leader -- and other members of the budget summit negotiating group. The bipartisan leaders and I have reached agreement on the Federal budget. Over 5 years, it would reduce the projected deficit by $500 billion; that is half a trillion dollars.

The agreement has five basic parts. First, it would save $119 billion in entitlement and mandatory programs.

Second, it would produce 182 billion in discretionary program savings. These savings would come principally from defense. In the next 3 years, defense outlays would be reduced by $67 billion, relative to the projected baseline. All other discretionary programs would be firmly capped at the projected baseline levels; that is, for the next 3 years they would in total be allowed to grow at no more than the inflation rate.

Third, the agreement would increase tax revenues by $134 billion. The largest single increase, single contributor, would be a phased-in increase in the gasoline tax of 5 cents per gallon in the first year and another 5 cents in the following years. I do not welcome any such tax measure, nor do I expect anybody up here does. However, this one does have the virtue not only of contributing to deficit reduction but also, over time, of decreasing America's dependence on foreign oil, an objective whose importance has become increasingly evident in the face of the Iraqi invasion of Kuwait. I am pleased to be able to note that the budget agreement also includes several new incentives to increase domestic exploration and development of oil and gas resources. The combination of these measures should help reduce America's vulnerability to the interruption of supplies of foreign oil imports.

Fourth, the agreement extends the Gramm-Rudman budget discipline for 5 years. In addition, it improves the budget process and substantially strengthens the enforceability of the 5-year budget plan to which we have agreed.

Fifth, this agreement includes important new initiatives to stimulate economic growth: it authorizes new tax incentives for the development of enterprise zones; extends the R&D tax credit; it provides powerful new incentives for productive investment in the kinds of companies that account for most of America's job growth. These incentives include: a new 30-percent credit for R&D; 25-percent deduction for the purchase of new equity; indexing of the basis of new stock in such companies; expansion of expensing of investment in tangible equipment and scientific equipment; a minimum basis rule that encourages investment in new ventures and in companies

with high growth potential; and other such incentives.

In addition to these targeted growth incentives I would note that prompt enactment of this entire 5-year deficit reduction package would itself help stimulate long-term economic growth with a half a trillion dollars in real deficit reduction. And let me repeat: The leaders here and I think that these are real deficit reduction figures. Long-term interest rates should be able to come down.

This package should be a strong component of a positive, responsible fiscal and monetary policy. I heartily thank the negotiators who have worked so long and so hard to develop this package. The bipartisan congressional leadership and I have pledged our very best to get this entire package signed into law by October 19th. As any such plan would have to, ours requires that virtually everyone contribute in some way. It is balanced, it is fair, and in my view it is what the United States of America needs at this point in its history. And we are united in our firm determination to see this program enacted.

I do not want to imply that some who have not been in the final negotiations are for every part of this. But I can only speak for my part, and then the top leadership here will speak. But I will simply say: This is priority. This is priority for our nation. This is something that the country is calling out for and world markets are looking for. And so, there will be some tough fights ahead; but I have pledged to the Speaker, to Congressman Gephardt, to Bob Michel on our side, to George Mitchell and Bob Dole and the Senate pro tem leader, Senator Byrd, that I will do everything I can to lay aside partisanship here and to take the case for this deal to the American people in every way I can. Sometimes you don't get it just the way you want, and this is such a time for me, and I expect it's such a time for everybody standing here. But it's time we put the interest of the United States of America first and get this deficit under control.

Mr. Speaker, I am grateful to you, the Democrats, and the Republicans that have seen that the interest of this country come first. Thank you for what you've been doing, and I'd appreciate it if you want to say a few words.

Speaker Foley. Thank you very much, Mr. President. I'll be brief in just echoing what you, yourself, just said, sir, that this is a package that your negotiators and the bipartisan participating negotiators from the House and the Senate -- ranking Republican Members, chairmen, and the leadership on both sides -- have sought to achieve. It's not going to be easy or simple to obtain the votes that are necessary in both the House and the Senate, the majority of both parties and both bodies, that will have to be found to enact this package -- and within the next 3 weeks. But we pledge our efforts with yours to convince our colleagues in the country that this is a strong undergirding of our economic future, our national prosperity, and joint national interest. And in that spirit, we are going to begin today to present to you legislation which will allow the orderly functioning of the Federal Government for the continuation of this next week, in preparing to take the first step to implement this program.

I want to pay a word, if I can, of special thanks to all of my colleagues who have participated in this, and especially to Dick Gephardt, the chairman of these budget negotiations, who, all sides -- Republicans and Democrats, Senators and House Members, and you, yourself -- have spoken eloquently to his patience and leadership. Thank you, sir, for your involvement and your determination to aid in the process of bringing this package and the interests of the country to final achievement.

The President. Now if I might ask Senator Mitchell and then Senator Dole, Congressman Gephardt, and Congressman Michel to speak.

Senator Mitchell. Thank you, Mr. President. Now comes the hard part. It's one thing to get a budget agreement among ourselves for which all involved should be commended. It's another thing to get the votes to pass it through the House and the Senate. That is a task to which we must now commit ourselves.

This agreement is a compromise. Both sides can accurately say that the agreement includes provisions they don't like. Both sides can also accurately say the agreement doesn't include some provisions they think should be included. Cutting the deficit requires difficult choices. But our nation's economic future requires that we make those choices. We have already debated too long. Now we must act decisively.

Senator Dole. Mr. President, thank you very much. And I want to thank my colleagues and again, particularly Dick Gephardt. The nay-sayers and the nitpickers may have a field day because the easy vote in this case is to find something you don't like and vote no. But in my view, we owe more to the American people than finding fault with what I consider to be a good, positive, solid agreement that, in my view, will help the American economy and demonstrate to the American people, who are sometimes somewhat cynical, that the Congress and the President of the United States can work together, and we can look ahead and we can do the right thing for our country. And so, I would hope that my colleagues -- and I speak now to my colleagues -- certainly will study this document very carefully, will give it their best effort, and when the role is called that we'll have a majority of Republicans and Democrats for this outstanding package.

Thank you, Mr. President.

The President. Thank you. Dick?

Representative Gephardt. Thank you, Mr. President. Forty years ago a mountaineer who joined in the first successful climb of Mount Everest explained the success by saying no expedition enjoyed better teamwork. To the Speaker of the House, Congressman Foley; the Senate majority leader, George Mitchell; to the Members of Congress who are here with us on the stage; to the administration and their representatives and the great staffs of all sides who worked so long and so hard with us: You have been heroic as we've made this climb together.

The American people are today asking: Why was this summit necessary, why did it take so long, and what did it achieve? If we are to enact this agreement -- and I think we must -- these questions must be answered persuasively and honestly. For 10 years we have chosen a course together that has created large deficits and limited our capacity to meet the needs of our people and the demands of a very challenging age. Today, we face a weakened economy and high rates of interest and inflation. Tomorrow, in absence of an agreement, massive across-the-board budget cuts would occur.

The alternative to this agreement is fiscal chaos. To meet our responsibility to America's working families, this summit simply had to succeed. What delayed us for months is what has divided us for a decade. The parties to these talks had -- and continue to have -- deep disagreements over values, the role of government, and the fairness of our taxes. But we all made compromise in the national interest.

To bring this process to a successful conclusion, all of us -- the American people and our national leaders -- must accept the responsibilities of the day. And as this debate unfolds I hope this will be said: that we achieved the largest deficit reduction package in our history, that we focused the national debate on whether the tax code will be based on everybody's individual ability to pay. The vital issues -- investing in our people, making our nation competitive, and realizing social justice -- will rise again on the national agenda, and then enactment of this measure will enable us to confront these important issues successfully in the years to come.

I thank you, Mr. President, and I thank all the members of the summit.

The President. Bob?

Representative Michel. Well, thank you, Mr. President, and my colleagues. I support the package wholeheartedly because I was one of the narrower group that, within the last 10 days or so, made some of the final decisions.

There may be some reservations with respect to some of our other summiteers on the platform. I think probably rightly so because we're making decisions that will reach far out, to 5 years. Everyone is entitled to know exactly what we have wrought in the printed word. As a matter of fact, I wasn't privy to the last few lines that were written early this morning.

But, on balance, when I look at what we were originally faced with -- and here we are refraining from increasing marginal rates and not touching the unmentionable out there, Social Security -- and then to have the incentives for growth that I see here and the expenditure caps over the next several years that are real and enforceable, it seems to me that in the alternative so much better that we've done what we've done, and hopefully that in the ensuing days we'll be able to sell a majority of the Members on both sides of the aisle in both Houses to give us the affirmative vote that I think is so imperative that we have before we adjourn.

Thank you, Mr. President.

The President. Well, thank you all very much. And let me conclude by singling out the White House team by name: Secretary Brady and Dick Darman, John Sununu, who stayed in there day in and day out with the Members of Congress. In my view they did an outstanding job, too.

You know, Senator Bentsen said in this meeting -- I hope it's not betraying a confidence -- that he hoped that I would do my level-best to take this case to the American people. And I told him inside what I want to repeat here: I will do everything I can to generate support from the American people for this compromise.

I am convinced that the American people do not want to see us continue to mortgage the futures of their children and their grandchildren. And as I say, compromise is the word here. All of us have had to do that. But to Senator Bentsen I said in there, and I would say it here publicly: I want the American people to understand how important we feel this is. I want them to understand this is real. It is not a phony smoke-and-mirrors deficit-cutting program. And I will do everything in my power to help the leadership, Republican and Democrat, get this passed in the United States Congress.

Thank you all very much for coming.

Note: The President spoke at 1:45 p.m. in the Rose Garden at the White House. In his remarks, the President referred to George J. Mitchell, Senate majority leader; Robert Dole, Senate Republican leader; Richard A. Gephardt, House majority leader; Robert H. Michel, House Republican leader; Secretary of the Treasury Nicholas F. Brady; Richard G. Darman, Director of the Office of Management and Budget; and John H. Sununu, Chief of Staff to the President. Later in the afternoon, the President returned to New York, NY.

Statement by Press Secretary Fitzwater on President Bush's Meeting in New York, New York, With President Vaclav Havel of Czechoslovakia

September 30, 1990

At 6:10 p.m. President Bush met with President Havel of Czechoslovakia. President Havel discussed the status of his country's economic reform measures. He indicated that considerable progress is being made.

President Bush thanked President Havel for their early support of the U.N. sanctions against Iraq, saying, ``We understand your sacrifices in supporting the U.N. embargo, and we are grateful."

President Bush informed President Havel that the United States will lift travel restrictions on Czechoslovakia's diplomats in the United States. These restrictions were imposed before Czechoslovakia's moves toward democracy.

President Bush said the U.S. interest in Czechoslovakia's success is very strong: ``We want to see you succeed."

Address Before the 45th Session of the United Nations General Assembly in New York, New York

October 1, 1990

Mr. President, thank you very much. Mr. Secretary-General, distinguished delegates to the United Nations, it is really a great privilege to greet you today as we begin what marks a new and historic session of the General Assembly. My congratulations to the Honorable Guido De Marco on your election, sir, as President of the General Assembly. And on a personal note, I want to say that, having witnessed the unprecedented unity and cooperation of the past 2 months, that I have never been prouder to have once served within your ranks and never been prouder that the United States is the host country for the United Nations.

Forty-five years ago, while the fires of an epic war still raged across two oceans and two continents, a small group of men and women began a search for hope amid the ruins. And they gathered in San Francisco, stepping back from the haze and horror, to try to shape a new structure that might support an ancient dream. Intensely idealistic and yet tempered by war, they sought to build a new kind of bridge: a bridge between nations, a bridge that might help carry humankind from its darkest hour to its brightest day.

The founding of the United Nations embodied our deepest hopes for a peaceful world, and during the past year, we've come closer than ever before to realizing those hopes. We've seen a century sundered by barbed threats and barbed wire give way to a new era of peace and competition and freedom.

The Revolution of '89 swept the world almost with a life of its own, carried by a new breeze of freedom. It transformed the political climate from Central Europe to Central America and touched almost every corner of the globe. That breeze has been sustained by a now almost universal recognition of a simple, fundamental truth: The human spirit cannot be locked up forever. The truth is, people everywhere are motivated in much the same ways. And people everywhere want much the same things: the chance to live a life of purpose; the chance to choose a life in which they and their children can learn and grow healthy, worship freely, and prosper through the work of their hands and their hearts and their minds. We're not talking about the power of nations but the power of individuals, the power to choose, the power to risk, the power to succeed.

This is a new and different world. Not since 1945 have we seen the real possibility of using the United Nations as it was designed: as a center for international collective security.

The changes in the Soviet Union have been critical to the emergence of a stronger United Nations. The U.S.-Soviet relationship is finally beyond containment and confrontation, and now we seek to fulfill the promise of mutually shared understanding. The long twilight struggle that for 45 years has divided Europe, our two nations, and much of the world has come to an end.

Much has changed over the last 2 years. The Soviet Union has taken many dramatic and important steps to participate fully in the community of nations. And when the Soviet Union agreed with so many of us here in the United Nations to condemn the aggression of Iraq, there could be no doubt -- no doubt then -- that we had, indeed, put four decades of history behind us.

We are hopeful that the machinery of the United Nations will no longer be frozen by the divisions that plagued us during the cold war, that at last -- long last -- we can build new bridges and tear down old walls, that at long last we will be able to build a new world based on an event for which we have all hoped: an end to the cold war.

Two days from now, the world will be watching when the cold war is formally buried in Berlin. And in this time of testing, a fundamental question must be asked, a question not for any one nation but for the United Nations. And the question is this: Can we work together in a new partnership of nations? Can the collective strength of the world community, expressed by the United Nations, unite to deter and defeat aggression? Because the cold war's battle of ideas is not the last epic battle of this century.

Two months ago, in the waning weeks of one of history's most hopeful summers, the vast, still beauty of the peaceful Kuwaiti desert was fouled by the stench of diesel and the roar of steel tanks. Once again the sound of distant thunder echoed across a cloudless sky, and once again the world awoke to face the guns of August.

But this time, the world was ready. The United Nations Security Council's resolute response to Iraq's unprovoked aggression has been without precedent. Since the invasion on August 2d, the Council has passed eight major resolutions setting the terms for a solution to the crisis.

The Iraqi regime has yet to face the facts, but as I said last month, the annexation of Kuwait will not be permitted to stand. And this is not simply the view of the United States; it is the view of every Kuwaiti, the Arab League, the United Nations. Iraq's leaders should listen: It is Iraq against the world.

Let me take this opportunity to make the policy of my government clear. The United States supports the use of sanctions to compel Iraq's leaders to withdraw immediately and without condition from Kuwait. We also support the provision of medicine and food for humanitarian purposes, so long as distribution can be properly monitored. Our quarrel is not with the people of Iraq. We do not wish for them to suffer. The world's quarrel is with the dictator who ordered that invasion.

Along with others, we have dispatched military forces to the region to enforce sanctions, to deter and, if need be, defend against further aggression. And we seek no advantage for ourselves, nor do we seek to maintain our military forces in Saudi Arabia for 1 day longer than is necessary.

U.S. forces were sent at the request of the Saudi Government, and the American people and this President want every single American soldier brought home as soon as this mission is completed.

Let me also emphasize that all of us here at the U.N. hope that military force will never be used. We seek a peaceful outcome, a diplomatic outcome. And one more thing: In the aftermath of Iraq's unconditional departure from Kuwait, I truly believe there may be opportunities for Iraq and Kuwait to settle their differences permanently, for the states of the Gulf themselves to build new arrangements for stability, and for all the states and the peoples of the region to settle the conflicts that divide the Arabs from Israel.

But the world's key task -- now, first and always -- must be to demonstrate that aggression will not be tolerated or rewarded. Through the U.N. Security Council, Iraq has been fairly judged by a jury of its peers, the very nations of the Earth. Today the regime stands isolated and out of step with the times, separated from the civilized world not by space but by centuries.

Iraq's unprovoked aggression is a throwback to another era, a dark relic from a dark time. It has plundered Kuwait. It has terrorized innocent civilians. It has held even diplomats hostage. Iraq and its leaders must be held liable for these crimes of abuse and destruction. But this outrageous disregard for basic human rights does not come as a total surprise. Thousands of Iraqis have been executed on political and religious grounds, and even more through a genocidal poison gas war waged against Iraq's own Kurdish villagers.

As a world community, we must act not only to deter the use of inhumane weapons like mustard and nerve gas but to eliminate the weapons entirely. And that is why, 1 year ago, I came to the General Assembly with new proposals to banish these terrible weapons from the face of the Earth. I promised that the United States would destroy over 98 percent of its stockpile in the first 8 years of a chemical weapons ban treaty, and 100 percent -- all of them -- in 10 years, if all nations with chemical capabilities, chemical weapons, signed the treaty. We've stood by those promises. In June the United States and the Soviet Union signed a landmark agreement to halt production and to destroy the vast majority of our stockpiles. Today U.S. chemical weapons are being destroyed.

But time is running out. This isn't merely a bilateral concern. The Gulf crisis proves how important it is to act together, and to act now, to conclude an absolute, worldwide ban on these weapons. We must also redouble our efforts to stem the spread of nuclear weapons, biological weapons, and the ballistic missiles that can rain destruction upon distant peoples.

The United Nations can help bring about a new day, a day when these kinds of terrible weapons and the terrible despots who would use them are both a thing of the past. It is in our hands to leave these dark machines behind, in the Dark Ages where they belong, and to press forward to cap a historic movement towards a new world order and a long era of peace.

We have a vision of a new partnership of nations that transcends the Cold War: a partnership based on consultation, cooperation, and collective action, especially through international and regional organizations; a partnership united by principle and the rule of law and supported by an equitable sharing of both cost and commitment; a partnership whose goals are to increase democracy, increase prosperity, increase the peace, and reduce arms.

And as we look to the future, the calendar offers up a convenient milestone, a signpost, by which to measure our progress as a community of nations. The year 2000 marks a turning point, beginning not only the turn of the decade, not only the turn of the century, but also the turn of the millennium. And 10 years from now, as the 55th session of the General Assembly begins, you will again find many of us in this hall, hair a bit more gray perhaps, maybe a little less spring in our walk; but you will not find us with any less hope or idealism or any less confidence in the ultimate triumph of mankind.

I see a world of open borders, open trade and, most importantly, open minds; a world that celebrates the common heritage that belongs to all the world's people, taking pride not just in hometown or homeland but in humanity itself. I see a world touched by a spirit like that of the Olympics, based not on competition that's driven by fear but sought out of joy and exhilaration and a true quest for excellence. And I see a world where democracy continues to win new friends and convert old foes and where the Americas -- North, Central, and South -- can provide a model for the future of all humankind: the world's first completely democratic hemisphere. And I see a world building on the emerging new model of European unity, not just Europe but the whole world whole and free.

This is precisely why the present aggression in the Gulf is a menace not only to one region's security but to the entire world's vision of our future. It threatens to turn the dream of a new international order into a grim nightmare of anarchy in which the law of the jungle supplants the law of nations. And that's why the United Nations reacted with such historic unity and resolve. And that's why this challenge is a test that we cannot afford to fail. I am confident we will prevail. Success, too, will have lasting consequences: reinforcing civilized standards of international conduct, setting a new precedent in international cooperation, brightening the prospects for our vision of the future.

There are 10 more years until this century is out, 10 more years to put the struggles of the 20th century permanently behind us, 10 more years to help launch a new partnership of nations. And throughout those 10 years, and beginning now, the United Nations has a new and vital role in building towards that partnership. Last year's General Assembly showed how we can make greater progress toward a more pragmatic and successful United Nations. And for the first time, the U.N. Security Council is beginning to work as it was designed to work. And now is the time to set aside old and counterproductive debates and procedures and controversies and resolutions. It's time to replace polemic attacks with pragmatic action.

And we've shown that the U.N. can count on the collective strength of the international community. We've shown that the U.N. can rise to the challenge of aggression just as its founders hoped that it would. And now is the time of testing. And we must also show that the United Nations is the place to build international support and consensus for meeting the other challenges we face.

The world remains a dangerous place; and our security and well-being often depends, in part, on events occurring far away. We need serious international cooperative efforts to make headway on the threats to the environment, on terrorism, on managing the debt burden, on fighting the scourge of international drug trafficking, and on refugees, and peacekeeping efforts around the world.

But the world also remains a hopeful place. Calls for democracy and human rights are being reborn everywhere, and these calls are an expression of support for the values enshrined in the United Nations Charter. They encourage our hopes for a more stable, more peaceful, more prosperous world.

Free elections are the foundation of democratic government and can produce dramatic successes, as we have seen in Namibia and Nicaragua. And the time has come to structure the U.N. role in such efforts more formally. And so, today I propose that the U.N. establish a Special Coordinator for Electoral Assistance, to be assisted by a U.N. Electoral Commission comprised of distinguished experts from around the world.

As with free elections, we also believe that universal U.N. membership for all states is central to the future of this organization and to this new partnership we've discussed. In support of this principle and in conjunction with U.N. efforts to reduce regional tensions, the United States fully supports U.N. membership for the Republic of Korea. We do so without prejudice to the ultimate objective of reunification of the Korean Peninsula and without opposition to simultaneous membership for the Democratic People's Republic of Korea.

Building on these and other initiatives, we must join together in a new compact -- all of us -- to bring the United Nations into the 21st century, and I call today for a major long-term effort to do so. We should build on the success -- the admirable success -- of our distinguished Secretary-General, my longtime friend and yours, my longtime colleague I might also say, Javier Perez de Cuellar. We should strive for greater effectiveness and efficiency of the United Nations.

The United States is committed to playing its part, helping to maintain global security, promoting democracy and prosperity. And my administration is fully committed to supporting the United Nations and to paying what we are obliged to pay by our commitment to the Charter. International peace and security, and international freedom and prosperity, require no less.

The world must know and understand: From this hour, from this day, from this hall, we step forth with a new sense of purpose, a new sense of possibilities. We stand together, prepared to swim

upstream, to march uphill, to tackle the tough challenges as they come not only as the United Nations but as the nations of the world united.

And so, let it be said of the final decade of the 20th century: This was a time when humankind came into its own, when we emerged from the grit and the smoke of the industrial age to bring about a revolution of the spirit and the mind and began a journey into a new day, a new age, and a new partnership of nations.

The U.N. is now fulfilling its promise as the world's parliament of peace. And I congratulate you. I support you. And I wish you Godspeed in the challenges ahead.

Thank you very, very much.

Note: The President spoke at 11:44 a.m. in the General Assembly Hall at the United Nations.

Statement by Press Secretary Fitzwater on United States Emergency Military Assistance for Israel

October 1, 1990

On September 30, the President decided to provide two Patriot air defense fire units to Israel on an urgent basis under provisions of the law that allow for emergency military assistance from U.S. military stocks. The President's decision followed notification of Congress on September 29. The Patriot system will help Israel to upgrade its air defenses, including against an increased threat from ballistic missiles in the Iraqi inventory. In making this decision, the President reaffirmed his strong commitment to U.S.-Israel friendship and to the security of Israel.

Note: Presidential Determination No. 90 - 40 of September 30, which authorized the emergency military assistance, was printed in the ``Federal Register'' of October 24.

Statement by Press Secretary Fitzwater on the Release of Shiite Moslem Prisoners in Lebanon

October 1, 1990

We welcome the release of the 40 Shiite Moslem prisoners in Lebanon. It is consistent with our position that, for humanitarian reasons, all persons being detained without legal basis in the Middle East should be released immediately. Our particular concern is, quite naturally, the Americans being held hostage in Lebanon; and we call upon all parties to use their influence to effect their immediate and unconditional release. As President Bush has indicated, the release of American hostages would help improve our relations with countries contributing to that release.

Remarks on Signing a Resolution Providing Funding for Continued Government Operation and a Question-and-Answer Session With Reporters in New York, New York

October 1, 1990

The President. The bill that I'm signing here today will keep the Government operating through October 5th, pending passage by Congress of a budget resolution which reflects the summit agreement. It also provides the important supplemental funds for Operation Desert Shield.

This bill represents the first step in implementing the budget summit agreement. And now it's up to Congress. The budget agreement we've reached is a good package. This budget is the right package at the right time. It is important to our nation. And it represents our best chance to get the deficit under control.

To the American people, I would say this agreement is balanced, it is fair, and it is absolutely critical to our country that we get an agreement through the Congress. We cannot keep mortgaging the futures of our children and our grandchildren, and we will not.

To the Congress, I would say that this is a time for leadership. We must put aside partisanship for the sake of our nation. We must act now to solve this budget problem.

I would also say this to Congress: Many of us in the political leadership have spoken for years about the need to deal with the deficit. As is usually the case in politics, many different approaches have been urged. We now have a deficit reduction package. It is a good package. It is a compromise. Certainly, I didn't get everything I wanted, and the Democrat leadership didn't get everything they wanted. But like most compromises, it's certainly not going to satisfy everyone. But this is the time to move beyond these individual concerns and exercise leadership for the good of the country.

The deficit reduction package is a balanced package. It cuts spending. It provides incentives for jobs and economic growth. It cleans up the budget-process mess. And it raises needed revenues without raising personal tax rates. And most important, these deficit measures are real; they have real teeth. It's time to end the talk about the deficit. It is time for action on the deficit. And it's time -- I think past time -- to put the interest of the country first.

And so, I will now sign this joint resolution and keep things moving.

[At this point, the President signed the resolution.]

I'd be glad to take a couple of questions on this or any other subject before I go on -- at the United Nations. It's been a busy one, and I'll be glad to take a few, and then have to go.

Federal Budget Agreement

Q. Is there a planned attack to sell those conservative Republicans, who are already saying they're not going to vote for this?

The President. Well, I want to sell the Democrats who are saying they won't vote for it, and I want to sell the Republicans who are saying they won't -- absolutely. When I go back, I'll do my best. I'll take the case, as I'm doing to some degree here, to the American people. I've already been on the telephone. And I think back to what President Reagan had to do in the early eighties. And I heard the hue and cry from Democrats and Republicans, and I could understand it. I mean, if I were in the Congress, maybe I'd be screaming about something I wanted the most. But the time for this is passed. This is too serious now. And the leadership have worked hard. And so, you bet I'll be selling to everybody I can get to listen to me.

Q. But does it concern you, sir, that the loudest voices come from within your own party -- --

The President. I don't think -- --

Q. -- -- especially on the issue of taxes?

The President. I don't think it's the loudest. Depends who you -- I was watching on the tube last night, and I put down a few of the Democrats as unenthused. But look, expect that. What you've got to do is explain the country's at stake here, and that's what I plan to do.

Persian Gulf Crisis

Q. Mr. President, your speech today is being interpreted as having a little bit of a conciliatory tone. And you also brought in the Arab-Israeli conflict that would seem to be along Mitterrand's [President of France] pattern. Is there something new you were offering?

The President. No.

Q. Is there some sort of an olive branch in all of this that -- --

The President. No.

Q. What do you mean, no?

The President. I mean, no, there's no change in my position.

Q. But you did offer negotiations, and you seem to be holding out -- --

The President. Let me -- I thought I might get this question, so I've underlined it in this yellow pen here. [Laughter] ``In the aftermath of Iraq's unconditional departure from Kuwait, there may be opportunities.'' Now, unconditional is what the United Nations is calling for, and that's what the United States -- so there's no flexibility here. And I was surprised when I heard that some were interpreting it as such.

We've got to keep together. The thing that I've garnered through many, many talks up here is almost that -- well, it's totally solid support for the U.N. position and the U.S. position. So, there isn't flexibility. And I'm glad to get a chance to clear that up.

Q. But you don't think there's solid support for military action, do you?

The President. I don't know. As I've said, I want to see a peaceful resolution if at all possible. We'll cross that bridge when we get to it. But I have heard rather encouraging words on two points: one, that Saddam Hussein [President of Iraq] is beginning to understand that it is he against the world; and secondly, there's more optimism in various quarters that the sanctions are really beginning to bite hard.

So, both of those have been reinforced for me. And so, we'll just have to wait and see. But this was not designed to convey flexibility or shift in position.

Q. But, Mr. President, your words were that after this unconditional withdrawal there may be opportunities for Iraq and Kuwait to settle their differences permanently. We were told, you were told last week by the Amir [Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait] that Kuwait is being dismantled by Iraq.

The President. They are, and that's why they have to get out now.

Q. They're taking away everything that can be moved. Are you suggesting that perhaps Iraq can get these disputed islands if they pull out now?

The President. No.

Q. What are you suggesting?

The President. No, let me be very clear. I'm just suggesting that you've got to make whole Kuwait the way it was -- and absolutely not that there can be any giving away by the United States or the

United Nations of anything. The restoration of Kuwait, its leaders, is a terribly important part of this. They should go back there. And Iraq should unilaterally and unconditionally withdraw.

Q. And if I could follow: You mentioned today the eight major resolutions. Do you want a ninth major resolution clearly stating that the U.N. multilateral force is authorized to go in and do combat with Iraq?

The President. We have not been pressing for that at this point. You heard Prime Minister Thatcher [of the United Kingdom] on that, I guess, this morning. But we're still pursuing the road that let's get these sanctions to work, let's get the forces in place. And let's hope that the little optimism I'm picking up around here about the sanctions will prevail.

There's also another theme that this man, if you look at his record, will do a 180. You look at the history with Iran, and he's done a 180-degree turn and done exactly what he said he wouldn't do. So, some people are basing their hopes on that, some of the diplomats I've talked to.

Q. Mr. President, you don't come to the United Nations very often, and certainly, you were trying to emphasize something here that you haven't said in the past. I wondered what it might have been, if anything.

The President. Now, Saul [Saul Friedman, Newsday], why would you say I would want to emphasize something? I want to keep emphasizing what I have been saying in the past, and that is that the United Nations has done a superb job. These resolutions are unprecedented. We have the broadest possible support to stand up against this aggression, and we want to see the unilateral withdrawal, unconditional withdrawal from Kuwait. It's a question of emphasis, but I'm not trying to convey something new in that. I know you're a foreign affairs -- you love the nuance. [Laughter] But seriously, you're reading too much into this. There's not any nuance to this that you think you might be missing.

Q. Do you agree with Mrs. Thatcher, who also said on television this morning that the United States or the allies would not need any further permission from the United Nations in the use of military force?

The President. Well, we felt that under article 51 that authorization was there. And I think she was talking about 51. However, you may remember that we waited until we got a resolution before interdicting ships that more directly confirmed the right to do that. But, no, I agree with her on that point.

Q. Mr. President, given the brutality of the Iraqi occupation and their efforts to develop the germ warfare capability, how long can we afford to wait for Saddam to do a 180?

The President. Well, it's a very good question to which I don't have the answer; I don't know the

answer to that question. And it goes back to this question about what the Amir told me about the dismantling, rape, pillage, and plunder of that country. So, I can't put a timeframe on that for you. I wish I had a clearer answer for the American people. I don't.

Q. Mr. President, do you believe that Saddam Hussein is capable of a 180 at this point? And if he does pull a 180, doesn't that still leave him as an irritant in the region, a major military threat?

The President. The answer is: I'm just taking on board what I've been told by people that have studied it carefully -- that he is capable of that. I should tell you this, though. That's the one hand. On the other hand, there are those who say that if he withdraws from Kuwait that is the end of him because of having had to withdraw from Iran. So, you have to weigh the two.

But I don't have to act on these opinions. I have to just keep this consensus together; keep getting the sanctions as tight as possible; and hope that that makes him understand that, alone against the rest of the world, he has to do what the United Nations called for.

What was the second part, Mick [Jim Miklaszewski, NBC News]?

Q. Well, doesn't that leave him -- a 180 -- wouldn't that leave him an irritant, a potential military threat in the area?

The President. You mean just if he went back to the status quo ante? Yes, it would be a problem, and it would have to be resolved in some way.

Q. If I may follow up -- --

The President. That's the third followup. Go ahead. What's the second followup?

Q. Was that your reference to chemical weapons in today's speech? In other words, after Iraq pulls out of Kuwait, if that happens, was that what you were referring to in terms of eliminating chemical weapons in the region?

The President. No, I wasn't specifically referring to that. But this is a very troublesome capability he has, and it does worry us. But I think there would be great unease about the simple status quo ante. But we've been talking here about the dismantling of Kuwait. I'm sure there would be claims in that regard. The international community would have to have something to say about that. I'm sure that neighbors would want to know that there was not a risk of another reckless invasion of this nature. And then that would lead you to say, Well, what kind of security provisions would be put into effect?

So, it's not a clear withdrawal to the status quo ante that would solve everything, but it is what's called for under these resolutions.

Federal Budget Agreement

Q. This budget agreement that you have, Mr. President, is it one that's likely to look better in '92 when you're running for reelection than it does to Republicans now?

The President. I think what matters at this juncture is not who's running in the fall of '90 and not who's running in the fall in '92 but what's best for the country in the fall of 1990, what is essential for the country. And I think getting this deficit down with a realistic program is essential for our country.

I've said -- and I'm not looking at this in a political way -- we've got to get it done. I've had to compromise; the Democrats have had to compromise. And I hope that other voices who are troubled by one aspect or another of this or something that wasn't in it that they wanted would also compromise. Every once in a while, you come to a position, come to a time, when you have to do that to get something done.

I don't control the Congress. I don't control either House of the Congress as the President. My party doesn't control it. But I was elected to govern. And I can stand; I can veto; I can do a lot of things. But the time, in my view, has come, because of the seriousness of the deficit, to lay aside getting it done exactly the way I want; to make a compromise, which I think is a good one, to preserve many of the things I want; and to go forward and get it put into effect.

So, it's in that spirit and not in the spirit of elections. And I would refer those on either side who worry about their election to look at the debate around the two tax increases that President Reagan had to go forward with. And there wasn't a political fallout because I think the country understands when the President concludes that a deal is necessary; they're inclined to give him the benefit of the doubt.

Q. What then does it say about campaign promises, such as ``cut capital gains tax'' and ``read my lips''?

The President. It says you need more Republicans, and then we'll do it exactly my way. But we don't have that right now, so you have to do the best you can, Charles [Charles Bierbauer, Cable News Network]. It's funny, but that's the way it works. I'll be glad to take my case out there. I'll say: If you want all these things, give me some more Republicans. That comes after we get a deal. And then we go right through the election cycle again. I've tried that.

We don't control the Congress. They're not going to do it exactly my way. So, I've had to compromise, and the Republican leadership has compromised, and so have the Democrat leaders. So, I'm not about to start flailing away on that. I want this deal through. It would be unproductive to start unleashing a fall of '90 campaign during these critical days here.

Q. You haven't broken your promises?

The President. I'm not interested in talking about that. I'm interested in governing. But let me tell you this. I expect others will be talking about that. Fine. Take the heat, take the hit. There have been changed times. It didn't work the way I want. I don't have the horses in the Congress to do it exactly my way. So, you have to govern, you have to lead, and that's what I'm trying to do.

Q. You say you are not pressing for an additional sanction now for military action. Is it because you don't have support for that kind -- --

The President. No, because we're still giving sanctions the time to work, the time to be effective. And I'm a little encouraged that perhaps they are having a strong effect. But so, we're not pressing for that right now.

Federal Budget Agreement

Q. When you made the big concessions, sir, especially on taxes and on capital gains, how motivated were you at that point about the fear of recession?

The President. I've been concerned about the fear of a recession. I'm concerned about a slow economy. And I believe a good budget agreement will result in lower interest rates. I would look to the Federal Reserve to lower the rates. I hope they would once they see that a sound budget agreement has been put into effect. And I would hope they think this is a sound budget agreement. So, I am concerned, but I don't want to talk ourselves into recession. The President has to be very careful in commenting on prices, on markets. But I believe -- and I must say the initial market response just today -- I don't know how it's going to play out over the days -- has been rather encouraging, saying, well, markets are looking for a deal.

Q. I'm going to ask you a long question so the camera has time to put in fresh videotape because I think we've run out.

The President. You want me to come back?

Soviet-U.S. Relations

Q. No, no. I wanted to ask you: Mr. Shevardnadze [Soviet Foreign Minister] came downstairs sounding very encouraged about both CFE and the possibility of a START agreement by the end of the year. He even said it's at the point of talking about a time for you coming to Moscow. Do you think that you could finish this year with both those treaties signed, and will you go to Moscow by the end of the year?

The President. I don't think by the end of the year. However, I told Mr. Gorbachev in Helsinki and repeated it here to Shevardnadze that I'm looking forward to it. That would be a return summit, you see, as opposed to the Helsinki, which we tried to point out was an exceptional meeting.

And he was very confident that CFE would be ready for a Paris agreement late this fall. And he did mention to me that he hoped that the START agreement would be done and that we could have an early -- I thought he said early next year. Maybe he said end of this year. But in any event, I'd like to see it finished -- the agreement -- before the first of the year. I'm a little more optimistic about CFE getting done than START right now. But I came out of the meeting encouraged also and asking for flexibility so that these negotiators can polish off the remaining differences.

German Reunification

Q. Are you sorry you missed the celebration in Berlin?

The President. Yes. I can understand the excitement. I can understand the pride that the Germans feel in a unified Germany. We've tried to be an integral part. I remember there were some skeptics around when we talked about a unified Germany being full members of NATO. And I remember some of the difficulties about whether this could even happen before there were agreements signed with Poland on the borders. There have been a lot of problems along the way. So, I think our diplomacy has been helpful. But I think much more important, obviously, is the dream fulfilled, the dream of the German people of having one country again. And it is very, very moving.

And I can say this -- not in a big ``I'' sense or an egotistical sense -- but every German that I encounter along the way, in the field of diplomacy or their leaders from business or whatever it is, express their gratitude to the American people. It is a very moving thing. And it's not just for recent events; it's for the way that we help Germany and have stood with Germany and understand Germany and recognize that a new and unified Germany has an enormously constructive role to play in the world. It is very emotional. So, yes, I wish I could have been a part there, but I just couldn't be there -- been on the road quite a bit.

Oil Prices

Q. Mr. President, several of the leaders that -- --

Mr. Fitzwater. Last question.

Q. -- -- you met with came out of your parlor here saying that you had expressed concern to them that speculators were driving up the price of oil. Do you have a plan to combat or bring that

speculation down or end it?

The President. Well, I'd like to see market forces determine it rather than excessive speculation. And I'm confident in the long run that supply and demand will set the price, not speculations in some futures market. I have no plan to intervene in the markets or anything of that nature.

Q. What do you think is a reasonable price for a barrel of oil -- $25?

The President. It's not for me to decide. It's for the market to set the price. But the best analysis I've seen on supply and demand points out that on this day there are no shortages. There are no shortages. Certainly there is no fear of shortage that should drive the market in the $40 range. Somebody told me it came off about $3 today. And we have the Strategic Petroleum Reserve that could be drawn down. Other countries are endeavoring to step up their oil production, including the Saudis.

I talked at length to some in our own hemisphere about increased production -- Mexico and Venezuela. So, I would caution the high-flying speculator: Hey, be careful. Because most of the estimates that I've seen on what supply and demand would do to the market would have the market price significantly below current October future levels -- significantly below it. So, it's not for me to try to price oil. I've got enough problems out here.

Q. Where would you be comfortable with it?

The President. Let the market set it. But I'm just telling you that the analysts all say that the supply and demand situation cannot support a price where the October futures have been selling.

Q. But perhaps the market fears war.

The President. I think you're right, Saul. I think there is speculative fever. And anytime there's some bellicose statement it will slip back up. I can understand that. That's a different point than the one I'm making.

Q. Any less bellicose today than usual?

The President. I'm the same gentler and kinder self. What are you talking about?

Q. How can you stop it then? How can you stop this?

Q. But your budget assumes $21, Mr. President. Is that where you think it should be?

Q. How can you stop it?

The President. Talk sense out there. What?

Q. Twenty-one dollars is what your budget assumes. Is that where you think it should be?

The President. What budget? This agreement?

Q. Mr. Darman's [Director of the Office of Management and Budget] budget.

Q. Projection.

Q. It's based on a $21-a-barrel oil price.

The President. He's entitled to his opinion. It's like telling what level the stock market ought to be or how much the dollar ought to be worth against the yen or the deutsche mark. I've got enough difficulties without getting into that business, and I shouldn't do it. I've already done that. You heard me out there. You didn't make the trip to the middle west the other day. [Laughter] You missed the substance and reported only on the politics. [Laughter]

Q. I'm sorry about that. [Laughter]

Persian Gulf Crisis

Q. Are you more optimistic, sir, after the 21 or 22 one-on-ones [bilateral meetings held in New York City] or whatever it is?

The President. On the Middle East?

Q. On the Persian Gulf.

The President. Well, what I'm optimistic about is that there isn't one single breach in the armor. I didn't hear one single voice. And I haven't listened to all the speeches, but some respected diplomats over there tell me nobody rose to the podium to defend Saddam Hussein. They said they've never seen it quite this united on any question of any kind. And let's hope then that he'll understand that he stands alone. And let's hope that that, coupled with the economic sanctions, will cause him to do what he's done in the past: do a 180 and get out.

Federal Budget Agreement

Q. Speaking of a breach, Mr. President, what about Newt [Representative Newt Gingrich]?

The President. I just told you, I understand the Republicans that don't like certain aspects of this

deal. I understand Democrats that don't like certain aspects of this deal. And I'm going to be encouraging all those Republicans and all those Democrats to vote for it. And I don't like some aspects of it, and I don't expect George Mitchell and Tom Foley do, or Bob Dole and Bob Michel. Every once in a while in your country's history you've got to lay aside what you feel the most strongly about and come together. And I'm going to urge as many Democrats and Republicans as possible to come together.

Q. But wouldn't you at least expect one of the Republican budget negotiators to support the package?

The President. I'd expect all Republicans and all Democrats to support me, but that's not the way it works in real life.

I'd like to raffle -- [laughter]. No -- --

Q. What happened to Gingrich and [Senator] Packwood?

Bill-Signing Pen

The President. Helen [Helen Thomas, United Press International], you be the start here. Are you the senior representative of the press corps?

Q. Yes.

The President. You get the pen that shows the signing of -- would you like this memorialized -- --

Q. Great. A 5-day pen. [Laughter]

The President. Thank you. This counts on Marlin's books as a full press conference, the equivalent of an East Room press conference. He said if I made it for 10 minutes that we'd rack it up as the 71st. As long as we've survived for 25, it's the equivalent of one of those that we used to do with everybody all dressed up, you know. [Laughter]

Trip to Saudi Arabia

Q. Are you going to Saudi Arabia?

The President. Hey, listen, I'm tired. I've got to go. What?

Q. Are you going to Saudi Arabia for Thanksgiving?

The President. Not set, not settled. I've been reading in the paper that I'm going.

Address to the Nation

Q. -- -- about the budget? Do you think that's needed?

The President. Not set yet, but if it would help, I would be glad to do it. In fact, some of the Democrats raised that and others too, some of the Republicans. I'm going to get home now, and then we'll try to figure out what's the best way to get this message across.

Note: The President spoke at 2:07 p.m. at the Waldorf-Astoria Hotel. In his remarks, he referred to George J. Mitchell, Senate majority leader; Thomas S. Foley, Speaker of the House of Representatives; Robert Dole, Senate minority leader; and Robert H. Michel, Republican leader in the House of Representatives. Marlin Fitzwater is Press Secretary to the President. H.J. Res. 655, approved October 1, was assigned Public Law No. 101 - 403.

Remarks at the Ministerial Meeting in New York, New York, of the Conference on Security and Cooperation in Europe

October 1, 1990

On behalf of the American people, it is my great pleasure to welcome all of you to the United States. It's especially fitting that this meeting of the Conference on Security and Cooperation in Europe, the first ever on American soil, comes at this time of momentous change. For just as Europe enters a new and promising era, so, too, do America's relations with Europe.

We Americans are bound to Europe by a shared heritage and history and the common bonds of culture. Through the Atlantic alliance and the broader partnership that bind our two continents and peoples together, we have brought about the end of Europe's division and set our eyes on a new Europe, whole and free. Together we can forge a new transatlantic partnership at the CSCE, a commonwealth of free nations that spans the oceans between us.

In this past year, we would all agree, we've witnessed a world of change. Moments ago, right here in this building, the Foreign Ministers of France and Great Britain, the Soviet Union and the United States signed the document suspending all remaining Four Power rights and responsibilities in Germany, effective at the moment of German unification. I must say that just before I left from the hotel I saw that on television. And for me, and I think for many of the American people, it was a very moving moment, because with those final strokes of the pen really ends an era of discord and division. The way is now open for a united, sovereign, and democratic Germany. We rejoice with the German people that their nation is unified once more, and we will soon welcome a united Germany into the CSCE's community of states.

Germany's long-awaited day of celebration is the culmination of a year of change that, indeed, transformed a continent. This transformation is testimony to the power of the principles in the founding charter of the CSCE, the Helsinki Final Act. There, in the human rights and fundamental freedoms set down in Helsinki 15 years ago, we find the cause and catalyst of what I refer to as the Revolution of '89.

In the darkest days of dictatorship, those principles blazed forth a bright star, inspiring ordinary people to extraordinary acts. Think of Walesa, the father of Solidarity; of Sakharov and his unflinching humanity in the face of repression; of Havel, Mazowiecki, and Antall, not so very long ago political prisoners, now President and Prime Ministers of three of the world's newest democracies, and Zhelev, another ex-political prisoner, now President of Bulgaria. Think of all the millions of ordinary men and women at long last free to speak their minds, free to live, work, and worship as they wish.

CSCE shares in this monumental triumph of the human spirit. Our challenge now is to keep pace with the tremendous political transformations that have changed the face of Europe, to create a CSCE that consolidates these great gains for freedom and bring East and West together -- in eastern and central Europe, a CSCE capable of helping hard-won democratic principles take root and draw strength; a CSCE that can help secure a firm foundation for freedom in the new Europe now emerging.

In July, at the London summit, the leaders of the Atlantic alliance put forward a series of proposals aimed at strengthening the CSCE and channeling its energies in new directions. We urge the member nations of the CSCE: to create a Center for Prevention of Conflict, to build on the CSCE's success in establishing confidence- and security-building measures that have done so much to reduce the risk of war by accident or miscalculation and to conciliate disputes; to establish a small permanent secretariat to serve the CSCE, one that could support an accelerated schedule of the CSCE consultations and review conferences; to create a CSCE elections office to foster free and fair elections, the fundamental democratic principle from which all others follow. And on behalf of the United States, let me say that I hope that these new institutions can be situated wherever possible in the new democracies of central and eastern Europe.

And finally, at the London summit, we issued an invitation to member nations to convene an assembly of Europe, a parliament where the growing family of democracies, old and new, can chart a common course towards this new Europe, whole and free.

Today, as we prepare for a summit of the CSCE nations, I urge the ministers to make this meeting a milestone in the history of the CSCE. And to this end, let me mention one more area where rapid progress is critical: the ongoing negotiations of conventional forces in Europe.

An agreement to reduce conventional forces remains the cornerstone of a new security architecture for Europe. And for that reason, the United States believes a conventional arms accord is an essential prerequisite to a CSCE summit. And today I now call on the negotiators now working in Vienna to redouble their efforts in the weeks ahead. And I can pledge you the United States will cooperate in every way possible. We must resolve outstanding issues and reach agreement so that a summit can be held this year.

Fifteen years ago, in a Europe divided East from West, the CSCE offered a vision of a Europe united, whole and free. Today, with that new Europe within our reach, the CSCE remains central to all that Europe can become.

So, once again, welcome to the United States. And may the spirit that has carried Europe forward guide your discussions, and may you meet with every success. Thank you all very, very much.

Note: President Bush spoke at 3:07 p.m. at the Jacob Javits Center. He referred to President Vaclav Havel of Czechoslovakia, Prime Minister Tadeusz Mazowiecki of Poland, and Prime

Minister Jozsef Antall of Hungary. A tape was not available for verification of the content of these remarks. Following his remarks, President Bush returned to Washington, DC.

Statement by Press Secretary Fitzwater on the President's Meeting With General Mikhail A. Moiseyev, Chief of the General Staff of the Soviet Union

October 2, 1990

The President met with Soviet Chief of Staff Gen. Mikhail Moiseyev for approximately one-half hour this morning in the Oval Office. General Moiseyev is participating in the military contacts program with the Department of Defense and is in the United States at the invitation of the Chairman of the Joint Chiefs of Staff, Gen. Colin Powell. He arrived in Washington on September 30 and will remain in the United States through October 6, during which time he will also visit New York, Detroit, San Francisco, San Diego, and Colorado. The President noted the need for continued progress on both CFE and START negotiations.

The President noted his very fruitful meeting with President Gorbachev in Helsinki and requested that General Moiseyev pass on his regards to President Gorbachev. The President stated that the status of U.S.-Soviet relations is excellent, and he appreciates the Soviet cooperation in the Persian Gulf.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Patricio Aylwin Azocar of Chile

October 2, 1990

President Bush met in the Oval Office today with Chilean President Patricio Aylwin. This was the first meeting between the two leaders. President Bush told President Aylwin that he is looking forward to his visit to Chile during his South America trip later this fall. He expressed the United States strong support for Chile's return to democracy and our commitment to close and cooperative relations with Chile.

The President informed President Aylwin that the Overseas Private Investment Corporation (OPIC) can now resume its investment guarantee programs in Chile. This OPIC activity had been revoked under the previous government because of concerns over worker rights. Following a review process, it has been determined that these abuses have been eliminated.

President Bush also congratulated President Aylwin on the completion of a bilateral framework agreement on trade and investment between our two countries. This is the third such agreement since the Enterprise for the Americas initiative was announced on June 27. Other agreements have been signed with Colombia and Ecuador. We welcome the opportunity to strengthen this aspect of our economic cooperation with Chile.

The two Presidents reviewed other economic issues in the relationship, such as GSP, and the Letelier case. President Bush told President Aylwin that we look forward to the completion of Chilean legislative action which will insure that justice is done.

Remarks to Business Leaders on the Federal Budget Agreement

October 2, 1990

Thank you very, very much for coming over. I met this morning with the Republican Members of the Congress to underscore the necessity for quick and decisive action on the budget agreement through the bipartisan leadership in both Houses. And I again am calling on the Congress to act, and act soon, on this vital legislation. Tonight I'm going to take the case for this budget agreement to the American people on a national television address at 9 p.m.

But to you all I want to say I appreciate the past support. I know that there are provisions in this that cause different people different problems, and I understand all that. And I will say, in achieving this agreement, everybody has had to compromise. I did it because the country, frankly, is at stake here. And every once in a while in one's Presidency, I think it dawns on the incumbent of the Oval Office that you're not going to get it exactly your own way. In this case, my party does not control both Houses of the Congress. But as I look at the ever-increasing deficits, I think it is time we do something and do something serious.

And with that philosophy has emerged this budget agreement. And I don't want to sound sanctimonious about this, but I was elected to govern. I was elected to make things happen. And we're trying to do that in the international scene, and where now it's time to come and do something on the domestic scene that will benefit all Americans.

I think -- respecting the differences that do exist not only in this room but in the Congress -- I think we all realize the time has come to get America's fiscal house in order. And I honestly believe -- and this is what I came over to tell you -- that this compromise is a major step towards this goal. By 1955 [1995] it will bring government spending as a percentage of gross national product to its lowest level since 1966.

And let me tell you what the budget agreement will do. Overview: The 5-year bipartisan budget compromise will boost our economic vitality in the long run. It will give small- and medium-sized business a shot in the arm and create jobs. It will reduce the deficit by $500 billion, the single biggest cut ever agreed to, and that is the prerequisite for bringing real interest rates down. I believe firmly that if we get this agreement through without watering it down that interest rates will come down.

The budget agreement raises the prospect of a long-term healthy economy. It raises the potential for growth. It raises America's ability to compete. But it does not raise personal income tax rates. I was able, with the help of the negotiators -- or put it this way: They did all the heavy lifting on it but held the line on tax rates, which is something that I feel strongly about.

On the growth incentive side, the agreement includes incentives for oil and gas development. If there ever was a time when we needed to become less dependent on foreign oil, it's now, and I think these incentives can help in that direction. Incentives for the development of enterprise zones to create jobs and opportunity and, specifically, to keep small business competitive.

So, there are small business incentives that I'd like to ask you to look at very carefully: a 30-percent research and experimentation credit, tax indexing for individuals who buy stock in small corporations, a tax deduction for investment in small corporations, and an expanded ability for small businesses to expense certain scientific equipment.

On the domestic cuts -- and here I think everybody in this room, whether you agree with me or not, knows that I wanted to get a capital gains cut. I also wanted to hold the line on tax rates. We're half successful, but we have some incentives here that I think will accomplish some of what I had in mind when I spoke about the growth in jobs and opportunity that would come from capital gains. So, look hard at these incentives.

Domestic cuts: The agreement will cut the projected Federal deficit by half a trillion dollars, with nearly $120 billion in real and enforceable spending cuts on entitlement and mandatory programs. And I'll ask -- John and the others here are well equipped to give you the details on this. But we feel these are real and enforceable spending cuts, and they do have teeth. For the first time, they will be guaranteed in law. No smoke or mirrors in this category here.

Now, let me just say, if we do not reform entitlements to bring their growth under control, as this agreement does, we'll never be able to solve the whole problem of the deficit. America's going to be unable to invest in the future because the entire budget would be gobbled up by entitlements and also interest on this ever-increasing debt.

On military cuts: Although the defense budget is cut by $67 billion over 3 years, and then more over 5, the Persian Gulf forces will still get the backing that they deserve to accomplish their mission. And frankly, I am one who happens to believe we need a strong defense and have always supported defense spending. I think everyone in this room is realistic in that defense was going to take a hit, but it comes out better than I thought it would. And of course, this is causing strains on some who disagree as to whether we ought to have a strong defense spending or not. But here's one where these negotiators have done an extraordinarily good job.

On budget reform: The budget discipline of Gramm-Rudman will be extended for 5 years, and the agreement includes substantial budget-process reform. Once again, I didn't get everything I wanted. I've gone around calling for a line-item veto. That one never got out of the chutes, frankly. But I still would like to have it. It's not part of it, but we do have some substantial budget-process reform.

Now, if Congress spends the money it doesn't have, then a minisequester will come into effect

and will cut it for them. So, for the next 5 years, all discretionary spending by Congress is capped.

And for the first time, mandatory entitlements, which have been the biggest source of spending growth, will be subject to a sequester to keep their growth under control. New entitlements will be subject to a pay-as-you-go system; they can't grow without offsetting cuts or revenues to cover their cost.

The budget is tough; it really is. It is fair, and again, it really is. It is a solid package to boost economic growth and solve long-term problems without having the burden fall entirely on any one group. The time has come to move beyond the narrow interests and put the broad interests of the United States first.

Most importantly, this budget agreement is our last, best chance to get the Federal budget deficit under control. To all the people that disagree and the people on the sidelines that are rushing out and having their press conferences and the critics, let me say this: You can pick the package apart, but you cannot realistically put a better package together.

Again, the philosophy that I was elected on runs out of gas in terms of votes in the United States Congress. And I think everybody here -- and I've had enormous support for the various men and women in this room, strong support, who support me on difficult calls on veto overrides. But to get something done, to have something positive happen and have it happen in anything like timely fashion, I will say once again, there's been some compromise here. But we've tried in many ways, through single pieces of legislation, to get some of my philosophical underpinning for the economy put into effect. And we've tried hard, with the help, as I say, of people here. And we've simply failed because the votes aren't there. But here's a package that I think preserves much of what I believe. I've had to give some. We've taken some. And I just came over to strongly urge your support.

I'm grateful to the Vice President for his advocacy of this program up on the Hill. He did a superb job yesterday. I want to give a vote of confidence to all sitting up at the head table here -- the dais or whatever we call it -- who worked so hard on this. But John Sununu and Nick Brady and Dick Darman spent endless hours, endless hours, trying to hammer out the best possible deal; and I think they've done exactly that.

So, it has my enthusiastic support. Again I would like those who have reservations to look hard at it, to study it, to consider the fact that alternatives have been tried and we weren't able to get them through. And then I would like to ask your strong support for this package. The country is at stake here, and we need you. We need you bad.

So, thank you all very much. And now for the experts. Thank you.

Note: The President spoke at 1:16 p.m. in Room 450 of the Old Executive Office Building. In his

remarks, he referred to John H. Sununu, Chief of Staff to the President; Secretary of the Treasury Nicholas F. Brady; and Richard G. Darman, Director of the Office of Management and Budget.

Remarks at the Presentation Ceremony for the Presidential Awards for Excellence in Science and Mathematics Teaching

October 2, 1990

To our Secretary of Energy, Jim Watkins, delighted to see you sir; and Ted Sanders, the Under Secretary of Education; Fred Bernthal; Dr. Bill Phillips; and all of you here in the Rose Garden.

I am very pleased to have this opportunity to join you today and add my congratulations to those that you have already received. Presidential Awards for Excellence in Science and Math Teaching have been presented for the past 8 years to secondary schoolteachers, but this is the first year that elementary schoolteachers have also received these awards. So, you are the pioneers in what will be a continuing effort to honor the achievement of this nation's many outstanding schoolteachers.

You are a very select group -- 107 teachers from the more than 1\1/2\ million elementary school instructors in this country. For many students, you represent their very first exposure to science and math, which gives you a vital responsibility. Most kids who go on to become scientists or engineers first became interested in those subjects in elementary school or junior high. And most often, the reason they do is because they are exposed to a teacher like you -- like each one of you -- someone who can speak their language, communicate with them, spark their imagination, and evoke the sense of wonder that is inherent in science and math.

Kids are natural-born scientists, but too many of them lose interest when their only exposure to science is through long lists of facts. And you've discovered how to bring out the fun in science and math, and in so doing, you provide a model and an inspiration for elementary schoolteachers everywhere.

You're also helping to meet a crucial national need. We live in an increasingly complex and competitive world, and the link between science and technology and our standard of living is stronger today than ever before. At a time when our international position in certain key industries is being challenged, we face impending shortfalls of qualified scientists and engineers. The students who can fill those shortfalls are in the classrooms right now, and we must ensure that they are given the education and the encouragement that they need.

Just a little over a year ago, I met with the Nation's Governors at Charlottesville for the first education summit, a first step towards building a strong partnership among this administration, the Governors, educators, parents and, indeed, community leaders. And this historic event resulted in a sense of direction and national goals for individual and collective efforts to improve the quality of education for all Americans.

Well, three of those goals directly involve science and math. By the year 2000, American students must demonstrate competency in five critical subjects, including science and math, with their progress measured in grades 4 and 8 and 12. We must also make American students the first in the world in science and math by the year 2000. And we must ensure that every adult American must be able to read and have the skills, including technological skills, to compete in a global economy.

So, these are ambitious goals, but they are faithful to the ambitions of this country. And as a people, we've set tough goals before: to send men to the Moon or to serve the cause of freedom abroad. And we know that when the challenge is great, great things happen in America.

Already, a great many things are happening at the Federal, State, and local level. The Department of Energy and NASA are opening up their research labs to students and teachers so that they can experience cutting-edge science firsthand. And the Department of Education and the National Science Foundation are working together and with the States on strengthening research, assessment, and curricula. Equally exciting are things that are happening in the States themselves.

But achieving the goals that I announced last January will require that everyone get involved. That means parents; it means teachers, school administrators, businesses, and universities.

Parents really are especially important. And it is very difficult for you as teachers to go out and do your job if you don't get help from parents, and that's why we want to see parental empowerment in education. We must make American education the best it can be, and that takes two things: greater parental involvement and, in my view, greater choice in education.

Reading about your accomplishments makes me confident that we will succeed. The letters of recommendation that helped bring you to Washington are really spectacular; and they give ample testimony to your ingenuity, your determination and, indeed, enthusiasm. In one letter, the parents of a kid named Woody write: ``When we used to ask Woody what happened in school, he would tell us about recess. And now he tells us about science." You know, that really is a wonderful, wonderful statement about Woody's teacher, it seems to me. Another one, another letter, writes of a teacher who ``studies with the mind of a scholar; perceives through the eyes of a child; and communicates with the voice of an understanding, compassionate, and energetic motivator." And all of the letters are unanimous about one thing: the enthusiasm that each one of you bring to the classroom, an enthusiasm that goes beyond the classroom, that touches everyone that you know.

You are truly remarkable people, and you're able to take children and lift them up and inspire them and broaden their horizons and then aim them off in new directions. So, the country owes you an immense debt of gratitude. But your real rewards can't be printed on some scroll, one piece of paper. The real rewards are the students who will remember you and what you have done for them for the rest of their lives.

Thank you all very much for being here today, and God bless each and every one of you for your wonderful commitment to the young people of this country. Thank you.

Note: The President spoke at 1:35 p.m. in the Rose Garden at the White House. In his remarks, he referred to Frederick M. Bernthal, Acting Director of the National Science Foundation, and William D. Phillips, Associate Director of the Office of Science and Technology Policy.

Statement by Press Secretary Fitzwater on the President's Meeting With Jonas Savimbi of the National Union for the Total Independence of Angola

October 2, 1990

The President met for 30 minutes today with UNITA leader Jonas Savimbi. The President pledged our continued support for Dr. Savimbi and his movement. The President believes that the steadfastness of that support is a key factor in pushing the current negotiations to a successful conclusion. The President expressed the hope that these negotiations will lead to peace and national reconciliation in Angola. The President pledged that we are prepared to do what we can to promote this goal.

Address to the German People on the Reunification of Germany

October 2, 1990

It is with great pleasure that I congratulate Chancellor Kohl and the German people at this historic moment. And it is my distinct honor to address the people of the united Germany.

In Berlin and Bonn, from Leipzig in the east to western towns along the Rhine, people are celebrating the day that all of Germany has been waiting for, for 45 long years. For the world, those 45 years were a time of tension and turmoil. For your nation, fate was particularly cruel. For 45 years, at the heart of a divided continent stood a divided Germany, on the fault line of the East-West conflict, one people split between two worlds.

No more. Today begins a new chapter in the history of your nation. Forty-five years of conflict and confrontation between East and West are now behind us. At long last the day has come: Germany is united; Germany is fully free.

The United States is proud to have built with you the foundations of freedom; proud to have been a steady partner in the quest for one Germany, whole and free. America is proud to count itself among the friends and allies of free Germany, now and in the future. Our peoples are united by the common bonds of culture, by a shared heritage in history. Never before have these common bonds been more evident than in this past year as we worked in common cause toward the goal of German unity. Today, together, we share the fruits of our friendship.

In this past year, we've witnessed a world of change for the United States, for the united Germany, for the Atlantic alliance of which we are a part. Even as Germany celebrates this new beginning, there is no doubt that the future holds new challenges, new responsibilities. I'm certain that our two nations will meet these challenges, as we have in the past, united by a common love of freedom. Together, building on the values we share, we will be partners in leadership.

This day, so full of meaning for Germany, is full of meaning for the world. Meters away from the walls of the Reichstadt, scene of the first session of the newly united German Parliament, stood the Berlin Wall, the stark and searing symbol of conflict and cold war. For years, free men and women everywhere dreamed of the day the Berlin Wall would cease to exist, when a world without the Wall would mean a Germany made whole once more -- when Germany, united and sovereign, would contribute in full measure as a force for peace and stability in world affairs.

Today the Wall lies in ruins, and our eyes open on a new world of hope. Now Germany is once more united. Now the Wall no longer divides a nation and a world in two. The last remnants of the Wall remain there at the heart of a free Berlin, a ragged monument in brick and barbed wire,

proof that no wall is ever strong enough to strangle the human spirit, that no wall can ever crush a nation's soul.

Today the German nation enters a new era; an era, in the words of your national anthem, of ``unity and justice and freedom." At this moment of celebration, as we look forward with you to a future of hope and promise, let me say, on behalf of all Americans, may God bless the people of Germany.

Note: The President's remarks were videotaped in the Oval Office at the White House for broadcast by German television.

Address to the Nation on the Federal Budget Agreement

October 2, 1990

Tonight I want to talk to you about a problem that has lingered and dogged and vexed this country for far too long: the Federal budget deficit. Thomas Paine said many years ago, ``These are the times that try men's souls." As we speak, our nation is standing together against Saddam Hussein's aggression. But here at home there's another threat, a cancer gnawing away at our nation's health. That cancer is the budget deficit.

Year after year, it mortgages the future of our children. No family, no nation can continue to do business the way the Federal Government has been operating and survive. When you get a bill, that bill must be paid. And when you write a check, you're supposed to have money in the bank. But if you don't obey these simple rules of common sense, there's a price to pay.

But for too long, the Nation's business in Washington has been conducted as if these basic rules did not apply. Well, these rules do apply. And if we fail to act, next year alone we will face a Federal budget deficit of more than $300 billion, a deficit that could weaken our economy further and cost us thousands of precious jobs. If what goes up must come down, then the way down could be very hard.

But it doesn't have to be that way. We can do something. In fact, we have started to do something. But we must act this week, when Congress will hold the first of two crucial up-or-down votes. These votes will be on a deficit reduction agreement worked out between the administration and the bipartisan leaders of Congress. This budget agreement is the result of 8 months of blood, sweat, and fears -- fears of the economic chaos that would follow if we fail to reduce the deficit.

Of course, I cannot claim it's the best deficit reduction plan possible. It's not. Any one of us alone might have written a better plan. But it is the best agreement that can be legislated now. It is the biggest deficit reduction agreement ever -- half a trillion dollars. It's the toughest deficit reduction package ever, with new enforcement rules to make sure that what we fix now stays fixed. And it has the largest spending savings ever -- more than $300 billion. For the first time, a Republican President and leaders of a Democratic Congress have agreed to real cuts that will be enforced by law, not promises -- no smoke, no mirrors, no magic act, but real and lasting spending cuts.

This agreement will also raise revenue. I'm not, and I know you're not, a fan of tax increases. But if there have to be tax measures, they should allow the economy to grow, they should not turn us back to higher income tax rates, and they should be fair. Everyone who can should contribute something, and no one should have to contribute beyond their fair share. Our bipartisan agreement meets these tests. And through specific new incentives, it will help create more jobs.

It's a little-known fact, but America's best job creators and greatest innovators tend to be our

smaller companies. So, our budget plan will give small and medium-size companies a needed shot in the arm. Just as important, I am convinced that this agreement will help lower interest rates. And lower interest rates mean savings for consumers, lower mortgage payments for new homeowners, and more investment to produce more jobs. And that's what this agreement will do.

Now, let me tell you what this agreement will not do. It will not raise income tax rates, personal or corporate. It will not mess with Social Security in any way. It will not put America's national security at risk. And most of all, it will not let our economy slip out of control.

Clearly, each and every one of us can find fault with something in this agreement. In fact, that is a burden that any truly fair solution must carry. Any workable solution must be judged as a whole, not piece by piece. Those who dislike one part or another may pick our agreement apart. But if they do, believe me, the political reality is, no one can put a better one back together again. Everyone will bear a small burden. But if we succeed, every American will have a large burden lifted. If we fail to enact this agreement, our economy will falter, markets may tumble, and recession will follow.

In just a moment, the Democratic majority leader, Senator Mitchell, will offer what is known as the Democratic response, often a rebuttal. But not tonight. Tonight the Democratic and Republican leadership and I all speak with one voice in support of this agreement. Tonight we ask you to help us move this agreement forward. The congressional leadership and I both have a job to do in getting it enacted. And tonight I ask for your help.

First, I ask you to understand how important -- and for some, how difficult -- this vote is for your Congressmen and Senators. Many worry about your reaction to one part or another. But I know you know the importance of the whole. And so, second, I ask you to take this initiative: Tell your Congressmen and Senators you support this deficit reduction agreement. If they are Republicans, urge them to stand with the President. Urge them to do what the bipartisan leadership has done: come together in the spirit of compromise to solve this national problem. If they're Democrats, urge them to stand with their congressional leaders. Ask them to fight for the future of your kids by supporting this budget agreement.

Now is the time for you, the American people, to have a real impact. Your Senators and Congressmen need to know that you want this deficit brought down, that the time for politics and posturing is over, and the time to come together is now.

This deficit reduction agreement is tough, and so are the times. The agreement is fair, and so is the American spirit. The agreement is bipartisan, and so is the vote. The agreement is real, and so is this crisis.

This is the first time in my Presidency that I've made an appeal like this to you, the American people. With your help, we can at last put this budget crisis behind us and face the other

challenges that lie ahead. If we do, the long-term result will be a healthier nation and something more: We will have once again put ourselves on the path of economic growth, and we will have demonstrated that no challenge is greater than the determination of the American people.

Thank you. God bless you, and good night.

Note: The President spoke at 9 p.m. from the Oval Office at the White House. In his address, he referred to President Saddam Hussein of Iraq. The address was broadcast live on nationwide radio and television.

Remarks and a Question-and-Answer Session With Regional Newspaper Editors

October 3, 1990

The President. Well, thank you all very much, and welcome to the White House. I've asked Dick Darman and Secretary Brady to be with us, though I know they've responded to many of your questions. And I want to take this opportunity to thank them and also Governor Sununu. These were our three top negotiators. They lived through every agonizing minute of the discussions that led up to an agreement that I am strongly recommending to this country.

And so, last night you heard me suggest that passing a bipartisan budget agreement is absolutely essential for this country. We have a lot of people telling us: If you could only get this provision or that provision it would be a better deal. And I would readily concede that, from my standpoint, the things I believe, I could craft a better deal. But I'm convinced that at this juncture I can't craft a better deal that can have the approval of both sides of the aisle in the Congress. And there comes a time when you have to simply make tough decisions, give a little to get what is best for the country. And what is best for the country now is a solid budget agreement. And it's a good deal. I think it's balanced. I think it's fair. I think the burden is spread, and the agreement delivers the biggest deficit cuts ever. We're talking about, in 5 years, half a trillion dollars.

I am convinced -- and some of this is highly technical -- but that the enforcement provisions are good; and Dick Darman, I'm sure, has discussed that with you, and Nick Brady as well. But there was quite a bit of concession in order to get enforcement provision. The entitlement savings -- 120 billion between now and '95 -- they're real. I know plenty of people are going to say: Well, we've heard all this before. I know the American people are going to say: Well, we heard this before in other deals. But again, these are the toughest enforcement mechanisms ever -- some of the most skeptical Members of Congress I think recognizing that now. So, for every new program or added expenditure, the enforcement says you've got to make up for it somewhere else. And if at some time in the future the old bad habits get the upper hand and the urge to overspend returns, there's a surprise in store: automatic cuts kick in to bring the budget back into line.

So, everyone knows that this is a product of 8 long months of difficult negotiation and compromise. And no one was in a position to dictate the terms, and no one got everything that he or she wanted. But the plan again that was hammered out in my view is balanced; it is fair; and frankly, it is our last, best chance to try to get this Federal deficit under control. I said last night to the cynics and the critics -- and there are plenty of them around -- you can pick this package apart, but you cannot put a better package together that can pass both Houses in the Congress.

Tomorrow, Congress meets. So, today I strongly urge and call upon the Congress, both House and Senate, to cast their vote for this plan and to prove to the American people that we can solve problems, that we can go out and get something done and put this nation back on the path to long-

term economic growth.

So, with no further ado, I'll be glad to take a few questions. This is going to be difficult.

Federal Budget Agreement

Q. Mr. President, Larry Lipman, of the Palm Beach Post. You say that this package is balanced and it's fair, yet half of the entitlement comes from cuts in Medicare. How can you say that that is fair to the elderly?

The President. A lot of it comes in constraints on defense spending. We're trying to contain the growth of medical care. We do not feel that these cuts are onerous to the elderly. I would ask them to look at options, look at what did not happen. The biggest part of the expenditures in the Federal budget are due to entitlements, generally. You have Social Security. And we did not mess with Social Security; we protected Social Security. Some of it is what is being done, and I think that's fair, and some of it is what didn't happen, and we tried to be very fair there. But to get the deficit down, you have to deal with where the major growth in spending is; it's just that clear, unless they want to support extraordinarily higher income taxes. Another thing that's not in this budget is increasing income tax rates.

Q. I'm Tom Smith, from the Bonneville News. You just stated a second ago that this is the last and best effort to get the deficit under control. The emphasis so far has been on this end of the 5-year package. Let me ask about the other end. Will there be a pay-as-you-go budget format for the Government at that time? And if Americans are asked to bite the bullet now to see this package pass, what benefits will they enjoy at the end of the 5-year period?

The President. The major benefit will be a more vigorous economy. Major benefit is, I think, short-run, staving off economic catastrophe. The Secretary of Treasury pointed out to us yesterday that $8 billion failed to come into the markets from abroad on financing this incredible debt that is mortgaging the future of our kids. So, we think we've got that now moving in the right direction, and therein lies the benefits: a vigorous economy.

You know, even after TEFRA [Tax Equity and Fiscal Reform Act] -- which was a flawed deal because it had so much more on the revenue side and less on the spending side -- even after that deal was passed, interest rates came down, short-run, real fast.

I'm inclined to feel that -- just from a lot of talks up in New York recently, as well as my own conviction -- that the people are looking at us and wondering: Can we get this deficit under control? And I think if we get it under control we send a signal to world markets that is very encouraging. And that stimulates the economic growth that is projected in these 5-year projections. And it's real, and it'll happen. But if we linger along and don't get a deal, I'll tell you, we are courting disaster in this country.

Q. What does deficit reduction under control mean? Does it mean -- --

The President. It means getting down to a balanced budget. That's what it means -- longer run. And I think Nick can give -- I don't know if you -- how many years that takes, but that's what we're courting. We don't want to spend more than we take in. I tried to make that one clear last night.

Sarah [Sarah McClendon, McClendon News]?

Q. Thank you, sir.

The President. I'm in for trouble.

Q. It looks like with this great gasoline tax that you're going to have a total tax, ultimately, on a gallon of gas that's 21 cents?

The President. Sarah -- --

Q. That's going to keep a lot of men who have to drive a long distance to jobs -- that's going to make a lot of people be out of jobs, doesn't it?

The President. I don't think it'll be out of jobs. What will get them out of jobs is if we don't get this deficit under control and this economy goes into recession. That's what'll get them out of jobs. I don't think that that particular proposed tax is overly onerous.

You're talking to a guy that doesn't want to do anything about taxes at all. I mean, I can't get enthusiastic about a tax on the American people, nor can I get enthusiastic about the relentless spending that is going on. We are not dealing with the best of all worlds. We're trying to solve an enormous problem. So, I think the tax is fair. I think when you look around at world prices on gasoline -- I mean, we're still substantially below world markets. So, I would simply say that it is a tax that everybody has to pick up, as I said last night, some share of the burden. And that's where it hits. And I hope that also in this case we can have these incentives passed that will make us less dependent on foreign oil. I keep making that pitch.

Energy Policy

Q. Is that your energy policy?

The President. No, we've got an overall energy policy. I might make a pitch for part of it now. I think, you know, we've gotten to a phase in nuclear policy that it's almost impossible to go forward with that clean fuel. We're talking about alternate -- more use of natural gas. We're

talking about clean coal technology. We're talking about all kinds of planks that fit into a national energy policy. But, yes, that's part of it -- is less dependence on foreign oil by more hydrocarbon production in this country.

Q. Mr. President, I'm David Lightman, from the Hartford Courant. Do you agree that the 2-cent tax on petroleum products should also be a tax on home heating oil?

The President. Well, I'd like to ask Dick to tell you about the debate on home heating oil because -- [laughter] -- it's highly technical. And nobody is without pain here. Nothing is without pain. You're talking about a small incident here. You're talking about, as Sarah was saying, those who drive the most -- and that's out West -- picking up what some would say is an unfair share of the burden. There's nothing that is without pain. I'll tell you what is without pain. I mean, I'll tell you what does concern me is a lot of people around this country say: No drilling; we don't want to have any drilling here. Don't want to have any refineries. Don't want to go with nuclear power. But please send me plenty of energy. It doesn't work that way anymore. So, now we've got to have a policy that expands the uses of alternate sources of energy, and thus hopefully will bring the price down.

Incidentally, I -- you know, this gets you off into the Middle East, but some are pointing out to the fact that we've got some dangers there, and I think they are correct. We're not there simply because of the oil fields in Saudi Arabia and the GCC countries. We're there for a fundamental principle about aggression. But the world is fairly small; and our fortunes, when we are becoming 50 percent dependent on other countries, are linked to our success in that part of the world, which will impact directly on fuel -- home heating oil or on the price of gasoline.

Q. Mr. President -- --

The President. One, two.

Economic Policy

Q. I'm James Brosnan, with the Memphis Commercial Appeal. You claim that your package will spur economic development in the poorest regions of the country: the inner cities and the rural areas, like the Mississippi Delta. And if not, would you favor targeting assistance to some of those areas?

The President. I favor bringing interest rates down, which will indeed help those areas. And that is the biggest thing you can do is to have an economy where people are willing to start new businesses, to employ people, to keep economic growth going, and to keep this country -- falling into recession. That policy alone will benefit the people who are hardest hit in this country.

Presidential Crisis

Q. Mr. President, Tom Brazaitis, from the Cleveland Plain Dealer. This morning's New York Times has a headline on the front page that says: ``A Presidency on the Line." And with an oil crisis and a hostage crisis and a budget crisis, some people are making comparisons to former President Carter. How do you respond to that? [Laughter]

The President. Look, nobody said it would be easy. [Laughter] And we're getting good support for our policy in the Middle East. Incidentally, I was -- overwhelming -- the support at the United Nations when I was up there was just so apparent and very, very good. But every once in a while, the going gets a little tough. And I'm pleased that we have been able to hammer out a bipartisan agreement to get over an enormous problem that has been growing for years, and that is the Government simply spending more than it takes in and the ever-increasing deficits. And so, put it this way: I don't feel embattled at all. I don't feel embattled.

Q. Is your Presidency on the line?

The President. I don't know what that means. Please refine it, and I'll -- --

Q. It means it's a make-or-break period in your tenure as President.

The President. Put it this way: It's, I guess, about as complicated as a period as we've had since I've been President. But I'm not looking at it in terms of reelection or -- I mean, I think there were some connotations in one story I saw -- maybe it wasn't the same one -- about all of that. The American people are entitled to something a little bit more broader gauged than that. I haven't thought about it in those terms.

But I look back over my shoulder at some of the challenges we've had and some of the comments that we're not doing something properly. I try not to sound egotistical, but we've been right on German unification. And yet, I remember many people saying: It's impossible; the Soviets aren't going to permit a unified Germany to be in NATO. It isn't going to happen. You can't have a unified Germany before you have two peace treaties with Poland.

The reason this is on my mind is I just called -- in the middle of a hard-sell session to Members of the Congress -- Helmut Kohl [Chancellor of Germany]. I was very moved when I saw what happened at the Brandenburg Gate and the feeling there, and I just felt I had to call him on this very special day to congratulate him. But that brought back to mind some -- somewhat -- I wouldn't say difficult time in my Presidency, but questioning whether our objective and the German objective could be fulfilled. So, there are difficult times along the way.

We've got two big things coming together now. One is the deficit, and one is this crisis halfway around the world. But I'm telling you honestly, I don't look at it in terms of whether it's good for a Bush Presidency or popular politically. And that's why last night I tried to give cover to Members

of Congress, Democrat and Republican, and say: You don't have to support crossing every t and dotting every i, but say the President encouraged you to do it. Blame me. Because I know what's best for our country, but I don't suspect it's politically popular.

Federal Budget Agreement

Q. Mr. President, I'm Bobbie Ulrich, the Oregonian. Will future campaign visits by yourself and members of your Cabinet be affected by how Republican Members in the House or Senate vote on this package?

The President. I'm going to use every means at my disposal to convince Republicans and Democrats that they ought to vote for this. But I can't tell you that I will change the rhetorical output or the number of campaign stops if somebody is not with me on a specific issue.

We've been able to hold the line on vetoes. The only way we've been able to make good things happen is because of vetoing lousy legislation. Sometimes we lose Republican votes on vetoes that are very important to me, and I get the same question. But I'm approaching this with no rancor in my heart, but trying at this juncture to use every weapon in my arsenal to get people to do it our way. But I'm not going to go into that or suggest that I would do that.

I must say, sometimes you neglect your friends, and I don't want to do that anymore. But I don't have any plans to do what your question properly asks about.

Q. Mr. President, Alice Lipowich, from the Bridgeport Post. For the Northeast region, which is one of the first regions to be experiencing a real estate slump and the beginnings of a recession, how can you explain that the combination of defense cuts, higher taxes on gasoline, and the home heating oil tax won't hurt that economy more?

The President. I'm not sure there won't be any adverse effects by one provision or another. I am totally sure that failure to get a deficit deal will adversely affect every region of the country.

Q. Mr. President, this is the biggest solution to the debt problems in the 10 years that we're been living with it, but the problem is growing even faster than the solutions. Could you explain why you think that this first $40 billion in the first year will avert a financial catastrophe, as you saw it?

The President. Because I think what it'll do is send a signal to the international markets that this is serious. And you say for the first time I'd be glad to -- I think, given the enforcement provisions, I accept your hypothesis. I think what it'll do is send a signal not only to the international financial markets but to the domestic financial markets that this is serious business and that $500 billion of reductions over this period of 5 years is the medicine that a sluggish economy needs to go forward to have more growth.

I go back and -- we did some research -- and you go back and look at the political rhetoric on both sides of the aisle at the time of the TEFRA, which was in the Reagan-Bush administration. That was not a very popular piece of legislation. It didn't have the enforcement provisions here. The spending cuts were not solidified. And yet on that one, right after TEFRA was passed the interest rates started down, and within 4 months they were down by about 3 points. Admittedly, they were reasonably high because, you remember, that period was a recession period. But we're in a sluggish economy -- I don't want to say recession here -- and I think the best answer is this kind of formulation where each Congressman has to give a little bit. Nobody gets it just the way he wants or campaigned; certainly, that's true for a President. But the best answer to these regional questions -- I mean, to your question -- is the fact that the world markets will see that we're serious about the deficit, and thus the economies will respond.

Let him finish. He has a follow-on.

Q. Many people in the markets were hoping for a sequester as opposed to this smaller package. Could you explain why the sequester was not preferable since it was so much larger?

The President. I don't think anybody -- I don't know who is hoping -- you mean for a lasting sequester? I can't think of anyone in his right mind that would want to see a lasting sequester of $90 billion in 1 year. The American people would properly be up in arms.

Now, if this thing bogs down and we have to enforce the law of the land, which I swore to do, we have to revert to sequester. And it would be extraordinarily painful. So, I honestly -- I'm not being argumentative -- I never heard anyone suggest that a sequester for a year was a remedy that this country could sustain for a long period of time.

Crime

Q. On another regional question, you've been to New York a number of times and suggested that the city ought to gets its crime problem under control. The Governor [Mario Cuomo], the mayor [David Dinkins] continue to argue that by limiting the deductibility of State and local taxes you make it tough for them to put cops on the street and that the Feds are talking out of their mouth but not willing to come with any money. Could you comment on that notion -- this part of the package?

The President. Yes. What I want is the support from those politicians up there for a crime bill. That's what I want, and that's the comment I'd make. I went up there to New York a while back, and one very prominent politician there jumped all over me for suggesting that we needed to support the police more. Now, I understand that there's quite a bit more interest in support for that.

My overall response would be, Please -- Republican or Democrat in New York and all the rest of the States -- help us get our anticrime package through, which is provided for in terms of its spending levels. So, again, nobody wants to pay any taxes. Everybody can say if the money goes to a tax, whether it's for gasoline or for whatever deduction it might be, that money won't be there to fight crime or it won't be there to clean up the environment or it won't be there to educate our kids. So, I understand that, but I just don't happen to agree with it.

Now, let me do this -- because I do have a signing ceremony over there -- let me take three more. I don't know how to be fair about this. Way in the back. We haven't worked the back here.

Federal Budget Agreement

Q. Mr. President, John E. Mulligan, from the Providence Journal. You say that you use words like ``catastrophe'' that need to be averted here. But yet you compare this issue to vetoes that you've sustained, and you say: Well, I won't withhold my visits from people running for election this year. Are you giving a free ride to the Claudine Schneiders, the Tom Taukes, the Lynn Martins -- a free no vote on this?

The President. Look, I've got to understand -- and I said this last night -- I've got to understand that there is a lack of enthusiasm on Democrats and Republicans for certain provisions of this, and I have to be realistic. If we had -- let me make a partisan statement -- if we had control of both Houses of the United States Congress, there would be things in this package that are extraordinarily different than what we see now.

I have to understand the passions of people standing out there for election. I will continue to urge every single Republican, in office and out, to support this package. But I can't bring myself to be recriminatory. I think we've got enough credibility that we can get this thing passed. It isn't easy. But if I might use this opportunity -- your having raised the question -- I wish all of them would support me strongly and lay aside some of the passions that one or the other of them have on a specific issue. That probably isn't going to happen, if I believe what I'm hearing on the television. So, now what I've got to do is get 50.1 percent, and then we're home.

Yeah, on the aisle back here, yes, sir; and then one over here. Persistence pays up.

Q. Mr. President, John Nestor, with Newslink. Why do you suppose this package is so unpopular? If that vote was held today, who would win, and can you turn it around?

The President. The American people would win if we pass it. It is tough, and the reason is because there's a lot of people that have long been advocating specific things that they're not going to get out of this package. You're looking at one of them. But I think that's where the difficulty stems.

I mean, there are broad philosophical differences. Some want to raise income tax rates and increase spending. Dick Darman and Nick Brady can tell you they fended off in the negotiations some significant increases in domestic spending. Others, on the other hand, want to have certain bigger tax cuts and want to curtail more spending. Most know that the biggest part of the budget increases come from COLA's, entitlements. But entitlement freezes or entitlement cuts on Social Security, for example, aren't in there because it's politically impossible to get those things through. So, we've protected the senior citizens in this regard.

So, I think what's happening is we have people who have been out front advocating certain positions -- coming out of the left, coming out of the right, coming out of the broad center. And I'm having to say to them: Now, look, lay aside that passion for that specific issue or that specific spending program or that specific approach, and put the national interest first. And I can do that; I know I can do it with conviction. I hope I can do it persuasively, because I feel that the best antidote for all the problems is an economy that grows with lower interest rates and more jobs.

So, that's the argument I'm making to those on the left and those on the right and those on the center who, for constituent reasons, have extraordinarily difficult problems. And I'm saying to a Democrat that's openminded: Blame the President. Say I rallied to support the President. He was elected, and I don't like this, but I'm going to support him. To a Republican, I'd say the same thing. I happen to like it because I think it's a good deal, but you're hitting the right notes here because individuals have made commitments on one specific or another. And so, I'm asking them: Look, please accept the view that this is serious business. We've got to get this deficit down. We've got to move now credibly to get it down, and this in spite of your differences with this part or another, or my differences with this part or another -- the overall good things outweigh the negative. And besides, the country has got to be governed. We have to move.

Last one.

Q. Mr. President, Roger Renningen, of the Small Newspaper Group of Illinois. Agriculture subsidies have gone from 26 billion in '85 down to more than -- they've been cut in more than half now. Your budget package calls for $13 billion in cuts over the next 5 years. On top of that, agriculture will be dealing with the gas tax and other energy taxes. How can that be fair?

The President. It is fair because if we're correct -- and I'm happy to say the ag economy for the most part has increased and farmers' income is at a -- I don't know about an all-time high, but a significantly good level -- we're talking about $13 billion of program over 5 years. You've got a $5\1/2\ trillion economy. That means that -- you put it in percentage of the total economy -- it isn't that high. And I believe if we are successful in our trade round -- and we're fighting like mad to do it -- that alone offsets in one fell swoop all the programs you possibly have.

So, I don't think it's burdensome. And I think people ought to look carefully at the details. And again, any time a subsidy or a support program is cut, I can understand people being critical. But I

think they also know that an economy that is in recession, for example, would wipe out instantly or offset instantly the individual amounts of money that one gets from program A, B, C.

And it isn't just agriculture. It isn't just agriculture. It's in some of the entitlements areas as well. So, I'd ask the farmers: Look at what we're trying to do. Look at the success of the market-oriented approach we took to agriculture. Look at how -- where agriculture -- the per capita income to farmers stands. And help us preserve the kind of markets that guarantee continued prosperity to the farmer. So, that's the approach.

Hey, listen, I really have to go. We got German Unification Day across the way.

Voter Initiatives

Q. Mr. President, what do you think of all the voter initiatives in California and Colorado?

The President. Let them worry about that. [Laughter] I've got one right here I can worry about.

Thank you very much.

Note: The President spoke at 10:31 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Richard G. Darman, Director of the Office of Management and Budget; Secretary of the Treasury Nicholas F. Brady; and John H. Sununu, Chief of Staff to the President.

Remarks on Signing the German-American Day Proclamation at a White House Ceremony Celebrating the Reunification of Germany

October 3, 1990

Thank you very, very much. And to Ambassador Ruhfus and Bruce Gelb, Elsbeth Seewald, Mr. Theune, Mr. Kruger, Senators Biden and Lugar and Pressler, and all of you, welcome to the White House.

I want to especially thank the German Army Band for their stirring rendition of our national anthem. Thank you, gentlemen. Thank you all. And I don't want to leave out the Marines, either. They're back here, and I thought they did a good job on the German national anthem.

And of course, I think we would all agree that this special event is all the richer for the participation of these kids here today. Thank you, guys. Both of you, men and women.

I just hung up from talking to Chancellor Helmut Kohl, and I told him that on this very special day the people of America send their heartiest congratulations to all Germans. Even as we meet here in our Rose Garden, Germans are celebrating their new unity from Berlin to Bonn, from Munich to Bremen, from the urban plazas of Leipzig to the golden vineyards along the hills of the Rhine.

And throughout this newly united nation, Germans celebrate a wonderful moment, delayed for almost half a century. And as part of that celebration, I've sent a video address to the people of Germany -- sentiments that I'd like to just share with you here today briefly.

For 45 years, at the heart of a divided continent lived a divided people. A cruel wall of concrete literally cut off neighbor from neighbor, husband from wife, child from parent, a nation from itself. And on this fault line on the East-West conflict, one people split literally between two worlds. And as the German people suffered through this long ordeal, Americans were much more than sympathetic observers. After all, we are united by bonds of culture that reach back to the early colonial times, when Germans first became German-Americans.

And at the invitation of William Penn, Germans arrived in America to start a new life. And life was tough. Their first homes were caves hollowed out in the ground. And their determination, though, was harder. And they built a community -- Germantown, Pennsylvania -- inspiring millions more to follow and to continue to build.

German-Americans founded Hagerstown and Frederick, Maryland; Mecklenburg County, North Carolina; New Braunfels in my State, Texas; Frankfort, Kentucky; Berlin, Wisconsin; Anaheim,

California. And they went on to help build some of the great cities of America: Philadelphia, Cincinnati, St. Louis, Milwaukee.

And the 60 million American sons and daughters of these German pioneers, like all Americans, felt a deep tie to both Germanys -- one, a new democracy in the heart of Europe; the other struggling to be free.

And after all, our own country once lived under oppression. We remember John Peter Zenger, a young German-American newspaper editor who dared to challenge authority way back in 1734. And it was this same German immigrant who helped America established our most cherished tradition, freedom of speech.

And so, now, Ambassador Ruhfus, when East Germans were punished for dissent, we shared your spirit of defiance. And when German people were shot for attempting to flee to freedom, we shared your outrage. And when West German leaders dared to hope for a Germany united in freedom, we shared your dream.

And so, I guess what we're here to do is to affirm that dreams sometimes do come true. Germany is united; Germany is free. This day was very clearly envisioned by Konrad Adenauer, who said that a solution to a divided Germany is only possible with the help of our friends. And over the decades, Adenauer's vision of a friendship between Germany and the United States, between Germany and the free peoples of the world, has indeed been realized. And this moment has come because Americans stood by the people of Berlin, from the daredevil pilots of the airlift to a young President who made his bold declaration before the Wall.

This moment has also come because of the determination of West German leaders to make Germany whole and free -- not only Adenauer but Ernst Reuter and Ludwig Erhard, Willy Brandt, Helmut Schmidt and, of course, today's Chancellor Helmut Kohl. And this day has come because in 1989 the people of Germany stood their ground for freedom.

The United States is proud to have joined your countrymen in building the foundations of freedom, proud to have been a steady partner in your quest. America is also proud to count itself among the friends and allies of a free Germany now and forevermore.

This has been a year of change for America; for a united Germany; for the Atlantic alliance, of which we are both a part. And I'm certain that our two nations will meet the challenges of the future as we have in the past: as partners in leadership. This day, so meaningful for Germany, also inspires the world. Meters away from the walls of the Reichstadt, scene of the first session of the newly reunited German Parliament, stood the Berlin Wall. For years free men and women everywhere dreamed of the day that the Berlin Wall would cease to exist, when a world without the Wall would mean a Germany made whole once more, and when Germany, united and sovereign, would contribute in full measure as a force for peace and stability in world affairs.

Well, today it is the Wall that lies in ruins, and our eyes open on a new world of hope. The last remnants of the Wall remain there at the heart of a free Berlin, a ragged monument in brick and barbed wire; proof that no wall is ever strong enough to strangle the human spirit, that no wall can ever crush a nation's soul. And this is my message to the German people, and that is the heartfelt sentiment of the American people.

But before I sign this document proclaiming this very special German-American Day, let me just add one more thing. Last Sunday I attended the World Summit for Children up there at the United Nations. More than 70 heads of state, heads of government, and chiefs of state were there. And we discussed many critical issues: health care, education -- many others. But we were profoundly touched by the knowledge that we must entrust the future of our nations to another generation. And looking at these kids here today, I believe I can see the future of the new Germany -- a future of liberty and leadership, good will, and greatness.

So, once again, my heartfelt congratulations to the people of this united Germany. I know I confidently speak for all Americans. Thank you very much for coming.

Note: The President spoke at 11:09 a.m. in the Rose Garden at the White House. In his remarks, he referred to Ambassador Juergen Ruhfus of Germany; Bruce S. Gelb, Director of the U.S. Information Agency; Elsbeth Seewald, national president of the German-American National Congress; Adalbert Theune, national chairman of the Steuben Society of America; Helmut Kruger, president of the United German-American Committee of the U.S.A.; Chancellor Helmut Kohl of Germany; and Konrad Adenauer, former Chancellor of the Federal Republic of Germany. The proclamation is listed in Appendix E at the end of this volume.

Message to the Congress on the Continuation of Naval Petroleum Reserves Production

October 3, 1990

To the Congress of the United States:

In accordance with section 201(3) of the Naval Petroleum Reserves Production Act of 1976 (10 U.S.C. 7422(c)(2)), I wish to inform you of my decision to extend the period of maximum efficient rate production of the naval petroleum reserves for a period of 3 years from April 5, 1991, the expiration date of the currently authorized period of production.

I am transmitting herewith a copy of the report investigating the necessity of continued production of the reserves as required by section 201(3)(c)(2)(B) of the Naval Petroleum Reserves Production Act of 1976. In light of the findings contained in that report, I hereby certify that continued production from the naval petroleum reserves is in the national interest.

George Bush

The White House,

October 3, 1990.

Remarks on Signing the Proclamation Commemorating the Designation of Atlanta as Olympic Host City

October 3, 1990

Thank you all very, very much. First, look, it's a great pleasure to have you all here. I want to pay my respects to the Members of the Congress that are down to salute this event -- Senators, Congressmen. And I can feel this Atlanta spirit that you've made famous.

I thought for a minute Maynard Jackson was taking over here. But nevertheless -- [laughter] -- I want to particularly welcome and pay my respects to Billy Payne; also to Maynard and Andy Young; the Governor of the great State, Governor Joe Frank Harris -- these people who committed themselves, heart and soul, to bringing the games to Atlanta. And they'd kill me because it includes so many that are here today. I can't single you all out, though. The administration's own Georgia contingent is here -- Secretary Lou Sullivan and Paul Coverdell, the head of the Peace Corps -- along with, as I say, Members of the Congress. And I particularly salute the members of the Georgia delegation. And of course, Bob Helmick is with us, the president of the USOC [U.S. Olympic Committee]; Harvey Schiller, the executive director, to join in this national celebration.

Before going further, I'm pleased to have just signed, inside, H.R. 4962, which authorizes the minting of commemorative coins to support the American athletes training for the '92 Olympics. And this afternoon, our thoughts are not only on the '92 Olympics but the '96 as well. And it's an honor to be here today to celebrate the selection of the host city for the '96 summer Olympics, the next great international city, Atlanta, Georgia.

Nearly a century ago, in April of 1896, the King of Greece opened the first modern Olympic games in Athens, a revival of the ancient games that were held in honor of the Greek god Zeus. And the architect of those modern Olympic games was a Frenchman, Baron de Coubertin, who envisioned a new era in international sports. We all remember the baron -- [laughter]. But anyway, here's what the guy said -- [laughter] -- ``Let us export our oarsmen, our runners, our fencers into other lands. That is the true free trade of the future, and the day it is introduced into Europe, the cause of peace will have received a new and strong ally."

Well, as we approach the 100th anniversary of the first modern Olympics, we still dream of an open and peaceful world -- open to the free trade of ideas, the free movement of peoples. And as the approach, we look forward to the free competition of athletes from the nations of the world under the Olympic motto, ``Swifter, higher, stronger."

Those three words might as well have been the motto for the city of Atlanta, where the Old South has become the new South, with Atlantans leading the way. And they'll continue to lead the way because the Olympics will bring an estimated $3.5 billion into Georgia's economy in the next 6

years and create, predictably, 84,000 jobs. And that's not just good news for Atlanta; I believe that's good for all of America.

When Maynard Jackson heard the news, he said: ``I feel like an exclamation point has just been placed on the life of our city. We won't let the world down." And I'm absolutely certain that he's right and that Atlanta will not let the world down. This great city of yours has already made history as the cradle of the American civil rights movement -- home to Martin Luther King, Jr., Whitney Young, Maynard Jackson, Andy Young. And the 1996 games will give Atlanta the chance to make new history.

You know, Justice White, who we all know -- a Supreme Court Justice -- we all remember as a Heisman Trophy winner from Colorado University. He once said sports constantly makes demands on the participant for top performance; and they develop integrity, self-reliance, and initiative. And he said that in addition to teaching loyalty to yourself, sports teaches loyalty to your team. And that's what the Olympics are all about: initiative, self-reliance, integrity, and loyalty.

Those very same qualities are the ones that brought the Olympics to Atlanta. On top of your sports facilities and worldwide name recognition, you won the competition because Atlanta's had tremendous leadership and community which united behind it. The community spirit and enthusiasm shown by the people of Atlanta has been nothing short of remarkable, and you are America at her best.

And my thanks to all the volunteers, incidentally -- the volunteers who made such a difference in this herculean effort. I congratulate each and every one of you. And I join all Americans in anticipation of those four magic words, ``Let the games begin."

And now I will sign this proclamation proudly, designating today as Atlanta: Olympic Host City Day.

Thank you all, and God bless you. Thank you for being with us.

Note: The President spoke at 2:08 p.m. in the Rose Garden at the White House. In his opening remarks, he referred to Maynard Jackson, mayor of Atlanta; Billy Payne, organizer of the Olympic games; Andrew Young, former mayor of Atlanta; and Secretary of Health and Human Services Louis W. Sullivan. The proclamation is listed in Appendix E at the end of this volume.

Message to the Congress Reporting Budget Deferrals

October 4, 1990

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report seven deferrals of budget authority now totalling $1,120,243,863.

The deferrals affect the International Security Assistance program, as well as programs of the Departments of Agriculture, Defense, Health and Human Services, State, and Transportation. The details of the deferrals are contained in the attached report.

George Bush

The White House,

October 4, 1990.

Note: The attachment detailing the deferrals was printed in the ``Federal Register'' of October 11.

Nomination of Michael Joseph Bayer To Be Federal Inspector of the Alaska Natural Gas Transportation System

October 4, 1990

The President today announced his intention to nominate Michael Joseph Bayer, of Ohio, to be Federal Inspector of the Alaska Natural Gas Transportation System. He would succeed Theodore J. Garrish.

Since 1985 Mr. Bayer has served as manager of operations for the Panhandle Eastern Corp. in Washington, DC. Prior to this, he served as counselor for the U.S. Synthetic Fuels Corp. in Washington, DC, 1984 - 1985; consultant for Reagan-Bush 1984 campaign and the Republican National Committee, 1983 - 1984; Associate Deputy Secretary of Commerce, 1982 - 1983; Deputy Assistant Secretary of Energy for Congressional Affairs, 1981 - 1982; executive assistant to the Honorable Clarence J. Brown, 1979 - 1981; and counsel to the Honorable Clarence J. Brown, 1977 - 1979.

Mr. Bayer graduated from Ohio State University (B.S., 1973; M.B.A., 1974) and Capital University School of Law (J.D., 1977). He was born August 2, 1947, in Dayton, OH. Mr. Bayer served in the U.S. Army, 1967 - 1970, and the Army National Guard, 1971 to present. He is married, has two children, and resides in Potomac, MD.

Remarks on the Conventional Armed Forces in Europe Negotiations

October 4, 1990

Yesterday in the Rose Garden, we celebrated the dawn of a new era for Germany and welcome the prospect of a Europe whole and free. But despite these dramatic political events, Europe is still the site of the greatest concentration of armed strength in the world. As Europe is transformed politically, we must also redraw the military map of the Continent and lift some of the shadows and fears that we and our allies have lived with for nearly half a century.

Today Secretary Baker will describe our latest efforts to ensure that the political transformation of Europe is matched in the military field in our negotiations to reduce and limit conventional armed forces in Europe, the so-called CFE talks.

Some of you here will remember when, in May of 1989 at the NATO summit, I proposed a series of initiatives to quicken the pace in CFE. I pledged then to devote our full effort to the speedy conclusion of a CFE agreement, a treaty that would decisively improve the balance of military power on the Continent and back our hopes for lasting stability. We followed through on that commitment, and there is still -- let's face it -- more work to do. I want to remind you that CFE is not an accord between the United States and the Soviet Union; it'll be a treaty among 22 states, East and West. All must be satisfied with the treaty's provisions.

We've consulted repeatedly with our allies about our efforts, both before New York and then during the many talks up there. We believe our allies are pleased with the progress being made. Pending further consultation with our NATO partners, we have agreed in principle with the Soviet Union on resolution of all the major remaining issues in CFE and on many of the essential details as well. Along with our allies, we will continue to push to complete this treaty next month so that the way is clear for convening a CSCE summit in Paris.

In conclusion, I want to thank the Secretary of State and the people that have been working with him during these negotiations, and let me just say how pleased I am with the progress that we have achieved here. And I would like to now turn to Secretary Baker who has a statement, and then he'll be glad to take your questions.

Well done.

Note: The President spoke at 2:14 p.m. in the Briefing Room at the White House.

Appointment of Jeffrey R. Holmstead as an Associate Counsel to the President

October 5, 1990

The President today announced the appointment of Jeffrey R. Holmstead to be Associate Counsel to the President at the White House.

Since September 1989 Mr. Holmstead has served as Assistant Counsel to the President. Prior to this, he served as an associate with the law firm of Davis Polk and Wardwell, 1988 - 1989; a law clerk to the Honorable Douglas H. Ginsburg on the DC Circuit Court of Appeals, 1987 - 1988; and a summer associate with the law firm of Cravath, Swaine and Moore, 1987.

Mr. Holmstead graduated from Brigham Young University (B.A., 1984) and Yale Law School (J.D., 1987). He was born June 20, 1960, in American Fork, Utah. Mr. Holmstead is married, has one daughter, and resides in Washington, DC.

Remarks on Transmitting to the Congress Proposed Legislation on Trade Preference for Andean Countries

October 5, 1990

Let me greet Secretary Yeutter and Secretary Aronson and the Deputy USTR, Mr. Katz; and thank Ambassador Mosquera and Minister Crespo -- Ambassador Crespo, Charge Valdes of Peru, and Minister Zuquilanda of Ecuador for joining us here today.

This legislation we're sending up follows through on our Cartagena summit agreement to offer special measures of assistance to the Andean countries. And it provides trade preferences patterned along the lines of the extremely successful Caribbean Basin Initiative -- CBI legislation. It's the second piece of legislation affecting our hemisphere that we're sending to Congress in a month. And as you will recall on September 14th, I sent to the Congress the Enterprise for the Americas Act of 1990. We're working hard for passage of that legislation in this session. And I know Secretary Brady and Under Secretary Mulford have been working very hard on that. And I'd like to see the Congress act favorably this session.

The idea behind this legislation is to give the countries an extra boost. It's designed to complement our proposals on trade, investment, and debt under the Enterprise for the Americas Initiative by providing a special 10-year access to the U.S. market. When this legislation comes into force along with the Enterprise legislation, our arsenal against drugs will expand to include the following: economic development assistance; police and military assistance for interdiction; investment in debt measures; and finally, trade preferences. And now, if I could invite the four distinguished Ambassadors and DCM to join me here, while I sign this transmittal to the Congress. Please, come forth.

[At this point, the President signed the transmittal.]

Thank you all very much for coming to the White House. Work lies ahead, but this is a beginning. Well, I guess we'll go back to work. Thank you all.

Note: The President spoke at 1:52 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Secretary of Agriculture Clayton K. Yeutter; Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs; Julius L. Katz, Deputy U.S. Trade Representative; Ambassador Victor Mosquera of Colombia; Ambassador Jorge Crespo of Bolivia; Charge d'Affaires Jorge Valdes of Peru; Minister Patricio Zuquilanda of Ecuador; Secretary of the Treasury Nicholas F. Brady; and Under Secretary of the Treasury David C. Mulford.

Message to the Congress Transmitting Proposed Legislation on Trade Preference for Andean Countries

October 5, 1990

To the Congress of the United States:

I am pleased to transmit a legislative proposal entitled the ``Andean Trade Preference Act of 1990'' and a section-by-section analysis. The Andean nations are engaged in a serious struggle to combat illegal narcotics trafficking. It is incumbent upon the United States to aid them in their efforts to develop legitimate trading opportunities for their people. Their struggle is our struggle as well.

This proposal would implement my Andean Trade Preference Initiative of July 23, 1990. It would create a trade preference program patterned after the Caribbean Basin Initiative (CBI) for four Andean countries -- Bolivia, Colombia, Ecuador, and Peru.

The Andean Trade Preference Initiative is intended to:

fulfill, in part, my commitment at the Cartagena Summit to expand economic alternatives for these four Andean countries;

complement the program of economic assistance, drug control, and the economic reforms agreed on with the Andean countries; and

provide U.S. economic support to those Andean countries that are fighting to eliminate the production, processing, and shipment of drugs.

Just as CBI did for the countries of the Caribbean Basin, the Andean Trade Preference Act of 1990 will provide the authority to establish duty-free treatment of imports from the four Andean countries. These trade preferences would be granted for a period of 10 years.

The legislation outlines the rule-of-origin requirements for duty-free entry. Articles must be imported directly from a beneficiary country. These imports must consist of at least 35 percent value-added in one or more of the beneficiary countries, or one or more of the CBI countries, to which 15 percent of the total value from U.S.-made components may be applied. If foreign components are used to produce an article, the final product must be substantially transformed into a ``new and different article of commerce'' in one or more of the beneficiary countries. Products not qualifying under these three requirements will be dutiable.

Products that are particularly sensitive to import competition will still be dutiable. These products

include textiles and apparel; footwear; canned tuna; petroleum and petroleum products; and watches and watch parts. Handbags, luggage, flat goods, work gloves, and leather wearing apparel also will continue to be dutiable, but will be subject to the same duty reduction program as has been made available to products from the Caribbean Basin. Duty-free entry of sugars, syrups, and molasses is provided consistent with the tariff-rate quotas on these products.

The proposal includes provisions for general import relief and emergency relief to safeguard domestic industries. Specific relief provisions are also included to safeguard domestic industries producing perishable products (i.e., live plants and fresh cut flowers, certain fresh or chilled vegetables, certain fresh fruit, and concentrated citrus fruit juice).

To assess the effects of the legislation on the U.S. economy and on particular industries producing like or directly competitive articles, the U.S. International Trade Commission would be required to issue reports to the Congress. The first such study will assess the effectiveness of the Act during its first 2 years, with annual reports thereafter. The proposal also requires the Secretary of Labor to report to the Congress annually on the impact of the Act on U.S. labor.

Enactment of the Andean Trade Preference Act of 1990 will permit the United States to support the efforts of the Andean countries to eliminate the production, processing, and shipment of illicit drugs. In conjunction with other Andean trade measures announced on July 23 and the Enterprise for the Americas Initiative announced on June 27, it will also increase the prospects for economic growth and prosperity in the Andean countries and throughout the hemisphere. I look forward to working closely with the Congress to enact this vital initiative.

George Bush

The White House,

October 5, 1990.

Message to the House of Representatives Returning Without Approval the Textile, Apparel, and Footwear Trade Act of 1990

October 5, 1990

To the House of Representatives:

I am returning herewith without my approval H.R. 4328, the ``Textile, Apparel, and Footwear Trade Act of 1990," which imposes import quotas on textiles, textile products, and nonrubber footwear. This highly protectionist bill would damage the national economy, increase already artificially high costs to consumers of several basic goods, and abrogate our international agreements. It would also reverse the tremendous progress we are making to generate a global economic renaissance.

Economic indicators illustrate that the problems this bill is intended to address do not exist. Despite assertions to the contrary, the textile industry has done well. Domestic production has been up slightly since 1987. Unemployment in major textile-producing States is currently lower than the national average. Since 1989, the textile industry has continued to operate at a higher rate of capacity than the average for all U.S. manufacturing industries.

All consumers, and particularly those at lower income levels, would be adversely affected if this legislation were to become law. The consumer costs of all restrictions on textile and apparel imports are conservatively estimated to increase to a total of $160 billion over the next 5 years -- that amounts to an onerous $2,600 for a family of four over that same period. These costs would continue to rise annually. In essence, this legislation picks the pockets of U.S. consumers in order to subsidize the textile industry at a cost of $70,000 annually per job saved.

Furthermore, U.S. merchandise exports, which have increased by more than 9 percent in the first half of this year, would be jeopardized. We could anticipate swift retaliation by countries exporting textiles and footwear if this bill became law. These countries have large and rapidly growing markets for U.S. exports, which would be placed at risk by the new restrictions required under H.R. 4328. They would retaliate against our most competitive exports, such as agriculture, aerospace, high technology, capital goods, and services, to the detriment of domestic employment in these industries.

All of these economic costs to consumers and American industry would be incurred without eliminating a single ``unfair" trade practice or opening even one closed market abroad. Rather than address the industry's competitive problems constructively, this legislation merely closes our markets and insulates the textile, apparel, and footwear industries from international competition.

We already have very effective laws that provide remedies to unfair competition from abroad, which various sectors of the textile and apparel industries have used when necessary. Our best hope for opening new markets overseas and for sustaining our textile and apparel industries is not this legislation, but the Uruguay Round of global trade talks, now in its critical final weeks.

We are working in the Uruguay Round to negotiate a means for the textile and apparel industries to:

-- Enhance their international competitiveness in the long term and to open foreign markets to our exports.

-- Ensure that the current special quota protection for the industry is not terminated abruptly, but is phased in over a reasonable period of time to protect those parts of the industry that require more time to adjust to import competition.

-- Provide sufficient stability so that our textile and apparel industries, as well as our importers and retailers, have a smooth, gradual path of adjustment to the regular rules of the General Agreement on Tariffs and Trade (GATT), as they are strengthened in the Round.

H.R. 4328 would eliminate any hope we have of achieving a successful Uruguay Round agreement in December that accomplishes these objectives. The bill would do this by taking a sector of considerable importance in international trade off the negotiating table. Furthermore, it would be an egregious violation of GATT rules, our commitments under the Multifiber Arrangement (MFA), and the numerous bilateral agreements we have negotiated under the MFA's auspices. This protectionist bill unquestionably would result in a mass exodus of perhaps half the 100 nations participating in the Round. All that we hope to achieve for the textile and apparel industries would be lost, as would all of our efforts for American businesses, consumers, and workers.

Beyond this economic calamity, H.R. 4328 is reprehensible at a time when the United States' highest international priority is to strengthen international cooperation. Many of the countries whose interests would be damaged by H.R. 4328, such as Turkey and Egypt, are ones that have cooperated effectively in resisting Iraqi aggression in the Persian Gulf. In addition, this bill would undercut our attempts to rebuild economies on free-market principles and to build a strengthened global trading system that will permit trade to expand and thereby increase world prosperity and stability.

Additionally, while the Congress holds the authority to regulate commerce with foreign nations, several provisions of H.R. 4328 interfere with the President's constitutional prerogatives in conducting international negotiations and in proposing legislation.

The Textile, Apparel, and Footwear Trade Act of 1990 is simply not the panacea advertised by its

proponents. Instead, it is blatantly protectionist, unwarranted, economically harmful, and internationally unviable.

Accordingly, I am disapproving H.R. 4328.

George Bush

The White House,

October 5, 1990.

Statement on the Intention To Veto of a Resolution Providing Funding for Continued Government Operation

October 5, 1990

The hour of reckoning is at hand. At midnight tonight, the Congress of the United States must face up to the shutdown of government services and resulting confusion that will be strewn across this land because we could not produce a budget. It is deeply discouraging that the governing bodies of this country would wrangle with the Nation's fiscal affairs for nearly a year and fail.

Tonight, because there is no budget, the United States Government, under existing law, does not have the authority to continue operations. And I will not be a party to the process that would once again put off meeting this responsibility for a few more days. I will not sign the continuing resolution passed by the House and Senate tonight, which simply delays once again the most serious constitutional responsibility of government: to manage the people's money.

At midnight tonight, our national parks and monuments will close. Cleanup at hazardous waste sites will cease. Social Security offices will accept no new applications. Border inspections will be delayed. In one government agency after another, thousands of Federal employees will no longer be able to serve public tasks necessary for the public good. The people of America did not send their representatives to Washington to produce these consequences.

As I said in my Inaugural Address, they did not send us here to bicker. And tonight I challenge the Congress to act as quickly as possible to produce an acceptable budget. Don't wait for people to lose confidence in their government. Act now, tomorrow, as soon as possible to produce a budget that reduces the deficit, avoids recession, and puts our economy on the path of sustained growth.

I stand ready to work with the Members of Congress to produce a responsible plan. After months of hard work, we produced a budget agreement that would have cut a real $500 billion off our deficit over the next 5 years. The White House and the congressional leadership of the Democratic and Republican Parties worked hard to put together that agreement and put in place the largest deficit reduction in history. It's a sad commentary that the full House did not have the courage of those convictions. But surely the reality of a government closedown will convince everyone that a solution must be found. It is time to act responsibly on this problem and produce a fiscal year 1991 budget.

Note: The President returned H.J. Res. 660 without approval on October 6.

The President's News Conference on the Federal Budget Crisis

October 6, 1990

The President. I just wanted to comment. I know the leaders have been speaking. And I have not yet signed but, within the next couple of minutes, will veto the continuing resolution. We've had good cooperation from the Democrat and Republican leaders. The Congress has got to get on with the people's business. I'd like them to do that business -- get a budget resolution -- and get it done in the next 24 hours or 48 hours.

But as President, I cannot let the people's business be postponed over and over again. I've jotted down the numbers. There have been three dozen in the last decade -- three dozen continuing resolutions -- business as usual. And we can't have it. The President can only do this one thing: send that message back and say this is not a time for business as usual. The deficit is too important to the American people.

So, I expressed my appreciation to the Speaker, the majority leader in the Senate, the majority leader in the House, two Republican leaders -- thanked them for coming together in a spirit of compromise to get an agreement that I strongly supported. It didn't have everything I wanted in there, but now I'm calling on those who did not vote for it on the Republican side and on the Democratic side to get up with the leadership and send down something that will take care of the people's business once and for all.

I am sorry that I have to do this, but I made very clear that I am not going to be a part of business as usual when we have one deficit after another piling up. Had enough of it, and I think the American people have had enough of it.

Q. What changed your mind, sir?

Q. Mr. Mitchell [House majority leader] came out here a minute ago and said that this served no useful purpose. What useful purpose?

The President. We have a disagreement with him. I think it disciplines the United States Congress, Democrats and Republicans. They're the ones that have to pass this budget, and they ought to get on with it. And the leaders, to their credit, tried. But a lot of Members think they can get a free shot, right and left. What this message says is: No more business as usual. So, we did have a difference on that particular point. I think both the Speaker and the majority leader did not want me to do this.

But look, let me take you guys back a while. In August I wanted to keep the Congress in. That

story was written. And I've listened to the leadership, both Republicans and Democrats; said no, we'll acquiesce -- because they said that to keep the Congress here in August will be counterproductive: ``Everybody will be angry with you. But the way to get it done is with the discipline of the calendar running after the summer recess."

And so, I acquiesced. I compromised. I gave. I'm not going to do it anymore. I'm very sorry if people are inconvenienced, but I am not going to be a part of business as usual by the United States Congress.

Q. Mr. President, Senator Dole [Republican leader] said that you had agreed to send up a new short-term spending bill that would include spending cuts -- a sequester. Could you tell us something about that?

The President. I'm going to stay out of exactly what we're going to do and let the leaders handle the details of this now. It's in the Congress, and I still strongly support the agreement that both Democrat leaders and Republican leaders came down on. And I'll say this: I do think that there's a lot of agreement and good will still existing for that. It's not going to be passed exactly that way. It was defeated. But let's leave the details of negotiation on that to the Congress -- starting back in right now. They're going to have to contend with this veto I sent up -- and obviously, I want to see that veto sustained.

Q. You say no more business as usual -- in one breath you say no more CR's [continuing resolutions], and in the next breath, Dole says there's some CR which is -- --

The President. Well, if it has some discipline -- what I'm saying is, I want to see the system disciplined. If what Bob Dole said is correct -- I'll sign one if it puts some discipline on the system. And if it doesn't discipline the system, then I stay with my current position. No, excuse me, I'm glad you brought that up, because I would strongly support that.

Q. Mr. President, the leadership made a strong point in saying that it's the average Americans who are going to be hurt, the Federal workers and so forth. It's not Congressmen but average Americans who are going to be strongly hurt by this.

The President. The average American is smart. The average American knows what's going on, I think. And I think they know that the Congress will continue to kick this can down the road and that they've got to act. I am very sorry for people that are inconvenienced by this or hurt by this. But this is the only device one has for making something happen, and that is to get the Congress to act, to do its business.

Q. Mr. President, you seem to be blaming Congress, but in fact, a lot of their constituents are the ones that urged them to vote against this. They say it's unfair -- the burden is unfairly divided, that the poor and the middle class are paying too much. Is it possible that maybe this program that

you proposed with the leaders just was not acceptable to the American public?

The President. Well, certain aspects of it might well not have been acceptable to the American public on both the right or the left. But when you're trying to do the country's business, I've discovered you have to compromise from time to time, and that's exactly what I did. Took a few shots in the process, but it doesn't matter. What matters is, let's move this process ahead now.

But, yes, you're right -- some people didn't like one aspect or another. We had Republicans jumping up on our side of the aisle and saying, ``I'll vote for it if you change this,'' or ``I don't like this part of it, but if you change that -- '' And similarly, you've got people that you were quoting that were on the other side.

But at times, one has to come together to do the country's business for the overall good. And these outrageous deficits cannot be permitted to go on and on and on and on. I'm worried about international markets. I'm worried about this country -- the opinion that it can't take care of its fiscal business.

And to their leaders' credit, Democrat and Republican, they tried very hard. They failed to get a majority on the Democratic side. And Republican leaders, with the help from this President and all I could bring to bear on it -- we failed, because we had people -- were looking at one narrow part of the package and not at the overall good. And I am hopeful now that with the urgency this veto brings to bear on the situation, that reasonable people, men and women in the Congress, can come together.

Q. Mr. President, what kind of progress is being made on a new budget resolution? And sources on the Hill are saying that there is growing support for raising the tax rates of the wealthy in exchange, perhaps, for the cuts on premiums for Medicare. But you have opposed that in the past. Are you willing to give on tax rates for the wealthy?

The President. I don't know the answer to your question. They're just going back up now to try. I like the parameters of the other deal wherein I compromise. We've got people -- your question reflects the views on the more liberal or left side of the political spectrum -- who raised those questions. We have some on the right side of the political spectrum coming at the process from another way.

Now, I say: Let them go up and negotiate it. This is the business of the Congress. And our people will stay in touch. I won't mislead them. If there's something that's so outrageous I can't accept it, I'll let them know at the beginning so they don't waste their time. But we're flexible. I've already compromised. And I'm not saying that I can't take a look at new proposals. But you've got to put together a majority in the Congress, and that's where the leaders are having great difficulty.

Q. Following up on that, members of your own party dislike the deal so much, how could you and

your advisers have misjudged the sentiments of members of your own party?

The President. Because it's easy when you don't have to be responsible for something. It's easy to just get up and say, hey, I've got an election in 3 weeks, and I'm going to stand up against this particular package -- Medicare, the taxes, the home heating oil, or the fact there's not enough growth or not enough incentive. Any individual Member can do that. Maybe it plays well at home. The President and the leadership of both Houses have to be responsible for the overall good of the country, have to make something happen. I can't get it done just my way. I don't control both Houses of Congress. I'd love to think that that luxury would come by way someday, but it hasn't. Therefore, we've had to compromise. So, I will keep trying in that spirit -- that cooperative, positive spirit.

But when it comes to the discipline that comes from saying, ``I'm sorry, no more business as usual," that's where I can stand up. I don't need a consultation to do that. I've got plenty of advice on one side of that question and the other. But I am absolutely convinced this is right.

Even those who are inconvenienced by this are going to say, thank God, we'll get the American people's business of getting this deficit under control done. That's my objective. I think every parent out there who sees his kid's future being mortgaged by the outrageous deficit, sees a shaky economy that's being affected by prolonging these deliberations, will be grateful in the long run. In the meantime, we've got to take a little heat.

Q. Mr. President, the budget resolution that failed is one that you worked hard for. Despite the fact that you gave a national televised speech, despite the fact that your popularity is very high -- and you failed to sway even a majority of votes in your own party. Does that concern you, and do you think this is a major setback for your Presidency?

The President. No, I don't think that at all. But I do think -- yes, it concerns me. I'd like everybody to do it exactly the way I want, but it doesn't work that way. So, now we have to use a little discipline -- --

Q. Mr. President -- --

The President. -- -- nice guy stuff, and we'll try. It's a tough decision, it's not an easy decision I've made, but it is the right decision. So, I'm disappointed they didn't do it my way. But I'm in here to do what is best for the country; and what is best for the country is to get this deficit under control, to get this economy moving again, and to see people at jobs, not out on some welfare line. And that's what's at stake here -- economic soundness of the United States.

We've got a lot of things going on in the world, and a strong economy is vital to what I want to see achieved in this country. So, you have to take some hits. I mean, you don't get it done exactly your own way.

But I read these speculative stories. Tomorrow, there's going to be another vote. Tomorrow, somebody else will move the previous question or second the motion, or some committee chairman will jump up and say, hey, what about me -- my little empire is being invaded here. And I'll say, hey, the President's the guy that has to look at the overall picture.

I can understand Congressmen doing that. But we came together on a deal. We worked for it. Everybody had a chance to posture that didn't like it. They have no responsibility. But I feel a certain responsibility to the American people to move something forward here -- want a compromise. Now we're going to say: We'll try it this way. No more business as usual. Do not just keep putting off the day of reckoning. And I don't want to be a part of that, and that's why I've had to veto this resolution.

Q. Mr. President, you've talked a lot about discipline today. Do you think the American people on average are willing to accept the discipline of a tough budget?

The President. That's a very good question. And if you look at the vote in the House of Representatives, you might say no. But I think in the final analysis the answer will be yes, because I think we sometimes underestimate the intelligence of the American people. I can see where a Congressman can jump up on a specific spending program that'll help him in his district. I can see when somebody will give you the broad tax speech or help him in his district.

But in the final analysis, what the American people look at is: Do we have an economy in which I can feed my family, where I can have opportunity to work for a living, and where I can put a little aside to educate my kids? And therein lies the problem, because that's what we're working for -- is we're trying to get this Federal deficit down.

But I think you raise a good point. I think a lot of these Congressmen can jump up without any responsibility for running the country, or even cooperating with their leaders, and make a point that's very happy for the home folks. But I think that view underestimates the overall intelligence of the American people, whether conservative, whether a guy's working on a factory line someplace, whether he's an investor someplace.

That's why I think this is very important that the Congress now finally come to grips with this.

Q. There's some talk about this special challenge to Civiletti.

Q. Mr. President, it sounds like you're now saying: Hands off. It's up to the congressional leaders to do the negotiating.

The President. They've already started up the road there to go to Congress and start negotiating. But, no, we've made very clear that we're continuing to help. I don't want to mislead them. There

are certain things I can accept. There are certain things I can't. So, I think it's very important that our able team, in whom I have total confidence, stay in touch with them.

Q. But not sit at the negotiating table with them?

The President. Oh, I think they'll be there. I think it all depends on what forum. I think there is some feeling, Ann [Ann Devroy, Washington Post], that on the part of Members, both Democrat and Republicans -- hey, you summiteers handed us a deal. Well, what the heck? I mean, how do you expect to get as far along toward an agreement as we did get? But what I want to do is facilitate it. And if they want to know where the White House is, fine. If they want the ideas that largely led to an agreement, fine, and I think they will. But we're not going to force our way in. This is the business of the Congress. The American people know that. They know that the President doesn't pass the budget and doesn't vote on all this stuff. It's the Congress who does it.

So, I'm not trying to assign blame. I'm simply saying, we're available. We want to talk -- fine. I think both leaders have indicated they wanted to stay in fairly close touch with the White House.

Q. Mr. President, there is some talk of a constitutional challenge to Civiletti on the bill that the Attorney General's opinion is not sufficient to run the Government, and that violates section 7 of the Constitution.

The President. I haven't heard anything about that.

Q. Mr. President, are you going to cancel your campaign schedule next week if this impasse is not resolved?

The President. I don't know. I've got to cancel everything that has to do with government, I guess. Maybe that's a good chance to get out there in the political process.

Q. How long can you hold out? How long can you let the Government stay shut down before you decide to toss -- --

The President. Watch and learn.

Q. How long do you think the Government can stay shut before -- --

The President. It's not a question of how long I can take it; it's how long the Congress can take it. But Congress is where the action is. It's the Congress that has to pass this in the House and in the Senate. That's where the action is. They've postponed this tough decision as I've mentioned -- how many -- 30-some times. And we just can't have it. The American people are saying, ``I want something done about this." That's where the focus will be.

So, I don't think it's a question of taking heat here or these guys marching out here about honking their horns on taxes. They know I don't like taxes. You get some other guy in Washington out here with a little placard, demonstrating -- something about the government employees -- we've been supporters of the government employees. But we cannot have business as usual.

The American people -- I don't know about inside the beltway, but outside they are fed up with business as usual, and so am I. I wish I had total control so we could do it exactly my way, but we don't. So, I've compromised. Now we're prepared to say, I'm not going to accept a resolution that just postpones it. I've told you I tried that approach.

I tried it in August. Let everybody go home on vacation when I had some good, sound advice I probably should have taken: Make the Congress stay in August. And I listened to the leaders, and they said: ``Oh, please don't do that. It will be counterproductive." Now they're saying to me: ``Please don't veto this. It will be counterproductive." When do the American people have a say? They want to see this deficit under control. And I don't have many weapons here as President, but one is the veto. When I do it, cast it on principle, I hope it is supported.

Q. What's happened to the prestige -- --

Q. If Dole sends up another CR, if the Congress sends up a CR with sequestration, when could that happen? Do you have some timeframe?

The President. I don't know.

Q. Could it happen the next couple of days, sir?

The President. Oh, yes, absolutely. It could happen this afternoon.

Q. It could happen this afternoon?

The President. Sure. Whether we -- together? I'm not that certain. Perhaps it's a little oversimplification because they're telling me there are some difficult problems right and left, both sides. But, no, they're going right back to negotiating. Let's hope it does. That's the way to serve the constituents.

Q. If it came up this afternoon, sir, would you sign it this afternoon?

The President. It depends what it is. I'll be around.

Q. You have vetoed the CR?

The President. Yes -- well, I haven't actually signed it, but I've got to rush right in there now and do that and send it up to the Hill. They know that they've -- --

Last question.

Q. Why did you change your mind?

Q. What's all this done to the prestige and influence of you and your office?

The President. Well, I think it will demonstrate that there is some power in the Presidency to compel the Congress to do something, and I think that's good.

Q. You are vetoing, though?

The President. Oh, yes. It hasn't been vetoed yet, but I need a typewriter in there to get it done. By the time we finish this press conference that has gone longer than I thought, it'll -- probably all typed up.

Q. Might you trade the bubble for capital gains now? Do you foresee that as a compromise?

The President. The negotiators in the Congress have a lot of flexibility. I remain in a flexible frame of mind. Certain things I can accept and can't. But I'd like to think that now those who postured on one side or another with no responsibility will join the leaders, Republican and Democrat, and say: Hey, we've got a responsibility to the overall good here. We can no longer just give a speech. We've got to pitch in and come together. And that's what my pitch is.

And that's why I'm doing it and doing this veto -- saying, hey, no more business as usual. And I think people understand that sometimes a President has to make a difficult decision. So, I don't worry about the prestige. I was elected to do what -- in a case like this -- what I think is best and in the national interest. And that's exactly what I'm doing.

Thank you all very much.

Q. Are you going to type those up yourself?

The President. Yes, but I didn't give you the full load.

Note: The President's 62d news conference began at 11:30 a.m. on the West Driveway of the White House. A tape was not available for verification of the content of this news conference.

Message to the House of Representatives Returning Without Approval a Resolution Providing Funding for Continued Government Operation

October 6, 1990

To the House of Representatives:

I am returning herewith without my approval H.J. Res. 660 -- a resolution making continuing appropriations -- which would extend funding for the Federal Government through October 12, 1990. In providing for such funding, H.J. Res. 660 would also suspend the sequester that is required by the Gramm-Rudman-Hollings law. The sequester would be suspended even though the Congress has failed repeatedly to act in any meaningful way to reduce the Federal deficit. Under these circumstances, I simply cannot approve H.J. Res. 660.

When the Budget Summit Agreement was announced by the Bipartisan Leadership on September 30th, I indicated that I would not sign a continuing resolution until a satisfactory budget resolution was passed. The Congress failed to pass such a budget resolution during the past week. I have made the difficult political decisions that are required to achieve a meaningful reduction in the Federal deficit. Responsible congressional action to reduce the deficit can be delayed no longer. It is time for the Congress to act responsibly on a budget resolution -- not time for business as usual.

I urge the Congress to concentrate its energies on passing a satisfactory budget resolution to clear the way for approval of another short-term continuing resolution, and the enactment of meaningful deficit reduction legislation no later than October 19th.

I note that H.J. Res. 660 would also increase the Federal debt limit until October 12th. If it becomes clear that the Congress cannot pass a satisfactory budget resolution by October 9th, I urge that it enact a clean bill extending the debt limit so that the U.S. Government will not default on its obligations on October 11th. The latest date by which action on a debt limit extension is needed to avoid default is October 9th, so that the Treasury can auction securities on October 10th and settle them on October 11th.

George Bush

The White House,

October 6, 1990.

Remarks at the Swearing-In Ceremony for David H. Souter as an Associate Justice of the Supreme Court of the United States

October 8, 1990

The President. Thank you all, and good afternoon. Mr. Chief Justice, and members of the Court; Members of the United States Congress that are here today, Senate and House; members of the Cabinet; Mr. Vice President: It is truly an honor to greet you all here at the White House and particularly to welcome the friends of this extraordinary Justice to Washington.

Today's ceremony is historic for many reasons. It is, of course, the first Supreme Court appointment of this Presidency. More importantly, it serves as another occasion to celebrate the 200 years of the Constitution of the United States and the independent judiciary it launched.

We meet on Columbus Day, birthplace of a modern hemisphere and an auspicious date for any new beginning. Elsewhere around the world, the origins of many countries are almost lost in time, their roots unclear, unknown. Not so in America. We know exactly where and exactly when our modern history began. But we often forget that back in 1492, Christopher Columbus was searching not for a new world but a new way -- a passage to the riches of the Far East. In fact, Columbus was so confident he carried a letter from Queen Isabella to be delivered to the Emperor of China. This marked history's first known case of mail getting lost on its way -- [laughter] -- across America.

But if our modern history began with a search for earthly treasure, it was a search for something more elusive that actually gave birth to the United States: a search for freedom, a search for justice and self-government, a search that produced the Constitution of the United States.

In ancient China, the word ``wisdom'' was formed by a combination of the ideograms for wind and lightning -- wind and lightning. And years before the American Revolution, Benjamin Franklin lofted a kite upon the wind and seized lightning from the sky. And at age 81, he did it again. For 4 sweltering months in the summer of 1787, 55 delegates met in Philadelphia, debating a wonderful, audacious, unsettling idea. Washington called the Constitution ``little short of a miracle.'' It was -- with wind and lightning -- a nation inventing itself.

One of those 55 delegates was James Wilson, the son of a Scottish farmer and the Pennsylvania lawyer who shared responsibility for writing the Constitution's first draft. A fervent advocate of the sovereignty of the people, Wilson fought for a strong national judiciary and was one of the first to envision the principles of judicial review. Today Wilson's idea stands as one of the cornerstones of our republic and one of America's greatest gifts to the world.

Tomorrow morning, Justice David Souter -- sounds good, doesn't it, David -- [laughter] -- assumes a distinguished seat on the Supreme Court. It was first held by that very same James Wilson, one of the five men that President George Washington first appointed to the Supreme Court in 1789. His successor was Bushrod Washington, a nephew of the President, soldier in the Revolutionary War, and a founding member of one of the many organizations that has recognized David Souter for his intellect -- namely, Phi Beta Kappa.

Thirty-four years ago this distinguished seat became open during the Presidency of one of my personal heroes, Dwight D. Eisenhower. And Ike filled that seat with a jurist who was to become one of the most personally beloved and respected members of the Court, Justice Brennan. Will you stand up? [Applause] I guess you can tell that all of us wish you a most pleasant and active retirement. And thank you for your service, sir.

Like his predecessor, Justice Souter comes to the Court with a distinguished record of judicial service. And I'm grateful that many of the fine judges with whom he has served are able to be with us today. During the recent hearings, Justice Souter clearly demonstrated the superb education, training, and experience that grace his record. But even more important, he once again demonstrated his lifelong devotion to principle -- a simple, straightforward, and enduring principle, a principle quite familiar to Justice James Wilson and the other framers of the Constitution. And the principle is this: The role assigned to judges in our system is to interpret the Constitution and lesser laws, and not to make them.

And on this issue of principle I also want to congratulate and thank the Judiciary Committee and the full Senate for the prompt and faithful exercise of their own constitutional responsibilities. Chairman Biden is with us and Senator Thurmond and others, and we are grateful to you for your role in this procedure.

Like many Americans, I was particularly moved by Justice Souter's opening comments at his hearings. ``The first lesson," he said, ``simple as it is, is that whatever court we're in, whatever we are doing, at the end of our task some human being is going to be affected. Some human life is going to be changed by what we do." And he added, ``And so we had better use every power of our minds and our hearts and our beings to get those rulings right." Now, those are the sentiments of a very thoughtful and caring man.

And just down the street, as the autumn twilight descends on Washington, an underground vault holds America's founding papers, the birth certificate of a nation. The paper is a deep yellow, but the writing is still strong and distinct: ``We the People of the United States." And the Constitution is not just a symbol but a living idea, the world's greatest experiment in freedom and self-government, four handwritten pages that promise freedom and justice before the law. Unlike other nations, Americans cannot look to a common heritage of culture or blood. Americans come from every corner of the world, linked only by this -- an idea -- a nation that invented itself.

In just a few moments we will all bear solemn witness to the oath of office of America's newest Supreme Court Justice. And so, let me conclude with Justice Souter's own description of the task ahead: ``It is the responsibility to join with eight other people to make the promises of the Constitution a reality of our time, and to preserve that Constitution for the generations that will follow us after we are gone from here."

And now I would invite the Chief Justice, William Rehnquist, with the assistance of Erin Rath, to administer the constitutional oath of office to Justice David Souter. And I also understand that Judge Souter would like Senator Rudman and Tom Rath to join us up here also. So, Mr. Chief Justice, if you will do it, sir.

[At this point, Justice Souter was sworn in.]

Justice Souter. Mr. President, Mr. Vice President, Mr. Chief Justice and members of the Court, members of the leadership, Chairman Biden, Senator Thurmond, and members of the Judiciary Committee, all Members of the Congress, and my friends -- new and old.

It is exactly 11 weeks to the hour since I stood next to the President in another room in this house, facing about the same number of people. I'm sure that you remember, if you saw films of that afternoon, that I was in a state of virtual shock. And I'm glad that I can say that in the 11 weeks since then I've at least advanced in the direction of some degree of composure. I have not, however, in the 11 weeks, got myself to the point this afternoon where I really am capable of saying what is on my mind. What I would like to try to say something about -- I think I can explain to you if I tell you a story about what happened later that afternoon 11 weeks ago.

After the President's news conference, I was immediately taken into Governor Sununu's office and the planning process began. And this went on for I guess about an hour. And at the end of that hour the Governor came in, and he said that the President believed I could probably stand some refurbishing. And I thought, well, the President finally got it right this afternoon. [Laughter] So, I was taken upstairs to where the President and Mrs. Bush were watching the news, and the President gave me a drink to compose myself. And after a couple of minutes of conversation, Mrs. Bush said to me, ``How is your mother taking this?" I told her that I called my mother on the phone and I could report that the mother was taking things a lot better than the son was. And the President said, ``What's her phone number?" So, I gave him her phone number, and he called my mother on the phone.

And he said -- as best I can recall the conversation, he said, ``Now, look, Mrs. Souter," he said, ``I want you to know he's okay." [Laughter] He said, ``We've got him up here, and we're watching the news, and he's having a drink. And we'll look after him, and he's going to be all right." [Laughter]

That is a phone call, although it did not come to me, that I will never forget and no one in my

family will ever forget. And it epitomizes for me the reason why my sense of gratitude to the President goes so far beyond anything that could be called simply ``official." And that same sense of gratitude extends not only, of course, to my mother, who took the call that afternoon, but to virtually everyone who has dealt with me in those 11 weeks.

It certainly extends to the Judiciary Committee of the Senate, which used me with consummate fairness, and to all the Members of the Senate who reviewed their recommendation. It extends to the members of the Supreme Court, who, even before today, have done their best to make me feel welcome and have repeated their efforts to me this afternoon. It extends to the ABA [American Bar Association] committee, the standing committee on the judiciary, which reviewed my credentials; and most particularly, to the subcommittee which worked so long on me.

And I wish I could also thank adequately the counselors that I've had, right from that first bit of advice from Governor Sununu so shortly after the nomination to Kenneth Duberstein and to Frederick McClure, who have counseled me in extraordinary ways these last couple of months, to Boyden Gray and to the members of his office, particularly to Fred Nelson, who was sort of my guide through these weeks and proved a wonderful guide.

My thanks certainly go to the Attorney General and to the members of his office who helped me on research chores and were fastidious in drawing a line between what was appropriate for the Justice Department and what was appropriate for the nominee. And my thanks certainly extend to the attorney general of New Hampshire and to his office, which but for their competence would have been rendered dysfunctional by the efforts to construct a paper trail and a biography for me, which -- [laughter] -- did not seem as apparent on July 23d as it later seemed to be.

And, of course, if I could, I would thank the people who have supported me and shored me up and given me the spirit for the race that I have had to run these past 11 weeks, to my neighbors and to my friends both old and new.

And I stand here saying to you, or asking to you, how can I thank you? And I think everyone in this room knows that I cannot really. We can never recompense the people who do us good. What we can do, and what we try to do instead, is pass it on and to make the gifts and kindnesses that come to us a kind of human currency that goes on traveling.

And I think the most that I can say this afternoon is that that is what I will try to do. I will try to pass on what I have received. Most importantly, I will try to pass on the constitutional authority that I have received this afternoon. I will try to use it as best I can according to the light that God gives me. And in due course I will try to pass it to another in as vigorous condition as I have received it this afternoon, as it were, from Justice Brennan. I will try to preserve it. And I will try to transmit it -- I hope refreshed -- to another generation of the American republic which is the inheritance of us all.

The President. It is not because Mr. Justice Souter is from strict Yankee tradition in New Hampshire that the reception will be without a lot of largess in there. [Laughter] But I think we all know the circumstances. But I would like to ask the members of the Court and the Vice President and members of the Cabinet and members of the Judiciary Committee and other Members of Congress and then everybody else to join us just in a receiving line so we can all tell Justice Souter how happy we are. So, let's go. We'll meet you out here.

Note: The President spoke at 5 p.m. in the East Room at the White House. In his remarks, he referred to Erin Rath, the daughter of Tom Rath, a friend of Justice Souter. Justice Souter referred to John H. Sununu, Chief of Staff to President Bush; Kenneth M. Duberstein, former Chief of Staff to President Reagan; Frederick McClure, Assistant to the President for Legislative Affairs; C. Boyden Gray, Counsel to the President; Frederick D. Nelson, Associate Counsel to the President; Attorney General Dick Thornburgh; and John Arnold, New Hampshire attorney general.

Statement on Signing a Resolution Providing Funding for Continued Government Operation

October 9, 1990

I am today signing H.J. Res. 666, a temporary continuing resolution, providing funds for the Government to operate through October 19, 1990.

In vetoing the previous continuing resolution, I said I would not sign any such resolution until the Congress had passed a budget resolution. I want to thank the Members of the Congress who voted to sustain my veto.

The Congress has now passed a budget resolution which, if fully implemented, would reduce the Federal deficit by $500 billion over the next 5 years. If achieved, this would be the largest deficit reduction program in history. While I am not fully satisfied with the budget resolution, it does provide a framework within which the committees of the Congress can now work to provide substantive law that comes close to fulfilling the letter -- and that does fulfill the spirit -- of the Bipartisan Budget Summit Agreement announced on September 30, 1990.

The next step in implementing the budget resolution is the passage of a budget reconciliation bill. Its component parts are to be submitted to the budget committees of the Congress by October 12th.

There is, unfortunately, no assurance that the congressional committees will, in fact, produce a fully satisfactory reconciliation bill. But I repeat: I will not accept business as usual.

I am obliged to make clear that the reconciliation bill now called for:

-- must be largely consistent with the Bipartisan Budget Summit Agreement;

-- must achieve the intended savings from each of the specified committees on a basis that is scored by both the Office of Management and Budget and the Congressional Budget Office as ``real'' -- no smoke, no mirrors;

-- must include mutually agreeable, growth-oriented tax incentives;

-- must include the process reform measures announced in the Bipartisan Budget Summit Agreement;

-- must be fully and satisfactorily enforceable on a continuing basis;

-- must be produced on a bipartisan basis -- with full and fair opportunities for constructive participation by both parties and both branches; and

-- must be passed by both Houses of the Congress in satisfactory form by October 19th.

As the responsibility for action now shifts to the committees of the Congress, I will be following the work of the committees closely. And if, by October 19th, the Congress has failed to pass a budget reconciliation bill that meets the tests I have outlined, I will again have to withhold my signature from any continuing resolution.

George Bush

The White House,

October 9, 1990.

Note: H.J. Res. 666, approved October 9, was assigned Public Law No. 101 - 412. The statement also referred to H.J. Res. 660, which was returned without approval on October 6.

The President's News Conference

October 9, 1990

The President. Let me just go with an opening statement, and then be glad to respond to questions.

First, on the budget, the committees of Congress now take up the arduous task of implementing the budget resolution that they just passed. We've been pulling and tugging at this framework agreement for nearly 5 months, and it's been difficult because that whole underlying problem is difficult. And we're trying to reduce the Federal deficit by $500 billion over the next 5 years -- $40 billion of it in the first year. And this would be the largest such cut in history.

So, while it's easy to get caught up in the maneuvers and the countermaneuvers of the legislative process, I want to assure the American people this morning that I will do everything in my power to encourage Congress as it struggles to bring forth the most comprehensive and significant deficit-cutting plan ever.

This morning I outlined several conditions for a budget reconciliation bill. As the committees of Congress begin to fill in the blanks in determining how we raise the revenues and cut the spending, we must be mindful not to let the hard-won goals of the budget resolution dissipate or lose direction.

The budget reconciliation bill due on October 12th must measure up to the savings Congress has outlined, without smoke and mirrors, with growth-oriented tax incentives, with process reform, with enforceability, with bipartisan support, and with passages by both Houses of Congress by October 19th. These are the objectives that we fought for since the beginning of the long budget struggle. But they're worthy of our effort.

In any undertaking of this size, there is bound to be anguish, and I want to recognize the valiant Federal work force that had to suffer through some uncertainty of this period.

On Saturday morning, I said we cannot have business as usual. But the Congress has finally acted and we are back on course. And there can be no letup in our attention to detail, in our commitment to purpose. We must fulfill the requirements of the budget resolution.

Now I'd be glad to take some questions. Terry [Terence Hunt, Associated Press]?

Federal Budget Negotiations

Q. Mr. President, a week ago you asked Americans to help get a budget passed, and they gave you the back of the hand. Then, despite a government shutdown, Congress still hasn't been able to

produce a budget. How can Americans fail to have anything except grave questions about your ability and that of Congress to govern?

The President. Well, I think there probably are some questions. I don't feel the American people gave the back of the hand to the budget agreement. If you look at the surveys that carried in the magazines and all of this, they show that, I think, more people wanted the agreements than not. So, we've just got to do a better job of getting it through. But listen, I can understand the frustration. I feel it myself at times. And when you have a government with one party controlling the Congress, where the action is and where the action will remain now for a while, and then you have a President of a different party -- nobody thought it would be easy, and it isn't.

So, I think there's some frustration, but I notice that there was strong support for the package. The problem was that you ask on individual categories of the package -- oh, no, we don't want this; we don't want that; we don't -- no. A lot of special interest. But people seem to want the deal. I think the deal -- though not keeping me happy in every way -- was a good one, and I was proud to join with the Republican and Democratic leaders in supporting that original budget agreement.

Now we've got some of the main ingredients of it -- broad instruction to these committees that were contained within the original agreement -- and let's see if the Congress can get moving and come up with a deal that I can accept. And we'll be working with them. I'm not up here to assign blame.

Q. Mr. President, no matter what you say, there was a lot of feeling in the country that the package was not fair. Are you willing to accept a higher tax rate for the wealthy, perhaps in exchange for a capital gains cut, but even so, a higher tax rate?

The President. I haven't seen great sentiment for raising people's income tax rates. And I'm not for that. Now, during the budget process -- and this was little noted -- there was discussion about getting capital gains for straightening out the bubble, which means raising some rates. We were quite openminded. There was some negotiation. So, let me say this: That's on the table. That's been talked about. And if it's proper, if it can be worked in the proper balance between the capital gains rate and the income tax changes, fine. But I don't think it's fruitful here to negotiate the details or try to.

What we've got to do is get up now with, particularly, Ways and Means and Finance -- Danny Rostenkowski [chairman of the House Ways and Means Committee], Lloyd Bentsen [chairman of the Senate Finance Committee], Bill Archer [senior Republican member of the House Ways and Means Committee], and Bob Packwood [senior Republican member of the Senate Finance Committee] -- and discuss with them quietly what we can accept. I want them to know it. But I don't think I can stand here and kind of negotiate or mandate exactly what will happen.

Q. Sir, don't you think, though, the secrecy was an impediment? It felt like a lead balloon. The

senior citizens in this country do not consider themselves a special interest; they're a quarter of the population.

The President. Right.

Q. People who drive to work 50 miles every day or less certainly did consider it a hardship. Had you not negotiated more in public, more public dialog, more debate, don't you think you would have been better off?

The President. Well, I don't know that any person who is opposed to raising gasoline taxes would have been more inclined to accept them if the negotiations between Democrats and Republicans on these committees had been done in public. But I think now the positions are clearer. And what I want to do is to see us go forward now. I mean, those are all out there now. And so, the committees know where the opposition's coming from.

But, Helen [Helen Thomas, United Press International], the basic problem is this: Nobody wants to do anything in terms of where they're affected. I mean, they just don't want that, and yet they want the deficit down. And that's what makes it difficult. But that's why I was very pleased to see the agreement. Everyone had to give a little bit. But we'll go back now and see if we can't, in that spirit, get a deal by the 19th that I can sign.

Q. Mr. President, House Republicans by the end of last week were being accused of behaving like Democrats. There seemed to be fairly deep divisions within their ranks. You and the leaders did not carry a majority of House Republicans on the budget deal. What hope do you now have, and what reason do you have for holding that hope, that you can do that the next time on a program that will, in effect, be written by the Democratic Party?

The President. Brit [Brit Hume, ABC News], you only stated it, if I could -- I don't want to be argumentative, but the Democrats didn't have their troops behind them. They didn't have what they needed to get it through. So, it isn't just the Republicans. I think the hope is that people see more clearly now that it isn't easy. And as people go with their own alternatives now, they find that they can't get the support. So, I think what we'll end up doing is staying very close to the agreement that I reached with the Republican and Democratic leaders. The last couple of few days have been like a catharsis; there's been a clearing of the air. People -- [inaudible] -- here's what I'd do, here's what I'd like to do. And then they find, well, there's no votes to do exactly what they'd like to do.

So, I think we just have to work the process now and hope that the Congress will come up with a reasonable deal. The action is in the Congress -- I keep pointing out -- but we'll work with them.

Q. There seem to be considerable bitter feeling among Republicans towards some members of your team who felt they had been dealt with in a ham-handed or high-handed way. Has anything

been done to patch this up, sir? And have you talked to members about that?

The President. I've talked to the leaders, our leaders -- Dole [Senate Republican leader] and Michel [House Republican leader] and others, Bill Archer yesterday -- over the weekend -- Al Simpson [assistant Senate Republican leader] and others. But any time you have a difficult road like this, there's bound to be griping about it. I have total confidence in our team. And I think they did a first-class job. And I don't think we would ever have gotten the agreement out if they hadn't done a first-class job.

But also, you need a little time to calm things down, cool things off, and let's try to go forward. I think it's my responsibility to say, look, it's not easy. All of us have had to compromise. Now let's move the country forward to what really everybody wants, and that is getting these deficits under control.

President's Support for Republican Candidates

Q. Mr. President, getting back to the lack of support from Republicans: Tomorrow you're going to be campaigning in North Carolina for Senator Jesse Helms, who was one of your opponents on the budget. What is your message to the voters? Vote blindly Republican, or vote for legislators who support your policies?

The President. If we'd had more people on fiscal policy like Jesse Helms -- and by that I mean control of the Senate -- we wouldn't be in this mess. People -- [inaudible] -- been doing it more the way I want it done. So, I can't confine my support to somebody who agrees with me on a deficit deal today or some bill tomorrow. We're talking about the broad approach to saving money. And I think Senator Helms has been very good about trying to contain the growth of Federal spending.

So, I would be talking about the common themes. Everybody will be saying, hey, what about that -- he was against you on the budget deal. Tomorrow it will be something else. So, we're talking about the broad principles that unite us and urge you vote not just for Jesse but for others who -- let's see how I get this properly with the grammar -- if we had more of whom we had -- [laughter] -- we wouldn't be in such a problem.

Q. But if there's no threat of retribution, what is to keep your fellow Republicans on the Hill from defying you with impunity on other issues?

The President. Reason.

Federal Budget Negotiations

Q. Mr. President, sort of back to Terry's question. You had unprecedentedly high levels of

popularity for a very long period of time. My question is, what do you suppose, sir, that popularity is good for if you can't use it to persuade the American people on an issue you yourself described as one that was critical to the country?

The President. I'm not -- I've been the one around here that if -- you always ask me on these polls, up or down, what do I think? Every Monday there's some new poll, by some new combination of a magazine and a television studio, and every week somebody wants me to comment on these. And I've been rather consistent in saying, look, I don't believe in these polls. But what it says is, we're not doing too bad. Like to be doing better. And I think there's still pretty strong support. But I guess I learned that you can't do it exactly my way when we get down on something like the deficit. I do think internationally the support is still very, very strong. So, when you get into somebody's pocketbook, or you're worrying about a tax or a spending cut that affects someone, I've learned that it's just not going to be done the way I want it, especially if you don't control the Senate or you don't control the House. So, I can't worry too much about it. I just have to try to get this process moved forward. And that's what we've done. I've had to compromise, but I think it will come out all right.

Q. Sir, if I might, I wonder if you think, though, that you're paying the price now in asking the American people for sacrifice and having them rebuff it the way it happened -- paying the price for all those years in the Reagan-Bush administration that you sold supply-side economics.

The President. No, I don't think so. I think that when you see Democratic votes against the leadership, we're talking about something a little shorter term here. I think you're looking at something that -- when people have analyzed a package and don't like parts of it. Because they're still saying, hey, we want you to vote for the overall package. So, the problem comes from some specific part of the package. That's the way I analyze it.

Q. Sir, you say you've learned that you just can't have things the way you want it on the budget. But earlier this year you raised the stakes when you said the budget crisis would be the biggest test domestically of your Presidency. So far, have you failed the test, given the fiasco of last week?

The President. Give me a couple of weeks here. I want to see if we can't get this deal through. I thought we did pretty well when we got an agreement with the Republican leadership and the House leadership, Democrat and Republican. To me, that's getting something done. And we couldn't get it through the Congress yet, so we'll try again. So, I think the jury is still out on that, John [John Cochran, NBC News].

Q. Do you suddenly feel politically a bit more vulnerable now? The Democrats smell blood. They're looking to '92 now. George Bush has slipped. What do you think?

The President. Well, without referring to the polls that I don't like to refer to, have them take a

look. [Laughter]

Congressional Term Limits

Q. Considering the movement to limit terms in Congress that's been spreading around the country, would you support, either because of your current problems with Congress or because of the philosophy, term limitations?

The President. You know, that was in the Republican platform. So, I may go public on that. Certainly not opposed to it. I haven't decided exactly. But I think people want a change against the incumbents up there on the Hill. And you saw what happened in Oklahoma. I don't know what's going to happen. There's two of those State -- what do they call them, on the ballot -- referendums on the ballot in California. Both of them are different slightly in terms of how they're put into effect. But I expect they have a good chance. And as I say, we are committed in our platform to some limitation. But whether I make that a prime mover in the political campaign that lies ahead in the next few weeks, I don't know. But I will remind people that it's in there.

Federal Budget Negotiations

Q. Can we clarify something that we talked about earlier? Many of the lawmakers say that the repudiation of the budget package reflects the fact that people feel that economic policy in this country over the last 10 years was fundamentally unfair, that it redistributed income too much to the wealthy and too little to the poor. Do you think that that is part of the reason that your package was rejected?

The President. Might have been part of the reason, but I don't think the entire reason, because I don't think that's why Republicans rejected it at all.

Q. Could you also clarify your statement on the bubble? You said that it was talked about. Is that one of your positions, that you would support an exchange at the top -- --

The President. Sure, at some level.

Q. What rate would you -- --

The President. I've told you I'm not going to try to negotiate it here. I want to get something done in these committees. So, what we've got to do is get with the Senate leaders, House leaders, Finance, and Ways and Means, and see if we can reach a formula. I don't think it would be helpful to draw a line in the sand on what percentage of the exclusion on capital gains and then what we'd give in terms of leveling out the bubble or getting rid of the bubble.

Q. Mr. President, during the campaign, when you took the position that you absolutely, positively

would not raise taxes under any circumstance, and then a lot of your fellow Republicans, as you know, were encouraged to follow suit by taking this anti-tax pledge -- do you think that that now is part of the reason that you're having -- --

The President. Yes?

Q. -- -- so much trouble?

The President. I think that makes it more difficult for people.

Q. Do you regret that you took that position?

The President. No, because what I do is take a look at the situation at the time -- see the changed economics and say, I've got to go forward here.

Q. Except that the deficit was very large then also.

The President. Well, I know, but I thought we could get into effect the program that I ran on. Ran up against a lot of Democratic opposition -- sent a budget up that didn't gain the support we wanted, and have done that twice. But I think you raise a good point, and some have told me that when I was talking to them.

Q. Mr. President, a question about the process. The budget now being back in the hands of the congressional committees, where it was envisioned in the first place, do you have second thoughts about all this summitry that led up to this situation?

The President. No, I don't, because what we did is to get a deal that I think has support from the American people overall. And we've gotten out a lot of the underbrush. We've moved out a lot of the debate and moved it into a package that was supported by the President, by the Republican leader in the House and the Senate, and by the Democratic leaders in the House and the Senate.

So, I think we've made some progress, even though, obviously, it didn't get through either House. But now we're going to have to keep working this week. And some of the Members who would like to do it exactly his or her way are going to see that it doesn't work quite that way. So, I don't think it's been time wasted at all.

Q. Well, how badly does it undercut you politically in terms of some of the antagonism between your staff, your budget director [Richard G. Darman, Director of the Office of Management and Budget], your Chief of Staff [John H. Sununu], people on the Hill, and within the Republican Party?

The President. I don't worry about that at all. I really don't. I've been campaigning for, and will

continue to campaign for, people that might agree with me on this or might disagree with me on this; and we have broad principles that unite us. And when people get tired and stay up until 3 in the morning, every morning, why, there's bound to be tensions. Calm it down, and try to go forward -- that's my approach to it.

Palestinian Demonstrators Killed in Jerusalem

Q. Mr. President, yesterday Israeli forces used the live ammunition to put down demonstrations in Israel, killing 19 Palestinians. Today Saddam Hussein [President of Iraq] is using that incident in an attempt to rally Arab support against Israel and, essentially, against the United States in the region. Do you think this incident could create a crack in the alliance against Iraq? And what's your reaction to the incident?

The President. Well, I don't think it could do that. But, look, let me just express my strong feelings about this. First, my sorrow at this tragedy. It is particularly saddening, given the sanctity of the holy places and observances there, that violence shattered all of this. And I want to echo what [Secretary of State] Jim Baker said earlier: that Israeli security forces need to be better prepared for such situations, need to act with greater restraint, particularly when it comes to the use of deadly force. And at this point, what is needed most of all is calm on all sides.

I don't think I need to say this, but let me just state that we want to see the longstanding policy of maintaining open access to the holy places preserved, tempered only by mutual respect for people of other faiths. So, I am very, very saddened by this needless loss of life, and I would call on all for restraint. The action will shift to the United Nations now.

To the other part of your question, Jim [Jim Miklaszewski, NBC News], there's no relationship here. Saddam Hussein has tried to, from the very beginning, justify the illegal invasion of Kuwait by trying to tie it in to the Palestine question. And that is not working. The Arab world is almost united against him. If he tries now to use this unfortunate incident to link the two questions, I don't think that will be successful. And certainly, I will be doing what I can to see that it is not successful.

Having said that, I hope nobody questions our interest in seeing a solution to the Palestine question, to the implementation of the Security Council resolutions. And that's what Jim Baker has been working so hard on for such a long time. But let's separate out this violence and say: We deplore it, and it must not happen, and regret it -- the loss of life -- for everybody.

Persian Gulf Crisis

Q. Also a followup, please: Saddam Hussein also indicated today that the Iraqis have a new sort of missile that can reach into Israel and can reach the U.S. troops, and he's threatening to use that force.

The President. I noticed that, and I notice he's getting a little more bellicose. Once in a while you see a conciliatory statement, and then you hear a lot of heightened rhetoric about what he is going to do and what he's not going to do. Now, I'm satisfied that we can defend our interests now, and I'm satisfied that these threats of his are counterproductive in terms of solving any peaceful resolution of the question. They don't help a thing; they just polarize.

So, I don't want to overreact to it. I keep reading statements like this, ever since this illegal annexation, illegal aggression took place. There's not too good a pattern. We watch it very carefully, and it's pretty hard to detect a pattern. Now there's a theme, and that is trying to link the Palestine question into his -- kind of giving justification for what he did against Kuwait. And yet the logic falls totally flat.

Palestinian Demonstrators Killed in Jerusalem

Q. Mr. President, on that subject, you said the action now shifts on this one to the United Nations. Having just been to the United Nations and talked about its increased relevance and role, how far are you prepared to go as far as the United States is concerned in meeting some of the Arab efforts to partially condemn Israel's action and pass a resolution in that regard?

The President. I think it all depends what the resolution is. And so, that's just starting up there now, and we're not sure exactly what direction it all will take. So, I'd want to stop short of saying exactly what the U.S. Government could support or what it couldn't support.

Persian Gulf Crisis

Q. If I may, sir, on a related topic: When the Amir of Kuwait [Jabir al-Ahmad al-Jabir Al Sabah] was here, you expressed grave concern about the dismantling of Kuwait.

The President. Yes, I did.

Q. Your advisers said that that could affect the timetable for permitting sanctions to work. What is your feeling on that now, and is the dismantling continuing?

The President. I thought General Scowcroft [Assistant to the President for National Security Affairs] put it very well after the Amir left here. And I am very much concerned, not just about the physical dismantling but of the brutality that has now been written on by Amnesty International confirming some of the tales told us by the Amir of brutality. It's just unbelievable, some of the things at least he reflected. I mean, people on a dialysis machine cut off, the machine sent to Baghdad; babies in incubators heaved out of the incubators and the incubators themselves sent to Baghdad. Now, I don't know how many of these tales can be authenticated, but I do know that when the Amir was here he was speaking from the heart. And after that came Amnesty

International, who were debriefing many of the people at the border. And it's sickening.

And so, if your question was how long, I can't give you an answer in days or months, but it is a new equation in the last 3 weeks -- the systematic dismantling of Kuwait that concerns us enormously. And I think the more people understand it, the more Saddam Hussein will be condemned. But I have to stop short of telling you where that leads me to in terms of recommending action by the allied forces there.

Q. It does sound like your patience is wearing thin on the sanctions.

The President. It's wearing very thin on that account, yes.

Foreign and Domestic Policy

Q. Mr. President, a couple of minutes ago, you said that public opinion seemed to support your handling of foreign affairs better than domestic affairs. Why do you think you're so much more comfortable with or better at foreign matters than domestic? To some people, it seems like almost two Presidents here.

The President. Well, I've read that sophisticated analysis. [Laughter] And I'm troubled because I don't really know the answer to it. Perhaps it has to do with the fact that in one, I think the Vandenberg theory applies. People really basically want to support the President on foreign affairs, and partisanship does, in a sense, stop at the water's edge. Whereas on domestic policy, here I am, with Democratic majorities in the Senate and Democratic majorities in the House, having to try to persuade them to do what I think is best. It is complicated. I mean, I think that's part of it. Well, I don't want to get stretched out on the couch too far in terms of analysis. [Laughter]

But when you get a problem with the complexities that the Middle East has now and the Gulf has now, I enjoy trying to put the coalition together and keep it together and work towards what I think is a proper end, seeing that this aggression doesn't succeed. I can't say I just rejoice every time I go up and talk to Danny Rostenkowski, my dear friend, about what he's going to do on taxes. Does that help you? [Laughter]

Have you got a followup?

Q. It doesn't sound like you have as much fun at it as you do at the other.

The President. That's about right. [Laughter]

Mr. Fitzwater. Final question, please.

Federal Budget Negotiations

Q. Mr. President, you pulled out all the stops on this budget deal, and it just flopped. Are you concerned, sir, that your leadership on other domestic issues now will be eroded since you couldn't carry even half your own party in the House? You talk about clean air. You talk about crime. Are you worried that you're just going to -- the honeymoon is entirely over?

The President. No, because I want to talk to Speaker Foley about this and [Senate majority] leader Mitchell, because they pulled out all the stops and they didn't get the votes they needed. So, I don't think they feel that they can't conduct their business in the House or in the Senate. And certainly, I don't feel that I can't conduct my business here. So, I don't think there is erosion. In fact, you saw the House side come together in terms of a veto right quick, like that. And I think there's a certain maturity there. And we go on to the next event -- I mean -- and stay with it. You can't stay there forever and mope about it. I don't worry about that.

Q. In terms of the disdain up on the Hill from both Republicans and Democrats for some members of your staff -- some of them in this room -- have you taken any of your staff to the woodshed, sir?

The President. Absolutely not. I have full confidence in them. And when the passions get high, I understand that there's bound to be a little broken china up there. But, hey, look, if I got outraged every time I watched C - SPAN and heard some outrageous Democrat go after me, and I sulked about it and I fretted about it, and I called Tom Foley about it and said why do you permit this, I wouldn't be able to do anything. So, I don't worry about that.

In terms of my team, they did an outstanding job. And I've had more Members tell me that. So, what you hear is the squeaking wheel. You hear those that aren't particularly happy. Maybe they didn't get it exactly their way. The news, of course, is man bites dog. Republican goes after Republican. So, I don't think we've got a problem at all. We've got three bright people working hard to move my objectives forward -- and I think they happen to be the country's objectives -- forward.

Q. Who, sir, are these Members of Congress who are hailing the work of your team?

The President. Plenty of them. Go talk to the leadership. Talk to Bob Michel. Talk to Bob Dole. They're the leaders. They're the key leaders of the Congress. You want to talk about a squeaking wheel from time to time. I want to talk about those that have a broader view of things.

Two more. One, two -- and that's the second in the middle. [Laughter]

Q. You forgot the back row.

The President. That's the way we counted the votes on the deal. Go ahead. [Laughter]

Q. Following on Ellen's [Ellen Warren, Knight-Ridder Newspapers] question, do you think anyone on your staff -- or do you think, in general, not -- without naming names, which I'm certain you won't want to do in any case -- didn't the White House end of this handle anything wrong? Is it all -- --

The President. I probably made some mistakes. I thought, frankly, that we had a deal that would get support from a majority of the Republicans. And I tried very hard. I made, golly, I can't remember how many phone calls. So, if we're trying to assign blame, lay it right here. But I'm not going to go into trying to analyze the performance of each staff member, because I have confidence in the constructive role they played in bringing the deal as far as it was brought.

Sat there night after night, day after day, trying to make something positive happen. The time we had of what seemed to be a harmonious meeting in the Cabinet Room, those leaders that were there spoke very proudly and positively about the role of the White House negotiators -- with great awe of some of them because of the totality of their knowledge on the details of this. So, I can't get all caught up because there's now a new wave of stories trying to get inside the White House as to who's winning, who's losing. I mean, that's endless, and we can't do it.

Once and then twice. Sorry, we really do have to go.

Q. Mr. President, you've correctly noted that the Democrats and the Republican majority voted against the deal last week, but you've omitted mentioning that only the Democrats voted in both Houses -- a majority of the Democrats voted for it in the new deal. And a majority of the Republicans feel that's because you met the objections of Democrats and that you signed onto that this morning. Could you explain why you agree -- --

The President. The budget resolution was passed with Republican votes. We provided a majority of our people to vote for it up there.

Q. Yes, but not the majority in the House, sir, by far, and only a bare majority of four in the Senate.

The President. But they voted, I thought, overwhelmingly and on the record for the continuing resolution.

Q. You don't feel you have any opposition among Republicans in the House?

The President. Oh, yes. Absolutely.

Q. What are you going to do to fix that?

The President. Work with the committees, try to point out what we're working towards -- and towards $500 billion in serious, real budget cuts. And then ask them, here's what you want, now we've tried that one. How will you get it done? Listen intently, reach out to heal. Get everybody in the room and say, now wait a minute, how are we going to get something done? It's easy to be against something, but what are we going to be for? How are we going to solve the problem so we don't mortgage the future of the kids, and so we move forward and get interest rates down, and so we create more jobs? And I've got to do quite a bit of that myself, and the staff will be working with that approach. But that's the way I do it.

Last one. Yes?

Q. As you pointed out a lot of the hard work really remains ahead. Are you determined, as you were before, to keep Congress to the October 19th deadline? Will you veto another CR [continuing resolution] if they haven't finished the job by then?

The President. I think the fact that I vetoed that last one resulted in the new budget resolution and a continuing resolution that we could accept, because the budget resolution was passed, both Houses. I'm absolutely convinced that if I had not vetoed that CR and that had not been sustained, everybody would have gone home, they'd all marched in the parades for Columbus Day holding the signs up, and started negotiating today. So, once in a while the President, using the veto, can indeed move the process forward. And that's exactly what happened. And I would do it again if I felt that it would constructively lead to getting the problem solved.

Let me make this point again. Last summer, it was my gut instinct to ask the Congress to stay here and not go off for a vacation. And I talked to the leaders and they convinced me, for better or for worse, that that would be counterproductive. Looking over my shoulder -- somebody here -- what mistakes have I made, or did we make -- that may have been one of them because I think maybe we could have had a lot of this underbrush out of the way well before now if I had done that. But I didn't do it. And they told me, they assured me it would be a much more cooperative environment after Labor Day.

Now, they asked me the other day not to veto this continuing resolution -- the Democratic leaders did. And I said, look, I hope you don't think I've been under any false colors with you people, because I've made very clear that I'm going to veto it. And they agreed with that, but they just thought I made the wrong call on it. I don't think so. I think I made the right call, and I think there's one of the times when a President's veto can discipline the process. And so, I reserve the option to use whatever constitutional weapons I have to move things forward.

Q. Sir, will you veto the civil rights bill now?

The President. I think that's the last question, we said, by agreement there. And so, thank you

very much.

Q. What about the civil rights bill?

The President. Mary [Mary McGrory, Washington Post], you haven't been here in a long time. I run the risk of getting into trouble here because you haven't been too understanding of my programs, but what is it? [Laughter]

Q. Will you veto the civil rights bill?

The President. Is your name Mary?

President's Support for Republican Candidates

Q. Last week your Chief of Staff said that you would go into Members' districts who opposed you on the budget resolution. This morning you have said you will go into their districts. Is this a thought-out strategy of bad cop-good cop? And if it's just a routine, don't you think people would feel cynical?

The President. Why don't I let the Chief of Staff say what it was he said exactly. You heard what I said. And he and I are in total agreement on what I will do in terms of campaigning. Would it be useful to have him repeat what he said?

Q. Yes.

Mr. Sununu. I said the President will be out there campaigning for them and might look them in the eye and ask for their support on the budget. That's what I said.

Q. You didn't say that he would go into their districts and campaign against them?

Mr. Sununu. No, I didn't. And nobody has said I said that. What I said was: The President could go into your district, campaign for you. If he wants your support on the budget, he's going to look you in the eye sometime and ask you to do it, and I hope that you've supported him because if he looks you in the eye and asks you to do it on the campaign, it might be a little embarrassing.

Q. Did you go too far, Governor?

Mr. Sununu. I don't think so. We got a budget passed, didn't we?

Note: The President's 63d news conference began at 10:30 a.m. in the Briefing Room at the White House. Marlin Fitzwater is Press Secretary to the President.

Remarks at a White House Briefing on Drugs in the Workplace

October 9, 1990

I'm sorry to have missed the briefings, but I first wanted to thank Jim Burke, my old friend, and Bill Moss, Bob Allen for cohosting this event today. And of course, thank Bob Mosbacher and our czar, Bill Bennett, for participating today as well.

You know, I am very pleased to be over here. A lot going on in other quarters, as we all know. [Laughter] But we've got to keep the focus on your important work here, and I think we are endeavoring to do that. So, I really wanted to come here to just demonstrate my determination to do everything in my power to see that the scourge of drugs is banished from this country.

It may not always be on the front pages, but let me assure you that it's on our minds every day. Bill Bennett is doing an outstanding job in this fight, coordinating a lot of strong-willed Cabinet officers in the process -- Bob Mosbacher, Jim Baker fully involved because of the international aspects of this. So I can tell you, it does have the attention and concern of all our top administration officials.

By strengthening our interdiction efforts and then supporting law enforcement and expanding our treatment opportunities, I think we're doing our part. You can't say we can't do more. But we've got a good national drug strategy that I'm sure you've heard about and that's been spelled out so clearly by Bill Bennett.

But I keep coming back to what Jim Burke and I first talked about. And that is simply that this war is not going to be won by government alone. It simply cannot be. And so, we have to enlist the aid of every corporation. Seventy percent of all illegal drug users are employed. One in twelve full-time employees report current use of illicit drugs. But day by day -- and you've heard the numbers -- we are winning the fight against drug abuse in the workplace, due in large part to the corporate Points of Light which are shining brightly all across this country, many of which are represented right here today.

There are countless ways in which corporate America can make a real difference in the communities in helping them be drug-free. There are counseling and treatment programs in the workplace for drug-dependent workers, and then also for the families of these drug-dependent workers. Education programs show employees how to avoid the temptation of drugs. Many companies are going way beyond the workplace to fight drugs and their ravaging effects in their surrounding communities. It's almost like some of you all are adopting the communities in which you live, and it's a wonderful thing.

Many corporations fighting to make the workplace and the larger community drug-free are exactly what we talk about when we talk about this concept, Points of Light. You know, when that slogan or those words were put together and we started in talking about them -- I see Gregg Petersmeyer, who's our lead in the White House on this -- when that all started, it passed the laugh test, but people weren't quite sure whether we'd follow up. And I'll tell you, it is wonderful when you go out around the country and meet some who have been designated Points of Light. It doesn't make the front page of the Washington Post or the evening news on the networks. But I'll tell you, it really spreads out through communities and then to neighboring communities across the States.

And so, I think the Points of Light concept is being understood. And I think it fits right in, Jim, to what you were talking to me about when I first became President -- individuals, corporations, unions, schools, places of worship, groups, organizations of every type recognizing that drugs are, indeed, everyone's problem. So, being a corporate Point of Light in the fight against drugs is not some do-good concept. It's smart business, and it is indeed, in many instances, the key to our economic survival.

To maintain our edge in an increasingly sophisticated international economy, our workers have got to be literate and well-trained and, indeed, drug-free. So, when I talk about competitiveness now, I talk about the workplace being drug-free. Thanks to your efforts and those of the other Points of Light there's been a sea change in the attitude of a special group of Americans about substance abuse, and I'm talking about our young people.

Doing drugs is no longer -- and I'm sure Bill's talked to you -- perceived as ``cool.'' It's come to be seen for what it is: a dead-end street, a dark tunnel with no light at the end. Those advertisements that Jim and others have been responsible for are really powerful -- powerful message. I think they're getting through to the American people.

So, I wanted to thank you because you're helping me convey to the young people the message that there is no place for them in the work force of tomorrow if they're hooked on drugs today.

So, thank you very much for what you're already accomplishing, and I want to urge you to sally forth and enlist other corporations in this movement against drugs in the workplace. Every corporation can make elimination of drugs in the workplace its personal mission. We're on the right road; I'm confident we're heading in the right direction.

There is a light at the end of this tunnel. The figures back this up. It's not just our emotion -- Bill Bennett's and mine, Bill Moss' and mine -- the figures back this up, a direct and consequential result of your efforts beginning to pay off.

So, thank you very much for what you've done. Please keep it up. Thanks for coming to the White House, taking out busy schedules and taking your mind off of all of the problems that are out

there. But I can't think of anything that gets more fundamentally to the fabric of our society than this question of illegal drug use and our challenge of trying to get rid of it. So, thank you all very, very much. I appreciate it.

Note: The President spoke at 11:22 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to James E. Burke, chairman of the Partnership for a Drug-Free America; William Moss, Chairman of the President's Drug Advisory Council; Robert E. Allen, chairman of American Telephone and Telegraph Co.; Secretary of Commerce Robert A. Mosbacher; William J. Bennett, Director of National Drug Control Policy; Secretary of State James A. Baker III; and C. Gregg Petersmeyer, Deputy Assistant to the President and Director of the Office of National Service.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister A.N.R. Robinson of Trinidad and Tobago

October 9, 1990

The President met today with Prime Minister A.N.R. Robinson of Trinidad and Tobago in the Oval Office. The President expressed his sorrow over the loss of life in the coup attempt in late July, and he congratulated the Prime Minister and his government for the bravery shown in confronting the terrorists and in defending their democratic institutions. The Prime Minister thanked the President for U.S. support of democracy in his country. He said that the situation had returned to normal.

The United States and Trinidad and Tobago have closely cooperated on a number of issues of mutual concern. The President commended the Prime Minister for his market-oriented economic policies, his commitment to the war on drugs, and for his strong statement of support for U.N. measures against Iraqi aggression. The recent extension of the Caribbean Basin Initiative is a sign of our firm commitment to the economic well-being of the Caribbean, and we are confident that the Enterprise for the Americas Initiative will support Caribbean integration.

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia

October 9, 1990

The President met this afternoon in the Oval Office with His Royal Highness, Prince Sa`ud al-Faysal, the Foreign Minister of the Kingdom of Saudi Arabia. The President asked the Prince to convey to His Majesty, King Fahd, assurances of the United States continued commitment to ending Iraq's occupation of Kuwait and the restoration of the legitimate government of Kuwait. The Prince said that Saudi Arabia is pleased by the support it has received from the United States and the international community in opposing Iraqi aggression. The President and Prince Sa`ud both agreed on the importance of economic sanctions as a means of achieving a peaceful solution to the crisis. They also shared their concern over Iraq's brutal behavior against Kuwait and the Kuwaiti people. They also discussed other matters, including the recent violence in Jerusalem, deploring it and calling upon all parties to exercise restraint.

Remarks at a Fundraising Breakfast for Senator Jesse Helms in Raleigh, North Carolina

October 10, 1990

Thank you for that welcome. And let me say at the outset, I'm very, very pleased to be back. It's always good to see Governor Jim Martin, Dottie. He hasn't lightened up any, but nevertheless -- [laughter] -- I'm glad to see him. Of course, Jim Gardner, my old classmate in the House, and his wife, Marie, and to Bill Graham, our State banking commissioner, who did a fabulous job as the Bush-Quayle chairman for the State, and of course, to our present State chairman, Jack Hawke, who's doing a superb job for the State party -- thanks to each and every one of you.

If recent events have shown anything at all, it is that we need more Republicans in the Congress. There are two here today who you must support, should support, will win: Ted Blanton and John Carrington, both running for the House -- and we need them. We also have some State legislative candidates: State Rep Art Pope and Skip Stam -- both are needed back in the Statehouse. Don't forget that level of government. And we should send Bill Boyd to the State senate to join them. Also, a big thank you to those who made this special event possible: Jim Johnson, the chairman of RJR, and to Jim and Dave and so many others that have been so instrumental in the success of this important event.

I'd be remiss if I didn't mention two who flew down with Jesse and me today on Air Force One. First, someone who this crowd is particularly proud of, and I'm talking about our Secretary of Labor, Elizabeth Dole. She has done an outstanding job for us. And then another who has roots in this State and has done a superior job, a superb job, of heading up our battle against narcotics -- designed our national drug strategy that is beginning to work -- and I'm, of course, talking about Bill Bennett, the drug czar, down here.

And again, it's great to be back in Raleigh. I bring you greetings from Barbara. Dot -- where's Dot? She sends you her special love. They're very good friends. To brag just a little bit, I'd like to point out what a great job my Barbara is doing to combat illiteracy in the United States.

When we first arrived in Washington, the words of Harry Truman and advice stuck in my head. He said, ``If you want a friend in Washington, get a dog." [Laughter] Well, times have gotten a little hectic up there. Who would have thought that our own dog, Millie, would write a book that was the number one on the bestseller list last week of the New York Times? [Laughter] Give her Alpo and she wants to see the wine list. [Laughter]

But it is a pleasure to be here after this momentous week: the unification of Germany, the bipartisan budget agreement, and of course -- particularly here in the Tarheel State -- the 30th anniversary of ``The Andy Griffith Show." [Laughter]

But I am very proud and privileged to again be at the side of my friend, this champion of conviction, Senator Jesse Helms.

As a public servant who's given 18 years to the U.S. Senate, Jesse has become one of its most effective leaders as a watchdog of taxpayer money and a defender of family values. And he's earned a reputation -- well-earned reputation -- of independence and candor. And occasionally, of course, there are going to be differences. And yesterday we had a national press conference there, and they tried to point out, well, Jesse wasn't with us on one issue or another. That's not the point. The point, I told them, is that if we had more Senators like him we wouldn't be trying to solve some of these problems. They should have been solved months ago -- years ago.

But we've got a budget problem, and we are standing together. And the fact that the Democrats control the Congress is all the more reason for Republicans to stand firm to make this the best budget deal possible.

Pressures caused by the deficit have been boiling for years. This year, they've reached the boiling point. For 8 long months, we've wrestled with this problem. For 8 long months, I've tried to negotiate in good faith and laid it on the table, even revenues. Took the heat, pushed hard for the bipartisan agreement not because it was the best plan ever but because it was the best plan possible. And I will continue now to press hard for a budget that fulfills the spirit of that bipartisan plan and proves to the American people once and for all that we can deal with this deficit that is mortgaging the future of those young children over there. We've got to turn it around now and get the deficit under control.

So, my objective now -- and that's what Jesse and I and other leaders were talking about yesterday -- is to put together a better package, one that meets our target of $500 billion of deficit reduction over the next 5 years. As the Congress works on this new agreement, let me be clear that any package I sign must meet the following criteria: It must be consistent with the themes of the bipartisan budget summit agreement. It must be produced on a bipartisan basis. And it must have full and fair opportunities for all voices to be heard. It must deliver real spending cuts with real savings.

The American people, I think, are sick and tired of this smoke-and-mirrors approach to the fiscal policy of the United States. So, I think it is time for the Congress to rise to the occasion, to make the hard choices and real reductions.

The budget must include progrowth incentives to create jobs and to keep the economy moving forward. And the spending cuts we agree on must be fully enforceable. And the budget I sign must include significant budget process reforms, just as those that were hammered out in that bipartisan agreement. Someday I would like to have -- and I expect I can confidently speak for Jim Martin -- what he'd like to have in the State, I'd like to have at the Federal level -- if the Congress can't do these cuts, the cuts that Jesse's been recommending for years, give the President

the line-item veto. Give him a shot at it.

And I'm also still in favor of the balanced budget amendment. I think it would discipline the Congress, and I think it would discipline the Federal Government as well. I think the American people have every right to expect more from their elected representatives. So, let's not let them down. If this is the best the system can do, then it's time to build a better budget system.

And Jesse knows exactly what I'm talking about because he is one of the toughest fighters in Washington for lower government spending. He's out there on the point day in and day out. And ironically, he practices what he preaches. He's never taken a so-called junket. He doesn't send out mass mailings at taxpayers' expense. And he's returned $3 million to the United States Treasury in unused office funds.

This is an interesting statistic: He ranks number one in the Senate for cutting wasteful spending and opposing massive spending bills, according to the National Taxpayers Union. In fact, that group said: ``If every Member of Congress cast spending votes as carefully as Senator Jesse Helms, we would have a balanced Federal budget, lower taxes, and a healthier economy." And I agree with that, and the people of North Carolina agree with that, too.

And he has always been a clear and a strong voice for this State. Ask the more than 43,000 North Carolinians who got their Social Security checks after Jesse cleared away the redtape for them, or the serviceman Jesse helped get home from the Philippines and into Walter Reed Hospital up there for malaria treatment, or the dying little boy whose dream of attending a Redskins football game and meeting players came true, thanks to this Senator. And that's the kind of compassion and commitment that North Carolina needs, and that's what Jesse Helms stands for. He's never forgotten who sent him to the United States Senate, and he never will.

And he is known as a tough fighter, a man of tenacity. Senator Sam Ervin once said, ``I admire Senator Helms very much because he's one of the few men in public life who's got the courage to stand up for what he honestly believes. Courage," he went on, ``is the rarest trait among public men. Many of them are intelligent, but there are very few of them that are courageous." What a wonderful tribute to your Senator.

True grit. Speaking of true grit, it was John Wayne who once said, ``Jesse, we need a hundred like you." And I'll tell you, the liberals must be thanking their lucky stars they've only got one Jesse Helms. But if we did have a hundred, here's where it would have made a difference -- one place -- and that's on the crime bill I'm fighting for.

Jesse's father was a police chief. And he's supported 45 different bills to crack down on crimes and drugs. And Jesse, like me, believes that cop killers do deserve the ultimate penalty. And so, in May of '89, after consultation with Senator Helms and other leaders in the Senate, I sent our Violent Crime Control Act to Capitol Hill, with a real, workable death penalty for criminals who

kill Federal law enforcement officers, right at the heart of the legislation. Last week, the House finally passed its version of our crime bill, after nearly 16 months of delay. Now it goes to the House-Senate conference committee for deliberations. Well, if we had a Republican majority, that crime bill would have been passed 16 months ago. That's a disgrace, and that's why we need more Republicans in Congress -- both Senate and House.

I think the voters are beginning to understand that our crime legislation seeks to eliminate these liberal loopholes that allow the worst criminals to escape punishment. And the message voters send to criminals in North Carolina will be determined by the Senator the voters send to Washington in November. And that Senator will, of course, be Senator Jesse Helms.

I've said it before here in the State and in Washington: The Jesse Helms I know is a man of conviction, a man who embodies the values of North Carolina's quiet and decent people -- God-fearing good citizens who believe, for instance, as I do, in returning voluntary prayer to our nation's classrooms; people with the kind of mainstream values that gave them the nickname Tarheels -- famous for sticking to their principles.

A reporter once asked Jesse what he would most like to be remembered for. Perhaps, thought the reporter, it would be Jesse's plan for choice in education or his tireless work on behalf of so many charities or even his magnificent family -- five kids and six grandchildren. But the Senator replied this: ``Not once have I bent a principle."

And that's the Jesse Helms who, for the last 18 years, has stood for one very important principle, a strong defense, even when it meant standing up against the odds. In the 1970's, Jesse was a lone voice crying out against the cuts in defense that nearly brought America to her knees. And he was one of President Reagan's strongest supporters in rebuilding our vital defense needs. Today freedom is on the march from Moscow to Managua, and it really is because America is strong again. And a strong America is helping build a more democratic world, offering the hope of freedom that could never have been offered if people saw this country as weak.

And now, as we face this new challenge in the Persian Gulf, we realize the importance of the decisions that were taken in the past years, by leaders like Jesse Helms, to keep our forces ready, mobile, in first-class condition. As they say, you've got to go with what you've got. And thank God the 82d Airborne, proudly stationed here in North Carolina, the All American Division, was at the ready when Saddam Hussein launched his unprovoked attack on Kuwait. Our service men and women at Fort Bragg, Camp LeJeune, and Cherry Point understand the need for a strong defense, and so does Jesse.

And the people of this State, perhaps disproportionately so, understand it. I've gotten long letters from many North Carolinians telling me of the wonderful community support in the State for our troops overseas. Thousands of families with loved ones far away in the desert sun have learned the hard way that -- as one woman from Lexington, North Carolina, wrote me -- ``They also serve

who only stand and wait." I thank each and every one of you for your service and support to those brave men and women.

Our GI's have left spouses and children behind and headed for the Persian Gulf, and on election day they will be sending in their absentee ballots from their posts. In a year that has seen so much encouraging movement toward democracy, the least we can do is exercise our own right to vote. We owe it to the millions of freedom fighters around the world working for democracy, and to troops defending democracy as well, to take the time to cast our ballots. So, let's make our country proud and get out the vote on November 6th.

North Carolina has this wonderful, proud heritage from the heart of the Smokey Mountains to the farms of the Piedmont to the barrier islands of the Outer Banks. In fact, on Kitty Hawk stands a granite memorial to the Fathers of Flight, the Wright brothers. The inscription commemorates their conquest of the air, their victory over gravity, ``achieved by dauntless resolution and unconquerable faith." This November, those same qualities -- dauntless resolution and unconquerable faith -- will bring Jesse Helms to victory.

I think I would conclude by saying that this is perhaps the most challenging time to be President of the United States, certainly in anytime in the Nuclear Age, anytime since World War II. The challenges are enormous. And it's exciting to be there. And I am grateful, I might say, as I look around this room -- and met some people earlier -- for those who were so instrumental in my having a chance to serve in this way. And Barbara feels exactly the same way about it. But I want to put it in this perspective as we honor Jesse Helms: It is very important to a President that he has people in the United States Senate who will tell it as it is -- in whom he has trust, in whom he has confidence. And I came here today to say I have trust and I have confidence in your Senator. Send him back to Washington!

Thank you, and God bless this State.

Note: President Bush spoke at 9:30 a.m. at the Raleigh Civic Center. In his remarks, he referred to Governor Martin's wife, Dottie; James Johnson, chief executive officer of R.J. Reynolds Tobacco Co.; James Peden, Jr., member of the State board of transportation; David Flaherty, State secretary of human resources; William J. Bennett, Director of National Drug Control Policy; and President Saddam Hussein of Iraq. He also referred to ``Millie's Book as Dictated to Barbara Bush." Following his remarks, President Bush traveled to St. Petersburg, FL.

Remarks at a Rally for Governor Bob Martinez in St. Petersburg, Florida

October 10, 1990

The President. Thank you very, very much. I'll get to that in a minute. [Laughter] Listen, Governor Martinez, and to Mary Jane, thank you both for greeting us. And thank all of you for that welcome. I want to pay my respects to all of you and thank you for being here. And I guarantee to get out of here before Marco gets in here -- or whatever the name of that hurricane is -- and I'm taking off my coat because it feels like it's coming.

My respects to Sheriff Allison DeFoor, the next Lieutenant Governor of this State. We need him. And inasmuch as this area of Florida has been right out in the forefront of the fight against drugs, I want to single out a member of my top echelon in government, the man that is leading the fight nationally against drugs, our drug czar, Bill Bennett. What a job he's doing. And to Congressman Ireland and Congressman Young, thank you for your support in being with us today. I'm particularly glad -- whoops, he's not here. I was going to welcome another Floridian from this area who flew down with us on Air Force One, Mel Sembler, our Florida guy who's now our Ambassador in Australia. But forget him, he didn't make it. [Laughter] And of course, an old friend of mine, Van Poole, our State chairman -- great to see you, Van, and thanks for what you're doing to get out the vote on election day. And I also want to single out the Governor's able, terrific, fantastic campaign chairman -- that's my boy, our son Jeb, over here. And I want to put in a plug for John McKay and Don Sullivan. Next month let's elect them to the State senate and help Florida claim the first Republican legislative body in the entire South.

And lastly, but first in importance, I do want to say what a privilege it is to be back here on behalf of my friend of longstanding, your great Governor, Bob Martinez. His first term has been magnificent, and now we're going to ensure a second term that's even better -- better for the people of Florida.

You know, this visit arose from a phone call. Jeb told the Governor, he said, ``We've got a surprise for St. Petersburg which will really excite people." Bob said, ``You mean big league baseball's finally coming to St. Pete?" But I'm not taking any sides in that fight. I know Tampa wants a team, Miami, Orlando -- they're all in the expansion running, and they're running to win. And that's the whole purpose of my being here: I want to be standing next to a guy who is also running to win, and will win -- Bob Martinez.

Most of you know the background, but let me give it to you once again: grandson of Spanish immigrants; son of a waiter; worked his way through school; became a teacher, then a businessman, then mayor of Tampa. Bob Dole calls him ``Florida's distinguished and dynamic Governor." Ronald Reagan calls him ``the embodiment of the American Dream." For my part, I just plan to call him Governor for the next 4 years.

Audience. Four more years! Four more years! Four more years!

The President. Okay, you guys are committed. That's good. So am I. [Laughter] Let me explain why I support him. First, he's a man of ingenuity. Who else but Bob would buy a little possum at Wausau's annual Possum Festival and then name it his campaign mascot? You see, he knows the difference between possums and liberal Democrats. Possums only pretend to be asleep. [Laughter]

The Bob Martinez that I know also has conviction. He's not been a follower who gets lost in the current. He's a profile in character who alters the tide. We need a leader with that kind of courage in Tallahassee in the 1990's. He has not been afraid to make the tough decisions, and that is the kind of Governor we need.

He's strong on traditional values, keeping things in perspective. It's like Bob tells me, ``It's fine that you're here, but if you really want to wow the crowd, bring Barbara." She's doing pretty well, isn't she? Best wishes, too, for the most charismatic figure in our family, the noted author Millie, our dog. [Laughter] Seriously, our dog wrote a book that was bestseller on the New York Times best-seller list a week ago.

You can see why this is the third trip then that I've made to Florida for Bob. We've probably spent more time on the road together than Hope and Crosby. But I'm back again because folks always respect him, even when they disagree with him. And so, I think the way to sum it up is that he is taking a strong stand for a better tomorrow.

Just a couple of the issues -- look first at the environment. Every time I fish along the flats off Islamorada, I'm reminded how special Florida is. We want to protect those natural resources. So, Governor Martinez created the East Everglades Land Acquisition Task Force. And because Florida set aside part of this land, I was able to sign a bill increasing the size of the Everglades National Park by more than 100,000 acres. I hear the alligators are so pleased they're wearing Polo shirts with a picture of Bob Martinez on their chests up here. [Laughter] But also, I'm very pleased and grateful for his support for our rewriting of the Clean Air Act. The problem is that for 14 months the United States Congress has refused to act. Here's a solution: On November 6, elect Bob Martinez, who then will help convince the Congress to pass a clean air bill that I can sign.

And another area that unites us -- and certainly one that Bill Bennett understands -- I'm talking about crime and drugs. Bob knows that drugs threaten every single community in the United States. So, he set a precedent by appointing a State drug czar. And he also has another conviction that goes with the law enforcement side: He believes that cop-killers ought to get what they deserve. And so do I. And that's what we're trying to do in changing the Federal law. And so, he stiffened the Florida criminal code, doubling the prison space to enforce it -- backs our administration's Crime Control Act to enact a workable death penalty -- a real penalty -- for those

who kill our Federal law enforcement officers.

And last week, after 16 months of delay, the House of Representatives up there finally passed its version of the Crime Act. And now it goes to the Senate-House conference committee. And so, please help me. Join with me in sending them a message to draft a tough bill that takes the shackles off of the policemen, the courts, and the law of this land.

This past summer, Bob has taken his message to all 67 of Florida's counties. You get to know a State that way, understand its heartbeat, its priorities; get to learn what the voters want -- policies which empower people, not the bureaucrats.

And perhaps the best example of this is a comprehensive budget agreement to cut the Federal budget deficit by $500 billion over the next 5 years. And I want the Congress to send me a plan which spurs growth, opportunity, and prosperity. Growth, opportunity, and prosperity -- GOP -- that has a nice ring.

So, let me tell you what needs to be done now in the next 10 days to get a final agreement on the Federal deficit that is mortgaging the future of these kids here. And let me be candid. There's no doubt that with Republicans in control of Capitol Hill -- good ones, like the two that are sitting with me here today -- there would be a different story to tell -- something to keep in mind on November 6th. But the fact that Democrats control the Congress is all the more reason for Republicans to stand firm for the best budget deal possible.

Pressures caused by the deficit have been building for years, and this year, they reached the boiling point. For 8 long months, we've wrestled with this problem. And for 8 long months, I have tried to negotiate in good faith with the liberals in the Congress. And I believe the American people didn't send me as President to play cheap politics; they sent me up there to govern. And so, I put it all on the table, even the revenue side, even taxes. And I took plenty of political heat and then pushed hard for a bipartisan budget agreement not because it was the best plan ever but because it was the best plan possible. And now I will continue to press hard for a budget that proves to the American people that we can and that we will -- in real terms -- bring this ghastly Federal budget deficit to its knees.

And let me just say to the Members of Congress that might be listening: Here's things it's got to achieve. It must be consistent with that bipartisan budget agreement on the bipartisan basis it was produced. It must include progrowth incentives to stimulate the economy. It must deliver real savings through real spending cuts -- cuts with teeth, cuts that are enforceable. And any budget I sign must include the significant budget process reforms hammered out in that bipartisan agreement. There is no point going into an agreement and then having the same congressional dance take place year in and year out at getting nothing done.

The test comes 9 days from now. And Congress' budget must still be passed by both Houses no

later than October 19th. And let me make clear to Congress just how serious I am about this deadline. Last Friday night, with no budget agreement, I vetoed that thing -- they call it the continuing resolution. And that keeps the government -- to go -- if they signed that and I had signed it, that would have just kept the operating of the government just day in and day out the same old way. Well, I vetoed that. The veto was sustained. And I kept the pressure on, and to make the point: No more business as usual. Let's get the job done, Members of Congress.

I didn't come down here to assign blame. But you know, I've seen those surveys. The American people are pretty smart. They know where the action is, and they know that Congress has the responsibility to pass a budget. And it's about time that they met that responsibility.

And I might say parenthetically, I got a little heat for closing the Washington Monument. And I would apologize if there are any of those Boy Scouts or Girl Scouts here from Florida that went up there. But I know that if I hadn't taken that action Congressmen would have all headed home, marched out in the front of the Columbus Day parade all over the country, telling people what good they were doing, instead of staying in Washington and solving the deficit problem.

A sound budget deficit agreement will defend our vital interests at home, and all of us know that we must also defend our vital interests and our civilized values around the world. So, in the Persian Gulf, we have, and we will, take a strong, unalterable stand against the outrageous aggression of Saddam Hussein.

I read a lot of the letters from parents and relatives of those who have family over there, and I can't tell them -- I wish I could -- how long it will take to reach our objectives. And I can't tell exactly what sacrifices will be demanded. But this we do know: American troops will not remain in the Persian Gulf a day longer than we are wanted or needed by our friends. But we will stay for as long as it takes to complete our mission. We're going to keep up the pressure, and we're going to keep the faith -- faith with our friends and allies and the U.N. and the American people -- faith, finally, with the finest soldiers, sailors, airmen, and marines any nation could possibly have.

You want a couple Florida examples: Daniel Rich, an Air Force tech sergeant from Daytona Beach. And today he's standing shoulder to shoulder with colleagues like Army Lieutenant Colonel Robert Tippete, of Tallahassee, or the Marines First Lieutenant Helen Pratt, of Satellite Beach. And then there's Brenda Spriggs. And she wrote me from Fort Lauderdale to say how proud she is of her son Jeff, currently serving out there in Saudi Arabia. Mrs. Spriggs, let me tell you, I share your pride. And to you I pledge: America will never, ever, let our service men and women down. We will stand with them in every single way possible.

These kids show that America would not be the land of the free if it were not also the home of the brave. And Bob knows this -- Bob Martinez. He knows that while our forces are defending us abroad we must defend them here at home. And so, on November 6th, let's take a strong stand for what America is and what America stands for, what we embody in the world: Let's get out the

vote. Let's win the State senate and the house of representatives. And let's roll up our sleeves and reelect this outstanding Governor.

Thank you for this occasion. God bless the United States of America. And let's keep Bob Martinez our great Governor.

Note: President Bush spoke at 1:30 p.m. in Vinoy Park. In his remarks, he referred to Governor Martinez' wife, Mary Jane; William J. Bennett, Director of National Drug Control Policy; Robert Dole, Senate Republican leader; and President Saddam Hussein of Iraq. He also referred to ``Millie's Book as Dictated to Barbara Bush.'' Following his remarks, President Bush traveled to Atlanta, GA.

Remarks at a Fundraising Reception for Gubernatorial Candidate Johnny Isakson in Atlanta, Georgia

October 10, 1990

Be seated, at least some of you. [Laughter] Johnny, thank you very much. And to you and Dianne, Barbara and I send our warmest best wishes for a big victory in November.

And I want to thank Chairman Poitevint, who is doing such a good job for our party; former chairman and my great friend and longtime supporter, without whom I expect I wouldn't be standing here, Fred Coopert. And with him in those early days was Paul Coverdell, now doing an outstanding job for the Peace Corps, right here. And then, I know something from having been in politics a long time about the movers and shakers and the volunteers that make things happen. I want to pay my respects to Saye Sutton, over here -- she is terrific; to finance chairman Joe Rogers, who's doing a great job.

Also with me is another one. I don't know that they were introduced. But I'll tell you something: If you look at the recent facts coming out on our national battle against drugs, we are making progress. And if there is one man that deserves the credit for our national drug strategy -- that it's working -- it's Bill Bennett, who is with me today. Where is the man? There he is.

And also sitting up here with me is the Deputy Secretary, the number two man in the Department of the Treasury, John Robson, well and favorably known to everybody. But he also is doing a superb job in Washington.

I'm glad to see our former Senator Mack Mattingly here -- Barbara and my dear friend. Ann and John Parker, whom I go back with a long, long time. I think it was the Peanut Festival somewhere down the southern part of the State. [Laughter] But that's how I got started. John, thank you. Like my line of work now. [Laughter] And I want to single out John Lender, who is with us, I think, who is the candidate for the Fourth Congressional District -- a winnable race. And we want to see him elected.

And I'm going to take all night doing this. But another friend, the guy that I served with in the Pacific -- and he's been a strong supporter of me and of Johnny Isakson and others -- Jack Guy was a torpedo bomber pilot. I'll give you a little war story. VT - 51, back in 1944, and he's a winner of the Navy Cross and a close friend of mine and a longtime citizen of Atlanta, Jack Guy, right back here.

And last, but certainly not least, the guy that's been at my side in the campaign when the going was tough -- and you heard him tonight -- my dear friend, one of country's music's greatest stars, Lee Greenwood. Lee, thank you so much for being here.

And I've got to pay tribute to Atlanta for a lot of reasons, but it's great to be here in the proud home of the 1996 Olympics. You know, the other day -- and I love the volunteer spirit on all of that -- several of you were up there in the Rose Garden. And to you I apologize, because when you have that kind of enthusiastic group there, I just wish that Barbara and I could have made you feel a little more at home. But I had a chance there to congratulate another friend, your mayor, Maynard Jackson; Billy Payne, who Johnny talked about, who's done an outstanding job. I guess he really deserves the credit for their work. And especially had a chance to say what I think of the volunteer work -- the volunteers, the Thousand Points of Light that went into this concept of bringing the Olympics to Atlanta. And so, I think it's going to be a fantastic group of Olympic games, and I am very, very pleased that it's going to be here. And I look forward to coming here.

Now, you're no stranger to spectacles, however. There's the Super Bowl coming in 1994. And of course, you remember the summer of 1988 -- the Democratic Convention. [Laughter] Atlanta has been a feat to some remarkable rhetorical gymnastics. [Laughter] And they kept asking -- one lady's voice -- ``Where's George? Where's George?'' Well, here I am, supporting Johnny Isakson to be the next Governor of the State of Georgia. And the ``silver foot in my mouth'' has melted, and everything's okay. Now -- [laughter] -- --

I remember the call, ``Where's George?'' Today I was brought down to Earth, though, because I went in there campaigning for a guy and felt so good in St. Petersburg. A couple of signs saying, ``Where's Millie?'' That's our dog. I mean, they really know -- [laughter] -- if they really knew the truth, Millie -- Barbara, you know, wrote this book, she and Millie together. It was number one on the best-seller list in the New York Times -- number two this week, number one the week before. You say, ``Where's Millie?'' She's eating her Alpo and looking at the wine list back there at the White House. [Laughter]

But I've come to the capital of the new South, this great international city, with a message for the status quo: Georgia has potential unrealized, dreams yet unfulfilled. This State stands at the threshold of a new era, a bright new era with great possibilities. Everyone here is here because you understand that Georgia won't get there with the old ideas. It is time for new leadership. So, I came here today to lend my wholehearted support to the man who can bring Georgia out of the past with a brilliant future, Johnny Isakson. If they can do it in Czechoslovakia and if they can do it in Hungary and if they can do it in Romania, Johnny Isakson can bring two-party politics to the top of the ticket here in the State of Georgia.

He's been called Mr. Cobb County. The Jaycees call him outstanding. His fellow legislators call him effective and fair. And come the 6th of November, I'm going to call him Governor of the State of Georgia.

The new Georgia it is. Johnny has called for a ``new partnership for Georgia's future.'' He wants to make the government -- you heard it here -- open to all citizens. He said it's time to ``unshackle the limits of one party rule.'' And that means he needs the support of thinking Democrats and of

Republicans and of independents to bring that new day to this State.

There may be some in the other party who think that they've got it locked up because of the way it used to be -- a lock on the Georgia electorate. And we say to them, you may be in for a great big surprise in November. There may be some who take Georgia's vote for granted, who think people will settle for the policies of the past. We know those policies haven't worked and that the people of this State are ready for leadership that they can trust. Trust is the key word -- leadership that uses its head, feels with its heart, and extends an offered hand to all Georgians, regardless of whatever walk of life they come from. And so, as I look at this race, having known Johnny Isakson and watched him and being his friend, I'd say that Georgia is now ready for Johnny Isakson to be Governor.

You know, he's devoted himself to the Governor's race as the ``candidate for the children'' because he understands that the future begins and ends with these kids -- their education, their safety, their future. So, he's really committed himself to real school reform, beginning with the classroom -- and you heard it -- not the bureaucracy, beginning with the classroom. And because no kid can be safe as long as drug dealers wander the streets peddling poison, Johnny has already written tougher State laws for these merchants of death. As Governor, he wants to enlist every public institution, business, school, and campus, joining us in this national war against drugs that we're going to win.

And there's another thing. For all the people of Georgia, he understands the importance of partnerships for economic growth. He's built them himself in business, and he knows how to bring new business to Georgia.

And he also knows how to keep government spending under control, unlike his liberal opponent. For over a decade, he's fought for changes that would have prevented the fiscal problems of Georgia. And he's still asking, with good reason, how a State government could run out of money a year after the largest tax increase in State history.

He may never get an answer, but he knows how to make sure it never happens again. That's by getting at the root of the problem, by reforming the process -- reforming the budget process. And I might say that that's what I'm working for at the Federal level. And believe me, when you don't control either House of the United States Congress, it ain't easy. [Laughter] And right now, the Federal budget process is like a huge Rube Goldberg machine: out of control -- noise-producing, smoke, light, heat -- I mean heat and no light at all. It is an outrage what's happening up there -- and sucking up more and more tax dollars on one end and churning them into spending programs without end. And frankly, if we had more Republicans in Congress, we wouldn't be in this mess.

But I have got to work with the Democrats in Congress because I was sent there to govern, not to give speeches about it. And I want to tell you something: I've tried. For 8 long months, we've wrestled to get this deficit down. I do not want to be a legacy of my Presidency mortgaging the

future again of these young kids here today. And so for 8 long months, we've tried. And I put it all on the table, and I've compromised. And I took plenty of heat for that politically. And I pushed hard for a bipartisan budget agreement because you can't get it done if you don't have the votes. We're outnumbered. We've got to get the Democrats to come with us not because -- and incidentally, this plan, I'm for it not because it was the best plan ever, because it was the best plan possible that would reduce the budget by $500 billion over 5 years and we need it. And now I'm going to continue to press hard for a budget that fulfills the spirit of that plan -- there are things wrong with that -- and proves to the American people once and for all that we can deal with this deficit.

We've had a few days now for the smoke to clear, and now I think it's time for the country to move forward. We've got many thousands of men and women halfway around the world. We've got enormous problems facing this country in terms of a slow economy. You've got a Chairman of the Fed that says if you get a good deficit deal -- the one that we had -- that the interest rates will come down. So, now is the time to pull together and keep the pressure on the Congress until we get a budget deficit deal.

And you can't just get any deal. It's got to be one that ensures that four crucial tests are met -- consistent with the budget summit agreement, full and fair opportunity for all voices to be heard. And it's got to include progrowth incentives, to create new jobs and keep the economy moving. The spending cuts that we agree on -- and we must have them -- must be fully enforceable spending cuts. And then, with those significant budget-process reforms hammered out in the bipartisan agreement. And finally, as I say, the deal must have real spending cuts -- with real savings -- because the American people are fed up with the Rube Goldberg budget machine in Washington, DC.

They gave me a little grief out there once in a while over the weekend there for shutting down the Government. Well, my feeling was it's no time for business as usual. And, yes, I vetoed that piece of -- that, uh -- [laughter] -- that stuff that came down there. And everyone was saying: This is going to be a disaster. The Congress will be up and -- both the Democratic leaders said: You can't do this. They're going to be all upset. I know what they want to do. They want to go home and march in the head of the Columbus Day parade. And so, we kept them there, and now we got a budget resolution. And the clock is running, and it's going to keep on running. And I'll veto it again if we don't get a satisfactory deal.

And the budget has got to be passed by both Houses no later than October 19th. And I'm confident that Congress can complete its vital work. I'm not just down on all the Democrats. Frankly, I think their leadership tried very hard to be cooperative in this. But there's got to be a sound budget passed that puts the Nation on the path to long-term economic growth.

And that's our problem in Washington. But here in Georgia, you're also approaching a deadline, a referendum, if you will, on the kind of leadership you want in the coming decade. And so, this

race for governorship should rightly be understood as a choice between what has been, what was, and what should be. And we know how bright Georgia's future can be. If a journey of a thousand miles begins with a single step, Georgia's journey toward the future begins with a single vote. Every vote is going to count this fall.

So, let me ask all of you, irrespective of party, and all that aren't here tonight, irrespective of party: Get out and vote. Do all you can to get the people to the polls. It is a part of our heritage, and we ought to exercise our right to vote. Please urge your neighbors to vote. They're filling out absentee ballots halfway across the world now over in Saudi Arabia. And if they can do it and take the time in those adverse conditions, why, surely, all of us here tonight and those others across this great country of ours can do the same thing.

I might tell you that, as I climbed off Air Force One out there, there was a group of young soldiers -- airmen, perhaps -- from a Guard unit out here at the air base where we landed. And they had just come back from Saudi Arabia. And their kids were there, and they'd been touring planes, or taking people over, whatever it was they were doing -- a transport unit of some kind. They're fine-looking young men. And I thought to myself what every member of the Joint Chiefs has told me about these kids -- said these are the finest soldiers, sailors, airmen, marines -- men and women -- that the United States has ever had in uniform.

And I know that there are parents here probably tonight who have kids over there. And I want to tell you how strongly I feel about trying to do what is right to hold that fantastic international coalition together to lead and then to fulfill our mission. And our mission is to see that naked aggression will never pay off and international law will be respected and adhered to.

And so, when I saw those kids, I said to myself, I am going to do everything in my power in working with leaders around the world to protect them, to give them strength, to help them, and to see that we have a satisfactory conclusion. Never again is the United States going to cut and run from our responsibilities. And that message ought to be loud and clear for Saddam Hussein as well as to the people of America.

You've got a good man running for Georgia's Governor. You've got an outstanding man. You've got a family man and a wonderful guy. And so, my appeal to you now is help move this great State into the next century by bringing this outstanding man here as your next Governor. He's good. He's real. He's compassionate. He's strong. He's your friend, and he's mine. He's Johnny Isakson, the next Governor of Georgia.

Thank you all very, very much.

Note: President Bush spoke at 7:12 p.m. in the Grand Ballroom at the Waverly Stouffer Hotel. In his remarks, he referred to Johnny Isakson's wife, Dianne; Paul D. Coverdell, Director of the Peace Corps; Saye Sutton, chairman of the Governor's Host Committee; Joseph Rogers, finance

chairman of the Johnny Isakson gubernatorial campaign; William J. Bennett, Director of National Drug Control Policy; Billy Payne, chairman of the Atlanta Organizing Committee for the Olympics; and President Saddam Hussein of Iraq. He also referred to ``Millie's Book as Dictated to Barbara Bush." Following his remarks, President Bush returned to Washington, DC. A tape was not available for verification of the content of these remarks.

Appointment of David C. Gompert as Special Assistant to the President for National Security Affairs

October 11, 1990

The President today announced the appointment of David C. Gompert as Special Assistant to the President for National Security Affairs at the White House. He will also serve as Senior Director for European and Soviet Affairs.

Mr. Gompert's career has encompassed both government service and business. Most recently, he served as president of Systems Management Group for the Unisys Corp. He has also been a vice president with AT&T. From 1973 to 1983, Mr. Gompert held a number of positions in the U.S. Government, with responsibilities in European, East-West, and national security affairs. He served in several positions at the Department of State, including Deputy to the Under Secretary for Political Affairs, Deputy Assistant Secretary for NATO and Southern Europe, Deputy Director of the Bureau of Political-Military Affairs, and Special Assistant to the Secretary. In addition, he has served on the national security staff.

Mr. Gompert graduated from the U.S. Naval Academy (B.S., 1967) and the Woodrow Wilson School, Princeton University (M.P.A., 1973).

Nomination of Marion Clifton Blakey To Be an Assistant Secretary of Transportation

October 11, 1990

The President today announced his intention to nominate Marion Clifton Blakey to be an Assistant Secretary of Transportation for Public Affairs. She would succeed David Philip Prosperi.

Since 1989 Ms. Blakey has served as Director of Public Affairs at the Department of Commerce in Washington, DC. Prior to this, she was Deputy Assistant to the President for Public Affairs and Communications Planning, 1988 - 1989, and Special Assistant to the President and Director of Public Affairs, 1987 - 1988. Ms. Blakey was Director of Public Affairs at the Department of Education, 1986 - 1987, and Special Assistant to the Secretary at the Department of Education, 1985 - 1986. Ms. Blakey served in several capacities at the National Endowment for the Humanities, including Director of Public Affairs, 1982 - 1984; Assistant Director of the Division of Special Programs, 1980 - 1982; Director of Youth Programs, 1975 - 1980; program specialist for the research division, 1972 - 1974; and program assistant for the research division, 1970 - 1972.

Ms. Blakey graduated from Mary Washington College of the University of Virginia (B.S., 1970). In addition, she attended Johns Hopkins University, School of Advanced International Studies, in 1973 and the Universita di Firenza in Florence, Italy, 1969. She was born March 26, 1948, in Gadsden, AL. Ms. Blakey is married to William Ryan Dooley. They have one child and reside in Washington, DC.

Statement by Press Secretary Fitzwater on the President's Meeting With House Republican Leaders

October 11, 1990

The President met for nearly an hour and a half this morning with Republican congressional leaders of the committees of the House of Representatives to discuss the budget. This group parallels the Senate Republican ranking committee members that the President met with on Tuesday.

The President said: ``The country needs a 5-year, $500 billion deficit reduction program to be enacted this month. The largest portion of that deficit reduction program must come from spending less, not taxing more. The savings must be real -- no smoke, no mirrors -- and the savings must be enforceable. And in signing the short-term continuing resolution, I stated these and other tests that a reconciliation bill must meet. I will not sign a reconciliation bill that fails these tests."

The President addressed the issue of tax rates, the bubble, and capital gains:

``We have been willing to explore a compromise if it were balanced and fair; that is, if the capital gains incentive were really strong and the rate change helped those in the bubble.

``Over a month ago, I authorized my negotiators at Andrews to explore such an option -- up to 31 percent on the rate in trade for a 15-percent capital gains tax -- if it could be part of an otherwise satisfactory $500 billion package. They were unable to negotiate such a compromise. Indeed, the idea was opposed not only by Democrats but also by some of the same Republicans who now favor it.

``I do not believe such a compromise is now possible. Indeed, I'm quite concerned that pursuing it in the current context may not only fail, it may legitimize something farther to the left that we cannot accept.

``In any case, I will not tolerate `bursting the bubble' by raising rates to 33 percent. I believe that would mean far more than just `taxing the rich.' It would start us back on the path toward higher income tax rates for everyone. I cannot accept that."

The President pointed out that the administration supported the bipartisan budget agreement, and he still feels it is a sound basis for agreement.

The President said the ball is now in Congress' court. He said that if Congress fails to pass a satisfactory reconciliation bill by October 19th, he will withhold his signature from any business-

as-usual continuing resolution.

Remarks at a White House Briefing for Representatives of Veterans Organizations

October 11, 1990

Thank you very much for coming to the White House. And I want to single out and thank my fellow Cabinet member here, Ed Derwinski, who's doing an outstanding job for the American veterans, in my view. And I understand also that our Chairman of our Joint Chiefs was over here, Colin Powell. And then I think you heard from another right-hand man of mine who's the number two guy on our National Security Council, Bob Gates -- extraordinarily knowledgeable about what's happening halfway around the world. And so, I hope you feel that it's been worth your time; from my standpoint, it is certainly worth mine to get to come over here and to greet this distinguished group.

I'm glad to see Bob Turner, Joe Andry, and Jim Kimery from three of our major veterans organizations. I just met with some others -- important leaders -- in the hall. I want to recognize Mr. Orval M. Hooten, over here, national commander of the Veterans of World War I. What I want to do is find out the kind of youth pills he's taking -- [laughter] -- because he was born in October 1895. Happy birthday, this month, thank you. And thanks for being with us, Orval.

We are pleased to welcome all of you here and to tell you how much that I personally -- and all of us at the White House -- appreciate your efforts, your organizations. And we support you, and we appreciate your support.

During the past 10 weeks, the events in the Gulf have reminded us of the importance of a strong America. And the world is still a dangerous place, and America must be ready. In World War II, the world paid dearly for appeasing an aggressor who could have been stopped early on. And we're not going to make that same mistake again.

Exactly 50 years ago today, America awoke to headlines of another massive air raid in London. The Battle of Britain was in full rage then. And true, the democracies were battered, but their resolve was never more clear. And they did, indeed, stand up to tyranny. And a day later, on October 12th, Operation Sea Lion, the invasion of England, was canceled. As Churchill said, it was truly Britain's finest hour. Such courage inspired America and, indeed, the world, which rallied to the cause of freedom and defeated the dark forces which threatened to engulf us all.

Since World War II, allied strength and resolve have been tested over and over again, but when we look back on that history of valor and sacrifice, it is clear that the strength of our arms and the strength of our will is up to the challenge in the Gulf. We're ready for that, and we're not alone. Thanks to the efforts of our U.N. Ambassador, Tom Pickering, and others, the U.N. Security Council has passed eight major resolutions setting the terms for solving the crisis.

And the Iraqi regime, in my view, has yet to fully face up to the facts. But as I've said, the annexation of Kuwait will not be permitted to stand. And the regime is up against not only the law of nations but also the law of mathematics. The numbers are against them. Today it's not Iraq versus Kuwait; it's not Iraq versus the United States; it's Iraq against the entire world.

By waging a war of aggression, plundering a peaceful neighbor, and holding these innocents hostage, Iraq has violated every standard of international behavior. And we're not talking about international etiquette here; we're talking about international law. And outlaw nations and outlaw leaders simply have got to understand that.

Here at home, the efforts of you in this room to improve the lot of veterans has been an important component in the success of America's all-volunteer forces. Colin Powell -- maybe he told you about this -- but he recently returned from a visit with our troops in the Gulf. And your support is evident in the pride and high morale found today in the young American heroes serving overseas.

It reminds me of another hero. And it was this very week in 1918 that Tennessee's Sergeant York captured 132 enemy prisoners and 35 machineguns singlehandedly. And when asked how he did it, he answered simply, ``I surrounded 'em." [Laughter] And that's about what we've come to expect from an American soldier. And that kind of spirit is going to carry us to victory in whatever challenges we face.

Tonight, as evening falls across America, there will be candles in our windows and prayers in our hearts. The Empire State Building will be awash in lights -- red, white, and blue -- lights to honor the men and women in uniform now standing watch in the Persian Gulf. And like your presence here today -- and like your good works every day -- these gestures show that the folks at home have not forgotten the sacrifice of our soldiers and our sailors and our airmen and our marines -- and I might add, also, our coastguardsmen, many on duty tonight many miles from home.

So, I really wanted to come over to thank you for the important work in defending our nation's freedom. You've been in the forefront. You've seen it clearly when others were suggesting that -- given the relaxation of tensions with the Soviet Union and other countries in Eastern Europe -- that the defense mission was over. Well, as we've seen clearly, it is not over. And I wanted to thank you all for the support that you have given to reasonable levels of defense spending, because you've seen so clearly the need to keep our country strong.

Thanks for coming to the White House, and God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 11:45 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Secretary of Veterans Affairs Edward J. Derwinski; Robert M. Gates, Assistant to the President and Deputy for National Security Affairs; Robert S. Turner, national commander of the American Legion; Joseph E. Andry, national commander of the Disabled

American Veterans; and James L. Kimery, commander in chief of the Veterans of Foreign Wars.

Remarks and an Exchange With Reporters on the Federal Budget Negotiations

October 11, 1990

The President. This is what we call a modified -- --

Q. Photo opportunity.

The President. -- -- photo opportunity. Maybe take a couple of questions.

Q. No kidding. Yea!

The President. Which I haven't done since -- in 48 hours. What do you mean, yea?

No, but let me just -- I know there's a lot of interest in you all being here, and I'm very pleased to be meeting with the members of the Ways and Means Committee Republicans on the House side.

There have been a lot of different plans floating around. I'm strongly in favor of what's known as the Andrews summit or the Rose Garden summit agreement, and I'm very grateful to those here that did support us on that, particularly the leadership of the Republican side, Bob Michel and Bob Dole. It was a good plan. It got done what I wanted done, which was a $500 billion reduction over 5 years -- real enforcement. Didn't get everything I wanted. Had to compromise.

But today Marlin put out a statement that demonstrated that we have tried other approaches. One of them included a certain flexibility on the question of capital gains. But I'm not very flexible on that. We tried at 31 percent and -- 15 percent on capital gains and income rates at 31. I will not go beyond that. But some in the House feel that there's room to maneuver there. My view is, it's going to be very difficult because our leadership tried very hard to get that, and the Democrats would not yield on that.

But nevertheless, 2 days ago I said there was certain flexibility, and that's what it is. My view is that it's not going to happen, and we're going to try to move forward in another approach. I notice with interest the bill -- that the leadership role in Ways and Means coming out with a program -- I don't know. I want to hear from you -- this is consultation -- as to how you read that. But it does seem to preserve some of the aspects of the bipartisan agreement, and thus, it will give us something to build around.

But I want to hear from you all when we get into the privacy of our talk. But it's coming forward, and we will get a deal, I'm convinced. Nobody is going to get it exactly the way they want.

Q. Well, are you going to tell the committee to go ahead and try to negotiate up to the 31 -- --

The President. I think a lot of the people on the committee felt that they weren't -- I was told this morning -- I don't know about this group here -- that maybe didn't have enough input. So, now let some try. I've told what I want. I've billed out the broad definition of what we need, and I've said that there's certain flexibility. But I'm not going to vary from the terms that I've just spelled out. If they can get that done, fine. I think it's a waste of time because I just don't think it can get through both Houses of Congress.

Q. Why not? Why not?

The President. Because it's just not going to get through both Houses of Congress.

Q. Well, why not just drop it then? Take it off the table instead of having -- --

The President. Because I'm not going to deny House Members an opportunity to do something that they think can be done. That's not my role.

Q. But what about those who are concerned that it will take up Members' time when they don't have a great deal before the next deadline is coming up?

The President. No. We've got to -- everybody's looking at the time certain, which is the 19th. And that's where the President does have some say, because I'm going to insist that we have a package that fits this description. So, the meter is running.

But look, I can't dictate to the Congress -- Republicans or Democrats -- what to take up and when to take it up. I can say what we're for. And I stood out here in the Rose Garden and said what I'm for. I'm still for it. Now, if there's some modifications, I want to hear from ranking Member Bill Archer and from Bob Michel as to where they see us going. But the broad parameters must be met.

Q. Mr. President, you said repeatedly you like the original budget agreement. But that agreement raised taxes less on the wealthiest Americans than on middle-class Americans. Why aren't you -- --

The President. I don't buy the argument of the liberal Democrats. I fought that battle in the campaign. I don't buy the argument that our proposals favor the wealthy.

Q. These are figures from the nonpartisan Joint Committee on Taxation. [Laughter] You're saying, sir -- you're saying, sir, that -- --

The President. -- -- answer. I hope it's played in full. [Laughter] I will say one thing: A lot of these figures talk about tax rates, but they don't talk about the benefits that go into the whole

equation. So, that's another very important part of it that's left out when people accuse us -- me and all our colleagues around this table -- of favoring the rich against the poor. It isn't true. In every campaign any of us has been in, that battle was taken to the American people, and they came down at least on the side of all of us that are sitting here around the table, or we wouldn't have been elected. That's the age-old Democrat cry of favoring the rich. The American people want to favor growth, and they want to favor jobs, and they don't believe all this handout mentality. So, we have a big difference, frankly.

Q. Do you think you've been damaged politically by this and called wishy-washy and flip-flopping -- --

The President. No, I don't think so. These things come and go. The best thing -- we get a good deal. If we get a good deal, people forget the name calling, and they'll forget the little rancor and the tension at the time.

But the other thing -- I'm elected to try to get something done here. Nobody thinks you can be popular by standing up and having to take, in a compromise, ingredients that you wouldn't necessarily want. So, I'll do what I think is best and take the slings and the arrows that go with it. I haven't felt too much pressure.

Note: The President spoke at 1:40 p.m. in the Cabinet Room at the White House, prior to a meeting with Republican members of the House Ways and Means Committee. In his remarks, he referred to Robert H. Michel, House Republican leader; Robert Dole, Senate Republican leader; Marlin Fitzwater, Press Secretary to the President; and Bill Archer, senior Republican member of the committee.

Remarks on Signing the Fire Prevention Week Proclamation

October 11, 1990

Let me just first greet the members of the fire-service community, Members of Congress who are here, officials from FEMA, Fire Marshal Bernard Johnson, Fire Chief Rayfield Alfred, my own firefighters -- call them my own -- Engine Company 13 and Tower 10 -- welcome to the White House. We've got a few fires to put out around here, and that's why I've been late. [Laughter] Thank you very much.

More than 2,100,000 fires broke out in the U.S. this year, claiming 6,000 lives. Fires strike at the most vulnerable among us, especially children and the elderly. And it also strikes the most valiant among us; many casualties are, indeed, the firefighters who lose their lives in a last-ditch struggle to save someone else's life.

Then, after the cost in lives, we've got to count the enormous property losses in excess of $8 billion. Now, these dollars cannot adequately represent the tragedy of so many beloved homes, churches, and businesses literally going up in smoke.

There is an army of dedicated Americans who stand ready to fight these fires, any-time, anyplace: the more than 1 million firefighters. The organizations involved in fire prevention efforts are too numerous to mention. But all are true heroes, and their heroic role is on display here today for National Fire Prevention Week.

At the Federal level, the U.S. Fire Administration, part of FEMA, is the national leader in firefighting and emergency response. These men and women from the Fire Administration are dedicated to the development of effective programs to help fire departments, State and local governments, private business and organizations, and educators promote fire safety and awareness in communities across the country. At the State level, many dedicated agencies labor to provide training courses for firefighters and emergency medical technicians, arson investigation services, and research. And of course, in virtually every community across this great country are the men and women who make up the front lines in the battle, the firefighters, both career and volunteers, who continue a long and distinguished tradition of firefighting that goes back all the way to the first volunteer fire company founded by Benjamin Franklin in 1736.

Congress also has a role to play through the Congressional Fire Services Caucus, whose cochairmen are Senator McCain and Congressman Curt Weldon. The caucus boasts 370 Congressmen and Senators -- 370 -- making it the largest on Capitol Hill. Most of all, Congress recently updated our safety laws in the Hotel-Motel Fire Safety Act, authored by Congressman Sherry Boehlert.

All of these groups, from volunteers to Members of Congress, can tell you that the best way to fight fire is not with fire but with prevention. The National Fire Protection Association does a great job in this endeavor, working with young people such as Shanta Jones, the 1990 NFPA national fire safety poster contest child winner. In this and in so many other ways, they are getting the word out on fire prevention.

As you know, Tuesday marked the anniversary of a key event in American history, the great Chicago fire, a sweeping conflagration that destroyed most of that great city back in 1871. Years later, outrage over devastating citywide fires led to a national effort to prevent fires.

To focus this national campaign, President Wilson proclaimed October 9, 1920, National Fire Prevention Day. In 1922 President Harding made it Fire Prevention Week, saying that fire prevention should be practiced ``by every man, woman, and child not only during the week designated in this pronouncement but throughout every hour of every day of the year."

That's true today. Every hour of every day, we can help save a life by preventing a fire. And we can keep these brave men and women with us today from having to risk their lives to save ours.

So, I am again very pleased to be with you all and to sign the proclamation declaring this week as National Fire Prevention Week. Thank you all for coming down.

Note: The President spoke at 2:45 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Bernard C. Johnson and Rayfield Alfred, fire marshal and fire chief of the District of Columbia Fire Department. The proclamation is listed in Appendix E at the end of this volume.

Nomination of David A. Kessler To Be Commissioner of Food and Drugs

October 11, 1990

The President today announced his intention to nominate David A. Kessler, of New York, to be Commissioner of Food and Drugs for the Food and Drug Administration at the Department of Health and Human Services. He would succeed Frank E. Young.

Currently Dr. Kessler serves as medical director of the Einstein-Montefiore Hospital in New York and on the Advisory Commission on the Food and Drug Administration at the Department of Health and Human Services. In addition, he teaches food and drug law at Columbia University School of Law and has written extensively on FDA issues.

Dr. Kessler graduated from Amherst College (B.A., 1973), University of Chicago Law School (J.D., 1978), and Harvard Medical School (M.D., 1979). He was born May 31, 1951, in New York, NY. Dr. Kessler is married, has two children, and resides in Scarsdale, NY.

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With President Mohammed Hosni Mubarak of Egypt

October 12, 1990

President Bush called President Mubarak to convey his condolences over the assassination of the Speaker of the People's Assembly, Rifaat el-Mahgoub. President Bush asked that his condolences be conveyed to the family, as well as to the families of the bodyguards who were slain. President Bush was shocked by this blatant and senseless act of violence. President Mubarak expressed appreciation for President Bush's call and concern.

The two Presidents briefly discussed the status of the current United Nations Security Council debate. They reaffirmed their commitment to work for a resolution that will enjoy the support of a majority.

Statement on Signing the Bill Establishing a National Policy on Permanent Records

October 12, 1990

Today, I have signed S.J. Res. 57, a joint resolution ``To establish a national policy on permanent papers." S.J. Res. 57 brings to public attention the fact that future generations of Americans will lose access to documents of enduring value unless we take action.

A significant portion of our intellectual and cultural legacy is rapidly disintegrating in libraries, archives, museums, historical societies, and other repositories across the country. Millions of books, serials, manuscripts, and documents are decaying because of the acidic content of their paper.

S.J. Res. 57 will help institutions and organizations responsible for these endangered materials to confront this problem by promoting the use of acid-free paper.

George Bush

The White House,

October 12, 1990.

Note: S.J. Res. 57, approved October 12, was assigned Public Law No. 101 - 423.

Presidential Determination No. 91 - 3 -- Memorandum on Refugee Admissions

October 12, 1990

Memorandum for the United States Coordinator for Refugee Affairs

Subject: Determination of FY 1991 Refugee Admissions Numbers and Authorization of In-country Refugee Status Pursuant to Sections 207 and 101(a)(42), Respectively, of the Immigration and Nationality Act

In accordance with section 207 of the Immigration and Nationality Act (``the Act") (8 U.S.C. 1157), and after appropriate consultation with the Congress, I hereby make the following determinations and authorize the following actions:

a. The admission of up to 131,000 refugees to the United States during FY 1991 is justified by humanitarian concerns or is otherwise in the national interest; provided, however, that this number shall be understood as including persons admitted to the United States during FY 1991 with Federal refugee resettlement assistance under the Amerasian admissions program, as provided in paragraph (b) below.

Ten thousand of these admissions numbers shall be set aside for private sector admissions initiatives, and may be used for any region. The admission of refugees using these numbers shall be contingent upon the availability of private sector funding sufficient to cover the reasonable costs of such admissions.

b. The 131,000 admissions shall be allocated among refugees of special humanitarian concern to the United States as described in the documentation presented to the Congress during the consultations that preceded this determination and in accordance with the following regional allocations; provided, however, that the number allocated to the East Asia region shall include the number of persons admitted to the United States during FY 1991 with Federal refugee resettlement assistance under section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1988, as contained in section 101(e) of Public Law 100 - 202 (Amerasians and their

(TABLE START)family members):

@h1

@h1

Africa 4,900

East Asia 52,000

Soviet Union 50,000

Eastern Europe 5,000

Near East/South Asia 6,000

Latin America/Caribbean 3,100

Not Designated .... \1\10,000

Footnote: \1\Funded by the private sector.

(TABLE END)

Utilization of the 121,000 federally funded admissions numbers shall be limited by such public and private funds as shall be available to the Department of State and the Department of Health and Human Services for refugee and Amerasian admissions in FY 1991. You are hereby authorized and directed to so advise the judiciary committees of the Congress.

Unused admissions numbers allocated to a particular region within the 121,000 federally funded ceiling may be transferred to one or more other regions if there is an overriding need for greater numbers for the region or regions to which the numbers are being transferred. You are hereby authorized and directed to consult with the judiciary committees of the Congress prior to any such reallocation.

The 10,000 privately funded admissions not designated for any country or region may be used for refugees of special humanitarian concern to the United States in any region of the world at any time during the fiscal year. You are hereby authorized and directed to notify the judiciary committees of the Congress in advance of the intended use of these numbers.

An additional 5,000 refugee admissions numbers shall be made available during FY 1991 for the adjustment to permanent resident status under section 209(b) of the Act (8 U.S.C. 1159[b]) of aliens who have been granted asylum in the United States under section 208 of the Act (8 U.S.C. 1158), as this is justified by humanitarian concerns or is otherwise in the national interest.

In accordance with section 101(a)(42) of the Act (8 U.S.C. 1101(a)(42)), I also specify, after appropriate consultation with the Congress, that the following persons may, if otherwise

qualified, be considered refugees for the purpose of admission to the United States while still within their countries of nationality or habitual residence:

a. Persons in Vietnam and Laos who have past or present ties to the United States or who have been or currently are in reeducation camps in Vietnam or seminar camps in Laos, and their accompanying family members.

b. Present and former political prisoners, persons in imminent danger of loss of life, and other persons of compelling concern to the United States in countries of Latin America and the Caribbean, and their accompanying family members.

c. Persons in Cuba who are (1) in immediate danger of loss of life and for whom there appears to be no alternative to resettlement in the United States, or (2) are of compelling concern to the United States, such as former or present political prisoners, dissidents, or human rights and religious activists, or (3) were employed by the United States Government for at least 1 year prior to the claim for refugee status; and their accompanying family members.

d. Persons in the Soviet Union and Romania.

You are hereby authorized and directed to report this determination to the Congress immediately and to arrange for its publication in the Federal Register.

George Bush

cc: The Secretary of State

The Attorney General

The Secretary of Health and Human

Services

[Filed with the Office of the Federal Register, 12:45 p.m., October 15, 1990]

Note: The memorandum was released by the Office of the Press Secretary on October 15.

Nomination of Robert William Gambino To Be Director of Selective Service

October 15, 1990

The President announced his intention to nominate Robert William Gambino, of Virginia, to be Director of Selective Service. He would succeed Samuel K. Lessey, Jr.

Currently Mr. Gambino serves as vice president of the Petite Research Group, Inc., in Falls Church, VA. Prior to this, he served as project manager for the System Planning Corp., 1987 - 1988; self-employed consultant, 1987; vice president of Kaiser Steel Corp., 1985 - 1987; deputy inspector general and then group vice president for the U.S. Synthetic Fuels Corp., 1982 - 1985; self-employed attorney, 1981; vice president of international development for Guardsmark, Inc., 1981; and operations and issues officer for the Reagan-Bush campaigns, 1980. In addition, Mr. Gambino worked for the Central Intelligence Agency, 1960 - 1980.

Mr. Gambino graduated from the University of Virginia (B.A., 1951) and George Washington University (J.D., 1958; M.S., 1968). He was born November 11, 1926, in Martinsburg, WV. Mr. Gambino served in the U.S. Army Reserve, 1951 - 1980. He is married, has three children, and resides in Vienna, VA.

Final Order for Emergency Deficit Control Measures for Fiscal Year 1991

October 15, 1990

By the authority vested in me as President by the statutes of the United States of America, including section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99 - 177), as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100 - 119) (hereafter referred to as ``the Act''), I hereby order that the following actions shall be taken to implement the sequestrations and reductions determined by the Director of the Office of Management and Budget as set forth in his report dated October 15, 1990, under section 251 of the Act:

(1) Each automatic spending increase that would, but for the provisions of the Act, take effect during fiscal year 1991 is permanently sequestered or reduced as provided in section 252.

(2) The following are sequestered as provided in section 252: new budget authority; unobligated balances; new loan guarantee commitments or limitations; new direct loan obligations, commitments, or limitations; spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, as amended; and obligation limitations.

(3) For accounts making payments otherwise required by substantive law, the head of each Department or agency is directed to modify the calculation of each such payment to the extent necessary to reduce the estimate of total required payments for the fiscal year by the amount specified by the Director of the Office of Management and Budget in his report of October 15, 1990.

(4) For accounts making commitments for guaranteed loans as authorized by substantive law, the head of each Department or agency is directed to reduce the level of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and specified by the Director of the Office of Management and Budget in his report of October 15, 1990.

All reductions and sequestrations shall be made in strict accordance with the specifications of the October 15th report of the Director of the Office of Management and Budget and the requirements of section 252(b).

This order supersedes the Initial Order issued on August 25, 1990.

This order shall be published in the Federal Register.

George Bush

The White House,

October 15, 1990.

[Filed with the Office of the Federal Register, 1:21 p.m., October 15, 1990]

Statement on Signing the Radiation Exposure Compensation Act

October 15, 1990

I am today signing into law H.R. 2372, the ``Radiation Exposure Compensation Act.'' This bill establishes new entitlement programs for persons physically present in areas near the Nevada Nuclear Test Site during atomic testing at the site.

Atmospheric testing of atomic devices -- important to national security during the darkest days of the ``cold war'' -- ended in 1963 when, under President Kennedy, the United States signed and ratified the Limited Test Ban Treaty. Prior to the Treaty, the United States detonated over 200 atomic devices in the open air, in both the South Pacific and in Nevada.

The bill provides compassionate payments to persons with specified diseases who fear that their health was harmed because of fallout from atmospheric atomic testing at the Nevada test site, regardless of whether causation can be scientifically established. The bill entitles each person meeting specific criteria to a payment of $50,000. Uranium miners meeting separate criteria will be entitled to compassionate payments in the amount of $100,000. These payments fairly resolve the claims of persons present at the test site and of downwind residents, as well as claims of uranium miners.

The bill, which is fiscally responsible, establishes a trust fund, and $100,000,000 is authorized to be appropriated to be paid into the fund.

H.R. 2372 is the result of close cooperation between the Administration and the Congress. As a result of the Administration's initial concerns, many earlier objections have been addressed, and the bill has been vastly improved. This legislation establishes a compensation system in the executive branch that can be administered efficiently and permit eligible claimants to receive compensation without the expense and delay of traditional litigation.

George Bush

The White House,

October 15, 1990.

Note: H.R. 2372, approved October 15, was assigned Public Law No. 101 - 426.

Remarks at a Fundraising Luncheon for Gubernatorial Candidate Clayton Williams in Dallas, Texas

October 15, 1990

Thank you all very much. Thank you so very much, Claytie, for those generous and very kind words. And of course, my special thanks to all of you for that warm welcome. Let me just simply say it is great to be back home again. And it's always a pleasure for me to set my silver foot back on Texas soil. [Laughter] Uh-huh. [Laughter]

It is, as Claytie said, an honor to share this podium up here with so many of Texas' leading lights: my mentor, in a way, in Texas politics, my dear friend John Tower, over here. Governor Bill Clements, former business partner and great Governor of this State, and Rita -- I'm just so glad to see you all. Texas will long remember, I believe, your courage and your commitment to our great State. So, thank you, sir, for your leadership.

And on the end down here, another well-known to Dallas, Bill Moss, who is giving of his time as, you might say, one of our main Points of Light, heading the President's Drug Advisory Council and doing a first-class job in the battle against drugs. Bill, I'm glad you're with us today.

And of course, I'm delighted to be here to show my support for my friend from Midland, my old stomping grounds, the next Governor of this great State: Claytie Williams. Claytie, you've got to win it. You've got to win.

And when I finish up here, I'm going to be going to a reception for Texas' next Lieutenant Governor, Rob Mosbacher. What a team they will make in Austin. And I believe they're going to do it.

And of course, Barbara asked me to give Modesta a hug; glad to see you. Claytie, glad to see your great mom here. She shared with me a story about Clayton and his father: the time little Claytie -- if you can picture it -- [laughter] -- went to break his first bronco. The horse broke free and began to buck. Claytie's dad rushed in to separate the horse and his son and did all he could to keep this wild horse in front of him and Claytie right behind him. That's when Claytie said, ``Daddy, if you won't run, get out of the way for someone who will." And here he is. [Laughter]

But he's always run hard. Those of us who have followed his career in business, watched him in this election -- Modesta told me exactly how many months and days and minutes it's been since they've been on the campaign trail. He runs hard, and today he's running to win. His victory will be a triumph for the old-fashioned virtues that made Texas what it is, and the new spirit of enterprise that will take this State forward into the nineties.

He's a Texan, born and bred -- steady, strong, calls them as he sees them, straightforward, a tireless advocate for every hard-working Texan.

And I've watched the issues unfold. He's tough on crime. He knows that the handcuffs belong on the criminals and not on the cops and the courts committed to uphold the law. This position that he has staked out -- this position meshes perfectly with the no-nonsense anticrime package that I sent up to the United States Congress almost a year and a half ago. So, let me take advantage of you all to put a little heat on the Congress to act now and make life a little bit tougher on the criminals.

Claytie is ready to wage a statewide war on drugs. And we in Washington want to be at his side every step of the way. And again, our positions mesh perfectly with our national drug strategy that has resulted -- and I can report this accurately -- our national drug strategy has resulted in significant progress on the nationwide war on drugs. Claytie knows that the best way to win this war is to stop drug use before it begins. That means education; that means drug awareness. And he knows from a painful personal experience when it's time for compassion, time to help drug users battle back, break free from addiction, and rejoin society. And he knows when it's time to draw the line for drug kingpins, who deal death right out on our street corners. And he does, as I do, support the ultimate penalty, the death penalty, for those drug kingpins.

He is a friend to the Texas taxpayer, champion for fiscal integrity and fiscal sanity, for a government that is lean and limited. I know he'll fight for that when he gets to Austin.

With Claytie there, business men and women will have another Governor who knows what it means to meet a payroll. He knows what it means to start with nothing more than a dream and build a business from the ground up. The secret to his success as a businessman is plain, old-fashioned hard work. I can guarantee that, as Governor, no one will work harder for the State of Texas than Clayton Williams.

We had a chance to talk about this on the way down on Air Force One; and I agree with Clayton that what the States need is not more programs mandated, directed from Washington, DC, but more confidence and trust in people and in the power of the local communities. After all, Texas doesn't just have problems; Texas and Texans have the solutions.

The single most important factor for what the future will hold here in Texas and across the entire country is economic growth. That's why I want to speak to you for just a minute about the work that remains to be done back in Washington to reach final agreement on the Federal budget.

I pushed hard, as you all know, for a bipartisan budget agreement not because it was the best plan ever but because it was the best plan possible that would get the Federal deficit down by $500 billion over 5 years -- real significant enforcement provisions.

And I am grateful -- very grateful -- to Senator Phil Gramm, who couldn't be with us today, and also to your Congressman, Steve Bartlett, for their strong leadership and their support. And I will continue to press hard for a budget that fulfills the spirit of that bipartisan plan and proves to the American people once and for all that we can deal with this budget deficit.

Now, let me speak from my own experience. I'm -- I hate to confess -- 66. And that's a time in life when you begin to spend as much time thinking of the next generations as you do of your own. And our children deserve to inherit more than an avalanche of unpaid bills mounting up year after year.

We get some amazing mail at the White House, but let me share with you a letter sent to me at the White House from a little girl named Courtney -- no last name, no return address. And it's short, and it's simple. She says: ``Dear Mr. President: I don't want to owe when I grow up. I don't want to owe when I grow up."

Well, I would say to Courtney, since I can't write her back: I got your letter, and I'm going to do my level best to make sure that the Democrat-controlled United States Congress gets that message. We owe it to these kids that they not be mortgaged over and over again.

Time is short. The meter's ticking up there. Four days from now, on October 19th, the clock on all these procedural things runs out. And the American people have every right to expect more from their elected representative. Congress has a responsibility. And if this is the best that the system can do, then it's time to build a better budget system.

One of the problems is that much of the political debate on the budget has been based on that inside-the-Washington-DC-beltway jargon. And the jargon just hides the basic issues. Let me try to simplify it. America must have a real and significant deficit-reduction budget to get the economy moving. And that deficit reduction will bring down interest rates on home purchases and car loans and help create new jobs. You heard the testimony of the Chairman of the Federal Reserve Board about the budget agreement we worked out with the leadership. He said those interest rates will come down. And that will help in creating new jobs. And to get these results, the budget cannot be smoke or mirrors or phony estimates -- business as usual -- can't be that. It must be real, it's got to be enforceable, and it's got to have incentives for growth.

And as always, the real problem has been the unwillingness in Congress to vote for holding down spending. I'm sure you're confused: the House now doing what they should, trying to come up with their agreement, and the Senate now working its will. And one thing that appeals to me about the current Senate package is that it holds the line on income tax rates. One of my biggest fears has always been that the Congress will continue to pay for its spending habits by raising income taxes on everybody. And in fact, the budget summit has moved us in the right direction and has brought us now to the final countdown week.

In the next 5 days, Congress has the chance -- and in my view, Congress has an obligation -- to act once and for all. And lest there be any doubt, let me make clear to Congress just how serious I am about meeting that Friday deadline. Thirty-seven times -- John Tower will remember some of these -- in the last 10 years, Congress has missed its own budget deadline. Twice now this year, I've signed emergency legislation to add more time to the clock. Well, this Friday, time's up. The American people deserve more than this stopgap government. And I'm confident now that Congress can meet this deadline, can complete its vital work, and pass the sound budget that puts this nation on the path to a long-term economic growth.

Getting that deficit under control is essential not just from the standpoint of the American economy but, as I look at the big picture, I'd say especially now, with the challenge that we face in the Persian Gulf. We all know the grave economic consequences of Iraq's occupation of Kuwait. But as serious as these consequences may be, what is ultimately at stake is far more than a matter of economics or oil. What is at stake is whether the nations of the world can take a common stand against aggression or whether Iraq's aggression will go unanswered, whether we will live in a world governed by the rule of law or by the law of the jungle. And that is why America and the world cannot allow this outlaw act to stand. That is why Saddam Hussein will fail.

Every day now, new word filters out about the ghastly atrocities perpetrated by Saddam's forces: eyewitness accounts of the cruel and senseless suffering endured by the people of Kuwait, of a systematic assault on the soul of a nation, summary executions, routine torture. Under the forces of Iraqi occupation, we are told that mere possession of the Kuwaiti flag or a photograph of the Kuwait's Amir are crimes punishable by death.

And last month at the White House, I met with the Amir of Kuwait. And I heard horrible tales: Newborn babies thrown out of incubators and the incubators then shipped off to Baghdad. Dialysis patients ripped from their machines, and those machines then, too, sent off to Baghdad. The story of two young kids passing out leaflets: Iraqi troops rounded up their parents and made them watch while those two kids were shot to death -- executed before their eyes. Hitler revisited. But remember, when Hitler's war ended, there were the Nuremberg trials.

America will not stand aside. The world will not allow the strong to swallow up the weak. Not a day goes by that we don't think of the young men and women of our Armed Forces, side by side out there in the sands of Saudi Arabia. Today, with those young men and women in mind, let me just add one final note. Right now, our service men and women are teaching all of us a lesson about what it means to love liberty, as they prove once more to all the world that America means freedom. So, as November 6th draws near, I urge every Texan to do what some of those kids are doing by absentee ballot: Get out and vote. We must never take democracy for granted.

Once again, I am delighted to be here. I can't tell you what a pleasure it is to be out of Washington. [Laughter] And it is always nice to come home, but it's a special pleasure to come

home to support somebody I believe in, somebody who will be our next Governor: Clayton Williams.

Thank you all very much. Now go out and work and vote and get this man elected to the governorship. Thank you very much.

Note: President Bush spoke at 12:35 p.m. in the Reunion Ballroom of the Hyatt Regency Hotel. In his remarks, he referred to former Senator John Tower; Governor Clements' wife, Rita; Clayton Williams' wife, Modesta; Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System; President Saddam Hussein of Iraq; and Amir Jabir al-Ahmad al-Jabir al-Sabah of Kuwait. Following his remarks, President Bush attended a reception at the hotel for Rob Mosbacher, candidate for Lieutenant Governor, and then traveled to Omaha, NE.

Remarks at a Republican Fundraising Reception in Omaha, Nebraska

October 15, 1990

Oh, how nice it is to be out where the real people are -- outside of Washington, DC. Gosh, what a wonderful welcome. Thank you so much.

Kay, thank you. Please be seated, audience. [Laughter] Thank you. What is it about Nebraska that just gives you this warm feeling of welcome? Barbara was here not so long ago and came home raving. It was at that point that our dog wrote a book. [Laughter] But she does send her love, and she is so interested in this Governor's race and in this Senate race and this congressional race. And so, I bring you her best wishes.

I want to thank Duane Acklie and Sallie Folsom -- I'm not sure Sallie is here -- our national committeewoman; my old friend and campaign mate and a former Governor, Charlie Thone. And of course, it's great to be here at the Red Lion. I heard that you Cornhusker fans were enthusiastic, but do you name all the inns after the Big Red? [Laughter]

Look, I'm delighted to be here on behalf of this ticket: Kay Orr, Hal Daub, Ally Milder. They say that good luck comes in threes, and I think this may be a very lucky year for the people of this State. And if it's lucky for you, it is going to be fantastic for me as President of the United States.

We've got a good, strong Nebraska delegation in Washington. I want to improve on it. Virginia Smith, as you know, has done a remarkable job for this State. Doug Bereuter continues to do a phenomenal job. But they wouldn't hesitate to tell you that we need more support in the Congress. So, on November 6th, let's make our Nebraska delegation a solid Republican delegation in the House; and that means let's elect Ally Milder to the United States Congress.

I was looking over the voting records, and I tell you, it would be very nice to have a Congressman from this district that would support me as much as Ted Kennedy. [Laughter] And that's what the numbers -- and with Ally, it would be one heck of a lot better than that, I'll guarantee you. [Laughter] You look at the record, look at the voting records.

And then, of course, our candidate for the United States Senate, a man of integrity, Hal Daub. I've known Hal for about 20 years, and I know this: He's made a difference as a lawyer, as a businessman, when he was in Congress 4 terms. And he'll make an even bigger difference as the next Senator for the State of Nebraska. I believe everyone here knows that we need to move up and get control of the United States Senate if we're going to bring Nebraska values to Washington. [Applause]

And then that brings me to my old friend, your great Governor, Kay Orr. She made the record books as the first woman Governor in Nebraska history and the first Republican woman Governor in American history. She's made the tough decisions. She's faced the difficult choices over the last 4 years. And she came down on the right side -- not always the easy or popular one -- but on the right side of the issues.

And I've looked at her record and what she believes, and we've had many opportunities to talk about it. And we agree on our approach to crime. And we agree on approach to education. She was one of the movers and shakers of the National Governors Conference as we set those national goals for this country, goals that we must meet by the end of this decade. And we agree on the approach to child care: to give parents more choice and to permit the communities to remain involved. And another point where we agree is, she's told me she doesn't like to have her hands tied -- your hands, that means the people of Nebraska -- by more and more mandated programs out of the liberal Congress in Washington. Give Nebraskans a chance to solve the problems.

And these are the issues that are at stake. And I need Kay Orr. And that's why I think this State needs Kay Orr.

In fact, these three candidates -- Ally Milder, Hal Daub, and Kay -- they stand for growth, opportunity, and prosperity for all Americans -- GOP. That's because all three of them are sound, sensible Republicans.

Ally mentioned that we needed more Republicans in Washington right now, and I honestly believe that if we had had more Republicans in control of Capitol Hill over the last couple of decades, this budget mess that we're in right now would never have happened. We had a little reception earlier, and over and over again, citizens of this State told me that they understand this and brought it up to me. It is the Congress that has the responsibility to pass a budget. And year after year, they go down to the wire, and they fail to do so. And when the Democratic-controlled Congress fails to meet its own timetables, it continues this business-as-usual by what's known as a CR. It's awful high-tech word -- it's a continuing resolution. There have been 37 of these emergency measures since 1981 -- 7 in 1 year alone -- just to keep the Government's door open. I am sickened by such mortgaging of our children's future, and that's what I am fighting about in Washington right now.

I say we need more Republicans. But right now, as you know, the Democrats control both the Houses of the Congress; and they control every single committee of the United States Congress. And that's all the more reason for Republicans to work to make this budget now the best possible. We're fighting against the odds. We're fighting against the majorities -- the liberal majorities -- that control both Houses. We're fighting the entrenched tax-and-spend philosophy on Capitol Hill.

And you know, much of the political debate we hear in Washington is tired, and it's old. And it's

all this ``inside the beltway'' jargon, and it's jargon that just gets in the way of what's really at stake. So, let me try to simplify it. America must have a real and significant deficit-reduction budget to get this economy moving. And that deficit reduction will bring down interest rates on home purchases and car loans, and it will create new jobs. And to get these results, the budget cannot be the same old political shell game. We must not tolerate business as usual. The budget must be real, enforceable, and preserve incentives for growth in this country.

And you know what the problem has always been: It's the unwillingness in Congress to vote to hold down Federal spending. And you know, with higher spending, higher taxes are usually not far behind. And that said, let me mention here that one thing that appeals to me about what's going on now, appeals to me about the current Senate package, is that it holds the line on income tax rates. And that is worth fighting for, in my view.

I have this concern that's always been that Congress will continue to pay for its spending habits by raising income tax rates on everybody. After concessions by both the Democratic and the Republican leaders -- the budget summit -- nobody liked every part of it. It did move us in the right direction, and it has brought us to the final countdown week. And in the next 5 days, Congress has the chance -- in fact, I'd put it this way -- Congress has the obligation to act. And I believe the American people have every right to expect the United States Congress to act responsibly.

And so, my message -- and I expect it would be your message -- to the Congress is simple and straightforward: Complete your work, meet Friday's deadline, and pass a sensible budget. We've got to put this nation back on the path to long-term economic growth, and the way to do that is to get a budget through. And that will bring the interest rates down, and that will put more and more Americans back to work where they belong.

Well, you can see why I need a Republican majority in Congress and in our statehouses, because at no time in recent history has an economically healthy and militarily strong America been more important. And Nebraskans know it more than most. I am proud to see the people of Nebraska supporting our brave men and women overseas. You could sense it when we landed there at Offutt. And you should have seen those kids that have just come back from Operation Desert Shield. And I've read of your community efforts: the students at Omaha's Westside Middle School sending more than 400 letters to the troops in Saudi Arabia, the wives of the Nebraska Army National Guard shipping over nearly 200 pounds of sugar cookies. I'm sure I could stand it or some of you guys out here could stand it, but nevertheless, that's what they've done. And I'm afraid that that beats C-rations any day for our GI's in the hot desert sun.

And they've left spouses, children, and even Big Red football to defend our cause. And they're doing a fantastic job. And every single member of the Joint Chiefs will tell you that never in the history of this country have we had finer young men and women better trained, more highly motivated than we do today.

Now, we've got a major challenge over there. I'm concerned at the systematic dismantling of the country of Kuwait. The aggression itself was bad enough: one dictator bully taking over a neighboring country. And then the United Nations and the United States joining in -- all countries -- almost every country in the world condemning this aggression. And in spite of that condemnation, there is this systematic dismantling of Kuwait, which is accompanied by unprecedented brutality. It's an ugly scene. Amnesty International has reported on it, and I'll spare you the details of the brutality. But all that does is make me convinced even more than ever that this aggression by Saddam Hussein will not stand. We are not going to pull out short of our obligations.

And you know, from these posts out there in the deserts of Saudi Arabia, in the glare of the Persian Gulf, our GI's are beginning to send in the absentee ballots. In the year that's seen the promise of democracy grow from Moscow to Managua, the least we can do is exercise our own right to vote. So, let's make our country proud, and let's get that vote out on November 6th.

And so, I wanted to just pop in here again. I don't want to overstay my welcome in this marvelous State that gave me more votes than any other State in the country on a proportionate basis, I believe. But you have a class-act Governor. You've got a quality Governor of character. And you've got a man running for the United States Senate that can make a difference and will support the President. And you've got a woman running for this congressional district, Ally Milder, who will be with me instead of opposing me every inch of the way.

And so, in the 21 days, 12 hours that remain before the polls open, do your best. You've already given some money or you wouldn't be standing out here. Do that. Help each one of these people win. We've got to do it.

And I remain optimistic about our country. I think we're just on the threshold of a fantastic decade of opportunity and growth. We can do better in education and fighting crime and battling drugs, but we need the people in the Congress that are going to stand for the values that you expressed when you elected me your President in 1988. And that's why I'm here.

Vote for Kay Orr. Vote for Ally Milder. And vote for Hal Daub. And thank you all very, very much.

Note: The President spoke at 7:02 p.m. in the Red Lion Ballroom of the Omaha Red Lion Inn. In his remarks, he referred to Duane Acklie, Republican national committeeman; Representatives Virginia Smith and Doug Bereuter; and President Saddam Hussein of Iraq. The President also referred to ``Millie's Book as Dictated to Barbara Bush.'' Following his remarks, the President attended a reception for Governor Orr and then traveled to Des Moines, IA, where he stayed overnight.

Statement Congratulating President Mikhail Gorbachev of the Soviet Union as the Recipient of the Nobel Peace Prize

October 15, 1990

President Mikhail Gorbachev of the Soviet Union has been a courageous force for peaceful change in the world. I want to offer my congratulations on behalf of the American people for his selection to receive the Nobel Peace Prize. He has brought historically significant change, both political and economic, to the Soviet Union and to Eastern Europe. East-West relations hold greater promise for peace and world stability today than at any time in the last 45 years. The United States continues to work with the Soviet Union to promote regional and international peace. Barbara and I send our warmest regards to President and Mrs. Gorbachev in receiving this international honor.

Remarks at a Republican Fundraising Breakfast in Des Moines, Iowa

October 16, 1990

Thank you so much for that welcome. Please -- thank you very much. What a magnificent turnout for Governor Branstad and Senator-to-be Tom Tauke. I'm delighted to be here. Let me first pay my respects to my former runningmates -- kids from Dowling here. I still have my T-shirt that I ran on the track out there with some of you all. And I'm very pleased, really, to be back here in Des Moines.

Last December, I spoke here on behalf of your next Senator, Tom Tauke. And then in June, I returned for your current and future Governor, Terry Branstad. And since I was here, things have really moved for both of them -- moved in the right direction in terms of the electorate. Now we only have 20 days to go, and I can't think of a single State that has two more important races for the future of this country than the State of Iowa 20 days from now.

You've got my warmest memories and great sentiments in this State. I've had wonderful times in so many towns and so many cities here. And it was in those visits -- --

[At this point, audience members interrupted the President's remarks.]

I'll have a little say about that in a minute. You know, some people never get the word: The fight isn't about oil; the fight is about naked aggression that will not stand. Where were we? [Laughter]

You know, we were talking about the qualities that we need in the United States Senate and that we need to keep in the Governor's mansion here. Let me first single out our statewide candidates who I want to see elected to help Terry Branstad run this State. They are outstanding men and women, and you have the very finest in compassionate, committed public servants in these people right over here. So, please work hard for them in the last 20 days. They prove what Alf Landon meant when he said, ``There are some intelligent people in Washington. There are more of them in the Middle West."

But back to Senator-to-be Tauke and to Governor Branstad. Both have fought for the family, for the taxpayer, and for the farmer. They fought for the working people of this State. And as a result, I think we are seeing -- and I've been proud to be at their side -- and I think we are seeing an agricultural economy that's rebounded from its recent lows.

And now we are in a battle in Washington to keep the economy moving forward, to get it revitalized. And the best thing we can do to revitalize it is to get a budget-deficit agreement that gets the deficit down by $500 billion over 5 years and does it in an enforceable way. And that's

what I'm fighting for in Washington, and that's why I need the support of people like Tom Tauke.

But the battle isn't only about fiscal sanity. It's about things like education, where Terry Branstad has been in the lead nationally, supported ably -- I am -- in the Congress by Tom Tauke. This excellence record in Iowa is well-known nationally: Iowa students ranking fifth in high school graduations all across the country, first in SAT and ACT scores -- an outstanding record. So, I want to do nationally that which you have done locally. So, 18 months ago, we proposed our National Educational Excellence Act to encourage flexibility, accountability, increased educational choice for parents and students. And Terry Branstad is a leader in the Governors' Association, was a leader as we set these national goals for this decade. He took the bastion of leadership, the symbol of leadership, and carried it forward to hammer out these national goals. He's well-known in the State of Iowa. He deserves reelection here. But I'll tell you, he has shown himself to be a national leader in the field of education.

I've sent an educational bill up there -- I think it embodies the values of Iowans -- sent it up to the Congress, and Tom Tauke is giving it strong support. We need some straight talk -- that's what Tom -- his motto, ``Talking Straight.'' He's right, he is. And he's strong. And that straight talk is what we need to help elect Republicans who are going to end this delay and pass an educational bill which will help make American education number one -- not the old thinking of the tired liberals in the United States Senate but the new thinking of Tom Tauke in the House, moving into the Senate, and of Terry Branstad right here at the Governor's level.

A major national question is crime and drugs. And for 16 months, the liberal Democrats who control all the committees in the United States Congress -- the national Democrats -- have sabotaged our violent crime bill. Evidently they think they can soft-pedal the need to be hard on crime. And Tom and Terry both disagree with that. They back a workable and a real death penalty for those who kill Federal law enforcement officers. And I back that. I support it, and I believe the country supports it overwhelmingly.

I hope some of you will have an opportunity -- and maybe you're working with them -- the victims of crime groups. I think it's time in the country that we showed a little more sympathy for the victims of crime and a little less for the criminals themselves.

And just one more word about agriculture. Five years ago, Tom Tauke helped pass -- and Terry backed strongly -- a farm bill to help a community in crisis. And it's no coincidence that farm income has hit near-record levels or that Terry Branstad has created over 300,000 new jobs, many of them agricultural, since 1983. And our job is to make that progress still better. And how? By recalling that when it comes to farming, Washington does not know best. Iowans know best. And we want to keep the control in the marketplace.

As we're drafting this new farm legislation, let's see that it emphasizes market-oriented policies. We don't need more government in Middle America -- we need more Middle America thinking in

the Washington Government. And that goes double when it comes to passing a sensible Federal budget.

It's no secret that I could use more Republicans in the United States Senate and in the United States House right now. Frankly, it would be a luxury to have a Senator in this Iowa seat that would vote with me at least as much as Teddy Kennedy has done. Take a look at the record. Take a look at the Congressional Quarterly. And in Tom Tauke we'd have somebody that would support our ideas much, much more than that. So, send him to Washington to be our Senator.

Republicans know: It's our heartbeat that we need to control Government spending and keep the taxes down. But unfortunately, the simple fact is the Democrats do control both Houses of Congress, and they control every single congressional committee. The American people know that they have control of both Houses and control all these committees. And it's also a fact that, year after year, Congress fails to meet its own timetable for producing the budget.

Year after year, the Congress has to pass emergency measures -- it's all Washington jargon called continuing resolutions; after you've been there a month or two, you call them CR's -- just to keep the government operating. Enough is enough. I think we've had something like 37 of these CR's in the last decade because Congress can't meet its own deadlines. Enough is enough. And this Friday, the Congress must face the budget deadline once again. But this time let them face up to their responsibilities as well.

I know that the Americans are fed up with much of the political debate coming out of Washington. It's the same old inside-the-beltway hogwash that obscures what's really at issue, so let me try to clarify it.

America must have a real and significant deficit reduction -- real and significant deficit reduction -- to get the economy moving. And that deficit reduction will, indeed -- and almost instantly -- bring down the interest rates that are holding back new job creation and holding back job opportunity. The deficit rate is going to bring those interest rates down. You're going to have more home purchases, more car loans, create new jobs.

And to get these results, Congress simply cannot play with the numbers in order to get phony savings. We can't afford business as usual in Washington anymore. So the budget must be real, it must be enforceable, and it must preserve our incentives for growth. I want to see this economy grow, not shrink from higher taxes and more government spending.

And I told you, Terry Branstad's right, and he's sure right when he says that the President ought to have the line-item veto. If Congress can't control the spending, give the President a shot at it.

We're not dumb in this country. Most people know that the failure to hold down spending is inevitably followed by higher taxes. They might be just around the corner. And that said, let me

reiterate right here that the one thing that appeals to me about the current Senate package -- you've got a House bill that looks like it's going through: raise the rates, index the taxes that's on the middle class and on the lower middle class. That's every taxpayer in this country. Nobody understands it, but that's what indexing means. So, they're saying it's a ``soak the rich'' bill. But inevitably, it gets into your pocket. It gets in the pocket of every working man and woman. And that's exactly what's coming out of the House.

But the Senate bill has some merit to it. It holds the line on income tax rates. And I've always been concerned -- and I think the American people share this concern -- that the Congress will continue to pay for its spending habits by going back and starting to raise the income tax rates on everyone. And I want to hold the line on the tax rates.

So, we're in a countdown. We're in another countdown. The next 4 days Congress has the responsibility and the obligation to act. And the American people have every right to see this Congress act responsibly.

You know, I have a difference, I think, on some of this with Speaker Foley. We had good cooperation with the Speaker on trying to hammer out a budget agreement -- frankly, one in which I had to compromise and he had to compromise and the Senate had to compromise. But in my view, even though there were things in it I didn't like, I think it was a good deal. But where I've got a difference with the Speaker, it appears, is that he doesn't think it's useful to keep Congress in. He doesn't think it's useful to hold their nose to the grindstone by refusing to go along with business as usual by signing yet the 38th continuing resolution. So, we have an honest difference of opinion of that. But I think, in spite of the inconvenience to the American people, that there is support for this concept, whether it hurts the President or not, that the Congress ought to finish the job it was sent to Washington to do. And if we had more like Tauke in the Senate it would be getting done because we'd control the United States Senate.

One of the interesting parts of this job is some of the mail you get. And it gives you a certain trust in the American people. It's a way a President can get a feeling for what people are thinking. Some of it isn't particularly complimentary; and some of it, fortunately, is. But the people are smart. They want a budget that makes sense. And let me give you the wisdom from the mouths of babes.

It's a letter from Lisa Lilla, a 10-year-old from Clearwater, Florida. She writes that she wants us to solve our budget problem so that she ``won't have to pay $5 million when she grows up.'' Then she adds this P.S.: ``I really think you should not enlarge the taxes because when I'm 18 I'll have to pay $500 tax on a can of peas.'' [Laughter]

Well, she may be off slightly -- [laughter] -- but her logic is sound. Her logic is very, very sound. And even 10-year-olds know fiscal insanity when they see it, and they know where it starts. And they know that the Congress, controlled by the Democrats, appropriate every dime and tell us

how to spend every single dime.

And it's not going to get better until we do something special on November 6th. We've got to send Congress a wake-up call, if you will. And so, let's reject the tax-and-spend policies that created the problem in the first place, and let's tell the Congress to remember kids like little Lisa. She does not want to pay $500 tax on a can of peas when she's 18 years old.

I think of Iowa as an international State, and I was interested in the opinion of these individuals here who wanted to make their statement. But I think of Iowa as an international State. I think you've always been out front in the terms of being engaged and being involved in foreign policy, whether it's through farsighted policies on international trade, whether it's through the earliest support and strong support for the United Nations that has now been revitalized, or whatever.

So, let me simply say -- and I have to tell you, I understand where these kids are coming from. I understand that. I went through World War II. We've been through a couple of agonizing periods with the Korean war and the Vietnam war. So, their view shouldn't be entirely written off, but they've got it wrong. They've got the facts wrong. They're looking introspectively in a bit of an isolationistic way. We can't do that. We have the responsibility to lead -- the United States does.

If we don't stand up against aggression around the world when it's naked and brutal, who will? The United States has the responsibility to lead and to put together this coalition that says to Saddam Hussein very simply: You cannot bully your neighbor; you cannot wipe him out -- a member of the Arab League, a member of the United Nations. And that's what the issue is about.

Let me try to put it in perspective for those three kids that left -- and I mean this in all seriousness, because this affects my thinking very much -- what's happening. We've got to stand up for civilized values. But what's happening is unprecedented acts of brutality inflicted by Iraq.

I want to mention -- and I don't mean to be overly shocking here -- but let me just mention some reports, firsthand reports. At a hospital, Iraqi soldiers unplugged the oxygen to incubators supporting 22 premature babies. They all died. And then they shot the hospital employees. At another hospital, troops reportedly cut off oxygen supporting the 75-year-old mother of a Kuwaiti Cabinet Minister. Iraqi aggression. Iraqi naked aggression -- taking dialysis machines, taking the patients off them, shipping the machines to Baghdad -- systematically dismantling a member of the United Nations, a member of the Arab League.

And so, the bottom line for us is that Iraqi aggression will not be allowed to stand. Saddam Hussein will be held accountable. And the legitimate government of Kuwait will be restored. And America will remain in the Persian Gulf not one single day longer than necessary. I look forward to the day that every single man and woman serving there now with pride -- and beautifully trained -- every single one of them comes home. But we must stay for as long as it takes to complete our mission.

Now, in your great State, common sense has never gone out of style. You know that while our forces -- and there's a unit from Mason City on the way -- you know that while our forces are defending us abroad, we must defend them here at home. And I know that Iowans want policies which empower people and bring prosperity and opportunity to communities all over this State.

So to sum it up, Tom Tauke, whom I've known for years and with whom I have worked for years and whose record I have admired for years, must be elected to the United States Senate. And Terry Branstad, who has served this State with such distinction, and now a high official in the National Governors' Association because of the way his fellow Governors look at him -- look at his record of achievement, look at his leadership -- must be reelected as well.

And so, I came out here to enthusiastically stand with you Iowans in support of these two fine men. We can send the rest of the country a signal by reelecting Terry Branstad overwhelmingly and by sending Tom Tauke to the United States Senate.

Thank you, and God bless the people of Iowa. Thank you very much.

Note: The President spoke at 9:04 a.m. in the atrium of the State Historical Museum.

Remarks at a Campaign Rally for Gubernatorial Candidate Jim Edgar in Chicago, Illinois

October 16, 1990

Thank you, Jim, and thank you all. What a thrill to be introduced by the next Governor of the State of Illinois. Thank you, Jim. And to you and your wonderful family, Barbara and I send our love.

To Bob Kustra and Jim Ryan and George Ryan and Greg Baise, Sue Suter, Pate Philip -- we've got a first-class team running for statewide office in Illinois, and I am out here to enthusiastically endorse each and every one of them.

And of course, to Governor Jim Thompson, who this January concludes his fourth term -- 14 great years for the State of Illinois -- what a job Jim's done! Thank you, Jim, for that warm introduction, too.

And let me pay my respects to another friend of mine, a man who came up here from Tennessee -- I saw him on Nashville Network the other night, and I wrote him a letter about ``American Boy'' -- and I'm talking about Eddie Rabbitt, great patriot and a wonderful musician. Eddie, thank you very, very much, and all you guys, too. And besides that, I never saw anybody sign so beautifully in country music as Donna Brandwine right here -- had that rhythm going.

You know, there's some real excitement here today -- the balloons, the marching bands, the thousands of cheering people. And I haven't seen anything like it since Millie had her last book-signing party. All of which reminds me, I bring the love and affection of Barbara Bush, who feels as strongly about Jim Edgar as I do.

This State, this great State of Illinois, made the difference in the 1988 Presidential election; and you're about to make a crucial difference in this race next month. That's because this county, Du Page County, is Republican country. So, get out the vote. Get out the vote. Let Du Page say who's going to run this State for 4 more years.

Let me put in an enthusiastic second for another great daughter of Illinois, and I'm talking about Lynn Martin. We need her in the United States Senate, and we need her bad.

And so, here we are in this field house of dreams, sharing the vision of a brighter future for this great State. It's a vision that pulses right through the heartland of America, the deep-running mainstream, the full, big-hearted center that says we want leadership to be direct, we want it to be honest, we want it to be candid, we want it to be purposeful and principled.

So, we are meeting here today in support of a candidate whose record lives up to his rhetoric, whose deeds are worthy of his words -- who says what he means and does what he says. And I'm talking about Jim Edgar, the next Governor of Illinois.

I was talking to some of my friends before we walked in here, and they tell me that there's a lot of opposition posing as Republican look-alikes these days. Well, come November 6th, the opposition will learn what Jim Edgar already knows: It's not enough to play for the prime time and deliver the lines; you've got to deliver the results. That's what Jim Edgar has done as your secretary of state, and that's what he's going to continue to do as Governor of this State.

You've already got -- after Jim and your State's assets -- you already have a lot to be proud of. You've got a vital manufacturing base. You've got world-class business and financial centers. You've got agriculture that feeds the world. In fact, they say that Illinois produces everything from bulldozers to turkeys. I'm not here to talk about your political opponents, but I am here with a message for the people of Illinois: As much as you've got to be proud of, you'll have a lot more to look forward to with Jim Edgar.

You know, he knows that education is crucial for these kids, and he's pledged to make Illinois the very first State to reach those national education goals that we set out for America. Jim Thompson, 49 other Governors, and I spelled these goals out after last year's successful education summit. And he has spelled out -- Jim has -- where he'll get the financial resources to improve the schools. And even more important, he understands that you've got to empower the people, not the bureaucrats. Because when it comes to the kids, we are all accountable, and we must be accountable.

So, Jim has already marshaled what I would call a real partnership between business and labor leaders and local officials and educators and community groups that's made it possible for over 40,000 adults to learn to read. Jim Edgar doesn't just talk about progress in education; he makes it happen.

And Jim also knows that no kid can be safe as long as drug dealers wander the streets peddling poison. So, he's called for tougher penalties for gang leaders and gang crimes. And incidentally, he and I agree 100 percent on another issue: Both of us want to stand up against drunk driving. And those who try to penalize him on this issue must not have things their way.

Now, may I address myself to this opinion here [audience interruption]. What we are for is peace in the Middle East. What we are also for -- [applause] -- but what we are also for is principle. And that's why I have put together the strongest international cooperation that we've ever seen in modern times. And with all respect, we will stand up against this aggression in the Middle East. No big nation can bully a small one, and that is the principle that I stand for.

It is only the United States that can stand for principle. And I'm so glad we have free speech here,

but once in a while, you know, we ought to get on with our business.

I can report to you that we're making some progress now in the war against drugs. Our national strategy is working. And Jim believes, as I do, that these drug kingpins, these mass merchants of death, deserve the ultimate penalty -- and I am talking about the death penalty for these drug kingpins.

I might add parenthetically that Jim and I care about the victims of crime a little more than we do about the criminals themselves. And that is the Du Page way, too.

Jim Edgar is calling, with his belief in fiscal sanity, for an amendment to strengthen the Governor's budget-cutting powers. And he will control State spending. And speaking of that, I wish I had what 43 Governors have, and that is the line-item veto. If the Democrat Congress can't do it, give the President a chance to cut this spending under control.

You know, we had a good package -- it was a compromise -- up there that would get the deficit down by $500 billion, not the best of all possible worlds but the best plan possible. And I'm grateful to the legislators that stood with me -- Illinois' own Bob Michel right out there in front. And they worked to build consensus, not controversy.

Sometimes the rhetoric back there gets pretty thick inside that Washington beltway. So, let me just put it in perspective for you. I heard Jim Thompson talking about it. We must have a significant and real deficit-reduction budget to get this economy moving. And when we get that kind of a deal, it will bring down the interest rates on home purchases and car loans. It will bring them down and create new jobs. So the time for Democratic rhetoric is over, and the time to move ahead is to get the Congress moving now, to get us that kind of an agreement. I guess what I'm saying is we can't afford business as usual. The budget's got to be real, it's got to be enforceable, and it's got to preserve our incentives for growth.

You know, I'll take my share of the hits, but I believe the American people really know that the problem has always been the failure of this one-party-controlled Congress to hold down spending. We're not taxing you too little; we're spending too much. And so, make no mistake about it: When you hear this liberal crowd that runs the Congress in Washington talking about taxing the rich, they're going to be after you the next thing you know, because that's the way it works -- tax and spend, tax and spend. And I want to end that once and for all.

So, today they're marking up a big budget plan back in Washington. It's a Democratic tax plan. If it reaches my desk, the one that comes out of the House of Representatives, I will veto it because it raises the income taxes of the working men and women of this country. And I am not going to do that.

One thing, incidentally, that appeals to me on this Senate package is that it holds the line on

income tax rates. Republicans have always feared that Congress will continue to pay for its spending habits by raising the income tax rates on everybody. So clearly, the budget summit moved us in the right direction, brought us to this final countdown week. And now we're down to 4 days back there in Washington. And Congress has the opportunity and the obligation to act. And the American people have every right to expect the Congress to finally act responsibly for the taxpayers' interest in this country.

Well, when we get back to the Governor's race here, I know what you're looking for in any leader. You're looking for principle -- statesmanship, not gamesmanship. And that's what Jim Edgar embodies in mind and spirit. I really believe -- I believe this deep in my heart -- that he will be a great Governor for the State of Illinois.

And what you're about here is setting the fundamental direction for Illinois politics in the nineties, in the next century. So, let me close by asking all of you to get out the vote. Go out and work to get out the vote. It's a time of great hope and enormous challenge around the world, particularly over there in the Persian Gulf. And let us all remember and none relinquish the priceless power of the vote that we have here at home.

It was the great son of Illinois, Abraham Lincoln, who said that ``Ballots are the rightful and peaceful successors of bullets. And such will be a great lesson of peace: teaching men that they cannot take by an election, neither can they take by war."

This fall, reach out to those around you. Get them to the polls. Make the meaning of democracy read loud and clear here in America's heartland. And make Jim Edgar and this outstanding ticket elected to office. Send them to Springfield to do the people's work.

Thank you, and God bless the State of Illinois. Thank you very, very much.

Note: The President spoke at 1:23 p.m. at the field house at the College of Du Page. In his opening remarks, he referred to the following Republican candidates for State office: Bob Kustra, Lieutenant Governor; Jim Ryan, attorney general; George Ryan, secretary of state; Greg Baise, treasurer; Sue Suter, comptroller; and James Pate Philip, senate minority leader. The President also referred to ``Millie's Book as Dictated to Barbara Bush."

Statement on Signing the Market Reform Act of 1990

October 16, 1990

I am today signing H.R. 3657, the ``Market Reform Act of 1990.'' This bill addresses concerns with regard to the stability of U.S. securities markets as a result of many factors, including the extraordinary volatility that transpired in the market break in 1987 and the less severe break in 1989. The bill provides a number of worthwhile measures to enhance financial market stability that have been strongly recommended by the Securities and Exchange Commission (SEC). Many of these measures were also suggested in the 1988 report of President Reagan's Task Force on Market Mechanisms.

Overall, H.R. 3657 is consistent with recommendations the Administration has made to the Congress over the last 2 years. In particular, I welcome the following features of the bill:

the authorization for increased monitoring of risks that are posed to SEC-regulated firms by their holding company and other affiliates;

the provision for the institution of a large trader reporting system by the SEC that could facilitate analysis of market developments; and

the authorization for the SEC to facilitate the establishment of a coordinated national system for safe and accurate clearance and settlement.

One provision of this legislation to enhance market stability was of significant concern in its original formulation, and is still troubling. Under certain limited circumstances, the bill permits the SEC during ``periods of extraordinary volatility'' to ``prohibit or constrain'' certain trading practices. The final language of the bill gives the SEC only carefully limited and narrow authority to control trading practices and is an improvement over earlier versions of the legislation. However, it is still important that this authority be carefully and judiciously exercised to prevent any interference with technological innovations in financial markets that can enhance market liquidity. We must be careful not to damage the vitality of America's markets at the same time that we protect market stability.

I have one more observation to make regarding the financial markets. Earlier this year the Administration transmitted to the Congress the ``Capital Markets Competition, Stability, and Fairness Act of 1990.'' This important legislation would mandate badly needed reform of the stock index futures market by clarifying the jurisdictions of the Commodity Futures Trading Commission and the SEC. I strongly support this legislation and urge the Congress to complete the job of market reform by passing the Administration's bill.

I am particularly pleased to sign H.R. 3657 into law and thereby to improve the stability of

America's vital securities markets and the protection of tens of millions of investors.

George Bush

The White House,

October 16, 1990.

Note: H.R. 3657, approved October 16, was assigned Public Law No. 101 - 432.

Remarks at a Campaign Rally for Gubernatorial Candidate John Engler in Grand Rapids, Michigan

October 16, 1990

Thank you all very much, and I'm very pleased to be back here. And what a great ticket we have heading up to run the State of Michigan. We need the change. We need John Engler to be the next Governor. We need Connie Binsfeld to be the Lieutenant Governor.

And so, I just came out here to do what Barbara did last week, and that is to wish John and Connie and all the rest of them -- I'm going to be going into a few omissions here, but I see way down on the end a guy running for the university trustees, Marv Esch. He and I were elected to the Congress the same time, and he's been a good friend ever since. And so, you have outstanding quality running to serve Michigan. And that's why I'm here. Thank you for giving us such a welcome.

I want to pay my respects to Brooks Patterson, who is the Bush-Quayle cochairman, and Ronna Romney, the national committeewoman, and Rich and Betsy DeVos; and so many others.

But let me begin by stating what I said in Detroit about 3 weeks ago on behalf of a good friend, and I'm talking about Congressman Bill Schuette, who I want to see Senator Bill Schuette. He's in a tough fight, but we're right in the period when these people start moving in the polls, and moving up. And we need him. We need him -- the change we need -- and we need him in real leadership. So, let's elect the man from Midland. Let's elect Bill Schuette to the Senate.

[At this point, audience members interrupted the President's remarks.]

May I address myself to the question that has been raised. We are not in the Middle East to protect oil; we are there to stand up against aggression. And we will stay there as long as it takes.

And now what we need is something in Michigan that we do not have in Washington, and I'm talking about a Republican State senate. We need to get control here so Governor Engler can run this State the way you and I want him to run the State. So, let's maintain our majority in the senate and gain a majority in the house. And then, of course, that brings me to the man of the hour. You know who I'm talking about. He's the right man to do the job, my friend and your next Governor, John Engler.

It's a question that all boils down to a question of leadership. And when the going was tough for me back in 1988 and in earlier days, this man stood up and led, and I'll never forget it. And that's why I'm here, because I know what he can do as a leader for this great State.

You know the story better than I: from a family farm in Beal City to a graduate of Michigan State, a State representative, and then one of the most respected members of the Michigan State Senate. And some say it's impossible to beat an incumbent. Well, you tell that to John Engler. He's already beaten three. And I'm here to help him make it number four -- the cleanup hitter.

Twenty-one days from now, just about now actually, the polls will be closing in Michigan, so please get out the vote. Get your neighbors to the polls. Do not fail to exercise your democratic franchise. If we do it, if we turn our vote out, this man and Connie and others will be elected, I can guarantee you.

The issues are not so unlike the issues in Washington. This election is going to decide whether Michigan chooses the bankrupt policies of tax and spend or, on the other hand, whether it chooses Republican policies that put Michiganers back to work. It is not right that this industrial State trails behind all the others in terms of employment.

I am fighting with our national drug strategy in place now, fighting to win this battle against narcotics. And I can tell you, nationally, we're making progress. But I want to see John Engler here who does not soft-pedal the need to be tough on crime. We share each other's philosophies on that. And I happen to believe that it is time to care more about the victims of crime and a little less sympathy for the criminals that are causing the crimes.

And there's another key ingredient here. This race will have a lot to say about whether or not Michigan has fair reapportionment. And let's face it, Michigan needs its reapportionment map drawn by the Democrats like the Spartans need their playbook written by Ohio State. We don't need that at all.

And so, what it means then is getting people that believe, as John does, that the challenges are met through the human heart and through the mind, and not through the heavy hand of Washington, DC. Over and over again, he has told me to cut back if I can on the mandated programs, the programs from Washington dictated by the liberal Democrats that tell everybody in Michigan exactly how you have to solve their problems. I want to put the action where it belongs -- right here in the hands of the Governor, not back there in Washington, DC.

And there's another field where we totally agree, and that's the field of education. And the Governors do have a special role. John Engler knows that excellence is obtained through higher standards, through more accountability, through empowering the parents with more choice in where their kids go to school. And so, we unveiled the Educational Excellence Act in Washington -- Excellence Act of 1990. And we worked with the Governors to develop this country's first-ever national education goals. So, what I say is: Let's back men like John Engler who will work with me to make those goals a reality and to make our great country the number one in education around the entire world.

I mentioned the fight on narcotics. Sixteen months ago I sent a violent crime bill to Congress. It's a tough one. It supports the police; it's tough on the criminals. And here's the problem: The liberal Democrats have made every effort to water down the bill. The solution: electing candidates who support toughening laws at both the Federal and State level. And so, join with me in telling Congress to take the shackles off policemen, the courts, and the law. We need a guy like Bill Schuette in the Senate. We need John Engler in the Governor's mansion, who will help our police take back the streets.

I hate to ruin this wonderful evening, but let me just say a word about the Federal budget deficit. The American people have watched with growing frustration as this process drags on and on. And it hasn't been pretty, and it hasn't been nice. Year after year, Congress fails to meet its budget deadlines on time. And it resorts to passing emergency bills just to keep the Government operating. It has happened 37 times in the last 10 years. And if this is the best that the system can do, the system controlled -- House and Senate -- by the liberal Democrats, then it's time to build a better system.

So, let me tell you what we must have and what I'm fighting for on your behalf in Washington. We must have real and significant deficit reduction to get this economy moving again. When we get this deal -- listen to the Chairman of the Federal Reserve -- when we get a budget agreement, that will bring down interest rates on home purchases and car loans. That will create jobs. And to get this deficit down, Congress cannot resort to the old political shell game, and America cannot afford business as usual. And so, the budget -- it must be real, it must be enforceable, and it must preserve our incentives for growth. And I will keep the Congress there as long as it takes to get that kind of budget for the American people.

Right this very minute, right this very minute back in Washington, the House is taking up -- the House of Representatives -- the House Democratic budget plan. It is a big Democratic tax plan. And if it reaches my desk, I will veto it because it raises the income taxes of the working men and women in this country. And that is simply unacceptable. And the best shot we've got is the Senate package. At least it holds the line on income tax rates. So, I'm interested in seeing that one move forward.

You know, all Americans are concerned that Congress will continue to pay for its spending habits by raising the income taxes on everybody. And the budget summit did move us in the right direction. It's brought us to this final countdown week, and it's down to 4 days. And Congress has the responsibility and it has the obligation to act, and the American people have a right to expect the United States Congress to act reasonably.

And so, on November 6th, let's send Congress a message. Let's reject the Democrats' tax-and-spend policies that got us here in the first place and tell Congress that America's kids, the young ones here, deserve to inherit more than an avalanche of unpaid bills in a mortgaged future.

You know, when I was here -- on another subject -- when I was here 3 weeks ago, I spoke to Michigan's sons and daughters in another context, one that's on the minds of all Americans. And I spoke of those young men and women now on active duty in Saudi Arabia, saying these men and women show that America would not be the land of the free if it were not also the home of the brave. And we intend to stand by those who stand up for what is right and good. And so, we will remain in the Persian Gulf for as long as it takes to complete our mission. And above all, we will keep faith with the greatest service men and women any nation could possibly have.

So, we're down to the wire; 20 days from now we've got to keep faith with America. So, let's get to the polls. Let's show our will and our resolution, and let's keep a Republican majority in this State's senate and win a majority in the house. And let's elect Bill Schuette as Senator. And let's send the right man to Lansing: Let's elect John Engler the Governor of the State of Michigan. You can do it. You hold it in the palm of your hands to get this job done. So, take a friend. Go to the polls. Vote for John Engler.

And God bless the State of Michigan, and God bless the United States of America. Thank you very much.

Note: The President spoke at 6:33 p.m. in the Grand Hall of the Amway Grand Center. In his remarks, he referred to Richard DeVos, Republican candidate for the State board of education, and his wife, Betsy, Republican chairman for the Fifth Congressional District; and Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System. Following his remarks, the President attended a reception at the Amway Grand Plaza Hotel and then returned to Washington, DC.

Statement on the Federal Budget

October 16, 1990

Tonight the Democrats in Congress have turned back the clock. By a partisan vote in the House of Representatives, the Democrats pushed through a tax increase on working men and women.

The hidden tax is back. By removing the indexing of tax rates, the Democrats have resurrected an inequity most Americans thought was a thing of the past: bracket creep. Also, I find unacceptable surcharges and other hidden mechanisms that increase income taxes on all Americans.

I am determined that the budget deficit-reduction package be fair. I am determined that the budget not be balanced on the backs of working Americans. That's why I will veto the Democratic plan passed by the House should it reach my desk.

I am hopeful that it will not come to that. The bipartisan plan now being considered in the Senate does not raise income tax rates. Its approach is therefore much more in keeping with our efforts to ensure that the final budget plan is fair to all Americans.

Statement on the Children's Television Act of 1990

October 17, 1990

I have decided to withhold my approval from H.R. 1677, the ``Children's Television Act of 1990," which will result in its becoming law without my signature. This bill is intended to increase the amount and quality of children's television programming and to diminish the commercialization of programming for children.

I wholeheartedly support these goals, but regret that the Congress has chosen inappropriate means of serving them. In an effort to improve children's television, this legislation imposes content-based restrictions on programming. The legislation limits the amount of advertising that broadcasters may air during children's programming, and the Federal Communications Commission is charged with policing the adequacy of broadcasters' efforts to serve the educational and informational needs of children. The First Amendment, however, does not contemplate that government will dictate the quality or quantity of what Americans should hear -- rather, it leaves this to be decided by free media responding to the free choices of individual consumers.

I recognize that the Supreme Court has upheld the application of certain content-based regulations to broadcast licensees, on the theory that the ``scarcity of broadcast frequencies" makes government involvement inevitable. Red Lion Broadcasting Co. v. FCC, 395 U.S. 367 (1969). Whatever validity this analysis may have been thought to have some 2 decades ago, its factual premise has been eroded by the proliferation of new video services that supplement those provided by traditional broadcasters. Accordingly, a constitutional challenge to this legislation may provide the Supreme Court with an occasion to reconsider its decision in Red Lion.

I also have very strong reservations about the legislation's application of quantitative advertising restrictions to cable operators. Red Lion's ``technological scarcity" theory does not apply to cable service, which should be considered analogous to the print media under the First Amendment. Even under the commercial speech doctrine, I do not believe that quantitative restrictions on advertising should be considered permissible when applied either to newspapers or to cable operators.

Finally, the advertising limits imposed by this legislation cannot reasonably be expected to advance their intended purpose. To the extent that children's programming is financed by the revenue from advertising during such programming, restrictions on the amount of advertising will tend to diminish, rather than enhance, the quantity and quality of children's programming.

George Bush

The White House,

October 17, 1990.

Note: H.R. 1677 became law on October 18, upon the expiration of the 10-day period allowed for Presidential action, and was assigned Public Law No. 101 - 437.

Remarks at the Welcoming Ceremony for Prime Minister Jozsef Antall of Hungary

October 18, 1990

The President. Mr. Prime Minister, it's a tremendous pleasure to welcome you and your wife, Klara, to the White House today.

Seven years ago, I became the highest ranking American official to visit Hungary and, last year, the first American President to journey there. Even though it was pouring rain when we arrived in Kossuth Square, the people of Hungary gave us a very warm welcome. Barbara and I have seen few cities more lovely than Budapest; and we've seldom seen a city more alive -- alive with commerce, change, and above all, hope; alive with a people who believe that, like a lamp lighting the darkest night, liberty can light the globe.

The arrival at the White House of the first democratically elected Prime Minister of Hungary in over 40 years is, indeed, sir, an historic event; and it brings to mind the arrival 138 years ago of another Hungarian patriot at another house which embodies freedom, the Congress of the United States. That man was Lajos Kossuth. His statue stood behind us that day in the rain in Budapest, in the square that bears his name. And in today's historic meeting, his memory lifts us and teaches us. For his life was a celebration of bravery and of dreams. He knew that a courageous people would not bow to bayonets and barbed wire, and he knew that the light of liberty would shine forever.

Today in your homeland, from the streets of Budapest to the great plains to the waters of the Danube and the gentle towns that grace its banks, Hungary's new patriots believe that all things are possible for a nation and for a people; and they proclaim the individual, not the state, as the voice of tomorrow. Today in Hungary that voice is being heard. Hungary is no longer an emerging democracy; Hungary is a democracy. The government you head is a sovereign, pluralistic, democratic European state. The dream of Hungarians has been fulfilled and carried beyond their own borders to others in Central Europe. And now, in 1990, Hungary has taken its natural place as a valued member of the commonwealth of free nations.

During our visit to Budapest, we saw the Hungarian love of excellence in careful craftsmanship, in bountiful harvests from family farms, in the pride of scientists in their work. And American companies have already demonstrated their faith in Hungary's economic potential by committing well over half a billion dollars in new investments. General Electric is making lightbulbs in a joint venture with Hungarian firm Tungsram. General Motors is producing auto parts there. And I encourage more American businesses to find out what Hungary has to offer.

Prime Minister Antall's government has demonstrated its determination to integrate Hungary into the global market by developing an ambitious economic reform program, and we pledge our

continuing support for your courageous efforts. The Hungarian-American Enterprise Fund has announced its first investment in a joint venture to market high-tech equipment. For the new fiscal year, our administration has asked Congress for a $300 million economic aid package for Eastern Europe. Our Regional Environmental Center in Budapest commenced operations last month. And we are offering $47.5 million in credits for the purchase of about 500,000 tons of feed grains to compensate for the effects of the severe drought that Hungary has experienced this year.

And we also know that, like all of us, Hungary and the other new democracies of Central Europe are paying a high price for resolutely supporting the United Nations sanctions against Iraq. And we understand that the loss of export markets and rising energy costs complicate your historic effort to transform a centrally planned economic system to a free-market economy. And so, to help ease this burden, I am announcing today that the United States is asking the International Monetary Fund to increase its lending to the countries of the region by as much as $5 billion, modifying its lending policies as appropriate. And we also asked the World Bank to accelerate its assistance in the energy field, drawing on the $9 billion now committed to Central and Eastern Europe.

The United States has been a partner of Europe for most of this century and will remain so. And we welcome Hungary and the other new democracies into a new partnership in a new Europe -- a Europe whole and free. The United States is committed to helping you find a secure place in the new Europe and is building with you a new era of U.S.-Hungary relations. In that regard, I am pleased to announce the lifting of the travel restrictions for Hungarian diplomats and our agreement to your request to establish an Hungarian consulate general in Los Angeles.

And so, Mr. Prime Minister, we welcome you amid dramatic times. We welcome you amid a feeling of hope and promise. And as old friends and as new partners, we welcome you amid a spirit of cooperation, looking forward to these conversations that lie ahead.

And when Kossuth came to America, his reception showed how our two peoples share a common love of liberty. And in New York harbor, an armada of ships sounded horns to celebrate his arrival. Thousands rushed his open carriage. Perhaps no visitor since Lafayette had been greeted so emotionally.

Like Hungarians, the Americans of that time believed in helping individuals and nations who understood that real freedom makes all progress possible. For they, like Hungarians and Americans today, were determined to ensure that the light of liberty will shine forever.

So, welcome to America, Mr. Prime Minister, and God bless the friendship between our two nations. Thank you.

The Prime Minister. Mr. President, Mrs. Bush, ladies and gentlemen, I feel sincerely moved when

standing here in the garden of the White House on this occasion when you are receiving here the Prime Minister of Hungary, the first freely elected Prime Minister of our free government.

We are proud of the fact that all the American ideals of liberty, those ideals that used to be the constitutional treatise and credo of Washington, Jefferson, and all the other famous American statesmen, belong also to us.

We are proud of the fact that whenever you remember the wars, the battles you came out as the triumphant party of, you had Hungarians taking side with you, in support of you, who were there with you at those triumphant battles and wars.

We are also proud of the fact that a soldier of Hungarian origin, Milahy Kovacs, who fought in your War of Independence, sacrificed his life to gain your independence. Yesterday we also felt very much moved when paying tribute at the memory of your heroes in the cemetery and, at the same time, we could also salute the memory of Hungarian heroes there.

We also take pride in the fact that there were also many Hungarians contributing to building up your country. Whatever has been done in order to make your country, the United States, be a great power had contribution on behalf of Hungarian military men, Hungarian workers, Hungarian farmers, as well as from Hungarian scientists.

Mr. President, you have just spoken about Lajos Kossuth, and you also recalled your visit in Budapest. When standing in front of the statue of Lajos Kossuth, you delivered your speech there. Lajos Kossuth represents freedom and liberty for everyone. It happens not by chance that it is exactly the personality of Lajos Kossuth that binds us together, because that is a token and symbol of freedom for both Hungarians and Americans.

The era that created Lajos Kossuth, in fact, forms part of the Hungarian historic mythology. Therefore, should there be any matter related to any war of liberation or revolution, we always return to that particular period of our history. It happened like that also in the year of 1956, when Hungary, as one nation, took arms and started to fight the Soviets and made an attempt on that occasion to establish the independent Hungarian democracy. It was that which has brought us the spirituality, during which we, after a period of more than three decades, set out in our country to demolish the building of dictatorship.

On this occasion, I would like to express my thanks to you because ever since the time when America recognized that Soviet power had been extended onto the regions of Eastern and Central Europe and through all the peoples living in that region, has been very persistent in trying to defend the grounds of the free world.

I would like to thank you for having elevated the issue of human rights onto governmental level. And you have been representing that important issue in the last decades at that very high level.

I would also like to express my thanks to you for having forced the Soviet power to enter into fierce competition of technology, military, and economic nature. By doing so, you have contributed to helping reform politician in the personality of Gorbachev to make an attempt to change the Soviet Union. And also the peoples living in East and Central Europe have been given more opportunities to make use of their freedom.

We started the transformation of the political institution system, and Hungary today is a parliamentary republic. We have also laid down the grounds for a free-market economy. At the same time, we do not want to hide the fact that to implement an economic change in a country is far more difficult than execute a political one.

You, Mr. President, have spoken about all those matters that I could have also mentioned here when presenting my request or when speaking in form of complaints. Well, I think this is an indication of the fact that we have come here as friends. And we are seeing friends here. We are being received by friends who can perhaps read our thoughts.

All those that you have just spoken about and all of those that you were very gracious and kind to promise us as future prospective potentialities will help us to survive this very severe crisis.

May I say thank you for receiving me and for receiving the members of my delegation representing the Government of Hungary. And may I assure you that Hungary is a faithful friend of yours and will remain so until the very end of times. Without you, the system of dictatorships would have never been collapsed in East and Central Europe.

And people were able to realize that all those that had been preached and declared by Marxism-Leninism was nothing else but a series of lies.

Twenty-five years ago I could cite in one of my articles that I wrote about Lincoln one of the sayings of his: It is possible to cheat many people for a short time. During a long time, it is possible to cheat one person. However, it is impossible to cheat many people during a long time.

Thank you very much for receiving me, and thank you very much for the benevolence of America. Thank you very much, Mr. President.

Note: The President spoke at 10:11 a.m. at the South Portico of the White House, where the Prime Minister was accorded a formal welcome with full military honors. The Prime Minister spoke in Hungarian, and his remarks were translated by an interpreter. Following the ceremony, the President and the Prime Minister met in the Oval Office.

Statement by Press Secretary Fitzwater on the Lifting of the State of Emergency in Natal

October 18, 1990

We warmly welcome the announcement today by the South African Government that they are lifting the state of emergency in Natal. We see this as yet another important landmark on the road toward full normalization of political activity in South Africa.

We believe that President de Klerk deserves credit for his political courage and leadership. We would reaffirm our full support for the historic process in which he and Mr. Mandela [leader of the African National Congress] are currently engaged.

As President Bush said on the occasion of President de Klerk's visit to Washington, we believe that the process of change in South Africa has become irreversible. The lifting of the state of emergency in Natal reflects that reality.

Remarks to White House Interns

October 18, 1990

I understand what we're going to do here in just a second is: I retreat, we divide up into two groups -- given the weather -- and get some pictures taken. But really I'm glad to have this opportunity to come over here and meet with you all today because I do know what a contribution you've made to the workings of this White House. Sometimes the chores assigned might seem a little ordinary, might seem somewhat removed from the weighty processes of government that you may be studying in school or are more interested in, but I'm sure that you've learned that little things do add up to the greatness of this whole system of our democracy. And so, I really did want to come over and say thank you very much for these internships.

And I also want to take a moment just to share a few ideas with you about the issues that you're hearing so much about today, and mainly I'm talking about the big budget debate that's going on on Capitol Hill. Now, let me venture a guess that you've learned a great deal about how Washington works here in what we lovingly call ``inside the beltway.'' And you've learned some of the jargon: continuing resolutions and sequestration and conference committees. And it's a good thing. But many people hear this technical talk, and they think that it's all so complicated that it couldn't mean anything to them. Well, when you return home, maybe you can let these folks know that decisions in Washington do make a difference in the lives of everyday Americans for better or for worse.

You've also recently heard a lot coming out of Capitol Hill about soaking the rich. And let me translate this bit of Washington doublespeak for you. When some Members of the Congress talk about ``soaking the rich,'' they really do mean raising taxes on everybody. Their talk about progressivity and regressivity is just a smokescreen, in my view, to try and hide their effort to raise the income taxes of ordinary working Americans.

Let me tell you about another word, and this one's a little complex. But again, I expect many people here do understand it. I'm talking about indexing. You were all perhaps kids -- I don't want to put you in a time warp here -- but when indexing was established, that was back in 1981. And you may not know that there was a time when inflation simply pushed the middle-class Americans into higher and higher tax brackets. Inflation was so rapid that people were moving fast into higher brackets, brackets that were once designed to soak the rich.

In other words, the Federal Government really was a silent partner in inflation, profiting from higher prices even as families suffered. I say profiting because more and more money came in under inflation and under no indexing. Elimination of indexing does not affect the rich because they are already in the top bracket. Indexing is a protective shield for the middle class. And tell your parents and families that I am not going to permit this shield, this protective shield for working Americans, to be pierced, to be broken.

We must reduce this deficit so that interest rates can come down. Many of you have heard what Alan Greenspan said: If we get a good package, they will come down. We have got to enable people, then, to buy homes and cars so that business can invest in new jobs. And that's what lower interest rates will do. And they won't come down unless we get this deficit under control.

Now, let me tell you about another word I'm sure you're hearing about: incentive. When tax rates get too high, and they did this before indexing came in, then people didn't save because the Government tax takes so much that there is no incentive to save or to invest. And that's the reason why, as I look at what's going on up on Capitol Hill today, I prefer the Senate version of the budget because it keeps the 28-percent rate and it doesn't raise the income tax on any middle class or lower income Americans -- not because I want to help the rich but because I want to help everyone.

And once they start changing anybody's income tax rates, they cannot resist changing everyone's tax rates. And you don't have to be an expert in Federal fiscal policy to understand the real issue here. As I said, I am determined to reduce this deficit, but I'm even more determined to continue economic growth so that all of you can enjoy a better future. And I'm talking here about jobs, willingness to invest in new businesses and to employ more people. And I'm not going to let the politicians who speak so passionately about soaking the rich get away with killing the indexing, the very indexing which preserves incentives and protects the family budget from the attack of a Federal Government which spends so much that it simply cannot balance its own budget.

So, I will hold everyone's feet to the fire and make them up there, to the best of my ability, do the right thing. I really do believe in what I'm doing, and I believe that the national interest is more important than my own personal interest and certainly more important than the special interest. And I'm going to fight the taxers and the spenders because it is right.

And in the coming weeks, I plan to take this message to the American people. And I really believe in my heart that as the voters learn more about what the real issues are, issues like indexing -- and again, what that does to the working men and women in this country when you tamper with it -- incentive -- what that means in terms of creating new jobs and growth to get this economy moving. It's sluggish, and I want to see it move forward so more people have hope and opportunity. And when people understand this, I think they're going to join me in demanding that Congress be responsible and that it reduce the deficit by controlling taxes and spending.

And when I look at all of you, I'm reminded of the young men and women of my generation who had the opportunity to live the American dream. And I firmly believe that it's still alive, but that we all must always work to preserve it and to protect it in a way. And I feel I have an obligation to my own kids and to my own grandchildren in this regard and to all of you.

And so, that's what this battle is about up there -- getting the deficit under control; having a firm 5-year program that has real reductions, not phony reductions, real reductions that result in $500

billion real reduction deficit, but do it in a way that you don't sock it to the middle class or the working people of this country. And that's where the battle is. And the opposition is trying to say favoring the rich. And I'm saying I'm favoring jobs, incentive, investment; and through battling against what the House has done on indexing, protecting the working men and women of this country.

I really didn't mean to unload on you like this, but -- [laughter] -- we're getting down to the wire here, and I feel very, very strongly about it. And I am grateful to the leaders up there in the Congress -- and I'd say both Democrat and Republican -- for the way they're working as we go down to tomorrow night's deadline. We're getting good cooperation from the leadership there. And now I just want to see that what I've spelled out for you here is what prevails, so when Congress adjourns we can start to see this economy recover and every single American will have more hope and better opportunity.

Now, with no further ado, let me simply say, once again, thank you, each and every one of you. And I will go until the cruise director gets in here and figures out how we can get at least two pictures that we'll send over your way as soon as we get them done. And thank you all very, very much for what you're doing. Appreciate it.

Note: The President spoke at 3:20 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System.

Toasts at the State Dinner for Prime Minister Jozsef Antall of Hungary

October 18, 1990

The President. Mr. Prime Minister and Mrs. Antall and to our Hungarian and American friends, I am glad you are all here, especially those from out of town, because so many are grounded or circling at this very moment trying to get here. [Laughter]

But it is a great pleasure for Barbara and me to welcome you both to the White House tonight. There's a great poet of Hungary's 1848 Revolution, Sandor Petofi, once wrote: ``Let me address you in the name of millions." And so, tonight, Mr. Prime Minister, let me greet you in the name of millions who convey their warmest welcome, the people of the United States.

And as I look around this room, I see why Americans feel so enriched by our long friendship with the Hungarian people. We see the kinship in the nearly 2 million Americans of Hungarian descent: in giants like nuclear scientist Edward Teller -- we're honored to have here with us tonight -- or conductor Eugene Ormandy, who proved that music is the universal language, or Colonel Kovacs, who gave his life for America's struggle for freedom way back during our own Revolutionary War.

But this kinship isn't just one way. Americans admire Hungarians whose deeds so inspire us, heroes like the great founder of the Hungarian state, St. Stephen, and great composers like Liszt and Bartok, or Hungary's many winners of Nobel prizes or Olympic medals, or that great patriot Janos Hunyadi, who more than five centuries ago stopped foreign invasion. In his honor, the Pope ordered each Catholic church in Europe to ring its bell at midday. And since then, Catholic church bells all over the world ring precisely at noon. Heroes, yes -- American, Hungarian.

Today, more than ever, this kinship binds the people of the United States and Hungary. And our nations are linked by many things: hard work, the role of community, religious devotion, and of course a fierce love of freedom. And especially during the past 2 years, your gallantry has evoked our admiration. Your example has been our inspiration.

When we were in Budapest last year, I was given a piece of the Iron Curtain. And I keep it there in my office that you visited today, sir, as a stark symbol of Hungary's courageous decision to open its borders, unleashing a force that helped transform Europe and eventually brought down the Berlin Wall.

If Kossuth could be with us here tonight, he would see that his dream of a free and democratic Hungary had been fulfilled, and he would see that this new day in Hungary's history is the result of the Hungarian people's determination to live in freedom. Your presence here tonight, Mr.

Prime Minister, bears testimony to Hungary's new role as a sovereign member of the new and growing partnership of nations.

The darkness lifts, the bell resounds, and the light grows brighter by the day. And so, Mr. Prime Minister, let us raise our glasses, and let us raise what Kossuth called the morning star of liberty. God bless you, and as your national anthem proclaims so unforgettably, ``God Bless the Hungarians." We are very pleased you're here, sir. To your health.

The Prime Minister. I consider this day a great day in the life of the Hungarians and to all of us. We feel that you have done a lot for our freedom, because you have been determined, because you have stuck to all those moral principles that your forefathers and the Founding Fathers have brought home in this country.

And this past also binds both you and ourselves. We are proud that Hungarians were able to do a lot for America. It is a special, very good feeling to be able to be here. And it is also a good feeling that, with your national flag, the Stars and Stripes, the humble Hungarian tricolor is also on the same level with you.

We have restored the old Hungarian coat of arms and the holy crown -- according to tradition, the crown of King Stephen the Saint was preserved by you. And sometime in the future, historian may find that the return of the crown played a very important role to once again being able to identify ourselves within our own self. Thousands and thousands of people pay tribute in front of it when the party state still was operating and was in function. We at home, we once again felt we were Hungarians, and we also felt the great pressure of this old traditional symbol. Afterwards, Hungarians came back to visit Hungary who had not been to Hungary before.

Your visit last year, Mr. President, took place at a time when the opposition carried out with the first negotiations in the framework of the opposition in roundtable talks. Your presence has once again encouraged us. And I am sure that you may also have felt the feeling that the United States of America, and personally you, are so popular. And please accept my apologies for this exaggeration that, perhaps, not so popular anywhere else in the world. [Laughter]

Well, Mr. President, suppose you don't have a chance to be a third-time President of the United States. I am sure the Hungarian nation would willingly elect you as President. [Laughter]

I raise my glass to eternal friendship of the United States of America and Hungary and to you, personally, Mr. President and Mrs. Bush.

Note: The President spoke at 8:15 p.m. in the State Dining Room at the White House. In his opening remarks, he referred to the interruption of commercial air service caused by inclement weather. The Prime Minister spoke in Hungarian, and his remarks were translated by an interpreter.

Remarks to the National Italian American Foundation

October 19, 1990

What I really want to do is get this distinguished group to ask you to file through into the Oval Office. Take a look at that and maybe get individual pictures.

But let me just tell you where we stand as we're getting near the end of this Congress, the end of this session. Last night the Senate passed a bill that offers, I think, some real hope for getting this budget deficit matter under control. I have stood against raising these individual income tax rates, and I think I'm on the right track in that. And I'm going to try to hold the line.

The Senate did a very good job on that compromise on one side or another. But I congratulate the leaders. I just had Bob Dole in here and got to thank him personally for his steadfast leadership. And then I think certain credit goes to George Mitchell, who held the line on the Democratic side. So, now they go to conference. They're starting at 11 o'clock. I expect it will start off with a photo opportunity -- all life does these days -- [laughter] -- and then they'll get down to some serious work.

It is a question now that could be solved in a very short period of time. But I think they have been serious -- the Senate -- working until all hours to bring it this far. There are big differences between the Senate and the House legislation, but I'd prefer not to go into what I think the details of the final bill will be. But I will say I, for the first time, feel optimistic that we can get this job done for the American people, and it needs to be done. I've found that if you want to make something happen, if you want to govern rather than just give speeches, you have to sit and work very hard and give a little and take a little. And it's in that spirit now that the White House is going to approach this conference. I hope that we can finally demonstrate to the American people that this deficit that is plaguing the generations to come can be managed. So, that's where we are on that one.

On the Middle East, you've, I'm sure, all followed that. And we've got a lot of kids over there -- wonderful, highly motivated, well-trained men and women. I'm as determined as I was the day that the first troop left that Saddam Hussein's aggression not be rewarded by some compromise, not be rewarded by our failing to get him totally out of Kuwait or restore the legitimate rulers.

And it's been a fascinating experience as we've pulled together the largest coalition of this nature perhaps since World War II -- I'm sure since World War II. And it's disparate: It's Arabs as well as other countries. Saddam Hussein's still trying to make people believe this is the Arab world against the United States of America. And he couldn't be more wrong. We have a majority in the Arab League -- strong majority. We've got strong support, both on the ground and in diplomatic forums, for what we're doing from Arab countries.

So, I think we've sent a very strong signal, but I think the bottom line is he can't prevail. So, we're going to stay with this, stay the course, and send a strong moral message out there, and a simple one: One big country can't bully its neighbor and take it over. That's the principle that we're fighting for. We also have national security interests which relate to the energy out there. So, it's been a fascinating experience.

With Pete Secchia here, I will simply say that -- I want to thank him for the job he's doing -- but say that I can't think of anybody who has been more cooperative in all of this than the Italian Government. You know, I've had a chance now to work with the Italian Prime Ministers in NATO, for example, and in the G - 7 meetings [economic summits of industrialized nations], and I can report to you what I think most of you already know, and that is that the relationship between Italy and the United States probably has never been better. We don't get in and choose up on some of the domestic political issues over there, of course. I mean, that's their business. We deal with whoever the Prime Minister is, whoever the government is. But whether it's one party or another, they've been steadfast friends of the United States, constructive in debate and in discussion, and we always end up kind of on the same wavelength. And I think that's a very, very important thing. And at times, I feel that, for reasons that escape me, people don't fully understand how well this relationship is set up and how well it's going.

I think, Pete -- I expect you'd agree with those comments, but -- and I will say that this Ambassador has done a very good job of getting out around the country, getting the feel for the people themselves, and making clear to them in every way possible -- through papers, through appearances and different groups around the country -- that we are their friends. Not that they doubt it. It doesn't hurt sometimes, when you have the turmoil around the world, to let your friends know you're not neglecting them and you're not forgetting the importance of them.

Besides that, we have an awful lot to learn from the Italian experts over there in matters that relate to neighboring countries. I'm thinking of the turmoil in Yugoslavia today, and I'm thinking of the evolution of change all through Eastern Europe. And I've found Mr. Andreotti and company to be extraordinarily helpful as I've had many, many discussions with them.

So, I think that part of our business is in fair shape. I've dwelled only on one domestic issue here, and that is the necessity of getting the budget deficit down. Congress is running out of time now to act on our Educational Excellence Act, which I think fits into some of the work of the foundation on education. And I regret that very, very much because we've got a good, sound program.

We are making progress, as Bill Bennett -- I don't know whether he's talked to you all today or not -- but anyway, making significant progress on this all-out war against drugs. Some of the statistics are very, very encouraging. I know, Paul, you know Jim Burke, who used to be head of Johnson and Johnson, and some of the rest of you probably know him as well. And he's headed up what we call a Points of Light approach, in this instance bringing media advertising to bear on

this question of antinarcotics. And part of the work is staying in very close touch statistically through polls and surveys on this. And he shares Bill Bennett's optimism about the fact that the country is finally making progress, with dramatic use of heroin down, use of cocaine down -- use of all these heavy drugs down. And so, there's a light at the end of that tunnel, and we're going to stay with that one.

And on the national drug strategy, I think in fairness, we are getting pretty good support from Congress. We're not getting the support I want on the crime bill. We've had a different approach to it. Ours is hard-line. Ours is tough. And I think it's proper. And I regret very much that they have not come through and given us a crime bill that I can sign. And I don't think that we're going to get it before the end of this session.

Clean air -- I'm disappointed that we haven't finalized a clean air bill that is reasonable and one that does do what we started out to do, and that is make dramatic improvements in the clean air amendments. And I had one up there that we had to get agreement with on some of the Senators. And then we go to the House, and it gets caught up in a lot of extremes over there -- people wanting to drive industry totally to its knees. And I'm still convinced that we can find a sound balance between growth and jobs and sound environmental practice. And so, we're not home yet on the clean air amendments, but I'm hoping that we will be because I think it's very important for our country and for the generations to come. So, we're going to keep working.

A lot of these issues will carry over, obviously, until the brand new Congress -- they've got to start over, but headway will not be totally lost on some of these key questions. But I'm not handing out grades to Congress. They're grading me every single day. Some of it very flattering, and some of it not so pleasant. [Laughter] But that goes with the territory. And what I'm trying to do in the last -- back to where we started -- in the last few hours of this Congress is say: Look, let's put the people's business first. Let's lay aside this political rhetoric and get a job done that should have been done long ago, because it simply isn't right to mortgage the future of these kids anymore.

And with an economy that is sluggish, it is just exactly the time to demonstrate to the world that we can get the deficit down. You've all heard what Greenspan said about interest rates, provided we get a sound budget agreement. And I think better than a speech on the floor of the House would be a sound agreement that brings these interest rates down and starts growth and job opportunity for the American people. So, that's where I'm spending my time at the end of this session.

Thank you all very much for coming. And now if those who have the time -- I'd love to have you just file through and see the majestic Oval Office, and we'll get pictures. Thank you all very much.

Note: President Bush spoke at 10:16 a.m. in the Roosevelt Room at the White House. In his

remarks, he referred to Robert Dole, Senate Republican leader; George Mitchell, Senate majority leader; President Saddam Hussein of Iraq; Prime Minister Giulio Andreotti of Italy; William J. Bennett, Director of National Drug Control Policy; Paul Oreffice, chairman of Dow Chemical Corp.; James E. Burke, chairman of the Partnership for a Drug-Free America; and Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System.

Excerpt of a Statement by Press Secretary Fitzwater on the Citizens Democracy Corps

October 19, 1990

The President launched the Citizens Democracy Corps in May as a new initiative to support the voluntary efforts of American citizens to help strengthen the emerging democratic institutions and market economies of Central and Eastern Europe. It is today being expanded to include activities in the Soviet Union as well.

The President is pleased to announce the names of the Chairman and Executive Committee of the Board of Directors of the Citizens Democracy Corps. He is gratified that these distinguished American leaders, representing a cross section of our society have agreed to serve. They are as follows:

Chairman of the Board

The Honorable Drew Lewis, chairman of the board, Union Pacific Corp.; former Secretary of Transportation

Executive Committee

The Honorable John R. Block, president, National American Wholesale Grocers' Association; former Secretary of Agriculture

The Honorable Derek Bok, president, Harvard University

Mr. Lodwrick M. Cook, chairman and chief executive officer, ARCO

The Honorable William A. Hewitt, former chairman, John Deere & Co.; former U.S. Ambassador to Jamaica

The Honorable Barbara Jordan, the Lyndon B. Johnson chair in national policy, University of Texas; former Member of Congress

The Honorable Nancy Kassebaum, U.S. Senate

The Honorable Lane Kirkland, president, AFL - CIO

The Honorable Henry A. Kissinger, chairman, Kissinger Associates, Inc.; former Secretary of State.

Mr. Robert H. Krieble, president, Krieble Associates

The Honorable Frederic V. Malek, vice chairman, Northwest Airlines; cochairman, Coldwell Banker Commercial Groups

Mr. Frank N. Piasecki, president and chief executive officer, Piasecki Aircraft

The Honorable Robert S. Strauss, partner, Akin, Gump, Strauss, Hauer & Feld; former chairman, Democratic National Committee; former U.S. Trade Representative

Mr. William T. Ylvisaker, president and chief executive officer, Corporate Focus, Inc.

A Board of Directors will be announced later.

Statement on Civil Rights Legislation

October 20, 1990

Today I received S. 2104, the Kennedy-Hawkins ``Civil Rights Act of 1990." As I have said before, in its current form, this bill is a quota bill. Throughout congressional consideration of this bill, I have said repeatedly that I want to sign a civil rights bill this year that addresses certain Supreme Court decisions regarding employment discrimination. There are reasonable compromises that I would support that address legitimate issues raised in these cases without resulting in employers adopting quotas.

The legislation as enacted by Congress fails to cure several critical defects I find in the bill. In its present form, the measure remains a quota bill because inescapably it will have the effect of forcing businesses to adopt quotas in hiring and promotion. Throughout congressional consideration of this bill, I have emphasized my support for legislation to strengthen our employment discrimination laws, and have already signed the most sweeping civil rights bill in 25 years: the Americans with Disabilities Act. With regard to S. 2104, I want to sign a civil rights bill; but I will not sign a quota bill. Instead of solving problems, quotas foster divisiveness and litigation, set group against group, minority against minority, and in so doing, do more to promote legal fees then civil rights. S. 2104 undermines the basic principles of fairness on which our system of laws is based. The administration has tried to work with Congress in good faith on these issues, but I cannot accept legislation that is unfair and turns back the clock on progress that has occurred since passage of the Civil Rights Act of 1964.

Because I believe Congress shares my commitment to civil rights and my opposition to quotas -- an opposition that is shared by most Americans -- I believe together we can enact good legislation. During House and Senate consideration of this measure, the administration supported bipartisan alternatives to S. 2104.

On Monday I will veto S. 2104 and return it to Congress with my objections. I believe legislation can be enacted that I can sign before Congress leaves. The bill I am today forwarding to Congress includes those specific changes to the Civil Rights Act of 1990 that will make it acceptable. My proposal contains a number of compromises designed to accommodate the concerns of the proponents of S. 2104. It overrules several Supreme Court decisions from last year, and it addresses the so-called ``Wards Cove issue" by shifting the burden of proof to the defendant to justify ``business necessity" in disparate impact cases. I urge Congress to enact my proposal before adjournment.

Congress has the opportunity to cure the defects that necessitate my rejection of S. 2104. With the changes I am forwarding to the Congress, together we can produce legislation that will strike a blow against racial bias without institutionalizing quotas.

Note: S. 2104 was returned without approval on October 22.

Message to the Congress Transmitting Proposed Civil Rights Legislation

October 20, 1990

To the Congress of the United States:

I am pleased to transmit a legislative proposal that if adopted would cure critical defects in the Civil Rights Act of 1990, a bill which, in its current form, S. 2104, I am compelled to veto.

As presented to me, S. 2104 would lead employers to adopt quotas for hiring and promotion, and it would prevent or discourage some victims of illegal quotas from seeking legal redress. The harm this would do to the cause of civil rights is potentially profound. Any measure that causes employment decisions to turn on factors of race, sex, ethnicity, or religion -- rather than on qualifications -- is fundamentally unfair, and is at odds with our civil rights tradition. Our war against discrimination is impeded, not advanced, by a bill that encourages the adoption of quotas.

On Monday, I will return S. 2104 to the Senate, along with my objections. It is my hope that the Congress will immediately forward to me a corrected bill for consideration. We cannot shrink from our national commitment to equal protection under the law and equal opportunity for all. Unaltered, S. 2104 would violate that pledge. With the changes that I propose, the Civil Rights Act of 1990 would no longer result in the imposition of quotas, but would be made a true civil rights bill that I would like to see become law.

With the legislative proposal, I also transmit a section-by-section analysis explaining the need for these changes and describing the Civil Rights Act of 1990 as amended by my proposal. I urge speedy action on this measure and hope that it will be adopted so that we may take another step in defending the civil rights of all Americans.

George Bush

The White House,

October 20, 1990.

Message to the Senate Returning Without Approval the Civil Rights Act of 1990

October 22, 1990

To the Senate of the United States:

I am today returning without my approval S. 2104, the ``Civil Rights Act of 1990.'' I deeply regret having to take this action with respect to a bill bearing such a title, especially since it contains certain provisions that I strongly endorse.

Discrimination, whether on the basis of race, national origin, sex, religion, or disability, is worse than wrong. It is a fundamental evil that tears at the fabric of our society, and one that all Americans should and must oppose. That requires rigorous enforcement of existing antidiscrimination laws. It also requires vigorously promoting new measures such as this year's Americans with Disabilities Act, which for the first time adequately protects persons with disabilities against invidious discrimination.

One step that the Congress can take to fight discrimination right now is to act promptly on the civil rights bill that I transmitted on October 20, 1990. This accomplishes the stated purpose of S. 2104 in strengthening our Nation's laws against employment discrimination. Indeed, this bill contains several important provisions that are similar to provisions in S. 2104:

d

Both shift the burden of proof to the employer on the issue of ``business necessity'' in disparate impact cases.

d

Both create expanded protections against on-the-job racial discrimination by extending 42 U.S.C. 1981 to the performance as well as the making of contracts.

d

Both expand the right to challenge discriminatory seniority systems by providing that suit may be brought when they cause harm to plaintiffs.

d

Both have provisions creating new monetary remedies for the victims of practices such as sexual

harassment. (The Administration bill allows equitable awards up to $150,000.00 under this new monetary provision, in addition to existing remedies under Title VII.)

d

Both have provisions ensuring that employers can be held liable if invidious discrimination was a motivating factor in an employment decision.

d

Both provide for plaintiffs in civil rights cases to receive expert witness fees under the same standards that apply to attorneys fees.

d

Both provide that the Federal Government, when it is a defendant under Title VII, will have the same obligation to pay interest to compensate for delay in payment as a nonpublic party. The filing period in such actions is also lengthened.

d

Both contain a provision encouraging the use of alternative dispute resolution mechanisms.

The congressional majority and I are on common ground regarding these important provisions. Disputes about other, controversial provisions in S. 2104 should not be allowed to impede the enactment of these proposals.

Along with the significant similarities between my Administration's bill and S. 2104, however, there are crucial differences. Despite the use of the term ``civil rights'' in the title of S. 2104, the bill actually employs a maze of highly legalistic language to introduce the destructive force of quotas into our Nation's employment system. Primarily through provisions governing cases in which employment practices are alleged to have unintentionally caused the disproportionate exclusion of members of certain groups, S. 2104 creates powerful incentives for employers to adopt hiring and promotion quotas. These incentives are created by the bill's new and very technical rules of litigation, which will make it difficult for employers to defend legitimate employment practices. In many cases, a defense against unfounded allegations will be impossible. Among other problems, the plaintiff often need not even show that any of the employer's practices caused a significant statistical disparity. In other cases, the employer's defense is confined to an unduly narrow definition of ``business necessity'' that is significantly more restrictive than that established by the Supreme Court in Griggs and in two decades of subsequent decisions. Thus, unable to defend legitimate practices in court, employers will be driven to adopt quotas in order to avoid liability.

Proponents of S. 2104 assert that it is needed to overturn the Supreme Court's Wards Cove decision and restore the law that had existed since the Griggs case in 1971. S. 2104, however, does not in fact codify Griggs or the Court's subsequent decisions prior to Wards Cove. Instead, S. 2104 engages in a sweeping rewrite of two decades of Supreme Court jurisprudence, using language that appears in no decision of the Court and that is contrary to principles acknowledged even by Justice Stevens' dissent in Wards Cove: ``The opinion in Griggs made it clear that a neutral practice that operates to exclude minorities is nevertheless lawful if it serves a valid business purpose."

I am aware of the dispute among lawyers about the proper interpretation of certain critical language used in this portion of S. 2104. The very fact of this dispute suggests that the bill is not codifying the law developed by the Supreme Court in Griggs and subsequent cases. This debate, moreover, is a sure sign that S. 2104 will lead to years -- perhaps decades -- of uncertainty and expensive litigation. It is neither fair nor sensible to give the employers of our country a difficult choice between using quotas and seeking a clarification of the law through costly and very risky litigation.

S. 2104 contains several other unacceptable provisions as well. One section unfairly closes the courts, in many instances, to individuals victimized by agreements, to which they were not a party, involving the use of quotas. Another section radically alters the remedial provisions in Title VII of the Civil Rights Act of 1964, replacing measures designed to foster conciliation and settlement with a new scheme modeled on a tort system widely acknowledged to be in a state of crisis. The bill also contains a number of provisions that will create unnecessary and inappropriate incentives for litigation. These include unfair retroactivity rules; attorneys fee provisions that will discourage settlements; unreasonable new statutes of limitation; and a ``rule of construction" that will make it extremely difficult to know how courts can be expected to apply the law. In order to assist the Congress regarding legislation in this area, I enclose herewith a memorandum from the Attorney General explaining in detail the defects that make S. 2104 unacceptable.

Our goal and our promise has been equal opportunity and equal protection under the law. That is a bedrock principle from which we cannot retreat. The temptation to support a bill -- any bill -- simply because its title includes the words ``civil rights" is very strong. This impulse is not entirely bad. Presumptions have too often run the other way, and our Nation's history on racial questions cautions against complacency. But when our efforts, however well intentioned, result in quotas, equal opportunity is not advanced but thwarted. The very commitment to justice and equality that is offered as the reason why this bill should be signed requires me to veto it.

Again, I urge the Congress to act on my legislation before adjournment. In order truly to enhance equal opportunity, however, the Congress must also take action in several related areas. The elimination of employment discrimination is a vital element in achieving the American dream, but it is not enough. The absence of discrimination will have little concrete meaning unless jobs

are available and the members of all groups have the skills and education needed to qualify for those jobs. Nor can we expect that our young people will work hard to prepare for the future if they grow up in a climate of violence, drugs, and hopelessness.

In order to address these problems, attention must be given to measures that promote accountability and parental choice in the schools; that strengthen the fight against violent criminals and drug dealers in our inner cities; and that help to combat poverty and inadequate housing. We need initiatives that will empower individual Americans and enable them to reclaim control of their lives, thus helping to make our country's promise of opportunity a reality for all. Enactment of such initiatives, along with my Administration's civil rights bill, will achieve real advances for the cause of equal opportunity.

George Bush

The White House,

October 22, 1990.

Statement on Signing the San Carlos Mineral Strip Act of 1990

October 22, 1990

I am today signing H.R. 4593, the ``San Carlos Mineral Strip Act of 1990."

H.R. 4593 is intended to resolve the status of an area of the San Carlos Apache Mineral Strip that has long been administered by the United States Forest Service as part of the Coronado National Forest in Arizona. The bill would resolve the issue by transferring to the Secretary of the Interior the administration of the surface rights in the land at issue. Title to the land is to be held by the Secretary in trust for the San Carlos Apache Indian Tribe.

While I support the change in land status that would be effected by H.R. 4593, I am concerned that the bill does not contain an express description of the lands it will affect. I am signing this bill with the understanding that these lands consist of, and are limited to, approximately 10,650 acres of the Mineral Strip that the Forest Service has been administering as part of the Coronado National Forest, as recognized in the congressional committee reports on this legislation. Finally, it is my understanding that H.R. 4593 is not intended to affect any other existing boundary between federally managed lands and the San Carlos Apache Indian Reservation.

George Bush

The White House,

October 22, 1990.

Note: H.R. 4593, approved October 22, was assigned Public Law 101 - 447.

Statement by Press Secretary Fitzwater on Violence in the Middle East

October 22, 1990

The President deplores the tragic killing of three Israeli citizens in West Jerusalem yesterday. The President offers his condolences to the families of the victims. These killings make it all the more imperative that the cycle of violence be ended. We urge all parties to act to reenforce peace and calm in the region.

Similarly, another tragedy is the assassination of Dany Chamoun and his family in Lebanon. And we reiterate our call for all Lebanese to unite behind the government of President Harawi. As we have said, it is now time for national reconciliation in Lebanon and for the creation of a free, independent, and sovereign nation -- free of foreign forces and armed militia. We hope that the reunited army and the Lebanese people will support President Harawi in the effort to implement the Taif agreement.

Note: Press Secretary Fitzwater read the statement during his daily press briefing, which began at 11:15 a.m. Dany Chamoun was the head of one of the principal Christian families in Lebanon.

Memorandum on the Kaho'olawe, Hawaii, Weapons Range

October 22, 1990

Memorandum for the Secretary of Defense

Subject: Use of the Island of Kaho'olawe, Hawaii, as a Weapons Range

You are directed to discontinue use of Kaho'olawe as a weapons range effective immediately. This directive extends to use of the island for small arms, artillery, naval gunfire support, and aerial ordnance training. In addition, you are directed to establish a joint Department of Defense-State of Hawaii commission to examine the future status of Kaho'olawe and related issues.

George Bush

Message to the Congress Transmitting the Annual Report on the State of Small Business

October 22, 1990

To the Congress of the United States:

I am pleased to submit my first annual report on the state of small business, which documents the progress of small firms in 1989. Over the record-breaking past almost 8 years of economic expansion, the economic environment for small business growth has been remarkable. Entrepreneurs have seized the opportunity to create millions of new enterprises, innovative products, and jobs.

In 1989, the number of business tax returns filed in the United States topped 20 million -- an increase of more than 50 percent over a decade ago. Most of these businesses are very small ventures, but their importance cannot be overstated: by testing thousands of new ideas, products, and processes in the marketplace, they are inventing America's future.

Small firms have had good earnings growth over the years of the expansion, and they continue to generate income for an increasing number of America's workers and entrepreneurs. Our economy experienced unemployment rates of only 5.3 percent in 1989, its lowest level since 1973. Small firms created a more than proportional share of new jobs relative to large businesses, as they have throughout the decade. Even when the pace of economic activity slowed, small firms often cushioned adverse effects on the labor force, laying off workers only as a last resort.

More women became small business owners during the 1980s than at any other time in America's history; the number of women proprietors almost doubled from 2.5 million in 1980 to 4.4 million in 1987. Minorities, too, started businesses in growing numbers during the 1980s. Women and minorities can be expected to continue making great strides in business ownership over the coming decade.

Small firms grew rapidly in the 1980s and contributed immeasurably to the diversity of the American economy. It was not easy. New companies often must struggle to enter competitive new markets with limited resources, vie with more established businesses for a trained labor force, and face increasing international competition.

While the 1980s were a decade of great achievement for America's entrepreneurial small businesses, the 1990s promise great opportunity and great challenge. We must invest in America -- in human, intellectual, and physical capital. We must continue to find the means to educate and empower young people, new immigrants, women, minorities, and all who aspire to be entrepreneurs.

In a time of great economic opportunity around the world, we must equip ourselves, not only to meet new international competition, but to take the lead in a global economy. I am confident that, with the strength and spirit of American enterprise, we will be able to build an even stronger economy in the last decade of the 20th century.

George Bush

The White House,

October 22, 1990.

Remarks at the Presentation Ceremony for the Theodore Roosevelt Conservation Award

October 22, 1990

Well, first, welcome to so many Members of Congress. Delighted to see you all here. And to all others, welcome to the White House. Of course, it's a great pleasure to be with Bill Reilly -- he's doing such an outstanding job at EPA -- and then, Mike Deland of the CEQ, right here in the White House -- the same. And they're both, I think, leading a really fine, renewed effort to protect America's environment. I'm delighted to see Duncan and Porter here -- Duncan Hunter and Porter Goss -- who, in a sense, organized this whole concept of these awards. And I want to thank all that have been involved in launching the Theodore Roosevelt Conservation Awards. All of you here today, thank you for coming -- those of you who worked so diligently to protect the environment and make conservation more than just a word, but really, in a sense, a way of life.

You may remember a couple of years back when Time magazine named Earth the ``planet of the year." And Jay Leno said, ``What do you expect? All the judges came from Earth." [Laughter] Well, it was almost exactly 1 year ago that I met here at the White House with many of you all, many of the same Congress men and women, joining together to develop a program in the spirit of Teddy Roosevelt's historic commitment to conservation. And today it's a great honor to stand with you as we commemorate the great strides that these individual Americans have made towards preserving a clean environment for all Americans.

You represent a whole new breed of American heroes, people that are making investments in our environment today that are bound to pay dividends for the kids tomorrow -- people like Charles Caniff from Porter Goss's own district in Florida. Charles helped found the Port Charlotte Harbor Environmental Center, a unique partnership between the private sector, local government, and public schools.

And, Charles -- where is Charles? Right here. Congratulations, sir. People like you do represent the power of voluntarism, the power of those that might be physically challenged and the power of an idea whose time has come -- the grassroots effort to build a better America, where the quality of our environment matches the quality of our dreams.

Already we've come a long way, not only as a planet but as a people. And in the not so distant past, the skies of our cities were being blanketed with clouds of pollution and American rivers were being filled with sewage and industrial waste, and we were squandering our vital natural heritage. But in recent years, we have seen a new attitude -- a return, if you will, to the conservation ethic of Teddy Roosevelt and the birth of a worldwide environmental movement that started right here in the United States.

The change has been both fundamental and pervasive. And many of you, in Congress and out,

have been leaders in rekindling the flame of conservation in the hearts and the minds of the American people -- people like Bill Rutherford, Bob Michel's honoree from Illinois, who helps run the Wildlife Prairie Park without one single penny of tax support; or David Woodside, who we learned from Pat Saiki, who has helped save -- learned about from Pat -- he's helped save the endangered species in Hawaii; Mary Lou Ryan, a New York grade school teacher, who's cultivating character in her kids by cultivating concern about the environment.

Americans like you help keep our conservation ethic strong. And that enduring commitment requires sustained action from each of us. We've taken a series of actions to protect America's environment: planting trees and preserving wetlands; developing cleaner domestic sources of energy; working with our global neighbors to fight pollution that knows no boundaries, especially in the emerging democracies.

Bill Reilly, just back, wrote me a fascinating letter, and I'd hope that you'll share those views with all the Members of Congress about this new Budapest Center that we've helped set up. Americans, again, like you, have provided an extraordinary foundation for the efforts of our administration. The clean air initiative, just to cite an example, that we launched in the Grand Tetons over a year ago is a very ambitious and very aggressive piece of legislation. And it will sharply cut air pollution's big three: acid rain, smog, and toxic pollutants. And it respects another kind of delicate ecology: the ecology of jobs and opportunity. The bill has been 13 years in coming, but no American should have to wait another day for clean air. This Congress this week should send me a clean air bill that I can sign.

Our nation really has made great headway, but our mission is not just to defend what's left but to take the offense, to improve our environment all across the board. And some of today's winners, veteran foresters like California's Charles Colver or tree-planting teachers like Wisconsin's Ed Dietz, are doing just exactly that. And I've said this before: Trees can reduce the heat of a summer's day, quiet a highway's noise, help feed the hungry, provide shelter from wind and cold and habitat for wildlife. And every tree planted is a compact between generations.

Many challenges do remain, but thanks to you and to your congressional partners with you here the future holds great promise for our environment. All of you personify the selfless acts of thousands of concerned Americans who strive every day to leave a better world for our kids. And when I look out at the faces of Americans like those that we honor here today, I realize we've hardly begun to discover what God put on Earth and what God put in man.

Congratulations to all of you winners. Congratulations to each of you leaders from the United States Congress who are making this possible. Again, Porter, to you and Duncan, a special congratulations for bringing all this to fruition. And again, thank you, and good luck to each and every one of you. And God bless you.

Note: The President spoke at 3:07 p.m. in Room 450 of the Old Executive Office Building. In his

opening remarks, he referred to William K. Reilly, Administrator of the Environmental Protection Agency; Michael R. Deland, Chairman of the Council on Environmental Quality; Representatives Duncan Hunter and Porter Goss; and comedian Jay Leno.

Remarks at a Republican Fundraising Breakfast in Burlington, Vermont

October 23, 1990

Thank you, Vermonters, for that warm welcome. This is magnificent music today from Norwich. Thank you all for being with us today and for that stirring music.

To Dick Snelling and Senator Jeffords, old friend Jack Lindley, Walt Freed, Madeline Harwood -- we go back a long time, Madeline, to those early days in the seventies -- and to Walt Page, all of whom are doing such a great job, thank you. Let me salute the statewide candidates that are here in the audience today.

And really it is wonderful to be here. Cold and drizzly day out there; but then, I think that some of you drove 2 or 3 hours to get here, getting up at 4 a.m. in the morning. And I think this shows fantastic support for our present and future Congressman Peter Smith.

It's easy to have a very special feeling for this place. It's not just, I guess, the beauty of the Green Mountains. Maybe it's the fact that Vermont, as I was reminded by Messrs. Jeffords and Smith, has voted for more Republican Presidential candidates than any other State in the history of this country. Why wouldn't a Republican President love Vermont? [Laughter]

But I think it's something more, and we talked about this coming up here today. This State is known for its independent state of mind -- making up its own mind on problems -- a place that values the individual voice, believes, of course, in self-reliance and opportunity, and understands how government ought to be accountable, above all, to people.

And that's really why I came up here today: to lend my support to candidates that represent the kind of leadership Vermont has known and valued in the past and that is an absolutely essential necessity for the future of this State.

First, there's a champion for the environment, an effective voice for reform in education -- educator himself -- who knows how to make Vermont's vote count in the U.S. House of Representatives. And of course, I'm talking about our friend Peter Smith. Like all Vermonters, he is a man of independent mind. I wish he'd stop reminding me that we do have a few differences out there. [Laughter] But hey, listen, nobody is going to do it exactly my way; I've found that out. There are 435 of these people in the United States Congress -- [laughter] -- but this one votes his conscience. He's earned an unusual degree of respect in the House.

Jim Jeffords was right on that, because he knows how to work with the leadership on both sides of the aisle. He wants to make something happen, not just give a little rhetoric out there. He wants

to reach a solution. And he understands bipartisanship, because he's made it happen.

We need more of that spirit on Capitol Hill. Every once in a while, a Congressman comes along who is willing to look at the bigÿ7E picture,ÿ7E whoÿ7E recognizesÿ7E thatÿ7E heÿ7E is 1/435th of the House of Representatives. A problem can't be solved just exactly the way I want it solved or the way Pete Smith wants it solved or Jim Jeffords wants it solved. That's particularly true for a President when he doesn't control either House of the United States Congress. So, Peter puts the good of the country first.

And it's so easy for an opponent to sit on the sideline, carping, criticizing, offering a lot of heated political rhetoric, making speeches about things that will never happen. Peter wants this deficit down. He wants to stop mortgaging the future of the young people of Vermont, and so do I. We need him in the Congress. When he voted for that early compromise, it wasn't an easy vote. He knew he was going to get sniped at from people way on the right or way on the left or wherever, but he did what he felt he had to do. I, perhaps in a different perspective, had to do exactly the same thing, and I'll get to that in a minute.

Now, back here at the State. Vermont needs leadership that knows what it takes to bring new growth and create new jobs while protecting the environment, and leadership that won't spend beyond its means. I'm talking about experienced leadership, tested leadership. That's why I'm so enthusiastic about Dick Snelling's coming back as Governor of this State again.

We've got a sluggish economy out there nationally. That's one of the reasons I favor this deficit so much and want the interest rates down. But after a record -- what was it -- four terms as Governor, Dick knows how to create opportunity. And he also knows the balance that's needed: that environmental protection and economic growth have got to complement each other. That's why he's built this proven record of public-private partnerships for the environment.

But above all, after 30 years of experience at the State and local level, he knows how to balance a budget. He's proved it, controlling spending every term that he's been in office. He understands good government. I just asked him if he had a line-item veto. Give a tough guy like this a line-item veto and watch things happen in this State, I'll guarantee you. [Laughter] I'd like to have it, as a matter of fact, as President, because if Congress can't control the spending, I think I could do it with the line-item veto, frankly.

But really, Dick, as I said over in our neighboring State of Maine, it's time for you to return as yet another great Governor, a repeat performance. And I'm confident you will.

To help Dick push through his programs through the legislature, creating this climate for growth that I think Vermonters want -- business vitality, jobs -- and also to help him control spending, I want to see Mike Bernhardt Lieutenant Governor. We need him. I think Dick needs this good team.

So, these are all candidates -- our statewide level -- that Vermont can count on, the kind of leaders that will do what's right for this State and, of course, for our country. That means, first and foremost, bolstering the economic strength of our nation. And that's why I want to speak to you just a moment about the issue that we've been wrestling with back in Washington for more than 8 long months now. I'm talking about reaching final agreement on the Federal budget.

When it comes to the roles and responsibilities of government, the days of tax-and-spend and damn-the-deficit must come to an end. I share the frustration of the people. No American family could afford to run its household the way the Congress runs the Federal budget. Our children deserve to inherit more than an avalanche of unpaid bills. There's no doubt in my mind, Congress wouldn't be in this mess today if we had more Republicans in the Congress.

But the fact that the Democrats control both Houses means compromise. I've found as President if you want to make something happen, you have to have the votes to make it happen. You can't do it just the way you want to do it. So, it means compromise. And that means a budget that isn't the best ever, but the best possible. We're hanging tough for a good agreement, one that shows we're serious about driving this deficit down, a serious $500 billion reduction in 5 years that has the enforcement that the American people should be demanding. There's no point passing a deal and then having it overruled the next day. This agreement that I hope is about to be forthcoming here has strong enforcement provisions in it.

The reason I feel so strongly about the deficit is that I believe real deficit reduction will help bring these interest rates down and make it easier for American families to buy a new home or buy a car, make it easier for the American entrepreneurs to create more jobs -- more jobs for American workers. That is a goal of this deficit reduction. Now it's time -- past time -- that Congress proves to the American people that it can learn to live within its means and that it can pass a budget that puts the Nation on the path to long-term economic growth.

To come up with any budget at all this year, I had to work with the Democrats who control the Congress. You remember 1982. President Reagan found in 1982, in spite of his own historic aversion to taxes, that the only way to govern was to accept a compromise that included raising revenue. Peter mentioned that. You know my feeling on taxes. I like new taxes about as much as I like broccoli. [Laughter]

President Reagan had to swallow hard back then. The rhetoric was almost identical. Go back and take a look at the Congressional Record. The rhetoric was almost identical. I had to swallow hard; but the long-term health of the United States of America, of our economy, has to come before self-interest.

There are a few leaders on both sides of the aisle who understand that. At the risk of repeating it, I'll say it again: Peter Smith is one of them. He has shown that kind of political courage that we need on Capitol Hill. Laid aside what he believes is just the best way to do it, because he knows

that we must get the job done. And I salute him. I think that alone should recommend him to the people of this great State for reelection.

So, my message before the election is going to be this: Only Congress has the power to tax. Only Congress has the power to spend. But Congress may have forgotten one thing -- the people have the power to choose who sits in the Congress. That's a message I am going to take all over this country. We need more people who are going to lay aside their own small desire to do what's best for the United States of America. If America wants economic growth, if we want to hold the line on taxes and cut spending, and if we want to get serious about reducing the deficit, then America needs to elect more Republicans to the United States Congress.

You know, putting our fiscal house in order is critical not just from the standpoint of the American economy but especially now, in the light of the big picture: the challenge that we face in the Persian Gulf. The Gulf is a reminder of how intricately the interests of nations are interwoven. What happens in Baghdad matters in Burlington because our concern, far beyond the price of oil, is the fate of sovereign nations and peoples. There's a moral underpinning, a strong moral underpinning, to what's happened in the United Nations as we've stood up unanimously against Saddam Hussein's aggression: a world order free from unlawful aggression, free from violence, free from plunder.

I saw some signs coming in: ``No War for Oil." I can understand the sentiment by some of those young people. But I would simply say that the rape and the systematic dismantling of Kuwait defies description. The holding of hostages, innocent men and women whose only mistake was to be in Kuwait or be in Iraq when the invader took over Kuwait -- holding them goes against the conscience of the entire world. The starving of embassies -- good God, this is 1990. And you see this man starving out small embassies in Kuwait. These are crimes against humanity.

There can never be compromise -- any compromise -- with this kind of aggression. The U.N. has lived up to its promise, and we're not alone there. We have 23 countries on sea and on the land with us, standing side by side with our kids in Saudi Arabia, on the seas of the Straits of Hormuz or the Gulf. We're not alone. We're a part of a magnificent coalition, perhaps the grandest coalition ever put together in times of crisis.

I'm reading a book, and it's a book of history -- great, big, thick history about World War II. And there's a parallel between what Hitler did to Poland and what Saddam Hussein has done to Kuwait. Hitler rolled his tanks and troops into Poland. Some of us are old enough, Madeline, to remember this. [Laughter] Sorry about that. [Laughter] She's a friend. I can get away with anything. No, but some of us do remember when those troops went in. And do you know what followed the troops? It was the Death's Head regiment. Do you know what the Death's Head regiments of the SS were? They were the ones that went in and lined up the kids that were passing out leaflets.

Do you know what happened in Kuwait the other day? Two young kids, mid-teens, passing out leaflets -- Iraqi soldiers came, got their parents out and watched as they killed them. They had people on dialysis machines, and they ripped them off of the machines and sent the dialysis machines to Baghdad. And they had kids in incubators, and they were thrown out of the incubators so that Kuwait could be systematically dismantled. So, it isn't oil that we're concerned about. It is aggression. And this aggression is not going to stand.

I recently got a letter from two parents right here in Burlington, saying their son had decided to have his wedding early when he heard that he would be headed for the Gulf. And he wrote them, saying: ``I know this whole situation was unexpected, but I'm ready to do anything necessary to help our country. Mom and Dad, try not to worry, because I'm going to come home, and I'll make you proud."

Well, Second Lieutenant Matthew Campbell, like so many others, is making his nation proud. And he sent his parents those thoughts on their 39th wedding anniversary. And I was told that they might be with us today. If they are, I don't want to embarrass you, but I'd like you to stand up. There they are. [Applause]

So, my appeal today is to let us reward the commitment of all of these best trained, highly motivated kids out there, all of those in uniform with the same resolve here at home. Here in Vermont you've got a chain of drug stores setting out greeting cards for people to walk up to write special messages to the troops; a country-western station taping broadcasts, sending them over. Burlington Electric adopted an entire company in the 82d Airborne. They're gathering gifts and personal items to send to let the soldiers know that Vermonters care. It's those actions -- multiply them by a great country -- large and small, celebrated or little noticed, that make possible American strength and stability around the world.

So, let me thank you and the thousands of Americans like you who are doing something extra to support our outstanding men and women in uniform. Let me just ask one more thing in honor of them, if you will. As democratic freedoms are dawning in once darkened corners around the world -- and what an exciting time this has been to be President -- the evolution of democracy in Eastern Europe and the evolution of democracy in our own hemisphere -- but as these freedoms are dawning, let us keep the flame of democracy burning brightly here at home by reaffirming our own power of the vote. And get people to the polls this fall, because less than -- I don't know how many weeks it is now -- but a few days from now, Americans will choose their leadership for the next 2 years.

Here in Vermont, the choice is very, very clear, with leaders who can give this great State an even greater future. We've got a good statewide ticket. We have an outstanding candidate for Governor of Vermont, Dick Snelling. And of course, we have an outstanding Congressman in place who must be reelected, Peter Smith.

I'm delighted to be with you today. God bless Vermont, and God bless the United States of America.

Note: President Bush spoke at 9:14 a.m. in the Champlain Exhibition Hall at the Sheraton Burlington Hotel. In his remarks, he referred to Jack Lindley, former State manager for the Bush-Quayle campaign; Walter Freed, State Republican Party chairman; Madeline Harwood, Republican national committeewoman; Walter Page, Republican national committeeman; and President Saddam Hussein of Iraq. Following his remarks, President Bush attended a reception at the hotel for Republican Party supporters. He then traveled to Manchester, NH.

Remarks at a Republican Campaign Rally in Manchester, New Hampshire

October 23, 1990

Thank you, Mary Jo. With that enthusiasm, I'd say about 73 percent for Bob Smith, next Senator from the State of New Hampshire. And thank all of you for that greeting. A little trouble parking out here -- we were trying to get the 18-wheeler parked on the side. [Laughter]

I am delighted to be back here. I came to salute this outstanding ticket -- Judd Gregg, of course, having served this State so well. I feel confident that he will be reelected Governor of the State. He deserves it, and we need him. And Chuck Douglas isn't with us, but I want to pay my respects to him -- looking solid and strong in that congressional district. Of course, Warren Rudman is not here, but I've seen a great deal of him lately. [Laughter] He is marvelous, and you're well-represented. And of course, Gordon Humphrey, also not with us, but having elected on his own to keep his pledge to not stay too long; and he's coming on back to the State. And I just want to pay my respects to him and say we have an outstanding congressional delegation from New Hampshire in Washington, DC.

And that brings me to the First District, where Bob, having left it to move -- hopefully and, I'd say, confidently -- to the Senate. I want to pay my respects to an old friend, a man that helped me early on. Steadfast -- snow, rain, whatever it was, didn't deter him. And I am enthusiastically and strongly for Bill Zelliff for the United States Congress. He's an outstanding individual.

And I'm very sorry that Barbara's not here. If I might be permitted a word of husbandly pride, she is doing an outstanding job for education in this country, and I am very proud of what she's doing in helping as one of the brightest Thousand Points of Light in the United States. And I bring you her greetings.

We're having a little trouble with our best-selling author, Millie, our dog. [Laughter] Give her the Alpo, and she asks to see the wine list these days. [Laughter]

But in any event, we've spent a lot of time up here, as Mary Jo said, going way back to the '78 - '79, during my first campaign. And 1978, I think, was a turning point in New Hampshire politics because that was the year that you sent a clear story to Washington, DC. The messenger was Gordon Humphrey; and the message, which still is a sound message, was limited government and trying to hold the line on the growth of Federal Government.

And 1978 really marked the first wave of what became known as the Reagan Revolution, a set of new ideas that are really as old as the Republic itself: that people, not government, know what's best for themselves and their families; that a strong -- and I would reemphasize -- a strong,

diverse economy, not a strong, centralized government, is the true source of prosperity; that a firm defense does not threaten peace but promotes it. And the bottom line is this: We seek to protect family, empower the poor, and reward the creative and the risktakers. These are what I would say are the values of New Hampshire, the values of America, and certainly the values of our next Senator, my friend Bob Smith.

For 6 years, Bob has been New Hampshire's trusted friend in Congress. The people here know him, not just in this room but across this State. They know him as a man of principle, and he isn't running for office to satisfy his ego. And so, I'm convinced that New Hampshire is going to send a new Senator to Washington this year. And today, more than ever, the Senate needs leaders in the New Hampshire conservative tradition, leaders like Bob Smith.

Let me just say a word about the mess in Washington. Congress wouldn't, in my view -- and I really mean this -- would not be in the mess that it is in today if we had more Republicans in the United States Congress. The Democrats control both Houses, and that means if a President is going to make something happen -- and I'm determined to do it -- you've got to reach out.

And I want to get the best possible budget because I do not want to see us continue to mortgage the future of the young people in this country, year after year, with triple-digit deficits. And so, we are hanging tough for a good agreement. Right now it's in turmoil down there.

And I want to see it be an agreement that is serious about driving the deficit down. The fundamental reason is, real deficit reduction is going to bring the interest rates down. Make no mistake about it. And if we do nothing, they will not come down. It's that clear. So, more important to the economy than any program, some new program, or any single provision in a bill is the need to get the interest rates down and get America back to work again, get jobs for the American people. And the way to do that is to bring the interest rates down. And the way to do that is to get the Federal deficit down.

And now it is time -- it's past time -- that Congress proves to the American people that it can learn to live within its means and that it can pass a budget that puts this nation on the path to long-term economic growth.

I went to the bargaining table, assisted by a very tough, a very principled negotiator, New Hampshire's John Sununu. But let's face it, no Democratic Congress is going to send me a Republican dream package. That's simply not the way it works when you're outnumbered in both Houses of Congress. So, to come up with any budget at all this year, I had to work with the Democrats who controlled Congress.

And President Reagan found the same thing -- 1982. Go back and look at the record. The rhetoric was about the same -- that in spite of his aversion to taxes, the only way to govern was to accept a compromise. You know my feelings on taxes. I like taxes about as much as I like broccoli -- and

that ain't much. [Laughter] But Reagan swallowed hard, and the economy moved, and interest rates came down -- from 15 percent to 11 percent -- when he did what he had to do, not as a Congressman but as President of the United States. And the longtime health of the economy has to come before any political self-interest.

Only Congress has the power to tax, and only Congress has the power to spend. But Congress may have forgotten one thing: The people have the power to choose who sits in the United States Congress. And that's the message I'm going to take all over this country. We need more Republicans like Bob Smith and Bill Zelliff.

And if America wants economic growth and if America wants to hold the line on taxes and cut spending and if America wants to get serious about reducing the deficit, then we must send Republicans like Bob Smith to the United States Senate. We only lack a handful of votes. If we can get control of the Senate, you'd see an entirely different agenda for the American people.

Deficit reduction is not the only challenge that requires tough Republican leadership in Congress. Another priority for this new decade has to be the environment. Bob Smith really cares about protecting the environment and the marvelous scenic beauty of this State. And as the yellows and reds and golds tinge the leaves of the White Mountains, I only wish I had time to drive across the highway and see the beauty. But I don't expect the tourists would like to see yet another Presidential motorcade driving across the State.

But nevertheless, as chairman of the House Republican task force on acid rain, Bob and I worked closely to put together the first improvement in the Clean Air Act in a dozen years. Launched last year with bipartisan support, the Clean Air Act has been bogged down until very, very recently on Capitol Hill. We can balance -- and this point is essential -- we can balance the need for economic growth with the need to preserve and enhance the Earth that we live on. We can clean up the air, and we can rid our lakes of acid rain. But we can't do it unless we get final action today or tomorrow from the Congress on the clean air bill that I sent up there months ago. It is time for them to act, and I think they will now do it.

I might say that Judd Gregg feels the same way that Bob and I do on this question of the environment and of New Hampshire's precious national heritage.

You know, one of New Hampshire's most famous nature-lovers, I'm proud to say, is also America's newest member of the Supreme Court. And I'm talking, of course, about Weare's own Justice -- Mr. Justice to me -- Mr. Justice David Souter. What a fantastic choice that he is for the Court. There's something marvelously understated about David. They said to him a while back -- ask him, ``How do you feel about leaving for Washington?'' And he said, ``Well, I don't know anyone that would want to leave New Hampshire.'' And that made a profound impression on a lot of us, I'll tell you.

Anyway, Congress could use some of that famous New Hampshire common sense. It's always a sacrifice, I know, leaving this State; but when Mr. Smith goes to Washington, the whole country is going to benefit from his brand of hard work, intelligence, common sense, and integrity. You've got to win this race, Mary Jo. I'm sure you will.

Bob served in the Naval Reserve, and today a whole new generation of this State's finest young men and women are continuing the New Hampshire tradition of patriotism and courage. From New Hampshire's own National Guard, the Air Guard, the men and women of the 157th Air Refueling Group have flown over 200 missions in support of Operation Desert Shield -- airmen like Lieutenant Colonel Everett Bramhall, of Manchester, who flew 14 missions in 30 days, refueling other planes en route to the Persian Gulf; or Sgt. Mark Joyce, of Portsmouth, who, on top of his regular work as a civilian helicopter mechanic, has been volunteering for the evening shift with his Guard unit. This uncommon sacrifice by service men and women and their families has been a common virtue in New Hampshire and all across this magnificent country of ours.

So, putting our fiscal house in order is critical not just from the standpoint of the American economy but especially now, in the light of the big picture: this enormous challenge that we face in the Persian Gulf. The Gulf is a reminder of how intricately the interests of our nations are interwoven. What happens in Baghdad does matter in Manchester because our concern, far beyond the price of oil, is the fate of sovereign nations and peoples and a world order free from unlawful aggression, violence, and plunder. The rape and the dismantling of Kuwait that's going on right today defies description. The holding of hostages, the starving out of embassies -- that cries out against the human decency that we ought to be experiencing. There can be no compromise -- there can be none -- with this type of brutal aggression where a bully can move in and take over an entire country.

The United Nations has lived up now, at last, to its promise. And we've got strong support in the United Nations with resolutions that people wouldn't even believe possible 2 or 3 years ago all because of the naked aggression of Saddam Hussein. So, the world is united. And I must tell you that I am more determined than ever to see that this invading dictator gets out of Kuwait with no compromise of any kind whatsoever.

There is a fundamental moral principle involved here, and of course, that principle is: One country won't take over another. But there's also some moral principles involved in the manner in which this dictator is treating Kuwait. I'm not sure that Americans fully understand how deep the rape and the pillage and the plunder has been. Over in Vermont I gave them a few examples.

I am reading this great history of World War II. And I read the other night just about how Hitler, unchallenged -- the U.S. locked in its isolation in those days, the late thirties -- marched into Poland. Behind him -- some of you will remember this -- came the Death's Head regiments of the SS. Their role was to go in and dissemble the country. Just as it happened in the past, the other day in Kuwait, two young kids were passing out leaflets in opposition. They were taken, their

families made to watch, and they were shot to death -- 15- and 16-year-old. Older people on dialysis machines taken off the machines, and the machines shipped to Baghdad. Kids in incubators thrown out so that the machinery, the incubators themselves, could be shipped to Baghdad.

And that's what we're dealing with. We're dealing with Hitler revisited, a totalitarianism and a brutality that is naked and unprecedented in modern times. And that must not stand. We cannot talk about compromise when you have that kind of behavior going on this very minute. Embassies being starved, people being shot, women being raped -- it is brutal. And I will continue to remind the rest of the world that this must not stand.

Lastly, let me just say that all these months from the ships in the Red Sea, from air bases and these tank battalions in Saudi Arabia, these absentee ballots will be mailed back to our GI's home States from them. And if they can take the trouble to vote halfway around the world, can't every one of us, from Dover to Dixville Notch, get down to the firehouse or the schoolhouse to vote, taking people with you? It really does make a difference. We should never take this privilege, this right, for granted. I believe that you can make a difference, each and every single one of you, as we have these races unfold for just a couple of weeks from now.

Bob Smith is going to make a difference when he is elected, and Bill Zelliff the same -- make a difference when he is elected. I want to say that I am very pleased to be back here with this message: to send us sound conservatives, help us get control of the United States Senate, and pick up seats in the House of Representatives. And then, I believe, we can fulfill our pledge to the people of New Hampshire to get this country moving again, put it back to work, bring the interest rates down, and get prosperity back to every working man and woman in the State of New Hampshire.

Thank you all, and God bless you for what you're doing. Thank you very much.

Note: President Bush spoke at 12:36 p.m. in the Armory at the Holiday Inn-The Center of New Hampshire. In his remarks, he referred to Representative Bob Smith's wife, Mary Jo; Representative Chuck Douglas; Senators Warren B. Rudman and Gordon J. Humphrey; John H. Sununu, Chief of Staff to the President; and President Saddam Hussein of Iraq. Following his remarks, President Bush attended a reception at the hotel for Republican Party supporters. He then traveled to Waterbury, CT.

Exchange With Reporters Following a Fundraising Reception for Congressional Candidate Gary Franks in Waterbury, Connecticut

October 23, 1990

Federal Budget Crisis

Q. Mr. President, Congress seems to be hung up on the budget again. Will you sign another continuing resolution, number what -- 38 or 39? [Laughter]

The President. Jim [Jim Miklaszewski, NBC News], I don't know. I'm so frustrated by Congress' inability to do anything, I don't know what I'm going to do. And I really don't know where it stands. I'm not dodging it. I was just on the phone, and I don't think Congress knows. So, when I get back, why, I'll be talking to our leadership. And this morning, I talked to the Speaker about 6:15 a.m., and I had been somewhat encouraged that they would be able to move. But I gather they had a raucous caucus on the Democratic side, where they couldn't agree on anything.

And so, we'll have to wait and see what happens before I can make a decision on what I'm going to do. But I feel the frustration that I think people all across this country feels about Congress' inability to move. They control both Houses of the Congress. And I am frustrated, but we'll wait and see.

Q. You've come down to 31 percent. Do you feel you've given enough?

The President. I'm not going to talk negotiations; my position is known. And I think they've got to get their act together, is about the way I see it. And I feel free to campaign for a good man at the Governor's level, congressional level here; and our candidates -- men and women all across this country -- are, I think, going to do all right. I think they share the same frustration I feel about the Congress' inability to move. But it doesn't seem to be interfering with what real life is out here in these districts and across this State, I'll tell you from -- --

Civil Rights Legislation

Q. Mr. President, the civil rights bill -- do you think there's a chance that Congress will pass the compromise version this session? And if so, why haven't you bothered to utter a word about it today to give it a push?

The President. Well, because I was hoping that the Congress would do what I asked them to do: pass a civil rights bill -- because I am for civil rights -- that is not a quota bill. I'm opposed to quotas. And I'm glad to have an opportunity to do it here, but I hope they'll get on and do it.

Mr. Franks. And I, too, would be opposed to the original version of the Civil Rights Act of 1990. I do see a quota element to that bill. Whenever a company can be deemed guilty of discrimination due largely to not having the proper number of minorities and females in certain job classifications, it smells like a quota. And I worked for 10 years in labor relations personnel, and I know that goals and timetables do work, but quotas do not work.

Q. Mr. President -- --

The President. I hope we'll get a bill tomorrow. But I don't see any inkling on their part to go ahead and to do this. We've sent one up that is a strong civil rights bill. Marlin [Marlin Fitzwater, Press Secretary to the President] read to you the other day all the similarities between these two bills and pointed out the significant difference.

Q. Mr. President, despite what the candidate says, his position is a minority among blacks and any other minorities. What kind of a signal do you think your veto sends to the minority groups that the Republicans and yourself are trying to draw into the party?

The President. I think it sends a signal that we are for civil rights and we are opposed to quotas. And I think most citizens, when they understand that, regardless of race, will be appreciative of that. But the problem is, I heard one of the leading civil rights activists -- a white man in Washington -- criticizing us on something that's not even in the bill. And I thought Marlin Fitzwater did pretty well on that.

And so -- this customer relations provision -- not in there. And yet he jumped us on that provision. So, I do what I think is right, and I believe I'll have strong support from the American people across the racial lines when they understand that I strongly am for civil rights. And I'm going to continue to oppose something that will inevitably lead to quotas.

Q. Is there any movement to pass that bill, though, in the next couple of days?

The President. I can't tell you. I think the first step would be to see if they can override my veto. Then I would hope that those who are really for civil rights would stand up and say, let's vote for this civil rights bill.

Q. What's your best count? Do you think your veto will hold?

The President. I don't know. I don't know the answer to that. I think we'll sustain it.

Q. Are you making any efforts on that front today?

The President. I think we'll sustain -- no, I feel pretty good about -- you mean about sustaining the veto?

Q. Yes.

The President. I think we're in good shape on that.

Q. Have you called anyone?

The President. Not today. No, I feel the issue is clear enough that I think we'll be all right.

Palestinian Demonstrators Killed in Jerusalem

Q. Mr. President, are you prepared to call on Israel to accept a U.N. fact-finding mission?

The President. We've already made clear in the United Nations that we feel that it would be good to have that mission go there, yes.

Q. Is it a mistake, though, that they're refusing?

The President. I've said that we want them to accept it.

Israeli Travel Ban

Q. Mr. President, Israel today closed off the borders of the occupied territories and is prohibiting Palestinians from leaving the occupied territories into Israel. What do you think of that action?

The President. I need to know more about it. I haven't seen that, Tom [Tom Raum, Associated Press]. I don't like to comment on something until I know exactly what happened.

Persian Gulf Crisis

Q. Mr. President, your reaction to the Saudi comments yesterday -- were they too conciliatory in your mind?

The President. They repudiated the first report that came -- that Prince Abdullah [Prince Sultan bin `Abd al-`Aziz Al Sa`ud, Defense Minister of Saudi Arabia] clarified his own statement. And he was not talking about any compromise, a territorial compromise at all. And that is my position. There is no give on it. If you reward the man with one iota of territory, you've rewarded aggression, and that is not the position of the United States nor of our coalition partners.

Federal Budget Crisis

Q. And just to be clear, last time Congress approached a deadline for the budget, you said time's up, and you threatened to shut down the Government. You sound much more conciliatory this time.

The President. If I sound conciliatory, I don't quite understand that, because I sound frustrated, not conciliatory. I don't know what's happening down there. I thought we'd have a deal this morning, a reasonable deal to get this nation on the road to more jobs and lower interest rates. And I've approached these talks in the spirit of compromise. But now is all kind of action in the Congress. It was in the House of Representatives, and I don't know what they've done today. So, I can't comment on a conciliatory mood or hostile mood -- --

Q. But are you willing to shut down the Government -- --

The President. -- -- or anything other than a confused mood.

Q. -- -- at midnight tomorrow?

The President. I'm going to wait until I get back and talk to the leaders and see exactly what can be done.

Mr. Franks. I'd like to make this presentation, the first of many for Franks for Congress effort.

The President. That's great.

Mr. Franks. And once again, thank you, Mr. President, for coming to Waterbury.

The President. Thank you. Am I being thrown out? [Laughter] Glad to see you all. Thank you very much. Well, an elephant. Thank you.

Iraqi Release of American Hostages

Q. Any reaction to the release of the Americans, Mr. President?

The President. What?

Q. Any reaction to the release of the Americans today?

The President. Well, I'm always pleased when Americans might be released, or anybody is released. But it just reminds me of the total brutality of holding people against their will and then

parceling them out as though to look generous. It is brutal. It is unacceptable. But any life that's spared, fine. But it just brings me back to the genesis, and the genesis is it is wrong to be holding people against their will in contravention of all international law.

Mr. Franks' Income Tax Records

Q. Mr. President, have you asked Mr. Gary Franks to release his income tax?

The President. Proponent ploy -- yes, I've seen that. [Laughter]

Q. What did you think about it?

The President. Don't get me started. [Laughter]

Note: The exchange began at 5:10 p.m. at the Sheraton Waterbury Hotel. At the end of the exchange, Mr. Franks gave the President a black ceramic elephant. A tape was not available for verification of the content of these remarks.

Remarks at a Fundraising Dinner for Gubernatorial Candidate John Rowland in Stamford, Connecticut

October 23, 1990

Thank you all very, very much. John, thank you. Thank you very, very much, all of you, for that warm welcome back to the place in which I grew up. I've got a lot of home States, but -- [laughter] -- as I just said in Vermont, this place is near and dear to my heart. No, I'm really -- [laughter] -- no, but it was fun. We had a little reception earlier, and I saw many friends that have been in the political scene here for a long time and have been very friendly to and supportive of my dad. So, we Bushes do consider this a very special place, both Barbara and me. I'm delighted to be here.

If I'm not mistaken, that magnificent music was from the Greenwich High School Band. I don't want to insult them if they weren't, but you do much better than Roseanne Barr, I'll tell you. [Laughter] I apologize for keeping you waiting, and I know that it's a bore, but we have been on the road a lot. One thing I've been picking up on the Connecticut part of this swing is this magnificent enthusiasm for our next Governor, John Rowland. You can feel it. You can feel it in the air. You can feel the campaign moving. I give him a lot of the credit, but those who have seen Deb swing into action -- his great wife -- know that she's a big part of this, a magnificent campaigner, out there all the time.

And of course, it's wonderful to be with my indefatigable friends Midge Baldrige and Betsy Heminway up here, who do so much for all of us in the Republican Party. Father Devine, my respects, sir, and thank you for being with us. To our State chairman, Dick Foley, who is tough as nails and strong. And that's who we need as a chairman, and he's doing a great job.

And of course, to our committee people, John Miller and Jo McKenzie, the Republican national committee man and woman, my respects. And then, of course, the only person that could go head-on-head with ``60 Minutes'' and emerge victorious -- [laughter] -- the mayor of Bridgeport, Mary Moran. I don't know how she did it. Barbara Bush was up here, and she saw Mary, and she chased her down the hall to shake the hand of somebody that had prevailed in that very difficult arena. [Laughter]

And, of course, I just want to single out Tom Scott, who is running for Congress in the Third District. I'll tell you, we need him. He's an outstanding guy. And another man I was with -- fellow Yalie -- I guess we can say that in Connecticut without being stoned. [Laughter] But nevertheless, I'm talking about Gary Franks, the man who's going to take John Rowland's place, is with us here someplace.

And I want to single out Bob Jaekle. You know, he is recognized on the merits as the number one legislator in the State, and he will now be our Lieutenant Governor, and I want to salute him right

here. Good to be with you.

Now, back to the man of the hour. People who know John Rowland -- they know he's got politics in his blood. John's granddad, Sherwood Rowland, comptroller for the city of Waterbury back in the thirties, is still remembered in western Connecticut for fighting and battling and rooting out corruption. John followed in those footsteps early on, just out of college, winning a seat in the Connecticut State Legislature, where he worked his way up to minority whip; and then, at the tender age of 27, going on to become the youngest Member of the U.S. Congress.

And John tells me that he would have made it to Congress earlier, but his mother said he couldn't leave the table until he finished his broccoli. So, that took him 3 or 4 years. [Laughter] But he's still got that youthful vigor, and he's ready now to put that energy and that expertise that he's displayed right there on Capitol Hill back to work right here in this State that he loves so much.

You know where he stands. I know where he stands. We're in some tough times now, and I'm delighted that these changes towards democracy have taken place in Eastern Europe. And I'm very pleased that we're working the problems of the Middle East with the Soviet Union on our side in terms of opposition. Having said all that, it is essential that the United States remain strong. John is strong on our national security and defense; he's been a mainstay on the Armed Services Committee, making sure that our nation is strong enough to uphold our interest in our ideals. That commitment will now come back to work for the State on the State issues.

One of the issues that plagues this State and all the States is the question of crime. He's tough on crime. He's been a strong supporter of our comprehensive crime bill, a bill that's been stalled and sabotaged by the liberal Democrats in the Congress for the past 16 months. He and I agree that it's time to break that logjam, and we can't put criminals behind bars if we handcuff our law enforcement officers. He has been strong for that, and that commitment to back up the law enforcement officers and be a little tougher on the criminals and a little more compassionate about the victims of crime is the kind of philosophy that I believe we need in Hartford running this State.

I know the concern in this State and all States about the narcotics battle. I am very pleased that our national drug strategy, under our drug czar, Bill Bennett, is doing pretty well. We've got marvelous support in the private sector and all across this country. The statistical evidence is, we're beginning to win this battle. But John is now ready to bring his commitment to a statewide battle against illegal drugs. No more free ride for the so-called casual drug users. No more freedom for the drug dealers. And for the drug kingpins who sell poison for profit, he and I agree that the ultimate penalty -- the death penalty -- is essential if we are going to back up these people and get this under control.

I've seen him battle in Washington for lean and limited government. He's a champion, therefore, for every Connecticut taxpayer. And this is one candidate who doesn't think that the answer to

every problem is a new mandated program from Washington, DC. With John in the statehouse, we won't need a State income tax to deliver the kind of government the citizens of this State want and deserve.

He is the kind of Governor I know I can work with to do what's right for this State and for our country. And that means -- first and foremost -- bolstering the economic strength of our nation. And I want to talk just a minute tonight about the issue that's been going back and forth that we've been wrestling with in Washington for more than 8 long months now: reaching some agreement on the Federal budget.

When it comes to the roles and responsibilities of government, John and I both know that the days of tax-and-spend and damn-the-deficit must end. I share your frustration about this. No American family could afford to run its household the way Congress -- the Democrats that control Congress, I might say -- run the Federal budget. Our children deserve to inherit more than an avalanche of unpaid bills, and I am trying to do something by getting a $500 billion, 5-year deficit reduction program that is enforceable. The Democrats are out there saying: ``Tax the rich. We're going to soak the rich. And what that means -- be careful. Every working man and woman in Connecticut, we're after what's in your pocket." And we know it. We've seen it. They're done this over and over again, and we are not going to permit them to get further into the pockets of the taxpayers in this country under the guise of soaking the rich.

As the old Democratic legacy, it's failed in the past and it's going to fail in the future. The reason I am interested in getting this deficit down for the short run is, I am absolutely convinced -- and some of you have heard Chairman Greenspan on this -- that as soon as we get a real deficit reduction package, interest rates will come down. And that makes it easier for the American family to buy that new home or car. It makes it easier for American entrepreneurs -- those that create the jobs -- to build new businesses. It makes it easier for more jobs to be created. And I still believe that far better than a welfare program is a job with dignity in the private sector. And that's why I want to get this deficit down.

So, I believe that it is past time that Congress proves to the American people that it can learn to live within its means and that it can pass a budget that puts this nation on the path to long-term economic growth. And to come up with any budget at all this year, I had to work with the Democrats who control the Congress. You remember the dilemma President Reagan found in 1982: in spite to his aversion to taxes, the only way to govern, to make something happen -- it's different when you're President than if you're one Member in the Congress -- the only way to govern was to accept a compromise that included raising the revenues.

You know my feeling on taxes. I like taxes just about as much as I like broccoli. [Laughter] And President Reagan had to swallow hard, and so did I. But the long-term health of our economy has to come before self-interest. Only the Congress has the power to tax, and only the Congress has the power to spend. Congress may have forgotten one thing. The people have the power to choose

who sits in the Congress. That's a message that I will take all over this country. I believe the people are fed up with this philosophy of tax and spend, and I think they're going to see a change on that Democratic side of the aisle. The bottom line is that if we want economic growth and if we want to hold the line on taxes and spending and if we want to get serious about reducing the deficit, then America needs to elect more Republicans to Congress. And I mentioned two here tonight that I'm dying to see elected down there, because I know exactly how they'd behave on these issues of protecting the taxpayers' money.

Putting our fiscal house in order is critical, not just from the standpoint of the American economy but I think especially now in light of the challenges in the big picture, the challenges that we face in the Persian Gulf.

You know, we all know the grave economic consequences of Iraq's outlaw act of aggression. But as serious as these consequences may be, what is at stake is not a matter of economics or oil. What is at stake is whether aggression pays or whether aggression is punished, whether we live in a world governed by the rule of law or in a world which is the law of the jungle.

Make no mistake: America will not waver. The world will not allow Saddam Hussein's act of aggression to stand. There can be no compromise on the territorial integrity of a neighboring nation.

When this ordeal is over, and when Kuwait is once again a sovereign and free member of the family of nations, Saddam Hussein must pay for the pain and the hardship that he has caused. The world will hold him accountable, just as it held Adolph Hitler accountable in the wake of the destruction of World War II.

So, our staying power, and ultimately our success, is a matter of the strength of the forces that we send to Saudi Arabia. But it's also a measure of our support back here at home. That support is strong and deep -- across the country, right here in Connecticut, where Darien's VFW Post 6933 became one of the first in the Nation to adopt an Army unit now stationed in Saudi Arabia. It's spearheaded by veterans of Vietnam and Korea, like Robert Hornlein and James Sparrow, who remember what it's like to serve overseas and how much it means to get a package from home. Whether it's extra pens and paper, or high-demand items like sunglasses and flyswatters, every package is a reminder to every member of our armed services that America cares.

And with the young men and women of our Armed Forces in our minds, I want to add one more thing. Right now, in the sands of Saudi Arabia half a world away, those brave young men and women are teaching all of us a lesson about what it means to love liberty, the precious freedom that gives America its meaning. I expect everybody here has a contact one way or another -- maybe a son, maybe a daughter, maybe a nephew, maybe a friend -- who is in some way or other touched by this mobilization and deployment. But let me tell you what the Joint Chiefs of Staff tell me -- every single one of them. Never, in their view, never in this history of this country have

we had more motivated, more better trained, or more fine troops, men and women, than we have today -- never in our history. Every one of them a volunteer. Every one serving and knowing why he or she is serving. They're motivated, and they are well-trained, and they believe.

So as November 6th draws near, I want to just urge every citizen in Connecticut to do what a lot of those kids are doing, filling out the absentee ballots and getting in -- but they're voting. I want to urge every citizen of Connecticut: Get out and vote; do not take democracy for granted.

We've got a lot at stake in these elections. We have an outstanding candidate for Governor, outstanding candidate for Lieutenant Governor sitting up here. The State is at the crossroads. But here, we have a high-energy, well-trained -- great experience -- candidate for Governor in John Rowland. And my thanks again for this warm welcome. As John knows, in the 1990's a lot of ideas that shape government and a lot of action -- if you believe in federalism as we do -- won't originate in Washington. They're going to be generated right here at the grassroots and at the State and local level.

That's why it is critical to have the strongest possible link between the White House and the statehouse, and that's why I was so very proud to accept John's invitation to come here in the homestretch to support him. And so, please -- I know you've been hit pretty hard for this one. [Laughter] But I would simply urge that now let's get into that mode of getting out the vote. Talk to your neighbors. Talk to your friends. Go out and ask them to support the next Governor of the State of Connecticut: John Rowland. Thank you all, and good night, and God bless each and every one of you.

Note: President Bush spoke at 6:40 p.m. in the International Ballroom of the Tara Stamford Hotel. In his remarks, he referred to Midge Baldrige, widow of former Secretary of Commerce Malcolm Baldrige; Betsy Heminway, a friend of the Bushes; Father Joseph A. Devine, who gave the invocation; comedienne Roseanne Barr, who sang the national anthem at a San Diego Padres baseball game; William J. Bennett, Director of National Drug Control Policy; Alan Greenspan, Chairman of the Board of Directors of the Federal Reserve System; and President Saddam Hussein of Iraq. Following the event, President Bush returned to Washington, DC.

Remarks on Presenting the Congressional Gold Medal to Andrew Wyeth

October 24, 1990

The President. Welcome, welcome.

Mr. Wyeth. What a day!

The President. We're so proud to have you here. Please be seated. Well, apologies for keeping you standing and waiting. But first, just a warm White House welcome to Andrew Wyeth, I'd say; to John Frohnmayer; and of course, to our distinguished Members of the Congress, Senators Heinz and Specter and, of course, Dick Schulze, who did so much to make this day possible. Welcome to all of you members of the family. We are very pleased, sir, to welcome you to the White House, and we're pleased to be honoring this man who has so honored his country with his art.

As the legislative citation reads: We act today in recognition of Andrew Wyeth's outstanding and invaluable contributions to American art and culture. His detail-loving paintings of his native Pennsylvania and of Maine magnificently evoke homes and landscapes and friends, somehow familiar and dear to us all.

He is, of course, one of America's foremost artists. He is known for his mastery of difficult technique and, especially, for the realism of his work. And I, too, have been trying locally -- though not yet with Mr. Wyeth's success -- to encourage a certain realism among the congressional budget artists. [Laughter] And I wish I had Dick Schulze's mastery, where he could get something passed unanimously -- [laughter] -- in the House of Representatives like he did this tribute to Mr. Wyeth.

But you, sir, are no stranger to this place. In 1963 President Kennedy chose to award Mr. Wyeth the Presidential Medal of Freedom -- the first artist to be so honored. Saying that this man had caught the heart of America in 1970, President Nixon sponsored an unprecedented exhibition of Andrew Wyeth's paintings at the White House.

Today it is evident that Andrew Wyeth has caught the heart not only of America; internationally he has, for example, been honored by the French Academy of Fine Arts and the Soviet Academy of the Arts. His works have been exhibited and admired from England to Japan.

I am delighted to present yet another first: the first Congressional Gold Medal awarded to an artist. The Treasury Department's medal itself is quite simple and beautiful. It features a profile of Andrew Wyeth from a portrait by his son Jamie. Jamie, like Andrew, has learned much from a

talented father.

So, sir, your family, your friends, your admirers everywhere join Barbara and me in extending sincere best wishes and congratulations as you receive the Andrew Wyeth Congressional Gold Medal. Congratulations, and we're so proud to have you.

Note: The President spoke at 11:11 a.m. in the Roosevelt Room at the White House. In his opening remarks, he referred to John Frohnmayer, Chairman of the National Endowment for the Arts, and Representative Richard T. Schulze.

Remarks Announcing the Resignation of Secretary of Labor Elizabeth Dole

October 24, 1990

The President. Let me say at the outset here that I have an announcement to make. I will not take questions, but I will have this statement and then ask Secretary Dole to say a few words. And then keep the focus on this subject. She will be glad to respond to questions.

This morning, Secretary Elizabeth Dole offered me her resignation. And it is with real, deep regret that I accept this resignation. But let me hasten to say I understand her desire to continue her public service as president of the American Red Cross.

After a quarter-century of service to this country, Elizabeth Dole has earned the respect of the American people. And as Secretary of Labor, she's made the workplace safer, healthier, and more secure. She's reached out to Americans on the job, youth at risk, workers in retirement.

Secretary Dole, you really have changed the way America looks at education and training, retraining in the workplace. And you've built better labor-management relations; you've kept collective bargaining a vital American institution. And no one has been a stronger voice for job opportunity for young people.

I couldn't help but notice this morning some very supportive comments about Secretary Dole by the Nation's number one labor leader, Lane Kirkland. They were supportive, and they almost said it all. And I was very pleased because, for me, that was just one more important testimony to the job that she has done as Secretary of Labor.

So, Barbara joins me in wishing you nothing but the best in this big, new challenge at the Red Cross. Bob, the Senator, tells me your first project is disaster relief. Capitol Hill maybe or -- [laughter]. But anyway, good luck, and thank you so very much. It's been a joy serving with you in the Cabinet, and I look forward to staying in very close touch. You have done a superb job for this country.

Secretary Dole. Thank you, Mr. President. Thank you so very much.

Reporter. Are you going to have a budget tonight, Mr. President? Budget?

Q. Will there be business as usual?

Secretary Dole. Ladies and gentlemen, I have some comments to make. First of all, Mr. President, I want to thank you so very much for the opportunity you've given me to serve as your Secretary

of Labor. I'll always be extremely proud of the fact that I had an opportunity to serve the American people under your strong leadership, and I appreciate the faith that you have shown in me. I'm grateful for that faith and confidence.

And you know, as I leave the Department of Labor, I take with me a strong inspiration which has been fired in me in that particular post; and that's the fact that the American working men and women are the greatest engines of productivity that this world has ever known. And if we're going to continue to be competitive in a complex global market, then we must realize that our most precious resources are our human resources.

And you know, Mr. President, I remember so well when you and I first talked about the Labor Department position. It was just about 2 years ago. It was before Christmas. And we were talking about the kinder, gentler Nation that you want to bring about. And I mentioned that I felt a calling to join with those who wanted to increase charitable giving in this country. And you said, ``Elizabeth, the Labor Department offers many opportunities to make a difference, a positive difference, for people." And how right you were.

The Labor Department is the people's department. And what we've tried to do there is use the power of the Labor Department to empower people with the skills they need, the safety on the job, and with security of their pensions in their retirement years.

And I consider it just a great honor to have had this opportunity to work on issues that mean so much to me in making a difference in people's lives. But this does make my 25th year in government service, and I plan to continue my public service now from a different organization.

As president of the American Red Cross, I'll have the opportunity to work with about 1,200,000 volunteers all across America, 250 million volunteers around the world, Mr. President. And the sole purpose of these individuals and the 23,000 staff members -- the sole mission is to make that positive difference for people, to meet dire human needs and to improve the quality of human life.

Now, it's occurred to me that since the Congress has chartered the Red Cross and you're the honorary chairman and it's located just across the street here -- I wonder if we couldn't just regard this as a transfer, Mr. President. What do you think about that? Do you think that would work?

The President. It's fine with me. Fine with me.

Secretary Dole. But in any case, you will still be the boss, and a wonderful boss, a strong boss. And I look forward to continuing to work with you. And again, I thank you for your support. I thank you for your trust in me and for your friendship.

The President. Well done.

Note: The President spoke at 11:37 a.m. in the Briefing Room at the White House. In his remarks, he referred to Lane Kirkland, president of the American Federation of Labor-Congress of Industrial Organizations, and Senator Robert Dole, the Secretary's husband.

Statement by Press Secretary Fitzwater on the Federal Budget Crisis

October 24, 1990

We continue to have discussions with House and Senate conferees concerning an agreement on the budget. Although there are several areas of disagreement that remain to be worked out, sufficient progress has been made for the President to sign the continuing resolution expected to be passed by Congress tonight. This 3-day continuing resolution includes budget savings that approximate those envisioned in the first year of the bipartisan budget agreement.

We expect the President to sign this continuing resolution tomorrow morning. All Federal employees should report to work as scheduled. The Government will continue to function without interruption.

Tomorrow's travel to New Mexico and Arizona by the President has been canceled. On Thursday the President will continue to monitor the budget situation through his negotiators, who will be working out details of a budget agreement.

Note: H.J. Res. 681, approved October 25, was assigned Public Law No. 101 - 461.

Exchange With Reporters on the Federal Budget Crisis

October 25, 1990

The President. Last picture.

Q. Got a budget?

Q. One big, happy family?

The President. Exactly. They got the message.

Q. How did you convert Mr. Gingrich, Mr. President?

Q. Are you all voting for the package?

The President. Some will, and some won't. But the point is we're unified and trying to win these elections, and that's what this is about. And we're going to do all right. And speaking for myself, I want to see this budget matter behind us. The leaders are going to meet outside with some of you all, and they can answer your individual questions. But I think all of us are totally united in our determination to take a sound, strong Republican message across this country. And if you got the symbolism, so be it.

Q. Is Rollins fired?

Q. What is the message, Mr. President?

Q. How about Rollins?

The President. Stay tuned. You'll start hearing that tomorrow morning, as you've been hearing it.

Q. What about a capital gains cut next year?

The President. Look, we're going to cross a lot of bridges next year, I'll guarantee you. I haven't given up my interest in incentives to get this economy moving, but we will see. We're working now to try to finish up the deal. And I will defer to the leaders; they'll speak to you about that out on the steps. But there are different views as to how quickly this will be done. But that's just one matter. It's a very important one. But we've got a lot of other problems, and we're coming together now to take our case for sound fiscal policy.

We have to keep the taxes down, get the spending down, and get this message out across the

country. We've been bludgeoned by a bunch of demagogic attacks from the Democrats for months. And I've been relatively sanguine in the face of that because we've been trying to get something done; but as soon as we get this finished with, why, I will then be free -- as will everybody here who's been working on this -- to have our say.

Q. Are you going to bludgeon them now?

The President. Stay tuned, John [John Cochran, NBC News].

Q. What did you win, Mr. President?

Q. What did you get out of it?

Q. What do you think you won?

The President. Wait until we see what happens. Wait until you see the result.

Q. But what's all this unity based on?

The President. The fact that we're Republicans and that we all share the same values. We're the party that's trying to keep the taxes down. When they talk about taxing the rich, they're talking about taxing the working men and women of this country. We all agree on that, no matter how you feel on the budget deficit. We talk about the spending side -- we believe, and always have, people aren't taxed too little, the Government's spending too much. These broad themes are still strong, and they're still valid.

We happen to believe that we don't need a lot of mandated government programs from Washington, DC. Further, if you look at the way the Congress seems to be operating and the other party seems to think: Well, let's tell the States exactly how they ought to do it, whether it's child care or whatever the issue is. And education -- we've made some great progress here because of this Republican unity. And so, the message is strong, but it's been masked by the ``inside the beltway'' attention to a very important issue of one where the Democrats seemed to have carried the play with some of you all.

Q. Well, why did you go along?

The President. So, we're going to try to change all that. We're going to try to change it.

Q. ``Outside the beltway'' -- --

Q. -- -- the Albuquerque speech or the Phoenix speech?

The President. I feel if we had more Republicans, like everyone of them standing here, we wouldn't be in this fiscal mess. That's what I feel.

Q. What about Ed Rollins?

Q. Have you made a deal?

Q. Do you want Ed Rollins fired because of that memo that he wrote? [Laughter]

Q. -- -- raising taxes. Can you get away with that?

The President. You got out of there just in time, gang.

Note: The exchange began at 1:58 p.m. in the Rose Garden at the White House. Newt Gingrich is a Member of the House of Representatives. Edward J. Rollins, cochairman of the National Republican Congressional Committee, had sent a memo to Republican candidates advising them not to hesitate ``to oppose either the President or proposals being advanced in Congress."

Remarks to a Fundraising Luncheon for New Mexico Gubernatorial Candidate Frank Bond

October 25, 1990

Well, Frank, thank you very, very much; and thank all of you for that warm response. As you know, and as Frank so generously said, there is business here keeping me in Washington; it relates to the Federal budget and my determination to get this deficit down so we will no longer continue to mortgage the future of our kids. And I can assure you that no one willingly ever misses a chance to visit New Mexico. Having spent 12 years of my life right next to Eunice and Hobbs, I feel I know the State well. But I wanted to say that it's a pleasure to have this opportunity to speak by this satellite -- here I am, I'm not quite sure whether I'm on the telephone or on the television. [Laughter]

But, nevertheless, I'm delighted to be talking to you. And, Frank, once again, a thousand apologies for not being with you today. But we've got some very able proponents: Jack Kemp, an outstanding Secretary of Housing. What a job he's done taking the message of hope and opportunity to all America.

And of course, the same is true of my old, dear friend, with whom I served in Congress, Manuel Lujan. Manuel knows the West. He knows how New Mexico has this terribly important part of the West. He's advancing our fight against drug use on public lands. And he's doing an outstanding job for his country, and I'm proud to have him in our Cabinet.

And that brings me to one of my earliest advisers in my quest for the Presidency in '88, Garrey Carruthers, your able Governor. Came to Maine and sat down with me and told me exactly the line and the approach we should take to help solve the problems of education and crime. And he gave me the same sound advice that he's given the people of New Mexico over the years, putting the State on the path to progress and prosperity. And Garrey, I'll always be grateful to you. Thank you for your wonderful service to that State and, indeed, to your country.

And now for the man of the hour, Frank Bond. Twelve short days from now, New Mexico is going to come to a crossroads. And New Mexico doesn't have to retrace its steps. You can reach forward; you can keep on the forward path that Garrey has set out. You can reach forward to the future, and you can make New Mexico of the 1990's a land of progress and possibility for all. You know, there's no doubt in my mind about the man who can lead the way. New Mexico will move forward with Frank Bond.

Let's just take a quick look, because I've been reviewing Frank's record and following with keen interest -- education to start with. He knows that the key to competitiveness tomorrow is in our classrooms today. He's sure of that. And he favors choice, and he favors the same approach as we do. And I want to see fewer mandated educational programs from Washington and more control

in the hands of Governors like Frank Bond will be.

On the environment -- I'm hoping, incidentally, to have on my desk very soon a clean air bill that's a good one. And I look forward to signing it. But I can take a lesson from Frank. He's a fourth generation New Mexican. The love of the land comes just as natural to him as breathing. And again, you can count on him to help New Mexico pursue wise wildlife and water and land use policies, to help preserve New Mexico's national treasures for generations to come. He's a sound environmentalist. He knows that growth and a sound environmental policy can come together to benefit all people of New Mexico.

And then on the economy -- it is the key issue this year, I think, for New Mexico and, I believe, for all America. And Frank knows what works, how to generate new opportunities and new incentives for investment in new markets. And all that adds up to one thing -- incentives, opportunities, investment, new markets -- it all adds up to new jobs for New Mexico.

We've got to do our part to promote economic growth right here in Washington. And that starts with the budget and an end to this long and frustrating fiscal fiasco. And I can tell you right now, Congress wouldn't be in this mess if we had more Republicans in the Congress, and electing Republicans is what this November 6th is all about.

And nothing's changed. The question is: Do we want to continue the Democratic policies of tax and spend, or do we want a Congress that knows that cutting spending and a strong economy is the way to go? It is critical that we get a budget in place, put our house in order here at home, especially now with the challenge that we face in the Persian Gulf.

You know, let me just say a word about this, and I put this in a very much of bipartisan spirit because -- as Jack Kemp can tell you, as Manuel Lujan can tell you -- we have had strong bipartisan support, crossing the party aisle all the time, for our policy in the Gulf. We all know that Saddam Hussein's outlaw act threatens grave consequences. What is at stake is far more than a matter of economics or oil. What is at stake is the principle at the very heart of international order and whether aggression pays or whether aggression is punished. Our position is that a bully of a neighbor must not be permitted to take over a smaller country -- a member of the United Nations, a member of the Arab League -- and I am determined that that aggression will not stand.

You know, I've talked to all the Joint Chiefs, and every single one of them has told me that we have never had finer young men and women -- more highly motivated, better trained -- than we have right now serving in Armed Forces both at home and abroad. And so, I would say that the brave young men and women are teaching us a lesson, in some ways, about what it means to love liberty, the precious freedom that gives America its meaning. They are filling out their absentee ballots and sending them in from the sands of Saudi Arabia to the 50 States inside the United States.

And thus, I would urge not all of you there alone but everybody in the State of New Mexico, every citizen, to get out and vote. And simply put it this way: Do not take democracy for granted. You know, this November 6th is critical, and I need you to send New Mexico's strong Republican team back here to Washington.

[Senator] Pete Domenici -- what a fantastic job he's doing for the country as well as the State of New Mexico. And both Joe Skeen and Steve Schiff are superb Members of the United States Congress. You've got to send them back here. And then, again, to the man of the hour. New Mexico really needs a leader for the nineties that it can count on. You've been spoiled, in my view, with Garrey Carruthers there at the helm. He's proven over and over again what strong leadership can do. But now we're in a new decade, we're moving into the nineties, and it is absolutely essential that New Mexico's next governor be Frank Bond.

Once again, my thanks to Jack Kemp and to Manuel Lujan and to the Governor. And my respects, Frank, to you. My apologies for missing what I know is an exciting event. Give my precious Columba a big hug when she comes there to campaign for you on behalf of our entire family. And now back to you. And to all of you, my most sincere thanks.

Note: President Bush spoke at 2:17 p.m. in Room 450 of the Old Executive Office Building, and his remarks were broadcast via satellite to the Pavilion of the Hyatt Regency Hotel in Albuquerque, NM. In his remarks, he referred to President Saddam Hussein of Iraq; Senator Pete V. Domenici; and Columba Bush, his daughter-in-law.

Remarks at a Fundraising Breakfast for Gubernatorial Candidate Pete Wilson in Irvine, California

October 26, 1990

Don, thank you so very much for that very, very generous introduction. If I began to try to express my gratitude to Don for all he's done for me, it would be impossible. So, I just want to say thank you -- thank you for what you and George have done for this wonderful event in support of Pete Wilson, for all that you both do in support of this party. And I am very, very pleased to be here.

I'm delighted to see our able State chairman down here. He's done a remarkable job pulling this party together, getting it unified so we will win these statewide elections in about 11 days from now. Frank Visco, thank you, sir, for your great leadership for the party. I know out here somewhere is Tom Fuentes, the Orange County chairman. Where is -- [applause]. If Tom ever needs a campaign chairman for national office, all he has to do is call the White House and ask for Barbara Bush. That's his biggest admirer, and she feels about him just the same way I do. What a job he's done.

And I also want to congratulate in advance, hopefully, the rest of this ticket here: your own Marion Bergeson, who's -- I love what Pete Wilson said about her -- is yours, who's now going on to be the State's Lieutenant Governor; Matt Fong for comptroller down here; and of course, Thomas Hayes, who we know will remain as State treasurer.

So, I think we've got an outstanding team. And I also want to put in a plug for one who was just here, had to go on to that campaign trail -- and I'm talking about the next Congressman from one of these districts right here, Bob Hammock. He's in a tough race, but I believe he's going to make it. And boy, do we need him in that seat.

Well, I'm delighted to be here. And it was very generous of Pete to get on that telephone and give me those warm words of welcome. He is doing exactly what he should do as this Congress wraps up. I wish they'd been out of business long before now, frankly. But he's got to be there to protect the interests of the people of California, and I believe he'll do just that.

But I'm here this morning because the stakes are high. And we all know that out on the trail right now there's a strong, vibrant woman involved in this race. People say she's a winner, the one woman who's finally a match for Pete. But Gayle is much too modest to admit that. [Laughter] What a job Gayle Wilson is doing for her husband across this State. It is unbelievable. And Barbara and I salute you, and we admire you, and we are just grateful that you are with us here today.

You know, it's good to be back. And I start by saying thank you. Thank you to all those in Orange County -- and I thought Don put it pretty well -- all of you for giving me and, I'd say, Barbara, too, the opportunity to serve the greatest country on the face of the Earth as President. And I must say, last night when I arrived at El Toro and landed at the Marine base and saw the dedication of those families, many of them with their husbands halfway around the world -- those marines out there -- I must say it really moved me as I went down and shook hands with each and every one of them. And transcending the partisan politics that bring us this morning, I just want you to know this: we are not going to fail in our mission halfway around the world.

Some think that the differences between the parties are blurred. And to that I say, nonsense. Republicans believe that power should be in the hands of people, not in the Government in Washington, DC. Republicans want to reform Washington so we can expand the opportunity for all Americans instead of expanding the budget year in after year out. In education, Republicans want reform to empower parents to choose their children's schools. In child care, we're the ones that want reform to empower parents to choose who will watch over their children. In the most desolate inner city, we want reform, so we strive to create enterprise zones, zones of opportunity, to remove barriers to mobility and remove barriers to success, to empower people with the spirit of enterprise.

In short, we do want to build a better America. That is why I need more Republicans in the United States Congress. And that's why I want to see Pete Wilson as Governor of this great State, so that we are going to have a fair shake in redistricting in a couple of years from now. We've been gerrymandered out of it, and the time has come for fairplay.

In addition, Pete's been there in Washington; he's seen it. He's seen what 40 years of Democratic control of the Congress have given us: bigger and bigger government with more and more spending. And remember, it is Congress that appropriates every dime and tells us how to spend every dime. And the American people know this in overwhelming numbers: that it is the United States Congress that must be changed if this country is going to move ahead.

I met yesterday with the Republican leadership in the House and Senate, and one thing is clear: We are united in the opposition to the tax-and-spend policies of the Democrats. Now, after 8 long months of negotiations, we may be on the verge of a budget agreement. This morning, in a major newspaper, I was challenged by one of the House Democratic leaders who now puts the budget negotiations into the context of the Presidential politics of 1992.

Well, let me tell you something. Let me say, first off, that the number of Democratic leaders -- and I'm talking about the leadership in the House and the Senate -- have been working cooperatively. And I think they have been working very hard to get a budget agreement. For that I salute them, because I firmly believe that we must get an agreement to start getting these deficits under control -- with real enforcement, 500 billion dollars' worth of cuts over 5 years that cannot be changed by the next Congress or the next one after that.

But in criticizing me today and in justifying the higher taxes that their party has long been proposed, one was quoted in the paper as follows: ``The President needs to explain to the American people why they are being asked to swallow strong medicine" -- that's what Democrats call taxes -- ``but he didn't do it." He says, ``The President didn't do this." Well, let me try once more.

For 36 years, his party, the Democratic Party, have controlled the House of Representatives. And year after year after year, they have presided over these budget deficits. They appropriate every dime, and they tell me how to spend every dime. And yes, we need a deficit agreement. And yes, I have had to compromise. Haven't liked that a bit, but I've done it because the President must, at certain times, put the overall good of the country first. You have to give a little from time to time.

But the American people know all too well that strong medicine -- I refer back to that quote -- is required because the Democratically controlled Congress simply has been on an uncontrolled spending binge for years. You don't have to be a rocket scientist to know that Congress has been spending more than we take in for far too long. And that's got to stop.

For the sake of the Nation, we have to reduce the deficit now. I was determined to do it by a careful balance of spending cuts. Predictably, the Democrats wanted to slash defense and raise income taxes for all Americans. Take a look at that House-passed bill. Don't let them tell you that was a tax package to hit the rich. That was going after the working men and women in this country, through the deferring of index. And everybody out there is smart enough to see it.

The agreement that we get won't be the best deal possible, but in my judgment, it will be the best deal possible with this Congress. And the best way for America to stand against more spending and more taxes is to elect more Republicans to the House and to the Senate of the United States.

The budget, regrettably, isn't the only thing we've waited for. We've waited for action on the environment. We all want a safe and healthy world, preserved and protected for our kids. In fact, when I think of Gayle's husband, Pete, he wrote the first Coastal Protection Act. He's been fighting for clean air for years, long before it became the cause. His brand of environmental activism is what California really needs because he proves that a leader can be green without being ``Big Green."

I hope you know this, but clean air at the Federal level has been one of my administration's top priorities as well. It's been 13 years since the Clean Air Act has been successfully amended and improved. And so, on July 21st, 1989, we sent to the Congress new comprehensive clean air legislation to cut acid rain, urban smog, and air toxics. Not 5, not 10, but over 100 amendments were added; and it took Congress 6 weeks to appoint the members of the conference committee. And then 150 congressional negotiators squabbled for 15 weeks. Now, 462 days after we sent that legislation, it looks like a bill finally -- thank heavens -- might arrive on my desk. You see, I believe the American people do deserve clean air. And I believe Californians deserve clean air.

And what they don't deserve is a Congress that is hamstrung by special interests wrangling over our nation's priorities.

Here's another thing that can't wait -- and again, I admire Pete Wilson for being out front, both in California and in Washington, on these questions. Another thing that can't wait: safe streets and schools. Here in California, Pete Wilson has worked for harsher penalties for those convicted of rape and assault. Back in Washington, he supported the tough crime bill that we sent to Capitol Hill nearly 16 months ago. And when liberal Democrats tried to gut the death penalty, it was Republicans who stopped them. Republicans demanded a real, workable death penalty for those who kill Federal law enforcement officers. That's my position; that's Pete's position; that is the position of the people of California.

Well, that crime legislation is still in a conference committee. If Congress sends me a weak bill here in the final hours, I'm going to veto it. And if Congress sends me a strong bill, it's because of Republicans like Pete Wilson, who insist that these people that murder our police officers get the kind of punishment they deserve. Innocent Americans are waiting for a criminal justice system that is tougher on criminals than it is on law enforcement and one that cares a little bit more about the victims of crime and a little less about the criminals themselves. And if you do that, take the message across this State -- heavily laden, heavily rich in congressional seats -- that the best way to get that done is by voting for a new Congress, a Republican Congress, on November 6th.

You know, congressional Democrats are upset because they know that the Republicans are on the right side of the issues. We just need more Republicans on the right side of the aisle. The voters are fed up. They know where the blame lies. And that's why Californians are supporting Proposition 140, the one Pete endorsed. For those who may have straggled in from inside the Washington beltway, let me say that that's the one that limits the terms of permanent politicians and puts the power back into the hands of the people. The 1988 Republican platform supports limitation on terms for Members of Congress. In 1988 -- I'm not just jumping on the bandwagon -- that was in our platform. And that is one way to correct the abuse of power and the unbridled influence of an entrenched Congressional staff. And I say, it's an idea whose time has come.

There's another point -- Pete's been in the forefront on this one: our party has always stood for strength at home and strength abroad. And today it's no different. But partisanship, as Senator Vandenberg said, stops at the water's edge. We got away from that a little bit in the Vietnam days -- subsequently related to South America. But I respect that. I like that concept that when it comes to foreign affairs, the partisanship should, indeed, stop at the water's edge. And so, I think in a spirit of fairplay -- given what we're facing halfway around the world -- I ought to say, and I say it proudly, that I am very grateful for the bipartisan support for our stand against aggression in the Persian Gulf.

Our ability to build a worldwide consensus condemning Iraq and its brutality proves that there is no substitute for American leadership in the community of nations. We and the world are

determined that Saddam Hussein's aggression and his brutality will not stand.

Here at home, we can, indeed, fulfill our party's mission of creating opportunity and empowering people, set forth so long ago -- the mission begun by Abraham Lincoln and Teddy Roosevelt and continued by our last President, a great son of California, Ronald Reagan. The time has come to fulfill that mission now. But to do it, we need more Republicans in Washington and, indeed, in Sacramento.

So, my appeal to you is -- you in this county who hold so much of the fate of all these statewide candidates in your hand -- let's get out our vote on November 6th. And let's make Pete Wilson the next great Republican Governor of the State of California. Go to work. Get out there now with 11 days to go and elect this man Governor.

Thank you very, very much.

Note: President Bush spoke at 9 a.m. in the International Ballroom of the Hyatt Hotel. In his remarks, he referred to longtime friend Don Bren; Gov. George Deukmejian of California; and President Saddam Hussein of Iraq. President Bush also referred to ``Big Green," the environmental protection initiative on the November ballot in California.

Message to the Congress Transmitting the Annual Report on Agricultural Trade Goals

October 26, 1990

To the Congress of the United States:

In accordance with section 4201 of the Omnibus Trade and Competitiveness Act of 1988 (Public Law 100 - 418; 7 U.S.C. 5211), I herewith transmit the second annual U.S. Long-Term Agricultural Trade Goals and Strategy Report for Fiscal Year 1991. This report provides recommended policy goals for U.S. agricultural trade and exports, and recommended levels of spending on international activities of the Department of Agriculture, for 1-, 5-, and 10-fiscal year periods.

George Bush

The White House,

October 26, 1990.

Remarks at a Campaign Rally for Gubernatorial Candidate Pete Wilson in Los Angeles, California

October 26, 1990

Let me say to our next Governor, thank you very much for that warm introduction and those generous comments. I might say, Gayle, Pete can't be here, but I'm delighted to be at your side. Gayle Wilson continues to amaze. She finds all the time in the world to be compassionate and work with these drug babies, engaged in the battle against narcotics; and yet she's Pete's secret weapon out on the campaign trail every single day. He's lucky, and it's going to make a tremendous difference.

I, too, want to pay my respects to my old friend George Deukmejian, to Gloria, too. I'll tell you, the State has been well served by his decency, his honor, his sense of commitment. George, thank you for what you've done for this State and for the country. I, too, want to thank our State chairman, Frank Visco, and our statewide slate. Marion Bergeson is here with us, the candidate for Lieutenant Governor; Thomas Hayes for treasurer; and Matt Fong for comptroller -- all with us here today. And I want to thank the marvelous talent, the Velvet Fog, Mel Torme. Nobody can do ``The Star-Spangled Banner'' any better than that. If you give lessons, you might try Roseanne Barr on for size. [Laughter]

I want to say thanks to my friends Andy Williams and Buddy Ebsen, Donald O'Connor and, of course, Scott Baio, the youngest of us all. It's great to be with you all, and I'm so appreciative. And then, my special and profound thanks to two old friends that have been really sweet to Barbara and me over the years; and I mean Barbara and Frank Sinatra. Thank you all for being with us, too.

I bring you all greetings from Barbara Bush. If I might say so -- as I said about Gayle -- I think Barbara is doing an outstanding job on behalf of literacy across this country. That first pitch she threw out at the Reds' catcher there probably screwed up the Oakland team, but nevertheless -- [laughter] -- she sends her very best regards.

I want to just get back out here -- this morning in Orange County, and now here, and then Monday in San Francisco -- to just say a few words of support for our next Governor, Pete Wilson.

You know, Pete understands California. He knows that Californians want a government that is responsible and, in short, a government worthy of respect. That's why he endorsed this Proposition 140 to reform our government by limiting the terms for the lawmakers.

You know, some don't know this, but our 1988 Republican national platform called for limiting

terms for Members of Congress. Now momentum is building all across this country. But the Democrats, including Pete's opponent, don't understand the mood of the country. They truly believe that they deserve to be reelected from now until kingdom come. I believe in citizen legislators returning to live under the laws they've made. I believe term limitation is an idea whose time has come.

This system, gerrymandered to perpetuate incumbency, reminds me of the Michael Keaton character in ``Pacific Heights'': Once they move into your basement, they never move out. [Laughter] But Pete Wilson has said enough is enough, and so do I. And we don't need perpetual legislators. We need more Republicans like Pete Wilson, and we need a Congress in Washington that works. We need a Congress that works for the national interest, not the special interest.

In education -- Pete touched on it -- we want reform to empower parents, give the parents the right to choose their children's schools. In child care, we want reform to empower parents to choose who will watch over their children. We don't want the Government telling them that that's the way it's got to be in child care.

And in the most desolate, the most poverty-stricken inner cities, we want reform. And so, we strive to create job zones of opportunity, to remove barriers to mobility and success, to empower people with the spirit of enterprise.

In civil rights, we want expanded guarantees of equal opportunities for all. We want to eliminate prejudice in the workplace, but we do not want quotas. And that is why I vetoed that civil rights bill. And the very day I did that, I sent a -- I've been for civil rights all my life, and I sent a civil rights bill up to the Hill that will guarantee against discrimination in the workplace, but it will not establish quotas. And I ask the Congress -- they're sitting around up there now -- they could pass it in 20 minutes if there was a genuine interest in civil rights and less interest in trying to embarrass the President of the United States.

And in housing, we want to empower public-housing tenants to take charge of their own lives, to be able to control the places in which they live.

But this is a Congress that I have to live with. I'm now much more empathetic with the Duke -- what he's put up with over these last couple of terms. This is a Congress that would rather proclaim National Home Care Week than give me a housing bill. This is a Congress that would rather issue feel-good proclamations than address the fundamental problems of this country. And this is a Congress that is just now delivering a budget almost a full month into the new fiscal year and after 8 months of negotiations.

You know, almost 40 times in the last 10 years -- just in the last 10 years -- Congress has had to pass emergency measures just to keep the Government operating. They did it again just last Wednesday for the third time this month. I believe that the American people have had enough.

And there is an alternative. And I met yesterday at the White House with the Republican leadership from the House and the Senate, and I made clear to the leadership and to our negotiators from the White House how much we owe to their untiring efforts these past 8 months -- efforts to fight the Democrats' determination to tax and spend.

It is my deeply held conviction that I must do all I can to get a $500-billion deficit reduction that can't be turned over next year or the year after -- get that 5-year deficit reduction and get it in place. And that has meant that I've had to do some compromising. I don't control the Senate, and I don't control the House. But I will not do one that reverts back to raising the income tax rates on everybody in the name of ``soaking the rich." What they're really doing is trying to get into the pocket of the working man and woman of this country by that indexing that the Democrats ran through the House with.

God, it's nice to be out of Washington, I'll tell you. [Laughter] Getting warmed up here. But we are united by a certain bunch of principles, group of principles. And we stand against the age-old failed tax-and-spend policies of the Democrats who control both Houses of the Congress. We're working to turn things around in Washington. Right here in California, back here, reform starts now with Pete Wilson.

In our war on crime and drugs, Pete, as George Deukmejian said, has been absolutely outstanding. As your next Governor, here's what he says: ``I will not have California under siege to rapists and thugs and drug dealers." And is it, therefore, any surprise that he, and not his opponent, is endorsed by the women prosecutors of California? They know that Pete wants to govern a California where women no longer fear the night, because drug dealers and criminals will fear the law. They know he would make your streets safer by extending capital punishment in California to those major drug traffickers -- the same as my proposal, exactly the same as my proposal before the Congress.

The first time I called on Congress to pass a tough, comprehensive crime bill, I was surrounded there by hundreds of law enforcement officers at the foot of the Capitol on a rain-soaked morning in May of 1989. Now, after a year and a half, the Democrat Congress still has not passed our crime bill. The only crime bill the Democrats have ever talked about passing is one that would leave our courts, our cops, and ultimately, our citizens weaker than the criminals who plague our cities. And I will not accept that kind of legislation. When the Democrats tried to push through an exclusionary rule that would have handcuffed law enforcement officers, it was Republicans -- in the minority -- but it was Republicans that held the line. And when they tried to assure criminals a process of endless appeals, Republicans held the line. And when they tried to cut the death penalty, Republicans held the line.

The hour is late. And if Congress sends me a bill now -- even now at this last minute -- that is tougher on criminals than it is on the cops, then I'll sign it the instant it lands on my desk. It troubles me, it troubles me that our Democratic Congress doesn't bother to listen to the most

vulnerable of our society: those families living in fear in West L.A. or in Watts, in neighborhoods where just going to school or the corner store requires an act of courage.

If the Democrats in Congress want real justice, if they want peace in our neighborhoods, they would have protected Americans -- all Americans -- with the tough laws that we proposed so very long ago. If we had had more people like Pete Wilson in the United States Senate and more like him in the House, we would have done much better sooner to protect the average man and woman of this country.

Well, now California can do something about the arrogance of the liberal State legislature. You can do something because you, the voters, are the true incumbents. You can elect more Republicans, and you can elect a Governor who will never waver in fighting crime, standing firm for fiscal sanity, protecting the environment. You can elect Pete Wilson.

November 6th is just 11 days away, and already the absentee ballots are coming in from the Gulf, thousands of votes from our men and women in uniform. If they can find the time to do their civic duty under demanding circumstances, I know that Californians at home will turn out as well. So we need you to get out the vote. That's what a lot of this luncheon is about today -- helping Frank Visco and the State party get out the vote for our outstanding statewide ticket.

Let me just close with a word relating to what's happening in the Gulf. I was very moved when I landed at El Toro and met the wives and kids of many of those who are serving us right now halfway around the world in Saudi Arabia. It's a very moving thing to see those fantastic young people whose husbands and wives are serving halfway around the world.

You know, Arthur Vandenberg talked about partisanship ending at the water's edge. That was a good concept. We got away from it in Vietnam and the post-Vietnam era. But I'm very pleased -- and I want to say it right here in front of what I suspect is a bit of a partisan audience when it comes to George Deukmejian and Pete Wilson -- but we've had good support across the aisle from the Democratic leadership and from the Democratic Members of Congress and the Democratic Members of the Senate for what I'm trying to do halfway around the world.

But I come to these meetings, and you see some signs out there, and it says: ``No war for oil." Let me tell you that that's not what the question is. The question is: Will the United States, the only country in the world that has the power to effect this unprecedented coalition and put it together, will the United States insist -- and I think the answer is yes -- will we insist that Saddam Hussein get out of Kuwait, that the Government of Kuwait be restored, that the rape and the pillage and the plunder of Kuwait stop, and that aggression not be rewarded? It isn't oil, it is aggression -- naked, brutal aggression.

So, I can assure you that when this is over the world will say, thank God that the United States made it clear that no country can bully and take over its neighbor. That's what's at stake. And I

want to say to the American people and to those in California, regardless of party: I am grateful for the steadfast support -- for your steadfast support. And I will not let you down. The United States of America will prevail.

Thank you all, and God bless each and every one of you.

Note: The President spoke at 12:45 p.m. in the ballroom at the Century Plaza Hotel. In his remarks, he referred to Pete Wilson's wife, Gayle; Gov. George Deukmejian and his wife, Gloria; entertainers Andy Williams, Buddy Ebsen, Donald O'Connor, Scott Baio, and Frank Sinatra; and President Saddam Hussein of Iraq. President Bush also referred to comedienne Roseanne Barr's performance of the national anthem at a San Diego Padres baseball game and Barbara Bush's appearance at the second game of the 1990 World Series in Cincinnati, OH.

Remarks at a Fundraising Dinner for Senatorial Candidate Pat Saiki in Honolulu, Hawaii

October 26, 1990

Well, thank you all, really, for that warm welcome back. Frank, thank you. Keep up the good work as campaign chairman. You know, you can get a feeling of these campaigns, and I love the feel of this Saiki campaign for the Senate. I feel we've got a winner out there. And I was privileged to be met at the airport by Senator Hiram Fong, an old friend of my family's and a friend of Barbara's and mine. Mayor Fasi greeted us and Fred Hemmings, our able candidate for Governor. I sure hope he'll get in there. We need a little change in that place.

And then we've got two great candidates for Congress: Mike Liu, we want you to win. Andy Poepoe, we want you to win. So good luck, First and Second Congressional Districts. And to David Kahanu, our Bush-Quayle chairman, my gratitude. To our State chairman, Andy Anderson, my respects and thanks for what you're doing to hold this party and build it. To Governor Peter Coleman, who's here from American Samoa somewhere, my greetings to you. I haven't seen Peter, but an old friend. And of course, flying out with me, the Representative of Guam, an old friend of mine, a former general officer in the Means, Congressman Ben Blaz. I know he's here, but I don't know where he is. But anyway, we want to welcome him -- Congressman from Guam. And of course, ones from amongst you are now head of OPIC -- Ambassador Fred Zeder is also here. [Applause]

Thank you all. I see Zeder's got two friends here. Well -- [laughter] -- thank you all for that warm welcome. I wasn't kidding when I told Pat, because it is nice to get away from Washington to warmer climes and to cooler heads. [Laughter] I was hoping to do a little fishing here, but after a lifetime catching fish with names like skate, perch, pike, bass, and trout, somebody told me that Hawaii's State fish is the humuhumunukunukuapua'a. If I can't say it, I'll never catch it, so anyway -- [laughter].

No, but Hawaii is a wonderfully welcoming place. And you feel it in the warm wind, and you see it in the eyes of the young and the old. Sense it even in your State capitol -- not some dark, exclusive dome but a roof open to the sky, to the Sun and the stars, as if to make room for higher aspirations. And Hawaii has taught the world that men and women from Asia, Africa, and the Americas, and Europe can tie their destinies together in a common cause. And so, we're here to support someone who brings that lesson to life every single day for all people, of any party or persuasion, who want a brighter future for Hawaii; a great teacher; a great lady; a great leader who cares about this State and its people and knows how to serve them well in Washington. And of course, I'm talking about our dear friend Pat Saiki, the next Senator from Hawaii.

She's been one who's been beating the odds. And back when the experts said she had no chance, she won her House seat with 60 percent. And next month, with your help, she's going to defy the

odds again as the first Asian American woman in the United States Senate. And it's about time. She can reach out to independents, to Democrats. And over her two terms in Congress, I watched her in action, admired her bipartisan approach to her work, seen her build consensus across the aisle, getting Republicans and Democrats to pull together. And she's smart, and she's effective, and she moves government forward. And she knows that leaders are sent to Washington not to quarrel but to lead. And I know that America needs that spirit of aloha in the United States Senate.

You know, Pat Saiki adds an important voice to this great State's presence in Washington. She was part of a broad coalition concerned about Japanese Americans interned during World War II. And it was Pat who helped convince President Reagan to sign legislation reaffirming us as a nation of integrity and fairness. And just this month, I was proud to personally communicate the Nation's regret to the noble survivors of those camps.

Pat's commitment to justice is just one way that she has helped make America ever stronger and ever more proud. You know, long before it became a national code, Pat has been a leader in the Congress to safeguard Hawaii's precious environment: protecting marine life from drift netting, expanding wildlife refuges, and working to establish oilspill strike teams to protect Hawaii's waters. And very soon I hope to have on my desk in Washington a clean air act that I can sign -- the one my administration proposed way back last year to the United States Congress. And if I do get such a bill, I know that part of the reason will be the steadfast support Pat Saiki has given to our environmental initiatives. She's been a champion, a clear-thinking champion for the environment. And that bodes well for all of you when she becomes the next Senator from this great State.

You know, I remember the visit I had when Pat came to see me, urging that the bombing of Kaho'olawe should be halted. And just this week I directed the Secretary of Defense to discontinue the island's use as a weapons range, effective immediately. And if that is good, give some credit to Pat Saiki. She's an effective, compassionate leader -- sound judgment -- whose voice gets heard, who makes things happen.

You know, when she did come to see me in the Oval Office last spring, she stressed the importance of these environmental issues and also talked about trade with our Pacific Rim neighbors. And she's got a vision of Hawaii as more than a gateway to the Pacific Rim. She's excited about the meeting I'm having tomorrow with these leaders from the islands. And I think it's a good time -- and I think it's about time -- that an American President sat down with the heads of these countries out there and tell them that we are as one in our respect for and love of the Pacific.

And she sees Hawaii as I do, a future focal point for international trade and new technology. For example, she and I know how important it is to achieve success at these GATT talks -- the final part of the Uruguay round. These negotiations, if we're successful -- and I was on the phone to

some of the foreign leaders, the leaders of Europe, today on this very subject -- if these negotiations are successful, they will open up new markets for Hawaii's agricultural products. And I am absolutely convinced that the United States can compete with anyone, anywhere, as long as the playing field is level and the competition is free and fair. And that's what Pat and I are fighting for.

Further, she knows how to harness the power of Hawaiian business by unleashing the power of the people themselves. We'll have a brighter future with Pat in the Senate. You know, Pat knows the future will always be just out of reach if we follow the failed tradition of taxing and spending, spending and taxing. And that's why she's got the best spending record of anyone in the Hawaiian delegation. In fact, her efforts against waste in government made her a two-time winner of the Golden Bulldog Award. You can just picture it. You've got to be careful when I'm talking about these dogs because Barbara was out here recently and you may recall that our dog, Millie, is now a famous author. [Laughter] And if she hears Pat wins the Golden Bulldog Award, our springer spaniel may be jealous. Ever since her book hit the bestseller list, she's been a lot -- full of herself. Give her some Alpo and she asks for a wine list around the White House these days. [Laughter]

I'm sure you've been watching the news about these budget negotiations with Congress. Put it this way: I hope you haven't been watching the news about the budget negotiations with Congress. [Laughter] If you think it hasn't been pretty from 5,000 miles away, you ought to try it close up. [Laughter] No, it hasn't been pretty. But I think we are getting closer to an agreement -- an agreement that is long, long overdue. Because every time I see a little guy like this one in the front row -- and for you in the back, he's about this big -- I say to myself, we must stop mortgaging the future of these young kids by deficit after deficit after deficit. And the Congress better get going and get something done about it.

You know, it's different -- I've discovered a few things. One is, it's different being President. There's a weighty observation. [Laughter] And Harry Truman was right -- the buck does stop at my desk. Because as President, I do have to put the national interest first before the parochial interest. And so, I am determined to do my level best, in a spirit of compromise and in a spirit of outreach, to get an agreement that puts a stop to this congressional spending binge. Unless you haven't noticed it, I want a 5-year, $500-billion deficit reduction program that is enforceable -- a bill that cannot be overridden the very next year and that will really guarantee these young kids that they will not have their future mortgaged by the big-spending Congress of the United States. And I say this not in a spirit of partisanship, but if we had more people like Pat on our side of the aisle and we had more like her elected to the Senate, I can guarantee you we wouldn't be back year after year in a deficit mode. She is a fiscal conservative, and we need her in the United States Senate.

Some talk about the blending of principles between the Democrat and the Republican Party nationally. But principles like -- I think they're clear -- principles like the enduring commitment to freedom and justice and individual empowerment -- I think of that as a principle that unites us. The constant determination to place our faith in limited Federal Government -- one that's got

compassion and one that's got conscience, though. And this party and our leadership in Washington continues to fight the failed policies of the past. Look back. Our 1988 platform called for limiting the terms on the Members of Congress. And as you look at the momentum growing across the country, I am convinced that it's an idea whose time has come.

We are the party that empowers people, not an entrenched bureaucracy of 20,000 congressional staffers on Capitol Hill. And we are determined to put the national interest ahead of the special interest. So I'm here at this event on a purely partisan mission -- because I believe so strongly in Pat Saiki. I know she can reach out and get voters from both sides of the aisles. I know she can make good things happen for the people of her State. So, I need her as part of our team.

But as Senator Vandenberg said many years ago, partisanship stops at the water's edge. I must tell you, in that spirit of bipartisanship, that I am truly grateful for the bipartisan support not only from the Congress but also from the American people for our efforts to stand up firm against Saddam Hussein's aggression and brutality in the Persian Gulf. The Democratic leaders in the House and the Republican leaders in the House, and the Democratic leaders in the Senate and the Republican leaders in the Senate came together in a resolution supporting the efforts that I have taken, the moves that I have made as President of the United States. And I think that sends a good, clear symbol of unity to that invading dictator halfway around the world.

On Sunday, I'm going to be putting partisanship aside and head out for Hickam Air Force Base to tell Hawaii's service men and women how much they mean to America and to the cause of peace in the whole world. Our thoughts and prayers are with them and their family every day. And I know that Pat and all of you here join me in saluting the finest young men and women that have ever served in the uniform of the United States of America.

President Eisenhower worried about global conflict in 1959. And he said: ``Hawaii cries insistently to a divided world that all our differences of race and origin are less than the grand and indestructible unity of our common brotherhood. The world should take time to listen to Hawaii."

Well, today Washington does listen to Hawaii and to Pat Saiki. And it's been a close race for her. But we're beginning to see the daylight. And that means bright days for this State are ahead. So this November, do absolutely all you can to get out the vote, from Hilo on the Big Island to Maui to Kaneohe -- where I flew out of there during World War II for a little bit -- to the bustling streets of Honolulu right here on Oahu. Get the people to the polls, and send Pat Saiki to the United States Senate. We need her. She is outstanding.

Thank you, and God bless the United States of America. Thank you all.

Note: The President spoke at 7:20 p.m. in the Coral Ballroom at the Hilton Hawaiian Village Hotel.

Remarks on the Federal Budget Agreement and an Exchange With Reporters in Honolulu, Hawaii

October 27, 1990

The President. Let me start with a statement, and then be glad to take some questions. But I've just been informed that the United States Senate has just passed the House-Senate conference report on the budget. This completes congressional action on an agreement to reduce the Federal deficit by over $490 billion over the next 5 years.

This budget blueprint represents corrective action on a pattern of Federal spending gone out of control. We have put on the brakes, and the process has sometimes been painful. But I will sign this legislation because, for the first time, it makes significant and long-term cuts in Federal spending that should have a positive impact on America's economic future. All political points of view have sacrificed to bring this agreement about. And, needless to say, I don't like raising taxes and never will, but there is a price to divided government, and that means that I have had to compromise on items that I feel strongly about in order to do what I think is best for the country, and that is to reach an agreement.

At the same time, we've cut Federal spending programs and applied some self-discipline, steps that also may not be popular. But the essential ingredient which has produced bipartisan agreement is that we must get the deficit down, get interest rates down, and keep America moving. And I might add, I'm told that the final enforcement provisions are very, very strong, so that we're guarding against more spending -- out-of-control spending next year and into the future, covered by this agreement.

In addition, I am pleased that many of my proposals on child care are incorporated in this budget reconciliation bill. The legislation provides tax credits, grants, and vouchers that put choice in the hands of parents rather than in the hands of bureaucrats. So, I'm very pleased about the childcare provision, something I've been fighting for.

I intend to sign the agreement. And I will also review closely the various appropriations bills to make sure that they conform to this new spending agreement. We've made the tough decisions, and now it's time to move on.

And I am pleased that the Congress also has passed historic Clean Air Act amendments which will reduce acid rain, urban smog, and toxic air pollutions. We proposed this far-reaching environmental cleanup legislation some 15 months ago with the hope that this initiative by the administration would break the logjam that had prevented a clean air bill from being passed previously. This is an important milestone in preserving and protecting America's natural resources, and I look forward to signing the bill.

I want to conclude by thanking everyone involved, including the bipartisan leadership in Congress for their tireless efforts in forging and passing the new budget agreement. The Speaker [Thomas S. Foley], Minority Leader Bob Michel, the Majority Leader Dick Gephardt, Senator Mitchell, and Senator Dole have all had to compromise some. And they've stayed with it long, long hours, trying to hammer out this agreement, so I want to take this opportunity to thank them.

I'll be glad to take a few questions, and then we've got to head on.

Budget Agreement

Q. Mr. President, you signed on to this budget agreement and your negotiators negotiated it with Congress, including the tax increases that you vowed you wouldn't do when you ran for office. Are you prepared now to give it a sound endorsement and urge Republican candidates to go out and sell it to the voters as well -- --

The President. No -- --

Q. -- -- or are you going to turn your back on it and blame the Democrats for the tax increases that you agreed with?

The President. I'm going to say, look, I've reluctantly signed this. There are things in it that, if I controlled both Houses of Congress, wouldn't be in it; and I think the Democrats will be saying the same thing. I noticed some of them saying yesterday that they felt we ought to have higher income tax rates. One of the things I'm glad about is that we've held the line on income tax rates.

A handful of the wealthiest went up, and 10 times that many of the upper middle income came down. Some went from 28 to 31; others came down from 33 to 31. There are certain things in it that I can strongly advocate. There are some things in it that I had to gag and digest. And so, that's the approach I'm going to be taking, and expect everyone else will, too.

Q. Mr. President, you said it's time to move on. Do you have any fear or do you think -- expectation that the whole fiasco over the last couple of weeks is going to haunt you in the election?

The President. No, I don't think so at all. Sometimes the President has to make a tough call; this is one of them. I'll be right out on the campaign trail advocating the election of more Republicans to the Congress. And we wouldn't have been in this mess if we had that.

Q. Mr. President, how can you go out now and blame Democrats, criticize Democrats, when in fact they, more than Republicans, helped you get this budget package -- which you supported -- passed?

The President. Hey, listen, that shows that I don't like everything in the package. I mean, if I were all that enthusiastic about it you'd have seen more Republicans voting for it. So, nobody got it exactly the way he or she wanted, but now it's behind us. As soon as I sign it, that's behind us. And I hope it will have the effect of bringing interest rates down. But the philosophy of holding the line on spending and holding the line on taxes is my philosophy. And I will be clearly advocating that.

Taxes

Q. What message will you use now, then, to replace your ``no new taxes'' pledge? Everybody is very accustomed to that, all the Republicans. And I just want to know what slogan or -- --

The President. Let me be clear: I'm not in favor of new taxes. I'll repeat that over and over and over again. And this one compromise where we begrudgingly had to accept revenue increases is the exception that proves the rule. That's the way I'll handle it.

Q. The exception that proves what rule?

The President. The rule that I'm strongly opposed to raising taxes on the American people and that we ought to do a better job of controlling spending. And I think we can. So, that's the message, loud and clear.

Q. Will you reinstate today your ``no new taxes'' pledge, perhaps ``no new new taxes''? Do you think -- remember after '86 that the Congress passed a resolution saying they wouldn't tamper with it for 5 years. Do you think now the line should be drawn again and, having made this compromise, you should now hold the line on taxes again?

The President. Absolutely going to hold the line on taxes. And hopefully -- the big thing is to hold the line on spending so nobody will come up and try to propose new taxes. But I noticed one of the Democratic leaders said yesterday, well, he wants to raise income tax rates. And he's going to have a whale of a fight on it. This was a one-time compromise.

Budget Agreement

Q. You really don't seem very enthusiastic about this budget deal. You don't seem euphoric after all you and the others have been through -- --

The President. That's right. You got it.

Q. -- -- and I might note that it doesn't appear to meet your own objectives. You've been insisting on a $500-billion deficit reduction target -- now only $490 billion. Plus I understand the deal is based on rosy economic assumptions over which there is much disagreement. How do you feel?

The President. I feel that it's been a long, arduous battle. And I feel that every once in a while the President has to do something he doesn't like, and that is to compromise. And I did that here. So, I'm glad it's over, and I have to say that the hours that the Democratic leaders and the Republican leaders spent working this problem has just been exhausting for everybody, including me, although they did much more of the work. So, I'm glad it's behind us, and I feel good that it's behind us, but I can't be euphoric about every provision in this bill.

I am very encouraged about the enforcement provisions because they are strong. And no guy can go out and put in a new program without the offset. The guarantees of enforcement are strong, and I'm going to do my level best to see that they stay strong.

So, you're trying to describe mood. I am pleased it's behind us, and I will be out vigorously campaigning on the campaign trail for more Republicans who feel as I do about holding the line on taxes and about spending. And we have a difference of opinion. You have more people that wanted to increase, on the Democratic side, these permissive spending programs. So, the philosophy, the fundamental philosophical underpinning -- yes, I haven't changed my view on that, and I'm sure the liberal Democrats haven't either. But we'll take that case to the American people.

Q. Can you really show the American people with all your heart that this is a good deal?

The President. Parts of it are good. No, I can't say this is the best thing that's happened to us since sliced bread or the elimination of broccoli. It has got some good things in it, but if we were doing it my way, or the Republican leader in the Senate's way, or the Republican leader in the House's way, it would be very, very different.

But I think it is good that we have a $490 billion -- I'd like to have seen $500 billion, but this is a lot of money -- $490 billion, enforceable deficit reduction program. And that part, that overall part, I am enthusiastic about. But how we got it -- I reserve the right to be as critical as the next person on that.

Republican Campaign Strategy

Q. Mr. President, do you think it was proper for the Republican Congressional Campaign Committee to recommend that the party's candidates distance themselves from the President on this?

The President. No, I want everybody to be right with me on everything I do.

Q. Is the architect of that strategy, Ed Rollins [cochairman of the committee], history as far as you're concerned?

The President. That is inside the beltway -- I know how people love that. They thrive on it. I don't. And you know, ever since I got out around the country, not one person has sidled up to me and asked me about that particular incident. And I'm going to keep my sights set on the big picture and not accommodate you when you want me to go back into that. I understand it; I understand it because people thrive -- what was that, Lori [Lori Santos, United Press International]?

Q. Does he know?

Q. Is he out?

Q. Is he out?

The President. I'm not discussing it because it would divert me from the major goal, which is to elect more Republicans to agree, as I do -- hold the line on taxes and spending, get people back to work in this country by getting interest rates down, and empowering people, not programs and bureaucrats. So, I get diverted if you try to get me into some little staff matter.

Representative Gingrich

Q. Conspicuously missing from that list of leaders that you recited, Mr. President, was the name of Newt Gingrich. Some people have suggested that you could have gotten a better deal if he had not led the Republican revolt a couple of weeks ago. Do you think that he should remain in his leadership position because of his actions?

The President. Remember -- what was the give-and-take in the debate when Ronald Reagan said, there you go again trying to get me caught up in something divisive. Newt Gingrich stood out there in the White House -- I'm not sure you were there that day -- and strongly endorsed Republican unity, and that's exactly what should happen. So, please don't ask me to relive the agony of a budget agreement that I am glad is signed and is now behind us.

Mr. Fitzwater. One final question.

Budget Agreement

Q. Do you feel that the Republican Party has been badly hurt by this -- --

The President. No.

Q. -- -- and aren't you sorry that you couldn't have gotten more Republican votes?

The President. Not particularly sorry that not gotten votes because a lot of the Members feel as I do: They were gagging on certain provisions, but glad that it's passed. And I think if this compromise had been perfect from the Republican side, you'd have seen -- obviously have many, many more votes. So, I think those that didn't vote against it, on both sides, had problems with it. Some on the Democratic side were saying, we want to raise income tax rates on the American people more. That's literally what they wanted to do. They called it soak the rich, but what they meant was -- when that bill that they passed in the Congress, with that indexing -- went after every working man and woman in this country. And that's the old tax-and-spend view, and some of them didn't feel it went far enough. Some on our side didn't like anything to do with revenues; that's more along my line of thinking.

So, I think that's history now, but I have no rancor about it. I'm just glad it's passed. I wish it had been passed when we had the summit agreement, and we'd have been much further along.

But I don't -- back to the first part of your question -- no, I sense strong enthusiasm for Republican candidates. And I think we've been caught up in a bit of an inside smokescreen here. But let's see now how we do. I'm going to be out there, working my heart out for Republican candidates who feel as I do that we ought to hold the line on taxes and that we ought to curtail spending.

The Economy

Q. Are we headed for another recession?

The President. The economy is sluggish, and there's no question about that. And I am convinced, whether I like every paragraph of this or not, that this is good medicine for the economy, particularly if the Federal Reserve Board now follows up with lowering interest rates. You know, that is what's needed, and I'm not here to do anything other than to state that principle. But I listened carefully to [Federal Reserve Board Chairman] Alan Greenspan's testimony, and I was encouraged that interest rates might come down. Better than any program is getting these rates down so economic growth gets stimulated.

Appropriation Bills

Q. You said that you're going to review the appropriations. Has that process begun? And are you certain that the appropriations bills that have been passed are not raising spending levels at the same time that you're claiming to have cut some for deficit reduction?

The President. No, I'm not sure of that, Jessica [Jessica Lee, USA Today]. The process is underway, of course, but I'm not certain that there's no breaches of the spending goals.

Q. Sir, if I could just switch to the -- --

The President. A couple of more, and then I've got to go. We've got a very interesting meeting with the Pacific chiefs of state. It's a fascinating and long-overdue meeting. And I'm learning from them, and I am giving them the best I can, right from the shoulder, the American view of the importance of the Pacific. I know that, given the budget summit at home and the interest that that has stimulated, that attention hasn't been focused elsewhere. But this is a very important meeting, and I'd say historic, with these small countries -- but all friendly to the United States and all very important to the United States.

I've got to get back down there in just a minute. Did I cut you off?

Q. No, sir.

The President. You've got a followup.

Persian Gulf Crisis

Q. Just to switch to the Gulf crisis for a moment. Secretary Cheney indicates we may send as many as 100,000 new troops in and a lot more tanks. What's the purpose, sir, if it's not to take offensive action and get engaged in combat with Iraq?

The President. Just a minute. Power outage here.

We have not announced what we are going to do in terms of additional troops. We have been still, as everybody around the world knows, still moving forces. The purpose is to make clear to Saddam Hussein [President of Iraq] that his aggression will not stand. What I do in the future will be determined after I have a discussion with Dick Cheney and the Chairman of the Joint Chiefs [Colin L. Powell], General Scowcroft [Brent Scowcroft, Assistant to the President for National Security Affairs], and Secretary Baker, which I expect we'll be doing -- looking for help with Brent -- when we get back. Maybe we'll have more to say about that then.

But I believe a couple of things on this. One, I think Saddam Hussein really felt that nobody was going to move against his aggression in Kuwait. I also believe that he really intended to threaten Saudi Arabia -- or else why did he move all his armor south to the Saudi border? I think as he sees the U.S. forces moving in conjunction with many Arab country forces, in conjunction with many European country forces on land and on the sea, that he's taking another look. Because we are deadly serious. I want to see these economic sanctions work.

I'm not too good at the emotional side of it, but when you talk to the parents and spouses of our kids halfway around the world, it makes a real impact on you. I remember when I got off the plane at the Marine base, and they were saying, ``Take care of my husband," and yet, ``We back you 100 percent." So, I don't think that's a conflict exactly, but I want to take care of every young

man and woman that's serving the United States halfway around the world. But they want, and I want, to see that Saddam's aggression is unrewarded and, indeed, repudiated. So, the moving of U.S. force up to now has sent a strong signal to him. We have the finest, most highly motivated, best trained, best equipped Armed Forces in the world. And they're right there. They're right there in substantial numbers -- land, air, and sea.

Now, Mr. Saddam Hussein, get out of Kuwait with no condition. This talk of some condition -- that is unacceptable not just to the United States but to the other countries around the world. I just got off the phone talking to President Mubarak [of Egypt] -- steadfast friend to the United States. He's made that same message loud and clear. On his travels he's heard it from those who were side by side with us in the Gulf, and then he's told his visitors that. So, we're staying pretty well together on this end.

Just a couple of more, and then I really have to get going. One, two, three over here, and then I'm -- you're history, Jessica -- I've got to go.

Q. When you say you think that Saddam Hussein has gotten the message that we are deadly serious, do you think now that chances are better for a negotiated settlement of this situation than they were?

The President. I don't know about a negotiated settlement. There's nothing to negotiate, other than the acceptance of the United Nations-mandated resolutions. So, there's nothing to negotiate. But in terms of a peaceful solution, I'm told that the economic effects are taking hold -- effects of the sanctions -- and that is encouraging. I'm told that he now sees that he's up against a substantial force that clearly could prevail in any battle. So, I'm hopeful that there will be a peaceful solution to this question. But there can be no preconditions. There can be no rewarding of aggression.

Q. There are two points to my question. There are some people who are saying that the U.S. continues to send in even more troops because the U.S. has underestimated the Iraqi troop strength. That, coupled with yesterday -- apparently in Spain, President Gorbachev apparently said he notes a softening on the position of Saddam Hussein. Do you have any reason to believe there has been a softening? Has Mr. Gorbachev told you something you'd like to share with us? Has that softening manifested itself in any way?

The President. I have not noticed a softening, but I've heard more kind of little threads of talk of ``negotiation'' -- that's all. Maybe that's what President Gorbachev is talking about. But he has not shared with me any feeling of a softening of public opinion. But what was the first part?

Q. Has the U.S. underestimated, perhaps, the troop strength of the Iraqis? Is that why we're continuing to send in more troops?

The President. No. I think it's true that Saddam Hussein beefed up his armor and his forces in

Kuwait. From the original deployment, he then has stepped that up by pouring more armor in.

I'll never forget the day when he said, well, we're taking our people out of Kuwait, and they had one forlorn-looking soldier in the back of a truck waving goodbye -- truck heading north -- and then he had all his armor moving south. So, it was a sheer fraud. And he moved a heck of a lot of armor down against the Saudis. So, I'd leave it there, but I think that when you see a lot of force there, why, the free world and those of us that are allied together are going to say: Wait a minute! We're going to do what we've got to do to protect American life or Egyptian life or, in this instance, Syrian life or Saudi life. And that's why you're seeing a substantial movement of U.S. force and forces of other countries.

I keep repeating this because it's a very important point. It is not the United States versus Saddam Hussein; it is the United States, big majorities in the Arab world, and the United Nations versus Saddam Hussein. And that point -- I keep making it because he is still trying to divide and weaken this strong coalition. And he's failing, he is failing miserably because all these countries are united against his brutal aggression.

Yes, Rita [Rita Beamish, Associated Press], and then Jessica. I'm recanting because I wasn't very kind. Go ahead.

Budget Agreement

Q. Just back on the budget for a minute. What do you think it says about your leadership and your ability to lead the party that you couldn't get more Republicans to stay with you and vote with you on this very important issue of the budget?

The President. I learned a lot from Ronald Reagan, with whom I worked closely and watched and learned. And in 19 -- what was it -- 82, when we had that big tax bill, I think we got fewer votes than we did today, and he went right out and did beautifully what he felt in his heart he should do, and say, look, I'm against increasing taxes and the American people know this. And he went right on about his business. And that agreement brought interest rates down. And we all went forth and said, wait a minute, every once in a while when you don't control Congress you don't get to do it exactly your way.

And so, I understand Republicans defecting from a package that they don't like. But a President, to make something happen, once in a great while has to make a significant compromise. And that's what I did. And I think the American people understand that. They know that I'm trying pretty hard, and they know that I have their interest at stake when I want to see interest rates down and more jobs for the working men and women in this country. And that's the way I'd handle that one.

Now, last one, Jessica, and then I am leaving.

White House Staff

Q. Well, there is conventional wisdom and Periscope and other information from our weeklies that suggest there's a Cabinet shakeup in order: that the Budget Director's going to be going to head a financial firm, that the Chief of Staff will be going to the campaign trail, that [Secretary of Transportation] Skinner will go to the Budget -- all kinds of things. Anybody else resign or retiring since [Secretary of Labor] Elizabeth Dole?

The President. Jessica, you know something? I don't know who writes these columns -- Periscope -- I mean, you talk about sheer mischief. In the ones I've seen -- you go back and look at them. Somebody ought to go -- not you all, you all do your job, ask the questions. So, I wish I were in a case to ask all the knowledgeable people here, who writes this stuff? I mean, if all that's going on, I don't know about it.

Q. Does that mean it's true?

The President. No.

Q. No shakeup then?

The President. Not that I've ever heard of. And maybe I'd be the last to know, but I don't think so. [Laughter] I think I'd be the first to know, and I'd know it way ahead of Periscope, whoever he is, whoever she may be. It is pure unadulterated gossip that comes out of these columns. It is not serious coverage. So, I can't comment; I haven't even seen this. I guess they didn't dare show it to me because I've been a little irritable lately, trying to get this job done.

Budget Agreement

Q. Irritable? Why would you be irritable?

The President. I'm going to finish my diatribe here. What?

Q. Why would you be irritable?

The President. Things aren't going exactly the way I want them done. I wish we could have got this deficit down without touching revenue. I wish that we could have got it done without all this inside-the-beltway furor because it's diverted me from major objectives.

Q. Do you feel -- by Republicans in all of this -- --

The President. No, no, no. I feel happy about Republicans. I'm glad this is behind us, and I wish

we had more of them. No matter what little philosophical wing of the party they're from, all of them would be better than what I face when I try to get stuff done from the Democrats. I mean, that's what it's all about.

President's Campaigning and Pacific Island Nations-U.S. Summit

Q. Well, you've got strategists, aides to Clayton Williams [gubernatorial candidate] in Texas, who say he's losing points because you've come to Texas and you're campaigning for him. How do you feel about that?

The President. I feel they're lying. [Laughter] Otherwise why has he invited me back? And I feel that my son, who I talked to -- who talked to somebody high up -- tells me that Williams is doing very well. So, please go to Texas and find out and take a look at whether the President can help a candidate in Texas or not. Please don't get it from some Periscope, if I might -- --

Now, wait just a minute here. I have a major national announcement here. Linda [Linda Tiara, CBS News], sorry. I'm glad to be in a place from whence you cometh. [Laughter] I might say, let me use this seriously to thank the people in Honolulu, your home, I believe, for this wonderful hospitality.

And again, I want to end on a nonpartisan note. I hope that you will record that this is a very important meeting. The United States -- we're caught up in Iraq or worries about Saddam Hussein and new developments in Eastern Europe and my desire to help lift the debt off the countries in South and Central America. But we never should neglect our friends. And we are a Pacific power. And this meeting -- some of these leaders come from very small countries, but they are properly proud of their sovereignty. They are concerned about the very problems that I fight, whether it's environmental or economic growth or revenues. And for me, it's been a wondrous day. And I think it is very important that a President demonstrate -- in this instance to the people of the Pacific -- that we are not going to neglect our friends no matter how pressing the business of the world might be from other quarters.

Thank you all.

Q. Can you -- no new taxes -- read your lips again? [Laughter]

The President. Thank you so much. Read my what? [Laughter]

Q. Yes, that's right. We can't figure out which part of your anatomy.

Note: The President spoke at 12:15 p.m. at the Center for Cultural Interchange Between East and West. Marlin Fitzwater was Press Secretary to the President, and John H. Sununu was Chief of Staff to the President.

Remarks at the Conclusion of the Pacific Island Nations-United States Summit in Honolulu, Hawaii

October 27, 1990

Distinguished friends, it's been a great pleasure to greet you here in the Pacific, here in the United States. We've just completed an unprecedented dialog on a wide range of mutual interests and concerns. In particular, we emphasize that America shares the islands' vision of the region's future -- seeing the Pacific not as a great ocean of small islands and tiny populations, but rather as an aquatic continent -- the world's largest -- covering a full third of the Earth's surface. Like a string of pearls spread out across the sea, each nation is unique, each is precious, and each has something to contribute to the value of the whole.

The Pacific Islands have a special place in the minds and hearts of the American people. And, on my own visits, starting almost 50 years ago, I witnessed the natural charm of the island peoples and the natural beauty of the islands. Their reputation is well-deserved. With island jurisdictions of our own, we are also proud of America's special place in the extended family of Pacific nations. We enjoy close relations linked by many bonds of friendship and family. Today, we share this great aquatic continent as partners in peace, bound together in an oceanic community pledged to protect both new democracies and worthy old traditions.

During World War II, many Americans journeyed to the Pacific Islands to help protect our shared heritage of freedom and peace. And today we have returned, this time to help protect our shared heritage of beauty and nature. That is why, just last month, I signed the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region and promptly sent it to the Senate for ratification.

Similarly, we have directed our Ambassador in New Zealand to sign the Wellington Convention, a major new step in dealing with the challenge of driftnet fishing. We also described our plan to host the first round of discussions for a framework convention on global climate change beginning in Washington next February 4th. This effort is being bolstered by the world's largest environmental research program -- our administration's initiative to commit about $1 billion a year to explore the causes and effects of climate change.

We also shared a valuable discussion on one program of particular concern to the island nations and of particular concern and importance to our global arms control efforts -- the destruction of all chemical weapons on Johnston Island. We emphasized our common interest in ridding the world of these terrible weapons and asked for their understanding and support in this significant step towards peace and disarmament.

We assured the leaders that we plan to dispose of only the chemical munitions from the Pacific theater currently stored at Johnston Atoll, any obsolete materials found in the Pacific Islands, and

those relatively small quantities shipped from Germany. We confirmed that these munitions will be destroyed safely on a prioritized schedule and that, once the destruction is completed, we have no plans to use Johnston Atoll for any other chemical munitions purpose or as a hazardous waste disposal site.

We also assured the leaders that the safeguards we're employing ensure that there will be no associated environmental damage. And we expressed the hope that they would accept our offer for a technical team, sponsored by the South Pacific Forum, to visit Johnston Atoll to independently monitor the operation. Today the United States has rededicated itself to lasting security in the region -- a security which comes not so much from force of arms but through nurturing of free people, free markets, free economies.

In order to strengthen these economies, we were pleased to announce several initiatives. First, we proposed establishing a joint commercial commission with the island nations to meet each year at senior government levels to identify and address commercial opportunities and trade concerns. Second, we announced that the Overseas Private Investment Corporation would establish two new funds, an Asian Pacific growth fund and an environmental investment fund, to respectively assist private sector and natural resource development. In addition, OPIC will lead a 1991 mission of American investors to Pacific island countries. And third, we announced our plan to begin negotiations to extend the South Pacific Regional Fisheries Treaty. And fourth, the addition of AID private sector assistance programs to enhance agricultural and marine resource development. And fifth, three new programs -- educational exchanges sponsored by the East-West Center and USIA.

And further, I would also like to announce an extension of our APEC [Asia Pacific Economic Cooperation] Partnership for Education Initiative to include the Pacific island countries. This last initiative will enhance educational links all across the Pacific, through both the public and private sector.

I am very pleased that you all came. Like the early Pacific navigators who braved the seas alone so that others could follow, you have come to Hawaii today to help chart a new course for the children of the Pacific -- the children of tomorrow. Together, we are moving forward. And together, we're racing toward a new era in the Century of the Pacific. Together, we and the island nations can ensure it is, indeed, a new era of peace and growth.

Thank you -- all of you -- for this visit. You've shown us friendship. You've shown leadership in promoting democracy and economic progress. I simply want to wish each and every one of you the very best. The frankness of the exchange, the chance to exchange ideas has been extraordinarily beneficial to me, and I expect those American officials with me feel exactly the same way. We look forward to working with you as together we face the enormous challenges of the future. So, thank you and God speed you on your journeys home. Thank you all very, very much.

Note: The President spoke at 1:45 p.m. in the Wailana Room at the Center for Cultural Interchange Between East and West. At the summit, the President met with representatives of the Solomon Islands, Tonga, Tuvalu, the Cook Islands, Papua New Guinea, Western Samoa, Fiji, Nauru, Micronesia, the Marshall Islands, and Kiribati. In the morning the President attended a plenary session, and in the afternoon he attended a working luncheon for the summit participants.

Message to the Congress Transmitting a Report on Panamanian Government Assets Held by the United States

October 27, 1990

To the Congress of the United States:

1. I hereby report to the Congress on developments since the last Presidential report of April 30, 1990, concerning the national emergency with respect to Panama. This report is submitted pursuant to section 207(d) of the International Emergency Economic Powers Act, 50 U.S.C. 1706(d).

2. On April 5, 1990, I issued Executive Order No. 12710, terminating the national emergency declared on April 8, 1988, with respect to Panama. While this order terminated the sanctions, the blocking of Panamanian government assets in the United States was continued to permit completion of the orderly unblocking and transfer of funds I directed on December 20, 1989, and to foster the resolution of claims of U.S. creditors involving Panama, pursuant to 50 U.S.C. 1706(a). The termination of the national emergency did not affect the continuation of compliance audits and enforcement actions with respect to activities taking place during the sanctions period, pursuant to 50 U.S.C. 1622(a).

2. Since March 12, 1990, the Office of Foreign Assets Control (``FAC") has released $39 million of the remaining $169.7 million blocked to the control of the Government of Panama. This $39 million was comprised of $600,000 from blocked accounts at commercial banks, and $38.4 million from blocked reserve accounts established under section 509 of the Panamanian Transactions Regulations, 31 C.F.R. 565.509 (``509 accounts").

The $130.7 million remaining blocked consists of $127.8 million in the Federal Reserve Bank of New York that continues to be held in escrow at the request of the Government of Panama to fund a portion of Panama's arrearage to international financial institutions, $1.5 million in commercial banks for which the Government of Panama has not requested unblocking, and $1.4 million in 509 accounts. The remaining 509 account balances are subject to bilateral negotiations between the Government of Panama and U.S. firms that have both debts to and obligations owed from the Government of Panama. We will continue to work with the Government of Panama to resolve its outstanding obligations.

4. Representatives of the Department of the Treasury visited Panama to discuss with senior Panamanian officials and representatives of the business community the conclusion of the Panama emergency and the unblocking of funds, and to request their assistance in enforcement and compliance actions that may still occur. The Department of the Treasury is in the process of

reviewing potential civil penalty cases involving violations of the Panamanian Transactions Regulations, 31 C.F.R. Part 565, which occurred prior to the end of the economic sanctions program against the Noriega regime. Prepenalty Notices have been issued in two such cases as of this date.

5. I will continue to report periodically to the Congress on the exercise of authorities to prohibit transactions involving property in which the Government of Panama has an interest pursuant to 50 U.S.C. 1706(d).

George Bush

The White House,

October 27, 1990.

Nomination of John A. Bushnell To Be United States Ambassador to Costa Rica

October 27, 1990

The President today nominated John A. Bushnell, of Connecticut, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador to the Republic of Costa Rica. He would succeed Deane Roesch Hinton.

Since 1989, Mr. Bushnell has served as Deputy Chief of Mission in the Republic of Panama. Mr. Bushnell entered the Foreign Service in 1960 and has served in the following positions: assigned to the Department of State, 1960 - 1962; international economist in Bogota, Colombia, 1962 - 1964; international economist in Santo Domingo, 1964 - 1965; program officer for the Agency for International Development, 1965 - 1969; international economist for the U.S. Mission in Geneva, 1969 - 1971; National Security Council, 1971 - 1974; Deputy Assistant Secretary for the Department of the Treasury, 1974 - 1976; assigned to the Department of State, 1976 - 1981; member of the Board of the Panama Canal Commission, 1980; Deputy Chief of Mission in Buenos Aires, 1982 - 1987; and interfunctional officer in the Office of the Director of Management Policy, 1988 - 1989.

Mr. Bushnell graduated from Yale University (B.A., 1955) and the University of Melbourne (M.A., 1959). He was born July 26, 1933, in New York. Mr. Bushnell is married and resides in Panama.

Statement by Press Secretary Fitzwater on Lebanon

October 27, 1990

The United States believes that order and security should be brought to Lebanon as soon as possible by the legitimate government. We believe that implementation of the Taif Accord should proceed. The United States strongly supports the unity, sovereignty, and territorial integrity of Lebanon and urges the disbandment of all militias and the removal of all foreign forces from Lebanon so that the process of national reconciliation can proceed.

For 15 years we have argued against violence in Lebanon. Now is not the time to settle old scores. Now is the time for healing. The United States has made this point to Syria as well as to the various Lebanese parties.

Remarks to Officers and Troops at Hickam Air Force Base in Pearl Harbor, Hawaii

October 28, 1990

The President. Thank you, Admiral Hardisty. Please be seated. And thank each and every one of you for joining us here today -- and for joining in the defense of freedom every day. You know, I'm proud to be back here at Pearl and proud to be back as your Commander in Chief and proud to be back standing up for fighting men and women like you that serve in the Armed Forces of the United States. We have never had a finer group of people. Governor Waihee, the Governor of the State -- proud to be in your State, sir. To my dear friend Pat Saiki, the Congresswoman from this district, thank you for joining me and thank you for being at my side coming out here. To Colonel Lyon, my respects, sir. And again, Admiral Hardisty, thank you, sir, for this unforgettable welcome back here to this marvelous Hickam Air Force Base. This is quite a crowd. But I can't help but think of the warning that one soldier gave to comedian Steve Martin last week when Steve Martin began a talk in Saudi Arabia. This is a true story. He said, ``You'd better be funny. We've got bullets."

Well, you may recall, there was a slight confusion a couple years ago when I said that Pearl Harbor Day was September 7th. But now I've put an end to all that confusion -- and I just want to say I'm very happy to be back here in at Clark Air Force Base. [Laughter] The truth is, I will always remember the first time that I saw Pearl Harbor in the early spring of 1944. Our ship and my squadron were en route to Wake Island and out to the rest of the Pacific. Then, as now, it was an impressive sight. The fleet, having been pounded, had recovered -- the naval shipyard here having set the world record for the fastest repair work completed on battle-damaged ships. No member of that generation can ever forget the clarion call that Pearl Harbor represented. Things changed instantly. The country came together and, like you here today, we each knew our duty.

There was a movie a few years back where the actor John Houseman, Paper Chase's Professor Kingsfield, played a World War II veteran now deskbound in Washington. Seizing on a passing reference to the war, a snide young colleague asks, ``Do you miss the action of those days, sir?" And Houseman's response was classic. He yanked off his glasses and calmly fired back, ``No, I miss the clarity." Well, today in the Persian Gulf, the world is once again faced with the challenge of perfect clarity. Saddam Hussein has given us a whole plateful of clarity, because today, in the Persian Gulf, what we are looking at is good and evil, right and wrong. And day after day, shocking new horrors reveal the true nature of the reign of terror in Kuwait. In one hospital, dialysis patients were ripped from their machines and the machines shipped from Kuwait to Baghdad. Iraq soldiers pulled the plug on incubators supporting 22 premature babies. All 22 died. The hospital employees were shot and the plundered machines were shipped off to Baghdad. But you cannot pull the plug on a nation. The invasion of Kuwait was without provocation. The invasion of Kuwait was without excuse. And the invasion of Kuwait will not stand.

Iraq's invasion marks an outrageous breach of the peace, a broad-faced violation of the United Nations Charter. And by its actions, the Iraqi regime has shown its contempt for the very principles on which the United Nations was founded. Saddam Hussein will be held accountable. Iraq has waged a war of aggression, plundered a peaceful neighbor, held innocents hostage, and gassed its own people. And all four of those crimes are punishable under the principles adopted by the allies in 1945 and unanimously reaffirmed by the United Nations in 1950. Two weeks ago I made mention of the Nuremberg trials. Saddam Hussein must know the stakes are high, the cause is just and, today more than ever, the determination is real.

You know, if you look into history, America never went looking for a war. But in World War II, the world paid dearly for appeasing an aggressor who could have been stopped. Appeasement leads only to further aggression and, ultimately, to war. And we are not going to make the mistake of appeasement again. And one of the other mistakes -- one of the other lessons, rather -- that America, like it or not, was part of the whole -- that was the lesson. And Hitler rejoiced at the news -- if you remember your history books -- rejoiced at the news from Pearl Harbor. And Adolf Hitler called the attack on Pearl Harbor the turning point of the war. And he was right. But not in the way he thought. Pearl Harbor changed the world and America's role in it for all time.

And you here know that. During the past 3 months, men and women like you from all 50 States have helped to launch what history will judge as one of the most important deployments of allied military power since 1945. But make no mistake: The decision for this deployment was not made in Washington; the decision for this deployment was made by the men in Baghdad. And we are the ones that are standing up for civilized values, standing up for a principle that's almost as old as our Republic.

Franklin Roosevelt put it clearly in a fireside chat, just after Pearl Harbor. He said: ``Together with other free people we are now fighting to maintain our right to live among our world neighbors in freedom and in common decency without the fear of assault." And Harry Truman understood this lesson. Almost 10 years after Pearl Harbor he, too, spoke to the Nation, and he could almost have been talking about Kuwait. ``Korea is a small country," he said, ``thousands of miles away. But what is happening there," said Truman, ``is important to every American." And he called the unprovoked invasion a ``direct challenge to the efforts of the free nations to build the kind of world in which men can live in freedom and peace."

And since that time, allied strength and resolve have been tested many, many times. But when we look back on that history of valor and sacrifice, it is clear that the strength of our arms and the strength of our will is up to the challenge that we all face today in the Persian Gulf. And we are not alone -- remember this: we are not alone. The United Nations Security Council has passed eight major resolutions setting the terms for solving this crisis. A majority of the Arab League is with us. The Soviet Union and China are with us. And NATO's resolve has never been more firm. And today it is not Iraq against Kuwait, but it is Iraq against the rest of the civilized world. And that message -- we must say it over and over again.

And so, this unprecedented unity is a result of hard work and favorable winds -- not the winds of war, but the winds of change. And from these magnificent Pacific islands it's easy to see how, with skillful hands at the helm, these winds can carry us towards a future of vast horizons -- a dynamic new Asia and a new partnership of nations where free peoples and free markets look to our shore for partnership and security and leadership. The world is still a dangerous place. And those in uniform will always bear the heaviest burden. Perhaps I know something of what you endure -- the waiting, the uncertainty, the demands of family and professional life. We want every single American home. No American will be kept in the Gulf a single day longer than necessary, but we will not walk away until our mission is done.

As we meet, it is midday in Hawaii. And soon the Sun will be setting across much of America. An hour of prayer, a day of rest, a nation at peace. And soon many of those prayers will follow the Sun westward across the Pacific and Asia. And soon, like the rays of the Sun itself, those prayers will reach down to carry the light of a new day to the brave men and women standing watch over the sands and shores of the Gulf. Not an hour passes that they are not on my mind. And so, we've come here to thank you for the important work that you -- all of you -- do in defending our nation's freedom, in keeping our nation strong, and holding high the banner of freedom.

Thank you very much for coming. And God bless the United States of America. Thank you.

Note: The President spoke at 1:20 p.m. on the tarmac at Hickam Air Force Base. In his opening remarks, he referred to Adm. Huntington Hardisty, commander in chief of the U.S. Pacific Command, and Col. Don A. Lyon, 15th Airbase Wing commander. Following his remarks, the President traveled to San Francisco, CA.

Exchange With Reporters in San Francisco, California

October 29, 1990

The President. Well, let me just say that I'm delighted to be back here. We had a fundraising event for Pete Wilson and I am very encouraged with the support we keep reading about and hearing about for a Senator now about to be Governor. This State is a critical State in the sense of this election coming up. The governorship here is enormously important. It has national importance. And I am enthusiastically for Pete Wilson, and he can give you a little vibration or two as to how he feels it's going. But I like the feel of this campaign.

Senator Wilson. Mr. President, I share your enthusiasm and your optimism. I think it's going well. We are very pleased with the polling numbers that we're seeing and even more pleased with the reaction that we're getting from the crowds. It sure is nice to be back.

The President. Now you don't have to go back there anymore. That's good.

Federal Budget

Q. Can I ask you a question on the budget, Mr. President?

The President. Yes.

Q. Even with this deficit reduction deal the deficit this year is going to go to $250 billion -- a record. In over 5 years the debt is going to go from $3 billion to $5 billion -- or trillion -- excuse me. Doesn't that mean there's a lot more painful medicine out there for the American people?

The President. Well, it means we've had to swallow some painful medicine. And I'm hopeful that this will have a beneficial effect on the economy, and if we can restore the United States to more reasonable levels of growth, the revenues will pour in. But that means we've got to guard against what I think of as this mentality of taxing and spending.

You know, the minute the budget deal was over, one of the Democratic leaders said, well, now we're going to renew our fight to raise taxes on the rich. That is the old class warfare, tax-and-spend mentality. So, what I'll be doing is taking the message across this country that this resurrecting that tired old philosophy will not get America back to work again. I think we can do better than what these numbers suggest, Terry [Terence Hunt, Associated Press]. But, no, we've taken a major step, and it's a step in the right direction in some ways, but there's plenty of reasons to oppose a lot of it.

Persian Gulf Crisis

Q. Mr. President, now that the Primakov mission in the Middle East has gotten nowhere, is there any chance for anything short of a military solution in the Gulf?

The President. Yes. And I would hope that the economic sanctions, coupled with the worldwide solidarity against Hussein -- Saddam Hussein -- will convince him that he should, without conditions, get out of Kuwait.

Q. And negotiations in any form whatsoever?

The President. No -- there's no way we're going to have negotiations with conditionality. There's no way to do that. Now, if he gets out of Kuwait and restores the legitimate government, then there's a way to work out difficulties that may have existed. But we're not going to have any preconditions. And so -- and the world is holding tight. I think -- talking to Mr. Primakov, I think he understands how strongly we feel. I know that he had the same reaction when he talked to President Mubarak [of Egypt]. And I think that President Gorbachev is holding just as firm as he can. And that's good, you see, Ann [Ann Compton, ABC News], because that sends a strong signal that the free world is united against this dictator.

Q. No hope of the Primakov mission coming up with any kind of solution?

The President. I haven't seen anything to convince me that there's anything positive on it.

Q. Mr. President, how do you plan to resupply the Embassy in Kuwait if the U.N. resolution is passed?

The President. Well, I think the best thing is to see that that resolution does pass, and then we'll see. Because this concept of starving embassies is unconscionable and inhumane. And the world reacts angrily against that kind of thing.

Q. But surely you plan to take some action if you're supporting the resolution. How do you plan to carry it out? Do you mean it to be a provocative act?

The President. I plan to see us go forward with the United Nations.

Q. Do you mean it to be a provocative act?

The President. I just will stand with what I've told you. Thank you.

Q. Mr. President, Senator Cohen said this morning that you should not commit troops to action in the Middle East without congressional approval. How do you feel about that?

The President. Well, I'm going to -- look forward to having some talks tomorrow with some of the leaders on this question. I know the authorities that a President has. I'm working to try to get this matter resolved peacefully. We have a lot of force there, and they're well-trained. They're highly motivated, and that alone is sending an enormously strong signal to Saddam Hussein. So, before going into a lot of hypothesis about what I might or might not do, let's take a look at the positive sides and hope that there can be a peaceful resolution. But I'll be talking to the congressional leaders tomorrow.

But history is replete with examples where the President has had to take action. And I've done this in the past and certainly -- somebody mentioned provocation -- would have no hesitancy at all.

Q. Mr. President, do you object to France trading that planeload of medicine for the 300 hostages they're due to get back today?

The President. No.

Q. You don't see that as a break in the embargo?

The President. No, not medicines -- and understand that it's going to be inspected to be sure that medical supplies are what's going there.

Budget Agreement and Upcoming Elections

Q. Will you be to blame if the Republicans sustain big losses a week from now? Will some of that be shouldered by the -- blamed by the Presidency and the tax package?

The President. I'm sure somebody will put the blame there. But listen, so what's new? But I'm not looking for defeats; I'm looking for victory. And I'm looking to take this message across the country that this class warfare, tax-the-rich, is really an attack on the working men and women of this country. And so, I'm not trying to make some hypothesis about if things don't go the way I want them to go. But, you know, nobody said it would be easy, so I look for -- I'm really getting fired up for the next few days.

Q. Mr. President, why shouldn't Americans feel betrayed that you caved in on raising taxes?

The President. Because I think people know that this Congress is controlled by the taxers, by the liberal Democrats. And they also know that we needed to try to get something done, and they also know that a President is elected to compromise at times -- only rarely. But he's also elected to govern. And so I think it's that message that will get -- American people are fair. They know I'm against taxes.

The same thing happened to President Reagan in 1982. But when you're up against these enormous majorities, once in a while you've got to reach out. But that's over now. We've got some good things in that deficit package, and we've got some bad things in it. And now I will try to get more Republicans so we don't have to put up with the kind of taxing and spending that we've been through as a country.

Capital Gains Tax

Q. Do you plan to push forth a capital gains tax next year?

The President. I wish we could. I saw George Mitchell [Senate majority leader] go out and say that he wants to raise income tax rates next year. Thank God we held the line on income tax rates, leveled that off at 31 percent. But this idea of as soon as you finish a deficit-reduction package, to say we're going to go out and raise tax rates -- I'm going to fight that all the way.

And, of course, I'm for the incentive and the growth and the jobs that go with capital gains. But I don't know whether we're going to -- you know, on capital gains, we had a majority in the House and in the Senate for it. But the liberals that controlled it would never let it come to a vote so we could get the action taken. That was amazing, absolutely amazing.

Persian Gulf Crisis

Q. Are you preparing the American public for war?

The President. No.

Q. Do you think it's going to happen?

The President. I'm just doing my job as President of the United States. I'm not preparing anybody for anything. We are going -- I am determined as I've ever been that this aggression will not stand. And this coalition is strong, it's diverse, it is holding together. And we're sending a very clear signal to the invader that he's got to get out of Kuwait.

President's Popularity/White House Staff

Q. -- -- stop the slide in the polls that has stemmed from the budget fight?

The President. Thank God you raised the old polling question. I want you to hear this answer.

Q. We want to hear the question.

The President. The question is about polling, living and dying by polling. Thank God when things were looking pretty good I kept telling every one of you here, these polls don't mean anything. It doesn't mean anything to me. So, what I'll do is get out and say what I believe, work for people that I'm enthusiastic about, and do the very best I can. But I don't live and die by these.

And there's another symbol of all this -- it's the inside-the-beltway bickering. God, it's so nice to be out here. You know, about staff. I want to say, I read a story today about the staff -- that I am upset with the staff. May I just say to those of you who thrive on the inside-the-beltway chatter, I have never had more confidence in [Chief of Staff] John Sununu, in [Budget Director] Dick Darman, in Secretary Brady -- ever. And they are strong, and they are able. And anytime you've got to do some heavy lifting on behalf of the President, you're bound to get caught up in a little crossfire.

So, please don't give any credence to this kind of mischievous, gossipy reporting when we have things like Iraq, budget deficits, enormously important elections. It's just crazy.

Q. But, sir, you have to govern inside the beltway -- --

Q. -- -- polls have suggested that perhaps your outfit has been running a little lean and that perhaps you need more political in-house advice.

The President. I've never said that.

Q. Do you think that Governor Sununu is stretched too thin and perhaps you do need more in-house -- --

The President. I think everybody, including myself, have been stretched thin by these endless negotiations. But I think he's doing an outstanding job. And I don't think that we're short of personnel.

Q. You don't believe Senator Wilson's polls that he's ahead if -- you don't believe the polls that show Senator Wilson ahead?

The President. I'll let him speak to that.

Senator Wilson. I believe them. [Laughter]

The President. No, I just don't like to comment -- live or die on these polls. And I told you, Ann, over and over again when polls were astronomical and ``the honeymoon has lasted too long'' and -- you know, don't let's deal with that. Let's stay on the issues. That's what I'm talking about. And I still feel that way.

Q. But sir, you have to govern inside the beltway. Are you concerned that the ``Democrats made me do it'' argument might be making you look weak inside the beltway with the people you have to work with?

The President. I don't worry about inside the beltway.

Q. But you have to govern those people, sir.

The President. This is a great American country out here -- govern what people? Inside the beltway?

Q. You have to govern with these people. They're the opposition party. They control the Congress.

The President. Oh, the opposition party. Hey, I'm used to that kind of demagoguery. And so, I'm out here on the campaign trail now laying it to rest. They talk about taxing the rich -- they want to get into the pocket of every man and woman. The House bill that was passed -- let me give you an example. They talked about socking the rich -- that indexing provision hit every taxpayer in the United States. And so, I've got to get that in focus, because they've been getting away with this tax-the-rich class warfare kind of garbage that they always resurrect at election time. And we've been under some constraints because I've been trying to get a deficit deal. Now I feel free to go out and take this message across the country.

Q. But my question is, do you think it makes you look weak?

The President. No, I don't think so. I don't think so at all. Everybody knows that the President must govern. Harry Truman was right -- the buck does stop there. And every once in a while, you have to do something to make something happen. But I don't think that's a sign of anything other than reality.

Capital Gains Tax

Q. -- -- go back and seek capital gains, do you then reopen the whole package?

The President. There is a danger to that, and so we've got to be careful how we do that. But I would simply reiterate my conviction about it in saying that it is good for jobs. You know, when you have a slow economy, the more things we can do to stimulate investment and opportunity for working people, it's important. So, there's a big philosophical debate on that, and I am absolutely convinced that it's correct to have a capital gains differential.

Incidentally, there is a small one in this new budget package -- very small. So the principle is there, but it's not as much incentive as it should be.

Q. Are we in a recession?

Q. Are you prepared in this case to trade off an increase in rates for a reduction in capital gains? You wouldn't want to trade off a further increase, would you?

The President. Trading -- we just got this package, so we'll let that sit for a while. But I'm just saying philosophically I haven't lost my interest in this at all.

Q. Recession?

The President. I don't think so.

Veto of Civil Rights Bill

Q. Mr. President, you are very strong on not wanting to see taxes raised, and you talk about class warfare with the Democrats. Why is it that you're willing to sign this bill, but you vetoed the civil rights bill, when you say you feel strongly about that? Why didn't you not agree to sign this as well?

The President. Let me tell you first about the civil rights bill. I have long stood for civil rights. I think anybody in public life knows that I have long stood for civil rights. But I just don't think it's fair to sign a bill that will result in quotas. The day I vetoed that bill I attached to it a civil rights bill challenging all these proponents of civil rights: Pass a real civil rights bill. And they didn't even permit the House and Senate to vote on it because they wanted to try to embarrass the President. I am for civil rights, and I am against quotas. It is not right to any minority group to pass legislation that is going to result in quotas.

If the leaders of the Congress had been a committed as some say they are to civil rights, why didn't they permit my bill that eliminates discrimination in the workplace to be voted on? It is because they tried to embarrass the President. And they didn't at all, because the American people are fair and they do not want quotas.

Taxes

Q. Mr. President, it sounds like you're willing to veto quotas but not higher taxes. That doesn't sound like a very strong stance.

The President. Give me a chance to veto higher taxes. Send one down there that I can veto, and I will. You're darn right I will, absolutely. I'm glad you raised that. It was a beautiful question, because I am opposed to higher taxes -- strongly.

Upcoming Elections

Q. You look like you're going to enjoy this last trip.

The President. I really am looking forward to it.

Q. Are you going to draw blood?

The President. Well, I don't know about blood. I just want to get my message out there, and it's going to be good. We're going to work hard, and we're going to take a positive message across the country: that if we had more Republicans in the United States Congress -- Senate and House -- I would be able to more easily fulfill the mandate I was given when I was elected President of the United States. I don't like playing defense; I like being on the offense.

Q. Can you beat the odds that -- where Presidents usually lose seats?

The President. We're going to wait and see. But I think you raise a point. The party in power normally loses seats, but I'm going to be out there like we're going to win seats and work very hard to do that.

Q. So are these elections now a referendum on you, sir?

The President. I don't know what they're a referendum of. But I want to make them a referendum on the Democrats' taxing and spending and class warfare. I mean, it's absurd. So, we'll see. They have control of both Houses of Congress; they can frustrate the legislative agenda that I want. So, I'd like to see us change that around if we possibly can.

Note: The exchange began at 9:25 a.m. on the tarmac at San Francisco International Airport in San Francisco, CA. A tape was not available for verification of the content of these remarks.

Remarks at a Rally for Gubernatorial Candidate Bill Price in Oklahoma City, Oklahoma

October 29, 1990

I'm delighted to be back here. First, let me pay my respects to a man that campaigned for me way back in the early sixties. He's been my friend and Barbara's friend and your Governor: Henry Bellmon, over here. Henry, delighted to see you, sir. Of course, two who are with us today who are so active in Washington in leadership roles -- one in the Senate and one in the House. I'm talking about Senator Don Nickles and, of course, Mickey Edwards, the Congressman. We're delighted to have them with us here today.

Bill, thank you for that introduction. Oh, what a joy it is to be with your wonderful family. Barbara sends her love. It's not that our dog is writing another book, but she, too, is out on the campaign trail. I'm just delighted to bring you her greetings. It's a pleasure to be here for a man who will make a difference -- he always has -- your next Governor, Bill Price. All of you know his story. Well-qualified man -- well-qualified. The son of a doctor. Went to Georgetown U, Ohio U -- Ohio -- OU -- [laughter] -- Oklahoma University Law School, the Big Red. Finally, he became, as he referred there to it, U.S. Attorney for western Oklahoma, supporting law and order, battling against the craze of narcotics. He's been a good man, a great servant to this country -- and now you've got to elect him Governor of this State.

I have looked at the record. He has conviction. He's not a follower who gets lost in the current. He's a profile in character who alters the tide. Look at how he cracked America's then-largest corruption case back in the early eighties. Or his work for the organization he founded, the Oklahoma Alliance Against Drugs. We need a leader with his vision to follow Henry in Oklahoma City. I'm here to talk for Bill, not against his opponent. And I refuse to take it personally that his opponent was the Dukakis chairman in this State -- had nothing to do with my being here.

We could use more of his kind of thinking back East, too. All Americans are asking: What on Earth is wrong with Washington? And I know you've been standing, but let me give you the full load about how I see it, as one who thinks we need to change this Congress out and get more Republicans and fewer of those liberal Democrats.

After what seemed like endless negotiations, we finally have a budget. And the negotiations were tough because the one party that has ruled Congress for almost 40 years is dedicated to perpetual reelection. And that party, the Democratic Party, has a bias for redtape over choice, for Washington solutions over community solutions, and for bureaucracy over people. And you add all of this up, and what do you get? You get a liberal Democratic-controlled Congress that's committed to two things: taxing and spending. We went into negotiation, and the final agreement is an example of how the Democratic Congress works -- or doesn't work. For the sake of the

Nation, I honestly felt that we had to reduce the deficit now. It is high time that we stop mortgaging the future of these young kids here today. And the Democratic spending binge has got to stop.

I discovered, as Harry Truman did, that the buck does stop there on the desk in the Oval Office, and every once in a while, a President of the opposite party than the one that controls the Congress has got to make a compromise. And I felt really that we had to reach an agreement, and I felt strongly about reducing the deficit with spending cuts, not raising taxes. And in fact, that's exactly the kind of budget that I sent to the Congress last February. Predictably, the Democrats instead wanted to slash defense and then raise your taxes. What we got was a compromise.

And there is some good in it. We've got $492 billion in deficit reduction over 5 years; over $350 billion in spending cuts -- the largest cut in history. There are some incentives built in it so that we will become less dependent on foreign oil -- incentives to stimulate domestic oil and gas drilling and production. And we also got Congress to reduce the rate of spending growth with the first-ever 5-year curb on spending.

Now, we put Congress on a pay-as-you-go plan so that the liberal Democrats will no longer be able to fund programs with red ink. This agreement has strong enforcement provisions. And if Congress tries to raise spending one dime, they've got to cut other excess spending or find the money for it right there and then.

And finally, we held the line -- and this one is very important to me and, I believe, to the people of Oklahoma and the whole country -- we held the line against the reckless cuts of our Armed Forces. I will not be the President to provide [preside] over the weakening of this nation's defense.

An enforceable deficit reduction agreement is unprecedented. It is long overdue and it is absolutely necessary, but I cannot join the liberal Democrats in an orgy of self-congratulation. After all, we discussed three kinds of proposals: the good, the bad, and the ugly. And I told you about the good. Now let me tell you about the bad -- in a word, the taxes. To get an agreement we had to pay a ransom to get the $350 billion in spending cuts. And the American people have had to pay a price for divided government.

But the price could have been worse. The Democrats' bill that passed the House before this compromise that was enacted -- that Democratic bill tried to raise income taxes on all working Americans. And they attacked these indexing provisions of the current tax law in a way that raised taxes on every hardworking citizen. And they called it their bill to soak the rich, and what it really did is go after the paycheck of the working man and woman in this country. And we said, we are going to stop you -- and we stopped them cold. And let me say this: that was not -- and I am grateful to Mickey Edwards and I'm grateful to Don Nickles for their stand -- that was not, as these demagogs would have you believe, Republicans protecting the rich; that was Republicans

standing up for the working family in this country.

And now we're hearing it again. Some of us are old enough to remember this. It happens all the time with the Democrats. And let those liberals that control Congress raise their ugly old cry of divisiveness and class warfare and of soaking the rich. And we, the Republicans, are going to continue fighting for the working people by holding the line on taxes. You send me more Republicans for the United States Congress, and we'll get the job done.

I don't want you to get the feeling I'm down on the Democratic Congress -- [laughter] -- but the budget was due last April. The Democratic Congress came to me 6 months late -- so late, in fact, that we are on the brink now of an economic downturn. And it's time to call them as you see them, to tell it like it is. And this agreement could have come together in May, in June, or in August -- anytime during the last 6 months. But the Democrats choked the throttle, pulled the throttle back of a slowing economy while they hunted for every last morsel of partisan advantage, all in the name of politics and of higher taxes. And we're not going to let them get away with it.

In April, when the budget was due, unemployment was 5.4 percent -- a troubling sign. Unemployment last month was 5.7 percent. And since April, when the budget was due, inflation has accelerated and economic growth has slowed. Even after the economy was threatened by the Persian Gulf crisis, Congress delayed. This Congress was content to stall an agreement and stall the economy. We are not going to let them get away with it. There are Congressmen, thank heavens, there are Congressmen -- and you've got some good ones from this State, men like Jim Inhofe and Mickey Edwards and our distinguished Senator Don Nickles -- who reject this failed tradition of tax and spend. But they're outnumbered by the big taxers and the big spenders. These three are the real defenders of working America, and I am grateful indeed that they are fighting for you and for Oklahoma and, I'd say, for America up there on Capitol Hill.

You know, as we got into these negotiations, even in the middle of them, the big spenders were looking for the pork-barrel bonanzas. At the 11th hour, in the midst of the budget crisis, congressional conferees on one panel alone pushed through an almost 19-percent increase for pet projects. At the same time, this President and these Republican Members were doing our level-best to curtail spending, Congress voted to spend a half a million dollars to create a Lawrence Welk tourist attraction. And we all like Lawrence Welk -- ``dah-dee-dah'' -- you know how he is. [Laughter] But I cite this as a symptom of the problem.

Audience member. Get the line-item veto.

The President. I'm getting to that. [Laughter] Believe me, the American people know when their Congress asks them to tighten their belts and Congress loosens its own. And I'll tell you what I'd like to do about it. Yes, give me what 43 Governors have: Give me the line-item veto. They've failed to cut spending. Let me have a shot at it. While we're at it, let's have a balanced-budget amendment that would discipline the Executive and darn sure would discipline the Democrats in

the House of Representatives and the Senate.

There's one other tool I need even more than the line-item veto and a balanced-budget amendment. And I really mean it: that is more Republicans in Congress that think the way these two do. God, I'm glad to be out of Washington. I am thrilled to be out of Washington. And let me say, I hear that talk back there that people don't know the difference between the Republicans and the liberal Democrats. In education, we are the ones that are fighting for reform to empower parents to choose their children's schools. In child care, Republicans are the ones who demanded reform to empower parents to choose who will watch over their children. And we now have that bill, as a matter of fact. And we're the ones still determined to bring hope and opportunity to the most desolate of the inner cities.

The Democrats are still pushing that old line of liberal programs, more taxes, more bureaucracy, more government control -- tell the people of Oklahoma City how to mandate things, tell them what they've got to do. They're still peddling that tired old saw about Republicans and the rich. Well, you and I both know that that is hogwash, and we're not going to let them get away with that anymore. I'm taking this message all across the country: We are for the working people in this country.

This is a Congress that can only act at the last minute when their political feet were held to the fire, a Congress who would rather pass feel-good proclamations than address problems. Look, this is the Congress that passed a resolution called National Crime Prevention Month while it gutted, took the heart right out of our anticrime bill. Bill Price knows that we need strong Federal legislation to back up our prosecutors and our law enforcement officials. And Congress passed that crazy Crime Prevention Month, but did nothing about the toughness of the crime bill that we called for.

This is the Congress that declared Clean Water Month, but bickered for months over the clean air bill. And if you find all this tough to swallow, don't worry -- they've also served up National Digestive Disease Awareness Month. [Laughter] But I guarantee you one thing: If they send me that bill to make these kids eat their broccoli, I will veto that legislation. No liberal Democrat Congress -- and notice I say ``liberal Democrat Congress.'' I know my State next door. And I know the State here, and there's plenty of sound conservative Democrats in the State of Oklahoma that are going to vote for the next Governor standing right here.

But this liberal Democrat Congress has become America's biggest and most entrenched special interest. In 1959, Congress was served by 5,800 staff members. Today it is served by almost 20,000 staff members, who control the perks and pass out the pork. And the Democratic Congress is a confusion of committees and turf-conscious chaos. The House intended to be closest to the people has become a House of Lords -- 98 percent who seek reelection and reelection -- and it is time to turn the tables. The American people deserve a new Congress -- this time a Republican Congress. And they still block my proposals for campaign reform. We want to abolish special

interest PAC's. The Democrats want the taxpayer to foot the bill for the reelection. Democrats talk about taxing the rich, but they all want to have every one of us throw in money for congressional elections. America needs a change. America needs a better deal.

You know, maybe I'm a little old-fashioned, but I think that a $1.3 trillion budget gives us ample room to dream again, to advance new ideas, to renew our government, to rethink and to restructure our priorities. But the Democratic Congress would rather raise taxes than raise the issue of reform. The problem isn't with the American people and their dream; the problem is this Democrat Congress that protects its perks and privileges and turns its back on the American dream. And I say we have had enough. That bill 2 weeks ago by the Democratic Congress would have raised the income taxes on every working family in America. They call it soak the rich -- every single family, because of the indexing, would have had a tax increase. And we fought it, and we beat it. And America needs a Republican Congress that will balance the budget by cutting spending, not by raising taxes on everybody here.

The Democratic Congress turned its back on our police officers. America needs a Republican Congress that will pass those laws that are necessary to finally get tough on crime. And there's only one way, there is only one way to send this message to Washington, and that is not to send the liberal Democrats back there so they can keep on going down the same tired old road.

You know, last month Oklahoma voters sent politicians a message, and they voted overwhelmingly to restrict State legislative terms to 12 years. Next week voters across this country can follow your lead. Term limitations applying to State officials will be on the ballot in California and in Colorado. But America doesn't have to wait for a ballot initiative to limit the terms of the Democrats in Congress; they can start next Tuesday. I have great confidence in the American people, the American ideals, which is why the remaining days of this campaign, and for the rest of Presidency, I'll take a message out there to the people: America doesn't need a liberal House of Lords. America needs a responsible Congress. America needs a Republican Congress.

Harry Truman reminded us that only a President represents all the people, can stand for the national interest and stand against the special interests. And in this spirit -- I think you'll all remember this -- I did extend my hand. I worked for a bipartisan solution to this horrible budget mess. And you sent me to Washington to govern, to make something good happen for our country. And I've tried very hard, only to have a parade of liberal Democrats march to the microphone in the well of the House to blame me for their failures. And my good will has been rewarded with business as usual. Well, I'll tell you something: America has had enough of business as usual, and we don't have to take it anymore. I say send me more Members of Congress who will vote like these two here today. I need them up there. And here in this State, people think straight and they like straight talk. So, do your talking at the polls on November 6th, and roll up your sleeves and elect this good man Governor of the State of Oklahoma because you deserve the best.

And as for me -- I know you're glad this is over; it's hot in here. But I'm just getting warmed up. But I'm really not. [Laughter] As for me, I'll tell you what I'm going to do. I'm going to crisscross this country from coast to coast and take this message to the American people: More Republican Congressmen means more men and women fighting against raising taxes and against the big spenders, and for the values of faith and family, government close to the people that everybody in the State of Oklahoma believes in. More Republicans means a better deal for America. And it doesn't get any straighter than that. And I can't wait to get out on that campaign trail for the rest of the days before the elections.

Thank you. Elect this good man Governor. And God bless the United States of America. Thank you all very much.

Note: The President spoke at 3:40 p.m. at the Cowboy Hall of Fame. Following his remarks, the President returned to Washington, DC.

Remarks Congratulating the Cincinnati Reds on Winning the World Series

October 30, 1990

Well, please be seated. Great fall day in the Rose Garden. And, Marge, welcome to you and Lou Piniella, the players, the coaches, and the official family of the 1990 Cincinnati Reds. I want to look around at our dignitaries here, but Senator Glenn is here, Congressman Gradison, Congressman Luken, Paul Gillmor from Ohio. And then from across the river -- whoops, I don't see him, I thought -- there he is, modestly in the second row, Jim Bunning, played good old country hardball in his day. And another one, Vinegar Bend, I did see over here. Welcome, all of you and all the rest. And I want to welcome our umpires, Larry Barnett, Rocky Roe, Jim Quick, Ted Hendry, Frank Pulli, Randy Marsh, and also Bruce Froemming, who can't be with us today. Seldom do the players and families cheer the umpires, but we're glad you're here. Delighted you're here.

Just a minute. A little dissent -- I think I can handle it. [Laughter] Listen, I might mention that this is the 40th anniversary of the Babe Ruth Baseball League. And we're lucky to have the four Babe Ruth cham-pionship teams of 1990 with us today: Staten Island; Youngstown, Ohio; and yes, two from a city whose team visited here last October -- Oakland, California. Why don't you guys all stand up, if you would. Here we go. Welcome. Welcome, all of you. You guys better watch out for your jobs -- some of these people. And best wishes we bring you from the most charismatic member of the Bush family, the MVP, the Most Valuable Pooch. Schottzie -- tell her Millie sends her love and in a minute we'll bring out the dog so you can at least say hello, because we missed them. Let me welcome all of you to the White House and to this most appropriate salute to the Cincinnati Reds, a team of heart which achieved its impossible dream.

Marge, I know that I risk this because I know Bobby Brown is president of the American League, but let me tell you about a story, how as a player for the Yanks he roomed with one of my favorite philosophers, Yogi Berra. And Bob and Yogi were reading late at night in their hotel room. Bobby was studying a medical journal, and Yogi, a comic book. And finally, Yogi put the magazine down, turned off the light, and said, ``Bobby, my book had a happy ending. How did yours come out?" Well, to members of this newest Big Red Machine, the story of the 1990 Reds had the happiest of endings: a world championship for America's oldest baseball franchise, for some of America's best baseball fans, for a team that looked its opponent in the eye and made the opponents blink.

Today we're talking baseball and a team that won 91 games in the regular season, leading wire to wire the first time in league history. We're talking the team that beat a marvelous Pirates club in the playoffs. And they were good. And I hope our guided missiles are as straight as Eric Davis' throw to nab Bobby Bonilla. This is the team that swept the defending champion Oakland A's in an unforgettable World Series. And what moments you have given all of us that love baseball.

And what memories we have of one of the greatest bullpens in baseball's tide of times. You know how the Reds spell relief: N-A-S-T-Y. [Laughter]

And of the Series' most valuable player -- Jose Rijo -- yielding all of 1 run in 15-plus innings. Maybe you can help us with the interest rates -- you get the ERA [earned run average] down, now it's the interest rates. [Laughter] And then Billy Hatcher -- seven straight hits. Nine for twelve in the Series. And yes, Eric the Red, whom I wish continued recovery. And when I talk to Mr. Gorbachev about offensive weapons, I'm going to tell him number 44's bat is not negotiable. [Laughter]

Go anywhere -- they love the Reds. Go to Dayton or Louisville or Des Moines or Siler City, and they'll tell you about heroics too numerous to mention. Glenn Braggs and Barry Larkin fielding brilliantly. Joe Oliver winning game 2 with a memorable base hit. And Chris Sabo, he's off in Japan, but his three home runs are still in orbit someplace. And Paul O'Neill and, yes, Tom Browning, the man who combined a World Series and the birth of a son -- batting a thousand along the way. And each of these men and so many others were dedicated to a cause -- bringing the world's championship back to the banks of the Ohio. You achieved that goal. And to you, Lou -- Lou Piniella -- let me say you've been an inspiration to all of us that love the game. All of us you showed why two of the most beautiful words in any language -- all of you showed us -- play ball!

Reds broadcaster Joe Nuxhall often says that ``This is the Old Left-hander rounding third and heading for home." And this year home for one of sports' greatest franchises was the 1990 world championship. So let me leave you by quoting another Reds announcer, Marty Brennaman: ``This one belonged to the Reds." And when it comes to baseball, Cincinnati is truly number one. Thank you for coming here, congratulations, and God bless the United States. Thank you all.

Note: The President spoke at 1:33 p.m. in the Rose Garden at the White House. In his remarks, he referred to team owner Marge Schotte, manager Lou Piniella, and Representative Jim Bunning.

Remarks at the Republican National Committee Election Countdown Rally

October 30, 1990

Good to see you all. Thank you very much. Let me just say that it's terrific to see so many good friends of this administration and of this country. Barbara and I are delighted to be with you, and I want to salute the members of my Cabinet who are up here with me. You know, I am blessed as a President to have such an outstanding Cabinet working for this country every single day. They're good, they're strong, they're principled, and I am very, very fortunate.

I'm told that in addition to these Cabinet members, why, our able Administrator, my friend Bill Reilly is here, Bruce Gelb from USIA, Paul Coverdell. And also, of course, I want to single out two or three who are here that have just worked their hearts out on recent events in Washington, and I'm talking about our Chief of Staff John Sununu, Dick Darman, and Secretary Brady, who have done an outstanding job wrestling with the United States Senate and the House.

And, of course, I wanted to come over and express my personal gratitude to Charlie Black and to Jeanie Austin, who are leading our party at this critical time, and to say to other friends of Lee Atwater's -- and all of us are -- Lee continues to be a great inspiration to both Barbara and to me and all of our family. And I'm sure he is to each and every one of you, too.

I wanted to come over here at this time and talk to you, the faithful, those that are standing there getting the job done day in and day out, because election day is exactly 1 week from today. I look at it as opportunity day, a day when America's voters will have the opportunity to do something: to vote for change and to vent their frustration, their anger, and the betrayal that they have felt at the hands of the unresponsive and irresponsible Democratic Congress.

You know, I read about voter frustration, but America has the opportunity to send that crowd up there on Capitol Hill, that one party that's controlled Congress for year after year after year -- the Democrats -- send them a message by sending more Republicans to Congress.

You know, this country faced an enormous challenge here, a challenge of, I'd say, tremendous consequences: a Federal budget deficit spiraling into the hundreds of billions of dollars, and the Democratic philosophy of tax and spend was coming home to roost. And I was elected to make some tough decisions, to govern.

At times, every President finds that he's had to compromise for the good of the country. And I reached out my hand -- I think everybody here knows it, and I think people all across the country know that I tried to reach out my hand to work with the Democrats in Congress. They control the House, they control the Senate. And I tried very hard to do that, only to have a parade of liberal

Democrats march to the microphone in the well of the House to blame me for their own failures.

Well, I believe we've had enough of that. And now we get to take our case to the American people. You see, we can -- we can send a message to every Democratic Congressman or Senator who mortgaged the future of our kids. To every Democrat who tried to raise income taxes, not as they say on the rich but on every working American, and to every Democrat who's part of this Democratic spending binge: Americans say we're not going to take it anymore, because this is our country and it belongs to those who work in the fields and in the factories, who run the small businesses, who teach our kids, who protect the land. And each one is every bit as much a part of the American dream as the privileged few who roam the congressional corridors of power. And I want to abolish, for example, I want to abolish these special interest PAC's, and Democrats don't. Democrats want the taxpayers to underwrite the bill for their own reelection, and I don't. And if we have more Republicans on Capitol Hill, Uncle Sam won't foot the bill for Democratic campaigns.

Democrats may be busy taking care of their special interests and these reelection interests. And they may have forgotten their most basic sacred trust is the common interest. Well, I don't think we have forgotten. And I think Americans are going to remember who stands with these values that we all believe and that I've campaigned on and still feel fervently about. It's the Republicans who were looking out for the working men and women of this country.

And who would have thought that the finest instincts and ideals of Jefferson and Adams would have come down to this: an arrogant majority that uses its power to protect its own prerogative, its own perks, its own privileges, its own pet projects. And it is time that American people say enough is enough. No more Democratic control of the Congress.

You know, they say there are two things you should never watch being made: sausage and laws. [Laughter] When it comes to the Democrats in Congress, I'd say this year has been -- we've all been taken on a first-class tour of the hot dog factory. [Laughter]

I was disappointed but not surprised -- the minute that this budget deficit agreement was reached -- disappointed but not surprised to hear a Democratic leader say that the Democrats will continue to demand higher taxes, raising the income tax rates next year. Disappointed to hear the distortion of Republican motives, goals, and accomplishments. Disappointed to hear the clumsy explanation of the Democrats' attempt to raise $40 billion -- this is the figure from the recent Democrat-passed bill in the House -- $40 billion in new income taxes on working Americans. And at the same time they were talking about soaking the rich -- there was a $4 billion surtax proposal in there -- $4 billion for that, and $40 billion trying to sock it to every working man and woman in this country. The rhetoric is wrong, and their purpose is wrong. And we're not going to let them get away with it.

After 6 endless, 6 endless months of budget negotiations, we finally got a deal. We fought for

what's good in the package. I think the spending cuts, when you look at them, are good. The entitlement reform is good. The tough enforcement provisions are better than I thought we could ever get in any way out of this Congress. But for 6 months, the Democrats stalled. For 6 months this Congress stalled the budget agreement and, in my view, risked stalling the economy. They tried to pull back the throttle on this economy, all in the name of politics and higher taxes. And the American people can hold them responsible because we are not going to let them get away with it.

All in all, this budget agreement is unprecedented. It is long overdue, and in my view, it is essential. And every time I see out there across the country some young kid or a class of third graders, I think to myself: We have got to do something to stop mortgaging the future of these young people. It isn't fair, and it isn't right, and the tax and spend mentality has gone too far when you see us with $500 billion added to the deficit over and over again.

We got nearly $350 billion in spending cuts, and almost $500 billion -- $492 billion I believe was the figure -- in total deficit reduction. But to get an agreement, there was a ransom. And that ransom was taxes. And, after all, the Democrats' chant has always been tax and spend and damn the deficit. And we pushed hard to cut spending, to get the deficit down. And I just simply could not bring myself to leave America's children an avalanche of unpaid bills.

The issue is larger than one budget agreement or one session of Congress or one election. It may sound corny, but it's about the American dream. It's about the differences between the parties and who can best build a better America. It's about America's families and America's values and who represents them. And I think you know the answer: Republicans do.

You know the difference between Republicans and Democrats. We are the ones fighting for family perspective in this year's legislation -- in education, in child care, in housing. And we're going to keep right on fighting. And we're the ones determined to bring hope and opportunity to the millions forgotten by the Democrats. And we won't give up on them. We're the ones with more sympathy for the victims of crime than for the criminals. And that was in my bill that got shuttered aside, parts of it passing but the toughest parts held up by the liberal Democrats in the House of Representatives. We're going to keep on supporting our police officers. And we're the ones who understand that the world remains a dangerous place and that American leadership can meet the challenges of an uncertain world. And America will continue to lead because Republicans will not undermine America's strength.

I just came back yesterday from California and Oklahoma, and there, as all around this country, there's a growing momentum for limiting terms of legislators. The biggest, most entrenched special interest in America is right here. And in 1988, the Republican platform called for limiting the terms for Members of Congress. Republicans were the ones out 2 years ago leading the call. Term limitation is an idea whose time has come. And I think its time has come to Capitol Hill, frankly.

Another good thing about getting out in the country, you see what works, see how Governors make things happen. Let me tell you what works. Forty-three Governors already have it; Governor Deukmejian used it 4,000 times. And I'm talking, of course, about the line-item veto. If Congress can't cut spending, give a President a shot. Give me the line-item veto and see what we can do. These ideas work. This is an idea that is working in the States, and most of the States have balanced budget amendments. I'd like to see one of those for the entire country. Let's get out and campaign for it.

We really do need a government of more Republicans from the breadths of this great nation who owe their allegiance to the communities of our 50 States, not to the Democratic tax-and-spend dogma of Capitol Hill; a government led by men and women with a sense of history, with a sense of the potential of this country and of every American, with a willingness to make difficult choices on behalf of the national interest; and men and women who have a genuine vision, the kind of vision that enabled this administration to drag some important legislation out of a gridlocked Democratic Congress. Remember, both Houses, the Senate and the House, in the hands of the Democrats.

We got a good Clean Air Act, and I think that's good for the entire United States of America and internationally as well. We had to pull it out, and it worked. We got a child-care bill out of this deficit agreement, and it's a good one -- doesn't give central government control over all child care -- it empowers parents.

We got a good, fair, and effective Americans with Disabilities Act -- a landmark piece of legislation in terms of fair play long overdue. We got a Defense budget that in my view protects our nation's security. It was under vicious assault and vicious attack from the liberal elements in the Democrats in both the House and the Senate. But thanks to the negotiating of those right here and the work of our Secretary of Defense, we got a reasonably good Defense number, one where I can certify to the American people we can keep our interests wherever they may be. We can keep our commitment. And we built some incentives, finally, into our budget agreement for oil and gas explorations so that we will be less dependent on foreign oil.

And that brings me to another piece of news -- I was talking to Secretary Watkins about this -- that I want to tell Americans about, all Americans. Thanks to a combination of markedly increased world production and consumption measures, the gap in oil supply created by the loss of Iraq and Kuwait production has been closed. And under current circumstances, consumers can count on adequate supplies of petroleum products. And that is good news for all Americans.

In times of crisis and challenge, the American spirit has been a constant source of strength. It's true now, obviously, in the Persian Gulf, and it's just as true at home today. Because across this land still pulses the generosity and the optimism of the true American spirit, the spirit to which Republicans are responding. We will reform this city in the Capital, revive this institution, renew this nation, and together we can keep this country strong and compassionate and idealistic. And

we'll do it by bringing this country what we deserve: a better deal.

And I'm going to be carrying that message to the American people. And today I'm here in Washington within sight of the Capitol Dome, but I'll go the vineyards of California and the farms of Ohio, to the shores of Massachusetts and out to the oil fields in Texas. And every time I talk to the American people, I'm going to tell them this: More Republicans in Congress means more men and women fighting against raising taxes and against the big spenders. More Republicans means a better deal for America.

And I wanted to thank each and every one of you. And with a week to go before the election, please keep it up. Redouble your efforts. We can make a difference for this, the greatest and freest country on the face of the Earth. God bless you and God bless America. Thank you all very much.

Note: The President spoke at 2:20 p.m. in the Regency Ballroom of the Hyatt Regency Hotel. In his remarks, he referred to William K. Reilly, Administrator of the Environmental Protection Agency; Bruce S. Gelb, Director of the U.S. Information Agency; Paul D. Coverdell, Director of the Peace Corps; Richard G. Darman, Director of the Office of Management and Budget; Charlie Black, Jeanie Austin, and H. Lee Atwater, spokesman, cochairman, and chairman of the Republican National Committee; and Gov. George Deukmejian of California.

Statement on Signing the Bill Reauthorizing Native American Higher Education Assistance

October 30, 1990

Today, I am signing S. 2167, a bill ``To reauthorize the Tribally Controlled Community College Assistance Act of 1978 and the Navajo Community College Act." In approving this legislation, I recognize and acknowledge the tribal colleges for the contribution they have made and continue to make in improving the quality of life for many American Indian people. Tribal colleges represent an opportunity for many American Indians to develop academic knowledge and job-related skills and become contributors to the economy both on and off Indian reservations. In addition, the tribal colleges are excellent examples of the Administration's policy of self-determination for Indian tribes.

I note that section 106(b) of the Act purports to require the President, within 1 year of enactment, to submit a report to the Congress containing recommendations for amendments to certain Federal laws. The Constitution grants to the President the power to recommend to the Congress such measures as he judges necessary and expedient. Because of this power, provisions such as the one contained in this bill have been treated as advisory and not mandatory. I will, therefore, interpret section 106(b) accordingly.

I also note that section 105 of the Act provides that the right of Native Americans to express themselves through the use of Native American languages shall not be restricted in any public proceeding. Such proceedings include publicly supported education programs. I construe this provision as a statement of general policy and do not understand it to confer a private right of action on any individual or group.

George Bush

The White House,

October 30, 1990.

Note: S. 2167, approved October 30, was assigned Public Law No. 101 - 477.

Exchange With Reporters in Alexandria, Virginia

October 31, 1990

The President. -- -- anticrime legislation that I sent up to Congress a long time ago, talking about many issues that I think are of benefit not just to the people of northern Virginia but of the whole country. We need more people like Stan Parris, and I'll be telling them that, too.

Q. Mr. President, are you using the situation at the Kuwaiti Embassy -- --

The President. Just to say the things I like about it and the things I don't, but we'll be talking about some of that. But the main thing is the positive agenda and the things that he has stood for and fought for. And my view is that if I had more support like that in the Congress, not only would we not have fiscal problems out there -- the same ones that we're trying to do something about -- but we'd be much better off on a positive agenda for all America.

I think we're on the right track, but we just need to be sure we have this kind of support. We talk about this in family values and the values and incentives, and growth and opportunity. His voting record is the kind we need. We don't need more of where the Government has to do everything -- the mandated program. I think they don't work. So, it's a great positive agenda that I'll be discussing in there.

Persian Gulf Crisis

Q. Kuwaiti Embassy, Mr. President? What's the situation this morning, and is this situation -- --

The President. I haven't talked -- this morning -- I haven't seen the intelligence. I came right here from the White House.

Q. Well, Mr. President -- --

Q. Is this situation being used as a pretext for a confrontation?

The President. No, there's no pretext. You don't use pretext when you have force deployed. You don't need any pretext; you just do what's right. I am concerned about the lives of Americans held against their will. So are the American people. When you see the United Nations act in concert, the United Nations is concerned. So, there's no pretext involved. I'm simply trying to have the American people understand how strongly I feel about the brutality of Saddam Hussein's policy. And it's been condemned by the world, and we ought to do something about it. These are American citizens that are held against their will. There are a lot of other citizens that have been just destroyed in Kuwait as he has dismantled it. I think world opinion is saying he's got to stop it.

Q. Well, Mr. President, yesterday in that meeting with congressional leaders there was some concern that that distress for the hostages, for the Embassy in Kuwait, not provoke the U.S. into a premature military response. Do you feel at all that your hand is being forced at this point?

The President. No. I don't think so at all.

Q. Mr. President, is Secretary Baker going to be discussing, during his trip, scenarios for possible military responses?

The President. He will cover a wide array of issues with these leaders over there. I was trying hard to keep our coalition partners fully informed. I will share with them, through Secretary Baker, the concerns that I feel about Americans that are held hostage and other citizens that are held hostage. We will discuss, obviously, the United Nations resolutions condemning the treatment of embassy personnel. And so, it's going to be a wide array of topics to discuss. I'm very pleased that the coalition is together. So, we just have to stay in close touch. I'll be doing some, I'm sure, by phone myself. But the Baker trip is very important.

Q. What are you going to do about resupplying the Embassy at this point?

The President. Well, I can't tell you exactly what I'm going to do.

Q. Well, how soon? Let's put it that way.

Q. Mr. President, what is the end line? In other words, how do you know you've reached the end?

The President. Well, it's a very difficult -- appropriate question and very difficult. But we're still moving force, and we have a significant coalition of armed forces on the ground. We'll just have to wait and see. In the meantime, we will send a steady, strong message to Saddam Hussein that we are not going to tolerate this aggression.

Q. You haven't mentioned sanctions at all.

The President. And when you look at world opinion and statements from world leaders, there is an enormous coalition there still together, unanimous in its condemnation. So, we've just got to keep that in focus and keep doing what we're doing: quietly, but significantly, being prepared.

Q. Do you have a timeframe in mind?

The President. A timeframe for what?

Q. Action in Iraq.

Q. Is time running out for the sanctions?

The President. There's no date of that nature in mind. But we're doing absolutely everything to be sure we safeguard American life, protect Saudi Arabia against aggression, and also to see that we are in a position to help fulfill the United Nations resolution.

Q. Are you becoming impatient, Mr. President? Are you becoming impatient?

The President. I'm not impatient, no. Just going steadily, doing my job.

Q. But, sir -- --

The President. And so are all our allies.

Q. Because of your concerns, though, sir, can you afford to continue on, waiting for sanctions to take effect?

The President. I am prepared at this juncture to wait to see if economic sanctions will work -- at this juncture.

Q. Are you disappointed with the progress today? Marlin said yesterday it was clear they hadn't been successful.

The President. I wouldn't say that they had not been successful at all, but they certainly haven't driven the man to do what he should have done, which is to get out of Kuwait and reverse this aggression. But I think that that's what Marlin was saying -- they had not been totally effective.

Q. Did you think they'd have a quicker effect?

The President. Well, Norm [Norman Sandler, United Press International], there's been differences of opinion. I know some of our partners thought that the economic pressure by now would have come close to compelling him to withdraw. I've not had a view on that because it's such a major undertaking -- economic sanctions -- that I haven't really been thinking in terms of time lines.

Q. Are the hostages becoming a more important factor in the equation, in what you do?

The President. No more important, but they are tremendously important. Any factor -- and I've always said this -- anytime an American or anybody else is held against their will in direct contravention of international law, it concerns me. I wouldn't say more, but I am very, very concerned about it. I think any President would have to be. I know that other leaders to whom I've talked around the world feel the same way about their citizens. I mean, the Soviets do; I mean, the

Japanese have. And so, it's brutal what he's doing. It is total brutality and in direct contravention of international law. I think it is important that Saddam Hussein know just how seriously we view this matter -- --

Q. You suggested, sir -- --

The President. -- -- so it's worth repeating from time to time.

Q. You suggested early on, I think, that the hostages wouldn't drive U.S. policy. Is that still -- --

The President. Exactly.

Q. -- -- is that still your position?

The President. Yes, it is still my firmly held position.

Q. Are you still comfortable with that?

The President. Yes. Very comfortable with it, very comfortable.

Q. But you're elevating the importance of the situation at the Kuwaiti Embassy and the importance of the hostages. Are you, in fact -- --

The President. The Kuwaiti Embassy is being starved. The people out there are not being resupplied. The American flag is flying over the Kuwaiti Embassy, and our people inside are being starved by a brutal dictator. And do you think I'm concerned about it? You're darn right I am. And what I'm going to do about it? Let's just wait and see. Because I have had it with that kind of treatment of Americans. And I know others feel that way. I know Margaret Thatcher feels that way about the Brits. I think the whole world feels outraged by this. So, of course I'm concerned. As each day goes by and these Americans are isolated, cut off from supplies, who wouldn't be concerned? The American people are concerned -- those that understand this have this message. So, you should think very carefully about what he's doing there.

Q. Do you have a plan in mind for resupplying the Embassy, or how are you going to do that?

The President. If I did, I wouldn't discuss it here.

Civil Rights Bill

Q. What was in the civil rights bill that told you it would lead to quotas?

The President. The public -- the necessity -- part of it. And I sent a civil rights bill up there that they didn't even vote on. And why? Because they didn't want to give the President a chance to continue a strong civil rights record. It was a good piece of legislation, and the Congress wouldn't even permit a vote unless it was done just the way a handful of leaders -- civil rights leaders -- wanted it done.

I've compromised; I've tried to work it out. We had a deal with Ted Kennedy, and he reneged on the deal. So, I am for civil rights, and I am strongly opposed to quotas. It's that public necessity part that inevitably would have led to quotas. It's not fair to black Americans; it's not fair to Hispanic Americans; it's not fair to Asian-Americans. So, I am glad to have a chance to set the record straight on that one, and I will push for civil rights legislation that removes discrimination in the workplace, but I will not accept quotas. That message has to get through loud and clear, because there's been a lot of demagoguery on the other side of that now. I am right, and I think the American people will strongly support me.

It's highly technical. It's highly technical. But I'm glad to have the opportunity to say that I will continue to push for strong civil rights legislation, and I will continue to fight against legislation that will result in quotas in the workplace.

Any others? It's been a pleasure -- so early, and a beautiful day.

Note: The exchange began at 7:35 a.m. on the lawn of Belle Haven Country Club, prior to a fundraising breakfast for Representative Stan Parris. In his remarks, President Bush referred to President Saddam Hussein of Iraq; Marlin Fitzwater, Press Secretary to the President; Prime Minister Margaret Thatcher of the United Kingdom; and Senator Edward M. Kennedy.

Remarks at a Fundraising Breakfast for Representative Stan Parris in Alexandria, Virginia

October 31, 1990

The President. Thank you very, very much. It's a pleasure to be here. I am simply delighted to be here with Stan. We talked about this a couple of months ago. Given the schedule and the demands on one's time, I haven't been able to do as many campaigns strictly for congressional candidates. But as he said, and I will affirm, we are friends. We go back a long time. When I look for steady, constant, principled support in Congress, I've got it in Stan Parris. I just do not want to contemplate the alternative -- having another Massachusetts -- [applause] -- we've got enough Massachusetts liberals in the Congress as it is, and so we don't need any more. [Laughter]

So, it is a pleasure to be here and speak briefly because Stan is on our side. Even when there's a difference of opinion on an issue, he does it in a way where he stands for what you all elected him to do -- does it with principle and is most supportive of this President. And I am very, very grateful for that.

I want to single out only one person in addition to the two Parrises, and that's Judy Black, who is the campaign chairman. Her husband, Charlie Black, doing such an outstanding job as our major national party spokesman. And Judy, good luck to you on the last few days of this campaign.

But you know the record. Stan is not only a friend of mine and a friend of Northern Virginia but a friend of sound, conservative fiscal policies of all the American people. He and I have a special bond. I'm the one who taught him everything he knows about charisma. [Laughter]

I also trust his honesty and value his perspective on these major issues. He happens to be a big [University of] Virginia Cavaliers football fan -- that's the honest part -- and you know of his interest in transportation. I think he's overdoing it when he wantsÿ7Eÿ7E toÿ7Eÿ7E moveÿ7Eÿ7E theÿ7Eÿ7E Universityÿ7Eÿ7E ofÿ7Eÿ7E Virginia to Fairfax County, but nevertheless -- [laughter] -- --

There is his record. He mentioned modestly the Korean war; but really he's a man that, as we wrestle with these problems halfway around the world, I think he understands the big picture. Served in the Korean war, returned to attend George Washington University, then practiced law, and then the Virginia House of Delegates, and served as secretary of the Commonwealth. He's been a superb, seven-term United States Congressman. He's on the side of what I think of as family values and traditional values, of every decent American who values growth and opportunity and prosperity. It all adds up to GOP, if you'll think of it. [Laughter]

You know, everybody is concerned in every area, municipal or rural, about transportation. Stan

was one of the leaders, if not the key leader in the House, on this legislation which will complete this area's Metro system. I think it's long overdue, and I think it's something that you can give him great credit for having done.

He also is instrumental in this Korean War Memorial. I'm sure everybody here has been to the Vietnam Memorial. I've only been there a couple of times, but I can't help but shed a tear when I'm there. It is appropriate that those veterans be honored. Similarly, I think it's long overdue that we do have a similar monument -- a monument to those who served and gave their lives in the Korean war.

So, this is a man of broad perspective and great patriotism. We agree on a lot of the issues. I know how some of these newspapers around here feel, but I will continue to oppose statehood for the District. I support Stan's position. I don't think that's right. We've got a Federal city; it's special; it's the people's city for people from all over. And so, I am not a supporter of this statehood. I know that you can get into a lot of arguments about that, but I support Stan's position on that.

He reflects the good in, I'd say, decent, quiet people. He reflects their values. And he believes in government which serves the people, not the other way around. By that I mean he has stood up over and over again against this wealth of mandated programs.

You go across the river and you get up onto Capitol Hill, and all of those that control Congress -- these committees -- mainly the liberal Democrats, feel that the way to do it is for them to tell the people of Northern Virginia or Iowa or Texas or wherever exactly how they ought to solve the problem of housing or of education, health care, whatever -- mandated programs. And Stan has stood up against the mandated approach, believing that people should be free to choose, whether it's in education or in housing, or free to have diversity in something like health care. And so, I need that kind of philosophical support that Stan Parris and a handful of others give in the United States Congress.

I wanted to mention just a word on process and what recently happened: the Democrats trying to claim that it's the Republicans who favored the rich, this whole class warfare, this old divide-and-conquer mentality that we've heard every single campaign year of the Democrats when they talk about we favoring the rich and taxation. Let me just point out one thing that Stan stood up against, loud and clear.

When the Democrats passed a bill -- not the one that was finally enacted, a deficit agreement -- they passed a bill that they called a soak-the-rich tax bill. And their national chairman was jumping with joy because he thought -- and they had all these little ugly ads prepared, and they were claiming ``soak the rich."

The part of the tax bill that they passed in the House that would have soaked the rich was $4

billion on a surtax, which I fought against and we got removed, incidentally, in the final version. And there was a $40 billion soak-the-working-man-and-woman through the indexing of income tax rates. And here they were, raising the class warfare charge of divide and conquer, divide and -- the ugliest kind of campaigning for America. We're not divided by classes as some other societies that are. We're the ones that represent the working man and woman through opportunity and growth.

But while they raised the surtax $4 billion -- something that they shouldn't have done anyway -- and in the same legislation, $40 billion on taxes on the working man and woman of this country. So, when you hear them say ``soak the rich'', if you're poor or middle in terms of income, zip up your wallet because they're coming after you. [Laughter] And that's exactly what they'd been doing in all this legislation over there.

I want to say that some good things have happened coming out of this Congress -- a lot of it because Stan has been very, very helpful to us. I'm very pleased that we at last have the amendments to the Clean Air Act. They're good; they're strong; they're reasonably well-balanced. And I think it sends a strong environmental message across this country. And I'm proud that we were in the forefront. This was our administration's goal early on.

And now, 18 months later, or whatever, we have the first and most successful amendment to the Clean Air Act in history. We obviously had Democratic support, but it was a Republican initiative. And we can take credit in that. We staved off a bill by the Democrats to make you eat broccoli. [Laughter] And I would veto that if it comes my way, you're right. [Laughter]

There's another issue that is really near and dear to the hearts of everybody, and it ties into our national drug strategy, which, incidentally, is beginning to work -- I'd say is working. Bill Bennett, our drug czar, has done a superb job; and he's managed to get this issue into the consciousness of all Americans. And we're really beginning to make progress, thank heavens. It's long, long overdue. But what we haven't done is back up the national drug strategy and the local police officers on the beat with strong enough crime legislation.

And Stan has stood for the kind of crime bill that I sent up to the Congress and that has been gutted by the liberal Democrats in the Congress. We don't need more people that are going to continue to have a little more concern about the criminal rather than the victim. We need people to do it the other way: more concern about the victims of crime and less about the criminals themselves. And that's where he is with us.

About a year and a half ago, across the river there, stood before the Capitol with a lot of police men and women to demand Congress pass a crime bill and pass it soon. That was about 18 months ago. And we hoped that this Congress, liberal though the committees that deal with this kind of issue are, would finally pass a workable Federal death penalty to protect America, to protect our police officers, those that are out there on the front line. That didn't happen. We hoped

they would end the legal loopholes and technicalities that free the criminals and handcuff the police. That didn't happen. We hoped that we would give our prosecutors the tools they need to keep the criminals off the street and behind bars.

Seventeen months later -- eighteen -- the Congress passed a crime bill, a tough bill; and then they proceeded to weaken it, later, out of sight, in a back room someplace. And in the crush of final legislation -- Congress finally getting out of town -- the mutilation to this bill was itself a mugging, a legislative attack on this legislation that could only take place behind closed doors, because the American people have spoken strongly about the need for tough anticrime legislation.

And again, I am very grateful to Members of Congress like Stan Parris who stand up and encourage the passing of strong anticrime legislation. And look at the records on these. Quiz the opponent. See where he stands and whether it's just going to be some more passing of legislation that really doesn't give us the tools that we need. I got a little of what we wanted on our education program, but I'm going to continue to fight for parental choice in education. We got a day care bill that I think we can take great credit in, Stan, because it does preserve this great principle that parents should be free to choose and should be able to shape the destiny of their own kids without having a lot of mandates and decrees from Washington, DC.

So, in terms of my agenda, the thing that I was elected to perform on, we got some of what I wanted. We lost a lot of what I wanted. I had to digest some in the way of compromise that I didn't want. But a President from time to time does have to make the tough decisions, does have to do something that only a President has to do, and that is to govern. And so, I would say that it brings me, halfway through this term as President, to the view that I need more people like Stan Parris in the Congress who will back us -- you and me -- on what we believe is the best approach to these enormous problems facing the United States of America.

Let me just say a word -- and I want to say this, giving credit here at the outset to both parties -- I want to just say a word, because it's on everybody's mind, about the Middle East. And it's something that I live with 24 hours a day. And I think Vandenberg was right when he talked about partisanship stopping at the water's edge. And you know, we got away from that a little bit in the deviousness of Vietnam -- to some degree, Stan, Korea, but mainly the Vietnam experience. But in all candor and with all fairness, I would say I have been blessed by having strong bipartisan support for this policy in the Middle East; and I am grateful to the leaders, both Democrat and Republican, on this one. And so, I want to be sure, as I just answer a couple of questions here about a subject that's on everyone's mind, that I make this in a very nonpartisan way because it is essential that this country stay together in support of our kids halfway around the world.

I'm not going to dwell on this question, but I was asked by some of our friends in the press coming in here about my concerns in terms of the Embassy in Kuwait. And the answer is, yes, I am very much concerned about that. We have Americans -- some diplomats, some nondiplomats --

in that little Embassy in Kuwait. The American flag is flying over that Kuwait Embassy. The United Nations has called for resupply. The United Nations has passed yet another resolution of condemnation against this kind of brutal violation of international law; holding people against their will and desecrating embassies by isolating them and starving them.

And so, when I was asked, well, am I concerned or increasingly concerned -- I am increasingly concerned each day about this, because any President must have the concern of the safety of American citizens in the foremost position in his mind. And I said early on that one of the major goals of our policy was the concern about the safety of American citizens.

And so, as you look at what's happening halfway around the world, we've moved substantial force there -- substantial force. And I bet everybody in this room has some friend, son, daughter, cousin, brother -- whatever -- that's over there. And these are the finest, most highly motivated, best trained forces that have ever served in the United States armed services. They're all volunteers, and we have every right in the world to be proud of this kind of service to country and this kind of patriotism. So, we cannot let them down. And yet, at the same time, we cannot fail in our goal to wipe out this aggression.

You know, there are some interesting historical parallels here. And I shared with some the other day that I've been reading a book on the history of World War II. And some of you all that are still in school take a look back into history, into what happened when Hitler invaded Poland. There is a direct parallel to what has happened to Kuwait. The Death's Head regiments came in behind the regular armed forces of Germany. And the Death's Head regiments were those SS troops, and they came in and systematically wiped out a lot of Polish people, lined up kids and shot them. And the same things are going on in Kuwait today. It has been brutal. It has been aggressive. It has been totally in contravention of international law.

And I think it's my obligation as President of the United States to be sure that our citizens and the citizens around the world know just how strongly we feel about this naked aggression. And I'm not here to rattle a saber, but I am here to express my pride in the young people that are serving. And I'm here to restate, once again, that this aggression will not succeed. It is the United States' honor that's at stake here. It is the United Nations that is at stake here.

And so, I wanted you to know that I do carry with me in my heart every single day and night concern over these Americans, concern over our kids in the armed services over there, always, however, with great pride in their service. These are not easy times internationally. And again, I'm blessed to be supported by the American people in a support that transcends -- thank God -- transcends party politics.

Now, back to where we started. Please go out, work hard, and send Congressman Stan Parris back to the Congress of the United States.

Thank you all very much.

Note: The President spoke at 8 a.m. in the ballroom at Belle Haven Country Club.

Exchange With Reporters on the Persian Gulf Crisis

October 31, 1990

The President. We've already had a big, major press conference -- I'm sorry you all missed it -- about 20 minutes from here.

Q. There are already accusations -- --

The President. You should have been over there.

Q. Are we going to war?

Q. There are already accusations and some reports out there that a lot of this turning up the heat now is politically motivated to coincide with the election.

The President. Jim [Jim Miklaszewski, NBC News], I don't think there are already many reports to that end. And I don't think even the most cynical would ever suggest that a President would play politics with the lives of American kids halfway around the world. So, I'm sad if you've seen reports like that. I haven't, and I think it is the ultimate of cynicism and indecency.

We're talking two separate things: one, a major crisis halfway around the world where we have strong support -- Democrats and Republicans, the American people supporting us, the whole world and the United Nations supporting us. And I don't think any decent, honorable person would ever suggest anything of that nature. So, I would discount it, but I would simply say that you separate that from the political process that's going on. It is so cynical, and I'm sorry to even have that question asked because it is indecent. Nobody would make a decision based on some political -- certainly not me. I've been through World War II, and I've been trying to keep our kids from -- you know, try to find a peaceful solution to this.

So, you have to raise it, but I'm offended that anybody would even suggest that. I don't think any decent, honorable person would.

Q. Are we closer to war today? I mean, there seems to be an escalation and turning up the heat in general.

The President. I was asked that a minute ago. I don't think so. We're still giving these sanctions a chance to work. We're still moving forces. I'll tell you, I am, I'd say, as concerned, if not increasingly concerned, about the lives of Americans. Take a look at the Embassy in Kuwait. The American flag's still there, and these people are getting starved out. I mean, we still have some supplies there, thank heaven. But it is so brutal and so inhumane and so directly in contravention of international law that I am increasingly concerned about that. You saw some reports -- I did --

in the morning paper about testimony about the condition under which some of these ``guests'' -- I mean, hostages -- are being held. That worries me. Anytime an American citizen is held against his or her will, of course, the President is concerned about that.

Q. Is there any way you can get aid to them short of war?

The President. I don't know. I don't know. And we're looking at every possibility -- every possibility.

Q. Now, I understand that there was going to be an attempt by the Americans to convey the U.S. desire to resupply the Embassy. Has that happened yet? Has the Charge told the Iraqis that we intend to do that?

The President. I'm not sure about that, but I think the loudest signal on that was the action taken at the United Nations. And that gets through to Saddam Hussein. I mean, clearly, he sees his continued isolation. Clearly, he feels the condemnation of the entire world of this kind of inhumane activity. But whether there's been a direct contact from Mr. Howell in our Embassy in Kuwait, I don't know about it, and I'd be inclined to doubt that because of the inhumane way in which our Embassy is isolated.

Q. If the Iraqis refuse to allow the Embassy to be resupplied, would the U.S. then ask that all the Americans, including the civilians, be permitted to evacuate the Embassy?

The President. I'd request that right now. Anybody should have free access to come or go where they want to. Absolutely.

Q. But do you want -- --

The President. And they ought to be able to come home. They ought not to have to go be marched off as prisoners. And so, clearly, I'd call on them, and so is the United Nations. This is in keeping with the United Nations condemnation.

Q. But what about the diplomats? Are you going to keep them there now that the U.N. has at least given you the right to resupply them?

The President. I think we have to look at that. And the main thing is, at this juncture, there are priorities to be sure people have enough to eat and that they're not put under continued duress there.

Q. Well, have you made your point? Is it necessary to have them there anymore?

The President. There are other Americans there, and always your Embassy has kind of a consular

service to try to service the concerns of other citizens. But as others are brutalized and thus sent into hiding, why, that function becomes a little more blurred. So, I just don't know the answer to that.

Q. If they blocked resupply, would that be the sort of provocation you've spoken about earlier?

The President. Either it would be directly contravening a mandate from the United Nations, and we would view that very seriously, yes.

Q. You mean, military -- --

The President. Too hypothetical.

Q. Mr. President, there is some -- --

The President. I can't go into hypothesis. I can understand why you want to know that, why the American people would want to, but it would not be good for me to signal what I might or might not do.

Q. How much longer do the diplomats have before you have -- --

The President. I don't know. There's varying reports. You mean in terms of how long they can -- --

Q. -- -- they can hold out.

The President. -- -- hold out against this inhumane treatment? I don't know. I think we have varying estimates of time. We can talk to them. There is communication. But I think some of that is not yet clear to me as to how long -- --

Q. Mr. President, some people -- --

The President. -- -- what a drop-dead date is, a pullout date it might be.

Q. Some past foreign policy experts who have been at the State Department think you haven't done enough on the diplomatic front, like sending an emissary, a mediator like Jimmy Carter or someone who will -- and also that you don't know that in the Middle East they deal.

The President. That what?

Q. Deal. Dealmaking.

The President. There's no compromise. There is no compromise with this aggression. And the allies are together on this. The Arab countries, Soviet Union, France -- all of us are together on this. And every time somebody sends an emissary, that gives Saddam Hussein a little bit of hope that there might be some way that he can stop short of doing what he must do: get out of Kuwait unconditionally, free these people that are being held against their will, and have the legitimate government restored. So, there may be critics, but I've been very gratified at the rather overwhelming support we've had for the approach I'm taking.

Q. But why is Baker going? Is he an emissary?

Q. What do you want the Secretary to do?

The President. I want him to discuss all options with the people that are helping us there and with whom we are allied on the ground and at sea in the Persian Gulf. It is very important we stay in very close touch with our coalition partners. I do some of that on the telephone, but I think this Baker mission is very important. We'll be talking about all kinds of alternatives and doing everything we can to see that no stone is left unturned in determining how we implement the United Nations resolutions.

Q. Will he be asking the allies for permission to use military force?

The President. I'd leave that to further discussion, where no stones will be unturned.

Q. Well, on Primakov -- --

The President. Helen [Helen Thomas, United Press International], I've got to go. This has been a long and exhausting press conference -- --

Q. Press conference?

The President. And I had not intended to have it because it makes number 84.

Q. Thanks.

The President. Thank you.

Note: The exchange began at 8:50 a.m. on the South Lawn of the White House, following the President's return from a fundraising breakfast for Representative Stan Parris in Alexandria, VA. In his remarks, he referred to President Saddam Hussein of Iraq and W. Nathaniel Howell, U.S. Ambassador to Kuwait.

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary of State Agostino Cardinal Casaroli of the Holy See

October 31, 1990

The President met with the Vatican Secretary of State Agostino Cardinal Casaroli for approximately 40 minutes in the Oval Office this morning.

Cardinal Casaroli came to the United States to receive the Prisoner of Conscience Award from the Appeal of Conscience Foundation in New York. Following his meeting with the President, the Cardinal went on to have a private meeting with the Vice President. Later this afternoon he will be having lunch with [United Nations] Secretary-General Perez de Cuellar in New York.

During the Oval Office meeting, the President and the Cardinal discussed the situation in the Gulf. The President expressed appreciation for the Vatican's support for U.N. sanctions against Iraq and reiterated our position that nothing short of complete implementation of the U.N. Security Council's resolutions is acceptable. Both leaders expressed the hope that a peaceful resolution to the current crisis could be found.

Remarks at a Republican Party Fundraising Breakfast in Burlington, Massachusetts

November 1, 1990

Thank you all so much for that warm welcome. My only hope is that when I had to stand you up a few weeks ago that you paid again to get in here -- [laughter] -- because it is absolutely essential that Bill Weld be elected the next Governor of this State.

It's great to be back here, not far from where I was born. Great to be back here, very, very close to where my beloved sister votes -- Nan Ellis. Glad to see her again. And great to be near Concord.

When John MacGovern is elected to represent the Fifth District, it's going to be the second ``shot that was heard round the world." John supported me way back in '78, and we were reminiscing about that as we flew up on Air Force One today. And I do believe he'll be an important new voice for Massachusetts, the kind of voice for change that Bill so articulately called for.

I see many friends here today, people that helped me a lot: Dave Locke and, of course, Ray Shamie and Steve Pierce, who's in there fighting for our ticket; Andy Card, who's doing such a great job in the White House now; Ron Kaufman, your national committeeman. I'm delighted to be with all of them. And Gussy Hornblower, I'm glad to see you, our national committeewoman.

The first thing I want to do is give my congratulations to the terrific team that is going to bring change and a clean house to Massachusetts on Tuesday. It's headed by a man of total integrity and vision. He wants a State without corruption. Bill Weld will turn Massachusetts into a place where strength means strength of character, not strength of old-boy connections. Another leader for the nineties is my friend of longstanding. We go back a long, long time in the political wars. I'm talking about Paul Cellucci. I am grateful for his loyalty, his dedication, and his ability. And along with Bill and Paul, we've got Joe Malone, candidate for State treasurer. He knows what's needed to pull the economy out of tough times, though I myself had an idea for a creative solution to your budget mess: Just start paying the judges by the hour. [Laughter] And of course, Paul McCarthy for secretary of state and Doug Murray for auditor, Bill Sawyer for the AG. It's a wonderful team -- clean, strong, able.

A few years ago, a Democrat teenager had a summer job working here for the city. When he tried to give back the leftover project money, he was told, No, spend it all, or else we won't get any added on next year. It was at that moment that our next Senator, Jim Rappaport, decided he'd have nothing more to do with the tax-and-spend politics of the State Democrats. He became a Republican. We're glad he did. And believe me, you look at that Senate, and you can understand why I need him in Washington, DC. Good luck, Jim.

You heard Bill mention this. There is no higher domestic priority for the Republican agenda than America's economy. The economy -- we've got to get it going, because the economy is the job-creating engine that every family of this country counts on.

If events that he talked about in Eastern Europe and around the world have reminded us of anything, it's that free markets and enterprise are good for people. And America still does it better than anybody else. Still, in recent months, we've seen some uncertainty and concern about slower economic growth in this country. That's one reason for me getting a budget agreement was critical and why I was willing to go the extra mile to get it.

The negotiations, as we all know, were difficult, and they were tough, but we finally reached an agreement with the Democratic majority that controls the Congress. There were clear differences between the two parties in our approach to solving this spiraling deficit problem facing our country. They simply wanted to raise taxes, including income tax rates. I wanted to reduce the deficit with spending cuts in accord with the budget that I sent up to Congress and couldn't get passed. What we got then was a compromise, and like all compromises, there was some good with the bad.

We got about $500 billion -- I think the figure is $492 billion -- in real deficit reduction over a 5-year period, close to half a trillion dollars. We got $350 billion in spending cuts out of that -- the largest cut in history. We got incentives to try to stimulate economic growth. And we put Congress on the pay-as-you-go plan. The enforcement -- one of the key things about this that is good -- the enforcement provisions of this budget agreement: They are real, they are strong, and no longer can these Washington programs that are inflicted on the States be funded with red ink. And if they try to raise spending one dime, they've got to cut other excess spending or find the money for it right there and then. The enforcement provisions are good, and I'm going to see they stay that way.

Finally, we did hold the line against reckless cuts of our Armed Forces. I'm determined to ensure that this nation's defense remains strong. We owe that much to our men and women in the Persian Gulf.

But getting our fiscal policy on track is just part of what we've accomplished, as what Bill and Paul and Jim called the party of change. Well over a year ago, I challenged the Congress and people to work with me to break the stalemate that has hindered our progress on clean air for the past decade. We put our best minds to work on both sides of the aisle, both ends of Pennsylvania Avenue, to turn technology and the power of the marketplace to the advantage of the environment; to create; to innovate; to tip the scales in favor of recovery, restoration, and renewal.

A year ago, I said, ``Every American expects and deserves to breathe clean air. And as President, it is my mission to guarantee it for this generation and for generations to come." Today, thanks to

the innovation and cooperation of industry, government, environmental experts, I can say that I now have a clean air bill that I can sign.

And the legislation will remove 10 million tons of emissions that cause acid rain from the air. It will bring the Nation's 100 most smog-laden cities safe, healthy air. And it encourages the use of alternative fuels that are safer for our environment and make us far less dependent on foreign oil. This bill is good for us; it's good for our kids; and it's good for Canada, our neighbor to the north, and Mexico, our neighbor to the south. And it sends a signal of commitment and leadership to the rest of the world.

The fulfillment of this commitment has broken a 13-year legislative logjam; but most important, it's going to make every man, woman, and child breathe a little easier. Because Republicans care about change, and we've got a clean air bill. We've got it because we were the ones that wanted to effect change. And I think that is something to celebrate.

But of course, there's still work to be done on our national agenda that coincides very closely to Jim Rappaport's agenda and Bill Weld, Paul Cellucci's agenda. See, I think that our country is fed up with crime. And the Republicans know handcuffs belong not on the cops and the courts, they belong on the criminals.

Shortly after taking office, I stood before the Capitol, and I called on Congress to pass new, tough laws to help America take back the streets. Instead, in the final hours of the Congress, as we were moving toward tougher crime legislation, Democratic liberals choked and completely gutted our package to fight back against violent crime.

Republicans fought for the habeas corpus reforms, aimed at stopping convicted criminals from endlessly abusing the appeals process. Republicans fought for reforms of the exclusionary rule, a judge-made law that lets the guilty go free. And Republicans fought for a real Federal death penalty for drug kingpins and terrorists. And the liberal Democrats blocked these provisions, blocked the will of the American people. We need to be tough on crimes and criminals. We want change. Give me more Republicans, and we'll get the kind of change that the Nation deserves.

Republicans want to build a better America, and it's not just Washington. To do it, we need more Republicans. We need a Governor like Bill Weld in the statehouse. And of course, we need more Members of the United States Senate that think as we do on matters of crime and the environment. And again, I repeat my plea for Jim Rappaport. He'll be outstanding.

Now, I know there's an awful lot of interest in what's happening halfway around the world. And I also know that we're standing here at an event that is strong on partisan politics. It's the way the American system ought to be; it's the way it is. And as I was flying in over -- making our approach, coming into the field out here at Hanscom, I couldn't help but be struck by not only the beauty of New England but by the importance of what we're all engaged in: participation in the

American political process. I'm not a cynic. I believe in it. I look at these candidates, and I think we are fortunate to have such outstanding, dedicated, qualified individuals running for statewide office and congressional office in this State -- feel strongly about it.

So, I have no apologies, only pride in being at a partisan political event. But for the minute now, I want to ask you to just set partisan politics aside, because I know that everyone in this country is vitally interested in the situation in the Middle East. So, let me just, in a few minutes, bring you up to date. You see, I believe that Senator Arthur Vandenberg was right when he said: ``Politics ends at the water's edge.'' We got away from that in the turmoil of Vietnam and, to some degree, even in Korea, but mainly out of the Vietnam experience. And I should say right here before commenting that I am grateful to the leaders and other Members of Congress, Democrat and Republican, for their strong bipartisan support.

On August 2d, Iraq invaded Kuwait. They literally raped, pillaged, and plundered this once-peaceful land, this nation that is a member of the Arab League, a member of the United Nations. Iraq began then to brutally and systematically dismantle Kuwait. There is an historical analogy here between what's happened to Kuwait and what happened to Poland when the world stood still, sat on the sidelines, including our country. They began to systematically dismantle it by shipping its medical equipment, its machines, its records, its assets back to Baghdad -- brutal, systematic dismantling.

They've tried to silence Kuwaiti dissent and courage with an old way of doing that -- I'm talking about the firing squads. In one incident, a 15-year-old boy gunned down, his family forced to watch. His crime: passing out leaflets.

The United States and the rest of the world, united in anger and outrage, determined to force Saddam Hussein out of Kuwait. On August 5th, he announced that he was pulling his forces out of Kuwait. At that very moment, he sent his armor and his troops south to mass along the Saudi Arabian border, threatening yet another member of the United Nations, another member of the Arab League.

Subsequently, the United Nations Security Council passed 10 resolutions of condemnation and disapproval. On August 5th, I said that Saddam Hussein's aggression will not stand. Today I am more determined than ever. This aggression will not stand.

This morning, right now, over 300 innocent Americans -- civilians -- are held against their will in Iraq, denied the freedoms granted all under international law. Many of them are reportedly staked out as human shields near possible military targets, something that even Adolf Hitler didn't do. Many more Americans are in hiding in Kuwait, hidden by courageous Kuwaitis, their lives at stake. A number imprisoned in an Embassy of the United States right there in Kuwait City, and they are cut off from food and other supplies, and they are surrounded by Iraqi troops. Our flag does still fly, but the rights of these American citizens are, at this very moment, being denied by

Iraq's brutal dictator.

So, let me be clear: We have no argument with the Iraqi people, none at all. We bear no hostility to the Iraqi people, nor do any of the other 25 countries represented on land and sea, standing with us shoulder to shoulder in the Gulf. Our problem is with Saddam Hussein alone.

I want desperately to have a peaceful resolution to this crisis. Indeed, we've worked closely with the United Nations in putting sanctions into effect, in passing resolutions, in speaking with one voice against the invader's aggression. We are giving the sanctions the time to work. And I hope that there will never be a shot fired in anger. But let me be very, very clear: There will be no compromise on the stated objectives of the United Nations Security Council resolutions, none at all.

The brutality against innocent civilians will not be tolerated and will not stand. Saddam's clear violations of international law will not stand. And that means, yes, his brutal aggression will not stand. No one wants a peaceful end to this crisis more than I do. But no one is more determined to see this aggression turned back than I am. And I will not change on that fundamental point of morality.

As to our own kids, our own forces in the Gulf, they are the best. They're the best young men and women ever to serve in our Armed Forces. They're all volunteers. They're all volunteers. They're all well-trained. They are all highly motivated. They are your sons and daughters; they're your neighbors' kids. They're the finest, and we owe them an enormous vote of thanks.

You know, these men and women don't take democracy for granted. Thousands upon thousands of them are going to be sending in absentee ballots from the Saudi desert or upon the seas of the Gulf of Oman and near the Straits of Hormuz. And if they can find the time to vote under such challenging conditions, so can every single American here at home. We have an obligation to show these extraordinary GI's that we don't take democracy for granted either. So, let's make them as proud of us as we are of them.

Now, shifting the gears back 180, I was here to support an outstanding ticket for the statewide offices and congressional offices in the State of Massachusetts. You can be a part of significant change if you'll elect Bill Weld the next Governor and elect Jim Rappaport the next Senator.

Thank you, and God bless you all.

Note: President Bush spoke at 9:41 a.m. in the Grand Ballroom at the Burlington Marriott Hotel. In his remarks, he referred to David Locke, minority leader of the State senate; Ray Shamie, chairman of the State Republican Party; Steve Pierce, minority leader of the State house of representatives and chairman of the Bill Weld campaign; Andrew H. Card, Jr., Assistant to the President and Deputy to the Chief of Staff; Paul Cellucci, candidate for Lieutenant Governor; and

President Saddam Hussein of Iraq. Following his remarks, President Bush traveled to Mashpee, MA.

Remarks at a Republican Campaign Rally in Mashpee, Massachusetts

November 1, 1990

Thank all of you for this warm welcome. I'd like to single out all the kids here today from Mashpee Middle School -- music to my ears. You were just great!

And now I have the pleasure, if I haven't fouled this thing up, to ask the Falmouth High School Band to play the national anthem for us. I think it's most appropriate on a day like this. And if -- are you guys geared up? Let's fire it up.

[At this point, the band played the national anthem.]

Great. Thank you so very much, all of you.

Let me say how great it is to be back on the Cape, to breathe the deep magic of this place. You know, Henry David Thoreau, Massachusetts' native son, once said about the Cape: ``A man may stand here and put all America behind him." Way back in 1943, in the fall, just about this time in 1943, I spent some time at the Cape, stationed at the naval air station, then at Hyannis. I've never forgotten the joy and the wonder of the Cape. It's great to be back, and it's great to be back with these winners.

Let me first say hello to a friend and a candidate I want to see added to the Republican ranks down on Capitol Hill. I'm talking about John Bryan -- whoops, here he is. He made it. John Bryan, the right man for the Cape in the 10th District. Good luck to you.

And of course, I want to mention two that are helping me so much in the White House, two of Massachusetts' sons: Andy Card, one of our top staff people there, and Ron Kaufman, the national committeeman for the State.

And now to the team that's ready to run things for the Commonwealth of Massachusetts: your next Senator, Jim Rappaport. We need him in Washington. Another man I've known for years, a Republican of fine standing, a leader -- I'm talking about Joe Malone, the next State treasurer.

One of my earliest supporters in politics -- and some of you all on the Cape might remember this -- is the next Lieutenant Governor of this State, Paul Cellucci, who is with us today. And then, of course, the man of the hour, the man we're counting on to turn this State around, Bill Weld, the next Governor. I am for him 100 percent.

You know, this area, I'm told -- doing a little homework for this visit -- I'm told that Mashpee has

a long independent streak, as long as the winters are out here on the Cape. Here in Mashpee, you know better than most that the time has come for a change. If there's ever been a State in the Union that has been a playground for one-party politics, it's Massachusetts. The Democrats are the ones that have every statewide office, and they are the ones that hold all but one of the congressional seats, and they are the ones holding 8 of 10 seats in the statehouse in the senate. And the Massachusetts taxpayers -- they're the ones holding the bag. We are going to change that by the election of this outstanding team.

I like the way they are campaigning for change, because I believe that one of the most important things that we can do together is to get more Republicans elected at every level. Because this party is the party with an agenda; the party of change, not the status quo; and the party of new ideas with a finger on the pulse of this nation.

There is no higher domestic Republican agenda item than this nation's economy, because America's economy is the job-creating engine that every family in the country counts on.

You know, in the events in Eastern Europe -- and I'm sure some of you kids have been reading about these in schools -- and around the world -- other changes -- if they've reminded us of anything, it is that free markets and free enterprise are good for people. And America still does it better than anybody else. Still, in recent months, we've seen some uncertainty and some concern about slower economic growth. And that's one reason that getting a budget agreement was crucial, why I was willing to go the extra mile.

I couldn't agree more with Jim; there's an awful lot of it I don't like. The negotiations were difficult; they were tough. But we finally reached an agreement with the Democratic majority that controls both Houses of the Congress. And there were clear differences between the parties. They wanted to raise taxes, including income tax rates. I wanted to reduce the deficit in the way my budget called for: reduce it with spending cuts, not by raising taxes on the working man and woman of this country.

We did get a $492 billion, 5-year reduction program, about a half a trillion dollars. And $350 billion of that was in spending cuts -- the largest cut in history. And then -- this is critical -- we did manage, through a lot of hard work by the Republican leaders, to get Congress on a pay-as-you-go plan, the enforcement provision. I'm sure there's a lot of skepticism anytime that Congress takes action. But the enforcement provisions of this agreement are real, they are strong, and no longer will these programs be funded with red ink, mortgaging the future of the young people here in Mashpee today.

And as we landed at Otis, I thought of another thing. We did hold the line against the reckless cuts of our Armed Forces. Defense spending went down; but I can certify to the American people, I think, given the changes in the world, I believe we do have proper levels now to sustain United States interests around the world. And I am determined to ensure that this nation's defense

remains strong and prepared. And certainly we owe that much to our men and women now serving with pride in the Persian Gulf.

And there were some other things in there that were good. You know, we're the party that knows nothing is more precious than the well-being of our children. So, that's why we called for a child-care bill, one that would put the choice in the hands of the parents, in the hands of the American family, empowering parents.

Some in Congress tried to build a bigger day-care bureaucracy at double the cost of our bill. Then the House outdid the Senate -- Democratic-controlled House -- by tripling our request. But we turned the classic, budget-busting bidding war around and gave choice back to the families. And we've got a child-care bill that puts dollars in the pockets of low- and middle-income parents, because we know Americans don't want government-sponsored day-care centers to warehouse our kids, designed and managed by bureaucrats miles away. Keep the child care close to the family. Because -- as Bill said and Jim said -- because Republicans care about change, American parents will now have increased choice in child care.

There's still more work to be done, lots more on our agenda, the agenda I outlined for you several years ago when I was here. American education has got to be second to none. This party understands that our ability to compete demands that our kids' education is nothing less than the very best. That's why we sent Congress the Education Excellence Act: for fundamental education reform; to reward achievement; to encourage accountability; and to give parents more say, more choice in their kids' education.

Where some called for a bigger bureaucracy, we called for flexibility. Where the liberal Democrats said throw more money at the status quo -- we spend more per capita than almost any country in the world on education -- we call for reform, finding a way to do it better. We need excellence in education. This party is committed to fundamental change in American education. I know that Jim Rappaport in the Senate and Bill Weld right here in the statehouse in Massachusetts agree with me: Reform and change is what is needed to make education better for these kids.

So, we are at a turning point. There are so many other issues that we are making some progress on. I'll be signing a clean air bill in a few days. We would never have done it if we hadn't had Republicans fighting for that legislation.

We'll be signing -- I think there will be some kind of crime legislation. But the kind of crime legislation that I want, the one that defends the police officers and a little tougher on the criminals, never got anywhere because of the liberals in the United States Congress. If we had more people like Jim down there, we would get good, sound anticrime legislation that would make the streets safe in this country.

So, there's an unfulfilled agenda, and I want to fulfill it promptly by getting more Republicans in Washington and by having more Republicans in the statehouses across this country. And in this ticket and in this candidate for the Senate, we have an outstanding chance for reform and for change. Elect Bill Weld, his team, and elect Jim Rappaport to the Senate. That's what you can do to participate in this change.

Now, let me just make a few comments on the Middle East. As I mentioned earlier at a reception outside of Boston, we are at a partisan political event. But I want to ask you now to shift gears. Just for a moment, let me speak to you as President of the United States for all and as Commander in Chief of the Armed Forces. And I want to ask you to put politics aside, because I know that everyone is vitally interested in the situation in the Middle East.

I believe, as Arthur Vandenberg did long ago -- Senator Vandenberg -- who said that politics ends at the water's edge. That's a noble sentiment. It's strong. It makes sense today. We crept away from that because of the agony of Vietnam. Now we are united.

First, I am very grateful to the Democrats and the Republicans, the leaders and the Members of Congress, for their strong support for what I felt I must do -- bipartisan support, bipartisanship at its best.

On August 2d, Iraq invaded Kuwait. They literally -- literally, not figuratively -- literally raped, pillaged, and plundered this once-peaceful land, this nation that is a member of the Arab League and a member of the United Nations. Iraq began to brutally and systematically dismantle Kuwait -- shipping its medical equipment, its machines, its records, its assets all back to Baghdad; taking machines out of the factories and machinery out of the hospitals, sending it back to Baghdad.

They've tried to silence Kuwaiti dissent and courage with firing squads, much as Hitler did when he invaded Poland. They have committed outrageous acts of barbarism. In one hospital, they pulled 22 premature babies from their incubators, sent the machines back to Baghdad, and all those little ones died.

The United States and the rest of the world, united in anger and outrage, determined to force Saddam Hussein out of Kuwait. On August 5th, Saddam Hussein announced that he was pulling his forces out of Kuwait. And at the very moment, there was a picture of a truck with some lonely Iraqi soldier smiling and waving as the truck went north. Saddam Hussein's armor went south to the Saudi Arabia border, threatening yet another member of the United Nations, another member of the Arab League.

Subsequently, the United Nations Security Council passed 10 resolutions of condemnation and disapproval. And on August 5th, I said that Saddam Hussein's aggression will not stand. And today I am more determined than ever in my life: This aggression will not and must not stand.

This morning, this very morning, over 300 Americans, innocent civilians, are held against their will in Iraq. Saddam Hussein calls them guests. They are held in direct contravention of international law, many of them reportedly staked out as human shields near possible military targets. Brutality that -- I don't believe Adolf Hitler ever participated in anything of that nature.

Many more Americans are in hiding in Kuwait, their lives at stake. A number imprisoned in the United States Embassy in Kuwait City, the Embassy surrounded by Iraq forces. They're cut off from food. They are cut off from other supplies. They're surrounded. And our flag still flies, but the rights of these American citizens at this very moment are being denied by Iraq's brutal dictator.

So, let me be very clear with you: We have no argument with the people of Iraq. We bear no hostility to the people of Iraq, nor do any of the other 25 countries represented on land and sea in the Gulf area bear hostility to the people of Iraq. Our problem is with Saddam Hussein alone.

And I want desperately to have a peaceful resolution to this crisis. Indeed, we have worked and gone the extra mile, working with the United Nations and putting sanctions into effect, in passing resolutions, in speaking with one voice against the invader's aggression. And we are giving sanctions time to work. I hope there will never be a shot fired in anger. But I owe it to you, the American people, to make this clear, very clear: There will be no compromise on the stated objectives of the United Nations Security Council resolutions, none at all.

The brutality against innocent civilians will not be tolerated and will not stand. Saddam's clear violation of international law will not stand. And that means, yes, Saddam Hussein's brutal aggression of Kuwait will not stand. And that is the message from the United States to the dictator in Iraq. No one wants a peaceful solution to this crisis more than I do. And no one is more determined to see this aggression turned back -- more determined than I am.

You know, as our own force is deployed in the Gulf, I think I should tell you, as to them, that they are the best young men and women ever to serve in our Armed Forces. They are volunteers. They are well-trained. They are highly motivated. They are your sons and daughters and your neighbors' kids. And they are the finest, and we owe them a vote of thanks.

Well, I tell you, these men and women don't take democracy for granted. And thousands upon thousands of them will be sending in their ballots from the Saudi desert. And if they can find the time to vote under such challenging conditions, so can every single American here at home. We have an obligation to show these extraordinary GI's that we don't take democracy for granted, either. Let's make them as proud of us as we are of them. Go to the polls and vote. Do it on Tuesday, and vote for our outstanding ticket.

Thank you all, and God bless you.

Note: The President spoke at 12:01 p.m. in the gymnasium of the Mashpee Middle School. In his remarks, he referred to Andrew H. Card, Jr., Assistant to the President and Deputy to the Chief of Staff. Following his remarks, the President traveled to Orlando, FL.

The President's News Conference in Orlando, Florida

November 1, 1990

The President. Good afternoon. Let me just make a brief statement, and then I'll be glad to respond to questions.

I want to begin today by simply restating for the American people some of the key points about our efforts to turn back aggression in the Persian Gulf. I believe that it is essential that the American people fully understand the objectives of the United States and the United Nations as well as the magnitude of the outrage perpetrated by the Government of Iraq.

The United States and the rest of the world are united in the condemnation of Iraq's invasion of Kuwait. We have no quarrel with the Iraqi people. Our problem is with Iraqi's dictator, Saddam Hussein.

I want a peaceful resolution to this crisis. We're giving the United Nations sanctions imposed on Iraq time to work. But let me be very clear: There will be no compromise on the stated objectives of the United Nations Security Council resolutions.

Iraq's brutality against innocent civilians will not be permitted to stand. And Saddam Hussein's violations of international law will not stand. His aggression against Kuwait will not stand.

And now I'd be glad to take questions. I think, Tom, you have the first one.

Persian Gulf Crisis

Q. Yes, Mr. President, you raised the -- [inaudible] -- your comments in recent days have been aimed, at least in part, in preparing the American people for the possibility of war. Is that true, and do you think the American people are ready?

The President. Well, Tom [Tom Raum, Associated Press], I want to have a peaceful resolution to this question, and our dealing through the United Nations and working with them for common objectives, I think, is evidence of that. I've indicated we're prepared to give sanctions time to work, and I'll repeat that here again today. But I am not ruling out further options, and I am not trying to prepare our country for war.

We have had a little bit of a hiatus because of the attention on the budget and other matters from keeping in focus our objectives in Iraq. There's been a little less attention to it in some quarters. And I want to -- in a sense, Tom, it's a little bit awkward because here we are, just a few days before an election, and I want to continue to work for Republican candidates. But I must continue to keep our objectives regarding Iraq in focus. And so, what I try to do is separate out the foreign

affairs, the Iraq question, from domestic politics.

But it is essential that I do the latter, but in doing that, I am not trying to sound the tocsin of war. But I am trying to point out the concerns that I feel, for example, on the hostage question. And I'll continue to do that.

Q. Do you think the American people are ready for it -- ready for war?

The President. Well, I think the American people feel as I do: that they much prefer to have a peaceful resolution to this question. But who can tell what would happen in a situation of this nature? There's a lot of unforeseen things that can take place. And I think I would have to go to the American people with my recommendations if it regarded the safety or defense of our key interests.

Q. Mr. President, today you said that Saddam Hussein was even more brutal than Adolf Hitler. Talking about starving out the Americans in the Embassy in Kuwait City, is there a chance that you might be exaggerating a bit for effect? And coming just 1 week before the elections -- I know you said you can keep these separate, but you're making these statements on the bandstand with political flags behind you. If you really wanted to keep these separate, why don't you just address the Nation in some other forum?

The President. Well, I'm addressing it in another forum now, and this is in a nationally covered press conference, I'm sure. I don't think I'm overstating it. I know I'm not overstating the feelings I have about it. The reports coming out of Iraq just today cause even further concern -- these reports of the way our innocent civilians are being treated. I think the American people are as outraged as I am about the treatment of the people in our Embassy, for example. And I think it's important that they know my concerns on this subject.

So, I don't -- the last question that you raised does concern me some, but it is very important that I keep pointing out the objectives and where I think Iraq stands. All the people we're addressing are extraordinarily interested in that, and I go to great ends to make sure that I give proper credit to the Democrats and the Republicans in Congress -- make clear that this is not a partisan effort that we're involved in here. I've been very gratified for the enormous support from both Houses of Congress and from the American people.

But as we continue to move forces and as we see the various events taking place over there, I think it is important that the President continue to spell out for the American people not only our objectives but telling them how I feel about the various events.

Q. Mr. President, are you considering now a reprovisioning mission of some sort?

The President. Well, I'm hopeful still that the United Nations resolutions that call for

reprovisioning will be followed. And I'd rather leave it there. But I am very concerned about the people in that Embassy. It's cut off from food. They have enough right now, but the whole ploy of Saddam Hussein is to starve them out. And I think that is unconscionable. And I think the world needs to know how strongly those of us in the United States responsible for this policy feel about it.

Q. Mr. President, apart from the distraction that may have been caused by the budget battle, what other factors have caused you to approach this task of readdressing this issue with such urgency?

The President. The sand is running through the glass. We've got these economic sanctions in play. And I think there's an urgency on the part of people to understand -- desire on their part, rather, to understand whether the sanctions are working. We continue to move force. And I think it's important that the American people know why I'm continuing to do this. So, I think it's just rather that there was a period where I didn't do as much of it, but now I'm going to keep on, now and on past the election as well.

Q. Mr. President, I know you say that you're not trying to prepare the American people for war, but could not your message of today and this week be summed up as that you are seeking a peaceful resolution if possible, but a military one if not?

The President. I think that I've made those statements before. I think I've been rather consistent in pointing out that I would not rule anything out. If you go back and look at the things I've said, I believe I've been on the record before with that kind of comment, Brit [Brit Hume, ABC News]

Q. Mr. President, Saddam Hussein today invited American families to come visit the hostages over the next holiday. A two part question, sir, is: Would you welcome some visits by Americans? And what do you make of that kind offer in general?

The President. I think it's a -- well, let me start, I think that those people should come home to visit with their families. I think they should be released from captivity. This canard of calling people that are held hostage -- calling them guests when they're hostages is turning off the whole world. And further, the reports that are coming out from some of these French hostages coming home, of their understanding of the way the Americans are being treated, is just terrible. And the whole concept of staking out people next to what might become military targets is also unconscionable. So, I see it as a ploy, but I don't think he'll win the humanitarian of the year award for that. I think that people see it as a rather brutal toying with the emotions of families, frankly.

Q. If I may, sir: Would you blame Americans if they took him up on the offer?

The President. We have a notice out that we are discouraging Americans from going there, and that would hold.

Q. Mr. President, you've said on one occasion that your patience is running out, that you've had it. You're telling us on this occasion that you're willing to wait and see the sanctions work. We've seen your senior staff out today trying to say that there's consistency in your message, but yet there seems to be a variance there. Are you having trouble getting your message across?

The President. No. And I don't think there's any inconsistency. And if you'd like -- I don't want to take up your time, but thinking I might get a question of this nature, I wrote down the various things that I've said on this subject for some time. And they are quite consistent. One time you might have a little more emphasis on one point -- like yesterday -- on the outrage I feel about the hostages. In another, you might have a little more emphasis on having the sanctions work. But I think we have been extraordinarily consistent.

And I think the key point on this, regarding substance, is that our allies understand this. They know exactly where the United States stands in terms of our determination to see the United Nations sanctions fulfilled. So, I'm not worried about it. There was one story today that was just clearly wrong in that regard. But I think we've had a rather consistent approach to this, very consistent. And so, I don't worry about that. And the key point would be if our allies thought that, and they don't, or Saddam Hussein thought that, and he doesn't; he can't.

Q. If I could follow up: Are you concerned about an erosion within your alliance, the fact that Saddam Hussein may be successful in prying some people apart from your position?

The President. I know he's going to continue to try that, Charles [Charles Bierbauer, Cable News Network]. He's doing it every way he can. He did it first -- an interesting point -- his people contacted a parliamentarian in Canada roughly the same day they contacted the Foreign Minister of Germany [Hans-Dietrich Genscher], roughly the time they contacted a Member of Parliament in the United Kingdom. And the whole concept was: You come; we'll parcel out some hostages. Trying to divide and show a humanitarian side of some sort. He continues to through the Primakov [Soviet Presidential Council member] visit. I think his concept there was to try to find some division, and I don't think that division exists.

But it does concern me that he not be successful. And that's why I think it is important that the United States continue to reiterate our conviction on seeing that there can be no compromise with this aggression and that these United Nations resolutions must be fulfilled in the entirety.

Q. Mr. President, in the beginning of this crisis you held out little hope for a diplomatic solution. Today -- --

The President. You say a little hope, or little hope?

Q. Little hope for a diplomatic solution. Today you talk about hoping that there's a peaceful

resolution. I'm just wondering are we any closer to possibly having a diplomatic solution?

The President. I don't see that. I don't see that we are. I've said from the very beginning I hope that the sanctions would have an effect that would cause him to comply with the resolutions. I think they're having an effect, but our problem is, and the problem of our allies around the world is, we can't certify for the world how disastrous or strong an effect these sanctions are having. But from the very beginning, I've been saying I would hope that the sanctions would be effective. And we'll give them time. Again, my problem is, and the problem of those with whom I consult very closely is, we can't say how much is enough in terms of the sanctions or how much time it would take.

Q. Well, sir, then, if you're not expecting a diplomatic solution, but you're hoping for a peaceful resolution, does that mean you expect Saddam to just give up?

The President. That's what I'd like to see, yes. That's what the United Nations calls for. It calls for him to withdraw. It calls for the restoration of the rulers. And so, that's exactly what he ought to do. And I think if we hold firm -- and we are holding firm in this coalition with some 25 countries in the Gulf or on the sea there, plus the solidarity that the United Nations has demonstrated -- the hope is eventually he might do that. But we can't guarantee to the American people how long will it take.

Q. Sir, your wife is campaigning in Omaha today, and perhaps you've seen reports about that. She was asked if you would consider meeting face to face with Saddam Hussein. And she replied, ``I think he would consider anything to get the Kuwaitis back in their country and our men out." That is being interpreted as you would consider a one-on-one meeting with Saddam. Would you?

The President. I would consider it if there was an agreement that he would totally withdraw and comply fully, with no conditions to the United Nations sanctions. I mean, I think anybody would do that. But that would mean that he has to do exactly what I've been saying here, with no condition, no negotiation -- just leave. But I don't think at that juncture that it would be much of -- pleasant meeting. But I never -- that's something I guess Barbara was asked on her own. I've not discussed it with her or anybody else. But that's the only way that it would be productive for me to have a meeting, it seems to me, because there is no flexibility on our position. There is no compromise. There is no conditionality. My position -- and I think it strongly represents the coalition partners' position -- is he must comply. And so, I don't think a meeting short of just acceptance of those terms would be in the national interest or in the interest of the coalition.

Q. If I could just ask about some of the cynicism and skepticism about -- [inaudible] -- about the public speaking out on Iraq. It's not just because of the elections next week. It's also because of -- the signals we were getting were that the Embassy in Kuwait had plenty of food and water for the time being; the American Ambassador's wife said Tuesday morning on one of the morning television programs they were growing vegetables there, they had a well there. All seemed to be

going well. All of a sudden, within the next 24 hours, you're talking about Saddam starving these people out. What caused this change?

The President. I don't think it is a change. I've been increasingly concerned about it. I'm delighted to know about the vegetables; that's the first time I've heard of that. And I've known that they've had enough tuna fish for some time. There was earlier estimates that the Embassy would have to be closed before now, and they've stretched the timeframe there.

But it's that plus the reports coming out of Iraq that make me feel I must keep this in focus for the American people. They must know how strongly I feel about an American Embassy, the American flag flying, and these people inside being cut off and, I would say, brutalized by that behavior; and secondly, how strongly I feel about the Americans that are held hostage in Iraq itself. And it is essential that we not lose track of those key points. These people are not guests; they are hostages. And I think you're on to something because I don't think there has been that much discussion lately of these things that really concern me, John [John Cochran, NBC News]. These matters concern me deeply.

Gubernatorial Candidate Clayton Williams

Q. Mr. President, a political question. You're going into Texas to campaign for Clayton Williams. This week he really stumbled because he was asked about the only proposition on the Texas ballot and he didn't know what it was, he didn't know what his position was, and he also wasn't sure how he'd voted on it. Is there any excuse for that at this stage of the game, given the fact it involved gubernatorial appointments?

The President. I'm not familiar with the details of that. I'm strongly in favor of Clayton Williams over his opponent -- not just for personal reasons, either. And don't ask me for a review of the ballot items yet. I'll be voting down there Tuesday and take a look at them. And don't ask the people of California, where they don't have one but they have I don't know how many of these referendum items on the ballots. So, I'm not troubled by that because what I see in Clayton Williams is a person that will be a very good, strong Governor for the State. And I am enthusiastically for him. And I'm not even familiar with the details of the ballot item you're talking about.

Persian Gulf Crisis

Q. Mr. President, Vice President Quayle said yesterday that the United States must deal with Iraq's chemical, biological, and nuclear capability. Is this now a fundamental goal of U.S. policy in the Persian Gulf? Is it one of the things on which there is, as you say, no flexibility?

The President. I think from the very beginning we spelled out some objective, but one that I think has been clearly spelled out has been ensuring the security and the stability of the Gulf. And that,

obviously, is affected by the possession of these chemical and biological weapons and things of that nature.

So, I don't think that the goalposts are being moved; I think it's just simply a statement of reality. If you're going to have a stable and you're going to have a secure Gulf after Kuwait is freed and the Iraqis have withdrawn their invasion, you're going to have to have some arrangements I'm sure -- I think others would agree with this around the world -- that guarantee the peace there. And I would hope that -- as I've said earlier, I want all United States forces out of there as soon as possible -- every single soldier.

And it's important I keep repeating that because there's the allegations by some over in that part of the world that we want to keep forces there. That's not what we want to do. We want to come out. But there has got to be some security arrangements worked out, absolutely.

Q. Mr. President, just to make sure I understand what you're saying, the United States and this international force we have cannot successfully leave the Persian Gulf until we have secured in some manner these weapons the Iraqis now have?

The President. No, I wouldn't say that. But there has to be some security arrangements that guarantee against a future aggression of this nature.

Q. Mr. President, you said today that Saddam Hussein has committed atrocities that were worse than Adolf Hitler. Can you tell us what Saddam Hussein has done that can be compared to the Holocaust?

The President. Worse than -- compares with what Hitler has done?

Q. With the Holocaust.

The President. Yes, go back and -- well, I didn't say the Holocaust. I mean, that is outrageous. But I think brutalizing young kids in a square in Kuwait is outrageous, too. And I think if you go back and look at what happened when the Death's Head regiments went into Poland, you'll find an awful similarity.

I was told -- and we've got to check this carefully -- that Hitler did not stake people out against potential military targets and that he did, indeed, respect -- not much else, but he did, indeed, respect the legitimacy of the Embassies. So, we've got some differences here. But I'm talking -- when I'm talking about -- I see many similarities, incidentally. I see many similarities by the way the Iraqi forces behaved in Kuwait and the Death's Head regiments behaved in Poland. Go back and take a look at your history, and you'll see why I'm as concerned as I am.

Q. Mr. President, you've spoken now about the brutality against the hostages in Iraq. However,

there's a report today by Amnesty International that there has been some -- our own allies, the Saudi Arabians, have been guilty of committing some kind of atrocities, at least torturing some citizens of Yemen who are in their country. What do you say to that? And will you put any pressure on them to change their ways?

The President. Yes, I have not seen that, and I think that violations of individual's rights or torture should not take place. And I'd be glad to represent that.

Q. How do you feel, though, about the United States helping someone who is doing the same sort of things that you're criticizing the Iraqis for?

The President. I feel that I'm delighted that we are there with the Saudi Arabians to stand up against this kind of international aggression in violation of international law. And that is the question. And that's where I'm going to keep my focus, because it is very important, one, that Saudi Arabia be defended -- and I think now that we can certify that Iraq does not have the capacity to invade Saudi Arabia -- and secondly, we are united with Saudi Arabia in our determination to overthrow this aggression.

Soviet Union-U.S. Relations

Q. Secretary Baker is going to meet Shevardnadze [Soviet Foreign Minister] in Europe in the next few days. Is that because you're concerned that the Soviets are drifting in the Gulf strategy, or is it because there's a deal behind the scenes after the Primakov visit in Baghdad, or is it only because you want to push the START agreement?

The President. Well, we've got a broad agenda of items. We've got to finish up CFE. We want to move START towards conclusion. We have these common interests that you're asking about in the Gulf. And then we have economic problems that we discuss all the time. So, there will be a broad agenda in the meetings with Shevardnadze, and I'm sure that one of them will be a discussion of the Primakov visit to Iraq and the Primakov visit that preceded that to Egypt and the Primakov visit that followed that to Saudi Arabia.

But the mission, if I understand the question, is not simply to focus on this Gulf question because I am anxious to get these other matters resolved. The CFE is all but put to bed, but there's a tiny technical matter that I think -- well, hopefully, it's been resolved by now. But it's a broad agenda.

Q. Are you concerned that the Soviet Union is drifting?

The President. No, I don't. And I think one point that we ought to keep reminding the American people of is that we are very fortunate, in wrestling with this problem of international aggression, that the Soviet Union and China have been with us, or we've been with them -- however you want to look at it -- in the United Nations as we try to bring international pressure to bear -- and have

brought it to bear.

Campaign Speeches

Q. Mr. President, in your two speeches in Massachusetts this morning, you were a lot softer on the Democrats than you've been in recent days. Why the change of heart?

The President. It's not a change of heart. It's a question of -- I think I made my point. But I'll have a shot at them as we get into the -- depending on how warmed up I get today, campaigning enthusiastically for Governor Martinez [of Florida]. And I'd like to finish on a positive note in these campaigns. But I think it's a little early to say that there will be no more flamboyant rhetoric about the Democrats, because I'm absolutely convinced if we had more Republicans things would be a lot better.

Persian Gulf Crisis

Q. Mr. President, early in the course of the Persian Gulf crisis, you said that you would not allow hostage-taking to dictate your policy. You said that would endanger every American because every American would then be subject to being held hostage. Your comments today seem to change that: it seems to highlight their situation. Have you changed your mind about the importance of highlighting hostages in this crisis?

The President. I want to be sure I understand your question. I'm not sure I understand it -- on highlighting hostages. What I think I said before was hostage-taking punishes the innocent and separates families -- back in September. It is barbaric, it will not work -- September 16th -- and it will not affect my ability to make tough decisions.

Now, there are other quotes here, so I want to be sure I understand. You see, because what I think some are picking up is there's a different emphasis. But I think -- is that one in accord with what you're asking about?

Q. Yes, sir. I see you were prepared for the question. [Laughter]

The President. It's a good question, but you see, I think some are saying: Hey, there's a shift here. There's a dramatic shift in how we approach hostage-holding. And I don't think so.

I'll tell you what is different, though, Michel [Michel McQueen, Wall Street Journal]. It's the sense of kind of urgency I feel given the reports coming out of Iraq and given the status of the Embassy. So, maybe that's what's being picked up here. But I think there's been a consistency in my outrage about the policy itself.

Ann [Ann Compton, ABC News], and then -- --

Q. If I could just follow: The concern is that many analysts say that that was the key mistake that President Carter made: that he made the hostages so important that he gave the Iranians at that time more of an incentive to hold on to them. The question is, are you now highlighting their situation to a point where Saddam Hussein has the same incentive?

The President. I don't think so. I don't think so at all. I think the whole world has spoken out on this. So, I don't think there's a parallel.

Q. In the political speeches today, why have you so carefully now cut the Gulf issue out of the political speeches and appealed for bipartisanship? If it's good, strong leadership to have a strong policy in the Gulf, why not use it to Republican political advantage?

The President. Because I don't think it is a partisan issue, and I worry about that. I know there was a -- some Democrat, paid Democratic functionary, made the point that I would likely go out and use Iraq to garner votes. I view this as something much more important than just garnering votes. I think it is important that this policy, which has been supported by Democrats and Republicans, be articulated, but not under even the threat of a cloud of doing this for political advantage. That's why I got a little incensed because somebody raised the question with me yesterday -- are you doing this for pure partisan gain or something. And I find when you have servicemen over there and you have an obligation as Commander in Chief and you have an obligation as President that you just have to make very clear you're not trying to make what we do in Iraq partisan.

I need bipartisan support. We've got bipartisan support. One of the reasons I'm consulting with Congress as much as I have is to keep the bipartisan support. And so, I don't want -- the reason I'm doing this, Ann, is just to be sure that people know that I am not trying to do what this Democratic functionary suggested I might be doing.

Q. Mr. President, you said that earlier in the press conference the sand is running through the glass now. It sounded like suddenly time is no longer on your side, that you seem to be hinting it may be shifting. Is that the reason why you've begun to emphasize the military option more, or what exactly are you thinking about the clock now?

The President. I'm not sure I've emphasized military option more. I don't recall discussing military option per se except to say I'm not ruling things out. But I do think that in a sense time might be on our side, because if the sanctions are to have any effect, they should be having more effect now than they did when they started, and hopefully more tomorrow than they do today. But I don't think that the status quo can go on forever and ever. And I don't know how long -- as I've tried to be very frank with you all -- I don't know how long is long enough. But I've just got to keep putting the focus there and keeping everybody on notice that we are going to be successful. But it's -- I'd leave it right there.

Q. Mr. President, sir, my question goes back to the issue of whether to keep the Embassy open. Sir, you do seem to have changed your position. In August, in Kennebunkport, the administration ordered all nonessential personnel home. The Marine guards were ordered home. There are very few people there today. Why is it so important to keep the Embassy open? It sounds as if perhaps an armed conflict might be triggered whether the Embassy gets a resupply of food?

The President. I believe that the Embassy should remain open because I don't believe a dictator should violate international law by starving out or isolating another person's Embassy. I think there's a fundamental principle involved in that. And I view the Embassy as entitled to certain international respect and international protection. And so, I just want to be sure everybody knows that I feel this way.

What was the second part?

Q. Is it worth triggering an armed conflict -- whether the Embassy gets a resupply of food?

The President. It's too hypothetical. You're assuming that it would trigger an armed conflict. And I'm not going to discuss what will or won't trigger an armed conflict. But let me simply repeat: This one is one that I believe is of enormous concern to our allies and to the American people. And I can certainly recertify, as I did yesterday, that it is of that kind of concern to me. But I don't want to go into what incident, what provocation would stimulate military action. But I'm very concerned about this.

The last one, he said -- Tom, you had your hand up. You didn't have your hand up. [Laughter]

White House Staff

Q. Mr. President, some of your closest friends, some senior members of your government, and even a lot of Republican Members of Congress who support you were telling us that your White House staff is simply not strong enough, not heavy enough to serve you well, and that's one of the reasons why you've taken this political beating lately. Are any of these people telling you that? And if they are -- --

The President. No.

Q. -- -- how do you react to that?

The President. No, they're not telling me that because they know that I have full confidence in my White House staff and full confidence in my Cabinet. And I have been blessed with good advice, some of which I take, and maybe more of which I should have taken in one thing or another. But nobody has come and presented that to me at all. I've read meaningless speculation about that in certain periodicals, but I'm inclined to discount it because I know what I feel about my top staff

and I know whether they have my confidence or not -- and they do.

Do you have a followup to that one? [Laughter]

Q. Over the next couple of months, do you envision any shakeup at all in the White House staff, either in terms of personnel or in terms of the structure of the operation?

The President. There may be some. I think we'll have an announcement very soon on one of our top people -- not one that has been speculated about, incidentally. But there could be. It will be 2 years into an administration, and I think if you look back at history, why, there's been very, very little turnover. So, there could be one or two, but it won't be because of the kind of dissatisfaction with somebody's performance at all. And it damn sure won't be related to any standing in the polls or anything as -- am I ever glad that I told you all -- [laughter] -- and I would like to remind you of it -- months ago -- [laughter] -- September. [Laughter] No, but seriously, I think it's fair to point out I told you, when things were soaring like eagles, don't believe the polls. And I think now I'm entitled to say: Hey, we're going to come on back. Don't worry about it. They'll be all right.

Thank you ever so much. Thank you. Thanks a lot.

Note: The President's 64th news conference began at 4:36 p.m. in Room D at the Marriott World Center Hotel.

Remarks at a Reception for Governor Bob Martinez in Orlando, Florida

November 1, 1990

Thank you all very, very much. You've been standing there a long time. Thank you. I am just delighted to be here. And the minute I got off this airplane, I felt that enthusiasm, the surge that guarantees that Bobby Martinez will be the Governor come election day once again. He deserves it, and he's got it moving. And Mary Jane, you were fantastic. If you want our dog to come down and campaign for you, just invite her. Barbara's already done her thing for Bob. [Laughter]

And of course, Allison DeFoor -- I mean, here's a sheriff, a man of the law, a man of the people. He'll be an outstanding Lieutenant Governor serving at Bob's side, working against the criminals in this State -- law and order, sound fight against narcotics. We're lucky to have a man like this on our ticket, I'll tell you.

Let me pay my respects to the Senator standing next to me here, Connie Mack. Although he's not running, he's out there across this State campaigning hard, giving the Florida Democrats a ``Mack attack'' -- [laughter] -- and doing a first-class job. And we're delighted you're here today.

And then my old friend Bill McCollum. He and I have been suited up in the political warfare for years. And you ought to see, you ought to see the job he does on his anticrime legislation and on this whole protection of the rights of the American family. He is superb. And we need another like him, and that's why Bill Tolley has got to be elected. Bill, good luck to you. For those of you in this congressional district, get out the vote and send me another good member of the Florida delegation, someone I can work with to hold down these taxes and keep the government out of your pocket. Bill, we need you.

And, of course, I want to pay my respects to three old friends: Jeanie Austin, who's doing a superb job on the national level as cochairman of the Republican National Party; Van Poole -- Mr. Chairman, we now call him -- thank you for your extraordinary effort in leading this party to majority status. And then, of course, when you want some heavy lifting done, I'll give you a little advice: get Alec Courtelis to do it. What a superb job he's done as finance chairman.

And so, I'm thrilled to be back here. This election here in Florida is close; it's crucial; it is important. And a few nights ago -- I missed it, but I've had the instant replay -- you saw it. You saw what was at stake. You saw what it takes to be a great Governor. And you saw a Governor offer the balanced approach that you would expect from a seasoned leader of a city, now a leader of a great and a growing State. You saw Governor Bob Martinez in action win that debate and go on to win the vote -- now he'll do it on Tuesday.

And some of what came through there was much of what we've been watching as his admiring friends over the years. We saw one who believes that the people of Florida know what's best for themselves. And he believes in empowering people, empowering communities, tapping into the power that comes when millions work for a common vision. And little surprise, then, that under a Republican Governor Florida is moving forward for a cleaner environment, for better schools for these kids, for streets safe from drugs and crime.

Florida ranks number one in the creation of new businesses and new jobs, especially in high-tech manufacturing. And the credit goes, of course, to the people of Florida and to this man, Governor Bob Martinez.

You're looking at a kindred soul when it comes to one who has respect for the Everglades because I love going down there each year. And you know that I know that every Floridian treasures the Everglades, that unique and irreplaceable resource. And last year, I was able to sign into law a bill increasing the size of the Everglades National Park by more than 100,000 acres -- Connie Mack being most instrumental in this, strong supporter of this legislation; Bob Martinez urging that it be done. I need a Governor here with whom I can work in the White House.

And, yes, I think we can say -- and this message goes out to other States -- that Florida is tough on drugs. Bob is in the lead here -- leading Governor on substance abuse and drug trafficking for the National Governors' Association -- fighting against these for the good of Florida. And he set a national precedent by appointing a State drug czar. And he's been a leader in making sure that parolees undergo drug testing and counseling to get straight and stay straight. And the credit goes to this man, Governor Bob Martinez.

And so, whether he is standing up for the environment or standing up to the drug dealers, he's completed a remarkable record of achievement that would make any Governor proud. He's never been one to walk away from a job. And for Governor Bob Martinez, even the toughest challenge is just another day at the office. We're lucky to have him. Please reelect him.

I was up in Massachusetts -- two stops in Massachusetts -- and the theme there is the same as it is here. The Republican Party is the party of change, not the status quo. We are the party of new ideas. And there is no higher domestic priority on the Republican agenda than the Nation's economy because our economy is the job-creating engine that every family in this country counts on.

And I know in recent months there's been some understandable uncertainty about and concern about slower economic growth. And that's one reason getting a budget agreement in my view was important and why I was willing to go the extra mile to get it. The negotiations were tough. And my approach was clear. The Democrats wanted to raise taxes, including income taxes, and I wanted to reduce the Federal budget deficit with spending cuts. And if we had had more Senators like Connie Mack, more Congressmen like Bill McCollum, we would have got it done exactly the

way I wanted. Because they don't want to raise taxes on the American people. And they want to cut spending.

But every once in awhile a President has to compromise to make something happen -- to govern. And in this one, there was some good news, actually. We got $492 billion in deficit reduction, $350 billion in spending cuts. And then we've got some incentives in there to make America less dependent on foreign oil. And this is critical, and it is very important: We put Congress on a pay-as-you-go basis. The enforcement provisions of this agreement are real, and they are strong, and no longer will new programs be funded with red ink.

And finally, we did do something that I think is vitally important -- and these two Members of Congress agree is vitally important -- and that is we held the line against reckless cuts in our defense spending. You see, I am determined that given the threats we face around the world, I am determined that this nation's defense remain strong and prepared. And we owe that much, at least, to those fine young men and women who are stationed in the Persian Gulf serving our country with such distinction.

But let me tell you other places where our agenda coincides with what Bob Martinez believes. We fought for a responsible child-care law, one that would put choice into the hands of American families. You see, it is our belief that we ought to empower parents to choose those who will care for their children, not let the Federal Government make a determination how that should work. We fought for this, and these leaders here helped enormously, and we won it.

And we also fought for a responsible clean air bill. And we asked Congress to cut acid rain, to cut smog by harnessing new technology with the power of the marketplace. And we fought for this, and we won it.

And of great concern to me and to Florida is yet another landmark law, a fair and effective law to ensure the civil rights of every disabled American. And so, I was particularly proud in this session to sign into law the Americans with Disabilities Act, historic legislation that protects the civil rights of 43 million men, women, and children with disabilities. And that bill does prohibit discrimination against the disabled in employment and public accommodations and transportation and communications. And all Americans with disabilities can now pass through a once-closed door to a bright new era of equality and independence and freedom and opportunity.

And so, there were some historic achievements: clean air, child care, this ADA bill. The great strides, though, are just beginning to show what Republicans can do for this country. And, of course, there is still much more work to be done on the Republican agenda. And at the top of our agenda -- and I report to you with not too much happiness on this one -- was crime. America is fed up with crime, whether it's neighborhood crime or crime in somebody else's city. And Republicans know handcuffs belong not on the cops and the courts, handcuffs belong on the criminals. And that was the underpinning of our crime bill.

And shortly after taking office, I stood before the U.S. Capitol and called on Congress to pass tough, new laws to help America take back its streets. And instead, in the final hours of Congress, the Democratic liberals -- those in Washington like the ones Bob is running against here -- completely gutted our package to fight against violent crime. Republicans -- two of them right here -- fought for habeas corpus reforms aimed at stopping convicted criminals from endlessly abusing the appeals process. Republicans fought for revision of the so-called exclusionary rule, a judge-made law that lets the guilty go free. And Republicans fought for a real Federal death penalty for drug kingpins and terrorists. And we've got to be tough on crime and criminals. And it's Republicans that want change. Give me more Republicans in the House and in the Senate to get this job done.

And as I make that plea for Bill Tolley to go to Congress to support Bill McCollum and Connie Mack, as I do that, let me just say that Republicans can look no further than what Bob Martinez has done. With his leadership, it can be done. In other words, with his leadership, Florida has been tough on crime, toughening laws to ensure that the criminals stay behind bars and adding the prison space to enforce it. He picked a no-nonsense sheriff -- standing right here -- as his running mate. And that tells you something. Bob Martinez and Allison DeFoor will make Florida an even safer place to live, and you can count on it. You can count on their doing just that.

And that's what this election is all about. But, of course, while the election in Florida is crucial, our thoughts are also halfway around the world with the brave young men and women who are teaching us a lesson about what it means to love liberty. And so, my appeal would be this: As November 6th draws near, 5 days from now, I urge every Floridian to get out and vote. Do not take democracy for granted. And when you do vote, I hope you cast your ballot for a Governor who will carefully balance the needs of Florida's abundant and beautiful natural resources with the needs of man.

Bob Martinez -- and I've been in his home; I've known him for years; he's been in our home up in Washington -- he believes in the Florida dream. We can make the most of economic opportunity while protecting this State's special way of life.

And so, my appeal to you tonight on behalf of your State and nation is to vote for a leader who can take Florida forward. Vote for Governor Bob Martinez.

Thank you for all you have done for our country and for our party. And now go out and give America a better deal. Thank you all very much.

Note: The President spoke at 5:32 p.m. in the Grand Ballroom of the Marriott World Center Hotel. In his remarks, he referred to Governor Martinez' wife, Mary Jane, and Van Poole, State Republican Party chairman. Following his remarks, the President traveled to Cincinnati, OH, where he remained overnight.

Remarks at a Republican Reception in Cincinnati, Ohio

November 2, 1990

The President. Thank you all very, very much. Thank you. How long have you been standing there? I won't say please be seated, but listen, I am delighted to be back here. I'm something a little more than an adopted son. Yesterday, when I was in Massachusetts -- I was born there, so I said, ``I'm your native son.'' My dad was born in Columbus, and Barbara's family grew up here, so I claim a little bit of Ohio. I know enough about the State to know that when I say we need change and we need George Voinovich and Mike in the capitol, I'm talking Ohio values. We need them to be elected.

And we have an outstanding ticket that can represent change. I've known Bob Taft for years. He helped me get elected President of the United States. And I want to see him in there -- and Judy Brachman and Paul Pfeifer. We need this kind of quality and class act to be elected across this State. It is time for a fundamental change for Ohio.

And you do that, you can take care of State government. But I need a little help in Washington, DC. We've got a couple of great Congressmen sitting up here right now -- McEwen and Gradison -- outstanding. But I want to have John Boehner in Washington with me, and I want to have David Hobson with me. We've got to strengthen the Ohio delegation. And if we did we would not have to have any compromise with the tax-and-spend Democrats that I'm up against every day in Washington. Good luck to both you guys.

I want to salute our State chairman, Bob Bennett, who's doing an outstanding job in strengthening and building this party. I want to salute Martha Moore. That, of course, brings me to another man of the hour for this area, and I'm talking about Ken Blackwell, who we need desperately in the United States Congress. I love the feel of the Blackwell campaign. Everybody I met with -- one of the reasons we kept you waiting is we were talking to some of those that had been over, actively involved, I should say, and doing maybe a disproportionate amount. But the enthusiasm for Ken Blackwell, so well-known here because of his own public service, is infectious. And I know that he will be elected next Congressman from Cincinnati and from Hamilton County.

I'm sorry Barbara's not here.

Audience members. We love Barbara.

The President. Yes, I do, too, but -- [laughter] -- she threw that fastball at the Cincinnati catcher, and she didn't dare come back after the opening pitch [of the World Series]. [Laughter]

You know, Pearl Buck, talking about Ohio, said there's no flashiness, nothing fleeting in Ohio's

approach to life. One feels in the very atmosphere a combination of stability and progress. And I like that because it makes you think about the traditional old-fashioned values, fundamental values of real America, values that say, we don't need more government in middle America, we need more middle America in government.

And if there ever was a ticket that embodies these values -- the first thing that comes to mind when you hear the names George Voinovich or Mike DeWine or Bob Taft or Ken Blackwell are honesty and integrity and experience, too. George has -- you've heard the record, but he's brought back the city from the brink of financial collapse. And he's brought back its people from the brink of despair. And he shares my belief that government works best when it draws upon the time and the energy and the expertise and, above all, the commitment of its people.

And I'm going to take George's message to Washington when I ask the Congress to work harder and smarter and do more with less. That's what we have to do when we have tough times. But it can be done. Bill [Gradison] told you the revenues in the Federal Government are up by $80 billion in one year. You're not being taxed too little; they're spending too much in that Congress back in Washington, DC.

I can bring you some news from our drug czar: We're beginning to turn things around in the fight on drugs. But when you vote for George and Mike, you're part of a pledge, a pledge that we will not allow our communities to be held hostage to gangs and drug dealers. And you can count on George and Mike to keep that pledge with the people of Cincinnati.

As to Bob Taft, I remember many sessions with him back in '88 when he was cochairman of my campaign here in Ohio, running for President of the United States. And I don't have to tell you, anybody in this room knows how high the stakes are in this race for secretary of state. It's absolutely critical for the upcoming redistricting process. We have to elect this tough, experienced watchdog, this man with a sparkling clean record as a citizen's advocate and as a leader. Bob Taft must be elected secretary of state.

And back to the man of the moment here for the congressional battle. I don't want to overlook my old friend Bill Gradison, but he doesn't seem to be overly concerned about his reelection. [Laughter] And the reason is he's done such a superb job they can't find anybody talented enough to run against him. But really it is great to have Ken on the ticket. A terrific candidate. He's got the new ideas. He's got a commitment to fight for them. And we need this fresh approach. We all know that Congress desperately needs change. And I need this man in Washington. And as I say, I like the feel of the campaign; I believe you're going to send him to Washington as the next Congressman.

You know, there's no higher domestic priority on the Republican agenda than the American economy, the job-creating engine that every family in this country counts on. And in recent months we have seen a slowdown, and we've seen some uncertainty and concern about slower

economic growth. And that's why a budget agreement, in my view, was critical and why I was willing to go the extra mile to get it. And despite some tough negotiations, we finally reached an agreement with the Democrats that control the United States Congress.

But let's be clear, there was and always will be a major difference with our approach to a solution. The Democrats wanted to raise taxes, including income taxes, for working Americans. They tried to sneak through a proposal on indexing, automatic tax increases, that would have raised the taxes $40 billion on the working families of this country. And they did it all under that demagogic title, ``soak the rich.'' They weren't soaking the rich; they were coming after every working man and woman in Cincinnati and all across the State of Ohio. And we stopped that. And I'm going to fight it every inch of the way from here on out.

And I would repeat this: If we had more Congressmen like those that are here and challengers elected like those that are here, we would not be in this fix. We would not be in this mess of tax and spend, tax and spend. Once in a while, you do have to compromise. Harry Truman was right: The buck does stop on the desk in the Oval Office. And sometimes when you're dealing with two Houses of Congress controlled by the opposition party, you got to give a little to get something done for the United States.

And though I didn't like a lot of that budget agreement, there's some good things in it. It's cut about $492 billion over 5 years off the deficit; that's progress. And $350 billion of that was in spending cuts. There's some incentives left in it. And we did put Congress -- and this is the most important part of it -- on a pay-as-you-go plan. The enforcement provisions of that deficit agreement are real, and they are strong. And no longer will these programs be funded with red ink, because I have that veto pen and I will use it over and over again to make this Congress live within its means.

There's another idea whose time has come, and the people understand it, but the Democrats in Congress are fighting against it. Give me what 43 Governors have. You give me that line-item veto, and let's see if we can't do something about cutting the spending in this government.

And one other thing that is rather serious out of that agreement: We did ensure something essential. The defense account took a big hit in the budget as we know, but I can certify to you that the Nation's defense remains strong. And so, we came out of that deal better than I'd hoped in many categories. But getting our fiscal policy on track is just part of what we've done in this party of change.

There's so many other things. Out of that deficit package came a child-care bill to put choice in the hands of the American families. The Democratic approach: Let Washington figure it out. Let Washington tell you what you've got to do on standards and regulations to have your child looked after in child care. And the Republican approach prevailed: parental choice. Keep that child care close to the family. We don't want any government agency warehousing the kids.

I worry, and so does Barbara, about the family values. I worry about the disintegration of family. And one way to keep it strong is to give parents more choice, not only in child care but in the education of their children. And we are going to continue to fight for it. I'm up against an entrenched liberal Democratic bureaucracy in the House of Representatives that wants to mandate more educational programs. Now you give me Ken Blackwell and these two people and add to that many more around the country, and we will try the new ideas that work and not the old ideas that have failed in the past.

Education, it is absolutely essential. And so, when some were calling for a bigger bureaucracy, we called for flexibility. And I believe that's the heartbeat of the State of Ohio. I think that's what they want in this State, and I think that's what they want in their Representatives in Washington, DC.

Our agenda is not fulfilled, but our ideas are still strong and they're still sound. And all we need is some more troops; all we need is some more quality, young, dynamic people in the Congress to help us fulfill our obligation to the American people. And once again, that's why I want Ken Blackwell elected to the Congress of the United States.

And now, because of knowing about the interest in what's happening halfway around the world, I want to ask you to shift gears with me. Because I view my responsibilities as President and I view my responsibilities as Commander in Chief as something very sacred. And we're at a partisan political event, but there is keen interest in what's happening halfway around the world in this Gulf crisis. And so, in the spirit of Arthur Vandenberg, who said politics ends at the water's edge, I want to just bring you up to date on how I feel as President about what's happening over there. And I will say at the very outset that regardless of the politics, the Democratic leaders in the House and the Democratic leaders in the Senate have been extraordinarily cooperative. The Republican leaders in the House and the Republican leaders of the Senate and the Republican and Democratic Members in both bodies have been extraordinarily supportive because our nation is together in our determination that Saddam Hussein's aggression will not stand.

Several of you earlier on asked me to make comments on this, or asked me about it, and I said I would. On August 2d, Iraq invaded Kuwait, and its soldiers literally -- this isn't figurative -- raped, pillaged, and plundered this once-peaceful land, Kuwait, a member of the Arab League, member of the United Nations. And the United States and the rest of the world did unite in anger and outrage and determination to force Saddam Hussein out of Kuwait.

The people outside with those signs -- I know -- I can share their concern. But they're wrong when they say it, no war for oil. We're not talking here about simply oil or the world economy. We are talking about brutal, naked aggression. We are talking about brutal, naked aggression. We are talking about one country bullying a neighbor. And that's why we are there: to say that will not stand. The United States, and only the United States, can lead this coalition against that

kind of aggression.

And so, we did do what George said, we did do what he said: we put together a coalition unequaled in modern history. We revitalized the United Nations process, we and the other members of the Security Council. And indeed, the Security Council has passed 10 resolutions of condemnation and disapproval about Iraq.

On August 5th, I said that Saddam's aggression would not stand, and I'll repeat it today and I'll repeat it tomorrow and I'll repeat it the next day because we have a stake in seeing that one nation not bully a neighbor and take it over by force and then pillage and rape its citizens. Let me be clear: We have no argument with the Iraqi people. None at all. We bear no hostility towards Iraq, nor do any of the 25 countries that are represented with us on land or sea. And we're not alone there: over 25 on the land and the sea feeling exactly as we do. Many Arab countries, along with others -- Western Europe and Australia and Belgium and wherever -- all of us concerned, all standing against aggression.

Our problem is not with the people of Iraq; our problem is with the dictator of Iraq, Saddam Hussein. And I want, let me assure you, a peaceful resolution to this crisis. We need that. And I've worked, indeed, very closely with the U.N. in putting these sanctions into effect, passing resolutions, speaking with one voice against the invader's aggression. And we are giving these sanctions, unprecedented sanctions, economic sanctions against Iraq -- we are giving them time to work. And I hope there will never be a shot fired in anger. Let me be very clear, though. There cannot be any compromise with the stated objectives of the United Nations Security Council and the objectives that I have outlined as President of the United States. No compromise at all. Saddam Hussein must get out, and he must get out totally, and the legitimate rulers must be returned.

And one other point. The brutality against innocent civilians will not be tolerated and will not stand. The clear violation of taking innocent civilians and staking them out in areas that could be targets for military action contravenes every tenet of international law. It is inhumane. It is wrong. And it must not be rewarded.

They asked me at a press conference in Florida yesterday why I was concerned about our Embassy. There are several Americans there, a number of Americans. The American flag is flying over that place. And this man is systematically trying to drive these Embassies out by starving them out, keeping them from getting resupplies. And, yes, I have that on my mind and my conscience because I don't believe that is acceptable international behavior on the part of anybody, dictator or not. That is not the way you respect international law, and I think he is just as wrong as he can be in holding innocent hostages in Iraq and in trying to circle and starve out the United States Embassy in Kuwait. This must not be rewarded.

We do have the finest young kids in the armed services ever. Every member of the Joint Chiefs

has told me this. They are volunteers. They're highly motivated, brilliantly trained. And they're serving us halfway around the world, and they're your sons and your daughters and your neighbors and your friends. And we owe them an enormous vote of thanks. And now, I will do my level best to bring every single one of them home without a shot being fired in anger. But we will not stop short of our stated objectives. We are the United States of America. We are standing for principle, and that principle must prevail.

And now before I head off to Minnesota, let me just shift gears back once again to the real world of politics. I have been very enthusiastic for many years about George Voinovich. I've seen him in action. I've seen what he's done in Cuyahoga County. I've seen what he's done for the great city of Cleveland. And I know him. I know his family's integrity and decency and honor. And so, when I stand up here and suggest as an outsider -- the one whose dad was born and whose mother-in-law and father-in-law were born here -- [laughter] -- I think I know what I'm talking about. And when Barbara comes out here and puts her arm around Janet and tells the people of Ohio how strongly she feels as a mother and one who also knows this State -- we're talking from the heart.

I want you to go out and work hard in the last days of this campaign to elect George Voinovich and the other statewide office seekers. And then I'd say this: We have a chance to make history in the Ken Blackwell race for Congress. Do not let history pass us by. Let's take this giant step for good government in Ohio and good government in Washington, DC. Get out to the polls 4 days from now and elect these outstanding leaders.

Thank you, and God bless you all.

Note: The President spoke at 8:47 a.m. in the Presidential Ballroom of the Westin Hotel. In his remarks, he referred to gubernatorial candidate George Voinovich and his wife, Janet; Michael DeWine, candidate for Lieutenant Governor; Judy Brachman, candidate for State treasurer; Paul Pfeifer, candidate for State attorney general; Martha Moore, vice chairman of the State Republican Party; and William J. Bennett, Director of National Drug Control Policy. Following his remarks, the President traveled to Rochester, MN.

Remarks Upon Arrival in Rochester, Minnesota

November 2, 1990

I just wanted to say to the people of Minnesota that being here for [Senator] Rudy Boschwitz is something I feel strongly about. Here's a man that had the guts, the courage to stand up and do what was right: getting this deficit down. And he's shown that kind of leadership for Minnesota for a long time. And this is a priority race for us, and I couldn't be more supportive. And I'm just delighted to be here.

Note: The President spoke at approximately 11:30 a.m. on the tarmac at Rochester Municipal Airport.

Remarks at a Republican Party Reception in Rochester, Minnesota

November 2, 1990

Thank you for that welcome to Rochester. Rudy, thank you so very much. However, about the weather -- [laughter]. Forty-seven years ago, almost to this day, I was sent by the Navy to Minneapolis to learn to fly airplanes, and I never landed a plane on anything other than ice and snow, at least in Minneapolis, for 6 months. Don't tell me it's typical, but it is awful nice.

What a joy it is to be here. And let me first thank my friend of long standing, Wayne Newton, who flew all the way from Las Vegas here for this, and now back tonight. And one other matter of tremendous importance to this area -- and now I'm caught up in the fray -- is I want to congratulate the girls cross-country team at John Marshall that's going to the State finals and wish that -- right over here. Good luck at State.

And now for the business at hand. I am just delighted to show my strong support for a national leader in our party and one of America's greatest United States Senators, Rudy Boschwitz. It is essential he be returned to office.

And I might say I'm enthusiastic about Arne Carlson, the ``Rocky Balboa of Minnesota,'' a seasoned leader. Three days is all that's left, and he's going to defy the odds and become what you need: a new Governor for the State of Minnesota. I heard that this guy was in favor of shortened campaign seasons, but this is ridiculous. [Laughter]

And I am excited about the rest of our ticket: Joanelle Dyrstad and Kevin Johnson for attorney general and Dave Jennings and Bob Heinrich, John Burger for State treasurer. We've got good people running, and they need your support, too.

Let me just tell you why it's a pleasure for me to be out here for Rudy. He's a person that Minnesotans trust. I know that. He's one who does embody responsible government. And you know he's a member of the Ag Committee, the Senate Agricultural Committee. That means he's a champion of your dairy farmers and a real believer in the wonders of milk. And so, at Rudy's Super Duper Milk House at the State fair every year, he serves cherry-, banana-, and root beer-flavored milk. What worries me is, I don't mind cauliflower, but I hope he doesn't throw out that broccoli-flavored milk. That's where we draw the line. [Laughter]

And Arne, in introducing Rudy Boschwitz, referred to this, but after 10 years on the Budget Committee he is known in Washington and across this country -- Rudy -- as a tough fighter for lower taxes, a strong advocate of the spending freeze. And here's a Senator in a tight race who made the tough choice and voted for an essential budget agreement that's going to bring this

deficit down $492 billion over the next 5 years. And while others were weeping because they didn't get it just the way they want, Rudy put the United States of America's interest and Minnesota's interest ahead of his own desire for this change or that. And that takes courage; that takes guts and independence. And we need more like him in the Congress.

You know, there's no higher domestic priority than the economy, the job-creating engine that every family in this country counts on. And in recent months, we've seen some uncertainty and concern. I'm concerned about the slower economic growth. And that's why a budget agreement was crucial and why I was willing to go the extra mile to get it. And despite tough negotiations, we finally got an agreement with the Democrats that control both the House and the Senate.

And there were clear differences. The Democrats wanted to do it all by raising taxes, including income tax rate increases for working Americans with that insidious indexing provision. They called it socking the rich, and it would have raised $40 billion out of the working men and women of this country. And thanks to Rudy and others up there, we beat it -- beat it to its knees. And that isn't going to happen.

Rudy and I, if we'd had our way, wanted to do it more with spending. You see, I don't feel you're taxed too little; I feel because of the liberal Democrats in Washington, we're spending too much. And that's another reason we need him back.

But the best thing about this agreement was we did get strong enforcement provisions in the law. There was another one that's good, too -- we held the line on reckless cuts. Defense spending came down, but we eliminated the reckless cuts that would have cut into the heart of our national security. And that wouldn't have happened if we didn't have farsighted Senators like Rudy Boschwitz that know this world is not a tranquil place. We need people that understand the national security interest of the United States of America back there in the United States Senate.

But this is only part of what the battle is about, this fiscal sanity. Let's start with another issue here: the environment, our sacred trust. Rudy, coming from this land of 10,000 lakes, has been a strong advocate for sound environmental practice. I need his voice for the environment. We've finally gotten a clean air bill that I can sign. And that's good for Minnesota; it's good for the Nation; it's good for Canada and Mexico. And we are again in the lead for environmental purity all across this land of ours and across the Earth, but we've got to have more people that understand you can grow and still have good environmental practice. And that's where Rudy is, and I'm grateful to him.

The legislative logjam was broken. I want to give a little credit not only to Rudy but also to Dave Durenberger, because without them I don't believe I would have had a Clean Air Act that I can confidently and optimistically sign. So, I'm grateful to both Rudy and Dave on that one.

There's still a lot of work to be done on the Republican agenda. America, frankly, is fed up with

crime. I hope you're doing a little better in Rochester, Minnesota, than we are as a nation as a whole. But nevertheless, Republicans, wherever they are, know that we need tough legislation. We know that the handcuffs belong not on our able police officers but on the criminals themselves. And that's the kind of legislation we were fighting for. Ever since I met with a couple of victims of crime, family groups, it occurred to me -- and I feel strongly about it -- that we need a little less sympathy for the criminal and a little more for the victims of these crimes in this country.

And shortly after I took office, I stood in front of the U.S. Capitol and called on Congress to pass tough new laws to help America take back the streets. And instead, in the final hours of this liberal-controlled Congress back there, Democratic liberals choked up and completely gutted our package to fight back against violent crime. Republicans fought for habeas corpus reform and stopping convicted criminals from endlessly abusing the appeals process. We fought for reforms of the exclusionary rule, a judge-made law that lets the guilty go free. And Republicans fought for a real Federal death penalty for drug kingpins and terrorists and those who kill our police officers. And the Democrats blocked it. And we need more Senators like Rudy to stand up in the next Congress and fight for that.

So, if you get the idea that I'm enthusiastic about Rudy Boschwitz, you're beginning to get the message. He's a class act. He's a class act with a great family. Please send him back to Washington.

And so, my main message here today is one of partisan politics, because I believe with Arne as Governor and Rudy in the Senate you're going to be in good hands -- very good hands, indeed. But you know, let me now just ask you to set partisan politics aside for a minute, because I want to talk to you about a subject that is in the hearts and on the minds of every single American. And I know that everyone in this country is vitally interested in the Persian Gulf situation.

And you know, former Senator Vandenberg was absolutely right when he said politics ends at the water's edge. And I'm grateful to the leaders -- Democratic leaders, Republican leaders, Democratic Members, Republican Members of the House and Senate -- for their strong bipartisan support. But I thought I owe it to the American people to keep affirming and bringing as best I can our message of purpose on the question of why we are there.

Let me first be clear: There will be no compromise on the stated objectives of the United Nations Security Council resolution, none at all. And the reason is this: We cannot compromise with brutal, naked aggression. We cannot permit one country to bully a neighbor and take it over without making them pay the price.

And let me make another point. Let me make another point. The brutality against innocent civilians will not be tolerated, and that will not stand, either. What's happening to those so-called guests -- really hostages -- is uncivilized. And the world should rise up and demand that those

people be let go. It is outrageous what Saddam Hussein [President of Iraq] is doing.

No one, no one, wants a peaceful solution to this situation more than I do -- nobody at all. No one, however, is more determined to see this aggression turned back than I am. We forged together the most fantastic international coalition in history. We've resurrected the Security Council of the United Nations, with 10 resolutions passed condemning this brutal aggression and holding of innocent people hostage. And I will do my level best to hold that coalition together, to see that these international sanctions work, and that Iraq get out of Kuwait -- and without condition -- and free the people that they are holding in contravention of international law.

Now, we are determined, and the world understands it. And thank God the people of the United States understand that it is only the United States that has the strength and, I would say, total commitment to stay the course and see that this aggression is turned back.

These are not easy times. These are not easy times at all. But I have never been more proud of the young men and women -- all volunteers -- highly motivated, beautifully trained, who are serving halfway around the world than I am today. These are the finest young men and women that have ever served in the Armed Forces of the United States. And we will not let them down.

And so, let me shift back now 180 degrees. I wanted to get you that message of how strongly I feel and end this way. It is right that we participate in partisan politics. It is right that I as the President go around this country talking about the men and women that I want elected to office, as the Democratic leaders are doing for their candidates. And it is right that I came to Rochester, Minnesota, today to tell you from the bottom of my heart -- and I seldom speak for the Silver Fox, that's Barbara, my wife -- and this one I confidently do. And even our dog, Millie, agrees with this -- [laughter] -- that we strongly support Arne Carlson for Governor. And we urge you -- we cry out: Send Rudy Boschwitz, our friend, your admired Senator, back to Washington, DC, for 6 more years.

Thank you, and God bless all of you.

Note: President Bush spoke at 12:22 p.m. in the gymnasium of John Marshall High School. In his remarks, he referred to entertainer Wayne Newton; Joanelle Dyrstad, candidate for Lieutenant Governor; Dave Jennings, candidate for secretary of state; Bob Heinrich, candidate for State auditor; Senator Dave Durenberger; and President Saddam Hussein of Iraq. Following his remarks, President Bush traveled to Sioux City, IA.

Remarks at a Republican Reception in Sioux City, Iowa

November 2, 1990

Thank you very much. Somehow it seems like I just left. But thank you. I am delighted to be back in the Hawkeye State and in Sioux City, this all-American city whose citizens had planned this marvelous emergency response, a city that was ready for the worst kind of a challenge, a city that opened its hearts to the survivors of a tragedy, a city that inspired the world. Thank you for all you've done.

And I'm delighted to be standing here with a United States Senator who does support me, and, I say, support you, the people of Iowa, for our common objectives. An old friend -- and I'm talking about Chuck Grassley who is making such an outstanding record in the United States Senate.

Let me say a word about his former spokeswoman, who is now so outspoken on behalf of her husband. What a fantastic campaigner -- she is fantastic. Barbara sends her love. I'm talking about Bev Tauke. She's marvelous.

I see some other party leaders, all of whom have been introduced, and I want to thank them. I want to single out the Congressman from the Fifth District, an early and longtime supporter and friend, Congressman Jim Lightfoot, over here. And of course, your very own, from the Sixth District, Fred Grandy. What a job he's doing for his country. And let me also salute Joy Corning -- your next Lieutenant Governor -- and the rest of the Iowa ticket.

That brings me to the main course: two great Iowans, a great present Congressman, a great future Senator, Tom Tauke, and a great Governor, Terry Branstad. Oh, how we need them both reelected and elected.

You know, as I looked across the national scene, I can't think of any Governor who faced a stronger challenge than Terry did in his first two terms. But he prevailed because he believed in the ethic that Tom was talking about. He believed in controlling spending and promoting enterprise. And as the Omaha World Herald put it, Branstad gave the State of Iowa sensible leadership through the hard times of the past few years and guided the State into its current recovery. Terry is more than a Governor who withstood the test of hard times. He's fought for one of the best State educational systems in the entire country. He's more than a Governor; he's a leader. And he's leading Iowa into an even greater future. Send this man back to the statehouse.

I might add that it's little surprise that at the Charlottesville education summit, this first national summit on education with the President and all Governors, Terry and I worked closely to reform American education, just as he's worked for better schools right here in Iowa. And in short, he has been good for Iowa. He's won your support the old-fashioned way: He earned it. And he was

also instrumental in formulating these national educational goals for the entire country. And I need him now reelected to be sure those goals are met for the entire Nation.

And now a word about another old friend, a man I've known for many years. We're here on behalf of him. He's also earned the right to represent Iowa. He's a tireless fighter for the family, for the taxpayer, and for the farmer and the working people of the Second District and all of Iowa. And I'm, of course, talking about your next United States Senator, Tom Tauke.

You may not know the whole story of why he decided to run for the Senate. Let me tell you about it. It turns out he was walking right through a field one day, almost lost between towering stalks of corn when he heard a voice -- [laughter] -- and the voice said, ``If you run, you will win." [Laughter] So, ``Field of Dreams" aside, I share your dream that he be elected to the United States Senate on Tuesday. We need him bad.

We need him. We need him. And it is not my habit to speak against anyone's opponent. I haven't done that, and I'm not going to start now. I'm here to be for Tom Tauke. But I want to just say that I would like to have somebody in the United States Senate that supports me and my objectives a little bit more and not less than Ted Kennedy. [Laughter] So, you figure it out. What he told you about his opponent's support for the President is true. It's written in the Congressional Quarterly. I urge you to look it up.

You know, ours is a party with a vision. We are the party with new ideas -- a vision, a change, a sweep of new thinking that can only come with more Republicans. And we're also a party that's committed to a growing economy, that job-creating engine that every family in America counts on.

And I know in recent months nationally -- delighted the Iowa economy is doing well -- but nationally, we've seen some uncertainty and concern about slower economic growth. And that's why, as President, I had to make a tough decision on this deficit deal. After difficult negotiations, we finally reached that agreement with the party that controls Congress -- both Houses controlled by the liberal elements of the Democratic Party. And the Democrats wanted to raise taxes, including income taxes on working Americans. And they called it -- and Tom stood up and knocked this down -- they called it soak the rich. But here's the fact: Their proposed surtax on the rich to raise -- I think it would have raised $4 billion, was in the very same bill. They were yelling about that. And the liberal Democrats in that same legislation rammed through taxes on the working man and woman of $40 billion -- $4 billion to soak the rich and $40 billion to hit the working man and woman of Iowa. We need Tom Tauke, not more of these liberal spenders, in Washington, DC.

And I agree with Tom. I agree if we had more like him and Fred Grandy and Jim and Chuck Grassley we could get the job done by more cuts in spending and less taxes out of your pocket, because it is our theory that we don't tax you too little, Washington and the Democrats spend too

much.

You know, Terry Branstad can give us all a good, sound lecture on cutting waste. Forty-three Governors, like him, already use the line-item veto. I believe he told me he's used it 120 times, working for the taxpayers of this State. And this is an example not lost on Tom Tauke, who has sponsored and fought for the line-item veto where it is needed most of all: in Washington, DC. And if we put Tom and more like him in the Senate, we can make that line-item veto the law of the land. And if Congress can't do it, give the President a chance to cut that spending.

I'd also like to ask you to compare the records on our crime legislation, legislation to try to curtail crime at the Federal level. Shortly after I took office, I stood before the United States Capitol and called on the Congress to pass tough new laws to help America take back the streets. And instead, in the final hours of this Congress, Democratic liberals completely gutted our package to fight against violent crime.

Now, let me just tell you what Tom Tauke and I want. We want habeas corpus reform because convicted criminals should not be able to endlessly delay justice. We want to reform the exclusionary rule so this judge-made law won't let the guilty go free. And because we believe in backing up our law enforcement officials, we want something else: We want a Federal death penalty for drug kingpins, for terrorists, and those who wipe out Federal law enforcement officials. Republicans are the ones who have more sympathy for the victims and a little bit less for the criminals. That's the kind of vote we need in the Senate.

I believe we're beginning to win this war against drugs. Our national strategy is beginning to work. And there's some heartening information about this -- heartening evidence and statistical evidence. So, I don't want to be here with a message of gloom and doom. I believe the Nation is waking up to the idea that we can no longer tolerate the drug culture. But I would say this: We need people like Tom Tauke in the Senate so justice can be done. I happen to believe that a strong offense against the narcotic traffickers is what we need, not this coddling by the law that the Democrats have put up with.

And there are many, many other reforms. We've also, frankly, achieved a lot. I don't want to be just on the negative side; we've achieved a lot recently -- remarkable, considering that we're a minority in the House and a minority in the United States Senate. We fought for a responsible clean air bill. And we asked Congress to cut acid rain, to cut smog by harnessing new technology with the power of the marketplace. We fought for this, and we won it. And one of the ways we can clean the skies of America is, as you know in this State so well, with alternative fuels. So, we can cut our dependence on foreign and give our business to the American farmer.

Another good thing that Tom and his fellow Iowans in the Senate and House Republicans have fought for was a responsible child-care law, one that rejects that old liberal Democrat idea of warehousing children, one that would put choice in the hands of American families. Republicans

want to empower parents, not the Government, to choose those who will take care of their children. And we won that battle, thanks to Tom and others.

So, I guess what it boils down to is our vision, a vision based on good, old-fashioned family values. In education, in child care, in protecting the environment, Republicans are the ones that are determined to bring hope and opportunity to millions taken for granted by the Democrats. And if ever you despair about our political process, think that it's not working, remember this is your country. It belongs to those who work in the fields and the factories, and it belongs to those who teach the children of Iowa so well -- and God bless our teachers for the job they're doing with our young people.

America belongs to the people, and America's leaders should reflect that simple fact. And so, let's make election day an opportunity day. Let's return, of course, Jim Lightfoot and Fred Grandy to the Congress. That's off to a good start right there. And let's send our great Governor back to Des Moines: Terry Branstad. And then let's take a look at that Senate and send me some people that I can work with for the values that you believe in, someone to help Chuck Grassley, not just cancel out his vote on every issue. And I'm, of course, talking about Barbara and my friend Tom Tauke. Elect him on Tuesday. Work your heart out. We need him. He can make a difference for Iowa and for the United States of America.

Thank you, and God bless the United States.

Note: The President spoke at 6:16 p.m. in Gallery A of the Sioux City Convention Center. A tape was not available for verification of the content of these remarks. Following his remarks, the President traveled to Thousand Oaks, CA.

Remarks at a Tree-Planting Ceremony in Thousand Oaks, California

November 3, 1990

Thank you all. What a lovely, lovely day. Please be seated, and thank you. And may I salute Governor Deukmejian; Senator Pete Wilson; your own Congressman, Congressman Gallegly; Bob Lagomarsino, neighboring Congressman; the distinguished environmentalist who leads our EPA, Bill Reilly, with us today from Washington. And of course, Dr. Jerry Martin [Miller], we want to thank you for cleaning up the air and affording us such a very special day on your campus.

It is a pleasure to see these trees, spread beneath a broad and peaceful sky like, I'd say, a thousand points of shade. [Laughter] And in a few minutes, it's going to be a thousand and one.

I'm told that the people of Thousand Oaks have invested countless hours in urban forestry management, something every community in America can do. Trees save on cooling cost, reduce urban smog. Trees mean greener cities and neighborhoods. And they are God's great filter -- noise and air; providers of shade, privacy, and wildlife habitat.

But more than that, trees create a sense of community among the people who plant them and a sense of continuity between generations. And if we had stronger trees, these would not be falling over if we had them tied into the tree. [Laughter] And that's why I'm so pleased that this year's budget will begin our ambitious national tree-planting program.

I'm also pleased about something else. I made a commitment as a candidate for President to break the congressional stalemate that has hindered progress for clean air in this country for 13 years. And I continued that commitment beginning a year and a half ago by coming forward with a comprehensive clean air proposal. We worked with the leaders from both parties, local government, environmentalists, representatives of industry because I believed that it was time for a new approach. And I want to thank your Senator for his support. I want to thank the example set by the Governor of this State. I want to thank the Members of Congress on both sides of the aisle who were extraordinarily supportive.

The old tradition of simply regulation was not the answer. And we needed a new kind of environmentalism, driven by the knowledge that a sound ecology and a strong economy can go forward together. And so, I challenged the Congress to work with me to break the logjam of clean air. And while our proposals differed in minor details, Congress has passed a bill that is true to the architecture and spirit of our approach.

Thanks to the persistence of Pete Wilson and other Members of Congress and to our able head of

our EPA -- Bill Reilly is with us today -- we are on the verge of a major domestic achievement for all Americans. And I can now say to Californians that I will sign this landmark clean air legislation as soon as it gets to my desk within the next few days.

Just a couple of details: The bill that I proposed last year and that Congress passed last week is efficient, effective legislation that will pull 56 billion pounds of pollution from the air every year -- 224 pounds for every man, woman, and child in America. And this legislation is a bold departure from the old Washington-knows-best approach. It achieves unprecedented pollution reductions by using incentives and the power of market forces. And in a phrase, we're cleaning up the air not through overregulation but through smarter regulation.

This clean air legislation will cut in half the emissions that cause acid rain, by 10 million tons, and then cap them at these lower levels. It will cut the emissions that cause smog in our cities, so that by the end of this century more than 100 major U.S. cities will have cleaner, healthier air. And it will cut these dangerous air toxic emissions by 75 percent. And it will encourage broader use of alternative fuels.

Ever since I first joined the Congress more than 25 years ago, I have been committed to using our laws to protect the environment; and so, of course, has our Senator Pete Wilson. We both believe that in its size and scope this clean air act isn't simply the most significant environmental legislation of this administration, it's the most significant air pollution legislation in the history of this country.

This clean air act is sound energy policy as well because it does promote conservation. It encourages the use of cleaner fuels. It strengthens America's energy security. And in a short time since we issued the clean air challenge, we've seen a revolution in thinking about alternative fuels. The time is right, the people are ready, and industry is responding.

We are on the verge of a new era for clean air. And so, to commemorate a milestone in America's environmental history, today we'll plant a tree, because what we celebrate this day has roots running deeper than law. It is potential for new progress, a planting with a daily harvest, a promise lasting far longer than our lifetimes.

And so, thank you all for joining us at this symbolic occasion. I am very grateful that we have a clean air act. And now I would encourage all the citizens in our country to follow the example of today, right on this campus, and assist us in making tree planting a major national objective -- not only good for the United States but it benefits the entire world.

Thank you all so much for coming.

Note: The President spoke at 9:50 a.m. in Kingsman Park on the campus of California Lutheran University. In his remarks, he referred to Jerry Miller, president of the university.

Remarks at a Reception for Gubernatorial Candidate Pete Wilson in Thousand Oaks, California

November 3, 1990

Thank you very, very much. Pete, let me give you my impartial view of the situation. [Laughter] It is absolutely essential to California and it is absolutely essential, I'd say, for the entire country that this, the biggest State in the Union, have Pete Wilson as the next Governor, following our outstanding Governor George Deukmejian.

And I'm delighted to be in Elton's congressional district. We need him back there and plenty more like him. And the same for Bob Lagomarsino for the next district. And this year in California, we have a class-act, skilled, seasoned ticket of excellence. With us today, Marion Bergeson, the next Lieutenant Governor; Joan Milke Flores, as secretary of state; Tom Hayes, State treasurer -- we need him there to watch these guys -- and of course, Dan Lungren, my old friend and former Congressman, who will be a great attorney general; and Wes Banister, the insurance commissioner. We've got a great ticket. Now you've got to vote for Pete and the rest of them. And after they've served their term, how about sending Eric Peterson off to be Governor of the State? The guy's tough.

I take great pride as President in the way the Marine Band, the President's own, plays ``Hail to the Chief." But if they ever get tired, what about the Thousand Oaks High School Band? They were marvelous. You guys were good, real good.

I am delighted to be back with you. What a reception I had at the airport, Point Mugu: red carpet, 21-gun salute, signs saying, ``Welcome back!" ``We love you!" And when I went down the stairs, I told someone I was surprised by the big greeting. He said, ``Not as surprised as I was. We were expecting Barbara."

Gayle, she sends her love to you. She's your friend, as you know. And we Bushes, our entire family, just wish you and Pete all the best on this very important coming Tuesday.

You know, I won't regale you with the background, but you know the record: the great mayor of San Diego, superb Senator. President Reagan calls him principled. Even his opponents call him wonderful. [Laughter] And in January, everyone will call him Governor.

He's a great manager. As mayor, he balanced 11 straight budgets. As an environmentalist, he's playing a great big part in my decision to put a moratorium earlier this year on oil and gas leasing off the coast. An advocate for fiscal sanity, quality education. You know of his record as being tough on crime and wanting the laws in Washington to do something about it. And the same approach would be brought to bear following up on Duke's magnificent record right here

in Sacramento. He deserves your support, so I came out here to say: Let's elect Pete Wilson the next Governor of this State.

You know, in recent months, we've seen some uncertainty and concern about the slower economic growth across our country. And that's why a budget agreement of sorts was crucial. And that's why I had to compromise -- found as Harry Truman said, that the buck does stop on the President's desk. And every once in a while, you have to make a tough decision to compromise. And despite tough negotiations, we finally reached a budget agreement with the Democrats that control both Houses of Congress.

And when it came to our approach, though, let me point out three big differences. The Democrats -- and Elton and Bob know this well, and Pete as well -- wanted to raise taxes, including income tax rates on every working man and woman in this country. And I wanted to reduce the deficit by spending cuts. We did get a $492-billion deficit reduction over 5 years -- $350 billion of it in spending cuts, incentives to make us less dependent on foreign oil. So, there were some good things there. But the main thing: Congress now is on a pay-as-you-go plan. There are real enforcement provisions. And finally, although the defense budget was reduced, thanks to Pete Wilson and others like him that know the importance of our national security we held the line against reckless cuts to ensure that this nation's Armed Forces remain strong. We are in a dangerous world, and we better not let down our guard. And thank God for Pete and Congressmen like these two.

That's just part of what we've accomplished as a party of change. For example, when it comes to the environment -- Pete mentioned it -- but he and I believe that to keep our environment green, we don't have to be Big Green. And in fact, Pete wrote the first coastal protection act, and a driving force for our environmental initiatives, supported our expanded land acquisition for national parks and wildlife refuges and forest and public lands. And all of this explains why I asked Pete to lead our crusade for clean air. And today, as a result -- thanks to the innovation and cooperation of the industry; of government; our EPA, under Bill Reilly, who's with me here today; and the environmentalists across the country -- we have broken a 13-year legislative logjam. And finally, I have a clean air bill that I will be proud to sign when I go back to Washington, DC.

I wish I could give you a better report on the Congress. If we had more Republicans in the Congress like these two, I could give you a better one. But let me just say this: There's still work to be done on our agenda.

Ask Pete, the grandson of a police officer who gave his life in the line of duty. He knows, I know, George Deukmejian knows, America is fed up with crime. And we want people who have a little more sensitivity to the police officers, and a little less for the criminals themselves.

Shortly after I took office, I stood before the Capitol and I called on the Congress to pass tough,

new laws to help America take back the streets. And instead, in the final hours of the Congress -- George thinks he's got troubles with Willie Brown [speaker of the State assembly] -- [laughter] -- look, in the final hours of this Congress, the Democratic liberals choked, and they completely gutted our package to fight back against violent crime. We fought for habeas corpus reforms aimed at stopping the convicted criminals from endlessly abusing the appeals process. We fought for reforms of the exclusionary rule, a law that lets the guilty go free far too often. And we fought for a real Federal death penalty for drug kingpins and terrorists and those who gun down our police officers. And the liberals gutted those right out of our package. They blocked them, and we've got to get tough now.

And I think especially of the fine, young police officers like San Bernardino's own Rob Shultis, who was brutally killed last February. We will be tough on crime. And give me more Republicans in Washington, more people like Pete Wilson in Sacramento, and we'll get the job done for the American people and for the American families.

It is simply not fair -- I wish you all could see these little kids here -- but it is simply not fair that their parents have to worry in some areas of this country when the kids go to school, have to worry about the kids' safety. It is time -- not to be brutal about it -- but it is time to have more thoughtful people who want to be tough on crime to take back our streets. And that's another reason I'm for Pete Wilson.

There's a lot of wonderful young people here from this great school, and I'm grateful to President Miller -- [applause] -- I am grateful to the president and Eric and the students that are here today. But let me -- I saw some signs out here, and I understand them. And the signs -- so let me first put the caveat down. I want to shift gears. I want to ask you now to lay aside the partisan politics because this is -- it's not often I have a chance to talk to this many people in the State, in the State of California -- back in Washington all the time.

But we're at a partisan political event, but I'm asking you to shift gears now because everyone I know is vitally interested in what Pete talked about; that's the situation in the Gulf. And just a few words about our mission there, having said that I am very grateful to the Republican leaders, to the Democratic leaders, liberals, conservatives, whoever, for the support they are giving our policy in the Persian Gulf. It isn't partisan; it is American. And I am very grateful for that support.

So you have it -- and particularly the young people -- so you have it in your sights: We have no quarrel with the Iraqi people, none at all. We bear no hostility to the people of Iraq, nor do any of the other 25 countries represented on land and sea in the Gulf in the most fantastic coalition put together since World War II, or even including that. We have a magnificent U.N.-based coalition standing up to the aggressor of Iraq. So, our problem is not with the young people there or the man on the street there; our problem is with Saddam Hussein and his determination to be the neighborhood bully. And there's a fundamental moral point here: A neighbor cannot take

over another neighbor, bully it, brutalize it, rape, pillage, and plunder in Kuwait, and get away with it. If we permit that to happen, we'll pay the price another day. And I will not let that aggression stand.

Yesterday at Point Mugu, I climbed off the plane and had a chance to at least shake hands with some of the wives of our young people over there. And look, they're your brothers, our neighbors, sons, daughters, friends. These aren't strangers. These are the finest trained American troops in the history of this country. Every single one of them is a volunteer. And they are beautifully motivated. And yet their families are split asunder. And so, my message is this: I will give the sanctions -- unprecedented economic sanctions -- the chance to work. I will give them the time to work. And I can tell each parent, each brother, each sister, I hope there never is a shot fired in anger. I hope that every single one of those kids will come home without a shot having been fired.

Now, having said that, we are the United States. I see these signs about Hungary and the other countries that now enjoy the freedoms that sometimes we have taken for granted, and I can identify with that. And I can identify with the fantastic changes that are taking place in Eastern Europe, but I also can identify with this principle that one country must not be able to bully its neighbor. And so, I will say this: I don't want a shot fired in anger, but there will be no compromise on the stated objectives of the United Nations Security Council -- none at all. The United States will lead, and we will stand, and we will prevail against the evil of that dictator.

Pete mentioned the fact that in a few weeks that the kids over there will be sitting down to Thanksgiving dinner. And Barbara and I are really looking forward to visiting those young people halfway around the world. Each member of the Joint Chiefs has told me -- and to you parents, listen carefully because you know this, but listen anyway -- each member of the Joint Chiefs has told me that, as far as they know, in the history of the United States there have never been finer, more motivated, better trained soldiers than the men and women over there now. That is a fine tribute to your sons and daughters.

And so, that's the situation as I see it today in the Gulf. I will do my level-best to keep this coalition strong, together, standing always for principle. But you young guys remember: It is only the United States that can lead the entire world for this moral purpose. We're the only ones. Countries look to us, and that's the beautiful thing about the heritage groups represented here today. Every single one of them recognizes that this is the country that stands for freedom, stands against aggression. And as long as I'm President, I'll do my level-best to portray that message to every country in the world.

And now let me shift back to the business at hand -- salute all of you, thank the students on this great campus, and encourage you to do this: Do not take democracy for granted. Go out there and vote in this important national election. The elections in California will affect every State in the entire country. So go out and elect Pete Wilson and this distinguished team. Elect him

Governor of this State. And do your part to move California ahead.

Thank you all, and God bless you.

Note: President Bush spoke at 10:40 a.m. in the auditorium at California Lutheran University. In his remarks, he referred to Representatives Elton Gallegly and Robert J. Lagomarsino; Eric Peterson, president of the university's Republican students speakers' bureau; Jerry Miller, president of the university; Pete Wilson's wife, Gayle; and President Saddam Hussein of Iraq. He also referred to Big Green, the environmental protection initiative on the November ballot in California. Following his remarks, President Bush traveled to Albuquerque, NM.

Remarks at a Republican Campaign Rally in Albuquerque, New Mexico

November 3, 1990

The President. Frank, thank you very much. Thank you all very, very much. I am just delighted to be here. Thank you, thank you, thank you. Frank, I love this enthusiasm. I think it bodes well for the election of Frank Bond as the next Governor of New Mexico. Get out and get the job done.

Frank, to you and Mary Thompson, your running mate, Barbara and I send our warm, best wishes for a strong and successful finish to this race you've both run so well. And I'm delighted to see one of the great leaders in the United States Senate here, Pete Domenici. What a man he's been for his country. And of course, if we had more Congressmen in Washington like Steve Schiff, we wouldn't be worrying about red ink and too much spending; we'd be doing much, much better. And of course, another great Congressman -- who is not here with us today -- but Joe Skeen is also the same stripe as Frank. Wonderful people -- Steve, Frank Bond. And let me just throw in another name well-known in Washington because he served there, but he's served this State with such distinction, my dear friend Garrey Carruthers. What a job he's done.

And I am very sorry that I had to miss the visit just a few days ago, but look at this magnificent turnout. And besides, our daughter-in-law Columba was up in Santa Fe trying to do a little makeup work. I'm glad she was here to show the flag for the family. Our dog, Millie, sends her love. And Barbara Bush, the Silver Fox, sends her love, too.

You know, in a sense, this is kind of like coming home, because I spent 12 years over in west Texas, right near Eunice and Hobbs and not too far from Roswell. And I feel I know this State. I'm delighted to be back. And I want to just say that we are enthusiastic about this trend to send a good man, Frank Bond, to follow a good man, Garrey Carruthers.

In a sense, next Tuesday marks a turning point for New Mexico. You face a choice: whether to turn the clock back and return to those days of the seventies -- we used to call them the malaise days -- or to make this election the first step towards a future as bright and broad as the New Mexico sky. And there's not a doubt in my mind about the right choice: Starting November 6th, New Mexico will move forward with Frank Bond.

Frank knows what it takes to make New Mexico even more competitive, and he knows what it is to do that and how to open up markets, national and international. He knows what the move towards a free-trade pact with our good neighbor Mexico can mean for this State's economy: new jobs, new businesses, and new opportunities for New Mexico.

And we are on a glorious new path in our relations with our neighboring country Mexico. I've worked hard with President Salinas, and I think I can say to you, relations are on the way. They've never been better, and I think they're still moving up. And I'd like to have a Governor in this State with whom I could work to continue that great cooperation between the United States and Mexico.

You know, here at home, a growing economy is the job number one for our party. And the economy is the job-creating engine that every family in the country counts on. With the help of State leaders like Frank Bond, I'm going to do my level-best to see that the national economy keeps on growing.

You know, in recent months we've seen some uncertainty. Some areas have had some real slowdown. And that's why, in my judgment, a budget agreement was critical and why I was willing to work with Pete Domenici and others to go the extra mile to get it. And despite tough negotiations, we finally got a budget agreement with the Democrats that controlled both Houses of the United States Congress.

And we had our differences -- big differences. But I want to say that we ended up with some things I'll tell you about that are good. And it never would have happened without Pete Domenici's courageous leadership in the United States Senate.

The Democrats have started up their old line again. They wanted to raise taxes, including the income tax rates on every working family in America. They talked about ``soak the rich.'' They had a surtax that would have raised $4 billion from soaking the rich. And at the same time, they were sneaking through a provision to raise $40 billion on the working men and women of this country. And we stopped it with Steve Schiff and Joe Skeen and Pete Domenici.

You see, I sent up a budget that would have reduced the deficit with spending cuts because I believe, as you do, that you're not taxed too little, the Government spends too much. We did get some pretty good events out of that. We had $492 billion in deficit reduction -- $350 billion of it was in spending cuts. We built in some incentives to encourage oil and gas drilling that will make America less dependent on foreign oil. And I think that's a good thing and very timely. And the best thing about it is Congress was put on a pay-as-you-go plan -- real enforcement provisions in this budget agreement. And lastly, although defense was reduced -- and I believe it should have been some -- we held the line against the reckless cut. And we ensured that America's defenses and Armed Forces remain second to none anywhere in the world.

But you know, getting a budget agreement behind us is just part of what we've accomplished. Let's start with the environment, our sacred trust. Frank Bond's grown up here, in the shadows of the mountains, amid the grandeur and beauty of the New Mexico desert. So, you New Mexicans want someone committed to preserving New Mexico's rich natural heritage in all its singular splendor. And I know a fourth-generation New Mexican you can count on. He's right here, and

his name is Frank Bond.

There's a little good news coming out of Washington, because more than a year ago I challenged the Congress to support my determination to break the stalemate that has hindered progress on tough clean air legislation for the past decade, to turn technology and to power the marketplace to the advantage of the environment. And today, thanks to the innovation and cooperation of industry, government, and environmental experts, we've broken a 13-year legislative logjam. And there will be landmark legislation which will decrease by 10 million tons the emissions caused by acid rain. It will bring to the Nation's 100 most smog-laden cities safer, healthy air. And it will encourage the use of alternative fuels that are safer for our environment and reduce our excessive dependence on foreign energy. And Republicans care about the environment. We have finally got a clean air bill that I will sign when I go back to Washington, DC.

There's still work to be done on the Republican agenda -- education, for example. Frank Bond knows America can't have a first-class economy with second-rate schools. And we're determined that every child in America has a fair shot at a quality education. That's why I proposed and, earlier this morning, I signed a substantial increase for Head Start, to serve 690,000 kids across this country. And that's why we sent to the Congress the Educational Excellence Act, our action plan for fundamental education reform -- to reward achievement and encourage accountability and to give parents more say in their children's education. I would rather have the parents have more choice about the schools than have some committee in Washington assign how this education ought to work at the State level. Frank Bond and I agree on something fundamental: When it comes to the schooling of our kids, the bureaucracy does not know best; the parents do. And we want to support the good, excellent teachers -- thank God for those teachers that sacrifice to educate the young people in this country every single day.

You know, today we're here on a very partisan point of view -- proudly. And that's what Americans should do. We ought to participate. We ought to work to elect those candidates we believe in. Now, as I've been doing for a couple of days, I want to put partisan politics aside. And I know that everyone in this country is vitally interested in the situation in the Persian Gulf. So, let me just say a few words about our mission there.

You know, former Senator Vandenberg was right when he said politics ends at the water's edge. And I am very grateful to the leaders in the Congress, both Democrat and Republican, and to the Members of the Congress -- all of them -- and to the American people for the steadfast support they are giving the policy of the United States of America in the Persian Gulf.

You know, I want to be very clear about this. The United States bears no hostility to the people of Iraq, nor do any of the over 25 countries represented on land and sea in the Gulf area. We have no argument with the people of Iraq. Our problem is with Saddam Hussein and his determination to take over and bully a neighbor. And we are not going to permit that to stand. And let me say this: I want a peaceful resolution to this crisis. Indeed, we have worked closely

with the United Nations in putting sanctions into effect. The United Nations has never been more united nor more fulfilling its peacekeeping mission than it is today as it unanimously condemns the aggression of Saddam Hussein, the invading dictator of Iraq.

So, we are giving the sanctions time to work. And I hope there will never ever be a shot fired in anger. But once again, let me be very, very clear: There will be no compromise on the stated objectives of the United Nations Security Council resolutions. The brutality against innocent civilians will not be tolerated. And it will not stand.

Saddam Hussein calls them guests, and I call them hostages. And Americans are being held against their will, and we cannot rest until every single one of them comes home, free to enjoy the liberties of the United States of America. So, let me say simply to those that are concerned, protesting: They've got it wrong. We're not talking about oil. We are talking about standing up against aggression. And if the United States can't do it and cannot lead, nobody can. We do not need another Hitler in this time of our century. To stake out innocent civilians and to isolate and try to starve out an embassy is unacceptable behavior. And even these friends over here ought to understand that.

New Mexicans seem to understand this. Right now, brave young men and women are serving over there, halfway around the world. And they are the finest forces ever to serve. They're standing ready there in the sand and the heat of the desert sun. In a few weeks, they're going to sit down for a special Thanksgiving, miles from home and family. And Barbara and I have a lot to be thankful for. And we will be with those troops on Thanksgiving Day, and I will give them the thanks of everybody here today and of all the American people.

Yes, these are challenging times for our country. They really are challenging times for a country. But I can think of no more exciting time to be President of the United States than today. It is a tremendous challenge. Our country is united, and we will prevail.

And now back to the partisan business at hand. Next Tuesday think about the liberties we enjoy in this great country. Think about what a privilege it is to walk into a polling booth and vote. Think of the changes in Eastern Europe and the crying out for democracy that has been fulfilled. Think of the changes south of our border in this hemisphere. And do not take democracy for granted; go out and vote. Vote for Frank Bond, for his running mate, for Pete Domenici. Do your duty, and we will have better government in the State of New Mexico for the next decade.

Thank you, and God bless you. And God bless America. Thank you.

Note: The President spoke at 4:05 p.m. in the Durand Hanger at Albuquerque International Airport. In his remarks, he referred to Gov. Garrey Carruthers. Following his remarks, the President traveled to Houston, TX.

Remarks to a Campaign Rally for Senatorial Candidate Hal Daub in Plattsmouth, Nebraska

November 4, 1990

Mr. Daub. Mr. President?

The President. Yes.

Mr. Daub. We're gathered in Plattsmouth, Nebraska, in a Veterans of Foreign War post with lots of friends and supporters. And it's actually a part of the Second District that it was my privilege to represent when you were Vice President.

The President. Well, Hal, let me just say hello to everybody gathered at Plattsmouth. Barbara and I are here in Houston. We vote here day after tomorrow -- end up my campaigning -- we'll be here tomorrow. But we just wanted to wish you and Cindy the very best as this campaign wraps up.

Obviously, both of us have been there before. But I'd like to once again ask the people in Nebraska to send you, Hal Daub, to the Senate. I need more support. If we're going to get the job done for the people of Nebraska and the country, we need more people that think like you do. And I really am emphasizing the fact that we need change. Somebody told me that you'd visited 93 counties -- every single one of Nebraska's counties -- at least once in this campaign. And if there's ever anything that demonstrates hard work and commitment, certainly that is it. I'm not surprised, nor is Barbara, about the tireless campaign you've been waging. We also know that Cindy's a tremendous asset.

To the voters and the people there in Plattsmouth, let me just say this: I've known Hal for almost 20 years now. And I've learned a lot about him. I believe he will make a difference. It is the new versus the old for the Senate. As a lawyer, as a businessman, as a four-term Congressman, he's had the experience; but now he's going to bring a breath of fresh air to that Senate. And I believe he can make a difference.

You know, dealing with a Congress completely controlled by the Democrats is not easy. It's not an easy assignment. Let me just give you a couple of examples before I let you go and let you get out to work for Hal.

Early on, I proposed tough, new Federal laws, and I believe we had -- on crime. I believed that -- then, as I do now -- that it is time we had a little less sympathy for the criminals and a little more for the victims of crime. And incredibly, the liberal Democrats killed this legislation in a back room in the dead of the night. And that is a singular reason why we need Hal Daub in the

Congress in Washington, in the Senate, in the United States Congress, to help work on these key issues, because I know where he's coming from. And the people of Nebraska should understand that we need this driving force to get control in that Senate so we'll be able to take the offense. On the tax-and-spend policies of our opponents, this liberal, Democratic Congress is tough to top.

And again, I think if we had more Republicans in the Senate we would control the agenda. We wouldn't be playing defense to the liberal agenda that's coming down the pike at me from time to time. The only tool that I've got is the veto pen. We've used it; we've used it successfully. But even where we get whipped, if I had a Hal Daub in there, we'd have a vote to sustain the President's position on these key issues.

I sometimes think that if Washington was as well-run as Lincoln, Nebraska, things would be a heck of a lot better; and so, I want to put in a pitch here for Kay Orr. I also hope you get out the vote for another dynamic candidate, Ally Milder. Barbara was out campaigning with her the other day, and both of us send her and send Kay and, of course, send Hal and Cindy our very best wishes.

This election could be won or lost depending on who gets out to the polls. Nobody could have worked harder than Hal Daub. But now the question comes: Who is going to get out to the polls? I know the Daub campaign was on the move. And I'm depending on each and every one of you to get our friends and neighbors to vote. And vote for a Senator who will work with us, not against us. Vote for one that will be good for Nebraska and, in my view, good for the values that I was elected on and that Barbara and I believe in so much. So, my appeal: Elect Hal Daub as your next Senator. Hal, go get them. And many thanks.

Mr. Daub. Mr. President, for you taking this time to focus your thoughts on Nebraska and on my Senate campaign, I'm mighty grateful. Dorothea Roberts, who's here, who's done a good job with her team of helping put this gathering together. And my wife, Cindy, is standing right beside me.

The President. Well, give her a big hug and go on out and win now. And I'm pleased you feel things are moving.

Ms. Roberts. Hello, Mr. President.

The President. Hi, Cindy.

Ms. Roberts. Mr. President, this is Dorothea. Just a minute, I'll give her to you.

Mrs. Daub. Mr. President, I bring you greetings from Plattsmouth, Nebraska, from District 2, from Cass County. We all love Hal Daub, and we love you. Thank you.

The President. Well, not at all. Good luck to all of you. Now, this is exactly the time to put on the final pressure to win on Tuesday. Good luck.

Mr. Daub. Thanks very much, Mr. President.

The President. Over and out.

Note: The President spoke by telephone at 2:05 p.m. from Houston, TX. In his remarks, he referred to Mr. Daub's wife, Cindy; Gov. Kay Orr; and Ally Milder, candidate for the House of Representatives. Mr. Daub referred to Dorothea Roberts, Republican field representative. A tape was not available for verification of the content of these remarks.

Remarks to a Reception for Congressional Candidate Genevieve Atwood in Salt Lake City, Utah

November 4, 1990

Ms. Atwood. Hello, Mr. President.

The President. Genevieve, I'm glad it's a two-way connection. I thought maybe you'd just have to listen, which would be a hardship. [Laughter]

Ms. Atwood. Well, no, our relationship's a two-way street, Mr. President. I'm very supportive of everything you're doing.

The President. Barbara was just thrilled to be out there in Utah, and I just want to weigh in at the last minute. She's here with me in Houston, Texas, where we're going to be voting on Tuesday. But she loved being out there with you; and she came back with glowing reports of what you're doing, of your enthusiasm, and of the groundswell of support she felt for your campaign. So, she's asked me to pass along a message, and here's what she said: ``I need a new friend in Washington almost as much as Utah does. Elect Genevieve Atwood to the United States Congress."

Ms. Atwood. That's a fabulous message. We believe in that.

The President. I expect you're for that. And the main thing is I have a wonderful feeling that the people of Utah are for that as well. But I understand that you have my friend the Governor with you there. If he is, please give Norm my very best, will you?

Ms. Atwood. He's right here. Say hi.

Governor Bangerter. I'll say it myself, Mr. President. It's delightful to hear from you, and we look forward to seeing you in Washington in February.

The President. Listen, it's nice talking to you, sir. And you know, just if you had a minute more, I want to make a couple of points on some of the issues.

I first would like to say how much I rely on both Senators Hatch and Garn; and of course, Hansen and Nielson, you know, doing a great job as well. Utah needs someone who's going to work with the delegation, not against it, for the good of State and for the good of America.

And in my view, Genevieve Atwood, with her experience as a scientist and former legislator and fourth-generation Utahn, she understands Utah's commitment to common sense and to the

family values that I think are so essential in this country. And, Genevieve, I know you'll provide a strong and independent voice as Congresswoman. And believe me, in dealing with the Congress -- both of whose Houses are controlled by liberal Democrats -- is not the world's greatest assignment, and we get frustrated because we need more people like you there.

If you had time for just an example or two -- you know, on the anticrime legislation, I proposed tough new Federal laws. And I still feel that it is about time, in our legislation, that we show a little less sympathy for the criminals and a little more for the victims of crime. And incredibly, the liberal Democrats killed this legislation in a back room in the dead of the night. And I think if we had more people like you there, Genevieve, I believe we could get done in the Congress that which the people really want done.

So, anyway, here we go. And I would only say that not only on these issues, like education and the environment -- which is so precious to the people of Utah -- and anticrime legislation, we're still facing that tax-and-spend mentality of the liberal Democrats. And Genevieve is a strong supporter, I'm told, of the balanced-budget amendment and that Presidential line-item veto. My view is: If Congress can't do it, give the President a shot and let me try. And I believe we could make much more progress on this deficit without any tax increases by holding the line on spending.

So, good luck on Tuesday. I would say to those there: Please get out the vote. I know things look good in this race, but don't take anything for granted. We want to sound a call that would be heard from Temple Square to the foothills of the Wasatch Mountains to the banks of the Potomac. So, go get them. And, Genevieve, we're with you. On election night, we're right there with you, both Barbara and I, sending our love and our appreciation for a wonderful woman.

Ms. Atwood. Thank you for your wonderful support. Senator Hatch is here right next to me, and a bunch of folks. Why don't we give the President a cheer. Hooray!

The President. Hey, if I had known Orrin was there, I wouldn't have said such nice things about him. Orrin, if I had known you were there, I wouldn't have said such lovely things about you. [Laughter]

Senator Hatch. I understand, Mr. President.

The President. Listen, thanks for everything. You have been fantastic. And my best to Jake, too. And, Governor, my respects to you, sir. And now go out and get Genevieve in there.

Ms. Atwood. All right. Thank you, Mr. President.

The President. Over and out.

Note: The President spoke by telephone at 2:12 p.m. from Houston, TX. The reception was held in Ms. Atwood's home. In his remarks, the President referred to Senators Orrin Hatch and Jake Garn, and Representatives James V. Hansen and Howard C. Nielson. A tape was not available for verification of the content of these remarks.

Remarks to a Campaign Rally for Congressional Candidate Wayne Gilchrest in Salisbury, Maryland

November 4, 1990

The President. -- -- After all, this is our country, and that seat of yours in the United States Congress belongs to the people of the Eastern Shore -- the farmers, the fishermen, the teachers, and everyone else in that wonderful part of the State. And if something is wrong, you can do something about it. And you can elect one of your own to the Congress as someone who shares our values, our family values. And that all boils down, as far as I'm concerned, to this phrase: Elect Wayne Gilchrest!

You know, in dealing with the Congress completely controlled -- both Houses completely controlled by the liberal Democrats, I've concluded that it isn't easy. I was elected to do certain things, and we get blocked because we have too few Wayne Gilchrests in the United States Congress.

Let me give you an example: I proposed tough, new Federal laws of anticrime legislation. And I really believed that it was time that we had a little less sympathy for the criminals and a little more for the victims of crime. But incredibly, we sent up a strong anticrime package, and it got totally bogged down by the liberal Democrats trying to kill the legislation and change it right there in the dead of night. And that's a very good reason to send Wayne Gilchrest up there, because we need more Congressmen that will support strong anticrime legislation.

And then I've had to veto after veto pieces of legislation in the Congress because the Democratic Party -- not the one you used to think of in the Eastern Shore way, back when once in a while you could get what they called a conservative Democrat -- but the national Democratic Party that controls this Congress simply is on a continuous tax-and-spend binge. And I really believe more people like Wayne could make a big difference -- I know they'd make a difference.

And so, again, I urge you to put someone who is in touch, who's in tune with the people of Salisbury and the people of the Eastern Shore there. And so, this district -- I've talked to all our political experts -- this district is one of the critical districts in the country for change, the kind of change that I want to see, the kind of change that I know you want to see. So, don't let them tell you no one can make a difference. In this very district, you can make the difference, make the change that will help our country. You've got a good man there in Wayne. So, go out and work hard for him.

And God bless you all.

Mr. Gilchrest. Thank you, Mr. President, and we will. And we're looking forward to victory on

Tuesday. We know that the people of Maryland are going to vote for their community, and more importantly, they're going to vote for their children.

And we know that you're busy, and we greatly appreciate this time that you have given to us. We all do.

The President. Well, not at all. And Barbara's sitting right here. We're off to go to get-out-the-vote phone bank here in Houston, Texas. And before we go, we want to send you our love and our affection. And, yes, we share your interest in these family values, and we want the best. And by golly, that's why I'm on the phone urging everybody there to vote for Wayne Gilchrest.

Over and out. And good luck to you.

Note: The President spoke by telephone at 2:20 p.m. from Houston, TX. The rally was held at Mr. Gilchrest's campaign headquarters. A tape was not available for verification of the content of these remarks.

Remarks to a Campaign Rally for Gubernatorial Candidate Arliss Sturgulewski in Anchorage, Alaska

November 4, 1990

The President. Well, hello, Anchorage. Jim, are you there?

Mr. Campbell. Yes, we can hear you. You're coming across great, Mr. President. We've got a large group here, as Arliss said, supporters that have been with us. And really, thank you for this opportunity. And also, we've just been campaigning, as Arliss mentioned, with Senator Stevens, Senator Murkowski, Don Young this morning; and thank you for letting them get on home with us.

The President. Well, listen, first of all, let me just, please, give my very best to Ted Stevens and Frank Murkowski and Don Young. You've got a wonderful, wonderful delegation for Alaska and for the United States back there in Washington. And I'm grateful to each one of the three of them every single day. So, I first want to salute that congressional delegation, one of the greatest that we've got. And if we had more people like them in the Senate and more people like Don in the House, we would be sailing along with the agenda that Alaskans want to see fulfilled.

So, that's enough of the Washington scene, but Barbara and I are here in Houston, Texas. One day of campaigning tomorrow, and then I vote and go back to Washington. But we wanted to just send, Arliss, to send you and Jim our very best. I've known Arliss Sturgulewski for a long time, Jim Campbell, too. And they'll make a great Governor and Lieutenant Governor for the State.

You know, I would say that Alaska needs a Governor -- --

Mr. Campbell. Are you paying for this call? We're getting a lot of applause.

The President. Yes. [Laughter] Hey, listen, I'm just getting warmed up when I think of that wonderful ticket up there. But I'm glad you've got so many people there.

And let me simply say that the State needs a Governor who does not do business as usual and someone who doesn't flinch at making the tough choices and who will go in there and shake things up for all the right reasons. And of course, Arliss, that's why I so strongly support you. And I believe that everyone there, certainly -- and I'm hopeful on Tuesday the rest of the State -- will say the same thing: that we've got the best candidates. Far and away the best gubernatorial candidate: a 25-year record as an Alaska leader, including service on every standing State senate committee in her four terms. And this kind of rich experience in business and government will serve the State well. So, get out and vote.

Ms. Sturgulewski. Thank you, Mr. President. We look forward to working with you on ANWR [Arctic National Wildlife Refuge], on some high seas driftnet fishery issues, on some military issues. And we're really delighted at your support, look forward to working with you and our congressional delegation. And good luck on the campaign trail, and I know you wish that to us.

The President. Well, I do. But listen, I'm not finished yet, Arliss. I'm just getting warmed up here. But I wanted to mention one other issue if I could: education. I mean, Ted and Frank are working hard for our Education Excellence Act; Don Young supporting it. But I really think a lot of the answer lies at the State level. And with your experience as a schoolteacher, I believe that you can champion the cause of education in Alaska, just as I'm trying to champion the cause of education in the country.

And I need your help to help us achieve what we laid out at the Governors summit. I'm talking about the goals for national educational excellence. So, that's another reason we want to see you in there. And so, please work hard, you and Jim.

And may I just say to your supporters there, you know, I get sick and tired of all these gloomy assessments that I hear on television and read about in the papers. We have a lot to be grateful for in our country, and one of the things is, individuals can make a difference. And this cynical reporting we hear about, how everybody is gloomy and down in the dumps -- I don't believe it. Alaskans have never been that way. And if you all get out and vote, you can say to yourselves on Wednesday: I made a difference. I elected Arliss and Jim, sent Don Young and Ted Stevens -- Frank's already there -- back to Congress, and elected Arliss and Jim at the State level. So, you can make a difference.

And please get to the polls and vote, and join Barbara and me in counting our blessings for this, the greatest country on the face of the Earth. Now go get 'em, Arliss.

Ms. Sturgulewski. We're delighted at your call. And believe me, people are energized, and they're working. And we are going to be successful on November 6th. But thanks for your call. It was wonderful.

The President. Best of luck. Over and out.

Note: The President spoke by telephone at 4:02 p.m. from Houston, TX. The rally was held at Ms. Sturgulewski's campaign headquarters. In his remarks, the President referred to Senators Ted Stevens and Frank H. Murkowski. A tape was not available for verification of the content of these remarks.

Remarks at a Republican Campaign Rally in Tyler, Texas

November 5, 1990

Thank you very, very much for that warm welcome back to Tyler and to Smith County. I am just delighted to be here. And of course, let me, at the very outset -- I planned to say something special about Phil Gramm. But I want to ask everybody to look at the Gramm sign there; it says it all: Common sense, uncommon courage. What a great Senator we have up there.

In case anybody is asking ``Where's George?'' -- I'm here in Smith County, working for a man that I believe in, that I've known for a long time, that will be a great Governor of this State: Clayton Williams.

I want to pay my respects to Bob Mosbacher, who's doing an outstanding job for his country -- our country -- as Secretary of Commerce. I want to thank President Ray Hawkins for permitting us to have this fantastic rally in this marvelous institution, the Tyler Junior College. And I will salute a handful of Belles right here in the front. You can't see them, but there's a bunch of marvelous people from this area that got me started in politics -- 1964. We took it on the chin then. We fought back, and I don't believe I'd be President without that grassroots support of these people and others like them across this State. So, thank you. And also thanks to the Apache Belles.

You know, when Claytie first contacted us about coming back to Tyler, he called our son, George, Jr., living over in Dallas. And he said that he wanted to appear with a popular but aging Texan who's risen to the top in his field. George said, ``Nolan Ryan is busy. Do you want to ask my dad?'' So, here we are. [Laughter]

And let me just say to her friends here, inasmuch as I've been the one elected to speak for the family, Barbara Bush is delighted to be with you. And I am very proud of the job she's doing as First Lady of this country. The trouble is about Barbara: She worked with our dog to write a best-selling book, and now you give the dog Alpo, and she wants to see the wine list. [Laughter]

But here we are on the day before this election, and I'm greatly pleased and honored to be back here in Texas, back home where Barbara and I raised our kids, in the State in which I voted in every election since 1948. And I'm proud to be here. I am a Texan, and I'm proud of it. And I know Texas quality when I see it, and that's why I want Phil Gramm and Claytie Williams elected.

And while at it, I'm pleased to support our entire Republican team: Rob Mosbacher for Lieutenant Governor; Kay Bailey Hutchinson, running for treasurer; Buster Brown for attorney

general; Warren Harding for comptroller; Wes Gilbreath for land commissioner; and Rick Perry for agriculture commissioner. We have a good, quality, across-the-board team. Please go out and elect every single one of them.

You know the story about Claytie. He's a Texas original -- Fort Stockton, born and bred -- straight-shooter who will do what needs to be done. He believes that we can help shape the Texas of tomorrow by building on the old-fashioned values that we all have grown up with. He believes in hard work, in common sense, in strength of character. And so does Texas -- the entire State.

And just another word about Phil Gramm. I watch this Senate, and I say to myself, as I fight back the liberal program: If we had more Senators like Phil Gramm, we wouldn't be talking about budget deficits, we wouldn't be talking about having to contain government spending; we could get the job done. And Phil Gramm, believe me, is a leader -- the leader; I would say, for just plain common sense in the United States Senate. I want to see him win, and I want to see him win by the biggest margin we've ever elected a Senator with. So, please do your best tomorrow.

I've listened to some of the campaign rhetoric coming out of the other side, and it's sad. It is pessimistic. It is downbeat. It is tired. And it's liberal. And we are the party with a vision for the future, the party of new ideas. And if America wants to change, I think we need a Republican Congress. And I wish we could get it now -- tomorrow -- and then watch what we can do.

I mentioned Phil standing out there for spending constraint. He supports a balanced-budget amendment, and so do I. And you know, the Democrat agenda up there, the Democrat agenda in the Senate and in the House, stifles growth. The Democrats wanted to raise taxes, including income taxes on the working families. I heard some campaign rhetoric yesterday down here about that. Well, let me tell you, they can call it soak the rich all day long; but what it really soaks is working Americans. They talked about a proposed surtax on the rich to raise a few billion dollars; but in the very same bill that passed by overwhelming Democratic votes, in the same bill, they socked it to the working American to the tune of $40 billion. So, don't listen to that tired, liberal, divide, class-warfare rhetoric about soaking the rich. Hold on to your wallets; they're after you, every single one of you.

You see, Phil has this unusual, kind of a nutty idea. He thinks that Americans are not taxed too little, but that Congress spends too much. And he's absolutely right about that. Maybe it's a little old-fashioned for some of the hotshot liberals out there, but this is exactly the way he feels -- and it's exactly the way he votes. And I tell you this: If Congress can't restrain spending, give me what 43 Governors have: Give me that line-item veto, and let the President have a shot at trying to keep the taxes down and the spending down.

I'm glad to hear Claytie say that he's against a State income tax. I think most Texans strongly

oppose that concept. I know I do. And again, if we had Claytie here in the Governor's office, I'd have somebody there that I can work with to build a better Texas.

You know, Clayton mentioned the crime proposals of his. We've got to fight crime. I can tell you that our drug czar had a good report to the Nation the other day, showing that we've turned the corner, that we're making progress in our war against drugs. But now we've got to back up those that are fighting the war with good, strong crime legislation. I believe America's fed up with crime. I hope you don't have to worry about it as much in Tyler as we do in other parts of the State and the country; but every family, wherever we are, is concerned about it. And we're fed up with it.

And we have this view -- the Republicans do -- that says the handcuffs don't belong on the cops or the courts, but the handcuffs belong on the criminals. And that's what we're trying to do in our anticrime legislation. Shortly after I took office, I stood out there before the Capitol and called on the Congress to pass tough, new laws to help America take back the streets. And it had strong support from Phil and had strong support from Ralph Hall, the Congressman here, had strong support from the Republicans in the House and the Senate. But in the final hours of the Congress, the Democratic liberals gutted our package to fight back against violent crime. And for my part, I believe we ought to have a little less sympathy for the criminals and a little more sympathy for the victims of crime.

And now, as I've been doing for the last few days, I want to ask you to shift gears with me, because I think that the subject of the Middle East that Claytie alluded to in his very generous opening remarks is on the minds of everybody. And I'd like to shift to a strictly nonpartisan mode and speak to those who perhaps have kids, young men and women, serving in Saudi Arabia. We are at a partisan political event, but I don't get the opportunity to crisscross the country as much as I have recently and the chance to talk directly to as many people. And so, let me just say that the former Senator, Arthur Vandenberg -- some of you students might remember the Vandenberg adage which said politics ends at the water's edge. And this is a noble principle. It's one that we've gotten away from in the Vietnam era, post-Vietnam era. But when we have a couple hundred thousand kids halfway across the world, the country comes together.

And let me just tell you that I am very grateful to the Democratic leaders and the Republican leaders in both the House and the Senate, the Democratic Members and the Republican leaders in both the House and the Senate, for the strong support that they have given the President and the administration as we try to cope with this unprecedented aggression.

Let me be clear: We have no argument with the people of Iraq. We bear no hostility to the Iraqi people at all, nor do any of the over 25 countries represented on land and sea in the Gulf area. We put together a fantastic, historic coalition of nations, large and small, Arab and others, all from across the entire spectrum. They're together, and they're holding strong. But our problem is not then with the people of Iraq; our problem is with Saddam Hussein alone.

And I want to see a peaceful resolution to this crisis. Indeed, we've worked very closely, as you know, with the United Nations -- rejuvenated United Nations, putting 10 resolutions into effect, resolutions that have the support of China and the Soviet Union as well as Western Europe, passing resolutions and speaking with one voice against Iraq's aggression. And I will give these sanctions -- unprecedented economic sanctions -- I will give these sanctions time to work. And I hope and pray that there never will be a shot fired in anger.

Let me be very, very clear: There will be no compromise on the stated objectives of the United Nations Security Council resolutions, no compromise at all, because the brutality against innocent civilians is unacceptable in terms of international law and international behavior. And the naked aggression where a big country bullies its neighbor and takes it over is against everything we believe in this country. And that aggression will not stand. So, I will do my level-best, work my heart out, hold out my hand in every way possible; but we will stop short of making one single concession because aggression that goes rewarded today will be much worse tomorrow. That's the problem, and that's why I will stand strong against the aggression of Saddam Hussein.

You know, I know I'm speaking to parents and to brothers and to sisters and to friends. But let me tell you what the Joint Chiefs tell me. They tell me that we have never had finer young men and women in uniform than we do today -- every one a volunteer, fully trained, highly motivated, the best young kids in the world. And they're now halfway across the globe, and they're standing ready there in the sand and the heat of the desert sun. And we have a lot to be thankful for in this country, and Barbara and I are looking forward very much to being with them on Thanksgiving Day and bringing with them your thanks for their service to the greatest, freest country on the face of the Earth.

You know, a lot of them have filled out absentee ballots, and they're sending them in. And that brings me back now to a slightly more partisan mode. There's a lesson, though, in that -- a lesson that -- in the love of liberty and the precious freedom that gives America its meaning. So, tomorrow I urge all Texans -- all Texans, regardless of how you're going to vote -- to get out there and vote; and do not take democracy for granted.

You know, tomorrow's vote is critical, and so, my message to you all is this: You have a chance to make a difference. The cynics, these Washington pundits that we see on these tiring shows all the time -- I don't know if you're like I am; maybe you enjoy those things, but I can take only so much self-flagellation. [Laughter] And I see all these great inside-the-beltway experts telling us everything that's wrong with the United States. And tomorrow, you can go to the polls and say what's right about it, because we've got a great candidate for Governor and we've got a great United States Senator and we have quality men and women willing to serve. Don't tell me what's wrong with this country; show us what's right about it. Get out and do your civic duty.

And thank you, and God bless you all.

Note: President Bush spoke at 11:30 a.m. in the gymnasium at Tyler Junior College. In his remarks, he referred to the Apache Belles, the college's drill team; Nolan Ryan, pitcher for the Texas Rangers baseball team; William J. Bennett, Director of National Drug Control Policy; and President Saddam Hussein of Iraq.

Remarks at a Republican Campaign Rally in Waco, Texas

November 5, 1990

The President. Hugh, thank you for that wonderful introduction, and all of you for that welcome back. And Barbara and I are very, very pleased to be here on this, the last campaigning day before we go to the polls tomorrow. And I say ``we'' because I have voted in every even-year election since 1948. And I don't believe we have ever had a finer young man running for the United States Congress from this district than we do in Hugh Shine. And we've never had a better statewide ticket than we've got. We have a first-class team running to win, and we need your support tomorrow -- need you to get your neighbors and your friends to the polls.

I'm a little sorry we're late. Claytie and I both set off the metal detectors with our silver feet. [Laughter] No, I'll never forget that Democratic Convention two -- --

Audience members. Where's Ann? [Laughter]

The President. Well, I remember [Senator] Teddy Kennedy, that bastion of democracy, you know -- [laughter] -- saying, ``Where's George?''

Right here, right here in Waco, supporting the best ticket we have ever had: Clayton Williams, my dear friend; my dear friend, our Congressman Hugh Shine. And of course, we've got the best United States Senator in Washington in Phil Gramm. Now, get out and get this job done.

Hey, listen, it's nice to be back here, I'll tell you. First, I want to thank the Midway High School Band. Where are they? Right over there.

A word about Phil. Who had that Phil Gramm sign right over here? I want to see that thing now. It says it best. Take a look at it: Common sense, uncommon courage. This man is a man of courage. Took his case to the people, and everybody was saying: Oh, don't do that. There's a safer way to win. Went in, regained his seat as a Republican in the House. Ran with a spectacular successful race for the Senate. And now stands to be the largest vote-getter we've ever had. Tomorrow, please remember to get out that vote.

And he's got the respect in the Senate, and he did it the old-fashioned way: He earned it, because he does his homework, and he knows a lot more about it than most Members of the United States Senate. And when I say ``it,'' I mean how you solve the economy of this country the way we Texans want: fewer taxes and less spending. And he has been a champion of that his whole career.

And that brings me to one of our newest and brightest stars across this country, Hugh Shine -- a strong, proven conservative. And he is born and bred in Texas. He's a veteran, a successful businessman -- and what a wonderful family he has; Deb, we're so proud of that great family of yours -- a man of conviction, a public servant with integrity, and a leader with enormous potential. You deserve this kind of man in the United States Congress. Please send Hugh up to Washington to help us on our agenda.

And as to the other star of the occasion, my friend of long standing, Clayton Williams. I am here not to oppose somebody; I am here because I am for him. I know what he can do as Governor. As we look at the plans for the future and how we fulfill our education goals, for example, I want somebody in the statehouse with whom I can continue to work -- work compatibly, work on the same philosophical approach and solve the problems of Texas without a lot of further mandates from Washington, DC. And Clayton Williams is that kind of a man.

You see, there's a common theme here. Take, for example, the economy. Unlike the party that only wants to regulate and control, we're the party that wants to innovate. We want a growth agenda, and that means expanding economic opportunities for working men and women. As successful businessmen like you and Clayton Williams know how it's done, because they've done it themselves.

We've got some other good ones, businesspeople like Rob Mosbacher running for Lieutenant Governor. And I'm very proud that his dad is with us today -- coming out of business himself, doing a great job as our Secretary of Commerce for the entire country.

But American men and women deserve -- the working ones -- deserve an economy where they can create and prosper. And that's why these three with us here want to encourage enterprise of every kind, for every Texan, from Houston to El Paso and from the Panhandle to Brownsville. And that's why in the budget negotiations, we worked so hard to create incentives to make America less dependent on foreign oil. That means jobs, and it means jobs in Texas. And I'm glad we got that done.

And we have another common theme here. We Republicans do not waver in our support of a strong national defense. For 10 years, we've fought firmly against liberal attempts to slash defense. In this recent agreement, defense took some cuts; but I can certify to the American people that, because of people like Phil Gramm in the Congress, we were able to hold the line on reasonable levels of defense spending so that I can guarantee that nobody is going to kick the United States of America around. We have a strong defense, the best in the world, and we're going to keep it that way.

You know, it is a fascinating time to be privileged to be President of the United States. Democracy has finally dawned in Eastern Europe, after a cold, dark night of 45 years. And now we bear wondrous witness to a tidal change in the currents of history. And we see America and

the Soviet Union working together now to stand against aggression. And there's a reason that we're able to stand strong against aggression in the Persian Gulf: It's because we are determined that our nation's defense be nothing less than the very best. We are credible in the eyes of the entire world.

There's an old saying about defense: that when there's trouble you don't have time to go shopping. Technology doesn't happen overnight, and most defense systems take a decade or more to move from the drawing board to development and then deployment. America's strong defense is made possible by decisions made years earlier, decisions made by Republican leadership. Ask Hugh. He's a veteran, still serving with the Reserves. And with leaders and dedicated people like that in the Congress, America will always stand strong. That is the first responsibility of a President. And I'll be delighted to be working with Hugh towards that end.

There are many, many other issues where we are on the offense. We've got a new clean air bill now. We've done something, finally, for the disabled in a progressive piece of legislation that I think is long overdue: the Americans with Disabilities Act. Some good things are happening up in Washington, but I've come to the hometown of the Texas Rangers -- one of the oldest law enforcement organizations in America -- to say this: We want change; Republicans want change.

And I sent tough anticrime legislation up to Capitol Hill 1 year and a half ago, and new laws to let the police and the prosecutors take violent criminals off the streets and put them away. But in the final hours of this liberal, Democrat-controlled Congress, they gutted out legislation in a back room, late at night. Well, I am not going to stop fighting for strong anticrime legislation. The liberals hate it, but America's people want it. And I need more people like Phil Gramm, and I need Hugh Shine to help me get the job done for every family in America. We believe it's high time to have a little more sympathy for the victims of crime and a little less for the criminals themselves.

And so, we need compatible government, government in Austin that's going to work with us for these national anticrime objectives, government in Austin that's going to help us on our National Drug Strategy to combat narcotics coming into every school in the United States.

And incidentally, we're making some progress on that, thank heavens. The country's finally come together behind our national drug strategy. And I can report to you, we've turned the corner. We are going to whip the battle of narcotics. We're going to win it, and we're going to then turn to the future and see what we can do to help those who have been wasted by this terrible peril of drugs.

You know, I want to just end this way. I won't talk to you at length about Iraq, but I know everybody's interested in it. And I have a rare opportunity to talk to a lot of people in the last few days. So, I've tried to make very clear that we have a difference here in many of these domestic issues, clear differences in all of them -- but when it comes to the situation in Iraq, the country is

united. We're getting strong support from Democrats and Republicans alike in the Congress. The leadership on the Democratic side has been supportive. And so, I ask you now to shift to a nonpartisan basis as I mention just a couple of points.

In the first place, we are in the Gulf not alone but along with 23 countries. Some of them are Arab countries. Some of them are large countries. Some of them are small countries. But we are united in one thing: Saddam Hussein's aggression against Kuwait will not stand. And to the cynics outside who might say we have no business there, I say that unchecked and uncontrolled aggression could be world war tomorrow. And therefore, we will check this aggression. I want the solution to be peaceful. I will give the sanctions all the time that's required to see if they work. But we will not compromise on the principle that one nation cannot bully its neighbor and take it over in contravention of international law.

I think of this part of Texas as extraordinarily patriotic. I think of this part of Texas as committed to those who are serving our country. And let me tell you, every single member of the Joint Chiefs has told me that we have never had finer, more courageous young men and women serving in our Armed Forces than we do today -- best trained, best motivated, best committed to the cause that is our cause.

And so, in a few weeks, Barbara and I will sit down to a Thanksgiving dinner over there. And I wouldn't dare to speak for everybody in this room; but I expect we're unanimous when I say I will take them the thanks of the very grateful people of Waco, Texas, and the surrounding areas because we owe them everything.

So, now get to the polls. We Bushes have enjoyed this. This is my first trip here for Hugh. Our son George has been here. The Silver Fox over here has been here a time or two. She's right -- 250 million other parents and one husband all feel the same way about it.

Listen, tomorrow is a big day. I get so tired of people saying they can't make a difference. There's a great kind of malaise in terms of the feeling about the political process. You wouldn't be here if you didn't know different. You know you can make a difference. Don't listen to those mournful pundits that come on before every election telling us how bad everything is in this, the greatest country on the face of the Earth. You can make a difference. You can do something positive. You can go out and reelect Phil Gramm by the biggest vote ever. You can send us a Governor I can work with: Claytie Williams. And you can send a bright new star to Washington in Hugh Shine. Now go get the job done.

Thank you.

Note: President Bush spoke at 2:53 p.m. in McLennan Hall at the Waco Convention Center. In his remarks, he referred to President Saddam Hussein of Iraq. Audience members referred to Ann Richards, the Democratic gubernatorial candidate.

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991

November 5, 1990

Today I signed H.R. 5158, the ``Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991."

This Act meets the needs of our Nation's veterans. The Act provides $12.3 billion for VA Medical Care, an increase of $0.9 billion over the 1990 enacted level. This increase will allow the Department to provide quality care to all eligible veterans expected to apply on a system-wide basis.

I am pleased that NASA was provided nearly a 13.5 percent increase over its fiscal year 1990 budget. While I am disappointed that the Congress would not provide the small amount of funding requested for technology development to enable future manned missions to the Moon and Mars, I am pleased that the Congress recognized the inevitability of human space exploration. NASA has the flexibility to reprogram funds to continue current in-house mission studies and synthesis activities. The human exploration of space is our destiny -- we must continue to move forward.

I am greatly concerned over the significant budget reduction in the Space Station Freedom (SSF) program. SSF remains, for me, a high priority. However, I am instructing NASA to reassess its current design and try to restructure a development effort within the funding envelope recommended by the Congress. The revised program will seek to achieve a permanently manned presence, to maintain a balance among science objectives, and to preserve our commitments to our international partners and to other users.

I am equally concerned that this Act did not fund the HOPE initiative, which would enable low-income persons to take control of their lives through homeownership. We must use available Federal housing funds more effectively to provide opportunity and hope for low-income Americans. I am also disappointed that the Congress has chosen to impose new restrictions on the ability of the Secretary of Housing and Urban Development to manage his Department. It would be much better for the Congress to work cooperatively with the Administration to overcome previous HUD management problems.

I am also disappointed that the Congress failed to provide an adequate increase for the research activities of the National Science Foundation. Support for basic research, particularly individual researchers, underlies the Nation's long-term economic growth. The reductions made by the Congress are regrettable and will certainly contribute to the decline in support for individual

investigators.

The Congress has an especially difficult task balancing the competing priorities funded in this diverse Act with the resources available. I appreciate their efforts. We will continue to work with the Congress to seek solutions for the deficiencies I have noted.

George Bush

The White House,

November 5, 1990.

Note: H.R. 5158, approved November 5, was assigned Public Law No. 101 - 507.

Statement on Signing the Omnibus Budget Reconciliation Act of 1990

November 5, 1990

Today I am signing H.R. 5835, the ``Omnibus Budget Reconciliation Act of 1990,'' the centerpiece of the largest deficit reduction package in history and an important measure for ensuring America's long-term economic growth. This Act is the result of long, hard work by the Administration and the Congress. No one got everything he or she wanted, but the end product is a compromise that merits enactment.

H.R. 5835, and the discretionary spending caps associated with it, will achieve nearly $500 billion -- almost half a trillion dollars -- in deficit reduction over the next 5 years. Over 70 percent of that deficit reduction derives from outlay reductions; less than 30 percent from revenue increases. In addition, the Act enacts significant budget process reforms to ensure that the agreement is fulfilled and that budgetary discipline is extended and strengthened.

Entitlement Reforms. The Act provides for the most comprehensive and substantial reform of mandatory ``entitlement'' programs ever -- about $100 billion in savings from restructuring and reforms in the following major programs:

Farm programs;

Federal housing programs;

Student loan programs;

Veterans programs;

Postal subsidies;

Federal employee benefits; and

Medicare.

Discretionary Program Caps. The Act establishes 5-year caps on overall discretionary spending that will result in savings of over $180 billion. To keep domestic and international spending from growing any faster than inflation, the Act creates new automatic ``mini-sequesters.'' The Act also provides for an orderly defense reduction without threatening national security.

Energy Security. The Act provides incentives for energy conservation and for exploration and

development of domestic energy resources.

Social Security. Social Security is fully protected and taken off-budget.

Enforcement and Process Reform. The Act contains the toughest enforcement system ever. The Gramm-Rudman-Hollings sequester process is extended and strengthened with caps, mini-sequesters, and a new ``pay-as-you-go'' system.

Credit Reform. The Act implements a new Federal accounting and budgeting system to expose and limit previously hidden (and rapidly growing) liabilities.

Tax Changes. The Act includes a tax rate cut from 33 percent to 31 percent for about 3.5 million middle and upper-middle income taxpayers and an overall decrease in taxes paid by those with incomes under $20,000. There are higher excise taxes on luxury items and limitations on itemized deductions and the personal exemption for higher income taxpayers. The total net tax changes comprise 28 percent of the deficit reduction package.

This Act creates the conditions that should allow future interest rates to be lower than they would be otherwise. Lower interest rates can benefit the entire economy. They can mean more housing starts; more Americans driving new cars; reductions in mortgage payments for homeowners; more long-term investment; greater productivity; and increased numbers of jobs.

In signing this landmark Act, I pledge the continuing best efforts of my Administration to maintain not only the letter, but the spirit of the new fiscal order for the Federal Government that is embodied in this agreement.

H.R. 5835 also contains Child care provisions, strongly supported by this Administration, that will enlarge the opportunities of parents to obtain the child care they desire, including care that is provided by sectarian institutions if the parents so choose. The largest portion of this new child care program will come from tax credits to people -- as requested by the Administration. In addition, a Child Care and Development Block Grant program includes provisions for the issuance of child care certificates or vouchers that would enable parents to exercise their own judgment as to what type of child care best suits the particular needs of their own child.

I note my understanding of these child care provisions and sign the bill based on that understanding, as follows:

First, I understand that the definition of child care certificates in section 658P(2) ensures that States may not restrict parental choice by limiting the range of providers from whom parents may seek child care, using certificates as payment, and that such certificates shall not be considered to be grants or contracts.

Second, section 658N(a)(1)(B) specifically permits sectarian organizations that are child care providers to require that all of their employees adhere to the religious tenets and teachings of the organization and comply with rules forbidding the use of drugs or alcohol. As I understand it, the term ``sectarian organization'' in this provision includes religious organizations generally.

Third, as used in sections 658N(a)(2)(B) and 658N(a)(3)(B), the term ``organization'' means not only the particular provider but also a broader association with which that provider may be identified.

Finally, all of the provisions of the Child Care and Development Block Grant program will be interpreted in light of the requirements of the establishment and free exercise clauses of the First Amendment.

I would also note certain constitutional difficulties in other titles of the Omnibus Budget Reconciliation Act. In particular, section 4117 of the Act requires the Secretary of Health and Human Services, in certain conditions, to treat the States of Nebraska and Oklahoma as single fee schedule areas for purposes of determining the adjusted historical payment basis and the fee schedule amount for physicians' services furnished on or after January 1, 1992. Such treatment is made to depend on the Secretary's receiving written expressions of support for treatment of the State as a single fee schedule area from each member of the congressional delegation from the State and from organizations representing urban and rural physicians in the State. This provision requires the Secretary to base a substantive decision on the allocation of Federal benefits on the statements of members of congressional delegations and other persons who are not appointed by the President. Therefore, it must be understood either (1) as an attempt to vest significant authority to execute Federal law in those persons, in which case it violates the Appointments Clause, Article II, section 2; see Buckley v. Valeo, 424 U.S. 1 (1975); or (2) as an attempt to confer lawmaking power on individual members of the Congress and others, in which case it violates Article I, section 7; see INS v. Chadha, 462 U.S. 919 (1983). Accordingly, this requirement is without legal force, and I am so instructing the Secretary of Health and Human Services. I am also instructing the Attorney General and the Secretary of Health and Human Services to prepare remedial legislation to amend this section for submission to the next session of the Congress, so that the Act can be brought into compliance with the Constitution's requirements.

Further, the Constitution empowers the President to ``recommend to [Congress] such Measures as he shall judge necessary and expedient.'' U.S. Const. Art. II, Sec. 3. Several sections of the Act raise constitutional difficulties by appearing or purporting to impose requirements that the executive branch submit legislative proposals of a predetermined kind. The executive branch has consistently treated provisions of this type as advisory rather than as mandatory, and to avoid a constitutional question will so construe the provisions at issue here.

George Bush

The White House,

November 5, 1990.

Note: H.R. 5835, approved November 5, was assigned Public Law No. 101 - 508.

Statement on Signing the Treasury, Postal Service and General Government Appropriations Act, 1991

November 5, 1990

Today, I have signed into law H.R. 5241, the ``Treasury, Postal Service and General Government Appropriations Act, 1991." This Act provides appropriations for a number of critical programs under the Department of the Treasury, the General Services Administration, the Office of Personnel Management, the Executive Office of the President, and several other independent agencies. Funding for these central management agencies is essential to carry out the primary financial and administrative functions of the Federal Government.

I want to take this opportunity to thank the Congress for addressing objections raised by the Administration concerning provisions that purported to forbid the implementation or enforcement of certain nondisclosure agreements required of Government employees with access to classified information. These provisions, which were first enacted in the omnibus continuing resolution for fiscal year 1988 (Public Law No. 100 - 202), raised profound constitutional concerns and resulted in lengthy litigation. Section 617 of H.R. 5241 accommodates the concerns of the executive branch, provided that it is not construed in a manner that interferes with my constitutional authority to protect national security information. In this connection, I note that nothing in section 617 purports to interfere with the authority of executive branch agencies to implement and enforce the prepublication review clause included in many of their nondisclosure forms.

Finally, I note that the provisions of H.R. 5241 authorizing appropriations for the Office of Management and Budget forbid the expenditure of those funds ``for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.)." These restrictions raise constitutional concerns because they impair my ability as President to supervise the executive branch.

George Bush

The White House,

November 5, 1990.

Note: H.R. 5241, approved November 5, was assigned Public Law No. 101 - 509.

Statement on Signing the National Defense Authorization Act for Fiscal Year 1991

November 5, 1990

Today I have signed into law H.R. 4739, the ``National Defense Authorization Act for Fiscal Year 1991." This Act authorizes appropriations for Department of Defense and Department of Energy national security activities and extends and amends other programs. This Act, which reflects most of the Administration's major defense priorities, will provide for a strong national defense during fiscal year 1991.

I have signed this Act notwithstanding the reservations that I have regarding certain of its provisions. I am particularly concerned about those provisions that derogate from the President's authority under the Constitution to conduct U.S. foreign policy, including negotiations with other countries. One such provision is section 1455, which purports to require the President to begin negotiations with Japan on an agreement under which Japan would offset U.S. costs associated with the presence of our military personnel in Japan. Another is section 1702, which could be construed as requiring the Secretary of State to negotiate with foreign countries regarding restricting the export of certain goods and technology. A third is section 2802, which purports to require the President to seek to place certain questions concerning basing of the 401st Tactical Fighter Wing on the agenda of the next meeting of NATO's North Atlantic Council. Consistent with my responsibility under the Constitution for the conduct of negotiations, I will construe all these provisions to be precatory rather than mandatory.

I am concerned, as well, about certain provisions regarding the Strategic Defense Initiative. The earmarking of funds, in combination with a funding level that is $1.8 billion below the amount requested, unduly restricts the flexibility necessary for sound management and virtually guarantees that funds will be redirected away from the most promising technologies. I note also that section 221 contains criteria for conducting Strategic Defense Initiative research and development that might be construed as a constraint on the President's authority to interpret treaties. I sign this Act with the understanding that the Congress did not intend that obligation of funds for the ground-based interceptors and sensor identified in the conference report on H.R. 4739 be dependent on a determination at this time that these systems are deployable under the ABM Treaty.

Several provisions might be construed to impinge on the President's authority as Commander in Chief and as the head of the executive branch. Thus, section 1455 purports to impose a limit on the number of military personnel stationed in Japan, and section 406 purports to do the same with respect to military personnel stationed in Europe. Section 1455 permits a waiver of the limit should I determine that the national security requires it and I so notify the Congress. Section 406 permits a waiver under similar conditions, but limits the number of additional personnel that may be assigned. I shall construe these provisions consistent with my authority to deploy

military personnel as necessary to fulfill my constitutional responsibilities.

A number of provisions regarding the reserve forces are of concern. Section 903 purports to require assignment of all Army Reserve operational forces to U.S. Forces Command, with no specific provisions for the Secretary of Defense to direct other assignments, including those assignments already made to unified or specified commands. Sections 1436 to 1438 establish certain standards for the allocation of aircraft to Naval Reserve, Air Force Reserve and Air National Guard units, as well as requiring assignment of the tactical airlift mission to the Air Force Reserve and Air National Guard. I shall construe these provisions consistent with my authority as Commander in Chief to deploy the Armed Forces as I see fit.

Although this Act eliminates a large number of reports to the Congress, it still imposes on the Department of Defense reporting requirements that are an unnecessary burden on its resources. In addition, certain reporting provisions raise national security concerns. Sections 1461 and 1482 purport to require prior notice to the Congress regarding initiation of, or classification changes in, special access programs. I shall construe these provisions consistent with my constitutional authority to protect sensitive national security information.

In addition, section 1409(a) refers to a classified annex that was prepared to accompany the conference report on this Act and states that the annex ``shall have the force and effect of law as if enacted into law." The Congress has thus stated in the statute that the annex has not been enacted into law, but it nonetheless urges that the annex be treated as if it were law. I will certainly take into account the Congress' wishes in this regard, but will do so mindful of the fact that, according to the terms of the statute, the provisions of the annex are not law.

The Constitution empowers the President to ``recommend to [Congress] such Measures as he shall judge necessary and expedient." U.S. Const. Art. II, Sec. 3. Section 1009 raises constitutional difficulties by purporting to require the submission of a report on Andean anti-drug efforts that includes specific legislative proposals. The executive branch has consistently treated provisions of this type as advisory rather than mandatory, and to avoid a constitutional question will so construe this provision.

Finally, I am concerned that several provisions of the Act that deal with the management of real property, especially in the area of rental space and specified disposals, circumvent the provisions of, or regulations related to, the Federal Property and Administrative Services Act of 1949. Generally, effective and efficient management of such real property matters is best accomplished in accordance with the Property Act.

George Bush

The White House,

November 5, 1990.

Note: H.R. 4739, approved November 5, was assigned Public Law No. 101 - 510.

Statement on Signing the Department of Defense Appropriations Act, 1991

November 5, 1990

Today, I have signed H.R. 5803, the Department of Defense appropriations bill for fiscal year 1991.

This bill is generally supportive of Administration objectives and provides resources that will permit us to maintain a strong national defense.

I am concerned about requirements that could be construed to derogate from the President's authority under the Constitution to conduct United States foreign policy, including negotiations with other countries. Consistent with my responsibility under the Constitution for the conduct of negotiations, I will construe such requirements to be precatory rather than mandatory.

I note my construction of one provision of the bill. Section 8111(a) refers to a classified annex that was prepared to accompany the conference report on this bill and states that the annex ``shall have the force and effect of law as if enacted into law.'' Congress has thus stated in the statute that the annex has not been enacted into law, but it nonetheless urges that the annex be treated as if it were law. I will certainly take into account Congress' wishes in this regard, but will do so mindful of the fact that, according to the terms of the statute, the provisions of the annex are not law.

George Bush

The White House,

November 5, 1990.

Note: H.R. 5803, approved November 5, was assigned Public Law No. 101 - 511.

Statement on Signing the Department of the Interior and Related Agencies Appropriations Act, 1991

November 5, 1990

Today I signed H.R. 5769, the ``Department of the Interior and Related Agencies Appropriations Act, 1991."

I am pleased that the Act includes funding for many programs important to the environment. In particular, the Act includes funds to expand our national parks, forests, and wildlife refuges, as I recommended in my budget. Many nationally significant natural and cultural resources will be protected by these appropriations. Furthermore, the Act provides funds for the commencement of my tree-planting program and the start-up of the National Tree Trust Foundation. I commend the Congress for these actions.

I have serious reservations with four provisions in this Act: those dealing with restrictions on the reorganization of the Bureau of Indian Affairs (BIA); those dealing with a permanent extension of coverage of the Federal Tort Claims Act to Indian Tribes, tribal organizations, tribal contractors, and their employees; those dealing with unconstitutional committee approval requirements; and those dealing with restrictions on preleasing, leasing, and drilling activities in the Outer Continental Shelf (OCS).

The Department of the Interior will be restricted by the Act from taking certain actions relating to a BIA reorganization. The United States has a long-standing duty to execute the Federal trust responsibility for the natural and financial resources we hold in trust for American Indian Tribes and their members. In 1789, the very first Congress assembled under the new Constitution declared, in ratifying the Northwest Ordinance of 1787, ``The utmost good faith shall always be observed towards Indians." Over the years, the courts have repeatedly made it clear that Federal officials have an obligation of the highest responsibility and trust toward American Indians and their property. The courts have measured Federal performances of our Indian duties by the most exacting fiduciary standards.

I am committed to good-faith fulfillment of our obligations to Indian Tribes and their members. I look to the Secretary of the Interior as the officer responsible for fulfilling the Federal Indian trust responsibility. The Secretary is in the midst of addressing organizational changes to better fulfill that responsibility and to improve service to the Indian people generally. He is addressing some of the issues that have been the most crucial and admittedly difficult in Indian affairs. The Congress has now chosen to block this good-faith effort by the Secretary, even as he is continuing discussions with the Indian people on his improvements. I view this intervention in performance of the trustee's duties to be unfortunate and unwise.

The Act includes permanent substantive legislation with respect to the Federal Tort Claims Act that is both fiscally irresponsible and also will undermine our efforts to foster the independence and autonomy of Indian Tribes and tribal organizations.

The Act provides that Indian Tribes, tribal organizations, and Indian contractors and their employees shall be considered employees of the United States with respect to claims arising from contracts, grants, and cooperative agreements authorized by the Indian Self-Determination and Education Assistance Act and the Tribally Controlled School Grants of the Hawkins-Stafford Elementary and Secondary School Improvement Amendments of 1988. The effect of this provision would be to make the United States permanently liable for the torts of Indian Tribes, tribal organizations, and contractors. This provision is fundamentally flawed because the United States does not control and supervise the day-to-day operations of the tribes, tribal organizations, and contractors. Moreover, such control and supervision would be inappropriate and inconsistent with the relationship of the United States with the tribes.

I have supported legislation to foster the independence and autonomy of Indian Tribes and tribal organizations. Hence, supervision and control over tribes and their organizations and contractors would be wholly unacceptable. Without that supervision and control over daily activities, the United States has no opportunity to limit the risks of grave injury to persons, as well as the public fisc. The extension of governmental responsibility for private conduct under these circumstances is untenable.

Our objections to this provision are fundamental and unequivocal. We will work with the new Congress to address the underlying concerns and to repeal this provision at the first opportunity.

Several provisions of H.R. 5769 purport to condition my authority, and the authority of affected executive branch officials, to use funds otherwise appropriated by the Act on the approval of various committees of the House of Representatives and the Senate. These provisions constitute legislative veto devices of the kind declared unconstitutional in INS v. Chadha, 462 U.S. 919 (1983). Accordingly, I will treat them as having no legal force or effect in this or any other legislation in which they appear. I direct agencies confronted with these devices to consult with the Attorney General to determine whether the grant of authority in question is severable from the unconstitutional condition. See Alaska Airlines, Inc. v. Brock, 480 U.S. 678, 684 - 87 (1987).

Section 121 of the General Provisions applicable to the Department of the Interior, which requires the National Park Service to submit questions regarding valuation of certain mining claims to an independent panel of three arbitrators, raises constitutional concerns. Section 121(d) purports to require the National Park Service to make an offer to the claimant ``to purchase said claim for the appraised value." The process of determining the amount of money which the government will offer in exchange for a claim is an exercise of significant authority, which must be undertaken by an Officer of the United States, appointed in accordance with the

Appointments Clause, Article II, sec. 2, cl. 2, of the Constitution. Appraisers selected pursuant to Section 121, however, must be appointed in accordance with the procedures of the American Arbitration Association. I instruct the Secretary of the Interior to consult with the Attorney General concerning the appropriate response to Section 121 of H.R. 5769.

I also regret that the Congress continued 1-year legislative moratoria on preleasing, leasing, and drilling in certain areas of the Outer Continental Shelf. My June 26th decisions to forego such activities in many areas of the OCS made these legislative moratoria unnecessary.

Notwithstanding these reservations, I have signed the bill because its benefits -- particularly the treatment of many environmental, conservation, and energy-related issues important to the Nation -- outweigh my reservations.

George Bush

The White House,

November 5, 1990.

Note: H.R. 5769, approved November 5, was assigned Public Law No. 101 - 512.

Statement on Signing the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991

November 5, 1990

Today I have signed H.R. 5114, the ``Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991." The Act contains many important provisions that the Administration supports. I am especially pleased that the Congress has recognized the critical importance of the issue of Egypt's military debt, and included provisions that will allow me to address this issue in a manner consistent with the national security interests of the United States. Congressional recognition of the unique Egyptian contribution in galvanizing international support against Iraqi aggression is in accord with the finest traditions of bipartisan cooperation.

I am also appreciative that the Congress has included several provisions that will increase my flexibility in conducting foreign policy. These include provisions that will afford substantial latitude in providing assistance to Eastern Europe and that will allow me to respond more quickly to new and changing developments around the world.

There are, however, a number of troublesome provisions in the Act. Of greatest concern is section 531, regarding assistance to El Salvador. Despite the important changes made to this provision in conference, I remain concerned that the structure and wording of section 531 could complicate our efforts to achieve a satisfactory settlement in El Salvador between the democratically elected government and the Farabundo Marti National Liberation Front (FMLN).

I am concerned that the Congress has included a variety of specific provisions that could be counterproductive in carrying out our foreign relations. These provisions include conditions on assistance for Cambodia, the limiting of military assistance to Turkey below the level that I requested, and the prohibition on international military education and training for Malaysia as well as other countries.

Similarly, I must note my concern about a number of provisions that raise constitutional issues. Among these are provisions that purport to direct, or forbid, negotiations with foreign governments or entities; that require the executive branch to disclose current negotiations or present specific positions to international organizations; or that mandate representatives of certain executive branch agencies to be assigned to certain countries. In keeping with past practice, I shall treat such provisions as advisory rather than mandatory. Moreover, I retain the same concerns about section 569, prohibiting certain dealings with foreign governments, that I expressed in signing last year's appropriations Act. In the case of section 562A, which calls for the Administrator of the Agency for International Development (``AID") to conduct an on-site assessment ``along the Thai-Cambodian border and within Cambodia, including Phnom Penh," I

will interpret the provision so as to avoid constitutional problems. Because I have no objection to sending an AID team to certain areas along the Thai-Cambodian border, and from there that team can gather information about conditions along the border and in Cambodia itself, section 562A can be satisfied consistent with the exercise of my constitutional authority.

Despite my serious concerns about certain of its provisions, I believe that it is necessary to sign this Act in order to move forward with the job of conducting U.S. foreign policy.

George Bush

The White House,

November 5, 1990.

Note: H.R. 5114, approved November 5, was assigned Public Law No. 101 - 513.

Statement on Signing the Energy and Water Development Appropriations Act, 1991

November 5, 1990

Today I signed H.R. 5019, the ``Energy and Water Development Appropriations Act, 1991." I am concerned about the reduced funding provided for the Superconducting Super Collider and basic research programs. These reductions are especially unfortunate because they were used to finance large numbers of economically unjustified water projects in the Corps of Engineers and the Bureau of Reclamation.

I do recognize that the Congress kept the funding contained in this Act at a level consistent with the Budget Summit Agreement. It is my hope that one of the features of the caps in the agreement is that it will force a competition for limited funds based on merit. I will be asking the Congress in future budgets for funding based on national priorities rather than narrow interests.

In this regard, I am deeply concerned that the Congress has chosen to reduce programs in scientific research while protecting $170 million of funds earmarked by the Congress for special interest projects. Nowhere is our responsibility to apply Federal funds to our highest national priorities more crucial than in the area of scientific research. Research projects should be selected after competitive evaluation on the basis of merit and research priorities, not on the basis of parochial interest.

Sound public works projects form an important part of our Nation's infrastructure. They should be funded in a manner that minimizes total project costs and fulfills our commitments to nonfederal cost-sharing partners for orderly project development. A number of the Act's provisions and projects relating to the Army Corps of Engineers depart from this principle and concern me deeply.

-- First, many of the dollars are for low-priority projects that are not in the national interest.

-- Second, this Act provides Federal funding for work that in the past has been the responsibility of the local sponsor or property owner.

-- Third, I am concerned that this Act initiates work that the Corps may not be able to finish due to the budget constraints agreed to by this Administration and the Congress for FY 1992 and beyond. I am, therefore, advising the Congress that continued funding of many of these projects may not be accommodated in future budgets.

It is clear that the Congress intends to continue funding construction on some elements of the Garrison Diversion project. However, as recognized by the House, the irrigation features remain

a major concern. A task force under the auspices of the Secretary of the Interior has been reviewing possible alternatives. The task force recommendations reinforce Administration policy to not support Federal funding for the completion of irrigation facilities or related principal water supply works. The Administration will consider funding for other features of the project, consistent with budgetary constraints.

Sections 506 and 510 of the Act also raise serious concerns. Section 506 of the Act provides that none of the funds appropriated by H.R. 5019 or any other legislation may be used to conduct studies concerning ``the possibility of changing from the currently required `at cost' to a `market rate' or any other noncost-based method for the pricing of hydroelectric power'' by Federal power authorities. Article II, Section 3 of the Constitution grants the President authority to recommend to the Congress any legislative measures considered ``necessary and expedient.'' Accordingly, in keeping with the well-settled obligation to construe ambiguous statutory provisions to avoid constitutional questions, I will interpret section 506 so as not to infringe on the Executive's authority to conduct studies that might assist in the evaluation and preparation of such measures.

Section 510 of the Act prohibits the use of appropriated funds to change certain employment levels determined by the Administrators of the Federal Power Marketing Administrations. This provision must be interpreted in light of my constitutional responsibility, as head of the unitary executive branch, to supervise my subordinates. I note in this regard that section 510 does not purport to interfere with my authority, insofar as the Administrators of the Federal Power Marketing Administrations are subject to my direction and control, to direct them to establish and maintain certain employment levels. Rather, it only circumscribes the ability of other executive branch officials to alter such levels once they have been set in a manner satisfactory to me.

George Bush

The White House,

November 5, 1990.

Note: H.R. 5019, approved November 5, was assigned Public Law No. 101 - 514.

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1991

November 5, 1990

Today I have signed into law H.R. 5021, the ``Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1991."

In signing this Act, I note that the Act creates a three-member Central European Small Enterprise Development Commission, which will formulate and contract for a 3-year management and technical assistance demonstration program in Central Europe. Because this constitutes the exercise of significant authority pursuant to the laws of the United States, the members of the Commission must be appointed in conformity with the provisions of the Appointments Clause. U.S. Const. Art. II, sec. 2, cl. 2. Thus, although the Act is silent as to the manner of appointment of these individuals, it must be construed to require that the members of the Commission are to be appointed by me or my delegate. Similarly, requiring that the members of the Commission be ``representatives" of private organizations would impose upon them an obligation inconsistent with the undivided duty of loyalty owed by Officers of the United States. Therefore, I am constrained to interpret the Act, as the Constitution requires, to provide for appointment of members of the Commission after due consideration of recommendations from the organizations designated in the Act.

Furthermore, as with last year's Act, I interpret the provisions on the Legal Services Corporation as not restricting the authority of future recess appointees to exercise all powers conferred upon members of the Board of the Corporation.

George Bush

The White House,

November 5, 1990.

Note: H.R. 5021, approved November 5, was assigned Public Law No. 101 - 515.

Statement on Signing the Military Construction Appropriations Act, 1991

November 5, 1990

Today I signed H.R. 5313, the ``Military Construction Appropriations Act, 1991."

The Military Construction Appropriations Act for fiscal year 1991 is within the funding levels of the Budget Summit Agreement. The Act provides funds for military construction, family housing, and base closure programs of the Department of Defense.

I am deeply disappointed with several provisions in the bill.

Most serious is language that would prohibit the obligation of funds to allow the United States to meet its obligations to the NATO alliance and relocate the 401st Tactical Fighter Wing to Crotone, Italy. I am especially troubled that some may perceive this as a reduction in our commitment to NATO during this period of dramatic change. Moving the 401st to this strategic location remains a crucial element of NATO defense strategy and a top priority for the United States. The Administration will continue to work with the Congress to resume our contribution and to proceed with this important effort. Meanwhile, I hope our NATO allies will continue construction of this essential base.

Appropriations for the NATO Infrastructure program are $193 million, $228 million less than the $420 million requested. This level of funding may prevent the United States from meeting its contractual obligations under treaties and agreements with our NATO allies and slow essential restoration and emergency repairs of existing overseas facilities.

Section 113 of the Act requires the Secretary of Defense to give 30 days' advance notice to certain congressional committees of any proposed military exercise involving construction costs that are over $100,000. In approving H.R. 5313, I wish to reiterate an understanding, expressed by President Reagan when he signed an Act containing a similar provision, that this section encompasses only exercises for which providing 30 days' advance notice is feasible and consistent with my constitutional authority and duty to protect the national security.

Finally, section 125 would purport to require the Department of Defense to proceed with military construction projects that may become unnecessary as we reshape the Armed Forces.

George Bush

The White House,

November 5, 1990.

Note: H.R. 5313, approved November 5, was assigned Public Law No. 101 - 519.

Remarks at a Republican Campaign Rally in Houston, Texas

November 5, 1990

I think those signs say it all about our Senator: common sense, uncommon courage. That says it all about our great Senator, Phil Gramm. My heavens, we need him back there. We have an opportunity -- those of us who vote here in this State have an opportunity to rack up the biggest majority for a Senator in the history of this State. So, let's get out and get that job done tomorrow.

Phil, thank you for all you do. And, Wendy -- it's a moving and touching story. As long as Phil said something nice about his wife -- [laughter] -- I want to say I think we've got the best First Lady we've ever had, frankly.

And Barbara and I are both delighted to be back in Houston. I pointed out on the campaign trail today that we have voted in every even-year election since 1948 in Texas. And we're looking forward to voting on this one more than ever before -- --

[At this point, audience members interrupted the President's remarks.]

That's all right. Now, look, the guy's got it wrong. Let me help him out. No, no, look, let me just address myself to that question. He's got it wrong. What we're doing in the Persian Gulf is not anything about war for oil. What we're doing is standing up against naked aggression, and we will succeed. We will not turn back. This guy, he just has it mixed up a little bit. Don't be angry. We see these signs all over, and I will continue to try to spell out the fact that what we are standing up for is to throw Saddam Hussein out of Kuwait, to restore the leaders, and then to say naked aggression will not succeed. And that's what it's about.

And let me say to him, nobody wants war less than I do. I went through a pretty tough one. I've been there. But what I want to do is give these economic sanctions a chance to work. I want to hold our coalition -- unprecedented in history -- together. And I want to send a message to aggressors in the future that aggression will not pay. That's what we're doing in the Middle East. And I might add to this guy: We will simply say there can be no compromise with the U.N. resolutions. They've spelled it out, and Saddam Hussein must get out of Kuwait with no conditions. That's what the policy is about.

But I will continue to try to get that message out, loud and clear. Now, let me say this -- Claytie and I were a little late getting here. We had trouble with the magnetometers. Our silver feet got caught there as we were coming through the line. [Laughter] But having said that, let me add this: I've known Clayton Williams for some time. I know of his record. I know of his sincerity. I

know of his integrity. And he will be a great Governor for the State of Texas. And I'm going to vote for him early tomorrow morning.

And I want to salute another who's with us today, an old friend of mine, the next Lieutenant Governor, Rob Mosbacher -- and Catherine. Waged a wonderfully aggressive campaign, and we're proud of him. And that office has great power in our State, and it's about time we have a strong leader like Rob Mosbacher -- [laughter] -- Mosbacher, Moosebacher -- it doesn't matter how you spell it. Rob, good luck. You've worked hard. Best of luck to you -- Misbacher, Mosbacher.

And to all the others, I really believe we do have the finest, most qualified ticket that we've seen: Wes Gilbreath for land commissioner, Beau Boulter for the railroad commission, Warren Harding for State treasurer. Then we've got some that aren't up here with us, Rick Perry and Buster Brown and Kaye Bailey Hutchinson -- an outstanding ticket.

And I don't know where Milo went, but I want to thank Milo Hamilton for being here. And I'm glad to see some of my friends from the Astros. And really, it's great to be back here. And it is fitting we're back here, because I remember 2 years ago, almost to the day, an occasion like this when Barbara and I were -- nervous time just before our election, before I was elected President of the United States. And I looked around this room then, as I do now, and I see many people here without whose support I would not be standing here as President. And I'm grateful to each and every one of you. We've never forgotten how we got to serve this country in this way.

But this is a great city and a great comeback city and a city that knows how to live and knows how to fight back, knows how to make those dreams that we all share come true. You know, two decades ago, Houston was the first word the world heard from the Moon. And this fall, Texas is where Republicans are going to have the last word, by electing Phil Gramm, Clayton Williams, and Rob Mosbacher and the rest of our ticket.

There are enormous differences between the two tickets and certainly between our candidate for the United States Senate and our candidate for Governor of this great State. When voters understand these differences, we win. And when Texas elects leaders like Phil and Clayton and Rob Mosbacher and the others up here, America wins.

And there is something to be said about a President having a Governor with whom he can work compatibly. And it's certainly true that I need more United States Senators like Phil Gramm. And if we had them, we wouldn't be worrying about this deficit so much. We wouldn't be on a spending binge in Washington.

Phil put it best: What we need is a growth agenda, expanding economic opportunities for working men and women. Business leaders like Rob Mosbacher and Clayton Williams know how it's done. They've done it themselves. And American working men and women deserve an

economy where they can create and prosper. And that's why these three here want to encourage enterprise of every kind for every Texan, from Houston to El Paso and from the Panhandle down to Brownsville. And that's why, in the budget negotiations, we worked so hard to create some incentives to make America less dependent on foreign oil. And that means sound national security policy, and those incentives will help create jobs -- jobs right here in the State of Texas.

And I think we have another item, another priority, that unites us. We Republicans do not waver in our support of a strong national defense. For 10 years we've held firm against the liberal attempts to slash defense. And I am convinced that the remarkable sweep of democracy that we've seen around the world would not have happened without a credible, strong, determined, secure United States of America.

Democracy has finally dawned again in Eastern Europe. And Barbara and I are looking forward to being in Czechoslovakia not so many days from now. After a cold, dark night of 45 years, a curtain down on the aspirations of people, the curtain is up; and there's hope, and there's opportunity, and there's optimism in Eastern Europe. And now we bear wondrous witness to a tidal change in the currents of history. We see America and the Soviet Union working together, solidly together at the United Nations, to stand against aggression. And that's a good thing; that's dramatic change. But in this last budget agreement, defense got some cuts. But I think Phil and I both can certify that we came through at substantially better levels than we thought and that we're at a level now where I can say to the American people: We are going to keep our strength; we are going to demonstrate that we are dependable allies and friends to those who stand up against tyranny around the world.

I like what Claytie said about education. Beyond a strong economy and a strong defense, we have a vision of a society where opportunity is equal to the dreams of the American people; and that means education for all, sound, with new ideas. I want a Governor who is going to help me implement the national goals that came out of the Governors' summit -- the one I called at Charlottesville, Virginia, last year. I want somebody who believes as I do that we don't need more mandated programs from Washington, but that we need more of the action right here at the State level in Texas, giving parents a choice about how to educate their kids.

I sent an educational bill up there to the Congress, the Educational Excellence Act, to reward achievement, encourage accountability -- fundamental education reform. And once again, if we had more like our Republican Congressmen from Texas and more in the Senate like Phil Gramm, we would pass that. Because we would then be giving more say to the parents, and we'd be recognizing the good teachers -- God bless those teachers that look after our young kids every day of their lives. So, when Claytie talks about education reform, it's compatible with what Phil is working towards in the Senate and what I'm striving to do as President of the United States.

This party also knows how important it is for America to follow her dreams, wherever they take us. And that's why last year I announced some major destinations in our space program: first, to

have space station Freedom up before the century is out; second, for the new century, a permanent lunar base -- back to the Moon, back to the future -- this time, back to stay; and third, down the road, but nevertheless a goal, a manned expedition to Mars. Exploring the heavens is man's destiny, and Houston and Texas know that it is our destiny. You know it, and I know it. And I want to continue to work to keep that future alive and bright for the generations to come.

And there's one other area I want to mention, another piece of unfinished business. The men and women in this room are committed to -- and I think people all across this State, no matter what walk of life they come from. I know that Clayton Williams is determined to create and protect crime-free and drug-free communities, and so am I. In Washington, Phil has taken a superb leadership role -- a national leader, fighting to clamp down on crime and drugs. And he believes police and prosecutors must have the tools to get violent criminals off the streets and put them away. And, you know, I sent a tough anticrime bill to the Congress 1\1/2\ years ago -- new laws to let police and prosecutors take violent criminals off the street and put them away. But in the final hours of the Congress, the Democratic liberals gutted our legislation in a back room late at night.

Well, Republicans are not going to stop fighting. We believe when we're fighting this battle that we're doing it for every community across our country. And we believe fundamentally that it's better to have a little less sympathy for the criminal and a little more for the victim of crime.

We have much to be grateful for, much to be thankful for. And 12 hours from now, the American people will vote. And tomorrow they have a chance to vote for change. I've been fascinated by the fact that many of our kids halfway around the world -- the finest, most dedicated, most highly motivated troops we've ever had -- are sending in absentee ballots. And sometimes I listen to that liberal cacophony saying: Oh, everything's all wrong with this country. Everything's bad -- bad news, bad, bad! My view is this: We can do absolutely anything we set our sights on if we get the right kind of people in public life.

And so, what I'm here to do is say: Barbara and I are proud to be home. We're proud to be voting for Clayton Williams and Phil and Rob Mosbacher and the rest of our ticket. We don't believe that you can't make a difference. We can make a difference, and so can you if you'll get out and work tomorrow. Get your friends to the polls, and vote for these people.

Thank you, and God bless you all.

Note: The President spoke at 6:24 p.m. in the Galleria Ballroom at the Westin Galleria Hotel. In his remarks, he referred to State representatives Rick Perry and Buster Brown; Kaye Hutchinson, candidate for State treasurer; and Milo Hamilton, Houston Astros baseball announcer.

Statement on Signing the Bill Providing for the Study of Historical and Cultural Resources in Vancouver, Washington

November 5, 1990

I have today signed H.R. 5144, ``An Act to provide for the study of certain historical and cultural resources located in the city of Vancouver, Washington, and for other purposes."

This legislation establishes a Vancouver Historical Study Commission to assess and make recommendations regarding the feasibility of establishing a Vancouver National Historical Reserve. This Reserve would include several properties in Vancouver that were important to the settlement of the Pacific Northwest.

Sections 4 and 5 of the Act, concerning excess property of the Department of Defense at Vancouver Barracks, make no reference to relevant provisions of the Federal Property and Administrative Services Act of 1949, as amended. Under the provisions of the Property Act and existing Federal Property Management Regulations, the Administrator of General Services has authority to convey Federal real property, without monetary consideration, for historic purposes. Because the Congress does not appear to have intended that the Property Act would not apply, any property conveyance recommendations the Administration may make under this Act will also be in accordance with the provisions of the Property Act.

Section 6 of the Act states that any ``Federal entity" conducting or supporting activities directly affecting the Vancouver historical area shall consult with the Secretary of the Interior and the Vancouver Historical Study Commission with respect to such activities. Moreover, such Federal entity is also required to ``cooperate with the Secretary and the Commission in carrying out their duties under this Act and, to the maximum extent practicable, coordinate such activities with the carrying out of such duties." In order to avoid constitutional concerns, I will construe this section as not vesting the Commission, which is composed in part of officials representing State agencies, with any authority to control the activities of Federal agencies.

George Bush

The White House,

November 5, 1990.

Note: H.R. 5144, approved November 5, was assigned Public Law No. 101 - 523. The statement was released by the Office of the Press Secretary on November 6.

Statement on Signing the Disadvantaged Minority Health Improvement Act of 1990

November 6, 1990

I am pleased to sign today H.R. 5702, the ``Disadvantaged Minority Health Improvement Act of 1990.'' This legislation will improve the access of disadvantaged individuals, including minorities, to health care and health professions opportunities.

A disparity exists between the health status of disadvantaged individuals, including minorities, and the general population. My budget for FY 1991 addressed these problems by requesting $117 million for a new Minority Health Initiative. I am gratified that this Act contains the authority to implement certain key provisions of that Initiative.

Secretary Sullivan has taken an active leadership role in addressing minority health issues since being sworn in as Secretary of Health and Human Services. Because of his leadership and that of many in the Congress, this Act will improve the quality of health care services to all disadvantaged Americans. It transcends racial and ethnic differences and will be administered in a fair and nondiscriminatory way.

I support the emphasis in the Act on improving access to health care for all disadvantaged individuals, including both minority and nonminority individuals, and increasing their representation in the health professions. It is, of course, the Federal Government's responsibility to ensure that the benefits of Federal programs are offered to individuals in a manner consistent with the equal protection guarantees of the Constitution. Certain provisions of the Act concern me with respect to these guarantees. For example, subsection 4(c)(5) purports to link eligibility for school program grants to the numerical representation of races enrolled at the school. Accordingly, I am hereby instructing the Secretary of Health and Human Services to implement this and other provisions of the Act in a nondiscriminatory and constitutional manner.

George Bush

The White House,

November 6, 1990.

Note: H.R. 5702, approved November 6, was assigned Public Law No. 101 - 527.

Letter to Congressional Leaders Transmitting the Report on United States Satellites and Antisatellite Weapons

November 7, 1990

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 1008 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101 - 189), enclosed is a report on U.S. antisatellite weapon activities and the survivability of U.S. satellites against current and potential antisatellite weapons deployed by the Soviet Union.

The unclassified version of this report will be forwarded at a later date under separate cover.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement on Signing the Foreign Direct Investment and International Financial Data Improvements Act of 1990

November 7, 1990

I have today signed S. 2516, the ``Foreign Direct Investment and International Financial Data Improvements Act of 1990." This Act requires the Secretary of Commerce to produce an annual report on the role and significance of foreign direct investment in the United States. The report will provide information with sufficient detail so that analysis of such investment in various industry sectors and geographic areas will be improved. This improvement will be accomplished with no additional reporting requirements on businesses.

The Act allows the Bureau of Economic Analysis, the Bureau of Labor Statistics, and the Bureau of the Census to share identifiable business establishment data in order to achieve more meaningful information on foreign investment. The General Accounting Office will also have limited access to these data to perform its oversight function.

S. 2516 contains significant safeguards to protect the confidentiality of sensitive business information and to ensure that data provided by individual respondents will be used exclusively for statistical and analytical purposes. The provisions of this Act clearly preserve the principles of exclusive statistical use and nondisclosure of confidential information. It is of paramount importance to this Administration that these fundamental principles of the Federal statistical system are strictly maintained so that the accuracy and integrity of Government data are not threatened.

George Bush

The White House,

November 7, 1990.

Note: S. 2516, approved November 7, was assigned Public Law No. 101 - 533.

Presidential Determination No. 91 - 8 -- Memorandum on the Liberalization of Trade and Investment With Nicaragua

November 7, 1990

Memorandum for the Secretary of State

Subject: Presidential Determination Waiving Worker Rights Criteria with Respect to Nicaragua Pursuant to Section 212(b) of the Caribbean Basin Economic Recovery Act

By virtue of the authority vested in me by the Caribbean Basin Economic Recovery Act, as amended (19 U.S.C. 2701 et seq.) (hereinafter ``the Act''), I hereby determine, pursuant to section 212(b) of the Act (19 U.S.C. 2702(b)), that the designation of Nicaragua as a beneficiary country under the Act will be in the national security interest of the United States. Accordingly, I waive the application of paragraph (7) of section 212(b) of the Act.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:54 p.m., November 27, 1990]

Note: The memorandum was released by the Office of the Press Secretary on November 8.

Letter to Congressional Leaders on the Liberalization of Trade and Investment With Nicaragua

November 7, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 212 of the Caribbean Basin Economic Recovery Act (CBERA), I wish to inform you of my intent to designate Nicaragua as a beneficiary of the trade-liberalizing measures provided for in this Act. Designation will entitle the products of Nicaragua, except for products excluded statutorily, to duty-free treatment. As a beneficiary, Nicaragua also may become eligible for investments using funds generated in Puerto Rico under section 936(d)(2) of the Internal Revenue Code and re-lent to eligible Caribbean Basin countries at favorable rates, and for the convention expense tax deduction under section 274(h) of the Internal Revenue Code, by entering into an exchange of information agreement with the United States on tax matters.

Designation is an important step for Nicaragua in its effort to revitalize and rebuild its weakened economy. Designation also is significant because it is further tangible evidence of the constructive cooperation between the United States and the peoples and governments of the Caribbean Basin.

My decision to designate Nicaragua results from consultations between this Administration and the Government of Nicaragua regarding the designation criteria set forth in section 212 of the CBERA. Nicaragua has demonstrated to my satisfaction that its laws, practices, and policies are substantially in conformity with the designation criteria of the CBERA. The Government of Nicaragua has communicated on these matters by letter to Ambassador Hills, and in so doing has indicated its desire to be designated as a CBERA beneficiary (a copy of the letter is enclosed).

I intend to exercise the authority provided by the Caribbean Basin Economic Recovery Expansion Act of 1990 (CBEREA) to waive the worker rights criteria. The CBEREA amended the worker rights criteria to bring them in conformity with the worker rights criteria under the Generalized System of Preferences (GSP). Nicaragua was terminated from the GSP program in 1987 due to its worker rights practices. Nicaragua has agreed to update its labor law. The approach of the new Nicaraguan Government is totally different from that of its predecessors, and I am confident that real change can now occur. Nevertheless, in order to ensure that Nicaragua satisfies the legal requirements of the new criteria, we would need to perform a full review, which would require several months.

Nicaragua has recently emerged from a period in which it undermined the security and stability of Central America. Nicaragua's political stability depends in large measure on its ability to

make significant economic progress. However, the economic situation in Nicaragua remains precarious. Nicaragua's economic recovery hinges on stimulating the private sector, particularly in the area of foreign trade. By extending duty-free treatment to Nicaraguan imports, the United States can foster Nicaraguan political stability through enhanced economic growth. Continued political stability in Nicaragua will contribute to the stability of the region. Central America's stability and development are clearly in the national security interest of the United States.

For these reasons, I have determined, pursuant to section 212(b) of the CBERA, as amended, that it would be in the national security interest of the United States to expedite Nicaragua's CBERA beneficiary status by waiving the worker rights criteria (a copy of the determination is enclosed). On the basis of the statements and assurances in Nicaragua's letter, and taking into account information developed by the United States Embassy and through other sources, I have concluded that designation of Nicaragua as a CBERA beneficiary is appropriate at this time.

I am mindful that under section 212(e) of the CBERA, as amended, I retain the authority to suspend, withdraw, or limit the application of CBERA benefits from any designated country if a beneficiary's laws, policies, or practices are no longer in conformity with the designation criteria. The United States will keep abreast of developments in Nicaragua that are pertinent to the designation criteria -- particularly with respect to worker rights.

This Administration looks forward to working closely with the Government of Nicaragua and with the private sectors of the United States and Nicaragua to ensure that the wide-ranging opportunities opened by the CBERA are fully utilized.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter was released by the Office of the Press Secretary on November 8. The proclamation designating Nicaragua as a CBERA beneficiary is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on the Liberalization of Trade and Investment With Nicaragua

November 8, 1990

President Bush today signed a Presidential proclamation designating Nicaragua as a beneficiary of the trade measures provided for in the Caribbean Basin Economic Recovery Act. Nicaragua's participation in the Caribbean Basin Initiative (CBI) benefits will give Nicaraguan businesses duty-free access to the U.S. market for a wide range of goods and will prompt growth in Nicaragua's export sector, which is critical for its economic recovery program.

In recognition of the disastrous economic situation which the democratically elected government of President Violeta Chamorro inherited, President Bush has determined that it is in the national interest to waive the statutory requirements that a lengthy review of worker rights in Nicaragua be conducted before CBI benefits are extended. Nevertheless, we are satisfied that the Nicaraguan Government complies with the criteria of the law and that there is labor freedom in Nicaragua. Today the Nicaraguan workers are free to organize, the press is uncensored, political activity is unrestricted, and religious activity is free from government interference. This is in strong contrast to the record of the previous government.

By promoting increased trade ties between the United States and Nicaragua, President Bush's action is yet another sign of the new, friendly relationship between our two countries. The United States reiterates its strong support for the democratically elected government of Nicaragua.

Note: The proclamation is listed in Appendix E at the end of this volume.

Remarks Announcing the Resignation of William J. Bennett as Director of National Drug Control Policy and a Question-and-Answer Session With Reporters

November 8, 1990

The President. I am announcing today that Bill Bennett, America's first Director of the Office of National Drug Policy, has offered his resignation and, with much regret, I have accepted it. His decision to return to private life is obviously welcome news to his family, but there is no doubt that his energetic contributions to public life will be sorely missed.

When we took office, Bill Bennett took on one of the most important initiatives of our administration, the national drug control strategy, our blueprint, if you will, for the war on drugs. He confronted the problem head on, helping lead America's determined effort to take back the streets. And his hard work has paid off. We devoted unprecedented new resources to the fight: new money, new material, new manpower for law enforcement, for treatment, for prevention. Never before has so much effort, involving so many people, been applied to the battle against drugs.

Bill's efforts have helped spark a fundamental change in attitude, an awareness that drugs can take away your family, your job, your health, your freedom and, indeed, your very life. As we've seen on the road firsthand, he's inspired communities across the country to get involved in this battle. And I've enjoyed my many travels with him.

Both Bill and I are encouraged by recent, very promising signs that suggest the drug problem is diminishing not only in the suburbs but in the cities as well. And I know he believes, as I do, that we're on the road to victory. So, we're going to stick to our comprehensive drug strategy. We're going to renew our call for Congress to pass a true crime bill -- one that's tough on criminals, not on the police. And my administration will remain on the front lines until this scourge is stopped.

On behalf of all Americans, I want to thank Bill for his leadership on this issue and express my gratitude for all that he has done to unite the Nation against the scourge of drugs. Block by block, school by school, child by child, we will take back the streets; and we will never surrender.

Bill Bennett has done a superb job for this country, and I will always be very, very grateful to him. And now I'd like to ask him to say a word or two, and then I'll be glad to take a couple of questions, and I'm sure he would as well.

Director Bennett. Mr. President, thank you very much for your words and for the confidence that you put in me in asking me to take this job. As you remember, I volunteered for the job. I had an

opportunity earlier on in the Reagan administration to serve this country and the children of this country. And to have a second opportunity to do that was a rare privilege indeed. All I want to say now -- and of course, I'll be happy to take questions later on about our policies and our programs -- but all I want to say now, again, is thank you and talk a minute about the difference that you have made.

Your taking this issue on, your saying in that Inaugural Address that this scourge will stop, coincided with the great American change of mind about drugs. But your leadership at crucial points has made a great deal of difference. You said in your inaugural: ``This scourge will stop." That was against the advice of some to take on this issue. But you took it on. Second, you remember that trip to Cartagena. And many advised you not to go, and public opinion polls were advising you not to go. But you thought it was serious and merited your being there, and you were there. About a month and a half ago, when we issued our report update on the war on drugs, you stated again that this was a top priority of yours. You have been there every time we have asked you to be there, and you have taken this issue unto yourself. The American people know that and are grateful to you for it.

The midterm elections just took place. No one has commented because, I guess, it hasn't been noticed yet. But there was hardly any sign during those elections that any Democrat sought to challenge you on the issue of drugs -- because you were credible, because you have taken this task up, because everyone knows that you have taken it seriously and made an unprecedented commitment.

While we're on politics, it's my belief, Mr. President, you will conclude this term very successfully. You will be reelected as President of the United States in 1992 -- [laughter] -- and in 1996 you will be thanked by your countrymen for a profound and great service, not least of which because in 1996, when the American people look at this issue, they will see the drug problem much improved.

Thank you very much, sir.

Persian Gulf Crisis

Q. Mr. President, Margaret Thatcher [Prime Minister of the United Kingdom] said yesterday that either Saddam Hussein [President of Iraq] get out of Kuwait soon or Britain and its allies will remove him by force. Do you agree with that, and how soon is soon?

The President. Well, let me say -- I should have thrown a caveat in. I'm going to take some questions on the Middle East this afternoon, so if you'll excuse me, I'll defer them until then. But I won't take any now on that subject at all.

Q. All right. I'll try politics.

The President. Try that. [Laughter]

Q. Do you have a replacement?

Midterm Elections

Q. Okay. You went around the country telling Americans you had to have more Republicans in Congress to get the economy going and to cut the deficit. You didn't get any more Republicans. In fact, you lost a little ground. What does that mean for your relationship with Congress?

The President. Hey, listen, it means I didn't do as well as I'd like. I'd like to have had more; I still feel that way. I think if you want to put it in proper perspective -- I think everyone is aware of the fact that the party in power normally loses in an off year. I'm told we did a little better than the norm, but that doesn't make me happy. I'd like to have more Republicans.

Q. Well, does it tie your hands now -- I mean, the fact that the Democrats -- --

The President. No, it doesn't tie my hand. The changes were very small. I regret terribly the loss of Senator Boschwitz. He's an outstanding Republican Member of the Senate. But we lose one there. I don't want to go into a lot of political statistics, but I'm told that's far fewer than normally happens in an off year, and certainly in the House -- nine, compared to some of the gloom and doom predictions is not as substantial. But look, every one that we dropped I don't like. I don't like to see us lose seats at all. I'd like to see us gain.

Administration Vacancies

Q. Mr. President, do you have a replacement for Bennett, and do you have a replacement for Elizabeth Dole [former Secretary of Labor] as a result of the election?

The President. Not yet. Not yet. And I haven't even begun to really sit down seriously with lists. Bill, out of courtesy, whispered in my ear not so long ago that he wanted to go back to private life; and maybe I've just been hoping he would think more rationally. But I understand that. I love his family, and it is right for him and his family. And somehow, I think that's going to prove to be right for me and this administration in the long run.

But, no, but we've got to start soon on that, Helen [Helen Thomas, United Press International]. I wanted to wait until after the election to keep my focus on the campaign trail and then on these big problems we're wrestling with halfway around the world. So, I'm not misleading you. Heard a lot of names floated, but we're not down to the decisionmaking point on either of these two or -- --

Q. Will it be a woman? And will it be someone like Lynn Martin [Republican senatorial candidate in Illinois]?

The President. Well, as I say, we're not there yet, so I can't help you. Nice try, however.

Midterm Elections

Q. Mr. President, a couple of months ago, predictions were that Republicans might actually make gains in the midterm election.

The President. Hey, listen, that's what I wanted.

Q. And then their fortune seemed to turn when you changed your mind on the possibility of new taxes and then during the drawn-out budget process. To what extent do you blame yourself, if at all, for the Republican showing in this past election?

The President. I think if the past year were significantly different than other years -- in other words, if we'd have taken a bath for every off year heretofore people had gained, the party in power, I think maybe I would have had to accept a little more responsibility and blame. I'm not talking victory because I am very disappointed the way some of the races turned out. On the other hand, when you look overall, I think most people that understand American politics are saying this administration did not come out worse than predecessors. Indeed, some make the point that we came out a little better.

So, it's pretty hard to assess that. And I haven't looked at it in terms of those who supported the budget package -- whether they did worse than others. But I made very clear to the American people I was concerned with some of the provisions in the budget package. I happen to believe in the long run it's going to prove in the best interests of this country. And so, I'm not suggesting that that was popular or made me popular with everybody. But I can't really answer it until we've seen a little more analysis. You've asked a very technical question in a sense.

1992 Presidential Election

Q. Mr. President, are you running for reelection in 1992?

The President. Ann [Ann Compton, ABC News], I'm going to put you down as one of the first I'll let know when I make that decision. No decision has been made. You all go through this kind of coy dance now for a while. The minute the election is over everybody shifts gear and starts pointing at '92. It's understandable. So, therefore, I understand where you're coming from, but I can't give you an answer yet.

Q. Are you giving any consideration in not running? Is that a possibility?

The President. Not today. Not today. I'm shifting gears now and trying to shift into the role of trying to lead this country in getting things done. And we're going to have a good agenda to take to the Congress. And clearly, I want to see the country remain united in our determination to succeed halfway around the world. So, I really have not started a focus on '92.

The Economy and the Persian Gulf Crisis

Q. Mr. President, some of the polling taken in conjunction with the election, exit polls and so forth, showed an impression growing in the country that the United States is headed for war in the Middle East and very serious economic problems here at home. Would you address those fears?

The President. Well, I'm concerned about the economic situation -- been very frank about that. I will be meeting with our top economic people in the next few days -- a series of meetings, both inside -- top economic people in the White House, and then I'll be inviting some others in to talk about it because I am concerned about a slowdown in this economy. And I'm concerned what that means to the average workingman in this country and the women that work with their kids -- having to support them. I mean, it's a terrible worry that people have. And we've been enjoying rather robust growth for many years, and now we all know the economy is slower. So, I want to be sure that, to the degree a President can do something to soften the blow or to stimulate economic growth, that he tries to do it. So, we'll be having a lot of discussion about that.

And what was your part on the Gulf?

Q. About the prospects for war in the Persian Gulf.

The President. Well, I've been very clear that we want to see the sanctions be so successful we don't have to have anybody shooting over there, and I've also said we're not ruling any options out.

Civil Rights Legislation

Q. Sir, you're getting a lot of free advice on which way to go politically over the next couple of years -- --

The President. Yes.

Q. Mr. Viguerie and Howard Phillips [conservative Republican consultants] are telling you you've got to go right and reestablish your conservative credentials. Marlin [Marlin Fitzwater, Press Secretary to the President] did remind us yesterday that you are a conservative. But people like Ed Rollins [cochairman of the National Republican Congressional Committee] are saying

you've got to be more broad-based and go after the Democrats. What do you see now? Do you have to appeal to a wider section and got to go after blacks again after the veto of the civil rights bill?

The President. One of the things I -- since you raised the civil rights bill -- is that I want to have a good civil rights bill. And so, we'll be sending one up early on. It will not have quotas. It will not lead to quotas. It will be fairplay in trying to eliminate discrimination in the workplace. And there were some politics involved in that, John [John Cochran, NBC News].

We sent a bill up there that was a very good bill, and the leaders wouldn't even permit it to be voted on because they thought they could stick me with being anti-civil rights. I am pro-civil rights. I am pro-fairness in the workplace, against discrimination in the workplace. And we can fashion that kind of civil rights legislation if we can get some of the politics out of it. And maybe we can as we start a new Congress, because I've got a good record in that regard. I have not changed in that regard. But I don't think it is fair to recommend to the American people legislation that in my view, would inevitably result in quotas.

But now we're out of the political give-and-take on that, and I think maybe we can get something positive done.

Washington Politics

Q. Can I ask you about the reaching out in a broad-based way? And would you reach out to Ed Rollins? You willing to work with him and let him stay on?

The President. I'm not going to get into this beltway stuff. One of the things that I loved was outside -- I got needled by some -- let's see if I can find him or her here -- a writer about saying it's nice to be outside of the beltway. It is. I didn't get one single question about the future of any individual consultant or member of whatever congressional or Senate committee or national committee. We stayed on different subjects. So -- --

Q. We're here.

The President. Yes, we're here, but my mind is out there. So, I refuse to get into all of that.

Relations With Congress

Q. Mr. President, as you approach the new Congress, do you think you will be able to extend the hand of friendship the way you -- the tone of the first -- in your first inaugural, or do you think this will be partisan and confrontational from the outset?

The President. Well, it takes two to -- when you extend the hand somebody else has to reach out

and shake it. And we've been through a highly partisan political dance here for a while. It's the great American way. And those with whom I've worked cooperatively, needless to say, went out and tried to bash the President. And we've heard all kinds of rhetoric about how I should be doing things differently. But look, there are going to be certain things where we will continue to try to work with the Congress.

I also will be being sure I can do the best job I can in leading a united Republican Party. We have some -- he mentioned a couple of critics that aren't in the Congress or anything who -- there's nothing I can do to placate those who have been some of the severest critics of Ronald Reagan even. So, I'm not going to even worry about that. But I do think that it's worth trying to move the country forward. And on some areas, we're going to have to do it, and on some, I'm going to be appealing strongly for Democratic support, and in some I'm going to use the veto so as to stop a lot of bad things from happening to this country. And that veto power is there. And I am more determined than ever to use it.

I was elected to take this country in a certain direction, and the liberals in the Congress want to take it in another direction. So, our system decrees: Who wins? How are we going to move it? And they're going to shoot stuff back at me over and over again that I cannot accept. Now, will I try to avoid that? Will I say to them on a civil rights bill: ``Look, I want civil rights, and I don't want quotas. You tried it your way; now let's give me a vote my way''? Absolutely. I have to do that. That's part of my responsibility. All kinds of growth incentives -- when the economy is slow, you want growth incentives. So, I've got an agenda. We're going to be fashioning it. And whether they are going to be willing to cooperate, I don't know.

But it's hard when you have a majority -- take capital gains. There was a majority last year in the House for it. There was a majority last year in the Senate for it. And it never could get voted on. Now, I think the American people can see that. And so, let's hope we can make progress on some of these incentives. When you have a slow economy, or worry about a slower economy, that's a good time to put incentive into the economic spectrum.

Manuel Noriega

Q. Mr. President, CNN [Cable News Network] has obtained tapes which apparently were recorded between Manuel Noriega [former Panamanian dictator charged with drug trafficking] in prison and his defense team. Although certain calls are permitted to be monitored, we understand that those with a defendant's attorneys are supposed to be privileged. Were you aware of this monitoring, or any specific order that would have authorized monitoring of privileged conversations?

The President. No, and I'm not aware of it now. I'm learning something from you. So, I'm not going to comment on it if I don't know anything about it, and I don't.

Q. Under what circumstances would you favor monitoring -- --

The President. I would favor abiding by the law.

Federal Budget Agreement and Taxes

Q. Mr. President, with all of your explanations on midterm perspective taken as a given, do you think you paid a political price for compromising with the Democrats and agreeing to new taxes?

The President. I don't know, because I used to get accused in this very room by question, not direct accusation, but by living and guiding myself by the polls. That was: Hey, you won't make a tough decision because of the polls. Have not heard that recently, and maybe that has something to do with how I'd answer your question. Because I don't think it was popular, what I did, with anybody. But I think it was the right thing to do, and so, I will try to make that point. You know, like the umpire, you've got to call them as you see them.

So, I have some remedial work to do, I think. I wish I could go back and give a clearer answer to whether this helped or hurt in the election, because I just don't know the answer to that. But I think in the final analysis, if it's good for the economy, long run -- we're in some tough times right now -- but in the long run, if it's good for the economy, then that should be good for the country. And if it's good for the country, hopefully it would be good for the views that I represent.

Q. I ask that because so many of the Governors on the Democratic side and your own side seemed to have certainly been punished where they raised taxes, and I wonder if that's a lesson you take away from this election.

The President. I think there is a lesson. I think people feel they're taxed too much. I happen to believe that, and I've said that. I haven't changed my view: that we think we ought to go out and raise people's taxes. What I think we're going to see coming down the pike at me, in terms of the offered hand, is a whole wide array of tax proposals out of the Democrats. Maybe I misread what some of their leaders said when they talked about now going back and trying to raise income tax rates. And they're going to do it over my dead veto or live veto or something like that, because it ain't going to happen, I'll guarantee you.

And so, I can identify with that. I've always felt that way. I made one compromise to try to get a budget agreement that, in my view, I felt was essential. And I got the message. I had the message long before America went to the polls to say, Hey, we don't want any more taxes; we want to do something about spending. And one of the great things about this budget agreement is that -- we'll get to you in a minute -- one of the great things about that is that there is some enforcement provisions in here that I am determined to live by and that I am determined to make Congress live by. And if we live by them, then we can negate the insatiable desire on the part of

some in the Congress on the Democratic side to raise taxes.

But the good news on that, Wyatt [Wyatt Andrews, CBS News], is I think some of the Democrats got the message as well as Republicans. We had the message. We've understood this. And you're right, they spoke up against Governors, some Democrat, some Republican. But I don't think there's any confusion on the part of people as to how I feel about taxes. I oppose raising taxes. And we had this one compromise, and that just reinforced my view, frankly.

Q. If I may, are you saying it's one time only?

The President. I'm just saying I'm going to hold the line on taxes and fight back all these plans that are coming at me that I think will -- maybe I'm getting paranoid about it when I hear them talk about let's go out and raise taxes again -- but I thought that was kind of the message coming out of the end of the budget debate. And if that's the case, we're in for a whale of a fight. And the proffered hand may miss the shake because we're not going to compromise on that.

Q. Could we go back out beyond the beltway again for a minute?

The President. Let's do it, Michel [Michel McQueen, Wall Street Journal].

Campaign Tactics

Q. A couple of years ago, the Texas Republican Party passed an ``English only'' amendment as part of its party platform, and you spoke out against this. You said that this was an alienating message to send to people you want to participate. This year the North Carolina Republican Party sent postcards to minority voters, Democrats, suggesting that they had given false information to elections officials, giving them false information. Is this an appropriate campaign tactic? And why have you been silent about this?

The President. Because I haven't tried to get into the campaign tactics in 50 States. On the postcard -- I mean, the ``English only'' -- I don't think it's a good thing to have. I mean, I want every kid to speak English. I've been for bilingual education all my life -- continue to support it -- but I think the goal of it should be that every kid in this country speak English. But I just don't think the ``English only'' approach is the way to do it. I think it could result in certain discrimination.

But I'm sorry, I can't help you on the details of a race for the United States Senate or a Governor's race or a congressional race. I just have not gone into that.

Q. Sir, are you saying that you don't know anything about this postcard situation?

The President. Yes, just what I've read in the papers. I've read a lot of charges and

countercharges. And I've heard some people say it's bad, and I've heard others say it's not. I do recall -- anytime somebody puts in what they call a voter's security program, some people raise hell about it. And that's not right, either. So, it ought to be -- it depends how it's done. And I just don't know enough about what you're trying to get me into, to get into that.

Midterm Elections

Q. Mr. President, I wonder if you have any reaction to the margins of victory of Mario Cuomo [Governor of New York] and [Senator] Bill Bradley, two Democrats thought to be looking at challenging you in 2 years. [Laughter]

The President. I told you I'm not thinking about '92.

Q. Could you say that a little louder?

The President. I just told Michel I haven't gone into the details of all these races. I don't know. I don't know.

Director Bennett's Resignation

Q. Mr. President, may I ask you about Director Bennett? We've heard stories of threats against himself, against his family, and maybe that's why he's leaving. What do you know about that?

The President. I'd let him respond to that question, but I -- maybe -- Bill, why don't you -- --

Director Bennett. I've got one question. Come on, let me take it. [Laughter] So far, I've read that I am bored, restive, restless, tired, unhappy, moping about lack of media attention, sulking about not being in the Cabinet, in a snit with John Sununu [Chief of Staff to the President] -- all sorts of things that I've read about -- and being stampeded out of town -- none of which are true.

There have been people who haven't liked me since I've been in public service. The Yale English department -- they may be threatening. I don't -- [laughter] -- the National Education Association and this latest crowd. But I mean, I'm not the stampeded-out-of-town type. There's nothing there.

Q. How about personal threats to your safety?

Director Bennett. I mean, there are threats. There are always threats in this kind -- --

Q. -- -- to your safety?

Director Bennett. Yes, well they've been there since the beginning of this job, and that's always

the case. I think what people are picking up on is when I went up to Alaska to talk about the recriminalization of marijuana, which, by the way, occurred -- that took place, that initiative passed. There were some anonymous threats from some potheads: that they were going to blow me up. But the notice that went out from one of the pothead societies said -- [laughter] -- said, ``Come confront Bennett." But the date they put on it was 2 days after the day I was there. [Laughter] So, if they did leave anything dangerous, it's probably going off up there on the icecap somewhere without -- --

Q. Why are you leaving?

Director Bennett. I don't want to tie you up. Should we go into this?

Q. Why?

The President. No, no. I'll just take two more and then -- --

Director Bennett. When the President and I talked 20 months ago, we talked about things that needed to be done. I had two jobs in Government: Humanities Chairman and Secretary of Education. We decided that what we needed to do was to get a good strategy, which we've got; to get bipartisan support for it, which we've got broadly -- there are still some things Democrats need to do, like the crime bill; third, that we needed to get the right amount of resources for it, which we've achieved; and fourth, begin to see some progress, some results.

We said at that time -- I remember the President saying to me, ``If you can get this thing started, going in the right direction, moving, I'll be very grateful." I think we got that. And so, I took the job freely, and now I leave freely.

Q. Why don't you want to see it through?

Director Bennett. Seeing it through is going to -- I mean, I think if this nation stays on course, I think, we will probably beat the goals that we stated in the National Drug Control Strategy of 10 years. I think we'll be there in 5 years if the States do the things that they're supposed to do and if others do what they're supposed to do. The Federal commitment, I think, is clear -- unprecedented commitment, unprecedented amount of money, resources, and so on. That's 5 years.

You know, I've had 9 years in Government. I think that's enough for now. I mean, I do want to tell my critics I am not leaving public life. And worse than that, I may not even be leaving public service forever. I may be back. One needs to be careful about this.

But I don't leave with any sense of remorse or apology. I'm proud of what we've done, and I think what we've done is a good thing and we really are making progress.

The President. With your permission, let me just take two -- Jessica [Jessica Lee, USA Today] and Ellen [Ellen Warren, Knight-Ridder Newspapers] -- and then leave you to the others. But before I -- well, go ahead, and then I want to just conclude my part.

Taxes

Q. Mr. President, you say that your reading of the election shows that people didn't and don't want their taxes raised. Upon reflection, do you wish you had kept your campaign promise and not supported higher taxes?

The President. Do I wish I had been able to? Yes. Very much so.

Q. But sir, you told -- --

The President. In fact, we tried. We sent a budget up there, and it kind of died for lack of a second. It had no taxes in it. And that's a very -- I wish I had a Congress who would do it just my way, because I am still convinced we can get by without having raised anybody's taxes of any kind. So, yes, I have serious regrets about that.

Q. Can you make the promise now, sir, that you will not support new taxes in the future?

The President. Can I make the promise I won't support them? Absolutely. But sometimes you run into some realities. I'm girding up my loins to go into battle to beat back the tax attempts that I think are coming because I think the American people are fed up with it. I think that was very clear. I think in my case they probably know that there had to be some compromise, at least from the way you look at does the American people support the deficit agreement or not. But I want to be on the side of no tax increases, and we're going to go right to bat again in the Congress at that. We fight that battle all the time.

Persian Gulf Crisis and Director Bennett's Resignation

Q. Mr. President, there seemed to be not very much debate about the Persian Gulf during the election, even though we have our young people there with their lives on the line. I'm wondering if you take the fact that you weren't seriously challenged by the opposition party on this matter -- if you take this as support for any decision that you might make with respect to having to go to war there, without respect, say, to the House's adjournment resolution that says they should come back if you were to go to war?

The President. Jessica, I said I didn't want to take any Persian Gulf questions.

Q. It's not -- --

The President. Well, it is, so therefore I will reply to this, and then -- this is the last one anyway. Look, we have had extensive consultations with Congress. We will continue to have extensive consultations with Congress. I think the people in the campaign, for the most part, recognized that I was trying very hard to separate support for the Persian Gulf policy from the pure head-on-head confrontation of domestic politics.

Again, I tried continually on the road to salute the Democratic leadership and Democratic Members along with Republican leadership and Republican Members for what I think has been extraordinarily solid support. And I think that support has led to good support from the American people. But we have a major foreign policy objective there. I am determined to see the objective fulfilled. I am determined to hold this coalition together. But that must be done without partisan politics intervening.

And so, that then leads me to say I will continue to consult. I know the responsibilities I have to do that. I know the importance of the support of the Congress. And I will continue to reach out to them and keep them informed and consult. And they know my views. So, I don't think that the campaign has driven any wedge between me and the leaders on Capitol Hill or of the American people on this very important problem.

Q. So, that does mean that you feel that there is widespread national support for -- --

The President. No question about it.

Q. -- -- whatever it is that you have to do, that you decide to do?

The President. Well, I like to feel the American people would support their President on whatever decision is made. And I think one way to guarantee that is to be sure that you consult, to be sure that you spell out your objectives as clearly as possible, be sure you keep their historic coalition together. And the importance of the [Secretary of State] Baker trip, for example, I think, is obvious. And so, so far, I think that the ingredients are there for full support. And I view my responsibilities as such that I must be sure that's right. I'll go the extra mile here at home and abroad to see that the common objectives as stated by the United Nations are met.

Now, I'll turn it over to Bill. And let me just say, I've read some silly speculation about Bill Bennett's leaving. And he has my total confidence. There's no internal politics that's caused him to make this decision. If he feels like it, he can tell you when he -- I don't want to violate confidences -- when he and I had our first and subsequent talks about this. He knows the affection that Barbara and I have for him and his family. I know the kind of sacrifice that anyone serving this country goes through not just in the controversy of the job but in terms of financial aspirations for their families that need to be educated. And so, please discount some of this understandable speculation. He has my confidence; I think I have his. And I know that he has the

love and affection for his family from Barbara and me.

I think he's done an outstanding job for this country. And even his severest critics, I think, will tell you that -- those that started off the most critical. We've made progress in an area that is vital to every single family in this country, and I will never get over being grateful to Bill Bennett for what he's done.

Note: The President spoke at 11:08 a.m. in the Briefing Room at the White House.

Letter Accepting the Resignation of William J. Bennett as Director of National Drug Control Policy

November 8, 1990

Dear Bill:

It is with great regret that I accept your letter of resignation as Director of National Drug Control Policy. Your strong support and steady guidance will be sorely missed.

As the first Director of National Drug Control Policy, you took on the dual task of coordinating the Federal Government's effort to fight the war on drugs while providing courageous national leadership in the battle against drug use, addiction, and drug-related crime. Your drive, determination, clarity of purpose, and deep sense of mission have helped unite the whole Nation behind this critical task.

Under your careful stewardship, our Administration published the first National Drug Control Strategy, a comprehensive blueprint for fighting drugs and drug use on every front, at every level of government, and in every city, town, and neighborhood. In the time since we presented the National Strategy to the American people, we have seen many very real and encouraging signs of progress against drugs. You have helped lay the essential groundwork for victory, and I share your fervent belief that in the months and years ahead, we will see the menace of drugs finally beaten.

Bill, both Barbara and I maintain the greatest respect and admiration for your accomplishments in public office. On behalf of all Americans, let me express our indebtedness to you for your service to the peace and health of this Nation.

Sincerely,

George Bush

Dear Mr. President:

It is with deep respect and heartfelt gratitude that I advise you of my wish to resign as Director of the Office of National Drug Control Policy at the end of November.

When I assumed this position in March of 1989, you asked that I devote my efforts to develop a strategy to fight the terrible menace of illegal drugs. Under your leadership, and with the strong support of your Cabinet, I believe we have done that.

During the last nineteen months, we have made progress in attacking all aspects of illegal drug use in this country. While much remains to be done, I think it can be said we have witnessed a major turning point in the war on drugs. All indicators suggest that drug use -- across the board -- has started to turn down. I believe that the American people have united to assure that the promise you made in your Inaugural Address will be fulfilled.

The National Drug Control Strategy that has been implemented during your Administration enjoys broad, bipartisan support. With continued effort, energy, and further refinement, this Strategy will bring this scourge under control, and provide lasting benefit to the American people. Your courageous commitment to tackle this problem is a tribute to you and your Presidency.

Thank you for the opportunity to serve.

Sincerely,

Bill

William J. Bennett

The President's News Conference on the Persian Gulf Crisis

November 8, 1990

The President. I have a brief statement, and I'd be glad to take a couple of questions and then turn to Secretary Cheney, who will take some questions. And then he will go over to the Pentagon for more of an in-depth briefing.

On August 6th, in response to the unprovoked Iraqi invasion of Kuwait, I ordered the deployment of U.S. military forces to Saudi Arabia and the Persian Gulf to deter further Iraqi aggression and to protect our interests in the region. What we've done is right, and I'm happy to say that most Members of Congress and the majority of Americans agree.

Before the invasion in August, we had succeeded in the struggle for freedom in Eastern Europe, and we'd hopefully begun a new era that offered the promise of peace. Following the invasion, I stated that if history had taught us any lesson it was that we must resist aggression or it would destroy our freedom. Just ask the people of Kuwait and the foreign nationals in hiding there and the staffs of the remaining Embassies who have experienced the horrors of Iraq's illegal occupation, its systematic dismantling of Kuwait, and its abuse of Kuwaitis and other citizens.

The world community also must prevent an individual clearly bent on regional domination from establishing a chokehold on the world's economic lifeline. We're seeing global economic stability and growth already at risk as, each day, countries around the world pay dearly for Saddam Hussein's [President of Iraq] aggression.

From the very beginning, we and our coalition partners have shared common political goals: the immediate, complete, and unconditional withdrawal of Iraqi forces from Kuwait; restoration of Kuwait's legitimate government; protection of the lives of citizens held hostage by Iraq both in Kuwait and Iraq; and restoration of security and stability in the Persian Gulf region.

To achieve these goals, we and our allies have forged a strong diplomatic, economic, and military strategy to force Iraq to comply with these objectives. The framework of this strategy is laid out in 10 United Nations resolutions, overwhelmingly supported by the United Nations Security Council. In 3 months, the U.S. troop contribution to the multinational force in Saudi Arabia has gone from 10,000 to 230,000 as part of Operation Desert Shield. General Schwarzkopf [commander of the U.S. forces in the Persian Gulf] reports that our forces, in conjunction with other coalition forces, now have the capability to defend successfully against any further Iraqi aggression.

After consultation with King Fahd [of Saudi Arabia] and our other allies, I have today directed

the Secretary of Defense to increase the size of U.S. forces committed to Desert Shield to ensure that the coalition has an adequate offensive military option should that be necessary to achieve our common goals. Toward this end, we will continue to discuss the possibility of both additional allied force contributions and appropriate United Nation actions.

Iraq's brutality, aggression, and violations of international law cannot be allowed to succeed. Secretary Baker has been consulting with our key partners in the coalition. He's met with the Amirs of Bahrain [`Isa bin Salman Al Khalifa] and Kuwait [Jabir al-Ahmad al-Jabir al-Sabah], King Fahd, President Mubarak [of Egypt], as well as the Chinese Foreign Minister [Qian Qichen], President Ozal [of Turkey], [Soviet] Foreign Minister Shevardnadze, President Gorbachev. He also will be meeting with Prime Minister Thatcher [of the United Kingdom] and President Mitterrand [of France]. I've been heartened by Jim's appraisal of the strong international solidarity and determination to ensure that Iraq's aggression does not stand and is not rewarded.

But right now, Kuwait is struggling for survival. And along with many other nations, we've been called upon to help. The consequences of our not doing so would be incalculable because Iraq's aggression is not just a challenge to the security of Kuwait and other Gulf nations but to the better world that we all have hoped to build in the wake of the Cold War. And therefore, we and our allies cannot and will not shirk our responsibilities. The state of Kuwait must be restored, or no nation will be safe and the promising future we anticipate will indeed be jeopardized.

Let me conclude with a word to the young American GI's deployed in the Gulf. We are proud of each and every one of you. I know you miss your loved ones and want to know when you'll be coming home. We won't leave you there any longer than necessary. I want every single soldier out of there as soon as possible. And we're all grateful for your continued sacrifice and your commitment.

Now, with no further ado, I'd be glad to take a couple of questions. And when I leave, Dick, take some questions and then go over to the Pentagon.

Q. Mr. President, it sounds like you're going to war. You have moved from a defensive position to an offensive position, and you have not said how many more troops you are sending or, really, why.

The President. Well, I've said why right now. And I hope it's been very clear to the American people.

Q. Are there new reasons that have moved this posture?

The President. No, it's just continuing to do what we feel is necessary to complete our objectives, to fulfill our objectives, that have been clearly stated.

Q. Well, are you going to war?

The President. I would love to see a peaceful resolution to this question, and that's what I wanted.

Q. What made the change from the defense to offense?

The President. I would like to see a peaceful solution to this question. I think Saddam Hussein should fully, without condition, comply to the U.N. resolutions. And if this movement of force is what convinces him, so much the better.

Q. You said last week that the sanctions haven't had the impact that you wanted. Some members of the coalition are urging a go-slow approach. The President of Egypt says you've got to wait 2 or 3 months before you judge whether the sanctions have worked. Are you willing to wait that long?

The President. Wait for what?

Q. To see if the sanctions have worked?

The President. I think from talking to Jim Baker and recently to President Mubarak that we are in total sync with him. But I hope that the sanctions will work within a 2-month period. But I don't think we've got a difference with Egypt on this at all, Terry [Terence Hunt, Associated Press].

Q. The question is how long are you willing to give the sanctions?

The President. Well, I can't tell you how long. If I knew, I certainly wouldn't want to signal that to Saddam Hussein.

Q. Prime Minister Thatcher said yesterday that if, indeed, Saddam doesn't withdraw from Kuwait that you and the allies will use force. I haven't heard you say that before. You've talked about wanting to retain the option of war, but would you use force?

The President. Well, I don't want to say what I will or will not do. But certainly, I noted what Prime Minister Thatcher said -- one of the strongest members of this coalition. And she's an eloquent spokesman for her views and speaks in a way that shows that we're all together. So, I have not ruled out the use of force at all, and I think that's evident by what we're doing here today.

Q. Sir, can I just follow that up by going back to the speech you gave at the Pentagon back in

August, when you talked about oil, protecting Middle East oil reserves, and you talked about American jobs, in fact the American way of life being endangered. Yet when you went out on the campaign trail, you seemed to shy away from oil. You said demonstrators don't seem to understand that we're not going to go to war for oil. But that was one of the things you talked about. And in fact, isn't oil part of the American national interest? Isn't that a main reason we're there?

The President. It is a part of it, but it is not the main reason -- or I'd say, a main reason. The main reason we're there is to set back aggression, to see that aggression is unrewarded. My argument with some of the protesters is that they seem to suggest that oil is the sole reason that we are involved in this enormous commitment. And that is simply not correct. There's a lot of other interests, and the restoration of the security and stability in the Persian Gulf region clearly relates to the world's economic interest. I'm not denying that, and I'm not backing away from the fact that all the Western world has real interest in that. But my argument with those people is that they are missing the point. The point is: It is the aggression against Kuwait that has caused this coalition to come together as it has.

Q. Do you feel that you are free to take offensive action without any kind of U.N. resolution authorizing it?

The President. Yes, we have authority. But we've been great believers in going to the United Nations. I think one of the major successes has been the ability to have world opinion totally on our side because of U.N. action. The peacekeeping function of the United Nations has indeed been rejuvenated by the actions of the Security Council.

Way in the back, because I've been accused by a distinguished senior reporter of not getting into the back of the room, so I'd like to rectify that.

Q. Mr. President, do you yet have the support you need in order to secure an additional resolution from the U.N. Security Council to explicitly authorize the use of force? Do you now have sufficient support on the Security Council to get that?

The President. I would say that the Baker mission is -- what it is about is consultation. That subject will be discussed in some ways, I'm sure, but that's not why he's there. We're talking about a wide array of issues, and so I'd say we have not tried to specifically poll the other 14 members of the Security Council along those lines. So, I can't answer whether we would or not.

Q. If I may follow: Has any country told you they would block such a resolution?

The President. Some may have said such a thing, but it's not been brought to my attention at all. And again, I think I'd know if that were the case. But I don't think so.

Q. Mr. President, it would seem that the situation at the U.S. Embassy in Kuwait is crucial to the future of the overall situation in the Gulf. What is the latest there? What is the situation with their food and water supplies? And do you have any plan in the works to resupply them?

The President. I think it's unconscionable to try to starve people out and to isolate them from food and supplies of all kinds, and that's exactly what's going on. In terms of how long they can survive, I'm not sure I could give you a specific answer, but I believe the answer would be a few weeks, something of that nature.

Q. Are there plans to resupply them when they run out or -- --

The President. Well, if there were, given the hostile environment in which these people are living, it would be unproductive to discuss it.

Q. Mr. President, what has happened in the last 2 weeks that has led you to put now an offensive force into Saudi Arabia?

The President. Well, we have not only offensive but defensive forces there already. And what leads me to do this is just because I believe, upon the advice of our able Secretary of Defense and others, that this is in the best security interests of our people that are there and of the coalition. I think it is just a guarantee of the safety of all, and I think it sends a very strong signal -- another strong signal -- to Saddam Hussein that we are very, very serious about seeing the United Nations resolutions complied to in their entirety, without any kind of watering down.

Q. Would you say that we're in a critical phase now between a peaceful solution and a possible armed conflict?

The President. I wouldn't phrase it that way.

Q. Mr. President, the longer that you wait and the longer that no action is taken in Kuwait, the less and less there seems to be of Kuwait. What's the point of waiting if there's not going to be anything left of that country when you finally decide to go in?

The President. Well, I've told you that I would like to feel that Saddam Hussein would come to his senses and comply under economic pressure with the sanctions that have been taken in the United Nations and with the objectives. I would like to think the economic sanctions would compel him to do that which he has been unwilling to do. Regrettably, he keeps reiterating his view that this is not Kuwait but Province 19, and that is unacceptable to the United States and to our partners. So, I think we're giving these sanctions time to work. We're giving world opinion time to mobilize and impress on him that we're all serious. But now we're moving up our forces for the reasons I've given you.

Q. But there might not be much left of Kuwait.

The President. Well, that worries me. It worries me very much, as do the lives of those who have been forced into hiding by his brutality and his violation of international law. Of course, it concerns me deeply. And I've spoken about that, the dismantling of Kuwait and the systematic brutality that is exercised against the citizens of Kuwait. And as each day goes by it's worse. So, I take your point that it's -- I guess it's your point -- that it's a very bad situation. But I just keep reiterating my determination to see our objectives fulfilled here.

Q. Sir, on your consultation that your Secretary of State's doing now in Moscow, could you just spell out for us what your understanding is as of today with Mikhail Gorbachev on the use of force?

The President. Well, I talked to Jim Baker -- it's a very timely question because I talked to him, just before coming in here, from Moscow; and he had a long series of consultations and discussions there with the Foreign Minister and with Mr. Gorbachev. I am convinced, from what the Secretary has told me, that we are on the same wavelength in terms of the objectives that I spelled out here. But I can't go in with you into what the Soviet position will be on the use of force. I don't think they've been asked to send forces. Is that -- maybe I missed the question.

Q. Mr. Shevardnadze on the record today said that they, too, would not rule out the use of force, while they still wanted a peaceful solution. Does that at least help you send the kind of signal to Saddam Hussein that you're also trying to send here?

The President. I think it is very helpful. But I think the signal of solidarity between the United States and the Soviet Union and the rest of the Security Council has already gone out. But, no, I think that it is very helpful to have a position like that stated and restated, because that's the way the whole world feels. And it is good to have this solid front between ourselves and the Soviet Union. And I think Jim felt that he had a constructive visit with the Chinese Foreign Minister. And he's looking forward to his meetings with President Mitterrand and Prime Minister Thatcher in the next couple of days. But his trip has been extraordinarily helpful in sending that signal of solidarity and determination on the part of those that are involved here, strong determination.

I'm going to take a couple more, and then let Dick take some questions.

Q. I understand that we're going to be getting that briefing and General Powell [Chairman of the Joint Chiefs of Staff] will speak later, but can you please give us some sense of the numbers and types of reinforcements that you're sending to the Gulf? And do you believe that this will be the final deployment? We keep seeing the numbers ratcheting up and hearing that this should be sufficient to do the job.

The President. Let me simply say we're talking about substantial numbers. I will defer, with your

permission, of course, to the Secretary of Defense and the Chairman of the Joint Chiefs, who will be able to help more than I will on the details of this move. But I can't say whether -- after this is completed -- whether there will be anything else done or not. I mean, I am still hopeful that Saddam Hussein will get the message that he is not going to prevail and that he has to get out of Kuwait without condition, and that the rulers have to come back and that the stability of the Gulf must be guaranteed. So, I would simply leave it there and, if you would, let the defense experts take the rest of it.

Q. As you have consulted -- if I may follow up -- on this deployment and, in fact, on the military situation overall with the other countries involved in the multinational forces, there have been complaints, observations out of Israel that, were there to be offensive action, there needs to be coordination or some sort of chain of command involving the Israelis, too, where they may end up being involved. To what extent are you communicating with the Israelis, and to what extent do you envision any role or possible role for the Israelis should this come to war?

The President. I think the whole world knows that the United States has a very special relationship with Israel -- a strong relationship. I think we are in close touch with the key players there in terms of our objectives, and I think they have conducted themselves regarding all of this very well, indeed. But I am not going to discuss any more details than that. But I feel that we're on a good wavelength there. We had some differences, obviously.

One and one, and then I've got to go.

Q. Mr. President, to follow up on Wyatt's [Wyatt Andrews, CBS News] question: After Foreign Minister Shevardnadze made his comments today, President Gorbachev seemed to say that it was too early to talk about the use of force. Are the Soviets sending us mixed signals -- --

The President. No -- --

Q. -- -- or is this just an indication that -- like President Mubarak made earlier in the week -- that some of our allies want more time to try to find a diplomatic solution before use of force?

The President. I don't get the feeling we're getting any mixed signals at all from the Soviets, particularly after I've talked to Jim Baker. I know there was some feeling there were mixed signals because of Mr. Primakov's [Soviet Presidential Council member] mission, but upon the completion of that, I think people recognize that we are still very much in agreement with the Soviet on matters as it relates to the Gulf. It's good, Ann [Ann Devroy, Washington Post], and it's strong. And I just can't worry about that point at all, after talking to Jim Baker.

Q. Does Jim Baker have an explanation for the difference between Mr. Shevardnadze's remarks and Mr. Gorbachev's remarks today?

The President. No. He made the point that we were together with them, and that was not discussed -- any differences.

Last one, on the aisle.

Q. Mr. President, I have a very important question to ask you.

The President. Only if he'll yield. You know, in the Congress, they say, ``I yield to the distinguished lady from Texas." But if he don't want to yield, I'm sorry; I've recognized the gentleman.

Q. Some members of your administration -- --

Q. I don't expect him to yield, but I would expect you to. [Laughter]

The President. Sarah [Sarah McClendon, McClendon News], I've disappointed you so much.

Please go ahead.

Q. Some members of your administration are convinced that Saddam Hussein will not move until the 11th hour, or 11:59, when he is totally convinced that you are about to use military force. Why is he not convinced now, do you think? How do you expect that you will be able to get to that 11:59 minute?

The President. Well, I'm not sure I accept the 11:59 analogy. But if there has ever been any doubt in his mind about the seriousness of the West and of the other Arab countries and of the coalition -- put it that way -- I think that those doubts are rapidly being dispelled. You see, I do believe that when he moved into Kuwait I think he felt he was going to have just an easy time of it and that the world would not rise up in arms against the aggression. I think he miscalculated there. I believe he thought he could just take over Kuwait and then there would be a lot of talk and discussion and he would be able to turn Kuwait, a sovereign nation, a member of the Arab League, a member of the United Nations, into Province 19.

And the United States, along with other countries, said no, we're not going to permit this aggression to stand, because an unchecked aggression today could lead to some horrible world conflagration tomorrow. And so, I think there's where the miscalculation originally was. I find it hard to believe that today, November 8th, he does not understand that he's up against a determined, unprecedented alliance.

And so, I hope that he is rethinking his position of unyielding opposition to the will of the rest of the world. And I would think that when he surveys the force that's there, the force that's going, what other countries are doing in this regard, he will recognize that he is up against just a foe

that he can't possibly manage militarily. Margaret Thatcher touched on that yesterday, and I thought she did it very well, indeed. And so, if nothing else happens, I'm convinced that this move will show him how serious we are as a significant partner in this coalition. I think it's a good thing, and it will have strong support from others around the world. Let's hope he comes to his senses and does tomorrow that which he should have done weeks ago, because this aggression simply will not stand.

Now, Dick, it's all yours.

Note: The President's 65th news conference began at 4:04 p.m. in the Briefing Room at the White House.

Statement on Signing the Nutrition Labeling and Education Act of 1990

November 8, 1990

Today I am signing H.R. 3562, the ``Nutrition Labeling and Education Act of 1990.'' This legislation amends the Federal Food, Drug, and Cosmetic Act to require nutrition labeling on certain foods and to regulate health claims about nutrients in foods.

This Act makes two significant changes in current law. First, it requires food manufacturers to include more nutrition information on their labels to assist consumers in selecting a healthful diet. Second, H.R. 3562 would prohibit food manufacturers from making health claims on their labels unless the claims are permitted by the Department of Health and Human Services.

I note that one provision of the Act requires the Secretary of Health and Human Services to contract for a study of the effectiveness of the regulations implementing certain provisions of the Federal Food, Drug, and Cosmetic Act and to undertake regulatory action using the results of this study. As the Constitution requires, I understand this provision to reserve to the Secretary of Health and Human Services the authority to formulate the regulatory proposals required by this legislation, taking into consideration the recommendations of the contractor's study.

George Bush

The White House,

November 8, 1990.

Note: H.R. 3562, approved November 8, was assigned Public Law No. 101 - 535. The statement was released by the Office of the Press Secretary on November 9.

Statement on Signing the Bill Amending the Employee Retirement Income Security Act of 1974

November 8, 1990

Today I am signing H.R. 5872, a bill ``To amend title I of the Employee Retirement Income Security Act of 1974 to require qualifying employer securities to include interest in publicly traded partnerships."

In approving this legislation, I wish to make clear that the scope of the bill is limited. It is my understanding that the bill will change provisions of the Employee Retirement Income Security Act with respect to the treatment of investments in publicly traded partnerships under certain provisions governing fiduciary duties and prohibited transactions. H.R. 5872 will not change existing tax rules that prohibit publicly traded partnerships from maintaining certain forms of tax-qualified plans such as employee stock ownership plans.

George Bush

The White House,

November 8, 1990.

Note: H.R. 5872, approved November 8, was assigned Public Law No. 101 - 540. The statement was released by the Office of the Press Secretary on November 9.

Statement on Signing the Bill Extending Nondiscriminatory Tariff Treatment to Products of Czechoslovakia

November 8, 1990

As I prepare for my visit to Prague on November 17 and 18, I am particularly pleased to sign H.J. Res. 649 that approves the extension of nondiscriminatory tariff treatment to products of the Czech and Slovak Federal Republic. I thank the Congress for its close cooperation and prompt approval of this measure that will mark an important milestone not only in U.S.-Czechoslovak relations, but also in Czechoslovakia's reintegration into the global economy and the community of free nations.

Once most-favored-nation (MFN) tariff treatment is implemented, Czechoslovakia will become the first Eastern European nation to receive such treatment for its exports to the United States since the revolutions of 1989. With the assistance and endorsement of the Congress, we already have launched efforts that should result in the eventual extension of similar treatment to products of the Soviet Union and Bulgaria.

The enactment of H.J. Res. 649 represents a significant step on our part to bring into force the U.S.-Czechoslovakia Trade Agreement signed by our two governments last April. Upon formal approval of the Agreement by the Federal Assembly and an exchange of diplomatic notes between our governments confirming mutual approval, the Agreement will extend MFN tariff treatment to Czechoslovak exports to the United States and U.S. exports to Czechoslovakia. These sharply lower tariffs will provide the impetus for greatly expanded trade between the United States and Czechoslovakia and the first step toward a normalization of our bilateral trade relations.

In addition to extending MFN tariff treatment, the Trade Agreement contains important guarantees for American businesses engaging in trade with Czechoslovakia, including the right to nondiscrimination in renting office space, in paying for local goods, and in establishing bank accounts. Any hard currency earnings from trade may be repatriated immediately. Through this Agreement, the Czechoslovak Government has also committed to upgrade significantly its protection of intellectual property rights, bringing its intellectual property regime to a level on a par with that of other industrialized nations.

The Czechoslovak Government already has made tremendous strides in its movement toward economic reform and trade liberalization. The implementation of this Agreement and the establishment of U.S.-Czechoslovak trade relations on a basis of nondiscrimination will serve to solidify these reforms and ensure Czechoslovakia's role as an important partner in the global trading system.

George Bush

The White House,

November 8, 1990.

Note: H.J. Res. 649, approved November 8, was assigned Public Law No. 101 - 541. The statement was released by the Office of the Press Secretary on November 9.

Memorandum of Disapproval for the Orphan Drug Amendments of 1990

November 8, 1990

I am withholding my approval of H.R. 4638, the ``Orphan Drug Amendments of 1990." This legislation would make substantive changes to the orphan drug provisions of the Federal Food, Drug, and Cosmetic Act and the Orphan Drug Act.

Enacted in 1983, the Orphan Drug Act created economic incentives for drug companies to develop drugs for rare diseases and conditions -- so-called ``orphan drugs." Typically, these drugs would not be profitable to develop because of their small patient populations.

By any measure, the Orphan Drug Act has been a tremendous success. A total of 49 new drugs for rare diseases have been approved under this program, and 370 others are in the development stage. These drugs have provided lifesaving treatments for such terrible diseases as enzyme deficiency, which affects adversely the immune system of about 40 children nationwide. Until the orphan drug was developed to treat these children, they had to spend their entire lives in the protection of an isolation bubble. One of the first orphan drugs is another example of a triumph. The most difficult form of leprosy affects only 4,000 people. A drug known for over 14 years to be effective in treating this condition was not being marketed by any drug company, because it was considered unprofitable -- until the Orphan Drug Act provided the marketing incentive. In a similar manner, orphan drugs provide treatment for terrible diseases for which there is usually no alternative therapy.

I have serious concerns about the effect that H.R. 4638 would have upon the incentive of drug companies to develop orphan drugs. I believe we must not endanger the success of this program, which is due in large measure to the existence of the ``market exclusivity" provision in the Orphan Drug Act that allows companies to have exclusive marketing rights to an orphan drug for 7 years. Weakening the current 7-year exclusivity provision would certainly discourage development of desperately needed new orphan drugs.

Under current law, firms may apply to develop the same orphan drug, but only the first firm to have its drug approved receives market exclusivity. The certainty of this 7-year period is the basis of the economic incentive to attract drug firms to invest in orphan drugs.

The bill would make two major changes to the market exclusivity provisions of the Orphan Drug Act. First, the bill provides for ``shared exclusivity." Firms that can demonstrate that they have developed the orphan drug simultaneously would be allowed to share the market with the firm initially awarded the market exclusivity. Second, the bill requires the Food and Drug Administration to withdraw the marketing exclusivity as soon as the patient population exceeds

a 200,000 patient limit. Both of these changes have the effect of weakening the marketing incentives provided by the Act. Under this bill, the length of the market exclusivity period will depend on how quickly the patient population grows and whether other firms file claims for simultaneous development.

In addition, as currently constructed, the 200,000 patient population limit would be applied to orphan drugs approved prior to the enactment of the bill as well as to those approved in the future. This retroactive rule change would send a troublesome signal to all those who might wish to develop orphan drugs that the Federal Government may change unilaterally the rules for firms that made investment decisions based on the expectation of 7 years of market exclusivity.

I am aware that this bill was passed after a number of compromises among Members of Congress. I am extremely concerned, however, that individuals with rare diseases may suffer because of changes that this bill would make in the incentives to develop new drug treatments. Accordingly, I am withholding my approval of H.R. 4638.

George Bush

The White House,

November 8, 1990.

Note: The President's last day for action on this bill was November 8. The memorandum was released by the Office of the Press Secretary on November 9.

Final Sequester Order

November 9, 1990

By the authority vested in me as President by the statutes of the United States of America, including section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99 - 177), as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100 - 119) and Title XIII of the Omnibus Reconciliation Act of 1990 (Public Law 101 - 508) (hereafter referred to as ``the Act''), I hereby order that the following actions be taken immediately to implement the sequestrations and reductions determined by the Director of the Office of Management and Budget as set forth in his report dated November 9, 1990, under sections 251 and 254 of the Act:

(1) Budgetary resources for each non-exempt account within the international category of discretionary spending shall be reduced as specified by the Director of the Office of Management and Budget in his report of November 9, 1990.

(2) Pursuant to sections 250(c)(6) and 251, budgetary resources subject to sequestration shall be new budget authority; new loan guarantee commitments or limitations; new direct loan obligations, commitments, or limitations; and obligation limitations.

(3) For accounts making commitments for guaranteed loans as authorized by substantive law, the head of each Department or agency is directed to reduce the level of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and specified by the Director of the Office of Management and Budget in his report of November 9, 1990.

All sequestrations shall be made in strict accordance with the specifications of the November 9th report of the Director of the Office of Management and Budget and the requirements of sections 251 and 254.

George Bush

The White House,

November 9, 1990.

Appointment of Remedios Diaz-Oliver as a Member of the Advisory Committee for Trade Policy and Negotiations

November 9, 1990

The President today announced his intention to appoint Remedios Diaz-Oliver, of Florida, to be a member of the Advisory Committee for Trade Policy and Negotiations for a term of 2 years. She would succeed John R. Faust, Jr.

Since 1977 Ms. Diaz-Oliver has served as president and chief executive officer of American International Container, Inc., in Miami, FL. Prior to this she was vice president and sales manager of Richford Industries, Inc., of Miami, FL, 1961 - 1976. In addition, she has served as a director and consultant for New World School of Languages in Miami, 1964 - 1966.

Ms. Diaz-Oliver graduated from Havana Business University and Havana College. She is married to Fausto Diaz-Oliver, has two children, and resides in Miami, FL.

Notice of the Continuation of the National Emergency With Respect to Iran

November 9, 1990

On November 14, 1979, by Executive Order No. 12170, the President declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States constituted by the situation in Iran. Notices of the continuation of this national emergency have been transmitted annually by the President to the Congress and the Federal Register, most recently on October 30, 1989. Because our relations with Iran have not yet returned to normal, and the process of implementing the January 19, 1981, agreements with Iran is still underway, the national emergency declared on November 14, 1979, must continue in effect beyond November 14, 1990. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iran. This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

November 9, 1990.

[Filed with the Office of the Federal Register, 5:12 p.m., November 9, 1990]

Note: The notice was released by the Office of the Press Secretary on November 13.

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Iran

November 9, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency is to continue in effect beyond November 14, 1990, to the Federal Register for publication. Similar notices have been sent annually to the Congress and the Federal Register since November 12, 1980, most recently on October 30, 1989.

The crisis between the United States and Iran that began in 1979 has not been fully resolved. While the international tribunal established to adjudicate claims of U.S. nationals against Iran and of Iranian nationals against the United States continues to function, normalization of commercial and diplomatic relations between the United States and Iran has not been achieved. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed in the process of implementing the January 1981 agreements with Iran and in the eventual normalization of relations with that country.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter was released by the Office of the Press Secretary on November 13.

Remarks at the Presentation Ceremony for the National Medals of Science and Technology

November 13, 1990

Welcome, everybody. Thank you all. Please be seated. And delighted to see you here. Pleased to see Secretary Mosbacher, our Secretary of Commerce; Secretary Watkins, Secretary of Energy; and of course, Dr. Bromley; Admiral Truly, right here in front, of NASA. Mike -- Governor Castle, good to see you, sir. And we especially want to greet our honored guests, this extraordinary gathering of scientific and technological genius. Welcome to the White House, and welcome to the presentation of the 1990 National Medals of Science and the National Medals of Technology.

The timing of these awards is fortuitous. A year ago this week, Barbara and I awarded medals to some of the artistic giants of our time: Alfred Eisenstaedt and Dizzy Gillespie and John Updike, among others. And with all that assembled talent, guess what led the evening news: the Rose Garden presentation of the national turkey. [Laughter] So, you're in luck. [Laughter] This year the turkey doesn't get here until Thursday. [Laughter]

And this gathering marks a proud moment for me, just as it was when this year's Nobel Prizes were announced and it turned out that eight of the nine winners in science and economics were born in the United States of America. It is, indeed, a tribute to America's frontier spirit and to our nation's steadfast resolve and sense of the future. For when it comes to leadership in science and technology, best in America means best in the world.

America's tradition of excellence has long been nurtured by a tradition of free inquiry aimed at the simple goal of better understanding ourselves and the world. In the 1945 report that led to the founding of the NSF, the National Science Foundation, Vannevar Bush -- no relation -- wrote that ``As long as scientists are free to pursue the truth wherever it may lead, there will be a flow of new scientific knowledge to those who can apply it to practical problems."

And so it is today. More and more, nearly every product, from electronics to agriculture, incorporates the latest in technology. And more and more, our nation depends on basic scientific research to spur economic growth, longer and healthier lives, a more secure world and, indeed, a safer environment.

Today our government must help carry that research forward and contribute to the development of generic technologies that build on basic discoveries. If America is to maintain and strengthen our competitive position, we must continue not only to create new technologies but learn to more effectively translate those technologies into commercial products. In this way, we can help leverage the R&D of the private sector, helping whole industries advance in an increasingly

competitive global market.

The budget highlights our administration's commitment to science and technology. We won double-digit increases for both NASA and the NSF and expanded funds to investigate global climate change. We remain committed to doing even more, doubling the NSF budget over 5 years and extending the tax credit for R&E, research and experimentation. And we're going to keep raising America's sights. Space station Freedom will give us a permanent presence in Earth orbit, and the Space Exploration Initiative will take us to the Moon and Mars and beyond -- back to space, back to the future, and this time back to stay.

Thirty years from now, when the Nobel Prizes are announced, I want America to be well represented. And 30 years from now, when the Medals of Science and of Technology are bestowed, I want to see America graced by a group as accomplished as that here today. Many of today's honorees serve as prime examples of how we can effectively translate basic science into commercial technology. I think of Millie Dresselhaus, arguably the most important and prominent woman physicist and engineer of her generation, whose hard work helped to revolutionize semiconductors, or Allan Cormack, whose pioneering efforts earned him a Nobel Prize and made CAT scan a household word, and scholars as diverse as Boston's Baruj Benacerraf or Seattle's Donnall Thomas, another Nobel laureate, whose contributions to immunology may lead to new answers in our battle against cancer and AIDS. Scientists like you have, indeed, helped America to understand that AIDS is a disease, not a disgrace. And scientists like you who have helped America to appreciate our responsibility to those who are living with HIV and AIDS. And they deserve our compassion, they deserve our care, and they deserve more than a chance: They deserve a cure.

Another legacy of these prestigious medals and the work they honor must be the cultivation of excellence in science and math in classrooms across America. The National Science Scholars program we proposed soon after taking office has now been enacted and will encourage budding scholars of today to become the scientists of tomorrow. Guiding our efforts is an ambitious but critical goal for this decade: By the year 2000, U.S. students will be first in the world in science and math.

This week is Education Week, and its theme is ``Educating Everyone Takes Everyone," a fitting motto for the challenges that lie ahead. If we are truly to remain a world leader in science and technology, then we must achieve a renaissance of quality in our schools and we must tap the talent, the energy, and the commitment of all our families, businesses, and universities.

The people we honor today are American trailblazers, real-life pioneers who pressed the very limits of their fields. You have distinguished not only yourselves but also your nation. And that's why America continues to need and want and appreciate your creativity, your genius, and your diversity.

Thank you. Congratulations to all. And God bless the United States. Thank you for coming.

Note: The President spoke at 2:01 p.m. in the East Room at the White House. In his remarks, he referred to D. Allan Bromley, Director of the Office of Science and Technology Policy; Richard H. Truly, Administrator of the National Aeronautics and Space Administration; and Gov. Michael Castle of Delaware.

Remarks Following Discussions With Giulio Andreotti, Prime Minister of Italy and President of the European Council

November 13, 1990

The President. I was delighted to have the opportunity for these extended discussions with my friend Giulio Andreotti. This is my first official meeting with the leader of the European Community in his capacity as President of the EC Council. And as such, it fulfills an agreement that I made with Prime Minister Haughey during the Irish EC Presidency.

I look forward to regular working sessions with future EC Presidency representatives and consider this the beginning of a valuable new tradition. I, of course, also wanted to extend a warm welcome to the EC Commission President, an old friend, Jacques Delors, and of course, the Foreign Minister of Italy, Foreign Minister De Michelis, who have made valuable contributions in these discussions that we had there in the Cabinet Room.

We discussed at length our goals for the Uruguay round and our strong conviction that we must succeed in substantial trade liberalization and strengthening the multilateral world trading system. And I, for my part, and Prime Minister Andreotti and President Delors, on behalf of the Community and its member states, have pledged to make every effort to ensure that the round concludes successfully in the coming weeks. Indeed, there will be follow-on meetings tomorrow with President Delors.

We also continued our discussions on the crisis in the Gulf. We've worked closely with our EC colleagues on all aspects of the Gulf situation since the invasion of Kuwait, and we've cooperated to pass and maintain effective U.N. Security Council sanctions. Our continuing consultations are providing vital assistance to the frontline states. And I want to salute Prime Minister Andreotti for his strong leadership and for the Community's firm resolve in the international effort in the Gulf.

Through our consultations today and in the future, we are strengthening the transatlantic partnership, a partnership which will continue to unite the United States and Europe in advancing our shared values of political and economic freedom.

Mr. Prime Minister, thank you for coming, sir, and have a safe trip home.

The Prime Minister. I thank you, Mr. President, for the welcome you gave to me and to President Delors and Minister De Michelis.

The close relationship between the United States of America and the European Community constitutes a point, and has constituted a point, of great strength for the maintenance of stability and peace in the world.

What occurred in Kuwait is rightly deemed to be untolerable. If it were allowed to occupy and to annex a country without any opposition, then this would mean the end of the juridical order system which exists in the world. The effort being carried out by the United Nations with the contribution of all of us is aimed at obtaining three results: first, the liberation of Kuwait and the return of the legality in the country; second, the freeing of the hostages; and third, the establishment of a system of security in all the countries in the Middle East capable of assuring a reciprocal peace in that area and a reciprocal respect amongst their peoples.

As President Bush has said in his speech in front of the United Nations on the 1st of October, there can be no simultaneity to solve all the problems in the area, but there exists a connection amongst them and a strong commitment to bring back peace and security in the Middle East. And all our efforts must be aimed at achieving these goals in a peaceful way.

Lastly, I want to say that we have worked out the wording of the declaration of the relationship between the EC and the United States of America. I know that there has been only one word in brackets, and I hope this will be very soon solved so that in Paris next week we can have the issuance of this declaration.

And lastly, as President Bush has said, during the meeting, we have devoted a great part of it to discuss at length the problems connected with the Uruguay round, and with great clarity and also with the will to reach a positive conclusion. And we believe truly that should this agreement not be achieved, then it would bring about serious damages, in particular to the less developed countries.

I will have the pleasure of meeting next week in Paris President Bush, and I would like just to emphasize how important it is, this formula of cooperation for security in Europe. Also, before 1975, relations between Europe and the American continent were very good. But as of 1975, United States of America and Canada are Europe. And it is not a fantasy to say that it was in that very moment that the new history for United States, for Canada, and for Europe, and for the whole world had started. And we must have this policy of cooperation and security guide always our steps in the future in our decisions.

Thank you, President Bush, also for having me, for this welcome, and having bid me a good return, because now I will not suffer today of jet lag since I'm leaving tonight. [Laughter]

The President. So pleased you were here, sir. Thank you.

Note: The President spoke at 5:49 p.m. at the South Portico of the White House. The Prime

Minister spoke in Italian, and his remarks were translated by an interpreter.

Statement by Press Secretary Fitzwater on President Bush's Meeting With Giulio Andreotti, Prime Minister of Italy and President of the European Council

November 13, 1990

Italian Prime Minister Giulio Andreotti, in his capacity as President of the European Community, met with President Bush today from 4:00 to 5:30 p.m. The two leaders met privately for approximately 30 minutes on bilateral issues. Prime Minister Andreotti was joined by EC Commission President Jacques Delors and by Italian Foreign Minister De Michelis in the plenary session. Secretaries Baker and Brady and national security adviser Scowcroft attended on the U.S. side.

President Bush had fruitful discussions with the Prime Minister on a wide range of issues of mutual interest to the United States and the EC. He particularly praised the Community's firm resolve in the international effort to contain Iraqi aggression in the Gulf region and singled out Prime Minister Andreotti's leadership in this regard.

President Bush also discussed with the Prime Minister and with Commission President Delors the importance of achieving success in the Uruguay round trade negotiations, in the interest of strengthening and further liberalizing the international trading system. It was agreed that renewed efforts at top political levels would be made so as to achieve the common ground on the issue of agricultural subsidies which is needed to move beyond the present impasse in the GATT negotiations.

There was also discussion of the close partnership that both the United States and the EC seek on the whole range of issues of mutual interest. In this connection, a U.S. - EC Declaration of Principles is currently in the final stages of preparation. The declaration would further institutionalize the already extensive U.S. - EC consultations that exist on most issues of common interest.

Note: The statement referred to Secretary of State James A. Baker III and Secretary of the Treasury Nicholas F. Brady.

Remarks at a Dinner for the Senate Republican Leadership

November 13, 1990

Bob, thank you very much for those kind words, and let me just say how pleased Barbara and I are to be here. You all did a smart thing today in returning a true Republican leader to office: Bob Dole. In fact, Millie has already sent her congratulations to Leader. [Laughter]

I really wanted to be here for a lot of reasons, but one of them is because Bob has led our policy with style and wit, and with precision, with integrity. I've come to count on him every single day. And he's been a great Republican leader, as great as any in the past. And I say that -- we had another great one sitting here tonight: Howard Baker. And I also think of Joy's dad, Everett Dirksen -- great, great leaders. But I think we would all agree that Bob Dole is doing an exceptional and an outstanding job. And again, I count my blessings that he's leader in the United States Senate for our party.

While I'm at it, I want to congratulate the new head of the Red Cross, someone I will miss at our Cabinet meetings. And I'm very sorry she couldn't be with us. She's up still laboring under the Labor portfolio up there in New York at a big meeting of the AFL - CIO, I believe it is. But anyway, let me just say to you, my friends in the Senate, what I've tried to tell outside world when Elizabeth [Dole] and I walked into the press room: She has done an outstanding job for this country. And it's right and proper now that she go on to this new challenge. But what a superb Secretary of Labor she's been. Bob, tell her we miss her here tonight.

And of course, then, on the rest our leadership: Al Simpson, back from a landslide, proving that adage that you can fool some of the people all of the time. [Laughter] But nevertheless, I congratulate him. And a congratulations to the newly elected conference chairman, Thad Cochran; and the secretary, Senator Bob Kasten; to Phil Gramm, a fellow Texan, senatorial campaign committee chairman; Don Nichols, now the new policy committee chairman. And I look forward to working closely with every single one of you. And I would say to those who didn't make it: You didn't lose at all. And I detected at least a wonderful spirit of comradery upstairs. And the party here in the Senate is together and strong, and we've got great new leadership.

Let me also acknowledge the four Senators among us who have left their mark on our party and our nation. Senator Bill Armstrong has been a superb chairman of the policy committee, and now he returns to Colorado. What a great Senator he's been.

And I didn't see Gordon Humphrey, but if he's here, let me say that he's done an outstanding job. And now he's taken his case back at the grassroots level in the State of New Hampshire. And I

admire him, and I respect him for that. And when I arrived in Washington as -- you won't believe this -- a skinny freshman in the House of Representatives, one of the first friends that I found was a colleague by the name of Jim McClure. We were elected in November in 1966, and since then I've seen him leave the House and become a truly great Senator from Idaho. And over the years, I can just say that Barbara and I have treasured our friendship with Jim and Louise. And I wish him all the very best, if he's out there -- I think he is somewhere.

And then, of course, Bob so appropriately saluted the other leaving a legacy of leadership here: Rudy Boschwitz. Rudy was on the national committee when I was chairman of the Republican committee, and we've been friends ever since. And I'll tell you, if there was ever a hurt -- a personal hurt -- coming out of this election, it was the Minnesota Senate race. But I have this wonderful, warm feeling that we haven't heard the last from Rudy Boschwitz. And I'll tell you, we love him, and we thank him for what he did.

And then, of course, I just want to add my hearty congratulations to Hank Brown, to Larry Craig, and to Bob Smith, and to say that I look forward to working with all of you. You've won a great victory for our party, and I think we're going to win a lot of victories for our country. And so, once again, to the three newly elected Members of this Senate, congratulations and best of luck to each and every one of you.

And now let me just conclude by saying that we gather here 1 week -- it seems like eons ago to me -- but 1 week after the American people turned to the polls and returned to Washington a government divided. It's a government that's divided by party; it's a government that's divided by purpose and vision. But our purpose as a party and my purpose remains undivided and clear. And we are as committed as ever to private sector, progrowth solutions, expanding our economy, not arguing over how the economic pie should be divided. We are as committed as ever to opportunity, not the failed policies that we fought here in the last Congress on the taxing and spending of the liberals. And we will, as a Republican President and Republican Senators, fight the opposition and fight the special interests for the sake of the national interest.

You know the world is changing, and those changes are going to produce exciting new challenges. Working together, we can prepare this great country to meet those challenges and lead the world into the 21st century. In my view, a lot of the action is going to be at the State level. And this brings me to one who left the Senate to move to the State level, and the biggest State in the United States. And I'm talking, of course, about Pete Wilson and his superb win out there in California.

As I look at our national agenda, it seems to me we've got to keep in mind that the government closest to the people does govern best. And, Pete, I look forward to working with you. I know all the Senate does in working with you and the other Republican Governors and other Governors to make this country just a little better.

You know, in the year ahead, perhaps we should draw some inspiration from a great American of the last century. I want to read you some words: ``Make no little plans. They have no magic to stir men's blood and probably in themselves will not be realized. Make big plans. Aim high in hope and work, remembering that a noble idea once recorded will never die, but long after we are gone will be a living thing."

The man who wrote those words was Daniel Burnham, the architect who conceived and built this great Union Station. And as we had a chance earlier to look around at the ceilings and the gilded geometry that sprang from one man's imagination, let's remember to make big plans, to aim high in hope and work.

These are not particularly easy times. As we look -- Bob referred to the situation in the Gulf. It is my view that the United States will not and must not fail in its objectives. And the objectives are clearly outlined in the 10 resolutions of the United Nations Security Council. And it isn't a question simply of the economic interests of the world -- and they are enormous, as you see the Third World driven to its knees already by the results of Saddam Hussein's aggression against Kuwait. It isn't simply the economic matters -- and they are enormous because we have enormous economic stakes in what happens in that part of the world. And I can think of nothing worse than to see an aggression rewarded and then tomorrow to have the economic noose tightened even further. We're already feeling the pinches in this country of what he's done.

But there's another and a more fundamental principle involved, and that is that one big nation not take over another, one big nation cannot bully and beat into submission another. And it is my view that the United States alone can lead and stand on principle to be sure that we don't set a dangerous precedent for tomorrow.

And so, I stand here to tell you that I am grateful for your support. And I am more determined than I've ever been that we hold this magnificent historic coalition together and that we not fall short of our objectives which have been clearly stated. The United States will not and must not fail. And to achieve that end, I need your support. And I'm grateful for that which you have already given to me and, thus, to our country. But these are serious times, and I expect I would be falling short of what's in my heart if I didn't tell you I am grateful to each and every one of you who have been able to support us in these very difficult times.

Thank you, and God bless you all. And, Bob, thank you for your magnificent leadership once again.

Note: The President spoke at 7:54 p.m. in the East Hall at Union Station. In his remarks, he referred to Howard Baker's wife, Joy; Jim McClure's wife, Louise; and President Saddam Hussein of Iraq. He also referred to the First Family's dog, Millie, and Senator Dole's dog, Leader.

Letter to Congressional Leaders on the Extension of Active Duty of the Selected Reserve of the Armed Forces

November 13, 1990

Dear Mr. Speaker: (Dear Mr. President:)

I have today, pursuant to section 673b(i) of title 10, United States Code, authorized the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service within the Department of the Navy, to extend for an additional 90 days the period of active duty of units and individual members not assigned to units organized to serve as units of the Selected Reserve ordered to active duty pursuant to section 673b(a) of title 10, United States Code and Executive Order No. 12727 of August 22, 1990. The continued need for units and members of the Selected Reserve to augment the active Armed Forces of the United States for the effective support and conduct of operational missions in and around the Arabian Peninsula necessitates this action.

A copy of the Executive order implementing this action is attached.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter was released by the Office of the Press Secretary on November 14. The Executive order is listed in Appendix E at the end of this volume.

Remarks at the Presentation Ceremony for the President's Environmental Youth Awards

November 14, 1990

Well, this is a big day at the White House. I'm glad to see you all here. And I heard those kind comments by our outstanding head of EPA, Bill Reilly. And let me just say to all of you environmentalists, we are very blessed in this country to have a man like Bill Reilly taking on this extraordinarily complicated task and doing such a great job. I want to welcome Mike Deland, head of our Council [on Environmental Quality] here, who's also doing a superb job on the environment; Ted Sanders, from the Education Department, our Under Secretary; and Frank Bracken, the Under Secretary of the Department of the Interior -- both so interested in this work -- and of course, our hardworking EPA youth coordinators and our regional administrators. And especially, I'm pleased to come over to welcome the young champions for the environment, all of you.

And all of you know that protecting the environment is not a spectator sport; we all have to be a part of the solution. And that's why the past year has been so encouraging. So many people, in so many ways, are getting involved -- even the Simpsons.

You know, Bart Simpson dropped me a line the other day when I told him you were coming -- true story -- and he wrote me saying: ``When I mess up my bedroom, my mom comes in and yells, but eventually she cleans it up and everything's cool. But when we mess up the environment, we're the ones who are going to be yelling, and it definitely won't be cool." Well, this is one of those rare moments when Bart makes sense. [Laughter] Wise beyond his years, just as all of you are wise beyond yours.

Just yesterday, here at the White House, I had the honor, the pleasure of awarding the Medal of Science and the Medal of Technology to some distinguished American scientists, engineers, and mathematicians. But the awards that we're making today are no less significant. In fact, when I heard about the projects for this year's awards, I was struck by the sophistication of these projects. Some have grown to national, even international stature. Others have changed the way whole communities operate. But all have made permanent improvements to our natural environment.

Today, in the middle of American Education Week, it's a pleasure to recognize the efforts of students who represent citizenship at its most responsible and the adult sponsors who worked so hard with them. Together, they've proved something too many tend to forget, and that is that in this country it's the individual that counts. It's the individual who makes a difference.

I think of one young man, in particular, who won this award last year for launching a recycling

program. He stood on this stage and asked me if the White House did any recycling. You talk about pressure. [Laughter] This guy came in here -- it's not often that lobbyists come disguised as high school kids. [Laughter] Well, I told him that I didn't think we had a recycling program, but that we'd sure be working on it. And you know, if anyone can teach old dogs new tricks, kids can. And so, now I can say to this year's award winners: We learned something from people like you, and now we've a recycling program in the White House.

And if it's true, as some say, that we're all borrowing the Earth from future generations, it's also true that the Earth will be preserved by millions of small decisions made every day by every one of us. And they're the kind of small decisions that make a world of difference, whether it's recycling aluminum cans, conserving water, turning off a lightbulb, even just keeping the refrigerator door closed.

Like that scene in the ``Teenage Mutant -- bear with me -- Ninja Turtles." [Laughter] They're standing in front of the refrigerator, deciding what to have for dinner. And one of them is standing there with the door open. So, another one says, ``Think with the door closed, then get what you want." ``Okay," the first one says, ``I'm thinking. Tonight we'll have broccoli." [Laughter] And fortunately, he pulls out a pizza. So, there's a happy ending to this story. [Laughter]

And if more of us think with the door closed and our minds open, we can all bring environmental ignorance to a happy ending. Because, to quote one of those Mutant Turtle characters, ``There are no passengers on Spaceship Earth, only crew."

So, with those words of wisdom, let me go on now to the highlight of the day, and that is to the awards for the distinguished crew that is with us today. And let me say, in advance, congratulations to each and every one of you.

[At this point, the awards were presented.]

Well done, everybody. What a great day. What an inspiring day here at the White House. Thank you all very, very much.

Note: The President spoke at 10:28 a.m. in Room 450 of the Old Executive Office Building. Bart Simpson is a character in the television show ``The Simpsons."

Letter to Congressional Leaders Transmitting a Report on the Potential Effects of Space Nuclear Reactors on Gamma-Ray Astronomy Missions

November 14, 1990

Dear Mr. Speaker: (Dear Mr. President:)

I herewith forward a Report on the Potential Effects of Space Nuclear Reactors on Gamma-Ray Astronomy Missions pursuant to section 1012 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101 - 189).

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks at the Thanksgiving Turkey Presentation Ceremony

November 14, 1990

Is that the bird? Hey, Sam! I know you've been waiting out here and getting cold, but I want to welcome all you kids and all you older kids to the Rose Garden, especially Tom over there. After everything that's been going on in Washington these past few months, it's great to finally be sharing a stage with someone I can call a turkey and get away with it. [Laughter] So, I welcome him. I want to assure those of you who fear that a terrible fate awaits Tom Turkey that we've decided to spare him. He will not be subjected to questions from the Washington press corps after this ceremony. [Laughter]

Tom, since you come from North Carolina, and out of respect for the Governor of that State, my friend Jim Martin, I'm going to give you a Presidential pardon, and you can spend the rest of your life at a nearby children's farm. So, he'll be all right at Thanksgiving. Other turkeys may not; this one's going to be okay.

I'm glad to see the kids from the Key Elementary School and the New Hampshire Estates Elementary School. Here's a story you can take back to your teachers. Ben Franklin was upset that the bald eagle was named our national symbol because he wanted it to be the turkey. He said: ``The turkey is a much more respectable bird, and a true original native of America." I'm sure that's a sentiment that Wyatt Upchurch and Stuart Proctor here and the National Turkey Federation would strongly applaud.

You know, Thanksgiving is really special to me because it's a truly American holiday, one that sums up the good, generous heart of this country. And it reminds us of our real American values, the ones we just can't afford to forget: values like deep gratitude for the rich blessings of this great land, unselfish generosity towards those in need, and commitment to the primary importance of family.

With those values in mind, inside there in the Oval Office, I just signed the 1990 Thanksgiving Day Proclamation, continuing a Presidential tradition that was begun by our first President, George Washington. I was pleased to have five religious leaders from different denominations on hand for the signing. And continuing an even longer tradition that dates back to the Pilgrims, we can draw our inspiration from these early Americans. They suffered and lost so much and yet gave a day of genuine rejoicing for the little bit that they did have. How much more gratitude we, who have so much, owe today to our God, our fellow citizens, our country, and our brave service men and women so far from home this holiday.

Barbara and I will be with them, incidentally, Thanksgiving Day -- with some of them over in

Saudi Arabia. And I know I'll express what's in the heart of every American when I shake their hands -- young men and young women -- and say: Thank you. Thank you for standing for freedom, for our security, and for peace in our world.

And perhaps their sacrifice will make those of us at home this Thanksgiving Day reflect even more deeply. So that when we give thanks for our food, we will think of those that are ravaged by hunger; when we give thanks for our health, we will think of those imprisoned by pain or illness or despair; when we give thanks for our freedom, we will also think of those who live in darkness or tyranny; when we give thanks for our future, we will think of those who don't know hope. And we will realize that we have two obligations above all others. First: We must not take for granted the blessings of our lives. And second: For our lives to have true meaning, we must share with others. For this holiday reminds us that it's inner riches, not external wealth, by which we are measured. After all, Thanksgiving is not a time of the year, but it really is an attitude of the heart.

Thanks for coming. God bless everyone here, your families, all those being held hostage, and our service men and women here and abroad. And to all you kids, Happy Thanksgiving. I'm glad you came to the White House. Thanks a lot.

Note: The President spoke at 1:42 p.m. in the Rose Garden at the White House. In his remarks, he referred to Wyatt Upchurch and Stuart Proctor, president and executive vice president of the National Turkey Federation. The proclamation is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on National Emergency Construction Authority

November 14, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Enclosed is an Executive order entitled ``National Emergency Construction Authority.'' I signed the order today to make available to the Department of Defense the emergency construction authority contained at section 2808 of title 10, United States Code. This authority will enable the Secretary of Defense to undertake military construction projects that he deems necessary to respond to the threat caused by the Iraqi invasion of Kuwait.

Without this authority, all military construction in support of Operation Desert Shield or any other operation responding to the Iraqi invasion of Kuwait would have to be included in a military construction authorization act and an appropriations act. Operational requirements do not permit such an extended process for construction of much-needed facilities. This Executive order will permit the Secretary of Defense and the Secretaries of the military departments, if the Secretary of Defense determines a delegation of his authority to be appropriate, to prioritize the construction needs of the military departments and to construct facilities not otherwise authorized by law.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter was released by the Office of the Press Secretary on November 15. An original was not available for verification of the content of this letter. The Executive order is listed in Appendix E at the end of this volume.

Appointment of Ann Windham Wallace as Director of the Office of Consumer Affairs

November 15, 1990

The President today announced his intention to appoint Ann Windham Wallace, of Texas, as Director of the Office of Consumer Affairs at the Department of Health and Human Services. She would succeed Bonnie Guiton.

Since 1987 Ms. Wallace has served as director of the Governor's office of community leadership and volunteer services and director of the Governor's commission for women in Austin, TX. Prior to this, she has participated in many civic and political activities in Austin, TX, including cochairman of Family Community Leadership, community adviser for the Austin Junior League, member of the Task Forces on Displaced Homemakers and Childsave, and adviser for the Governor's committee for disabled persons, 1987.

Ms. Wallace attended the University of Texas at Austin. She was born March 1, 1926, in Okmulgee, OK. Ms. Wallace resides in Austin, TX.

Remarks on Signing the Bill Amending the Clean Air Act

November 15, 1990

Thank you all very much. Thank you so much for being here. I would first like to welcome the Ambassador from Canada, our friend, Derek Burney, who represents, I think, by being here, his countrymen's concern for our common environment.

It is a pleasure to have several of our Cabinet here today: of course, Secretary Lujan here, Interior; and Jim Watkins; as well as Bill Reilly, the Administrator of EPA. Susan Engeleiter is here. Also, Madeleine, I want to welcome you -- Governor Kunin, the Governor of Vermont, is with us today who has a big stake in all of this, and welcome.

I also want to welcome the leaders from the Senate side: the majority leader, Senator Mitchell, who has always had a keen interest in this, and of course, Bob Dole, Republican leader -- both with us today. And of course, if I get singling out all the Members who are here of Congress, I'll be here all day. And I'm just glad you all are here. The Speaker and others, unfortunately, couldn't be here -- majority and minority leader. But we have many of the committee leaders that worked the hardest here. I'll get in trouble, but I see John Dingell, and I want to thank him and so many others. Please let's stop there. Let me just welcome the Members of Congress who have done so much on all of this.

Thanksgiving is still a week away, but I believe this really is a true red-letter day for all Americans. Today we add a long-awaited and long-needed chapter in our environmental history, and we begin a new era for clean air.

This last weekend, I spent some pleasant hours up at Camp David. Saturday and Sunday really were fantastic -- clear and crisp and beautiful, bright sunshine and those magnificent fall colors. And it was great to get out in the woods. But no American should have to drive out of town to breath clean air. Every city in America should have clean air. And with this legislation, I firmly believe we will.

I first made a commitment to comprehensive clean air legislation when I was running for this job, and soon after coming into office, we developed a comprehensive clean air proposal. I think we did have consultation in the best spirit with the Democratic leadership and with the Republican leadership in the Congress, with environmentalists and with representatives of industry, because I believed, and I think we all felt, that it was time for a new approach. It was time to break the logjam that hindered progress on clean air for 13 years. And so, I told our best minds, assembled that morning a year and a half ago, every American expects and deserves to breathe clean air. And as President, it is my mission to guarantee it for this generation and for

the generations to come.

Well, as we used to say in the Navy: Mission defined, mission accomplished. Today I am very proud on behalf of everyone here to sign this clean air bill -- Clean Air Act of 1990.

This landmark legislation will reduce air pollution each year by 56 billion pounds -- that's 224 pounds for every man, woman, and child in America. It will go after the three main types of air pollution: acid rain, smog, and toxic air pollutants. This bill will cut emissions that cause acid rain in half and permanently cap them at these new levels. It will reduce pollutants that cause smog in our cities by 40 percent, so that by the year 2000, over 100 major American cities with poor air quality will have safer, healthier air. And it will cut dangerous air toxics emissions by over 75 percent, using new technologies. And by the next decade, its alternative fuel provisions will help reduce our dependence on foreign oil. This bill means cleaner cars, cleaner power plants, cleaner factories, and cleaner fuels; and it means a cleaner America. Virtually every person in every city and every town will enjoy its benefits.

This legislation isn't just the centerpiece of our environmental agenda. It is simply the most significant air pollution legislation in our nation's history, and it restores America's place as the global leader in environmental protection.

Nineteen ninety is now a milestone year for the environment. I also hope that it will be remembered as an important year for environmental cooperation. There were several members of my administration who saw to it, through thick and thin, that this bill got to my desk: Bill Reilly, the EPA Administrator; Jim Watkins, the Secretary of Energy. From my own staff, our Chief of Staff worked tirelessly -- John Sununu. Roger Porter did an outstanding job, working day in and day out with the Members of Congress. Boyden Gray -- the same thing. Bob Grady and so many others. And they did a great job on this.

And I also want to thank once again the Senators and Members of Congress from both sides of the aisle. Many of you are with us today, and as I mentioned earlier, others couldn't be with us today. But it isn't because of lack of interest. Congress is out; many are scattered to the winds. But the list is too long to single out everybody from the Hill that worked on this. But again, I just want to thank you that are here today and the others who couldn't be with us for your commitment and dedication -- as well as the Governors, the Governors and the experts from local governments who were also instrumental in building true bipartisan support for this legislation.

We met with business leaders who saw stewardship to the environment as a key to long-term economic growth. And we met with academics and innovative problem-solvers from every side who have helped build the foundation for this approach.

I want to commend the environmental groups that we've met with, like the Environmental

Defense Fund, under the leadership of Fred Krupp, for bringing creativity to the table to end what could have been a hopeless stalemate.

We all had tough choices to make. Some said we went too far; others said we didn't go far enough. But despite our differences, we all agreed on the goal: clean air for all Americans. We agreed on the means: a new Clean Air Act.

And we all agreed it was time to take a new approach. This bill is both ambitious in its goals and innovative in its methods. For the first time, we've moved away from the redtape bureaucratic approach of the past. The old tradition of command and control regulation is not the answer. By relying on the marketplace, we can achieve the ambitious environmental goals we have as a country in the most efficient and cost-effective way possible. We'll have to take advantage of the innovation, energy, and ingenuity of every American, drawing local communities and the private sector into the cause. It's time for a new kind of environmentalism, driven by the knowledge that a sound ecology and a strong economy can coexist.

The approach in this bill balances economic growth and environmental protection. The approach is comprehensive, cost-effective; and most of all, it will work. The first major pollution reductions are where we need them most. It offers incentives, choice, and flexibility for industry to find the best solutions, all in the context of continued economic growth. The bill is balanced: It will stimulate the use of natural gas from the wells of Texas and Louisiana; and fuels made from the farms of Iowa, Illinois, the great Midwest; and cleaner, low-sulfur coal from the hills of West Virginia to the Rocky Mountain States. This bill can make America the global leader in developing a new generation of environmental technologies to which the world is now turning.

But it does more. The legislation sets reasonable deadlines for those who must comply; but once deadlines go by, once they pass, the penalties are severe. American heritage is precious. We will not turn our backs or look the other way. That means polluters must pay. And so, there is a new breeze blowing, a new current of concern for the environment. Today marks a great victory for the environment, a day when we have strengthened our clean air statutes, already the world's toughest. This legislation is not only in America's interest; like so many of the environmental issues that we are working on, this bill is in the interest of people all over the world.

And the new environmental ethos is growing. We see it in community efforts and in school involvement across America, and we're seeing it in the innovative response of private industry -- in alternative fuel service stations, electric vehicles. These companies understand we must pioneer new technology, find new solutions, envision new horizons if we're to build a bright future and a better America for our children.

There's an old saying: ``We don't inherit the Earth from our parents. We borrow it from our children." We have succeeded today because of a common sense of global stewardship, a sense that it is the Earth that endures and that all of us are simply holding a sacred trust left for future

generations. For the sake of future generations, I again thank each and every one of you for your commitment to our precious environment. I am now honored to sign this clean air bill into law.

Thank you all who have worked so hard for this day to become possible. Thank you, and God bless all of you.

[At this point, the President signed the bill.]

Maybe we could have the symbolism -- I don't think there's any protocol, but if I could just invite the front row here to come up with Members of Congress, we'd at least show that this is an across-the-board -- [applause] -- --

Please, go in peace. This symbolism -- we've omitted some real fine movers and shakers there, but again, my thanks to all of you. Thank you all for being with us.

Note: The President spoke at 2:32 p.m. in the East Room at the White House. In his remarks, he referred to Susan S. Engeleiter, Administrator of the Small Business Administration; Representative John D. Dingell; Roger B. Porter, Assistant to the President for Economic and Domestic Policy; C. Boyden Gray, Counsel to the President; and Robert Grady, Associate Director for Natural Resources, Energy and Science at the Office of Management and Budget. S. 1630, approved November 15, was assigned Public Law No. 101 - 549.

Statement on Signing the Bill Amending the Clean Air Act

November 15, 1990

Today I am signing S. 1630, a bill to amend the Clean Air Act. I take great pleasure in signing S. 1630 as a demonstration to the American people of my determination that each and every American shall breathe clean air.

In July of 1989, I sent to the Congress a proposal to amend the Clean Air Act of 1970. My proposal was designed to improve our ability to control urban smog and reduce automobile and air toxic emissions, and to provide the enforcement authority necessary to make the law work. It also proposed new initiatives to cut acid rain in half and to promote cleaner automotive fuels.

As a result of that proposal, the 13-year legislative logjam has now been broken. S. 1630 contains all of the essential features of my original proposal and will lead to the achievement of the goals I originally set out. The bill I am signing today will permanently reduce sulfur dioxide emissions by 10 million tons below 1980 levels. It will cut NOx emissions by two million tons from projected year 2000 levels and reduce air toxic emissions by over 75 percent.

The bill will allow the Nation finally to meet air quality standards in every city; and, in total, almost 30 million tons per year of dangerous chemicals and noxious pollutants will be prevented from fouling the air.

The result of this new Clean Air Act will be that cancer risk, respiratory disease, heart ailments, and reproductive disorders will be reduced; damage to lakes, streams, parks, crops, and forests will greatly be lessened; and visibility will be notably improved. As an added benefit, energy security will on balance be enhanced as utilities and automobiles switch to cleaner burning alternative fuels.

The innovative use of market incentives in the bill represents the turning of a new page in our approach to environmental problems in this country. The acid rain allowance trading program will be the first large-scale regulatory use of market incentives and is already being seen as a model for regulatory reform efforts here and abroad. The acid rain program is based on some simple concepts -- that we should set tough standards, allow freedom of choice in how to meet them, and let the power of markets help us allocate the costs most efficiently.

By employing a system that generates the most environmental protection for every dollar spent, the trading system lays the groundwork for a new era of smarter government regulation; one that is more compatible with economic growth than using only the command and control approaches of the past. Other provisions to increase flexibility include increased opportunities for emissions

trading and performance standards for fuel refiners to encourage alternative fuel reformulations. In all, these path-breaking features allow us to implement the legislation in a way that achieves my environmental goals at an acceptable cost. The result will be the dawning of a new era in regulatory policy, one that relies on the market to reconcile the environment and the economy.

To address the serious concerns raised by the cost of this legislation, I am directing Bill Reilly, Administrator of the Environmental Protection Agency, to implement this bill in the most cost-effective manner possible. This means ensuring that plants can continue to use emission trading and netting to the maximum extent allowed by law; that the Administration's proposed policy on WEPCO is implemented to the extent allowed by law as quickly as possible; and that the permit program is phased in over time in an orderly, nondisruptive manner. This Administration will also pursue the use of more realistic assumptions when estimating risk. These implementation strategies will help keep unnecessary costs and job losses down, while ensuring the achievement of the environmental goals of this bill in the most efficient manner possible.

Unfortunately, I must note several provisions of the bill that raise serious constitutional concerns. I strongly object to the bill's restrictions on removal or review of the Chemical Safety Investigation Board. Although the Board's principal functions are investigatory and advisory, it has also been given regulatory and enforcement authorities clearly assigned by the Constitution to the executive branch. As such, the provisions purporting to limit my authority to remove Board members and provide them with policy guidance raise serious constitutional questions. Accordingly, although I believe that these provisions are severable, I am directing the Administrator of the Environmental Protection Agency to submit curative legislation in the next session of Congress insuring that the Board's activities are consistent with the Constitution. This legislation will also address the serious constitutional concerns created by those provisions relating to the Board that invade the deliberative processes of the executive branch. Similarly, because the Urban Air Toxics Research Center created by the bill exercises executive grant-making authorities, the provision of the bill vesting appointment of part of its Board in Members of Congress violates this principle. This defect must also be rectified by curative legislation.

In addition, there are certain aspects of the bill's enforcement provisions that raise constitutional questions. I note that in providing for citizen suits for civil penalties, the Congress has codified the Supreme Court's interpretation of such provisions in the Gwaltney case. As the Constitution requires, litigants must show, at a minimum, intermittent, rather than purely past, violations of the statute in order to bring suit. This requirement respects the constitutional limitations on the judicial power and avoids an intrusion into the law-enforcement responsibilities of the executive branch. I should also note my interpretation of the provision permitting courts to order that civil penalties be used in beneficial mitigation projects consistent with the Act and enhancing public health or the environment. Because the Congress may not impose on courts responsibilities inconsistent with their judicial function, I do not interpret this provision as imposing administrative responsibilities on the courts.

Even before the signing of this bill, the American public has begun to respond to the

environmental leadership it embodies. In response to the direction we have signalled in this legislation:

-- Cleaner reformulated gasolines are being produced by our leading refiners and are eagerly being sought out by consumers.

-- Cleaner natural-gas-fueled trucks, electric vehicles, and flexible-fueled vehicles are or will soon be manufactured by domestic auto producers.

-- Commitments have been made by the chief executives of leading chemical industries to reduce voluntarily their air toxic emissions by as much as 90 percent.

The speed with which companies and the public are voluntarily getting a head start is testimony to the need and timeliness of the measures I proposed and the Congress has now passed.

Passage of this bill is an indication that the Congress shares my commitment to a strong Clean Air Act, to a clean environment, and to the achievement of the goals I originally set forth.

George Bush

The White House,

November 15, 1990.

Note: S. 1630, approved November 15, was assigned Public Law No. 101 - 549.

Nomination of Susannah Simpson Kent To Be Director of the Institute of Museum Services

November 15, 1990

The President today announced his intention to nominate Susannah Simpson Kent, of Pennsylvania, to be Director of the Institute of Museum Services, National Foundation on the Arts and the Humanities. She would succeed Daphne Wood Murray.

Mrs. Kent has been involved with museums throughout her life. Her managerial, volunteer, and research experience includes work with history, natural history, and art museums, and also with nature centers and other environmental conservation organizations.

Mrs. Kent graduated from Smith College in 1957 with a B.A. in English. She pursued the study of economics at New York University before receiving her master of arts degree in American history from Yale University, where she also engaged in East Asian studies. Mrs. Kent is currently a master's degree candidate in museum studies at the George Washington University in Washington, DC. She is married, has two children, and resides in Washington, DC.

Statement on Signing the Chief Financial Officers Act of 1990

November 15, 1990

Today I have signed H.R. 5687, the ``Chief Financial Officers Act of 1990.'' The Act provides new tools to improve the management of the Federal Government. It establishes Chief Financial Officers in 23 major executive agencies as well as a new Deputy Director for Management and a Controller in the Office of Management and Budget. The establishment of a Deputy Director for Management in OMB will strengthen and institutionalize the ``M'' in OMB.

Improving the Government's stewardship over public funds is critically important. The Act will help us to strengthen the systems that provide the President, the Congress, and the American people with the information necessary to make informed decisions on how public funds are spent. It will also help ensure that these data are timely and reflect more accurately the true costs of running the Federal Government.

The Act reinforces my Administration's efforts to establish Federal accounting standards, integrate and modernize the Government's financial systems, and produce audited financial statements. The operations and financial condition of Government must be accurately and publicly reported. I am pleased to note that the Act's priorities for management improvements coincide with those of my Administration. We look forward to working with the Congress on implementing the Act.

I also want to thank Congressmen Conyers and Horton and Senators Glenn and Roth for working with us in developing H.R. 5687.

George Bush

The White House,

November 15, 1990.

Note: H.R. 5687, approved November 15, was assigned Public Law No. 101 - 576. The statement was released by the Office of the Press Secretary on November 16. An original was not available for verification of the content of this statement.

Statement on Signing the Bill Ensuring the Applicability of Patent Law to Activities in Outer Space

November 15, 1990

Today I am signing S. 459, legislation that will ensure the applicability of U.S. patent laws to our activities in outer space. This important and necessary legislation will remedy the current uncertainty in patent law as to the jurisdiction that applies to activities in outer space. This uncertainty arises primarily because the existing patent laws of most countries generally have no extraterritorial effect.

S. 459 will specifically ensure that U.S. patent laws apply to inventions made, used, or sold in space on vehicles under the jurisdiction or control of the United States. The Act is consistent with the purpose of our patent laws -- to promote the progress of science and useful arts. With the enactment of this legislation, U.S. commercial entities will know that their activities in space will receive the same patent protection that they would receive if conducted on Earth. The certainty that inventions that advance space technology will be recognized under our patent laws will further encourage the private sector to undertake commercial space ventures, which is one of the important objectives of our National Space Policy.

This legislation is also important because it represents the final step required in implementation of the Intergovernmental Agreement on Space Station Cooperation between the United States and our international partners -- Canada, Japan, and the European Space Agency. The Act provides the flexibility required to carry out commitments regarding the applicability of U.S. patent laws under the Agreement for the development, operation, and utilization of Space Station Freedom.

George Bush

The White House,

November 15, 1990.

Note: S. 459, approved November 15, was assigned Public Law No. 101 - 580. The statement was released by the Office of the Press Secretary on November 16. An original was not available for verification of the content of this statement.

Statement on Signing the Excellence in Mathematics, Science and Engineering Education Act of 1990

November 16, 1990

Today I am signing H.R. 996, the ``Excellence in Mathematics, Science and Engineering Education Act of 1990." This Act is intended to encourage students to pursue fields of study in which Americans must excel if the United States is to maintain and advance its competitive position in the markets of the world. Excellence in these areas is crucial to developing both the professionals -- scientists and engineers -- and a work force that this country needs.

Mathematics and science education are an important priority for this Administration and the Nation. In September 1989, the Nation's Governors and I held the Education Summit, which led to the identification of six National Education Goals, two of which directly address science and mathematics achievement.

In developing the FY 1991 budget immediately following the Education Summit, the Administration took important steps to strengthen programs of Federal agencies and to increase funding for science and mathematics education. We intend to further develop that initiative through the work of a new interagency committee that is developing a strategic plan and priorities for the Administration's program in science and mathematics education.

I am pleased that the Congress has included in H.R. 996 a version of the National Science Scholars program that I proposed in April 1989. This program will award scholarships to high school students who have excelled in science and mathematics to encourage them to continue their education in these subjects at the undergraduate level. This new program will provide an important vehicle for demonstrating the Nation's commitment to excellence in science, mathematics, and engineering achievement and to the recognition of excellent young people who are pursuing higher education and careers in those fields.

I note that, under this legislation, State nominating committees will nominate students for the National Science Scholars program. Members of Congress will nominate students for scholarships under the National Academy of Science, Space, and Technology program authorized by H.R. 996. Determining eligibility for Federal funds is a significant governmental duty that, under the Appointments Clause of the Constitution, may be performed only by officers of the United States.

The Act requires that the nominating committees for the National Science Scholars program present to the President the names of four candidates, at least half of whom must be female, from each congressional district. The Act also requires the President to select two scholarship recipients, at least one of whom must be female, from each congressional district. This rigid

selection quota based on sex is inconsistent with the Constitution. While I am pleased that the Congress answered my request for a National Science Scholars program, I will ask the Attorney General and the Secretary of Education to prepare legislation that will bring this Act into compliance with the Constitution.

H.R. 996 makes recipients of science scholarships who are convicted of felonies, or certain crimes involving controlled substances, ineligible for further scholarships authorized under the Act. There individuals would also be required to repay, with interest, any scholarships received. I interpret the phrase ``[e]xcept as provided . . . by . . . section 5301 of the Anti-Drug Abuse Act of 1988'' to mean that H.R. 996 in no way limits or eliminates the penalties imposed under section 5301. Thus, a person who is convicted of a Federal drug felony could, in addition to forfeiting future awards and repaying past awards, still be denied other Federal benefits pursuant to section 5301.

Section 721 of H.R. 996 is an objectionable provision that would extend until January 1, 1991, the comment period on a regulation proposed by the Secretary of Education to address an abuse of the student loan programs. The Department and its Inspector General have clearly documented the abuse. By extending the comment period, section 721 will unnecessarily impede the Secretary's ability to counter this abuse in a timely manner. Nevertheless, I expect the Department of Education to develop a sound final regulation -- based on comments received during the extended comment period -- to be effective for the 1991 - 1992 school year.

For the United States to attain the National Education Goals, particularly those in science and mathematics achievement, the Administration, the Congress, the States, local schools, and parents will all have to work together. H.R. 996 is one indication of this broad concern and cooperation. There is a continuing challenge, however, for all of us to work together in developing a truly national effort to make American students first in the world in science and mathematics achievement. I hope that all Americans will join me in this effort.

George Bush

The White House,

November 16, 1990.

Note: H.R. 996, approved November 16, was assigned Public Law No. 101 - 589.

Remarks on Signing Environmental Protection, Research, and Education Bills

November 16, 1990

First, a warm welcome to the Members of Congress who are with us today. And I am delighted to see Secretary Lujan and our Administrator, Bill Reilly, with us; Mike Deland of the Council; John Knauss, the head of NOAA; and other distinguished guests. I want to just say, What a beautiful day, and a warm welcome to the White House.

We're here beside Lady Bird Johnson's tree, a willow oak planted in 1964. And Lady Bird once said she wants to be remembered as one who planted trees. And when I look out at the oak from the Oval Office window right here, at this magnificent oak on a beautiful fall day such as this, I understand Lady Bird and her advice to ``know and enjoy the world around you."

Yesterday I signed into law the Clean Air Act of 1990, the centerpiece of our commitment to preserve and protect our environment. It makes our air pollution laws, already the world's toughest, even tougher. This year's clean air act is the most significant air pollution legislation in American history, and it restores America's place as the global leader in environmental protection.

Our agenda for the environment is broad and ambitious, one that encompasses not just the air we breathe but also verdant forests and grassy meadows, majestic rivers and lakes, and pristine coastal shorelines. Clearly, all of us must work together to preserve America's natural beauty.

Several bills that I am signing this morning will protect some of the most precious expanses of America, from the sands of the Mojave Desert to the undersea landscapes of the Purple Isles of the Florida Keys to the broad waters of the Great Lakes and Lake Champlain. One of the bills creates the National Forest Foundation, establishes two new wildlife refuges, and strengthens marine research programs and environmental law enforcement.

And we've not neglected our global responsibilities. Today I will sign legislation enhancing the preservation of Antarctica's vast and unique ecosystem, and I will sign legislation confirming our commitment to build a sound research base regarding global climate change.

And finally, there is environmental awareness, giving teachers the tools to teach our kids about the importance of conservation through the National Environmental Education Act.

Early in this century, the original environmental President, Theodore Roosevelt, said that children should be taught to read and enjoy what he called the wonder book of nature because he believed that our environment belongs not only to today's generation but to the next generation

as well.

You're never too young or too old to learn about the wonders of nature. Those of us long in the tooth never tire of that sense of splendor one feels in the outdoors, and we love to see the wide eyes of a child at the moment they first see a cascading waterfall or a bottomless canyon or even a real, live, dangerous animal, like the turkey we had here yesterday. [Laughter]

These bills I'm about to sign are about what the future will hold for our kids. And that is why our environmental agenda is forward-looking -- to the next generation and the generations that will follow. And so, it is with them in mind, those who will inherit this stewardship, that I am delighted to sign these eight bills into law.

And I would like to ask the seven Members of Congress who are with us if you all would come up here, and I'd ask that the Secretaries come over here behind me. And you guys come here, and we'll just get this over with. And thank you all for coming to the White House on this very special and spectacularly beautiful day.

Note: The President spoke at 10:18 a.m. on the South Lawn of the White House. In his remarks, he referred to Secretary of the Interior Manuel Lujan, Jr.; William K. Reilly, Administrator of the Environmental Protection Agency; Michael R. Deland, Chairman of the Council on Environmental Quality; and John A. Knauss, Under Secretary of Commerce for Oceans and Atmosphere and Administrator of the National Oceanic Atmospheric Administration.

Statement on Signing the Antarctic Protection Act of 1990

November 16, 1990

I have today signed H.R. 3977, the ``Antarctic Protection Act of 1990.'' The Antarctic continent is a vast, unspoiled land whose associated and dependent ecosystems provide habitat for many unique species of wildlife and a natural laboratory from which to monitor critical aspects of stratospheric ozone depletion and global climate change. There is a need to better protect Antarctica's fragile environment by concluding a new environmental protection agreement to supplement the existing protections provided by the Antarctic Treaty of 1959 and related international agreements.

Any new agreement must reinforce the essential elements of U.S. Antarctic policy:

maintenance of Antarctica as a zone of peace;

comprehensive protection of the unique Antarctic environment;

preservation of the unparalleled opportunities Antarctica offers for environmentally sound scientific research essential to understanding the dynamics of the planet's natural systems; and

maintenance of the Antarctic Treaty and Antarctic Treaty systems as the framework for pursuing these goals.

Overall, H.R. 3977 is in accord with that policy. I am signing the legislation because it was amended in a manner that can be considered consistent with my Administration's position on Antarctic issues. This position includes advocacy of a strong environmental protection agreement to supplement the Antarctic Treaty.

In signing the bill, I wish to make clear that the provision regarding the submission of international agreements to the Senate and the provision stating that the Secretary of State should enter into certain international negotiations are purely hortatory and do not limit the President's constitutional authority for the conduct of foreign affairs. I also note that I will construe the parts of the bill applicable to the activities of Federal agencies in light of the constitutional principle that commits the resolution of disputes between components of the executive branch to me rather than to the courts.

George Bush

The White House,

November 16, 1990.

Note: H.R. 3977, approved November 16, was assigned Public Law No. 101 - 594. An original was not available for verification of the content of this statement.

Statement on Signing the Great Lakes Critical Programs Act of 1990

November 16, 1990

Today I am pleased to sign H.R. 4323, the ``Great Lakes Critical Programs Act of 1990," which amends the Federal Water Pollution Control Act with respect to water quality in the Great Lakes. Although the United States and Canada, working together, have made much progress in cleaning up the Great Lakes, much work remains to be done. This Act will provide a substantial boost to our efforts by providing additional tools to make progress on much needed planning and cleanup activities.

Passage of this bill is an indication that the Congress shares my commitment to protecting the environment and my desire to clean up and maintain these bodies of water that are important recreationally and historically to the people of the United States and Canada.

In addition to its provisions concerning the Great Lakes, the Act would establish two ``management conferences" responsible for managing Lake Champlain and Onondaga Lake in New York. The provision establishing the management conference for Onondaga Lake is repeated in S. 2740, which also passed in the final days of the Congress. Unfortunately, as structured by these provisions, these management conferences present serious constitutional concerns under the Appointments Clause of the Constitution.

H.R. 4323 designates State governors, State legislators, and other State and local officials to serve on each management conference. The Act then vests significant governmental authority in these State and local government officials by giving the management conferences and State governors substantial control over the making of Federal grants and the implementation of the management programs for Lake Champlain and Onondaga Lake. Because such power may be exercised only by officers appointed consistent with the Appointments Clause, and not by State governors or other State or local officials, the management conferences created by the Act are inconsistent with this constitutional requirement. Accordingly, although I am signing H.R. 4323 today, I will request the Secretary of Defense, the Administrator of the Environmental Protection Agency, and the Attorney General to submit legislation to correct this constitutional problem.

George Bush

The White House,

November 16, 1990.

Note: H.R. 4323, approved November 16, was assigned Public Law No. 101 - 596.

Statement on Signing the Fort Hall Indian Water Rights Act of 1990

November 16, 1990

Today I have signed H.R. 5308 the ``Fort Hall Indian Water Rights Act of 1990." The agreement implemented by this Act is the end product of 5 years of intense, good-faith negotiation among the parties with competing claims to the waters of the Upper Snake River Basin in Idaho. These parties include the Shoshone and Bannock Indian Tribes, non-Indian water users, the State of Idaho, and the Departments of Justice and the Interior on behalf of the United States and as trustee of the Tribes' water rights. I applaud the spirit of compromise that allowed the parties to resolve their differences without the need to resort to the costly and often divisive litigation by which many other western water disputes are decided.

H.R. 5308 is acceptable to the Administration for several reasons. First, it contains a very favorable quantification of the Shoshone and Bannock Tribes' water rights and also provides certain storage and marketing rights that further enhance the value of those rights. Second, it fully protects the interests of the United States and other potentially affected tribes. Third, it settles with finality virtually all disputes and litigation over the water at issue, allowing all parties -- State, local, and tribal -- to proceed confidently in the use and development of their water rights. Finally, it does all of this with a relatively modest Federal contribution, in accordance with the Administration's criteria and procedures for Indian water rights claim settlements, and without the necessity for Federal construction of significant new storage or irrigation facilities.

Unfortunately, very late in the legislative process and without a request for Administration comment, the Congress included an objectionable provision in the implementing legislation. Section 8(c) could be interpreted to allow the Tribes to collect from the Claims and Judgment Fund monies that the Act authorizes to be appropriated and paid to the Tribe, should such monies not be appropriated by the Congress within specified periods. So interpreted, this provision would constitute a circumvention of the normal appropriations process and an unwarranted use of the Claims and Judgment Fund.

Owing to the many otherwise redeeming aspects of H.R. 5308, and the unique circumstances surrounding the addition of the objectionable provision to Section 8(c), I have signed H.R. 5308. I am quite concerned, however, that the objectionable provision might become a precedent for the inclusion of similar provisions in future legislation, which would not be acceptable to the Administration. Accordingly, I have directed the Secretary of the Interior, the Attorney General, and others to communicate in the future a firm policy against the inclusion of such provisions in future legislation, the violation of which will lead to Executive disapproval.

George Bush

The White House,

November 16, 1990.

Note: H.R. 5308, approved November 16, was assigned Public Law No. 101 - 602.

Statement on Signing the Aviation Security Improvement Act of 1990

November 16, 1990

I am pleased to sign H.R. 5732, the ``Aviation Security Improvement Act of 1990," and to reaffirm our Nation's determination to bolster international aviation security in the face of threats by terrorists.

This Act implements recommendations of the President's Commission on Aviation Security and Terrorism, which I appointed last year in the aftermath of the tragic bombing of Pan American Flight 103 over Lockerbie, Scotland. My Administration already has put many of the recommendations into effect and taken other steps to improve aviation security. This Act is a continuation of the process. The relatives and friends of the Pan Am victims deserve great credit for their persistence in helping to improve aviation security. Credit also is due to members of the Commission and the Congress who worked together with us to improve the bill. H.R. 5732 is a living memorial to those whose lives were so cruelly cut short by the terrorists responsible for bombing Pan Am 103.

I do have reservations about certain provisions of this Act. I am particularly concerned with those provisions that purport to restrict the President's authority under the Constitution to conduct our foreign policy, including the authority to conduct negotiations on behalf of the United States. For example, the Act includes requirements that the Secretary of State conduct negotiations on aviation security issues, including the control of terrorism.

While, as a policy matter, I will always endeavor to consult with the Congress on such foreign policy issues, I am obligated to defend the constitutional authority of the Presidency. Accordingly, I direct executive branch officials affected by H.R. 5732 to interpret its provisions so as not to conflict with my constitutional authority in the field of foreign affairs.

In signing this legislation, I am doing more than signing a bill into law. This Act reflects the workings of the American democracy, an effort by private citizens, the Congress, and the executive branch to join in the common cause against international terrorism. H.R. 5732 is an expression of our national unity and determination to continue our fight against international terrorists and to help prevent another tragedy like Pan Am 103.

George Bush

The White House,

November 16, 1990.

Note: H.R. 5732, approved November 16, was assigned Public Law No. 101 - 604.

Statement on Signing the Bill Designating Florida Keys Coastal Waters as a National Marine Sanctuary

November 16, 1990

On Earth Day of this year, I stated that ``the Florida coral reefs are one of the most diverse ecosystems in the world and a unique national treasure. Protecting the reefs from damage, both from vessel groundings and pollution, is imperative." Today I take great pleasure in signing H.R. 5909 -- a bill that designates 2,600 square nautical miles of coastal waters off the Florida Keys as our Nation's ninth national marine sanctuary. The new Florida Keys National Marine Sanctuary covers the entire Florida reef tract, as well as part of one of America's favorite fishing areas, the Florida Bay ``backcountry."

National marine sanctuaries should only be designated after adherence to the comprehensive evaluation and designation procedures set forth in the Marine Protection, Research, and Sanctuaries Act (the ``Act") of 1972. Department of Commerce studies supporting designation of a Florida Keys National Marine Sanctuary, however, justify bypassing part of the usual process in this instance.

My approval of the legislation demonstrates this Nation's resolve to preserve ecologically unique ocean areas. Next year, through the process set forth in the Act, we intend to designate several other national marine sanctuaries including the Flower Garden Banks in the Gulf of Mexico; Monterey Bay, California; and the Olympic Coast off the State of Washington.

I am pleased that the bill makes the Department of Commerce's National Oceanic and Atmospheric Administration (NOAA) responsible for developing and implementing the management plan for the Sanctuary. NOAA has managed our other national marine sanctuaries well and, in cooperation with the Florida Department of Natural Resources, has had great success in managing the existing Key Largo and Looe Key National Marine Sanctuaries off Florida. Those two Sanctuaries eventually will become part of the new Sanctuary.

Designation of the Florida Keys National Marine Sanctuary will complement and augment existing Federal Government, Florida State and local government, and private sector efforts to protect the marine resources of the Florida Keys. It is an accomplishment of which we can all be proud.

George Bush

The White House,

November 16, 1990.

Note: H.R. 5909, approved November 16, was assigned Public Law No. 101 - 605. An original was not available for verification of the content of this statement.

Statement on Signing the Consumer Product Safety Improvement Act of 1990

November 16, 1990

Today I am pleased to sign S. 605, the ``Consumer Product Safety Improvement Act of 1990." This legislation authorizes appropriations through FY 1992 for the Consumer Product Safety Commission (CPSC) and makes certain other changes to existing consumer protection laws.

The Act reduces the number of commissioners required for a quorum from three to two when only three members are serving on the Commission. This ensures the agency's ability to carry out its statutory mandate. In addition, the Act improves the agency's regulatory process and increases civil penalties for manufacturers violating consumer protection laws. These changes will help the agency to carry out its mandate of protecting the public against unreasonable risks of injury associated with consumer products.

I remain concerned about certain new information reporting requirements contained in section 37 of the Act. Requiring manufacturers, distributors, or retailers to report to the CPSC when a civil action results in a final settlement, as provided in section 37, compromises the validity of the information. That a civil action was settled out of court is not an indication of whether the product caused the harm.

I note that one provision of this Act warrants careful construction to avoid constitutional difficulties. Section 118 permits State Attorneys General alleging violations of certain provisions of the Consumer Product Safety Act to bring actions to seek injunctive relief. Consistent with the Constitution, I understand this provision to permit States to seek relief only when they otherwise possess standing under Article III.

George Bush

The White House,

November 16, 1990.

Note: S. 605, approved November 16, was assigned Public Law No. 101 - 608.

Statement on Signing the Bill Amending the Arctic Research and Policy Act of 1984

November 16, 1990

I am today signing S. 677, an Act that amends the Arctic Research and Policy Act of 1984. These amendments are intended to facilitate the work of the Arctic Research Commission and the Interagency Arctic Research Policy Committee in developing and implementing a research policy to guide scientific efforts in the Arctic.

Two provisions of the Act warrant careful construction to avoid constitutional difficulties. Section 3(b) requires that the Arctic Research Commission report concurrently to the President and the Congress on its activities during the preceding fiscal year. I construe this section to permit the President to review the Commission's report before it is submitted to the Congress. Section 6 of the Act requires the Interagency Arctic Research Policy Committee to submit to the Congress a report that details, among other things, its responses to the recommendations of the Commission. I do not construe this language to detract from my authority to protect the confidentiality of communications within the executive branch.

George Bush

The White House,

November 16, 1990.

Note: S. 677, approved November 16, was assigned Public Law No. 101 - 609.

Statement on Signing the National and Community Service Act of 1990

November 16, 1990

Today I am signing S. 1430, the ``National and Community Service Act of 1990.'' There can be no nobler goal than to strengthen the American ethic of community service and to help translate this ethic into meaningful action. S. 1430 will make an important contribution to achieving this goal.

I am particularly pleased that S. 1430 includes provisions for the initial funding of a private, nonprofit foundation that will promote the ethic of community service, disseminate information about successful local activities to other communities across the Nation, and stimulate the development of new leaders and their community service initiatives. Government cannot rebuild a family or reclaim a sense of neighborhood, and no bureaucratic program will ever solve the pressing human problems that can be addressed by a vast galaxy of people working voluntarily in their own backyards. The Points of Light Foundation will help that galaxy to grow and flourish in the years ahead.

S. 1430 also includes a number of new programs that use more traditional techniques of fostering community service, including Federal grants and demonstration projects. An important role can be played by programs of this kind, and I am committed to ensuring that these new initiatives are administered in an effective fashion. I note that participants in some of the new programs will be paid by the Government to engage in community service. Although the use of financial incentives may be appropriate in some circumstances, I have reservations about the wisdom of employing ``paid volunteers'' to the extent contemplated by S. 1430.

I must also note that there are constitutional defects in two provisions of S. 1430. Section 190 creates a Commission on National and Community Service to administer several of the programs established by the Act. The Commission in turn is to be administered by a Board of Directors composed of 21 members appointed by the President and confirmed by the Senate. Section 190(b), however, purports to limit the President's choice of nominees to the Board. Under section 190(b), the Board must be ``balanced according to the race, ethnicity[,] age and gender of its members''; must include no more than 11 members of the same political party; must include seven members nominated by the Speaker of the House of Representatives; and must include seven members nominated by the Majority Leader of the Senate.

Under the Appointments Clause of the Constitution, article II, section 2, clause 2, congressional participation in such appointments may be exercised only through the Senate's advice and consent with respect to Presidential nominees. Accordingly, the restrictions in section 190(b) on my choice of nominees to the Board of Directors are without legal force or effect. I direct the Attorney General to prepare remedial legislation for submission to the Congress during its next

session, so that the Act can be brought into compliance with the Constitution's requirements.

In addition, section 602(b) of S. 1430 purports to condition my authority to transfer certain funds from one account to another on the subsequent approval of congressional committees. This attempt to condition my authority constitutes a legislative veto device of the kind declared unconstitutional in INS v. Chadha, 462 U.S. 919 (1983), and I will treat it as having no legal force or effect.

George Bush

The White House,

November 16, 1990.

Note: S. 1430, approved November 16, was assigned Public Law No. 101 - 610.

Statement on Signing the National Earthquake Hazards Reduction Program Reauthorization Act

November 16, 1990

I have today signed S. 2789, the ``National Earthquake Hazards Reduction Program Reauthorization Act." This Act authorizes appropriations for earthquake prevention and preparedness programs carried out by the Federal Government. It also modifies these programs in various respects.

In signing this Act I note that I will construe one section to avoid constitutional issues. Section 7 of the bill requires the National Earthquake Hazards Reduction Program Advisory Committee, whose members are to be appointed by the Federal Emergency Management Agency (FEMA), to provide policy recommendations to FEMA and other Executive branch entities concerned with earthquake disasters. Section 7 further requires the Advisory Committee to ``submit a written report directly to Congress, without review by the Office of Management and Budget or any other agency, . . . which shall describe any recommendations" that the Advisory Committee has made. I shall interpret these provisions in light of my constitutional responsibility, as head of the unitary Executive branch, to supervise my subordinates as I deem appropriate.

George Bush

The White House,

November 16, 1990.

Note: S. 2789, approved November 16, was assigned Public Law No. 101 - 614.

Statement on Signing the National Environmental Education Act

November 16, 1990

I am today signing S. 3176, the ``National Environmental Education Act." This Act establishes an Office of Environmental Education within the Environmental Protection Agency to support and coordinate various educational, training, and awards programs.

While our environmental laws and regulatory programs are achieving their ends, this is no longer a sufficient approach given the magnitude and nature of the environmental problems we face. We must also encourage voluntary changes in individual habits. On September 19, 1989, in Spokane I spoke of the importance of the environmental ethic: ``Through millions of individual decisions -- simple, everyday, personal choices -- we are determining the fate of the Earth. So the conclusion is also simple: We're all responsible, and it's surprisingly easy to move from being part of the problem to being part of the solution."

Environmental education heightens public sensitivity to the consequences of individual and collective actions, while also preparing future environmental management professionals. Hence, this legislation helps empower people to do the right for the environment through education and fostering awareness.

While I enthusiastically support the goals of this legislation, I must note my reservations about two provisions of the bill that raise constitutional questions. First, Section 10 of the bill establishes an Environmental Education and Training Foundation. The bill provides that the Foundation shall be a nonprofit, charitable corporation; that it shall not be an agency or establishment of the United States; and that appointment to the Foundation's board of directors shall not constitute employment by, or the holding of an office of, the United States. These statements are contradicted by the facts that the Foundation is established by the Congress; funded by the Congress; endowed with the sole purpose of furthering the activities and services of a Federal agency, the Environmental Protection Agency; and by the fact that the Foundation's Directors are appointed by the Administrator of the EPA.

Entities that are neither clearly governmental nor clearly private should not be created. The establishment of such entities is unwise. It undermines the separation of powers principles of our Constitution, blurring the distinction between public and private entities in a way that may diminish the political accountability of government. Accordingly, I instruct the Attorney General and the Administrator of the Environmental Protection Agency to prepare legislation for submission to the next Congress that will cure the serious defects in this legislation.

I also note that Section 9(b)(1) of the bill purports to require that the Administrator of EPA

receive advice concerning the execution of his functions under this bill exclusively from a specified advisory council. This requirement unconstitutionally limits the range of advice that one of my subordinates may receive in the execution of his duties. I instruct the Attorney General and the Administrator to prepare legislation that will cure this problem as well.

George Bush

The White House,

November 16, 1990.

Note: S. 3176, approved November 16, was assigned Public Law No. 101 - 619. An original was not available for verification of the content of this statement.

Memorandum of Disapproval for the Private Relief Bill Providing Benefits to Joan R. Daronco

November 16, 1990

In the closing days of the 101st Congress, two bills were passed providing for somewhat different benefits for the surviving spouses of assassinated Federal judges. These survivors have suffered profound and tragic losses, and they have our deepest sympathies. I am pleased that the Congress has passed legislation allowing these individuals to receive additional benefits.

One bill -- H.R. 5316, the ``Judicial Improvements Act of 1990'' -- has not yet been presented to me for approval. Upon its presentation to me, I plan to approve H.R. 5316, which contains provisions that would increase the benefits, subject to certain limits, for surviving spouses of all assassinated Federal judges on an equitable basis.

My approval of H.R. 5316 makes the approval of another bill -- H.R. 3134 -- unnecessary. Therefore, I am withholding my approval of H.R. 3134, a bill which would have provided somewhat different benefits for Mrs. Joan R. Daronco. This action, in conjunction with my planned approval of H.R. 5316, will ensure that Mrs. Daronco and all such surviving spouses receive their benefits in an equitable manner.

George Bush

The White House,

November 16, 1990.

Note: The President's last day for action on this bill was November 17. An original was not available for verification of the content of this memorandum.

Memorandum of Disapproval for the Indian Preference Act of 1990

November 16, 1990

I am withholding my approval of S. 321, the ``Indian Preference Act of 1990.'' S. 321 would establish, among other things, a program to provide preferences to qualifying Indian enterprises in the award of Federal grants or contracts using funds appropriated for the benefit of Indians. The bill would impose new, expensive, and often duplicative program responsibilities on the Secretary of the Interior that would be difficult to implement. It would also likely result in Federal agencies assuming new, unfunded liabilities related to Indian preference enterprises.

My Administration strongly supports the goals of S. 321 and is committed to helping alleviate the widespread unemployment and underemployment on Indian reservations. Moreover, the Administration supports efforts to prevent companies from misusing Federal Indian preference programs. Accordingly, amendments are needed to the ``Buy Indian Act'' to increase Indian economic self-sufficiency and employment opportunities and to prevent utilization of preference provisions by non-qualifying companies. However, S. 321 is seriously flawed and would create more problems than it would solve.

I am withholding my approval of S. 321 to allow further review of the issues in the 102nd Congress. Many of the issues raised by S. 321 are complex and deserve a full airing in both Houses of Congress. The House passed S. 321 in the final days of the 101st Congress without sufficient consideration of these complex issues.

In the interim, I am directing the Secretary of the Interior to take the necessary steps to address the contracting problems identified in the November 1989 report of the Special Committee on Investigations of the Senate Select Committee on Indian Affairs.

In particular, I am directing the Secretary to issue guidelines that set forth specific procedures to govern Bureau of Indian Affairs field contracting officers in conducting pre-award reviews of grants and contracts. I am also directing the Secretary to develop and submit proposed regulations to implement the ``Buy Indian Act'' for Executive review within 90 days.

George Bush

The White House,

November 16, 1990.

Note: The President's last day for action on this bill was November 21.

Letter to Congressional Leaders on the Deployment of Additional United States Armed Forces to the Persian Gulf

November 16, 1990

Dear Mr. Speaker: (Dear Mr. President:)

There have been a number of important developments in the Persian Gulf region since my letter of August 9, 1990, informing you of the deployment of U.S. Armed Forces in response to Iraq's invasion of Kuwait. In the spirit of consultation and cooperation between our two branches of Government and in the firm belief that working together as we have we can best protect and advance the Nation's interests, I wanted to update you on these developments.

As you are aware, the United States and Allied and other friendly governments have introduced elements of their Armed Forces into the region in response to Iraq's unprovoked and unlawful aggression and at the request of regional governments. In view of Iraq's continued occupation of Kuwait, defiance of 10 U.N. Security Council resolutions demanding unconditional withdrawal, and sustained threat to other friendly countries in the region, I determined that the U.S. deployments begun in August should continue. Accordingly, on November 8, after consultations with our Allies and coalition partners, I announced the continued deployment of U.S. Armed Forces to the Persian Gulf region. These Forces include a heavy U.S. Army Corps and a Marine expeditionary force with an additional brigade. In addition, three aircraft carriers, a battleship, appropriate escort ships, a naval amphibious landing group, and a squadron of maritime prepositioning ships will join other naval units in the area.

I want to emphasize that this deployment is in line with the steady buildup of U.S. Armed Forces in the region over the last 3 months and is a continuation of the deployment described in my letter of August 9. I also want to emphasize that the mission of our Armed Forces has not changed. Our Forces are in the Gulf region in the exercise of our inherent right of individual and collective self-defense against Iraq's aggression and consistent with U.N. Security Council resolutions related to Iraq's on-going occupation of Kuwait. The United States and other nations continue to seek a peaceful resolution of the crisis. We and our coalition partners share the common goals of achieving the immediate, complete, and unconditional withdrawal of Iraqi forces from Kuwait, the restoration of Kuwait's legitimate government, the protection of the lives of citizens held hostage by Iraq both in Kuwait and Iraq, and the restoration of security and stability in the region. The deployment will ensure that the coalition has an adequate offensive military option should that be necessary to achieve our common goals.

In my August 9 letter, I indicated that I did not believe that involvement in hostilities was imminent. Indeed, it was my belief that the deployment would facilitate a peaceful resolution of

the crisis. I also stated that our Armed Forces would remain in the Persian Gulf region so long as required to contribute to the security of the region and desired by host governments. My view on these matters has not changed.

I appreciate the views you and other members of the congressional leadership have expressed throughout the past 3 months during our consultations. I look forward to continued consultation and cooperation with the Congress in pursuit of peace, stability, and security in the Gulf region.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate.

Letter to Congressional Leaders Reporting on the Declaration of a National Emergency Concerning Chemical and Biological Weapons Proliferation

November 16, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. section 1703(b), and section 201 of the National Emergencies Act, 50 U.S.C. section 1621, I hereby report that I have exercised my statutory authority to declare a national emergency and to issue an Executive order that:

-- directs the Secretary of State and the Secretary of Commerce to use their existing legal authorities to control exports that they determine would assist foreign countries in acquiring the capability to produce, stockpile, deliver, or use chemical or biological weapons;

-- directs the Secretary of Commerce to prohibit exports that would assist foreign countries in chemical and biological weapons programs;

-- directs the Secretary of State to pursue early negotiations to adopt comparable effective controls on goods and technology that could assist countries in chemical and biological weapons programs;

-- directs the Secretary of State to ensure that the early achievement of a global convention banning chemical weapons, with adequate verification provisions, shall be a top priority of U.S. foreign policy;

-- directs the imposition of procurement and import sanctions on foreign persons who knowingly and materially contribute to the efforts of foreign countries that use chemical and biological weapons in violation of international law or make substantial preparations to do so;

-- directs the imposition of sanctions against foreign countries that use chemical or biological weapons in violation of international law, and authorizes the imposition of sanctions against countries that are making substantial preparations to use such weapons or that have developed, produced, or stockpiled such weapons in violation of international law.

The Secretary of State, the Secretary of the Treasury, and the Secretary of Commerce are authorized to issue regulations implementing these requirements. I am enclosing a copy of the Executive order that I have issued exercising these authorities.

I have authorized these actions in view of the danger posed to the national security and foreign policy of the United States by the continuing proliferation of chemical and biological weapons, and the need for stronger unilateral and multilateral controls. This is especially true at this time due to events in the Persian Gulf, and the threats that have been made regarding the use of chemical weapons. We are calling upon other countries to work together to strengthen our efforts and to develop multilateral controls that will effectively address this global threat.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order is listed in Appendix E at the end of this volume.

Memorandum of Disapproval for the Omnibus Export Amendments Act of 1990

November 16, 1990

I am withholding my approval of H.R. 4653, the ``Omnibus Export Amendments Act of 1990." Although this legislation contains constructive provisions, it would severely constrain Presidential authority in carrying out foreign policy.

I agree with the principal goals of this bill, which include improved export controls for, and sanctions against the use of, chemical and biological weapons; sanctions on Iraq; missile technology sanctions; and reauthorization of the Export Administration Act. Indeed, I have recently signed into law provisions on missile technology sanctions and sanctions against Iraq comparable to those contained in this bill. H.R. 4653, however, contains elements that I believe would undermine these objectives and our ability to act quickly, decisively, and multilaterally at a time when we must be able to do so. These provisions unduly interfere with the President's constitutional responsibilities for carrying out foreign policy. Rather than signing the bill, I am directing action under existing authorities to accomplish the bill's principal goals.

I am pleased that the Congress endorses my goal of stemming the dangerous proliferation of chemical and biological weapons. The Administration has worked closely with the Congress to design appropriate and effective legislation to improve our ability to impose sanctions on the nations that use such weapons and any companies that contribute to their spread. Indeed, the Administration supported the House version of the sanctions provision. Throughout discussions with the Congress, my Administration insisted that any such legislation should not harm cooperation with our partners and should respect the President's constitutional responsibilities. Unfortunately, as reported from conference, H.R. 4653 does not safeguard those responsibilities, nor does it meet our broader foreign policy goals.

The major flaw in H.R. 4653 is not the requirement of sanctions, but the rigid way in which they are imposed. The mandatory imposition of unilateral sanctions as provided in this bill would harm U.S. economic interests and provoke friendly countries who are essential to our efforts to resist Iraqi aggression. If there is one lesson we have all learned in Operation Desert Shield, it is that multilateral support enhances the effectiveness of sanctions.

Because of my deep concern about the serious threat posed by chemical and biological weapons, I have signed an Executive order directing the imposition of the sanctions contained in this bill and implementing new chemical and biological weapon export controls. This Executive order goes beyond H.R. 4653 in some respects. It sets forth a clear set of stringent sanctions, while encouraging negotiations with our friends and allies. It imposes an economic penalty on companies that contribute to the spread of these weapons and on countries that actually use such weapons or are making preparations to do so. At the same time, it allows the President necessary

flexibility in implementing these sanctions and penalties. Furthermore, the Executive order reaffirms my determination to achieve early conclusion of a verifiable global convention to prevent the production and use of chemical weapons.

The Executive order also directs the establishment of enhanced proliferation controls, carefully targeted on exports, projects, and countries of concern. On this issue, as with other important export control matters, my goal is to pursue effective, multilateral export controls that send the clear message that the United States will not tolerate violations of international law.

I am also concerned that other features of H.R. 4653 would hamper our efforts to improve the effectiveness of export controls. In the rapidly changing situation in Eastern Europe, and in bilateral relationships with the Soviet Union, we have demonstrated the ability to adjust, in cooperation with our allies, export controls on high technology to reflect the new strategic relationships. Last May I asked our allies to liberalize dramatically our multilateral export controls. Negotiations designed to liberalize trade to encourage democratic institutions and open market economies will continue. Our multilateral export controls have contributed significantly to the positive changes brought about in West-East relations. The micromanagement of export controls mandated by H.R. 4653 can only damage these ongoing efforts.

In other areas, H.R. 4653 would be harmful to closely linked U.S. economic and foreign policy interests. For example, under section 128 of the bill there would be extraterritorial application of U.S. law that could force foreign subsidiaries of U.S. firms to choose between violating U.S. or host country laws.

Other sections of H.R. 4653 contain useful provisions that will be implemented as soon as possible. However, additional legal authority is not required to make our export control system reflect the economic and national security realities of today's world. In response to recent world events, I am directing Executive departments and agencies to implement the following changes:

-- By June 1, 1991, the United States will eliminate all dual-use export licenses under section 5 of the Export Administration Act to members of the export control group known as CoCom, consistent with multilateral arrangements. In addition, all re-export licenses under section 5 to and from CoCom will be eliminated, consistent with multilateral arrangements.

-- By June 1, 1991, the United States will remove from the U.S. munitions list all items contained on the CoCom dual-use list unless significant U.S. national security interests would be jeopardized.

-- By January 1, 1991, U.S. review of export licenses subject to CoCom Favorable Consideration and National Discretion procedures will be reduced to 30 and 15 days, respectively.

-- By January 1, 1991, new interagency procedures will be instituted to make dual-use export

license decisions more predictable and timely.

-- By January 1, 1991, the Secretary of State will initiate negotiations to ensure that supercomputer export controls are multilateral in nature and not undermined by the policies of other supplier countries. By June 1, 1991, in consultation with industry, we will devise and publish a method to index supercomputer license conditions to reflect rapid advances in the industry and changes in strategic concerns.

-- By January 1, 1991, we will significantly increase the threshold for Distribution Licenses to free world destinations and ensure that at least annually these thresholds are adjusted to reflect changes in technology and are consistent with international relationships, including changing requirements to stem the proliferation of missile technology and nuclear, chemical and biological weapons.

In summary, H.R. 4653 contains serious and unacceptable flaws that would hamper our efforts to prevent the proliferation of weapons of mass destruction and to ease restrictions on the legitimate sale of dual-use goods to acceptable users. Rather than sign this bill, I have chosen to take a series of steps under existing authorities to ensure that mutually shared objectives are met in a timely and effective manner. I will work with the Congress, upon its return, to enact an appropriate extension of the Export Administration Act.

George Bush

The White House,

November 16, 1990.

Note: The President's last day for action on this bill was November 17. The Executive order on chemical and biological weapons proliferation is listed in Appendix E at the end of this volume.

Memorandum on the Egyptian Military Debt

November 16, 1990

Memorandum for the Secretary of the Treasury and the Secretary of Defense

Subject: Delegation of Authority Regarding Egyptian Military Debt

By virtue of the authority vested in me by the Constitution and laws of the United States of America, including section 592 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513) (the ``Act''), and section 301 of title 3 of the United States Code, I hereby:

(1) delegate to the Secretary of the Treasury the functions vested in me by section 592(c)(1) of the Act; and

(2) delegate to the Secretary of Defense the functions vested in me by section 592(c)(2) of the Act, except that those under subparagraph (C) thereof shall be subject to the concurrence of the Secretary of the Treasury.

The Secretary of the Treasury is authorized and directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:22 p.m., November 28, 1990]

Appointment of Jeannette Louise Naylor as Deputy Assistant to the President and Deputy Director of Presidential Personnel

November 16, 1990

The President today announced his intention to appoint Jeannette Louise Naylor as Deputy Assistant to the President and Deputy Director of Presidential Personnel. She would succeed Roscoe B. Starek III.

Currently Miss Naylor is Special Assistant to the President and Associate Director of Presidential Personnel. From January 1988 to December 1988, Miss Naylor was senior project manager with International Skye Associates, Inc., a Washington, DC, consulting firm. From 1983 to 1987, Miss Naylor was development officer for the National Endowment for the Arts, where she was responsible for fostering partnership efforts with the private sector in support of the arts. She also served as liaison to the President's Committee on the Arts and the Humanities. Miss Naylor served as eagle representative for the Republican National Committee from 1981 to 1983. Prior to moving to Washington, Miss Naylor was finance director of the Republican Party of Texas from 1979 to 1981 and assistant finance director for the Jim Baker for attorney general campaign in 1978.

Miss Naylor received her bachelor's degree in psychology and sociology from Trinity University in San Antonio, TX, in 1978. She resides in Arlington, VA, and is involved in numerous charitable organizations in the Washington area.

Nomination of Alixe Reed Glen To Be an Assistant Secretary of Health and Human Services

November 16, 1990

The President today announced his intention to nominate Alixe Reed Glen to be Assistant Secretary of Health and Human Services (Public Affairs). She would succeed Kay Cole James.

Since January 1989 Ms. Glen has served as Special Assistant to the President and Deputy Press Secretary at the White House. Prior to this, she has served as deputy press secretary for the George Bush for President campaign, 1987 - 1989; press officer at the Peace Corps, 1986 - 1987; and associate producer, ``Crossfire'' at Cable News Network, 1985 - 1986. In addition, Ms. Glen served as Assistant Press Secretary in the Office of the Vice President at the White House, 1981 - 1985.

Ms. Glen graduated from Hollins College (B.A., 1979). She was born August 24, 1957, in Greenwich, CT. Ms. Glen is married and resides in Washington, DC.

Statement by Press Secretary Fitzwater on the President's Meetings With National Leaders in Prague, Czechoslovakia

November 17, 1990

President Bush and President Havel met at 10 o'clock this morning at Hradcany Castle in the first meeting of the visit. President Havel welcomed President Bush on this historic occasion, the first-year anniversary of the revolution. The two leaders discussed the economic development of Czechoslovakia, including the need to get U.S. investment. President Bush said the United States is concerned about the international oil situation. President Bush said there is a disruption in supply, but it is the speculation about the Persian Gulf that has driven up prices. President Havel said their economy depends on an uninterrupted flow of oil from the Soviet Union, and that has been a problem in the current situation.

The two leaders discussed the CSCE and the prospects for locating a new Secretariat in Prague. Both leaders stressed the interest in seeing a successful CSCE meeting, particularly on issues of arms control and human rights.

Federal Leaders

President Bush met at approximately 10:40 with Federal leaders to discuss economic conditions. The President said the talks with the IMF and World Bank are progressing well. They also discussed oil supplies and their impact on this country. They emphasized the important role of private investment in improving the economy of Czechoslovakia.

Czech Leaders

President Bush met with Czech leaders at approximately 11 a.m. They emphasized that they wanted to help themselves economically as much as they can. One of the leaders quoted Mark Twain by saying ``a helping hand is usually found at the end of your arm." President Bush spoke of the strength of the U.S. system in which 50 States have strong views, but cooperate comfortably with the Federal Government. President Bush also spoke of the need for stability in Czechoslovakia as they deal with private investors from the United States. President Bush also raised the matter of the environment, saying that pollution is a high cost that we must be concerned about.

Slovak Leaders

President Bush met at approximately 11:30 with Slovak leaders. He wished them success and

emphasized the need for stability. The Slovak leaders commented on the United States as a melting pot that has accepted nationalities from all over the world. They pointed out they are working hard to get private investment and asked if more of their people could come to the United States for training in various production skills.

President Bush said ``our vision is a Europe whole and free." President Bush remarked on the warm welcome of the crowds that lined the streets on the way into Prague from the airport.

Dubcek

At approximately 12:15 President Bush called on Alexander Dubcek, President of the Federal Assembly, and greeted him warmly, acknowledging his historic role in the move towards freedom in Czechoslovakia. President Dubcek recalled his visit to the United States and said that President Bush's visit constitutes a most prominent day for U.S.-Czechoslovak relations. President Bush and President Dubcek discussed the role of the Federal Assembly and its important role in the building of democracy. President Bush concluded the meeting by signing a large, brown leather guest book, giving the signing pen to President Dubcek. President Bush signed: ``With great happiness and warm best wishes, George Bush, November 17, 1990."

Note: In the morning, President Bush arrived at Ruzyne Airport, where he was accorded a formal welcome with full military honors.

Remarks to the Federal Assembly in Prague, Czechoslovakia

November 17, 1990

President Havel, thank you, sir, for greeting us with such warmth today. And to Chairman Dubcek, thank you, sir, for that really warm and generous introduction. May I salute the Prime Ministers of the Czech and Slovak Republics; the Members of the Assembly; and most of all, the people of Czechoslovakia. It is an honor for me, the first American President ever to visit your country, to bring you the greetings of the American people on this, the first anniversary of Czechoslovakia's return to freedom.

One year ago today, in the streets and squares of this city, the people of Prague gathered, first by twos and threes, and then by thousands -- in the night air, an autumn chill; in their minds, memories of a spring 20 years past. The Velvet Revolution had begun.

That revolution succeeded without a single shot. Your weapons proved far superior to any in the state's arsenal. In the face of force, you deployed the power of principle. Against a wall of lies, you advanced the truth. Out of a thousand acts of courage, Czech and Slovak, emerged a single voice. Its message: The time had come to bring freedom home to Czechoslovakia.

Your revolution was also a renewal: a renewal of the deeply held principles that bind my country, the United States of America, to yours; principles enshrined in your Declaration of Independence, issued in the United States in 1918 by Tomas Masaryk, your first President, and Milan Stafanik, proud Slovak patriot; principles inspired by the ringing words of our own Thomas Jefferson more than two centuries ago.

In my homeland, those principles were put into practice when we adopted our Constitution and its Bill of Rights. And last night, I carried copies of those documents as we flew from Washington to Prague, copies that I guess were passed out to you as you came in today. And during this historic time, as you consider the adoption of your own federal system and bill of rights, I offer them to you in friendship, for the common principles and common bonds our peoples have long shared.

Generations of Americans, Czechs, and Slovaks sustained these common bonds. In the battle to defeat Nazi tyranny, America stood with the courageous Czech and Slovak partisans fighting for freedom. Through the long dark decades after 1948, we, like you, refused to accept Europe's division. Through Radio Free Europe and the Voice of America, we held aloft the ideal of truth, and we spoke a common language of hope.

At long last, the grip of the dictators weakened; Czechoslovakia seized its chance to rise up, to

reclaim your rights as a free people and as a sovereign nation.

Today, as fellow citizens of free governments, we share the fruits of our common resolve. Europe, East and West, stands at the threshold of a new era: an era of peace, prosperity, and security unparalleled in the long history of this continent. Today Europe's long division is ending. Today, once more, Czechoslovakia is free.

Czechoslovakia's revolution is over, but its renaissance has just begun. Your work and ours is far from complete. Your nation, like your neighbors to the north and south, faces the unprecedented task of building a stable, democratic rule and a prosperous market economy on the ruins of totalitarianism. I am here today to say that we will not fail you in this decisive moment. America will stand with you to that end.

America stands ready to help Czechoslovakia realize the progress and prosperity now within reach. Today our two countries will conclude agreements giving Czechoslovakia the fullest access to American markets, American investment, and American technology. To help unleash the creativity and drive of the Czechs and Slovak people, I will urge our Congress to authorize a $60-million Czechoslovak-American Enterprise Fund. In addition, to help build your private sector, the United States will extend prompt economic assistance from the $370 million now committed to central and eastern Europe for the coming year.

We also welcome the active involvement of the American private sector. I am pleased to see that yesterday your government entered into a promising, multimillion-dollar joint venture with Bell Atlantic and U.S. West to modernize your country's communications network. I am sure this will be the first of many large-scale investments in the future of a free Czechoslovakia.

In response to this region's severe energy problems, we expect the IMF -- at our initiative -- to lend up to $5 billion in 1991 to central and eastern Europe, and the World Bank will commit an additional $9 billion over the next 3 years.

In addition to these economic initiatives, we seek to renew the free and open exchange denied our peoples for so many years. I am pleased to announce the reopening of the American consulate in Bratislava in the Republic of Slovakia and, just yesterday, the selection of a site for our new cultural center in Prague. Our newly established International Media Fund promises to contribute expertise and encouragement to your nation's free and independent media. And I am gratified that your government and my country's Institute for East-West Security Studies will soon open a European Studies Center in Stirin, an important partnership of the intellect between European and American scholars.

And let me say once again: Prague should be the home to the permanent Secretariat of the Conference on Security and Cooperation in Europe. In Paris, I am confident that I will find unanimous support for this initiative. It is right that this city, once on the fault line of cold war

and conflict, now at the heart of the new and united Europe, play a central role as the CSCE seeks to expand the frontiers of freedom in Europe.

At the Paris summit of the CSCE, the nations of North America and Europe will sign historic documents: a treaty to provide deep reductions in conventional armed forces in Europe, a CSCE summit declaration charting the future role of CSCE in ending Europe's division. The Atlantic alliance, the foundation of European stability, has pledged itself to the same goal.

Working together, we can fulfill the promise of a Europe that reaches its democratic destiny, a Europe that is truly whole and free. But this continent's reconciliation is only part of the larger vision for our world, a vision which I ask you to share.

Let me draw on the life and writings of the gentleman that is sitting over my right shoulder, President Havel -- let me draw on those just to make my point. Several years ago, Mr. Havel wrote about the Western visitors who came to see your so-called dissidents, asking how they could help your cause. He wondered about that question, wondered why visitors from the West couldn't see that your cause was their cause, too. Mr. Havel wrote, and I quote: ``Are not my dim prospects or my hopes his dim prospects and hopes as well? Is not the destruction of humans in Prague a destruction of all humans? Is not indifference to what is happening here a preparation for the same kind of misery elsewhere?"

Dissident Havel -- now President Havel -- spoke then of a shared destiny, spoke out of a sure sense that the fate of all mankind is linked. Czechs and Slovaks understand this vision and the challenge. For half a century, your struggle for freedom was cut short not by one but by two of the cruelest tyrannies history has ever known. You know what it means to live under regimes whose vision of world order holds no place for freedom. As heirs of Jan Hus, whose statue stands just a few blocks from us, as countrymen of Comenius, the son of Moravia, whose name graces your great University of Bratislava, you have always looked to the far horizon to take your bearings from principles that are universal. As small nations, whose very existence demands constant vigilance, you have always understood that your future depends not only on your own heroic actions here but on the broader principles that govern the greater world in which you live. We must recognize that no people, no continent, can stand alone, secure unto itself. Our fates, our futures are intertwined.

That, you see, is why Europe's celebration of freedom brings with it a new responsibility. Now that democracy has proven its power, Europe has both the opportunity and the challenge to join us in leadership, to work with us in common cause towards this new commonwealth of freedom.

This commonwealth rests on shared principles, upon four cornerstones that constitute our common values: an unshakable belief in the dignity and rights of man and the conviction that just government derives its power from the people, the belief that men and women everywhere must be free to enjoy the fruits of their labor and that the rule of law must govern the conduct of

nations.

The United States welcomes the new democracies of central and eastern Europe fully into the commonwealth of freedom, a moral community united in its dedication to free ideals. We wish to encourage the Soviet Union to go forward with their reforms, as difficult as the course may seem. They will find our community ready to welcome them and to help them as they, too, commit themselves to this commonwealth of freedom.

Every new nation that embraces these common values, every new nation that joins the ranks of this commonwealth of freedom, advances us one step closer to a new world order, a world in which the use of force gives way to a shared respect for the rule of law. This new world will be incomplete without a vision that extends beyond the boundaries of Europe alone. Now that unity is within reach in Europe is no time for our vision of change to stop at the edge of this continent.

The principles guiding our two nations, the principles at work in our two revolutions, are not Czech or Slovak or American alone. These principles are universal, rooted in the love of liberty and the rights of man.

Now, after four decades of conflict and cold war, we are entering an era of great promise; and yet our freedom, the freedom of people everywhere, remains under threat from regimes for whom the rights of man and rule of law mean nothing. And that is why our response to the challenge in the Persian Gulf is critical. The current crisis there is a warning to America as well as to Europe that we cannot turn inward, somehow isolate ourselves from global challenges. Iraq's brutal aggression against Kuwait is a rude reminder that none of us can remain secure when aggression remains unchecked.

I have this feeling in my heart that no peoples understand better what is at stake in the Gulf than Czechs and Slovaks. You know from your own bitter experience that the world cannot turn a blind eye to aggression. You know the futility and vain hope that aggressors can be appeased. You know the tragic consequences when nations confronted with aggression choose to tell themselves it is no concern of theirs, just a ``quarrel in a faraway country between a people of whom we know nothing."

We Americans, too, have learned. We know the costs, to ourselves and to the whole of Europe, of our isolationism after the First World War. We know that America must resist the temptation to consider our work complete. We must remain committed to the cause of freedom in the world.

And more and more, the Soviet Union is demonstrating its commitment to act as a constructive force for international stability. More and more, the United Nations is functioning as its creators intended it: free from the ideological confrontation that frustrated collective action, rendered impotent the peacekeeping function of that body.

From this first crisis of the post-cold-war era comes an historic opportunity: the opportunity to draw upon the great and growing strength of the commonwealth of freedom and forge for all nations a new world order far more stable and secure than any we have known.

Today I am very proud to join Czechoslovakia as it celebrates a year in freedom. I salute you for your courage and your vision, for all that you have endured, and for all you are destined to achieve. And I challenge you, as you take your rightful place in the center of Europe, to look beyond the confines of this continent to join with your neighbors in Europe and in North America to build a true commonwealth of freedom so that the peace and prosperity you seek -- the peace and prosperity we shall share -- will be the peace and prosperity of all mankind.

Once again, thank you for this warm welcome, and may God bless the people of Czechoslovakia.

Note: The President spoke at 12:36 p.m. in the Federal Assembly Hall. In his remarks, he referred to Alexander Dubcek, Chairman of the Federal Assembly.

Question-and-Answer Session With Reporters Following Discussions With President Vaclav Havel in Prague, Czechoslovakia

November 17, 1990

President Havel. Dear friends, let me welcome you to this brief meeting with our honored guest, President Bush, and myself. We are ready to answer your questions. But before doing so, perhaps I should briefly explain what President Bush and I have been discussing.

We have touched up on a number of different matters, but we focused primarily on the following subjects. We have presented our information on the present situation in Czechoslovakia, and possibilities of a possible assistance or cooperation on the part of the United States have been discussed. Secondly, we have dwelled upon the future of Europe in the light of the forthcoming CSCE summit in Paris and upon the future of the Helsinki process. And on that score, we have found that our views there are very close to each other, if not even identical. And sadly, we have talked at some length about the situation in the Persian Gulf.

You can ask us questions that shall be answered alternately by President Bush and myself, with me being the one to answer the first question.

U.S. Assistance for Czechoslovakia

Q. President Havel, are you satisfied with the assistance you're getting? You seem to not be saying that your views are identical on that subject with the President.

President Havel. President Bush shows a lot of understanding for our problems, and he has already pledged certain forms of assistance in the statement he delivered in the Federal Assembly, which you have suddenly had.

Q. President Bush, even though you did outline some assistance today in your speech, proportionately it's fairly miniscule compared to what Czechoslovakia needs. Are you prepared to consider further direct U.S. assistance?

President Bush. Well, I think we've spelled out what we can do in terms of direct assistance right now. The thing that is of most import to Czechoslovakia is increased support from the IMF and the World Bank. And I made clear to President Havel that we will be very supportive in that connection.

In addition, the thing that would be of most benefit to Czechoslovakia and to the United States

would be increased investment and increased private-sector help. And that we've discussed; and then that, I think we both agree, would be the best answer -- certainly long-range answer -- for the vitality and growth of Czechoslovakia.

President Havel. I think we should give an opportunity, also, to the Czechoslovak media.

Q. Mr. President Bush, have you spoken to Mr. Havel about American assistance in the science and technology fields and especially in education of the people? Would you be more concrete?

President Bush. We didn't discuss S&T as much. We did talk about educational exchanges, but we did not dwell on the science and technology. Certainly, I would say we would be ready to cooperate in every way in that field, however.

Soviet Union and Eastern Europe

Q. President Havel, can I ask you about the situation in the Soviet Union, as you watch it -- the tensions that we see that Mr. Gorbachev is facing? What concerns do you have about the breakup of the Soviet Union and how that would affect Central European countries?

President Havel. The fact that the Soviet Union is currently undergoing the most sweeping, the most far-reaching changes in its entire history is more than evident, but it is not yet clear what the future arrangement of the Soviet Union will be. But it is our firm belief that the changes may be accomplished in a rapid and peaceful way without any bloodshed and that they may give the individual Republics and the peoples of the Soviet Union the measure of autonomy which they desire.

Q. President Bush, what's your opinion on the plan of economic help to U.S.S.R. through Eastern Europe which was proposed by Minister Dienstbier [Foreign Minister of Czechoslovakia] in his speech at Harvard University earlier this year? And was this topic on the program of your talks in Czechoslovakia?

President Bush. I'm sorry, I didn't hear the first part.

We didn't discuss that in great detail, but I am convinced that the United States -- and I tried to say this in our speech to the joint session -- has an enormous stake. We do not want to see Czechoslovakia, Poland, and Hungary off in some kind of no man's land. And thus, we did discuss future security arrangements. It is my view -- and I would let the Czechoslovakian Government speak for itself -- that some more active role in the CSCE process will contribute to the stability of Europe and fully include Czechoslovakia in the decisions that lie ahead for Europe.

Persian Gulf Crisis

Q. President Bush, in your speech in Parliament, you said we Czechoslovaks understand better than any other nation the Kuwaiti situation. Suppose that something similar happens in our part of the world. What attitude U.S. would adopt since we have no oil here?

President Bush. I'm glad you raised that, because one thing that is very clear to me is that what Saddam Hussein has done in taking over Kuwait is devastating to the economies of eastern Europe, say nothing of the economies of the West and every other part of the world. This naked aggression against Kuwait has clearly had an adverse effect on the economies of every single country because of the disproportionate amount of the GNP that is assigned to energy. And so, I am very clear that it is not simply the United States and other countries in the West that are getting hurt by Saddam Hussein's aggression and what that means in terms of higher oil prices but every country as well. Clearly, this is true in Eastern Europe.

Your question, other than that, is too hypothetical for me to say what we might do under some hypothetical situation. But I can guarantee you, we are going to continue to stand against this aggression and do our level-best to see that the United Nations resolutions are fully implemented -- hopefully, in a peaceful manner. But Saddam Hussein has got to withdraw from Kuwait without condition, and the legitimate leaders have to be restored, and the hostages -- and Czechoslovakia has some, and so does the United States -- must be freed. This inhumane treatment of hostages is unacceptable. And then there must be a stable order in the Gulf.

So, these objectives will be fulfilled. And my little few hours I've had here on this visit convinced me that it's everybody that's being hurt by this aggression.

Q. President Havel, do you agree with President Bush's views on the Gulf, and do you believe the United States is acting responsibly in the Gulf?

President Havel. Czechoslovakia has made it very clear on a number of occasions that it is necessary to resist evil, that it is necessary to resist aggression, because our own history has taught us ample lessons about the consequences of appeasement.

Dear friends, unless you want the winds to carry us away, you have to accept the situation that there is room for one more question only. [Laughter]

Q. President Havel, do you fear that the Gulf situation is taking too much money away from the kind of problems that it could solve in Eastern Europe?

President Bush. -- -- talking about oil prices?

President Havel. It is my opinion that all the resources that are expended on resisting aggression anywhere in the world finally turned to the good of all humankind.

President Bush. Thank you very much. You heard our host.

President Havel. Thank you all for your attention.

Q. President Bush, there is some feeling that you are too much in a hurry. What do you think of a moratorium that's being called for, in terms of hostilities in the Gulf, by Mubarak and other leaders?

President Bush. Mr. Mubarak and I see eye to eye on this situation in the Gulf.

Note: President Havel spoke at 2:48 p.m. in the Music Room at Hradcany Castle, his residence and the seat of the national government. He spoke in Czech, and his remarks were translated by an interpreter. In his remarks, President Bush referred to President Saddam Hussein of Iraq and President Mohammed Hosni Mubarak of Egypt. Following the question-and-answer session, President Bush met with Cardinal Tomasek at the Archbishop's Palace.

Remarks in Prague, Czechoslovakia, at a Ceremony Commemorating the End of Communist Rule

November 17, 1990

Thank you, Mr. President, and thank you, my Czech and Slovak friends. It is a tremendous honor to me to be the first sitting American President to visit this proud and beautiful country and to be able to join you on the first anniversary of the extraordinary Velvet Revolution. What a powerfully moving sight it is.

There are no leaves on the trees, and yet it is Prague Spring. There are no flowers in bloom, and yet it is Prague Spring. The calendar says November 17th, and yet it is Prague Spring.

Your Declaration of Independence proclaims: ``The forces of darkness have served the victory of light. The longed-for age of humanity is dawning." Today the freedom-loving people of the world can bear witness that this age of humanity has now finally and truly dawned on this splendid nation.

Seven decades ago, an unprecedented partnership began between two Presidents: the philosopher, Tomas Masaryk, and the idealistic scholar, Woodrow Wilson. It was a partnership as well among Czechs and Slovaks to join together in federation. And, yes, it was a long, hard road from their work on your Declaration of Independence to this magnificent celebration today. I am proud to walk these last steps with you as one shared journey ends and another begins.

Our countries share a history. We share a vision. And we share a friendship, a friendship Masaryk described to Czech-American soldiers 70 years ago. He said: ``Do not forget that the same ideals, the same principles ever unite us. Do not forget us as we shall never forget you." That is why I'm here today. We have not forgotten.

The world will never forget what happened here in this square where the history of freedom was written -- the days of anguish, the days of hope. So many times, you came here bearing candles against the dark night, answering the call of Comenius to follow ``the way of light." These brave flames came to symbolize your fiercely burning national pride.

A year ago, the world saw you face down totalitarianism. We saw the peaceful crowds swell day by day in numbers and in resolve. We saw the few candles grow into a blaze. We saw this square become a beacon of hope for an entire nation as it gave birth to your new era of freedom.

This victory owes its heart to two great heroes. Alexander Dubcek -- 22 years ago, he led this nation in its first sweet taste of liberty. His are the will and compassion that are the living Czechoslovakia. And then President Havel, a man of wisdom, a man of tremendous moral

courage. In the dark years, on one side stood the state; on the other side, Havel. On one side, tyranny; on the other, this man of vision and truth. Among the first was Havel, and now there are millions.

Today a Europe whole and free is within our reach. We've seen a new world of freedom born amid shouts of joy; born full of hope, barreling with confidence toward a new century; a new world born of a revolution that linked this square with others -- Gdansk, Budapest, Berlin -- a revolution that joined together people fueled by courage and by humanity's essential quest for freedom.

For four decades, our two nations waited across the divide between East and West, two peoples united in spirit, in vision, and yet separated by conflict. Today the United States and Czechoslovakia stand together, united once more in our devotion to the democratic ideal.

Now, with the division of Europe ending and democracy ascending in the East, the challenge is to move forward. In Czechoslovakia: from revolution to renaissance, across this continent toward a new Europe in which each nation and every culture can flourish and breathe free. On both sides of the Atlantic: toward a commonwealth based on our shared principles and our hopes for the whole world, a commonwealth inspired by the words of your great Comenius written three centuries ago: ``Let us have but one end in view: the welfare of humanity."

A thousand miles to the south, this new commonwealth of freedom now faces a terrible test. Czechoslovakia was one of the first nations to condemn the outrage in the Persian Gulf, one of the first to measure the magnitude of the wrong committed in the name of territorial ambition. It is no coincidence that appeasement's lonely victim half a century ago should be among the first to understand that there is right and there is wrong, there is good and there is evil, and there are sacrifices worth making.

There is no question about what binds our nations, and so many others, in common cause. There is no question that ours is a just cause and that good will prevail. The darkness in the desert sky cannot stand against the way of light. I salute your courageous President when he joins us in saying that Saddam Hussein's aggression must not be rewarded.

Earlier today I told your Parliament, we know this is a difficult time for you, but also a time of extraordinary optimism. As you undertake political and economic reform, know one thing: America will not fail you in this decisive moment. America will stand with you. We will continue along the road mapped out by our Presidents more than 70 years ago, a road whose goal was described by Woodrow Wilson: ``to bring peace and safety to all nations and make the world itself at last free."

For the past 70 years, your Declaration of Independence has been preserved and cherished in our Library of Congress. I say, it is time for Masaryk's words to come home. And as humanity and

liberty return to Czechoslovakia, so, too, will this treasured document.

On behalf of the people of the United States, I am proud to be able to tell the people of Czechoslovakia: 1989 was the year that freedom came home to Czechoslovakia; 1990 will be the year your Declaration of Independence came home to the golden city of Prague. May it be for future generations a reminder of the ties that bind our nations and the principles that bind all humanity.

In 1776, when our Declaration of Independence was first read in public, a bell tolled to proclaim the defiant thrill of that moment. That bell -- we call it, at home, the Liberty Bell -- has for 200 years symbolized our nation's deepest dedication to freedom -- dedication like your own. Inscribed on this bell are the words: ``Proclaim liberty throughout all the land." We want to help you proclaim your new liberty throughout all this proud and beautiful land, and so today we give to you our last replica of the Liberty Bell. You know, one of our patriotic songs proclaims, ``Sweet land of liberty -- from every mountainside, let freedom ring."

And so, when bells ring in Wenceslas Square or in Bratislava or anywhere in this glorious country, think of this bell and know that all bells are tolling for your precious liberty, now and forever. And so, now I am proud to ring this bell three times. Once for your courage, once for your freedom, and once for your children.

[At this point, the President rang the bell.]

May God bless Czechoslovakia. Thank you all very much.

Note: The President spoke at 4:13 p.m. in Wenceslas Square. Prior to his remarks, he participated in a wreath-laying ceremony at the St. Wenceslas Memorial. In his remarks, he referred to President Saddam Hussein of Iraq. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the Czechoslovakia-United States Trade Agreement

November 17, 1990

The United States and Czechoslovakia today exchanged diplomatic notes bringing into force the trade agreement signed by the two Governments last April. The agreement extends most-favored-nation (MFN) tariff treatment to Czechoslovak exports to the United States and U.S. exports to Czechoslovakia. President Bush expressed his hope that the mutual extension of MFN tariff treatment will ``provide the impetus for greatly expanded trade between our two countries and the first step toward a normalization of our bilateral trade relations.'' The exchange follows approval of the agreement on November 16, 1990, by the Czechoslovak Federal Assembly. The U.S. Congress approved the extension of MFN on October 23.

The agreement, along with its side letters on trade and financial matters, intellectual property, and tourism, contains important guarantees for American businesses, including the right to nondiscrimination in renting office space, paying for local goods, and establishing bank accounts. Through this agreement, the Czechoslovak Government has also committed to upgrade substantially its protection of intellectual property rights, bringing its intellectual property regime to a level on a par with that of other industrialized nations.

The implementation of this agreement coincides with the next phase of Czechoslovakia's concerted efforts at market reform and trade liberalization. The Government of Czechoslovakia has announced plans to activate a number of important reform measures in January 1991, including price liberalization through the delinking of retail and wholesale prices, internal currency convertibility, and the privatization of large state enterprises through the establishment of joint ventures with foreign entities.

President Bush praised Czechoslovakia's reform efforts as ``impressive initiatives, heralding a new age in Czechoslovakia's relations with the international trading system.'' The President also expressed his hope that Czechoslovakia's reforms would continue to move the country towards full trade liberalization.

Combined with the current and planned reforms in Czechoslovakia, the extension of MFN should result in the threefold increase in bilateral trade over the next few years, setting the stage for a strong trade relationship between our two countries.

Radio Address to the People of Czechoslovakia

November 17, 1990

Indeed, it is an honor for me to be here on the first anniversary of your Velvet Revolution. And I'm doubly honored to be the first American President ever to visit Czechoslovakia. And President Havel, I thank you for inviting me to visit your country. Barbara and I are delighted to be here, and I'm flattered that you invited me to join you in this weekly radio talk.

I spent a marvelous and moving day here in Prague. I met the new leaders of Czechoslovakia, both Federal and Republic. And I spoke before your Federal Assembly, that hall that has now sprung to life in building your new democracy. And on Wenceslas Square, I joined you in celebrating the first anniversary of your Velvet Revolution. And it's really been among the most thrilling days of my life.

The ties between our two countries are unique, going way back to the creation of the Czechoslovak state. And Americans feel a special attachment to your Czech and Slovak federation.

Our peoples were cut off from each other for most of the Communist period, and we've now begun making up for what we missed through those two generations. And I regret that I was unable to visit Slovakia during this brief visit, so let me extend a special word or greeting to the people of Slovakia and say how delighted I am that the United States will soon reopen its consulate there in Bratislava.

And let me say to all the citizens of the Czech and Slovak Federal Republic: We rejoice with you in your liberty, and we pledge that we will not fail you in this decisive moment of your history.

President Havel, once again, sir, my thanks to you for allowing me to join you on the airwaves of free Czechoslovakia. God bless you all.

Note: The address was recorded at 6:40 p.m. on November 17 at Hradcany Castle in Prague, Czechoslovakia, and was broadcast as a part of President Havel's weekly radio program at 2 p.m. on November 18. Following the recording session, President Bush attended a reception at the castle hosted by President Havel. Later, President Bush went to the U.S. Ambassador's residence, where he stayed overnight.

Exchange With Reporters Aboard Air Force One

November 18, 1990

Chancellor Helmut Kohl of Germany

The President. -- -- here's why. I want to save it all for Germany or France or Saudi Arabia.

Q. Why?

The President. Why? That's what I asked -- --

Q. You called Kohl this morning? What was that about?

The President. Called him?

Q. In the last few days?

The President. No.

Q. Yesterday?

The President. No.

Q. What about GATT? Yesterday I was asking Marlin about GATT and about whether or not you were going to bring that up today.

Mr. Fitzwater. I think it's been a couple weeks since you called Chancellor Kohl.

The President. Yes. I haven't talked to him today. Mark that: Did not call Kohl.

Soviet Union/Persian Gulf Crisis

Q. What do you think about the changes in the Soviet Union?

The President. Very interesting. I'll have a chance to talk to Mr. Gorbachev about all of that.

But this visit was very moving and very emotional and very good. And I thought what Havel said yesterday should be well noted around the world, not just on his aspirations for his own country but what he said as it related to aggression in the Middle East, because this country has learned what it means to be taken over. And all during dinner and afterward, talking to the

people, the patriots there, why, it just redoubles my conviction that aggression can't stand. And I think he answered that question very directly to one of you all yesterday which was very, very forceful.

Q. Everybody thinks you're going to war -- --

The President. The United Nations -- --

Q. -- -- in late January.

The President. -- -- resolutions will prevail. I'm convinced of it.

Q. So what about Bennett [former Director of National Drug Control Policy] -- --

The President. And I was very pleased with the support yesterday that I saw in that -- I think it was your poll, wasn't it? ABC? Its strong support for what we're doing -- very strong. You can write the story one way; but when you analyze the results of the poll, why, it was very, very positive. I think some were frustrated we haven't moved sooner, and some are frustrated we may be moving too fast. But if we add it all up, there is strong support for what the United States is doing at home, and I think there's strong support for what we're doing around the world. I'm sure of it in Czechoslovakia. I can guarantee you that.

Q. Do you consider that a green light?

The President. I consider it a solid front.

Q. A what?

The President. A solid front. Because I think this: What we learn here today is just one more affirmation that the United Nations is correct in its resolutions.

Q. Are you planning a TV speech when you get back to the States?

The President. Haven't planned it, but there may well be one.

Q. How close are you to getting enough votes in the U.N. to go for a -- --

The President. We're not discussing that now. We're just doing a little consultation.

William J. Bennett

Q. Did you really pick Bennett to head the -- --

The President. We're not discussing that now.

Q. -- -- Republican National Committee?

The President. I don't know -- a lot happens when I leave. We've got to wait and do a little -- [laughter] -- --

Q. This happened without your knowledge?

The President. Yes. Isn't that amazing?

Q. Shocking.

Arms Reduction Agreements and the Conference on Security and Cooperation in Europe

Q. Are you intending for the Gulf to make everybody forget about CSCE?

Q. Don't you think that's the effect of what you're doing on this -- --

The President. I don't know. I hope you write the importance of this arms control agreement. I will say it's important. It seems to have been overshadowed by what's happening in the Gulf, but it is a significant milestone.

Q. How about START [strategic arms reduction talks]?

The President. And you've got to put CSCE in a broad context. I mean, when I was talking to the Czechs yesterday about not having them and the other Eastern European countries in some no man's land, that leads one to the importance of CSCE for the ongoing consideration of European interest with them as a part of it. So, that's -- --

Q. What about START?

Q. How about the expansion of NATO?

The President. They are observers in NATO, but I think for the broader participation, the CSCE will have some applications.

Q. How closely are you tracking how much material the Russians are moving east of the Urals?

The President. I can't answer that. I've not been briefed on how much they're moving east of the Urals.

Q. So, it doesn't concern you?

The President. I have not followed recently. I'm sure that if it were a real concern, I'd know about it.

Q. Are you going to go to Moscow to sign the START agreement in January?

The President. When the START agreement is ready to sign, I'll go to Moscow and sign it.

Q. When do you think it will be ready?

The President. I can't help you with that, but maybe I'll be able to help you with that question after I see Mr. Gorbachev.

Agricultural Subsidies

Q. How much of your discussions with Kohl are going to relate to the Gulf as compared to CSCE, and what's the agenda look like?

The President. I don't know. Of course, there's also the trade area with Kohl that we've got to talk about. So, I don't know how it will break out. But I have such a warm, pleasant relationship with him that I've always been able to talk very frankly, and I don't feel inhibited or restricted by any talking points or allocation of his time on a subject.

Q. Is he the main stumbling block on the subsidy -- --

The President. No.

Q. You think you'll get better results out of him after his elections? Is that why you're going to Brussels on GATT?

The President. I don't know. I think that he basically is with us in terms of freer trade. I mean, there's no question in my mind about that. But whether the election is an inhibiting factor, I'd have to make that determination after I've talked to him.

Q. You still plan to go to Brussels, though?

The President. When?

Q. I'm sorry, we still will attend the Brussels GATT meeting; we're not going to pull out on that?

The President. Well, let's wait until we finish the discussions over here and then see what we get.

Visit With U.S. Troops in Saudi Arabia

Q. Why did you ask the Members of Congress along for the Saudi Arabia stop?

The President. Well, I just think it's a good thing to have the leadership with you on a trip of this nature. They're very emotionally involved. And I think it's most appropriate that they come. And they all seemed to accept with alacrity, so I guess they have no reservations at all.

Q. Why not some of the critics which you wouldn't include among the leaders that you've invited? They've been the most support, I think. [Senator] Moynihan or -- --

The President. Well, I deal with the leadership. I can't deal with every Member of Congress. You've got 435 in the House, remember, Ann [Ann Compton, ABC News], and you've got 100 in the Senate. So, plenty of Congressmen go over there on their own, but the President should invite the leaders.

Q. Is there some reason why [Representative] Gephardt is not on the list for Saudi Arabia?

The President. Well, only the fact that we have two from the House and two from the Senate. But it would have been the most appropriate if -- in fact, there was some discussion that if the Speaker couldn't go, then clearly Gephardt would have been -- --

Thank you all. See, I've exhausted your questions.

Q. Will we get another shot at you this afternoon?

The President. I doubt that.

Q. No?

The President. We don't want overexposure. You know, once -- I think it was Helen [Helen Thomas, United Press International] who said we're having too many -- --

Q. Never. I never said that in my life.

The President. You sure?

Note: The exchange occurred while the President was en route from Prague, Czechoslovakia, to Ludwigshafen, Germany. Marlin Fitzwater was Press Secretary to the President. Earlier in the morning, the President met with members of the U.S. Embassy community and participated in a departure ceremony with national leaders at Ruzyne Airport. A tape was not available for verification of the content of this exchange.

Remarks to the Residents of Speyer, Germany

November 18, 1990

Thank you, Chancellor Kohl. And I'm delighted to be back in the Rhine country, in the beautiful village of Speyer, to be with your great Chancellor and, most of all, to be the first American President to visit the new Germany. It is also a sign of the times that just a week ago the Soviet President, Mikhail Gorbachev, walked your streets, saw your majestic cathedral, and joined with you in the celebration of German unity.

When we were here last year, Germans still lived in two societies: one free and one oppressed; one alive, the other frozen in tyranny; two very different governments, but one people, one Germany.

In May of 1989, I talked to the citizens of Mainz; and on that day, we spoke not only of our mutual defense but of our shared values, not just of the matters of the mind but of the deeper aspirations of the heart. And we heard the call for a common European home, but insisted on another home: one in which all within would be free to move from room to room, free to enjoy their right of self-determination.

I will never forget November 1989, when word came from Berlin: The wall has been breached. And soon the world was transfixed by startling images, scenes of celebration and triumph as thousands of Germans joined hands across a mass of concrete that had divided your nation for far too long. That was an exciting moment, and I'm delighted today to celebrate that moment in the home area of the first Chancellor of this new Germany, Chancellor Helmut Kohl, the man who united Germany.

I'm also here because the unification of Germany is not just cause for celebration by one people; it's a cause for celebration for all who love freedom. And let me just tell you: No people on Earth are more thrilled by your achievement than your friends in America.

I see the rains are coming. [Laughter] So, I will conclude, mercifully, by saying thank you to all the citizens of this marvelous part of Germany. Thank you for this warm welcome for Barbara and me and, I say symbolically, for the United States of America. And thank you, Chancellor, for your words about standing together in the face of tyranny, standing together to see that aggression will not pay in this world. God bless the people of a united Germany. Thank you. God bless each and every one of you. Thank you for this warm hospitality. Good luck.

Note: The President spoke at 12:50 p.m. in the town square. Prior to his remarks, he attended an organ recital at Speyer Cathedral. A tape was not available for verification of the content of these remarks.

Remarks and a Question-and-Answer Session With Reporters Following a Luncheon With Chancellor Helmut Kohl in Ludwigshafen, Germany

November 18, 1990

The President. Another marvelous meal, I'll tell you that.

The Chancellor. Mr. President, Mrs. Bush, ladies and gentlemen, allow me to thank you once again very warmly for having met with me here in my home region. The weather doesn't correspond at all to the kind of mood we're in and to the overall feeling, but unfortunately, November in Germany means rain.

But the relationship between the Federal Republic of Germany and the United States of America is an excellent one; and this is due, first and foremost, to the personal involvement of President Bush. I've already said this in my short statement in front of Speyer Cathedral.

The 3d of October, 1990, the day of German unity, would not have been possible, would, indeed, have been inconceivable, without the help and support which we received from the Americans throughout the century; and we'll never forget this. Right now, over the next few years, over the next few decades, indeed, we, the united Germany, want to do our utmost in order to foster and deepen this relationship, particularly among young people. We want to promote the exchange of students, of high school students, and scientists, scholars, and this in the closest possible way. And obviously, Mr. President, I would be most pleased to see as many American companies as possible investing in the new states, the new Federal lander, which was formerly the German Democratic Republic, GDR.

I know that the President of the United States is a very busy man indeed. But if perhaps in one of your next speeches in front of the chamber of industry and commerce in the U.S. you were in a position to introduce a few remarks about the possibilities of investment in the eastern part of Germany, in what was formerly the GDR, I think that would be a very good and very beneficial thing.

Today we talked about a number of issues where we think we can help each other. We exchanged views, and we expressed agreement on the fact that we hope that the next GATT round, the Uruguay round, may be a successful one. We're going to work on that one also over the next few weeks. And we talked about the challenge to the international community in the Middle East, in Kuwait, and in Iraq.

We were in agreement here that it is very important, indeed, that the international community stand together here, stand fast in the coalition. And this on the basis of the U.N. resolutions, in

the sense that we want to see respect for international law restored. And we were in agreement that it is of utmost importance to see a release of all hostages of all nationalities as soon as possible. And that this, indeed, was one of the most important prerequisites for any further talks.

We also said that it was our wish that negotiations would lead to a peaceful outcome of the situation there, but that these negotiations can only be successful if both sides want their success and if the consequences of this assault are removed.

Again, Mr. President, thank you very much for coming here. Thank you, Barbara, and with all my heart, let me wish you all the best and the best of success in your very difficult office. And may God bless you.

The President. Thank you, sir, and may we thank you and Mrs. Kohl for your hospitality. There's something very special about conducting the kind of discussions we had within the home of two friends, in a warm ambience, and in a setting that lends itself to frank and open discussions and agreement as the Chancellor's outlined. And again, we're very grateful to you for this extraordinary hospitality. Thank you all very much.

Persian Gulf Crisis

Q. Mr. President, in your prepared speech today, you said that a united Germany must take responsibility for leadership in the world. What would you like to see Germany do in the Persian Gulf crisis?

The President. I think exactly what the Chancellor says: keep the coalition together. In my view, they are fulfilling their roles. When I was talking about their leadership, clearly anybody that takes a look at the map and understands the realities of the world knows that this united Germany is, and will be, a tremendous force for peace and certainly for economic good in the world. So, I think we're together with Germany, both in the Gulf -- I made no special request of Chancellor Kohl at all. But I agree with him that this coalition is holding and should continue to hold, and thus, the best way to get a peaceful solution: send a solid signal to Saddam Hussein [President of Iraq] that his aggression will not be rewarded.

Q. Do you think you see eye to eye on the possibility of -- --

The President. I've read what he's said, and I think we're in very close accord here. We're not ruling out any options; we're not ruling any options in. I want to see a peaceful resolution to this question.

Q. The Chancellor, in a radio address today, warned of the consequences of military action in the Persian Gulf. Did he deliver a similar warning to you?

The President. He made very clear he'd like to see a peaceful resolution to this question, and so would I.

Note: The President spoke at 3:30 p.m. outside Chancellor Kohl's residence. Later in the afternoon, the President traveled to Paris, France. In the evening, he attended a dinner at the Palais de l'Elysee hosted by President Francois Mitterrand of France. Following the dinner, President Bush went to the home of the U.S. Ambassador, his residence during his stay in Paris. A tape was not available for verification of the content of these remarks.

Remarks and an Exchange With Reporters Following Discussions With Prime Minister Margaret Thatcher of the United Kingdom in Paris, France

November 19, 1990

The President. We've had a very delightful breakfast, and I want to thank the Prime Minister for coming over. Not surprisingly, we see eye to eye on matters in the Gulf. And we had an opportunity to discuss trade, the importance of getting on to a successful conclusion of the GATT round. And thank you, Prime Minister, for coming at this early hour. But once again, I've learned a lot, and I feel very comfortable that the U.K. and the United States are looking at these major problems through the same prism.

The Prime Minister. It's been a very good breakfast meeting. We see so similarly on most things. We have the same firmness on the Gulf, the same horror that hostages are kept at all -- they should be released immediately -- the same firmness that if Saddam Hussein [President of Iraq] does not withdraw from Kuwait, the military option would have to be used.

We also come together on a day when -- if the United States and the United Kingdom and Europe had not stayed absolutely firm in defense, we should never be in a position to sign the agreement that will be signed today. That, I think, is a very, very good message to the world to stay firm in defense, because you never know what uncertainties may arise.

On other things, you know we and the United States believe firmly in free trade. That is what gets a prosperous world. And we're deeply concerned about the GATT round. And as you know, I have done my level-best to see that Europe puts forward reasonable proposals -- indeed, put forward any proposals. We're not through the difficulties yet, and it's important that the Uruguay round does succeed.

Persian Gulf Crisis

Q. Mrs. Thatcher, do you think there's going to be a war, a shooting war, in the Gulf? You have a lot of experience with the Middle East and certainly Britain's ties with Iraq. What do you think?

The Prime Minister. There will be one fair way to avoid that, and that would be for Saddam Hussein to withdraw quickly, totally.

Q. Does that answer the question?

The Prime Minister. Yes, it does.

Q. Do you think it -- --

The Prime Minister. If he does not, then he has to be removed by force. This is evil. The things that are going on in Kuwait are terrifying. They are brutal. And most people understand that evil has to be stopped. Either he withdraws or the military option has to be used.

Q. Mr. President, I know that you think this latest hostage offer from Saddam Hussein is a cynical manipulation of hostage families -- --

The President. Yes, I do.

Q. -- -- but could it serve in any way as a possible precursor for some kind of negotiation to get him out of Kuwait?

The President. I can't read his mind, but when you have done something as outrageously illegal as grabbing somebody's innocent civilians and holding them hostage -- kidnaping them, if you will -- there should be no reward for that. And he ought to have released them long ago. And he ought to release them now. And this cynicism of starting to release them on Christmas Day will be seen by the world as a total ploy. And so, if you mean does it offer me hope that he's getting flexible, I don't think so. I think it's a cynical ploy to rally public opinion. And it is so brutal to parcel out human life in that way that I think it will backfire in terms of what he expected from it.

Q. Mr. President, en route here, President Gorbachev in Italy said he was convinced that a peaceful way would be found out of this crisis. And he spoke of new ideas; the implication seeming to be new initiatives in the diplomatic front. Do you to any degree share that optimism? I know you've said you're hopeful that a peaceful way can be found, but do you share the optimism that Mr. Gorbachev appears to be expressing? And do you know anything about new ideas?

The President. I'll talk to him, but I have not seen anything to make me believe there is a new approach that fulfills the obligations entailed under the United Nations resolutions. Because there can be no compromise. You cannot reward aggression. But I will be seeing him, and Mr. Gorbachev has been very solid in support of the United Nations. So I'm anxious to know if there's something new that he's thinking of, but I can't think what it is.

Q. Could you address that question?

The Prime Minister. Saddam Hussein should obey the United Nations resolutions and withdraw immediately. What we've got now is not peace. There's no peace in Kuwait; there's evil. There is

daily brutality. There is cruelty. They're shooting people because they have attempted to hide and protect foreigners in Kuwait. That is not peace. It is the worst brutality and evil. Unless he leaves, he will have to be made to leave by force. I think you just have to get the fundamentals straight. He plays with human beings as if they were pawns. Unless you stop this man, there will be no peace in the world, let alone in the Middle East.

Can I just say, the mere heads of government have to get to the conference before heads of state. [Laughter] So can I just -- --

British Conservative Party Leadership Election

Q. One British question. Are you going to survive -- --

Q. Are you going to survive tomorrow? Are you going to survive the political challenge?

The Prime Minister. I most earnestly believe so.

The President. Thank you all very much.

Conventional Arms Reduction in Europe

Q. I'd like another conference question, Mr. President.

The President. A what?

Q. A conference question.

Q. Can we ask you about -- --

The President. I'm going to take one more question, and then I'm leaving.

Q. I'd like to know if you see any irony in coming together to sign this treaty that reduces conventional arms and celebrates peace in Europe while you push this tough hard line against Saddam Hussein.

The President. I don't see any irony in it whatsoever. What I see is the fact that we're able to enter into a CFE [conventional armed forces in Europe] agreement with full cooperation and support of the Soviet Union who, heretofore, has been an enormous adversary of the West. And now this reduces to practically nil the tensions that have existed. It is the farthest reaching arms control agreement in history; and it signals the new world order that is emerging, and to some degree has emerged, and that is the best hope for rolling back the brutality and the aggression of

Saddam Hussein, who has nothing to do with the CFE agreement.

So what it does is show a solidification of forces that in recent history have been on opposite sides of some of these questions. So if there's any message coming out of CFE for Saddam Hussein, it ought to be: Look what you're up against here. Here are people that since World War II have tension and, at times, conflict; and now they're together as they take a gigantic step forward in arms control. And they're together as they stand in the United Nations against your brutal, naked aggression. So, if there's any connection, that's the message that I'd like to see come out of all of this.

Persian Gulf Crisis

Q. What about the timing -- doing this on the eve of the conference -- is he trying to spoil or send a message -- --

The President. I don't know that it has anything to do with the CSCE conference, but if it is, it's to try to glom up a little support for his brutality. And I think -- you heard Prime Minister Thatcher -- I feel the same way. I'm sure President Mitterrand [of France] will feel the same way. So, if his move is timed to get support for him in CSCE, I think it will fail. I can't imagine anybody that has citizens held hostage by his brutality there succumbing to this siren's call of a 3-month release starting in a month and a half from now. It is so brutal and so cruel that it becomes obvious.

Q. Well, sir, do you think he's trying to buy time with this?

The President. Probably trying to buy anything -- public support, time -- anything. But the longer he focuses on holding innocents against their will, the more he points to his own brutality, and that's exactly what's happened here. And there is no room for compromise on what he's doing.

Q. Would you say the same thing Mrs. Thatcher just said: that if he doesn't get out, he must be forced out of Kuwait?

The President. I've already given my position. We're not ruling out any options at all.

Q. But she didn't say that. She said you must -- --

The President. I told you how I'd say it.

Q. Mr. President, a lot of people -- --

The President. We won't press ourselves -- --

British Conservative Party Leadership Elections

Q. Did you wish Mrs. Thatcher luck?

The President. Did I what?

Q. Did you wish the Prime Minister luck?

The President. I stay out of all of this, but we have a superb relationship with Mrs. Thatcher. It is, indeed, a special relationship. And far be it from me to figure out the internal politics of a party in the United Kingdom, just as I would not like to ask her to figure out the similar problems that might exist in the Democratic Party or the Republican Party in the United States.

Q. But the special relationship would continue, would it not?

The President. The special relationship is good and strong. And I'm not going to say anything that would look like I'm trying to intervene into the proceedings over there.

Persian Gulf Crisis

Q. Mr. President, are you at all concerned that the perception seems to be that other leaders are trying to restrain you and Mrs. Thatcher? You're the only ones -- --

The President. No, I don't get that at all. I didn't pick that up at all. I had dinner with President Mitterrand last night. That's nonexistent.

Q. A lot of people think your buildup -- --

Q. What was Chancellor Kohl [of Germany] up to yesterday with his remarks about negotiating and finding a way to help Saddam Hussein ease his way out of the situation? That sounds like concessions.

The President. Listen, he can ease out fine. There will be no concession. And I agree with Chancellor Kohl that it would be nice to have a peaceful resolution to this question. That's what we've been trying to do. We're ratcheting up pressure on this man, and I hope as soon as he understands that he cannot prevail that he will do that which he did in Iran: 180 degrees and head north. That's what he ought to do.

Q. Can I ask you: Are you under pressure from these allies to reach a negotiated settlement?

The President. No, I'm under pressure from my own -- what I believe in my heart: that I'd like to see a peaceful solution to this question. Most of the forces are American kids over there. And anybody feels a certain responsibility for them. I also feel a responsibility to see that this aggression does not go rewarded. So, no, I'm not under any pressure from them.

Q. A lot of people think that sending 400,000 troops -- that you will feel inevitably that you have to use them.

The President. There won't have to be a shot fired in anger if he does what he's supposed to do, which is to comply fully, without condition, to the United Nations resolutions. That's the way to get the peaceful solution to this question, and that is the only way to get a peaceful solution because it's not going to go on forever. It simply cannot go on forever and won't go on forever.

Q. Do you think he's softening?

Q. Chancellor Kohl seemed to indicate that, really, we ought to really push hard on negotiations. You don't really talk about negotiations very much.

The President. I've seen the different negotiation efforts. I've seen people try for a so-called Arab solution. And they all fall short. The reason they fall short is that, in the final analysis, Saddam Hussein tells every single person that tries to be in a negotiating role, Kuwait is a province of Iraq. That is unacceptable. That's unacceptable to the United Nations. Clearly, it is unacceptable to the United States. And that's why it fails.

You can't negotiate with a terrorist. If a person kidnaps another, should the kidnaper be given face? Should that person be given some way out so he can have a little face when he gets back into the world? The answer is no, you do not compromise with that. And therein lies the problem. And Chancellor Kohl knows that very well indeed. But do I share his aspirations for a peaceful resolution to this question? Absolutely.

Q. Mr. President, isn't that exactly why, though, it appears to undercut your effort: for you to be talking pressure, him to be talking negotiation?

The President. I talked to Chancellor Kohl for 2 hours, and as I told you yesterday, I feel totally on the same wavelength with him.

Q. Why do you suppose he gives that radio interview then and talks about negotiated settlement and you've just outlined the case why it won't work?

The President. We've talked about whether there's any way to get a negotiated settlement. But he has no -- I don't think -- you can ask him -- he'll be around -- what he means by negotiated settlement. But he does not mean compromise on these U.N. resolutions, I can guarantee you.

And if somebody can find a way to talk sense to Saddam Hussein and make him do in Kuwait that which he did in Iran -- turn tail 180 degrees and head east, as it was in Iran -- and do the same thing in Kuwait, so be it. He did it in Iran because he didn't want to face two fronts, I think.

But that is a reason that -- some will tell you -- makes it very difficult for him to do what he ought to do: get out of Kuwait. But that doesn't make the rationale, the moral underpinning, any less compelling. That rationale is there. You do not brutalize a neighbor. You do not kill and torture. You do not hold innocent civilians. You do not beleaguer an embassy and try to starve its people out in direct contravention of U.N. resolutions. And that's exactly what he's doing. And every day that goes by, it just strengthens my resolve.

Aid to the Soviet Union

Q. Mr. President, on your meeting tonight with Mr. Gorbachev, are you inclined to go along with providing some humanitarian aid to the Soviet Union?

The President. We would always be openminded on humanitarian aid if there's a real need there. We have certain inhibitions under United States law; but if there are food shortages, for example, and the United States was in a position to help, clearly we'd want to try. And that's the right and humane thing to do as a country moves towards us and relations are greatly improved. And I would want to try to help. But they know that we have some legal constraints under our own system of law there that prohibits our doing certain things in that regard.

Q. Do you worry about him during this bleak winter coming up?

The President. I worry about the Soviet people during the bleak winter coming up if, indeed, it proves to be as severe as some of the reports indicate. And these people are -- as we travel extensively inside the Soviet Union, we Americans -- and many are there now in very different numbers and in different ways than in previous times -- I think there's a recognition that we want to try to help with the evolution of market systems and the change that's taking place. And you also want to help new friends if they're in jeopardy. So, I want to seek for ways to try to help, but we've got certain provisions in our laws that put constraints on me.

U.S. Embassy in Kuwait

Q. How's the food holding up in the Embassy in Kuwait?

The President. Still tuna fish. Still tuna fish.

Thank you all very much.

Note: The President spoke at 9:02 a.m. at the U.S. Ambassador's residence.

Treaty on Conventional Armed Forces in Europe

November 19, 1990

Declaration of the States Parties to the Treaty on Conventional Armed Forces in Europe With Respect to Personnel Strength

In connection with the signature of the Treaty on Conventional Armed Forces in Europe of November 19, 1990, and with a view to the follow-on negotiations referred to in Article XVIII of that Treaty, the States Parties to that Treaty declare that, for the period of these negotiations, they will not increase the total peacetime authorized personnel strength of their conventional armed forces pursuant to the Mandate in the area of application.

Declaration of the States Parties to the Treaty on Conventional Armed Forces in Europe With Respect to Land-Based Naval Aircraft

To promote the implementation of the Treaty on Conventional Armed Forces in Europe, the States Parties to the Treaty undertake the following political commitments outside the framework of the Treaty.

1. No one State will have in the area of application of the treaty more than 400 permanently land-based combat naval aircraft. It is understood that this commitment applies to combat aircraft armed and equipped to engage surface or air targets and excludes types designed as maritime patrol aircraft.

2. The aggregate number of such permanently land-based combat naval aircraft held by either of the two groups of States defined under the terms of the Treaty will not exceed 430.

3. No one State will hold in its naval forces within the area of application any permanently land-based attack helicopters.

4. The limitations provided for in this Declaration will apply beginning 40 months after entry into force of the Treaty on Conventional Armed Forces in Europe.

5. This Declaration will become effective as of entry into force of the Treaty on Conventional Armed Forces in Europe.

White House Fact Sheet

Today the 22 members of NATO and the Warsaw Pact signed a landmark agreement limiting conventional armed forces in Europe (CFE). The CFE treaty will establish parity in major conventional armaments between East and West in Europe from the Atlantic to the Urals. The

treaty will limit the size of Soviet forces to about one third of the total armaments permitted to all the countries in Europe. The treaty includes an unprecedented monitoring regime, including detailed information exchange, on-site inspection, challenge inspection, and monitoring of destruction.

East-West Limits

The treaty sets equal ceilings from the Atlantic to the Urals on key armaments essential for conducting surprise attack and initiating large-scale offensive operations. Neither side may have more than:

20,000 tanks

20,000 artillery pieces

30,000 armored combat vehicles (ACV's)

6,800 combat aircraft

2,000 attack helicopters.

To further limit the readiness of armed forces, the treaty sets equal ceilings on equipment that may be with active units. Other ground equipment must be in designated permanent storage sites. The limits for equipment each side may have in active units are:

16,500 tanks

17,000 artillery pieces

27,300 armored combat vehicles (ACV's).

In connection with the CFE treaty, the six members of the Warsaw Pact signed a treaty in Budapest on November 3, 1990, which divides the Warsaw Pact allocation by country. The members of NATO have consulted through NATO mechanisms and have agreed on national entitlements. These national entitlements may be adjusted.

Country Ceilings

The treaty limits the proportion of armaments that can be held by any one country in Europe to about one third of the total for all countries in Europe -- the ``sufficiency'' rule. This provision constrains the size of Soviet forces more than any other in the treaty. These limits are:

13,300 tanks

13,700 artillery pieces

20,000 armored combat vehicles (ACV's)

5,150 combat aircraft

1,500 attack helicopters.

Regional Arrangements

In addition to limits on the number of armaments in each category on each side, the treaty also includes regional limits to prevent destabilizing force concentrations of ground equipment.

Destruction

Equipment reduced to meet the ceilings must be destroyed or, in a limited number of cases, have its military capability destroyed, allowing the chassis to be used for nonmilitary purposes. After the treaty enters into force, there will be a 4-month baseline inspection period. After the 4-month baseline period, 25 percent of the destruction must be complete by the end of 1 year, 60 percent by the end of 2 years, and all destruction required by the treaty must be complete by the end of 3 years. Parties have 5 years to convert limited amounts of equipment.

Large amounts of equipment will be destroyed to meet the obligations of the CFE treaty. The Soviet Union alone will be obliged to destroy thousands of weapons, much more equipment than will be reduced by all the NATO countries combined. NATO will meet its destruction obligations by destroying its oldest equipment. In a process called ``cascading," NATO members with newer equipment, including the U.S., have agreed to transfer some of this equipment to allies with older equipment. Cascading will not reduce NATO's destruction obligation. Under the cascading system, no U.S. equipment must be destroyed to meet CFE ceilings. Some 2,000 pieces of U.S. equipment will be transferred to our NATO allies.

Verification

The treaty includes unprecedented provisions for detailed information exchanges, on-site inspections, challenge inspections, and on-site monitoring of destruction. At the initiative of the U.S., NATO has established a system to cooperate in monitoring the treaty. Parties have an unlimited right to monitor the process of destruction.

The CFE treaty is of unlimited duration and will enter into force 10 days after all parties have

ratified the agreement.

Note: In the morning, the Treaty on Conventional Armed Forces in Europe was signed in a ceremony in the Salle des Fetes at the Palais de l'Elysee. The declarations and fact sheet were made available by the Office of the Press Secretary as three separate documents, but the declarations were not issued as White House press releases.

Remarks to the Conference on Security and Cooperation in Europe in Paris, France

November 19, 1990

Mr. Chairman, this is a glorious day for Europe. This morning I signed for my country an arms control agreement which ends the military confrontation that has cursed this continent for decades. This afternoon we welcome a summit document, a Charter of Paris, which expresses the common aspirations of our society. It is right that we gather here in this magnificent city, a city of civilization, to declare our hopes for the future and to mark a grand turn in the course of history.

Today we do justice to the original framers of the Helsinki Final Act. The goals they set have proven their worth, thanks to the courage of so many who dared not merely to hope but to act. We salute men of courage -- Havel and Mazowiecki and Antall, here with us today, and all the other activists -- who took Helsinki's goals as solemn commitments and who suffered so that these commitments would be honored. And we salute all those individuals and private groups in the West who showed that the protection of human rights is not just the business of governments; it's everyone's business -- nongovernmental organizations, the press, religious leaders, and ordinary citizens.

Their dreams are being realized before our eyes. The new democracies of central and eastern Europe have ended decades of repression to rediscover their birthright of freedom. In the Soviet Union, the seeds of democracy and human rights have found new soil. And at long last, the cruel division of Germany has come to an end. A continent frozen in hostility for so long has become a continent of revolutionary change. To assure that this change occurs in a secure framework, we've completed a conventional arms control treaty that transforms the military map of this continent. We are adopting confidence in security-building measures that will contribute to lasting peace through openness. This morning, 22 of us signed a solemn undertaking on the nonuse of force.

But today, as old political divisions disappear, other sources of tension -- some ancient, some new -- are emerging. National disputes persist. Abuses of minority and human rights continue. Where millions had once been denied the freedom to move, now millions feel compelled to move to escape economic or political hardship.

We are witnessing in several countries the ugly resurgence of anti-Semitism and other ethnic, racial, and religious intolerance. Bigotry and hatred have no place in civilized nations. Minorities enrich our societies. Protection of their rights is a prerequisite for stability.

Europe is entering unknown waters. The CSCE is ideally suited to help its member states

navigate. We have articulated fine standards for national behavior; and now it is our task to bring CSCE down to Earth, making it part of everyday politics, building and drawing on its strength to address the new challenges. My government put forward some ideas for the future development of the CSCE earlier this year, and I hope that they contributed to the initiatives that the members of the North Atlantic alliance announced at our London summit in July. And I am pleased to see that so many of the ideas discussed there have emerged in a summit declaration that we will sign this week.

Let me highlight how we think some of these initiatives and others will help the CSCE put its principles into practice. The declaration we will sign establishes an agenda to guide our work until we meet again in Helsinki. This is important work on issues vital to all of us. The peaceful settlement of disputes, the role of minorities in our societies, the construction of democratic institutions and, most fundamental of all, enhancement of human rights.

We've also agreed that we must deepen the security of our community by extending our talks on conventional forces, expanding the benefits of confidence-building measures, and successfully concluding an agreement on ``open skies."

Finally, we recognize that, as Europe mends its wounds, so CSCE can mature. We've established a framework for regular political consultations and institutions to reinforce that framework. The Secretariat, the Office of Free Elections, and the Center for the Prevention of Conflict -- let's face it, they are modest, but significant steps towards the new order we all seek. We welcome, too, the call for a new parliamentary dimension in CSCE which can give another voice to the democratic values that we all share.

Two days ago in Prague, I called on Europe and America to work in common cause toward a new commonwealth for freedom based on these shared principles: a belief in the fundamental dignity and rights of the individuals, a belief that governments can be empowered only by the people and must answer to them, a belief that individuals should be able to enjoy the fruits of their labor, and a belief that governments and nations must live by a rule of law as a prerequisite for human progress. These are the principles that guide our nations and the CSCE. And yet to secure them in our two continents, they must be secure in the world as a whole.

As we consecrate those principles here today, those same principles are grossly violated in the Persian Gulf. I'd like to quote a sentence from the joint statement issued by President Gorbachev and myself in September at Helsinki. And here's the quote: ``Nothing short of complete implementation of the United Nations Security Council resolutions is acceptable."

Well, can there be room for any other view here, in a continent that has suffered so much from aggression and its companion, appeasement? The principles that have given life to CSCE, that have guided our success in Europe have no geographic limits. Our success here can be neither profound nor enduring if the rule of law is shamelessly disregarded elsewhere.

As we entered the cold war in the spring of 1947, the American Secretary of State, George Marshall -- he made an important point which I'd like to quote: ``Problems which bear directly on the future of our civilization cannot be disposed of by general talk or vague formulae. They require concrete solutions for definite and extremely complicated questions -- questions that have to do with boundaries, with power to prevent military aggression, with people who have bitter memories with the production and control of things which are essential to the lives of millions of people."

We in the CSCE have come far in the last few months in finding those concrete solutions, and now we should build on this success here, and we should stand on it squarely everywhere.

Thank you all very much.

Note: The President spoke at 4:10 p.m. at the Kleber Center. In his remarks, he referred to Chancellor Helmut Kohl of Germany, Conference Chairman of the day; President Vaclav Havel of Czechoslovakia; Prime Minister Tadeusz Mazowiecki of Poland; and Prime Minister Jozsef Antall of Hungary.

Text of the Joint Declaration of Twenty-Two States

November 19, 1990

The Heads of State or Government of Belgium, Bulgaria, Canada, the Czech and Slovak Federal Republic, Denmark, France, Germany, Greece, Hungary, Iceland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Spain, Turkey, the Union of Soviet Socialist Republics, the United Kingdom and the United States of America

-- greatly welcoming the historic changes in Europe,

-- gratified by the growing implementation throughout Europe of a common commitment to pluralist democracy, the rule of law and human rights, which are essential to lasting security on the continent,

-- affirming the end of the era of division and confrontation which has lasted for more than four decades, the improvement in relations among their countries and the contribution this makes to the security of all,

-- confident that the signature of the Treaty on Conventional Armed Forces in Europe represents a major contribution to the common objective of increased security and stability in Europe, and

-- convinced that these developments must form part of a continuing process of co-operation in building the structures of a more united continent,

Issue the following Declaration:

1. The signatories solemnly declare that, in the new era of European relations which is beginning, they are no longer adversaries, will build new partnerships and extend to each other the hand of friendship.

2. They recall their obligations under the Charter of the United Nations and reaffirm all of their commitments under the Helsinki Final Act. They stress that all of the ten Helsinki Principles are of primary significance and that, accordingly, they will be equally and unreservedly applied, each of them being interpreted taking into account the others. In that context, they affirm their obligation and commitment to refrain from the threat or use of force against the territorial integrity or the political independence of any State, from seeking to change existing borders by threat or use of force, and from acting in any other manner inconsistent with the principles and purposes of those documents. None of their weapons will ever be used except in self-defense or otherwise in accordance with the Charter of the United Nations.

3. They recognize that security is indivisible and that the security of each of their countries is

inextricably linked to the security of all the States participating in the Conference on Security and Co-operation in Europe.

4. They undertake to maintain only such military capabilities as are necessary to prevent war and provide for effective defense. They will bear in mind the relationship between military capabilities and doctrines.

5. They reaffirm that every State has the right to be or not to be a party to a treaty of alliance.

6. They note with approval the intensification of political and military contacts among them to promote mutual understanding and confidence. They welcome in this context the positive responses made to recent proposals for new regular diplomatic liaison.

7. They declare their determination to contribute actively to conventional, nuclear and chemical arms control and disarmament agreements which enhance security and stability for all. In particular, they call for the early entry into force of the Treaty on Conventional Armed Forces in Europe and commit themselves to continue the process of strengthening peace in Europe through conventional arms control within the framework of the CSCE. They welcome the prospect of new negotiations between the United States and the Soviet Union on the reduction of their short-range nuclear forces.

8. They welcome the contribution that confidence- and security-building measures have made to lessening tensions and fully support the further development of such measures. They reaffirm the importance of the ``Open Skies'' initiative and their determination to bring the negotiations to a successful conclusion as soon as possible.

9. They pledge to work together with the other CSCE participating States to strengthen the CSCE process so that it can make an even greater contribution to security and stability in Europe. They recognize in particular the need to enhance political consultations among CSCE participants and to develop other CSCE mechanisms. They are convinced that the Treaty on Conventional Armed Forces in Europe and agreement on a substantial new set of CSBMs, together with new patterns of co-operation in the framework of the CSCE, will lead to increased security and thus to enduring peace and stability in Europe.

10. They believe that the preceding points reflect the deep longing of their peoples for close co-operation and mutual understanding and declare that they will work steadily for the further development of their relations in accordance with the present Declaration as well as with the principles set forth in the Helsinki Final Act.

The original of this Declaration of which the English, French, German, Italian, Russian and Spanish texts are equally authentic will be transmitted to the Government of France which will retain it in its archives. The Government of France is requested to transmit the text of the

Declaration to the Secretary-General of the United Nations, with a view to its circulation to all the members of the organization as an official document of the United Nations, indicating that it is not eligible for registration under Article 102 of the Charter of the United Nations. Each of the signatory States will receive from the Government of France a true copy of this Declaration.

In witness whereof the undersigned High Representatives have subscribed their signatures below.

Note: The declaration was made available by the Office of the Press Secretary, but was not issued as a White House press release.

Exchange With Reporters Prior to a Meeting With President Mikhail Gorbachev of the Soviet Union in Paris, France

November 19, 1990

Persian Gulf Crisis

Q. Mr. Gorbachev.

President Gorbachev. Maybe we'll have something to say to you after our talk.

Q. Well, Saddam Hussein is building up his troops -- 200,000 more troops in Kuwait. What do you think that means? And what new ideas have you brought to the President?

President Gorbachev. You're very knowledgeable.

Q. Thank you. [Laughter]

President Bush. That is the new idea. [Laughter]

President Gorbachev. I'll say just a couple of words because it's easier for me than for the President because I think he suffers from jet lag a little more. So, I think we'll complete our understanding on a number of topics, and central to our discussion probably will be the Persian Gulf crisis. I think you must know that we're not going to change our position. We certainly will seek to resolve that situation, and we must be firm in our position in that.

Q. What is your position?

President Gorbachev. You don't know our position?

Q. Is it force or patience? President Gorbachev, is it force or patience?

President Gorbachev. Well, I think we all need patience, but that does not mean that we are going to relax, we are going to retreat. No, we are going to demand in a very resolute way. And the fact that we are working together, not only the Soviet Union and the United States but the United Nations and the whole are acting together, allows me to expect that in this very difficult crisis, resolutions will be found. And we will not waste time.

President Bush. We've got one more wave.

Q. Will there be a press conference afterwards?

President Bush. Not me. I had one this morning.

Q. President Bush, are you satisfied with what President Gorbachev -- --

President Bush. I'm looking forward to these consultations, and I'm very pleased with the way the Soviet Union and the United States have worked together at the United Nations. We'll continue to -- to be very open lines of communication, and I have no reason to be anything other than very satisfied.

Thank you all very much.

Soviet Union-U.S. Relations

[At this point, a reporter asked a question in Russian, and a translation was not provided.]

President Gorbachev. By the way, I tried to speak to that in my speech, and I showed that without the kind of U.S.-Soviet relationship as exists now nothing positive would have happened in Europe and in the world. That has not diminished the role of the -- but that's the reality.

President Bush. And inasmuch as you mentioned my name, I totally agree with that. And what's been lost today because events in other parts of the world is the significance of this meeting here in Paris, and it was historic. And President Gorbachev is correct. The fact that the Soviet Union and the United States could work together not only to achieve an arms control agreement but to start looking into the future with harmony and in cooperation is very, very promising for the new world order, for a Europe whole and free, and for peace in the world. So, somehow that's been lost today, given the understandable concerns about the Persian Gulf. But I'm glad you asked it because it is a highly significant point.

And thank you all very much.

U.S. Role in European Affairs

[At this point, a reporter asked a question in Russian, and a translation was not provided.]

President Gorbachev. At this meeting, I don't think that the United States is, so to say, passing the ruling to others. The United States here is a participant who will continue to participate in all European matters; and that's, I think, the only way that is possible, that is conceivable, in European -- and he has an understanding -- --

President Bush. There's only one problem in all of this. That is you get a little jet lag when you have to come from Washington, DC. It's easier for you. [Laughter]

Thank you all very much.

Note: The exchange took place in the afternoon at the U.S. Ambassador's residence. Saddam Hussein was President of Iraq. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on President Bush's Meetings With President Turgut Ozal of Turkey and Prime Minister Tadeusz Mazowiecki of Poland

November 20, 1990

Ozal

President Bush held a wide-ranging discussion for approximately 1 hour with President Ozal of Turkey this afternoon, with particular attention to the Persian Gulf. Their discussion was characterized by the same close cooperation that we have enjoyed with Turkey. President Bush noted that Turkey is showing real leadership in the international response to Iraq's aggression against Kuwait and that the United States is committed to helping Turkey to deal with the effects of that situation on Turkey.

President Bush accepted President Ozal's previous invitation to pay a state visit to Turkey in the first part of 1991. President Bush's visit will symbolize the particularly close ties between the United States and Turkey and is intended to contribute to a continuation of the excellent relations between the two countries. President Bush and President Ozal agreed to confirm a date for the meeting soon. The last American President to visit Turkey was President Eisenhower in 1959.

Mazowiecki

President Bush met for approximately 20 minutes with Polish Prime Minister Mazowiecki. They discussed the Polish debt situation, and President Bush stated the U.S. concerns and understanding of this matter and noted that the United States will be addressing it seriously. Prime Minister Mazowiecki reemphasized Polish support of the United Nations Gulf policy and stated that Poland will shortly be sending a hospital ship and a rescue ship to the area. President Bush expressed his gratitude for the Polish effort in support of the international community's stand against the Iraqi aggression in Kuwait. President Bush reiterated the need for the international community to continue in its firm resolve against the Iraqi aggression so that Saddam Hussein [President of Iraq] fully recognizes he has no choice but to comply with the United Nations resolutions.

Exchange With Reporters Prior to a Meeting With Prime Minister Constantine Mitsotakis of Greece in Paris, France

November 21, 1990

Persian Gulf Crisis

Q. Mr. President, did you have a breakthrough with President Gorbachev on the Persian Gulf in terms of a resolution you're seeking? Do you think there's been a little give there?

The President. Helen [Helen Thomas, United Press International], I've said all along -- and please go back and look at it -- that we're on the same wavelength with the Soviet Union. And I still feel that way -- same wavelength in regard to the United Nations. So, I won't go beyond that. But I feel I've been consistent here, and I feel the Soviets have been consistent.

Q. Well, there seems to be a little more optimism since yesterday, since Baker's talks.

The President. Well, I've been optimistic all along. We're on the same wavelength; that's the only point I'm trying to make. I think that we're in good synchronization with them and with many other countries as we face the problems of the Gulf. And I might say that the Greeks have been totally on board and understanding about our collective objectives in the Gulf, and I'm very grateful to them.

President's Visit to Greece

Q. You're going there in January?

The President. I hope to be going to Greece early in the year, yes. I don't know that I'm getting ahead of the groove, but I'll tell you that I want very much to do that. And I don't know the exact date, but I know you asked me, and I'm looking forward to my first visit there as President. I've been there several other times, of course.

Persian Gulf Crisis

Q. Are you setting a deadline, sir, for the Iraqis to get out of Kuwait?

The President. We'll just watch the way all of this develops. Everybody is convinced they must get out of Kuwait with no concessions, and that's what's emerging here. Some people have been writing the story one way, and some writing it another. All that I understand. But please

understand we are on the same wavelength with the Soviet Union and almost all the others on the Security Council, and certainly with countries like Greece and others around the world who may not be on the Security Council. But know what it means when aggression comes along, and know that we have to reverse this aggression that is brutalizing the people of Kuwait, the hostages in Iraq. And indeed, I haven't lessened my concerns about the United States Embassy in Kuwait.

I'm not sure the American people have focused on the fact that Saddam Hussein continues to violate the United Nations resolution and continues to try to starve out our Embassy in Kuwait. But all of these points -- whether it's hostages in Iraq, whether it's an Embassy in Kuwait, whether it's the aggression itself -- it seems that on all of those points we have agreement with most of the people -- if not all -- that I've talked to here at the CSCE. So, I leave Paris feeling that we are still together as countries that want to see this aggression reversed and want to see this man unilaterally, without condition get out of Kuwait.

People are beginning to see the cynicism, his brutality, the way he plays around with the lives of the hostages. It is brutal. It is cruel. And I didn't see one single country here that had anything other than condemnation of that kind of behavior. And I talked to almost everybody that sat around that table.

Q. Again, sir, though, is there a deadline -- --

The President. Listen, I've got a lot of business to do with my good friend.

Note: The exchange began at 8 a.m. in the Drawing Room at the U.S. Embassy. In his remarks, the President referred to talks between Secretary of State James A. Baker III and Soviet Foreign Minister Eduard Shevardnadze. Saddam Hussein was President of Iraq. A tape was not available for verification of the content of these remarks.

Remarks and a Question-and-Answer Session With Reporters in Paris, France

November 21, 1990

The President. We're going to have a statement on what transpired here in the CSCE talks. And really, the first sentence, although written in the past tense, says it all: that in signing the Charter of Paris this morning, we have closed a chapter of history. I'm about to sign this, and we are closing a chapter in history. The cold war is over, and now we move on to working with the various countries in the CSCE and others for a peaceful and stable Europe.

And so, I've been very pleased with that part of the agenda. I commend those who worked hard on the CFE [conventional armed forces in Europe] treaty. It's been lost because of understandable interest in the Gulf, but it was the most significant arms control treaty perhaps in history.

And we've had a lot of active bilateral talks. Secretary Baker, who is with us, has had extensive consultations. And the mood with the CSCE partners I think is very positive.

And then I would comment on the Gulf -- as I did in there -- that we're together. One thing to note is that the countries of Eastern Europe, against whom force and aggression was used in the past, are as solid, if not more solid, than anybody in terms of support for what the United States and others are trying to do in the Gulf. It is very moving when you hear a Vaclav Havel or the Polish delegation talking about the need to have the United Nations resolutions against Iraq complied with in their entirety. No compromise! The Greek Prime Minister just left -- solid as a rock, strongly in support. And of course, you know how the Turks feel.

And so, this was very encouraging to me that the world is still strongly together. And member after member came up to me and said: Thank God for the United States leadership in standing up against this aggression. And it just happened all the time.

So, that subject was in every corridor, in every bilateral discussion, on everybody's mind. And yet things are holding together very well indeed. I can understand when Saddam Hussein takes a propaganda move everybody starts writing, well, the coalition is coming apart, or he may divide the support. It's not happening. The coalition is together. The support is not getting divided. And people are seeing more clearly that Saddam Hussein's aggression cannot pay off and that whatever steps are necessary to support fully, without compromise, the United Nations resolutions must be taken. And so, I'm encouraged, very encouraged, about this holding together of a coalition that's in the sands and on the seas of the Gulf and in terms of the support from countries across the board that may not be there in physical presence.

Persian Gulf Crisis

Q. Are you seeking a resolution from the U.N. to authorize the use of military force if needed? And I'd like to follow it up.

The President. Go ahead. Or do you want me -- do you want an answer first?

Q. Okay. We've gotten a lot of statements that really take an English interpreter to find out what you and the Soviets are really saying.

The President. Exactly. And I can understand your frustration about that, but when you're dealing with the technicalities of diplomacy and each is trying to understand where the other heartbeat is -- I can only tell you that we are together with the Soviet Union. The process is going forward properly. There have not been the diversions that I have read about. The reception with Mr. Gorbachev, the reception we had here, and the dinner and the meeting I had were -- the last word I would use to describe them was ``chilly." And I read that in several places in the American headlines. It wasn't chilly.

Gorbachev told me last night that in his view it was the best meeting we've had. And I've felt that way from the very beginning. And it was frank and open and, I think, in broad agreement. And so, I want to lay that one to rest because it really was relaxing. Anybody that was at the dinner can tell you that there's never been a more relaxed occasion. And that stemmed from the fact that Jim Baker and Shevardnadze had hammered out a lot of the difficulties, and Gorbachev and I saw eye to eye on these issues.

Now in terms of timing and what we might do at the United Nations, sometimes we can't be quite as forthcoming as you would understandably like, but more important than trying for me to get some headline is to have the process go forward properly. And that's exactly what is happening. It's extensive consultation. But let me just sum it up, Helen [Helen Thomas, United Press International]. I leave Paris in a few hours feeling not only are we together with the Soviet Union but that we are together with most of the members of the Security Council, and certainly together with the CSCE members.

Q. Well, on the first part of the question: Are you seeking a resolution -- what stage are you in?

The President. I'm just working carefully with the process, and I'm not directly responding to your question because more important than the headline that would come from the question is that we get the results we want. And I would just leave it there and please ask your understanding that when you're trying to hold a coalition together and trying to take collective action it requires some behind-the-scenes discussions and negotiation. But I can sum it up for you to say that -- well, put it this way: What came out of the Baker-Shevardnadze meeting really says it all. And I'd leave it right there. But that I would characterize as saying, things are on

track. But I can't go into every behind-the-scene detail. I certainly understand your wanting to know about them, but there are some things -- to get them done you have to have all the diplomacy done behind the scenes.

Yes, Brit [Brit Hume, ABC News]?

Q. Mr. President, are you not concerned that this phased release of hostages which Saddam Hussein has announced he will do would interfere with any effort you might undertake to have sterner measures against him during the very time when a series of hostage releases is underway, particularly in the eyes of other leaders and European leaders?

The President. No, because I believe that that cynical dealing of human life, parceling out lives from Christmas to March, has backfired on Saddam Hussein. I think people have seen it as a cynical, cruel ploy. And every person I talked to at the CSCE meeting summarized it that way. So, I don't see it working the way he wants. And the way he wants is to divide the coalition, hand over human life here or there to some visitor and try to undermine not just what the United States is doing but what the whole coalition is doing.

So, I don't see it with any downside. When it first came out I wondered a little bit. I saw it as a cynical ploy, and I wasn't quite sure how others would see it. But I'm telling you I talked to a lot of people yesterday, and I don't know whether Jim got the same reaction, but it was universally condemnatory. And they said this is just another cynical ploy by an embattled dictator who's trying to drive wedges between us and the rest of the world, and it will not succeed. And it hasn't altered my view of what I might or might not do in one single way.

Q. Mr. President, it's been widely reported that there is some sort of a deadline that you're trying to reach an agreement on for Iraq to get out of Kuwait. Is that correct?

The President. Well, the deadline should have been the day the U.N. passed its first resolution or, in my view, the day he first went in. But I have no specific deadline in mind. But we are just going to keep ratcheting up that pressure until the man does what he should have done long ago. And so, I can't help you on a specific deadline at this point.

Q. Mr. President, you spoke with some passion in there about the condition of the people at the Embassy in Kuwait. What is the condition of the people at the Embassy in Kuwait, and what might you be able to do about it?

The President. Well, the condition is that they are still in a beleaguered state. Americans are in there, in an embassy that is supposed to be sacrosanct. And it is being violated. The people are being -- the attempt by Saddam Hussein to starve them out in face of a United Nations resolution that calls for replenishment is getting nothing but hatred, more hatred for Saddam Hussein, around the world, because other people see our Embassy in this beleaguered state and say: Well,

what will happen to my Embassy tomorrow?

There's a precedent here that transcends the Gulf. And so in terms of how people look at the problem, there's a universal condemnation of what he is doing. In terms of how long the people can last, I don't know the answer to that. I know at first, the first reports we got were sometime in November, but then they discovered a little new water supply that apparently can be purified. So I can't give you a specific time, but I think the time has slipped into December some, hasn't it, Jim? But leave it in a very general way, but I know it's not within the next few days that they have to pull down the flag.

Q. Is he going to succeed in starving them out?

The President. The answer is: Not if I can do anything about it.

Q. What can you do about it?

The President. Well, I guess the last thing that would be productive would be to say what I might do about it.

Q. Mr. President, you referred to the meeting with Secretary Baker and Shevardnadze. What exactly did they agree to?

The President. Well, I'll let the Secretary talk to that after I finish, which I'm about to do, but let him talk about it. But I think what you're seeing is the relationship in its real light, after the Baker-Shevardnadze story, because what I thought came out wrong yesterday was great divisions between Gorbachev and me on how we're looking at the next steps to get Saddam Hussein to turn around this aggression. And I think the major thing that came out of the Baker-Shevardnadze meeting was kind of: Look, we are together; we are working together. And if we have differences -- and I would think if we did they would be extraordinarily minor -- that they can be resolved.

But we are on the same wavelength. We are together. And that's what I saw coming out of Jim's meeting. Just as it was the result of the Gorbachev-Bush meeting.

Q. Do you think there's a chance that U.N. action could be taken this month?

The President. Well, I would just say stay tuned, because we're doing an awful lot of diplomatic work behind the scenes; other countries are doing diplomatic work behind the scenes. And I'd say certainly there's a chance, but I can't give you dates or time or what the resolution would contain because more important to me than to get a splash peak of interest is to see that it works out properly.

This is the last one, and then I really do have to head on over to the -- --

Q. Thank you, Mr. President. A couple of questions about the next stop in Saudi Arabia? First of all, what do you hope to accomplish there in your meetings and in your visits with the troops? And secondly, we've had a lot of questions from people back home about concerns for your safety while you're over there. What can you say to that?

The President. Let me answer the second part first. I have never felt more secure in going anyplace than I do in going to see our troops over there. There's a lot of young men and women there who I think are looking forward to the visit, and I think my own personal safety and Barbara's is just guaranteed. It really doesn't enter my mind at all. And so, it is not a risky mission, in my view, not in the least. And I'd tell you if I felt any tremors, and I don't.

I remember when we went down to Cartagena, people were saying: Well, this was rather dangerous. Well, even there I felt secure. I think that was vindicated by the result. So, let me just assure people who are concerned that there is no risk, and I feel very, very comfortable about that.

And then, why? It's Thanksgiving, and gosh, we have a lot to be thankful for at this time of year -- this particular year, too. And so, I will be trying as best I can, right from the heart, to express my thanks to the young men and women that are serving over there. It is a time for prayer; it is a time when we all thank God for our blessings. And I will try through this visit, perhaps only symbolically, to tell every single man and woman over there that we thank them and we thank God for the blessings that we have and that we are going to prevail. They're not there on a mission impossible.

The very fact that they are there in these numbers offers the best chance for a peaceful resolution to this crisis. And I'll be telling them that, and I'll be saying: Thank you. Thank you from this grateful heart. And I know I speak for all the American people on this one. I don't care where they're coming from on resolutions or whether the President is moving too slow or whether he's moving too fast. If I do nothing else, I will convey to them the heartfelt thanks of the American people at this very special time of year for Americans.

Thank you all so much.

Prime Minister Margaret Thatcher of the United Kingdom

Q. Mr. President, a non-Gulf question.

The President. There is no such thing as non-Gulf.

Q. Did you speak to Mrs. Thatcher last night?

The President. I did.

Q. What did you say to her?

The President. Well, I said, how's it going? [Laughter]

Q. And what did she say to you?

The President. That's a different matter. [Laughter] No, she seemed very determined. Nobody ever said she was anything other than that.

Q. And she didn't seem down?

The President. No. I'll tell you, to show up there in the wake of a traumatic election process, during a traumatic election process of this nature, I thought in itself showed her fiber and her steel. And she couldn't have been more pleasant. Barbara had more chance to talk to her than I did. There was a lot of standing around there, and we -- said they walked in together. But I think we both felt that she was determined. And I respect her. A lot of people might have said it's been too traumatic a day and gone to the hotel, but not Margaret Thatcher.

Thank you.

Note: The President spoke in the morning at the U.S. Ambassador's residence. In his remarks, he referred to President Vaclav Havel of Czechoslovakia, Prime Minister Constantine Mitsotakis of Greece, President Saddam Hussein of Iraq, and Soviet Foreign Minister Eduard Shevardnadze.

Text of the Charter of Paris for a New Europe

November 21, 1990

A New Era of Democracy, Peace and Unity

We, the Heads of State or Government of the States participating in the Conference on Security and Co-operation in Europe, have assembled in Paris at a time of profound change and historic expectations. The era of confrontation and division of Europe has ended. We declare that henceforth our relations will be founded on respect and co-operation.

Europe is liberating itself from the legacy of the past. The courage of men and women, the strength of the will of the peoples and the power of the ideas of the Helsinki Final Act have opened a new era of democracy, peace and unity in Europe.

Ours is a time for fulfilling the hopes and expectations our peoples have cherished for decades: steadfast commitment to democracy based on human rights and fundamental freedoms; prosperity through economic liberty and social justice; and equal security for all our countries.

The Ten Principles of the Final Act will guide us towards this ambitious future, just as they have lighted our way towards better relations for the past fifteen years. Full implementation of all CSCE commitments must form the basis for the initiatives we are now taking to enable our nations to live in accordance with their aspirations.

Human Rights, Democracy and Rule of Law

We undertake to build, consolidate and strengthen democracy as the only system of government of our nations. In this endeavour, we will abide by the following:

Human rights and fundamental freedoms are the birthright of all human beings, are inalienable and are guaranteed by law. Their protection and promotion is the first responsibility of government. Respect for them is an essential safeguard against an over-mighty State. Their observance and full exercise are the foundation of freedom, justice and peace.

Democratic government is based on the will of the people, expressed regularly through free and fair elections. Democracy has as its foundation respect for the human person and the rule of law. Democracy is the best safeguard of freedom of expression, tolerance of all groups of society, and equality of opportunity for each person.

Democracy, with its representative and pluralist character, entails accountability to the electorate, the obligation of public authorities to comply with the law and justice administered impartially. No one will be above the law.

We affirm that, without discrimination,

every individual has the right to:

freedom of thought, conscience and religion or belief,

freedom of expression,

freedom of association and peaceful assembly,

freedom of movement;

no one will be:

subject to arbitrary arrest or detention,

subject to torture or other cruel, inhuman or degrading treatment or punishment;

everyone also has the right:

to know and act upon his rights,

to participate in free and fair elections,

to fair and public trial if charged with an offence,

to own property alone or in association and to exercise individual enterprise,

to enjoy his economic, social and cultural rights.

We affirm that the ethnic, cultural, linguistic and religious identity of national minorities will be protected and that persons belonging to national minorities have the right freely to express, preserve and develop that identity without any discrimination and in full equality before the law.

We will ensure that everyone will enjoy recourse to effective remedies, national or international, against any violation of his rights.

Full respect for these precepts is the bedrock on which we will seek to construct the new Europe.

Our States will co-operate and support each other with the aim of making democratic gains

irreversible.

Economic Liberty and Responsibility

Economic liberty, social justice and environmental responsibility are indispensable for prosperity.

The free will of the individual, exercised in democracy and protected by the rule of law, forms the necessary basis for successful economic and social development. We will promote economic activity which respects and upholds human dignity.

Freedom and political pluralism are necessary elements in our common objective of developing market economies towards sustainable economic growth, prosperity, social justice, expanding employment and efficient use of economic resources. The success of the transition to market economy by countries making efforts to this effect is important and in the interest of us all. It will enable us to share a higher level of prosperity which is our common objective. We will co-operate to this end.

Preservation of the environment is a shared responsibility of all our nations. While supporting national and regional efforts in this field, we must also look to the pressing need for joint action on a wider scale.

Friendly Relations among Participating States

Now that a new era is dawning in Europe, we are determined to expand and strengthen friendly relations and co-operation among the States of Europe, the United States of America and Canada, and to promote friendship among our peoples.

To uphold and promote democracy, peace and unity in Europe, we solemnly pledge our full commitment to the Ten Principles of the Helsinki Final Act. We affirm the continuing validity of the Ten Principles and our determination to put them into practice. All the Principles apply equally and unreservedly, each of them being interpreted taking into account the others. They form the basis for our relations.

In accordance with our obligations under the Charter of the United Nations and commitments under the Helsinki Final Act, we renew our pledge to refrain from the threat or use of force against the territorial integrity or political independence of any State, or from acting in any other manner inconsistent with the principles or purposes of those documents. We recall that non-compliance with obligations under the Charter of the United Nations constitutes a violation of international law.

We reaffirm our commitment to settle disputes by peaceful means. We decide to develop

mechanisms for the prevention and resolution of conflicts among the participating States.

With the ending of the division of Europe, we will strive for a new quality in our security relations while fully respecting each other's freedom of choice in that respect. Security is indivisible and the security of every participating State is inseparably linked to that of all the others. We therefore pledge to co-operate in strengthening confidence and security among us and in promoting arms control and disarmament.

We welcome the Joint Declaration of Twenty-Two States on the improvement of their relations.

Our relations will rest on our common adherence to democratic values and to human rights and fundamental freedoms. We are convinced that in order to strengthen peace and security among our States, the advancement of democracy, and respect for and effective exercise of human rights, are indispensable. We reaffirm the equal rights of peoples and their right to self-determination in conformity with the Charter of the United Nations and with the relevant norms of international law, including those relating to territorial integrity of States.

We are determined to enhance political consultation and to widen co-operation to solve economic, social, environmental, cultural and humanitarian problems. This common resolve and our growing interdependence will help to overcome the mistrust of decades, to increase stability and to build a united Europe.

We want Europe to be a source of peace, open to dialogue and to co-operation with other countries, welcoming exchanges and involved in the search for common responses to the challenges of the future.

Security

Friendly relations among us will benefit from the consolidation of democracy and improved security.

We welcome the signature of the Treaty on Conventional Armed Forces in Europe by twenty-two participating States, which will lead to lower levels of armed forces. We endorse the adoption of a substantial new set of Confidence- and Security-building Measures which will lead to increased transparency and confidence among all participating States. These are important steps towards enhanced stability and security in Europe.

The unprecedented reduction in armed forces resulting from the Treaty on Conventional Armed Forces in Europe, together with new approaches to security and co-operation within the CSCE process, will lead to a new perception of security in Europe and a new dimension in our relations. In this context we fully recognize the freedom of States to choose their own security arrangements.

Unity

Europe whole and free is calling for a new beginning. We invite our peoples to join in this great endeavour.

We note with great satisfaction the Treaty on the Final Settlement with respect to Germany signed in Moscow on 12 September 1990 and sincerely welcome the fact that the German people have united to become one State in accordance with the principles of the Final Act of the Conference on Security and Co-operation in Europe and in full accord with their neighbours. The establishment of the national unity of Germany is an important contribution to a just and lasting order of peace for a united, democratic Europe aware of its responsibility for stability, peace and co-operation.

The participation of both North American and European States is a fundamental characteristic of the CSCE; it underlies its past achievements and is essential to the future of the CSCE process. An abiding adherence to shared values and our common heritage are the ties which bind us together. With all the rich diversity of our nations, we are united in our commitment to expand our co-operation in all fields. The challenges confronting us can only be met by common action, co-operation and solidarity.

The CSCE and the World

The destiny of our nations is linked to that of all other nations. We support fully the United Nations and the enhancement of its role in promoting international peace, security and justice. We reaffirm our commitment to the principles and purposes of the United Nations as enshrined in the Charter and condemn all violations of these principles. We recognize with satisfaction the growing role of the United Nations in world affairs and its increasing effectiveness, fostered by the improvement in relations among our States.

Aware of the dire needs of a great part of the world, we commit ourselves to solidarity with all other countries. Therefore, we issue a call from Paris today to all the nations of the world. We stand ready to join with any and all States in common efforts to protect and advance the community of fundamental human values.

Guidelines for the Future

Proceeding from our firm commitment to the full implementation of all CSCE principles and provisions, we now resolve to give a new impetus to a balanced and comprehensive development of our co-operation in order to address the needs and aspirations of our peoples.

Human Dimension

We declare our respect for human rights and fundamental freedoms to be irrevocable. We will fully implement and build upon the provisions relating to the human dimension of the CSCE.

Proceeding from the Document of the Copenhagen Meeting of the Conference on the Human Dimension, we will co-operate to strengthen democratic institutions and to promote the application of the rule of law. To that end, we decide to convene a seminar of experts in Oslo from 4 to 15 November 1991.

Determined to foster the rich contribution of national minorities to the life of our societies, we undertake further to improve their situation. We reaffirm our deep conviction that friendly relations among our peoples, as well as peace, justice, stability and democracy, require that the ethnic, cultural, linguistic and religious identity of national minorities be protected and conditions for the promotion of that identity be created. We declare that questions related to national minorities can only be satisfactorily resolved in a democratic political framework. We further acknowledge that the rights of persons belonging to national minorities must be fully respected as part of universal human rights. Being aware of the urgent need for increased co-operation on, as well as better protection of, national minorities, we decide to convene a meeting of experts on national minorities to be held in Geneva from 1 to 19 July 1991.

We express our determination to combat all forms of racial and ethnic hatred, anti-semitism, xenophobia and discrimination against anyone as well as persecution on religious and ideological grounds.

In accordance with our CSCE commitments, we stress that free movement and contacts among our citizens as well as the free flow of information and ideas are crucial for the maintenance and development of free societies and flourishing cultures. We welcome increased tourism and visits among our countries.

The human dimension mechanism has proved its usefulness, and we are consequently determined to expand it to include new procedures involving, inter alia, the services of experts or a roster of eminent persons experienced in human rights issues which could be raised under the mechanism. We shall provide, in the context of the mechanism, for individuals to be involved in the protection of their rights. Therefore, we undertake to develop further our commitments in this respect, in particular at the Moscow Meeting of the Conference on the Human Dimension, without prejudice to obligations under existing international instruments to which our States may be parties.

We recognize the important contribution of the Council of Europe to the promotion of human rights and the principles of democracy and the rule of law as well as to the development of cultural co-operation. We welcome moves by several participating States to join the Council of Europe and adhere to its European Convention on Human Rights. We welcome as well the readiness of the Council of Europe to make its experience available to the CSCE.

Security

The changing political and military environment in Europe opens new possibilities for common efforts in the field of military security. We will build on the important achievements attained in the Treaty on Conventional Armed Forces in Europe and in the Negotiations on Confidence- and Security-building Measures. We undertake to continue the CSBM negotiations under the same mandate, and to seek to conclude them no later than the Follow-up Meeting of the CSCE to be held in Helsinki in 1992. We also welcome the decision of the participating States concerned to continue the CFE negotiation under the same mandate and to seek to conclude it no later than the Helsinki Follow-up Meeting. Following a period for national preparations, we look forward to a more structured co-operation among all participating States on security matters, and to discussions and consultations among the thirty-four participating States aimed at establishing by 1992, from the conclusion of the Helsinki Follow-up Meeting, new negotiations on disarmament and confidence and security building open to all participating States.

We call for the earliest possible conclusion of the Convention on an effectively verifiable, global and comprehensive ban on chemical weapons, and we intend to be original signatories to it.

We reaffirm the importance of the Open Skies initiative and call for the successful conclusion of the negotiations as soon as possible.

Although the threat of conflict in Europe has diminished, other dangers threaten the stability of our societies. We are determined to co-operate in defending democratic institutions against activities which violate the independence, sovereign equality or territorial integrity of the participating States. These include illegal activities involving outside pressure, coercion and subversion.

We unreservedly condemn, as criminal, all acts, methods and practices of terrorism and express our determination to work for its eradication both bilaterally and through multilateral co-operation. We will also join together in combating illicit trafficking in drugs.

Being aware that an essential complement to the duty of States to refrain from the threat or use of force is the peaceful settlement of disputes, both being essential factors for the maintenance and consolidation of international peace and security, we will not only seek effective ways of preventing, through political means, conflicts which may yet emerge, but also define, in conformity with international law, appropriate mechanisms for the peaceful resolution of any disputes which may arise. Accordingly, we undertake to seek new forms of co-operation in this area, in particular a range of methods for the peaceful settlement of disputes, including mandatory third-party involvement. We stress that full use should be made in this context of the opportunity of the Meeting on the Peaceful Settlement of Disputes which will be convened in Valletta at the beginning of 1991. The Council of Ministers for Foreign Affairs will take into

account the Report of the Valletta Meeting.

Economic Co-operation

We stress that economic co-operation based on market economy constitutes an essential element of our relations and will be instrumental in the construction of a prosperous and united Europe. Democratic institutions and economic liberty foster economic and social progress, as recognized in the Document of the Bonn Conference on Economic Co-operation, the results of which we strongly support.

We underline that co-operation in the economic field, science and technology is now an important pillar of the CSCE. The participating States should periodically review progress and give new impulses in these fields.

We are convinced that our overall economic co-operation should be expanded, free enterprise encouraged and trade increased and diversified according to GATT rules. We will promote social justice and progress and further the welfare of our peoples. We recognize in this context the importance of effective policies to address the problem of unemployment.

We reaffirm the need to continue to support democratic countries in transition towards the establishment of market economy and the creation of the basis for self-sustained economic and social growth, as already undertaken by the Group of twenty-four countries. We further underline the necessity of their increased integration, involving the acceptance of disciplines as well as benefits, into the international economic and financial system.

We consider that increased emphasis on economic co-operation within the CSCE process should take into account the interests of developing participating States.

We recall the link between respect for and promotion of human rights and fundamental freedoms and scientific progress. Co-operation in the field of science and technology will play an essential role in economic and social development. Therefore, it must evolve towards a greater sharing of appropriate scientific and technological information and knowledge with a view to overcoming the technological gap which exists among the participating States. We further encourage the participating States to work together in order to develop human potential and the spirit of free enterprise.

We are determined to give the necessary impetus to co-operation among our States in the fields of energy, transport and tourism for economic and social development. We welcome, in particular, practical steps to create optimal conditions for the economic and rational development of energy resources, with due regard for environmental considerations.

We recognize the important role of the European Community in the political and economic

development of Europe. International economic organizations such as the United Nations Economic Commission for Europe (ECE), the Bretton Woods Institutions, the Organisation for Economic Co-operation and Development (OECD), the European Free Trade Association (EFTA) and the International Chamber of Commerce (ICC) also have a significant task in promoting economic co-operation, which will be further enhanced by the establishment of the European Bank for Reconstruction and Development (EBRD). In order to pursue our objectives, we stress the necessity for effective co-ordination of the activities of these organizations and emphasize the need to find methods for all our States to take part in these activities.

Environment

We recognize the urgent need to tackle the problems of the environment and the importance of individual and co-operative efforts in this area. We pledge to intensify our endeavours to protect and improve our environment in order to restore and maintain a sound ecological balance in air, water and soil. Therefore, we are determined to make full use of the CSCE as a framework for the formulation of common environmental commitments and objectives, and thus to pursue the work reflected in the Report of the Sofia Meeting on the Protection of the Environment.

We emphasize the significant role of a well-informed society in enabling the public and individuals to take initiatives to improve the environment. To this end, we commit ourselves to promoting public awareness and education on the environment as well as the public reporting of the environmental impact of policies, projects and programmes.

We attach priority to the introduction of clean and low-waste technology, being aware of the need to support countries which do not yet have their own means for appropriate measures.

We underline that environmental policies should be supported by appropriate legislative measures and administrative structures to ensure their effective implementation.

We stress the need for new measures providing for the systematic evaluation of compliance with the existing commitments and, moreover, for the development of more ambitious commitments with regard to notification and exchange of information about the state of the environment and potential environmental hazards. We also welcome the creation of the European Environment Agency (EEA).

We welcome the operational activities, problem-oriented studies and policy reviews in various existing international organizations engaged in the protection of the environment, such as the United Nations Environment Programme (UNEP), the United Nations Economic Commission for Europe (ECE) and the Organisation for Economic Co-operation and Development (OECD). We emphasize the need for strengthening their co-operation and for their efficient co-ordination.

Culture

We recognize the essential contribution of our common European culture and our shared values in overcoming the division of the continent. Therefore, we underline our attachment to creative freedom and to the protection and promotion of our cultural and spiritual heritage, in all its richness and diversity.

In view of the recent changes in Europe, we stress the increased importance of the Cracow Symposium and we look forward to its consideration of guidelines for intensified co-operation in the field of culture. We invite the Council of Europe to contribute to this Symposium.

In order to promote greater familiarity amongst our peoples, we favour the establishment of cultural centres in cities of other participating States as well as increased co-operation in the audio-visual field and wider exchange in music, theatre, literature and the arts.

We resolve to make special efforts in our national policies to promote better understanding, in particular among young people, through cultural exchanges, co-operation in all fields of education and, more specifically, through teaching and training in the languages of other participating States. We intend to consider first results of this action at the Helsinki Follow-up Meeting in 1992.

Migrant Workers

We recognize that the issues of migrant workers and their families legally residing in host countries have economic, cultural and social aspects as well as their human dimension. We reaffirm that the protection and promotion of their rights, as well as the implementation of relevant international obligations, is our common concern.

Mediterranean

We consider that the fundamental political changes that have occurred in Europe have a positive relevance to the Mediterranean region. Thus, we will continue efforts to strengthen security and co-operation in the Mediterranean as an important factor for stability in Europe. We welcome the Report of the Palma de Mallorca Meeting on the Mediterranean, the results of which we all support.

We are concerned with the continuing tensions in the region, and renew our determination to intensify efforts towards finding just, viable and lasting solutions, through peaceful means, to outstanding crucial problems, based on respect for the principles of the Final Act.

We wish to promote favourable conditions for a harmonious development and diversification of relations with the non-participating Mediterranean States. Enhanced co-operation with these States will be pursued with the aim of promoting economic and social development and thereby

enhancing stability in the region. To this end, we will strive together with these countries towards a substantial narrowing of the prosperity gap between Europe and its Mediterranean neighbours.

Non-governmental Organizations

We recall the major role that non-governmental organizations, religious and other groups and individuals have played in the achievement of the objectives of the CSCE and will further facilitate their activities for the implementation of the CSC commitments by the participating States. These organizations, groups and individuals must be involved in an appropriate way in the activities and new structures of the CSCE in order to fulfill their important tasks.

New Structures and Institutions of the CSCE Process

Our common efforts to consolidate respect for human rights, democracy and the rule of law, to strengthen peace and to promote unity in Europe require a new quality of political dialogue and co-operation and thus development of the structures of the CSCE.

The intensification of our consultations at all levels is of prime importance in shaping our future relations. To this end, we decide on the following:

We, the Heads of State or Government, shall meet next time in Helsinki on the occasion of the CSCE Follow-up Meeting 1992. Thereafter, we will meet on the occasion of subsequent follow-up meetings.

Our Ministers for Foreign Affairs will meet, as a Council, regularly and at least once a year. These meetings will provide the central forum for political consultations within the CSCE process. The Council will consider issues relevant to the Conference on Security and Co-operation in Europe and take appropriate decisions.

The first meeting of the Council will take place in Berlin.

A Committee of Senior Officials will prepare the meetings of the Council and carry out its decisions. The Committee will review current issues and may take appropriate decisions, including in the form of recommendations to the Council.

Additional meetings of the representatives of the participating States may be agreed upon to discuss questions of urgent concern.

The Council will examine the development of provisions for convening meetings of the Committee of Senior Officials in emergency situations.

Meetings of other Ministers may also be agreed by the participating States.

In order to provide administrative support for these consultations we establish a Secretariat in Prague.

Follow-up meetings of the participating States will be held, as a rule, every two years to allow the participating States to take stock of developments, review the implementation of their commitments and consider further steps in the CSCE process.

We decide to create a Conflict Prevention Centre in Vienna to assist the Council in reducing the risk of conflict.

We decide to establish an Office for Free Elections in Warsaw to facilitate contacts and the exchange of information on elections within participating States.

Recognizing the important role parliamentarians can play in the CSCE process, we call for greater parliamentary involvement in the CSCE, in particular through the creation of a CSCE parliamentary assembly, involving members of parliaments from all participating States. To this end, we urge that contacts be pursued at parliamentary level to discuss the field of activities, working methods and rules of procedure of such a CSCE parliamentary structure, drawing on existing experience and work already undertaken in this field.

We ask our Ministers for Foreign Affairs to review this matter on the occasion of their first meeting as a Council.

Procedural and organizational modalities relating to certain provisions contained in the Charter of Paris for a New Europe are set out in the Supplementary Document which is adopted together with the Charter of Paris.

We entrust to the Council the further steps which may be required to ensure the implementation of decisions contained in the present document, as well as in the Supplementary Document, and to consider further efforts for the strengthening of security and co-operation in Europe. The Council may adopt any amendment to the supplementary document which it may deem appropriate.

The original of the Charter of Paris for a New Europe, drawn up in English, French, German, Italian, Russian and Spanish, will be transmitted to the Government of the French Republic, which will retain it in its archives. Each of the participating States will receive from the Government of the French Republic a true copy of the Charter of Paris.

The text of the Charter of Paris will be published in each participating State, which will disseminate it and make it known as widely as possible.

The Government of the French Republic is requested to transmit to the Secretary-General of the United Nations the text of the Charter of Paris for a New Europe which is not eligible for registration under Article 102 of the Charter of the United Nations, with a view to its circulation to all the members of the Organization as an official document of the United Nations.

The Government of the French Republic is also requested to transmit the text of the Charter of Paris to all the other international organizations mentioned in the text.

Wherefore, we, the undersigned High Representatives of the participating States, mindful of the high political significance we attach to the results of the Summit Meeting, and declaring our determination to act in accordance with the provisions we have adopted, have subscribed our signatures below:

[Signatures of the representatives of subscribing nations were attached at this point.]

Note: The charter was made available by the Office of the Press Secretary, but was not issued as a White House press release.

Thanksgiving Day Message to American Troops

November 21, 1990

As we gather together for Thanksgiving this year, America has much to be truly grateful for. To those of you who are spending this holiday away from your loved ones to defend our nation's security and that of our allies, I am deeply grateful. To those of you on duty in the Persian Gulf, I say a special thank you.

Recent events prove the world is still a dangerous and unstable place. Along with the triumph of freedom around the world comes new challenges, especially in the Middle East. Once again, you, the men and women of our Armed Forces, have responded to the call of duty to protect freedom and stand firm against aggression. And once again, you have the full support of the American people and the thanks of this President.

You know, Barbara and I have spent a lot of Thanksgivings with a family we're proud of. Well, this year is no different, as we spend Thanksgiving in the Persian Gulf. And as Americans celebrate this special day back home, know that you are in their hearts. America is proud of you and the job you're doing. Almost 2 years ago, I began my Inaugural Address with a prayer, seeking God's wisdom and guidance in all that we face. Earlier this month, with American troops facing down aggression overseas, I asked the Nation to join me in prayer, a prayer for the brave service men and women in whom we entrust the future of this country -- as well as for those Americans held hostage. Now, this Thanksgiving, I hope that all Americans of all faiths and walks of life will bow their heads in appreciation for God's power to protect us and His wisdom to guide us.

As members of our Armed Forces worldwide, your strength and readiness allow the flames of freedom and democracy to glow brightly. You represent America's best -- the world's best hope for the future. No matter where you are, I hope you're safe and well. The entire Bush family wishes you and your family a happy Thanksgiving. May God bless you and bring you home safely and soon.

Note: This message was recorded on October 18 in the Oval Office at the White House. It was broadcast on the Armed Forces Radio Network to American troops worldwide on Thanksgiving Day. A tape was not available for verification of the content of this message.

Remarks and a Question-and-Answer Session With Reporters in Jeddah, Saudi Arabia, Following Discussions With Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait

November 21, 1990

The President. May I say that I just had a very useful meeting with His Highness, the Amir, and I reiterated the total commitment of the United States to the objectives that are enshrined in 10 United Nations Security Council resolutions. And as you all know, these objectives include Iraq's immediate and unconditional withdrawal from Kuwait, the restoration of Kuwait's legitimate government, the release of all individuals held against their will from whatever country they come, and it also includes the eventual stability and security of the Gulf.

We agreed on the desirability that these objectives be realized peacefully. At the same time, we also agreed that all options remained open and that steps needed to be taken right now in order to make these options credible and effective.

His Highness the Amir told me of the atrocities and acts of destruction that are being committed daily against the Kuwaiti people by the forces of Saddam Hussein. It is a moving and touching and horrible story. And I come away from this conversation more committed than ever to seeing this cruel occupation come to an end and those responsible for this violence called to account.

Let me just close by saying that this is my second meeting with His Highness the Amir since the tragic events of August 2d. And as I told him, I both hope and expect that our next meeting will take place in liberated Kuwait.

The Amir. Mr. President, it is with great pleasure that I meet with you once again, this time on the land of the Kingdom of Saudi Arabia, a land that is very dear to us and friendly to us all. Although this meeting takes place under tragic circumstances for my country and my people, we nevertheless find some solace in the honorable stance taken by the world community and respect of our cause, on the side of justice and righteousness in an unprecedented matter as to make it an historical turning point in international relations.

In this context, I feel duty-bound to single out the decisive role of the United States -- people and administration -- in standing up in the face of aggression. The American resolve did not come as a surprise, for your people are the descendants of the Pilgrim fathers who, centuries ago, preferred risking their lives in search of freedom in a far and unknown world rather than accepting to live under oppression and injustice, thereby setting a tradition of standing up for justice and opposing aggression.

Their hopes were realized, and they built a free world that rejects despotism and oppression. And so, it became a refuge for all freedom-lovers. Today, the descendants of the Pilgrim fathers reversed their historic crossing in aid of freedom yet once again, again to dissipate the dark shadows cast by another dictator on the land of the free, true to their tradition and true to the tradition of their ancestors to which they have always adhered.

Mr. President, it is with affliction in our hearts that every day passes, knowing how much suffering our people and peoples of other nationalities are being subjected to in an ever-increasing manner, and the darkness that has befallen their homeland, making them vulnerable to unprecedented inhuman treatment, depriving them even from food and medicine.

The people of Kuwait inside their country, unarmed and outnumbered, are unanimously engaged in a passive resistance against the invaders with a rare bravery against all odds and under the most adverse circumstances. So much that the aggressors has lost his senses and indulged in its fury of frustration in the practice of oppression and brutality in an ever-increasing manner.

No doubt, Mr. President, your Ambassador [Nathaniel W. Howell] and what have remained of Western diplomats that have managed so bravely to continue living in Kuwait, sharing the suffering of the Kuwaiti people, will testify to this fact. And there is not the slightest talk that the flagrant aggressor would give up his intransigence and his determination to defy the collective will of the world community or his indulgence in the exercise of cheap tricks and playing with the sentiments of people with the issue of hostages, whom he should not have detained in the first place. And his attempt to connect and justify his aggression with that of Arabs, as he is comparing an evil with more evil, thereby exposing his people and his nation to serious dangers, the extent of which cannot be predicted.

Nevertheless, we are sure of the inevitability of the triumph of right over wrong, and in that we place our hope. For our faith is strong, and our confidence in the firm support of our brothers and our friends is limitless.

Last but not least, I present my sincere felicitation to you and, through you, to the American people and their sons who have come to the Gulf to deter the aggressor, on the occasion of Thanksgiving Day, the anniversary of those brave men who had refused to succumb to oppression.

Thank you, Mr. President.

Persian Gulf Crisis

Q. Mr. President, what do you mean by that steps should be taken right now?

The President. What did I mean by them? I think he ought to step out of Kuwait immediately and release all the hostages.

Q. Sir, are you suggesting you should take some action?

The President. We are taking action. We are moving considerable force here. And I hope that will get the message to Saddam Hussein how serious not only the United States is but other countries are because others are moving forces, too. And besides that, his most recent cruel ploy of talking about kind of dribbling out hostages, some of which he'd start releasing on Christmas Day and then spread that over 2 months -- that ploy has backfired on him. Everybody I talked to in Paris felt that it was a cruel gambit, a cruel ploy. And the Amir has said he shouldn't have held these hostages in the first place, and that is correct.

Q. President Gorbachev today called for a Security Council meeting.

The President. Well, good.

Q. What do you think of that? And is that of your making?

The President. I think this is just fine.

Q. What do you expect to come of it?

The President. Well, we'll discuss that when we get to the Security Council. But I think there's been general understanding that the United States has been in favor of such a step. And I would expect there would be yet another resolution strongly against Saddam Hussein. But we'll wait to see what that resolution does.

Q. -- -- new atrocities tonight from the Amir, atrocities that you haven't heard about before -- --

The President. He showed me some pictures that are so cruel and so brutal, the treatment of Kuwaitis so cruel and so brutal that it just turns your stomach. And so, we talked about some. But there will be a chance for the world to have a little window on this because this matter is going to be aired in the United Nations next week. And justice demands that the world listen and understand exactly the kind of brutality that Saddam Hussein has wrought upon innocent kids and families in Kuwait. And what he's doing to hostages in Kuwait today is appalling.

One thing I learned is that he's announced the death penalty for those who harbor innocent civilians. If you hide innocent civilians and you're caught by his brutes, you get the death penalty. And that is pretty brutal, and it's just one more piece of evidence that this brutality must not be rewarded.

Q. Mr. President, you're going on to Geneva to meet with President Assad. Can you tell us what you expect to undertake with him and why are you meeting with President Assad when the United -- --

The President. He is a coalition partner. He's in the process of moving substantial force here. We've worked to help others build a big, strong coalition. And I will be talking to him about our common objectives in the Gulf, and they are common objectives because I understand that the Syrians want to see Saddam Hussein out of Kuwait just as much as we do.

Q. Do you have any problems sitting down with President Assad given the problems with terrorism that the two countries have?

The President. I have no problem sitting down with him for this common objective. And it's important that this coalition stay together. It's important that everybody that's a part of it feel a part of it. And I'm going to be discussing that with him.

Q. Mr. President, considering the atrocities, how can you wait any longer? It's been 3 months.

The President. Well, I've indicated we were moving substantial force. Others are moving forces. And we are still hoping that the man will come to his senses and do that which he should have done in August, and that is to get out of Kuwait without condition. And I can't tell you or Saddam Hussein how long is long enough. In my view, 1 day was long enough. But how long this coalition will wait before other options are exercised? I'm sorry, I can't help you with that.

Q. Could you give us some idea of the U.N. resolution you're after, Mr. President?

The President. No, I'll let that evolve. We're still in consultation, Secretary Baker having consulted widely. I've had a chance to discuss that with the Kuwaitis here this evening, and there will be more consultation before that resolution gets into final form. But I can view this as very positive. I had not heard Mr. Gorbachev's comments, but I know what he and I have talked about, and I know what Secretary Baker and Mr. Shevardnadze have talked about, and it is all positive.

And for those who interpreted my meeting with Mr. Gorbachev as chilly, they just simply misinterpreted. It was the best meeting I've ever had with the man, and we've had very, very good ones in the past. So, I'm glad this thing is evolving and we now see the differences that some over there in Paris thought might exist between the Soviets on the way we're looking at this question. They are determined to see Saddam Hussein comply with the United Nations resolutions and get out of Kuwait without condition. I'm absolutely certain of it.

I've got time for just one or two more.

Q. Despite the tough talk by the United States and other countries, Saddam Hussein is not budging, and he's increasing the pressure in Kuwait. What's your comment, sir?

The President. The pressure is increasing on Saddam Hussein. And if he doesn't understand it now, he will soon. But I think he's beginning to understand it. Most reports we get indicate that the sanctions are having some effect; I can't tell you how much. Unless he's blind, he sees a strong coalition armed force still mobilizing against him, and I would think that he's beginning to get the message.

Now, in terms of his cruelty and his brutality, yes, it does continue. It continues in Kuwait. It continues in the holding of these hostages. So, we're not happy and we're not relaxed about his fully understanding that he must unconditionally get out of Kuwait, but we're going to keep on getting that message out there. And it's a solid message.

I'll tell you, I don't know if you were in Paris, but it was a solid front against the man from all the countries represented. And one thing I found that was very interesting: that those countries in Eastern Europe that have suffered in the past from aggression are very, very strong in support of what we all are doing as it relates to the Gulf.

Q. Mr. President, have you discussed with the Amir of Kuwait a timetable for war?

The President. We've discussed a lot of things and we did not put any time -- dates on that category of discussion, no.

Q. Are you suggesting now you're going to the United Nations, or your lieutenants will, to present these pictures to the U.N. in some fashion?

The President. Well, there are going to be -- Jim can help you. There's already a scheduled session.

Secretary Baker. Monday and Tuesday in the Security Council there will be some hearings with respect to the atrocities that have been committed. The government of Kuwait has asked for these hearings.

Q. Sir, is this a preamble for the force resolution you've been seeking?

The President. It's just more information getting out because I think there's a lot of people around the world and all of the U.N. countries that don't really appreciate yet the brutality of Saddam Hussein. Most see it, and the world is obviously united against it. But I don't think they have the full impact yet, and perhaps these hearings will drive home to the man on the street in these various countries the brutality of Saddam Hussein.

Q. Do you feel the pressure of the November 30 deadline when we have to give up the chairmanship of the U.N. Security Council?

The President. No, I don't feel great pressure on it, but I feel that we should act and take action before November 30th. I think we should take action right away in the United Nations for more resolutions. Stay tuned.

Q. Mr. President, there's been much talk about a window of opportunity and that's why Saddam Hussein set this March 25th last date for the recent release of hostages. Is the window of opportunity really nonexistent? They talked about the desert storms and the desert heat and Ramadan and all that. In your own mind, is there such a thing as a window of opportunity?

The President. Well, I think that the window of opportunity for Saddam Hussein is right now. I think he should withdraw unconditionally from Kuwait right now and stop the brutality against the innocent women and children and men of Kuwait and innocent hostages from other countries. So, I think your question, John, gets to the question of how long can we permit the sanctions to be the sole action-forcing event. And I just can't help you with how long.

Q. Will you be satisfied, Mr. President, if the U.N. gives you something less than a resolution authorizing force?

The President. Nice try, Terry [Terence Hunt, Associated Press]. We're not going to discuss the content of the U.N. resolution until we're ready to table it and until extensive consultations have been concluded. And they are continuing. They will be continuing right up through the next few days. So, I just leave it right there.

Thank you all very much.

Note: The President spoke at 9:27 p.m. at the Al-Hamra Guest Palace. Prior to their remarks, he and the Amir participated in a bilateral meeting with U.S. and Kuwaiti officials. In his remarks, President Bush referred to President Saddam Hussein of Iraq and Soviet Foreign Minister Eduard Shevardnadze.

Statement on Signing the Bill Modifying the Boundaries of the Alaska Maritime National Wildlife Refuge

November 21, 1990

Today I am signing H.R. 5264, an Act ``To authorize modification of the boundaries of the Alaska Maritime National Wildlife Refuge.'' Under this Act, the United States will acquire, through a land exchange with an Alaska Native Corporation, an environmentally significant tract of wetlands for the Refuge. These wetlands are an important wintering habitat for several species of ducks, and I agree that a land exchange of the kind contemplated in H.R. 5264 offers an appropriate method for carrying out this effort at environmental preservation.

Unfortunately, H.R. 5264 contains important constitutional defects. Under the Act, the amount of Federal land to be exchanged for the wetlands in question must be determined by ``independent'' appraisers, who would not be subject to supervision by the President. This is contrary to Article II of the Constitution. In addition, one or more of the appraisers would be chosen in a manner inconsistent with the Appointments Clause of the Constitution, Art. II, sec. 2, cl. 2.

I have no doubt that these constitutional defects were the result of inadvertence. Because the Act does not provide a mechanism for carrying out the land exchange in a manner consistent with the Constitution, however, it cannot be fully implemented until its constitutional deficiencies are rectified. Accordingly, the appraiser appointed by the Secretary of the Interior pursuant to section 3(a) of the Act will be instructed by the Secretary not to complete his appraisal until the Secretary is informed by the Department of Justice that adequate technical corrections legislation has been enacted.

George Bush

The White House,

November 21, 1990.

Note: H.R. 5264, approved November 21, was assigned Public Law No. 101 - 622.

Statement on Signing the International Narcotics Control Act, 1990

November 21, 1990

Today I have signed H.R. 5567, the ``International Narcotics Control Act, 1990.'' I am pleased that the Act contains certain provisions that will assist the Administration in implementing our international narcotics control strategy.

I have, however, a number of serious reservations about the Act. In general, I am concerned that many provisions of the Act would unreasonably undercut the flexibility needed by the Administration to implement effectively our international counternarcotics program. Despite the fact that the Administration has consistently kept the relevant congressional committees fully informed of its efforts to implement an international counternarcotics strategy, the Act includes cumbersome reporting, determination, and notification requirements that could impair the effectiveness of the program.

Many of these provisions, however, need not impair implementation of our counternarcotics strategy because, as a matter of law, they may not apply to funds appropriated in the recently enacted Foreign Operations, Export Financing, and Related Programs Appropriations Act (P.L. 101 - 513). This is because many of the restrictions of H.R. 5567 expressly apply only to funds authorized to be appropriated by H.R. 5567, and funds appropriated by P.L. 101 - 513 were not expressly made available under the authorization contained in H.R. 5567. Accordingly, I sign H.R. 5567 into law with the understanding that it may not subject our counternarcotics program to the most burdensome constraints of H.R. 5567. Nevertheless, recognizing the concerns that the provisions of H.R. 5567 reflect, we will work with the Congress to help ensure that congressional concerns are carefully considered in the implementation of our programs.

The Administration is committed to conditioning Andean counternarcotics assistance on effective counternarcotics performance, the implementation of sound economic policies, and respect for human rights. I note that section 4 requires that I make certain determinations on additional conditionality as a prerequisite to furnishing assistance authorized to be appropriated by sections 2(a) and 3(a) of the Act, or provided pursuant to section 517 of the Foreign Assistance Act of 1961, as amended. I do not believe that the Congress intended this provision to require a termination of vital anti-narcotics assistance, and, to the degree appropriate, will interpret the section 4 requirements in a manner consistent with the shared concerns of the Congress and myself regarding the effective implementation of the Andean initiative. For instance, I appreciate the concern expressed in the Act regarding the control of the governments of these countries over police and military operations related to counternarcotics and counterinsurgency activities. I understand, however, that this legislation would not preclude my ability to make the necessary determinations if the amount and nature of government control is sufficient to ensure that assistance is effective. I am signing the Act on the basis of this

understanding.

I have certain additional concerns. First, while the Administration is already working toward the goal of increasing host country capability to conduct air operations, the arbitrary deadline contained in section 13 could endanger the lives and property of U.S. and foreign citizens. Second, I regret that the Congress has not provided a satisfactory provision regarding title to aircraft, and I hope to work with the new Congress to resolve this important problem.

Finally, I do not believe as a matter of principle that development and economic assistance should be necessarily conditioned on the same standards as military assistance, since its nature and purpose is considerably different. Subjecting these countries to a degree of scrutiny unmatched in other assistance programs risks alienating the very countries that we are seeking to engage in our narcotics control efforts.

George Bush

The White House,

November 21, 1990.

Note: H.R. 5567, approved November 21, was assigned Public Law No. 101 - 623.

Remarks to the Military Airlift Command in Dhahran, Saudi Arabia

November 22, 1990

Thank you all. Thank you for that warm welcome. I'm just delighted to be here, and so is Barbara. And I don't normally speak for the joint leadership of the United States Congress, but it is most fitting that on this Thanksgiving Day we have with me here the Speaker of the House, Tom Foley; Bob Michel, the minority leader in our House; Senator Mitchell, the leader in the United States Senate; and Bob Dole, the minority leader in the Senate. I'm just delighted they're out here with us.

And, of course, I salute not only Colonel McBroom but also General Schwarzkopf. And, Norm, we have a little present for you. It comes from the families and friends of our troops around the world, and it's just exactly your size. [Laughter] This thing will fit you. [Laughter]

Well, Barbara and I are very proud to be sharing this Thanksgiving with the men and women of our allied forces. And later we're going to visit your partners in the Army, the Navy, Coast Guard, Marines -- together, the finest Armed Forces in the entire world. And we are here because we believe in freedom: our freedom and the freedom of others. And we're here because we believe in principle. And we're here because we believe in you.

And I'm very impressed with the Air Force -- people like Airman First Class Wade West. He was home on leave to get married when this got started. On August 7th he was called up. Within an hour he had the ceremony performed -- his wedding ceremony -- and left for the Middle East. You talk about a guy who gets things done. [Laughter] Fantastic.

Over the past 4 months, you have launched what history will judge as one of the most important deployments of allied military power since 1945. And I'm here today to personally thank you -- the Saudi, Kuwaiti, British, and American air men and women here today, and the forces from 23 other nations -- here to see that an unprecedented series of U.N. resolutions is honored.

Thanksgiving is indeed the oldest, some say the most American of holidays, dating back to our very origins as a people. It's a day apart from all others -- a day of peace, a day of thanks, a day to remember what we stand for and, this Thanksgiving, why we're here. It isn't all that complicated. Earlier this week I set out the key reasons why we're here, making a stand in defense of peace and freedom. And we're here to protect freedom, here to protect the future, and here to protect innocent lives.

First, freedom: Protecting freedom means standing up to aggression. The brutality inflicted on the people of Kuwait and on innocent citizens of every country must not be rewarded. Kuwait is

small, but one conquered nation is one too many. And remember, remember, the invasion of Kuwait was without provocation. The invasion of Kuwait was without excuse. And the invasion of Kuwait simply will not stand.

Second: Protecting our future means protecting our national security and the stability and security of the Gulf area that is so vital to all nations. Today the worldwide march of freedom is threatened by a man hell-bent on gaining a choke-hold on the world's economic lifeline. And that's why Iraq's aggression is not just a challenge to the security of our friends in the Gulf but to the new partnership of nations we're all hoping to build. Energy security is national security for us and for every country.

And third: We're here to protect innocent lives, including American lives. Every diplomat and every citizen of every country held hostage must be freed.

Three simple reasons -- protecting freedom, protecting our future, protecting innocent lives -- any one is reason enough why Iraq's unprincipled, unprovoked aggression must not go unchallenged. Together, as 10 United Nations Security Council resolutions made clear, they are a compelling case for your mission.

What we're confronting is a classic bully who thinks he can get away with kicking sand in the face of the world. And so far, we have acted with restraint, as is our way. But Saddam is making the mistake of his life if he confuses an abundance of restraint and patience with a lack of resolve. And every day that passes brings Saddam Hussein one step closer to realizing his goal of a nuclear weapons arsenal. And that's another reason, frankly, why, more and more, our mission is marked by a real sense of urgency.

Our objectives in the Gulf have never varied. We want a free and restored Kuwait, protect American citizens, safeguard the security and stability of the region. To force Iraq to comply, we and our allies have forged a strong, diplomatic, economic and, yes, military strategy. No President, none at all, is quick to order American troops abroad. But there are times when all nations that value freedom must confront aggression.

Sometimes it's a question of some pain -- some pain now to avoid even worse pain later. In World War II, the world paid dearly for appeasing an aggressor who could have been stopped early on. We're not going to make that mistake again. We will not appease this aggressor.

The world is still a dangerous place, and those in uniform will always bear the heaviest burden. And we want every single American home. And this we promise: No American will be kept in the Gulf a single day longer than necessary. But we won't pull punches. We're not here on some exercise. This is a real world situation, and we're not walking away until our mission is done, until the invader is out of Kuwait.

There is no way Americans can forget the contribution you are making to world peace and to our country. Year after year on this very special day, special to every American, no doubt each of you has given thanks to your country. This year your country gives thanks to you. We think of you with pride in our hearts and a prayer on our lips.

May God bless you and watch over you. To those with whom we stand shoulder to shoulder, our friends from other lands, may God bless each and every one of you. And may God bless the United States of America. Thank you very much. Thank you. Good to see all of you. Thank you.

Note: The President spoke at 11:05 a.m. at the Military Airlift Command ramp at Dhahran International Airport. In his remarks, he referred to Col. John McBroom, commander of the 1st Tactical Fighter Wing; Gen. H. Norman Schwarzkopf, commander of U.S. forces in the Persian Gulf; and President Saddam Hussein of Iraq.

Remarks to United States Army Troops Near Dhahran, Saudi Arabia

November 22, 1990

Hey, listen, thanks for that warm desert welcome, and I mean warm. Let me first introduce you to the leaders of the United States Congress. This is Speaker Tom Foley, the Speaker of the House. Next to him, Senator George Mitchell, the leader of the United States Senate. Senator Bob Dole, minority leader. And Congressman Bob Michel of Illinois, the minority leader. And to you, Ted -- Colonel Reid -- thank you, sir. And let me give a special salute, if I might, to the host unit for our visit, the 2d Battalion of the 18th Infantry Regiment.

I can't do much about this warm weather, but I hope you're getting enough MRE's. [Laughter] I'm told that's a military term meaning ``I'd rather have a Bud Light.'' [Laughter] Now, look, look, we know that the days can get pretty long out here, and you'll be glad to know that if it goes on too long we have a secret weapon in reserve. If push comes to shove, we're going to get Roseanne Barr to go to Iraq and sing the national anthem. Baghdad Betty, eat your heart out. [Laughter]

Barbara and I are very, very pleased to be here today, joined by the bipartisan leadership of the Congress on this mission of peace, this mission of pride. And we're honored to be here to tell you that on this special Thanksgiving Day, Americans will thank God for many things, but first they will thank God for each one of you.

The 18th Airborne, with the strength of the 197th Infantry Brigade and the 24th Infantry Division -- [applause] -- okay, you're entitled to 2 seconds -- [laughter] -- and so many other brave Americans, has spearheaded what history will judge as one of the most important deployments of military power in the last half century. You've done it for principle, you've done it for freedom, and you've done it to make America proud. And so, I've come out here today personally to thank you, the men and women who endured much and sacrificed more to stand tall against aggression.

I hope you'll excuse a personal reference, but seeing you all here brings back a personal memory of another Thanksgiving -- another group of young Americans far from home -- and for me it was November 23, 1944. And I was 20 years old and 6 days away from my last mission as a carrier pilot. And our ship, the San Jacinto, laid off the coast of the Philippines. And while we celebrated without family that year, like you, we all came together as friends and as part of something bigger than ourselves to thank God for our blessings. And we joined together then, as you are now, as a part of a proud force for freedom.

You know, back then, the 24th was there in the northern Philippines, as I was flying raids in the

south on Manila Bay; and 10,000 miles away in another theater where the stakes were just as high -- one well-known to some standing right with me -- the predecessor of today's 197th were on the front lines of the fight for Europe. And they don't call you ``forever forward'' for nothing. And now, almost 50 years later, there are still proud troops like you, commanders like you, Americans like you ready to stand in defense of peace and freedom. And the whole world -- and believe me -- I'm just here from Paris where I met with all the CSCE countries of Europe -- the whole world thanks you.

Today we face a similar mission, but in a world far different than the one we faced in 1944. Today we have a vision of a new partnership of nations united by principle and seeking a lasting peace for this generation and generations to come. And that is why we are here in this land so far from husbands and wives and parents and children on this day, this special day for Americans, this Thanksgiving Day. And that's why we sacrificed, so that those kids and all children can grow up in a new world, a safer and a better world.

And simply put, we are here to guarantee that freedom is protected and that Iraq's aggression will not be rewarded. We must send a signal to any would-be Saddam Husseins that the world will not tolerate tyrants who violate every standard of civilized behavior -- invading, bullying, and swallowing whole a peaceful neighbor. We will not tolerate the raping and the brutalizing and the kidnaping and the killing of innocent civilians. And we will not tolerate those who try to starve out foreign embassies, breaking a diplomatic code of conduct that has been in place for centuries.

You see, we must also ensure our future. Clearly, our national security's at stake here in the Gulf, not just from the threat of force but from the potential economic blackmail of a Gulf dominated by a power-hungry Iraq. Even now, without an actual shortage of oil, Saddam's aggression is directly responsible for skyrocketing oil prices, causing serious problems at home and throughout the entire world, especially for smaller countries who are hurt the most.

You know, in Eastern Europe, the economic shock wave of the Gulf threatens to disrupt the already difficult process of creating both new and democratic governments and free market economies. And while Saddam loudly professes his desire to help the most impoverished nations of the region -- the have-nots, he calls them -- his aggression is taking a terrible toll on the already hard lives of millions. And we can't hope to achieve our vision of a new world order, the safer and better world for all our kids, if the economic destiny of the world can be threatened by a vicious dictator. The world cannot, must not and, in my view, will not let this aggression stand.

And finally -- and I know you don't forget it, and I hope no American forgets it on this special day when we give our thanks to our God -- finally, innocent lives are at stake here. The cynical manipulation of civilians, be it as bargaining chips or as pawns to deter attack, is an affront to acceptable behavior. And nothing is more cynical than Iraq's announcement earlier this week that the hostages would be freed in batches like chattel, beginning Christmas Day. There is no

reason to wait for Christmas. I say to him today: Free the hostages -- all the hostages -- and free them today, or you're going to pay the price.

And it is also time that Saddam conformed to the unanimous demand of the United Nations. And remember, we're not in this alone -- all the countries in the United Nations standing up. It is the United Nations against Saddam Hussein. It is not Iraq against the United States. It's also time, then, that he conformed to the unanimous demand of the United Nations that our Embassy be resupplied and that our diplomats treated with the respect they deserve under international law. The outrageous treatment of the United States Embassy in Kuwait must stop.

So, to sum it up, the United States is joined in the Gulf with other members of the United Nations for these three simple reasons: First, to ensure that freedom will be protected and aggression will not be rewarded; second, to protect our future by ensuring our national security; and finally, to protect innocent lives.

Any one is reason enough why Iraq's unprincipled, unprovoked aggression must not go unchallenged. And together, as 10 United Nations Security Council resolutions make clear, they are a compelling argument for your important mission. All of us know only too well the inevitable outcome of appeasement. The kind of aggression we see in Kuwait today is not just a threat to regional peace but a promise of wider conflict tomorrow.

And we understand that we can sacrifice now, or we can pay an even stiffer price later as Saddam moves to multiply his weapons of mass destruction: chemical, biological and, most ominous, nuclear. And we all know that Saddam Hussein has never possessed a weapon that he hasn't used. And we will not allow the hope for a more peaceful world to rest in the hands of this brutal dictator.

Our goals in the Gulf have never changed. We have no quarrel at all -- and I'll repeat it here -- we have no quarrel with the Iraqi people. It is with the outrageous aggression of Saddam Hussein. We want the immediate, complete, and unconditional withdrawal of all Iraqi forces from Kuwait. We want the reestablishment of Kuwait's legitimate government. We want the protection of lives of American citizens and the restoration of the security and stability of the Gulf.

No President, believe me, no President is quick to order American troops abroad. But there are times when all nations that value their own freedom and hope for a new world of freedom must confront aggression. You know, you guys know it, all of you men and women out here in the sands know it, and we still live in dangerous times. And those in uniform, I guess, will always continue to bear the heaviest burden. We want every single American soldier home.

And this we promise: No American will be kept in the Gulf a single day longer than necessary. But we won't pull punches. We are not here on some exercise. This is a real world situation. And

we're not walking away until our mission is done.

I think Americans understand the contribution that you are making to world peace and to our own country. And on this very special Thanksgiving Day, when every American thanks God for our blessings, we think of you. Barbara and I will always remember this time out here that we've shared with you all today. And so, we want you to know that you have our love and our prayers, and we're proud of each and every one of you.

May God bless you and watch over you. And may God bless the greatest country on the face of the Earth, the United States of America. Thank you. God bless you all.

Note: The President spoke at 12:30 p.m. at an Army tactical site in the desert. In his remarks, he referred to Col. Ted Reid, commander of the 197th Infantry Brigade, and President Saddam Hussein of Iraq. Following his remarks, the President and Mrs. Bush had Thanksgiving dinner with the troops.

Remarks During a Thanksgiving Day Service on Board the U.S.S. Nassau in the Persian Gulf

November 22, 1990

Thank you, Chaplain Bebee. And let me thank Captain Dow. Let me, on behalf of Barbara and myself and the four congressional leaders that are with us -- the Speaker of the House of Representatives, Tom Foley; the leader of the United States Senate, George Mitchell; the minority leader of the House, Bob Michel; and the minority leader of the Senate, Bob Dole -- express to all of you our joy at being here and our great respect for what all aboard Nassau and all that are out here from other units, including our CINC, General Schwarzkopf, are doing. It's a joy to be with you. And I want to thank once again Captain Dow and the ship's company for, I know, an unusual amount of arrangements that go with one of these visits. But we promise to leave on time. [Laughter]

Barbara and I treasure this distinctly American sense of sharing with the families and friends in the faith of our fathers. For many of us, this is a time of contemplation about things greater than ourselves, an opportunity to seek perspective. I notice that Chaplain Bebee called his sermon a meditation. And I'm reminded of the story of the kid that went to church with his grandfather. And he said to the grandfather, ``Grandfather, what are all the flags there along the side of the church?'' The grandfather said, ``Well, that's for those who died in service.'' The kid said, ``Oh, really? The 9 o'clock or the 11 o'clock service?'' And I noticed how brief your chaplain was, and I will try to be the same.

I notice that both Chaplain Dallmann and Chaplain Bebee referred to the Pilgrim fathers. In the early days, Americans gave thanks for the Lord's many blessings. And those, as was pointed out to us here today in the meditation, were indeed hard times -- times of privation, lonely times in foreign surroundings, dangerous times, fearful, perilous. What is so remarkable about the first Thanksgiving is that those hearty souls were giving thanks in an age of extreme adversity, recognizing the Lord's bounty during extraordinary hardship, understanding that his bounty is not in things material but more importantly in things spiritual.

I reminded some at an Army base a while ago that this reminds me a bit of a Thanksgiving that I spend 46 years ago on a carrier, U.S.S. San Jacinto CVL30, off the coast of the Philippines during World War II. I found then that the Lord does provide many blessings to men and women who face adversity in the name of a noble purpose. They are the blessings of faith and friendship, strength and determination, courage and camaraderie and dedication to duty. And I found that the Lord allows the human spirit the inner resolve to find optimism and hope amidst the most challenging and difficult times. He instills confidence when despair tries to defeat us and inspires teamwork when the individual feels overwhelmed by the events of day to day.

Thanksgiving reminds us of America's most cherished values. Freedom was, indeed, as we've

heard from our chaplain, the watchword for the Mayflower's journey. Freedom united the Pilgrims in a common purpose. Freedom was the idea that inspired the first Thanksgiving of the colony there at Plymouth Bay.

The grand experiment called America is but a recent manifestation of humanity's timeless yearning to be free. Only in freedom can we achieve humanity's greatest hope: peace. From the wisdom of Solomon to the wonder of the Sermon on the Mount, from the prophecies of Isaiah to the teachings of Islam, the holy books that are our common heritage speak often of the many blessings bestowed upon mankind, often of the love of liberty, often of the cause of peace. And so, I would like to close these remarks with a prayer.

Lord, bless us and keep us. Show us your way, the way of liberty and love. Soften the hearts of those who would do us harm. Strengthen the hearts of those who protect and defend us. Sustain the hearts of those at home who pray for our safe return. We rely upon your guidance and trust in your judgment, for we are one nation under God. Amidst this threat of war, help us find the will to search for peace. As was said upon the Mount: ``Blessed are the peacemakers, for they shall be called the children of God." Amen.

Thank you all very much for inviting these four congressional leaders, for inviting Barbara and me to share this very special day with the sailors, the marines, the coast-guardsmen all out here aboard the U.S.S. Nassau today on this spectacularly beautiful day halfway around the world from the home that we love.

I cannot overstate to you the outpouring of support from your friends and families. General Schwarzkopf was telling me of the mail system here: You get a lot of mail that doesn't even have a name on it, and they spread it all around. I hope some of you have received it. And it does express the support that the American people have for you on this important mission.

So, God bless you all on this very special day. And God bless the United States of America. Thank you.

Note: The President spoke at 2:23 p.m. on the flight deck. In his remarks, he referred to Capt. Jack Dow, commanding officer of the U.S.S. ``Nassau," and Gen. H. Norman Schwarzkopf, commander of U.S. forces in the Persian Gulf.

Remarks to Allied Armed Forces Near Dhahran, Saudi Arabia

November 22, 1990

With us today, we have four very special guests out here. The leaders, if you will, the top leadership of the United States Congress: the Speaker of the House, Tom Foley; the leader of the Senate, George Mitchell, next to him, Senator Mitchell; Congressman Bob Michel, the Republican leader, minority leader in the House; and Senator Bob Dole [Senate minority leader].

Let me just say how pleased that Barbara and I are to be here. And I want to thank all of you for this welcome, this warm welcome. I want to thank General Myatt for greeting us -- Mike Myatt -- and all of his people. I want to thank General Boomer. I want to thank Brigadier General Cordingly of the famed Desert Rats who are with us here.

I guess like all of you, Barbara and I always try to spend our Thanksgiving with our own family. I know that's true of these leaders in the Congress. But after spending the morning visiting with the men and women of our Army, Air Force, Navy, and Coast Guard, and now with the First Marine Division here today, there could hardly be a prouder moment than sharing Thanksgiving with this family, this American family out here.

This is quite a crowd. I can't help but think of the warning one soldier gave comedian Steve Martin last month -- true story. He said, ``You'd better be funny. We've got bullets." [Laughter] Well, look at it this way: You guys better be nice to me. I've got Norm Schwarzkopf with me. [Laughter] And I've got Al Gray back there, so -- [laughter].

But I do first want to give a very special welcome to our staunch friends and allies, to General Cordingly and the famed Desert Rats. You, too, are a long way from home this day and your families. And I hope you will forgive me if I focus on the fact that this, at home for Americans, is our very special Thanksgiving Day.

As we gather it is dawn in America at -- lost track -- 10 minutes of eight on the East Coast and about 10 minutes to six out on the West and the beginning of our day of thanksgiving and remembrance. You know, as you drive by the farms and the cities in the early morning light, the windows all look the same. But inside each house and apartment there are people with stories to tell, families bound together in hope and love. And believe me on this one, in all of those homes, in all of those families, you right here out in this desert are very much on the minds of the American people in all of those families.

You know, Thanksgiving is the oldest, some might say the most American of holidays, dating back to our very origins as a people. And it's a day, I think we would all agree, separate and

apart from others. It's a day of peace; it's a day of thanks; a day to remember what we stand for and what it means to be an American and why our forebears sacrificed so much to cross ocean and build a great land. And on this day, with all that America has to be thankful for, it is fair for Americans to say, why are we here?

It's not all that complicated. There are three key reasons why we're here with our U.N. allies making a stand in defense of peace and freedom. We're here to protect freedom. We're here to protect our future. And we're here to protect innocent life.

And number one, protecting freedom means standing up to aggression. You know, the brutality inflicted on the people of Kuwait and on innocent citizens of every country must not be rewarded. Because a bully unchecked today is a bully unleashed for tomorrow.

Last August 2d, this brutal dictator set out to wipe another country from the face of the Earth. And Kuwait, a little, tiny country, awoke to the flashing guns of cold-blooded troops, to fire and ice of Saddam Hussein's invasion. Now Kuwait is struggling for survival, an entire nation ransacked, looted, held hostage. Maybe you can strike a name from the maps, but you can't strike a country from the hearts of its people. The invasion of Kuwait was without provocation, the looting of Kuwait is without excuse, and the occupation of Kuwait will not stand.

And number two, our mission is about protecting national security, which is to say protecting our future. Because energy security is national security for us and, indeed, for every country.

Last year on a snowy Thanksgiving eve up there at Camp David, I spoke to the American people about the newly fallen Berlin Wall. The piece of the wall that sits on my desk is a reminder of our steadfast role in the worldwide explosion of freedom. But now the march of freedom must not be threatened by the man whose invasion of Kuwait is causing great economic hardship in the countries which can afford it the least.

We just saw it in Czechoslovakia. Barbara and I are just back from Czechoslovakia, where the progress of their peaceful revolution has already been damaged by the shock waves from Iraq's aggression. President Havel told me that Saddam's aggression is having a severe effect on his struggling economy. And every day that goes by increases the damage. But when he was asked if our action in the Gulf was taking too much money away from the problems of Eastern Europe, he answered plainly. He said, ``All the resources that are expended on resisting aggression anywhere in the world are finally turned to the good of all humankind." This from that playwright that was jailed not so many months ago by aggression itself. Listen to the words of this man who stands for freedom.

Vaclav Havel is right. Iraq's aggression is not just a challenge to the security of Kuwait and the other Gulf neighbors but to the better world we all hope to build in the wake of the cold war. We're not talking simply about the price of gas; we are talking about the price of liberty.

Number three, we're here because innocent lives are at stake. We've all heard of atrocities in Kuwait that would make the strongest among us weep. It turns your stomach when you listen to the tales of those that have escaped the brutality of Saddam, the invader. Mass hangings. Babies pulled from incubators and scattered like firewood across the floor. Kids shot for failing to display the photos of Saddam Hussein. And he has unleashed a horror on the people of Kuwait.

Our diplomats and our citizens held hostage must be freed. And it's time to stop toying with the American hostages. And it's time for Saddam to stop trying to starve out our little beleaguered Embassy in Kuwait City. And the same, General Cordingly, is true of the British Embassy that is courageously holding on -- the two of us side by side in Kuwait as we're shoulder to shoulder in the sands of Saudi Arabia. And it's time to put an end to this cruel hostage bazaar, bartering in human beings like the days of the slave trade. Because if we let Iraq get away with this abuse now, Americans will pay a price in future hostage-taking for decades to come, and so will other nations.

Three simple reasons: protecting freedom, protecting our future, protecting innocent lives. And any one is reason enough why Iraq's unprincipled, unprovoked aggression must not go unchallenged. Together they make a compelling case for you to be away from your families on this special Thanksgiving Day. They make a compelling case for your mission.

No President is quick to order American troops abroad. But there are times when any nation that values its own freedom must confront aggression. Czechoslovakia -- they know firsthand about the folly of appeasement. They know about the tyranny of dictatorial conquest. And in the World War that followed, the world paid dearly for appeasing an aggressor who should and could have been stopped. We're not going to make that mistake again. We will not appease this aggressor.

As in World War II -- the threat to American lives from a seemingly distant enemy must be measured against the nature of the aggression itself: a dictator who has gassed his own people -- innocent women and children -- unleashing chemical weapons of mass destruction, weapons that were considered unthinkable in the civilized world for over 70 years.

And let me say this: Those who would measure the timetable for Saddam's atomic program in years may be seriously underestimating the reality of that situation and the gravity of the threat. Every day that passes brings Saddam one step closer to realizing his goal of a nuclear weapons arsenal. And that's why more and more, your mission is marked by a real sense of urgency. You know, no one knows precisely when this dictator may acquire atomic weapons, or exactly who they may be aimed at down the road. But we do know this for sure: He has never possessed a weapon that he didn't use. What we're confronting is a classic bully who thinks he can get away with kicking sand in the face of the world.

So far, I've tried to act with restraint and patience. I think that's the American way. But Saddam is making the mistake of his life if he confuses an abundance of restraint -- confuses that with a

lack of resolve.

Over the past 4 months, you have launched what history will judge as one of the most important deployments of allied military power since 1945. And I have come here today to personally thank you. The world is watching. Our objectives in the Gulf have never varied. We want to free and restore Kuwait's government, protect American citizens abroad, safeguard the security and stability of the region. The united world has spelled out these objectives in 10 United Nations Security Council resolutions. To force Iraq to comply, we and our allies have forged a strong diplomatic, economic, and military strategy. But the Iraqi dictator still hasn't gotten the message.

Maybe he's confused by his own propaganda, this ridiculous radio broadcast that I understand the marines have labeled ``Baghdad Betty." [Laughter] Well, she plays all the oldies, so one guy suggested we send Iraq a tape of M.C. Hammer and a note that says: This is how we entertain ourselves. Just imagine how we fight.

We have been patient. We've gone to the United Nations time and time again. I'm prepared to go another time. We still hope for a peaceful settlement, but the world is a dangerous place. And we must make all of these options credible. Those in uniform, it seems to me, will always bear the heaviest burden. We understand something of what you endure -- the waiting, the uncertainty, the demands of family and military life. And we want every single troop home. We want every Brit to be able to go home as soon as possible. We want every single American home. And this I promise: No American will be kept in the Gulf a single day longer than necessary. But we won't pull punches; we are not here on some exercise. This is a real-world situation. And we're not walking away until our mission is done, until the invader is out of Kuwait. And that may well be where you come in.

As we meet, it is dawn in America. It is Thanksgiving Day. The church bells ring an hour of prayer, a day of rest, a nation at peace. And especially today, Americans understand the contribution that you all are making to world peace and to our country. Year after year on this special day, no doubt each of you has given thanks for your country. This year, your country gives thanks for you. Thanksgiving is a day of prayer, a day when we thank God for our many, many blessings. And I have done that today. This has been an unforgettable visit, an unforgettable visit.

And I leave -- as I know our Congressmen do, and I know Barbara does -- with pride in our heart, a prayer on our lips. God bless you all. God bless our faithful allies, the United Kingdom. God bless the Marines, and may God bless the greatest, freest country on the face of the Earth, the United States of America. Thank you and bless you all. Good luck to all of you guys.

Now, wait a minute, we've got a challenge to offer here. I brought you a present because I thought maybe you could find a place to use these things. No, and it's not a flyswatter. All right, I want to get the general to organize a little tournament around here. And I'll bet you -- and I

invite the winners -- this team -- you need two on a team here -- invite the winners to the White House as soon as you get through your workout here. And my son and I will be prepared at any time, at your convenience, to take on the winners on the White House horseshoe pit. It's a challenge; it's a firm invitation. I want the two best men you've got, possibly women -- we had a woman champion in the White House this year -- come and get it. I think we can whip you. Good luck.

Note: The President spoke at 3:50 p.m. to troops gathered at a Marine tactical site in the desert. In his remarks, he referred to Brig. Gen. J.M. Myatt, commanding general, 1st Marine Division; Lt. Gen. Walt Boomer, commanding general, I Marine Expeditionary Force; Brig. Gen. Patrick Cordingly, commander of the British 7th Armoured Battalion; Gen. H. Norman Schwarzkopf, commander of U.S. forces in the Persian Gulf; Gen. A.M. Gray, Jr., Commandant of the Marine Corps; and President Saddam Hussein of Iraq. Following his remarks, the President and Mrs. Bush had Thanksgiving dinner with the troops.

Exchange With Reporters Near Dhahran, Saudi Arabia

November 22, 1990

U.S. Armed Forces

Q. -- -- the other force was here, and something like four to one?

The President. Well, we're by far the largest country. Also, when you're the leader in the world for peace and for freedom, you bear a disproportionate responsibility. We're prepared to do that. I'm pleased that 23 countries are involved. I'm pleased that other forces are moving in. I saw the famed Desert Rats here today -- I'm very proud, once again, we're shoulder to shoulder with the Brits, for example. We have Arab forces here. But we're the United States of America; we have a disproportionate responsibility to lead and to stand for something. And that's what we're doing.

Prime Minister Thatcher of the United Kingdom

Q. Speaking of the Brits, what is your reaction to Margaret Thatcher's decision to resign?

The President. Well, of course you know of my high regard for Prime Minister Thatcher. We will obviously work with the next Prime Minister, and I expect that, knowing the fiber there, that they'll stay right on course with us. But on a very personal sense, I would send my best to her at this difficult time. She's been a staunch friend and ally. She's a woman of principle; she's stood for what she believes. You always know where she was and what she believed. I think everybody in America would agree that Margaret Thatcher has been an outstanding ally for the United States. I'm certain that this will continue with the United Kingdom.

But on a personal basis, I'll miss her because I value her counsel, I value her long experience -- the wisdom that comes from her long experience. She has been an outstanding Prime Minister for the United Kingdom and an outstanding friend to the United States.

President's Visit With the Troops

Q. Mr. President, on today, what did you learn by walking in the same footsteps of the soldiers you've sent here?

The President. I learned a lot about the kids just from looking them in the eye. And I learned once again something I already knew: how lucky we are to have this all-volunteer force as strong, as well-trained, and as highly motivated as they are. And I learned they are just like my own kids. Probably wish they were home Thanksgiving Day in the United States. And I learned that they're willing to be apart from their own loved ones because they feel it is their duty and their obligation. And they're strong and they're tough, and I've been very moved by today, I'll tell

you.

Q. Had you been concerned about the morale, sir, given the fact that it's over 4 months now and they've had nothing to fight?

The President. Well, I think the waiting is a difficult part of this. But I think they, like their President, would prefer a peaceful solution. But like their President, I sense a certain resolve on their part that if they have to do something they're prepared to do it. And they want to do it and do it fast. And they want to do it and get it over. I can understand that. I was in their shape 40-some years ago to this very day -- 46. So, I've been very moved and motivated myself by this.

And I'll go the extra mile for peace. We've been doing it. We've been showing patience and restraint. But I also know that this Saddam Hussein is cruel and he's brutal, and he's violating the rights of individuals. And I don't believe there's a marine out here, or an Army person or a Navy person or an Air Force man or woman, or a British Rat or our Arab allies that are not as upset as I am about the way innocent civilians are being treated. And I'll damn sure tell you: I'm upset about it. We'll try the peaceful route. We're trying it. But there will be no compromise with this kind of aggression. We're not going to compromise.

Iraqi Nuclear Capability

Q. Sir, you've talked increasingly today about a nuclear -- Saddam's nuclear capability --

The President. Yes, I'm concerned about it.

Q. What's behind that?

The President. There's nothing behind it. It's just the fact that I think the longer it goes on, why, I'm concerned about it. That's what's behind it.

Q. Do you have new information, more so than you thought before?

The President. I would just stay with what I've said here today. When I said, remember, that he's used every weapon that he's had, I'm thinking primarily of the brutality of those chemical weapons that he did use on his own people. And I hope the American people understand this more clearly now. But I darn sure get the feeling that the people out here understand it.

President's Visit With the Troops

Q. Was this an emotional day for you, sir?

The President. It was a very emotional day for me. And I think we are very fortunate to have this kind of dedicated young men and young women in the sands of Saudi Arabia today. It's only the United States that can lead like this -- it's only the United States of America. We have others with us, but these are the ones that are doing the heavy lifting. And God bless them all.

Note: The exchange took place at a Marine tactical site in the desert. In his remarks, President Bush referred to President Saddam Hussein of Iraq. A tape was not available for verification of the content of this exchange.

Remarks and a Question-and-Answer Session With Reporters Following Discussions With President Mohammed Hosni Mubarak in Cairo, Egypt

November 23, 1990

President Mubarak. We welcome President Bush in Egypt as an outstanding leader of a great nation. We welcome him as a true friend, as a man of principles and determination, a statesman endowed with vision and compassion. We value the contribution he has made to strengthen Egyptian-American friendship, bringing it to a higher level of cooperation based on principles and mutual respect.

We are proud of this partnership which has helped us to advance the cause of peace and the fraternity among all nations, to stand for eradication of injustice and the elimination of war and violence, and to contribute to the construction of a new world order -- a world in which all nations, big or small, have a right to live in peace and dignity.

In our talks today we pursued our discussion of several issues of common concern. We came out of these talks with a better understanding of how to deal with the challenge of our time. In the difficult weeks ahead we will leave no stone unturned in our search for a peaceful solution to the Gulf crisis. But let no one be in doubt that the status quo of occupation and repression is totally unacceptable to us and in the entire world. It is a threat to peace and security everywhere and a grave violation of the rule of law. It undermines the very foundation of our modern civilization. Hence, the Iraqi invasion must be reversed and Kuwait must be liberated. No tactics will divert us from our objective. No act of defiance will weaken our resolve or shake our determination. To both of us it's a matter of principle and moral commitment. If we fail to meet that challenge, the consequences will be grave for all nations. We cannot compromise on principle and moral values. Nor can we bargain on the fundamental right of peoples to live in freedom and dignity.

As you work together with the family of nations in order to bring the tragedy of the Gulf to an end, we shall address other problems with the same zeal and commitment. In the right context, the plight of the Palestinian people must be brought under focus. Their inherent right to self-determination should be exercised. The holy shrines of Jerusalem must be respected and protected.

Mr. President, you came to us in peace, and we greet you in peace. We stand here together at a crucial moment in the history of our region and the whole world. That moment has its great risks, but it equally holds great promises and offers tremendous opportunities. We stand united in order to realize these promises for the good of all peoples of the Middle East and the whole world. We shall continue -- we shall continue to build on what we achieved today for the benefit of our nations and that of humanity.

Thank you.

President Bush. Thank you, Mr. President. And let me just add that I had a very useful set of talks with my close and trusted friend of longstanding, President Hosni Mubarak. Let me just say at the outset how pleased Barbara and I are to be back here in Cairo and how pleased I am to have had such a long, productive meeting.

We reviewed the situation in the Gulf. And we agreed that while a peaceful solution brought about by sanctions is clearly preferable, steps must be taken now by all members of the international coalition so as to ensure that credible alternatives are available before much more time passes. There is complete identity of views between us on the need for Saddam Hussein [President of Iraq] to withdraw right away and withdraw without condition. So-called partial solutions are out of the question.

We also discussed the challenges to regional security that will continue to exist even should Saddam withdraw. Clearly, safeguards are required to ensure that such aggression does not recur and that Saddam does not turn to weapons of mass destruction to further his goals.

Let me just end these brief introductory remarks by reiterating our common commitment to continue working closely together to ensure that we succeed. The U.S.-Egyptian relationship is extremely close and is a true force for peace in the region. And I believe that much of the credit belongs to President Mubarak's leadership. I'm thus extremely happy to be here and to have had this opportunity to exchange views and to benefit once again from his counsel and insight.

Thank you, sir, for your hospitality.

Persian Gulf Crisis

Q. President Mubarak -- I have a question for both Presidents, please. You both used very strong language in recent days talking about removing Iraq from Kuwait and calling for the need for unity, and yet there are divisions on both sides. The Arab world is not united. Even yesterday Yemen suggested an Arab solution was needed. And, Mr. President, in Congress there's a lot of support for your present policy, but there seems to be a lot of skepticism over moving one step further. How have you both reached accommodation with -- you, sir, with Congress and you, sir, with other Arab nations -- in getting the unity that you're looking for?

President Mubarak. Your question is not a difficult question to answer, but I would like to tell you, in Yemen they said they are not going to vote for using force. They are looking for an Arab solution. Any kind of solution, whether it is an Arab solution, French solution, British, American, Moslem, Christian solution, it depends on two points: complete withdrawal without any precondition; then, the return of legitimate government to Kuwait.

If they are asking for no use of force, all of us don't want to use force. All of us want a peaceful solution, a complete withdrawal and the return back of the legitimate government of Kuwait to Kuwait. So, if anybody could solve this problem or could reach these goals peacefully, all of us will be very pleased, and we'll clap hands for them. So, there is no other solution except withdrawal and legitimate government to return back without any precondition.

President Bush. And I would simply add to that, the way to have Congress on board is to continue to explain what our principles are, to continue to explain that we must be successful, to demonstrate to the American people and to the people of the world that what President Mubarak has said is true: We all want a peaceful solution. We have been extraordinarily patient. The United Nations has passed 10 resolutions. And I will simply go home and talk -- continue the consultations, that most Congressmen believe have been extensive -- to make clear that they understand how we must remain determined and we must keep all options open.

And you mentioned Yemen. Yemen has supported some resolutions in the United Nations, and they have not supported others. We are not suggesting that every country in every part of the world feels as strongly about this as we do. But I can assure you, coming out of Paris, that the world still has violent disapproval of what Saddam Hussein has done. And I believe they will be supportive of any action that this superb coalition takes.

Q. President Mubarak, you have made clear that you, as President Bush and others, would much prefer a peaceful solution. If, however, that is impossible and if you have to resort to war to solve the current crisis, it is not clear from press accounts what the role of the Egyptian army would be. Would it be an army that would come in afterwards to help peacefully occupy Kuwait, or would it be in the forefront of the forces trying to retake Kuwait?

President Mubarak. Look, we have discussed all these points from the beginning with the President and the other friends. We send the forces there, and all of us know what will be the mission of the force. And I'm not in a position to tell you the details -- where the forces are going to stay or going to move -- but we have our plan coordinated with all the forces there. Whenever the use of force is needed and this option is going to be implemented, we have to act there.

Q. -- -- the word ``patience'' seems to have been forgotten in coalition lexicon in recent days. Why the urgency? I know you explained the potentiality of nuclear power and so forth. Is it Ramadan? Are you just running out -- I mean, what is forcing you to move so fast -- which is obviously the military option because President Mubarak sounded so pessimistic today?

President Bush. We haven't given up on the peaceful solution at all. We have been patient. I thought just before I spoke here that I used the word patience. If not, I'm glad you reminded me. We have been very, very patient. This man should have gotten out of Kuwait with no concession, no condition, long ago. We've gone to the United Nations for 10 different

resolutions, and indeed there will be another resolution. We have shown patience. We have explored all diplomatic options. We have had many people making inquiries of peace on behalf of Arabs and on behalf of others to this man. And I'm simply saying we're going to hold this coalition together, we're going to keep all options open, and we're going to see what happens.

But there's no timeframe, nothing -- no holiday, as you mentioned -- that's driving any decisions that I'll make, I can guarantee you that. President Mubarak can speak for himself. But we're getting tired of the status quo, and so is the rest of the world. And I think you'll see that in the discussions that are going to be held in the United Nations. I think the world will see the horror of what has been wrought on Kuwait by Saddam Hussein when the Kuwaitis are permitted to present the tales of brutality that just abound there in Kuwait. It's been awful what's happened. And I'm not sure the world fully understands that, so we do need a little more time to present that.

Q. Well, he has been stopped from any further aggression against -- --

President Bush. That's not the point, Helen [Helen Thomas, United Press International]. The point is he is still in Kuwait. And as long as he is there, this coalition will hold together, and we will not rest until he is out of there. And that is the point. And all options remain open. And I am convinced after my visit yesterday, all options are credible.

Q. I have a question -- --

President Bush. For me or for the President? Who is it for?

Q. For President Bush -- for you, sir.

President Bush. Yes, ma'am.

Q. Can we draw some lessons from the CSCE conference and -- applying similar mechanisms in the Middle East? Have you discussed such futuristic plans with President Mubarak and King Fahd [of Saudi Arabia] -- this is number one. Number two, what is your reaction to Mr. Shamir's [Prime Minister of Israel] statements concerning the occupied territories and the settling of Jews?

President Bush. First, on the CSCE. This isn't directly responsive to your question, but I'll say this to our friends here in Cairo -- and I did not mention this to my friend President Mubarak: Those countries, the newest members around the CSCE corridors, the Eastern European countries, were perhaps the strongest in their conviction that Saddam Hussein's aggression not be rewarded.

Vaclav Havel [President of Czechoslovakia] was eloquent -- indeed, he spoke at a press

conference on it -- [Prime Minister] Antall of Hungary, and [Prime Minister] Mazowiecki of Poland. And the reason is because they had been aggressed against by a different Soviet Union in the past. They know what it is to be oppressed and to have aggression succeed. So, this was one of the reasons, I think, there was strong support for what we are doing in terms of a future world order.

You heard President Mubarak refer to that. This, the integration of Arab countries into a CSCE process, wasn't discussed but implicit in our optimistic assessment that once Iraq is out of the way -- once the Iraq-Kuwait struggle is out of the way -- we can have a new world order. And that new world order certainly offers a much better chance for peace for the Middle East.

In terms of the Palestine question and in terms of what Mr. Shamir has said, I've learned something: not to comment until I actually see the quote. But the United States remains determined to be helpful, to be a catalyst in bringing peace to the West Bank question. And we are supportive -- we have always been -- of Security Council Resolution 242. We tried very hard before this aggression by Iraq -- which is unrelated in my view -- but we tried very hard to be a catalyst for peace talks to get going. And let me just say here we are still determined to play a very useful role in a peaceful resolution of this question.

And it is not something that we have forgotten. What I am equally determined to do is keep these two questions separate. There should not be any linkage. Saddam Hussein should not be able to hide behind the difficulty in one area so he can continue his aggression and brutality and torture in another.

And so, there has been a separation, but let me reassure you, the United States remains extraordinarily interested and hope we can be helpful in a lasting solution -- peaceful solution -- to the whole question of the entire Middle East.

Q. President Mubarak, could I ask you, please, about the role of President Assad of Syria? We understand that you were instrumental in urging Mr. Bush to meet with President Assad. I'd like to know why, sir. And I'd also like to ask President Bush why it is that not all that long ago it was Saddam Hussein that the U.S. was dealing with in the Middle East and Assad who was on the outs, and now things have reversed themselves.

President Bush. Well, you want me to go first? I'd ask you to repeat the question, because I didn't hear the first part of it. But if the question is why our outrage against Saddam Hussein today, when we had tried to improve relations -- he hadn't invaded Kuwait. He hadn't raped, pillaged, and plundered the people in Kuwait and the city of Kuwait itself. He hadn't violated this fundamental norm of international behavior. And indeed, other countries have tried to improve relations with him. And ours was one of them. I've said to you before, given what he's done now, maybe that is something we shouldn't have undertaken.

Now, what was your -- --

Q. Well, the question was really the role reversal and the fact that Mr. Assad is the one who has been on the list of those responsible -- --

President Bush. Mr. Assad is lined up with us with a commitment to force. Having seen those American kids in the desert yesterday, I will work with those that have stood forward and said, We are not going to permit Saddam Hussein's aggression to succeed. That doesn't mean we have no differences with Syria; we've got big differences on certain categories, and I'll be glad to discuss them with President Hafiz Assad when I meet with him.

But they are on the front line, or will be, standing up against this aggression. Out of this, I would only say I will work with those countries whose very presence enhances our chance of success in reversing this aggression. As long as I have one American troop -- one man, one woman left there in the armed forces in this Gulf, I will continue to work closely with all those who stand up against this aggression. Then I reserve the right bilaterally to point out any differences I have with a country, just as that country will probably, frankly, point out the differences they have with me.

President Mubarak. I think the President has answered the question completely. I would like to add one more point: that Syria is considered in this area one of the key countries and a good supporter to the goals which we are supporting. So, we shouldn't neglect her.

Q. Could I follow that up, sir?

Q. Mr. President -- --

President Bush. I've got three at once, I can't hear. I'm confused. There's three questions -- --

Q. President Mubarak, could I follow that up by simply asking you, sir, why you recommended the meeting? It seems that, based on what President Bush said the other day, that the concern was that President Assad was feeling left out, that it wasn't profitable for President Bush to meet with him, and you wanted to change that. You wanted to bring Assad in, out of the closet, so to speak.

President Mubarak. I said that President Assad is a key leader in this area. Secondly, President Assad is against the occupation of Kuwait. Third, President Assad has his forces now beside our forces and beside other Arab forces in Saudi Arabia for the purpose of liberating Kuwait. So, we shouldn't neglect him. He is a very important partner there.

Q. Was he feeling left out, sir? Was he feeling left out because President Bush wasn't meeting him?

President Mubarak. I think President Bush could answer you this question. But he is participating in the whole thing now in Saudi Arabia.

President Bush. I don't know whether he's feeling left out or not, but as I say, he is an important coalition partner, and I think it is appropriate that we discuss many questions that relate to the brutal aggression by Saddam Hussein against Kuwait. We do have a common goal here, a common purpose here. And so, I'm looking forward to it.

I can't tell you -- I had no signals on a personal level that he was feeling left out, but I think the people that I've talked to on this trip, including President Mubarak and including those I talked to in Saudi Arabia and elsewhere, feel that it is good -- and talked to some in Europe about this behind the scenes -- feel that it is good this meeting is taking place. Because there's a lot of countries -- different views on a lot of different questions -- that are together on this one question, the reversal of the aggression. And I think there was some feeling in all these places that it was important to include him in. They did not say whether he was feeling left -- yes, sir.

Q. Concerning Mr. Baker's [Secretary of State] visit to Yemen and the statement that followed, Mr. Bush, how far away are you now from achieving a U.N. resolution on the use of force? And if you fail to get one, is the United States willing to go with its allies in Saudi Arabia and in the Gulf, to go to war without U.N. backing?

President Bush. Well, I was asked that question earlier on, and I do feel we have the authority to do what we have to do. But we have tried very hard to work within the U.N. confines, within the Security Council. And I am confident that we will be successful in the Security Council.

The world is getting tired of this. And the Security Council is tired of the fact that resolutions have been passed calling for immediate withdrawal, and they haven't been implemented; calling for recognition of the safety and the right to resupply an embassy, and that has not been complied with. And I can tell you, sir, I am getting increasingly frustrated about the treatment of the U.S. Embassy and the treatment of innocent hostages.

So, I saw the report from our Secretary of State. We would like to get Yemen on board, and we'll keep working on that. I think it's in the best interest of Yemen to stand up against aggression in whatever way is required. But the fact that one country, which has approved some resolutions and has not approved others, might have reservations about this one -- that's the way it is. But we're going to keep working on it, and I think we're very, very close now.

Q. President Bush, you are seeking a U.N. mandate to force Iraq out of Kuwait. Would you prefer it setting a time limit, or rather not? And, with your permission, how would our mutual cooperation be more defined to cope with Egypt's political and economic responsibilities in our region? Thank you.

President Bush. Well, I think on the U.N. debate, we'll be discussing not only the need to consider further action but perhaps a timeframe. I'm not clear on that, and as I say, I want to work within the United Nations Security Council. In terms of Egypt, that's a bilateral question. And I think we have good bilateral relations.

I'm very pleased that the debt forgiveness program is of benefit to the man on the street in Egypt. I know -- I don't want to put words in his mouth, but President Mubarak expressed to me, asked me to express to the American people, his thanks for this. And this is a highly significant move that gives a certain flexibility to Egypt.

But, look, let me just say we will continue to explore every way to work cooperatively with Egypt, whether it's in the private sector, whether it's through the various programs that we have in effect. Because we have this international problem that draws us together now in the Gulf, the Gulf crisis, but we also have a longstanding relationship of working together on the bilateral problems. And I think that that recent action by the Congress -- and actively supported by the President, indeed, requested by the President -- on debt forgiveness is just one more manifestation of that.

Q. What is after Kuwait? What is after Kuwait, whether it is solved peacefully or by force, what is after Kuwait?

President Bush. Are you asking President Mubarak or me?

Q. President Mubarak.

President Bush. That's great. [Laughter]

President Mubarak. Of course, you know, after Kuwait, after solving the problem of Kuwait or exactly after liberating Kuwait, either withdrawal or using any other options, there should be some kind of measures to keep this area stable and to avoid any more tension and any more war.

Q. And the borders? Something about the borders?

President Mubarak. Remarking the borders, if it is needed for Arab forces to stay there, this will start from the people of the Gulf themselves. Let them study it; let they propose what they need; let we find out what kind of decision could we reach.

Q. Mr. President, I'd like to ask about Israel. You're probably aware that many have reacted in Israel with a sense of insult that could you go meet Assad and not stop in Israel. I wonder if -- given what you said today about the separation, I believe you put it, with policy there -- that you in any way intended that message?

President Bush. No, certainly not. I think the Prime Minister of Israel's comments show a certain understanding about what I'm trying to do. We will continue to have meetings with Israel. So, I haven't picked up anything like that at all. I've seen some press reports that express a difference. But, look, I'm focusing now on these meetings, on this trip, on this Gulf coalition. Syria is a part of it. Nobody should read more into it or less into it than that they are an important part of this coalition. So, I think that's manageable. I'm hoping to see Prime Minister Shamir when he comes to the United States, and indeed, we're in very close contact all up and down our bureaucratic level. So, I'm glad you asked it because I hope there's no misunderstanding. If there is, I'd like to lay it to rest.

This relates to the reversal of aggression, and I happen to feel that not only is that in the interest of the United States, I think it's in the interest of all countries, and that would include every country in the Middle East, which obviously includes the State of Israel. It is in their interest that we prevail, and it is in the interest of Syria, and it is in the interest of Egypt, and it is in the interest of the United States that we prevail against Saddam Hussein. That's what this is about. And we are going to prevail, and I never felt more sure of that than I do today.

Q. If I may follow. The question, as I'm sure you know with your expertise in foreign affairs, is that you can do much of what you want to do diplomatically with a phone call, without a meeting that rewards terrorism.

President Bush. That what?

Q. If you wanted to meet, or if you wanted to speak to President Assad about the Gulf situation, you could do that, as you often do, with a telephone call. But the allegation is that if you meet him personally -- --

President Bush. I've already had a telephone call with him. Now we're going to have a meeting. That should no way indicate that there are no differences between the United States and Syria on a wide array of questions. There are; everybody knows that. But we are together on this question, and now I want to be sure that we are solidly together in every way. And that is in the interest of every country.

President Mubarak. Could I add some words?

President Bush. Yes, please.

President Mubarak. I think no problem -- it's not a big problem just to -- that President Bush could meet with President Assad. As far as their meeting for peace questions, we should encourage that. The whole world needs peace. Whenever there is peace, there is stability. And a telephone call -- there is great difference between solving the problem, some problems, with telephone calls and sitting with each other and have direct talks. This may be, in some issues,

very effective. Thank you.

President Bush. This, I'm told by our leader over here on the right, not on the left this time, is the last question.

New World Order

Q. You said, President Bush, that a new world order would emerge once the Gulf crisis has been solved. How do you envisage this new world order?

President Bush. Well, I envisage it, one, where the whole -- once we're -- let me start over. Once we set back this aggression, and once it is clear that the security and the stability of the Gulf are enhanced by whatever arrangements are set into place -- once that this invading dictator gets out of Kuwait -- then I think that it's clear we're going to have an opportunity, given the diversity of this coalition, to work more closely together. And part of that -- I want to see a solution to the question of the West Bank, for example. But I think if we work cooperatively as are -- with our common sights set -- this aggressor will not succeed -- it opens up all kinds of possibilities for a new world order.

We're already seeing that world order means world. And we're beginning to see that with what happened out of the -- well, just as a result of the actions that led up to this successful CSCE meeting. I'm going down to South America, and the evolving democracies there are strengthening their economies, and we've got a program that I think will be very helpful there.

But as it relates to the Middle East, I think we've got all kinds of potentials for peace, given the fact that we've come together almost unanimously, standing up against this brutal dictator. And out of that and out of the contexts that go with that, I hope we can be catalytic in solving other problems, and I think that will lead to a new world order that has much better chance for peace for our children and our grandchildren.

So, that is the optimistic part of all of this. Right now we're facing a brutal dictator, and we've got to do something about it -- a man that's holding hostages and all of this. It's just unconscionable what the man is doing. But as we unite and as we prove to be successful -- and we will be successful -- I think we can then see all around this concept that aggression will not pay, that we have a better shot for world peace. And I will work my hardest to be sure that the United States plays an active role in that, whether it be in the Middle East or whether it be in the rest of the world.

That is the exciting part. The more troubling aspect is how do we get this brutal dictator out of Kuwait now? And that one we've been talking about.

President Mubarak. Thank you.

President Bush. Thank you all.

Note: President Mubarak spoke at 12:35 p.m. in the main hall of Itihahdia Palace. Prior to their remarks, the two Presidents met privately and with U.S. and Egyptian officials at Qubba Palace.

Exchange With Reporters in Geneva, Switzerland, Prior to a Meeting With President Hafiz al-Assad of Syria

November 23, 1990

Media Relations

Q. What do you think about Israel's disappointment, Mr. President?

Q. Gentlemen, if Saddam Hussein [President of Iraq] does not cooperate and withdraw, is war inevitable?

President Bush. I explained to the President that I do not take questions at what is billed as a photo opportunity. Of course, I also said that he's free to take questions if he wants. But I hope all will excuse me, but that's -- understand the groundrules.

Q. President Assad, will you commit your troops to an offensive action?

President Assad. Do you expect in such a big press conference that we speak about offensive or defensive action? [Laughter]

Q. Yes.

Q. Yes.

Q. Do you think we'll have another opportunity?

President Assad. Always politicians and statesmen would like to speak to pressmen so that they do not arouse their anger. But they like to give statements in the right times, in the suitable times. Who knows, there may come some good times to give you some statements.

Q. Inshallah [God willing]. [Laughter]

President Bush. That's Helen Thomas, United Press. Thank you all very much. We've got a lot of business to do.

President Assad. Do not forget what has been said. Do not carry home -- --

President Bush. Thank you all very much. It was wonderful. Thank you. [Laughter]

President Assad. These words will not appear in pictures. [Laughter]

President Bush. They may appear on one of these things, though. They pick up everything we say. [Laughter]

Q. But what about Europe? Excuse me, we are in Europe.

President Bush. I am pleased to be in Europe.

Note: The exchange took place at 7 p.m. in the Holiday Inn Crowne Plaza Hotel. Following the meeting, the President and Mrs. Bush traveled to Camp David, MD. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Hafiz al-Assad of Syria

November 23, 1990

President Bush and President Assad met for approximately 3 hours in Geneva. They had a discussion that can be accurately characterized as full and frank and that covered in depth a broad range of bilateral and regional concerns.

On the situation in the Gulf, the two Presidents agreed that Iraq's occupation of Kuwait is unacceptable, as are any partial solutions. They expressed their preference for a peaceful solution of the crisis in conformity with Arab League and U.N. resolutions. They also agreed that Iraq should receive no reward for its aggression and that Kuwait's territory and legitimate government must be restored fully.

On Lebanon, the two Presidents noted areas of progress and emphasized the necessity for the implementation of the Taif accords.

President Bush and President Assad also discussed the Middle East peace process and the importance of moving ahead consistent with United Nations Resolutions 242 and 338.

President Bush urged Syria to do everything in its power to help bring about the release of all hostages being held in Lebanon. The two leaders also discussed human rights issues.

Last, the two Presidents had an extended conversation on the question of terrorism, agreeing to continue the U.S.-Syrian dialog with the goal of achieving positive results.

Remarks at the Arrival Ceremony in Monterrey, Mexico

November 26, 1990

To President Salinas and Mrs. Salinas, to Governor and Mrs. Trevino, Mayor Rizzo, Mrs. Rizzo, friends and neighbors, and all the wonderful people of Monterrey, thank you for that welcome. Barbara and I are honored by all you've done, for all of the work that has gone into preparations for our visit. Muchas gracias [Thank you very much].

It is an honor to stand with you, before this magnificent palace, at such a promising moment in our shared history. For I believe that our two peoples are now on the eve of an era more cooperative and more prosperous than ever we have known before.

In this plaza, I can stand before Mexico's greatest heroes: Hidalgo and Morelos, who set this great nation on the road to independence; Juarez and Escobedo, who defined and defended the principles of justice and freedom that guide Mexico even to this day; and above all, the Mexican people themselves -- all of you here tonight -- who are the lifeblood of this great city and of this great nation.

So, I've come to Mexico tonight with a message of respect, of admiration, and hope for a brighter future shared by our two countries. And I am very pleased to be working closely with your dynamic and creative President, Carlos Salinas. He is the architect of a breathtaking economic transformation, and he is a great world leader. In his inaugural address, he expressed his ``certainty that Mexico -- because of its history, dimensions, and the quality of its people -- deserves to hold a stronger position among the nations of the world." President Salinas, I agree. And because of your Presidency, Mexico does hold a stronger position among the nations of the world.

In our consultations, President Salinas and I are discussing how we can achieve a brighter and more prosperous future for both of our nations. I believe that U.S.-Mexican relations have never been better. And let me tell you, as President of the United States, this relationship is of vital importance to my country. We will never neglect it. We are neighbors, and we are friends.

We want to work together toward the free and open trade so vital to creating jobs and enterprise in your economy and our own. We want to look for new progress against the scourge of drugs, so threatening to our youth. We have a precious environment to protect and future generations to educate.

And there are challenges, too, in the world beyond our borders. Reconstruction in Central America, the restoration of stability in the Persian Gulf region, the successful conclusion of world trade talks -- these are all issues that President Salinas and I are discussing together.

We are joined by our faith in freedom. And in the words of a great son of Mexico, Octavio Paz, liberty ``is a movement of consciousness that leads us, at certain moments, to utter one or two words: Yes, or no." And together, let us say yes to liberty. And let us commence a new era for both our nations where what stretches between us is not a barrier but a bridge.

And so, with candor and mutual respect as our guides, let us cross over into a new era of shared progress and prosperity -- for a stronger Mexico and a stronger United States and a better world.

Thank you for this warm reception. God bless the people of Monterrey. God bless the people of Mexico. And God bless the whole world in peace. And viva Mexico! Thank you.

Note: President Bush spoke at 6:15 p.m. at Heroes Plaza. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on President Bush's Discussions With President Carlos Salinas de Gortari in Agualeguas, Mexico

November 26, 1990

President Bush and President Salinas had lunch at the Salinas family home in Agualeguas and discussed a number of bilateral and regional issues. President Bush enjoyed the family home environment and the stay in this picturesque Mexican town. It was another opportunity, in an informal environment, for the two leaders to discuss the warm relationship between the United States and Mexico.

Much of their discussion focused on the free-trade agreement and the status of talks that have been held so far. Both Presidents are interested in pursuing the agreement as fast as possible and attach high priority to its successful conclusion.

President Bush and President Salinas also discussed increased cooperation in the war against drug trafficking, and they emphasized a commitment to do everything possible to end border violence.

The leaders discussed the situation in El Salvador, agreeing to press for a cease-fire and a negotiated settlement to the situation.

These issues and others will be discussed in greater detail at tomorrow morning's business session and the plenary meeting involving Cabinet officers in both countries. President Bush believes the first day has been enormously successful and appreciates the generous hospitality of President Salinas and the Mexican people. Both the President and Mrs. Bush were overwhelmed by the warmth and enthusiasm of the crowds that greeted them in Monterrey and the numbers of citizens who followed their motorcade into the city. It was a very heartwarming welcome to be received in such an enthusiastic manner.

Remarks to Community Members in Monterrey, Mexico

November 27, 1990

President and Cecilia Salinas, Secretary Solana, Ambassadors Petricioli and Negroponte, members of both Cabinets, we are delighted to be here. And at the outset of these remarks, may I thank everyone responsible for providing us with this magnificent forum in this magnificent theater and to thank the guests who are here -- President Salinas telling me that they come from all across the country. We are honored, and I am very proud to be here.

Mr. President, Barbara and I are touched and deeply impressed by the wonderful reception that we've been given by the people of your home State, from Charreada in Agualeguas to the bustling crowds of Monterrey. For our part, it's great to see Saddleback Mountain and to be with the civic leaders of this truly magnificent city, this truly great country. And it's also a pleasure to again spend time with your President. From the chambers of the United Nations to the halls of the Kremlin to the palaces of Paris and Prague, the world recognizes that Mexico has one of the most dynamic and creative leaders of our generation, your President, President Salinas. When I say ``our generation,'' I've got to be a little careful about this young President. [Laughter]

Little surprise, then, that one of my first acts as President-elect was to meet with your President in Barbara and my hometown of Houston, Texas. Yesterday President Salinas returned the favor by sharing with us the beauty of his hometown. And it was there in Agualeguas that I saw many similarities of our backgrounds. Both of us are the sons of Senators. Both of us were raised to believe in public service. And both of us know that what is true for two people is true for two nations: Friendship makes us stronger.

I know that my country is also stronger because of Mexico's contribution to our cultural heritage -- a rich bequest of architecture, language, and culture. And in a more personal way, it's a heritage bestowed on the Bush family. Our son Jeb has lived in your country. His wife Columba was born in your country, grew up in Leon and Guanajuato. And their union has given Barbara and me three beloved grandchildren. So, when I speak of Americans and Mexicans, I can only say: Somos una familia -- we are one family.

Of course, we're still distinct societies with very different identities, as we should be. But we've, at long last, discarded hollow fears and wornout cliches. And as the world watches, we're working together in a spirit of mutual respect.

The world is also watching because President Salinas is leading Mexico through an era of exciting, unprecedented reform. Like the Aztec eagle, Mexico is rising again as a 21st-century giant, greater than ever. The Mexican renaissance has begun.

Right from the start, President Salinas, his fellow leaders, and the Mexican people have shown unflagging courage, even in the midst of a grave financial crisis, high inflation, and a devastating hurricane. Such courage does not go unrewarded, and that's why Mexico is growing stronger by the day.

The world celebrates the impressive success Mexico has achieved in opening its economy so quickly, in restructuring its debt more creatively, and in reforming its national economy more wisely. These are bold moves, but we live in a time that demands bold action.

The world has not seen such rapid change since the last meeting in Monterrey between a U.S. President and a Mexican President. In 1943, when President Franklin Delano Roosevelt came here to consult with President Avila Camacho, we were allies in a life-or-death struggle against tyranny. That war ended in 1945. Another struggle, a cold war, came to a peaceful end in 1990. Yet even as the challenges change, the nature of our relationship as colleagues, neighbors, and friends endures and grows. This is what we mean by the spirit of Houston and Monterrey.

And it is in this spirit of friendship that we can work together to confront new challenges: to advance democracy and human rights, to provide for the economic prosperity and well-being of our citizens, to struggle together to protect our youth from drugs, and to protect our common environment from pollution.

As we meet, we are poised to conclude negotiations on international trade that will bring greater opportunity to our peoples. We must press now for the successful conclusion of the world trade talks known as the Uruguay round of GATT. The critical moment is at hand; we must not let the Uruguay round fail. As two of the world's largest economies, we must insist that all our trading partners act in a spirit of fairness and openness. We know all too well that trade-distorting subsidies and artificial barriers create winners and losers before the game even begins. We must insist that trade with the nations of Europe, Asia, and elsewhere at the very least be conducted on a level playing field.

Certainly, we've seen what trade liberalization can do just between two countries. Since Mexico entered GATT and lowered its tariffs, our two-way trade has boomed, from $34.8 billion in 1987 to over $50 billion in 1989; and figures are still climbing in 1990.

The maquiladora industry alone boasts of more than 1,700 plants, all generating foreign exchange for Mexico. The reason? Go to the leading automotive or electronics plants here in northern Mexico, and you'll find standards that are not excelled anywhere in the world. The world is demanding quality, and the U.S. and Mexican workers can provide it.

But the size and sophistication of U.S.-Mexico trade today only hints at our potential. We can create and share unprecedented prosperity and jobs. That is why we both want to conclude a bilateral free-trade agreement.

This agreement will not only allow us to expand markets, it will allow us to expand opportunity. Together, we can allow two economies to work in complementary ways. Together, we can produce goods and services that are world-class competitive. Free trade is good for the United States and good for Mexico -- good for American workers and good for the workers of Mexico. I really look forward to the day when we will meet to sign our names to a free-trade agreement that will write a new page in North American history.

But while we endorse expanded trade, we reject the idea of a world divided into two isolated trading blocs. The United States and Mexico must set an example for all nations. In my Enterprise for the Americas Initiative, I sketched out a vision of a hemisphere open to the free movement of goods, services, and ideas, from Anchorage to Montevideo. This is a vision that President Salinas shares, for he knows that Mexico is a critical link in this chain of progress.

Your great poet and Nobel laureate Octavio Paz wrote that ``Mexico has been, and is, a boundary between peoples and civilizations. Boundaries, however, are not only disjunctive obstacles, they are also bridges." So, let our work together build ever more bridges to join North and South.

But of course, our bilateral cooperation extends far beyond commerce. Our peoples live in peace and freedom; but halfway around the world, a brutal, unprovoked aggression shattered the peaceful desert sky. Once again, Mexico and the United States stand united in rejecting aggression, this time, that of the dictator of Iraq. Mexico is opposing this aggression with a strong and respected voice in the United Nations and by increasing its contribution to the world oil market. And so, I am here today to thank Mexico and thank your President and to salute the Mexican people for your world leadership.

What could not be done in the past can be done today. The world of global conflict is giving way to a new world order of global cooperation.

Next week, when I visit your sister republics in South America, I'll discuss the historic nuclear nonproliferation treaty pioneered by Mexico in 1967. This treaty has played an important role in keeping this hemisphere free of the dangerous competition of nuclear weapons that threatens so many other regions of the world.

But there's another threat to the peace, one that's more subtle, one that knows no nationality and respects no borders. I'm talking about drugs and the violence they bring, that President Salinas so eloquently spoke about a minute ago. Both President Salinas and I have committed our governments to a decisive victory over drug trafficking.

Like all conflicts, the drug war claims casualties. Each time a hero falls, it doesn't matter if he loses his life on my side or your side of the border. Let no one doubt our resolve. We will not be

divided against each other, dissuaded from seeking justice, or frightened into submission. We must not flag or fail. We must and we will win together this war on drugs.

I think we've always known it, but we know now that what affects one of us affects both of us. This is no less true when it comes to our common environment -- critical to the future of both our nations. A few weeks ago, I signed the first comprehensive clean air legislation in 13 years, new legislation that will benefit not just my country but the whole world. We're also working with you to improve air quality in our large cities and reduce pollution along our common border. If I may paraphrase your President, the children of Los Angeles and Mexico City deserve blue skies by day and stars to wish upon by night. That bright and hopeful future must be our mission because our children and their children deserve nothing less.

Your President and I also understand that our two nations have much to share in a greater marketplace: the marketplace of ideas. That's why we've created the U.S.-Mexico Commission for Educational and Cultural Cooperation, a new way to promote a dialog among our scholars and our artists and our educators. And when our brightest men and women confer, I believe that one of the things they will tell us is this: We're facing a new century, so let us begin this new century not simply as neighbors but as friends. Let us begin this new century not as mere partners in trade but as partners in leadership.

Standing alone, we're still the nations that produced giants of leadership like Washington and Hidalgo, giants of freedom like Lincoln and Juarez, and giants of the spirit like Carl Sandburg and Octavio Paz. But as great as our two nations are when we stand together, we are never taller than when we stand for principle.

Once again, thank you for this extraordinarily gracious hospitality. May God bless you all and the peoples of the United States and Mexico. Thank you very, very much.

Note: President Bush spoke at 11:15 a.m. at the Teatro de la Ciudad. In his remarks, he referred to President Carlos Salinas de Gortari's wife, Cecilia; Secretary of Foreign Relations Fernando Solana Morales of Mexico; Gustavo Petricioli, Mexico's Ambassador to the United States; John D. Negroponte, U.S. Ambassador to Mexico; and President Saddam Hussein of Iraq.

Remarks at a Meeting With Mexican and American Business Leaders in Monterrey, Mexico

November 27, 1990

Thank you, my friends. Thank you, Mr. Minister, Jaime Serra, for that kind introduction, and to all of you for that warm reception. Mr. Sada, I enjoyed your remarks, sir, and thank you for your comments about Texas. I expect Bob Mosbacher would respond also in this way, or our Secretary of State Jim Baker, and quite a few others in our administration.

But I am just delighted to be here. And really, in Monterrey I have felt the warmth of the friendship that has grown between our countries. I like to feel it's always been there. But I can tell you at the outset of these brief remarks, I don't ever remember a time when Mexican and U.S. relations were better. They are superb, and I'm going to keep working my heart out to make them even better still.

I want to salute the business people from Mexico and again express my appreciation to the business leaders from the United States that are with us today. We had a very important breakfast. This meeting, I'm told, has gotten into a lot of technical questions; and if we do have time for questions afterward and you ask me about flower duties or something of that nature, I will pass the question off to our able Ambassador Carla Hills or our able Secretary Bob Mosbacher.

But you know, preparing for this trip, I noted that 47 years ago, 1943, the last American President to visit Monterrey, Franklin D. Roosevelt, told of his hopes that one day every Mexican and American President would feel at ``liberty to visit each other just as neighbors visit each other'' -- and he went on -- ``just as neighbors talk things over and get to know one another.'' Today that ideal of a special relationship between the United States and Mexico is no longer a dream; it is real. It's as real as the spirit and drive, the compassion and the courage of this great President of yours, President Salinas, and of the Mexican people themselves.

Bernal Diaz, a great 16th century writer, once wrote of Mexico that ``never in the world would there be discovered other lands such as these.'' The Mexico of 1990 lives up to that early vision. Yours is a land of beauty, the boundless energy of a creative people. It's a land of optimism and a land of infinite opportunity. You're a nation proud of yesterday and hopeful for the future, and it's a future that the United States wants to participate in. We want to share in that future.

It's easy to see why Mexico is so strong and why the relationship between our two nations has never been better, never been more important. Today more people than ever before are establishing between us stronger social, cultural, and economic ties.

Today our governments are working closely to win this war on drugs, a war that takes a terrible

toll on the lifeblood of both Mexico and the United States. Our law enforcement officials have been meeting regularly with their counterparts in Mexico and working very closely together. Their efforts are beginning to pay off, as we see more illegal drugs seized than ever before.

We also see more and more universities on both sides of the border developing exchange programs as we work to encourage intellectual achievement and better understanding between our peoples. And we're working together on a host of common endeavors to protect our environment.

But it is difficult to imagine any theme more vital than the one that I'm told you have been discussing here this morning: how the private sector can create and expand the economic resources that sustain our relationship as a whole. I can tell you that I am convinced that the most important step that we can take together as two nations and as two peoples with drive and determination is the conclusion of this free-trade agreement between the United States and Mexico.

You know that agreement is important because free trade means more jobs and productivity for both Mexicans and Americans. You understand the economic importance of the United States; and America, too, realizes the importance of Mexico. Consider that Mexico is now America's third largest trading partner -- $52 billion in trade in 1989 -- and this year's number I understand will be even higher. Since every billion dollars of exports creates roughly 25,000 jobs, more cooperation means more prosperity for more people.

I know there's no blueprint, no one-size-fits-all approach, to progress and reform. Each nation must decide how best to achieve economic growth. But it was President Salinas who said in his recent State of the Union Address: ``Mexico doesn't want to be a third world nation. It wants to be a first world nation." He understands that prosperity in this hemisphere depends on trade, not aid. Already, your automotive, electronic, tourism, and other industries have shown world-class productive capability. And when you grow, we grow. A Mexico that wants to get out and compete has selling power, but it also has buying power. And that's a good Mexico -- good for America.

Negotiating this free-trade agreement is not going to be easy. You're going to hear criticism -- we all will -- just as we did when we negotiated our free-trade agreement with our neighbors to the north, with Canada. But we should remember what trade liberalization can and already has done. In 1988, Mexico entered the GATT, and our bilateral trade with Mexico soared to over $50 billion -- up $17 billion from the year before the GATT entry.

Virtually everyone favors free trade and fair trade, but not everyone has the vision to make it a reality. I believe that we do; I believe that Mexico and the United States do. And I ask you not only to help make it happen but to make it succeed. Both our peoples can then look to a future of peace and prosperity -- a proud future for two nations sharing not just common borders, not just common ideals, but a friendship that will last for generations.

I can't tell you what a joy it was yesterday to be in President Salinas' home with our family and his family. It was more than symbolic because of the hospitality -- was just exceptional. But I think it sent a signal -- I hope it did send a signal -- that we are true friends, North and South, Mexico and the United States of America. We have so much in common.

I want to thank you all for your kindness. I want to thank you for participating in this important forum. I want to thank you on my wife's behalf for this exceptional hospitality on this truly wonderful visit. And I want to express my thanks once again to President Salinas, to Minister Jaime Serra. And God bless the great nation of Mexico. Thank you all very, very much.

[At this point, an audience member asked a question in Spanish, and a translation was not provided.]

The President. In the first place, I don't think that protectionism in our country is very strong. As the gigantic United States economy slows down -- it may slow down even more -- it concerns me that some in our country and some in our Congress might turn inward to what you properly label as a protectionist mode. I don't think it is a major problem. And the reason I don't is because, in part, of our relatively slow, gigantic economy -- some will tell you parts of our country are in recession; others are saying it's just very, very close to very fractional growth. But nevertheless, in spite of these differences, our exports are very, very strong.

And I think most Americans realize that if we are going to export we better not be protectionists. You can't have it both ways. We shouldn't want to have it both ways. So, I don't think, as we go forward on a free-trade agreement, that it's going to get caught up in the evil vise of U.S. protectionism.

I think one thing that would be extraordinarily helpful in that regard is a successful conclusion of the GATT round, the Uruguay round, because I think that would send a very strong signal.

And if we are successful, we're going to have -- Ambassador Hills, Secretary Mosbacher, and myself as President -- we're going to have some problems with certain elements, certain groups, in the United States Congress. But I am convinced that a successful negotiation in conclusion of the Uruguay round will be approved strongly by the Congress, and I think it would be extraordinarily helpful in setting back any enthusiasm for protection that might exist in our country.

Recently, I had to veto a piece of legislation which I'm sure you're familiar with regarding textiles. Now, that was a manifestation of protectionism -- lingering protectionism, you might say. But the veto was sustained. It was just before an election. The popular vote was the other way, opposite my position, and I understood this. But the veto was sustained. And this President will continue to veto protectionist legislation. I may not get majorities in the Congress, but I think I will have enough support in the Congress to see that we don't throw up any legal impediments

to the work that's going forward on the Mexican-U.S. free-trade agreement.

So, I'm glad you raised it. It is a concern. It is not an overwhelming concern. I think it's something that can be managed. And I feel, from talking to a lot of Members of Congress and to some of our own people about this, that there is genuine enthusiasm for this project that would override any vestiges of protectionism.

Note: The President spoke at 11:59 a.m. in the ballroom at the Casino Monterrey. In his opening remarks, he referred to Secretary of Commerce Jaime Jose Serra Puche of Mexico; Bernardo Garza Sada, prominent Mexican businessman; Secretary of Commerce Robert A. Mosbacher; and U.S. Trade Representative Carla A. Hills.

Toast at the State Luncheon Hosted by President Carlos Salinas de Gortari in Monterrey, Mexico

November 27, 1990

President Salinas, if I may, I want to thank you for your hospitality and friendship, and your counsel and your commitment to a stronger relationship between our two countries.

For both President Salinas and I, home is no more than 200 miles from our common border. He referred to this. We both grew up in families with a heritage of public service, and we were inaugurated at the same time in history. When we first met in Houston in 1988, neither of us had yet assumed office, but both were fully aware of the challenges facing us in the relationships between our nations.

No country is more important to the United States than Mexico is. The United States bears the imprint of your culture. Your nation is our third largest trading partner. Twelve million Americans -- twelve million -- call Mexico their cultural homeland. We've faced many challenges together, whether it's the conflict of Central America or the drug lords in the Andes.

In our Houston meeting and in our many meetings since then, you've always brought Mexico's perspective into positive focus, pointing the way to the kind of communication and cooperation that has benefited us both so much. And now we're on the verge of negotiating an historic free-trade agreement, the symbol of how far our two countries have come in learning to understand, respect, and work with one another. This agreement will unleash powerful energies in both economies. Countless new ventures will emerge. More jobs, higher standards of living, and greater productivity will make us both more competitive in the global arena.

As you said in your State of the Union Message, ``We want to harness the new winds of change that are blowing beyond our borders." And without ignoring risks, you celebrated new freedoms, and you saw fresh hope.

Mr. President, as I leave Monterrey, my views are reinforced. I share your views enthusiastically. We're not on an easy path, but I firmly believe we are on the right one. And I sincerely hope that our two nations share the same path of freedom and opportunity for years to come.

And so, in the spirit of Houston and Monterrey, I raise my glass to a great leader and a great nation, a man who has raised Mexican-U.S. relations to a new level, to President Carlos Salinas de Gortari and to Mexico.

God bless you all, and thank you for a wonderful visit.

Note: The President spoke at 1:08 p.m. in the courtyard of the Governor's Palace. Following the luncheon, he participated in a departure ceremony at General Mariano Escobedo International Airport and returned to Washington, DC. A tape was not available for verification of the content of these remarks.

Mexico-United States Joint Statement

November 27, 1990

Joint Press Statement at the Conclusion of President Bush's State Visit to Mexico Held in Monterrey on November 27, 1990.

At the invitation of President Carlos Salinas de Gortari, President George Bush of the United States of America paid a state visit to Mexico, November 26 - 27, 1990. During this visit the two Presidents exchanged views on an extensive agenda of common interest.

Both Presidents, reflecting the climate of friendship and cordiality of relations between the two countries and the intention reaffirmed by both heads of state in previous meetings for this climate to materialize in concrete results to enhance the symbols of good neighborliness, held a friendly and cordial dialogue on the most important issues on the bilateral agenda as well as on regional and global matters.

Presidents Bush and Salinas de Gortari underscored that the best means to strengthen bilateral relations in the future is through dialogue with mutual respect for each other's sovereignty. They stressed their conviction that bilateral relations should be evaluated as a whole, without allowing any single issue, regardless of its complexity, to detract from the need for maintaining such a dialogue, in order to ensure that relations remain at their present optimum level.

The diversity and complexity of Mexico-United States affairs should be viewed as a challenge and as an opportunity that encourage nations to pay unceasing attention to this relationship and to take effective measures to solve problems still pending.

In reviewing recent achievements, the Presidents noted the progress achieved in areas such as trade, financial cooperation, border issues, the fight against international drug traffic and abuse, cooperation for environmental protection, and strengthening of cultural and educational exchange, and tourism. The Presidents also stated that such achievements are largely due to the excellent cooperation between the Governments within the framework of the binational commission, through which a substantial number of Cabinet members of both countries and leaders of U.S. agencies and Mexican decentralized organizations can meet to hold a dialogue at least once a year.

Free Trade Agreement

In the area of the rapidly expanding trade and investment, the Presidents reaffirmed their commitment in regard to the need to promote trade liberalization and to continue consultations towards a free trade agreement between Mexico and the United States, contemplating the way in which Canada might consider joining such negotiations.

Enterprise for the Americas and Uruguay Round

The Presidents also focused on the current status of consultations with Latin American countries about the Enterprise for the Americas, and reaffirmed their commitment to a successful conclusion of the Uruguay round.

Border Issues

The Presidents' discussion included a general examination of issues concerning their common border, noting that it is one of the most heavily utilized in the world.

Both governments, having agreed to facilitate the rapid passage through ports of entry, and conscious of the vital importance for border communities of both nationalities of prompt attention in the ports of entry of the two countries, and affirming their interest in achieving improved facilitation of services, including operating hours, expressed their satisfaction with the establishment of new border ports, and with the progress in the construction of the Zaragoza-Ysleta, Colombia-Dolores and Lucio Blanco-Los Indios bridges, as well as the authorization for nine new ports of entry.

The Presidents shared their concern about the cases of violence on both sides of the border. They strongly condemned such acts of violence and instructed their respective authorities to propose, through the sub-group on consular affairs and protection of the binational commission and other timely high-level meetings, joint recommendations calling for new specific mechanisms with the objectives of arriving at a satisfactory solution of pending cases and creating awareness in order to prevent the repetition of such incidents in the future.

Tuna Exports

President Salinas informed President Bush of his concern about the impact of the tuna embargo on Mexico. President Bush noted the recent judicial action in support of the administration's position that the embargo be stayed, and pledged to work cooperatively with Mexico bilaterally and other nations to seek alternative solutions to this problem, including a multilateral convention.

On the same subject, President Salinas ratified his Government's intention of taking part in multilateral agreements -- based on equity and appropriate scientific evidence -- for the conservation of marine species, including tuna and marine mammals.

The War Against Drug Trafficking and Drug Abuse

In reference to the fight against international drug trafficking, Presidents Salinas and Bush

reaffirmed their conviction that only through efficient international cooperation, based on strict respect for each country's sovereignty, can drug trafficking be fought, and at the same time the demand for drugs reduced.

The Presidents underscored that in this war it is the exclusive responsibility of each country to reinforce in its respective jurisdiction applicable national laws.

The Presidents also reaffirmed once more their recognition of the courage shown by officials waging the war on drug trafficking in each country.

The Governments of Mexico and the United States further reaffirmed their intention of continuing the expeditious consultations concerning the exchange of the instruments of ratification of the mutual legal assistance agreement. President Salinas de Gortari pointed out that the Mexican Senate would have to be informed of the results of such consultations in accordance with the Mexican Constitution.

Environmental Cooperation

The Presidents emphasized the need for ongoing cooperation in the area of environmental protection.

Both Presidents instructed the authorities responsible for environmental affairs of their countries to prepare a comprehensive plan designed to periodically examine ways and means to reinforce border cooperation in this regard, based on the 1983 bilateral agreement. Such a mechanism should seek ways to improve coordination and cooperation, with a view to solving the problems of air, soil, and water quality and of hazardous wastes. State and municipal authorities of both governments and private organizations in both countries should participate in such tasks as appropriate.

Educational Cooperation

The Presidents expressed their satisfaction with the signing of an agreement to create the United States-Mexico Commission for Educational and Cultural Exchange for Scholarships, stressing the significant participation of the private sector in the Executive Board of said Commission.

Financial Cooperation

The Presidents examined the measures adopted against money laundering, as well as those designed to avoid double taxation and agreed to pursue negotiations on issues in this area.

Tourism

The Presidents agreed on the need to facilitate tourist exchange and transportation even further. To that end they agreed to support mechanisms such as the signing of a memorandum of understanding for charter buses to bring tourists into Mexico and to encourage and promote investments in this area.

World Affairs

In the area of regional and global matters, the two Presidents held an extensive exchange of views and information. President Salinas de Gortari informed President Bush of Mexico's intention to cooperate in the search for a negotiated solution to the conflict in El Salvador, in support of the measures taken by the Secretary General of the UN based on resolutions of the Security Council.

In turn, President Bush provided a detailed explanation and assessment of the Persian Gulf situation from the U.S. perspective after his recent visit to that area. The two Presidents once again expressed the desire for a peaceful resolution to the situation in accord with UN resolutions, and exhorted the Government of Iraq to effect an immediate unconditional withdrawal from Kuwait and to release at once all hostages that still remain in that country. Both Presidents expressed their satisfaction with the prevailing spirit of a frank and positive dialogue, both between themselves and their administrations, reflecting the unswerving will to sustain and strengthen the friendly relations between Mexico and the United States.

Note: The joint statement was made available by the Office of the Press Secretary, but was not issued as a White House press release.

Remarks on Signing the Food, Agriculture, Conservation, and Trade Act of 1990

November 28, 1990

Thank you very much. Thank you all. Well, thank you all very much. Delighted to have you here at the White House. Let me first thank Secretary Yeutter for all his hard work, and then the front row of heavy hitters here from the United States Congress: Chairman Leahy and, of course, the minority leader, Senator Dole; Senator Cochran; Senator Lugar; Senator Bond -- all extremely interested, all terribly important to this legislation. I understand, Clayt, that there's quite a few people from the Department here, and I want to take this opportunity to thank them.

You know, there's no question here or anyplace else how crucial a strong agricultural sector is to the future of this country. From the fields to the supermarkets, agriculture creates 1 of every 7 jobs in this country; 8 out of 10 of them off the farm, spreading the seeds of economic growth across the entire country.

America grew to greatness on the strength of own agriculture. For that, I know that all of us will always be proud and thankful to America's farmers. Our farmers are the best. Period! They outproduce every other nation in the world by far, and even outproduce some continents. They're world champion providers.

We're in the Uruguay round negotiations, making every effort to achieve substantial agricultural reform, which will include major reductions in trade-distorting barriers. We want to bring home a fair deal for American farmers, and I can assure you there will not be a signature on one that is not fair.

Here at home, the legislation I'm about to sign will help our farmers continue to be leaders in global agricultural trade. We've been working closely with the leadership in the Congress to get a farm bill that keeps our farmers competitive and keeps our rural areas environmentally sound. And I believe, after talking to some of the Members here, that this bill meets that standard. It's a market-oriented bill that lets farmers make more of their own production decisions based on the market rather than on government support prices. It also encourages the research that is so crucial to helping our farmers maintain their global lead in agriculture.

The 1985 farm bill was a success. Farm income has been at record-high levels for the last 3 years. This bill, and the reconciliation bill that accompanied it, continue and expand the market orientation of that law. Farmers will have greater flexibility to enhance their income by having the choice to make their own production decisions in response to market signals. Moreover, for every percentage point that is shaved from interest rates and inflation due to deficit reduction, farm income benefits by over a billion dollars.

Because farmers have always been important stewards of the Earth, this farm bill will help farmers protect water quality and wildlife habitat. And its greater flexibility will boost crop rotation, in turn helping to control weeds and pests and erosion. There's more in this legislation to protect our environment. In fact, this is the most environmentally progressive farm bill ever signed. It creates a wetlands reserve; improves the Conservation Reserve Program; and encourages urban forestry initiatives, including funding for a program that's near and dear to my heart, the America the Beautiful Initiative. That moves us toward our goal of planting a billion trees across America.

For the sake of low-income Americans, I'm particularly pleased with the 5-year continuation of the Food Stamp Program, the foundation for food assistance for Americans in need. Congress and this administration worked closely together to develop a program that is easier for recipients to use and reauthorizes the Commodity Supplemental Food Program and the Emergency Food Assistance Program.

So, to the Members of Congress who worked so hard to get this bill passed -- to Senator Leahy and Dick Lugar of the Senate Agricultural Committee; then in the House side to Congressmen Kika de la Garza, the chairman, and Ed Madigan, who couldn't be with us today; and to all involved here -- and I'll single out again our minority leader in the Senate, Bob Dole -- well done.

And to you, Clayt, and the dedicated people at the Department who worked so tirelessly with Congress to get this farm bill written and passed: You've given this administration a farm bill of which I think we can all be very proud.

And to all of you here today from the State ASCS [Agricultural Stabilization and Conservation Service] offices, who will be working so hard to implement this bill in the coming years, thank you for taking on this crucial task. You're helping assure a bright future for farming in America.

And now, with no further ado, I'd like to ask these five Members of Congress and the United States Senate to come up as we sign this legislation.

[At this point, the President signed the legislation.]

Listen, thank you all very much for coming, and he who lifts it can have it. [Laughter]

Note: The President spoke at 11:07 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Secretary of Agriculture Clayton K. Yeutter. The President's closing comments referred to the large size of the bill. S. 2830, approved November 28, was assigned Public Law No. 101 - 624.

Statement on Signing the Food, Agriculture, Conservation, and Trade Act of 1990

November 28, 1990

I am pleased to sign S. 2830, the ``Food, Agriculture, Conservation, and Trade Act of 1990." This Act represents the culmination of many long months of effort by the Congress and the Administration. The effort has been worthwhile, for this farm bill addresses several goals, shared by my Administration and the Congress: keeping American farmers competitive in world markets, assisting farmers in their efforts to protect our environment, and stabilizing the farm economy and our food supply. I also applaud the reauthorization of the nutrition assistance programs vital to the good health of our low-income Americans.

I am most pleased with those aspects of the 1990 farm bill that continue the market-oriented shift begun in the 1985 legislation. Increased planting flexibility, farmers' control over their own production decisions, and greater reliance on signals from the market rather than on Government support programs are key to this market-oriented shift. Increased flexibility in planting choices contained in the 1990 farm bill will allow farmers to break out of the traditional farm program straitjacket, which bound them to produce the same crop year after year, regardless of market opportunities.

In the Uruguay Round, we are committed to reducing market barriers and export subsidies that deny our farmers competitive access to market opportunities around the world.

Agriculture will greatly benefit from the reduction of the Federal deficit because interest rates and inflation will be less. For every percentage point that interest rates fall, farm income is estimated to increase by three-quarters of a billion dollars annually. For every percentage point shaved off inflation in the cost of production, farm income is estimated to grow by one-half billion dollars annually. American farmers have always made the most of such opportunities.

From a budget perspective, the reductions in spending in this bill and in the related provisions of the Omnibus Budget Reconciliation Act of 1990 -- a total of around $13 billion over the next 5 years -- will assist in the effort to reduce the deficit and reduce interest rates and inflation.

Planting flexibility available through the 1990 bill provides a further important step in harmonizing the protection and enhancement of the environment with commodity support programs. Farmers have always been recognized as stewards of the land, and now I call upon them to continue their leadership. Many provisions of this farm bill will help farmers protect water quality and wildlife habitat. Greater planting flexibility will boost the use of crop rotation, which will in turn enhance soil fertility and aid in the control of weeds, pests, and soil degradation. The Congress reaffirmed its commitment, which I share, to the preservation of wetlands in establishing goals for enrolling land in a Wetland Reserve Program.

The forestry provisions of the farm bill provide the authorization for my America the Beautiful Initiative. Although appropriations to date may not be sufficient to ensure that my goal of planting one billion trees annually is fully met, strides in that direction are incorporated in the legislation. I will continue to work with the Congress to see that our mutual concerns for our Nation's forest resources are fully met.

I am particularly pleased with the 5-year continuation of the food stamp programs, the foundation for food assistance for low-income Americans, and the reauthorization of the Commodity Supplemental Food Program, the Emergency Food Assistance Programs, and the Food Distribution Program on Indian Reservations. The Congress, the Administration, and the States worked together to enhance food stamp program integrity to ensure that benefits are used as intended. Coupled with last year's reauthorization of the Child Nutrition Program, and the Special Supplemental Food Program for Woman, Infants, and Children, the Nation's food assistance programs are now in place for years to come, ensuring that the bounty of American agriculture is shared with all Americans. However, I am concerned that the bill forgives the States' obligations to repay the Federal Government for past errors in payments. Given the demands on Federal resources, everything possible must be done to require their efficient and fair use.

I am also pleased that this farm bill reforms and streamlines the administration of our overseas food aid programs and continues our export programs that keep American products competitive in world markets. Of particular importance to me are provisions that would implement parts of my Enterprise for the Americas Initiative aimed at helping Latin American and Caribbean countries and grant authority to reduce needy countries' debt repayment obligations under the Food for Peace Program.

I am also pleased that the Congress has endorsed the Administration's initiative for growth in the size of the competitive research grant program for agriculture. Only by ensuring that the best minds produce the best science can we build a secure foundation for future technological advances in farming. However, while the Federal Government has a critical and unique role to play in supporting such basic science. I do not see a corresponding need to subsidize private sector activities in product development. Consequently, while I strongly favor the idea of commercializing emerging innovative technologies, I do not support the establishment of the Alternative Agricultural Research and Commercialization Board to provide federally subsidized grants and loans to the private sector for this program.

Some aspects of the rural development title will help to improve the economic vitality of rural America. In particular, formation of a new Rural Development Administration presents an opportunity to improve coordination of important community and business programs. However, many other rural development provisions could greatly increase Federal costs without necessarily improving the welfare of rural America. In particular, the provisions regarding rural telephone loans represent unwarranted increases in Federal subsidies and risk. Telephone borrowers, many

of whom are large and profitable holding companies, can now use Federal loans to build office buildings, can determine their own loan terms, and can have their required debt service margin reduced. These changes reduce the Administration's ability to manage properly telephone loan risk, and in effect turn control of the program over to the borrowers.

I also note that in enacting amendments to the law governing the Rural Telephone Bank Board, the Congress provided that the members of the Board would exercise management authority ``within the limitations prescribed by law." Consistent with my obligation to construe statutory provisions to avoid raising constitutional questions, I construe this savings provision to embody the recognition that those Board members not appointed in conformity with the Constitution cannot exercise the authority vested by the Constitution in officers of the United States.

I further note that a number of other provisions of the bill could be construed to vest governmental authority in private parties. These provisions appear to raise constitutional concerns, and I am accordingly directing the Secretary of Agriculture to consult the Attorney General to consider whether curative legislation or other action is needed to ensure that these authorities are exercised as the Constitution requires.

In spite of these drawbacks, on balance I have before me a farm bill that will enhance the competitiveness of our farmers and the health of our citizens. My gratitude goes to those who have worked so tirelessly to produce this legislation: concerned citizens, Members of Congress, and my own Administration. I look forward to continued prosperity in the agricultural economy and good health and nutrition for our citizens.

This is not a perfect farm bill either from my perspective or from that of many Members of Congress. But the vision of all who worked on this legislation is the same: prosperity for our agricultural sector and the nutritional well-being of our people. The bill before me is faithful to our shared vision.

George Bush

The White House,

Nov. 28, 1990.

Note: S. 2830, approved November 28, was assigned Public Law No. 101 - 624.

Remarks on Signing the Cranston-Gonzalez National Affordable Housing Act

November 28, 1990

Well, thank you all very much for being here today. And of course, it's great to be with our enthusiastic and effective Secretary of HUD, Jack Kemp, who deserves great credit for what we're about to do here. And of course, I want to salute the Members of Congress -- they've been so helpful and instrumental in this -- who are with us today. I see Kit Bond, and Al D'Amato was to be -- they're sitting there. And I want to thank, particularly, the chairmen of the Banking Committee, Senator Riegle and Congressman Henry B. Gonzalez, for their work on this. I'm told that their counterparts, Jake Garn and Chalmers Wylie, are not with us today, the ranking Republicans on the committee; but I also want to thank them for their remarkable efforts.

I understand that some mayors are in town. Quite a few mayors and other local elected officials are with us, and I want to welcome them to the White House. I'm told that Kimi Gray is here, over here. And, Kimi, you're kind of a symbol of hope for the aspirations of a lot of people, and I'm just delighted you're here with us today.

Now, let me start with a story, a bit of history -- 1862, the middle of the Civil War. And on May 20th of that year, Abraham Lincoln sat down with pen in hand and signed into law the Homestead Act of 1862. And that bill gave 160 acres to any family who wanted to make a go of it in the wilderness and reach for the American dream.

It is one of the most successful endeavors in American history, causing the great land rush to the Wild West and forming the vision for a new homesteading program in urban America today. Because Abraham Lincoln's Homestead Act empowered people, it freed people from the burden of poverty. It freed them to control their own destinies, to create their own opportunities, and to live the vision of the American dream. Likewise today, creating the opportunity for low-income Americans to become property owners is a key to fighting poverty and offering real hope to thousands.

I've said before that a cornerstone of our effort to reduce the heavy hand of government is this idea of empowering people, not bureaucracies, and giving people -- working people, poor people, everyone -- control over their own lives and access to property and jobs so that all Americans can have a life of dignity, responsibility, and economic opportunity. Secretary Kemp has long been a champion of this idea, and that's why I have appointed him as Chairman of the Domestic Policy Council's Economic Empowerment Task Force.

The status quo of centralized bureaucracy is not working for the people -- the ones who need affordable housing; the ones who want to choose the best schools for their kids or child care for their younger children; the ones who want to pull themselves out of dependency and into a life of

self-sufficiency in a safe, clean, and drug-free community. It's the people who have the best answers for themselves and their families, not the Government.

And that's exactly what the National Affordable Housing Act that I'm about to sign here does in several ways: It puts power in the hands of people. First, it authorizes a major administration initiative: Homeownership and Opportunity for People Everywhere, the HOPE Initiative. HOPE will provide new opportunities for low-income families to buy their own homes -- urban homesteaders, if you will -- and helps the residents of public housing to buy their own units. Tenant management, control and, ultimately, ownership of public housing is an idea whose time has come. And let me just tell you why.

When the people who live in public housing are in charge, the results are remarkable: more people pay their rent, maintenance improves, operating costs decline, and crime rates plummet. Employment goes up, more kids stay in school, and neighborhoods spring back to life. And the reason? Because each resident simply now has a stake in society -- an equity stake -- a chance to make a go of it, to live the American dream for themselves.

We want public housing to become a springboard for independence, not a bottomless pit for dependency. HUD used to be asked to give awards for public housing residents who stayed in public housing the longest, and we stopped doing that. Jack made a significant change there. And now -- and even more so with this bill -- we're offering incentives to public housing tenants who move out and move up into the productive economic mainstream. These are the people who will help us meet our goal of 1 million new homeowners by 1992.

But there's more. This bill contains Home Investment Partnerships, a new block grant to provide incentives to States, localities, and nonprofit organizations to provide people who currently rent with vouchers, tenant-based assistance, and rehabilitation of existing housing, because affordable housing is in everybody's interest. And in addition to housing assistance for migrant farm workers, the elderly, and the disabled, this legislation also creates the Shelter Plus Care Program to assist homeless persons who are mentally ill, who have a drug abuse problem or other problems, to give them the support they need to keep them from returning to a desolate life on the streets.

Finally, it reforms certain programs in the FHA, in the Federal Housing Administration, to make them more financially sound. The National Affordable Housing Act gives people the best kind of government assistance: It provides opportunity, and it encourages responsibility without the shackles of dependency. And that is really the American dream, for no matter where people live or how much money they have, all people yearn to control their own lives. Abraham Lincoln knew this, and his vision lives on today as the foundation for our efforts to empower all Americans.

And so, it is with that in mind -- the undying ideal of hope and opportunity for all -- that I am

pleased to sign this bill into law.

And once again, I want to thank each and every Member of Congress who has worked hard on this legislation, particularly the two chairmen that are with us today. And of course, again, my respects for his leadership to Jack Kemp, the Secretary of HUD. Thank you all for joining us today.

And now, if I can lift it up, I'll sign it. [Laughter]

Note: The President spoke at 2:05 p.m. in the East Room at the White House. In his remarks, he referred to Senators Christopher S. Bond and Alfonse M. D'Amato, and Kimi O. Gray, chairperson of the National Association of Resident Management Corps. and chairperson of the Kenilworth-Parkside Resident Management Corp. S. 566, approved November 28, was assigned Public Law No. 101 - 625.

Statement on Signing the Cranston-Gonzalez National Affordable Housing Act

November 28, 1990

It is with great pleasure that I today sign S. 566, the ``Cranston-Gonzalez National Affordable Housing Act." In addition to extending and reforming existing housing programs, this Act creates and expands innovative new programs proposed by this Administration. These new programs will advance opportunities for homeownership and economic self-sufficiency in our Nation's most distressed communities. This Act is an exciting bipartisan initiative to break down the walls separating low-income people from the American dream of opportunity and homeownership.

I want to note the contributions of several people to the enactment of this landmark legislation, starting with Secretary of Housing and Urban Development Jack Kemp. Secretary Kemp has brought a unique vision to his job and a commitment to empowerment as a tool to encourage individual dignity and initiative and reward productive work effort.

Many Members of Congress also made significant contributions to the bipartisan effort to produce a housing bill. A few deserve special recognition. Senators Alan Cranston and Al D'Amato have devoted the last several years to the passage of a comprehensive housing bill, and we would not be here today without their efforts. Likewise, I want to recognize the efforts of Congressmen Henry Gonzalez and Chalmers Wylie, whose spirit of cooperation throughout the legislative process helped bring us to this point.

S. 566 contains the Homeownership and Opportunity for People Everywhere -- HOPE -- initiatives that my Administration submitted to the Congress earlier this year. HOPE represents a dramatic and fundamental restructuring of housing policy. It recognizes that the poor and low-income tenants -- not public housing authorities and developers -- are our clients. HOPE will do what traditional programs have not done: empower low-income families to achieve self-sufficiency and to have a stake in their communities by promoting resident management as well as other forms of homeownership.

The cornerstone of HOPE is a program to provide grants to enable low-income families and tenants to become homeowners. HOPE homeownership grants can be used for planning activities, including the development of resident management corporations. They can also be used for rehabilitation and post-sale subsidies to help ensure the success of homeownership. HOPE grants are eligible to be used in public housing and vacant, foreclosed, and distressed single-family and multifamily properties.

The legislation also includes my Administration's Operation Bootstrap -- or Family Self-Sufficiency -- proposal. In the past, public housing was seen as a long-term residence for low-income people. My Administration believes that Federal housing subsidies should serve as

transitional tools to help low-income families achieve self-sufficiency, move up and into the private housing market, and join the economic mainstream. The Family Self-Sufficiency Program will ensure that all new housing voucher and certificate assistance is coordinated with employment counseling, job training, child care, transportation, and other services to encourage upward mobility.

S. 566 also authorizes our HOPE for Elderly Independence proposal to combine vouchers and certificates with supportive services to assist the frail elderly. In addition, it authorizes Shelter Plus Care, which couples housing assistance and other services to homeless persons with disabilities and their families.

This Act also reflects the efforts of the Administration and the Congress to enact needed reforms to the Federal Housing Administration's (FHA) single-family mortgage insurance program. These reforms will ensure that FHA is actuarially safe and financially sound. The Act's provisions meet the four principal objectives of my Administration's original FHA reform proposals: the achievement of adequate minimum capital standards by the earliest possible date; insurance premiums that reflect the risk of default; minimum equity contributions by borrowers to protect them and the insurance fund from default risk; and maintaining the emphasis of FHA on low- and moderate-income homebuyers. With these reforms, we will be ensuring the availability of FHA for future generations of families seeking to achieve homeownership.

I am pleased that this Act contains a solution to the preservation and prepayment question that reflects the Administration's basic principles. These include protecting project residents from becoming homeless as a result of a mortgage prepayment; emphasizing alternative prepayment strategies that provide opportunities for homeownership; and honoring the contracts between project owners and the Federal Government.

One important preservation strategy is to provide project owners with economic incentives to maintain their properties for low-income use. I am concerned, however, that the incentives in S. 566 are more generous than are necessary, providing excessive benefits over the long term that will be paid by all taxpayers. Nonetheless, I recognize that this preservation proposal is a compromise and that it represents a good-faith effort by the Congress to meet the Administration's concern that limited Federal funds be provided to those who need assistance.

This legislation provides a new block grant, HOME Investment Partnerships, to promote partnerships among the Federal Government, States, localities, nonprofit organizations, and private industry. These partnerships will seek to utilize effectively all available resources and a wide variety of approaches to meet housing needs.

My Administration has been concerned that the HOME program not become a vehicle for the production of new, federally subsidized rental housing at the expense of other, more efficient and better targeted subsidies, such as rental assistance to poor tenants.

I believe this legislation addresses our concerns, because it provides for a wide variety of uses for HOME funds, including tenant-based assistance. It also imposes higher State and local matching requirements for new construction than for tenant-based assistance or minor rehabilitation. In addition, it requires that 90 percent of HOME funds be targeted to families with incomes at 60 percent or below the area median income.

Unfortunately, this Act also sets aside up to 15 percent of total HOME funds in FY 1992 to be used solely for a rental housing production program. I do not believe that the earmarking of funds for new construction is consistent with the goal of providing States and localities with maximum flexibility to meet their specific affordable housing needs.

I am further concerned that this legislation, in several instances, would relax long-standing provisions of current law that provide a preference for housing assistance for those families who are most in need. Although the Federal Government currently serves about 4.3 million low-income families, there are about 4 million additional families, most of them very low income, whose housing needs have not been met. We should not divert assistance from those who need it most.

Several additional provisions warrant careful construction to avoid constitutional concerns. For example, section 302(b)(7) of the Act calls on the President to appoint one member of the Board of Directors of the National Homeownership Trust to represent consumer interests. In light of the President's power under article II, section 2 of the Constitution, I sign this bill with the understanding that the individual appointed by the President to serve on the Board represents the United States as an officer of the United States. The requirement that this individual represent consumer interests does not constrain the President's constitutional authority to appoint officers of the United States, subject only to the advice and consent of the Senate.

Section 943(e)(3)(A) provides that the National Commission on Manufactured Housing ``may secure directly from any department or agency of the United States such data and information as the Commission may require." I sign the bill with the understanding that this provision does not limit the constitutional ability of the President to withhold information, the disclosure of which might significantly impair the conduct of foreign relations, the national security, or the deliberative processes of the executive branch or the performance of its constitutional duties.

Finally, it is the Federal Government's responsibility to ensure that the benefits of Federal programs are offered to individuals in a way consistent with the equal protection guarantee of the Constitution. In that regard, I am concerned about section 958(a) of the Act, which provides a preference to native Hawaiians for housing assistance programs for housing located in the Hawaiian homelands; section 958(d)(1), which defines ``native Hawaiian" in a race-based fashion; and section 911, which would exempt this preference from the provisions of the Housing and Community Development Act of 1974 relating to nondiscrimination on the basis of race. This race-based classification cannot be derived from the constitutional authority granted to the

Congress and the executive branch to benefit native Americans as members of tribes. I direct the Attorney General and the Secretary of Housing and Urban Development to prepare remedial legislation for submission to the Congress during its next session, so that this Act, and similar provisions in other Acts, can be brought into compliance with the Constitution's requirements.

I am pleased that, in crafting this legislation, the Congress also has modified a number of the rural housing programs administered by the Department of Agriculture's Farmers Home Administration. As a result, these programs will be more responsive to the needs of low-income residents of small towns and rural areas. A significant change is a new program of guaranteed loans for homeownership by low- and moderate-income residents in rural areas. This housing reform will provide assistance to these individuals and families more effectively and efficiently.

In conclusion, this legislation represents true bipartisanship, considerable give-and-take, and good-faith negotiation between the Congress and the Administration. It reforms and reauthorizes existing programs to provide for community development, to operate and modernize public housing, and to assist in meeting the needs of low-income families, the elderly, and the handicapped. In addition, through HOPE, it provides the potential for the redirection of housing policy back toward the poor.

The signing of the ``Cranston-Gonzalez National Affordable Housing Act'' presents us with an opportunity to renew our commitment to the goals we all share: decent, safe, and affordable housing for all Americans.

George Bush

The White House,

November 28, 1990.

Note: S. 566, approved November 28, was assigned Public Law No. 101 - 625.

Statement on Signing the Fishery Conservation Amendments of 1990

November 28, 1990

I am today signing H.R. 2061, the ``Fishery Conservation Amendments of 1990,'' notwithstanding reservations I have concerning some of its provisions.

H.R. 2061 authorizes appropriations for and amends the Magnuson Fishery Conservation and Management Act, which provides the primary authority for the conservation and management of fishery resources within the 200-mile Exclusive Economic Zone (EEZ) off our coasts. Many of the amendments made by H.R. 2061 will enable us to better conserve and manage our precious fishery resources.

However, numerous provisions of the Act could be construed to encroach upon the President's authority under the Constitution to conduct foreign relations, including the unfettered conduct of negotiations with foreign nations. Further, one provision directs that fishery management plans prepared or approved by the Secretary of Commerce contain ``regulations implementing recommendations by international organizations in which the United States participates.'' If this provision were construed to require the Secretary to implement the recommendations of international organizations in which the United States participates, it would unconstitutionally subject the executive branch to the control of international bodies that are not politically accountable to the American people. Finally, two provisions purport to direct the Secretary to make legislative recommendations to the Congress. Under Article II, Section 3 of the Constitution, the President possesses the exclusive authority to determine which legislative measures he and his subordinates will recommend.

To avoid constitutional questions that might otherwise arise, I will construe all these provisions to be advisory, not mandatory.

I am concerned that several of the Act's provisions regarding highly migratory species not be construed to create a gap in the authority of the United States to manage those species. Current law defines ``highly migratory species'' to mean only species of tuna and excludes such species from the exclusive fishery management authority asserted by the United States in our EEZ. H.R. 2061 would eliminate this exclusion effective January 1, 1992. Thus, effective as of that date, the United States will assert management authority over tuna in its EEZ. As a matter of international law, effective immediately the United States will recognize similar assertions by coastal nations regarding their exclusive economic zones.

The Act also expands the definition of ``highly migratory species'' to include marlin, ocean sharks, sailfishes, and swordfish -- non-tuna species for which management authority is presently asserted and exercised. Consequently, H.R. 2061 could be interpreted to expand the exclusion and

thus withdraw the authority to manage these species until the exclusion is eliminated in 1992. It is my understanding that the Congress intended the management of these species to continue.

Accordingly, for purposes of the tuna exclusion that remains in effect until 1992, I will not construe the revised definition to take effect. For all other purposes, the revised definition takes effect immediately. Thus, the authority of the United States to manage the species added to the definition will continue, and the responsibility for managing those species will transfer immediately from specified fishery management councils to the Secretary.

Finally, the Act contains a provision that departs from procedures currently governing challenges to regulatory action taken under the Magnuson Fishery Conservation and Management Act. The provision severely threatens the ability of the Attorney General to provide reasoned and responsible representation to the Secretary of Commerce in response to administrative challenges to the Secretary's rule-making authority under the Act. It also imposes unnecessarily burdensome filing requirements on the Secretary. The Attorney General and the Secretary will propose corrective legislation next year to cure these procedural difficulties.

George Bush

The White House,

November 28, 1990.

Note: H.R. 2061, approved November 28, was assigned Public Law No. 101 - 627.

Statement on Signing the Bill Authorizing the Conveyance of Land by the Rumsey Indian Rancheria

November 28, 1990

Today I have signed H.R. 3703, an Act ``To authorize the Rumsey Indian Rancheria to convey a certain parcel of land." H.R. 3703 contains numerous provisions that will promote the economic and social welfare of native Americans. Those provisions that provide for the prevention, identification, treatment, and investigation of child abuse and neglect on Indian reservations are meritorious. I must, however, take note of two issues that raise serious concerns.

First, sections 405, 504, and 507 purport to require the Secretary of the Interior and the Secretary of Health and Human Services to submit various reports to the Congress containing legislative recommendations. The Constitution grants to the President the power to recommend to the Congress such measures as he judges necessary and expedient. Accordingly, I shall treat the provisions on legislative recommendations as advisory rather than mandatory.

Second, section 316 authorizes the Secretary of the Interior to enter into cooperative agreements with Indian tribes for certain purposes and provides that the Indian tribes and their contractors will be immune from liability. Furthermore, section 316 makes the United States liable in their stead for tortious acts committed under those contracts. This provision will make the U.S. Government a veritable insurer for tribal activities under circumstances in which the United States otherwise would not be liable.

I do not believe that the United States should indemnify Indian tribes and their contractors or assume the enormous liability that this provision could generate. This provision, like the one in Public Law 101 - 512, the ``Department of the Interior and Related Agencies Appropriations Act, 1991," violates the existing means for determining whether public funds will be put at risk for the acts of specific individuals. We will seek repeal of this and any other such provision in the next Congress. I hereby instruct the Attorney General and the Secretary of the Interior to prepare for submission to the Congress legislation that will repeal this section.

George Bush

The White House,

November 28, 1990.

Note: H.R. 3703, approved November 28, was assigned Public Law No. 101 - 630.

Statement on Signing the Water Resources Development Act of 1990

November 28, 1990

Today I am signing S. 2740, the ``Water Resources Development Act of 1990," which authorizes water resources projects and programs in support of the Department of the Army Civil Works mission.

In signing this bill, I endorse the biennial cycle of water sources development legislation for the Army Civil Works program implemented by the Army Corps of Engineers. In addition to authorizing worthwhile water resources projects, the legislation includes a number of provisions that protect and restore this Nation's environment, which I wholeheartedly support. S. 2740 also preserves the fundamental cost-sharing and policy reforms of the Water Resources Development Act of 1986. I believe, on balance, that it reflects acceptable compromises between the executive and the legislative branches on a variety of issues of common interest.

However, I am concerned that S. 2740 contains a number of troubling special-interest provisions. For example, it contains a provision to require the Army to finance a replacement highway bridge where no legal obligation or Federal interest exists for such a replacement, and a provision for the exchange of leasehold interests for excess Federal property when such an exchange is inappropriate. Provisions such as these set undesirable precedents for the Federal Government.

In addition, a number of provisions in the Act require the Government to undertake projects and studies that traditionally have been pursued by nonfederal interests, such as constructing recreation facilities associated with a project, which are not a required or an integral part of the project. I believe, however, that the potential negative impacts of such provisions on Federal water resources policies and on the availability of Federal funds can be minimized through intensive management and through the annual budget process.

Finally, the Act contains a constitutional problem. Section 411 establishes a management conference responsible for managing Onondaga Lake in New York. The same provision also appears in H.R. 4323, legislation I approved earlier this month. The power both Acts give to State Governors and to State and local officials who serve on the management conference may only be exercised by officials who are selected pursuant to the Appointments Clause of the Constitution. Because the Act is inconsistent with this requirement, I am directing the Secretary of Defense, the Administrator of the Environmental Protection Agency, and the Attorney General to submit legislation to correct this constitutional problem.

Because I believe in a strong water resources program, and despite my concerns about a number of inappropriate provisions, I have approved this bill.

George Bush

The White House,

November 28, 1990.

Note: S. 2740, approved November 28, was assigned Public Law No. 101 - 640. The statement was released by the Office of the Press Secretary on November 29.

Statement on Signing the Independent Safety Board Act Amendments of 1990

November 28, 1990

Today I am signing S. 3012, the ``Independent Safety Board Act Amendments of 1990." This Act will enable the National Transportation Safety Board (NTSB) to continue in its role as the world's leading transportation investigative agency. Through the Board's efforts, everything from air transportation to pipelines will continue to be subjected to the Board's careful scrutiny and thoughtful recommendations.

My endorsement of this Act is based on my understanding that the amendment contained in section 3, which grants ``sole authority" over certain testing to this agency, is intended, as the Senate report notes, to address NTSB's ``difficulty with respect to courts interfering in the investigatory process with respect to testing. . . ." Accordingly, the amendment does not purport to limit the constitutional authority of the President.

I am also concerned that the provisions in S. 3012 dealing with the disclosure of airline cockpit voice recorder transcripts and recordings be interpreted in a manner that is fair to all parties. It is important to protect these materials from sensationalism and unwarranted disclosure, but it is also important that courts provide prompt and complete disclosure to litigants with an interest in judicial proceedings involving aircraft accidents. Every effort should be made to construe the provisions in S. 3012 in a way that preserves an appropriate balance between these goals.

George Bush

The White House,

November 28, 1990.

Note: S. 3012, approved November 28, was assigned Public Law No. 101 - 641. The statement was released by the Office of the Press Secretary on November 29.

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iran

November 29, 1990

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on developments since the last report of May 14, 1990, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to Section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and Section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9. This report covers events through September 30, 1990, including those that occurred since the last report under Executive Order No. 12170 dated May 14, 1990. That report covered events through March 31, 1990.

1. Since the last report, there have been no amendments to the Iranian Transactions Regulations, 31 C.F.R. Part 560 (the ``ITRs''), administered by the Office of Foreign Assets Control (``FAC''). The Iranian Assets Control Regulations, 31 C.F.R. Part 535 (the ``IACRs''), were amended on October 5, 1990, 55 FR 40830, to implement the Settlement Agreement in Claims of less than $250,000.00, Case No. 86 and Case No. B38, dated May 13, 1990, in which the Governments of the United States and Iran settled certain U.S. private claims of less than $250,000.00, and all outstanding and potential U.S. government claims arising in relation to case number 86 or B38.

The major focus of licensing activity under the ITRs remains the importation of certain non-fungible Iranian-origin goods, principally carpets, which were located outside Iran before the embargo was imposed, and where no payment or benefit accrued to Iran after the effective date of the embargo. Since March 31, 1990, FAC has made 87 licensing determinations under the ITRs.

During the reporting period, the Customs Service has effected numerous seizures of Iranian-origin merchandise, primarily carpets, caviar, pistachios, jewelry, and gold and sterling silver artifacts, for violations of the ITRs. FAC and Customs Service investigations of these violations have resulted in forfeiture actions and impositions of civil monetary penalties amounting to $141,413.00. Numerous additional forfeiture and civil penalties actions are under review.

The United States v. Hamed Mohseni, a case brought in the Eastern District of Wisconsin, the defendant was indicted on June 12, 1990, for willful falsification of documents in an attempt to illegally enter Iranian carpets into U.S. trade by misdescribing their origin as Pakistani. Mohseni pled guilty to this charge on August 12, 1990. On October 22, 1990, Mohseni was sentenced to 2 years' probation, 1 month's incarceration, and a criminal fine of $1,050.00. Additionally, the Court ordered the forfeiture of four Iranian carpets having a wholesale value of $40,000.00.

In a related case in the Eastern District of Wisconsin, United States v. Geoffrey A. Orley, the defendant, an attorney and licensed securities broker, entered into a plea agreement on May 23, 1990, admitting to filing false documents to further an Iranian carpet smuggling scheme. Orley was convicted on September 17, 1990. A sentencing date has not been set. As part of their plea agreements, Geoffrey Orley and Hamed Mohseni have agreed to cooperate with the U.S. Government and to testify in pending criminal proceedings against two additional defendants. Multi-count indictments are anticipated in the latter cases.

2. The Iran-United States Claims Tribunal (the ``Tribunal''), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. Since the last report, the Tribunal has rendered 13 awards, for a total of 489 awards. Of that total, 344 have been awards in favor of American claimants: 213 of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 131 were decisions adjudicated on the merits. The Tribunal has dismissed a total of 32 other claims on the merits and 70 for jurisdictional reasons. Of the 43 remaining awards, two were withdrawn and 41 were in favor of Iranian claimants. As of September 30, 1990, awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at $2,004,184,294.21.

As of September 30, 1990, the Security Account has fallen below the required balance of $500 million 34 times. Iran has replenished the account 34 times, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. Iran has also replenished the account twice when it was not required by the Accords, for a total of 36 replenishments. Additionally, the account was replenished on September 21 in the amount of $200 million pursuant to a settlement agreement with the United States Government. A further replenishment of $228,804.05 on September 24 was related to the transfer of the unutilized balance of a letter of credit. As of September 30, 1990, the total amount in the Security Account was $271,986,604.21, and the total amount in the interest account was $5,247,131.38. The aggregate amount that has been transferred from the interest account to the Security Account is $832,872,986.47.

3. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for $250,000.00 or more. Over 80 percent of the nonbank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 133 such claims on the docket. The largest of the large claims, the progress of which has been slowed by their complexity, are finally being decided, sometimes with sizable damage awards to the U.S. claimant. In the largest settlement to date, Amoco settled its two pending cases against the National Iranian Oil Co. for a payment of $600 million. Since the last report, 12 large claims have been decided.

4. On May 13, 1990, the United States and Iran signed an agreement settling the claims of U.S. nationals against Iran of less than $250,000.00 and certain U.S. claims against Iran for outstanding loans made by the Agency for International Development. On June 22, 1990, the Iran-

U.S. Claims Tribunal issued Award No. 483 recording and giving effect to the settlement agreement. This award terminated the small claims pending before the Tribunal. Under the IACRs, the award constitutes the Tribunal's final disposition of small claims. The award provided for the payment of $105 million to the United States out of the Security Account. Of that amount, $50 million will be available for the settlement of the small claims through a program established at the Foreign Claims Settlement Commission at the Department of Justice. On June 28, 1990, the Department of State formally transferred the small claims program to the Foreign Claims Settlement Commission, as envisioned by the settlement agreement and the Iran Claims Settlement Act.

Originally, 2,795 small claims were filed with the Tribunal. The small claims settlement agreement covers 2,361 claims that were pending at the Tribunal on the date of the signing of the agreement, 10 claims that were dismissed by the Tribunal for lack of jurisdiction, 326 claims that were filed with the Tribunal but subsequently voluntarily withdrawn, and 415 claims that were submitted to the State Department but not timely filed with the Tribunal. All other claims filed with the Tribunal but not covered by the agreement had already been resolved through awards or settlements between the parties.

5. In coordination with concerned Government agencies, the Department of State continues to present United States Government claims against Iran, as well as responses by the United States Government to claims brought against it by Iran. Since the last report, the Department has filed pleadings in eight government-to-government claims. Two such claims have been settled. Regarding Case No. B/1, in return for Iran's agreement not to seek return of the full balance of its Foreign Military Sales Trust Fund from the United States in advance of adjudication of its claims on the merits, the United States transferred $200 million from the Trust Fund to the Security Account, where it will be available for payment of Tribunal awards to successful U.S. claimants.

6. Since the last report, eight bank syndicates have completed negotiations with Bank Markazi Jomhouri Islami Iran (``Bank Markazi," Iran's central bank) and have been paid a total of $4,393,148.93 for interest accruing for the period January 1 - 18, 1981 (``January Interest"). These payments were made from Dollar Account No. 1 at the Federal Reserve Bank of New York (``FRBNY"). In addition, under the April 13, 1988, agreement between the FRBNY and Bank Markazi, the FRBNY returned $4,693,421.29 of Iranian funds to Bank Markazi.

7. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations, issued pursuant to Executive Order No. 12170, continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the Iranian Transactions Regulations, issued pursuant to Executive Order No. 12613, continue to advance important objectives in combatting international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

November 29, 1990

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (92 Stat. 739; 22 USC 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question.

This report covers the period from August through early October 1990, a time in which both U.N. and U.S. efforts concentrated on trying to get the Cyprus intercommunal talks restarted.

In early August, the Secretary General sent his Special Representative on Cyprus, Ambassador Oscar Camilion, and Mr. Gustave Feissel of the Secretary General's New York staff to Ankara and Athens. In both capitals the two U.N. officials discussed the continuing stalemate in the negotiations and asked for Turkish and Greek Government support in furthering the Secretary General's ``plan of action," which he outlined in his report to the U.N. Security Council on July 12.

Both the Turkish and Greek Governments conveyed their willingness to cooperate with the U.N., and on September 11 the UNSYG's spokesman released the following statement in New York in describing the status of the Cyprus negotiations:

``In recent days, I have been asked about the intentions of the Secretary General with regard to his mission of good offices in Cyprus and the questions that have been raised about the application of Cyprus to the EC.

``The Security Council has called on the leaders of the two communities in Cyprus to pursue their efforts to reach freely a mutually acceptable solution and to cooperate, on an equal footing, with the Secretary General. To achieve this goal, the members of the Council have endorsed the plan of action proposed by the Secretary General in his report of 12 July.

``In resolution 649 (1990), the Council has made it clear that the solution being sought has to be a bi-communal and bi-zonal federation that will ensure the sovereignty, independence, territorial integrity and non-alignment of Cyprus and will exclude union in part or in whole with any other country or any form of partition or secession.

``The overall agreement to be negotiated by the two leaders must cover all the issues that make up the Cyprus question. It is envisaged that matters related to the membership of Cyprus in the EC will be discussed in this connection.

``The Secretary General is concerned by the continued deterioration of the situation in Cyprus due to developments in past months and the lack of progress in the negotiating process. This trend must be reversed. He therefore hopes that it will be possible to implement his plan of action without delay."

Six days later, on September 17, 1990, the Council of the European Community, meeting in Brussels, considered the Government of Cyprus' July 4 application for membership in the European Community and decided to refer the application to the Commission of the European Community for study.

On September 25, during Turkish President Ozal's meeting with me, we discussed ways of supporting the U.N. Secretary General in his attempts to promote reconciliation on the island. Secretary of State Baker also had several such conversations with Greek Foreign Minister Samaras in the same period. On September 25, Under Secretary of State Kimmitt met with Cypriot President Vassiliou in New York to stress continuing U.S. support for U.N.-sponsored efforts in Cyprus. President Vassiliou, in turn, recalled his speech earlier that day before the UNGA in which he insisted that ``a just and viable solution to the Cyprus problem necessitates that negotiations are entered into in good faith and are result-oriented. We have, time and time again, displayed our commitment as well as our good will during the course of negotiations. We have presented proposals to the Turkish Cypriot side going far beyond the protection of cultural, religious and linguistic identity, aiming at creating a federation consisting of two regions, one to be administered by the Turkish Cypriot community and the other by the Greek Cypriot."

President Vassiliou returned to Cyprus several days later and, in a speech before a special session of his House of Representatives marking the island's 30th anniversary of its independence, he included the following notable passage:

``Naturally foremost in our hearts and our minds is the national problem which is directly connected with our survival and on whose solution much else depends. We carry 30 years of experience as well as many wounds from which all of us, Greek Cypriots and Turkish Cypriots should learn. Mistakes and omissions were made by both sides in the past. However, history and our present situation have convinced us that all these, as well as foreign interventions, do not serve the interest of any Cypriot. Our destiny was and remains common. Consequently, with goodwill, tolerance, mutual respect for our differences and views, we can find a solution acceptable to all. We can and we must pinpoint the points which unite us and serve us all and build on them. The future cannot be secured with separatist trends and sterile confrontation. Through contact and the exchange of views on all levels, a climate of mutual trust and understanding can be created, which will eliminate the mistrust created and maintained by isolation. That is why we work for rapprochement."

In late September, the U.N. Secretary General and his advisers reached agreement on how their ``plan of action" would be implemented. Ambassador Camilion and Mr. Feissel returned to

Cyprus in mid-October to begin a series of separate meetings with the leaders of the Turkish Cypriot and Greek Cypriot communities to see if work could be restarted on a draft outline for a Cyprus settlement. My special Cyprus Coordinator, Nelson Ledsky, met with these U.N. negotiators and with representatives of the interested parties in New York and travelled to the eastern Mediterranean in late October, to reemphasize U.S. support for the U.N. negotiating effort. The UNSYG has sent a further report to the U.N. Security Council detailing the status of the negotiations through October 31.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Statement by Press Secretary Fitzwater on Argentine and Brazilian Compliance With Nuclear Safeguards and Nonproliferation Regimes

November 29, 1990

The United States applauds the November 28 announcement by Argentina and Brazil to work with the International Atomic Energy Agency (IAEA) to apply safeguards to all nuclear facilities and activities in their countries and to bring into force the Treaty of Tlatelolco, which establishes a nuclear weapon-free zone in Latin America. The prospects for a Latin America forever free from the dangers of nuclear weapons have brightened.

President Menem and President Collor have acted boldly to enhance regional and world stability in pledging to use nuclear energy only for peaceful purposes. We anticipate that yesterday's announcement of mutual inspections and negotiations with the IAEA will lead to the early implementation of a full-scope IAEA safeguards agreement. This will facilitate peaceful nuclear cooperation with Brazil and Argentina while broadening their access to other advanced technologies.

We also welcome and commend the commitment by the Governments of Argentina and Brazil to bring the Treaty of Tlatelolco into force. We urge them to do so swiftly. We also urge those countries in Latin America which have not done so to bring the treaty into force as Argentina and Brazil are pledging to do and to support the international community's nonproliferation regime. President Bush will visit the region next week and looks forward to discussing these issues in greater detail with Presidents Menem and Collor.

Statement on Signing the Stewart B. McKinney Homeless Assistance Amendments Act of 1990

November 29, 1990

It is with great pleasure that I have today signed H.R. 3789, the Stewart B. McKinney Homeless Assistance Amendments Act of 1990. Congress first enacted the Stewart B. McKinney Homeless Assistance Act in 1987, and the act signed today will reauthorize a broad array of programs to assist the homeless, amend current programs, and authorize certain new programs to address the continuing needs of homeless, especially the mentally ill and substance abusers.

Since 1987 the McKinney Act has provided over $2 billion for programs to assist the homeless. H.R. 3789 will authorize the new Shelter Plus Care Program, an administration proposal, which will help link rental housing assistance to other supportive services for the homeless.

Under the provisions of H.R. 3789, the Department of Health and Human Services is authorized to establish a Family Support Centers demonstration program that will provide a number of health and related services for low-income individuals who were previously homeless or are at risk of becoming homeless. The act also authorizes additional grants to the States that would be focused on those who are currently homeless and suffer from both substance abuse and mental illness.

H.R. 3789 recognizes that the homeless often have needs that go beyond housing assistance. By providing health services, substance abuse services, and counseling in addition to housing assistance, this act enhances the administration's ability to address the needs of the homeless in all their complexity.

Note: H.R. 3789, approved November 29, was assigned Public Law No. 101 - 645.

Statement on Signing the Bill on Wetland and Coastal Inland Waters Protection and Restoration Programs

November 29, 1990

Today I am signing H.R. 5390, ``An Act to prevent and control infestation of the coastal inland waters of the United States by the zebra mussel and other nonindigenous aquatic nuisance species, to reauthorize the National Sea Grant College Program, and for other purposes." This Act is designed to minimize, monitor, and control nonindigenous species that become established in the United States, particularly the zebra mussel; establish wetlands protection and restoration programs in Louisiana and nationally; and promote fish and wildlife conservation in the Great Lakes.

Title III of this Act designates a State official not subject to executive control as a member of the Louisiana Coastal Wetlands Conservation and Restoration Task Force. This official would be the only member of the Task Force whose appointment would not conform to the Appointments Clause of the Constitution.

The Task Force will set priorities for wetlands restoration and formulate Federal conservation and restoration plans. Certain of its duties, which ultimately determine funding levels for particular restoration projects, are an exercise of significant authority that must be undertaken by an officer of the United States, appointed in accordance with the Appointments Clause, Article II, sec. 2, cl. 2, of the Constitution.

In order to constitutionally enforce this program, I instruct the Task Force to promulgate its priorities list under section 303(a)(2) ``by a majority vote of those Task Force members who are present and voting," and to consider the State official to be a nonvoting member of the Task Force for this purpose. Moreover, the Secretary of the Army should construe ``lead Task Force member" to include only those members appointed in conformity with the Appointments Clause.

George Bush

The White House,

November 29, 1990.

Note: H.R. 5390, approved November 29, was assigned Public Law No. 101 - 646.

Remarks to the Association of Bank Holding Companies

November 29, 1990

Well, thank you all very much. And it is a pleasure to do what's known in Washington as a cameo appearance, a drop-by. But I'm delighted to be here -- these very busy and very interesting times. I first want to thank Gene Miller and, of course, my friend -- I don't want to put him in an age category, but my classmate -- Lud Ashley, an old friend, and, of course, the leading lights of the banking industry here today.

Back in February of 1989, the members of your organization came out early for our S&L program, the reform bill. Your strong support helped us take a critical first step toward restoring the integrity of our S&L system, and we are very grateful for that. And since then, Nick Brady, who is known to, I guess, everybody here, has been conducting a thorough review of the key issues and the concerns of the American banking system.

What he's found is the need for significant structural reform, reforms that keep pace with the revolutionary changes in financial services that have marked the past two decades. And today in the age of the ATM and the 800 number, and in the face of intense competition from nonbanks to meet the consumer's credit needs, we must rethink and reexamine our existing regulations and the need for change.

The regulatory system that served us very well, indeed, from its inception in the thirties, is today, in my view, increasingly outmoded, is likely to prevent banks from staying competitive as it is to allow them to serve customers and sustain confidence in the system. The result can be counterproductive: Denying banks the opportunity to enter new markets actually encourages risky ventures that fall within the old rules and regulations.

In January, the Treasury Department will make its recommendations on comprehensive banking reforms, including provisions on deposit insurance. The legislation that we will propose will make a significant contribution to the long-term health of the banking system. And once again, I will be in close touch with Lud and Gene and all of you here today to help secure a speedy passage of this reform package in the 102d Congress. What's at stake is not just the confidence of the American people in the banking system but the profitability and the competitiveness of a key American industry, because our banking system can never be truly safe if it's not also economically sound.

Lud tells me the theme of the conference is managing risk. And I don't need to tell you how the events of the past few months have clouded over the crystal ball out there for everybody. For the people in this room who face the challenge of mapping corporate strategies in an environment

that at best is uncertain, the task you face is extraordinarily complex.

I know that -- I see Jim Leach back here, another old friend of mine, and I know that he's been up here preaching some wisdom. I'm not sure exactly what he says, but listen carefully to him. [Laughter] He's one of the sanest and greatest Members of the Congress, I can tell you that. I also understand that Richard Breeden was here -- I don't know if he's here now -- but the head of the SEC [Securities and Exchange Commission] was here -- good man. They've spoken about -- in more detail than I'm capable -- spoke to you about the challenges that confront you. And they are serious. No question about it.

Interest rates, frankly, are higher than any of us would like them to be. I am very hopeful -- and I'm not one who is a Fed basher or anything of that nature -- but I'm hopeful that the deficit agreement that was not the world's most popular piece of legislation -- budget deficit agreement will lead eventually to lower rates. And of course, we've seen some come down. I happen to think that's very good for the economy. I know your concerns about a credit crunch, and we've been having a series of very interesting meetings with private sector people at the White House, which has helped me understand better the credit crunch.

I mentioned earlier the concept that some of you all have in this industry of overregulation or excessive zeal in the regulatory business, and I think we're now more attuned to that problem than heretofore. And so, what I hope is, is when we get the new Congress here we can take more of a leadership role out of the White House in not only helping to strengthen the business that you all are in but to sometimes relieve a little pressure from the overzealous nature of some of the regulations.

So, we are in a period that concerns me of a sluggish economy. I suspect that each one of you here has economists that you believe in. And some are saying recession, and some are saying slowdown, and some saying downturn. But one positive thing is that most, if not all, people are suggesting that whatever it is, it won't be long lasting. And I think that is very important to the overall good of the American people. I am confident that it will run its course. I think it will be relatively slow, based on the expert opinions to which I have access. I am certain that the institutions that are represented here and all of you business leaders in this room will play a leading role in reviving the economy and returning to the path of expansion and opportunity and growth.

So, I might add just a comment or two about the effects of what's happening halfway around the world on our own economy and on the economies of other countries. One of the most fascinating visits that I had on this recent trip to Europe -- a trip that preceded another good trip, incidentally, for those of you who are interested in matters south of our border, a trip to Mexico -- but one of the things that was really fascinating to me about the trip to Europe were the talks I had with the eastern European leaders.

I started my trip by going to see [President] Vaclav Havel in Czechoslovakia. Here's a country whose economy is being devastated by what Saddam Hussein is doing in the Persian Gulf. I think he used a figure of $1.5 billion for 1 year estimated strain on that fragile economy. Comes at a very bad time for him. We had a little press conference outside of what they call the Castle there, which is his headquarters, in that marvelous center of Prague, and he was asked a question. And I think some who were inquiring thought that maybe there would be a wedge driven between the steadfast position of the United States, as we approach the dictator Saddam Hussein, and Czechoslovakia. But to the surprise of some, but not to me, since I had talked to him about it, in spite of the economic hardship to Czechoslovakia, he was about as strong as you could possibly be in standing up against the rape, the pillage, and the plunder, and the aggression against Kuwait. That was true also of the Polish and Hungarian leaders with whom I met a few days later in Paris at the CSCE meeting.

And so, on this subject of the Gulf, it is clear to me that those who can afford it the least are those who are getting hurt the worst by the speculation that's resulted in these higher oil prices. Some of you may have heard Alan Greenspan [Chairman of the Board of Governors, Federal Reserve System] in his rather eloquent testimony talking a day or two ago about the effect that the oil increases are having on the United States economy and what that means, trying to assess the slowdown or the recession or whatever one would call exactly what we're in now.

And it's very clear that they are having a very bad effect on our economy. But one of the reasons that the world is holding together as well as it is, is that the smallest countries -- and many of them, Moslem countries -- feel just as strongly as we do, and others, that the aggression must be returned not simply on the moral basis, which certainly is a profound reason to see the aggression turned around, but on the economic basis as well. Their economies are being hurt. It's not just eastern Europe. Take a look at Senegal. Some of you all do business all through Africa, and take a look at some of the countries that really are in tough shape there, and then see what the result of Saddam Hussein's aggression is doing to them. And then add to it what's happened in the United States. And that whole economic side of this equation comes much more clearly into focus.

I'm hopeful that this afternoon the United Nations will pass -- I believe it's its 13th resolution, maybe it's its 11th. But as one who served at the United Nations with sometimes frustration because of the failure of the so-called peacekeeping function of the U.N., I think one of the exciting and positive things to be coming out of all this strife and problems halfway around the world is the rejuvenation of the United Nations peacekeeping function.

It is not insignificant that it's not the United States alone but the United States backed -- or in conjunction with the rest of the Security Council -- indeed, with most of the members of the United Nations itself strongly supporting what we are about in trying to reverse the aggression over there. So, my point is, there's a moral underpinning to what we're doing. To me, it is very, very clear, and I don't intend to waver one single bit.

But there's also an economic side to this equation, and economic effects are devastating those who can afford it the least. So, we're embarked on a very interesting path here, and I hope that the resolution -- that it will be peaceful. That is certainly what everybody aspires to, certainly the President, who is also the Commander in Chief of the Armed Forces. But I think the main thing that I hope will come out of today's session of the United Nations is that we send perhaps the clearest signal of all to Saddam Hussein that the world is deadly serious about reversing this aggression and about lifting this economic oppression that he has wrought on many, many countries that can ill afford it.

So, we'll see where we go. I hope my optimism I feel at this point is not misplaced. If it is, we just go right back to the drawing board, because I know that we have to prevail. And I expect all of you who do business abroad, as most of you do, understand exactly what I'm talking about when I talk about the horrible economic effects that this man's aggression is having on all the economies of the world.

Listen, it is a great pleasure to be here. I salute you and your work. I'm delighted to be with you, and I would welcome from the private sector any input on how the Government, by either getting out of the way or by in one way or another doing our business better, can strengthen and encourage the banking system of this country. It is vital. And we've taken it for granted for years and years as a sign of the greatest stability -- one of the great stable points of our country. And I'm confident that if we conduct ourselves right and if you do your business right, that principle will be out there for all to see in the days ahead.

Thank you, and good luck to you in your work. And thank you for letting me come by for this cameo appearance. Thanks a lot.

Note: The President spoke at 1:26 p.m. in the ballroom of the Willard Hotel. In his remarks, he referred to Eugene Miller, chairman and chief executive officer of Comerica Corp, Inc.; Thomas Ludlow Ashley, president of the Association of Bank Holding Companies; Secretary of the Treasury Nicholas F. Brady; and President Saddam Hussein of Iraq.

Remarks at a Reception for Participants in Students Taking Action and Responsibility in Service

November 29, 1990

Looking out on these shining faces today, Barbara and I remember a summer day on the South Lawn more than a year ago when I challenged -- called upon -- every young person in America to make service to those in need a central and enduring part of their lives. And we are just delighted to be here to celebrate one significant result of that day, a new, exciting educational initiative called StarServe.

I want to first express my thanks to an old friend, several old friends, and I'm talking, of course, about Mike Love and the Beach Boys. Mike said that he was motivated to go out and help young people respond to this call. And he did, and he's done it, and he's given of himself, and so have his wonderful colleagues. And we are very grateful to them. I want to thank the Kraft General Foods Foundation for its underpinning, its financial support; and, of course, the United Way for its expertise.

Thanks to all the young people gathered here and, of course, to the stars who support StarServe and given of themselves as well. You and other stars who have already agreed to participate in this effort show that real stars -- real stars -- use their influence to encourage those who admire them to do likewise. As we speak, the materials of StarServe are being sent to more than 100,000 educators of students in grades 4 through 12 throughout the country.

And of course, StarServe isn't creating youth community service; many young people are already undertaking meaningful projects all around the country. There's no better example of this than Diane Wurst's third grade class in Polk, Nebraska, who, as we've heard, was our 48th daily Point of Light. Each school day for the last 7 years, each one -- you heard from one of them -- but each one of these third graders has telephoned these homebound seniors, offering words of comfort and cheer. You've heard from her and then got another little window by Trent there -- visiting their elderly friends on weekends and holidays, assuring those who are alone that someone cares.

While there are other outstanding examples of youth service, I want every young American, from 5 to 25, to be a Point of Light in his or her community. Whether it's lonely senior citizens, a troubled classmate or acquaintance, someone who's burdened by drug abuse, illiteracy, homelessness or hunger, there's a need right next door, down the hall, or in your own backyard that you can meet.

StarServe is one of the first independent initiatives of the Points of Light Foundation, the new, nonprofit, nonpartisan foundation on which I'm pleased to serve as honorary chairman. By

making service creative and educational for young Americans, StarServe will help the foundation achieve its goal of engaging all Americans in service. Barbara and I believe that if, at an early age, you learn to serve those in need, it will become the way you live your whole life, bringing a sense of meaning and adventure that simply can't be matched.

StarServe shows that businesses can, indeed, help young people make their service ideas a reality, that nonprofits can provide invaluable counsel to those who are new to community service, and that the worlds of entertainment and media can use their influence to make service a pervasive part of the popular culture. I especially like the name of this project, StarServe, Students Taking Action and Responsibility in Service. Every young person wants to be a star.

Well, every young person has a gift to give to someone in need, and America needs your gifts now as never before. And so to all young Americans I say, answer the call to serve your community and be a star. Thank you all very, very much.

Note: The President spoke at 2:19 p.m. in the East Room at the White House. In his remarks, he referred to the Beach Boys, a popular music group, and their vocalist, Mike Love; and Trent Stevens, a third-grade student at Polk Public School in Polk, NE.

Statement on Signing the Crime Control Act of 1990

November 29, 1990

Today I sign into law S. 3266, the ``Crime Control Act of 1990.'' The Act contains important steps forward in several areas, particularly Federal debt collection and prosecution of financial institutions fraud. It also provides further protection for children from child abuse and child pornography. However, I must note my deep disappointment over many provisions noticeably absent from the legislation.

Over a year and a half ago, with the support of State and local police and prosecutors, I submitted to the Congress a comprehensive legislative package to assist law enforcement efforts in keeping violent criminals off our Nation's streets. That legislation contained a death penalty for the most heinous Federal crimes, including mail bombing and terrorist murder; comprehensive reform of habeas corpus proceedings that continue to nullify State death penalty laws through repetitive hearings and endless delays; reform of the exclusionary rule to allow juries to consider all evidence gathered by law enforcement officers acting in good faith; and enhanced penalties for the criminal use of firearms.

Despite the fact that each of these proposals passed one or both Houses of Congress, none is included in the legislation I am signing today. At the eleventh hour, these reforms were stripped from the crime bill by the conference committee.

I am also disturbed by provisions in S. 3266 that unnecessarily constrain the discretion of State and local governments. Examples are found in Title VIII's ``rural drug enforcement'' program; in Title XV's ``drug-free school zones'' program; and in Title XVIII's program for ``correctional options incentives.'' Most egregiously, section 1702 inappropriately overrides legitimate State firearms laws with a new and unnecessary Federal law. The policies reflected in these provisions could legitimately be adopted by the States, but they should not be imposed on the States by the Congress.

Habeas corpus litigation is another area in which congressional policies may impede effective State law enforcement. In Public Law 101 - 515, the Congress appropriated substantial funds for ``Death Penalty Resource Centers.'' Because S. 3266 does not include the reform of the habeas corpus system that I proposed, these Federal funds will inevitably be used in part to foster repetitive attacks on State court judgments and to delay unjustly the implementation of State sentences.

While this is not the crime bill I asked the Congress to pass, I am pleased with the tools S. 3266 provides for fighting financial institutions fraud. S. 3266 establishes within the Department of Justice an Office of Special Counsel for Financial Institutions Fraud, a Financial Institutions Fraud Unit, Financial Institutions Fraud Task Forces, and a Senior Interagency Group. In

addition, the bill enhances the ability of the Federal banking agencies and the Department of Justice to seize the assets of wrongdoers and makes it more difficult for those wrongdoers to use bankruptcy to avoid civil or criminal penalties.

Furthermore, this Act improves significantly the ability of the Department of Justice to collect millions of dollars owed to the Federal Government. For the first time, the Congress has provided United States attorneys with uniform civil procedures for the collection of debts owed to the American taxpayers.

Americans have the right to be free from fear in their homes, in their streets, and in their neighborhoods. I call on the Congress to implement the remainder of the comprehensive crime package, which fell short of becoming law this session. The American people deserve tough, new laws to help us prevail in the fight against drugs and crime.

George Bush

The White House,

November 29, 1990.

Note: S. 3266, approved November 29, was assigned Public Law No. 101 - 647.

Statement on Signing the Negotiated Rulemaking Act of 1990

November 29, 1990

Today I am signing S. 303, the ``Negotiated Rulemaking Act of 1990.'' This Act will encourage Federal agencies to use negotiation in the regulatory process, to the extent that it may be appropriate, as a means of avoiding costly and time-consuming litigation.

In approving this bill, I must emphasize that Federal officials will retain their full statutory and constitutional responsibility to make all administrative determinations on regulatory matters. Under the Appointments Clause of the Constitution, Article II, Sec. 2, Cl. 2, governmental authority may be exercised only by officers of the United States.

The Act does not require an agency to adopt, or even to publish as a proposed rule, a consensus reached by a negotiated rulemaking advisory committee. Nor does the Act supplant either the role of the public in commenting on a proposed rule in accordance with the Administrative Procedure Act, or the responsibility of Government officials to consider such comments and to decide on and draft the text of a final rule. In this regard, I note that a negotiated rulemaking advisory committee has completed its function after it has recommended a proposed rule to the rulemaking agency.

I must also emphasize that S. 303 does not derogate in any way from existing agency authority to utilize or experiment with any lawful form of rulemaking, including negotiated rulemaking.

George Bush

The White House,

November 29, 1990.

Note: S. 303, approved November 29, was assigned Public Law No. 101 - 648.

Remarks on Signing the Immigration Act of 1990

November 29, 1990

Thank you very much for coming, everybody. And first, may I salute the Attorney General and Secretary Ed Derwinski, and also, welcome the distinguished Members of Congress who are with us today: Senator Kennedy and Senator Thurmond, Senator Simpson, Senator Simon. Ham Fish was to be here; Congressmen Morrison and Lamar Smith are with us. I don't know whether Ham wedged into the back or not. But in any event, welcome to all of you.

Today I am pleased to sign S. 358, the Immigration Act of 1990. It is the most comprehensive reform of our immigration laws in 66 years. Nearly all Americans have ancestors who braved the oceans -- liberty-loving risk takers in search of an ideal -- the largest voluntary migrations in recorded history. Across the Pacific, across the Atlantic, they came from every point on the compass -- many passing beneath the Statue of Liberty -- with fear and vision, with sorrow and adventure, fleeing tyranny or terror, seeking haven, and all seeking hope.

And now we stand again before an open door -- a door into tomorrow. Immigration reform began in 1986 with an effort to close the back door on illegal immigration. And now as we open the front door to increased legal immigration, this bill provides long-needed enforcement authority. It also credits the special role of immigrants to America, and it will promote a more competitive economy, respect for the family unit, and swift punishment for drugs and crime.

Immigration is not just a link to America's past; it's also a bridge to America's future. This bill provides for vital increases for entry on the basis of skills, infusing the ranks of our scientists and engineers and educators with new blood and new ideas. And it also boosts our war on drugs and crime, allowing us to send back alien offenders who threaten our streets and who make up nearly a fourth of our Federal prison populations. It'll help secure our borders, the front lines of the drug war. It also revises the exclusion grounds for the first time since enactment in 1952, putting an end to the kind of political litmus tests that might have excluded even some of the heroes of the Eastern European Revolution of 1989.

This bill is good for families, good for business, good for crime fighting, and good for America. We welcome both it and the generations of future Americans who it will bring in to strengthen our great country.

And now I am honored and pleased to sign into law the Immigration Act of 1990. And I'd like to ask the Members of Congress -- if you all would come up -- if we do this. Ed, if you'll get on one side and Dick on the other.

[At this point, the President signed the bill.]

There we go. Well done. Thank you.

Note: The President spoke at 2:28 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Attorney General Dick Thornburgh; Secretary of Veterans Affairs Edward J. Derwinski; and Representative Hamilton Fish, Jr. S. 358, approved November 29, was assigned Public Law No. 101 - 649.

Statement on Signing the Immigration Act of 1990

November 29, 1990

Today I am pleased to sign S. 358, the ``Immigration Act of 1990'' -- the most comprehensive reform of our immigration laws in 66 years. This Act recognizes the fundamental importance and historic contributions of immigrants to our country. S. 358 accomplishes what this Administration sought from the outset of the immigration reform process: a complementary blending of our tradition of family reunification with increased immigration of skilled individuals to meet our economic needs.

The legislation meets several objectives of this Administration's domestic policy agenda -- cultivation of a more competitive economy, support for the family as the essential unit of society, and swift and effective punishment for drug-related and other violent crime.

S. 358 provides for a significant increase in the overall number of immigrants permitted to enter the United States each year. The Act maintains our Nation's historic commitment to family reunification by increasing the number of immigrant visas allocated on the basis of family ties.

At the same time, S. 358 dramatically increases the number of immigrants who may be admitted to the United States because of the skills they have and the needs of our economy. This legislation will encourage the immigration of exceptionally talented people, such as scientists, engineers, and educators. Other provisions of S. 358 will promote the initiation of new business in rural areas and the investment of foreign capital in our economy.

I am also pleased to note that this Act facilitates immigration not just in numerical terms, but also in terms of basic entry rights of those beyond our borders. S. 358 revises the politically related ``exclusion grounds'' for the first time since their enactment in 1952. These revised grounds lift unnecessary restrictions on those who may enter the United States. At the same time, they retain important administrative checks in the interest of national security as well as the health and welfare of U.S. citizens.

Immigration reform began in 1986 with an effort to close the ``back door'' on illegal immigration through enactment of the 1986 Immigration Reform and Control Act (IRCA). Now, as we open the ``front door'' to increased legal immigration, I am pleased that this Act also provides needed enforcement authority.

S. 358 meets several objectives of my Administration's war on drugs and violent crime. Specifically, it provides for the expeditious deportation of aliens who, by their violent criminal acts, forfeit their right to remain in this country. These offenders, comprising nearly a quarter of our Federal prison population, jeopardize the safety and well-being of every American resident. In addition, S. 358 improves this Administration's ability to secure the U.S. border -- the front

lines of the war on drugs -- by clarifying the authority of Immigration and Naturalization Service enforcement officers to make arrests and carry firearms.

S. 358 also improves the antidiscrimination provisions of the IRCA. These amendments will help deter discrimination that might be related to the implementation of ``employer sanctions'' under the 1986 law. In this regard, S. 358 helps to remedy unfortunate side effects of this important deterrent to illegal immigration.

In signing this legislation, I am concerned with the provision of S. 358 that creates a new form of relief known as ``temporary protected status.'' The power to grant temporary protected status would be, except as specifically provided, the ``exclusive authority'' by which the Attorney General could allow otherwise deportable aliens to remain here temporarily because of their nationality or their region of origin. I do not interpret this provision as detracting from any authority of the executive branch to exercise prosecutorial discretion in suitable immigration cases. Any attempt to do so would raise serious constitutional questions.

George Bush

The White House,

November 29, 1990.

Note: S. 358, approved November 29, was assigned Public Law No. 101 - 649.

Statement on the United Nations Security Council Resolution Authorizing the Use of Force Against Iraq

November 29, 1990

The United Nations Security Council vote underscores the unity and determination of the international community to end Iraq's illegal occupation of Kuwait. We are pleased to note the common stance and determination of the world in this endeavor. The United States will continue working with all countries for the express purpose of having the United Nations Security Council resolution fully implemented. We continue to favor a peaceful settlement of this crisis; at the same time, and as the Security Council vote demonstrates, there is growing resolve that Saddam's occupation of Kuwait not be allowed to stand and that all necessary means be employed to ensure this is the case.

Note: Saddam Hussein was President of Iraq.

The President's News Conference

November 30, 1990

The President. I have a statement, an opening statement, that is a little longer than normal; and I'd ask your indulgence. And then I will be glad to respond to questions.

We're in the Gulf because the world must not and cannot reward aggression. And we're there because our vital interests are at stake. And we're in the Gulf because of the brutality of Saddam Hussein. We're dealing with a dangerous dictator all too willing to use force who has weapons of mass destruction and is seeking new ones and who desires to control one of the world's key resources -- all at a time in history when the rules of the post-cold-war world are being written.

Our objectives remain what they were since the outset. We seek Iraq's immediate and unconditional withdrawal from Kuwait. We seek the restoration of Kuwait's legitimate government. We seek the release of all hostages and the free functioning of all embassies. And we seek the stability and security of this critical region of the world.

We are not alone in these goals and objectives. The United Nations, invigorated with a new sense of purpose, is in full agreement. The United Nations Security Council has endorsed 12 resolutions to condemn Iraq's unprovoked invasion and occupation of Kuwait, implement tough economic sanctions to stop all trade in and out of Iraq, and authorize the use of force to compel Saddam to comply.

Saddam Hussein has tried every way he knows how to make this a fight between Iraq and the United States, and clearly, he has failed. Forces of 26 other nations are standing shoulder to shoulder with our troops in the Gulf. The fact is that it is not the United States against Iraq; it is Iraq against the world. And there's never been a clearer demonstration of a world united against appeasement and aggression.

Yesterday's United Nations Security Council resolution was historic. Once again, the Security Council has enhanced the legitimate peacekeeping function of the United Nations. Until yesterday, Saddam may not have understood what he's up against in terms of world opinion, and I'm hopeful that now he will realize that he must leave Kuwait immediately.

I'm continually asked how effective are the U.N. sanctions that was put into effect on August 6th. I don't know the answer to that question. Clearly, the sanctions are having some effect, but I can't tell you that the sanctions alone will get the job done. And thus, I welcome yesterday's United Nations action.

The fledgling democracies in Eastern Europe are being severely damaged by the economic effects of Saddam's actions. The developing countries of Africa and in our hemisphere are being

victimized by this dictator's rape of his neighbor Kuwait. Those who feel that there is no down side to waiting months and months must consider the devastating damage being done every day to the fragile economies of those countries that can afford it the least.

As Chairman Alan Greenspan [Board of Governors, Federal Reserve System] testified just the other day, the increase in oil prices resulting directly from Saddam's invasion is hurting our country, too. Our economy, as I said the other day, is at best in a serious slowdown, and if uncertainty remains in the energy markets, the slowdown will get worse.

I've spelled out once again our reasons for sending troops to the Gulf. Let me tell you the things that concern me most. First, I put the immorality of the invasion of Kuwait itself. No nation should rape, pillage, and brutalize its neighbor. No nation should be able to wipe a member state of the United Nations and the Arab League off the face of the Earth.

I'm deeply concerned about all the hostages -- innocent people held against their will in direct contravention of international law. Then there's this cynical and brutal policy of forcing people to beg for their release, parceling out human lives to families and traveling emissaries like so much chattel.

I'm deeply concerned about our own Embassy in Kuwait. The flag is still flying there. A handful of beleaguered Americans remain inside the Embassy unable to come and go. This treatment of our Embassy violates every civilized principle of diplomacy. It demeans our people; it demeans our country. And I am determined that this Embassy, as called for under Security Council Resolution 674, be fully replenished and our people free to come home. What kind of precedent will these actions set for the future if Saddam's violation of international law goes unchallenged?

I'm also deeply concerned about the future of Kuwait itself. The tales of rape and assassination, of cold-blooded murder and rampant looting are almost beyond belief. The whole civilized world must unite and say: This kind of treatment of people must end. And those who violate the Kuwait people must be brought to justice.

I'm deeply concerned about Saddam's efforts to acquire nuclear weapons. Imagine his ability to blackmail his neighbors should he possess a nuclear device. We've seen him use chemical weapons on his own people. We've seen him take his own country, one that should be wealthy and prosperous, and turn it into a poor country all because of insatiable appetite for military equipment and conquest.

I've been asked why I ordered more troops to the Gulf. I remain hopeful that we can achieve a peaceful solution to this crisis. But if force is required, we and the other 26 countries who have troops in the area will have enough power to get the job done.

In our country, I know that there are fears about another Vietnam. Let me assure you, should

military action be required, this will not be another Vietnam. This will not be a protracted, drawn-out war. The forces arrayed are different. The opposition is different. The resupply of Saddam's military would be very different. The countries united against him in the United Nations are different. The topography of Kuwait is different. And the motivation of our all-volunteer force is superb.

I want peace. I want peace, not war. But if there must be war, we will not permit our troops to have their hands tied behind their backs. And I pledge to you: There will not be any murky ending. If one American soldier has to go into battle, that soldier will have enough force behind him to win and then get out as soon as possible, as soon as the U.N. objectives have been achieved. I will never -- ever -- agree to a halfway effort.

Let me repeat: We have no argument with the people of Iraq; indeed, we have only friendship for the people there. Further, I repeat that we have no desire to keep one single American soldier in the Gulf a single day longer than is necessary to achieve the objectives set out above.

No one wants to see a peaceful solution to this crisis more than I do. And at the same time, no one is more determined than I am to see Saddam's aggression reversed.

Lastly, people now caution patience. The United States and the entire world have been patient. I will continue to be patient. But yesterday's U.N. resolution, the 13th by the Security Council, properly says to Saddam Hussein: Time is running out. You must leave Kuwait. And we've given you time to do just exactly that.

Many people have talked directly to Saddam Hussein and to his Foreign Minister Tariq `Aziz. All have been frustrated by Iraq's ironclad insistence that it will not leave Kuwait. However, to go the extra mile for peace, I will issue an invitation to Foreign Minister Tariq `Aziz to come to Washington at a mutually convenient time during the latter part of the week of December 10th to meet with me. I'll invite Ambassadors of several of our coalition partners in the Gulf to join me at that meeting. In addition, I'm asking Secretary Jim Baker to go to Baghdad to see Saddam Hussein. And I will suggest to Iraq's President that he receive the Secretary of State at a mutually convenient time between December 15th and January 15th of next year.

Within the mandate of the United Nations resolutions, I will be prepared, and so will Secretary Baker, to discuss all aspects of the Gulf crisis. However, to be very clear about these efforts to exhaust all means for achieving a political and diplomatic solution, I am not suggesting discussions that will result in anything less than Iraq's complete withdrawal from Kuwait, restoration of Kuwait's legitimate government, and freedom for all hostages.

Thank you very much. And I will be glad to respond to a few questions.

Persian Gulf Crisis

Q. Mr. President, now that you have a clear-cut U.N. resolution on use of force, doesn't that force you into a position if these talks between the Secretary of State break down -- doesn't this force you into the position of having to use force on January 15th if Saddam Hussein hasn't left? And if not, won't we be perceived as the one who blinked first?

The President. No, the date was not a date at which point force had to be used.

Q. If I could just follow up with another question. Are you going to ask Congress for approval of this resolution -- would you like to see Congress pass the same kind of resolution that the U.N. passed?

The President. I'd love to see Congress pass a resolution enthusiastically endorsing what the United Nations has done, yes. But we're in consultation on that, and I have no plans to call a special session. I'm not opposed to it, but we're involved in consultations right now. I have talked to several Members of Congress. I've talked to leaders in the House. I've talked to several on the Republican side and Democratic side in the Senate. And I want to be sure that these consultations are complete.

Some feel a lame-duck session is not good, that the new Members should have a right to have a say. Others feel that we ought to move right now. The Congress, as you know, in their adjournment resolution, had a provision in there that they could come back and take this up. They are a coequal branch of government; they can do that if they want to. But we will continue our consultations. They'll follow, incidentally, today, this with a meeting with the leadership. So, I'll get a little better feel for that as we go along.

Q. Mr. President, you say you're confident that American troops will prevail against Saddam if they're called upon?

The President. Oh, absolutely.

Q. But at what price? How many Americans?

The President. Oh, I can't give you any figures, of course. But I can say that the movement of this additional force safeguards the lives of every American and every one of our allies in the Gulf.

Yes, Brit [Brit Hume, ABC News]?

Q. Mr. President, in recent days, senior members of the administration have emphatically rejected the idea of any special emissaries or diplomatic envoys to or from Iraq to discuss this on your part. What changed your mind, sir?

The President. The United Nations resolution, I think, has a good chance of making Saddam Hussein understand what it is he's up against. I have not felt that he got the message. I hope this will do it. But I am convinced that these two direct meetings that I've discussed here will guarantee to all the people of the world, certainly to the American people, that Saddam Hussein not misunderstand, not misinterpret. I keep hearing: Well, people won't give him the news. Unlike the President of the United States, who gets good news and bad news very faithfully, I am told that Saddam Hussein's troops don't bring him the bad news; and I'm told that he is somewhat isolated. And I think this U.N. resolution will help de-isolate him, and I think the two proposals that I have made here will help. So, it's just going the extra step, Brit, that's what it is. And it's a decision that I personally made.

Q. You indicate that this date is not actually a deadline for the use of force, merely a date after which force would be permissible. How do you avoid the impression, should that date come and go without military action, that the U.S.-led coalition has, in fact, blinked?

The President. Well, we've got to look at events at the time, but I don't think there will ever be a perception that the United States is going to blink in this situation. That's why I had some of the words in this statement that I had.

Q. Mr. President, you've just spoken about the weapons of mass destruction -- nuclear weapons -- and also that one of your goals is to try to reach stability in the region. Can you reach stability in the region with Saddam Hussein in power?

The President. I think most countries, members of the United Nations, feel that there have to be some safeguards put into effect in terms of guaranteeing the security and stability of the Gulf. And so, I would think that the status quo ante will not be enough. And I think there are sanctions in place now, and I think it would be very proper to discuss what those safeguards should be after there has been a total compliance with the United Nations resolutions.

Q. Sir, could I just follow up. I just notice that originally when you outlined your goals you included stability in the region. You seem to summarize them when you talk about these talks with Saddam Hussein. But you only mentioned the first three; you didn't mention stability in the region.

The President. Well, was I talking about the U.N. resolution? Which security and stability I don't think was a part of the U.N. resolution. It is certainly part of the world's objective, however. I think that may be the technical difference. But, look, it is critical, and it is very, very important.

Q. Mr. President, I want to ask if your comments about the Kuwaiti Embassy -- whether it's fair to conclude, based on those, that you will neither close the Embassy nor permit those Americans to be starved out?

The President. I will not say exactly what I will do or exactly what I won't do. There is a very interesting report that we got in this morning saying that some Iraqis showed up at the Kuwaiti Embassy, our Embassy in Kuwait, and delivered fruit, vegetables, and a case of Iraqi cigarettes to Embassy Kuwait. And apparently, there's going to be another delivery tomorrow, including soda pop. And they asked what medical supplies were required.

Q. No mail?

The President. It doesn't say that. The Embassy will apparently provide a list tomorrow. And the electricity is still cut off. So, this is kind of an interesting little development. But somebody said to me: Well, hey, what about if there's some provocation -- they asked me in the leadership meeting. I said, consider me provoked when it comes to the United States Embassy. Consider me provoked when I see Americans without proper food and medical equipment.

Q. May I follow? Do you take it from that communique that you've received there that the Iraqis have the message and want to eliminate that as a potential tripwire?

The President. I don't know. It's too -- the best question, right on target, one that we were discussing inside. Let's try to be optimistic and say this could be a positive sign, but it's so far short of compliance with international law that I can't be rejoicing. But it is a very interesting development.

Q. You've been getting some pretty negative comments up on the Hill from these hearings being held this week. Now, this morning, you said this would not be a long, protracted Vietnam-type war. However, General Odom, the former head of the NSA [National Security Agency], testified just this morning before the Senate Armed Services that, in fact, that we'd have to be there for decades. Now, presumably, he means even after military combat we'd have to have people in place there, at least part of a peacekeeping force. Do you see our commitment there to extend that far?

The President. No, I don't.

Q. May I ask you something else? Al Gore yesterday takes issue with your comments and the comments of some of your aides, such as Brent Scowcroft [Assistant to the President for National Security Affairs], about Saddam being able to churn out a nuclear weapon within a matter of months. Gore, who has had some private briefings, apparently, from some of you people, indicates that your administration statements are misleading.

The President. I disagree with the Senator. And if he wants to gamble on the future about the construction of atomic weapons by Saddam Hussein, I don't. I know what the intelligence says -- every bit of it. I can't share it, obviously, because we don't comment on intelligence matters. But I am concerned -- from the very first time I spoke on this subject -- I think in August, I

mentioned weapons of mass destruction, I believe -- certainly early on -- and I am concerned about it. And if Senator Gore has a difference of opinion and is not concerned about it, we just have an honest difference there. I am concerned about Saddam Hussein's attempt to accelerate the construction or possession of a nuclear weapon. And I might as well share that as honestly as I can.

Q. Sir, are you saying that he could develop a warhead next year?

The President. I'm not giving you a timeframe. But you've seen the estimates, some of which I guess are accurate, in the papers. And there's a lot of scientists that come down on different sides. Senator Gore, I'm sure, is an intelligence fellow, and he -- but I don't think he has access to absolutely all; maybe he does. But I am not going to err on the side of underestimation when it comes to this question.

Q. Mr. President, your announcement about Tariq `Aziz and Secretary Baker -- have you had any signals, any indications from the Iraqis, that they would welcome this, that they are indeed looking for this kind of communication?

The President. No. The only thing I've heard is that they want to talk. Here's an opportunity. But no, I've not had any diplomatic signals or signals of other kinds.

Q. And of those 26 nations that you list in the area, how many of those are equally committed to offensive action rather than just defensive action?

The President. I can't give you the answer to that because I don't really know. But I expect that there is enthusiasm in all quarters of those countries for the U.N. action that was taken yesterday.

Q. Well, with all respect, shouldn't you know how many would follow your troops into battle?

The President. I know that what I said is true about if we have to go into battle. I'm satisfied I know enough about that. I went over in detail, as you well imagine a President should because I have the responsibility as Commander in Chief, what might happen if we have to use force.

I repeat: I hope we'll never have to have one single shot fired in anger.

Q. Iraq has been constantly calling for dialog. Aren't you concerned that those two missions, Tariq `Aziz and James Baker, will lead Saddam Hussein to claim that the U.S. is showing a sign of weakness?

The President. Because Baker goes to Baghdad?

Q. Aren't you concerned that that will be the position of Saddam Hussein?

The President. No, I'm not. I'm concerned some might say that is an ultimatum in which -- all it is, is an effort to be sure that he understands the commitment of the United States; that he understands that anything that is done must be done inside the confines of the United Nations resolutions that have been passed; that there will be no contingency, there can be no face-saving -- that's not what this is about. This is to be sure that he understands how strongly the President of the United States feels about implementing to a tee, without concession, the United Nations position. Some have told me that he's not getting the message of how determined we are. I can't think of any better way to do it at this juncture, in the wake of the U.N. resolution, than this face-to-face meeting. I'm not sure he'll agree to it.

Q. Today's press conference seems to amount to again more talk of preparations for war. Can you describe what you think your responsibilities are in terms of Congress as we head into this period, since they seem to think that and agree that you're consulting, talking, but you seem reluctant to go and get a resolution that mimics the U.N. resolution. What do you think your responsibilities are to Congress and to the people that elected them?

The President. Full consultation. Get them in on the -- --

Q. Any more than telling them before you do something?

The President. I'm leveling with them on where I think matters are right now. You've put your interpretation on my remarks. There were plenty of comments in there about hoping that we will have a peaceful resolution, that the best answer to get a peaceful resolution is to have Saddam Hussein know how determined everybody is.

You see, I think yesterday's U.N. resolution was a step towards peace, not a step towards war, because I believe that when Saddam Hussein finally gets the message and understands what he's up against in terms of world opinion and other things that he will do that in Kuwait which he did in Iran.

Trade With the Soviet Union and U.S. Aid

Q. Thank you, Mr. President. The Soviet Union did, indeed, vote on our side as far as the resolution allowing force if it's necessary. Are we going to offer the Soviet Union any compromise on export credits? As you know, there's some concern that they think there is a de facto grain embargo going on because we won't offer export credits in their very needy time.

The President. The matters are totally separate and unrelated. But I am concerned about this. And I've talked with Mr. Gorbachev of a willingness to entertain proposals for food, particularly if the reports prove to be accurate in terms of the severe winter and the hardship that this will inflict on the Soviet people.

I have asked our own top people here to come up with recommendations for me, next week, as what to do about Jackson-Vanik. It has been my position that the Soviets should pass the necessary emigration legislation. That has not taken place. But some are saying that I now have a clearer waiver authority than I thought. And I do not want to work hardship on any sector of the American economy. I'm one of those strongest proponents against a grain embargo, and yet I'm told that some in middle America think that our position is really almost resulting in a grain embargo. And I want to dispel any notion that I am for the grain embargo.

The Soviets are concerned about many aspects of this legislation. So, I'm facing a decision as to what to do. Should we try to waive Vanik, and should we then extend credits under the CCC [Commodity Credit Corporation]? There are other agricultural programs that I think we can go forward with immediately without waiver of Jackson-Vanik. But it's an evolving question here. And I don't know exactly what I am going to do, because we're caught between some strong and understandable economic interests at home and, on the other hand, a position of wanting to stand for free and fair emigration.

One thing that is important to note, however, is that the exodus of Soviet Jews from the Soviet Union is high. And I'd like to take some credit for our administration in this, because we've been steadfast in encouraging the exodus of Soviet Jews. And so, that will weigh on my consideration when I get down to have to make this final decision about the waiver of Jackson-Vanik.

Emigration of Soviet Jews to the United States

Q. On that, would you consider another increase of the quota that -- the number of people that could emigrate to the United States? Would we increase the amount that we'd accept?

The President. We're reviewing the whole policy at this juncture.

Persian Gulf Crisis

Q. Mr. President, Arab experts suggest that Saddam Hussein has hinted in his remarks that he would like to have some sort of deal, but he wouldn't necessarily hold to his demands. Now you're saying you're willing to meet with him. Are you willing to offer him anything in these meetings in return for a pullout, such as a conference on the Middle East?

The President. No. Those two items are totally separate. We've made that very, very clear. And what I have said is that these discussions will be done within the U.N. mandate. I'm not all that hopeful that we'll get big results out of all of this. It's going the extra mile. It's taking the extra step. But I can't tell you that I think we're going to have great success on all of this because our partnership in the world is together on the fact that we cannot stop short of total fulfillment, without condition, of the United Nations resolutions.

Q. What then is the point of the meeting? Are you just delivering ultimatums?

The President. No, this isn't an ultimatum at all. And I hope what it does is demonstrate that we are prepared to go face to face and tell him how committed we are to the United Nations resolutions. I've told you I don't think he has felt this commitment. As I said earlier, he may feel it a little more strongly now that we did what many skeptics thought couldn't happen -- that the United Nations Security Council did, and that is come together and pass this very important resolution.

So, one thing is he has got to understand what the alternatives are to complying with the United Nations resolutions. And the best way to get that across is one on one -- Baker looking him right in the eye. I've been told that he doesn't necessarily believe that I am totally committed to what I've been saying. And here's a good opportunity to have him understand that face to face.

So, we want to make the case to him directly for complying with the United Nations resolutions, make the case to him from a Secretary of State who's incessantly worked to get this resolution through -- the strength of the commitment of the international community -- and then try to persuade him to reconsider his position and to take the steps necessary for a peaceful resolution of the crisis. But it isn't a trip of concession. When you've done what he's done, I don't see that there's room for concession, there's room for giving something to save face. That's not the way you treat with aggression. And we're not going to treat with it any differently than I've outlined here.

Yes, and then Maureen [Maureen Santini, New York Daily News]. I told Maureen I'd -- you two, and then I'll go peacefully.

Q. With high oil prices hurting the world -- --

The President. -- -- you're whipsawed today; it's terrible. The statement was so long at the beginning. I apologize for that.

Q. You don't have to give to everybody up front.

The President. Well, Helen -- I mean, Sarah [Sarah McClendon, McClendon News]. Thank you, Sarah. I didn't see your hand up.

Q. It sure has been up for an hour. [Laughter]

The President. Even before I got here? [Laughter] Sarah, you get the last question. We did this before, and I got in real trouble.

Go ahead -- two.

Q. Mr. President, you mentioned the damage that high oil prices are doing to the world economy. Should Saudi Arabia and other producers share more of their windfall?

The President. I think they're doing a pretty good job in underwriting the costs to various countries and helping third party countries that have been hurt by all of this. But I think everybody should go the extra mile to help others. And I was pleased when I was talking in Mexico, for example, with President Salinas, that he is selling oil -- to try to help the burden by selling oil at bargain prices off this inflated world price. So, I think everybody should try to help. And I think the Saudis have made a lot of commitments to countries in trying to help out. I hope they will continue to do that, and I'm confident they will.

Q. If I could follow, sir: Should Saudi Arabia have a military draft?

The President. That's for the Saudi Arabians to decide. I don't think the United States needs one, incidentally.

Q. Mr. President, if you ultimately feel that you have to ask Americans to support the use of force, what that, of course, means is that you have to ask some parents to give up the lives of their children.

The President. I know it.

Q. What I was wondering was: We all know how important your children are to you. Do you feel that this issue is important enough to you that you could conceive of giving up one of their lives for it?

The President. You know, Maureen, you put your finger on a very difficult question. People say to me, How many lives? How many lives can you expend? Each one is precious. I don't want to reminisce, but I've been there. I know what it's like to have fallen comrades and see young kids die in battle. It's only the President that should be asked to make the decision: Is it worth it? How many lives is it worth? Is it worth it to commit one life, put one life in harm's way to achieve these objectives? And that's why I want to get a peaceful resolution to this question.

You ought to read my mail. It is so heart-moving. Supportive, and yet: Please bring my kid home. Please bring my husband home. It's a tough question. But a President has to make the right decision. These are worldwide principles of moral importance. I will do my level-best to bring those kids home without one single shot fired in anger. And if a shot is fired in anger, I want to guarantee each person that their kid, whose life is in harm's way, will have the maximum support, will have the best chance to come home alive, and will be backed up to the hilt.

Because of that question that weighs on my mind, I added that language this morning about how this will not be a Vietnam. They can criticize me for moving force. And if we've got one kid that's apt to be in harm's way, I want him backed up to the hilt by American firepower, and others as well. That's why I'm working as hard as I am not only to hold this coalition together but to strengthen it. The best way to safeguard the lives of Americans is for Saddam Hussein to do that what he should have done long ago. And if force has to be used, the best way to safeguard lives is to see that you've got the best and you're willing to use it. That's my posture.

Q. Sir, why do you seem to be avoiding the people's representatives having an opportunity to talk on this and to express their opinion? You know Congress, and yet you're avoiding it. You know that the Constitution gives the power not only to declare war, but to provide the money and to say other things about what shall be done with troops. That's the Constitution. Yet you seem to be avoiding that. The experts on Capitol Hill say that what you have done by prenotification, calling two or three Members and saying we're on the way -- you've already made the decision. You're notifying them; that's prenotification. That's not consulting with Congress. They say you should sit down and have a back-and-forth with them.

The President. Yes.

Q. And I want to remind you that when Foley speaks as Speaker of the House, he may be Speaker of the House, but he sure as hell doesn't represent Florida and Texas.

The President. Sarah, therein, you've properly brought up the dilemma I face. There are 435 Members of the United States Congress, there are 100 -- --

Q. But -- --

The President. May I finish, please? There are 100 Members of the United States Senate. Each one has a view as to what I ought not to do, and that's fine. They have the power under the resolution of adjournment to come back 20 seconds from now and to take a voice, to stand, to take a common position. If they want to come back here and endorse what the President of the United States has done and what the United Nations Security Council has done, come on, we're ready. I'd like to see it happen. But what I don't want to do is have it come back and end up where you have 435 voices in one House and 100 on the other saying what not to do and saying -- kind of a hand-wringing operation that would send bad signals. I welcome these hearings. We're having hearings. We're consulting. I've told you I'm consulting. I'll be honest with you: I cannot consult with 535 strong-willed individuals. I can't do it, nor does my responsibility under the Constitution compel me to do that. And I think everyone would agree that we have had more consultations than previous administrations.

Q. Sir, we have a majority rule in this country, and you seem to be afraid of it.

The President. No, I'm not afraid of it at all. We have a tripartite form of government. And I know my strengths, and I know the limitations on the Presidency. This is an interesting debate, Sarah. [Laughter] And I know my limitations. And I know what I can do, and I know what previous Presidents have done. And I am still determined to consult the extra mile. You want to continue to debate?

Q. You and Jim Baker give the other countries a chance to talk, and you give the United Nations a chance to talk, but you won't give the United States people a chance to debate with you.

The President. Well now, that's an absurd comment, Sarah, from a bright person like you. That is absolutely absurd. They're holding hearings. They're talking. They have the power under the adjournment resolution to reconvene this minute. Some in the House want to come back now; some want to talk about it later on. Some in the Senate want to come right back now and immediately endorse what the President has done and what the Security Council resolution is -- and I'm for that -- but some don't. And so, consultation is going on. Please do not assign to me improper motives. They're talking right now. They're having endless hearings by endless experts up there, each one with a slightly different view. And that's the American way. And that's fine. And I know what the responsibilities of the President are, and I am fulfilling those responsibilities.

Note: The President's 66th news conference began at approximately 11 a.m. in the Briefing Room at the White House. In his opening remarks, he referred to President Saddam Hussein of Iraq.

Exchange With Reporters Prior to a Meeting With Foreign Minister Qian Qichen of China

November 30, 1990

Q. Mr. President, has China atoned for Tiananmen Square?

The President. Have they what?

Q. Have they atoned for Tiananmen Square?

The President. Well, I think the Chinese Government knows that we have some differences on this whole broad question of human rights, but we have many things in common. And one good thing is, we have a very frank relationship with this Foreign Minister and an ability to discuss things openly. He's got some problems with some things, perhaps, we've done, and in this area there are some differences. But that's one of the purposes of this kind of meeting -- is to reduce these differences and to go forward.

We've worked closely on the broad concept of stopping aggression. And of course, that is something that we have in common with this very important country, China. So, I'm looking forward to full discussions with this Foreign Minister.

Q. Are you thinking of eliminating sanctions?

The President. We're going to discuss a wide array of questions, and I think it will go very well. And, as I say, both sides are trying to strengthen and build on this relationship that both recognize as important. And I will have every opportunity to express to the Foreign Minister, and I expect he will report that back very accurately to the leaders in Beijing, how strongly I feel on some of these questions. And he'll have every opportunity today to present China's views on these important questions.

I'm always inclined to emphasize the positive. And there are many positive and very important aspects to this relationship -- very important. And not the least of which is that China and the United States have made common ground in terms of standing up against aggression. And that is important to every American; it is important, I think, to the Chinese side as well.

Mr. Fitzwater. Lights. Thank you.

The President. Thank you, guys. It's been a great pleasure. [Laughter]

How many brave souls are going to South America? All right. Rest up.

Note: The exchange began at 1:30 p.m. in the Oval Office at the White House. Marlin Fitzwater was Press Secretary to the President.

Remarks Announcing the Nomination of Bob Martinez To Be Director of National Drug Control Policy

November 30, 1990

The President. During the past couple of years, we've devoted unprecedented resources to the war on drugs. Bill Bennett -- I mentioned this just the other day -- has been an outstanding leader of that fight. I'm pleased that in stepping down as Director of the Office of National Drug Control Policy, he is now willing to take on the challenge of chairing the Republican National Committee. I have recommended Bill Bennett to the members of the RNC to serve in the post of chairman, and I've also recommended that Lee Atwater serve as general chairman of the Republican Party.

Bill is a man of proven leadership, intellect, and commitment whose drive and determination will be a tremendous asset to the Republican Party organizations and operations, and I am grateful that he has accepted this important task. And I might add that I am delighted that Lee Atwater will continue to provide valued counsel as general chairman of the party. He has been, as you all know, a close adviser and political strategist -- chief political strategist -- and a good friend. I certainly wish him Godspeed in his fight and in his recovery.

Today, I'm also pleased to announce the appointment of a superbly qualified individual, Governor Bob Martinez, to succeed Bill Bennett as our nation's new Drug Policy Director -- a battlefield promotion, if you will, for a leader who has earned his stripes on the front lines of the drug war. Governor Martinez can and will hit the ground running. He needs no primer. As the National Governors' Association's lead Governor on substance abuse and drug trafficking, he has been contributing to our national drug control strategy for over 2 years.

As Governor, Bob Martinez has introduced some of our most innovative and effective new tools against drugs. He was the first to name a State drug czar and one of the first to bring the National Guard into the fight. He stiffened the Florida Code and then added the prison space to enforce it. He's enacted new laws that take career criminals off the streets; launched a successful boot camp program; moved to revoke drivers licenses for drug users; supported, always, effective drug treatment; and established drug-free school zones.

As a Governor who signed more than 130 death warrants, he understands tough choices and the need for penalties as tough as the criminals that we face.

As a former Governor and mayor, Bob will be especially effective in joining hands with State and local leaders. As a teacher who has spent 7 years in the classroom, he knows the longterm key to winning this effort is to stop drug use before it starts. As a businessman, he knows the challenges we face in making the workplace drug-free. And as a Spanish-speaking leader who

has probed the problem firsthand in Bolivia and Colombia, he's in a unique position to work with our Latin American allies.

Bob Martinez is the grandson of Spanish immigrants, the son of a waiter, a man who worked his way through school. My predecessor called him ``the embodiment of the American dream.'' He's now about to take on his toughest challenge yet -- with all respect to your present employment -- the scourge that is today the American nightmare.

Governor, we congratulate you. We wish you luck. I want to thank you for taking on this important task. You know you've got big shoes to fill, and we're going to stand with you in this important fight. America, as Bill has so eloquently stated -- Bill Bennett -- is making progress against drugs. Thanks to the leadership of people like Bill Bennett, we're going to continue to do so. We're all pleased that Bill's very able chief of staff, John Walters, will carry on the fight until Governor Martinez assumes the helm. There are many battles ahead. And we're going to renew our call to Congress to pass a true crime bill -- one that's tough on criminals, not on the police -- and we'll remain on the front lines. We will take back the streets.

Bob -- Governor Martinez -- I look forward to working with you as closely as I have with Bill Bennett.

Bill, I look forward to working with you in an entirely different assignment. We'll have many, many contacts, I can assure you.

But thank you all very much, and now I will turn this over to Governor Martinez with my warm best wishes. Thanks for taking this on. Thank you all.

Reporter. Mr. President, can I ask you a question about your phone calls to the leaders of the Middle East today -- what the response was?

The President. Doing very well. But let's turn it over -- they've all been very, very positive.

Note: The President spoke at 2:30 p.m. in the Briefing Room at the White House.

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversations With Foreign Leaders

November 30, 1990

President Bush called a number of foreign leaders this afternoon to discuss his proposal that Iraqi Foreign Minister Tariq `Aziz meet with U.S. and other representatives in December, and that Secretary of State Baker travel to Baghdad to meet with [President] Saddam Hussein. All the leaders received President Bush's initiative enthusiastically and reiterated their desires for achieving the complete and unconditional withdrawal of Iraq from Kuwait, the restoration of the legitimate government of Kuwait, and the release of all hostages. President Bush spoke with Presidents Mubarak [of Egypt] and Ozal [of Turkey], King Fahd [of Saudi Arabia], Prime Minister Major [of the United Kingdom], and the Amir of Kuwait.

Memorandum of Disapproval for the Intelligence Authorization Act, Fiscal Year 1991

November 30, 1990

I have withheld my signature from S. 2834, the proposed ``Intelligence Authorization Act, Fiscal Year 1991," thereby preventing it from becoming law. I am compelled to take this action due to the bill's treatment of one highly sensitive and important issue that directly affects the Nation's security, although there also are several objectionable elements of the bill that trouble me.

I cannot accept the broad language that was added in Conference to the definition of covert action. Section 602 of the bill defines ``covert action" to include any ``request" by the United States to a foreign government or a private citizen to conduct a covert action on behalf of the United States. This provision purports to regulate diplomacy by the President and other members of the executive branch by forbidding the expression of certain views to foreign governments and private citizens absent compliance with specified procedures; this could require, in most instances, prior reporting to the Congress of the intent to express those views.

I am particularly concerned that the vagueness of this provision could seriously impair the effective conduct of our Nation's foreign relations. It is unclear exactly what sort of discussions with foreign governments would constitute reportable ``requests" under this provision, and the very possibility of a broad construction of this term could have a chilling effect on the ability of our diplomats to conduct highly sensitive discussions concerning projects that are vital to our national security. Furthermore, the mere existence of this provision could deter foreign governments from discussing certain topics with the United States at all. Such a provision could result in frequent and divisive disputes on whether an activity is covered by the definition and whether individuals in the executive branch have complied with a statutory requirement.

My objections to this provision should not be misinterpreted to mean that executive branch officials can somehow conduct activities otherwise prohibited by law or Executive order. Quite the contrary. It remains Administration policy that our intelligence services will not ask third parties to carry out activities that they are themselves forbidden to undertake under Executive Order No. 12333 on U.S. intelligence activities. I have also directed that the notice to the Congress of covert actions indicate whether a foreign government will participate significantly.

Beyond this issue, I am also concerned by the treatment in the Joint Explanatory Statement accompanying the Conference Report of notification to the Congress of covert actions. I reached an accommodation with the Intelligence Committees on the issue of notifying the Congress of covert actions ``in a timely fashion," as required by current law, and have provided letters to the Intelligence Committees outlining how I intend to provide such notice. I was consequently dismayed by the fact that language was inserted in the Joint Explanatory Statement accompanying the Conference Report that could be construed to undercut the agreement reached

with the Committees. This language asserts that prior notice may be withheld only in ``exigent circumstances'' and that notice ``in a timely fashion'' should now be interpreted to mean ``within a few days'' without exception. Such an interpretation would unconstitutionally infringe on the authority of the President and impair any Administration's effective implementation of covert action programs. I deeply regret this action.

Additionally, I am concerned that there are several legislatively directed policy determinations restricting programs of vital importance to the United States that I do not believe are helpful to U.S. foreign policy. This bill, like its predecessor last year, also contains language that purports to condition specified actions on the President's obtaining the prior approval of committees of the Congress. This language is clearly unconstitutional under the Presentment clause of the Constitution and the Supreme Court's decision in INS v. Chadha, 462 U.S. 919 (1983). I again urge the Congress to cease including such unconstitutional provisions in bills presented to me for signature.

This Administration has had a good relationship with the Intelligence Committees. I am willing to work with the Congress to address the primary issue that has prompted my veto as well as other difficulties with the bill. I will also continue to work with the Congress to ensure there is no change in our shared understanding of what constitutes a covert action, particularly with respect to the historic missions of the armed forces. I am confident that these issues can be resolved quickly in the next Congress through mutual trust and a good-faith effort on the part of the Administration and the Congress.

George Bush

The White House,

November 30, 1990.

Note: The President's last day for action on this bill was November 30.

Written Responses to Questions Submitted by the South American Press

November 30, 1990

Chile-U.S. Relations

Q. In the relations between the United States and Chile, what are the main items that you would like to see resolved and in what manner?

The President. More than anything else, I would like to convey to the Chilean people my most heartfelt congratulations and support for their transition to civilian democracy. It is a transition which was fraught with difficulties and challenges, but the people of Chile have carried it off with great courage, intelligence, and dignity. Those of us who hoped and worked for this objective feel that the democratic ideal throughout the world has been enhanced by Chile's example. Equally important, Chile has managed to bring about its democratic transition without undermining the economic progress that it has made in recent years.

It is important to keep this larger context in mind as we look at specific items on our bilateral agenda. It is no secret that our agenda during the first months of President Aylwin's term has been dominated by issues left over from the past, principally by the questions of restoration of GSP to Chile and a framework for settlement of the issues generated by the Letelier case.

Many Chileans have felt frustration or even irritation about the slowness with which these questions have been resolved. All I can say is that in democracies, things don't move as fast as they do under other systems; that is the price we pay for consultation and deliberation. The reassuring thing is that decisions do get made, however. I am happy that we have been able to begin the process of restoring GSP to Chile and that the Chilean Congress has passed the ``Cumplido'' law transferring jurisdiction over the Letelier case from military to civilian courts. This will make it possible to eliminate restrictions on defense cooperation, something we want to do.

Enterprise for the Americas and Trade Negotiations

Q. How do you plan to implement the Enterprise for the Americas Initiative, especially concerning trade, since you have a mainly Democratic Congress with protectionist attitudes and no trade agreement has been reached in Uruguay round GATT talks? How will you address both issues? How do you expect Latin America to believe in a free market economy if measures are taken in the U.S. Congress to protect your economy?

The President. The short answer to your question is that we have to work hard to get the results

we want and believe are right, which will provide economic growth for both the United States and our hemispheric partners. We need our Congress to approve legislation for certain parts of the Enterprise for the Americas. This includes legislation for the restructuring of official debt and for the investment fund we would like to see in the Inter-American Development Bank. Fortunately, the reaction in the Congress to the Enterprise initiative has been very positive, which pleases me enormously. We have already succeeded in getting one piece of the Enterprise legislation passed through our Congress, regarding P.L. 480 debt, despite our budget problems and the crunch of legislation that we always face at the end of a legislative term. We are taking steps to implement this legislation, and we are prepared to enter into negotiations with countries eligible under the legislation to reduce their P.L. 480 debt.

You have my commitment that I will be back to the Congress when it reconvenes in January 1991, seeking passage of the other portions of the Enterprise legislation. I feel confident that a bipartisan spirit will prevail, because I am convinced that the vast majority of the Members of Congress recognize the mutual benefits such an agreement could bring and support good relations between the United States and our partners in this hemisphere. This is not to say that protectionist pressures do not exist. They do in our Congress, as they do in all legislatures of democratic countries. I have used my veto power (for example, with the textile bill earlier this year) to prevent protectionist pressures at home from hurting our economy or damaging important foreign policy interests.

The other point you touched on is the Uruguay round. I want you to know that I am making every effort to ensure that these talks produce an outcome that results in expanding world trade substantially. Our position is clear: We all need a successful conclusion to the Uruguay round, one that opens markets worldwide. I am glad that other countries in this hemisphere share this view and have worked hard to bring it about. We look forward to working closely with Chile and other trading nations to achieve good market-opening agreements and substantial agricultural reforms.

Brazil-U.S. Relations

Q. Mr. President, many Brazilians think that the prospect of better relations between Brazil and the United States that emerged from your personal contacts with President Collor earlier this year are fading under the difficulties of new trade frictions and the old debt problem. I would like to ask you two questions in this regard: Your government has recently joined the other G - 7 members in demanding that Brazil ``resolve its debt arrears problem with the commercial banks'' before any further long-term financial agreements can be negotiated. The Brazilian Government argues that this approach is not acceptable because it would compromise the market-oriented economic stabilization program that you have endorsed. The issue is likely to be central to your talks in Brasilia. How will you deal with it?

The President. You've posed a very complex question, and I will try to do it justice. In the first

place, I would like to tell you that I have the highest respect for President Collor and what he is trying to do to reform and modernize the economy of Brazil. To bring about such dramatic change in a huge country like Brazil, which has more than 150 million people, deserves respect and admiration.

Our relations with Brazil are based on the solid appreciation that we share a common commitment to democratic civilian rule and economic prosperity for our citizens. With such large, competitive, and varied economies as those of the United States and Brazil, there will always be some trade frictions. What most of you may not realize is the progress we have made in addressing these trade issues. As other problems crop up, they will need to be worked on. As long as I am President, the United States will seek to address these problems in a spirit of creative problem-solving.

With regard to your question about Brazil's debt, the United States is eager to see a long-term solution that is consistent with the international debt strategy and will give Brazil the opportunity to grow and trade its way to economic health. This is a process of negotiation and has to be seen as such. While I will want to discuss this issue with President Collor, I do not see it as central to my discussions in Brazil. This is one of many issues we will want to discuss, with the goal of understanding each other's position well and looking for ways to advance common objectives.

U.S. Trade With South America

Q. The United States has proposed a framework trade agreement to Brazil and three other South American nations but has rejected a Brazilian proposal to discuss such an important issue as the access to advanced U.S. technology in the context of the agreement. Why? Is it a commercial problem or a security related problem?

The President. First of all, I must point out that the inspiration for doing a five-country framework agreement came from Brazil, Argentina, Uruguay, and Paraguay. Much as I might like to claim credit for this innovative suggestion, I cannot; it came from South America. We were pleased to move forward on this suggestion because it clearly advances the goals of regional and hemispheric economic integration that are at the heart of the Enterprise for the Americas proposal.

Second, I think you may be reading more into our position than there really is. The framework agreements we have negotiated with other countries are directed at trade and investment. There is plenty that we can do and need to do in these areas. While we are indeed willing to talk about trade-related technology questions, we were concerned that if we tried to do too much, we would end up with a structure that was too difficult to manage. There's a saying in English which says, ``Don't bite off more than you can chew.'' I understand there is a similar phrase in Spanish which says, ``El que mucho abarca, poco aprieta.'' We want the framework agreements to work on

difficult issues, but not to have them solve all the issues.

Latin America-U.S. Relations

Q. Mr. President, in Latin America there are numerous questions about the motives and objectives that led you to launch the Enterprise for the Americas Initiative. Would you explain your view of Latin America today, the motives that brought you to propose the initiative and, if you could be more specific, in what fields and during what time period do you expect the most important aspects of the initiative to be achieved?

The President. With regard to this hemisphere, the first year of my administration was devoted largely to two subjects: restoration of democracy in Central America and the war on drugs. With the triumph of democracy in Nicaragua, the end of dictatorship in Panama, and with the drug strategy launched, I became convinced that the United States needed to take a longer range look at relations in this hemisphere. In part, I was also reacting to concerns expressed to me by the region's leaders, who told me they worried that the amazing events in Central and Eastern Europe would cause us to forget this hemisphere and devote all our resources to Europe.

I gave these Latin American and Caribbean leaders my commitment that the United States would remain engaged in this hemisphere. As I told several leaders, the Americas are our common homeland, and we cannot forget this. For this reason, I asked my top economic and policy advisers to examine our policy in the region and give me ideas on innovative approaches the United States could take to complement economic reforms being implemented by Latin American and Caribbean governments.

The result of this review was the June 27 Enterprise for the Americas Initiative. My goal was to propose a mix of long-term and short-term objectives, covering the areas of trade, investment, debt, and the environment. In trade, I set out a challenge: that we act together to create a free trade area for the entire hemisphere. To get there, we are already working on a free trade agreement with Mexico, and we have signed bilateral framework agreements with Bolivia, Colombia, Ecuador, Chile, Honduras, and Costa Rica. In response to a suggestion from Brazil, Uruguay, Paraguay, and Argentina, we have agreed to negotiate a multicountry framework agreement.

In the investment area, we suggested creation of new Inter-American Development Bank programs and an additional multilateral investment fund and to improve the hemisphere's investment potential. We are seeking congressional approval of funding to contribute to multilateral. On debt, we have secured passage through the U.S. Congress of the first element of our package for reducing official debt. As you know, one of the features of this proposal is to use interest paid on the remaining debt stock to fund environmental projects. As soon as the U.S. Congress reconvenes in January, we will be working for passage of the rest of the legislative package.

As we look to the future, however, we should not be doing so in terms of unrealistic deadlines saying that ``on such-and-such a date, all of the region's problems will be solved." What we are offering is a commitment to work actively and creatively with this hemisphere, to consult frequently, and to seek solutions which lead to greater prosperity and well-being for all, in what we hope will be the world's first ``hemisphere of democracy."

Uruguay-U.S. Relations

Q. Uruguay is a tiny country that, despite its important democratic tradition, [seems] many times to have been ignored by the United States. This Presidential visit, for example, is the first one in 30 years. What brought Latin America to your attention, created an interest in visiting Uruguay, and what benefits might Uruguay gain from this new relationship with the U.S.?

The President. It has been too long since a President of the United States visited Uruguay. President Eisenhower visited Montevideo in 1960, and President Lyndon Johnson made a brief trip to Punta del Este in 1967, I believe.

Uruguay may be a small country, but it is one which has throughout its history played a creative and innovative role in world affairs. It is also a nation of immigrants, a fact that serves as a point of linkage with the United States. For example, I recently accepted the credentials of your Ambassador to the United States, Eduardo MacGillycuddy. Ambassador MacGillycuddy is a distant cousin of a United States Senator from Florida, Connie Mack. Ambassador MacGillycuddy's grandfather was a brother of the Philadelphia Phillies baseball legend by the same name.

Let me offer another example. As I mentioned above, we are in the midst of trying to complete the most ambitious trade expansion program in decades. If this effort succeeds, it could expand world trade by $500 billion. It is no accident that this round of world trade talks is called the Uruguay round, after the country which served as sponsor for its launching.

I can point to other things as well. President Lacalle was the first President of this region to telephone me after I announced the Enterprise for the Americas Initiative on June 27. His support has been a strong stimulus to me to make this proposal work. To make it work, we will need the help of institutions such as the Inter-American Development Bank, which is headed by another Uruguayan, Enrique Iglesias.

For all these reasons, I am eager to visit Uruguay, to consult with President Lacalle, and speak to the Uruguayan Congress. I would not speak only in terms of benefits to Uruguay from the visit. We are looking for answers that will benefit the whole hemisphere, such as the ones we can derive from a successful Uruguay round and a free trade area stretching from Alaska to Tierra del Fuego.

Argentine Economy

Q. Argentina is working on the economic integration with Brazil and other countries in the Southern Cone and, at the same time, has started a process of deep restructuring of its economy and its institutional frame. What is your impression of the fact that privatization of two big state corporations (an airline and a telephone company) has been achieved with the participation of American capital, but not of American management or technology?

The President. I think the most important part of your question relates to what is going on in Argentina today. Difficult, sometimes painful, economic choices are being made by President Menem. These choices involve the transformation of very large sectors of the Argentine economy. Like many other leaders of this hemisphere, President Menem is making the difficult choices and implementing economic reform policies to make Argentina more competitive and guarantee the country's long-term economic health.

Privatization has played a part in this economic restructuring. As your question noted, instead of continuing to have the economy dominated by an inefficient state apparatus, which has stifled initiative and blocked economic growth, the Government of Argentina has adopted policies aimed at privatizing businesses such as the airline and the telephone company. This has reduced Argentina's debt burden and brought back to these companies the incentive to compete for investment and for clients. Quite frankly, I believe that good airlines can and should depend on their passengers for their revenues and not depend on the taxpayers.

As for the participation of United States investors -- whether this be in the form of capital, of technology, or of management -- as long as there is a level playing field, and by that I mean that the rules are the same for all investors, I think that rational economic choices will be made. That's what freedom to compete is all about, whether it is in Argentina or Alaska.

U.S. Trade Policies

Q. At the final stage of the Uruguay round of GATT, the U.S. is standing again against subsidies and all kinds of protectionist trade barriers for agricultural products. Nevertheless, the Government is subsidizing some grain exports, with potential harm for Argentina and other countries in the hemisphere, and is keeping some tariffs that make difficult the entrance of products like, for example, Argentine leathers. Is it possible that the administration could modify these policies in favor of a more consistent attitude with respect to all forms of protectionism?

The President. I know that the Commerce Department's decision to impose countervailing duties on Argentine leather was unpopular with the leather industry in Argentina. But here are some economic facts: By forbidding the export of hides from Argentina, prices for these hides in Argentina are driven down because they can only be sold in the domestic market. This means that leather exported from Argentine commerce to other markets, such as the United States, is

priced artificially low.

Argentina's competitors in the U.S. thought this was unfair and complained to our authorities. Following a very detailed and open process in accordance with our law, in which the Argentine industry was represented by experienced counsel, the Commerce Department agreed that a subsidy was being provided by virtue of the Argentine Government's policy prohibiting the export of hides. This is not an issue where the President of the United States can intervene to tip the scales one way or another. The solution is for Argentina to allow exports of hides, so that its leather will be priced according to the forces of the international market.

I should note that this has been a longstanding sore point in our bilateral relationship. Several years ago, we had negotiated a solution under the section 301 provision, but because the agreement was not fulfilled by Argentina, U.S. industry felt it had no recourse but to seek relief under U.S. trade laws.

With regard to wheat, I assume you are referring to the Export Enhancement Program. This program was designed to keep U.S. wheat competitively priced with the wheat being sold by other producers, primarily the European Community. We hope that a successful outcome of the agricultural talks in the Uruguay round will make this and other export subsidy programs superfluous.

Petroleum

Q. Venezuela has increased its oil production by half a million barrels daily to help in the Gulf crisis and is opening its doors again to U.S. private investment in the oil sector. Recently, President Carlos Andres Perez stated that his country deplored the speculation which was driving oil prices up and hurting the American consumer. He said it was not in Venezuela's interest, either, to be subject to ups and downs in prices and appealed for a meeting between the major oil producing nations and the leading consumer countries to work out some kind of stabilization program for international oil prices. The U.S. has not reacted to this proposal, made first 2 months ago.

Although your country supports a market economy, it has joined in stabilization agreements in the past for various products. Would you consider this for oil, especially now that the market has been disrupted by the Gulf crisis, and the future well-being of the Gulf nations as well as other producers such as Venezuela, not to mention various of your own States, which produce oil and are dependent upon a steady and reasonable oil income?

The President. You have posed a detailed question which requires a detailed reply. In the first place, I must pay tribute to the extremely positive role that Venezuela, and particularly President Carlos Andres Perez, has played in the months since Iraq invaded Kuwait. He worked hard with Saudi Arabia to ensure that members of the Organization of Petroleum Exporting Countries

(OPEC) increased supplies to cover the shortfall caused by the loss of Kuwaiti oil and the embargo on Iraqi exports. Venezuela and CAP have been a force for stability in oil supplies.

We have also welcomed President Perez' efforts to prevent wild swings in world oil prices. As he has correctly pointed out, these are bad for producers, and they are bad for consumers. A recession in the industrialized world will not help OPEC members such as Venezuela, and far-sighted leaders such as President Perez have been among the first to realize this.

I know that Venezuela has suggested convening a meeting between oil producing countries and oil consumers. Our reaction has been rather guarded. If there were an absence of communication between producing countries and consuming countries, bringing the two sides together might be worth studying. In the case of the oil market, however, producers and consumers are talking to each other all the time, sharing statistics and projections regarding both supply and demand, and doing so in a number of different contexts. These bilateral and other channels are in my opinion working sufficiently well that we do not have to create another formal medium of communication.

As for your suggestion for joint action by producers and consumers to stabilize the price, I do not believe this is an idea which is workable. Even if producers and consumers could agree on what a stable price should be, and I think this in itself would prove impossible, I have a more fundamental objection. I believe that in general market mechanisms are more efficient and effective, and this includes the market for oil.

One final point. I agree with President Perez that we need to increase the production of oil from areas of the world such as Latin America and the Caribbean in order to diversify world supplies. I believe that private investment funds are available for this effort and will go to countries which have hospitable investment climates. There is more that we can do in this area, and I look forward to discussing this issue with President Perez and his advisers when I am in Caracas.

Persian Gulf Crisis

Q. Reliable opinion polls in Latin America reveal that people condemn Saddam Hussein [President of Iraq] but are against the U.S. going to war and favor a diplomatic resolution of the conflict. Will you reject any political settlement in the Gulf?

The President. As you know, I just returned from a visit to Saudi Arabia, during which I visited with U.S. forces. So, let me try to answer your question in the following way. On August 2, 1990, Saddam Hussein attacked the tiny nation of Kuwait, occupied it with extreme violence, and then announced that Kuwait had ceased to exist -- that it had been incorporated into Iraq. Since August 2, there have been a flood of reliable reports that Iraqi occupation troops have been engaged in a systematic looting of Kuwait, dismantling buildings, seizing assets, and driving private cars back with them to Iraq.

The response by the international community has been based on two premises: first, that Iraq has committed naked and unprovoked aggression against Kuwait, and second, that Kuwait's status as a sovereign state must be restored. The only way that Kuwait's sovereignty can be restored is for the occupying Iraqi troops to leave Kuwait.

This position has been embodied in numerous resolutions of the United Nations Security Council. The community of Latin American and Caribbean States spoke out strongly in condemnation of the invasion of Kuwait and in support of the sanctions that the United Nations imposed. Argentina has sent a force of two ships to the Gulf to cooperate with the multinational force, an action which we applaud.

The United States is not eager to see armed conflict in the Gulf. As President, I ordered American forces to the area to block Iraqi aggression and to support the demands of the international community for restoration of Kuwait's sovereignty. We have not rushed to use force, preferring to give the international sanctions a chance to work and to let the Iraqi leadership see clearly that they have the whole world arrayed against them.

However, for the international community's sanctions to be credible, they must be backed up with the possibility of coercion. Those who rule by force frequently understand only the language of force. The United States, acting in concert with countless other countries, has taken actions to ensure that Saddam Hussein understands that the international community can indeed use coercion against him if he remains unwilling to understand the voice of reason and diplomacy. Force is not our preferred option, but it is a real option. Our preference is for Saddam Hussein to order his troops out of Kuwait, and thereby make possible the restoration of full Kuwaiti sovereignty.

Note: The questions were submitted by El Mercurio of Chile, Estado de Sao Paulo of Brazil, El Pais of Uruguay, La Nacion of Argentina, and El Nacional of Venezuela. The Office of the Press Secretary issued the press release on December 3.

Statement on Signing the Judicial Improvements Act of 1990

December 1, 1990

I am very pleased to sign H.R. 5316, the ``Judicial Improvements Act of 1990.'' Most important, Title II of this Act provides for 85 new Federal judgeships. These additional judicial resources will provide needed assistance in our fight against crime and drugs by enhancing our courts' ability to provide swift and fair justice. They will also increase civil litigants' access to prompt judicial resolution of their cases. H.R. 5316 also contains other useful provisions. Title I makes valuable suggestions for improving the management of the civil justice system; and Title III establishes a new retirement system for Claims Court judges and assures adequate retirement benefits for the spouses of assassinated Federal judges. I am very grateful to Members of both Houses and both political parties, particularly Senators Biden and Thurmond and Congressmen Brooks and Fish, as well as to the Judicial Conference and the Administrative Office of the U.S. Courts, for the effort they invested in devising this important piece of legislation.

George Bush

The White House,

December 1, 1990.

Note: H.R. 5316, approved December 1, was assigned Public Law No. 101 - 650.

Remarks to a Joint Session of the Congress in Brasilia, Brazil

December 3, 1990

Mr. President of the National Congress and Mr. President of the Chamber of Deputies; and to our two most articulate speakers, Senator Tito and Deputy Fiuza; and Mr. Acting President of the Supreme Court; esteemed Papal Nuncio and members of the diplomatic corps; Mr. Archbishop; Honorable Ministers of State and Governors of the Federal District; and honorable Deputies and Senators: It is a privilege, it is an honor to join you in this great hall of democracy.

My thoughts today could have no better forum than this National Congress; my words, no better audience than the people of Brazil. We meet at an extraordinary moment in our shared history, a time of serious challenges and important choices that calls for mutual respect, candor, and collective will. I've met with many Latin and Caribbean leaders. And beyond any single issue that we've discussed, all of us have been galvanized by a new era of hope and opportunity throughout the Americas, especially here in Brazil.

By pioneering bold new economic reforms and consolidating its democracy, Brazil today is poised to enter the 21st century as a leader among nations. That is a tribute to a leader whose friendship and vision I value and respect, a man who represents a new generation of democratic leadership now sweeping across Latin America, your dynamic new President, Fernando Collor de Mello. President Collor has spoken eloquently of Brazil's rightful place at the table of the First World, and I agree. I believe it is time, in fact, to end the false distinctions between the First World and Third World that have too long limited political and economic relations in the Americas. Let us instead speak of the New World.

This hemisphere has always found strength in diversity. After all, here I stand, addressing Portuguese speakers in English, because of an Italian sailing on behalf of Spain five centuries ago. What we hold in common transcends borders and translates into any language. The nations of the Americas all struggled and gained independence from the old ways of the Old World, ended the injustice of slavery and colonialism, and built republics of promise and renewal around the dignity and the power of the individual and the rule of law.

Now, as we approach the 500th anniversary of Columbus' discovery of Americas and the arrival of Cabral's Portuguese fleet in Brazil, this is our moment to chart the course for the New World, a course of freedom, a course of democracy, a course of prosperity. We've all witnessed in wonder the dawn of democracy in Eastern Europe. But in the Americas, we, too, have seen extraordinary political and economic change that is transforming the face of this hemisphere -- nowhere more so than right here, no more so than in the great nation of Brazil. The changes you are carrying out in your economy -- reducing the size of the state, privatizing enterprises, combating inflation, and liberalizing trade -- are the keys to growth and prosperity in a global

economy of the 21st century, whose outlines we already see today. I am here to tell you that you are not only on the right path but the United States wants you to succeed and supports your efforts every step of the way. I believe that we've just begun to press forward toward the real promise of the Americas.

Territories may end at borders, but mankind's capacity for progress knows no bounds. Continents may end at the water's edge, but human potential knows only those limits set by human imagination. The Americas' role in the world is not defined by geography; it is defined by its people and its ideals. I truly believe that we are approaching a new dawn in the New World.

Our thinking must be bold; our will, resolute. Our challenge now is to hew out of a wilderness of competing interests a new kind of opportunity in the Americas. To fulfill the New World's destiny, all of the Americas and the Caribbean must embark on a venture for the coming century: to create the first fully democratic hemisphere in the history of mankind, the first hemisphere devoted to the democratic ideal -- to unleash the power of free people, free elections, and free markets.

Two weeks ago in Czechoslovakia, I spoke to a people that had paid dearly for its freedom. I talked about a new commonwealth of freedom based on four key principles. This hemisphere already shares these convictions: an unshakable belief in the dignity and rights of man, the conviction that just government derives its power from the people, the belief that men and women everywhere must be free to enjoy the fruits of their labor, and four, that the rule of law must govern the conduct of nations. Every nation that joins this commonwealth of freedom advances us one step closer to a new world order. We must persist until this victory for freedom and democracy is won completely.

It is also within our power to make this hemisphere the largest free-trading partnership of sovereign nations in the world. From the northernmost reaches of Canada to the tip of Cape Horn, we see a future where growing opportunity, the power of technology, and the benefits of prosperity are developed and shared by all. Change will not come easily. Economies now dependent on protection and state regulation must open to competition. The transition, for the time being, will be painful. Many in the Americas will have to make serious adjustments to compete with Southeast Asia and to take advantage of the European market after 1992. But we are confident that solutions will be found -- by Brazilians, by Chileans, by Venezuelans -- by all of the Americas.

And the results -- growing economies and sound currencies -- will bring unprecedented prosperity and growth for all our citizens to share. That was the vision of the Enterprise for the Americas Initiative that we announced last June. And Deputy Fiuza, I listened very carefully to your strong speech in this regard, and I thank you for those frank and forceful comments. The initiative calls for a major hemispheric effort to unify the New World in the three key areas of

trade, investment, and debt.

In trade, our first priority should be to promote long-term growth. And the most effective first step is the successful conclusion of the Uruguay round, now in its final stages in Brussels. An end to export subsidies on agricultural goods and new openings for developing-country exports mean new market opportunities and a higher standard of living for the farmer in Para, the textile worker in Santa Catarina, and the engineer in Sao Paulo.

But the Uruguay round and bilateral trade agreements are only first steps. The Southern Cone Common Market, now developing under the leadership of your President and his colleagues in neighboring countries, is another major step toward the world's first hemispheric free trade zone.

To promote new investment in the Americas, the dead hand of state control must be lifted. We must allow entrepreneurs the flexibility to adapt, create, and produce. So, as we chart a course for the future of the New World, let us hold firmly in our minds an unshakable conviction in the importance and benefit of free enterprise. Let us work together so that any man or woman who wants to launch a new enterprise views the state as an ally, not as an obstacle, and all who pursue the fruits of the free market see other nations not as threats to sovereignty but as partners in trade and mutual prosperity.

Individuals cannot succeed if government is burdened by debt. So, the third leg of our Enterprise for the Americas Initiative is a comprehensive commitment to work with Brazil and others in Latin America to restructure U.S. official debt. Our new approach to official debt will complement commercial debt restructuring through the Brady plan. I understand the importance to Brazil and, indeed, to the international financial community of reaching a new and effective agreement on commercial debt. I believe, through your program of economic reform, you have taken the first crucial step toward that goal. Global capital flows will be vital to your development, and we are ready to assist wherever possible.

We've submitted a request to our Congress for the authority to implement our proposals. But we know that real solutions must involve all of us in the Americas. That's why we envision a permanent partnership between all the nations of the Americas to confront challenges that know no borders. We envision a hemisphere where a collaborative commitment is shared to protect our environmental legacy. There can be no sustained economic growth without respect for the environment. That's why the Enterprise for the Americas Initiative joins environmental protection with bilateral debt relief not as a challenge to national sovereignty -- not as a challenge to the sovereignty, in this case, of Brazil -- but as an affirmation of shared international interests. Senator Tito -- and I do appreciate, sir, your using this podium for a frank exchange here -- talked about partners in growth -- I believe you said, sir -- partners in growth rather than shareholders of misery. That is what you want, and that is what we want.

I encourage Brazil and other creditor nations to convert debt into funds for the environment. The

entire world stands in awe of Brazil's unique endowment of wildlife, trees, and plants in the Amazon and the Atlantic rain forests. No nation on Earth -- none -- is as rich in flora and fauna, with all of their potential to provide future medicines and foods and crops and fibers. Your hosting of the United Nations Conference on Environment and Development in 1992 places Brazil in a position of true global leadership. We hope that conference will mark the culmination of a number of initiatives to protect and wisely utilize the world's resources.

We also are challenged to make ours a hemisphere where sovereign nations are joined in collective determination to eradicate the disease of drugs. On this one, the time for blame is long over. We in the United States recognize that we must do more to reduce what seems to you as insatiable demand. And you understand that the spreading tentacles of the drug trade threaten any democratic society. President Collor has taken a strong position against drugs for the sake of youth in Brazil. I know full well it is a demand problem as well as a supply problem for my country, and I pledge the full efforts of my government to continue to dampen demand. There is only one answer to the drug problem in this hemisphere, and that is to defeat these narco-traffickers who prey on our children, once and for all.

And finally, in this era of great challenges around the world, we want the Western Hemisphere to be a model to the world for security, stability, and peace. Together, let us ensure that this hemisphere stands united to prevent the spread of nuclear weapons or new, more dangerous ballistic missiles anywhere in the world. We hope that all countries in this hemisphere will follow Brazil's and Argentina's recent decision to bring the nonproliferation treaty, Tlatelolco, into force. I want to applaud, as many other nations have done, the recent announcement by Brazil and Argentina that together they will ensure that no nuclear program in their countries is used for anything but peaceful purposes. We applaud your decision to move forward on full-scope nuclear safeguards.

But your leadership today goes beyond this hemisphere. Just as Brazil made valiant contributions to the cause of freedom in World War II, you were among the very first to implement the sanctions against Iraq. I realize the sacrifices that Saddam's brutality has caused this nation and its people, has caused many nations around the world. In this country, I was told this morning, the impact -- $5 billion in higher oil prices alone for 1 year -- $5 billion to your economy, struggling to move forward, because of the brutality and the aggression of Saddam Hussein. In Czechoslovakia, a country that knows about aggression, Vaclav Havel told me, $1.5 billion just because of the aggression of Saddam Hussein. I salute your leadership in the world's community and united stand against Iraq's aggression and in defense of the rule of law.

Our nations long ago achieved independence from the Old World. And so, now let us work toward a new declaration of interdependence among the American nations of the New World. If, as Jose Bonifacio once said, ``Brazilians are enthusiasts of a beautiful ideal,'' let us not limit the New World's potential with old thinking. After the half millennium we've had in this hemisphere to form our nations and find our way, let the nations of the Americas now fulfill their common potential.

Standing on this central plateau, soon to be the seat of great decisions, President Kubitschek said this: ``I look once again at the future of my country and see this dawn with unyielding faith and unlimited confidence in its great destiny."

My friends, our neighbors, let the new dawn come to Brazil and to the New World, and let us fulfill the promise of these great lands.

Thank you very much. And may God bless the people of Brazil. Thank you very, very much.

Note: President Bush spoke at 11:28 a.m. in the House Chamber of the Brazilian Congress Building. In his remarks, he referred to Nelson Carneiro, President of the Senate; Antonio Paes de Andrade, President of the Chamber of Deputies; Senator Ronan Tito, leader of the Brazilian Democratic Movement Party; Ricardo Fiuza, Member of the Chamber of Deputies; Minister Aldir Guimaraes, Acting President of the Supreme Court; Dom Carlo Furno, the Papal Nuncio; Dom Jose Freire Falcao, Archbishop of Brasilia; President Saddam Hussein of Iraq; and President Vaclav Havel of Czechoslovakia.

Remarks at a Luncheon for the Business Community in Brasilia, Brazil

December 3, 1990

Thank you, Ambassador, for your introduction and for your hospitality, you and Peggy. I seldom speak on behalf of a group of Brazilian businessmen, but thanks for the hospitality at this luncheon, too. We're delighted to be here. Let me salute the Minister of Justice, Your Excellency; and the Minister of the Economy, who is with us; the Minister of Agriculture, who is with us. I just want to say thank you to all the guests, some who've come from a long, long way. I want to salute the Minister of the Infrastructure, who is here, and each and every one of you.

I'm delighted to be here today, as was Secretary Mosbacher last spring, with some of this nation's most distinguished business leaders to discuss very briefly our dynamic bilateral relationship and our relationship with the rest of the major trading nations of the world. I'm delighted that Secretary Brady, our Secretary of the Treasury, is with us here today.

The success of this economy -- he and I agree on this -- the success of your economy, the world's eighth largest, is truly vital to the well-being of all nations in the Americas. In talking with your President -- your able President -- my friend, this morning, President Collor, I was impressed with his vision of a ``Brazil Novo.'' He is determined that this great country will grow and prosper throughout the nineties. And he believes that with a market economy Brazil will take its rightful place at the first table of nations. And I wholeheartedly share that view.

This morning, I was deeply honored to be able to speak before a joint session of your Congress, and I spoke there of the daunting task that awaits us: the construction of a new economic relationship for the whole Western Hemisphere. Our shared future is borne of the triumph of democracy in this hemisphere and is directed towards the next necessary steps: raising the standard of living and expanding the economic opportunity of all the people in Latin America. I call this initiative the Enterprise for the Americas, a vision of a community of the Americas, free of barriers to trade and investment and free of the burden of debt.

The United States is Brazil's largest investor and trading partner. And we are excited at the prospect of a growing market economy in Brazil. And we recognize that it is the private sector that is the locomotive for economic growth. As business leaders and entrepreneurs, your role in building a more open market in Brazil has been and will be a key part of our growing trade relationship.

This week in Brussels, trade ministers are meeting over there for the final negotiation of the Uruguay round. The U.S. and Brazil agree on the need to phase out agricultural subsidies. Taken

with our progress on the other ambitious topics of the negotiation, a success at the GATT in Brussels will represent new market opportunities and more profits for Brazilians. We just have to be successful in this GATT round.

You, more than most, know that the dead hand of state control has got to be lifted to unleash the creativity of entrepreneurs and business leaders such as those represented here today, yourselves, and to give your businesses the flexibility to adapt to changing markets. The U.S. has already invested almost $15 billion in this country, and Brazilians know what foreign investment can help produce: meaningful jobs for your workers and expanded goods and services for your customers.

The first steps to implement the Enterprise for Americas Initiative are already underway. The nations of Brazil, Argentina, Uruguay, Paraguay, and the United States are drafting now a framework agreement to make its principles a reality. I urge each and every one of you to stand with us in support of this enterprise, to stand with us on the side of the future, and on the side of order and progress -- as the flag of Brazil reads -- and the changes to come.

In the short run, economic change will be difficult and painful for many. But the longterm results -- a growing economy and a sound currency -- will lead to new opportunities and a better quality of life for all the people of Brazil and, indeed, for the rest of the hemisphere. That is what your President meant with his vision of economic growth for the ``Brazil Novo."

In the 19th century, Brazilians declared their independence from the Old World and founded their republic. And now, as we approach a new century, we embark on what I see as a voyage of rediscovery. Brazilians have joined the move toward greater prosperity and freedom for the people of this hemisphere, toward a new dawn for the New World.

Well, I just want to say thank you, then, to all of you for participating in this. We need your help to make all of these dreams come true. And I want to thank you for the warm welcome in this receiving line. You do make me feel welcome here in Brazil, and I am delighted to be back. And God bless you all and your wonderful nation of Brazil. Thank you all very much for coming.

Note: The President spoke at 1:48 p.m. at the U.S. Ambassador's residence. In his remarks, he referred to U.S. Ambassador Richard Melton and his wife, Peggy; Minister of Justice Bernardo Cabral; Minister of Economy Zelia Cardoso de Mello; Minister of Agriculture Antonio Cabreira Filho; Minister of Intrastructure Ozires Silva; and U.S. Secretary of Commerce Robert A. Mosbacher.

Toast at a State Dinner in Brasilia, Brazil

December 3, 1990

President Collor and Mr. Vice President, Mr. President of the Senate, Mr. Archbishop, Mr. President of the Chamber of Deputies, and Mr. Acting President of the Supreme Court, Minister of Foreign Relations, and Ministers of State, members of the Cabinet, Ambassador and Mrs. Melton, and all you distinguished guests: I am deeply grateful to all of you here and to the people of Brazil for your gracious hospitality.

I fouled this up at lunch, so I want to be sure if we're going to -- are you going to translate it all, or just one part? Okay.

In fact, it won't be easy to leave here. I'm told that one American Ambassador stayed in your country for 21 years -- obviously, a very smart man. I'm here for 24 hours.

But it was a great honor for me to address your Congress this morning. And it was a memorable moment; but more than that, it was, it seemed to me, an affirmation of the proud heritage we share and a reminder that we have much reason for hope in the future.

And again tonight I want to thank the leaders of Congress. And I also want to ad lib here, because I understand I was invited today to go to the Supreme Court. We have great respect in the United States for an independent judiciary. And I am very grateful to the Justices, some of whom are here tonight, that invited me to the Court. And I am only sorry that I did not have the opportunity to take you up on your invitation. But this occasion tonight gives me a chance to salute you, the members of the Court, for whom we have so much respect.

Our two nations have a great deal in common. We put our faith in similar forms of representative government, and we've had Ambassadors in each other's capitals since the earliest years of this century. Our relations have been long; our devotion to freedom, constant; our commitment to peace, enduring. And now I'm convinced that the time has come to move our relations toward a new and higher plane, to eliminate the false schism between what we once called the First and Third Worlds. As President Collor speaks of a Brazil Novo, we should also speak of a new world, defined by its ideals of freedom, democracy, and prosperity shared by all.

All of us in the Americas share a common economic and political vision: an unshakable belief that extraordinary achievements are possible when the imagination and industry of the individual is unleashed. I believe we've just begun to tap the true potentials of the Americas, and it is within our power to bring a new dawn to the New World.

Our Enterprise for the Americas Initiative is a major step forward, helping us explore the many new areas of our common destiny in a spirit of optimism and hope for all peoples of the

hemisphere.

Mr. President, you, sir, have courageously resolved to make profound changes in your economy; and I believe that those changes will reap handsome benefits for the people of Brazil, for all the people of Brazil.

We have a common interest in expanding trade and protecting it from the damage that perceived inequities would inflict on our economic partnership. No country would gain if our common policy of an open and fair international trading system isn't fulfilled.

We share common environmental concerns, knowing that the destruction of irreplaceable resources, wherever they're found, compromises mankind's well-being everywhere. I'm confident that we will continue to find shared solutions to global environmental challenges.

Together, our opportunities are boundless, and so let us forge a closer and more vital partnership to ensure lasting prosperity for all our people.

And now I would like to ask you to join me in raising a glass to the health and happiness of the people of Brazil; to our friend and admired President of Brazil, Fernando Collor; and to the friendship between our two great nations. And thank you for an unforgettable visit. Thank you all.

Note: The President spoke at 9:58 p.m. at the Foreign Ministry Building. In his remarks, he referred to Vice President Itamar Franco; Nelson Carneiro, President of the Senate; Dom Jose Freire Falcao, Archbishop of Brasilia; Antonio Paes de Andrade, President of the Chamber of Deputies; Minister Aldir Guimaraes, Acting President of the Supreme Court; Jose Francisco Rezek, Minister of Foreign Affairs; and U.S. Ambassador Richard Melton and his wife, Peggy. Following the dinner, the President went to the U.S. Ambassador's residence, where he stayed overnight.

Question-and-Answer Session With Reporters in Montevideo, Uruguay

December 4, 1990

President Lacalle. I'd like to welcome you all to this press availability. I know the important figure here is President Bush and not me, but I would also be prepared to answer any questions in my broken English, which is, of course, our common language here. I'd appreciate it if you'd identify yourselves, and I would give the floor to President Bush.

President Bush. Just a brief opening statement, with your permission, sir -- first, to say how pleased I am to be here with my friend President Lacalle. This President and his proud country are leaders on the crucial issues that face this hemisphere and the world today.

Uruguay was one of the leaders in return to democracy in Latin America. And the global trade talks that are now underway in Brussels began right here in this nation. An essential ingredient for a successful conclusion of the GATT round is agriculture, and this President has taken a world leadership position on seeing that agriculture is included and satisfactorily addressed.

In spite of the economic hardship inflicted on this country, President Lacalle and Uruguay have taken a leadership role in strongly supporting United Nations sanctions against Iraq, and I salute him for this. This isn't easy. This requires a certain degree of sacrifice for the people here, but they've been steadfast in standing up to this aggression.

And this President was the first one to telephone me after I announced my Enterprise for the Americas Initiative. And we've been talking how to fully implement that.

I'm sorry I won't be going to Paraguay on this trip; but by the time the trip is over, it will have been to here, Uruguay, and to Brazil and to Argentina. And there we will be talking about the negotiations on a far-reaching regional framework agreement on trade and investment, which is the first crucial step toward our common goal of a hemisphere in which trade is free for all.

Once again, my thanks to you, sir.

President Lacalle. Thank you, sir.

Persian Gulf Crisis

Q. Mr. President, Terry Hunt, of the Associated Press. I'd like to ask you: Last week General Jones and Admiral Crowe, both former Chairmen of the Joint Chiefs, said that they thought that you ought to give sanctions against Iraq a year to 18 months to work before you resort to

military action. Do you think that's unreasonable?

President Bush. I don't agree with them.

Q. How long do you think that you should give sanctions?

President Bush. I can't say how long, but I don't agree with them.

Q. To follow that up, please: Secretary Cheney said yesterday up on the Hill that it is his personal view that sanctions just won't work, that they can't work -- that after a passage of time, the embargo will begin to slip, that Saddam Hussein [President of Iraq] is just too brutal and the Iraqi people are either too self-sufficient or too resilient to be bowed by that kind of economic pressure. Do you share that view, which is, in essence, saying that this stage and time only the threat of imminent war has the potential for making Saddam Hussein bow?

President Bush. I am convinced that Saddam Hussein, up until now at least, has not gotten the message. And the United Nations resolution speaks for itself. To me, it was loud and clear. But I don't think Saddam Hussein yet understands that. And therefore, the best hope for peace is for him to understand that all means -- all means -- necessary to fulfill these resolutions will be used against him. And I hope he gets the message.

Q. But are we at the point where we can say that it's no longer realistic to expect that the sanctions are going to bring him around to that point of view?

President Bush. Well, as you know, I've not been one who has been convinced that sanctions alone would bring him to his senses, but they're having some effect. But I -- put it this way, I thought Secretary Cheney did a superb job in his testimony. In fact, I thought it was so good that I sent him a message yesterday, and also one to Colin Powell [Chairman of the Joint Chiefs of Staff].

Marxism

Q. I would like to ask you, now that Marxist systems all over the world are falling apart, in eastern Europe, et cetera, what do you find to be the meaning of the fact that there is a Marxist mayor recently elected here in Montevideo?

President Bush. I don't know much about the Marxist mayor. But this is a democratic country; people can run for office. We elected a Socialist to the Congress of the United States -- the State of Vermont did the other day. So, I have no hangups. And I'll look him in the eye and thank him for what I understand will be his hospitality to me, but just so he doesn't ask me to endorse his Marxist views, because I think marxism is declining around the world. But I don't know what his view is.

You know, when I was in Italy, the head of the Congress there was a Marxist woman. I had no difficulty going over and speaking civilly to her, and she was very civil to me. So, I found that there's all different degrees of that, of marxism, just as there are of socialism and just as there are of, I guess, adherence to democracy. So, I have no hangups at all. If the guy wants to welcome me to the city -- I already feel welcome, and I'd like to be rewelcomed.

Persian Gulf Crisis

Q. President Lacalle, please excuse one further question to President Bush on the Gulf, which I know is not the main subject of your discussions here today.

Mr. President, there are newspaper reports today indicating that the five permanent members of the U.N. Security Council agreed last night that when Secretary Baker meets with Saddam . . . Kuwait a firm commitment that there will be no attack on him and his regime. Is that correct, sir, and can you elaborate?

President Bush. No. Do you mean when the five permanent members were in New York?

Q. Well, please don't hold me to the absolute details, sir, of what may have been the form of such an agreement. But may I phrase the question by asking you if there is such a plan, and do you and Secretary Baker plan to offer such a promise in the meetings that are coming up?

President Bush. Brit [Brit Hume, ABC News], I'm not in a negotiating mood or anything of that nature when I meet with Foreign Minister of Iraq `Aziz. And I think what I want to do is make very clear to him that the best way to preserve the peace is to go forward and fully implement the U.N. resolutions. But I don't know of any meeting of that nature of the five permanent members -- at the Foreign Minister level or any level -- to discuss that.

Q. Excuse me, sir, but such an offer, if it could be called that, would not be inconsistent with the positions you've taken. And I'm just wondering if that is indeed something you feel that you would be in a position to say at that time.

President Bush. Well, let's wait and see how these talks go. And I know what I've told you I'm going to say. And what else I'd say -- well, I'll take some time to figure that all out, but don't want to get the message softened down. The message is: Get out of Kuwait in full compliance with all United Nations resolutions. Now, I saw something that Jim Baker said to that effect the other day, and I did not have any problem with that at all.

But I don't -- Brit, I think you're on a wrong track. I don't think there was any meeting of the minds, but maybe something happened up there I'm not aware of.

Uruguayan Debt and Regional Alliances

Q. I represent Channel 10, Mr. President, and I would like to ask you how you see the regional alliances such as the MerCoSur, which is being worked on, in terms of economic development. As President Lacalle said, our wanting not help but growth -- how does all of this fit in with the treatment of Uruguay's foreign debt?

President Bush. Well, in the first place, Uruguay is taking a very forward and, I think, proper position on the debt situation. It isn't easy, but I am convinced that this forward-looking position will add to further investment in Uruguay and further confidence in international financial markets in Uruguay, which is bound to benefit the people of Uruguay.

And lastly, regional alignments don't trouble us at all because we're all moving in this hemisphere toward a much more open trading system. And that, too, will benefit the peoples of all the countries, I believe.

Persian Gulf Crisis

Q. Again, for Mr. Bush -- I am sorry -- but again, on the Persian Gulf. Is it possible that in U.S. talks with Iraqi officials that the U.S. could make it clear with Iraq that the U.S. values the resolution of the Palestinian issue, but also make it clear that the Persian Gulf and the Palestinian issue are totally separate? Can you do that -- both?

President Bush. I will not be endeavoring to do that. I think people around the world know of our interest in seeing a peaceful and permanent solution to the question in the West Bank and the Palestinian question, but there will be no linkage. There will be no linkage whatsoever. The whole world knows that Saddam Hussein has been trying for linkage, and in the talks we have there will be no linkage.

Q. Will you mention the subject at all in the talks?

Enterprise for the Americas Initiative

Q. I am from the newspaper La Republica. The Alliance for Progress was something from which we awaited solutions to get out of our situation of underdevelopment. In what way is the Enterprise for the Americas Initiative going to make it possible for us to grow, to promote the entry into our countries of risk capital, and to promote the entry into the large markets of the United States and Canada of our goods and merchandise?

President Bush. In the first place, we foresee a whole hemisphere of much more open trade -- free trade, if you will -- down the line. But secondly, you're dealing in a hemisphere that has already moved since the Alliance for Progress down the path of democracy toward free markets,

toward privatization. I don't want this Enterprise Initiative to be just more rhetoric; we want action. This President wants action. But the climate for this kind of action is so much better today that I think we will be successful to go along the course we've been discussing here. We're different times, different times.

Agricultural Trade Policy

Q. On GATT, is there any room for compromise, President Bush, in your position on reducing farm subsidies? Would you settle for something less than a sweeping 75-percent to 90-percent reduction to get agreement in Brussels?

President Bush. First, we're all in this together -- Uruguay and the United States. All countries in this hemisphere want to have agriculture -- I believe all countries -- want to have agriculture as a significant part of this GATT round, for it to be successful.

But to get to your question, Gene [Gene Gibbons, Reuters], we are not locked on a specific figure; we are locked on the fact that there has to be inclusion of all categories. And I think therein lies the difficulty that's taken place in Brussels as of very, very recently.

Q. May I follow up, President Lacalle, to ask if you share President Bush's position that no agreement is better than a bad agreement on GATT?

President Lacalle. Well, we are in the same boat, as we say here, in this GATT negotiation. Of course, every negotiation has its turning point. Now we are saying, and saying loud, that it's a package that every issue must be inside it. This has hurt millions of people. This agriculture policy has hurt millions of people two ways: through subsidies that go into our own markets and compete against the products of the agricultural countries and, at the same time, through protectionist barriers that don't open the markets of certain very wealthy parts of the world to we, the farmers of the world.

But at the same time, we have the other issues. So, we are taking a pragmatic view towards the negotiation. We are saying agriculture must be inside. I'm not telling you what kind of percentage I'm prepared to accept, but it must be in the package, and it cannot be the percentage that has been officially offered up to now.

U.S. Forces in Panama

Q. President Bush, when you arrived here you said we were entering a new era in our relations. On the one hand, you're talking about a deepening of relations, and on the other, you continue having your troops in Panama. Don't you see something contradictory to that?

President Bush. You want a yes or no answer? No. I don't see anything contradictory. These are

not occupying forces. These are not aggression forces. These are not forces that have raped, pillaged, and plundered the people of Kuwait. And I don't see a similarity at all.

Persian Gulf Crisis

Q. I'm Charles Bierbauer of CNN [Cable News Network]. A question for each of you, if I may. Let me start with President Bush. You've repeatedly made reference to the economic cost of the Persian Gulf to countries such as Uruguay, Brazil, Czechoslovakia. Some in your administration say that those costs are unwarranted given the current oil availability. Are you doing anything at all, or should you, to reduce the oil prices and to reduce the burden on these countries?

President Bush. The economic burden on these small countries and on the United States are heavy. You heard Chairman Greenspan [Board of Governors, Federal Reserve System] testify the other day. And all I can do is try to make clear as best I can as President that there is not an oil shortage today. And hopefully, some of those speculators will listen to that and look at the facts and see that that is true. In the meantime, countries are being devastated by the price that is driven through speculation or driven through fear.

And lastly, I can make clear that this is not going to go on forever. I think some worry very much about that. And it is not going to go on forever.

World Power Alignment

Q. President Lacalle, I wanted to ask you a related question. In June, at the OAS [Organization of American States] meeting, you voiced concern about the weight the superpowers exerted upon the other Latin American nations -- the inequity of that historically. Do you feel in this instance of the Persian Gulf and in general that you are still feeling the exerted weight of the superpower of the United States upon your country?

President Lacalle. I think that in the quality of international relationship, the world has changed. Of course, small countries prefer a multipolar world than a bipolar world. And I think we are in the midst of a big change. We haven't realized what the year '90 brought as a change of the political equation the world over. Of course, these historical facts are seen afterwards, and we rationalize them afterwards. But I think a whole new time of much more equal relationship between the countries, big and small, is dawning. And the interdependence of the economic problems makes everybody feel that we are in the same boat once again, the same example. So, I think that, of course, the power, the presence of important countries and big powers like the States are felt much more than other countries. But we are in an era of mutual respect and consultation that will, I think, substitute the world we knew last year.

Technology Gap

Q. President Bush, your Enterprise for the Americas Initiative -- in putting forward the idea of a free market, does it take into account the gap between underdeveloped countries and the impossibility that the underdeveloped countries have to compete technologically from the point of view of know-how? Does the Enterprise have any plan in it to do something about technological or technical conversion to allow the underdeveloped countries to compete with the large ones?

President Bush. Mainly through technology transfer. And, yes, the United States is moving vigorously forward with countries in terms of technology transfer. I'm not sure that's directly responsive.

Q. In view of the fact that the underdeveloped countries find it impossible to acquire this know-how.

President Bush. Well, it's not impossible. And the answer is: Move briskly to privatization, to free markets, to market economies, and keep going down that path. And that will attract investment, and that investment will close the technological gap. So, I'd say that is the answer to countries that are moving forward now into this period of change.

Leftist Governments in South America

Q. When Allende was President of Chile, as a Socialist government, Chile was considered to be a security risk to the United States. If Uruguay were to bring to power a coalition of the left -- Socialist Communists, et cetera -- if that kind of coalition came to government, would it be considered to be a risk to the security of the United States? And secondly, the Enterprise for the Americas regime -- would it apply to a country which would elect a Socialist government?

President Bush. The success of the Enterprise for Americas depends a lot on moving down this market-economy route. Most Socialists governments or Communist governments want the goods and services produced to be owned by the state. That is a formula for disaster. That is a failed formula. So, the question is very hypothetical, but it seems unlikely to me that the country would move in that direction these days, when you see the whole world moving away from the failed ideology of communism.

[At this point President Lacalle knocked over a glass.]

President Lacalle. It's a gimmick. [Laughter]

Argentine Military Rebellion

Q. Yesterday, we were witnesses to what happened in Argentina. Do you think that democracies are stable in this part of the continent?

President Bush. Yes, I do. And I think that the incidents yesterday, as I read it, were aimed not at the government, but it was a military-versus-military controversy. And so, I am very pleased to be going to Argentina, and I salute President Menem there for what he has done and is trying to do in moving Argentina further down democracy's path and doing something in the economic system along the lines that we've been talking about here today.

Meeting With President Lacalle

Q. What bilateral issues were dealt with in your meeting with President Lacalle, President Bush?

President Bush. Mainly, sir, on trade and investment. We're talking about science and technology. Indeed, as a result of our preliminary meeting, President Lacalle has very generously invited my Science Advisor, Dr. Bromley, to spend an hour with him today on that subject. And so, these were the main subjects, but there were one or two others I think we touched on. But those were the main subjects -- trade, investment, economics dominated the meeting on a bilateral basis, sir.

The technology also touched on the environment questions. Even though those are global, there are some interests of bilateral concern there.

President Lacalle. Thank you, everybody. Welcome, once again to Montevideo.

Note: President Lacalle spoke at 2:45 p.m. in the Salon de Actos at the Edificio Libertad. A reporter referred to the Mercado Comun del Sur (MerCoSur) negotiations to create a Southern Cone common market, composed of Brazil, Argentina, Uruguay, and Paraguay. Ellipses in these remarks indicate that material was missing on the press release. A tape was not available for verification of the content of the question-and-answer session.

Remarks to a Joint Session of the Congress in Montevideo, Uruguay

December 4, 1990

Mr. Vice President, distinguished Members of Congress, ladies and gentlemen, and citizens of Uruguay:

First off, all of us have been deeply touched by your warm welcome. From the minute I've gotten here, I've felt at home. And indeed, Montevideo is graced by images that were once familiar features in our own nation's frontier tradition: the dramatic statues of Belloni and Zorrilla depicting covered wagons, a stagecoach, the gaucho himself. For a moment, I thought I was back home in Texas.

The peoples of our two countries have long been linked by bonds of tradition and belief. Both emphasize equality. Both place their trust in the individual. Both are deeply rooted to the land. Indeed, Uruguay is blessed with some of the best farmland in the world, and flying over it this morning, it reminded me of the fertile heartland of the United States. But the truth is, there is no place quite like Uruguay, this heart-shaped country that's not only at the heart of the Southern Cone but at the heart of South America's exciting new movement towards free markets and free ideas.

Uruguay appears small on the map, but looms large in real life -- large in land, large in character, large in heritage, and large in dreams. More than a century ago, W.H. Hudson crossed Uruguay's rolling grasslands and purple banks and brought them vividly to life in his epic saga ``The Purple Land." The Uruguay he saw was a trackless prairie of vast spaces and limitless horizons. Today the horizons of Uruguay once again open up to a future without limit. Just look around. Behind me, Jose Artigas, father of a modern nation. And before me, the Uruguayan Congress, a new generation of pioneers seeking not to tame a land but to build a nation.

Our visit comes at a time when the Western Hemisphere looks out upon a new era, an era not for the First World or the Third World but an era that marks a new dawn for the New World. Together, we're embarked on a journey spurred by profound worldwide changes: political renewal, economic restructuring, social realignment. And together we're leading the way.

We have a unique chance to realize the dreams and ambitions of the people who came to the Americas, north and south, seeking a better life for themselves and for those who followed. Like the United States, Uruguay is a nation of immigrants, and the history of our Republics is told in the history of our families.

One such family was the MacGillycuddys of Ireland, who left the shores of Europe in the last

century. One went north, and one went south. Both worked hard, prayed to the same God, learned the language of their adopted countries. And today their grandchildren are the children of the Americas: Eduardo MacGillycuddy, Uruguay's Ambassador to Washington, and Cornelius MacGillycuddy, better known in my country as United States Senator Connie Mack -- common dreams, common bonds, common families.

This is my first trip to Uruguay, and yet I feel I know your President, President Lacalle, well. We met in Washington last February, and again in October in New York. Not only does your President have a vision for his country, but he has the rare talent of being able to act on his vision for the benefit of the people.

Last June I announced the Enterprise for the Americas Initiative, an ambitious new plan to increase trade, investment, and growth throughout the hemisphere. It is a major step in our shared dream for the world's first completely democratic hemisphere. And President Lacalle was the first, the very first leader, to call me to discuss how we could work together to realize its objectives.

The world is changing faster than anyone believed possible. Fundamental changes are sweeping Uruguay and Latin America. From Tierra del Fuego to the Texas border, old ways of doing business are being reexamined, and new ideas are on the march. The democratic form of government has come to be recognized as the heart of political legitimacy. The democratic ideal has not triumphed everywhere and, to be sure, not all men live today in total freedom or in democracy; but we've reached the point where all are demanding to live in freedom as their God-given right.

The Western Hemisphere can take pride in having launched this worldwide transformation from dictatorship to democracy. And nowhere has the process been more impressive than right here, where your people have demonstrated the courage, cooperation, and self-sacrifice necessary to win success. The transition was difficult, but the potential rewards are great. The conversion of the hemisphere to representative government and to rational economic management opens up the possibility of unprecedented mutual respect and common purpose across the Americas.

Here in Uruguay, President Lacalle has set forth a bold program to restructure the economy, changes which will improve Uruguay's overall strength and prosperity. In time, the economy will produce more goods and services, provide more jobs for all and, in short, improve Uruguay's very quality of life.

But look, fundamental changes often involve costs. There are no easy solutions, no quick fixes. But you are not alone. Our Enterprise for the Americas Initiative is aimed at extending a helping hand to our neighbors in South America on trade, investment, and debt reduction.

I know some in Latin America fear we've become preoccupied with the dramatic developments

in the Old World. Let me assure you today that we have not. The Enterprise for the Americas Initiative represents a fundamental shift in our relationship with Latin America. It recognizes a simple truth, a truth President Lacalle recognized last June at the Organization of American States, a truth that has now been heard and embraced throughout the Americas. ``Prosperity in our hemisphere," he said, ``depends on trade, not aid."

In order to promote trade, we are working toward a framework agreement with Uruguay, Brazil, Argentina, and Paraguay that commits us to explore practical ways to reduce trade and investment barriers. A strong multilateral trading system is the cornerstone of a healthy, expanding world economy, benefiting both developing and developed nations alike. That's why I have made the successful conclusion of the Uruguay round of the GATT a top trade priority, and that's why it has such a prominent place in my Enterprise for the Americas Initiative. It presents us an extraordinary opportunity for unparalleled economic growth for all nations, well into the 21st century.

In the final talks at the GATT this week, we stand firmly with you and other Latin nations in insisting that countries sharply reduce the agricultural subsidies that distort world trade. The land has historically been at the heart of both our economies; and from Montevideo to Montana, our farmers and our ranchers enjoyed shared traditions, shared interests, and shared concerns.

As our trade ministers meet in Brussels this week, I want to speak to them from the place where the round began. It began with a commitment to expansion of world trade, so let us finish the round in the same spirit, translating good intentions into firm commitments that will benefit us all by substantially expanding world trade. As the traveler in ``The Purple Land" says: ``We lose half our opportunities in life through too much caution." The new dawn is breaking. The stakes are high. Let's successfully conclude the GATT round -- and that means opening up Europe's market to this hemisphere's agricultural products.

The Enterprise for the Americas Initiative also acknowledges that improved trade must be bolstered by assistance with investment and with debt. To promote investment, we've been working with the Inter-American Development Bank to create a sectoral loan program. The IDB's response has been outstanding. That's no surprise; it's led by an Uruguayan, Enrique Iglesias. We will also help countries committed to economic and investment reform to shake loose the burden of debt.

First, I want to congratulate President Lacalle on his successful negotiation of a debt agreement with the commercial banks under the Brady plan. That is a vote of confidence in Uruguay's economic policies by the international financial community. And we've also asked our Congress to approve a new package to reduce Uruguay's official debt. This will allow us to convert other payments to investment in industry and to swap debt for nature to protect your natural beauty. Environmental destruction knows no borders. And it is our responsibility to leave future generations not only a more prosperous world but a cleaner and a safer world.

A safer world also means a world free from the scourge of this hemisphere, the scourge called cocaine. And for the sake of our kids, every country must do its part to stop the explosive cycle of drugs, dependency, and dollars. And let me assure you, we are doing our level-best to reduce demand in the United States for these outrageous illegal narcotics.

And finally, a safer world also means a world safe for freedom, a world governed by the rule of law. And just a few minutes ago, I was privileged to meet with your Supreme Court. A free, honest, and impartial judicial system is fundamental to the freedom of a democracy, just as the rule of law is fundamental to the freedom of the world.

What the world faces in the Persian Gulf, believe me, is fundamental. We will not -- we must not -- reward a nation that would wipe another country off the face of the Earth. We will not reward a nation that has literally -- and the tales are agonizing -- has literally raped and terrorized its smaller neighbor. We will not reward a nation that kidnaps people and holds them hostage, staking them out as human shields, a nation that violates the sanctity of foreign embassies. And we will not reward a nation whose unprovoked aggression is driving economies all around the world into ever-greater financial distress.

I want to just say a special word in tribute to your President and to your proud democracy. Uruguay has shown great courage and commitment in support for United Nations sanctions against Iraqi aggression. Some may not realize this, but Uruguay paid a double price, a double price for upholding these sanctions: first, in higher oil prices, but also in substantial markets lost, for now, for your products. And yet you never flinched; your country never flinched. You never wavered in support of these U.N. sanctions.

You know, some seek to portray the crisis in the Gulf as a conflict between Iraq and the United States. In truth, as your example clearly demonstrates, it is a conflict between a united world community and an isolated, brutal dictator; the rule of law against Saddam Hussein's brutal aggression. And that's why I'm convinced, totally convinced, that the world community will prevail in the end.

The U.N. sanctions in their entirety will be upheld, and aggression will not be rewarded. That -- and it will come -- that will be a great victory for peace and global security. And I want to take this occasion, once again, to salute you, to salute your nation for your leadership in this struggle.

You know, in Czechoslovakia, President Havel told me the cost to his country was $1.5 billion. In Brazil yesterday, President Collor told me $5 billion is his estimated annual cost. And here in Uruguay, President Lacalle said the impact is substantial. All because of Iraq's determination to violate the sanctity and the sovereignty of little Kuwait.

No one in your great country needs to be told about sovereignty. In 1811 Artigas and his gauchos led an exodus of free Uruguayans who refused to submit to the control of foreign

despots. His demand was simple: complete autonomy for Uruguay. His dream was not realized overnight, but today many believe that had it not been for Artigas' brave stand Uruguay would surely been absorbed into another nation.

Exactly 30 years ago, President Eisenhower spoke to the people of Uruguay from this very podium. Our message hasn't changed. He said: ``The United States does not covet a single acre of land that belongs to another. We don't wish to control or dictate to another government." And he went on, ``We believe that the people of every nation are endowed with the right of free choice and that the most sacred obligation of the world community is to guarantee such choice to all."

A generation later, Juan Lavalleja and the 33 Immortals completed Uruguay's transition to sovereign freedom. Today their legacy has fallen to you -- an inheritance from Uruguay and for all of the Americas. Today the new 33 Immortals are the very nations of this continent, the OAS nations, now barreling in confidence towards the new century. All of us have a stake in working together. Our goal is to work with Latin America to build a hemisphere where trade and investment are unfettered, private enterprise can flourish, and individual rights are respected.

I see a hemisphere with strong democratic institutions and leaders and ever-expanding economic opportunity for all members of society, a society free of drugs and crime, a cleaner environment, and a new era of cooperation between Latin America and the United States.

Yours is a colorful land of spectacular beauty, from the lush green expanses outside Salto to the purple banks of the Yi River to the white beaches of Punta del Este. And as a new dawn breaks over the New World, Uruguay and all the hemisphere will continue on our voyage of discovery guided by the true colors of the Americas -- the colors of free ideas, free markets, and free trade. And as you travel, we will be watching with great hopes, and we will be standing with you. God speed you on this journey, and God bless the wonderful people of this country.

Thank you very, very much.

Note: President Bush spoke at 4:37 p.m. in the Salon de Actos at the Edificio Libertad. In his remarks, he referred to Vice President Gonzalo Aguirre of Uruguay and President Saddam Hussein of Iraq.

Question-and-Answer Session With Reporters in Buenos Aires, Argentina

December 5, 1990

President Menem. Ladies and gentlemen, it's a great moment of pride on the part of the President of Argentina to share this press conference with the President of the United States, and my good friend, George Bush. It has been 30 years since a President from the country to the north has come here on a visit, and never has there ever been a circumstance like this. This is the first time that we have ever heard a proposal of the magnitude of the President's Initiative for the Americas. So, in this fiesta of good neighborliness, the President is visiting Latin America.

Things are now very good, and they will get better after this visit which he is making to Brazil, to Uruguay, to Venezuela, and to our Argentina.

Mr. President, thank you so very much for your visit and for your friendship. And I hope that the few hours that you spend here will serve to rest your mind and to prepare you to continue the great work you are doing from the country which is the most powerful in the world to preserve peace in the world.

President Bush. Thank you very much, Mr. President. And let me just make a couple of brief comments before we go to the questions.

Today my esteemed friend the President of Argentina and I talked about the consolidation of democracy, and we talked about the movement toward free and open economies. It is important to point out that under the leadership of President Menem, Argentina has been a leader in all of this -- all of this.

Argentina helped lead the way in restoring democracy. And President Menem and the Argentine people proved again this week that they will not permit any group to return Argentina to the days of violence and dictatorship, in a superb show of strength and commitment.

And in these days of free economies, President Menem has taken the lead in privatization and in many other areas.

And lastly, I'm very grateful for Argentine's leadership and support for the world's common purpose in the Persian Gulf. And so, I'm here to salute the President, Argentine's leadership, and move toward solidifying democracy and improving the lot of its people through strengthening their economy. And I'm here with a feeling of great respect for the Argentine people and for the distinguished President, Carlos Menem, my friend.

President Menem. Thank you very much.

President Bush. Now, how are we going to proceed here? Who's in charge of questions? Oh, right over here. Excuse me.

Argentina-U.S. Relations

Q. Taking up the words of President Menem, I would like to ask you, Mr. President, what is the vision of the United States of Argentina? And how does the United States intend to implement its initiative to come to the help of Argentina in these major efforts that it is making?

President Bush. Well, the vision is of a democratic Argentina whose economy is one of the world's leading and most productive economies. That's the vision.

And because your President has taken the lead in matters such as privatization, I am confident that not only will our bilateral relation continue to improve but also it enables us to work very closely with the four countries that have joined together -- Paraguay, Argentina, Brazil, and Uruguay -- joined together in the Southern Cone to open up markets.

And thirdly, I see Argentina and the United States working closely in multilateral forums. And we've been staunchly together, for example, in trying to have a successful conclusion of the Uruguay round.

And lastly, because of the steps President Menem has courageously taken, I think that will lead to a happy ending, happy solution, to the overall foreign debt problem that Argentina faces. The private banks, seeing these moves towards privatization and open markets, will be much more inclined to work bilaterally with President Menem and Argentine to bring debt relief, needed debt relief, to the Argentinean economy.

Agricultural Trade Negotiations

Q. Norman Sandler, UPI [United Press International]. Mr. President, speaking of the GATT round, Carla Hills today was pessimistic about the outcome, and Clayton Yeutter said the United States may be prepared to propose retaliatory subsidies if it ends in failure. Is that kind of threat, given the impact it would have on Argentina and other Latin American countries, really consistent with the kind of theme of free trade you're trying to promote on this trip?

President Bush. I have not seen these comments. I have full confidence in Carla Hills and Secretary Yeutter. I believe that the United States and Argentina are totally in accord in our approach to the agriculture being included in the GATT round. There cannot be a successful conclusion to the GATT round without agriculture being included. And so, I expect that's what Carla and Clayton Yeutter are saying over there. But if that round fails, we will work bilaterally

with the Argentine to see that their trade with us is not set back. But both of us want to see it internationalized through a successful conclusion of the GATT round.

Q. Can I just clarify by asking whether you're saying that any retaliatory subsidies would be targeted at, say, Europe; and in Latin America would be spared?

President Bush. Too hypothetical. We are still working to get a successful conclusion of this round. I'm not in the business of talking retaliation while people are still meeting and discussing this -- trying to get this round worked out satisfactorily.

Argentine Economy

Q. Given the past failures of attempt at international orders to govern Latin American economy, what practical methods would you think of using with your new initiative to bring practical implementation to the steps you have proposed?

President Bush. Well, I think the practical considerations are already being manifested. I think we can reduce some of the government obligations, for example, and I think we're in the process of doing just exactly that. That's a very important one to start with. I think we can try to be helpful with the private banks, although President Menem knows that this is a decision between the banks and the Argentine Government.

But the benefits that accrue to the Argentine are not benefits laid upon their head by the United States; they are benefits that accrue from the fundamental reforms that this President has put into effect and is continuing to put into effect. I would cite only one: the benefits to the people that have accrued from the privatization that he courageously undertook. So, it isn't that we're bestowing benefits; this is a relationship of mutual respect where we're working towards the same economic objectives.

Persian Gulf Crisis

Q. Mr. President, are there startings of a deal with the Persian Gulf? There are rumors that Saddam Hussein is willing to withdraw from Kuwait and let the Amir return if he is given control of the oilfield on the border and perhaps given access to the Gulf. Do you know anything about this?

President Bush. No. The answer to your question is no, thank you very much.

Q. Terry Hunt, AP [Associated Press]. Do you view these talks with Mr. `Aziz [Foreign Minister of Iraq] and between [Secretary of State] Baker and Saddam as negotiations in which there will be some give-and-take?

President Bush. I view these talks as confined by -- or put it this way, mandated by the United Nations Security Council resolutions, period. That means no concession of territory. That means freedom of innocent people that are held against their will. That means respect for embassies, I might add. And that means the eventual security and stability in the Gulf, although that's not specified in the resolution.

But I don't view these talks as having anything to do about concessions that stop short of full implementation of the U.N. Security Council resolutions. And I felt strongly about that when I met with President Menem, and I feel more strongly about it now because he agrees totally with that. And he is a participant and a leader of an important country that is allied with us in this worldwide effort.

Argentine Economy

Q. Mr. President, you've just referred to the efforts that the Argentine Government is making in the economic field. I'd like to ask you what possibilities there are that your government will encourage North American capital to invest in our country under present circumstances?

President Bush. That is a strong part of this whole working together for economic recovery and revitalization. We have an organization in the United States called OPIC which guarantees foreign investment. They are very interested in bringing more investors to the Argentine.

We have other government agencies that are interested in furthering investment. The Ex-Im Bank would be one of them. To the degree we can encourage multilateral lending agencies to support the new Argentine with its new approach to privatization and free markets, we would be willing to do this.

So, there will be many bilateral ways in which we can further the economic growth that President Menem envisions and growth that I'm confident will inure to the benefit of all the people in Argentina.

Persian Gulf Crisis

Q. Mr. President, we are being -- Messrs. President -- it is for both of you actually, but first for President Bush -- we are hearing from an official in Baghdad, an official who has said that Iraq would not leave Kuwait, that in these upcoming discussions all issues are on the table -- everything, in this official's words. You said yesterday that you didn't detect that Saddam Hussein has yet gotten the message. Are you getting any indication that there is, indeed, some softening of the Iraqi position? Are you prepared to have all issues on the table? Do you feel this is helpful?

President Bush. I'm not optimistic. I see no evidence that Saddam Hussein is ready to comply

fully without condition with the U.N. resolutions.

Q. What then, sir, if I may follow, are your expectations for these discussions you are to have, and what do you make of comments like those that we are picking up?

President Bush. Who's your source? Who's saying it? Can you help me? And then I can answer the question better.

Q. I wish I could, sir, but my understanding is that it is a senior Iraqi official.

President Bush. Oh, in the Government. May I start by saying the reason I ask what the source is, is we hear so many rumors about deals. And yet every time an Iraqi official on the record speaks, it is that they will not withdraw from Kuwait. In my view -- and I think it's the view of the entire world; I know it's the view of my esteemed friend here -- is that they must withdraw without condition. When naked aggression takes place, it's not a question of finding face for the aggressor. When a country is literally raped and pillaged, let the world go out and try to find some reason to save face for he who has raped and pillaged that country?

So, I hope there proves to be some reason for withdrawal without condition. But in answer to your question, no, I have no feeling whatsoever that Saddam Hussein is willing to do now that which he should have done 5 months ago -- 4 months ago.

President Menem. We have said before that we wholeheartedly condemn what Iraq has done, to invade and occupy a territory which does not belong to it. We are the only country in Latin America which has sent ships to help enforce the embargo against Iraq. I share everything that has been said here by the President of the United States. An aggressor cannot condition his withdrawal on the satisfaction of his conditions. The only way is for Iraq to withdraw without any preconditions.

Q. We have seen, Mr. President, that the American journalists are deeply concerned with things that happen in your country. So are we concerned with things that happen in our country. We sent -- --

President Bush. I missed who you're with. I missed your identity.

Q. Mendoza from Channel 7. We sent two vessels; we back you up. What does the United States do for Argentina? We sent two vessels to the Gulf. You have tried to explain to a Latin American President your position towards the Gulf. What has the United States done for Argentina? And to say to the President, is that all right for you?

President Bush. May I answer your question?

Q. Yes.

President Bush. I don't believe Argentina is sending frigates to the Gulf to help the United States. I think they're sending frigates to the Gulf because they believe, as we do, that we must stand up against this brutal aggression.

Q. So, the United States does not feel, Mr. President, personally helped or backed up by Argentina? You think this is democracy all over the world?

President Bush. I think we're in this as the whole world. You've seen that manifested at the United Nations, and you see it manifested in the diversity and number of the force deployed against Saddam Hussein. People aren't doing this for the United States; they're doing it for world order and international law and because they feel as strongly as I do -- your President feels as strongly as I do -- about brutal aggression of this sort. He's not trying to do us a favor; he's doing what is right, what the United Nations agrees. We both agree that the peacekeeping function of the United Nations has been revitalized and have a real chance now to be more meaningful in the future.

President Menem. Argentina complied in sending those ships with U.N. resolutions adopted by the Security Council. We did it for the sake of peace and out of solidarity with the country victim of aggression. And this is an attitude we intend to maintain.

We have a friendship with the United States which is really unprecedented. But it was not in that framework that we acted. We do not seek any retribution or any reward. That would be undignified. And if there is anything that the Argentines are known for, it is their sense of dignity. We don't want any help or aid. We want to work with the United States and other countries to preserve peace, which is tantamount to saying to preserve life. We do not seek any counterpart or anything in return. And in fact, were it offered, we would not accept it.

The United States President would be glad to stay here with you all afternoon. So would I. But the Congress is waiting for him, so please respect his schedule.

Thank you.

Note: The session began at 3 p.m. in the Sala de Conferencia at Casa de Rosata. President Menem spoke in Spanish, and his remarks were translated by an interpreter.

Remarks to a Joint Session of the Congress in Buenos Aires, Argentina

December 5, 1990

Thank you, Mr. President of the Senate, Eduardo Duhalde. Thank you for those wonderful remarks. To the President pro tem of the Senate, Senator Menem; and the President of the Chamber of Deputies, Dr. Pierri; distinguished members of the Supreme Court; distinguished members of the military; distinguished legislators and government officials; and ladies and gentlemen: I am honored to be with you in this very beautiful Hall of Democracy, with so many Members of your Congress. And I am privileged to be with you at this special time in history -- both your own history and the history we share as members of the same hemisphere -- for we live in an era of dramatic change.

Some may have thought that the events of Monday would make me change my plans. To the contrary, they strengthened my resolve to come to Argentina, to stand shoulder to shoulder with President Menem and the Argentine people, who love democracy and refuse to see it subverted.

The message today from Argentina is clear: Democracy is here to stay. Too many brave people sacrificed and died to bring democracy back to Latin America. Let those who would attack constitutional democracy understand: In Latin America the day of the dictator is over. Violent assaults upon the rule of law represent the old way of thinking, the old way of acting this history has left behind. It is time to think anew.

No longer should we think in terms of the Old World, where our roots lie, or of the First World or the Third World. No, we must move beyond the labels that once separated us to grasp the common future that unites us. Argentina, the United States, and the other nations in this continent share the promise of a new dawn in a new world.

So, I have come to Argentina to speak about change -- you heard it first from the Vice President -- the kind of positive, hopeful change symbolized by the Sun of the Spirit of May in your dramatic seal.

There's an old saying that when North Americans meet Argentines, they look into a mirror. I've felt that. Much here seems familiar: the cattle, the seas of grass, the love of liberty, the shared belief in the dignity of the individual, our common European roots and shared colonial past, the warm energy and the spirit of the people, even our interest in sport -- we look forward to welcoming your team to the United States in 1994 for our first hosting of the World Cup, for example. But above all, above all, we share a devotion and a commitment to our respective nations that would have pleased General San Martin, who wrote: ``Love for one's native land fuels noble souls."

All of this is part of the unique bond between our countries, but it's also recent history that unites us. Your return of democracy has brought our peoples closer than ever before. Your sacrifice during past decades caused us deep anguish and concern. But your people did not lose faith in the democratic ideal, and the United States did not lose faith in you.

As we prepare, with optimism and anticipation, for the challenges facing this hemisphere and the rest of the world, some things are clear. We all know that we want to live in a new world that is a model of security and stability. This means regional arms control -- as well as nuclear, missile, and chemical nonproliferation -- and the collective determination to face down aggression.

As I said the day before yesterday in Brasilia, the United States applauds the decision announced November 28th by the leaders of Argentina and Brazil to move forward on nuclear safeguards and to bring the Treaty of Tlatelolco into force. We hope you will move quickly to realize both of these commitments, as they have a direct, measurable impact on regional and world security. Such action will also allow the United States and other countries to expand significantly the range of our nuclear and other technical cooperation. We are eager and we are ready to do so.

In the current crisis halfway around the world in the Gulf, you have also shown strength and vision by helping to lead international efforts to stop Saddam's brutal aggression. Your contribution to the multinational force in the Gulf is a statement of your commitment to peace and a commitment to the rule of law and a clear sign that you are assuming your rightful place as a leader among freedom-loving nations.

Argentina and President Menem have not limited their efforts to promoting international security. Here in this great country, you have embarked on another courageous action: the restoration of your economic dynamism. Your President, Carlos Menem, has defined the challenge that we face to day. He said: ``To take advantage of democratic experiences, to propel economic growth and progress, is the principal crossroads and challenge for our peoples and governments."

It is a difficult challenge, as I believe few Presidents have ever taken office under more testing circumstances than did President Menem. And yet he and his colleagues in this Congress did not shrink from the task at hand. Instead, you've set into motion a forward-looking structural, economic, and social transformation of this great country.

We know of the painful short-term sacrifices that you are being called upon to make, in what your own President has called surgery without anesthesia. For this tremendous undertaking to succeed, it will not take miracles; it will take work. But know that the United States is prepared to work with you every step of the way.

Just yesterday we signed two new agreements, a mutual legal assistance treaty and a mutual customs cooperation agreement. And last June, to help this movement in your nation and the

others of this continent, we proposed the Enterprise for the Americas Initiative, which calls for a major hemispheric effort to expand trade and investment and to reduce debt; to unleash energy; to encourage initiative; and to let the incentive of reward inspire people to better themselves, their families, and their futures. We are absolutely committed to this initiative as a major priority. It will give impetus to the essential economic restructuring which you already have underway, and it will sustain and deepen this process in tangible ways.

The initiative is our hemisphere's new declaration of interdependence. For economic revolution is the equal of political revolution, and economic cooperation must be embraced not as a threat to privilege for a few but as the key to prosperity for all. We know that prosperity in our hemisphere depends on trade, not aid. And it is within our power to make our region the largest trading center of sovereign nations in the world. Already, the Southern Cone common market is moving us closer to our ultimate objective: a free-trade system that links all of the Americas. We support you in this and look forward to completing a framework agreement on trade and investment between the United States and the Southern Cone.

But to promote long-term growth, we need the successful conclusion of the Uruguay round. The negotiators must succeed in their efforts to reduce or eliminate tariffs, subsidies, and other barriers to agricultural products. This will mean new market opportunities for the farmer in Buenos Aires Province, the agricultural workers in Jujuy, and the engineer in Rosario.

No act could be more significant for your nation than the move toward a market-oriented economy, a move crucial to attracting foreign investment. You see, it lays the groundwork for your future, building a road that leads to a modern, growing Argentina. A free-enterprise economy will encourage capital investment, greater individual initiative, and real prosperity for this and future generations. With the help of the Inter-American Development Bank, we want to encourage the reform and the opening of investment regimes. The spirit of enterprise will unleash your great potential and assure this nation of its position as one of the most vigorous nations in the world.

The reforms that you are carrying out in your economy, including your bold program of privatization, are not only the key to economic growth and expanded opportunity; they are also the first crucial steps under the Brady plan to achieve debt reduction with your commercial creditors. I understand the burden of debt that weighs on Argentina, but I believe that today -- like Mexico, Venezuela, Uruguay, and Costa Rica -- Argentina is on the right road to reduce that burden under the Brady plan.

The way we deal with our common economic realities can be a stepping-stone to a permanent partnership among all the nations of the Americas. I believe we are on the brink of something unprecedented in world history -- the first wholly democratic hemisphere. Think of it: the first hemisphere devoted to freedom -- to free speech, to free elections, free enterprise, free trade, free markets.

And that's why I've come to your country: to celebrate what we share, to recommit the United States of America to the movement toward democracy and prosperity all throughout the Americas, to stress the vital importance of mutual cooperation and understanding among traditional friends. For we read in Martin Fierro: ``brothers should stand by each other, because this is the first law." And he goes on: ``keep a true bond between you at each and every time."

You know, Argentina is a great nation with enormous resources, but none more impressive than the Argentinean people themselves. When this century began, Argentina was among the most prosperous and productive nations in the entire world. And I am totally confident that Argentina will be such an economic leader again and continue to lead this hemisphere.

Together, yet from our own beloved lands, we will watch freedom, democracy, and prosperity grow. We will watch it from the vantage point of two countries strong in liberty and expanding in economy. And we can look forward together with shared optimism to the 21st century, to the brilliant new dawn of a splendid new world.

Thank you all very much for this warm welcome. I am delighted to have been your guest here today. Thank you.

Note: The President spoke at 4:45 p.m. in the Congressional Chamber at the Palacio del Congreso. In his remarks, he referred to Eduardo Duhalde, President of the Senate and Vice President of Argentina, and President Saddam Hussein of Iraq.

Toast at a State Dinner in Buenos Aires, Argentina

December 5, 1990

Mr. President, my friend Carlos Menem, thank you for those very kind words. And it has been a very great honor for Dorothy, our daughter, and me and for the rest of us on the American side to be received in this magnificent setting, to be received so warmly by your people, and to be received so warmly by your very special President, Carlos Menem. We are simply delighted to be here in this beautiful country that has rejoined the ranks of the world's great democracies, a democracy built on what your national anthem refers to as the ``sacred cry'' of freedom.

I liked what your President said about a nation together for the final takeoff. And Carlos -- or Mr. President -- [laughter] -- I have the feeling that you have involved the people and that the people are proud in their support. And this week, by your firm action, supported by the people, you proved again that no one will take away the freedom of the Argentinean people.

You've helped reestablish this wonderful democratic tradition, and I salute your bold reform of the economy. You're rising to the challenges laid out in the Enterprise for the Americas Initiative for all nations in the hemisphere to join together to boost trade, investment, and growth.

Today President Menem and I talked at length about these issues and how best to bring economic recovery to this hemisphere. We recalled progress already made. And I spoke at some length about these ideas, which are of immense importance to our nations, during my speech at your Congress earlier today. And tonight President Menem has given an eloquent response, and I thank him.

But even though we've been here just a short time, this visit has again reminded me of the likenesses that unite our peoples. Think of our nations' beauty. One of America's patriotic songs -- ``purple mountains' majesty'' and ``amber waves of grain'' -- that would define Argentina, as would the words of Jose [Jorge] Luis Borges, describing this city's ``silent magic that captures newcomers almost totally.'' Think of the splendor of the Andes, the jungles of Misiones, or the valleys of Patagonia; and they match the sweep of the continent that is America. And think, also, of other likenesses. We both were founded on equality and liberty. Each of us reveres the individual: you, the gaucho; we, the cowboy. We both honor values like work, family, belief in country, belief in God.

These likenesses have helped Argentina create a world where, as President Menem said last year, ``More and more, every day, we all depend upon one another.'' And I agree. And I want to thank you, Mr. President, and your people for standing as allies in the Persian Gulf against Saddam Hussein's naked aggression. Together, we will do what is right, and we will do what is good -- and we will prevail.

In that spirit and with real gratitude in my heart, I ask our guests to stand and raise their glasses: To the nation of Argentina; to friendship between us that has never been more strong; and to the health of my friend and distinguished colleague, Carlos Menem, the President of Argentina.

Note: President Bush spoke at 10:06 p.m. at the Sociedad Rural Restaurante. In his remarks, he referred to his daughter, Dorothy LeBlond, and President Saddam Hussein of Iraq. Following the dinner, President Bush went to the U.S. Ambassador's residence, where he stayed overnight. A tape was not available for verification of the content of these remarks.

Remarks at the Arrival Ceremony in Santiago, Chile

December 6, 1990

President Aylwin and members of the Chilean Government, I am deeply honored to bring to all the people of Chile the greetings of the American people.

These past few days, from Brasilia to Montevideo to Buenos Aires, I have witnessed firsthand the irresistible power of the democratic ideal. Around the world, across the Americas, a democratic renaissance is underway. Along with the return to free government is a parallel movement toward free markets. Here in our hemisphere, democracy's made great gains. At long last we're moving closer to the common destiny that once moved Chile's great champion of freedom, Bernardo O'Higgins, to write: ``The Americas are giving great hope to philosophers and patriots alike."

Chile's peaceful return to the ranks of the world's democracies is cause for pride and celebration. And Chile's record of economic accomplishment is a lesson for Latin America in the power of the free market. Nowhere among the nations of this continent has the pace of free-market reform gone farther, faster than right here in Chile.

In just a few minutes from now, President Aylwin and I will proceed to his home to hold private discussions to continue the open and honest dialog that we began 2 months ago at the White House. And just a few hours from now, I will have the honor to address the Chilean National Congress, gathering in special session at the port of Valparaiso. And tomorrow I meet with leading members of the Chilean business community.

As you say here, brick by brick, houses are built; and so, too, are the foundations of lasting friendship built by each additional contact between the people of our two nations. America and Chile do share a bright destiny based on common ideals. Let me say to President Aylwin and to the people of Chile, it is in the spirit of those shared ideals that I come to Chile today.

Thank you for this warm welcome, and may God bless the people of Chile.

Note: The President spoke at 11:45 a.m. on the tarmac at Arturo Merino Benitez Airport.

Question-and-Answer Session With Reporters in Santiago, Chile

December 6, 1990

Chilean Political Transition

Q. President Bush, we would like to know your opinion of the political transition of Chile and on the behavior of the Armed Forces of Chile during this period of transition. We would like your comments.

President Bush. Well, it seems to me that there is great enthusiasm in the United States for this transition, for this solidification of Chile's democracy. And I'm not an expert on how the army and the civilian-controlled government is interacting, but from the United States standpoint, Chile is projecting a commitment to democracy and a country that is controlled by a popularly elected President. And that's the signal that is going out all around the world and is being so well received in the United States and in other countries as well.

Mr. Hunt of the AP [Associated Press].

Persian Gulf Crisis

Q. Mr. President, do you view this promise by Saddam Hussein [President of Iraq] to release the hostages as credible, and will it affect the U.S. war footing in the Persian Gulf?

President Bush. I hope it is credible.

Do you want to get translation of the question first? The question was -- --

Q. Do you view the promise by Saddam Hussein to release the hostages as credible, and will it affect the U.S. war footing in the Gulf?

President Bush. One, I hope it is credible. Two, no single hostage should have been taken in the first place. And I hope that it shows that the strategy is working and that Saddam understands that his hostage policy has incurred the condemnation of the whole world. And we've got to continue to keep the pressure on. And this would be welcomed, if true, but it will not change my thinking on his need to comply 100 percent, without condition, to the U.N. resolutions.

Chile-U.S. Trade

Q. Mr. President, when you came down at the airport, you really gave good impression on the

economic policy and how efficient is market economy. However, many products of Chile still have many problems entering into the American markets. How long will the Chileans have to wait until they have real free trade with the United States?

President Bush. In the first place, the best thing to reduce barriers is to have a successful conclusion of the GATT round, which now appears to be in trouble because the agriculture question has not been accepted by several key players in this negotiation.

Secondly, we had good discussions with the President of Chile and his top officials here at lunch on how we can move forward on a trade agreement between the United States and Chile that also would be helpful in reducing barriers to bilateral trade.

Persian Gulf Crisis

Q. Mr. President, thank you. I wonder if you'd take the context of what's going on since you got the U.N. resolution authorizing the use of force. You know, you made the announcement last week that they were resupplying or helping to resupply the U.S. Embassy, now the announcement on the hostages. My question, Mr. President, is whether you believe Saddam is serious about diffusing the tensions, or is he playing chess?

President Bush. Well, first, I don't consider a couple of cases of Pepsi Cola a serious release on our beleaguered Embassy in Kuwait. I hope, though, in response to the broader aspects of your question, that Saddam Hussein is getting the message, the message so clearly stated in the last U.N. resolution. And the release of all hostages would be a very good thing, but the problem is the aggression against Kuwait. And the man must leave Kuwait without reservation, without condition. And the whole world is united in this. And I will not speak for Chile, but I believe the Chileans agree with that.

Chile-U.S. Trade

Q. President Aylwin, with the United States is the case of the poisoned grapes. During the lunch with President Bush, did you advance something of that matter? Is he going to have some conversation or ask for a position for the damage done and the losses of Chilean exporters?

President Aylwin. During the luncheon that we had and up to now, we have spoken about many topics related to the world situation and the relationship between Chile and the United States. As President Bush has said, we have progress in the idea of a bilateral treaty of free trade between our two countries.

I have pointed out to the President our satisfaction for the progress: the position of the United States concerning the topics as to what is concerning the insurance investment, the General Preference System, and the Kennedy amendment. The topic you're talking about is going to be

the subject of some of our conversations in the meeting that we will have this afternoon, President Bush and myself.

President Bush. Let me say I will be prepared to fully discuss that and to assure the people of Chile that there is no discrimination that was intended or that is intended, and that I'm glad our country is moving briskly forward on these bilateral trade matters.

Mr. Cochran, NBC.

Middle East Peace Conference and the Persian Gulf Crisis

Q. Mr. President, there were reports this morning out of New York, apparently, linking American diplomats to a suggestion that the U.S. might go along with a U.N. resolution backing a Mideast peace conference. This was linked with Saddam's latest statement about the hostages. Since then we understand that Secretary Baker has denied any change in the U.S. position. Certainly, you have said there should never be any linkage, and you're aware that Saddam is trying to link them. However, having said that there is no linkage, can you offer any hope that the United States might take a favorable position toward a Mideast peace conference?

President Bush. The question is the aggression against Kuwait. There will be, and is, no linkage to the West Bank question. And to help clarify, I would refer people to Secretary Baker's statement today, to my comments at a press conference in Helsinki with Mr. Gorbachev, and to what I said at the United Nations in my speech. I hope that will make clear there is no linkage. The United States, of course, remains interested in a solution to that other question; but there is no linkage with what has to happen in Kuwait or what will happen in Kuwait.

Tough way to make a living. [Laughter]

Assassination of Former Chilean Ambassador Orlando Letelier

Q. One of the main people accused of the Letelier crime, General Manuel Contreras, one of the first persons accused of participating in the crime of the death of Letelier -- he said that the people responsible for that crime had to be searched for in the United States. What is your opinion about this particular point?

President Bush. I'm afraid I don't know the details of what he was referring to, so I just can't help you. I think the President has moved to try to get that contentious matter cleared up, but I just am sorry, I don't know the details of that enough to know to whom he's referring.

Jim, excuse me, did you finish? Sorry, I thought you -- too bad. [Laughter]

Q. To bring Mr. Contreras before the civil courts, will that satisfy the United States?

President Bush. I know what you're talking about, but I just can't respond on that specific point because I honestly don't know the answer to that question.

Persian Gulf Crisis

Q. Mr. President, in making his announcement today, Saddam Hussein said he was moved to release these hostages by what he called positive diplomatic changes. Are there any secret negotiations, backdoor negotiations, going on now between the Iraqis and the U.S.? And when you sit down with Foreign Minister `Aziz, will you be laying down the law, or will you be offering further incentives to encourage Iraq to leave Kuwait?

President Bush. One, there are no secret negotiations, direct or indirect, with Iraq over this question -- none. And there will be none -- secret negotiations of that nature. Secondly, I am not looking for incentive or further incentive. What I want to do is be sure, by going this last, extra step for peace, that the Iraqis know from me, and `Aziz knows from me, and Saddam Hussein knows directly from the Secretary of State, what is at stake in this matter and how supportive the United States is of the consolidated U.N. position. And that's what it's about.

And I said that before, and I'll keep repeating it because I don't want any people to think there are secret negotiations going on or that I, on behalf of this worldwide coalition, will even consider making a concession, if you will, or you can call it incentive -- incentive, if you will. That is not what these meeting are about.

Chile-U.S. Trade

Q. President Bush, although President Aylwin has said that you're going to talk about the grapes in private conversations, I would like to know what action would your government be able to take regarding this problem that was originated and that has had a negative effect on Chilean exports? And several studies have proved that they were poisoned in the United States.

President Bush. Well, I will discuss this very sensitive question. I can't tell you what steps my country, if any, will take, I do ask you to understand that the question of poison foods and poison medicines is viewed with great seriousness in the United States.

And I think back to an incident involving no international trade, but an incident involving Tylenol, where the company had -- one capsule of Tylenol had been poisoned, and that company went to great ends to remove that Tylenol and to change their packaging and to correct this scare. And I cite that so people in Chile will know that it isn't the Chilean grape that was singled out. This is the way, in the United States, we approach matters that can adversely affect the health of our people.

To show that persistence pays off, I'll recognize this gentleman over here, even though he's not with the North American press.

Enterprise for the Americas Initiative

Q. Mr. President, the Initiative for the Americas has been considered as a positive and in an optimistic way by most of the governments of Latin America and the Caribbean. However, there are also strong criticisms concerning the bureaucratic contradictions between your discourse and that of the American Congress, which has meant that there seems to be no real will on behalf of the key agencies of the United States in order to progress in a more speedy way towards integration in our continent.

President Bush. I think that there is a determination to move forward. Some of these procedures take a long time. And, yes, Congress in our system must be brought along as a full partner. And secondly, this initiative is not going to be an empty slogan; I am determined to follow up on this. And I think the countries with whom I have talked feel that the process is moving forward properly. I wish it could be much faster. But let me gun down, let me shoot down in flames, this concept that some bureaucracy in our government will block this initiative. It will not. This initiative will be successful.

Middle East Peace Conference and the Persian Gulf Crisis

Q. Mr. President, I'd like to come back to John's question about a Middle East peace conference. You've so strongly and your aides have so vehemently denied any intention to move to a Palestinian conference of any sort. Is that because you are simply concerned that Saddam Hussein would say, see, I have extracted something from President Bush? Or, if not, just what conditions remain to be met for you to agree to a Mideast peace conference?

President Bush. From the very beginning Saddam Hussein has tried to justify his illegal aggression against Kuwait based on an overall Middle East problem that involves the West Bank and the Palestine question. And we are not going to get diverted from the full implementation of the United Nations resolutions in order to give him some face-saving way out of something he shouldn't have gotten into in the first place.

As you know, Jim Baker has been very active up until quite recently in trying to move that whole peace process forward. We continue to be very interested in moving the peace process forward. But it will not be linked in any way with Saddam Hussein's aggression. I don't care about face; he doesn't need any face. He needs to get out of Kuwait without trying to complicate this matter by talking about some Middle East peace settlement or peace conference. It is clear what his ploy is, and that ploy is not going to be successful.

Assassination of Former Chilean Ambassador Orlando Letelier

Q. My question is for both Presidents. I would like to know how far the United States intends to cooperate in the solution of the Letelier case. Mr. Bush, what do you think -- that this case would go to the civil justice in any case?

President Bush. That question has a familiar ring.

Q. It's different.

President Bush. Oh, it is? Well, help me, because I don't understand the technical differences here.

Q. How far is the United States willing to go in order to -- --

President Bush. Get to the bottom of the matter?

Q. Yes.

President Bush. As far as we can. We want to cooperate fully.

President Aylwin. On our side, we think that the fact that a civilian court -- an administer of the court, a special prosecutor that would be appointed at the petition of the Government by the Supreme Court, will lead to a full clarification of the responsibilities involved in that case. According to the purpose of the Government that in all matters concerned with human rights, there should be a full clarification of truth and justice be made.

We regret that we are just in time -- President Bush has to travel to Valparaiso to meet with Congress. He's got to be there in 1 more hour.

President Bush. Thank you, President.

Persian Gulf Crisis

Q. -- -- pass a resolution. There is a report that the Perm Five have basically agreed on an alternative that essentially reiterates the U.S. position.

President Bush. Well, let's watch that unfold. That whole question has been on the table for some time.

Q. But you were so adamant in your refusal to grant Saddam even the appearance of linkage there.

President Bush. There will be no appearance of linkage. There will be no linkage.

Q. But you still -- --

President Bush. -- -- very, very clear. And that is the point I want to make. And the United States position on the other question is well-known, very well-known. There has been no change in it. But the concept of linking this in to help him save face or to compel him or encourage him to do that which he should have done in August, to correct that which he did in August, is simply unacceptable not just to the United States but to all the members of this coalition. And I will keep driving that point home. There can be no confusion about it. There can be no misunderstanding about it. There is no give on the United States side on that question. And there will be no give.

And I'm pleased that he -- with the hostage question and the Pepsi Cola to the Embassy, there seems to be a little movement here and a little move there. But my mission is to have him understand that we are very, very serious about full implementation of the United Nations Security Council resolutions in full, without condition. And I'm going to keep making the point because every day I get asked questions about some new rumor. And you have to ask them, and I have to gun them down because there is no behind-the-scene negotiation. And it looks like we're getting on track, although I can't confirm it, with when `Aziz might be coming; but it will not be with some secret agenda going on in one room and something for public consumption in another. It will not be that kind of a -- --

President Bush's Trip to Moscow

Q. Why did you cancel the Moscow trip, Mr. President? Mr. President, the Moscow trip -- Moscow is off now in January, is that right?

President Bush. Not totally.

Q. Is it off?

President Bush. Not as far as I'm concerned.

Note: The question-and-answer session began at 1:55 p.m. at President Patricio Aylwin Azocar's residence. President Aylwin spoke in Spanish, and his remarks were translated by an interpreter.

Remarks to a Joint Session of the Congress in Valparaiso, Chile

December 6, 1990

Well, first, may I salute the President of the Senate, President Valdes. And far be it from me to lecture to his colleagues in these distinguished bodies. But I first knew him years ago when he served the United Nations with such distinction. And I would simply say to everybody here, I think we can all understand why, with that service behind him, he has what I would say is a very forward-looking, global view. And I respect his views. And thank you very much, Mr. President, not only for your remarks but for your welcome.

I want to salute the President of the Chamber of Deputies, Jose Viera Gallo; Members of the national Congress; and all the people of Chile. And really, it is for me, having come out of our Congress in the United States, a great privilege to address you today and to bring you on behalf of the American people our heartfelt congratulations on Chile's return to democratic rule.

Here amid the hills of Valparaiso, here in the halls of this beautiful assembly, stands proof that Chile has returned to the democratic path -- proof that in Chile, once more, the people shall govern. It is my hope that this visit will renew and strengthen the ties between our two nations that trace back to the first days of Chilean independence, to your first Congress, convened on the 4th of July, 1811; to the guiding principles we share, the community of ideas that link your new nation to our own nation nearly 180 years ago. At the center of that community of ideas stand the shining principles that unite us today: individual liberty and democracy.

In the past year, the world has focused on the dramatic events that brought freedom and democracy to Eastern Europe and an end to an era of cold war and conflict that your President just talked about. But the principles at the root of those revolutions across the Atlantic are the very same that give life to our own democratic destiny. And in spite of the remarkable events unfolding in Europe, we should not lose sight of the fact that the triumph of the democratic ideal promises to make the Americas the first fully free hemisphere in all of history.

Chileans can take great pride in the role they have played in Latin America's democratic renaissance. Since the plebiscite of October 1988, Chile has undergone a political transformation every bit as far-reaching as the revolutions that changed the face of Eastern Europe. When others, frustrated by the long years under autocratic rule, might have engaged in recrimination, you, Chile, chose reconciliation. When others might have consumed themselves with settling scores, Chile chose to draw a positive lesson from the agony and the pain of the past.

Every year under autocratic rule served only to deepen your devotion to freedom and tolerance and respect for human rights, to strengthen Chile's collective resolve to make this return to

democracy permanent and to make it irreversible. Chile's peaceful return to the way of democracy owes much to the leadership of a man of vision, a man of great moral courage, President Patricio Aylwin. But as President Aylwin understands, as everyone in this chamber knows, democracy's ultimate success rests not on the shoulders of one man alone but on the collective commitment of every Chilean -- every citizen in every region, from every station in society -- to put allegiance to democracy above any differences that divide you.

Chile has also been a part of a greater collective commitment through your steadfast participation in the international coalition now facing down aggression in the Persian Gulf. Chile, at considerable expense to your own economy, is upholding the sanctions against Iraq, despite the costs, because of the far greater cost to world stability should brutal aggression go unchecked. You understand, through hard experience, the fundamental importance of the rule of law.

As a friend of Chile, as the representative of a fellow democracy, I have deep respect for all that this nation has done to move forward, in peace, to this new day of freedom.

What is happening here in Chile is part, you see, of a larger movement that is sweeping this continent. Centuries ago, the Americas represented to the explorers of Europe the New World, an uncharted territory of promise and possibility. In the dawn of Chile's own independence, Bernardo O'Higgins, the Chilean patriot and patron of liberty for all of Latin America, spoke of Americas' shared destiny when he wrote: ``The day of liberty has arrived for the Americas. From the Mississippi to Cape Horn, an area comprising almost half the world, we now proclaim the independence of the New World."

At long last, the new world O'Higgins wrote about is dawning across the Americas, a new dawn of democracy in which all men and women are free to live, work, and to worship as they please. My travels these past few days have made me more certain than ever that the Americas share a common democratic destiny and that Latin America's future lies with free government and free markets.

Chile, now returned to the democratic path, has long recognized the merits of a free-market economy. From the day Diego de Almagro first set foot on what is now Chilean soil, your lifeblood and link to the world has been trade. What has been true for Chile throughout its long history is today increasingly true for all nations.

Chile has moved farther, faster, than any other nation in South America toward real free-market reform. And the payoff is evident to all: 7 straight years of economic growth; in exports alone, a 15- to 20-percent increase in value in each of the past 5 years.

This explosive growth has secured for Chile a growing impact on the world economy. Today the farmer in San Fernando labors not just to feed his family, or even his village, but to deliver

products to the dinner tables of Japan, Europe, and the United States. From the miner in Calama, the world obtains the raw materials it puts to use in everything from new homes to skyscrapers to space shuttles.

Chile's success -- your success -- is the product of wise policy, a comprehensive plan to transform this nation's economy into an engine for growth. Chile has worked to create an open and inviting investment climate for foreign capital. Since 1985 about $2.5 billion in new investment has flowed into Chile. Capital flight, which has sapped the economic strength of so many Latin nations, has now reversed itself, turned around, with returning funds spurring new investment here at home. And Chile has pioneered some of the world's most creative debt-reduction programs -- these debt-for-equity swaps, exchanges that have transformed debt from a deadweight on development into new opportunities for growth.

Chile is a land of tremendous natural resources, near limitless potential: the mineral wealth of the arid Atacama; the black earth of the Central Valley; the safe haven here at Valparaiso, for centuries Chile's main port of entry and access point to the world beyond. But all of these abundant resources pale in comparison to this nation's most significant asset: the vast human potential of the people of Chile. Give to the people of Chile the opportunity to better themselves -- to provide for their families, their children -- and Chile will build its future. And let the people reap the rewards of their own hard work, and incentive will spur enterprise. The future of Chile is the sum total of every individual's hopes and dreams. Unleash these energies and uncover a reservoir of riches. Tap this source and transform a nation.

What has worked here in Chile can work across this continent. Last June, as your President mentioned, I introduced an initiative that I call Enterprise for the Americas -- a comprehensive plan to reduce the crippling burden of debt and increase trade and investment across the Americas, for North or South, for Central. The Enterprise for the Americas Initiative challenges all countries in Latin America, and the Caribbean area, too, to commit themselves to the free-market policies that will help them attract the new capital central to achieving strong economic growth. To this end, Enterprise for the Americas seeks to promote open-investment policies through a new lending program in the Inter-American Development Bank, as well as the creation of a multilateral fund to support investment reform.

We recognize that the burden of external debt weighs heavily on efforts to breathe new life into Latin America and Caribbean economies. For that reason, the United States will help countries committed to free-market reform shake loose this burden of debt. Chile's strong economic performance makes it a prime candidate for the debt-reduction measures proposed as part of the Enterprise for the Americas Initiative.

And finally, our initiative recognizes the critical importance of our environment and the need to design debt-reduction measures that encourage environmental protection and conservation.

Enterprise for the Americas has generated great hope in the future of free markets across the continent. Already, during President Aylwin's recent visit to Washington, our two countries have signed a bilateral trade and investment framework under this initiative. And I look to Chile to continue to lead the way; to remain at the forefront of the free-market movement that's now beginning to take hold all across Latin America; to work together toward the ultimate aim of the Enterprise for the Americas, which is the creation of a hemispheric trade zone -- that is free, a free-trade zone -- from the Arctic regions in the north down to the southernmost tip of Cape Horn.

I want to see our two nations work together to bring down barriers to free and fair trade, not just here in the Americas but around the world. The great economic lesson of the past half-century is that protectionism stifles progress and that free markets breed prosperity.

And that's why the successful completion of this current Uruguay round negotiations remains my highest trade priority. In the Uruguay talks, both our nations have sought a deep reduction and, ultimately, the complete elimination of counterproductive agricultural subsidies. And together with Chile and other neighbors in the hemisphere, we here in the Americas constitute a potent force for free trade. So, let me say to all of you today: The United States stands ready to forge this new partnership in prosperity.

Some scholars say the word ``Chile'' means the ends of the Earth. Today what Chile means to the world is far different. Your nation is at the very center of the democratic revival transforming our entire continent, bringing us closer each passing day to the new world we seek. Because what matters in this new world is not the vast distances that separate us but the vital ideals that bring us together.

So, let today mark the beginning of a new partnership between our peoples. And let us all, across the Americas, work together toward a new world, toward that new dawn of democracy in which every nation is the home of liberty, democracy, and progress.

Once again, thank you from a very grateful heart for this welcome here in Chile. And may God bless the people of your great country. Thank you all very, very much.

Note: The President spoke at 4:25 p.m. in the Salon de Honor at the National Congress Building.

Toast at a State Dinner in Santiago, Chile

December 6, 1990

President Aylwin, thank you for your hospitality and for your generosity during my visit to your beautiful country. We first met earlier this year at the White House, and I hope we will have many more opportunities to exchange views and to work together.

In accepting Ambassador Silva's credentials as Chile's representative in the United States, I said: ``We are happy for Chile and optimistic about its future. Your country's deep democratic tradition, its strong economy, and the richly deserved reputation of the Chilean people for dynamism and creativity reinforce our confidence." I shouldn't have been so restrained. Now that I've had the opportunity to visit Chile, I am even more convinced that Chile's future is bright. You deserve your reputation as an economic model for other countries in the region and in the world. Your economic growth is the pride of Latin America, and your commitment to market-based solutions inspires the hemisphere.

It is a pleasure to hear freedom spoken of as the recognized right of all people not only to elect their own government but to control their own destiny and follow their dreams. And it's a pleasure to listen to the language of optimism: to hear trade barriers spoken of as obstacles to eliminate and openness as the path to prosperity. Today I've heard economic growth and development discussed not as ends in themselves but as the means to raise the standard of living and to broaden opportunity for all Chile's citizens, as the means to a better life for her people.

Earlier this year, Mr. President, you observed, ``Chileans, with a tradition of democratic institutions, of respect for human rights, of the rule of law, have chosen to remake their society based on those values which honored their country in the past. At the same time," you went on, ``we want to seek progress and economic development based on an open and competitive system in which all creative initiatives find space for expression."

And so, it is with a noble spirit and honorable values that the Chilean people are remaking their society, a society founded on democracy and economic liberty. To achieve this, the people of Chile have freely chosen leaders of vision and courage. And you, President Aylwin, are an outstanding example. Earlier today, when I met your children and your grandchildren, I got a glimpse of the values underlying your leadership: family and faith in God and faith in the future.

To the bright future of this nation; to the freedom-loving people of Chile; to all the government officials who came to greet me at the airport; and to you, Mr. President, I raise my glass in a toast: May the renewed friendship between our two great nations remain as strong and healthy as the optimism that characterizes our two peoples.

Thank you, and may God bless your great country.

Note: The President spoke at 9:40 p.m. in the Patio de Los Naranjos at La Moneda Palace. Following the dinner, he went to the U.S. Ambassador's residence, where he stayed overnight. A tape was not available for verification of the content of these remarks.

Remarks at the American Chamber of Commerce Breakfast in Santiago, Chile

December 7, 1990

That applause did sound heartfelt. I'm reminded of when General Gray went over to see the Marines in Saudi Arabia the other day. He was talking to them, and he looked at them, and he said, ``You have good morale. Remember that." [Laughter] Thank you for your heartfelt applause. Hey, look, I am simply delighted to be here; and I want to salute all the members of AmCham because what you're doing is very, very important as North America, the United States, and Chile go forward together towards the very next century. We've got a wonderfully promising setup between our countries now, but it's going to be most successful if your work is successful. So, I salute you. When our Ambassador said I might come over here, I accepted with alacrity.

It is an honor for me to be here and to be the first American President, as Ed pointed out, to visit Chile in 30 years. Ed referred to our entourage. That is a polite way of saying invasion squad -- [laughter] -- because when a President goes, an awful lot of people go with me. And I don't want to hurt any feelings, but there is one with me today who interacts very closely on everything that has to do with the business of AmCham. I would simply like him to stand up in case he has not been introduced. That's our Secretary of the Treasury, Nick Brady. Nick.

As many of you on the U.S. side of AmCham know, he comes out of a distinguished private-sector business background. I think that is very, very important to have in my Cabinet and amongst my very, very top advisers. So, I want to say both he and I are delighted to be here, and the rest of us -- Secretary Eagleburger is with us and Bob Gates and many others, all of whom are making a significant contribution to this trip. Let me just put it this way: I think we've got a damn good Ambassador in Chile, Ambassador Gillespie, and I think you've got an outstanding Ambassador in Washington, DC, and that's good. That's going to help this relationship be even better.

Mr. Minister, I salute you, sir, and thank you -- I see the Finance Minister. I think this bodes well to have this high-level attention on the part of the Chile Government and on the part of the U.S. Government to the work of this chamber. So, I welcome all of you, and I'm very glad to be here.

You know, on that Eisenhower visit three decades ago, he said this to your country's Congress: The friendship between two nations is based on ``shared philosophy -- faith in God, respect for the spiritual dignity of man, and the conviction that government must be the servant of the people." Today our two nations are united as never before by those beliefs that Dwight Eisenhower spoke of so eloquently. But we're also united in another way: through our commitment to bring democracy and prosperity to all the people of this hemisphere.

As business leaders, it seems to me you have an especially crucial role to play -- --

[At this point, a spotlight fell, creating a loud noise which interrupted the President's remarks.]

Bombs bursting in air -- they sang about it; here it is. [Laughter] And incidentally, thank you for that wonderful rendition of both Chile's national anthem and the anthem of the United States of America. Thank you, sir, very, very much -- all of you.

But as I was saying, you business leaders do have an especially crucial role to play: to ensure that Chile continues down this clear path to prosperity. Already, as Ed said, you have helped the United States become Chile's largest trading partner. We want to expand that trade. I made that very clear to your able President yesterday. We want to expand it further, and we will, but only if both economies -- and I realize this is a two-way street -- if both economies continue to remain open: open to ideas, open to reform, and especially open to free-market creativity.

That requires continued support for Chile's embrace of democracy. As your President told the Council of the Americas: ``Chile is showing that an expanding, stable, and equitable economy is compatible with an open and democratic political system."

But you in AmCham have done more than consolidate democracy. You've also shown the spirit of voluntarism that is so essential, so crucial, to the success of free-market societies, especially through the important Telethon for Children, for example, that begins today. You understand that freedom bears special responsibilities, and I salute you for that.

President Aylwin knows that the tide toward freedom, once begun, is irresistible. In that spirit, we can take great pride in recently concluding a trade and investment framework agreement between our two countries. America's confidence in Chilean business is a major reason for this accomplishment. And yet even better times, I believe, lie ahead.

Last June, as I'm sure you're familiar, I proposed the Enterprise for the Americas Initiative to begin a new economic partnership in this hemisphere to help bring prosperity to Chile and its neighbors through free trade, official debt reduction, and foreign investment. It is designed to build on market-oriented economic reforms pioneered by Chile and now sweeping across all of Latin America. Through the Enterprise for the Americas, we can and we must create free and open trade throughout the hemisphere. And let me be clear: I know this is a two-way street. I know that we have much to do in the United States, as the countries south of our border have much left to do.

Progress on free trade can help to actively stem the siren song of protectionism, but free trade is just one way to reach this new world we envision. A second is this official debt reduction. The Enterprise for the Americas Initiative includes proposals to address debt reduction in Latin

America. Our Congress has authorized the reduction of food assistance debt, and I will do all that I can to see that our Congress approves the reduction of other U.S. bilateral debt next year. I am pleased that Chile has been a pioneer of similar creative programs to reduce commercial debt.

Reducing the crippling burden of debt is also crucial to achieving the final part of Enterprise for the Americas, and that is increased investment. You know, since 1985 about $2.5 billion U.S. investment dollars have flowed into Chile. And from 1990 to '95, a projected $13.2 billion will aid Chile's development.

But we want to spur even more investment. The Inter-American Development Bank is moving forward on a new lending program to help countries improve their ability to attract more investment. In addition, OPIC, the Overseas Private Investment Corporation, has begun to encourage investment in Chile. And because Chile is already a pioneer, OPIC members will visit here early next year, bringing a group of private investors to discuss investment and joint-venture opportunities.

What's more, your companies have become an example of reform. Chile, indeed Latin America as a whole, is already proving that market forces work and that market forces are the way to prosperity.

Less than a decade from now, we will enter the 21st century. Already, we see the outline of that century. It will be a world in which those nations which modernize and compete will prosper, a world in which investment and trade will create opportunity and growth. So, my message today is: Let's join together to work towards this new world of progress. And it's a new world of hope, I might add, for all the peoples of the Americas.

I would say this to, well, both the Americans and the Chileans in this office. I know that it must appear to you at times that -- because of the fascinating changes taking place inside the Soviet Union and, indeed, taking place in Eastern Europe -- that there is a propensity on our part, the part of this administration and previous administrations, perhaps, to neglect South America. I want to assure you that that is not the heartbeat of our administration or, indeed, of our country. There will be no neglect.

We don't need slogans; I want the Enterprise for the Americas to be something more than three words. I want it to be successful. I can promise you today, the business men from the U.S. side, the business men and women from the Chilean side, that we will work to make this successful. We will work to make these seeds bear fruit. We are not going to neglect Central or South America. This is our hemisphere, and we want it to be successful.

May I, in conclusion, express my appreciation to our hosts here today -- U.S., Chilean -- that join together in this chamber. May I say to the official representatives of the administration in

Chile, I just couldn't be more appreciative for the warmth of your hospitality here in Santiago and there in Valparaiso. I leave Chile stimulated by what I see, warmed by the embrace of the people on the streets, and grateful to each and every one of you for your part in strengthening relations between our two countries.

God bless you all, and thank you very much.

Note: The President spoke at 8:25 a.m. in the Salon de Directorio at the Holiday Inn Crowne Plaza Hotel. In his opening remarks, he referred to Gen. A.M. Gray, Jr., Commandant of the Marine Corps; Edward Tillman, president of the American Chamber of Commerce; Lawrence S. Eagleburger, Deputy Secretary of State; Robert M. Gates, Assistant to the President and Deputy for National Security Affairs; Charles A. Gillespie, U.S. Ambassador to Chile; Patricio Silva, Chilean Ambassador to the United States; and Alejandro Foxley Riesco, Minister of Finance. A tape was not available for verification of the content of these remarks.

Statement on the Uruguay Round Multilateral Trade Negotiations

December 7, 1990

The United States went to Brussels prepared to conclude ambitious market-opening agreements in all areas of the Uruguay round.

Unfortunately, the Brussels meeting has ended without result due to the inability of nations with substantial economic strength -- the European Community (EC), Japan, and Korea -- to negotiate fundamental agricultural reform. This is all the more disappointing given the very constructive attitude taken by many developing countries, particularly many of our friends in Latin America.

The United States remains committed to maintaining and strengthening the multilateral trading system and to a timely and successful conclusion of the round. We will do all we can to bring this about while continuing to insist upon agreements that genuinely liberalize trade. Accordingly, it is our hope that participants, especially the EC, will take this opportunity to reflect upon their position on agriculture and develop the political will to negotiate real market-opening agreements while there is still time to do so.

Toast at a State Dinner in Caracas, Venezuela

December 7, 1990

Mr. President, thank you for those very kind words and a very important speech. It is wonderful to be back in this great nation and this lovely city of Caracas. I well remember my last visit to Venezuela, a much more somber occasion. I was in your country as Vice President in December of 1981 to pay my respects to a great founding father and defender of Venezuelan democracy, Romulo Betancourt.

Now, 9 years later, there is cause to rejoice, for the vision of Betancourt and Carlos Andres Perez is being realized in the Americas. Just look at what's happened in one decade: Democracy has been restored in Argentina, Peru, Ecuador, Bolivia, Brazil, Uruguay, El Salvador, Nicaragua, Guatemala, Honduras, Chile, and Paraguay, leaving Cuba as the lonely totalitarian holdout in our hemisphere. So, we are close, very close, to a democratic hemisphere, from Alaska to Argentina. And I am here today to declare that this era of peaceful change came about, in no small part, because of the unwavering leadership and example of a democratic Venezuela.

Like President Betancourt, you, Mr. President, have been a creative democratic leader. Like Simon Bolivar, you have carried on a legacy as a standard-bearer of liberty. Mr. President -- CAP, to me and many other leaders in this hemisphere -- [laughter] -- those who love freedom in the Americas know that you and Venezuela are always on their side. And it's because of your leadership that we're seeing, once again, that freedom at the ballot box inevitably leads to freedom in the marketplace, that free political systems and free enterprise go hand in hand -- just one more reason why Venezuela's future is as limitless as your people's industry and imagination.

I know that the economic reform program that you launched upon taking office has been, at times, difficult. But you've stayed true to principle, and you stayed true to Venezuela's future -- a future of prosperity and democracy.

The good relations that exist between my government and yours are especially welcome because my family, the Bush family, has had a close connection to Venezuela. Our son Jeb lived and worked here in Caracas not so many years ago. And I certainly know firsthand how important Venezuela's leadership is to my country and how a prosperous and democratic Venezuela is essential to our hemispheric community. And that is why I especially look forward to cooperating closely with Venezuela in carrying out our Enterprise for the Americas Initiative.

It is my hope that the day will be brought closer when, as Simon Bolivar wrote in 1818, all of the New World can assume a place ``with a description of majesty and grandeur unprecedented in the Old World."

And so, with a heart full of gratitude and thanks, let me close with a toast to President Perez and the Venezuelan people. I believe it will be recognized and appreciated here: ``Manos a la obra!'' [Let's get on with it!]

Note: The President spoke at 9:35 p.m. in the garden at La Casona. Following the dinner, he went to the U.S. Ambassador's residence, where he stayed overnight. A tape was not available for verification of the content of these remarks.

White House Fact Sheet on the Venezuela-United States Science and Technical Cooperation Agreement

December 8, 1990

On Thursday, December 6, 1990, the Government of the United States of America and the Government of Venezuela agreed to enter into a 5-year agreement on cooperation in science and technology. This agreement renews the United States-Venezuela agreement for scientific and technical cooperation which expired in July 1988. It will serve as an important instrument to revitalize scientific and technical cooperation between the two countries.

The agreement was signed at the Ministry of Foreign Affairs by Dr. D. Allan Bromley, Assistant to the President for Science and Technology and Director of the White House Office of Science and Technology Policy, for the United States and by Minister Dulce Arnao de Uzcategui for the Government of Venezuela.

The principal objective of the agreement is to provide additional opportunities to exchange ideas, information, skills, and techniques and to collaborate on problems of mutual interest. Cooperation may include exchanges of scientific and technical information, exchanges of scientists and technical experts, the convening of joint seminars and meetings, and the conduct of joint research projects in the basic and applied sciences.

The agreement will serve as an important catalyst to improve and enhance scientific technical cooperation between the two countries, particularly in areas such as environment and global change -- including biodiversity, forestry management, and mining pollution in the Venezuelan Amazon -- geosciences, and materials and standards research.

The agreement contains two annexes covering intellectual property and security obligations. The intellectual property annex ensures adequate and effective protection of intellectual property and equitable allocation of intellectual property rights arising from cooperative S&T activities. Certain areas of cooperation (drinks and food products for humans or animals, medicines of all kinds, pharmaceutical and chemical preparations, reactions, and compounds) are excluded from cooperation because the Venezuelan patent law does not provide adequate protection in these areas.

The security obligations annexes provide protection for any classified material that might inadvertently result from S&T cooperation and protection for any national security export-controlled equipment or technology involved in the cooperation.

Considering our common interest in promoting scientific research and technological development and recognizing the benefits which will be derived as a result of enhanced close

cooperation, the United States and Venezuela look forward to implementation of the agreement.

Question-and-Answer Session With Reporters in Caracas, Venezuela

December 8, 1990

President Perez. Gentlemen of the press, your friends, welcome. It is with great pleasure that I see myself here accompanying President Bush at his press conference. [Laughter] So, please go and ask him the questions and leave me alone. [Laughter]

President Bush. May I have a brief statement, with your permission?

President Perez. Yes.

President Bush. Well, let me just say that it is fitting that I end this trip here in Caracas with my good, esteemed friend President Carlos Andres Perez. And the talks we've had have been warm, informative, and extraordinarily positive, as they always are when we meet.

Venezuela, under this President, is a leader in the great movements that we're seeing all through Latin America: consolidation of democracy; the movement to strip away barriers to economic growth, liberate free enterprise; and the movement to break down trade barriers throughout the Americas; and above all, the movement toward a new hemispheric partnership.

Just look at three points on the Venezuelan success story. They've gone from negative economic growth to real growth, they've cut the debt burden substantially, and they're attracting new investment -- all goals of this new Enterprise for the Americas. And they're out front in these regards.

So, with respect, my friend, I salute you for these and many other achievements. Thank you for your hospitality.

[At this point, a reporter asked a question in Spanish, and a translation was not provided.]

Persian Gulf Crisis

President Bush. First, I agree with the hypothesis that Venezuela is a very dependable friend in this regard, in this question of oil. Venezuela stepped up early on with an offer to increase production and thus stabilize the world price. And we sign no agreements here today, but we did share the view that now, and in the future -- after the Iraq matter is solved, the question of Kuwait is solved -- we must do better planning to forestall any future disruptions to the entire world.

And the President pointed out to me that the most fragile economies in Central and South America are those being hurt the worst by Saddam Hussein's [President of Iraq] brutality against Kuwait.

Norm [Norman Sandler, United Press International]?

Q. Mr. President, your spokesman said last night that the threat of war in the Persian Gulf remains as strong as ever, despite what you described yesterday as movement -- a little here, a little there. What I'd like to ask you is: Isn't the rationale for war, though, and perhaps even, indeed, the risk for war, diminished at this point by the prospective release of the hostages? And in fact, thanks to Venezuela and other countries, Saddam Hussein is now successfully isolated from a world that no longer needs his oil?

President Bush. I want a peaceful solution. I don't feel we are closer to a peaceful solution, and the reason I don't is because Saddam Hussein continues insisting that Kuwait is a province of Iraq and that he will not get out of Kuwait. And that is the fundamental point around which the whole world is united against him.

I'm glad the hostages are coming home. They never should have been taken in the first place. When you kidnap somebody, you should not expect a reward when you let the person go.

Q. Mr. President, doesn't it make it more difficult to convince other countries to still stand up against Saddam and perhaps go to war against him when two main concerns are no longer valid -- the lives of foreign nationals in those two countries and the adequacy of oil supplies?

President Bush. No, it makes it no more difficult at all.

[At this point, a reporter asked a question in Spanish, and a translation was not provided.]

U.S. Forces in Panama

President Bush. As you know, there are certain treaty rights that apply to this situation. There are certain treaty rights there. We want to see Panama's democracy be successful, and we would like to see them perfect their own police-keeping function so that they don't need any outside assistance to guarantee against uprisings.

Q. How much longer do you think you will be there?

President Bush. We were discussing this today in terms of how long it will take Panama to perfect its democracy, and I can't give you an estimate.

Where's Terry [Terence Hunt, Associated Press]? He's supposed to have the next one.

Persian Gulf Crisis

Q. Mr. President, why are you giving Saddam Hussein the satisfaction of withdrawing American diplomats from Kuwait as he demanded? Is that a payback for the release of the hostages?

President Bush. It is no payback. And the feeling is that when every single American is out of Kuwait we will clear the decks, and the Embassy will have ceased to be fulfilling any day-to-day functions. But there is no payback; there is no change in my determination to get Saddam Hussein out of Kuwait in compliance with the United Nations resolutions.

Q. Britain is keeping its diplomats there. Don't you think that giving up our presence there is a reward to Saddam?

President Bush. I have great respect for whatever Britain decides to do. I'm not sure I know exactly what their plan is once their people are released. I think you can make the case that this facilitates the tough decisions that might lie ahead.

[At this point, a reporter asked a question in Spanish, and a translation was not provided.]

Free and Fair Trade

President Bush. One of the reasons to have a successful GATT round is to eliminate barriers that the United States has, barriers that Venezuela has to certain kinds of services and goods from the United States. So, we want to see the GATT round, which has now fallen on hard times -- and I hope temporarily -- be successful. And if that can't get the job done, then we move forward trying to reduce barriers bilaterally. We have barriers; Venezuela has barriers. But our objectives are the same -- free and fair trade -- and they haven't changed.

Gene Gibbons [Reuters]?

Persian Gulf Crisis

Q. Mr. President, you just said that removing American diplomatic personnel from Kuwait facilitated tough decisions that might be ahead. What did you mean by that?

President Bush. I just mean that when you don't have Americans there and if force is required -- that's just one less worry I've got. I have said from the very beginning that this cruel policy of taking hostages and holding them in hopes that that will change the policy of this alliance is fruitless. But I am very glad that these people are coming out.

Q. I wonder, sir, if I could ask the question of Mr. Perez, if he supports use of force in the Gulf and if he expects it to be necessary, given the release of the hostages?

President Perez. Venezuela has stated categorically its support to the decisions made by the United Nations organization. And we have congratulated President Bush for the prudent decision he has made after the latest United Nations decision to invite the Foreign Minister of Iraq [Tariq `Aziz] to Washington and to send Secretary of State Baker to Iraq. And I would like to add that we small countries, such as Venezuela, cannot truly accept that for anybody to be able to delete by force the boundaries of an existing nation. We are therefore automatically in favor of the restoration of freedom and sovereignty to Kuwait.

President Bush. Mr. Bierbauer [Charles Bierbauer, Cable News Network] is on my list here. We've got a list. We've got a new system here.

[At this point, a reporter asked a question in Spanish, and a translation was not provided.]

Cuba

President Bush. Eastern Europe returned democracy to itself, and someday the Cuban people will return democracy to themselves.

Charles, last one.

Persian Gulf Crisis

Q. Mr. President, an oil question. You've talked repeatedly about how small countries are suffering. President Perez has mentioned that as well. And yet you seem to be relying upon the market system to set the price. Isn't this a situation where either of your countries, sirs, could do more to keep these smaller and underdeveloped countries from suffering as much as they have? I don't see any evidence of it.

President Bush. The best thing the United States can do is help get to the cause and do something about that, and that means to get Saddam Hussein without condition out of Kuwait.

In the meantime, I will do my level-best to point out to the world that there is no current shortage and that what we're seeing is paper barrels of oil traded in the futures market. And they go up, and they go down with every little rumor that is printed. And so, I think the best thing to do is to continue to educate the whole world on the facts, and that is that there is not a shortage today. And I would salute Venezuela for what they've done in trying to help, through their own production, some of these countries that are hurt the most. And certainly we are trying through various programs to try to be of assistance wherever we can.

Q. I'm wondering if I could get President Perez's response to this and whether -- is there some way to divert these windfall oil profits to those countries who are suffering?

President Perez. Venezuela and Mexico are doing it already. We are assisting the countries of Central America and the countries of the Caribbean. And we are also, at this time of crisis, trying to help them to finance their oil imports. Now, unfortunately, we cannot do the same with all of our Latin American clients simply because we, too, have our own difficulties. And besides, the surplus money we are getting now for the oil we sell is not going to be spent; we are going to deposit it into a macroeconomic stabilization fund so as to be able to take care of the difficulties in oil prices we know will appear in the future.

Now, I did take this opportunity to emphasize to President Bush the fact that what we should do is seek an agreement between producer and consumer countries so as to make the world understand that the price of oil is not based on true shortage of oil -- this does not exist -- but simply on the speculation.

President Bush. Thank you for your cooperation and understanding. Thanks.

Note: The question-and-answer session began at 11:55 a.m. in the Inner Courtyard at the Miraflores Palace. A tape was not available for verification of the content of this session.

Remarks at a Luncheon Hosted by the Venezuelan-American Chambers of Commerce in Caracas, Venezuela

December 8, 1990

President Perez, you do us honor, sir, by being here today. And may I take this opportunity before my remarks to thank you for the exceptional and wonderful and extraordinary hospitality that you have given to me and to Dorothy and to all of the rest of the people traveling with me. I'll never forget it, and thank you, sir.

To John Werner, the President of VenAmCham, thank you, sir, for your hospitality and giving us this forum. And of course, thank you for that very special scholarship fund that has been set up in our names. It will mean a great deal to Barbara Bush, I can assure you. Her commitment to education, I think, is well-known. But in any event, this is such a generous and wonderful thing you've done.

To Secretary Brady and our Ambassadors and Dr. Morales Bello and Dr. Figueredo, the members of the Court, the chamber leadership, and all out here, thank you.

You know, in the last week, I've looked out my window of Air Force One and seen the jungles of Brazil, the snowy peaks of the Andes, the tropical beauty of the Orinoco Basin; but I have to say, among the great sights of all the Americas is your lovely city. As you know -- if you'll excuse me, a personal note; John and I were talking about this -- our son Jeb came here and opened an office here several years ago for a Texas bank. And he was a member of this distinguished Chamber of Commerce. He and our daughter-in-law Columba loved living here. I have been here several times, starting, I think it was, 30 years ago. So, it's a delight to return to this great capital, so well-known to the Bush family, so well-known and so highly respected all across my country.

This marks my last stop on the South American Continent on this trip, and so, I thought it only appropriate to speak today not just of the relations of our two countries but of our shared concern for the future of our hemisphere. After all, Venezuela has always been a South American leader -- and so, I might add, has this President of yours.

President Carlos Andres Perez is justly proud of his past successes. But again, CAP wants to do more than strengthen the democratic traditions of one country. He's a tireless promoter of universal liberty, and that's why he is respected and admired throughout the world.

Our working relationship as heads of state is strong; our friendship a bridge between our nations. But something even more profound is at work here. The United States and Latin America are

developing a new understanding of each other. We are, at long last, working together in a spirit of mutual respect, for the greater good of the Americas.

This is only natural. Like your country, the United States won its liberty from European princes and powers. From the vision of Bolivar to that of George Washington, our nations were born for the sake of freedom.

As we near the 500th anniversary of Christopher Columbus' epic voyage, we are making a discovery of our own, of a new relationship between North and South. As I've said during this journey, we should not speak of a First World or a Third World but of our New World.

No nation has been a stronger voice for freedom than Venezuela. It was, after all, here in Caracas that many of today's democratic leaders from across the continent found safe harbor. When Caracas looks south, you behold a continent in which all leaders have, for the first time, been chosen by their people and have faith in their people.

This trip has reinforced what I have long believed: Latin America today is a profile in courage because the people of this continent -- shopkeepers and students, political leaders and trade unionists -- have struggled, sacrificed, and died to restore the rule of law and to defend democracy. Cities once under martial law, peoples once living in fear are now reborn in hope.

Look at the recent flareup in Argentina. A handful of army officers tried to settle a dispute with superior officers by force. And President Menem moved quickly, and the people never wavered in support of their elected government. The vast majority of the Armed Forces defended their Constitution and obeyed their civilian Commander in Chief.

Latin America today is also a profile in courage because the leaders and people of this hemisphere have thrown off the shackles of an outmoded set of ideas about how to promote economic growth. They've embarked instead on a bold new course.

Two decades ago, Latin America followed an economic model based on the flawed idea that the people of this continent could not compete in a modern marketplace and that the state had to shelter local industries and protect them behind high tariff walls and protectionist barriers, and that an increasingly intrusive state, rather than a liberated people, was the formula for economic growth.

Those policies were promoted as the path to development, particularly for the poor. You and I know, regrettably, that the opposite was true. For the closed economic systems that were created smothered growth and thwarted upward mobility for ordinary people. They instead created a rigged system based on privilege in which only a handful could prosper through their connections with the state.

Today, throughout this hemisphere, a new generation of bold democratic leaders has confronted that sterile status quo, and they have breathed new life into Latin America. I've met with five of these leaders: Carlos Menem, Fernando Collor, Luis Alberto Lacalle, and Patricio Aylwin and, of course, here in your country, Carlos Andres Perez. You're the bold pioneers of a new path to development in this continent: stripping away state controls, selling off inefficient state-owned enterprises, realigning overvalued exchange rates, and bringing down tariff walls. These leaders understand that the road to growth, jobs, and rising income is through new investment, expanded trade, and unleashing the energy of entrepreneurs.

I want to work in partnership with this new breed of leadership. And that is why I have proposed our Enterprise for the Americas Initiative: to open doors to the free movement of goods and ideas between our countries; to work for a sound financial footing, reduce debt burdens, and increase trade, investment, and opportunity for all Americans. And so, the Enterprise for the Americas seeks to promote open investment policies through new lending in the Inter-American Development Bank, as well as the creation of a multilateral fund to support investment reform.

Venezuela has already embarked on the difficult path of economic reform. Your President recognizes these steps have created hardship for many Venezuelans. President Perez correctly believes that in the long run all Venezuelans will benefit and prosper from reform.

Trade ties between our nations also continue to broaden and to strengthen. And that doesn't mean only oil but an impressive array of new products that are helping to create jobs. And more, much more, lies ahead. Under the Enterprise for the Americas Initiative, we are negotiating a framework agreement on trade and investment to resolve specific problems and to identify new areas of cooperation. This is a first step toward free and open trade throughout the Americas.

Trade and investment are only two pillars of our Enterprise for the Americas Initiative. We recognize that the burden of external debt weighs heavily on efforts to breathe new life into Latin America and Caribbean economies. And for that reason -- as the third pillar in this comprehensive approach -- the United States will help countries committed to free-market reform shake loose this burden of debt.

You can be proud that, under President Carlos Andres Perez's leadership, Venezuela -- in the lead -- has reached a debt-reduction agreement with the commercial banks under the Brady plan. This agreement is a vote of confidence by the international financial community in Venezuela's economic policies.

Our Enterprise for the Americas Initiative is more than a slogan; it is more than just another program. It is a challenge to commit ourselves to free markets and to the free flow of capital, central to achieving economic growth and lasting prosperity. And that's why I've come to Latin America this week, to extend my hand in an offer of a new partnership, based on mutual respect and mutual responsibility. Ours is more than an economic partnership; it is a moral partnership.

Your President and I stand together on serious challenges facing all civilized nations -- challenges that ask us to choose, literally, between right and wrong, between good and evil. Our country is the world's largest buyer of cocaine, and so we're fighting hard at home to reduce demand. We're doing it through increased education and treatment efforts that are already showing positive results. Your neighbors are the world's largest suppliers. Little surprise, then, that as much as 80 tons of cocaine a year move through Venezuela. Carlos Andres Perez and I agree, there can be no compromise with this obscene traffic in human addiction and human lives. We are committed to nothing less than decisive victory over the drug lords. Just a few weeks ago, we signed a bilateral money laundering agreement to help sever the flow of cash from the back streets to the banks. President Perez and I are standing firm, and we will win this war on drugs.

On another important moral question, Venezuela has already shown magnificent leadership by working with the world community to counter the aggression of Saddam Hussein. You acted resolutely and responsibly in denouncing Iraq's conquest of Kuwait in the United Nations; and as a reliable supplier of oil, you have demonstrated determination at a time when the dictator of Iraq threatens the world's economy through economic blackmail. And I applaud your leadership.

Among the many shared challenges I've addressed today, there is one vision: In the Americas, we are many nations with a single destiny. We see a new dawn, where ordinary men and women decide who shall govern and where economic freedoms are not threats to privilege but keys to prosperity.

And that's what our Enterprise for the Americas is all about, and that is what the new partnership we seek is all about. It's a partnership with Latin America to strengthen democratic institutions and defend the rule of law; a partnership to move forward together to safeguard our environmental heritage, to protect the children of the Americas from the scourge of drugs, to prevent the spread of deadly chemical or nuclear weapons of war; a partnership to bring down debt, promote investment, and expand free trade so that all the citizens of the Americas can enjoy rising incomes and expanding opportunities. If we seize this opportunity, the partnership between the United States and Latin America can become a model for all nations into the 21st century.

Some may dismiss this vision as a dream. I am confident that it is already becoming a reality. You see, I believe the day will soon come when every man and woman in the Americas is a citizen of the world's first completely democratic hemisphere, a hemisphere in which human rights are respected -- the strong are just; the weak, secure; and the rule of law prevails. And I believe the day will soon come when Latin America and the United States unite together in the world's first hemisphere in which trade is free, technology shared, and the benefits of prosperity are open to all. This week in South America -- ending with this inspiring visit to Venezuela -- leaves me more dedicated than ever to work with you to make that dream come true.

Thank you for this warm welcome, and may God bless you all in your important work. Thank you very much.

Note: President Bush spoke at 1:43 p.m. in the Grand Salon at the Caracas Hilton Hotel. In his remarks, he referred to his daughter, Dorothy LeBlond; Michael Skol, U.S. Ambassador to Venezuela; Simon Alberto Consalvi, Venezuelan Ambassador to the United States; David Morales Bello, President of the Venezuelan Congress; Foreign Minister Reinaldo Figueredo Planchart of Venezuela; President Carlos Saul Menem of Argentina; President Fernando Collor de Mello of Brazil; President Luis Alberto Lacalle of Uruguay; and President Patricio Aylwin Azocar of Chile. A tape was not available for verification of the content of these remarks.

Statement on the Ratification of Soviet Union-United States Nuclear Testing Limitation Agreements

December 8, 1990

I have today signed the instruments of ratification of the Treaties Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Underground Nuclear Weapon Tests and on Underground Nuclear Explosions for Peaceful Purposes, and their respective Protocols. I was gratified that the United States Senate gave its advice and consent to ratification of these Treaties.

During consideration of the Treaties, statements were made by several Senators on the law of treaty interpretation. I believe that the views on this issue contained in President Reagan's message to the Senate of June 10, 1988, reflect the proper roles of the President and the Senate in this area.

In any event, I do not believe that any difference of views on this issue will have any practical effect on the implementation of the Treaties. Any question of interpretation that may arise undoubtedly will be handled in a spirit of mutual accommodation and respect. In this spirit, I look forward to the exchange of instruments of ratification and the entry into force of the Treaties and express my hope that it will lead to even more important advances in arms control and the preservation of world peace and security.

George Bush

The White House,

December 8, 1990.

Note: This statement was released by the Office of the Press Secretary on December 10.

Remarks on Signing the Human Rights Day, Bill of Rights Day, and Human Rights Week Proclamation

December 10, 1990

Welcome to all of you. First, let me salute the former Chief Justice Warren Burger and thank him for all he's done commemorating our Constitution and Bill of Rights over the last few years -- and still actively engaged. I want to salute Bruce Gelb, who I understand is here, Director of USIA; Ambassador Schifter; VOA Director Carlson; Ambassador Jewel LaFontant-Mankarious; and the members of the diplomatic corps that are with us today.

It's an honor to mark this important occasion with so many of the men and women who make it their calling to advance the cause of freedom and human rights around the world. It's a special pleasure to meet with you as we look back on a year in which the cause of freedom has made such gains; a year in which the collapse of the Communist idea and end of four long decades of cold war and conflict enabled the world to look with new hope toward an era of peace, an era of freedom.

With freedom's advance come new challenges. This is especially true in Europe, the continent that for so long stood at the heart of the East-West conflict. There the Revolution of '89 has given way to the renaissance of 1990, to the difficult business of democracy-building. The hard work of consolidating these great gains has just begun. America can take pride in the role that we've played in this revolution, but not make the mistake of thinking that our work is now over.

Today, as so many of the newly emerging democracies struggle to put in place the foundation stones of freedom, the American example can light the way forward. Former Chief Justice Burger, as I mentioned, is a special guest, in a sense, to mark with us the fact that the new year we soon begin, 1991, is the 200th anniversary of the American Bill of Rights. Last month when I addressed the Federal Assembly in Czechoslovakia, a country which is now engaged in establishing the institutions of free government, I brought with me copies for every Member of our Constitution and our Bill of Rights, in the spirit of friendship, as a symbol of the common principles that bind all free people.

The authors of our Constitution and our Bill of Rights did their work not simply for one nation or one era but for the ages. Our assistance, not just material but moral and intellectual, can help our friends in Eastern Europe build a democracy that endures. As we work to further the cause of human rights, we must remember: The only alternative to the tyranny of men is the rule of law.

This advance in human rights is not confined to one continent alone. I have just got back 2 days ago from a trip to South America. I visited five countries, each one now back on the democratic

path. One of them, Argentina, turned back an antidemocratic challenge just 2 days before I got there. When we arrived in Buenos Aires, you could see and feel the depth of Argentina's dedication to democracy and its ideals. As I said there: The day of the dictator is over; the war of ideas has been won by democracy.

Human rights and respect for all it entails -- freedom of religion, freedom of speech, and other individual liberties, including property rights, free elections, multiparty systems -- these fundamental rights are gaining ground the whole world over, in Latin America and in Asia, where free-market principles now power some of the world's fastest growing economies. I want to see our hemisphere -- this hemisphere -- be the first totally democratic hemisphere.

There is one outstanding example where it is not totally free and where human rights are not respected, and that's Cuba. And I hope someday soon that that will join the family of democratic nations here.

Across the continent of Africa, too often neglected during the years of East-West conflict, the issue of human rights is now of key importance. These new challenges and the great gains we've all witnessed cannot obscure the fact that this day and every day millions of men, women, children around the world continue to be denied the freedom to live, work, and worship as they wish. So, here too, then, is work to be done.

This nation and its people cannot be true to what is best in us if we fail to speak out for those whose voices are silent. In a world where human rights are routinely denied in too many lands, nowhere is that situation more tragic and more urgent today than in Kuwait. You know, we must speak out and stand up for the Kuwaiti people, a people whose very nation is now in the grasp of a tyrant unmoved by human decency. The reports, these eyewitness accounts that I've heard from Kuwaiti citizens, are a catalog of human misery: looting, torture, rape, summary execution -- acts of unspeakable cruelty. What has happened to Kuwait is more than an invasion; it is a systematic assault on the soul of a nation. As long as such assaults occur, as long as inhumane regimes deny basic human rights, our work is not done.

And so, today I sign these documents. Words on paper -- just as our own Constitution, our own Bill of Rights, our own Declaration of Independence are nothing more than words -- and yet nothing less than the sum of human hope. As I sign these, I call on every American to see that the ideals enshrined in these words shine forth in our deeds as the very essence of all that America stands for.

Once again, thank each and every one of you for coming. May God bless all of you for your work in the cause of freedom.

And now I will sign the proclamation designating December 15th the Bill of Rights Day, and marking today, December 10th, as Human Rights Day.

Mr. Chief Justice, will you join me, please, here, sir?

Note: The President spoke at 1:31 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Richard W. Carlson, U.S. Information Agency Associate Director for the Voice of America, and Jewel LaFontant-Mankarious, Assistant Secretary of State for Refugee Affairs. A tape was not available for verification of the content of these remarks. The proclamation is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Vytautus Landsbergis of Lithuania

December 10, 1990

President Bush met for one-half hour today in the Oval Office with Lithuanian President Vytautus Landsbergis and an accompanying delegation of officials from Lithuania. Landsbergis, who requested the meeting, is on a private visit to the United States. President Bush noted the value of personal contacts with the Baltic leaders, who have shown discipline and foresight in their commitment to a nonviolent solution to their problems with the Soviet Government.

President Bush reaffirmed United States policy pertaining to the Baltic States. He told President Landsbergis the United States supports the right of Lithuania and other Baltic States to self-determination. President Bush added that the United States has never recognized the forcible incorporation of the Baltic States into the U.S.S.R. and assured President Landsbergis that this policy would not change. President Bush indicated that he and other senior administration officials had made this point directly on more than one occasion to senior Soviet officials.

President Bush stressed that the United States wanted a peaceful solution to the problem between the Baltic States and the U.S.S.R. and hoped the Soviet Government would work constructively with Baltic leaders without resorting to threats, intimidation, or the use of force.

Message on the Observance of Hanukkah

December 11, 1990

I am delighted to send greetings to Jews in this country and around the world as you celebrate the festival of Hanukkah.

The Jewish religion is rich with tradition, and this special holiday is one of both teaching and joy. It commemorates the faith and the perseverance of Judah Maccabee and his followers, who were able to defeat their oppressors and rededicate the Temple in Jerusalem. According to tradition, even though the Maccabees could find enough purified oil in the Temple to keep the sacred menorah burning for only one night of celebration, the oil lasted for eight days and eight nights.

This story of abiding trust in the mercy and justice of the Almighty continues to be a source of inspiration to Jews around the world. The miracle of the Lights illustrates that the power of the Lord can overcome what seem to be impossible obstacles and that working together to achieve common objectives can make the world a brighter place for all.

Barbara and the entire Bush family join with me in sending our best wishes for a memorable Hanukkah.

George Bush

Remarks at a White House Conference on Drunk and Drugged Driving Awareness

December 11, 1990

Thank you all very much. Chevy Chase has arrived. [Laughter] Let me first salute Jerry Curry, our Administrator, and Sam Skinner, the Secretary -- both of whom are doing an outstanding job. When I heard that this group was going to gather here, I just wanted to come by and encourage you to do even more and personally thank you for the tremendous job that you're doing to raise the awareness of drunk driving.

I firmly believe that drunk driving is a national crisis. Sam has driven this into my head day in and day out with his commitment to the cause. He and I have agreed that fighting this crisis is one of the key goals of our administration. Along with all the work that he and Mr. Curry have done at Transportation, I want to commend all the community groups, the different Points of Light we probably don't even know about, in a collective sense, all the groups -- certainly, those represented here that are engaged in this battle.

Mickey Sadoff, my heavens, what she's done -- head of the Mothers Against Drunk Driving -- we salute you, and I promise to stick my ribbon on one of the cars, if I can catch it out there. So, I hope you'll see it. But the activities of that group, along with those of so many others, including leaders in business, industry, and all across -- everywhere -- labor -- have helped dramatically alter the public perception of drinking and driving.

Progress has been made. I had a little session with Mickey in the hall. Nobody is relaxed about it. Everybody's still determined to do more. But progress has been made. The proportion of alcohol-related traffic deaths is down, as is the number of total drunk-driving fatalities.

Two other highlights of this year: a first-ever U.S. traffic safety summit this April in Chicago sponsored by Secretary Skinner, which generated new ideas for curbing drunk drivers, and approval by the U.S. Supreme Court for sobriety checkpoints, a major goal of the Department of Transportation.

This holiday season reminds us that this is a time for Americans to remember that drinking and driving is a deadly combination. That's why I was glad to see this joint effort between the Advertising Council and the Department of Transportation, which has begun to show up in print and on the television as well. This campaign has touched millions of Americans with its simple message of individual responsibility.

Speaking of responsibility, I'm on my way down the hall right now, right down from here, to our little studio to cut some public service announcements, encouraging designated drivers, just one

of your many ideas that are making a difference.

So, thank you all; God bless you in your work, and I hope each and every one of you have a very Merry Christmas. Thank you so much.

Note: The President spoke at 2:07 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Jerry R. Curry, Administrator of the National Highway Traffic Safety Administration. A tape was not available for verification of the content of these remarks.

Nomination of Donald A. Henderson To Be an Associate Director of the Office of Science and Technology Policy

December 11, 1990

The President today announced his intention to nominate Donald A. Henderson, of Maryland, to be an Associate Director of the Office of Science and Technology Policy for Life Sciences. He would succeed James B. Wyngaarden.

Since 1977, Dr. Henderson has served as dean and professor of epidemiology and international health at the Johns Hopkins School of Hygiene and Public Health in Baltimore, MD. Prior to this he served as chief medical officer for smallpox eradication program of the World Health Organization in Geneva, Switzerland, 1966 - 1977. In addition, Dr. Henderson served with the Communicable Diseases Center at the Department of Health, Education, and Welfare in several capacities: chief of the smallpox eradication program, 1965 - 1966; chief of the surveillance section in the epidemiology branch, 1961 - 1965; assistant chief of epidemiology branch and chief of the Epidemic Intelligence Service, 1960 - 1961; chief of the Epidemic Intelligence Service and assistant to the chief in the epidemiology branch, 1956 - 1957; and assistant chief of the Epidemic Intelligence Service, 1955 - 1956. Dr. Henderson served at the Mary Imogene Bassett Hospital in Cooperstown, NY, as a resident in medicine, 1954 - 1955, and an intern in medicine, 1954 - 1955. In 1986 Dr. Henderson was awarded the National Medal of Science.

Dr. Henderson graduated from Oberlin College (A.B., 1950), University of Rochester School of Medicine (M.D., 1954), and Johns Hopkins University School of Hygiene and Public Health (M.P.H., 1960). He was born September 7, 1928, in Cleveland, OH. Dr. Henderson served as a commissioned officer for the U.S. Public Health Service, 1955 - 1977. Dr. Henderson is married, has three children, and resides in Baltimore, MD.

Remarks on the Observance of Hanukkah

December 12, 1990

Thank you, rabbis, for those lovely words and for the gift of this lovely menorah. It's wonderful to see the students -- the Gesher Jewish Day School. I'm so glad you could join us all here today to sing. You haven't sung yet, have you? [Laughter] Oh, good, because I didn't want to miss that.

Let me say that Barbara and I and Marilyn and Dan Quayle want to just welcome everybody here to the White House for the second year of these Hanukkah celebrations. It's a holiday of hope, for it shows us the glory of God in our own lives and the power of miracles in the world. Last year at this ceremony, we spoke of our efforts to help Vladimir Raiz and other brave refuseniks -- help them leave the Soviet Union. By Passover, Vladimir was a free man. But the story really doesn't stop there. In addition to Zev Raiz, more than 150,000 Soviet Jews emigrated this year to new homes, new lives of liberty and dignity.

In fact, I am told that one kid, one child with us today from the Gesher Jewish Day School, Lidia Shestopalova -- where's Lidia? Here she is, right there. Now, Lidia, if that's -- oh, I'm so glad you're here. But she recently arrived from the Soviet Union. And so, we welcome you to this country, and we continue to pray for all those who are seeking freedom. Thank you, Lidia. Now, sit down and be relaxed here. We're so glad you're here. And you're so beautiful.

The ancient story of the first Hanukkah is one of victory over persecution, aggression, and intolerance. But the struggle has continued for your people through the centuries. In fact, the first wave of Jewish immigrants came to this country as early as 1654 to live a life free from intolerance and persecution.

Two hundred years ago, George Washington wrote a letter to a Jewish congregation in Newport, Rhode Island, in which he said the United States Government would give ``to bigotry no sanction, to persecution no assistance." In this new country, Washington said, ``Everyone shall sit in safety under his own vine and fig tree and there shall be none to make him afraid." These words embody the American ideal of freedom of worship, an ideal that we reaffirm here today and that we pass on to the generations that follow us.

I understand that these kids -- I guess you're next -- are going to sing for us. I'm looking forward to it. I know Barbara is, and I know Marilyn and I know Dan are as well. I was pretty good last year at this game, dreidel. Some said it was beginner's luck, but I'm ready for that. Also, I'm relying heavily on my partner here to prevail. [Laughter] He's a pro in this. So, why don't we just have a few songs, and then we'll have a little match here.

But the main thing is, thank you for coming. Thank you for coming here to the White House at this very special time of year. And thank you, rabbis, for your inspirational words, your prayers,

and being with us here today, too. And Happy Hanukkah to everyone. Now, let the show begin.

Note: The President spoke at 11:45 a.m. in Room 450 of the Old Executive Office Building. A tape was not available for verification of the content of these remarks.

Remarks at the Jobs for America's Graduates Awards Ceremony

December 12, 1990

Thank you, Governor McKernan, for those very kind words. And let me also thank you, given all you have on your plate, for your responsibilities and services -- chairman. I also want to single out just a few here. I noticed you commented on the former Governor, now Senator, Chuck Robb's participation -- chairman now, to those who don't know this, of the executive committee of Jobs for America's Graduates; Ken Smith, who -- for the president; Julie Nixon Eisenhower, who's done an awful lot to make this day possible through her commitment.

And, of course, I want to salute the others that are with us: Governor Wilder of Virginia, and Governor Castle is here from Delaware, Governor Stephens of Montana. And then Kit Bond, a former Governor, I understand is with us, and there he is over here. And then especially to salute Pete Du Pont, the former Governor of Delaware, who really presided over the genesis and really with a stimulating word and thought behind all of this. And I'm delighted to be with all of you distinguished people who have made such a contribution.

Also, I saw earlier Bill Brock, a former Senator, and I know of his interest in all of this, too. And I want to congratulate those Governors not here; it all adds up to a total of 19 Governors being honored here today. And then again, I see a lot of those in town who do the heavy lifting when it comes to supporting all these worthy causes. And I want to thank each and every one of you and your foundations and your companies for seeing the light and getting out front on this important one.

My own interest, as Jock says, dates back to the very beginning -- not really the beginning because Pete gets the credit for that -- but back to my time on the board of directors, when the JAG -- Jobs for America's Graduates -- was nothing more than this idea with plenty of promise. And that's why it is with special pride that I meet with all of you, the ones, literally, who have taken the idea and put it into action with, I think, spectacular results.

One of my great pleasures as President is to shine the spotlight on the success stories. Barbara calls it being a cheerleader. Well, she's darn good at it, too, I might add. But I think we are advantaged in having this special forum from which we can point out to the country the great successes that are taking place. And certainly today, JAG -- Jobs for America's Graduates -- deserves to be center stage. This organization has enjoyed lasting support from State officials, Governors, and from the business community. And it's all for one simple reason: It works; JAG works.

Take a look at the statistics: 92 percent of the young people in this program were able to

complete their high school diploma or their GED last year -- 92 percent. And it doesn't stop there. That's what Pete impressed on me and Jock has reimpressed on me. The program assists these new graduates during that critical school-to-work transition. Eighty-three percent of the young people participating made a successful transition into the working world, the armed services, or on to their next level of education. And JAG accomplished all this at half the average cost of other youth employment programs.

You've been especially effective, I'd say, in the inner cities. Kids from low-income households, whose plans for the future don't include college and may not even include finishing high school -- JAG takes aim at these at-risk kids; the ones who, without the right help, without the right encouragement, might find themselves out of school, on their own, no hope, no prospects, without a future, if you will. JAG catches these kids before they drop through the cracks -- 20,000 last year alone.

And since I know a little about this organization, I know that you're not resting on your laurels. I'm especially pleased that, with what Jock said here, that JAG has joined this nationwide Points of Light movement with today's announcement that each participant will be expected to engage in community service activities. JAG's been especially effective -- I said the urban area -- also in the urban schools. And I urge you to extend this inner-city outreach, expand this proven program to as many cities and schools as possible. It's my hope that, before long, there will be a Jobs for America's Graduates program in every State in this country because as great as it is to see these award winners here today -- and I met with them upstairs -- there's a place in this room for all 50 Governors to be here. And it's no surprise to me that this success is taking place then at the State and local level.

Last fall, as the Governors and I forged our historic partnership at the education summit, we recognized that excellence in education required an effort that was not Federal but national, one that brought all levels of government together in common cause to improve America's schools. We've got to follow through on those goals.

I might say parenthetically just a word about a very new development. This morning, Secretary Cavazos, the Secretary of Education, my dear friend, resigned as Secretary. And I think of the contribution he made to establishing these national schools. And I think the country will always be very, very grateful to him for his service to country.

Since then, since that get-together, we've made real progress. A set of six national goals are now in place, as is this target date still in place for the year 2000. Efforts to expand flexibility and also accountability in education are underway. These efforts are underway. And at that summit, as Jock well knows -- Governor McKernan -- the Governors also committed to undertake a major State-by-State effort to restructure the education system.

And I want to turn now to this challenge, the need for a reform effort that results in nothing less

than the restructuring of American education. The people in this room are critical to this reform effort: corporate leaders, who know education is the key to competitiveness; Governors, from Maine to California, along with top education officials from each State; teachers and principals, whose daily dedication and commitment will mold tomorrow's citizens; and finally, students, young people, for whom the word education means hope and happiness, opportunity, and achievement.

Let me explain to all of you about what I mean, just briefly, about restructuring our schools. I'll limit myself to the broad principles, because the last thing we need if we want real restructuring is a set of prescriptions, a bureaucratic blueprint from on-high Washington, mandating the States.

One of the keys to this approach is empowering people, not the bureaucracies. And central to empowerment is this concept of choice -- empowering parents to decide which school is best for their children. Choice, you see, is the catalyst for change, the fundamental reform that drives forward all the others.

Let me lay out five principles that should guide our efforts to restructure our schools, principles that empower parents, expand choice, and encourage excellence in education: high expectations, decentralized authority, schools that are responsive, market-oriented, and performance-tested.

Take the first: high expectations. We've got to raise our sights, for our students, for our schools. We've seen the statistics. American kids already rank too low compared to our chief industrial competitors. America can't settle for a C average if we really mean to compete and get ahead. America's schools must, and will, aspire to world-class standards.

Secondly, we've got to decentralize authority. It wouldn't be fair to raise expectations, to ask more of our schools and our students, if we tie the hands of the teachers and the principals, particularly those who make the difference. After all, the secret to our schools' success isn't the size of the bureaucracy. We succeed or fail one student at a time. And the secret is the principal who commands respect and cares deeply about each and every kid who walks into that school, and that special teacher who starts with the same tests and books and blackboard and then makes learning come alive. For years, we've stifled our schools with requirements and redtape. Let's give our schools something teachers and principals don't have enough of: authority. And then let's hold them accountable for the results.

Third, we need responsive schools, customer-driven if you will, schools that involve and engage students and their parents -- the real experts on what's best for their kids. That's central to the concept of choice. Everywhere choice has been tried, choice has worked, in large part because it has brought parents into the process, into that whole process of shaping their kids education. We need schools that are open to the input from the business community, real-world institutions that can work with our schools to educate the kind of employees they'll need tomorrow. If we want

schools that work we've got to realize that there isn't any centralized monopoly on wisdom.

Fourth, restructuring means making our schools more market-oriented. We know what competition means in the business world. It's time we recognize that competition can spur excellence in our schools. Let them open their doors to experts from outside the teaching profession who are willing to share their wisdom in the schools. We've got to expand what they call alternative certification and tap the wealth of teaching in our society. There's a lot of talent out there that's precluded by mindless regulation from participating in our schools as teachers. Tap the wealth of that teaching talent that's been kept out of the classroom simply because they lack a teaching certificate.

Fifth and finally, we need to make sure the yardstick we use to measure our achievement is performance-based. All the necessary attention to rules and regulations and procedures, all the measures of dollars spent, all the hardware and software, statistics and studies cannot be allowed to obscure the one measure that matters. And what matters is what works: results -- what kind of kid walks out of that classroom and into society, what our kids know, whether we've taught them how to learn. And one thing more while the subject is performance: We hold students accountable for their own failure. Well, let's do the same, then, for our schools.

These five principles -- high expectations, decentralized authority, schools that are responsive, market-oriented, and performance-based -- these five can guide our efforts as we restructure American education to meet the ambitious goals that have been set for our nation's students and for our schools, first set by the Governors of the 50 States, as we lead America forward to what I hope will be an education renaissance, a system that can compete with any in the world. We've got to redouble our efforts to achieve these goals. This restructuring must take place. I don't have to tell the corporate leaders in this room that America can't expect to remain a first-class economy if we settle for second-rate schools. And let me assure you, there is a role in this restructuring for everybody here, for your energy, for your ideas, for your commitment to educational excellence.

Before I close, let me just thank once again the companies and the foundations and the individuals whose contributions help keep Jobs for America's Graduates going strong. The help you provide to each young person literally lasts a lifetime. And to those students here with us today, let me recognize your accomplishments, but let me ask something else as well. Just as you've been helped along the way, make it your mission to reach out your hand to all the other kids like you who have everything they need to succeed except encouragement.

So, once again, I really wanted to come over here, Jock, to thank you, to thank the other Governors and Senators that are with us here today, thank you for all you're doing to help the kids of this country. May you all have a wonderfully merry Christmas. And may God bless the United States. Thank you very, very much.

Note: The President spoke at 12:35 p.m. in the ballroom at the National Press Club. In his remarks, he referred to the following officials of Jobs for America's Graduates: Gov. John R. McKernan of Maine, chairman of the board of directors; Julie Nixon Eisenhower, chairman of the resource development committee; and Senator Christopher S. Bond, former Governor of Missouri, member of the board of directors. A tape was not available for verification of the content of these remarks.

Remarks on the Waiver of the Jackson-Vanik Amendment and on Economic Assistance to the Soviet Union

December 12, 1990

The President. Mr. Minister, welcome. I have a brief statement, and then I will turn the conference here -- press conference -- over to Minister Shevardnadze and Secretary of State Baker to respond to questions. But I have just had an opportunity to discuss with Foreign Minister Shevardnadze a number of issues of U.S.-Soviet relations, including our cooperation in the Gulf. And I'm pleased with the great progress that we made on START and hopeful that we will be ready to sign a treaty at a summit in Moscow on February 11 through 13th.

We also talked at length about the situation in the Soviet Union and the response of the United States to the economic problems there. I asked Minister Shevardnadze to convey to President Gorbachev my desire to respond both to the short-term needs of the Soviet Union and to contribute to fundamental economic reform -- long supported perestroika, and continue to.

We discussed frankly the relationship of economic change in the Soviet Union to the critical task of democratization. And I reiterated our strong desire to see both political and economic reform continue because they are inextricably linked. I outlined specific and important steps that we're willing to take in support of reform. And after consulting closely with Secretary Yeutter as well as Secretaries Brady and Baker, I told Minister Shevardnadze that I am prepared to respond to a Soviet request for credit guarantees for purchase of agricultural commodities through a waiver of the Jackson-Vanik amendment.

While I've taken this step I still look forward to a passage of the Soviet emigration law codifying the generally excellent practices of the past year. And this then will permit us to make further progress toward the normalization of the U.S.-Soviet economic relationship.

In addition, we have proposed to the Soviets a special technical assistance project to help in assessing their food distribution problem and to support market reforms. I will also authorize a joint public-private medical assistance effort to help the Soviet Union cope with immediate shortages of pharmaceuticals and basic medical supplies.

In the longer term, only steps that the Soviet Union itself takes can assure the economic health there. Thus, to promote fundamental economic reform I will propose that the World Bank and the IMF work out with the Soviet Union a special association to give the U.S.S.R. access to the considerable financial and economic expertise of those institutions. I have asked Secretary of the Treasury Nick Brady, as U.S. Governor of both institutions, to pursue this proposal with them and also with our other allies, who I'm sure will be in accord.

As I have said before, I want perestroika to succeed. The Soviet Union is facing tough times, difficult times. But I believe that this is a good reason to act now in order to help the Soviet Union stay the course of democratization and to undertake market reforms. The United States has an interest in the Soviet Union -- able to play a role as a full and prosperous member of the international community of states. And I am hopeful that these initiatives will further that goal.

Mr. Minister, we're delighted you're here, and now I'll turn this over to you and Jim Baker.

Note: The President spoke at 4:06 p.m. in the Rose Garden at the White House. A tape was not available for verification of the content of these remarks.

White House Fact Sheet on the Waiver of the Jackson-Vanik Amendment

December 12, 1990

The President has decided to waive for the Soviet Union application of the freedom of emigration provisions contained in the Jackson-Vanik amendment (section 402) to the 1974 Trade Act. The Jackson-Vanik amendment effectively bars access to official credit and credit guarantee programs to countries which restrict emigration. The President made this decision:

based on the liberalization of Soviet emigration policy in recent years by which an estimated 360,000 people will emigrate in 1990;

after receiving assurances that this policy will continue, and

to make food available to the Soviet Union in the form of up to $1 billion in Commodity Credit Corporation (CCC) credit guarantees for the purchase of U.S. agricultural products.

The President's waiver will be valid until at least July 1991, at which time he will need to determine whether to extend the waiver.

While the President has taken this action on Jackson-Vanik, he does not plan at this time to send the U.S.-Soviet trade agreement, signed during the Washington summit in June 1990, to the Congress. Only when the trade agreement is approved by Congress and takes effect could the Soviet Union receive most-favored-nation trading status.

The immediate effect of the President's action is to make the Soviet Union eligible for export credit guarantees under the CCC General Sales Manager program for the purchase of American agricultural products. This form of food assistance responds to Soviet requests for credit guarantees and will help the Soviet authorities address current food shortages. The waiver will also restore Soviet eligibility for Export-Import Bank credits and credit guarantees. However, the Stevenson amendment to the Ex-Im Bank Act and the Byrd Amendment to the 1974 Trade Act limit credits and guarantees to $300 million, with a subceiling of $40 million and other restrictions on Ex-Im Bank credits or guarantees in support of the fossil fuel industry.

In accordance with the requirements of Jackson-Vanik, before formally executing a waiver the President will report to Congress his determination that a waiver will substantially promote its freedom of emigration objectives in the Soviet Union. This report will also state that he has received the required assurances on Soviet emigration practices.

White House Fact Sheet on the Medical Assistance Program for the Soviet Union

December 12, 1990

The President has decided to establish a mixed public-private medical assistance effort to help the Soviet Union deal with acute, immediate shortages of pharmaceutical and basic medical supplies. The effort would rely on private voluntary organizations, with U.S. Government support, to provide and distribute medicines and medical supplies within the Soviet Union. At least initially, these medicines and supplies would be donated by U.S. firms.

A U.S. task force, with representatives from the U.S. Government and private voluntary organizations, will be set up to coordinate and facilitate the overall relief effort.

The Agency for International Development (AID) will contact private voluntary organizations and pharmaceutical firms to solicit donations. AID will provide financial assistance to participating private voluntary organizations.

U.S. private voluntary organizations will organize, deliver, and distribute privately donated medical and pharmaceutical supplies in the Soviet Union.

The U.S. Embassy in Moscow, working with Soviet authorities in the central government and at the republic and city level, and with U.S. private voluntary organizations already in the Soviet Union, will work to identify specific needs and medical assistance priorities.

The magnitude of the program and the specific materials to be provided will depend on both this detailed assessment of needs and the extent of private interest in this effort.

Ideally, U.S. assistance will be targeted at specific groups in the population needing medical supplies (e.g., disposable syringes for infants, insulin for diabetics, drugs for those with leukemia, etc.).

White House Fact Sheet on Technical Assistance in Food Distribution and Marketing for the Soviet Union

December 12, 1990

The United States is prepared to send to the Soviet Union this month a team of private and public sector experts in the field of food distribution and marketing. The team's mission will be to assess the problems of food distribution, and provide technical assistance to central, republic, and local authorities in the Soviet Union.

The team will identify ways to strengthen and support market forces in the Soviet Union's food marketing system, consider alternatives to assist vulnerable populations, and recommend measures to improve the availability of food to the Soviet people.

The team will include experts from the U.S. private sector, universities, private voluntary organizations, and the U.S. Government. Team members will work closely with Soviet Government officials, as well as officials of the republic governments.

Excerpt of a White House Fact Sheet on the Soviet Union and International Financial Institutions

December 12, 1990

The President has proposed a special association of the Soviet Union with the International Monetary Fund (IMF) and the World Bank that will give Moscow access to the economic and financial expertise in those institutions. He has asked Secretary of the Treasury Brady, as U.S. Governor of the IMF and World Bank, to pursue this proposal with the institutions and other countries and to develop with them the necessary new arrangements.

We believe it is best for the Soviet Union to establish such a relationship with these institutions before addressing the issue of full membership.

Remarks at the Presentation Ceremony for the Malcolm Baldrige National Quality Awards

December 13, 1990

May I, too, salute the Deputy Secretary, Mr. Murrin -- and of course, the Secretaries from the other Cabinet Departments that are here. I'm delighted to see all of you. I want to single out our Science Advisor that was to be here, Allan Bromley -- I'm not sure he is -- but in any event, very much interested in this whole field of competitiveness. Dick Truly of NASA -- a keen stake in seeing the quality of all performed. I want to salute the Cadillac general manager, John Grettenberger; John Akers, who is the president and CEO of IBM, chairman of the board; the president and chairman of the board of Federal Express, who's with us, Fred Smith -- we'll be seeing these all in a bit; and John Wallace, from Houston, who is the CEO of the Wallace Company.

And then I also want to salute the Members of Congress who are good enough to be with us today, members of the Baldrige family. How I love Mac Baldrige. Welcome home! And congratulations especially to these winners. And I'm proud to see some who were honored last year.

I want to single out Bob Mosbacher here, who is doing a splendid job as our Secretary of Commerce -- a quality job, I might say. Quality is it. Quality for our administration. And we're here today to present these four awards, as I say, named for another man of quality, and that again is former Secretary Mac Baldrige. What a great guy.

He was -- you know, some forget this, but Mac, prior to becoming Secretary of Commerce, was a true leader in business. And when it came business, he really did understand that quality cannot be assured with some slogan or an ad campaign. And he knew that it begins with winning and keeping business. And it begins with understanding that only customers can define quality. And in short, it begins and ends with the unsentimental judgment of the marketplace.

Once quality separated winning firms from sluggish ones. That time has long since passed. And with the fierce competition of the international market, quality means survival, and nothing less.

The renewed commitment by America to quality can be seen in the explosion of applications to receive the Baldrige Award. In just a few years, the National Quality Award has literally become the standard of business excellence. And the renewed spirit of excellence in business, of making quality an integral part of America's corporate strategy, has truly, I believe, made us more competitive in the international arena. Exports have already increased nearly 8 percent from year-ago levels, and the figure keep on rising.

To compete and win in the international arena, United States companies are simply going to have to offer product and services that are world-class. And that's the purpose behind this award. And it's a national purpose.

So, we're here today not only to honor these four deserving firms but to promote an awareness of quality in American business and to share successful management strategies -- strategies that can, indeed, sharpen America's lead in the world marketplace. Each of these companies offers unique lessons. But these four companies also found success in a few basic principles. They learned that quality control cannot be imposed from top to bottom. They understand that quality management must cut through organization charts, across departments and offices. A quality culture does not depend on titles and job descriptions. And finally, these winning companies also realize that they are only as strong as the intelligence, judgment, and character of their employees.

This year, the Malcolm Baldrige National Quality Award is going to all three award categories: manufacturing, small business and, for the first time, service. The winners with us today were selected from a population of American organizations that requested more than 180,000 application guidelines this year. And what I said of last year's honorees applies today: Most companies catch hell from the competition. But these companies are in the lead because no competitor gave them a tougher time than they gave themselves.

Three of our winners are household names. Let me start with IBM at Rochester, a company that proves that quality coupled with employee training and education is simply good business. In fact, IBM Rochester spends five times -- five times -- the national average on education and training -- and just one reason why IBM Rochester is globally competitive.

And the next recipient is another household name, the first automotive company to earn this award: Cadillac. And when many companies speak of quality changes, they speak of improvement in management. This company speaks of a ``culture change,'' a clear recognition that Cadillac knows that quality begins with the morale and idea of its people. Cadillac executives, plant managers, or union representatives -- all have worked together to help win this award. Quality councils are at work at each of the company's seven major facilities, supported by hundreds of company teams. And Cadillac shows that labor-management cooperations indeed yields quality results.

The next recipient is Federal Express, the first large service company to earn this award. This is a critical recognition because so much of our work force and our national wealth comes from the service sector. And Federal Express is simply nothing less than a model for all other service corporations. From ground zero in 1973, Federal Express has shot up to one of the world's largest transportation companies, with more than 90,000 employees making 1.5 million shipments a day. As with IBM Rochester and Cadillac, the secret of success for Federal Express is its training and reliance on its employees. With a no-layoff philosophy and extensive training,

Federal Express attracts top-notch, motivated people. In fact, during the last 5 years, nearly 100 percent of Federal Express employees surveyed responded that they were proud to be a part of their company. And that's why Federal Express delivers. And all American workers should feel they are as much a part of their companies.

And that brings me then to the Wallace Company of Houston, Texas, the first small service business to be recognized. This family-owned firm extends its family approach to all of Wallace's 280 skilled and well-trained employees, people who think of themselves as ``associates."

The Wallace Company prove that quality is not just for the Fortune 500. This small distributor of industrial goods not only survived the recent rough economic times in Houston, it proved that even in tough times you can still commit to long-term improvements in quality.

In business, success is its own reward. But the men and women of these four firms have given all Americans a standard of excellence -- a standard to emulate, a standard to surpass. And they have proven that quality management is not just a strategy. It must be a new style of working, even a new style of thinking. A dedication to quality and excellence is more than good business. It's a way of life, giving something back to society, offering your best to others.

And so, for all of that, you have my admiration -- my heartiest congratulations to every single American worker that you represent. And may I say to all of you, thank you and Merry Christmas. And I'm very proud to be here to participate in this ceremony. Thank you all.

Note: The President spoke at 11:23 a.m. in the Grand Hall at the Department of Commerce. In his remarks, he referred to Deputy Secretary of Commerce Thomas J. Murrin and Richard H. Truly, Administrator of the National Aeronautics and Space Administration.

Remarks at a Briefing on the Points of Light Foundation

December 13, 1990

Thank you very, very much. A warm welcome to the White House. Merry Christmas! Happy holidays! We're beginning to get the spirit around here. And may I salute the Attorney General and thank him for his leadership and for his keen interest in the subject that you've been discussing, that I'm about to discuss. Because I am really delighted to be here to help introduce the Points of Light Foundation to this impressive group of nonprofit organizations and State leaders and to announce three initiatives designed to reduce barriers hindering voluntary service efforts.

Since our founding, America has been distinguished among nations for the extraordinary degree to which our people have voluntarily banded together to help those among us in need. And today we're faced with perhaps more pressing needs than at any time in our history -- needs that many of your organizations, the organizations represented here today, strive to meet year in and year out.

The needs of our nation are so great that the Points of Light Foundation seeks to make direct and consequential service aimed at serious social problems central to the life and work of every American. To achieve this goal, most institutions will need to adopt a new way of thinking. They must come to see solving these social problems as not just the responsibility of government and nonprofit organizations. Institutions will have to refine their missions to include the engagement of all of their members in community problem-solving.

Of course, service to others is and has been the mission of much of the nonprofit community. But your challenge is to find a way to engage all of your members in service. To help engage all of your members in service, the foundation is urging every institution to appoint Points of Light representatives. And to ensure that every community has multiple places to which individuals and institutions can turn for counsel about how to serve others and where to obtain service, the foundation is calling on a wide variety of institution to become what we call Points of Light centers.

As part of my commitment to advance the Points of Light movement, I'm determined to help remove barriers to service. Now, no obstacle -- no obstacle is more chilling than the fear of personal liability and the high cost of insurance to protect against liability. Often programs are curtailed or those contemplated are not undertaken because of the fear of personal liability -- outrageous claims, often, about personal liability. And I'm aware of the genuine interest that volunteer leaders in this room have expressed in limiting exposure to the risk of liability and the high cost of insurance.

And therefore, today I am announcing three new initiatives that will bring about much-needed

change. First, I call on the nonprofit community to support a private, nongovernmentally controlled national volunteer risk management center, a central place to which volunteer organizations can turn for advice and for assistance. A task force has been formed to report on June 1st on the progress being made toward achieving this objective.

A second major initiative is the promulgation of a model State statute to protect volunteers who work with 501(c) nonprofit organizations and volunteers who work with local and State governments. This statute encourages volunteers to contribute their services for the good of their communities. And at the same time, it provides a reasonable basis for the recovery of damages which may arise from volunteer activity.

We have several distinguished State legislators with us today who are eager to support the effort of volunteers. And I call on you and other State legislators here across America to pass this legislation during the next session.

In addition to these two important initiatives, I will send to the Congress amendments to the Federal Risk Retention Act that will make it easier for organizations to form purchasing groups to obtain liability insurance at affordable rates.

With these three initiatives I am confident that voluntary community service can be encouraged, increased, and strengthened. I've often said that from now on in America any definition of a successful life must include serving others. By working together, we can -- I really believe that we can achieve our goal of making community service central to the life and work of every individual and institution, and in the process redefine the meaning of success in America.

I really popped in here to thank you for coming by today, to thank you and your organizations for what you're doing, to encourage the State legislators to take that extra step to guarantee to do their part, as I will try to do mine, to free up the volunteer from needless fear on a personal liability account. And we've got to do it. We've got to be successful. And I'm confident we will.

Thank you all. And I hope you have a wonderful Christmas. Thank you very, very much.

Note: The President spoke at 11:55 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Attorney General Dick Thornburgh.

Exchange With Reporters Prior to a Meeting With Hostages Released by Iraq

December 13, 1990

The President. But what this man put the world through -- I just can't express it. And I think you all have expressed it, coming home, with a clarity that has brought this home to the American people. I'm very anxious to hear from each of you, how you read it, and what you think is happening there.

Q. Should you give something in return for their freedom, Mr. President?

The President. Did I what?

Q. Should you give something in return for their freedom?

The President. Hell, no! Not one thing! You don't reward a kidnaper. You don't reward somebody that has done something that he shouldn't have done in the first place. And that's a fundamental, international -- --

Q. Do you think Saddam -- --

The President. I'm not going to take anymore questions, because I want to get into this briefing. But the answer to your question, if you have any doubt about it, is no. [Laughter]

Q. Has he defused the tension? Do you think he'll successfully be able to defuse the tension?

The President. What tension?

Q. The tension of the situation.

The President. One way or another we will.

Note: The exchange began at 3:25 p.m. in the Cabinet Room at the White House. In his remarks, President Bush referred to President Saddam Hussein of Iraq. President Bush met with former hostages Robert Hanby, Glenn Coleman, Ralph Montgomery, Ernest Alexander, John Cole, Antonio Mireles, and Billy Rosebush, and their families.

Remarks on Lighting the National Christmas Tree

December 13, 1990

Joe, thank you very much. Thank you, Joe Riley. And thank you, Jane Powell and Willard Scott and Ricky Van Shelton and Ruth Brown and the Army Band, the magnificent University of Wyoming Chorale and our members of the clergy, the California Raisins and, of course, Santa Claus. And may I give a special welcome to the American hostages, just home from Kuwait and Iraq, who are with us here tonight. And my thanks to Secretary Lujan and the Department of the Interior, and a special thanks to the National Coal Association for this year's holiday gift: the 57 beautiful State and territorial trees lining our Pathway of Peace. It's a wonderful 1990's tale of careful stewardship and rebirth, for these trees were grown on mined land that has been reclaimed.

This Christmas tree lighting is always a very special moment. People talk of the magic of the season. Well, what is more magical than the way light dispels the darkness? And I've read that white light is actually made up of all the colors of the rainbow. So, that's what we see in the glow of this tree -- red and blue and yellow bulbs mixing together to become something new -- one light that represents both unity and diversity. And that's how I like to look at America: All of us, all different, all working together, giving the best of ourselves to make this country the strong, beautiful land that it is.

You know, there are so many emotions that we share tonight. We feel joy thinking of how freedom has at last illuminated the dark corners of Eastern Europe -- and democracy coming to most of our own hemisphere. We feel pride thinking of our young men and women standing strong in the harsh, distant deserts and on the waters of the Persian Gulf -- and for their courage is the true eternal flame which will never be extinguished. And we think of their parents and their loved ones here at home who miss them very much. And we join them all in praying for their safe return of their soldier or their airman or their marine or their sailor. And let us also add a prayer for those Americans -- for many years, but still held hostage against their will in the Middle East.

And here tonight we also feel determination that the bright warmth of this holiday season will stay with us all year and that we will be guided by our inner North Star, making family unity and community service and national pride the center of our lives. We're determined that our nation will become a constellation of hope made up of thousands of separate Points of Light, people helping those in need across our land. People like the more than 100 representatives of daily Points of Light here tonight -- individuals like W.W. Johnson, and volunteers for groups like the Higher Achievement Program and the D.C. Central Kitchen and Mary's House. And following the lead of these Points of Light, let all of us echo that beautiful carol ``O Little Town of Bethlehem," and like that long-ago Star, let us shine in all ``dark streets" and to all people in the ``deep and dreamless sleep" of loneliness and despair.

For nearly 70 years Presidents have taken part in this tradition: flipping a switch to send thousands of lights sparkling into the chill night sky. As we gather here, we're doing what generations before us have done: watching our national Christmas tree become a brilliant symbol of hope, of peace, and of compassion for all the world. And so, let us pledge together that we will keep forever bright this shining legacy we celebrate here tonight. God bless the United States of America, and happy holidays to everybody. Merry Christmas! And now I will light the tree.

Note: The President spoke at 5:50 p.m. on the Ellipse during the annual Christmas Pageant of Peace. In his remarks, he referred to Joe Riley, president of the Christmas Pageant of Peace; actress Jane Powell; and entertainers Ricky Van Shelton, Ruth Brown, and the California Raisins. Television weatherman Willard Scott was dressed as Santa Claus.

Statement by Press Secretary Fitzwater on the President's Export Control Initiatives

December 13, 1990

The President has approved a series of export control initiatives that reflect changing strategic concerns of the United States. These include a package of procedural reforms to streamline and clarify export license processing, while enhancing our export controls to stem the spread of missile technology and nuclear, chemical, and biological weapons. The President also decided a number of pending high-performance computer export license applications to Brazil, India, and the People's Republic of China that had raised a number of national security concerns.

Export Licensing Procedures

In his recent announcement of disapproval of the Omnibus Export Amendments Act of 1990, President Bush directed U.S. agencies to institute, by January 1, 1991, new procedures to make dual-use export licensing decisions faster and more predictable, while fully accounting for proliferation and other national security concerns. Details of the new procedures are provided in a separate fact sheet.

The President determined that ``American exporters are entitled to prompt review of export license applications submitted to the United States Government," and that there is a ``presumption of approval of such applications based on our commitment to an open international trading system and the need to ensure American competitiveness." At the same time, he emphasized that none of these changes ``signal a lessening of our determination to weigh cautiously license applications raising potential nonproliferation or broader national security concerns."

Approval of Computer Exports

In addition to these procedural reforms, the President made decisions on a number of long-pending high-performance computer export licenses for Brazil, India, and the People's Republic of China. These exports presented complicated and far-reaching policy issues. The President approved several of the license applications, but because of the potential strategic applications of such computers, he also required the imposition of stringent safeguards to ensure that the computers will be used exclusively for peaceful civilian purposes. The companies affected by these decisions will be notified by the Commerce Department of the actions taken on the licenses.

Enhanced Proliferation Control Initiative

Following on the President's call in his speech before the U.N. General Assembly to ``redouble our efforts to stem the spread'' of missile technology as well as nuclear, chemical, and biological weapons, an ``Enhanced Proliferation Control Initiative'' has been adopted. The package, more fully described in an attached fact sheet, includes the following elements:

-- Worldwide export controls on 50 chemicals that can be used to manufacture chemical weapons.

-- Export licenses for proposed exports that may be related to the development of missiles or chemical and biological weapons. (Such licenses are already required for items that may be used for nuclear weapons.)

-- Civil and criminal penalties against U.S. citizens who knowingly participate in activities that promote the spread of missile technology and chemical weapons. (Similar penalties already apply in the areas of nuclear and biological weapons.)

The package, which is scheduled for implementation by February 16, will implement portions of Executive Order No. 12735, issued by the President on November 16, 1990, as part of his efforts to combat the spread of chemical and biological weapons.

Note: The Executive order is listed in Appendix E at the end of this volume.

Remarks on the Nomination of the Secretary of Labor and the Persian Gulf Crisis and a Question-and-Answer Session With Reporters

December 14, 1990

The President. I have two brief statements that I'd like to make this afternoon.

First, I have today asked a distinguished public servant and a cherished friend to become Secretary of the Department of Labor. Lynn Martin, a former Congresswoman from Illinois, has agreed to assume the direction of this very important Cabinet office. She and I have known each other for many years. She was an outstanding Member of Congress and an unofficial adviser to me. She has shared with me her wisdom on any number of legislative issues. And I am delighted to have her working at my side on labor matters as we enter the decade of the nineties.

She's a mother who knows the need for child care. She's a professional who understands the business-labor relationship. And as a Congresswoman, she's spent years dealing with the concerns and aspirations of the working Americans from every walk of life. And I know that she will serve with great distinction in our Cabinet.

Lynn was in Illinois this afternoon when I called her, and she will be in Washington on Monday. And I look forward to meeting her here in the White House to talk about her direction of the Department of Labor.

And now I'd like to take up another subject, a second one. On November 30th, in offering direct meetings between the United States and Iraq, I offered to go the extra mile for a peaceful solution to the Gulf question. And I wanted to make clear to Saddam Hussein the absolute determination of the coalition that he comply fully with the Security Council resolutions. Iraqi aggression cannot be rewarded.

And so, I have asked the Secretary of State to be available to go to Baghdad anytime, up to and including January 3d, which is over 5 months after the invasion of Kuwait and only 12 days before the United Nations deadline for withdrawal. That deadline is real.

To show flexibility, I have offered any one of 15 dates for Secretary Baker to go to Baghdad, and the Iraqis have offered only one date. In offering to go the extra mile for peace, however, I did not offer to be a party to Saddam Hussein's manipulation.

Saddam Hussein is not too busy to see on short notice Kurt Waldheim, Willy Brandt, Muhammad Ali, Ted Heath, John Connally, Ramsey Clark, and many, many others on very

short notice. It simply is not credible that he cannot, over a 2-week period, make a couple of hours available for the Secretary of State on an issue of this importance -- unless, of course, he is seeking to circumvent the United Nations deadline.

Look, I want a peaceful solution to this crisis. But I will not be a party to circumventing or diluting the United Nations deadline which I think offers the very best chance for a peaceful solution. So, I wanted to get out my feeling about these proposed meetings.

Persian Gulf Crisis

Q. What's wrong with the January 12th date that he set? Why would that dilute it unless you're afraid that he might come up with some offer or something?

The President. In the first place, the United Nations resolutions that pertain say that he has to be out of Kuwait. I wish now that I had been a little more explicit in my first announcement of what I mean by mutually convenient dates. But I was not then, and am not now, prepared to have this man manipulate the purpose of the Secretary of State's visit. So, we've made an offer of many, many dates. But remember, the United Nations resolution calls for total withdrawal by this date.

Q. Does your statement today indicate that you would not accept January 5th or 7th or 9th?

The President. Yes, we've offered 15 days, and he ought to get moving and do something reasonable, if he really wants to move for peace.

Q. Mr. President, is there a date at which you would withdraw the offer to meet? The Senators this morning say you're willing to forgo talks now.

The President. We're not going to do them on terms that would appear to the world to be an effort to circumvent the United Nations resolution. I mean, he's got a massive force there, and that force has to be out on the 15th day of January under the United Nations resolutions. So, we'll see, we'll see how it goes.

I would say that we've given so many alternatives here that he ought to accept one of these if he's serious. Now, if it's simply that he's trying to manipulate, that is what I will have no part of.

Q. Are you telling him there is -- --

The President. I'll be right there, Helen. [Helen Thomas, United Press International]. We've just got to take what they call a follow-on here.

Q. Is there a deadline for him to accept your offer?

The President. No, we're not putting deadlines on it. The `Aziz meeting is on hold, I guess. But I say ``I guess'' because we've made clear to them that it's kind of a home-and-home arrangement here.

Q. You said the deadline is real. Does that mean you think you have carte blanche to start a war after January 15th, or on January 15th?

The President. I'm saying that the United Nations resolution is very clear as it regards January 15th. And I will continue now to work for a peaceful solution.

Q. You do think you can go to war after that, is that right?

The President. What do you mean, ``can go to war''?

Q. You can start a war.

The President. I think that the United Nations resolutions should be fully implemented.

Q. Mr. President, when Congress comes back in January, will you ask Congress for specific authority to take offensive action?

The President. We're talking about that, and I'm very pleased with the support we've had in Congress. And I'm very pleased with the level of support from the American people. You see, as these hostages have come home, I think the people have understood -- the American people -- much more clearly what's at stake. As they've seen the testimony about the brutality to the Kuwaiti people that was so compelling at the United Nations, I think people have said: Wait a minute, this policy deserves support. So, I'm pleased with the support. I think that's being manifested in more support by the Congress.

But I will be talking to the leaders, continuing to consult. What I told the leaders in the Cabinet Room a few weeks ago: If you want to come in here and strongly endorse what I'm doing or endorse the United Nations resolution, I welcome that because I think it would send a very strong, clear signal to the world.

Q. Sir, why are you afraid to go before Congress and consult with them and get their advice and get their approval?

The President. Hey, listen, Sarah [Sarah McClendon, McClendon News], I was consulting with them as recently as this morning -- five Members of Congress. And we will continue to consult with them.

Q. That's not 535.

The President. We're doing it all the time. I'm on the phone almost every day to them. We've had leadership meeting after leadership meeting. Oh, listen, I explained this to you in the press room a while back, this same question. Come on.

Q. Yes, sir. You should see my mail.

The President. You ought to see mine.

Q. My mail is against war.

Q. Are you saying that if Saddam Hussein won't meet by January 3d, there simply will be no meeting?

The President. I'm saying that we've given him 15 dates, and he ought to take one of them. I don't like to draw deadlines in the sand here. But there would have to be some compelling reason for me to change it because I don't want to move this up against the United Nations deadline. If you'll read the U.N. resolutions, you'll see that he should be totally out, totally out of Kuwait by January 15th. That's a massive undertaking.

Q. Mr. President, if I may follow up. You're saying maybe January 4th or 5th, but -- --

The President. I'm not saying that; you're saying that. I've put it as clearly as I can. I hope there's no obfuscation.

Q. Mr. President, what is your thinking today about Saddam Hussein's nuclear and chemical capability? Will international safeguards be enough to control it, or -- --

The President. I am very much concerned about it. I think that Congress and the American people are getting increasingly concerned about his -- it's not just nuclear, which concerns me, but it's other unconventional war capabilities. I'm talking about, for example in this context, chemical weapons that he has used on his own people already. So, yes, I am very concerned about it. And any arrangement that is going to keep the rest of the world happy will have to address itself to this unconventional war capability of Saddam Hussein. Anybody that will take the reckless action he has taken militarily against a neighbor, must be contained in this era when we're all concerned about nuclear proliferation.

So I'm glad you brought it up, because this morning I met with a group of people who were supportive of our policy. And they are emphasizing to me as they go across the country the concern by the American people, on the part of the American people, about his possession of these unconventional weapons and his desire to acquire nuclear weapons. And I told, I believe it

was, a press conference with most of you present -- I said if I got to err on the side how long -- I've addressed myself to the question, how long will it take for him to get weapons -- I will err on the cautious side, on the conservative side. And I am concerned that he could acquire weapons in a very short period of time -- a weapon in a very short period of time. And that is a factor that is serious as I contemplate how he is compelled to live up to the United Nations resolution.

Minority Scholarships

Q. Mr. President, do you support the Department of Education regulations barring race-based scholarships, or do you plan to rescind them?

The President. We're looking at it right now. The man that had something do with them -- I was looking at his background today -- is an extraordinarily sensitive, very intelligent person. So, I've asked our staff here to give me a quick readout on that so we can make a determination. But I don't think in this case anybody would accuse the person that promulgated those resolutions of doing it on a racist basis. That's one thing I'm very pleased about.

I've got time for one more, and then I really do have to go.

Persian Gulf Crisis

Q. Mr. President, right now the issue of chemical possession of weapons and nuclear weapons is not part of a United Nations resolution. Will you go back to the U.N. and get that made part of one of the requirements for Saddam Hussein? And will you move on that unilaterally?

The President. I don't think it's unilateral because I think all our coalition partners share my concerns about his possession of unconventional weapons and his attempt to get more. But I don't have plans at this moment to take this to the United Nations. But believe me, it is very much in my thinking as I contemplate what action to take to enforce the United Nations resolutions.

Thank you all, and have a great weekend.

Secretary of Education Nomination

Q. Mr. President, have you got an Education Secretary?

The President. Getting close.

Thank you, Marlin. Well done. Thank you for your assistance, fellows.

Note: President Bush spoke at 2:30 p.m. on the South Lawn of the White House, prior to leaving for Camp David, MD. In his remarks, he referred to President Saddam Hussein and Foreign Minister Tariq `Aziz of Iraq and Marlin Fitzwater, Press Secretary to the President.

Remarks on Cabinet Nominations and a Question-and-Answer Session With Reporters

December 17, 1990

The President. I have a brief statement, and then I will ask the two with me to make comment, and then I'll be glad to take maybe two questions and turn the meeting over to both of these.

On Friday, I announced that Congresswoman Lynn Martin of Illinois had agreed to take on the job of Secretary of Labor, and I've been visiting with her again about that just now in the Oval Office. And it is very clear to me that she's going to bring extraordinary insight, a lot of talent to this very important Cabinet Department. Working Americans have a friend in Lynn Martin, and she understands the challenges facing our work force. She knows that it's going to take this nation, to remain competitive as we head into the 21st century, a strong, competitive work force. She also knows that only a quality work force will produce quality goods and services, and that means workers that are motivated, highly trained and, most of all, educated.

Education is indeed the centerpiece of the democratic ideal. And the historic meeting that I held in 1989 with the Nation's Governors in Charlottesville set this nation firmly on a course toward education reform. And so, it is especially significant today that I am able to announce that former Governor of Tennessee Lamar Alexander is my nominee to assume the helm at the Department of Education.

Lamar, if you will remember, was at the forefront of the movement to restructure our nation's schools. When he was chairman of the National Governors' Association, he was instrumental in bringing education reform to the very top of the agenda. No Governor in the country is so clearly identified with the imperative to improve education in America. And as I said in Charlottesville, education is our most enduring legacy, vital to everything we are and can become. And much of what went on in Charlottesville was started a couple of years earlier by Lamar Alexander.

You know, Lamar, that working with your former colleagues, we have agreed on six very ambitious national goals for American education. And our mission is clear, and I look forward to your leadership to help us achieve these goals by the year 2000. I am delighted and grateful to both of you for undertaking these two very important assignments.

Lynn, do you want to say a word?

Representative Martin. Thank you, Mr. President. American men and women are the finest in the world. They know we're not just facing a changing decade but a century to come. I look forward to making sure that the future for the American worker is even brighter; that with common sense and compassion and the competence that is part of the Bush administration, that

we will make sure the 1990's are a time to be remembered as a pinnacle for chance and opportunity for the men and women who compose the working force for America.

And I look forward to working with Lamar Alexander. His education and that change are part of what the future holds. If I do my job it means that somewhere, sometime, someone's life will be better, someone will have a better chance. And that's really what government is supposed to be about.

And for a moment, perhaps because it's the Christmas season and a holiday season for everyone, I'd like to give a special thanks not just, of course, to the President but to his White House staff, who's been incredibly cooperative, and to two Democratic Senators from my home State of Illinois, who have gone well beyond what they've ever had to say or do to be extraordinarily gracious. And perhaps that says what's really right about our political system -- that when it comes time to make sure that a future is better, that working together we can make it happen. Thank you very much.

The President. Lamar?

Governor Alexander. Mr. President, and Lynn. Mr. President, I remember the first thing you did during your inauguration week, because I was sitting right over here: you met with teachers. And I remember you said to them a little story about Sam Houston, that he wrote once that the most important contribution he ever made in life was the year he spent teaching in Maryville, Tennessee. My home is Maryville, Tennessee, and my parents were teachers. When I was a Governor I discovered that our State's major need was better schools, colleges, and universities. For the last 3 years, I've had the privilege of being president of a very good State university.

So, Mr. President, you've asked me to do something that I know you value and I've learned to value very, very much. The best example I can give of that is the big new Saturn plant in Tennessee. Families have moved there from all over America to learn how to try to build an American car that can compete with Japanese and European cars. And the UAW foreman there tells me that after they found out what it takes to do that, that they asked two questions. The second question is: Where can I get good schools for our children? And the first question is: Where can I go back to school?

If we're going to have the kind of America that we want to have -- if we're going to understand our democracy, going to be competitive, if we're going to keep our good jobs -- we're going to have to answer those questions: Where can we find better schools for our children and -- something we often miss that Lynn brought up -- where can working men and women in America go back to school themselves, so we can retrain today's work force?

I think we're fortunate to have a President who, in the midst of trying to stay one step ahead of this busy, dangerous world, is willing to try to be an education President. I think my job is to

understand his goals, develop a plan, and to help him do that. And I appreciate and am grateful for the chance to do that.

Q. Mr. President?

The President. Thank you very much. May I introduce to you Mrs. Alexander, who's with us, came up from Tennessee today also. Some of you may remember her from the Governor's days. But we're just delighted you're with us.

Yes, Helen [Helen Thomas, United Press International]?

Persian Gulf Crisis

Q. Mr. President, the Iraqis are saying that only they have the right to call the shots on dates for talks. And Secretary Baker seems more hopeful. What's your stand today?

The President. Mine has not changed since yesterday. And I spelled out my position as clearly as I possibly can. So, I hope these talks will take place. But I saw the statements out of Iraq. Those statements concern me far less than the statements I see that there is no flexibility on Saddam Hussein's part about what he calls Province 19, which flies directly in the face of the United Nations action. That's the substance of all this, and that's what concerns me.

Q. Do you think we're closer to hostilities?

The President. I hope not. I certainly hope not.

Yes, Terry [Terence Hunt, Associated Press], and then Jim [James A. Miklaszewski, NBC News]. Then I'm going.

Q. Is there any flexibility in your insistence on that January 3d deadline for getting talks going, or if it doesn't happen by then are you just going to throw in the towel and wait until the 15th?

The President. Let me say, Terry, I think people understand that when you give a person 15 dates, a man who's been meeting on 20 minutes' notice with a wide group of leaders from all over the world and characters from all over the world, that we've been very flexible on this. And so, I just would leave it calmly where it sits right now, without speculating on what I might or might not do. The U.N. resolutions are clear. He must be out of Kuwait -- that means entirely -- by January 15th. It's very clear to the world that that's what the objective is. So, if you try to keep -- for reasons of his own -- moving down towards that deadline, it just seems obvious to the world what he's doing.

Q. Actually, you sound a little more flexible today than you did on Friday. You said you don't

care to speculate -- --

The President. I'm just in a calmer mood today. [Laughter] Calm.

Q. Why?

The President. Monday morning, Monday morning. Monday morning. Got a big day out there, and I just didn't want to get too fired up here this early in the morning. [Laughter]

Q. Well, what difference, Mr. President -- if it could mean averting armed conflict -- what difference does 9 days make? The difference between the 3d and the 12th?

The President. Listen, if I thought that meeting on the 14th would permit him to comply fully with the United Nations resolutions, I'd be very flexible. But that's not possible.

Q. Well, what will Mr. Baker do? Is he going to negotiate? Do you want him in there early enough so that he can persuade a man who this morning said that Kuwait is part of Iraq and that is unflinching?

The President. Well, this is the problem, Ann [Ann Compton, ABC News]. I mean, he keeps making these statements that fly directly in the face of the international sanctions taken by the world, international position taken by the United Nations Security Council. So, the purpose of the talks is, a lot of people that think they understand him don't feel that he believes we are serious. They don't feel that he thinks we will use force. Some tell me as recently as yesterday -- one of the great leaders on that part of the world told me that he feels that Saddam Hussein simply does not understand the debate in this country. He thinks it means that our country is divided and that we cannot go forward to do our part in implementing the U.N. resolutions. And he's just as wrong as he can be.

So, my thought was, if a talk with `Aziz, a talk with Baghdad would help make that clear, so much the better. That was the purpose. And if there's talks, that will be the purpose. It will not be to make concession. We've got an opportunity for a new world order, but that opportunity will be lost if an aggressor gets one single concession. It will be, and that's my view; it is the view of the coalition partners. But I still feel it is important that the man understand that we are serious about this.

Yes? Then I got to go.

Q. Mr. President, given what you just said and what Saddam said this morning once again about Province 19, may we know what you're thinking now, then, about January 15th?

The President. No. You just wait and see.

Q. At midnight January 15th? Are you more driven now to see action at that point?

The President. Well, I think at midnight, if he's not totally out of Kuwait, the U.N. sanctions must be fulfilled. So, let's see. I'm still hopeful there's a peaceful solution to this problem.

Well, thank you for your interest in labor and education. [Laughter] And I will now turn this -- no, no more questions. No, no, no, I've been too accessible here. We're going into a Christmas mode here where I won't be doing as much of this kind of work.

Q. Sir, just something on -- --

Q. Just on the two nominees.

The President. No, I can't do it. I just can't do it. Can't do it.

Note: President Bush spoke at 9:30 a.m. in the Briefing Room at the White House. In his remarks, he referred to President Saddam Hussein and Foreign Minister Tariq `Aziz of Iraq.

Remarks and a Question-and-Answer Session With Reporters Following Discussions With Allies on the Persian Gulf Crisis

December 17, 1990

The President. May I first thank the Ambassadors who are standing here at my side for being with us today. And I have a brief statement.

What you see here is living proof that the international coalition arrayed against Saddam's aggression remains deep and wide. We're talking now about some 28 countries that have committed their forces of one kind or another to this extraordinarily historic effort. Every country represented agrees that the 12 Security Council resolutions that are now on the books make clear what is required: Iraq's complete, immediate, and unconditional withdrawal from Kuwait. These same countries -- and there are more than two dozen represented here today, I think maybe all 28 of us -- are contributing over 200,000 individuals to the military effort against Iraq. Tens of thousands more are on their way. As has been the case from August 2d on, it is not simply the United States against Iraq; it is really Iraq against the world.

And again, none of us wants war, but none of us is prepared to accept a partial solution. It is for this reason that we all welcome Security Council Resolution 678 and its authorization that all necessary means be used after January 15th to bring about Iraq's full compliance with all that the United Nations has demanded.

Let me just add that I also used this occasion inside to brief our coalition partners on our efforts to meet directly with Iraqi officials. And thus far, Iraq's behavior underscores what I think is its lack of interest in a peaceful settlement of this crisis. For our part, we remain open to having these meetings if mutually acceptable dates can be agreed upon. And if meetings are held, I want to reiterate publicly what I said inside: namely, that what we want to do is impress upon Iraq the consequences of its aggression and the need for all Iraqi forces to leave every square inch of Kuwait. There can and will be no negotiations for concessions and no rewards for aggression.

So, thank you all very much for joining me here today. And I am glad to have had this opportunity not only to ask you to convey my respects to the leaders of state and government represented here but to tell them, please, that the United States remains steadfast and will remain steadfast in its determination to see every single United Nations resolution on this subject fulfilled without concession, without yielding 1 single inch.

Thank you all very much for coming.

Q. Mr. President, are you now open to a date beyond January 3d, sir?

The President. I've made my position very clear on that. We've given them 15 dates. He can meet on 15 minutes' notice with various people from around the world, so the matter stands right when I last talked to you about it.

Q. Mr. President, I know it's off the topic, but do you want the Education Department to rescind the -- --

Q. Mr. President, would you agree to the United Nations becoming involved in trying to break the impasse on the -- would you agree to the United Nations getting involved, perhaps Secretary-General Perez de Cuellar?

The President. He has tried very hard, and he's working -- --

Q. He's already trying?

The President. Yes, he has. And he tried within the mandates of the United Nations. That is his mandate, those resolutions. And he is not about to vary from that. I talked to him about that in Paris. I think we all owe him a vote of thanks for having tried very, very hard to convince Saddam Hussein that he ought to withdraw.

Q. I know it's off the topic, Mr. President, but would you like to see the Education Department rescind its ruling on minority scholarship?

The President. That is off the topic. I won't take the question.

Q. If Hussein does not understand, as you say -- Hussein does not understand the threat against him, why are you avoiding making a specific military threat against him to make it clear that that is the choice -- --

The President. I just simply refer him to the United Nations Security Council resolution. And he should be interpreting that, and he ought to look at the movement of force, and he ought to draw the conclusion that he ought to get out without concession.

Q. Why shouldn't he see it as ambiguous if you won't threaten to use the military force you have arrayed?

The President. Because I'm not in a threatening mode. I don't think any of us are. We are in a determined mode, a mode that he should get out without concession. And this is the will of the world body; this is the will of the entire world, if you will, against this man. And he's got to understand it, so we're going to keep on repeating it: No concession. No negotiation for 1 inch of

territory. And, Mr. Saddam Hussein, simply do what the world is calling upon you to do: Get out. We have to keep repeating it. Some people are a little slow to get the word. And we're going to just keep saying it over and over again.

Q. Well, what happens on the 15th if there have been no negotiations and if he's still there?

The President. The United Nations says use -- I forget the exact wording -- but whatever it takes to fulfill our resolutions.

Q. Mr. President, what do the Ambassadors in the countries who are so close to Iraq -- two of them are standing right beside you, and they know a lot about that country -- what do they tell you it's going to take to make him understand what you're saying?

The President. I think they are totally in accord with what I've said here. They are totally in accord with the United Nations resolutions, and they are as determined as we are to see these United Nations resolutions fulfilled to the tee.

Q. But you have been saying this over and over and over. And it's as if he's deaf or as if he doesn't see CNN [Cable News Network]. He doesn't seem to -- --

The President. I agree with your assessment.

Q. But what I want to know is what do you think it will take to move it from here?

The President. I don't know. I don't know.

Q. Shooting?

The President. I would just continue down this path. I think at some point he will realize that this force, which is overwhelming, that is now being arrayed against him would be devastating; and let's hope that that brings the message home to him. That's what the United Nations stated should happen -- that he ought to get out or all available means should be used. And one person cannot be rewarded for brutal aggression.

And I read this Amnesty International report -- it's not released yet, it will be in a couple of days -- and I hope that everybody standing out there and everybody standing here and everybody that maybe has less than the passionate interest in this satisfactory resolution to this question than I do will read that report. Because right this very minute, we're seeing a brutality in Kuwait that is unacceptable, unconscionable; and I am concerned about it. And I want to see the United Nations resolutions fulfilled right on schedule.

Q. Mr. President, how about having Baker and `Aziz meet in a third country to break the

stalemate of these talks? Is that a possibility?

The President. I hadn't thought about that; but if it would do any good, if that would help get the message to him that he has got to leave without condition, I certainly wouldn't oppose that. But what I'm not going to do is shove these meetings right up against the United Nations deadline and, thus, have the adverse effect of undermining the total fulfillment of the resolutions.

Q. The Iraqi Information Minister seemed to suggest Saturday that if you set another date for `Aziz to come here, that Saddam would respond with a date more acceptable to you for Baker to go to Baghdad.

The President. I think the guy's a little out of touch. We had the date set for `Aziz. I don't know what he's talking about. I can't respond to each one of these kind of counterploys coming out of Baghdad.

Yes? This is the last one.

Q. Have the Ambassadors been able to consult with you? Did they each have a chance to speak their mind?

The President. I kind of dominated today, I'm afraid -- [laughter] -- and was a little intolerant -- not of contrary opinion, because I think we're all together, but it was a time question. But let me say this: As I look around this staircase here and standing next to me at this level, I have talked to so many of their Presidents or monarchs or whatever that I feel in very close touch. And I did say that if anybody wanted to speak up in difference, why, I certainly would welcome that. But because of the time, the Ambassador from Kuwait, who also happens to be the dean of this group in terms of service, did speak. But clearly, if somebody wants to take exception to something I've said, why, they wouldn't be alone in this country; and they'd be welcome to have their say. But I am satisfied that the coalition has never been more determined and never been firmer in what it is that we must do.

And it is so clear that -- see, the optimistic side is when we prevail we have the promise of a new world order. You have a vitalized United Nations, the peacekeeping function of which, up until now, has been rather dismal, as you look over the years; and now there's a real chance. But the chance doesn't exist if we fail. So, we've got to prevail, and we will. And I think I can confidently speak for all the countries represented here. If they felt differently, I don't expect they'd be here.

Thank you all very much.

Note:President Bush spoke at 2:38 p.m. in the Rose Garden at the White House. In his remarks, he referred to President Saddam Hussein, Foreign Minister Tariq `Aziz, and Information

Minister Latif Nusayyif Jasim of Iraq; Secretary of State James A. Baker III; and Ambassador Saud Nasir Al-Sabah of Kuwait.

Message on the Observance of Christmas

December 18, 1990

At Christmas, people of every age and every walk of life celebrate with a profound sense of wonder, joy, and gratitude our Savior's birth in Bethlehem. Like the shepherds called from nearby fields and the Magi who journeyed from distant lands to welcome the Christ Child, we are drawn to this miraculous event in history.

Born in a stable and greeted by a handful of faithful and obedient men, Christ came to assume the role of a shepherd, thus fulfilling the words of the prophet Isaiah: ``He shall feed His flock like a shepherd: He shall gather the lambs with His arm and carry them in His bosom."

Christ's brief time on Earth was devoted to tending the physical and spiritual needs of His flock: healing the sick, feeding the hungry, and illuminating the path to eternal salvation. His Incarnation radically altered the course of human history by challenging men and women to live according to the will of our just and merciful Father in Heaven. Today, Christ's message of hope and redemption -- first delivered on that holy night in the City of David -- continues to bring peace and joy to millions of people around the world.

As we give and receive the goodwill of Christ during this holy season, let us be mindful of the true meaning of His life on earth and especially of His greatest commandment: to love God with all our heart and to love our neighbor as ourself. Events during the past year have given us a renewed sense of hope, yet in some parts of the world, peace remains an elusive blessing this Christmas. Even in some of our own cities, poverty, despair, and drug-related violence prevent families and individuals from sharing in the promise of this season. Therefore, let us strive, by following Christ's example in word and deed, to make peace on Earth a reality for all of God's children.

Barbara joins me in wishing all of our fellow Americans a Merry Christmas. May this festive and holy season be filled with the warmth of family and friends and with the deep joy of knowing God's love for mankind through the gift of His Son. God bless you.

George Bush

The President's News Conference With Regional Reporters

December 18, 1990

The President. Let me just make a quick comment, and then I'll be glad to take some questions. But I want to just comment once again on the situation in the Gulf, because you see, ever since August 2d, the world community has been virtually united in its condemnation and its rejection of Iraqi aggression.

I've been talking about the Security Council resolutions, but the General Assembly of the United Nations, with only one vote against it -- Iraq -- joined in condemning what has gone on by Saddam Hussein. And I think that's a very significant point because those who were saying, ``Well, it's only the Security Council,'' now have to recognize that what we've been saying all along is true: that it is not Saddam Hussein and the Arab world against the United States but indeed it is Saddam Hussein against the rest of the world.

And so, I mention this because we're coming down towards this U.N.-mandated deadline. I still want to see a peaceful solution to this question. You keep hearing about new initiatives -- President Bendjedid of Algeria -- but I gather that that has gone about as far as those initiatives that others have undertaken -- Bendjedid, good credentials on all sides of this dispute, but unable to talk sense to Iraq's dictator.

So, I would just simply say that we will keep trying to find an answer. It cannot be an answer of concession. It cannot be an answer where Saddam Hussein is rewarded with one single concession, because that would fly right in the face of the rejuvenated United Nations peacekeeping effort, and it simply is unacceptable, not just to us but to the rest of our coalition partners. And you look at what the EC said yesterday -- or today I guess it was -- regarding the visit of Tariq `Aziz, when they said there would be no point his coming to see them unless the visits with the United States have taken place -- it shows a real solidarity because the temptation might have been the other way.

So, I think the coalition's holding. We are determined, more determined than ever. Yesterday I had a meeting with 27, I believe it was -- the Ambassadors from other countries, the 28 standing together in the Gulf -- represented a show of solidarity that I think was read loud and clear halfway around the world.

So, that's where we are. And there is no news to report on the proposed visit of the Secretary of State to Baghdad or, indeed, of the Foreign Minister, Tariq `Aziz, coming here.

So, with no further ado, I'd be glad to take questions on any subjects. Let me get these first few --

yes?

Persian Gulf Crisis

Q. Mr. President, are you more optimistic or less optimistic at this point about the possibilities of going to war compared to when you made the proposal to send Mr. Baker to Iraq?

The President. Well, if I had to quantify my degrees of optimism or pessimism, I'd say it's about in the same mode as when it was there. I do not believe that Tariq `Aziz, one, has digested what he is up against in terms of this coalition force, and secondly, I think he basically is, at best, uncertain as to whether this force will be used against him. And so, what I think is essential to get to peaceful resolution is that he realizes that he simply cannot prevail. So, I guess I'm about where I was a couple of weeks ago when I made that proposal.

Q. Mr. President, I'd like to ask you a question that one of our readers of the Detroit Free Press suggested. I ask you -- and it's from an 18-year-old from Birmingham, Michigan. And his question is: If the war in the Gulf escalates, how will you get the American people to support the war? And it's a common theme of our readers' questions, and it seems to ask whether you think the American public is as willing to accept war as an option as your policies seem to be?

The President. I don't want war as an option; I want peace as an option. Secondly, I think some of those questions stem from the fact that some believe this will be another Vietnam. And the agony of Vietnam is still with us. People remember a protracted war. They remember a war where individuals were asked to fight with one hand tied behind their back, in essence. This will not be, in my view, that kind of a confrontation.

And so, I think that if the United States had to do its part to implement the United Nations resolutions, I believe the country would support that. But I don't think that support would last if it were a long, drawn-out conflagration. I think support would erode, as it did in the Vietnam conquest -- I mean, conflict.

But I can understand why some young kid would ask that question. I mean, they keep hearing of this prolongation and that there would be stalemate and all of this kind of thing. I don't believe that. And one of the reasons that I moved this additional force, or had it moved, was because every individual life is precious; and if there had to be some confrontation -- military -- I would want to be able to assure the parents and the families there is enough force there to minimize the risk to every single American kid and coalition kid -- the Desert Rats, the French Legions, and the Arabs -- that we'll be fighting side by side with.

Minority Scholarships

Q. Mr. President, what prompted the administration's change of thinking -- some might less

kindly say flip-flop -- on the question of whether financial aid can be targeted to minorities? And I have a brief followup, if I may.

The President. I don't think there was any flip-flop on it. There was a ruling made by a man of great integrity in the Department of Education. And when we heard about it here, I expressed a certain concern, asked that the policy be reviewed. And indeed, today the Department issued a policy statement that I think has Mr. Williams [Assistant Secretary of Education for Civil Rights], who was the promulgator of the original regulation ruling, happy. And yet it does do what I want to see, and that is to continue these minority scholarships as best we can.

I met with a group of editors earlier on today, and the question comes up, well, will there be a legal test? I'm not a lawyer, and I don't know how the courts will rule. Eventually they will rule on it. But as for now, we've worked the regulation so that we can continue to have these kinds of scholarships. I've long been committed to them; I've long been committed to affirmative action. And so, I hope the ruling, which some of it is quite technical, will accomplish that end. But I would like to think that the matter can be resolved with finality this way, but I don't think that is what we've done. I think there will probably be some court challenges to this.

You wanted a followup?

Q. Well, yes, just briefly. I think there is some question how a decision of that magnitude in the civil rights arena could have been made without the knowledge of the White House.

The President. Well, it was made without the knowledge of the White House, and I would simply refer you to Mr. Williams, who is a very able attorney over there in the Education Department. I think he explained that in his press conference.

Persian Gulf Crisis

Q. I'd like to ask you about the moral consistency of the U.S. policy on Iraq. During the 1980's, Iraq waged a war of brutal aggression against a different neighbor, Iran. It also used chemical weapons against Iranians and against its own Kurdish population. It also worked on its nuclear program. But rather than go to war against Iraq in that case, the United States took Iraq's side. In the case of the chemical weapons, the Reagan and then the Bush administrations opposed all efforts to impose sanctions in protest against the use of chemical weapons. And in the nuclear area, the United States condemned Israel for setting back Iraq's nuclear program. So, my question is: Is it hypocritical now to threaten war over conduct by the same regime when the similar conduct was condoned or even supported against different adversaries in the recent past?

The President. No, I don't think it's hypocritical whatsoever. Here you have the United Nations moving in concert. You have an unprecedented use of the peacekeeping function of the United Nations. And I was very proud that the United States was a leading component in what the

Security Council did. And it is true that our administration and others previously tried to work with Iraq. But this brutal aggression -- what they did here is such a clear violation of international law that the entire world was united in opposition to it. So, if there was a mistake made in trying to move them along a more civilized path by having contacts as we did, fine. But this kind of revisionistic view that that makes what's happening today wrong -- I'm sorry, I don't agree with it at all. And I think we're on the right path. I think the whole world is united against this. And clearly, I'd like to have been clairvoyant so I could have seen that the man was lying when he said he wasn't going to invade Kuwait -- which he did say. And he told Hosni Mubarak [President of Egypt] this, for example. But it wasn't quite that clear at the time.

Economic Stimulants

Q. Mr. President, a question of the economy. You yourself have mentioned that you would support some economic stimulants, perhaps. And I'm wondering if in the new year you're going to propose any tax cuts -- capital gains, in particular -- or perhaps a cut in the payroll taxes for Social Security.

The President. Well, I haven't changed my view on the fact that capital gains would be stimulative and not costly to the taxpayer. I'm hit regularly on the fact that this is a tax break for the rich. I don't believe that. But the problem you have on this is that we have under this budget agreement rigid caps, and we have to score capital gains under existing law, the way I think it's the CBO [Congressional Budget Office] or the joint committee or somebody says it has to be scored. So, we're talking about a $20 billion hit.

What I'd love to think is that we could change the way we score it to a more realistic, I would say, realistic view -- the Treasury's view, for example, that shows this would lift people up, would encourage investment, and would not be a revenue loss. So, I haven't given up on my philosophical commitment to the idea that capital gains would stimulate growth. And when you have a slow or certainly a slowed-down economy, in some areas recessional, it would be good.

But we're faced with this practical problem as to what we can do not just on capital gains but on other stimulants that cost money. There is, remember, an enormous stimulant, one that I'm not very happy about; and that is about a $300 billion Federal deficit. So, I don't know where we're going to come down on our State of the Union Message, but in concept of growth and opportunity, I can guarantee you the emphasis is going to be on that. And if I can find a way to change this stultified thinking that this is deficit-creating, the capital gains cut, why, then I'd be all for that.

So, we're looking at it. I don't know where we're going to come out on it.

Q. Are you sympathetic to the idea of cutting the Social Security payroll tax at all?

The President. Well, if I can figure out a way to pay for it. One of the good things about the deficit agreement that was very controversial and for which I got a reasonable amount of criticism, I'd say, is that you have to pay for these things. And whether the same argument can be made -- I haven't seen the dynamic argument made on that that I have on capital gains. So, I just don't know the answer to that one. If the offsets were there, you might. I'm a little worried -- I'll be honest with you -- having laid this tax question down for a while, to reopen many, many aspects of it. I've tried to draw the exception because I feel so strongly on the capital gains account.

Persian Gulf Crisis

Q. Mr. President, Saddam Hussein knows and you know that his best shot at cracking the cohesion of the coalition raid against him is to draw Israel into it, by direct attack or otherwise. General Scowcroft [Assistant to the President for National Security Affairs] indicated that there have been specific discussions with the Israelis and the coalition partners about that contingency. Can you tell us whether there's been any assurance or commitment either by the Israelis or our coalition partners that they would not crack apart if that were to happen?

The President. If -- --

Q. If he attacked Israel.

The President. If he attacked Israel? I'm convinced the coalition would not fall apart. I can't give you the specifics on it, but I'm absolutely convinced of it. And you can assume the way I've answered the question that we've inquired about that.

Secondly, Israel has had what I would call a low profile position in all of this, for which I salute them. It is not easy. Their security, they feel, could well be at stake from some radical act by Saddam Hussein. But I have no argument with Mr. Shamir [Prime Minister of Israel] over the way the Israelis have conducted themselves, nor do I think do the coalition partners on that particular point, regardless of what their historic relationship with Israel may have been.

Reduction of U.S. Military Forces

Q. Mr. President, as the cold war began to wind down, first in Congress and then in your own administration, there was talk of a ``peace dividend." And in fact, on the very day that Saddam Hussein invaded Iraq [Kuwait], you gave a speech in which you proposed a major shift in the structure of the American military, a 25-percent drawdown over the next 5 years. With the way the force has been stretched in Operation Desert Shield, are you rethinking that? As this ends, are you going to have to take another look at whether that big a reduction in our active-duty military force is actually possible in a post-cold-war world?

The President. I believe we will be able to live with the reductions -- and they were substantial -- that have been worked out in the last budget agreement. And I think the fact that we have been able to move this much force this dramatically is, of its own weight, a marvelous thing. But as we restructure the defense and as defense has taken substantial hits -- not, I would argue, in a peace dividend mode but more of a fiscal mode -- I think I will be able to represent to the American people that we will still have this ability to rapidly deploy the best trained forces in the world.

Q. If I could follow up: If this crisis had occurred 5 years from now, when this drawdown that's been agreed on had already been largely completed, would your options have been as unlimited as they are now?

The President. Good question, and I'm not sure I can answer it. But if the question is would we have been able to deploy this much force this rapidly, I think the answer is yes. I'd want to hedge just a little bit, but I think it is yes. General Scowcroft is shaking me off a little -- [laughter] -- because we were talking about this with General Powell [Chairman of the Joint Chiefs of Staff] and Dick Cheney [Secretary of Defense]. But this is not the average disturbance, you might say, that calls for the average deployment of force. This is pushing it up to the edge of the envelope. But I think the answer is yes. I wish I could get back to you to be sure I'm not misleading you, but I felt comfortable when we had the briefing from Cheney and Powell, I think it was yesterday, on this question.

Persian Gulf Crisis

Q. Will the forces that have been taken out of Germany and deployed to the Gulf be sent back to Europe once this crisis -- --

The President. I'm not sure of the answer to that question. I can't answer it. I don't know. But one thing I will say about them is: The earliest day possible, I would like to have every single American soldier out of the Gulf -- for a lot of reasons. In the first place, I think the status quo ante, the return to where we were before Saddam invaded his neighbor, is unacceptable because I think you're going to see a cry for stability and order there, security and stability that cannot be met simply by return to the preinvasion borders or the status quo there. So, I think you're going to have to have some kind of peacekeeping force, and I think we're going to have to cope with the question this gentleman raised of increased nuclear capability today, beyond what it was several years ago. And so, it won't be just the way it was before.

But I would like to think it would be with some international peacekeeping force, because I think there's a problem if U.S. forces remain on the ground in the Gulf for some time. I don't feel that way about naval forces. We've been there for a long time. We will continue to stay there for a long time. We will continue to stay there, our mission being to protect freedom of passage through the Straits of Hormuz. And we have a history there of helping keep the peace and of

keeping the straits open. So, I would not see any change in that force. But on whether these forces return to Germany, I think we'll have some -- obviously, it might be different people, but we're going to have some big discussion over levels in post-Iraq forces in Europe. We're discussing that anyway right now.

Make it more four more -- one, two, three, four. No, you regulars, no. [Laughter] One, two, three, four.

Q. Mr. President, are you prepared to initiate offensive action against Iraq without a declaration of war from Congress?

The President. I'm having the darnedest consultations with Congress you've ever seen. I was very pleased when the leaders at the last meeting told me that it was the best, in terms of consultations, they'd ever had. And I'll continue to do that. And I will look at -- I hope I don't have to cross that bridge because I want a peaceful solution to this question. But there are so many contingencies that it's very difficult to answer that question in one definitive way, and I'm not going to try.

Q. An article in the recent issue of Time magazine, Mr. President, says that no one in your Cabinet has a child serving in Saudi Arabia and that a disproportionate number of U.S. troops stationed on the front line hail from minorities and the working class. Is this accurate? And if it is, why does this condition exist?

The President. I don't know about the proliferation of my Cabinet and where their children are, but I don't have any service-aged kids myself. But I don't think this concept that this is a discriminatory army, or an army that is discriminating and thus sending more blacks to their fate -- or minorities, Hispanics or something -- is proper. I've heard it, and I reject it. And the reason I reject it is we have an all-volunteer army. We have great opportunity in this army. We have the finest kids: the best trained; the best motivated; the high achievers, not the low achievers. And so, this argument that there's some kind of racism, which I think your question implies, in this deployment -- I reject it out of its -- the whole cloth. It is simply not true. And if you don't believe me, believe Colin Powell. And he has pretty good credentials in this field -- outstanding credentials. So, I want to gun it down just as hard as I possibly can. And I don't know about my Cabinet. I'm sorry, I can't answer that. I just don't know where their kids are.

Q. Mr. President, you've spoken of -- --

The President. This is an all-volunteer army; they're not draft dodging. Remember Vietnam and the allegation, which I think had a lot of truth to it. But the kid that got disproportionately there was the guy that couldn't get the exemption and came out of kind of the lower rungs of society. This is different, totally different.

And we ought to get you figures on this, because it is very, very important as to how high of quality this army is. And you'll read about one or two that say, ``Well, I didn't sign up to do this; I signed up because I thought I could get a free education." He gets on the Phil Donahue show -- [laughter] -- a big hero. [Laughter] But that's the tiny fraction of these kids that are over there. The morale is good, and they're motivated, and they're well educated, and they're dedicated, and -- if you'll excuse an old-fashioned reference -- they're patriotic. And so, it isn't some cop-out armed services that they're now getting caught up in something that they were unaware of.

I'm glad we got that one because I really feel strongly on that question.

Q. You've spoken of this crisis as being not the U.S. against Iraq but, really, the world against Iraq.

The President. Yes.

Q. And I'm wondering then why the talks with Baghdad aren't being conducted by the Secretary-General of the U.N. [Javier Perez de Cuellar de la Guerra] but rather by the American Secretary of State.

The President. Good question. And the answer is the Secretary-General, as you may recall, tried; and he went to Baghdad -- or I think it was in Baghdad; maybe it was in Amman. But he went there, and he went to talk within his mandate. And his mandate were the U.N. resolutions. This is before 678, or whatever the last one was. So, he has tried hard, and I salute him for that. And he would be willing -- I talked to him about this in Paris -- while I'm up for your question -- and when we were over there for the CSCE meeting. And I asked him -- he's an old friend of mine. He and I were U.N. Ambassadors at the same time. And I said, ``Javier, do you think it would be worth trying this again? We're all trying for the extra step." He said, ``If I felt we could make some progress within my mandate, I certainly would try again."

But it's not that people haven't tried. I just touched on it in passing about [President] Chadli Bendjedid of Algeria. You heard over and over again various people calling, as King Hussein of Jordan did, for an Arab solution. You had Tariq `Aziz go to Moscow to talk. It isn't though people haven't tried. It is simply that as recently as today, I think it was, the last wire clip I saw, Saddam Hussein is still referring to a nation that is a member of the Arab League and a member of the United Nations as Province 19 of Kuwait [Iraq]. And therein lies the difficulty. It isn't that people haven't tried to go the extra step. But I have to give the U.N. credit for having -- the Secretary-General for really having tried on this one. And I'm sure he's quietly tried, as well as through this public mission that he undertook.

Q. What makes you think Mr. Baker will have any more luck?

The President. I'm not sure he will. I'm not sure he will. But if he can do what I referred to in the

beginning, if he can convince Saddam Hussein of the truth, it will be worth the effort. Because as I've said, it's not a negotiation session, or it's certainly not a concession session. We're not going there to concede 1 single inch. Because if you do that -- and you want to put it in theoretical terms -- you have diminished instantly the new peacekeeping function of the United Nations, and the coalition is demoralized and falls apart. And that will not happen.

So, what he's going to do is go there and make this very clear: that there can be no concession, that the world is united, and that this force which is overwhelming is there for purpose. And I still hope that gets the message through to Saddam Hussein.

Who had the last one? Rita [Rita Beamish, Associated Press]?

Minority Scholarships

Q. Mr. President, you mentioned on the civil rights -- or the minority scholarship issue the possibility of court challenges. What is your position on whether or not scholarships should be earmarked for minorities in general? And would you foresee some fine-tuning of the current new policy, which I believe now bans Federal money earmarked for minorities but not private funds?

The President. Well, as Mr. Williams pointed out, there is a legal question. My own view has been all along, in my own life and everything else, committed to this concept of minority scholarships. Clearly, it should be valid privately, and indeed, the support that we give to the historically black colleges -- maybe someday will get challenged. I hope it isn't, and I hope it would sustain the challenge. Clearly, the support that we give to these institutions privately should be beyond challenge.

But I don't know the answer to your question as to how that will work out in the courts. I don't know. We had a fascinating, almost philosophical, discussion at lunch with some of the most prominent black editors and publishers in this country, and I got into a very lively discussion on this whole question of philosophy. And what happens to some kid from one minority group if the scholarships are all allocated to one and not to another? And I don't know that answer because I'm not a lawyer.

What I do know is that I am for affirmative action and I am for trying to help the groups that have been the most disadvantaged through scholarships. And that's what I think has been resolved in the Department of Education, at least in the foreseeable future. And I hope it stands. But I don't want to mislead people in the country by suggesting that this may not receive a challenge, and then the courts are going to have to make that determination. And then, if somebody can legislatively correct it fairly, why, I'd be open for that. But I don't want to buy into a court-solution question that might happen way down the road.

But I would recommend that everybody take a look at the policy statement that just came out a

little bit earlier, and I think it will define where this stands now and for how long it will continue.

Last one. Yes?

Persian Gulf Crisis

Q. Mr. President, you said the Persian Gulf will not turn into another Vietnam.

The President. Absolutely.

Q. Could you give us some projection on how long you believe the conflict would last, as far as weeks, months, years?

The President. No, you guys want to get me into talking about conflict all the time, and I understand it, and as we go down towards the 15th it will probably intensify. But I want to still talk about hoping that we can get a peaceful resolution to this question. But that means making Saddam Hussein understand what is at stake.

Secondly, I just simply cannot help you on the hypothesis. But I have looked into it enough and talked to enough of the planners and those responsible, not only in our country but leaders around the world, to be totally confident and tell the American people we are not looking at another Vietnam. The analogy is totally different in who is supporting you, what the topography is, what the force is, what the determination of the military is -- the whole array -- the coalition. All of these things come together and argue very forcefully this is not another Vietnam.

And so, again, I get back to this very penetrating question by the kid that wrote you -- 18-year-old -- because I can understand it. I can tell where a guy like that is coming from. My own kids ask that -- a few grandchildren and stuff -- what is this, what does it mean?

And so, it is not going to be another Vietnam. You can get all kinds of ranges in terms of how quick this guy would fold. But none that I know of are predicting anything like the long, drawn-out, bitter experience of Vietnam.

Q. Do you believe there would be far less casualties, sir, in the Persian Gulf than there were in Vietnam?

The President. Yes, but I can't document that. And they asked the question -- some of you all weren't here for it, but in the press room across the street -- how many? How many can you cope with? How many is enough, or how many is too much? One is too much. And so, what do you do? You plan, if you have to use force, to safeguard every single precious life. That is exactly what Colin Powell and his cohorts are doing over there, and that's what I owe the parents and the

kids and the spouses. I'd particularly like to say that at this time of year, with our holidays coming up and all of that. I mean, it's a very emotional time for these families.

And I have to understand it. I've got to understand where his 18-year-old correspondent is coming from; and I've got to understand when I get these letters, mostly supportive still, but some fraught with anxiety about their own loved ones. And I can say to them, if force has to be used, we will have done everything in our power to guarantee the life of every single one of our soldiers and sailors and marines and airmen. And I will have that off my conscience. And then, clearly, it won't work out in a sanitary fashion like that; but I never would want it said that we didn't go the extra mile. So, I took some hits on moving this additional force, and that's fine. That goes with the territory. But at least I have the satisfaction in my heart of hearing from our Chairman of the Joint Chiefs and our commanding general, Norm Schwarzkopf, hey, we're doing it right. You've seen these kids out here on Thanksgiving, and we owe it to them to give them the best, give them the most to get this job done.

And the Brits are looking at it that way. I think the French are looking at it that way. The training that is going on and has gone on with some of our other coalition partners are aimed to that end, too.

Listen, thank you all for coming, and Merry Christmas to everybody.

Note: The President's 67th news conference began at 2:06 p.m. in Room 450 of the Old Executive Office Building.

Statement by Press Secretary Fitzwater on the Federal Reserve System's Reduction of the Discount Rate

December 18, 1990

We welcome the news of the lower discount rate. It should be helpful in promoting growth in the economy in the months ahead. This move appears justified by the budget agreement and the general slowdown.

Letter to Congressional Leaders on Norwegian Whaling Activities

December 18, 1990

Dear Mr. Speaker: (Dear Mr. President:)

On October 19, 1990, Secretary of Commerce Robert A. Mosbacher certified under Section 8 of the Fishermen's Protective Act of 1967, as amended (Pelly Amendment) (22 U.S.C. 1978), that Norway has conducted whaling activities that diminish the effectiveness of the International Whaling Commission (IWC) conservation program. This letter constitutes my report to the Congress pursuant to subsection (b) of the Pelly Amendment.

The certification of the Secretary of Commerce was based on the issuance by the Government of Norway of permits to its nationals, allowing the killing of North Atlantic minke whales for research purposes. At its 42nd Annual Meeting, the IWC adopted a resolution that considered that the Norwegian research program did not satisfy all criteria for research involving the take of whales. The resolution considered in particular that the research is not adequately structured so as to contribute to or materially facilitate the completion of the IWC comprehensive assessment, nor has it been established that the research addresses critically important research needs. Accordingly, the IWC invited Norway to reconsider its program. On August 10, 1990, Norway advised the IWC that it has reconsidered and has decided to proceed with its research. Research that does not meet all applicable criteria is considered inconsistent with IWC conservation policy.

Norway has made improvements in the design of its research program in each year and a reduction in the take of whales from 68 to five North Atlantic minke whales. Although the IWC is not satisfied that this program meets all applicable criteria, significant progress has been made in Norway's program and presentation. Given the progress made in the caliber of research undertaken and the efforts that have been made to improve U.S.-Norwegian scientific consultations, I am not directing that sanctions be imposed on Norwegian fish products for the whaling activities that led to certification by the Secretary of Commerce.

I am directing the Secretary of Commerce and the Secretary of State to continue consultations with Norway and our other IWC partners to ensure that the conservation program of the IWC is upheld. I hope that these actions will encourage the continued involvement of all members of the IWC in achieving the goals of this important organization.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. This letter was released by the Office of the Press Secretary on December 19.

Remarks at a White House Briefing on Drug Abuse Statistics

December 19, 1990

Thank you all very much. I am delighted to be here this morning with Lou Sullivan and John Walters to announce some very encouraging news about the state of the Nation's drug problem.

As you know, our administration remains fully committed to fighting this problem and stopping this scourge. And that was the promise I made to the American people in my Inaugural Address, and it is a promise that I intend to keep. And I continue to believe that the problem of drugs can be overcome with this clear national strategy and the hard work and combined efforts of millions of Americans. I am pleased to say that the news we have today suggests that our hard work is paying off and that our national strategy is having an effect.

In a moment, Dr. Sullivan, my Secretary at HHS, will describe for you the results of recent surveys conducted by his Department. But I wanted to emphasize how important I believe this new information is.

The national household survey and the emergency room data are the latest and most compelling evidence that drug use in America is declining significantly. And more importantly, it is declining all across the board. Overall drug use is down. Monthly cocaine use is down. Hospitals are reporting fewer drug-related emergencies. Even addictive drug use, which was once spiraling upward, has started to decline. Virtually every piece of information we have tells us that drug use trends are headed in the right direction: down. And most importantly, we are seeing these declines among the Nation's teenagers, evidence that they are learning to say no, learning to live a life free of drugs.

All of this is wonderful and welcome news. We were confident that progress would be made, but the magnitude of the progress is impressive indeed. Nevertheless, as long as there are hospital rooms filled with drug-affected babies, neighborhoods ravaged by drug violence, or children threatened by addiction, a declaration of victory would be premature. And that is why there will be no weakening of our Federal effort to battle drugs and drug trafficking in this country. And there will be no retreat in our efforts to end the international menace of drugs.

We've come this far because of the law enforcement officials, health professionals, teachers, parents, community leaders, and individual Americans who have shown tremendous courage and determination in the face of what at one point seemed like overwhelming odds. And I'm proud to say that because of their effort, the collective effort of all, we are beating those odds. We owe all who participate a vote of gratitude; and we will continue to support them in the fight against drugs, in every neighborhood, every community, every town, every city.

I want to thank all of you very much. And I will now turn things over to Dr. Sullivan for a little more detail on this news that I think will not only be encouraging in this country but will be very well-received abroad. It'll show that we are fighting the demand side of the equation, and that will send a strong signal to our international partners.

So, Lou, thank you, sir. And, John, thank you. And now with your forbearance, I'll take off and let you elaborate on the good news. Thank you, sir. Keep up the good work.

Note: The President spoke at 10:20 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to John P. Walters, Acting Director of National Drug Control Policy.

Memorandum on the Certification of Countries Exporting Shrimp to the United States

December 19, 1990

Memorandum for the Secretary of State

Subject: Delegation of Authority Regarding Certification of Countries Exporting Shrimp to the United States

By virtue of the authority vested in me by the Constitution and laws of the United States of America, including section 609 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1990 (Public Law 101 - 162), and section 301 of title 3 of the United States Code, I hereby delegate to the Secretary of State the functions vested in me by section 609(b) of that Act. The authority delegated by this memorandum may be further redelegated within the Department of State.

The Secretary of State is authorized and directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:55 a.m., January 2, 1991]

Note: This memorandum was released by the Office of the Press Secretary on December 20.

Letter to Congressional Leaders Transmitting a Report on Polar Icebreaker Requirements

December 21, 1990

Dear Mr. Chairman:

I am transmitting herewith the report on Polar Icebreaker Requirements, requested in section 23 of the Coast Guard Authorization Act of 1988 (Public Law 100 - 448) and in report language accompanying the 1990 Department of Defense Appropriations Act (Public Law 101 - 165).

This report was the result of a collaborative effort by the Departments of Transportation and Defense, the National Science Foundation, and the Office of Management and Budget.

The report concludes that the Coast Guard, which presently has two polar icebreakers, needs one additional polar icebreaker. Funds for this additional icebreaker were included in the 1990 Defense Appropriations Act.

Sincerely,

George Bush

Note: Identical letters were sent to Ernest F. Hollings, Chairman of the Senate Committee on Commerce, Science, and Transportation, and Walter B. Jones, Chairman of the House Committee on Merchant Marine and Fisheries.

Appointment of Phillip D. Brady as Assistant to the President and Staff Secretary

December 21, 1990

The President today announced his intention to appoint Phillip D. Brady as Assistant to the President and Staff Secretary, effective January 14, 1991. He would succeed James W. Cicconi.

Since 1989 Mr. Brady has served as General Counsel at the Department of Transportation. Prior to this Mr. Brady served at the White House as Deputy Assistant to the President and Director of Cabinet Affairs, 1989; Deputy Counsel to the President, 1988 - 1989; and Deputy Assistant to the Vice President, 1985 - 1988. Mr. Brady also served at the Department of Justice from 1982 to 1985. Other positions Mr. Brady has held include: Regional Director, Region IX, ACTION Agency, 1981 - 1982; legislative counsel for Representative Daniel E. Lungren, 1979 - 1981; deputy attorney general, California department of justice, 1978 - 1979; and an associate in the law firm of Spray, Gould and Bowers in Los Angeles, 1976 - 1978.

Mr. Brady graduated from the University of Notre Dame (B.A., cum laude, 1973) and Loyola University School of Law (J.D., cum laude, 1976). He was born May 20, 1951, in Pasadena, CA. Mr. Brady is married, has three children, and currently resides in Alexandria, VA.

Letter to the Speaker of the House on Modification of Provisions of the Federal Budget Agreement

December 21, 1990

Dear Mr. Speaker:

I understand that the House Democratic Caucus has approved a rule for consideration by the House that would begin to undo the recently enacted Budget Agreement.

This rule would change the new pay-as-you-go enforcement mechanism by overturning a specifically negotiated and agreed scoring provision. More important, if the proposed rule is adopted, the House of Representatives will have begun the 102nd Congress by undercutting the credibility of the entire Budget Agreement. If specifically negotiated and agreed provisions are to be undone before the ink is dry, how can we expect the Agreement to be taken seriously? Where, one might reasonably ask, is the process of erosion to stop?

Abandonment of the Agreement would undermine hard-earned confidence in the U.S. Government's improved ability to control Federal spending. To undermine such confidence in the current economic circumstances seems to me to be particularly unwise.

In order to preserve the integrity of the Budget Agreement, I urge you to prevent the adoption of any rule that would violate our Agreement. And in order to preserve confidence in that Agreement, I must advise you that I will veto any bill that contains language such as that specified in the rule approved by the Democratic Caucus.

Sincerely,

George Bush

Note: The letter was sent to Thomas S. Foley, Speaker of the House of Representatives.

Remarks and a Question-and-Answer Session With Reporters at Camp David, Maryland, Following Discussions With Prime Minister John Major of the United Kingdom

December 22, 1990

The President. Well, let me just say that this meeting with the Prime Minister has been very fruitful, at least from the United States standpoint. As you all know, we have had a very special relationship with the United Kingdom. And I am totally convinced that not only will that relationship continue, we will work to enhance it in every way possible. And so, I feel, Mr. Prime Minister, that we've gotten off to a wonderful start, and I want to thank you for coming at this terribly busy time of year for you, just coming into office and then, of course, with the holidays just over the horizon. So, thank you for coming. And I do think it shows exactly the right sense in terms of this special relationship.

We talked about the Gulf. We talked about the changes in the Soviet Union that have dominated so much of the international news lately. We talked about the importance of resuming and successfully concluding the GATT talks. We talked about NATO and its continuing importance. And we talked about South Africa, both sides expressing encouragement on developments. So, I found common ground with Prime Minister Major on these very, very important issues.

And once again, sir, thank you for coming to Camp David in this dreary weather.

The Prime Minister. Well, Mr. President, thank you very much, indeed. If I could perhaps, firstly, express my thanks to you and Barbara for your hospitality here this weekend. It's been a remarkable occasion, a splendid opportunity to get to know one another and our thoughts and our community of interest a good deal better.

We had some splendid entertainment, if I may say so, last night from the Army chorus -- an absolutely magnificent way to spend the evening. I think the only danger there is to the Anglo-American special relationship is your weather here this weekend. [Laughter] Other than that, it's all been absolutely splendid.

The most heartwarming part of the weekend, I think, has been the very large areas of policy where we've clearly illustrated yet again there's a very strong community of ideals as well as a community of interest. And the President has set those out. We had the opportunity of having a lengthy discussion on those: clearly, some problems to be overcome with the GATT; the Gulf self-evidently as a matter we spent some time on; and also, as the President said, the encouraging activities that are coming out of South Africa with the prospects of more to come.

So, I found it a very rewarding and worthwhile occasion, and I think it was entirely proper that one of the very first visits I was able to make as Prime Minister was here to the United States, where we've had such a long and fruitful and worthwhile relationship. And I'm grateful that it's gone so well.

The President. The Prime Minister has agreed to take a few questions, and I'll be glad to do so also.

Resignation of Soviet Foreign Minister Shevardnadze

Q. Mr. President, have you heard from President Gorbachev since the announcement?

The President. No.

Q. Mr. President, could you care to comment on the resignation of Shevardnadze and what impact you think it will have on U.S.-Soviet relationships, particularly in the Gulf?

The President. Well, again, this was a matter that Prime Minister Major and I discussed. I have no additional comment beyond what the Secretary of State said the other day and Marlin Fitzwater put out. I am convinced from what we have received so far from the Soviet Union that the policy on the Gulf will continue. I would let Prime Minister Major comment on that from their vantage point.

But we, as you know, had a very close relationship with Eduard Shevardnadze, and Jim expressed it very well -- Jim Baker did. But life goes on, and we will pursue the policies in the Gulf, confident that the Soviet Union will continue on its path. And I will continue to work with this new and very encouraging bilateral relationship -- work to enhance that in every way possible. So, what I'm saying is, I don't see any radical changes affecting our bilateral relationship.

And obviously, people are wondering about the concerns raised and expressed by Mr. Shevardnadze, but we will continue to deal with them in the future here as we have in the past, and hope that the changes that are taking place will be done in a very peaceful way.

Did you want to add to that?

The Prime Minister. I'll just add a word, if I may. Clearly, it's sad he's gone. He's played a remarkable part in the peacekeeping process over the past year or so. What we now need to do is to make sure that -- as Mr. Gorbachev has said it will -- that Soviet foreign policy continues unchanged. We'll have to wait and see how that pans out, but the early signs are encouraging. Gorbachev said that's how it would be. The Congress of Deputies voted precisely in that fashion

within a matter of hours. So, we wait to see who the new Foreign Minister is.

Q. Can I ask you, both gentlemen -- --

Q. Mr. President, do you have any doubt, given the changes that now are occurring in the Soviet Union and the turmoil there, that if you need to make a decision to use force in the Gulf that they will be fully behind you?

The President. No, I think they -- every indication we've gotten is that there will be no change in their Gulf policy.

Do you want to comment on that one?

The Prime Minister. Well, we've seen no indication of a change in the Gulf policy. There was no indication of it in the immediate comments after Mr. Shevardnadze's resignation. We hope there won't be.

Persian Gulf Crisis

Q. If I could ask you both: Saddam Hussein says he's not about to leave Kuwait. If he doesn't change his mind, is the world doomed for war?

The President. Do you want to go first?

The Prime Minister. Well, if there's going to be a conflict in Kuwait, that's really a matter for Saddam Hussein. He knows what the Security Council resolutions say. They couldn't be clearer. They've had an almost unprecedented amount of support internationally. I think one has to bear in mind what he's done is unforgivable. What he and his colleagues are doing in Kuwait at this very moment is unforgivable, as you will have seen from the Amnesty [International] report.

I hope he takes seriously the fact that the Security Council resolutions will be enforced. If he moves out, there won't be a conflict. If he doesn't, well, he knows what the consequences may be.

The President. That says it all. And that's exactly the way we feel. We are totally together on this point. And I think we're both still hoping that there will be a peaceful resolution. But I am convinced that Saddam Hussein hasn't gotten the message yet, for some odd reason, the message as to what he's up against and the message that all of us are determined to fulfill to the letter the United Nations resolutions. But let's hope he does get the message.

Q. Do you see any chance for direct talks?

Q. Mr. President, we've been getting conflicting signals this past week from General Waller [deputy commander of U.S. forces in the Persian Gulf], others in the military, in Congress, and so on as to whether the U.S. and the coalition are actually ready for war by the 15th of January. Is the U.S. ready or is the U.S. not ready?

The President. I will be discussing this matter here at Camp David on Monday, I believe it is, with Dick Cheney [Secretary of Defense] and General Powell [Chairman of the Joint Chiefs of Staff]. But put it this way: If there was some clear provocation 10 minutes from now, the allied forces are ready to respond vigorously.

Q. On a slightly different topic, there continue to be reports that American servicemen are not being allowed to wear American flag patches on their uniforms. There continues to be restrictions by the Saudis on religious materials, entertainment. Do you go along with this position, especially during the Christmas season? And why should the Saudis be allowed to impose such narrow restrictions on those who may very likely give up their lives for mutual interests?

The President. I've discussed this with our commanding general [H. Norman Schwarzkopf], I've discussed this with the Chairman of the Joint Chiefs, and I am satisfied that our young men and women over there will be able to do what every other American family will be doing -- thanking God for our many blessings at Christmas. And in terms of manifestations of their patriotism or love of country, they will be able to do what is proper.

So, I'm not worried by the sporadic reports that we get. And I think that the cultural differences are well known, but I think the Saudis and our people are working very closely to see that we are able to do what every American family does at Christmastime, and that is to worship in our own way the holidays here for other religions. And so, I've seen some reports, and then I've made inquiry, and I'm satisfied that these kids can worship their God in their own way.

Q. What about the flag patches, the American flag?

The President. I asked about that, and I forget the details of the answer, but I was satisfied that the way it was worked out is acceptable to our general officers and, thus, to the men as well.

Q. Sir, have you abandoned any hope that there will be talks before January 3d with Iraq?

The Prime Minister. Insofar as talks are concerned, there's nothing to negotiate about. Insofar as whether there's a meeting between Saddam Hussein and Secretary of State Baker is concerned, Mr. Baker's offered a whole series of dates to Saddam Hussein. He's had a wide variety to chose from; he hasn't yet chosen. But insofar as negotiations, there's nothing to negotiate about.

Q. President Bush?

The President. Exactly the same answer. We're totally together on this. We've offered up dates. We've made clear that, as the Prime Minister has just said, that these meetings were designed to explain fully to Saddam Hussein the situation that he faces now. But we'll continue to hope that he'll be reasonable. But I see no evidence of it, if that's your question.

I see from Marlin -- we're looking a little frantic, so we'll take one last one over here.

Soviet Reforms

Q. A question for both of you. Mr. Kryuchkov, the head of the KGB, has said that bloodshed may be necessary to restore order in the Soviet Union. What are your comments?

The President. What was it, again, I'm sorry?

Q. Kryuchkov, the head of the KGB, has said that bloodshed may be now necessary to restore order in the Soviet Union.

The President. Would you like to go first on that?

The Prime Minister. Well, we -- --

The President. This is what they call bowling us a googley. [Laughter]

The Prime Minister. Yes. [Laughter] If it's a googley, I dare say it's a curve ball for me. [Laughter]

Well, I think we hear a lot of comments of various sorts from the Soviet Union, some of it rather garish, of that sort. We hope very much not. What, clearly, one wants to see is the reform program continuing. It's come a long way in a short period of time, but it has a long way still to go. We hope it can travel that long road, and do so without bloodshed and peaceably.

The President. Last one. Who didn't get one?

Multilateral Trade Negotiations

Q. Have you managed to get any closer on the GATT issue at all? The trade issue?

The Prime Minister. I think there's a community of interest there. We're both aware, and so are the other community heads in the European Community, the great advantage is to get an agreement on GATT. It may not be an agreement that will have every one of us dancing in the

streets on every issue. But there'll have to be a community of interest for the agreement. And I think there's a political will to make sure that it's reached.

Thank you very much.

Resignation of Soviet Foreign Minister Shevardnadze

Q. Were you surprised by Shevardnadze's resignation?

The President. Yes.

Q. Do you wish he'd stayed on board?

The President. Yes, I was surprised. And that's a matter for the internal affairs of the Soviet Union. But everybody knows of the respect we had and have for Eduard Shevardnadze. Same respect we had and have for President Gorbachev.

Q. Mr. Bush, let me ask you about Congress.

Q. Congressman Hamilton said the U.S. -- he has it from U.S. officials, sir, that -- --

The President. This is the final -- this is the last of the last. You already had one, Sandy [Sandy Gilmour, NBC News]. Go ahead. Go on, go on.

Persian Gulf Crisis

Q. I wanted to ask you about your meetings with Congress this week. What do you see the prospects that you will be seeking some sort of resolution similar to the U.N. resolution?

The President. We've had the most vigorous consultations with Congress. We will continue to have that. Congress appointed a group of 20 at the end of the last session. I will clearly be meeting with them and soliciting their views. We're talking to all of these Members of Congress as they come back.

It's not just the President doing this -- Brent Scowcroft [Assistant to the President for National Security Affairs], Jim Baker, our legislative people in the White House -- and we will continue to consult in every way possible. I want Congress fully on board. I'd love to see Congress say this minute that we fully endorse the United Nations resolutions and the President should fully implement them, because I'm determined to do that and it would be very nice to send that solid signal out to Saddam Hussein. I think it would help him get the message as to what he's up against. But they've got to decide. The Congress is a separate body. They are entitled to do it any

way they want. But I know the powers of the Presidency, and I've had a chance to discuss that with the key Members of Congress.

Thank you all very, very much.

The Prime Minister. Thank you.

Note: President Bush spoke at 8:20 a.m. on the helipad. In his remarks, he referred to Marlin Fitzwater, Press Secretary to the President, and President Saddam Hussein of Iraq. A tape was not available for verification of the content of these remarks.

Christmas Message to American Troops

December 24, 1990

Merry Christmas and happy holidays to you who are standing watch around the world. Never have I been prouder of our troops. Never have I been prouder to be your Commander in Chief. Because in this season of peace, it is your commitment and your courage that makes peace possible.

We think of you in the snowy fields and runways of Europe, where thanks to you millions are celebrating Christmas and Hanukkah openly for the first time in 45 years. We think of you off the coast of the Philippines and Japan and the DMZ in Korea. We think of you in Panama, where lightning success last Christmas ended the reign of a despot and brought peace to a people. We think of you in the air, on the high seas, and at bases and Embassies around the world, who kept our country untouched and at peace throughout the long winter darkness of the cold war.

Back home, some talk of the cost of war, but it is you who understand the price of peace. Each Christmas Day, we close our eyes in prayer and think of what Harry Truman called the humble surroundings of the Nativity and how from a straw-littered stable shone a light which for nearly 20 centuries has given men strength, comfort, and peace.

It's distant in time, but close within our hearts; because on this Christmas Day, hour by hour, hand in hand, Americans will send their prayers eastward across the ocean and halfway across the world not only to the town of Bethlehem but to the sands and shores where you stand in harm's way.

We're in the Gulf because the world must not reward aggression, because our vital interests are at stake, and because of the brutality and danger of Saddam Hussein. We're there backed by 12 United Nations resolutions and the forces of 25 other countries.

Barbara and I spent Thanksgiving with our men and women over there. And when we got back, I spoke to the American people -- told them of your bravery and reminded them why we're there. First, I put the immorality of the invasion of Kuwait itself. I said I was deeply concerned about what has happened and is happening there, concerned about a ruthless despot's attempt to dominate a volatile and critical region, concerned about his efforts to acquire nuclear arms, and concerned that a promising era is threatened by an international outlaw. And I told the American people something else: that we want peace, not war, and that I will do my level-best to bring you home without a single shot fired.

And let me say one other thing: The sacrifices you make will never be forgotten. America is behind you, the world is behind you, and history is behind you. When you come home -- and we hope it's soon -- you'll be welcomed as what you are: all-American heroes.

Today at the White House and all across America, candles burn in remembrance of you and all our troops across the country and around the world. There is no way Americans can forget the contribution you are making to world peace and to our country. Whenever we see Old Glory snapping in the breeze, we think of you. Whenever we hear the inspirational words of ``The Star-Spangled Banner," we think of you. And whenever we enjoy the boundless opportunities of a free country, we think of you.

History may make men, but you are making history. I think of Lieutenant Mary Danko, the flight nurse who volunteered for Saudi Arabia. Her husband, a C - 130 navigator, was already flying in support of Desert Shield. And when asked if leaving their baby with relatives was a hard thing to do, Mary said, ``It's the right thing to do. We're needed." And when asked, ``Now, what about the kid?" Mary explained, ``We're doing it for the kid." Well, she's right. Mary's right. She knows that when peace and freedom triumph, it's not a triumph for one particular country or one particular people but a triumph for our children, a triumph for all humankind.

And so it is with the holidays, for tonight the star of Bethlehem and the candles of the menorah will cast their light in American outposts around the world with a timeless message of hope and renewal that radiates to people of all faiths. Each of you is precious. Each life is important because it touches so many other lives. And while you may be out of America's sight, rest assured no matter where you serve you will never be out of America's heart.

Merry Christmas and happy holidays to you all. God keep you and watch over you. And God bless America.

Note: This message was recorded on December 11 in Room 459 of the Old Executive Office Building. It was broadcast on the Armed Forces Radio and Television Network to American troops worldwide on Christmas Day. A tape was not available for verification of the content of these remarks.

Exchange With Reporters

December 27, 1990

The President. I really just want to wish you all a happy New Year.

Persian Gulf Crisis

Q. What about a message for Saddam Hussein, sir?

The President. No, we have no message for him.

Q. What do you mean by rabbit trails running through the snow?

The President. I mean there are a lot of false leads out there. As a matter of fact -- --

Q. Are you upset about the report, sir?

The President. No, but as a matter of fact, I think it would be very useful if from the President and others there were fewer comments about readiness. And I don't plan to make any comments about it at all. And I did make a comment earlier. And I feel very comfortable with the briefing I had from the Chairman of the Joint Chiefs, Colin Powell, and the Secretary of Defense. I mentioned to some earlier, I talked to General Schwarzkopf over the holidays, and there has been enough said about readiness. And I don't plan to continue to add to the debate at all. I'm very comfortable with the briefing. And the briefing I had was quite different than most of the stories I'm reading in the last day or two. So, that's what I mean about rabbit trails.

Q. Are Cheney and Powell's comments accurate? They were quoted as saying, in advising you, that U.S. troops would not be ready by -- --

The President. I've said all I want to say about readiness.

Soviet Union

Q. What about the Soviet Union, sir? In general terms, without divulging the confidentiality of the message, what was the word from the Ambassador today, sir?

The President. Well, if I divulge what the word was from the Ambassador, I would be breaching the confidentiality. However, there were some very friendly words of greeting from President Gorbachev. And I had a chance to ask the Ambassador to give him our best wishes for a happy New Year. We obviously discussed some of the problems that exist there. But it was just one

more in what's become a series of exchanges with the President of the Soviet Union. That's good; it's good that we keep discussing these -- --

Q. What's your reading on the current situation in the Soviet Union?

The President. Well, my reading is that they are having difficulties -- economic difficulties, principally -- difficulties in sorting out this new federation. But any time you move from a totalitarian, totally controlled state to an open state -- perestroika, glasnost -- perestroika in terms of reform, glasnost in terms of openness -- you're bound to have problems. It's not just the Soviet Union; they are having problems in Eastern Europe. But the main thing is, there's a determination to keep going down this path of reform, and that's very important. But far be it from me to try to fine-tune the difficulties that they're having there.

Q. Aren't you concerned the pendulum seems to be swinging back the other way? Mr. Gorbachev wants more control. Mr. Shevardnadze was very concerned about that.

The President. Well, I think they can sort all that out.

Q. Doesn't trouble you at all, though?

Persian Gulf Crisis

Q. Why don't you straighten us out on the question of readiness and on the serious talks which Saddam said he'd like to have?

The President. Saddam keeps saying that Kuwait is Province 19 of Iraq, and that flies directly in the face of the United Nations resolutions, and I think everybody knows that. And therefore, there's no willingness to talk peace if that's the position, because there is a determination on the part of the rest of the world to see those United Nations resolutions implemented to a tee, without concession, without giving. That's not what the U.N. resolutions are about. They are very, very clear. And the United States will do its part to fulfill every single one of them.

Q. Mr. President, what message do you have to the American people regarding the January 15th -- the United Nations resolution?

The President. My message to the American people, particularly at this time of year, is I hope we will have a peaceful resolution to this question. And I hope that the brutality that's going on in Kuwait this very minute, documented by that Amnesty International report, will cease. And I can guarantee to the families of those kids that are overseas that I will do absolutely everything in my power to see that their safety is maximized and that they get the full support from the American people they deserve.

Q. Has the Soviet Union reaffirmed their support for our Gulf policy, sir?

Q. Sir, you wouldn't send troops over there -- commit troops over there, rather, to action unless you felt the U.S. was fully prepared and ready.

The President. Exactly, exactly.

Q. Mr. President, is it incorrect then -- are the reports -- in addition to being rabbit trails -- are they incorrect to state that the U.S. troops will not be ready by January 15th?

The President. I read one report about what Powell and Cheney told me, and it was 180 degrees wrong. And I am not going to say any more about readiness.

Q. Which one was that? [Laughter]

The President. I think it was -- what outfit do you work for? [Laughter]

Come on, I got to go.

Q. Did the Soviet Union reaffirm their support, Mr. President?

Q. You claimed Saddam -- --

The President. No progress. No progress on that.

Q. -- -- didn't seriously -- that Saddam still didn't take the threat seriously.

The President. I believe that. I believe that. I think he still does not believe that we are serious and our allies are serious in fully implementing these United Nations resolutions. I read the comments he makes about war, and I find it very difficult to believe he believes them -- what would happen to him. So, I don't know. But we're -- I think -- --

Q. Well, maybe he doesn't think we're ready.

The President. I still am hopeful that he'll get the message and he'll do what he ought to do, which is get out of Kuwait by the 15th of January -- totally, without condition. The world community has called on him to do that. It's enshrined now in international law as represented by the Security Council. And he tries to make it into something else.

Q. You don't believe that he can do that?

The President. Yes, I believe he can. I'm not sure I believe he will.

Q. You don't think there will be a breakthrough, diplomatically?

The President. I would hope so. I would hope so.

Q. Is there any room for compromise on the date -- --

The President. No compromise on anything. That's the problem. Everybody wants you to compromise. There is not going to be a compromise with this man. That would be the worst signal to send to the people around the world that are together. It wasn't just the U.N. Security Council; it was the whole General Assembly speaking up against this person.

Q. Has the U.S. promised Israel -- --

The President. So, the United States will do its part.

Q. Has the U.S. promised Israel that we will defend them if they are attacked?

The President. I have no comments on that.

Thank you all.

President's Schedule

Q. Will you be back between now and New Year's?

The President. I don't know. I would like to lay to rest one ugly rumor -- --

Q. Are you bored?

The President. -- -- that I'm bored to tears. [Laughter] I've never been happier in my life up there.

Q. So, what are you doing here?

The President. Barbara and me, we sit by the fire. We have a wonderful time. [Laughter] Get on the long-distance phone -- dial it up.

Q. What are you doing -- --

Q. So, what are you doing here then?

The President. Playing wallyball.

Q. What did you get for Christmas?

The President. We have two to one -- the Bush family against the marines in wallyball. There's some news, Helen [Helen Thomas, United Press International] -- two victories over only one defeat.

Q. Well, listen, we should be worrying about war while you're having such a good time?

The President. That's right -- I'm not. Everybody should be having a little relax here at the end between -- --

Q. How can they when there's a war coming?

The President. -- -- Christmas and the New Year. Helen, don't be so gloomy. [Laughter]

We'll see you. Thank you all.

Q. Will we see you -- --

The President. Depends if I get bored up there. [Laughter]

Q. -- -- RNC chairman?

Q. General [Brent Scowcroft, Assistant to the President for National Security Affairs], come over here. We know that you're the source of the New York Times -- --

The President. Get Andy out there.

Q. Who's the new RNC chairman?

The President. Scowcroft is mad at me. Scowcroft is furious at me. He was out here to see I didn't make any mistakes.

Have a good New Year.

Note: The exchange began at 1:45 p.m. on the South Lawn of the White House, prior to the President's departure for Camp David, MD. In his remarks, President Bush referred to President Saddam Hussein of Iraq; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the

Persian Gulf; Aleksandr A. Bessmertnykh, Soviet Ambassador to the United States; and Eduard A. Shevardnadze, former Soviet Foreign Minister.

Presidential Determination No. 91 - 10 -- Memorandum on the Cancellation of Egyptian Military Debt

December 27, 1990

Memorandum for the Secretary of the Treasury and the Secretary of Defense

Subject: Presidential Determination on Egyptian Foreign Military Sales (FMS) Debt

Section 592(d)(1) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513) (the ``Act'') authorizes me, notwithstanding any other provision of law, in the context of certain multilateral debt negotiations, to reduce to zero certain notes related to Egypt's FMS debt if other major holders of Egyptian military debt agree to equal or comparable reductions. I have concluded that such other creditors do not agree to comparable reductions in their military debt.

By virtue of the authority vested in me by section 592 of the Act, I hereby determine that it is essential to the national security interests of the United States to unilaterally cancel the requirement of Egypt to repay the United States for such Egyptian military debt; and that it is essential to the success of Desert Shield and to enhance peace and stability in the Middle East to reduce to zero the amounts described in section 592(e)(2) of the Act.

By virtue of the authority vested in me by the Constitution and laws of the United States of America, including section 592 of the Act, and section 301 of title 3 of the United States Code, I hereby delegate to the Secretary of Defense the functions under section 592(e)(2) of the Act, provided that the functions conferred by subparagraph (B) thereof shall be exercised by the Secretary of Defense in consultation with the Secretary of the Treasury.

The Secretary of the Treasury is authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:36 a.m., December 31, 1990]

Note: The memorandum was released by the Office of the Press Secretary on December 28.

Letter to Congressional Leaders on the Cancellation of Egyptian Military Debt

December 27, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to the authority vested in me by section 592(d) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513) (the ``Act''), I hereby report under paragraph (1) thereof. The basis for this report is described more fully in the attachment to this letter entitled Status of U.S. Efforts on Egyptian Debt.

I am simultaneously providing copies of a memorandum, signed by me today, in which I make certain determinations under section 592(d)(2) and 592(e)(2) of the Act. These determinations form an integral part of my report under paragraph (1) of section 592(d) of the Act. The attached Memorandum of Justification Regarding Presidential Determinations under Section 592 sets forth more fully the basis for these determinations.

Accordingly, I have authorized the Secretary of Defense and the Secretary of the Treasury to take the appropriate steps to reduce to zero amounts owed in connection with Egypt's remaining Foreign Military Sales debt.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter was released by the Office of the Press Secretary on December 28.

Presidential Determination No. 91 - 11 -- Memorandum on Trade With the Soviet Union

December 29, 1990

Memorandum for the Secretary of State

Subject: Determination under Section 402(c)(2)(A) of the Trade Act of 1974, as amended -- Soviet Union

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2432(c)(2)(A)), as amended, (the ``Act''), I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to the Soviet Union will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

[Filed with the Office of the Federal Register, 3:30 p.m., January 14, 1991]

Letter to Congressional Leaders on Trade With the Soviet Union

December 29, 1990

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to subsection 402(c)(2)(A) of the Trade Act of 1974 (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 with respect to the Soviet Union will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received assurances with respect to the emigration practices of the Soviet Union required by subsection 402(c)(2)(B) of the Act. This letter constitutes the report to the Congress required by subsection 402(c)(2).

Pursuant to subsection 402(c)(2), I shall issue an Executive order waiving the application of subsections (a) and (b) of section 402 of the Act with respect to the Soviet Union.

I note that this waiver will apply to Estonia, Latvia, and Lithuania. This in no way affects the long-standing U.S. policy of not recognizing the forcible incorporation of Estonia, Latvia, and Lithuania into the Soviet Union or our support for the right of the Baltic states to self-determination.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Appendix A -- Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this book.

January 1

In the morning, the President and Mrs. Bush left Houston, TX, and traveled to Montgomery, AL, where they visited the home of Ray and Susan Scott. In the evening, they returned to Washington, DC.

January 2

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President and Mrs. Bush traveled to Lincoln, MA, to attend funeral services for Alexander Ellis II, the President's brother-in-law. In the afternoon, the President and Mrs. Bush returned to Washington, DC.

January 3

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President telephoned Gen. Maxwell Thurman, commander of SOUTHCOM, to discuss the situation in Panama.

January 4

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President spoke by telephone with Pope John Paul II about the situation in Panama.

January 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Attorney General Richard L. Thornburgh;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

January 6

In the evening, the President and Mrs. Bush attended a performance of ``A Tuna Christmas'' at the John F. Kennedy Center for the Performing Arts.

January 8

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President met with Katherine Donihi in Orlando, FL, to thank her for her volunteer activities.

January 9

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Secretary of the Treasury Nicholas F. Brady;

-- Ilona Hardy, head of the Hungarian Stock Exchange;

-- John H. Sununu, Chief of Staff to the President.

January 10

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- editors of Business Week magazine, for an interview;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President telephoned Violeta Chamorro, Nicaraguan Presidential candidate and editor of La Prensa, who was undergoing medical treatment in Houston, TX.

The President declared that a major disaster existed in farming communities of the Rio Grande Valley in Texas as a result of the severe winter freeze that began on December 21. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

January 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Education Lauro F. Cavazos;

-- the Education Policy Advisory Committee;

-- John H. Sununu, Chief of Staff to the President.

January 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Foreign Minister Gerard Collins of Ireland;

-- Asian-American Republicans.

In the morning, the President traveled to Cincinnati, OH.

January 15

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

The President declared that a major disaster existed in farming communities in Florida as a result of the severe winter freeze that began on December 23. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

January 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President visited the home of Thomas and Corena Jones, public housing tenants in Alexandria, VA, to discuss antidrug efforts in the neighborhood. The President was accompanied by Secretary of Housing and Urban Development Jack Kemp; William Cleveland, Alexandria city councilman; and Ramona Younger, leader of the Alexandria Public Housing Residents Council. He then went to the Charles Houston Community Center, where he met with Alexandria residents and activists involved in antidrug and tenant ownership efforts. Following the meeting, he returned to the White House.

January 17

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that Robert M. Gates, Assistant to the President and Deputy for National Security Affairs, will meet with President Corazon C. Aquino and Secretary of National Defense Fidel Ramos in Manila to convey President Bush's continuing strong commitment to democracy in the Philippines and to discuss the security situation and the Government's economic and military programs.

January 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Glenn ``Bo'' Schembechler, coach of the University of Michigan football team.

The President declared that a major disaster existed in Lewis County, WA, as a result of severe storms and flooding that began on January 6. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

January 19

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, the President traveled to Atlanta, GA, where he addressed the National Association of Home Builders. In the afternoon, he traveled to Florida, where he toured Everglades National Park.

January 21

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

January 22

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Benjamin Hooks, executive director of the National Association for the Advancement of Colored People;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that the President recess-appointed the following individuals to be members of the Board of Directors of the Legal Services Corporation:

For a term expiring July 13, 1990:

Howard H. Dana, Jr., of Maine. He would succeed Thomas F. Smegal, Jr. Currently Mr. Dana serves as a partner with the law firm of Verrill and Dana in Portland, ME.

Luis Guinot, Jr., of Puerto Rico. He would succeed Michael B. Wallace. Currently Mr. Guinot serves as an attorney with the law firm of Kelley, Drye and Warren in Washington, DC.

Penny L. Pullen, of Illinois. She would succeed William Clark Durant. Currently Ms. Pullen serves as State representative and house minority leader for the 55th district in Illinois.

Xavier L. Suarez, of Florida. He would succeed Basile Joseph Uddo. Currently Mr. Suarez serves as the mayor of Miami and as a partner with the law firm of Tew, Jordan and Schulte in Miami.

George W. Wittgraf, of Iowa. He would succeed Paul B. Eaglin. Currently Mr. Wittgraf serves as a partner with the law firm of Sayre and Wittgraf in Cherokee, IA.

For a term expiring July 13, 1992:

John F. Collins, of Massachusetts. He would succeed Robert A. Valois. Currently Mr. Collins is self-employed.

Jo Betts Love, of Mississippi. Ms. Love would succeed Lorain Miller.

Guy Vincent Molinari, of New York. He would succeed Claude Galbreath Swafford. Currently former Congressman Molinari serves as borough president of Staten Island.

Jeanine E. Wolbeck, of Minnesota. She would succeed Hortencia Benavidez.

January 23

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

January 24

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President and Senate Republican leaders, for breakfast;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to nominate the following individuals to be members of the National Commission on Libraries and Information Science. These are reappointments.

For a term expiring July 19, 1994:

Daniel W. Casey, of New York. Mr. Casey served a 5-year term on the National Commission on Libraries and Information Science.

Elinor H. Swaim, of North Carolina. For 4 years, Ms. Swaim has served as chairman of the North Carolina Library Commission.

For the remainder of the term expiring July 19, 1993:

Wanda L. Forbes, of South Carolina. Since 1984 Ms. Forbes has served as a member of the National Commission on Libraries and Information Science.

Charles E. Reid, of New Jersey. Mr. Reid currently serves as senior vice president of the Weingarten Group in Iselin, NJ.

The President declared that a major disaster existed in the western coastal area of Oregon as a result of severe storms and flooding that began on January 6. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

January 25

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President presented the Presidential Commendation to the National Football League Charities and former commissioner of the National Football League Pete Rozelle in the Diplomatic Reception Room.

The President announced his intention to appoint the following individuals to be members of the Committee for the Preservation of the White House:

Wendy A. Cooper, of Maryland. She would succeed Mrs. John F. Kennedy. Currently she serves as curator of decorative arts for the Baltimore Museum of Art in Baltimore, MD.

Mrs. Dorothy M. Craig, of Texas. She would succeed Mrs. Hugo Neuhaus, Jr.

Mrs. Charles W. Engelhard, of New Jersey. This is a reappointment.

Jonathan Leo Fairbanks, of Massachusetts. He would succeed Mrs. Ogden Phipps. Currently Mr. Fairbanks serves as the Katharine Lane Weems curator of American decorative arts and sculptor at the Museum of Fine Arts in Boston, MA.

Mark Hampton, of New York. He would succeed Mrs. Clare Boothe Luce. Currently Mr. Hampton is an interior designer for Mark Hampton, Inc., in New York, NY.

William Kloss, of the District of Columbia. He would succeed Wiley T. Buchanan, Jr. Currently Mr. Kloss is a self-employed art historian, writer, curator, lecturer, and consultant.

Richard C. Nylander, of New Hampshire. He would succeed Gertrude Adams Mellon. Currently Mr. Nylander serves as curator of collections at the Society for the Preservation of New England Antiquities in Boston, MA.

John Wilmerding, of New Jersey. He would succeed Mrs. Lucille Gannon Murchison. Currently Mr. Wilmerding is the Christopher Binyon Sarofim professor in American art at the department of art and archeology at Princeton University and visiting curator at the Henry R. Luce Center for the Study of American Art at the Metropolitan Museum of Art.

The President announced his intention to nominate Ronald William Roskens, Administrator-designate of the Agency for International Development at the U.S. International Development Cooperation Agency, to be a member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1992, and announced his intention to appoint him as Special Coordinator for International Disaster Assistance.

January 26

The President met at the White House with:

-- Republican mayors;

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Natan Shcharanskiy;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to designate Charles E. Reid, of New Jersey, as Chairman of the National Commission on Libraries and Information Science upon confirmation by the Senate.

January 27

In the afternoon, the President attended the Alibi Club luncheon, and in the evening, he attended the Alfalfa Club dinner.

January 28

In the morning, the President and Mrs. Bush attended services at the John Wesley Zion Church, where the President addressed the congregation.

January 29

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the congressional leadership;

-- British Foreign Secretary Douglas Hurd;

-- Secretary of the Treasury Nicholas F. Brady.

In the afternoon, the President and Mrs. Bush hosted a reception on the State Floor for the Republican Eagles, a group of major donors to the party.

In the evening, the President and Mrs. Bush attended the Republican Eagles inaugural gala at the John F. Kennedy Center for the Performing Arts.

January 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Dewey Stokes, chairman of the National Fraternal Order of Police, and members of the National Fraternal Order of Police Board;

-- John H. Sununu, Chief of Staff to the President.

January 31

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the congressional leadership;

-- Secretary of State James A. Baker III;

-- the Cabinet;

-- John H. Sununu, Chief of Staff to the President.

The President telephoned Chairman Mikhail Gorbachev of the Soviet Union to discuss the U.S. proposal to reduce conventional forces in Central and Eastern Europe to 195,000 on each side.

The White House announced that President Bush has invited President Vaclav Havel of Czechoslovakia to make a working visit to the United States. President Havel has accepted the invitation and will meet with President Bush at the White House on February 20.

The White House also announced that the President has invited Prime Minister Tadeusz Mazowiecki of Poland to make an official visit to the United States. The Prime Minister has accepted the invitation and will meet with the President at the White House in March.

The following individuals will comprise the Presidential delegation to attend the 25th anniversary celebration of The Gambia's independence on February 18:

Delegation Chairman:

George W. Bush, managing general partner, Texas Rangers, and Laura Bush.

Delegates:

Elsie Hillman, Republican National Committeewoman from Pennsylvania.

Capt. John Young, NASA astronaut.

Stan Scott, president, Crescent Distributing Co.

Warren Iliff, director, Dallas Zoo.

February 1

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- conservative Christian leaders;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the third biennial report of the Interagency Arctic Research Policy Committee (February 1, 1988, to January 31, 1990) and the report on the operation of the Generalized System of Preferences (GSP) program.

February 2

The President met at the White House with John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, the President traveled to Knoxville, TN.

February 3

In the morning, the President met with his science advisers.

February 4

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD. Later, the President and Mrs. Bush hosted an ``In Performance at the White House'' concert.

February 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and the CIA briefing staff;

-- Jewish community leaders;

-- Secretary of Defense Richard B. Cheney.

In the morning, the President telephoned Prime Minister Yitzhak Shamir of Israel to offer his condolences over the terrorist killings of Israeli academics on February 4.

At noon, the President had lunch with Representatives G.V. (Sonny) Montgomery and John Paul Hammerschmidt in the House Members Dining Room at the Capitol.

The President transmitted to the Congress the following:

-- the 10th annual report of the Federal Labor Relations Authority, covering fiscal year 1988;

-- the annual report on hazardous materials transportation, covering calendar year 1988; and

-- the Saint Lawrence Seaway Development Corporation annual report, covering calendar year 1988.

February 6

The President declared that a major disaster existed in the Commonwealth of the Northern Mariana Islands as a result of Typhoon Koryn, which struck the area on January 15 and 16. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President transmitted to the Congress a $570 million package of fiscal year 1990 supplementals that included the following:

-- $500 million for increased aid to Panama, as announced by the President on January 19th;

-- $70 million for increased refugee assistance;

-- appropriations language that would allow the U.S. Governor of the International Bank for Reconstruction and Development to purchase shares in a general capital increase of the Bank.

The budget authority and outlays for these requests would be fully offset by transfers and deferrals from the Department of Defense.

The President transmitted to the Congress the following:

-- the annual report of the Commodity Credit Corporation for fiscal year 1988;

-- the 1989 annual report on Alaska's mineral resources; and

-- the 18th annual report on Federal advisory committees for fiscal year 1989.

February 7

The White House announced that the President has invited Chancellor Helmut Kohl of the Federal Republic of Germany to make a working visit to the United States. Chancellor Kohl has accepted the invitation and will meet with the President at Camp David on February 24 and 25.

The White House announced that the President has invited Prime Minister Charles J. Haughey of Ireland to make a working visit to the United States. Prime Minister Haughey has accepted the invitation and will meet with the President at the White House on February 27.

February 8

The White House announced that the President has invited Secretary General Manfred Woerner of the North Atlantic Treaty Organization to make a working visit to the United States. Secretary General Woerner has accepted the invitation and will meet with the President at Camp David on February 10 and 11.

February 9

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and the CIA briefing staff;

-- the Vice President, for lunch;

-- crewmembers of the space shuttle Discovery.

The White House announced that President Bush has invited President Alberto Chissano of Mozambique to make a working visit to the United States. President Chissano has accepted the invitation and will meet with President Bush on March 13.

The President declared that a major disaster existed in the Territory of American Samoa as a result of Hurricane Ofa, which struck the area on February 2. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the afternoon, the President went to Camp David, MD, for the weekend.

February 11

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD. They taped a television program to be aired by the American Broadcasting Company honoring literacy workers and volunteers.

February 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President hosted a state dinner for President Denis Sassou-Nguesso of the Congo in the State Dining Room.

February 13

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Cabinet and advisers, to discuss issues related to the upcoming drug summit in Cartagena, Colombia;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to nominate the following individuals to be members of the Board of Directors of the Inter-American Foundation for a term of 6 years:

Frank D. Yturria, of Texas. This is a new position. Upon confirmation he will be designated Chairman. Currently Mr. Yturria serves as a rancher and banker in Brownsville, TX.

Norton Stevens, of New York. This is a new position. Currently Mr. Stevens serves as an associate with Donaldson Enterprises in New York, NY.

The President announced his intention to nominate the following individuals to be members of the Board of Directors of the State Justice Institute:

For a term expiring September 17, 1991:

Terrence B. Adamson, of Georgia. He would succeed Lawrence H. Cooke. Currently Mr. Adamson serves as a partner with the law firm of Dow, Lohnes and Albertson in Atlanta, GA.

Vivi L. Dilweg, of Wisconsin. She would succeed Rodney A. Peeples. Currently Mrs. Dilweg serves as the Brown County Circuit Judge, Branch II, for general jurisdiction in Green Bay, WI.

For a term expiring September 17, 1992:

Carl F. Bianchi, of Idaho. He would succeed Larry P. Polansky. Currently Mr. Bianchi serves as the administrative director of the courts for the State of Idaho.

James Duke Cameron, of Arizona. This is a reappointment. Currently Mr. Cameron serves as justice for the supreme court in the State of Arizona.

Janice L. Gradwohl, of Nebraska. This is a reappointment. Currently Mrs. Gradwohl serves as judge for the county court for the third judicial district in Lancaster County, NE.

Malcolm M. Lucas, of California. He would succeed Ralph J. Erickstad. Currently Mr. Lucas serves as the chief justice of California and chairman of the Judicial Council of California in San Francisco, CA.

The President announced his intention to appoint the following individuals to be members of the U.S. Holocaust Memorial Council:

For a term expiring January 15, 1995:

Charles S. Ackerman, of Georgia. He would succeed Eli Zborowski. Currently Mr. Ackerman serves as president and chief executive officer of Ackerman and Co. in Atlanta, GA.

Catherine Zachs Gildenhorn, of Maryland. She would succeed Sigmund Strochlitz. Currently Mrs. Gildenhorn serves as a consultant in Chevy Chase, MD.

William J. Lowenberg, of California. This is a reappointment, and he will be reappointed as vice chairperson. Currently Mr. Lowenberg serves as vice chairperson of the U.S. Holocaust Memorial Council in San Francisco, CA.

Julius Schatz, of New York. This is a reappointment. Currently Mr. Schatz serves as a consultant on federations and Jewish elder seminars for the American Jewish Conference in New York, NY.

For a term expiring January 15, 1994:

John T. Pawlikowski, of Illinois. This is a reappointment. Currently Mr. Pawlikowski serves as a Servite priest and professor of social ethics at Catholic Theological Union in Chicago, IL.

The President designated the following individuals:

Edward E. Hood, Jr., of Connecticut, to be Chairman of the President's National Security Telecommunications Advisory Committee. He would succeed Paul H. Henson. Currently Mr. Hood serves as vice chairman and executive officer of the General Electric Co. in Fairfield, CT.

Robert E. Allen, of New Jersey, to be Vice Chairman of the President's National Security Telecommunications Advisory Committee. He would succeed Edward E. Hood. Currently Mr. Allen serves as chairman and chief executive officer of AT&T in New York, NY.

February 14

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Beverly Chapman, Disabled American of the Year;

-- Vanessa Vance, Easter Seal poster child;

-- representatives of the Non-Commissioned Officers Association;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that the President has invited Prime Minister Giulio Andreotti of Italy to visit Washington. The Prime Minister has accepted the invitation and will meet with the President at the White House on March 6.

February 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Cabinet;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Policy and Negotiations for terms of 2 years:

W.L. Lyons Brown, Jr., of Kentucky. This is a reappointment. Currently Mr. Brown serves as chairman and chief executive officer of the Brown Forman Corp. in Louisville, KY.

A.W. Clausen, of California. He would succeed Mark Sheperd, Jr. Currently Mr. Clausen serves as chairman and chief executive officer of the Bank America Corp. in San Francisco, CA.

Robert W. Galvin, of Illinois. He would succeed Robert H. Beeby. Currently Mr. Galvin serves as chairman of the board of Motorola, Inc., in Schaumburg, IL.

Stanley C. Gault, of Ohio. This is a reappointment. Currently Mr. Gault serves as chairman and chief executive officer of Rubbermaid, Inc., in Wooster, OH.

Maurice R. Greenberg, of New York. This is a reappointment. Currently Mr. Greenberg serves as president and chief executive officer of the American International Group, Inc., in New York, NY.

Philip E. Lippincott, of New Jersey. This is a reappointment. Currently Mr. Lippincott serves as chairman of the board, president, and chief executive officer of Scott Paper Co. in Philadelphia, PA.

Richard M. Morrow, of Illinois. He would succeed Peter J. Wallison. Currently he serves as chairman and chief executive officer of the AMOCO Corp. in Chicago, IL.

Edmund T. Pratt, Jr., of New York. This is a reappointment. Currently he serves as chairman of the board and chief executive officer of Pfizer, Inc., in New York, NY.

George H. Weyerhaeuser, of Washington. He would succeed Mike Curb. Currently Mr. Weyerhaeuser serves as chairman and chief executive officer of the Weyerhaeuser Co. in Tacoma, WA.

John A. Young, of California. He would succeed Edson W. Spencer. Currently Mr. Young serves as president and chief executive officer of Hewlett-Packard in Palo Alto, CA.

In the afternoon, the President went to his home in Kennebunkport, ME, for the holiday weekend.

February 19

In the afternoon, the President returned to the White House from a weekend stay at his home in Kennebunkport, ME.

The President declared that a major disaster existed in the central part of Alabama as a result of severe storms, tornadoes, and flooding that began on February 3. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local efforts.

February 20

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Chancellor Franz Vranitzky of Austria;

-- Members of Congress and their constituents.

The President announced his intention to appoint Nina J. Stewart, of Maryland, to be Executive Director of the President's Foreign Intelligence Advisory Board. She would succeed Fred Ralph Demech, Jr. Currently Mrs. Stewart serves as Acting Executive Director of the President's Foreign Intelligence Advisory Board in Washington, DC.

The President announced his intention to appoint the following individuals to be members of the Board of Directors of the Pennsylvania Avenue Development Corporation for a term of 6 years expiring October 26, 1994:

Walter John Ganzi, Jr., of the District of Columbia. He would succeed Arthur A. Fletcher. Currently Mr. Ganzi serves as president and chairman of the board of the Palm Management Corp. in Washington, DC.

Jayne Brumley Ikard, of the District of Columbia. She would succeed Henry A. Berliner, Jr. Currently Mrs. Ikard serves as a public affairs consultant at the Joint Center for Political Studies in Washington, DC.

The President announced his intention to appoint the following individuals to be members of the National Critical Materials Council:

D. Allan Bromley, Director of the Office of Science and Technology Policy. He would succeed Donald P. Hodel. Upon appointment, he will be designated Chairman.

T.S. Ary, Director of the Bureau of Mines. He would succeed Thomas Gale Moore.

W. Henson Moore, Deputy Secretary of Energy. He would succeed William F. Martin.

February 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- national board members of Mothers Against Drunk Driving;

-- publishers of African-American publications;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the late afternoon, the President and Mrs. Bush hosted a reception and concert in the East Room for National Symphony Orchestra artistic director Mstislav Rostropovich.

The President announced his intention to appoint the following individuals to be members of the President's Council on Physical Fitness and Sports:

Suzanne P. Timken, of Ohio. She would succeed Mark Saginor. Upon appointment she will be designated Vice Chairman. Currently Ms. Timken serves as a lecturer and public speaker in Canton, OH.

Barbara Jane Blalock, of New Hampshire. She would succeed Bernard Cahill. Currently Ms. Blalock serves as vice president of sales for Pandick New England in Boston, MA.

Myrna L. Partrich, of Michigan. She would succeed Robert Levy. Currently Mrs. Partrich serves as coowner of the Work Out Co. Exercise Studio in Birmingham, MI.

Cory SerVaas, of Indiana. She would succeed Donn Moomaw. Currently Dr. SerVaas serves as editor and publisher of the Saturday Evening Post and president and medical research director of the Benjamin Franklin Literacy and Medical Society in Indianapolis, IN.

Christine I. Silkwood, of Texas. She would succeed Wayne Newton. Currently Ms. Silkwood serves as president of Silkwood Enterprises in Houston, TX.

Peter G. Vidmar, of California. He would succeed Jere Thompson. Peter Vidmar was the premier male gymnast for the United States in the 1984 Olympics and currently serves as owner of Vidmar and Co. in Irvine, CA.

Gary C. Visconti, of California. He would succeed David A. Werblin. Currently Mr. Visconti serves as president of the Southern California Olympians and president of Pro Skates, Inc., in Culver City, CA.

February 22

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- His Royal Highness, Prince Bandar bin Sultan bin `Abd al-`Aziz, the Ambassador from Saudi Arabia;

-- His Royal Highness, Charles, the Prince of Wales, for lunch.

The President announced that the following individuals will comprise the U.S. delegation to the inauguration of President Luis Alberto Lacalle of Uruguay, March 1.

Delegation Chairman:

Dick Thornburgh, United States Attorney General, and Ginny Thornburgh.

Delegates:

Wales H. Madden, Jr., attorney and businessman, Amarillo, TX.

Thomas W. Moseley, former executive, GATX Corp., Gates Mills, OH.

Remedios Diaz-Oliver, chief operating officer and executive vice president, American International Container, Inc., Miami, FL.

Gaddi H. Vasquez, county supervisor, Orange County, CA.

Malcolm R. Wilkey, U.S. Ambassador to Uruguay.

The President announced that the following individuals will comprise the U.S. delegation to the United Nations Commission on the Status of Women, which will convene in Vienna, Austria, from February 26 - March 9:

Head of Delegation:

Juliette Clagett McLennan, Representative of the United States to the United Nations Commission on the Status of Women.

Alternates:

Theresa Elmore Behrendt, fundraising consultant, Bush/Quayle '88.

Jennifer Dunn, chairman, Washington State Republican Committee.

Bonnie Guiton, special adviser to the President for consumer affairs.

Elsie Vartanian, assistant majority leader, New Hampshire House of Representatives; president of the national Republican Legislators Association; New Hampshire Republican national committeewoman and northeastern vice chairman.

Adis Maria Vila, Assistant Secretary of Agriculture for Administration.

The President announced his intention to appoint the following individuals to be members of the Commission of Fine Arts for a term of 4 years:

Joan Abrahamson, of California. She would succeed Diane Wolf. Currently Dr. Abrahamson serves as president of the Jefferson Institute in Beverly Hills, CA.

J. Carter Brown, of the District of Columbia. This is a reappointment. Currently Mr. Brown serves as director of the National Gallery of Art in Washington, DC.

Robert A. Peck, of the District of Columbia. He would succeed Carolyn Deaver. Currently Mr. Peck serves as an associate with the law firm of Jones, Day, Reavis and Pogue in Washington, DC.

February 23

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Prime Minister Jan P. Syse of Norway;

-- Arthur A. Fletcher, newly appointed Chairman of the Commission on Civil Rights;

-- the Vice President, for lunch;

-- members of the Overseas Private Investment Corporation-sponsored investment mission to Panama;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President declared that a major disaster existed in the northwestern part of Georgia as a result of severe storms and tornadoes that began on February 10. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local efforts.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

February 26

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Michael J. Boskin, Chairman of the Council of Economic Advisers;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted the 1988 annual report on the administration of the Federal Railroad Safety Act of 1970.

The President announced his intention to appoint the following individuals to be members of the President's Intelligence Oversight Board:

James R. Thompson, Jr., of Illinois. He would succeed W. Glenn Campbell. Upon his appointment he will be designated Chairman. Currently James R. Thompson serves as the Governor of Illinois.

Amos A. Jordan, Jr., of Virginia. He would succeed Charles Tyroler II. Currently Dr. Jordan serves as vice chairman of the board of trustees and as the Henry Kissinger chair in national security policy at the Center for Strategic and International Studies in Washington, DC.

The White House announced that the following individuals will comprise the Presidential delegation to Moroccan Throne Day, March 3:

Delegation Chairman:

Caspar W. Weinberger, former Secretary of Defense, and Jane Weinberger

Delegates:

Dorothy Bush LeBlond, of Maine

Betsy H. Heminway, Connecticut State cochairman, Bush/Quayle '88

Jack C. Jansing, chairman of the board, Independent Election Corp. of America

Shelley Bush Jansing, of New York

February 27

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- Jennifer Carol Price, national poster child for asthma and allergy;

-- child-care constituency groups;

-- Walter Momper, governing mayor of Berlin;

-- Secretary of Agriculture Clayton K. Yeutter;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the annual report on mine safety and health activities for fiscal year 1988.

The President announced his intention to nominate the following individuals to be members of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1992:

J. Carter Beese, Jr., of Maryland. He would succeed Donley L. Brady. Currently Mr. Beese serves as a partner with Alex Brown and Sons in Baltimore, MD.

Donald Burnham Ensenat, of Louisiana. He would succeed Mitchell E. Daniels, Jr. Currently

Mr. Ensenat serves as managing director of Hoffman, Sutterfield, Ensenat and Bankston in New Orleans, LA.

The President transmitted to the Congress the 1990 trade policy agenda and 1989 annual report on the Trade Agreements Program.

February 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Chief Mangosuthu Gatsha Buthelezi of South Africa.

The White House announced that the President telephoned Chairman Mikhail Gorbachev of the Soviet Union to discuss developments in Nicaragua and Eastern Europe.

The President announced his intention to appoint the following individuals to be members of the Board of Directors of the Student Loan Marketing Association:

Harry R. King, of Kentucky. He would succeed Edward A. McCabe. Upon appointment he will be designated Chairman. Currently Mr. King serves as principal of the Cypress Creek Co. in Louisville, KY.

Stan Huckaby, of Tennessee. He would succeed Earl S. Smittcamp. Currently Mr. Huckaby serves as owner and founder of Huckaby and Associates in Alexandria, VA.

The President announced his intention to nominate the following individuals to be members of the Board of Regents of the Uniformed Services University of the Health Sciences:

Clarence S. Avery, of California, for a term expiring June 20, 1995. He would succeed Ann S. Peterson. Currently Dr. Avery serves as a staff surgeon at Nathaniel C. Holderman Hospital in Yountville, CA.

George Tryon Harding IV, of Ohio, for a term expiring May 1, 1995. This is a reappointment. Currently Dr. Harding serves as a clinical professor of psychiatry at Ohio State University, College of Medicine, in Worthington, OH.

The President declared that a major disaster existed in Hamilton and Polk Counties in Tennessee as a result of severe storms and flooding that began on February 15. He directed the Federal

Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

March 1

The President announced his intention to nominate the following individuals to be members of the National Science Board, National Science Foundation:

Peter H. Raven, of Missouri, for a term expiring May 10, 1994. He would succeed William A. Nierenberg. Currently Dr. Raven serves as the director of the Missouri Botanical Garden and Engelmann professor of botany at Washington University in St. Louis, MO.

Benjamin S. Shen, of Pennsylvania, for a term expiring May 10, 1994. He would succeed Norman C. Rasmussen. Currently Dr. Shen serves as the Reese W. Flower professor of astronomy and astrophysics at the University of Pennsylvania.

The President announced his intention to appoint Wade F. Horn to be a member of the National Commission on Children for a term expiring March 31, 1991. He would succeed Dodie Truman Borup. Currently Dr. Horn serves as Commissioner and Chief of the Children's Bureau at the Department of Health and Human Services in Washington, DC.

The President announced his intention to appoint Mark Victor Rosenker to be a member of the American Battle Monuments Commission. He would succeed Freda J. Poundstone. Currently Mr. Rosenker serves as vice president of the Electronic Industry Association in Washington, DC.

The President announced his intention to appoint Francis B. Schulte to be a member of the President's Education Policy Advisory Committee. This is a new position. Currently Most Reverend Schulte is the Archbishop of New Orleans in New Orleans, LA.

The President announced his intention to appoint the following individuals to be members of the Advisory Council on Historic Preservation:

William J. Althaus, mayor of York, PA, for a term of 4 years expiring June 10, 1993. This is a reappointment.

Gov. Michael Newbold Castle, of Delaware, for a term of 4 years expiring June 10, 1993. This is a reappointment.

March 2

In the afternoon, the President traveled to Palm Springs, CA, where he participated in a

welcoming ceremony for Prime Minister Toshiki Kaifu of Japan. In the evening, the President and Mrs. Bush hosted a dinner for the Prime Minister at the Annenberg residence in Palm Springs.

The President selected the following individuals as members of the U.S. delegation to the World Conference on Education for All, which will meet in Thailand, March 5 - 9:

Delegation Chairman:

Thomas H. Kean, president, Drew University, and former Governor of New Jersey

Delegates:

John R. Bolton, Assistant Secretary of State for International Organization Affairs

Julie Cooke, Director of Projects for Mrs. Bush

James E. Duffy, national spokesman, Project Literacy, and former president of the American Broadcasting Corp.

Observers:

Christopher T. Cross, Assistant Secretary of Education for Educational Research and Improvement

Bradley Langmaid, Acting Assistant Administrator for Science and Technology, Agency for International Development

The President announced his intention to appoint the following individuals to be members of the American Battle Monuments Commission:

William Campbell, of California. He would succeed Preston H. Long. Mr. Campbell is a retired State senator in California and currently serves as the president of the California Manufacturing Association.

Ronald D. Ray, of Kentucky. He would succeed Armistead Jones Maupin. Currently Mr. Ray serves as an attorney with the law firm of Ray and Morris in Louisville, KY.

March 4

In the evening, the President returned to the White House from Palm Springs, CA.

March 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Cabinet;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu, Chief of Staff to the President.

March 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

The President declared that a major disaster existed in the central part of Illinois as a result of a severe ice storm that began on February 14. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President announced his intention to nominate the following individuals to be members of the Board of Directors of the Corporation for Public Broadcasting:

Henry J. Cauthen, of South Carolina, for a term expiring March 1, 1994. He would succeed Howard D. Gutin. Currently Mr. Cauthen serves as president of the South Carolina Educational Television Network in Columbia, SC.

Lloyd Kaiser, of Pennsylvania, for a term expiring March 1, 1994. This is a reappointment. Currently Mr. Kaiser serves as president of QED Communications in Pittsburgh, PA.

The President has directed Salvatore R. Martoche, Assistant Secretary of the Treasury for Enforcement, to act as Director of the Office of Thrift Supervision. It is expected that Mr. Martoche will serve until a new Director is in place.

March 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Commerce Robert A. Mosbacher, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress a report on the results of investigations to determine the effect of imports on the national security during fiscal year 1989.

March 8

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President recorded two public service announcements at McDonough Memorial Gymnasium at Georgetown University.

The President announced the U.S. delegation to the inaugural ceremonies of the President-elect of the Republic of Chile, His Excellency Patricio Aylwin Azocar, to be held in Santiago, Chile, on March 11:

Personal Representative of the President to Head the Delegation:

Dan Quayle, Vice President of the United States of America

Representatives of the President, With the Rank of Special Ambassador:

Edward M. Kennedy, United States Senator from the State of Massachusetts

Bernard Aronson, Assistant Secretary of State for Inter-American Affairs

Charles A. Gillespie, Jr., U.S. Ambassador to the Republic of Chile

The President announced the U.S. delegation to the inaugural ceremonies of the President-elect of the Federative Republic of Brazil, His Excellency Fernando Collor de Mello, to be held in Brasilia, Brazil, on March 15:

Personal Representative of the President to Head the Delegation:

Dan Quayle, Vice President of the United States of America

Representatives of the President, With the Rank of Special Ambassador:

Marilyn Quayle, wife of the Vice President of the United States of America

Richard Huntington Melton, U.S. Ambassador to the Federative Republic of Brazil

March 9

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

March 11

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

March 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

March 13

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Republican congressional leaders;

-- John H. Sununu, Chief of Staff to the President.

The President sent to the Congress a proposed fiscal year 1990 supplemental request for $300 million for aid to Nicaragua.

March 14

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Federal agency chiefs, for lunch;

-- Secretary of State James A. Baker III;

-- Edward J. Moskal, president of the Polish American Congress;

-- Baptist editors and community leaders;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that the President and Prime Minister Margaret Thatcher of the United Kingdom have agreed to an informal meeting in Bermuda on April 13. The President will return to Washington, DC, on April 14.

The President announced his intention to appoint the following individuals to be members of the Federal Service Impasses Panel for terms expiring January 10, 1995:

Edwin D. Brubeck, of Indiana. He would succeed Thomas A. Farr. Currently Mr. Brubeck serves as a business representative for the Indiana State Building Trades Council in Indianapolis, IN.

Charles A. Kothe, of Oklahoma. He would succeed Jean T. McKelvey. Currently Mr. Kothe serves as special consultant to the Chairman of the Equal Employment Opportunity Commission; consultant to the University of Tulsa, College of Business Administration; and an attorney with the law firm of Pray, Walker, Jackman, Williamson, Marler in Oklahoma.

The White House announced that President Bush and President Francois Mitterrand of France have agreed to meet in Florida on April 19.

In the afternoon, President Bush spoke by telephone with President Guillermo Endara of Panama. The two Presidents discussed U.S. assistance for Panama and the war on drugs.

In the evening, the President and Mrs. Bush attended a performance of ``Stardust'' at the John F. Kennedy Center for the Performing Arts.

March 15

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of Congress;

-- Rev. Lazslo Tokes, hero of the Romanian revolution;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President spoke by telephone with Chancellor Helmut Kohl of the Federal Republic of Germany. The President and the Chancellor discussed the manner in which German-Polish border questions would be addressed.

In the evening, the President spoke by telephone with President-elect Violeta Chamorro of Nicaragua. They discussed U.S. assistance for Nicaragua and the Central American peace process.

March 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President;

-- the Vice President, for lunch.

The President announced the designation of the following U.S. Directors for the Polish-American Enterprise Fund and for the Hungarian-American Enterprise Fund:

Polish-American Enterprise Fund:

John P. Birkelund, chief executive officer, Dillon, Read & Co. (chairman)

Lane Kirkland, president, AFL - CIO

Zbigniew Brzezinski, Center for Strategic and International Studies

Charles Harper, chairman and chief executive officer, CONAGRA

Nicholas Rey, managing director, Bear, Stearns and Co.

Hungarian-American Enterprise Fund:

John Whitehead (chairman)

Daniel Burke, chief executive officer, Capital Cities/ABC

George Gould, vice chairman, Klingenstein Fields & Co.

Robert Hormats, vice chairman, Goldman Sachs International

Paul Marer, Indiana University

The President transmitted a classified report on foreign intelligence activities within the United States to the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate and to the Committee on Foreign Affairs and the Permanent Select Committee on Intelligence of the House of Representatives.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

March 18

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

March 19

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Emilio and Gloria Estefan, members of the Miami Sound Machine, a popular music group;

-- the Vice President, for lunch;

-- the executive committee of the National Conference of Republican County Officials;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President attended the swearing-in ceremony in the Old Executive Office Building for Gov. James R. Thompson as Chairman of the Intelligence Oversight Board.

March 20

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the congressional leadership, to discuss legislation providing assistance for Nicaragua and Panama;

-- President-elect Rafael Angel Calderon of Costa Rica;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President spoke by telephone with Chancellor Helmut Kohl of the Federal Republic of Germany. They discussed the national parliamentary elections in the German Democratic Republic and German reunification.

The President announced his intention to nominate James Henry Michel to be a member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1992.

The President transmitted to the Congress the annual report of ACTION for fiscal year 1988.

March 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- William H. Webster, Director of Central Intelligence;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the 23d annual report of the United States-Japan Cooperative Medical Science Program for the period of July 1988 to July 1989.

March 22

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Prime Minister Tadeusz Mazowiecki of Poland;

-- leaders of the National Conference of Catholic Bishops;

-- members of the Commission on Minority Business Development;

-- the Episcopal Council for Advice, for lunch;

-- John H. Sununu, Chief of Staff to the President.

In an Oval Office ceremony in the morning, the President presented the Cancer Courage Award to Dave Dravecky of the San Francisco Giants.

The President declared that a major disaster existed in Alabama as a result of severe storms and flooding that began on March 15. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President appointed the following individuals to be members of the Commission on Minority Business Development:

Hernando G. Caampued, of California. Currently Mr. Caampued serves as principal and founder of H.G. Caampued and Associates in Milpitas, CA.

Fern R. Espino, of Michigan. Currently Dr. Espino serves as dean of student development for GMI Engineering and Management Institute in Flint, MI.

David K. Lam, of California. Currently Dr. Lam serves as president and chief executive officer of the Expert Edge Corp. in Palo Alto, CA.

Wright Lowenstein Lassiter, Jr., of Texas. Currently Dr. Lassiter serves as president of El Centro College in Dallas, TX.

Sybil Collins Mobley, of Florida. Currently Dr. Mobley serves as dean of the School of Business and Industry at Florida Agricultural and Mechanical University.

William Hodges Mobley, of Texas. Currently Dr. Mobley serves as president of Texas A&M University in College Station, TX.

Maria Elena Torano Pantin, of Florida. Currently Mrs. Pantin serves as president and owner of Maria Elena Torano Associates, Inc., in Miami, FL.

Abel R. Quintela, of Texas. Currently Mr. Quintela serves as president of ACO Machine and Tool, Inc., in Odessa, TX, and as vice president of Alpha Sales and Rental Co. in Odessa, TX.

March 23

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the President's Council of Advisors on Science and Technology;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

March 25

In the afternoon, the President and Mrs. Bush returned to the White House from Camp David, MD.

In the evening, the President and Mrs. Bush attended the Ford's Theatre gala.

March 26

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of McDonald's Capital Classic all-star high school basketball teams;

-- John H. Sununu, Chief of Staff to the President;

-- Secretary of Defense Richard B. Cheney.

In the morning, the President telephoned Barbara Tomblinson, who was named as the 100th daily Point of Light.

March 27

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft,

Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the international trans-Antarctica expedition;

-- former President Jimmy Carter, to discuss the Middle East peace process;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President hosted a reception on the State Floor for members of the National Republican Senatorial Committee Senatorial Trust.

In the evening, the President attended the National Republican Senatorial Committee Chairman's Club dinner in the Indian Treaty Room of the Old Executive Office Building.

The President announced his intention to appoint the following individuals to be members of the Independent Commission to Review National Endowment for the Arts Grant Making Procedures. These are new positions.

John Thomas Agresto, of New Mexico. Currently Dr. Agresto serves as president of St. John's College in Santa Fe, NM. He has served as president of the Madison Center, 1989, and Deputy Chairman of the National Endowment for the Humanities in Washington, DC, 1985 - 1989.

Theresa Elmore Behrendt, of New York. Mrs. Behrendt served as the White House Liaison to the Arts and Humanities from 1982 to 1984.

Leonard Garment, of the District of Columbia. Currently Mr. Garment serves as senior partner with the law firm of Dickstein, Shapiro and Morin in Washington, DC.

Charles Kinsley McWhorter, of New York. Currently Mr. McWhorter serves as a consultant in the public affairs department of the AT&T Co. in New York, NY. Mr. McWhorter served as a member of the National Council on the Arts, 1970 - 1976.

March 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- Secretary of State James A. Baker III;

-- Representatives C. Christopher Cox, Richard J. Durbin, John Miller, and Bill Sarpalius, to discuss U.S. policy on Lithuanian independence;

-- John H. Sununu, Chief of Staff to the President;

-- Robert H. Helmick, president of the U.S. Olympic Committee.

In the evening, the President telephoned Prime Minister Margaret Thatcher of the United Kingdom to discuss the situation in Lithuania.

March 29

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Education Lauro F. Cavazos, to discuss the Secretary's recent trip to Mexico;

-- the leadership of the National Commission on AIDS;

-- John H. Sununu, Chief of Staff to the President;

-- Senator Edward Kennedy, to discuss the Senator's recent trip to the Soviet Union.

In the afternoon, the President attended the White House Communications Agency service awards ceremony at Bolling Air Force Base, VA.

In the evening, the President telephoned Prime Minister Robert Hawke of Australia to congratulate him on his reelection.

The President sent a written message to Chairman Mikhail Gorbachev of the Soviet Union concerning the situation in Lithuania.

March 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft,

Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the boards of directors of the Polish and Hungarian Enterprise Funds;

-- representatives of the Catholic Golden Age and the Catholic Daughters of the Americas;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President received his District of Columbia, Maryland, and Virginia fishing licenses.

The President announced his intention to designate the following individuals to be members of the Board of Visitors to the U.S. Naval Academy for the terms expiring December 30, 1992:

FitzGerald Bemiss, of Virginia. He would succeed C. Fred Chambers. Mr. Bemiss is currently a consultant in Richmond, VA, and has served as president of FitzGerald and Co. in Richmond, VA.

John C. Fitch, of Texas. He would succeed Lynn S. Wyatt. Mr. Fitch has served as executive vice president of the construction division for SEDCO, Inc., in Houston, TX.

March 31

In the morning, the President received his daily intelligence briefing.

In the evening, the President and Mrs. Bush attended the Gridiron Dinner at the Capital Hilton Hotel.

April 1

The President and Mrs. Bush met in Glen Burnie, MD, with the family of Maryland State Police Cpl. Theodore D. Wolf, who was slain March 29 after he stopped a car on Interstate 95.

April 2

In the morning, Prime Minister Toshiki Kaifu of Japan telephoned the President to discuss the ongoing trade negotiations between the two countries.

The President announced that the following individuals comprise the U.S. delegation to the inauguration of President Rafael Angel Calderon of Costa Rica, May 8:

Delegation Chairman:

Barbara Bush, the First Lady of the United States.

Delegates:

Roger Ailes, president, Ailes Communications, New York, NY

Jeb Bush, chairman, Bush Klein Realty, Inc., Miami, FL

Don Luis Ferre, former Governor of Puerto Rico, Guaynabo, PR

John Sununu, Chief of Staff to the President, and Nancy Sununu

The President announced that the following individuals comprise the U.S. delegation to the celebration of Australian-American Friendship Week, May 4 - 10, in Canberra, Australia:

Delegation Chairman:

Adm. James D. Watkins, USN, Ret., Secretary of Energy, and Sheila Watkins

Delegates:

Jerry Weintraub, chairman and chief executive officer, Weintraub Entertainment Group, Inc., Los Angeles, CA, and Jane Weintraub

Melvin F. Sembler, Ambassador of the United States to Australia

April 3

The President declared that a major disaster existed in the western part of Florida as a result of heavy rains and flooding that began March 15. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President announced his intention to appoint Kent M. Black to be a member of the President's National Security Telecommunications Advisory Committee. He would succeed Donald J. Yockey. Currently Mr. Black serves as president of electronics operations at the Rockwell International Corp. in Texas.

The President announced his intention to appoint Glenn E. Watts to be a member of the U.S. Holocaust Memorial Council for a term expiring January 15, 1995. This is a reappointment.

Currently Mr. Watts serves as president emeritus of the Communications Workers of America of the AFL - CIO, in Washington, DC.

April 4

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Foreign Minister Hans-Dietrich Genscher of West Germany, to discuss the Conference on Security and Cooperation in Europe and the situation in Lithuania;

-- Secretary of State James A. Baker III;

-- black Republican elected officials.

April 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- singer Michael Jackson;

-- the Vice President, for lunch;

-- Democratic congressional leaders;

-- John H. Sununu, Chief of Staff to the President.

In an Oval Office ceremony, the President signed the National Safe Boating Week proclamation.

April 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft,

Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- Susan Butcher, winner of the 1,158-mile Anchorage-to-Nome dogsled marathon;

-- John H. Sununu, Chief of Staff to the President.

In the morning, Prime Minister Toshiki Kaifu of Japan telephoned the President to discuss the ongoing trade negotiations between the two countries.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

April 8

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

April 9

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Cabinet;

-- John H. Sununu, Chief of Staff to the President.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors John Schwank Duran of Guatemala, Virgil Constantinescu of Romania, Rita Klimova of Czechoslovakia, Nassib Lahoud of Lebanon, Eduardo Vallarino of Panama, and Moussa Sangare of Guinea.

In another Oval Office ceremony, the President presented the President's Award for Distinguished Federal Civilian Service to Laurence Legere, former defense adviser to the U.S. Ambassador to NATO and senior civilian representative of the Secretary of Defense in Europe.

April 10

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of the Treasury Nicholas F. Brady;

-- Richard Burt, former U.S. Ambassador to the Federal Republic of Germany and United States Negotiator for Strategic Nuclear Arms.

The White House announced that the President and Mrs. Bush recorded an antisubstance abuse message for the ``Cartoon All-Stars to the Rescue'' television program, which is part of CBS's Stop the Madness antidrug campaign. The show will be televised on April 21.

April 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Baltic-American community leaders, to discuss the independence of Latvia, Estonia, and Lithuania;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President attended a fundraising reception for Senator Strom Thurmond of South Carolina at the National Press Club.

April 12

The President met at the White House with:

-- the Vice President, for lunch;

-- members of the White House Conference on Science and Economics Research Related to Global Change;

-- John H. Sununu, Chief of Staff to the President.

April 13

In the morning, the President traveled to Hamilton, Bermuda, where he met with Prime Minister Margaret Thatcher of the United Kingdom and U.S. and British officials at Government House.

In the afternoon, the President and the Prime Minister attended a working luncheon at Government House and participated in a Good Friday kite-flying exhibition with local schoolchildren. The President then met again with the Prime Minister and U.S. and British officials. After their meeting, the President and the Prime Minister participated in a tree planting ceremony.

In the evening, the President attended a reception aboard the H.M.S. Arrow and a dinner hosted by the Prime Minister at Government House. Following the dinner, the President went to the consulate general's residence in Chelston, where he stayed overnight.

April 14

In the afternoon, the President left Bermuda and traveled to Camp David, MD, for the weekend.

April 15

In the afternoon, the President returned to the White House from a weekend stay at Camp David.

April 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- First Deputy Prime Minister Goh Chok Tong of Singapore;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President and Mrs. Bush participated in the annual White House Easter Egg Roll.

April 17

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Prime Minister Geoffrey Henry of the Cook Islands;

-- Senator George J. Mitchell and a Democratic congressional delegation;

-- Senator Robert Dole and a Republican congressional delegation;

-- John H. Sununu, Chief of Staff to the President.

April 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President hosted an Earth Day reception in the Rose Garden at the White House.

The President transmitted to the Congress the annual report of the National Endowment for the Humanities for fiscal year 1989.

April 19

President Bush met with President Francois Mitterrand of France at the Farmer residence in Key Largo, FL, and participated in a working luncheon.

Later, the two Presidents attended a reception and dinner at the home of Carl Linder, owner of the Ocean Reef Club, where President Bush stayed overnight.

April 20

The President announced that the Vice President will head a Presidential delegation to the inauguration of Nicaraguan President Violeta Chamorro on April 25. The following Members of Congress and distinguished citizens have been named to the delegation:

Mrs. Quayle

Senator Richard Lugar (R - IN)

Senator Chris Dodd (D - CT)

Senator David Durenberger (R - MN)

Senator Patrick Leahy (D - VT)

Senator Connie Mack (R - FL)

Senator John McCain (R - AZ)

Senator Claiborne Pell (D - RI)

Senator Harry Reid (D - NV)

Senator Terry Sanford (D - NC)

Gov. Bob Martinez of Florida

Representative Rod Chandler (R - WA)

Representative Mickey Edwards (R - OK)

Representative Jim Slattery (D - KS)

Representative Tom Tauke (R - IA)

Representative Anthony Beilenson (D - CA)

Representative Henry Hyde (R - IL)

Representative Ileana Ros-Lehtinen (R - FL)

Representative Cass Ballenger (R - NC)

Representative Barbara Vucanovich (R - NV)

Representative Bob Dornan (R - CA)

Representative Steve Solarz (D - NY)

Paul Coverdell, Director of the Peace Corps

Ambassador Joseph Reed, Chief of Protocol

Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Ambassador Jeane Kirkpatrick

Carol Hallett, Commissioner of Customs

Jeb Bush, chairman, Bush Klein Realty, Inc., Miami, FL

Allen Weinstein, Center for Democracy

Following the inauguration, the Vice President will travel to Mexico to meet with President Carlos Salinas de Gortari.

The President announced that five sites have been added to the Environmental Protection Agency's National Estuary Program. The five new areas are: Barataria-Terrebonne Estuarine Complex, LA; Casco Bay, ME; Indian River Lagoon, FL; Massachusetts Bays, MA; and Tampa Bay, FL.

In the evening, the President traveled to Orlando, FL, where he took a walking tour of Sea World and presented a Point of Light Award to Daniel K. Odell, a research biologist at the Stranded Animal Research Area. Later, the President attended a fundraising dinner for the Florida Republican Party at the Orange County Convention Center. Following the dinner, he traveled to Islamorada, FL, where he stayed overnight.

April 22

The President returned to the White House after a 3-day trip to Alabama and Florida.

April 23

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Deputy Secretaries from each Cabinet agency, for lunch;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President participated in a proclamation signing ceremony in the Rose Garden for National Volunteer Week and in a tribute to daily Points of Light and government employees in community service.

In the afternoon, President Bush telephoned King Hussein I of Jordan to discuss Middle East issues. He also telephoned President Hafiz al-Assad of Syria to discuss the hostage situation in the Middle East and to thank Syria for its role in the release of Robert Polhill.

The White House announced that the President asked the Congress to consider several amendments to the fiscal year 1991 request for appropriations. In addition, he asked the Congress to consider several fiscal year 1990 supplemental requests. He concurrently sent the Congress a special message proposing rescissions that would offset the increased fiscal year 1990 costs that result from the supplemental requests. As required by law, he submitted two requests for fiscal year 1990 supplemental appropriations for the legislative branch and two fiscal year 1991 budget amendments for the judiciary.

April 24

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders, to discuss the U.S. response to Soviet economic sanctions against Lithuania;

-- the Vice President, for lunch;

-- the University of Wisconsin Badgers, the National Collegiate Athletic Association hockey champions;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to nominate Andrew Camp Barrett to be a member of the Federal Communications Commission for a term of 5 years from July 1, 1990. This is a reappointment.

April 25

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President attended a reception for the Connecticut Republican Party in the Indian Treaty Room of the Old Executive Office Building.

The President transmitted to the Congress the annual report of the National Endowment for Democracy for fiscal year 1989.

The President appointed Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff, to be a Governor of the Board of Governors of the American National Red Cross for a term of 3 years. He would succeed William J. Crowe, Jr.

The President appointed Jan B. Vlcek, of Maryland, to be the Federal Representative of the United States to the Western Interstate Nuclear Board. He would succeed Lawrence F. O'Donnell. Currently Mr. Vlcek serves as a partner with the law firm of Sutherland, Asbill and Brennan in Washington, DC.

The President announced his intention to designate the following individuals to be members of the Board of Directors of the Rural Telephone Bank:

Charles H. Bronson, Jr., of Florida. Mr. Bronson would succeed William F. Stake. Currently he is a self-employed rancher in Satellite Beach, FL.

Bruce L. Gardner, of Maryland. Mr. Gardner would succeed John William Bode. Currently he serves as Assistant Secretary for Economics at the Department of Agriculture in Washington,

DC.

Roland R. Vautour, of Vermont. This is a reappointment. Mr. Vautour serves as Under Secretary for Small Community and Rural Development at the Department of Agriculture in Washington, DC.

Adis Maria Vila, of Florida. Ms. Vila would succeed John J. Franke, Jr. Currently she serves as Assistant Secretary for Administration at the Department of Agriculture in Washington, DC.

April 26

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the National Cattlemen's Association leadership;

-- winners of the JFK Representative Volunteer of the Year Award;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President and Mrs. Bush attended a reception for the Republican Congressional Leadership Council at the National Museum of Women in the Arts.

In the evening, President Bush hosted a state dinner for President Carlos Andres Perez of Venezuela on the State Floor.

April 27

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to designate the following individuals to be members of the Board of Visitors to the United States Military Academy, for terms expiring December 30, 1992:

John H. Lindsey, of Texas. He would succeed William D. Mounger. Currently Mr. Lindsey serves as owner of the Lindsey Insurance Agency in Houston, TX.

Sally Freeman McKenzie, of Texas. She would succeed George B. Price. Currently Mrs. McKenzie serves on the board of directors for Pier One Imports in Dallas, TX.

April 28

In the evening, the President attended the annual White House Correspondents Association dinner.

April 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

May 1

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders, to discuss funding for the space program;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint the following citizens of the Republic of Panama to be members of the Board of the Panama Canal Commission:

Luis A. Anderson. This is a reappointment. Currently Mr. Anderson serves as general secretary of the Inter-American Regional Labor Organization of Workers in Mexico.

Cecilia E. Alegre. She would succeed Oyden Ortega Duran. Currently Dr. Alegre serves as a tenured professor in the department of humanities at the Universaida de Panama and as a director of the Panamanian Commission for Human Rights.

Alfredo N. Ramirez. He would succeed Carlos Valarde Ponce. Currently Mr. Ramirez serves as a senior partner with the law firm of Alfaro, Ferrer, Ramirez and Aleman in the Republic of Panama.

Joaquin J. Vallarino, Jr. He would succeed Carlos Ozores Typaldos. Currently Mr. Vallarino serves as chairman of the board and chief executive officer of the Panama Coca Cola Bottling Co. in the Republic of Panama.

May 2

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

May 3

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President hosted a breakfast in the State Dining Room to commemorate the National Day of Prayer.

The President declared that a major disaster existed in the eastern part of Texas as a result of severe storms, flooding, and tornadoes. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the afternoon, the President hosted a reception for the Episcopal Church Foundation board of directors in the Residence.

In the evening, the President attended the National Republican Senatorial Committee Inner Circle gala at the Sheraton Washington Hotel.

May 4

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, the President traveled to Stillwater, OK.

May 6

In the afternoon, the President hosted a lecture on Theodore Roosevelt by Prof. David McCullough of Harvard University, the second in the Presidential Lecture Series.

In the evening, the President met at the White House with Representatives Thomas S. Foley and Robert H. Michel and Senators George J. Mitchell and Robert Dole to discuss the budget. John H. Sununu, Chief of Staff to the President; Richard G. Darman, Director of the Office of Management and Budget; and Secretary of the Treasury Nicholas F. Brady also attended the meeting.

May 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Manfred Woerner, Secretary General of the North Atlantic Treaty Organization;

-- Prime Minister Rabbie Namaliu of Papua New Guinea;

-- Commissioners from each of the independent Federal regulatory agencies.

In the evening, the President hosted a reception for the Advertising Council on the State Floor.

May 8

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Republican congressional leaders;

-- Secretary of the Treasury Nicholas F. Brady.

May 9

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- crewmembers of the space shuttle Atlantis;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President;

-- Secretary of the Treasury Nicholas F. Brady.

In the morning, in an Oval Office ceremony, the President signed the Wildfire Disaster Recovery Act of 1989.

In the afternoon, the President hosted a reception on the State Floor for the Republican Eagles, a group of major donors to the party.

The President transmitted to the Congress the 1988 annual reports of the Departments of Labor and Health and Human Services and the Occupational Safety and Health Review Commission.

The President announced his intention to nominate the following individuals to be members of the National Council on the Humanities:

For a term expiring January 26, 1996:

Bruce D. Benson, of Colorado. Mr. Benson would succeed Kathleen S. Kilpatrick. Currently he serves as owner and president of Benson Mineral Group, Inc., in Golden, CO.

For a term expiring January 26, 1994:

Billie Davis Gaines, of Georgia. Dr. Gaines would succeed Jeffrey Hart. Currently she serves as president of Horizon Productions in Atlanta, GA.

Gary L. McDowell, of the District of Columbia. Dr. McDowell would succeed Rita Ricardo-Campbell. Currently he serves as vice president for legal and public affairs at the National Legal Center for the Public Interest in Washington, DC.

Jeanne J. Smoot, of North Carolina. Dr. Smoot would succeed Ellis Sandoz. Currently she serves as a tenured full professor at North Carolina State University in the English department.

May 10

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Donald Draayer, superintendent of Minnetonka public schools in Excelsior, MN, and School Superintendent of the Year;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, in an Oval Office ceremony, the President signed the resolution designating Infant Mortality Awareness Day. Later, he hosted a reception on the State Floor for the Republican Eagles, a group of major donors to the party.

The President announced his intention to nominate the following individuals:

Michael S. Gelacak, of Virginia, to be a member of the U.S. Sentencing Commission for the remainder of the term expiring October 31, 1991. He would succeed Michael K. Block. Currently Mr. Gelacak serves as an attorney with the McNair law firm, P.A., in Washington, DC.

A. David Mazzone, of Massachusetts, to be a member of the U.S. Sentencing Commission for a term expiring October 31, 1995. Mr. Mazzone would succeed Stephen G. Breyer. Currently he serves as U.S. district judge in Boston, MA.

May 11

In the morning, the President traveled to Kingsville, TX.

May 14

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Ronald F. Lehman II, Director of the U.S. Arms Control and Disarmament Agency, to discuss the status of arms reduction agreements;

-- President Abdou Diouf of Senegal;

-- members of the National Troopers Coalition;

-- civil rights leaders, to discuss civil rights legislation;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

May 15

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the President's Commission on Aviation Security and Terrorism, to receive the Commission's report on its investigation of the December 21, 1988, terrorist bombing of Pan American Flight 103 which crashed in Lockerbie, Scotland, and its appraisal of U.S. airline security systems and counterterrorism measures;

-- family members of the victims of Pan American Flight 103, to discuss aviation security;

-- congressional leaders, for the first session of the budget negotiations;

-- John H. Sununu, Chief of Staff to the President.

The President declared that a major disaster existed in Arkansas as a result of severe storms and flooding that began on May 1. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

May 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Cabinet, to discuss administration policy on offshore oil drilling in Florida and California;

-- Hispanic-American leaders, to discuss civil rights legislation;

-- community leaders, to discuss civil rights legislation;

-- Recording for the Blind Award winners;

-- Members of Congress, to discuss administration policy on offshore oil drilling in Florida and California;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the annual report of the Department of Transportation for fiscal year 1988.

The President announced his intention to appoint the following individuals to be members of the Independent Commission to Review National Endowment for the Arts Grant Making Procedures. These are new positions:

John Brademas, of New York. Currently Dr. Brademas is the president of New York University in New York, NY.

David E. Connor, of Illinois. Currently Mr. Connor is president of David E. Connor and Associates in Peoria, IL.

Marcia Laing Golden, of Kansas. Currently Mrs. Golden serves on the executive board of the Association of Community Arts Agencies of Kansas and has served as immediate past president.

Kay Huffman Goodwin, of West Virginia. Currently Mrs. Goodwin is a member of the National Endowment for the Arts National Advisory Council on the Arts and Education.

Joan W. Harris, of Illinois. Currently Mrs. Harris is a trustee of the Harris Foundation and commissioner of the department of cultural affairs in Chicago, IL.

Kitty Carlisle Hart, of New York. Currently Mrs. Hart is the chairman of the New York State Council on the Arts in New York, NY, and is an actress and singer.

Peter N. Kyros, Jr., of California. Currently Mr. Kyros is a general partner for the western division of the Potomac Investment Associates in Westlake Village, CA.

Rosalind W. Wyman, of California. Currently Mrs. Wyman is owner and president of Rosalind Wyman Consultants, Inc., in Los Angeles, CA.

The President announced his intention to appoint the following individuals to be members of the Board of Directors of the Federal National Mortgage Association for terms ending on the date of the annual meeting of the stockholders in 1991. These are reappointments:

Al Cardenas, of Florida. He will be the mortgage industry representative. Currently Mr. Cardenas serves as director of Greenberg, Traurig, Hoffman, Lipoff, Rosen and Quentel, P.A., in Miami, FL.

Henry C. Cashen II, of the District of Columbia. He will serve as a public member. Currently Mr. Cashen serves as an attorney with the law firm of Dickstein, Shapiro and Morin in Washington, DC.

George L. Clark, Jr., of New York. He will be the real estate representative. Currently Mr. Clark serves as president of George L. Clark, Inc., in Brooklyn, NY.

J. Brian Gaffney, of Connecticut. He will serve as a public member. Currently Mr. Gaffney serves as a partner with the law firm of Gaffney, Pease and DiFabio in New Britain, CT.

Christine D. Reed, of California. She will be the homebuilding representative. Currently Mrs. Reed serves as executive director of the Building Industry Association of Southern California for the Orange County Region in Santa Ana, CA.

The President announced that the following individuals will comprise the Presidential delegation to observe the elections in Romania, May 17 - 23:

Delegation Chairman:

Gov. Garrey Carruthers of New Mexico and Katherine Carruthers

Delegates:

Mary Jo Arndt, Republican national committeewoman, Illinois

Ellen R. Conant, chairman, St. Louis County Council, Missouri

Victor Gold, national correspondent, Washingtonian magazine, Virginia

Alan Green, Jr., U.S. Ambassador to Romania

Howard Lamb, State senator, Nebraska

May 17

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of Congress, to discuss administration policy on offshore oil drilling in Florida and California;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that President Bush will meet with President Ertha Pascal Trouillot of Haiti on May 24 and President Virgilio Barco Vargas of Colombia on June 5, to continue a series of high-level meetings with Latin American and Caribbean leaders.

The White House also announced that the President will meet with Prime Minister Constantine Mitsotakis of Greece on June 6.

The President announced his intention to appoint Charles Pei Wang to be a member of the Commission on Civil Rights for a term expiring December 5, 1995. He would succeed Murray Friedman. Currently Mr. Wang is president of the China Institute in America in New York, NY.

May 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Prince Philip, Duke of Edinburgh;

-- the Vice President, for lunch.

The President announced that Armando Valladares will continue to serve as the U.S. Representative on the Human Rights Commission of the Economic and Social Council of the United Nations.

In the afternoon, the President and Mrs. Bush traveled to Dallas, TX.

In the evening, following a State Republican Party fundraising dinner, the President and Mrs. Bush traveled to Houston, TX, where they spent the night.

The President declared that a major disaster existed in Hawaii as a result of lava flows from the Kilauea Volcano. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President also declared that a major disaster existed in Oklahoma as a result of heavy rains, tornadoes, and flooding that began on April 14. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

May 19

In the morning, the President toured areas along the Trinity River flooded by recent severe storms.

Later that morning, the President participated in the Doug Sanders Kingwood Celebrity Classic Golf Tournament at the Deerwood Country Club.

May 20

In the afternoon, the President traveled from Houston, TX, to Portland, OR, where he met with State legislative candidates.

May 21

In the early afternoon, the President attended a State Republican Party fundraising luncheon. Following the luncheon, the President returned to Washington, DC.

May 22

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Republican congressional leaders, to discuss their legislative agenda;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- Cuban-Americans, on the 88th anniversary of Cuba's independence from Spain;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint the following individuals to be members of the Advisory Commission on Intergovernmental Relations for terms of 2 years:

Victor H. Ashe, of Tennessee. He would succeed William E. Hudnut III. Currently Mr. Ashe serves as the mayor of Knoxville, TN.

Robert Michael Isaac, of Colorado. This is a reappointment. Currently Mr. Isaac serves as the mayor of Colorado Springs, CO.

Joseph A. Leafe, of Virginia. He would succeed Arthur J. Holland. Currently Mr. Leafe serves as the mayor of Norfolk, VA.

The President announced his intention to nominate Michael T. Bass to be a member of the National Council on the Humanities, National Foundation on the Arts and the Humanities, for a term expiring January 26, 1994. He would succeed James Clayburn La Force, Jr. Currently Mr. Bass is the president of the Bass Group in Pensacola, FL.

The President announced his intention to appoint Patrick A. Domenico to be a member of the Nuclear Waste Technical Review Board for a term expiring April 19, 1994. This is a new position. Currently Dr. Domenico is the David B. Harris professor of geology at Texas A&M University in College Station, TX.

The President announced his intention to designate Johnny Yune to be a member of the Board of

Governors of the United Service Organizations, Incorporated, for a term of 3 years. He would succeed Gordon D. Walker. Currently Mr. Yune serves as an entertainer for KOJAP & Co. in Beverly Hills, CA.

May 23

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint the following individuals to be members of the Board of Directors of the Federal Home Loan Mortgage Corporation for a term ending on the date of the next annual meeting of the voting common stockholders in 1991. These are new positions:

George L. Argyros, of California. Currently Mr. Argyros serves as chief executive officer and president of Arnel Development Co. in Costa Mesa, CA.

Thomas Ludlow Ashley, of the District of Columbia. Currently Mr. Ashley serves as president of the Association of Bank Holding Companies in Washington, DC.

Woodward Kingman, of the District of Columbia. Currently Mr. Kingman serves as an investment management consultant, and he is a former President of the Government National Mortgage Association.

In the evening, the President hosted a barbecue for the White House press photographers. Later, he attended the Patrick Henry Foundation dinner.

May 24

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- delegates to the Mexico/United States Interparliamentary Conference;

-- John H. Sununu, Chief of Staff to the President.

In an Oval Office ceremony, the President presented the Blind and Handicapped Workers of the Year Awards.

In the evening, the President attended a fundraising reception for Senator Larry Pressler.

The President declared that a major disaster existed in Missouri as a result of severe storms and flooding that began on May 15. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

May 25

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President participated in an Oval Office ceremony in observance of National Missing Children's Day.

In the morning, the President traveled to Kennebunkport, ME, for the weekend.

The President announced his intention to nominate Rosalie Gaull Silberman to be a member of the Equal Employment Opportunity Commission for a term expiring July 1, 1995. Upon confirmation she will be designated Vice Chairman. This is a reappointment. Currently Mrs. Silberman serves as Vice Chairman of the Equal Employment Opportunity Commission in Washington, DC.

The President announced his intention to designate the following individuals to be members of the Board of Visitors of the United States Air Force Academy:

Phyllis Levitt Kaminsky, of Pennsylvania, for a term expiring December 30, 1992. She would succeed Charles B. Wilkinson. Currently Mrs. Kaminsky serves as senior international adviser for Ruder Finn, Inc., a public relations and communications firm.

Harry Jonathan Pearce, of Michigan, for a term expiring December 30, 1992. He would succeed Holly Coors. Currently Mr. Pearce serves as vice president and general counsel of General Motors Corp. in Detroit, MI.

May 26

The President declared that a major disaster existed in western Iowa as a result of severe storms and flooding that began on May 18. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

May 28

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at their home in Kennebunkport, ME.

May 29

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

Throughout the day, the President attended meetings at the White House in preparation for the upcoming summit with President Mikhail Gorbachev of the Soviet Union.

In a ceremony in the Residence, the President received diplomatic credentials from Ambassadors Jaime de Ojeda y Eiseley (Spain), Patricio Silva Echenique (Chile), Abid Hussain (India), Charles M. Nyirabu (Tanzania), Roger Issombo (Congo), and Alexander A. Bessmertnykh (Soviet Union).

In the evening, President Bush had a telephone conversation with Prime Minister Brian Mulroney of Canada to discuss the Prime Minister's meetings with President Gorbachev in Ottawa on May 29.

May 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President had a telephone conversation with Chancellor Helmut Kohl of the Federal Republic of Germany to discuss the upcoming summit with President Mikhail Gorbachev of the Soviet Union.

Throughout the day, the President attended meetings at the White House in preparation for the upcoming summit.

The President announced his intention to appoint the following individuals to be members of the Cultural Property Advisory Committee for terms expiring April 25, 1992:

Jack A. Josephson, of New York. He would succeed John J. Slocum. Currently Mr. Josephson serves as president of Sellers and Josephson, Inc., in Norwood, NJ.

Harold Mark Keshishian, of the District of Columbia. He would succeed James G. Crowley III. Currently Mr. Keshishian serves as president of Mark Keshishian and Sons, Inc., in Chevy Chase, MD.

Frederick William Lange, of Colorado. He would succeed Denver Fred Wendorf, Jr. Currently Dr. Lange serves as an adjunct associate professor of anthropology at the University of Colorado and as curator of anthropology at the University of Colorado Museum in Boulder, CO.

The President announced his intention to appoint the following individuals to be members of the Intergovernmental Advisory Council on Education for the terms indicated:

John K. Andrews, Jr., of Colorado, for a term expiring July 27, 1994. This is a reappointment. Upon appointment he will be designated Chairman. Currently Mr. Andrews serves as president of the Independence Institute in Golden, CO.

Hugh D. Shine, of Texas, for a term expiring July 27, 1993. This is a reappointment. Currently Mr. Shine serves as an investment consultant for Dean Witter Reynolds, Inc., and as a State representative for District 53 in Temple, TX.

Josephine J. Wang, of Maryland, for a term expiring on July 27, 1993. She would succeed Paul M. Jenkins. Currently Mrs. Wang serves as an elementary school teacher in Rockville, MD.

Addison Graves Wilson, of South Carolina, for a term expiring on July 27, 1993. He would succeed John M. Engler. Currently Mr. Wilson is a partner with the law firm of Kirkland, Taylor, Wilson, Moore, Allen and Deneen, P.A., in Columbia, SC.

The President announced his intention to appoint the following individuals to be members of the Korean War Veterans Memorial Advisory Board:

John Patrick Comer, of Massachusetts. He would succeed Conrad Hausman. Currently Mr. Comer serves as the national commander of the American Legion and executive director of Quincy Housing Authority in Quincy, MA.

John S. Staum, of Minnesota. He would succeed John B. Curcio. Currently Mr. Staum serves as the national commander-in-chief of Veterans of Foreign Wars and with Sales Club Supplies in Minneapolis, MN.

The President announced his intention to nominate Christopher A. Hart to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1992. He would succeed Joseph Trippe Nall. Currently Mr. Hart serves as managing partner with the law firm of Hart and Chavers in Washington, DC.

The President announced his intention to nominate Gopal Sivaraj Pal to be a member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 1995. He would succeed M. Robert Hill, Jr. Currently Dr. Pal serves as a dentist in general practice in Washington, DC.

May 31

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the morning, President Bush met privately in the Oval Office at the White House with President Mikhail Gorbachev of the Soviet Union.

In the late afternoon, President Gorbachev returned to the White House, and the two Presidents met in the Cabinet Room with U.S. and Soviet officials.

June 1

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, President Bush met in the Oval Office at the White House with President Mikhail Gorbachev of the Soviet Union.

In the afternoon, President Gorbachev returned to the White House, and the two Presidents met in the Oval Office, following the signing of bilateral agreements in the East Room.

June 2

In the morning, President and Mrs. Bush and President and Mrs. Gorbachev left the White House for Camp David, MD, where the two Presidents continued their discussions.

In the evening, President and Mrs. Bush hosted an informal dinner for President and Mrs. Gorbachev at Camp David. Following the dinner, President and Mrs. Gorbachev returned to the Soviet Embassy in Washington, DC, while President and Mrs. Bush returned to the White House.

June 3

In the morning, President and Mrs. Bush met privately with President and Mrs. Gorbachev at the White House.

Following the joint news conference in the East Room of the White House, President and Mrs. Gorbachev traveled to Minneapolis, MN.

In the afternoon, President Bush telephoned Prime Minister Margaret Thatcher of the United Kingdom and Chancellor Helmut Kohl of the Federal Republic of Germany to discuss the recently concluded summit with President Mikhail Gorbachev of the Soviet Union.

In the evening, President Bush telephoned former President Reagan to discuss President Gorbachev's upcoming meeting with President Reagan.

June 4

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to nominate Andrew C. Hove to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term expiring February

28, 1993. Upon confirmation he will be designated Vice Chairman. This is a new position. Currently Mr. Hove serves as chairman of the board and chief executive officer of Minden Exchange Bank and Trust Co. in Minden, NE.

The President announced his intention to appoint S. Thomas Gagliano to be a member of the Commission on Railroad Retirement Reform. He would succeed Gregory W. Baise. Currently Mr. Gagliano serves as executive director of the New Jersey Transit Corp. in Newark, NJ.

The President announced his intention to nominate the following individuals to be members of the Board of Directors of the Commodity Credit Corporation:

Catherine Ann Bertini, of Illinois. She would succeed John William Bode. Currently Mrs. Bertini serves as Assistant Secretary of Agriculture for Food and Consumer Services.

Keith D. Bjerke, of North Dakota. He would succeed Milton J. Hertz. Currently Mr. Bjerke serves as Administrator for the Agricultural Stabilization and Conservation Service at the Department of Agriculture.

Bruce L. Gardner, of Maryland. He would succeed Ewen M. Wilson. Currently Dr. Gardner serves as Assistant Secretary of Agriculture for Economics.

Jo Ann Doke Smith, of Florida. She would succeed Kenneth A. Gillis. Currently Mrs. Smith serves as Assistant Secretary of Agriculture for Marketing and Inspection.

In the evening, the President telephoned Prime Minister Toshiki Kaifu of Japan to discuss the recently concluded summit with President Mikhail Gorbachev of the Soviet Union.

June 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders, to discuss the recently concluded summit with President Mikhail Gorbachev of the Soviet Union;

-- President Virgilio Barco Vargas of Colombia;

-- John H. Sununu, Chief of Staff to the President.

In the morning, President Bush telephoned President Francois Mitterrand of France to discuss the recently concluded summit with President Mikhail Gorbachev of the Soviet Union.

The President declared that a major disaster existed in Indiana as a result of severe storms, flooding, and tornadoes that began on May 15. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President transmitted to the Congress the annual report of the Corporation for Public Broadcasting for fiscal year 1989 and the inventory of Federal funds distributed to the public telecommunications entities by Federal Departments and Agencies for fiscal year 1989.

June 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- President Roh Tae Woo of the Republic of Korea;

-- Prime Minister Constantine Mitsotakis of Greece;

-- Lane Kirkland, president of the American Federation of Labor and Congress of Industrial Organizations, and senior trade union leaders from the seven industrialized nations participating in the upcoming economic summit;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that the following individuals will comprise the Presidential delegation to observe the elections in Bulgaria, June 7 - 12:

Chairman:

Gov. Henry Bellmon of Oklahoma and Shirley Bellmon

Delegates:

Richard D. McLellan, attorney with Dykema, Gossett in Michigan

Marshall L. Miller, attorney with Bishop, Cook, Purcell and Reynolds in the District of Columbia

Jack Perry, former U.S. Ambassador to Bulgaria, director of the Dean Rusk program in international studies and professor of political science at Davidson College in North Carolina

Sol Polansky, U.S. Ambassador to Bulgaria

Eunice B. Whittlesey, Republican national committeewoman from New York

The White House announced that the following individuals will comprise the Presidential delegation to Madagascar in celebration of its 30th anniversary of independence on June 26:

Chairman:

Col. Frederick D. Gregory, USAF, NASA astronaut, and Barbara Gregory, of Texas

Delegate:

Howard Walker, U.S. Ambassador to Madagascar

The President announced his intention to nominate the following individuals to be members of the National Council on Disability:

Larry Brown, Jr., of Maryland, for a term expiring September 17, 1992. He would succeed Theresa Lennon Gardner. Currently Mr. Brown serves as business and community relations manager for the integrated systems operations of the Xerox Corp. in McLean, VA.

Michael B. Unhjem, of North Dakota, for the remainder of the term expiring September 17, 1990. He would succeed Justin Dart. He will be nominated for an additional term expiring September 17, 1993. Currently Mr. Unhjem serves as vice president for corporate affairs and legal counsel for Blue Cross, Blue Shield of North Dakota in Fargo, ND.

Helen Wilshire Walsh, of Connecticut, for a term expiring September 17, 1990. She would succeed Nanette MacDougall. She will also be nominated for an additional term expiring September 17, 1993. Currently Ms. Walsh serves on the board of trustees of Nathaniel Witherell and on the board of directors of the Rehabilitation Institute of Chicago.

June 7

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to

the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, the President traveled to Milwaukee, WI.

June 8

The White House announced that the President approved a request by Robert O. Harris, Chairman of Emergency Board No. 219, created by Executive Order No. 12714, to extend the reporting deadline of the Board. The Board will now be required to report to the President not later than September 15, 1990. The Board is investigating a dispute between railroads represented by the National Carriers' Conference Committee of the National Railway Labor Conference and their employees.

In the evening, the President returned to Washington, DC, where he hosted a dinner in the Residence for Chancellor Helmut Kohl of the Federal Republic of Germany. Following the dinner, the President went to Camp David, MD, for the weekend.

June 10

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD, and attended the christening of his grandson Charles Walker Bush in the Rose Garden.

June 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- administration officials, to discuss the budget;

-- the National Collegiate Athletic Association women's championship lacrosse teams from Harvard University and Ursinus College and the men's championship lacrosse teams from Syracuse University and Hobart College;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to nominate the following individuals to be members of the Boards of Trustees of the Federal Old-Age and Survivors and the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal

Supplementary Medical Insurance Trust Fund for terms of 4 years:

Stanford G. Ross, of the District of Columbia. He would succeed Suzanne Jaffe. Currently Mr. Ross serves as a senior partner with the law firm of Arnold and Porter in Washington, DC.

David M. Walker, of Virginia. He would succeed Mary Falvey Fuller. Currently Mr. Walker serves as partner and national director of compensation and benefits practice for Arthur Andersen and Co. in Washington, DC.

The President announced his intention to appoint the following individuals to be members of the Advisory Commission on Intergovernmental Relations for terms of 2 years:

Gov. John Ashcroft, of Missouri. This is a reappointment.

Gov. Booth Gardner, of Washington. He would succeed Theodore Schwinden.

State Senator David Nething, of North Dakota. This is a reappointment.

Gov. Stan Stephens, of Montana. He would succeed John Henry Sununu.

The President announced his intention to nominate Benjamin F. Marsh to be a member of the Foreign Claims Settlement Commission of the United States for the term expiring September 30, 1992. He would succeed Robert J. Kabel. Currently Mr. Marsh serves as a partner with the law firm of Marsh and McAdams in Maumee, OH.

The President approved and sent to the Congress the following fiscal year 1991 budget amendments:

-- two requests totaling $300 million for the President's initiative to provide special assistance for Eastern Europe. These amendments would make $230 million available for bilateral assistance and $70 million available for the U.S. subscription to paid-in capital for the European Bank for Reconstruction and Development;

-- technical appropriations language to provide a program limitation for the Inter-American Development Bank;

-- an appropriations language amendment that would enable the Department of Defense to pay National Guard and Reserve military personnel for support activities performed for law enforcement agencies involved in antinarcotics work.

June 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Republican congressional leaders;

-- President Amata Kabua of the Marshall Islands;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to nominate the following individuals to be members of the Board of Trustees of the Harry S. Truman Scholarship Foundation for the terms indicated:

John Ashcroft, of Missouri, for a term expiring December 10, 1993. He would succeed Terry Edward Branstad. Currently John Ashcroft serves as Governor of Missouri.

Richard C. Hackett, of Tennessee, for a term expiring December 10, 1993. He would succeed Robert Michael Isaac. Currently Richard Hackett serves as mayor of Memphis.

The President announced his intention to appoint the following individuals to be members of the Committee for Purchase from the Blind and Other Severely Handicapped:

Nell Carney, of Virginia. She would succeed Susan S. Suter. Currently Ms. Carney serves as Commissioner of the Rehabilitation Services Administration at the Department of Education in Washington, DC.

Mervin J. Flander, of Nevada, for a term expiring December 21, 1994. Currently Mr. Flander serves as chief of the bureau of services to the blind in the rehabilitation division of the department of human resources for the State of Nevada in Carson City, NV.

Richard P. Seiter, of the District of Columbia. He would succeed Gerald M. Farkas. Currently Dr. Seiter serves as Assistant Director of Federal Prison Industries for the Federal Prison System at the Department of Justice in Washington, DC.

June 13

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- former French President Valery Giscard D'Estaing;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that the President will travel to Yorba Linda, CA, to attend the dedication and formal opening of the Richard Nixon Presidential Library and Birthplace on July 19.

June 14

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

June 15

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, the President went to Camp David, MD, where he hosted a picnic for Cabinet senior staff.

June 17

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

June 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress a report on the feasibility of establishing a National Drug Operations Center for the integration, coordination, and control of all drug interdictions.

The President announced his intention to appoint Damon J. Keith to be a member of the Commission on the Bicentennial of the United States Constitution. He would succeed William Lucas. Currently Mr. Keith serves as a judge for the U.S. Court of Appeals for the Sixth Circuit in Detroit, MI.

June 19

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- Attorney General Dick Thornburgh, for lunch;

-- President Sam Nujoma of Namibia;

-- the Recreation Roundtable.

The President transmitted to the Congress the annual report of the Department of Housing and Urban Development, which covered calendar year 1988.

June 20

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the morning, the President traveled to Huntsville, AL.

June 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Ken Lay and George Strake, Cochairmen of the Houston Economic Summit Committee;

-- the Vice President, for lunch;

-- members of the International Chamber of Commerce, to discuss the upcoming Houston economic summit;

-- former Japanese Foreign Minister Shintaro Abe.

In the evening, the President hosted a reception in the Residence for the retirement of Adm. Paul A. Yost, Jr., Commandant of the U.S. Coast Guard.

June 22

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President declared that a major disaster existed in Illinois as a result of severe storms, tornadoes, and floods that began on May 15. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the afternoon, the President traveled to Camp David, MD, for the weekend.

June 24

In the afternoon, the President returned from a weekend stay at Camp David, MD.

June 25

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Republican congressional Federal budget negotiators;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President and Mrs. Bush hosted a barbecue for members of the diplomatic community on the South Lawn.

June 26

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Foreign Minister Ahmed Esmat Abdel Meguid of Egypt, to discuss the Middle East peace process and the suspension of U.S. talks with the Palestine Liberation Organization;

-- police officers from Milton, MA;

-- the National Collegiate Athletic Association women's championship softball team from the University of California at Los Angeles and the men's championship baseball team from the University of Georgia;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint John F.W. Rogers to be Chairman of the Advisory Council on Historic Preservation for a term of 4 years expiring June 10, 1993. This is a reappointment. Currently Mr. Rogers serves as executive vice president of the Oliver Carr Co. in Washington, DC.

The President announced his intention to nominate Elmer B. Staats to be a member of the Board of Trustees of the Harry S. Truman Scholarship Foundation for a term expiring December 10, 1995. This is a reappointment. From 1966 to 1981, Dr. Staats served as Comptroller General of the General Accounting Office in Washington, DC.

The President announced his intention to appoint John Charles Gartland to be a member of the National Council on Vocational Education for a term expiring January 17, 1991. He would succeed Gertrude McDonald. Currently Mr. Gartland serves as director of Washington affairs for the Amway Corp. in Washington, DC.

June 27

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

June 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to reappoint the following individuals to be members of the Advisory Committee for Trade Policy and Negotiations for terms of 2 years:

Allen F. Jacobson, of Minnesota. Mr. Jacobson currently serves as the chairman and chief executive officer of the 3M Co. in St. Paul, MN.

John A. Rollwagen, of Minnesota. Mr. Rollwagen currently serves as the chairman and chief executive officer of Cray Research, Inc., in Minneapolis, MN.

Jack Sheinkman, of New York. Mr. Sheinkman currently serves as president of the Amalgamated Clothing and Textile Workers Union, AFL - CIO, CLC, in New York, NY.

Gordon B. Zacks, of Ohio. Mr. Zacks currently serves chairman of the board and chief executive officer of the R.G. Barry Corp. in Columbus, OH.

June 29

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Peter Ueberroth, former commissioner of baseball, and Trammell Crow, major donor to the

Republican Party;

-- Secretary of State James A. Baker III.

The President announced his intention to nominate Joyce Elaine Tucker to be a member of the Equal Employment Opportunity Commission for the remainder of the term expiring July 1, 1991. She would succeed Clarence Thomas. Currently Mrs. Tucker serves as director of the Illinois Department of Human Rights in Chicago.

The President approved and sent to the Congress the following fiscal year 1991 budget amendments:

-- Budget amendments for the Department of Energy (DOE) would provide an increase of $20.1 million for various energy supply, research, and development programs, and an increase of $27 million for environmental restoration and waste management activities. These increases would be fully offset by a $47.1 million decrease in atomic energy defense activities, reflecting reduced requirements for naval fuel. Another DOE amendment reduces the estimate of uranium supply and enrichment revenues and reduce total program needs based on lower power costs.

-- An increase of $575 thousand for the Office of Personnel Management would expand the operation of the Federal Quality Institute.

-- An amendment would provide the National Archives and Records Administration with $879 thousand to cover 50 percent of the proposed January 1991 3.5 percent Federal pay raise.

-- An increase of $225 thousand for the Office of Government Ethics would cover the increased workload resulting from the Government Ethics Act of 1989.

-- An additional $12 million for the legislative branch would be used to reconstruct the Senate Subway Transportation System, and additional appropriations language for the judiciary would enable an adjustment in the salaries of Justices and judges.

In the afternoon, the President and Mrs. Bush traveled to their home in Kennebunkport, ME.

June 30

The President declared that a major disaster existed in California as a result of wildland fires that began on June 26. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the evening, the President had a telephone conversation with African National Congress leader Nelson Mandela. Mr. Mandela thanked the President for their recent meeting.

July 2

The President met with advisers at his home in Kennebunkport, ME, in preparation for the 16-nation North Atlantic Treaty Organization summit in London, United Kingdom, July 5 - 6, and the 7-nation economic summit in Houston, TX, July 9 - 11.

The President today announced his intention to appoint the following individuals to be members of the National Commission on Superconductivity:

Barbara S. Drake, of Pennsylvania. She would succeed Stephen J. Markman. Currently Mrs. Drake serves as Assistant to the Attorney General at the Department of Justice in Washington, DC.

Travis P. Dungan, of Florida. He would succeed S. Fred Singer. Currently Mr. Dungan serves as Administrator for the Research and Special Programs Administration in Washington, DC.

John K. Hulm, of Pennsylvania. He would succeed William M. Fairbank. Currently Dr. Hulm serves as chief scientist emeritus of Westinghouse Science and Technology Center in Pittsburgh, PA.

Sidney L. Jones, of Maryland. This is a new position. Currently Dr. Jones serves as Assistant Secretary of the Treasury for Economic Policy in Washington, DC.

John W. Lyons, of Maryland. He would succeed Ernest Ambler. Currently Dr. Lyons serves as Director of the National Engineering Laboratory at the National Institute of Standards and Technology in Gaithersburg, MD.

July 3

The President met with advisers at his home in Kennebunkport, ME, in preparation for the NATO summit and the Houston economic summit.

July 4

The President declared that a major disaster existed in Nebraska as a result of severe storms, tornadoes, and flooding that began June 10. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

July 5

In the morning, the President arrived at Heathrow International Airport, London, for the NATO summit and went to Winfield House, home of the U.S. Ambassador, which was the President's residence during his stay in London. Later the President met with NATO Secretary General Manfred Woerner and participated in the summit's first working session at Lancaster House.

In the afternoon, the President attended a reception at Bridgewater House for NATO heads of state and Foreign Ministers and a luncheon for NATO leaders at Spencer House hosted by Prime Minister Margaret Thatcher of the United Kingdom. Following the luncheon, the President participated in a working session with NATO summit participants at Lancaster House.

In the evening, the President attended a dinner at Buckingham Palace for NATO heads of state and Foreign Ministers. At the conclusion of the dinner, the President returned to Winfield House.

The White House announced that President Bush has invited President Gnassingbe Eyadema of Togo to make an official working visit to the United States on July 30 - August 1. President Eyadema has accepted the invitation.

The President announced that the following individuals will comprise the President's delegation to the 10th anniversary celebration of the independence of Vanuatu and the annual heads of state meeting of the South Pacific Forum, July 29 - 31:

Delegation Chairman:

Fred Zeder, President, Overseas Private Investment Corporation, and Martha Zeder.

Delegates:

Former Governor Hugh Gregg, of New Hampshire, and Cay Gregg.

Nancy Thawley, director of the Republican Eagles, Republican National Finance Committee.

Former State Senator William Saltonstall, of Massachusetts.

July 6

In the morning, the President had breakfast with Prime Minister Thatcher at 10 Downing Street and participated in the final working session of the NATO summit at Lancaster House.

In the evening, the President arrived at Ellington Field in Houston, TX, for the economic summit of industrialized nations and went to the Houstonian Hotel, his residence during his stay in

Houston.

July 8

In the afternoon, President Bush met at the Houstonian Hotel's Manor House with President Jacques Delors of the European Community and U.S. and European Community officials.

In the evening, the President and Mrs. Bush hosted a barbecue and rodeo at the AstroArena for delegation heads and their official parties.

July 9

In the afternoon, the President went to Rice University, where he attended a reception for delegation heads at Cohen House and participated in the opening session of the economic summit at Lovett Hall.

In the evening, the President attended a working dinner for delegation heads at Bayou Bend mansion. Later, he visited a dinner for corporate sponsors of the economic summit at the Houstonian Hotel's Manor House.

July 10

The President went to Rice University, where he participated in the morning and afternoon plenary sessions of the economic summit at Herring Hall and a working luncheon at Cohen House.

In the evening, the President and Mrs. Bush hosted a reception and dinner at the Museum of Fine Arts for economic summit leaders and members of their delegations.

July 11

In the morning, the President went to Rice University for the final plenary session of the economic summit at Herring Hall.

July 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Cabinet;

-- Members of Congress;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

The President announced that John C. McGraw, of Pennsylvania, will continue to serve as Assayer of the Mint of the United States at Philadelphia, PA. Since 1983 Mr. McGraw has served as Assayer of the United States Mint in Philadelphia.

The President announced his intention to appoint the following individuals to be members of the J. William Fulbright Foreign Scholarship Board for terms expiring September 22, 1992:

Vartan Gregorian, of Rhode Island. He would succeed Nathan Glazer. Currently Dr. Gregorian serves as president of Brown University in Providence, RI.

Margarita B. Tonkinson, of Florida. She would succeed Marvin Howard Alisky. Currently Mrs. Tonkinson serves as associate director of the office of international programs at the University of Miami in Coral Gables, FL.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee on the Arts (John F. Kennedy Center for the Performing Arts). Upon appointment, they will be designated Cochairmen:

Susan Goldwater Keenan, of South Carolina. This is a new position. Currently Mrs. Keenan serves on the board of directors for Pace Industries, Inc., in Aiken, SC.

Chesley Pruet, of Arkansas. He would succeed Herb Hunter. Currently Mr. Pruet serves as president of Chesley Pruet Drilling Co. in El Dorado, AR.

The President announced his intention to appoint the following individuals to be members of the Architectural and Transportation Barriers Compliance Board for terms expiring December 3, 1992:

Porfirio C. Diaz, Jr., of California. He would succeed William J. Tangye. Currently Mr. Diaz serves as assistant director for external affairs at the department of rehabilitation in Sacramento, CA.

Scott Moore Duncan, of Texas. He would succeed Gene A. Chappie. Currently Mr. Chappie

serves as a fundraiser for Duncan and Associates in Houston, TX.

Robert T. Kelly, Jr., of Florida. This is a reappointment. Currently Mr. Kelly serves as collections representative for Southern Bell in Miami, FL.

The President designated Eugene R. Sullivan to be Chief Judge of the United States Court of Military Appeals, effective October 1, 1990. He would succeed Robinson O. Everett. He was appointed to the court on May 21, 1986.

July 13

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- President-elect Cesar Gaviria of Colombia;

-- Secretary of State James A. Baker III;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President went to Camp David, MD, for the weekend.

The President declared that a major disaster existed in Wisconsin as a result of severe storms, tornadoes, and floods that began June 22. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

July 15

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

July 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

The White House announced that President Bush will meet with President Rodrigo Borja Cevallos of Ecuador on July 23.

The President announced his intention to appoint the following individuals to be members of the President's Foreign Intelligence Advisory Board for terms of 2 years:

Lew Allen, Jr., of California. He would succeed James Q. Wilson. Currently Dr. Allen serves as vice president of the California Institute of Technology and director of the Jet Propulsion Laboratory at the California Institute of Technology in Pasadena, CA.

John M. Deutch, of Massachusetts. He would succeed John S. Foster, Jr. Currently Dr. Deutch serves as provost and Karl Taylor Compton professor at the Massachusetts Institute of Technology in Cambridge, MA.

William G. Hyland, of New York. He would succeed Bernard A. Schriever. Currently Mr. Hyland serves as editor for the Foreign Affairs Council of Foreign Relations, Inc., in New York, NY.

Bobby Ray Inman, of Texas. He would succeed Glenn Campbell. Upon appointment he will be designated Vice Chairman. Currently Mr. Inman is self-employed as a consultant in Austin, TX.

William J. Perry, of California. He would succeed Gordon C. Luce. Currently Dr. Perry serves as chairman and chief executive officer of Technology Strategies and Alliances in Menlo Park, CA.

John G. Tower, of Texas. This is a reappointment. Upon appointment he will be designated Chairman. Currently Mr. Tower serves as a consultant in Dallas, TX.

In the evening, the President attended a baseball game between the Baltimore Orioles and the Texas Rangers at Memorial Stadium in Baltimore, MD.

July 17

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- the Vice President, for lunch;

-- members of a Japanese parliamentary delegation, to discuss Japan-U.S. relations.

The President announced that Arnold Schwarzenegger will be his representative to the opening ceremonies of the Goodwill Games on July 21 in Seattle, WA.

In the evening, the President attended the annual House Gymnasium dinner at the Cannon Office Building.

July 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Concerned Alliance of Responsible Employers, to discuss parental leave;

-- Thomas Brooks, U.S. Representative to Taiwan, and Nat Bellochi, of the American Institute of Taiwan;

-- Senators Robert Dole and Arlen Specter, to discuss Middle East policy;

-- directors of the Hispanic Chamber of Commerce;

-- Miles S. Epling, national commander of the American Legion;

-- congressional leaders, to discuss the Federal budget negotiations.

The President transmitted to the Congress the annual report of the National Corporation for Housing Partnerships and the National Housing Partnership for the fiscal year ending February 28, 1990.

The President announced his intention to appoint Dennis L. Price to be a member of the Nuclear Waste Technical Review Board for a term expiring April 19, 1994. This is a reappointment. Currently Dr. Price serves as a professor in the department of industrial engineering and operations research at Virginia Polytechnic Institute and State University in Blacksburg, VA.

July 19

The President announced his intention to appoint Gen. P.X. Kelley, USMC, Ret., to be a member of the American Battle Monuments Commission. He would succeed Andrew J. Goodpaster. Currently he serves as vice chairman of Cassidy and Associates in Washington, DC.

July 20

The President announced his intention to nominate John C. Datt to be a member of the Farm Credit Administration Board, Farm Credit Administration, for the term expiring May 21, 1996. He would succeed Marvin Duncan. Currently Mr. Datt serves as executive director of the American Farm Bureau Federation in Washington, DC.

July 21

In the afternoon, the President and Mrs. Bush traveled from Newport News, VA, to Camp David, MD, for the weekend.

July 22

The President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

July 23

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of the Treasury Nicholas F. Brady;

-- champions from the ladies' professional golf tour;

-- John H. Sununu, Chief of Staff to the President;

-- Federal appeals court judge Edith Jones;

-- Federal appeals court judge David H. Souter.

July 24

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President announced that William J. Doyle III will continue to serve as Inspector General of the Railroad Retirement Board. Dr. Doyle has served as Inspector General since 1986.

July 25

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders, to discuss Federal budget negotiations;

-- congressional leaders, to discuss the defense budget.

In the morning, the President attended a fundraising reception for Representative Claudine Schneider at the Mayflower Hotel.

The President declared that a major disaster existed in north-central Vermont as a result of severe storms and flooding that began July 4. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

July 26

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders, to discuss the Federal budget negotiations;

-- Jean-Pascal Delamuraz, Chief of the Department of Public Economy of Switzerland;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

July 27

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders, to discuss the Federal budget negotiations;

-- the President's Council of Advisors on Science and Technology.

The President announced that the following individuals will comprise the U.S. delegation to the Presidential inauguration of Alberto Fujimori in Lima, Peru, July 28:

Delegation Chairman:

Lauro Cavazos, Secretary of Education, and his wife, Peggy Cavazos.

Delegates:

Chase Untermeyer, Assistant to the President and Director of Presidential Personnel.

Anthony Quainton, U.S. Ambassador to the Republic of Peru.

The White House announced that the President has decided against intervening in the possible acquisition of Semi-Gas Systems, Inc., a subsidiary of Hercules, Inc., by the Japanese corporation Nippon Sanso K.K. Semi-Gas designs, assembles, and installs gas systems to control and purify gases used in the manufacture of semiconductors.

In the afternoon, the President and Mrs. Bush traveled to their home in Kennebunkport, ME.

July 29

In the afternoon, the President returned from a weekend stay at his home in Kennebunkport, ME.

July 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Prime Minister Ivars Godmanis of Latvia, to discuss Latvian self-determination and economic reform;

-- Pamela Barney, Department of Defense Dependents Teacher of the Year;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President attended the National Republican Congressional Committee Spring Policy Forum luncheon at the Capital Hilton Hotel.

July 31

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders, to discuss the Federal budget negotiations;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President hosted a reception for the Republican Congressional Leadership Council on the State Floor.

The White House announced that the President was pleased to learn of the addition of Sybil Mobley and William Aramony to the board of directors of the Points of Light Foundation.

The President announced his intention to appoint Chandler R. Lindsley, of Texas, to be an alternate member on the part of the United States on the Roosevelt Campobello International Park Commission. She would succeed Frances Barrett Hammer. Currently Mrs. Lindsley is a ranch-owner in Era, TX.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Policy and Negotiations for terms of 2 years:

John F. Akers, of Connecticut. This is a reappointment. Currently Mr. Akers serves as chairman of the board, chief executive officer, and chairman of the corporate management board for the International Business Machines Corp. in Armonk, NY.

Robert E. Allen, of New Jersey. He would succeed Peter L. Scott. Currently Mr. Allen serves as chairman and chief executive officer of AT&T in New York, NY.

August 1

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President hosted a farewell coffee in the State Dining Room for Republican Members of Congress.

The President announced his intention to appoint the following individuals to be members of the National Historical Publications and Records Commission for the terms indicated:

Charles G. Palm, of California, for the remainder of the term expiring December 26, 1991. He would succeed William A. Schambra. Currently Mr. Palm serves as associate director for library and archives at the Hoover Institution in Stanford, CA.

Frank E. Vandiver, of Texas, for a term expiring December 26, 1993. He would succeed Albert John Ossman, Jr. Currently Dr. Vandiver serves as director of the Mosher Institute for Defense Studies at Texas A&M University in College Station, TX.

The President announced his intention to appoint Samuel B. Nunez, Jr., to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. He would succeed John T. Bragg. Currently he serves as president pro tempore of the State senate of Louisiana.

The President announced his intention to appoint Janis Gabay, of California, to be a member of the Commission on Presidential Scholars during her tenure as National Teacher of the Year. She would succeed Mary V. Bicouvaris. Currently Ms. Gabay is a teacher at Junipero Serra High School in San Diego, CA.

The President announced his intention to appoint the following individuals to be members of the President's National Security Telecommunications Advisory Committee:

William T. Esrey, of Kansas. He would succeed Paul H. Henson. Currently Mr. Esrey serves as

chairman and chief executive officer of United Telecommunications, Inc., and chairman and chief executive officer of U.S. Sprint in Kansas City, MO.

Paul G. Stern, of Maryland. He would succeed Edmund Bacon Fitzgerald. Currently Dr. Stern serves as chairman and chief executive of Northern Telecom, Ltd., in Vienna, VA.

The President announced his intention to appoint D. Warner North, of California, to be a member of the Nuclear Waste Technical Review Board for a term expiring April 19, 1994. This is a reappointment. Currently Dr. North serves as principal director and vice president of Decision Focus, Inc., in Los Altos, CA.

The President announced his intention to appoint Wales H. Madden, Jr., of Texas, to be a member of the Board for International Food and Agricultural Development for a term expiring July 28, 1993. He would succeed William E. Lavery. Upon appointment, he will be designated Chairman. Currently Mr. Madden serves as a lawyer with Madden Law Offices in Amarillo, TX.

August 2

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

August 3

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- national security advisers, to discuss the Iraqi invasion of Kuwait;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the annual report describing Federal actions with respect to the conservation and use of petroleum and natural gas in Federal facilities, which covered calendar year 1989, and the annual report of the National Institute of Building Sciences for 1989.

The President announced his intention to nominate the following individuals to be members of the Board for International Broadcasting for terms expiring April 28, 1991:

Cheryl Feldman Halpern, of New Jersey. She would succeed Clair W. Burgener. Currently Mrs. Halpern serves as general partner with Then as Now Limited Partnership in Livingston, NJ.

Karl C. Rove, of Texas. He would succeed Edward Noonan Ney. Currently Mr. Rove serves as president of Karl Rove and Co. in Austin, TX.

The President announced his intention to nominate the following individuals to be members of the National Commission on Libraries and Information Science for the terms indicated:

Carol K. Diprete, of Rhode Island, for the remainder of the term expiring July 19, 1991. She would succeed George H. Nash. Currently Mrs. DiPrete serves as assistant dean for academic services and library at Roger Williams College in Bristol, RI.

J. Michael Farrell, of the District of Columbia, for the remainder of the term expiring July 19, 1992. He would succeed Sally Jo Vasicko. Currently Mr. Farrell serves as a partner with the law firm of Manatt, Phelps, Rothenberg and Phillips in Washington, DC.

The President announced his intention to nominate Howard E. Simmons, of Delaware, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1996. He would succeed Craig C. Black. Currently Dr. Simmons serves as vice president for central research and development at E.I. Dupont de Nemours and Co. in Wilmington, DE.

The President announced his intention to nominate the following individuals to be members of the U.S. Advisory Commission on Public Diplomacy for the terms indicated:

Fitzhugh Green, of the District of Columbia, for a term expiring July 1, 1992. He would succeed Priscilla L. Buckley. Currently Mr. Green is an author and lecturer and has served as vice president and principal with the environmental consulting firm of William D. Ruckelshaus Associates.

Tom C. Korologos, of Virginia, for a term expiring July 1, 1993. This is a reappointment. Currently Mr. Korologos serves as president of Timmons and Co., Inc., in Washington, DC.

In the afternoon, the President went to Camp David, MD, for the weekend.

August 4

In the afternoon, at Camp David, MD, President Bush had telephone conversations with King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia, President Turgut Ozal of Turkey, Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait, and Prime Minister Brian Mulroney of Canada, to discuss the Iraqi invasion and occupation of Kuwait.

August 5

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

In the evening, the President met with his national security advisers to discuss the Iraqi invasion and occupation of Kuwait. Following the meeting, the President received a telephone call from King Hussein of Jordan.

August 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Thomas S. Foley, Speaker of the House of Representatives, for a working lunch;

-- John H. Sununu, Chief of Staff to the President;

-- Prime Minister Brian Mulroney of Canada, to discuss the Iraqi invasion and occupation of Kuwait.

In the morning, the President visited H. Lee Atwater, chairman of the Republican National Committee, who was undergoing cancer treatment at George Washington University Hospital.

The President had telephone conversations with Secretary of Defense Richard B. Cheney, who was in Saudi Arabia, and Giulio Andreotti, Prime Minister of Italy and President of the European Community.

In the evening, the President met with his national security and economic advisers to discuss the Iraqi invasion and occupation of Kuwait.

August 7

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Cabinet, to discuss the Iraqi invasion and occupation of Kuwait and Federal budget and

economic matters;

-- Arab-American leaders;

-- John H. Sununu, Chief of Staff to the President.

In the late morning, the President traveled to the CIA Operations Center in Langley, VA, where he toured the facility, participated in briefings, and attended a working luncheon. While at the center, the President had a telephone conversation with Prime Minister Brian Mulroney of Canada to discuss the Iraqi invasion and occupation of Kuwait. In the afternoon, the President returned to the White House.

During the day, President Bush had telephone conversations with President Francois Mitterrand of France, President Mohammed Hosni Mubarak of Egypt, King Hassan II of Morocco, President `Ali `Abdallah Salih of Yemen, and Secretary of Defense Richard B. Cheney, who had met with King Fahd of Saudi Arabia and President Mubarak.

The President decided against intervening in the proposed acquisition of Norton Co. by Compagnie de Saint-Gobain, a French corporation. Norton Co. manufactures abrasive products and engineering materials, including advanced ceramics, and has engaged in extensive research and development of advanced ceramics and diamond films.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Tatanene Manata of Zaire, Ernesto Palazio of Nicaragua, Walid al-Moualem of Syria, James V. Hyde of Belize, Denneth Modeste of Grenada, Kazimierz Dziewanowski of Poland, and Gonzalo J. Facio of Costa Rica.

The President announced his intention to appoint the following individuals to be members of the President's Committee on Mental Retardation for terms expiring May 11, 1992:

Kenneth Lee Barun, of Illinois. He would succeed Margaret A. Depaoli. Currently Mr. Barun serves as vice president and executive director of the Ronald McDonald Children's Charities in Oak Brook, IL.

Robert E. Brown, of Ohio. He would succeed Dwight William Schuster. Currently Mr. Brown serves as director of the Ohio Department of Mental Retardation in Columbus.

Betty Barshad Osman, of New York. She would succeed Lucia L. Abell. Currently Dr. Osman serves as a psychologist for the White Plains Hospital Medical Center in White Plains, NY.

E. Duane Thompson, of Illinois. He would succeed Martin S. Appel. Currently Mr. Thompson serves as executive director of the Association for Individual Development in Aurora, IL.

The President announced his intention to appoint the following individuals to be members of the President's Commission on White House Fellowships:

Richard E. Berkowitz, of Georgia. He would succeed Thomas C. Dawson. Currently Mr. Berkowitz serves as senior vice president of Oppenheimer and Co. in Atlanta, GA.

Myron D. Emery, of California. He would succeed John Chatfield Tuck. Currently Mr. Emery serves as an attorney in the law offices of Myron D. Emery in Los Angeles, CA.

Rae Forker Evans, of the District of Columbia. She would succeed Willa Ann Johnson. Currently Mrs. Evans is the vice president of Hallmark Cards, Inc., in Washington, DC.

James L. Ferguson, of New York. He would succeed Shannon J. Wall. Mr. Ferguson has most recently served as chairman of the executive committee for the General Foods Corp., 1987 - 1989.

Robert H. Puckett, of Indiana. He would succeed Martha Peterson. Currently Dr. Puckett is a professor of political science at Indiana University in Terre Haute, IN.

Warren S. Rustand, of Arizona. He would succeed Irving Kristol. Currently Mr. Rustand serves as chairman of the Garrett-Sweeney Co. in Tucson, AZ.

The President announced his intention to appoint the following individuals to be U.S. Commissioners on the Pacific Salmon Commission for the terms indicated:

Joseph R. Blum, of Washington, for the remainder of the term expiring January 5, 1992. He would succeed William R. Wilkerson. Currently Mr. Blum serves as director of the Washington Department of Fisheries in Olympia.

Don W. Collinsworth, of Alaska, for a term expiring January 5, 1994. This is a reappointment. Currently Mr. Collinsworth serves as commissioner of the Alaska Department of Fish and Game in Juneau.

Guy R. McMinds, of Washington, for the remainder of the term expiring January 5, 1992. He would succeed Sherman Timothy Wapato. Currently Mr. McMinds serves as a natural resources adviser for Quinault Indian Nation in Taholah, WA.

The President announced that the following individuals will comprise the U.S. delegation to the Dominican Republic for the Presidential inauguration of Joaquin Balaguer in Santo Domingo, August 16:

Delegation Chairman:

Elizabeth Dole, Secretary of Labor.

Delegates:

Mrs. Nancy Bush Ellis, of Massachusetts.

Ricardo H. Hinojosa, U.S. District Judge for the Southern District of Texas.

Roy Pfautch, of Missouri, president of Civic Service, Inc.

Julia Rivera de Vincenty, Director of the Farmers Home Administration of Puerto Rico.

Ambassador Paul D. Taylor, U.S. Ambassador to the Dominican Republic.

The President announced his intention to appoint the following individuals:

Lois L. Evans, of New York, to be an Alternate Representative of the United States on the South Pacific Commission for a term of 2 years. She would succeed Bradford M. Freeman. Currently Mrs. Evans serves as chairman of Evans and Shea, Inc., in New York, NY.

Adm. James L. Holloway III, USN, Ret., of Maryland, to be the Representative of the United States on the South Pacific Commission for a term of 2 years. He would succeed John Henry Felix. Currently Admiral Holloway serves as president of the Naval Historical Foundation in Washington, DC.

The President announced his intention to appoint Christopher M. Weld, of Massachusetts, to be a U.S. Commissioner on the International Commission for the Conservation of Atlantic Tunas. He would succeed Michael B. Montgomery. Currently Mr. Weld serves as managing partner with Sullivan and Worcester in Boston, MA.

August 8

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Federal budget advisers, to discuss the status of the budget talks and the effect of the Iraqi invasion and occupation of Kuwait on the talks.

President Bush had telephone conversations with President Zayid bin Sultan Al Nuhayyan of the United Arab Emirates, Sultan Qaboos bin Sa`id Al Said of Oman, and President Turgut Ozal of Turkey, to discuss the Iraqi invasion and occupation of Kuwait.

August 9

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Walter G. Hogan, Veterans of Foreign Wars commander in chief;

-- Eve Launer, the Epilepsy Foundation poster child;

-- Gen. Larry D. Walsh, retired Chief of Staff of the Air Force.

The President had telephone conversations with Prime Minister Margaret Thatcher of the United Kingdom and Prime Minister Robert Hawke of Australia to discuss the Iraqi invasion and occupation of Kuwait.

August 10

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch.

In the afternoon, the President traveled to his home in Kennebunkport, ME.

August 11

In the afternoon, the President met at his home in Kennebunkport, ME, with Secretary of State James A. Baker III; John H. Sununu, Chief of Staff to the President; and Robert M. Gates,

Assistant to the President and Deputy for National Security Affairs, to discuss the Persian Gulf crisis and the recent NATO Foreign Ministers meeting.

August 12

President Bush had a telephone conversation with President Hafiz al-Assad of Syria to discuss the Persian Gulf crisis.

August 13

In the morning, the President met at his home in Kennebunkport, ME, with John H. Sununu, Chief of Staff to the President; Andrew H. Card, Jr., Assistant to the President and Deputy to the Chief of Staff; and Robert M. Gates, Assistant to the President and Deputy for National Security Affairs, for his daily intelligence briefing and to discuss the Persian Gulf crisis.

Later President Bush had a telephone conversation with President Carlos Andres Perez of Venezuela to discuss the Persian Gulf crisis and world oil supplies.

August 14

In the afternoon, the President returned to Washington, DC, and met with advisers to discuss the Federal budget. Later he met with Foreign Minister Sabah al-Ahmad al-Jabir Al Sabah of Kuwait to discuss the Persian Gulf crisis.

The President appointed Representative Robert K. Dornan to be his personal representative at the international air show in Farnborough, England, September 2 - 9.

August 15

In the morning, the President met at the White House with the Committee on New Drugs for Cancer and AIDS.

In the afternoon, the President traveled to his home in Kennebunkport, ME.

August 16

President Bush telephoned President Mohammed Hosni Mubarak of Egypt to discuss President Bush's meetings with King Hussein I of Jordan and Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia.

In the evening, the President attended a fundraising dinner in Kennebunkport, ME, for Vermont

gubernatorial candidate Richard Snelling.

August 17

In the morning, the President met at his home in Kennebunkport, ME, with:

-- Andrew H. Card, Jr., Assistant to the President and Deputy to the Chief of Staff, and Robert M. Gates, Assistant to the President and Deputy for National Security Affairs, for his daily intelligence briefing;

-- Secretary of Health and Human Services Louis W. Sullivan; C. Boyden Gray, Counsel to the President; and Constance B. Newman, Director of the Office of Personnel Management, to discuss civil rights legislation.

August 18

In the morning, aboard the U.S. Coast Guard cutter Monomoy off the coast of Maine, the President met with Robert M. Gates, Assistant to the President and Deputy for National Security Affairs, and Andrew H. Card, Jr., Assistant to the President and Deputy to the Chief of Staff, for a briefing on national security issues.

Later, aboard his boat Fidelity, the President had a telephone conversation with Robert M. Gates, Assistant to the President and Deputy for National Security Affairs, to discuss the Iraqi statement regarding its treatment of foreign nationals.

August 19

In the afternoon, the President returned to Washington, DC, and met with national security advisers to discuss the Persian Gulf crisis.

August 20

In the morning, the President met at the White House with:

-- advisers, to discuss the Federal budget negotiations;

-- Deputy Secretary of Energy W. Henson Moore, to discuss the Persian Gulf crisis and U.S. energy reserves.

In the morning, the President telephoned President Turgut Ozal of Turkey and Prime Minister Margaret Thatcher of the United Kingdom to discuss the Persian Gulf crisis.

The President announced his intention to appoint Robert A. Estrada, of Texas, to be a member of the Student Loan Marketing Association. He would succeed Irby Clifford Simpkins, Jr. Currently Mr. Estrada serves as chairman of the board of Estrada Securities, Inc., in Dallas, TX.

The President announced his intention to appoint the following individuals to be members of the President's Commission on White House Fellowships:

Constance Berry Newman, of Maryland. She would succeed Constance Horner. Since 1989 Ms. Newman has served as Director of the Office of Personnel Management.

Sophocles A. Hero, of Virginia. He would succeed William Milton Smith. Mr. Hero most recently served as an attorney specializing in international affairs in the Office of the General Counsel at the Department of Defense, 1959 - 1980.

August 21

In the morning, the President met at his home in Kennebunkport, ME, with Robert M. Gates, Assistant to the President and Deputy for National Security Affairs, and Andrew H. Card, Jr., Assistant to the President and Deputy to the Chief of Staff, for a briefing on domestic issues.

The President telephoned Brent Scowcroft, Assistant to the President for National Security Affairs, to discuss the Persian Gulf crisis and the mobilization of U.S. Reserves, and Thomas R. Pickering, U.S. Representative to the United Nations, to discuss the U.N. deliberations on the economic sanctions against Iraq.

Later in the morning, the President traveled to Woodlands Country Club in Falmouth, ME, to participate in Gov. John McKernan's 1990 Golf Classic.

In the afternoon, the President returned to Kennebunkport, ME.

August 23

In the morning, the President met at his home in Kennebunkport, ME, with Brent Scowcroft, Assistant to the President for National Security Affairs, and Andrew H. Card, Jr., Assistant to the President and Deputy to the Chief of Staff, for a briefing on domestic and national security issues.

Later in the morning, the President had telephone conversations with Chancellor Helmut Kohl of the Federal Republic of Germany and Prime Minister Robert Hawke of Australia to discuss the Persian Gulf crisis.

In the evening, the President attended a fundraising dinner in Kennebunkport, ME, for Gov. Judd Gregg of New Hampshire and congressional candidate David Emery.

August 24

The President met at his home in Kennebunkport, ME, with Secretary of the Treasury Nicholas F. Brady; Richard G. Darman, Director of the Office of Management and Budget; John H. Sununu, Chief of Staff to the President; and Andrew H. Card, Jr., Assistant to the President and Deputy to the Chief of Staff, to discuss the Federal budget negotiations.

August 25

In the morning, the President met at his home in Kennebunkport, ME, with Brent Scowcroft, Assistant to the President for National Security Affairs, for an intelligence and national security briefing.

August 28

In the afternoon, the President returned to Washington, DC, and met with Foreign Minister Yusuf bin `Alawi bin `Abdallah of Oman to discuss the Persian Gulf crisis.

August 29

The President met at the White House with:

-- the Vice President and Brent Scowcroft, Assistant to the President for National Security Affairs, for an intelligence and national security briefing;

-- advisers, to discuss the Federal budget negotiations;

-- Secretary of State James A. Baker III.

The President declared that major disasters existed in New Hampshire, as a result of severe storms and flooding that began August 7, and in Illinois, as a result of tornadoes that occurred August 28. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the afternoon, the President had a telephone conversation with Gov. Jim Thompson of Illinois, who expressed his appreciation for Federal disaster relief.

The President announced his intention to appoint the following individuals to be members of the

President's Commission on the Federal Appointment Process. These are new positions:

Thomas Joseph Murrin, Deputy Secretary of Commerce. Upon appointment, he will be designated Chairman.

C. Boyden Gray, Counsel to the President of the United States.

Nancy Mohr Kennedy, Assistant Secretary of Education.

J. Michael Luttig, Acting Assistant Attorney General (Office of Legal Counsel), Department of Justice.

Constance Berry Newman, Director of the Office of Personnel Management.

Stephen D. Potts, Director of the Office of Government Ethics.

Clarence Thomas, U.S. Circuit Judge for the District of Columbia Circuit.

Charles G. (Chase) Untermeyer, Assistant to the President of the United States and Director of Presidential Personnel.

In the evening, the President hosted a dinner in the Residence for Members of Congress.

August 30

The President met at the White House with:

-- Brent Scowcroft, Assistant to the President for National Security Affairs, for an intelligence and national security briefing;

-- administration officials, for an energy briefing;

-- national security advisers, to discuss the Persian Gulf crisis;

-- Secretary of the Treasury Nicholas F. Brady and Under Secretary of the Treasury for International Affairs David Mulford.

In the afternoon, the President traveled to his home in Kennebunkport, ME.

The President announced his intention to appoint Shannon Fairbanks, of the District of Columbia, to be a member of the Board of Directors of the Federal Home Loan Mortgage

Corporation for a term ending on the date of the next annual meeting of the voting common stockholders in 1991. This is a new position. Currently Mrs. Fairbanks serves as executive vice president of the American Real Estate Group in Washington, DC.

The President announced his intention to nominate Barry Zorthian, of the District of Columbia, to be a member of the Board for International Broadcasting for a term expiring May 20, 1992. He would succeed Arch Madsen. Currently Mr. Zorthian serves as a partner with the law firm of Alcalde, O'Bannon, Rousselot and Wahlquist.

August 31

In the morning, at his home in Kennebunkport, ME, President Bush had telephone conversations with King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia, Prime Minister Margaret Thatcher of the United Kingdom, and President Francois Mitterrand of France to discuss the Persian Gulf crisis.

The President declared that a major disaster existed in Monroe County, WI, as a result of severe storms and flooding that occurred August 17. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President announced his intention to appoint the following individuals to be members of the Advisory Commission on Conferences in Ocean Shipping:

Conrad H.C. Everhard, of New York. Currently Mr. Everhard serves as chairman of O.O.C.L. (U.S.A.), Inc., in New York, NY.

James J. O'Brien, of California. Currently Mr. O'Brien serves as executive director of transportation services for the Port of Oakland in California.

Paul F. Wegener, of Louisiana. Currently Mr. Wegener serves as chairman of the board of National Customs Brokers and Forwarders Association of America and as vice president of M.G. Maher and Co., Inc., in New Orleans, LA.

Roger W. Wigen, of Minnesota. Currently Mr. Wigen serves as manager of transportation policy and industry affairs for the Minnesota Mining and Manufacturing Co., Inc., in St. Paul, MN.

Raymond Paul deMember, of Virginia. Currently Mr. deMember serves as executive vice president and general counsel of the International Association of Non-Vessel-Operating Common Carriers and as an attorney in private practice in Fairfax, VA.

William P. Verdon, of the District of Columbia. Currently Mr. Verdon serves as president of United Ship Owners of America in Washington, DC.

Paul L. Crouch, of California. Currently Mr. Crouch serves as vice president of Traffic Calcot, Ltd., in Bakersfield, CA.

Samuel K. Skinner, Secretary of Transportation, will be designated Chairman. He was appointed to the Commission on October 5, 1989.

The President announced his intention to select Eugene Ronald Croisant, of Illinois, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term of 2 years. He would succeed Frank W. Jenkins. Currently Mr. Croisant serves as executive vice president for Human Resources and Administration at R.J.R. Nabisco in New York, NY.

The President announced his intention to appoint Christopher Hicks, of Maryland, to be a member of the Board for International Food and Agricultural Development for the remainder of the term expiring July 28, 1992. He would succeed Gwendolyn S. King. Currently Mr. Hicks serves as a partner with the law firm of Anderson, Hibey, Nanheim and Blair in Washington, DC.

The President announced his intention to nominate James O. Mason, of Utah, to be Representative of the United States on the Executive Board of the World Health Organization. He would succeed Frank E. Young. Currently Dr. Mason serves as Assistant Secretary for Health at the Department of Health and Human Services in Washington, DC.

The President announced his intention to appoint Robert L. Athey, of Illinois, to be Alternate Commissioner of the United States Section of the Great Lakes Fishery Commission. He would succeed Charles K. Dutcher. Currently Mr. Athey serves as vice president of Jack Nicklaus Development Corp. of Illinois in North Barrington, IL.

The President announced his intention to nominate Joan R. Challinor, of the District of Columbia, to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term of 6 years. This is a reappointment. Currently Mrs. Challinor serves as a research associate for the National Museum of American History in Washington, DC.

September 3

In the afternoon, the President and Mrs. Bush returned to Washington, DC, from their vacation in Kennebunkport, ME.

September 4

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- members of the Cabinet;

-- Harold Reynolds, second baseman for the Seattle Mariners baseball team and the 195th daily Point of Light.

In the afternoon, the President participated in a swearing-in ceremony in the Oval Office for Stephen D. Potts as Director of the Office of Government Ethics.

The President announced his intention to appoint the following individuals to be members of the President's Committee on Mental Retardation for the terms indicated:

Linda Felner, of New York, for a term expiring May 11, 1992. She would succeed Alexander L. Napolitano. Currently Mrs. Felner serves as the Federal liaison for the department of intergovernmental relations in Westchester County, NY.

Thomas Gunnings, of Michigan, for a term expiring May 11, 1991. He would succeed Martin S. Ulan. Currently Dr. Gunnings serves as founder and president of the Meridian Professional Psychological Consultants, Inc., in East Lansing, MI.

J. Alfred Rider, of California, for a term expiring May 11, 1991. This is a reappointment. Currently Dr. Rider serves as an associate clinical professor for the department of internal medicine at the University of California at Davis.

The President announced his intention to appoint the following individuals to be members of the Library of Congress Trust Fund Board for the terms indicated:

Edwin L. Cox, of Texas, for the term of 5 years from March 9, 1988. He would succeed Flora Laney Thornton. Currently Mr. Cox serves as chairman of Cox Oil and Gas, Inc., in Dallas, TX.

Marguerite S. Roll, of Arizona, for the term of 5 years from March 9, 1990. She would succeed Mildred Lois Nichols Teas. Currently Mrs. Roll is a community and civic leader.

The President announced his intention to appoint Robert Boone Hawkins, Jr., of California, to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. This is a reappointment. Currently Dr. Hawkins serves as president of the Institute for Contemporary Studies in San Francisco, CA.

The President announced his intention to designate Richard V. Backley, of Virginia, to be Acting Chairman of the Federal Mine Safety and Health Review Commission. Mr. Backley has been a Commissioner on the Federal Mine Safety and Health Review Commission since August 31, 1978. The term of the current Chairman, Ford B. Ford, expired on August 30, 1990.

September 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Members of Congress, to discuss their recent visits to the Persian Gulf region.

In the morning, the President telephoned W. Nathaniel Howell, U.S. Ambassador to Kuwait, to discuss the Persian Gulf crisis.

The President announced that Vilma Rosso Taracido, of New York, will continue to serve as Assayer of the Mint of the United States at West Point, NY.

In the evening, the President telephoned U.N. Secretary-General Javier Perez de Cuellar de la Guerra, to discuss the Secretary-General's recent diplomatic visit to the Persian Gulf region.

September 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Foreign Minister David Levi of Israel.

President Bush received telephone calls from President Turgut Ozal of Turkey, Chancellor Helmut Kohl of the Federal Republic of Germany, and President Francois Mitterrand of France. President Bush discussed the Persian Gulf crisis and his upcoming meeting with President Mikhail Gorbachev of the Soviet Union with each foreign leader.

President Bush telephoned President Hafiz al-Assad of Syria, to discuss the Persian Gulf crisis.

The President declared that a major disaster existed in Iowa as a result of severe storms and flooding that began July 25. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President announced his intention to nominate the following individuals to be members of the U.S. Advisory Commission on Public Diplomacy for terms expiring July 1, 1991:

William J. Hybl, of Colorado. He would succeed Richard M. Scaife. Currently Mr. Hybl serves as chairman and chief executive officer of the El Pomar Foundation in Colorado Springs, CO.

Richard B. Stone, of the District of Columbia. He would succeed E. Robert Wallach. Currently Mr. Stone serves as vice chairman, member of the board of directors, and chief executive officer of Capital Bank, N.A., in Los Angeles, CA.

The President announced his intention to nominate William H.G. Fitzgerald, of the District of Columbia, to be a member of the Board of Directors of the African Development Foundation for a term expiring February 9, 1996. He would succeed Jay Kenneth Katzen. Upon confirmation, he will be designated Vice Chairperson. Most recently, Mr. Fitzgerald served as chairman of the board of the North American Housing Corp.

September 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Oskar Lafontaine, Social Democratic Party candidate for Chancellor of the Federal Republic of Germany;

-- the Vice President, for lunch.

The White House announced that President Bush has invited President F.W. de Klerk of South Africa to visit Washington. President de Klerk has accepted the invitation and will meet with President Bush at the White House on September 24.

The President appointed the following individuals to be Members of the President's Committee on the Arts and the Humanities:

David B. Kennedy, of Michigan. He would succeed Stanley M. Freehling. Currently Mr. Kennedy serves as president of the Earhart Foundation in Ann Arbor, MI.

Benjamin F. Biaggini, of California. He would succeed Franklin D. Murphy. Mr. Biaggini is the former chairman of Southern Pacific Co. of San Francisco.

Richard J. Franke, of Illinois. He would succeed Charles A. Dana, Jr. Currently he serves as chairman and chief executive officer of John Nuveen and Co., Inc., in Chicago, IL.

George V. Grune, of Connecticut. He would succeed Schuyler G. Chapin. Currently Mr. Grune serves as chairman of the board and chief executive officer of the Reader's Digest Association, Inc., in Pleasantville, NY.

Donald B. Marron, of New York. He would succeed Frank Stanton. Currently Mr. Marron serves as chairman and chief executive officer of the Paine Webber Group, Inc., in New York, NY.

Konrad Henry Matthaei, of New York. He would succeed Isabel Brown Wilson. Currently Mr. Matthaei serves as director of development for the Cold Spring Harbor Laboratory in Cold Spring Harbor, NY.

Alexander K. McLanahan, of Texas. He would succeed Betsy Bloomingdale. Currently Mr. McLanahan serves as vice president of Kidder, Peabody and Co., Inc., in Houston, TX.

Raymond D. Nasher, of Texas. He would succeed Frank Sinatra. Dr. Nasher is founder and chairman of the board of the Nasher Co. in Dallas, TX.

Lynne Dominick Novack, of Oklahoma. She would succeed Karen Hansen Munro. Currently Mrs. Novack serves as an independent consultant and special project director at the International Council in Tulsa, OK.

Arthur W. Schultz, of California. This is a reappointment. Mr. Schultz is the former chairman of the board of trustees of the Art Institute of Chicago.

William E. Simon, of New Jersey. He would succeed Leonard Silverstein. Currently he serves as president of the John M. Olin Foundation and chairman of William E. Simon and Sons, Inc., in Morristown, NJ.

Jane DeGraff Sloat, of the District of Columbia. She would succeed Caroline Ahmanson.

Roger L. Stevens, of the District of Columbia. This is a reappointment. Currently Mr. Stevens is founding chairman of the John F. Kennedy Center for the Performing Arts in Washington, DC.

Oscar L. Tang, of New York. He would succeed Rawleigh Warner, Jr. Mr. Tang is cofounder, president, and chairman of the executive board of Reich and Tang, Inc., in New York, NY.

Jane Morgan Weintraub, of California. She would succeed Bill Blass.

Donald J. Hall, of Missouri. He would succeed Andrew Heiskell. Upon appointment, he will be designated chairman. Currently Mr. Hall serves as chairman of the board of Hallmark Cards, Inc., in Kansas City, MO.

Stanley S. Scott, of Louisiana. He would succeed Armand S. Deutsch. Currently Mr. Scott serves as president of Crescent Distribution Co. in Harahan, LA.

In the evening, the President and Mrs. Bush traveled to Helsinki, Finland, for President Bush's meeting with President Mikhail Gorbachev of the Soviet Union.

September 10

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint the following individuals to be U.S. Commissioners on the International Pacific Halibut Commission for the terms indicated:

Richard I. Eliason, of Alaska, for a term expiring December 12, 1991. This is a reappointment. Currently Senator Eliason serves as a State senator for the Alaska State Senate in Juneau, AL.

Steven Pennoyer, of Alaska, for a term expiring December 12, 1990 and also for a term expiring December 12, 1992. He would succeed Robert W. McVey. Currently Mr. Pennoyer serves as Regional Director for Alaska of the National Oceanic and Atmospheric Administration's National Marine Fisheries Service in Juneau, AK.

The President announced his intention to appoint Joan Wellhouse Stein, of Florida, to be a member of the Advisory Council on Historic Preservation for a term expiring June 10, 1994. She would succeed Robert O. Johns. Upon appointment, she will be designated vice chairman.

Currently Mrs. Stein serves as chairman of the board of the Regency Group, Inc. in Jacksonville, FL.

The President transmitted to the Congress the annual report of the National Endowment for the Arts for fiscal year 1989.

September 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

The President transmitted to the Congress the 10th annual report of the Department of Energy, which covered 1988 and 1989.

September 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Judge David Souter, Supreme Court nominee;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint the following individuals to be members of the President's Board of Advisors on Historically Black Colleges and Universities:

Julius W. Becton, Jr., of Texas. Currently Mr. Becton serves as president of Prairie View A&M University in Prairie View, TX.

Milton Bins, of the District of Columbia. Currently Mr. Bins serves as deputy director of the Council of Great City Schools in Washington, DC.

John Carter, of Connecticut. Currently Mr. Carter serves as president and chief executive officer

of The Equitable Financial Companies in New York, NY.

James E. Cheek, of the District of Columbia. Upon appointment, he will be designated Chairman. Currently Dr. Cheek serves as president emeritus of Howard University in Washington, DC.

Edward B. Fort, of North Carolina. Currently Dr. Fort serves as chancellor of North Carolina A&T State University in Greensboro, NC.

Norman C. Francis, of Louisiana. Currently Dr. Francis serves as president of Xavier University of Louisiana in New Orleans, LA.

Edmund B. Gaither, of Massachusetts. Currently Mr. Gaither serves as director of the Museum of the National Center of Afro-American Artists in Boston, MA.

Caspa L. Harris, Jr., of Virginia. Currently Mr. Harris serves as president of the National Association of College and University Business Officers in Washington, DC.

William R. Harvey, of Virginia. Currently Dr. Harvey serves as president of Hampton University in Hampton, VA.

William E. Hogan II, of Minnesota. Currently Dr. Hogan serves as vice president of Inertial Instruments Operation for Honeywell, Inc., in Minneapolis, MN.

William P. Hytche, of Maryland. Currently Dr. Hytche serves as president of the University of Maryland Eastern Shore in Princess Anne, MD.

James A. Joseph, of Virginia. Currently Mr. Joseph serves as president and chief executive officer of the Council on Foundations in Washington, DC.

Leroy Keith, Jr., of Georgia. Currently Dr. Keith serves as president of Morehouse College in Atlanta, GA.

David Satcher, of Tennessee. Currently Dr. Satcher serves as president of Meharry Medical College in Nashville, TN.

Gloria Randle Scott, of North Carolina. Currently Dr. Scott serves as president of Bennett College in Greensboro, NC.

Carl Ware, of Georgia. Currently Mr. Ware serves as senior vice president of the Coca-Cola Co. in Atlanta, GA.

Walter Washington, of Mississippi. Currently Dr. Washington serves as president of Alcorn State University in Lorman, MS.

Carole Ann Fleming, of Texas. Upon appointment, she will be designated vice chairman. Currently Mrs. Fleming serves as an account executive for AT&T in Houston, TX. Mrs. Fleming is a member of the board of trustees of Texas Southern University.

Dorothy Irene Height, of New York. Currently Ms. Height serves as the president of the National Council of Negro Women in Washington, DC.

Ruth B. Love, of California. Currently Dr. Love serves as president of Ruth Love Enterprises in Oakland, CA.

Portia A. Scott, of Georgia. Currently Ms. Scott serves as assistant to the general manager of Atlanta Daily World in Atlanta, GA.

Arthur Edward Thomas, of Ohio. Currently Dr. Thomas serves as president of Central State University in Wilberforce, OH.

Albertine Elaine Bowie Turkson, of Texas.

Patricia Hill Williams, of New York. Currently Ms. Williams serves as assistant to the president for alumni affairs at State University of New York, College of Technology, at Farmingdale.

September 13

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- the Vice President, for lunch;

-- the U.S. lacrosse team.

In the morning, the President attended a fundraising reception for U.S. senatorial candidate Patricia Saiki at the Westin Hotel.

The President announced his intention to nominate Mary Ann Mobley-Collins, of California, to

be a member of the National Council on Disability for a term expiring September 17, 1991. She would succeed Joni Tada. Currently Mrs. Collins is an actress, singer, and volunteer for numerous causes in Beverly Hills, CA.

The President announced his intention to nominate Paul K. Dayton, of California, to be a member of the Marine Mammal Commission for a term expiring May 13, 1992. He would succeed William W. Fox, Jr. Currently Dr. Dayton serves as a professor for the Scripps Institution of Oceanography at the University of California at San Diego in La Jolla, CA.

The President selected Paul Coverdell, Director of the Peace Corps, to be the Presidential representative to the International Olympic Committee meeting in Tokyo, Japan, September 16 - 19, to support Atlanta's bid to host the 1996 games.

The President announced his intention to nominate James R. Whelan, of Virginia, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 1994. He would succeed Harold K. Phillips. Upon confirmation, he will be designated vice chairman. Currently Mr. Whelan serves as an author and consultant in Arlington, VA.

The President transmitted to the Congress the annual report of the Tourism Policy Council, which covered fiscal year 1989.

September 14

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President went to Camp David, MD, for the weekend.

September 16

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

September 17

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- members of the Cabinet;

-- Secretary of the Treasury Nicholas F. Brady.

In the morning, the President telephoned Linda Warsaw, the 250th daily Point of Light.

In the afternoon, in an Oval Office ceremony, the President participated in the presentation of the National Education Goals poster.

September 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President traveled to Denver, CO.

The President designated Jack A. Josephson, of New York, to be Chairman of the Cultural Property Advisory Committee. Mr. Josephson was appointed as a member of the Committee on June 12, 1990. Currently he serves as president of Sellers and Josephson, Inc., in Norwood, NJ.

The President designated Timothy J. McBride, of Michigan, to be a member of the Overseas Private Investment Corporation. Mr. McBride currently serves as an Assistant Secretary of Commerce for Trade Development.

September 19

In the evening, President Bush sent a personal message to President Carlos Saul Menem of Argentina, thanking him for sending two ships to the Persian Gulf to join the international effort to enforce U.N. economic sanctions against Iraq.

September 20

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- the Vice President, for lunch.

September 21

The President met at the White House with:

-- H. Lee Atwater, chairman of the Republican National Committee;

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- British Defense Minister Thomas King, to discuss the Persian Gulf crisis;

-- congressional leaders, to discuss the Persian Gulf crisis;

-- Secretary of State James A. Baker III.

The President announced his intention to nominate Katherine D. Ortega, of New Mexico, to be an Alternate Representative of the United States of America to the 45th Session of the General Assembly of the United Nations. She would succeed Barbara Franklin. Most recently, Mrs. Ortega served as Treasurer of the United States.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

September 23

In the afternoon, the President returned from a weekend stay at Camp David, MD.

September 24

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Secretary of Defense Richard B. Cheney.

The President transmitted to the Congress the Saint Lawrence Seaway Development Corporation's annual report for 1989.

The President selected the following individuals to be delegates to the World Summit for Children at the United Nations in New York City, September 30:

James Baker, Secretary of State.

Lauro Cavazos, Secretary of Education.

Louis Sullivan, Secretary of Health and Human Services.

Antonia Novello, Surgeon General of the United States.

Clara McBride Hale. ``Mother'' Clara Hale founded Hale House in Harlem for infants with chemical dependence or infants infected with AIDS.

September 25

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Stan Musial, former professional baseball player;

-- Prime Minister Anibal Cavaco Silva of Portugal;

-- members of the Boys and Girls Clubs of America;

-- Robert S. Turner, commander of the American Legion.

In the evening, the President and Mrs. Bush attended the President's Club dinner at the Omni Shoreham Hotel.

September 26

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- the Republican congressional leadership, to discuss the Federal budget negotiations.

September 27

The President selected Secretary of Veterans Affairs Edward J. Derwinski to be his representative at the ceremonies commemorating the 30th anniversary of the independence of Cyprus, September 30 - October 3.

The President announced his intention to appoint the following individuals to be members of the Board for International Food and Agricultural Development for the terms indicated:

John V. Byrne, of Oregon, for a term expiring July 28, 1993. He would succeed Jean Ruley Kearns. Currently Dr. Byrne serves as president of Oregon State University.

John A. Dibiaggio, of Michigan, for a term expiring July 28, 1993. He would succeed Hugh O. La Bounty. Currently Dr. Dibiaggio serves as president of Michigan State University in East Lansing.

Wendell G. Rayburn, of Missouri, for a term expiring July 28, 1993. This is a reappointment. Currently Mr. Rayburn serves as president of Lincoln University in Jefferson City, MO.

The President announced his intention to appoint the following individuals to be members of the President's Commission on Executive Exchange for terms of 2 years:

R. Quintus Anderson, of New York. This is a new position. Currently Mr. Anderson serves as chairman of the Aarque Companies in Jamestown, NY.

Ann Ascher, of California. She would succeed James A. Baker III. Currently Ms. Ascher serves as president of Ann Ascher, Inc., in Los Angeles, CA.

Mae Sue Talley, of Arizona. This is a new position. Most recently, Mrs. Talley served as the private sector coordinator for Latin America and the Caribbean for the Agency for International Development at the Department of State in Washington, DC.

September 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

September 29

In the afternoon, the President and Mrs. Bush attended the National Security Council picnic at Fort McNair.

Later in the afternoon, the President and Mrs. Bush traveled to New York City. In his suite at the Waldorf-Astoria Hotel, President Bush held bilateral meetings with:

-- President Cesar Gaviria of Colombia,

-- Prime Minister Salim al-Huss of Lebanon,

-- President Violeta Chamorro of Nicaragua,

-- Prime Minister Brian Mulroney of Canada,

-- Prime Minister Tadeusz Mazowiecki of Poland, and

-- Prime Minister Toshiki Kaifu of Japan.

September 30

In the afternoon, President Bush held bilateral meetings in his suite at the Waldorf-Astoria Hotel with:

-- President Fernando Collor de Mello of Brazil,

-- President Carlos Andres Perez of Venezuela,

-- President Vaclav Havel of Czechoslovakia,

-- King Baudouin I of Belgium,

-- Prime Minister Felipe Gonzalez Marquez of Spain,

-- President Carlos Salinas de Gortari of Mexico, and

-- Prime Minister Margaret Thatcher of the United Kingdom.

October 1

In the morning, President Bush held bilateral meetings in his suite at the Waldorf-Astoria Hotel with:

-- President Carlos Saul Menem of Argentina,

-- President Luis Alberto Lacalle of Uruguay, and

-- Secretary General Salim Salim and Chairman Yoweri Museveni of the Organization of African Unity.

Later, President Bush met at the United Nations with U.N. Secretary-General Javier Perez de Cuellar de la Guerra and U.N. General Assembly President Guido De Marco.

In the afternoon, the President had telephone conversations with Members of Congress to enlist their support for the Federal budget agreement.

President Bush held bilateral meetings in his suite at the Waldorf-Astoria Hotel with:

-- Foreign Minister Eduard A. Shevardnadze of the Soviet Union,

-- President Borisav Jovic of Yugoslavia,

-- Prime Minister Giulio Andreotti of Italy,

-- President Hussain Mohammad Ershad of Bangladesh, and

-- President Alfredo Cristiani Buckard of El Salvador.

October 2

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Albert J. Riccelli, Sr., president of the Sons of Italy;

-- James L. Kimery, commander in chief of the Veterans of Foreign Wars;

-- James W. Damon, president of the Elks;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

Throughout the day, the President met with Members of Congress to enlist their support for the Federal budget agreement.

In an Oval Office ceremony, the President signed the United Services Organization's 50th Anniversary Commemorative Coin Act.

The President designated Norton Stevens, of New York, to be Vice Chairman of the Board of Directors of the Inter-American Foundation. Currently Mr. Stevens serves as an associate with Donaldson Enterprises in New York, NY.

In the evening, the President attended the Republican National Committee Eagles 15th anniversary fundraising dinner at the Pension Building.

October 3

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Republican Members of Congress, to enlist their support for the Federal budget agreement;

-- Peter Sampras, winner of the U.S. Open tennis tournament.

In the afternoon, the President attended a Republican fundraising luncheon at the Sheraton Carlton Hotel for Michigan congressional candidates.

Later, in an Oval Office ceremony, the President signed the 1992 Olympic Commemorative Coin Act.

The President announced his intention to appoint Michael J. Madigan, of the District of Columbia, to be a member of the District of Columbia Judicial Nomination Commission for a term of 5 years. He would succeed Carl S. Rauh. Currently Mr. Madigan serves as a partner with the law firm of Akin, Gump, Strauss, Hauer and Feld in Washington, DC.

The President announced his intention to appoint Anthony A. Lapham, of the District of Columbia, to be a member of the President's Intelligence Oversight Board. He would succeed Michael W. McConnell. Currently Mr. Lapham serves as a partner with Shea and Gardner in Washington, DC.

The President announced his intention to appoint the following individuals to be members of the Board of Trustees of the John F. Kennedy Center for the Performing Arts for terms expiring September 1, 2000:

Helen Joan Holt, of Texas. She would succeed Mrs. Theodore H. Strauss.

Marjorie S. Fisher, of Michigan. She would succeed Gerald M. Rafshoon.

Joy A. Silverman, of New York. She would succeed June Oppen Degnan.

The President announced his intention to appoint James W. Cicconi, Assistant to the President and Deputy to the Chief of Staff, to be a member of the Council of the Administrative Conference of the United States for a term of 3 years. He would succeed James H. Burnley IV.

Throughout the day, the President had telephone conversations with Republican Members of Congress to enlist their support for the Federal budget agreement.

In the evening, the President attended the National Republican Congressional Committee Leadership Council dinner at the Ritz Carlton Hotel.

October 4

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Thomas S. Foley, Speaker of the House of Representatives, to discuss the Federal budget agreement;

-- Republican Members of Congress, to enlist their support for the Federal budget agreement.

October 5

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- members of the Cabinet, to discuss the Federal budget and the closing of government operations.

In the morning, the President called African National Congress leader Nelson Mandela to discuss the recent visit of President F.W. de Klerk of South Africa.

The President announced his intention to appoint the following individuals to be members of the Competitiveness Policy Council for terms of 2 years. These are new positions:

Robert Adam Mosbacher, Secretary of Commerce.

Albert Shanker, of New York. Currently Mr. Shanker serves as president of the American Federation of Teachers in Washington, DC.

Alexander B. Trowbridge, of the District of Columbia. Currently Mr. Trowbridge serves as president of Trowbridge Partners in Washington, DC.

Throughout the day, the President spoke with congressional leaders to discuss the Federal budget.

October 6

In the evening, the President went to Camp David, MD.

October 8

In the afternoon, the President returned to the White House from Camp David, MD.

October 9

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders, to discuss the Federal budget;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President attended a fundraising breakfast for gubernatorial candidate Arliss Sturgulewski and Representative Don Young of Alaska at the Sheraton Carlton Hotel.

In the evening, the President hosted the ``Art in Embassies'' reception on the State Floor for supporters of the program that purchases art for display in U.S. Embassies abroad. Later, he attended the Republican Governors Association dinner at the Capital Hilton Hotel.

October 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Republican congressional leaders;

-- the Vice President, for lunch;

-- labor leaders.

In the afternoon, the President attended a reception in the Indian Treaty Room of the Old

Executive Office Building for the Texas Republican Party. He then participated in a swearing-in ceremony in the Oval Office for Wendy Gramm to continue as Chairman of the Commodity Futures Trading Commission. Later, he hosted a reception on the State Floor for Republican Members of the House of Representatives.

President Bush telephoned President Francois Mitterrand of France to discuss U.N. Security Council deliberations on the Persian Gulf crisis.

October 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Secretary of State James A. Baker III.

The President announced his intention to nominate William W. Treat, of New Hampshire, to be a Representative of the United States of America to the 45th Session of the General Assembly of the United Nations. Currently Mr. Treat serves as chairman of Bank Meridian in Hampton, NH.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

October 14

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

October 15

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the morning, the President traveled to Dallas, TX.

The President announced his intention to appoint John E. Reynolds III, of Connecticut, to be a member of the Advisory Council on Historic Preservation for a term expiring June 10, 1994. He would succeed Myna E. Wright. Currently Mr. Reynolds serves as a preservationist, restoration consultant, and an adaptive reuse developer in Middleton, CT.

October 16

In the afternoon, at the College of Du Page field house in Chicago, IL, the President presented the Presidential Citizen's Medal to Tony Zale, a former middleweight boxing champion, for his work with inner-city children in Chicago. He also telephoned Robert Dole, Senate minority leader, and Robert H. Michel, House Republican leader, to discuss the Federal budget.

The President announced his intention to appoint Robert Cy Laughter, of Ohio, to be a member of the American Battle Monuments Commission. He would succeed Esther Bradley. Currently Mr. Laughter serves as chairman of the board of Laughter Corp. in Dayton, OH.

October 17

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Secretary of the Interior Manuel Lujan, Jr., chairman of the Combined Federal Campaign, to discuss the campaign;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III.

The President announced his intention to appoint David S. Lee, of California, to be a member of the Advisory Committee for Trade Policy and Negotiations for a term of 2 years. He would succeed James E. Burke. Currently Mr. Lee serves as president and chief executive officer of Qume Corp. in Milpitas, CA.

The President announced his intention to appoint the following individuals to be members of the Commission on Presidential Scholars:

Harry Dent, of South Carolina. He would succeed Mrs. Leslie D. Jamison. Currently Mr. Dent

serves as a Christian lay minister in Columbia, SC.

Junia Doan, of Michigan. Currently Mrs. Doan serves as a partner with Doan Associates in Midland, MI.

Shirley N. Pettis-Roberson, of California. She would succeed Vivienne Raven Cooke.

Robert Melvin Worthington, of New Jersey. He would succeed Edward J. Joffe, Sr. Currently Dr. Worthington serves as an education consultant in Edgewater Park, NJ.

The President announced his intention to appoint the following individuals to be members of the U.S. Holocaust Memorial Council for the terms indicated:

Bradley A. Blakeman, of New York, for the remainder of the term expiring January 15, 1991, and for a term expiring January 15, 1996. He would succeed Marvin G. Kelfer. Currently Mr. Blakeman serves as an attorney with the law firm of Robert M. Blakeman & Associates in Valley Stream, NY.

Set Momjian, of Pennsylvania, for a term expiring January 15, 1995. He would succeed Richard Schifter. Currently Mr. Momjian serves as a marketing executive for Ford Aerospace in Arlington, VA.

October 18

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

The President announced his intention to appoint Roger J. Whyte, of Maryland, to be a member of the National Commission for Employment Policy for a term expiring March 20, 1992. He would succeed John A. Rocco. Currently Mr. Whyte serves as a senior partner with A.T. Kearney Executive Search in Alexandria, VA.

The White House announced that the President ratified the treaty on the reunification of Germany, which was signed in Moscow on September 12.

In the evening, the President called Benjamin L. Hooks, executive director of the National Association for the Advancement of Colored People, and William T. Coleman, Jr., a

representative of civil rights groups, to discuss the civil rights bill before Congress.

October 19

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Yevgeniy Primakov, member of the Soviet Presidential Council, who had recently met with President Saddam Hussein of Iraq;

-- Secretary of State James A. Baker III.

In the afternoon, the President met with the congressional leadership on Capitol Hill to discuss the reconciliation budget.

The White House announced that at approximately 6 p.m. the President signed the resolution providing funding for continued government operation through midnight Wednesday, October 24.

The President declared that a major disaster existed in Georgia as a result of severe storms and flooding that began October 11. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the evening, the President and Mrs. Bush went to Camp David, MD, for the weekend.

October 21

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

October 22

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Secretary of the Treasury Nicholas F. Brady.

In the afternoon, the President met in the Oval Office with American Legion representatives who were traveling to Saudi Arabia to meet with U.S. troops.

The President announced his intention to appoint Ellis D. Verink, Jr., of Florida, to be a member of the Nuclear Waste Technical Review Board for a term expiring April 19, 1994. This is a reappointment. Currently Dr. Verink serves as a consultant for the Lockheed-Georgia Co. in Gainesville, FL.

The President declared that a major disaster existed in the northern and central sections of South Carolina as a result of severe storms and flooding that occurred October 11. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

October 23

In the evening, the President met at the White House with Robert Dole, Senate minority leader, and Robert H. Michel, House Republican leader, to discuss tax provisions of the deficit-reduction package.

October 24

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- members of the Cabinet;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Agostino Cacciavillan of the Holy See, Candide Pierre Ahouansou of Benin, Peter Zwack of Hungary, Sellapan Rama Nathan of Singapore, and Eduardo MacGillycuddy of Uruguay.

October 25

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Republican congressional leaders.

The President announced his intention to appoint the following individuals to be Vice Chairmen of the President's Committee on Employment of People With Disabilities:

Chad Colley, of Arkansas. He would succeed Anne H. Carlsen. Currently Mr. Colley serves as chief executive officer of the Colley Home Center, Inc., in Barling, AR.

I. King Jordan, of the District of Columbia. He would succeed Walter Y. Oi. Currently Dr. Jordan serves as the president of Gallaudet University in Washington, DC.

Lenore Miller, of New Jersey. She would succeed B. Elizabeth Tunney. Currently Mrs. Miller serves as president of Retail, Wholesale, and Department Store Unions in New York, NY.

The President announced his intention to appoint Margot E. Machol, of Illinois, to be a member of the National Commission for Employment Policy for a term expiring September 30, 1992. She would succeed Leora G. Day. Most recently Mrs. Machol served as a Commissioner of the Federal Trade Commission in Washington, DC.

The President announced his intention to appoint Clayton Yeutter, Secretary of Agriculture, to be a member of the Interagency Commission on Alternative Motor Fuels. This is a new position.

In the evening, the President traveled to Irvine, CA, where he stayed overnight.

October 26

In the afternoon, the President traveled to Honolulu, HI, for the summit meeting with representatives of 11 Pacific Island nations, October 27.

October 27

In the afternoon, the President had telephone conversations with congressional leaders to discuss passage of the budget reconciliation bill.

October 28

In the afternoon, the President traveled to San Francisco, CA, where he stayed overnight.

October 29

In the morning, the President attended a fundraising breakfast for gubernatorial candidate Pete Wilson.

October 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- congressional leaders, to discuss the situation in the Persian Gulf;

-- national evangelical religious leaders;

-- foreign policy advisers, to discuss the situation in the Persian Gulf.

October 31

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III.

The White House announced that the President has invited Queen Elizabeth II of the United Kingdom to make a state visit. The Queen has accepted and will meet with the President in May 1991.

November 1

The President announced that Grant C. Peterson, of Washington, will continue to serve as an Associate Director of the Federal Emergency Management Agency for State and Local Programs.

November 2

The White House announced that the President will depart November 16 for a trip that will begin in Europe and conclude November 23 in the Middle East. He will arrive in Prague, Czechoslovakia, on November 17 for meetings with President Havel and leaders of the Czech and Slovak Republics. On November 18, he will visit Germany to meet with Chancellor Kohl at the Chancellor's residence in Ludwigshafen. That afternoon he will travel to Paris for the summit meeting of the 34-nation Conference on Security and Cooperation in Europe, November 19 - 20. The President will then travel on to Egypt and Saudi Arabia for consultations on the situation in the Gulf with King Fahd of Saudi Arabia, President Mubarak of Egypt, and the Amir of Kuwait. He also will spend Thanksgiving Day with U.S. forces deployed in the area.

November 6

In the morning, the President attended the President's Club breakfast at the Houstonian Hotel in Houston, TX. After voting, he returned to Washington, DC.

In the afternoon, the President met at the White House with John H. Sununu, Chief of Staff to the President.

The President appointed Secretary of Veterans Affairs Edward J. Derwinski to be Chairman of the Interagency Committee for the Purchase of United States Savings Bonds for a 1-year term, effective December 1, 1990, to coordinate the 1991 governmentwide campaign. He will succeed Secretary of Housing and Urban Development Jack Kemp.

November 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- John H. Sununu, Chief of Staff to the President.

The President announced that Rita M. Rodriguez, of Massachusetts, will continue to serve as a member of the Board of Directors of the Export-Import Bank of the United States.

The White House announced that the President telephoned nearly 50 candidates around the country who participated in the midterm elections.

November 8

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Nancy Howe, 1990 Federal Duck Stamp Design Award winner;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President went to Camp David, MD, for the Veterans Day weekend.

November 12

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

November 13

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- the Cabinet, to discuss the situation in the Persian Gulf, the upcoming budget process, and the legislative agenda;

-- Senator Robert Dole and Representative Robert H. Michel, for lunch;

-- Gabriel Aguirre, chairman of the U.S. Hispanic Chamber of Commerce.

In the afternoon, the President taped his Thanksgiving message to U.S. service personnel, which

will be broadcast over the Armed Forces Radio and Television Network.

The President appointed the following individuals to be members of the President's Export Council:

Heinz C. Prechter, of Grosse Ile, MI. He would succeed Colby H. Chandler. Mr. Prechter is chairman and chief executive of ASC, Inc., in Southgate, MI. He will be designated Chairman.

Beverly F. Dolan, of Barrington, RI. He would succeed Whitney MacMillan. Mr. Dolan is chairman and chief executive officer of Textron, Inc., in Providence, RI. Mr. Dolan will be designated Vice Chairman.

Donald T. Bollinger, of Lockport, LA. He would succeed Walter F. Beran. Mr. Bollinger is chairman and chief executive officer of Bollinger Machine Shop & Shipyard, Inc., in Lockport.

Max Fisher, of Franklin, MI. He would succeed Steven A. Merksamer. Mr. Fisher is the founding chairman of the Detroit Renaissance in Detroit, MI.

Patricia S. Harrison, of Arlington, VA. She would succeed Edward A. Brennan. Mrs. Harrison is a partner in E. Bruce Harrison Co. in Washington, DC.

Robert Wood Johnson IV, of New York, NY. He would succeed Thornton A. Wilson. Mr. Johnson is chairman and chief executive officer of the Johnson Co., Inc., in New York.

Michael H. Jordan, of Dallas, TX. He would succeed Edward G. Jefferson. Mr. Jordan is chairman and chief executive officer of Pepsico Worldwide Foods, Inc., in Plano, TX.

Jonathan T. Kaji, of Gardena, CA. He would succeed John J. Murphy. Mr. Kaji is president of Kaji Associates in Gardena.

Kenneth L. Lay, of Houston, TX. He would succeed Paul Robert Locigno. Mr. Lay is chairman and chief executive officer of Enron Corp. in Houston.

John N. Palmer, of Jackson, MS. He would succeed James E. Jenkins. Mr. Palmer is chairman and chief executive officer of Mobile Telecommunications Technologies Corp. in Jackson.

Harold A. Poling, of Birmingham, MI. He would succeed Philip Caldwell. Mr. Poling is chairman and chief executive officer of Ford Motor Co. in Dearborn, MI.

Miguel R. San Juan, of Houston, TX. He would succeed Harry J. Gray. Mr. San Juan is vice president of the Greater Houston Partnership, world trade division.

William G. Spiegel, of Springfield, MO. He would succeed Van P. Smith. Mr. Spiegel is president of Spiegel Enterprises in Springfield.

Joseph Robert Wright, Jr., of New York, NY. This is a reappointment. Mr. Wright is vice chairman and director of W.R. Grace & Co. in New York.

John N. Yochelson, of Bethesda, MD. He would succeed Russell L. Hanlin. Mr. Yochelson is vice president for international business and economics at the Center for Strategic and International Studies in Washington, DC.

November 14

The President met at the White House with:

-- John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- the congressional leadership, to discuss the situation in the Persian Gulf;

-- Secretary of State James A. Baker III.

In the afternoon, the President participated in a swearing-in ceremony in the Oval Office for Roscoe B. Starek as Commissioner of the Federal Trade Commission.

The President selected David F. Girard-diCarlo, of Pennsylvania, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term of 2 years. He would succeed Samuel H. Hellenbrand. Currently Mr. Girard-diCarlo serves as a managing partner with Blank, Rome, Comisky and McCauley in Philadelphia, PA.

The President announced his intention to nominate Edward Johnson, of Michigan, to be a member of the Board of Directors of the African Development Foundation for a term expiring September 22, 1995. He would succeed William F. Pickard. Upon confirmation, he will be designated Chairperson. Currently Mr. Johnson serves as a partner with the law firm of Reynolds, Beeby and Magnuson, P.C., in Detroit, MI.

November 15

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

The President selected the following individuals to represent him at the ceremonies commemorating the 20th anniversary of Oman National Day and the birthday of Sultan Qaboos, November 18 - 22:

Delegation Chairman:

Senator James McClure, of Idaho, and his wife, Louise McClure.

Delegates:

Robert Blake, of Lubbock, TX. Mr. Blake is a former Texas oil company executive, corporate director, and civic leader.

Richard W. Boehm, U.S. Ambassador to Oman.

Lynn M. Martin, Member of Congress from the 16th District of Illinois.

Jack Steel, of Houston, TX. Mr. Steel is a retired executive of Prudential Insurance Co. and served as special adviser to the Houston economic summit.

November 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Defense Minister Lee Chong-Hu of the Republic of Korea;

-- members of the American Legion.

The White House announced that the President invited George J. Mitchell, Senate majority leader; Robert Dole, Senate minority leader; Thomas S. Foley, Speaker of the House of Representatives; and Robert H. Michel, House Republican leader, to join him in celebrating the

Thanksgiving holiday with U.S. troops in Saudi Arabia. The leaders have all accepted his invitation.

In the evening, the President left the White House for an 8-day trip to Czechoslovakia, Germany, France, Saudi Arabia, and Egypt.

November 19

In the morning, the President participated in the first plenary session of the Conference on Security and Cooperation in Europe (CSCE) at the Kleber Center in Paris, France. Following the session, he met with Prime Minister Ruud Lubbers of The Netherlands.

In the afternoon, the President attended a reception and luncheon with other delegation heads in the Salon des Ambassadeurs at the Palais de l'Elysee. Following the luncheon, he returned to the Kleber Center for the second plenary session of the CSCE.

The President announced his decision that the following individuals will continue to serve as members of the Commission on Presidential Scholars:

Helen Bie, of Green Bay, WI.

Robert A. Hall, Sr., of Wasilla, AK.

Evelyn W. McPhail, of Bay St. Louis, MS.

November 20

In the morning, President Bush hosted a breakfast for President Mikhail Gorbachev of the Soviet Union at the U.S. Ambassador's residence. Following breakfast, the President returned to the Kleber Center for the third plenary session of the CSCE.

In the afternoon, the President attended the fourth plenary session and final closed session of the CSCE.

The President announced his intention to appoint James C. Oberwetter, of Texas, to be a member of the International Cultural and Trade Center Commission for a term expiring August 20, 1995. He would succeed Abe Pollin. Currently Mr. Oberwetter serves as vice president of governmental and public affairs for Hunt Consolidated, Inc. (Hunt Oil Co.), in Dallas, TX.

November 21

In the morning, the President met with members of the U.S. Embassy community and returned to the Kleber Center for the CSCE signing ceremony. Following a departure ceremony at Orly Airport, he traveled to Jeddah, Saudi Arabia.

The White House announced that President Bush would meet with President Hafiz al-Assad of Syria on November 23 in Geneva, Switzerland.

In the evening, the President and Mrs. Bush arrived at King `Abd al-`Aziz International Airport in Jeddah, Saudi Arabia, where they participated in an arrival ceremony and met informally with King Fahd bin `Abd al-`Aziz Al Sa`ud. Later, the President attended a state dinner at the Royal Palace. Afterwards, he and King Fahd met privately and with U.S. and Saudi officials. Following the meetings, the President went to Al-Hamra Guest Palace.

November 22

In the morning, after a departure ceremony at King `Abd al-`Aziz International Airport, the President and Mrs. Bush traveled to Dhahran, Saudi Arabia. They met informally with U.S. and Saudi officials at Dhahran International Airport and then visited U.S. troops deployed in the area.

In the evening, the President and Mrs. Bush traveled to Cairo, Egypt, and met with President Mohammed Hosni Mubarak and Mrs. Mubarak at Qubba Palace.

November 23

In the morning, the President and Mrs. Bush met at the U.S. Embassy with members of the American diplomatic community. They then participated in a formal arrival ceremony at Qubba Palace. Following the ceremony, Presidents Bush and Mubarak met privately and with U.S. and Egyptian officials.

In the afternoon, the President and Mrs. Bush attended a luncheon hosted by President and Mrs. Mubarak at Itihahdia Palace. Later, the President and Mrs. Bush traveled to Geneva, Switzerland.

In the evening, President Bush met with President Hafiz al-Assad of Syria at the Holiday Inn Crowne Plaza Hotel. Following the meeting, the President and Mrs. Bush traveled to Camp David, MD.

November 25

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD. Later, the President had a telephone conversation with Secretary of State

James A. Baker III.

November 26

In the morning, the President had breakfast at the White House with Secretary of Defense Richard B. Cheney and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff, to discuss the President's trip to the Middle East. The President also had a telephone conversation with Secretary of State James A. Baker III.

Later in the morning, the President and Mrs. Bush traveled to Monterrey, Mexico, arriving at General Mariano Escobedo International Airport at midday. They then met President Carlos Salinas de Gortari and Mrs. Salinas in Agualeguas, where they attended the Lienzo Charro Adriana Margarita Rodeo and a Mexican folk dance presentation.

Later in the afternoon, the President and Mrs. Bush participated in a welcoming ceremony at Heroes Plaza in Monterrey. Following the ceremony, Mayor Socrates Rizzo presented President Bush with the key to the city at the Governor's Palace. The President and Mrs. Bush then went to the Holiday Inn Crowne Plaza Hotel, where they stayed overnight.

November 27

In the morning, Presidents Bush and Salinas attended a Mexican/American businessmen's breakfast in the Jalisco Room at the Holiday Inn Crowne Plaza Hotel. Following the breakfast, the two Presidents met privately and with U.S. and Mexican officials at the Museum de Nuevo Leon.

In the afternoon, the President and Mrs. Bush attended a dedication ceremony at the Governor's Palace for the Mexican-American Studies Program. Later, following a departure ceremony at General Mariano Escobedo International Airport, they returned to Washington, DC.

At the White House, the President called John Major, newly elected head of the Conservative Party of England, to congratulate him on his victory.

The President declared that a major disaster existed in the State of Washington as a result of severe storms and flooding that began November 9. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

November 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft,

Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Senator Robert Dole;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III, to discuss the upcoming U.N. Security Council meeting;

-- Vice President Ricardo Arias Calderon of Panama.

The President declared that a major disaster existed in Palau as a result of Typhoon Mike, which struck the area November 10. He directed the Federal Emergency Management Agency to provide assistance to supplement local recovery efforts.

The President announced his intention to appoint the following individuals to be members of the President's Council on Rural America. These are new positions:

Ralph E. Bodine, of California. Upon appointment, he will be designated Chairman. Currently Mr. Bodine serves as chairman of the board of the Marlin Group in San Diego, CA.

Kay A. Orr, of Nebraska. Upon appointment, she will be designated Vice Chairman. Currently she serves as Governor of Nebraska.

Nelda L. Barton, of Kentucky. Currently Mrs. Barton serves as president and chairman of the board of Health Systems Inc. in Corbin, KY.

John E. Bourne, Jr., of South Carolina. Currently Mr. Bourne serves as mayor of North Charleston, SC.

Norman Brown, of Michigan. Currently Dr. Brown serves as president and chief programming officer of the W. K. Kellogg Foundation in Battle Creek, MI.

Hugh M. Field, of Iowa. Currently Mr. Field serves as an attorney with the law firm of Beecher, Rathest, Field, Walker and Morris in Waterloo, IA.

Ralph Hofstad, of Minnesota. Mr. Hofstad is founder of Hofstad Consultants in Edina, Minnesota, and most recently he served as president and chief executive officer of Land O'Lakes, Inc.

Charles E. Kruse, of Missouri. Currently Mr. Kruse serves as director of the Missouri Department of Agriculture in Jefferson City, MO.

Charles I. Moyer, of Kansas. Currently Mr. Moyer serves as chairman of the board and executive vice president of the First National Bank of Phillipsburg in Phillipsburg, KS.

Cathy B. Novinger, of South Carolina. Currently Mrs. Novinger serves as senior vice president of administration and government affairs for SCANA Group in Columbia, SC.

Linwood E. Palmer, Jr., of Maine. Currently Mr. Palmer serves as a lobbyist for Eaton, Peabody, Bradford and Teague in Augusta, ME.

Winthrop P. Rockefeller, of Arkansas. Currently Mr. Rockefeller serves as chairman of the board of Winrock Farms, Inc. in Little Rock, AR.

Bill Walker, of Mississippi. Currently Mr. Walker serves as president of Walker, Inc., in Jackson, MS.

The President announced his intention to nominate Edson G. Case, of Maryland, to be a member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 1995. This is a reappointment.

In the evening, the President and Mrs. Bush hosted a reception on the State Floor for newly elected Members of Congress

November 29

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Thomas S. Foley, Speaker of the House of Representatives, and Robert H. Michel, House Republican leader, for lunch;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President participated in a swearing-in ceremony in the Oval Office for Christopher L. Koch as Chairman of the Federal Maritime Commission.

November 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- President John Haglelgam of Micronesia;

-- Secretary of State James A. Baker III;

-- Kuwaiti refugees;

-- congressional leaders.

President Bush had telephone conversations with King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia, President Mohammed Hosni Mubarak of Egypt, President Turgut Ozal of Turkey, and Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait, to discuss President Bush's remarks that morning on the Persian Gulf crisis.

The President announced his intention to appoint the following individuals to be members of the National Commission for Employment Policy for the terms indicated:

J. Fernando Niebla, of California, for a term expiring March 20, 1992. He would succeed Max Hugel. Currently Mr. Niebla serves as president and chief executive officer of INFOTEC Development, Inc., in Santa Ana, CA.

Henri S. Rauschenbach, of Massachusetts, for a term expiring February 19, 1992. He would succeed Trudy McDonald. Currently Mr. Rauschenbach serves as a Massachusetts State senator.

The White House announced that the Aggregate Report on Personnel was transmitted to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

In the evening, the President went to Camp David, MD, for the weekend.

December 2

In the afternoon, President Bush returned to the White House from a weekend stay at Camp David, MD. He called Chancellor Helmut Kohl of Germany to congratulate him on his party's electoral victory.

Later, the President and Mrs. Bush hosted a reception on the State Floor for musician Dizzy Gillespie, actress Katharine Hepburn, singer Rise Stevens, composer Jule Styne, and film director and writer Billy Wilder, who were the recipients of the Kennedy Center Honors for Lifetime Achievement.

In the evening, President Bush and his daughter, Dorothy LeBlond, left the White House for a 7-day trip to South America.

December 3

In the morning, President Bush arrived at Brasilia International Airport and participated in a welcoming ceremony at Planalto Palace. He and President Fernando Collor de Mello met privately and with U.S. and Brazilian officials at the palace.

In the afternoon, President Bush met with members of the American diplomatic community at the U.S. Embassy.

December 4

In the morning, President Bush participated in a departure ceremony at Brasilia International Airport before leaving for Montevideo, Uruguay.

In the afternoon, President Bush arrived at Carrasco International Airport in Montevideo, where he took part in an arrival ceremony. Afterwards, he and President Luis Alberto Lacalle met privately and with U.S. and Uruguayan officials at the Edificio Libertad.

Later, at the Legislative Palace, President Bush participated in a welcoming ceremony, met with members of the Uruguayan Supreme Court, and received the keys to Montevideo from Mayor Tabare Vazquez and President Jorge Mazzanovich of the junta municipal. President Bush then met at the U.S. Embassy with members of the American diplomatic community.

The President announced his intention to appoint Carroll D. Besadny, secretary of the Wisconsin Department of Natural Resources, to be Commissioner of the United States Section of the Great Lakes Fishery Commission for a term expiring February 18, 1996. He would succeed James M. Ridenour.

The President announced his intention to appoint the following individuals to be members of the President's Commission on White House Fellowships:

Leslie G. Denend, of California. He would succeed Garrett D. Pagon. Currently Mr. Denend serves as executive vice president of product operations for 3COM Corp. in Santa Clara, CA.

Gail H. Klapper, of Colorado. She would succeed Donald J. Devine. Currently Mrs. Klapper serves as an attorney with the law firm of Gail H. Klapper in Denver, CO.

Elspeth Davies Rostow, of Texas. She would succeed Francis Winford Cash. Currently Mrs. Rostow serves as the Stiles professor emerita of the LBJ School of Public Affairs at the University of Texas at Austin.

Gaddi Vasquez, of California. He would succeed Sammy Lee. Currently Mr. Vasquez serves as Orange County supervisor in Santa Ana, CA.

Richard J. Leon, of the District of Columbia. He would succeed Stanley S. Scott. Currently Mr. Leon serves as a partner with the law firm of Baker and Hostetler in Washington, DC.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Policy and Negotiations for terms of 2 years:

James R. Houghton, of New York. This is a reappointment. Currently Mr. Houghton serves as chairman and chief executive officer of Corning, Inc., in Corning, NY.

Donald G. Fisher, of California. This is a reappointment. Currently Mr. Fisher serves as chairman and chief executive officer of the Gap, Inc., in San Francisco, CA.

Donald V. Fites, of Illinois. He would succeed George A. Schaefer. Currently Mr. Fites serves as chairman and chief executive officer of Caterpillar, Inc., in Peoria, IL.

Richard W. Snyder, of Texas. This is a reappointment. Mr. Snyder is founder, chairman, and chief executive officer of Snyder General Corp. in Dallas, TX.

Robert Van Dine, of California. He would succeed Harry Evans Sloan. Mr. Van Dine is founder, vice chairman, and chairman of the executive committee of St. Ives Laboratories Corp. in Rolling Hills, CA.

Rudolph A. Oswald, of Maryland. This is a reappointment. Currently Dr. Oswald serves as director of the AFL - CIO education department in Washington, DC.

The President announced his intention to appoint Dominic Man-Kit Lam, of Texas, to be a member of the President's Committee on the Arts and the Humanities. He would succeed Joan Dillon. Currently Dr. Lam serves as chairman of the board of Houston Bio-Tech, Inc., and as director of the Center for Biotechnology for Baylor College of Medicine in Woodlands, TX.

The President announced his intention to appoint Costa N. Miller, of Indiana, to be a Vice

Chairman of the President's Committee on Employment of People With Disabilities. He would succeed Anne H. Carlsen. Currently Mr. Miller serves as executive director of the Indiana Association of Rehabilitation Facilities in Indianapolis, IN.

The President announced his intention to appoint the following individuals to be members of the President's Commission on Executive Exchange for terms of 2 years:

Richard G. Quick, of Pennsylvania. This is a new position. Currently Mr. Quick serves as president and chief executive officer for HVP International, Ltd., in Boalsburg, PA.

Shirley Young, of Michigan. She would succeed George P. Shultz. Currently Ms. Young serves as vice president for consumer market development for General Motors in Detroit, MI.

In the evening, President Bush traveled to Punta del Este, where he attended a dinner at the Posta del Cangrejo restaurant hosted by President and Mrs. Lacalle. Following the dinner, President Bush went to Loma Verde, where he stayed overnight.

December 5

In the morning, President Bush attended a private breakfast at the Hotel L'Auberge with President and Mrs. Lacalle before leaving for Buenos Aires, Argentina.

At midday, President Bush arrived at Aeroparque Airport in Buenos Aires, participated in a welcoming ceremony, and received the key to the city. Later, he participated in a wreath-laying ceremony at the statue of Gen. Jose de San Martin.

In the afternoon, at Casa Rosata, President Bush met privately with President Carlos Saul Menem and with the international diplomatic corps. The two Presidents then participated in a working luncheon with U.S. and Argentine officials.

The President announced his intention to appoint the following individuals to be members of the President's Council on Physical Fitness and Sports:

Christine Marie Evert, of Florida. This is a new position. Ms. Evert is a retired tennis professional.

Earvin ``Magic'' Johnson, of California. He would succeed George W. Armstrong. Mr. Johnson is a member of the Los Angeles Lakers.

Jackie Joyner-Kersee, of California. This is a new position. Mrs. Joyner-Kersee is a professional track star.

Sammy Lee, of California. He would succeed Frederic V. Malek. Dr. Lee is a diving coach in Huntington Beach, CA.

James Lorimer, of Ohio. He would succeed Mitch Gaylord. Mr. Lorimer serves as vice president of government relations for Nationwide Insurance in Columbus, OH.

Chi Chi Rodriguez, of Florida. He would succeed Harry N. Walters. Mr. Rodriguez is a professional golfer.

The President announced his intention to nominate Eunice N. Sato, of California, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1991. She would succeed Noreen C. Thomas. Most recently, Mrs. Sato served as mayor of the City of Long Beach, CA.

In the evening, President Bush and President Menem attended a rodeo at the Sociedad Rural Arena.

December 6

In the morning, President Bush met at the U.S. Embassy with members of the American diplomatic community and then participated in a departure ceremony at Aeroparque Airport before leaving for Santiago, Chile.

At midday, President Bush arrived at Arturo Merino Benitez Airport in Santiago, where he took part in an arrival ceremony. Later, he and President Patricio Aylwin Azocar attended a working luncheon with U.S. and Chilean officials at President Aylwin's residence.

In the afternoon, in Valparaiso, President Bush participated in a welcoming ceremony at the Chilean Congress Building.

The White House announced that President Bush has invited Prime Minister John Major of the United Kingdom to make a visit to the United States. The Prime Minister has accepted the invitation and will meet with President Bush on December 21 and 22 at Camp David, MD.

The White House also announced that President Vytautus Landsbergis of Lithuania will meet with President Bush on December 10 in the United States.

President Bush declared that major disasters existed in Arizona, as a result of severe storms that occurred between July 8 and September 14, and in Indiana, as a result of severe storms and flooding that began November 27. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the evening, President Bush took part in an arrival ceremony at La Moneda Palace. At the palace, he met privately with President Aylwin and with U.S. and Chilean officials.

December 7

In the morning, President Bush met at the U.S. Embassy with members of the American diplomatic community. Later, he participated in a departure ceremony at Arturo Merino Benitez Airport before leaving for Caracas, Venezuela.

In the afternoon, President Bush arrived at Simon Bolivar International Airport in Caracas where he took part in an arrival ceremony.

In the evening, President Bush and President Perez met privately and with U.S. and Venezuelan officials at La Casona.

December 8

In the afternoon, the President met with members of the American diplomatic community at the U.S. Ambassador's residence. Following a departure ceremony at Simon Bolivar International Airport, the President returned to Washington, DC.

December 10

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- newly elected officers of the Future Farmers of America;

-- presidents of historically black colleges;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu, Chief of Staff to the President.

In the evening, the President hosted the congressional Christmas ball on the State Floor.

December 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

In the afternoon, the President hosted a Christmas party for White House staff on the State Floor.

The President announced his intention to nominate Robert Logan Clarke, of Texas, to be Comptroller of the Currency, for a term of 5 years. This is a reappointment.

December 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President.

The President has named the following individuals to represent him as election observers in Haiti, December 14 - 17:

Delegation Chairman:

William Janklow, former Governor of South Dakota and his daughter, Shonna Janklow.

Delegates:

Alvin P. Adams, Jr., United States Ambassador to Haiti.

Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs.

Walter S. Fauntroy, House of Representatives, D - DC.

Porter J. Goss, House of Representatives, R - FL.

Arturo Guzman, member of the Advisory Council of the Small Business Administration of Puerto Rico.

J. Michael Levesque, mayor, City of West Warwick, RI.

Monsignor William F. Murphy, director of the Office of Social Justice, Archdiocese of Boston.

James L. Oberstar, House of Representatives, D - MN.

Arthur E. Teele, Jr., county commissioner, Dade County, FL.

Jack Webb, senior vice president of First City Bank Corp. of TX.

The President appointed the following individuals to be Directors of the Federal Housing Finance Board. They will serve at the pleasure of the President, but no longer than the end of the next session of the Senate:

Lawrence U. Costiglio, of New York.

Daniel F. Evans, Jr., of Indiana. He will be designated chairperson.

William C. Perkins, of Wisconsin.

Marilyn R. Seymann, of Arizona.

December 13

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Jonas Savimbi, president of the National Union for the Total Independence of Angola.

In the afternoon, the President had lunch with the Vice President and Mrs. Quayle at the Vice President's residence.

In the evening, the President hosted a Christmas party for White House staff on the State Floor.

December 14

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- veterans service organizations;

-- Secretary of State James A. Baker III;

-- the President's Council of Advisors on Science and Technology.

The President declared that a major disaster existed in the Federated States of Micronesia as a result of Typhoon Owen, which struck the area November 26 - December 1. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the afternoon, the President went to Camp David, MD, for the weekend.

December 16

In the morning, the President returned to the White House from a weekend stay at Camp David, MD.

December 17

The President met at the White House with:

-- Representative Lynn Martin, nominee for Secretary of Labor;

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- W. Nathaniel Howell, Ambassador to Kuwait;

-- the Vice President, for lunch;

-- Secretary of the Treasury Nicholas F. Brady.

In the evening, the President and Mrs. Bush hosted a Christmas party on the State Floor.

December 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- African-American editors, for lunch;

-- Ganesh Man Singh, leader of the Nepali Congress;

-- William McCarthy, president of the Teamsters Union.

In the evening, the President and Mrs. Bush hosted a Christmas party on the State Floor.

December 19

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- leaders of the business community;

-- Members of Congress;

-- Senator Strom Thurmond of South Carolina;

-- Secretary of State James A. Baker III.

In the evening, the President and Mrs. Bush hosted a Christmas party on the State Floor.

December 20

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Secretary of State James A. Baker III and Brent Scowcroft, Assistant to the President for National Security Affairs, to discuss the resignation of Soviet Foreign Minister Eduard Shevardnadze;

-- Members of Congress, to discuss the situation in the Persian Gulf;

-- the Most Reverend Edmund L. Browning, presiding bishop of the Episcopal Church, to discuss the situation in the Persian Gulf.

The President announced his intention to appoint the following individuals to be members of the Commission on Presidential Scholars:

Melissa H. Chamberlain, of Missouri. She would succeed Aubyn A. Curtiss. Currently Ms. Chamberlain serves as a GOP consultant in St. Louis, MO.

Barbara Pope Dean, of South Dakota. She would succeed Brustuen H. Lien. Mrs. Dean has served as the arts development director in Rapid City, SD.

Wade Franklin III, of Ohio. He would succeed Martha C. Moore. Currently Mr. Franklin serves as director of contract compliance and affirmative action for the Columbus Public Schools in Columbus, OH.

Marge Olivia Gruenes, of Minnesota. She would succeed Virginia M. Berg. Currently Ms. Gruenes serves as principal of the Cedar Park Elementary School in Apple Valley, MN.

Jun Retsu Hatoyama, of California. He would succeed Rodney W. Wood. Currently Mr. Hatoyama serves as president of Jun R. Hatoyama and Associates, Inc., in San Francisco, CA.

Sylvia Bernstein Hermann, of Maryland. She would succeed James Andrew Dorn. Most recently, Ms. Hermann served as a member and vice chairman of the National Advisory Council on Continuing Education in Bethesda, MD.

R.L. Ireland III, of Georgia. He would succeed Anne Volz Higgins. Currently Mr. Ireland serves as a general partner for Brown Brothers Harriman and Co., in New York, NY.

Jeanne Keenan, of Washington. She would succeed Wells B. McCurdy. Currently Ms. Keenan serves as community relations director for the Washington council for economic education in Seattle, WA.

Nancy Johnson Morris, of Tennessee. She would succeed Sammie Lynn Scandlyn Puett. Most recently Ms. Morris served as a teacher at the Franklin Junior High School in Franklin, TN.

Flo Traywick, of Virginia. She would succeed Keith B. Geiger. Currently Ms. Traywick serves as a national Republican committeewoman.

Stanley Earl Wachstetter, of Mississippi. He would succeed Harold D. Weidman. Currently Pastor Wachstetter serves as pastor of the Bible Tabernacle in Clinton, MS.

Jack M. Webb, of Texas. He would succeed Joseph R. Reppert. Currently Mr. Webb serves as president of Jack Webb and Associates in Houston, TX.

The President announced his intention to appoint the following individuals to be members of National Council on Vocational Education for the terms indicated:

Bernard Baher, of Massachusetts, for a term expiring January 17, 1993. He would succeed George Johnston Ames. Upon appointment, he will be designated Chairperson. Most recently Mr. Baher served as president of the Blue Hills Foundation in Canton, MA.

Marlene Ahimaz, of Illinois, for a term expiring January 17, 1992. She would succeed Sally J. Novetzke. Currently Dr. Ahimaz serves as chief executive officer of Energy and International Development in Chicago, IL.

R. William Bramberg, Jr., of Florida, for a term expiring January 17, 1993. He would succeed William C. Hayes. Currently Mr. Bramberg serves as president of the Bramberg Management Organization in Largo, FL.

The President announced his intention to appoint Edwina P. Dalton, of Virginia, to be a member of the President's Committee on Mental Retardation for a term expiring May 11, 1993. She would succeed Howard P. Black. Currently Senator Dalton serves as a Virginia State senator.

In the evening, the President and Mrs. Bush hosted a Christmas party on the State Floor.

December 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu, Chief of Staff to the President;

-- Ambassadors from member nations of the international coalition in the Persian Gulf;

-- Secretary of State James A. Baker III.

In the afternoon, the President went to Camp David, MD, for the holidays.

The President announced his intention to appoint the following individuals to be members of the National Commission for Employment Policy for terms expiring September 30, 1992:

Eduardo Aguirre, Jr., of Texas. He would succeed William M. Taylor. Currently Mr. Aguirre serves as senior vice president and general manager in the international private banking division at the NCNB Texas National Bank in Houston, TX.

Lynne F. Egge, of Virginia. She would succeed Henry A. Duffy. Currently Ms. Egge serves on the Independent Union of Flight Attendants executive board as a base chairperson and as a flight attendant/purser for Pan American Airways.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Policy and Negotiations for terms of 2 years:

Roger J. Baccigaluppi, of California. This is a reappointment.

Allen E. Murray, of New York. This is a reappointment.

Jack Valenti, of the District of Columbia. He would succeed George L. Argyros. Currently Mr. Valenti serves as president and chief executive officer of the Motion Picture Association of America, Inc., in Washington, DC.

The President announced his intention to appoint the following individuals to be members of the President's Commission on Executive Exchange for terms of 2 years:

David W. Christopher, of Pennsylvania. This is a reappointment.

Wilma H. Jordan, of New York. This is a new position. Currently Ms. Jordan serves as president and chief executive officer of the Jordan Group, Inc., in New York, NY.

Lester H. Lee, of California. He would succeed George Adams Roberts. Currently Dr. Lee serves as chairman and president of Recortec, Inc., in Sunnyvale, CA.

Russell S. Reynolds, Jr., of Connecticut. This is a new position. Currently Mr. Reynolds serves as chairman of Russell Reynolds Associates, Inc., in New York, NY.

The President announced his intention to appoint the following individuals to be members of the

President's Export Council:

Carol Brookins, of the District of Columbia. She would succeed J. Bonnie Newman. Currently Ms. Brookins serves as president and chief executive officer of World Perspectives, Inc., in Washington, DC.

G. Lee Thompson, of Connecticut. He would succeed Arthur H. Hausman. Currently Mr. Thompson serves as president and chief executive officer of the Smith Corona Corp. in New Canaan, CT.

The President announced his intention to appoint Ruth R. Miller, of Ohio, to be a member of the U.S. Holocaust Memorial Council for a term expiring January 15, 1995. She would succeed Barbaralee Diamonstein-Spielvogel. Currently Ms. Miller serves as president of the Tower City Center in Cleveland, OH.

December 22

After meeting with Prime Minister John Major of the United Kingdom, the President remained at Camp David to spend Christmas with his family.

December 24

The President declared that a major disaster existed in Guam as a result of a typhoon that occurred December 21. He directed the Federal Emergency Management Agency to provide assistance to supplement local recovery efforts.

December 26

The President met with his national security advisers to discuss the situation in the Persian Gulf.

December 27

In the morning, the President returned to the White House and met with Ambassador Aleksandr Bessmertnykh of the Soviet Union.

In the afternoon, the President went to Camp David, MD.

Appendix B -- Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted January 23

Everett Ellis Briggs,

of New Hampshire, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Portugal.

Paul C. Lambert,

of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ecuador.

Edward Morgan Rowell,

of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

Susan Jane Koch,

of the District of Columbia, to be an Assistant Director of the United States Arms Control and Disarmament Agency, vice William H. Fite, resigned.

Douglas Alan Brook,

of Virginia, to be an Assistant Secretary of the Army, vice Ken Kramer, resigned.

Colin Riley McMillan,

of New Mexico, to be an Assistant Secretary of Defense, vice Jack Katzen, resigned.

Enrique Mendez, Jr.,

of Puerto Rico, to be an Assistant Secretary of Defense, vice William E. Mayer, resigned.

Thomas W. Corbett, Jr.,

of Pennsylvania, to be United States Attorney for the Western District of Pennsylvania for the term of 4 years, vice J. Alan Johnson, resigned.

Julie E. Carnes,

of Georgia, to be a member of the United States Sentencing Commission for a term expiring October 31, 1995, vice Paul H. Robinson, resigned.

Gary C. Byrne,

of California, to be Administrator of the Rural Electrification Administration for a term of 10 years, vice Harold V. Hunter, resigned.

L. Joyce Hampers,

of Massachusetts, to be an Assistant Secretary of Commerce, vice Orson G. Swindle III, resigned.

Barbara Everitt Bryant,

of Michigan, to be Director of the Census, vice John G. Keane, resigned, to which position she was appointed during the last recess of the Senate.

Antonia Coello Novello,

of the District of Columbia, to be Surgeon General of the Public Health Service for a term of 4 years, vice C. Everett Koop, resigned.

D'Wayne Gray,

of Virginia, to be Chief Benefits Director, Department of Veterans Affairs (new position).

Malcolm S. Forbes, Jr.,

of New Jersey, to be a member of the Board for International Broadcasting for a term expiring April 28, 1992 (reappointment).

Annice M. Wagner,

of the District of Columbia, to be an Associate Judge of the District of Columbia Court of Appeals for the term of 15 years, vice Julia P. Cooper Mack, resigned.

The following-named persons to be Associate Directors of the Office of Science and Technology Policy (new positions):

William D. Phillips, of Missouri.

Eugene Wong, of California.

Ervin S. Duggan,

of South Carolina, to be a member of the Federal Communications Commission for a term of 5 years from July 1, 1989, vice Patricia Diaz Dennis, resigned.

Donald Robert Quartel, Jr.,

of Florida, to be a Federal Maritime Commissioner for the term expiring June 30, 1994, vice Edward J. Philbin, term expired.

David W. Mullins, Jr.,

of Arkansas, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1982, vice H. Robert Heller, resigned.

Edward W. Kelley, Jr.,

of Texas, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1990 (reappointment).

Jessica L. Parks,

of Georgia, to be a member of the Merit Systems Protection Board for the remainder of the term expiring March 1, 1995, vice Samuel W. Bogley.

The following-named persons to be Members of the National Council on Disability for the terms indicated:

For the remainder of the term expiring September 17, 1991:

Mary Matthews Raether, of Virginia, vice Phyllis D. Zlotnick, term expired.

For a term expiring September 17, 1992:

Sandra Swift Parrino, of New York (reappointment).

Alvis Kent Waldrep, Jr., of Texas (reappointment).

Anthony Hurlbutt Flack,

of Connecticut, to be a member of the National Council on Disability for a term expiring September 17, 1991, vice John F. Mills.

Dennis M. Devaney,

of Maryland, to be a member of the National Labor Relations Board for the term of 5 years expiring December 16, 1994 (reappointment), to which position he was appointed during the last recess of the Senate.

Clifford R. Oviatt, Jr.,

of Virginia, to be a member of the National Labor Relations Board for the remainder of the term expiring August 27, 1993, vice Wilford W. Johansen, resigned, to which position he was appointed during the last recess of the Senate.

Tommy G. Thompson,

of Wisconsin, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term of 4 years, vice Robert D. Orr, resigned.

James L. Kolstad,

of Colorado, to be Chairman of the National Transportation Safety Board for a term of 2 years, vice James Eugene Burnett, Jr., term expired.

Velma Montoya,

of California, to be a member of the Occupational Safety and Health Review Commission for the remainder of the term expiring April 27, 1991, vice Robert E. Rader, Jr., resigned.

Ronald M. Holdaway,

of Wyoming, to be an Associate Judge of the United States Court of Veterans Appeals for the term of 15 years (new position).

Withdrawn January 23

Samuel W. Bogley,

of Maryland, to be a member of the Merit Systems Protection Board for the term of 7 years expiring March 1, 1995, vice Dennis M. Devaney, resigned, which was sent to the Senate on January 3, 1989.

Submitted January 24

Raymond C. Clevenger III,

of the District of Columbia, to be United States Circuit Judge for the Federal Circuit, vice Oscar H. Davis, deceased.

Alan D. Lourie,

of Pennsylvania, to be United States Circuit Judge for the Federal Circuit, vice Daniel M. Friedman, retired.

David H. Souter,

of New Hampshire, to be United States Circuit Judge for the First Circuit, vice Hugh H. Bownes, retired.

Robert H. Hodges, Jr.,

of South Carolina, to be a Judge of the United States Claims Court for a term of 15 years, vice John L. Napier, resigned.

Joseph M. Hood,

of Kentucky, to be United States District Judge for the Eastern District of Kentucky, vice Scott Reed, retired.

James F. McClure, Jr.,

of Pennsylvania, to be United States District Judge for the Middle District of Pennsylvania, vice

William J. Nealon, retired.

Lawrence M. McKenna,

of New York, to be United States District Judge for the Southern District of New York, vice William C. Conner, retired.

John S. Martin, Jr.,

of New York, to be United States District Judge for the Southern District of New York, vice Edward Weinfeld, deceased.

John D. Rainey,

of Texas, to be United States District Judge for the Southern District of Texas, vice Gabrielle K. McDonald, resigned.

James K. Singleton, Jr.,

of Alaska, to be United States District Judge for the District of Alaska, vice James M. Fitzgerald, retired.

William M. Nickerson,

of Maryland, to be United States District Judge for the District of Maryland, vice Herbert F. Murray, retired.

Daniel B. Sparr,

of Colorado, to be United States District Judge for the District of Colorado, vice John P. Moore, elevated.

Norman H. Stahl,

of New Hampshire, to be United States District Judge for the District of New Hampshire, vice Martin F. Loughlin, retired.

Jack N. Engor,

of Colorado, to be United States Marshal for the District of Colorado for the term of 4 years, vice Charles L. Dunahue.

Donald W. Tucker,

of Arizona, to be United States Marshal for the District of Arizona for the term of 4 years, vice John W. Roberts.

John Wesley Bartlett,

of Massachusetts, to be Director of the Office of Civilian Radioactive Waste Management, vice Ben C. Rusche, resigned.

Bradley Gordon,

of Virginia, to be an Assistant Director of the United States Arms Control and Disarmament Agency, vice Kathleen C. Bailey, resigned.

Submitted January 25

Charles M. Herzfeld,

of New Jersey, to be Director of Defense Research and Engineering, vice Robert Clifton Duncan, resigned.

Donald Jay Yockey,

of California, to be Deputy Under Secretary of Defense for Acquisition, vice Milton L. Lohr, resigned.

Robert H. Gentile,

of Ohio, to be an Assistant Secretary of Energy (Fossil Energy), vice James Allan Wampler, resigned.

D'Wayne Gray,

of Virginia, to be Chief Benefits Director, Department of Veterans Affairs, for a term of 4 years (new position).

Ronald William Roskens,

of Nebraska, to be Administrator of the Agency for International Development, vice M. Alan

Woods, deceased.

Ronald William Roskens,

of Nebraska, to be a member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1992, vice M. Alan Woods, deceased.

C. Anson Franklin,

of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Thomas R. Blank, resigned.

The following-named persons to be members of the National Commission on Libraries and Information Science for the terms indicated:

For a term expiring July 19, 1993:

Wanda L. Forbes, of South Carolina (reappointment).

Charles E. Reid, of New Jersey (reappointment).

For a term expiring July 19, 1994:

Daniel W. Casey, of New York (reappointment).

Elinor H. Swaim, of North Carolina (reappointment).

John R. Dunne,

of New York, to be an Assistant Attorney General, vice William Bradford Reynolds, resigned.

Withdrawn January 25

William Lucas,

of Michigan, to be an Assistant Attorney General, vice William Bradford Reynolds, resigned, which was sent to the Senate on May 1, 1989.

D'Wayne Gray,

of Virginia, to be Chief Benefits Director, Department of Veterans Affairs, (new position),

which was sent to the Senate on January 23.

Submitted January 29

Richard J. Hankinson,

of Virginia, to be Inspector General, Department of Justice (new position -- P.L. 100 - 504).

Submitted January 30

Gerald A. Cann,

of Maryland, to be an Assistant Secretary of the Navy, vice Thomas F. Faught, Jr., resigned.

Jacqueline E. Schafer,

of Virginia, to be an Assistant Secretary of the Navy, vice Everett Pyatt, resigned.

Joyce T. Berry,

of the District of Columbia, to be Commissioner on Aging, vice Carol Fraser Fisk, resigned.

Frederick M. Bernthal,

of Tennessee, to be Deputy Director of the National Science Foundation, vice John H. Moore, resigned.

Philip R. Lochner, Jr.,

of Connecticut, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1991, vice David S. Ruder, resigned.

Submitted January 31

Michael Lorne Moodie,

of Maryland, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency, vice Lynn Marvin Hansen, resigned.

Donald L. Ivers,

of New Mexico, to be an Associate Judge of the United States Court of Veterans Appeals for the term of 15 years (new position).

Submitted February 5

Erich W. Bretthauer,

of Nevada, to be an Assistant Administrator of the Environmental Protection Agency, vice Vaun A. Newill, resigned.

Charles J. Chamberlain,

of Illinois, to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1989 (reappointment).

Glen L. Bower,

of Illinois, to be a member of the Railroad Retirement Board for the remainder of the term expiring August 28, 1992, vice Thomas J. Simon.

Submitted February 6

Richard E. Bissell,

of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Nyle C. Brady, resigned.

Tommy G. Thompson,

of Wisconsin, to be a member of the Board of Directors of the National Railroad Passenger Corporation for the remainder of the term expiring April 27, 1990, vice Robert D. Orr.

Submitted February 20

Deane Roesch Hinton,

of Illinois, a career member of the Senior Foreign Service, with the personal rank of Career Ambassador, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Panama, to which position he was appointed during the recess of the Senate from November 22, 1989, to January 23, 1990.

Jonathan Moore,

of Massachusetts, to be the Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

Shirin Raziuddin Tahir-Kheli,

of Pennsylvania, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador.

Samuel A. Alito, Jr.,

of New Jersey, to be United States Circuit Judge for the Third Circuit, vice John J. Gibbons, retired.

Stephen M. McNamee,

of Arizona, to be United States District Judge for the District of Arizona, vice Charles L. Hardy, retired.

Robert H. Cleland,

of Michigan, to be United States District Judge for the Eastern District of Michigan, vice James P. Churchill, retired.

Graham C. Mullen,

of North Carolina, to be United States District Judge for the Western District of North Carolina, vice James B. McMillan, retired.

Robert E. Jones,

of Oregon, to be United States District Judge for the District of Oregon, vice James M. Burns, retired.

John J. Adair,

of Virginia, to be Inspector General, Resolution Trust Corporation (new position).

Brig. Gen. Arthur E. Williams, USA,

to be a member and President of the Mississippi River Commission.

The following-named persons to be members of the Board of Directors of the State Justice Institute for the terms indicated:

For a term expiring September 17, 1991:

Terrence B. Adamson, of Georgia, vice Lawrence H. Cook, resigned.

Vivi L. Dilweg, of Wisconsin, vice Rodney A. Peeples, term expired.

For a term expiring September 17, 1992:

Carl F. Bianchi, of Idaho, vice Larry P. Polansky, term expired.

James Duke Cameron, of Arizona (reappointment).

Janice L. Gradwohl, of Nebraska (reappointment).

Malcolm M. Lucas, of California, vice Ralph J. Erickstad, term expired.

Robert H. Swan,

of Utah, to be a member of the National Credit Union Administration Board for the term of 6 years expiring August 2, 1995, vice David L. Chatfield, resigned.

Herman Jay Cohen,

an Assistant Secretary of State, to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1991, vice Chester A. Crocker.

The following-named persons to be members of the Board of Directors of the Inter-American Foundation for terms of 6 years:

Norton Stevens, of New York (new position).

Frank D. Yturria, of Texas (new position).

Submitted February 21

E.U. Curtis Bohlen,

of Maine, to be Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, vice Frederick M. Bernthal, resigned.

Nelson C. Ledsky,

of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Special Cyprus Coordinator.

William Hughes Graves III,

of Mississippi, to be Director of the National Institute on Disability and Rehabilitation Research, vice David B. Gray, resigned.

LeGree Sylvia Daniels,

of Pennsylvania, to be a Governor of the United States Postal Service for the term expiring December 8, 1998, vice John Lathrop Ryan, term expired.

Submitted February 23

James Henry Michel,

of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Dwight A. Ink, resigned.

Jack D. Shanstrom,

of Montana, to be United States District Judge for the District of Montana, vice James F. Battin, retired.

Submitted March 5

John C. Foltz,

of Ohio, to be Administrator of the Federal Grain Inspection Service, vice W. Kirk Miller, resigned.

The following-named individuals to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1994:

Peter H. Raven, of Missouri, vice William A. Nierenberg, term expired.

Benjamin S. Shen, of Pennsylvania, vice Norman C. Rasmussen, term expired.

Submitted March 6

Samuel Grayson Wilson,

of Virginia, to be United States District Judge for the Western District of Virginia, vice Glen M. Williams, retired.

D. Brock Hornby,

of Maine, to be United States District Judge for the District of Maine, vice Conrad K. Cyr, elevated.

Lynne Vincent Cheney,

of Wyoming, to be Chairperson of the National Endowment for the Humanities for a term of 4 years (reappointment).

Submitted March 7

Jo Anne B. Barnhart,

of Delaware, to be Assistant Secretary for Family Support, Department of Health and Human Services (new position).

The following-named persons to be members of the Board of Directors of the Corporation for Public Broadcasting for terms expiring March 1, 1994:

Henry J. Cauthen, of South Carolina, vice Howard D. Gutin.

Lloyd Kaiser, of Pennsylvania (reappointment).

Submitted March 8

Adriane J. Dudley,

of the Virgin Islands, to be a Judge of the District Court of the Virgin Islands for a term of 10

years, vice Almeric L. Christian, retired.

Arthur F. Van Court,

of California, to be United States Marshal for the Eastern District of California for the term of 4 years (reappointment).

Submitted March 19

Morris Lee Thompson,

of Kansas, to be United States Attorney for the District of Kansas for the term of 4 years, vice Benjamin L. Burgess, Jr., resigned.

Submitted March 20

Stephen D. Easton,

of North Dakota, to be United States Attorney for the District of North Dakota for the term of 4 years, vice Rodney S. Webb, resigned.

Thomas Lawrence Sansonetti,

of Wyoming, to be Solicitor of the Department of the Interior, vice Martin Lewis Allday.

Robert Marshall White,

of Minnesota, to be Under Secretary of Commerce for Technology (new position).

Julian W. De La Rosa,

of Texas, to be Inspector General, Department of Labor, vice James Brian Hyland, resigned.

Karen L. Gillmor,

of Ohio, to be Director of the Women's Bureau, Department of Labor, vice Jill Houghton Emery, resigned.

James B. Edwards,

of South Carolina, to be a member of the Board of Directors of the Communications Satellite

Corporation until the date of the annual meeting of the Corporation in 1993 (reappointment).

Jerry D. Jennings,

of Michigan, to be Deputy Director of the Federal Emergency Management Agency, vice Robert H. Morris, resigned.

John K. Lauber,

of Maryland, to be a member of the National Transportation Safety Board for the term expiring December 31, 1994 (reappointment).

Robert C. Larson,

of Michigan, to be a member of the Oversight Board of the Resolution Trust Corporation for a term of 3 years (new position).

Keith McNamara,

of Ohio, to be a member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1992, vice Joseph Wentling Brown, term expired.

Submitted March 21

James Henry Michel,

of Virginia, to be a member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1992, vice M. Alan Woods, deceased.

Withdrawn March 21

Ronald William Roskens,

of Nebraska, to be a member of the Board of Directors of the Inter-American Foundation for the remainder of the term expiring September 20, 1992, vice M. Alan Woods, deceased, which was sent to the Senate on January 25, 1990.

Submitted March 29

Don Melvin Newman,

of Indiana, for the rank of Minister during his tenure of service as the Representative of the United States of America on the Council of the International Civil Aviation Organization.

Michael L. Williams,

of Texas, to be Assistant Secretary for Civil Rights, Department of Education, vice LeGree S. Daniels, resigned.

Submitted March 30

Richard W. Vollmer, Jr.,

of Alabama, to be United States District Judge for the Southern District of Alabama, vice William Brevard Hand, retired.

Submitted April 4

Wendy Lee Gramm,

of Texas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1995 (reappointment).

Wendy Lee Gramm,

of Texas, to be Chairman of the Commodity Futures Trading Commission (reappointment).

Submitted April 18

Dane Farnsworth Smith, Jr.,

of New Mexico, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea.

Charles H. Thomas,

of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Hungary.

Alan Philip Larson,

of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

Richard F. Suhrheinrich,

of Michigan, to be United States Circuit Judge for the Sixth Circuit, vice Albert J. Engel, retired.

David C. Norton,

of South Carolina, to be United States District Judge for the District of South Carolina, vice Solomon Blatt, Jr., retired.

The following-named persons to be Associate Judges of the Superior Court of the District of Columbia for the term of 15 years (new position):

Mary Ellen Abrecht, of the District of Columbia.

Kaye K. Christian, of the District of Columbia.

Frederick D. Dorsey, of the District of Columbia.

Ellen Segal Huvelle, of the District of Columbia.

Jose M. Lopez, of the District of Columbia.

Joan Z. McAvoy, of the District of Columbia.

Gregory E. Mize, of the District of Columbia.

Patricia A. Wynn, of the District of Columbia.

Patrick E. McFarland,

of Virginia, to be Inspector General, Office of Personnel Management (new position).

Arden L. Bement, Jr.,

of Ohio to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1994 (reappointment).

Submitted April 19

Joseph G. Schiff,

of Kentucky, to be an Assistant Secretary of Housing and Urban Development, vice J. Michael Dorsey.

Anthony J. Hope,

of California, to be Chairman of the National Indian Gaming Commission for a term of 3 years (new position).

Olin L. Greene, Jr.,

of Oregon, to be Administrator of the United States Fire Administration, vice Clyde A. Bragdon, Jr., resigned.

Submitted April 20

James Keough Bishop,

of New York, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Somali Democratic Republic.

Daniel H. Carter,

of Texas, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1994 (reappointment).

The following-named persons to be Directors of the Federal Housing Finance Board for the terms indicated:

For a term of 3 years:

Lawrence U. Costiglio, of New York (new position).

For a term of 7 years:

Daniel F. Evans, Jr., of Indiana (new position).

Submitted April 24

Steven E. Steiner,

of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as United States Representative to the Special Verification Commission.

Jimmy C. Carter,

of Georgia, to be United States Marshal for the Southern District of Georgia for the term of 4 years, vice Larry James Stubbs, term expired.

James F. Blumstein,

of Tennessee, to be Administrator of the Office of Information and Regulatory Affairs, vice S. Jay Plager, resigned.

Andrew Camp Barrett,

of Illinois, to be a member of the Federal Communications Commission for a term of 5 years from July 1, 1990 (reappointment).

Ming Hsu,

of New Jersey, to be a Federal Maritime Commissioner for the remainder of the term expiring June 30, 1991, vice Elaine L. Chao, resigned.

James S. Halpern,

of the District of Columbia, to be a Judge of the United States Tax Court for a term expiring 15 years after he takes office, vice Meade Whitaker, retired.

Withdrawn April 24

Victor Stello, Jr.,

of Maryland, to be an Assistant Secretary of Energy (Defense Programs), vice Sylvester R. Foley, Jr., resigned, which was sent to the Senate on July 24, 1989.

Submitted April 25

Peter Jon de Vos,

of Florida, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Liberia.

James J. West,

of Pennsylvania, to be United States Attorney for the Middle District of Pennsylvania for the term of 4 years, vice David Dart Queen, resigned.

Submitted April 26

Kenneth L. Ryskamp,

of Florida, to be United States Circuit Judge for the Eleventh Circuit, vice Paul H. Roney, retired.

Submitted April 30

James L. Webb,

of Oklahoma, to be United States Marshal for the Eastern District of Oklahoma for the term of 4 years, vice Laurence C. Beard, retired.

Pamela Talkin,

of New York, to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 1, 1995 (reappointment).

Submitted May 7

William Bodde, Jr.,

of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Marshall Islands.

Joseph Edward Lake,

of Texas, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Mongolian People's Republic.

Gary E. Shovlin,

of Texas, to be United States Marshal for the Middle District of Pennsylvania for the term of 4 years, vice Matthew Chabel, Jr.

Stephen Anthony Trodden,

of Virginia, to be Inspector General, Department of Veterans Affairs (new position).

Wallace Elmer Stickney,

of New Hampshire, to be Director of the Federal Emergency Management Agency, vice Julius W. Becton, Jr., resigned.

Submitted May 8

Karen LeCraft Henderson,

of South Carolina, to be United States Circuit Judge for the District of Columbia Circuit, vice Kenneth W. Starr, resigned.

A. Raymond Randolph,

of Maryland, to be United States Circuit Judge for the District of Columbia Circuit, vice Spottswood W. Robinson III, retired.

James R. Moseley,

of Indiana, to be an Assistant Secretary of Agriculture, vice George S. Dunlop, resigned.

Submitted May 10

Gilberto Guardia Fabrega,

a citizen of the Republic of Panama, to be Administrator of the Panama Canal Commission, vice Dennis P. McAuliffe.

Sylvia Alice Earle,

of California, to be Chief Scientist of the National Oceanic and Atmospheric Administration, vice Melvin N.A. Peterson, resigned.

The following-named persons to be members of the United States Sentencing Commission for the terms indicated:

For the remainder of the term expiring October 31, 1991:

Michael S. Gelacak, of Virginia, vice Michael K. Block, resigned.

For a term expiring October 31, 1995:

A. David Mazzone, of Massachusetts, vice Stephen G. Breyer, term expired.

The following-named persons to be members of the National Council on the Humanities for the terms indicated:

For a term expiring January 26, 1994:

Billie Davis Gaines, of Georgia, vice Jeffrey Hart, term expired.

Gary L. McDowell, of the District of Columbia, vice Rita Ricardo-Campbell, term expired.

Jeanne J. Smoot, of North Carolina, vice Ellis Sandoz, term expired.

For a term expiring January 26, 1996:

Bruce D. Benson, of Colorado, vice Kathleen S. Kilpatrick, resigned.

Submitted May 11

Paul V. Niemeyer,

of Maryland, to be United States Circuit Judge for the Fourth Circuit, vice Harrison Winter, retired.

John H. McBryde,

of Texas, to be United States District Judge for the Northern District of Texas, vice Eldon B.

Mahon, retired.

Charles W. Pickering, Sr.,

of Mississippi, to be United States District Judge for the Southern District of Mississippi, vice Walter L. Nixon, Jr.

Frederick P. Stamp, Jr.,

of West Virginia, to be United States District Judge for the Northern District of West Virginia, vice William M. Kidd, retired.

Submitted May 14

Steven D. Dillingham,

of South Carolina, to be Director of the Bureau of Justice Statistics, vice Steven Roger Schlesinger, resigned.

Jimmy Gurule,

of Utah, to be an Assistant Attorney General, vice Richard Bender Abell, resigned.

Charles M. House,

of California, to be Director of the Office for Victims of Crime (new position).

Lourdes G. Baird,

of California, to be United States Attorney for the Central District of California for the term of 4 years, vice Robert C. Bonner, resigned.

Submitted May 15

Robert E. Lamb,

of Georgia, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus.

James Wilson Holsinger, Jr.,

of Virginia, to be Chief Medical Director, Department of Veterans Affairs, for a term of 4 years (new position).

Jonathan R. Steinberg,

of Maryland, to be an Associate Judge of the United States Court of Veterans Appeals for the term of 15 years (new position).

Submitted May 16

G. Philip Hughes,

of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of Dominica, Ambassador Extraordinary and Plenipotentiary of the United States of America to Saint Lucia, and Ambassador Extraordinary and Plenipotentiary of the United States of America to Saint Vincent and the Grenadines.

David Passage,

of North Carolina, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana.

Richard Wayne Bogosian,

of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chad.

Philip S. Kaplan,

of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Deputy United States Representative to the Negotiations on Conventional Armed Forces in Europe.

Russell Flynn Miller,

of Maryland, to be Inspector General, Federal Emergency Management Agency (new position).

Submitted May 18

Michael Boudin,

of the District of Columbia, to be United States District Judge for the District of Columbia, vice John H. Pratt, retired.

Harry W. Shlaudeman,

of California, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nicaragua.

Eugene L. Scassa,

of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belize.

Carol Bagley Amon,

of New York, to be United States District Judge for the Eastern District of New York, vice Mark A. Costantino, retired.

Submitted May 23

William B. Milam,

of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bangladesh.

James Daniel Phillips,

of Kansas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of the Congo.

Thomas W. Simons, Jr.,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America

to the Republic of Poland.

Michael T. Bass,

of Florida, to be a member of the National Council on the Humanities for a term expiring January 26, 1994, vice James Clayburn La Force, Jr., term expired.

Submitted May 24

Roger Gran Harrison,

of Colorado, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

Submitted June 5

Federico A. Moreno,

of Florida, to be United States District Judge for the Southern District of Florida, vice Alcee L. Hastings.

Michael L. Johnson,

of Idaho, to be United States Marshal for the District of Idaho for the term of 4 years, vice Blaine Skinner.

Albert Z. Moore,

of Ohio, to be United States Marshal for the Northern District of Ohio for the term of 4 years, vice Earl L. Rife, resigned.

Paul L. Ziemer,

of Indiana, to be an Assistant Secretary of Energy (Environment, Safety and Health), vice Ernest C. Baynard III, resigned.

Calvin A. Kent,

of Texas, to be Administrator of the Energy Information Administration, vice Helmut A. Merklein, resigned.

Rosalie Gaull Silberman,

of the District of Columbia, to be a member of the Equal Employment Opportunity Commission for a term expiring July 1, 1995 (reappointment).

Andrew C. Hove,

of Nebraska, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term expiring February 28, 1993 (new position).

Christopher A. Hart,

of the District of Columbia, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1992, vice Joseph Trippe Nall, deceased.

David H. Leroy,

of Idaho, to be Nuclear Waste Negotiator (new position).

Gopal Sivaraj Pal,

of Virginia, to be a member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 1995, vice M. Robert Hill, Jr., term expired.

The following-named persons to be members of the Board of Directors of the Commodity Credit Corporation:

Catherine Ann Bertini, of Illinois, vice John William Bode, resigned.

Keith D. Bjerke, of North Dakota, vice Milton J. Hertz, resigned.

Bruce L. Gardner, of Maryland, vice Ewen M. Wilson, resigned.

Jo Ann Doke Smith, of Florida, vice Kenneth A. Gillis, resigned.

Submitted June 6

Hugh Kenneth Hill,

of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be

Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bulgaria.

John W. Raley, Jr.,

of Oklahoma, to be United States Attorney for the Eastern District of Oklahoma for the term of 4 years, vice Roger Hilfiger, resigned.

Submitted June 7

Aurelia Erskine Brazeal,

of Georgia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federated States of Micronesia.

Roy M. Huffington,

of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Austria.

Frederick Vreeland,

of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Burma (Myanmar).

Joel F. Dubina,

of Alabama, to be United States Circuit Judge for the Eleventh Circuit, vice Robert S. Vance, deceased.

William Eric Andersen,

of Tennessee, to be Administrator of the Wage and Hour Division, Department of Labor, vice Paula V. Smith, resigned.

The following-named persons to be members of the National Council on Disability for the terms indicated:

Larry Brown, Jr., of Maryland, for a term expiring September 17, 1992, vice Theresa Lennon Gardner, resigned.

Michael B. Unhjem, of North Dakota, for the remainder of the term expiring September 17, 1990, vice Justin Dart, resigned.

Michael B. Unhjem, of North Dakota, for a term expiring September 17, 1993 (reappointment).

Helen Wilshire Walsh, of Connecticut, for a term expiring September 17, 1990, vice Nanette Fabray MacDougall, term expired.

Helen Wilshire Walsh, of Connecticut, for a term expiring September 17, 1993 (reappointment).

Withdrawn June 7

Debra Russell Bowland,

of Louisiana, to be Administrator of the Wage and Hour Division, Department of Labor, vice Paula V. Smith, resigned, which was sent to the Senate on June 8, 1989.

Submitted June 8

Andrew C. Hove,

of Nebraska, to be Vice Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation (new position -- P.L. 101 - 73).

Constance Horner,

Under Secretary of Health and Human Services, to be a member of the Board of Directors of the National Consumer Cooperative Bank for a term of 3 years, vice Ewen M. Wilson.

Withdrawn June 8

Ewen M. Wilson,

an Assistant Secretary of Agriculture, to be a member of the Board of Directors of the National Consumer Cooperative Bank for a term of 3 years, which was sent to the Senate on January 3, 1989.

Submitted June 11

Robert C. Bonner,

of California, to be Administrator of Drug Enforcement, vice John C. Lawn, resigned.

Randall R. Rader,

of Virginia, to be United States Circuit Judge for the Federal Circuit, vice Jean Galloway Bissell, deceased.

William M. Skretny,

of New York, to be United States District Judge for the Western District of New York, vice John T. Curtin, retired.

Fred L. Foreman,

of Illinois, to be United States Attorney for the Northern District of Illinois for the term of 4 years, vice Anton R. Valukas, resigned.

The following-named persons to be members of the Boards of Trustees of the Federal Hospital Insurance Trust Fund, the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund:

For terms of 4 years:

Stanford G. Ross, of the District of Columbia, vice Suzanne Denbo Jaffe.

David M. Walker, of Virginia, vice Mary Falvey Fuller.

Benjamin F. Marsh,

of Ohio, to be a member of the Foreign Claims Settlement Commission of the United States for the term expiring September 30, 1992, vice Robert J. Kabel, term expired.

Withdrawn June 11

The following-named persons to be members of the Boards of Trustees of the Federal Hospital Insurance Trust Fund, the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund for terms of 4 years, which were sent to the Senate on January 3, 1989:

Mary Falvey Fuller, of California.

Suzanne Denbo Jaffe, of New York.

Submitted June 12

The following-named persons to be Associate Judges of the Superior Court of the District of Columbia:

For terms of 15 years:

John Henry Bayly, Jr., of the District of Columbia, vice Iraline Green Barnes, retired.

Linda Turner Hamilton, of the District of Columbia, vice Carlisle Edward Pratt.

Submitted June 13

Kenneth Noel Peltier,

of Texas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal and Islamic Republic of the Comoros.

George Fleming Jones,

of Texas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Co-operative Republic of Guyana.

The following-named persons to be members of the Board of Trustees of the Harry S. Truman Scholarship Foundation:

For terms expiring December 10, 1993:

John Ashcroft, of Missouri, vice Terry Edward Branstad, term expired.

Richard C. Hackett, of Tennessee, vice Robert Michael Isaac, term expired.

Submitted June 14

Richard C. Brown,

of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be

Ambassador Extraordinary and Plenipotentiary of the United States of America to the Oriental Republic of Uruguay.

Townsend B. Friedman, Jr.,

of Illinois, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Mozambique.

Richard V. Bertain,

of California, to be Associate Director of ACTION, vice Daniel F. Bonner, resigned.

Submitted June 18

Timothy John McBride,

of Michigan, to be an Assistant Secretary of Commerce, vice Michael Philip Skarzynski.

Stephen D. Potts,

of Maryland, to be Director of the Office of Government Ethics for a term of 5 years, vice Frank Q. Nebeker, resigned.

Submitted June 19

Edward William Gnehm, Jr.,

of Georgia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

Genta Hawkins Holmes,

of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Namibia.

Submitted June 22

W. Lee Rawls,

of Maryland, to be an Assistant Attorney General, vice Carol T. Crawford, resigned.

Stanley A. Twardy, Jr.,

of Connecticut, to be United States Attorney for the District of Connecticut for the term of 4 years (reappointment).

Submitted June 26

Michael Martin Skol,

of Illinois, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Venezuela.

Elmer B. Staats,

of the District of Columbia, to be a member of the Board of Trustees of the Harry S. Truman Scholarship Foundation for a term expiring December 10, 1995 (reappointment).

Withdrawn June 26

Eric M. Javits,

of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Venezuela, which was sent to the Senate on July 11, 1989.

Submitted June 27

George F. Murphy, Jr.,

of Maryland, to be Inspector General, United States Information Agency, vice Anthony J. Gabriel, resigned.

Submitted July 10

Joseph M. McLaughlin,

of New York, to be United States Circuit Judge for the Second Circuit, vice Lawrence W. Pierce, retired.

Joe D. Whitley,

of Georgia, to be United States Attorney for the Northern District of Georgia for the term of 4 years, vice Robert L. Barr, Jr., resigned.

Anthony L. Bennett,

of Minnesota, to be United States Marshal for the District of Minnesota for the term of 4 years, vice Robert L. Pavlak, term expired.

Joyce Elaine Tucker,

of Illinois, to be a member of the Equal Employment Opportunity Commission for the remainder of the term expiring July 1, 1991, vice Clarence Thomas, resigned.

Submitted July 12

Stephen G. Milliken,

of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of 15 years, vice Joseph M. Hannon, deceased.

Submitted July 16

Lynn H. Duncan,

of Georgia, to be United States Marshal for the Northern District of Georgia for the term of 4 years (reappointment).

Submitted July 17

Wayne Lee Berman,

of New York, to be an Assistant Secretary of Commerce, vice D. Bruce Merrifield.

Submitted July 18

Thomas G. Nelson,

of Idaho, to be United States Circuit Judge for the Ninth Circuit, vice J. Blaine Anderson,

deceased.

Submitted July 19

Steven B. Kelmar,

of Pennsylvania, to be an Assistant Secretary of Health and Human Services, vice Gerald L. Olson, resigned.

Joseph Francis Glennon,

of Florida, to be a member of the Advisory Board for Cuba Broadcasting for a term expiring October 27, 1991 (reappointment).

Kimberly A. Madigan,

of Illinois, to be a member of the National Mediation Board for the term expiring July 1, 1993, vice Walter C. Wallace, term expired.

Submitted July 23

The following-named persons to be members of the Farm Credit Administration Board, Farm Credit Administration, for the terms indicated:

For the term expiring October 13, 1994:

Billy Ross Brown, of Mississippi, vice Jim R. Billington, resigned.

For the term expiring May 21, 1996:

John C. Datt, of Virginia, vice Marvin Duncan, term expired.

Submitted July 25

David H. Souter,

of New Hampshire, to be an Associate Justice of the Supreme Court of the United States, vice William Joseph Brennan, Jr., retired.

Edward P. Brynn,

of Vermont, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Burkina Faso.

Ryan Clark Crocker,

of Washington, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon.

Jerome H. Powell,

of New York, to be an Assistant Secretary of the Treasury, vice David W. Mullins, Jr., resigned.

Submitted July 31

Stephen H. Rogers,

of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland.

Diane Gilbert Weinstein,

of the District of Columbia, to be a Judge of the United States Claims Court for a term of 15 years, vice Randall R. Rader, elevated.

Mary Sterling,

of Virginia, to be Inspector General, Department of Transportation, vice John W. Melchner, resigned.

Submitted August 1

Robert S. Mueller III,

of Massachusetts, to be an Assistant Attorney General, vice Edward S.G. Dennis, Jr., resigned.

Robert F. Goodwin,

of Maryland, to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada, vice Donald L. Totten, resigned.

Brig. Gen. Paul Y. Chinen, USA,

to be a member of the Mississippi River Commission.

Holland H. Coors,

of Colorado, to be a member of the Board of Trustees of the Harry S. Truman Scholarship Foundation for a term expiring December 10, 1995, vice Anita M. Miller, term expired.

The following named persons to be members of the National Science Board, National Science Foundation, for the terms indicated:

For the remainder of the term expiring May 10, 1994:

W. Glenn Campbell, of California, vice D. Allan Bromley, resigned.

For a term expiring May 10, 1996:

Perry L. Adkisson, of Texas (reappointment).

Bernard F. Burke, of Massachusetts, vice Kenneth Leon Nordtvedt, Jr., term expired.

Thomas B. Day, of California (reappointment).

James Johnson Duderstadt, of Michigan (reappointment).

Carolyn D. Leavens,

of California, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1990, vice Allie C. Felder, Jr., term expired.

Carolyn D. Leavens,

of California, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1993 (reappointment).

Submitted August 2

Thomas F. Kranz,

of California, to be an Associate Director of the Federal Emergency Management Agency, vice James P. McNeill, resigned.

The following named persons to be Directors of the Federal Housing Finance Board for the terms indicated:

William C. Perkins, of Wisconsin, for a term of 1 year (new position).

Marilyn R. Seymann, of Arizona, for a term of 5 years (new position).

Submitted August 3

Juliette Clagett McLennan,

of the District of Columbia, for the rank of Ambassador during her tenure of service as the U.S. Representative on the Commission on the Status of Women of the Economic and Social Council of the United Nations.

The following-named persons to be the Representative and Alternate Representatives of the United States of America to the 34th Session of the General Conference of the International Atomic Energy Agency:

Representative:

James D. Watkins, of California.

Alternate Representative:

Richard T. Kennedy, of the District of Columbia.

Michael H. Newlin, of Maryland.

Kenneth M. Carr, of California.

William B. Shubb,

of California, to be United States District Judge for the Eastern District of California, vice Raul A. Rameriz, resigned.

Gary L. Taylor,

of California, to be United States District Judge for the Central District of California, vice Ferdinand F. Fernandez, elevated.

James Ware,

of California, to be United States District Judge for the Northern District of California, vice Robert F. Peckham, retired.

Jean C. Hamilton,

of Missouri, to be United States District Judge for the Eastern District of Missouri, vice John F. Nangle, retired.

Thomas D. Rath,

of New Hampshire, to be a member of the Board of Directors of the Legal Services Corporation for a term expiring July 13, 1993, vice John N. Erlenborn, resigned.

Antonio C. Amador,

of California, to be a member of the Merit Systems Protection Board for the term of 7 years expiring March 1, 1997, vice Maria Lucia Johnson, term expired.

Richard Y. Roberts,

of Virginia, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1995, vice Joseph A. Grundfest, resigned.

Paula J. Dobriansky,

of Virginia, to be an Associate Director of the U.S. Information Agency, vice Charles Edward Horner, resigned.

The following named persons to be members of the Board of Directors of the Legal Services Corporation for the terms indicated, to which positions they were appointed during the recess of the Senate from November 22, 1989, to January 23, 1990:

For a term expiring July 13, 1992:

Jo Betts Love, of Mississippi, vice Lorain Miller, term expired.

Guy Vincent Molinari, of New York, vice Claude Galbreath Swafford, term expired.

Jeanine E. Wolbeck, of Minnesota, vice Hortencia Benavidez, term expired.

For a term expiring July 13, 1993:

Howard H. Dana, Jr., of Maine, vice Thomas F. Smegal, Jr., term expired.

Luis Guinot, Jr., of Puerto Rico, vice Michael B. Wallace, term expired.

Penny L. Pullen, of Illinois, vice William Clark Durant III, term expired.

George W. Wittgraf, of Iowa, vice Paul B. Eaglin, term expired.

The following named persons to be members of the Peace Corps National Advisory Council for the terms indicated:

For the remainder of the term expiring October 6, 1990:

Meredith Morgan Dale, of the District of Columbia, vice Marc L. Holtzman.

For a term expiring October 6, 1991:

Ruth Gardner Cox, of Texas, vice Alice Roxana Thompson, term expired.

Tahlman Krumm, Jr., of Ohio, vice Colleen Toy White, term expired.

For a term expiring October 6, 1992:

Meredith Morgan Dale, of the District of Columbia (reappointment).

Submitted August 3

Arlene Render,

of Virginia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia.

Herbert Donald Gelber,

of Florida, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mali.

Gordon L. Streeb,

of Colorado, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zambia.

Linton F. Brooks,

of Virginia, for the rank of Ambassador during his tenure of service as Deputy Head of Delegation to the nuclear and space talks.

David F. Levi,

of California, to be United States District Judge for the Eastern District of California, vice Edward Dean Price, retired.

Samuel B. Kent,

of Texas, to be United States District Judge for the Southern District of Texas, vice Hugh Gibson, Jr., retired.

Stephen B. Higgins,

of Missouri, to be United States Attorney for the Eastern District of Missouri for the term of 4 years, vice Thomas E. Dittmeier, term expired.

Doris Swords Poppler,

of Montana, to be United States Attorney for the District of Montana for the term of 4 years, vice Byron H. Dunbar, resigned.

Donna M. Owens,

of Ohio, to be Director of the Bureau of Justice Assistance (new position).

Scott M. Spangler,

of Arizona, to be an Assistant Administrator of the Agency for International Development, vice Charles L. Gladson, resigned.

The following named persons to be members of the Board for International Broadcasting for terms expiring April 28, 1991:

Cheryl Feldman Halpern, of New Jersey, vice Clair W. Burgener, term expired.

Karl C. Rove, of Texas, vice Edward Noonan Ney, term expired.

Gail C. McDonald,

of Oklahoma, to be a member of the Interstate Commerce Commission for a term expiring December 31, 1994, vice Paul H. Lamboley, term expired.

Charles B. DeWitt,

of the District of Columbia, to be Director of the National Institute of Justice, vice James K. Stewart, resigned.

The following named persons to be members of the National Council on the Humanities for terms expiring January 26, 1996:

Helen Gray Crawford, of Louisiana, vice Jean Vaughan Smith, term expired.

Margaret P. Duckett, of Pennsylvania, vice James V. Schall, term expired.

Henry H. Higuera, of Maryland, vice George D. Hart, term expired.

Peter Shaw, of New York, vice Charles Ray Ritcheson, term expired.

The following named persons to be members of the National Commission on Libraries and Information Science for the terms indicated:

For the remainder of the term expiring July 19, 1991:

Carol K. DiPrete, of Rhode Island, vice George H. Nash, resigned.

For the remainder of the term expiring July 19, 1992:

J. Michael Farrell, of the District of Columbia, vice Sally Jo Vasicko.

Howard E. Simmons,

of Delaware, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1996, vice Craig C. Black, term expired.

Andrew F. Reardon,

of Illinois, to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1988, vice John D. Crawford.

The following named persons to be members of the U.S. Advisory Commission on Public Diplomacy for the terms indicated:

For a term expiring July 1, 1992:

Fitzhugh Green, of the District of Columbia, vice Priscilla L. Buckley, term expired.

For a term expiring July 1, 1993:

Tom C. Korologos, of Virginia (reappointment).

Mary Louise Smith,

of Iowa, to be a member of the Board of Directors of the U.S. Institute of Peace for the remainder of the term expiring January 19, 1991, vice W. Bruce Weinrod, resigned.

Mary Louise Smith,

of Iowa, to be a member of the Board of Directors of the U.S. Institute of Peace for a term expiring January 19, 1995 (reappointment).

Submitted September 10

Richard A. Claytor,

of California, to be an Assistant Secretary of Energy (Defense Programs), vice Sylvester R. Foley, Jr., resigned.

Frederick Porter Hitz,

of Virginia, to be Inspector General, Central Intelligence Agency (new position).

G. Philip Hughes,

of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of Dominica, Ambassador Extraordinary and Plenipotentiary of the United States of America to Saint Lucia, and Ambassador Extraordinary and Plenipotentiary of the United States of America to Saint Vincent and the Grenadines.

George Fleming Jones,

of Texas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Co-operative Republic of Guyana.

William H.G. Fitzgerald,

of the District of Columbia, to be a member of the Board of Directors of the African Development Foundation for a term expiring February 9, 1996, vice Jay Kenneth Katzen, term expired.

Jeanne S. Archibald,

of Virginia, to be General Counsel for the Department of the Treasury, vice Edith E. Holiday, resigned.

James B. Loken,

of Minnesota, to be United States Circuit Judge for the Eighth Circuit, vice Gerald W. Heaney, retired.

Linda A. Akers,

of Arizona, to be United States Attorney for the District of Arizona for the term of 4 years, vice Stephen M. McNamee, resigned.

Kenneth W. Sukhia,

of Florida, to be United States Attorney for the Northern District of Florida for the term of 4

years, vice K. Michael Moore, resigned.

Todd W. Dillard,

of Maryland, to be United States Marshal for the Superior Court of the District of Columbia for the term of 4 years, vice a new position created by P.L. 100 - 690, dated November 18, 1988.

Craig R. Helsing,

of the District of Columbia, to be an Assistant Secretary of Commerce, vice Marc G. Stanley, resigned.

Barry Zorthian,

of the District of Columbia, to be a member of the Board for International Broadcasting for a term expiring May 20, 1992, vice Arch Madsen, term expired.

Joan R. Challinor,

of the District of Columbia, to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term of 6 years (reappointment).

James O. Mason,

of Utah, to be Representative of the United States on the Executive Board of the World Health Organization, vice Frank E. Young, resigned.

The following named persons to be members of the United States Advisory Commission on Public Diplomacy:

For terms expiring July 1, 1991:

William J. Hybl, of Colorado, vice Richard M. Scaife, term expired.

Richard B. Stone, of the District of Columbia, vice E. Robert Wallach, term expired.

Submitted September 12

Christopher L. Koch,

of Virginia, to be a Federal Maritime Commissioner for a term expiring June 30, 1995, vice

James J. Carey, term expired.

The following named persons to be members of the Federal Mine Safety and Health Review Commission:

For terms of 6 years expiring August 30, 1996:

Ford Barney Ford, of Virginia. (Reappointment)

Arlene Holen, of the District of Columbia, vice James A. Lastowka, term expired.

Submitted September 13

Harmon Elwood Kirby,

of Ohio, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Togo.

Sharon Percy Rockefeller,

of West Virginia, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992 (reappointment).

The following named persons to be members of the National Science Board, National Science Foundation:

For terms expiring May 10, 1996:

Phillip A. Griffiths, of North Carolina, vice Annelise Graebner Anderson, term expired.

Jaime Oaxaca, of California, vice Rita R. Colwell, term expired.

William A. Geoghegan,

of Maryland, to be a member of the Advisory Board for Cuba Broadcasting for a term expiring October 27, 1992, vice Midge Decter, term expired.

The following named persons to be members of the National Council on the Humanities:

For terms expiring January 26, 1996:

Carol Iannone, of New York, vice Mary Joseph Conrad Cresimore, term expired.

Jon N. Moline, of Minnesota, vice Robert Laxalt, term expired.

William C. Andersen,

of Connecticut, to be United States Marshal for the District of Connecticut for the term of 4 years, vice P.A. Mangini, term expired.

Arthur D. Borinsky,

of New Jersey, to be United States Marshal for the District of New Jersey for the term of 4 years (reappointment).

Submitted September 17

Leonard H.O. Spearman, Sr.,

of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho.

The following named persons to be Representatives and Alternate Representatives of the United States of America to the 45th Session of the General Assembly of the United Nations:

Representatives:

Thomas R. Pickering, of New Jersey.

Alexander Fletcher Watson, of Massachusetts.

Alternate Representatives:

Jonathan Moore, of Massachusetts.

Jacob Stein, of New York.

Shirin R. Tahir-Kheli, of Pennsylvania.

Milton James Wilkinson, of New Hampshire.

James R. Whelan,

of Virginia, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 1994, vice Harold K. Phillips, term expired.

John Michael Mercanti,

of Pennsylvania, to be Engraver in the Mint of the United States at Philadelphia, PA, vice Elizabeth Jones, resigned.

Paul K. Dayton,

of California, to be a member of the Marine Mammal Commission for the term expiring May 13, 1992, vice William W. Fox, Jr., resigned.

Mary Ann Mobley-Collins,

of California, to be a member of the National Council on Disability for a term expiring September 17, 1991, vice Joni Tada, term expired.

Submitted September 19

Mary Shannon Brunette,

of Virginia, to be an Assistant Secretary of Housing and Urban Development, vice Sherrie Sandy Rollins.

Submitted September 20

Branko Terzic,

of Wisconsin, to be a member of the Federal Energy Regulatory Commission for the remainder of the term expiring October 20, 1991, vice Martha O. Hesse.

Submitted September 21

John P. Leonard,

of Virginia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Suriname.

Katherine D. Ortega,

of New Mexico, to be an Alternate Representative of the United States of America to the 45th Session of the General Assembly of the United Nations.

Oliver W. Wanger,

of California, to be United States District Judge for the Eastern District of California, vice Milton Lewis Schwartz, retired.

Roscoe Burton Starek III,

of Illinois, to be a Federal Trade Commissioner for the term of 7 years from September 26, 1990, vice Terry Calvani, term expired.

Charles L. Cragin,

of Maine, to be Chairman of the Board of Veterans' Appeals for a term of 6 years (new position -- P.L. 100 - 687).

Submitted September 24

Robert A. Flaten,

of Minnesota, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Rwanda.

Submitted September 25

Marvin Collins,

of Texas, to be United States Attorney for the Northern District of Texas for the term of 4 years (reappointment).

Elsie V. Vartanian,

of New Hampshire, to be Director of the Women's Bureau, Department of Labor, vice Jill Houghton Emery, resigned.

Withdrawn September 25

Karen L. Gillmor,

of Ohio, to be Director of the Women's Bureau, Department of Labor, vice Jill Houghton Emery, resigned, which was sent to the Senate on March 20, 1990.

Submitted October 4

Michael Joseph Bayer,

of Ohio, to be Federal Inspector of the Alaska Natural Gas Transportation System, vice Theodore J. Garrish, resigned.

Submitted October 5

Connie Mack,

of Florida, to be a Representative of the United States of America to the 45th Session of the General Assembly of the United Nations.

Submitted October 9

Joseph R. Biden,

of Delaware, to be a Representative of the United States of America to the 45th Session of the General Assembly of the United Nations.

Walter E. Massey,

of Illinois, to be Director of the National Science Foundation for a term of 6 years, vice Erich Bloch, term expired.

Submitted October 11

Marion Clifton Blakey,

of Mississippi, to be an Assistant Secretary of Transportation, vice David Philip Prosperi, resigned.

Submitted October 12

Cecil B. Thompson,

of Virginia, to be a member of the Board of Directors of the Export-Import Bank of the United States for the remainder of the term expiring January 20, 1991, vice Simon C. Fireman, resigned.

Cecil B. Thompson,

of Virginia, to be a member of the Board of Directors of the Export-Import Bank of the United States for a term expiring January 20, 1995 (reappointment).

Submitted October 15

William W. Treat,

of New Hampshire, to be a Representative of the United States of America to the 45th Session of the General Assembly of the United Nations.

James R. McGregor,

of Pennsylvania, to be United States District Judge for the Western District of Pennsylvania, vice Gerald J. Weber, retired.

Submitted October 16

Robert William Gambino,

of Virginia, to be Director of Selective Service, vice Samuel K. Lessey, Jr., resigned.

Submitted October 17

John Leopold,

of Maryland, to be a member of the National Council on Disability for a term expiring September 17, 1991.

Dennis W. Shedd,

of South Carolina, to be United States District Judge for the District of South Carolina.

The following named persons to be members of the National Advisory Council on Educational

Research and Improvement for the terms indicated:

For the remainder of the term expiring September 30, 1991:

Eugene L. Madeira, of Pennsylvania.

For a term expiring September 30, 1992:

Dale P. Gold, of Virginia.

Submitted October 18

David A. Kessler,

of New York, to be Commissioner of Food and Drugs, Department of Health and Human Services (new position -- P.L. 100 - 607).

Submitted October 23

J. Blakeley Hall,

of Texas, to be a member of the Board of Directors of the Legal Services Corporation for a term expiring July 13, 1992, to which position he was appointed during the recess of the Senate from November 22, 1989, to January 23, 1990.

Submitted October 24

A. Pierre Guillermin,

of Virginia, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1993, vice Robert Lee McElrath, term expired.

Scott M. Spangler,

an Assistant Administrator of the Agency for International Development, to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1991, vice Charles L. Gladson, resigned.

George H. Oberle, Jr.,

of Oklahoma, to be a member of the National Council on Disability for a term expiring

September 17, 1992 (reappointment).

William H. Kennoy,

of Kentucky, to be a member of the Board of Directors of the Tennessee Valley Authority for the term expiring May 18, 1999, vice Charles H. Dean, Jr., term expired.

Lewis W. Douglas, Jr.,

of California, to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1993, vice Hershey Gold, term expired.

Submitted October 25

The following named persons to be members of the National Advisory Council on Educational Research and Improvement for terms expiring September 30, 1993:

Jack Raymond Reed, of Mississippi, vice Frances Mathews, term expired.

June Scobee Rodgers, of Arizona, vice Carol Pendas Whitten, term expired.

Marye Anne Fox,

of Texas, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1996, vice Karen J. Lindstedt-Siva, term expired.

Carl W. Vogt,

of Maryland, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term of 4 years, vice Darrell M. Trent, term expired.

Submitted October 26

John Elliott Reynolds III,

of Florida, to be a member of the Marine Mammal Commission for the term expiring May 13, 1993, vice Robert Elsner, term expired.

Submitted October 27

John A. Bushnell,

of Connecticut, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Costa Rica.

Appendix C -- Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary which are not included in this book.

Released January 8

Advance text:

Remarks to the American Farm Bureau Federation in Orlando, FL

Fact sheet:

American farming and rural America

Released January 11

Transcript:

Press briefing on the President's meeting with Prime Minister Anibal Cavaco Silva of Portugal -- by Raymond G.H. Seitz, Assistant Secretary of State for European and Canadian Affairs

Released January 12

Advance text:

Remarks at Robert A. Taft High School in Cincinnati, OH

Advance text:

Remarks to the Chamber of Commerce in Cincinnati, OH

Released January 19

Advance text:

Remarks at the annual convention of the National Association of Home Builders in Atlanta, GA

Advance text:

Remarks at a fundraising dinner for Gov. Bob Martinez in Miami, FL

Released January 22

Announcement:

Redecoration of the Oval Office with private funds

Advance text:

Remarks at the American Spectator annual dinner

Released January 23

Advance text:

Remarks to the law enforcement community in Kansas City, MO

Released January 24

Announcement:

Nomination of Raymond C. Clevenger III to be United States Circuit Judge for the Federal Circuit

Announcement:

Nomination of David H. Souter to be United States Circuit Judge for the First Circuit of New Hampshire

Announcement:

Nomination of William M. Nickerson to be United States District Judge for the District of Maryland

Announcement:

Nomination of Jack N. Engor to be United States Marshal for the District of Colorado

Announcement:

Nomination of Robert H. Hodges to be a United States Claims Court Judge

Announcement:

Nomination of Joseph M. Hood to be a United States District Judge for the Eastern District of Kentucky

Announcement:

Nomination of Alan D. Lourie to be a United States Circuit Judge for the Federal Circuit

Announcement:

Nomination of John S. Martin, Jr., to be United States District Judge for the Southern District of New York

Announcement:

Nomination of James F. McClure, Jr., to be United States District Judge for the Middle District of Pennsylvania

Announcement:

Nomination of Lawrence M. McKenna to be United States District Judge for the Southern District of New York

Announcement:

Nomination of John D. Rainey to be United States District Judge for the Southern District of Texas

Announcement:

Nomination of James K. Singleton to be United States District Judge for the District of Alaska

Announcement:

Nomination of Daniel B. Sparr to be United States District Judge for the District of Colorado

Announcement:

Nomination of Norman H. Stahl to be United States District Judge for the District of New Hampshire

Announcement:

Nomination of Donald W. Tucker to be United States Marshal for the District of Arizona

Released January 25

Advance text:

Remarks at a luncheon for newspaper publishers

Transcript:

Press briefing on the administration's budget outlays for the war on drugs in fiscal year 1991 -- by William J. Bennett, Director of National Drug Control Policy

Transcript:

Press briefing on U.S. aid to Panama -- by Deputy Secretary of the Treasury John Robson and Deputy Secretary of State Lawrence Eagleburger

Released January 26

Fact sheet:

President's Head Start Initiative

Transcript:

Press briefing on the gross national product for the fourth quarter of 1989 -- by Michael J. Boskin, Chairman of the Council of Economic Advisers

Released January 29

Transcript:

Press briefing on the President's fiscal year 1991 budget -- by Secretary of the Treasury Nicholas F. Brady; Richard G. Darman, Director of the Office of Management and Budget; and Michael J. Boskin, Chairman of the Council of Economic Advisers

Fact sheet:

The President's fiscal year 1991 budget

Advance text:

Remarks at the annual convention of the National Religious Broadcasters

Released January 30

Transcript:

Press briefing on the proposed Savings and Economic Growth Act of 1990, the President's fiscal year 1991 budget, and the State of the Union Address -- by Secretary of the Treasury Nicholas F. Brady

Announcement:

Nomination of Donald L. Ivers to be an Associate Judge of the United States Court of Veterans Appeals

Released January 31

Advance text:

Address before a joint session of the Congress on the state of the Union

Fact sheet:

Address before a joint session of the Congress on the state of the Union

Fact sheet:

National education goals

Released February 1

Transcript:

Press briefing on the President's education goals, budget, and achievements -- by Secretary of

Education Lauro F. Cavazos

Transcript:

Press briefing on the President's agenda, fiscal year 1991 budget, and State of the Union Message -- by John H. Sununu, Chief of Staff to the President

Released February 2

Fact sheet:

Science and technology accomplishments and initiatives of the Bush administration

Fact sheet:

CATIC/MAMCO divestment

Advance text:

Remarks to students and faculty of the University of Tennessee at Knoxville

Released February 6

Fact sheet:

1990 Economic Report of the President

Advance text:

Remarks to U.S. troops at the National Training Center at Fort Irwin in Barstow, CA

Advance text:

Remarks at a fundraising breakfast for Gov. Kay Orr in Omaha, NE

Released February 8

Advance text:

Remarks at a fundraising dinner for the Ohio Republican Party in Columbus

Released February 9

Announcement:

Nomination of Stephen M. McNamee to be United States District Judge for the District of Arizona

Announcement:

Nomination of Graham C. Mullen to be United States District Judge for the Western District of North Carolina

Announcement:

Nomination of Robert H. Cleland to be United States District Judge for the Eastern District of Michigan

Announcement:

Nomination of Samuel A. Alito to be United States Circuit Judge for the Third Circuit

Released February 12

Announcement:

Nomination of Robert E. Jones to be United States District Judge for the District of Oregon

Released February 13

Transcript:

Press briefing on the drug summit in Cartagena, Colombia -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Transcript:

Press briefing on the results of the annual survey of drug use among high school seniors and young adults -- by Secretary of Health and Human Services Louis W. Sullivan; Under Secretary of Education Ted Sanders; and William J. Bennett, Director of National Drug Control Policy

Fact sheet:

U.N. Convention Against Illegal Traffic in Narcotic Drugs and Psychotropic Substances

Released February 15

Fact sheet:

Drug summit in Cartagena, Colombia -- bilateral agreements

Fact sheet:

Drug summit in Cartagena, Colombia -- Declaration of Cartagena

Released February 20

Transcript:

Press briefing on President Bush's meeting with President Vaclav Havel of Czechoslovakia -- by Raymond G.H. Seitz, Assistant Secretary of State for European and Canadian Affairs

Released February 22

Advance text:

Remarks at the centennial celebration of the Johns Hopkins University Medical Institutions in Baltimore, MD

Released February 23

Announcement:

Nomination of Jack D. Shanstrom to be United States District Court Judge for the District of Montana

Released February 26

Fact sheet:

National goals for education

Released February 28

Statement:

The President's telephone conversation with Chairman Mikhail Gorbachev of the Soviet Union -- by Marlin Fitzwater, Press Secretary to the President

Advance text:

Remarks at a fundraising luncheon for congressional candidate Susan Molinari in Staten Island, NY

Announcement:

Nomination of Leo A. Giacometto to be United States Marshal for the District of Montana

Announcement:

Nomination of Dexter W. Lehtinen to be United States Attorney for the Southern District of Florida

Advance text:

Remarks at a fundraising dinner for gubernatorial candidate Pete Wilson in San Francisco, CA

Released March 1

Advance text:

Remarks at the California Chamber of Commerce Centennial Dinner in Los Angeles, CA

Released March 5

Advance text:

Remarks to members of the National PTA Legislative Conference

Released March 6

Announcement:

Nomination of Samuel G. Wilson to be United States District Judge for the Western District of

Virginia

Announcement:

Nomination of D. Brock Hornby to be United States District Judge for the District of Maine

Transcript:

Press briefing on the President's meeting with Prime Minister Andreotti of Italy -- by Raymond G.H. Seitz, Assistant Secretary of State for European and Canadian Affairs

Advance text:

Remarks to the American Society of Association Executives

Released March 7

Advance text:

Remarks at the American Electronics Association luncheon

Released March 8

Transcript:

Press briefing on national transportation policy -- by Secretary of Transportation Samuel K. Skinner

Announcement:

Nomination of Adriane J. Dudley to be a Judge of the District Court of the Virgin Islands

Announcement:

Nomination of Arthur F. Van Court to be United States Marshal for the Eastern District of California

Released March 13

Fact sheet:

The President's clean fuels program

Released March 14

Fact sheet:

Potomac Electric Power Company's Chalk Point Generating Station

Released March 15

Advance text:

Remarks to members of the National Association of Manufacturers

Released March 16

Excerpt:

Interview by Jim Angle of National Public Radio

Released March 19

Announcement:

Nomination of Stephen D. Easton to be United States Attorney for the District of North Dakota

Announcement:

Nomination of Morris Lee Thompson to be United States Attorney for the District of Kansas

Released March 21

Transcript:

Press briefing on the President's meeting with Prime Minister Tadeusz Mazowiecki of Poland -- by Raymond G.H. Seitz, Assistant Secretary of State for European and Canadian Affairs

Fact sheet:

Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal

Released March 22

Fact sheet:

Tree-planting ceremony

Fact sheet:

National Tree Trust Act of 1990

Announcement:

Nomination of Stanley F. Birch, Jr., to be United States Circuit Judge for the Eleventh Circuit

Released March 27

Announcement:

Nomination of Daniel J. Horgan to be United States Marshal for the Southern District of Florida

Released March 28

Advance text:

Remarks at the U.S. Olympic Committee dinner

Released March 29

Advance text:

Remarks to the National Leadership Coalition on AIDS

Released March 30

Announcement:

Nomination of Richard W. Vollmer, Jr., to be United States District Judge for the Southern District of Alabama

Fact sheet:

Founding directors of the Points of Light Initiative Foundation; luncheon with the President

Released April 2

Advance text:

Remarks at the annual convention of the National Association of Broadcasters in Atlanta, GA

Advance text:

Remarks at a fundraising dinner for gubernatorial candidate George Voinovich in Cincinnati, OH

Released April 3

Advance text:

Remarks at a tree-planting ceremony in Indianapolis, IN

Advance text:

Remarks at a fundraising luncheon for Senator Dan Coats in Indianapolis, IN

Advance text:

Remarks at a Republican Party fundraising dinner in Detroit, MI

Released April 4

Advance text:

Remarks at the 20th anniversary dinner of the Joint Center for Political and Economic Studies

Released April 5

Announcement:

Nomination of Richard F. Suhrheinrich to be United States Circuit Judge for the Sixth Circuit

Released April 9

Fact sheet:

Czechoslovakia-U.S. trade agreement

Released April 10

Advance text:

The President and Mrs. Bush's antisubstance abuse message for the ``Cartoon All-Stars to the Rescue" program, which will be televised April 21

Announcement:

Nomination of David C. Norton to be United States District Judge for the District of South Carolina

Announcement:

Nomination of Mary Ellen Abrecht, Kaye K. Christian, Frederick D. Dorsey, Ellen Segal Huvelle, Jose M. Lopez, Joan Z. McAvoy, Gregory E. Mize, and Patricia A. Wynn to be Associate Judges of the Superior Court of the District of Columbia

Released April 12

Transcript:

Press briefing on the White House Conference on Science and Economic Research Related to Global Change -- by William K. Reilly, Administrator of the Environmental Protection Agency; D. Allan Bromley, Science Advisor to the President and Director of the Office of Science and Technology Policy; Michael J. Boskin, Chairman of the Council of Economic Advisers; Michael R. Deland, Chairman of the Council on Environmental Quality; and W. Henson Moore, Under Secretary of Energy

Released April 17

Transcript:

Press briefing on President Bush's meeting with President Rafael Callejas of Honduras -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Released April 18

Advance text:

Remarks at the closing session of the White House Conference on Science and Economics Research Related to Global Change

Fact sheet:

U.S. initiatives affecting global climate change

Released April 20

Advance text:

Remarks at a fundraising luncheon for Senatorial candidate Bill Cabaniss in Birmingham, AL

Transcript:

Statement by Press Secretary Fitzwater on the Presidential delegation to the inauguration of President Violeta Chamorro of Nicaragua

Advance text:

Remarks at a fundraising dinner for the Florida Republican Party in Orlando, FL

Fact sheet:

National Estuary Program

Released April 23

Announcement:

Nomination of Jimmy C. Carter to be United States Marshal for the Southern District of Georgia

Released April 24

Announcement:

Nomination of James S. Halpern to be a Judge of the United States Tax Court

Released April 25

Announcement:

Nomination of Kenneth L. Ryskamp to be United States Circuit Judge for the Eleventh Circuit

Announcement:

Nomination of James J. West to be United States Attorney for the Middle District of Pennsylvania

Fact sheet:

Budget reform proposals

Released April 26

Transcript:

Press briefing on President Bush's meeting with Carlos Andres Perez of Venezuela -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Released April 30

Announcement:

Nomination of James L. Webb to be a United States Marshal for the Eastern District of Oklahoma

Transcript:

Press briefing on President Bush's meeting with President Guillermo Endara of Panama -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Released May 1

Advance text:

Remarks at a fundraising dinner for the Korean War Veterans Memorial Commission

Released May 2

Fact sheet:

Comprehensive U.S. proposal for modernizing the Coordinating Committee for Multilateral Export Controls (COCOM)

Released May 4

Announcement:

Nomination of Gary E. Shovlin to be a United States Marshal for the Middle District of Pennsylvania

Advance text:

Remarks at the Oklahoma Foundation for Excellence dinner in Tulsa

Released May 8

Transcript:

Press briefing on President Bush's meeting with President Jaime Paz Zamora of Bolivia -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Announcement:

Nomination of Karen L. Henderson to be United States Circuit Judge for the District of Columbia Circuit

Announcement:

Nomination of A. Raymond Randolph to be United States Circuit Judge for the District of Columbia Circuit

Released May 10

Announcement:

Nomination of Paul V. Niemeyer to be United States Circuit Judge for the Fourth Circuit

Announcement:

Nomination of John H. McBryde to be United States District Judge for the Northern District of Texas

Announcement:

Nomination of Frederick P. Stamp, Jr., to be United States District Judge for the Northern District of West Virginia

Announcement:

Nomination of Charles W. Pickering to be United States District Judge for the Southern District of Mississippi

Released May 11

Advance text:

Remarks at the Texas A&I University commencement ceremony in Kingsville

Advance text:

Remarks at a fundraising reception for Gov. Carroll A. Campbell, Jr., in Columbia, SC

Released May 12

Advance text:

Remarks at the Liberty University commencement ceremony in Lynchburg, VA

Released May 14

Announcement:

Nomination of Jonathan R. Steinberg to be an Associate Judge of the U.S. Court of Veterans Appeals

Announcement:

Nomination of Lourdes G. Baird to be U.S. Attorney for the Central District of California

Released May 15

Transcript:

Press briefing on President Bush's meeting with President Zine El Abidine Ben Ali of Tunisia -- by John H. Kelly, Assistant Secretary of State for Near Eastern and South Asian Affairs

Released May 17

Announcement:

Nomination of Michael Boudin to be U.S. District Judge for the District of Columbia

Statement:

The President's upcoming meetings with foreign leaders -- by Marlin Fitzwater, Press Secretary to the President

Released May 18

Announcement:

Nomination of Carol Bagley Amon to be U.S. District Judge for the Eastern District of New York

Advance text:

Remarks at a Republican Party fundraising dinner in Dallas, TX

Released May 19

Transcript:

Press briefing on the visit of Secretary of State James A. Baker III to the Soviet Union -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Advance text:

Remarks at the University of Texas commencement ceremony in Austin

Excerpt:

Remarks at the University of Texas commencement ceremony in Austin

Released May 21

Advance text:

Remarks at a fundraising breakfast for gubernatorial candidate David Frohnmayer in Portland, OR

Advance text:

Remarks to Oakwood community members in Los Angeles, CA

Released May 23

Transcript:

Press briefing on the upcoming summit with Soviet President Mikhail Gorbachev -- by Secretary of State James A. Baker III

Fact sheet:

The administration's trade strategy

Released May 25

Announcement:

Nomination of Michael L. Johnson to be U.S. Marshal for the District of Idaho

Released May 29

Announcement:

Nomination of Federico A. Moreno to be U.S. District Judge for the Southern District of Florida

Released May 31

Transcript:

President Mikhail Gorbachev's exchange with reporters upon arriving at the White House

Transcript:

President Mikhail Gorbachev's exchange with reporters following a meeting with President Bush

Announcement:

Gifts exchanged between President and Mrs. Bush and President and Mrs. Gorbachev at the state dinner

Announcement:

Menu and description of the state dinner for President Mikhail Gorbachev of the Soviet Union

Announcement:

Guest list for the state dinner for President Mikhail Gorbachev of the Soviet Union

Fact sheet:

Ocean studies agreement

Fact sheet:

Expanded civil aviation agreement

Fact sheet:

Maritime transportation agreement

Advance text:

Toasts at the state dinner for President Mikhail Gorbachev of the Soviet Union

June 1

Fact sheet:

Beringian Heritage International Park

Fact sheet:

Conventional armed forces in Europe treaty

Fact sheet:

Peaceful uses of atomic energy agreement

Transcript:

Press briefing on the Soviet-U.S. summit in Washington -- by Secretary of State James A. Baker III

Fact sheet:

Commercial agreement

Fact sheet:

Long-term grains agreement

Fact sheet:

U.S.-U.S.S.R. chemical weapons destruction agreement

Fact sheet:

Nuclear testing protocols

Fact sheet:

Customs cooperation agreement

Fact sheet:

U.S.-U.S.S.R. maritime boundary agreement

Fact sheet:

Cultural centers agreement

Fact sheet:

Agreement on expansion of undergraduate university exchanges

Fact sheet:

Memorandum of understanding to increase circulation of America and Soviet Life magazines

June 2

Announcement:

Guest list and menu for dinner honoring President and Mrs. Gorbachev at Camp David, MD

June 4

Fact sheet:

Arms nonproliferation

Released June 5

Announcement:

Nomination of Albert Z. Moore to be U.S. Marshal for the Northern District of Ohio

Released June 6

Announcement:

Nomination of Joel F. Dubina to be U.S. Circuit Judge for the Eleventh District

Announcement:

Nomination of John W. Raley, Jr., to be U.S. Attorney for the Eastern District of Oklahoma

Released June 7

Advance text:

Remarks at a fundraising reception for gubernatorial candidate Jim Edgar in Chicago, IL

Released June 8

Advance text:

Remarks at a fundraising breakfast for Gov. Terry Branstad in Des Moines, IA

Advance text:

Remarks at a fundraising luncheon for senatorial candidate Hal Daub in Omaha, NE

Advance text:

Remarks to members and supporters of MAD DADS in Omaha, NE

Released June 11

Announcement:

Nomination of Randall R. Rader to be U.S. Circuit Judge for the Federal Circuit

Announcement:

Nomination of William M. Skretny to be U.S. District Judge for the Western District of New York

Announcement:

Nomination of Fred L. Foreman to be U.S. Attorney for the Northern District of Illinois

Released June 12

Announcement:

Nomination of John Henry Bayly, Jr., to be an Associate Judge of the Superior Court of the District of Columbia

Announcement:

Nomination of Linda Turner Hamilton to be an Associate Judge of the Superior Court of the District of Columbia

Advance text:

Remarks at the annual Republican congressional fundraising dinner

Released June 14

Transcript:

Press briefing on the President's meeting with Prime Minister Chatchai Chunhawan of Thailand -- by Richard H. Solomon, Assistant Secretary of State for East Asian and Pacific Affairs

Released June 15

Statement:

The Consumer Price Index in May and the merchandise trade deficit in April -- by Marlin Fitzwater, Press Secretary to the President

Released June 19

Advance text:

Remarks at the Great Outdoors Award dinner

Released June 20

Advance text:

Remarks at a fundraising luncheon for Gov. Guy Hunt in Huntsville, AL

Advance text:

Remarks to employees of the George C. Marshall Space Flight Center in Huntsville, AL

Fact sheet:

Chronology of the President's space exploration program

Released June 21

Announcement:

Nomination of Fred I. Parker to be U.S. District Judge for the District of Vermont

Announcement:

Nomination of Stanley A. Twardy, Jr., to be U.S. Attorney for the District of Connecticut

Released June 22

Transcript:

Press briefing on the President's meeting with Nelson Mandela -- by Herman Cohen, Assistant Secretary of State for African Affairs

Released June 25

Transcript:

Remarks by Nelson Mandela after meeting with the President

Transcript:

Press briefing on the President's meeting with Nelson Mandela -- by Herman J. Cohen, Assistant Secretary of State for African Affairs

Released June 26

Fact sheet:

Presidential decisions concerning oil and gas development on the outer continental shelf

Released June 27

Statement:

Address on U.S. economic policies toward Latin America and the Caribbean -- by Marlin Fitzwater, Press Secretary to the President

Advance text:

Remarks announcing the Enterprise for the Americas Initiative

Transcript:

Press briefing on the Enterprise for the Americas Initiative -- by Secretary of the Treasury Nicholas F. Brady

Fact sheet:

Enterprise for the Americas Initiative

Released June 28

Transcript:

Press briefing on the upcoming NATO summit in London -- by Secretary of State James A. Baker III

Released June 29

Announcement:

Nomination of Anthony L. Bennett to be U.S. Marshal for the District of Minnesota

Announcement:

Nomination of Joe D. Whitley to be U.S. Attorney for the Northern District of Georgia

Announcement:

Nomination of Joseph M. McLaughlin to be U.S. Circuit Judge for the Second Circuit

Released July 3

Transcript:

Press briefing on the upcoming North Atlantic Treaty Organization summit in London, United Kingdom -- by Brent Scowcroft, Assistant to the President for National Security Affairs, and

John H. Sununu, Chief of Staff to the President

Released July 5

Transcript:

Interview with Brent Scowcroft, Assistant to the President for National Security Affairs, by Charles Gibson of ABC's ``Good Morning America''

Released July 6

Fact sheet:

Looking ahead in conventional arms control

Fact sheet:

Multinational corps for NATO

Fact sheet:

NATO's conventional forces and strategy

Fact sheet:

NATO initiative on nuclear artillery

Fact sheet:

NATO nuclear strategy in the new age

Fact sheet:

A parliamentary body for the Conference on Security and Cooperation in Europe (CSCE): the Assembly of Europe

Fact sheet:

Reaching out to former adversaries

Fact sheet:

Strengthening the Conference on Security and Cooperation in Europe (CSCE) process

Fact sheet:

Checklist of key initiatives in the London Declaration

Transcript:

Interview with John H. Sununu, Chief of Staff to the President, by Bryant Gumbel of NBC News ``Today''

Transcript:

Interview with Ambassador William H. Taft IV, U.S. Representative to the North Atlantic Treaty Organization, by Harry Smith of CBS News

Transcript:

Interview with Brent Scowcroft, Assistant to the President for National Security Affairs, by Frank Sesno of Cable News Network

Released July 8

Fact sheet:

Clean air (acid rain) bill and accord

Released July 9

Transcript:

Press briefing on the Houston economic summit -- by John H. Sununu, Chief of Staff to the President

Advance text:

Remarks at the welcoming ceremony for the Houston economic summit

Transcript:

Press briefing on agricultural issues related to the economic summit -- by Secretary of Agriculture Clayton K. Yeutter

Transcript:

Press briefing on trade issues related to the economic summit -- by U.S. Trade Representative Carla A. Hills

Announcement:

Nomination of Stephen G. Milliken to be an Associate Judge of the Superior Court of the District of Columbia

Released July 10

Transcript:

Remarks on presentation of the economic summit political communique -- by Secretary of State James A. Baker III

Transcript:

Press briefing on economic summit issues -- by Secretary of the Treasury Nicholas F. Brady

Advance text:

Toast at the Houston economic summit dinner

Released July 11

Advance text:

Remarks at the Thank You Houston celebration in Houston, TX

Released July 12

Advance text:

Remarks to the 30th Biennial Greek Orthodox Church Clergy-Laity Congress

Released July 16

Transcript:

Press briefing on the administration's mid-session budget review -- by Secretary of the Treasury Nicholas F. Brady; Richard G. Darman, Director of the Office of Management and Budget; and Michael J. Boskin, Chairman of the Council of Economic Advisers

Announcement:

Nomination of Lynn H. Duncan to be U.S. Marshal for the Northern District of Georgia

Released July 17

Announcement:

Nomination of Thomas G. Nelson to be U.S. Circuit Judge for the Ninth District

Transcript:

Press briefing on civil rights legislation -- by John H. Sununu, Chief of Staff to the President, and Attorney General Dick Thornburgh

Advance text:

Remarks to the national council of La Raza

Released July 19

Advance text:

Remarks at the dedication ceremony for the Richard M. Nixon Presidential Library in Yorba Linda, CA

Announcement:

Nomination of Kimberly A. Madigan to be a member of the National Mediation Board

Announcement:

Nomination of Joseph Francis Glennon to be a member of the Advisory Board for Cuba

Broadcasting

Released July 20

Advance text:

Remarks at a fundraising breakfast for senatorial candidate Allen Kolstad in Billings, MT

Advance text:

Remarks at an antidrug rally in Billings, MT

Released July 21

Advance text:

Remarks at the christening of the U.S.S. George Washington in Newport News, VA

Released July 23

Fact sheet:

New trade measures for Latin America and the Caribbean

Transcript:

Press briefing on President Bush's meeting with President Rodrigo Borja Cevallos of Ecuador -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Fact sheet:

Biography of David Hackett Souter

Released July 24

Advance text:

Remarks at an antidrug rally in Philadelphia, PA

Advance text:

Remarks at a Republican Party fundraising dinner in New York, NY

Released July 26

Fact sheet:

The Americans with Disabilities Act of 1990

Released July 27

Announcement:

Nomination of Diane Gilbert Weinstein to be a Judge of the U.S. Claims Court

Statement:

Possible acquisition of Semi-Gas Systems, Inc., by Nippon Sanso K.K. of Japan -- by Alixe R. Glen, Deputy Press Secretary to the President

Released July 31

Announcement:

Nomination of Holland H. Coors to be a member of the Board of Trustees of the Harry S. Truman Scholarship Foundation

Announcement:

Nomination of Paul Y. Chinen to be a member of the Mississippi River Commission

Announcement:

Nomination of Carolyn D. Leavens to be a member of the Board of Directors of the Overseas Private Investment Corporation

Statement:

Appointment of Sybil C. Mobley and William Aramony to be members of the Board of Directors of the Points of Light Foundation

Transcript:

Press briefing on President Bush's meeting with President Gnassingbe Eyadema of Togo -- by Herman J. Cohen, Assistant Secretary of State for African Affairs

Announcement:

Nomination of five members of the National Science Board of the National Science Foundation

Announcement:

Nomination of Robert F. Goodwin to be a U.S. Commissioner on the International Joint Commission, United States and Canada

Released August 1

Announcement:

Nomination of two Directors of the Federal Housing Finance Board

Released August 2

Statement:

U.S. freeze of Iraqi and Kuwaiti assets -- by Roman Popadiuk, Deputy Press Secretary to the President

Advance text:

Remarks at the Aspen Institute symposium in Aspen, CO

Released August 3

Announcement:

Nomination of James Ware to be U.S. District Court Judge for the Northern District of California

Announcement:

Nomination of William B. Shubb to be U.S. District Court Judge for the Eastern District of California

Announcement:

Nomination of three members of the Peace Corps National Advisory Council

Announcement:

Nomination of seven members of the Board of Directors of the Legal Services Corporation

Announcement:

Nomination of Juliette Clagett McLennan for the rank of Ambassador while serving as U.S. Representative on the Commission on the Status of Women of the Economic and Social Council of the United Nations

Announcement:

Nomination of Richard Y. Roberts to be a member of the Securities and Exchange Commission

Announcement:

Nomination of Thomas D. Rath to be a member of the Board of Directors of the Legal Services Corporation

Announcement:

Nomination of Antonio C. Amador to be a member of the Merit Systems Protection Board

Released August 6

Announcement:

Nomination of Stephen B. Higgins to be U.S. Attorney for the Eastern District of Missouri

Announcement:

Nomination of Doris Swords Poppler to be U.S. Attorney for the District of Montana

Announcement:

Nomination of David F. Levi to be U.S. District Judge for the Eastern District of California

Announcement:

Nomination of Linton F. Brooks for the rank of Ambassador while serving as Deputy Head of Delegation to the nuclear and space talks

Announcement:

Nomination of four members of the National Council on the Humanities

Announcement:

Nomination of Gail C. McDonald to be a member of the Interstate Commerce Commission

Announcement:

Nomination of Andrew F. Reardon to be a member of the Railroad Retirement Board

Announcement:

Nomination of Mary Louise Smith to be a member of the Board of Directors of the U.S. Institute of Peace

Released August 8

Announcement:

Nomination of Samuel B. Kent to be U.S. District Judge for the Southern District of Texas

Released August 10

Fact sheet:

Breast and Cervical Cancer Mortality Prevention Act of 1990

Released August 14

Fact sheet:

Federal budget negotiations

Released August 15

Announcement:

Nomination of Todd W. Dillard to be U.S. Marshal for the Superior Court of the District of Columbia

Advance text:

Remarks to Department of Defense employees

Released August 16

Transcript:

Remarks by King Hussein I of Jordan following discussions with the President in Kennebunkport, ME

Transcript:

Remarks by Foreign Minister Sa`ud al-Faysal Al Sa`ud of Saudi Arabia following discussions with the President in Kennebunkport, ME

Released August 20

Advance text:

Remarks at a Republican Party fundraising luncheon in North Kingstown, RI

Released August 22

Transcript:

Press briefing on the Persian Gulf crisis -- by Secretary of Defense Richard B. Cheney and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff

Released August 23

Statement:

Departure of U.S. marines from the U.S. Embassy in Kuwait -- by Marlin Fitzwater, Press

Secretary to the President

Released August 24

Statement:

Illness of Nancy Walker, the President's aunt -- by Marlin Fitzwater, Press Secretary to the President

Released August 27

Statement:

Mechanical failure of the President's boat, Fidelity -- by Marlin Fitzwater, Press Secretary to the President

Released September 1

Transcript:

Press briefing on the Persian Gulf crisis -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Released September 6

Advance text:

Remarks at a fundraising luncheon for Congressman Bill Grant in Tallahassee, FL

Announcement:

Nomination of Kenneth W. Sukhia to be U.S. Attorney for the Northern District of Florida

Announcement:

National Medal of Arts recipients

Announcement:

Nomination of James B. Loken to be U.S. Circuit Judge for the Eighth District

Announcement:

Nomination of Linda A. Akers to be U.S. Attorney for the District of Arizona

Transcript:

Press briefing on logistics for the Helsinki summit -- by John Herrick, Deputy Press Secretary

Released September 11

Advance text:

Address before a joint session of the Congress on the Persian Gulf crisis and the budget deficit

Announcement:

Nomination of two members of the Federal Mine Safety and Health Review Commission

Announcement:

Nomination of Christopher L. Koch to be a Federal Maritime Commissioner

Released September 12

Transcript:

Press briefing on proposed crime legislation -- by Attorney General Dick Thornburgh; Mike Moore, attorney general of Mississippi; and Richard Ieyoub, district attorney for Louisiana

Fact sheet:

Comparison of key points in the President's crime bill versus the Senate and House crime bills

Announcement:

Nomination of William A. Geoghegan to be a member of the Advisory Board for Cuba Broadcasting

Announcement:

Nomination of two members of the National Science Board

Announcement:

Nomination of two members of the National Council on the Humanities

Announcement:

Nomination of Sharon Percy Rockefeller to be a member of the Board of Directors of the Corporation for Public Broadcasting

Released September 13

Announcement:

Nomination of William C. Andersen to be U.S. Marshal for the District of Connecticut

Announcement:

Nomination of Arthur D. Borinsky to be U.S. Marshal for the District of New Jersey

Released September 17

Transcript:

Press briefing on the dismissal of Gen. Michael J. Dugan, Chief of Staff of the Air Force; the Persian Gulf crisis; and the restructuring of U.S. Armed Forces and defense spending -- by Secretary of Defense Richard B. Cheney

Announcement:

Nomination of John Michael Mercanti to be Engraver at the U.S. Mint in Philadelphia, PA

Announcement:

Nomination of U.S. Representatives and Alternate Representatives to the 45th Session of the U.N. General Assembly

Released September 18

Advance text:

Remarks at a Republican Party fundraising luncheon in Denver, CO

Advance text:

Remarks at a fundraising dinner for gubernatorial candidate Pete Wilson in Los Angeles, CA

Released September 19

Announcement:

Nomination of Branko Terzic to be a member of the Federal Energy Regulatory Commission

Released September 21

Announcement:

Nomination of Oliver W. Wanger to be U.S. District Judge for the Eastern District of California

Released September 24

Fact sheet:

Executive order on educational excellence for Hispanic Americans

Transcript:

Press briefing on President Bush's meeting with President F.W. de Klerk of South Africa -- by Herman J. Cohen, Assistant Secretary of State for African Affairs

Released September 25

Transcript:

Press briefing on President Bush's meeting with President Turgut Ozal of Turkey -- by James Dobbins, Principal Deputy Assistant Secretary of State for European and Canadian Affairs

Announcement:

Nomination of Marvin Collins to be U.S. Attorney for the Northern District of Texas

Released September 27

Advance text:

Remarks at a fundraising dinner for senatorial candidate Bill Schuette in Detroit, MI

Released September 28

Transcript:

Press briefing on the President's meeting with Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait and the President's trip to the United Nations -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Released September 29

Advance text:

Remarks at the dedication ceremony for the Washington National Cathedral

Transcript:

Excerpts of Colombian President Cesar Gaviria's exchange with reporters following a meeting with President Bush in New York, NY

Transcript:

Nicaraguan President Violeta Chamorro's exchange with reporters following a meeting with President Bush in New York, NY

Transcript:

Press briefing on the President's bilateral meeting with Prime Minister Toshiki Kaifu of Japan -- by Richard Solomon, Assistant Secretary of State for East Asian and Pacific Affairs

Released September 30

Advance text:

Remarks at the opening ceremony of the United Nations World Summit for Children in New York, NY

Transcript:

Press briefing on President Bush's meeting with President Carlos Salinas de Gortari of Mexico in New York, NY -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Statement:

President Bush's meetings with President Vaclav Havel of Czechoslovakia and King Baudouin I of Belgium in New York, NY -- by Marlin Fitzwater, Press Secretary to the President

Released October 1

Transcript:

Uruguayan President Luis Alberto Lacalle's exchange with reporters following a meeting with President Bush in New York, NY

Transcript:

Press briefing on President Bush's meetings with Presidents Carlos Saul Menem of Argentina and Luis Alberto Lacalle of Uruguay in New York, NY -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Advance text:

Address before the 45th Session of the United Nations General Assembly in New York, NY

Transcript:

Soviet Foreign Minister Eduard Shevardnadze's exchange with reporters following a meeting with the President in New York, NY

Advance text:

Remarks at the ministerial meeting in New York, NY, of the Conference on Security and Cooperation in Europe

Transcript:

Press briefing on President Bush's meeting with President Alfredo Cristiani Buckard of El Salvador in New York, NY -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Released October 4

Transcript:

Press briefing on the conventional armed forces in Europe negotiations -- by Secretary of State James A. Baker III

Released October 5

Announcement:

Nomination of Connie Mack to be U.S. Representative to the 45th Session of the United Nations General Assembly

Fact sheet:

President Bush's proposed Andean Trade Preference Act of 1990

Released October 10

Advance text:

Remarks at a fundraising breakfast for Senator Jesse Helms in Raleigh, NC

Advance text:

Remarks at a rally for Gov. Bob Martinez in St. Petersburg, FL

Advance text:

Remarks at a fundraising reception for gubernatorial candidate Johnny Isakson in Atlanta, GA

Announcement:

Nomination of Senator Joseph R. Biden of Delaware to be a U.S. Representative to the 45th Session of the U.N. General Assembly

Released October 12

Announcement:

Nomination of Cecil B. Thompson to be a member of the Board of Directors of the Export-Import Bank of the United States

Released October 15

Announcement:

Nomination of James R. McGregor to be U.S. District Judge for the Western District of Pennsylvania

Released October 17

Announcement:

Nomination of Dennis W. Shedd to be U.S. District Judge for the District of South Carolina

Released October 18

Fact sheet:

U.S. assistance to Hungary

Transcript:

Press briefing on the President's meeting with Prime Minister Jozsef Antall of Hungary -- by Curtis Kamman, Deputy Assistant Secretary of State for European and Canadian Affairs

Released October 19

Statement:

Resolution providing funding for continued government operation and the status of the civil rights bill -- by Marlin Fitzwater, Press Secretary to the President

Released October 24

Statement:

Presidential travel plans and the Federal budget crisis -- by Marlin Fitzwater, Press Secretary to the President

Released November 3

Transcript:

Press briefing on the clean air bill -- by William K. Reilly, Administrator of the Environmental Protection Agency

Released November 13

Announcement:

Presentation of the National Medals of Science and Technology

Released November 14

Transcript:

Press briefing on the President's upcoming meeting with allied and Eastern-bloc leaders in Paris, France, and on the Persian Gulf crisis -- by Secretary of State James A. Baker III

Released November 15

Fact sheet:

Clean Air Act amendments

Released November 16

Fact sheet:

Environmental protection, research, and education bills

Announcement:

Nomination of Wendell P. Gardner, Jr., to be an Associate Judge of the Superior Court of the District of Columbia

Released November 17

Advance text:

Remarks to the Federal Assembly in Prague, Czechoslovakia

Advance text:

Remarks in Prague, Czechoslovakia, at a ceremony commemorating the end of Communist rule

Fact sheet:

U.S. assistance to Czechoslovakia

Fact sheet:

U.S.-Czechoslovakia trade agreement

Released November 18

Advance text:

Remarks to the residents of Speyer, Germany

Transcript:

Press briefing following bilateral meeting -- by Secretary of State James A. Baker III and Soviet Foreign Minister Eduard Shevardnadze

Released November 19

Transcript:

Press briefing on the conventional armed forces in Europe treaty -- by Ambassador R. James Woolsey, U.S. Representative to the negotiations on conventional armed forces in Europe

Released November 21

Transcript:

Press briefing following bilateral meeting -- by Secretary of State James A. Baker III and Soviet

Foreign Minister Eduard Shevardnadze

Statement:

Announcement of President Bush's meeting with President Hafiz al-Assad of Syria in Geneva, Switzerland -- by Marlin Fitzwater, Press Secretary to the President

Released November 22

Transcript:

Press briefing in Jeddah, Saudi Arabia, on the Persian Gulf crisis -- by Secretary of State James A. Baker III

Released November 27

Transcript:

Press briefing in Monterrey, Mexico, on Mexico-U.S. meetings -- by Secretary of the Treasury Nicholas F. Brady; Attorney General Dick Thornburgh; Deputy Secretary of State Lawrence S. Eagleburger; and William K. Reilly, Administrator of the Environmental Protection Agency

Advance text:

Remarks to community members in Monterrey, Mexico

Transcript:

Press briefing in Monterrey, Mexico on Mexico-U.S. trade issues -- by Secretary of Commerce Robert A. Mosbacher and U.S. Trade Representative Carla Hills

Released November 28

Fact sheet:

The Cranston-Gonzalez National Affordable Housing Act

Released November 29

Fact sheet:

Immigration Act of 1990

Fact sheet:

Students Taking Action and Responsibility in Service

Released November 30

Transcript:

Press briefing on the President's trip to South America -- by David C. Mulford, Under Secretary of the Treasury for International Affairs

Released December 3

Advance text:

Remarks to a joint session of the Congress in Brasilia, Brazil

Transcript:

Press briefing in Brasilia, Brazil, on the President's trip to South America -- by Secretary of the Treasury Nicholas F. Brady and Deputy Secretary of State Lawrence S. Eagleburger

Released December 5

Advance text:

Remarks to a joint session of the Congress in Buenos Aires, Argentina

Advance text:

Toast at a state dinner in Buenos Aires, Argentina

Released December 6

Advance text:

Remarks to a joint session of the Congress in Valparaiso, Chile

Advance text:

Toast at a state dinner in Santiago, Chile

Released December 7

Advance text:

Remarks to the American Chamber of Commerce in Santiago, Chile

Advance text:

Toast at a state dinner in Caracas, Venezuela

Released December 8

Advance text:

Remarks to the Venezuelan-American Chamber of Commerce in Caracas, Venezuela

Released December 11

Transcript:

Press briefing on the President's meeting with Prime Minister Yitzhak Shamir of Israel -- by John H. Kelly, Assistant Secretary of State for Near Eastern and South Asian Affairs

Released December 12

Fact sheet:

Export credit guarantees for the U.S.S.R.

Released December 13

Advance text:

Remarks at the presentation ceremony for the Malcolm Baldrige National Quality Awards

Fact sheet:

Volunteer liability protection initiatives

Fact sheet:

Export control measures

Fact sheet:

Enhanced proliferation control initiative

Released December 19

Fact sheet:

Norway and the Pelly amendment

Appendix D -- Acts Approved by the President

Approved February 12

H.J. Res. 82 / Public Law 101 - 241

To designate February 8, 1990, as ``National Women and Girls in Sports Day''

S.J. Res. 217 / Public Law 101 - 242

To designate the period commencing February 4, 1990, and ending February 10, 1990, and the period commencing February 3, 1991, and ending February 9, 1991, as ``National Burn Awareness Week''

Approved February 14

H.R. 3952 / Public Law 101 - 243

Urgent Assistance for Democracy in Panama Act of 1990

Approved February 15

S.J. Res. 103 / Public Law 101 - 244

To designate the period commencing February 18, 1990, and ending February 24, 1990, as ``National Visiting Nurse Associations Week''

S.J. Res. 130 / Public Law 101 - 245

Designating February 11 through February 17, 1990, as ``Vocational-Technical Education Week''

Approved February 16

H.R. 3792 / Public Law 101 - 246

Foreign Relations Authorization Act, Fiscal Years 1990 and 1991

H.J. Res. 149 / Public Law 101 - 247

Designating February 16, 1990, as ``Lithuanian Independence Day''

Approved February 27

S.J. Res. 186 / Public Law 101 - 248

Designating the week of March 1 through March 7, 1990, as ``National Quarter Horse Week''

Approved March 6

H.R. 150 / Public Law 101 - 249

Posthumous Citizenship for Active Duty Service Act of 1989

H.R. 2281 / Public Law 101 - 250

To amend the Elementary and Secondary Education Act of 1965 to extend the authorization for certain school dropout demonstration programs

Approved March 13

S.J. Res. 227 / Public Law 101 - 251

To designate March 11 through March 17, 1990, as ``Deaf Awareness Week''

S.J. Res. 257 / Public Law 101 - 252

To designate March 10, 1990, as ``Harriet Tubman Day''

Approved March 14

S. 1016 / Public Law 101 - 253

To change the name of ``Marion Lake'', located northwest of Marion, Kansas, to ``Marion Reservoir''

Approved March 15

H.R. 2742 / Public Law 101 - 254

Library Services and Construction Act Amendments of 1990

H.R. 4010 / Public Law 101 - 255

To provide the Secretary of Agriculture authority regarding the sale of sterile screwworms

Approved March 20

S.J. Res. 243 / Public Law 101 - 256

To designate March 25, 1990, as ``Greek Independence Day: A National Day of Celebration of Greek and American Democracy"

H.R. 2749 / Public Law 101 - 257:

To authorize the conveyance of a parcel of land in Whitney Lake, Texas

Approved March 27

S.J. Res. 237 / Public Law 101 - 258

Providing for the commemoration of the 100th anniversary of the birth of Dwight David Eisenhower

Approved March 30

H.R. 3311 / Public Law 101 - 259

To designate the Federal building located at 350 South Main Street in Salt Lake City, Utah, as the ``Frank E. Moss United States Courthouse"

S. 1091 / Public Law 101 - 260

United States Coast Guard Bicentennial Medal Act

S.J. Res. 229 / Public Law 101 - 261

To designate April 1990 as ``National Prevent-A-Litter Month"

Approved March 31

S. 2231 / Public Law 101 - 262

Energy Policy and Conservation Act Extension Amendment of 1990

Approved April 4

S. 1521 / Public Law 101 - 263

To provide for an increase in the maximum rates of basic pay for the police force of the National Zoological Park

S.J. Res. 250 / Public Law 101 - 264

Designating April 1990 as ``National Recycling Month''

S.J. Res. 266 / Public Law 101 - 265

Designating March 1990, as ``United States Naval Reserve Month''

Approved April 5

S.J. Res. 190 / Public Law 101 - 266

Designating April 9, 1990, as ``National Former Prisoners of War Recognition Day''

Approved April 6

H.J. Res. 500 / Public Law 101 - 267

To designate April 6, 1990, as ``Education Day, U.S.A.''

Approved April 9

H.R. 2692 / Public Law 101 - 268

To amend the Woodrow Wilson Memorial Act of 1968 to provide that the Secretary of Education and two additional individuals from private life shall be members of the Board of Trustees of the Woodrow Wilson International Center for Scholars

S. 2151 / Public Law 101 - 269

To permit the transfer of the obsolete submarine U.S.S. Requin to the Carnegie Institute in Pittsburgh, Pennsylvania, before the expiration of the 60-day waiting period that would

otherwise be applicable to the transfer

Approved April 10

H.R. 4099 / Public Law 101 - 270

To suspend section 332 of the Agricultural Adjustment Act of 1938 for the 1991 crop of wheat

Approved April 11

S. 388 / Public Law 101 - 271

Federal Energy Regulatory Commission Member Term Act of 1990

Approved April 18

S. 1813 / Public Law 101 - 272

To ensure that funds provided under section 4213 of the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 may be used to acquire land for emergency shelters

S. 1949 / Public Law 101 - 273

To amend the Labor Management Relations Act of 1947 to permit parties engaged in collective bargaining to bargain over the establishment and administration of trust funds to provide financial assistance for employee housing

Approved April 23

H.R. 3968 / Public Law 101 - 274

To further delay the applicability of certain amendments to the Public Health Service Act that relate to organ procurement organizations

H.R. 1048 / Public Law 101 - 275

Hate Crime Statistics Act

Approved April 25

S.J. Res. 242 / Public Law 101 - 276

Designating the week of April 22 through April 28, 1990, as ``National Crime Victims' Rights Week"

Approved April 30

S. 1096 / Public Law 101 - 277

To provide for the use and distribution of funds awarded the Seminole Indians in dockets 73, 151, and 73 - A of the Indian Claims Commission

Approved May 1

H.R. 2334 / Public Law 101 - 278

To redesignate the Post Office located at 300 East Ninth Street in Austin, Texas, as the ``Homer Thornberry Judicial Building"

S.J. Res. 258 / Public Law 101 - 279

To authorize the President to proclaim the last Friday of April 1990 as ``National Arbor Day"

Approved May 4

H.J. Res. 553 / Public Law 101 - 280

To make technical changes in the Ethics Reform Act of 1989

S. 2533 / Public Law 101 - 281

To amend the Federal Aviation Act of 1958 to extend the civil penalty assessment demonstration program, and for other purposes

Approved May 8

S.J. Res. 236 / Public Law 101 - 282

Designating May 6 through May 12, 1990, as ``Be Kind to Animals and National Pet Week"

Approved May 9

H.R. 3802 / Public Law 101 - 283

To designate May 1990 as ``Asian/Pacific American Heritage Month''

S.J. Res. 153 / Public Law 101 - 284

Designating the third week in May 1990 as ``National Tourism Week''

S.J. Res. 230 / Public Law 101 - 285

To designate the period commencing on May 6, 1990, and ending on May 12, 1990, as ``National Drinking Water Week''

H.R. 1011 / Public Law 101 - 286

Wildfire Disaster Recovery Act of 1989

Approved May 10

H.J. Res. 546 / Public Law 101 - 287

Designating May 13, 1990, as ``Infant Mortality Awareness Day''

S. 1485 / Public Law 101 - 288

To grant the consent of Congress to the Quad Cities Interstate Metropolitan Authority Compact entered into between the States of Illinois and Iowa

S.J. Res. 224 / Public Law 101 - 289

To designate the month of May 1990, as ``National Trauma Awareness Month''

S.J. Res. 241 / Public Law 101 - 290

To designate the week of May 6, 1990 through May 13, 1990, as ``Jewish Heritage Week''

H.R. 756 / Private Law 101 - 3

For the relief of Shelton Anthony Smith

Approved May 17

H.R. 922 / Public Law 101 - 291

To designate the building located at 1515 Sam Houston Street in Liberty, Texas, as the ``M.P. Daniel and Thomas F. Calhoon, Senior, Post Office Building"

H.R. 1472 / Public Law 101 - 292

To establish the Grand Island National Recreation Area in the State of Michigan, and for other purposes

H.R. 4637 / Public Law 101 - 293

To amend Public Law 101 - 86 to eliminate the 6-month limitation on the period for which civilian and military retirees may serve as temporary employees, in connection with the 1990 decennial census of population, without being subject to certain offsets from pay or other benefits

H.J. Res. 453 / Public Law 101 - 294

Designating May 1990 as ``National Digestive Disease Awareness Month"

H.J. Res. 490 / Public Law 101 - 295

Commemorating May 18, 1990, as the 25th anniversary of Head Start

S. 1853 / Public Law 101 - 296

To award a congressional gold medal to Laurance Spelman Rockefeller

Approved May 22

H.R. 2890 / Public Law 101 - 297

To designate the Federal Building and United States Courthouse located at 750 Missouri Avenue in East St. Louis, Illinois, as the ``Melvin Price Federal Building and United States Courthouse"

S. 993 / Public Law 101 - 298

Biological Weapons Anti-Terrorism Act of 1989

Approved May 23

S.J. Res. 275 / Public Law 101 - 299

Designating May 13, 1990, as the ``National Day in Support of Freedom and Human Rights in China and Tibet"

Approved May 24

S. 2300 / Public Law 101 - 300

To provide financial assistance to the Simon Wiesenthal Center in Los Angeles, California, for the education programs of the Museum of Tolerance

S. 1846 / Public Law 101 - 301

To make miscellaneous amendments to Indian laws, and for other purposes

Approved May 25

H.R. 4404 / Public Law 101 - 302

Dire Emergency Supplemental Appropriations for Disaster Assistance, Food Stamps, Unemployment Compensation Administration, and Other Urgent Needs, and Transfers, and Reducing Funds Budgeted for Military Spending Act of 1990

Approved May 29

H.R. 1805 / Public Law 101 - 303

To amend title 5, United States Code, to allow Federal annuitants to make contributions for health benefits through direct payments rather than through annuity withholdings if the annuity is insufficient to cover the required withholdings, and for other purposes

H.R. 3961 / Public Law 101 - 304

To redesignate the Federal building at 1800 5th Avenue, North in Birmingham, Alabama, as the ``Robert S. Vance Federal Building and United States Courthouse"

Approved May 30

H.R. 3910 / Public Law 101 - 305

1992 National Assessment of Chapter 1 Act

Approved June 6

H.R. 644 / Public Law 101 - 306

East Fork of the Jemez River and the Pecos River Wild and Scenic Rivers Addition Act of 1989

S.J. Res. 231 / Public Law 101 - 307

To designate the week of June 10, 1990 through June 16, 1990, as ``State-Supported Homes for Veterans Week''

S.J. Res. 267 / Public Law 101 - 308

To authorize and request the President to designate May 1990 as ``National Physical Fitness and Sports Month''

Approved June 18

S.J. Res. 251 / Public Law 101 - 309

Designating ``Baltic Freedom Day''

H.J. Res. 516 / Public Law 101 - 310

To designate the week beginning June 10, 1990, as ``National Scleroderma Awareness Week''

Approved June 25

H.R. 4612 / Public Law 101 - 311

To amend title 11 of the United States Code regarding swap agreements and forward contracts

S. 2700 / Public Law 101 - 312

To authorize the Secretary of Veterans Affairs to proceed with a proposed administrative reorganization of the regional field offices of the Veterans Health Services and Research Administration of the Department of Veterans Affairs, notwithstanding the notice-and-wait

provisions in section 210(b) of title 38, United States Code

Approved June 27

S. 286 / Public Law 101 - 313

To establish Petroglyph National Monument and Pecos National Historical Park in the State of New Mexico, and for other purposes

Approved June 28

S.J. Res. 245 / Public Law 101 - 314

Designating July 3, 1990, as ``Idaho Centennial Day''

H.J. Res. 575 / Public Law 101 - 315

To designate June 25, 1990, as ``Korean War Remembrance Day''

S.J. Res. 264 / Public Law 101 - 316

To commemorate the 50th anniversary of the National Sheriffs' Association

Approved June 29

S.J. Res. 246 / Public Law 101 - 317

Calling upon the United Nations to repeal General Assembly Resolution 3379

Approved July 3

H.R. 1622 / Public Law 101 - 318

Copyright Fees and Technical Amendments Act of 1989

H.R. 3046 / Public Law 101 - 319

Copyright Royalty Tribunal Reform and Miscellaneous Pay Act of 1989

H.R. 3545 / Public Law 101 - 320

To amend the Chesapeake and Ohio Canal Development Act to make certain changes relating to the Chesapeake and Ohio Canal National Historical Park Commission

H.R. 3834 / Public Law 101 - 321

Selma to Montgomery National Trail Study Act of 1989

Approved July 6

H.R. 5075 / Public Law 101 - 322

Amtrak Reauthorization and Improvement Act of 1990

H.J. Res. 555 / Public Law 101 - 323

To commemorate the bicentennial of the enactment of the law which provided civil government for the territory from which the State of Tennessee was formed

S. 1999 / Public Law 101 - 324

To amend the Higher Education Amendments of 1986 to clarify the administrative procedures of the National Commission on Responsibilities for Financing Postsecondary Education, and for other purposes

S.J. Res. 271 / Public Law 101 - 325

To designate July 10, 1990 as ``Wyoming Centennial Day''

S.J. Res. 315 / Public Law 101 - 326

For the designation of July 22, 1990, as ``Rose Fitzgerald Kennedy Family Appreciation Day''

S.J. Res. 320 / Public Law 101 - 327

Designating July 2, 1990, as ``National Literacy Day''

Approved July 8

S. 2124 / Public Law 101 - 328

National Space Council Authorization Act of 1990

S.J. Res. 278 / Public Law 101 - 329

Designating July 19, 1990, as ``Flight Attendant Safety Professionals' Day''

Approved July 12

H.R. 5149 / Public Law 101 - 330

To amend the Child Nutrition Act of 1966 to provide that the Secretary of Agriculture may not consider, in allocating amounts to a State agency under the special supplemental food program for women, infants, and children for the fiscal year 1991, any amounts returned by such agency for reallocation during the fiscal year 1990 and to allow amounts allocated to a State for such program for the fiscal year 1991 to be expended for expenses incurred in the fiscal year 1990

Approved July 13

H.J. Res. 599 / Public Law 101 - 331

To designate July 1, 1990, as ``National Ducks and Wetlands Day''

Approved July 16

H.R. 1028 / Public Law 101 - 332

Mount Rushmore Commemorative Coin Act

H.R. 4252 / Public Law 101 - 333

To authorize the Secretary of the Air Force to purchase certain property at Pease Air Force Base, New Hampshire

H.R. 4525 / Public Law 101 - 334

Ethics in Government Act Amendment of 1990

Approved July 17

H.R. 2514 / Public Law 101 - 335

Thrift Savings Plan Technical Amendments Act of 1990

Approved July 26

S. 933 / Public Law 101 - 336

Americans with Disabilities Act of 1990

Approved July 27

H.R. 2844 / Public Law 101 - 337

To improve the ability of the Secretary of the Interior to properly manage certain resources of the National Park System

S.J. Res. 276 / Public Law 101 - 338

Designating the week beginning July 22, 1990, as ``Lyme Disease Awareness Week''

Approved July 31

S.J. Res. 75 / Public Law 101 - 339

Relating to NASA and the International Space Year

S.J. Res. 281 / Public Law 101 - 340

To designate September 13, 1990, as ``National D.A.R.E. Day''

S.J. Res. 339 / Public Law 101 - 341

To designate August 1, 1990, as ``Helsinki Human Rights Day''

Approved August 2

H.J. Res. 591 / Public Law 101 - 342

Designating the third Sunday of August of 1990 as ``National Senior Citizens Day''

Approved August 3

H.J. Res. 577 / Public Law 101 - 343

Designating the month of November 1990 as ``National American Indian Heritage Month''

Approved August 6

H.R. 2843 / Public Law 101 - 344

To establish the Tumacacori National Historical Park in the State of Arizona

Approved August 7

H.J. Res. 625 / Public Law 101 - 345

Designating August 6, 1990, as ``Voting Rights Celebration Day''

Approved August 9

H.J. Res. 548 / Public Law 101 - 346

Designating the week of August 19 through 25, 1990, as ``National Agricultural Research Week''

S.J. Res. 77 / Public Law 101 - 347

Recognizing the National Fallen Firefighters' Memorial at the National Fire Academy in Emmitsburg, Maryland, as the official national memorial to volunteer and career firefighters who die in the line of duty

S.J. Res. 256 / Public Law 101 - 348

To designate the week of October 7, 1990, through October 13, 1990, as ``Mental Illness Awareness Week''

S.J. Res. 316 / Public Law 101 - 349

To designate the second Sunday in October of 1990 as ``National Children's Day''

H.R. 5350 / Public Law 101 - 350

To provide for a temporary increase in the public debt limit

H.R. 5432 / Public Law 101 - 351

To extend the expiration date of the Defense Production Act of 1950

Approved August 10

H.R. 293 / Public Law 101 - 352

Fire Safe Cigarette Act of 1990

H.R. 3048 / Public Law 101 - 353

To designate the Agricultural Research Service, United States Department of Agriculture, animal health research building in Clay Center, Nebraska, as the ``Virginia D. Smith Animal Health Research Laboratory"

H.R. 4790 / Public Law 101 - 354

Breast and Cervical Cancer Mortality Prevention Act of 1990

H.J. Res. 467 / Public Law 101 - 355

Designating September 21, 1990, as ``National POW/MIA Recognition Day", and recognizing the National League of Families POW/MIA flag

S. 1046 / Public Law 101 - 356

Merrimack River Study Act of 1990

S. 1524 / Public Law 101 - 357

Pemigewasset River Study Act of 1989

S. 1543 / Public Law 101 - 358

To authorize the Board of Regents of Gunston Hall to establish a memorial to George Mason in the District of Columbia

S. 1875 / Public Law 101 - 359

To redesignate the Calamus Dam and Reservoir authorized under the Reclamation Project

Authorization Act of 1972 as the Virginia Smith Dam and Calamus Lake Recreation Area

S. 2952 / Public Law 101 - 360

Energy Policy and Conservation Act Short-Term Extension Amendment of 1990

S.J. Res. 296 / Public Law 101 - 361

Designating August 7, 1990, as ``National Neighborhood Crime Watch Day''

S.J. Res. 343 / Public Law 101 - 362

To designate August 13 through August 19, 1990, as ``Home Health Aide Week''

Approved August 14

H.R. 4872 / Public Law 101 - 363

National Advisory Council on the Public Service Act of 1990

Approved August 15

H.R. 76 / Public Law 101 - 364

To amend the Wild and Scenic Rivers Act to study the eligibility of the St. Marys River in the States of Florida and Georgia for potential addition to the wild and scenic rivers system

H.R. 1159 / Public Law 101 - 365

Juan Bautista de Anza National Historic Trail Act

H.R. 1199 / Public Law 101 - 366

Department of Veterans Affairs Nurse Pay Act of 1990

H.R. 4035 / Public Law 101 - 367

To designate the Federal building located at 777 Sonoma Avenue in Santa Rosa, California, as the ``John F. Shea Federal Building''

H.R. 4273 / Public Law 101 - 368

Tuberculosis Prevention Amendments of 1990

H.R. 4314 / Public Law 101 - 369

To implement the Inter-American Convention on International Commercial Arbitration

H.R. 5131 / Public Law 101 - 370

To amend the Federal Aviation Act of 1958 to extend the civil penalty assessment demonstration program, and for other purposes

H.J. Res. 515 / Public Law 101 - 371

Designating the week beginning September 16, 1990, as ``National Give Kids a Fighting Chance Week''

H.J. Res. 554 / Public Law 101 - 372

Designating January 6, 1991 through January 12, 1991 as ``National Law Enforcement Training Week''

H.J. Res. 627 / Public Law 101 - 373

Designating Labor Day weekend, September 1 through September 3, 1990, as ``National Drive for Life Weekend''

S. 2461 / Public Law 101 - 374

Drug Abuse Treatment Waiting Period Reduction Amendments of 1990

S.J. Res. 248 / Public Law 101 - 375

To designate the month of September 1990 as ``International Visitors' Month''

Approved August 17

H.R. 3086 / Public Law 101 - 376

Civil Service Due Process Amendments

H.R. 3248 / Public Law 101 - 377

To revise the boundary of Gettysburg National Military Park in the Commonwealth of Pennsylvania, and for other purposes

S. 666 / Public Law 101 - 378

To enroll twenty individuals under the Alaska Native Claims Settlement Act

Approved August 18

H.R. 498 / Public Law 101 - 379

Indian Law Enforcement Reform Act

H.R. 1465 / Public Law 101 - 380

Oil Pollution Act of 1990

S. 2240 / Public Law 101 - 381

Ryan White Comprehensive AIDS Resources Emergency Act of 1990

Approved August 20

H.R. 1594 / Public Law 101 - 382

Customs and Trade Act of 1990

Approved September 15

S. 2088 / Public Law 101 - 383

Energy Policy and Conservation Act Amendments of 1990

Approved September 18

S. 3033 / Public Law 101 - 384

To amend title 39, United States Code, to allow free mailing privileges to be extended to

members of the Armed Forces while engaged in temporary military operations under arduous circumstances

Approved September 20

H.J. Res. 568 / Public Law 101 - 385

Designating the week beginning September 16, 1990, as ``Emergency Medical Services Week''

S. 2597 / Public Law 101 - 386

To amend the Act of June 20, 1910, to clarify in the State of New Mexico authority to exchange lands granted by the United States in trust, and to validate prior land exchanges

S.J. Res. 285 / Public Law 101 - 387

To designate the period commencing September 9, 1990, and ending on September 15, 1990, as ``National Historically Black Colleges Week''

S.J. Res. 289 / Public Law 101 - 388

To designate October 1990 as ``Polish American Heritage Month''

S.J. Res. 309 / Public Law 101 - 389

Designating the month of October 1990 as ``Crime Prevention Month''

Approved September 21

S.J. Res. 279 / Public Law 101 - 390

To designate the week of September 16, 1990, through September 22, 1990, as ``National Rehabilitation Week''

Approved September 25

H.R. 94 / Public Law 101 - 391

Hotel and Motel Fire Safety Act of 1990

H.R. 7 / Public Law 101 - 392

Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990

S.J. Res. 313 / Public Law 101 - 393

Designating October 3, 1990, as ``National Teacher Appreciation Day''

S.J. Res. 331 / Public Law 101 - 394

To designate the week of September 23 through 29, 1990, as ``Religious Freedom Week''

S.J. Res. 333 / Public Law 101 - 395

To designate the week of September 30, 1990, through October 6, 1990, as ``National Job Skills Week''

Approved September 28

H.R. 3265 / Public Law 101 - 396

Federal Communications Commission Authorization Act of 1990

H.R. 1101 / Public Law 101 - 397

To extend the authorization of appropriations for the Water Resources Research Act of 1984 through the end of fiscal year 1994

H.R. 2174 / Public Law 101 - 398

Mississippi River Corridor Study Commission Act of 1989

H.R. 4501 / Public Law 101 - 399

To provide for the acquisition of the William Johnson House and its addition to the Natchez National Historical Park, and for other purposes

S. 963 / Public Law 101 - 400

Route 66 Study Act of 1990

S. 2205 / Public Law 101 - 401

Maine Wilderness Act of 1990

Approved October 1

H.R. 5747 / Public Law 101 - 402

To provide for the temporary extension of certain programs relating to housing and community development, and for other purposes

H.J. Res. 655 / Public Law 101 - 403

Making continuing appropriations for the fiscal year 1991, supplemental appropriations for ``Operation Desert Shield'' for the fiscal year 1990, and for other purposes

Approved October 2

H.R. 2761 / Public Law 101 - 404

United Services Organization's 50th Anniversary Commemorative Coin Act

H.R. 5755 / Public Law 101 - 405

To extend the temporary increase in the public debt limit

Approved October 3

H.R. 4962 / Public Law 101 - 406

1992 Olympic Commemorative Coin Act

Approved October 4

H.R. 5725 / Public Law 101 - 407

To extend the expiration date of the Defense Production Act of 1950

S. 2075 / Public Law 101 - 408

Indian Environmental Regulatory Enhancement Act of 1990

Approved October 5

H.R. 4773 / Public Law 101 - 409

White House Conference on Small Business Authorization Act

S. 535 / Public Law 101 - 410

Federal Civil Penalties Inflation Adjustment Act of 1990

Approved October 6

S. 3155 / Public Law 101 - 411

To extend the expiration date of the Defense Production Act of 1950 to October 20, 1990

Approved October 9

H.J. Res. 666 / Public Law 101 - 412

Making further continuing appropriations for the fiscal year 1991, and for other purposes

Approved October 11

H.J. Res. 469 / Public Law 101 - 413

To designate October 6, 1990, as ``German-American Day''

H.J. Res. 603 / Public Law 101 - 414

To designate the month of October 1990 as ``Country Music Month''

S.J. Res. 301 / Public Law 101 - 415

Designating October 1990 as ``National Breast Cancer Awareness Month''

Approved October 12

H.R. 5643 / Public Law 101 - 416

To grant a temporary extension on the authority under which the Government may accept the voluntary services of private-sector executives; to clarify the status of Federal employees assigned to private-sector positions while participating in an executive exchange program; and for other purposes

H.J. Res. 398 / Public Law 101 - 417

To commemorate the centennial of the creation by Congress of Yosemite National Park

H.J. Res. 482 / Public Law 101 - 418

Designating March 1991 as ``Irish-American Heritage Month"

S. 1738 / Public Law 101 - 419

To convey certain Oregon and California Railroad Grant Lands in Josephine County, Oregon, to the Rogue Community College District, and for other purposes

S. 2588 / Public Law 101 - 420

To amend section 5948 of title 5, United States Code, to reauthorize physicians comparability allowances

H.R. 3007 / Public Law 101 - 421

Drug and Alcohol Dependent Offenders Treatment Act of 1989

H.R. 3897 / Public Law 101 - 422

To authorize appropriations for the Administrative Conference of the United States for fiscal years 1991, 1992, 1993, and 1994, and for other purposes

S.J. Res. 57 / Public Law 101 - 423

To establish a national policy on permanent papers

S.J. Res. 181 / Public Law 101 - 424

To establish calendar year 1992 as the ``Year of Clean Water"

Approved October 15

H.R. 1243 / Public Law 101 - 425

Department of Energy Metal Casting Competitiveness Research Act of 1990

H.R. 2372 / Public Law 101 - 426

Radiation Exposure Compensation Act

S. 2806 / Public Law 101 - 427

To redesignate The National System of Interstate and Defense Highways as The Dwight D. Eisenhower System of Interstate and Defense Highways

H.R. 5641 / Public Law 101 - 428

Capitol Police Retirement Act

S. 647 / Public Law 101 - 429

Securities Enforcement Remedies and Penny Stock Reform Act of 1990

S. 1230 / Public Law 101 - 430

To authorize the acquisition of additional lands for inclusion in the Knife River Indian Villages National Historic Site, and for other purposes

S. 1974 / Public Law 101 - 431

Television Decoder Circuitry Act of 1990

Approved October 16

H.R. 3657 / Public Law 101 - 432

Market Reform Act of 1990

S. 1511 / Public Law 101 - 433

Older Workers Benefit Protection Act

Approved October 17

H.R. 435 / Public Law 101 - 434

To amend the Appalachian Regional Development Act of 1965 to include Columbiana County, Ohio, as part of the Appalachian region

S. 1128 / Private Law 101 - 4

For the relief of Richard Saunders

S. 1229 / Private Law 101 - 5

For the relief of Maria Luisa Anderson

S. 1683 / Private Law 101 - 6

For the relief of Paula Grzyb

S. 1814 / Private Law 101 - 7

For the relief of Wilson Johan Sherrouse

H.R. 971 / Public Law 101 - 435

Telephone Operator Consumer Services Improvement Act of 1990

H.R. 2809 / Public Law 101 - 436

To provide for the conveyance of certain lands to the State of California, and for other purposes

Approved October 18

H.R. 1677 / Public Law 101 - 437

Children's Television Act of 1990

H.R. 4758 / Public Law 101 - 438

Rio Grande American Canal Extension Act of 1990

H.J. Res. 602 / Public Law 101 - 439

Designating October 1990 as ``National Domestic Violence Awareness Month''

S. 247 / Public Law 101 - 440

State Energy Efficiency Programs Improvement Act of 1990

S. 830 / Public Law 101 - 441

To amend Public Law 99 - 647, establishing the Blackstone River Valley National Heritage Corridor Commission, to authorize the Commission to take immediate action in furtherance of its purposes and to increase the authorization of appropriations for the Commission

S. 2437 / Public Law 101 - 442

To authorize the acquisition of certain lands in the States of Louisiana and Mississippi for inclusion in the Vicksburg National Military Park, to improve the management of certain public lands in the State of Minnesota, and for other purposes

Approved October 19

H.R. 3468 / Public Law 101 - 443

Connecticut Coastal Protection Act of 1990

H.J. Res. 677 / Public Law 101 - 444

Making further continuing appropriations for the fiscal year 1991, and for other purposes

Approved October 22

S. 2680 / Private Law 101 - 8

To provide for the conveyance of lands to certain individuals in Stone County, Arkansas

H.R. 1608 / Public Law 101 - 445

National Nutrition Monitoring and Related Research Act of 1990

H.R. 4522 / Public Law 101 - 446

Firefighters' Safety Study Act

H.R. 4593 / Public Law 101 - 447

San Carlos Mineral Strip Act of 1990

H.R. 4985 / Public Law 101 - 448

To designate the Federal building located at 51 Southwest 1st Avenue in Miami, Florida, as the ``Claude Pepper Federal Building''

H.R. 5070 / Public Law 101 - 449

To amend the John F. Kennedy Center Act to authorize appropriations for maintenance, repair, alteration and other services necessary for the John F. Kennedy Center for the Performing Arts, and for other purposes

S.J. Res. 304 / Public Law 101 - 450

To designate October 17, 1990, as ``National Drug-Free Schools and Communities Education and Awareness Day''

S.J. Res. 317 / Public Law 101 - 451

To designate the week of October 14, 1990, through October 20, 1990, as ``National Radon Action Week''

Approved October 24

H.R. 3787 / Public Law 101 - 452

Chehalis River Basin Fishery Resources Study and Restoration Act of 1990

H.R. 4279 / Public Law 101 - 453

Cash Management Improvement Act of 1990

S. 2017 / Public Law 101 - 454

Eisenhower Exchange Fellowship Act of 1990

S. 2540 / Public Law 101 - 455

To authorize the Board of Regents of the Smithsonian Institution to plan, design, construct, and equip space in the East Court of the National Museum of Natural History building, and for other purposes

S. 3046 / Public Law 101 - 456

To redesignate the Federal building located at 1 Bowling Green in New York, New York, as the ``Alexander Hamilton United States Custom House''

S. 3127 / Public Law 101 - 457

To designate the Department of Veterans Affairs Medical Center in Albany, New York, as the ``Samuel S. Stratton Department of Veterans Affairs Medical Center''

S.J. Res. 342 / Public Law 101 - 458

Designating October 1990 as ``Ending Hunger Month''

S.J. Res. 346 / Public Law 101 - 459

To designate October 20 through 28, 1990, as ``National Red Ribbon Week for a Drug-Free America''

S.J. Res. 349 / Public Law 101 - 460

Designating October 1990 as ``Italian-American Heritage and Culture Month''

Approved October 25

H.J. Res. 681 / Public Law 101 - 461

Making further continuing appropriations for the fiscal year 1991, and for other purposes

H.R. 4757 / Public Law 101 - 462

To provide for the extension of certain authority for the Marshal of the Supreme Court and the Supreme Court Police

H.J. Res. 214 / Public Law 101 - 463

Designating the week of October 22 through October 28, 1990, as ``Eating Disorders Awareness Week''

H.J. Res. 518 / Public Law 101 - 464

Designating October 13 through 20, 1990, as ``American Textile Industry Bicentennial Week''

S.J. Res. 158 / Public Law 101 - 465

Designating October 21 through October 27, 1990, as ``World Population Awareness Week''

H.R. 2961 / Private Law 101 - 9

For the relief of Sonanong Poonpipat (Latch)

Approved October 27

H.J. Res. 682 / Public Law 101 - 466

Waiving certain enrollment requirements with respect to any reconciliation bill, appropriation bill, or continuing resolution for the remainder of the One Hundred First Congress

Approved October 28

H.J. Res. 687 / Public Law 101 - 467

Making further continuing appropriations for the fiscal year 1991, and for other purposes

Approved October 30

S.J. Res. 270 / Public Law 101 - 468

To designate the period commencing February 17, 1991, and ending February 23, 1991, as ``National Visiting Nurse Associations Week''

S.J. Res. 323 / Public Law 101 - 469

Designating November 11 through 17, 1990, as ``Geography Awareness Week''

S.J. Res. 347 / Public Law 101 - 470

Designating April 7 through 13, 1991, as ``National County Government Week''

S.J. Res. 351 / Public Law 101 - 471

To designate the month of May, 1991 as ``National Trauma Awareness Month''

S.J. Res. 362 / Public Law 101 - 472

To designate the period commencing on November 18, 1990, and ending on November 24, 1990, as ``National Adoption Week''

S.J. Res. 366 / Public Law 101 - 473

To designate March 30, 1991, as ``National Doctors Day''

H.R. 4174 / Public Law 101 - 474

Administrative Office of the United States Courts Personnel Act of 1990

H.R. 5579 / Public Law 101 - 475

To amend section 28(w) of the Mineral Leasing Act, and for other purposes

S. 1824 / Public Law 101 - 476

Education of the Handicapped Act Amendments of 1990

S. 2167 / Public Law 101 - 477

To reauthorize the Tribally Controlled Community College Assistance Act of 1978 and the Navajo Community College Act

S. 3091 / Public Law 101 - 478

To amend the Act incorporating the American Legion so as to redefine eligibility for membership therein

Approved October 31

H.R. 3888 / Public Law 101 - 479

To allow a certain parcel of land in Rockingham County, Virginia, to be used for a child care center

H.R. 5749 / Public Law 101 - 480

American University Incorporation Amendments Act of 1990

H.J. Res. 519 / Public Law 101 - 481

Designating August 29, 1990, as ``National Sarcoidosis Awareness Day''

H.J. Res. 566 / Public Law 101 - 482

Acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 19, 1990, as ``National Military Families Recognition Day''

H.J. Res. 587 / Public Law 101 - 483

Committing to the private sector the responsibility for support of the Civic Achievement Award Program in Honor of the Office of Speaker of the House of Representatives, and for other purposes

S. 1747 / Public Law 101 - 484

Ponca Restoration Act

S. 2059 / Public Law 101 - 485

Weir Farm National Historic Site Establishment Act of 1990

S. 2203 / Public Law 101 - 486

Zuni Land Conservation Act of 1990

S. 3032 / Public Law 101 - 487

To designate the planned Department of Veterans Affairs Medical Center in Honolulu, Hawaii, as the ``Spark M. Matsunaga Department of Veterans Affairs Medical Center''

S. 3216 / Public Law 101 - 488

To designate the Department of Veterans Affairs Medical Center in Charleston, South Carolina, as the ``Ralph H. Johnson Department of Veterans Affairs Medical Center''

S.J. Res. 293 / Public Law 101 - 489

To designate November 16, 1990, as ``National Philanthropy Day''

S.J. Res. 307 / Public Law 101 - 490

Designating November 11 through November 17, 1990, as ``National Women Veterans Recognition Week''

S.J. Res. 324 / Public Law 101 - 491

Designating June 2 through 8, 1991, as a ``Week for the National Observance of the 50th Anniversary of World War II''

S.J. Res. 353 / Public Law 101 - 492

To designate September of 1991 as ``National Rice Month''

H.R. 5209 / Public Law 101 - 493

Drug and Household Substance Mailing Act of 1990

H.R. 5933 / Public Law 101 - 494

To provide for the temporary extension of the certain laws relating to housing and community development

S. 2737 / Public Law 101 - 495

Korean War Veterans Memorial Thirty-Eighth Anniversary Commemorative Coin Act

S. 2753 / Public Law 101 - 496

Developmental Disabilities Assistance and Bill of Rights Act of 1990

S.J. Res. 388 / Public Law 101 - 497

Waiving certain enrollment requirements with respect to S. 2830, the Food, Agriculture, Conservation and Trade Act of 1990

Approved November 2

S. 3016 / Private Law 101 - 10

For the relief of Janice and Leslie Sedore and Ruth Hillman

H.R. 4111 / Public Law 101 - 498

Strategic and Critical Minerals Act of 1990

S. 2846 / Public Law 101 - 499

To authorize and direct the Secretary of the Interior to conduct a study of the feasibility of establishing a unit of the National Park System to interpret and commemorate the origins, development, and progression of jazz in the United States, and for other purposes

Approved November 3

H.R. 3386 / Public Law 101 - 500

Sanitary Food Transportation Act of 1990

H.R. 4151 / Public Law 101 - 501

Augustus F. Hawkins Human Services Reauthorization Act of 1990

H.R. 4238 / Public Law 101 - 502

Vaccine Immunization Amendments of 1990

H.R. 5367 / Public Law 101 - 503

Seneca Nation Settlement Act of 1990

H.R. 5794 / Public Law 101 - 504

Age Discrimination Claims Assistance Amendments of 1990

H.J. Res. 520 / Public Law 101 - 505

Granting the consent of Congress to amendments to the Washington Metropolitan Area Transit Regulation Compact

Approved November 5

H.R. 5268 / Public Law 101 - 506

Rural Development, Agriculture, and Related Agencies Appropriations Act, 1991

H.R. 5158 / Public Law 101 - 507

Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991

H.R. 5835 / Public Law 101 - 508

Omnibus Budget Reconciliation Act of 1990

H.R. 5241 / Public Law 101 - 509

Treasury, Postal Service and General Government Appropriations Act, 1991

H.R. 4739/ Public Law 101 - 510

National Defense Authorization Act for Fiscal Year 1991

H.R. 5803 / Public Law 101 - 511

Department of Defense Appropriations Act, 1991

H.R. 5769 / Public Law 101 - 512

Department of the Interior and Related Agencies Appropriations Act, 1991

H.R. 5114 / Public Law 101 - 513

Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991

H.R. 5019 / Public Law 101 - 514

Energy and Water Development Appropriations Act, 1991

H.R. 5021 / Public Law 101 - 515

Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1991

H.R. 5229 / Public Law 101 - 516

Department of Transportation and Related Agencies Appropriations Act, 1991

H.R. 5257 / Public Law 101 - 517

Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1991

H.R. 5311 / Public Law 101 - 518

District of Columbia Appropriations Act, 1991

H.R. 5313 / Public Law 101 - 519

Military Construction Appropriations Act, 1991

H.R. 5399 / Public Law 101 - 520

Legislative Branch Appropriations Act, 1991

H.R. 5759 / Public Law 101 - 521

To amend the Age Discrimination in Employment Act of 1967 to clarify the application of such Act to employee group health plans

H.R. 3840 / Public Law 101 - 522

To establish the Newberry National Volcanic Monument in the State of Oregon, and for other purposes

H.R. 5144 / Public Law 101 - 523

To provide for the study of certain historical and cultural resources located in the city of Vancouver, Washington, and for other purposes

Approved November 6

S. 3043 / Private Law 101 - 11

For the relief of Nebraska Aluminum Castings, Inc.

H.R. 2331 / Public Law 101 - 524

Deceptive Mailings Prevention Act of 1990

H.R. 5275 / Public Law 101 - 525

Congressional Award Amendments of 1990

H.R. 5482 / Public Law 101 - 526

District of Columbia Revenue Bond Act of 1990

H.R. 5702 / Public Law 101 - 527

Disadvantaged Minority Health Improvement Act of 1990

H.J. Res. 525 / Public Law 101 - 528

Designating November 18 through 24, 1990, ``National Family Caregivers Week''

H.J. Res. 667 / Public Law 101 - 529

To designate November 16, 1990, as ``National Federation of the Blind Day''

S. 1890 / Public Law 101 - 530

To amend title 5, United States Code, to provide relief from certain inequities remaining in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes

S. 3062 / Public Law 101 - 531

To transfer the responsibility for operation and maintenance of Highway 82 Bridge at Greenville, Mississippi, to the States of Mississippi and Arkansas

Approved November 7

H.J. Res. 669 / Public Law 101 - 532

To salute and congratulate the people of Poland as they commemorate the two-hundredth anniversary of the adoption of the Polish Constitution on May 3, 1991

S. 2516 / Public Law 101 - 533

Foreign Direct Investment and International Financial Data Improvements Act of 1990

H.R. 3911 / Public Law 101 - 534

Attendant Allowance Adjustment Act

Approved November 8

H.R. 3562 / Public Law 101 - 535

Nutrition Labeling and Education Act of 1990

H.R. 4090 / Public Law 101 - 536

Pecos National Historical Park Expansion Act of 1990

H.R. 4299 / Public Law 101 - 537

To authorize a study of the fishery resources of the Great Lakes, and for other purposes

H.R. 5004 / Public Law 101 - 538

To amend the Wild and Scenic Rivers Act to designate certain segments of the Mills River in the State of North Carolina for potential addition to the wild and scenic rivers system

H.R. 5433 / Public Law 101 - 539

To direct the Secretary of Agriculture to release on behalf of the United States a condition in a

deed conveying certain lands to the Conservation Commission of West Virginia, and for other purposes

H.R. 5872 / Public Law 101 - 540

To amend title I of the Employee Retirement Income Security Act of 1974 to require qualifying employer securities to include interest in publicly traded partnerships

H.J. Res. 649 / Public Law 101 - 541

Approving the extension of nondiscriminatory treatment (most favored nation treatment) to the products of Czechoslovakia

S. 580 / Public Law 101 - 542

Student Right-To-Know and Campus Security Act

S. 1756 / Public Law 101 - 543

Maine Acadian Culture Preservation Act

S.J. Res. 375 / Public Law 101 - 544

To designate October 30, 1990, as ``Refugee Day''

H.R. 3791 / Private Law 101 - 12

For the relief of Beulah C. Shifflett

Approved November 14

H.R. 5007 / Public Law 101 - 545

To designate the facility of the United States Postal Service located at 100 South John F. Kennedy Drive, Carpentersville, Illinois, as the ``Robert McClory Post Office Building''

H.R. 5409 / Public Law 101 - 546

To designate the Post Office building at 222 West Center Street in Orem, Utah, as the ``Arthur V. Watkins Post Office Building''

H.J. Res. 673 / Public Law 101 - 547

To designate November 2, 1990, as a national day of prayer for members of American military forces and American citizens stationed or held hostage in the Middle East, and for their families

S. 3156 / Public Law 101 - 548

To correct a clerical error in Public Law 101 - 383

Approved November 15

S. 1630 / Public Law 101 - 549

To amend the Clean Air Act to provide for attainment and maintenance of health protective national ambient air quality standards, and for other purposes

H.R. 1396 / Public Law 101 - 550

Securities Acts Amendments of 1990

H.R. 1463 / Public Law 101 - 551

National Capital Transportation Amendments of 1990

H.R. 2497 / Public Law 101 - 552

Administrative Dispute Resolution Act

H.R. 3045 / Public Law 101 - 553

Copyright Remedy Clarification Act

H.R. 3069 / Public Law 101 - 554

Displaced Homemakers Self-Sufficiency Assistance Act

H.R. 3310 / Public Law 101 - 555

To authorize appropriations for activities of the National Telecommunications and Information Administration for fiscal years 1990 and 1991

H.R. 4630 / Public Law 101 - 556

Baca Location No. 1 Land Acquisition and Study Act of 1990

H.R. 5112 / Public Law 101 - 557

Home Health Care and Alzheimer's Disease Amendments of 1990

H.R. 5113 / Public Law 101 - 558

Injury Control Act of 1990

H.R. 5419 / Public Law 101 - 559

To designate the Federal Building at 88 West 100 North in Provo, Utah, as the ``J. Will Robinson Federal Building"

H.R. 5507 / Public Law 101 - 560

Regarding the Early Winters Resorts

H.R. 5667 / Public Law 101 - 561

To amend the Water Resources Development Act of 1974 to transfer jurisdiction of the Big South Fork National River and Recreation Area from the Secretary of the Army to the Secretary of the Interior, and for other purposes

H.R. 5708 / Public Law 101 - 562

To authorize acquisition of certain real property for the Library of Congress, and for other purposes

H.J. Res. 562 / Public Law 101 - 563

Designating October 21 through 27, 1990 as ``National Humanities Week"

H.J. Res. 652 / Public Law 101 - 564

To designate March 25, 1991, as ``National Medal of Honor Day"

H.J. Res. 657 / Public Law 101 - 565

Granting the consent of the Congress to amendments to the Delaware-New Jersey Compact, and for other purposes

S. 639 / Public Law 101 - 566

Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990

S. 1805 / Public Law 101 - 567

To authorize the Secretary of the Interior to reinstate oil and gas lease LA 033164

S. 3215 / Public Law 101 - 568

To authorize the transfer by lease of a specified naval landing ship dock to the Government of Brazil

S.J. Res. 318 / Public Law 101 - 569

Providing for the appointment of Ira Michael Heyman as a citizen regent of the Smithsonian Institution

S.J. Res. 369 / Public Law 101 - 570

Designating 1991 as the ``Year of Thanksgiving for the Blessings of Liberty"

H.R. 1230 / Private Law 101 - 13

For the relief of Jocelyne Carayannis and Marie Carayannis

H.R. 3642 / Private Law 101 - 14

For the relief of Izzydor Shever

S. 620 / Private Law 101 - 15

For the relief of Leroy W. Shebal of North Pole, Alaska

H.R. 2419 / Public Law 101 - 571

To authorize the Secretary of Agriculture to exchange certain property in the Chattahoochee

National Forest for the construction of facilities in the National Forest

H.R. 3656 / Public Law 101 - 572

Gas Related Activities Act of 1990

H.R. 4107 / Public Law 101 - 573

To authorize the Secretary of the Interior to permit certain uses of lands within the Colonial National Historical Park in the Commonwealth of Virginia

H.R. 4793 / Public Law 101 - 574

Small Business Administration Reauthorization and Amendments Act of 1990

H.R. 4808 / Public Law 101 - 575

Solar, Wind, Waste, and Geothermal Power Production Incentives Act of 1990

H.R. 5687 / Public Law 101 - 576

Chief Financial Officers Act of 1990

H.R. 5871 / Public Law 101 - 577

Farm Poundage Quota Revisions Act of 1990

H.R. 5796 / Public Law 101 - 578

To conduct certain studies in the State of New Mexico

H.J. Res. 606 / Public Law 101 - 579

Designating February 16, 1991, as ``Lithuanian Independence Day''

S. 459 / Public Law 101 - 580

To amend title 35, United States Code, with respect to the use of inventions in outer space

S. 1931 / Public Law 101 - 581

Criminal Victims Protection Act of 1990

S. 2056 / Public Law 101 - 582

Year 2000 Health Objectives Planning Act

S. 2930 / Public Law 101 - 583

To eliminate ``substantial documentary evidence'' requirement for minimum wage determination for American Samoa, and for other purposes

S. 3187 / Public Law 101 - 584

To address immediate problems affecting environmental cleanup activities

S. 3237 / Public Law 101 - 585

Silver Coin Proof Sets Act

S.J. Res. 302 / Public Law 101 - 586

Providing for reappointment of Anne Legendre Armstrong as a citizen regent of the Smithsonian Institution

S.J. Res. 357 / Public Law 101 - 587

To designate October 1 - 31, 1991, as ``Community Center Month''

Approved November 16

H.R. 3298 / Private Law 101 - 16

For the relief of Benjamin H. Fonorow

H.R. 29 / Public Law 101 - 588

Antitrust Amendments Act of 1990

H.R. 996 / Public Law 101 - 589

Excellence in Mathematics, Science and Engineering Education Act of 1990

H.R. 1602 / Public Law 101 - 590

Trauma Care Systems Planning and Development Act of 1990

H.R. 2840 / Public Law 101 - 591

Coastal Barrier Improvement Act of 1990

H.R. 3000 / Public Law 101 - 592

Fastener Quality Act

H.R. 3338 / Public Law 101 - 593

To direct the Secretary of the Interior to convey all interest of the United States in a fish hatchery to the State of South Carolina, and for other purposes

H.R. 3977 / Public Law 101 - 594

Antarctic Protection Act of 1990

H.R. 4009 / Public Law 101 - 595

Federal Maritime Commission Authorization Act of 1990

H.R. 4323 / Public Law 101 - 596

Great Lakes Critical Programs Act of 1990

H.R. 4487 / Public Law 101 - 597

National Health Service Corps Revitalization Amendments of 1990

H.R. 4721 / Public Law 101 - 598

To designate the Federal building located at 340 North Pleasant Valley Road in Winchester, Virginia, as the ``J. Kenneth Robinson Postal Building''

H.R. 4888 / Public Law 101 - 599

To improve navigational safety and to reduce the hazards to navigation resulting from vessel collisions with pipelines in the marine environment, and for other purposes

H.R. 5140 / Public Law 101 - 600

School Dropout Prevention and Basic Skills Improvement Act of 1990

H.R. 5237 / Public Law 101 - 601

Native American Graves Protection and Repatriation Act

H.R. 5308 / Public Law 101 - 602

Fort Hall Indian Water Rights Act of 1990

H.R. 5497 / Public Law 101 - 603

To authorize the Secretary of the Interior to acquire certain lands to be added to the Fort Raleigh National Historic Site in North Carolina

H.R. 5732 / Public Law 101 - 604

Aviation Security Improvement Act of 1990

H.R. 5909 / Public Law 101 - 605

Florida Keys National Marine Sanctuary and Protection Act

S. 169 / Public Law 101 - 606

Global Change Research Act of 1990

S. 555 / Public Law 101 - 607

De Soto Expedition Trail Commission Act of 1990

S. 605 / Public Law 101 - 608

Consumer Product Safety Improvement Act of 1990

S. 677 / Public Law 101 - 609

To amend the Arctic Research and Policy Act of 1984 to improve and clarify its provisions

S. 1430 / Public Law 101 - 610

National and Community Service Act of 1990

S. 2287 / Public Law 101 - 611

National Aeronautics and Space Administration Authorization Act, Fiscal Year 1991

S. 2566 / Public Law 101 - 612

Smith River National Recreation Area Act

S. 2857 / Public Law 101 - 613

National Institutes of Health Amendments of 1990

S. 2789 / Public Law 101 - 614

National Earthquake Hazards Reduction Program Reauthorization Act

S. 2936 / Public Law 101 - 615

Hazardous Materials Transportation

Uniform Safety Act of 1990

S. 2946 / Public Law 101 - 616

Transplant Amendments Act of 1990

S. 3069 / Public Law 101 - 617

Environmental Research Geographic Location Information Act

S. 3084 / Public Law 101 - 618

Fallon Paiute Shoshone Indian Tribes Water Rights Settlement Act of 1990

S. 3176 / Public Law 101 - 619

National Environmental Education Act

S.J. Res. 206 / Public Law 101 - 620

Calling for the United States to encourage immediate negotiations toward a new agreement among Antarctic Treaty Consultative Parties, for the full protection of Antarctica as a global ecological commons

H.R. 4559 / Public Law 101 - 621

Red Rock Canyon National Conservation Area Establishment Act of 1990

Approved November 21

H.R. 5264 / Public Law 101 - 622

To authorize modification of the boundaries of the Alaska Maritime National Wildlife Refuge

H.R. 5567 / Public Law 101 - 623

International Narcotics Control Act of 1990

Approved November 28

S. 2830 / Public Law 101 - 624

Food, Agriculture, Conservation, and Trade Act of 1990

S. 566 / Public Law 101 - 625

Cranston-Gonzalez National Affordable Housing Act

H.R. 987 / Public Law 101 - 626

Tongass Timber Reform Act

H.R. 2061 / Public Law 101 - 627

Fishery Conservation Amendments of 1990

H.R. 2570 / Public Law 101 - 628

To provide for the designation of certain public lands as wilderness in the State of Arizona

H.R. 3095 / Public Law 101 - 629

Safe Medical Devices Act of 1990

H.R. 3703 / Public Law 101 - 630

To authorize the Rumsey Indian Rancheria to convey a certain parcel of land

H.R. 4567 / Public Law 101 - 631

To authorize an exchange of lands in South Dakota and Colorado

H.R. 4834 / Public Law 101 - 632

To provide for a visitor center at Salem Maritime National Historic Site in the Commonwealth of Massachusetts

H.R. 5428 / Public Law 101 - 633

Illinois Wilderness Act of 1990

S. 319 / Public Law 101 - 634

Salt Lake City Watershed Improvement Act of 1990

S. 845 / Public Law 101 - 635

Food and Drug Administration Revitalization Act

S. 1859 / Public Law 101 - 636

To restructure repayment terms and conditions for loans made by the Secretary of the Interior to the Wolf Trap Foundation for the Performing Arts for the reconstruction of the Filene Center in Wolf Trap Farm Park in Fairfax County, Virginia, and for other purposes

S. 1893 / Public Law 101 - 637

Asbestos School Hazard Abatement Reauthorization Act of 1990

S. 1939 / Public Law 101 - 638

To extend the authorization of appropriations for the Taft Institute

S. 2628 / Public Law 101 - 639

Mental Health Amendments of 1990

S. 2740 / Public Law 101 - 640

Water Resources Development Act of 1990

S. 3012 / Public Law 101 - 641

Independent Safety Board Act Amendments of 1990

S.J. Res. 329 / Public Law 101 - 642

To designate the week of November 3, 1990, to November 10, 1990, as ``National Week to Commemorate the Victims of the Famine in the Ukraine, 1932 - 1933", and to commemorate the Ukrainian famine of 1932 - 1933 and the policies of Russification to suppress Ukrainian identity

S.J. Res. 364 / Public Law 101 - 643

To designate the third week of February 1991 as ``National Parents and Teachers Association Week"

Approved November 29

H.R. 2006 / Public Law 101 - 644

Indian Arts and Crafts Act of 1990

H.R. 3789 / Public Law 101 - 645

Stewart B. McKinney Homeless Assistance Amendments Act of 1990

H.R. 5390 / Public Law 101 - 646

Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990

S. 3266 / Public Law 101 - 647

Crime Control Act of 1990

S. 303 / Public Law 101 - 648

Negotiated Rulemaking Act of 1990

S. 358 / Public Law 101 - 649

Immigration Act of 1990

Approved December 1

H.R. 5316 / Public Law 101 - 650

Judicial Improvements Act of 1990

Appendix E -- Proclamations and Executive Orders

The texts of the proclamations and Executive orders are printed in the Federal Register (F.R.) at the citations listed below. The documents are also printed in title 3 of the Code of Federal Regulations and in the Weekly Compilation of Presidential Documents.

PROCLAMATIONS

Proc.

Date

Subject

55 F.R.

No.

1990

page

6085

Jan.

Earth Day, 1990 591

6086

Jan.

National Law Enforcement Training Week, 1990 593

6087

Jan.

To Amend the Generalized System of Preferences 709

6088

Jan.

Martin Luther King, Jr., Federal Holiday, 1990 991

6089

Jan.

16

National Poison Prevention Week, 1990 1661

6090

Jan.

19

National Sanctity of Human Life Day, 1990 2217

6091

Feb.

National Women and Girls in Sports Day, 1990 4979

6092

Feb.

National Burn Awareness Week, 1990 and 1991 4981

6093

Feb.

12

181st Anniversary of the Birth of Abraham Lincoln 5205

6094

Feb.

12

Vocational-Technical Education Week, 1990 5431

6095

Feb.

13

American Heart Month, 1990 5561

6096

Feb.

16

National Visiting Nurse Associations Week, 1990 5955

6097

Feb.

16

258th Anniversary of the Birth of George Washington 5957

6098

Feb.

16

Lithuanian Independence Day, 1990 5959

6099

Feb.

21

Save Your Vision Week, 1990 6589

6100

Feb.

22

International Year of Bible Reading, 1990 6783

6101

Feb.

23

American Red Cross Month, 1990 6785

6102

Feb.

27

National Quarter Horse Week, 1990 7469

6103

Feb.

28

Modifying the Implementation of the Generalized System of Preferences and the Caribbean

Basin Economic Recovery Act 7685

6104

Mar.

National Day of Prayer, 1990 8439

6105

Mar.

Twenty-First Decennial Census, 1990 8897

6106

Mar.

National Consumers Week, 1990 9311

6107

Mar.

Harriet Tubman Day, 1990 9405

6108

Mar.

13

Deaf Awareness Week, 1990 9865

6109

Mar.

20

Greek Independence Day: A National Day of Celebration of Greek and American Democracy, 1990 10761

6110

Mar.

20

National Agriculture Day, 1990 10763

6111

Mar.

30

United States Naval Reserve Month, 1990 12469

6112

Apr.

National Safe Boating Week, 1990 13101

6113

Apr.

National Former Prisoners of War Recognition Day, 1990 13495

6114

Apr.

Pan American Day and Pan American Week, 1990 13497

6115

Apr.

10

Cancer Control Month, 1990 13753

6116

Apr.

18

National Farm Safety Week, 1990 15205

6117

Apr.

20

National Recycling Month, 1990 17411

6118

Apr.

23

National Volunteer Week, 1990 17413

6119

Apr.

23

Loyalty Day, 1990 17415

6120

Apr.

25

Restoring the Country Allocation to Nicaragua for Quotas on Certain Sugars, Syrups and Molasses 17744

6121

Apr.

25

National Crime Victims' Rights Week, 1990 17747

6122

Apr.

26

National Arbor Day, 1990 18073

6123

Apr.

26

To Modify Duty-Free Treatment Under the Generalized System of Preferences and for Other Purposes 18075

6124

May

National Physical Fitness and Sports Month, 1990 18585

6125

May

Law Day, U.S.A., 1990 18715

6126

May

Be Kind to Animals and National Pet Week, 1990 18717

6127

May

Jewish Heritage Week, 1990 19041

6128

May

National Drinking Water Week, 1990 19043

6129

May

National Tourism Week, 1990 19045

6130

May

Asian/Pacific American Heritage Month, 1990 19233

6131

May

Small Business Week, 1990 19715

6132

May

10

National Digestive Disease Awareness Month, 1990 20107

6133

May

10

Mother's Day, 1990 20109

6134

May

12

National Day in Support of Freedom and Human Rights 20259

6135

May

17

National Defense Transportation Day and National Transportation Week, 1990 20999

6136

May

17

National Trauma Awareness Month, 1990 21001

6137

May

22

National Maritime Day, 1990 21373

6138

May

23

Older Americans Month, 1990 21515

6139

May

23

World Trade Week, 1990 21733

6140

May

24

25th Anniversary of Head Start, 1990 21735

6141

May

24

Memorial Day, 1990 21829

6142

May

25

To Implement an Accelerated Schedule of Duty Elimination Under the United States-Canada Free-Trade Agreement 21835

6143

June

National Fishing Week, 1990 23419

6144

June

11

State-Supported Homes for Veterans Week, 1990 23885

6145

June

14

Flag Day and National Flag Week, 1990 24547

6146

June

14

Baltic Freedom Day, 1990 24549

6147

June

14

Father's Day, 1990 24551

6148

June

15

National Scleroderma Awareness Week, 1990 25070

6149

June

21

National Sheriffs' Week, 1990 25815

6150

June

22

Korean War Remembrance Day, 1990 26197

6151

June

28

Modification of Import Restrictions for Certain Agricultural Products 27171

6152

June

29

To Modify Duty-Free Treatment Under the Generalized System of Preferences and for Other

Purposes 27441

6153

June

29

National Literacy Day, 1990 27447

6154

June

29

National Ducks and Wetlands Day, 1990 27449

EXECUTIVE ORDERS

Exec

Date

Subject

55 F.R.

No.

1990

page

12699

Jan.

Seismic Safety of Federal and Federally Assisted or Regulated New Building Construction .....
835

12700

Jan.

19

President's Council of Advisors on Science and Technology 2219

12701

Feb.

14

Amending Executive Order No. 12334 5953

12702

Feb.

20

Waiver Under the Trade Act of 1974 With Respect to Czechoslovakia 6231

12703

Feb.

20

Support for East European Democracy (SEED) Program 6351

12704

Feb.

26

Amendments to Executive Orders Nos. 11830, 12367, and 12692 6969

12705

Mar.

Amendment to Executive Order No. 12686 8113

12706

Mar.

Nuclear Cooperation With EURATOM 9313

12707

Mar.

13

Termination of Emergency With Respect to Nicaragua 9707

12708

Mar.

23

Amendments to the Manual for Courts-Martial, United States, 1984 11353

12709

Apr.

Increasing the Membership of the President's Council on Physical Fitness and Sports 13097

12710

Apr.

Termination of Emergency With Respect to Panama 13099

12711

Apr.

11

Policy Implementation With Respect to Nationals of the People's Republic of China 13897

12712

Apr.

26

Adding the Secretary of Energy to the National Space Council 18095

12713

May

Report Required by Section 502 of the Automotive Products Trade Act of 1965 18719

12714

May

Establishing an Emergency Board To Investigate Disputes Between Certain Railroads Represented by the National Carriers' Conference Committee of the National Railway Labor Conference and Their Employees Represented by Certain Labor Organizations 19047

12715

May

Determination Under Section 2606 of Title 10, United States Code, for Support of Scouting Activities Overseas 19051

12716

May

24

Extending the National Commission on Superconductivity 21831

12717

June

18

Revoking Executive Order No. 12691 25295

12718

June

29

President's Advisory Commission on the Public Service 27451

Proc.

Date

Subject

55 F.R.

No.

1990

page

6155

July

Idaho Centennial Day, 1990 27799

6156

July

Wyoming Centennial Day, 1990 28367

6157

July

13

Flight Attendant Safety Professionals' Day,1990 29179

6158

July

17

Decade of the Brain, 1990 - 1999 29553

6159

July

18

Rose Fitzgerald Kennedy Family Appreciation Day, 1990 29555

6160

July

18

Captive Nations Week, 1990 29833

6161

July

19

Lyme Disease Awareness Week, 1990 29995

6162

July

23

To Modify Duty-Free Treatment Under the Generalized System of Preferences 30189

6163

July

31

Helsinki Human Rights Day, 1990 31569

6164

Aug.

National Agricultural Research Week, 1990 32231

6165

Aug.

Voting Rights Celebration Day, 1990 32233

6166

Aug.

National Neighborhood Crime Watch Day, 1990 32373

6167

Aug.

Entry as Nonimmigrants of Officers and Employees of the Nicaraguan Government 33093

6168

Aug.

14

Home Health Aide Week, 1990 33639

6169

Aug.

14

National Senior Citizens Day, 1990 33641

6170

Aug.

14

Women's Equality Day, 1990 33643

6171

Aug.

20

National Drive for Life Weekend, 1990 34507

6172

Aug.

22

International Visitors' Month 34675

6173

Aug.

28

Citizenship Day and Constitution Week, 1990 35419

6174

Sept.

National D.A.R.E. Day, 1990 36597

6175

Sept.

Agreement on Trade Relations Between the United States of America and the Czech and Slovak Federal Republic 37643

6176

Sept.

11

National Rehabilitation Week, 1990 37691

6177

Sept.

11

National Give the Kids a Fighting Chance Week, 1990 37851

6178

Sept.

12

National Historically Black Colleges Week, 1990 37853

6179

Sept.

13

Modification of Tariffs and Quota on Certain Sugars, Syrups, and Molasses 38293

6180

Sept.

14

National POW/MIA Recognition Day, 1990 38527

6181

Sept.

20

Religious Freedom Week, 1990 38969

6182

Sept.

20

National Teacher Appreciation Day, 1990 38971

6183

Sept.

20

Leif Erikson Day, 1990 38973

6184

Sept.

20

Emergency Medical Services Week, 1990 39129

6185

Sept.

24

National School Lunch Week, 1990 39257

6186

Sept.

24

National Hispanic Heritage Month, 1990 39387

6187

Sept.

26

Gold Star Mother's Day, 1990 39909

6188

Sept.

28

National Job Skills Week, 1990 40365

6189

Sept.

28

Minority Enterprise Development Week, 1990 40367

6190

Sept.

28

Child Health Day, 1990 40369

6191

Sept.

28

General Pulaski Memorial Day, 1990 40371

6192

Oct.

Energy Awareness Month, 1990 40785

6193

Oct.

Atlanta: Olympic Host City Day, 1990 41041

6194

Oct.

German-American Day, 1990 41043

6195

Oct.

Columbus Day, 1990 41045

6196

Oct.

Mental Illness Awareness Week, 1990 41329

6197

Oct.

National Children's Day, 1990 41331

6198

Oct.

10

United Nations Day, 1990 41485

6199

Oct.

10

Dwight D. Eisenhower Day, 1990 41651

6200

Oct.

11

White Cane Safety Day, 1990 41657

6201

Oct.

11

Fire Prevention Week, 1990 41819

6202

Oct.

11

National Breast Cancer Awareness Month, 1990 41821

6203

Oct.

12

National Disability Employment Awareness Month, 1990 41921

6204

Oct.

12

National Forest Products Week, 1990 41923

6205

Oct.

12

Country Music Month, 1990 41925

6206

Oct.

17

National Drug-Free Schools and Communities Education and Awareness Day, 1990 42345

6207

Oct.

17

Veterans Day, 1990 42545

6208

Oct.

18

Crime Prevention Month, 1990 42693

6209

Oct.

19

National Radon Action Week, 1990 42695

6210

Oct.

19

National Red Ribbon Week for a Drug-Free America, 1990 42827

6211

Oct.

20

American Textile Industry Bicentennial Week, 1990 42829

6212

Oct.

23

Polish American Heritage Month, 1990 43079

6213

Oct.

24

National Domestic Violence Awareness Month, 1990 43081

6214

Oct.

24

World Population Awareness Week, 1990 43315

6215

Oct.

24

Eating Disorders Awareness Week, 1990 43317

6216

Oct.

25

Yosemite National Park Centennial Year, 1990 - 1991 43319

6217

Oct.

25

Ending Hunger Month, 1990 43321

6218

Oct.

26

Italian-American Heritage and Culture Month, 1990 46031

6219

Oct.

30

Refugee Day, 1990 46033

6220

Oct.

30

National Awareness Month for Children With Cancer, 1990 46035

6221

Nov.

For a National Day of Prayer, November 2, 1990 46783

6222

Nov.

National Week To Commemorate the Victims of the Famine in Ukraine, 1932 - 1933 46785

6223

Nov.

To Designate Nicaragua as a Beneficiary Country for Purposes of the Caribbean Basin Economic Recovery Act 47447

6224

Nov.

National Women Veterans Recognition Week, 1990 47725

6225

Nov.

National Philanthropy Day, 1990 47727

6226

Nov.

13

American Education Week, 1990 47729

6227

Nov.

13

Geography Awareness Week, 1990 47731

6228

Nov.

13

To Suspend Indefinitely the Import Quota on Cotton Comber Waste 47835

6229

Nov.

14

Thanksgiving Day, 1990 48093

6230

Nov.

14

National American Indian Heritage Month, 1990 48095

6231

Nov.

14

National Farm-City Week, 1990 48097

6232

Nov.

15

National Federation of the Blind Day, 1990 48215

6233

Nov.

16

National Military Families Recognition Day, 1990 48585

6234

Nov.

20

National Adoption Week, 1990 48827

6235

Nov.

20

National Family Caregivers Week, 1990 48829

6236

Dec.

National Poison Prevention Week, 1991 51095

6237

Dec.

Wright Brothers Day, 1990 51097

6238

Dec.

10

Human Rights Day, Bill of Rights Day, and Human Rights Week, 1990 51261

6239

Dec.

10

American Red Cross Month, 1991 51263

6240

Dec.

18

National Law Enforcement Training Week, 1991 52265

EXECUTIVE ORDERS

Exec

Date

Subject

55 F.R.

No.

1990

page

12719

July

11

President's Commission on the Federal Appointment Process 29001

12720

July

16

President's Council on Rural America 29337

12721

July

30

Eligibility of Overseas Employees for Noncompetitive Appointments 31349

12722

Aug.

Blocking Iraqi Government Property and Prohibiting Transactions With Iraq 31803

12723

Aug.

Blocking Kuwaiti Government Property 31805

12724

Aug.

Blocking Iraqi Government Property and Prohibiting Transactions With Iraq 33089

12725

Aug.

Blocking Kuwaiti Government Property and Prohibiting Transactions With Kuwait 33091

12726

Aug.

15

Waiver Under the Trade Act of 1974 With Respect to the German Democratic Republic 33637

12727

Aug.

22

Ordering the Selected Reserve of the Armed Forces to Active Duty 35027

12728

Aug.

22

Delegating the President's Authority To Suspend any Provision of Law Relating to the Promotion, Retirement, or Separation of Members of the Armed Forces 35029

12729

Sept.

24

Educational Excellence for Hispanic Americans 39389

12730

Sept.

30

Continuation of Export Control Regulations 40373

12731

Oct.

17

Principles of Ethical Conduct for Government Officers and Employees 42547

12732

Oct.

31

International Fund for Agricultural Development 46489

12733

Nov.

13

Authorizing the Extension of the Period of Active Duty of Personnel of the Selected Reserve of the Armed Forces 47837

12734

Nov.

14

National Emergency Construction Authority 48099

12735

Nov.

16

Chemical and Biological Weapons Proliferation 48587

12736

Dec.

12

Adjustments of Certain Rates of Pay and Allowances 51385

12737

Dec.

12

President's Commission on Environmental Quality 51681

12738

Dec.

14

Administration of Foreign Assistance and Related Functions and Arms Export Controls .....
52033

12739

Dec.

17

Half-Day Closing of Government Departments and Agencies on Monday, December 24, 1990 52165

56 F.R.

12740

Dec.

29

Waiver Under the Trade Act of 1974 With Respect to the Soviet Union 355

12741

Dec.

31

Extending the President's Education Policy Advisory Committee 475

Appendix F -- Points of Light Recognition Program

The President named the following individuals and institutions as exemplars of his commitment to making community service central to the life and work of every American. The daily recognition program, which began on November 22, 1989, was a national tribute to voluntarism. The recipients are listed in chronological order.

Senior Health and Peer Counseling Center, of Santa Monica, CA

Sophia Jeffery, of Springfield, MA

Senior Center Foster Grandparents Program, of Charlottesville, VA

MOVE (Mobilization of Volunteer Efforts), of Winooski, VT

Jefferson County Community Center, of Lakewood, CO

Katherine Donihi, of Altamonte Springs, FL

Little Vikings Program, of Arlington, TX

Neil J. Houston House, of Roxbury, MA

Higher Achievement Program, of Washington, DC

Cincinnati Youth Collaborative, of Cincinnati, OH

Herbert Chamberlain, of Rochester, NY

St. Vincent de Paul-Joan Kroc Center, of San Diego, CA

Marsha G. Johnson, of Cleveland, OH

Marilyn M. Murphy, of Stamford, CT

Kelley R. Edwards, of Lilburn, GA

Mary's House, of Rockville, MD

Sheila Fitzpatrick, of Harrisburg, PA

Diane Wurst, of Polk, NE

Get Involved Before Your Kids Do, of Appleton, WI

Beth, Kerry, and Megan Kerby, of Troy, MI

Principle of the Alphabet Literacy System (PALS), of New Orleans, LA

Gallia Academy High School Key Club, of Gallipolis, OH

Residents of Yoncalla, OR

Dan Conrad, of Minnetonka, MN

Michael Carlton Noyes, of Levant, ME

Youth Aware, of San Francisco, CA

Daniel James Greene, of David, KY

Phyllis Lydia Green, of Long Grove, IA

Rev. Michael Lewis, of Tampa, FL

Salvation Army Hope Center, of St. Louis, MO

``Friends," of Fargo, ND

Holy Rosary Family Center, of Columbus, OH

Alan Waters, of Daleville, AL

Pamela Calhoun, of Sparks, NV

Project Good Turn, of Missoula, MT

Men on the Move and ESTEEM (Early Start Toward Educational Excellence and Maturity), of Cordele, GA

South San Jose Neighborhood Association, of Albuquerque, NM

Seniors Serving Schools Program, of Shawnee Mission, KS

Self Enhancement, Inc., of Portland, OR

Lou and Lola Stouffer, of Terra Alta, WV

ActionAIDS, of Philadelphia, PA

Stacy Lynn Priest, of Little Rock, AR

Project Aware, of Jackson, MS

Daisy Patricia Hitchcock, of Louisville, KY

George Simmons, of Provo, UT

Save the Bay, of Providence, RI

Orangeburg School District Five, of Orangeburg, SC

The Shoulder, of Houston, TX

Joseph A.A. Fournier, of Augusta, GA

Black Hills Regional Ski for Light, of Rapid City, SD

Stop the Violence Movement, of Milwaukee, WI

Edith Lewis, of Garland, TX

Cheyenne Botanic Gardens, of Cheyenne, WY

Zenobia White, of Des Moines, IA

Page Attacks Trash, of Page, AZ

Project Chesed, of Miami Beach, FL

Dr. Jonathan Soderstrom, of Oak Ridge, TN

Robert and Jacquelyn Corrigan, of Gorham, NH

Julia Goldstein, of University City, MO

Robert Low, of Waianae, HI

Joseph Ziskovsky, of Shoreview, MI

Building and Construction Trades Council of Alameda County, of Oakland, CA

Toni Allee, of Norfolk, VA

Jesse Sanchez Berain, of Boise, ID

Pauline Hord, of Memphis, TN

William Warner Johnson, of Washington, DC

Glaxo, Inc., of Research Triangle Park, NC

Joan Stairs and Juanita Suggs, of New Castle, IN

VYTAL (Volunteer Youth Training and Leadership), of Pittsburgh, PA

Barbara Tomblinson, of Kansas City, MO

Michael Garber, of Waterbury, CT

Madison House, of Charlottesville, VA

Rod Gorham, of Scarborough, ME

Good Shepherd Center for Homeless Women, of Los Angeles, CA

BABES (Beginning Alcohol and Addiction Basic Education Studies), of Cleveland, OH

Jean Mary Barton, of Wappingers Falls, NY

Ravendale Area Revitalization Project (R.A.R.E.), of Detroit, MI

Our Town Family Center, of Tucson, AZ

Martin and Ida Alexander, of Nashville, TN

Nickolas Monreal, Jr., of San Antonio, TX

Ai Yokota, of Sacramento, CA

Dayton Power and Light Co., of Kettering, OH

Listening Ear, of East Lansing, MI

Dr. Gayle Arnold, of Richmond, VA

Hands, Feet, and Mouth, of Smyrna, GA

United Technologies Community Teams, of United Technologies Corp.

Action Elementary School Volunteer Program, of East Lebanon, ME

Frank H. Lockyear, of Wilsonville, OR

Residents of Stowe, VT

William and Suzanne Sterling, of Sequim, WA

Birmingham-Southern College Conservancy, of Birmingham, AL

Daniel Keith Odell, of Orlando, FL

Reef Relief, of Key West, FL

Midnight Basketball League, Inc., of Hyattsville, MD

Donald Edwin Horton, of Minneapolis, MN

MAD DADS, of Omaha, NE

Lawndale Community Church Ministry, of Chicago, IL

Shelley Joyce Spell, of Houston, TX

Giraffe Project, of Langley, WA

Futures for Children, of Albuquerque, NM

Intergenerational Project, of Santa Clara, CA

Norman Asselstine, of Flint, MI

Skating Association for the Blind and Handicapped, of Amherst, NY

Hispanic Employees Association of Pacific Gas and Electric Co., of Fresno, CA

Phillip A. Wiley, of Broken Arrow, OK

Volunteers for Medical Engineering, Inc., of Baltimore, MD

Jan Zwetsch, of Spokane, WA

The Seeing Eye, Inc., of Morristown, NJ

Youth Service Charleston, of Charleston, SC

David Scott Lessen, of Woodmere, NY

Venture House, of Wichita, KS

Vietnam Veterans Workshop, Inc., of Boston, MA

Anne Ross Fairbanks, of Troy, NY

Mack Stolarski, of Williamsburg, VA

Eva D. Filice, of Salinas, CA

Student Programs for Urban Development, of Worcester, MA

Ann S. Dryburg, of Brownsville, PA

Residents of Oakwood, a subdivision of Venice, CA

Project Child, of Boca Raton, FL

Interfraternity Association Town Watch, of Philadelphia, PA

Meals on Wheels, of Greenville, SC

Joan Mary DeMarsh, of Palmetto, FL

Retired Senior Volunteer Program (RSVP) Sewing Circle, of Salina, KS

Dr. Ray Simmons, of Brownsville, TX

Anna Senior Nelson, of Kingston, PA

Bridgerland Literacy Program, of Logan, UT

National Association for the Southern Poor, of Durham, NC

El Paso Boys' Club Association, of El Paso, TX

Geraldine Ellen Engle, of Taft, CA

Yellowstone Recovery Corps, of Yellowstone National Park, WY

Central Alabama Laubach Literacy (CALL) Council, of Montgomery, AL

Special Needs Projects, Inc., of Idyllwild, CA

Kum Ba Yah Association, of Lynchburg, VA

Sandra Lee Eadie, of Las Vegas, NV

Barbara De Ridder Cotrell, of Little Silver, NJ

Ruth Brinker, of San Francisco, CA

Project NorthStar, of Washington, DC

Austin Adopt-A-School, of Austin, TX

Street Smart Program, of Denver, CO

Sarah Howell East Nutt, of Staunton, VA

Saturday Work-Day, of Panama City, FL

Athens Tutorial Program, of Athens, GA

Hospice of San Joaquin, of Stockton, CA

Kansas 4 - H CARES (Chemical Abuse Resistance Education Series), of Manhattan, KS

Barbara Jill Clark, of Sioux Falls, SD

Needle's Eye, of Youngstown, OH

First African Methodist Episcopal Church, of Los Angeles, CA

Capt. Al Lewis, of Philadelphia, PA

Interfaith Ministries, Inc., of Wichita Falls, TX

Alice Oakley, of Kennewick, WA

Let's Help, of Topeka, KS

Dean Cornett, of Paint Lick, KY

Pearl Kling, of Cheboygan, MI

Dale Shields, of Sarasota, FL

Alpha Project, of San Diego, CA

Grand Rapids Police Department Crime Analysis Unit, of Grand Rapids, MI

Concerned Friends, Inc., of Tempe, AZ

Carol DeMayo, of Williamstown, MA

Habitat for Humanity, of Charlotte, NC

Rebecca Tinkham, of Tulsa, OK

Spartanburg County SAFE (Shelter Available for Emergencies) Homes Network, of Spartanburg, SC

Tutor Exchange, of San Jose, CA

Operation Read, of Lexington, KY

Mountaineers, Inc., of Phoenix, AZ

Harold Craig Reynolds, of Seattle, WA

Justin Lebo, of Saddle Brook, NJ

Florence Ziedman, of Buffalo Grove, IL

Lakeview Shepherd Center, of New Orleans, LA

Minerva Soerheide, of Mount Hermon, CA

Mitchell Cardell Baldwin, of Birmingham, AL

Alternatives to Domestic Violence, of Riverside, CA

Connie Harris, of Springfield, OR

Davarian Baldwin, of Beloit, WI

Gudrun ``Gudy'' Gaskill, of Golden, CO

Harvest House, of Lansing, MI

Ron Dickey, of El Paso, TX

David Goldstein, of Albany, NY

William and Ethel Tibbetts, of El Monte, CA

Ohioans Helping Improve Ohio (O.H.I.O.), Inc., of Cleveland, OH

Mercy Watch, of Merritt Island, FL

Orange County Rescue Mission, of Santa Ana, CA

20 Good Men, of Kansas City, KS

Berni Ehrhart, of York, PA

Project Amigos, of San Antonio, TX

Doris Wolff, of Hanover, PA

Christopher Keener, of Somers Point, NJ

Volunteers of the Huntsville Land Trust, of Huntsville, AL

Lucy Narvaiz, of Santa Fe, NM

Submarine Group 6, of the Charleston Naval Base, SC

Mountain Outreach, of Williamsburg, KY

Janet Perreira, of Bakersfield, CA

Elizabeth Carter, of East Liverpool, OH

Connecticut Hospice, Inc., of Branford, CT

Right to Read of Weld County, Inc., of Greeley, CO

John L. Oliver, of Midland, TX

Rosemont Center, of Columbus, OH

Community Service Project, of Rockland, ME

Clare Allen, of Nashville, TN

William Smith, of Donora, PA

What About Remembering Me, Inc., of Fort Worth, TX

John Booth, of Las Vegas, NV

Thora Bautz, of Scotts Valley, CA

Soaring Eagles Project, of Minneapolis, MN

Stephanie Gore, of Savannah, GA

Friends of Lubavitch of Bergen County, of Teaneck, NJ

Bridgeway, of Lakewood, CO

Castle Skip Newell III, of Laytonville, CA

Project HEAT'S ON, of Fort Wayne, IN

Bradley Free Clinic of Roanoke Valley, Inc., of Roanoke, VA

GIVE (Grandpersons Interested in Volunteering for Education), of Toledo, OH

Officer Wayne Barton, of Boca Raton, FL

Volunteers of the San Antonio Air Logistics Center -- Kelly Air Force Base/Southwest Independent School District Mentoring Partnership, of San Antonio, TX

Dolores Camp, of Bismarck, ND

Larkin Street Youth Center, of San Francisco, CA

Florence Hodges, of Dothan, AL

Community Outreach Program of LeMoyne-Owen College, of Memphis, TN

Youth Alternatives, of Cheyenne, WY

Lucille Isakson, of Ogden, UT

Lorissa Dawn Keller, of Grand Rapids, MI

Linda Warsaw, of San Bernardino, CA

Special Care Parents, of Des Moines, IA

Georgia Elias, of Jacksonville, IL

Girls Incorporated, of Schenectady, NY

The Healing Place, of Eau Claire, WI

Ruby Honeycutt, of Greenville, NC

Harb-Adult, Inc., of Lancaster, PA

WRBH Radio, of New Orleans, LA

Bachman Memorial Home, of Cleveland, OH

Tripartite Tutorial and Mentoring Programs, of New London, CT

Court Designated Child Advocates, of San Jose, CA

Variety House for Children, of New York, NY

Joey LoDuca, of San Diego, CA

Mary Vandiver Moorhead, of Anderson, SC

Southern Oregon Drug Awareness, of Medford, OR

Carol McGann, of South Bend, IN

Leslie Sloan, of Springfield, IL

Samaritans on Cape Cod, Inc., of Falmouth, MA

Roxanne Black, of Atlantic City, NJ

Audine Haynes, of Greenville, MS

Student Coalition for Action in Literacy Education, of Chapel Hill, NC

Debra Walker, of Detroit, MI

Stephen Rice, of Sacramento, CA

Association for the Blind and Visually Impaired of Lehigh County, of Allentown, PA

Gerald Martin, of Bell Buckle, TN

D.C. Central Kitchen, of Washington, DC

Nations Association, Inc., of Fort Myers, FL

Tacoma Community House, of Tacoma, WA

Helping Us Grow Through Service and Smiles, of Colorado Springs, CO

Overcomers of Brevard, Inc., of Titusville, FL

Governor Mifflin Junior High School, of Shillington, PA

Adult Day Care Center, Inc., of Westerly, RI

Care and Counseling Center, of Downers Grove, IL

Caring Cuisine, of New Haven, CT

Wings of Hope, of Atlanta, GA

Katie Dykes, of Green Bay, WI

Rev. Tony McCreary, of Philadelphia, PA

Yong Kay Moua and Houa Vue Moua, of Eau Claire, WI

Barbara Frazee, of Nashville, TN

U.S.S. ``Elrod,'' of Charleston, SC

Our House, Inc., of Little Rock, AR

Three Rivers Literacy Alliance, of Fort Wayne, IN

ITT Hartford Insurance Group, of Hartford, CT

Second Mile, of State College, PA

Bessie Spencer, of East St. Louis, IL

Seacoast Hospice Program, of Exeter, NH

Project HOPE, of Milwaukee, WI

Coach Randy Carlisle and the Kountze High School basketball team, of Kountze, TX

Ceredo-Kenova American Legion Post No. 93 and the Tolsia High School partnership, of Kenova, WV

Good Shepherd Community Center, of Vicksburg, MS

World of Work Program, of Detroit, MI

I KNOW I CAN, of Columbus, OH

Arthur Redner, of Norwalk, CT

TOP-STEP (Tutoring Others Program -- Students Teaching Each Other Project), of Statesboro, GA

Thomas Sammons, of Las Vegas, NV

Chileda Institute, of La Crosse, WI

Family Outreach, of Copperas Cove, TX

Donald Edland Pringle, of Holden Beach, NC

Joseph and Penny Miller, of Spirit Lake, ID

Volunteer Action Division of the Department of Human Concerns, of Kahului, HI

Project CHARLIE, of Holland, MI

David Evans, of Cambridge, MA

Lawrence-At-Risk-Youth Mentoring Program, of Appleton, WI

Linda Smith, of Palmer, AK

Frances Peabody, of Portland, ME

Elliot Schneck, of San Francisco, CA

Joseph Agris,of Houston, TX

Kim and Wendy Roderick, of Bristol, RI

People Project, of Gillette, WY

All Saints Episcopal School, of Lubbock, TX

Marilyn Pona, of St. Louis, MO

Gloria Renda, of Steubenville, OH

Dorothy Score, of Prescott Valley, AZ

LIFE (Learning Is For Everyone), of Trenton, NJ

Mission Service Project, of Mission, TX

Ester Ryan, of Barberton, OH

Vigar Shamin, of Hillsboro, OR

C. Raymond Wilcox, of Sumter, SC

William Gulley, of Cincinnati, OH

Cities in Schools, of Charlotte, NC

Children's Home Society, of Jacksonville, FL

Step 2, of Reno, NV

Steven Workman, James Trescott, and Jim Yoak, of Parkersburg, WV

Hospice of Acadiana, of Lafayette, LA

Lafitte Garden Club, of New Orleans, LA

Pinch Hitter Project, Gate City Lodge Chapter of B'nai B'rith, of Atlanta, GA

Gennesaret Free Clinic, of Indianapolis, IN

Economic Crisis Center, of East Lansing, MI

The Eli Home, Inc., of Anaheim, CA

Deborah Stedman Arakaki, of Auburn, CA

Eleanor Hermanns, of Chula Vista, CA

New Year's Message to the People of the Soviet Union

January 1, 1991

It's a great pleasure to wish President and Mrs. Gorbachev and all the peoples of the Soviet Union a happy and healthy New Year. In your country and in mine, the start of a New Year is a good time to reflect on the many achievements of the past and to look ahead with hope.

This year our two countries, as well as those around the world, have much to be grateful for -- first and foremost, the improved and strengthened relations between the United States and the Soviet Union. Our countries have made great progress, particularly in important political and arms control areas. And we've taken a common approach to a new challenge in the name of stability and peace. I applaud -- the world applauds -- the decisive action of the Soviet Union in strongly opposing Saddam Hussein's brutal aggression in the Gulf.

But just as important as these new areas of cooperation between our two nations are the increased contacts between the Americans and Soviet peoples. Tens of thousands of Soviets have had contact with Americans now, and the numbers are growing. Barbara and I are thrilled to see our two peoples meeting and getting to know one another as friendly neighbors.

On this New Year's Day, as you celebrate with your friends and family, I also want to applaud the Soviet Union for the important steps you've taken in building a new society, for the determination with which you are pressing forward with difficult political and economic reforms. It's an arduous journey, but one well worth making, for it is a path that leads to a brighter future for your nation.

The American people look with hope to the year ahead. Our two nations have set out on a new course, making a better life for both our peoples and a better world of peace and understanding. On behalf of the American people, I wish President Gorbachev and all the wonderful people of the Soviet Union a happy, prosperous New Year.

Note: This message was recorded on December 19, 1990, in Room 459 of the Old Executive Office Building. It was televised in the Soviet Union on January 1. In his message, President Bush referred to President Saddam Hussein of Iraq. A tape was not available for verification of the content of this message.

Statement by Press Secretary Fitzwater on the Deployment of North Atlantic Treaty Organization Forces to Turkey

January 2, 1991

NATO decided today, at a meeting of its Defense Planning Committee, to deploy the air component of the Allied Command Europe Mobile Force to Turkey. Turkey asked the alliance for this help in order to deter the threat posed by Iraq and demonstrate NATO's solidarity with Turkey in this crisis. The NATO unit that will go to Turkey includes squadrons of aircraft from Germany, Italy, and Belgium. This alliance move is significant in three respects: First, the Allied Command Europe Mobile Force has never before been deployed in a crisis to defend an ally. Second, the decision demonstrates the alliance's support for the coalition effort and Turkey's part in it against Saddam Hussein. Third, the deployment confirms the importance and effectiveness of the alliance in the post-cold-war era.

Note: This statement referred to President Saddam Hussein of Iraq.

Appointment of Katherine L. Super as Deputy Assistant to the President for Appointments and Scheduling

January 2, 1991

The President today announced that he has appointed Katherine L. Super as Deputy Assistant to the President for Appointments and Scheduling at the White House. This appointment was effective December 21, 1990. She would succeed Joseph W. Hagin.

Since 1989 Ms. Super has served as Deputy Director of Presidential Appointments and Scheduling at the White House. Prior to this, Ms. Super served as a program and policy analyst at the U.S. Information Agency, 1983 - 1989, and as a special assistant in the Office of the Director, 1982 - 1983. In addition, Ms. Super served as Executive Assistant to the Chief of Staff at the White House, 1982; Acting Chairman and Executive Assistant at the Council on Environmental Quality, 1981; special assistant to the Acting Administrator and Director of the Office of Public Affairs at the Environmental Protection Agency, 1981. In 1980, Ms. Super served as national director of scheduling for the Bush family, Reagan-Bush '80; as staff director for the Bush family at the Bush for President Committee, 1979 - 1980; and as assistant director of surrogate scheduling for the President Ford Re-election Committee, 1975 - 1976. In addition, Ms. Super served at the Republican National Committee in several capacities from 1971 to 1975: administrative assistant to the cochairman, administrative assistant to the chairman, assistant to the chairman, and director of the White House liaison office. Ms. Super also served as a member of the board and vice president of the National League of Families of American Prisoners and Missing in Southeast Asia, 1970 - 1971.

Ms. Super graduated from Marymount University (B.B.A., 1988). She was born June 1, 1945, in South Pasadena, CA. She is married, has two children, and resides in Great Falls, VA.

Notice of the Continuation of the National Emergency With Respect to Libya

January 2, 1991

On January 7, 1986, by Executive Order No. 12543, President Reagan declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Libya. On January 8, 1986, by Executive Order No. 12544, the President took additional measures to block Libyan assets in the United States. The President transmitted a notice continuing this emergency to the Congress and the Federal Register in 1986, 1987, 1988, and 1989. Because the Government of Libya has continued its actions and policies in support of international terrorism, the national emergency declared on January 7, 1986, and the measures adopted on January 7 and January 8, 1986, to deal with that emergency, must continue in effect beyond January 7, 1991. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Libya. This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

January 2, 1991.

[Filed with the Office of the Federal Register, 9:27 a.m., January 3, 1991]

Note: The notice was printed in the ``Federal Register'' of January 4.

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Libya

January 2, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Libyan emergency is to continue in effect beyond January 7, 1991, to the Federal Register for publication.

The crisis between the United States and Libya that led to the declaration on January 7, 1986, of a national emergency has not been resolved. The Government of Libya continues to use and support international terrorism, in violation of international law and minimum standards of human behavior. Such Libyan actions and policies pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Libya to reduce its ability to support international terrorism.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement on a Proposed Meeting Between Foreign Minister Tariq `Aziz of Iraq and Secretary of State James A. Baker III

January 3, 1991

More than 1 month ago, on November 30, I proposed that Iraqi Foreign Minister `Aziz travel to Washington to meet with me late in the week of December 10, to be followed shortly thereafter by a trip to Baghdad by Secretary of State James Baker. I did so ``to go the extra mile for peace" and to demonstrate our commitment to all aspects of U.N. Security Council Resolution 678, including its ``pause for goodwill," designed to give Iraq one final opportunity to withdraw unconditionally from Kuwait on or before January 15.

While I offered 15 days during which Secretary Baker was prepared to travel to Baghdad, including Christmas, Saddam Hussein showed himself to be more interested in manipulating my offer to his advantage than in a serious response. He was not too busy to see on short notice a wide range of individuals, including Kurt Waldheim, Willy Brandt, Muhammad Ali, Ted Heath, John Connally, and Ramsey Clark, but he was too busy to find even a few hours to meet with the Secretary of State of the United States. Today marks the last of the 15 dates we suggested, and that effort is therefore at an end.

Secretary Baker is departing on January 6 for several days of close consultations with coalition partners as the UNSC date of January 15 approaches. While I am not prepared to repeat my previous offer, rejected by Saddam Hussein, I am ready to make one last attempt to go the extra mile for peace. I have therefore offered through CDA Joe Wilson in Baghdad to have Secretary Baker meet with Iraqi Foreign Minister `Aziz in Switzerland during the period January 7 - 9, while he is traveling on his consultations.

This offer is being made subject to the same conditions as my previous attempt: no negotiations, no compromises, no attempts at face-saving, and no rewards for aggression. What there will be if Iraq accepts this offer is simply and importantly an opportunity to resolve this crisis peacefully.

Note: This statement referred to President Saddam Hussein of Iraq; President Kurt Waldheim of Austria; Willy Brandt, former Chancellor of the Federal Republic of Germany; Muhammad Ali, former world heavyweight boxing champion; Edward Heath, former Prime Minister of the United Kingdom; John B. Connally, former Secretary of the Treasury; Ramsey Clark, former Attorney General; and Joseph C. Wilson IV, Charge d'Affaires at the U.S. Embassy in Baghdad, Iraq.

Nomination of Arthur J. Hill To Be an Assistant Secretary of Housing and Urban Development

January 3, 1991

The President today announced his intention to nominate Arthur J. Hill, of Florida, to be an Assistant Secretary of Housing and Urban Development. He will serve as Federal Housing Commissioner. He would succeed Austin Fitts.

Since 1989 Mr. Hill has served as President of the Government National Mortgage Association at the Department of Housing and Urban Development in Washington, DC. Prior to this, Mr. Hill served as chairman, president, chief executive officer, and director of the Peoples National Bank of Commerce in Miami, FL, 1984 - 1989. He served as vice president and regional manager for corporate lending at the Amerifirst Federal Savings and Loan Association in Miami, FL, 1983 - 1984. In addition, Mr. Hill served with the Southeast Bank, N.A., in Miami, FL, in several capacities: vice president of the corporate lending division, 1979 - 1983; assistant vice president and money market department head, 1975 - 1979; and in the management training program, 1974 - 1975.

Mr. Hill graduated from Florida Memorial College (B.S., 1971) and the University of Florida (M.A., 1973). He was born July 4, 1948, in Jacksonville, FL, and currently resides in Chevy Chase, MD.

Nomination of James F. Hoobler To Be Inspector General of the Small Business Administration

January 3, 1991

The President today announced his intention to nominate James F. Hoobler, of New York, to be Inspector General of the Small Business Administration. He would succeed Charles R. Gillum.

From 1986 to 1990, Dr. Hoobler served as Deputy Assistant Secretary of State for International Narcotics Matters at the Department of State. Prior to this, he served as senior executive for the President's Management Improvement Program at the Office of Management and Budget, 1983 - 1986; associate deputy administrator for planning and finance at the Veterans Administration, 1981 - 1983; and as the deputy chief financial officer for resource management at the Department of Energy, 1980 - 1981. In addition, Dr. Hoobler served as director of the program review and budget staff at the Department of Justice, 1973 - 1980. Dr. Hoobler was a senior program analyst in the Office of the Director at the Central Intelligence Agency.

Dr. Hoobler graduated from Kent State University (B.S., 1963) and the University of Maryland (M.A., 1967; Ph.D., 1980). He was born August 2, 1938, in Rochester, NY. He served in the U.S. Army, 1958 - 1961. Dr. Hoobler is married and resides in Rockville, MD.

Letter to Congressional Leaders Transmitting the 1990 Population and Apportionment Statistics

January 3, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to title 2, United States Code, section 2a(a), I am transmitting the statement showing the apportionment population for each State as of April 1, 1990, and the number of Representatives to which each State would be entitled.

The population counts set forth herein are subject to possible correction for undercount or overcount. The Department of Commerce is considering whether to correct these counts and will publish corrected counts, if any, not later than July 15, 1991.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement on the House of Representatives Action on the Federal Budget Agreement

January 3, 1991

I am deeply disappointed by and disturbed about the vote taken in the House of Representatives this afternoon which is designed to undo the pay-as-you-go enforcement mechanism just legislated in the recently enacted budget agreement. The vote occurred along strictly partisan lines. While the Democrats in the House tried to dress up their action, the inescapable point is that their purpose is to break the agreement that was negotiated and passed into law.

Changing the House rules with a purely party-line vote is neither fair nor right. That they have sought to break the budget agreement in what is virtually their first act of the 102d Congress puts in serious doubt whatever they might say or promise the American people on other significant issues in the upcoming session.

The provision the House Democrats would undo today is a key to enforcing the controls on Federal spending contained in the agreement, and uncontrolled spending simply creates excuses for their raising taxes.

This matter is so fundamental to public confidence in the budget agreement and in the Government itself that I must state again, unequivocally, that I will veto any bill that contains the language specified in the rule passed by the House Democrats this afternoon.

Message to the Congress Transmitting the Canada-United States Fishing Agreement

January 4, 1991

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976, as amended (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith an Agreement between the Government of the United States of America and the Government of Canada on Fisheries Enforcement, signed at Ottawa on September 26, 1990. Under the Agreement, the United States and Canada agree to take measures to ensure that their nationals and vessels do not violate the fisheries laws of the other party. This Agreement will improve enforcement of U.S. fisheries laws in the U.S. exclusive economic zone and will reduce risks to human life and safety caused by fisheries enforcement incidents on both the Atlantic and Pacific coasts.

George Bush

The White House,

January 4, 1991.

Remarks on the United States Discussions With Iraq and a Question-and-Answer Session With Reporters

January 4, 1991

The President. Let me just make a brief statement and take a couple of questions; then I've got to be on my way.

But as you all know, Iraq has accepted my initiative for a meeting between Secretary Baker and Foreign Minister `Aziz. The meeting will take place on Wednesday, January 9th, in Geneva. And this is a useful step.

I hope that Iraq's acceptance of the meeting indicates a growing awareness of the seriousness of the situation and a willingness to heed the international community's will as expressed in 12 United Nations Security Council resolutions. There can be no compromise or negotiating on the objectives contained in those U.N. resolutions. And so, it is now for Saddam Hussein to respond to the international community's plea for reason.

I took this initiative yesterday with the view of going the extra mile to achieve a peaceful solution to the current crisis in the Gulf. Secretary Baker's mission to Geneva is to convey to Iraq the gravity of the situation and the determination of the international community to overcome Iraq's aggression against Kuwait. Iraq knows what is necessary: the complete and unconditional and immediate withdrawal of all Iraqi forces from all of Kuwait, and the restoration of the legitimate government of Kuwait.

And now let me just take a couple of questions, and I'll be on my way. Helen [Helen Thomas, United Press International]?

Persian Gulf Crisis

Q. Mr. President, do you back up Baker's statement that there would be no retaliation against Iraq if it complies with the resolutions?

The President. I think it's been made clear to Iraq, not only by Secretary Baker but by others, that if they totally comply they will not be attacked. And as I have said, when they totally withdraw there still remains some problems to be solved, but they will not be under attack.

Q. Mr. President, what is in the letter you are sending to Saddam Hussein? And are you willing to have Secretary Baker go on to Baghdad if that proves an option?

The President. Well, the answer to your question is that letter has not been finalized yet. I'm

working on it. I have a copy I'm carrying with me now. I want to talk to the Secretary of State some more about it. And the second part of the question is no.

Q. Why not, sir?

Q. Mr. President, you said you wanted Secretary of State Baker to speak eye to eye with Saddam Hussein. And he was willing to meet you on the 12th. You're willing to talk on the 9th. Why not wait 3 days and have that direct meeting?

The President. Because we have exhausted that option. We put forward 15 different dates. And I believe that the message that both Secretary Baker and I want to convey can be done in this matter.

Q. You said you wanted him speaking directly and not to his intermediaries so he would know you were serious.

The President. That was rejected by the Iraqi President, and so we're going to try it this way. And I hope that it will have the same result.

Q. Does 3 days mean that much, Mr. President?

The President. I hope this will have the same result.

Yes?

Q. Mr. President, in diplomacy, as you so well know, it is often the art of give and take. The Iraqis are already saying that they will talk about getting out of Kuwait, but they want to also talk in Geneva about the Palestinian problem, about Israel's occupation of the West Bank. How are you instructing Secretary Baker to handle that portion -- --

The President. I don't need to instruct him because he and I are in total sync on this, and so are the rest of the alliance. There will be no linkage on these two questions.

Q. If I may follow up, Mr. President: Quite apart from linkage -- whether it's called linkage or not -- the Iraqis want to pursue these discussions. Is there room for some discussion on these other issues?

The President. There will be no linkage on these other issues. We can't tell anybody what he can bring up at a discussion, but there will be no linkage.

Q. Mr. President, what do you make of today's French proposal in which, outside of linkage, the

French are saying that they think a deal is possible if you tell the Iraqis that sometime down the road you'll discuss the Middle East? How do you react to that?

The President. I haven't seen the French proposal, so I wouldn't care to comment on it.

Q. Do you think that undercuts what you're trying to say here?

The President. No, I think Francois Mitterrand, if it has anything to do with him, has been a steadfast coalition partner. And I would want to know exactly what his feelings are on this before I commented.

Q. Mr. President, there have been several suggestions, including one by Mr. Mitterrand, that perhaps there's room for one more Security Council meeting before there is any military force used. Will you tell Perez de Cuellar that you would approve of anything like that, or do you think at this point the United Nations sanctions ought to stand with no clarification?

The President. I don't think any further U.N. action is required. I would be interested if the Secretary-General feels to the contrary. I again wouldn't comment on what President Mitterrand has suggested. Somebody told me he responded to some questions -- somebody putting the question to him -- and he said, well, maybe it would have some utility. There has been no formal proposal by the French Government to its coalition partners.

Q. Mr. President, if at the meeting on the 9th there seems to be progress being made but is not finished, would you delay resorting to the use of force while these talks continue?

The President. That is a little hypothetical for me to respond, and I'm not going to take any hypothetical questions on this because I don't want to show any deviation from the coalition's determination to see these United Nations [resolutions] fully implemented.

Republican National Committee Chairmanship

Q. In that case, since you couldn't take the hypothetical question, can you I ask you if you want Clayton Yeutter to head the RNC?

The President. He'd be very good, wouldn't he?

Economic Outlook

Q. Mr. President, on the economy for a second, with today's latest unemployment numbers, how serious do you think the recession is, and what specifically are you doing about it?

The President. I think the answer is that most people that have looked at the economy feel that the recession -- should it be proved technically that this country is in recession -- will be shallow. It will be not a deep recession. And wait and see what our proposals are for the economy in the State of the Union message.

Persian Gulf Crisis

Q. Mr. President, is Secretary Baker prepared to discuss with Tariq `Aziz further steps on the Arab-Israeli issue -- the Palestinian issue?

The President. No, I don't think he's prepared to do that.

Q. So, he'll just listen to anything he might have to say, but not -- --

The President. You'd have to ask him how he plans to conduct the meeting. But he is going to conduct the meeting within the confines of the United Nations resolutions. And to do something different would be not in accord with what the coalition partners, including this one, wants to see happen.

Q. Are you more optimistic now about the chances for peace, now that there is a meeting set up?

The President. I haven't gotten pessimistic about it. But time is going on here, and the coalition remains united in every way on these U.N. resolutions. But I think you'd have to view this as a positive step, yes. I was pleased that the proposal has been accepted.

Q. You say it's a positive step. Do you think that finally Saddam Hussein is starting to get the message, or not?

The President. Well, I don't think he has gotten the message and, of course, the purpose here is that he do get the message. So, let's hope that it will work. I will say, just to be realistic about it, that there have been many meetings with Saddam Hussein, many meetings with Tariq `Aziz, and heretofore the message has not been gotten. But Jim Baker is quite persuasive. He is a man of great conviction on this question. And I think that this represents a real opportunity for the Iraqis to understand how serious this coalition partner is about seeing these resolutions fully implemented.

Federal Reserve Board Vacancy

Q. Mr. President, do you expect to fill the Fed vacancy soon, and will it be Larry Lindsey?

The President. The answer to the question is: yes, and I don't know -- two-pronged question.

Persian Gulf Crisis

Q. Mr. President, would you look without favor on a trip to Baghdad by some other members of the coalition right now, say a European representative?

The President. Look, these coalition members are free to do whatever they want. Several have gone to Baghdad, I believe. I'd have to think back to the actual members of the coalition -- representatives of governments there. I know there's a French representative there right now, I believe. So, they have to make that determination. But I am pleased with the way the EC has approached this matter, giving priority to the Baker-`Aziz meeting in Geneva. I am very pleased with the comments coming out of the EC by Mr. Poos, just as I was by the comments coming out from Andreotti and De Michelis who had the Presidency -- the Italians having the Presidency beforehand. So, I have no hangups on that.

Many people have tried to talk sense to the Iraqis and make them understand what they're facing. So, that's for others to determine. We're not trying to dictate to anybody what they do.

Yes, Rita [Rita Beamish, Associated Press]?

Republican National Committee Chairmanship

Q. Mr. President, have you offered the job of RNC chairman to Clayton Yeutter?

The President. You're pinning me down too much, see. Because what I had planned to do is, if we had an announcement to make on that, I would sally forth and announce it. So, I don't want to respond except to reiterate that if Clayton Yeutter were asked to be chairman he would be a superb chairman.

Persian Gulf Crisis

Q. Mr. President, does your meeting tomorrow with Perez de Cuellar offer some new hope?

The President. I can't say that. I don't want to mislead the American people or the people around the world that are concerned and growing increasing concerned about this situation. But I go back with Perez de Cuellar for a long time. We were Ambassadors at the United Nations together in 1971 or '2. And I've known him, and I know him very favorably, and I have great respect for what he has tried to do, including a trip to that area of the Middle East to make the Iraqis understand that the United Nations was serious.

I talked to him in Paris, and I am very anxious to see him and to compare notes with him. But I don't want to mislead you in answering the question. I don't have in mind any new initiative. But I

do think that he stays in close touch with it. I heard what he had to say yesterday about things he is doing privately, keeping up with the key players on this Gulf situation. And so, I think it's more of a getting together and comparing notes. And he knows of my determination and our coalition position, so I don't need to reiterate that there. But I think it's more getting together, and if some new initiative, he has it in mind, why, I'm most anxious to hear what it might be.

Q. Are you ruling out a meeting with Saddam by any American official?

The President. I certainly don't have anything of that nature in mind. As I told you, the home and home is off, and this meeting has replaced it.

Arms Request by Saudi Arabia

Q. Mr. President, isn't this a strange time to be canceling an arms deal for Saudi Arabia?

The President. I'm not canceling any arms deal for Saudi Arabia.

Q. I thought you had requested a $7-billion package and that you're not going to go ahead with it.

The President. Well, I think the Saudi Arabians are free to make any request they want, and we would recommend it. But I think at this juncture, why, it may not be pushed forward right now. But that would not be without Saudi acquiescence, I can tell you that, because people are free to come in and make various requests, and if we think they're worthy, well, we'll push them. But they've got to satisfy themselves on the timing here.

One last one? Yes. I'm sorry. The frantic -- way over -- --

Persian Gulf Crisis

Q. One of your key economic advisers, Michael Boskin, has said that the oil situation in the Middle East is putting a major drag on the economy. The fact that you are predicting that the recession will be short-lived -- does that mean that you also expect the Gulf crisis to be short-lived and that you will resolve it quickly and decisively through military action?

The President. I wouldn't read too much into that. But one of the reasons I don't want it to drag on, one of the reasons, is because of the adverse effect it is having not just on the United States economy but on the economies of the Third World, on the economies of the emerging democracies in Eastern Europe, on the economies of our friends in South America. This is universal.

And on my recent trip to South America I heard it over and over again. Vaclav Havel told me of a cost to his country of $1.5 billion. I've heard indirectly from President Diouf of Senegal, and

those that are concerned about the hardships that are being endured by the countries in Africa ought to hear what he has to say about what Saddam Hussein has done to his country by this adventure.

And so, this economic effect is worldwide, and yes, it does adversely affect the economy of the United States. I think it makes this decline, economic slowdown, the recession that exists in some parts of this country much more serious. And so, that would argue for a rapid conclusion to the deal.

And I see my wife telling me to get going, so thank you all very much. We'll see you all.

Note: The President spoke at 3:39 p.m. on the South Lawn at the White House, prior to his departure for Camp David, MD. In his remarks, he referred to Secretary of State James A. Baker III; Foreign Minister Tariq `Aziz and President Saddam Hussein of Iraq; President Francois Mitterrand of France; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; Secretary of Agriculture Clayton K. Yeutter; Lawrence Lindsay, Special Assistant to the President for Policy Development; Foreign Minister Jacques Poos of Luxembourg, President of the European Community; Prime Minister Giulio Andreotti and Foreign Minister Gianni De Michelis of Italy; Michael J. Boskin, Chairman of the Council of Economic Advisers; President Vaclav Havel of Czechoslovakia; and President Abdon Diouf of Senegal.

Radio Address to the Nation on the Persian Gulf Crisis

January 5, 1991

As the new year begins, new challenges unfold -- challenges to America and the future of our world. Simply put: 1990 saw Iraq invade and occupy Kuwait. Nineteen ninety-one will see Iraq withdraw -- preferably by choice; by force, if need be. It is my most sincere hope 1991 is a year of peace. I've seen the hideous face of war and counted the costs of conflict in friends lost. I remember this all too well, and have no greater concern than the well-being of our men and women stationed in the Persian Gulf. True, their morale is sky-high. True, if they are called upon to fight the aggressors, they will do their job courageously, professionally and, in the end, decisively. There will be no more Vietnams.

But we should go the extra mile before asking our service men and women to stand in harm's way. We should, and we have. The United Nations, with the full support of the United States, has already tried to peacefully pressure Iraq out of Kuwait, implementing economic sanctions and securing the condemnation of the world in the form of no less than 12 resolutions of the U.N. Security Council.

This week, we've taken one more step. I have offered to have Secretary of State James Baker meet with Iraqi Foreign Minister Tariq `Aziz in Switzerland. Yesterday, we received word that Iraq has accepted our offer to meet in Geneva. This will not be secret diplomacy at work. Secretary Baker will restate, in person, a message for Saddam Hussein: Withdraw from Kuwait unconditionally and immediately, or face the terrible consequences.

Eleven days from today, Saddam Hussein will either have met the United Nations deadline for a full and unconditional withdrawal, or he will have once again defied the civilized world. This is a deadline for Saddam Hussein to comply with the United Nations resolution, not a deadline for our own Armed Forces. Still, time is running out. It's running out because each day that passes brings real costs.

Saddam already poses a strategic threat to the capital cities of Egypt, Saudi Arabia, Turkey, Israel, and Syria, as well as our own men and women in the Gulf region. In fact, Saddam has used chemical weapons of mass destruction against innocent villagers, his own people. Each day that passes brings Saddam Hussein further on the path to developing biological and nuclear weapons and the missiles to deliver them. If Saddam corners the world energy market, he can then finance further aggression, terror, and blackmail. Each day that passes increases Saddam's worldwide threat to democracy.

The struggling newborn democracies of Eastern Europe and Latin America already face a staggering challenge in making the transition to a free market. But the added weight of higher oil prices is a crushing burden they cannot afford. And our own economy is suffering, suffering the

effects of higher oil prices and lower growth stemming from Saddam's aggression.

Each day that passes, Saddam's forces also fortify and dig in deeper into Kuwait. We risk paying a higher price in the most precious currency of all -- human life -- if we give Saddam more time to prepare for war. And each day that passes is another day of fear, suffering, and terror for the people of Kuwait, many who risked their lives to shelter and hide Americans from Iraqi soldiers. As the Amir of Kuwait said to our Vice President just last week, those who advocate waiting longer for sanctions to work do not have to live under such brutal occupation.

As I have discussed with Members of Congress just 2 days ago and in our many other consultations, economic sanctions are taking a toll, but they are still not forcing Saddam out of Kuwait. Nor do we know when or even if they will be successful. As a result, America and her partners in this unprecedented coalition are sharing the burden of this important mission, and we are ready to use force to defend a new order emerging among the nations of the world -- a world of sovereign nations living in peace.

We have seen too often in this century how quickly any threat to one becomes a threat to all. At this critical moment in history, at a time the cold war is fading into the past, we cannot fail. At stake is not simply some distant country called Kuwait. At stake is the kind of world we will inhabit.

Last Thanksgiving, I broke bread with some of our men and women on the front lines. They understand why we are in Saudi Arabia, and what we may have to do. I witnessed courage unfazed by the closeness of danger and determination undiminished by the harsh desert sun. These men and women are America's finest. We owe each of them our gratitude and full support. That is why we must all stand together, not as Republicans or Democrats, conservatives or liberals, but as Americans.

Note: This address was recorded January 4 in the Oval Office at the White House and was broadcast at 12:06 p.m. on January 5. In his address, President Bush referred to President Saddam Hussein of Iraq and Amir Jabir al-Ahmad al-Jabir Al Sabah of Kuwait.

Nomination of George H. Pfau, Jr., To Be a Director of the Securities Investor Protection Corporation

January 7, 1991

The President today announced his intention to nominate George H. Pfau, Jr., of California, to be a Director of the Securities Investor Protection Corporation for a term expiring December 31, 1993. He would succeed Frederick N. Khedouri.

Since 1979 Mr. Pfau has served as senior vice president for Paine Webber in San Francisco, CA. Prior to this, Mr. Pfau served as first vice president in the corporate finance department at Blyth, Eastman, Dillon, 1978 - 1979. Mr. Pfau served in several capacities with White, Weld and Co., Inc., 1957 - 1978.

Mr. Pfau graduated from Yale University (B.S., 1948). He was born May 7, 1924, in Milwaukee, WI. Mr. Pfau served in the U.S. Army Corps of Engineers, 1942 - 1944. Mr. Pfau is married, has four children, and resides in San Francisco, CA.

Message to Allied Nations on the Persian Gulf Crisis

January 8, 1991

More than 5 months ago, in the early morning hours of August 2d, Iraqi forces rolled south and the rape of Kuwait began. That unprovoked invasion was more than an attack on Kuwait, more than the brutal occupation of a tiny nation that posed no threat to its large and powerful neighbor. It was an assault on the very notion of international order.

My purpose in speaking to you, the people of countries united against this assault, is to share with you my view of the aims and objectives that must guide us in the challenging days ahead. From the center of the crisis in the Middle East, to people and countries on every continent, to the families with loved ones held hostage, to the many millions sure to suffer at the hands of one man with a stranglehold on the world's economic lifeline, Iraq's aggression has caused untold suffering, hardship, and uncertainty.

In the more than 5 months since August 2d, Iraqi troops have carried out a systematic campaign of terror on the people of Kuwait -- unspeakable atrocities against men and women and, among the maimed and murdered, even innocent children. In the more than 5 months since August 2d, Iraq's action has imposed economic strains on nations large and small -- among them some of the world's newest democracies at the very moment they are most vulnerable. And yet, Iraq's aggression did not go unchallenged.

In the 5 months since August 2d, the world has witnessed the emergence of an unprecedented coalition against aggression. In the United Nations, Iraq's outlaw act has met a chorus of condemnation in 12 resolutions with the overwhelming support of the Security Council. At this moment, forces from 27 nations -- rich and poor, Arab and Muslim, European, Asian, African, and American -- stand side by side in the Gulf, determined that Saddam's aggression will not stand.

We're now entering the most critical period of this crisis. For the past 5 months, Saddam has held the world and the norms of civilized conduct in contempt. In the next few days, Iraq arrives at a deadline that spells the limit of the civilized world's patience.

Let me be clear about the upcoming deadline. January 15 is not a ``date certain'' for the onset of armed conflict; it is a deadline for Saddam Hussein to choose, to choose peace over war. The purpose of declaring this deadline was to give Saddam fair warning: Withdraw from Kuwait, without condition and without delay, or -- at any time on or after that date -- face a coalition ready and willing to employ ``all means necessary'' to enforce the will of the United Nations.

Every one of us, each day of this crisis, has held out hope for a peaceful solution. Even now, as the deadline draws near, we continue to seek a way to end this crisis without further conflict. And

that is why, back on November 30, I offered to have Secretary Baker travel to Baghdad to meet with Saddam Hussein. And that is why, even after Saddam failed to respond, failed to find time to meet on any of the 15 days we put forward, I invited Iraq's Foreign Minister to meet with Secretary Baker in Geneva on January 9th.

In Geneva, we will be guided by the will of the world community -- expressed in those 12 U.N. resolutions I mentioned a moment ago. I didn't send Secretary Baker to Geneva to compromise or to offer concessions. This meeting offers Saddam Hussein a chance -- possibly the final chance -- before the U.N. deadline to resolve by peaceful means the crisis that he has created.

Saddam may seek to split the coalition, to exploit our sincere desire for peace, to secure for himself the spoils of war. He will fail -- just as he has failed for more than 5 months. I know that pressures are now building to provide Saddam some means of saving face, or to accept a withdrawal that is less than unconditional. The danger in this course should be clear to all. The price of peace now on Saddam's terms will be paid many times over in greater sacrifice and suffering. Saddam's power will only grow, along with his appetite for more conquest. The next conflict will find him stronger still -- perhaps in possession even of nuclear weapons -- and far more difficult to defeat. And that is why we simply cannot accept anything less than full compliance with the United Nations dictates: Iraq's complete and unconditional withdrawal from Kuwait.

I began by saying that Iraq's action was more than an attack on one nation -- it is an assault on us all, on the international order we all share. We who have witnessed in this past year an end to the long years of cold war and conflict, we who have seen so much positive change, stand now at a critical moment, one that will shape the world we live in for years, even decades, to come.

The key now in meeting this challenge is for this remarkable coalition to remain steadfast and strong. If we remain in the days ahead nations united against aggression, we will turn back not only the actions of an ambitious dictator; we will, as partners, step forward toward a world of peace.

Thank you, and may God bless all of you.

Note: This message was recorded January 6 at Camp David, MD, and it was broadcast at noon on January 8 over the U.S. Information Agency WORLDNET satellite network. In his message, President Bush referred to President Saddam Hussein and Foreign Minister Tariq `Aziz of Iraq and Secretary of State James A. Baker III. A tape was not available for verification of the content of this message.

Letter to Congressional Leaders on the Persian Gulf Crisis

January 8, 1991

Dear XXXXX:

The current situation in the Persian Gulf, brought about by Iraq's unprovoked invasion and subsequent brutal occupation of Kuwait, threatens vital U.S. interests. The situation also threatens the peace. It would, however, greatly enhance the chances for peace if Congress were now to go on record supporting the position adopted by the UN Security Council on twelve separate occasions. Such an action would underline that the United States stands with the international community and on the side of law and decency; it also would help dispel any belief that may exist in the minds of Iraq's leaders that the United States lacks the necessary unity to act decisively in response to Iraq's continued aggression against Kuwait.

Secretary of State Baker is meeting with Iraq's Foreign Minister on January 9. It would have been most constructive if he could have presented the Iraqi government a Resolution passed by both houses of Congress supporting the UN position and in particular Security Council Resolution 678. As you know, I have frequently stated my desire for such a Resolution. Nevertheless, there is still opportunity for Congress to act to strengthen the prospects for peace and safeguard this country's vital interests.

I therefore request that the House of Representatives and the Senate adopt a Resolution stating that Congress supports the use of all necessary means to implement UN Security Council Resolution 678. Such action would send the clearest possible message to Saddam Hussein that he must withdraw without condition or delay from Kuwait. Anything less would only encourage Iraqi intransigence; anything else would risk detracting from the international coalition arrayed against Iraq's aggression.

Mr. Speaker, I am determined to do whatever is necessary to protect America's security. I ask Congress to join with me in this task. I can think of no better way than for Congress to express its support for the President at this critical time. This truly is the last best chance for peace.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; George J. Mitchell, Senate majority leader; Robert Dole, Senate Republican leader; and Robert H. Michel, House Republican leader.

Nomination of Stanford E. Parris To Be Administrator of the Saint Lawrence Seaway Development Corporation

January 8, 1991

The President today announced his intention to nominate Stanford E. Parris, of Virginia, to be Administrator of the Saint Lawrence Seaway Development Corporation, Department of Transportation, for a term of 7 years. He would succeed James L. Emery.

Congressman Parris served as the United States Congressman for the Eighth District of Virginia from 1981 to 1990. Prior to this, he was a partner with Swayze, Parris, Tydings, and Bryan.

Congressman Parris graduated from the University of Illinois (B.S., 1950) and George Washington University (J.D., 1958). Congressman Parris served in the U.S. Air Force, 1950 - 1954. He was born September 9, 1929, in Champaign, IL. Congressman Parris is married, has three children, and resides in Alexandria, VA.

Appointment of Gregory S. Walden as Associate Counsel to the President

January 8, 1991

The President today announced the appointment of Gregory S. Walden, of California, to be Associate Counsel to the President at the White House.

Since 1988 Mr. Walden has served as Chief Counsel of the Federal Aviation Administration at the Department of Transportation. Mr. Walden served with the Department of Justice in several capacities: Associate Deputy Attorney General, 1986 - 1988; Deputy Associate Attorney General, 1986; and special assistant to the Assistant Attorney General in the Civil Division, 1983 - 1986. In addition, he served at the U.S. Court of Appeals for the District of Columbia as a law clerk to Robert H. Bork, Circuit Judge, 1982, and as a court law clerk, 1980 - 1982.

Mr. Walden graduated from Washington and Lee University (B.A., cum laude, 1977) and the University of San Diego School of Law (J.D., magna cum laude, 1980). He was born June 26, 1955, in Champaign, IL. Mr. Walden resides in Alexandria, VA.

Remarks at the Presentation Ceremony for the Senior Executive Service Presidential Rank Awards

January 9, 1991

Thank you all and welcome. And I am delighted to be here with such a distinguished group of Government officials and, of course, delighted to see Secretary Derwinski and Secretary Mosbacher here. Secretary Yeutter will probably be along, but he was to be here to salute you as well; also the Acting Secretary, Ted Sanders, from the Department of Education. Bill Sessions is here; Bruce Gelb; Dick Truly is supposed to be -- I'm getting in trouble here. [Laughter] And I'll stop there. Many senior officials -- and of course, the one we all know and for whom I have great respect, Connie Newman of OPM.

But we're here today to congratulate some people whose names may not be as well-known as some that I've mentioned here but whose accomplishments are recognized by everyone who's had the privilege to work alongside of them. And on behalf of our administration, I would like to welcome and congratulate the 69 men and women who have been selected for this year's Presidential Distinguished Rank Award.

As you know, this award is the highest honor given to career members of the Senior Executive Service. And this year's honorees are an impressive bunch, indeed. You come from across the Federal Government, representing virtually every part of the executive branch, from the Department of Defense to the National Transportation Safety Board.

But what all of you have in common is outstanding ability and unsurpassed devotion and dedication to Government service. The dedication, expertise and zeal that you have brought to your work have made you invaluable assets to your Agencies and Departments and to the Federal Government as a whole. You've also achieved something else. You've enhanced the dignity and the stature of public life, of public service. And that is an achievement for which you have every reason to be proud.

It's often thought that a career in public service is a thankless one. And it's true that the people who put in the long hours and keep the Government moving rarely make the front page or the Sunday talk shows. That last point, that may be a blessing for all of you. [Laughter] But as someone who has devoted a fair amount of my own life to parts of government and public service, I know that good government simply cannot exist without serious, committed, and hard-working individuals willing to devote their career to public service. Your integrity and professionalism have helped make our Federal Government a model for the rest of the world. And that's why I am so pleased that we can take the opportunity to recognize your achievements and honor every one of you for such distinguished service to the Nation.

So, on behalf of your colleagues in the Federal service and on behalf of the American people that

you serve so well, let me say thanks for a job well done. And now I believe we can get on with the business at hand, Connie. But I really congratulate you all from the bottom of a very, very grateful heart. Thank you so much.

Note: The President spoke at 10:05 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Secretary of Veterans Affairs Edward J. Derwinski; Secretary of Commerce Robert A. Mosbacher; Secretary of Agriculture Clayton K. Yeutter; Acting Secretary of Education Ted Sanders; William S. Sessions, Director of the Federal Bureau of Investigation; Bruce S. Gelb, Director of the U.S. Information Agency; Richard H. Truly, Administrator of the National Aeronautics and Space Administration; and Constance Berry Newman, Director of the Office of Personnel Management.

Message to the Congress Reporting Budget Deferrals

January 9, 1991

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report two newÿ7EÿE deferralsÿ7EÿE andÿ7EÿE fourÿ7EÿE revisedÿ7EÿE deferrals of budget authority now totalling $9,093,864,337.

The deferrals affect International Security Assistance programs, as well as programs of the Departments of Agriculture, State, and Transportation.

The details of these deferrals are contained in the attached report.

George Bush

The White House,

January 9, 1991.

Note: The attachment detailing the proposed deferrals was printed in the ``Federal Register'' of January 16.

Exchange With Reporters on the Persian Gulf Crisis

January 9, 1991

Q. Mr. President, are you encouraged by what you've heard from Secretary Baker, sir?

The President. Encouraged, you say? No.

Q. Why, sir?

The President. Because I think Iraq has demonstrated no flexibility whatsoever. And I think the meeting we're having here today now takes on even greater importance because I would like to see the Congress send a strong signal that they want to see these United Nations resolutions fully supported. And given the position taken by Iraq at the Geneva meetings -- it lasted several hours, the meetings did -- but I've talked to the Secretary of State, and I've told these friends in the United States Congress of his reaction. And his reaction was they were not flexible at all and showed no propensity to comply with the United Nations resolutions.

The rest of the world, I am convinced, wants to see all 12 of those resolutions complied with. So, Baker could not report any progress at all. He's having a press conference right now, and maybe I'll have an opportunity to talk to the White House press corps after that. We welcome the Members of Congress saying exactly how they feel when they leave here. Whether they agree with me entirely or not, they can go out and do what they want.

Q. Well, does this end the subject and does this mean war, Mr. President?

The President. As I told you, I hope that the Congress will send a good, strong signal, and I'm not giving up on peace at all. We took the extra step in terms of the United States meeting with Iraq after many, many dates proposed by us being turned down. We arranged for this -- I proposed the Baker-`Aziz meeting. And now it has been a frustration because they have demonstrated no propensity to comply with the resolutions -- none at all. And that is unsatisfactory to the United States, and it will be totally unsatisfactory also to our coalition partners. But let us hope that strong statements from around the world will help him understand that peace is the answer.

And so, though I have taken the last extra step for peace in terms of a bilateral negotiation, I would remind everybody that this isn't Iraq versus the United States; this is Iraq versus the entire United Nations -- not just the Security Council but the General Assembly as well. And that is a point that is being missed by many people in the United States and around the world.

So, I am hopeful still that he will -- having seen a firm position on the part of the United States, having heard from the EC as recently as 2 days ago, having heard from the French and the British and everybody else that he must comply -- that he will comply. But I can't tell you that this Baker

meeting moved the process forward an inch unless -- the only bright spot I can put on it is that he sees now, the Foreign Minister sees now, and hopefully he will report this directly back to the President, that the United States is more determined than ever to do its part in fulfilling the United States -- in complying with all the resolutions of the U.N.

So, that's about where we are now.

Q. Would you welcome a French mission to Baghdad?

Q. Mr. President, would it help or hinder efforts at this point for the French and other partners in the alliance to -- --

The President. We have had mission after mission for peace. I'd have to think it out. I talked to the Secretary-General up there in Camp David this weekend about possibly another mission, but he knows and I know that he would operate within the confines of the Security Council. So if that could be helpful, we would be supportive.

The EC wanted `Aziz to come and talk to them. I don't know, Larry [Lawrence O'Rourke, St. Louis Post-Dispatch], where that stands, but I gather that Iraq, once again, rather arrogantly turned that down. But we are going to keep probing for peace because that's what I want. But we are going to stay firm in our resolve to see the United Nations resolutions complied with.

Q. Did he offer you anything in the way -- did he offer anything as an alternative to -- a phased withdrawal -- --

The President. No.

Q. -- -- or some future point, or postponing the deadline?

The President. No.

Q. Why did they take 6 hours?

Q. Did they negotiate, sir, or did -- --

The President. You rush out now and listen to the Baker press conference, and you'll get the answer to those questions better than I could give them, because I think he's in a press conference right now. And that will be followed by the Tariq `Aziz press conference in Geneva.

But I would like to turn this part of this meeting off by saying that I am very grateful to the Members of Congress here from both sides of the aisle, Democrats and Republicans, who have

come together to try to help resolve this crisis in a peaceful manner. And in my view, a resolution supporting the United Nations resolutions or encouraging -- of giving the President -- telling the President to go out and do this is the best way now, given the intransigence of Iraq, to have a shot for peace.

But there was no concession by the Iraqis, no give, and they rejected the letter, to even take that directly to Saddam Hussein. So -- --

Q. Rejected your letter, sir?

The President. Exactly. And that will be covered now in the press conference.

Note: The exchange began at 2:05 p.m. in the Cabinet Room at the White House. President Bush referred to Secretary of State James A. Baker III; Foreign Minister Tariq `Aziz and President Saddam Hussein of Iraq; and Javier Perez de Cuellar de la Guerra, Secretary-General of the United Nations. A tape was not available for verification of the content of this exchange.

The President's News Conference on the Persian Gulf Crisis

January 9, 1991

The President. I have a brief opening statement, and then I will take a few questions.

I have spoken with Secretary of State Jim Baker, who reported to me on his nearly 7 hours of conversation with Iraqi Foreign Minister Tariq `Aziz. Secretary Baker made it clear that he discerned no evidence whatsoever that Iraq was willing to comply with the international community's demand to withdraw from Kuwait and comply with the United Nations resolutions.

Secretary Baker also reported to me that the Iraqi Foreign Minister rejected my letter to Saddam Hussein -- refused to carry this letter and give it to the President of Iraq. The Iraqi Ambassador here in Washington did the same thing. This is but one more example that the Iraqi Government is not interested in direct communications designed to settle the Persian Gulf situation.

The record shows that whether the diplomacy is initiated by the United States, the United Nations, the Arab League, or the European Community, the results are the same, unfortunately. The conclusion is clear: Saddam Hussein continues to reject a diplomatic solution.

I sent Secretary Jim Baker to Geneva not to negotiate but to communicate. And I wanted Iraqi leaders to know just how determined we are that the Iraqi forces leave Kuwait without condition or further delay. Secretary Baker made clear that by its full compliance with the 12 relevant United Nations Security Council resolutions, Iraq would gain the opportunity to rejoin the international community. And he also made clear how much Iraq stands to lose if it does not comply.

Let me emphasize that I have not given up on a peaceful outcome -- it's not too late. I've just been on the phone, subsequent to the Baker press conference, with King Fahd, with President Mitterrand -- to whom I've talked twice today -- Prime Minister Mulroney. And others are contacting other coalition partners to keep the matter under lively discussion. It isn't too late. But now, as it's been before, the choice of peace or war is really Saddam Hussein's to make.

And now I'd be glad to take a few questions.

Q. Mr. President, you said in an interview last month that you believed in your gut that Saddam Hussein would withdraw from Kuwait by January 15th. After the failure of this meeting today, what does your gut tell you about that? And in your gut, do you believe that there's going to be war or peace?

The President. I can't misrepresent this to the American people. I am discouraged. I watched much of the `Aziz press conference, and there was no discussion of withdrawal from Kuwait. The United Nations resolutions are about the aggression against Kuwait. They're about the invasion of Kuwait, about the liquidation of a lot of the people in Kuwait, about the restoration of the legitimate government to Kuwait. And here we were listening to a 45-minute press conference after the Secretary of State of the United States had 6 hours worth of meetings over there, and there was not one single sentence that has to relate to their willingness to get out of Kuwait.

And so, Terry [Terence Hunt, Associated Press], I'd have to say I certainly am not encouraged by that, but I'm not going to give up. And I told this to our coalition partners -- and I'll be talking to more of them when I finish here -- we've got to keep trying. But this was a total stiff-arm. This was a total rebuff.

Q. Let me follow up on that. Let me follow up. Have you decided in your mind to go to war if he's not out of there by the 15th?

The President. I have not made up my decision on what and when to do. I am more determined than ever that the United Nations resolutions including 678 is implemented fully.

Yes, Helen [Helen Thomas, United Press International]?

Q. Mr. President, `Aziz made a pledge that he would not make the first attack. Would you match that? And also, what's wrong with a Middle East conference if it could avoid a bloody war?

The President. No, I wouldn't make it. And we oppose linkage. The coalition opposes linkage. And the argument with Saddam Hussein is about Kuwait. It is about the invasion of Kuwait, the liquidation of a member of the United Nations, a member of the Arab League. And it has long been determined by not just the Security Council but by the entire United Nations that this is about Kuwait. And that is the point that was missing from his explanations here today. And so, there will be no linkage on these items. And that's been the firm position of all of the allies, those with forces there, and, indeed, of the United Nations -- the General Assembly -- --

Q. So, you feel free to attack?

The President. -- -- so when he talked about his allies there, I don't know who stood up at the General Assembly of the United Nations and stood against the resolution that so overwhelmingly passed condemning Iraq. So, there will be no linkage, put it that way.

Q. Mr. President?

The President. Yes, Brit [Brit Hume, ABC News].

Q. Tariq `Aziz, on the subject of the letter, suggested that it was rude in its use of language and somehow inappropriate to a diplomatic communication. I wonder, sir, if you are willing to release the letter, now that it has run its course, apparently? And if, whether you are or not, would you characterize it for us and tell us what it said?

The President. Well, let me first describe why I wanted to send a letter. It has been alleged, fairly or unfairly, that those around Saddam Hussein refuse to bring him bad news or refuse to tell it to him straight. And so, I made the determination that I would write a letter that would explain as clearly and forcefully as I could exactly what the situation is that he faces. The letter was not rude. The letter was direct. And the letter did exactly what I think is necessary at this stage.

But to refuse to even pass a letter along seems to me to be just one more manifestation of the stonewalling that has taken place. We gave him 15 dates for the Secretary of State to meet with him. And he's off meeting with Mr. A and Mr. B and Mr. C and has no time for that.

So, the letter was proper -- I've been around the diplomatic track for a long time -- the letter was proper, it was direct, and it was what I think would have been helpful to him to show him the resolve of the rest of the world -- certainly of the coalition.

In terms of releasing it, Brit, I haven't given much thought to that. It was written as a letter to him. But let me think about it. I might be willing to do it; I might not. I just don't know. If I thought it would help get the message out to him in an indirect way maybe it makes some sense, although we've been saying essentially the same thing over and over again that was in the letter.

Q. Well, Mr. President, was the refusal by the Ambassador here to even accept the letter -- was that prior to or simultaneous with the refusal of Tariq `Aziz? I mean, is it your impression -- --

The President. I think it was after he had made that -- I think it was after the letter had been rejected at the table there in Geneva. Just one more effort to try to get this direct communication to him. I'm not sure on that, but I believe that's correct.

Q. Mr. President, there are reports that you are considering a callup of up to a million reservists to reinforce the forces that are serving in the Persian Gulf. What can you tell us about that?

The President. I can tell you nobody has ever suggested that to me.

Q. Is there any reserve callup being contemplated at this point?

The President. I'll tell you what I'll do. I'll ask the Secretary of Defense to respond to that question when I get finished here.

Q. Can you tell us what your attitude now is about the use-of-force resolution that you asked for

yesterday with the Congress?

The President. Well, I had a good meeting with certain Members of Congress. I've talked to all four leaders this afternoon -- Senator Mitchell, Senator Dole, Speaker Foley, Congressman Michel -- I talked to him in person here. And I'm not sure where it stands. I am anxious to see and would certainly welcome a resolution that says we are going to implement the United Nations resolutions to a tee.

I don't think it's too late to send a consolidated signal to Saddam Hussein. And I think that would be a consolidated signal. I think it would be helpful still. I've told the Congressmen back in December, as I think I told everyone in this room, that I would have welcomed a resolution back then, provided it would send this solid signal. But if it can do it today, I would welcome it.

So, I don't know exactly where it stands, but I know that there is a good feeling up there. I think people see that the American people are supportive of the policy of this country. I think they see that we have tried the diplomatic track. I hope they know that I am as committed to peace as anyone. But I hope they also know that I am firmly determined to see that this aggression not stand. And I think they're backing me in that.

So, maybe that ingredient, which hasn't always been quite as clear as it is now, will help as this debate, proper debate, goes forward in the Congress.

Q. Do you think you need such a resolution? And if you lose it, would you be bound by that?

The President. I don't think I need it. I think Secretary Cheney expressed it very well the other day. There are different opinions on either side of this question, but Saddam Hussein should be under no question on this: I feel that I have the authority to fully implement the United Nations resolutions.

Q. And the question of being bound -- the second part of that?

The President. I still feel that I have the constitutional authority -- many attorneys having so advised me.

Q. Sir, I want to ask you about Francois Mitterrand. But Wyatt's [Wyatt Andrews, CBS News] question opens up a whole area. Let me just ask you: You talk about you don't want this to be another Vietnam.

The President. It won't be another Vietnam.

Q. If the Congress of the United States refuses to give you a resolution that -- refuses to even give you a Gulf of Tonkin-type resolution, how can you go to war?

The President. I don't think they're going to refuse.

Q. Okay. Let me ask you about Francois Mitterrand. You say the -- --

The President. There have been 200 -- I'll just repeat for the record that there have been a lot of uses of force in our history and very few declarations of war. But I have tried. I have done more consultation with the Congress than any other President. Some of these Democratic Members have told me that. And I have tried to reach out to them in various ways, and I will continue to do it, because I want to see a solid front here as we stand up against this aggressor.

Q. Let me ask you about that solid front -- --

The President. And I think it enhances the peace. I really believe, John [John Cochran, NBC News], that he is living under a delusion. I think he doesn't think that force will be used against him. I think he's misinterpreted the debate. I also think he's under a delusion about what would happen if a conflagration breaks out. I believe that firmly, and I've had many, many people whom I respect tell me that. So, I would hope that what we're talking about here would dissuade him from that.

This is a followup.

Q. You've said that the coalition is united against any linkage on the Palestinian question. You've talked to Francois Mitterrand twice today. But in public he says he is for this international peace conference, and he seems to have no objection at all if Saddam Hussein wants to use that as a figleaf to pull out of Kuwait. You do have an objection. Mitterrand also says that apparently the European Community foreign ministers are going to meet with `Aziz apparently in Algiers. What if they go in there and say, well, we have no objection to an international peace conference on the Mideast?

The President. The foreign ministers of the EC have been very solid, and so has President Francois Mitterrand, that there will be no linkage. So you're asking me a hypothetical question that I won't have to answer because he's not going to do that.

Q. He said today he disagrees with you on the international peace -- --

The President. The French Government and the United States Government over the years have had some differences on how the best way to bring peace to the Middle East is. We had a very active initiative underway by Jim Baker. But that doesn't have anything to do with the invasion of Kuwait. And Francois Mitterrand knows that it doesn't have to do with the invasion of Kuwait and the aggression against Kuwait. And I know he knows this. And he's been very forthright about it.

But, yes, he's very frank in saying countries have a different approach to how you solve another very important problem. I would simply refer you back to what I've said on that subject. I think you were with us over in the joint press conference with President Gorbachev when I addressed myself to this. But I am going to avoid linkage.

I listened to that `Aziz meeting, and all he tried to do is obfuscate, to confuse, to make everybody think this had to do with the West Bank, for example. And it doesn't. It has to do with the aggression against Kuwait -- the invasion of Kuwait, the brutalizing of the people in Kuwait. And it has to do with a new world order. And that world order is only going to be enhanced if this newly-activated peacekeeping function of the United Nations proves to be effective. That is the only way the new world order will be enhanced.

Q. You say that Saddam Hussein doesn't understand yet. Why not a meeting face to face? Why refuse any meeting face to face?

The President. Because he's had every opportunity. We finally said this is the last step. We tried 15 dates in Baghdad. We tried to set up these meetings. And now we tried this one, and there wasn't one single reason to make me think that another meeting between the United States and Saddam Hussein -- and the Iraqis would do any good at all. If I felt it would, fine. But it will not.

I talked to the Secretary-General of the United Nations today, and there is a chance that he might undertake such a mission. Certainly we'd have no objection. There's one other reason -- and I cite that because this is not Iraq against the United States. It is Iraq against the rest of the world. It is the United Nations that passed 12 resolutions, not the United States. It is the General Assembly of the United Nations -- 100-plus countries standing solidly against the dictator. And therefore, it doesn't need to be a bilateral negotiation here. We tried that. And we were stiff-armed by an intransigent Foreign Secretary.

And so the answer is, if diplomacy can be effective now, let's keep it in the context in which these resolutions were passed. And I would hope that maybe it would have an effect, but I'd have to level with the American people: Nothing I saw today -- nothing -- leads me to believe that this man is going to be reasonable. So, back to Terry's question, I have less of a feeling that he'll come around. But we ought to keep trying. We ought to keep trying right down to the wire.

Q. You've repeated the ``keep trying." You've cited the Secretary-General of the United Nations. Secretary of State Baker cited him three times. What exactly could his mission be if there is no alternative to what Secretary Baker -- --

The President. I'm not sure. What would a mission of Jim Baker have been? It might have been to convince the man that he is up against an immovable force. He's up against something that is not going to yield. He is up against a situation under which there will be no compromise; and there

will be none. But because, you see, Ann [Ann Compton, ABC News], I go back to my point, I don't think he has felt this up until now -- on both points. I don't think he's felt that force will be used against him, and I think he has felt that if it were, he'd prevail. He's wrong on both counts.

Q. Mr. President, there have been reports that Saddam believes that if it comes to war, even if he's driven out of Kuwait militarily, he can survive in power. Is he wrong?

The President. I think he's wrong on all of his assumptions about what would happen if it came to war -- God forbid.

In the middle, and back here. And then we've got three more, and then I've got to go. These -- Ellen [Ellen Warren, Knight-Ridder]?

Q. Would he be killed, Mr. President? Would he be killed if it came to war?

The President. I'm not going to answer that. I don't know the answer to that question.

Q. Mr. President, you seem to have ruled out further diplomacy as a -- --

The President. No, you missed what I said, ma'am -- Ellen, about the Secretary-General, possibly. The EC has tried -- I'll get back to you. Let me finish this one train of thought and then I'll come to your question -- the EC has tried, and, indeed, we see `Aziz saying no, he wouldn't meet with the foreign ministers. You've seen President Chadli Bendjedid of Algeria to try.

I told the Congressmen, I want to see us go the last step for peace. I want to use everything at my power to encourage people to try. And, indeed, there have been. Arab League has tried. Over and over again, people have tried. And they run up against the same answer. I remember the speculation that came out here in our papers in this country about a visit by a French delegate that was going over there. The hopes were raised. Nothing happened. So, I just had to argue with the premise because there has been a lot of diplomacy and there may be more.

Now, excuse me for interrupting you.

Q. Sir, you seem to be very skeptical that further diplomacy would work. And yet you've said here today that you haven't given up on a peaceful solution. I wonder where it is you find this hope for a peaceful solution?

The President. I'm not sure I have great hope for it. But I think when human life is at stake, you go the extra mile for peace. And that's what we have tried to do. And I will continue to think of reasons -- I told President Mitterrand, I said, look, if you think of a new approach, or I do, please, let's one or the other get on the phone and try. But we remain determined that these resolutions are going to be complied with. I am very concerned that sanctions -- I know sanctions alone aren't

going to get this job done. And so we're pushing here, and that's what the Baker meeting with `Aziz was about. I'm not going to give up, though.

Karen [Karen Hosler, Baltimore Sun]?

Q. A lot of people, in looking at the situation, on the outside will say, there must be more than this. There must be some back-channel diplomacy. There must be something going on. We can't be rushing headlong into war this way. Can you tell us that there is nothing, that it is what we appear to be getting -- that Saddam isn't going to move and we're going to war?

The President. I'm not going to use that phrase. I am going to say, if Saddam doesn't move, we are going to fully implement Resolution 678. And it will be fully complied with.

But I wish I could tell you I'm more hopeful. There is no back channel. We've tried it directly. I've had to level, and properly so, with our coalition partners as to what I'm doing, and they've leveled with us, leveled with the United Nations Security Council members who are not involved in the coalition with force -- for example, the Soviets. A lot of avenues have been tried. But I can't tell you that there's any hidden agenda out there, secret negotiations -- there is not. And it wouldn't be right for us to be off telling you one thing openly here and then going around behind the corner with some secret channel. So, I would like to say if there's any feeling that that's happening, it isn't happening.

Q. So, the entire hope for peace then rests on Saddam backing off from his -- --

The President. And it has since August 2d -- exactly. Because this aggression is not going to stand. And there's an awful lot at stake in terms of the new world order that it doesn't stand. And there's a lot at stake in terms of a lot of human life in Kuwait that it doesn't stand. And there's a lot at stake in terms of how the coalition looks at this that it doesn't stand. So, it won't.

Q. Mr. President, you said that when you first proposed high-level talks between Iraq and the United States that it was because you were convinced the message had not gotten through, had not gotten across. Are you now convinced that the message had gotten across?

The President. Well, I did listen carefully to Mr. `Aziz, who I thought spoke quite well. I didn't agree with what he was trying to do, obviously, to confuse the issue by refusing to discuss the point at hand, which is the invasion of Kuwait, but I thought he did it well. [Laughter] I thought he kind of sent a signal that they do understand what's up against them, but I still don't believe that they think the world coalition will use force against them. I may be wrong, but that's what I think in here. And I also still believe, as I said earlier, that he somehow has this feeling that he will prevail or that he will prolong. This will not be that. I've heard some wild predictions on this horrible human equation that might be involved if force were used, and I would say I don't agree with some who are arguing the loudest because it's putting the worst case out in terms of loss of

human life; I must say that. I don't know. I think `Aziz understands it, but I'm not sure that Saddam Hussein does.

Q. If I could follow, Mr. President -- --

The President. A followup question. I'm sorry, I'm going to have one more, and then Charles [Charles Bierbauer, Cable News Network] -- I told him, and then I'm leaving. Thank you very much, though.

Q. When you were listening to Foreign Secretary `Aziz, did you get any kind of particular feelings of anger or -- --

The President. No, I didn't. I thought it was a very rational presentation, but wrong. I must say, I thought his style was good. From talking to Jim Baker, I thought he -- I mean, when I talked to Jim, he said, look, the man presented his case. Clearly, we didn't agree with it. I thought he was quite complimentary of the way the Secretary of State did it. So, the atmospherics, I think, were all right, but he doesn't have it. He doesn't understand it. At least from what he said, he doesn't. Because this is not about some other question of linkage. This is about the invasion and the aggression about Kuwait -- the dismantling of Kuwait, the brutality about Kuwait. So, I didn't get a sense of security from listening to that. But I will say that I thought that he presented his views in a reasonable way. He had a tough agenda. He had some tough talking points there. He works for a tough man.

Q. What exactly are you trying to convey here to Saddam Hussein on what he does have to lose? Is it the decimation of his society? Is it the liquidation of his military? Is it losing his own power? Can you be specific on that?

The President. I can't be more specific, but I can be that he will get out of Kuwait, and he will get out of Kuwait entirely, and he will get out of Kuwait without concession. That, I think, is the underlying part of the message.

Q. Mr. President, a question on Israel. Tariq `Aziz was emphatic that if Iraq is attacked, Israel will be attacked. What are your obligations to Israel? Are you prepared to fight a war throughout the Middle East?

The President. That is too hypothetical a question for me to answer. We are prepared to do what we need to do to fully implement 678. And I would think that he'd think long and hard before he started yet another war. There is one war on -- that's his war against Kuwait. That's his aggression against Kuwait. And I don't think he wants to start another one. So, I'm not going to buy into that hypothesis that the United States would obviously feel that that was a most provocative act, most provocative.

Q. If I may, I don't believe it was a hypothetical question. The question was, what are your obligations to Israel?

The President. We have friends all over the world. We have friends in this coalition. And I'm determined that the United States will fill our obligations there. Clearly, if a friend in that area was attacked, wantonly attacked for no cause whatsoever, not only the United States but I think many people around the world would view that as a flagrant provocation. And I'll leave it stand right there.

Thank you all very much. Thank you.

Note: President Bush's 68th news conference began at 3:55 p.m. in the Briefing Room at the White House. In his remarks, he referred to Secretary of State James A. Baker III; Foreign Minister Tariq `Aziz and President Saddam Hussein of Iraq; Mohamed Sadiq al-Mashat, Iraqi Ambassador to the United States; King Fahd bin Abd al-`Aziz Al Sa`ud of Saudi Arabia; President Francois Mitterrand of France; Prime Minister Brian Mulroney of Canada; Secretary of Defense Dick Cheney; George J. Mitchell, Senate majority leader; Robert Dole, Senate Republican leader; Thomas S. Foley, Speaker of the House of Representatives; Robert H. Michel, House Republican leader; President Mikhail Gorbachev of the Soviet Union; Javier Perez de Cuellar de la Guerra, Secretary-General of the United Nations; and President Chadli Bendjedid of Algeria.

Statement by Press Secretary Fitzwater on United States Assistance for Liberia and Other Refugee Relief Efforts

January 9, 1991

The President has taken two important steps which underline our concern for the beleaguered people of Liberia and our desire that there should be a peaceful settlement to the problems of that country.

On January 2, the President approved release of $6.0 million from the Emergency Refugee and Migration Assistance Fund (ERMA) to meet urgent humanitarian needs of Liberian refugees. This is in addition to earlier U.S. contributions of $73 million for humanitarian assistance programs for Liberian conflict victims. Of this amount, $63.9 [million] was in food assistance and $9.1 million was in cash contributions and relief supplies to international and private voluntary organizations for their relief efforts in the region.

On January 7, the President approved a Department of State request to provide the Economic Community of West Africa States (ECOWAS) with $2.8 million in economic support funds for its peacekeeping and humanitarian relief activities in Liberia. This assistance will be limited to nonlethal support for ECOWAS peacekeeping operations and for related humanitarian relief activities in Liberia.

Our contribution to ECOWAS reflects United States support for ECOWAS objectives in Liberia -- a ceasefire, the formation of an interim administration, and the holding of free and democratic elections. These objectives offer the best formula for a peaceful solution to the conflict. The ECOWAS intervention in Liberia represents an encouraging example of African states finding African solutions to African problems. We call on the international donor community to continue its support for humanitarian relief assistance in Liberia and to demonstrate its solidarity with ECOWAS efforts to bring peace to Liberia.

The President also approved use of Emergency Refugee and Migration Assistance Fund money as follows: $3.0 million for refugee and migration needs in response to the Persian Gulf crisis; $2.5 million to meet the emergency needs of Sudanese refugees; and $600,000 for emergency assistance programs in Central Africa for new Chadian and Rwandan refugees and those uprooted by the current conflict in Rwanda.

Note: Presidential Determination No. 91 - 12 of January 2 was printed in the ``Federal Register'' of January 16. Presidential Determination No. 91 - 14 of January 7 was printed in the ``Federal Register'' of January 28.

Nomination of Bernadine P. Healy To Be Director of the National Institutes of Health

January 9, 1991

The President today announced his intention to nominate Bernadine P. Healy, of Ohio, to be Director of the National Institutes of Health, Department of Health and Human Services. She would succeed James B. Wyngaarden.

Since 1985 Dr. Healy has served as chairman of the research institute at the Cleveland Clinic Foundation in Cleveland, OH. Prior to this Dr. Healy served as Deputy Director of the Office of Science and Technology Policy in Washington, DC, 1984 - 1985. Dr. Healy served as director of the coronary care unit at the Johns Hopkins Hospital in Baltimore, MD, 1977 - 1984, and as a member of the active staff in medicine and pathology at the Johns Hopkins Hospital, 1976 - 1985. From 1974 to 1984, Dr. Healy served with the Johns Hopkins University School of Medicine in several capacities: professor of medicine, associate professor of pathology, assistant dean for postdoctoral programs and faculty development, associate professor of medicine, assistant professor of medicine and pathology, fellow in the department of pathology, and as a fellow in the cardiovascular division of the department of medicine. In addition, Dr. Healy served as a staff fellow in the section of pathology in the National Heart and Lung Institute at the National Institutes of Health, 1972 - 1974.

Dr. Healy graduated from Vassar College (A.B., 1965) and Harvard Medical School (M.D., 1970). She was born August 22, 1944, in New York, NY. Dr. Healy is married, has two children, and resides in Gates Mills, OH.

Open Letter to College Students on the Persian Gulf Crisis

January 9, 1991

If armed men invaded a home in this country, killed those in their way, stole what they wanted and then announced the house was now theirs -- no one would hesitate about what must be done. And that is why we cannot hesitate about what must be done halfway around the world: in Kuwait.

There is much in the modern world that is subject to doubts or questions -- washed in shades of gray. But not the brutal aggression of Saddam Hussein against a peaceful, sovereign nation and its people. It's black and white. The facts are clear. The choice unambiguous -- right vs. wrong.

The terror Saddam Hussein has imposed upon Kuwait violates every principle of human decency. Listen to what Amnesty International has documented. ``Widespread abuses of human rights have been perpetrated by Iraqi forces . . . arbitrary arrest and detention without trial of thousands . . . widespread torture . . . imposition of the death penalty and the extrajudicial execution of hundreds of unarmed civilians, including children."

Including children -- there's no horror that could make this a more obvious conflict of good vs. evil. The man who used chemical warfare on his own people -- once again including children -- now oversees public hangings of dissenters. And daily his troops commit atrocities against Kuwaiti citizens.

This brutality has reverberated throughout the entire world. If we do not follow the dictates of our inner moral compass and stand up for human life, then his lawlessness will threaten the peace and democracy of the emerging new world order we now see: this long dreamed-of vision we've all worked toward for so long. A year after the joyous dawn of freedom's light in eastern Europe, a dark evil has descended in another part of the world. But we have the chance -- and we have the obligation -- to stop ruthless aggression.

I have been in war. I have known the terror of combat. And I tell you this with all my heart: I don't want there to be war ever again. I am determined to do absolutely everything possible in the search for a peaceful resolution to this crisis -- but only if the peace is genuine, if it rests on principle, not appeasement.

But while we search for that answer, in the Gulf young men and women are putting their own lives on hold in order to stand for peace in our world and for the essential value of human life itself. Many are younger than my own children. Your age, most of them -- doing tough duty for something they believe in.

Let me tell you about one of the soldiers over there, Sfc. Terry Hatfield, a young man from Georgia. He sent me a Christmas card. And this is what he wrote: ``Mr. President, I just wanted you to know my soldiers and I are ready to do whatever mission you decide. Freedom as we know and enjoy has been taken away from another country and must be restored. Although we are separated from family, friends, loved ones, we will do what must be done . . . We stand ready and waiting. God Bless you and the U.S.A."

Terry understands the moral obligation that has compelled our extraordinary multi-national coalition to make this stand in the Gulf. To look this international terrorist straight in the eye and say: no concessions. To proclaim for now and for the future: no compromises. To bear witness by our presence to the fact that aggression will not be rewarded.

Terry waits thousands of miles from the White House, yet we share the same thoughts. We desperately want peace. But we know that to reward aggression would be to end the promise of our new world order. To reward aggression would be to destroy the United Nations' promise as international peacekeeper. To reward aggression would be to condone the acts of those who would desecrate the promise of human life itself. And we will do none of this. There are times in life when we confront values worth fighting for. This is one such time.

Each day that passes means another day for Iraq's forces to dig deeper into their stolen land. Another day Saddam Hussein can work toward building his nuclear arsenal and perfecting his chemical and biological weapons capability. Another day of atrocities for Amnesty International to document. Another day of international outlaws, instead of international law.

I ask you to think about the economic devastation that Saddam Hussein would continue to wreak on the world's emerging democracies if he were in control of one-fifth of the world's oil reserves -- and to reflect on the terrible threat that a Saddam Hussein armed with weapons of mass destruction already poses to human life and to the future of all nations.

Together, as an America united against these horrors, we can, with our coalition partners, assure that this aggression is stopped and the principles on which this nation and the rest of the civilized world are founded are preserved.

And so let us remember and support Terry Hatfield, all our fine service men and women, as they stand ready on the frontier of freedom, willing to do their duty and do it well. They deserve our complete and enthusiastic support -- and lasting gratitude.

Note: This letter was sent to 460 college newspapers on January 9, and it was released by the Office of the Press Secretary on January 10. The letter referred to President Saddam Hussein of Iraq.

Appointment of Raymond Ebeling as a Member of the Advisory Commission on Conferences in Ocean Shipping

January 10, 1991

The President today announced his intention to appoint Raymond Ebeling, of New Jersey, to be a member of the Advisory Commission on Conferences in Ocean Shipping. This is a new position.

Currently Mr. Ebeling serves as executive vice president for Wallenius Motorships, Inc., in Woodcliff Lake, NJ. Prior to this Mr. Ebeling served as vice president for pricing and marketing for the Atlantic division of Sea-Land Service, Inc., 1986 - 1990.

Mr. Ebeling graduated from Bowdoin College (B.A., 1965) and Seattle University (M.B.A., 1969). He was born November 21, 1943, in Framingham, MA. Mr. Ebeling is married, has four children, and resides in Colts Neck, NJ.

Statement by Press Secretary Fitzwater on the President's Conversation With United Nations Secretary-General Javier Perez de Cuellar Concerning the Persian Gulf Crisis

January 10, 1991

The President spoke with U.N. Secretary-General Perez de Cuellar late this afternoon to discuss the Secretary-General's upcoming visit to Baghdad. The President wished him well and stated that he was pleased that the Secretary-General is undertaking this mission for peace. The President noted that the United Nations has played a key role in building and maintaining the international coalition against the Iraqi aggression. The discussion centered on the U.N. resolutions dealing with the Iraqi aggression against Kuwait and in securing Iraq's compliance with them.

Nomination of Jon D. Glassman To Be United States Ambassador to Paraguay

January 10, 1991

The President today announced his intention to nominate Jon David Glassman, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Paraguay. He would succeed Timothy Lathrop Towell.

Since 1990 Dr. Glassman has served as Assistant to the Vice President at the White House in Washington, DC. Prior to this, he served as Deputy Assistant to the Vice President for National Security Affairs, 1989 - 1990. Dr. Glassman has served as Charge d'Affaires for the U.S. Embassy in Kabul, Afghanistan, 1987 - 1989. In addition, he served at the Department of State in several capacities: country director for Australia and New Zealand affairs, 1984 - 1986; senior adviser to the President's Special Representative for Central American Negotiations, 1983 - 1984; senior member of the Policy Planning Staff for Latin America and East Asia, 1981 - 1983; first secretary at the U.S. Embassy in Mexico City, 1979 - 1981; deputy chief for U.S. interests section in Havana, Cuba, 1977 - 1979; international relations officer for the Soviet desk at the Department of State, 1975 - 1977; and as an international relations officer for the U.S. Arms Control and Disarmament Agency, 1974 - 1975. Dr. Glassman also served as a fellow for the Council on Foreign Relations at Harvard University, 1973 - 1974; second secretary at the U.S. Embassy in Moscow, 1971 - 1973; and as third secretary at the U.S. Embassy in Madrid, 1968 - 1970.

Dr. Glassman graduated from the University of Southern California (B.F.S., 1965) and Columbia University (M.A., 1968; Ph.D., 1976). He was born January 8, 1944, in New York, NY. Dr. Glassman is married, has two children, and resides in Washington, DC.

Exchange With Reporters on the Telephone Conversation with Soviet President Mikhail Gorbachev

January 11, 1991

Q. Mr. President, what can you tell us about the Gorbachev phone call?

The President. We've had a very interesting morning here and a very interesting phone call with President Gorbachev, Prime Minister Toshiki Kaifu of Japan, and then a meeting with a lot of the Members of the House of Representatives on the Gulf situation. Now we're shifting our gears to this luncheon with two of our new Cabinet-level officers and, obviously, with one existing Cabinet member, Carla Hills, where our conversation will be both domestic and international. So, it's been a full day.

On the Gorbachev phone call, I won't give you the details of it, but it is very important as we move down the path here that we stay in close touch. And I was very pleased -- this was his call to me, and it was a discussion of the Gulf situation mainly. We also talked about the internal problems that he's facing. But I think the very fact he called in the true spirit of consultation says a lot not just about the U.S.-Soviet relationship but about the fact that it is not simply Iraq versus the United States; it is Iraq, indeed, versus the whole world. I think that's the symbolism of Mr. Gorbachev's call. And he had some ideas he wanted to discuss with me. And I respect his confidentiality, but it's the best sense of consultation. We are leaving no stone unturned to try to find a peaceful resolution of this question.

Q. TASS [Soviet news agency] said, Mr. President, that the conversation would be continued.

The President. Well, as you may know, I left out one meeting, and that is that I did meet with the Soviet Ambassador here following the Gorbachev call. But whether President Gorbachev and I talk again I'm not -- we didn't set a time. Perhaps we will. We've been in touch, and I will continue to stay in touch with him and with other world leaders to see if we cannot resolve this matter peacefully.

I might, as long -- take advantage of you all, but to say that I still feel that it would be very helpful to the last step for peace if the Congress would move and would support the so-called U.N. resolutions that are before the House now and will be before the Senate.

Q. What about the crackdown on the Baltics?

The President. There was not great discussion of that. I did, as you know, make clear in the statement issued by our Press Secretary the fact that the United States feels that the use of force particularly in the Baltics would be counterproductive. There was some discussion of the

internal affairs of the Soviet Union when I talked to Mr. Gorbachev. He knows of my position, that we view the Baltics differently. They were not incorporated. We feel that they have a very different standing than other Republics, and I reiterated my position on that.

But it was mainly about the Gulf, although we did talk about this. And, of course, I am very hopeful that they can find a way to resolve these extraordinarily complex problems without resorting to force.

Q. Did he tell you his plans for Lithuania, whether he's going to impose -- --

The President. We didn't go into any detail.

Q. There was some discussion, Mr. President, that when you and Mr. Gorbachev met in Paris there was a tacit understanding that before we went to war in the Gulf we would clear it with the Soviets.

The President. There was no tacit understanding, but I'll guarantee you I'm going to continue to stay in very close touch with all the key players here -- the administration is; I can't do it all alone. But as I say, we talked to the Prime Minister of Japan this morning, and also to President Gorbachev. As you know, I had extensive consultations in the last few days with Prime Minister Major, President Mitterrand, Prime Minister Mulroney, and on and on.

So, there's no agreement. But the Soviet Union is very important in all of this, and they had a strong leadership role in the implementation of the United Nations resolutions. And I think it is most important that they be closely clued into whatever is to come.

Q. What was his message to you about the Gulf, if he talked about that?

The President. I'm not going to go into the details on it.

Q. I take it that you feel they remain a staunch member of the anti-Iraq coalition?

The President. We remain in sync on this -- as the way we look at this situation there. And they are absolutely convinced -- I don't want to put words in anyone's mouth, but I think I can do this without fear of contradiction -- they are absolutely convinced that Saddam Hussein should get out of Kuwait in total compliance with the U.N. resolutions. And I am sure that that is their view.

Q. Did he ask for more time for sanctions to work?

The President. I'm not going to go into any details, but that would be incompatible with full implementation of the resolutions. So, I guess I could say no to that one.

Q. Did you repeat to him that the crackdown would be counterproductive -- --

The President. I will not go into any more detail. I had every opportunity to express the forcefully and long-held view of the United States on that question.

Q. Were there any new proposals or new approaches that were suggested?

Q. Sir, do you think you're going to get the vote?

The President. That was something again I'd rather not discuss in detail, but all of us are trying to think if there's something that we can do that will result in full compliance with the U.N. resolutions. And certainly that's true of Mr. Gorbachev. He has a lot of experts on that area in the government in the Soviet Union, and so you can assume that he was thinking innovatively. But again, I don't want to go into any more detail.

Thank you all very much.

Note: The exchange began at 12:10 p.m. in the Oval Office at the White House. In his remarks, President Bush referred to Prime Minister Toshiki Kaifu of Japan; Secretary of Labor-designate Lynn M. Martin; Bob Martinez, Director-designate of National Drug Control Policy; U.S. Trade Representative Carla A. Hills; Aleksandr Bessmertnykh, Soviet Ambassador to the United States; Prime Minister John Major of the United Kingdom; President Francois Mitterrand of France; Prime Minister Brian Mulroney of Canada; and President Saddam Hussein of Iraq.

President Bush also referred to the following statement on the situation in the Soviet Union and the Baltic States which Press Secretary Fitzwater had read during his press briefing on January 8:

The United States is monitoring carefully the Soviet Government's decision to send additional military forces to Moldavia, the Ukraine, Georgia, Armenia, and the three Baltic States -- Latvia, Lithuania, and Estonia. This action represents a serious step toward an escalation of tension within the U.S.S.R. and makes the peaceful evolution of relations among the people of the Soviet Union more difficult.

The United States is especially concerned that the Soviet decision to send military units into the Baltic States, which we view as provocative and counterproductive, could damage the prospects for peaceful and constructive negotiations on the future of those States. The United States urges the U.S.S.R. to cease attempts at intimidation and turn back to negotiations that are conducted free of pressure and the use of force.

The United States, which has never recognized the forcible incorporation of the Baltic States

into the Soviet Union, supports the aspirations of the Baltic people to control and determine their own future.

Message to the Congress Reporting on the Economic Sanctions Against Libya

January 11, 1991

To the Congress of the United States:

1. I hereby report to the Congress on developments since my last report of July 13, 1990, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) (``IEEPA"); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c).

2. Since my last report on July 13, 1990, there have been no amendments to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the ``Regulations"), administered by the Office of Foreign Assets Control (``FAC") of the Department of the Treasury. Additionally, since July 13, 1990, there have been no amendments or changes to orders of the Department of Commerce or the Department of Transportation implementing aspects of Executive Order No. 12543 relating to exports from the United States and air transportation, respectively.

3. During the current 6-month period, FAC approved only one license application authorizing the renewal of a patent. Twenty licensing decisions were made prohibiting transactions in connection with Libya.

4. Various enforcement actions mentioned in previous reports continue to be pursued. In October 1990, based upon violations of IEEPA, the U.S. Customs Service seized $3 million in funds at a New York bank and $800,000 at a bank in Florida. The U.S. attorneys for the respective jurisdictions utilized 18 U.S.C. 1956, the Money Laundering Control Act, to effect the seizures. This marks the first time that this statute has been used to effect seizures based upon an IEEPA violation. This continuing investigation centers around an alleged conspiracy to invest Libyan funds in various U.S. businesses and technology.

In November 1990, FAC blocked a letter of credit in the amount of $332,124, drawn on the account of a U.S. manufacturer to pay a South Korean firm for the shipment of industrial equipment to Libya. The funds have been placed into a blocked account, and the investigation into the actions of the U.S. firm continues.

5. The expenses incurred by the Federal Government in the 6-month period from July 13, 1990, through December 14, 1990, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at $407,603.

Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Department of Commerce, the Department of Justice, the Federal Reserve Board, and the National Security Council.

6. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

George Bush

The White House,

January 11, 1991.

Statement by Press Secretary Fitzwater on Incremental Costs for Operation Desert Shield

January 11, 1991

Our incremental costs for Operation Desert Shield expenses were roughly $10 billion in calendar year 1990. We have already received $6 billion in cash and in-kind support from our allies to defray these costs. We expect to soon receive an additional $2 billion more that has already been pledged to meet these 1990 costs. With these sums, and assuming Congress enacts the necessary appropriation, our coalition partners will have covered some 80 percent of our incremental expenses through December 31, 1990.

Nomination of James E. Denny To Be Assistant Commissioner of Patents and Trademarks

January 11, 1991

The President today announced his intention to nominate James Edward Denny, of Maryland, to be an Assistant Commissioner of Patents and Trademarks at the Department of Commerce. He would succeed Rene Desloge Tegtmeyer.

Since 1989, Mr. Denny has served as Acting Assistant Commissioner for Patents at the Department of Commerce. Prior to this he served as Deputy Assistant Commissioner for Patents, 1983 - 1989.

Mr. Denny graduated from Johns Hopkins University (B.S., 1955) and George Washington University Law School (LL.B., 1961). Mr. Denny served in the II Signal Corps of the U.S. Army, 1956. He was born June 2, 1933, in Charles Town, WV. Mr. Denny is married, has six children, and resides in Gaithersburg, MD.

The President's News Conference

January 12, 1991

The President. I have a brief statement, and then I'll be glad to take a few questions.

First, let me just say that I am gratified by the vote in the Congress supporting the United Nations Security Council resolutions. This action by the Congress unmistakably demonstrates the United States commitment to the international demand for a complete and unconditional withdrawal of Iraq from Kuwait. This clear expression of the Congress represents the last, best chance for peace.

As a democracy we've debated this issue openly and in good faith. And as President I have held extensive consultation with the Congress. We've now closed ranks behind a clear signal of our determination and our resolve to implement the United Nations resolutions. Those who may have mistaken our democratic process as a sign of weakness now see the strength of democracy. And this sends the clearest message to Iraq that it cannot scorn the January 15th deadline.

Throughout our history we've been resolute in our support of justice, freedom, and human dignity. The current situation in the Persian Gulf demands no less of us and of the international community. We did not plan for war, nor do we seek war. But if conflict is thrust upon us we are ready and we are determined. We've worked long and hard, as have others including the Arab League, the United Nations, the European Community, to achieve a peaceful solution. Unfortunately, Iraq has thus far turned a deaf ear to the voices of peace and reason.

Let there be no mistake: Peace is everyone's goal. Peace is in everyone's prayers. But it is for Iraq to decide.

Persian Gulf Crisis

Q. Mr. President, does this mean now that war is inevitable -- --

The President. No -- --

Q. -- -- and have you made the decision in your own mind?

The President. No, it does not mean that war is inevitable. And I have felt that a statement of this nature from both Houses of the United States Congress was, at this late date, the best shot for peace. And so, let us hope that that message will get through to Saddam Hussein.

Q. Have you made the decision in your mind?

The President. I have not, because I still hope that there will be a peaceful solution.

Q. Mr. President, there's only 3 days left until the deadline, which isn't enough time for Saddam Hussein to pull out his troops. In fact, you, yourself, wouldn't let Jim Baker go to Baghdad on this date because there wouldn't be enough time. Do you see the possibility of anything happening in these last few days that could avert war or any chance that he will pull his troops out?

The President. Well, in terms of the chance, I'd have to say I don't know. And in terms of what could avert war, you might say an instant commencement of a large-scale removal of troops with no condition, no concession, and just heading out could well be the best and only way to avert war, even though it would be, at this date, I would say almost impossible to comply fully with the United Nations resolutions.

Q. Sort of a followup: Have you heard from the U.N. Secretary-General Perez de Cuellar today, and is there any hope on that front?

The President. No -- well, I don't know whether there is hope on it because I haven't heard from him today.

Q. Mr. President, are you satisfied that countries in the international coalition like France, Syria, and Egypt will take part in offensive operations in the event of hostilities in the Gulf?

The President. Yes.

Q. The second part of that question, sir, you've said that if hostilities come it will not be another Vietnam. What kind of assumptions are you making about the duration of a conflict, and can you assure the American people that hostilities would not expand beyond the current theater of operations?

The President. Well, I am not making any assumptions in terms of numbers of days, but I have said over and over again that the differences between what is happening in the Gulf and what happened in Vietnam are enormous in terms of the coalition aligned against the Iraqis, in terms of the demographics, in terms of the United Nations action and, I am convinced, in terms of the force that is arrayed against Iraq. So, I just don't think there is a parallel.

But I would like to say that I have gone over all of this with our Secretary of Defense and with the Chairman of the Joint Chiefs; and all three of us, and everybody else involved in this, are determined to keep casualties to an absolute minimum. And that's one of the reasons that I authorized Secretary Cheney to move the additional force several weeks ago.

Q. What about firebreaks to keep the war from expanding?

The President. Well, I don't worry too much about the war expanding. I have said very clearly,

and I'd like to repeat it here, that we will hold Saddam Hussein directly responsible for any terrorist action that is taken against U.S. citizens, against citizens of others in the coalition. So, I must confess to some concern about terrorism. It's not just that it relates to this crisis because I've always felt that way. But if it is related to the crisis, if the terrorist acts are related to it, Saddam Hussein will be held directly responsible for that, and the consequences will be on him.

Q. Mr. President, the pendulum of hope has swung back and forth, and you, yourself, have said you didn't hold out tremendous hope for the last-minute diplomatic efforts. What do you do on midnight on January 15th?

The President. Well, Ann [Ann Compton, ABC News], I can't tell you I know on midnight, but I do feel that the action taken by the United States Congress today is a very important step in, hopefully, getting Saddam Hussein to realize what he's up against -- the determination of the American people. I have felt that the support is there from the people, but I think now with the Congress -- the representatives of the people -- on record, it makes it much, much clearer to Saddam Hussein.

Q. The polls have shown people support moving fairly quickly after the 15th. Would that be your intention?

The President. I have said -- and without trying to pin it down or in any sense go beyond what I'm about to say -- sooner rather than later. And I got into a discussion -- I know that's perhaps not of much help, but I think the worst thing you'd want to do is, if a determination was made to use force, to signal when you might be inclined to act. That would, in my view, put the lives of coalition forces needlessly at risk.

Q. Sir, I'm sure you're doing all these scenarios that are coming out, the various peace scenarios. One has it that Saddam Hussein will wait until after the 15th -- we get into this face-saving again -- wait until the 16th or the 17th possibly and then start to withdraw -- say, look, I stood up to George Bush, but I'm willing in order to avoid war to pull my troops out now. Is that the type of thing that will go into your calculations? Would that be important to you? Would you say, well, let's give the guy a couple of days and see if, indeed, that scenario is true?

The President. I don't want to give any indication to Saddam Hussein that we will be interested in anything that looks like delay or trying to claim victory. It isn't a question of winning or losing. It's a question of his getting out of Kuwait rapidly without concession. And so, I'd have to know a lot more about the situation, the scenario, as you say, before I could give you a more definitive response.

But I don't want anything here to be interpreted by him as flexibility on our part. We have not been flexible. We have been determined, and we are still determined to see that he complies fully with the resolutions. Now, Rita [Rita Beamish, Associated Press] raised the question, is it

logistically possible to fully comply? At this moment, I'm not sure that you could -- logistically possible to fully comply. But if he started now to do that what he should have done weeks ago, clearly, that would make a difference. And I'm talking about a rapid, massive withdrawal from Kuwait. But I still worry about it because it might not be in full compliance. So, the standard full compliance with all these resolutions -- now, some can't be complied with fully before the 15th. One of them relates to reparations. And reparations is a very important part of this. It's a very important part of what the United Nations has done. So, I don't think the whole question of reparations can be resolved before the 15th.

Q. Sir, can you explain why sooner is better than later?

The President. Yes, because I think that's been a major part of the debate on the Hill. And I think it is very important that he knows that the United States and the United Nations are credible. I don't want to see further economic damage done to the Third World economies or to this economy. I don't want to see further devastation done to Kuwait. This question of when was debated in the United Nations, and these countries came down saying this is the deadline. And I don't want to veer off from that for one single iota. And I certainly don't want to indicate that the United States will not do its part in the coalition to fulfill these resolutions.

Q. Mr. President, you spoke of the debate. It was a very somber day up there.

The President. Yes.

Q. People talked about the cost of war. I wondered if you watched it and what effect it had on you.

The President. That's a good question. On the parts of it I saw I couldn't agree more. It was somber, properly somber. It was, I thought, with very little rancor. I thought it was conducted for the most part -- not entirely -- in a very objective manner in terms of the subject, and yet subjective in terms of the individual speaking. The compassion and the concern, the angst of these Members, whether they agreed with me or not, came through loud and clear.

And so, I guess I shared the emotion. I want peace. I want to see a peaceful resolution. And I could identify with those -- whether they were on the side that was supporting of the administration or the other -- with those who were really making fervent appeals for peace. But I think it was historic. I think it was conducted showing the best of the United States Congress at work. And I keep feeling that it was historic because what it did and how it endorsed the President's action to fulfill this resolution -- when you go back and look at war and peace I think historians will say this is a very significant step. I am pleased that the Congress responded. I'm pleased that they have acted and therefore are a part of all of this.

But I didn't sense -- you know, when you win a vote on something you work hard for, sometimes

there's a sense of exhilaration and joy, pleasure. I didn't sense that at all here. I was grateful to the Members that took the lead in supporting the positions that I'm identified with. I could empathize with those who didn't vote for us. So, I guess my emotion was somber itself. I didn't watch the whole thing -- I didn't watch the whole debate. But what I saw I appreciated because there was very little personal rancor, assigning motives to the other person, or something of that nature. So, it was quite different than some of the debates that properly characterize the give-and-take of competitive politics.

Soviet Military Intervention in Lithuania

Q. Sir, the crackdown was still going on today in Lithuania. What is your answer to those who say you are putting the Lithuanians and the Baltics under Iraq because of the Persian Gulf?

The President. I don't think that's true. I've had an opportunity to express myself directly to President Gorbachev on that. We had a statement on it. I have talked to him not just in this last phone call but in others, and the Soviets know our position clearly. So, I don't think that's a fair charge at all.

A couple more. I think I've been a little lengthy here, and we didn't get as many as we want.

Q. How about the back of the room?

The President. Not this time, Sarah [Sarah McClendon, McClendon News], not this time, okay?

Persian Gulf Crisis

Q. Mr. President, it must now be absolutely clear to Saddam Hussein, perhaps for the first time, that you've got the domestic and the international support you need to use force to drive him out of Kuwait. Wouldn't this be a prudent time to give him an avenue out of this mess, perhaps through something Perez de Cuellar could offer him today or tomorrow?

The President. Well, let's wait and see what Perez de Cuellar -- how those talks go. I talked to him beforehand, and he is properly, I would say, confined to operating within the U.N. resolutions. He must do that. We're talking about the United Nations Security Council and, indeed, of the General Assembly -- the will of the entire world against Saddam Hussein. But I've always felt, Gerry [Gerald Seib, Wall Street Journal], that the best way, the best way is to make Saddam Hussein understand that we have the will to do what the Congress I think has now suggested I should do, or can do. And secondly, that if force is used, Saddam Hussein simply cannot prevail. And my hope is that the mission of the Secretary-General, added to what the Congress has done here today, added to the many other initiatives taken by Arab League people or by EC people or -- will convince him.

So, if your question is, should we now compromise, give him something in order to do that which he should have done long ago, the answer is, absolutely not.

I'm going to take two more here, and then I really do have to run.

Q. Mr. President, let me follow Gerry's question because the reports persist that the U.N. Secretary-General, when he meets with Saddam Hussein, will lay out steps beyond compliance with the resolutions to include a U.N. peacekeeping force, to include an eventual Mideast peace conference. Given the demand for absolute compliance, are those within the Secretary-General's mandate to advance further steps?

The President. What were the two?

Q. Well, two of several that are out there are a U.N. peacekeeping force, also a timetable for your withdrawal, and then a Mideast peace conference.

The President. Well, my view is that a withdrawal to the status quo ante is not satisfactory and thus there will have to be a peacekeeping force of some kind. In other words, Saddam Hussein will not simply be able to go back to square one if he started that today. There would have to be further compliance with other resolutions and there would have to be a peacekeeping force. Secondly, I have said I don't want U.S. ground forces to stay there a day longer than necessary. So, I am not troubled with that.

On the other question, I simply want to see us avoid what is known as linkage. And I think the American people more clearly see now what I mean by linkage because they watched the `Aziz press conference where the whole question was shifting -- trying to shift the onus away from the aggression and brutality against Kuwait and move it over and try to put the blame on Israel or try to shift the onus to the Palestinian question.

So we have, along with the United Nations -- other participants in the U.N. Security Council process -- have avoided linkage. And so, I guess I'd say it depends how it is put forward. I, myself, at the United Nations when I presented the U.S. position this fall, spoke up against -- eventually wanting to see this question solved. And, indeed, everyone knows that Jim Baker tried very hard to have us be catalytic in bringing that age-old question to solution.

So, I just think whatever is done, it has to be done in a way to preserve the U.S. position that there be no linkage.

Q. Would it be fair to extrapolate then that you have discussed these additional steps with Mr. Perez de Cuellar and endorsed them?

The President. No, Charles [Charles Bierbauer, Cable News Network], I read before this meeting

here with you all some five-point proposal, and I can tell you that was not discussed, and I'm not sure it is a proposal. In this complicated situation in which all countries that want to see peace come about, we hear a lot of things that eventually prove not to have been correct. And I don't know of any five-point proposal. And just to clear the record, Perez de Cuellar did not discuss with me any five-point proposal.

This is the last one, Dan.

Q. Mr. President, you have said on a number of occasions there is no secret diplomacy, no backroom diplomacy, no side-door diplomacy. Are you prepared at this point, given the conversations you had yesterday with Mr. Gorbachev and the meetings you had with the Soviet Ambassador, that there is now still nothing else out there other than the Perez de Cuellar mission that might lead to a diplomatic solution to this?

The President. Well, I'd say that is the main initiative out there right now and the only one that I know of, although you hear rumors that others may go. President Gorbachev may want to send somebody. The EC may decide after the Perez de Cuellar mission to send somebody. But I don't know of that for a fact certain. And if Perez de Cuellar finds no flexibility and, indeed, is faced with the rhetoric that we heard coming out of Iraq as recently as a few hours ago, that I think will be a sign of -- I'll put it this way, a discouraging sign. And I think it will frustrate the understandably noble intentions of countries all around the world that would like to think that at the last minute this man would come to his senses.

Q. If I could follow on that: If the Soviets or the EC or someone else decides they want to send someone to Baghdad after the Perez de Cuellar mission, does that in any way tie your hands in the use of military force after the 15th if these are bumping up against the 15th deadline or slightly thereafter?

The President. I would not leave the door open on slightly thereafter. I think we have sent out an advisory -- certainly to American citizens, and I would enlarge that to everybody -- that the 15th is a very real deadline. Your question, if I answer it, I want to be sure I don't answer it in leaving the door open for any activity after midnight on January 15th because that is what is called for under the U.N. -- the U.N. resolutions set that date. And so, I don't want to suggest that one last visit could take place after that and have the approval of the United Nations Security Council, which has stood solidly against that kind of -- some would say flexibility, but I would say breach of the United Nations resolutions.

So please, to anyone who might be listening in countries around the world, let me simply say there is no flexibility on our part. And I sense none on the part of the other members of the coalition that is arrayed against Saddam Hussein; nor have I found any flexibility, and I'm glad about that, on the part of other members of the Security Council or other countries whose leaders I have spoken to.

So, the coalition is together. The United Nations is strongly together. I think the vote in the United States Congress today shows that the United States position is strongly firmed up by what happened in Congress today and by what appears to be the will of the American people. And it's in keeping with my will and how I feel about this.

So, let us just pray that we will make the necessary contribution through the action that was taken today to bring this man to his senses, because it is a critical moment in history. And what the Congress did today was indeed historic. And I will conclude here by once again thanking them for coming to grips with the question, obviously thanking them for backing the position that is so strongly held by so many countries around the world.

Thank you all very much.

Note: President Bush's 69th news conference began at 4 p.m. in the Briefing Room at the White House. In his remarks, he referred to President Saddam Hussein of Iraq; Secretary of State James A. Baker III; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; Secretary of Defense Dick Cheney; Colin L. Powell, Chairman of the Joint Chiefs of Staff; President Mikhail Gorbachev of the Soviet Union; Foreign Minister Tariq `Aziz of Iraq; and Aleksandr Bessmertnykh, Soviet Ambassador to the United States. H.J. Res. 77, approved January 14, was assigned Public Law No. 102 - 1.

Statement by Press Secretary Fitzwater on President Bush's Letter to President Saddam Hussein of Iraq

January 12, 1991

We do not believe it is appropriate as a general matter to release diplomatic correspondence. However, the President's letter to Saddam Hussein has now appeared in the news media. Stories containing large segments of the letter have appeared on major wire services. This published letter is not, however, the final letter as presented to Foreign Minister `Aziz. Therefore, we are today releasing the President's actual letter to Saddam Hussein.

Mr. President:

We stand today at the brink of war between Iraq and the world. This is a war that began with your invasion of Kuwait; this is a war that can be ended only by Iraq's full and unconditional compliance with UN Security Council Resolution 678.

I am writing you now, directly, because what is at stake demands that no opportunity be lost to avoid what would be a certain calamity for the people of Iraq. I am writing, as well, because it is said by some that you do not understand just how isolated Iraq is and what Iraq faces as a result. I am not in a position to judge whether this impression is correct; what I can do, though, is try in this letter to reinforce what Secretary of State Baker told your Foreign Minister and eliminate any uncertainty or ambiguity that might exist in your mind about where we stand and what we are prepared to do.

The international community is united in its call for Iraq to leave all of Kuwait without condition and without further delay. This is not simply the policy of the United States; it is the position of the world community as expressed in no less than twelve Security Council resolutions.

We prefer a peaceful outcome. However, anything less than full compliance with UN Security Council Resolution 678 and its predecessors is unacceptable. There can be no reward for aggression. Nor will there be any negotiation. Principle cannot be compromised. However, by its full compliance, Iraq will gain the opportunity to rejoin the international community. More immediately, the Iraqi military establishment will escape destruction. But unless you withdraw from Kuwait completely and without condition, you will lose more than Kuwait. What is at issue here is not the future of Kuwait -- it will be free, its government will be restored -- but rather the future of Iraq. This choice is yours to make.

The United States will not be separated from its coalition partners. Twelve Security Council resolutions, 28 countries providing military units to enforce them, more than one hundred governments complying with sanctions -- all highlight the fact that it is not Iraq against the

United States, but Iraq against the world. That most Arab and Muslim countries are arrayed against you as well should reinforce what I am saying. Iraq cannot and will not be able to hold on to Kuwait or exact a price for leaving.

You may be tempted to find solace in the diversity of opinion that is American democracy. You should resist any such temptation. Diversity ought not to be confused with division. Nor should you underestimate, as others have before you, America's will.

Iraq is already feeling the effects of the sanctions mandated by the United Nations. Should war come, it will be a far greater tragedy for you and your country. Let me state, too, that the United States will not tolerate the use of chemical or biological weapons or the destruction of Kuwait's oil fields and installations. Further, you will be held directly responsible for terrorist actions against any member of the coalition. The American people would demand the strongest possible response. You and your country will pay a terrible price if you order unconscionable acts of this sort.

I write this letter not to threaten, but to inform. I do so with no sense of satisfaction, for the people of the United States have no quarrel with the people of Iraq. Mr. President, UN Security Council Resolution 678 establishes the period before January 15 of this year as a ``pause of good will'' so that this crisis may end without further violence. Whether this pause is used as intended, or merely becomes a prelude to further violence, is in your hands, and yours alone. I hope you weigh your choice carefully and choose wisely, for much will depend upon it.

George Bush

His Excellency Saddam Hussein

President of the Republic of Iraq

Baghdad

Note: Foreign Minister Tariq `Aziz of Iraq refused to deliver the letter, which was dated January 5.

White House Statement on Mrs. Bush's Condition Following a Sledding Accident at Camp David, Maryland

January 13, 1991

Mrs. Bush has been taken to Washington County Regional Hospital in Hagerstown, MD, following a minor accident while sledding at Camp David. The President and Mrs. Bush were sledding with grandchildren this morning when Mrs. Bush fell off her sled and into a tree. She was immediately examined by White House physician Dr. Lawrence Mohr. Dr. Mohr indicates she suffered minor lacerations and bruises but will be taken to the hospital for further examination and possible x-rays of her legs. Dr. Mohr expects Mrs. Bush to return to Camp David soon after the examination. The accident occurred shortly after 10 o'clock this morning following church services. The Bushes attended church services at Camp David with family and staff.

Note: Mrs. Bush's x-rays disclosed a nondisplaced fracture of the left leg.

Remarks on Soviet Military Intervention in Lithuania and a Question-and-Answer Session With Reporters

January 13, 1991

The President. Well, I've been following the situation in Lithuania and the other Baltic States closely. The turn of events there is deeply disturbing. There is no justification for the use of force against peaceful and democratically-elected governments. And the brave people and the leaders of the Baltic States have, indeed, acted with dignity and restraint. The thoughts and prayers of the people of the United States are with them, and particularly with the Lithuanian people who have experienced a great tragedy.

For several years now, the Soviet Union has been on a course of democratic and peaceful change. And we've supported that effort and stated repeatedly how much we admire the Soviet leaders who chose that path. Indeed, change in the Soviet Union has helped to create a basis for unprecedented cooperation and partnership between the United States and the Soviet Union.

The events that we're witnessing now are completely inconsistent with that course. The progress of reform in the U.S.S.R. has been an essential element in the improvement of U.S.-Soviet relations. Events like those now taking place in the Baltic States threaten to set back or perhaps even reverse the process of reform which is so important in the world and the development of the new international order.

We condemn these acts, which could not help but affect our relationship. At this hour, the United States and the West will redouble our efforts to strengthen and encourage peaceful change in the Soviet Union. Legitimacy is not built by force; it's earned by the consensus of the people, by openness, and by the protection of basic human and political rights. So, I ask the Soviet leaders to refrain from further acts that might lead to more violence and loss of life. I urge the Soviet Government to return to a peaceful course of negotiations and dialog with the legitimate governments of the Baltic States.

And I did have an opportunity when I talked to President Gorbachev not so many hours ago to encourage the peaceful change there and not the use of force.

Soviet Military Intervention in Lithuania

Q. Mr. President, was Gorbachev directly behind this military crackdown? Is there any reason to believe the military acted without complete Presidential decree on this?

The President. I cannot answer that question. I just don't know the facts of -- --

Q. Is there any official explanation for what happened in Lithuania?

The President. Not an official explanation, but we have a good deal of information on it.

Q. And what about the fallout here? Is the summit off at this point?

The President. Well, I've just expressed this statement here, and I just expressed my sentiments in this statement I made, so I can't go beyond that.

Q. Any consideration of export credit guarantees or any other -- --

The President. I'm just not going to go further than what I've said here. I've just laid it out, and people can interpret it any way they want.

Q. Mr. President, if the crackdown continues -- --

Q. How does it complicate the Persian Gulf situation?

Q. Mr. President, if the crackdown continues in the Baltics, will you go to Moscow on February 11th?

The President. Well, I would simply -- that's too hypothetical. What I'm saying is I hope the crackdown will not continue.

Q. Mr. President, did you get any reassurances from leader Gorbachev about whether he will continue or halt the act, consider reassurances about what he will do next?

The President. Well, I heard a statement I was just asking our Soviet experts about in here, where he was talking about curtailing the use of force. I hope that's true, but I did not get direct affirmation from them.

Persian Gulf Crisis

Q. Mr. President, what do you hear, sir, about the results of the de Cuellar mission?

The President. We have not had a direct report from Perez de Cuellar, and there is a report -- is all I saw, as to what he said at the airport. But I have not had contact with him. He told me he would call me, so I expect to hear from him when he returns.

Q. What effect, sir, do you think the Soviet actions -- --

The President. I can't hear. John [John Cochran, NBC News], what -- --

Q. -- -- Mr. Gorbachev may now -- [inaudible] -- to Baghdad -- --

The President. Well, I don't know.

Q. Is that something Gorbachev had mentioned -- --

The President. I don't know what he'd do, and I know there was some thinking of that, but people are very concerned, obviously -- time drawing close. And I just don't know how to answer that. I just don't know what he plans to -- --

Q. -- -- has read a statement that they will keep Kuwait, will not withdraw.

The President. It doesn't surprise me, but they're making a tremendous mistake.

Q. Mr. President, do you think that the Soviet Union is striking out on Lithuania at this moment because they think our attention and the attention of the world has been diverted by the Persian Gulf crisis?

The President. No.

Q. Are you concerned that by speaking out now that you may jeopardize your support from Mr. Gorbachev in the Persian Gulf crisis?

The President. No, I believe the Soviet support for the United Nations approach is solid and firm. And President Gorbachev told me that not so long ago -- just when I had the last conversation.

Q. Are you talking about the Friday phone call? Just to clarify -- --

The President. Yes, yes.

Q. Mr. President, what is your message to the seemingly millions of Americans who have been contacting Congress and apparently contacting you, pleading with you not to go to war in the Gulf?

The President. Well, I think that matter was resolved when the Congress acted yesterday, and I'd tell them the same thing I've told the American people over and over again.

Q. But to the American people -- what is your response to the Americans who are asking you now not to go to war?

The President. Well, I say we've got to do what we have to do. And the Congress has affirmed that position. And I think that is -- you know, one of the arguments that some made is, well, please get Congress engaged; why are you not willing to go to Congress? We went to Congress; Congress, both Houses of the Congress, affirmed the policies of this government.

Soviet Military Intervention in Lithuania

Q. Mr. President, you remonstrated with Gorbachev last week not to use force in the Baltics, and just yesterday Gorbachev said he was sending emissaries from his Federation Council to mediate. A few hours later the tanks were rolling. Are you afraid that he has lost control in the Soviet Union?

The President. Well, I am concerned about the internal affairs there -- and he, himself, is very much concerned about that. But let's hope that there will be a peaceful -- a return to peace, no more use of force, and that they can peacefully negotiate their differences. That's what I hope for. I think that's what President Gorbachev -- I know that's what he told me he wanted before, and I hope that still holds, and I hope that will obtain. But I am very much concerned about the loss of life there.

Kathy [Kathy Lewis, Houston Chronicle], and then I've got to go inside.

Q. Mr. President, do you plan on trying to contact him directly?

The President. I always have that option. Our phone lines are open, and I have no immediate plans of that, but I wouldn't rule that out.

Thank you all very much.

Q. What about Perez de Cuellar, sir?

Q. How long do you give the Soviet Union before -- --

The President. I'm not setting time lines.

Q. What's topic A tonight at the NSC [National Security Council] meeting -- the Gulf or the Lithuanian crisis?

The President. More of the same.

Note: The President spoke at 4:05 p.m. on the South Lawn at the White House, upon his return from Camp David, MD. In his remarks, he referred to President Mikhail Gorbachev of the Soviet

Union and Javier Perez de Cuellar de la Guerra, Secretary-General of the United Nations.

Statement on Signing the Resolution Authorizing the Use of Military Force Against Iraq

January 14, 1991

Today I am signing H.J. Res. 77, the ``Authorization for Use of Military Force Against Iraq Resolution." By passing H.J. Res. 77, the Congress of the United States has expressed its approval of the use of U.S. Armed Forces consistent with U.N. Security Council Resolution 678. I asked the Congress to support implementation of U.N. Security Council Resolution 678 because such action would send the clearest possible message to Saddam Hussein that he must withdraw from Kuwait without condition or delay. I am grateful to those of both political parties who joined in the expression of resolve embodied in this resolution. To all, I emphasize again my conviction that this resolution provides the best hope for peace.

The debate on H.J. Res. 77 reflects the profound strength of our constitutional democracy. In coming to grips with the issues at stake in the Gulf, both Houses of Congress acted in the finest traditions of our country. This resolution provides unmistakable support for the international community's determination that Iraq's ongoing aggression against, and occupation of, Kuwait shall not stand. As I made clear to congressional leaders at the outset, my request for congressional support did not, and my signing this resolution does not, constitute any change in the long-standing positions of the executive branch on either the President's constitutional authority to use the Armed Forces to defend vital U.S. interests or the constitutionality of the War Powers Resolution. I am pleased, however, that differences on these issues between the President and many in the Congress have not prevented us from uniting in a common objective. I have had the benefit of extensive and meaningful consultations with the Congress throughout this crisis, and I shall continue to consult closely with the Congress in the days ahead.

George Bush

The White House,

January 14, 1991.

Note: H.J. Res. 77, approved January 14, was assigned Public Law No. 102 - 1.

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Taro Nakayama of Japan

January 14, 1991

The President met with Foreign Minister Nakayama for approximately one-half hour this afternoon. The Foreign Minister presented Prime Minister Kaifu's greeting to the President and reaffirmed Japan's commitment to the U.N. Security Council resolutions calling for the complete, immediate, and unconditional withdrawal of Iraq from Kuwait. The President noted that the coalition must remain steadfast and implement the U.N. resolutions. The President strongly urged Japan to provide the maximum cooperation possible in the Gulf.

The Foreign Minister noted that Japan, as an ally and good friend, would fully support the United States as the crisis continues to unfold. The Foreign Minister announced that Japan was assuming all of the start-up costs for the U.N. refugee program being put in place, on a contingency basis, in the Middle East.

The President reaffirmed his intention to visit Japan as soon as circumstances permit.

Statement by Press Secretary Fitzwater on the Conditional Release of Military Assistance to El Salvador

January 15, 1991

The President is sending a report to Congress on Salvadoran Government and FMLN guerrilla compliance with the terms set forth in the Fiscal Year 1991 Foreign Operations Appropriation Act. Today, the President determined that $42.5 million, the 50 percent of FY 1991 military aid for El Salvador that has been withheld under the law, may be released. The President's decision was based on the FMLN's violation of the conditions against ``engaging in acts of violence directed at civilian targets'' and acquiring or receiving ``significant shipments of lethal military assistance from outside El Salvador,'' contained in Sections 531 (D) and (E) of the Act.

The President has decided to suspend delivery of this aid for 60 days in the interest of promoting a peaceful settlement to El Salvador's tragic conflict. Despite the FMLN's intransigence in negotiating with the Government and its clear violation of standards which Congress has established, we must give the peace negotiations under U.N. mediation every possible chance to succeed. The end of the 60-day period will coincide with the elections in March for the Salvadoran National Assembly. If the FMLN takes a serious and constructive approach to the peace talks so that they result in a political settlement and a U.N.-supervised cease-fire within 60 days, these funds will not need to be released for the defense of El Salvador's security.

The United States is prepared to go the last mile for peace in El Salvador. We are not prepared to sacrifice the security of the elected government or of American citizens. The United States will monitor carefully security conditions in El Salvador, and the President may release military assistance sooner than 60 days in case of a compelling security need.

The President would strongly prefer not to have to use these funds for military purposes, but rather, as the legislation permits, to help monitor a cease-fire and assist in demobilizing combatants and returning them to civilian life. An internationally verified cease-fire would assist greatly in assuring the fullest possible participation in the election and allow us to use our assistance to support a peace settlement and national reconstruction. The time for war in El Salvador is over; the time for a peace settlement is now.

Note: The Presidential determination on military assistance for El Salvador was printed in the ``Federal Register'' of February 6.

Letter to Congressional Leaders Transmitting a Report Pursuant to the Resolution Authorizing the Use of Force Against Iraq

January 16, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 2(b) of the Authorization for Use of Military Force Against Iraq Resolution (H.J. Res. 77, Public Law 102 - 1), I have concluded that:

1. the United States has used all appropriate diplomatic and other peaceful means to obtain compliance by Iraq with U.N. Security Council Resolutions 660, 661, 662, 664, 665, 666, 667, 669, 670, 674, 677, and 678; and

2. that those efforts have not been and would not be successful in obtaining such compliance.

Enclosed is a report that supports my decision.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; Robert C. Byrd, President pro tempore of the Senate; George J. Mitchell, Senate majority leader; Robert Dole, Senate Republican leader; and Robert H. Michel, House Republican leader.

Statement on Allied Military Action in the Persian Gulf

January 16, 1991

I have a statement by the President of the United States:

The liberation of Kuwait has begun. In conjunction with the forces of our coalition partners, the United States has moved under the code name Operation Desert Storm to enforce the mandates of the United Nations Security Council. As of 7 p.m. Eastern Standard Time, Operation Desert Storm forces were engaging targets in Kuwait and Iraq.

President Bush will address the Nation at 9 p.m. tonight from the Oval Office. I'll try to get you more as soon as we can. Thank you very much.

Note: Press Secretary Fitzwater read the statement to reporters at 7:08 p.m. in the Briefing Room at the White House.

Address to the Nation Announcing Allied Military Action in the Persian Gulf

January 16, 1991

Just 2 hours ago, allied air forces began an attack on military targets in Iraq and Kuwait. These attacks continue as I speak. Ground forces are not engaged.

This conflict started August 2d when the dictator of Iraq invaded a small and helpless neighbor. Kuwait -- a member of the Arab League and a member of the United Nations -- was crushed; its people, brutalized. Five months ago, Saddam Hussein started this cruel war against Kuwait. Tonight, the battle has been joined.

This military action, taken in accord with United Nations resolutions and with the consent of the United States Congress, follows months of constant and virtually endless diplomatic activity on the part of the United Nations, the United States, and many, many other countries. Arab leaders sought what became known as an Arab solution, only to conclude that Saddam Hussein was unwilling to leave Kuwait. Others traveled to Baghdad in a variety of efforts to restore peace and justice. Our Secretary of State, James Baker, held an historic meeting in Geneva, only to be totally rebuffed. This past weekend, in a last-ditch effort, the Secretary-General of the United Nations went to the Middle East with peace in his heart -- his second such mission. And he came back from Baghdad with no progress at all in getting Saddam Hussein to withdraw from Kuwait.

Now the 28 countries with forces in the Gulf area have exhausted all reasonable efforts to reach a peaceful resolution -- have no choice but to drive Saddam from Kuwait by force. We will not fail.

As I report to you, air attacks are underway against military targets in Iraq. We are determined to knock out Saddam Hussein's nuclear bomb potential. We will also destroy his chemical weapons facilities. Much of Saddam's artillery and tanks will be destroyed. Our operations are designed to best protect the lives of all the coalition forces by targeting Saddam's vast military arsenal. Initial reports from General Schwarzkopf are that our operations are proceeding according to plan.

Our objectives are clear: Saddam Hussein's forces will leave Kuwait. The legitimate government of Kuwait will be restored to its rightful place, and Kuwait will once again be free. Iraq will eventually comply with all relevant United Nations resolutions, and then, when peace is restored, it is our hope that Iraq will live as a peaceful and cooperative member of the family of nations, thus enhancing the security and stability of the Gulf.

Some may ask: Why act now? Why not wait? The answer is clear: The world could wait no longer. Sanctions, though having some effect, showed no signs of accomplishing their objective. Sanctions were tried for well over 5 months, and we and our allies concluded that sanctions alone

would not force Saddam from Kuwait.

While the world waited, Saddam Hussein systematically raped, pillaged, and plundered a tiny nation, no threat to his own. He subjected the people of Kuwait to unspeakable atrocities -- and among those maimed and murdered, innocent children.

While the world waited, Saddam sought to add to the chemical weapons arsenal he now possesses, an infinitely more dangerous weapon of mass destruction -- a nuclear weapon. And while the world waited, while the world talked peace and withdrawal, Saddam Hussein dug in and moved massive forces into Kuwait.

While the world waited, while Saddam stalled, more damage was being done to the fragile economies of the Third World, emerging democracies of Eastern Europe, to the entire world, including to our own economy.

The United States, together with the United Nations, exhausted every means at our disposal to bring this crisis to a peaceful end. However, Saddam clearly felt that by stalling and threatening and defying the United Nations, he could weaken the forces arrayed against him.

While the world waited, Saddam Hussein met every overture of peace with open contempt. While the world prayed for peace, Saddam prepared for war.

I had hoped that when the United States Congress, in historic debate, took its resolute action, Saddam would realize he could not prevail and would move out of Kuwait in accord with the United Nation resolutions. He did not do that. Instead, he remained intransigent, certain that time was on his side.

Saddam was warned over and over again to comply with the will of the United Nations: Leave Kuwait, or be driven out. Saddam has arrogantly rejected all warnings. Instead, he tried to make this a dispute between Iraq and the United States of America.

Well, he failed. Tonight, 28 nations -- countries from 5 continents, Europe and Asia, Africa, and the Arab League -- have forces in the Gulf area standing shoulder to shoulder against Saddam Hussein. These countries had hoped the use of force could be avoided. Regrettably, we now believe that only force will make him leave.

Prior to ordering our forces into battle, I instructed our military commanders to take every necessary step to prevail as quickly as possible, and with the greatest degree of protection possible for American and allied service men and women. I've told the American people before that this will not be another Vietnam, and I repeat this here tonight. Our troops will have the best possible support in the entire world, and they will not be asked to fight with one hand tied behind their back. I'm hopeful that this fighting will not go on for long and that casualties will be held to

an absolute minimum.

This is an historic moment. We have in this past year made great progress in ending the long era of conflict and cold war. We have before us the opportunity to forge for ourselves and for future generations a new world order -- a world where the rule of law, not the law of the jungle, governs the conduct of nations. When we are successful -- and we will be -- we have a real chance at this new world order, an order in which a credible United Nations can use its peacekeeping role to fulfill the promise and vision of the U.N.'s founders.

We have no argument with the people of Iraq. Indeed, for the innocents caught in this conflict, I pray for their safety. Our goal is not the conquest of Iraq. It is the liberation of Kuwait. It is my hope that somehow the Iraqi people can, even now, convince their dictator that he must lay down his arms, leave Kuwait, and let Iraq itself rejoin the family of peace-loving nations.

Thomas Paine wrote many years ago: ``These are the times that try men's souls." Those well-known words are so very true today. But even as planes of the multinational forces attack Iraq, I prefer to think of peace, not war. I am convinced not only that we will prevail but that out of the horror of combat will come the recognition that no nation can stand against a world united, no nation will be permitted to brutally assault its neighbor.

No President can easily commit our sons and daughters to war. They are the Nation's finest. Ours is an all-volunteer force, magnificently trained, highly motivated. The troops know why they're there. And listen to what they say, for they've said it better than any President or Prime Minister ever could.

Listen to Hollywood Huddleston, Marine lance corporal. He says, ``Let's free these people, so we can go home and be free again." And he's right. The terrible crimes and tortures committed by Saddam's henchmen against the innocent people of Kuwait are an affront to mankind and a challenge to the freedom of all.

Listen to one of our great officers out there, Marine Lieutenant General Walter Boomer. He said: ``There are things worth fighting for. A world in which brutality and lawlessness are allowed to go unchecked isn't the kind of world we're going to want to live in."

Listen to Master Sergeant J.P. Kendall of the 82d Airborne: ``We're here for more than just the price of a gallon of gas. What we're doing is going to chart the future of the world for the next 100 years. It's better to deal with this guy now than 5 years from now."

And finally, we should all sit up and listen to Jackie Jones, an Army lieutenant, when she says, ``If we let him get away with this, who knows what's going to be next?"

I have called upon Hollywood and Walter and J.P. and Jackie and all their courageous comrades-

in-arms to do what must be done. Tonight, America and the world are deeply grateful to them and to their families. And let me say to everyone listening or watching tonight: When the troops we've sent in finish their work, I am determined to bring them home as soon as possible.

Tonight, as our forces fight, they and their families are in our prayers. May God bless each and every one of them, and the coalition forces at our side in the Gulf, and may He continue to bless our nation, the United States of America.

Note: President Bush spoke at 9:01 p.m. from the Oval Office at the White House. In his address, he referred to President Saddam Hussein of Iraq; Secretary of State James A. Baker III; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; and Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf. The address was broadcast live on nationwide radio and television.

Statement by Press Secretary Fitzwater on the Strategic Petroleum Reserve

January 16, 1991

The President tonight authorized Secretary of Energy James D. Watkins, pursuant to the terms of the Energy Policy and Conservation Act, to draw down and distribute the Strategic Petroleum Reserve (SPR) at such a rate as the Secretary may determine.

The authorization to draw down the SPR is in conformance with the emergency response plan agreed to in the International Energy Agency (IEA) on January 11, 1991. The IEA plan provides that, in anticipation of any possible temporary shortfall in oil supplies in the event of hostilities in the Persian Gulf, 2.5 million barrels of oil per day be made available by member countries. The U.S. contribution to meeting the IEA commitment is 1.125 million barrels per day.

The President made a finding that events in the Persian Gulf have resulted in a potential national energy supply shortage constituting a ``severe energy supply interruption,'' as defined in section 3(8) of the Energy Policy and Conservation Act. The President's action was a precautionary measure, taken in concert with our IEA partners, designed to promote stability in world oil markets.

Exchange With Reporters on the Persian Gulf Conflict

January 17, 1991

Q. Mr. President, based on what you've been told this morning, what are your thoughts at this point on how severely the Iraqis have been damaged, how long this may last, and at what cost?

The President. Well, again, I don't want to go into questions here because of the moment. I will say that was covered very well by Secretary Cheney and Colin Powell. And the way we're going to handle this is, I will not be commenting on the ups and downs -- and there will be some downs -- or the trauma of the moment -- there's a lot of trauma of the moment. But I think it is fair to say -- and I will be repeating this to the leaders here -- that we are pleased with the way things have gone so far. We're determined to finish what we've set out to do. But I just think, for procedural reasons, I'd like you all to know that I'm not going to be trying to do briefings from the White House on the details of the operations over there. I have full confidence in our Secretary of Defense and in our able Chairman of the Joint Chiefs and, of course, in our general, General Schwarzkopf.

So, for the future, though I'll be in touch with the American people, I think it's better to leave the details of the operations to the briefings over there. And, of course, I'll be available for questions from time to time. But when we don't have all the information, I just would hate to risk misleading the American people.

Having said that, I think all of us are very pleased that so far the operation is going forward with great success. And we keep praying that the loss of life will be held at an absolute minimum. And I feel so strongly about our troops over there. Certainly I feel that way about them, and I feel that way about the innocents who might get caught up in this conflict. So, I think it's fair to say there's a lot of prayer going on both here and on Capitol Hill and across this whole country. And it will be that way until this is concluded.

Q. Mr. President, Saddam Hussein says he won't be crushed.

The President. I won't take others right now. Thank you.

Q. Are you concerned this early talk of success might lead to unwarranted optimism on some people's part?

The President. No, I'm not concerned. There is no unwarranted optimism, and there will be none. And I would refer you to the briefing of the Secretary of Defense and Chairman of the Joint Chiefs.

Thank you all very much.

Note: The exchange began at 9:40 a.m. in the Cabinet Room at the White House, prior to a meeting with congressional leaders. In his remarks, the President referred to Secretary of Defense Dick Cheney; Colin L. Powell, Chairman of the Joint Chiefs of Staff; and Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf.

Exchange With Reporters on the Persian Gulf Conflict

January 17, 1991

Q. Mr. President, will you insist on an unconditional surrender by Saddam?

Q. Has it reached that point, sir, that surrender is the answer?

The President. I tried very hard last night to spell out our objectives, and I think it's very clear. And the United Nations spelled them out, and they remain the same. He can call it anything he wants, interpret any way he wants, but we are going to prevail. I don't want to get caught up in some semantics about all of this. He's got to get out of Kuwait. And he's got to do it with no concessions or no condition. That was determined long ago when he failed to comply with the U.N. resolutions. And now, in keeping with those, we are using force, and we're not going to stop until he fully complies with the resolutions.

So, let's not worry about what we call it. Let's worry about -- call it, if you want to make it clear, full compliance with the U.N. resolutions, full compliance with the objectives of the coalition forces.

Q. What do you think of his response so far?

The President. I think our people are doing very well.

Note: The exchange began at 3:13 p.m. in the Cabinet Room at the White House. In his remarks, President Bush referred to President Saddam Hussein of Iraq. A tape was not available for verification of the content of this exchange.

Nomination of Carol T. Crawford To Be a Member of the United States International Trade Commission

January 17, 1991

The President today announced his intention to nominate Carol T. Crawford, of Virginia, to be a member of the United States International Trade Commission for the term expiring June 16, 1999. She would succeed Alfred E. Eckes, Jr.

Ms. Crawford has served as Assistant Attorney General at the Department of Justice in Washington, DC, 1989 - 1990. Prior to this Ms. Crawford served as Associate Director for Economics and Government at the Office of Management and Budget at the White House, 1985 - 1989. She was Director of the Bureau of Consumer Protection for the Federal Trade Commission, 1983 - 1985, and Executive Assistant to the Chairman, 1981 - 1983.

Ms. Crawford graduated from Mount Holyoke College (B.A., 1965) and American University (J.D., 1978). She was born December 25, 1943, in Mount Holly, NJ. Ms. Crawford is married, has three children, and resides in McLean, VA.

Statement by Press Secretary Fitzwater Confirming Iraqi Missile Attacks on Israel and Saudi Arabia

January 17, 1991

The Department of Defense has confirmed the firing of missiles from Iraq into Israel and Saudi Arabia. Damage assessments are being made.

President Bush was informed of this action by NSC [National Security Council] adviser Brent Scowcroft earlier this evening. The President has also discussed this matter with Secretary of State Baker and Secretary of Defense Cheney. The President is outraged at, and condemns, this further aggression by Iraq.

Coalition forces in the Gulf are attacking missile sites and other targets in Iraq.

Statement by Press Secretary Fitzwater on United States Response to Iraqi Missile Attacks on Israel

January 17, 1991

The United States has been in touch with the Government of Israel to express its outrage over the missile attacks by Iraq. Secretary Baker discussed the matter with Prime Minister Shamir by telephone from the White House tonight. The Secretary assured the Prime Minister that the United States is continuing its efforts to eliminate this threat.

The United States expects to remain in close consultation with Israel on this issue. The U.S. has also been in contact with its coalition partners.

The President has been kept informed of these developments and remains in the Residence.

Note: Press Secretary Fitzwater read this statement to reporters at 11:15 p.m. in the Briefing Room at the White House. The statement referred to Secretary of State James A. Baker III and Prime Minister Yitzhak Shamir of Israel.

The President's News Conference on the Persian Gulf Conflict

January 18, 1991

The President. I have a few opening remarks, and then be glad to take a few questions.

We're now some 37 hours into Operation Desert Storm and the liberation of Kuwait, and so far, so good. U.S. and coalition military forces have performed bravely, professionally, and effectively. It is important, however, to keep in mind two things: First, this effort will take some time. Saddam Hussein has devoted nearly all of Iraq's resources for a decade to building up this powerful military machine. We can't expect to overcome it overnight -- especially as we want to minimize casualties to the U.S. and coalition forces and to minimize any harm done to innocent civilians.

Second, we must be realistic. There will be losses. There will be obstacles along the way. War is never cheap or easy. And I said this only because I am somewhat concerned about the initial euphoria in some of the reports and reactions to the first day's developments. No one should doubt or question the ultimate success, because we will prevail. But I don't want to see us get overly euphoric about all of this.

Our goals have not changed. What we seek is the same as what the international community seeks -- namely, Iraq's complete and unconditional withdrawal from Kuwait and then full compliance with the Security Council resolutions.

I also want to say how outraged I am by Iraq's latest act of aggression -- in this case, against Israel. Once again, we see that no neighbor of Iraq is safe. I want to state here publicly how much I appreciated Israel's restraint from the outset, really from the very beginning of this crisis. Prime Minister Shamir and his government have shown great understanding for the interests of the United States and the interests of others involved in this coalition.

Close consultations with Israel are continuing. So, too, are close consultations with our coalition partners. Just a few minutes ago I spoke to Prime Minister Brian Mulroney of Canada. And in that vein, I also had a long and good conversation this morning with Soviet President Gorbachev in which we thoroughly reviewed the situation in the Gulf. And, of course, I took the opportunity from that call to express again my concern, my deep concern, over the Baltics and the need to ensure that there is a peaceful resolution to the situation there.

Let me close here by saying how much we appreciate what our fighting men and women are doing. This country is united. Yes, there's some protest, but this country is fundamentally united. And I want that message to go out to every kid that is over there serving this country.

I saw in the paper a comment by one who worried -- from seeing demonstrations here and there in this country on television -- that that expressed the will of the country. So, to those troops over there, let me just take this opportunity to say your country is supporting you -- the Congress overwhelmingly endorsed that. Let there be no doubt in the minds of any of you: You have the full and unified support of the United States of America. So, I salute them. They deserve our full support, and they are our finest.

And now I'd be glad to take a few questions.

Q. Mr. President, has the United States asked Israel not to retaliate against Iraq for its attack, what commitments has the United States received in these consultations that we've had with Israel, and how long do you think Israel can stay on the sidelines if these attacks continue?

The President. These questions, questions of what we're talking to Israel about right now, I'm going to keep confidential. No question that Israel's Scud -- the attack on Israel was purely an act of terror. It had absolutely no military significance at all. And it was an attack that is symptomatic of the kind of leader that the world is now confronting in Saddam Hussein and that, again, I repeat, the man that will be defeated here.

But Israel has shown great restraint, and I've said that. I think we can all understand that they have their own problems that come from this. But I don't want to go further into it because we are right in the midst of consultations with Israel. I think they, like us, do not want to see this war widened out, and yet they are determined to protect their own population centers. And I can tell you that our defense people are in touch with our commanders to be sure that we are doing the utmost we can to suppress any of these missile sites that might wreak havoc not just on Israel but on other countries that are not involved in this fighting. So, I'm going to leave it there, and I am confident that this matter can be resolved.

Q. Are you worried that it could change the course of the war?

The President. I think that we ought to guard against anything that can change the course of the war. So, I think everybody realizes what Saddam Hussein was trying to do -- to change the course of the war, to weaken the coalition. And he's going to fail. I want to say when the Soviet Union made such a strong statement, that was very reassuring. We are in close touch with our coalition partners, and this coalition is not going to fall apart. I'm convinced of that.

Q. Mr. President, 2 days ago you launched a war, and war is inherently a two-way street. Why should you be surprised or outraged when there is an act of retaliation?

The President. Against a country that's innocent and is not involved in it -- that's what I'm saying. Israel is not a participant. Israel is not a combatant. And this man has elected to launch a terroristic attack against the population centers in Israel with no military design whatsoever. And

that's why. And it is an outrage, and the whole world knows it, and most of the countries in the world are speaking out against it. There can be no -- no -- consideration of this in anything other than condemnation.

Q. Why is it that any move for peace is considered an end run at the White House these days?

The President. Well, you obviously -- what was the question?

Q. That -- --

The President. End run?

Q. Yes, that is considered an end run -- that people who still want to find a peaceful solution seem to be running into a brick wall.

The President. Oh, excuse me. The world is united, I think, in seeing that these United Nations resolutions are fulfilled. Everybody would like to find a way to end the fighting. But it's not going to end until there is total cooperation with and fulfillment of these U.N. resolutions. This man is not going to pull a victory off by trying to wage terrorist attacks against a country that is not a participant in all of this, and I'm talking about Israel.

And so, I think everyone would like to see it end, but it isn't going to end short of the total fulfillment of our objectives.

Q. Mr. President, you gave assurances on this platform a few weeks ago -- reiterated here today -- that the coalition would withstand an attempt to engage Israel, or perhaps even Israel's retaliation against an attack. Can you give us some better idea today, sir, of what the basis for your assurance is on that point?

The President. Well, a lot of diplomacy has gone on behind the scenes in this regard, and I feel very confident about what I've said.

Q. If I could follow up, sir, a particularly touchy situation obviously exists with regard to Jordan, whose position in the neighborhood is particularly sensitive, sir. Can you update us on any understandings that may exist, any diplomatic initiatives that may be ongoing to assure the Jordanians or to convince them to take no action, or about what would happen if they did?

The President. Brit [Brit Hume, ABC News], I don't think there are any understandings on that with Jordan at this point, and so I can't elaborate on that.

Q. Mr. President, there was some indication last night -- I appreciate you not wanting to tell us what is going on right now -- but last night it appeared that Israeli planes got off the ground and

headed toward Iraq. Did this government stop an Israeli retaliation that was underway?

The President. No.

Q. Secondly, are we trying to kill Saddam Hussein? We have blown out several buildings where he could have been last night -- yesterday.

The President. We're not targeting any individual.

Q. Mr. President, do you have any message of reassurance to the people of Israel that the restraint being shown by their government doesn't place them in risk?

The President. I think that they know of our determination to safeguard them following this attack -- or prior to this attack. And we are going to be redoubling our efforts in the darnedest search-and-destroy effort that has ever been undertaken out in that area. And I hope that that is very reassuring to the citizens of Israel.

Q. Mr. President, are you trying to caution against overconfidence with your statement in -- by concern that Saddam Hussein may have a lot more staying power than was originally thought, or is it based on a upcoming land warfare that is apt to be protracted?

The President. No, I don't think there is any conclusion that he has a lot more staying power than anybody thought. But what I am cautioning against is a mood of euphoria that existed around here yesterday because things went very, very well -- from a military standpoint, exceptionally well. This was received all around the world with joy, but I just would caution again that it isn't going to be that easy all the time. But we have not changed our assessment as to how difficult the task ahead is.

Q. Sir, you said the Israelis have shown restraint. Are you confident that they will show restraint?

The President. Well, we are working on that, and I am very hopeful that they will. They've been most cooperative. Secretary Baker talked to Prime Minister Shamir last night. I'll probably be on the phone with him in not so many minutes from now, and I could answer the question better after that. But I think they realize the complexity of this situation; we certainly do. But whatever happens, I'm convinced that this coalition will hold together.

Q. Sir, will you be able to tell Prime Minister Shamir with any confidence that you have knocked out these missile sites?

The President. Well, the problem, John [John Cochran, NBC News], on that is we can tell him with confidence what we've done in terms of some of the missile sites but not all, because you're dealing with mobile missiles that can be hidden.

I'm getting a little off of my turf here because I've vowed to permit the Defense Department to respond to these military questions. But I think that one is rather clear -- that when you can hide a mobile missile the way they've done, it's awfully hard to certify that all of them have been taken care of.

Q. Mr. President, granted you say that there are some rough days ahead. But there's also been a considerable amount of discussion as to the relatively unexpectedly low rate of response on the part of the Iraqis -- you've had some briefings on this. What are your thoughts? What do you think explains this?

The President. Well, I don't know. But my thoughts are that as each hour goes by, they're going to be relatively less able to respond. And I say that with no bravado. I just simply say that because that's what's happening over there.

So, he may well have been holding his mobile missiles back, for example -- wheeling them out there when he thinks they will be undetected and then firing a few of these missiles into the heart of downtown Haifa to try to make some political statement. But there may be some more of that ahead for -- maybe aimed at other countries. Who knows? But in terms of his ability to respond militarily, I can guarantee the world that, as every hour goes by, he is going to be less able to respond, less able to stand up against the entire world -- the world opinion as expressed in these United Nations resolutions.

Q. Mr. President, if I may follow: Do you have any hard intelligence information that would indicate to you that there is indeed still a live chemical weapons threat from Saddam Hussein?

The President. I'd have to refer that to the -- well, I would expect there is a threat because chemical weapons have been dispersed. He's used them on his own people. And that's something that our troops have been warned against, the people of Israel have been warned against, obviously, and others in the area have been warned against. So I can't say that every chemical weapon has been destroyed. But I think I said the other night in the speech from -- comments from the Oval Office there that his ability to make chemical weapons will not exist. I can't tell you exactly where that stands, but I would refer you to the Pentagon.

Mr. Fitzwater. Final question, Please.

The President. This is the last one?

Q. No. No.

Q. Awww.

The President. It's the new me. I'm going to do exactly what Marlin says on this regard.

Q. This is the first time there's been sustained combat between American soldiers and Arab forces. There's been an enormous amount of concern about what the reaction of the Arab world would be. Now that the war is underway, how concerned are you about that problem? Is there anything that could be done by you to minimize the damage to the links between Arab countries and the United States?

The President. You're not talking about in -- this in relationship to the attack on Israel.

Q. More in terms of the Arab matter -- --

The President. Gerry [Gerald Seib, Wall Street Journal], you see, I've never believed that the Arabs would oppose what's going on right now. I believe when you see the Arab League and Egypt itself, which I guess is the largest in population of Arab countries, strongly supporting what we're doing, that this idea that all Arabs -- the idea that he tried to sell -- Saddam did -- that Arabs versus America is phony. It's a phony argument.

There are Arab forces in the air probably right now -- Kuwaiti or Saudi forces. There is a strong Arab element in this coalition. There are many countries in the Arab League that are opposed to Saddam Hussein and have long felt that he was the bully of the neighborhood. And it is about time that his aggression come to heel. And so, I don't worry about it, long run. I do think when this is over we will have some very sophisticated diplomacy to do. But I believe at this point that most people in the Arab world understand and approve of what the United Nations tried to do and is trying to do now. So it doesn't concern me.

Now, there are some elements that, clearly, you might say, are on the other side. And that would worry me in a sense, but it worries me for the future, not so much for the present. I think when all this is over, we want to be the healers. We want to do what we can to facilitate what I might optimistically call a new world order.

But that new world order should have a conciliatory component to it. It should say to those countries that are on the other side at this juncture -- and there aren't many of them -- look, you're part of this new world order. You're part of this. You can play an important part in seeing that the world can live at peace in the Middle East and elsewhere. So, there are some that oppose us. There are some of the more radical elements that will always oppose the West and the United States.

But there are countries involved there that may have leaned -- tilted, to use an old diplomatic expression, towards Saddam Hussein and towards Iraq that will clearly be in the forefront of this new world order. I am not going to write off Jordan. We've had a long-standing relationship with King Hussein, but he's in a very difficult position there. I have had some differences with him,

but they've been respectful, but I would like to see him be more publicly understanding of what it is the United Nations is trying to do here and the United States role. We're not going to suggest that Jordan, because they've taken this position, can't continue to be a tremendously important country in this new world order.

So, I don't accept the premise that Saddam Hussein tried to sell the world that it was the Arabs against the United States. There is overwhelming evidence to show that he is wrong. What he was trying to do, obviously, is divert world attention away from the brutal aggression against Kuwait. You heard it in the `Aziz press conference. I mean, if there ever was evidence as to what I'm saying, it was the way he conducted himself in that press conference.

So, so far, Gerry, I think there has been understanding as to why we're doing what we are doing. And, I'd like to think, respect for the coalition because I think they see, as I do -- the Arab world -- that out of this there's a chance for a lasting peace.

Thank you all very much.

Note: President Bush's 70th news conference began at 12:03 p.m. in the Briefing Room at the White House. In his remarks, he referred to President Saddam Hussein of Iraq; Prime Minister Yitzhak Shamir of Israel; Prime Minister Brian Mulroney of Canada; President Mikhail Gorbachev of the Soviet Union; Secretary of State James A. Baker III; King Hussein I of Jordan; and Foreign Minister Tariq `Aziz of Iraq. Marlin Fitzwater was Press Secretary to the President.

Letter to Congressional Leaders on the Persian Gulf Conflict

January 18, 1991

Dear Mr. Speaker: (Dear Mr. President:)

On January 16, 1991, I made available to you, consistent with section 2(b) of the Authorization for Use of Military Force Against Iraq Resolution (H.J. Res. 77, Public Law 102 - 1), my determination that appropriate diplomatic and other peaceful means had not and would not compel Iraq to withdraw unconditionally from Kuwait and meet the other requirements of the U.N. Security Council and the world community. With great reluctance, I concluded, as did the other coalition leaders, that only the use of armed force would achieve an Iraqi withdrawal together with the other U.N. goals of restoring Kuwait's legitimate government, protecting the lives of our citizens, and reestablishing security and stability in the Persian Gulf region. Consistent with the War Powers Resolution, I now inform you that pursuant to my authority as Commander in Chief, I directed U.S. Armed Forces to commence combat operations on January 16, 1991, against Iraqi forces and military targets in Iraq and Kuwait. The Armed Forces of Saudi Arabia, Kuwait, the United Kingdom, France, Italy, and Canada are participating as well.

Military actions are being conducted with great intensity. They have been carefully planned to accomplish our goals with the minimum loss of life among coalition military forces and the civilian inhabitants of the area. Initial reports indicate that our forces have performed magnificently. Nevertheless, it is impossible to know at this time either the duration of active combat operations or the scope or duration of the deployment of U.S. Armed Forces necessary fully to accomplish our goals.

The operations of U.S. and other coalition forces are contemplated by the resolutions of the U.N. Security Council, as well as H.J. Res. 77, adopted by Congress on January 12, 1991. They are designed to ensure that the mandates of the United Nations and the common goals of our coalition partners are achieved and the safety of our citizens and forces is ensured.

As our united efforts in pursuit of peace, stability, and security in the Gulf region continue, I look forward to our continued consultation and cooperation.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; Robert C. Byrd, President pro tempore of the Senate; George J. Mitchell, Senate majority leader;

Robert Dole, Senate Republican leader; and Robert H. Michel, House Republican leader.

Letter to Congressional Leaders on the Activation of the Ready Reserve

January 18, 1991

Dear Mr. Speaker: (Dear Mr. President:)

I have today, pursuant to section 673 of title 10, United States Code, authorized the Secretaries of the Army, Navy, and Air Force, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service within the Department of the Navy, to order to active duty units and individual members not assigned to units of the Ready Reserve. The continued deployment of United States forces in and around the Arabian Peninsula necessitates this action.

A copy of the Executive order implementing this action is attached.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on the Activation of the Ready Reserve

January 18, 1991

At the request of the Secretary of Defense, the President today authorized the Department of Defense and the Department of Transportation to order members of the Ready Reserve of the Armed Forces to active duty under the provisions of section 673 of title 10, United States Code. This step is necessary to support the continued operations of U.S. forces in Operation Desert Storm. This authority will enable reservists to remain on active duty for longer than 180 days and will also permit the call to active duty of personnel in excess of the 200,000 previously authorized.

The Executive order on the activation of the Ready Reserve is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on the Death of King Olav V of Norway

January 18, 1991

The President today sent a letter to His Majesty King Harald V and Her Majesty Queen Sonja of Norway extending President and Mrs. Bush's condolences on the death of King Olav V. In the letter, the President said that King Olav V was a symbol of Norway's spirit and verve, and that his graciousness and energy would be missed.

King Olav V lived in the United States during the Second World War as a guest of President Franklin Delano Roosevelt. During his long reign, Norway and the United States have enjoyed a very close and productive friendship. He was much admired by the American people.

Nomination of Melissa Foelsch Wells To Be United States Ambassador to Zaire

January 18, 1991

The President today announced his intention to nominate Melissa Foelsch Wells, of Connecticut, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zaire. She would succeed William Caldwell Harrop.

Currently Ambassador Wells serves as the United States Ambassador to the People's Republic of Mozambique. Prior to this, Ambassador Wells served as director of the IMPACT Program in Geneva, Switzerland, 1982 - 1986; resident representative of the United Nations Development Program and special representative to the United Nations Secretary-General for relief operations in Uganda, 1979 - 1982; U.S. Representative on the Economic and Social Council of the United Nations, 1977 - 1979; U.S. Ambassador to Guinea-Bissau and Cape Verde, 1976 - 1977; and commercial counselor at the U.S. Embassy in Brasilia, Brazil, 1975 - 1976. She has also served as deputy director for major export projects at the Department of Commerce in Washington, DC, 1973 - 1975; chief of the business relations branch in the Bureau of Economic Affairs, 1972 - 1973; personnel officer for the Board of Examiners, 1971 - 1972; and economic officer at the U.S. Embassy in London, England, 1966 - 1970. Ambassador Wells has also served as an economic officer at the U.S. Mission to the Organization for Economic Cooperation and Development in Paris, France, 1964 - 1966. From 1958 to 1961, Ambassador Wells served in several capacities at the Department of State.

Ambassador Wells graduated from Georgetown University (B.S., 1956). She was born November 18, 1932, in Tallinn, Estonia. Ambassador Wells is married and has two children.

Remarks on the Persian Gulf Conflict and the Baltic States and an Exchange With Reporters

January 21, 1991

The President. Let me just say a quick word about the brutal parading of these allied pilots. I was talking to Speaker Foley about this coming down, and it is very clear that this is a direct violation of every convention that protects prisoners. The International Red Cross, I understand, certified to that today.

In the first place, this is not going to make a difference in the prosecution of the war against Saddam. It's not going to make a difference. I've said that before. I said that when he brutally held hostages that numbered up into the thousands. And it's not going to make a difference. But I would make the strongest appeal that these people be treated properly and that they be given the treatment that is accorded to them under the international conventions -- and they are not being. And America is angry about this, and I think the rest of the world is, because this morning I talked to more of our coalition partners. So, it is backfiring. If he thought this brutal treatment of pilots is a way to muster world support, he is dead wrong. And I think everybody is upset about it.

Speaker, I won't put words in your mouth, but -- --

Speaker Foley. I concur absolutely with what the President said. It's a clear violation of the Geneva provisions for the protection of prisoners of war, and it will have very, very strong repercussions not only throughout the United States but throughout the world if these violations continue.

Q. Mr. President -- --

The President. No, I can't do a press conference. I do want to say something, though, about the Baltic States. I am increasingly concerned. We had a statement on that yesterday. I would again appeal to the Soviet Union leaders to resist using force. And we've heard European countries speaking out on this now, and the world is very much concerned about that as well.

So, thank you all very much.

Persian Gulf Conflict

Q. -- -- war crimes, sir?

Q. Will he be held accountable, Mr. President? Will he be held accountable?

The President. You can count on it.

Note: President Bush spoke at 11:58 a.m. on the South Lawn at the White House, upon his return from Camp David, MD. In his remarks, he referred to Thomas S. Foley, Speaker of the House of Representatives, and President Saddam Hussein of Iraq. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the Designation of the Arabian Peninsula as a Combat Zone

January 21, 1991

The President today signed an Executive order designating the Arabian Peninsula areas, airspace, and adjacent waters as a combat zone. This designation means that for Federal tax purposes military pay received by enlisted personnel while serving in the combat zone will be exempt from income tax. For commissioned officers in the combat zone the exclusion is limited to $500 a month.

In addition, members of the armed forces in the combat zone will not have to file their income tax returns until at least 180 days after they depart the Persian Gulf.

Note: The Executive order is listed in Appendix E at the end of this volume.

Remarks to Participants in the March for Life Rally

January 22, 1991

Once again, it is my distinct honor to address Nellie Gray and those courageous and determined Americans gathered on The Mall for the Rally for Life. January has become -- in large part due to the dedication and hard work of the March for Life -- a time of reflection, a time of rejuvenation for pro-life forces. And so, I'm pleased that my voice is part of the growing chorus that simply says, ``Choose Life."

As I look back at past years' Rally for Life, I am encouraged by the progress which has taken place. Attempts by Congress to expand funding -- Federal funding -- for abortions have been defeated, and the Supreme Court has taken welcome steps toward reversing its Roe versus Wade decision.

Despite these successes, much remains to be done. Abortion on demand continues unabated in this country. And as I have said in the past, this prevalence calls into question our respect for the fundamental right to life. Government and private sector must be more involved in encouraging alternatives such as adoption.

And you, the thousands of tireless volunteers who have gathered here from across the United States, must make it your goal to keep this issue alive and predominant in the Halls of Congress, the courts, and in the minds of the American people.

Thank you for your commitment, and God bless you.

Note: The President spoke at 12:02 p.m. from the Oval Office at the White House, via an electronic hookup with the rally site. Participants had gathered on the Ellipse for a march to the Supreme Court on the 18th anniversary of the Court's decision of Roe v. Wade which legalized abortion. Nellie Gray was president of March for Life.

Statement on the Resignation of Susan S. Engeleiter as Administrator of the Small Business Administration

January 22, 1991

I have today regretfully accepted the resignation of Susan Engeleiter as Administrator of the Small Business Administration, to be effective on or before May 1, 1991. Susan has notified me that she intends to return to the Midwest to pursue a career in the private sector.

When I asked Susan to join my administration in May 1989, I gave her the assignment of revitalizing the SBA and setting it upon a stable course for the future -- a course of encouraging entrepreneurship and helping men and women of all ethnic and economic groups utilize small business ownership as a path to full participation in the American economy. She has certainly accomplished that important mission.

In addition, she has been an effective advocate for women and minorities in this administration, serving as Chairwoman of the National Women's Business Council, a member of the President's Commission on Minority Business Development, and successfully expanding the Women's Network for Entrepreneurial Training to a nationwide mentoring program for new business owners.

Administrator Engeleiter has been a forceful advocate for small businesses throughout the country and a valued member of this administration. I sincerely thank Susan for her service. Both Barbara and I wish her the very best as she returns home to the Midwest.

Message to the Congress on Trade With Hungary

January 22, 1991

To the Congress of the United States:

In July 1990 I determined and reported to the Congress that Hungary continues to meet the emigration criteria of the Jackson-Vanik amendment to, and section 409 of, the Trade Act of 1974. This determination allowed for Hungary to retain most favored nation (MFN) status without an annual waiver.

As required by law, I am submitting an updated formal report to the Congress concerning emigration laws and policies of the Republic of Hungary. You will find that the report indicates continued Hungarian compliance with U.S. and international standards in the areas of emigration and human rights policy.

George Bush

The White House,

January 22, 1991.

Presidential Determination No. 91 - 18 -- Memorandum on Trade With Bulgaria

January 22, 1991

Memorandum for the Secretary of State

Subject: Presidential Determination under Section 402(c)(2)(A) of the Trade Act of 1974, as Amended -- Bulgaria

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974, as amended (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to Bulgaria will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:42 a.m., January 31, 1991]

Note: The Executive order is listed in Appendix E at the end of this volume.

Message to the Congress on Trade With Bulgaria

January 22, 1991

To the Congress of the United States:

Pursuant to section 402(c)(2) of the Trade Act of 1974 (the Act) (19 U.S.C. 2432(c)(2)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 with respect to Bulgaria will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received assurances with respect to the emigration practices of Bulgaria required by section 402(c)(2)(B) of the Act.

Pursuant to section 402(c)(2), I shall issue an Executive order waiving the application of subsections (a) and (b) of section 402 of the Act with respect to Bulgaria.

George Bush

The White House,

January 22, 1991.

Note: The Executive order is listed in Appendix E at the end of this volume.

Remarks Following Discussions With President Punsalmaagiyn Ochirbat of Mongolia

January 23, 1991

President Bush. Mr. President, it's been my great honor to welcome you to the White House for this historic visit to our country, the first ever by the head of state of Mongolia. Mr. President, Mongolia and the United States are countries separated by thousands of miles and a world of differences -- in culture, history, and outlook. And yet, in this past year, our two nations have moved closer together, drawn toward one another by universal principles and ideals.

In the past year, Mongolia has opened its controlled economy to free market reform, opened its closed political system, and opened its doors to the world. Opposition parties are now legal. Mongolia held its first multiparty elections in July -- a free and fair vote that produced the first popularly elected legislature in Mongolia's history. This transition toward broader political freedom has a parallel in increased freedom of belief as well, with the reopening of several monasteries. Mr. President, your party's positive approach toward reform has meant peaceful change.

In our discussions today, I made clear the strong support the United States is ready to offer as Mongolia moves forward toward greater freedom. President Ochirbat said he appreciated our support for Mongolia's efforts at democracy and restructuring, and he hopes to lay a firm foundation for positive development of bilateral relations, based on mutual benefit, noninterference in each other's internal affairs.

Already, the United States has begun a program of technical assistance to Mongolia. Just this month, a team from AID traveled to Ulan Bator to brief 20 mid-level managers on free market reform and found 200 officials ready to exchange ideas, including many Members of the Mongolian Legislature. And this summer, for the first time ever, Peace Corps volunteers will begin working in Mongolia.

Later this afternoon, our two countries will sign agreements opening the way to expanded trade and closer contact in the areas of science and technology. And today, I have issued the waiver to open the door granting Mongolia most-favored-nation status, a step that I hope will spur increased trade between our two countries.

In addition to these matters of mutual interest, I reviewed with President Ochirbat world affairs of surpassing concern, including Operation Desert Storm. Mongolia was among the very first to condemn Iraq's brutal invasion of Kuwait and to call for Iraq's complete and unconditional withdrawal. Mr. President, after our talks, I know that you believe as I do that no nation must be permitted to assault and brutalize its neighbor. The action of Iraq's dictator -- the actions of one misguided man -- cannot obscure mankind's bright destiny of democracy and freedom. The future

lies with the process of revolution and renewal now taking place in your nation -- a democratic revolution that is destined to bring peace, freedom and prosperity to the people of Mongolia, as it has to this country and so many others around the world.

So, once again, sir, it has been my distinct pleasure to welcome you to Washington and to this White House. And God bless you, and may God bless the people of Mongolia.

President Ochirbat. Mr. President, ladies and gentlemen, at the outset, let me express our sincere thanks to Your Excellency, Mr. President, for the invitation to pay an official working visit to the United States of America and the warm welcome accorded to us. Availing myself of this opportunity to address you, the representatives of mass media, in this room of the White House -- a house which has witnessed many outstanding historical events -- I bring the friendly greeting of the Mongolian people to the American people.

This is the first visit ever paid by the head of state of Mongolia to the United States of America. It is an evidence of a dynamic development of Mongol-American bilateral relations -- particularly if you will recall that formal relations were established between the two countries only 4 years ago.

President Bush and I had a frank exchange of views on bilateral relations and international issues of mutual interest. And I am extremely pleased to say that this meeting opened up broad vistas for furthering ties between the two countries. We highly appreciate the full support voiced during our meeting by President Bush on behalf of the U.S. administration for democratic processes that are gaining momentum in Mongolia.

President Bush and I agreed to see to it that the Mongol-American relations be developed vigorously on the basis of the universally recognized principles of state sovereignty, independence, noninterference in each other's internal affairs, equality, and mutual benefit.

We have also agreed that there is a broad possibility for cooperation in encouraging U.S. investment and carrying out technological renovation in Mongolia, expanding bilateral trade, facilitating Mongolia's switch to a market economy, and training qualified personnel. I believe that the trade agreement and the agreement on scientific and technological cooperation between the two countries, which are to be signed today, will be of much importance in making the best of these potentialities.

And, of course, of the exchange of views on international issues, both sides unanimously emphasize the importance of pulling together the efforts of all states in order to strengthen the positive changes that are taking place in the world.

As for the Persian Gulf crisis, we deeply regret the outbreak of an armed conflict there which is jeopardizing international stability. Should the Iraqi leadership meet the demands of the international community and withdraw its troops from Kuwait, this situation would not have

occurred. The Mongolian People's Republic strongly hopes that the military operations by allied forces aimed at restoring Kuwait's independence and sovereignty would not escalate, and peace and tranquillity will prevail soon in the Persian Gulf region. Just as democracy, freedom, and human rights are the lofty ideals that should be upheld by all, this is what the Mongolian Government is strongly committed to in its domestic and foreign policies.

Thank you very much, Mr. President, for the warm welcome accorded to us, the delegates of the Mongolian people. I wish you and the American people happiness and well-being.

Note: President Bush spoke at 1:16 p.m. in the East Room at the White House. President Ochirbat spoke in Mongolian, and his remarks were translated by an interpreter. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Mongolian officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Presidential Determination No. 91 - 19 -- Memorandum on Trade With Mongolia

January 23, 1991

Memorandum for the Secretary of State

Subject: Presidential Determination under Section 402(c)(2)(A) of the Trade Act of 1974, as Amended -- Mongolia

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974, as amended (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to Mongolia will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:43 a.m., January 31, 1991]

Note: The Executive order is listed in Appendix E at the end of this volume.

Message to the Congress on Trade With Mongolia

January 23, 1991

To the Congress of the United States:

Pursuant to section 402(c)(2) of the Trade Act of 1974, (the Act) (19 U.S.C. 2432(c)(2)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 with respect to Mongolia will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received assurances with respect to the emigration practices of Mongolia required by section 402(c)(2)(B) of the Act.

Pursuant to section 402(c)(2), I shall issue an Executive order waiving the application of subsections (a) and (b) of section 402 of the Act with respect to Mongolia.

George Bush

The White House,

January 23, 1991.

Note: The Executive order is listed in Appendix E at the end of this volume.

Remarks to the Reserve Officers Association

January 23, 1991

Thank you, General Bob Hope. And I'm pleased to see so many Members of Congress here tonight. I don't want to get in trouble, but I want to single out Senator Strom Thurmond; Senator Ted Stevens; and, of course, a great friend of the Reserve, my old friend, Sonny Montgomery over here -- the General. And all the rest of the Members who are with us tonight.

My apologies to all for speaking before the broccoli and leaving -- [laughter] -- but given the circumstances, I'm sure you'll understand. And I am proud to share this evening with the leadership of the Reserve Officers Association, and I am deeply honored to be named Minuteman of the Year. But I know tonight our thoughts go out to men and women earning the honor of a grateful nation at this very moment: the citizen-soldiers, 100,000 strong, serving now with the coalition forces in the Gulf. And I salute them, each and every one.

Those American Reservists are part of an allied force standing against the forces of aggression -- standing up for what is right. They serve alongside hundreds of thousands of soldiers, sailors, airmen, marines, and coastguardsmen of 27 other nations -- all united against the aggression of Saddam Hussein.

As we meet right here tonight, we are exactly 1 week into Operation Desert Storm. But it is important to date this conflict not from January 16th, but from its true beginning: the assault of August 2d, Iraq's unprovoked aggression against the tiny nation of Kuwait. We did not begin a war 7 days ago. Rather, we began to end a war -- to right a wrong that the world simply could not ignore.

From the day Saddam's forces first crossed into Kuwait, it was clear that this aggression required a swift response from our nation and the world community. What was, and is, at stake is not simply our energy or economic security and the stability of a vital region but the prospects for peace in the post-cold-war era -- the promise of a new world order based upon the rule of law.

America was not alone in confronting Saddam. No less than 12 resolutions of the United Nations Security Council condemned the invasion, demanding Iraq's withdrawal without condition and without delay. The United Nations put in place sanctions to prevent Iraq from reaping any reward from its outlaw act. Countries from six continents sent forces to the Gulf to demonstrate the will of the world community that Saddam's aggression would not stand.

Appeasement -- peace at any price -- was never an answer. Turning a blind eye to Saddam's aggression would not have avoided war; it would only have delayed the world's day of reckoning, postponing what ultimately would have been a far more dangerous, a far more costly conflict.

Unfortunately, in spite of more than 5 months of sustained diplomatic efforts by the Arab League, the European Community, the United States, and the United Nations, Saddam Hussein met every overture of peace with open contempt. In the end, despite the world's prayers for peace, Saddam brought war upon himself.

Tonight, after 1 week of allied operations, I am pleased to report that Operation Desert Storm is right on schedule. We have dealt -- and I salute General McPeak and the airmen flying under the United Command out there, from the Navy and the Marines, as well as, of course, the Air Force; I salute him -- we dealt a severe setback to Saddam's nuclear ambitions. Our pinpoint attacks have put Saddam out of the nuclear bomb-building business for a long time to come. Allied aircraft enjoy air superiority, and we are using that superiority to systematically deprive Saddam of his ability to wage war effectively.

We are knocking out many of their key airfields. We're hitting their early warning radars with great success. We are severely degrading their air defenses. The main danger to allied aircraft now comes from some 20,000 antiaircraft guns in the Baghdad area alone. And let me say, I am proud of the way our aviators are carrying out their tasks. In head-to-head combat, our jet fighters have destroyed 19 Iraqi jets. And they have hit, at most, one American jet in aerial combat.

Step by step, we are making progress towards the objectives that have guided the world's response since August 2d: the liberation of Kuwait and the restoration of stability and security in the Gulf. And there can be no doubt: Operation Desert Storm is working. There can be no pause now that Saddam has forced the world into war. We will stay the course -- and we will succeed -- all the way.

As I said on the 3d day of this campaign, war is never cheap or easy. There will be problems. There will be setbacks. There will be more sacrifices. But let me say I have every reason to be very pleased with our progress to date.

Saddam has sickened the world with his use of Scud missiles -- those inaccurate bombs that indiscriminately strike cities and innocent civilians in both Israel and Saudi Arabia. These weapons are nothing more than tools of terror, and they do nothing but strengthen our resolve to act against a dictator unmoved by human decency.

Prime Minister John Major of the United Kingdom said it well yesterday. ``Saddam," he said, ``may yet become a target of his own people. It is perfectly clear that this man is amoral. He takes hostages, he attacks population centers, he threatens prisoners. He's a man without pity, and whatever his fate may be," said Prime Minister Major, ``I, for one, will not weep for him." No one should weep for this tyrant when he is brought to justice -- no one, anywhere in the world.

I watched, along with all of you, that repulsive parade of American airmen on Iraqi television -- one more proof of the savagery of Saddam. But I knew as they read their prepared statements

criticizing this country that those were false words forced on them by their captors. I saw one of General McPeak's kids -- one American pilot yesterday was asked why he was sure the pilots were coerced, their statements false. And he said, ``I know that because these guys are Americans." He could well have said the same thing about the other pilots being held -- from Britain, Italy, and Kuwait -- all men of courage and valor, too.

Tonight, I repeat my pledge to you and to all Americans: This will not be another Vietnam. Never again will our Armed Forces be sent out to do a job with one hand tied behind their back. They will continue to have the support they need to get the job done, get it done quickly, and with as little loss of life as possible. And that support is not just military, but moral -- measured in the support our servicemen and women receive from every one of us here at home. When the brave men and women of Desert Storm return home, they will return to the love and respect of a grateful nation. And with that in mind, I'd like to say to every family of every man or woman serving overseas: We're thinking of you, and you are in our prayers.

And that is where I will close -- with the aim of protecting American lives and seeing the heroes of Desert Storm return home safe and sound. All life is precious, whether it's the life of an American pilot or an Iraqi child. And yet, if life is precious, so, too, are the living principles of liberty and peace -- principles that all Americans cherish above all others, principles that you and your comrades on duty tonight have pledged to defend.

Thank you for this warm welcome tonight and for your strong support. And may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 7:42 p.m. in the Ballroom at the Washington Hilton Hotel. In his remarks, he referred to Maj. Gen. Robert C. Hope, ret., president of the Reserve Officers Association; Senators Strom Thurmond and Ted Stevens; Representative G.V. (Sonny) Montgomery; President Saddam Hussein of Iraq; Gen. Merrill A. McPeak, Air Force Chief of Staff; and Prime Minister John Major of the United Kingdom.

Exchange With Reporters

January 24, 1991

Meeting With Republican Leaders

Q. Mr. President, do you subscribe to Mr. Yeutter's suggestion that the vote against the war resolution be an issue in the next election?

The President. We're here today to talk about a wide array of issues. This is my first meeting, formal meeting, with the Republican leadership. We've been in touch on the Hill, obviously, because of the Gulf, with the Democrats and Republicans. But we're moving forward now towards a new domestic agenda that's going to require a lot of legislation, and that's what the subject matter here is. We will have a briefing on the number one issue of the day, the Gulf crisis. We'll probably be talking about events inside the Soviet Union that concern all of us, Democrats and Republican alike. And then we'll focus in on the domestic agenda. And that's the last question I'll answer.

Thank you all very much.

Secretary Yeutter. And you need a little more precision on what Mr. Yeutter said. [Laughter]

Q. What did you say?

Secretary Yeutter. We'll tell you about that later.

Q. -- -- that you said it, Mr. Yeutter. Is that a not -- is he misquoting you, sir?

Secretary Yeutter. I will have more to say on that 4 weeks from now.

Q. Why wait that long?

Q. Four weeks?

Q. Truth should be told immediately.

Note: This exchange began at 10:05 a.m. in the Cabinet Room at the White House. Secretary of Agriculture Clayton K. Yeutter was nominated to be chairman of the Republican National Committee. A tape was not available for verification of the content of this exchange.

Remarks to Arab-American Leaders

January 25, 1991

Normally I don't have much to say at these meetings with the press. We do that in the press room. But I do want to thank you all for coming. I'm anxious to hear what you've discussed with Governor Sununu.

But I want to take this opportunity to tell you something that bothers me because I've heard from some and then I've read accounts that suggest Arab-Americans in this country, because of the conflict abroad, are being discriminated against, and it's causing pain in families in this country. And there is no room for discrimination against anybody in the United States of America. And I want you to suggest to me if there are things that I can do as President to get that message out loud and clear to every Arab-American; whether he agrees with me on this war or not is unimportant.

The message is: There is no place for discrimination in the United States of America. And if there's anybody in the communities around this country that are being hurt by it, we have got to come together and do everything we can to see that it doesn't go on.

And secondly, on the war, I know there may be some divisions of one kind or another; that's fine. But it is going well, and I am more determined than ever to bring this to a successful conclusion. And the coalition is working very well, holding together with great strength and great conviction. And I want to tell you a little more about that now when we get into the substance of our meeting here.

But, again, thank you all for coming. Many thanks for coming back. I'm glad to have you here always.

Note: The President spoke at 10:32 a.m. in the Cabinet Room at the White House. In his remarks, he referred to John H. Sununu, Chief of Staff to the President. A tape was not available for verification of the content of these remarks.

Letter Accepting the Resignation of Clayton K. Yeutter as Secretary of Agriculture

January 25, 1991

Dear Clayton:

It is with deep regret that I accept your resignation as Secretary of Agriculture, effective March 1, 1991, although I am delighted that you will continue to be a part of my team as Chairman of the Republican Party. You have been an outstanding Secretary and an extraordinarily effective and productive member of my Administration.

As Secretary of Agriculture, you have pursued an agenda that will guarantee America's farmers continue to be second to none. Our farmers export one-third of all they produce, and you have worked tirelessly toward our mutual goal of further opening the world's markets to increase their opportunities in global trade.

The success of American agriculture is the envy of the world. It is, therefore, fitting and commendable that you and the Department of Agriculture have taken a leading and critical role in assisting Eastern Europe in its transition to a market-oriented economy.

I commend you for your tremendous effort in successfully negotiating the 1990 Farm Bill of which we can both be proud. It is a market-oriented bill that keeps our farmers competitive, keeps our rural areas environmentally sound, and lets farmers make more of their own production decisions. It also encourages crucial agricultural research and ensures a safe and wholesome food supply for all Americans.

I am also grateful for your many other important accomplishments, including supporting the development of alternative fuels; encouraging rural economic development; increasing opportunities for minorities and women at USDA; boosting the Women, Infants and Children and other food programs for those in need; and bringing balance and good common sense to a number of delicate food safety and environmental issues.

Confident of your tremendous ability and grateful for your service to our country, I am extremely pleased to know that you will assume the chairmanship of our great Party. I know the future of the Party is secure with your strong, capable leadership. Barbara and I wish you and Jeanne the very best as we continue to work together in meeting the great challenges that lie ahead.

Warmest personal regards.

Sincerely,

George Bush

Dear Mr. President:

At this time I respectfully submit my resignation as Secretary of Agriculture, effective March 1, 1991, so that I may assume the chairmanship of the Republican National Committee.

During my service to you over the past two years my admiration for you and my respect for your extraordinary leadership and your exemplary human traits have only grown. These traits have all been vividly illustrated in the recent Persian Gulf crisis, which you have handled so admirably.

You have always encouraged your cabinet to pursue the challenges that most affect the American people. America's farmers have their share of challenges, but because of the groundwork laid by your market oriented policies, they are now better able to meet the future with optimism. You recognized the fundamental reforms needed in global agricultural trade when you asked me to serve as your Secretary of Agriculture. All of American agriculture is now poised to capitalize on these reforms when they come to fruition in the Uruguay Round and other negotiations. Mr. President, we are deeply grateful for your unwavering support in these efforts.

One of our major domestic accomplishments, achieved in cooperation with the Senate and House Agriculture Committees, was the 1990 Farm Bill, for it will guide our agricultural policies for the next 5 years. No farm bill in memory has been written under such complex circumstances. Not only was it necessary to project the needs of American agriculture over the ensuing 5 years, but we had to do so in the context of demanding budget realities, increasing global competition, heightened trade disputes, and the need for farmers to expand their roles as stewards of the environment. What emerged is not a perfect piece of legislation, but it is certainly a respectable work product that balances well innumerable sensitive and divergent interests.

The 1990 Farm Bill continues the market oriented approach of the 1985 Act through aggressive export assistance programs, increased research efforts, and added production flexibility for farmers. The new act also encourages tree plantings through your America the Beautiful initiative, and fosters our domestic food assistance programs that help so many needy Americans.

Reducing the federal budget deficit will bring benefits to all Americans, and particularly our nation's farmers. Although income supports will be reduced under the 1990 Deficit Control Act, our farmers will benefit greatly from the resulting lower interest rates and reduced inflation. In the long run they'll be better off, and so will future generations of farm families.

You have guided American foreign policy through two of the most tumultuous years in world history. The incredible changes in Eastern Europe have been fostered by your courageous and straight-forward approach, and we at USDA have pursued a facilitating role in the transition. From the day you asked that I lead a Presidential mission to Poland, we have sought to assist the

region by providing the food, technical assistance, and training necessary to accomplish agricultural development and privatization.

On the home front, we have initiated an aggressive effort to expand opportunities for women, minorities and the disabled here at the Department of Agriculture. We now have in place a Workforce Diversity Program which will ensure that employees of the Department of Agriculture more closely reflect the composition of American society. And we've dramatically expanded our summer internship program for minority students.

From a managerial standpoint, we have developed and are implementing an Electronic Benefits Transfer Program which will improve the integrity and efficiency of our domestic food assistance programs, and we are upgrading our technology at the National Finance Center which services not only our payroll but many other agencies as well. We've become a lot more sophisticated everywhere these past 2 years.

Your Administration has faced a plethora of environmental challenges. Agriculture has been at the center of many of them, from wetlands to water quality, global change, and the protection of endangered species. We have sought to balance interests in this very sensitive area in a fair and rational way, and I believe we have done so.

Recognizing the economic and demographic hardships facing rural America, you created a Presidential Council on Rural Development. This Council met for the first time this week, and this group of outstanding leaders from business, government and academia will soon be providing you with their counsel on how best to ensure the future growth and viability of America's rural communities.

There are many other accomplishments here at USDA, most of them not attributable to me but to the fine team we've assembled here. That team exemplifies competence, and they'll continue to serve you well after my departure. From increasing our funding of research in the areas of food safety, the environment, and U.S. competitiveness, to assisting youth at risk in society as a whole, we have been motivated and guided by your leadership.

It has been a high privilege to have served you and the American people as Secretary of Agriculture. I now look forward with enthusiasm to the challenges and opportunities which lie ahead for the chairman of the Republican party.

Sincerely,

Clayton

Clayton Yeutter

Remarks on the Nomination of Edward R. Madigan To Be Secretary of Agriculture and a Question-and-Answer Session With Reporters

January 25, 1991

The President. I wanted to walk in here to this news room to say that I intend to nominate Edward Madigan, a good friend and outstanding Member of the United States Congress, to be the next Secretary of Agriculture. Ed Madigan has served for 19 years in the House of Representatives. He's been an aggressive leader on all agricultural issues, serving as the ranking minority member on the House Agricultural Committee. And I've known him for a long time. I've known him as a friend, as a leader in our party, and as a man who cares deeply about the farm policies of our government and the people from agricultural America. He has walked in the shoes of Illinois farmers. He knows their needs, their concerns, and most importantly, their dreams for a future in agriculture.

These aren't easy times for the family farmer, but they are important times. And we have been -- the United States -- a role model for the world in the production of food. And yet, American farm families have not always enjoyed the prosperity that they deserve. I believe that Ed Madigan is the man to go to work on these problems. He stands tall, and he'll cast a big shadow in the Oval Office there as we consider America's agricultural future.

And so, I want to introduce him to you, ask him to say a few words, and then I'll be glad to take a few questions and turn it over to Ed again for questions.

Representative Madigan. Mr. President, I want to thank you for the confidence that you have expressed in me and for this opportunity to serve you and the farmers and ranchers of America.

As you know, agriculture is the largest industry in the United States, employing nearly 20 percent of our total work force, and agriculture exports amount to nearly $40 billion each year. So, this will be a job that touches everyone in the country.

My goal, Mr. President, is to carry out your desire that rural Americans have a strong voice in the councils of the government. Many issues have a major impact on the family farmers of America. And I'm going to work hard with you to ensure that their concerns are heard in these councils of government. Ensuring that America has an abundant and affordable and a safe food supply is a big job, but I will work hard for you and for these farmers, Mr. President, to justify that your confidence in me is warranted and that we can get this job done.

Thank you very much.

The President. Thank you, Ed, and I'm just delighted you're doing it. Big shoes to fill, and I'm glad you're taking it on.

Persian Gulf Conflict

Now, Helen [Helen Thomas, United Press International].

Q. Mr. President, what can you do about the Iraqi dumping of oil in the Gulf? Is there any way you can offset it?

The President. Well, there's a lot of activity going on right now trying to figure out what the best course of action is to clean this mess up, to stop this spill.

Saddam Hussein continues to amaze the world. First he uses these Scud missiles that have no military value whatsoever. Then he uses the lives of prisoners of war, parading them and threatening to use them as shields; obviously, they have been brutalized. And now he resorts to enormous environmental damage in terms of turning loose a lot of oil. No military advantage to him whatsoever in this. It's not going to help him at all -- --

Q. It won't stop an invasion?

The President. Absolutely not. It has nothing to do with that. And so, I don't know. I mean, he clearly is outraging the world. But back to your question, there were some meetings that were concluded about 2 hours ago. A course of action that I will not comment -- I think is close to agreement. I'm not going to comment on what it is, but I can assure you that every effort will be made to try to stop this continuing spill into the Gulf and also to stop what has been done from moving further south. It's a little hard to do when the man has taken over this other country, Kuwait, and is using their assets in this way. But we will try hard, and you can be rest assured that the scientists and the oil people, the military are all involved -- the Saudis and the Kuwaitis and the U.S. side -- all involved in the closest consultation.

Q. Are you speaking of a retaliation?

The President. No, I'm speaking of what we do about this spill right now. We'll get to that later.

Q. Mr. President, you said the other night that no one should cry for Saddam Hussein when he's brought to justice. Do you envision war crime trials for Saddam? And also, can you say categorically that when this is all over Saddam will not be allowed to remain in power?

The President. No, I'm staying with our objectives. And the violation of the Geneva conventions are clear, and we'll have to see how that works out. We'll have to see what a post-liberation Kuwait looks like there in Iraq. But our objectives remain the same, Terry [Terence Hunt,

Associated Press].

Q. As you pointed out, Saddam has done a number of things, none of them really a military offensive. Are you coming to the conclusion that he's not going to fight?

The President. No, I haven't reached that conclusion at all, because these Scud missile attacks certainly invite instant retaliation if you can find the mobile launchers. And we're keeping on in that quest, as I indicated the other day.

Q. Well, what's he doing?

The President. I think what he's trying to do is to rally support in some of the countries where he may have some. I think he's trying with the attacks on Israel to divide the coalition and to mount anti-Israel sentiment in parts of the world.

What he is doing with -- when you dump oil reserves out, unless he's trying to show how tough he will be for Saudi Arabia or something like that, I can't figure out. What he's doing when he brutally parades American prisoners, I can't figure that out either -- or British prisoners, or an Italian airman. But it is not a performance that is winning him any points anywhere in my view.

Q. Mr. President, a lot of Americans would like to know -- since all these problems seem to get back, at least in your statements, to Saddam Hussein -- why you don't target him. Is it because of the embarrassment you encountered in trying to bring Manuel Noriega to ground?

The President. Hey, there's no embarrassment in that. It took 6 or 7 days, but there wasn't any embarrassment. I felt no embarrassment at all. There was a man who was wanted for crimes in this country, and he's in prison, and he's going to have his day in court. So, I would like to argue with the predicate a little bit because there wasn't any embarrassment. But we've set our objectives. Our coalition partners are in accord with these objectives, and we will stay with these objectives.

Q. But why not go after Saddam Hussein?

The President. Because we've set our objectives. We've got our objectives in accord with the coalition, and we'll stay with them -- that's why.

Soviet Union

Q. Can I switch topics a moment? You're going to be meeting with the Soviet Foreign Minister on Monday after he meets with Jim Baker on Saturday. According to some of your aides, the scenario goes something like this: you now lean somewhat strongly toward postponing the February summit in Moscow, but if Bessmertnykh comes here and has good news on START and

also says, listen, if you cancel this summit Mikhail Gorbachev is likely to be overthrown by more conservative people in Moscow, within the Kremlin, that you might change your mind. Any truth to any of that?

The President. I am looking forward to the consultations that Secretary Baker will have with Mr. Bessmertnykh. Mr. Bessmertnykh knows the United States very well and he knows the difficulties that we have with any use of force in the Baltics. And so I would stop it right there, John [John Cochran, NBC News]. I am not going to go into some hypothesis that some aide may have discussed with you or anybody else. We're going to see how this plays out. And we have an arms control agenda that I want to see fulfilled, but whether it would be ready in time for the meeting that is now scheduled, I don't know. We're having some difficulties there, frankly. And I expect Jim Baker will be discussing these difficulties.

We have some problems, obviously, on the Baltic States. We have a lot of common ground still with the Soviet Union. It is a country that has been strongly supportive of our objectives in the Persian Gulf. And we have an agenda that Baker and Bessmertnykh will talk about, and then I look forward to seeing Mr. Bessmertnykh, and then I'd be in a better position to respond definitively to your question.

Q. Sir, could I just ask, is it less important than it used to be for you to help Gorbachev survive politically? Are you so disappointed in his actions in the Baltics that you have a different view of it?

The President. I am disappointed in the Soviet actions in the Baltics because use of force is not the way to resolve that problem. And I've had an opportunity to discuss that with the President, and I know the difficulties that he faces. And I have not lost sight of the fact that Mr. Gorbachev was the catalyst, really, for much of the change that has taken place in Eastern Europe; had a lot to do with the reunification of Germany, which is obviously in the German interests and I think in the interests of the United States; a lot to do with common ground in the Persian Gulf.

But the problems in the Baltic States, the use of force there, causes us great difficulty. And so the Bessmertnykh-Baker talks will touch on a wide array of issues -- some where we have very much common ground, some where we have common objectives that are not fulfilled, and some where we might have clear differences. And at that point I will take a look again at the whole problem and see what must be done. And I'm sure the Soviets will be doing the same thing.

Persian Gulf Conflict

Q. Mr. President, the reports from Israel now indicate that the injuries to civilians, perhaps deaths, may have been caused by Patriot missiles themselves not striking their targets, or at least if they struck them parts of them fell back on the civilian population -- which raises anew the question of the sufficiency of the Patriot missile and the question about whether you are now contemplating

additional measures to try to deal with this obviously persistent problem?

The President. We are certainly dealing with that all the time and we want to find ways to stop it. We want to find ways to stop these brutal, senseless, nonmilitary-value attacks on civilian populations.

Q. Can you give us a sense of your level of confidence in the Israelis continuing to show restraint here? Obviously, it can't be any easier for them now than before.

The President. No, although this one -- I felt I might be asked that question walking in here -- and there's still -- I'm still not certain that we know all the details exactly of what happened on this. I will again express enormous confidence in the Patriots. They are doing very, very well. But whether this was debris falling down from an intercept, or not, I simply don't want to comment on it because we don't yet know it for sure.

Q. Sir, one more try on Saddam Hussein. Given that your military commanders have said that they're hoping that this army quits rather than fights and results in a bloody ground offensive, why wouldn't it be entirely militarily appropriate to target Saddam Hussein?

The President. Because we are not in the business of targeting Saddam Hussein. I've set out our goals, and I think that -- I will say this, as I said the other day in echoing my support for what Prime Minister Major of the United Kingdom said, no one will weep when he's gone. But having said that, we have spelled out our objectives and I will stay with them.

But who knows what would happen if he left today? I would like to think that what I have said over and over again would resonate in Iraq, and that is that we have no argument with the people of Iraq. We don't want to see a destabilized Iraq when this is all over. But we also don't want to see a continuation of this aggression. We will not tolerate a continuation of this brutality. And so we have a mix of problems. But the problems are not with the people in the streets of Baghdad.

Q. Mr. President, a couple of questions as to how the Gulf relates domestically. First of all, can you give the American people some sense of what this war is going to cost, especially insofar as you and your Secretary of State are turning to allies and coalition partners and others to help defray some of this cost? What are your projections? What sense can you give the American people? And secondly, on the domestic front, how do you respond to Clayton Yeutter and others who are seeking to turn this issue politically against many Democrats who may have voted against the force resolution?

The President. On the first part of it, I would leave that to the Pentagon. That is still being computed. There have been some -- that will be presented, obviously, to the United States Congress, that not only has a right to know, but has the prime obligations when in terms to funding these matters. I am very pleased with the cooperation and participation from foreign

countries. I think Jim Baker today had or will have a statement regarding Kuwait participation. You saw yesterday what the Prime Minister of Japan stepped up to the plate to do. And we salute that. There will be more such information forthcoming, hopefully, next week.

So, the burden-sharing, which is very, very important, is coming along pretty well. And Congress is very interested in this, and of course, I'm very interested in it. So, we'll be presenting that along with the cost figures to the Congress. But I can't give you the specific figures.

Q. And may I ask you for the second part of that question?

Mr. Fitzwater. Final question.

The President. Oh, yes. My position on this is that this is not a partisan effort. I thought Lee Hamilton answered that question pretty well. I can't remember exactly what he said, but he said, look, I'm prepared to defend my vote one way or another. And I think everybody views it that way. And I don't want to comment on something because I did not see exactly what Clayton Yeutter said. I heard that he said today that he had absolutely no intention of making the war a partisan issue, because we have strong bipartisan support and, in my view, it is a nonpartisan approach.

And so, I have conducted myself that way; I will continue to conduct myself that way. And every once in a while, you get some shots, I would say, that come my way, come against us on this. But I don't elect to think when I hear something of that nature that the Democratic Party is trying to make this a partisan issue, nor do I think Clayton Yeutter is trying to make this a partisan issue.

Upcoming Summit With the Soviet Union

Q. You say you are going to have a look at the whole range of U.S.-Soviet issues, but a summit has officially been set already. Can you tell us will you be in Moscow on February 11th?

The President. I'm going to have to wait and discuss all this with Mr. Bessmertnykh after he has a chance to discuss it with Secretary Baker. Because, you may recall, this was to be a summit at which we were going to sign an arms control agreement, and I am told that we aren't there yet. So we've got to see. There's a war on in the Persian Gulf. There's a lot of reasons that this should be discussed by Jim Baker.

Yes, right back there in the middle.

Budget Proposals

Mr. Fitzwater. Final question, please.

Q. In your budget plan that you will be sending up in February, do you plan to resubmit your capital gains proposal?

The President. Stay tuned. Stay tuned.

You get another one. You get one more. That was Sarah [Sarah McClendon, McClendon News]. Let's see, did you have one last time?

Q. No, sir.

The President. Please go ahead then.

The President's Security

Q. Thank you, sir. Next Tuesday night when you go and give the State of the Union message in that great Hall of the House, where there's a joint session of House and Senate, all those Members there, all the Cabinet and the Supreme Court and the diplomats, and your wife and yourself, that presents a great opportunity for terrorists if they can get by. Why don't you give the State of the Union message quietly from the White House?

The President. Well, many Presidents have given the State of the Union message by post office -- messengers, sent it up there. And I don't know that any of them have been done from the White House. But if I -- when I go to the Capitol -- put it that way -- I will have total confidence in the security apparatus in this country. It doesn't bother me one single bit.

And I know this man has sponsored terrorism, and we continue to be safeguarding in every way we can against it. But the Capitol of the United States will be secure, and the people that are there will be safe. And so, it just doesn't worry me, Sarah. Maybe it should. I'm not a fatalist, exactly, about this because I think we are doing things to keep the people's Capitol secure.

Q. But you remember the time -- shot up the Capitol.

The President. Yes. Every once in a while you find some outbreak, none quite like that, though. That was probably the most violent, but it doesn't concern me. I'll be standing up there giving that speech with total confidence in the men and women of our security system. And they are the best. And see, that's why I hadn't considered changing. I am not going to be held a captive in the White House by Saddam Hussein of Iraq. And you can make a note of that one. We're going about our business and the world goes on.

Somebody asked me a while back about the Super Bowl. Do you think we ought to cancel the Super Bowl because of this situation? One, the war is a serious business and the Nation is focused on it. But two, life goes on. And I'd say one thing: The kids over there in the Gulf -- somebody

told me to stop saying ``kids." They look like kids to me, frankly, but I say it with a great affection. I say it with affection. But the boys and men and women in the Gulf, they want to see this game go on, and they're going to get great instant replays over there.

And so, life goes on. And this is priority, getting this war concluded properly. But we are not going to screech everything to a halt on terms of our domestic agenda. We're not going to screech everything to a halt in terms of the recreational activities, and I cite the Super Bowl. And I am not going to screech my life to a halt out of some fear about Saddam Hussein. And I think that's a good, clear signal for all Americans to send halfway around the world.

I admit he does irrational things. This thing today troubles me very much because there's no rationality to it. It looks desperate. It looks last gasp. It doesn't measure up to any military doctrine of any kind. But it's kind of sick. And yet, we are not going to be held captive to this kind of outrageous expression; nor will we be to the bombing of population centers or the brutal parading of American prisoners. And, boy, that one has hit me right square in the heart, I'll tell you. It's just outrageous what he's done.

I really do have to go.

Q. Mr. President -- --

Q. -- -- amphibious landings?

The President. Education is the subject at hand. Ed -- --

Q. Agriculture. [Laughter]

The President. Education to the Agriculture Secretary. [Laughter]

Q. Is it desperation, Mr. President?

Q. Sir, couldn't the oil -- Mr. President -- --

The President. Ed, I apologize.

Persian Gulf Conflict

Q. Sir, couldn't the oil interfere with amphibious landings, though? Doesn't that make military sense?

The President. No, it doesn't interfere with anything.

Representative Madigan. I think I'll leave with you.

Farm Bill

Q. Mr. Madigan?

The President. Agriculture.

Q. Mr. Madigan?

Representative Madigan. Yes.

Q. Sir, the farmers' wives say -- women involved in farm economics say a half a million family farmers will go out of business with this new 1990 agriculture bill. Can you do something about it? Can you take it back for reconsideration?

Representative Madigan. Well, I don't think that's true. I was a cosponsor of the 1990 farm bill. It received overwhelming support from Members of both parties in both the House and Senate. I think it's a very workable bill. The implementation of the bill hasn't even begun, and I think these are very premature remarks.

Thank you.

Note: President Bush spoke at 3:02 p.m. in the Briefing Room at the White House. In his remarks, he referred to President Saddam Hussein of Iraq; Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; Secretary of State James A. Baker III; Soviet President Mikhail Gorbachev; Prime Minister John Major of the United Kingdom; Prime Minister Toshiki Kaifu of Japan; Representative Lee H. Hamilton; and Secretary of Agriculture Clayton K. Yeutter, nominee for chairman of the Republican National Committee. Marlin Fitzwater was Press Secretary to the President.

Remarks at the Annual Convention of the National Religious Broadcasters

January 28, 1991

Thank you, President Rose, thank you, sir, and Executive Director Gustavson -- all. First, let me salute your leadership of the NRB: Billy Graham and Jerry Falwell, Pat Robertson, James Dobson; Chuck Colson; the FCC Commissioners Sikes and Duggan and James Quello.

This marks the fifth time that I've addressed the annual convention of the National Religious Broadcasters. And once again let me say it is, for both Barbara and me, an honor to be back here.

Let me begin by congratulating you on your theme of declaring His glory to all nations. It's a theme eclipsing denominations and which reflects many of the eternal teachings in the Scripture. I speak, of course, of the teachings which uphold moral values like tolerance, compassion, faith, and courage. They remind us that while God can live without man, man cannot live without God. His love and His justice inspire in us a yearning for faith and a compassion for the weak and oppressed, as well as the courage and conviction to oppose tyranny and injustice.

And I'm very grateful for that resolution that has just been read prior to my speaking here.

Matthew also reminds us in these times that the meek shall inherit the Earth. At home, these values imbue the policies which you and I support. Like me, you endorse adoption, not abortion. And last year you helped ensure that the options of religious-based child care will not be restricted or eliminated by the Federal Government.

And I commend your concern, your heartfelt concern, on behalf of Americans with disabilities and your belief that students who go to school to nourish their minds should also be allowed to nourish their souls. And I have not lessened my commitment to restoring voluntary prayer in our schools.

These actions can make America a kinder and gentler place because they reaffirm the values that I spoke of earlier, values that must be central to the lives of every individual and the life of every nation. The clergyman Richard Cecil once said, ``There are two classes of the wise: the men who serve God because they have found Him, and the men who seek Him because they have not found Him yet." Abroad, as in America, our task is to serve and seek wisely through the policies we pursue.

Nowhere is this more true than in the Persian Gulf where -- despite protestations of Saddam Hussein -- it is not Iraq against the United States, it's the regime of Saddam Hussein against the rest of the world. Saddam tried to cast this conflict as a religious war, but it has nothing to do with

religion per se. It has, on the other hand, everything to do with what religion embodies: good versus evil, right versus wrong, human dignity and freedom versus tyranny and oppression. The war in the Gulf is not a Christian war, a Jewish war, or a Moslem war; it is a just war. And it is a war with which good will prevail.

We're told that the principles of a just war originated with classical Greek and Roman philosophers like Plato and Cicero. And later they were expounded by such Christian theologians as Ambrose, Augustine, Thomas Aquinas.

The first principle of a just war is that it support a just cause. Our cause could not be more noble. We seek Iraq's withdrawal from Kuwait -- completely, immediately, and without condition; the restoration of Kuwait's legitimate government; and the security and stability of the Gulf. We will see that Kuwait once again is free, that the nightmare of Iraq's occupation has ended, and that naked aggression will not be rewarded.

We seek nothing for ourselves. As I have said, U.S. forces will leave as soon as their mission is over, as soon as they are no longer needed or desired. And let me add, we do not seek the destruction of Iraq. We have respect for the people of Iraq, for the importance of Iraq in the region. We do not want a country so destabilized that Iraq itself could be a target for aggression.

But a just war must also be declared by legitimate authority. Operation Desert Storm is supported by unprecedented United Nations solidarity; the principle of collective self-defense; 12 Security Council resolutions; and in the Gulf, 28 nations from 6 continents united, resolute that we will not waver and that Saddam's aggression will not stand.

I salute the aid -- economic and military -- from countries who have joined in this unprecedented effort, whose courage and sacrifice have inspired the world. We're not going it alone, but believe me, we are going to see it through.

Every war -- every war -- is fought for a reason. But a just war is fought for the right reasons, for moral, not selfish reasons. Let me take a moment to tell you a story, a tragic story, about a family whose two sons, 18 and 19, reportedly refused to lower the Kuwaiti flag in front of their home. For this crime, they were executed by the Iraqis. Then, unbelievably, their parents were asked to pay the price of the bullets used to kill them.

Some ask whether it's moral to use force to stop the rape, the pillage, the plunder of Kuwait. And my answer: Extraordinary diplomatic efforts having been exhausted to resolve the matter peacefully, then the use of force is moral.

A just war must be a last resort. As I have often said, we did not want war. But you all know the verse from Ecclesiastes -- there is ``a time for peace, a time for war." From August 2d, 1990 -- last summer, August 2d -- to January 15, 1991 -- 166 days -- we tried to resolve this conflict.

Secretary of State Jim Baker made an extraordinary effort to achieve peace: more than 200 meetings with foreign dignitaries; 10 diplomatic missions; 6 congressional appearances; over 103,000 miles traveled to talk with, among others, members of the United Nations, the Arab League, and the European Community. And sadly, Saddam Hussein rejected out of hand every overture made by the United States and by other countries as well. He made this just war an inevitable war.

We all know that war never comes easy or cheap. War is never without the loss of innocent life. And that is war's greatest tragedy. But when a war must be fought for the greater good, it is our gravest obligation to conduct a war in proportion to the threat. And that is why we must act reasonably, humanely, and make every effort possible to keep casualties to a minimum. And we've done so. I'm very proud of our military in achieving this end.

From the very first day of the war, the allies have waged war against Saddam's military. We are doing everything possible, believe me, to avoid hurting the innocent. Saddam's response: wanton, barbaric bombing of civilian areas. America and her allies value life. We pray that Saddam Hussein will see reason. To date, his indiscriminate use of those Scud missiles -- nothing more than weapons of terror, they can offer no military advantage -- weapons of terror -- it outraged the world what he has done.

The price of war is always high. And so, it must never, ever, be undertaken without total commitment to a successful outcome. It is only justified when victory can be achieved. I have pledged that this will not be another Vietnam. And let me reassure you here today, it won't be another Vietnam.

We are fortunate, we are very fortunate, to have in this crisis the finest armed forces ever assembled, an all-volunteer force, joined by courageous allies. And we will prevail because we have the finest soldiers, sailors, airmen, marines, and coastguardsmen that any nation has ever had.

But above all, we will prevail because of the support of the American people, armed with a trust in God and in the principles that make men free -- people like each of you in this room. I salute Voice of Hope's live radio programming for U.S. and allied troops in the Gulf, and your Operation Desert Prayer, and worship services for our troops held by, among others, the man who over a week ago led a wonderful prayer service at Fort Myer over here across the river in Virginia, the Reverend Billy Graham.

America has always been a religious nation, perhaps never more than now. Just look at the last several weeks -- churches, synagogues, mosques reporting record attendance at services; chapels packed during working hours as Americans stop in for a moment or two. Why? To pray for peace. And I know -- of course, I know -- that some disagree with the course that I've taken, and I have no bitterness in my heart about that at all, no anger. I am convinced that we are doing the

right thing. And tolerance is a virtue, not a vice.

But with the support and prayers of so many, there can be no question in the minds of our soldiers or in the minds of our enemy about what Americans think. We know that this is a just war. And we know that, God willing, this is a war we will win. But most of all, we know that ours would not be the land of the free if it were not also the home of the brave. No one wanted war less than I did. No one is more determined to seize from battle the real peace that can offer hope, that can create a new world order.

When this war is over, the United States, its credibility and its reliability restored, will have a key leadership role in helping to bring peace to the rest of the Middle East. And I have been honored to serve as President of this great nation for 2 years now and believe more than ever that one cannot be America's President without trust in God. I cannot imagine a world, a life, without the presence of the One through whom all things are possible.

During the darkest days of the Civil War, a man we revere not merely for what he did but what he was, was asked whether he thought the Lord was on his side. And said Abraham Lincoln: ``My concern is not whether God is on our side, but whether we are on God's side." My fellow Americans, I firmly believe in my heart of hearts that times will soon be on the side of peace because the world is overwhelmingly on the side of God.

Thank you for this occasion. And may God bless our great country. And please remember all of our coalition's armed forces in your prayers. Thank you, and God bless you.

Note: President Bush spoke at 9:03 a.m. in the ballroom of the Sheraton Washington Hotel. In his remarks, he referred to the following officials of the National Religious Broadcasters: Jerry Rose, president, Brandt Gustavson, executive director, and Billy Graham, Jerry Falwell, Pat Robertson, and James Dobson, members of the board of directors; Charles W. Colson, president of Prison Fellowship Ministries; Alfred C. Sikes, Chairman of the Federal Communications Commission, and Commissioners Ervin S. Duggan and James H. Quello; and President Saddam Hussein of Iraq.

Remarks Prior to Discussions With Foreign Minister Ahmed Esmat Abdel Meguid of Egypt

January 29, 1991

May I just say welcome to the Egyptian journalists, and we're glad you're here.

I might violate a rule here. I normally don't have much to say in the Oval Office, but I would like to take this opportunity to express my appreciation to the Egyptian Government, specifically to President Mubarak and to Foreign Minister Meguid, for standing shoulder-to-shoulder with the coalition, leading it in many ways, and for the steadfast position that Egypt has taken in trying to counteract this aggression by Saddam Hussein. It's been a miraculous -- a strong, wonderful leadership coming out of Egypt, and we are very grateful. And I'm very happy that I can say that here from the bottom of my heart.

Thank you all very much.

Note: President Bush spoke at 1:40 p.m. in the Oval Office at the White House. In his remarks, he referred to President Mohammed Hosni Mubarak of Egypt and President Saddam Hussein of Iraq.

Remarks and an Exchange With Reporters Prior to Discussions With Foreign Minister Hans Van den Broek of The Netherlands

January 29, 1991

Q. Mr. President, could the third time be the charm here, sir? Could we ask you -- --

The President. What he doesn't understand is that I don't take questions at these photo opportunities. Of course, our guests -- --

The Foreign Minister. I've heard that before, Mr. President. [Laughter]

The President. -- -- although our guests are more than able to. This is a new animal that's been added to our repertoire since you've come back.

The Foreign Minister. That's a very interesting one.

Q. Your aides, sir, are taking bets on whether we'll ask a question, sir. [Laughter]

Q. Could you answer one of ours, please, and prove them wrong? [Laughter]

Q. Mr. President, what do you think about the Dutch support so far?

The President. You know, I feel very badly I didn't explain to your press corps that I don't take questions in the Oval Office. I can understand why she would ask. However, let me just tell you that one of the reasons I'm delighted to have this meeting is to be able to express to you and to Prime Minister Lubbers and others the appreciation on the American side for this outstanding cooperation. And I think we've worked very closely together. We've noted your statements with great approval and appreciation, I might say. And so, I look forward to hearing from you any further thoughts you have on the Gulf or any other subject. But I really am grateful to you.

And that was the main message in why I wanted to grab some of your time on this trip -- to tell you that. And I'm glad to have a chance to do it publicly.

The Foreign Minister. Thank you very much.

Note: The exchange began at 2:50 p.m. in the Oval Office at the White House. In his remarks, the President referred to Prime Minister Ruud Lubbers of The Netherlands.

Address Before a Joint Session of the Congress on the State of the Union

January 29, 1991

Mr. President and Mr. Speaker and Members of the United States Congress:

I come to this House of the people to speak to you and all Americans, certain that we stand at a defining hour. Halfway around the world, we are engaged in a great struggle in the skies and on the seas and sands. We know why we're there: We are Americans, part of something larger than ourselves. For two centuries, we've done the hard work of freedom. And tonight, we lead the world in facing down a threat to decency and humanity.

What is at stake is more than one small country; it is a big idea: a new world order, where diverse nations are drawn together in common cause to achieve the universal aspirations of mankind -- peace and security, freedom, and the rule of law. Such is a world worthy of our struggle and worthy of our children's future.

The community of nations has resolutely gathered to condemn and repel lawless aggression. Saddam Hussein's unprovoked invasion -- his ruthless, systematic rape of a peaceful neighbor -- violated everything the community of nations holds dear. The world has said this aggression would not stand, and it will not stand. Together, we have resisted the trap of appeasement, cynicism, and isolation that gives temptation to tyrants. The world has answered Saddam's invasion with 12 United Nations resolutions, starting with a demand for Iraq's immediate and unconditional withdrawal, and backed up by forces from 28 countries of 6 continents. With few exceptions, the world now stands as one.

The end of the cold war has been a victory for all humanity. A year and a half ago, in Germany, I said that our goal was a Europe whole and free. Tonight, Germany is united. Europe has become whole and free, and America's leadership was instrumental in making it possible.

Our relationship to the Soviet Union is important, not only to us but to the world. That relationship has helped to shape these and other historic changes. But like many other nations, we have been deeply concerned by the violence in the Baltics, and we have communicated that concern to the Soviet leadership. The principle that has guided us is simple: Our objective is to help the Baltic peoples achieve their aspirations, not to punish the Soviet Union. In our recent discussions with the Soviet leadership we have been given representations which, if fulfilled, would result in the withdrawal of some Soviet forces, a reopening of dialog with the Republics, and a move away from violence.

We will watch carefully as the situation develops. And we will maintain our contact with the

Soviet leadership to encourage continued commitment to democratization and reform. If it is possible, I want to continue to build a lasting basis for U.S.-Soviet cooperation -- for a more peaceful future for all mankind.

The triumph of democratic ideas in Eastern Europe and Latin America and the continuing struggle for freedom elsewhere all around the world all confirm the wisdom of our nation's founders. Tonight, we work to achieve another victory, a victory over tyranny and savage aggression.

We in this Union enter the last decade of the 20th century thankful for our blessings, steadfast in our purpose, aware of our difficulties, and responsive to our duties at home and around the world. For two centuries, America has served the world as an inspiring example of freedom and democracy. For generations, America has led the struggle to preserve and extend the blessings of liberty. And today, in a rapidly changing world, American leadership is indispensable. Americans know that leadership brings burdens and sacrifices. But we also know why the hopes of humanity turn to us. We are Americans; we have a unique responsibility to do the hard work of freedom. And when we do, freedom works.

The conviction and courage we see in the Persian Gulf today is simply the American character in action. The indomitable spirit that is contributing to this victory for world peace and justice is the same spirit that gives us the power and the potential to meet our toughest challenges at home. We are resolute and resourceful. If we can selflessly confront the evil for the sake of good in a land so far away, then surely we can make this land all that it should be. If anyone tells you that America's best days are behind her, they're looking the wrong way.

Tonight I come before this House and the American people with an appeal for renewal. This is not merely a call for new government initiatives; it is a call for new initiatives in government, in our communities, and from every American to prepare for the next American century.

America has always led by example. So, who among us will set the example? Which of our citizens will lead us in this next American century? Everyone who steps forward today -- to get one addict off drugs, to convince one troubled teenager not to give up on life, to comfort one AIDS patient, to help one hungry child.

We have within our reach the promise of a renewed America. We can find meaning and reward by serving some higher purpose than ourselves, a shining purpose, the illumination of a Thousand Points of Light. And it is expressed by all who know the irresistible force of a child's hand, of a friend who stands by you and stays there, a volunteer's generous gesture, an idea that is simply right.

The problems before us may be different, but the key to solving them remains the same. It is the individual -- the individual who steps forward. And the state of our Union is the union of each of

us, one to the other -- the sum of our friendships, marriages, families, and communities.

We all have something to give. So, if you know how to read, find someone who can't. If you've got a hammer, find a nail. If you're not hungry, not lonely, not in trouble, seek out someone who is. Join the community of conscience. Do the hard work of freedom. And that will define the state of our Union.

Since the birth of our nation, ``We the People'' has been the source of our strength. What government can do alone is limited, but the potential of the American people knows no limits.

We are a nation of rock-solid realism and clear-eyed idealism. We are Americans. We are the Nation that believes in the future. We are the Nation that can shape the future. And we've begun to do just that, by strengthening the power and choice of individuals and families.

Together, these last 2 years, we've put dollars for child care directly in the hands of parents instead of bureaucracies; unshackled the potential of Americans with disabilities; applied the creativity of the marketplace in the service of the environment, for clean air; and made home ownership possible for more Americans.

The strength of a democracy is not in bureaucracy. It is in the people and their communities. In everything we do, let us unleash the potential of our most precious resource -- our citizens, our citizens themselves. We must return to families, communities, counties, cities, States, and institutions of every kind the power to chart their own destiny and the freedom and opportunity provided by strong economic growth. And that's what America is all about.

I know that tonight, in some regions of our country, people are in genuine economic distress. And I hear them. Earlier this month, Kathy Blackwell, of Massachusetts, wrote me about what can happen when the economy slows down, saying, ``My heart is aching, and I think that you should know your people out here are hurting badly.''

I understand, and I'm not unrealistic about the future. But there are reasons to be optimistic about our economy. First, we don't have to fight double-digit inflation. Second, most industries won't have to make big cuts in production because they don't have big inventories piled up. And third, our exports are running solid and strong. In fact, American businesses are exporting at a record rate.

So, let's put these times in perspective. Together, since 1981, we've created almost 20 million jobs, cut inflation in half, and cut interest rates in half. And yes, the largest peacetime economic expansion in history has been temporarily interrupted. But our economy is still over twice as large as our closest competitor.

We will get this recession behind us and return to growth soon. We will get on our way to a new

record of expansion and achieve the competitive strength that will carry us into the next American century. We should focus our efforts today on encouraging economic growth, investing in the future, and giving power and opportunity to the individual.

We must begin with control of Federal spending. That's why I'm submitting a budget that holds the growth in spending to less than the rate of inflation. And that's why, amid all the sound and fury of last year's budget debate, we put into law new, enforceable spending caps, so that future spending debates will mean a battle of ideas, not a bidding war.

Though controversial, the budget agreement finally put the Federal Government on a pay-as-you-go plan and cut the growth of debt by nearly $500 billion. And that frees funds for saving and job-creating investment.

Now, let's do more. My budget again includes tax-free family savings accounts; penalty-free withdrawals from IRA's for first-time home buyers; and to increase jobs and growth, a reduced tax for long-term capital gains.

I know there are differences among us -- [laughter] -- about the impact and the effects of a capital gains incentive. So tonight, I'm asking the congressional leaders and the Federal Reserve to cooperate with us in a study, led by Chairman Alan Greenspan, to sort out our technical differences so that we can avoid a return to unproductive partisan bickering.

But just as our efforts will bring economic growth now and in the future, they must also be matched by long-term investments for the next American century. That requires a forward-looking plan of action, and that's exactly what we will be sending to the Congress. We've prepared a detailed series of proposals that include: a budget that promotes investment in America's future -- in children, education, infrastructure, space, and high technology; legislation to achieve excellence in education, building on the partnership forged with the 50 Governors at the education summit, enabling parents to choose their children's schools and helping to make America number one in math and science; a blueprint for a new national highway system, a critical investment in our transportation infrastructure; a research and development agenda that includes record levels of Federal investment, and a permanent tax credit to strengthen private R&D and to create jobs; a comprehensive national energy strategy that calls for energy conservation and efficiency, increased development, and greater use of alternative fuels; a banking reform plan to bring America's financial system into the 21st century so that our banks remain safe and secure and can continue to make job-creating loans for our factories, our businesses, and home buyers.

You know, I do think there has been too much pessimism. Sound banks should be making sound loans now, and interest rates should be lower, now.

In addition to these proposals, we must recognize that our economic strength depends on being

competitive in world markets. We must continue to expand American exports. A successful Uruguay round of world trade negotiations will create more real jobs and more real growth for all nations. You and I know that if the playing field is level, America's workers and farmers can out-work, out-produce anyone, anytime, anywhere.

And with a Mexican free trade agreement and our Enterprise for the Americas Initiative, we can help our partners strengthen their economies and move toward a free trade zone throughout this entire hemisphere.

The budget also includes a plan of action right here at home to put more power and opportunity in the hands of the individual. And that means new incentives to create jobs in our inner cities by encouraging investment through enterprise zones. It also means tenant control and ownership of public housing. Freedom and the power to choose should not be the privilege of wealth. They are the birthright of every American.

Civil rights are also crucial to protecting equal opportunity. Every one of us has a responsibility to speak out against racism, bigotry, and hate. We will continue our vigorous enforcement of existing statutes, and I will once again press the Congress to strengthen the laws against employment discrimination without resorting to the use of unfair preferences.

We're determined to protect another fundamental civil right: freedom from crime and the fear that stalks our cities. The Attorney General will soon convene a crime summit of our nation's law enforcement officials. And to help us support them, we need tough crime control legislation, and we need it now.

And as we fight crime, we will fully implement our national strategy for combating drug abuse. Recent data show that we are making progress, but much remains to be done. We will not rest until the day of the dealer is over, forever.

Good health care is every American's right and every American's responsibility. And so, we are proposing an aggressive program of new prevention initiatives -- for infants, for children, for adults, and for the elderly -- to promote a healthier America and to help keep costs from spiraling.

It's time to give people more choice in government by reviving the ideal of the citizen politician who comes not to stay but to serve. And one of the reasons that there is so much support across this country for term limitations is that the American people are increasingly concerned about big-money influence in politics. So, we must look beyond the next election to the next generation. And the time has come to put the national interest above the special interest and to totally eliminate political action committees. And that would truly put more competition in elections and more power in the hands of individuals.

And where power cannot be put directly in the hands of the individual, it should be moved closer

to the people, away from Washington. The Federal Government too often treats government programs as if they are of Washington, by Washington, and for Washington. Once established, Federal programs seem to become immortal. It's time for a more dynamic program life cycle. Some programs should increase. Some should decrease. Some should be terminated. And some should be consolidated and turned over to the States.

My budget includes a list of programs for potential turnover totaling more than $20 billion. Working with Congress and the Governors, I propose we select at least $15 billion in such programs and turn them over to the States in a single consolidated grant, fully funded, for flexible management by the States.

The value, the value of this turnover approach is straightforward. It allows the Federal Government to reduce overhead. It allows States to manage more flexibly and more efficiently. It moves power and decisionmaking closer to the people. And it reinforces a theme of this administration: appreciation and encouragement of the innovative powers of States as laboratories.

This nation was founded by leaders who understood that power belongs in the hands of people. And they planned for the future. And so must we, here and all around the world.

As Americans, we know that there are times when we must step forward and accept our responsibility to lead the world away from the dark chaos of dictators, toward the brighter promise of a better day. Almost 50 years ago we began a long struggle against aggressive totalitarianism. Now we face another defining hour for America and the world.

There is no one more devoted, more committed to the hard work of freedom than every soldier and sailor, every marine, airman, and coastguardsman, every man and woman now serving in the Persian Gulf. Oh, how they deserve -- [applause] -- and what a fitting tribute to them.

You see -- what a wonderful, fitting tribute to them. Each of them has volunteered, volunteered to provide for this nation's defense, and now they bravely struggle to earn for America, for the world, and for future generations a just and lasting peace. Our commitment to them must be equal to their commitment to their country. They are truly America's finest.

The war in the Gulf is not a war we wanted. We worked hard to avoid war. For more than 5 months we -- along with the Arab League, the European Community, the United Nations -- tried every diplomatic avenue. U.N. Secretary-General Perez de Cuellar; Presidents Gorbachev, Mitterrand, Ozal, Mubarak, and Bendjedid; Kings Fahd and Hassan; Prime Ministers Major and Andreotti -- just to name a few -- all worked for a solution. But time and again, Saddam Hussein flatly rejected the path of diplomacy and peace.

The world well knows how this conflict began and when: It began on August 2d, when Saddam

invaded and sacked a small, defenseless neighbor. And I am certain of how it will end. So that peace can prevail, we will prevail. [Applause] Thank you.

Tonight I am pleased to report that we are on course. Iraq's capacity to sustain war is being destroyed. Our investment, our training, our planning -- all are paying off. Time will not be Saddam's salvation.

Our purpose in the Persian Gulf remains constant: to drive Iraq out of Kuwait, to restore Kuwait's legitimate government, and to ensure the stability and security of this critical region.

Let me make clear what I mean by the region's stability and security. We do not seek the destruction of Iraq, its culture, or its people. Rather, we seek an Iraq that uses its great resources not to destroy, not to serve the ambitions of a tyrant, but to build a better life for itself and its neighbors. We seek a Persian Gulf where conflict is no longer the rule, where the strong are neither tempted nor able to intimidate the weak.

Most Americans know instinctively why we are in the Gulf. They know we had to stop Saddam now, not later. They know that this brutal dictator will do anything, will use any weapon, will commit any outrage, no matter how many innocents suffer.

They know we must make sure that control of the world's oil resources does not fall into his hands, only to finance further aggression. They know that we need to build a new, enduring peace, based not on arms races and confrontation but on shared principles and the rule of law.

And we all realize that our responsibility to be the catalyst for peace in the region does not end with the successful conclusion of this war.

Democracy brings the undeniable value of thoughtful dissent, and we've heard some dissenting voices here at home -- some, a handful, reckless; most responsible. But the fact that all voices have the right to speak out is one of the reasons we've been united in purpose and principle for 200 years.

Our progress in this great struggle is the result of years of vigilance and a steadfast commitment to a strong defense. Now, with remarkable technological advances like the Patriot missile, we can defend against ballistic missile attacks aimed at innocent civilians.

Looking forward, I have directed that the SDI program be refocused on providing protection from limited ballistic missile strikes, whatever their source. Let us pursue an SDI program that can deal with any future threat to the United States, to our forces overseas, and to our friends and allies.

The quality of American technology, thanks to the American worker, has enabled us to successfully deal with difficult military conditions and help minimize precious loss of life. We

have given our men and women the very best. And they deserve it.

We all have a special place in our hearts for the families of our men and women serving in the Gulf. They are represented here tonight by Mrs. Norman Schwarzkopf. We are all very grateful to General Schwarzkopf and to all those serving with him. And I might also recognize one who came with Mrs. Schwarzkopf: Alma Powell, the wife of the distinguished Chairman of the Joint Chiefs. And to the families, let me say our forces in the Gulf will not stay there one day longer than is necessary to complete their mission.

The courage and success of the RAF pilots, of the Kuwaiti, Saudi, French, the Canadians, the Italians, the pilots of Qatar and Bahrain -- all are proof that for the first time since World War II, the international community is united. The leadership of the United Nations, once only a hoped-for ideal, is now confirming its founders' vision.

I am heartened that we are not being asked to bear alone the financial burdens of this struggle. Last year, our friends and allies provided the bulk of the economic costs of Desert Shield. And now, having received commitments of over $40 billion for the first 3 months of 1991, I am confident they will do no less as we move through Desert Storm.

But the world has to wonder what the dictator of Iraq is thinking. If he thinks that by targeting innocent civilians in Israel and Saudi Arabia, that he will gain advantage, he is dead wrong. If he thinks that he will advance his cause through tragic and despicable environmental terrorism, he is dead wrong. And if he thinks that by abusing the coalition prisoners of war he will benefit, he is dead wrong.

We will succeed in the Gulf. And when we do, the world community will have sent an enduring warning to any dictator or despot, present or future, who contemplates outlaw aggression.

The world can, therefore, seize this opportunity to fulfill the long-held promise of a new world order, where brutality will go unrewarded and aggression will meet collective resistance.

Yes, the United States bears a major share of leadership in this effort. Among the nations of the world, only the United States of America has both the moral standing and the means to back it up. We're the only nation on this Earth that could assemble the forces of peace. This is the burden of leadership and the strength that has made America the beacon of freedom in a searching world.

This nation has never found glory in war. Our people have never wanted to abandon the blessings of home and work for distant lands and deadly conflict. If we fight in anger, it is only because we have to fight at all. And all of us yearn for a world where we will never have to fight again.

Each of us will measure within ourselves the value of this great struggle. Any cost in lives -- any cost -- is beyond our power to measure. But the cost of closing our eyes to aggression is beyond

mankind's power to imagine. This we do know: Our cause is just; our cause is moral; our cause is right.

Let future generations understand the burden and the blessings of freedom. Let them say we stood where duty required us to stand. Let them know that, together, we affirmed America and the world as a community of conscience.

The winds of change are with us now. The forces of freedom are together, united. We move toward the next century more confident than ever that we have the will at home and abroad to do what must be done -- the hard work of freedom.

May God bless the United States of America. Thank you very, very much.

Note: The President spoke at 9:09 p.m. in the House Chamber of the Capitol. He was introduced by Thomas S. Foley, Speaker of the House of Representatives. In his remarks, the President referred to Dan Quayle, President of the Senate; President Saddam Hussein of Iraq; Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System; Attorney General Dick Thornburgh; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; President Mikhail Gorbachev of the Soviet Union; President Francois Mitterrand of France; President Turgut Ozal of Turkey; President Mohammed Hosni Mubarak of Egypt; President Chadli Bendjedid of Algeria; King Fahd bin Abd al-`Aziz Al Sa`ud of Saudi Arabia; King Hassan II of Morocco; Prime Minister John Major of the United Kingdom; Prime Minister Giulio Andreotti of Italy; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf, and his wife, Renda; and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff, and his wife, Alma. The address was broadcast live nationwide on radio and television. Prior to his address, the President attended a reception in the Speaker's Conference Room hosted by the congressional leadership. Parts of this address could not be verified because the tape was incomplete.

Remarks and an Exchange With Reporters Prior to Discussions With Foreign Minister Antonios Samaras of Greece

January 30, 1991

Q. When are you coming to Greece, Mr. President?

The President. Well, let me say I'm looking forward to coming to Greece. And I want to tell the Foreign Minister that I'd like very much to have the Prime Minister come here, because we have a strong relationship with Greece. We're delighted with the cooperation we are receiving. I view it as a partnership.

And I don't know exactly on timing because we've had to delay a trip that might well have tied into a stop in Greece. But I hope you will tell the Prime Minister that -- one, of our gratitude for the wonderful cooperation in this partnership approach we've got; two, of our commitment to Greece, longstanding, and to its security and to its prosperity.

And I guess, really, my message to the Greek people would be one of gratitude for its steadfast standing shoulder to shoulder with the United States and many other countries in standing up against the aggression that Saddam Hussein has perpetrated.

So, Greek-American relations are in good shape. And what we're going to talk about is how to make them even better, if we can.

Q. Mr. President, does your resolve for implementation of all U.N. resolutions include the Cyprus issue as well?

The President. Well, we've been looking at that for a long, long time. Quite clearly, it's not something that the United States can do. We've long favored support for the Secretary-General's initiative.

But that's the last question I'll take -- a very good one and an issue that I hope can be resolved. We've got a full-time, a very able Ambassador who remains involved on it in multilateral -- Mr. Ledsky. We have a good Ambassador in Athens who has our full confidence. So, I hope we can be helpful. But that's a problem that I'd love to see solved, in keeping with these U.N. resolutions.

Thank you all very much.

Note: The exchange began at 10:05 a.m. in the Oval Office at the White House. In his remarks,

President Bush referred to Prime Minister Constantinos Mitsotakis of Greece; President Saddam Hussein of Iraq; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; Nelson C. Ledsky, U.S. Special Cyprus Coordinator; and Michael Sotirhos, U.S. Ambassador to Greece.

Remarks at the 50th Anniversary Observance of Franklin D. Roosevelt's Four Freedoms Speech

January 30, 1991

Thank you very much, Speaker Foley. And may I salute the leaders of both Houses of Congress; pay my respects to Anne Roosevelt and to Arthur Schlesinger, Bill vanden Heuvel; and distinguished representatives of the Congress here; distinguished representatives of our World War II allies who are with us; certain ambassadors; and to the many friends.

It is an honor to be with you on this extraordinary day of reflection, rededication, and renewal, inspired by the stirring words of this great President.

You know, a day when we think of the Declaration of Independence, the Constitution, the Emancipation Proclamation -- Franklin Roosevelt called these documents ``milestones of human progress." And he added one more to the list that we've heard about -- the charge he named his Four Freedoms of Common Humanity. All of these landmark charters are optimistic. After all, that's what inspiration is about. But President Roosevelt knew that they are more than just idealistic goals. Together they are the moral North Star that guides us.

Two hundred years ago, perhaps our greatest political philosopher, Thomas Jefferson, defined our nation's identity when he wrote: All men are created equal, endowed by their Creator with certain unalienable rights. Among them are life, liberty, and the pursuit of happiness.

Fifty years ago, our greatest American political pragmatist, Roosevelt, refined that thought in his four freedoms, when he brilliantly enunciated the 20th-century vision of our Founding Fathers' commitment to individual liberty. And he saw that liberty was made up as we've heard: freedom of expression, freedom of worship, freedom from want, and freedom from fear. And for these 200 years this concept of human dignity has been a beacon drawing to these shores people from across the globe -- people like a boy named Quang Trinh, a Vietnamese teenager who almost died escaping from the country where he'd seen his mother killed, his father jailed, his brother's spirit broken. Quang fled the only life he'd known for freedom. He jumped into shark-infested waters for freedom, starved in delirium for freedom. And when he was rescued and told that he could enter the United States, he wept for joy.

Quang calls America freedom country. Imagine if every person across this world could call their homeland freedom country. We do -- and we do because the four freedoms have shaped the American character. They've molded who we are as individuals and as a nation. And they've made us realize that along with the freedoms that are our birthright come solemn responsibilities.

As we look around the world at the events of the past year, we see how these very same beliefs

are bringing about the emergence of a new world order, one based on respect for the individual and for the rule of law -- a new world order that can lead to the lasting peace we all seek, where children will never have to repeat Quang's ordeal. And that's what's at stake -- a new chapter of human history.

And that's why an international coalition of 28 nations backed by the United Nations is standing up to the evil that challenges this ideal halfway around the world in the Middle East. We cannot, we must not, and we will not let that hope for a better world be threatened.

It is our commitment to the new world order that takes us to the sands and the seas of the Gulf. And we're there because we realize that each of Roosevelt's four freedoms leads us to the greatest of all human aspirations -- the freedom to live in peace.

We stand now, I really believe, at a defining moment in history, much as the man we honor today did a half a century ago. No one knew better than President Roosevelt what hard work freedom really is. And when he introduced first the four freedoms, Roosevelt's America was entering a war against the oldest enemy of the human spirit -- evil that threatened world peace.

But listen to the confidence of purpose that he expressed in that same speech: ``Our national policy in foreign affairs has been based on a decent respect for the rights and dignity of all nations, large and small, and the justice of morality must and will win in the end." That charge is as true today in the Gulf as it was 50 years ago in Europe. And the triumph of the moral order must still be the vision that compels us.

So, we ask God to bless us, to guide us, and to help us through whatever dark nights we still may face. We hope that, in the sublime resolve of those who strive so that all may live in peace and freedom, we will show how this nation has forged its very soul; and that the liberty bell of the four freedoms will ring for all people in every nation of this world.

Thank you very much.

Note: The President spoke at 11:33 a.m. in Statuary Hall at the U.S. Capitol. In his opening remarks, he referred to Thomas S. Foley, Speaker of the House of Representatives; Anne Roosevelt, granddaughter of Franklin D. Roosevelt; and historians Arthur Schlesinger and William vanden Heuvel, cochairmen of the Franklin and Eleanor Roosevelt Institute.

Message to the Congress Transmitting a Report on the Canada-United States Free-Trade Agreement

January 30, 1991

To the Congress of the United States:

Pursuant to section 304(f) of the United States-Canada Free-Trade Agreement Implementation Act of 1988 (Public Law 100 - 449; 102 Stat. 1875), I am pleased to transmit the attached report pertaining to the implementation and effectiveness of operation of the United States-Canada Free-Trade Agreement (FTA) in its first 2 years.

George Bush

The White House,

January 30, 1991.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

January 30, 1991

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (92 Stat. 739; 22 U.S.C. 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question. This report covers the period from mid-October through December 1990.

During this period the United Nations Secretary General, whose good offices mission forms the core of international efforts to resolve the Cyprus problem, sought to begin implementation of the ``plan of action'' that he had outlined in his report to the U.N. Security Council of July 12. This plan (described in my report to you of August 30) was designed to prepare the ground for restarting the intercommunal talks.

In mid-October the Secretary General asked his Special Representative on Cyprus, Ambassador Oscar Camilion, and Mr. Gustave Feissel of his New York staff, to test the degree of support for the U.N. plan of action in Athens and Ankara, as well as with the two communities in Cyprus. In Athens and Ankara Ambassador Camilion and Mr. Feissel received firm offers of cooperation.

In Nicosia the picture was mixed. Both the Greek Cypriot and Turkish Cypriot communities pledged their cooperation with the Secretary General and reiterated their support for UNSC Resolution 649. Each side also made clear its belief that the other side was intransigent and that progress in carrying out the ``plan of action'' was therefore unlikely.

To lend U.S. support to the Secretary General's efforts, I asked my Special Cyprus Coordinator, Ambassador Nelson Ledsky, to travel to the area in late October. Ambassador Ledsky met twice with the Turkish Foreign Minister, once with the Greek Foreign Minister, and several times each with President Vassiliou and Mr. Denktash. In the course of these meetings, Ambassador Ledsky also discussed a series of possible interim steps that might provide an impetus to the U.N.-sponsored negotiating process. He explained to each party why such a process could not begin with a unilateral gesture by some other party and outlined instead a series of balanced, reciprocal steps that could help create an atmosphere conducive to serious intercommunal negotiation. Although all concerned expressed interest in the development of such a package of steps, no agreement was reached on what the specific steps might be. Ambassador Ledsky's efforts will continue into 1991, in close cooperation with the U.N. Secretariat.

I am pleased to report that on October 28 my nominee for the post of Ambassador to Cyprus, Robert E. Lamb, was confirmed by the United States Senate. Ambassador Lamb presented his

credentials to President Vassiliou on November 30. He has met with President Vassiliou and Mr. Denktash to discuss the Cyprus problem and will be active in all its aspects, including the U.S. effort to support the good offices mission of the U.N. Secretary General.

On November 7 the Secretary General sent to the Security Council a report on his mission of good offices in Cyprus (attached), which covered the period since his last report of July 12. In his November report the Secretary General observed that:

``the negative atmosphere to which I had referred in my last report has persisted. Each side has objected to actions and statements by the other. These actions and statements have been a detraction to my effort."

The Secretary General also reported that the consultations undertaken by Ambassador Camilion and Mr. Feissel in the implementation of his ``plan of action" had not been completed. He proposed to submit a progress report to the Security Council within 3 months, together with his assessment of the situation at that time. He reminded the parties of their commitment to UNSC Resolution 649, in which the Security Council called for their cooperation ``on an equal footing . . . in completing . . . on an urgent basis an outline of an overall agreement. . . ."

On November 9 the Security Council -- with the United States as President of the Council -- adopted a statement supporting the efforts of the Secretary General. The statement also reaffirmed the Council's ``endorsement of his plan of action to complete an outline of an overall agreement, including the critical substantive issues of territory, refugees, constitutional arrangements and security guarantees."

On December 7 the United Nations issued the ``Report of the Secretary General on the United Nations Operation in Cyprus" (attached). In his report the Secretary General pointed out that the U.N. peacekeeping force ``is facing a chronic and everdeepening financial crisis." The report also noted a number of incidents during 1990 that indicate that tensions on the island remain high and the presence of the U.N. peacekeeping force is critical to any prospects of a lasting settlement.

On December 14 the Security Council approved for an additional 6 months the renewal of the mandate of the U.N. Peacekeeping Force in Cyprus. On December 21 the Security Council passed unanimously a resolution requiring the Council to examine the problem of costs and financing of the peacekeeping force with a view to implementing an alternative means of financing -- which could include, inter alia, the use of assessed contributions -- on or before June 15, 1991. We will be consulting with appropriate Members of Congress on this issue in the near future.

This is my final report to the Congress on Cyprus for 1990. As I look back over the events of 1990, I am disappointed in the lack of progress in the negotiating process and in the persistence of what the Secretary General has on several occasions called the negative atmosphere prevailing on

the island. At the same time, I am gratified at the extraordinary efforts of the United Nations Secretary General and his staff in attempting to find a path toward reconciliation on Cyprus. As 1991 commences, I call upon the leaders of the two Cypriot communities to act in accord with UNSC Resolution 649 and to complete as soon as possible, hopefully by mid-February, the long-overdue outline for a settlement. I can assure the Congress that the United States will do all it can to act as a catalyst in this process and to help the people of Cyprus find the means in 1991 to end the division of their island by creating for themselves a peaceful and enduring bizonal, bicommunal federation.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Nomination of Katherine Shirley To Be United States Ambassador to Senegal

January 30, 1991

The President today announced his intention to nominate Katherine Shirley, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Senegal. She would succeed George Edward Moose.

Since 1989 Ms. Shirley has served as Associate Coordinator for Counter-Terrorism at the Department of State. Prior to this she served as consul general at the U.S. consulate general in Palermo, Italy, 1986 - 1989; and visiting fellow at the Center for Foreign Policy Development at Brown University in Providence, RI, 1983 - 1984. In addition, Ms. Shirley served with the Department of State as Director of the Secretariat Staff, 1981 - 1983, and as a management analyst for Management Operations, 1980 - 1981. She served as political officer at the U.S. Embassy in Rome, Italy, 1977 - 1980. Ms. Shirley also served as a desk officer for Belgium, The Netherlands, and Luxembourg for the Bureau of European Affairs at the Department of State, 1974 - 1977. Ms. Shirley was a staff assistant for the Bureau of European Affairs at the Department of State, 1972 - 1974; as a consular officer at the U.S. Embassy in Warsaw, Poland, 1971 - 1972; an analyst for United Kingdom affairs for the Bureau of Intelligence and Research at the Department of State, 1968 - 1970; and vice consul at the U.S. Embassy in New Delhi, India, 1966 - 1968.

Ms. Shirley graduated from Wellesley College (B.A., 1964) and the Fletcher School of Law and Diplomacy, Tufts University (M.A., 1965). She was born August 18, 1942, in Chicago, IL. Ms. Shirley is married and resides in McLean, VA.

Appointment of Edward O. Vetter as a Member of the Competitiveness Policy Council

January 30, 1991

The President today announced his intention to appoint Edward O. Vetter, of Texas, to be a member of the Competitiveness Policy Council for a term of 2 years. This is a new position.

Since 1978 Mr. Vetter has served as president of Edward O. Vetter and Associates, and serves as a director of the Texas Department of Commerce in Dallas, TX. In addition, Mr. Vetter served as Under Secretary of Commerce at the Department of Commerce in Washington, DC, 1976 - 1977.

Mr. Vetter graduated from the Massachusetts Institute of Technology (B.S., 1942). He was born October 20, 1920, in Rochester, NY. Mr. Vetter served in the U.S. Army, 1942 - 1946. Mr. Vetter is married, has three children, and resides in Dallas, TX.

Nomination of Robert B. Zoellick To Be an Under Secretary of State

January 30, 1991

The President today announced his intention to nominate Robert B. Zoellick, of the District of Columbia, to be Under Secretary of State for Economic and Agricultural Affairs. He would succeed Richard Thomas McCormack. Mr. Zoellick will continue to serve as Counselor of the Department of State in Washington, DC.

Since 1989 Mr. Zoellick has served as Counselor of the Department of State in Washington, DC. Prior to this Mr. Zoellick served on the State Department transition, 1988 - 1989. Mr. Zoellick also has served in several capacities at the Department of the Treasury in Washington, DC: Counselor to the Secretary of the Treasury and Executive Secretary, 1988; Executive Secretary and Special Adviser to the Secretary, 1986 - 1987; Acting Deputy Assistant Secretary and Deputy Assistant Secretary for Financial Institutions Policy, 1985 - 1986; and Special Assistant to the Deputy Secretary, 1985. In addition, Mr. Zoellick has served as a law clerk for the U.S. Court of Appeals for the District of Columbia Circuit, 1982 - 1983; as a staff assistant in the Office of the Assistant Attorney General in the Criminal Division at the Justice Department, 1978 - 1979; and as a research assistant for the Council on Wage and Price Stability in the Executive Office of the President, 1975 - 1976.

Mr. Zoellick graduated from Swarthmore College (B.A., 1975), Harvard University's Kennedy School of Government (M.P.P., 1981), and Harvard Law School (J.D., 1981). He was born July 25, 1953, in Evergreen Park, IL. Mr. Zoellick is married and resides in Washington, DC.

Remarks at the National Prayer Breakfast

January 31, 1991

Thank you very much for that warm welcome. And let me just greet Prime Minister Henry here and Prime Minister Ratu Mara and President Goncz over here, and all the other visitors from overseas.

And I want to pay my special respects to the members of the Senate and House Prayer Group. I would also like to single out Doug Coe, who has been such a guiding light in all of this. And, of course, our special thanks to Joe Gibbs and to Governor Buddy Roemer for sharing in such a personal way their faith.

My heartfelt thanks goes out to everyone involved in this marvelous event. Dr. Graham was reminding Barbara and me when we came over here of its genesis and how President Eisenhower, he felt, seemed very nervous about whether this would be the right thing to do and whether it would be a fulfilling experience for the people that attended. And I expect Ike would -- if he could have attended this one -- would have had no doubts whatsoever.

I want to thank everyone for their concern and prayers about Barbara's recent accident. In these days of environmental terrorism -- [laughter] -- I can happily report that the tree is very well and so is Barbara Bush -- doing very well, I might say. And I say that with considerable pride.

This is a diverse group. I've never seen anything quite like it -- politically or anything else. But we do have one thing in common: We stand together in prayer. Let me just share a letter -- a true letter I received here from a mother who told me a story about her 5-year-old son's evening prayers. As he knelt by his bed -- this kid was kneeling in prayer, and his parents explained that they were going to pray together for President Bush so that he would have the wisdom to get the hostages out of Iraq. And after a minute of deep thinking, the little boy said, ``Mom, how is a bush going to get the people out of the rock, and how did they get there in the first place?" Well, the mother, in her wrap-up of the letter, said that it was a good thing the Lord knew what the boy was praying for, because he sure didn't. [Laughter] But, you know, the hostages came out of Iraq. [Laughter]

So, I believe the Lord does hear our prayers. Joe put it very beautifully here. I know our country is praying for peace. And across this nation the churches, the synagogues, the mosques are packed -- record attendance at services. In fact, the night the war began, Dr. Graham was at the White House. And he spoke to us then of the importance of turning to God as a people of faith, turning to Him in hope. And then the next morning, Dr. Graham went over to Fort Myer where we had a lovely service leading our nation in a beautiful prayer service there, with special emphasis on the troops overseas.

So, I expect when Barbara and I were there at that prayer service, we were only doing what everyone in America was doing -- praying for peace.

You know, America is a nation founded under God. And from our very beginnings we have relied upon His strength and guidance in war and in peace. And this is something we must never forget. Just yesterday -- you're going to think I do nothing but read the mail -- [laughter] -- but just yesterday I got a letter from a man who pointed out to me that during the State of the Union Message that I had neglected to make any mention of God. And I was somewhat defensive about that, so I quickly went back and I did see at the very end ``may God bless America." But then I got realizing that this man was correct. I have learned what I suppose every President has learned, and that is that one cannot be President of our country without faith in God and without knowing with certainty that we are one nation under God. So, I think I should have made that clear -- more clear that God is our rock and salvation, and we must trust Him and keep faith in Him.

And so, we ask His blessings upon us and upon every member not just of our Armed Forces but of our coalition armed forces, with respect for the religious diversity that is represented as these 28 countries stand up against aggression.

Today I'm asking and designating that Sunday, February 3d, be a national day of prayer. And I encourage all people of faith to say a special prayer on that day -- a prayer for peace, a prayer for the safety of our troops, a prayer for their families, a prayer for the innocents caught up in this war, and a prayer that God will continue to bless the United States of America.

Note: The President spoke at 9:50 a.m. in the International Ballroom at the Washington Hilton Hotel. In his opening remarks, he referred to Prime Minister Geoffrey Henry of the Cook Islands; Prime Minister Ratu Mara of Fiji; President Arpad Goncz of Hungary; Douglas Coe, event coordinator for the National Prayer Breakfast; Joe Gibbs, coach of the Washington Redskins football team; Gov. Buddy Roemer of Louisiana; and evangelist Dr. Billy Graham. Mrs. Bush had fractured her left leg while sledding at Camp David, MD.

Remarks at a White House Briefing on the 1991 National Drug Control Strategy

January 31, 1991

Thank you all very much. Please be seated. I wanted to come over here first to thank many people in this room, so many of you having in one way or another -- directly, some indirectly -- helping us formulate and now put into effect the National Drug Control Strategy. I know that many of you have been instrumental in the development and the implementation of it. And I really am very, very grateful to each and every one of you.

As all of you know, our first Drug Strategy, released nearly a year and a half ago, recognized the need for a comprehensive approach. Indeed, I think it's the first time the Government has formulated a comprehensive approach: effective law enforcement, drug prevention programs for our schools and communities, more and increasingly effective drug treatment, coordinated border interdiction, and a greater role for international diplomacy.

Our strategy is comprehensive. Our strategy is sound. Our strategy works. And the thrust of our strategy remains the same: cutting down the supply and then suppressing the demand.

We've called on every part of the administration to work closely together. And that's why I was particularly pleased to be joined by those who are up here with me and then Judge Sessions -- Bill Sessions -- and Reg and Bill Moss and others here; Dick Thornburgh, Attorney General; and then Lou Sullivan on the health side, as we do put more emphasis on prevention and on treatment; and then John Walters, of course, who's doing a superb job.

I am very pleased to report that, thanks to your efforts and the dedicated efforts of so many -- and I was briefed yesterday on the volunteer aspect of this, the communities all across the country that are helping -- I would say so many individuals and community leaders across the country -- the signs of progress are unmistakable. The clear message of available data is that drug use is on the way down. Since I've come into office, we've seen an important and an encouraging shift in drug use trends.

Last December, we came out with new data that showed that drug use is declining. Not only is all casual drug use down but hospitals are reporting fewer cocaine-related emergencies and fewer cocaine-related deaths. And just last week, Dr. Sullivan's HHS announced the results of an annual survey that showed that cocaine use among high school seniors is at its lowest point in years. These numbers can only bode well for the future. And if fewer high school seniors are using drugs today, I think we're going to have a lot fewer drug problems tomorrow.

While this is welcome news, you might ask: Can we lessen our commitment to stopping the

scourge of drugs? Can we afford to look elsewhere, lose interest? Can we declare victory? And, of course, the answer is an emphatic no.

The strategy that we're releasing today is intended to make sure that the favorable trends that we've been following keep right on going in that same direction -- down. And that's why we're putting more agents on the streets, hiring more prosecutors in the courtrooms, and building more prisons. And as we encourage more people to stop using drugs, we intend to provide them with more help. And I'm again requesting a substantial increase in Federal drug treatment spending.

I'm particularly proud of a new $100-million proposal designed to expand our drug treatment capacity. And that means as many as 200,000 more people will receive help to get off and hopefully stay off drugs during fiscal 1992.

This strategy will also provide more funding for drug prevention and more resources for cooperative efforts with our Latin American allies who are helping to stop the drug trade at the source.

In total, we're proposing a drug budget of $11.7 billion, an 11-percent increase over the last fiscal year and an 82-percent increase just since the beginning of our administration. This additional funding will help keep the pressure on. And I believe it persuasively demonstrates that our administration is committed to defeating the menace of drugs and that that commitment is unswerving. In fact, it is growing stronger, and I want to do my part in helping all of you and have the American people understand that.

In our first strategy we proposed a set of ambitious 2-year objectives. And I'm pleased to report that we have achieved those goals; in some cases we've surpassed them. In this strategy we've set new and more ambitious goals because, as everyone knows, a drug problem persists, creating misery wherever it flourishes. Let me just assure everyone that we will go after these new goals as vigorously as we pursued the last ones.

I know we're looking forward to bringing Governor Bob Martinez on board, taking Bill Bennett's place. He has the necessary experience on the front lines, if you will, the necessary commitment to fully implement this strategy.

In closing, again I want to thank you, the individuals who are helping make this strategy work, putting in the long hours and making everyone proud, very proud indeed, of our Federal effort.

Thank you very much. And now I understand that John Walters will conduct a briefing to flesh out some of what I've said here. But I think the bottom line is this nation simply must succeed in this fight. And, you know, I expect some wonder whether I am totally preoccupied with events halfway around the world. And I really wanted to take this opportunity to come over here to you who have done so much in this fight to let you know you're not alone. And I will do my level best

to support you every inch of the way.

Thank you all very, very much.

Note: The President spoke at 1:55 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to William S. Sessions, Director of the Federal Bureau of Investigation; William P. Moss, Chairman of the President's Drug Advisory Council; Attorney General Dick Thornburgh; Secretary of Health and Human Services Louis W. Sullivan; and the following officials of the Office of National Drug Control Policy: Reggie B. Walton, Associate Director for State and Local Affairs; John P. Walters, Chief of Staff and Acting Director; Bob Martinez, Director-designate; and William J. Bennett, former Director.

Message to the Congress Transmitting the 1991 National Drug Control Strategy

January 31, 1991

To the Congress of the United States:

I am pleased to transmit today for the consideration of the Congress and the American people the 1991 National Drug Control Strategy, in accordance with section 1005 of the Anti-Drug Abuse Act of 1988 (Public Law 100 - 690; 21 U.S.C. 1504).

This is the third National Drug Control Strategy, and it should be viewed as a companion to the previous two submitted in September 1989 and January 1990. This Strategy lays out a comprehensive plan for Federal drug control activities for fiscal year 1992. The principal goal remains unchanged: to reduce the level of illegal drug use in America. This goal cannot be achieved by the Federal Government acting alone, and so this Strategy calls upon all segments of our society to continue to do their part. In crafting this Strategy, we have sought the counsel not only of Federal officials and Members of the Congress, but also State and local officials; experts in the fields of drug prevention, treatment, and enforcement; and public-spirited citizens.

I am pleased to be able to report that there are indications that we are embarked on the right path: although much remains to be done and serious problems still confront us, numerous indicators show that we are beginning to see significant declines in drug use throughout the Nation. Continued congressional support is essential to ensure progress.

George Bush

The White House,

January 31, 1991.

Message to the Congress Transmitting a Report on Aeronautics and Space Activities During 1988

January 31, 1991

To the Congress of the United States:

I am pleased to transmit this report on the Nation's progress in aeronautics and space during calendar year 1988, as required under section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476). Not only do aeronautics and space activities cut across many sectors of our Federal Government as represented in this report, but the results of this ongoing research and development affect the Nation as a whole. This report details the accomplishments of the 14 contributing departments and agencies, with the National Aeronautics and Space Administration (NASA) and the Department of Defense the major contributors.

In 1988 we were proud to return to successful spaceflight with the launch of two space shuttle flights and the additional successful launch of six unpiloted expendable launch vehicles, putting in orbit a wide variety of space tracking, science, navigational, weather, and defense satellites. In addition, many other kinds of achievements highlighted the year. Global climate change and ozone depletion were intensely studied. The world's fastest supercomputer was installed, permitting solutions to aerodynamic problems far too complex to be handled by previous computers. The Department of Defense completed delivery of all 100 B - 1B bombers and saw the rollout of the first B - 2 Stealth bomber. Progress was made at the Federal Aviation Administration in the modernization of air navigation and air traffic control and many safety research projects, including new ways of reducing aviation problems caused by adverse weather. Spin-offs, or benefits to the Nation resulting from practical applications of space technology, have resulted in an estimated $27 billion from contributions to sales or savings since 1978. It should not be overlooked that U.S. aeronautical products are one of the principal positive contributors to the U.S. balance of trade. Significant developments in technology applications included a cooperative effort to use space technology to improve the sight of persons with impaired vision and a joint project to improve laboratory identification and monitoring of cancer cells. These are just a few of the many accomplishments our fiscal year 1988 $26.6 billion space budget and $7 billion aeronautics budget have produced.

In 1988 we reaffirmed our commitment to the exploration and use of space in support of our national well-being. Our mission to provide leadership in critical areas of space activities in an increasingly competitive international environment urges us to build on the great achievements of those who have gone before and continue with the extraordinary aeronautical and space achievements that this Nation has so capably demonstrated.

George Bush

The White House,

January 31, 1991.

Message to the Congress Submitting a Report on the International Space Year

January 31, 1991

To the Congress of the United States:

I am pleased to submit the attached report on plans and programs for the International Space Year (ISY) in 1992, prepared by the National Aeronautics and Space Administration in response to Senate Joint Resolution 75 (Public Law 101 - 339, July 31, 1990). The report shows considerable progress since the ISY was first proposed by the Congress in 1985 and advanced internationally by NASA at President Reagan's direction.

The report indicates a broad acceptance for the ISY that confirms the original intent and expectations of the Congress. The ISY celebrates a new age that inspires a unifying perspective on Earth as we continue to push back the frontiers of space. I invite the American people to develop activities for 1992 that foster the ISY's global perspective.

The ISY will place important emphasis on education. The language of science and the perspective of space are both global in scope. They will be united during the ISY in many science education programs in which challenging subjects such as astronomy, geology, physics, and chemistry will draw on the universal appeal of space science and exploration. Similarly, other public education activities ranging from television programs to expositions will carry the ISY's universal message to the widest possible audience.

I invite the leaders of all the nations of the world to join me in endorsing and actively supporting the International Space Year in 1992. In particular, I urge their continued support for the Space Agency Forum on the ISY (SAFISY), whose membership includes 28 space agencies plus eight affiliated international organizations, including the United Nations. The SAFISY has adopted Mission To Planet Earth as the central ISY theme and is also supporting ISY activities concerning human exploration, education, benefits for developing nations, and space science. I look forward to continued progress in those areas as the ISY approaches.

The ISY will promote worldwide recognition of a new era of global cooperation in space. Everyone can and should join in its celebration.

George Bush

The White House,

January 31, 1991.

Nomination of Charles R. Baquet III To Be United States Ambassador to Djibouti

January 31, 1991

The President today announced his intention to nominate Charles R. Baquet III, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Djibouti. He would succeed Robert South Barrett IV.

Currently Mr. Baquet serves as consul general at the U.S. consulate general in Cape Town, South Africa, 1988 - 1991. Prior to this he attended the senior seminar at the Foreign Service Institute in Washington, DC, 1987 - 1988. In addition he has served as Director of the Regional Management Center at the U.S. Embassy in Paris, France, 1983 - 1987; Acting Deputy Assistant Secretary for Operations of the Bureau of Administration at the Department of State, 1979 - 1983; special assistant to the Assistant Secretary for Administration at the Department of State, 1978 - 1979; Counselor for Administrative Affairs in Beirut, Lebanon, 1976 - 1978; and as general service officer at the U.S. consulate general in Hong Kong, 1975 - 1976. He has served at the Department of State for the Bureau of Administration as an administrative officer, 1971 - 1975, and general services officer for building management, 1971. He has also served as a consular officer in Paris, France, 1969. He entered the Foreign Service in 1968.

Mr. Baquet graduated from the University of Xavier (B.A., 1963) and the Maxwell School of Government at Syracuse University (M.P.A., 1975). He was born December 24, 1941, in New Orleans, LA. Mr. Baquet is married and currently resides in Cape Town, South Africa.

Remarks to Community Members at Cherry Point Marine Corps Air Station in North Carolina

February 1, 1991

Thank you very much for that warm welcome. And it's a wonderful honor to be introduced by Ms. Hearney, whose husband is doing such an outstanding job for the country. Let me salute the Secretary of the Navy, Larry Garrett; of course, General Al Gray, upon whom I depend so much as a member of the Joint Chiefs; and General Mundy and General Richwine and Colonel McDyre and, of course, Governor Martin, the Governor of this great State -- an old friend, Jim Martin; and Mrs. Krulak and Mrs. Sutton; families and friends and members of ``the few, the proud, the Marines."

There's a song which speaks of ``Carolina in the Morning." Well, I am very pleased to be here this morning to salute all of you who form the magnificent Carolina MAGTF [Marine Air Ground Task Force].

Admiral Bull Halsey -- if you'll forgive me, a Navy man -- [laughter] -- once called you ``not merely the elite Corps of this country but the elite Corps of this world." And I agree. Let me tell you, it's a real privilege -- and I mean that -- to be at a home base of the United States Marine Corps.

For 216 years, the corps has helped write the story of America. And today -- in wartime, as in peacetime -- you write that story still. It is the story of Semper Fi -- Always Faithful -- to the liberty which set men free.

My squadron helped cover the landings at Guam and Saipan, and I was way up there and those marines were way down there. And I saw their courage then, firsthand. Think of the marines storming the beaches at Iwo; or taking the shell-torn ridges at Chosin, Guadalcanal; patrolling the skies from Okinawa to Korea; and now in Saudi Arabia.

As I said Tuesday night in my State of the Union speech, to be an American means writing new chapters in this story. It means enlisting in the cause of liberty and undertaking the hard work of freedom -- a cause which, today in the Persian Gulf, your colleagues, friends, above all, families have bravely and willingly borne as marines have always done.

It comes as little surprise that the first ground engagement in the Gulf involved marines. It comes as no surprise that the marines fought with great distinction and fought very bravely. Their professionalism and sacrifice will end the nightmare -- I'm absolutely confident of that -- will end the nightmare of Iraq's brutal occupation and ensure that Kuwait is once again free.

What's this T-shirt up here?

No, but their courage and commitment will help punish aggression and protect our new world order from the tyranny of ruthless dictators with no concern for human life.

We're now more than 2 weeks into Operation Desert Storm. My report to you today is that we are on course, we are on schedule, and things go well. Day by day, night by night, Iraq's capacity to wage war is being systematically destroyed by U.S. and coalition military forces. And our investment, our training, and our planning are paying off. And yes, achieving our goals will require time and sacrifice, but we will prevail -- make no mistake about that. And when we do -- and when we do, we will have taught a dangerous tyrant and those few who would follow in his footsteps that there is no place for lawless aggression in this critical region and in the new world order that we seek to create.

Every day, I think of our brave service men and women like the 2d Marine Airwing, 11 squadrons and 2 battalions deployed in the Gulf; the 2d Marine Division; and the 2d Force Service Support Group. Ninety percent of their members are deployed in the Gulf. And they, too, believe in a cause larger than themselves. And most of all, we think of all those who have given the last full measure of devotion, and I will always keep a place in my heart for the memories and especially for the families of these American heroes.

I'm told that not far from here yellow ribbons stretch as far as the eye can see. And they show what a former President, a former general, Dwight Eisenhower, meant when he said, ``Morale is the greatest single factor in successful wars.'' The communities of Jacksonville and Havelock care. And so, like communities all across America, they've joined hands to support military troops and their families. And I think of your schools, touching troops with their letters and their love. And the ``Key Wives Program,'' linking families and hearts. And if there's anyone around this country who wonders what we're fighting for, they need look no farther than right here in this room.

Unfortunately, there are no medals of valor for military families. If there were, there would be as much decoration on your chests as there is pride within them. Two weeks ago, a monument was dedicated a mile from here. It has five service seals and this inscription: ``Operation Desert Storm: This beacon burning bright is a constant reminder of Havelock's home fires burning in support of our military men and women and their families.'' To all of you -- spouses, children, parents, loved ones, marines -- you're doing more than just keeping the home fires burning. Your dedication and bravery is lighting the heart -- believe me -- it is lighting the heart of every American. You're hastening the day when your men and women will come home. And let me repeat this to the families: We will stay in the Gulf for as long as necessary, but not one day longer than it takes us to complete this mission.

Today, in the Gulf, marines are enduring much to keep America strong and great. Let me leave

you with words that were written more than a century ago. Back then, the marines had just landed on another distant shore, and a reporter wrote, ``The Marines have landed, and the situation is well in hand." Nothing has changed, and nothing will.

You know, I heard on the radio, ``The President is going to North Carolina to lift the morale of the people." Let me assure you, it's the other way around after seeing this group.

So, thank you, thank you for your support. God bless you and this great country. And most of all, God bless the finest soldiers, sailors, airmen, coastguardsmen, and marines any nation has ever had. Thank you very much.

Note: The President spoke at 8:43 a.m. in a hangar at the air station. In his remarks, he referred to Maggie Hearney, wife of Richard D. Hearney, commanding general, 2d Marine Air Wing; Secretary of the Navy H. Lawrence Garrett II; Gen. A.M. Gray, Jr., Marine Corps commandant; Lt. Gen. Carl E. Mundy, Jr., commanding general, Fleet Marine Force, Atlantic; Brig. Gen. David A. Richwine, commanding general, Marine Corps Air Station, Cherry Point; Col. Daniel B. McDyre, commander, 2d Marine Aircraft Wing; Gov. James G. Martin of North Carolina; Zandra Krulak, wife of Brig. Gen. Charles C. Krulak, commanding general, 2d Forces Service Support Group; Linda Sutton, wife of Brig. Gen. Russell H. Sutton, Director, Operations Division, Plans, Policies, and Operations Department; and President Saddam Hussein of Iraq. Following his remarks, President Bush traveled to Goldsboro, NC.

Remarks to Community Members at Seymour Johnson Air Force Base in Goldsboro, North Carolina

February 1, 1991

Thank you so very much. Cynthia, thank you for that introduction. This is the warmest picnic on a cold day I've ever attended, I'll tell you. And really, it's great to be here at Seymour Johnson, home of the 4th Tactical Fighter Wing -- the ``Rocketeers'' and the ``Chiefs'' -- as well as these great refueling units, the 68th and the 916th. And let me just pay my respects and say what an unbelievable job Colonel ``Jumbo'' Wray is doing here on this base. We're very proud of him. While your wing commander, Colonel Hornburg, is deployed with Desert Storm, ``Jumbo'' is filling in, doing just great.

And I'm also glad to see a man that flew over with me from our last stop -- that's Governor Martin out here, the Governor of this State. Congressman Martin Lancaster, from this district, and I am very proud he is with us here today. And, of course, the mayor, Mayor Plonk, is with us, too. And I wanted to specifically thank the military affairs committee of the Wayne County Chamber of Commerce for hosting this fantastic picnic. I don't believe I've had so much fun in a long, long time.

And of course, I do want to salute two others: our very able Secretary of the Air Force that you just met, Don Rice back there, as well as the Air Force Chief of Staff, General Tony McPeak -- both of them doing a fantastic job for our country.

This is a three-stop day for me. We just came here from the Marine Air Station at Cherry Point, and from here we head to Fort Stewart. But I want to tell you how very pleased I am to be able to spend some time meeting and talking to at least some of you -- especially the kids -- because I know in my heart how tough these days can be. There's a lot of waiting, a lot of uncertainty -- the not knowing. But each of you do know this: The men and women from Seymour Johnson are doing a fantastic job for this country, and we are very, very grateful.

You've got the tactical fighters and the refuelers and the medical personnel and the civil engineers and the security police. I just want you to know how grateful the Nation is to this entire team -- and to you -- and to share with you here today just a few thoughts. I cast fear and horror into the heart of one guy I was having lunch with because I told him this was going to take 45 minutes; it won't, believe me.

But let me just share some thoughts with you. I probably don't need to tell you that the brave service men and women of this base are part of the most motivated, the best educated, the best equipped Armed Forces in the history of this great country of ours, bar none. Because they are -- and you are -- doing the hard work of freedom, the cause of freedom will prevail. I'm absolutely certain of that.

You know, we're now more than 2 weeks into Desert Storm. And I'm happy to say -- and put it this way -- we are on course and we are on schedule. And as each day passes, Iraq's war machine, thanks to many of your loved ones, is being systematically destroyed by our allied military forces. Our investment, our training, and our planning are paying off. And yes, sacrifices still lay ahead, but we will succeed. And when we do, we will have taught Saddam Hussein and all others like him that there is no place for lawless aggression in the region or in this new world order that we envision.

While I'm here, I would be remiss if I didn't salute what the U.S. and coalition airmen have accomplished. Air superiority is an established fact now. The Iraqi Air Force is no longer a factor. And I know that this base -- as much as any base in this country -- this base is very proud of the way that we have used air superiority to go after Saddam's missiles of terror.

And yes, our mission in the Gulf is demanding and it's difficult, but I can tell you that our troops will not be asked to accomplish their mission with one hand tied behind their back. We are not going to do that in this war. And let me say something else: Your husbands and wives and your moms and dads will not be in that Gulf one day longer than is absolutely necessary. I want them home, and I want them all home.

And finally -- and I don't think I have to tell this particular group this point -- but I want each of you and all our troops -- this really is for the troops -- I want you to know that the American people stand with you. And I hope you had a chance to watch at least the part of the State of the Union Message that I want to mention to you because if you did, you would have seen a very moving scene: The entire Congress -- and Congressman Lancaster was there; he will tell you this is true -- the entire Congress, the Cabinet, the Supreme Court, the Joint Chiefs, the diplomatic corps rose to their feet in a prolonged, heartfelt tribute to the troops. It was a moving thing. And if only you could have felt it, as I did standing up there in front of the Congress -- felt the thunder of the applause and sensed the emotion that filled that Chamber. And the cheering for our armed forces -- and it was strong, it was for them -- was followed by two more standing ovations for you, the courageous families of our service men and women. And it was for you and for our troops. And that's exactly the way it should have been.

And I hope that that Saddam Hussein, in his bunker somewhere in Baghdad, saw every single minute of it. And if he did, maybe he now understands that we are a nation united in support of our troops.

I know it's been tough on a lot of you -- maybe all of you here at Seymour Johnson. And I know also what it is that you have offered this great nation of ours. I understand what it is that I have asked of you, what General McPeak has asked of you. Members of this fighting unit have voluntarily set aside their freedom to wage this battle. But while today some may be prisoners of war, and others may have made the ultimate sacrifice, a lifetime of democracy and faith in God

keeps their spirit free. No foreign dictator can imprison the love of liberty that beats in the hearts of every American.

And before I finish, I'd like to say something to all of the kids here today. I want you to know that your parents, your loved ones, our troops in the Gulf are enduring the hardships of war today so that you may know the blessings of peace tomorrow.

And seeing such strong, wonderful families here today and knowing the support that you have received from this community is good for the soul and proves the strength of America's spirit. And I think each and every one of you -- I thank each and every one of you. And when I climbed on Air Force One this morning out there -- I told them this over at Cherry Point -- I heard on the television, ``President Bush is visiting the bases to help lift the morale." And it's been exactly 180 degrees the other way around. My morale has been pretty darn good, frankly, but seeing those people over there and now all of you, my morale has never been more sky-high.

Thank you for this fantastic support for the troops -- because you see, you see, I do draw strength and courage from your forbearance -- for the job that the colonel and all the others are doing around here. And I ask God's blessing upon you all -- every one of you -- and upon every soldier and sailor, marine, airman, and coastguardsman -- every man and woman now serving in the Persian Gulf. What a wonderful country we have. And nothing could prove that more than the patriotism and the courage and the devotion of your loved ones, our beloved troops, halfway around the world.

May God bless the United States of America and each and every one of you. Thank you very, very much.

Note: The President spoke at 11:55 a.m. at the base picnic grounds. In his remarks, he referred to Cynthia Hornburg, wife of Col. Al Hornburg, wing commander, 4th Tactical Fighter Wing; Col. James ``Jumbo" Wray, vice commander, 4th Tactical Fighter Wing; Gov. James G. Martin of North Carolina; Representative H. Martin Lancaster; Hal K. Plonk, mayor of Goldsboro; Secretary of the Air Force Donald B. Rice; Gen. Merrill A. McPeak, Air Force Chief of Staff; and President Saddam Hussein of Iraq. Following his remarks, President Bush traveled to Fort Stewart, GA.

Remarks to Community Members at Fort Stewart, Georgia

February 1, 1991

Thank you for that great welcome. Jill -- Jill McCaffrey -- it is my great pleasure to be here and to meet with you. Barbara and I met the commanding general -- met Jill's husband, Gen. Barry McCaffrey, and many of his troops, many of your loved ones -- and we shared a meal with them on Thanksgiving Day. And it was special, and we Bushes will never forget it. And the food wasn't bad, either. [Laughter] But I'll tell you, the morale was great.

I want to salute General Burba, thank him for his leadership in this most important command of his. I want to salute and pay my respects to these two Senators from this State in which this installation is located -- Senator Nunn, chairman of our Armed Services Committee; Senator Wyche Fowler -- and of course, your own Congressman from this district who's been so supportive of everything all of you are involved in, Congressman Thomas. To the new Governor of this great State, Governor Miller, who is with us today, my respects. And Colonel Lucas, thank you, sir, for your prayers. And Colonel Frank Miller, if you can sing like your wife does, why, you guys ought to go on the road. [Laughter] But I think I've mentioned everybody but Beetle Bailey here. [Laughter]

But nevertheless, it is indeed a real pleasure to meet with you. I've heard a lot from Colonel Miller and others about Hinesville, and I heard a lot out in the Saudi desert -- you can believe me -- about all of you, the Fort Stewart family. I came down here to thank you on behalf of a grateful nation for your steadfast service and sacrifice because when proud men and women of Fort Stewart and Hunter Field put it all on the line, every one of you is right there with them.

In times of trial, we fall back on faith and on family -- what a wise man once called the ``little platoons'' to which we all belong -- the little platoons that provide the 24th Infantry Division with its fighting spirit and its staying power.

Right now, it's night in Saudi Arabia. The soldiers from Fort Stewart are on duty, 1 more day in more than 5 long months away from home. Our thoughts are with them, day and night -- America's finest, standing against an aggressor who must be stopped, standing up for the best -- all that is best in us. Because those men and women know and you know -- we all know that when the forces of aggression take up arms, America cannot look the other way.

It began with Kuwait, but that wouldn't have been the end. What we've witnessed these last few weeks removed any last shred of doubt about the adversary that we face: the terror bombing, without military value -- the terror bombing of innocent civilians with those Scud missiles; the brutal treatment -- that brutal, inhumane treatment of our POW's; the endless appetite for evil that would lead a man to make war on the world's environment. All of us know what we're up against.

All of you know why we're there.

We are there because we are Americans, part of something that's larger than ourselves. Our cause is right. Our cause is just. And because it is just, that world's cause will prevail.

And when we win -- and we will -- we will have taught a dangerous dictator and any tyrant tempted to follow in his footsteps that the U.S. has a new credibility, and that what we say goes, and that there is no place for lawless aggression in the Persian Gulf and in this new world order that we seek to create. And we mean it. And he will understand that when the day is done.

I know that all of you -- especially all of you -- are anxious to know if and when a ground operation might begin. Let me tell you now, it will only begin if necessary and when we decide that the time is right. We will conduct this conflict on our terms, on our timetable, not on Saddam Hussein's timetable.

Let me assure you that Desert Storm is right on course. Our training, our investment, our planning are all paying off. American and allied forces are systematically destroying Iraq's capacity to wage war.

Every member of the 24th Infantry Division is part of a fighting tradition stretching back some 50 years. Back in November, when I met with the men and women of the 24th, I told them about the last Thanksgiving that I had spent so far away from home. It was on a ship off the Philippine coast back in 1944. The 24th was there, fighting to take Red Beach on Leyte Island in the campaign that earned the 24th the nickname it so proudly bears today: the ``Victory'' Division.

And back then, those -- close to 50 years ago -- Franklin Delano Roosevelt sent a cable out to General MacArthur and the 24th Division, a message that -- very short -- I'd like to read it to you today. FDR wrote them: ``You have the Nation's gratitude, and the Nation's prayers for success, as you and your men fight your way back."

And now, many years later, once more the 24th is in the front lines, far from home. Once more, the Nation's prayers and the Nation's pride are with the 24th and all the brave men and women of Desert Storm.

I don't know whether it was Jill, but somebody told me about the send-off back in August, when the 24th was among the first to deploy to Saudi Arabia -- the way the people of Hinesville and the other towns near here lined not just the streets around Fort Stewart but lined the interstate all the way up I - 95 to Hunter Field and Savannah. What a sight that must have been to the proud soldiers of Fort Stewart.

And let me say to all the children here with parents that are serving over there in the Gulf, keep in mind that no matter how much you depend on your parents, your country depends on them, too.

And you've read at school about the great generals and some of the Presidents -- all about American history and American heroes. Well, you see, that's just part of the great story about our country because your moms and dads are the heroes, too, doing the hard work of freedom right now, half a world away.

I know it's been tough. It may get tougher. We've got three of the Walker kids here somewhere: Michael, Sioban, and their little brother, Martin. Their mom and dad are both now serving in Saudi Arabia, and they've been living with their babysitter, Ida Sanders. Eddie and Brandon Bowman are here; their dad went over in August, and their mom in November. Eddie and Brandon are staying with a friend of their family, Reggie Bray, whose wife was called up in the Reserves. I know at times like this the Fort Stewart family draws together, just gets tighter; everyone pulls together, the way a family always does.

And so, to all you kids, let me say: Be proud, and stay strong. Don't be afraid to ask family friends or your teachers at school to help you when things get tough. And know that we're doing everything we can to make sure your parents have the best possible support to get the job done and get every man and woman of the fighting 24th back home, safe and sound, just as soon as possible. That is my goal as your Commander in Chief.

With those brave young men and women in mind, let this nation come together this Sunday -- day after tomorrow -- on a day that will be our National Day of Prayer. We are, you see, one nation under God. And we will pray for the safety of every American and allied serviceman and servicewoman, for every innocent caught up in this terrible conflict, and for our POW's and for our MIA's. And may all of our troops be safe and sound until the families of Fort Stewart are united once again.

Thank you once again for this warm welcome and for all your support. And let me tell you what I told some of the wives that are supporting in this support group. When I got on Air Force One this morning, I heard one of the television commentators say, ``Well, the President is going to three different places to help with the morale." And, you see, it's been just the other way around. I've got good morale. But I'll tell you, I'm going on home to see Barbara with my morale sky-high because of the fantastic spirit of the families that are giving their all-out support to the finest fighting men and women that the world has ever seen.

God bless you all, and God bless the United States. Thank you very, very much.

Note: The President spoke at 3:47 p.m. on Cottrel Field at Fort Stewart. In his remarks, he referred to Jill McCaffrey, wife of Maj. Gen. Barry R. McCaffrey, commanding general, 24th Infantry Division Mechanized; Gen. Edwin H. Burba, Jr., commander in chief, Forces Command; Senators Sam Nunn and Wyche Fowler, Jr.; Representative Robert Lindsay Thomas; Gov. Zell Miller of Georgia; Col. Thomas L. Lucas, installation chaplain; and Col. Frank D. Miller, installation commander, and his wife, Joan. Prior to his remarks, the President attended a

reception with spouses of deployed personnel. Following his remarks, he traveled to Hobe Sound, FL, to visit his mother. Later in the evening, the President traveled to Camp David, MD, for the weekend.

Radio Address to the Nation on the National Day of Prayer

February 2, 1991

At this moment, America, the finest, most loving nation on Earth, is at war, at war against the oldest enemy of the human spirit: evil that threatens world peace.

At this moment, men and women of courage and endurance stand on the harsh desert and sail the seas of the Gulf. By their presence they're bearing witness to the fact that the triumph of the moral order is the vision that compels us. At this moment, those of us here at home are thinking of them and of the future of our world. I recall Abraham Lincoln and his anguish during the Civil War. He turned to prayer, saying: ``I've been driven many times to my knees by the overwhelming conviction that I have nowhere else to go."

So many of us, compelled by a deep need for God's wisdom in all we do, turn to prayer. We pray for God's protection in all we undertake, for God's love to fill all hearts, and for God's peace to be the moral North Star that guides us. So, I have proclaimed Sunday, February 3d, National Day of Prayer. In this moment of crisis, may Americans of every creed turn to our greatest power and unite together in prayer.

Let us pray for the safety of the troops, these men and women who have put their lives and dreams on hold because they understand the threat our world faces.

Let us pray for those who make the supreme sacrifice. In our terrible grief, we pray that they leave the fields of battle for finer fields where there is no danger, only tranquillity; where there is no fear, only peace; and where there is no evil, only the love of the greatest Father of all.

Let us pray for those who are held prisoner, that God will protect these, his special children, and will enlighten the minds and soften the hearts of their captors.

Let us pray for the families of those who serve. Let us reach out to them with caring, to make them part of a greater family filled with love and support.

Let us pray for the innocents caught up in this war, all of them, wherever they may be. And let us remember deep in our hearts the value of all human life, everywhere in the world.

Let us pray for our nation. We ask God to bless us, to help us, and to guide us through whatever dark nights may still lay ahead.

And above all, let us pray for peace, ``peace . . . which passeth all understanding."

On this National Day of Prayer and always, may God bless the United States of America.

Note: This address was recorded January 31 in the Oval Office at the White House and was released by the Office of the Press Secretary on February 2. The proclamation is listed in Appendix E at the end of this volume.

Message to the Congress Transmitting the Fiscal Year 1992 Budget

February 4, 1991

To the Congress of the United States:

I am pleased to present the Budget of the United States Government for Fiscal Year 1992.

The budget is consistent with the 5-year deficit reduction law enacted last fall. It recommends discretionary spending levels that fall within the statutory caps for defense, international, and domestic discretionary programs. It implements the entitlement savings and reforms enacted in the Budget Agreement. It conforms to the new pay-as-you-go requirements.

By holding the overall rate of growth of Federal Government spending to approximately 2.6 percent -- below the inflation rate -- the budget puts into effect the concept of a ``flexible freeze," which is an essential means of bringing the budget into long-term balance.

The longest period of peacetime economic expansion in history has been temporarily interrupted. We can, however, return to growth soon -- and proceed on the path to a new era of expansion. With that goal in mind, the budget places special priority on policies that will enhance America's potential for long-term economic growth, and that will give individuals the power to take advantage of the opportunity America uniquely offers.

To this end, I am again proposing tax incentives to increase savings and long-term investment.

On the spending side of the budget, the existence of a cap on domestic discretionary outlays rightly creates a competition for resources. Priorities must be set. This budget proposes that domestic investment be increased in the following key areas:

Education and Human Capital. -- The budget proposes investments to prepare children better for school, to promote choice and excellence in our educational system, to improve math and science education, and to increase the access of low-income Americans to higher education.

Prevention and the Next Generation. -- The budget includes proposals to help reduce illness and death from preventable diseases, and to reverse the long-term trend of underinvestment in children.

Research and Development and the Human Frontier. -- The budget recommends an increase of $8.4 billion in the Federal investment in research and development, with special emphasis on basic research, high performance computing, and energy research and development. It proposes

to extend permanently the tax credit for research and experimentation to encourage private sector R&D investment. In addition, the budget reflects the Administration's continued commitment to expanding human frontiers in space and biotechnology.

Transportation Infrastructure. -- The budget supports an expansion of the Federal Government's investment in highways and bridges to over $20 billion within 5 years, and proposes substantial increases to improve the condition of the Nation's airports, to modernize the air traffic control system, and to continue to develop the transportation infrastructure for exploration and use of space.

America's Heritage and Environmental Protection. -- The budget includes increased funds for the expansion and improvement of America's treasury of parks, forests, wildlife refuges, and other public lands; for the implementation of the Clean Air Act and other key environmental statutes; for the cleanup of pollution at various Federal facilities and at Superfund sites; and for protection and enhancement of coastal areas and wetlands.

Choice and Opportunity. -- The budget provides: funds to help give parents greater choice in child care, health care, education, and housing; the resources to allow all Americans, especially those with low incomes, to seize the opportunities that such choice provides; and a proposal to establish Enterprise Zones to bring hope to our inner cities and distressed rural areas.

Drugs and Crime. -- The budget further increases the Administration's investment in drug prevention, treatment, and law enforcement. And the budget substantially increases the resources available to help the Federal Bureau of Investigation fight crime, the Federal prosecutors prosecute criminals, and the Federal prison system accommodate those convicted of crimes.

To make such investments possible, the budget includes recommendations to terminate or reduce Federal investment in certain low-return programs, and proposes reforms to slow the continuing growth of mandatory entitlement programs and to increase fairness in the distribution of the benefits these programs provide.

In addition, the budget contains a new proposal to fund various programs now carried out by the States through a comprehensive block grant. The States are continuing to develop new and innovative ways to deliver services more effectively. The budget not only highlights several of these innovations; it proposes to reinforce and build upon them.

The budget contains several proposals that reflect my commitment to managing government better. These include measures to improve accountability, to reduce waste, to reform regulation, to employ risk management budgeting in addressing threats to health and safety, and to set clear objectives and measure performance in meeting them.

Finally, consistent with the statutory caps enacted last year, the budget provides the resources

necessary to maintain national security, and to better advance American interests abroad. As the budget goes to press, the timing of the resolution of the multinational coalition's efforts to reverse the aggression in the Persian Gulf is uncertain. For this reason, the budget reflects only a placeholder for Operation Desert Shield. A supplemental request for the incremental costs of Desert Shield, which includes Desert Storm, will be forwarded to the Congress in the coming weeks.

The priority investments embodied in this budget will help America prepare for the requirements and opportunities presented by a rapidly changing world. I look forward to working with the Congress in developing a budget that lays the groundwork for a brighter future, protects our national interests, and helps create the conditions for long-term economic growth and prosperity.

February 4, 1991

George Bush

Note: The President's message was printed in the report entitled ``Budget of the United States Government, Fiscal Year 1992." It was not issued as a White House press release.

Remarks to Members of the National Governors' Association

February 4, 1991

Let me just make a few brief comments, and then what I really am anxious to do is to hear from you. I know you've been briefed in some detail on many aspects of the domestic program, but I'd like to get from you a feel for emphasis and some of your most serious concerns.

But first, my thanks to you, Governor Gardner and Governor Ashcroft. And I know Dick Cheney has briefed you on the Gulf. And let me simply just say this on it: It's going according to plan. We are going to set the timetable for what lies ahead -- not Saddam Hussein. And I have a very strong team that is working this problem of the Gulf. Not only do I have great confidence in the officers and the men and women in the Gulf itself but, of course, I think Dick Cheney and General Colin Powell -- working so closely together and then working very closely with our Chief of Staff here and mainly with General Scowcroft, my able right hand on these national security matters.

I have confidence that we're doing the right thing, and I have confidence that it is going the way we planned. And there have been no surprises, and there will not be any quick changes, nor will I try to tie the hands of the military because I just feel we have to go forward and prosecute this to a successful conclusion. So, I want you to know from my standpoint the team is working well, the objectives are out there, and we're going to achieve them all.

So, I will be glad to respond to questions on this, of course, later on because I know it's a matter of enormous concern in your communities. I used the figure, I think last night, mentioning some 436 units of the National Guard -- over 60,000 men and women who are more than spectators. And I would just encourage all of you to give the utmost support you possibly can. I talked to some of you all last night, and I was very impressed with what you told me about this spirit of these people and even more so about the spirit in the communities.

I do think that the United States is supporting this. I can tell you that you read from time to time about lack of public support in some of the coalition countries, but generally speaking, the support is very, very strong. And that is not just the U.S.; it's in other countries as well.

So, here at home I understand you've been talking about that. I recognize that we are facing enormously challenging problems and that some of you face exactly the same problems that the Federal Government does in terms of trying to restrict these deficits or get out of this deficit mode.

One of the subjects that I really wanted to build on as we go along here this year with the Governors is what happened at the Charlottesville education summit. I think you expressed many

concerns there, those who were Governors then, and I hope we have responded. You were concerned about the readiness of the kids for school. And we have recommended and received good support for Congress on this whole concept of increased funding for Head Start. You wanted more emphasis on research and on assessment, and we saw it and got increases in those programs -- not that those increases alone at the Federal level are going to get the job done. Nobody knows that better than the Governors around this table.

But you asked for a lasting commitment. And let me just say that though the Gulf war has overshadowed almost everything in terms of interests from the American people, we have not pulled back one iota in our determination to work with you. Sixteen months after that summit, the work still goes on. And I think we're going to do all right. We want to see these goals fully met, and I told you that I would convene my Cabinet to mobilize their Departments toward the achievement of the goals, and I think I can tell you that -- I hope you've had a chance to glance at the report. That's working fairly well.

To those of you who weren't in office at the time of that summit -- and we have many new Governors here -- let me simply restate a commitment. As you work towards world-class education, the Federal Government and this President want to be with you every step of the way. And so, all of us should renew our commitment to fulfilling the goals set out in Charlottesville.

One last point is, I know how you all feel about flexibility and not mandating programs from Washington. Some people call some of our proposals warmed-over federalism. They miss the point. The point is you are on the problem-solving edge of this equation. You are better equipped to represent the diverse interests of the various States. And so we want to continue to work with you as best we can without sending a lot of mandated programs, whether it's in Medicaid or whatever else.

I understand that John Sununu came over and talked to you at length about this new proposal. Some of you mentioned it to me last night -- on this block grant approach. And it is different. It's fully funded, and it is something that -- I am very grateful to those who have spoken out on it already. I am not naive. We're going to have to fight together to get this through the Congress. But I think if we get this strong support continuing -- it's already been manifested by the Governors -- I think that will send a very strong message to the Congress. And I think we can take this step. And I hope that it will benefit each and every Governor and every State present.

So, those are the opening remarks. As I say, what I really want to do -- I know you've heard from the experts -- is to get your opinions on the most pressing problems. And, of course, I would be glad to try to respond to questions. I just heard a briefing that Dick Darman gave along with our Secretary of the Treasury, Nick Brady, and others on the budget. So, he's here if you want any specifics on it.

But with no further ado, and with the understanding and cooperation of the press, who are now

history here -- [laughter] -- we thank you very much. We will go ahead and hear from you all. Thank you.

Note: President Bush spoke at 11:31 a.m. in the East Room at the White House. In his remarks, he referred to Gov. Booth Gardner of Washington; Gov. John Ashcroft of Missouri; Secretary of Defense Dick Cheney; President Saddam Hussein of Iraq; Colin L. Powell, Chairman of the Joint Chiefs of Staff; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; Richard G. Darman, Director of the Office of Management and Budget; and Secretary of the Treasury Nicholas F. Brady.

Remarks to Representatives of the Boy Scouts of America

February 4, 1991

To Mr. Leet, Mr. Love, and Earl Graves and Bill Sessions, Director Simpson of the Secret Service and Admiral Truly, members of the White House staff and the Vice President's staff, all interested in Scouting, let me say it's a pleasure to be here.

This has become, appropriately so, an annual event. And I am proud to be now this card-carrying member of the Boy Scouts -- [laughter] -- and pleased to receive this year's report to the Nation.

I'm also just delighted to have this Desert Storm patch because in my view there's no doubt about the outcome of Desert Storm and no doubt about the reasons why. We're fighting in the Gulf so that this generation of Scouts never has to. And we want to pass on to them the kind of world they deserve -- a world of stability and security, peace and justice.

This report that the Scouts have given me is, I am told, full of the good deeds done by our nation's future leaders, from helping the hungry to helping kids stay drug-free. And that's the kind of work that makes the Scouts Points of Light and the leading lights of a new generation.

So, I really wanted to come here to thank you, as representatives of all the Scouts across the Nation, for all the wonderful good deeds you do every single day because in that way you're keeping our country strong.

So, thank you for coming, and thank you for these marvelous souvenirs that I take with me. And God bless you all, and keep up the great work.

Thank you so much.

Note: The President spoke at 1:47 p.m. in the Roosevelt Room at the White House. In his opening remarks, he referred to Richard Leet, Ben H. Love, and Earl E. Graves, national president, national chief executive, and national commissioner of the Boy Scouts of America; William S. Sessions, Director of the Federal Bureau of Investigation; John R. Simpson, Director of the U.S. Secret Service; and Richard H. Truly, Administrator of the National Aeronautics and Space Administration.

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation With State President Frederik Willem de Klerk of South Africa

February 4, 1991

President Bush spoke with President de Klerk of South Africa this morning. President Bush commended Mr. de Klerk on his speech of last week in which he announced further steps toward the dismantling of apartheid. President Bush noted that these are historic measures.

President Bush also gave President de Klerk an update on the Persian Gulf war, pointing out that the coalition effort was proceeding smoothly and as planned.

Letter to Congressional Leaders on the Reinstatement of Beneficiary Trade Status for Chile

February 4, 1991

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add Chile to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program is authorized by the Trade Act of 1974, as amended (``the 1974 Act'').

Chile previously had its GSP eligibility suspended as a result of a determination that it had not and was not taking steps to afford internationally recognized worker rights to workers in the country, as required by section 502(b)(7) of the 1974 Act. As a result of a review completed to consider recent changes in law and practice in Chile, I have now determined that it meets the worker rights standard of the law and is otherwise eligible to have its GSP benefits reinstated.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974, as amended.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The related proclamation is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on Beneficiary Trade Status for the Central African Republic, Paraguay, and Namibia

February 4, 1991

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add the Central African Republic, Paraguay, and Namibia to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program is authorized by the Trade Act of 1974, as amended (``the 1974 Act'').

The Central African Republic and Paraguay previously had their GSP eligibility suspended as a result of determinations that they had not and were not taking steps to afford internationally recognized worker rights to workers in their countries, as required by section 502(b)(7) of the 1974 Act. As a result of reviews completed to consider recent changes in law and practice in the Central African Republic and Paraguay, I have now determined that both countries meet the worker rights standard of the law and are otherwise eligible to have their GSP benefits reinstated.

Namibia became an independent nation on March 21, 1990. I have determined that Namibia meets the eligibility standards of the GSP law and that it is appropriate to designate Namibia as a beneficiary developing country for purposes of the GSP.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974, as amended.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The related proclamation is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on Beneficiary Trade Status for the Central African Republic, Chile, Namibia, and Paraguay

February 4, 1991

The President today designated four countries as beneficiaries under the Generalized System of Preferences (GSP).

Namibia, which became an independent country on March 21, 1990, is being designated as a GSP beneficiary for the first time; the Central African Republic (CAR), Chile, and Paraguay are being reinstated as beneficiaries. The GSP grants duty-free access to the United States to certain goods from developing countries. The four beneficiary countries can now export more than 4,230 products to the United States duty-free. For the first 11 months of 1990, the CAR exported $70,519 in GSP eligible products to the United States; Chile, $131 million; Paraguay, $21 million; and Namibia, $903,160.

The CAR, Chile, and Paraguay had been suspended from the GSP program for their failure to provide internationally recognized worker rights, as required by the GSP statute. The Office of the United States Trade Representative (USTR) conducted a review of changes in the countries' laws and practices and determined that the countries now meet the worker rights requirements. Other GSP eligibility criteria include whether countries provide ``adequate and effective'' protection of intellectual property. The USTR review determined that Chile was making progress in providing improved patent protection.

Note: The related proclamations are listed in Appendix E at the end of this volume.

The President's News Conference

February 5, 1991

The President. After this statement I'll be glad to take some questions.

This morning, I spoke with President Salinas, and Prime Minister Mulroney of Canada, and together we intend to pursue a trilateral free trade agreement that would link our three economies in bold and far-reaching ways.

Successful conclusion of the free trade agreement will expand market opportunities, increase prosperity, and help our three countries meet the economic challenges of the future. A free trade area encompassing all three countries would create a North American market of 360 million people, with annual production of more than $6 trillion. This agreement would be a dramatic first step toward the realization of a hemispheric free trade zone stretching from Point Barrow in Alaska to the Straits of Magellan.

I've informed the Congress of this decision and notified them of my intent to use the fast-track procedure for this North American free trade zone. In cooperation with Mexico and Canada, we will work actively to conclude these negotiations expeditiously.

And I am -- let me shift to the budget for a sec -- I am very pleased at the generally constructive reception that our budget is receiving and in particular am pleased at the positive receptions that the Governors gave yesterday concerning our budget proposal for transferring 15 billion dollars' worth of government programs to the States -- fully funded, I might add.

It will put the States at the forefront of problem-solving and provide the necessary flexibility for administrating government programs. And I believe this can open up a whole new era of cooperation as well as State responsibility that can only have a beneficial impact.

This morning I also spoke with President Ozal of Turkey regarding the coalition efforts in the Persian Gulf. We're nearing the end of the third week of Operation Desert Storm -- almost 21 days to the hour. And I'm pleased to report that we remain on course and on schedule.

U.S. and coalition forces continue to perform their assigned missions with great professionalism and, thankfully, with only modest casualties on our side. And I'd like to emphasize that we're going to extraordinary and, I would venture to say, unprecedented lengths to avoid damage to civilians and holy places.

We do not seek Iraq's destruction, nor do we seek to punish the Iraqi people for the decisions and policies of their leaders. In addition, we are doing everything possible -- and with great success -- to minimize collateral damage, despite the fact that Saddam is now relocating some military

functions such as command-and-control headquarters in civilian areas such as schools.

I'd also emphasize that our goals have not changed. We continue to seek Iraq's full compliance with the 12 relevant United Nations Security Council resolutions.

And our soldiers have performed with courage and bravery that should make all Americans proud. And I believe our country is giving them the support that they need and deserve. As we move into the fourth week of this conflict, I ask all Americans to continue their prayers for our valiant men and women in the Gulf.

And just let me end with this -- that I have asked Dick Cheney, the Secretary of Defense, and General Powell to travel to Saudi Arabia late this week to meet directly with Norm Schwarzkopf and his staff. The purpose of this trip, which will be a short one, will be for them to get a firsthand status report. And I would then look forward to their returning here quickly and meeting with me and my other senior advisers.

So, with no further ado, who has the first? Terry [Terence Hunt, Associated Press]?

Persian Gulf Conflict

Q. Mr. President, your new budget contains relatively little money for the Persian Gulf war, which some analysts think could cost as high as $1 billion a day if it goes into a ground conflict. If the war goes on for months, how will you pay for it with an economy that's in a recession and a deficit that's climbing past $300 billion?

The President. Well, I think that in the budget some $15 billion is included. And I think what people that are concerned about this have not realized is that we are getting significant support committed from overseas. And I'm confident that what we have in there will take care of it -- will be testimony on this up on the Hill, but we're talking about having commitments of close to, I think it's $50 or $51 billion from others added to the $15 billion that we have budgeted. That's $66 billion, and we believe it should be sufficient.

Q. Would you under any circumstances consider a surtax to pay for the war if it goes on?

The President. Too hypothetical, but I can see no reason for a war surtax. I don't think it's necessary, and I've heard very little call for that, as a matter of fact, because I think people realize that these cost estimates are pretty accurate.

Q. Mr. President, I think that you showed today that you are a little disturbed that people might think the goals have changed. But you don't deny, do you, that in addition to driving the Iraqis out of Kuwait there is a sort of systematic destruction of the infrastructure, the essentials of daily living in Iraq? I mean, and that may be -- --

The President. No, that's not what we're doing. No, we are not trying to systematically destroy the functions of daily living in Iraq. That's not what we're trying to do -- or are we doing it.

Q. No water, no electricity, no fuel.

The President. Well, I would say that our effort, our main goal, is to get this man to comply with the resolutions. But we are not trying to systematically destroy the infrastructure or to destroy Iraq. For example, I can tell you about -- on targeting petroleum resources, we're not trying to wipe out all their ability to produce oil. We're not trying to wipe out all their ability to refine oil. We are trying to wipe out and keep them from resupplying their military machine.

Q. May I follow up?

The President. Yes.

Q. You say everything is on schedule, on course. What is the schedule for ending this war?

The President. Well, we'll have to just wait and see, Helen [Helen Thomas, United Press International]. That's a very complicated question.

Q. Is it all a secret?

The President. But the war has been going on for something less than 21 days now, fully, and I think it is going very well, indeed. And so we will keep going, and I will avoid making -- --

Q. Do you have an end in sight?

The President. I will avoid making predictions as to when it will end, but it won't be -- I've said this over and over again -- it will not be a Vietnam. I don't believe it's going to be long and drawn-out. And it is going as we planned. It is going on schedule. It is going very well.

Q. Mr. President, does the Cheney-Powell visit over there signal that a decision is at hand on the commencement of a ground war?

The President. No, it doesn't signal that.

Q. Well, let me follow by asking you: There is a perceptible increase in anti-American sentiment in the streets of a number of capitals in the Middle East. Does this add to the pressure on you to wrap this war up and get it over with?

The President. No, it doesn't, because what we overlook when we see the demonstrations on the television is the fact that there's strong support in many Arab countries. And I am staying in very close touch with our coalition partners, and I am always encouraged when I talk to them about the support in their countries and in other parts of the Arab world for what we're doing. Yes, it's divided, and yes, I've seen the demonstrations in Amman; I've seen some of the demonstrations in the Magreb. But to get back to your question, they will not influence my decisionmaking on the timing involved, say, for the use of ground forces.

Saddam Hussein will not set the timing for what comes next. We will do that. And I will have to make that decision if we go to ground forces, and I will do it upon serious consideration of the recommendations of our military, including our Secretary of Defense and the Chairman, of course, but also of our commanders in the field.

But I see those demonstrations and I understand that some look at this and -- some more in the fundamentalist, particularly -- differently. But I also am gratified with the support in the Arab world, and I think it's strong. I think a lot of them want to see this man comply with these resolutions fully and not see this aggression rewarded, no matter what's happening in the streets.

Q. Sir, the White House and the State Department were cool, even indifferent, to the Iranian peace initiative. Why so? Why would you not encourage an initiative which called for the full withdrawal from Kuwait by Saddam?

The President. I don't think that there was an initial -- I don't think there is an Iranian proposal, John [John Cochran, NBC News]. I have not seen it. I just hung up talking to President Ozal of Turkey, and he doesn't think there is a specific Iranian proposal because -- and I think the reason is that people realize that this man has to comply with these resolutions without equivocation; that he has to go forward, no concession, no compromise, and do what the world has called on him to do. And at that point, then there can be some cessation of hostilities. But I have not seen a specific five-point program out of Tehran.

Q. Well, there are reports from Tehran that do give several points. But beyond that -- --

The President. They did what?

Q. There are reports out of Tehran that, in fact, do include several points which do include the withdrawal from Iraq. But the problem -- --

The President. Let me stop you there if I could, and then I'll get back to your question. If that were the case, it would seem to me that Iran would have conveyed such a proposal to the United States, and that is not the case.

Q. The problem seems to be, sir, an impression is being given that you will be disappointed if the

war ends with Saddam Hussein still in power.

The President. I see. No, I don't think that's the case, but the war will not end with Saddam Hussein standing with his view that he will not withdraw from Kuwait. I believe one of the things we'll see that came out of these recent meetings with the Iraqi Hadami [Sa`dun Hammadi, Deputy Prime Minister of Iraq] in Iran is that Iraq is showing no flexibility whatsoever in terms of withdrawing from Kuwait. So, we get right back to square one. There's nothing to negotiate about. There's nothing to be conciliatory about when you have a person who is steadfast in his refusal to comply with the fundamental purpose, and that is to get him out of Kuwait. But we haven't shifted our objectives on this.

Now, would I weep? Would I mourn if somehow Saddam Hussein did not remain as head of his country? I thought Prime Minister Major spoke very well about it, spoke very convincingly about it, and he reflected my view that there will be no sorrow if he's not there. In fact, it would be a lot easier to see a successful conclusion because I don't believe anybody other than Saddam Hussein is going to want to continue to subject his army to the pounding they are taking, or his people to the pounding that is going on. So, I would like to think that somehow, some way, that would happen. But I have no evidence that it will.

Q. Mr. President, back on the timing of the ground offensive. You said last week at Fort Stewart, Georgia, and again here today that the United States and its allies -- and not Saddam Hussein -- would determine that. Three weeks into the war, what are the prospects for avoiding ground warfare in the Gulf?

The President. Well, I think one of the things that I look forward to hearing from General Powell and Dick Cheney is the answer to that question. And I guess you could rephrase it and say, would air power alone get the job done? My own view is I'm somewhat skeptical that it would, but I'm very interested to hear from our Secretary of Defense and the Chairman of the Joint Chiefs.

Q. Well, we've heard conflicting reports about what happened in Khafji last week. Some reports have it that it was a skirmish, others that it was a major engagement, some that the Iraqis fought very poorly, and some that they put up quite a bit of resistance. What is your reading of that?

The President. My reading is to refer to General Schwarzkopf and the Pentagon briefing on that, which I thought were very clear. And obviously, there were devastating losses on the Iraqi side -- no question about the amounts of armor that were killed and, regrettably, the loss of life. But there's no question that this was a humiliating defeat. But I'd rather leave the details of that to the Pentagon briefers or to the briefers out in Saudi Arabia -- who, incidentally, both of whom are doing a superb job of keeping the American people informed, keeping the world informed. And they have my full support for the way in which they're briefing.

Q. Sir, you just mentioned the pounding that these Iraqi troops are taking. And I wonder how you

have approached the decision where you obviously, if you continue this aerial bombardment like this, run the chance of slaughtering, literally, tens of thousands of Iraqi troops. The two-part question is, first, do you draw any conclusion that Saddam is either out of control of that decision or lost his senses?

The President. On what decision?

Q. On allowing the United States, basically, to pound his troops who are virtually defenseless from the air.

The President. I'm not sure he has the full -- I've never known for fact certain how much he's told. You mentioned Khafji -- the question was raised. I don't know how much information he has about what happened there in spite of the full coverage that takes place. But let me be very clear. What concerns me are the lives of our troops. What concerns me are the lives of our coalition forces, the Saudi and the Qatar forces that went into Khafji very courageously. And my first worries are about them. And Saddam Hussein should be concerned about the Iraqi forces. But how concerned he is, I don't know. Because when you shove people into battle, pushing them from behind to be defeated clearly and surely, or when you send your airplanes up and the score is totally one-sided -- in fact, every engagement in the air, the Iraqi planes and pilots have gone down -- you have to wonder how he looks at what you're asking about, how he feels about that.

But here's a man that used chemical weapons on his own people. Here's a man that gassed the Kurds. Here's a man who has no hesitancy to recklessly throw city-busting Scuds, population-killing Scuds, into Israel or into Saudi Arabia. Here's a man that brutally parades prisoners of war. Here's a man that has launched environmental terrorism. I can't figure out what he's thinking, and neither do the coalition partners with whom I am in touch; neither can they figure it out.

But we're going to pursue this to achieve our objectives. And clearly, I want those objectives achieved with the most limited loss of life possible. It works on my mind every day. And I want to be sure that we pursue our ends with that in mind. But we are going to prevail, and I'm going to do whatever is necessary to be sure that we do and be sure we do it in relatively timely fashion.

Q. It's already been suggested, though, that he is willing to suffer that level of casualties to his forces to increase a wave of anti-American sentiment in the region after the war, to hurt you politically after the war. Is that a consideration?

The President. I wouldn't be surprised if that's what he's trying to do. But I think that after the war, when we prevail -- and we will -- and when the coalition prevails -- and it will -- there will be a renewed credibility for the United States, a renewed credibility for the United Nations. And thus, I worry far less about that than about other things because I think we then have an enormous potential to join with others in being the peacemakers.

Q. Mr. President, on the question that John posed about Iran, is the problem with any Iranian peace effort simply the fact that it is Iran and your relations with Iran themselves are not good?

The President. No, not at all. And there are other -- let's be fair about it, there are other countries that have offered up a willingness to try to bring peace to the area. I think of my friend Chadli Bendjedid of Algeria; I think of what the Arab League early on tried to do; I think of the Secretary-General of the United Nations. There's a lot of people who are obviously concerned about peace, would like to find a way to bring this to a conclusion.

So, the fact that Iran would like to see the war end is encouraging. And Iran is conducting itself, in my view, in a very credible way here. They've said that those airplanes that come in there are going to be impounded, and we take them at their word on that. They have not been violators of the sanctions that we're aware of. They have wanted to remain neutral. They are concerned about continued U.S. ground force presence in the Gulf, and I keep saying, not just to reassure Iran but to everybody else, we have no intention of leaving forces in that area. We are there as part of a coalition under the United Nations resolutions to get this job done.

So, I have no argument with the way Iran is conducting itself. The only thing I was disputing with John a little is whether there was a specific peace proposal. And I don't think there is because I think Iran knows that Saddam has to comply fully with these resolutions and start a credible, visible withdrawal; then the new regime of legitimate leaders comes back to Kuwait.

And that's the way it could end if Saddam could come to his senses. But I keep coming back to the point that in all these talks there is no indication that he is prepared to get out of Kuwait. It's always the bottom line. They talk and talk and talk -- and then, ``But this is Province 19; we're going to stay there."

Q. If I could follow quickly, just to touch on a second neighbor. The reports are that Syria is now engaged in fighting and shelling on the ground. Do you have a full commitment from Syria to go with you on a ground war, and is that representative -- --

The President. Well, I again would refer that out. I have no reason to be dissatisfied with the commitment there, but I just can't tell you -- I'm not going to go into the game plan as to who is supposed to be doing what.

Q. Mr. President, you sound very much like you've come to the conclusion in your own mind that Saddam Hussein will never surrender -- never. Have you come to that conclusion, and what does that mean about the length of the war and ferocity of his fighting forces?

The President. No, I haven't put it in terms of surrender; I've been putting it in terms of compliance with the resolutions. But I don't know. As I've said, it is very difficult to read somebody who is doing these horrible things that he is doing to civilian populations, to prisoners,

to the environment, and to many other things. So, I just can't predict it, but all I know is, we are going to prevail. The coalition will prevail. He will comply with the United Nations resolutions, and that means he will be totally out of Kuwait one way or another. But I don't know -- I can't give you a clear picture of exactly which way will achieve that result.

Q. Well, there has been quite a lot of denigrating of his forces early in this war. That is, they won't fight. If they're not supplied in time, they'll give up in large numbers. Have you changed your view of his ground forces?

The President. No. The one serious engagement on the ground forces is they've been obliterated. So, I haven't changed my view on it. But having said that, we will conduct ourselves in such a way as to minimize -- I mean, to see that the risk to coalition forces is minimum. And that is what I've asked our Chairman and our Secretary to do and to look into when they go out there.

Q. Mr. President, I'm wondering if you could tell us the latest you've heard from the International Red Cross or anyone else who is trying to find out the fate of the POW's and the personnel who are missing there?

The President. So far all I've heard is a frustrating silence of his willingness to permit people to do what should be done, and that is to inspect and talk to the people involved. That's all I've heard.

Q. Sir, as a followup, do you, following your experience in World War II, feel any personal kinship with these pilots who were shot down?

The President. Well, it doesn't have anything to do with my experience, particularly, many, many years ago. It has a lot to do with the fact that they are courageous Americans. And the answer to your question is, yes, I feel very strongly about it. And I had a chance to say that to some of the spouses and I -- but it's not some kind of a psychological tie-in to the fact that 50 years ago I was flying airplanes. It's the fact that I'm just -- you see that, and you see these prisoners paraded, and it just turns my stomach. It just says something about the brutality of this person. And that's what really motivates me.

Soviet Union

Q. Mr. President, I'd like to change the subject briefly and ask you about the Soviet Union -- whether you feel that Mikhail Gorbachev is still in charge and is still a person with whom the United States should be dealing and placing its trust?

The President. Well, he is still in charge, and he is still the President of the Soviet Union; and thus we will deal with the President of the Soviet Union. He has enormous problems at home, and we've discussed them. His new Foreign Minister was here and said they were going to do certain

things. We're watching to see if they will all be done. Some have been done. And so it's a very troubling situation inside the Soviet Union right now. But he's the President, and I'm the President of this country, and of course we will deal with the authorities there. You don't set up 25 other diplomatic initiatives with a country; it's not the way you treat somebody. You deal in normal ways. And I'm going to do that. But we are looking for -- that does not diminish my desire to see the people of the Baltics, for example, fulfill their destiny.

Q. If I could follow, do you feel the era of glasnost and perestroika is over?

The President. The era of it? No. I think it will never go back, no matter what happens, to the totalitarian, closed-society days of the cold war.

Persian Gulf Conflict

Q. Mr. President, you've made the point many times that the world needs to stop Saddam now, unlike in the 1930's when it failed to stop Hitler. In retrospect, do you ever think that this war might have been avoided if the U.S. had been tougher with Saddam long before he invaded Kuwait?

The President. Yes, yes.

Q. Is there any lesson to be drawn from that, in other words?

The President. Well, we tried the peaceful route. We tried working with him and changing through contact. I don't know what the lesson is. The lesson is clear in this case that that didn't work. But whether there's a lesson in the future that you reach out to regimes -- I think it was proper that we have reached out to the Soviet Union, when you look at the dramatic changes in Eastern Europe, you look at the changes in the unification of Germany, you look at the withdrawal of Soviet forces from a lot of Eastern Europe. I mean, at times you want to try to go forward with regimes. I think Nixon's going to China was a very appropriate and courageous diplomatic move that has made the world a little better in spite of setbacks. That's the way I approach it.

Q. Mr. President, Saddam Hussein has not yet used chemical weapons on the battlefield, but some analysts believe that may be something that we will face in the future. Have you made a decision on what the U.S. response would be if he does turn to chemical weapons? And have you ruled out the idea that the United States might in turn use weapons of mass destruction?

The President. Well, I think it's better to never say what option you may be considering or may or may not do. But, yes, he has used chemical weapons on his own people, so the only way I would like to take the opportunity in responding to your question to say he ought to think very carefully about doing that -- very, very carefully. And I will leave that up to a very fuzzy interpretation

because I would like to have every possible chance that he decides not to do this.

And you talk about turning world opinion further against this brutal man, that would do it. But how we will respond or something, I would wait for recommendations and I would not discuss options ahead of time one way or another.

Q. I understand that you're not going to tell us what you would do, but have you in your own mind made a decision on what you would do, even though you can't reveal it?

The President. No.

Q. Mr. President, can you say with 100-percent Presidential guarantee that you will not reinstate the draft?

The President. I have absolutely no intention of reinstating the draft. I've heard no discussion from any of our people about the need to reinstate the draft. We have an all-volunteer army that is totally capable of getting this job done.

Q. So the answer is no, you will not?

The President. No, I will not what? [Laughter]

Q. Reinstate the draft?

The President. You're right -- no, I will not reinstate the draft.

Q. Mr. President, in an interview published this morning, General Schwarzkopf spoke rather eloquently of the emotional burden he carries sending -- giving orders to troops that may cause combat casualties. As Commander in Chief, is that a nagging concern of yours that might lead you to extend the air war longer before committing land troops?

The President. Well, I would think -- in the first place -- and Norm Schwarzkopf understands, Powell understands, Cheney understands -- that that's a decision the President has to make. But I don't feel any loneliness about that or -- the loneliness at the top. I have very able people to depend on. And it is a decision that I'm perfectly prepared to make upon recommendation of these people in whom I have so much confidence.

But I wouldn't go against sound military dogma -- or doctrine, I mean -- in order to just delay for the sake of delay, hoping that it would save lives.

Q. There seems to be an increasing -- --

The President. I said at the beginning -- let me finish, John [John Mashek, Boston Globe], just one more thought and then I'll get back -- I said at the beginning I am not going to second-guess. Now, there may be times when I have to say we're not going to do it this way or we may have to do something that way, but I don't think that this would be one of those cases at all. And I would bear the full responsibility for that very difficult decision. But I feel rather calm about it because we have a game plan, and we've stayed with the game plan, and we are on target. And unless I get recommendations from these men in whom I have so much trust, we're going to remain on the plan.

Q. There seems to be an increasing feeling on the Hill among Republicans as well as Democrats that we should wait longer; some say even up to June. What's the down-side of waiting that long and continuing to pound away at targets?

The President. I would simply say that I want to let this be determined by people that understand the military plan and that are prepared to implement it. And I remember before January 16th there was the same feeling -- please let the sanctions work. I mean, I can understand the feeling on the Hill. I can understand those who say let air power do it alone.

But I'm going to make these calls. These are the responsibilities of the Commander in Chief -- that kind of decision. And I will make that decision after full consultation with the chief out there and the two main military people upon whom I depend here -- Secretary of Defense and Chairman of the Chiefs.

So, I'm not trying to say it wouldn't be a difficult decision, but I am saying, one, I'm prepared to make it, and two, I have total confidence that this decision will not be recommended to me unless the people that I've just mentioned know that it's the right thing to do.

Q. Mr. President, there are some reports circulating that if Saddam Hussein were to begin a withdrawal from Kuwait you would still continue to prosecute this war at least for a while until you were satisfied certain conditions were met. Now, obviously, this is semihypothetical. He hasn't gotten out, of course. But could you tell us something about your conditions for agreeing to a cease-fire in the event that he did begin a withdrawal?

The President. It would have to be a credible, visible, totally convincing withdrawal. There would be other things that I will not state here that I would want to see happen. That would mean immediate supervision of the withdrawal. It would mean a return of the legitimate government right away. And so, there are several things. But the reason I want to pull back a little and not give you a 10-point program is that he's got to say: I'm going to get out of Kuwait now, and I'm going to get out fast, and I'm going to do it so everybody knows that I'm not making this up, that I'm going to go forward. No trust, no concession -- ``I'll get out if you'll get out'' -- we've passed that. We tried that, diplomatic effort after diplomatic effort.

Now we're in a war with this man. And he will comply with these resolutions fully, without concession. And then we can determine what niceties or what little details need to be done. But what has to happen to begin with is a credible withdrawal from Kuwait without concession, without condition. And all the rest of this then can fall into place.

Last one.

Q. Mr. President, we've heard from your wife recently that you haven't been sleeping so well, and we've also heard that the drums outside are keeping you awake. My question is, if you could just share with us what kind of personal toll this war has taken on you as far as your routine, your moods, your emotions?

The President. Maureen [Maureen Dowd, New York Times], look, my wife -- normally I stick by everything she says, but I'm sleeping very well. The drums have ceased, oddly enough. And there was a slight hyperbole there because the drums could only be heard from one side of the White House. However, when they got up over the 60-decibel count limit, a protest was raised by a hotel over here because they were on the wrong side and they heard the drums. And, lo, people went forth with decibel count auditors -- [laughter] -- and they found the incessant drummers got to over 60, and they were moved out of there. [Laughter] And I hope they stay out of there because I don't want the people in the hotel to not have a good night's sleep. I'm sleeping quite well, as a matter of fact. And I say this not frivolously because you ask a more serious question. And I can't tell you that I don't worry a lot about our families of the troops.

I'll tell you what was emotional for me -- and I don't think I've had a press conference since then -- was this visit down to the three bases I went to. It was very, very moving. But what I came back with was this sense of wonder at the way these spouses stand together, totally supportive of their spouses across the way. So, when I said I got lifted up, my morale was not down; it's been good. And I'm just so confident of how this thing is going to work out. But it was better, my morale was better, when I saw these families. And when I talked to some who had loved ones missing or held prisoner, I just wondered at their strength.

And I have had some other contacts with people that are in that description -- one most beautiful letter from a wife of a pilot who was killed in action. And her spirit and the way she approached this whole conflict over there in the face of her own loss has been inspiring -- it has been totally inspiring to me.

So, my own feeling is I know what I've got to do. I've got very good people helping me do it. I really don't lose sleep. I can't tell you I don't shed a tear for families and for those that might be lost in combat. We've had very few losses, and yet I've got to tell you I feel each one. But we're going to continue this, and we're going to prevail.

And I think Marlin said that was the last question.

Thank you very much.

Note: President Bush's 71st news conference began at 11:35 a.m. in the Briefing Room at the White House. In his remarks, he referred to President Carlos Salinas de Gortari of Mexico; Prime Minister Brian Mulroney of Canada; President Turgut Ozal of Turkey; President Saddam Hussein of Iraq; Secretary of Defense Dick Cheney; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; Deputy Prime Minister Sa`dun Hammadi of Iraq; Prime Minister John Major of the United Kingdom; President Chadli Bendjedid of Algeria; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; President Mikhail Gorbachev and Foreign Minister Aleksandr A. Bessmertnykh of the Soviet Union; former President Richard M. Nixon; and Marlin Fitzwater, Press Secretary to the President.

Joint Statement Announcing Canada-Mexico-United States Trilateral Free Trade Negotiations

February 5, 1991

The President of the United States, George Bush; the President of the United Mexican States, Carlos Salinas de Gortari; and the Prime Minister of Canada, Brian Mulroney, announced today their intention to pursue a North American free trade agreement creating one of the world's largest liberalized markets.

Following consultations among their ministers responsible for international trade, the three leaders concluded that a North American free trade agreement would foster sustained economic growth through expanded trade and investment in a market comprising over 360 million people and $6 trillion in output. In so doing, the agreement would help all three countries meet the economic challenges they will face over the next decade.

Accordingly, the three leaders have agreed that their trade ministers should proceed as soon as possible, in accordance with each country's domestic procedures, with trilateral negotiations aimed at a comprehensive North American free trade agreement. The goal would be to progressively eliminate obstacles to the flow of goods and services and to investment, provide for the protection of intellectual property rights, and establish a fair and expeditious dispute settlement mechanism.

February 5, 1991

Note: This joint statement was made available by the Office of the Press Secretary but was not issued as a White House press release.

Nomination of Rockwell A. Schnabel To Be Deputy Secretary of Commerce

February 5, 1991

The President today announced his intention to nominate Rockwell Anthony Schnabel to be Deputy Secretary of Commerce at the Department of Commerce. He would succeed Thomas Joseph Murrin.

Since 1989 Mr. Schnabel has served as Under Secretary for Travel and Tourism at the U.S. Department of Commerce in Washington, DC. Prior to this Mr. Schnabel served as U.S. Ambassador to Finland, 1985 - 1989. In addition, he was president of Unilife Assurance Group in Luxembourg, 1975 - 1979. In 1965, Mr. Schnabel joined Bateman Eichler, Hill Richards, Inc., serving in various senior management positions including president of the firm's holding company.

Mr. Schnabel attended Trinity College in The Netherlands, 1952 - 1956. He served in the U.S. National Guard Reserves, 1959 - 1965. He was born December 30, 1936, in Amsterdam, The Netherlands. Mr. Schnabel is married, has three children, and resides in Washington, DC.

Remarks on Signing the Veterans' Compensation Amendments of 1991 and the Agent Orange Act of 1991

February 6, 1991

Good morning. It's a pleasure once again to have so many familiar faces here today representing our veterans. And of course, it's a pleasure to be standing up here with one of the great members of our Cabinet, Ed Derwinski. I see so many Members of Congress -- five special ones here who were instrumental in the passage of this legislation: Congressmen Sonny Montgomery, Bob Stump; Senator Specter, Senator Murkowski, and Senator Bob Graham.

From Midway to Normandy, from Inchon to Khe Sanh to last week's battle at Khafji, American marines, soldiers, airmen, sailors, coastguardsmen have given their lives, their fortunes, and their sacred honor to keep freedom safe. American men and women are fighting for peace today, as we did then, because America must lead in deterring and defeating aggression. And we're here today to ensure that our nation will ever remember those who defended her: the men and women who stood where duty required them to stand.

It's my honor today to sign into law two bills which give veterans and their families the compensation that they deserve. The first is H.R. 3, and it provides for a 1991 cost-of-living adjustment. And the second, H.R. 556, codifies our administration's regulations for compensation for three diseases. It also relies on independent science, with the help of the National Academy of Sciences, to settle the troubling question concerning the effects on veterans of exposure to herbicides used during the Vietnam war. This is a continuation of our policy over the past 2 years to deal with this very complex and very divisive issue, but to deal with it in a fair and compassionate way.

And I want to salute those who ensured that, in the end, a bipartisan spirit prevailed to pass these important pieces of legislation. These two bills meet the critical needs of our veterans and will build the confidence of tomorrow's veterans that they and their loved ones will not be forgotten.

A grateful nation salutes our veterans for the difference they have made in the history of this country and, indeed, of the world. Our allied forces are sacrificing much today in the pursuit of peace for tomorrow. And the American people, I believe, are behind them foursquare. And I think everyone in this room is as proud of them -- I know everyone in this room is as proud of them as I am. Each and every one has volunteered to serve, and they're standing against a dictator whose brutality reminds us every single day that he must be stopped. The brave men and women of Desert Storm know when the forces of aggression arise, America stands ready to do the hard work of freedom.

And so, I am very proud and pleased to be able to sign this legislation today. I'd like to ask these five Members of Congress who are with us to join Secretary Derwinski and me as we sign these

bills into law. But I want to thank everybody here who was instrumental in the passage of these important pieces of legislation because I know that many out in the audience deserve great credit for this.

Thank you so much, and now let's sign this legislation.

[At this point, the President signed the bills.]

Got it done; that's great. It's good to see all of you. Thanks for coming by, and now we'll go about our work here.

Things are doing darned well over there, too, I might add. I know there's a lot of interest in all of this, and I am very confident that we're on schedule, and there have been no surprises on our side; I think a few on his.

But the Air Force has been doing a good job; the Navy; obviously, the Marines have been engaged; and of course the Army, ready under a couple of superb commanders. So, to you who have shown the support and interest, I just want you to know I feel very confident that this matter is going to resolve itself, and it's not going to take that long, and it is going to be total and complete.

And one of the things that I take great pride in and I think everybody here understands is that we've not second-guessing. I know what my obligations are as Commander in Chief, and I also have enough confidence in those people out there in the desert, from General Schwarzkopf on down, and those people across the river in the Pentagon -- Cheney and Powell, particularly -- that they will make the tactical calls. And I'm perfectly prepared, as I said yesterday, to make whatever tough calls might lie ahead. But we've not going to be second-guessing. And once again, we're not going to have these courageous young men and women over there fighting with some kind of a limited agenda, fighting with their hands tied behind their back. We went through that, and we're never going to do it again as far as I'm concerned.

Thank you all very much.

Note: The President spoke at 11:15 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Secretary of Veterans Affairs Edward J. Derwinski; Representatives G.V. (Sonny) Montgomery and Bob Stump; Senators Arlen Specter, Frank H. Murkowski, and Bob Graham; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; Secretary of Defense Dick Cheney; and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff. H.R. 3, approved February 6, was assigned Public Law No. 102 - 3. H.R. 556, approved February 6, was assigned Public Law No. 102 - 4.

Statement on Signing the Veterans' Compensation Amendments of 1991

February 6, 1991

I am pleased today to sign into law H.R. 3, the ``Veterans' Compensation Amendments of 1991."

Our Nation provides compensation and other monetary benefits to service-disabled veterans and Dependency and Indemnity Compensation (DIC) benefits to the survivors of those who died as a result of military service to our country. My Administration is committed to ensuring that these payments keep pace with changes in the cost of living.

H.R. 3 provides a 5.4 percent increase in compensation and DIC benefits effective January 1, 1991. Nearly 2.2 million Armed Forces veterans and their dependents will benefit from this increase. In addition, the same increase will be provided for some 275,000 surviving spouses and 38,000 children who receive DIC benefits. These are survivors of some 300,000 veterans who either died in service to our country or as a result of service-connected disabilities. This bipartisan legislation bears witness that Americans now and always will keep faith with those who have given the full measure of devotion in defense of our freedoms.

Now more than ever, Americans are reminded that we owe a special debt to our veterans who have unselfishly placed their lives on the line and sacrificed so much in service to the Nation. Our existence as a Nation and the freedoms and liberties we enjoy, which are too often taken for granted, depend on the men and women in our Armed Forces. The measure I sign today demonstrates our gratitude and continuing commitment to those who have served our country.

George Bush

The White House,

February 6, 1991.

Note: H.R. 3, approved February 6, was assigned Public Law No. 102 - 3.

Statement on Signing the Agent Orange Act of 1991

February 6, 1991

I am pleased today to sign into law H.R. 556, the ``Agent Orange Act of 1991." This legislation relies on science to settle the troubling questions concerning the effect on veterans of exposure to herbicides -- such as Agent Orange -- used during the Vietnam era.

H.R. 556 will have three primary effects:

-- It will codify decisions previously made by my Administration with respect to presumptions of service connection related to the Vietnam experience and herbicide exposure.

-- It will establish a new procedure for determining whether particular diseases are related to exposure to Agent Orange. This includes calling upon the National Academy of Sciences to study the scientific evidence concerning the potential health effects of exposure to Agent Orange and other herbicides used in Vietnam.

-- It will provide a reasoned and scientific basis for determining whether to proceed with further studies concerning the effects of exposure to herbicides.

The issue of the effects of exposure to Agent Orange is one of deeply held, but divisive, beliefs. I believe that my Administration has done an exemplary job in carrying out the mandate of Public Law 98 - 542, the ``Veterans' Dioxin and Radiation Exposure Compensation Standards Act." I want to express my particular thanks to the Veterans' Advisory Committee on Environmental Hazards, a Federal advisory committee established by that law. This committee, since its creation in 1985, has done a thoroughly professional job in carrying out its assigned duties.

Nevertheless, I am aware of the concern of some that a nongovernmental review would be of value. Accordingly, I applaud the efforts of the Congress to work toward a thoughtful and meaningful compromise of the Agent Orange issue.

My Administration has stated many times one overriding goal in this area -- providing the truth to Vietnam veterans about the effects of exposure to Agent Orange. I believe that this legislation will further that goal, and I am therefore pleased to sign H.R. 556.

George Bush

The White House,

February 6, 1991.

Note: H.R. 556, approved February 6, was assigned Public Law No. 102 - 4.

Message to the Congress Transmitting a Report on Federal Energy Conservation Activities

February 6, 1991

To the Congress of the United States:

I transmit herewith the annual report describing the activities of the Federal Government for fiscal year 1989 required by subtitle H, title V of the Energy Security Act (Public Law 96 - 264; 42 U.S.C. 8286 et seq.). These activities include the development of energy conservation and efficiency standards for new commercial and multi-family high rise buildings and for new residential buildings.

George Bush

The White House,

February 6, 1991.

Message to the Congress Transmitting the Annual Report of the Federal Labor Relations Authority

February 6, 1991

To the Congress of the United States:

In accordance with section 701 of the Civil Service Reform Act of 1978 (Public Law 95 - 454; 5 U.S.C. 7104(e)), I have the pleasure of transmitting to you the Eleventh Annual Report of the Federal Labor Relations Authority for Fiscal Year 1989.

The report includes information on the cases heard and decisions rendered by the Federal Labor Relations Authority, the General Counsel of the Authority, and the Federal Service Impasses Panel.

George Bush

The White House,

February 6, 1991.

Statement on the Death of Danny Thomas

February 6, 1991

The death of Danny Thomas leaves a noticeable void in the world of American humor. We also lose a fine gentleman and humanitarian who will always be known as a man of good will.

Danny Thomas entertained Presidents from Eisenhower to the present. He was a giant of the entertainment business who knew that spark of delight which Americans take in poking fun at themselves. In his situation comedies, either as actor or producer, he reflected the best qualities of American life. He pioneered the family sitcom in which we could all use the new medium of television to laugh at ourselves and our daily problems. We will be laughing with him for years to come.

In 1962, Danny Thomas founded St. Jude Children's Research Hospital in Memphis, TN. It became more than a leading research center dedicated to finding cures for children's cancer and other diseases, but a symbol of the love that one man had for his fellow man. That was Danny Thomas.

Barbara and I extend our deepest sympathies to Rose Marie, the Thomas family, and all of Danny's friends.

Exchange With Reporters Aboard Air Force One on the Persian Gulf Conflict

February 6, 1991

Q. Mr. President, King Hussein says that the war is unjust and you've exceeded the limits laid out by the U.N. What do you say to that?

The President. Well, I'm afraid that we have a major disagreement on that. It's not true.

Q. Will America's offer of assistance for refugees still stand -- to Jordan?

The President. Well, we tried to make clear to Jordan that we have no argument with Jordan. I think they've made a mistake to align themselves so closely with Saddam Hussein against the rest of the world. But on the other hand, I've tried to understand the pressures that King Hussein is under. So, we will obviously try to keep open lines of communication. That's about as far as I'd want to go.

But you have to listen to the rhetoric and then understand why it's being used out in that part of the world.

Q. Your conversation with Mitterrand today -- --

The President. We just stay with the course here. There will be no cease-fire; there will be nothing of that nature until this man commences a credible unilateral withdrawal. And then we'll see what happens. But there's no interest in the other. I mean, there's talk about it, but most of the people I've talked to in that part of the world feel that Saddam simply has got it wrong and doesn't have the word on what he ought to do, so -- --

Q. The notice on the diplomatic break -- have you seen that from Iraq, that Iraq has broken diplomatic ties?

The President. I saw a notice about it. I don't think we've had official notice. I saw something in the paper about it. We have no people over there, so I don't know what he's proving by that.

Q. You talked to Presidents Ozal and Mitterrand, and presumably, the Iranian initiative came up in both calls. Is there, in fact, an Iranian initiative for a peace proposal?

The President. Not that we know of.

Q. Any kind of mediation effort underway?

The President. No. I think they've indicated they might be available. But somebody asked me yesterday whether there was some plan, and I said no. And there isn't. But I think they're conducting themselves very well right now -- Iran.

Q. The Iranians?

The President. I think so. But there's no peace plan, or I know of no initiative. And we've talked to the French -- Mr. Scheer, who is back in Paris now and was supporting -- supposedly he was on some peace plan, and apparently that's not correct at all. So, maybe General Scowcroft can fill you in. I have to go back and fix my seatbelt. [Laughter]

Mr. Scowcroft. I don't need one.

Note: The exchange occurred in the evening while President Bush was en route from Washington, DC, to New York, NY. In his remarks, he referred to King Hussein I of Jordan; President Saddam Hussein of Iraq; President Francois Mitterrand of France; President Turgut Ozal of Turkey; Francois Scheer, Secretary General of the French Foreign Ministry, who had recently visited several countries in the Middle East and Africa; and Brent Scowcroft, Assistant to the President for National Security Affairs. A tape was not available for verification of the content of this exchange.

Remarks and a Question-and-Answer Session at a Meeting of the Economic Club in New York, New York

February 6, 1991

The President. Thank you so very much. And Dick, thank you, sir, for inviting me to this most prestigious organization. May I pay my respects to Secretary Brady who is with us, came up with us from Washington, and in my view is doing an outstanding job for our country. And I'm just delighted he's here.

And I want to thank one other, Ray Price, an old friend who I understand does a lot of heavy lifting for this organization -- a lot of the organization. And each one of you, all of you -- and I want to thank you not for standing up to greet me, for heaven sakes, but for standing up for all those fighting against aggression tonight in the Persian Gulf, and especially all the coalition forces, but especially the fighting men and women of the United States of America.

Looking around at this dais and at the audience, I wonder who's home minding the GNP. [Laughter] This is a classy, star-studded audience, and we are very pleased, again, once again, let me say, to be here.

This year, as Dick said, marks a defining hour -- a moment of truth -- for this generation, for this country, and I'd also add for the United Nations. We were patient and we were cautious. But when the moment of truth came, America and the world did what was moral, what was just, and what was right.

We said the occupation of Kuwait would not stand. And 3 weeks ago tonight, at just about this time, we announced that the liberation of Kuwait had begun. Three weeks ago tonight, allied forces moved to end a conflict that we did not seek and that we did not begin. But ladies and gentlemen, it is one that we and our allies will finish. And I can tell you firmly that tonight we are on course and we are on schedule. Mission by mission, hour by hour, Iraq's capacity to wage war is being systematically destroyed by American and coalition forces.

The road to real peace will be difficult -- long and tough, I'd say. But we will prevail. And when we do, we will have before us an historic opportunity. From the confluence of the Tigris and the Euphrates, where civilization began, civilized behavior can begin anew. We can build a better world and a better new world order.

Tonight the world is united by shared commitments, shared interests, shared hopes. Our efforts will determine the kind of legacy that we bequeath our children, the kind of world they will live in. And so, let us rededicate ourselves to the ideals in which our troops so resolutely believe. Because in the final analysis, America and her partners will be measured not by how we wage

war but how we make peace.

I said in my State of the Union Address that ``we are the nation that can shape the future." And shaping the future is a job that begins at home. And so I want to talk to you tonight about the economy. Long-term economic growth is central to the quality of life for America's families, quality of decency for America's communities, and to the quality of leadership America can bring in its special role as the world's leading diplomatic, cultural, and economic power.

Just over 8 years ago, when we came out of a recession, the longest peacetime expansion in American history began. Working together, we created millions of new jobs, cut both interest rates and inflation in half -- a triumph driven by the energies of the most dynamic and diverse economy on Earth.

Against this background, the events of 1990 served to remind us that even a fundamentally healthy economy faces the risk of temporary disturbances, short-term setbacks. For example, when Iraq invaded Kuwait in August 1990, it was a shock to the world's conscience. Business and consumer confidence fell. We all remember the rise, the dramatic rise, in oil prices. Inflation worries rose, and interest rates reflected an extra risk premium. Taken together, this produced a very real blow to an economy that had already slowed down.

But make no mistake: The current recession does not signal any decline in the fundamental, long-term health or basic vitality of our economy. America is a can-do nation. And America is home to the largest, most productive economy on Earth. Our administration's economic policies are designed to strengthen the foundation for a solid recovery and guarantee the highest possible rate of sustained economic growth. I described the three pillars of that foundation in the State of the Union Address: encouraging economic growth, investing in the future, and giving power and opportunity to the individual.

Encouraging economic growth means reducing Federal borrowing by cutting the growth of Federal spending. That's why we sent Congress a budget proposal that holds spending growth below the rate of inflation -- the lowest increase in spending in 5 years. And that's why the budget law was armed with real teeth -- pay-as-you-go provisions and enforceable spending caps -- aimed at cutting the growth of debt by nearly half a trillion dollars over 5 years. True, the deficit is high, unacceptably high. The S&L costs, the war, the economic decline haven't helped a bit. But thanks to the budgetary reforms that began last fall, the deficit will be virtually eliminated by 1995.

To ensure economic growth, this administration will also redouble its efforts to weed out counterproductive government regulations. [Applause] I thought there might be some enthusiasm for that one because I really believe that the market must be allowed to work without unnecessary Federal intervention.

We must also fuel economic growth by providing incentives to promote private savings and job-creating investment. Our budget includes tax-free family savings accounts, penalty-free IRA withdrawals for first-time home buyers, and a reduced tax for long-term capital gains. And that will help bring down the cost of capital, which will help American businesses compete at home and abroad.

We must also renew our investments in America's future. And that means investing in the education and safety of our children, investing in the infrastructure of our transportation system, investing in reforms for the financial services system, investing in high technology and in space.

The budget proposal that we sent up there to Capitol Hill has been well-received. I'm not saying we don't have any critics -- [laughter] -- but when you look back over your shoulders, I think it's fair to say this one has been well-received. It includes a record $76 billion for research and development, one of the most important investments we can make in the long-term economic and military strength of our nation. It also recognizes that government must help translate the results of basic research into the generic technologies that strengthen our industries and improve our lives. This isn't an investment in machines; it's an investment in people -- in the scientists, the engineers, and the educators who will produce the advances of the 21st century. And together with the Nation's Governors, we've launched a comprehensive effort at reform and restructuring, aimed at producing an educational renaissance.

We've still got a long way to go. But we won't sell our kids short. As one observer said of the troops manning Patriot missiles in the Gulf: ``In one day, they wiped out the idea that young Americans are not smart enough for the 21st century."

Investing in the future -- it also means modernizing our financial system, which is exactly what our able Secretary of the Treasury unveiled yesterday with our banking reform proposals. These reforms will continue to protect every insured depositor in America. But they will also address the reality of the modern financial marketplace by creating a U.S. financial system that protects taxpayers, serves consumers, and strengthens our economy. We don't want to be back again in a couple of years to do this all over again. That's why halfway solutions won't do. We have to do the whole job, and we have to do it now.

The challenges ahead are great. But by any historical standard, the current downturn is expected to be mild and brief. And today in America, the bottom line is this: While our economy may be beset by difficulty, it should not be beset by doubt.

A healthy sense of confidence is backed by the facts. Inflation has been kept under control. Interest rates are beginning to decline further. The trade deficit declined for the third year in a row. Inventories have been kept down, reducing the need for many production cuts to work off excess inventory. Because our major trading partners are seeing relatively strong growth and the price of U.S. exports on world markets remains low, the pace of U.S. exports will continue to set

record highs. In spite of many prewar predictions that a Gulf war would send oil up to $80 a barrel -- and I think we can all remember those speculative days -- oil prices have fallen substantially since their peaks in October, especially since the start of Operation Desert Storm. I believe that by standing up to aggression in the Gulf we are guaranteeing the future security and the stability of that entire area, an area that is so vital to global economic prosperity.

Later this month, the administration will release our National Energy Strategy. The strategy will propose Federal, State, and private sector initiatives to increase energy efficiency and conservation. It recognizes the need for creating a clean, safe environment. And it also recognizes that we must find more domestic oil and gas, and use more alternative sources of energy.

Our strategy is designed to reduce our vulnerability to foreign oil supply disruptions. Now, some will argue that reducing our energy vulnerability is not enough and that we should embark upon more drastic measures designed to achieve total energy independence. That's down the road, because the reality is we are a long way from total energy independence and we must avoid unwise and extreme measures that would seriously hurt American consumers, American jobs, American industries.

Yes, we've got to begin reducing our energy vulnerability now. Our new strategy will do that because it is prudent, it is balanced, and it is comprehensive.

And finally, don't forget another underlying strength of our economy: the flexibility of America's free market system. To preserve this flexibility, we must keep our markets open and hold government restrictions to a minimum. This, frankly, is not easy. I will continue to oppose protectionism. I will continue to fight for a level playing field, so that international trade is free and fair.

And that is what we are doing in this Uruguay round of trade negotiations -- trying to lower the barrier to the free flow of goods and services around the world. And that is also what we seek in the negotiations that we will launch this year with Mexico and Canada to create a North American free trade area. And our Enterprise for the Americas Initiatives -- and again I salute Secretary Brady for his key role in all of this -- is intended to extend the benefits of flexibility throughout the Western Hemisphere.

To build a new, peaceful world order we must secure the democratic triumphs of the past year. I'm thinking especially of the Revolution of '89. The new democracies in Central and Eastern Europe inspire us all with their commitment to free societies and free market economies. But look, they face daunting obstacles from the Communist past as well as severe new problems brought on by lost markets and brought on by higher oil prices.

Our administration is committed to help, and we're committed to lead. Despite the burden we are bearing in the Gulf, I've asked Congress for $470 million in new assistance for Central and

Eastern Europe -- a substantial increase over last year's request.

Four decades ago, the Marshall plan helped build a West European zone of prosperity and security that greatly benefited the United States. Together with our Western European partners, we can now extend this success to create a Europe whole and free -- an entire continent of prosperity and stability that fulfills the vision of that Marshall Plan.

With their great human potential and commitment to market economic reform, Central and Eastern European countries offer real opportunities for U.S. trade and investment. And I urge American business to seize these opportunities, as many are doing.

I see Jack Welch over here. Well, G.E. weighed in with $150-million joint venture with Tungsram in Hungary. Drew Lewis, who is not here with us tonight -- but his Union Pacific stepped up to the plate with an impressive effort to modernize Poland's railroads. And Bell Atlantic and U.S. West have begun a $80-million telecommunications venture in Czechoslovakia.

History is moving decisively in favor of freedom, thanks in large part to American ideals and perseverance -- the touchstones of the modern world which the emerging democracies are now striving for: free markets, free speech, free elections. America has lived by these tenets for over 200 years. And they've given us both our power and our purpose.

And that is why America and our allies are going to prevail in the Gulf. And that is why America and our partners are going to prosper in the years to come. You see, I firmly believe that our best days are before us. And I can assure you, America, and the world that we will continue to fight for principle, we will continue to do the hard work for freedom.

Thank you all very much. I'll be glad to take your questions. And may God bless the troops in the Gulf and the United States of America.

Free Trade

Q. Mr. President, every year there are 80 million new more mouths to feed in this world. You and your Presidency have been sensitive to their needs -- not only to help feed them, as we can, but more importantly to help them economically to be able to feed themselves. Recently you sent Carla Hills to the GATT negotiations, and she has done a superb job of moving the world's food trade to the top of the agenda at GATT in an effort to try to get more market-oriented agricultural trade which would help enormously during the next decades in getting food produced where it should be produced and into the mouths of hungry people.

Now, while we try for free trade, just about every country we compete with is using managed trade in a democratic, socialist mercantile system replete with export subsidies -- like Japan and the EEC. In view of the fact that they seem to be rejecting our desire that they move toward freer

trade, do you think GATT will ever be able to solve the problems of that kind, or will we have to go to a managed industrial policy like most of the Western world in order to compete?

The President. Well, Dwayne, I don't want to give up on the GATT round. I go from optimistic to sometimes pessimistic. I still believe that we have an opportunity to get a successful conclusion of the GATT round. Whether it will be done by the time our fast-track authority runs out, I'm not sure.

But I believe that we can get the kind of conclusion that will avoid making the situation that you've described even worse. Because I don't want to see us resort to the kind of government-mandated targeting and the government controls that go with the kind of economies that you have described. So, I am still hopeful that we can get the successful conclusion. The major hang-up on the GATT round involves agriculture. And we have had a great deal of difficulty getting some of our friends in Europe, and to some degree the Japanese, fully on board in terms of agriculture.

Carla Hills is tough as nails, and she will continue to work hard to get this done. But I think we ought to -- before we start going down the road of managed economies and targeted products like some of the others that we compete with do, I think we ought to go all-out to see that we can successfully resolve that round.

At the same time -- I was talking to David at dinner and to Rand -- we are working hard on this new North American free trade zone. And I believe that, even if GATT gets hung up for a while, we should keep pushing hard for a free trade zone with these three countries -- Canada, Mexico, and the United States. And that would lead, I think, inextricably to a hemisphere that is free and fair.

So, I want to keep pushing on that. I worry about the problems that you throw out there, but I'm not prepared to give up yet on GATT. And we are weighing in heavily with the EC, with France, with Germany, and with Japan so we can reach a successful conclusion.

Japan and Germany

Q. Mr. President, wars are often historic moments in the relationship among nations. In this war, our two largest economic partners, Germany and Japan, appear to have become our two most reluctant and troubling political partners. Will this adversely affect our economic relationships with these two countries or, on a brighter note, do you think that the war will make Germany and Japan realize the need for closer political and economic cooperation with the United States?

The President. In the first place, I believe that it is not fully realized that Japan has pledged $9 billion to Desert Storm in addition to the billion they spent before we were in the war, and Germany has now pledged $5 billion. Those are very generous contributions in my view -- or appropriate contributions, in my view. And I am grateful to Prime Minister Toshiki Kaifu and to

Chancellor Helmut Kohl for doing this.

So, the concept of burden-sharing that has concerned the American people on the costs of the war is in far better control than I think we've made clear. In other words, I feel comfortable where it is. Now, I think we have to recognize that Japan and Germany have constraints, constitutional constraints placed on them as a result of World War II.

I think if you look around the world and you take a look at the Pacific countries, particularly the countries out there, the ASEAN countries, there still is some concern about a totally rearmed Japan. And that's a sentiment that is shared by many members of the Japanese Diet. So, we should not be saying to them, you've got to do more in the way of tanks and planes and military force.

So, I'm hoping that the world will see that they are pitching in and will continue to pitch in as these costs mount, because clearly we are doing a lot of work that benefits the people in both those countries. They are both dependent on foreign sources for oil -- both of them heavily dependent on oil from that part of the world. But I think they understand that.

In terms of the long run, it is my hope that because we have taken this lead role in the coalition -- because we have put together what I think history will show is an historic, albeit diverse, coalition -- that the people of Germany and the people of Japan as well as others around the world will see a United States that has a vastly restored credibility, and that that will help us, I think, as we talk to them about other kinds of problems.

So, I don't see anything out of this that should diminish our interest in continuing strong economic relations with them. Having said that, I'd go back to Dwayne's question. Both -- particularly Japan has got to give us access, and Germany in agriculture as part of the EC has got to give us access to markets. But perhaps our credibility will be such because we've bitten off this really tough -- decided to bite off this tough assignment and complete it, that we will have some -- I wouldn't say leverage on them but persuasiveness that will lead to a more harmonious trading relationships.

Soviet Union

Q. Mr. President, every European nation now has a comprehensive trade treaty with the Soviet Union including investment guarantees. Western Europe this year will do eight times as much business with the Soviet Union as we do, and in manufactured products almost 30 times as much.

Now, looking ahead, and with special reference to the problems you see involved in the negative attitudes of Congress, how do you see the possibility of U.S. business and industry catching up with the long lead that the Europeans have in trade with Russia?

The President. Well, right now, Dwayne, as you well know, why, we have some big problems. And you've seen the EC pull back within the last few days on some of their trade breaks for the Soviet Union. You see the pressure mounting in our Congress for me to pull back on most-favored-nation and on the moderate steps that we took to include the Soviets or to encourage the Soviets to join some of the international financial organizations. And that stems from the fact that there is this visible repression against the Baltic States.

A little history: We have never recognized the incorporation of the Baltic States into the Soviet Union. And so we have enormous problems when we see force used against those three Republics. And it is a big problem. And it concerns me deeply, it concerns the American people deeply. And there are certain constraints on what we can do in moving forward until we get satisfied that this was an anomaly and not a new way of life.

Mr. Gorbachev faces enormous problems inside the Soviet Union. You've heard suggestions that -- maybe you heard the press conference yesterday -- the tone of some of the questions: ``Well, you ought to start dealing with other leaders." He's the President of the Soviet Union. He has done wonderful things in terms of reunification of Germany, in terms of getting out -- of freeing up the Eastern European countries. But he's faced with big problems.

And these are internal affairs of the Soviet Union that I've got to be a little careful discussing. But for the United States standpoint, we've got to see that no more force will be used against these Baltic States and that there can be peaceful resolution to these questions. Otherwise, not only will our trade relations be set back, as they are now being set back in some European countries, but the rest of our overall relationship could undergo a problem. I don't want that. They have been steadfast in support of our objectives in the Gulf. And that is very, very important. They have lightened up on their sending military equipment into this hemisphere, a problem we have always had. We're having cooperative work with them in terms of freedom in Angola. So, it is to our interest to work closely with the Soviets for many things.

But when we see a repression in the Baltics, it is very hard to have business as usual, say nothing about trying to catch up. So I'm very hopeful that the representations that were made to us when Mr. Bessmertnykh was here will prove to be do-able by President Gorbachev, and I am hopeful that we can find a way to move this productive relationship forward. But I am not in a position at this juncture to say exactly what we can do more positive while we have this big problem of -- the human rights problem and the problem of this military crackdown in the Baltics. It puts us in a very difficult position, and I think the Soviet leaders know this. I've talked frankly to them about this, and I believe they know it. So, let's hope that these things can go forward with a peaceful resolution to the question of the Balts.

Banking Reform

Q. Since it's the Economics Club, we have an economics question. In reaction to the S&L crisis

and in response to new and tougher guidelines from banking regulators, many banks have now become ultraconservative -- some to the point of making no loans at all.

We all know that sound bank lending is central to stimulating the economy and getting us out of the recession. Do you think the regulators have gone too far, and do you think the new legislation that we've just heard about will stimulate and encourage bank lending in the United States?

The President. To answer the easy part, I think the -- less controversial part -- [laughter] -- the new Brady proposal -- it will be called the Bush proposal if it's successful -- [laughter] -- should indeed renew confidence. Regulatory reform is long overdue. I headed a task force when I was Vice President that I thought came up with some very sound recommendations for regulatory reform.

Now Secretary Brady has come up with some recommendations that I think are even better. They're more simplified. The Fed manages one set of organizations and the new organization under Treasury another. And I should think this would renew confidence. I think the interest rates coming down should instill confidence. And, yes, I do believe that some of the regulators -- I'm not sure I can answer it specifically on regulations per se -- but I think some of the regulators in the past got overzealous, and I think that scared some of the banks.

Just to be fair about it, I think some of the banks made some bad loans. [Laughter] And so what I think we're seeing is, in an effort in this reform legislation and hopefully as the economy starts coming out, a banking system that is fundamentally sound, a banking system that deserves the confidence of the American people -- and I think these reforms will help on that -- a banking system that will be able to get into other forms of business, as some of our competitors abroad do. And that, I think, should usher in a whole new era of prosperity involving fundamental loaning by these banks.

Low-Income Housing

Q. Mr. President, I was talking with an old friend of yours, Tip O'Neill, the other day. [Laughter] And he seems to be now one of your greatest friends and advocates and supporters of your -- particularly of your management of American foreign policy in your Presidency. But he asked me to ask you -- [laughter] -- housing is fundamental to our economy. The rate of housing and construction is less now than it was in 1982. And he feels it ought to be at least 20 percent higher. What do you have in mind, if anything, to correct this situation?

The President. First, let me profess my love for Tip O'Neill. [Laughter] And I really, sincerely mean it, as I think many people -- I know Barbara knows, and I really feel strongly about it -- the guy has not been well lately, nor has Millie, his wife, who we love dearly. So, I will take this opportunity through C - SPAN or whoever to pay my genuine respects and affection to him. He knows this. And I think you've phrased it very well -- we do have a different approach on how

housing should be done in this country. I think when Tip goes back, he was talking about government-paid-for, government-owned housing.

Our approach is something else. We believe that the best way to do it is to have tenant management, encourage ownership, voucher systems. We have a program called HOPE, which relates fundamentally to home ownership as opposed to Federal ownership. We have put much more money in the budget for this. We happen to believe that enterprise zones going into low-income areas would do an awful lot to bring business there and thus enable people to buy more homes.

So, I hope that the program that we've put forward, the HOPE program, will have the support of many of Tip's former colleagues. I have a feeling it will. We'd made a good step on it last year in the Congress and got good support from both sides of the aisle. But if Tip is referring to the government-owned-bricks-and-mortar approach, we think that that has been tried, and we think in many instances it has failed. We think it has built misery into the system. You've seen programs in St. Louis that at one time looked good, and then they had to tear them down in their entirety.

So, I would like to encourage support for this new approach which empowers the people and I think will lead to far more housing.

New World Order

Q. Mr. President, you have talked several times about basing the future on a new world order. Can you give us a definition of the new world order? And if it depends on the collaboration between the Soviet Union and the United States, how do events in the Soviet Union affect this concept?

The President. Well, it doesn't depend entirely on it, but it would be greatly enhanced by a Soviet Union that goes down the line with its commitment to market reform, to private ownership of land, to a free economic system, to a system that resists and does not use force to assure order amongst the Republics, that goes farther down the road with elections and all the openness that I give President Gorbachev credit for. And as well as the openness in terms of glasnost and the reforms in terms of perestroika -- we're going to continue to support those concepts. But it was this, it was the farsighted vision of Mr. Gorbachev that enabled us to work together in the United Nations.

Now, my vision of a new world order foresees a United Nations with a revitalized peacekeeping function. I think most that follow the United Nations see the economic and social side of the United Nations as having performed well since it was founded. Most people that follow it find that the peacekeeping function for the most part has not been effective. And one of the reasons it hasn't is because of the veto in the hands of the five permanent members of the Security Council, one of them being the Soviet Union.

When I was Ambassador 20 years ago in the U.N., we hardly ever voted with the Soviet Union. Now we're with them on many, many things. So, the new world order I think foresees a revitalized peacekeeping function of the United Nations. But I cannot and I will not predict a Soviet Union going back, turning its back on reform -- perestroika -- turning its back on glasnost -- openness. I don't believe, no matter what the ferment in the Soviet Union today, that they're ever going to go back to that. And I don't think anyone there wants to go back to that.

And so it would envision, though, a much more cooperation between the United States and the Soviet Union. And on matters of the Gulf, in international matters, not bilateral, it envisions a greatly enhanced peacekeeping function of the United Nations itself.

One of the reasons we have so much support for this is that we went to the United Nations 12 times. There are 12 resolutions that speak to the Gulf, and that has mobilized world opinion. And so when we are successful in fulfilling all 12 of those resolutions, I think there's going to be new credibility for that peacekeeping function, new credibility for the United States. But we should have and should strive to have Soviet cooperation all along the way. And that's why I'm not going to back off on my efforts to try to improve relations with the Soviet Union.

Then we've left China out of the equation, and we ought not to do that. They've been through a difficult time. I took on some shots for trying to keep relations from China. I was offended as anybody else was by the human rights abuses at Tiananmen Square and spoke out on it. But I think it is in the interest of the United States to have continued relations with China. And I think it is vital to this new world order that that veto-holding member of the Security Council go along and be with us on these matters of trying to bring peace to troubled corners of the world.

Soviet Union

Q. Mr. President, this is a followup question having to do with Soviet trade. The Jackson-Vanik amendment, the Jackson-Vanik bill, has been in effect since 1972; really, in effect, says that we cannot have normal trade with the Soviet Union until they have permitted free emigration from their country.

There's no question but what the Jackson-Vanik legislation has played a role in Gorbachev's decision to free emigration. So in that sense, it has been a success. Now the emigration rate from Israel is about 600,000 a year, which is 10 times more than we asked for. And most of the religious organizations that I know are saying they're very happy with it and very well satisfied. And as a matter of fact, Prime Minister Shamir of Israel has said publicly that he thinks it's totally satisfactory.

There doesn't seem to be much possibility that they're going to get around to codifying that, but it's the custom in Russia for 100 years that emigration is an administrative decision. I'm wondering, recognizing the problems in Congress, do you think there's a possibility, in view of

the fact that they have fulfilled that commitment, that Congress will authorize business with the Soviet Union on the same basis that we trade with other countries somewhere along the line here?

The President. The provisions of -- what they have agreed to do is pass legislation that will, I think as you put it, codify this. They have not been able to do that. I think they've got some internal problems inside the Soviet Union on this. Under our law, they have to be passed before we can have the kinds of trade agreements and other things with them that we would like to have.

I think you make a very good point on the fact of emigration. The Israelis are pleased. The Israelis have started up -- taken a step through consular relations for diplomatic relations, and they're very happy with the exodus, and so am I, as one who have been very much concerned about the exodus of Soviet Jews to Israel and to other places.

I don't want to overstate the problems of the present. I can tell you it would be extraordinarily difficult to pass anything of this nature in terms of waivers given the current situation inside the Soviet Union. It is very difficult to do. You see all kinds of legislation getting talked about and some perhaps already being offered that would indeed move the relationship backwards, not towards understanding of this nature. So it is my fervent hope that problems that I've outlined earlier in the Baltics can be resolved peacefully, and demonstrably so, so that we can get on with finding ways to improve our trade relations.

Defense Spending

Q. Mr. President, with the end of the cold war, many Americans believe we might be able to reduce our spending on national defense, creating a so-called peace dividend. Has the Gulf war and the problems inside the Soviet Union delayed or eliminated the chance for a peace dividend, or do you see it long-term?

The President. No, we've actually -- well, let me get to dividend in a minute. But in terms of -- I always had a different concept of dividend -- [laughter] -- you have a profit, you pay a dividend. If you don't, why, you don't. We're operating at 300-and-some-jillion-dollar deficit -- [laughter] -- so we're not in exactly a dividend-paying mode, but the fact of the matter is that we have reduced defense spending.

It is substantially reduced with almost every other account going up in this budget. When you take a look at what we put out there yesterday, you'll see that defense spending is down. I think it's robust enough to have the kind of rapid deployment force that's going to be required in the future.

You heard Cheney yesterday doing a superb job testifying about why we're having to lay up some of the battleships that are proving themselves today off Kuwait. He said he had to make the tough choices, and we've done that. But we are not going to do it to the degree some of the antidefense

Members of Congress want, where they want to go in and slash 30 percent out of the muscle of defense.

And I think if there ever is a reason not to do it, you just have to look halfway across the world today. So we're not going to stand for that. And I think that we are going to try to find ways to further reduce defense spending, but not at the risk of weakening our fundamental defense. And I think that some of the criticized high-technology weapons are paying off.

I am annoyed at the propaganda coming out of Baghdad about targeting civilians. This has been fantastically accurate. And that's because a lot of money went into high-technology weaponry -- these laser-guided bombs and a lot of other things, Stealth technology -- many of these technologies ridiculed in the past now coming into their own and saving lives, not only American lives, coalition lives but the lives of Iraqis.

And so, we are going to have to have a high-tech, a highly mobile force. And it ain't going to come cheap. It's not going to come cheap, not going to be achieved by slashing the muscle of our defense. And I will keep it strong. And I think yesterday's budget, which is at a reduced number from what we had before, is going to provide us that kind of force. But anything less I won't stand for.

Block Grants

Q. Mr. President, our Governor Edgar was grinning from ear to ear, very, very pleased about the Governors' meeting the other day where it was explained to him your new plan to transfer a good many functions to the States. I wonder if you would mind telling us the philosophy behind this new emphasis on State activity.

The President. Actually, one, it's a concept that could have the label ``block grant.'' The Governors heretofore have been suspicious of block grants because they never got the funds with it. They got the mandates; they had strings attached. And this is a block grant where we have proposed by name the elimination of programs. And we then say the money saved -- $15 billion is the figure we're using -- will be distributed to the States to use as they see fit.

And the philosophy behind it is very, very true. I have been President only 2 years. But I believe that the best problem-solving is done as close to the people as possible, at the State level or at the local level. And so this concept is to give these Governors the opportunity in these various fields, and the money with it, to solve the problems. It will cause innovation, it will cause a lot of experimentation, but it will be done without some centralized mandate from a committee chairman or committee action in Washington.

So, the concept isn't spectacularly new, but it has never been tried where you actually get it fully funded and give the Governors that flexibility. Now, some of the mayors are upset because they

say, ``Hey, don't give it to Governors, give it to us.'' We can't give it to everybody, so we'll give it to the Governors and let them use their legislatures to distribute it.

But it was well-received by liberals, conservatives, Republicans, and Democrats at the gubernatorial level. Now our fight is to take some of these entrenched committee interests in the Congress and have them look at it with the same farsighted view. [Laughter]

Economic Stimulants

Q. Mr. President, the war in the Gulf has shown your decisive leadership. Every American is proud of American technology and American servicemen and the success we're having there. But at home, one of the unfortunate things that's happened is businesses have postponed expenditures, consumers are postponing spending, travel is down -- a lot of things have been put on hold. What would you tell us all, and what can you and business do to regain this momentum?

The President. Well, I think I tried to address some of that in the remarks I made earlier, because I believe we should have more confidence. We are in a recession; there's no question about that. But I think it will be shallow. I believe that the financial reforms we're talking will help. I believe the lowering of interest rates will help. I believe that the budget that, in spite of the magnitude of the deficit, with the restrained growth in the spending that is held to less than the rate of inflation, would help marginally -- because the deficit works the other way.

Some people are talking about stimulating -- the old Keynesian approach of pump-priming, stimulating the economy. We've got a major -- if government spending is what stimulus is, we've got the stimulus that comes from an unacceptable deficit. So, I will resist all these programs that are going to be offered up of make-work job programs or special housing programs or special added spending programs. They will not bring this economy out. I believe it's going to be shallow for the reasons I gave -- inventory and interest rates and a lot of other reasons.

So, I think what's needed is a boost of confidence. You mentioned travel -- I understand that some people are afraid to travel because of security. I remember the charge going up, well, maybe we shouldn't have the Super Bowl because of security. We've got good security, and we've got good intelligence. And I think the American people should have confidence in travel and tourism. And I think people should come here with a renewed sense of confidence and travel.

So, some of it is psychological; some of it is something the government can do something about, and I hope some of the programs that I've mentioned here tonight will do that. But I'm certainly not discouraged about the economic future in this country or our ability to get back on the growth path for the reasons I said in the speech itself.

Mr. Voell. We'll have two more very short questions. Dwayne, have you got a short one?

Postal Rate Increase

Q. All right, I was just told that we're at the end. But I have a short one. [Laughter] But, Mr. President, it's my duty to deliver you just a bit of bad news, I'm sorry to say. It's about that 29-cent stamp. [Laughter] I hear that the ladies would like to have it made 30 cents because the problem that the post office has with the pennies is enormous, and there's a rumor going around the Middle West that maybe this was a conspiracy of the copper people to increase the consumption of copper. [Laughter]

The President. No comment. Next question. Thank you very much. I'll look into it. [Laughter] It's better than saying, ``I'll study that one." [Laughter]

Economic Forecast

Q. Mr. President, the final question. The outlook right now is not as great as it should be for the economy. What's your prediction for the rest of your term -- this term and your next term?

The President. No, I predict that in a couple of quarters we'll come out of this and that we'll have a robust economy. It will grow -- the estimates that we used in our budget figures are somewhere in the middle of the blue chip estimates. They're not overly optimistic. They were less than the CBO, the Congressional Budget Office; normally, administration's are on the rosier side than the CBO. So I think we've got a real opportunity before half the year's over to start seeing a recovery and see us come back on a growth pattern and see us resume our economic vigor. And then I think that will begin to be felt as these interest rates, hopefully, come down in the housing market.

I think the transportation program that I didn't talk about tonight will have a stimulatory effect in the construction industry. I think the fact that oil prices are lower than where many of the pessimistic predictors would have them is another reason that this will not be as severe a recession -- or put it this way -- will be a shorter recession if prices stay in this range than have been predicted.

So, basically, I'm optimistic. I think we've had too much pessimism. I can understand why, and if I were an auto worker laid off I guess I'd have every reason in the world to have doubts. But I think the fundamentals are still there. I do not think that this war is going to add an unacceptable burden to it. When you heard the testimony as to the cost that will inure to us after the others come in with their support -- I believe that that's another reason that the economy will recover fast. I can tell you I don't believe -- I will say this without any fear of contradiction whatsoever: This is not and will not be another Vietnam. This is not going to be a long, drawn-out, difficult situation with an ill-defined ending. I'm absolutely confident of that.

And I can't tell you what and when and how, but I can tell you I have never been more certain of anything in my life. We're going to win it, and we're going -- and I think to some degree -- and

this is your business, not mine, but the market seems to be saying there is reason to be far less pessimistic -- or turn it around -- more optimistic than many had felt in the late fall or even when we first got in there and the oil prices were spiking up around $38 - $40 a barrel.

So, the fundamentals are good. Some industries are hurting. Some regions in the country clearly are doing better than others. But basically we're a strong nation. We're a productive nation. We can out-trade anybody if we can get the playing field level, and so that means renewed efforts on GATT or on our free trade areas.

And I'll end up this way: I'm very optimistic about the United States of America. Thank you all very, very much.

Note: The President spoke at 8 p.m. in the Grand Ballroom at the New York Hilton Hotel. In his remarks, he referred to Richard A. Voell and Ray Price, chairman and president of the Economic Club of New York; Secretary of the Treasury Nicholas F. Brady; Dwayne O. Andreas, chairman and chief executive officer of Archer Daniels Midland Corp.; Carla A. Hills, U.S. Trade Representative; David Rockefeller, chairman of the Rockefeller Group; Rand V. Araskog, chairman and chief executive officer of ITT Corp.; Prime Minister Toshiki Kaifu of Japan; Chancellor Helmut Kohl of Germany; President Mikhail Gorbachev and Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; Thomas P. O'Neill, Jr., former Speaker of the House of Representatives, and his wife, Millie; Prime Minister Yitzhak Shamir of Israel; Secretary of Defense Dick Cheney; and Gov. Jim Edgar of Illinois.

Exchange With Reporters on the Persian Gulf Conflict

February 8, 1991

Q. Mr. President, sorry to interrupt you, sir. Could you say something about Jordan and the apparently escalating administration comments on the subject?

The President. Look, I'd prefer not to take any questions at essentially this photo opportunity.

You're talking a very great interest in Jordan, and Mr. Fitzwater gave our views on that. But there is quite some concern now about what appears to be a shift in the Jordanian position. And yet, we're concerned about it and don't understand some of the rhetoric coming out of there. On the other hand, we've always had a historically good relationship with Jordan. But this complicates things.

Jim Baker testified on that yesterday very well and pointed out that we're having to review our aid picture with him, given the fact they've seemed to have moved over, way over into the Saddam Hussein camp totally.

Note: The exchange began at 1:34 p.m. in the Oval Office at the White House, prior to a meeting with Foreign Minister Guido Di Tella of Argentina. In his remarks, President Bush referred to Marlin Fitzwater, Press Secretary to the President; Secretary of State James A. Baker III; King Hussein I of Jordan; and President Saddam Hussein of Iraq. A tape was not available for verification of the content of this exchange.

Memorandum on the Presidential Design Awards Program

February 8, 1991

Memorandum for the Heads of Departments and Agencies

Every year the Federal Government helps design products that become a part of daily American life. Professional designers working for Federal departments and agencies are instrumental in the production of everything from postage stamps to highways. Our Nation has good reason to take pride in the high standards of quality and innovation these designers have set.

For almost two decades the National Endowment for the Arts has helped to promote design excellence through the Federal Design Improvement Program, and I am delighted to further those efforts by announcing today Round Three of the Presidential Design Awards. These awards, first established in 1983, publicly recognize exemplary achievements in Federal design work and honor those individuals in Federal service and private industry who have pursued excellence in design.

I have asked Chairman John Frohnmayer of the National Endowment for the Arts to implement the Presidential Design Awards Program. I know he will enjoy your full and enthusiastic support. Please designate an individual with an appropriate background and position to be your liaison with the Endowment to help ensure the success of this program.

George Bush

Note: An original was not available for verification of the content of this memorandum.

Nomination of Ira H. Raphaelson To Be a Special Counsel at the Department of Justice

February 8, 1991

The President today announced his intention to nominate Ira H. Raphaelson, of Illinois, to be Special Counsel for the Financial Institutions Fraud Unit at the Department of Justice. This is a new position.

Currently Mr. Raphaelson serves as First Assistant to the U.S. Attorney for the Northern District of Illinois in Chicago. Prior to this Mr. Raphaelson served with the U.S. Attorney for the Northern District of Illinois in several capacities: U.S. Attorney, 1989 - 1990; Chief of the Special Prosecution Division, 1987 - 1989; Chief of the Criminal Litigation Division, 1987; and Deputy Chief for Special Prosecutions, 1986 - 1987.

Mr. Raphaelson graduated from Northwestern University (B.A., 1974; J.D., 1977). He was born July 3, 1953, in Chicago, IL. Mr. Raphaelson is married, has three children, and resides in Northbrook, IL.

Message on the Observance of National Afro-American (Black) History Month

February 11, 1991

This February, as we observe National Black History Month, we recognize the remarkable achievements of Black Americans and the many contributions they have made to our national heritage.

All of us can learn from the special programs and activities being conducted nationwide because Black history is, in fact, America's history. Our Nation has been shaped by the unique contributions of Black Americans, and, today, we share the pride of those courageous men and women who have triumphed over the bitter legacy of slavery and discrimination. Individuals like Frederick Douglass, Dr. Charles Drew, Rosa Parks, and Dr. Martin Luther King are remembered throughout the world for the strength of their convictions and the wealth of their abilities.

However, history is more than a proudly declared list of past feats. It is an ongoing process that is created each moment as we go about our daily lives. Inspired by the efforts of those who struggled to open the doors of opportunity, Black Americans today are adding to their rich history by excelling in business, government, science, and education -- virtually every field of endeavor. Their achievements, like those of previous generations, can serve as powerful examples for our Nation's youth as we strive to create an environment free of the crime and drug abuse that are taking a toll on far too many young Americans. Black History Month challenges young people, not only to celebrate the great accomplishments of the past, but also to turn hard-won opportunity into a hopeful future.

I encourage all Americans to join me in the celebration of Black History Month.

George Bush

Message on the Observance of the Lunar New Year, 4689

February 11, 1991

I am pleased to extend my warmest greetings to everyone celebrating the Chinese Lunar New Year of the Ram, 4689.

This holiday provides a wonderful opportunity for you to join with family and friends in celebrating the past and in looking ahead to the challenges and opportunities that the new year will bring. However, on this special occasion, it is also fitting that all Americans pause to recognize the many lasting contributions Chinese Americans have made to our country.

America owes a debt of gratitude to the many ethnic groups that have helped to shape the character of our Nation. Sharing a rich and diverse heritage, Americans of Chinese descent have long been recognized for their many contributions to America's social, cultural, and economic development. Today, by striving to uphold virtues celebrated during the Year of the Ram -- patience, self-sacrifice, and consideration for others -- you continue to enrich our communities and our country.

Barbara and I send our best wishes for every happiness in the Year of the Ram. God bless you.

George Bush

Remarks on the Persian Gulf Conflict

February 11, 1991

The President. Let me just say that we had a very thorough briefing from Secretary Cheney and from Chairman Powell. They had a very good visit out there to the Gulf area, talking to our commanders. I am very satisfied, having heard their briefing, with the progress in the war. The air campaign has been very, very effective, and it will continue for awhile. We're not talking about dates for further adding to the air campaign, put it that way.

But I would simply want to say to the American people that the war is going well. I am very pleased with the people that are running the war; they have my full confidence. We are going to take whatever time is necessary to sort out when a next stage might begin. And I will not be discussing it any further than that. And I can guarantee you that there should be no further discussion of that for a lot of reasons, including the safety of our own troops -- and that comes first as far as I'm concerned -- and the coalition forces. Their safety is paramount in my mind.

But I would be remiss if I didn't reassure the American people that this war is being fought with high technology. There is no targeting of civilians. It has gone far better in terms of casualties than I'd hoped, though we mourn the loss of every single member of our armed forces and the coalition forces, of course.

My heart still goes out to the families. I might say to the families of those who are over there, the report from General Powell and from Secretary Cheney is very reassuring in terms of the morale of our people over there. They know why they are there. They are gung ho about it. They know its importance. They know that it's right and just. And so, I have great confidence in them.

And altogether, I feel much better after this briefing. I've always felt confident we were on the right path. I feel even more so now after this briefing from Secretary Cheney and General Powell. So, we will just continue down this road. We're the ones that are going to set the time for how this war -- the time for any action that is taken. We are not going to suit somebody else's timetable, whether he lives in Baghdad or anyplace else. And that's exactly the way it should be.

And so, I will rely heavily on the advice of our Secretary of Defense, of our Chairman, of our generals out there -- General Schwarzkopf and others. Then if they come to me and say there needs to be another phase, then I will then make that decision because that is a decision for the President of the United States.

Having said that, I have total confidence that we are on the right path. And with no further ado, I want to thank them for this arduous trip, but it was well worth it.

Thank you.

Q. Mr. President are you still skeptical air power will do the job?

The President. They may be taking questions over there and I'll refer the -- as I said early on when I started in all of this, the briefings on military and air and all of this are best conducted by the experts. And they are over there across the river in the Pentagon. When it comes to the President's decision, I'll be glad to discuss it at the appropriate time. But this is not the appropriate time, for the reasons that I gave you.

We are on track; it is going smoothly. I've got total confidence that we are prevailing. It is working well. And that's what the American people need to know now, and I don't have anything to contribute beyond that.

Note: The President spoke at 3:45 p.m. in the Rose Garden at the White House. Prior to his remarks, the President was briefed by Secretary of Defense Dick Cheney and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff, on their recent meetings in Saudi Arabia with Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf, and other allied officers.

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iraq

February 11, 1991

Dear Mr. Speaker: (Dear Mr. President:)

1. On August 2, 1990, in Executive Order No. 12722, I declared a national emergency to deal with the threat to the national security and foreign policy of the United States caused by Iraq's invasion of Kuwait. (55 FR 31803.) In that order, I ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a U.S. person. I also prohibited the importation of goods or services of Iraqi origin into the United States and the exportation of goods, technology, and services to Iraq from the United States. In addition, I prohibited travel-related transactions and transportation transactions from or to Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

At the same time, at the request of the Government of Kuwait, I issued Executive Order No. 12723 (55 FR 31805), blocking all property of the Government of Kuwait then or thereafter in the United States or in the possession or control of a U.S. person.

Subsequently, on August 9, 1990, I issued Executive Orders Nos. 12724 and 12725 (55 FR 33089), to ensure that the sanctions imposed by the United States were consistent with United Nations Security Council Resolution 661 of August 6, 1990. Under these orders, additional steps were taken with regard to Iraq, and sanctions were applied to Kuwait as well to insure that no benefit to Iraq resulted from the military occupation of Kuwait.

2. The declaration of the national emergency on August 2, 1990, was made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code. I reported the declaration to the Congress on August 3, 1990, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)). The additional sanctions of August 9, 1990, were imposed pursuant to the authority vested in me by the Constitution and laws of the United States, including the statutes cited above and the United Nations Participation Act (22 U.S.C. 287c). The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c). This report discusses only Administration actions and expenses directly related to the national emergency with respect to Iraq declared in Executive Order No. 12722, as implemented pursuant to that order and Executive Orders Nos. 12723, 12724, and 12725.

3. The Office of Foreign Assets Control of the Department of the Treasury (``FAC''), after consultation with other Federal agencies, issued the Kuwaiti Assets Control Regulations, 31 C.F.R. Part 570 (55 FR 49857, November 30, 1990), and the Iraqi Sanctions Regulations, 31 C.F.R. Part 575 (56 FR 2112, January 18, 1991), to implement the prohibitions contained in Executive Orders Nos. 12722 - 12725.

Prior to the issuance of the final regulations, FAC issued a number of general licenses to address emergency situations affecting U.S. persons and the legitimate Government of Kuwait. Those general licenses have been incorporated, as appropriate, into the Kuwaiti Assets Control Regulations and the Iraqi Sanctions Regulations as general licenses, which permit transactions that would otherwise be prohibited by the Executive orders and regulations. U.S. persons, including U.S. financial institutions, are authorized to complete certain securities, foreign exchange, and similar transactions on behalf of the Government of Kuwait that were entered into prior to August 2, 1990. Similarly, certain import and export transactions commenced prior to August 2, 1990, were allowed to be completed, provided that any payments owed to Iraq or Kuwait were paid into a blocked account in a U.S. financial institution. The regulations also allow for the investment and reinvestment of blocked Kuwaiti and Iraqi assets. Consistent with United Nations Security Council Resolutions 661 and 666, the regulations also outline licensing procedures permitting the donation to Iraq or Kuwait of food in humanitarian circumstances, and of medical supplies, where it is demonstrated to FAC that the proposed export transaction meets the requirements for exemption under United Nations Security Council Resolution 661.

With this report I am enclosing a copy of the Department of the Treasury's Kuwaiti Assets Control Regulations and Iraqi Sanctions Regulations.

4. Worldwide outrage over the invasion of Kuwait by Saddam Hussein has resulted in the imposition of sanctions by nearly every country of the world. To an extent unprecedented in the history of peacetime economic sanctions, the community of nations has worked together to make the sanctions effective in isolating Saddam Hussein and in cutting him off from the support he needs in order to continue his illegal occupation of Kuwait. This cooperation has occurred through the United Nations Sanctions Committee, established by United Nations Security Council Resolution 661, diplomatic channels, and day-to-day working contact among the national authorities responsible for implementing and administering the sanctions.

5. As of January 24, 1991, FAC had issued 158 specific licenses to Kuwaiti governmental entities operating assets or direct investments in the United States, enabling continued operation and the preservation of Kuwaiti government assets in the United States, as well as addressing certain expenditures by or on behalf of the Government of Kuwait in exile. In addition, 68 specific licenses were issued regulating transactions involving the Government of Iraq or its assets. Authorizations were granted enabling the Iraqi Embassy to conduct diplomatic representation in the United States. Specific licenses were also issued to non-Iraqi entities determining or authorizing the disposition of pre-embargo imports and exports on the high seas, authorizing the payment under confirmed letters of credit for pre-embargo exports, and permitting the conduct of

procedural transactions such as the filing of lawsuits and payment for legal representation. In all cases involving Iraqi property, steps were taken to ensure that no financial benefit accrued to Iraq as a result of a licensing decision. In order to ensure compliance with the terms and conditions of licenses, reporting requirements have been imposed that are closely monitored. Licensed accounts are regularly audited by FAC compliance personnel and by deputized auditors from other regulatory agencies. Compliance analyses are prepared monthly for major licensed Kuwaiti governmental entities.

6. Upon issuance of Executive Orders Nos. 12722 and 12723 on August 2, 1990, FAC initiated an intensive effort to identify and enforce the blocked status of all property within the United States in which the Government of Iraq has an interest. On Sunday, August 5, 1990, in a nationwide law enforcement effort coordinated by FAC, notices of blocking were served on agents of Iraqi Airways, Inc., at four locations -- two in New York, one in Southfield, Michigan, and one in Los Angeles, California -- and all operations of Iraqi Airways in the United States were shut down.

On August 27, 1990, a notice of blocking was served on a company in Newbury, Ohio, which had in its possession a scintillation detector belonging to the Iraqi Atomic Energy Commission. The detector had been sold to the Iraqi government by the firm in February 1990 and returned to the United States for repair in July 1990.

On September 17, 1990, in a law enforcement effort coordinated by FAC with assistance from the Federal Bureau of Investigation and the Customs Service, a notice of blocking was served and actions were taken pursuant thereto at the office of a machine tool distributing company in Solon, Ohio. This corporation is a wholly owned subsidiary of an English company and was blocked based on information that the English company was ultimately owned and controlled by an Iraqi government-controlled trading company in Baghdad, Iraq. Enforcement of the blocked status of the Ohio company's property, including its bank assets, forced the shutdown of the firm.

FAC is continuing to coordinate enforcement actions and investigate reports of violations of the sanctions against Iraq and occupied Kuwait. These efforts will continue to ensure that no activities in violation of the sanctions are allowed to confer any benefit on Iraq.

The enforcement efforts of the United States Government complement the efforts worldwide to enforce sanctions against Iraq. The United States has utilized a wide variety of diplomatic, administrative, and enforcement tools to deter circumvention of the global trade and financial embargoes established under United Nations Security Council resolutions. The enforcement efforts of the United States have been augmented through ongoing contacts with the United Nations, the Organization of Economic Cooperation and Development, the European Community and member states' central banks through the Bank for International Settlements, as well as with representatives of individual governments.

7. The expenses incurred by the Federal Government in the 6-month period from August 2, 1990,

through February 1, 1991, that are directly attributable to the exercise of the authorities conferred by the declaration of a national emergency with respect to Iraq (including sanctions against Iraq and occupied Kuwait) are estimated at $1,226,338.80, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Federal Reserve Board, the National Security Council, the Department of Agriculture, and the Department of Transportation.

8. The invasion of Kuwait and the continuing illegal occupation of that country by Saddam Hussein continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. The United States remains committed to a multilateral resolution of this crisis through its actions implementing the binding decisions of the United Nations Security Council with respect to Iraq and Kuwait. I shall continue to exercise the powers at my disposal to apply economic sanctions against Iraq and occupied Kuwait as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Message to Congressional Leaders Transmitting the 1991 Economic Report

February 12, 1991

To the Speaker of the House of Representatives and the President

of the Senate:

Just over 8 years ago the longest peacetime economic expansion in U.S. history began. By the start of the 1990s the unemployment rate had fallen to levels not seen since the early 1970s, and inflation remained relatively low and remarkably stable when compared with the 1970s. More than 20 million new jobs were created by our dynamic and diverse market economy -- the largest and the most productive in the world. Reflecting both the evolving needs and wants of the American people and the rapid advance of technology, some industries and regions experienced much more robust job growth than others. And, as is normal during economic expansions, the rate of growth of the Nation's output varied from year to year.

The events of 1990 were a reminder that even a healthy economy can suffer shocks and short-term setbacks. In early August, Iraq invaded and occupied its small, defenseless neighbor Kuwait and threatened Saudi Arabia. Oil prices rose substantially on the world market, and business and consumer confidence plummeted. These shocks hit an economy that was already growing slowly for several reasons, including worldwide increases in interest rates, tightened credit conditions, and the lingering effects of a successful attempt begun in 1988 by the Federal Reserve to prevent an acceleration of inflation. U.S. output turned down in the fourth quarter of 1990, and it became clear that the economy had entered a recession. I know that in some regions of our country, people are in genuine economic distress.

This temporary interruption in America's economic growth does not signal a decline in the basic long-term vitality of the U.S. economy. Indeed, there were important economic achievements in 1990. Even though many analysts had earlier forecast increased inflation, the underlying rate of inflation was contained and showed clear signs of declining by the end of the year. Low inflation is essential to lower interest rates and strong economic growth. The U.S. trade deficit declined for the third year in a row, and U.S. firms remained competitive in world markets. Exports of American products reached an all-time high in 1990 and exceeded those of any other nation. Productivity in U.S. manufacturing continued to grow impressively. Some regions and industries experienced relatively strong job growth.

My Administration's economic policies are designed both to mitigate the current downturn and to provide for a solid recovery and the highest possible rate of sustainable economic growth. Because these policies are credible and systematic, they reduce uncertainty and pave the way to higher growth with sustained job-creating expansions. With these policies in place, the current

recession is expected to be mild and brief by historical standards.

Economic growth is projected to recover by the middle of this year. Inflation and interest rates are expected to decline. With the adoption of my pro-growth initiatives, the recovery and ensuing expansion are projected to be strong and sustained, and to be accompanied by continued progress toward lower inflation.

As the Nation proceeds into the 1990s, it is important to remember the simple secret of America's economic success in the 1980s: a government policy that allowed the private sector to serve as the engine of economic growth. We must also remember that economic growth is the fundamental determinant of the long-run success of any nation, the basic source of rising living standards, and the key to meeting the needs and desires of the American people.

The process of growth necessarily involves change. Advances in technology, shifts in world market conditions, and changes in tastes and demographics have created major new industries and dramatically altered the fortunes of existing industries. The lesson of history is clear. Attempts to protect special interests by blocking the economy's natural, market-driven evolution -- through regulation, subsidy, or protection from competition -- reduce the economy's flexibility and impair its ability to grow and to create jobs. Growth and prosperity are enhanced by strengthening and extending the scope of market forces, not by substituting government dictates for the free choices of workers, consumers, and businesses.

Toward Renewed Growth

The budget law enacted last fall gives fiscal policy a strong and credible medium-term framework. It increases the ability of the fiscal system to dampen the impact of the current recession, while providing for strong controls to reduce Federal spending as a percentage of our gross national product. A major reason that the budget deficit is expected to increase this year -- before declining steadily thereafter -- is the increase in payments to those adversely affected by the current downturn and the reduction in tax receipts as incomes grow more slowly. These automatic responses to the recession will help cushion its effects.

I am committed to maintaining a tax system that will sustain strong economic growth. My proposal to reduce the tax rate on capital gains would give a needed boost to the economy and set it on a strong course of economic growth and job creation for years to come. A lower capital gains tax rate would encourage entrepreneurial activity, which plays a critical role in creating new jobs, new products, and new methods of production. It would reduce the bias in favor of debt financing and thereby decrease the financial risks borne by U.S. corporations and their workers and shareholders.

The Federal Reserve's control of inflation throughout the recent long expansion has given it the credibility necessary to mitigate the current downturn significantly without triggering an increase

in inflationary expectations. Federal Reserve action in recent months will also help to alleviate tight credit market conditions that have hampered the economy. It is important that the Federal Reserve sustain money and credit growth necessary for the maintenance of sustained economic growth, especially during an economic downturn. And, while unwarranted risks should be avoided, I believe that sound banks should be making more sound loans.

Comprehensive banking reform will help to alleviate tight credit conditions by reducing unnecessary restrictions on the banking sector. Healthier depository institutions are essential for a sound financial system. Lifting restrictions on interstate banking activities and on the ability of banks to combine with commercial and other financial firms will increase banks' competitiveness. These changes will enhance banks' ability to attract capital and reduce the risk of a contraction in lending.

Some have argued that the government should react to the recent oil price shock by reregulating energy markets. They would do well to remember the lessons of the 1970s, when regulation worsened the impacts of two oil shocks and forced Americans to waste many hours in long and unnecessary lines at gas stations. Long-term uncertainties about energy prices make it vital that U.S. energy policy be based, in both the short run and the long run, on the flexibility and efficiency that only well-functioning markets can provide.

My Administration's National Energy Strategy calls for removing unnecessary barriers to market forces so that ample supplies of reasonably priced energy can continue to foster economic growth. The Strategy also outlines initiatives to enhance the energy security of the United States and its friends and allies, to encourage cost-effective conservation and efficiency measures, to increase the use of alternative fuels, and to continue to mitigate the environmental consequences of energy use.

Supporting Long-Run Growth

The Federal Government cannot mandate or effectively direct economic growth, but it can and should create conditions that encourage market-driven growth. That requires reducing barriers to saving, investing, working, and innovating. Encouraging growth also requires sustaining and expanding the role of market forces and, thereby, enhancing the economy's flexibility. Attempts to second-guess the market and to direct government support to particular firms, industries, or technologies in the name of promoting growth are inevitably counterproductive.

The multiyear Federal deficit reduction package adopted last year, the largest and most comprehensive such package in U.S. history, will reduce the Federal budget deficit by nearly a half-trillion dollars over the next 5 years relative to baseline projections. This substantial reduction in government borrowing will raise the national saving rate and increase the pool of funds available to finance job-creating private investment in new productive capacity and new technology.

My Administration remains firmly committed to taking additional steps to lower the cost of capital and to encourage entrepreneurship, saving, investment, and innovation. I have again asked the Congress to reduce the tax rate on long-term capital gains and to make the research and experimentation tax credit permanent. To encourage private saving, my budget again includes Family Savings Accounts and penalty-free withdrawals from Individual Retirement Accounts for first-time homebuyers. My Administration will seek increased Federal support for research that has broad national benefits, and we will make the results of government-supported research more accessible to the private sector so that they can be brought more quickly to market.

Strong economic growth will continue to require a sound national transportation infrastructure. My Administration's proposals for restructuring highway programs, centered around a new National Highway System program, would make a substantial contribution to meeting those demands.

Economic growth requires skilled and adaptable workers as well as modern capital and new technology. Excellence in education is the key to increasing the quality of the U.S. labor force. My Administration is strongly committed to making the U.S. educational system second to none, so that U.S. workers can continue to compete effectively with their peers in other nations. To meet this goal, the performance of U.S. elementary and secondary education must be dramatically improved. More money will not ensure excellence; America is already a world leader in spending on education. Fundamental reform is necessary.

Government policies should be designed to put power in the hands of individuals and families -- to give them the tools and incentives to improve their own lives. Thus students and their families must be given greater freedom to choose among competing schools, and talented and skilled individuals must be freed from unnecessary obstacles to entering the teaching profession. My Administration will seek enactment of a new Educational Excellence Act that would support choice in education, alternative certification for teachers and principals, rewards for outstanding teachers and for schools that improve their students' achievements, and innovative approaches to mathematics and science education.

The Immigration Act of 1990, the first major reform of legal immigration in a quarter-century, will substantially increase the overall level of immigration, particularly of skilled workers. These new workers will contribute to U.S. economic growth, as well as to the Nation's social and cultural vitality.

The Americans with Disabilities Act is the most significant extension of civil rights legislation in two decades. It will enable more of our citizens with disabilities to enter the economic mainstream and thus to better their own lives while contributing to the Nation's economic strength.

Last year important legislation passed that will give power and opportunity to individuals. The

expansion of the Earned Income Tax Credit, the new health insurance credit, and the other child care provisions in the 1990s budget legislation will put dollars for child care directly in the hands of parents, instead of bureaucracies. The Homeownership and Opportunity for People Everywhere (HOPE) initiative in the National Affordable Housing Act will expand homeownership and give more families a stake in their communities. My Administration strongly supported the expansion of medicaid to provide health insurance to more pregnant women and children in low-income families.

But there is more to be done. My Administration will continue to press for the establishment of enterprise zones to encourage entrepreneurship, investment, and job creation in distressed communities. We will propose initiatives focused on infant mortality, preventive measures, and nutrition to improve the health of those least able to provide for their own needs.

Flexibility and Regulation

The remarkable flexibility of the U.S. economy, which stems from its reliance on free markets, is a major national asset. Flexibility enables the economy to cushion the effects of adverse developments, such as oil price shocks, and to take full advantage of innovations and other new opportunities. Indeed, the responsiveness of the economy to new opportunities is an important spur to innovation and a source of economic dynamism.

Government regulation generally serves to reduce economic flexibility and thus should have a very limited role. Where regulation is necessary, regulatory programs should pass strict cost-benefit tests and should seek to harness the power of market forces to serve the public interest, not to distort or diminish those forces.

The lesson of the savings and loan crisis, to which my Administration responded swiftly, is not that competition and innovation are incompatible with safety and soundness in the financial sector. Rather, this experience shows that poorly designed regulation, inadequate supervision, and limits on risk-reducing diversification can combine to produce behavior that undermines creditors' confidence and imposes unnecessary burdens on taxpayers.

We can and must ensure the safety and soundness of our banking system and continue to provide full protection for insured deposits while allowing competition to improve efficiency and encourage innovation. My Administration's proposals for comprehensive reform of the regulatory system governing banks will achieve these goals. In addition, these reforms will enhance the ability of U.S. banks to compete in the global markets for financial services.

Last year's farm legislation embodied important steps toward a market-oriented agricultural policy and away from government domination of this vital and progressive sector. Farmers have been given additional flexibility in planting decisions, in a way that will both sustain farmers' incomes and save taxpayers' money.

Market-based initiatives can and should play a key role in environmental policy as well. In 1989 my Administration proposed comprehensive legislation to combat air pollution. This proposal broke a logjam that had blocked congressional action for more than a decade, and a landmark clean air bill was enacted last year -- the most significant air pollution legislation in the Nation's history. The centerpiece of this bill is an innovative, market-based program for controlling -- at the least possible cost to the economy -- the emissions that produce acid rain. All provisions of this legislation will be implemented so as to minimize unnecessary burdens on American workers and firms.

Economic growth and environmental protection are compatible, but only if environmental goals reflect careful cost-benefit analysis and if environmental regulation provides maximum flexibility to meet those goals at least cost. My Administration will continue to be guided by the responsibilities of global stewardship; we will seek both to protect the environment and to maintain economic growth to give all the world's children the chance to lead better lives than their parents.

Leadership in the Global Economy

Throughout the postwar period, the United States has led the world toward a system of free trade and open markets. The benefits of global economic integration and expanded international trade have been enormous, at home and abroad. U.S. firms gain from access to global markets; U.S. workers benefit from foreign investment in America; and U.S. consumers can buy goods and services from around the world. Competition and innovation have been stimulated, and businesses have increased their efficiency by locating operations around the globe. The phenomenal prosperity and vitality of market-oriented economies -- and the bankruptcy of the socialist model -- point the way to future progress and growth.

My Administration will continue to push aggressively for open markets in all nations, including our own, and will continue to oppose protectionism. Protectionist trade barriers impose burdens on the many to serve the interests of the few and can only reduce the Nation's competitiveness. Government attempts to overrule the decisions of the international marketplace and to manage trade or investment flows inevitably reduce economic flexibility and lower living standards.

My Administration's top trade policy priority continues to be the successful completion of the Uruguay Round negotiations of the General Agreement on Tariffs and Trade (GATT). Success in the Uruguay Round would open agricultural markets, lower or eliminate tariffs on many products, strengthen the GATT system, and extend it to cover important new areas -- such as services, investment, and intellectual property -- critical to U.S. economic vitality. These improvements would significantly increase the ability of the global economy to raise living standards in the United States and around the world. Failure, on the other hand, would increase trade frictions and could lead to a destructive new round of protectionism.

In addition, my Administration has moved to pave the way toward a hemispheric zone of free trade. We have announced our intention to begin negotiations on a free-trade agreement with Mexico. My Enterprise for the Americas Initiative promises to fuel growth and prosperity throughout this hemisphere by removing barriers to trade and investment. This initiative also aims to provide official debt reduction to countries engaged in significant economic reforms and thereby to build on my Administration's ongoing support for commercial debt reduction.

America remains a beacon of hope to peoples around the world. Our Nation continues to demonstrate by shining example that political democracy and free markets reinforce each other and together lead to liberty and prosperity. Nations in this hemisphere and the emerging democracies of Eastern Europe are eagerly moving to follow America's example. The challenges these nations face as they fundamentally restructure their economies are enormous. My Administration will continue its strong support and assistance for their vital and historic efforts.

Looking Ahead

In my Economic Report last year I stated that I looked forward to the 1990s with hope and optimism. Despite the economic events of 1990, we have reason for both hope and optimism in full measure as the Nation approaches the next American century.

Following sound economic policy principles, my Administration seeks to achieve the maximum possible rate of sustainable economic growth. We must continue to adhere to those principles if we are to soften the impacts of the current recession and to strengthen the foundation for strong growth in the years to come. Economic growth remains the key to raising living standards for all Americans, to expanding job opportunities, and to maintaining America's global economic leadership.

George Bush

The White House,

February 12, 1991.

Note: The President's message was printed in the ``Economic Report of the President'' but was not issued as a White House press release. Thomas S. Foley was Speaker of the House of Representatives, and Dan Quayle was President of the Senate.

Statement by Press Secretary Fitzwater on United States Commercial Space Policy Guidelines

February 12, 1991

The President has approved U.S. commercial space policy guidelines aimed at expanding private sector investment in space by the market-driven commercial space sector. These guidelines are the result of a 9-month interagency review of the commercial space sector conducted by the Vice President and the National Space Council.

The U.S. commercial space policy guidelines recognize that a robust commercial space sector has the potential to generate new technologies, markets, jobs, and other important economic benefits to the Nation. The guidelines contain new provisions and definitions of key concepts to provide for more effective implementation of the national space policy by U.S. Agencies.

Exchange With Reporters on the Persian Gulf Conflict Prior to Discussions With Defense Minister Thomas King of the United Kingdom

February 12, 1991

Q. Going to talk about the ground war -- possible?

The Defense Minister. Are you going on, Mr. President, or -- --

The President. No, I'm not. I defer to guests because I don't take questions in here. And that's Helen Thomas [United Press International], I think. [Laughter] I don't look over, so I can't see, but I -- --

Q. We've got a better one for you.

The President. She knows very well that I don't take questions here. But foreign guests are encouraged to, if you'd like to.

The Defense Minister. Well, I just said to the President here -- and the Vice President, who I had the pleasure of meeting last week in London, and with Dick Cheney, General Brent Scowcroft -- the very close measure of the very close cooperation we have. I'm very grateful for it. We've been very appreciative of the close contact also we have. And I was going to say to the President that we have great admiration for General Schwarzkopf. We're working very closely with him. We have our 1st Armored Division, which is with now the U.S. 7th Corps. And General Franks is commanding that. And we have General Smith working under him. And it's a measure of the cooperation that we have. I think both at sea, in the air, and on land that it's been an excellent illustration of very close cooperation. And I welcome the chance to meet the President. And one feels one knows these issues so well, communicating through various channels.

Q. Mr. King, do you think it's too soon to go to a ground war? Do you agree with the President on that?

The Defense Minister. It's a need to see some significant reduction in Iraq's military capability. You can't put precise figures on it, but there certainly needs to be a reduction in their capability. I know the President has always made very clear something that we support very strongly, that we want to see a tilt in the balance of military advantage so that when our forces embark -- the allied coalition forces embark on that land campaign that the balance of advantage is with them. That will help us to minimize the casualties on our own side and actually hopefully minimize the casualties for the people of Kuwait who are going to be part of the battleground.

Q. Is there concern, though, on the other hand, that if the air war is protracted that you start to lose some of the international support?

The Defense Minister. There are a lot of considerations that have to be taken into account. We have great respect and confidence in General Schwarzkopf, in the military judgments that he will make on the ground. He talks closely to our commanders there as well, which is very valuable to us. And we appreciate very much -- and obviously my relationship with Secretary Cheney -- but particularly the President's excellent habit of keeping in very close touch with Prime Minister John Major. And so, as far as I can say for the United Kingdom, the cooperation couldn't be closer. And we know, I think all of us, in our hearts, a whole range of issues that have to be taken into account before the President will undoubtedly have to reach a very important judgment.

Q. But right now do you think they have the balance?

The Defense Minister. Oh, I think there's some work to be done.

Q. Mr. President, do you feel there is pressure to get it over with? Either internal or international?

The President. I'm not going to take any questions here. But I must -- like to identify myself with the remark we've just heard here. [Inaudible]

The Defense Minister. We've got a change of shift.

The President. This may be some of your troops coming in.

The Defense Minister. [Inaudible]

The President. I think so.

The Defense Minister. But it's been very useful to be able to see that exchange of views.

The President. I think there's a conscientious effort on his part to try to raise the propaganda value -- accusing us of indiscriminate bombing of civilians. And it's simply not true. And what's overlooked is the -- a lot of the brutality that's so evident and so purposeful on his part -- the treatment of the prisoners. The Scud missile attacks have no military value. The environmental terrorism has not taken human life yet, but it's pretty bad. And we are doing the right thing. And I'm just delighted with the cooperation. And we are on track. And I think most of the world knows it. But to hear this one-sided propaganda machine cranking out a lot of myths and falsehoods -- but I don't think the world is buying it, frankly.

The Defense Minister. We didn't see many television pictures of the casualties in Kuwait, did we?

The President. No. It's still going on.

The Defense Minister. And of the civilians and the tens of thousands of civilians that must have lost their lives there?

The President. No, I think we're right on track -- right on track and very proud to be identified with you all in this enterprise.

Note: The exchange began at 2:05 p.m. in the Oval Office at the White House. The Defense Minister referred to Secretary of Defense Dick Cheney; Brent Scowcroft, Assistant to the President for National Security Affairs; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; and Lt. Gen. Frederick M. Franks, Jr., and Maj. Gen. Isaac Dixon Smith, commanding general and deputy chief of staff for personnel, 1st Armored Division, U.S. Army Europe and 7th Army. President Bush referred to President Saddam Hussein of Iraq.

Nomination of Catherine Yi-yu Cho Woo To Be a Member of the National Council on the Arts

February 12, 1991

The President today announced his intention to nominate Catherine Yi-yu Cho Woo, of California, to be a member of the National Council on the Arts for the remainder of the term expiring September 3, 1994. She would succeed Marvin Hamlisch.

Since 1969 Dr. Woo has been a professor of Chinese in the department of classical and Oriental languages and literatures at San Diego State University in California.

Dr. Woo graduated from San Diego State College (B.A., 1968), California State University (M.A., 1972), and the University of San Francisco (Ed.D., 1981). She was born May 23, 1935, in Peking, China. She is married, has two children, and resides in San Diego.

Remarks Announcing Proposed Transportation Legislation

February 13, 1991

Mr. Secretary; a special welcome to Senators Riegle and Moynihan, Congressman Larry Coughlin; and let me just welcome all of you to the White House. It's great to have you here. And it's great for me to be with our able Secretary of Transportation, whose baby we are unveiling here.

Thirty-five years ago, President Eisenhower envisioned an interstate highway system that today is a reality. And his idea fueled development in this country for a generation and united the States as never before -- economically, politically, and socially. So, take a look at any map in our country, and you'll see President Eisenhower's legacy for a strong America.

Today the interstate system is virtually complete, and Americans enjoy unequaled mobility. But in the years since its construction began, there have been major demographic shifts and travel changes in our country. And we have a remarkable highway system, but as Sam has told you and certainly told me, much of it needs improvement. And we need to move forward to meet the transportation needs of the coming generations. It's time to take the first step on the long road that lies ahead. And the status quo will simply not get us there.

Economic competition in the 21st century is going to be tougher than ever before. We can help build competitiveness and improve the links between workers and jobs and goods and markets. Already, transportation accounts for about 20 percent of total consumer spending. And we've got to find ways to expand our Nation's mobility for urban Americans, for rural Americans, and for Americans with disabilities who are on the move.

So, today we're unveiling a blueprint for a national highway system. This map explains it. Sam has been, I understand, briefing on that here. We've designed new legislation -- the Surface Transportation Assistance Act -- to reform existing highway programs and increase funding for what works, to prepare for the next American century.

And to do it, we must invest in our future. So, we're investing $105 billion in our transportation infrastructure over the next 5 years. Highway investment will increase by 39 percent to $20 billion by 1996. And funds for capital investment in mass transit will increase by 25 percent. And we've proposed a 34 percent increase in funding for highway safety programs over the next 5 years.

The future of Americans' transportation rest on the new foundation that we're laying today. Building on the success of the interstate system, this bill provides for the designation of a new

national highway system which concentrates Federal dollars on the rehabilitation and improvement of our most critical highways. It creates a new urban-rural block grant that will streamline narrow highway grant programs into a larger, more flexible block grant.

The legislation will reduce the backlog of bridges needing repair and replacement. It promotes efficiency by cutting redtape for the trucking industry. The bill also focuses attention on the needs of our cities, where millions of our citizens depend on public transit. Mass transit in urban areas will be maintained and improved. And under this legislation, funding for it will become more stable and equitable.

Our approach will provide States and localities with flexibility to select which highways will receive targeted Federal dollars, and States and localities will be able to choose whether to spend Federal dollars on transit or highway solutions. As never before, we are encouraging creative new financing and management by the States.

This bill is a good one. And we believe it will draw broad support from all sectors: the States, the cities, the transportation industry, and the Congress. And as part of this administration's national transportation policy, it will move us into the next American century. With this legislation, America is on the road to expanded productivity, more jobs, and a strengthened infrastructure for a stronger United States.

Sam, you've been dubbed the ``road warrior." [Laughter] I don't know whether it's just by yourself or by all the rest of us, but nevertheless, I -- [laughter] -- since you've already been dubbed that, I want you -- and I see we've got some heavyweights here in the front rows -- to ask for their support. But I really hope that you can bring back a bill that I can enthusiastically sign this fall or perhaps sooner. I don't know what your legislative schedule is.

But in any event, I think we're off to a good start. And I'm grateful to you and the people at the Department of Transportation who have put so much of their hearts and souls into formulating this new approach. So, to all of you who have been a part of it, direct or indirect, my sincere thanks. We're going to work hard to make this become a reality. And thanks for coming over here today.

And God bless you all. Thank you very, very much.

Note: The President spoke at 10:34 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Secretary of Transportation Samuel K. Skinner; Senators Donald W. Riegle, Jr., and Daniel P. Moynihan; and Representative Lawrence Coughlin.

Statement by Press Secretary Fitzwater on Allied Bombing in Baghdad

February 13, 1991

Last night, coalition forces bombed a military command and control center in Baghdad that, according to press reports, resulted in a number of civilian casualties.

The loss of civilian lives in time of war is a truly tragic consequence. It saddens everyone to know that innocent people may have died in the course of military conflict. America treats human life as our most precious value. That is why even during this military conflict in which the lives of our service men and women are at risk, we will not target civilian facilities. We will continue to hit only military targets. The bunker that was attacked last night was a military target, a command-and-control center that fed instructions directly to the Iraqi war machine, painted and camouflaged to avoid detection and well-documented as a military target. We have been systematically attacking these targets since the war began.

We don't know why civilians were at this location, but we do know that Saddam Hussein does not share our value in the sanctity of life. Indeed, he time and again has shown a willingness to sacrifice civilian lives and property that further his war aims.

Civilian hostages were moved in November and December to military sites for use as human shields. POW's reportedly have been placed at military sites. Roving bands of execution squads search out deserters among his own ranks of servicemen. Command and control centers in Iraq have been placed on top of schools and public buildings. Tanks and other artillery have been placed beside private homes and small villages. And only this morning we have documentation that two MIG 21's have been parked near the front door of a treasured archeologic site which dates back to the 27th century B.C.

His environmental terrorism spreads throughout the Persian Gulf, killing wildlife and threatening human water supplies. And finally, Saddam Hussein aims his Scud missiles at innocent civilians in Israel and Saudi Arabia. He kills civilians intentionally and with purpose.

Saddam Hussein created this war. He created the military bunkers. And he can bring the war to an end. We urge him once again to save his people and to comply with the U.N. resolutions.

Thank you very much.

Note: Press Secretary Fitzwater read the statement to reporters at 11:47 a.m. in the Briefing Room at the White House. The statement referred to President Saddam Hussein of Iraq.

Nomination of John G. Keller, Jr., To Be an Under Secretary of Commerce

February 13, 1991

The President today announced his intention to nominate John G. Keller, Jr., of the District of Columbia, to be Under Secretary of Commerce for Travel and Tourism at the Department of Commerce. He would succeed Rockwell Anthony Schnabel.

Since 1989, Mr. Keller has served as Deputy Assistant to the President and Director of Presidential Advance. Prior to this Mr. Keller served in the Office of the Vice President as Deputy Assistant to the Vice President and Director of Advance, 1987 - 1989, and as Deputy Director of Advance, 1986 - 1987 and 1984 - 1985. He served as a confidential assistant to the Director at the U.S. Fish and Wildlife Service, 1985 - 1986. Mr. Keller has served in the Office of the Vice President as a lead advance representative, 1982 - 1984, and as a volunteer advance representative, 1981 - 1982. Mr. Keller has served at the George Bush for President campaign as the scheduling and advance coordinator, 1979 - 1980. His work experience has allowed him to travel over one million miles and has taken him to more than 70 foreign countries and every State in the Nation.

Mr. Keller graduated from Iowa State University (B.A., 1982). He was born August 10, 1958, in Washington, DC. Mr. Keller is married and resides in Alexandria, VA.

Appointment of John Kenneth Blackwell as United States Representative on the United Nations Commission on Human Rights

February 14, 1991

The President today announced his intention to appoint John Kenneth Blackwell, of Ohio, to be the Representative of the United States on the Human Rights Commission of the Economic and Social Council of the United Nations. He would succeed Armando Valladares.

Currently Mr. Blackwell serves as a business and education consultant in Cincinnati, OH. Prior to this Mr. Blackwell served as Deputy Under Secretary at the Department of Housing and Urban Development in Washington, DC.

Mr. Blackwell graduated from Xavier University (B.S., 1970; M.E.D., 1971). He was born February 28, 1948, in Cincinnati, OH. Mr. Blackwell is married, has three children, and resides in Cincinnati, OH.

Statement by Press Secretary Fitzwater on the Iraqi Offer To Withdraw From Kuwait

February 15, 1991

We have not yet examined a full official text of the Revolutionary Command Council's statement, but it clearly contains conditions for Iraqi withdrawal from Kuwait. The United Nations Security Council resolutions are clear in their insistence that the withdrawal be complete and unconditional. Promises alone are not sufficient. There must be not only agreement to comply with all United Nations Security Council resolutions but also immediate and concrete action on the ground.

Note: Press Secretary Fitzwater read the statement to reporters at 8:32 a.m. in the Briefing Room at the White House.

Letter to Congressional Leaders Transmitting the Report on Soviet Noncompliance With Arms Control Agreements

February 15, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Enclosed are classified and unclassified copies of the Annual Report on Soviet Noncompliance with Arms Control Agreements. This report also subsumes a special report requested on the status of SS - 23s in Eastern Europe and on the Krasnoyarsk radar.

This year, while concerns about Soviet compliance with arms control agreements remain, I can report that the U.S. demand for strict adherence to arms control agreements has yielded positive results in some areas. Nonetheless, a number of compliance issues remain outstanding and several new compliance issues have arisen.

The United States will continue to press the Soviet Union to fulfill all its arms control obligations and to take the actions necessary to correct its arms control violations expeditiously. Anything less than full compliance with past treaties cannot help but affect our judgment with respect to future treaties.

The report represents the Administration's best judgment at a given point in time. As our understanding of certain compliance issues in the report continues to evolve, we will continue to consult with the Congress and seek Soviet redress of our concerns.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks to the American Association for the Advancement of Science

February 15, 1991

Thank you very much. Thank you, and please forgive me for keeping you waiting. First, let me pay my respects to Secretary Watkins and to Dr. Bromley and to NASA's very able Administrator, Admiral Truly.

Before talking about the subject at hand, I do want to make a few comments on the statement that came out of Baghdad early this morning. When I first heard that statement, I must say I was happy that Saddam Hussein had seemed to realize that he must now withdraw unconditionally from Kuwait, in keeping with the relevant United Nations resolutions.

Regrettably, the Iraq statement now appears to be a cruel hoax, dashing the hopes of the people in Iraq and, indeed, around the world. It seems that there was an immediate celebratory atmosphere in Baghdad after this statement. And this reflects, I think, the Iraqi people's desire to see the war end, a war the people of Iraq never sought. Not only was the Iraq statement full of unacceptable old conditions, but Saddam Hussein has added several new conditions. And we've been in touch with members of the coalition, and they recognize that there is nothing new here, with the possible exception of recognizing for the first time that Iraq must leave Kuwait.

Let me state once again: They must withdraw without condition. There must be full implementation of all the Security Council resolutions. And there will be no linkage to other problems in the area. And the legitimate rulers of Kuwait must be returned to Kuwait. Until a massive withdrawal begins, with those Iraqi troops visibly leaving Kuwait, the coalition forces acting under United Nations Resolution 678 will continue their efforts to force compliance with all the resolutions of the United Nations.

But there's another way for the bloodshed to stop. And that is for the Iraqi military and the Iraqi people to take matters into their own hands -- to force Saddam Hussein, the dictator, to step aside, and to comply with the United Nations resolutions and then rejoin the family of peace-loving nations.

We have no argument with the people of Iraq. Our differences are with Iraq's brutal dictator. And the war, let me just assure you all, is going on schedule. Of course, all of us want to see the war ended soon and with a limited loss of life. And it can if Saddam Hussein would comply unconditionally with these U.N. resolutions and do now what he should have done long, long ago.

So, I'm sorry that after analysis and reading the statements out of Baghdad in their entirety, there is nothing new here. It is a hoax. There are new demands added. And I feel very sorry for the

people in Iraq. And I feel sorry for the families in this country who probably felt as I did this morning when they heard the television that maybe we really had a shot for peace today.

But that's not the case. And we will continue. We will pursue our objectives with honor and decency. And we will not fail.

And now let me just move forward to the business at hand. I want to salute in addition to the three with me here Dr. Atkinson, Dr. Langenberg, Dr. Lederman, Dr. Rowland, and distinguished friends of science gathered here today.

I view it as an honor to be over here with you all today. Since its founding nearly a century and a half ago, this association, your association, has watched over the most far-reaching and most breathtaking transformation that human society has ever known. Science and technology have brought unprecedented prosperity, mobility, health, and security to millions around the world. And today the spirit of innovation is alive and well in America. Of course, times have changed. Some say that if Edison had invented the light bulb today, we'd have scores of studies citing the dangers of electricity. [Laughter] And the newspapers would headline the story ``Candle Industry Threatened." [Laughter]

Well, science and technology have touched all of our lives, from the way we do our jobs to the kind of medical care we receive. And especially in the last few weeks, anyone who has been near a television has seen the dramatic effect, the evidence rather, of how technology is changing the face of war. Modern weapons are making it possible to face down aggression without the degree of widespread destruction and loss of civilian life of wars past.

And that's why I'm going up today to visit with the workers who make the Patriot missile. Our investment in defense research and development over the past decade is now saving the lives of Americans, of our allies, and even of our adversaries. And I am certain that this struggle will end decisively. And again, let us all pray that it ends quickly.

Next week the administration will release its national energy strategy with new public and private initiatives to increase energy efficiency and conservation, preserve our environment, encourage alternative sources of energy, and reduce our vulnerability to foreign oil supply disruptions.

Now some will say that reducing our energy vulnerability is not enough, that we should take more drastic measures for total energy independence. But then there's reality. We are a long way from achieving total energy independence. We must avoid unwise and extreme measures such as excessive CAFE [Corporate Average Fuel Economy] standards for automobiles that would seriously hurt America's consumers and America's jobs and American industries. Instead, we must pursue an energy strategy that is reasonable, balanced, and comprehensive. And that will keep us on the course toward strong economic growth.

Science and technology will also be a crucial factor for our economic strength. If the past is prolog, our economic future is going to be very, very bright indeed, in spite of today's concerns. Over a third of the economic growth that we've enjoyed since the 1930's, over a third of it, has been the result of new knowledge including science and technology. And beyond advances in prosperity, in security, work on the frontiers of knowledge is one of humanity's greatest adventures.

For all of these reasons, the budget that I sent to Capitol Hill last week included a 13-percent increase for R&D, for research and development, and that increase is one of the largest in the budget. And it's proof of our determination to make the investments needed to ensure this country's continued leadership. We intend to help scientists spend less time searching for funding and more time making breakthroughs.

And one of our highest priorities is basic research, especially by the individual scientist or a small team. To support their work, our budget calls for $1 billion increase -- $1 billion in basic research. And funding at the National Science Foundation would go up by 18 percent, which would put the NSF budget back on the track toward the doubling that I've long sought. And increases in basic research at the NIH and again at Jim's Department of Energy, NASA, and the Department of Agriculture will add to the base of knowledge on which the future is being built.

At the same time, this budget makes a strong commitment to the facilities that many individual scientists will need to reach to the future frontiers in their selected fields. And that means nuclear accelerators in physics, telescopes in astronomy, a strong space science program at NASA, and the human genome project in biology -- all projects that will have a profound impact on humanity.

Over the next year, the United States will spend over $1 billion on the U.S. Global Change Program. And part of our efforts take the form of a mission to planet Earth, where satellites will monitor the Earth from space. And our mission from planet Earth will extend human curiosity to frontiers beyond our own planet to the Moon, to the planets, and beyond.

But along with record-level Federal investment in R&D totaling $76 billion, we are committed to working with American industry to make it easier for companies to capitalize on the discoveries of basic science and to develop new products and new processes. And that's why I'm again calling on the United States Congress to make the research and experimentation tax credit permanent, to make a long-term commitment to our technological future.

We face a crucial challenge in developing the generic technologies that are important to both the public and the private sectors. And that's why the budget supports work in high performance computing and communications, in energy research and development, in aeronautics, in biotechnology -- the basis for some of the most promising industries of the 21st century.

Technology may be the key to the future, but people are the key to technology. The national education goals that we established with the Nation's Governors explicitly recognizes this connection. And one of our most ambitious goals is for American students to be first in the world in science and math achievement by the year 2000.

Our budget includes substantial funding increases for math and science education. But those math and science goals will never be achieved if they are seen simply as goals for government alone. All sectors of society must recognize the importance of scientific literacy and strive to achieve it. And that's where the AAAS comes in. Your Project 2061 is working where all lasting change must occur -- at the local level, to transform the teaching of math and science.

Last fall, we had 200 of the best mathematics and science teachers in the country here to the White House. And more than a few of those teachers pointed out that kids are natural-born scientists. And they delight in the sheer pleasure of learning new things, making something work, understanding the world. This delight is something most scientists never lose. The Nobel Prize-winning geneticist Barbara McClintock once said of her work: ``I did it because it was fun. I couldn't wait to get up in the morning. I never thought of it as science."

And the sheer adventure of science is one of the main reasons for holding this meeting and for the continued vitality of the AAAS. Sharing science's sense of adventure through education and outreach has never been more important than now. And your work is vitally important. Of all humanity's concerns, the power of knowing is the greatest pursuit, the surest promise for a brighter future, and the greatest covenant that we keep with those kids of the future, those future generations.

So, let us pursue the adventure of science as a sacred trust. And let us keep the fire of the American mind burning brightly for the sake of the future that our children deserve.

Thank you all very, very much for coming here. I hope your meetings are worthwhile and productive. And we're proud of each and every one of you. And at this special time, may God bless the United States.

Note: President Bush spoke at 9:58 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Secretary of Energy James D. Watkins; D. Allan Bromley, Assistant to the President for Science and Technology; Adm. Richard H. Truly, Administrator of the National Aeronautics and Space Administration; President Saddam Hussein of Iraq; Richard C. Atkinson, chairman of the board, Donald H. Langenberg, president, and Leon M. Lederman, president-elect of the association; and Sherwood Rowland, president of the University of California at Riverside.

Exchange With Reporters in Andover, Massachusetts, on the Iraqi Offer To Withdraw From Kuwait

February 15, 1991

Q. Mr. President, is there any indication that Iraqis are turning around and going home?

Q. Do you think this is words only, this Iraqi statement?

The President. What statement? You mean this morning?

Q. Yes.

The President. Oh, there's no evidence of any withdrawal. I mean, as I said down in Washington, it's a cruel ploy. What he did was reiterate some conditions and add some new ones. And it's totally unacceptable to everybody.

You know, my heart goes out to the people in Iraq that you saw kind of jumping with joy early on, firing their weapons -- which is I guess their sign of joy -- in the air, and only to recognize when the fine print came out that it was a step backwards.

So, there's no sign of any withdrawal. I wish there were; so did the whole world.

Q. -- -- members of the coalition, sir?

Q. What do you think the use of the word ``withdrawal'' means? It's the first time we've heard that.

The President. I don't know. It doesn't mean compliance with the United Nations resolutions. Until that happens, regrettably, there will not be a cessation of hostilities. There will be no pause, there will be no cease-fire, there will be no reliving experiences in the past that were unhelpful to a peaceful, satisfactory conclusion of the war. And so, there's nothing in this thing to offer hope. I wish I thought there was; there's not.

Q. Any sign that this tempts any members of the coalition?

The President. No, they're all -- the ones we've talked to are all solid and got on this thing the minute they saw the declaration coming out of Baghdad, pronounced it -- it was an initiative -- pronounced it dead on arrival because there wasn't anything new or significant. There was just some more conditions including asking the American taxpayer to pay for damage in Iraq. It's the other way around -- there -- reparation sanctions are called for under the United Nations.

Reparations for Iraq -- undoes the damage that it's done to its neighbors. I don't know how you repay for the loss of human life in Kuwait, the brutality, the 15-to-20-year-old Kuwaitis just this last week. You can't make amends for that.

But this was a cruel ploy. And the world saw it as such, including the coalition, which is just as solid today as it's ever been.

Now, I've got to get on and learn something more about the Patriot. But thank you all very much.

Note: The exchange began at 12:40 p.m. in the Andover Room of the assembly building at the Raytheon Missile Systems plant. In his remarks, President Bush referred to President Saddam Hussein of Iraq. A tape was not available for verification of the content of this exchange. Following the exchange, the President toured the plant facilities.

Remarks to Raytheon Missile Systems Plant Employees in Andover, Massachusetts

February 15, 1991

Listen, I came up here to thank you guys, but thank you for that warm welcome. And Reverend Gomes, thank you, sir, for that lovely prayer, so fitting tribute to those who are serving overseas and those serving at home here. And thank you, Tom, my old friend Tom Phillips, the chairman, for that warm welcome and making these arrangements. Let me pay my respects to another old friend, the Governor of the Commonwealth, Bill Weld, and his able Lieutenant Governor, Paul Cellucci, over here. I'm glad that they're here with us today.

And look, I view it as an honor to be here, to come to Raytheon, the home of the men and women who built the Scudbusters. We're very, very grateful.

Earlier today, maybe your hopes were lifted, maybe mine -- mine were -- and I think some hopes were lifted in downtown Baghdad with the statement. And I expressed, earlier on, regret that that Iraqi statement that first gave rise to hope in fact turned out to be a cruel hoax. Not only was the Iraqi statement full of unacceptable old conditions, Saddam Hussein has added several new conditions.

Let me state once again: Iraq must withdraw without condition. There must be full implementation of all the Security Council resolutions. And there will be no linkage to other problems in the area. And the legitimate rulers, the legitimate government, must be returned to Kuwait. And until a credible withdrawal begins, with those Iraqi troops visibly leaving Kuwait, the coalition forces in compliance with United Nations Resolution 678 will continue their efforts to force compliance with all those resolutions, every single one of them.

Compliance with the resolutions will instantly stop the bloodshed. And there's another way for the bloodshed to stop, and that is for the Iraqi military and the Iraqi people to take matters into their own hands and force Saddam Hussein, the dictator, to step aside, and then comply with the United Nations resolutions and rejoin the family of peace-loving nations. We have no argument with the people of Iraq. Our differences are with that brutal dictator in Baghdad.

Everyone here has a friend or a neighbor, a son or daughter, or somebody he knows in the Gulf. And to you, let me say this, and to the American people: The war is going on schedule. Of course, all of us -- all of us -- want to see this war ended, the limited loss of life. And it can if Saddam Hussein would simply comply unconditionally with all the resolutions of the United Nations. But let me say this to you: I am going to stay with it, we are going to prevail, and our soldiers are going to come home with their heads high.

Now, I just had the thrill of sitting in the command post of an Engagement Control System -- ECS to you. [Laughter] And I've heard about the years of painstaking work that produced the split-second accuracy of the Patriot missile defense system. Let me tell you, I'm impressed with the technology. But especially after today, even more I'm impressed with the people behind the machines.

Just days after Saddam Hussein took the offense against an undefended Kuwait, the people of this plant went into overdrive and took the offense. And since mid-August, it's been an around-the-clock effort, three shifts a day, 7 days a week. And I know many of you gave up your own Thanksgiving and Christmas even to be right here, to keep these lines moving.

In the last month, the world has learned why. Patriot works, and not just because of the high-tech wizardry. It's because of all the hours, all the attention to detail, all the pride, and all the professionalism that every one of you brings to the job. Patriot works because of patriots like you. And I came again to say thank you to each and every one of you.

You see, what has taken place here is a triumph of American technology. It's a triumph taking place every day, not just here at Raytheon but in the factories and firms all across America, wherever American workers are pushing forward the bound of progress, keeping this country strong, firing the engines of economic growth. What happens right here is critical, absolutely critical, to our competitiveness now and then into the next century.

Let me focus for a moment not simply on high-tech workers like yourselves who build these Patriots but on the highly skilled service men and women who operate Patriot in the field. We hear so often how our kids, our children, our schools fall short. I think it's about time that we took note of some of the success stories, of the way the brave young men and women who man the Patriot stations perform such complex tasks with unerring accuracy. They, along with the children in our schools today, are part of a generation that will put unparalleled American technology to use as a tool for change.

As I was touring the plant a few minutes ago, I saw a sign out there that said: ``Patriot -- a Revolution in Air Defense." Well, we are witnessing a revolution in modern warfare, a revolution that will shape the way that we defend ourselves for decades to come. For years, we've heard that antimissile defenses won't work, that shooting down a ballistic missile is impossible -- like trying to ``hit a bullet with a bullet." Some people called it impossible; you called it your job.

They were wrong, and you were right. Thank God you were right.

The critics said that this system was plagued with problems, that results from the test range wouldn't stand up under battlefield conditions. You knew they were wrong, those critics, all along. And now the world knows it, too. Beginning with the first Scud launched in Saudi Arabia, right onto Saudi Arabia -- and the Patriot that struck it down -- and with the arrival of Patriot

battalions in Israel, all told, Patriot is 41 for 42: 42 Scuds engaged, 41 intercepted. And given the fact that this Scud missile has no military value, simply designed to devastate cities and wipe out population, imagine what course this war would have taken without the Patriot.

No, I'm sure that some experts here would say Patriot's not perfect. No system is; no system ever will be. Not every intercept results in total destruction. But Patriot is proof positive that missile defense works. I've said many times that missile defense threatens no one, that there is no purer defensive weapon than one that targets and destroys missiles launched against us.

We know that this is a dangerous world. Today, our cold war concern about a large-scale nuclear exchange -- thank God it is more remote than at any point in the postwar era. At the same time, the number of nations acquiring the capability to build and deliver missiles of mass destruction -- chemical, even nuclear weapons -- is on the increase. In many cases, these missiles will be superior to Scuds, smaller, capable of flying farther and faster -- in short, more difficult targets. Between now and the year 2000, in spite of our best efforts to control proliferation, additional nations may acquire this deadly technology. And as we've been taught by Saddam Hussein, all it takes is one renegade regime, one ruler without regard for human decency, one brutal dictator who willfully targets innocent civilians.

Well, we now know that some of the adversaries we face today -- and Saddam Hussein is a prime example -- are more rash than rational, less impressed by theories than by a nation with the means and will to defend itself. And thank God that when those Scuds came in, the people of Saudi Arabia and Israel and the brave forces of our coalition had more to protect their lives than some abstract theory of deterrence. Thank God for the Patriot missile. Thank God for that missile.

And so, when you all go home at night, you can say with pride that the success of Patriot is one important reason why Operation Desert Storm is on course and on schedule. And we're going to continue to fight this war on our terms, on our timetable, until our objectives are met. We will control the timing of this engagement, not Saddam Hussein.

Make no mistake about it: Kuwait will be liberated. The people who build Patriot have every reason to be proud. Because of you, the world now knows that we can count on missile defenses. And because of you, a tyrant's threat to rain terror from the skies has been blunted; it's been cut short. And because of you -- and this one is special -- innocent civilians, priceless human lives, have been spared.

When we think of war, we think first, of course, of the soldiers in the field, the brave men and women now serving half the world away. But Woodrow Wilson once said that in war there are ``a thousand forms of duty." In this room today stand thousands of reasons why our cause shall succeed. You and people like you all across the country have given our brave men and women in the Gulf the fighting edge that they need to prevail and, what's more, to protect precious lives.

And so, once again, thank you for this warm welcome, for the invaluable contribution that you have made to the defense of America and its allies. And may God bless our troops and their families and the United States of America. Thank you very, very much.

Note: The President spoke at 1:45 p.m. in the fabrications building. In his remarks, he referred to Rev. Peter Gomes of Harvard University; Thomas Phillips, chairman of Raytheon Co.; Gov. Bill Weld and Lt. Gov. Paul Cellucci of Massachusetts; and President Saddam Hussein of Iraq. Following his remarks, President Bush traveled to his home in Kennebunkport, ME.

Statement by Press Secretary Fitzwater on Statements Made by Ambassador Zalman Shoval of Israel

February 15, 1991

Public statements made yesterday by Israeli Ambassador Zalman Shoval criticizing the United States are outrageous and outside the bounds of acceptable behavior by the ambassador of any friendly country. The Secretary of State made this clear to the Ambassador yesterday, and the President protested to Prime Minister Shamir by cable this morning.

We deserve better from Israel's Ambassador.

Note: The statement referred to Secretary of State James A. Baker III and Prime Minister Yitzhak Shamir of Israel. The Ambassador had criticized the United States for withholding economic assistance to Israel.

Exchange With Reporters in Kennebunkport, Maine

February 17, 1991

The President. Let me say this, that this was an invigorating walk, and it really is good. It makes me think of the -- two points out here, unrelated to foreign affairs -- fitness, and our country is fit, getting better. And I'm proud of the job that Arnold Schwarzenegger and the Physical Fitness Council are doing -- very, very important, actually. And conservation. I looked at these beaches today. We've had some rough storms up here, about a month ago, a big storm. And yet the beaches, I think, just on this quick look are relatively clean. And I think it shows that the American people are aware that recreation and conservation are very important.

So, that's what I learned today as I cleared my mind from concerns that all Americans have halfway around the world for this hour. Now I'll go back and do what I started off doing -- stay in touch with our key people and General Scowcroft, who is minding the store down there, Baker, Cheney, General Powell. And I can say having talked, checked in this morning, I think things are going well. I will repeat, they're on schedule, and we are determined to finish this job and do it right, fulfill what I've said are our objectives, with no concession, no pulling back.

The American people are strongly in support not only of the troops but of these objectives. And, of course, that is a very important point because it is my hope that when this is over we will have kicked, for once and for all, the so-called Vietnam syndrome. And the country's pulling together, unlike any time -- in this kind of situation -- any time since World War II. And that's a good thing for our country. And that sends a strong signal for the future that we're credible, we're committed to peace, we're committed to justice, and we are determined to fulfill our obligations in trying to bring about a more peaceful world order.

That's what I've been thinking about today.

Persian Gulf Conflict

Q. What, if anything, do you expect to come out of the meetings in Moscow tomorrow?

The President. Well, I don't know. But as I said yesterday, I think President Gorbachev, who's been in touch with me about this, is trying very hard to seek an end to this conflict. But he knows very well that the objectives spelled out by the United Nations -- the Soviet Union was an important part of this -- must be met in their entirety. And that was reiterated by the Soviet spokesman yesterday, and that's a good thing.

So, as I told you all yesterday when there was some question mark about how the Soviet role was viewed, that I think it's a constructive role. I think they're trying very hard, and they're trying within the mandate of the United Nations resolutions. And that's the key point.

Q. Is that constructive in the sense that you expect them simply to reinforce what you've been saying all along, that the U.N. has been saying all along?

The President. Well, who knows? I mean, the only good news out of the statement that raised people's hopes and then dashed them -- the statement out of Baghdad -- the only good news out of that was, for the first time, they talked about withdrawal, and they did not reassert their position that Kuwait was Province 19. And that's positive. They should have done it on about the first week in August, and they should have got out.

Because I am concerned about the suffering of innocents, and I'm talking about the innocents in Kuwait, too. Last week they had a bad week there according to the Amir, to whom I talked before I left for Maine. And he told me that his estimate was some 200 young people, 15 to 20, boys and girls, their bodies mutilated and all of them killed. So, we mourn for the innocents. And I've been mourning for the innocents in Kuwait since that invasion in August. And I hope we can get an end to that suffering very, very soon. I think we will.

Q. Let me ask you about -- the French Foreign Minister says that a date has been set for the start of the ground war and that we're on the eve of the pre-eve. Do you disagree with what he says?

The President. I don't comment on anything to do with military. I've referred to those comments -- although the decision on ground forces will be made by me for U.N. forces. But I would simply not comment on that. It reminds me of ``Saturday Night Live." Remember the questions they ask on ``Saturday Night": ``Hey, tell us how we can help the Iraqi soldiers the most," or ``What is the password?" or ``Please give me some information that will do in our troops." I mean, I'm not in that business -- come on. That was a wonderful piece.

Q. Do you consider it unhelpful, is it unhelpful to have other coalition members doing that?

The President. No. The coalition is strong. I talked to President Mitterrand, I think it was yesterday morning, and the French have played a major leadership role in the coalition. And they're just as solid as granite. And they're strong. And President Mitterrand has my full respect. And the French have their money where their mouth is, too. They're over there where their kids are flying. They've got troops there. And they're tough, and they're strong. And they are solid in seeing that Saddam Hussein now do that which he should have done long ago: get out of Kuwait.

President Saddam Hussein of Iraq

Q. Is it a goal to topple Saddam?

The President. The goals have been spelled out by me and by the coalition partners, and the goals remain the same. But I would answer like the Prime Minister: I wouldn't weep if they put him

aside.

Note: The exchange began at approximately 11 a.m. on the beach in front of the President's home. In his remarks, President Bush referred to Brent Scowcroft, Assistant to the President for National Security Affairs; Secretary of State James A. Baker III; Secretary of Defense Dick Cheney; Colin L. Powell, Chairman of the Joint Chiefs of Staff; Amir Jabir al-Ahmad al-Jabir al-Sabah of Kuwait; Foreign Minister Roland Dumas and President Francois Mitterrand of France; and Prime Minister John Major of the United Kingdom. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on Soviet President Gorbachev's Meeting With Foreign Minister `Aziz of Iraq

February 18, 1991

President Bush appreciates having received a summary account from President Mikhail Gorbachev of his meeting with Iraqi Foreign Minister Tariq `Aziz. The Soviets have asked that we treat the substance of this account as confidential; thus, we will not comment further on it. Our military campaign remains on schedule.

Exchange With Reporters on the Soviet Peace Proposal for the Persian Gulf Conflict

February 19, 1991

Q. Mr. President, is the Soviet proposal acceptable to you?

The President. Let me just make one comment, and then I won't take any questions about it. But I do appreciate President Gorbachev's providing me a copy of his proposal -- of the Iraqi proposal, or his proposal to Iraq actually -- concerning the Gulf, the conflict there. And we provided last night comments to the Soviet Union.

Let me just reiterate. As far as I'm concerned, there are no negotiations. The goals have been set out. There will be no concessions -- not going to give. And so on his proposal, President Gorbachev asked that I keep the details of it confidential. And I'm going to do that. I will respect that request in the interest of thoroughly exploring the initiative.

But, very candidly -- and I've been frank with him on this while expressing appreciation for his sending it to us -- it falls well short of what would be required.

And I would leave it right there for now.

Q. Does that mean we're going to have a ground war?

The President. That means I'm going to leave it right there for now.

Note: The exchange began at 10:05 a.m. in the Cabinet Room at the White House. President Bush referred to President Mikhail Gorbachev of the Soviet Union.

Message to the Congress Transmitting Reports on Highway and Motor Vehicle Safety

February 19, 1991

To the Congress of the United States:

It is my privilege to provide you with the annual reports on activities under the Highway Safety Act (23 U.S.C. 401 Note) and the National Traffic and Motor Vehicle Safety Act (15 U.S.C. 1408), both enacted in 1966. These reports provide an overview of our activities during calendar year 1989 and an overview of the National Highway Traffic Safety Administration's priority plan for the next 3 years. The plan will be an evolving guideline for the agency's safety activities to improve motor vehicle and traffic safety over the next several years.

The plan includes motor vehicle rulemaking on the crashworthiness of passenger cars, light trucks, and vans; vehicle rollover stability; and safety improvements in heavy trucks, school buses, and child safety seats.

It also calls for initiatives to promote State laws and programs to increase safety belt use, motorcycle helmet use, and to discourage drunk and drugged driving.

The report on motor vehicle safety includes the annual reporting requirement in Title I of the Motor Vehicle Information and Cost Savings Act of 1972 (bumper standards).

In the Highway Safety Acts of 1973, 1976, and 1978, the Congress expressed its special interest in certain aspects of traffic safety that are addressed in the volume on highway safety.

I am pleased to inform you that 1989 was a year of significant gains in traffic safety. The traffic fatality rate, the accepted measure of risk on the road, was 2.2 deaths per 100 million vehicle miles traveled, the lowest in history and down 33 percent since 1980. Safety belt use is also higher than ever, with 46 percent of Americans buckling up, and drunk driving fatalities have declined significantly.

There is good news for Americans in virtually every critical part of the highway safety picture. The decline in the fatality rate is especially encouraging and means that we are able to drive with less risk, and the dramatic increase in safety belt use and public concern about drunk driving have translated into thousands of lives saved and injuries avoided.

The progress we have made is, of course, no consolation to the relatives and friends of the 45,500 people who, despite the safety advances and greater public awareness, lost their lives in traffic accidents in 1989.

As we continue to pursue highway and motor vehicle safety programs that are most effective in reducing deaths and injuries, we are convinced that significant progress in traffic safety can be achieved through the combined efforts of government, industry, and the public.

George Bush

The White House,

February 19, 1991.

Message to the Senate on the International Labor Organization Convention Concerning the Abolition of Forced Labor

February 19, 1991

To the Senate of the United States:

The Convention (No. 105) Concerning the Abolition of Forced Labor, adopted by the International Labor Conference at Geneva on June 25, 1957, was transmitted to the Senate by President Kennedy on July 22, 1963, with a view to receiving advice and consent to ratification. Although hearings were held in 1967 by the Committee on Foreign Relations, the Senate has not acted further on the Convention.

Now, 23 years later, I urge the Senate to consider anew this important Convention and to grant its advice and consent to ratification. Given the length of time that has elapsed, I enclose a new report from the Secretary of State concerning the Convention.

The report of the Secretary of State also contains the texts of two proposed understandings. As explained more fully in the accompanying letter from the Secretary of Labor, the law and practice of the United States fully conform to all obligations contained in the Convention (a copy of the Convention is included as an enclosure to this letter). Ratification of this Convention, therefore, would not require the United States to alter in any way its law or practice in this field. However, to remove the possibility that certain ambiguities might arise after ratification, it is proposed that ratification of the Convention be made subject to these understandings.

Ratification by the United States of selected Conventions of the International Labor Organization (ILO) enhances our ability to take other governments to task for failing to comply with ILO instruments they have ratified. In part for this reason, the Senate has in recent years given its advice and consent to the ratification of ILO Conventions 144, 147, and 160. I accordingly recommend that the Senate also give its advice and consent to the ratification of ILO Convention 105.

George Bush

The White House,

February 19, 1991.

White House Statement on the International Labor Organization Convention Concerning the Abolition of Forced Labor

February 19, 1991

The administration's decision to seek ratification of the ILO Convention Concerning the Abolition of Forced Labor was based upon the substantial efforts of representatives of U.S. business, labor, and government. The personal involvement of former Secretary of Labor Elizabeth Dole, as Chair of the Committee on the ILO -- the principal body which coordinates the views of business, labor, and government representatives on ILO matters -- brought this 4-year undertaking to fruition. Now, the administration urges the Senate to consider this convention again and to grant its advice and consent to ratification.

Appointment of Robert A. Snow as Deputy Assistant to the President for Communications and Director of Speechwriting

February 19, 1991

The President today announced his intention to appoint Robert Anthony Snow of Cincinnati, Ohio, to be Deputy Assistant to the President for Communications and Director of Speechwriting at the White House. He would succeed Chriss Winston.

Since 1987, Mr. Snow has served as editorial page editor of the Washington Times. During his tenure, the page has received numerous local, regional, and national awards. Prior to this Mr. Snow served as deputy editorial page editor of the Detroit News, 1984 - 1987. He also served as editorial page editor of the Daily Press in Newport News, VA, 1982 - 1984; and as an editorial writer for the Virginian Pilot, 1981 - 1982. Mr. Snow began his journalism career as an editorial writer at the Greensboro Record in Greensboro, NC, in 1979.

Mr. Snow graduated from Davidson College (B.A., 1977). He was born June 1, 1955, in Berea, KY. Mr. Snow is married and resides in Alexandria, VA.

Remarks at the Welcoming Ceremony for Queen Margrethe II of Denmark

February 20, 1991

The President. Let me welcome you back to the United States of America. Your own motto aptly describes your role, ``God's help, the people's love, Denmark's strength.'' It's a privilege to greet you as an ally and a friend.

You and Prince Henrik were here last in 1976, when President Ford noted how America has maintained uninterrupted relations with Denmark since 1801. These 190 years represent one of the oldest relationships that the United States has had with any country. We have much in common; we stood by each other in peace and in war. Our meeting today will enhance a relationship which already links our history and our hearts.

You were educated in Denmark, England, and France, and speak five languages. And still, we know that there must be a universal language, a commitment to the liberty and dignity of the individual, freedom, and democracy, the rule of law, and the right of all people and States to live in peace. Both our countries realize that freedom is never finally won; rather, each generation must secure that blessing for itself and for those who follow.

During World War II, your countrymen organized a strong and noble resistance. Denmark protected most of its Jewish population from the horrors of the Holocaust. And after the war, this legacy helped Denmark join America as a founding member of NATO, strengthening our historic ties with the multilateral bonds of an historic alliance. For decades, Denmark and America have known that to protect our own freedom we must maintain the freedom of others.

Your Majesty was born 1 week after Denmark was occupied in 1940. And you know that self-determination often carries a price. And so, it is no surprise that when the freedom of Kuwait came under attack, Denmark joined the multinational coalition. You knew that naked aggression must not stand. And today, a Danish warship, the Corvette Olfert Fischer, is deployed in the Gulf.

You seek to strengthen the international community sanctions against the Iraqi invasion of Kuwait. And today, also, Denmark is assisting the victims of war, sending a medical team to the coalition forces in Saudi Arabia, readying a hospital in Europe for evacuated casualties, helping refugees from Kuwait and Iraq.

Denmark stands up for freedom. Danish forces have distinguished themselves in United Nations peacekeeping missions all over the globe. And Denmark has taken a firm and principled stand in support of the Baltic peoples and their democratically-elected governments. Both Denmark and the United States have spoken out against the use of force in the Baltics and in support of a return

to peaceful and constructive negotiations.

Historically, Denmark and America have shared a commitment to strengthen democratic processes that has never been stronger. Nor has our joint belief that real peace means the triumph of freedom, not merely the absence of war.

A Danish proverb notes that peace and a well-built house cannot be bought too dearly. Together we are building a house of peace in Europe, espousing the cause of hope and human dignity, a cause that is right and good. And for that I thank you.

I welcome Denmark's Queen Margrethe II, and her consort, Prince Henrik, to Washington as very special guests of the United States. The Danes say proudly that if the monarchy were abolished -- I hope this won't embarrass you -- the Queen would win the Presidency by a landslide. And surely, the year-long jubilee of the Queen's birthday showed Denmark's love of this artist, translator, stage designer, archeologist, and ruler, as it has also of Prince Henrik, whose work in the business and charity, diplomacy, and the environment has won him the esteem of the Danish people and the respect of the United States and many other countries as well.

So, Your Majesty, let me welcome you back to the White House and wish you a very happy and productive visit. And may God bless Denmark and the United States of America.

Queen Margrethe. Mr. President, the Prince Consort and I have looked forward to our first state visit to your country with warm expectancy. So many close ties bind the United States and Denmark together. Our two countries have maintained diplomatic relations for almost 190 years, the longest uninterrupted relationship, I am told, of the United States with any other state.

But far more important than the duration of the official relationship are the innumerable personal ties between Americans and Danes and the values that we share. For more than a generation, in fact, as long as I can remember, the United States and Denmark have been partners or have otherwise cooperated in many fields. We need only mention our membership with the United Nations and our partnership in NATO that remain two of the fundamentals of the foreign policy of both our countries.

The Prince Consort and I have just spent 2 delightful days at Williamsburg. Though the distance between the capital of colonial Virginia and Washington, DC, is short, it is nevertheless a journey in time, for it spans the history of the United States from early republican time to the present day. And it is striking how all through the years one thing has remained unchanged: the dedication of your country and its people to the ideals proclaimed in the Declaration of Independence and enshrined in the Constitution of the United States. Those ideals are values that we share.

And however troubled the present times may be, it is heartening to see how the dedication to common values is able to rally so many nations of the international community when the United

Nations calls upon them.

Mr. President, the reception which you have given to me and the Prince Consort here just now makes an impressive beginning to our stay as your guests. Thank you very much.

Note: The President spoke at 10:14 a.m. on the South Portico of the White House, where Queen Margrethe was accorded a formal welcome with full military honors. In his remarks, he referred to Prince Henrik, the Queen's husband. Following the ceremony, the President and the Queen met in the Oval Office.

Remarks at a Briefing on Energy Policy

February 20, 1991

Thank you all very much. Thank you. Please be seated. First, let me welcome the Members of Congress who are here -- Congressman Dingell and Congressmen Lent, Sharp, and Moorhead; Senators Wallop and Johnston -- and a special welcome to them. I want to say that we want to work with them as the legislative process goes forward.

Let me also pay my respects -- in looking around, I'm told that Governor Hickel is here. Whoops, there he is -- Wally, welcome. And Governor Ashcroft, Governor Sinner. Of course, our man of the hour here, Jim Watkins, our very able Secretary. Governor Sununu, who's been working on this with all of us. Henson Moore, from -- the Deputy at the Department of Energy -- made an outstanding contribution to this. And, Linda Stuntz, thank you. And Sheila Watkins. And I thought -- Clayton -- Secretary Yeutter and Secretary Skinner and Secretary Lujan are all with us. Mike Boskin was to be. Mike Deland is here from the CEA [CEQ]. I have a method to my madness here in getting around to all of this.

Senator, welcome to you. I didn't see you earlier. And to Hank Habicht of EPA, and Jim Thompson, a former Governor, and former Governor Jim Edwards over here. Jim Thompson is uncharacteristically in the back of the room now that he's in private -- [laughter] -- --

But nevertheless, I cite all these names because this is an issue that has great appeal across all kinds of departmental lines. It's something that is really essential: a national energy strategy, and I want to announce it today. I believe it is a strategy for an energy future that is secure, efficient and environmentally sound.

I want to thank Admiral Watkins and also acknowledge and thank the efforts of so many. We now have, thanks to all, a carefully balanced energy strategy, and it is designed to diversify America's sources of energy. It's designed to encourage efficiency and conservation, spur competition throughout the energy sector, give Americans greater choices among fuels, and enhance U.S. research and development in new technologies.

The driving force behind this strategy is straightforward. It relies on the power of the marketplace, the common sense of the American people and the responsible leadership of industry and government.

Every American will benefit from the policies that we're laying out here today. Over the next two decades, this strategy will make us more energy efficient without new energy taxes. It will mean savings for consumers in energy costs. And it will improve our energy security and reduce our vulnerability in the years ahead.

Let's talk about reality here. We've already made progress toward reducing that energy vulnerability. We've diversified our suppliers so that we are not unduly reliant on any single source. What's more, through the Strategic Petroleum Reserve, we've vastly improved our ability to respond flexibly to supply interruptions. And we have already begun moving on the path toward improved energy efficiency.

But we are, I will be the first to concede, a long way from total energy independence. Our imports of foreign oil have been climbing steadily since 1985 and now stand at 42 percent of our total consumption. Too many of those oil imports come from sources in troubled parts of the world.

We know that for domestic oil production, certain areas are off-limits, and justifiably so, for sound environmental reasons. But developing new, alternative energy sources takes time. Some sources of power face political problems. So, America will have to continue to import energy for years to come.

We also know that unwise and extreme measures to reduce oil imports would seriously hurt the consumer in this country and will adversely affect the working man and woman in this country, American jobs, and American industries. In the face of these realities, we must act with care, but we must act comprehensively. Our national energy strategy strikes a sound and reasonable balance, and it will achieve greater energy security without unduly burdening the consumers or the economy.

To minimize our vulnerability to foreign oil, the disruptions that come from reliance on foreign oil, this strategy takes a multifaceted approach. It will help us to find more reliable sources of energy through uncompromisingly safe and environmentally sound development. Domestic oil production will rise by 3.8 million barrels a day.

This strategy will also help us use energy more efficiently by encouraging new technologies, alternative-fueled vehicles, and conservation. With this strategy, we're working to give Americans unprecedented choice and flexibility. Instead of only finding gasoline at the corner station, we want Americans to be able to choose from a range of environmentally sound and cleaner fuels like ethanol, methanol, electricity, propane, natural gas, and cleaner gasoline.

Where America's towns and cities were once able to buy electricity from only one utility company, we want to help spur competition in the electric power business and to bring lower prices to consumers. And we plan for electricity produced from renewable sources to rise by 16 percent.

We want to build an energy future that is based on a range of diverse sources, so that never again will this nation's energy well-being be swayed by events in a single foreign country. Our approach will give Americans the flexibility, the opportunity, and the knowledge that they need in order to conserve or to change fuel sources and to cut their energy bills.

And finally, we are convinced that this strategy will keep America on the cutting edge of new energy technology. It promotes partnerships between industry and government for accelerated research in technologies like biomass and alternative fuels, or electric vehicles, high-speed rail, renewable sources like solar and geothermal power, and nuclear technologies of unprecedented safety and security.

Together with the recently-passed Clean Air Act, this National Energy Strategy will maintain an uncompromising commitment to energy security and environmental protection. And it will put America on the road to continued economic growth. We are not going to have an energy strategy that assigns the status quo to the American worker in this country. We're going to continue to grow, and we can do it soundly. And that's what this energy strategy proposes.

Nobody should assume that meeting our needs for abundant energy, a strong economy and a sound environment is going to be easy. I've just met with these Congressional leaders, these leaders in the energy field, and we've talked about this. It isn't going to be easy. But I will say that this strategy strikes a delicate balance. As always, and we're used to that, there will be critics in every corner, but none of them will propose a plan that is more comprehensive or, in my view, more carefully thought out.

So, I believe that this is a good strategy because, along with our abundant natural resources, it draws on our resourcefulness, our nation's remarkable resourcefulness. From the company that finds more energy-efficient ways to do business, to the scientist who makes a new power source practical, to the individual American at home who finds some new way to save energy, I think we can rely on the most remarkable source of power that the world has ever seen, and that's the American people.

So, I fully endorse this. Senator Wallop gave me a little good advice yesterday that Chairman Bennett Johnston concurred in, and that is that if we are going to get this national energy strategy fully adopted and the legislation that's necessary enacted, that the White House -- and they were looking at me when they said this -- the President must be fully involved. And so, I look around this room, and I see many people to whom I'm grateful for your commitment to a sound energy strategy. And I just wanted to conclude by telling you that the White House and the President will be strongly involved in trying to implement the legislation, help put through the legislation that is essential to this strategy.

There are some things I think we can do to empower the executive branch. But to get this done right and to get it done the way we must, it's going to require a lot of give-and-take; it's going to require a lot of consultation with the Congress. And I just wanted to pledge to all of you interested in this today that I will do my part. I will be fully, actively involved.

So, thank you very much for coming. And a special thanks to members of the Cabinet and the Congress. Thank you all very, very much.

Note: The President spoke at 1:22 p.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to Representatives John D. Dingell, Norman F. Lent, Philip R. Sharp, and Carlos J. Moorhead; Senators Malcolm Wallop and J. Bennett Johnston; Governors Walter Hickel of Alaska, John D. Ashcroft of Missouri, and George A. Sinner of North Dakota; Secretary of Energy James D. Watkins; John H. Sununu, Chief of Staff to the President; W. Henson Moore, Deputy Secretary of Energy; Linda Stuntz, Deputy Under Secretary of Energy and Director of the Office of Planning Policy and Development; Sheila Watkins, Secretary Watkins' wife; Secretary of Agriculture Clayton K. Yeutter; Secretary of Transportation Samuel K. Skinner; Secretary of the Interior Manuel Lujan, Jr.; Michael J. Boskin, Chairman of the Council of Economic Advisors; Michael Deland, Chairman of the Council on Environmental Quality; Hank Habicht, Deputy Administrator of the Environmental Protection Agency; James R. Thompson, Jr., former Governor of Illinois; and James B. Edwards, former Governor of South Carolina.

Letter to Congressional Leaders Reporting on Soviet-United States Arms Control Agreements

February 20, 1991

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with section 38 of the Arms Control and Disarmament Act as amended by section 3(b) of the Arms Control and Disarmament Amendments Act of 1987 (22 U.S.C. 2578), attached is a classified report prepared by the United States Commissioner to the U.S.-U.S.S.R. Standing Consultative Commission (SCC) concerning the activities of the SCC during calendar year 1990. The report includes detailed information on all substantive issues raised by either party to the Treaty on the Limitation of Anti-Ballistic Missile Systems and the responses of the other party to those issues.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House, and Claiborne Pell, Chairman of the Senate Foreign Relations Committee. An original was not available for verification of the content of this letter.

Nomination of Michael T.F. Pistor To Be United States Ambassador to Malawi

February 20, 1991

The President today announced his intention to nominate Michael T.F. Pistor, of Arizona, to be Ambassador Extraordinary and Plenipotentiary to Malawi. He would succeed George A. Trail III.

Since 1988 Mr. Pistor has served as Counselor of the U.S. Information Agency in Washington, DC. Mr. Pistor has served in the Office of North African, Near Eastern, and South Asian Affairs at USIA in Washington, DC, in several capacities: Director, 1986 - 1988; Assistant Director, 1971 - 1973; and Deputy Assistant Director, 1970 - 1971. He has also served as Acting Deputy Associate Director for the Bureau of Programs at USIA, 1986; as the Director of Press and Publications at USIA, 1985; and as a Murrow fellow at the Fletcher School of Law and Diplomacy at Tufts University, 1984 - 1985. Prior to this, Mr. Pistor served as a public affairs officer at the U.S. Embassy in New Delhi, India, 1980 - 1984; Director of Congressional and Public Liaison at USIA in Washington, DC, 1977 - 1980; and public affairs officer at the U.S. Embassy in London, England, 1973 - 1977. In addition, Dr. Pistor has served as an officer of African affairs at USIA, 1969 - 1970; as student affairs officer at the U.S. Embassy in London, England, 1964 - 1969; and as branch public affairs officer at the American consulate in Douala, Cameroon, 1962 - 1964. Mr. Pistor served as a junior officer trainee at the U.S. Embassy in Kampala, Uganda, 1961, and in Tehran, Iran, 1960. Mr. Pistor has served with Car Life Magazine as an editor, 1957 - 1959; and as an associate editor, 1956 - 1957. From 1955 to 1956, Mr. Pistor served as a writer and announcer for KCNA and KTKT in Tucson, AZ.

Mr. Pistor graduated from the University of Arizona (B.A., 1955). He served in the U.S. Army, 1952 - 1954. Mr. Pistor was born April 29, 1930, in Portland, OR. Mr. Pistor is married, has two children, and resides in Washington, DC.

Nomination of David Floyd Lambertson To Be United States Ambassador to Thailand

February 20, 1991

The President today announced his intention to nominate David Floyd Lambertson, of Kansas, to be Ambassador Extraordinary and Plenipotentiary to the Kingdom of Thailand. He would succeed Daniel A. O'Donohue.

Mr. Lambertson currently serves as diplomat-in-residence in the department of political science at the University of Kansas in Lawrence, KS. Prior to this Mr. Lambertson served as Deputy Assistant Secretary for East Asian and Pacific Affairs at the Department of State, 1987 - 1990; deputy chief of mission at the U.S. Embassy in Seoul, Korea, 1986 - 1987; deputy chief of mission at the U.S. Embassy in Canberra, Australia, 1984 - 1986; and as Director of the Office of Korean Affairs at the Department of State, 1982 - 1984. From 1981 to 1982 he attended the Royal College of Defence Studies in London. Mr. Lambertson also served as the deputy chief of the political section at the U.S. Embassy in Tokyo, Japan, 1977 - 1981. He has served at the Department of State as Deputy Director in the Office of Japanese Affairs, 1975 - 1977, and in the Office of Regional Affairs for the East Asia Bureau, 1973 - 1975. In addition Mr. Lambertson has served as a member of the U.S. delegation to the Vietnam talks in Paris, 1971 - 1973; at the American consulate in Medan, Indonesia, 1969 - 1971; and as a political officer at the U.S. Embassy in Saigon, Vietnam, 1965 - 1968. Mr. Lambertson studied at the Foreign Service Institute in Washington, DC: Indonesian language training, 1968 - 1969, and Vietnamese language training, 1964 - 1965. Mr. Lambertson joined the Foreign Service in 1963.

Mr. Lambertson graduated from the University of Redlands (B.A., 1962). He served in the U.S. Air Force Reserves, 1960 - 1962. Mr. Lambertson was born June 30, 1940, in Sabetha, KS. He is married and resides in Lawrence, KS.

Nomination of Jennifer C. Ward To Be United States Ambassador to Niger

February 20, 1991

The President today announced his intention to nominate Jennifer C. Ward, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Niger. She would succeed Carl C. Cundiff.

Since 1989 Dr. Ward has served as Counselor for Political Affairs at the U.S. Embassy in Kingston, Jamaica. Prior to this Dr. Ward served as Deputy Chief of Mission at the U.S. Embassy in Dakar, Senegal, 1986 - 1989; Deputy Director of the Office of Security Assistance and Sales for the Bureau of Politico-Military Affairs at the Department of State in Washington, DC, 1984 - 1986; and as senior watch officer for the operations center at the Department of State, 1983 - 1984. Dr Ward has also served as Counselor for political affairs at the U.S. Embassy in Kinshasa, Zaire, 1981 - 1983; as Deputy Director at the Office of Inter-African Affairs in the Bureau of African Affairs at the Department of State, 1979 - 1981; as a consultant for the Office of the Assistant Secretary of Defense for International Security Affairs for Africa, 1979; and as staff director of the subcommittee on Africa for the Committee on Foreign Affairs at the House of Representatives, 1978 - 1979. She has served as director of graduate admissions, assistant director of the graduate program, and lecturer in public and international affairs at the Woodrow Wilson School of Public and International Affairs at Princeton University in Princeton, NJ, 1975 - 1978. From 1971 to 1973, Dr. Ward served as assistant to the vice president for academic affairs and lecturer in social science at the Medgar Evers College of the City University of New York. Dr. Ward has served as staff assistant and staff associate at Education and World Affairs in New York, NY, 1968 - 1971.

Dr. Ward graduated from Vassar College (B.A., 1965) and the University of California, Los Angeles (M.A. and Ph.D., 1976). She was born January 29, 1944, in Worcestershire, England. Dr. Ward has one child and resides in Washington, DC.

Toasts at the State Dinner for Queen Margrethe II of Denmark

February 20, 1991

The President. Prince Henrik, and ladies and gentlemen, it is indeed a pleasure for Barbara and me to salute Queen Margrethe II, the heir to a thousand-year-old monarchy and the head of state of our very close friend and ally Denmark.

We honor her tonight as a superb queen and ruler. And yet we also honor her as an artist, translator, and scholar whose work aptly reflects the civilized and humane qualities of the Danish people.

And we also welcome and honor this evening Prince Henrik, our very special guest, an accomplished and energetic man whose contributions in business and in the environment and in charitable work have brought great credit to Denmark from all around the world.

We've been delighted that Her Majesty and the Prince Consort have chosen to send their sons Crown Prince Frederik and Prince Joachim to travel and study in our country. In fact, we take it as a great national compliment that Prince Henrik, who owns a vineyard in France, sent the Crown Prince to study and work at a California winery. [Laughter] Very broadminded Prince we have here. [Laughter]

And from her birth during the darkest days of World War II, when she was seen as a symbol of hope for a nation under occupation, Queen Margrethe has been a source of inspiration to her country. She personifies the spirit of the Danish people, their courage during World War II, their many achievements today, and overall, their love of freedom.

Throughout its history, Denmark has been a guardian of liberty in both peacetime and war. Since President Jefferson and King Christian VII first established diplomatic relations, our nations have jointly fostered the liberty which sets and keeps men free. We saw that in World War II when Denmark smuggled virtually all of its Jews to freedom and when, even under occupation, almost your entire Danish merchant fleet willingly helped the Allies.

And tonight, your Navy and ours sail together in the Gulf. And this time we stand together against another brutal dictator, against another aggressor. Your Majesty, I am very proud that tonight with us is not only General Powell, who you met -- the Chairman of the Joint Chiefs, but also the two ranking enlisted men in both our Navy and our Army, Master Chief Petty Officer Bushey and Sergeant Major of the Army Gates. And they and their colleagues from all our services are doing a superb job, just as your military people aboard your vessel are.

And I must tell you, Your Majesty, that our country is united behind them totally today, exactly as we were united in World War II. And patriotism is high here now -- and for our purpose, you see, is clear and our mission is just. And we are going to prevail. And your forces and ours will guarantee that the torch of freedom will illuminate Kuwait.

Thirty-one years ago, one of Denmark's greatest leaders, your father, said it best: ``Let us unite," said King Frederik in a toast to President Eisenhower, ``in the hope that the torch of freedom which we received from our fathers may also illuminate the path of our descendants for generations to come." And in that spirit I ask all of our guests tonight to raise their glasses to a third century, a third century of Danish-American friendship; to the peace we seek to win, the peace we intend to keep; and especially to Her Majesty and His Royal Highness and what they symbolize both for Denmark and to the United States and for the entire world.

To your health, Your Majesty.

Queen Margrethe. Mr. President, Mrs. Bush. The Prince Consort and I are deeply moved by the warm words of welcome which the President of the United States has just addressed to us and by the friendship towards Denmark which he has so beautifully expressed.

We are very much aware that our first state visit to the United States coincides in time with a serious war involving American forces as well as forces from many other nations under the auspices of the United Nations. We all hope that the suffering and the sacrifices of the war, brought into every home and all too vividly impressed on every mind by modern means of communication, will lead to respect and furtherance of the ideals of the United Nations.

Mr. President, the position of your office is unique among heads of state, not only because the United States is a world power but because the President is obliged to lead his country and fulfill his duties under the constant eye of the public -- indeed, in the glare of global publicity.

You have impressed us all, Mr. President, by the way in which you perform your functions in the face of these demanding conditions, dedicated to your high office and conscious of its obligations. You have come across as a man of integrity and a fellow human being not only to your own people but to so many others as well. And nobody can fail to notice the warm relationship and the personal support that you receive from Mrs. Bush.

The United States of America belongs to what is known as the New World, and that is the way you often like to characterize yourselves. But anyone who, like myself, has visited your country in 1976 when the American people celebrated the bicentennial is also aware of the long and proud tradition which you have established and that you so rightly cherish.

The Declaration of Independence and the American Constitution were directly inspired by political and philosophical thought as expounded by enlightened circles in Europe of that day.

But the American contribution was unique. It kindled that spark which sooner or later gave rise to constitutional reform in countries all over Europe, including Denmark. The ideas of a just and humane society that caused such profound changes more than a century ago have never lost their relevance nor their impetus.

They lie behind the charter of the United Nations, and they have been reaffirmed in a number of international instruments for the protection of human rights. Only recently we have seen how people in Eastern Europe, under an intolerable pressure, found strength precisely in those values and ideas in order to realize their hopes for a better existence. Indeed, did not an echo of the opening words of your Constitution ring through their streets: ``We, the people."

The ideals which inspired the Founding Fathers of the United States are as challenging today as they were more than 200 years ago. They are an everlasting spur to us all who try to follow them and to see them implemented. Sometimes we may almost despair of living up to them in practice. But we should never forget that they are ideals -- and ideals are never attained though we constantly attempt to fulfill them.

Generations of Americans and generations of Danes have lived in that attempt. Sometimes we've felt that we did succeed. Sometimes we've seemed to have fallen far, far short. Maybe those shared ideals and parallel experiences are part of the reason why we understand each other and like each other.

Ladies and gentlemen, I raise my glass in honor of the President of the United States and Mrs. Bush, and drink to the deep and warm friendship between our two countries and to the continued prosperity and happiness of the people of the United States of America.

Note: President Bush spoke at 8:15 p.m. in the State Dining Room at the White House. In his remarks, he referred to Prince Henrik, the Queen's husband, and her sons, Crown Prince Frederik and Prince Joachim; President Saddam Hussein of Iraq; Colin L. Powell, Chairman of the Joint Chiefs of Staff; Duane R. Bushey, master chief petty officer of the Navy; and Julian Gates, sergeant major of the Army.

Statement by Press Secretary Fitzwater on Remarks Made by President Saddam Hussein of Iraq on the Persian Gulf Conflict

February 21, 1991

Let me just read a few sentences in response to Saddam Hussein's speech.

The statement by Saddam Hussein this morning is disappointing. He repeats the same invective and disregard for the United Nations mandate that we have heard so often since August 2d. In vowing to continue the war, he once again demonstrates his determination to maintain the aggression against Kuwait and the absence of compassion for his people and his country.

For our part, the coalition forces remain on the course set by the 12 United Nations resolutions. Our forces remain on a steadfast course. The liberation of Kuwait continues.

Note: Press Secretary Fitzwater read this statement to reporters at 11:23 a.m. in the Briefing Room at the White House.

Remarks on Signing the National Parents and Teachers Association Week Proclamation

February 21, 1991

The President. Welcome to the White House. And may I thank Congressman Kildee for being with us. Of course, single out for special recognition Ann Lynch, the president of the National PTA. And, of course, Ted Sanders, who is our Under Secretary at Education and who really is a man of commitment and has done an outstanding job all across the board for education.

I want to welcome Mr. Stair, the president of ServiceMaster, this year's -- right here -- this year's sponsor of the National Parents and Teachers Association Week. And we are grateful to you, sir.

And a special welcome to the teachers and the parents, and, of course, the students -- you're outnumbered, but you're here -- [laughter] -- from communities in and around our Washington area, representing the many millions who, together, make up the real strength of the PTA.

And I want to begin today by sharing with you the results of a recent poll of the Nation's fourth graders. These days we all live by instant polling. And this one I know you will find fascinating. They were asked to pick a hero from the following list: Bart Simpson, George Bush, Paula Abdul, Bo Jackson, or E, none of the above. And they did not pick A, C, or D, or sad to say, B. [Laughter] The winners were write-in candidates. Children picked parents as their heroes by a landslide. And teachers were the runners-up, right in there very, very close. And Bo Jackson was third -- [laughter] -- and they didn't dare give me the rest of the results. [Laughter]

But the fact of the matter is that parents are our children's first teachers. And I guess Barbara, in her reading to kids, exemplifies this pretty darn well; now it's grandkids for us. But it's more than a matter of helping our kids do their homework, teaching them how to read, or showing them through our own interests that learning is a lifelong pursuit. Our kids look to us for the moral values that guide and shape our lives.

And we know children look to us, and it's up to us to give our kids something to look up to. Ann Lynch is right on the mark when she says that ``the difference between a good school and a great school is the parents."

And those of us in government, at the Federal level and in the statehouses and right down to the local school boards, have a responsibility to ensure that parents are at the center of educational reform. Together, let's work to meet a common challenge; let's find a way to help children who lack the advantages that come from a loving home and caring parents.

I am convinced that our efforts to improve our schools are at a critical turning point now. We here

in the White House are committed to these national education goals. We've forged a real, working partnership with the Nation's Governors. And it is real; it's not just on paper. And we know real progress comes one school and one student at a time. And that's why we see the PTA as a key partner in making certain that America's children receive an education that's second to none.

And once again, it is my great pleasure to welcome you to the White House. And now I will sign the proclamation designating this National Parents and Teachers Association Week. And Congressman Kildee, if you'd join us here, too, sir, it would make it extra special. And the deed is done.

Q. Mr. President, does Saddam's no-surrender statement mean there's no hope of avoiding a ground war?

The President. He should have spent more time in the PTA. [Laughter]

Note: The President spoke at 1:16 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Representative Dale E. Kildee; Ann Lynch, president of the National Congress of Parents and Teachers; Ted Sanders, Under Secretary of Education; Charles W. Stair, president of the ServiceMaster Co.; television cartoon character Bart Simpson; singer Paula Abdul; and professional athlete Bo Jackson. The proclamation is listed in Appendix E at the end of this volume.

Remarks on the Persian Gulf Conflict

February 22, 1991

Good morning.

The United States and its coalition allies are committed to enforcing the United Nations resolutions that call for Saddam Hussein to immediately and unconditionally leave Kuwait. In view of the Soviet initiative which, very frankly, we appreciate, we want to set forth this morning the specific criteria that will ensure Saddam Hussein complies with the United Nations mandate.

Within the last 24 hours alone we have heard a defiant, uncompromising address by Saddam Hussein, followed less than 10 hours later by a statement in Moscow that, on the face of it, appears more reasonable. I say ``on the face of it'' because the statement promised unconditional Iraqi withdrawal from Kuwait, only to set forth a number of conditions. And needless to say, any conditions would be unacceptable to the international coalition and would not be in compliance with the United Nations Security Council Resolution 660's demand for immediate and unconditional withdrawal.

More importantly and more urgently, we learned this morning that Saddam has now launched a scorched-earth policy against Kuwait, anticipating perhaps that he will now be forced to leave. He is wantonly setting fires to and destroying the oil wells, the oil tanks, the export terminals, and other installations of that small country. Indeed, they're destroying the entire oil production system of Kuwait. At the same time that that Moscow press conference was going on and Iraq's Foreign Minister was talking peace, Saddam Hussein was launching Scud missiles.

After examining the Moscow statement and discussing it with my senior advisers here late last evening and this morning, and after extensive consultation with our coalition partners, I have decided that the time has come to make public with specificity just exactly what is required of Iraq if a ground war is to be avoided.

Most important, the coalition will give Saddam Hussein until noon Saturday to do what he must do: begin his immediate and unconditional withdrawal from Kuwait. We must hear publicly and authoritatively his acceptance of these terms. The statement to be released, as you will see, does just this and informs Saddam Hussein that he risks subjecting the Iraqi people to further hardship unless the Iraqi Government complies fully with the terms of the statement.

We will put that statement out soon. It will be in considerable detail. And that's all I'll have to say about it right now.

Thank you very much.

Note: The President spoke at 10:43 a.m. in the Rose Garden at the White House. In his remarks, he referred to President Saddam Hussein and Foreign Minister Tariq `Aziz of Iraq.

Remarks at the Swearing-In Ceremony for Lynn M. Martin as Secretary of Labor

February 22, 1991

The President. Thank you very much for that warm welcome. And Julia, thank you for the lovely prayer and invocation. I was privileged, as I went into the inevitable holding posture out here, to hear the Blacks in Government Gospel Choir. And thank you for adding to the majesty and wonder of this moment.

And it is really an honor to greet all of you today. A thousand apologies for keeping you waiting here, setting this program back. But as you know, we had an important announcement regarding the situation in the Gulf, and I simply could not delay it.

But here I am and delighted to be here. Let me just say how pleased I am to see so many members of our Cabinet here. And if it would not be remiss, I'd like them to stand and just let you know how many have come to pay attention and genuflect before Lynn Martin. That's somewhat incomplete because our Chief of Staff is here and the new Secretary of Education, about to be, and Secretary of Agriculture, about to be also. So now you three stand up, and we'll get this show on the road here.

It's getting to be a cabal out there with Skinner, Madigan, and now one more Illinoisan in this Cabinet. You're going to have to -- -- [applause]

And I also want to salute the Members of Congress that are here with us today, coming, as I am, to pay our respects to our new Secretary of Labor.

I know that Secretary Dole wanted to be here; I don't think she made it. In marking this moment of transition, let's just begin by offering our congratulations to her for 25 years of exceptional service. And our best wishes as she tackles this new and terribly important task there as president of the American Red Cross.

We're here today to salute and introduce the new Secretary of Labor. And we're particularly grateful at this wonderful turnout from the Department and from all those in the labor movement and others who are here. It is for me a distinct, and I want to make it quite personal, a personal pleasure to welcome to Washington the family and friends of this exceptional woman.

The 16th District of Illinois has great historical significance, as I now see another dignitary, the former Governor, Jim Thompson, from Illinois, knows very well, indeed. It was the site of the Lincoln-Douglas debates, home of President Ulysses S. Grant, and the birthplace of Ronald Reagan. And it is the district served for 10 years by a woman who is one of the great leaders in

the U.S. House of Representatives and a longtime friend. And that is your, my, our new Secretary of Labor, Lynn Martin.

But Barbara and I have been at her side at her home and in the streets and neighborhoods of Rockford. And you should see -- and you'll sense it here, you that work at Labor -- you should see the love and affection the people who know her best feel for her. And with good cause. She first became involved in politics because as a mother and as a teacher, she knew America's children deserved better -- better schools, better choices, better future. And she's been working to bring about these improvements all her life.

And that's why during my own inauguration week, I spoke to a group of 10,000 young people from all across the Nation and urged them to make this able woman their role model. I said, watch her leadership in the United States Congress. She's tough, she's strong, and she exemplifies the very best principles of public service.

Lynn, this is a good Department with decent and caring people here, and a very important mission. And I've been here several times, even visited with the kids in the childcare center right down the hall, and introduced Bill Brock here back in 1985 and Elizabeth Dole in 1989. And I know what you do here and all over the country out of your regional offices. I know how they function. And I just wanted to assure you that I know that you all are engaged in very important work for this country. That includes protecting America's kids against exploitation, helping workers retrain and build skills for the future, safeguarding employees against health and safety hazards, and ensuring the integrity of the workers' pensions.

I know Lynn is also committed to reaching out to America's workers. As she told the Senate recently -- here's the way she put it: ``. . . committed to touching their lives before, during, and after their years in the labor force." And now, those are the thoughts of a very dedicated and caring woman. Matched by her exceptional talents, they promise that Secretary Martin will help make the American workplace safer, healthier, and more secure, and serve this Department and the country as a powerful force for good.

A few months ago, I listened as Lynn told an Illinois gathering about how almost 30 years ago she held her little girl, Julia -- who we just heard deliver this beautiful prayer -- held her up above the crowd as President John F. Kennedy drove by. And Lynn said, ``If only once in her life, I wanted her to be able to say she'd seen the President of the United States." [Laughter] Well, today that little girl is the same fine young woman we see, or saw, doing this superb job up here, and that young mother is America's newest Secretary of Labor. So, time marches on.

Just the other day Lynn remarked that the dream is alive in places you least expect to find it. And that's so true. Lynn Martin is the American dream, and she inspires it in others. And I look forward to working with her as she works with the others in our Cabinet, particularly with our new Secretary of Education, as they undertake common goals that will benefit everybody in this

country.

So, Madam Secretary, I'm glad it worked out that I got over here, albeit a few minutes late. Congratulations to you. Good luck. And now I would invite your distinguished husband, a man who is a member of the U.S. Federal bench, District Court Judge Harry Leinenweber, with the assistance of your dad here, to administer the oath of office. And Barbara Bush sends you her love and her prayers. She is out in Phoenix, but I just wish she were here to take the full pleasure of this moment, as I plan to do.

Now, congratulations, and let's get on with the show.

[At this point, Secretary Martin was sworn in.]

Secretary Martin. Thank you all. It's difficult to say it in the correct order. Mr. President, you have my loyalties not only because of the job you have but because of the example you set. You have my commitment, as do the people of the Department of Labor and as do the working men and women of America, to do the best job I know how, because that is the job of labor, to work as well as we know how.

And again, Mr. President, you've set that example. You have my friendship because you're a doggone good friend, and I'm sure glad you're mine. [Laughter]

I must say to my friends -- and for those of us in the audience who've been and are politicians in the best, wonderful sense of the word, from the word-base of ``people,'' the definition of friends are those who call you the morning after a loss and the next day after a loss. And that doesn't seem to bother them at all. To my friends who are here, thank you for calling the next day after. [Laughter] And although we are fighting over the rights to this joke, thank you, Paul Simon, without whose help I would not be here today. [Laughter]

And this isn't a last -- and it's not a long speech -- but to my family. My father is 88 or 87 or 89 -- [laughter]. And if you think I'm going to try to figure out which one, you will understand that that's going to be impossible. When I was growing up and working, as my mother worked and as my father worked, to save money for college, he didn't know there were things I couldn't do, so he told me I could do anything. That's what we have to tell all of our children because they can, they can.

And to my husband, thank you very much for swearing me in. [Laughter] Protocol now says that I get to walk in front of him. [Laughter] But he says a Federal judge has a lifetime term, and that's more important. [Laughter] And to the rest of the family, sons and daughters and new baby, wide awake at his grandmother's speech, thank you for being all that you are. You mean a great deal to me.

And now to all of you. The President of the United States came after an extraordinarily important announcement about the strength and desire of this Nation. It would have been very easy for him to say, ``I'm busy.'' But instead, he came -- and it wasn't for me. It was to give that joint message: that it's important, as we all know, what we are doing everywhere in the globe. This President also cares, as does this Cabinet and everyone here, about what's happening at home. And he wants to make sure and has charged me to do so, and I will follow that charge: to make sure the Department of Labor represents the men and women who work for this country here and abroad, who want and deserve the best, and who ask for little but opportunity to make sure they continue that tradition which says there is nothing better than the quality of the men and women of America. If I can match that, I can rightfully be called their Secretary of Labor.

So, for you, Mr. President, to my family, to my friends, to my soon-to-be colleagues in the Cabinet, I make that commitment, not because I'm smarter or better but because when the goal is so great, one must rise to it.

Thank you for being with me today.

Note: The President spoke at 11:07 a.m. in the Great Hall at the Department of Labor. In his remarks, he referred to Julia Martin, Secretary Martin's daughter; John H. Sununu, Chief of Staff to the President; Lamar Alexander, Secretary-designate of Education; Edward R. Madigan, Secretary-designate of Agriculture; Secretary of Transportation Samuel K. Skinner; Elizabeth Dole and William E. Brock, former Secretaries of Labor; James R. Thompson, Jr., former Governor of Illinois; Harry D. Leinenweber, Secretary Martin's husband; and Lawrence Morley, her father. Secretary Martin referred to Senator Paul Simon, who successfully defended his seat against the Secretary in the 1990 election.

Statement by Press Secretary Fitzwater on the Persian Gulf Conflict

February 22, 1991

The Soviet announcement yesterday represents a serious and useful effort which is appreciated. But major obstacles remain. The coalition for many months has sought a peaceful resolution to this crisis, in keeping with the U.N. resolutions. As President Bush pointed out to President Gorbachev, the steps the Iraqis are considering would constitute a conditional withdrawal and would also prevent the full implementation of relevant U.N. Security Council resolutions. Also there is no indication that Iraq is prepared to withdraw immediately.

Full compliance with the Security Council resolutions has been a consistent and necessary demand of the international community. The world must make sure that Iraq has, in fact, renounced its claim to Kuwait and accepted all relevant U.N. Security Council resolutions.

Indeed, only the Security Council can agree to lift sanctions against Iraq, and the world needs to be assured in concrete terms of Iraq's peaceful intentions before such action can be taken. In a situation where sanctions have been lifted, Saddam Hussein could simply revert to using his oil resources once again, not to provide for the well-being of his people but instead to re-arm.

So, in a final effort to obtain Iraqi compliance with the will of the international community, the United States, after consulting with the Government of Kuwait and her other coalition partners, declares that a ground campaign will not be initiated against Iraqi forces if, prior to noon Saturday, February 23, New York time, Iraq publicly accepts the following terms and authoritatively communicates that acceptance to the United Nations:

First, Iraq must begin large-scale withdrawal from Kuwait by noon New York time, Saturday, February 23. Iraq must complete military withdrawal from Kuwait in 1 week. Given the fact that Iraq invaded and occupied Kuwait in a matter of hours, anything longer than this from the initiation of the withdrawal would not meet Resolution 660's requirement of immediacy.

Within the first 48 hours, Iraq must remove all its forces from Kuwait City and allow for the prompt return of the legitimate government of Kuwait. It must withdraw from all prepared defenses along the Saudi-Kuwait and Saudi-Iraq borders, from Bubiyan and Warbah Islands, and from Kuwait's Rumaylah oilfield within the 1 week specified above. Iraq must return all its forces to their positions of August 1st, in accordance with Resolution 660.

In cooperation with the International Red Cross, Iraq must release all prisoners of war and third country civilians being held against their will and return the remains of killed and deceased servicemen. This action must commence immediately with the initiation of the withdrawal and

must be completed within 48 hours.

Iraq must remove all explosives or booby traps, including those on Kuwaiti oil installations, and designate Iraqi military liaison officers to work with Kuwaiti and other coalition forces on the operational details related to Iraq's withdrawal, to include the provision of all data on the location and nature of any land or sea mines.

Iraq must cease combat aircraft flights over Iraq and Kuwait except for transport aircraft carrying troops out of Kuwait, and allow coalition aircraft exclusive control over and use of all Kuwaiti airspace.

It must cease all destructive actions against Kuwaiti citizens and property and release all Kuwaiti detainees.

The United States and its coalition partners reiterate that their forces will not attack retreating Iraqi forces and, further, will exercise restraint so long as withdrawal proceeds in accordance with the above guidelines and there are no attacks on other countries.

Any breach of these terms will bring an instant and sharp response from coalition forces in accordance with United Nations Security Council Resolution 678.

That's the conclusion of our prepared statement.

Let me just add a couple of points -- first of all, that a copy of this document was provided to Iraqi diplomats here in Washington about noon today. President Bush and Secretary Baker spoke with President Gorbachev for over an hour and 15 minutes this morning to discuss this situation. Secretary Baker spoke with Soviet Foreign Ministry officials both yesterday and today. And we have consulted with all of our allies and coalition partners last night or this morning. The coalition remains strong and united.

Note: Press Secretary Fitzwater read this statement to reporters at 12:48 p.m. in the Briefing Room at the White House. The statement referred to President Mikhail Gorbachev of the Soviet Union, President Saddam Hussein of Iraq, and Secretary of State James A. Baker III.

Statement by Press Secretary Fitzwater on the Persian Gulf Conflict

February 23, 1991

CENTCOM reports that they have detected no military activity which would indicate any withdrawal of Saddam Hussein from Kuwait. Similarly, there has been no communication between Iraq and the United Nations that would suggest a willingness to withdraw under the conditions of the coalition plan. Iraq continues its scorched earth policy in Kuwait, setting fire to oil facilities. It's a continuing outrage that Saddam Hussein is still intent upon destroying Kuwait and its people, still intent upon destroying the environment of the Gulf, and still intent upon inflicting the most brutal kind of rule on his own population, yet appears to have no intention of complying with the U.N. resolutions. Indeed, his only response at noon was to launch another Scud missile attack on Israel.

The coalition forces have no alternative but to continue to prosecute the war.

As we indicated last night, the withdrawal proposal the Soviets discussed with Tariq `Aziz in Moscow was unacceptable because it did not constitute an unequivocal commitment to an immediate and unconditional withdrawal. Thus, the Iraqi approval of the Soviet proposal is without effect.

President Bush today spoke with Prime Minister Kaifu of Japan, President Ozal of Turkey, and President Gorbachev of the Soviet Union. The phone call from President Gorbachev occurred at 11:15 a.m. and lasted for approximately 28 minutes. President Gorbachev informed the President that he asked for a U.N. review of his proposal and said that he had talked to Prime Minister Major and President Mitterrand about his plan. Both of the allied leaders indicated full support for the coalition withdrawal plan. President Bush thanked President Gorbachev for his extensive efforts and reflected our general disappointment that Saddam Hussein has chosen not to respond positively.

Note: The statement referred to the U.S. Central Command (CENTCOM); President Saddam Hussein and Foreign Minister Tariq `Aziz of Iraq; Prime Minister Toshiki of Japan; President Turgut Ozal of Turkey; President Mikhail Gorbachev of the Soviet Union; Prime Minister John Major of the United Kingdom; and President Francois Mitterrand of France. The statement also referred to an allied peace plan that required Iraq to begin withdrawing its forces from Kuwait by noon, e.s.t.

Statement on the Persian Gulf Conflict

February 23, 1991

We regret that Saddam Hussein took no action before the noon deadline to comply with the United Nations resolutions. We remain determined to fulfill the U.N. resolutions. Military action continues on schedule and according to plan.

Note: The statement referred to President Saddam Hussein of Iraq and an allied peace plan that required Iraq to begin withdrawing its forces from Kuwait by noon, e.s.t.

Address to the Nation Announcing Allied Military Ground Action in the Persian Gulf

February 23, 1991

Good evening. Yesterday, after conferring with my senior national security advisers, and following extensive consultations with our coalition partners, Saddam Hussein was given one last chance -- set forth in very explicit terms -- to do what he should have done more than 6 months ago: withdraw from Kuwait without condition or further delay, and comply fully with the resolutions passed by the United Nations Security Council.

Regrettably, the noon deadline passed without the agreement of the Government of Iraq to meet demands of United Nations Security Council Resolution 660, as set forth in the specific terms spelled out by the coalition to withdraw unconditionally from Kuwait. To the contrary, what we have seen is a redoubling of Saddam Hussein's efforts to destroy completely Kuwait and its people.

I have therefore directed General Norman Schwarzkopf, in conjunction with coalition forces, to use all forces available including ground forces to eject the Iraqi army from Kuwait. Once again, this was a decision made only after extensive consultations within our coalition partnership.

The liberation of Kuwait has now entered a final phase. I have complete confidence in the ability of the coalition forces swiftly and decisively to accomplish their mission.

Tonight, as this coalition of countries seeks to do that which is right and just, I ask only that all of you stop what you are doing and say a prayer for all the coalition forces, and especially for our men and women in uniform who this very moment are risking their lives for their country and for all of us.

May God bless and protect each and every one of them. And may God bless the United States of America. Thank you very much.

Note: President Bush spoke at 10 p.m. in the Briefing Room at the White House. In his address, he referred to President Saddam Hussein of Iraq and Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf. The address was broadcast live on nationwide radio and television.

Remarks on the Observance of National Afro-American (Black) History Month

February 25, 1991

Thank you very much. It is a great, great pleasure for Barbara and me to welcome you all to the White House. It's good to see so many friends here today, including so many members of our administration: our Vice President, of course; and Lou Sullivan; Jack Kemp; Lynn Martin; of course, the Chairman of our Joint Chiefs, General Powell; Connie Newman; Art Fletcher; and so many more. I salute our red-coated special guests. You bring honor to this place, and we're delighted to have you here.

I know that the issue on all of our minds is the war in the Gulf. And I'm glad to report, after consultation a few minutes ago with Chairman Powell, General Powell, that the news is good. Coalition air and ground forces are advancing on their objectives. Enemy prisoners are surrendering in large numbers, large numbers. And thus far, thank God, U.S. and coalition casualties are few.

The liberation of Kuwait is on course and on schedule. We have the initiative. We intend to keep it. We must guard against euphoria; there are battles yet to come and casualties to be borne. But make no mistake, we will prevail. Kuwait will soon be free, and America's men and women in uniform will return home to the thanks and respect of a grateful nation.

This was a war thrust upon us, not a war that we sought. But naked aggression, such as we have seen, must be resisted if it is not to become a pattern. Our success in the Gulf will bring with it not just a new opportunity for peace and stability in a critical part of the world but a chance to build a new world order based upon the principles of collective security and the rule of law.

But today, we're here to celebrate the proud spectrum of black achievement. For we recognize that black history, this rich tale of roots and purpose and pride, is really everyone's history.

And something else, too: You know, in the midst of war we find ourselves thinking about heroes. Well, this is the time to especially think of black heroes, those who by their fierce conviction showed no race has a monopoly on idealism or excellence. And we must tell stories of black successes to every child in our country because we need heroes. We need them as much as we need our dreams. And black Americans have always provided both.

A few nights ago, General Tony McPeak, the Chief of Staff of our Air Force, and an old friend many of you know, Ben Payton, president of the Tuskegee University, and Judge Souter of the Supreme Court and I, the four of us -- men's night out on the town -- [laughter] -- went over to Ford's Theatre to see a play called the ``Black Eagles.'' And for those who aren't aware of that, it's

a play about the Tuskegee Airmen of World War II, who were led by the legendary General Benjamin Davis. An incredible story of men who took their places among a very special group of heroes -- black Americans who have fought for this country for over 200 years.

And they never received the credit, they never received the credit that they deserve for their devoted patriotism, for their vision, and their sacrifices. And America owes a long-overdue tribute to these men and women who, long before they had rights, believed in what was right.

For two centuries, black soldiers have established a record of pride in the face of incredible obstacles. For not only did they risk their lives fighting for freedom for their own and for other countries but they did it at the same time that they were being denied their own God-given freedoms at home. And think about how much they must have loved this country, how they believed in its dreams. It's an astounding devotion. It's in a league by itself.

And you can feel that love of country just as strongly out there in the Gulf today. And yes, we've made great progress in righting the wrongs of the past, but tragically, racism and bigotry, illiteracy and poverty still exist. And America, of course, is not without its problems, and black Americans serving in the Gulf understand that. And yet, they've chosen to serve because they fundamentally believe in this country. And when these Gulf heroes come home, they'll continue to fight injustice by fighting discrimination and despair with the same commitment. And we will stand with them.

So, to those who question the proportion of blacks in the armed services today, my answer is simple: the military of the United States is the greatest equal opportunity employer around. Every soldier, sailor, airman, coastguardsman, and marine have enlisted because they want to be a part of the American armed services, because they know it is a place of openness and true meritocracy, and because they know that every service man and woman receives equal training and the finest training and equal treatment every step of the way, with education funding and technical skills which will open up unlimited futures. If anyone thinks that the military is not the place for equal opportunity and advancement, then talk to General Waller, Lieutenant General Calvin Waller, our deputy commander in chief of the Central Command; or Colonel Hopper, deputy commander of the 63d Airlift Wing; or Air Force Colonel Leonard Randolph from Langley, Langley Air Force Base.

Or listen to the man sitting over my right shoulder here, who answers those who criticize the proportion of blacks by challenging all of America. Here's what General Powell -- his answer challenged the rest of this country to create the same paths of opportunity which we have in the military.

Look at those brave men and women putting their lives on the line for us. And you don't see colors or creed. All you see are Americans: good, brave, dedicated Americans; Americans who volunteered, each and every single one of them, who put their devotion to country first;

Americans with dignity and pride, calling America back to her better self; Americans serving as equals, measured only by their abilities. America's heroes, the real thing. Thank God we have them, every single one.

Today we thank God for those who went before. For our new heroes are a part of a long tradition. The airmen in ``Black Eagles'' talk about it, for they made their own very special mark in the rollcall of generations who battled not only their country's enemy but also their countrymen's prejudice. In the play these brave warriors explain they were ``paving the way, paving the way.''

And it was more than two centuries ago that the first black patriots started to pave the way of freedom road. In 1774, slaves sent a plea to the royal Governor of Massachusetts, saying, ``We have in common with all other men a natural right to our freedoms without being deprived of them by our fellow men.''

Seems like these sentiments might have inspired the words that Thomas Jefferson wrote 2 years later: ``That all men are created equal and that they are endowed with the inalienable rights to life, liberty, and the pursuit of happiness.''

What these men sent was a message from the heart to those who would follow: Stand up for freedom; cry out for freedom; risk all for freedom.

And that's what blacks have done in every war in this nation's history. And they've done it with heroes like Crispus Attucks, the first American to die for the cause of his country's liberty; with heroes like the 5,000 blacks who fought in the Revolutionary War, loyal, courageous men who will at long last be honored with a memorial out here on The Mall, thanks to the Patriot Foundation which I hope we'll all support.

Freedom road led nearly a quarter million newly freed slaves into the Civil War. Heroes emerged, like the men of Fort Wagner charge, so powerfully reenacted in the movie ``Glory.'' The black regiment lost half its men -- imagine that, half its men -- but won the dignity and respect that it rightfully deserved.

Freedom road took black heroes up San Juan Hill with Teddy Roosevelt. And by the way, Colin Powell has a painting of them in his office. He says he likes to look up from his desk, see them, and remember the contributions of those who went before and, he says, reflect on what he must do to help those yet to come.

Black heroes also paved freedom road on the French fields and Rhine River of World War I. But when their sons joined up 25 years later, they found there was much work left to do. And I heard a shocking story that took place right here in America in 1943, in the middle of World War II. Black soldiers stopped and tried to eat at a restaurant. Inside German prisoners, German prisoners of war, were being served a meal, but the restaurant refused to admit the black soldiers.

By the end of the war, American black soldiers had paved a victorious path, paved it in bravery and in blood. And they won battles and medals. And they won respect as men and acceptance as Americans. And at long last they won the integration of the Armed Forces.

These generations of heroes risked their lives so that their grandchildren could realize a dream: the dream of having the freedom to choose to serve their country, the dream that America would be a place where the only limits on a man would be the limits of his own vision, the dream of a nation where none would be called the first black, but rather, simply, the best. For, as Booker T. Washington said: ``No greater injury can be done to any youth than to let him feel that because he belongs to this or that race he will be advanced regardless of his own merit or efforts."

But let's face it, the dream is not yet fully realized, and there is today too much crime and too much crack and too much despair. And yet, there is also today too much faith and too much pride and too much human dignity to give up or to give in.

And that's why we urgently need to turn to the tradition of black heroes today, to inspire a new generation to believe in itself and in the future. Homegrown heroes like Frederick Douglass, who fought for dignity; Dr. Martin Luther King, Jr., who fought for the rights of millions; Jackie Robinson, who fought just to do what he did best. Like Ralph Bunche, who won the Nobel Prize; Gwendolyn Brooks, who won the Pulitzer; Jesse Owens, who won Olympic medals and the respect of the world. Humanitarians and leaders from George Washington Carver to Rosa Parks to the late Mickey Leland. Pioneers like Dr. Charles Drew and astronaut Ron McNair. And of course, the man who has brought inspiration, strength, and true spirit of heroism to the world's current struggle for humanity -- the Chairman of our Joint Chiefs. [Applause] Exactly the way we all feel.

But they're not the only ones. It is up to each of us. Together, we must write a new chapter in the history of civil rights, a chapter that says: Opportunity must replace despair. For opportunity means education, equipping kids with the tools they need to compete in a new century. It means freedom from drugs. Opportunity means jobs, the dignity of work. It means owning your own home, and being safe in it. Opportunity means social programs to keep families together, and health care to keep them strong. And, above all, opportunity means we must treasure and defend the value of every human life. For as Langston Hughes wrote, ``There's a dream in this land with its back against the wall; to save the dream for one, it must be saved for all."

This is an ideal place for us to commit ourselves to writing that chapter. For in this very room, 27 years ago, the Civil Rights Act of 1964 became law, a long overdue payment on a promissory note of equality signed two centuries before. But as long as discrimination, born of ignorance and inhumanity, still exists, our work is not yet finished. And as long as the Four Horsemen of the American night -- illiteracy, inequality, indigence, and fear -- threaten any of us, our work is not yet finished.

And so, we must as a nation pledge that never again will the individual be degraded and devalued, that we will remember the Black Eagles who soared from bigotry on Earth to equality in the skies.

And I am committed to civil rights and opportunity for every person in this great country. And I will simply say to all of you: I salute you. I thank you for coming here to share this very special day with all of America. And at this special time in our history, may God bless those who are serving us halfway around the world. May they be treated with respect and the dignity that they deserve when they come back home having freed another country.

Thank you all and God bless you.

Note: The President spoke at 11 a.m. in the East Room at the White House. In his remarks, he referred to Secretary of Health and Human Services Louis W. Sullivan; Secretary of Housing and Urban Development Jack Kemp; Secretary of Labor Lynn M. Martin; Colin L. Powell, Chairman of the Joint Chiefs of Staff; Constance Berry Newman, Director of the Office of Personnel Management; Arthur A. Fletcher, Chairman of the Commission on Civil Rights; Gen. Merrill A. McPeak, Air Force Chief of Staff; Benjamin F. Payton, president of Tuskegee University; Jackie Robinson, professional baseball player; Rosa Parks, civil rights activist; Representative Mickey Leland; and Dr. Charles R. Drew, physician. The President also referred to the ``Tuskegee Airmen," a group of World War II veterans who had received their training at Tuskegee Institute.

Nomination of Dennis A. Yao To Be Federal Trade Commissioner

February 25, 1991

The President today announced his intention to nominate Dennis A. Yao, of Pennsylvania, to be a Federal Trade Commissioner for the term of 7 years from September 26, 1989. He would succeed Andrew John Strenio, Jr.

Since 1983 Dr. Yao has served in the department of public policy and management at the Wharton School of the University of Pennsylvania in Philadelphia, PA, as: associate professor, 1990 - present; assistant professor, 1984 - 1990; and lecturer, 1983 - 1984.

Dr. Yao graduated from Princeton University (B.S.E., 1975), University of California in Berkeley (M.B.A., 1977), and Stanford University (Ph.D., 1984). He was born August 29, 1953, in Urbana, IL. Dr. Yao is married and resides in Philadelphia, PA.

Statement by Press Secretary Fitzwater on the Persian Gulf Conflict

February 25, 1991

We continue to prosecute the war. We have heard no reason to change that. And because there is a war on, our first concern must be the safety and security of United States and coalition forces.

We don't know whether this most recent claim about Iraqi withdrawal is genuine. We have no evidence to suggest the Iraqi army is withdrawing. In fact, Iraqi units are continuing to fight. Moreover, we remember when Saddam Hussein's tanks pretended to surrender at Khafji, only to turn and fire. We remember the Scud attacks today, and Saddam's many broken promises of the past. There are at least an additional 22 dead Americans tonight who offer silent testimony to the intentions of Saddam Hussein.

The statement out of Baghdad today says that Saddam Hussein's forces will fight their way out while retreating. We will not attack unarmed soldiers in retreat. But we will consider retreating combat units as a movement of war.

The only way Saddam Hussein can persuade the coalition of the seriousness of his intentions would be for him personally and publicly to agree to the terms of the proposal we issued on February 22. And because the announcement from Baghdad referred to the Soviet initiative, he must personally and publicly accept explicitly all relevant U.N. Security Council resolutions, including especially U.N. Security Council Resolution 662, which calls for Iraqi recision of its purported annexation of Kuwait, and U.N. Security Council Resolution 674 which calls for Iraqi compensation to Kuwait and others.

That's the end of the statement. I might just add that the President met with his national security advisers for approximately an hour and 15 minutes this evening to consider this matter, and the President has returned to his Residence.

Note: Press Secretary Fitzwater read the statement to reporters at 10:30 p.m. in the Briefing Room at the White House. The statement referred to President Saddam Hussein of Iraq.

Statement by Press Secretary Fitzwater on the Iraqi Statement on Withdrawal From Kuwait

February 26, 1991

Saddam Hussein's radio statement last night contained the same diatribe as previous comments, with no commitment to complying with the 12 United Nations resolutions. His speech changes nothing. It does not annul the annexation of Kuwait or meet any of the coalition's other terms. The war goes on.

Note: The statement referred to President Saddam Hussein of Iraq.

Address to the Nation on the Iraqi Statement on Withdrawal From Kuwait

February 26, 1991

I have a brief statement to make today. Saddam's most recent speech is an outrage. He is not withdrawing. His defeated forces are retreating. He is trying to claim victory in the midst of a rout, and he is not voluntarily giving up Kuwait. He is trying to save the remnants of power and control in the Middle East by every means possible. And here, too, Saddam Hussein will fail.

Saddam is not interested in peace but only to regroup and fight another day. And he does not renounce Iraq's claim to Kuwait. To the contrary, he makes clear that Iraq continues to claim Kuwait. Nor is there any evidence of remorse for Iraq's aggression or any indication that Saddam is prepared to accept the responsibility for the awful consequences of that aggression.

He still does not accept U.N. Security Council resolutions or the coalition terms of February 22, including the release of our POW's, all POW's, third-country detainees, and an end to the pathological destruction of Kuwait. The coalition will therefore continue to prosecute the war with undiminished intensity.

As we announced last night, we will not attack unarmed soldiers in retreat. We have no choice but to consider retreating combat units as a threat and respond accordingly. Anything else would risk additional United States and coalition casualties.

The best way to avoid further casualties on both sides is for the Iraqi soldiers to lay down their arms as nearly 30,000 Iraqis already have. It is time for all Iraqi forces in the theater of operation, those occupying Kuwait, those supporting the occupation of Kuwait, to lay down their arms. And that will stop the bloodshed.

From the beginning of the air operation nearly 6 weeks ago, I have said that our efforts are on course and on schedule. This morning I am very pleased to say that coalition efforts are ahead of schedule. The liberation of Kuwait is close at hand.

And let me just add that I share the pride of all of the American people in the magnificent heroic performance of our Armed Forces. May God bless them and keep them.

Note: President Bush spoke at 9:48 a.m. from the Rose Garden at the White House. In his address, he referred to President Saddam Hussein of Iraq. The address was broadcast live on nationwide radio and television.

Remarks Following Discussions With President Cesar Gaviria Trujillo of Colombia

February 26, 1991

President Bush. Mr. President, it has been a privilege to meet with you and to share our thoughts on critical challenges that our countries must face together. You're a man of courage, the worthy political heir of your nation's General Santander, who said, ``If the sword gave us independence, the law will give us liberty." You're a man devoted to law and to liberty, and for that, you have our admiration and respect.

Today, we held a thorough and frank discussion on a range of issues of mutual concern, particularly the drug war and joint economic matters. I view this as a vital meeting. For although there is a crisis demanding our attention halfway around the world, we will not neglect the very pressing needs and opportunities in our own hemisphere.

One of the most urgent of these is the fierce battle that we're waging against the scourge of drugs. President Gaviria talked to me in great detail of the efforts, the heroic efforts that Colombia is making in this fight. We honor him and his countrymen, knowing they've borne a very difficult burden in this war and knowing that it is their survival that's at stake every day.

Our hearts are with the Colombian people who have suffered so much from drug-related outlaw violence. This has included the murder of President Gaviria's own cousin only days ago by these narco-terrorists. We want to tell Colombians that they inspire us by standing up -- despite intimidation, despite the costs -- for justice and for law.

As we spoke today, I made it clear that Colombia is not alone in this fight. Both our countries recognize that drug production and drug use threaten our futures and our very lives. We are determined to defeat this enemy. Together, I am more and more convinced, especially after these talks, that we will win this war.

At the Cartagena summit, we said that we accepted our responsibility to cut drug demand in the United States. I told the President today that our work is succeeding; drug use here in the United States is on the decline. And also at that summit, we pledged to help Colombia and her neighbors in their struggle to reduce production and interrupt the transportation of drugs.

And we know that battling the drug war has indeed meant high costs to the Colombian people. And so, I'm glad to report that on February 25th our countries signed an agreement providing the first $20 million of a total $41 million to help ease the financial damage that the drug war has meant to his government's programs. And second, we've signed an innovative agreement on mutual judicial cooperation to more effectively prosecute the drug traffickers. And I told the

President that we will sign a multimillion-dollar, long-term agreement expanding our support for his bold initiative to strengthen the Colombian judicial system.

In addition, we know we need to offer the people of the Andes viable economic alternatives to coca production. A team led by Ambassador Ed Corr has just completed a report on how we can strengthen our cooperation on agricultural issues and make our market more accessible to legal exports.

Most importantly, we've proposed the Andean Trade Initiative providing special and vitally important benefits for the Colombian producers. And I hope Congress will pass this legislation speedily.

As we look ahead to the coming century, President Gaviria and I agree that we must also make trade and economic development essential priorities. Our hemisphere must see that its future lies with free markets as well as free governments. And that's why we must forge a genuine economic partnership for the future. Last year, we proposed the Enterprise for the Americas Initiative, offering the hope of greater prosperity for all the Americas through greater international investment, freer trade, and greatly reduced debt burdens.

Colombia was the first nation to take up our offer to negotiate bilateral trade and investment framework agreements. Well, I told the President today that we are sending to Congress legislation necessary to implement the investment, debt, and environmental aspects of the Enterprise for the Americas Initiative. And I assured him that I am absolutely committed to securing its passage.

The people of our two nations are united as neighbors. And we are united as societies threatened by the human misery brought by drugs. But we're also united as people who believe in human rights and in the creative power of liberty. We're members of what is almost the world's first fully free hemisphere.

We're battling some powerful enemies: drugs, poverty, forces opposed to democracy. But we have even more powerful resources. Simon Bolivar wrote in exile: ``The veil has been torn asunder. We've already seen the light and it is not our desire to be thrust back into darkness."

Well, our nations have seen the light. And our meeting today was just one more joint step in the direction of that light. I might add that we will always be grateful to Colombia for their role at the United Nations as we formulated common opposition to the forces of evil halfway around the world in the Gulf as we stood up to the aggressor, Iraq.

But that proved to me that the goals are clear. Together we will succeed. And so, may God bless your wonderful people, and thank you for coming our way.

President Gaviria. Thank you, Mr. President. I want first of all to express in the name of the Colombian people how glad we are all because of the new order we're building with the coalition, with the cooperation of the United Nations. We are very happy for the success you have had in the Persian Gulf and the way we have built in this new order that will help all the countries, all humanity to fight poverty, to fight narco-traffic, and to fight the new problems we really have in our agenda.

You have really told the journalists how we have talked about our common problems. First of all, narco-traffic, and the way Colombia and the United States are committed against narco-trafficking in the world. We have been tracking the Cartagena meeting you had with President Barco, and we are really aware of how the United States have got results about reducing demand. That's good news for Colombian people.

I have told you, and you have recognized how we have been fighting narco-trafficking, how we have improved this year the interdiction efforts Colombia is doing. We have told you about the Colombian policy, the new judicial Colombian policy. And we are very grateful for the cooperation you are giving us with this mutual judicial agreement we have got in the day, yesterday.

With all of the efforts, I am sure we are going to dismantle the cartels. We are going to fight narco-traffic as ever. We are really committed to that, and you can be sure that this scourge of humanity will end someday with the kind of effort we have been doing. We thank you for your offer to have, through this Andean Initiative, and we hope, too, that someday very soon, Colombia can have a free trade agreement with the United States of America.

Persian Gulf Conflict

Q. Mr. President, can Saddam survive, Mr. President?

Q. Is Kuwait City liberated?

Q. Have we taken Kuwait City, sir?

President Bush. It's going very well.

Note: President Bush spoke at 1:14 p.m. at the South Portico of the White House. The following persons were referred to: Fortunto Gaviria, slain cousin of President Gaviria; Edwin G. Corr, U.S. Ambassador to Colombia; Virgilio Barco Vargas, former President of Colombia; and President Saddam Hussein of Iraq. Prior to their remarks, the two leaders met privately in the Oval Office and with U.S. and Colombian officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Remarks at a Retirement Ceremony for General Maxwell R. Thurman in Arlington, Virginia

February 26, 1991

Thank you very, very much. And let me salute our Secretary of Defense, the Chairman of our Joint Chiefs, the Chief of Staff of the Army, Secretary of the Army behind me, Members of Congress that are here today, and so many friends of our honoree, our most distinguished General Thurman.

I'm sorry to kind of hit and run, but I wanted to come over here and pay my respects to Max. To all of you here today, his friends, his admirers, thank you very much. To all those in uniform and in the service, through your devotion to our common defense, you show the same spirit and commitment that we're now seeing shine so brilliantly in the actions of every single man and woman now serving in the Persian Gulf.

Secretary Cheney and General Powell just came over to the White House for a briefing, and I got a good update from them. And as I noted earlier today, we are not only on schedule, we are ahead of schedule. No Commander in Chief has ever been so proud of America's men and women in uniform.

This is Max Thurman's day. And they say you can't keep a good man down, and the man we honor this afternoon certainly proves it. A distinguished officer of the field artillery; two tours in Vietnam; four stars; commander in chief of the Southern Command; a general who is as human as he is professional, as generous as he is just.

General Thurman has devoted his career, his entire career, to helping all around him reach their fullest potential. His life and work are a testament to the power of an individual. And his brilliant role in the liberation of Panama was a fitting grace note to a great career. By assuring the freedom of the Panamanian people, General Thurman has played a crucial role in the revival of democracy in this, our own precious hemisphere.

At home and abroad, America has been fortunate to have Maxwell Thurman in uniform. He's been the man who never shirked responsibility. I've been told, for instance, that General Thurman was standing outside the Papal Nunciature when somebody asked who was responsible for the loud music. He immediately said, ``I am the music man -- CINC music.'' Nobody argued from there on.

If you can't keep a good man down, it's also true that it's hard to see a good man go, especially in time of war. General Thurman, your retirement from service, as well-earned as it is, leaves a great void. Simply stated, there is no more dedicated officer in the United States Army. A generation of

service men and women, some of whom will rise to match your rank, now go forward with your leadership in their minds and your example in their hearts. Your devotion to service has brought honor to your nation, and your commitment to America has inspired admiration in all of us. Thank you, sir.

Note: The President spoke at 4:03 p.m. in the Ceremonial Hall at Fort Myer Army Base. In his opening remarks, he referred to Secretary of Defense Dick Cheney; Colin L. Powell, Chairman of the Joint Chiefs of Staff; Gen. Carl E. Vuono, Army Chief of Staff; and Secretary of the Army Michael P. W. Stone.

Letter to Congressional Leaders Transmitting a Report on International Agreements

February 26, 1991

Dear Mr. Speaker: (Dear Mr. Chairman:)

Pursuant to subsection (b) of the Case-Zablocki Act (Public Law 95 - 426; section 112b(b)), I transmit herewith a report prepared by the Department of State concerning international agreements.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, Chairman of the Senate Foreign Relations Committee.

Message to the Congress Transmitting Proposed Legislation To Implement the Administration's Enterprise for the Americas Initiative

February 26, 1991

To the Congress of the United States:

I am pleased to transmit a legislative proposal entitled the ``Enterprise for the Americas Initiative Act of 1991." This proposal sets forth key measures to implement the investment, debt, and environmental components of my ``Enterprise for the Americas" Initiative announced on June 27, 1990. It will build on the provisions in Title IV of the Agricultural Trade Development and Assistance Act of 1954 as amended by section 1512 of the Food, Agriculture, Conservation, and Trade Act of 1990 (``1990 Farm Bill") to grant the Administration the remaining authority needed to implement these aspects of the Initiative. Also transmitted is a section-by-section analysis of the proposed legislation.

This Initiative acknowledges the gains made for freedom in our hemisphere over the last year, as a resurgence of democratic rule has swept through the Americas. It also reaches out to support the realignment of economic policies that has paralleled this political shift.

As the people of Latin America and the Caribbean search for prosperity following a decade of painful economic adjustment, their governments are focusing on economic growth and the free market policies needed to nourish it. By reforming economies and rebuilding their strengths, each country will contribute to the prospects for the Americas as a whole in the coming years. My new Enterprise for the Americas Initiative aims to build a broad-based partnership for the 1990s to promote this process.

The Initiative rests on three pillars -- actions on trade, investment, and debt -- through which we can reach out to our neighbors and support economic reform and sustained growth. First, we want to expand trade by entering into framework agreements on trade agreements that will establish a hemisphere-wide free trade system. Second, we want to encourage foreign and domestic investment and help countries compete for capital by reforming both broad economic policies and specific regulatory systems. Third, we want to build on our successful efforts to ease debt burdens and to increase the incentives for countries to reform their economies by offering additional measures in the debt area. Building a strong future for the hemisphere also depends on preserving and protecting the environment. Accordingly, we also propose to create resources to support environmental programs as an important element of debt reduction.

The proposal I am transmitting to the Congress focuses on the investment, debt, and environment components of the Enterprise for the Americas Initiative. It reflects the mechanisms established in

the 1990 Farm Bill authorizing the reduction of PL - 480 debt of eligible countries and the payment of interest in local currency to support environmental projects.

The proposal provides for contributions by the United States to a multilateral investment fund to be established by the Inter-American Development Bank (IDB) that would foster a climate favorable to investment in Latin American and Caribbean countries. This Enterprise for the Americas Investment Fund will provide additional support for reforms undertaken as part of the new IDB investment sector lending program. The Fund will advance specific, market-oriented investment policy initiatives and reforms and finance technical assistance.

The proposal establishes the Enterprise for the Americas Facility to support the objectives of the Initiative through administration of debt reduction operations for those nations that meet the investment reform and other policy conditions. Latin American and Caribbean countries can qualify for benefits under the Facility if they:

Have in effect, have received approval for, or in exceptional circumstances are making significant progress toward International Monetary Fund/World Bank reform programs and World Bank adjustment loans;

Have in place major investment reforms in conjunction with an IDB loan or are otherwise implementing or making significant progress toward open investment regimes; and

Have negotiated a satisfactory financing program with commercial banks, including debt and debt service reduction, if appropriate.

The proposal authorizes the reduction of concessional obligations extended under the Foreign Assistance Act of 1961. The Agency for International Development will exchange -- at the direction of the Facility -- new obligations for obligations outstanding as of January 1, 1991. Principal on the new obligation will be paid in U.S. dollars. Interest will be at a concessional rate and paid in local currency if an eligible country has entered into an Environmental Framework Agreement establishing an Enterprise for the Americas Environmental Fund; otherwise, interest will be paid in U.S. dollars.

The Environmental Fund into which local currency interest payments are deposited will be owned by the debtor country. The Environmental Framework Agreement negotiated with each country will provide guidelines for the administration of its Environmental Fund. This Agreement will be negotiated by the President in consultation with the Environment for the Americas Board, a Washington-based entity with both United States Government and nongovernmental representatives.

This Board will also ensure that appropriate local administering bodies are established and will review the programs, operations, and fiscal audits of each administering body. Local

administering bodies will include representatives from the United States Government, the debtor government, and a broad range of environmental nongovernmental organizations based in the participating country. A majority of the members of each administering body shall be individuals from such nongovernmental organizations.

These administering bodies will be responsible for identifying projects and managing the use of the Environmental Funds in each country. They will prepare annual programs laying out their priorities and plans, which will be submitted to the Environment for the Americas Board for review. Grants in excess of $100,000 will be subject to the veto of the United States Government or the debtor government involved.

The proposal also authorizes the sale, reduction, or cancellation of loans made to eligible countries under the Export-Import Bank Act of 1945, as amended, and assets acquired under export credit guarantee programs authorized pursuant to the Commodity Credit Corporation Charter Act or section 4(b) of the Food for Peace Act of 1966. These sales, reductions, or cancellations will be undertaken only when purchasers confirm that they will be used to carry out debt-for-equity, debt-for-development, or debt-for-nature swaps in eligible countries.

We believe that these investment, debt, and environmental measures will provide significant support to the efforts of Latin America and the Caribbean to build strong economies.

The leaders of these countries have welcomed the Initiative and widely recognize it as the most significant opportunity -- and challenge -- in inter-American relations in recent years. These are the leaders who are facing difficult choices in reforming their economies and, in the process, turning the tide away from economic decline and environmental degradation.

Their efforts are not merely of theoretical importance to us in the United States. We have not gone untouched by the economic crisis faced by Latin America and the Caribbean over the last decade. As countries in the region cut imports, postponed investment, and struggled to service their foreign debt, we too were affected. We lost trade, markets, and opportunities.

Enactment of the Enterprise for the Americas Initiative Act of 1991 will permit the United States to support the efforts of Latin American and Caribbean leaders, increasing the prospects for economic growth and prosperity throughout the hemisphere.

George Bush

The White House,

February 26, 1991.

Remarks to the Conference on Marketing Economics and Management Training for Eastern Europe

February 27, 1991

Thank you very much. Nice to see all of you. Please be seated, and welcome, all. I'm very pleased to be here in my role as what's billed as a cameo appearance, in and out -- [laughter] -- and let you get on with the important work before you. But I want to welcome all of you to the White House. Thank you for your participation.

A number have come from very far away: Vice President Pregl of Yugoslavia; the Deputy Prime Minister of Bulgaria, Mr. Pirinski; and Ministers from Czechoslovakia, Hungary, Poland, and Romania.

Among so many others here today, George Varga from Hungary and Haile Aguilar from Poland, Drew Lewis -- where's Drew? I don't see him. Among others who are not here is Drew Lewis. [Laughter] But let me just say this: His leadership at the Citizens Democracy Corps has been just fantastic. And I was hoping he'd be here so I could single him out. He's for lunch -- okay. And of course, Dave Gergen, who I understand is ably moderating all of this. I salute Secretaries Robson and Eagleburger, too.

Yesterday I was on the phone for a long time with Vaclav Havel, the President of Czechoslovakia. And I made clear to him that, though the Gulf obviously is dominating the news coverage and claiming a lot of our time, I have not lost interest, nor has anyone in our government -- as Secretaries Eagleburger and Robson can attest to -- we have not lost interest in what's going on in Eastern Europe. All our people here are experts. Bruce Gelb knows that; Mike Roskens knows. And we are delighted that this is going forward, this conference and these discussions.

Historic events in Central and Eastern Europe -- I called it the Revolution of '89 -- and its aftermath have indeed inspired us all. These countries are committed to free societies and free market economies. And we have been strong supporters of economic reform in Central and Eastern Europe through major bilateral commitments and supportive stabilization programs, enterprise funds for the private sectors of Poland, Hungary, and Czechoslovakia, and improved trade and investment relations. And I'd say from talking to our experts that the results are encouraging. Economic reforms are largely on track despite some very difficult challenges, despite some outside effects on these economies.

I think back to a conversation that I had again with President Havel about the effect that that early oil increase, the spike in oil prices as a result of the war, had on his economy. And then I heard from other Eastern European leaders about the adverse effect that it had on their economies. So, there have been some abnormal challenges as these market economies begin to function.

I think that our efforts and those of many in this room have helped bring positive change. And I know that the Western European countries are very much together in the determination that the positive change continue. But Central and Eastern Europeans cry out for one thing that our Federal Government alone certainly cannot offer, and that is private investment and practical free market expertise and involvement from Americans.

I've stressed throughout my administration that excellence in education is a key element of sound growth. And educated, well-trained labor forces are important for mature economies, and they're absolutely crucial for economies in transition. And a well-informed populace lends support for reform. Many of you, as I indicated earlier, are already engaged in Central and Eastern Europe. With the great human potential and commitment to market economic reform, these economies of Central and Eastern Europe are seeking to attract trade and investment. And I just hope that that trend will continue.

You have the ability to provide the world's best training in management and market economies. And America know-how really does run the gamut from higher education to the small-scale entrepreneurship. Universities, businesses, foundations, government all have something to contribute. I think that there is an important link between economic and political freedom. Education, free markets, and the prosperity they bring will reinforce political pluralism in these countries.

The challenges that these countries face as they fundamentally restructure their economies are enormous. Our administration will continue its strong support and assistance for their vital and historic efforts.

I just really wanted to come over to thank all of you. I might say, knowing of the interest that everyone has in the business at hand in the Gulf, that when I got to the office this morning the news continues to be very, very good, very, very heartening. I know that all Americans took great joy in the beginning of the liberation of Kuwait City. But the liberation of Kuwait, the country, is almost complete. I hope that those from overseas will explain this note of personal pride when I say I have never been more proud in my life of anybody than I am of the men and women of the United States Armed Forces. They have served with great distinction, enormous motivation from the very beginning. And I think what they have done to contribute to this wave of patriotism and demonstration to others that our country is united is absolutely superb and will go down in history.

Having said all that, we're going to concentrate on ending that thing, ending it right, and then moving forward and staying with these enormous challenges that these countries face. We can be helpful there. Our relationship with the Soviet Union has a lot to do with how a lot of this goes forward, and I'm determined to see that that stays on a good plane. So, you caught me on an upbeat day -- particularly upbeat, with the visit of these foreign -- -- [applause]

Note: The President spoke at 10 a.m. in Room 450 of the Old Execu tive Office Building. In his remarks, he referred to Zivko Pregl, Vice President of the Yugoslav Federal Executive Council; Georgi Pirinski, Member of the Bulgarian Grand National Assembly; Zdenko Pirek, Czechoslovak Deputy Minister of Foreign Affairs and Head of the Hungarian Coordination Committee for Foreign Assistance; Ferenc Madl, Hungarian Minister Without Portfolio in the Office of the Prime Minister; Polish Minister Jacek Saryusz-Wolski, Coordinator of Foreign Assistance to Poland and Plenipotentiary for Europe; Eugen Dijmarescu, Romanian Minister of State for Economic Orientation; George Varga, president and chief executive officer of Tungsram Co., Ltd., Hungary; Haile Aguilar, general manager of the Warsaw Marriott Hotel; Drew Lewis, chairman of the board of the Citizens Democracy Corps; David S. Gergen, editor-at-large for U.S. News & World Report; Deputy Secretary of the Treasury John E. Robson; Deputy Secretary of State Lawrence S. Eagleburger; President Vaclav Havel of Czechoslovakia; Bruce S. Gelb, Director of the U.S. Information Agency; and Ronald W. Roskens, Administrator of the Agency for International Development.

Remarks at a Meeting of the American Society of Association Executives

February 27, 1991

Thank you very, very much. And what a wonderful reception. And I interpret that, I think properly, the same way I interpreted the applause at the State of the Union message: as strong support for those men and women that are serving our country overseas. And now the war is almost over, and I think we owe them a vote of thanks, and I think I heard it right now. So, thank you, Bill, and I'm just delighted to be here.

I want to shift and talk about domestic matters. And Bill, I couldn't help but glance at this marvelous quilt coming in here, and I do think that we owe you and all the others in the association a vote of thanks for following through and, indeed, being Points of Light.

I want to salute our Attorney General who is with us today; our two able Secretaries so concerned also about what we're talking about today, Secretaries Kemp and Sullivan; Ted Sanders, who is doing a superb job as our Acting Secretary at Education; and, of course, my old friend, a man so well-known to all of you, Bob Woodson of the Center for Neighborhood Enterprise. You know, it's hard to believe that a year has passed since the challenge Bill mentioned, since I challenged the members of ASAE to channel the tremendous energy of this organization and transform a nation through community service. And what a terrific job you've done.

Looking around the room today, peeking before I came in here, I see so many familiar faces, so many people that are making a difference in the lives of others. Every man and woman here believes in the power of the individual and is bolstered by the conviction that America is indeed a land of opportunity. For more than 200 years, America has been the home of free markets and free people. And there is no question: Opportunity in America is the envy of the entire world.

The story of America has been the story of opportunity. Throughout our history, we've pioneered the frontiers of liberty for all humanity. Our Founding Fathers created perhaps the most simple yet profound document in modern history: our Constitution and Bill of Rights. Abraham Lincoln broke forever the chains of human slavery. The suffrage movement made the promise of democracy a reality for women. The founders of our public schools unleashed our national potential through universal education. And by their struggle for equal rights, the leaders of the civil rights movement helped bring dignity to the oppressed and disenfranchised. The story of opportunity in America is the story of Thomas Paine and Frederick Douglass, Clara Barton, the Wright brothers, Rosa Parks.

But it doesn't end there, with these heroes from our past. There are the new American heroes of today, many of them in this room. And they, too, are inspired by pride, integrity, faith in the dignity of man, and courage, yes, courage to overcome the odds. It's called leadership by

example, and it's made America the world's great beacon of freedom.

These modern visionaries are the ones that are making history, propelling us into the next American century. Theirs is a movement -- it's more than 200 years old, as old as the Declaration of Independence -- a movement defined by what Jefferson called ``the American mind'' and what I've been calling ``the American idea.'' It continues to sweep our country today with a vigor as strong as ever. It's a vision driven by the strength and power of the American dream.

And I share that vision, for what is the American dream if it isn't wanting to be part of something larger than ourselves? If it isn't creating a better life for our children than we might have had? If it isn't the freedom to take command of our future? For most people, these aspirations means enjoying the blessings of good health or having a home to call one's own or raising a family, holding a stake in the community, feeling secure, secure at home or in our neighborhood.

But for others, sadly, America has not yet fulfilled the promise of equality of opportunity. We know who they are: They're the hopeless and the homeless, the friendless and the fearful, the unemployed and the underemployed, the ones who can't read, the ones who can't write. They are the ones who don't believe that they will ever share in the American dream.

I'm here to tell any American for whom hope lies dormant: We will not forget you. We will not forget those who have not yet shared in the American dream. We must offer them hope. But we must guarantee them opportunity.

It's been said, ``Hope is a waking dream.'' That awakening begins with learning, understanding the power and potential of individual effort, developing a skill, and with it, independence, earning a living, with dignity and personal growth. More skills mean more freedom, more options for even greater opportunity.

Today, our administration is proposing an agenda to expand opportunity and choice for all. It involves more than six major initiatives across the scope of our entire Government: restoring quality education, ensuring crime-free neighborhoods, strengthening civil and legal rights for all, creating jobs and new businesses, expanding access to homeownership, and allowing localities a greater share of responsibility. In its entirety, I believe it represents one of the most far-reaching efforts in decades to unleash the talents of every citizen in America.

In several weeks, I will have legislation to enact this agenda on the desk of every Congressman. The administration's educational excellence proposals, by way of example, will put choice in the hands of students and parents so that they can choose the best school to attend. Our higher education system is clearly, unquestionably, the finest in the world: creative, innovative, and highly competitive. From the GI bill to Pell grants, college students already have the power to choose. And now it's time that our education system, all of it, became the finest in the world.

We're also proposing education reforms to build flexibility and accountability into our school systems. We've seen what education reform can do, from East L.A. to East Harlem. We're encouraging Governors to bring together teachers, parents, and administrators to work together to meet the needs of all students. We must cut the dropout rate and ensure that every student in America arrives at school ready to learn and graduates ready to work.

For some time now, the administration has called for the restructuring of American education. We've got to raise our expectations for our students and our schools. But if we're going to ask more of them, it wouldn't be fair to tie the hands of the teachers and principals, particularly those who make a difference. We need responsive schools, customer-driven ones if you will, schools that are more market-oriented and performance-based, because it's time we recognize that competition can spur excellence in our schools. Choice is the catalyst for change, the fundamental reform that drives forward all others. These ideas will stir us and guide us toward meeting the national education goals the Governors and I set up after that famous education summit, because we can't expect to remain a first-class economy if we settle for second-class schools.

Millions of jobs await America's graduates in the coming years. But to fill those jobs, entrepreneurs will look increasingly to America's minorities -- blacks, Hispanics, and Asians -- and to people just entering the economic mainstream -- workers with disabilities and mothers who have chosen to work outside the home. The majority of those jobs are safer, are cleaner, higher skilled, better paying jobs. And they will go to the ones who have what it takes, a quality education.

Everyone knows the best education takes place in a safe, drug-free environment. It is difficult for children to learn if there's violence in the classroom or crime out in the schoolyard or drug pushers along the way home. And older students and workers find it hard to attend night school or put in late hours at the office because of the danger that darkness brings, especially in crime-ridden neighborhoods.

Low-income Americans are the ones more likely to be intimidated by crime, less likely to be able to take advantage of opportunities that may be across town or even just around the corner. They're the ones defending themselves and their families from the drug dealers and muggers down the hall or down the street. And they're the ones who need opportunity the most.

It is in their name that this battle for the streets of our cities must be waged. The thugs and the gangs and the drug kingpins should be the casualties of this war. Our tactics: mandatory sentences for using a firearm in a violent crime; strengthened protection against sex crimes and child abuse; tough prosecutors; courts that mete out equal justice, swiftly and surely; a prison system that is up to the job. And finally, our strategy must include an unequivocal commitment to our young people. There are meaningful and adventurous alternatives to a life of crime. And it starts with an education, a neighborhood that's safe and secure.

Opportunity is built on these foundations, but the door is opened by one thing: a job. Every American who wants a job should be able to get one. Of course, vestiges of the past remain. Bigotry and discrimination, regrettably, still do exist. But we have powerful legal tools for eliminating discrimination. And remember, the legal guarantees of equality of opportunity are largely in place: Brown versus the Board of Education, the Civil Rights Act of 1964, the Voting Rights Act of 1965, the Fair Housing Acts of both 1968 and 1988, the Americans with Disabilities Act of 1990.

To assure that every American enjoys the equality of opportunity and access, I am determined to continue the vigorous enforcement of these and of all our civil rights laws. And where our laws need improvement, I am committed to refining them. We will soon introduce legislation with strong new remedies to protect women from sexual harassment and minorities from racial prejudice in the workplace. And I call on the Congress to act promptly on this important initiative. But legislation that only creates a lawyer's bonanza helps no one. We all know where opportunity really begins. As I said above, it begins with a job.

In our hardest hit urban and rural areas our enterprise zone proposal will create new small businesses. We're providing new incentives for employers to hire more workers by eliminating the capital gains tax on businesses in these areas and attracting more seed capital. Our proposals mean economic growth, more minority entrepreneurs, and most importantly, again, jobs.

The American dream also means choosing where to live and, for many working people, owning a home someday. We're offering public housing residents not only control and management of their own community but, for the first time, access to home ownership and private property to gain a stake in their communities. We've asked the Congress to provide much-needed funding for the HOPE program in 1991, to make this opportunity a reality in our inner cities this year. And we're proposing that Americans be allowed to use the money from their IRA's to buy their first home. These initiatives will bring us closer to our goal of 1 million new homeowners by 1992.

You know, there's something reassuring about becoming a part of a neighborhood, a community that pulls together in times of crisis, that looks out for one another. Each community in America is different, and its residents know best how to take care of each other, what the best options are for programs and services for those who need a hand. And so, we're proposing to allow communities to restructure programs at the local level.

Our strength as a nation lies in the strength of our communities, the sum of our neighborhoods and families, our hopes and dreams for the future. This is our administration's agenda for opportunity. It begins in the heart of every person who believes in freedom and lives on in the American dream. Every man and woman in this room shares its vision. The great poet Carl Sandburg put it this way, ``nothing happens unless first a dream." Our mandate is to make the dream a reality.

We face a new century, a new American century. Half a world away, our allied troops face a defining moment in the new world order. And they are succeeding in their battle because each and every one of them possesses a pride in their country, integrity in their cause, and courage in their heart.

Our troops will be home soon, coming home to a grateful nation. And I want to ensure that their return is to a land of equal opportunity. And just as they have stood to safeguard our freedom, the world's freedom, let us stand with pride, integrity, and courage in our hearts and expand the freedoms of all Americans. It's up to each of us to secure the triumph of the American idea. And that idea is opportunity.

With God's help and yours, we will succeed. Thank you all very much. And may God bless our troops, and may God bless the United States of America.

Note: The President spoke at 11:08 a.m. in the Grand Ballroom at the J.W. Marriott Hotel. In his opening remarks, he referred to R. William Taylor, president of the American Society of Association Executives; Attorney General Dick Thornburgh; Secretary of Housing and Urban Development Jack Kemp; Secretary of Health and Human Services Louis W. Sullivan; Acting Secretary of Education Ted Sanders; and Robert L. Woodson, president of the National Center for Neighborhood Enterprise.

Address to the Nation on the Suspension of Allied Offensive Combat Operations in the Persian Gulf

February 27, 1991

Kuwait is liberated. Iraq's army is defeated. Our military objectives are met. Kuwait is once more in the hands of Kuwaitis, in control of their own destiny. We share in their joy, a joy tempered only by our compassion for their ordeal.

Tonight the Kuwaiti flag once again flies above the capital of a free and sovereign nation. And the American flag flies above our Embassy.

Seven months ago, America and the world drew a line in the sand. We declared that the aggression against Kuwait would not stand. And tonight, America and the world have kept their word.

This is not a time of euphoria, certainly not a time to gloat. But it is a time of pride: pride in our troops; pride in the friends who stood with us in the crisis; pride in our nation and the people whose strength and resolve made victory quick, decisive, and just. And soon we will open wide our arms to welcome back home to America our magnificent fighting forces.

No one country can claim this victory as its own. It was not only a victory for Kuwait but a victory for all the coalition partners. This is a victory for the United Nations, for all mankind, for the rule of law, and for what is right.

After consulting with Secretary of Defense Cheney, the Chairman of the Joint Chiefs of Staff, General Powell, and our coalition partners, I am pleased to announce that at midnight tonight eastern standard time, exactly 100 hours since ground operations commenced and 6 weeks since the start of Desert Storm, all United States and coalition forces will suspend offensive combat operations. It is up to Iraq whether this suspension on the part of the coalition becomes a permanent cease-fire.

Coalition political and military terms for a formal cease-fire include the following requirements:

Iraq must release immediately all coalition prisoners of war, third country nationals, and the remains of all who have fallen. Iraq must release all Kuwaiti detainees. Iraq also must inform Kuwaiti authorities of the location and nature of all land and sea mines. Iraq must comply fully with all relevant United Nations Security Council resolutions. This includes a rescinding of Iraq's August decision to annex Kuwait and acceptance in principle of Iraq's responsibility to pay compensation for the loss, damage, and injury its aggression has caused.

The coalition calls upon the Iraqi Government to designate military commanders to meet within 48 hours with their coalition counterparts at a place in the theater of operations to be specified to arrange for military aspects of the cease-fire. Further, I have asked Secretary of State Baker to request that the United Nations Security Council meet to formulate the necessary arrangements for this war to be ended.

This suspension of offensive combat operations is contingent upon Iraq's not firing upon any coalition forces and not launching Scud missiles against any other country. If Iraq violates these terms, coalition forces will be free to resume military operations.

At every opportunity, I have said to the people of Iraq that our quarrel was not with them but instead with their leadership and, above all, with Saddam Hussein. This remains the case. You, the people of Iraq, are not our enemy. We do not seek your destruction. We have treated your POW's with kindness. Coalition forces fought this war only as a last resort and look forward to the day when Iraq is led by people prepared to live in peace with their neighbors.

We must now begin to look beyond victory and war. We must meet the challenge of securing the peace. In the future, as before, we will consult with our coalition partners. We've already done a good deal of thinking and planning for the postwar period, and Secretary Baker has already begun to consult with our coalition partners on the region's challenges. There can be, and will be, no solely American answer to all these challenges. But we can assist and support the countries of the region and be a catalyst for peace. In this spirit, Secretary Baker will go to the region next week to begin a new round of consultations.

This war is now behind us. Ahead of us is the difficult task of securing a potentially historic peace. Tonight though, let us be proud of what we have accomplished. Let us give thanks to those who risked their lives. Let us never forget those who gave their lives. May God bless our valiant military forces and their families, and let us all remember them in our prayers.

Good night, and may God bless the United States of America.

Note: President Bush spoke at 9:02 p.m. from the Oval Office at the White House. In his address, he referred to Secretary of Defense Dick Cheney; Colin L. Powell, Chairman of the Joint Chiefs of Staff; Secretary of State James A. Baker III; and President Saddam Hussein of Iraq. The address was broadcast live on nationwide radio and television.

Remarks Prior to Discussions With Foreign Minister Roland Dumas of France

February 28, 1991

Reporter. Mr. President, do you still want to prosecute Saddam Hussein for war crimes?

The President. I don't want to take any questions here in the Oval Office, but we have with us today the Foreign Minister from one of our fundamentally key coalition partners. And I will take this opportunity to express my appreciation not only to Minister Dumas but to the President of the French Republic, Francois Mitterrand, for the extraordinary and, I'd say, historic cooperation we've had.

And I'm glad to have this opportunity, Roland, to tell you how much we appreciate the closeness, the way in which you and our Secretary of State have worked through a lot of ups and downs in the road. And we valued your advice, your judgment, the courage of your fighting people. And you've come here on an exciting day for all Americans. It's most fitting that you be here, too.

The Foreign Minister. Let me say how glad I am to be here today, especially, and to thank you for receiving me today and give to the American people the regards from France. And we have been fighting together in this big, difficult period, and I hope now we continue to work together to build peace.

The President. We've got to, yes.

The Foreign Minister. A very good peaceful and stable settlement in that region.

The President. Well, that's what we all want to do, so we'll have a chance to talk about the problems and the challenges that lie ahead.

Thank you all very much.

The Foreign Minister. Thank you very much.

[At this point, another group of journalists entered the room.]

The President. May I simply repeat what I said a minute ago to the first wave of journalists. I still will not take questions in here, but this is a very special day. And it is most fitting that Roland Dumas, a friend, Foreign Minister of France, be here because it gives me a chance on behalf of all the American people to thank the French Government, the President, Francois Mitterrand, and the Minister for the extraordinary cooperation we've had, all of us together, working together since

day one. And there have been some bumps in the road, and we've always valued the counsel and the steadfast solidarity that we've had with France.

And I want to take this opportunity, Mr. Minister, to thank your courageous people in the military in the Gulf. They have served with great distinction. I heard what General Schwarzkopf said yesterday, commending the French soldiers. And it brought tears to my eyes because we've worked closely in the past, working closely in present. And now we've got some big diplomatic problems that you and Jim can talk about in detail. But we're very glad you're here, very glad. We're very grateful to you.

The Foreign Minister. Well, let me say I thank you very much indeed for your words. And I will repeat it to the French President. And I appreciate very much what you said and the work we have done together -- --

The President. It's been good.

The Foreign Minister. -- -- American people and French people in this difficult period of time. I'm sure we will continue now to settle the peace for the future and to have good cooperation together between ourselves and between our two people and to our people -- we work together in the same boat.

The President. We must do that.

The Foreign Minister. Thank you very much, Mr. President.

Note: The President spoke at 1:17 p.m. in the Oval Office at the White House. In his remarks, the President referred to President Francois Mitterrand of France; Secretary of State James A. Baker III; and Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf.

Message to the Congress Transmitting the Annual Report on Alaskan Mineral Resources

February 28, 1991

To the Congress of the United States:

I transmit herewith the 1990 Annual Report on Alaska's Mineral Resources, pursuant to section 1011 of the Alaska National Interest Lands Conservation Act (Public Law 96 - 487; 16 U.S.C. 3151). This report, containing pertinent public information relating to minerals in Alaska, was gathered by the U.S. Geological Survey, the Bureau of Mines, and other Federal agencies. This report is significant because of the importance of the mineral and energy resources of Alaska to the future well-being of the Nation.

George Bush

The White House,

February 28, 1991.

Message to the Congress Reporting Budget Deferrals

February 28, 1991

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report 26 proposed rescissions, totaling $4.3 billion, and one revised deferral and one new deferral of budget authority. Including the revised and new deferrals, funds withheld in FY 1991 now total $9.3 billion.

The deferrals affect International Security Assistance programs and the Department of Agriculture. The proposed rescissions affect the Departments of Agriculture, Defense, and Housing and Urban Development.

The details of the proposed rescissions and deferrals are contained in the attached report.

George Bush

The White House,

February 28, 1991.

Note: The report detailing the proposed rescissions and deferrals was printed in the ``Federal Register'' of March 15.

Remarks and an Exchange With Reporters Prior to Discussions With Ambassador Nasir Al-Sabah of Kuwait

February 28, 1991

The Ambassador. When we saw the Kuwaiti flag with the Stars and Stripes flying together, it was just so touching.

The President. It was very moving. And I'll tell you, I had a telegram from General Boomer, who is the -- I'd like to show that. Get Patti to bring me, if you would, the telegram from General Boomer of the Marine Corps who went into Kuwait yesterday. Because Americans are -- I've been very touched by the warmth of reception.

Let me -- I've violated my own rules of not taking -- I won't violate the question rule, but I do want to make just a comment, and then I'd welcome a comment from you. But before I say what's on my heart about Kuwait, I want to announce here today that the Iraqi Government has now agreed to designate military commanders to meet with coalition counterparts to arrange for the military aspects of this cease-fire, something we called for yesterday.

They have come back now. We will promptly go back to them with the arrangements, where and when. It will be very soon. We will appoint high-level representatives from our military to meet with them. And obviously, the subjects will include -- it will be a wide array of subjects. The one that's amongst foremost in my heart is the question of our prisoners of war. And we expect a prompt repatriation of them, the Kuwaiti detainees, and others.

The second subject, but the one that brings the Ambassador here, is a chance to tell him how pleased we Americans are that his country is free, and we're very pleased to have had a major role in it.

The Ambassador. If I might just say a few words, Mr. President, words that are from my heart and from the hearts of every Kuwaiti, addressed to our friends in the United States, and especially to you, Mr. President.

On behalf of the Amir and the people of liberated, free, and independent Kuwait, I wish to extend to you, Mr. President, personally and to the people of the United States, to the Secretary of Defense and to the Secretary of State, to General Powell, General Schwarzkopf, and to all the young men and women who have served in Desert Storm, and to King Fahd of Saudi Arabia and to all our coalition allies who have joined in Desert Storm, our deep sense of appreciation and gratification for what you have done for us in liberating our country.

There isn't, I believe, a more precious gift that could be given to people than their freedom and their liberty and their homeland. And, Mr. President, you have done this. And you'll go down in history as the great liberator of my country. Your resolve, your determination for freedom, for liberty, and for humanity is unprecedented since the 2d of August when this brutal invasion took place.

I remember, Mr. President, meeting with you here on the 8th of August, and from that meeting I knew in my heart when I saw it in your eyes that you were determined not to let that aggression stand. And we are deeply grateful to you and to our friend the United States for all that you have done.

And our hearts go also to the families of the victims that have lost their lives bravely in Operation Desert Storm. Our condolences to them. They have not died in vain. And we hope and pray to God that they may rest in peace. And we wish you all, our friends in the United States and our coalition forces, the best.

And Mr. President, I hope sooner rather than later we will welcome you and welcome all our friends in liberated Kuwait. Thank you.

The President. Mr. Ambassador, I appreciate what you said. And it's a very emotional time. But I just sent for this telegram that I'll share with you, but I will just say here that it's a telegram from General Boomer of the Marine Corps who led a group of our marines into Kuwait. And the emotion that he felt, I feel. The warmth of the reception that our marines and that the Saudi troops and the Kuwaiti troops returning there got was just unbelievable. And it makes everything worthwhile.

And I want to say I'm very grateful to you for your most generous words. But you and I both know it was the privates and the sergeants and first lieutenants and the generals that deserve the credit. They showed the courage; they showed the steadfast commitment to your independence and your freedom.

And as I conclude this photo opportunity, let me say that it seems very fitting that your son is here, as the future of Kuwait. And now they have a much better shot at a wonderful, free, and challenging future. And we're very proud that that generation has their hope restored.

Persian Gulf Conflict Resolution

Q. Sir, did Iraq agree to all allied conditions?

Q. When are these men going to meet, do you know?

The President. We don't have a set time yet, but it will be very soon.

Q. Did Iraq agree to all allied conditions, the prisoners of war -- --

The President. We don't know that yet, but we know what they're talking about at the United Nations. But they will agree to all of it.

Q. Should Saddam Hussein be prosecuted for war crimes, sir?

The President. We're not going to get into that. These matters will all be discussed in appropriate forums. We've got a United Nations track, diplomatic track going forward, and we have the military track that will go forward. And so, I'll leave those matters to our experts to work out.

Q. But just to be clear, have they agreed to the February 22 demands, conditions?

The President. We will -- let's wait and see how these meetings unfold to what they've agreed to. They have met this one condition, which is very good, and they met it promptly, and that is that we are going to get together and send high-level military representatives. And we are going to get back our POW's, and we are going to do it fast. And we've got a few other matters of urgent concern that will be resolved fairly and in keeping with the determination that our fighting forces have showed.

Q. Sir, where will the meeting be held?

The President. Have not set a place yet. I really have told you about all I know about the logistics on it. But we're very pleased that it is going to go forward. And once again, it is a special day, and, Ambassador, I just can't tell you what's in my heart, but I am very pleased, very proud that your country is free.

Q. Where did you hear it from? The U.N.?

The President. I refer you to the proper authorities on that. They're across at the State Department.

Thank you, Miss Thomas [Helen Thomas, United Press International], for your interest.

Note: The Ambassador spoke at 3:15 p.m. in the Oval Office at the White House. The following persons were referred to: Lt. Gen. Walter E. Boomer, commander general of the I Marine Expeditionary Forces (Forward) in the Persian Gulf; Patricia Presock, Deputy Assistant to the President; Amir Jabir al-Ahmad al-Jabir al-Sabah of Kuwait; Secretary of Defense Dick Cheney; Secretary of State James A. Baker III; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia; Nawaf al-Sabah, the Ambassador's son; and President Saddam Hussein of Iraq.

Remarks and an Exchange With Reporters Prior to Discussions with Prince Bandar bin Sultan of Saudi Arabia

February 28, 1991

The President. We are very grateful to His Majesty for this total cooperation. In the beginning, we think back to all the predictions of how the command problems would not work, and here it's not only worked but it's worked so much faster.

The Prince. This adds sweetness to it.

The President. Yes. So, please tell His Majesty how grateful we are for the steadfast support. When we talk coalition, I mean, that's exactly what it is. Incidentally, your briefer has won the hearts of many Americans, including Barbara Bush over there. And so I think the Brits did a good job, too, and the French.

But it's been superb from the very beginning. What's the mood at home on all of this?

The Prince. Well, the mood is excellent, Mr. President, and I am here on behalf of His Majesty and the Saudi people to extend to you and through you to the American people our gratitude, thanks -- and also to let you know that you should be very proud of the United States Armed Forces. They did a marvelous job. And I think their professionalism, their capabilities speak for itself. But also, how sensitive those young men and women were also, over and above all of that, to the culture of the country.

The President. Yes.

The Prince. And I think people in this country should be very proud of them. And we all are proud of you and your leadership -- the steadiness and how you got the whole world to be together. As you say, in this country, the proof is in the pudding. [Laughter]

The President. Is in the eating. But it's worked well. You know, I remember the early days, the question mark as to whether these Iraqi forces would have gone south. The more I think about it -- and I don't know whether we have any differences on that -- the more I think that if they had not been checked by your people and our people in a display of force early, I'm convinced they would have.

The Prince. I am convinced -- --

The President. They have not acted rationally. And so I think we did the right thing back in August. And then on, when Dick moved these additional forces, I think that facilitated the battle in a way that's kept your loss of life, our loss of life way, way down from the earlier predictions.

So, all that display of force and then use of force I think has served a very noble purpose; I really do.

The Prince. Absolutely, Mr. President. We would be fighting in the eastern province of Saudi Arabia right now if you didn't make that decisive decision at the right time. And one thing I want to say, we have healthy respect for the Iraqi people and the Iraqi forces. The reason they didn't fight is they didn't believe in the cause or their leader. We discovered it now, although all the pundits in this town told us otherwise. But we knew our brothers in Iraq, they really didn't believe in that cause. And proof of it is 100,000 prisoners, almost, now.

The President. Is it that many now?

The Prince. Almost.

The President. Well, we've tried to make clear, and I did last night, that our argument has not been with the Iraqi people. We've said that from the very beginning. And let's hope that they realize the best way to -- or the most peaceful relationship is to go on and get matters into their own hands and take a new lease on life.

Contact With Allies

Q. Mr. President, are you planning to go back to the Middle East and to Europe to thank the allies?

The President. Well, I plan to thank the allies. I was just talking to Bandar, His Royal Highness, about calling King Fahd. I've not done that yet because I think, in his first 24 hours of emotional victory, if you will, there are many things on his mind. But I will certainly be thanking him in one way or another for the extraordinary cooperation. And of course, our commander out there has expressed his gratitude, and I know Secretary Cheney has, through proper authorities. So, we will make clear to the Ambassador's countrymen how strongly we feel about it.

And I think they -- it's been a two-way street -- they have been -- I've watched the response from the Saudi troops, and it's been a two-way street. Their joy, I think, being side by side with our people.

The Prince. That's true.

Q. Heard any more from Iraq in the last few minutes?

The President. Have you heard anything yet from Iraq lately? I mean, we have -- --

The Prince. No, other than what's public.

Note: The President spoke at 5:40 p.m. in the Oval Office at the White House. In his remarks he referred to King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia, Secretary of Defense Dick Cheney, and Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf.

Remarks on Signing the Proclamation Commemorating the 30th Anniversary of the Peace Corps

March 1, 1991

We've got all the suspects lined up here. Thank you very much. [Laughter]

Listen, please be seated. And welcome to the White House, a very special ceremony. And it's great to see so many familiar faces and distinguished former Directors of the Peace Corps, including especially the founding Director, Sarge Shriver. I'm also delighted to see the representatives from the Congress -- Senator Pell; Senator Lugar; Congressman Broomfield; my old friend, Jim Leach -- an especially warm welcome to you.

It's our pleasure, all of ours, to be here today to celebrate the 30th anniversary of the Peace Corps. I'm very proud to have standing at my side our very able Director, Paul Coverdell.

The Peace Corps has come a long way and expanded a great deal in its proud history. Today the volunteers come from a more diverse population of Americans than ever before, and they're reaching out to an ever-widening circle of countries.

The Peace Corps has long had three important goals. First, to help the people of host countries meet their needs for skilled men and women. Second, to help promote abroad a better understanding of our country -- of America. And third, to promote a better understanding by Americans of other peoples throughout the world.

And it has been exciting to watch as our volunteers, our ever-dedicated volunteers, continue to provide important training and skills in 73 countries that we are currently serving. And that is, incidentally, the highest number of countries that the Peace Corps has ever been active in at one time. It's particularly rewarding to note that the programs have been established in 19 new countries since the beginning of our administration, and I understand that number may reach as high as 30 by the end of 1992. In fact, the first set of volunteers will leave to begin their work in Romania just next week.

I'm pleased to have with us today Ed Pizack, Chairman of the Liberty Bell Foundation; several of his colleagues. Because of the Liberty Bell Foundation's great generosity and effort, the Peace Corps will be able to send an additional 60 volunteers to Poland to teach English. What an historic example of a successful public-private partnership.

In recent times, our second goal of helping to promote understanding of Americans abroad has been particularly important. Peace Corps volunteers have, and will, continue to promote a better understanding of the American people in the countries in which they serve. I've seen them in

action many, many times -- and as everybody in this room has -- and it is inspiring.

I'm also very proud of the Peace Corps efforts of their equally important, yet probably less known third goal. And that is to teach Americans about the world beyond our own borders.

Today, all 50 States are participating in the recently established World Wise School program. This program assists over 60,000 students in learning geography, acquiring international knowledge, and in inspiring good citizenship.

The Fellows/USA program allows returned volunteers to earn master's degrees while serving as teachers in our nation's neediest inner-city schools and then in the rural schools as well. Twelve universities are currently participating in this program.

In each of these important tasks, consistently for 30 years, so many thousands of volunteers have done a superb job in so many countries. Because the Peace Corps has served with characteristic American generosity and ability, I am proud to offer my congratulations on this very important 30th anniversary and my strong support and best wishes for the future.

Thank you all for coming down here, and now I'd like to ask the former Directors to join me as I sign this proclamation. I'm grateful for the work all you have put into this.

Note: The President spoke at 10:01 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to R. Sargent Shriver, founding Director of the Peace Corps; Senators Claiborne Pell and Richard G. Lugar; Representatives William S. Broomfield and Jim Leach; Peace Corps Director Paul D. Coverdell; and Edward Pizack, chairman of the Liberty Bell Foundation. The proclamation is listed in Appendix E at the end of this volume.

Remarks Prior to Discussions With Foreign Minister Hans-Dietrich Genscher of Germany

March 1, 1991

As I mentioned earlier to the first wave, we are very grateful to Germany for its support for the operations in recently concluded Desert Storm. We've got to work together now, and we will, to help enhance the peace. And so, I think we're all in a better position to do that. And I just want you to know, and please convey to Chancellor Kohl that we're -- as I'm sure Jim has told you -- determined to play our part in all of this. So, it's a big problem, but anyway, one we've got to tackle.

Thank you all. It's been a great pleasure.

Note: The President spoke at 10:35 a.m. in the Oval Office at the White House. In his remarks, he referred to Chancellor Helmut Kohl of Germany and Secretary of State James A. Baker III.

Remarks to the American Legislative Exchange Council

March 1, 1991

Thank you so much for that warm welcome, and welcome back to the White House. I just had a chat with Ellen Sauerbrey outside and delighted to see her and all of you; Sam Brunelli, the executive director. And, of course, I'm delighted to be side-by-side today, as I have been for the last couple of years and especially the last few months, with our very able Secretary of Defense.

I know Dick feels, as I do, that when you get a nice reception like that, people are really expressing their gratitude to the fighting men and women of the United States halfway around the world. What a job they've done! And nobody, no individual, deserves more credit for all of that than the man sitting over here behind me, our able Secretary of Defense. I will always be indebted to him, and so will our country.

I understand that you've heard from Mary McClure and Deb over here -- Deb Anderson, and Richard Haass will be speaking to you in a minute. He has had a key role, is a key member of our National Security Council, every step of the way in what's happened over in the Gulf. So, you're going to be hearing from one upon whom I have relied heavily, upon whom General Scowcroft relies heavily. So you'll get the facts from him, and I'm sandwiched in between these two experts. [Laughter] But when I mention Deb and Mary, of course, I'm talking about two of your own -- two State legislators, and both proof, if ever there was, of Finley Dunne's rule ``Every now and then an innocent person gets sent to the State legislature." [Laughter]

So, I hope that you found these visits with our other -- Dick Thornburgh and I don't know whether John Sununu has been over yet or not. I guess he has. And Jack Kemp is coming on. So we want you to hear in detail about our program -- our legislative program, as well as what's transpired in the Gulf.

Like so many other fine members of our team, most of those you'll hear from have something in common with each of the talented people out here in the audience. Most of them know what it meant when -- Sam Rayburn put it this way when he said he knows what it is to run for sheriff. And one of his criticisms of a lot of people around Washington was that they never ran for sheriff. Well, you know what it's like, and I know what it's like. And so I hope that you recognize that we have able people who have been elected; many able who have not. But we put great emphasis on the elective political process.

The presence of the veterans that we have, veterans of State politics, is important because they kind of remind us all the time of the philosophical underpinnings of our administration. And I want to just renew in a very few minutes here my own commitment not only to federalism but also to the principle that the States are what we call the laboratories of democracy, forging ahead at the cutting edge of the world's greatest experiment in freedom and diversity.

It is, of course, an ongoing experiment, a continuing experiment. From parental choice in child care and education to tenant ownership in housing, from enterprise zones to create jobs to what we call these drug-free zones to take back the streets, State and local governments are finding the new approaches to solving these problems and looking not just at America's problems but also at our possibilities.

Just a little over a month ago, I went up to the Congress and reported on the state of the Union. And I called it then a ``defining hour'' for our nation, and I spoke of the promise of a renewed America. And I issued a call not merely for new Government initiatives but for new initiative in government. And as has been true throughout our history, the wellspring of these new initiatives is likely to be the 50 dynamic State laboratories that are represented by all of you here today.

I've often said that the State legislatures are some of our most practical and resourceful leaders. Close to America's roots, close to the people -- I think that's what does it -- close to the concerns of the communities.

And that's why in that State of the Union Address I included a bold new proposal to select at least $15 billion in Federal programs and then turn them over to the States in one single consolidated grant, fully funded, for hands-on management by the States.

And I want to thank Ellen and Sam, who sent me a letter just 2 days later telling us of your strong endorsement, your enthusiastic support for this proposal. Over the past months, we've worked with you and with the Governors and others in State and local government to select the programs that go into this turnover. We are committed to funding these programs, Sam, funding them for the next 5 years. And we are committed to moving power and decision-making closer to the people. Because at the bottom line, our idea of federalism comes down to four simple words: ``more flexibility'' and ``fewer mandates.''

I think John was to speak to you about this earlier, but I did want to come by and thank you for your support and for all you're doing to make this initiative a success. We're getting some flak from predictable places on it, but I think on balance it's been received very, very well. And I can guarantee you we're going to fight for it.

I want to conclude by thanking this group particularly but so many people across this country for the tremendous support for our men and women serving overseas. And I want to particularly single out those that are actually serving in the Gulf or in support of Desert Storm, to click off just a few ALEC members like Louisiana's Hunt Downer -- was on active duty, supposed to be here -- right here. Hunt, glad to see you. We're delighted you're here. Nevada's Jim Gibbons; and Mike Coffman from Colorado; Connecticut's Chris Burnham, a Marine captain who took his third oath of office while stationed in Saudi Arabia.

So, we've got citizen legislators today doing double duty as citizen soldiers. And ladies and

gentlemen, these are America at its very, very best.

So, thank you. I know you share this wonderful feeling that I have of joy in my heart. But it is overwhelmed by the gratitude I feel -- not just to the troops overseas but to those who have assisted the United States of America, like our Secretary of Defense, like our Chairman of our Joint Chiefs, and so many other unsung heroes who have made all this possible. It's a proud day for America. And, by God, we've kicked the Vietnam syndrome once and for all.

Thank you very, very much.

Note: The President spoke at 11:08 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Ellen R. Sauerbrey and Samuel A. Brunelli, national chairperson and executive director of the council; Secretary of Defense Dick Cheney; Mary A. McClure, Special Assistant to the President for Intergovernmental Affairs; Debra Anderson, Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs; Richard N. Haass, Special Assistant to the President for National Security Affairs; Brent Scowcroft, Assistant to the President for National Security Affairs; Attorney General Dick Thornburgh; John H. Sununu, Chief of Staff to the President; Secretary of Housing and Urban Development Jack Kemp; State legislators Hunt Downer, Jim Gibbons, Mike Coffman, and Chris Burnham; and Colin L. Powell, Chairman of the Joint Chiefs of Staff.

The President's News Conference on the Persian Gulf Conflict

March 1, 1991

The President. Good afternoon. In the hours since we suspended military operations in the Kuwaiti theater of war, considerable progress has been made in moving towards a cease-fire and postwar planning. As our forces moved into Kuwait City and as the faces of these jubilant Kuwaiti citizens have warmed our hearts, the coalition leaders started the arduous task of addressing the next stages of the Persian Gulf situation.

As a first order of business this afternoon, I want to thank the American people for the affection and support that they have shown for our troops in the Middle East. In towns and cities across this nation, our citizens have felt a sense of purpose and unity in the accomplishment of our military that is a welcome addition to the American spirit. And as our service men and women begin coming home, as they will soon, I look forward to the many celebrations of their achievement.

In the meantime, we are focused on the many diplomatic tasks associated with ending this conflict. General Khalid, General Schwarzkopf, and other coalition military leaders of our forces in the Gulf will meet with representatives of Iraq tomorrow afternoon, March 2d, in the theater of operations to discuss the return of POW's and other military matters related to the cease-fire. We will not discuss the location of the meeting for obvious security reasons. But this is an important step in securing the victory that our forces have achieved.

Work is proceeding in New York at the United Nations on the political aspects of ending the war. We've welcomed here in Washington this week the envoys of several of our close friends and allies. And shortly, Secretary Baker will be leaving for a new round of consultations that I am confident will advance planning for the war's aftermath. Again and as I said Wednesday evening, the true challenge before us will be securing the peace.

So, thank you very much. And now who has the first question? Helen [Helen Thomas, United Press International]?

Q. Mr. President, you've always said that you were not targeting Saddam under the U.N. mandate and that the coalition has no claim on Iraqi territory. Is that still the case?

The President. We are not targeting Saddam, and we have no claim on Iraqi territory.

Q. Well, will you try to hunt him down for any kind of war crimes trial?

The President. No, I'm not going to say that. Not hunt him down, but nobody can be absolved

from the responsibilities under international law on the war crimes aspect of that.

Q. Mr. President, along that line, the reports of atrocities in Kuwait apparently go far beyond the horror stories that you've already described in recent weeks. Who will be held accountable for those, perhaps, other than Saddam? And do you think that the allied forces will hold any part of southern Iraq as a security zone for any time?

The President. I think on the first question, the first part, I agree that the reports are just sickening that are coming out of Kuwait. We have been concerned about it. Early on in all of this I expressed the concerns that I felt. But I think we'll just have to wait and see because I think the persons that actually perpetrated the tortures and the insidious crimes will be the ones that are held responsible. Now, how you go about finding them -- but I think back to the end of World War II. That process took a long time to evolve, but justice was done. I can't say it was complete, can't say everybody that committed a war crime was tried. But it's a very complicated process. But the answer is, the people that did it. Now, a lot of them obviously took off and fled out of Kuwait. But some of the Kuwaitis know who they were, so we'll have to wait and see on that one.

And what was the second part, Terry [Terence Hunt, Associated Press]?

Q. The second part was about a security zone. You've had all this destruction. Is there any thought of establishing a security zone to protect -- --

The President. On the question of security zone and arrangements out there, these matters will be discussed when Jim Baker is out there with the coalition partners. I don't believe they will be discussed at the military meeting tomorrow.

Q. Mr. President, what are your options, sir, if the meeting tomorrow and subsequent meetings do not produce prompt satisfaction to you that our EPW's or POW's will be released immediately?

The President. Well, I really, Brit [Brit Hume, ABC News], don't want to get into the hypothesis because I'm convinced they will. I really believe we will get satisfaction on that. And they know that they must comply, and I believe they will comply. And put it this way: They better comply.

Q. Well, there have been reports, sir, already from the early days of the air war that one of the airmen, for example, was killed, his body dragged through the streets in one of the towns. Does the United States plan to seek any kind of retribution because of that, or will there be measures taken in that regard?

The President. Well, I've addressed myself to war crimes trials, and abuse of prisoners certainly is provided for. And you know, the Geneva convention cites how prisoners should be treated. I had not heard that report, and I don't want to leave it stand that I know of it or know of its accuracy. But it would be a horrible thing if that happened.

Q. I know you've heard those reports from the Le Monde newspaper. Secretary of State Baker says he knows nothing about the fact that the Algerians have worked out a deal with Saddam that he could come there for political asylum. First of all, have you heard anything about those reports? And if not, do you agree with your Chief of Staff, Mr. Sununu, that it's an unstable situation for him and that you think he might be overthrown?

The President. John [John Cochran, NBC News], I think that subsequent to your discussion with Secretary Baker, the Algerians denied this. I'm seeing General Scowcroft confirm that, that they have denied that. We don't really know about the stability inside. There are rumors, but that -- I think it's early. In my own view I've always said that it would be -- that the Iraqi people should put him aside, and that would facilitate the resolution of all these problems that exist and certainly would facilitate the acceptance of Iraq back into the family of peace-loving nations.

Q. Sir, could I just follow that up?

The President. Yes.

Q. Even though that report from Algeria apparently is erroneous, there was something interesting in there. It said the Algerians had worked out a deal whereby the allies, including yourself, had agreed that Saddam, if he came there, he would not be tried for any war crimes. But you said that no one could be absolved. Would you not agree to any deal whereby he got political asylum?

The President. I would leave it stand that we cannot absolve anyone from his responsibility under international law. But that -- we were not approached on that at all. So the report is simply fallacious if it included that.

Q. To get him out of the country, you wouldn't agree to not try him?

The President. I would leave that matter to the international system of justice. And we cannot absolve somebody; I cannot wave a wand and absolve somebody from the responsibilities under international law.

Q. Mr. President, what can King Hussein do to get himself out of the U.S. doghouse? [Laughter] And if it turns out Jordan was violating the arms embargo against Iraq, can he do so?

The President. I think you know we have had differences with Jordan, and it's going to take some time. I think the Jordanians have to sort out their internal problems, the way they look at this matter. The Jordanians I don't believe have even received the truth as to what has happened to the Iraqi armed forces. From just watching from afar, it seems to me that they have been denied the truth. And the truth is we have destroyed Iraq's armor. And I see people dancing around in the streets still talking about a victory or still saying that we've sued for peace because we were done

in by Saddam.

So, first thing that has to happen in Jordan, the truth has to hit the streets. And then it will be time to discuss future arrangements. We have no lasting pique with Jordan. As everybody knows, we've had very pleasant relationships with Jordan in the past. But I have tried to be very frank with His Majesty the King and with the Government of Jordan pointing out the certain sense of disappointment that all Americans feel that they moved that close to Saddam Hussein.

But I think it's just going to take time, and I can't say how much. But clearly, we do not want to see a destabilized Jordan. I have no personal animosity towards His Majesty the King. So, we'll just have to wait and see.

Q. Sir, a lot of Americans have the impression that Germany and Japan didn't carry their weight in the Persian Gulf crisis. And they find Germany's involvement in the Iraqi chemical weapons and Scud missile operations particularly odious. What can the Germans and the Japanese do to rehabilitate themselves in American public opinion?

The President. Fulfill the commitments that they already have made. I'm told that the Germans have already come in with a substantial -- close to 50 percent of their commitment. And I am also told that the Japanese Diet yesterday approved this $9 billion payment. And so, I would simply say Japan and Germany have constitutional constraints -- the American people may or may not understand that -- constraints that kept them from participating on the ground in the coalition. But I have tried to make clear to the American people that both of them have stepped up and have offered to bear their share of responsibility by putting up substantial amounts of money.

Q. Mr. President, you have mentioned in your speeches third country nationals held by the Iraqis. There have been reports in the last few days of them taking hostages, Kuwaiti hostages, on the way out. May I ask about what seemed to be before a rather optimistic statement by you, why you think they're going to come to the table tomorrow and do the right thing?

The President. Well, the question of third party nationals or Kuwaiti detainees will be presented both at the military meeting on the border, and it is being debated and presented as one of the demands in our Security Council resolution. I'm not sure that that matter will be resolved tomorrow, that part of it. But I hope that we see an undertaking by the Government of Iraq to do that which they should do, and that is to give full accounting and immediate repatriation of these people. I don't know whether they'll do it or not, but there will be, there must be, a full accounting. So we are going to be watching very carefully to see if they are responsive to these concerns.

Q. In the resolution that you are pushing there's a continued push for economic sanctions, continued mention of war reparations. Is that what you're holding over Saddam Hussein's head as leverage for compliance on the prisoners?

The President. No. We just want compliance with the resolutions and compliance with human decency, that is, to release those prisoners and release these that have been kidnaped. And of course, we want the perpetrators brought to justice.

Frank [Frank Sesno, Cable News Network]? Incidentally, I'm told this may be your last appearance here. But good luck to you. Go ahead.

Q. Thank you, sir. I appreciate that.

Mr. President, you've talked a great deal throughout these many months and weeks about, at the appropriate time, what you want to see happen in a postwar Middle East. I'd like to ask you two questions. First of all, provided Saddam Hussein is toppled, ousted, and/or leaves -- the question -- what is your attitude about the U.S. helping to rebuild Iraq? And secondly, how do you feel now about a peace conference for the Middle East and to deal with these larger Arab-Israeli questions that you said would be among the issues on the table once this war was over?

The President. Well, on the second one of the peace conference or the whole concept of trying to bring peace to the rest of the Middle East -- and I would say it relates to the Palestinian question; it relates to the Lebanese question. Clearly, it relates to how Iraq is brought back into the family of nations. All of those things are going to be discussed now with our coalition partners by Jim Baker. We are also discussing it, as I said, with those emissaries that have been here.

For example, the Germans don't have forces, but they have some very good ideas on how all of these matters can be brought forward. I want to repeat my determination to have the United States play a very useful role now in the whole question of peace in the Middle East, and that includes all three of these categories. And whether it proves to be a peace conference or some bolder new idea, time will tell. But we are beginning very serious consultations on this.

In terms of rebuilding Iraq, my view is this: Iraq, had they been led differently, is basically a wealthy country. They are a significant oil producer. They get enormous income. But under Saddam Hussein and this Revolutionary Council, they have elected to put a tremendous amount of their treasure into arms. And they've threatened their neighbors. And now they invaded -- up to now had invaded a neighbor.

And so, Iraq has a big reconstruction job to do. But I'll be honest with you: At this point I don't want to see one single dime of the United States taxpayers' money go into the reconstruction of Iraq.

Now, you want to talk about helping a child, you want to to talk about helping disease, something of that nature, of course, the United States will step up and do that which we have always done -- lay aside the politics and help the health-care requirements or help children especially. But not

reconstruction -- they must work these things out without any help from the American taxpayer.

Q. If I may follow, Mr. President, you've said your argument has never been with the Iraqi people.

The President. Right.

Q. That the United States did not seek the destruction of Iraq.

The President. Exactly.

Q. If Saddam Hussein is gone and the Iraqi people appear to need help because of this crisis in leadership that you spoke about, why not, if not contributing -- --

The President. Well, we'll give a little free advice. [Laughter] And the advice will be: Use this enormous oil resource that you have, further develop your oil resource and other natural resources, live peacefully, and use that enormous money to reconstruct and do the very questions you're asking about. And in addition to that, pay off these people that you have so badly damaged. They've got a big role ahead of them there. That's the way I look at it.

Q. Mr. President, today you declared an end to the Vietnam syndrome and, of course, we've heard you talk a lot about the new world order. Can you tell us, do you envision a new era now of using U.S. military forces around the world for different conflicts that arise?

The President. No, I think because of what has happened, we won't have to use U.S. forces around the world. I think when we say something that is objectively correct, like don't take over a neighbor or you're going to bear some responsibility, people are going to listen because I think out of all this will be a newfound -- put it this way, a reestablished credibility for the United States of America.

So, I look at the opposite. I say that what our troops have done over there will not only enhance the peace but reduce the risk that their successors have to go into battle someplace.

Q. But surely, you don't mean that you would be reluctant to do this again.

The President. Do what again?

Q. Send troops if you thought you needed to.

The President. I think the United States is always going to live up to its security requirements.

Q. Sir, I'm struck by -- I know these are serious topics, but I'm struck by how somber you feel -- you seem, at least here. And I was wondering, aren't these great days? Is this the highlight of your life? [Laughter] How does this compare to being swept out of the ocean a couple of years back?

The President. You know, to be very honest with you, I haven't yet felt this wonderfully euphoric feeling that many of the American people feel. And I'm beginning to. I feel much better about it today than I did yesterday. But I think it's that I want to see an end. You mentioned World War II; there was a definitive end to that conflict. And now we have Saddam Hussein still there, the man that wreaked this havoc upon his neighbors. We have our prisoners still held. We have people unaccounted for.

So, I'm beginning to feel that the joy that Americans all feel now is proper. It has to do with a new, wonderful sense of patriotism that stems from pride in the men and women that went over there. And no question about it, the country's solid. There isn't any antiwar movement out there. There is pride in these forces -- handful of voices, but can't hear them.

And so, I think what happened, the minute we said there will be no more shooting -- thousands, hundreds of thousands of families and friends that said, my kids are going to be safe. And I think I was focusing a little more on what's left to be done. But it is contagious. When I walk out of that White House, or when I get phone calls in there from our kids in different States, or when I talk to whoever it is that have just come from meetings -- the Vice President's been out around the country, and Barbara's been out around the country, and others here -- I sense that there is something noble and majestic about patriotism in this country now. It's there. And so I'll get there, but I just need a little more time to sort out in my mind how I can say to the American people it's over finally -- the last ``t'' is crossed, the last ``i'' is dotted.

Q. Sir, does that mean that this episode won't be over for you until Saddam Hussein is out of -- --

The President. No, because I'm getting there. And I'm not gloomy about it. I'm elated. But I just want to finish my job, my part of the job. And the troops have finished their part, in my view. They've done their job. They did it in 100 hours, those ground forces. And the Air Force was superb. And that's what the families sense. That's what the American people sense. But I still have a little bit of an unfinished agenda.

Q. Sir, you've been called yesterday the great liberator of Kuwait. You've been invited there. People are waiting for you there. When are you going?

The President. I have no immediate plans to go. I want to go, but I have no immediate plans to do that. This is the triumph of the people on the ground. This is the General Schwarzkopf and the coalition, General Khalid, and the triumph of our military. So we should keep our focus on that for a little bit. But I would like very much to go there at some point and to be able to see for myself, feel for myself a little better what our sons and daughters have done.

Q. What about the big conference of all the members of the coalition? Do you envision that soon?

The President. You mean of the heads of state or government? I don't know of any plans for such a thing, and I don't think it would be required. There were so many, and it's so difficult.

Q. Mr. President, on a related topic. I know you spoke last night with Prime Minister Bolger of New Zealand. Do you now envision improved relations with them, especially in light of their contribution to the Gulf effort?

The President. What I told him was that I have not had a diminished feeling of any kind about the people in New Zealand. We've had one major difference with New Zealand. They know what it is; we know what it is. But I would like to try to resolve that because the American people have never wavered in their affection for the people in New Zealand. And this government has been supportive of the coalition, and we're not going to forget that. We're very pleased with that.

Q. Going into the security talks with the countries of the Middle East, are you willing to consider a long-term presence of American troops as a peace-keeping force, or do you think that would be better handled by Arab nations?

The President. I think it would be better handled by Arab nations. There will be a United States presence. There was before this. But there will be -- one of the things that Secretary Baker is talking about is all these different security arrangements. Perhaps there will be a role for a U.N. force; perhaps there will be a role for an all-Arab force. Certainly there will be some security role for the United States. But I would repeat here I do not want to send out the impression that U.S. troops will be permanently stationed in the Gulf. I want them back.

So, we're still working -- we're just beginning to work out these security arrangements, but a part of it will not be a continued presence of substantial quantities of U.S. troops. I'd like to see them all out of there as soon as possible. But there's some shorter-run security problems that I don't want to underestimate.

Q. Mr. President, a question you may think is too early to answer, but I know a lot of people in the United States are wondering: What is in the future for Generals Powell and Schwarzkopf? Will you promote them?

The President. I think that's a little early to answer.

Q. Would you care to take a shot at it?

The President. I don't know what they want to do. But they're big enough to do anything they want to do. And we owe them a vote of profound gratitude. And so we'll take this opportunity in

answer to this question to say once again to both of them, thank you very much on behalf of the American people. But then the futures can sort themselves out.

Q. To follow, sir, the United States has got a tradition of taking successful generals and turning them into politicians. Do you see that happening here?

The President. I think I will direct that question to either of them, or both of them.

Q. Mr. President, clearly, the United States and you have gained a great deal of personal approval and stronger approval in the period of this -- in winning the war and in how you have handled this. Do you feel any urgency to use both the heightened respect for the United States and heightened approval of how you've acted in this crisis to press urgently in the Middle East? Or are you more prone to take the prudent and cautious approach and do a lot of consulting and sort of build that approach the way you did leading up to this conflict?

The President. I leave out the polling figures or the renewed -- certainly individually, or what I think is a new respect for the U.S.'s credibility. I want to move fast and I want to go forward, particularly in the three areas I've mentioned resolving the Middle East. And I alluded to that in a speech I gave to the United Nations, and now I want to follow through on it. And I think I've made that very clear to the -- can't hear you, Ann [Ann Devroy, Washington Post]. No, because I want to finish that answer. I have made that clear to Jim Baker, who totally agrees with that. I've talked to Secretary Cheney and General Powell about it because obviously they'll have responsibilities in the security end of all of this.

But no, we are going to move out in a leadership role, but we have to have proper consultation before we do this.

Sarah [Sarah McClendon, McClendon News Service]?

Q. Yes, sir. [Laughter] Will you work just as hard for some machinery for peace in the world hereafter as you've worked on this war?

The President. Yes, Sarah.

Q. And in connection with that, will you see that the United States and others quit selling arms?

The President. I will work very hard for peace -- just as hard as I have in the prosecution of the war. And it's interesting you mention the arms sales. I don't think there will be any arms embargo because we're not going to let any friend come into a role where its security is threatened. But let's hope that out of all this there will be less proliferation of all kinds of weapons, not just unconventional weapons.

Q. To follow up along those lines, so many boxes of ammunition marked ``Jordan'' have been found inside abandoned Iraqi bunkers in Kuwait. Going back to the Jordan question, what do you make of that?

The President. I'll be honest with you, that has not been called to my attention. And I'll have to look at that because whether that means there has not been compliance with the embargo, I don't know. I don't want to jump to conclusions. I really have not heard that. And if it were a matter of considerable urgency or considerable amount, I believe that I would have known about it. But I don't want to comment further because I just don't know the answer.

Q. To follow up, sir, along the same lines, are you confident now that all is said and done that the Soviets were not supplying arms to their client Iraq during this?

The President: We have had no evidence that they have been during this, that they have violated the embargo.

Q. Mr. President, you've said that the true challenge now is securing the peace. Do you detect any chinks of light either on the Arab side or on the Israeli side which really would lead to a lasting settlement in the Middle East?

The President. It's a little early because these consultations are just beginning. But what I really believe is that the conditions are now better than ever. And it's not simply the restored credibility of the United States, for example. There are a lot of players out there. There's a lot of people that know a lot about the Middle East. And the British and the French and other coalition partners are very interested in moving forward. So I can't tell you that anything specific in what went on in the last 100 days will contribute to this. But I can tell you that each of the people I have talked to have said, now let's get on with this. And so we want to do it. It is in the interest of every country. It's in the interest of the Arab countries. It's in the interest of Israel. It's in the interest of the Palestinian people. So I sense a feeling -- look, the time is right; let's get something done. But I can't tie it to -- maybe I missed the thrust of your question -- I can't tie it to any specific happening.

Q. Do you feel it's a more workable scenario now than it has been for some years?

The President. I think so. And I've been wrestling with this, some role or another, since U.N. days back in '71 and '72. And part of this is the newfound viability of the United Nations. Part of it is that even though we had some nuances of difference here with the Soviets, that that veto-holding power is together with us in feeling that there must be an answer. China is different than it was in those early days when it first came to the U.N., and they've been supportive of the resolutions against Iraq. And so you've got a whole different perspective in the United Nations and, I'd say, in countries out there. There's still some historic prejudices; historic differences exist. But I think your question is on to something. I think there is a better climate now. And we're going to test it.

We're going to probe. We're going to try to lead to see whether we can do something.

Q. Mr. President, you have put together a solid and improbable coalition. What would you say to those who say that in the long term there is going to be a resentment in the Arab world for the damage the United States has inflicted upon Iraq?

The President. Well, you know, I've heard that. From the very beginning that was one of the things that was thrown up to me as to why not to use armed force, why I shouldn't commit the forces of the United States on the ground or in the air -- the allegation being this will create resentment. There were predictions back then that the whole Arab world would explode in our face and that even the countries that were supporting us in the coalition would peel off. Do you remember the fragility of the coalition days? And that didn't happen.

And I think the reason it didn't happen is that people in the Arab world could not condone Saddam Hussein's invasion of Kuwait. And then I think they also have seen the brutality -- not totally yet because you have some closed societies that have been denied the news. And you have some who have historically been less closed. And I cite Jordan, where the news has been denied or slanted so much that the people haven't been able to make up their own mind.

But one of the reasons that there has not been this explosion that had been highly predicted is that these are decent people. And they can't condone in their hearts the brutality of Saddam Hussein. They've known he was the village bully for a long time. They didn't have the wherewithal or the support to stand up against it. Even some of the countries that have been supporting him -- they know he's been an evil person.

And so I think we're in pretty good shape on this. And I think we've gone out of our way to make clear that our argument was not with the people of Iraq but with this dictator, you see. And I think that's helped a little bit. We've tried to be sensitive to the culture, tried to understand and empathize with the religious persuasions of these people. But there's nothing in Islam that condones the kind of brutality that we've seen from Saddam Hussein. So when he was posturing as a man of religion, it caused unease even from some of his supporters. And I think that's a reason that the Arab world hasn't exploded.

And we will go the extra mile to make clear to all these countries that the United States wants to be their friend and that we certainly have respect for their sovereignty and their customs and their traditions and all of that. And that's the way to handle it.

Q. What do you see is the role of the Soviet Union in this, postwar?

The President. Well, the Soviet Union is a major, significant country that should be treated, as we would other countries, with the proper respect. They have a long-standing knowledge of and interest in the Middle East. And so we will deal with the Soviets with mutual respect -- for that

reason as well as for the fact that to have the new United Nations be viable and meaningful in its so-called peace-keeping function, the Soviet Union is necessary to be working with them.

I don't want to see the U.N. in 1991 go back to the way it was in 1971, where every vote we found ourselves -- put it this way -- the U.N. found itself hamstrung because of the veto from the Soviet Union or sometimes from the United States. So as we work with them on common goals in foreign policy, although we have great differences with them on some things -- we've spelled it out here on the Baltics and use of force in the Baltics and all of that -- I want to continue to work with them, and we'll try very hard to work with them. Because, one, they have some good ideas.

I never resented the idea that Mr. Gorbachev was trying to bring a peaceful resolution to this question. I told him that. I've seen some cartoons that suggested I was being something less than straightforward, but I really didn't. The trouble was it stopped well short of what we and the rest of the coalition could accept. So they will be important players. And I'm very glad -- I'll say this -- that we wrestle with this whole problem of the Gulf today -- yesterday -- with Soviet cooperation, as opposed to what it would have been like a few years ago in the cold war days when every American was absolutely convinced that the only thing the Soviets wanted was access to the warm-water ports of the Gulf.

And so the problem, which is highly complex in diplomacy, has been much easier to work because of the cooperation between the five veto-holding powers of the United Nations. And I want to continue that because the U.N. will have a role. It's not going to have the only role. We've got a coalition role; we've got a bilateral diplomacy role; we've got a certain military role in encouraging the stability of the Gulf. But the United Nations can be very helpful.

And the Soviet Union is important. And when I have differences with Mr. Gorbachev, or when we have differences with the Soviets, we'll state them. We'll state them openly. But we will treat them -- we will deal with them with respect. And we will iron out our bilateral differences, and then I will reassure them that they are necessary to continue this multilateral diplomacy that has made a significant contribution to the solution to the Middle East problem.

Thank you all very much.

Note: The President's 72d news conference began at 12:45 p.m. in the Briefing Room at the White House. In his remarks, he referred to Abdul Aziz Khalid bin Sultan, commander of the Saudi forces, and Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; President Saddam Hussein of Iraq; Secretary of State James A. Baker III; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; King Hussein I of Jordan; Prime Minister Jim Bolger of New Zealand; Colin L. Powell, Chairman of the Joint Chiefs of Staff; Secretary of Defense Dick Cheney; and President Mikhail Gorbachev of the Soviet Union.

Presidential Determination No. 91 - 22 -- Memorandum on Narcotics Control Certification

March 1, 1991

Memorandum for the Secretary of State

Subject: Certifications for Major Narcotics Producing and Transit Countries

By virtue of the authority vested in me by Section 481(h)(2)(A)(i) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2291(h)(2)(A)(i) (``the Act''), I hereby determine and certify that the following major narcotics producing and/or major narcotics transit countries/dependent territory have cooperated fully with the United States, or taken adequate steps on their own, to control narcotics production, trafficking and money laundering:

The Bahamas, Belize, Bolivia, Brazil, Colombia, Ecuador, Guatemala, Hong Kong, India, Jamaica, Laos, Malaysia, Mexico, Morocco, Nigeria, Pakistan, Panama, Paraguay, Peru, and Thailand.

By virtue of the authority vested in me by Section 481(h)(2)(A)(ii) of the Act, 22 U.S.C. 2291(h)(2)(A)(ii), I hereby determine that it is in vital national interests of the United States to certify the following country:

Lebanon.

Information for this country as required under Section 481(h)(2)(B) of the Act, 22 U.S.C. 2291(h)(2)(B), is enclosed.

I have determined that the following major producing and/or major transit countries do not meet the standards set forth in Section 481(h)(2)(A) of the Act, 22 U.S.C. 2291(h)(2)(A):

Afghanistan, Burma, Iran, and Syria.

In making these determinations, I have considered the factors set forth in Section 481(h)(3) of the Act, 22 U.S.C. 2291(h)(3) based on the information contained in the International Narcotics Control Strategy Report of 1991. Because the performance of these countries varies, I have attached an explanatory statement in each case.

You are hereby authorized and directed to report this determination to the Congress immediately and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:42 p.m., March 12, 1991]

Message to the Congress Transmitting a Report on Trade Negotiations and Agreements and Fast Track Authority Extension

March 1, 1991

To the Congress of the United States:

Pursuant to section 1103(b)(2) of the Omnibus Trade and Competitiveness Act of 1988 (Public Law 100 - 418; 102 Stat. 1129), I transmit herewith a report that includes my request for the extension of fast track procedures for the consideration of implementing legislation with respect to trade agreements entered into after May 31, 1991, and before June 1, 1993, together with a description of the progress made to date in bilateral and multilateral trade negotiations, the anticipated schedule for transmitting such agreements to the Congress, and a statement of the reasons supporting my request for an extension of fast track procedures.

The fast track mechanism has played a vital role in U.S. trade policy for many years. It strengthens the hand of our trade negotiations and preserves the important role of the Congress in the shaping of U.S. trade policy. The continued availability of the fast track procedures over the next 2 years will ensure that our negotiators can bring to the Congress for its consideration trade agreements that will truly enhance the ability of the United States to compete internationally.

At a time when world events have reconfirmed the importance of U.S. leadership in multilateral efforts, maintaining fast track is essential to our leadership in the global trading system.

My request reflects my strong desire to continue the partnership between the Congress and the executive branch that the fast track represents. This partnership is essential if we are successfully to meet the world's growing economic challenges into the next century.

George Bush

The White House,

March 1, 1991.

Radio Address to United States Armed Forces Stationed in the Persian Gulf Region

March 2, 1991

Never have I been more proud of our troops, or more proud to be your Commander in Chief. For today, amid prayers of thanks and hope, the Kuwaiti flag once again flies high above Kuwait City. And it's there because you and your coalition allies put it there.

Kuwait is liberated. And soon hometowns across America will be welcoming back home the finest combat force ever assembled -- Army, Navy, Coast Guard, Marines, Air Force -- the brave men and women of the United States of America.

Saddam Hussein's dreams of dominating the Middle East by the terror of a nuclear arsenal and an army of a million men threatened the future of our children and the entire world. And the world was faced with a simple choice: If international law and sanctions could not remove Saddam Hussein from Kuwait, then we had to free Kuwait from Saddam Hussein.

And that's exactly what you did. Throughout 7 long and arduous months, the troops of 28 nations stood with you, shoulder to shoulder in an unprecedented partnership for peace. Today we thank you, for the victory in Kuwait was born in your courage and resolve. The stunning success of our troops was the result of superb training, superb planning, superb execution, and incredible acts of bravery.

The Iraqi Army was defeated. Forty-two divisions were put out of action. They lost 3,000 tanks, almost 2,000 armored vehicles, more than 2,000 artillery pieces. And over half a million Iraqi soldiers were captured, defeated, or disarmed. You were as good as advertised; you were, indeed, ``Good to go."

This is a war we did not seek and did not want. But Saddam Hussein turned a deaf ear to the voices of peace and reason. And when he began burning Kuwait to the ground and intensifying the murder of its people, the coalition faced a moral imperative to put a stop to the atrocities in Kuwait once and for all. Boldly, bravely, you did just that. And when the rubber met the road, you did it in just 6 weeks and 100 decisive hours.

The evil Saddam has done can never be forgotten. But his power to attack his neighbors and threaten the peace of the region is today grievously reduced. He has been stripped of his capacity to project offensive military power. His regime is totally discredited, and as a threat to peace, the day of this dictator is over. And the bottom line is this: Kuwait's night of terror has ended.

Thomas Jefferson said that the price of freedom is eternal vigilance. We must remain vigilant to

make absolutely sure the Iraqi dictator is never, ever allowed to stoke the ashes of defeat into the burning embers of aggression. The sacrifice you've already made demands nothing less. The sacrifice of those who gave their lives will never be forgotten.

Saddam made many mistakes. But one of the biggest was to underestimate the determination of the American people and the daring of our troops. We saw in the desert what Americans have learned through 215 years of history about the difference between democracy and dictatorship. Soldiers who fight for freedom are more committed than soldiers who fight because they are enslaved.

Americans today are confident of our country, confident of our future, and most of all, confident about you. We promised you'd be given the means to fight. We promised not to look over your shoulder. We promised this would not be another Vietnam. And we kept that promise. The specter of Vietnam has been buried forever in the desert sands of the Arabian Peninsula.

Today, the promise of spring is almost upon us, the promise of regrowth and renewal: renewed life in Kuwait, renewed prospects for real peace throughout the Middle East, and a renewed sense of pride and confidence here at home. And we are committed to seeing every American soldier and every allied POW home soon -- home to the thanks and the respect and the love of a grateful nation and a very grateful President.

Yes, there remain vital and difficult tests ahead, both here and abroad, but nothing the American people can't handle. America has always accepted the challenge, paid the price, and passed the test. On this day, our spirits are high as our flag, and our future is as bright as Liberty's torch. Tomorrow we dedicate ourselves anew, as Americans always have and as Americans always will.

The first test of the new world order has been passed. The hard work of freedom awaits. Thank you. Congratulations. And God bless the United States of America.

Note: The President recorded this address at 9:15 a.m., March 1, in his private study at the White House. In his address, he referred to President Saddam Hussein of Iraq. The address was broadcast at noon, March 2, over the Armed Forces Radio Network.

Remarks to Veterans Service Organizations

March 4, 1991

Thank you very much for that warm welcome. Looking at this array of speakers up here, I can't imagine there's anything left for me to say, because I understand that you have had a briefing from Brent Scowcroft and Secretary Cheney and also, of course, heard from our very able Secretary of the Veterans Administration, Ed Derwinski. What a tremendous job he's doing for our country and for our veterans. And I'm so proud to have him at my side.

I'm glad to see the familiar faces from so many of our veterans organizations -- particularly the VFW and the Disabled American Veterans, the American Legion -- many, many others. I'm going to get in real trouble now for -- [laughter] -- omitting some. But welcome, again; welcome back to the White House.

Let me just begin by giving credit where credit is due. From the day that Saddam Hussein first invaded Kuwait, America's veterans stood rock-solid, rock-solid behind our troops. You understood from the very beginning what was at stake: the rule of law and the cause of freedom. You understand that when the forces of aggression arise, America must stand ready to do the hard work of freedom.

You understood because you've been there. And you know how important the support of the folks back home is to our troops. Our brave men and women, as you have heard, are coming home soon, home to the respect and the gratitude of the American people. And let me tell you -- they have sure earned it.

I am pleased to say -- and you've seen it all in this age of instant television communication -- that we're making progress in our journey from war to peace. The cessation of combat operations that went into effect midnight Wednesday is, as you've heard from Dick Cheney, holding -- for the most part, it is holding. General Schwarzkopf has reported, and then the Secretary called me yesterday morning about this, that Sunday's desert meeting with the Iraqi commanders really made great progress.

I liked it -- what General Schwarzkopf said on the television when he said, ``Look, we're not here to humiliate anybody.'' And then he went ahead and laid down the rules that should be fulfilled. And it looks like he made great, great progress on that.

Already 10 coalition POW's, including several Americans, are on their way back home. But I'll tell you, I don't think any of us, particularly in this audience -- and I know I speak for the three up here behind me on this stage -- can relax at all until every single one of those prisoners is home and every single missing is accounted for to the best of the ability of the Iraqi forces, and also that the Kuwaiti detainees are returned -- every single one of them. And that's our goal.

And clearly, on a sad subject, that requires the returning of the remains of all our fallen heroes.

We've received information on the location of the mine fields in and around the theater of operations so that the rebuilding of Kuwait can begin safely. And it's my understanding, Dick, that -- you told me that he got immediate satisfaction on that question of the mine fields. So, that's good; that shows some real signs of progress and cooperation.

Our goal remains what it's been all along: Iraq's complete and unconditional compliance with all relevant United Nations resolutions and its implementation of all the requirements to be found in Security Council Resolution 686, passed overwhelmingly late Saturday afternoon, just this past Saturday. This would allow us to move beyond the current suspension of military operations to a more permanent and stable cease-fire.

Now, this has been a triumph for the 28 nations united against aggression. But as I said in my address to the Nation the final night of Kuwait's liberation, this is not a time to gloat or it's not a time to brag. It's a time to be proud, fiercely proud -- proud of our troops, proud of our friends who stood with us, and proud of our people. Their strength and perseverance endured that our success was as certain as our cause was true.

We're here today to ensure that our nation always remembers those who defended her, the heroic men and women who stood where duty required them to stand. And we owe it to our veterans that they return to an America confident and full of promise. Much work remains to be done on the domestic scene. We've got to tackle that with a new determination. But the American people, I am convinced, are up to the job, as they have always been.

Let me close with the words of Abraham Lincoln, who spoke to the Nation on this very day, but back in 1865, at the end of a devastating civil war. Here was the quote -- most remember part of it: ``With malice toward none, with charity for all, with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in, to bind up the nation's wounds, to care for him who shall have borne the battle, and for his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

Those words are inscribed on the marble of the memorial which bears Lincoln's name. They were from the President's second inaugural. They were a fitting call to honor the Nation's veterans.

I made a comment right here at this podium the other day about shedding the divisions that incurred from the Vietnam war. And I want to repeat and say especially to the Vietnam veterans that are here -- and I just had the pleasure of meeting some in the hall -- it's long overdue. It is long overdue that we kicked the Vietnam syndrome, because many veterans from that conflict came back and did not receive the proper acclaim that they deserve -- that this nation was divided and we weren't as grateful as we should be. So somehow, when these troops come home, I hope that message goes out to those that served this country in the Vietnam war that we appreciate

their service as well.

I am very grateful to our Secretary of Defense, to the commander of our -- to the Chairman of our Joint Chiefs, and to our CINC in the field, General Schwarzkopf, and to each and every one of them -- I expect, knowing some of you, that you took the same pride I did in one of our GI's when these Iraqis came tearing out to surrender. And they had fear written all over their faces because they'd been told that this would be their end. And I thought there was something very moving and touching when that American sergeant said, ``We're not going to hurt you. We're not going to hurt you."

And we are a generous nation. And we've got a lot to do now; we've got a lot to do to heal the wounds. Our argument has never been with the people of Iraq, with those hapless soldiers that were sent to a fate that they didn't even know what was in store for them. Our argument has been with Saddam Hussein. Our argument has been with a dictator who created aggression against a neighbor.

And so, as we rejoice in our victory, I think we can also rejoice in the fact that we are a humble nation -- that we have pride, of course, in what took place, but we are not gloating. We are not trying to rub it in. What we stood for was a principle. And now we've got to stand for doing what's right by our veterans, and we've got to stand for doing what's right by those countries whose freedom we saved around the world.

Thank you all for your fantastic support. Isn't it great to be an American in these wonderful times?

Note: The President spoke at 1:48 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Brent Scowcroft, Assistant to the President for National Security Affairs; Secretary of Defense Dick Cheney; Secretary of Veterans Affairs Edward J. Derwinski; President Saddam Hussein of Iraq; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; and Colin L. Powell, Chairman of the Joint Chiefs of Staff.

Nomination of Donald J. Yockey To Be Under Secretary of Defense for Acquisition

March 4, 1991

The President today announced his intention to nominate Donald Jay Yockey, of California, to be Under Secretary of Defense for Acquisition at the Department of Defense in Washington, D.C. He would succeed John A. Betti.

Since 1990 Mr. Yockey has served as Deputy to the Under Secretary of Defense for Acquisition at the Department of Defense. From 1966 to 1990, Mr. Yockey served with Rockwell International in several capacities: senior vice president and special assistant to the president; director of the astrionics division; and officer of the corporation.

Mr. Yockey graduated from the University of Oklahoma (B.A., 1960). He was born January 6, 1921, in Buffalo, NY. Mr. Yockey served with the U.S. Air Force, 1947 - 1966. Mr. Yockey is married, has four children, and resides in Potomac, MD.

Remarks at the Westinghouse Science Talent Search 50th Anniversary Banquet

March 4, 1991

Thank you. Please be seated. Let me just say how pleased I am to be here, salute the members of my Cabinet here, Secretary Sullivan; and Governor and Mrs. Sununu; Dr. Bromley, outstanding science adviser to the President; Dr. Seaborg, an old friend who's been so instrumental in all of this; Mr. Lego, Mr. Sherburne, Ms. Luszcz, Monsignor Quinn, Mr. Flatow; and trustees of the Westinghouse Foundation. And then, of course, the past and current Westinghouse Award recipients; also, the judges of the Science Talent Search; distinguished guests of science -- and that leaves me as the only one. [Laughter]

I went in and saw five of these displays in there on the condition that they'd not give a test after they explained exactly what they had wrought. [Laughter] And I wish all of you could have seen it; it was wonderful.

But thank you, sir, for introducing me and for all you do, for this warm reception out here. And let me welcome to Washington the trustees of our posterity: high school students, the best and the brightest, high school students who act for the Nation and neighbor. And it's a pleasure for me to be here at this Super Bowl of science.

You know, we meet tonight on the 50th anniversary of the Westinghouse Science Talent Search, a program which has helped to make the past half-century a time of extraordinary exploration. Fifty years ago, 1941 -- just think of the changes since then. As for the VCR -- people couldn't set their clocks on the VCR back then either. [Laughter] Because there wasn't any VCR. [Laughter] When I was growing up in 1941, PacMan was a hiker, not a video game. [Laughter] And there have been so many changes, so much scientific change for the good. And who knows how future endeavors will make ours a richer, more decent world?

Tonight, we honor distinguished scientists and researchers who are opening doors into an age where mankind not only moved into the future but reinvented it. Think of discoveries like biotechnology and microchip, and of pioneers like Kilby and Noyce, Cohen and Boyer, the first two people to splice a gene. All knew, as Thomas Jefferson wrote to a Polish general who fought with us in the Revolutionary War, ``The main objects of all science are the freedom and happiness of man."

Since the dark days of World War II, Westinghouse recipients have aided this freedom, becoming an instrument of liberty and the symbol of the information age. From the first man to win the top prize in the Science Talent Search -- Paul Teschan, saving soldiers' lives with the artificial kidney in the Korean war -- to Raymond Kurzweil, whose reading devices make life easier for the blind, each has reached for the stars so that future generations of Americans might someday travel to

them.

This program's history reaffirms that truth. Five Westinghouse Award recipients have won the Nobel Prize. Eight have received MacArthur fellowships. Three have been admitted to the National Academy of Engineering. Twenty-eight have also been elected to the National Academy of Sciences, one of your profession's highest honors.

Albert Einstein put it best when he noted that everything that is really great and inspiring is created by individuals who labor in freedom. In short, he believed what all of these honorees believe: freedom works. This year's national winners, 40 in all, were culled from more than 1,400 entries. Many belong to their school debate team or baseball club or their newspaper or their church group or their band. All have created research projects which show how the trailblazers of today can indeed be the heroes of tomorrow.

Consider Clifford Wang of Vero Beach. He proposed that seaweed can be grown in the ocean to remove metal pollutants and then harvested for methane generation, cleaning the environment while at the same time producing energy. Or Tara Bahna-James of New York City, who explored the relationship between math aptitude and musical talent. In Spring, Texas -- right there in my old congressional district -- Wade Butine developed a varnish to withstand the rigors of weather and salt water. And in Pittsburgh, Susan Criss recently completed a 2-year project -- it's one of the five I saw -- that showed how betacarotene in the bloodstream may reduce the risk of cancer.

These and other projects show how learning is always a continuation, never a consummation; that because freedom works, dreams make possible even greater dreams. Here's a story which magnifies that fact. In 1843, a Commissioner of Patents made a report to President Tyler. And he said, ``The advancement of the arts from year to year taxes our credulity and seems to presage the arrival of that period when human improvement must end." He went on to urge that the Patent Office be liquidated -- even Ripley wouldn't believe this -- [laughter] -- because, he allegedly believed, there was nothing else to be invented. [Laughter]

Today, all of us know better. We realize this nation has no natural resources like its intellectual resources. So, we must, and are, assisting the knowledge that is our most enduring legacy, vital to everything we are and can become.

The Nation's Governors and I have set a goal -- a national goal -- for U.S. students to be number one in the world in math and science learning by the year 2000. And we can achieve it. We will achieve it. To start with, we will achieve it through our own National Educational Excellence Act that I will soon send up to Congress. Last fall Congress acted favorably on our initiative for a National Science Scholars program, which will give America's youth a special incentive to excel in science, math, and engineering.

We will also achieve this goal through research and development in all areas of science,

technology, and engineering. Last month, I submitted our new budget to the Congress, and it includes special emphasis on math and science education. We propose an increase of $225 million for math and science education, new funding for R&D that totals $76 billion, including a record high of over $13 billion for basic science research.

Our budget will continue our basic commitment to double the funding for the National Science Foundation; devote over $16 billion for major space activities, and that's up 15 percent over last year; and support the development of worthy ideas from electric powered vehicles to high performance computing to the human genome project. It gives more money than ever to the small science research -- research by individuals embodied, if you will, by the Westinghouse Science Talent Search. And it urges Congress to provide the 28-percent increase I seek to raise the quality of precollege math and science education, which we must do if American science and technology will continue to lead the world.

This budget will help freedom work at home. And yet this freedom has also helped advance the cause of liberty abroad. For evidence, look halfway around the world at the Persian Gulf, where achievements in science are responsible for the high-tech equipment which has served our military so well.

In the past, some have urged that we depend more for our protection on theories of deterrence than technologies of defense. Well, thank God that when those Scuds came in, the people of Israel and Saudi Arabia had more to protect them than some abstract theory of deterrence.

You just go over to Riyadh or Tel Aviv. And a theory didn't protect those citizens. Patriot missiles born of technology did. Because of science and technology, because of American creativity, thousands of innocent civilians -- priceless human lives -- have been spared. The Patriot and other missiles show how American innovation stems from American inspiration.

If the cause of peace is to continue being served by American military power, it must continue being advanced by American brain power. Ask our troops in the Gulf -- yes, those finest soldiers, sailors, airmen, marines, coastguardsmen any nation has ever had. Today, all of us are especially grateful that 10 coalition POW's, including several Americans, are on their way back home. And our remaining POW's should not be far behind. Welfare of our troops was our top priority in the war. And as we forge a new peace, all of them will be on our minds until all of them are back home. Each of these brave men and women know how science and technology brought closer freedom's ultimate victory.

Ask, too, those other great heroes, our teachers. Each day they give perhaps the greatest gift of sharing their knowledge with others. And ask, finally, America's students and parents. They know that while learning is very practical, it is also among mankind's most noble endeavors. It can presage a new golden age -- a bold, new world order where creativity flows more than ever from the human heart and mind.

Over the past half-century, scientific breakthroughs have benefited us all. From the first radar to pioneering advances in shock and burn treatment, to the revolutionary laser, to the high-tech of today, America's scientists have done their duty, as they will in the future, helping us not merely to prevail at war but also, more importantly, to win the peace.

What a magnificent legacy for the Westinghouse Science Talent Search. What a magnificent metaphor for the dream that is America. Thank you for all you do. Congratulations to each and every one of you. Please continue -- I would ask this of all of you -- to pray for our sons and daughters in the Gulf and for peace -- lasting peace in that troubled corner of the world.

God bless you all, and thank you very much.

Note: The President spoke at 7:28 p.m. in the International Ballroom of the Washington Hilton Hotel. In his opening remarks, he referred to Secretary of Health and Human Services Louis L. Sullivan; John H. Sununu, Chief of Staff to the President, and his wife, Nancy; D. Allan Bromley, Assistant to the President for Science and Technology; Glenn Seaborg and E.G. Sherburne, Jr., chairman and president of Science Service; Paul Lego, chairman and chief executive officer of Westinghouse Electric Corp., who introduced President Bush; Carol Luszcz, program director for the Westinghouse Science Talent Search; Msgr. Louis Quinn of Saint Matthew's Cathedral; and Ira Flatow, president of Samanna Productions, Inc.

Remarks at a Briefing on Extension of the Fast Track Trade Negotiation Authority

March 5, 1991

One interrupts Carla at their own risk. [Laughter] But that gives me a good lead-in to express my confidence in our USTR, in our Trade Representative. Certainly, also, in our very able Secretary of Commerce, Bob Mosbacher, who is behind me; Michael Boskin, upon whom I rely for so much in the economic field; and Fred McClure, without whom we could not operate in terms of working with the Congress. So, you have four of our best here, and I hope that you've been able to glean from them how important we feel this Fast Track is.

Obviously, the attention has been focused by the whole country -- indeed, the whole world -- on the Persian Gulf. But I wanted to come over and talk about economic growth because I am optimistic about the economic future of this country. And frankly, one of the things that's going to lead us out of the recovery [recession] is this vital export segment of our economy. I'm confident that we can expand exports, and I'm confident that we can expand economic growth generally, but we've got to do it through opening world markets and not through throwing up barriers -- not through protection that we might think, short run, will help somebody here at home but, long run, inevitably results in a diminishing of the worth of this country.

As these four have told you, our economic growth depends on free markets, and our trade agreements have got to open up these markets and provide rules for fair and free trade. I'll readily concede, and so will Carla and Bob, that we have further to go in terms of the fairness aspect. And we are going to continue to work on that. For many years, the Fast Track has allowed us to successfully negotiate the very important trade agreements in our history, reducing the barriers to trade and contributing to growth here and abroad.

We are committed -- this administration is committed to America's leadership role in the global economy and to the extension of Fast Track. We want to continue our active partnership with the Congress and with the private sector in expanding trade. Congress has a very special role in international trade. As business and association leaders, all of you, you've been tremendously helpful so far, and I want to keep this partnership strong. Fast Track will do this.

It'll also give us the same bargaining power that our counterparts already enjoy: the ability to ensure that the agreement reached at the table is the same one voted on at home. Supporting Fast Track will allow our important initiatives for economic growth to go forward. And if a disapproval resolution is passed by either House, the Fast Track for all purposes is history; it's gone, as -- I would say with that -- as is our ability to negotiate in the Uruguay round, the North American free-trade agreement, and the Enterprise for the Americas Initiative. All vital, vital interests of the United States of America.

So, a vote against Fast Track really is a vote against vibrant international trade. We're doing very, very well with Mexico. Our relations with Mexico have never been better. And I give great credit to the President of Mexico, Carlos Salinas, and to his trade people, just as I do to our Secretary of Commerce and to our very able Trade Representative. They've worked hard and closely with Mexico. And it would be a shame to see special interests in this country gun down the Fast Track and thus stop us from getting the kind of free-trade agreement with Mexico that is clearly in the interest of U.S.-Mexico relations, and I think will benefit all Americans as well.

And clearly, the Hispanic American population revels in the newfound improved relations with Mexico. And I think they would have a lot at stake in seeing that we have a good, strong agreement with the Fast Track leading the way.

We are the world's largest trader. And these exports in which many of you have been so active have become a vital source of strength to our economy. Even when the economy is weak and slow, the exports have been profitable and certainly leading the way.

So, I know we're facing a tough fight on this in the Congress. I have pledged to you that the White House will do absolutely everything we can to get the message across to the Congress as to how important this is.

But the bottom line is simply this: We have before us the opportunity to expand growth and prosperity for all Americans. We can look at it selfishly. We can look at it -- what's in the best interest of the American people. And I am absolutely convinced that this Fast Track -- it'll lead to the Uruguay round's successful conclusion, will lead to the Americas Initiative, and also will lead to the bilateral agreement with Mexico -- are in our fundamental interests.

So, I wanted to come over, thank you all for your very, very important work, and urge you to redouble your efforts as we get down to what will be critical votes in both Houses of the United States Congress.

Thank you all very, very much.

Note: The President spoke at 11:22 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Carla A. Hills, U.S. Trade Representative; Secretary of Commerce Robert A. Mosbacher; Michael J. Boskin, Chairman of the Council of Economic Advisers; Frederick D. McClure, Assistant to the President for Legislative Affairs; and President Carlos Salinas de Gortari of Mexico.

Remarks Prior to Discussions With Foreign Minister Francisco Fernandez-Ordonez of Spain

March 5, 1991

The President. May I just repeat for our friends from Spain what I said earlier to the first wave, and that is that we on the United States side are very grateful for the cooperation that we've had with Spain regarding the Gulf crisis. And they've been steadfast, solid as a rock. And I am indebted, as I explained to the Foreign Minister, to him and to the Prime Minister and to His Majesty for understanding and support. And Spain was there, and they were very strong, and I am very grateful. And I know the Secretary feels the same way.

So, we're glad to have you here. Glad to see you.

The Foreign Minister. Thank you.

The President. The statement today -- was this a regular meeting of Parliament at home?

The Foreign Minister. No, no, this was a special meeting.

The President. Special meeting.

The Foreign Minister. For the end of the Gulf war. It was a debate. We have the support of 90 percent of the Parliament. And he made the statement saying that we would continue providing the good support that we have made from there.

The President. Well, we got it.

The Foreign Minister. -- -- is very good.

The President. That is very important. And I might also add, I think the cooperation we've had in matters regarding this hemisphere -- of course, the respect that Spain has and that your Prime Minister has in Central America and South America is legion. Everybody knows that. But it's -- we've got to continue to work together.

We've been so busy with the Gulf that I just don't -- have told our side that we don't want to neglect our own hemisphere. And Spain can be a tremendous catalyst for peace and democracy there, where you have already started to be. And every time I go down there, people speak so highly of the Prime Minister and your efforts. I wanted to mention that here, that we want to stay together as much as we possibly can on matters related to this hemisphere.

I'm optimistic about it, although there are some tough economic problems in there right now.

Note: The President spoke at 1:20 p.m. in the Oval Office at the White House. In his remarks, he referred to Prime Minister Felipe Gonzalez Marquez and King Juan Carlos I of Spain, and Secretary of State James A. Baker III. A tape was not available for verification of the content of these remarks.

Remarks at the Attorney General's Crime Summit

March 5, 1991

Thank you so very much for that welcome, and I will say what I said at the State of the Union: I take that warm response as a vote of thanks to our fine young men and women who served this country with such distinction in the Gulf. What a job they did! And I think everybody was saying that.

Let me greet you, Mr. Attorney General, and thank you for the introduction and the invitation to be here. I want to salute the U.S. attorneys, the State AG's, the judges, the local DA's, the sheriffs, police, State and local officials -- and then also, most especially, the community leaders from across America. It is an honor to welcome you to Washington. You represent one of the most powerful peacetime forces known to man. And that's why you've been invited to this unprecedented council of war -- to share ideas and successes and to help frame the battle plan for the fight against violent crime and drugs for the next decade and beyond.

Dick was in a minute ago, briefing me on this conference that ends this afternoon, telling me with great pride the accomplishments and the enthusiasm that have been brought together here. And I'm here because I wanted you to know how strongly I feel about reducing violent crime in America and how firmly we support your efforts to fight crime and to give back our streets to America's families.

And against this backdrop, I know there's something else on everyone's mind -- I heard it when I walked in -- because soon your hometowns all across America will welcome home the finest fighting force ever assembled: the courageous men and women of the United States military.

And for 7 long months, America watched with a lump in our throat and a prayer on our lips. And now in Kuwait the fires of destruction are beginning to dim, eclipsed by the brilliant flame of freedom.

The coalition victory in the Gulf is a test to America's leadership and skill and to our nation's unparalleled ability to respond swiftly and successfully to a clearly stated challenge. We had a challenge. We set a goal, and we achieved it.

These American heroes risked their lives so that America's kids could realize a dream -- a world free from aggression and fear, a world filled with opportunity, a world whose only limits are in the reaches of the imagination.

And I told our troops the other day that, like the coming promise of spring, their magnificent victory in the Gulf had brought a renewed sense of pride and confidence here at home. It's contagious; it's all over our country, and you can feel it every single minute.

Our confidence in America's future is the foundation for the opportunity package we unveiled last week. It calls for improved opportunity through education, jobs, home ownership, and programs aimed at keeping families healthy and together. And it calls for safe schools, neighborhoods, and homes. Because now that the shooting has stopped overseas, we've got to redouble our efforts to silence the guns here at home. And that's why you're here. That's why you're here, and that is why I singled out this summit in my State of the Union Address -- because here at home you are America's front-line troops. And here at home, the triumph of freedom has got to mean freedom from fear.

Today the fear of crime strikes too many American families. Parents fear for their kids in school and on the way home. They fear for their teenagers and the lessons they may learn in the streets. And they fear for their own parents, for whom a simple trip to the grocery may become an exercise in terror.

Perhaps you saw the report that during the first 3 days of the ground offensive more Americans were killed in some American cities than at the entire Kuwaiti front. Think of it -- one of our brave National Guardsmen may have actually been safer in the midst of the largest armored offensive in history than he would have been on the streets of his own hometown. It's outrageous. It's wrong, and it's going to change.

The temptation is strong to use the words of a victorious war to send you back to your daily challenge. But wars serve us best when we learn from them, not glorify them. And among the lessons is that in furtherance of a widely accepted moral value, collective action succeeds. This is a simple but powerful message that applies to this summit today. And a second great message is that numbers alone are not determinative. More than simply sheer numbers, our victory was based on creativity, strategic thinking, and the skilled execution of a bold plan.

And you'll forgive an old Navy man if my message to you today is drawn from the lessons of America's great World War II admiral, William F. ``Bull'' Halsey. ``Carry the battle to the enemy," he said. ``Lay your ship alongside his." And on the eve of the battle of Santa Cruz, in which his ships were outnumbered more than 2 to 1, Halsey sent his task force commanders a three-word dispatch: ``Attack -- repeat -- attack." And they did attack, heroically, and when the battle was done, the enemy had turned away.

Just look at what we've done in the Gulf -- pilots, our missile men, the impressive logistics and diplomatic operations. America is a ``can-do'' nation. And today at home, we must seize the day. The kind of moral force and national will that freed Kuwait City from abuse can free America's cities from crime. As in the Gulf, our goal is to strengthen and preserve the rule of law. As in the Gulf, we need creative and strategic thinking to free our cities from crime. And as in the Gulf, this means assembling an unprecedented coalition. We've got to cooperate, really cooperate, on a level never before seen -- Federal, State, and local prosecutors; Federal, State, and local police; Governors; mayors; and the new corps of neighborhood peacekeepers, the community leaders

who have stood up to the violence and despair.

Our administration is committed to doing its part. I know Dick Thornburgh, our very able Attorney General, spoke with you about this yesterday. Under his leadership, we've taken the lead in fighting organized crime, drug trafficking, and the deadly tide of violence that follows in their wake. We've made record increases in Federal prosecutors and agents. By 1992, we will be well on our way to more than doubling our Federal prison space, allowing us to use tough Federal laws to put violent offenders behind bars to stay. Asset forfeiture laws allow us to take the ill-gotten gains of drug kingpins and use them to put more cops on the streets and more prosecutors in court. In the last 5 years alone, the Justice Department shared over half a billion dollars in forfeited assets with State and local law enforcement.

We understand that fighting violent crime is first and foremost a State, local, and community responsibility. And that's why, since coming to this office, we have increased the amount of funding through the Edward Byrne Memorial Fund for State and local law enforcement by 220 percent. We are foursquare behind the police and people like those in this room who make sacrifices every day to protect our citizens and to assure that those who scorn justice are brought to justice.

Just look at the all-American heroes here today. There's always the risk when you single them out in a room like this, but people like L.A. police chief Daryl Gates, who stood with me on Foster Webster's front porch in Oakwood last May, looking out over a neighborhood where they reclaimed their streets, their kids, their future. Or South Carolina's Dean Kilpatrick, who we honored in the Rose Garden in April, and who's here to help build an America where every victim of every crime is treated with the dignity and the compassion they deserve. And Al Brooks, who in Kansas City a year ago showed me their four-word warning to the cowards of the night: ``This neighborhood fights back."

I mentioned the Byrne Memorial Fund. And by the way, I still keep this policeman's badge in my Oval Office desk. It's there night and day. Shield 14072 belonged to patrolman Eddie Byrne. And he died on the front line -- gunned down by cocaine cowards. I'll never forget -- never, ever. And each one of you have an example that means something -- of a friend lost or a comrade who's been killed by these cocaine cowards.

Two years ago on a somber, rainy, springtime afternoon, I stood before the U.S. Capitol to commemorate police officers slain in the line of duty. Many of you in this audience were there that day. And to honor their sacrifice, I called upon the Congress to join me in launching a new strategy -- a new partnership with America's cities and States to ``take back the streets."

Congress deserves our thanks for giving us the new prosecutors and agents we requested. But it's not enough. We also need to back up these new troops with new laws and give them the tools they need to finish the job and secure the peace. America needs a crime bill that's tough on

criminals, not on law enforcement.

Too many times, in too many cases, too many criminals go free because the scales of justice are unfairly loaded against dedicated law men and women like you. But even after a year and a half, and despite the urgency of the problem, Congress never did act on our proposals. And that's why we're here again to work with you -- to develop new proposals, to try to steady the scales of justice, to seek a fair balance between the legitimate rights of suspects and society's right to protect itself.

We need a crime bill that will stop the endless, frivolous appeals that clog our habeas corpus system. One that guarantees that criminals who use serious weapons face serious time, and one that ensures that evidence gathered by good cops acting in good faith is not barred by technicalities that let bad people go free. And for the most heinous of crimes, we need a workable death penalty -- which is to say, a real death penalty.

As Dick has told you, we need your ideas in putting together our new crime package. And we'll need your help in getting it through Congress. But I promise you this: We're not giving up on this crime bill. We're not going to let it get watered down. And we're not going to put our crime fighters in harm's way without backing them to the hilt.

And there's another important message I would ask you to bring home to your cities and States: Your troops in State and local law enforcement need the same tools that we've proposed for the Feds -- mandatory time for weapons offenders; no plea-bargaining on guns; the death penalty for heinous crimes; and the kind of increased resources -- in police, prosecutors, and prisons -- that ensure these vicious thugs will be caught, prosecuted, and swiftly punished. Because public safety is not just another line item in a city or State budget -- it is the first duty of any government.

Yes, there remain vital tests ahead, both here and abroad, but nothing the American people can't handle. So, we're going to roll up our sleeves, raise up the flag, and stand up for the decent men, women, and children of this great country -- block by block, day by day, school by school -- for your kids, for mine, for America's kids. Take back the streets and liberate our neighborhoods from the tyranny of fear -- that is our objective, and we will succeed.

Thank you all for coming. I really wanted to thank you all for coming and for all you do to protect the people of this great nation. Thank you all, and may God bless the United States. Thank you very much.

Note: The President spoke at 2:18 p.m. in the ballroom at the Sheraton Washington Hotel. In his remarks, he referred to Attorney General Dick Thornburgh; Daryl F. Gates, chief of the Los Angeles, CA, Police Department; Foster Webster, chairman of the Oakwood Beautification Committee; Dean G. Kilpatrick, 1990 recipient of a Department of Justice award for outstanding public service on behalf of victims of crime; Alvin L. Brooks, executive director and founder of

the Ad Hoc Group Against Crime; and Edward Byrne, slain New York City policeman.

Appointment of David M. Carney as Special Assistant to the President and Director of the Office of Political Affairs

March 5, 1991

The President today announced the appointment of David M. Carney as Special Assistant to the President and Director of the Office of Political Affairs at the White House in Washington, DC.

Mr. Carney has been the Acting Director of Political Affairs since June 1, 1990. Prior to assuming that position, he served as Special Assistant to the President and Deputy Director of the Office of Political Affairs. Before joining the President's staff, Mr. Carney was deputy chief of staff to Governor John H. Sununu. He served on Governor Sununu's personal staff for 7 years, and was the field director for Governor Sununu's four statewide campaigns in New Hampshire. He is a 1982 graduate of New England College in Henniker, NH. Currently Mr. Carney serves as a member of the New England College Board of Trustees.

Mr. Carney, a resident of Hancock, NH, resides in Arlington, VA, with his wife, Lauren. The Carneys are expecting their first child this spring.

Appointment of Ronald C. Kaufman as Deputy Assistant to the President for Political Affairs

March 5, 1991

The President today announced the appointment of Ronald C. Kaufman as Deputy Assistant to the President for Political Affairs at the White House in Washington, DC.

Mr. Kaufman has served as Deputy Assistant to the President for Presidential Personnel since February 1989. Prior to joining the President's staff, Mr. Kaufman served as the northeast regional political director for the 1988 Bush-Quayle campaign. During President Reagan's first term, Mr. Kaufman served as the national political director for the Republican National Committee and later coordinated Vice President Bush's reelection campaign in 1984. In the 1980 campaign, Mr. Kaufman helped direct primary efforts in Massachusetts, Connecticut, Pennsylvania, and Michigan. Currently he serves as the Republican national committeeman for the State of Massachusetts. Mr. Kaufman attended Bridgewater State College after graduating from Quincy Junior College in Quincy, MA. In addition, Mr. Kaufman serves as a member of the board of trustees for Quincy Junior College.

Mr. Kaufman is a lifelong resident of Quincy, MA. He and his wife Alison have two daughters, Carlin, 11, and Kathryn, 10.

Address Before a Joint Session of the Congress on the Cessation of the Persian Gulf Conflict

March 6, 1991

Speaker Foley. Mr. President, it is customary at joint sessions for the Chair to present the President to the Members of Congress directly and without further comment. But I wish to depart from tradition tonight and express to you on behalf of the Congress and the country, and through you to the members of our Armed Forces, our warmest congratulations on the brilliant victory of the Desert Storm Operation.

Members of the Congress, I now have the high privilege and distinct honor of presenting to you the President of the United States.

The President. Mr. President. And Mr. Speaker, thank you, sir, for those very generous words spoken from the heart about the wonderful performance of our military.

Members of Congress, 5 short weeks ago I came to this House to speak to you about the state of the Union. We met then in time of war. Tonight, we meet in a world blessed by the promise of peace.

From the moment Operation Desert Storm commenced on January 16th until the time the guns fell silent at midnight 1 week ago, this nation has watched its sons and daughters with pride, watched over them with prayer. As Commander in Chief, I can report to you our armed forces fought with honor and valor. And as President, I can report to the Nation aggression is defeated. The war is over.

This is a victory for every country in the coalition, for the United Nations. A victory for unprecedented international cooperation and diplomacy, so well led by our Secretary of State, James Baker. It is a victory for the rule of law and for what is right.

Desert Storm's success belongs to the team that so ably leads our Armed Forces: our Secretary of Defense and our Chairman of the Joint Chiefs, Dick Cheney and Colin Powell. And while you're standing -- [laughter] -- this military victory also belongs to the one the British call the ``Man of the Match'' -- the tower of calm at the eye of Desert Storm -- General Norman Schwarzkopf.

And recognizing this was a coalition effort, let us not forget Saudi General Khalid, Britain's General de la Billiere, or General Roquejeoffre of France, and all the others whose leadership played such a vital role. And most importantly, most importantly of all, all those who served in the field.

I thank the Members of this Congress -- support here for our troops in battle was overwhelming. And above all, I thank those whose unfailing love and support sustained our courageous men and women: I thank the American people.

Tonight, I come to this House to speak about the world -- the world after war. The recent challenge could not have been clearer. Saddam Hussein was the villain; Kuwait, the victim. To the aid of this small country came nations from North America and Europe, from Asia and South America, from Africa and the Arab world, all united against aggression. Our uncommon coalition must now work in common purpose: to forge a future that should never again be held hostage to the darker side of human nature.

Tonight in Iraq, Saddam walks amidst ruin. His war machine is crushed. His ability to threaten mass destruction is itself destroyed. His people have been lied to, denied the truth. And when his defeated legions come home, all Iraqis will see and feel the havoc he has wrought. And this I promise you: For all that Saddam has done to his own people, to the Kuwaitis, and to the entire world, Saddam and those around him are accountable.

All of us grieve for the victims of war, for the people of Kuwait and the suffering that scars the soul of that proud nation. We grieve for all our fallen soldiers and their families, for all the innocents caught up in this conflict. And, yes, we grieve for the people of Iraq, a people who have never been our enemy. My hope is that one day we will once again welcome them as friends into the community of nations. Our commitment to peace in the Middle East does not end with the liberation of Kuwait. So, tonight let me outline four key challenges to be met.

First, we must work together to create shared security arrangements in the region. Our friends and allies in the Middle East recognize that they will bear the bulk of the responsibility for regional security. But we want them to know that just as we stood with them to repel aggression, so now America stands ready to work with them to secure the peace. This does not mean stationing U.S. ground forces in the Arabian Peninsula, but it does mean American participation in joint exercises involving both air and ground forces. It means maintaining a capable U.S. naval presence in the region, just as we have for over 40 years. Let it be clear: Our vital national interests depend on a stable and secure Gulf.

Second, we must act to control the proliferation of weapons of mass destruction and the missiles used to deliver them. It would be tragic if the nations of the Middle East and Persian Gulf were now, in the wake of war, to embark on a new arms race. Iraq requires special vigilance. Until Iraq convinces the world of its peaceful intentions -- that its leaders will not use new revenues to rearm and rebuild its menacing war machine -- Iraq must not have access to the instruments of war.

And third, we must work to create new opportunities for peace and stability in the Middle East. On the night I announced Operation Desert Storm, I expressed my hope that out of the horrors of

war might come new momentum for peace. We've learned in the modern age geography cannot guarantee security, and security does not come from military power alone.

All of us know the depth of bitterness that has made the dispute between Israel and its neighbors so painful and intractable. Yet, in the conflict just concluded, Israel and many of the Arab States have for the first time found themselves confronting the same aggressor. By now, it should be plain to all parties that peacemaking in the Middle East requires compromise. At the same time, peace brings real benefits to everyone. We must do all that we can to close the gap between Israel and the Arab States -- and between Israelis and Palestinians. The tactics of terror lead absolutely nowhere. There can be no substitute for diplomacy.

A comprehensive peace must be grounded in United Nations Security Council Resolutions 242 and 338 and the principle of territory for peace. This principle must be elaborated to provide for Israel's security and recognition and at the same time for legitimate Palestinian political rights. Anything else would fail the twin test of fairness and security. The time has come to put an end to Arab-Israeli conflict.

The war with Iraq is over. The quest for solutions to the problems in Lebanon, in the Arab-Israeli dispute, and in the Gulf must go forward with new vigor and determination. And I guarantee you: No one will work harder for a stable peace in the region than we will.

Fourth, we must foster economic development for the sake of peace and progress. The Persian Gulf and Middle East form a region rich in natural resources with a wealth of untapped human potential. Resources once squandered on military might must be redirected to more peaceful ends. We are already addressing the immediate economic consequences of Iraq's aggression. Now, the challenge is to reach higher, to foster economic freedom and prosperity for all the people of the region.

By meeting these four challenges we can build a framework for peace. I've asked Secretary of State Baker to go to the Middle East to begin the process. He will go to listen, to probe, to offer suggestions -- to advance the search for peace and stability. I've also asked him to raise the plight of the hostages held in Lebanon. We have not forgotten them, and we will not forget them.

To all the challenges that confront this region of the world there is no single solution, no solely American answer. But we can make a difference. America will work tirelessly as a catalyst for positive change.

But we cannot lead a new world abroad if, at home, it's politics as usual on American defense and diplomacy. It's time to turn away from the temptation to protect unneeded weapons systems and obsolete bases. It's time to put an end to micromanagement of foreign and security assistance programs -- micromanagement that humiliates our friends and allies and hamstrings our diplomacy. It's time to rise above the parochial and the pork barrel, to do what is necessary,

what's right, and what will enable this nation to play the leadership role required of us.

The consequences of the conflict in the Gulf reach far beyond the confines of the Middle East. Twice before in this century, an entire world was convulsed by war. Twice this century, out of the horrors of war hope emerged for enduring peace. Twice before, those hopes proved to be a distant dream, beyond the grasp of man. Until now, the world we've known has been a world divided -- a world of barbed wire and concrete block, conflict, and cold war.

Now, we can see a new world coming into view. A world in which there is the very real prospect of a new world order. In the words of Winston Churchill, a world order in which ``the principles of justice and fair play protect the weak against the strong. . . ." A world where the United Nations, freed from cold war stalemate, is poised to fulfill the historic vision of its founders. A world in which freedom and respect for human rights find a home among all nations. The Gulf war put this new world to its first test. And my fellow Americans, we passed that test.

For the sake of our principles, for the sake of the Kuwaiti people, we stood our ground. Because the world would not look the other way, Ambassador al-Sabah, tonight Kuwait is free. And we're very happy about that.

Tonight, as our troops begin to come home, let us recognize that the hard work of freedom still calls us forward. We've learned the hard lessons of history. The victory over Iraq was not waged as ``a war to end all wars." Even the new world order cannot guarantee an era of perpetual peace. But enduring peace must be our mission. Our success in the Gulf will shape not only the new world order we seek but our mission here at home.

In the war just ended, there were clear-cut objectives -- timetables -- and, above all, an overriding imperative to achieve results. We must bring that same sense of self-discipline, that same sense of urgency, to the way we meet challenges here at home. In my State of the Union Address and in my budget, I defined a comprehensive agenda to prepare for the next American century.

Our first priority is to get this economy rolling again. The fear and uncertainty caused by the Gulf crisis were understandable. But now that the war is over, oil prices are down, interest rates are down, and confidence is rightly coming back. Americans can move forward to lend, spend, and invest in this, the strongest economy on Earth.

We must also enact the legislation that is key to building a better America. For example, in 1990, we enacted an historic Clean Air Act. And now we've proposed a national energy strategy. We passed a child-care bill that put power in the hands of parents. And today, we're ready to do the same thing with our schools and expand choice in education. We passed a crime bill that made a useful start in fighting crime and drugs. This year, we're sending to Congress our comprehensive crime package to finish the job. We passed the landmark Americans with Disabilities Act. And now we've sent forward our civil rights bill. We also passed the aviation bill. This year, we've

sent up our new highway bill. And these are just a few of our pending proposals for reform and renewal.

So, tonight I call on the Congress to move forward aggressively on our domestic front. Let's begin with two initiatives we should be able to agree on quickly: transportation and crime. And then, let's build on success with those and enact the rest of our agenda. If our forces could win the ground war in 100 hours, then surely the Congress can pass this legislation in 100 days. Let that be a promise we make tonight to the American people.

When I spoke in this House about the state of our Union, I asked all of you: If we can selflessly confront evil for the sake of good in a land so far away, then surely we can make this land all that it should be. In the time since then, the brave men and women of Desert Storm accomplished more than even they may realize. They set out to confront an enemy abroad, and in the process, they transformed a nation at home. Think of the way they went about their mission -- with confidence and quiet pride. Think about their sense of duty, about all they taught us about our values, about ourselves.

We hear so often about our young people in turmoil -- how our children fall short, how our schools fail us, how American products and American workers are second-class. Well, don't you believe it. The America we saw in Desert Storm was first-class talent. And they did it using America's state-of-the-art technology. We saw the excellence embodied in the Patriot missile and the patriots who made it work. And we saw soldiers who know about honor and bravery and duty and country and the world-shaking power of these simple words. There is something noble and majestic about the pride, about the patriotism that we feel tonight.

So, to everyone here and everyone watching at home, think about the men and women of Desert Storm. Let us honor them with our gratitude. Let us comfort the families of the fallen and remember each precious life lost.

Let us learn from them as well. Let us honor those who have served us by serving others. Let us honor them as individuals -- men and women of every race, all creeds and colors -- by setting the face of this nation against discrimination, bigotry, and hate. Eliminate them.

I'm sure that many of you saw on the television the unforgettable scene of four terrified Iraqi soldiers surrendering. They emerged from their bunker broken, tears streaming from their eyes, fearing the worst. And then there was an American soldier. Remember what he said? He said: ``It's okay. You're all right now. You're all right now." That scene says a lot about America, a lot about who we are. Americans are a caring people. We are a good people, a generous people. Let us always be caring and good and generous in all we do.

Soon, very soon, our troops will begin the march we've all been waiting for -- their march home. And I have directed Secretary Cheney to begin the immediate return of American combat units

from the Gulf. Less than 2 hours from now, the first planeload of American soldiers will lift off from Saudi Arabia, headed for the U.S.A. That plane will carry the men and women of the 24th Mechanized Infantry Division bound for Fort Stewart, Georgia. This is just the beginning of a steady flow of American troops coming home. Let their return remind us that all those who have gone before are linked with us in the long line of freedom's march.

Americans have always tried to serve, to sacrifice nobly for what we believe to be right. Tonight, I ask every community in this country to make this coming Fourth of July a day of special celebration for our returning troops. They may have missed Thanksgiving and Christmas, but I can tell you this: For them and for their families, we can make this a holiday they'll never forget.

In a very real sense, this victory belongs to them -- to the privates and the pilots, to the sergeants and the supply officers, to the men and women in the machines and the men and women who made them work. It belongs to the regulars, to the reserves, to the National Guard. This victory belongs to the finest fighting force this nation has ever known in its history.

We went halfway around the world to do what is moral and just and right. We fought hard and, with others, we won the war. We lifted the yoke of aggression and tyranny from a small country that many Americans had never even heard of, and we ask nothing in return.

We're coming home now -- proud, confident, heads high. There is much that we must do, at home and abroad. And we will do it. We are Americans.

May God bless this great nation, the United States of America. Thank you all very, very much.

Note: The President spoke at 9:12 p.m. in the House Chamber at the Capitol. He was introduced by Thomas S. Foley, Speaker of the House of Representatives. In his remarks, he referred to Dan Quayle, President of the Senate; Secretary of State James A. Baker III; Secretary of Defense Dick Cheney; Colin L. Powell, Chairman of the Joint Chiefs of Staff; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; Saudi commander Gen. Abdul Aziz bin Sultan; British commander Gen. Peter de la Billiere; French commander Gen. Michel Roquejeoffre; President Saddam Hussein of Iraq; and Ambassador Saud Nasir al-Sabah of Kuwait. The address was broadcast live on nationwide television and radio.

White House Statement on Weapons of Mass Destruction

March 7, 1991

The United States has taken a major step in its continuing efforts to halt the spread of weapons of mass destruction with the issuance of regulations extending export controls over chemicals, equipment, and other assistance that can contribute to the spread of missiles and chemical and biological weapons.

Saddam Hussein's use of chemical weapons against his own citizens, his use of Scud missiles to terrorize civilian populations, and the chilling specter of germ warfare and nuclear weapons have brought home the dangers proliferation poses to American interests and global peace and stability.

Our continuing efforts to stem the spread of weapons of mass destruction will contribute to the construction of a new world order. The new regulations will enhance our ability to head off these dangers so that in the future we will not be forced to confront them militarily as we have in Iraq. At the same time, the new regulations are sensitive to the importance of U.S. exports to our economic vitality and will not unfairly restrict legitimate commerce.

The expanded U.S. export controls apply to equipment, chemicals, and whole plants that can be used to manufacture chemical or biological weapons, as well as to activities of U.S. exporters or citizens when they know or are informed that their efforts will assist in a foreign missile or chemical or biological weapon program.

But the United States cannot do the job alone. Our experience in the Gulf has reinforced the lesson that the most effective export controls are those imposed multilaterally. The administration has therefore initiated vigorous efforts to obtain allied support for chemical and biological weapon export controls in the Australia Group, missile export controls in the Missile Technology Control Regime, and nuclear export controls through consultations with all major nuclear suppliers. These efforts will take advantage of the growing international consensus to redouble our efforts to stem the spread of weapons of mass destruction.

The proliferation of weapons of mass destruction may profoundly challenge our national security in the 1990's. The new regulations issued today and our multilateral initiatives will enhance our ability to meet that challenge squarely.

Note: The statement referred to President Saddam Hussein of Iraq and to the Australia Group, a multilateral forum of 20 supplier nations committed to restricting the spread of chemical weapons.

Message to the Congress Transmitting the Austria-United States Social Security Agreement

March 7, 1991

To the Congress of the United States:

Pursuant to section 233(e)(1) of the Social Security Act, as amended by the Social Security Amendments of 1977 (Public Law 95 - 216; 42 U.S.C. 433(e)(1)), I transmit herewith the Agreement between the United States of America and the Republic of Austria on Social Security, which consists of two separate instruments -- a principal agreement and an administrative arrangement. The Agreement was signed at Vienna on July 13, 1990.

The United States-Austria Agreement is similar in objective to the social security agreements already in force with Belgium, Canada, France, Germany, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to eliminate dual social security coverage and taxation, and to help prevent the loss of benefit protection that can occur when workers divide their careers between two countries.

I also transmit for the information of the Congress a comprehensive report prepared by the Department of Health and Human Services, which explains the provisions of the Agreement and provides data on the number of persons affected by the Agreement and the effect on social security financing as required by the same provision of the Social Security Act. I note that the Department of State and the Department of Health and Human Services have recommended the Agreement and related documents to me.

I commend the United States-Austria Social Security Agreement and related documents.

George Bush

The White House,

March 7, 1991.

Appointment of Judy A. Smith as Special Assistant to the President and Deputy Press Secretary

March 7, 1991

The President today announced the appointment of Judy A. Smith as Special Assistant to the President and Deputy Press Secretary at the White House.

Since 1989 Ms. Smith has been Special Counsel to the U.S. Attorney for the District of Columbia, serving as principal adviser to the U.S. Attorney on media relations and chief spokesperson. Prior to this Ms. Smith was Deputy Director of Public Information and Associate Counsel in the Office of the Independent Counsel, 1987 - 1989. In addition she was assistant editor for the Nurses Association of the American College of Obstetricians and Gynecologists in Washington, DC, 1983 - 1984.

Ms. Smith graduated from Washington College of Law, the American University, (J.D., 1986) and Boston University (B.A., 1980). She was born October 27, 1958, in Washington, DC. She is married and resides in Washington, DC.

Message on the Observance of St. Patrick's Day, 1991

March 7, 1991

I am delighted to send warm greetings to everyone celebrating St. Patrick's Day.

Although the greatest wave of Irish emigration took place during the mid-19th century, the United States has enjoyed the contributions of Irish immigrants and their descendants since the beginning of the Colonial Era. Serving in our Nation's War for Independence and later helping to build its railroads, canals, and industries, Irish Americans have long demonstrated a capacity for hard work, as well as a strong penchant for full, spirited, and upright living. The American author and abolitionist, Lydia M. Child, once fondly observed: ``Not in vain is Ireland pouring itself all over the Earth . . . The Irish, with their glowing hearts and reverent credulity, are needed in this cold age of intellect and skepticism."

Today, those tender sentiments still ring true. Thus, St. Patrick's Day is more than a time of stirring memories and good cheer; it is also a time when we honor those sons and daughters of Ireland who, inspired by a passion for liberty and opportunity, crossed the Atlantic to build new lives on these shores. Indeed, on this day, Americans of every background join with Irish Americans to celebrate their rich cultural heritage and our Nation's continued friendship with the people of the Emerald Isle.

Barbara joins me in sending our best wishes to all for an enjoyable and memorable St. Patrick's Day. God bless you.

George Bush

Note: An original was not available for verification of the content of this message.

Remarks Upon Presenting the Presidential Medal of Freedom to Margaret Thatcher

March 7, 1991

The President. Welcome, welcome, Margaret. Please be seated. Ladies and gentlemen and so many distinguished guests, and members of this administration, and friends of what is indeed a special relationship. Particularly to Sir Denis Thatcher and Mark and Diane Thatcher, and above all, the greengrocer's daughter who shaped a nation to her will.

America's highest civilian award is the Medal of Freedom. And we're here to present it to one of the greatest leaders of our time. For over 11 of the most extraordinary years in British history, she helped freedom lift the peoples of Europe and the world. Former Prime Minister Margaret Thatcher, we are delighted you are with us today.

She's been called the Iron Lady -- irrepressible, at times incorrigible, always indomitable. [Laughter] And she summoned the best in the human spirit, speaking for our values and our dreams. Once she said, ``Turn if you like; the lady's not for turning.'' And she wasn't. Instead, the free world turned to her -- for counsel, for courage, for leadership that proclaimed a belief in right and wrong -- not a devotion to what is popular.

It has been said that great leaders reflect their time. Margaret Thatcher did. She also transformed her time as few leaders ever have. Consider the 1980's and early nineties -- a golden age of liberty. Remember what she meant and how she mattered. Hers was not merely among Britain's finest hours. She helped mold perhaps democracy's finest era.

Think first of what she meant to the place that Shakespeare called ``this blessed plot, this earth, this realm, this England.'' She didn't create spirit in the British people; it's been there for a millennium. But Margaret Thatcher believed in it and once again unleashed it.

She cherished human dignity and self-determination. So, when an antidemocratic military moved against the Falkland Islands, Britain met the challenge. And she sought to decrease what government must do and increase what the individual may do. So she put private roofs over British heads -- and restored economic pride to British hearts. Like her successor, John Major, she believed passionately in free enterprise. And so she used it to renew British initiative and national pride. Margaret Thatcher didn't merely make Britain a leader in the new world order; she defined the essence of the United Kingdom.

Think next of what she meant to us -- what she meant to America. Mrs. Thatcher understood the ties that bind our nations -- moral and economic, political and spiritual -- so she defended America, helped inspire it. No country could have had a more valiant comrade in arms. No

President -- as another great leader, Ronald Reagan, could attest -- could ask for a better friend.

We will never forget her courage in helping forge a great coalition against the aggression which brutalized the Gulf. Nor will I forget one special phone conversation that I had with the Prime Minister. In the early days of the Gulf crisis -- I'm not sure you remember this one, Margaret -- in the early days of the Gulf crisis I called her to say that though we fully intended to interdict Iraqi shipping, we were going to let a single vessel heading for Oman enter port down at Yemen -- going around Oman down to Yemen -- let it enter port without being stopped. And she listened to my explanation, agreed with the decision, but then added these words of caution -- words that guided me through the Gulf crisis, words I'll never forget as long as I'm alive. ``Remember, George," she said, ``this is no time to go wobbly." [Laughter]

Those who work with me in the White House know we use that expression often and have used it during some troubling days. And never, ever will it be said that Margaret Thatcher went wobbly. [Laughter]

Finally, think of what Margaret Thatcher meant to the world. Her resolution and dedication set an example for all of us. She showed that you can't lock people behind walls forever when moral conviction uplifts their souls. And she knew tyranny is powerless against the primacy of the heart.

Margaret Thatcher helped bring the cold war to an end, helped the human will outlast bayonets and barbed wire. She sailed freedom's ship wherever it was imperiled. Prophet and crusader, idealist and realist, this heroic woman made history move her way.

Prime Minister, there will always be an England, but there can never be another Margaret Thatcher. Thank you for all you've done.

And now I have the great privilege to ask Commander Ross to read the citation on the Medal of Freedom. We're delighted you're here.

Commander Ross. The President of the United States of America awards this Presidential Medal of Freedom to the Right Honorable Margaret Thatcher. Three times elected Prime Minister of the United Kingdom, Margaret Thatcher led her country with fearlessness, determination, integrity, and a true vision for Britain. In over a decade of achievement, she extended prosperity at home and made signal contributions to transatlantic partnership, the unity of the West, and overcoming the postwar division of Europe. With a strong sense of her nation's history and of the principles which brought it to greatness, she restored confidence to the British people.

The United States honors a steadfast and true ally and a firm friend of political and economic freedom throughout the world.

Signed, George Bush, The White House, Washington, DC, 7 March 1991.

Mrs. Thatcher. Mr. President, ladies and gentlemen, I am so very honored to receive the Presidential Medal of Freedom of the greatest country in the free world. And thank you, Mr. President, for the wonderful things you have said, including that wobbly bit. [Laughter]

It's a double honor to receive this medal from the hands of a President whose steadfast leadership has just won the victory of freedom that will rank with the greatest in history. And I am especially moved to receive it in the White House, which in addition to its powerful historical association has many sterling memories for me personally. It was here with you and your predecessor that I embarked on the adventure of restoring the economy and the defenses of the free world against the many threats that faced us a decade ago.

We've overcome many difficulties since those early days and faced many crises. The onward march of freedom is not inevitable; it has its enemies, as we know. But when in our time freedom came to be tested, there were no faint hearts in the White House -- only great hearts. Great hearts who had been wise enough to keep their sword and armor in case of danger. Great hearts who had harnessed the genius of scientists so that your armed forces had the very best equipment. Great hearts who knew that the sovereignty of freedom and justice had to be upheld not by pious sentiments or platitudes but by staunch and valiant deeds of men and women.

The decision to use force is not easy to take, either for politicians or for generals, for whose performance in the campaign I have boundless admiration.

I've been involved in taking three such decisions, some of which you referred to, Mr. President. First, it fell to me to send armed forces 8,000 miles to recover the Falkland Islands from an earlier aggressor. And then with President Reagan, to allow the use of air bases in Britain for the raid on Libya. We in Britain have experienced and still experience terrorism and knew someone had to stand up against it. And then, third, Mr. President, I was with you at Aspen when you made the historic decision that Saddam's seizure of Kuwait would not stand.

I wish only that the Iraqi dictator could have seen your somber determination on that occasion. Much grief to his countrymen, much pain to his neighbors and to us might then have been avoided.

Like you, Mr. President, I hate violence. And there's only one thing I hate even more -- giving in to violence. We didn't give in to it. The battle of Desert Storm has not only liberated Kuwait and her people; it has sent an awesome warning to any other dictator who sets out to extinguish the rights of others for his own evil gain. The sanction of force must not be left to tyrants who have no moral scruples about its use.

I want to pay a grateful tribute on behalf of myself, the British people, and the British soldiers who fought in the field, to the statesmen and generals who conceived, planned, and executed a

great victory with a minimum of allied casualties. We and the world are in their debt.

But freedom has won victories in peace as well. The way of life and prosperity of Western Europe was a constant reproach to the poverty of communism in Eastern Europe. Now that the shackles of communism have been removed from Poland, Hungary, Czechoslovakia, and Bulgaria, they are now free to rejoin Western Europe -- something which would have seemed impossible 2 or 3 years ago.

The great principles of freedom, justice, and democracy, which are the inheritance of both our countries, find their most eloquent expression in the American Declaration of Independence. As one of your statesmen pointed out, it was not a document designed for one generation, but, and I quote, ``For posterity unlimited, undefined, endless and perpetual." And so it has been. And so it may ever be.

Mr. President, once again, its truths have been upheld. Once again, the strong bond between our two countries in peace have been reaffirmed as it has been in war. The peoples of the alliance you, sir, formed will feel proud not only because the battles they fought were won but because they know that what you did was morally right. Their victory will bring hope to other oppressed peoples that they, too, one day may be free.

It is in that spirit, Mr. President, that I accept this award -- not on behalf of myself only but on behalf of my country and remembering the people struggling toward freedom in the Baltic States, remembering those striving to make freedom work in Eastern Europe, and those trying to negotiate a free South Africa in peace. And on behalf of those throughout history who never having known freedom have, nonetheless, died for it. And for us here today.

Mr. President, this is a very proud day. May I thank you for this award. May I say that we salute America and we salute you, Mr. President, and all the things you stand for. Thank you.

Note: The President spoke at 5:30 p.m. in the East Room at the White House. During the ceremony, the following persons were referred to: Sir Denis Thatcher, husband of former Prime Minister Thatcher, and their children, Mark and Diane; Prime Minister John Major of the United Kingdom; Jake Ross, Navy aide to the President; and President Saddam Hussein of Iraq.

Remarks Prior to a Meeting With President Cornelio Sommaruga of the International Committee of the Red Cross

March 8, 1991

The President. I might take this opportunity just to salute the International Red Cross. And from the very beginning, it seemed to the Americans that you tried very hard to do what was compassionate and right, and you ran into some obstacles, but you stayed with it. And I think we owe you a vote of gratitude. And I want to assure you of our continuing interest and support, and of course, we're very proud of the new president of the American Red Cross because Elizabeth Dole being there, I think, is more than a symbol -- it shows a part of the commitment that we all feel to the work of the Red Cross.

So, it gives me a chance anyway to welcome you back and to say thank you.

Mr. Sommaruga. Thank you very much, Mr. President. I am extremely glad to be here today; also to express appreciation for the excellent cooperation we were able to have in the field with the military, with the commands of the coalition forces, in order to carry out our mandate, which is a mandate given us by the Geneva convention. And we will continue to carry out this mandate. And I think that what happened in the Gulf will also be for us all a sort of lesson on how one has to proceed in the implementation of internationally maintained law and possibly also in the enlargement of it.

Q. Mr. President, is there any indication that the POW's were mistreated?

The President. I'll not take any questions here. I am concerned about reports that some of them were clapped on the ears and it affected their hearing. But I don't know the details yet on all of that.

Note: The President spoke at 11:35 a.m. in the Oval Office at the White House. In his remarks, he referred to former Secretary of Labor Elizabeth Dole, president of the American Red Cross. A tape was not available for verification of the content of these remarks.

Memorandum on the Return of Desert Shield/Desert Storm Participants to Federal Civilian Employment

March 8, 1991

Memorandum for the Heads of Executive Departments and Agencies

Subject: Return of Desert Shield/Desert Storm Participants to Federal Civilian Employment

Now that our Armed Forces and their Coalition partners have achieved success in meeting our military objectives in the Gulf region, we can look forward to the return of the valiant men and women who participated in Operation Desert Shield/Desert Storm.

Many of these participants are members of the Reserve Forces and the Air and Army National Guard who left their regular civilian employment to join in this national effort, with great disruption to their families and their normal pursuits. In recognition of the sacrifices they have made, it is essential that their civilian employers do everything possible to ease their return to civilian life.

The Federal Government has always been a model for other employers in the protections and benefits provided for those who serve, and I am committed to ensuring that we continue to set an example for the Nation in this regard. Accordingly, I have determined that the following actions by executive departments and agencies are appropriate:

-- Military reservists and members of the Air and Army National Guard who are returning to their Federal civilian employment should be restored to the same jobs they left, and the legal flexibility of placement in equivalent jobs should be used only when absolutely necessary.

-- Desert Shield/Desert Storm participants who are returning to their Federal civilian employment should be afforded 5 days of excused absence from their duties, without charge to leave.

-- Federal employees who have served in the Armed Forces during this emergency and who qualify for retirement may do so without returning to their civilian employment under 5 U.S.C. 8332(g).

The Office of Personnel Management will be issuing guidance on these matters, and I urge the heads of executive departments and agencies to take all necessary action to provide for prompt implementation.

As our regular troops return, we can expect many to be seeking civilian employment in the future. I am directing the Office of Personnel Management to take such actions as are appropriate, in

cooperation with executive departments and agencies, to ensure that Federal civilian employment opportunities are made available to the greatest extent possible to these veterans, particularly those who have become disabled as a result of their military service. This will assist not only the veterans, but also the Federal Government, which will be able to benefit from their skills and abilities.

Finally, we must all recognize the many contributions that have been made to our successful military operations by Federal civilian employees, both in the Department of Defense and elsewhere in the Government. I urge the heads of executive departments and agencies to recognize these accomplishments and to use fully the Federal employee incentive awards program for this purpose.

George Bush

Message to the Congress on the Termination of the Sanctions Imposed With Respect to Kuwait

March 8, 1991

To the Congress of the United States:

I hereby provide notice, consistent with section 586C(c)(2) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513), of my intention to terminate, in whole or in part, no sooner than 15 days after the date of this notice, the sanctions imposed with respect to Kuwait pursuant to Executive Order Nos. 12723 and 12725.

George Bush

The White House,

March 8, 1991.

Letter to Congressional Leaders on Telecommunications Trade Talks With the European Community and Korea

March 8, 1991

Dear XXXXX@05:

Pursuant to section 1376(c)(2)(B) of the Omnibus Trade and Competitiveness Act of 1988 (``the Act") (Public Law 100 - 418; 102 Stat. 1221), I am hereby transmitting my report that finds that substantial progress has been made in telecommunications trade talks conducted under section 1375 of the Act with the European Community (EC) and Korea and contains the reasons why an extension of the negotiating period with the EC and Korea is necessary.

Sincerely,

George Bush

Note: Identical letters were sent to George J. Mitchell, Senate majority leader; Robert Dole, Senate Republican leader; Lloyd Bentsen and Bob Packwood, chairman and ranking Republican member of the Senate Finance Committee; Thomas S. Foley, Speaker of the House of Representatives; Robert H. Michel, House Republican leader; John D. Dingell and Norman F. Lent, chairman and ranking Republican member of the House Energy and Commerce Committee; and Dan Rostenkowski and Bill Archer, chairman and ranking Republican member of the House Ways and Means Committee.

Letter to Congressional Leaders on Nuclear Cooperation with EURATOM

March 8, 1991

Dear Mr. Speaker: (Dear Mr. President:)

The United States has been engaged in nuclear cooperation with the European Community for many years. This cooperation was initiated under agreements that were concluded over 3 decades ago between the United States and the European Atomic Energy Community (EURATOM) and that extend until December 31, 1995. Since the inception of this cooperation, the Community has adhered to all its obligations under those agreements.

The Nuclear Non-Proliferation Act of 1978 amended the Atomic Energy Act of 1954 to establish new nuclear export criteria, including a requirement that the United States have a right to consent to the reprocessing of fuel exported from the United States. Our present agreements for cooperation with EURATOM do not contain such a right. To avoid disrupting cooperation with EURATOM, a proviso was included in the law to enable continued cooperation until March 10, 1980, if EURATOM agreed to negotiations concerning our cooperation agreements. EURATOM agreed in 1978 to such negotiations.

The law also provides that nuclear cooperation with EURATOM can be extended on an annual basis after March 10, 1980, upon determination by the President that failure to cooperate would be seriously prejudicial to the achievement of U.S. non-proliferation objectives or otherwise jeopardize the common defense and security and after notification to the Congress. President Carter made such a determination 11 years ago and signed Executive Order No. 12193, permitting nuclear cooperation with EURATOM to continue until March 10, 1981. President Reagan made such determinations in 1981, 1982, 1983, 1984, 1985, 1986, 1987, and 1988, and signed Executive Order Nos. 12295, 12351, 12409, 12463, 12506, 12554, 12587, and 12629, permitting nuclear cooperation to continue through March 10, 1989. I made such determinations in 1989 and 1990 and signed Executive Orders Nos. 12670 and 12706, permitting nuclear cooperation to continue through March 10, 1991.

In addition to numerous informal contacts, the United States has engaged in frequent talks with EURATOM regarding the renegotiation of the U.S.-EURATOM agreements for cooperation. Talks were conducted in November 1978, September 1979, April 1980, January 1982, November 1983, March 1984, May, September, and November 1985, April and July 1986, September 1987, September and November 1988, July and December 1989, and February, April, October, and December 1990. Further talks are anticipated this year.

I believe it is essential that cooperation between the United States and the Community continue and, likewise, that we work closely with our allies to counter the threat of proliferation of nuclear

explosives. Not only would a disruption of nuclear cooperation with EURATOM eliminate any chance of progress in our talks with that organization related to our agreements, it would also cause serious problems in our overall relationships. Accordingly, I have determined that failure to continue peaceful nuclear cooperation with EURATOM would be seriously prejudicial to the achievement of U.S. non-proliferation objectives and would jeopardize the common defense and security of the United States. I therefore intend to sign an Executive order to extend the waiver of the application of the relevant export criterion of the Nuclear Non-Proliferation Act for an additional 12 months from March 10, 1991.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order is listed in Appendix E at the end of this volume.

Interview With Middle Eastern Journalists

March 8, 1991

The President. I wanted to just say a word of welcome to you all, and be glad to thank you for coming all this way. I think the best thing is just to go ahead and start, though I might say at the beginning that the coalition that was put together to stand up against the aggression has been, in my view, historic. There were a lot of predictions early on that one or another country would pull away or that it would fracture in some -- and you come to me on a day when I have great gratitude in my heart to the leaders of the coalition countries. Well, I guess all the countries from which you've come having had forces there -- Morocco, of course, in a special role, not a part of the coalition per se but nevertheless in the defense of Saudi Arabia, having some soldiers on the ground. That's a distinction that I wanted to say to you, sir, we understand and respect.

But in any event, those forces that did end up in the battle did very well. There were predictions that some might not want to engage in the battle, and they did, and so we are very grateful. And I keep saying two things: One, this is not a U.S. effort by itself. And secondly, our argument was never with the people of Iraq; it was with Saddam Hussein.

I make this point because the Iraqis tried to make it them -- I mean ``them'' including all Arabs -- against the United States. And I will resist that until time immemorial, because there's a feeling of gratitude and affection to the Arab world because so many there stood with us against this evil.

But now, look, I came to answer your questions, and I'll try to do so. Who wants to go first?

Security in the Persian Gulf

Q. Sir, my colleagues have elected that I speak first. I would like to take the opportunity to thank you personally, the administration and this great country and people, for what you have done. I believe this is an historical stand. And as our Ambassador has said, you will go into history as a great leader and a great man.

Sir, my first question is, the coalition has won the war, and I believe we have a great battle ahead of us, that is, to win the peace. What kind of arrangement do you foresee the United States, the coalition, and the Gulf States and, of course, the Arabs would have for security arrangements within the Gulf States and the Arab States?

The President. I think this is a time, as Abraham Lincoln once said in our history, to think anew. And we are starting to think anew by dispatching our Secretary of State to the region. There will not be a United States plan to bring peace to Lebanon, to the Gulf, or to the Israeli-Palestine question. There will not be a single, sole U.S. plan. We want to be an instrumental part of it. We think, given what's happened in the Gulf, perhaps we have more credibility to be a part of it.

When I spoke at our meeting to the joint session of Congress the other day, I spoke about our interest in being a catalyst for peace. And that's what Baker is out there to do.

I would love to think that the day would come when the Israeli-Arab world hostility could end. And that's going to take compromise on both sides. We are very openminded as to how that should be brought about. When I talked about territory for peace, that wasn't exactly a new statement. We have been proponents of Resolutions 242 and 338 for a long time, and so have other countries, many other countries. I'd say most every country, but then some have pulled away from them. So, we're going to push, after consultation, in trying to get common ground with our coalition partners and then with Israel and others, to push on all three fronts.

Obviously, the security in the Gulf is quite different. I will repeat -- I don't want to lecture here, but I will repeat that we are not interested in a longterm ground troop presence. The Iranians, for example, are accusing us, or not accusing us but are very much concerned about that. So are others. And we would be playing right into the hands of our critics if we sent a signal that we wanted to leave a sizable U.S. force on the ground out there. We don't. Our families want them home.

But on the other hand, I spelled out the other day some security requirements for the Gulf and what we think might be new arrangements that will provide for a more stable and more secure Gulf. Lebanon, again, and the Israeli question -- these will be evolved after the Baker consultations.

Q. Mr. President, President Mubarak has called once again for a Middle East, including Israel, free of weapons of mass destruction. Do you agree with this initiative and other proposals for the limitation of arms shipments to the region, including Israel?

The President. You heard me speak on proliferation. I don't think you're going to disarm Egypt, Israel, Saudi Arabia, Kuwait, Syria -- anybody. I think that's idealistic. I'm not implying that that -- what my dear friend Hosni Mubarak is saying. But I would like to think that out of all this we could have a vastly reduced flow of arms to this troubled corner of the world.

We have been very much concerned about these shipments. In some places we've been involved in them, to many of the countries right here in which your papers are located and Israel. But when I made this pitch for nonproliferation the other day, it is something that again we want to talk about within this whole concept of security and stability, not of just the Gulf region but of the other parts of the Middle East as well.

So, I'm not certain how we'll come down, what the final arrangements will be, but we are very openminded about talking and then doing what we say after we talk, in terms of fewer weapons going into the area.

Q. Mr. President, do you foresee any future role for Iraq and Iran in the security arrangement?

The President. Roles for Iraq and Iran? Well, in the first place, we never have felt that it was in the interest of the Gulf or certainly of the United States to create a vacuum in Iraq. And we have not wanted an unstable Iraq. Iraq has a job to do of reconstruction. And what they ought to do is have a government that will signal to the rest of the world that they want to live within their own borders, that they are renouncing aggression. And indeed, they did renounce the annexation of what they used to arrogantly refer to as Province 19.

So, they've got to send the signal to the world that they want to live within what we call the family of peace-loving nations. That is difficult, very candidly, for us. And one of the things Baker will talk about with our partners is whether it's difficult for them if Saddam Hussein remains in power. So, Iraq we want to see stable, living within its own borders with respect for its neighbors, renouncing its so-called claim to Kuwait, and yes, being an important part of the area.

Iraq can be a very well-to-do country if they'd spend their money on helping their own people and not on arms and bullying the neighborhood, which they tried to do until they got into the war with Iran. Then the man changed his spots momentarily. Then when that war was over, he showed his arrogance and bullying again by going after Kuwait.

So, the best answer, as we see it -- and again, with respect for our partners, I want to know exactly what they think but -- is for Iraq to live in its borders, and then it can regain the respect that they deserve. They've got a proud history. They've got culture. They've got religious traditions and all. So, we're open to that. But it's going to be difficult under the status quo.

On Iran, we've had very strained relations with Iran. I have publicly said, and I'll repeat it -- this is a unique chance to repeat it here -- we want better relations with Iran. We have no animosity. There's a lot of feeling in our country about our hostages and about the Embassy, and there's feelings in Iran about the shooting down, which was pure accident, of the airbus and all of this. But sometimes when you have deep divisions it takes a little more time. So, we're not pressing Iran on bilateral relations.

But Iran is a big country. I don't think they should be treated forever as enemies by all the countries out in the GCC [Gulf Cooperation Council] countries or others. And I don't think, as I listen carefully to our friends in the Gulf -- I think there's an evolution process here towards Iran. And as Iran moves to what I hope will be a more moderate or a less radical role, I think that the other countries in the area will welcome them back.

But they're an important country and they've got a self-respect. And so, we'd like to find ways to recognize that -- of self-respect and their own sovereignty, of course. But we've got some bilateral problems.

So, I think both of them, being of their size, of their economic potential, of their historic standing, have key roles to play in a secure and stable Gulf. But again, it's got to evolve -- how that will work, I mean, what mechanics are worked out. Will there be an Arab peacekeeping force there, and can that be presented to all the countries as no threat to them, but as a guarantee of the security of other countries?

So, we want this -- remember in the early days of all this, talk about ``Arab solution'' -- King Hussein kept talking about, ``We want an Arab solution.'' And they had meetings and others saying ``Arab,'' and we understood that. We don't want a Yankee solution to the Middle East. [Laughter] I mean, that's not what we want.

So, here's a chance now for our friends in the Arab world -- and there are many, and I hope there are more than when all this started -- to say, look, here's where we should carry the ball; here's the place we should have the lead. And then we stand there with our, I would say, conviction backed up by perhaps a naval presence that I mentioned coming up and down the Gulf. It has helped with stability. And I see it as that kind of partnership in the future, but with no rancor in my heart about Iran, no rancor about the people of Iraq.

So, when I get up and say that here, I'm not just making it up. Because we hurt, we ache when we see a child that doesn't have enough food, or water that's contaminated, or something of that nature. And I think people in Saudi, Kuwait, Morocco -- they feel the same thing when they see an Iraqi child.

So, we've got to approach it in a magnanimous, compassionate way. But let our Arab friends stand out there and say: Here's what we recommend. Here's what we're prepared to do. And then have us willing to put our military and whatever they want behind this effort.

So, that one is easier, it seems to me, the Gulf security including Iran and Iraq, than perhaps Lebanon and the Palestine question as it relates to Israel.

I'm going on too long, but I want to make a point that we've been very disappointed in the PLO here. I mean, the PLO was anointed at Rabat years ago as the sole spokesmen in all of this, and they've been disappointing. They've moved way over too far in support of Saddam Hussein. They took a bet -- they bet this coalition wouldn't hold, and they bet the United States would not do what we did. And the guy bet wrong.

Here was a man that, in spite of the recent terrorist acts, had some standing in this country. I don't know how it is in the rest of the world, but he's lost that standing here. And that isn't to mean that we say to everybody that was sympathetic to the PLO, hey, you're bad guys; that's not it. But they've been diminished by this.

So, their role in the security, at least for now, in my view, has been diminished because they bet

on the wrong horse for the wrong reasons, the wrong motives. I mean, they did not stand up and condemn that aggression. And I think it has hurt some of the Palestinians in Kuwait who had been treated very well there. And then when the Kuwait thing happens, a lot of the Palestinians sided with the Iraqi invaders. Well, this didn't help their image around the United States. I can only speak for our country.

Palestinians

Q. What do you mean by political rights to Palestinian people in your speech?

The President. About political rights? Listen, there will not be peace until the whole question of where the Palestinians have a right to be is taken care of. And some say ``state.'' It's not been our position in favor of the state, and there we differ with many of our Arab friends. But the question is, get the Palestine question resolved. And obviously, the framework has got to be the action taken by the United Nations. Or at least, that doesn't have to be the only answer, but that's some common ground there. That's something that Israel agreed to, that's something that Arab States agreed to, and is subject to a lot of interpretation problems. But there is a common place to start from. But there's got to be discussions. We can't have state of war forever and ever. I mean, we're in kind of a healing mode now. I'd like to heal some wounds. I'd like to be a catalyst that can help overcome old enmities.

Now, maybe that's too idealistic, but even if he can't do that, there has got to be a resolution of the Palestine question. And we know it, and we feel strongly about it, and we're prepared to play a useful role. But as I say, people are going to have to move on all sides of this question. The status quo ain't going to get the job done.

Q. You had a talk with the PLO; are you willing to resume the talks?

The President. I wouldn't say right now. They're coming at us at the wrong time. I don't think they've requested that. They were broken off because, as you recall, some terrorists -- what we call terrorism. They were calling it something else. But I think I would be very -- and I'm one who wanted to keep those talks going and did as long as we could. But to me, they've lost credibility. They've lost credibility with this office right here. And the reason they have is because they behaved very badly to those of their own fundamental faith.

That's not all PLO people; I'm sure there are some good people there. But their leadership betrayed their friends and got in with the wrong side. And it's going to take some time. So, I'm not in any rush to do that at all.

Environmental Damage

Q. Sir, excuse me. I have two points. The first is the immediate problems we are facing, and the

other one is a medium-term. The first one is the environment. Now we have oil spillage and this fire.

The second one, sir, I am speaking -- I think the medium-range sort of problems in our region, to my mind, is democracy and development. What's your -- --

The President. Okay. First, the environment. I have been surprised that in this country there has not been more of a highlighted moral outrage. I feel a moral outrage here. I feel that what he has done, laying waste to the assets of Kuwait, is brutal environmental terrorism. There is no excuse for it. There is no rationale for it. It is simply what we call the scorched earth policy, as he left. That is unacceptable.

I think world judgment is going to take a while to mature in this regard. People here hate it, but there isn't that visceral feeling about what this man has done. As time goes by and the shooting has stopped, thank God, and people come back into Kuwait as they are, thank heavens, I think people are more and more going to be outraged by it.

One of the reasons that we insisted on accountability and on one of the U.N. resolutions that called for compensation was because we felt so strongly about the environmental degradation. And Kuwait is entitled to compensation for this kind of environmental terrorism. And so are others who might be affected by that spill.

So, one, we're very much concerned about it, and I think it's going to be a focal point. It hasn't yet been as much as I thought it would be -- a focal point for indignation against this laying to waste, reckless laying to waste, of another country.

What was your second point?

Democracy and Regional Development

Q. Democracy and development.

The President. Of course, the United States, you know, we're for democracy. Obviously, the more democratic processes that are put into effect in whatever country, we rejoice in that. That's been the history of our country. We're not trying to dictate to some country how to do its internal affairs. But the more compatible the values, the better it is for the future. We urge as much democratic process as possible in the area and in all areas.

So, we just stand as a beacon, we think, for democracy, and we will continue to try to do it. As you know, halfway around the world I was criticized for not standing stronger for democracy in China. I thought I stood very strongly for it. But there's a balance here between expressing your own convictions about your own values and having respect for problems that others have.

So, on development, I think the resources are there. And if those resources can be turned to peaceful means, so not only a country that has valued peace -- take Kuwait -- but it has had to worry about whether it would be aggressed against or whether its neighbors were going to do something.

But if we can get this new order out there, then I think the means are there for the development of the entire region. But it isn't going to be done with the barrel of the gun. And you can't say to Saudi Arabia, to Kuwait, ``Hey, trust me, all is well, throw down your arms," as long as you have a situation in the Gulf that's unstable.

Q. Well, Mr. President, one of the main reasons of instability in the region, originally in the Mideast, is the big gap between the rich and the poor countries. And recently, after the Gulf war, there have been many ideas proposed to tackle this problem. And I think Secretary Baker -- he once mentioned a sort of new international development bank for the Middle East or something like that. What are your ideas, Mr. President, I mean the U.S. ideas to deal with this problem?

The President. I don't want to try to preempt the Baker trip. He's going out there to discuss economic development. And there are a lot of resources in the area. People look at the United States and say, hey, there's a lot of resources in the United States, too. And there are. But when we tried to assist Egypt with its rather substantial debt to the United States, you know I came under great attack here: Hey, wait a minute, what the hell are you doing worrying about Egypt's debt? What about Iowa and Kansas and Texas and other places in our own country? What about our budget deficit of hundreds of billions of dollars?

So, we are not in a great position to be putting ourselves up as the wealthy guy that can solve all the problems in other areas. But there are discrepancies in wealth in the area, just as there are in my own country. There are a lot of people here in poverty. Some people live very well. The same thing is true in the entire Middle East. But I think the way to work it out is through consultation and through planning and through regional answers to it. We can't dictate. We can't say to a wealthy country out there: Hey, you've got to spend x dollars to help your guy next door. I don't think that's the way. I mean, that would be really resented in that part of the world. Just as I would resent it if some wealthy countries in other parts, or Europe, for example, started telling me how to take care of poverty in the United States.

So, again I want to fall back on the Baker consultations, which will have this economic ingredient, this development ingredient as part of it. Having said that, I think all of us as human beings have to be concerned when there's a lot of inequity. And I feel it here. I don't get given any credit in this country for feeling it, but I do. I worry about it. And I certainly worry about it in other parts.

But to try to justify aggression on the basis of the haves versus the have nots is unacceptable. And

I don't think we can ever permit that kind of demagogic rationalization to justify the takeover of one country by another. And I, to be honest with you on that point, I had never considered Iraq a have-not country. I've considered them a country that has tremendous resources that they splurged on trying to buy support with Mercedes-Benzes and arming themselves to the teeth so that they could bully the neighborhood. Well, those days are over and I'm damn proud that we had a part, working with our partners, in putting an end to it. I say they're over. They better be over, or Iraq will not have normalized relations with this country. I can speak for the U.S.

Q. No, what I mean, it's not just to give. To help in development, because through development, this will have a solution for these problems.

The President. It would be a fantastic thing to do. No, excuse me, I wasn't lecturing you on the fact that we don't need development. I'm simply saying it is something that is going to have to be addressed, but that we can't use -- we can't permit one neighbor to take over another because he's doing it in the name of have or versus have not. But I think there's a wonderful chance now for economic development where one country will want to help another.

The United States has always been in that mode, and we'll want to try to help. All I'm saying is we're going to need -- we're not going to pull back into some sphere of isolation as a result of all this. But once again, it's with respect that I say, hey, we need some regional answers out here. We need some Arab solutions. And let us be a part of it but not try to dictate it, is all I'm saying on development and on how we handle the inequities of wealth versus nonwealth.

Iraq

Q. Mr. President, you talked about Iraq recently, and you said you are not going to pay any penny for rebuilding Iraq. What about if there is a new government of Iraq?

The President. What we're willing to do is immediately help in a humanitarian way. If there's a hungry child, if there's a sick family, we'll go there today; yesterday we'll be there. We've always done that. But as you look at the overall reconstruction of Iraq, what they need to do is come up with a plan where they use their wealth for their own reconstruction, and then be able to have a good life for their people from there on. They can do it. They've got enormous wealth.

And if they had a new government that had a broad futuristic view, that contained the willingness to live at peace with their neighbors, throw down these excessive arms -- what they've got left, keep what they need for their own internal security -- guarantee their neighbors they have nothing to fear from them, then of course we'd be willing, in a broad sense through these international agencies and others, to be helpful in terms of reconstruction.

But it is not the case where we are going to turn around as Uncle Sucker, not Uncle Sam but Uncle Sucker, and turn around and start sending taxpayers' money that are going to rebuild the

arrogance that has led to this instability in the first place. And I'll tell you, the American people feel strongly about it. And there's 265 million of us, and nobody feels more strongly about it than the guy sitting right here.

We're not inhumane, but let's see the new government develop. Let's see them give the assurances to their neighbors they want to live at peace. Let's see them show the concern for their own people that they should have. And that means not spending it all on rifles from the Soviet Union or tanks, but it's on trying to help -- turn on those oil wells, get those going again, and help their people.

That's my point. That's what I was trying to say the other night. But everything takes time, too. This situation needs time. But the best thing that could happen is if the kind of government you asked about emerges; then you'd see whole new attitudes emerge in Europe and the United States and everyplace else.

Q. What kind of government do you think that ought to be?

The President. One that is compassionate and concerned about his own people and drops all this arrogance about the neighborhood. That would be a good place to start. And I have known -- before the Iran-Iraq war I used to wrestle with these problems when I was at the United Nations. And these guys from other Arab countries have come up and told me this man's a bully. He'll walk into a room with other Arab leaders and swagger in with his -- bullying the neighbors. And he had muscle. He had arms, when some of them hadn't gone to the arms route. He had an arrogant swagger that tried to intimidate his Arab neighbors.

Then he got into the Iran-Iraq war and that changed, because he needed help. So, he turned to those against whom he'd been arrogant and showed a different side momentarily. Then that war ended. And what does he do? He brutalizes Kuwait. So, he can't have that kind of an attitude if he wants reasonable relations with us. And that's what I'm saying. We tried with Iraq. We tried just before the end of the Iran-Iraq war to have better relations and to see a different side. And what happens? He takes over Kuwait, and that was it right there. Bang -- that's enough for us.

And again, we're not the ones that are trying to dictate to that corner of the world. I've been out there. I have respect for the countries and their cultures and their traditions and for their sovereignty. And in this office, as long as I'm here, whether we have a big country or a small country, we are going to respect that. But I don't respect the bullying attitude that resulted now in the aggression against Kuwait.

Relations With Persian Gulf Nations

Q. Sir, while we are on the point, do you envisage more sort of cooperation with the GCC themselves on -- --

The President. Yes, I think as much as possible. And I think as more of a security arrangements as can be arranged for and taken over by the GCC, the better it is. It's their neighborhood. We've got a stake in it for a lot of reasons -- economic reasons and historic reasons -- but absolutely. And the more vital the GCC is, the more it can say here's what's best for the Gulf area, in my view, so much the better. And I'll keep using this thing here, the telephone, and talking to these leaders out there. And we're going to keep up good bilateral relations with as many countries as possible. But the needs are regional; it's crying out for a regional answer to it.

The complex problems that you ask about are a little different. It's not strictly regional. It's more global in a sense because it's been so intractable.

Q. Well, Mr. President -- --

Mr. Fitzwater. We're going to have to break, gentlemen.

Q. The last question.

The President. Let me -- and then I'll try not to lecture you so much. I get all -- I'm very enthusiastic about this. I remember being back as Ambassador at the United Nations. And I didn't know as much about diplomacy then, but I became very close to the Ambassadors from the Arab world. The day I left, they gave a beautiful going-away party, in spite of the fact that we had stood against them -- or at least they thought, against them -- on some of the Israel questions. I'll never forget it.

And Bishara, who is the head of the GCC -- he was the Kuwait Ambassador at that time. Through not only contact with him but remember the guy Baroody -- really Lebanese -- and they became close friends, and they taught me a lot about the individual traditions of the countries. Abdel Meguid was my colleague at the U.N. So when I sit down and talk to Mubarak, I've been conditioned and sensitized by these friends of mine in that area. And I want to reflect my feeling about these countries through how we conduct ourselves.

One of the things that made it easier for us to commit an enormous amount of treasure and risk a lot of human life was that we feel this area and its importance more than, I think, perhaps some of my predecessors. That doesn't mean we're not going to have fights with representatives from the various countries represented here. But we don't want to do it out of neglect or out of failing to understand the intense pride of the region.

Now, what was the question?

Q. Sir, I do think that everybody in Kuwait and a lot of people in the GCC and their countries look to Mr. George Bush as a great man. And this is the first time in history I have seen so many

articles about the United States, about Mr. George Bush being published, not clandestinely like you were before, but now everything is open. What kind of relations do you envisage between this country and the Gulf GCC?

The President. Well, again, I think it has to be one of mutual respect. I think it has to be one who fiercely recognizes and is willing to defend the territorial integrity of the country. I think it has to be one where we're forward-leaning on the peace process as it relates to Israel and Palestine. Because in these countries, no matter how good our bilateral relations, there's this feeling -- hey, you ought to be doing more about that question.

I see it as one where we will be tested by whether I am willing to do what we've said, be a catalyst for peace not just in the Gulf but up into Lebanon and down into the Israeli-Palestine question.

But what I hope will happen is that because of the commitment we made, after great consultation -- in your country's case, the Amir; the case of the Kingdom [of Saudi Arabia], with King Fahd himself; a close relationship with Mubarak -- I hope that the United States will -- and I think it is true in Morocco, although we had a little different standing for Morocco in this -- I hope that there will be a recognition that we're credible friends. And this is an important point, that we have credibility. When we say we'll do something, we'll do it; we mean it.

And that is an important point as to how the U.S. interacts with the Middle East from now on, it seems to me. If they say they're going to do what they say they'll do, I think that is important. I think a lot of lip service was given to that point, but for various reasons, including global reasons, Vietnam. People would -- ``Look, hey, do they really mean this? Are they really going to follow through?" And I think that our credibility should be such in the area that we can work closely now as credible allies, credible friends.

New World Order

Q. Mr. President, the Gulf war is the first of its kind to take place in the context of the new world order. How did the new world order influence the way the world dealt with this crisis? And what is the main lesson learned from the Gulf war?

The President. The new world order said that a lot of countries, disparate backgrounds, with differences, can come together standing for a common principle. And that principle is: You don't take over another country by force. So, the new world order, to the degree it's emerged so far, has been enhanced by this single concept that we're going to unite, no matter what other differences we may have had, what the bilateral problems may have been, and we're going to stand up against aggression.

It was enhanced by a more viable United Nations, a United Nations where the big powers didn't

automatically go against each other. In the cold war days, we'd say, ``This is black," and the Soviets would say, ``Hey, that's white." And you'd have a veto, and nothing would happen. And the peacekeeping dreams of the founders of the U.N. were dashed.

So, part of this new world order has been moved forward by a United Nations that functioned. We might have still been able to stand up and come to the assistance of Kuwait -- the United States. I might have said, ``To hell with them. It's right and wrong. It's good and evil. He's evil; our cause is right," and, without the United Nations, sent a considerable force to help. But it was an enhanced -- it is far better to have this collective action where the world, not just the Security Council but the whole General Assembly, stood up and condemned it.

So, part of it is these more viable international organizations. And that is where we are now. Then how we build on it is the questions that will be coming up, trying to give our share of the answers when Jim Baker comes back from these consultations.

Q. And what is the lesson which we learned from this crisis?

The President. Well, the one key lesson is: Aggression will not stand. You don't bully your neighbor. You don't swagger around the neighborhood with an arrogance and back it up by overwhelming force without paying a price. Same thing you learned in the school yard when you were over there in Egypt. One guy came out and tried to beat the hell out of you when you're in the third grade, and you'd wait for a while, and then somebody would hit him and he'd go back into his shell and he wouldn't do it again. And that is what happened in this case. Same thing.

Q. Mr. President, I am too greedy. I want to make two questions.

The President. You've got it. [Laughter] They have another way of doing it over here, saying ``and a followup," you know. They'll ask you something unrelated and call it a followup so they can get two.

Syria-U.S. Relations

Q. You made a step toward Syria and a good -- relationship with them. How do you see now the relation between the United States and Syria regarding Lebanon, especially?

The President. We've had some differences with Syria that we have spoken very frankly about regarding terrorism and other things. I think that because we were able to work together with Syria here and we did this -- there was a lot of advice coming from other coalition partners that encouraged me to take additional steps toward Syria. Because of that I think we have a much better chance to work with them toward peace in Lebanon.

Syria has interests there. We're not saying they have no interests there. But these Taif accords are

still valid, and the steps that the Arab leaders took there in terms of getting all forces out and democratization or better representation in the government inside Lebanon, those are good things.

But I think the key point to your question is, because we worked together on this one problem over here, the Gulf, and some doubts about each other were kind of laid to rest, we have a chance now to work toward the solution of other problems. And you know, they are very -- we have said very intractable on the Israeli question, and they have said we have been overly one-sided. At least we're talking. And at least they did what they said they'd do, and we did what we said we'd do.

And so, I think in terms of Lebanon, we've got a window -- we've got a big door we can walk in, not a window but a door, where we can openly discuss things in a much better way. I know I feel that way about relations there. I think our Secretary of State does. And still, I don't want to suggest we have no problems with Syria or any other country. But we can talk about them more frankly without the door being slammed. And that can help Lebanon, that can help it.

Arab-U.S. Relations

Q. How do you see, Mr. President, your relation with so-called Arabic-solution states?

The President. Good, and better. It depends who you mean. Morocco was an Arab-solution state, and I feel very respectful of and friendship toward His Majesty the King [Hassan II]. I mean, that wasn't strained by this. You've got a problem if you're referring to Jordan.

Q. The Amman incident.

The President. Yes, Amman. Let it cool down here, calm, take a little time. A little hurt feelings out there, disappointment in the United States still there; but a recognition that a stable Jordan is in everybody's interests. And I don't want to -- I mean, a lot of what happened in the Jordan situation was aimed not just against the United States but some of the other neighbors in the area.

And when that happens, I'd like to know how they feel. I'd like to know how King Fahd or Hosni Mubarak feels or how the Kuwaitis' Amir feels about Jordan -- and we can help. I mean, we've had a good relationship with the Hashemite King [Hussein I]. But I've expressed my public disappointment because I think Jordan has swung way over on this question. And I'm not saying it was all his fault because there were some people out there in the streets. And they're still out there yelling about me, personally, and the whole United States. Obviously I'm just this target for that.

But my view is, hey, we've all got to live together in peace, so let's take a little time now and sort this one out. We don't want to see a radicalized Jordan, and yet I must confess to a certain disappointment in terms of how that Jordanian question will -- I'm disappointed with some of the

Jordan press, frankly, that did nothing but blame everything on the United States. They know better than that. And yet they did it.

But I've learned in life -- maybe it's because I'm 66 now -- take a little time, let it simmer, and then let's try to put together a more peaceful Middle East.

So, I have no rancor or bitterness. But, again, there is an area -- let the Arabs work their magic out here. You're talking about an Arab solution. Let them come to me and say, all of them, including Jordan: Here's the way we ought to work together. And not us try to dictate, to say to King Fahd, hey, you've got to do this. He wouldn't do it anyway. He's a strong-willed person, knows the area.

So, my answer: disappointment. Determination to think that one day we'll have a better relationship with a country with whom we've always had a good relationship, try to recognize their problems. But it's going to take time. There is some hurt here, some hurt in the neighborhood; there is some damage to a bilateral relationship.

Q. Mr. President, what is your message to the Arab people?

The President. A positive signal to the Arab people and that our argument has never been with the Arab people, per se. And I hope that our participation in this coalition and, if I could move one step forward, our leadership of the coalition was not aimed against an Arab of any kind. It was aimed in favor of a principle. And that principle, again: You don't take over your neighbor by force.

So, I see some demonstrations in various countries against my country, and I have a hurt about that. I guess every American loves to be loved, you know, around the world. But it doesn't work that way. And yet, I think some of the accusations by fundamentalists against us are very untrue, and I will stand up against them.

But I think the message, it shouldn't be one of recrimination: ``Hey, we remember what you said; we're going to get even." It ought to be: ``Look, we tried to stand for what we think was decent and right. We tried to stand with respect for principles in the Arab world. We tried in the targeting of Iraq to be respectful of their culture, archeological, religious, whatever." And our argument isn't with Islam; our argument isn't with Arabs. And I will stand up against any discrimination against Arabs in this country publicly, openly -- we've had groups in here -- and say, ``Damn it, we hurt when you hurt." But what we stood for was something positive. And I want to keep trying in every way possible to get that message across. And it was a positive point about which many Arabs can rally.

And I'm not a student of religion, but I don't find anything in what the principal teachings of Islam that put us in contradiction at all. In fact, the principles are the same as what -- we have a diverse religious culture. But it's kindness, it's be good to your neighbor, it's love, and it's take

care of children. It's all these things that -- so there's no anti-Islam. There is no anti-Arab. Our role is trying to be positive. And when it's said to me, ``The Arab world will turn against you," I never believed it for a minute. And I don't have any rancor when I see some. But if they assign motives to my country that are not correct, then I'm going to fight, stand up, and say, wait a minute, you're wrong. And we've got some healing to do, but we also have some convincing to do.

Q. By the way, Mr. President, one of the relatives of the Egyptian soldiers was a Christian, and he arrived in Kuwait.

The President. Yes.

Q. And President Mubarak ordered a special flight to get him because all the Moslems were buried in Saudi Arabia. But he's a Christian, he was buried in Egypt, and President Mubarak sent up a private flight to get him back home.

Events Prior to the Conflict

Q. Mr. President, what's the most difficult moment you've been through since the crisis?

The President. Well, we had some difficult ones internally here. And one of them was our press was saying I had not convinced the American people that what we were doing as an administration was right. And Marlin was in on that, General Scowcroft, Bob Gates -- we were all in that together.

Mr. Scowcroft. And the Congress.

The President. And then I'd say the Congress. It was argued I can't go to war without the Congress. And I was saying, I have the authority to do this. We had lawyers. But once Congress acted affirmatively, it became much clearer to the American people. And so, that moment as we were getting down to a congressional vote was a very big one.

I don't think we ever had any real fundamental differences with the Arab world once we started -- I mean, with the coalition.

I'm probably forgetting something, but I can't remember exactly.

Q. How about the Soviets?

The President. The uncertainty of August. Well, the Soviets stayed with us at the U.N. And so, at the end, when they started saying here's a peace plan, we knew what we had to do. And I did not assign to them the motives that many of our countrymen did, that Gorbachev was playing

mischief because he was being left out. I really think he wanted to stop short of more killing -- well, I'm going to feel that way. Others disagree with me here. But I don't think it was ever a crisis because we knew what we had to do.

Q. I see.

The President. Now, if he'd have stood up and said, if you do that we're going to blast you, and we're going to lead the Third World in opposition -- he could have done that.

Q. Right.

The President. And he didn't do that. So, it could have been a problem, but he conducted himself in that case very well. He tried for peace, what he thought was a fair peace, a peace within keeping of the U.N. resolution. I was telling him: ``No, it is not, President Gorbachev, it is not. Stops short; there are conditions. And we've come a long way; we can't accept conditions."

But it never got to be -- I wouldn't say that one got to be -- it had a potential of a stumbling block, but it didn't really get there. And then I guess the major, not bump in the road but decision on our part was, what happens when you commit your young people to war? How many are going to be killed? There was a picture in Life magazine, 50,000 graves dug. Argument in this country used against me, of us, was body bags. That's a horrible image to people across our country. You're going to put my son in a body bag to fight for a country halfway around the world? So, the actual commitment of force, whether it was first the air, then the ground, from the U.S. standpoint was an important decision.

Again, we knew we had to do this. We've committed to do this. But the timing presented a problem and all of that. But on balance, though, it went, I think, fairly smoothly.

Q. It's over.

The President. It's over, thank God.

Note: The interview began at 10:18 a.m. in the Oval Office at the White House. The following journalists were participated: Nadir Yata of Al-Bayan, Morocco; Said Sonbol of Al-Akhbar, Egypt; Mohammed Rumaihi of Sawt Al-Kuwait, Kuwait; and Othman Al-Omeir of Al-Sharq Al-Awsat, Saudi Arabia.

In the interview, the following persons were referred to: President Saddam Hussein of Iraq; Secretary of State James A. Baker III; President Mohammed Hosni Mubarak of Egypt; King Hussein I of Jordan; Yasser Arafat, leader of the Palestine Liberation Organization; Abdullah Yacoub Bishara, Secretary General of the Gulf Cooperation Council; Jamil Murad Baroody, former Saudi Ambassador to the United Nations; Minister of Foreign Affairs Ahmed Esmat

Abdel Meguid of Egypt; Amir Jabir al-Ahmad al-Jabir al-Sabah of Kuwait; King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia; King Hassan II of Morocco; Marlin Fitzwater, Press Secretary to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and Robert M. Gates, Assistant to the President and Deputy for National Security Affairs.

The interview was released by the Office of the Press Secretary on March 10. A tape was not available for verification of the content of the interview.

Remarks at the Ford's Theatre Gala

March 10, 1991

Thank you all very much. Please be seated. You know, when Americans get together to celebrate country, we sure do it right. We sure do it in style. What a magnificent performance here tonight.

A lot of marvelous country songs -- one I like is just a little story of an American family. And I know what it feels like for me and Barbara here tonight. The music and the words and all of these emotions remind us of what we truly are, each and every one, part of the proud and great American family.

To Andy Andrews I would only say, now I know exactly how I will treat with those 14 grandchildren of mine. [Laughter]

But tonight America's family is gathered here in America's theatre. And we all want to thank the people, all the people, who made this gala possible. Of course, Peatsy Hollings and Ann Simpson here, Mary Jane Wick, Frankie Hewitt. Her vision brought about this theatre's resurrection, and the others are saluting this theatre's reality every year.

I want to congratulate Bill McSweeney for his well-deserved honor. And I want to thank Lod Cook of ARCO also, and salute some of the country's special friends who are with us tonight. We have the Vice President and Mrs. Quayle here tonight. We have many members of our Cabinet. Perhaps it would not be inappropriate at this patriotic moment to single out Secretary Cheney and, of course, General Powell. We might ask them to stand. [Applause] We have many distinguished leaders in the United States Congress.

You know, for over 100 years after Lincoln's assassination this theatre was closed, a dark reminder of an American tragedy. But tonight shows how this place can come back to life as a living symbol of the American spirit. And I can't think of a better theme than ``A Celebration of Country'' because it means not just country music but also our country, the United States of America.

The incredible feeling here in this theatre tonight shows really what I love best about country music: It hits all the right chords, like caring for your family, having faith in God -- Ricky Skaggs' ``Somebody's Praying'' said it very well indeed, that part of it -- songs about people who care for each other with the biggest hearts on Earth.

And country songs are about real people. Randy Travis, I must say I love that new song about the Points of Light. And -- where did he go? And I want to thank Don Schlitz and Tom Schuyler for doing that. Senator Hollings told me this song has real merit, it has a real beat. [Laughter] But certainly the message does. And I think Don and Tom know exactly how to put our feelings into

words.

I think that at this moment in our history, our family -- American family, if you will -- is closer than it's ever been. We know who made this exhilarating moment possible. I'm talking about the men and women that serve in the Armed Forces of the United States, as Morgan Freeman said, ``thousands of miles from here.'' What a wonderful job they've done for all of us.

It is very, very exciting. And as they come home, I expect every family is like Barbara's and mine with the tears coming down our faces today and almost every day since they started back. But as they come home, we're going to take all the pride and the excitement that this country feels and give them the biggest welcome-home party that this country has ever seen.

And so, thank all of you here tonight, each and every one of you, for reminding us that we can dream and achieve together. A good night and thanks to all of you. And once again, Ricky, someone was praying, someone was praying.

Thank you very much.

Note: The President spoke at 9:49 p.m. from the stage of the theatre. In his remarks, he referred to comedian Andy Andrews, who performed at the gala; Rita ``Peatsy'' Hollings, wife of Senator Ernest Hollings, and Ann Simpson, wife of Senator Alan Simpson, general chairmen of ``A Festival at Ford's''; Mary Jane Wick, gala chairman; Frankie Hewitt and Bill McSweeney, Ford's Theatre executive producer and chairman of the board; Lodwrick M. Cook, chairman and chief executive officer of ARCO; Vice President Dan Quayle and his wife, Marilyn; Secretary of Defense Dick Cheney; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; country music performers Ricky Skaggs and Randy Travis; songwriters Don Schlitz and Tom Schuyler; and actor Morgan Freeman, who delivered a tribute to Abraham Lincoln.

Exchange With Reporters Prior to Discussions With Prime Minister Michel Rocard of France

March 11, 1991

Q. Mr. Rocard, are the French still pressing for a Middle East conference?

The Prime Minister. We are pressing for a solution. And we think in the Middle East, as I think the American authorities inferred -- the President, President Bush, who said that last week -- the Israelis and Palestinians have to find an issue. And if the international community can contribute to create the conditions for their direct meeting, any type of institution of conference would be useful -- the heart of the matter, the substance, more than the procedure. It was proposed once -- one. We do hope there will be a solution anyway, and I'm sure the United States and France will act in a converging way to permit a solution.

The President. That I'm certain of. You know, one of the great things about this recent effort was that we were just solidly together. And I think that sent a very strong signal to others around the world. And I hope you will convey to the President my thanks and my sentiments of deep appreciation on behalf of the American people. Because France is a key, terribly important country with special knowledge and interest in that part of the world. And we just came together at the U.N. and elsewhere, and it was a wonderful thing.

So, carry my thanks back to everybody that was involved, please, sir, including yourself.

The Prime Minister. Mr. President, thank you very much for those words. We were happy to be, again, very close together, as we have been in many difficult periods of history. But there again, we are very close in acting together and having victory together.

The President. That's right. That's right. I mentioned your distinguished General, my French is terrible, but Roquejeoffre.

The Prime Minister. Roquejeoffre. Marvelous.

The President. Pretty close, pretty close. But General Schwarzkopf was very high in his praise of him and the way he conducted the French forces, led the French forces.

So, all of that worked out. You remember in the very beginning there were all these predictions with these different countries, that it would be very hard to sort out a proper structure for coordinating them. And it came fine.

The Prime Minister. Quite well.

The President. Probably better coordinated than the politicians.

The Prime Minister. And the idea to -- soldiers of both countries under the same command -- --

The President. Now, we've got some business to do, so with all appreciation for this interest and concern, thank you very much.

Helen [Helen Thomas, United Press International], you didn't say a word today.

Q. Thanks for not answering any questions.

The President. That's all right. You're welcome. [Laughter]

Note: The exchange began at 10 a.m. in the Oval Office at the White House. In his remarks, President Bush referred to President Francois Mitterrand of France; Gen. Michel Roquejeoffre, commander of the French forces in the Persian Gulf; and Gen. H. Norman Schwarzkopf, commander of the U.S. forces.

Remarks Announcing Proposed Crime Control Legislation

March 11, 1991

Thank you all very much for that warm welcome. Mr. Vice President and Mr. Attorney General; and then the State attorneys general with whom I just met, so many here today; distinguished Members of the United States Congress; other law enforcement officials; and community leaders: Really, it is an honor on this occasion to welcome you all back to the White House.

Last week before Congress I saluted a group of hometown heroes, the finest combat force that this nation has ever assembled: the brave men and women of the United States military. We honored them with our cheers, with our prayers, and come this summer, I'm looking forward to it, because then I think the whole country will honor them again with the biggest Fourth of July since the Liberty Bell first rang.

But as I said last week, the real way to honor them is to welcome them back to an America that is worthy of their sacrifice by joining together with Congress to move forward on the domestic front.

Last month we launched an innovative package designed to assure real opportunity for all Americans. And our veterans deserve to come home to an America of improved schools, better jobs, stronger laws against discrimination, increased homeownership, and families that are healthy and together. And most of all, our veterans deserve to come home to an America where it is safe to walk the streets. Well, we can't do that before they come home, but we can have that on our minds as something we are determined to do.

Economic opportunity is impossible for citizens who cannot be safe and feel safe in their homes, in their schools, in their jobs, and yes, their churches. And that's what I mean when I say a most basic civil right is quite simply the right to be free from fear.

Some of you may remember that shortly after I took office we met with the 50 AG's at the White House. It was 2 years ago almost to the day. And I told you how a few days earlier I had gone to New York to meet the family and friends of Everett Hatcher, a brave DEA agent who was gunned down in the street. And they told me that it used to be unthinkable to shoot a cop. But now the culture has changed. And when the bad guys hear the word ``police,'' they just turn around and start shooting. I'll never forget that conversation.

Two months later, on that rainy day on Capitol Hill, we launched an effort to pass our crime legislation, legislation designed to help protect our cops by giving them the tools they need to get their job done. We proposed stiff new penalties for criminals using semiautomatic weapons, an

improved exclusionary rule designed to protect the truth and punish the guilty, an habeas corpus reform that would stop frivolous appeals and ensure that punishment was not only just but also swift and certain, and most of all, it would have finally given us a Federal law to uphold a simple rule of justice: Those who kill must be prepared to pay with their own life.

And today, 2 years later, the Congress has still failed to act on these critical core provisions. And today, 2 years later, another 294 police men and women are dead -- 294, almost 3 times the number of precious American lives lost during this entire Gulf war. The killings must stop. And it must stop now.

Today, it's time to stand up and be counted. It's time to stand up for what's right. We stood by our troops. And today it's time to stand up for America's prosecutors and police.

Last week, many of you joined together with the Attorney General and me in an unprecedented crime summit, America's first. For 3 days, you freely traded ideas, insights, suggestions, and support. And when I visited that group Tuesday, the mood was contagious. It was powerful and confident and, most of all, driven by a sense of urgency. And so, when it was over, we wasted no time: I told Dick Thornburgh that we wanted the crime bill ready in final form before another week was out. And today, 5 days later, we have it here.

Of course, we had a head start. The truth is, the vast majority of these core proposals are identical to those that we sent up 2 years ago. These fundamental, badly needed reforms have been argued over the years. But the American people are not clamoring for more debate. Today they're demanding action -- action to stop violent crime, action that translates to a straight up-or-down vote on these core commonsense proposals. As I said Wednesday night, if our forces could win the ground war in 100 hours, surely the Congress can pass this legislation in 100 days.

Our core proposals have also been strengthened by some potent new additions. These include new laws to protect men and women and children against violence and abuse. And most important of all, they include tough new laws that will protect our people and our police by helping prosecutors put away America's most violent offenders.

One of the most important of these provisions recognizes that reducing firearms violence must mean exclusionary rule reform. I'm not a lawyer, but I put great stock in common sense. And it never did make sense that, because a policeman has made a mistake, a dangerous criminal can get off scot-free.

The Supreme Court has invited legislative experimentation with direct action to prevent illegal searches and seizures. And so, today I am announcing that we are accepting that invitation. Our plan would authorize the Attorney General to develop alternative administrative sanctions for any Federal agent who improperly seizes a gun in violation of the fourth Amendment. Once these protections were in place, firearms in serious drug, violent, and certain other cases would always

be admissible in certain Federal cases involving armed felons. It is simply intolerable that these armed criminals should go free when good solid evidence is available.

Our message is simple: The time to act is now. The time to schedule congressional hearings is now. The Attorney General is ready to testify now. And most of the other experts needed are probably right here in the East Room now.

So, looking out here today, I see a group of principled, all-American heroes whose dedication at home matches that of our people overseas. Heroes like Attorney General Mike Moore of Mississippi, who stood with us in the Rose Garden last fall and described the terrible ordeal, due to current habeas rules, in which victims and their families can never draw the curtains on tragic murders and rapes. Heroes like Louisiana's district attorney Richard Ieyoub, who called the efforts to gut last year's crime bill a major fraud on the American people -- the one that, for all practical purposes, would have shut down the death penalty in the 37 States where it now exists. Heroes like Dan Lungren, California's new AG, whose miracle end run in Congress in `84 produced some of the most far-reaching criminal law reforms in our nation's history.

Mike and Richard, we are on a 100-day clock. And we hope you and your colleagues are ready to roll up your sleeves again today. And Dan, we're hoping you can lend your magic to the cause once more. Because this week marks the anniversary of the FBI's 10 Most Wanted List. And I'm here to tell you that this new crime bill is on America's most wanted list of pressing national business.

And as I said last fall, America's prosecutors will not accept a phony crime bill that is tougher on law enforcement than it is on criminals. No more loopholes; no more rolls of the dice. I urge the Congress to heed the voices of our people, our police, our prosecutors, and help us take back the streets. Together, let's act on this crime bill now.

Thank you all very, very much for coming. Good luck. May God bless our country. And now I'll put a signature to both of these documents. Thank you very much.

Note: The President spoke at 11:40 a.m. in the East Room of the White House. In his remarks, he referred to Vice President Dan Quayle; Attorney General Dick Thornburgh; Everett Hatcher, slain Drug Enforcement Administration agent; Mike Moore, Mississippi attorney general; Richard Ieyoub, Louisiana district attorney; and Dan Lungren, California attorney general.

Message to the Congress Transmitting Proposed Crime Control Legislation

March 11, 1991

To the Congress of the United States:

I am pleased to transmit this Administration's primary legislative initiative addressing the continuing threat of violent crime in this country. This proposal, entitled the ``Comprehensive Violent Crime Control Act of 1991," contains a broad spectrum of critically needed reforms to the criminal justice system, as well as new offenses and penalties for various acts of life-threatening criminal behavior. Also transmitted is a section-by-section analysis. I urge that congressional action on this initiative be completed within the next 100 days.

The enormous danger posed by violent criminals in our midst today is totally unacceptable. In 1990, more than 20,000 Americans were murdered. Our citizens are rightly demanding that elected officials act with resolve to reduce substantially the threat violent crime poses to their families and communities. The dramatic victory achieved by our military forces in the Persian Gulf serves as a model for what can be accomplished by leaders and citizens committed to achieving a common goal. It is time for all Americans to work together to take back the streets and liberate our neighborhoods from the tyranny of fear.

This legislative package is designed to address comprehensively the failures of the current criminal justice system. There must be a clear understanding on the streets of America that anyone who threatens the lives of others will be held accountable. To this end, it is essential that we have swift and certain apprehension, prosecution, and incarceration. Too many times, in too many cases, criminals go free because the scales of justice are unfairly loaded against dedicated law enforcement officials.

The core elements of my proposal are:

Restoration of the Federal Death Penalty by establishing constitutionally sound procedures and adequate standards for imposing Federal death penalties that are already on the books (including mail bombing and murder of Federal officials); and authorizing the death penalty for drug kingpins and for certain heinous acts such as terrorist murders of American nationals abroad, killing of hostages, and murder for hire.

Habeas Corpus Reform to stop the often frivolous and repetitive appeals that clog our criminal justice system, and in many cases effectively nullify State death penalties, by limiting the ability of Federal and State prisoners to file repetitive habeas corpus petitions.

Exclusionary Rule Reform to limit the release of violent criminals due to legal technicalities by permitting the use of evidence that has been seized by Federal or State law enforcement officials acting in ``good faith," or a firearm seized from dangerous criminals by a Federal law enforcement officer. This proposal also includes a system for punishing Federal officers who violate Fourth Amendment standards, as well as a means for compensating victims of unlawful searches.

Increased Firearms Offenses and Penalties including a 10-year mandatory prison term for the use of a semiautomatic firearm in a drug trafficking offense or violent felony, a 5-year mandatory sentence for possession of a firearm by dangerous felons, new offenses involving theft of firearms and smuggling firearms in furtherance of drug trafficking or violent crimes, and a general ban on gun clips and magazines that enable a firearm to fire more that 15 rounds without reloading.

In addition to these proposals, my initiative contains elements designed to curb terrorism, racial injustice, sexual violence, and juvenile crime, and to support appropriate drug testing as a condition of post-conviction release for Federal prisoners.

I look forward to working with the Congress during the next 100 days on this necessary legislation.

George Bush

The White House,

March 11, 1991.

Remarks at the Point of Light Award Presentation Ceremony for the Henderson Hall/Barcroft Elementary School Adopt-A-School Program in Arlington, Virginia

March 11, 1991

Thank you, Dr. Kahan, and to everybody else -- Ms. Treadwell and Colonel Buckley, Corporal Simms, and so many others. I'm just delighted to be here with you, with the students, all the students of Barcroft, and their marine buddies from Henderson Hall.

You know, this is, as Dr. Kahan said, a very special day because I am naming you and these efforts -- the marines -- the 400th daily Point of Light. That's something that this school and all of you can be very proud of. And since this event is so special, recognizing our 400th Point of Light, I want to tell you just for a minute what this recognition means.

Some of you know that on every single day of the year except Sunday, I name as a Point of Light a person or a group serving their community somewhere in America, volunteers helping other people. I call them our Points of Light because their caring deeds shine like beacons of hope.

You say, why do we honor them this way? Well, first of all, I name a Point of Light each day because I want to show the whole country that all of our problems have solutions. In fact, this country is full of solutions. You kids here just have to look around you to see that this is true -- look at how the Henderson Hall marines became your ``Tuesday Tutors'' to help you in school. They've shown that caring is one of the best solutions that there is.

Also, I name a Point of Light each day because I want to remind people that real success doesn't mean earning a lot of money or wearing expensive clothes. Real success means helping someone who needs you. We see that success right here. You kids here needed some friends. So 8 years ago, the Henderson Hall marines became your buddies, buddies both in and out of the classroom. Your special friends are real successes because they're volunteering their time to help you.

In addition, by naming Points of Light I want our whole country to know who our nation's heroes are. Today's heroes are our neighbors and family and friends, anyone who gives of themselves by teaching someone to read or by visiting a lonely senior citizen or by helping a lonely child. And by naming Points of Light, I want all Americans to discover the heroes that they can be. As President, I want to do everything that I can to call on each person in America to find a way to serve someone in need.

And so, that's why I came here today, to show the whole country this very special relationship between the marines and the students of Barcroft. And this relationship shows that there are all kinds of heroes. We all know that the front line for some marines was in the desert of the Middle

East liberating Kuwait. Well, I'm here today to say that there are other marines on another front line, this one right here, right here in our own backyard. And these Henderson Hall marine buddies are serving our country in another kind of fight, the one to help our children be successful, happy students.

To the marine buddies, I say thank you for the important work that you're doing here and for the inspiring example of strength you're showing the Nation. And to the kids, to the students, I say I hope you'll follow the example of these outstanding marine buddies of yours by helping people who need you throughout your whole life. The marines are the heroes of today, and I've got this wonderful, warm feeling that you'll be the heroes of tomorrow.

And so, it's my great pleasure to recognize our 400th Point of Light and to present to you, the marine buddies, and to you, Dr. Kahan, for Barcroft Elementary School, letters of appreciation for the wonderful example that you have set for our entire country.

Thank you all very, very much.

Note: The President spoke at 1:57 p.m. in the cafeteria of the school. In his remarks, he referred to Ellen Kahan, principal of the school; Rita Treadwell, civil coordinator of the marine program; Col. Robert R. Buckley, Henderson Hall base commander; and Corp. Dawn Simms, a marine tutor. Following his remarks, the President returned to the White House.

Statement by Press Secretary Fitzwater on Louisiana Governor Buddy Roemer's Republican Party Affiliation

March 11, 1991

The President today welcomed Louisiana Governor Buddy Roemer's announcement that he has switched his party affiliation from the Democrat Party to the Republican Party. The President looks forward to working closely with Governor Roemer as the most recent addition to the ranks of Republican Governors.

As Governor Roemer stated, ``The reason is simple. After more than 10 years of public service, it has been my observation and increasing conviction that it is the Republican Party that is becoming most open to new ideas, new thinking, new people, most open to team building, to opportunity building."

Governor Roemer, a former four-term Congressman, was elected Governor in 1987 and is the first sitting Governor to switch parties in modern history. This follows a number of Democrat officeholders, more than 200, who have switched their affiliations in the past 2 years.

Governor Roemer telephoned the President last week to discuss his decision to switch party affiliations. The President has invited the Governor to come to the White House on Monday, March 18, 1991.

Appointment of Jay Parmer as Special Assistant to the President and Director of Presidential Advance

March 11, 1991

The President today announced the appointment of Jay Parmer as Special Assistant to the President and Director of Presidential Advance at the White House in Washington, DC. He would succeed John G. Keller, Jr.

Mr. Parmer has served in the Presidential Advance Office since January 1989, first as Assistant Director and later as Deputy Director for Special Projects. He served in the Office of the Vice President as Assistant to the Director of Advance from September 1987 to August 1988, when he left to join the staff of Bush-Quayle '88. From 1985 to 1987, Mr. Parmer was a Special Assistant for External Relations at the U.S. Agency for International Development. During the 1984 elections, Mr. Parmer was political director of the Mississippi Republican Party. In 1983, he served on the support staff of the summit of industrialized nations in Williamsburg, VA.

Mr. Parmer is a native of Meridian, MS, and graduated from the University of Mississippi with a bachelor of public administration degree in 1983. He is married to the former Ardis Elaine Johnson of Reno, NV, and resides in Chevy Chase, MD.

Remarks at the Swearing-In Ceremony for Edward R. Madigan as Secretary of Agriculture

March 12, 1991

The President. Thank you all very, very much for that welcome. Thank you, Bob. Thank you, Congressman Michel; and Mr. Speaker, delighted to see you, sir; members of the President's Cabinet here today. Monsignor O'Dea, nice to see you and meet you; your altar boy's come a long way. [Laughter] May I greet the former Secretaries of Agriculture and the distinguished Members of the House and Senate, so many with us here today.

It's a great pleasure to witness the swearing-in of the newest member of our Cabinet team, Secretary Ed Madigan. He brings personal qualities to the job that farmers and ranchers hold dear: honesty and integrity. You ask anybody, any of his colleagues, any of us here in Washington that know him, or go back in Illinois and talk to his friends there: honesty and integrity is what Ed Madigan is all about. When Ed says he's going to do something that will be in the best interests of the farmers and America's consumers, you can rest assured he's shooting straight.

But before I go any further, I'd like to put the momentary spotlight on another individual -- outstanding individual. I know Ed Madigan shares my high esteem for the first-class performance of his predecessor, Clayton Yeutter, who's here with us. Clayt, stand up. [Applause] Let it be said of Clayton that he's moved on to another fertile field. [Laughter] But I do count my blessings that I keep Clayton's good counsel and that I now add Ed Madigan to our Cabinet team.

Ed's experience is going to be put to immediate use, as everybody in this building knows. He's spent 16 of his 18 years in the House on the Ag Committee, 8 of them as the ranking Republican. He played a leading role in the writing of both of the past two farm bills. And that's a major reason that we've been able to build more free market flexibility into our Federal farm policy.

Ed takes the reins at USDA at a critical time. The new farm bill must be implemented. And that's going to be a challenge because farmers have a lot more decisions to make for themselves. And Ed's guiding hand will be a steadying influence on the process.

This Department is fortunate to have a Secretary with Ed Madigan's experience. And he's not only from the land of Lincoln; he's from the town of Lincoln, in the midst of some of the Nation's most fertile farmland. He knows firsthand about the modern miracle that is American agriculture, the special combination of hard work and high tech that enables this small percentage of the American work force to feed a nation and the world.

And Ed knows the farming business. Back where he grew up, agriculture is the economy. Of

course, agriculture is today a critical area in international trade and a critical element of the American economy. Agriculture is one sector that maintains a positive trade balance for this nation.

And now, I know that farmers are up against the elements every day, and maybe there's nothing farmers can do about drought and natural disaster, but American farmers should not have to fight foreign government subsidies that give our competitors unfair advantage. And I know that Ed will work just as closely as Clayton had with our Trade Representative, Ambassador Carla Hills, to ensure that trade is free and fair.

And at this point, let me simply emphasize that the renewal of Fast Track authority is, in my view, vital to the best interest of the United States of America. It's absolutely essential. And Ed, I want to pledge to you that I will work with you as I have with Clayton and Carla Hills to encourage Congress to move forward on the Fast Track authority.

Trade and farm policy are only a part of the agricultural agenda. Agriculture is carving out a key place in service to our environment with the planned increase in grain-based alternative fuels. Agriculture also administers the tremendously successful WIC program -- WIC, the Women, Infants, and Children initiative -- which I've urged Congress to expand to serve an additional 200,000 needy children.

From soil conservation to food stamps, from rural development to forestry, the USDA is involved in far more than helping farmers put food on the table. In every one of these areas, Ed is fortunate in having the very best, a Department of dedicated professionals to help him meet the many challenges that he'll face.

You know, back when Ed was a student at Lincoln College, Ed carved his name into a wooden desk. And years later, when Ed had gone on to become Congressman Madigan, his college made him a gift of that desk. And in two decades' time, Ed has made his mark up there on Capitol Hill, and I am confident that he's destined to make his mark as one of our very greatest Secretaries of Agriculture.

So, once again, I thank all of you for this warm welcome. To those who have not met their new boss, their new associate, Ed Madigan, you're in for a treat. You've got a class-act Secretary. And it is my pleasure now to watch him take the oath of office.

[At this point, Secretary Madigan was sworn in.]

Secretary Madigan. We only get this President for a few minutes. [Laughter] Mr. President, I have to tell you at the outset, somebody stole that desk. [Laughter] We put it in the barn out at my dad's house, and when I went to get it, it was gone. So, whoever has it now has the desk of the Secretary of Agriculture. [Laughter]

Mr. President, thank you for the confidence that you have shown in me by appointing me to this job. It is an honor, a very distinct honor, to join the Cabinet of the most popular President in American history.

And Bob Michel, I want to thank you for showing me through the years what the right demeanor for a Member of Congress is and should be. You are not as popular as the President, but you're right up there.

Some of you folks who are newer to this town may not know that Tom Foley was the chairman of the Agriculture Committee for a good period of the time that I served on that committee. And Speaker Foley, I want to thank you for your example in teaching people like myself how you deal with the disparate interests that are American agriculture. Did you notice that he has that oath memorized? [Laughter]

Kika and all my House colleagues, I thank you for 19 years of wonderful friendship. And I thank the Senators, not only for their friendship but also for their support; and Pat Leahy and Dick Lugar, for the expeditious way that you moved my nomination through the Senate. You probably want to know why I was in such a hurry: Sid Yates wants my Rayburn office. [Laughter] That's kind of an inside joke, but Members of Congress understand it. [Laughter]

Most of all, I want to thank Evelyn Madigan for never once -- never once in 25 years -- complaining about being a politician's spouse. God bless you.

Along with my Ag Committee buddies, we've been through some good times and some bad times, Mr. President. We went through the good times in the 1970's when we were selling everything that we could grow. And we went through the bad times in the 1980's when we lost our markets to unfair competition. And during those 1980's we spent billions and billions of dollars and still lost farmers. There's a lesson there for us, and that lesson is that agriculture's future is in fair trade.

And the President is absolutely right that we owe much to Clayton Yeutter and Carla Hills for bringing us so close to the point of being able to get a trade negotiation that is good for agriculture. I join with the President in saying that I certainly hope that we see this through, because not doing so would be like folding your cards when the odds are that you probably have the winning hand.

Along with all the very talented people here at the Department, we look forward, Mr. President, to using all of the tools at our disposal to make things better for American farmers and ranchers. I look forward to working with you and with this wonderful Cabinet that you have, and I thank you for this wonderful opportunity.

I have to tell you a story about Monsignor O'Dea. He was my parish priest when I was a little boy. I was his altar boy. He taught me how to drive a car. I drove his car right into the side of his garage. [Laughter] He never gave up on me. [Laughter] Monsignor, thank you very much.

Note: The President spoke at 11:37 a.m. on the Patio at the Agriculture Building. In his remarks, he referred to Representative Robert H. Michel, who introduced him; Thomas S. Foley, Speaker of the House of Representatives; Msgr. Joseph P. O'Dea, who gave the invocation; Clayton K. Yeutter, chairman of the Republican National Committee and former Secretary of Agriculture; and Carla A. Hills, U.S. Trade Representative. The Secretary referred to Representatives E ``Kika'' de la Garza and Sidney R. Yates; Senators Patrick J. Leahy and Richard G. Lugar; and his wife, Evelyn.

Nomination of Patricia F. Saiki To Be Administrator of the Small Business Administration

March 12, 1991

The President today announced his intention to nominate Patricia F. Saiki, of Hawaii, to be Administrator of the Small Business Administration. She would succeed Susan S. Engeleiter.

From 1986 to 1990 Congresswoman Saiki served as the United States Representative for the 1st District of Hawaii in Washington, DC. Prior to this Congresswoman Saiki served as the chairman of the Republican Party of Hawaii, 1983 - 1985. In addition, Congresswoman Saiki served in the Hawaii State Legislature as a State senator, 1974 - 1982, and as a State representative, 1968 - 1974. Congresswoman Saiki has also served as a junior and senior high school teacher for 12 years in Hawaii.

Congresswoman Saiki graduated from the University of Hawaii at Manoa (B.A., 1952). She was born May 28, 1930, in Hilo, HI. Congresswoman Saiki is married, has five children, and resides in Alexandria, VA.

Appointment of Spencer E. Geissinger as Special Assistant to the President for Presidential Press Advance

March 12, 1991

The President today announced the appointment of Spencer E. Geissinger as Special Assistant to the President for Presidential Press Advance at the White House in Washington, DC.

Since 1990 Mr. Geissinger has served as Deputy Director of Presidential Advance for Press. He has served as the executive director of ``Drug Use is Life Abuse," a nonprofit foundation in Orange County, CA, 1989 - 1990. Mr. Geissinger previously served in the Presidential Advance Office as a lead advance representative, January 1989 to June 1989. He has also served on two Presidential inaugural committees, as director of the inaugural balls and the opening ceremony in 1989 and in the office of public liaison for business and veterans groups in 1985. He served at the George Bush for President campaign 1988 as a lead advance representative and as a coordinator of special projects in the Vice Presidential advance office, 1986 - 1987. Mr. Geissinger also served at the Department of Labor as a Special Assistant to the Secretary for Advance and Scheduling, 1985 - 1986, and as a Mississippi field representative for voter programs in the Reagan/Bush '84 campaign. He served as special assistant to the Assistant Secretary for Congressional and Intergovernmental Affairs at the Department of Agriculture, 1982 - 1984, and staff assistant on the Senate Appropriations Subcommittee on State, Justice, Commerce and the Judiciary, Office of Senator Paul Laxalt, January 1982 to July 1982.

Mr. Geissinger attended the University of Nevada, Reno, studying agricultural economics. He is a native of California. He was born February 17, 1962. He is single and resides in Arlington, VA.

Letter to Congressional Leaders Transmitting a Report on Anti-Satellite Arms Control

March 12, 1991

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 1009 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101 - 189), enclosed is a report on Anti-Satellite (ASAT) Arms Control. The report addresses the desirability of an agreement with the Soviet Union that would impose limitations on ASAT capabilities. The assessment also includes a determination whether a ban or other limitations would be in the national interest of the United States.

The unclassified version of this report will be forwarded at a later date under separate cover.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Nomination of Bruce S. Gelb To Be United States Ambassador to Belgium

March 13, 1991

The President today announced his intention to nominate Bruce S. Gelb, of New York, to be Ambassador Extraordinary and Plenipotentiary to the Kingdom of Belgium. He would succeed Maynard Wayne Glitman.

Since 1989 Mr. Gelb has served as Director of the United States Information Agency in Washington, DC. Prior to this, Mr. Gelb served with the Bristol-Myers Co. in New York, NY, as vice chairman, 1985 - 1988, and as executive vice president, 1977 - 1985. Mr. Gelb has also served with Clairol, Inc., in New York, NY, in several capacities including: president, 1965 - 1976; executive vice president, 1961 - 1964; marketing vice president, 1958 - 1961; and advertising manager, 1957 - 1958. He has served with the Procter & Gamble Co. in Cincinnati, OH, as brand manager, 1955 - 1957, and assistant brand manager, 1953 - 1955.

Mr. Gelb graduated from Yale University (B.A., 1950) and Harvard University Graduate School of Business Administration (M.B.A., 1953). He has served with the U.S. Naval Reserve, 1945 - 1946. Mr. Gelb is married, has four children, and resides in New York, NY.

Nomination of Henry E. Catto To Be Director of the United States Information Agency

March 13, 1991

The President today announced his intention to nominate Henry E. Catto, of Texas, to be Director of the United States Information Agency. He would succeed Bruce S. Gelb.

Currently Ambassador Catto serves as Ambassador of the United States to the United Kingdom of Great Britain and Northern Ireland. Prior to this, Ambassador Catto served as a partner with Catto & Catto in San Antonio, TX, 1959 - 1989; and as vice chairman with H & C Communications, Inc., in Houston, TX, 1983 - 1989. Ambassador Catto has also served as Assistant Secretary for Public Affairs at the Department of Defense, 1981 - 1983. From 1977 to 1981, he was self-employed with the DBS IBIS Corp. in Washington, DC. He served as a Representative of the U.S. of America to the European Office of the United Nations in Geneva, Switzerland, 1976 - 1977, and as Chief of Protocol for the White House and the Department of State, 1974 - 1976. Ambassador Catto served as the U.S. Ambassador to El Salvador 1971 - 1973, and as Deputy Representative to the Organization of American States, 1969 - 1971.

Ambassador Catto graduated from Williams College (B.A., 1952). He was born December 6, 1930, in Dallas, TX. Ambassador Catto is married, has four children, and currently resides in London, England.

Nomination of Raymond G.H. Seitz To Be United States Ambassador to the United Kingdom

March 13, 1991

The President today announced his intention to nominate Raymond G.H. Seitz, of Texas, to be Ambassador Extraordinary and Plenipotentiary to the United Kingdom of Great Britain and Northern Ireland. He would succeed Henry E. Catto.

Since 1989, Mr. Seitz has served as Assistant Secretary of State for European and Canadian Affairs at the Department of State in Washington, DC. From 1984 to 1989, Mr. Seitz served as Minister at the U.S. Embassy in London, England. Prior to this, he served at the Department of State as: Executive Assistant to the Secretary of State, 1982 - 1984; Senior Deputy Assistant Secretary for Public Affairs, 1981 - 1982; and Deputy Executive Secretary, 1979 - 1981. In addition, Mr. Seitz has served as a political officer at the U.S. Embassy in London. From 1972 to 1975, Mr. Seitz served with the State Department in Washington, DC, as staff officer and director of the secretariat staff, and special assistant to the Director General of the Foreign Service. Mr. Seitz has also served as principal officer at the U.S. Embassy in Bukavu, Zaire, 1970 - 1972; political officer in Nairobi, Kenya, and vice consul to the Seychelles, 1968 - 1970; and as consular officer in Montreal, Canada, 1966 - 1968. Mr. Seitz joined the Foreign Service in 1966.

Mr. Seitz graduated from Yale University (B.A., 1963). He was born December 8, 1940, in Honolulu, HI. Mr. Seitz is married, has three children, and resides in Washington, DC.

Nomination of Raoul L. Carroll To Be President of the Government National Mortgage Association

March 13, 1991

The President today announced his intention to nominate Raoul Lord Carroll, of the District of Columbia, to be President of the Government National Mortgage Association at the Department of Housing and Urban Development in Washington, DC. He would succeed Arthur J. Hill.

Since 1989, Mr. Carroll has served as General Counsel for the Department of Veterans Affairs in Washington, DC. Prior to this Mr. Carroll served as a partner with Bishop, Cook, Purcell & Reynolds in Washington, DC, 1986 - 1989.

Mr. Carroll graduated from Morgan State College (B.S., 1972) and St. John's University School of Law (J.D., 1975). He was born March 16, 1950, in Washington, DC. Mr. Carroll served in the U.S. Army, 1975 - 1979. He is married, has two children, and resides in Washington, DC.

Remarks by the President and Prime Minister Brian Mulroney of Canada at the Air Quality Agreement Signing Ceremony in Ottawa

March 13, 1991

The Prime Minister. Mr. President, distinguished guests: I'm very pleased to welcome President Bush to Canada on his first foreign trip since the end of the Gulf war. He comes to Canada today as a President who is greatly admired at home and widely respected abroad, and one whose skill and resolve provided the international community with a stunning success in a war over Iraq.

In my many meetings and conversations with President Bush since August 2d I have been struck both by his grasp of the issues and by the breadth of his vision in regard to this remarkable problem. He instinctively chose to work within the United Nations. He painstakingly constructed and nurtured a great and disparate coalition of sovereign nations. He provided the perspective and the patience required for successful statecraft. And when, at the 11th hour, a diplomatic solution was again rejected, President Bush provided the strength and the decisiveness required for the successful prosecution of war.

I'm not entirely certain how history will interpret the expression ``defining moment," which appears to be pretty much en vogue in certain quarters these days. But I assume it means the crystallization of great need and wise, confident leadership in a manner that indelibly affects succeeding generations. In that regard, the conduct of the Gulf crisis and the war, from its uncertain beginnings to its triumphant end, was in fact, a defining moment for the United Nations, the United States, and the world. And for this extraordinary achievement the name George Bush will live proudly in the history of free men and women.

In fact, this Presidency in my judgment will always be remembered for the uncommon courage and the strong leadership that President George Bush of the United States of America demonstrated throughout an exceptionally challenging and potentially explosive period in world history.

Canada and the United States are close friends and trusted allies. And the President of the United States is always most welcome in our country. And, Mr. President, I bid you on behalf of everyone a most warm welcome here today.

I have noticed that President Bush has acquired along the way a 91-percent approval rating. [Laughter] Because of our close relationship and because this is a special day -- George Bush and I have been friends for many years -- I know that the President will want to pool his ratings with mine. [Laughter] We can then, George, divide by two, and we both come out ahead. [Laughter]

But it's a particular pleasure for us to welcome you, Mr. President, on this visit to sign the Canada-United States Air Quality Accord. This agreement has had a long and sometimes difficult history. It has involved three United States administrations and five successive Canadian governments. You and I, Mr. President, have worked on this issue since the days when you were still Vice President. And I see Allan Gottlieb here today -- when Alan was our Ambassador in the United States, and so many others who have played an important role in it. But no one has played a more critical role than you.

You have demonstrated sensitivity to Canadian interests in your proceeding with domestic clean air legislation and in signing this agreement today. It commits the Governments of both countries, this arrangement today, to a series of targets and schedules, and requires both to make public the progress that is achieved. The agreement also provides a framework for cooperation to solve other transboundary air pollution problems.

[At this point, a telephone rang.]

That's Gallup calling, Mr. President. [Laughter] I expected a push, but not this fast. [Laughter]

With this agreement and with the control programs now in effect in both countries, we are confident that the acid rain menace will be eliminated by the year 2000.

I would like to take this opportunity -- there are many people who deserve to be thanked today. Davie Fulton from the IJC, and I mentioned Allan. And so many others: John Fraser, who is the Speaker of the House of Commons, Mr. President, but in his previous incarnation was Minister of the Environment, and a most successful one. And I see Bill Reilly, who is here from the United States; and Robert De Cotret; and David MacDonald, who is Chairman of the Environment Committee of the House of Commons; and so many parliamentarians who are with us today who played a key role.

But I would like to thank Michael Phillips, of External Affairs, and Bob Slater, of Environment Canada, our negotiators, for a job well-done. And I would like to thank their American counterparts and the scores of people on both sides, many of whom are present this afternoon, for working so hard to make this happy day possible.

Mr. President, this agreement is very important to Canadians. Our national soul takes its breath from the forests and lakes and mountains and prairies that give life to our country. The aboriginal peoples of Canada have taught us that we hold this magnificent land, as you do yours, in trust for future generations. And so, today's agreement will help us correct many of the errors of the past.

With this agreement we are guaranteeing our children that air quality will never again be taken for granted on this continent. The sensitivity and idealism of children on both sides of the border are our environment's best hope.

Mr. President, your colleagues from the administration, Governor Sununu and General Scowcroft, and your colleagues, Ambassador Ney: on behalf of Canadians young and old, I would like to express our appreciation for your cooperation.

There is someone here, Stan Darling, Mr. President, who is right over there, who, as he says, is a member of the Conservative Caucus, soon to be 80 years young, as he says every Wednesday. He was one of the often unmentioned guiding lights who fought the fight over many long and difficult years to make this possible. And while you and I get to sign it today, Mr. President, what we sign is a tribute to Stan Darling and so many Members of Parliament and Members of Congress and members of the administration on both sides who deserve this tribute today.

So, I would like to express our appreciation for your cooperation, and I want to thank you for your vital contribution to preserving the common environment we both hold in trust for future generations. I'm aware, Mr. President, of the pressures on you. There are actually some pressures on us in the same ways up here in Canada. And to have moved as you did the environmental question so quickly within your own borders, so far and to such heights, is a tribute to the commitment that you made to the American people and to the Government of Canada -- that if elected, you would make this your highest priority and you would try to bring about a day like today. Well, we're here, Mr. President, and we're here on a happy day in very large measure because you provided that principal leadership. You followed through when you gave your commitment. And for that and many other reasons I express our thanks. And I give you the warmest of welcomes to Canada.

Minister De Cotret. President Bush has certainly demonstrated an unprecedented interest in the bilateral environment affairs of Canada and the United States. Mr. President, Canadians look forward to making further improvements to our shared heritage. Allow me to add my appreciation to that of the Prime Minister. Ladies and gentlemen, the President of the United States.

The President. Thank you all very much for that welcome to Canada. And, Mr. Prime Minister, it's a delight to be with you and Mrs. Mulroney again. And to Minister De Cotret, why, thank you, sir, for presiding at this historic occasion, one that we've been looking forward to very, very much.

To the Members of the Parliament and to our able Ambassador, Eddie Ney, it's a great pleasure to be up here and then to add my name along with our country's commitment to an agreement of great environmental importance. I, too, would like to pay my respects to Mr. Darling. I can't say I have felt his lash or his determination as much as others in this Parliament have felt -- [laughter] -- but I would like to assure him that while he was fighting the domestic battles here, sensitizing Canadians -- and sometimes it spilled over to sensitizing those south of the border here -- Ambassadors Gottlieb and Burney were no paper tigers. They were on us like ugly on an ape, I'll tell you. [Laughter] And they stayed on us, and appropriately so, because I think because of their leadership they had brought many in the United States Congress and many in the administration

to understand just how important a priority this was to the Prime Minister and to the Members here. And so, I salute them as well.

Before I speak about this agreement briefly, let me just make a brief comment to underscore my sincere appreciation for the key contribution made by your country to the coalition's recent victory in the war to liberate Kuwait. Mr. Prime Minister, since the very first minute that you and I talked, Canada and the United States were appropriately, significantly side by side. And I thank you, sir, I thank the Canadian people, I thank the Members of this Parliament for standing in partnership for the principles that gave justice real meaning in the world. I once again want to say that I would talk -- I'm sure it seemed to him endlessly -- but to your Prime Minister, and the American people knew from day one exactly where Canada stood. And we are very, very grateful for that.

This agreement that we're fixing to sign is added proof that the challenges we face require a new partnership among nations. Last year at the Houston economic summit, we agreed to give this effort real priority. Our negotiators gained momentum with the passage in the U.S. of our landmark environmental legislation, the clean air act of 1990. Credit for this accord belongs to the EPA in our country, its able Administrator, Bill Reilly, who is with us today. And of course, credit goes to the negotiators on both sides for the spirit in which they completed this task. Let me thank our special negotiator, Dick Smith, and his colleagues, as well as their counterparts across the table on the Canadian side for a job well-done.

Beyond our common interest in our shared environment, this agreement says something about our overall relationship. The fact that Canada and the United States were able so quickly to craft a wide-ranging and effective agreement on such a complex subject says a lot about the extraordinarily strong relationship between our two countries.

Mr. Prime Minister, I do recall our own discussions on environmental issues, and especially our meeting before I became President back in January of 1987. I made a comment then that made its way into more than a few Canadian news reports, that I'd gotten ``an earful'' from you on acid rain. That was the understatement of the year. [Laughter] So now, I came up here to prove to you that I was listening, and all of us on the American side were listening. And again, we appreciate your strong advocacy, your articulate advocacy of this principle that I think will benefit the American people, the Canadian people. And I like to think it goes even beyond the borders of our two great countries.

So, thank you very much. The treaty that we sign today is testimony to the seriousness with which both our countries regard this critical environmental issue. And here is one that did take two to tango. Here is one where each had to come give a little and take a little, and it's been worth it. And I think we're doing something good and sound and decent today.

Thank you all very, very much.

Note: The Prime Minister spoke at 3:50 p.m. in the Reading Room at Parliament Hill. In his remarks, the Prime Minister referred to Allan Gottlieb, former Canadian Ambassador to the United States; E. Davie Fulton, Chairman of the Canadian Section of the International Joint Commission -- United States and Canada; John Fraser, Speaker of the Canadian House of Commons and former Minister of the Environment; William K. Reilly, Administrator of the Environmental Protection Agency; Canadian Minister of the Environment Robert de Cotret; David MacDonald, chairperson of the House of Commons Standing Committee on the Environment; Michael Phillips, Canadian Assistant Deputy Minister for External Affairs; R.W. Slater, Canadian Assistant Deputy Minister for the Environment; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; Edward Ney, U.S. Ambassador to Canada; and Stan Darling, Canadian Member of Parliament. The President referred to the Prime Minister's wife, Mila; Derek H. Burney, Canadian Ambassador to the United States; and Richard J. Smith, U.S. Special Negotiator for Acid Rain Talks With Canada.

The President's News Conference With Prime Minister Brian Mulroney of Canada in Ottawa

March 13, 1991

The Prime Minister. The President and I had an opportunity for slightly over an hour so far to review both some bilateral relationships and problems that we do have in the trade area and elsewhere, but also to begin the process of discussing the evolving situation in the Middle East.

As you know, Secretary of External Affairs Joe Clark is returning tonight to join us at dinner after an extensive trip throughout the Middle East. He left Tehran earlier today and will be back, and we look forward to pursuing these questions later on tonight.

Mr. President.

The President. Thank you. The only thing I'd say before taking questions is that I would like to take this opportunity to thank the Canadian people and the Prime Minister for the steadfast support for the coalition and for the principle of standing up against this aggression in the Middle East. And Canada, from day one, was on board, steadfast. And the Prime Minister and I were in touch a lot. And I valued his counsel then, and I value his counsel now. But I really wanted to thank the Canadian people for the warm reception today and for their role in the coalition.

Arms Control

Q. Mr. President, as you know, our Prime Minister has proposed a global arms summit under the U.N. auspices to stop the spread of both conventional and nonconventional weapons. I was wondering, sir, if you could tell us whether you endorse that mechanism as a way of tackling this problem.

The President. One of the goals that I spelled out, one of the points I made in my speech to our Congress was the need to do something about the proliferation of weapons. I'll have a chance to talk to Prime Minister Mulroney about that. I'm not sure exactly what the proper structure is, but clearly, that idea might have some merit. But again, it's a little early. He has not asked me to endorse that proposal, and again, I would like to talk to him before I commit ourselves further on it.

But the idea of coming together in a multilateral way to do something about the proliferation of weapons into the Middle East is something that has some appeal to me. We've seen multilateral diplomacy try and, in some ways, be effective in the Middle East, and I don't want to forget that. I don't want to start going it alone, and I don't think Canada wants to start going it alone.

Middle East Peace Process

Q. Thank you, Mr. President. I would like to ask you about Secretary Baker's trip to the Middle East. Do you see any sign that Israeli or Palestinian leaders are willing to make any kind of fundamental change in their long-held positions?

The President. Well, I would say this, Terry [Terence Hunt, Associated Press], that the reports -- and I've gotten a report every night, each night, from Jim Baker, and then Brent Scowcroft has been, I think, even in more touch with him. I think that the Secretary feels that the climate is now better than it's been in a long time for making progress.

I can't tell you about radically shifting positions, but it is my view that we ought to move forward. I think the United States is in as good a position, if not better position, than it has ever been to be a catalyst for peace there.

Put it this way -- let me rephrase it -- I haven't seen anything pessimistic coming out of the Baker reports. I've not had the report since he's been into Syria. But up until then, I was fully informed, and I think the mood is that we have a chance now. But that's as far as I would want to go.

Q. There is no sign of any change, real change, on either side?

The President. I think to say what I just said, you'd have to assume that there is some kind of change. I think it's fair to say there's some kind of change. The threat to some of the countries in the region is clearly down -- the threat from Iraq, which has been a major threat to several countries there. And that in itself is significant change and offers a better potential for peaceful arrangement.

The Prime Minister. Perhaps I could just add a word to that. One of the reports that we've been getting from Secretary Clark, who has been a little ahead of Secretary Baker in some of the areas, has been the resounding reaction he has received from Arab leaders, most recently in Damascus yesterday, of the degree to which they were impressed by the solidarity of the coalition and the leadership of the United States in the war.

They have conveyed to Mr. Clark, all of them, the extent to which they were impressed with the fact that the coalition went so far to defend an Arab country under siege. This has registered very, very deeply, and I think has placed the membership of the coalition, and in particular the United States, in a particularly -- as Mr. Clark says -- a particularly advantageous position to take advantage of what he thinks are new and perhaps important opportunities there.

Canadian Unity

Q. Mr. President, have you and the Prime Minister had a chance yet, or will you discuss the

national unity crisis in Canada, which has worsened significantly since your last visit here? And how do you regard the prospect of an independent Quebec and a fractured Canada on your northern border?

The President. I would, on that question -- we barely touched on the question, to answer the first part of your question.

Secondly, I would say that the United States, for many years, has enjoyed the best possible relations with a unified Canada. I am not about to come up here and intervene into the internal affairs of Canada. But I can say from Canada's biggest trading partner and Canada's staunch friend, that we have enjoyed the best possible relations with a unified Canada. And I would leave it right there.

Future of Iraq

Q. Mr. President, I know you're following closely the reports from Iraq about the troubles that Saddam Hussein is facing. I'd like to ask you whether you think, if you feel he is near the completion of his regime? And are you concerned about some of the things that are happening there -- I think now of the Iranian involvement. Are you concerned about possibly the Iranians having aggressive attitudes toward Iraq?

The President. Is that to both of us?

Q. Yes, sir. You first -- whoever first.

The President. Yes, I'm concerned. I'm concerned about the instability. Neither the Canadians, nor the Americans, nor any other coalition partner wanted to see an unstable Iraq creating a vacuum in that part of the world. I'm not suggesting that is what is happening. But I'm concerned about it, and we are watching it with great interest.

What was the second part?

Q. I'm asking if Saddam is going to survive politically and are you particularly concerned about the Iranians? I mean, would you warn them not to try to take Iraqi territory?

The President. I think Iran knows our view; in various ways they know our view that grabbing territory would be counterproductive. And I could take this opportunity to suggest that that would be the worst thing they could do. And I know that I would speak confidently for our coalition partners in the Gulf on that point. I'd let the Prime Minister speak for himself.

On the question of Saddam, I have said over and over again that I think it's almost impossible -- put it this way -- is impossible to have normalized relations with Iraq while Saddam Hussein is in

there. As the brutalities in Kuwait come out, as people see this environmental terrorism -- right, looking it in the face over there -- I think people are feeling more strongly than ever that what he has done in brutalizing that country and in the burnt, the scorched-earth policy, as he's violated every tenet of any concern for the environment, is beneath even contempt.

So, it is hard to see how an Iraq with him at the helm can rejoin the family of peace-loving nations. And, of course, there is this U.N. sanction question of damages that has to be addressed. But as one assesses the damage in Kuwait, I think the blame has to be put right squarely on his shoulders.

The Prime Minister. You can't find, I wouldn't think, a person in a civilized country who would do anything but expect and hope for a change in the leadership, a quite vile leadership, that we have seen in Iraq.

To go to the first part of your question, one thing that Mr. Clark has picked up in the last week is an opinion quite contrary to the view that the coalition or the United States might adopt quite a leisurely pace in dealing with problems in the Middle East. There's a sense of urgency that Canada has picked up and we have conveyed to our partners about not sitting idly by and saying, well, perhaps 6 months or 9 months or a year from now we'll get around to this.

There is a request from all of the moderate Arab leaders who have been partners of ours in the coalition for prompt attention to some of the very serious matters that have emerged in the region.

The President. May I clarify one thing, John [John Cochran, NBC News]? I'm a little nervous about my answer on Iran. I have no evidence that that's what Iran is trying to do. But as Iran has stated over and over again, their concerns about the U.S. keeping some permanent foothold in that part of the world -- I will say today that Iran must not and should not try to annex any of the territory of Iraq.

Having said that, being fair to the Iranians, I have no evidence, and I don't think the Canadians do, that Iran intends to do that. And I want to be clear on that point.

Jordan-U.S. Relations

Q. Mr. President, there were published reports this morning that you had received a letter from King Hussein a couple of weeks ago, and that that letter has yet to be answered. Do you intend to answer it? And also, I'd like to ask if Mr. Clark's visit to Jordan was helpful in setting a new course for U.S. relations with -- --

The President. Of course I'll answer his letter. I've expressed myself on the Jordanian question, on our relationship with the King, over and over again. But yes, I have received a letter, and yes, I will respond to it in normal course of events. I mean, it's not being held up; there's no delay,

anything of that nature.

The Prime Minister. One of the reasons I asked Mr. Clark in particular to visit Jordan immediately after the hostilities was because King Hussein is, in certain quarters, below the salt these days. And Canada believes that he continues to play -- notwithstanding his position in the hostilities, which we don't share, obviously -- he continues to play and will play an important role in the future.

And we have made major contributions to the refugee problems that he has encountered. We have made other financial contributions because -- and Mr. Clark had a very productive series of meetings with him -- because we believe that, at an appropriate time, members of the coalition will of course want to resume a dialog with King Hussein. And we did not want that bridge to be permanently ruptured.

Mr. Clark, I can tell you, spent some hours with the King and his officials. And clearly, there's a desire on his part to resume progressively normal relationships both with the United States and the Arab leadership of the coalition.

Allied Consultations on the Middle East

Q. Mr. President, what specifically are you seeking in these allied consultations? Do you have some kind of idea of a coalition concerted action?

The President. On the consultations that Secretary Baker is having?

Q. And what you're doing here with Canada, France, and Britain.

The President. Well, a lot of our consultation today will be talking as coalition partners, longtime friends, countries that are friendly, as to what we do about the Middle East. But we also are into some bilateral questions. And we are, after all, the biggest trading partner -- Canada is our biggest trading partner, so we'll be discussing some trade questions as well.

But what I said earlier was not just boilerplate. We have seen eye-to-eye on the threat in the Middle East. And I am confident that when we talk to Minister Clark, who's coming back tonight, that I will get through his eyes and through the consultation with Prime Minister Mulroney a needed extra dimension on what's happening in that part of the world he's been. He's been into Syria; he's been to Jordan, I understand it; he's been to Israel. And of course, that question of Lebanon, the question of Israel, the Palestine question are all key.

We've got the Lebanon, we've got the Israeli-Palestinian question, and then we have the Gulf question. So, it is very important that coalition partners and normal friends as we are, stay in very close touch. So, that's what the consultation will be about.

Middle East Peace Process

Q. You mentioned the unity of the coalition in times of war. To what extent are you seeking unity in this postwar period, specifically on the Israeli-Palestinian question and the idea of land for peace?

The President. I've already expressed myself in terms of our continued support for [United Nations Security Council Resolutions] 242 and 338 that address themselves to that question. So, we are not backing off from that. But I think that we have a real opportunity. I think we have renewed credibility in that part of the world. I think there is a recognition in Israel that, in reducing the threat to them by the victory over Saddam Hussein, we've done something solid for peace. And I know there's that same sense of appreciation and understanding in the Gulf.

So, I think the coalition partners, such as Canada and the United States, are in the best position we've been in, in a long, long time not only to stay in touch and consult, but to get something done in these three areas that have been denied peace for far too long.

Cease-Fire in Iraq

Q. What is your assessment, please, of where we stand on the achievement of a permanent cease-fire and how it might affect the ability of U.S. troops to be pulled out of southern Iraq?

The President. One, I'll restate my view that I want our troops to come home as soon as possible. I've just been elated as I've watched the troops come home and the warmth of the welcome and all of that. There are some details to be worked out on the cease-fire -- the return of all the prisoners, accounting for those who have not been accounted for. I must confess to some concern about the use of Iraqi helicopters in violation of what our understanding was. And that's one that has got to be resolved before we're going to have any permanence to any cease-fire. And so there are several details remaining out there.

Q. Generally, are you satisfied with the progress, or do you think the Iraqis could do better?

The President. Very much satisfied with the progress that has been made since General Schwarzkopf met in the tent, but there are still some very important things to be taken care of, including the fact that these helicopters should not be used for combat purposes inside Iraq.

Palestine Liberation Organization

Q. Do you and the President see eye-to-eye on the role of the PLO under the current leadership?

The Prime Minister. My own opinion is the one that I gave the House of Commons the other day.

I think that the credibility of the leadership of the PLO is zero. When you have people encouraging Scud missiles as they rain down on Israel and actively siding with the enemy in a major war, then of course you have people, as far as I'm concerned, of very questionable credibility.

Canada has always taken the position that there has to be a solution to the legitimate aspirations of the Palestinians. And it is up to the Palestinian people to choose their representatives. And it's not up to Canada or the United States or, I assume, anyone else to impose choices on them. But if we had our druthers, I think you can conclude what it might be.

For the life of me, I can't figure out why anyone would be supportive of a group of people who have displayed such consistently egregious judgment. But the United States may have a different view on it.

The President. I've expressed my disappointment in the PLO. The PLO, you remember -- I believe it was at the Rabat summit years ago, was designated as the sole spokesman for the Palestinian people. But their leader chose wrong on this; went far beyond where he had to go in order to express his understanding about the dilemma that Iraq was in. Put it this way: he supported Saddam overly zealously and diminished his credibility -- not any further in the United States, necessarily, because it had gone way down when those terrorist vessels came along the coast of Israel. But he diminished his credibility in the Arab world. He diminished his credibility with the coalition partners.

So, whether there is something that can come out of that organization that has been designated the spokesman for the Palestinian people that will be more reasonable or more sensible, let's hope there will be. But I don't think we're very far apart, if at all, on this with that the Canadian Prime Minister has said.

Arms Sales to the Middle East

Q. Mr. President, since you cited the reduced threat to Israel here this afternoon and your desire to halt the proliferation of arms in the region, are you reconsidering any potential arms sales to Israel, and is the administration reconsidering its pledge, promise, commitment -- whatever you want to call it -- to sell some $15 billion worth of arms to Saudi Arabia?

The President. When the Secretary of State gets back, we will be talking about that whole question. I have repeated my desire to try to curb proliferation. That doesn't mean we're going to refuse to sell anything to everybody. We're not going to cut off all weapons sales. We don't want to see imbalances develop. We won't want to see the threats to individual countries increased because of imbalance. But it is a subject, Jim [Jim Miklaszewski, NBC News], that we will be talking about and trying to find an answer to.

I don't know what the questions are before the Congress now or the administration in detail on Israel requests. We think we've been pretty generous and fair in terms of this recent appropriation bill with the State of Israel. But I'll be reserving on that before going further until I talk to the Secretary when he gets back.

I would like to think that the diminished threat to Israel -- and it is significantly diminished because of what's happened in Iraq -- will be a reason that we will just not have ever-increasing arms sales.

You've got other countries, though, that want arms. The Saudi sale -- that was put on kind of a hold, and I just can't tell you where that stands right this minute.

The Prime Minister. Jim, no one can fail to be struck by the irony of the fact that most of the hardware deployed in the Middle East was sold to the various factions by the five permanent members of the U.N. Security Council. This doesn't make a whole lot of sense if, on the one hand, you're trying to prevent war; on the other hand, there is the propagation of war through policies in the past that have led to this kind of development.

That's why Canada believes very strongly in the policies that we have put forward in regard to the control and possibly the elimination of these instruments of mass destruction. And that's why the President is examining this, because I think there is a general view, without getting into any question of a total interdiction for the moment, that clearly a lot of these weapons -- to understate the case -- fell into hands that should never have had them in the first place. So, that is why our policy is predicated on that kind of activity affecting all of us.

Canada adheres to that policy today. I mean, we could be much more active in that area if we wanted. We have all the technology in the world. We have all the resources we need. We could be big arms merchants. We've chosen not to be, even though it's a very lucrative business. We've chosen not to be because it's fundamentally inconsistent with our policy -- to develop it, to peddle it, to finance it, and then to deplore its use. And that is where Canada has taken a very vigorous and, we think, appropriate stand.

I know that in his comments earlier some weeks ago, President Bush alluded to the same problem and wants to rein in and circumscribe that problem. That's why we're where we are on this issue.

Canadian Unity

Q. And if I may, Mr. President, follow up on the previous question. You said that the United States enjoyed the best possible relations with a unified Canada. Does your administration have any concerns that whatever happened north of the border, trade or security arrangements with the United States could be jeopardized one way or the other?

The President. As I mentioned to you -- maybe you missed that part of it where I said I didn't want to get into the internal affairs of Canada, courageously on the sidelines. But I will simply say that I'm not going to go any further than that, but I would put a lot of emphasis in what I said about how we value the relations with a unified Canada. I'm not going to buy into all kinds of hypotheses as what might happen.

But we are very happy -- put it this way -- we are very, very happy with one unified Canada that has been friendly, been allies -- staunch allies. And when you have the unknown, you've got to ask yourself questions. But I'm not going to go into that any further.

The Prime Minister. Let me just answer the first part of the question. I've indicated to the President, as he knows, that Canada has gone through these constitutional difficulties in the past. We never minimize them because they're always serious. They're the product of our -- we are the children of our environment. And families are and so are nations. But Canada's accomplished an extraordinary amount in 123 years. And I am satisfied that we will again over the next 123 years, although I'm not sure I'll be around.

The final question.

Soviet Union

Q. Could you tell me on the eve of the Secretary's trip to Moscow whether you think it's in your intention for your administration now reach out in the Soviet Union individually to the Republics? And do you think that President Gorbachev's days are now numbered in power?

The President. I will continue to deal with the President of the Soviet Union. That is the Government that's accredited, and that is the Government with which the United States Government will deal. We have had many, many contacts with leaders of the Republics including Mr. Yeltsin, including the Baltic leaders, including others that have been in the United States recently, including some that are considered opposition like the mayor of Leningrad. And we will continue to have those. But the last thing we want to do is to act like we are trying to determine the course for the Soviet Union in its internal affairs. So I will continue to deal -- what was the last part, Ann [Ann Compton, ABC News]?

Q. Whether President Gorbachev's days in power might be numbered.

The President. I think that everyone knows that he has extraordinarily complicated problems facing him. But, again, I think it would be imprudent for me to speculate on how he's going to master these problems. And so, I just would leave it there.

The Prime Minister. Mr. President, in going to Ann, I cut off the gentleman in the back there.

Trade With Mexico

Q. Thank you very much. Mr. President, I want to know if you envision a program similar to this one with the Government of Mexico.

The President. You mean on the environment or on the trade?

Q. In both -- trade. For the Prime Minister, I would like to know what he thinks of the trade agreement.

The President. On the trade agreement we are going to push very hard to get what we call Fast Track authority with the Congress. It is in the interest of the United States of America; it is in our own interest to go forward, say nothing about the interest of Mexico.

In Mexico you have a courageous new President who's taken that country and gotten relations with the United States in the best shape they've ever been in. And in terms of this trade agreement Prime Minister Mulroney, President Salinas, and I all agree that this trilateral approach makes a great deal of sense for all three of our countries. So, it is priority, and we will push for it.

We have no environmental agreements of this nature that I can think of -- I'll have to ask Mr. Reilly -- that are in the works here. But I can tell you that we are working very cooperatively, more cooperatively than ever -- and again, I salute President Salinas -- with Mexico on environmental questions. We're doing much, much better in that regard.

The Prime Minister. Perhaps a word on the proposed trilateral agreement which would make North America the largest and richest trading bloc in the world, substantially more so than Europe. But I find we have already entered into a bilateral free-trade agreement with the United States. And we know it's productive, and we know it's going to be progressively so over the years. And that's because liberalized trade throws off new wealth. What I am astonished by from time to time are the protectionists whom I can understand but who, for example, in looking at Mexico -- which is a developing country, and Mexico can achieve new prosperity either by aid or through trade. And trade ought to be the preferred route. If you're going to lift people up to a new dimension of prosperity then you have to liberalize trading opportunities for that country.

And the advantages work both ways. That is why President Bush's statement was so visionary: because while Canada and the United States had economies of equivalent degrees of maturity and compatibility, that of Mexico is in some areas less so. And it is an important step towards the integration of a developing country into a vast developed economy. And that is not only good for business, it's good for democracy because it gives individuals an opportunity to prosper through the ennobling means of trade, rather than through the instruments of aid and assistance which are a lot less noble than the opportunities that we can develop together. And that's why I hope that the trilateral measure that the President has outlined will get approval from the United States Senate

and House and go ahead.

The President. May I add one point to that -- just an observation. Not only has the United States got better relations with Mexico than ever, but Canada has demonstrated a keen interest always -- historic -- in this hemisphere. Recently joined the OAS. Been of a special help to many countries in the Caribbean area and also in Central and South America.

It is very important that while we focus on the Middle East and while we have our attention riveted on the changes of Eastern Europe that we not lose sight of the importance of this hemisphere. And I know the Prime Minister feels that way. And one of the things I forgot to mention on Lori Santos' [United Press International] question is the discussion, consultation of that kind of situation. We must not neglect it. And for the United States' part, we are trying not to -- with our Enterprise for the Americas Initiative, for the Brady plan, for the work we've been doing in the Caribbean -- and Canada extraordinarily supportive and side by side with us. So, we've got to move forward on the Uruguay round for GATT that's in everybody's interest. But we also must not neglect trade relationships in this hemisphere. And we're not going to, and I don't think Canada will.

The Prime Minister. Mr. President, I'm sorry, a final -- this gentleman here has been trying.

The President. He's persistent.

France and the Palestine Liberation Organization

Q. Are you going to ask France -- for both of you -- not to back PLO as the official interlocutor of the Palestinian people?

The President. I have no interest in asking them not to back the PLO. I will share with President Mitterrand my disappointment over the way Yasser Arafat and some of his colleagues have behaved. And I will be probing with him to see if we can find a way to be more active catalysts for peace.

And let me say I'm looking forward to seeing President Mitterrand -- because Mr. Mulroney and I were talking about this. We both have great respect for his knowledge of the Middle East. And we may have some differences with France. And, if so, I expect I'll hear them loud and clear down in Martinique tomorrow for lunch. But we also have a lot in common. And the common way we're looking at the Middle East these days far, far exceed the other. So, I wouldn't expect to find -- and I'm anxious to ask him -- that President Mitterrand was elated about the performance of Yasser Arafat, because France stood with this coalition early on -- lots of pressures at times mounting at home -- and solid as a rock also. And President Mitterrand led the way. Let there be no mistake about that one.

So, I think in your question, I'll be listening -- ``Francois, what are you going to say about this?'' -- because he knows a lot about it. But I know he'll be disappointed in the way the PLO reacted -- acted as they drew the wrong side. Boy, did they choose it wrong. And now, we got to wait -- a little time. But I want to see what he thinks about it.

Cease-Fire in Iraq

Q. What helicopters were you speaking about, sir? On the rebels?

The President. The use of helicopters -- yes.

Q. Against the rebels?

The President. Yes. Warning them, do not do this.

U.S. Hostages in Lebanon

Q. What about the hostages? Have you heard anything at all about them?

The President. Which ones?

Q. The hostages.

The President. From Lebanon?

Q. Yes.

The President. No, I haven't heard anything -- --

Q. What about you? Did Mr. Clark -- --

The Prime Minister. No, we have not.

Q. Did he ask about them -- --

The Prime Minister. Yes, he has. I'll be seeing him tonight at dinner.

The President. Every place Jim Baker goes -- and I expect the same for Mr. Clark -- --

The Prime Minister. Exactly.

Q. I didn't hear what you said. I just didn't hear you.

The President. I just said -- of course, we ask about it, but are you suggesting there was something new today? If so, I haven't heard it.

Note: The President's 73d news conference began at 4:25 p.m. in the Reading Room at Parliament Hill. In the news conference, the following persons were referred to: Canadian Secretary of State for External Affairs Charles Joseph Clark; Secretary of State James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; President Saddam Hussein of Iraq; King Hussein I of Jordan; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; Yasser Arafat, leader of the Palestine Liberation Organization; President Mikhail Gorbachev of the Soviet Union; President Boris Yeltsin of the Russian Republic; Anatoly Sobchak, mayor of Leningrad; President Carlos Salinas de Gortari of Mexico; William K. Reilly, Administrator of the Environmental Protection Agency; and President Francois Mitterrand of France. Following the news conference, the President went to the U.S. Ambassador's residence, where he greeted members of the American Embassy community.

Statement by Press Secretary Fitzwater on Iraqi President Saddam Hussein's Use of Force Against the Iraqi People

March 13, 1991

Saddam Hussein has a track record of using his military against his own population. We have received information over the past week that he has been using helicopters in an effort to quell civil disturbances against his regime. We are obviously very concerned about this. President Bush expressed his concern at the news conference. This behavior is clearly inconsistent with the type of behavior the international community would like to see Iraq exhibiting. Iraq has to convince the world that its designs, both against the international community and its own population, are not military and aggressive.

The President's News Conference With President Francois Mitterrand of France in Martinique, French West Indies

March 14, 1991

President Mitterrand. Good afternoon, ladies and gentlemen. It was agreed between President George Bush and myself that we would meet again as soon as possible after the Gulf war. And President Bush suggested that he should come and see me, or come and see us, we, the French, in French territory, which is what has just happened in Martinique. And I wish to thank the American President very warmly for having come to see us, and we are very happy to welcome him here and to welcome him as a friend, as things should be.

And, at the same time, I would like to express to the distinguished representatives of Martinique -- Members of Parliament, the Regional Council, et cetera, and General Council in particular -- how very happy I am at the way we have been welcomed here. And even before President Bush arrived I was able to have enough time to talk with them of the problems specific to Martinique. And we were able to resume a dialog that we started together many years ago, in particular with President Cesaire.

Well, we talked about the questions of the day, so to speak. And primary, of course, we have the situation after the war in the Gulf. And after having reestablished the rule of law, after having achieved very considerable success on the part of the forces that were involved, well now the time has come to give thought, as we said we would beforehand, to give thought to a way to rebuild, or build -- you can choose whichever you like -- an equilibrium, a balance in the Middle East, a way in which the peoples of the Middle East can live together. And that is what diplomats are working at. And that is the reason for the present visit, or the recent visit of the American Secretary of State, Mr. Baker. It's also one of the reasons for which we had a lot of things to talk today about in Martinique, because we had to get the scale of values right with regard to the various problems that we have to deal with, which are of different kinds.

Now we will reply, President Bush and myself, to the questions that you may have to ask on the subject.

Now, we know perfectly well that the Palestinian problem and, by way of consequence, the relations between Israel and the Arab countries is the key problem through which all the other problems, in fact, arise. We examined various possible ways of approaching this. But all this is what this press conference will be about. And it's hard for me to imagine the questions that you will wish to ask. The best thing is for you to ask them, and then, of course, we'll try to answer them.

And so, after having said once again to President George Bush how very happy I was to see him here in Martinique and receive him here and how very happy I was at the hours of talks we had together, both pleasant and useful, I think that probably he, himself, may wish to say a few words before you ask your questions.

President Bush.

President Bush. Thank you, Mr. President. What I would simply say is two things: one, express my gratitude to the hosts here in Martinique and also to President Mitterrand and his team for the hospitality; and also to say that we talked in terms of peace halfway around the world, about security and stability in the Gulf. We talked about peace in Lebanon, an area in which President Mitterrand has a profound knowledge. And also another area that fits that description is the Palestinian question, the question of the West Bank.

So, from the American side, these were exceptionally productive consultations, and they are in keeping with the spirit of consultation that both of us put into effect in the important relationship between France and the United States during the war. And this gives me an opportunity to thank President Mitterrand for France's steadfast, stalwart position, not just in the diplomatic field but, clearly, under Admiral [General] Roquejeoffre in the Gulf itself and under his boss, President Francois Mitterrand.

The American people are very, very grateful for that extraordinary -- predictable, perhaps, but extraordinary cooperation.

President Mitterrand. Now it will be for you to ask questions. How would you like us to do this? I don't know you all, so we have a lot of journalists who aren't the usual places that I've seen in Paris. And so, therefore, I have to, in fact, make a random choice. So, forgive me if it's not always a fair one.

Sir, you.

U.S. Hostages in Lebanon

Q. President Bush, you've had a lot of success in getting the American POW's and hostages out of Iraq and Kuwait. After Secretary Baker's trip to Syria yesterday and his discussions, can you tell us, do you have any new hopes for getting the American hostages out of Lebanon?

President Bush. All along the way Secretary Baker discussed the plight of the American hostages held presumably in Lebanon, but I don't have any specifics on that or can I say that there is any positive points for optimism. But rumors continue to persist, and it's clearly in the interest of those countries that have some control over the hostages or influence over the hostages to permit them to go. So, let's hope that as a result of the Baker trip, as a result of the inquiries we continue

to make to countries with whom we have good relations and those with whom we don't have good relations, that those people will be released. It would be a very helpful thing and would enable the U.S. to be a much more constructive player with more constructive role for peace.

Middle East Problems

Q. I would like to ask President Bush two questions. Mr. President, are you determined to solve the Palestinian problem the way you were determined to liberate Kuwait? And if so, on which basis and what formula -- an international conference, direct negotiations between Israel and the Arab countries, or a regional conference? A last point: What is the importance you give to the Lebanese question? Thank you.

President Bush. The answer is, yes, to the first part of your question, we are determined to play a useful role. The answer to the second part of your question is, that is one of the reasons for my anxiousness to see President Mitterrand, to discuss exactly how we should proceed.

The United States has expressed its position on an international conference over and over again, saying that at the right time it could be useful. President Mitterrand has surfaced some ideas of his own that can be useful. And to respond to the second part of the question, we simply have not come across or settled on one path, one single approach, to try to solve this Palestine-Israel question.

It is very important that it do be solved. And we did discuss a lot of ideas, some of which I would not feel comfortable in bringing out here.

What was the third part of your question?

Q. The third part was Lebanon.

President Bush. Lebanon? I assured President Mitterrand, who is an expert in the area, that if there's any way that we can be helpful, we would like to do that. It is priority. And as I mentioned in my opening remarks, it is the security and stability of the Gulf, it is the Lebanon, and it is the Israeli-Palestine question. So yes, it is priority. We still think building on the Taif accords is the best approach.

Q. Mr. President, do you still think that Yasser Arafat remains the legitimate head and the only head of the Palestinian people, or at least the sole legitimate representative of the Palestinian people? President Mitterrand?

President Mitterrand. It's for the Palestinians to answer that. Mr. Yasser Arafat remains, to my knowledge, the leader of the PLO, and to my knowledge, the PLO still appears as the representative organization. There are doubtless other forces, too, who I think they should make

themselves known, but that's the situation as it is right now. And there are also, just as you know, people who are elected, who are on the spot, and who are expressing themselves and asserting themselves. And I think that one of them very recently met with Mr. Baker. But it is not for me to determine who should represent what. I just take the facts of the situation as they are.

Syria-U.S. Relations

Q. President Mitterrand, can you tell us your views of the United States getting closer, perhaps even cozying up to President Hafiz al Assad, and whether your view of the apparent blank check that he has from the United States and Lebanon?

President Bush. At the risk of -- [laughter] -- it's the second part of his question that I would take exception to if you give me a chance when you finish the answer, Mr. President. [Laughter]

President Mitterrand. Of course, I mean, you're more authorized than I am to speak on this, and I entirely agree, mind you.

President Assad is part of the heads of state who have brought their Arab countries alongside our own forces in the Gulf war. I don't think the man should be reproached, and I think it was better that he should do that from the opposite.

Now, if it's an opportunity -- that gives us an opportunity to consider a certain number of problems of substance, and in particular the problem of Lebanon, well, then, the chances are that this rapprochement should be followed now by other rapprochements, if you like. And as I am expressing here myself on behalf of France, yes, I do. It's my hope that the sovereignty of Lebanon will be able to be fully asserted in accordance with the Taif agreements, which have indicated that that was the purpose of the exercise, and I have nothing to say against that.

President Bush. With your permission, Mr. President, I would simply add what Mr. Hines [Cragg Hines, Houston Chronicle] said was something about a blank check from the United States, which, of course, is totally fallacious. But, I can only add to what President Mitterrand said, that these discussions -- that we were very pleased with Syria's role in the coalition, very pleased, indeed, that they were side by side on the ground with forces. I can tell you that Secretary Baker had a very long -- and I think -- ``interesting'' is an easy word -- but I hope they'll be productive talks. And Syria is an important country in the area. They're vital to what happens in the Lebanon and, of course, they are vital a little longer-run in what solutions there are to the Palestinian question.

So, having contact with this country, very openly discussing our differences with them as we do, but trying to find common ground, in my view is a very good, commonsense approach following on the coalition's solidarity in the Gulf.

President Mitterrand. We can't really start a dialog on this as on an individual one, as there are a lot of members of the press who'd like to say something. But there are too many people. Perhaps I might ask a French journalist if he'd like to say something.

Middle East Problems

Q. Mr. President, I have a question for President Bush, to ask him if the American approach on the Middle Eastern problems has, in fact, changed since the war and because of the war? And I could put the same question to President Mitterrand, too.

President Bush. I'm not sure our approach has changed. I like to think we have more credibility in the Middle East today as a result of our participation in the Gulf over there. In fact, I'm convinced that's true. But what we're now doing is trying to find the new approaches that you ask about, not by dictation but through consultation.

President Mitterrand. I would also answer that question myself. I remain perfectly loyal to the proposals and faithful to the proposals that I made in September last at the United Nations, subject, unfortunately, to one point that you -- well, my proposal was designed to safeguard peace. But I did see what could happen, and the same proposals now, of course, after the war. But they remain, the general design remains the same.

An American journalist, perhaps, last.

Q. Mr. President, in the last week you've made several distinctions between the PLO as an organization and its leader, Yasser Arafat. And I'm wondering, in line with the question President Mitterrand answered, whether you would be more apt to be willing to resume a dialog with the PLO if Yasser Arafat were not its chairman, and whether you felt that it would be more likely to be included in a Middle East conference if that were the case.

President Bush. Well, as you may remember, I did say earlier on that we were very disappointed with the PLO's stance in solidarity with Saddam Hussein. In my view, they went further through their spokesman, head, Mr. Arafat, than they needed to go. And this has caused some concern among some of the countries that strongly supported the PLO in the past, some of the Arab countries. So, my view is this needs some time. We are not writing off anything, but we don't have any intention of resuming, for example, our dialog.

I like the way President Mitterrand phrased it now, saying that Palestinian representatives had indeed met with the Secretary of State. So, we'll pursue that track for a while and just see how the healing process goes. But I, again, expressed my disappointment that Arafat aligned himself far more than he needed to to protect his flanks with Saddam Hussein. He simply bet on the wrong horse.

And now we've got a little time here to determine it. But yes, there's got to be discussion with Palestinians or you're not going to get this problem solved. And that's what Jim Baker was about, and that, of course, is what President Mitterrand and I talked about a long, long time today.

President Mitterrand. In any case, as far as we're concerned, the end of the war and the conditions under which it happened is such that it's not for us to try to open up all useful contacts and try to establish all useful contacts and try to really succeed in solving these very, very complex problems as we all know. So, in other words, neither of us -- we don't reject either one or the other. All we're saying is that everyone must accept to abandon some of his demands.

Q. This is a question to President Bush. Have you, today, talked about President Mitterrand's proposal to have a summit at the Security Council, and did you give the answer of the United States, and what do you feel about the idea?

President Bush. I think all ideas that can make a contribution to peace should be put on the table and discussed. Yes, we touched on that. President Mitterrand -- I'll let him speak to it himself, but there is great flexibility on the timing. I think he and I both agree that if we embrace a common position we want to feel that it is going to bear results. And so, that idea is out there. The United Nations played a very useful role in what's gone before. But there was no request on his part, nor did I state on our part when such a meeting might be the most timely.

But we saw many meetings of the Security Council during the Gulf war, and I think the world would agree that those meetings were very productive. And so -- I'd leave it this way -- there was simply a good discussion of that and several other key ideas.

Q. A question for both Presidents about Iraq. With no cease-fire in place and concern about civil unrest in Iraq, what will the coalition forces do if Saddam continues to try to put down unrest with his military machine?

President Mitterrand. That's just what is happening right now. That's what he's doing, so it would appear. It seems to be what is happening with varying degrees of success. I, personally, am not sufficiently informed to be able to tell you who is winning the battle in various parts of the country of Iraq. I think with this sort of situational logic which is such that Mr. Saddam Hussein will end up by understanding that his errors of judgment and that his very serious military defeat will make his situation very difficult as a head of state in the future to discuss with other countries how to rebuild his country.

But right at the outset, we said that it was not our intention to conquer Iraq but to liberate Kuwait. As at the outset, we said that we aren't heading for Baghdad, we were not aiming for Baghdad. So, it's perfectly clear that it is not our intention, even if very often what we're seeing is a very sorry spectacle very often, but at the same time, we cannot arbitrate by military means all the conflicts in that part of the world or in other parts of the world. But the fact remains that there are

certain rules -- [inaudible] -- not to the cease-fire yet, but to the temporary armistice. And if that was to be violated -- but I think that will not be the case -- the matter is over.

But the rules indicate clearly that Iraq is not free just to do anything. As far as France is concerned, that particular period of our intervention in the Middle East is now terminated.

President Bush. I listened very carefully to that answer, and I agree with it. I mean, we are not in there trying to impose a solution inside Iraq. So, I would agree with the way President Mitterrand phrased that. I would only add that I am concerned and I expect he is, too, about the reports coming out of there. But what President Mitterrand said in the beginning is true: Nobody has all the information about what's going on there, who's trying to emerge. But he cited the coalition goals, and I agree with him.

Q. A question for both of you, President Bush, President Mitterrand. Are you not somewhat irritated by the intransigence shown by Israel? And are you going to exercise perhaps more than friendly pressure on Mr. Shamir that he should perhaps be a little less intransigent?

President Bush. Well, your question implies to me a little bit that there's only one intransigent party in the Middle East. And so, what we're trying to do is get those who are deemed by one or another of us as intransigent to come forward. We have Arab countries that are in a state of war with Israel. And let's hope that out of this conflict in the Gulf, countries will see that the answer is to cease having a state of war. Let's hope that countries who have been unwilling to talk with Israel will be willing to talk with Israel. Let's hope Israel will be forthcoming.

But I just didn't want to leave the question such that there was an intransigence on the part of only one country. Yes, they've been reluctant to do certain things for valid reasons of their own security. But let us find ways now where we can kind of help guarantee their security requirements, and let's encourage those who have been unwilling to even talk to them, say nothing of end the state of war with them, to do both. So, that's what our diplomatic efforts will be aimed at.

President Mitterrand. One has to choose between peace and perpetual war. And if one wants to achieve peace, two conditions have to be met. The first is that one must look for reasonable compromise solutions in everyone's interest; therefore, one cannot, one cannot be intransigent. And secondly, we must ensure the security of everyone. That means the security of Israel, too. If those two conditions are met, I think one should condemn those that would prefer war to peace.

Q. For both Presidents. We've heard a lot of talk about territory for peace, land for peace. What exactly is it that you envision if land is given? Would it be a Palestinian state? Would it be an unarmed Palestinian state? What exactly is your vision there?

President Mitterrand. Forgive me. Well, I was thinking of something else. So, first I'll listen to

President Bush and then I'll get the meaning of the question.

President Bush. We are not talking about a Palestinian state, per se. What we are doing is exploring. What Secretary Baker is doing is talking to the key parties, not just on the Palestinian question but on the Gulf and on the Lebanon. And then I hope that we'll be able to get with our staunch friends, one of whom is standing right here, and others and find a way to bring about a solution to this question.

But we haven't gone that far. We do not have a set formula as to how that question should be resolved. The position of the United States has been -- and I'll repeat it here -- that a Palestinian state is not the answer. Others happen to think that it is the answer. So, let's find common ground and find a way to get to bring peace to that area.

Clearly, you're going to have to have -- address ourselves to the homeland question -- some question for a home for Palestinians. And President Mitterrand had some very good ideas that he expressed to me privately on that.

I would add, Jordan is an important country in all of this, not directly in response to your question. But though we've had strained relations with Jordan, I think we're in agreement that Jordan must not, and should not, be written off. So, we haven't gotten to the formulation yet. What we're trying to do is figure what will work.

President Mitterrand. Thank you very much, my dear President and friends. Now I understand the question. As far as I'm concerned, yes, I have used the word ``state." And if you like, I can repeat it. I have been loyal to the U.N. resolutions, because when Israel was set up, it had been decided by the United Nations that there would be two states. One has forgotten one of the two parts of the resolutions since those days.

Now, I'm not saying that there should be such-and-such a form of state in such-and-such a place, but it is -- I sense, if you like, intuitively, and it's also based on my knowledge of the history -- and the certain dangerous history. I know that it's dangerous to refuse to a people that chose its vitality -- it's a danger to refuse it any form of identity.

And so, all right, the next question is that one has to build in reality some kind of response to that concept. And that's the whole question. If you want to put the question to me, I would simply refer you to the U.N. resolutions which were adopted, admittedly, many, many, many years ago. But those resolutions have not been canceled.

Q. A question to both of you, please. President Bush, could you clarify what you were talking about when you referred yesterday to the Iraqi use of helicopter gunships being in violation of the cease-fire? And you also implied that American troops would stay in southern Iraq as long as such a thing was happening. Some people could say -- a devil's advocate could say Saddam

Hussein has the right to quash internal revolt and that has nothing to do with any cease-fire accords.

And, President Mitterrand, you seem to have indicated that you feel that at least these two powers should stay out of Iraq's internal affairs.

President Bush. Well, my answer on the helicopters is: That was not our understanding that they would be used to quash their own citizens. And I have nothing more to say to it, except all that does is make it very, very complicated in terms of bringing about a final cease-fire -- formalized, signed cease-fire.

I don't think I said anything about what I'm going to do about troop dispositions in there, but clearly those troops are not going to be -- all of them out there until there's a cease-fire -- a formalized cease-fire. And I'd like to see -- and we talked about this a little bit today -- some peace-keeping arrangement. I want to get our troops home. I do not want to play into the hands of Iran and other countries that have suggested what we want is a permanent stationing of U.S. troops in the area. I want to bring them home.

But I'd like to have some security arrangements in place. And all I'm saying is, using helicopters like this to put down one's own people does not add to the stability of the area and makes it very difficult. And besides -- I'll repeat -- it was not my understanding that they were going to use helicopters for this nature; it was represented that they were to be used for something else.

President Mitterrand. France sent her soldiers alongside friends, in particular American friends, in order to implement the U.N. resolutions. The goals that you mentioned are the goals set by the United Nations. And, in fact, we have not been asked to reestablish law and order within a country once the neighboring country had been liberated, which is now the case.

You, sir.

Q. France and the United States have traditionally taken a slightly different position on the question of an international conference on Middle East peace. After the war, that question is in the air again. Is there still a difference between the French and the American views on that issue?

President Mitterrand. Well, I repeated my own point of view so often that I'm almost embarrassed to be repeating myself so often. But for a very long time, I've thought that it was possible to achieve peace in the Israeli-Arab conflict by a bilateral dialog. And that is why I was one of the few French politicians at the time -- this was many years ago -- to have approved of the Camp David agreements, because my feeling was that they reestablished peace, anyway, between Egypt and Israel.

For a very long time, it was my wish that this would be the case for others, and I believed this

would be possible. But also, for a very long time now, I no longer believe that to be possible. And so, I had hopes. Those hopes were not fulfilled. And I gave a lot of thought to this. And so, I reached the conclusion, in the light of certain ways of approaching history, if you like, that the dialog inevitably had to be a multilateral dialog, that you had to bring in a multiple interest, different interests, which would exercise some influence, which would reestablish a climate for compromise solutions among the protagonists, getting away, if you like, from the direct force-to-force relationship between the protagonists. And that is why I proposed a conference or several international conferences, in order to try to tackle and approach the various problems of the Middle East.

But I did not, mind you, ever indicate exactly how many people this should be, or I didn't eliminate or exclude anyone. It's not for me to decide that kind of thing. But I think that the procedure would probably turn out to be more effective than the other one that hasn't worked.

What I'm trying to achieve is peace by general agreement and that peace should rule the Middle East. If it is necessary, as I think is the case, that outside powers should take part in such discussions, well, then that's the way to go about it. But if, on the other hand, the countries of the region think that they're capable of doing this together just among themselves -- Israel, Saudi Arabia, and Iraq and Syria and the others, et cetera -- well, so much the better. So much the better. The important thing is that peace should win the day.

President Bush. My view, Gerry [Gerald Seib, Wall Street Journal], is it has not changed. We've said a conference at an appropriate time. But we've got a chance now to think anew. And that's what we're in the process of trying to do here.

Q. You said the period of French intervention in the Middle East is terminated. Do you have any doubts, or do you disagree with the continued presence of the coalition forces in southern Iraq? Are you in dispute at all with President Bush on that?

And a second question for President Bush, if I may. Sir, in the 2 weeks since the war ended, it's only now that we've seen these pictures of the destruction of the convoys of Iraqi vehicles on the roads from Kuwait to Basra, what one of the allied pilots called ``a turkey shoot.'' Do you have any thoughts, Mr. President, that perhaps we let the fighting go on too long and too hard?

President Bush. No. I'll answer my part now. No. None at all.

President Mitterrand. On my side, the answer is simple. Forgive my repeating myself. I consider our matters as being fulfilled. We've done our job. If it remains necessary in view of the various movements that are taking place in the region to ensure that the new focuses of unrest don't burst up again, well, then, we'll try to help and we'll do whatever the Security Council decides. But we will not go beyond the Security Council. That's all I said, and there's no need to dwell on this, I think.

Q. My question is addressed to you both, Mr. Presidents. What, in your analysis, is safer for the security of the Gulf area: The remaining of Saddam Hussein, weakened and having lost the war, or the takeover by fundamentalist Shiite regime?

President Mitterrand. I don't decide about the interests of France on the basis of preferences of that kind. Otherwise, there would be tremendous upheavals, there would be constant upheavals on the day which I would tell you about my intimate feelings about this war or that war. But that isn't the point. But which would I be most afraid of -- rebellion on the part of the Shiites for the moment -- you said -- you must recognize the fact that Saddam Hussein hasn't had too many pleasant things for us. He has rejected all opportunities for peace, and he is paying the price of war. And it's not for me to judge those who want to take his place. It's not for me to judge them at the moment, so I'm not going to answer your question.

President Bush. I agree with his answer. I'm not going to answer your question either. [Laughter] But you spell out two hypotheses. It's a little too negative. Perhaps there's something that's a little more positive than either of those two alternatives. Let's hope so.

President Mitterrand. The lady.

Q. Mr. President, I'd like to return to the question of the hostages for a moment. There are reports that Iran is offering its good offices, its influence, in trying to secure their freedom if in exchange Israel would free Sheik Obeid. Can you comment on that, please?

President Bush. No, I can't because I know nothing about it. I've read the reports, but nobody has come to me saying this is an offer from Iran.

President Mitterrand. Soon it will be the end, so President Bush can go home. President Bush still has some traveling to do.

Q. Mr. President -- President Bush, that is -- may I ask if you are not just a bit disappointed in those states that many Americans feel were salvaged by this coalition, specifically Kuwait and Saudi Arabia, that they did not approach Secretary Baker with a bit more flexibility on the question of making peace with Israel?

President Bush. I would say that there's very few of us know exactly what they did say to Secretary Baker. And I had reported to me, by the Secretary, that there was some progress made. And so, I'm not going to look at any negative point there. The Saudis and the Kuwaitis have been very, very cooperative. And let's hope that the Baker trip will be the first, and then there'll will be some more steps. And then there will be some international action that President Mitterrand was talking about. And maybe the French will go off and do something. But let's hope that each step moves things forward.

I am not about to say that the Saudis and the Kuwaitis were not forthcoming. And if you're ever going to accomplish something, regrettably what is discussed with them must be kept confidential. Peace has avoided us for far too long out there, and the last thing I want to do is to try to be premature in assessing what one or the other coalition partners might be willing to do or have said that they're willing to do.

But I am not discouraged, Wyatt [Wyatt Andrews, CBS News], at all as a result of the report I received from Secretary Baker.

President Mitterrand. I consider that what Mr. Baker is doing is very useful. Because already, they have managed to clear the ground. They helped to clear the ground, and it's a ground which is pretty cluttered up. And we intend taking part in this work that really has to be done. There's a lot of diplomacy that is going to have to be done in order to avoid, once again, people who have recourse to military force. So, I think that our duty is clear. And what Mr. Baker is doing is going to provide us with material for our assessment on what we should do in the Middle East. And he's establishing contacts. And we must open up new paths in relations with states. And it is our common duty. And we will greatly benefit from the type of talks that he is having.

You, sir. Yes. And then I think this is, as you say, last but one, right?

Q. This is for President Bush. To follow on your answer to John's [John Cochran, NBC News] question, are you at all surprised that this process of nailing down a cease-fire and formally ending the war seems to be bogging down what you called details yesterday? And secondly, is there any chance that we're going to have a Korea-like situation where some time from now we're still going to be fighting over when the troops leave Iraq and when there's going to be a formal end to the war?

President Bush. I don't see a good chance for a Korea-like situation. I am concerned about the instability inside of Iraq. But I think President Mitterrand put that very well when he said that was not an objective for us to dictate or control the situation in there. I think when you look back at how promptly Iraq came to that tent and then followed on with several of the requirements, I think that that's a reason to be optimistic.

But we are not going to permit this to drag on in terms of U.S. significant presence a la Korea. So, I'm not worried about that parallel.

President Mitterrand. Well, I think that we'll probably bring this to a close. Madame, you will have the last word, right?

Q. It's a question for both of you. I'd like to ask you whether you think that in this process for the establishment of peace and security in the whole of the region of the Near and Middle East, do you think there's room for the solution of the problem of Cyprus? And if so, in what framework?

President Mitterrand. Well, clearly, the problem of Cyprus is a problem that exists in its own right. It is not a problem directly related to the problems that we've just been talking about since the beginning of this conversation with the press. It's a problem that exists in its own right, but it is also part of -- well, it's a matter of international law. And United Nations have, on several occasions, expressed themselves. So, this is a problem that is not forgotten. But you, yourself, have so far centered your questions mainly on the Middle East. Cyprus is not actually part of the Middle East. It's not very far, admittedly.

Now, I'd simply like to say in closing that we did also talk about other things. We even talked about Europe. [Laughter] Yes, and North Africa, too. Europe, which is very alive in all its diversity -- the movements that are taking place in Europe and the awakening of nationalities and the attempts, already pretty well advanced, to sort of construct Europe in all areas. We talked about all that in very friendly -- it was appropriate.

I just wanted to add this information because we're here on the American continent side of the ocean, so it's natural that wasn't the main thing that you were concerned about, I did want you to know that we did talk about Europe, too. We have problems there, too.

Well, anyway, thank you very much, Mr. President. Thank you very much for your presence in our midst. And thank you, ladies and gentlemen. We will be meeting again soon, but somewhere else.

President Bush. Mr. President, with your permission -- she asked both, and I didn't pop in there. But on Cyprus, again, the U.N. mandate is the thing, and the mandate of the Secretary-General. Those are the key words in terms to the resolution of the Cyprus question in terms of U.S. policy. And that's what we will be backing, is the Secretary-General's mandate, hoping that that will lead to peace in Cyprus.

Thank you all very much.

Note: The President's 74th news conference began at 4:30 p.m. in the Bougainvillier Room at the Hotel Meridien. President Mitterrand spoke in French, and his remarks were translated by an interpreter. In the news conference, the following persons were referred to: Deputy Aime Cesaire, former President of the Regional Council of Martinique; Secretary of State James A. Baker III; Yasser Arafat, leader of the Palestine Liberation Organization; President Hafiz al-Assad of Syria; President Saddam Hussein of Iraq; Prime Minister Yitzhak Shamir of Israel; and Sheik Abdul Karim Obeid, Moslem religious leader and Hizballah leader who was abducted by Israeli forces in southern Lebanon in 1989. Parts of this news conference could not be verified because the tape was incomplete. Following the news conference, President Bush traveled to Bermuda.

Nomination of William G. Curran, Jr., To Be United States Director of the European Bank for Reconstruction and Development

March 15, 1991

The President today announced his intention to nominate William G. Curran, Jr., of New York, to be U.S. Director of the European Bank for Reconstruction and Development at the Department of Treasury in Washington, DC.

Currently he is a member of the council and chairman of the European working party for FIMBRA (Financial Intermediaries, Managers and Brokers Regulatory Association) and a special adviser to the Economic and Social Committee of the European Communities in London, England. From 1988 to 1990, Mr. Curran served as a private financial consultant in London, England. Prior to this he served as chairman of First Chicago Ltd. in London, England, 1970 - 1988.

Mr. Curran graduated from Yale University (B.A., 1951) and the University of Southern California, London program (M.A., 1979). He was born June 10, 1927, in New York, NY. Mr. Curran served in the U.S. Marine Corps, 1951 - 1953. Mr. Curran is married, has two children, and resides in London, England.

The President's News Conference With Prime Minister John Major of the United Kingdom in Hamilton, Bermuda

March 16, 1991

The Prime Minister. We might start now if everyone is content. We have very little time, I'm afraid, only about 15 or so minutes. So we'll be -- --

Q. I have a question, I have a question. [Laughter]

The Prime Minister. Well, I'll see if I can flush you later.

We have about 15 minutes, so we'll be as swift as we can. Can I just say by way of introduction, we've had some extremely useful discussions this morning covering a very wide area. I think they have come at a very appropriate time at the end of the Gulf conflict. There was a great deal to discuss, a great deal to learn from the conflict. And it also gave me the opportunity of expressing to the President the tremendous admiration that is felt in the United Kingdom and elsewhere for the remarkable way in which he led this particular enterprise.

Amongst the matters we were able to discuss this morning were, of course, the aftermath of the Gulf, the general position of security in the Middle East, the present circumstances in the Soviet Union, the GATT rounds, the developing situation in South Africa, arms control, and an interim report on Secretary Baker's talks in the Soviet Union.

So, it was a fairly wide agenda. But I won't elaborate on it now. I'll invite the President to say a few words, and then perhaps we can take your questions.

The President. Mr. Prime Minister, all I want to do is thank you for the hospitality, thank the Governor General of Bermuda and, of course, the Premier, and say we've enjoyed it. And I agree with you that these talks are very, very helpful. And I think it's fair to say that we are determined now to go forward and each country try to be a catalyst for peace, building on our success in the Gulf.

And so, thank you, sir, and I'm just delighted to be with you once again.

The Prime Minister. Right. Shall we take some questions then? Can I take the lady in the second row?

Situation in Iraq

Q. Thank you. We just listened, Mr. President, to Saddam Hussein's speech, and he said the insurgency in the south had been crushed but continued in the north. And he also seemed to be issuing a very strong threat once again to the Kurds, saying that if they persisted they would be crushed like those who preceded them. Do you have any comment on that?

The President. Crushed like those that preceded them?

Q. Like those who preceded them. I think it was a reference -- I don't want to put words in his mouth, but -- --

The President. No, I have learned long ago not to comment on something that I haven't heard or haven't authoritatively read, but there is dissension inside Iraq. That is a matter that we're not involved in. And I would simply repeat that Saddam's credibility remains at an all-time low ebb as far as the United States is concerned.

Q. I wonder if I could ask you both if you see any possible role for either British or American forces intervening militarily in Iraq?

The President. I do not. We are not -- that would be going beyond our mandate. Now, I will say this: that at the tent meeting, certain arrangements were made and certain ground rules spelled out -- British and U.S. commanders agreeing, the Saudis, all the coalition forces, agreeing and telling Iraq certain things should not happen. The movement of aircraft, for example. And so, they should not violate the conditions that they agreed to.

But having said that, none of us want to move forces into Baghdad or to -- frankly, we don't want to have any more fighting. But they know what the ground rules are, and they ought to play by those rules, live by them.

The Prime Minister. There's no more to be said. I think that's precisely it.

Q. Mr. President, in that speech of Saddam Hussein, he also indicated that he was willing to set up some kind of multiparty system, even perhaps verging on democracy. What do you make of that kind of talk from Saddam Hussein? And also, would that be something that the United States could live with? Could Saddam Hussein stay in power in Baghdad under that kind of arrangement?

The President. I find it very difficult to see a situation under which we would have normalized relations with Saddam Hussein still in power. His credibility is zilch, zero, zed. And if he wants to talk about this, fine. But what people are looking for I think is compliance with -- fully compliance of United Nations resolutions. It is complying with the cease-fire terms. And I don't know what this speech is about; I simply can't comment on it. But if he's proclaiming that Iraq will be a democratic nation, fine. But that's -- I want to see -- the proof of that pudding is in the

eating.

Soviet-U.S. Relations

Q. Mr. President and Prime Minister: You mentioned the interim report from Secretary Baker on his talks yesterday. What conclusions do you draw about future relations with the Soviet Union in view of the apparent lack of progress on control, both CFE [conventional forces in Europe] and START?

The Prime Minister. Well, insofar as CFE are concerned, Secretary Baker reaffirmed what I said to Mr. Gorbachev 2 days ago about the resubordination of a larger amount of Soviet military to the Navy. I think Mr. Gorbachev has taken the point. It's a matter he'll clearly have to look at. His military are a good deal more hard-line about that matter than I think he is, but I think he now understands the absolute imperative of sticking with the CFE agreement that he signed.

On START, I think there's a general wish to proceed with the START talks again. We must hope that that proves to be possible. But we must make sure, in my judgment, that the CFE agreement itself is actually enacted before one can go too far on START.

The President. I can't add to that because the Baker-Gorbachev meeting and Baker-Bessmertnykh meetings have tracked very much what the Prime Minister has just said came out of his meeting. So, the Soviet position has been -- I think the Prime Minister expressed it very well, and Jim Baker made clear, as did the Prime Minister in his meetings, that the naval infantry question must be resolved and that we've got to go forward to CFE agreement as we all -- along the lines that we thought we were entering into. So, I have no difference at all there.

Sanctions Against Iraq

Q. Mr. President and Mr. Prime Minister, what kinds of steps do you think Iraq needs to take in order for the economic sanctions to be lifted, and is the supervised destruction of their chemical weapons stockpile one of those steps that you think has to be taken?

The Prime Minister. I certainly would like to see the supervised destruction of their chemical weapons. I think that is extremely important for future security in the Middle East. There are a raft of matters, most of which -- all of which I think spring out of the Security Council resolutions of recent months that will need to be incorporated in the cease-fire proposals. There's a considerable amount we need to see. I think we do need to see, for example, the destruction of the chemical weapons; that's certainly the case.

I think there's a good deal else we need to see. We need to make it absolutely clear, and it needs to be absolutely clear for the Iraqis, that they actually recognize the position that now exists in Kuwait and that that is going to be a permanent recognition. We need some assurances on that.

I think we have to look at wider issues as well. We'll certainly have to look at the question of arms control in the area. That's a matter that will need to be developed, I think, very probably amongst the Permanent Five, though there are other mechanisms for doing it.

The President. The only thing I could add to that, some arrangements for peacekeeping -- perhaps a role for the United Nations, perhaps a role for an Arab force. But there's a lot of details that have to follow. But the Prime Minister clicked off the major concerns that we have, and I would say, sir, that our coalition is united on this.

The Prime Minister. I think the two things, actually, one might actually add to that, of course, are the release of Kuwaiti detainees and perhaps some hypothecation of oil revenues in order to meet some of the loss and costs that have been incurred in Kuwait.

European Security

Q. There seems to be a growing discussion in Europe about a defense unit for the security of Europeans. What I'm wondering is whether, Mr. Bush, you see this as an exclusion of the U.S. and how you feel that may affect NATO? Because that's been its traditional role. And Mr. Prime Minister, what's your thoughts on it?

The President. I'll be glad to start by saying certainly in the conversation that we had today there is no differences in terms of where the U.K. and the United States stand. I mean, I don't think the United Kingdom is foreseeing the pulling out from our responsibilities for security by the United States. So, I had discussions of this with President Mitterrand, and there have been some nuances of difference, perhaps -- not necessarily between the French and the United States but between some in Europe and the United States -- and I think that they're manageable differences.

The United States has a key role. We think that we've performed that role adequately in the past, and we have every intention of fulfilling what is in our national security interest in the future. And I think the presence where we continue to have a strong NATO, for example, is in our interest.

After all, though tensions are lessened, there still are a lot of question marks out there. But I can say in terms of my discussions with the Prime Minister, I don't think we have differences on this point, but I'll leave it to him.

The Prime Minister. There are absolutely no differences at all. NATO has very successfully kept the peace in Europe since the Second World War. It has been the cornerstone of the peace, and the American presence in NATO and the presence of their troops in Europe has been absolutely fundamental to the security of Europe. So, we certainly would wish to see absolutely nothing that would damage that.

I think what some of the Europeans are concerned about -- and I think they're right to be concerned about that -- is the fact that Europe will need to make a greater proportionate contribution to the communal defense of Europe. But I think that is a contribution that will have to be channeled through NATO. And there's no difference whatsoever between the United States and Britain on that point.

Situation in Iraq

Q. Both of you said you don't want to see any more fighting in Iraq. I'm wondering, how do you intend to enforce the terms of the tent agreement? Would that be just another thing under the umbrella of lifting economic sanctions, or do you have something else in mind?

The Prime Minister. I don't think we want to go into detail about that. We've made it fairly clear to the Iraqis what we expect them to do. I think we must wait for them to do it. It's our expectation that they both would and should.

Q. Are you ruling out military action?

The President. We're not ruling anything in or out. But we're making clear -- as General Schwarzkopf did, I think, just yesterday -- that they must abide by agreements made, and there are many agreements in the future that we haven't ironed out, many provisions in the future that we expect Iraq will comply with -- the Prime Minister having set out a very good litany right here. So, we're not trying to elevate the chance of further military action. When we said cease-fire, we ceased firing, and we want to see that formalized. And that's what we're approaching. And I won't go into any hypothesis on that.

British-U.S. Role in the Middle East

Q. The President spoke about the role for Britain and the United States as catalysts for peace. How do you see the two separate roles? Is there a specific role for Britain and not a specific role for the United States?

The President. No, I don't look at it that way, but we have separate initiatives. For example, the Prime Minister went over and, amongst his talks in the Middle East itself, he began exploring avenues for peace. Secretary Baker is doing that now on a trip that he took, and ending up -- now I guess he's on his way to Turkey.

At each step of the way, each of us will be exploring, and then we'll have talks like this. There's going to be probably some United Nations role to play. There's going to be bilateral relations between ourselves -- I'm speaking now for the United States and the State of Israel. We have communications now and contacts with Syria. I happen to think that that can be catalytic for

peace. So, we're not talking about an assignment to the United States to do A, B, and C, and for the U.K. to do what follows on -- X, Y, and Z -- or vice versa. And we had talks with Mr. Mitterrand about this.

So, what we are trying to do is say, look, we now have a renewed Western credibility -- certainly coalition force credibility. And let's use that to try to bring peace to Lebanon, try to bring peace to the Israel-Palestine area, the West Bank, et cetera, and try to bring peace and security and stability to the Gulf. And there isn't one formula yet, and I don't think there will be a single formula until a lot more consultation has taken place.

Some have suggested the instant convening of an international conference. The policy of the United States has been, a conference at an appropriate time might be useful. That's been our policy for the last 11 years. But we are not going to urge that at this point until we see that it would be productive.

You don't want to have a conference and some people fail to show up, if presence there at the conference is an absolute sine qua non for success. So, we're going to just keep talking, keep consulting, but not tarry. I do think that we ought to seize the moment. And I know that's the goal of the United States, and I gather after these thorough consultations this morning that that is the view of the U.K.

Soviet Role in the Middle East

Q. Mr. President, you speak of the coalition force credibility. The Soviets are not part of that coalition. Secretary Baker met with the Soviets in the last couple of days. You two have discussed the Soviet role in the new Middle East. What is a valid role for the Soviets now, as not being a member of that coalition? Is it just a member of the United Nations? How far do we go with it?

The President. Remember -- you appropriately pointed on the United Nations. The Soviet Union's state remains solidly with the United Kingdom, the United States, and others in the United Nations. Had that not been the case, obviously the United Nations would not have had the positive role that it had. I gather from just the preliminary report -- not talking to him but a preliminary report -- that Mr. Zoellick passed along to me and to the Prime Minister that Jim Baker felt that, after talks with Gorbachev and Bessmertnykh, that the Soviets wanted to still play a constructive role.

They have interests in the Middle East. We don't view this as something that's against us. And so, true, they were not in the coalition in the sense of having forces, but they worked very cooperatively with us at the United Nations and inasmuch as there's going to be some -- there should probably be some U.N. role, perhaps the blue helmets along some peacekeeping line, we want to continue to work with the Soviets. We want to continue to keep that cooperation.

So, I don't think their failure to have troops on the ground in the Middle East -- which we didn't ask them to do, incidentally -- is a detriment to their playing a useful role for peace. They know a lot of the cast of characters there. I'd love to see them improve relations with the State of Israel. I think if they did that, that could be a very important point in how this peace is brought about.

So, I see them, after the Baker talks -- and again, I'd defer to the Prime Minister who did have his own talks with Mr. Gorbachev on that -- but I see them as still wanting to play a constructive -- not obstruction but constructive role with whatever follows on.

The Prime Minister. I can certainly confirm that. In the discussions I had with Mr. Gorbachev less than a fortnight ago, he made that perfectly clear in perfectly clear terms that he wished to play a constructive role in an ongoing settlement in the Middle East. And I see no reason to doubt his bona fideness in that respect.

Withdrawal of British Forces From Iraq

Q. Prime Minister, if a formal cease-fire cannot be arranged until Saddam stops deploying his remaining forces, what does that mean for the timetable for the return of British forces back to the U.K.? And if American forces do become involved, would British forces become involved as well?

The Prime Minister. There are too many premises there that may not come about, to be precise. I don't know precisely when we'll have a cease-fire. We're looking at the moment at what a cease-fire resolution might contain, and it may be quite a substantial resolution; there's quite a lot to get in it. And I don't think we can address those secondary questions until we have that resolution. It may be that we'll have one broadly ready to begin presenting at the end of next week, but I think there can be no certainty about that.

At the moment, the return of British troops continues. We had Security Council resolutions to meet when we sent the troops there. Those Security Council resolutions have been met, and the troops are now returning home. But I think the other premises you raise can't be answered at this stage.

I think that is the last question we can take, I'm afraid. The British element of the press corps may be interested to know that England beat France 21 - 19. [Laughter]

Thank you very much.

U.S. Hostages in Lebanon

Q. Mr. President, can you take a question on Terry Anderson, sir? Today starts his 7th year in captivity. What message would you send to him?

The President. We're raising it every chance we get, and will continue to.

Note: The President's 75th news conference began at 12:17 p.m. at Government House. The following persons were referred to in the news conference: Secretary of State James A. Baker III; Gov. Desmond Langley and Premier John W.D. Swan of Bermuda; President Saddam Hussein of Iraq; President Mikhail Gorbachev and Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; President Francois Mitterrand of France; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; Robert B. Zoellick, Counselor of the Department of State; and hostage Terry Anderson, who was kidnaped in Beirut, Lebanon, on March 16, 1985.

Remarks at the Community Welcome for Returning Troops in Sumter, South Carolina

March 17, 1991

Thank you all. Thank you all very, very much. Thank you, Governor Campbell, thank you so very much. And thank you all for that warm welcome. Mayor Creech, thank you, sir. The City Council Chairman Gray, I thank you. To Senator Hollings and the distinguished Members of the House of Representatives who are with us today; my thanks to Nancy Thurmond, whose husband is away overseas, but one of the strongest supporters the military ever had -- Senator Strom Thurmond, my thanks to him. And, General Olsen, to you, sir, my respects -- just back from superb service overseas. I'm delighted to be on this platform with you.

But most of all, thank you, Sumter. What a fantastic welcome. Thank you for your courage. Thank you for your sacrifice. Thank you for your example. And thank you for showing all what a great land this is. And thank you for letting me come and share in this, my first, but this wonderful reunion. I couldn't be happier to be here. Thank you.

What is it, what is it about Sumter and Sumter County that breeds war heroes? In this century alone, you have supplied some of our greatest warrior-citizens. General George Mabrey, who died just last year, was the second most decorated soldier in the history of the United States. And as many of you know, he helped train a young lieutenant colonel in Vietnam, and that colonel was General Norman Schwarzkopf.

And of course, the coalition victory in Kuwait would not have been possible without General Chuck Horner. Mary Jo, we are delighted that you're here with us today. Now stand up -- [applause]. You see, for those of you who didn't follow it -- and that's not many -- General Horner merged people and plane from 30 bases here in the United States, 6 Navy carriers, the Marines, and 9 allied nations into a seamless theater air force. And he mapped out the most intense, most successful air assault in history. And we are very grateful to him. You see, it was that powerful, precise air assault that helped coalition forces crush Saddam's war machine, while sparing innocent Iraqi citizens and while saving allied lives. Can you think of a better way to celebrate the 50th anniversary of Shaw Air Force Base than this? I can't. It is fantastic.

You don't have to wear a star to be a hero. We're surrounded by such people today. Let's start with the mother of all units at Shaw, the headquarters. [Laughter] The 9th Air Force and the U.S. Central Command Air Forces. And let's thank the 363d Tactical Fighter Wing. [Applause] Look at these guys. And let's thank the 507th Tactical Air Control Wing. [Applause] And all the other units and tenant units here. And let's not forget other South Carolinians -- the McIntyre Air National Guard Unit and the forces from all across this great State.

For those of you who are a little groggy from last night's flight home, welcome home. We're

delighted to have you all back. I can't tell you how proud we are of each and every one of you. And to all our servicemen all across this country, we say thank you. And to the veterans of every conflict, we say thank you. And let this new spirit in our country give proper recognition to the Vietnam veterans. Their time has come.

And to all of those who have returned from overseas, God bless you. Please stand up so we can see each and every one of you. There they are. [Applause] And to those who toil still over there, God bless them, too. You know, you all not only helped liberate Kuwait, you helped this country liberate itself from old ghosts and doubts. And when you left, it was still fashionable to question America's decency, America's courage, America's resolve. No one, no one in the whole world doubts us anymore.

What you did, you helped us revive the America of our old hopes and dreams. And this nation learned something else during Desert Storm: You don't have to wear a uniform to be a war hero. Here, crowded on the bleachers, and out there in the field are heroes and heroines of all ages -- mothers, fathers, sisters, brothers, children, neighbors, friends. And while you in the service were overseas -- I've never seen anything like it -- the loved ones and even strangers all across our great country hung out yellow ribbons, unfurled flags, sent letters and gifts to those of you overseas. And while you service men and women fought on distant sands, those you left behind talked and prayed. And I know that every little thought, every good wish, every whispered prayer somehow echoed in the hearts of the fighters far away. No one understands this magic, but it is the kind of blessing that enables good people to accomplish great deeds.

But there is something very, very special about Sumter's sacrifice and its triumph, and you all know it. I had the pleasure of visiting here in 1988. And since then, Hurricane Hugo ripped through 12,000 homes in this area, destroyed nearly $700-million worth of property in its high winds and pouring rains, shredded your homes and your neighborhoods, turned trees into tinder. Sumter gathered its strength after the storm and began literally to pick up the pieces.

But just as things seemed to be turning around, the war erupted. And you did something extraordinary. You sent many of your finest men and women to serve. Troops departed. Reservists left their workplaces. And some people, newly married, were separated by war. Mothers bore children to fathers who looked across the horizon at an unseen foe.

Captain Dale Cormier died fighting for his country. And Captain Spike Thomas had to be plucked behind enemy lines. And, Captain Thomas, it's great to see you here today, sir. Where is he? And while you're all standing, let me also salute Lieutenant Neck Dodson, who led your rescue. We're glad he's here, too.

And as the war loomed, you in Sumter did not give in to despair or fear. You recruited new businesses and new jobs, and while the troops were away, you continued to build a new city, a better city -- a city that is more like a large family. And you planted the seeds of prosperity

among hardship's ruin. And I've talked in recent weeks about America's renewal, and today you feel it. You see it all around us here today.

And I'm amazed but never surprised at the incredible things our people do. Our success in the war showed that we take a backseat to no one when it comes to courage, ingenuity, dedication to principle. But it also showed that we do great things when we trust our people. We would not have enjoyed such success if someone had tried to micromanage the war from Washington, DC. We entrusted the operations to Sumter's products and heirs, and look where we are today.

And I'm proud to say that we did it without arrogance around the world. We led without gloating or arrogance. And I think that's an American tradition as well.

You know -- let me just say this in finale -- look around you. Here is today's triumph but also tomorrow's hope. Here's what we fight for: family, friends. Here is what we love.

Thank you again for letting me be a part of this emotional homecoming. I'll never forget it as long as I live. God bless each and every one of you. Thank you very much.

Note: The President spoke at 4:32 p.m. at Sumter Memorial Stadium. In his remarks, he referred to Gov. Carroll A. Campbell of South Carolina; Stephen M. Creech, mayor of Sumter; Rubin Gray, chairman of the Sumter County Council; Senator Ernest F. Hollings; Nancy Thurmond, wife of Senator Strom Thurmond; Maj. Gen. Thomas Olsen, vice commander, 9th Air Force and Central Command Forces; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; Mary Jo Horner, wife of Lt. Gen. Charles Horner, commander, 9th Air Forces and Central Command Air Forces; President Saddam Hussein of Iraq; and Capt. Dale Cormier, Capt. Spike Thomas, and Lt. Neck Dodson, servicemen stationed at Fort Sumter.

Remarks at the Presentation Ceremony for the Elie Wiesel Foundation Humanitarian Award and an Exchange With Reporters

March 18, 1991

Dr. Wiesel. This is the award presented to you, Mr. President. It reads: ``To George Bush, for he defends the victims of dictatorship and oppression with passion, courage, and fervor. Elie Wiesel Foundation for the Humanity. March 18, 1991."

The President. It's a great honor to receive this. And it's a special honor for me to receive it from you, a man I admire greatly. Thank you, sir, very very much.

Dr. Wiesel. And this is the citation.

Dear Mr. President: At another time, in another age, another President declared that ``Victory has a thousand fathers." But the most recent American triumph in the Gulf had only one father. And yet we are here today not only because you have brought about that magnificent victory. We of the Foundation have wished to honor you long before Saddam Hussein invaded Kuwait, thus becoming a symbol of dictatorship and oppression.

Mr. President, 10 months ago, we invited you to accept this award because we perceived in you those qualities that the whole world now celebrates today -- your moral courage and unshakeable resolve. We knew that we shared the common belief that the world must change, not only for the United States and for the West but for all humanity.

Among the tasks our Foundation has set for itself is the unrelenting examination of the roots of hate. Why are some nations trapped in a circle of evil? Why are some peoples the continual targets for persecution? Why do tyrannies flourish in some parts of the world and not in others?

These are the vital questions of our era -- of any era. The difference is that for the first time in this tortured century we are truly on the threshold of ``a new world order," to use your inspiring and memorable phrase.

Thanks to you, Mr. President, small nations feel more secure. Thanks to you, evil has been dealt a dramatic blow. Thanks to you, Mr. President, the last decade of the 20th century may well be remembered for its quest for peace rather than its obsession with violence and death.

As for Israel, Mr. President, I am sure that you are aware of the depths of our involvement with her trials and struggles. We thank you for your understanding of those trials and struggles. We thank you for the Patriots. We thank you for helping to rescue Jews from Ethiopia and the Soviet

Union.

Mr. President, I, a refugee from Eastern Europe, am now a proud and loyal citizen of the United States. But spiritually I claim Israel's destiny as my own. I do not live in Israel, and yet I cannot imagine living without Israel.

We of the Foundation fervently hope that your administration will continue its resounding commitment to her security. Surely, she will remain our most steadfast ally in the Middle East. We are confident that persuasion other than pressure, trust rather than suspicion, will continue to govern your relationship with Jerusalem, whose prophetic message of peace is at the heart of its legacy.

We believe in your vision, Mr. President. We believe in the dawn of the new world order. For that reason and many others, it is a privilege for us to honor you today.

Signed Elie Wiesel.

I shall sign it for you.

The President. Please do.

Dr. Wiesel. Mr. President, you have given out so many pens, I think the time has come for you to receive one. [Laughter]

The President. I don't give out such nice ones, though. [Laughter] This is beautiful. Thank you very much.

Dr. Wiesel. I hope you will sign the peace agreement between Israel and the Arab States with this pen.

The President. Well, we're going to try. We've just had a meeting with our Secretary of State who had good visits in Israel and in other countries. So, we want to seize the moment. We want to go forward now while there is this feeling of good will and then common agreement -- common position on things that have not always been agreed. I'm thinking of the common stand in getting rid of Saddam's military offense.

So, we will try hard, sir. But I am very honored with this and grateful to you. Receiving it from this one is very special to me, I'll tell you. Thank you, sir, very much. Thank you.

Middle East Peace Process

Q. Dr. Wiesel, what precisely would you like to see the President do to achieve that kind of peace in the Middle East? What do you think is necessary?

Dr. Wiesel. I think the President should be himself, a man who listens. I have known the President for some years -- when he was still Vice President -- and he was always listening. I think the President knows how to listen and knows how to make people talk. What I would like the President to do, of course, is to listen to Israel's fears, just as Israel should listen to the President's hopes.

Q. Mr. President, can you share anything with us about your talk with Secretary Baker?

The President. No. We just met for 45 minutes, and then we'll be meeting again, either today or tomorrow. But I responded to a question down either in Bermuda or in Martinique, where I said that there is reason to be hopeful. And I think he found not just in Israel but in other capitals a recognition of the fact that we ought to try to go forward. And I think the climate for fulfilling some of these hopes is probably better than it's ever been. And I'm talking about on all sides out there. So, we will be working very hard. But there's no -- I don't want to add any specifics. He has some specific ideas that we need to talk about here.

But I found the Secretary of State, in spite of an arduous trip, hopeful that we can move forward. And we're certainly going to try. We are not going to miss this opportunity.

Q. What's the next step, Mr. President?

The President. Well, there are a lot of next steps. Of course, one of them relates -- there's three areas, as you know: the Lebanon, the Israel question with Palestine and all of that, and then, obviously, the Gulf. And so, the next steps -- the earlier, practical steps have to be in getting a cease-fire in the Gulf area. But we will go forward, trying our best to do that, using the United Nations structure, inasmuch as we're operating under the U.N. resolutions there. That is not the case, necessarily, say, in the Lebanon.

I don't think the American people ought to think that you can wave a wand and solve all three of these very difficult problems at once. But all I know is, I think the United States is in a stronger position, a more credible position to be the most important catalyst for peace, and that has been reinforced by what Secretary Baker has told me -- what he's found in Moscow, what he's found in the Arab countries, what he's found in Israel.

Q. He spoke during his trip of a window of opportunity here to try to find elements of peace. Is that window narrow? Does that window close after a certain length of time here just because, in part, of some of the frustrations and failures of the past in that region?

The President. Well, I think the longer one waits to take any initiatives, the danger is things revert

back to a status quo. And I think that will be unacceptable. And so we're working on these two tracks as it relates to the State of Israel, trying to get peace going between countries that had been at war and then try to have suggestions for the solution of the Palestinian question that has avoided us for a long, long time -- avoided the countries and various individuals in the area.

So, we're going to try. But I'm not putting any timeframe on this, Norm [Norm Sandler, United Press International]. All I'm saying is that while people are thinking peace and while it is clear that a major threat has been diminished, we ought to try to move forward now. And I like very much the -- I would say, the endorsement by Dr. Wiesel of this concept of a new world order, because encompassed in that are countries living at peace that have heretofore been at war. And that's what we're going to be trying to -- --

Q. Are you encouraged by the -- --

Q. -- -- the talks with Syria?

The President. Well, I think that there's some good talks there. We still have differences, as everyone knows. But let's find common ground. Let's see if we can take these historic enmities and bring them -- eliminate them. And that's what we're going to try to do. But nobody is suggesting it's easy, including the Secretary of State, who tried very hard.

Q. What is the state of play, Mr. President, now on a permanent cease-fire? Are you going to the U.N. this week?

The President. Well, there will be some U.N. action this week, I think, or certainly U.N. consultation is already beginning. But we've got to work out between the coalition partners, get common ground between the coalition partners. But broadly speaking, people know what is required. I would like to see us reduce the flow of weapons into the area, which is an important -- could be an important part of this. But there are a lot of other difficult points.

Iraq must pay reparations or pay damages. The more one looks at the environmental terrorism that they embraced, that they brought about, the more the world understands that they have got to do something about that. So how do you do it? Well, they are potentially a wealthy country. The trouble is they've taken all that wealth and spread it into weapons and then into aggression. And the aggression has been checked, but now we've got to see that they use their resources for helping their own people. And that's a little complicated, given the three areas of contest right now -- almost combat right now -- the south, up to the north, and then some in Baghdad itself.

So anyway, all of these areas have to be dealt with. And we're trying. We're beginning to go to work on all of them.

Q. Mr. President, do you think Arab countries are willing to talk to Israel, and is there a genuine

reciprocal view?

The President. Well, Secretary Baker had good discussions with Prime Minister Shamir on that. He had good discussions with the heads of many other governments on that. Talked to the Soviets about that, who still have an interest in the Middle East. And so, we'll just wait and see how all that develops. But I would hope that that would prove to be the case. Israel has restated its willingness to talk, and I think that's a very great thing.

Thank you all.

Q. When will you go to the Middle East?

The President. No plans yet. It's not set.

Note: Dr. Elie Wiesel, founder of the Elie Wiesel Foundation for Humanity, spoke at 10:10 a.m. in the Oval Office at the White House. In his remarks, President Bush referred to Secretary of State James A. Baker III, President Saddam Hussein of Iraq, and Prime Minister Yitzhak Shamir of Israel. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Deputy President Nelson Mandela of the African National Congress

March 18, 1991

On March 6 the President spoke by telephone with Nelson Mandela, the Deputy President of the African National Congress. The President and Mr. Mandela had an extended conversation on developments in South Africa, focusing on the issue of sanctions, and on the Persian Gulf situation. Mr. Mandela recognized that the President will act on the issue of sanctions at the appropriate time, when the conditions in the Comprehensive Anti-Apartheid Act of 1986 are met. The President stated that numerous changes are taking place in South Africa and that it is necessary to keep working for this change to continue. The President assured Mr. Mandela that we will consult fully with him in the months ahead. On the Gulf, Mr. Mandela reviewed the ANC position. The President outlined the coalition's efforts and goals and indicated areas of disagreement with ANC views. It was a friendly conversation.

Statement by Press Secretary Fitzwater on the Appointment of Members of the Czech and Slovak-American Enterprise Fund

March 18, 1991

The President today announced the members of the Board of Directors of the Czech and Slovak-American Enterprise Fund. The President is extremely pleased that these distinguished leaders, representing a wide range of professional diversity, have agreed to serve on the Board. The U.S. Directors are:

John R. Petty, former chairman and CEO of the Marine Midland Bank (Chairman)

David O. Maxwell, former chairman and CEO of Fannie Mae [Federal National Mortgage Association]

Julia M. Walsh, managing director of Tucker/Anthony, Inc.

Charles A. Vanik, former Member of Congress and attorney with the law firm of Squire, Sanders & Dempsey

Milan Ondrus, retired vice president (Europe) of the FMC Corp.

Similar to the Polish and Hungarian-American Enterprise Funds already established, the new Fund will support private sector development. The administration intends to make an initial grant of $5 million to the Fund from money appropriated this fiscal year for East European assistance in the foreign affairs operations bill. The administration will be seeking a total $60 million authorization from Congress for the Fund.

The Fund will be a private, nonprofit organization. The five American members of the Board of Directors will be joined by Czech and Slovak representatives at a later date. The Fund will maintain appropriate records of its activities and will file an annual report that includes a statement of an independent auditor.

The Czech and Slovak-American Enterprise Fund may make loans, grants, and equity investments, in addition to sponsoring technical assistance, training, and other measures designed to foster the growth of a private business in all sectors of the Czechoslovak economy. As the President said in announcing this initiative during his visit to Prague last November, the Fund will ``help unleash the creativity and drive of the Czech and Slovak peoples'' as they build a free market economy and stable democratic rule.

Remarks at a White House Briefing for the National Leadership of the Hispanic Alliance for Free Trade

March 19, 1991

Thank you for that warm welcome, and welcome to the White House. I'm delighted to see our traveling Secretary of Commerce, Bob Mosbacher, just back from Kuwait, looking good -- a little jet lag on him. [Laughter] But he's doing an outstanding job over there at Commerce. And also on my left over here, Carla Hills, who is our Trade Representative, Ambassador Hills, working very, very hard on the subject that I want to talk to you today about, hard and effectively. And, of course, Dr. Boskin, I assume you know -- that I rely very heavily on him on all matters economic. So, you have our first team here. And that includes Barbara Bush. And I think it's very appropriate that Mexico's able Ambassador, Ambassador Petricioli, be with us. Welcome, sir.

But I haven't done the personal name check, but I am told that the people gathered here span 50 States, from California to New York to Florida -- I don't know why they left out Texas. [Laughter] Hometown heroes who are here to really -- to put it in perspective, to help lead us into the 21st century. That also brings to mind, obviously, another group of heroes -- the heroes that we see on television almost every night now, in those very emotional scenes of people coming home, stepping off the planes and into the history books -- the courageous men and women of Operation Desert Storm.

But thinking of them, and looking around at this gathering of friends, I can't help but think of the incredible contributions that Hispanic-Americans have made to the defense of this country, in peacetime and in war, 38 Congressional Medals of Honor. I think of heroes like Captain Rivera, Manuel Rivera, who grew up in the South Bronx and became an accomplished Marine pilot. One of the first to fall in the air war over the Gulf. And he had dreams of becoming an astronaut. And today he has taken his place in the stars, so that we might find a better way on Earth.

The coalition triumph in the Gulf serves to remind us how much the world continues to look to the United States of America for leadership. And it reminded us also that we are a great nation, capable of great things at home and abroad. As I said in my recent address to the joint session of the United States Congress, the real way to honor the sacrifice of our troops is to roll up our sleeves and for me, the rest of us in the White House to work with the Congress to help build a better America, a better world, a better tomorrow.

We've gathered here today to seize an historic opportunity to do just exactly that. Earlier this month, I sent up to the Congress our request for an extension of the Fast Track procedures for implementing new trade agreements. It's a simple concept. For the better part of this century, this nation has recognized that trade agreements require a special kind of cooperation between Congress and the executive branch. Through Fast Track authority, Congress has made sure that the President went to the table equipped with the same bargaining powers as his counterpart: the

ability to ensure that an agreement reached overseas would be the agreement voted upon at home.

Many of you know what it's like to run a business. And you understand how critical it is to have this simple authority to reach across the table and shake hands on a deal.

No one's asking for carte blanche. We still have to bring back the best agreement possible -- bring it back to the ``home office," if you will, back to Congress for a vote. But at least Fast Track gives us the authority to get the deal in writing so that it can be presented to Congress for an up or down vote. I can assure the Congress again today that, knowing our able Trade Ambassador, we're not going to make a bad deal. We're not going to bring back a deal to the Congress that they're going to have to turn down.

We need an extension of this Fast Track authority right now to pursue critical new trade initiatives of unprecedented promise, like the Uruguay round -- we've got to complete that successfully; the Enterprise for the Americas Initiative, that means so much in our hemisphere; and the North American free trade agreement. Fast Track authority gives us the chance to negotiate agreements that help everyone concerned.

And as with every good business deal -- everybody wins. A vote against the extension of the Fast Track authority would cut off the chance to negotiate any new agreements. Simply put, a vote against Fast Track is a vote against trade, against ourselves, against our neighbors. And if we do not move forward -- a fast track -- then we're going to face a dead end, in my view.

In order to sustain the expansion of exports and of economic growth, we must continue our efforts to open up these world markets. Ambassador Hills is working, as I said, very hard to achieve success in the Uruguay round -- to open up markets to U.S. goods and services worldwide. The free-trade talks with Mexico and Canada and our Enterprise for the Americas Initiatives are designed to strengthen U.S. ties with our neighbors to the south.

Relations -- and most of you in this room know this -- relations between the United States of America and Mexico have never been better. Mexico has a bold new President, Carlos Salinas. And he's reformed that economy dramatically -- almost miraculously. And he's extended the hand of friendship to the United States of America, and I've been proud on your behalf to reach out and shake that hand.

But I want to pledge to you today that I will do my part to build on that friendship and work to create an even closer partnership between nations. Fair and free trade between our countries will help Mexico. But in my view, these important steps are in the best interest of the United States of America. They'll help us as well. Our ties with Mexico, let's face it -- and everyone here knows it -- go well beyond the bounds of commerce. We share cultures, heritages, families. And we -- millions of Americans -- trace their roots to Latin America. The genius and the vitality of the Latin culture have added new sparkle to our lives, our culture, our great country.

We want to do our best to continue cultivating that genius and that vitality. Here, Hispanic businessmen and businesswomen are a critical American resource. You've been at the forefront of our trade, many in this room, right there in the forefront of the trade with not just Mexico but with Latin America. You speak the language; you understand the culture. And it's your determination, ingenuity, and vision that have driven you to create businesses that fuel our economy and enrich our lives.

And that's why we need your help. That's why I'm delighted that you accepted this invitation to come to the White House today. We need your help. There's a lot of Members of the United States Congress that don't understand the importance of Fast Track authority yet. We need you to tell them that you back the Fast Track -- to clear the way for the Uruguay round, the Enterprise for the Americas, and indeed, the North American free trade zone -- obviously, free trade agreement that obviously has Mexico as a vital part of it.

A North American free trade area would unite 360 million consumers; a total output of $6 trillion. And by boosting economic prosperity in Mexico, Canada, and the United States, it will help us move forward on issues that concern all of us. Issues such as drugs and education, immigration, and the environment.

Let me just take that environment for a second -- one example. Country by country around the world, the people of the more developed nations enjoy cleaner rivers, purer air, better health, longer lives than their less developed counterparts. Development and prosperity mean less pollution, not more. In this way, the good you do today can mean good news not only for the people of your hometowns but also for the people of your homelands. Everybody wins. Every nation has much to gain from a new era of open doors and open minds and open trade: a future of sustained economic growth, lasting regional stability, lower prices and greater choices for consumers. More jobs -- not less -- more jobs will come out of these agreements -- and an improved standard of living for our people and, yes, for our neighbors.

Today is an auspicious day to launch this effort. For today in California the swallows return to Capistrano. And it's a harbinger of spring. You can tell from my hay fever; we've got it right here. [Laughter] A time of change, new growth, and new beginnings. And across the continent from the Yukon to the Yucatan, you can be a part -- all of you -- of this vision for the new world. A community of nations, prosperous and free, the cornerstone of the world's first fully democratic hemisphere. Think of that. We're on the verge of that right here.

And yes, many challenges remain. Of course they do. Obstacles remain. But you can make a difference. You can encourage support for these bold new initiatives. And you can encourage Congress to act to provide new markets, new jobs, new business opportunities for all Americans.

I understand the buses are parked outside. And I think it's time to jump-start this effort. And it's time to charge up the hill, strike down the barriers, and open up trade. So, there's a lot of

excitement in the world. The recent events in the Gulf have kind of obscured the changes in Eastern Europe. And I think for a while they've obscured the fantastic moves towards democracy in this hemisphere. But now we're getting back in focus. We've won that war, and now what we've got to do is extend opportunities for all Americans.

I take enormous personal pride in the fact that our relations with Mexico and countries to the south have never been better. And I can pledge to each and every one of you that I'm going to do my level best as President, as long as I am privileged to live in this house, to continue to improve relations with these countries. But now I'm asking for your help. And I will take this opportunity to look over at those cameras and ask the Congress of the United States to give us the authority that we need to move things forward.

Thank you. And God bless the United States of America.

Note: The President spoke at 2:02 p.m. in the East Room at the White House. In his remarks, he referred to Secretary of Commerce Robert A. Mosbacher; Carla A. Hills, U.S. Trade Representative; Michael J. Boskin, Chairman of the Council of Economic Advisers; Gustavo Petricioli Iturbide, Mexican Ambassador to the United States; Capt. Manuel Rivera, slain Marine pilot; and President Carlos Salinas de Gortari of Mexico.

Remarks to the Points of Light Foundation

March 19, 1991

I know you've had a full day, but let me belatedly give you a very warm welcome to the White House and say that it's a pleasure to come over here to join this briefing of the Points of Light Foundation. I'm pleased to serve as honorary chairman. And of course, the directors, many here today -- and I am indebted to each and every one of you who are taking these leadership roles.

Let me just begin by a few words of thanks and praise. Those gathered here today and the many other media executives all across the country whom you represent have done so much for so many years to shine the bright floodlight of recognition on those in our communities reaching out to help those in need. And if, as they say, a nation is what it honors, in many places in America you've helped make us understand that our nation is one that admires those who serve the needs of others.

By recognizing and honoring these otherwise unsung heroes and heroines who each day in a quiet and selfless way confront drug abuse and illiteracy, hunger, and homelessness, and do what they can to defeat them, you are showing all of America that every social problem is being solved somewhere and that every one of us can play a role in solving the problems. Everyone can be a Point of Light.

The Points of Light that I understand you have heard from today are part of real and gripping stories in America that really are making life better. They're taking on difficult problems and conquering them. And I'm even more convinced today than I have ever been that Points of Light are a critical answer to America's social problems. This approach isn't a dodge for responsibility of any level of government. It's something much, much, more fundamental, it seems to me, than any level of government.

With the new surge of patriotism and the resurgence of national pride that has just captivated America, and then our age-old ``can do'' spirit, it seems to me that the country is ready as never before in recent memory to rise to the challenge of meeting the needs of those around us here at home. And this is where you all come in. Now is the time to carry this Points of Light message into every home in America and to persuade every American that any definition of a successful life must include serving others.

Far more than any one speech or brochure, the media can educate and persuade and inspire. And your antidrug campaign, for example, is changing a whole generation's attitudes about drugs. We've got a long way to go, but the change is there. And I think it's exciting, and I hope it's contagious.

The Saatchi and Saatchi PSA's that you've seen, that Barbara and I looked at last night, I'm

convinced begin to move the whole Nation to find in serving others the meaning and fulfillment in life that all of us are seeking. I want to thank the Saatchi team that I met with earlier, thank the Advertising Council for many long hours of dedication and devotion to producing some of the finest ads and some of the most moving ads that I believe I've ever seen.

By changing attitudes about the appeal of service and showing examples of small ways in which each of us can make a big difference, these ads can help. They can help achieve our shared mission for the Nation: to make direct and consequential community service directed at serious social problems central to the life and work of every American.

And so, I'm asking you to find ways to give these messages the prominence they deserve. And in addition, because you are each a vital link to and among the citizens within your communities, I hope you'll redouble your efforts to find and celebrate the Points of Light where you are. With your help, every American can be called to do something good and feel something real.

Thank you for coming to the White House, for all the good you've already done, and for the good work I know you'll do in the days ahead. I am totally committed to this concept and I want to assure Ray Chambers, Dick Munro, everybody -- Gregg -- that I will do my level best to help in every way possible.

Thank you all very, very much for being with us today. Thank you.

Note: The President spoke at 3:54 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Raymond G. Chambers and J. Richard Munro, cochairmen of the Points of Light Foundation, and C. Gregg Petersmeyer, Deputy Assistant to the President and Director of the Office of National Service. He also referred to public service announcements produced by Saatchi and Saatchi, a New York advertising firm.

Message to the Senate Transmitting the Congo-United States Investment Treaty

March 19, 1991

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the United States of America and the People's Republic of the Congo Concerning the Reciprocal Encouragement and Protection of Investment, signed at Washington on February 12, 1990. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

The Bilateral Investment Treaty (BIT) program, initiated in 1981, is designed to encourage and protect U.S. investment. The treaty is an integral part of U.S. efforts to encourage the Congo and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the Parties also agree to international law standards for expropriation and compensation; to free financial transfers; and to procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible and give its advice and consent to ratification of the treaty at an early date.

George Bush

The White House,

March 19, 1991.

Message to the Senate Transmitting Protocols to the International Convention for the Safety of Life at Sea and the International Convention on Load Lines

March 19, 1991

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Protocol of 1988 Relating to the International Convention for the Safety of Life at Sea, 1974, with Annex, and the Protocol of 1988 Relating to the International Convention on Load Lines, 1966, with Annexes. Both Protocols were done at London November 11, 1988, and signed by the United States April 6, 1989, subject to ratification. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Protocols.

These Protocols are designed to standardize the inspection intervals and the periods of validity of the certificates required under the 1974 International Convention for the Safety of Life at Sea, as amended (SOLAS), and the 1966 International Convention on Load Lines (Load Lines Convention). Entry into force of the 1988 Protocols will reduce the number of ship visits by inspectors, as well as the time a ship must be withdrawn from service for inspection and survey, thereby representing a significant improvement to the existing system. The surveys and certifications of ships required by the SOLAS and Load Lines Conventions will be accomplished in a more efficient manner, bringing the international system to a level more consistent with U.S. domestic inspection requirements. The United States Coast Guard, the American Bureau of Shipping, shipyards, and, most important, shipowners and seafarers will benefit as a result. In addition, the additional survey requirements will improve the level of safety of foreign ships entering U.S. ports, thus having a positive impact on the environment.

The 1988 Protocol to the Load Lines Convention also contains amendments to the regulations of the Convention that replace amendments previously adopted, but that to date have not entered into force. I, therefore, desire to withdraw from the Senate the following treaties:

Amendments to the International Convention on Load Lines, 1966, adopted at London November 15, 1979 (Treaty Document 97 - 14, 97th Congress, 1st Session);

Amendments to the International Convention on Load Lines, 1966, adopted at London November 17, 1983 (Treaty Document 100 - 12, 100th Congress, 2nd Session).

The United States has played an active and vital role in the negotiation of the 1988 Protocols to the Safety of Life at Sea and Load Lines Conventions and in promoting and developing the concept of a harmonized system of certification. Early ratification of the 1988 Protocols by the

United States should encourage similar actions by other nations.

I recommend that the Senate give early and favorable consideration to these Protocols and give its advice and consent to ratification.

George Bush

The White House,

March 19, 1991.

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

March 19, 1991

To the Congress of the United States:

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies during calendar year 1989, the first year of my Administration. The report is required by the United Nations Participation Act (Public Law 264, 79th Congress; 22 U.S.C. 287b).

George Bush

The White House,

March 19, 1991.

Remarks at the Welcoming Ceremony for President Lech Walesa of Poland

March 20, 1991

President Bush. Mr. President, to all our Polish and American friends here today: A poet once wrote, ``Let me address you in the name of millions." Today, I address you in the name of millions who convey their admiration and love -- the people of the United States.

Two years ago, Lech Walesa became only the second private citizen from abroad to address a joint session of the Congress. And he impressed us then with his commitment to goodness, his passion for the hard-fought necessity we call democracy. Today he returns as his nation's first democratically elected President.

Mr. President, you have led by principle and example. You created a solidarity of spirit that inspired millions of Poles to risk their lives in steel mills, shipyards, and tenements and towns. And after winning the fight for independence, you instilled the sense of tolerance essential for letting democracy set down roots in an unsettled world. No wonder your countrymen sing to you, ``Sto lat, sto lat" -- may he live 100 years.

But you also understand that the cause of freedom cannot end at your own borders, and you proved it during the war in the Persian Gulf. You joined us in demonstrating to the entire world that we cannot permit aggression to stand. And you taught your countrymen that the answer to tyranny is international solidarity. And in the process, you helped shape a new world order.

That order, of course, began in Europe with the end of the cold war and the emergence of a continent whole and free. You played a key role in helping Central and Eastern Europe join the commonwealth of freedom. And you have worked hard to build a prosperous land upon tyranny's ruins.

This is not an easy task. In your New Year's Eve message, you talked of reform: political reform -- you've called for fully free parliamentary elections; intellectual reform that can help man begin the hard work of freedom; spiritual reform, honoring the One through whom all things are possible; and finally, you've spoken of economic reform, upon which so much depends. In your address to Congress, you said, ``We are not expecting philanthropy. But we would like to see our country treated as a partner and friend."

Today we rededicate ourselves to the success of free democracy in Poland and throughout Central and Eastern Europe.

Last week, the Paris Club agreed to cut Poland's official debt burden by at least 50 percent. The

United States worked long and hard to achieve that unprecedented agreement, and we encourage other creditors to join us in going beyond that 50-percent level. We certainly shall. We will reduce your indebtedness to us by a full 70 percent, a portion of which will help Poland fund a new foundation for the environment.

I am pleased to tell you, Mr. President, that I've asked the Congress to increase next year's grant assistance to these new democracies to $470 million, half again last year's request. And since the real engine of progress is not aid but trade, I am pleased to announce two new economic initiatives designed to help the nations of Central and Eastern Europe proceed along the path to growth and prosperity.

The American Business Initiative and the Trade Enhancement Initiative will encourage businesses to invest in your future. In addition, Commerce Secretary Robert Mosbacher will lead an investment mission to Poland this summer, letting U.S. businesses see the great opportunity the new Poland offers.

So, as you can see, Mr. President, we want your economic transformation to succeed, your new democracy to flourish. And we call on other nations to follow our example.

For two centuries, the love of liberty has linked our lands. General Kosciusko was a friend to our Founding Fathers, just as you and His Holiness Pope John Paul II are our steadfast friends today. Mr. President, our nations and heroes have long fought together to defend the rights of man. This historic commitment forms the core of the Joint Declaration of Principles that we will sign later today.

Two hundred years ago, gallant Polish freedom fighters praised these principles when they sang, ``Poland is not lost while Poles still live.'' Today we rejoice. Poland is not lost but has once again been found because men like you still live.

God bless you, your beloved land, and our United States of America.

President Walesa. Honored Mr. President, thank you for such a nice welcome. Thank you for your friendly words. I am happy that I stepped again on the hospitable American land.

I come as the President of a sovereign and democratic Republic of Poland, the country which was the first to challenge communism and today is building a system of freedom, democracy, and free enterprise.

It is not a coincidence that it is America which is the target of one of my first trips in my Presidential term of office. The United States has, for over 200 years, been exemplifying to the world how to build a system of freedom. The United States led the free world defending values of democracy and humanism. Your determination and your civilizational bloom were the hope of

Poles opposing alien domination. It was America, in the name of the international community, that restored recently peace and justice in the Persian Gulf.

Poland is not a world superpower; her actions do not have a global dimension. But it was Poland first in Central Europe to step upon the path of freedom. Poland is the country which paves the way for other nations liberating themselves from communism.

Poland also took upon itself the burden of leading in the structuring of a market economy. We used in the past the assistance of the United States of America -- political, economic, and first of all, moral.

Today, a major part of our debt burden was reduced. Your personal involvement in this cause has, for Poland, a historical dimension. It gives us new, great possibilities. For this help, I most cordially thank the great American Nation.

The changes in Poland are not completed yet. The political victory of Solidarity should be reflected in economic success. Our success is important not only to us; it is needed for Europe because it is a condition of order and stability. It is needed by the whole free world, for it extends its boundaries by the central region of the continent, it extends the zone of democracy and security.

The relations between the Republic of Poland and the United States have today reached their peak after the war. One could even say that they reached their peak in the whole of history. Our countries are linked by common values and the same ideals. We are linked by friendly collaboration on the international arena. I would like this to be followed by a development of mutually advantageous economic cooperation.

Free Poland is becoming a country of new economic opportunities. It is worth to broaden the cooperation with it, to trade and to invest. I invite you to this cooperation, for it is going to be advantageous to both sides.

I know, Mr. President, that you're a sincere friend of Poland. I'm grateful to you for your extremely goodwill interest in our problems. Our talks shall contribute to the strengthening of cooperation and the friendship of our nations.

God bless you, Mr. President. God bless America.

Note: President Bush spoke at 10:12 a.m. at the South Portico of the White House, where President Walesa was accorded a formal welcome with full military honors. In his remarks, President Bush referred to Secretary of Commerce Robert A. Mosbacher. President Walesa spoke in Polish, and his remarks were translated by an interpreter. Following the ceremony, the two Presidents met in the Oval Office.

Declaration on Relations Between the United States of America and the Republic of Poland

March 20, 1991

For over 200 years the United States and Poland have been bound by shared values and a commitment to the principles of democracy, human liberty and the rule of law. The American Constitution of 1789 and the Polish Constitution of 1791 are enduring symbols of this special bond, which survived even during the long periods when Poland's independence and liberty were denied. Our relations have been further sustained and enriched by the millions of Americans of Polish descent who over the generations have helped create a free and prosperous society in the United States.

Just as Poles supported America's quest for freedom and liberty more than two centuries ago, so has America stood by Poland during her long years of darkness. When the Polish people began to reassert control over their national destinies, the United States committed itself to supporting their pioneering efforts to secure their freedom and to build a market economy and stable democratic rule.

Poland and the United States share an interest in maintaining stability and security in the new Europe, and in working for the further strengthening of peace on the continent. Our relations are based on the United Nations Charter and principles of the Helsinki Final Act and Paris Charter, including sovereign equality, territorial integrity, inviolability of frontiers, non-intervention in internal affairs, and the rule of law. The United States attaches great importance to the consolidation and safeguarding of Poland's democracy and independence, which it considers integral to the new Europe, whole and free.

Relations between Poland and the United States have entered a new era of cooperation and partnership. The United States and Poland are committed to developing their new partnership through an enhanced political dialogue and regular contacts in areas of common interest.

Poland and the United States share the conviction that the development of a market economy in Poland is essential to its stability and security. The United States reaffirms its continued strong support for Poland's courageous program of economic reform. The Polish Stabilization Fund, the Polish-American Enterprise Fund, and U.S. support in international financial institutions are among the tangible signs of that commitment.

Poland's firm commitment to an economic reform program that enjoys the endorsement and support of the International Monetary Fund has made possible the mobilization of substantial new financial and other economic assistance from the international community. The United States and Poland have concluded a Treaty Concerning Business and Economic Relations and other key agreements that should facilitate trade and investment needed for economic growth and

prosperity.

Poland is engaged in an economic transformation of historic proportions in which its economic partners also have a key role in assuring success. We therefore welcome the agreement of the Paris Club on the substantial reduction of Poland's foreign debt obligations, which represents an historic and exceptional step by the international community to reinforce Poland's progress toward democracy and the free market.

The United States and Poland are also committed to developing their new partnership through closer cultural, educational, and scientific contacts.

The United States and Poland are convinced that these principles will further strengthen the bonds of lasting friendship and cooperation between both states, as an integral element of the broader partnership that binds the United States and Europe and of a new world order based on democratic values and the rule of law.

(TABLE START)

Washington, the 20th day of March, 1991.

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George Bush .... Lech Walesa

President of .... President of

the United States .... the Republic of

of America .... Poland

(TABLE END)

Note: The declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

Message to the Congress Transmitting the Annual Report of the United States Arms Control and Disarmament Agency

March 20, 1991

To the Congress of the United States:

I am pleased to transmit the United States Arms Control and Disarmament Agency annual report for 1990. This report deserves your close review.

The year 1990 witnessed the signing of the multilateral Conventional Armed Forces in Europe (CFE) Treaty, which, when satisfactorily implemented, will be a major step in reducing the numbers of deployed weapons in the area bounded by the Ural Mountains and the Atlantic Ocean. The U.S.-U.S.S.R. Chemical Weapons Destruction Agreement was also signed. Significantly, both the Treaty Between the United States and the Soviet Union on Underground Nuclear Weapon Tests (TTBT) and the Treaty on Underground Nuclear Explosions for Peaceful Purposes (PNET) entered into force. Substantial progress was made during 1990 in the Strategic Arms Reductions Talks (START) and in our efforts to curb the worldwide proliferation of weapons of mass destruction.

The Arms Control and Disarmament Agency's 1990 annual report provides details of these and other developments, including the conduct of arms control negotiations, the coordination of treaty implementation procedures, and other activities conducted pursuant to the Arms Control and Disarmament Act.

As the report illustrates, the dramatic changes in Eastern Europe and in U.S.-U.S.S.R. relations have not diminished the importance of effective and verifiable arms control agreements.

George Bush

The White House,

March 20, 1991.

Toasts at the State Dinner for President Lech Walesa of Poland

March 20, 1991

President Bush. Mr. President and Mrs. Walesa, 2 years ago Barbara and I had the privilege of dining at your home in Gdansk. And today we are simply delighted to have you and other members of the Polish delegation at the White House.

It's been said that the character of a people is embodied in its leaders. And that is certainly true of tonight's honored guest. Eight years ago you were unable to visit Norway to accept the Nobel Peace Prize. Tonight, America salutes you as an apostle of peace throughout the world.

Some leaders reflect their time. Mr. President, you have defined your time. You have been resolute in defeat and magnanimous in victory. You have fought to preserve liberty for all: for individuals, choice; for societies, pluralism; for nations, self-determination. To a crisis of the spirit, you supplied an answer of the spirit -- an answer forged upon trust in God and man.

Over the centuries Poland suffered through a winter of adversity. But you and your countrymen have delivered Poland into a springtime of thrilling possibility. You've brought us all to the verge of a new and freer world. And you helped a nation and a planet, if you will, summon lightness against the dark.

You've delivered the message of freedom everywhere. Go to Gdansk or Warsaw -- they know that by rediscovering its past, Poland is uplifting the future. Mr. President, under you, sir, Poles have learned anew that the individual, not the state, is the voice of tomorrow. You've used that voice to unlock minds and boundaries, enlarging Poland's horizons and helping build a new Europe, whole and free. For that, I thank you on behalf of every American.

Let me close with a story that shows the spiritual ties that bind our lands. It happened in 1776, when America was at a turning point in its history. A great Polish patriot fought with the Colonies, then returned to Poland with a simple three-word message. Today, 200 years later, you have returned General Kosciusko's message to the country of its birth: liberty, security, property. These words inspired the Joint Declaration of Principles that we signed today.

And so, now may I invite all our guests to raise our glasses to Polish-American friendship; to the health of our dear, admired friend; and to the liberty we can and must achieve for all the children of the world. Mr. President, sto lat. May you live 100 years. God bless you.

President Walesa. Mr. President, ladies and gentlemen, I'm convinced that I shall be at a loss for words to express my gratitude. It is for the second time that I'm present in the White House. It is,

to me, a reason for honor, and it is moving.

It is also proof of the friendship that links the American nation with the Polish nation. This friendship was seen by the hundreds of thousands of Poles who, here, found their second motherland. They came from across the ocean because they were looking for freedom. America was freedom to them and remained a symbol of freedom.

Today, we and the country on the Vistula River also have freedom. Nobody, thank God, has to leave Poland. We have achieved new prospects through the reduction of the Polish debt. We are deeply grateful for the role which you, Mr. President, played in this magnificent act. It is a relief for millions of Poles. We shall remember this.

Two years ago, you were a guest in my home in Gdansk. Now, I am your guest in America. I am met here with undescribable sincerity. I hope that we shall meet on many more occasions. At the end, I would like to toast the most popular politician in Poland. [Laughter] Today it was passed on to the mass media -- this politician, President George Bush. [Laughter] I came up third in the poll. [Laughter]

So, to your health and that of your wife. To the health of all present here, all the magnificent American friends, your health.

Note: President Bush spoke at 8:15 p.m. in the State Dining Room at the White House. In his remarks, he referred to President Walesa's wife, Danuta. President Walesa spoke in Polish, and his remarks were translated by an interpreter.

Remarks on Police Brutality and an Exchange With Reporters

March 21, 1991

The President. Marlin, have you told everybody that I will have a statement to say here?

Mr. Fitzwater. Yes, sir.

The President. Want to fire it up?

Mr. Fitzwater. I think we're ready.

The President. Well, let me simply say that I've asked the Attorney General for an update on our crime bill. And he's also going to brief me on the Department's review of allegations of police misconduct generally, and then the Los Angeles case specifically.

We've all seen those shocking videotapes and have seen transcripts of the incident in Los Angeles. And without getting into the specifics of the case, those terrible scenes stir us all to demand an end to gratuitous violence and brutality. Law enforcement officials cannot place themselves above the law that they are sworn to defend. This administration will investigate possible breaches of Federal law aggressively and will prosecute violators to the full extent of the law.

The vast majority of our law enforcement professionals obey the law scrupulously -- even in situations of great danger, even when they suspect that the criminals they arrest soon may go free. These brave men and women need the support of local governments. I have supported, and I will continue to vigorously support, honest police officers who obey the law.

I have in my mind that 83 police officers, just in the last 15 months, have lost their lives in the line of duty. They need the support of the court system, and they need the faith and the support of local citizens. Nothing is more important than defending a sense of national decency and promoting the rule of law.

I was shocked by what I saw in that tape -- that violence. And to the degree there's a Federal role here, I'm confident we will go the extra mile to see that that is fulfilled. I might add that the Attorney General and I remain fully committed to the passage of our crime bill which would give us the tools we need to more effectively wage the war against crime. And as I said on my statement to the Congress, I would hope that Congress would move fast. I think there's strong support now in Congress for this legislation.

Thank you all very much.

Q. Have you spoken to Chief Gates, sir? Have you spoken with Chief Gates since this incident?

The President. No -- --

Q. Do you think he should hang in or resign?

The President. I think that's a matter for Los Angeles. As many of you know, I feel that in many ways he has been an exemplary police chief. He's been out front on doing things for kids. I remember attending the D.A.R.E. program out there with him. I remember attending -- seeing ex post facto the wonderful job that the Los Angeles police did on buttoning up these crack houses. I'm familiar with the job the Los Angeles police are doing in fighting gangs.

But in terms of this case, certainly I think the man is entitled to his say. And it's a matter, the way I see it, for the local police department. The violation of Federal law by anybody, then that comes under the heading of our business.

Q. Mr. President, wouldn't you agree that a police chief sets the tone for his force and should be responsible for their actions?

The President. I have said all I have to say about it. And I've told you some good things he's done, and I think the man's entitled to a credible hearing here. That's the way it ought to be. And nobody's going to prejudge anybody here. What we're going to do is look into violations of the law and prosecute any of the people that have violated the Federal law and speak out against police brutality -- because what I saw made me sick. It was sickening to see the beating that was rendered, and there's no way, in my view, to explain that away. It was outrageous.

Q. Have you gotten a report on the New York case, Mr. President? And have you got any comment on that?

The President. I haven't had any report yet.

Note: The exchange took place at 1:35 p.m. in the Cabinet Room at the White House, during a meeting with Attorney General Dick Thornburgh. Marlin Fitzwater was Press Secretary to the President, and Daryl F. Gates was chief of the Los Angeles, CA, Police Department. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Taro Nakayama of Japan

March 21, 1991

The President met with Japanese Foreign Minister Taro Nakayama for approximately half an hour in the Oval Office. They discussed the success of the coalition efforts over the past several months. The President expressed his appreciation for Japan's contributions to the coalition against Iraq's aggression. The President sent his respects to Prime Minister Kaifu and stated that he looks forward to meeting with the Prime Minister when a mutually satisfactory date is arranged. The Foreign Minister conveyed to the President the regards of the Prime Minister and congratulations on the President's leadership of the coalition's success.

Note: The statement referred to Prime Minister Toshiki Kaifu of Japan.

Presidential Certification of the Prince William Sound Regional Citizens Advisory Committee

March 21, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 5002(o)(1) of the Oil Pollution Act of 1990 (Public Law 101 - 380, 104 Stat. 552), I hereby certify for the year 1991 the following:

(1) that the Prince William Sound Regional Citizens Advisory Committee fosters the general goals and purposes of section 5002 of the Oil Pollution Act of 1990 for the year 1991; and

(2) that the Prince William Sound Regional Citizens Advisory Committee is broadly representative of the communities and interests in the vicinity of the terminal facilities and Prince William Sound.

This certification shall be published in the Federal Register.

George Bush

The White House,

March 21, 1991.

[Filed with the Office of the Federal Register, 12:38 p.m., March 22, 1991]

Address on the National Days of Thanksgiving

March 22, 1991

Two months ago, with thousands of U.S. troops standing guard against aggression halfway around the world, I called on the Nation to pray and to ask for God's blessing and guidance as we approached a pivotal moment in our history. And Americans filled churches, synagogues, and houses of worship in record numbers. These prayers, and the support of countless Americans of all faiths, creeds, and walks of life, inspired the hearts and souls of the men and women in the service of our country.

Now the liberation of Kuwait is complete. Offensive operations in the Gulf region have ceased, and American troops are coming home. As they return, and with the hope that a safer, more peaceful world may finally be at hand, it is right that Americans should thank God for the many blessings and guidance.

And so, I have proclaimed April 5 to 7, 1991, as National Days of Thanksgiving. Once again, I urge Americans to unite in prayer and turn to our greatest power.

We give thanks for the remarkable unity of our people throughout the conflict and especially for the strong support shown for our troops in the field. I am confident that our nation will emerge stronger and more united to face the challenges and opportunities that lie ahead.

Though we thank God that our prisoners are home and our casualties were fewer than widely predicted, we must not forget all the innocents who have suffered as a result of the war. We hope for the immediate return of divided families and for the swift recovery from illness and injury.

Finally, let us look to the future and pray for a world marked by peaceful relations between people.

As we mark these National Days of Thanksgiving, may God bless the United States of America.

Note: This address was recorded March 11 at 3:01 p.m. in the Private Dining Room at the White House and was released by the Office of the Press Secretary on March 22.

Nomination of David T. Kearns To Be Deputy Secretary of the Department of Education

March 22, 1991

The President today announced his intention to nominate David T. Kearns as Deputy Secretary of the Department of Education. He would succeed John Theodore Sanders.

Mr. Kearns, chairman of Xerox Corp., currently serves on the President's Education Policy Advisory Committee. He also serves as a member of the board of trustees of the Ford Foundation, the National Urban League, and the University of Rochester. Mr. Kearns has written and spoken widely on education issues, including a 1988 volume he coauthored with Denis Doyle, ``Winning the Brain Race: A Bold Plan to Make our Schools Competitive."

Mr. Kearns is a Navy veteran and a graduate of the University of Rochester (B.S., 1952). He is married, has six children, and resides in New Canaan, CT.

Nomination of John T. Sanders To Be Chief Financial Officer and Deputy Under Secretary for Planning, Budget and Evaluation at the Department of Education

March 22, 1991

The President today announced his intention to nominate Dr. John Theodore Sanders, of Illinois, to be Chief Financial Officer and Deputy Under Secretary for Planning, Budget and Evaluation. He would succeed Charles Edward Mealey Kolb. The President indicated that he will ask the Congress to combine those roles into one position with the title of Under Secretary and Chief Financial Officer of the Department of Education.

Dr. Sanders, a Texas native, was nominated by President Bush as Under Secretary of Education on March 10, 1989, and was confirmed by the Senate on April 19, 1989. He became Deputy Secretary on November 5, 1990, when President Bush signed legislation elevating his position to that level.

An activist in education, Dr. Sanders formerly served as president of the Council of Chief State School Officers. He served as Nevada's superintendent of public instruction and before coming to the Department of Education in 1989, as State superintendent of education in Illinois.

Dr. Sanders graduated from Wayland Baptist University (B.S., 1964); Washington State University (M.A.T., 1970); and from the University of Nevada, Reno, (Ed.D., 1987). He is married, has four children, two grandchildren, and resides in Springfield, IL.

Remarks at the Swearing-In Ceremony for Lamar Alexander as Secretary of Education

March 22, 1991

The President. Thank you all. Thank you, Bill Carl. It's a pleasure to be here to witness the swearing-in of our new Secretary of Education, Governor Lamar Alexander. To the members of the Cabinet -- and I see so many here; distinguished Members of the United States Congress -- and I see many here; to former Secretaries -- I'm told -- don't spot them right now -- that Bill Brock and Mel Laird were here.

Let me just welcome all of you -- those from the White House. I'd like to, at the outset of this, pay my respects to the man who is going to do the honors, Judge John Minor Wisdom, one of the most distinguished jurists in the United States, who is with us here today.

For a challenge of this magnitude, it is my very good fortune to be able to call on a man with Lamar Alexander's considerable experience. He comes to this task the son of teachers. He's served as a very valued member of our Education Policy Advisory Committee, and most recently he's served the students of his home State as president of the University of Tennessee. Five years ago, as chairman of the National Governors' Association, he piloted the 50-State education survey, ``Time for Results," a report that put us on the path to the six national education goals that guide our efforts from now to the year 2000.

As a public servant, educator, and author, Lamar Alexander is a true renaissance man -- a man with great common sense, who knows what works. And he's also one of Tennessee's leading philosophers. He's got a saying you've probably already heard: ``Today a rooster. Tomorrow a feather duster." [Laughter]

Our setting today in this great Air and Space Museum is a fitting site for this ceremony. It reminds us of another time when this nation set for itself a national goal, that of landing a man on the moon. And we did it.

Lamar Alexander understands that real reform, real restructuring of American education can only take place at the State and local level. And that's one of the key reasons that I've asked him to become Secretary Alexander. He knows the key to success is to make certain education reform is national, not Federal. Nationally, we have established goals. We're setting standards, establishing priorities, and in the process, we're raising expectations. We must bring all levels of government and all Americans together -- parents, teachers, students, civic and business leaders, and all interested citizens -- to achieve our goals.

On the Federal level, we can serve as a catalyst for change. We can point the way forward,

contribute ideas, and help States and schools meet higher, better standards.

The Department of Education, through research and development, can help identify practical ways to improve teaching and learning for all students. We also can create incentives for change, and we can start with freedom of choice.

I know this idea has generated its share of controversy. But it isn't radical; it's common sense. It rests on a principle central to democratic society: the idea that individuals are capable of making wise decisions for themselves. In education, the concept of choice recognizes that parents are the real experts on what's best for their kids.

Often, parents with means -- families in the mid-to-upper income brackets -- already have choice. They can send their children to private schools or move to districts with the strongest public schools. Poor parents don't have these choices. So, let's be clear about who can benefit the most from greater freedom of choice. It's poor families who will benefit most from a healthy competition in our schools.

With Lamar as the sparkplug, we're going to move forward towards our national goals on many fronts and reiterate our commitment to educational excellence. We're going to make our schools better and more accountable, and we're going to reward excellence in our teachers. And we're going to challenge our children to learn. And we're going to encourage all American adults to recognize that learning is a lifelong process.

After all, learning doesn't happen only in school. Lamar likes to talk about something he calls the 91-percent factor: the fact that by the time the average American youth reaches the age of 18, he's spent 9 percent of his time in the classroom and 91 percent outside of it. We must work as a society to support the kind of values, culture -- the vital sense of community and, yes, citizenship -- that gives real meaning to all that our children learn.

I know some people question whether we can meet the ambitious goals we've set for ourselves, whether we can lower the drop-out rate or rise to first rank worldwide in math and science. Well, I'm convinced that we can. Think about this: the graduating class of the year 2000 is a third-grader today. Think about what it means to be an 8-year-old, about the world of learning that lies ahead. Let's help those kids learn all they can on the journey from 8 to 18, and then let's see where they take us in the next century.

Mr. Secretary, first let me say that this, as far as I'm concerned, is going to be a team effort for all of our Cabinet Departments. I think every Cabinet Secretary has some role to play in helping you meet these educational goals. And with that in mind, I would like to ask the members of our Cabinet that are here to stand up -- and the former members I do see now, Mel and Bill Brock and Bill Coleman over here -- but please stand up, we're going to make you committed to this goal we're undertaking right now. [Laughter]

Let me also say to you and to all the dedicated people at this Department, Mr. Secretary: There is no single issue that determines more about America, about our dreams and our destiny, than education. America's future walks through the doors of our schools every single day. For the sake of that future, America can settle for nothing short of excellence in our schools. Because of our commitment to education, we're creating a great team at the Education Department. Just this morning I announced my intention to nominate David Kearns, chairman of Xerox, to become the Deputy Secretary of Education. David, would you please stand up?

He may be coming out of the loftiest echelons of the business world, but no American business leader has more outstanding credentials or a deeper commitment to improve education for all our children. And then, I've asked Ted Sanders, the former president of the country's chief State school officers and who has served so ably as Acting Secretary, a man to whom I will always be grateful, to take on the new dual responsibility of Chief Financial Officer, Deputy Under Secretary for Planning, Budget and Evaluation, a key post. Ted, we're delighted. Would you please stand for us?

And with the help and support of the dedicated professionals at the Department, and there are so many -- many with us here today. And I want to thank each and every one of you. I am confident now that this is a team equal to the task before us.

Lamar and David were over yesterday and they presented me a fantastic proposal -- how we can go about meeting these national education goals. I'm excited about it. And I told them that which I want to say once again but this time to all the employees, those who are working at the Department of Education: This is priority. And I am committed as President to working with you and to supporting you in achieving these national goals.

I thank you all for being here for this wonderful ceremony. And now it is with great pleasure that I witness the swearing-in of Secretary Lamar Alexander. Thank you all very much.

[At this point, Secretary Alexander was sworn in.]

Secretary Alexander. Mr. President and Barbara, distinguished Members of the Congress, it's very difficult to put anyone else ahead of Judge Wisdom, as you can tell. I want to thank President Bush for giving me one of the most exciting opportunities in America: helping him be the Education President.

And I want to thank Barbara Bush for keeping up front the importance of literacy for every American. And I want to thank Judge Wisdom who, for the last 40 years or so, has been one of the most vigorous members of the Federal judiciary and one of the most adventuresome. On one evening, he brought the entire Fifth Circuit Court of Appeals down to Your Father's Mustache to hear our washboard band play when I was his law clerk.

I want to thank the President's own Marine Band. I've never heard the Marine Band play ``Rocky Top'' before, and I'm glad -- [laughter] -- to hear that. And the children from Amidon and the young men and women from Cardozo, thank you for being here today.

And Honey and Drew and Leslee and Kathryn and Will, thank you for putting up with a notorious father and one who has required you to move three times in the last 9 months. For our friends, who have come on short notice from a lot of different places, thank you. To members of the Cabinet, I'm the junior member of the team and looking forward to being a part of it. To Members of the United States Senate for taking such an interest in me and then after a while -- [laughter] -- confirming me unanimously, I thank you for that. And for the members of the Tennessee delegation and other Members of the Congress who are here.

And, Mr. President, you're a terrific recruiter. To have a chance to work with David Kearns and Ted Sanders as a part of the President's education team is something I'm very much looking forward to.

I also want to thank my sister Jane and her husband, Bill Carl, for coming from Dallas. Their sons, Jeremy and David, our nephews, sent me this message: ``Tell Uncle Lamar congratulations, and we hope this doesn't mean more homework.'' [Laughter] That made me think of how Jane and I grew up in Maryville, Tennessee, with our sister Ann. We were ready to learn because our mother took care of herself when she was pregnant. She read to us -- she and our father read ``Winnie the Pooh'' and ``The Little Engine that Could'' and ``The Adventures of Tom Sawyer'' even before we went to school.

We had more preschool education than anybody in this room because our mother had the town's only preschool education program in a converted garage in her backyard, and she had nowhere else to put us, and so we went there. We knew what we were expected to learn in school and we learned it because our teachers expected us to. And they helped us, as did our parents.

The most dangerous thing going in Maryville when we were growing up was football, and drugs were something you took when you were sick. There was always some adult hovering around to make sure we got a pat on the back when we did something right, and that we didn't get away with much. When we got in trouble at school, we got in trouble at home. That was the way we grew up.

Jeremy and David, my nephews, and our children are coming along in a very different world. All over America people are trying to adjust to that world. That adjustment is what we call our education. And because it is not easy, it is at the top of our concerns.

On March 6th, President Bush talked to Congress and the American people about reaching our potential, that we should make this country all that it should be. I like to look at things that way, too -- not as one big problem but as one big opportunity. I want to help President Bush be the

Education President, to help America do as well at home as it has done overseas. Almost everything we do at home has education at the bottom of it.

My nephews, David and Jeremy, may not think this is such good news because it may mean for them higher standards, tougher tests, and probably more homework. They may find themselves and certainly their children going to schools that are radically different learning systems than what we see today, as different from what they know today as this lunar module is from the propeller airplane.

This is the most visited museum in the world. And it is that because it stands as a symbol of what can happen when we unleash America's creative genius. We need to unleash that creative genius to create the best schools in the world.

Jeremy and David's parents, Jane and Bill, will be doing what the President just said. They'll be going back to school, too, because whatever they learned growing up isn't enough to live and work in the world the way it is today. And in downtown Dallas and in Maryville and everywhere, communities will be finding that the school can't do it all, or even most -- help a child grow up the way we had the chance to grow up.

Doing well at home is as important as doing well overseas and will be infinitely more complex because the army the President has to mobilize is every American.

An enterprising reporter found our mother right after I was nominated. And she told him, ``When Lamar grew up, I was teaching and Andy was on the school board. And at the dinner table we talked about better schools." We need that kind of talk going on at every dinner table in America.

Our Education President can mobilize that army, can get that kind of talk going and I hope I can be a sparkplug for change to help him do that.

Thank you.

Note: The President spoke at 9:40 a.m. at the National Air and Space Museum. In the ceremony, the following persons were referred to: William J. Carl III, pastor of the First Presbyterian Church in Dallas, TX, who gave the invocation and introduced the President; Mr. Carl's wife, Jane, sister of Secretary Alexander, and their sons, Jeremy and David; former Secretary of Labor William E. Brock III; former Secretary of Defense Melvin R. Laird; John Minor Wisdom, senior circuit judge of the U.S. Court of Appeals for the Fifth Circuit; former Secretary of Transportation William T. Coleman, Jr.; David T. Kearns, nominee for Deputy Secretary of Education; Ted Sanders, Under Secretary of Education; Secretary Alexander's wife, Honey, and children, Andrew, Leslee, Kathryn, and William; and the Secretary's parents, Flo and Andrew Alexander.

Statement on the Strategic Defense Initiative

March 22, 1991

Eight years ago, the Strategic Defense Initiative spurred research and development of technologies necessary to defend the United States and our allies from the threat posed by ballistic missiles. Since 1983, SDI has accomplished much. Technological and engineering breakthroughs have brought us closer to smart or even brilliant defenses. We have proved that it is possible to intercept a ballistic missile warhead in space. But much work remains to be done before we have the defenses we need.

Even as we are hopeful that we can achieve a more stable strategic balance with the Soviet Union, the threat from ballistic missile proliferation is growing. Today, U.S. forces abroad and U.S. allies live under a growing threat from ballistic missile attack. While the Patriot air defense system performed remarkably well, we can do far better in protecting our troops and our friends and allies. We will have to, because we will face much more dangerous threats than the Scud. Moreover, the decisions we make on SDI today will affect our capabilities into the next century. By then, the United States itself may also face a greater threat from ballistic missiles.

The primary limit to our ability to develop the technology necessary for ballistic missile defense is our commitment to do so. The pace of our research has been limited not by technological difficulties but by Congress' unwillingness to fund SDI adequately. I have listened to the concerns of congressional leaders and taken into account the changing strategic environment. As a result, I have refocused SDI's priorities to provide protection against limited ballistic missile strikes. Now it is up to Congress to respond by supporting my request for SDI funding.

Ballistic missile defenses threaten no one. Not only can they help preserve the peace but, as we have seen, they can save lives. Our troops and allies in the Middle East have already benefited from them. America deserves no less.

Appointment of Ed A. Hewett as Special Assistant to the President for National Security Affairs and Senior Director for Soviet Affairs

March 22, 1991

The President announced today the appointment of Dr. Ed A. Hewett as a Special Assistant to the President for National Security Affairs and Senior Director for Soviet Affairs.

Dr. Hewett has been a senior fellow in the foreign policy studies program at the Brookings Institution since 1981. From 1971 to 1981 he was associate professor of economics at the University of Texas at Austin. He has served as visiting professor at the University of Pennsylvania and Columbia University and has been a visiting scholar at Harvard's Russian Research Center and the Institute for World Economy in Budapest. A founder and editor of the journal Soviet Economy, Dr. Hewett served as chairman of the National Council for Soviet and East European Research and president of the Association for Comparative Economic Studies. He is a member of the Council on Foreign Relations, the American Economics Association, and the American Association for the Advancement of Slavic Studies. Dr. Hewett is the author of many books and articles on Soviet affairs. His most recent books are ``Reforming the Soviet Economy: Equality vs. Efficiency'' (1988) and ``Open for Business: The Soviet Union and the Global Economy'' (in press).

Dr. Hewett graduated from Colorado State University (B.S. and M.S., 1964 and 1966) and from the University of Michigan (Ph.D. in economics with a certificate in Soviet studies, 1971). He speaks Russian and Hungarian.

The President's News Conference With President Turgut Ozal of Turkey

March 23, 1991

President Bush. Mr. President, welcome to the White House.

Let me just say that we've had a very pleasant, informal visit at Camp David, in perhaps the worst weather I've seen up there. But in spite of the weather, President Ozal and I have had a chance to go over many issues, bilateral issues, and of course, we talked about the Gulf area. I had an opportunity to thank him eyeball-to-eyeball for the best communications I believe any two countries could possibly have had, for his advice, and for his steadfast adherence to principle from day one. The Turkish Government never wavered one inch. And I'm very proud to have a chance to say that to the American people here today.

Mr. President, if you'd like to say something, and then I expect we'll just take a few questions.

President Ozal. First of all, I would like personally to thank President Bush and Mrs. Bush for exceptional hospitality you've shown us in Camp David.

And we had, as the President indicated, very interesting and nice and very informal talks in many subjects. And I am very happy, and I would like to thank again.

Just one more point. President Bush has shown very exceptional leadership ability during the course of this Gulf crisis. And I have noticed this from the beginning to the end. And I would like personally to thank on this and on my country -- for my country, and also for many people, I believe, there it has shown.

Thank you.

President Bush. What we thought we'd do, inasmuch as there are many Turkish journalists here, is just alternate between U.S. and Turkish. And inasmuch as I'm up here, why don't I start.

Situation in Iraq

Q. Mr. President, what is your assessment of the Iraqi Cabinet shake-up today?

President Bush. Well, we discussed that at length, and I would simply say that Saddam Hussein appears to still be calling the shots. And as I have said before, normal relations with the United States cannot be effected with Saddam Hussein still calling the shots, still in power. There are some interesting Cabinet shifts, but nothing that appears to depart from support for Saddam

Hussein's policies.

Did you want to add to that, Mr. President?

President Ozal. No, I think you're right. You said right.

Q. Did President Ozal bring you a message from Saddam Hussein today?

President Bush. No.

Now, is a Turkish journalist -- --

Turkey-U.S. Relations

Q. Mr. President, is Turkey a better ally now than she was, say, 6 months ago?

President Bush. Well, I don't know how I'd quantify it, but I would simply say that Turkey has been a steadfast ally, a strong member of NATO. But I would say stronger in the sense that the American people see very clearly how steadfast Turkey has been in all of this. So, if you would rephrase it from ``stronger ally'' to say ``more appreciated here,'' I would certainly say, true. But the only reason I'm hedging is that I've always considered Turkey a fundamentally strong part of NATO and a very important contributor to the common security.

Q. How would you define for the future of the relations?

President Bush. Well, I see nothing but sunlight out there. Looks encouraging. We've got problems -- Turkey has got some economic problems. We discussed them frankly. We talked to the President about that. I hope that the United States can continue to be helpful.

But in terms of trying to effect a peace in the Gulf and in the Middle East generally, I think Turkey has a very useful role to play. And indeed, President Ozal suggested that they might be willing to play a useful role. So, as these plans develop for security and stability in the Gulf, peace in Lebanon, for example, peace between Israel and the Palestinians -- getting that problem hopefully solved -- I think you'll see more and more of Turkey making a significant contribution.

Situation in Iraq

Q. Mr. President, did President Ozal bring you any information that makes you more confident that Saddam Hussein will fall sooner rather than later?

President Bush. No, but I'll let him address himself to that. He didn't have any specific

information.

President Ozal. I didn't bring any specific information. Before coming here, the Iraqi Ambassador visited me. But from that talk I understood they're having a very difficult situation. I can only say that.

Q. Do you think Saddam Hussein will survive?

President Ozal. That I don't know. That's difficult to make an estimate, but it's difficult for him to stay.

Q. President Bush, can you give us some sense of what reports you're getting on how the rebels are doing in the south, in the north, also about clashes in Baghdad?

President Bush. Well, we're getting mixed reports. Not very much on what's happening in Baghdad. There's a tight net thrown over any possible coverage coming out of there. In the south, apparently the rebels are still fighting hard. I think Saddam Hussein made a claim that it was put down, but that is not correct. In the north, it's about the same thing.

So, I think it's fair to say that there's enormous consternation and turmoil inside Iraq today. And we're playing no part in that. But it shows, I think, great unrest with the rule of Saddam Hussein.

Q. There's a sense -- just to follow up -- that we are playing a part, that military pressure is being stepped up with the planes being shot down, with forces staying in the area. General Powell said to that effect that troops were going to be in Iraq for quite some time.

President Bush. Well, I don't think any -- I think it would be erroneous to suggest that there's a step-up from the outside, from the U.S. side, on the internal problems inside of Iraq. I don't believe that. In fact, its forces are there and will stay there until the cease-fire agreement is worked out. That's been stated from the very beginning. We stated from the very beginning that they ought not to fly their aircraft. And I think they've learned now not to fly the aircraft. I hope so. So, I would disabuse anyone of the view that there's stepping-up pressure at this point from the United States.

Cyprus

Q. Mr. President, the Turkish Government recently offered some proposal to the U.N. Secretary-General for the solution on the Cyprus problem. Are those enough for the solution? What is your opinion, sir?

President Bush. Are you addressing me or -- yes. Well, we discussed the Cyprus question today. The view of the United States is we continue to support the mandate of the Secretary-General.

We have an able Ambassador who's spending full time on this Cyprus question. And I have nothing to add to it.

We did discuss with President Ozal -- and I want to leave it for him to elaborate on -- some ideas about the solution to the Cyprus question. But let's hope now, with the good will that Turkey has earned and with the view that the Greeks have about wanting to see this problem solved, that it can be solved. But I can't go -- I'm not going to go into any specifics.

Mr. President, do you want to comment?

President Ozal. No, I don't want to go into specifics. But I just pointed out to President Bush, this problem is not 70 years old; it is 27 years old. And it's basically among two communities which they want to become equal rights, I think, the Turkish community and the Greek community in Cyprus.

Assistance for Turkey

Q. Mr. President, what assurances did you give President Ozal about continued or increased economic and military aid beyond what is already in the pipeline?

President Bush. Well, we discussed the aid that has already been granted. And as a matter of fact, inasmuch as he had the significant role to play in this, Senator Byrd, who I would consider a very staunch friend of Turkey and has been helpful to me in pointing out the needs of Turkey -- we called him last night from Camp David and had a nice talk with him.

But beyond that, we listened to the plea from the financial side of the Turkish Government, from the President itself. They have some problems. They need some short-term loans, and we said that we would try to see how we can be of further help. But we didn't go into numbers. We did not go into a specific funding request -- I mean, funding commitments or things of that nature.

I think the President understands we've got financial problems. But I have a much clearer view of his financial problems today. And let's just hope that, working with the multilateral agencies and then with our own Treasury, that we can be of further assistance to Turkey.

Q. Can I just follow up? What about on the military aid component? What increased aid will be given?

President Bush. Well, without going into the specific list, there are certain things that Turkey has, things that I think would be in the interest of Turkey as a NATO partner. And we will be discussing those in detail with Secretary Cheney and others. President Ozal had a chance prior to this meeting to go over that with Jim Baker because, as you remember, the Secretary stopped by there. And incidentally, Secretary Baker was up there with us this morning.

So again, I don't want to go into the detail. I'd be glad to have President Ozal add anything to this. But Turkey has some specific military requirements, and we're discussing them.

President Ozal. Probably Turkish newspaper people know that our aim to have smaller but very well-organized armed forces -- I mean, modernized. And if we could get some help on this matter, it would be very much appreciated. That's all.

President Bush. The Turkish journalists -- who's the next Turkish journalist? You're not Turkish -- get out of there. [Laughter] Way in the back.

Q. -- -- your agreement to expand the scope and the framework of the Turkish-American military cooperation so that it would cover non-NATO contingencies and missions as well?

President Ozal. We have not discussed that.

Situation in Iraq

Q. Mr. President, do you think that Iraq would be better off if the Kurds or the Shiites succeeded in toppling Saddam Hussein?

President Bush. I don't think it's for us to try to see what will follow on in Iraq. All I've done is state that it will be very difficult for the United States -- in fact, I'd say at this juncture, impossible -- to have normalized relations with Iraq with Saddam Hussein in power. But I think it would be inappropriate to try to shape or suggest even what government should follow on. I would hope that it would be one that could work very compatibly with the Western powers, Western countries, and live happily ever after without threatening its neighbors.

Now, the military side -- I am convinced that their ability to threaten their neighbors has been diminished, if not eliminated. And our general officers, Powell and Schwarzkopf, feel that the ability of the Iraqis to wage offensive war against their neighbors is gone.

But what we're looking for is stability. We're not looking for disorder. And we're looking for somebody that is going to lead that country in the ways of peace and to take the enormous resources they have, pay off their obligations to others, and then raise the standard of living for their own people who have been in a war situation for too many years already.

But beyond that, I don't think it would be appropriate for the United States -- I'll let President Ozal again comment on this -- to comment whether it ought to be a government controlled by one element or another.

Maybe you all have a different policy on this.

President Ozal. No, I don't have a different policy. We don't mind what is going on in Iraq. And probably what we want to see -- a more democratic government and more rights to the people of Iraq. That's all.

Q. Can I follow up on that? Have you come to the conclusion that the case of downfall of Saddam Hussein, the power vacuum in Iraq could be replaced easily, and have you addressed the situation in northern Iraq?

President Bush. Is this for me or for President Ozal?

Q. Both.

President Bush. Go ahead, you're the expert in the area.

President Ozal. I really don't know because we have been so much involved with only one man in power, single man in power in Iraq. And probably our thinking is such a way that there should be no replacement. But I don't think so.

Q. Can I follow up on that? Will Turkey allow an independent Kurdistan in Iraq -- Kurdish state in Iraq?

President Ozal. No, I said no.

Q. Did you discuss recent Turkish contacts with Iraqi opposition, namely Kurds?

President Bush. I didn't have any discussions. Maybe others did. I did not.

Yes, last one. This is the last. We really have to head -- --

Q. You said the United States was staying out of those internal affairs. Are you satisfied that Iran is staying out of the internal affairs? And could you give us your assessment of the way Iran has behaved from the time the -- --

President Bush. Well, I'm not sure I do understand what Iran's role is in the south. And I'm not sure -- there have been some reports of people going across from Iran into southern Iraq. But I haven't seen an estimate on it. What was your second part?

Q. Their behavior as far as the planes, for example -- they've decided now to keep the planes.

President Bush. That didn't surprise us at all.

Q. Okay. Do you want -- or have you told Iran to stay out?

President Bush. I don't believe we've made a direct representation to Iran of that nature.

Q. Don't you think we should?

President Bush. Well, I think it would be better if everybody stayed out and let the Iraqi people decide what they want to do. I think that would be much -- the best approach. Yes, I would use this opportunity to say that. And that's what we plan to do. And so, I think that's the best answer to a very, very complicated question and a situation that's now in turmoil inside of Iraq.

But I think that, in terms of the airplanes, it doesn't come as any surprise to me that Iran is not sending back a bunch of airplanes. Frankly, I'm very pleased that they're not. But that has little to do with who's intervening inside of Iraq.

Well, thank you all very, very much.

Hostages in Lebanon

Q. What about the Western hostages in Lebanon?

President Bush. Oh, I hope they get out.

Note. President Bush's 76th news conference began at 3:37 p.m. in the Briefing Room at the White House. In the news conference, the following persons were referred to: President Saddam Hussein of Iraq; Tariq `Abd-al Jabbar Jawad, Iraqi Ambassador to Turkey; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; Nelson C. Ledsky, Special Cyprus Coordinator; Senator Robert C. Byrd; Secretary of Defense Dick Cheney; Secretary of State James A. Baker III; and Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf.

Remarks at the Gridiron Dinner

March 23, 1991

Thank you very much: Mr. Vice President and members of the Cabinet, members of the congressional leadership, diplomatic corps, special guests. And on this special Gridiron evening, may I single out the members of the Joint Chiefs and the other members of the military that are with us tonight. May I also single out Messrs. Baker and Strauss. [Laughter] After sitting through their parts in the program, I'll say this: If I'd had a white flag, I'd have waved it. [Laughter] No, I thought they had some very good material. The ground war only took 100 hours. [Laughter]

I'm very happy to see Kuwait's Ambassador here -- Al-Sabah, the Ambassador from Kuwait. I understand that during his recent travels with Jim Baker, Jim tried out some of tonight's jokes on him. And after hearing them, the Ambassador said, ``Don't you think we've suffered enough?" [Laughter] No, but Jim put it well. We have been friends. And I have total confidence in him. Remember 1980? He's the guy who told me in New Hampshire, ``Don't worry; let the guy from California pay for the mike." [Laughter]

And I understand Eppie Lederer is with us tonight over here at table 12. We all know her as Ann Landers. Apparently, Bob Strauss wrote to her recently, and she asked me to read her response: ``Dear Washington Wheeler-Dealer," it says -- [laughter] -- ``yes, take the money from both sides." [Laughter]

But this has been a very special evening with emphasis understandably on the Gulf. And it's great to have so many members of the press back from the Gulf in time for this Gridiron. I know many of the reporters out there were roughing it lately. Sam Donaldson, though, said it wasn't so bad staying at the Sheraton Riyadh. In fact, he said the towels were so fluffy that he could barely get his suitcase shut. [Laughter]

Some air war, wasn't it? I've just learned the three words every Iraqi pilot dreaded the most: Cleared for takeoff. [Laughter]

What a crowd. I haven't gotten so many laughs since my last speech on domestic policy. [Laughter] Thank you.

Now the attention is turned back to the homefront, maybe Wolf Blitzer can go back to his real name. [Laughter]

I'm glad that politics '92 didn't rear its ugly head too much tonight. Well, it did a little bit. And I understand that there is speculation already about the '92 race. In fact, just the other day, Jim Palmer sent a telegram to George McGovern. It read: ``Heard you were considering a comeback. Stop." [Laughter]

No, but it has been a special evening. I notice that Bernie Shaw was sitting at the table instead of under it. [Laughter]

All kidding aside, though, really it has been, I think, the most enjoyable Gridiron in many, many years. Barbara and I enjoy ourselves always. I must say that, with all respect to the two skits and to Ambassador Strauss and to Secretary Baker, I think that the most moving part, the most wonderful part of the evening, was the tribute to the troops. And there was a special line in it, you may have heard in the beginning: ``Through the fog of distant war shines the strength of their devotion." And as I've said before, our soldiers and our sailors and our airmen and our marines and our coastguardmen embodied the ideals of honor and bravery and duty and country, and were willing to sacrifice for the sake of those simple words. And they liberated a nation abroad and helped transform a nation at home.

So, once again, Budge, my congratulations to you, sir. Thank you for a very special, enjoyable Gridiron evening. And may God bless the families of all those soldiers that we lost in action.

Thank you all very, very much.

Note: The President spoke at 7:08 p.m. in the Presidential Ballroom at the Capital Hilton Hotel. In his remarks, he referred to Secretary of State James A. Baker III; Robert Strauss, former chairman of the Democratic Party and former Special Representative for Trade Negotiations; Saud Nasir al-Sabah, Iraqi Ambassador to the United States; advice columnist Ann Landers; reporters Sam Donaldson of ABC News and Wolf Blitzer of Cable News Network; retired baseball player Jim Palmer, who had recently attempted a comeback; former Senator George McGovern, a former Democratic Presidential candidate; Bernard Shaw, one of CNN's reporters in Baghdad, Iraq, during the early stages of the Persian Gulf conflict; and Godfrey ``Budge" Sperling, Jr., president of the Gridiron Club. A tape was not available for verification of the content of these remarks.

Remarks on Signing the Greek Independence Day Proclamation

March 25, 1991

The President. Thank you very much for the welcome. Please be seated. It's a great pleasure to see so many friends here today. Of course, a very special pleasure just now to welcome Archbishop Iakovos back to the Oval Office. He's been there on several occasions since I've been President; certainly before, many times. But it gave me an opportunity to express my respect and appreciation for him. He's been a wonderful friend and a good counselor on very important matters.

I want to salute Ed Derwinski. He's not Greek but he was a former Member of the Congress. [Laughter] He's got a lot of friends in the Greek-American community, I'll tell you. And I also am delighted to see Ambassador Zacharakis who's here -- another man who's doing a superb job.

And I might say, before we get into the festivities of the day, that I'm very comfortable and pleased with the relationship between Greece and the United States. And I have great respect for Mr. Mitsotakis, who is doing a superb job. I hope you will convey that to him, please, Mr. Ambassador.

But here we are to designate this day again, March 25th, Greek Independence Day. March 25th marks several turning points in history. And just as Americans and Greeks share many common values, we each hold this date in special reverence for the strides we've made in the name of freedom.

It was in the spring of 1584 that the first colonists set sail from England in search of new opportunities and independence. One hundred and seventy years ago, the Day of Annunciation, 1821, the Greek banner of revolt was first raised in the successful uprising in the name of liberty.

The shared significance of this date is more than a coincidence. It is just one example of the common ideals and values the people of Greece and America hold so dear: freedom, democracy, human rights, and justice. And under the current leadership of Prime Minister Mitsotakis, with whom I had the pleasure of meeting twice last year, the relationship does, as I said earlier, continue to flourish. And I hope that he and I will meet soon again.

I'd like to take a moment to thank the people of Greece for their support and cooperation in this historic coalition effect to liberate Kuwait from ruthless aggression. The people of Greece can take great pride in their country's role in protecting the rule of law.

And so now, after again saying how pleased I am to see so many friends here today for this

occasion, it is my pleasure to put pen to paper and proclaim Greek Independence Day: A National Day of Celebration of Greek and American Democracy.

[At this point, the President signed the proclamation.]

The Archbishop. Mr. President, on behalf of the 3-million-strong Greek Orthodox community in the United States, I offer to you our most humble thanks for signing once again today, the 25th of March, 1991, after 170 years from the Greek independence -- the first -- proclamation which calls all of us to uphold the ideals and values upon which the ancient Greek and the modern American concept of democracy is founded.

We ask you to accept our warmest reassurance of our continued commitment to the full support of your historic efforts to have freedom and justice ultimately prevail, and follow the foundation for the new world order for which you so arduously labor.

God bless you. This is our prayer -- constant prayer -- Mr. President, and inspired strength to you as you lead the world towards a state of permanent peace.

The President. Thank you all.

Note: The President spoke at 11:26 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Archbishop Demetrios A. Iakovos of the Greek Orthodox Archdiocese of North and South America; Secretary of Veterans Affairs Edward J. Derwinski; Christos Zacharakis, Greek Ambassador to the United States; and Prime Minister Constantinos Mitsotakis of Greece. The proclamation is listed in Appendix E at the end of this volume.

Remarks and an Exchange With Reporters Prior to a Meeting With Finance Minister Theo Waigel of Germany

March 26, 1991

The President. I wanted to take this opportunity publicly to thank you for Germany's wonderful cooperation and financial contribution as well as many other things during this Desert Storm. I understood from day one the German position, and we had very close consultations with the Chancellor. I know that you were in touch with Secretary Brady and others, and I am grateful for the financial support, but even more for the understanding. It's not just restricted to Desert Storm; it goes over into the role you all are playing in terms of working out cooperatively the Polish debt. I don't think Germany gets enough credit for having been very, very understanding about that -- --

Q. Going to get any money back?

The President. -- -- and other areas of cooperation. So please extend my best to the Chancellor and wish him well.

The Finance Minister. Thank you very much. And I want to congratulate to the great success not only for your country but for the whole of the world, as it was very important for us. We are very happy with you.

Q. Mr. President, is there going to be any left over from the contributions?

The President. I am confident that the Minister and Secretary Brady have understanding on the costs involved, and I'm very grateful to Germany for their participation in all of this, as I am to other friends and allies. I'm afraid it's not going to be any cheaper, if that's what you mean, than original estimates.

Thank you all very much.

Note: The President spoke at 1:24 p.m. in the Oval Office at the White House. In his remarks, he referred to Chancellor Helmut Kohl of Germany and Secretary of the Treasury Nicholas F. Brady.

Statement by Press Secretary Fitzwater on the President's Meeting With Finance Minister Theo Waigel of Germany

March 26, 1991

The President met for approximately a half hour today with German Christian Social Union Chairman Theo Waigel in the Oval Office. They discussed the post-war situation in the Middle East, the economic and social dimensions of German unification, and the importance of supporting the new democratic states of Central and Eastern Europe.

Chairman Waigel, who is also German Finance Minister, reaffirmed Germany's commitment to fully honor its pledges of financial assistance for Desert Shield and Desert Storm. The President reiterated his appreciation for Germany's strong financial and other support for the multinational coalition in the Persian Gulf.

Question-and-Answer Session With Reporters in Bethesda, Maryland

March 27, 1991

President's Physical Examination

Q. How did it go? Any problems?

The President. Perfect go.

Q. Is that right?

The President. Yes.

Q. What took so long?

The President. Ask Burt. Do you want an official statement? We'll give you Burt Lee.

Q. Want to know how you feel.

The President. Feel good. Look, I'm not going to go into any details. I'll leave this to -- --

Q. We want to know all the details.

The President. You do not. No, it's fine. It's very good.

Q. Was it a complete physical?

The President. Yes, total, everything.

Q. It was fun?

The President. I didn't say fun. [Laughter] Just had a nice lunch out here.

Q. What did you eat?

The President. I hate to tell you because you'll think I'm an elitist. [Laughter] Lobster. No, it went very well, very well.

Q. What did they say about your glaucoma?

The President. Better. Burt, the eyes are better than last year, right?

Dr. Lee. Yes, the same if not better.

The President. The same if not better.

Q. Are you taking -- --

The President. It's all right, under control.

Q. What took so long, Mr. President? It seemed like it took longer -- --

The President. Eyeballs. Eyeballs.

Dr. Lee. And an excellent lunch.

The President. Nice lunch. And lack of a desire to go back to work. [Laughter]

Q. Why is that?

The President. Because I enjoy it -- he's so darn nice -- the admiral and his troops are wonderful. No, it went very well. So did Barbara. Barbara got a good, clean bill of health yesterday. Well, she has her Graves' problem, but it's much better than would have been expected. So, anyway -- --

Q. Lobster is not good for the cholesterol.

The President. Well, I don't have a cholesterol problem.

Dr. Lee. Absolutely none.

The President. I'm lucky, really.

Q. What test results are you still waiting for? Do you have any?

Dr. Lee. Well, Helen [Helen Thomas, United Press International], the consultants will be coming back to us within the next 2 weeks, and you'll be informed.

Q. On what?

Q. -- -- anything like that?

Dr. Lee. No. Everything is perfectly normal.

The President. When you were sick I didn't inquire this much into your health. [Laughter]

Iraq

Q. Well, moving on to something else, Mr. President -- --

The President. Yes.

Q. -- -- the internal situation in Iraq looks like that Saddam is -- well, what do you -- do you think Saddam is going to be able to hold on, and do you think that -- --

The President. No, I've said all along that -- well, I've said that we won't have normalized relations as long as he's there. There's enough dissent and disorder that it appears that Iraqi citizens are trying to do something about this. So, we'll wait and see how it plays out. But I think you'd have to put him down as fairly doubtful at this point.

Q. You wouldn't consider intervening in any way to help this along, in particular, the use of the helicopters?

The President. We were there under the United Nations resolutions. We're now trying to finalize the cease-fire, and that will take care of the U.S. role. Of course, we'll have an interest in seeing that those U.N. -- the new U.N. provisos are complied with. It's a fairly -- fairly stringent requirements, not too stringent because of what he's done. But there are some things that he'll have to do to comply. And that we'll be watching.

But I want to get our forces back home as soon as I can, and I want to get them out of Iraq as soon as I can. And I think you'll see that they'll come out very fast when we get this cease-fire.

Q. You can do a permanent cease-fire even if he's using the helicopters for combat?

The President. There will be a cease-fire. That was not a requirement of the United Nations. It's not in the resolutions.

Q. So, have you ruled out something against the helicopters?

The President. I haven't ruled out anything. I'm just saying what's in the cease-fire.

Q. Are you satisfied with the U.N. resolution?

General Schwarzkopf

Q. Sir, did General Schwarzkopf suggest that you keep the war going longer?

The President. No. I understand that Dick Cheney -- Secretary Cheney -- put out a statement, having talked to Schwarzkopf, and I don't think there's any difference between any of us -- me, Cheney, Powell, or Schwarzkopf. So, I think there was a comment -- --

Q. Did you see his comments?

The President. I saw it in the paper.

Q. I mean, he suggested that history would have to judge whether you stopped the war too soon.

The President. Well, I'm prepared for that. But I have full confidence in General Schwarzkopf, but all I know is that there was total agreement in terms of when this war should end. And it's total, and there's -- not even questionable. And I think Schwarzkopf will be the first -- --

Q. Why did he say that then?

The President. I'd go ask him.

Q. He said he recommended going longer.

The President. Go ask him. Go ask him. He didn't say that -- --

Q. Have you called him on that?

The President. He didn't say that. Be careful.

Q. He said he recommended to you not to stop the war yet.

The President. No, I don't think he said that.

Q. -- -- to go for total annihilation.

The President. If he did say that, that's not correct, but he didn't say it. That's not what he said.

Q. Well, did it come as news to you, this interview where he did make -- --

The President. I have such high regard for General Schwarzkopf that I'll let him explain what he said. All I'm talking about is the facts. And Secretary Cheney put the facts out very clearly. I just read the statement. So, I would refer you to that. It is totally accurate and there's no -- I don't think you'll find anybody that disagrees with it.

Iraq

Q. Have any rebel groups asked for help?

The President. Not that I know of.

Q. Of the U.S.?

The President. No, I don't believe that they have. If they have, it hasn't come to me.

Q. Are you satisfied now with the wording of the permanent cease-fire resolution?

The President. Well, I haven't seen any changes that might have been suggested today, but I am satisfied with the draft we sent up there. There have been a few modifications, but basically it's on track, Helen.

Q. Did you say before that you don't expect Saddam to last much longer?

The President. Well, I didn't say ``much longer," but he will not -- put it this way: with this much turmoil, it seems to me unlikely he can survive. People are fed up with him. They see him for the brutal dictator he is. They see him as one who tortured his own people. They see him as one that took his country into a war that was devastating for them. And this turmoil is not simply just historic unrest; it's historic unrest plus great dissatisfaction with Saddam Hussein.

So, you can figure out what that means in time. I don't know. I don't know how long it will take.

Q. Are you -- [inaudible] -- at this war?

The President. No. I think we did something that will stand in history as correct. We said that aggression would not stand, and it didn't. And the whole world came together in that. So, there's no hornets' nest open, simply exposing a dictator for what he is and worse. That's what's coming out of it.

Listen, I've got to run. Any more physical questions? [Laughter] Would you like some pictures?

President's Physical Examination

Q. What was your favorite test? [Laughter]

The President. We're thinking of releasing some beauties here.

Q. Did they recommend anything for you to do?

The President. I refer all this to my doctor in whom I have total confidence, Dr. Burton Lee.

Q. -- -- slow down?

Q. Did he suggest to cut down on travel?

Q. More power walks?

The President. Yes. Yes, everything.

Note: The exchange began at 1:45 p.m. on the grounds of Bethesda Naval Hospital. During the exchange, President Bush referred to Burton J. Lee III, Physician to the President; Rear Adm. Donald Hagen, commander of the National Naval Medical Center; President Saddam Hussein of Iraq; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; Secretary of Defense Dick Cheney; and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on the President's Physical Examination

March 27, 1991

President Bush today completed a routine physical examination at Bethesda Naval Hospital and is in excellent health. The President's examination lasted approximately 5 hours. The physical was conducted under the direction of Dr. Burton Lee, the President's personal physician.

``The President continues in excellent health," Dr. Lee said. ``There were no surprises at the physical exam. He remains an extraordinarily vigorous man who continues to thrive on a great deal of physical activity and a rigorous, demanding work schedule."

Ophthalmologists continue to test the President for any progression of his glaucoma, but his condition remains stable. No treatment appears to be indicated at the present time.

Among his other test results are: chest x-ray, normal; x-rays of hips and neck, mild degenerative osteoarthritis; electrocardiogram (EKG) and stress test, normal; urinalysis, no abnormalities; normal urologic exam; colonoscopy within normal limits; blood tests completely normal, including cholesterol, triglyceride, and lipoprotein levels; dermatology, no significant problem or change; and his allergy problems remain minimal and unchanged.

Note: The statement referred to Burton J. Lee III, Physician to the President.

Remarks to State Department Employees

March 27, 1991

The President. Thank you all very much for that warm reception. I really wanted to come over here, and I really wanted to say thank you. And I wanted to address our foreign policy professionals and all those who support them. You are, indeed, the men and women on the front lines of American interests, both in war and in peace. And this recent situation was no exception.

Dwight Eisenhower once marveled at freedom's power to assemble ``lightness against the dark." Well, I think that all of you showed that rather eloquently in this Gulf situation, indeed, in our victory in the Persian Gulf. You acted for right against wrong. I don't know how each and every person here was motivated, but for me, very early on it became a clear choice of good versus evil, of right versus wrong. And when that happens it makes it easier to make some of the decisions.

You spoke here, various officers, for dignity against oppression. And I salute you -- I salute you on behalf of every American and all the freedom-loving peoples of the world.

We do stand for the peaceful resolution of conflicts, and no one tried harder to resolve the Gulf conflict peacefully than our Secretary of State Jim Baker, and then the entire State Department.

You know, from August 1990 to January 15th of 1991 -- 166 days -- you conducted nonstop discussions in the hopes of reversing aggression, in the hopes of this peaceful settlement. Secretary of State Baker had more than 200 meetings with foreign dignitaries, 10 diplomatic missions, 6 congressional appearances. I.O. and Tom Pickering, operating up in New York, helped put into effect 12 United Nations resolutions. And over 103,000 miles traveled on the Secretary's part to talk with members of the U.N., the Arab League, and the European Community.

Every American staff, every consulate, every bureau, and every department here and abroad facilitated these missions. The American people will always remember the courage of Embassy Baghdad and Embassy Kuwait. You were called upon, those that served there, to do your duty, and you did so.

You worked closely with our allies, this Department did -- an extraordinary coalition. I really believe that when history writes the final chapter on all of this, this coalition of -- some might say disparate coalition -- is going to be one of the highlights of what happened in Desert Shield and Desert Storm.

Indeed, I think all of your work inspired the American people. And you brought new respect, frankly -- and deserved respect, in my view -- to men and women for whom diplomacy is not merely a profession but it's a mission.

During all of this, I recall several important meetings at the White House where I drew on the experience of, among others, Assistant Secretary Kelly, Ambassador Glaspie; met also with the -- [applause] -- I think that's appropriate. And also the returning officers from Embassy Kuwait and Embassy -- he's back there. [Laughter] Ambassador Howell and Mr. Wilson later on, and so many others that just did a wonderful job.

That mission, your mission, of course, deals with the entire world, not only the Middle East. It's a mission you carried out even as war raged in the Persian Gulf. We forget that at a time all of this was going on, just by way of example, there were some very harrowing problems still remaining, I might add, in Liberia. And you look at other trouble spots in the world, and things were going on. And those officers and those supporters of the missions there get very little credit for that. But you kept the foreign policy moving forward. You put out the fires, and you did a great job, even though not as much in the focus as those Embassies in Kuwait and Baghdad.

So, you're dealing with the entire world. It went on; all that important work went on even as war raged in the Persian Gulf. And then you, along with the finest soldiers and sailors and airmen and marines and coast-guardsmen that any nation has ever known, helped light the lamp of liberty. Now, I'd like to see us use that, and I know many here are already actively involved in this, in illuminating a new world order.

I know that your jobs often are not comfortable or safe. The scroll -- there's a scroll outside that I've seen that tells the tale. Far too many Foreign Service officers have made the supreme sacrifice for this nation and the values it holds dear. And every day you guard this nation's freedom.

In coming weeks, we'll be working together to shape this order -- and in trying to bring peace, lasting peace, to the Middle East and every corner of the globe. We're talking about Lebanon; we're talking about the Palestine-Israel situation; we're talking about security and stability in the Gulf itself. And our efforts are going to be critical to the solution of the problems in those three areas and so many others.

But for now, let me simply leave you with a word of thanks, I'd say, on behalf of the entire coalition -- and in memory of those who gave what Abraham Lincoln called ``the last full measure of devotion."

So, thank you all very, very much. I am very proud of you. I expect there are some times you wonder whether we know you exist way over four or five blocks away at 1600 Pennsylvania Avenue. And there are probably sometimes you wish we didn't know you existed. [Laughter] You can interpret that any way you want.

But I've had the privilege since 1971, when I was the Permanent Representative of the United

States to the United Nations, to work closely with many people, many of whom are here today. Not so many old guys left, but quite a few. And it's been a joy, and it's been an honor. And I support you. And I just came over to say thanks. Thank you very much.

Note: The President spoke at 3:42 p.m. in the Dean Acheson Room at the State Department. In his remarks, he referred to Secretary of State James A. Baker III; the Bureau of International Organization Affairs; Thomas Pickering, Ambassador to the United Nations; John H. Kelly, Assistant Secretary of State for Near Eastern and South Asian Affairs; April Glaspie, former Ambassador to Iraq; Nathaniel Howell, former Ambassador to Kuwait; and Joseph Wilson, former Charge d'Affaires at the U.S. Embassy in Iraq.

Remarks at the Swearing-In Ceremony for Bob Martinez as Director of the Office of National Drug Control Policy

March 28, 1991

The President. Please be seated. Well, first, Monsignor, thank you, sir, for that lovely invocation. And to Jim Smith, a longtime friend and secretary of state of Florida, welcome back to Washington. I'm delighted to see so many members of our Cabinet here with us today. And I think that says that all Cabinet Departments want to help Bob Martinez in this fight against drugs. And I'm delighted that they're here, and we pledge you our full support.

I'm delighted to see Bill Young, who has the onerous responsibility of representing that enormous Florida delegation. But it's most appropriate that he, a big supporter of the Governor's and of mine, be with us today in that capacity.

I want to welcome the executive directors of the several major State and local organizations: Don Borut of the National League of Cities, John Thomas of the National Association of Counties, and Ray Scheppach of the National Governors' Association.

And most of all, of course, a great pleasure to welcome to Washington Mary Jane -- Mary Jane Martinez -- Alan, his son, and also so many friends that are up here from Florida and elsewhere. I don't know who's looking after the State, but I'm delighted you all are here -- [laughter] -- on this beautiful day in the Rose Garden.

Bob brings to this important job, Director of National Drug Control Policy, a resolute personal commitment and unmatched experience in the field. Our 50 States are the labs, the laboratories of democracy, and Bob brings an impressive arsenal of some of the Nation's most innovative and wide-ranging antidrug programs. As Governor of Florida, he led a State that was among the hardest hit by drug smuggling, drug crime, and drug use. And he responded to that challenge the same way he'll respond to this new, even bigger challenge: with vigor and intelligence and a program comprehensive enough to attack the drug culture.

Bob Martinez already has contributed mightily to the National Drug Control Strategy. As the National Governors' Association's lead Governor on the drug issue, he personally developed a number of proposals regarding law enforcement, drug treatment, prevention, and international cooperation. These initiatives have greatly strengthened our long-range prospects for stopping the scourge of drugs.

In the fight against drugs, every level of government must work together. And no one is better equipped than Bob Martinez to get local, State, Federal authorities working together. He served

long and well with the Nation's Governors. But he also has a long record of working with the city leaders. Twice elected mayor of Tampa, he served on the board of the National League of Cities, and he participated actively in the U.S. Conference of Mayors.

Bob also had the kind of international experience that's required for this new job. He's traveled to South America to meet with our Andean friends, the leaders of the Andean countries, in support of inter-American responses to the drug crisis. Our initiatives in the Andes and around the globe are of paramount importance, and Bob's experience will be a tremendous advantage right there as well.

As a teacher and as a businessman and as a parent, Bob Martinez understands that we cannot defeat drugs through law enforcement alone. Any long-term solution also depends on successful education and treatment. And that means drug-free schools, a drug-free work place, and drug-free kids.

During my service as Vice President, I was head of the National Narcotics Border Interdiction System, and there I worked very closely with Bob Martinez -- personally and directly. And we're going to continue to work together personally and directly in this new assignment of his. As you can tell by this audience out here today, our administration is committed to Governor Martinez' success.

I'm going to ask all members of the Cabinet and their Departments to continue to give his Office every measure of help and coordination. Bob will be asking for your advice. He'll be asking for your help. And he'll have my support every single step of the way.

I think this is a proud day for America. Bob Martinez is the grandson of Spanish immigrants, the son of a waiter, a man who worked his way through school. My predecessor called him the embodiment of the American dream.

And so, sir, as you assume command of our national drug fight at this critical time, we've made important new progress, good solid progress. Cocaine use has fallen. Hospitals report fewer drug-related emergencies. Fewer high school students abuse drugs. And the evidence shows clearly that we've turned in the right direction. But we still have a long way to go, and the drug menace remains intolerably large. And it cripples families, destroys kids, wipes out entire communities.

Our administration has announced ambitious new goals for the drug war, backed by ambitious new proposals and an ambitious new budget. And we've renewed our call for Congress to pass a true crime bill. And I'm asking Bob Martinez to fight for those goals and programs with all his heart, knowing that he already has committed his heart and soul to this crucial battle. I'm asking Bob Martinez to lead America further away from drugs, knowing that he is determined to do so. This is a top priority. And Governor Bob Martinez is the right man, the best man for this job. I'm proud to welcome him to the White House.

And let's face it, many challenges lie ahead. And the American people stand ready to face them. We will remain on the front lines, block by block, day by day, school by school, in homes, in hospitals, in treatment centers, and in courtrooms. For your kids, for mine, for America's kids, we will overcome the scourge of drugs.

And now, Governor Martinez, over to you.

[At this point, Director Martinez was sworn in.]

The Director. Thank you, Mr. President. Thank you very much.

First, Mr. President, let me thank you for having nominated me for this position, and thank you and your staff for the tremendous work that was done through the whole nomination process. I also want to thank secretary of state Jim Smith for taking the time to be here today to kind of keep the program going for us. And of course, to Monsignor Higgins, who has been at each of my swearing-ins for the last 12 years, and I appreciate him making this trip to be here. And of course, to Justice Scalia for taking time from his busy schedule, for being here today to give me the oath of office. And to all of you who took time to travel long distance.

And to all my, now, colleagues in the President's Cabinet and all of your agencies that I'll be working with, I look forward to the opportunity to get to know you real well. And many, I've had that opportunity as Governor to work with you -- some more than others. But the one thing I have found in my short time here is the tremendous interest that all of you have on the subject -- and those of you that have various agencies that are involved in the war against drugs, the enthusiasm and professionalism that they show.

Like the President indicated, we have made tremendous gains over the last several years. But there still is a rather large population that we still have to deal with. And we mustn't forget that there's a constant renewal of our population, that the young people must forever be educated -- that we can't simply say we've got a good education initiative for the current set of youngsters, but we will continue to have a current set of youngsters every year that we must continue to address. And therefore, if we fail to do that, we will have large treatment needs because we failed at the front end to provide that opportunity of letting them know what drug abuse is all about.

And of course, there is a supply side, offshore and domestic, and the tremendous work that must be done there. And it has been done and will continue to be done and are often -- sometimes I kind of regret that we divided this in the supply and demand because I kind of see it as one ball game -- that a good effective supply system makes demand efforts a lot easier.

If a youngster gets the message in school and can walk across the street and there isn't a pusher because supply has taken care of that, then that message is going to stick. And, therefore, I hope

that as we go in time that this can be taken to the Nation, that this is an integrated initiative. It's not a compartmentalized type of activity -- of education, prevention, treatment, offshore, domestic -- and each operates separately.

So, I hope that, in time, that we'll be able to show that this truly is a national strategy involving all national groups, local, and State. And I'm delighted to hear that mayor groups and city groups and country groups and the Governors' Association is here because it is to be implemented in a manner that truly brings in all levels of government. And having been mayor and Governor, I kind of have heard from time to time what some of the difficulties are. And I hope to be able to work on those issues.

So, Mr. President, thank you. And on behalf of the people of this nation, I also want to thank you for the budget recommendation that you've made that clearly shows that when you speak out against drugs, it's more than words. What follows are the resources to get the work done. And I hope that I'll be able to work with you each year to be sure that your dollars that you've recommended bring the results that all Americans want.

Thank you very much, and I really appreciate it.

Note: The President spoke at 9:48 a.m. in the Rose Garden at the White House. In his remarks, the President referred to Msgr. Lawrence Higgins of St. Lawrence Church in Tampa, FL; Jim Smith, Florida secretary of state; Representative C.W. Bill Young; executive directors Donald J. Borut of the National League of Cities, John Thomas of the National Association of Counties, and Raymond Scheppach of the National Governors' Association; and Director Martinez' wife, Mary Jane, and son, Alan. Director Martinez referred to Associate Justice Antonin Scalia of the Supreme Court of the United States.

Statement on the Death of Lee Atwater

March 29, 1991

Barbara and I lost a great friend in Lee Atwater. I valued Lee's counsel and abilities. The Republican Party will miss his energy, vision, and leadership. Barbara and I give our deepest condolences to Sally, the kids, and Lee's parents. We share in their grief. Lee will always be in our memories.

Note: H. Lee Atwater was former chairman of the Republican National Committee.

Exchange With Reporters on the Death of Lee Atwater

March 29, 1991

The President. Happy Easter, everybody.

Q. Good morning.

The President. Good morning. Happy holidays.

Q. Mr. President, can you share your thoughts about Lee Atwater?

The President. Well, I will make a comment on that because I'm very saddened. Barbara and I are heartsick about it. Our whole family is. Lee was a very close friend to my sons and daughter as well as to Barbara and me. He suffered a lot. But I guess what I'd like to say is that we extend our love and best wishes to his family and, on the professional side, say that I was very proud to have him at my side as I campaigned for the Presidency and, after I became President, to have him as head of the Republican National Committee. He was doing a superb job until he was stricken by this brain tumor.

But I think now it's sadness and respect and giving the man credit for the job he did. He practiced the art of politics with zeal and vigor. And I was very proud of him, proud to serve with him.

Q. What did you make of his Life magazine apology to Michael Dukakis?

The President. Well, I found that very interesting and very enlarging. And I think, as he took stock of his life, he wanted to make things right, heal some wounds; and that was a very noble thing. And I salute him in death as I did in life.

This is about a friend of ours who died today, who was head of our party.

Q. -- -- in Moscow, Mr. President?

The President. You want to turn this into a full-scale press conference? I've got to hear -- I've got to learn something from our guest here.

See how it works out. That's an internal affair.

Q. What does ``seven'' mean?

The President. What?

Q. Your answer, ``seven''?

The President. [Laughter] That's one more than six. [Laughter]

Q. Is this from your CIA days?

The President. That means I don't want to answer. What was the question -- then I'll tell you what the answer means. [Laughter]

Note: The exchange began at 10:38 a.m. in the Oval Office at the White House, prior to a meeting with President Arnold Ruutel of Estonia. H. Lee Atwater was former chairman of the Republican National Committee, and Michael Dukakis was the 1988 Democratic Presidential candidate. Earlier that morning, President Bush had responded to a reporter's question on the situation in Iraq by saying, ``Seven.'' A tape was not available for verification of the content of this exchange.

Statement by Deputy Press Secretary Popadiuk on President Bush's Meeting With President Arnold Ruutel of Estonia

March 29, 1991

President Bush met this morning in the Oval Office with Arnold Ruutel, President of Estonia. President Bush began the meeting by reiterating the unequivocal support of the U.S. for Estonia's right to self-determination. He expressed his outrage over the use of force in Vilnius and Riga in January, and he emphasized his conviction that the only solution to this situation was good-faith negotiations between the Baltic States and Moscow. He assured President Ruutel that he had personally made this point to President Gorbachev on many occasions. President Bush took note that negotiations had begun between Estonia and Moscow, and he discussed with President Ruutel the results to date.

Note: The statement referred to President Mikhail Gorbachev of the Soviet Union.

Message on the Observance of Passover, 5751

March 29, 1991

As Jewish people around the world gather to celebrate Passover and to recount through the Haggadah the story of the Exodus, we are reminded of the triumph of good over evil. We are also reminded that the enduring spirit of liberty can never be crushed by the cruel hand of tyranny and enslavement. This lesson appears time and again in the pages of the Bible; and following the recent coalition victory in the Persian Gulf, it is a lesson all the more vivid to us today.

The traditions honored in Jewish homes during Passover, the festival of freedom, celebrate the blessings of life and liberty and underscore their precious nature. This year, we join with our Jewish neighbors in giving thanks to the Almighty for those blessings and for His aid in preserving them. Indeed, as we strive to learn from the past and to face the future with renewed faith, we are united by our gratitude and by our renewed hopes for a safer, more peaceful world.

Barbara and I extend our best wishes to members of the Jewish community for a happy and joyous Passover holiday.

George Bush

Statement by Deputy Press Secretary Popadiuk on the Resignation of Richard R. Burt as Head of Delegation to the Nuclear and Space Talks in Geneva and Chief START Negotiator

March 29, 1991

President Bush has accepted the resignation of Ambassador Richard R. Burt as Head of Delegation to the Nuclear and Space Talks in Geneva and Chief START Negotiator. After 10 years in government, serving in both the Reagan and Bush administrations, Ambassador Burt is moving into the private sector.

In addition to his current post, Ambassador Burt, during his tenure in government, served in several other important positions, including as Director of the Politico-Military Affairs Bureau in the State Department, Assistant Secretary of State for European and Canadian Affairs, and Ambassador to the Federal Republic of Germany. In all of these positions, he served the United States with great distinction.

The President appreciates Ambassador Burt's dedicated service and is pleased that he has agreed to serve as a consultant to the Secretary of State.

Following Ambassador Burt's departure from government, Ambassador Linton F. Brooks, who has served as Ambassador Burt's deputy since 1989, will become the Acting Head of Delegation to the Nuclear and Space Talks.

Nomination of John Schrote To Be an Assistant Secretary of the Interior

April 2, 1991

The President today announced his intention to nominate John Schrote, of Ohio, to be an Assistant Secretary of the Interior for Policy, Management and Budget in Washington, DC. He would succeed Lou Gallegos.

Since 1989 Mr. Schrote has served as Deputy Assistant Secretary for Policy, Management and Budget at the Department of the Interior in Washington, DC. Prior to this, Mr. Schrote served as Assistant to the Secretary and Director of Congressional and Legislative Affairs at the Department of the Interior, 1989; administrative assistant to Congressman F. James Sensenbrenner, Jr., 1984 - 1989; executive vice president for Bishop Bryant and Associates, 1983 - 1984; Deputy Director of the Office of Presidential Personnel at the White House, 1982 - 1983; and Acting Assistant Secretary for Administration for the Department of Agriculture, 1981 - 1982.

Mr. Schrote graduated from Ohio State University (B.S., 1958) and Xavier University (M.B.A., 1964). He was born May 6, 1936, in Findlay, OH. Mr. Schrote is married, has two children, and resides in Alexandria, VA.

Question-and-Answer Session With Reporters in Hobe Sound, Florida

April 3, 1991

Iraq

Q. Mr. President, could you say a few words? Did you learn anything new just then, for instance, on Iraq or anything else?

The President. No, I didn't learn anything new. Read some stuff that's not true, but I didn't learn anything new.

Q. Which -- --

The President. Well, there's no point in going into all of that.

Q. Did you sign an order for -- --

Possible Soviet-U.S. Summit

The President. I was talking about a firm date for a meeting with Gorbachev on there. That's not set. I want to meet with President Gorbachev; I've said so. But, I don't know where a story like that comes from. It's just simply not true.

Q. Sir, are you optimistic that you can do it by the first half of the year?

The President. Do the summit meeting? I'd like to go to Moscow, and we've maintained that we should get a START agreement. And we also have some difficulties on CFE to work out, the conventional forces agreement. But this story is just simply not correct. Such a meeting may turn out to be, but I would know if that were set, and it's not.

Q. Would you consider meeting someplace other than Moscow?

The President. Sure, if we're going to have a meeting. Listen, you know my view. I've said I think nearly a year and a half ago that it would be appropriate to have meetings with President Gorbachev, once a year I think we said. But we've got to work out these details on these arms control agreements now, and that's what I think he's trying to do. And I know we're pushing our experts very hard on doing that. So, I don't know where this story could come from.

Iraq

Q. Mr. President, there's a story about Iraqi -- that you had signed a finding -- covert actions -- --

The President. Let me stop you right there. If you're going to ask about intelligence matters, you're wasting time because I never comment on them. And I wouldn't confirm or deny or comment on intelligence matters, particularly findings, in any way. It simply would be inappropriate.

Return of U.S. Troops

Q. Are you going to speak tonight? When you get back to Andrews you're going to be on in the middle of a nationwide CBS special on bringing back the troops. Do you feel a little bit awkward, participating in a gala like this, when most of the troops are still in the Middle East?

The President. No, they're coming home 3,000, 5,000 a day. And the rejoicing that the families have when these young men and women come home has been wonderful therapy for this whole nation. And I have nothing but respect for the military, the way in which they're bringing our troops out. And when we get a cease-fire agreement, you'll see them come out even more rapidly because it is my intention to do what I said early on: bring our troops home as soon as possible.

I think we've already brought home over 100,000. I'm looking around for somebody to give me the exact figures.

Q. Yes. The Pentagon has said that.

The President. But it's a lot of people back, and more will be coming back. And so, I have no feeling of awkwardness at all. The war hasn't been over all that long. It takes a long time to move people out.

But what we've done is keep our forces in Iraq, and we'll keep them there until we have a cease-fire agreement. And they'll come out. Hopefully, there will be a blue-helmeted U.N. force or some kind of security force along the border between Kuwait and Iraq, thus relieving the United States of any obligation in this regard. And they'll be coming out just as fast as we can bring them out.

But I have nothing but joy in my heart about the way these troops are being received, about what's happened to the American heartbeat as a result of all of this. And I'm looking forward to seeing some more of them that'll be coming home, seeing them tonight at Andrews Air Force Base.

Iraq

Q. Do you feel frustrated at not being able to help the Iraqis?

The President. Well, I feel frustrated any time innocent civilians are being slaughtered. And I feel very frustrated about that. But the United States and these other countries with us in this coalition did not go there to settle all the internal affairs of Iraq.

I have said that there will not be normalized relations with Iraq as long as Saddam Hussein is in power. And of course I feel a frustration and a sense of grief for the innocents that are being killed brutally. But we are not there to intervene. That is not our purpose; it never was our purpose. I can understand the frustration of some who think it should have been our purpose, some who never supported this in the first place on military action. I share their frustration, but I am not going to commit our forces to something of this nature. I'm not going to do that.

We will proceed along the diplomatic channels, working at the United Nations, getting security forces.

Q. Why let their helicopters continue?

The President. Because I do not want to see us get sucked into the internal civil war inside Iraq, that's why.

Q. Isn't that a violation of the informal cease-fire?

The President. I don't know whether technically, Lori [Lori Santos, United Press International], it's in violation or not. It is in the fixed-wing planes to fly, but if it is a violation, that doesn't necessarily mean that we are going to commit our young men and our young women into further combat. I will do my level-best to use all diplomatic channels to bring this fighting to a halt. But I do not want to push American forces beyond our mandate. We've done the heavy lifting. Our kids performed with superior courage, and they don't need to be thrust into a war that's been going on for years in there. That's my view.

Q. Given the recent success of his forces, are you still confident that Saddam Hussein will not be there in less than a year?

The President. Yes. I'm still confident he won't be. I don't think he can survive, and I don't think he should survive. He's not going to have the kind of relations that Iraq should have with other countries as long as he's there. And I haven't changed my view on that at all.

Most of the people I talk to and hear from around the world, in that part of the world, feel the same way I do about that, incidentally.

Q. Has the fighting in Iraq complicated efforts to reach a permanent cease-fire at the U.N.?

The President. I don't think so. I mean, these cease-fire requirements are fairly straightforward, fairly strong, and they have not been changed by the fighting in Iraq itself. I think what's happened is, if further outrage was possible about Saddam Hussein's brutal behavior, that further outrage has been achieved, you might say. But I don't think it's changed the objectives of these United Nations resolutions that will bring about a cease-fire and will enable me as Commander in Chief to bring our troops home. That's what I want to do. We'll get some security along there.

We've got a major program for trying to bring peace, security, and stability to the Gulf area. I hope we can be a catalyst in moving the whole peace process forward between Israel and the Palestinians, between the Arab States and Israel, between Lebanon. But we want to get this Gulf matter under control. And I don't feel that the civil war has adversely affected our chances of getting a U.N. resolution or getting the U.N. to act. They should act very, very soon.

Nobody's sympathetic for Iraq anymore. The very few friends they've had have deserted them because they see this man's abject brutality and lack of conscience. And so, there's no sympathy for Iraq out of this civil unrest. There's sympathy for those that are getting slaughtered, not for the Iraqi regime. I have said that we want to help the innocents, children, those that are starving. I don't care what their politics are, what their previous associations have been. If there's a child hurting, America cares about that.

But what we don't care about is helping project a regime that has lost all credibility and lost all chance of running the country because of the brutality. And I'm talking about Saddam Hussein himself, personally.

If his own army would do something about it, maybe we could start over. I think the world has seen even more clearly since the end of the fighting how brutal he is. We saw it in Kuwait, what he did to the Kuwaiti people -- women and children. And now we've seen it, what he's done to the Shiites in the south and the Kurds in the north. He's turned off everybody. If he had one scintilla of good will, it's been dissipated.

Q. What could the U.S. do to help the children you are worried about?

The President. Well, food, medicines. We will do our part. We always have, and we always will. That's the beauty of it. When you see those American soldiers extending their hearts and their hands to those fleeing, when you see them picking up the children, that's the American spirit, and we are going to do that. We are going to continue to help. But we're not going to do anything to help Saddam Hussein. And that distinction is very, very clear.

Q. Sir, when you say the army could do something about it, wouldn't you have a situation where a group that's accused of all these atrocities would be in charge?

The President. I blame Saddam Hussein for the atrocities, and I have made it clear to the Iraqi leaders long before the war started. You go back and take a look at what I said then, because I think it's apropos now -- we do not have an argument with the leadership. Our argument is with the brutality of Saddam Hussein and the orders he's given. Now, does that clear somebody that goes down and rapes a child in Kuwait? No, it does not. But for the most part, it does, because Saddam Hussein has been the major villain there. I would be willing to take a new look if the army took those matters into their own hands, as I've said before. But he's got to go, and he will someday. He can't survive.

Q. Sir, were you at all surprised at the success of his army in putting down the rebellion?

The President. No, no I wasn't surprised about his success of his army. His army has been battered and can no longer project offensive military might against his neighbors. I believe that. But to go in and crush a bunch of people that aren't armed, that doesn't take much macho to do that. It just takes a lot of brutality and cruelty, and that's what's happened.

Q. Can you expand on this new look? You said you might take a new look if the army took the matters into their own hands.

The President. If a new regime emerged in there, I'd like to know what their goals are. Do they want to live peacefully in the neighborhood? Do they want to start treating their people with respect? Do they want to try to work out some of the differences with the Kurds that have been there for ages? Are they willing to talk to the Shiite leaders in the south?

That's what I want to see. And that's what the world wants to see. It's not just what the U.S. wants, incidentally. All our coalition partners are in exactly the same mode on this one as far as I am. I stay in touch with them. I know that. And you haven't seen the call, incidentally, from any of them for the United States to go in and use this superior military might to try to sort out this civil war. But you have seen statements from all of them saying that it would be a good thing if we had new leadership in Iraq, in Baghdad.

U.S. Diplomacy in the Middle East

Q. Did you send Scowcroft to Lebanon and Iran as well as Saudi Arabia?

The President. Hey, listen. If I'd have wanted to talk about Scowcroft's itinerary, I'd have made that public. There are certain things you've got to try to do your best in diplomacy that are better to keep quiet. And it's very hard in our open society, and I don't blame you a bit for asking, and I hope you'll forgive me for not answering.

Turkey

Q. What about Turkey? Did you offer $1 billion to Turkey?

The President. Excuse me just a minute. Did I what?

Q. Turkish Government -- --

The President. No.

Q. How did your game go?

The President. Fun was had by all.

Note: The session took place at 1:45 p.m. at the Jupiter Hills Country Club Golf Course. During the exchange, President Bush referred to President Mikhail Gorbachev of the Soviet Union, President Saddam Hussein of Iraq, and Brent Scowcroft, Assistant to the President for National Security Affairs. A tape was not available for verification of the content of this session.

Statement on the United Nations Persian Gulf Cease-Fire Resolution

April 3, 1991

I am extremely pleased that the Security Council has voted in favor of Resolution 687. Fourteen times now the United Nations has demonstrated its determination to contribute significantly to the prospects for lasting peace and security in the Gulf region.

This latest resolution creates the basis for a formal cease-fire in the Gulf. It comes 8 months since Iraq invaded Kuwait. During these 8 months, the world community has stood up for what is right and just. It is now up to Iraq's Government to demonstrate that it is prepared to respect the will of the world community and communicate its formal acceptance of this resolution to the Security Council and the Secretary-General.

The resolution is unprecedented. It creates a force to monitor the legal border between Iraq and Kuwait; it also provides a U.N. guarantee of that border. Once this observer force arrives, all remaining U.S. ground forces will be withdrawn from Iraqi territory.

The resolution establishes a fund to compensate Kuwait and other claimants for the damage caused by Iraq's aggression. The resolution also includes provisions designed to ensure that Iraq cannot rebuild its military strength to threaten anew the peace of the region. Weapons of mass destruction and the means to deliver them are to be destroyed; this is to be confirmed by onsite inspection.

Certain sanctions will remain in force until such time as Iraq is led by a government that convinces the world of its intent both to live in peace with its neighbors and to devote its resources to the welfare of the Iraqi people. The resolution thus provides the necessary latitude for the international community to adjust its relations with Iraq depending upon Iraq's leadership and behavior.

I also want to condemn in the strongest terms continued attacks by Iraqi Government forces against defenseless Kurdish and other Iraqi civilians. This sort of behavior will continue to set Iraq apart from the community of civilized nations. I call upon Iraq's leaders to halt these attacks immediately and to allow international organizations to go to work inside Iraq to alleviate the suffering and to ensure that humanitarian aid reaches needy civilians. As a result of these cruel attacks, Turkey is now faced with a mounting refugee problem. The United States is prepared to extend economic help to Turkey through multilateral channels, and we call upon others to do likewise.

Remarks at the All-Star Salute to the Troops at Andrews Air Force Base, Maryland

April 3, 1991

Good evening. [Applause] Thank you very much. [Applause] Thank you. [Applause] Thank you guys. [Applause] Please be seated. [Applause] Thank you all very, very much. [Applause] If that's the way you follow orders, how did we ever win the war? [Laughter]

What a pleasure it is to be here surrounded by stars. And I'm not just talking about the wonderful folks from Nashville and Hollywood and New York; I'm also talking about the real stars -- the men and women of Operation Desert Storm.

You know, it's just a few short weeks ago the fighting in the Persian Gulf ended and complete victory for the coalition forces. And I promised then that we would begin bringing Americans back as quickly as possible. And tonight I have the privilege of welcoming you home. And I'm delighted to see you here at Andrews Air Force Base. And Barbara and I came here to say congratulations to you and to all the men and women in our Armed Forces.

You know, America rediscovered itself during Desert Storm. First-rate military leaders executed a sound battle plan and delivered a swift victory. Men and women of all races and backgrounds worked together turning blueprints into triumphs. And while we freed a tiny nation, we also regained confidence in America's special decency, courage, compassion, and devotion to principle.

The cause of freedom demands much from free people. And millions of Americans sacrificed in millions of ways during Desert Storm. Our hearts go out to the friends and families of those who served but will never return. And to all those who gave their lives for this country, we will never forget you or what you have done.

I can't tell you how happy I am to be here with you tonight. Every single day I feel a special sense of joy and gratitude for you and all who served. And when you freed Kuwait, you uplifted the American spirit.

Thanks to you all, and may God bless each and every one of you. Good night, and thank you so much.

Note: The President spoke at 9:23 p.m. in Hangar 3 at the base. The salute was broadcast on CBS television.

Appointment of Douglas H. Paal as Special Assistant to the President for National Security Affairs

April 4, 1991

The President today announced the appointment of Douglas H. Paal as Special Assistant to the President for National Security Affairs. He will also serve as Senior Director for Asian Affairs on the National Security Council Staff.

Mr. Paal has served in various Government positions dealing with Asian and Pacific affairs. He began service on the National Security Council Staff in December 1986 as Director for Asian Affairs. Previously he served on the policy planning staff of the Department of State and at the U.S. Embassy in Singapore. He was with the CIA as an analyst and Deputy National Intelligence Officer from 1976 to 1982.

Mr. Paal received B.A. and M.A. degrees in political science and Asian history from Brown University in 1970 and subsequently did graduate work at Harvard University in history and east Asian languages. From 1972 to 1974, he served as a naval officer in Vietnam and did language study in Tokyo, Japan. Mr. Paal is married to Betsy A. Fitzgerald. They have two daughters and reside in Bethesda, MD.

Statement on the Death of Senator John Heinz

April 4, 1991

Barbara and I are deeply saddened by the news of the plane crash today in Pennsylvania in which U.S. Senator John Heinz and others have been killed. While all of the facts about this tragic accident are still unclear, our condolences go out to the families of all those killed or injured.

The people of Pennsylvania have lost a great leader, and the Nation has lost a great Senator. In particular, his steadfast efforts to protect Social Security and health care benefits for the elderly, his work to ensure both free and fair trade with our trading partners, and his commitment to protecting the environment have touched the lives of all Americans. His leadership and commitment will be greatly missed.

Adding to this tragedy is the apparent loss of life of at least two schoolchildren killed when the wreckage hit the ground and those piloting the aircrafts involved in the accident.

John Heinz was a close friend of our family. Barbara and I join the citizens of Pennsylvania and all Americans in extending sympathy and prayers to his wife, Teresa, and his sons, John, Andre, and Chris. Our hearts go out to the families in Merion, PA, who have suffered loss as a result of the accident.

The President's News Conference With Prime Minister Toshiki Kaifu of Japan in Newport Beach, California

April 4, 1991

The President. Let me just say what a pleasure it's been to have Prime Minister Kaifu here in the United States. In the past year, we've resolved significant trade disputes, and we've moved to ease trade tensions. I think we've made solid progress in opening new markets to satellites and telecommunications, wood products.

We need to move ahead now in other areas -- construction services, autos, auto parts, semiconductors, other areas. We need to prove that our efforts under the SII, the Structural Impediments Initiative, produce real results. I think progress has been made. It remains our best hope of fending off those who advocate managed trade between our nations.

In 1990, the U.S. trade deficit with Japan fell for the third straight year. And American exports to Japan continued to rise, up more than 75 percent since 1987. In fact, I think many Americans would be surprised to learn that Japan buys more goods from the U.S. per capita than we buy from Japan.

The Prime Minister and I both agree that we want to see a successful conclusion to the Uruguay round. And I might take this opportunity to urge the Congress of the United States to take decisive action and send a clear signal that America stands for free trade by extending the Fast Track procedures.

We had full discussions on the Gulf, and I took this occasion to thank, profoundly thank, Prime Minister Kaifu for the assistance that Japan made as a member of this coalition. Japan has provided a substantial level of financial support for Operation Desert Storm.

Just to save time, we will be putting out a more full statement here. But Mr. Prime Minister, I welcome your visit. And it's been a great pleasure having you here -- all too brief a visit, but a very important one. Thank you for coming all this way.

The Prime Minister. Thank you, George, for kind remarks. You've shown yourself to be the great leader not just of this great nation, the United States, but of the entire world. Not only that, may I say, you are the private self of a countless number of people across the world who are fighting for the cause of peace and justice, for freedom and democracy.

I am most pleased to see you here in this beautiful State of California again, since we met over a year ago in a similar setting, and to be able to continue our close dialog.

I wish to take this opportunity on behalf of the entire Japanese people to pay our deepest respect to the great leadership you exerted as President throughout the Gulf crisis and to the dedication and sacrifice of the American soldiers, men and women, in Operations Desert Shield and Desert Storm.

The world has just overcome a great challenge in the Gulf region, and now it is time to tackle a truly historic mission, which is to build a new international order in the aftermath of the cold war. The Gulf crisis has demonstrated beyond anybody's doubt that the United States is the only superpower with the capability to play the most important role in the post-cold-war world and to do so in a responsible way.

At the same time, it has become clear that it is just as important that the like-minded countries work together and support American efforts. We deeply recognize this in Japan. Together with Americans, Europeans, Asians, and other peoples of the world, we seek to participate actively in this endeavor and cooperate for creating a new international order.

Throughout the Gulf crisis, Japan firmly supported the United States and international coalition efforts and cooperated as much as possible. And we are grateful for the appreciation expressed by the President. Nevertheless, sometimes Japan's efforts have not been properly understood and appreciated, and frankly speaking, this reception has caused disappointment among some Japanese people. Thinking about the future of Japan-U.S. relationship, which is so important to the peace and prosperity of the world, I firmly believe that we have to rectify this situation.

Japan and the United States are staunch allies, bound together with strong security ties and a close economic interdependence. I believe the world strongly desires to see friendly and cooperative bilateral relations between our two countries, in which both sides will bring their respective strengths in order to meet global challenges, and will tackle problems between our two countries.

We are with you always, standing together as firm allies and friends across the Pacific. I'm convinced that the friendship and the spirit of cooperation between our two peoples will always prevail. Thank you.

The President. What we thought we'd do is alternate questions for Prime Minister Kaifu and for me, and alternate between the Japanese journalists and the U.S. journalists. Inasmuch as we're in the United States, I'm the appointed coordinator here. [Laughter] Self-appointed.

Japan

Q. I'd like to ask a question of Prime Minister Kaifu. Because of constitutional constraints Japan was not able to send military forces during the Gulf war. However, Japan financed the $9 billion additional contribution through tax increase, and in that respect I believe it is fair to say that Japan has shed its blood in its own way. However, that contribution is not properly valued in the United

States. On top of that, more recently, there seems to be a stepping up of Japan-bashing in the United States over trade issues, whereas in Japan there is dissatisfaction amongst the Japanese people. People are grumbling that Japan is not an automatic teller machine of a bank.

Now, I wonder if through your meeting today you've been able to, shall I say, lead the relations, which have been in a somewhat awkward state more recently, toward a more smoother relationship.

The Prime Minister. In the process of peace recovery, or recovery of peace in the Gulf region, Japan from the very beginning showed its basic position that Iraq is wrong. And from Japan's position, we cooperated and made contribution as much as possible. With regard to financial cooperation, we put a bill to the Diet of the Japanese Parliament. We passed a budget bill for that purpose. And for the purpose of funding that budget, we asked the Japanese people to accept an increased tax. And we were aware of the need to make this contribution, and the President has kindly appreciated that contribution that Japan made.

On the other hand, I'm certainly aware that there are divergent views in the United States. We would like to continue with our efforts so that we will be establishing a relationship of mutual confidence that is unshakable.

Iraq

Q. Mr. President, the critics are suggesting that you've abandoned the Kurds to Saddam Hussein's mercy; one has even likened it to your Bay of Pigs. Could you explain to us why we were willing to do so much to help liberate Kuwait and why now we are standing on the sidelines while the Kurds are struggling?

The President. Be glad to. It was never a stated objective of the coalition to intervene in the internal affairs of Iraq. Indeed, I made very clear that we did not intend to go into Iraq. I condemn Saddam Hussein's brutality against his own people. But I do not want to see United States forces, who have performed with such skill and dedication, sucked into a civil war in Iraq.

We will not have normal relations with Iraq until Saddam Hussein is out of there. But I made very, very clear from day one that it was not an objective of the coalition to get Saddam Hussein out of there by force. And I don't think there's a single parent of a single man or woman that has fought in Desert Storm that wants to see United States forces pushed into this situation -- brutal, tough, deplorable as it is.

Q. If I may follow, will you offer asylum to the Kurdish refugees if Turkey keeps its borders closed?

The President. I have had a good discussion of that with Prime Minister Kaifu, and we are in

agreement that we will do what we can to help the Kurdish refugees.

Japan-U.S. Relations

Q. I'd like to ask a question related to the rice issue, which I believe is on the top of the agenda between Japan and the United States. And I should like to direct this question to both the President and the Prime Minister.

The first, I should like to know, Mr. President, what your thoughts are with regard to the issue of opening up the Japanese rice market and whether you took up this matter during your meeting today.

The President. Yes, we had a full discussion of this matter. Yes, we would like to have access to the Japanese rice market. Yes, Prime Minister Kaifu explained the complications that he faces in Japan on this question. But I think the overriding point is we both realize that we must have a successful conclusion of the Uruguay round, and to do that, agriculture must be included.

The Prime Minister. Yes, let me respond to that myself, as well. The rice issue was mentioned in the context of the Uruguay round negotiations. What I said was that, regarding the Uruguay round, we recognize the importance of close cooperation between Japan and the United States to bring the round to an early and successful conclusion.

Now, I also explained that -- well, there are difficult issues in the agriculture area for our countries -- the United States, the European Communities, as well as for Japan. And so, I said, let us endeavor together to resolve the issue of rice together with the other issues, the difficulties for the other countries in the context of the Uruguay round.

Iraq

Q. Mr. President, in 1989 and 1990 when the talk of critics were calling on you to speak out more forcefully for the uprising in Eastern Europe and the Lithuanian aspirations for independence, you said you hesitated to do so for fear of raising expectations such as were raised in Hungary in 1956. Now, people are saying you've done just that by calling for the overthrow of Saddam Hussein, and you've let the rebels down when they moved on those expectations. Could you discuss that and give us your feelings and whether you see a parallel?

The President. I think I was right in 1989, and I think I'm right now. I made clear from the very beginning that it was not an objective of the coalition or the United States to overthrow Saddam Hussein. So, I don't think the Shiites in the south, those who are unhappy with Saddam in Baghdad, or the Kurds in the north ever felt that the United States would come to their assistance to overthrow this man.

We're not going to get sucked into this by sending precious American lives into this battle. We've fulfilled our obligations. Now, do we hurt when Kurdish people are hurt and killed and brutalized? Yes. Are we concerned at the brutal treatment of the Shiites in the south? Yes. Do we wish that the people would get rid of Saddam Hussein on their own? Absolutely. But I have not misled anybody about the intentions of the United States of America, or has any other coalition partner, all of whom to my knowledge agree with me in this position -- all of whom do.

Can we get one from the U.S. side for Prime Minister Kaifu? And then I'll take the next one from the Japanese side. Whoops. Is this one for Prime Minister -- the Americans keep shooting at me. I want them to fire one at Prime Minister Kaifu. [Laughter]

Japan-U.S. Relations

Q. Mr. Prime Minister, you made note of the problem that you feel that Japan is not fully appreciated in this country, and you said that needed to be rectified. Could you tell us first, have you met and will you meet fully your pledge, your commitment, to the Desert Storm effort without any quibbling about whether it's in yen or in dollars? And what steps do you think need to be taken to rectify this image, this bad image you feel you have in the United States? And if you, Mr. President, would like to comment, I'd appreciate that, too.

The Prime Minister. With regard to the $9 billion, the Japanese budget system, the system of budgeting, is based on the Japanese yen. And I'm certainly aware that there has been some criticism rising basically out of the fluctuation -- criticism arising from, shall I say, exchange rate fluctuation.

But what is important note is that that is not the only aspect where we ought to be paying our attention to. There are various roles that must be played in the Gulf region, in the interest of environmental protection and also arms control and disarmament in the region so that various countries would refrain from engaging in, say, intransparent transfer of arms and so on. So, I think there are numerous roles that can be played for the purpose of peace in that region.

I had in-depth discussions on such matters with George, and Japan wishes to play its part as actively as possible by maintaining close consultations with the United States.

Q. I should like to ask a question of Mr. President with regard to Japanese contribution related to the Gulf war. You said that you profoundly appreciated Japanese important financial contribution. Japan did not send even a medical team, not to speak of self-defense force personnel. And I wonder if you feel that it is possible to maintain a relationship of alliance with a country, Japan, which did not make a human contribution at a time of an international crisis. I would appreciate your candid remarks. And also, I wonder what you would expect of Japan to do for the purpose of preserving and further promoting this alliance.

The President. My answer is, yes, not only do I think we will preserve but I think we will strengthen this relationship. I hope most Americans understand the constitutional constraints on Japan in terms of what -- I think you called them human forces, or human -- human personnel.

But what I would like to emphasize to the American people and the people of Japan is, from day one -- from day one, Toshiki Kaifu and the Japanese Government was in strong support of the U.N. resolutions. Japan stepped up early on to a fundamental and substantial monetary contribution. Through those months of diplomacy before force was used, Japan played a key role. And so if we have a difference now over some detail, I would simply say that this relationship is too fundamental, too important to have it on the shoals because of difficulty that I'm confident we can work out.

And to the degree that there's bashing on one side of the Pacific or another, Toshiki Kaifu and I are committed to see that that bashing doesn't go forward because it's in our interest in the United States to have this relationship strong. And I happen to think it's in Japan's interest.

I know the Prime Minister has to go, but can we take one more for each side? And we'll divide it up, one for him and one for me.

Q. Mr. President, to go back to your response to the last question and to the unanswered portion of Charles' [Charles Bierbauer, Cable News Network] question earlier, it's clear that Japan's image problem in the United States goes beyond the immediate issue of the Gulf war. What does Japan specifically need to do to overcome that problem? Given the attitudes on Capitol Hill, given the trade hawks that are circling, isn't it going to take more than just explaining some of the complications that are involved on the types of trade concession that we've been demanding in Tokyo?

The President. One, the relationship is fundamentally sound. What will it take, you asked, to make it better? The successful conclusion of the Uruguay round, to which we're both committed, would help. Working together with Japan to alleviate the suffering of these Kurdish victims of Saddam's brutality -- that will help. Working with Japan to help guarantee the security and the stability of the Gulf and reconstruction of the Gulf -- that will help. Moving forward in other trade areas can help, although we're closing that gap.

But, Norm [Norman Sandler, United Press International], when there are problems, it is understandable that people dwell on those specific problems and we overlook the fundamentals. And those fundamentals include the fact that the Japanese Government and the U.S. Government, as you look around the world, see eye-to-eye on almost every problem around the world.

Let me give you one more example. The answer is too long -- excuse me, Toshiki -- but one more example. Japan is trying to be helpful to the development and strengthening of democracy in this hemisphere. So, while we take up the difficulties, let's also remember these fundamentals that are

strong as they can be.

Last one, and this is for the Prime Minister.

Soviet-Japan Relations

Q. I'd like to ask a question regarding the Soviet Union. President Gorbachev of the Soviet Union will be visiting Japan. And I wonder in relation to that, you discussed during your meeting today -- well, assistance for the Soviet Union. And together with that, I should also like to know whether you had any discussions on trade in technology with the Soviet Union?

The Prime Minister. With the upcoming summit meeting with President Gorbachev's visit to Japan, I did mention in general terms that we should like to take up as a major item on our bilateral agenda the resolution of the territorial issue between Japan and the Soviet Union, so that we shall be able to sign a peace treaty which will lead us toward a genuine friendship.

However, we did not discuss specifics such as technological assistance or economic assistance. I did explain our, shall I say, diplomatic schedule ahead of us with the Soviet Government and the North Korean Government which we would like to promote for the purpose of attaining peace, stability, and prosperity in the Asia-Pacific region.

The President. Well, I think we're a little behind schedule for the -- no. No, no. [Laughter] But thank you.

Never get enough. Here we go. Thank you all very much.

Note: The President's 77th news conference began at 4:10 p.m. in Ballroom A of the Four Seasons Hotel. During the news conference, the following persons were referred to: President Saddam Hussein of Iraq and President Mikhail Gorbachev of the Soviet Union. The Prime Minister spoke in Japanese, and his remarks were translated by an interpreter.

Statement on Japan-United States Relations

April 4, 1991

I think back to when I met with Prime Minister Kaifu in Palm Springs last March -- 1 year and a world of change. Since then, we closed the last chapter on the cold war. We built a coalition that rescued a tiny nation from a terrible fate. We defended an ideal that is good and right and just.

But our work is far from finished. With change comes new challenges -- for both our nations -- with global implications for growth, stability, and peace.

Our two nations must work to forge a global partnership. And since last year's meeting in Palm Springs, we have made very real progress. In the past year, we have resolved significant trade disputes and we've moved to ease trade tensions.

We've made solid progress, opening new markets to satellites, telecommunications, and wood products. We need to move ahead now in construction services, autos and auto parts, semiconductors, and other areas. We need to prove that our efforts under the Structural Impediments Initiatives produce real results. It remains our best hope of fending off those who advocate managed trade between our nations.

Today, let us reaffirm our commitment to tear down the walls to free and fair trade, and build on the open exchange that helps both our nations.

Our efforts to expand free trade have produced real results. In 1990, the U.S. trade deficit with Japan fell for the third straight year. American exports to Japan continued to rise, up more than 75 percent since 1987. In fact, many Americans would be surprised to learn that Japan buys more goods from the United States per capita than we buy from Japan.

Together, our two nations share a special responsibility to maintain and strengthen the multilateral trading system. Japan and the United States are powerful forces for global prosperity. But we cannot promote continued growth in a world system where free market forces are in retreat.

That is why the success of the Uruguay round trade talks is critical. Along with other nations, Japan and the United States must assume strong leadership roles in knocking down barriers to free trade in all areas, including agriculture. And once again, I call on the U.S. Congress to take decisive action, send a clear signal that America stands for free trade by extending Fast Track procedures.

Trade is just one dimension of our relationship. Last year, our two nations marked the 30th anniversary of our Mutual Security Treaty. Our commitment to common defense has never been

stronger, and yet here, too, our longstanding alliance continues to adjust to new challenges and new realities. Just this January, in keeping with its growing economic might, Japan agreed to increase its share of the costs as host nation to American forces.

Let me be clear: The United States welcomes the broadest possible participation by Japan in world affairs. In the past year, we've seen a significant easing of tensions in Europe. I call on Japan to join with us in seeking solutions to regional conflicts that threaten stability in the Pacific. And I thank Japan as a key member of the coalition that triumphed over the forces of aggression in the Persian Gulf. For the first time, Japan contributed to a multinational peacekeeping effort, and it is providing a substantial level of financial support for Operation Desert Storm.

I welcome the visit of Prime Minister Kaifu. We must do all we can to build public support for our relationship and to promote contacts of every kind between the American and Japanese people. Just this last year, Japan's distinguished former Foreign Minister Abe announced the creation of a new foundation to promote exchanges that bring together academics and artists, that encourage tourism and travel.

For more than 40 years, Japan and the United States have been partners -- partners in democracy, partners in prosperity, partners in peace. I am convinced that our meeting today proves that this partnership remains strong, that together we will constitute a source of stability, now and into the next century.

Note: The statement referred to Prime Minister Toshiki Kaifu and former Foreign Minister Shintaro Abe of Japan.

Statement on Aid to Iraqi Refugees

April 5, 1991

The human tragedy unfolding in and around Iraq demands immediate action on a massive scale. At stake are not only the lives of hundreds of thousands of innocent men, women, and children but the peace and security of the Gulf.

Since the beginning of the Gulf war on August 2, the United States has contributed more than $35 million for refugees and displaced persons in the region. Many other countries have also contributed. It is clear, however, that the current tragedy requires a far greater effort. As a result, I have directed a major new effort be undertaken to assist Iraqi refugees.

Beginning this Sunday, U.S. Air Force transport planes will fly over northern Iraq and drop supplies of food, blankets, clothing, tents, and other relief-related items for refugees and other Iraqi civilians suffering as a result of the situation there.

I want to emphasize that this effort is prompted only by humanitarian concerns. We expect the Government of Iraq to permit this effort to be carried out without any interference.

I want to add that what we are planning to do is intended as a step-up in immediate aid, such as is also being provided by the British, the French, and other coalition partners. We will be consulting with the United Nations on how it can best provide for the many refugees in and around Iraq on a longterm basis as necessary. We will continue consulting with our coalition partners in this and in other efforts designed to alleviate the plight of the many innocent Iraqis whose lives have been endangered by the brutal and inhumane actions of the Iraqi government.

I also want to add that this urgent air drop is but one of several steps the United States is taking to deal with this terrible situation. I will shortly be signing an order that will authorize up to $10 million from the Emergency Refugee and Migration Assistance Fund. These funds will help meet the needs of the burgeoning refugee population in the region. Our military forces in southern Iraq will continue to assist refugees and displaced persons. We are also providing considerable economic and food assistance to the Government of Turkey, to help it sustain the many refugees who have taken refuge there. We are prepared as well to deploy a U.S. military medical unit to the border area in southern Turkey to meet emergency needs.

The United States is also concerned about the welfare of those Iraqi refugees now fleeing to Iran. We will be communicating, through our established channel, to the Government of Iran our willingness to encourage and contribute to international organizations carrying out relief efforts aiding these individuals.

In an effort to help innocent people, and especially the children of Iraq, we will be donating

$869,000 to UNICEF for child immunizations in Iraq. We will also be providing a further $131,000 and 1,000 tons of food to the International Committee of the Red Cross (ICRC). In all cases, funds and goods provided to international organizations will be distributed by the organizations themselves to civilian in Iraq.

Finally, I have asked Secretary Baker to travel to Turkey, en route to the Middle East, to meet with President Ozal and visit the border area to assess the refugee situation and report back to me.

Note: The statement referred to Secretary of State James A. Baker III and President Turgut Ozal of Turkey. Presidential Determinations 91 - 26 and 91 - 27 of April 6 concerning assistance to refugees in the Persian Gulf region were printed in the ``Federal Register'' of April 23.

Remarks at a Meeting With Hispanic Business Leaders and an Exchange With Reporters in Newport Beach, California

April 5, 1991

The President. Is this it? A modest turnout. [Laughter] First, I want to thank everybody for coming here because the importance that I place on this Fast Track negotiating authority is critical, a highest priority. I look around this room and I see many who know of my interest in and have been terribly supportive in strengthening a relationship with Mexico. Mexico is in the big middle of this, and so is our free trade with the Europeans. The Uruguay round relies on our getting Fast Track authority.

So, I'm glad to see so many of you again. And what I wanted to do on this point, this business point, is to encourage your strong support to the Members of the Congress for Fast Track negotiating authority. And if we get it, I believe we can get a free-trade agreement with Mexico. I think it will be good for the United States of America, I think it will be good for jobs in this country, and I think it will be darn good for Mexico as well.

We're starting down that free-trading hemisphere, which is a wonderful concept. Those that worry about loss of jobs, they don't need -- take a look at history. When you get this kind of an agreement, it expands job opportunities. And in this case, it also strengthens a friend, President Salinas of Mexico, who's seen on his end relations between Mexico and the United States have never been better. They really have never been better. So, that's one point.

The second point I wanted to make -- and we can talk about it in a minute -- is about the human suffering in Iraq. I've just put out a statement that shows that we will be doing more. We've already tried to help with the refugees, but we're going to step that way up, and we are going to be dropping supplies to these Kurdish refugees. Jim Baker will be going to the area to talk to other countries, but starting with the conversations in Turkey itself -- Turkey threatened by an enormous amount of refugees pouring across their border.

I made my positions clear yesterday, and I'll say it again here, that I have no intention of putting American troops into this situation. We've fulfilled our objectives in that regard. But we are going to do what America has always done, and that is, when people are hurting and being brutalized, we're going to help. We're going to continue to help. I saluted in this statement I put out to the British and the -- [applause]. And you know, it's heartbreaking when you see these families on the road, pushed out by a brutal dictator. So, we will do what we can to help there without being bogged down into a ground force action in Iraq. That is not our intention, never has been, and won't be. But we can help a lot, and we will. And we are, as a matter of fact.

Aid to Iraqi Refugees

Q. Mr. President, has the United States informed the Iraqis of your plans for this air drop? And if so, have they given you any kind of clearance or -- --

The President. I wanted these guys to hear about it first, and then we'll notify them later on. They'll know about it now by this statement.

Q. So, you have not formally communicated these plans then as yet?

The President. No. It's been all -- no -- --

Middle East Peace Negotiations

Q. Can you tell us also, on Secretary Baker going to the Middle East, is this because something has developed in the few short weeks or the little time that's left since he was there last, or is it because the window of opportunity is rapidly closing over there?

The President. I think there's been -- I have reason to be hopeful on it. We don't want to miss an opportunity to move forward on the peace process. He'll be talking about the security and stability in the Gulf area itself, but he'll also be talking about the question that's divided the Palestinians and Israelis for a long, long time. So, I think it's a mission that has an underpinning of hope, Norm [Norman Sandler, United Press International], but I don't think we're at the verge of having some deal, if that's what your question is.

Q. Any new proposals?

The President. It's not that we don't -- the other side of your question was, or is it because the window is closing with no progress -- and it's not that, either. It's a follow-on to an earlier trip. And of course, it has this dimension now of assistance to these refugees. But it's got both components to it.

Aid to Iraqi Refugees

Q. Are you prepared in any way to give asylum or to take some of the refugees? Apparently President Ozal is closing the border unless some of the other countries, the United States and Europe, will agree to take these massive -- --

The President. I think every country should do its part, and we certainly would be open-minded. But certainly what I think they ought to do is to be able to peacefully stay in their own area, their own country. And that means a real difference in the way they're being treated. I notice that there was some offer of peaceful return, but that's what should happen. But the United States will do its

part in the humanitarian sense.

Q. Mr. President, that doesn't help the refugees that are being fired on by the Iraqi troops. They can have all the food and humanitarian supplies they need. How is this going to help them from the violence of the Red Guard?

The President. I'm very much concerned about the violence and I'm hopeful that that will calm down. But it is not a question where the United States or its coalition partners plan to intervene militarily. We're not going to do that.

Note: The President spoke at 1 p.m. in Room 1801 of the Four Seasons Hotel. In his remarks, he referred to President Carlos Salinas de Gortari of Mexico, Secretary of State James A. Baker III, President Saddam Hussein of Iraq, and President Turgut Ozal of Turkey. A tape was not available for verification of the content of these remarks.

Statement on the Death of John Tower

April 5, 1991

Barbara and I are deeply saddened by the tragic deaths of our dear friends Senator John Tower and his daughter Marian. America has lost a great man and distinguished statesman who dedicated his life to public service. The news of the plane crash today outside Brunswick, GA, deepens the sorrow and sense of loss we have so recently felt with the death of Senator John Heinz.

John Tower and I became friends 30 years ago. We have remained close friends to this day. Senator Tower's years of public service greatly strengthened the course of our national security and foreign policy, and his advocacy for a strong defense helped to lay the groundwork for the many recent successes we have witnessed in our ability to respond to international conflicts.

He served the people of Texas and the Nation with honor and distinction for over 30 years. Many Presidents benefited from his experience and counsel since his arrival in the Senate in 1961. I am among those who will sorely miss his advice, especially in the fields of arms control, national security, and intelligence.

He was a friend, a leader, and a great Senator. Our sympathy and prayers go out to his surviving family members, Penny and Jeanne. Barbara and I join all Americans in mourning his death, and our hearts go out to the families of those who lost loved ones in this tragic accident.

Barbara and I were also saddened to learn of the death of U.S. astronaut Manley Lanier ``Sonny'' Carter, Jr. He served the Nation well, and his experience will be sorely missed.

The President's News Conference With Secretary of State James A. Baker III in Houston, Texas

April 6, 1991

The President. Well, we haven't had our discussion yet, and I'm very anxious to talk to the Secretary about his upcoming trip. In just a second I'm going to ask him to make a comment on that trip. But let me just say that I'm very pleased with the reception so far to our refugee relief program for those that have been brutalized and turned into refugees by the Government of Iraq. And it's a good program. It's strong. The air drop will be starting very, very soon. It's just a question of the exact timing I'm not sure of yet, but it will start very, very, very, very soon. And the program is, I think, comprehensive.

We have not heard from Iran on how the part will work that affects refugees along the Iranian border. But I am very pleased that we and others have stepped up to the plate on this one. As a matter of fact, I think we've already, over the period of the last few weeks, spent something like $35 million, and that's prior to this new program that we've announced. So, the United States is doing its part, should do its part, always has done its part.

But now I'd like to ask the Secretary just to comment on his trip. Then we'll take just a few questions and then head on in and do some work because he's got to go have supper in Turkey in not many hours from now.

The Secretary. The President has asked me to return to the Middle East in order to see if we can take advantage of what I think the United States and everyone else believes is a window of opportunity with respect to the possibilities on the Arab-Israeli conflict in the aftermath of the Gulf war.

We were planning this trip when the President asked me as well to go by Turkey. I will be having dinner Sunday night with President Ozal, and then proceeding down to the Turkish-Iraqi border to assess the situation and report back to the President what we find and what we see.

We will then go to Jerusalem and meet on Tuesday with the Israeli Government leadership. We will go to Egypt, to Syria, and I will meet in Egypt with the Foreign Minister of Saudi Arabia. King Fahd is at Mecca for the end of Ramadan. We will then come back through Geneva where I will meet with the Foreign Minister of Jordan and where I will brief the President of the EC 12.

The President. I might add one more comment before the questions. A letter addressed to the Secretary-General of the United Nations has been received. We have a copy of it in the State Department. It's 26 pages long. It is being translated. It relates to the U.N. demand that Iraq accept certain conditions in order to finalize the cease-fire. It appears to be positive, but I don't

want to get too far out in front on that until we get the total analysis of the letter. But it appears to be a positive response, and that's good. That's a good step. And that will enable us to move more quickly to remove our forces from southern Iraq.

Incidentally, a good many of those forces have started out or are out or are coming out. But when these Blue Helmets, this international force, gets in there, it is my intention to take our forces out just as quickly as possible. And we're talking a matter of days, not a matter of months or weeks or anything of that nature. So, that will be a positive step, something we've said we're going to do. It will send a good signal, I think, to the rest of the world, and it will fulfill what I've stated was a major, major intention of the United States Government.

Iraq

Q. Mr. President, fears have been raised by some people described as Iraqi dissidents, essentially rebels, that when the American troops move out, perhaps 100,000 people will face retribution and vengeance at the hands of Saddam Hussein. In fact, some people who came to see people at the State Department asked that the troops stay a little longer. Do you have fears about some bloodbath there?

The President. I'm concerned about it. We are already -- incidentally, speaking of help for refugees, our forces are already taking care of some 40,000 in the south, and we will make arrangements to see that those people are taken care of. But I have no intention of leaving our forces. We made very, very clear from day one so that everybody would understand it, these forces were coming out.

But I'm hopeful that this positive action in response to the United Nations resolutions will then spill over, and we'll get a little more tranquility inside of Iraq itself. But we'll watch the situation very, very carefully, but I want to keep my commitment to the American people in terms of their sons and daughters and in terms of what our objectives were. And that's exactly what I'm doing.

Q. There are reports out of the United Nations, though, that members of the Security Council including the United States are volunteering forces for the peacekeeping effort that Secretary Javier Perez de Cuellar is organizing. Is that true? Would you commit U.S. troops to the peacekeeping force?

The President. Well, it's possible that the United States will have a contribution there, but that has not been finalized. It is essential that there be a force in there. Historically, we've not been in these peacekeeping forces, but it depends on what the whole makeup of the force is. And if that will enhance the peace, why, I'd be openminded on that question.

Q. If I may, sir, wouldn't that run counter, though, to the very promise that you're making to sons and daughters?

The President. No -- I see your point -- no. I think it would not because I think we're talking about an international force. We have -- you remember Colonel Higgins. Now, he was a member of a peacekeeping force, a UNIFIL force. So, there is some precedent. But we're not talking here about a lot of troops or anything of that nature. When I said we weren't in it, I now think of the Higgins case and I'm sure there are others, other people involved from the United States. I guess to clarify it, I should say there would not be a lot of U.S. troops involved in something of this nature.

Q. Mr. President, about the cease-fire resolution, two things. One, does your analysis so far show that the various objections that the Iraqis have raised are simply just rhetoric and that they don't interfere with the fact that the Iraqis are actually accepting the cease-fire?

The President. We're not sure yet, Rita [Rita Beamish, Associated Press]. And thus, I'm not going to comment further. I talked to Jim earlier, and neither of us have the final word on that. Dennis Ross just went and checked so I could give you the latest answer, but we do not have the final interpretation of this. There is some griping about the severity of the U.N. conditions, but that is just too bad, because the United Nations has acted and Iraq -- Saddam Hussein is in no position, in my view, to barter on something of this nature.

And so, I hope that there's just a lot of front-end rhetoric and the answer is that they do that which the international community has called on them to do, and that is to accept all terms of the cease-fire, all the terms that were put down for them.

Q. And the second thing, sir, just on that point: If it's true that they are accepting the cease-fire, should the sanctions then be lifted against Iraq, or should that wait until the Kurdish situation -- until Iraq stops -- --

The President. We'll take a look here at all of that, but we want to see full compliance, and we want to see a cessation of the brutality in Iraq.

I recognized Ann [Ann Compton, ABC News], and then we got crossed over.

Q. -- -- anything less than total compliance of the U.N. resolution acceptable? If it takes 26 pages to say yes, don't you worry that they aren't going to embrace all of the aspects?

The President. I'm just not going to comment on it until we see it. I don't care how much griping they do. I want to know whether they're going to accept it or not. Let them go forth with their rhetoric. We've listened to that. The American people heard that for about 6 months, and it didn't change one thing. But the answer is: What's the bottom line, and when are they going to accept it, and how firm will the acceptance be? And that's what the United States and our coalition partners will be looking for.

Q. But they haven't accepted the first 13 resolutions. Do you believe that they can be made to live up to this one?

The President. Well, I think that this one includes fulfillment of the others. It talks, for example, about not -- we don't call it reparations, but what's the technical term we use?

The Secretary. Compensation.

The President. Compensation. So, this new all-encompassing step by the United Nations takes care of a lot of the outstanding questions then.

The Secretary. Can I just add to that? You're quite right, they did not accept the first 13 willingly, and you would think that they might have learned by now the wisdom of accepting United Nations resolutions, the resolutions of the international community.

Middle East Discussions

Q. Mr. President, is Secretary Baker's trip back to the Middle East an outgrowth of General Scowcroft's mission last week? Can you tell us anything further about that visit?

The President. That stealth mission? No, I can't tell you anything more about it. But there he is, the stealth man himself. But I would say this: the United States is doing what we can to foster stability and security in the Gulf area, a peace between Israel and the Palestinians. Hopefully, our efforts can help the Lebanon. And so, all of these trips contribute to our knowledge and to our ability to come up with a proposal that can achieve these ends.

And we are talking to our European friends about this, and trying to get their ideas on it. And others are working the peace process. You saw where Francois Mitterrand met with King Hussein, and that's a contribution. So, I'd just say that all of these things come together. And I want to move forward. I want to see us move forward. The United States has a newfound and credibility in that part of the world. And I want to see that used to enhance the peace, to contribute to a lasting peace. And that's a broad objective, but it's a noble goal and it's one that we want to try to help attain. And that's why Secretary Baker is going back. That's why General Scowcroft undertook a mission. That's why you're seeing a lot of other diplomatic action by the United States in different capitals.

You had one for the Secretary. This is one for the Secretary.

Q. Mr. Secretary, you identified what you called a window of opportunity. Can you tell us what are the new facts that you see as opportunistic?

The Secretary. Well, the new factors are generated, of course, by what happened as a consequence of the Gulf war. I'm not suggesting that there are any new factors. I'm not suggesting new factors -- there may be some -- that have occasioned this trip.

But let me simply say that I think we owe it to ourselves and we owe it to the countries in the region and, indeed, we owe it to the world to make every effort possible to deal with this most intractable of all problems. And we're not going to be able to deal with it if we're not willing to actively engage in work. And that's what the President has instructed me to do on this trip.

Now, if we can't get anywhere, then we'll just have to fall back and look at other options and other approaches. But I think and I think most people believe that there are changed circumstances in the region, and frankly, I found that in the attitude both of Arabs and Israelis on the occasion of that first trip I made.

Q. -- -- small steps as opposed to large steps?

The Secretary. Steps. Steps. We need steps. Absolutely.

Q. The meeting with the Jordanians, though, does that reflect a marked change in their attitude or contrition on their part, or is that a U.S. judgment that nothing is going to firmly resolve in that region, especially the Palestinian question, without some kind of Jordanian involvement?

The President. To whom are you addressing your question?

Q. If either of you would care to answer that.

The President. Let me answer it for you. It is a proper step that the Secretary meet the Foreign Minister of Jordan in Geneva. And you can figure out what I mean by that. It is a proper step. And Jordan obviously will have an important role to play in whatever the final answer proves to be; there's no question about that. But it is right that the Secretary meet the Foreign Minister in Geneva.

Q. Mr. President, are you still hopeful in taking the trip yourself?

Q. -- -- from the very beginning has pursued a very incrementalist approach to the Middle East. Isn't it time for you to use the enormous credibility you've gained from this war to do something bolder and more dramatic? Why not a Bush plan? Why step-by-step confidence-building measures? These haven't worked yet; why should they work now?

The President. Well, one, you've got to crawl before you walk. Two, I think that you might well see a comprehensive overall plan. I want to treat it kind of like the Brady plan. You remember? The Brady plan, until it began to work, and then we called it the Bush plan. So, you've got some --

[laughter] -- --

Q. The Baker plan and then it would be the Bush plan.

The President. But it's a very important question, and you're absolutely right. We do have this credibility, I believe, in various capitals where we didn't. I think that's certainly true in the Gulf. I understand that it's true in Israel. So, I want to see us use that in order to be the catalyst for peace. Now, we're not going to do this alone. We have a tremendous amount of consultation, and the Secretary is off on another consultative trip.

But I don't want to -- if your question is this -- I don't want to waste it. I don't want to have so much time go by that everything gets back to the status quo ante and despair sets in, because there is hope now. And I am hopeful after talking to the Secretary from his last trip.

So, you may well see what you asked about here, but I do think it is very important that when we propose something, that it works, that it has a chance to be successful. We could go out with a grand design and maybe have nobody want to do it our way. So, there's an awful lot of complex diplomacy that needs to be employed right now.

But I'm not putting aside the idea of a bold plan, but we've got to work our way up to that.

Iran-U.S. Relations

Q. Mr. President, the one country in the region that there has not been a mission to is Iran. Is it now becoming time, you think, for the U.S. to make a move in that direction?

The President. I don't know, I haven't talked to Jim about the Velayati comments the other day on one of the news programs -- the Foreign Minister of Iran -- indicating there were still problems. We know what the problems are. I have made very clear that we would like to have better relations with Iran. It's an important country. We've had enormous differences with them. Every American knows what the major stumbling block is, and that is the holding of hostages. And I want to see those hostages released. And I'm not saying that Iran can wave a magic wand and have them all released. They don't hold the hostages, but they can be very, very influential in the release of the hostages. And it would incur enormous good will for Iran in this country if they did that -- enormous.

And they've got difficult problems inside that country; we understand that. So, we're working the problem. And you'll notice some of the coalition countries now reaching out a little bit to Iran. They don't have a hostage barrier. But I'm hopeful that we will have better relations with Iran. I like the moderate talk I hear coming from some of their people now. I would be hopeful that that would be resolved. But I want those hostages out of there. I want them out, every single one of them.

Possible Middle East Trip

Q. When are you going to the Middle East yourself, sir?

The President. Middle East myself? Well, my problem is I've wanted to go for a long time, but we don't want to do it unless it can be contributory. And I'm anxious to do it. But I just have to say I don't know the answer to your question. The Secretary's trip will be important, what he finds. I had wanted to go early on simply to salute the troops on the ground; time is making, maybe, that more difficult. And we've tried to show my interest, Barbara's interest in welcoming them back here. But as time goes by, that becomes less of a reason, and the Middle East peace process becomes more of a reason. So, I want to talk to the Secretary when he gets back. But I can tell you there is no definite plan at this point to do it. And I've got other trips that I'm committed to make, that I will make. So, we'll just have to wait and see. I'm anxious to do it.

I'm going to stay in close personal touch with our partners in the Middle East. That includes the Arab countries; that includes Israel. And I will be following the Secretary's trip very, very closely because we've got a shot now, and we're going to try our level-best to work with others to bring peace to this area. And we really feel it. This is something we feel very passionately about.

Well, thank you all very much.

Note: The President's 78th news conference began at 4:45 p.m. on the grounds of the Houstonian Hotel. The following persons were mentioned in the news conference: President Turgut Ozal of Turkey; Foreign Minister Sa`ud al-Faysal Al Sa`ud and King Fahd bin `Abd al-`Aziz Al Sa`ud of Saudi Arabia; Foreign Minister Marwan al-Kasim of Jordan; President Jacques Delors of the European Community; Javier Perez de Cuellar de la Guerra, Secretary-General of the United Nations; President Saddam Hussein of Iraq; Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, who was kidnaped in 1988 and executed by pro-Iranian terrorists in 1989; Dennis Ross, Director of the Policy Planning Staff at the State Department; Brent Scowcroft, Assistant to the President for National Security Affairs; President Francois Mitterrand of France; King Hussein I of Jordan; and Foreign Minister Ali Akbar Velayati of Iran.

Statement on Signing the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991

April 6, 1991

I am pleased to sign into law S. 725, the ``Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991." This legislation authorizes the appropriations that the Administration requested for Operations Desert Shield and Desert Storm. It also authorizes $655 million over 5 years to increase selected benefits for the men and women who served this country, and the world, during the Persian Gulf conflict.

The Act provides the Secretary of Defense authority to use funds contributed by other countries to offset the incremental costs of U.S. operations in the Persian Gulf. It also authorizes the appropriation of $15 billion in U.S. funds to a Persian Gulf Conflict Working Capital Account. These monies will be used to cover the costs of the Persian Gulf conflict not met by the contributions of other countries.

The Act increases certain benefits for military personnel and veterans who served during the Persian Gulf conflict. This benefit package, which is fully consistent with the Budget Enforcement Act, was crafted in bipartisan negotiations between the Administration and the Congress.

Our service men and women performed with extraordinary ability and valor in the Persian Gulf. Their success is an inspiration to us all. This Act increases the pay of those who faced the greatest danger, smooths the transition for those returning to the work force or the educational system from the Persian Gulf, and increases the level of higher education benefits for veterans and reservists.

Specifically, the Act increases the military separation allowance and imminent danger or hostile fire pay for those who served during the Persian Gulf conflict. The families of all American service men and women who were covered by Servicemen's Group Life Insurance and were killed in the line of duty during this period will receive a special death gratuity of up to $50,000. Activated reservists without adequate health insurance will receive 1 month of transitional health care coverage when discharged. The Act also grants our newest wartime veterans eligibility for veterans' pensions and our combat veterans eligibility for readjustment counseling, and it makes up to $100,000 in life insurance coverage available to our servicemembers and to those who become veterans after the date of enactment of this bill. Reemployment rights for disabled veterans are also being strengthened.

Increased educational assistance payments for active duty personnel and reservists are an integral

part of this package. In addition, the Act authorizes the Secretary of Education to extend the grace and deferment periods for repayment of Federal student loans and the eligibility period for certain Federal grants for activated reservists who served during the Persian Gulf conflict. It also encourages colleges and universities to provide tuition credits or refunds for students who were called to active duty and were unable to complete their courses.

S. 725 also permits the Secretary of Defense to exceed the authorized military end-strength levels for FY 1991. For FY 1992 and beyond, we intend to meet the military end-strength levels projected in the February 1991 Budget.

This act requires a report to the Congress relating to the conduct of the coalition effort. We have been open with the Congress about our conduct of the Persian Gulf conflict and will continue to provide the Congress with information to the maximum extent consistent with the discharge of my constitutional responsibilities.

George Bush

The White House,

April 6, 1991.

Note: S. 725, approved April 6, was assigned Public Law No. 102 - 25.

Remarks Commemorating the National Days of Thanksgiving in Houston, Texas

April 7, 1991

Dr. Payne, thank you, sir. Barbara and I are delighted to be here on this very special day of National Day of Thanksgiving.

Almost as soon as the peace was shattered in the Gulf last August, prayers for peace began at St. Martin's. First were special prayers on Sundays, and then in the midweek services. And by January, I'm told there were daily prayers. And the Sunday school children sent handmade Christmas cards to our men and women in the Gulf, and the church sent along prayer books and crosses. And Houston, as we saw all across America, was bedecked in flags and yellow ribbons.

This says much about our city and about our nation. But it says much more about our country. For during these anxious months, this story has unfolded a thousand times over. In churches, in synagogues, in temples, in mosques, in communities of every size, in schools and scout troops, and countless times in the quiet, simple acts of individuals who care. We are one nation under God.

On these special Days of Thanksgiving, we do have so very much for which to be thankful. We are grateful for the long-awaited liberation of tiny Kuwait and the end of the terror rendered upon the Kuwaiti people. And for our men and women who performed their mission with such courage and conviction, we are grateful that their losses were mercifully few. And we're extraordinarily proud of our troops now returning home.

It is the time to give thanks to God, not for winning the war but for helping us to do what was right. We mourn for those who have fallen, and our hearts go out to their families. But we should thank God Almighty for men and women who will risk their lives to save the lives of others. Remember Michener, James Michener's Admiral Tarrant asked, ``Where did we get such men?" And the answer is, those men and women came right here, right here at home. That's where they came from.

Well, I believe that two such men are with us here today, recently returned from the Gulf: F - 16 pilot Captain John Hunnell and his wingman Lieutenant Scott Long. Maybe you'd stand up, if you all are there. [Applause] Thank you.

I read the letter that John sent to Reverend Di Paola about his second combat mission over Iraq. It was as terrifying as it was majestic. He describes an unnerving silence amidst missile trails and bright flashes of flak; the only sounds, the dull roar of his engine, the radio, and the beeping of his radar alarm. And although he didn't mention it, probably the beating of his heart felt pretty loud at

that time. [Laughter]

And it's been said, ``The wings of prayer carry high and far." Well, Captain Hunnell mentioned a prayer he repeated often. And it says, ``If I forget Thee, do not Thou forget me." The Lord did not forget him, nor the righteousness of our cause. And so, on this National Day of Thanksgiving, this church being one of many across the country celebrating this National Day of Thanksgiving, let me conclude with a brief prayer:

Dear God, we humbly give you our heartfelt thanks. We thank you for bringing the war to a quick end. We thank you for sparing the lives of so many of our men and women who went to the Gulf. We ask you to bring comfort to the families of those who gave their lives for their country. We ask you to protect the innocents who this very day are suffering in Iraq and elsewhere. We give thanks for the bravery and steadfast support of our coalition partners, and yes, we pray for our enemies, that a just peace may come to their troubled land.

We are not an arrogant nation, a gloating nation. For we know: ``Blessed are the meek, for they shall inherit the Earth." On this special day, this grateful nation says, ``Thank you, God."

Note: The President spoke at 9:50 a.m. in the main sanctuary of St. Martin's Episcopal Church. The President referred to the Reverend Claude E. Payne, rector of the church, and Joseph Di Paola, associate rector.

Remarks and an Exchange With Reporters Prior to Discussions With President Carlos Salinas de Gortari of Mexico in Houston, Texas

April 7, 1991

President Bush. Welcome, everybody. Are these things turned on? Because I just want to say, if they are, how pleased I am to see President Salinas, see him back here where -- I think it's where we first met. He was coming in as President of Mexico, and I was coming in as President of the United States. We've had a strong friendship, and we're on common ground on these major issues. So, it's a special privilege for me to have him back here in Houston, Texas.

Fast Track Authority Extension

Q. Are you hoping to get momentum to get Fast Track through Congress here?

The President. You're darn right. We're going to work; we're going all-out on that. And I'll have a little more to say about that later on. It is priority for the United States, the United States Government. And I'm going to do everything I can with the Congress to get this approved. And I mean all out, 100-percent commitment. So, no holding back at all.

Q. President Salinas, do you think you can help?

President Salinas. We'll do our share, the share that Mexico has to do within Mexico.

[At this point, another group of journalists entered the room.]

President Bush. As I say to the Mexican media how pleased we are to have President Salinas here in Houston, Texas, where we first met. We had the spirit of Houston then, and the spirit of Houston squared, revisited, and we've got important matters upon which we are working together. And I'm thinking particularly on this Fast Track authority for a free-trade agreement.

And the United States is committed, our Government, and I'm going to work my heart out to have it passed. It's good for the United States, and I happen to believe it's also good for Mexico.

Note: President Bush spoke at 11:05 a.m. in the Crew Ready Room at Ellington Field. President Salinas spoke in Spanish, and his remarks were translated by an interpreter. A portion of this exchange could not be verified because the tape was incomplete.

The President's News Conference With President Carlos Salinas de Gortari of Mexico in Houston, Texas

April 7, 1991

President Bush. Well, as always, it is a great pleasure to meet with my good friend President Carlos Salinas. He's en route to Canada for a state visit. But this refueling stop has given us a chance to discuss very important issues of mutual concern and interest.

The United States has embarked on an historic task with Mexico and Canada: the creation of a trilateral free-trade agreement which would establish the largest free-trade area in the world. It would involve some 360 million people and a total of $6 trillion in combined annual output. President Salinas and I are certain that this FTA, this trade agreement, will create jobs and provide opportunities for the citizens of both our countries.

To move forward, we need the United States Congress to extend the Fast Track authority. That authority allows the President to assure our negotiating partners that the free-trade agreement which we conclude at the negotiating table will be the one that will be voted on by the Congress. The Congress has a say. They can vote yes, or they can vote no. But we need to negotiate in a way so that the people with whom we're negotiating know that that is not going to be amended and changed.

I told President Salinas that I am absolutely committed personally, that our administration is committed totally to the free-trade agreement with Mexico and Canada. And I also told him that I am going to work tirelessly to assure favorable action by Congress on Fast Track authority.

The credibility of the United States as a trading partner is on the line here. And I am doing this because I believe it firmly that it is in the best interest of the United States of America. I also believe it's in Mexico's interest. But I am convinced that it is best for America.

President Salinas and I have agreed to take a few questions, but I'd now turn the floor over to him.

Once again, sir, welcome.

President Salinas. Thank you very much for the hospitality extended to us, Mr. President. I would like to say that the bilateral agenda is quite wide, and we took up diverse topics.

One of these issues, no doubt, was a free-trade agreement. We ratified our firm decision to forge ahead and come afloat with a treaty. The area that would then be created would be the major mover in order to promote the economies of the whole continent, and at the same time, it would be an extraordinary means in order to increase and raise our competitiveness to reach levels of the

Pacific Basin and Europe.

But this will not be easy. It is a battle between visionary men and women living in sovereign nations with protectionist interests or visionary views.

We reach the conclusion that studies tend to confirm that the benefits that will be derived and that will stem from the free-trade agreement broadly go beyond the disadvantages that one could have. For example, in the United States, thanks to freer trade activities with Mexico, in the last 3 years exports have increased to my country, to Mexico. In the United States, additional jobs have been created of over one-fourth of a million jobs.

Mexico is already growing and developing with stability, and that will now lead to having to export goods from Mexico, not people. That will prevent thousands and millions of Mexicans from having to come to the United States looking for a job. Our objective is to have economic recovery with employment that will not harm the environment and with an increase, a raise, in real salaries.

And I would simply like to conclude by saying that the good climate that we found in Houston 2\1/2\ years ago has now been confirmed here today.

President Bush. Thank you, sir.

Marlin, now what is the time schedule? Because I know we want to take some questions.

Mr. Fitzwater. Just time for a few questions, and they do have to -- rather quickly.

President Bush. And what we thought we'd do is alternate, one for me, one for President Salinas. And then we'll try to be fair in the distribution between the visitors from Mexico whom I welcome and the U.S. press corps.

Yes, sir, in the back.

Latin America-U.S. Relations

[At this point, a question was asked in Spanish, and a translation was not provided.]

President Bush. No, that is not so. We are not distracted by Eastern Europe and the Gulf. We had a mission in the Gulf. We have completed that mission. I'm going to bring our troops home. But I hope we have not given the impression that we've lost interest in our own hemisphere.

Indeed, the Enterprise for the Americas Initiative, the Brady plan, the commitment that I am

reaffirming here today for this trade agreement with Mexico, my own visit to Monterrey -- all of these things, I think, I hope, sent the message to our friends south of the Rio Grande, and not just Mexico but on south, that we are committed to being a good neighbor. And so, I hope I'll have more chance to demonstrate that now that the war is over.

Mexican Environmental Concerns

Q. President Salinas, the head of Sierra Club told a congressional committee last month that in the area where free-trade zones were established, generally, the new development is in an environmental disaster area. There was great concern that a free-trade agreement will worsen the environment and perhaps dilute the gains made by the Clean Air Act in this country. What is your response?

President Salinas. We are committed with a clean environment. We don't want our children to paint the sky gray without any stars because they cannot see the stars. That is why any new jobs, any new employment that has been created in Mexico will have to abide by very stringent laws for the protection of the environment. Not only firm and stringent laws but firm and stringent enforcement of these laws. We have much to do still, very little time for having started with this, but that is our commitment.

President Bush. We'll take one for me -- let's see -- for President Salinas on the Mexican journalist side. Then I'll go for one for me on the American side. Oops, wrong guy. Well, you're going to miss my instructions. Go ahead, though. [Laughter]

Free-Trade Agreement

[At this point, a question was asked in Spanish, and a translation was not provided.]

President Bush. I've heard people say that the arguments are not convincing. I disagree with them. So, it is my mission now to lead our whole administration and those in the Congress who are now strongly in support of the free-trade agreement -- and that includes, I might add, some of the key Democrat leaders in the Congress who are supporting us -- it is now our mission, collective mission, to make this clear to the rest of the country and thus to the United States Congress that it is in our interest. The arguments are good. We are going to increase jobs in this country. We are going to have fewer border difficulties, which we all know exist, once we get this agreement through.

But we have some tough opponents in this country. Some elements in organized labor are fighting it, and they are wrong. And I'm going to take them on head-on-head because I know that this is in the best interest of our country.

So, we've got a big selling job to do, but we're not alone in this fight. We've got the facts on our

side and we also have some of the key Democratic leaders in the United States Congress who are highly respected and who will join in this because they know that expanded trade is good for both sides.

But I want to use this answer here just to once again reiterate my strong personal commitment. And I hope that will help. And we will be enlisting all the help we can get in the Congress because we're in for a battle. We're not under any allusion about that.

Now, for President Salinas. Do you want one from the American side for me?

Iraq

Q. Mr. President, yesterday you seemed hopeful that Iraq's tentative acceptance of the U.N. conditions for a cease-fire would finally mean an end to the war for U.S. troops. But there don't appear to be any guarantees that's going to be the case for the Iraqi people. Is there any effort by the United States to use the U.N. mandate to restore order in Iraq, or are you, in a sense, being forced to tolerate a declared peace in the midst of chaos and even civil war there?

President Bush. Well, I think you've seen the U.N. be very effective by having its rather stern but proper resolutions adopted. And I think the main thing is to get them put into effect, and I hope that that then will have a calming effect inside of Iraq itself. But I've made clear my position. I stated it from the very beginning. We have not expanded our objectives. We are not going to expand the use of U.S. forces; indeed, I want them to come out, and they will be coming out as soon as possible.

But the U.N. can very well have the kind of additional role that your question asks about. And we will be in consultation with others at the United Nations to see whether the U.N. can again, once again, enhance its peacekeeping function, a function that only recently has come to be affecting events in a beneficial way. Only recently has the peacekeeping function come forward as something that has some teeth in it. And we saw that through the Gulf.

Now, I would like to see that peacekeeping function activated again to help on this matter. You have some interesting debate at the U.N., however, in terms of the internal affairs of a country. But when you have a refugee problem of this enormous consequence, then that comes under the heading of United Nations business. So, through that, perhaps, we can try to enhance the peace, bring peace back to this troubled land.

But I want to make clear one more time: There was never any indication on the part of this administration or this President that we were going to expand our objectives to put troops or use force in Iraq. We've fulfilled our objectives, and now what we've got to do is fulfill our concerns about the innocents that are suffering -- the Kurds and the Shiites in the south and those in Baghdad themselves -- by doing what the United States has always done, trying to be a catalyst

for healing the wounds. And there are a lot of wounds, a lot of people hurting.

Our airlifts started. I was just telling the President I was very pleased, we've already dropped 72,000 pounds of MRE's, this food and water, to stranded refugees. So, I think world opinion also, Norm [Norman Sandler, United Press International], on this one can help. I think people are so outraged that there may be ways we can bring pressure through the U.N. or elsewhere on this regime inside Iraq.

Q. When you talk about an additional role, is that a role for the U.N. as policemen, essentially, internally in Iraq?

President Bush. No, I don't think you're going to see that. I don't think the United Nations will take such action. But I think there's a way that we can be helpful in the ways I've talked about. But I don't think you're going to see a police role in downtown Baghdad. I am pleased that the international force, the Blue Helmet, the United Nations international force, will be in place soon.

And I will use this opportunity to say to the American people, those young men and women of ours that are in southern Iraq are coming out just as soon as possible. And we're talking about days, not weeks or months, in terms of my fulfilling that commitment to the American people.

Free-Trade Agreement

Q. This is a question on trade for President Salinas. Perhaps Mexico now is one of the most open economies, much more so than the U.S. economy. You, President Salinas, have asked in various fora for reciprocity, reciprocal actions for this opening that Mexico is undertaking. Irrespective of it, or while we wait for the negotiation to take place, is there any commitment on the part of the U.S. in order to pay back or to match that opening that Mexico is undertaking?

President Salinas. This is more a question for President Bush than for me. [Laughter]

President Bush. He asked you. [Laughter] Thank heavens!

President Salinas. But I would say that the objective in negotiating this free-trade agreement is reciprocity to a unilateral attitude. And more than having an addition or a subtraction of arithmetic operations, it is more a matter of taking up a vision, a view, in the medium term and in the long term. What is truly at stake is that a decision is being made as to what will happen with North America by the end of this century or beginning of the coming century.

We have to be competitive, vis-a-vis Europe and the Pacific Basin. And the only way of being it is by being together. And otherwise, it is not a matter of losing jobs for Mexico but spending the rest of your life buying Japanese or European products. So, as you can see, this is an exceptional, historic opportunity, and it will be very difficult for it to be repeated.

President Bush. Marlin, did you say one more?

One more. Charles [Charles Bierbauer, Cable News Network]?

Iraq

Q. Mr. President, you've repeatedly said that you have not encouraged the Kurds and the Shiites to rise up with the expectation that the U.S. would be in there fighting with them. And yet the Kurdish representatives this morning on one of the talk shows are saying that that's clearly the impression they got from listening to the Voice of Free Iraq, which they understood to be supported by the U.S. Would you clarify just what the role the U.S. played in running that radio station?

President Bush. No, I don't have the details on it. But I will reassert, I never in any way implied that the United States was going to use force beyond the mandate of the United Nations.

Thank you all very -- --

Q. Well, is that because that station could be an embarrassment to you, sir?

President Bush. No, I just don't know the details of it. I just don't know the details of it. And if it had anything -- --

Q. Were they naive?

President Bush. Well, I mean, you call it whatever you want. They were not misled by the United States of America. And that is now I think very, very clear. I went back and reviewed every statement I made about this, every single one. And there was never any implication that the United States would use force to go beyond the objectives which we so beautifully have achieved. None. And I hope that helps clarify it.

Thank you all very much.

Note: President Bush's 79th news conference began at 11:51 a.m. in the Briefing Room at Ellington Field. President Salinas spoke in Spanish, and his remarks were translated by an interpreter. Marlin Fitzwater was Press Secretary to President Bush.

Remarks at a Meeting With Hispanic Business Leaders in Houston, Texas

April 8, 1991

Thank you all very much. And Miguel, thank you for your leadership for the Greater Houston Partnership. And to all of you who managed to get through security and struggle in here, why -- [laughter] -- apologies for the delay, but I'm sure glad to see you.

Even though these lights are bright, I can see many, many friendly faces out there, people with whom I've worked for one cause or another over the years. You have this wonderful way of making a guy feel at home. So, thank you for coming. Lionel Sosa, I love those ads. They're terrific. I believe they're going to be very effective. And I thank you for your energy and your expertise and also would thank all of those who were helping you on this project.

To my old friend Bob Mosbacher, our able Secretary of Commerce, I'm glad to see him. He's slightly jet lagged out, having just returned from Japan on yet another mission to try to encourage our exports, a mission in favor of free and fair trade -- something we must continue to press for, whether it's halfway across the world or whether it's in relation to our own neighbors to the south. And Bob is doing a great job, a leadership role in fighting for free trade because he knows as I do, and as all of you do, that the freer the trade is, the more job opportunities there are for the people of the United States of America, say nothing of our trading partners. And so, I'm glad to see him back from his mission.

I've been looking forward to this meeting today. We've had a series of these, as some of you know. Some have attended one in Washington, then we had one out in California, and now this. Because I do want to discuss with you two issues that are vitally important to all of us: America's ability to compete in the global marketplace and our ability to negotiate with our trading partners. That's what's at stake right now. I've said many times that the hard work of freedom awaits us. And now, I'm asking for your help in that challenge.

I love the way that Mexico's very able President Carlos Salinas talked yesterday about the vision -- the vision of free and fair trade between the two countries. It's a vision that we share. Last month, I asked Congress to support this Fast Track authority in trade negotiations. You see, Fast Track is a way of assuring our trading counterparts that the agreements that they reach with us at that bargaining table, the one they reach with our negotiators will be the same ones that Congress has a chance to vote on, up or down.

Some are alleging Congress has no say. And that's simply not true. Fast Track doesn't affect Congress' power to accept or reject trade agreements. But it does prevent these 11th-hour changes to agreements that have been hammered out, changes that force everyone to start all over again.

We need Fast Track authority to pursue vital trade objectives: the North American free-trade agreement, the Uruguay round, and the Enterprise for the Americas Initiative. If we lose our Fast Track authority, we lose any hope of achieving these three vital agreements, the North American free-trade agreement, the Uruguay round, and the Enterprise for the Americas Initiative. We lose trade, we lose jobs, and we jeopardize economic growth.

Here's the key: A vote against Fast Track is a vote against things that we all hold dear, prosperity at home and growth in other lands. It ignores the dramatic and wonderful changes in the world economy. We want to play a leading role in that emerging, exciting world, and we don't want to hide from it. We want to join in the thrilling business of innovation, and we do not want to chain people to outmoded technologies and ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon to the Yucatan. Think of it. The North American free-trade agreement would link us with our largest trading partner, Canada, and our third-largest trading partner, Mexico. It would create the largest, richest trade zone on Earth: 360 million consumers in a market that generates $6 trillion in output in a single year.

A unified North American market would let each of our countries build on our own strengths. It would provide more and better jobs for U.S. workers. Let me repeat that one: It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. The agreement would make necessities such as food and clothing more affordable, more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the continent.

Let me illustrate the stakes involved in the Fast Track debate by discussing the Mexican component of the North American free-trade agreement. Trade with Mexico has helped both our countries.

Just 4 years ago, we had a $4.9 billion trade deficit with Mexico. Since then, we've cut that deficit by two-thirds, to $1.8 billion. This turnaround took place in part because Mexico's President believes in free trade. He's slashed tariff rates for some goods from 100 percent to 10 percent. One result: our exports to Mexico have increased 130 percent in the past 4 years. This export boom has created more than 300,000 new jobs here in the United States of America. And each additional billion dollars in exports creates 20,000 new jobs here in the United States.

I don't have to tell anyone in this room about Mexico's market potential: 85 million consumers who want to buy our goods. Nor do I have to tell you that as Mexico grows and prospers, it will need even more of the goods we're best at producing: computers, manufacturing equipment, high-tech and high-value products.

Unfortunately, we've got a tough fight ahead of us. Some Members of Congress are concerned

about the potential impact that any agreement may have on American jobs, American companies, American exports. Other Members of Congress say that they worry about wage rates or environmental quality, health and safety issues. I believe, I firmly believe, that concern about those very same issues is the strongest argument for support for Fast Track.

Let me just talk about those concerns. We've already seen what the reduction in Mexican tariffs has done for our exports, American exports to Mexico. A free-trade agreement would eliminate the remaining tariffs entirely. And that would stimulate exports, create new jobs, generate wealth, and hope, I might add, on both sides of the border.

Let's take a look at the impact on American companies. When trade barriers vanish, goods flow freely across borders. And everybody -- businessmen and workers, to farmers and consumers -- reaps the benefits of growth.

Consider the environment. The North American free-trade agreement fits into a winning strategy of improving environmental quality. Opponents of Fast Track and the trade pacts forget that prosperity offers the surest road to worker safety, public health, and indeed, environmental quality.

This administration wants to ensure that Mexican economic growth goes hand in hand with the environmental protection. Our EPA is already assisting the Salinas government with its environmental programs. President Salinas has shown that he's serious about cleaning up the environment by requiring all new cars to have catalytic converters. And recently I'm sure all of us noticed with pride and pleasure the fact that he shut down Mexico's largest oil refinery because, frankly, it was just too much pollution into the air. I know that President Salinas cares deeply about his nation and its people and that he means business when he says he wants to clean up Mexico's air and water.

And finally, consider the matter of working conditions in Mexico. As our trade with Mexico has grown, so have the wages of Mexican workers. Indeed, Mexican wages have risen very quickly in recent years, with no tangible impact on America's pay scales. That being the case, someone ought to ask the opponents of Fast Track why they oppose prosperity in Mexico.

Someone should ask why they oppose letting our neighbors enjoy the benefits of progress. These are our friends. These are our neighbors. Ask them what's wrong with increased productivity throughout the whole continent. We benefit when others in this continent prosper. And ask them what's wrong with a more stable Mexico. A free-trade pact would encourage investment, would create jobs, would lift wages, and give talented Mexican citizens opportunities that they don't enjoy today. A stronger Mexico, in turn, means a stronger United States; it means a stronger North American alliance.

So, you see, we have much to gain from extending Fast Track: a new era of open, free and fair

trade, a future of unprecedented economic growth and regional harmony. As with most good things in life, competition involves risk. But we always have been a nation of risktakers, of adventurers. Our forefathers transformed a rough wilderness into an industrial superpower. We've created technologies and products unlike any others produced in human history. We've placed the wisdom of the ages within reach of anyone who can operate a computer.

The vote on Fast Track is really a vote on what kind of America we want to build. A ``yes'' vote expresses confidence in American know-how and ingenuity. I say we believe in ourselves.

I want to make clear that this isn't a partisan political issue. I want to salute those Democratic leaders in the United States Congress, including our own Senator Lloyd Bentsen, who's a key player in this debate, and others in the House -- Speaker Foley -- who have the vision to say this is good for the United States and it's good for Mexico. I'm going to approach this strictly in a nonpartisan, nonpolitical manner. It is too important to get it bogged down in partisan politics. I take great pride in the fact that the relationship between Mexico and the United States has never been better. But it is my view that we owe Mexicans the opportunity that they will get from Fast Track. And when they get that opportunity it is going to benefit the United States of America.

And so, I will be fighting my heart out to win passage of this. I was very privileged to receive for the second time in Houston the able President of Mexico yesterday. He's doing a first-class job. He's moved that country in ways that some of his critics would never dared dream possible. And I think that it is in our interest now to build on this improved and strengthened relationship to give them and give ourselves the benefit of free and fair trade.

So, as we join a world that is linked primarily by economic -- not military -- competition, we have nothing to fear except the fearmongers themselves. They seem to be the only ones who haven't learned lately that defeatism produces defeat, while confidence and self-reliance produce greatness. We've got to seize the opportunities that this new world economy offers us. And with your help, I am absolutely convinced that we will do it.

So, once again, thank you for coming. And I pledge to each and every one of you that this goal is so important to the United States that it will be priority with me, with Secretary Mosbacher, with every other member of the Bush administration in Washington, DC. We are going to win this fight. But we need your help. Thank you all very, very much.

Note: The President spoke at 8:30 a.m. in the Evergreen Room at the Houstonian Hotel. In his remarks, he referred to Miguel San Juan, vice president, world trade division, Greater Houston Partnership; Lionel Sosa, who produced a video shown prior to the President's remarks; Secretary of Commerce Robert A. Mosbacher; President Carlos Salinas de Gortari of Mexico; Senator Lloyd Bentsen; and Thomas S. Foley, Speaker of the House of Representatives.

Remarks on Presenting a Point of Light Award to the Voice of Hope Ministries in Dallas, Texas

April 8, 1991

Let me just say Barbara and I are delighted to be here. In the first place, I want to salute all at the Dallas Naval Air Station, and say it's a pleasure to be back.

But today what I wanted to do here in this very brief period of time was to salute those that are gathered here not only to commemorate this 50th anniversary of the Dallas Naval Air Station but also to recognize the volunteers of the Voice of Hope Ministries as the 424th daily Point of Light. I think the name is well chosen, for you bring to the citizens of this corner of Dallas what they need most, and that is a sense of hope, the belief that every community can be reborn and that everyone can succeed.

Having known a life of poverty herself, Kathy Dudley was determined to help others overcome the hardships that she had experienced. And she founded Voice of Hope Ministries in 1982. And when you began, you had only a dilapidated, abandoned school for a meeting place. With hard work and faith in God and in yourselves, you've transformed that building into a thriving community center full of love and support for all who seek it.

Through your programs to enrich the lives of young people and seniors, your literacy and financial management programs to open the door to economic opportunity, and then other related programs, you are reclaiming the community from despair and disintegration. You're making a community whole.

And so, I am very grateful to speak for a grateful nation in saluting you for the strides that you've made. You are real-life American heroes, and all of us are very, very proud of you. And for those out there who say it can't be done, some communities can't be saved, I say to them: You all come to Dallas and see the Voice of Hope Ministries for yourself.

And thank you, then, to all of you for being a Point of Light. And God bless each and every one of you.

And now it is a privilege and a pleasure to present to the volunteers and staff of the Voice of Hope the 424th daily Point of Light recognition letter.

Note: The President spoke at 1:15 p.m. on the tarmac in front of the Dallas Naval Air Station Operations Building. Following his remarks, he returned to Washington, DC. A tape was not available for verification of the content of these remarks.

Remarks to Business Leaders on Fast Track Authority Extension

April 9, 1991

The President. At the outset of this meeting I just want to thank all the business leaders for being here. And I particularly want to thank Ambassadors Brock and Strauss. This fight for a free-trade agreement -- the Fast Track extension -- it protects the Uruguay round; it protects our Enterprise for the Americas Initiative; it protects the North American trade pact that we seek, agreement with Mexico. And it is very, very important. And I want to pledge to this nonpartisan group that I will do everything I can possibly do, working with the Congress, to get this Fast Track authority passed.

And it is in our interest. The point I made to President Salinas of Mexico, for whom I have great respect, is that it is in the interest of the United States of America. I also happen to believe it will benefit Mexico.

Similarly, everybody around this table has taken a leadership role in the Uruguay round, and that one is critical. We simply cannot fail to go forward with the negotiations. I will be doing everything I can, and I want to ask everybody here to do all that you can, with the various Members of Congress. I think when they understand this that we will carry the day.

There are some questions that we have to answer, questions that have been raised by supporters. Chairman Rostenkowski raised some questions. They're good questions. I think there are very good answers for them. But I would repeat what I said to a group in Houston, yesterday it was: This isn't a partisan matter. The Democratic leader in the Senate, the Speaker, the chairman of the Ways and Means Committee are strongly supporting this. And a lot of Republicans are. Some Republicans have reservations; some Democrats have reservations.

So, what we want to do is to approach this without -- [inaudible] -- in mind and get the job done. And I believe we can do it. I really am confident we can, but I don't want to see this much horsepower gathered without asking you earnestly to do the very best you can on the Hill because that's where the action is and that's where the answer should be finally decreed. But I think we're going to win it.

Ambassador Brock. So do I.

Q. Mr. President, can Iraq be persuaded to accept the refugees -- --

The President. It doesn't have anything to do with Fast Track. I want to talk about Fast Track today, and we'll have no more press conferences today because as I mentioned to an earlier group

we've had four in the last 3 days, and that's unfair to the press. [Laughter] Maybe four in the last 4 days -- something like that.

Note: The President spoke at 1:21 p.m. in the Cabinet Room at the White House. In his remarks, he referred to William E. Brock and Robert S. Strauss, former U.S. Trade Representatives; President Carlos Salinas de Gortari of Mexico; Dan Rostenkowski, chairman of the House Ways and Means Committee; George J. Mitchell, Senate majority leader; and Thomas S. Foley, Speaker of the House of Representatives.

Remarks at a Meeting of the American Business Conference

April 9, 1991

Thank you very, very much. And, Bob, thank you, sir, for that introduction and for letting this distinguished group use this meeting room today. It's always a pleasure to be back here. Let me also salute the ABC's leader, Jim Jones. What a job he's doing. But I remember his effectiveness in the leadership role in the Congress, and I'm glad that those energies that he has are being used and shared by all of you. We have many distinguished visitors with us today, and I won't single them out. I was told that Bill Seidman and Richard Breedon were here. But as I look around, unless they're basking way back in anonymity somewhere, they may not have made it.

But in any event, I'm delighted to see this group. Great to talk to the American Business Conference. We did a little homework on this, and I've been here four times in recent years. And then, of course, we're privileged to have two of your own with us in the administration, Bob Mosbacher and Arthur Levitt. And it's an honor and a pleasure to, as Bob says, talk to a group that stands for success -- a group that admits only medium-sized companies that thrive in the marketplace. But I've got to tell you, I feel a little funny being here. After all, I'm the CEO now of an outfit that's lost money for 33 of the last 35 years. [Laughter]

But in keeping with today's theme -- charting economic growth in the nineties -- I'd like to talk about our administration's plan for generating more American success stories like your own. Our recent success in the Gulf has renewed Americans' belief in themselves. In just the past couple of months, consumer confidence has soared. And the stock market, of course, has been climbing toward that 3,000 mark. Most economists predict that the recession soon will give way to a new cycle of growth. And, incidentally, we agree with that assessment, inside.

But we can't rest on our laurels. There's an entire world of competition out there. The administration's economic growth package is designed to let people like you do what you do best -- create jobs, create new opportunities, create wealth.

Let's start with an issue that we all have to address in the next month. And I think Bob just talked about it; Jim has been participating in a meeting with me in the Cabinet Room at the White House about it -- I'm talking about the issue of free and fair trade. As you know, I have asked Congress to extend the Fast Track trade authority.

Fast Track, in my view, is another term for good faith. It guarantees that Congress will accept or reject the very same agreements that our negotiators and their counterparts have worked out. And this doesn't weaken the Congress' power to review agreements; it simply prevents eleventh-hour changes that would force negotiators from all countries to start over, to start from scratch.

Our trading partners consider Fast Track a vital test of our reliability. And if we do not retain the Fast Track process, we jeopardize three critical foreign trade initiatives: the Uruguay round of trade talks, the North American free trade agreement, and the Enterprise for the Americas Initiative.

Americans understand the benefits of free trade. In the last 4 years, exports from the United States have increased 55 percent, more than twice the rate of import growth. And export business has grown more rapidly than the rest of our economy. This trade boom has helped everyone involved. A North American free trade agreement would place us in the largest integrated market on Earth: 360 million people, $6 trillion of annual output. It would also give our neighbors access to the technologies and products that they need to improve their standards of living, further clean their environments, and create a true community of nations on our continent.

We also believe strongly in promoting trade. I have asked Bob Mosbacher to lead a governmentwide effort to help small and medium-sized companies sell their goods and services abroad. I know you support free trade, which is why I want to help you in persuading Congress to extend the Fast Track process. Without it, we will surrender our chance to shape the emerging world economy. Without it, we risk setting off the kind of protectionist warfare that helped produce the Great Depression. And with it, American workers and businesses will be able to demonstrate their strength in a new and vibrant world market.

Let me say that we are approaching this Fast Track process on the Hill in a totally nonpartisan manner. The Democratic leaders, several of the key Democratic leaders, are as enthusiastic about this Fast Track authority granting as I am. And we're approaching it strictly because we believe that it is best for the United States of America. And I also know that it's good for our trading partners as well.

This brings me, then, to a second part of our growth package: creating an educated, innovative work force. Our budget emphasizes the importance of building an America that is ready to take its place in an emerging world economy. It stresses the absolute necessity of an educated nation. We want to reinvent the American school, to create a nation of students, to make sure that education offers opportunity to everyone.

Our education strategy starts with some very obvious truths: that schools succeed when teachers teach; when parents support the schools; when schools accept help from people with skills -- local businesses, community colleges, that huge pool of untapped talent, our retirees; when communities fight harder to rip down barriers that prevent effective teaching, barriers such as crimes and drugs and community indifference.

And we also want to encourage entrepreneurship in education. We will support research into the best teaching methods and techniques. We want to help workers improve their knowledge and skills. Your Vital Link program offers a great way to achieve this goal. And we want to ensure

that the American people are the best educated, best motivated in the entire world.

Our economic proposals also sweep away obstacles to free enterprise. What we're trying to do -- we're trying to unleash the power of American imagination.

Your organization understands, I'd say better than most, that runaway government spending steals opportunity from private citizens. Last year's budget agreement -- controversial though it was -- placed real and stringent caps on congressional spending. If Congress wants to spend money now, more money on certain programs, it'll have to make the hard choices. It'll have to raise taxes or take the money from other programs.

This year, for the first time in years, Federal spending will actually increase less rapidly than the inflation. And I can promise you that if Congress sends me these spending bills that break this budget, I will send them back, with a veto message.

But there's lots more to do. We in government must do more. As Vice President, I headed the Task Force on Regulatory Relief. And as President, I remain committed to weeding out regulations that prevent people from creating jobs and opportunities. I see some know what over-regulation means. [Laughter] But we're going to continue to do this, and we must. Last year regulations -- here's why -- last year regulations cost the economy at least $185 billion, or $1,700 for every taxpayer. The Government generated more than 5.3 billion hours of paperwork last year. And that's enough to keep 2 million people busy doing nothing but filling out forms.

Our Council on Competitiveness, as chaired by Vice President Quayle, attacks the scourge of unnecessary regulation. We want to let people turn their attention to the more important and rewarding work of building a prosperous future. We've followed the same approach in looking at our Tax Code. We want a tax system that rewards enterprise. I have repeatedly asked the United States Congress to cut our high capital gains tax. And I can't think of any issue that's been more badly misrepresented than this one. Our critics say that a capital gains cut helps only the rich. And in my view, they are dead wrong.

Here are the facts on it. More than a quarter of all families who file capital gains have annual incomes of less than $20,000 a year. More than three-quarters of all families who declared make less than Members of Congress. A capital gains cut isn't a sop to the rich. It rewards people who turn good ideas into goods and services -- goods and services that people need.

When taxes on entrepreneurship are high, investors have no incentive to risk money on untried businesses and entrepreneurs. Before Congress cut the capital gains rate in 1978, the pool for start-up businesses had virtually dried up. And after the cut, we experienced an investment boom. Between 1978 and 1986, the number of initial public offerings increased nearly 1600 percent, from 45 to 719. The amount of investment seed money increased nearly a hundredfold, from $250 million to $22.5 billion. Capital gains payments to the Federal Government quadrupled.

This is what happens when you reduce the cost of capital.

We must encourage savings and discourage debt. And for the past 4 years we've taxed capital gains like any other form of income. And at the same time, we have encouraged people to take on debt. Not surprisingly, people have borrowed more and invested less. Home equity lines of credit offer a perfect example. These devices, which let homeowners borrow against their increased home values, have nearly tripled in volume since tax reform.

No other major industrial power taxes capital gains at nearly the rate we do. Germany and Japan enjoy much higher savings and investment rates in part because they don't punish successful investment.

My point is simple: Taxes on growth are taxes on the American dream. We should clear away obstacles to the American dream. And similarly, we should foster innovation wherever we can.

Our budget advocates increased Federal support for R&D, for research and development, in basic and applied science. It also encourages private-sector innovation by extending the research and experimentation tax credit. Our administration understands the power of knowledge, and we want the Tax Code to reward people who turn their big dreams into revolutionary new goods and services.

And finally, this administration believes in protecting workers' earnings and savings. Our banking reform proposals -- they try to modernize the laws that affect our banking system. Let's face it: 1930's regulations and restrictions don't cut it in the 1990's.

To pick just one example, under our current laws, a California bank can open a branch in Birmingham, England, but not in Birmingham, Alabama. Think of the banking system as an irrigation network for the economy. When it works properly, it nourishes the seeds of economic growth. And when it doesn't, companies like the ones represented here can wither and die. Our reform package tries in a very comprehensive way to make our banking system more competitive, up to date, safe and sound.

We also believe in protecting retirees from undue hardship. Eight years ago, Congress adopted measures to guarantee the short-term solvency and long-term stability of the Social Security system. Congress should resist any temptation to undermine that stability by permitting raids on the trust fund balances. We need to honor our promises to the workers and retirees. I know we've got a fight on this one. But I believe we're going to prevail.

I know I have covered a lot of ground, touching on a lot of different issues here, but I wanted to make a point. Our growth package addresses the challenges posed by a new, exciting, rapidly changing world. Our themes: We want to promote growth. We want to create jobs for all Americans. We want to unleash the power of American imagination. We want to ignite people's

ambitions, rather than inciting their fears.

Many people call the 20th century the American century. Well, we shouldn't be content with that. The stunning collapse of communism in 1989 was no accident. During the 1980's, the Communist world learned that no wall, no barrier can fend off powerful ideas. It saw our prosperity and our vitality. It saw that our way is better. The prosperity of the 1980's, which began with tax cuts and progrowth policies in the United States, transformed the entire world. Our challenge now is to shape the revolution that we started to make the 21st century the next American century.

And so, I ask your help in that quest. Together, with business working cooperatively with government, we cannot fail.

Thank you all very much for coming to Washington. And may God bless our great country.

Note: The President spoke at 2:07 p.m. in the Great Hall at the Department of Commerce. In his remarks, he referred to Secretary of Commerce Robert A. Mosbacher; James R. Jones, chairman of the American Business Conference; L. William Seidman, Chairman of the Federal Deposit Insurance Corporation; Richard Breedon, Chairman of the Securities and Exchange Commission; Arthur Levitt, nominee to the Defense Base Closure and Realignment Commission and founder of the conference; and Vice President Dan Quayle, Chairman of the Council on Competitiveness.

Remarks at the Presentation Ceremony for the National Teacher of the Year Award in Slanesville, West Virginia

April 10, 1991

The President. Well, please be seated. Kids, it's great to be with you. And you ought to be very happy that I'm here because you don't have to be in school working hard, you see. [Laughter] To all those who handled the arrangements for a complex visit like this, let me at the very beginning express my sincere thanks to you, and we promise to leave right on time so things can get back to normal in this beautiful part of our country.

I want to thank Secretary Alexander for his remarks, for his kind words. Thank all of you for this West Virginia welcome. It's good to see the Governor of this State here, a friend of education, Governor Caperton, who you met earlier.

I'm told that a former Member of Congress, Harley Staggers, is here. I'm not focusing too well from up here, but if he -- they're pointing out here. But anyway -- way back over there. But Harley, nice to see you, sir -- a man that served his State with great distinction. I want to single out Commissioner Benedict and Superintendent Marockie; John Quam, the director of the National Teacher of the Year program; and of course, your own principal -- and now that I feel a part of this school, our own principal -- Gary Kidwell.

Let me say that I'm especially pleased, on this whole broad national education front, to be side-by-side with Lamar Alexander -- a former Governor, a man that is committed, a former head of a great university system, now our Secretary of Education -- a man who has made it his mission, his sacred mission, to join with the teachers of this school and others all across this country to make America's schools second to none. And very soon, back in Washington, we are going to unveil our national education strategy. It's a long-term strategy to make America all that it can be, to spark a nationwide movement that touches every school and every student in America.

But today I want to focus on the fact that, in the end, everything we try to do in education comes down to teaching and learning, to each teacher and each student in our classrooms. There's no better way to make that point than to come here to honor someone Slanesville knows so well, the 1991 National Teacher of the Year, Rae Ellen McKee.

You know, the last time I went to a school, it was just a few miles away from the White House, and I had a third-grade kid, a boy, ask me to prove that I was the President. [Laughter] I finally showed him my American Express card. [Laughter] And this time I came prepared, though. I brought the Secretary of Education so there can be no doubt. And then I flew down here on Marine One. And third, when we're done here, just to prove it, I'm going to take Mrs. McKee back up to the White House with me.

I heard a story about one of Mrs. McKee's reading students -- I don't know if it's true or not -- about a boy who'd been watching me almost every day on television, back during the troubled days of the war in the Gulf, making speeches, making statements to the press. And the boy allegedly asked Mrs. McKee, ``Are you really going to Washington to meet the President?'' And she said yes, she was. And he said, ``He doesn't need you. [Laughter] He can already read.'' [Laughter] Well, that really says it all. [Laughter]

But this is a proud day: for Rae Ellen's parents; for her husband, John McKee, and their children, Zachary and Molly, a second-grader with whom I just met; and for all the children in this elementary school; and for every hard-working teacher in America who sees the future and shapes that future every single day that our children walk into the classrooms.

Being here today reminds me a little of my own days in school, all the way back to 1941. That was high school level for me. I remember my high school history teacher, Dr. Arthur Darling. He was demanding, he was disciplined, and I learned from him. I don't know how much I remember the dates and times and places. I don't know how much I remember of the history that he taught me. But I know I won't ever forget his example. Years from now, in exactly that same vein, many of the kids here -- all of them, in my view -- will remember Mrs. McKee the same way.

Our National Teacher of the Year grew up in Levels, just 10 miles from here. Rae Ellen McKee is West Virginia born and bred. It's in her soul. She comes from a family of teachers -- five generations, to be exact. And she's still a student herself, working now on a second master's degree in education at West Virginia University, proof that learning is a lifelong process.

Rae Ellen McKee knows that teaching is more than giving tests and assigning grades. Teaching, she says, is the ``impact of mind upon mind, and heart upon heart.''

There are plenty of schools bigger than Slanesville's, plenty of towns with more people. But in this small school, great things happen. Every day, these children, your children, take another wonderful step forward, toward their future. And that's a testament to this teacher and to this school. And above all, it's a testament to the strength of this community and its values. Our children learn from all of us, not just from the teachers. And what happens at home and in the neighborhood matters just as much as what takes place in the classroom.

I know that many of the kids here today learned to read with Mrs. McKee's help. And I've just spent a little time with some of you all in the classroom, asking questions and watching you learn. So, let me ask a question: How many of you have ever read a story or a book that's been made into a movie? Quite a few. And then you watch the movie and you say to yourself, the book was better. When you read, the power of your imagination paints the picture in your mind, and there isn't anything in the world stronger than the power of your imagination. And that's why reading is so important. It's more than picking out the words on a page. Reading is one way we learn how to think. And when you open a book, you open your mind to a world of experience. Right here in a

classroom in West Virginia, the world comes to you.

And let me say to all the kids here today: I hope you won't mind that we're going to borrow Mrs. McKee. For the next year, as Teacher of the Year, she's going to travel across this great country of ours to share with all our schools the secrets of her success right here in Slanesville. We need to learn from her how we can teach all kids just as well as she's taught you.

And pretty soon, you'll be back in class. And I'm going to ask you to do something for me, today and every day: Work hard, ask questions, have fun, and learn. That's what school is all about.

And once again, I want to thank you for this warm welcome, for a chance to spend some time with you in the classroom, and for the opportunity to share this proud moment for Slanesville.

And now I am honored to present this crystal apple -- an apple for the teacher -- to the 1991 Teacher of the Year, Rae Ellen McKee.

Mrs. McKee. Mr. President, I thank you on behalf of the teachers of America. Your being here today is an honor that most of us never dreamed we would have. And as important as this day will always be to me and to my colleagues in the teaching ranks, I think it is even more special because you have once again demonstrated your commitment to the young people of America. And at this time, I thank you on their behalf.

Note: The President spoke at 10:01 a.m. on the grounds of Slanesville Elementary School. In his remarks, he referred to Secretary of Education Lamar Alexander, former Governor of Tennessee; Gov. Gaston Caperton of West Virginia; former Representative Harley D. Staggers, Jr.; Cleve Benedict, State agriculture commissioner; Henry R. Marockie, State superintendent of schools; John Quam, project director of the National Teacher of the Year program for the Council of Chief State School Officers; and Gary Kidwell and Rae Ellen McKee, principal and reading teacher at Slanesville Elementary School. Following his remarks, the President returned to Washington, DC.

Appointment of C. Gregg Petersmeyer as Assistant to the President and Director of the Office of National Service

April 10, 1991

The President today announced the appointment of C. Gregg Petersmeyer, of Colorado, to be Assistant to the President and Director of the Office of National Service at the White House.

Since January 1989 Mr. Petersmeyer has been Deputy Assistant to the President and Director of the Office of National Service. Prior to this Mr. Petersmeyer was a senior officer of the General Atlantic Energy Corp., a private oil and gas exploration company in Denver, CO. Before moving to Denver in 1982, Mr. Petersmeyer was with McKinsey & Co., Inc., in New York and has also been a member of the Hudson Institute. From 1972 to 1974 Mr. Petersmeyer served as a staff assistant in the White House. Mr. Petersmeyer is chairman of the Fitzie Foundation, a nonprofit public foundation that annually recognizes and rewards outstanding girls and young women from four schools in the Boston area.

Mr. Petersmeyer received a bachelor of arts degree with honors from Harvard College, a master of literature degree from Oxford University, and a master of business administration degree from Harvard Business School. Mr. Petersmeyer resides in Bethesda, MD, with his three children.

Remarks at the Swearing-In Ceremony for Patricia F. Saiki as Administrator of the Small Business Administration

April 10, 1991

The President. Good afternoon, Secretary Martin and distinguished friends from the United States Congress. And of course, a special welcome to the members of Pat's family with whom I just met. And it's a pleasure to have you all here for this very special occasion. And it's also a pleasure -- the business at hand -- to welcome a good friend on board as this nation's new Administrator of the Small Business Administration.

Pat Saiki will be bringing her own spirit of aloha to this job. And for those who don't know what I mean, just watch. Watch how she does over there. You talk about enthusiasm and ability, you're going to see it all, all at once.

I'm pleased that she's going to be heading up the SBA because small business is so vitally important. Small business -- the heart of our country's economy. In the 1980's, small business produced two out of every three new jobs. But more importantly, they're the heart of the American dream. The SBA was founded to encourage that spirit and that belief in our ability to make our dreams come true.

Owners of small businesses show the rest of America the way. And they've seized control of their own lives, made their own choices, made their own decisions. And over 20 million men and women across the U.S. today are running their own small businesses -- 20 million pieces of the American dream. Pat Saiki's going to be their advocate, their tough, smart advocate.

I know her, and I know she'll throw her whole energy and dedication into this challenge because Pat will be responsible for more than administration and policy development. She's going to have the chance to help people shape their own futures. She'll do this by expanding SBA's role in providing start-up guidance; by concentrating on business opportunities for minorities, women, and veterans; by focusing on outreach.

Pat will be a dynamic champion of small business. She's got the strong background for it. She's been a board member of a big company -- Hawaiian Airlines, of AMFAC, one of Hawaii's largest companies with extensive small business interconnections. And she received the Congressional Guardian of Small Business Award.

In public service, Pat's proven herself as an effective administrator of can-do optimism. This former teacher and assistant Republican leader in her State legislature became the first Republican elected to the House from Hawaii. And now she'll bring to the SBA stellar House

committee experience ranging from banking and finance to consumer interests.

During her two terms in the Congress, I admired her bipartisan approach to getting the job done, watched her build consensus. She's smart, and she's direct, and she moves government forward.

Pat's also a fiscal conservative. As a matter of fact, her efforts against waste in government made her a two-time winner of the Golden Bulldog Award. I like that image. [Laughter] It kind of captures her personality -- but nevertheless, tenacious -- [laughter] -- dedicated. I mean, tenacious, dedicated -- [laughter] -- protective, honest.

But Pat comes from a land that showed the world how men and women of varied backgrounds can tie their destinies together in common cause. And I know she's going to help show all of us how we can work together, can use our exuberant diversity to make this nation the best place it possibly can be.

Aloha, Pat. Welcome and congratulations. And now on with the formal part of the service here. All right.

[At this point, Administrator Saiki was sworn in.]

Administrator Saiki. Thank you very much. Mr. President, Justice O'Connor, Governor Sununu, my congressional colleagues, all of my friends, my family, aloha.

I have been very fortunate to have faced many challenges in my lifetime. But by far this opportunity to serve my President and my nation is the greatest challenge of them all. And I thank you, Mr. President, for the privilege.

The small business community, made up of aspiring entrepreneurs, risk-takers with the same pioneer spirit which made our nation great, deserve encouragement and recognition as we move into the 20th century.

Your encouraging remarks, Mr. President, I know will be appreciated by all those men and women who truly believe that ours is still the nation of opportunity. I shall do my best to deserve your trust and faith and earn the confidence of those I shall serve.

I want to especially thank my dear husband, Stanley; my mother; my father; all of my children -- my entire family -- for sticking by me all these years. And there have been ups, and there have been downs, but I know they will be with me again as we embark on this new and exciting journey.

Mr. President, I thank you very much for making this all possible.

The President. Thank you all very much for coming. And again to the family, our respects; I'm delighted. And I didn't pay my respects to Justice O'Connor -- which is an oversight of enormous proportions -- [laughter] -- but I know Pat and I are both just honored that she would be here for this special occasion. Thank you, Sandra.

All rise, thank you all.

Note: The President spoke at 2:17 p.m. in the Roosevelt Room at the White House. In the ceremony, the following persons were referred to: Secretary of Labor Lynn Martin; Sandra Day O'Connor, Associate Justice of the Supreme Court; and John H. Sununu, Chief of Staff to the President.

Statement on Signing the Operation Desert Shield/Desert Storm Supplemental Appropriations Act, 1991

April 10, 1991

Today I have signed H.R. 1282, the ``Operation Desert Shield/Desert Storm Supplemental Appropriations Act, 1991."

I am pleased that the Congress has acted quickly to provide funds to pay the costs of Operation Desert Shield/Desert Storm. In providing this funding, H.R. 1282 recognizes the significant commitment of our coalition partners to help in defraying the costs associated with the crisis in the Middle East.

I am concerned, however, about certain provisions of this Act that constitute excessive micromanagement of security assistance, defense, and foreign policy. These provisions could hinder our ability to work with Desert Storm allies and friends in several ways and make our efforts to establish security and stability in the postwar Middle East even more difficult.

Section 107(f) requires that the President notify the Congress of the proposed storage of certain equipment, supplies, or material in a prepositioned status for use by the U.S. Armed Forces. I will interpret this provision in a manner consistent with my constitutional authority as Commander in Chief. In addition, section 107(g) requires that a report be provided to certain congressional committees on ``all enemy equipment falling under the control . . . of allied forces within the Desert Storm theater of operations." To the extent that providing such a report requires the acquisition of information from another country, I will interpret this provision in a manner consistent with my constitutional authority to conduct our Nation's foreign affairs.

Section 108 requires a report to the Congress on ``any arrangement for a United States military presence that has been made or is expected to be made to the government of any country in the Middle East." I will also interpret this provision consistent with my constitutional authority regarding the conduct of foreign affairs.

Section 109 prohibits the use of funds -- provided by this Act or any other legislation -- for military sales and financing programs with any country that has not fulfilled its commitment to contribute resources to defray the costs of Operation Desert Storm. I will interpret section 109 as prohibiting such transactions if the countries concerned have not fulfilled any specific commitments made to the United States in a reasonable time and manner.

George Bush

The White House,

April 10, 1991.

Note: H.R. 1282, approved April 10, was assigned Public Law No. 102 - 28.

Nomination of John E. Bennett To Be United States Ambassador to Equatorial Guinea

April 10, 1991

The President today announced his intention to nominate John E. Bennett, of Washington, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Equatorial Guinea. He would succeed Chester E. Norris, Jr.

Since 1987 Mr. Bennett has served as consul general at the U.S. consulate in Monterrey, Mexico. Prior to this Mr. Bennett studied at the National Defense University, 1986 - 1987. In addition, he has served as Deputy Chief of Mission at the U.S. Embassy in Kampala, Uganda, 1983 - 1986; consul general at the U.S. Embassy in Lagos, Nigeria, 1979 - 1983; and consular officer at the U.S. consulate in Guadalajara, Mexico, 1978 - 1979. Mr. Bennett served as a political analyst at the Department of State, 1976 - 1977; a consular officer at the U.S. consulate in Bremen, Germany, 1973 - 1976; and a consular officer at the U.S. Embassy in Madrid, Spain, 1972 - 1973. He joined the Foreign Service in 1971.

Mr. Bennett graduated from Harvard University (B.A., 1970). Mr. Bennett was born June 4, 1941, in Atlan, British Columbia, Canada. He served in the U.S. Army, 1965 - 1969. Mr. Bennett is married, has two children, and resides in Belfair, WA.

Remarks and an Exchange With Reporters Prior to Discussions With President Jacques Delors of the European Community Commission and President Jacques Santer of the European Council of Ministers

April 11, 1991

President Bush. You're not going to need these because this is a photo opportunity. [Laughter]

Q. Mr. President, do you support a safe haven for the Kurdish refugees?

Q. Haven't you, in effect, sir, created an enclave there by telling Iraq you will shoot down any planes that threaten the refugees?

President Bush. Photo opportunity.

I think our distinguished guests are going to have a press conference later on. I'll have a little something to say on this subject in a bit, too. But the main thing we want to do is welcome these European leaders here. The United States values its relationship with the EC -- and of course, on a bilateral basis we have a wonderful relationship with Prime Minister Santer and his country, and the same for Jacques Delors when he's wearing a French hat, which is very seldom these days. We've got a great, cooperative relationship with the EC and with individual countries in Europe, and that's what this meeting is about, to put the emphasis on the EC.

Iraqi Refugees

Q. Well, you are going to discuss the Kurdish refugees?

President Bush. Absolutely. We'll be discussing that and a wide array of other questions. And I'm very pleased with the enormous cooperative refugee program now underway. It is tremendous. The suffering there is enormous. And the United States is in lockstep with Europe in terms of our approach to helping these unfortunate people that are being victimized by this brutal dictator in Baghdad.

Note: President Bush spoke at 11:05 a.m. in the Rose Garden at the White House. In his remarks, he referred to President Saddam Hussein of Iraq. President Santer was also Prime Minister of Luxembourg. A tape was not available for verification of the content of these remarks.

Remarks Following Discussions With President Jacques Delors of the European Economic Community and President Jacques Santer of the European Council of Ministers

April 11, 1991

President Bush. I was delighted to have the opportunity to meet with two friends, the EC Council President Jacques Santer and Commission President Jacques Delors. We gather at a time of extraordinary challenge and opportunity throughout the world. Our victory in the Gulf -- collective victory in the Gulf -- has proven that international cooperation can defeat aggression and lay the groundwork for new international cooperation.

As part of our mutual efforts to deepen U.S.-EC cooperation, we discussed a wide range of issues today. We talked about the situations in the Middle East, in Europe -- East and West -- and in the Soviet Union.

I'm happy to report that we see eye to eye on these issues and that the EC is prepared to take on growing responsibilities. For example, we're going to work together to support reform in Eastern Europe. They are vitally interested in that, have been doing a lot in that regard. We agreed to continue to encourage the people of Yugoslavia to work out their differences peacefully and through democratic dialog.

Presidents Santer and Delors and I reviewed the situation in the Soviet Union. We agreed to encourage constructive Soviet involvement in world affairs and to support constructive domestic reform within the U.S.S.R.

We also discussed, obviously, the Middle East. This administration values the excellent support we received from our European friends and allies in the Gulf crisis, and we continue to work with them on what we must do to help create a stable environment to promote peace and prosperity in that region.

Presidents Santer and Delors and I also reviewed the massive and urgent U.S. and European relief effort currently underway for the Iraqi refugees and displaced persons in Turkey, northern Iraq, and Iran. To ease the human suffering caused by Saddam's brutality and repression of his own people, the United States and the European Community are working to get urgently critical supplies of food and shelter and medicine to the refugees as quickly as possible. A number of European nations are cooperating with the United States in airlifting these supplies to Turkey and to concentrations of refugees in the largest relief effort mounted in modern military history.

We had a broad and useful discussion of our views of Europe after the Paris CSCE summit. Of particular interest to us are the EC's plans for greater political and economic union. And I reiterated our support for European integration and our shared interest in the development of a European security in the transatlantic alliance. We reaffirmed our mutual commitment to continuing transatlantic cooperation on issues involving our mutual security, foreign policy, on our economic interests.

And we also talked about our hopes for renewed progress on the Uruguay round. In a world increasingly defined and bound by economic interests, we all have an interest in free and fair trade. An open trading regime would permit each of us to build on our strengths and take advantage of the others' strengths. I reiterated my desire to gain renewal of Fast Track trade authority. And we all agreed to work for rapid progress on the Uruguay round.

From the standpoint of the United States of America, this has been a very constructive visit. And I might say parenthetically, and I hope the two Presidents here agree, that the relationship between the EC and the United States is strong and good.

Mr. President, welcome. All yours, sir.

President Santer. Ladies and gentlemen, first of all, I want to express my gratitude to President Bush for inviting the President of the European Commission, Mr. Jacques Delors, and myself, in my capacity as President of the European Council, to the White House for a mutual exchange of ideas.

It is the very first time that the President of the United States receives both the President of the European Council and the President of the European Commission in the new context created by the Transatlantic Declaration of November 1990.

The talks we had together have been very fertile for both sides and they have taken place in an excellent atmosphere. I would particularly like to point out that both sides have submitted their concerns with considerable fairness and that all items raised have been discussed with utmost frankness.

In my capacity as acting President of the European Council, I am particularly pleased with the fact that the United States of America and the European Community have many points of convergence, especially in the regard of the reorganization of Europe after the political upheavals in the countries of Central and Eastern Europe. This can only have positive repercussions on the restructuring of the European Continent.

It is evident that the date of this visit is opportune, favorable, and well-chosen. The Gulf war, which the United States of America and their partners in Europe have won in a perfect solidarity, is over now. At present, we are facing new challenges which are direct and immediate

consequences of this conflict. First, the dramatic situation of the Kurd refugees in Turkey and Iraq. And second, the launching of the peace process in the Near and Middle East, a process that should bring durable and definitive peace in the whole region.

I'm fully convinced that through these talks, we have laid the foundation of an intensification of dialogs between the United States of America and the European Community and, hence also, of a closer cooperation including security.

Thank you very much.

President Bush. Thank you, Mr. President. Good to see you all.

Note: President Bush spoke at 1:29 p.m. at the South Portico of the White House. In his remarks, he referred to President Saddam Hussein of Iraq.

Exchange With Reporters on Aid to Iraqi Refugees

April 11, 1991

Q. Mr. President, do you agree with Prime Minister Major on the enclaves?

The President. Yes, total agreement.

Q. Iraq said you don't need to mark enclaves.

Q. What kind of enclaves?

The President. We're going to do what we need for humanitarian relief. And there is no difference between the United Kingdom and the United States, and there's no difference between the EC and the United States, and there's no difference between the United Nations Secretary-General and the United States on this question. So, I hope that you will understand that. There is no difference on this.

Q. What kind of enclave, sir?

The President. We're looking forward to give relief to these people where they are. We're going to continue to do that. And I do not expect any interference from the man in Baghdad, and he knows better than to interfere.

Q. Is the enclave a legal entity?

Q. Mr. President -- --

The President. Charles [Charles Bierbauer, Cable News Network], you're off on the wrong track. If you'd listen to what I said, you'd be right about this. There is no difference between these people. And it takes the United Nations action to do some formalization; that's not what we're doing. We're going to help these refugees, and please don't try to make a difference where there isn't any. If you don't believe me, do what I did yesterday: Talk to John Major, and you will see there are no differences. The United States is taking the leadership role on bringing refugees support, and we're going to continue to do it. And we're doing a magnificent job in conjunction with these allies.

And P.S., I am not going to involve any American troops in a civil war in Iraq. They are not going to be going in there to do what some of my severest critics early on now seem to want me to do. I want these kids to come home. And that's what's going to happen. And we are going to do what is right by these refugees, and I think the American people expect that, and they want that. But I don't think they want to see us bogged down in a civil war by sending in the 82d Airborne

or the 101st or the 7th Cavalry. And so, I want to get that matter cleared up.

But we are together today with our European allies, just as we have been all during this magnificent operation over there.

Note: The exchange began at 1:36 p.m. at the South Portico of the White House. President Bush referred to Prime Minister John Major of the United Kingdom, Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations, and President Saddam Hussein of Iraq.

Nomination of Preston Moore To Be Chief Financial Officer of the Department of Commerce

April 11, 1991

The President today announced his intention to nominate Preston Moore, of Texas, to be Chief Financial Officer of the Department of Commerce in Washington, DC. This is a new position.

Since 1984 Mr. Moore has served as president of Wilson Industries, Inc., in Houston, TX. Prior to this, Mr. Moore served with Wilson Business Products, Systems & Services, Inc., in Houston, TX, in several capacities: chairman and chief executive officer, 1983 - 1984; president and chief operating officer, 1976 - 1982; and vice president and director, 1961 - 1976. From 1975 to 1979, Mr. Moore served as president and chief executive officer of the Graham Realty Co., in Houston, TX.

Mr. Moore graduated from the University of Texas (B.A., 1954). He was born August 7, 1931, in Houston, TX. Mr. Moore served in the U.S. Air Force, 1954 - 1956. Mr. Moore is married, has two children, and resides in Houston, TX.

Remarks on Signing the Points of Light National Celebration of Community Service Proclamation in Glenarden, Maryland

April 12, 1991

Thank you, Van -- Mr. Standifer. And may I salute the sponsors and the parents and the city and county officials that are with us today. Single out the players, some of whom I just met with. And also say to the mayor, Marvin Wilson, and to the county executive, Mr. Glendening, Parris Glendening, that I'm just delighted to be here. And I saw earlier Marty Madden and John Morgan, the State delegates, and we're glad to have been greeted by them. All of us should thank the business leaders in the front row and other sponsors who made this day possible.

And I'm glad to be here; I really mean that. You know, when I told Barbara that I'd be visiting a great institution dedicated to keeping guys off the street and out of trouble, she said, ``George, you spoke to Congress last month." [Laughter]

And then I told her, ``No, as Commander in Chief I want to see firsthand some real American air power: dazzling nighttime shooting, skilled tactical wizardry, and the courageous airborne maneuvers Americans have become world-famous for." And she said, ``Oh, you mean Midnight Basketball." [Laughter] And here we are.

You know, America -- we do have a lot to celebrate these days. And people all over the country are finding a new sense of confidence in our young men and women. And you can see it in the faces, obviously, of every single soldier and sailor, every airman, and marine that served America and the world so well, now coming home from the Persian Gulf. But you, also, see it here today. And I'm proud to tell you that I've never had more confidence in the future than after coming here and to other Points of Light -- this instance, our 124th daily Point of Light -- to see this Midnight Basketball myself. I do feel confident in the young people of this country and in those who are helping them.

And this country is finally catching on to the fact that whenever drugs are involved, everybody loses. But here, everybody wins. And some may get better at basketball, but everyone gets a better shot at life -- every participant.

And the volunteers who make this program work bring in speakers, and they set up tutorials and workshops. And with local technical schools, they're helping these young men learn skills to live by. The focus here is not on problems; it's on promise and potential.

And you know, when Van Standifer visited the White House a few months ago, he said, ``The last thing in the world that Midnight Basketball is about is basketball." He said it was about

providing opportunities for young adults to escape drugs and get on with their lives. And he's right. Midnight Basketball has become a real community institution. And people come to play and to watch and to cheer and to find new hope and to shape their lives. Streets once littered with drugs and plagued by violence have become peaceful and passable. Not surprisingly, the crime rate has dropped by 60 percent since this program began. And so, Van, in my view, you are doing the kind of creative thinking that we need to encourage everywhere in this country.

And that's why, today, we're launching a National Celebration of Community Service, a tribute to the spirit of service in America, 2 weeks to salute the year-round efforts of everyone from kids to seniors now working to find solutions for every kind of challenge, everywhere in the United States of America.

Every American involved in service is reaffirming this nation as a community of conscience, a decent land -- proud, but not boastful -- with a national will reaffirmed and redirected, an America that has rediscovered the can-do attitude.

So, Midnight Basketball by itself may not transform America. But imagine what would happen, just think what would happen if all Americans made service to others a central part of their lives.

I believe the day will come when Americans who are not committed to community service will wake up, will realize how much they're missing. They'll experience the fulfillment that comes from serving others, and we'll begin to fill in gaps no government could ever fill in alone. People won't be able to look the other way or walk away ever again.

Right now, everyday heroes you've never heard of are wrestling with the tough, gritty problems that many Americans try to avoid but which we as Americans simply cannot ignore. One by one, step by step, day by day, they're changing lives, and they're enjoying themselves.

Somebody told me that in Midnight Basketball, the only defense allowed is man-to-man. And that's important, because our only defense against despair, drugs, hopelessness has to happen one-to-one. You don't have to try to change the world, just help one person. Teach one person to read, feed one hungry child, hold one lonely hand. That's all it takes.

Too many look at life and wonder, well, what's the point. But Points of Light never have to ask what's the point of life. They know. It's something bigger than themselves. And they know that the power of one hopeful person can outshine a million indifferent stares and give life to a million different dreams. They know that caring individuals can light up every corner of the land.

So, I wanted to come over here today simply to say thanks to Mr. Standifer, to county and city officials, to the players, to the coaches, to the sponsors. And everybody understands what we're talking about when we talk about one American helping another.

I want to thank you all for what you're doing. May God bless our great country. And now, with great pleasure, I will sign this proclamation. Thank you very much.

Note: The President spoke at 2:20 p.m. in the gymnasium of the Glenarden Community Center. In his opening remarks, he referred to Van Standifer, founder of the Midnight Basketball League; Marvin F. Wilson, major of Glenarden; Parris Glendening, Prince George's County executive; and Martin G. Madden and John S. Morgan, delegates to the Maryland General Assembly. The proclamation is listed in Appendix E at the end of this volume.

Nomination of Charles R. Bowers To Be United States Ambassador to Bolivia

April 12, 1991

The President today announced his intention to nominate Charles R. Bowers, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bolivia. He would succeed Robert S. Gelbard.

Since 1989 Mr. Bowers has served as an Executive Assistant to the Under Secretary for Management at the Department of State. Mr. Bowers has served at the Department of State in several capacities, including: special adviser and senior staff officer, 1988 - 1989; Executive Director for the Bureau of European Affairs, 1980 - 1983; Deputy Executive Director at the Bureau of European Affairs, 1978 - 1980; personnel officer, 1974 - 1975; and special assistant to Assistant Secretary for Educational and Cultural Affairs, 1973 - 1974. Mr. Bowers has also served in many U.S. Embassies, including: administrative counselor in Bonn, Germany, 1983 - 1988; administrative counselor in Singapore, 1976 - 1978; general services officer in Warsaw, Poland, 1970 - 1972; and a junior officer in Panama, 1967 - 1969. Mr. Bowers joined the Foreign Service in 1967.

Mr. Bowers graduated from the University of California at Berkeley (B.A., 1966; and M.A., 1967). He was born May 26, 1940, in Carthage, MO. Mr. Bowers served in the U.S. Army, 1961 - 1964. Mr. Bowers is married, has two children, and resides in Arlington, VA.

Appointment of Stephen T. Hart as Deputy Assistant to the President and Director of the Office of Legislative Affairs

April 12, 1991

The President today announced his intention to appoint Stephen T. Hart, of Virginia, to be Deputy Assistant to the President and Director of the Office of Legislative Affairs at the White House. He would succeed Robert J. Portman, who is returning to Cincinnati, OH, to rejoin the law firm of Graydon, Head & Ritchey.

Since 1989 Mr. Hart has served as Special Assistant to the President and Deputy Press Secretary at the White House. Mr. Hart served with the White House in several capacities including: Assistant to the Vice President for Press Relations, 1987 - 1989; Special Assistant to the Vice President and Assistant Press Secretary for Foreign Affairs, 1985 - 1987; Director of Press Advance in the Office of Presidential Advance, 1984 - 1985; and staff assistant to the President for Presidential Advance, 1983 - 1984. In 1983 Mr. Hart served as special assistant to the deputy director for press for the 1983 summit of industrialized nations in Williamsburg, VA. He has also served as a technical assistant for NBC News, 1981; and assistant director for entertainment scheduling at the Presidential inaugural committee 1981 in Washington, DC.

Mr. Hart graduated from George Washington University (B.A., 1982). He was born September 22, 1957, in Pasadena, CA. Mr. Hart resides in Arlington, VA.

Appointment of James W. Dyer as Deputy Assistant to the President for Legislative Affairs for the Senate

April 12, 1991

The President today announced his intention to appoint James W. Dyer as Deputy Assistant to the President for Legislative Affairs for the Senate at the White House.

Mr. Dyer has served in various government positions dealing with legislation. Most recently, he served as director of Washington relations for the Philip Morris Companies, Inc. He served in the Reagan administration as Deputy Assistant to the President for Legislative Affairs, May 1987 to January 1989. Previously he served as acting Assistant Secretary of State for Legislative and Intergovernmental Affairs. He has served as the Legislative Director then Administration Assistant to Representative Joseph M. McDade (R. PA), February 1975 to February 1981.

Mr. Dyer graduated from the University of Scranton, receiving a bachelor of arts degree in 1966, and continued his graduate studies at George Washington University in legislative affairs. Mr. Dyer is married to Margia L. Carter and resides in Annandale, VA.

Remarks at Maxwell Air Force Base War College in Montgomery, Alabama

April 13, 1991

Thank you all very, very much for that warm welcome. General Boyd and General McPeak, the distinguished Members of the Congress with us -- Senators Heflin, Shelby, and Bill Dickinson. Mayor Folmar -- a nonpartisan event, but I'm glad to see some friends of long standing over here -- [laughter] -- who were enormously helpful to me in getting to be President of the United States.

It is my great pleasure to look out across what essentially is a sea of blue, to meet this morning with the men and women of the Air University -- the Air War College, the Air Command and Staff School, the Squadron Officers School, and of course, the NCO Academy. And I'm glad to see democracy in action -- I see a Navy guy here or there, or maybe a coastguardsman -- [laughter] -- maybe the Marines, maybe the Army over here. And I think I recognize some friends from overseas, members of our coalition who helped us so much in achieving our objectives halfway around the world. They're more than welcome.

The history of aviation has been shaped here since the Wright brothers brought their strange new mechanical bird to Montgomery and housed it in a hangar not far from where we stand. This institution, from its early days as the Air Corps Tactical School, has defined the Nation's air strategy and tactics that have guided our operations over the fields of Europe and the seas of the Pacific, from the First World War to the 1,000 hours of Desert Storm.

It falls to all of you to derive the lessons learned from this war. Desert Storm demonstrated the true strength of joint operations: not the notion that each service must participate in equal parts in every operation in every war but that we use the proper tools at the proper time. In Desert Storm, a critical tool was certainly air power. And every one of you can take pride in that fact. Our technology and training ensured minimal losses, and our precision -- your precision -- spared the lives of innocent civilians.

But our victory also showed that technology alone is insufficient. A warrior's heart must burn with the will to fight. And if he fights but does not believe, no technology in the world can save him. We and our allies had more than superior weapons; we had the will to win.

I might say parenthetically, this will is personified by the man who leads you. I know that General Boyd often speaks about what he calls the unlimited liability of the military profession. He knows because he's put it all on the line. As a veteran of Vietnam, he flew 105 combat missions before being shot down over Hanoi. And he spent almost 7 years -- 2,500 cruel days -- in captivity. And yet he emerged brave, unbroken. He kept the faith to himself and to his nation.

And let me just say a word about this man over here on my left, General McPeak. I remember early on a meeting up at Camp David with Tony McPeak. Secretary Cheney was there; General Powell was there; Brent Scowcroft; other chiefs -- the other chiefs, I believe, were with us, Tony. And in a very laid-back way -- typical of him with his modesty -- but with total confidence, he told me exactly what he felt air power could do. And after he left -- I don't mean to show my native skepticism -- but I turned to my trusted national security adviser who's standing over here, General Brent Scowcroft, and I said, ``Brent, does this guy really know what he's talking about?" [Laughter] And Lieutenant General Scowcroft -- Air Force Lieutenant General -- said, ``Yes." And General McPeak did.

And to be doubly sure then -- and he'll remember this -- just before the war started, I invited General McPeak and Secretary Cheney to join me and General Scowcroft upstairs at the Residence in the White House -- quiet lunch there. And I asked Tony -- I think he'd just come back then from the theater, the other theater -- [laughter]. And I put the question to him -- I think this is exactly what I said: ``Are you as certain now as you were up at Camp David?" And he said, ``Even more so." And the war started just a few days later, and history will record that General McPeak was 100 percent right, right on target.

Here at Air University it's your business to read the lessons of the past with an eye on the far horizon. And that's why I wanted to speak to you today about the new world taking shape around us, about the prospects for a new world order now within our reach.

For more than four decades we've lived in a world divided East from West, a world locked in a conflict of arms and ideas called the cold war. Two systems, two superpowers separated by mistrust and unremitting hostility. For more than four decades, America's energies were focused on containing the threat to the free world from the forces of communism. That war is over. East Germany has vanished from the map as a separate entity. Today in Berlin, the wall that once divided a continent, divided a world in two, has been pulverized, turned into souvenirs. And the sections that remain standing are but museum pieces. The Warsaw Pact passed into the pages of history last week, not with a bang but with a whimper -- its demise reported in a story reported on page A16 of the Washington Post.

In the coming weeks I'll be talking in some detail about the possibility of a new world order emerging after the cold war. And in recent weeks I've been focusing not only on the Gulf but on free trade: on the North American free trade agreement, the Uruguay round trade negotiations, and the essentiality of obtaining from the United States Congress a renewal of Fast Track authority to achieve our goals. But today I want to discuss another aspect of that order: our relations with Europe and the Soviet Union.

Twice this century, a dream born on the battlefields of Europe died after the shooting stopped -- the dream of a world in which major powers worked together to ensure peace, to settle their disputes through cooperation, not confrontation. Today a transformed Europe stands closer than

ever before to its free and democratic destiny. At long last, Europe is moving forward, moving toward a new world of hope.

At the same time, we and our European allies have moved beyond containment to a policy of active engagement in a world no longer driven by cold war tensions and animosities. You see, as the cold war drew to an end we saw the possibilities of a new order in which nations worked together to promote peace and prosperity.

I'm not talking here of a blueprint that will govern the conduct of nations or some supernatural structure or institution. The new world order does not mean surrendering our national sovereignty or forfeiting our interests. It really describes a responsibility imposed by our successes. It refers to new ways of working with other nations to deter aggression and to achieve stability, to achieve prosperity and, above all, to achieve peace.

It springs from hopes for a world based on a shared commitment among nations large and small to a set of principles that undergird our relations: peaceful settlements of disputes, solidarity against aggression, reduced and controlled arsenals, and just treatment of all peoples.

This order, this ability to work together, got its first real test in the Gulf war. For the first time, a regional conflict -- the aggression against Kuwait -- did not serve as a proxy for superpower confrontation. For the first time, the United Nations Security Council, free from the clash of cold war ideologies, functioned as its designers intended -- a force for conflict resolution in collective security.

In the Gulf, nations from Europe and North America, Asia and Africa and the Arab world joined together to stop aggression, and sent a signal to would-be tyrants everywhere in the world. By joining forces to defend one small nation, we showed that we can work together against aggressors in defense of principle.

We also recognized that the cold war's end didn't deliver us into an era of perpetual peace. As old threats recede, new threats emerge. The quest for the new world order is, in part, a challenge to keep the dangers of disorder at bay.

Today, thank God, Kuwait is free. But turmoil in that tormented region of the world continues. Saddam's continued savagery has placed his regime outside the international order. We will not interfere in Iraq's civil war. Iraqi people must decide their own political future.

Looking out here at you and thinking of your families, let me comment a little further. We set our objectives. These objectives, sanctioned by international law, have been achieved. I made very clear that when our objectives were obtained that our troops would be coming home. And yes, we want the suffering of those refugees to stop, and in keeping with our nation's compassion and concern, we are massively helping. But yes, I want our troops out of Iraq and back home as soon

as possible.

Internal conflicts have been raging in Iraq for many years. And we're helping out, and we're going to continue to help these refugees. But I do not want one single soldier or airman shoved into a civil war in Iraq that's been going on for ages. And I'm not going to have that.

I know the coalition's historic effort destroyed Saddam's ability to undertake aggression against any neighbor. You did that job. But now the international community will further guarantee that Saddam's ability to threaten his neighbors is completely eliminated by destroying Iraq's weapons of mass destruction.

And as I just mentioned, we will continue to help the Iraqi refugees, the hundreds and thousands of victims of this man's -- Saddam Hussein's -- brutality. See food and shelter and safety and the opportunity to return unharmed to their homes. We will not tolerate any interference in this massive international relief effort. Iraq can return to the community of nations only when its leaders abandon the brutality and repression that is destroying their country. With Saddam in power, Iraq will remain a pariah nation, its people denied moral contacts with most of the outside world.

We must build on the successes of Desert Storm to give new shape and momentum to this new world order, to use force wisely and extend the hand of compassion wherever we can. Today we welcome Europe's willingness to shoulder a large share of this responsibility. This new sense of responsibility on the part of our European allies is most evident and most critical in Europe's eastern half.

The nations of Eastern Europe, for so long the other Europe, must take their place now alongside their neighbors to the west. Just as we've overcome Europe's political division, we must help to ease crossover from poverty into prosperity.

The United States will do its part -- we always have -- as we have already in reducing Poland's official debt burden to the United States by 70 percent, increasing our assistance this year to Eastern Europe by 50 percent. But the key to helping these new democracies develop is trade and investment.

The new entrepreneurs of Czechoslovakia and Poland and Hungary aren't looking to government, their own or others, to shower them with riches. They're looking for new opportunities, a new freedom for the productive genius strangled by 40 years of state control.

Yesterday, my esteemed friend, a man we all honor and salute, President Vaclav Havel of Czechoslovakia called me up. He wanted to request advice and help from the West. He faces enormous problems. You see, Czechoslovakia wants to be democratic. This man is leading them towards perfecting their fledgling democracy. Its economy is moving from a failed socialist

model to a market economy. We all must help. It's not easy to convert state owned and operated weapons plants into market-driven plants to produce consumer goods. But these new democracies can do just exactly that with the proper advice and help from the West. It is in our interest, it is in the interest of the United States of America, that Czechoslovakia, Poland, and Hungary strengthen those fledgling democracies and strengthen their fledgling market economies.

We recognize that new roles and even new institutions are natural outgrowths of the new Europe. Whether it's the European Community or a broadened mandate for the CSCE, the U.S. supports all efforts to forge a European approach to common challenges on the Continent and in the world beyond, with the understanding that Europe's long-term security is intertwined with America's and that NATO -- NATO remains the best means to assure it.

And we look to Europe to act as a force for stability outside its own borders. In a world as interdependent as ours, no industrialized nation can maintain membership in good standing in the global community without assuming its fair share of responsibility for peace and security.

But even in the face of such welcome change, Americans will remain in Europe in support of history's most successful alliance, NATO. America's commitment is the best guarantee of a secure Europe, and a secure Europe is vital to American interests and vital to world peace. This is the essential logic of the Atlantic alliance which anchors America in Europe.

This century's history shows that America's destiny and interests cannot be separate from Europe's. Through the long years of cold war and conflict, the United States stood fast for freedom in Europe. And now, as Eastern Europe is opening up to democratic ideals, true progress becomes possible.

The Soviet Union is engaged in its own dramatic transformation. The policies of confrontation abroad, like the discredited dogma of communism from which those policies sprang, lies dormant, if not mortally wounded. Much has changed. The path of international cooperation fostered by President Gorbachev and manifested most clearly in the Persian Gulf marks a radical change in Soviet behavior. And yet, the course of change within the Soviet Union is far less clear.

Economic and political reform there is under severe challenge. Soviet citizens, facing the collapse of the old order while the new still struggles to be born, confront desperate economic conditions -- their hard-won freedoms in peril. Ancient ethnic enmities, conflict between Republics and between Republics and the central Government add to these monumental challenges that they face.

America's policy toward the Soviet Union in these troubled times is, first and foremost, to continue our efforts to build the cooperative relationship that has allowed our nations and so many others to strengthen international peace and stability. At the same time, we will continue to support a reform process within the Soviet Union aimed at political and economic freedom -- a

process we believe must be built on peaceful dialog and negotiation. This is a policy that we will advocate steadfastly, both in our discussions with the central Soviet Government and with all elements active in Soviet political life.

Let there be no misunderstanding, the path ahead for the Soviet Union will be difficult and, at times, extraordinarily painful. History weighs heavily on all the peoples of the U.S.S.R. -- liberation from 70 years of communism, from 1,000 years of autocracy. It's going to be slow. There will be setbacks. But this process of reform, this transformation from within, must proceed. If external cooperation and our progress toward true international peace is to endure, it must succeed. Only when this transformation is complete will we be able to take full measure of the opportunities presented by this new and evolving world order.

The new world order really is a tool for addressing a new world of possibilities. This order gains its mission and shape not just from shared interests but from shared ideals. And the ideals that have spawned new freedoms throughout the world have received their boldest and clearest expression in our great country, the United States. Never before has the world looked more to the American example. Never before have so many millions drawn hope from the American idea. And the reason is simple: Unlike any other nation in the world, as Americans we enjoy profound and mysterious bonds of affection and idealism. We feel our deep connections to community, to families, to our faiths.

But what defines this nation? What makes us America is not our ties to a piece of territory or bonds of blood; what makes us American is our allegiance to an idea that all people everywhere must be free. This idea is as old and enduring as this nation itself -- as deeply rooted, and what we are as a promise implicit to all the world in the words of our own Declaration of Independence.

The new world facing us -- and I wish I were your age -- it's a wonderful world of discovery, a world devoted to unlocking the promise of freedom. It's no more structured than a dream, no more regimented than an innovator's burst of inspiration. If we trust ourselves and our values, if we retain the pioneer's enthusiasm for exploring the world beyond our shores, if we strive to engage in the world that beckons us, then and only then will America be true to all that is best in us.

May God bless our great nation, the United States of America. And thank you all for what you have done for freedom and for our fundamental values. Thank you very much.

Note: The President spoke at 9:16 a.m. in the Fuel Cell Hangar at the base. In his remarks, he referred to Gen. Charles G. Boyd, Air University Commander at Maxwell Air Force Base; Gen. Merrill A. McPeak, Air Force Chief of Staff; Senators Howell Heflin and Richard C. Shelby; Representative Bill Dickinson; Emory M. Folmar, mayor of Montgomery; Secretary of Defense Dick Cheney; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; Brent Scowcroft, Assistant to the President for National Security Affairs; President Saddam Hussein of Iraq;

President Vaclav Havel of Czechoslovakia; and President Mikhail Gorbachev of the Soviet Union.

Remarks at a White House Briefing for the Associated General Contractors of America

April 15, 1991

Thank you all very much. This rainy day, I'm delighted to have you all here at the White House. May I salute our Secretary of Transportation, Sam Skinner. And I want to say a word about a matter that's of great interest to him and to me and to the entire country. But first, to President Black and all the members of the AGC, we're delighted you're here. I appreciate the chance to just say a few words to a group whose support on so many issues has meant a great deal to me, and I think it's meant a great deal to our country.

I know that you were in strong support of Operation Desert Storm. I think your strong support was very helpful -- Capitol Hill and elsewhere. I salute you, and I appreciate it very much. Thanks, also, for helping us promote free trade, especially during the negotiations for the United States-Canada Free-Trade Agreement, an agreement that we strongly support.

And today I wanted to ask for your support again, support which can certainly enhance our ability to compete in the global marketplace and our ability to negotiate with our trading partners. That's the main subject I wanted to talk to you about.

But inasmuch as Sam Skinner is here with us, I thought I'd make a comment on another situation that affects the entire country. The rail industry is absolutely critical, and it's critically important to the United States economy, moving more than a third of all goods shipped in the United States. Now, there's a strike looming. And that strike that looms for right after midnight tomorrow could severely disrupt the economy just as the economy, in our view, is trying to turn around and get out of this recession. A rail strike could potentially idle hundreds of thousands of workers and affect virtually all Americans one way or another. It is always better for labor and management to resolve their differences and produce an agreement.

A Presidential Emergency Board, after 8 months of hearings, issued a report making dozens of recommendations for settling the dispute. This report can and should serve as the basis for resolution of this difficulty. Because of the potential economy-wide disruption, it would be prudent that all efforts and actions be taken to avoid the strike. My administration is willing to work with the parties to help in any way possible.

Now, just for a word on this free trade. We need Fast Track authority in trade negotiations, and we've asked Congress to approve Fast Track authority. Fast Track's a way of assuring our trading counterparts that the agreements they reach with us at the bargaining table -- the ones that they reach with the negotiation process -- will be the same ones that Congress has a chance to vote on, up or down.

Some allege that Congress has no say. And that simply is not true. We must negotiate with our trading partners, and then we bring the negotiated pact to the Congress for an up or down vote. Fast Track doesn't affect Congress' power to accept or reject trade agreements. But it does prevent eleventh-hour changes to agreements that have already been hammered out, changes that force everyone to start all over again.

We need this Fast Track authority to pursue vital trade objectives: the Uruguay round, the Enterprise for the Americas Initiative, and the North American free trade agreement that we're talking to both Canada and Mexico about. If we lose this Fast Track authority, we lose any hope of achieving these three vital agreements. We lose trade. We lose jobs. And we jeopardize economic growth. And we unleash horrifying new waves of protectionism.

Here's the key: A vote against Fast Track is a vote against all the things we hold dear -- prosperity at home and growth in other lands. It ignores the dramatic and wonderful changes in the world economy. We want to play a leading role in this new, exciting, emerging world. And we don't want to hide from it. And we want to join in the thrilling business of innovation. And we do not want to chain people to outmoded technologies, outmoded ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon to the Yucatan. Think of it. The North American free trade agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on Earth -- 360 million consumers in a market that generates $6 trillion in output in a single year.

A unified North American market would let each of our countries build on our own strengths. It would create more and better jobs for the U.S. workers. Let me just say that one once more: It would create more jobs for U.S. workers, better jobs for U.S. workers. And it would stimulate price competition, lower consumer prices, and improve product quality. The agreement would promote productivity and produce a higher standard of living throughout our entire continent.

As we help Mexico, as we help them achieve prosperity, we'll help the environment as well. Only through economic growth will Mexico obtain the resources necessary to address its tremendous environmental needs. They need new water systems for their border cities; they need air pollution control equipment for Mexico City. These are just a handful of the things that would be enhanced.

Mexico is committed to environmentally sound industrial expansion. President Salinas has already closed down the largest polluting refinery, taken a lot of political heat in the process -- a PEMEX refinery near Mexico City. He's promised his people that the economic growth coming out of the free trade agreement will be ``clean growth'' and that dirty industries are not welcome.

I don't know how many of you all have met President Carlos Salinas, but I can tell you, he's an outstanding individual. And he talks about the environment and the need to clean it up, and he

gives this dramatic example of the young children in the schools -- because of Mexico City's pollution -- painting the sky gray. And he says: ``I don't want our children to paint the sky gray any more. I want them to see the Sun. I want them to see the bright stars at night." He is committed to cleaning up that environment. And new Mexican laws requiring environmental impact assessments for all investments in new industrial facilities will make this commitment a reality. So the attacks on him from some in the environmental community I don't think have merit.

As we increase trade with Mexico, we will also help Mexican workers. Mexican wages have risen, and have risen quickly in recent years, with no tangible impact on America's pay scales. And that being true, someone then should ask the opponents of Fast Track why they oppose prosperity in Mexico.

We have much to gain from extending Fast Track -- a new era of open, free, and fair trade. A vote on Fast Track is really a vote on what kind of America we want to build. A ``no" vote will show that we fear the future and that we don't welcome it. A ``yes" vote will express confidence in American know-how and ingenuity. I think we have confidence in ourselves. I say we do believe in ourselves.

And so, I'm going to be fighting my heart out to assure the congressional approval of Fast Track. I ask for your support for America's heart. And I thank you for the past support on so many critical and key issues. Thank you all very, very much for coming to the White House. And God bless you.

Note: The President spoke at 10:07 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Secretary of Transportation Samuel K. Skinner; Marvin M. Black, president of the Associated General Contractors of America; and President Carlos Salinas de Gortari of Mexico.

Statement by Press Secretary Fitzwater on the President's Meeting With Senator Lloyd Bentsen of Texas

April 15, 1991

President Bush had lunch today with Senator Lloyd Bentsen in the West Wing of the White House. The President and the Chairman of the Senate Finance Committee discussed Fast Track legislation and related trade issues. ``Senator Bentsen has been a strong and steadfast leader in the Senate on the Fast Track legislation," President Bush said. ``He is one of our most knowledgeable leaders on trade matters, and his support is crucial as we pursue the Fast Track legislation."

As the world's largest trader, the United States has an enormous stake in the future of the global trading system. Exports have become a vital source of strength to the U.S. economy. In 1990, the nearly 8.5-percent growth in U.S. exports accounted for 88 percent of U.S. economic growth.

In order to sustain the expansion of exports and consequent growth, we must continue our efforts to open world markets. We must maintain our active leadership role. Without an extension of Fast Track, those efforts are futile.

Statement by Press Secretary Fitzwater on the President's Federal Income Tax Return

April 15, 1991

The President and Mrs. Bush's 1990 tax return shows that they have paid $99,241 in Federal income tax on an adjusted gross income of $452,732, of which $200,000 was the President's salary. The Bushes also reported $245,911 in income, from their blind trust, $1,245 in interest income, and $8,647 from other sources. The blind trust is managed by Bessemer Trust Co., N.A., New York City.

The President and Mrs. Bush claimed $97,118 in itemized deductions, which included $38,667 in contributions to 50 charities and $330 to charities through the blind trust. A list of the 50 charities is attached. The net royalties received in 1990 of $7,042 from the President's book, ``Looking Forward," were given to charitable organizations included in this list.

The President and Mrs. Bush's tax return has been reviewed by the Office of Government Ethics and will be filed in the Philadelphia regional office of the Internal Revenue Service.

Remarks to the National Association of Broadcasters Convention

April 15, 1991

The President. Thank you, Eddie, and Lowry. And it's great to join America's broadcasters in Las Vegas, if only through the wizardry of satellite communications.

In the last few months, all of America and, indeed, most of the world saw the events of the Persian Gulf unfold through the miracle of satellite communications. And they saw it unfold in a uniquely American way. Not only did you cover the military and political aspects of the war, but you did much more. In every ADI [area of dominant influence] across the country, broadcasters did their part to support the brave men and women of our Armed Forces. Community by community, broadcasters organized blood drives, provided critical support for the family members left behind, sent thousands of radios to our troops overseas, and were the first to bring home news about local service men and women.

Now that the war is over, we must return to and, in fact, redouble our service to the community in the more traditional way of the local broadcaster. In this regard, it is fitting that today marks the kickoff of a Points of Light National Celebration of Community Service, honoring those who are engaged in direct and consequential service focused on serious social problems here at home. This unprecedented 12-day celebration will challenge every American to reach out and serve another in need in 1991.

During the Gulf war, broadcasters demonstrated the unique ability to help people see how each of us can make a difference. As your convention theme for 1991 is ``Always There," I hope that you will find a way to shine your powerful spotlight on those whose selfless acts of community service, if multiplied manyfold, would transform the Nation.

The Nation needs, from all broadcasters, the kind of service that many of you are already giving your communities. Some of you have education initiatives that inspire community and parental involvement in education and provide your own employees with tutoring opportunities. Others have outstanding health campaigns that educate the public about the prenatal care necessary to have a healthy baby, while many of your employees have become mentors to young mothers, teaching them necessary nutrition habits and parenting skills. And many of you have focused on housing, helping your community renovate or build homes for families without a place to live. Across the country, your stations are lighting up America.

I understand that today you're honoring someone who is very special. I'm taking about ABC's Tom Murphy. Tom: Barbara and I can't thank you enough for all you've done to promote literacy across America. Your efforts have helped countless Americans find new meaning in their lives by the simple but powerful act of reading. Congratulations on an award that's well deserved.

And I also understand that you'll be hearing shortly from Al Sikes, the Chairman of the FCC. Al has a long history in broadcasting, starting with his own radio station in Missouri.

And in closing, let me again say that I'm delighted to be with the broadcasters. But Eddie, Lowry, it wouldn't feel like I was talking with broadcasters if I didn't take a couple of questions. So, fire away.

Free Media

Q. Thank you, Mr. President. As you know, broadcasting is the only free media available to everyone in the United States. There are some today who question the future of free radio and television, and I'd like to ask you what your thoughts are about the future of free, over-the-air broadcasting.

The President. That's what we call a ``slow ball'' in the trade. I am pleased that Americans are able to enjoy the benefits of the world's most dynamic and competitive telecommunications industry. Furthermore, I'm convinced that free broadcasting is a cornerstone of our democracy.

You know, last year when Vaclav Havel, the President of Czechoslovakia, came to the White House, he told me that he and others used to listen to Radio Free Europe and the Voice of America. And President Havel credited those broadcasts with helping to launch the Velvet Revolution and turn a totalitarian society into a democratic one. It's clear, then, that a free and accessible media strengthens and helps to build democracy.

Closer to home, I think that broadcasters help unite our communities. The future of broadcasting lies in your ability to remain close to your communities. So, I'm for it.

Domestic Agenda

Q. Mr. President, one more question. With the great victory of our troops in the Persian Gulf, much interest is focused on international affairs. Tell us about your domestic priorities for the near future.

The President. Well, our number one priority is, and will remain, restoring strong economic growth because economic growth creates jobs and opportunities for all Americans. One key to long-term prosperity is an educated, innovative work force. I saluted Tom a minute ago for his interest in promoting literacy, a part of education.

Later this week we're unveiling a strategy to improve America's education system. Now, let me list a few other key domestic proposals. Our national energy strategy will help make us a more self-reliant country. We have a strong anticrime package that's going to help us free our streets.

And I need the support in the Congress. It will help in the antidrug fight as well.

We have a financial reform plan. And that's going to be of great benefit to our economy. We've got to modernize our banking system, reform the regulatory system. We have a package of housing and education proposals that will expand choice and opportunity for individuals. We are for homeownership and tenant management. Families and communities are going to benefit from this. And then, our proposal to turn back many programs to the States, where people can best apply the money to their own most pressing needs. You know, we hear over and over from the Governors, again: Do not send out more mandated programs to the States. Let us use our initiative at the local level, at the State level, at the community level. And we're for that.

As local broadcasters, you know better than most that this nation's domestic challenges can't be solved by government initiatives and legislation alone. The reason I spend as much of my time on Points of Light is to make it clear that every American has a role to play in solving these serious domestic problems. It's not a copout. We're not trying to shift away from our responsibility, but in the hands of the individual is where the power is to make something happen.

So, whether it's educating our children or housing the homeless, feeding the hungry, or caring for the sick and elderly, these problems will never be solved without community action. So, please keep up the important work.

Well, hey, look, thank you for including me in your convention. And with Eddie and Lowry running the show, I'm sure that you'll get an awful lot accomplished. So, thanks again. And God bless you all.

Note: The President spoke at 3:14 p.m. from Room 459 of the Old Executive Office Building, and his remarks were broadcast via satellite to the convention, which was held in Las Vegas, NV. In his remarks, he referred to Edward Fritts, president and chief executive officer of the National Association of Broadcasters; L. Lowry Mays, chairman of the board of the association; Tom Murphy, chairman of Capital Cities-ABC; Alfred C. Sikes, Chairman of the Federal Communications Commission; and President Vaclav Havel of Czechoslovakia.

Presidential Determination No. 91 - 28 -- Memorandum on the Czech and Slovak Federal Republic-United States Nuclear Energy Cooperation Agreement

April 16, 1991

Memorandum for the Secretary of State,

the Secretary of Energy

Subject: Presidential Determination on Proposed Agreement Between the United States of America and the Czech and Slovak Federal Republic Concerning Peaceful Uses of Nuclear Energy

I have considered the proposed Agreement Between the Government of the United States of America and the Government of the Czech and Slovak Federal Republic on Cooperation in Peaceful Uses of Nuclear Energy, along with the views, recommendations, and statements of the interested agencies.

I have determined that the performance of the agreement will promote, and will not constitute an unreasonable risk to, the common defense and security. Pursuant to section 123 b. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b)), I hereby approve the proposed agreement and authorize you to arrange for its execution.

George Bush

[Filed with the Office of the Federal Register, 9:40 a.m., August 14, 1991]

Message to the Congress Transmitting the Czech and Slovak Federal Republic-United States Nuclear Energy Cooperation Agreement

April 16, 1991

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b), (d)), the text of a proposed Agreement Between the Government of the United States of America and the Government of the Czech and Slovak Federal Republic on Cooperation in Peaceful Uses of Nuclear Energy with accompanying annex and agreed minute. I am also pleased to transmit copies of my written approval, authorization, and determination concerning the agreement; the memorandum of the Director of the United States Arms Control and Disarmament Agency with the Nuclear Proliferation Assessment Statement concerning the agreement; and the joint memorandum submitted to me by the Secretary of State and the Secretary of Energy, which includes a summary of the provisions of the agreement and various other attachments, including agency views.

The proposed agreement with the Czech and Slovak Federal Republic (CSFR) has been negotiated in accordance with the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 and as otherwise amended. In my judgment, the proposed agreement meets all statutory requirements and will advance the non-proliferation and other foreign policy interests of the United States. It provides a comprehensive framework for peaceful nuclear cooperation between the United States and the CSFR under appropriate conditions and controls reflecting our strong common commitment to nuclear non-proliferation goals.

The CSFR has consistently supported international efforts to prevent the spread of nuclear weapons. It was an original signatory of the Non-Proliferation Treaty (NPT) and has strongly supported the treaty. It is committed to implementing a responsible nuclear export policy, including a full-scope safeguards export requirement. It has actively supported the work of the NPT Exporters (``Zangger'') Committee and adheres to the London Nuclear Supplier Guidelines. It has participated in efforts to establish a multilateral system of nuclear-related dual-use export controls. The CSFR has been a member from the outset of the International Atomic Energy Agency (IAEA) and has played a positive role in the Agency's safeguards and technical cooperation activities. It has also cooperated with the United States and other like-minded members in working to prevent the politicization of the Agency. The CSFR has ratified the Convention on the Physical Protection of Nuclear Material.

I believe that peaceful nuclear cooperation with the CSFR under the proposed agreement will be fully consistent with, and supportive of, our policy of responding positively and constructively to

the process of democratization and economic reform in Eastern Europe. Cooperation under the agreement will also provide opportunities for U.S. business on terms that fully protect vital U.S. national security interests.

I have considered the views and recommendations of the interested agencies in reviewing the proposed agreement and have determined that its performance will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I have approved the agreement and authorized its execution and urge that the Congress give it favorable consideration.

Because this agreement meets all applicable requirements of the Atomic Energy Act, as amended, for agreements for peaceful nuclear cooperation, I am transmitting it to the Congress without exempting it from any requirement contained in section 123 a. of that Act. This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. The Administration is prepared to begin immediately the consultations with the Senate Foreign Relations and House Foreign Affairs Committees as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123 b., the 60-day continuous session period provided for in section 123 d. shall commence.

George Bush

The White House,

April 16, 1991.

Presidential Determination No. 91 - 29 -- Memorandum on the Hungary-United States Nuclear Energy Cooperation Agreement

April 16, 1991

Memorandum for the Secretary of State,

the Secretary of Energy

Subject: Presidential Determination on Proposed Agreement Between the United States of America and the Republic of Hungary Concerning Peaceful Uses of Nuclear Energy

I have considered the proposed Agreement for Cooperation Between the United States of America and the Republic of Hungary Concerning Peaceful Uses of Nuclear Energy, along with the views, recommendations, and statements of the interested agencies.

I have determined that the performance of the agreement will promote, and will not constitute an unreasonable risk to, the common defense and security. Pursuant to section 123 b. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b)), I hereby approve the proposed agreement and authorize you to arrange for its execution.

George Bush

[Filed with the Office of the Federal Register, 9:40 a.m., August 14, 1991]

Message to the Congress Transmitting the Hungary-United States Nuclear Energy Cooperation Agreement

April 16, 1991

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b), (d)), the text of a proposed Agreement for Cooperation Between the United States of America and the Republic of Hungary Concerning Peaceful Uses of Nuclear Energy with accompanying annex and agreed minute. I am also pleased to transmit copies of my written approval, authorization, and determination concerning the agreement; the memorandum of the Director of the United States Arms Control and Disarmament Agency with the Nuclear Proliferation Assessment Statement concerning the agreement; and the joint memorandum submitted to me by the Secretary of State and the Secretary of Energy, which includes a summary of the provisions of the agreement and various other attachments, including agency views.

The proposed agreement with the Republic of Hungary has been negotiated in accordance with the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 and as otherwise amended. In my judgment, the proposed agreement meets all statutory requirements and will advance the non-proliferation and other foreign policy interests of the United States. It provides a comprehensive framework for peaceful nuclear cooperation between the United States and Hungary under appropriate conditions and controls reflecting our strong common commitment to nuclear non-proliferation goals.

Hungary has always been a strong supporter of nuclear non-proliferation. It was an original signatory of the 1968 Non-Proliferation Treaty (NPT) and has consistently and actively supported the Treaty in subsequent years. Hungary has been a member of the International Atomic Energy Agency (IAEA) since the Agency's inception and has given firm and consistent support to the Agency's program of nuclear safeguards. It has also cooperated with the United States in efforts to prevent the politicization of the Agency. In the field of physical security, Hungary has implemented responsible measures governing its own nuclear program, and has ratified the Convention on the Physical Protection of Nuclear Materials. Hungary is also committed to implementing a responsible nuclear export policy and to establishing a multilateral system of nuclear-related dual-use export controls. It adheres to the NPT Exporters Committee (``Zangger Committee") Guidelines and to the London Nuclear Supplier Guidelines, and its nuclear exports are also guided by a requirement for full-scope safeguards from recipients.

I believe that peaceful nuclear cooperation with Hungary under the proposed agreement will be fully consistent with, and supportive of, our policy of responding positively and constructively to the process of democratization and economic reform in Eastern Europe. Cooperation under the

agreement will also provide opportunities for U.S. business on terms that fully protect vital U.S. national security interests.

I have considered the views and recommendations of the interested agencies in reviewing the proposed agreement and have determined that its performance will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I have approved the agreement and authorized its execution and urge that the Congress give it favorable consideration.

Because this agreement meets all applicable requirements of the Atomic Energy Act, as amended, for agreements for peaceful nuclear cooperation, I am transmitting it to the Congress without exempting it from any requirement contained in section 123 a. of that Act. This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. The Administration is prepared to begin immediately the consultations with the Senate Foreign Relations and House Foreign Affairs Committees as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123 b., the 60-day continuous session period provided for in section 123 d. shall commence.

George Bush

The White House,

April 16, 1991.

Message to the Congress Transmitting the Annual Report on the Energy Activities of the Federal Government

April 16, 1991

To the Congress of the United States:

I transmit herewith the annual report describing the activities of the Federal Government for fiscal year 1990 required by subtitle H, title V of the Energy Security Act (Public Law 96 - 264; 42 U.S.C. 8286 et seq.). These activities include the development of energy conservation and efficiency standards for new commercial and multi-family high rise buildings and for new residential buildings.

George Bush

The White House,

April 16, 1991.

Message to the Congress Transmitting the Report on Semiconductors, Fiber Optics, Superconducting Materials, and Advanced Manufacturing

April 16, 1991

To the Congress of the United States:

Pursuant to the provisions of section 5141, 102 Stat. 1444, of the Omnibus Trade and Competitiveness Act of 1988 (Public Law 100 - 418) and Executive Order No. 12661, I transmit herewith the Report to the Congress on Federal Policies, Budgets, and Technical Activities in Semiconductors, Fiber Optics, Superconducting Materials, and Advanced Manufacturing.

This report focuses on Federal research and development (R&D) funding levels and policies for four technologies: semiconductors, fiber optics, superconducting materials, and advanced manufacturing. There is an additional discussion of organizational and management issues that affect innovation. The report makes clear that the Administration continues to support R&D in these technologies as well as in other high-technology areas consistent with U.S. technology policy. It highlights Administration views on the appropriate roles for the Government as well as the private sector in such areas as these four technologies.

George Bush

The White House,

April 16, 1991.

Message to the Congress Reporting a Budget Rescission

April 16, 1991

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one proposed rescission, totaling $2,400,000.

The proposed rescission affects the Department of Health and Human Services. The details of the proposed rescission are contained in the attached report.

George Bush

The White House,

April 16, 1991.

Note: The attachment detailing the proposed rescission was printed in the ``Federal Register'' of April 23.

Message to the Congress Transmitting the Annual Report of the Federal Council on the Aging

April 16, 1991

To the Congress of the United States:

In accordance with section 204(f) of the Older Americans Act of 1965, as amended (42 U.S.C. 3015(f)), I hereby transmit the Annual Report for 1990 of the Federal Council on the Aging. The report reflects the Council's views in its role of examining programs serving older Americans.

George Bush

The White House,

April 16, 1991.

Remarks on Assistance for Iraqi Refugees and a News Conference

April 16, 1991

The President. I have a brief statement here, and then I'll be glad to take a few questions.

Eleven days ago, on April 5th, I announced that the United States would initiate what soon became the largest U.S. relief effort mounted in modern military history. Such an undertaking was made necessary by the terrible human tragedy unfolding in and around Iraq as a result of Saddam Hussein's brutal treatment of Iraqi citizens.

Within 48 hours, our operation was providing scores of tons of food, water, coats, tents, blankets, and medicines to the Iraqi Kurds in northern Iraq and southern Turkey. The scale of this effort is truly unprecedented. Yet the fact remains that the scale of the problem is even greater. Hundreds of thousands of Iraqi Kurds are in difficult-to-reach mountain areas in southern Turkey and along the Turkish-Iraq border.

The Government of Turkey, along with U.S., British, and French military units, and numerous international organizations, have launched a massive relief operation. But despite these efforts, hunger, malnutrition, disease, and exposure are taking their grim toll. No one can see the pictures or hear the accounts of this human suffering -- men, women, and most painfully of all, innocent children -- and not be deeply moved.

It is for this reason that this afternoon, following consultations with Prime Minister Major, President Mitterrand, President Ozal of Turkey, Chancellor Kohl this morning, U.N. Secretary-General Perez de Cuellar, I'm announcing a greatly expanded and more ambitious relief effort. The approach is quite simple: If we cannot get adequate food, medicine, clothing, and shelter to the Kurds living in the mountains along the Turkish-Iraq border, we must encourage the Kurds to move to areas in northern Iraq where the geography facilitates rather than frustrates such a large-scale relief effort.

Consistent with United Nations Security Council Resolution 688 and working closely with the United Nations and other international relief organizations and our European partners, I have directed the U.S. military to begin immediately to establish several encampments in northern Iraq where relief supplies for these refugees will be made available in large quantities and distributed in an orderly way.

I can well appreciate that many Kurds have good reason to fear for their safety if they return to Iraq. And let me reassure them that adequate security will be provided at these temporary sites by U.S., British, and French air and ground forces, again consistent with United Nations Security

Council Resolution 688. We are hopeful that others in the coalition will join this effort.

I want to underscore that all that we are doing is motivated by humanitarian concerns. We continue to expect the Government of Iraq not to interfere in any way with this latest relief effort. The prohibition against Iraqi fixed- or rotary-wing aircraft flying north of the 36th parallel thus remains in effect.

And I want to stress that this new effort, despite its scale and scope, is not intended as a permanent solution to the plight of the Iraqi Kurds. To the contrary, it is an interim measure designed to meet an immediate, penetrating humanitarian need. Our long-term objective remains the same: for Iraqi Kurds and, indeed, for all Iraqi refugees, wherever they are, to return home and to live in peace, free from repression, free to live their lives.

I also want to point out that we're acutely concerned about the problem of the Iraqi refugees now along the Iran-Iraq border and in Iran. I commend the members of the European Community for their efforts to alleviate hardship in this area. We, ourselves, have offered to contribute to international efforts designed to meet this humanitarian challenge.

As I stated earlier, the relief effort being announced here today constitutes an undertaking different in scale and approach. What is not different is basic policy. All along, I have said that the United States is not going to intervene militarily in Iraq's internal affairs and risk being drawn into a Vietnam-style quagmire. This remains the case. Nor will we become an occupying power with U.S. troops patrolling the streets of Baghdad.

We intend to turn over the administration of and security for these sites as soon as possible to the United Nations, just as we are fulfilling our commitment to withdraw our troops and hand over responsibility to U.N. forces along Iraq's southern border, the border with Kuwait.

But we must do everything in our power to save innocent life. This is the American tradition, and we will continue to live up to that tradition.

Q. Mr. President, your administration estimates that up to 1,000 Kurds are dying each day. How do you respond to critics who say that you've acted too little, too late, and that you've turned your backs on the very people that you inspired to rise up against Saddam Hussein?

The President. I don't think we have responded too little, too late. It is an extraordinarily difficult logistical problem. And we have been, as I said in my statement, sending lots of humanitarian relief in there -- not just the United States, incidentally, other countries as well, a lot of private relief organizations helping out. So, this has been our policy. But I think we have a better chance to facilitate the relief and to get the Kurds in more sanitary conditions by this new program I've announced here today. There's been an awful lot of consultation with the Turks and others going into this. And in terms of the other, I simply don't accept that.

Q. How long do you think that it will be before the United Nations forces can take over from the U.S. and other allies?

The President. You mean in this new operation? We don't know that. We don't know that, but clearly the sooner the better. The United Nations forces will be coming down into the south -- the Blue Helmets. And we hope and expect that to be accomplished in a very few days. But this one we're just starting, but we'll have to see what we do. And it may require for a U.N. peacekeeping force in there -- or U.N. Blue Helmets -- a new resolution from the Security Council. And that's a complicated problem, given the fact that some of the members who were steadfastly with us in the coalition might have problems with something of this nature.

Q. Mr. President, you keep absolving yourself of any responsibility, and yet time after time you are on the record of calling on the Iraqis to take the matter in their own hands, and you never said, not you the Kurds, not you the Shiites. So, how can you really continue to justify that in your own mind when the world's conscience -- go ahead.

The President. No, go ahead, finish your question.

Q. Well, the world's conscience has been aroused by this, and we are seeing pictures of this terrible suffering.

The President. Well, I think all Americans -- yes -- --

Q. Obviously, you were taken by surprise, and you have no long-term policy for what is going to happen eventually. Will they be refugees for the rest of their lives?

The President. I hope not. We've got enough -- what looks like permanent refugees, and we're trying to do something about that in various areas. The objectives were set out very early on. And the objectives never included going into Baghdad, never included the demise and destruction of Saddam personally. You had many people that were telling me early on, let sanctions work. Let sanctions work. Don't do anything about the aggression at all. We led an international coalition of unprecedented, historic proportions and achieved objectives.

And you're asking me if I foresaw the size of the Kurdish refugee problem? The answer is: No, I did not. But do I think that the United States should bear guilt because of suggesting that the Iraqi people take matters into their own hands, with the implication being given by some that the United States would be there to support them militarily? That was not true. We never implied that. Do I think the answer is now for Saddam Hussein to be kicked out? Absolutely. Because there will not be -- --

Q. Is he -- --

The President. May I finish, please? There will not be normalized relations with the United States -- and I think this is true for most coalition partners -- until Saddam Hussein is out of there. And we will continue the economic sanctions.

Q. Do you concede you encouraged the revolt and the exodus?

The President. I don't concede encouraging an exodus. I did suggest -- and it's well documented -- what I thought would be good is if the Iraqi people would take matters into their own hands and kick Saddam Hussein out. I still feel that way, and I still hope they do.

Q. You have hundreds of thousands of refugees which will require a large number of forces. How many allied and U.S. forces will be involved inside northern Iraq?

The President. I think rather small numbers because I don't think Saddam Hussein, given the assurances he made today to the United Nations in Iraq -- they had some representatives there -- would venture to use force. But the problem isn't what we think about it; the problem is what do these Kurdish refugees who have been brutalized by this man think. And what they think is, look, we don't want to take his word. We need some security.

Q. Mr. President, have you actually formally notified Iraq that this is what you're going to do -- set up encampments?

The President. No.

Q. Well, I mean, so this is the first word they've received of it?

The President. Well, I think they're talking with the United Nations people about encampments being set up. But this is the first word they know as to what the United States is going to do about it -- authoritative word.

Q. Are you sure that they're not going to respond militarily to seeing force come in?

The President. They should not respond militarily. And they underestimated the United States once before on that, and they shouldn't do it again. And I don't think they will. And the United Nations people who have been talking to them in Baghdad don't think that there will be a military response. And since we said no action north of the 36th parallel, in fairness, there hasn't been any military action north of the 36th parallel.

Q. You said before that you didn't like the idea of a protected enclave within Iraq itself. But doesn't this, in effect, establish for months and the foreseeable future the United States military protecting Kurdish refugees in that area? And do you want to continue to leave it ambiguous what

the U.S. would do in case there is any effort by the Iraqis against the Kurdish refugees?

The President. I hope we're not talking about a long-term effort. We're working with the French, who've taken a leadership role in a policy to encourage the Kurds to return to the cities. There's some talk about trying to get a U.N. presence along these various way stations as they go back. That would be a very useful idea, and I told Mr. Mitterrand I supported him strongly on that.

But in this one, I don't think it has to be long-term. The main thing, long-term or short-term, from the very beginning we've been trying to save the lives of these women and children and men. And now this is a logical next step to get it done much more sanitarily, get it done in a safe and sensible way.

And some might argue that this is an intervention into the internal affairs of Iraq. But I think the humanitarian concern, the refugee concern is so overwhelming that there will be a lot of understanding about this.

Q. Will the American military be militarily protecting these areas? And what will they do if there is any attack on the refugees?

The President. Well, that was the question I used to get before the war started against -- what are you going to do; how are you going to respond to this? And I won't give you any details, but I will simply suggest that these people will be protected. We are not going to say to them, ``Come down from the mountains; you will be protected," and then not protect them.

Q. Mr. President, given the condition of many of these refugees, how are you going to get them to these new camps? How far away or how far distance are we talking about moving them, and what role might the U.S. or the allies play in getting them there?

The President. We're going to have what you call a supply train. There will be strong -- I mean, not train in the sense of railroad train, but a supply train -- and there will be a lot of international support for that. The Turks will facilitate this. I can't give you -- there will be maybe five or six camps in these so-called -- what Ozal calls ``flat areas" -- but I can't give you an exact estimate on the mileage.

It's not too far in terms of long distances. But what we've got to do now is get in there and build these camps and keep our commitment to be sure that they are safe, and I think they will be. And then you ask a very good question, because how you talk these scared people into coming down, that's another question. But we will be doing our level-best, and we have very good people on the ground there now.

Q. Mr. President, how many troops do you envision being involved in this, and how certain are you of their safety?

The President. Relatively small numbers, and I'm very confident of their safety. We'll have air power around there if needed. We'll be able to protect not only our own people but we'll be able to protect the people that we're setting out to protect, which is these refugees.

Q. May I follow up on that, sir? You feel certain enough of their safety that you feel this is not inconsistent with your earlier statements about not putting one U.S. soldier's life on the line?

The President. Yes, I do. I think this is entirely different, and I just feel it's what's needed in terms of helping these people. Some may interpret it that way; I don't. I think it's purely humanitarian. And I think representations have been made as recently as today that these people would be safe, so I hope it proves that way.

Q. Mr. President, you haven't mentioned anything about the situation in the south where there are thousands of Shiites who are equally concerned about what happens when Americans withdraw.

The President. Exactly.

Q. Can we offer the same kind of assurances that they won't be attacked?

The President. The United Nations will be in there soon, and we think that will be very good assurance that they will not be attacked. People forget that the United States has been doing a wonderful job for those refugees for a long time. I've seen no credit given to our troops that are handling that with great concern and compassion. They have done a superb job.

So, what we want to do is see -- in that neutral zone -- see the Blue Helmets come in there, and then I will continue to keep moving our people out as rapidly as possible. I want to bring them home.

Q. But if the U.N. forces aren't enough to deter Iraqi problems down there, is there some kind of an allied coalition commitment to those people as well?

The President. I think there will be enough. I think that we're operating on the assumption that they will not be attacked with the United Nations in there. I think that would be a serious problem for Saddam Hussein if he took on the entire United Nations, having agreed to these cease-fire conditions. So, I would just stand with that.

President Saddam Hussein of Iraq

Q. Mr. President, your wife suggested yesterday -- Mrs. Bush suggested that Saddam Hussein be tried for war crimes and hanged. Do you agree?

The President. I seldom differ with my wife, and I don't know that I would differ with her here. I'll tell you what's the most important thing, however, and that is to get Saddam Hussein out of there. So, if you came to me as a broker and you said, I can get him out of there, but he'd have to be able to live a happy life forevermore in some third country with all kinds of conditions never to go back and brutalize his people again, I'd have to think about it, but I might be willing to say, well, as far as our pressing charges, we'd be willing to get him out. We want him out of there so badly, and I think it's so important to the tranquillity of Iraq that under that condition we might.

But his crimes -- do I think he's guilty of war crimes? The environmental terror, the rape and pillage of Kuwait, what he's done to his own people? I would think there would be plenty of grounds under which he would be prosecuted for war crimes.

Q. Former President Nixon suggested a little bit earlier that maybe you should put out a contract and have Saddam Hussein assassinated. What about that?

The President. I think that's unacceptable. I'm not sure that's exactly what President Nixon said, either.

Situation in Iraq

Q. Mr. President, here you are, talking about getting rid of Saddam Hussein, putting additional U.S. forces back into Iraq. How can you be sure that the U.S. is not going to get entangled in that internal situation there, that civil war that you so much want to avoid?

The President. Well, I'm positive in my own mind -- put it this way -- in my own mind, my judgment is -- and I think it's the collective judgment of the people that figured the war out pretty well -- is that he won't risk this. And Saddam Hussein is not going to want to reengage in that nature. So, we'll have to see. But certainly, any U.S. forces -- and we're not talking about large numbers, I don't know exactly what the numbers are -- will be protected. And they will be protected vigorously. But I don't anticipate that. I don't expect, and I don't think the French President expects that; I don't think the British Prime Minister expects it; I don't think the United Nations Secretary-General expects it; the President of Turkey -- and we've got a lot of people working this problem.

It is the collective judgment -- and they've been right far more than wrong on these matters -- that this will not take place. But we're prepared if any force should be used against these helpless people in the refugee camps.

Q. And, Mr. President, some in Congress who voted against the war resolution to begin with now say that you didn't complete the job and have, in fact, created another Vietnam. What's your reaction on that?

The President. I've got to be careful about my reaction to some of that because -- maybe you could help me by explaining which people -- from what view? The ones that wanted sanctions to work, or ones that didn't want use of military force ever under any condition? Which ones are you talking about?

Q. There were some in Congress who had -- well, Senator Kennedy, for example, yesterday in a public statement said that you didn't go far enough to complete the job.

The President. Well, he's entitled to his opinion. I think we completed the objectives that we spelled out; they were fulfilled. And I think the whole world knows that. Now we have another problem, a problem that's a recurring problem. This man has brutalized these people before, and now he's doing it again.

I think I would call to the attention of the critics what the objectives were, what the United Nations resolutions called for. And I think that they were admirably completed. And I am surprised at some who strongly oppose the use of force now sound to me, from some of their clarion calls, that they want to use force to solve the matters in Baghdad, and that is not what we are going to do. And if you did do it, you'd certainly want to go back through the diplomatic approach, and certainly I would not want to do that without having a lot of these people on the record in terms of support.

But I don't think that's needed. I don't believe that's what we ought to be doing. I think the American people want their sons and daughters to come home, and they're going to come home. And the only little difficulty now in terms of coming home is that we have a responsibility to do what we can to help these refugees. We've been doing it from day one. And now, as the problem gets worse and as we see the fear in these people's hearts about coming down out of the mountains, we're taking this next step.

But the fundamental policy is to bring our men and women home, and that's exactly what we're doing in the south. Gerry [Gerald Seib, Wall Street Journal] asked the right question: What guarantee? The guarantee is the agreement itself that was enacted by the United Nations and agreed to by Iraq, and the presence of Blue Helmets of the United Nations peacekeeping force.

Q. In all fairness to Senator Kennedy, his reference was to the use of helicopter gunships against the rebels after they had apparently felt that they were encouraged by your remarks to rebel against Saddam.

The President. So, what does he want us to do? I just haven't followed what he's been saying on this subject.

Q. His criticism was that you didn't go ahead and shoot down those helicopter gunships.

The President. You know, I can understand people thinking that. I can understand their criticism. And then, how do you take care of the tanks and the riflemen and the other parts of the divisions that remained in northern Iraq? Helicopters is but a part of it.

You can say, well, if you'd have done that, maybe he'd have stopped. I don't believe that, but I don't fault him for that, if that's what his position was.

Q. Mr. President, the Kurds say that they want an independent Kurdistan. They were promised one after World War II. Why shouldn't they have that?

The President. I said early on that it was not an objective of the United States to see a fractured, destabilized Iraq. And that is the position of our Government, the position of our coalition forces. That's the answer.

Q. I'm sorry, that was after World War I they were promised one. Doesn't that bear any weight with you?

The President. A promise from World War I?

Q. Yes.

The President. No. I say, no, I believe Iraq ought to live in peace and reconciliation with the various factions in Iraq. You've got the Shiites in the south, you've got the center -- the Sunis and the Baathists and whoever in the center, and you have the Kurds in the north. They should reconcile their differences and keep that country, with its proud traditions, intact.

But that's a matter that we are not going to try to suggest that it be divided up, if that's what your question is. And I hope I've made that clear from the very beginning.

Q. But can they ever go back to their homes as long as Saddam Hussein is in power?

The President. Yes, I hope they can. Well, good question. They're scared to death to come down out of the mountains. But that's a very good question. But they've got to figure that out. And I think one of the things we're -- I'm most hopeful about is that this plan by Francois Mitterrand bears some fruit -- this way station approach so people can come back.

Now, Saddam Hussein has said for them to come back; they don't believe him. They've been betrayed by him. So, I would hope, yes, that someday they would be able to go back. A lot of them aren't country people. I've heard yesterday on some of the news of city people who were lawyers and doctors and have fled from their rather pleasant lives.

So, I would hope that there could be a reconciliation. And the easiest way for the country to be

reconciled is to have a new leader. There's no question about that.

President Saddam Hussein of Iraq

Q. Mr. President, are there any behind-the-scenes negotiations going on about Saddam Hussein's future? Are there any brokers coming to you?

The President. No, not that I know of, Maureen [Maureen Santini, New York Daily News].

Q. Is he any closer today to leaving power?

The President. I would think so, but I can't prove it.

Q. And no one has even come to discuss brokering a deal?

The President. Well, there's a lot of people, a lot of resistance groups, that would like to see him out of there. They haven't come to me about it. But there's no question about a lot of people that are Iraqis that want to see him out. No question about that. But if you're asking if they've come here to the White House or proposals of that nature, I don't believe so.

Iran-U.S. Relations

Q. Mr. President, you made mention of the situation in Iran as being equally difficult. But your plan seems to only deal with the situation in Iraq and perhaps to help your friend, President Ozal. Why is there no component here for the refugees in Iran, which are even greater in number?

The President. We've offered to help in Iran. And as you know, we have different difficult relations with the State of Iran. The Germans have stepped up to the tune of several hundred million -- --

Mr. Scowcroft. Two hundred and fifty million deutsche marks.

The President. Two hundred and fifty million deutsche marks to help there. The EC has taken on that in a coalition way. We've had the individual charitable organizations -- Americare has been in there with medicine already. So, we want to help there. But you've got to be a realist. I mean, the Iranians still have strained relations with the United States of America. And they make that clear to various visitors that go there. But others are stepping into that breach and helping, just as we're helping with the Shiites in the south and have been to the tune of 30,000 refugees, through American compassion and American largess. Others are pitching in on the Iranian side.

Q. Is there an opportunity here to improve your relations with Iran?

The President. I would hope so. I've said over and over again I'd like to see improved relations with Iran. They know what our bottom line is, and our bottom line is those hostages. I am not going to forget those Americans that are held hostage. And I'm not suggesting Iran holds them, but I am suggesting Iran could have a great deal of influence in getting them out of there.

But yes, I hope we will have better relations. And maybe there is, Charles [Charles Bierbauer, Cable News Network], out of the plight of these refugees, maybe working together -- and we are in a sense. We're helping in various areas; they're helping -- that we can have common ground. And maybe that will lead to a better relationship.

You've got to remember this about Iran: Iran from day one was worried to death about a U.S. military presence in the Gulf. Their whole problem from day one, even though the military would eventually be used against their major enemy, Saddam Hussein -- they just didn't believe we'd come out. They just didn't believe we'd come out of the Gulf. And I would hope that if they see our forces, several hundred thousand of them home already, I believe, and more coming as rapidly as possible, that that fear that has separated Iran from the United States -- one of the things that has separated -- will be allayed. And I think it will.

Mr. Fitzwater. Final question, please.

Soviet-U.S. Summit

Q. Mr. President, what can you tell us about the progress toward a summit? Have you and President -- the summit with President Gorbachev -- have you and he talked? Is there -- --

The President. Not recently.

Q. What do you think are the chances?

The President. Well, I like to think they're reasonably good. There are two concerns that he has and that I have. We both want to see a CFE agreement -- see that fully implemented. There is an agreement, but they've backed away -- in our view -- backed away a little bit, and we're trying to resolve those differences.

Secondly, we have predicated this particular summit on a START agreement. But we're working at it. I talked to Rick Burt, who's just leaving -- he's been the negotiator on this, and he's not pessimistic. But we've said all along that's what it would take.

But I don't want to say that under -- if those two things didn't happen I would never sit down with Mr. Gorbachev. We've got a lot of common problems and concerns. One of them is this whole Middle East area and the problem of these refugees. But I think we should keep our focus on

having the summit, but having an ability to say, hey, CFE's in good shape and to sign a START agreement.

So, that's where I am on it. In other words, I'm backing both of Marlin's positions. [Laughter.]

Thank you all very much.

Note: President Bush's 80th news conference began at 6:04 p.m. in the Briefing Room at the White House. In his remarks, he referred to President Saddam Hussein of Iraq; Prime Minister John Major of the United Kingdom; President Francois Mitterrand of France; President Turgut Ozal of Turkey; Chancellor Helmut Kohl of Germany; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; former President Richard M. Nixon; Senator Edward M. Kennedy; President Mikhail Gorbachev of the Soviet Union; and Richard R. Burt, former Chief START Negotiator. Brent Scowcroft was Assistant to the President for National Security Affairs, and Marlin Fitzwater was Press Secretary to the President.

Remarks at the Welcoming Ceremony for President Violeta Chamorro of Nicaragua

April 17, 1991

President Bush. It gives me great pleasure to welcome to the United States a woman of courage, a leader of conviction, a person of morality and vision: Mrs. Violeta Chamorro, President of Nicaragua.

We stand here at the White House almost a year to the day after the extraordinary moment when you stood at Managua's National Stadium to be sworn in as your nation's first freely elected President.

What a moment that was. In you we saw the exhilarating victory of democracy, of that glorious new breeze that, in one amazing year, swept out oppression and dictatorship from Prague to Managua. In you we saw your nation's peacemaker, the person who would close the books on 11 years of cruel civil war.

In you we saw the symbol of national reconciliation with the inner strength and resolve to turn the face of your country toward the path of healing.

In you we saw what your countrymen saw when they cast their ballots in their first fair, open election. We all saw the person who inspired her people to believe in the triumphant return of peace and freedom.

On that Inauguration Day we saw Dona Violeta, candidate of compassion, become President Chamorro, leader of reconciliation. On that day you closed a painful chapter in your nation's history, and you began to forge a new one. The beautiful land of Ruben Dario had been exhausted by strife, embittered by repression, polarized by government attempts to dominate every single aspect of society, impoverished by a cynical and mismanaged regime.

But you are the leader who once said: ``As a mother, I feel with great intensity the obligation to teach while governing and to govern while forming peaceful hearts." And you've begun to bring life and dreams back to your people in your ``mission to help them" -- as you call it, ``mission to help them." Your courageous countrymen are showing that they are ready to dig in and work hard to reap the benefits of free government and free enterprise.

Following the course of your slogan, ``Yes, we can change things," your reforms are realistic -- restoration of democratic liberties, religious freedom, economic reconstruction, free-market opportunities, reallocation of military funds to vital economic and social programs, and reincorporation of former combatants and refugees.

But your reforms are also visionary: the restoration of moral values and human dignity. The importance of an inheritance for your children of reconciliation and respect. And the belief in the goodness of a people that still turns for guidance to its patron saint, La Purisima.

And your reforms, your ``new sun of justice and freedom," bring hope to the watching world. For with the democratization of Nicaragua, we are one crucial step closer to the incredible goal of becoming this world's first fully democratic hemisphere.

We know that the tasks facing the Nicaraguan people are difficult. Your economic stabilization plan requires hard choices. Economic reform after years of mismanagement is never easy and presents challenges to leadership. But sacrifice in the short run is vital to achieve long-term growth and development. And we hope that all elements of Nicaraguan society will work with you for the good of your country.

The Nicaraguan people do not stand friendless and alone to face these challenges. We are confident that as you confront them, all Nicaraguans will enjoy renewed and widely shared prosperity.

Dona Violeta, I am proud to stand with you, and our nation is proud to stand by you. We're offering over $500 million in aid over your first 2 years as President. And we've joined with other developed countries to work with the international financial institutions to help Nicaragua. And beyond aid, we're offering opportunities for trade and investment that will benefit both our countries through the Enterprise for the Americas Initiative.

And most of all, we're offering something from our hearts to your proud country, your blue and white Nicaragua, where, as your national anthem says, ``the voice of the cannon no longer roars." We are offering you our respect, our admiration, and our friendship.

As your nation renews itself under your leadership, the world shares the view of Nicaraguan poet Pablo Antonio Cuadra who wrote about your late husband, Pedro Joaquin, who was tragically assassinated for the pure passion of his political idealism. Cuadra said of you: ``Pedro's flag could not be in better hands."

Madam President, your nation is fortunate to have you as a leader. I am proud to have you as a friend. We salute you. And may God bless you and your proud and courageous land. And welcome to the United States.

President Chamorro. President Bush, my good friend; Mrs. Barbara Bush, my good friend also; ladies and gentlemen. Many years have elapsed since the President of Nicaragua has made a state visit to the White House.

It is a great honor for me to be here with you this morning, for it represents the establishment of a

new and precious relationship between our two nations. The genuine friendship extended by a noble country such as the United States deserves in turn the friendship of democratic governments that respect the rights of their people. For only in this manner can there exist a sincere relationship between both nations.

As we meet today, Mr. President, it is our responsibility as leaders of two democratic nations to begin fertilizing the seed of a new friendship, a friendship based on our shared belief in democracy and mutual respect.

I would also like to take this opportunity to express our gratitude to the people and Government of the United States of America for the assistance they have provided to Nicaragua. That assistance was a decisive factor during my first year in office. And now Nicaragua has begun to recover from the years of political instability and continuous conflict.

I must conclude by reiterating my government's firm commitment to the sacred principles of democracy shared by our peoples. This commitment is, and will continue to be, to work towards consolidating peace, strengthening our democratic institutions, respecting human rights, and putting our economy in order.

I shall work toward achieving this goal without wavering, because I have adopted as my own those universal truths which Abraham Lincoln bequeathed to mankind: ``a government of the people, by the people, and for the people."

God bless and protect the peoples and governments of the United States and Nicaragua. Thank you.

Note: President Bush spoke at 10:15 a.m. at the South Portico of the White House, where President Chamorro was accorded a formal welcome with full military honors. In his remarks, President Bush referred to President Chamorro's late husband, Pedro Joaquin Chamorro. President Chamorro spoke in Spanish, and her remarks were translated by an interpreter. Following the ceremony, the two Presidents met in the Oval Office.

Nomination of Gordon R. Sullivan To be Chief of Staff of the United States Army

April 17, 1991

The President today announced his intention to nominate General Gordon R. Sullivan to be Chief of Staff of the United States Army. He will succeed General Carl E. Vuono, who is retiring.

General Sullivan is currently serving as Vice Chief of Staff of the Army. Previously he was Deputy Chief of Staff for Operations and Plans, United States Army/Army senior member, military staff committee, United Nations (1989 - 1990). He has served in the U.S. Army for over 31 years.

General Sullivan graduated from Norwich University (B.A., history) and the University of New Hampshire (M.A., political science). He was born on September 25, 1937, in Boston, MA.

Message to the Congress Transmitting the Annual Report of the National Science Foundation

April 17, 1991

To the Congress of the United States:

I am pleased to send you the annual report of the National Science Foundation for Fiscal Year 1990. This report describes research supported by the Foundation in the mathematical, physical, biological, social, behavioral, and computer sciences; engineering; and education in those fields.

Achievements such as the ones described here are the basis for much of our Nation's strength -- its economic growth, national security, and the overall well-being of our people.

As we move into the 1990s, the Foundation will continue its efforts to expand our Nation's research achievements, our productivity, and our ability to remain competitive in world markets through innovation and discoveries.

I commend the Foundation's work to you.

George Bush

The White House,

April 17, 1991.

Appointment of Gene C. Schaerr as Associate Counsel to the President

April 17, 1991

The President today announced the appointment of Gene C. Schaerr, of Utah, to be Associate Counsel to the President.

Since 1987 Mr. Schaerr has been an attorney in private practice with the law firm of Sidley & Austin, where he has specialized in appellate and regulatory litigation and in antitrust law. Prior to this, he served at the Supreme Court of the United States as a law clerk to Chief Justice Warren E. Burger, 1986 - 87, and at the U.S. Court of Appeals for the District of Columbia Circuit as a law clerk to Circuit Judge Kenneth W. Starr, 1985 - 86.

Mr. Schaerr holds a B.A. degree in economics from Brigham Young University (highest honors, 1981), master degrees in economics and philosophy from Yale University (M.A., 1985; M. Phil., 1986), and a law degree from Yale Law School (J.D., 1985). He was born April 15, 1957, in Kanab, UT. Mr. Schaerr is married, has five children, and resides in Gaithersburg, MD.

Remarks on Signing the Federal Energy Management Executive Order

April 17, 1991

The President. Before we get started on the Cabinet business, I want to just conduct another piece of important business. As you know, one of our key goals is the implementation of the national energy strategy.

And I'm very pleased to sign this Executive order today that directs all the Federal Agencies to take whatever appropriate action is necessary to reduce their energy use by at least 20 percent by the year 2000 and reduce fuel consumption by at least 10 percent by the year 1995. This order is a component, an important component, of the national energy strategy. And it demonstrates our commitment to a balanced approach for achieving an energy future that is secure, that is efficient, and that is environmentally sound.

The savings come from reduced energy use in Federal buildings and facilities, fuel savings in the whole Federal vehicle fleet, increased reliance on alternative fuels and alternative-fueled vehicles, and use of other energy-efficient products. Such actions would then save up to an estimated $800 million per year by our target year 2000, the equivalent of up to 100,000 barrels of oil per day. So, achieving these important and ambitious goals is part of our strategy for enhancing our overall energy security. And doing so is commonsense business management, I might add.

So, I wanted to do this with all the Cabinet here to ask for your support on all of this, hoping that this initiative will also encourage the private sector to undertake similar actions. An awful lot can be done just by the actions that I've outlined here.

So now, Jim, many thanks to you for your key role in the energy strategy. I will sign this.

[At this point, the President signed the Executive order.]

It's all yours. All right. That's done.

Assistance for Iraqi Refugees

Q. Mr. President, are you willing to relax the sanctions to allow Iraq to sell oil and supposedly to get food and supplies for the Kurdish refugees?

The President. Look, I don't want to take any questions.

I will say that the priority is, get the relief to these people that are suffering. Then we'll talk about

that. But this relief effort will go and must go smoothly. And then we can consider extraneous matters, matters that may be important to Iraq. But our priorities -- the world's priorities -- are set. And they say, let these refugees be settled on the flat places temporarily, and let them be fed, let medicine get in there.

And then when that is done and everything's done peacefully and harmoniously, then I might be willing to consider something else. But we're not going to -- we're going to be sure what comes first. And what comes first is taking care of these people that have been deprived of their homes and that are terrified and also that are suffering very much. So, that's the order in which we will address these problems.

Thank you all very much.

Note: The President spoke at 2:35 p.m. in the Cabinet Room at the White House. In his remarks, he referred to Secretary of Energy James D. Watkins. The Executive order is listed in Appendix E at the end of this volume.

Toasts at the State Dinner for President Violeta Chamorro of Nicaragua

April 17, 1991

President Bush. Ladies and gentlemen, we can get all this out of the way early. It is a distinct privilege for Barbara and me to salute this evening an extraordinary leader of honor, compassion, and courage.

With the greatest admiration, we welcome to the White House Nicaragua's President, Violeta Chamorro. Or, as I hear she was known by her growing family, or the family growing up, Madre Superiora. [Laughter] For those of you who don't speak good Spanish -- [laughter] -- that means ``Mother Superior." For even as a young girl, Violeta could get her brothers and sisters standing at attention as she cracked her benevolent whip to get her family's house in order.

Well, now, this ``Mother Superior" is getting her nation's house in order, and we honor her for it. We honor her as the conciliator who is forging a future of peace and unity for her beleaguered land, as the elected leader who ended a bitter civil war and who replaced a repressive and undemocratic regime, as the President whom history will acclaim as the liberator of not only her country's government but also of its heartbeat, its spirit.

Her people call her Dona Violeta, a name of affection and respect. And as I've come to know her I've understood, for she personifies the blend of resolve and compassion that inspires a nation to become the best it can be. I'll tell you something that impresses me. Not only is she working resolutely to bring about tangible reforms expanding democracy and economic opportunity, but she's also embarked on what she terms a quest to restore moral values. What a powerful goal in this age -- the most important goal there is.

And under the courageous and idealistic example of President Chamorro, Nicaragua is rediscovering the meaning of its coat of arms, the beautiful symbol embossed in the center of its flag: a triangle for equality, a rainbow for peace, and a shower of light for liberty shining throughout the land, liberty that's embodied by Violeta Chamorro and by her late husband and inspiration, Pedro Joaquin. He used to own a boat named Santa Libertad, glorious liberty.

Well, the world now watches as his widow steers her own Santa Libertad, her ship of state, bound for a bright horizon that promises freedom, respect, and dignity for every person in her land. On a shelf in President Chamorro's office is a plaque of a prayer she tries to live by. A prayer that, in fact, reminds me of her. The words are by St. Francis: ``Lord, make me an instrument of your peace. Where there is hatred let me sow love. Where there is despair, hope. Where there is darkness, light. For it is in giving that we receive, and it is in pardoning that we are pardoned."

Dona Violeta, you are an instrument of peace. Through your goals of reconciliation and liberty, you bring vision to your nation, you bring hope to the world. And so, may I ask that we rise and drink to the health -- Madam President, to your health and to that of your proud and courageous land. May God bless you.

President Chamorro. Please sit down. My dear friend, President of the United States of America, Mr. George Bush; her excellency, Mrs. Barbara Bush; ladies and gentlemen. Through an impressive worldwide plebiscite, the 20th century has taught us that one cannot build paradise by oppressing men and women. If there is to be happiness on Earth, there must first be liberty.

For almost a century, Nicaragua has struggled against dictatorships and militarism. It has fought for that sacred principle that gives men and women dignity and rights. Nicaragua has recovered its democracy. And I believe that we must complement this victory by reestablishing ties and a relationship with the nation that is the leader of democracy.

I am sure that you, my dear friend, Don George, who fought in World War II and lived through the horrors of war, share with me the anxious desire to banish violence. For it was violence that ended the life of my husband, Pedro Joaquin. I am sure that you share with me the desire to establish peace through dialog as well as new social paths with all sectors of the population.

That is why, Mr. President, we are going to build the 21st century from the painful experiences of this century so full of war and hatred. Our American democracies should serve as an example to the rest of the world of countries that are good and true neighbors. In the Americas of the future, there should be no division because the Americas are now the continent of hope.

Before concluding, my dear friends, Mr. President -- Don George, I would like to thank all of you for the warmth and kindness you've extended to me. I offer you my friendship. Wait. [Laughter]

Mr. President, I toast with you and with all of those present here to the permanent friendship between two democracies united by their common faith in liberty and the dignity of mankind. Thank you.

Note: President Bush spoke at 8:10 p.m. in the State Dining Room at the White House. In his remarks, he referred to President Chamorro's late husband, Pedro Joaquin Chamorro. President Chamorro spoke in Spanish, and her remarks were translated by an interpreter.

Statement on Signing the Joint Resolution Settling the Railroad Strike

April 18, 1991

I have today signed H.J. Res. 222, a joint resolution ``To provide for a settlement of the railroad labor-management disputes between certain railroads represented by the National Carriers' Conference Committee of the National Railway Labor Conference and certain of their employees." This legislation is necessary to end the current nationwide strike against the major freight railroads. If allowed to continue, the strike would cripple the economy and adversely affect national security.

I note that H.J. Res. 222 contains provisions that raise constitutional issues. One provision purports to require the President to appoint one member of the Special Board provided for in section 2 from among the members of Presidential Emergency Board No. 219. This provision could raise constitutional concerns by circumscribing my appointment power. However, because I intend for other reasons to appoint one of the members of Presidential Emergency Board No. 219 to the Special Board, the constitutionality of that restriction will not be at issue. The legislation also purports to require the President to appoint the other two members of the Special Board from a list of arbitrators compiled by the National Mediation Board. While provisions purporting to require the President to appoint from specified lists could raise constitutional concerns, these concerns are obviated here by my authority to supervise the National Mediation Board in the preparation of the list.

George Bush

The White House,

April 18, 1991.

Note: H.J. Res. 222, approved April 18, was assigned Public Law No. 102 - 29.

Nomination of Mary Ann Casey To Be United States Ambassador to Algeria

April 18, 1991

The President today announced his intention to nominate Mary Ann Casey, of Colorado, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic and Popular Republic of Algeria. She would succeed Christopher W.S. Ross.

Since 1989 Ms. Casey has served as Deputy Assistant Secretary for Regional Analysis for the Bureau of Intelligence and Research at the Department of State in Washington, DC. Prior to this Ms. Casey served at the Department of State as Director of North African Affairs, 1987 - 1989; studied at the Hoover Institution at Stanford University, 1986 - 1987; and served as Deputy Director of the Office for Syria, Jordan, Lebanon, and Iraq at the Department of State, 1984 - 1986. From 1981 to 1984, Ms. Casey served as political officer at the U.S. Embassy in Tunis, Tunisia. Ms. Casey has served at the State Department in several capacities including: country officer for Iraq, 1978 - 1980; staff assistant for policy planning, 1977 - 1978; and watch officer in the Operations Center, 1976 - 1977. In addition, Ms. Casey served as consul and political officer at the U.S. Embassy in Rabat, Morocco, 1974 - 1976.

Ms. Casey graduated from the University of Colorado (B.A., 1970). She was born November 11, 1949, in Boulder, CO. Ms. Casey resides in Falls Church, VA.

Presidential Determination No. 91 - 30 -- Memorandum on Assistance for Refugees and Migrants in Africa

April 18, 1991

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that it is important to the national interest that $15,250,000 be made available from the U.S. Emergency Refugee and Migration Assistance Fund (Emergency Fund) to meet the unexpected and urgent needs of refugees and migrants in Africa.

A total of $15,250,000 will be used to respond to urgent unforeseen refugee needs in Africa of which $4,000,000 will be contributed to UNHCR [United Nations High Commissioner for Refugees] for South African repatriation; $10,000,000 will be contributed to international relief organizations for Ethiopian and Somali refugees and returnees in the Horn of Africa; and $1,250,000 will be used for emergency migration needs in Malawi.

You are directed to inform the appropriate committees of the Congress of this Determination and the obligation of funds under this authority, and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:28 a.m., May 7, 1991]

Exchange With Reporters on the National Education Strategy Prior to a Meeting With the Nation's Governors

April 18, 1991

The President. You don't need to position these because I'm not going to say anything.

Q. Are all these Governors supportive of your education plan? Have they seen it?

The President. Well, I'd -- maybe Governor Ashcroft could address himself to that, because I don't take questions in here in the Oval Office, as we all know now. [Laughter] But it's nice, though, when we have distinguished visitors to say something.

Governor Ashcroft. Well, I'm very supportive of it. And each Governor, of course, will see how the plan fits with his State. But I think the key to this is that the plan reinforces a number of things that Governors have been trying to do. One, it's performance oriented. Two, it really is designed to reinforce innovation and creativity. And those are two things that Governors have really been eager to support on both sides of the political aisle. And we're thrilled to have the kind of leadership on this -- at least I am, and I think you'll find that to be the opinion of Governors generally.

Q. Do you think the Federal Government's doing enough?

Governor Ashcroft. I think this is very much needed and appreciated leadership. And we're all trying to find ways to improve our performance and do a better job of elevating the capacity of the best and most resource we have: young people. And the debate about how much is done is different in every community, but we're trying not only to do more but to do better.

My primary objective is for us to be more productive in the education process in Missouri. And productivity there is as essential to our national survival as it is in the industry because, ultimately, as competitors on the world scene, we've got to have cost-effective and productive components in our national output, and education is one of the components we have. So, we want to be more productive, and that means we want students to do better as a result of our educational effort.

Governor Romer. Let me speak -- I'd like to speak to that as a Democratic Governor. Everybody in this room cares deeply about education. We've all got a role to play. The President is coming to the table with a lot more aggressive action, and we welcome it. It's good. I think 92 percent of the education of the youngsters in America is the job of Governors. We need the President's help. And I think that his commitment to spend more time and more energy and more effort on this is very welcomed. We really have a job to do.

Secondly, this plan has some new and good ideas. And we in America, I think, need to respond -- everybody in every community. Because if we don't improve our skill levels, we're not going to be competitive. But I think what we ought to remember is, we not only need to have these new ideas explored -- and they're good ideas -- but we've got a basic job of supporting education out there.

There's 110,000 schools. They all need to have -- everybody's suffering. And I think what we're saying here is we've got a partnership. We need to be a partner.

The President. It started back in Charlottesville -- --

Governor Romer. That's right.

The President. Well, not started, but it was focused back there.

Governor Romer. And as the Governor who is, at this present time, chairman of this goals panel, I think that we've got a partnership with the President and with Congress and with Governors and with State legislators and school leaders throughout the country. And so, I think what we ought to do today is to look at this as a very encouraging new emphasis. And I want to compliment Lamar Alexander for adding some leadership as a part of the Cabinet that I think, personally, was very much needed.

Q. So there's no politics involved?

Governor Romer. You know, look -- good government is good politics. Good education is good politics. And I think I speak for every Governor in this room: We're going to go and do the very best job we can to educate both the young and the adults of America. And I think those of us that do the best job are going to get the political benefit. You know, the competition ought to be, who can do the best job? And who can deliver? And I just want to say, you know, as a Democrat I come here today saying education is more important than partisan politics. And we ought to try to work in a bipartisan way. The country ought to judge us by what we do, not by what we say.

The President. Good point.

Governor Branstad. And I would add that the Governors, you know, the Governors of this country -- and I think a lot of credit goes to Lamar Alexander when he was Governor of Tennessee -- have been at the forefront of promoting education reform for a long period of time. Charlottesville was an outstanding example of the Governors and the President coming together to reach a consensus on education policy. We now have six national goals. We know we've got a long ways to go to achieve those by the year 2000. And we're all going to have to work very diligently with the support of the business community and those people that are actively involved in education. The classroom teachers and the parents are very important players in this as well.

We certainly welcome the leadership that the President is providing by getting personally involved in this. Nobody can give it the visibility that the President of the United States can give it. Each Governor, in his or her own State, certainly tries to do what they can to give it visibility. But I think this is a great boost for American education.

The President: Thank you all very much. Thank you.

Q. Thank you.

Q. Well, they sang for their supper, didn't they?

The President. They said what they think; that's what Governors do.

Note: The exchange began at 10:05 a.m. in the Oval Office at the White House. Governors John Ashcroft of Missouri, Roy Romer of Colorado, and Terry E. Branstad of Iowa participated in the exchange. Lamar Alexander was Secretary of Education.

Remarks at a National Education Strategy Briefing

April 18, 1991

Thank you all, and thank you for coming here to the White House. Let me just salute our Secretary of Education, Lamar Alexander, and say how much I'm relying on him. Not only has he and his new team formulated a plan that I think will be very well-received, but knowing him, he'll be driving us all to see that we follow through -- something I'm determined to do. But I salute him.

I had a meeting early on with the Governors who are here, and I thanked them. We're approaching this in a totally nonpartisan way. We have Democratic and Republican Governors in the meeting at the White House. They subsequently met with some of the business leaders who are here, and I salute them and thank them for taking the time in the leadership roles that they have undertaken. And I will salute the State legislators who are with us, our education community leaders, and other business leaders who didn't attend -- some of the small business leaders and others who have been involved in this from the very beginning.

So, we're dedicating this day, this kickoff day, to our new education strategy. And seeing everyone here tells me that there is a great sense of determination and support out there for what we'll be trying to do. There's a new optimism in this country, a renewal of a can-do spirit that made our country great. I can't think of a better reason to put this renewed sense of duty and confidence to work than for the sake of our children. Many of you have been doing that all your lives, and now the rest of us want to join in and do what we can to help.

We're on our way. Many of you in this room, Lamar tells me, have taken the crucial first steps and started programs to rejuvenate an education system that wasn't living up to our expectations. We've already moved beyond the days of issuing report after report about the dismal state of our schools. We don't need any more of those. Today we're trying to put the focus on the future and do something about this state of affairs.

This afternoon, I'll unveil an aggressive and innovative new education strategy. Some of you already know this, and maybe some don't, so let me just summarize for you the strategy in just a few sentences. For today's students, we must make existing schools better and more accountable. For tomorrow's students -- that's the next generation -- we must create a new generation of American schools. For all of us -- for the adults who think our school days are over -- we've got to become a nation of students, to recognize that learning is a lifelong process. Finally, outside our schools, we must cultivate communities where learning can happen. This strategy will bring us even closer to making sure that America's children receive the best education in the world.

We're not afraid of new ideas. And there are a lot of great ideas out there, out in the States and the cities and the communities, in the education and business communities. My job is to do

everything in my power to give these ideas a chance. With Secretary Alexander and his strong new team, and with all of you, I think we're on our way to an exciting new chapter. I like to think of it as a true renaissance in American education.

All of you are also proof that this new education strategy just begins with our schools, that our dedication doesn't end when the bell rings at the end of every school day. Every single American has a stake in what we're starting today, and I am confident that we'll rise to the challenge.

Forty or fifty years from now, some fifth or sixth grader who's sitting in a classroom somewhere in America today will be standing here in my place. Because of the commitment that I am told exists in the Department of Education, here in this room, in the various communities represented, whether it's the Governors or business or some in labor so interested in all of this, or the State legislators -- because of that commitment, I know in my heart that that person -- she or he -- will have had every opportunity that this great country has to offer.

So, let's go to work. I know we can do it. And I'm with you all the way. Thank you so very much for your involvement. And may God bless this effort and our great country. Thank you all.

Note: The President spoke at 11:23 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Secretary of Education Lamar Alexander.

Nomination of Mike Hayden To Be an Assistant Secretary of the Interior

April 18, 1991

The President today announced his intention to nominate Mike Hayden, of Kansas, to be Assistant Secretary for Fish and Wildlife at the Department of the Interior. He would succeed Constance Bastine Harriman.

Governor Hayden served as Governor of the State of Kansas from 1987 to 1990. Prior to this he served as a speaker of the Kansas House of Representatives, 1982 - 1986. From 1978 to 1982, he served as chairman of the house ways and means committee, Kansas House of Representatives.

Governor Hayden graduated from Kansas State University with a bachelor of science degree in wildlife conservation, 1966, and a master of science degree in biology from Fort Hays State University, 1974. Governor Hayden served in the U.S. Army, 1968 - 1970. He was born March 16, 1944, in Colby, KS. Governor Hayden is married, has two children, and resides in Topeka, KS.

Address to the Nation on the National Education Strategy

April 18, 1991

Thank you all for joining us here in the White House today. Let me thank the Speaker for being with us, and the majority leader; other distinguished Members, committee heads and ranking members, and very important education committees here with us today. I want to salute the Governors, the educators, the business and the labor leaders, and especially want to single out the National Teachers of the Year. I believe we have 10 of the previous 11 Teachers of the Year with us here today, and that's most appropriate and most fitting.

But together, all of us, we will underscore the importance of a challenge destined to define the America that we'll know in the next century.

For those of you close to my age, the 21st century has always been a kind of shorthand for the distant future -- the place we put our most far-off hopes and dreams. And today, that 21st century is racing towards us -- and anyone who wonders what the century will look like can find the answer in America's classrooms.

Nothing better defines what we are and what we will become than the education of our children. To quote the landmark case Brown versus Board of Education, ``It is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education."

Education has always meant opportunity. Today, education determines not just which students will succeed but also which nations will thrive in a world united in pursuit of freedom in enterprise. Think about the changes transforming our world: the collapse of communism and the cold war, the advent and acceleration of the Information Age. Down through history, we've defined resources as soil and stones, land and the riches buried beneath. No more. Our greatest national resource lies within ourselves: our intelligence, ingenuity, the capacity of the human mind.

Nations that nurture ideas will move forward in years to come. Nations that stick to stale old notions and ideologies will falter and fail. So I'm here today to say America will move forward. The time for all the reports and rankings, for all the studies and the surveys about what's wrong in our schools is past. If we want to keep America competitive in the coming century, we must stop convening panels to report on ourselves. We must stop convening panels that report the obvious. And we must accept responsibility for educating everyone among us, regardless of background or disability.

If we want America to remain a leader, a force for good in the world, we must lead the way in

educational innovation. And if we want to combat crime and drug abuse, if we want to create hope and opportunity in the bleak corners of this country where there is now nothing but defeat and despair, we must dispel the darkness with the enlightenment that a sound and well-rounded education provides.

Think about every problem, every challenge we face. The solution to each starts with education. For the sake of the future of our children, and of the Nation's, we must transform America's schools. The days of the status quo are over.

Across this country, people have started to transform the American school. They know that the time for talk is over. Their slogan is: Don't dither, just do it. Let's push the reform effort forward. Use each experiment, each advance to build for the next American century -- new schools for a new world.

As a first step in this strategy, we must challenge not only the methods and the means that we've used in the past but also the yardsticks that we've used to measure our progress. Let's stop trying to measure progress in terms of money spent. We spend 33 percent more per pupil in 1991 than we did in 1981 -- 33 percent more in real, constant dollars. And I don't think there's a person anywhere, anywhere in the country, who would say that we've seen a 33-percent improvement in our schools' performance.

Dollar bills don't educate students. Education depends on committed communities, determined to be places where learning will flourish; committed teachers, free from the noneducational burdens; committed parents, determined to support excellence; committed students, excited about school and learning. To those who want to see real improvement in American education, I say: There will be no renaissance without revolution.

We who would be revolutionaries must accept responsibilities for our schools. For too long, we've adopted a no-fault approach to education. Someone else is always to blame. And while we point fingers out there, trying to assign blame, the students suffer. There's no place for a no-fault attitude in our schools. It's time we held our schools -- and ourselves -- accountable for results.

Until now, we've treated education like a manufacturing process, assuming that if the gauges seemed right -- if we had good pay scales, the right pupil-teacher ratios -- good students would just pop out of our schools. It's time to turn things around -- to focus on students, to set standards for our schools and let teachers and principals figure out how best to meet them.

We've made a good beginning by setting the Nation's sights on six ambitious national education goals -- and setting for our target the year 2000. Our goals have been forged in partnership with the Nation's Governors, several of whom are with us here today in the East Room. And those who have taken a leadership are well-known to everyone in this room. And for those who need a refresher course -- there may be a quiz later on -- let me list those goals right now.

By 2000, we've got to, first, ensure that every child starts school ready to learn; second one, raise the high school graduation rate to 90 percent; the third one, ensure that each American student leaving the 4th, 8th, and 12th grades can demonstrate competence in core subjects; four, make our students first in the world in math and science achievements; fifth, ensure that every American adult is literate and has the skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship; and sixth, liberate every American school from drugs and violence so that schools encourage learning.

Our strategy to meet these noble national goals is founded in common sense and common values. It's ambitious and yet, with hard work, it's within our reach. And I can outline our strategy in one paragraph, and here it is: For today's students, we must make existing schools better and more accountable. For tomorrow's students, the next generation, we must create a new generation of American schools. For all of us, for the adults who think our school days are over, we've got to become a nation of students -- recognize learning is a lifelong process. Finally, outside our schools we must cultivate communities where learning can happen. That's our strategy.

People who want Washington to solve our educational problems are missing the point. We can lend appropriate help through such programs as Head Start. But what happens here in Washington won't matter half as much as what happens in each school, each local community, and yes, in each home. Still, the Federal Government will serve as a catalyst for change in several important ways.

Working closely with the Governors, we will define new world-class standards for schools, teachers, and students in the five core subjects: math and science, English, history and geography. We will develop voluntary -- let me repeat it -- we will develop voluntary national tests for 4th, 8th, and 12th graders in the five core subjects. These American Achievement Tests will tell parents and educators, politicians, and employers just how well our schools are doing. I'm determined to have the first of these tests for fourth graders in place by the time that school starts in September of 1993. And for high school seniors, let's add another incentive -- a distinction sure to attract attention of colleges and companies in every community across the country -- a Presidential Citation to students who excel on the 12th-grade test.

We can encourage educational excellence by encouraging parental choice. The concept of choice draws its fundamental strength from the principle at the very heart of the democratic idea. Every adult American has the right to vote, the right to decide where to work, where to live. It's time parents were free to choose the schools that their children attend. This approach will create the competitive climate that stimulates excellence in our private and parochial schools as well.

But the centerpiece of our national education strategy is not a program, it's not a test. It's a new challenge: To reinvent American education -- to design new American schools for the year 2000 and beyond. The idea is simple but powerful: Put America's special genius for invention to work for America's schools. I will challenge communities to become what we will call America 2000

communities. Governors will honor communities with this designation if the communities embrace the national education goals, create local strategies for reaching these goals, devise report cards for measuring progress, and agree to encourage and support one of the new generation of America's schools.

We must also foster educational innovation. I'm delighted to announce today that America's business leaders, under the chairmanship of Paul O'Neill, will create the New American Schools Development Corporation, a private sector research and development fund of at least $150 million to generate innovation in education.

This fund offers an open-end challenge to the dreamers and the doers eager to reinvent, eager to reinvigorate our schools. With the results of this R&D in hand, I will urge Congress to provide $1 million in startup funds for each of the 535 New American Schools -- at least one in every congressional district -- and have them up and running by 1996.

The New American Schools must be more than rooms full of children seated at computers. If we mean to prepare our children for life, classrooms also must cultivate values and good character -- give real meaning to right and wrong.

We ask only two things of these architects of our New American Schools: that their students meet the new national standards for the five core subjects, and that outside of the costs of the initial research and development, the schools operate on a budget comparable to conventional schools. The architects of the New American Schools should break the mold. Build for the next century. Reinvent -- literally start from scratch and reinvent the American school. No question should be off limits, no answers automatically assumed. We're not after one single solution for every school. We're interested in finding every way to make schools better.

There's a special place in inventing the New American School for the corporate community, for business and labor. And I invite you to work with us not simply to transform our schools but to transform every American adult into a student.

Fortunately, we have a secret weapon in America's system of colleges and universities -- the finest in the entire world. The corporate community can take the lead by creating a voluntary private system of world-class standards for the workplace. Employers should set up skill centers where workers can seek advice and learn new skills. But most importantly, every company and every labor union must bring the worker into the classroom and bring the classroom into the workplace.

We'll encourage every Federal agency to do the same. And to prove no one's ever too old to learn, Lamar, with his indefatigable determination and leadership, has convinced me to become a student again myself. Starting next week, I'll begin studying. And I want to know how to operate a computer. [Laughter] Very candidly -- I don't expect this new tutorial to teach me how to set the

clock on the VCR or anything complicated. [Laughter] But I want to be computer literate, and I'm not. There's a lot of kids, thank God, that are. And I want to learn, and I will.

The workplace isn't the only place we must improve opportunities for education. Across this nation, we must cultivate communities where children can learn -- communities where the school is more than a refuge, more than a solitary island of calm amid chaos. Where the school is the living center of a community where people care -- people care for each other and their futures -- not just in the school but in the neighborhood, not just in the classroom but in the home.

Our challenge amounts to nothing less than a revolution in American education -- a battle for our future. And now, I ask all Americans to be Points of Light in the crusade that counts the most: the crusade to prepare our children and ourselves for the exciting future that looms ahead.

What I've spoken about this afternoon are the broad strokes of this national education strategy: accountable schools for today, a new generation of schools for tomorrow, a nation of students committed to a lifetime of learning, and communities where all our children can learn.

There are four people here today who symbolize each element of this strategy and point the way forward for our reforms. Esteban Pagan -- Steve -- an award-winning eighth-grade student in science and history at East Harlem Tech, a choice school. Steve? Right here, I think. Stand up, now.

Mike Hopkins, lead teacher in the Saturn School in St. Paul, Minnesota, where teachers have already helped reinvent the American school. Mike, where are you? Right here, sir. Thank you.

David Kelley, a high-tech troubleshooter at the Michelin Tire plant in Greenville, South Carolina. David has spent the equivalent of 1 full year of his 4 years at Michelin back at his college expanding his skills. David? There he is.

Finally, Michelle Moore, of Missouri, a single mother active in Missouri's Parents as Teachers program. She wants her year-old son, Alston, to arrive for his first day of school ready to learn. Michelle?

So, to sum it up, for these four people and for all the others like them, the revolution in American education has already begun. Now I ask all Americans to be Points of Light in the crusade that counts the most: the crusade to prepare our children and ourselves for the exciting future that looms ahead. At any moment in every mind, the miracle of learning beckons us all. Between now and the year 2000, there is not one moment or one miracle to waste.

Thank you all. Thank you for your interest, for your dedication. And may God bless the United States of America. Thank you very much.

Note: The President spoke at 2 p.m. in the East Room at the White House. In his remarks, he referred to Thomas S. Foley, Speaker of the House of Representatives; Richard A. Gephardt, House majority leader; Paul H. O'Neill, chairman and chief executive officer of the Aluminum Co. of America and Chairman of the President's Education Policy Advisory Committee; and Secretary of Education Lamar Alexander.

White House Fact Sheet on the President's Education Strategy

April 18, 1991

The President today outlined his strategy to move the Nation toward achieving the national education goals and educational excellence for all Americans. The President believes we must restructure and revitalize America's education system by the year 2000. Emphasizing that this effort is a national challenge, the President asked all Americans to take part in ``the crusade that counts most -- the crusade to prepare our children and ourselves for the exciting future that looms ahead."

America 2000 builds on four related themes:

Creating better and more accountable schools for today's students,

Creating a new generation of American schools for tomorrow's students,

Transforming America into a nation of students, and

Making our communities places where learning will happen.

I. Creating Better and More Accountable Schools for Today's Students

The President called on all Americans to help create better and more accountable schools based on world class standards and the principle of accountability. He encouraged all elements of our communities -- families, businesses, unions, places of worship, neighborhood organizations, and other voluntary associations -- to work together with our schools to help the Nation achieve educational excellence.

A. World Class Standards in Five Core Subjects

The President believes the time has come to establish world class standards for what our children should know and be able to do in five core subjects: English, mathematics, science, history, and geography.

Through the National Education Goals Panel, and working with interested parties throughout the Nation, the President and the Governors will develop a timetable for establishing national standards in these five subjects, and in September 1991, and each year thereafter, the panel will report to the Nation on progress toward the national education goals.

The standards are intended to lift the entire education system and improve the learning achievement of all students. The President and the Governors oppose a national curriculum or federalizing our education system.

B. A System of Voluntary National Examinations

Through the efforts of the National Education Goals Panel, a system of voluntary examinations will be developed and made available for all fourth, eighth, and twelfth grade students in the five core subjects.

These American Achievement Tests will challenge all students to strive to meet the world class standards and ensure that, when they leave school, students are prepared for further study and the workforce. The tests will measure higher order skills (i.e., they will not be strictly multiple choice tests).

The President, working with the Nation's Governors, will seek congressional authorization for State-level national assessment of educational progress assessments and for optional use of these assessments at district and school levels.

Students who distinguish themselves on the American Achievement Tests will receive a Presidential Citation for Educational Excellence in recognition of their outstanding achievement.

The President will seek authorization for Presidential Achievement Scholarships to reward academic excellence among low income students pursuing postsecondary education opportunities. These financial awards will be based on superior high school and college performance.

C. Schools as the Site of Reform

The administration will help strengthen the capacity of elementary and secondary schools to improve results and to innovate by increasing flexibility in decisionmaking at the State, district, and school levels and encouraging report cards on performance.

In addition to an annual National Report Card, the President will encourage schools, school districts, and States to issue regular report cards on their education performance. These report cards will measure results and progress toward achieving the national education goals.

As part of his America 2000 Excellence in Education Act of 1991, the President will again seek legislation that will allow greater flexibility in the use of Federal resources for education in exchange for enhanced accountability for results.

To stimulate reform in mathematics and science education, the America 2000 Excellence in

Education Act of 1991 will include $40 million for new grants to school districts that show significant gains in student achievement. Awards will be used for continued improvements in these vital subjects.

The America 2000 Excellence in Education Act of 1991 also will seek funds for a Merit Schools Program for States to award individual schools that demonstrate significant progress toward the national education goals. States may ``bank'' funds over several years to create even more incentives for successful schools.

D. Providing and Promoting School Choice

The President believes that educational choice for parents and students is critical to improving our schools.

The President will promote State and local choice programs as part of his America 2000 Excellence in Education Act of 1991.

-- A $200 million Education Certificate Program Support Fund will provide incentive grants to local school districts with qualified education certificate programs that enhance parental choice.

-- National school choice demonstration projects will be supported through a $30 million initiative.

The administration also will seek ways to ensure that Federal education programs are more supportive of choice.

E. Teachers and Principals

America's teachers and principals are on the front lines of transforming our schools. As part of his America 2000 Excellence in Education Act of 1991, the President will propose several initiatives to promote outstanding leadership in our schools.

Presidential Awards for Excellence in Education will recognize and reward outstanding teachers across America.

The President will encourage States and communities to provide alternative routes of certification through one-time grants to States to support implementation of alternative certification.

In order to improve the training of school principals and other school leaders, the President will propose establishing Governors' academies in every State with Federal seed money to enhance principal training through instructional and mentoring programs.

The President will seek to establish Governors' academies for America's teachers with Federal seed money to offer advanced instruction focusing on the five core academic disciplines.

The President also encouraged States to consider differential pay and financial and other awards for those who excel in teaching, teach core subjects, teach in challenging settings, and serve as mentors for new teachers.

II. Creating a New Generation of American Schools for Tomorrow's Students

The President today challenged the best minds in America to design -- and help communities create -- the best schools in the world.

A. Research and Development

A series of research and development teams, funded by contributions from the business community, will help design a new generation of American schools.

America's business leaders will establish and mobilize private resources for the New American Schools Development Corporation, a new non-profit organization that will award contracts in 1992 to between three and seven research and development teams. These teams may consist of corporations, universities, think tanks, school innovators, and others. The teams' products will be available to the American people.

The mission of these teams is to help communities create schools that will reach the national education goals, including world class standards in the five core subjects for all students, as monitored by the American Achievement Tests and similar measures.

The President will ask his Education Policy Advisory Committee, as well as the Department of Education, to examine the work of these research and development teams and to report on their progress.

B. New American Schools

The President will ask Congress to provide $550 million in one-time start-up funds to create at least 535 New American Schools that ``break the mold'' of existing school designs.

These funds will provide up to $1 million for each New American School to underwrite special staff training, instructional materials, or other support the school needs. The goal is to have at least one New American School operating in each congressional district by September 1996.

Once the schools are launched, the operating costs of the New American Schools will be no more

than those of conventional schools.

The President also will ask Congress for start-up funds to help design state-of-the-art technology appropriate for New American Schools.

A New American School does not necessarily mean new bricks-and-mortar. Nor does a New American School have to rely on technology; the quality of learning is what matters.

C. America 2000 Communities

The President called on every community in the country to do four things:

Adopt the six national education goals,

Establish a community-wide strategy for achieving the goals,

Develop a report card for measuring its progress, and

Demonstrate its readiness to create and support a New American School.

Communities that accept this challenge will be designated, by the Governors of their States, as ``America 2000 Communities."

Governors, in conjunction with the Secretary of Education, will review community-developed plans with the assistance of a distinguished advisory panel and will determine which America 2000 communities in each State will receive Federal financial support in starting New American Schools.

The Governors and the Secretary will ensure that many such schools serve communities with high concentrations of children at risk.

D. Leadership at All Levels

Transforming American education and creating a new generation of American schools will require the commitment of America's leaders at all levels.

The President welcomes the commitment by American business to contribute $150 - $200 million to support the research and development effort.

The President asked the Nation's Governors to lead the New American Schools effort in their States.

The President challenged State legislatures to: support the creation and operation of New American Schools; embrace the world class standards and adopt the American Achievement Tests; and work toward school, district, and State-level report cards.

The President encouraged civic leaders to help organize community plans all across the country to seek designation as an America 2000 community, and to help plan and operate New American Schools. Business can encourage local schools to use the world class standards and American Achievement Tests, and encourage schools to issue report cards on their performance.

The President called on educators to accept new roles and to take risks. Teachers, principals, and other educators are asked to work to develop a consensus on the world class standards and to determine what it would take to create a New American School in each community.

E. Families and Children Devoted to Learning

The President called on parents to urge use of world class standards, American Achievement Tests, and report cards by local schools. Parents must play a key role in creating New American Schools in their own communities and must work with children in the home to improve children's performance in school.

III. Transforming America into ``A Nation of Students''

The President believes that learning is a life-long challenge. Approximately 85 percent of America's workers for the year 2000 are already in the workforce. Improving schools for today's and tomorrow's students is not sufficient to ensure a competitive America in the year 2000. The President called on Americans to move from ``A Nation at Risk'' to ``A Nation of Students'' by continuing to enhance the knowledge and skills of all Americans.

A. Strengthening the Nation's Education Effort for Yesterday's Students, Today's Workers

To advance the goal of improving literacy for all Americans:

The President will push for greater accountability and choice in the Adult Education Act and will advance these twin principles in new adult literacy activities proposed under the new American 2000 Excellence in Education Act of 1991.

The Department of Education will provide regular, timely, and reliable information by expanding the national adult literacy survey and collecting information about literacy efforts on a regular basis.

B. Establishing Standards for Job Skills and Knowledge

The President urged business and labor cooperatively to develop -- and then to use -- world class standards and core proficiencies for each industry. Federal resources will be sought to provide start-up assistance for this effort.

C. Creating Business and Community Skill Clinics

Today's workers will be assisted through skill clinics -- one-stop service centers located in businesses and communities across America where adults can get job skill diagnosis and referral services.

The administration will urge businesses to make skill clinics available to their employees and encourage America 2000 communities to establish community skill clinics.

Federal departments and agencies will be encouraged to establish such skill clinics and, working with the Office of Personnel Management, will be encouraged to undertake activities to upgrade their employees' skills.

D. Enhancing Job Training Opportunities

The Domestic Policy Council Job Training 2000 Working Group will review current Federal job training efforts and identify successful ways of motivating and enabling individuals to receive the comprehensive services, education, and skills necessary to achieve economic independence.

E. Mobilizing ``A Nation of Students''

The President will work to transform ``A Nation at Risk'' into ``A Nation of Students.''

The President called on the Secretary of Education and the Secretary of Labor to convene business and labor leaders, education and training experts, and Federal, State, and local government officials at a national conference on the education of adult Americans to launch a national effort to transform adult America into a ``Nation of Students.''

IV. Making our Communities Places Where Learning Will Happen

The President called on communities to adopt the six national education goals as their own, set a community strategy to meet them, produce a report card to measure results, and agree to create and support a New American School.

The President believes that it is essential to reaffirm such enduring values as personal responsibility, individual action, and other core principles that must underpin life in a democratic society. The aim of the America 2000 community campaign is to make our communities places

where learning will happen.

A. Greater Parental Involvement

The President urged parents to become more involved in their children's education and in the work of the New American Schools.

Parents and teachers should encourage children to study more, learn more, and strive to meet higher academic standards.

The President encouraged parents to read aloud daily to their children, especially their younger children.

B. Enhanced Program Effectiveness for Children and Communities

The President is committed to making government work better to improve programs for America's children and communities.

Working through the Domestic Policy Council Economic Empowerment Task Force and with the Nation's Governors and other officials, the administration will undertake better coordination of existing Federal programs with corresponding State and local activities.

As part of this effort, existing program eligibility requirements will be reviewed in order to streamline them and reduce Federal red tape. Wherever possible, States will be afforded maximum flexibility to design and implement integrated State, local, and Federal programming.

Message to the Congress Reporting on Environmental Quality

April 18, 1991

To the Congress of the United States:

Of all the great social and technological changes of the 20th century, none may be more crucial to our well-being and that of future generations than the change that has occurred in the way we view our environment. Ours was the first generation to see the many colors of Earth from the vastness of space, and to recognize that our decisions will determine whether the next generation lives in a polluted world of lowered expectations or in a world that sustains humanity and a wondrous diversity of life.

Given these high stakes, I am pleased to report that 1990 was a landmark year in the Nation's efforts to enhance environmental quality.

We enacted the Clean Air Act Amendments of 1990, providing the United States with the world's most advanced, comprehensive, and market-oriented laws to address air pollution, including acid precipitation, urban air quality, toxic air pollutants, and global ozone layer depletion.

We adopted an international agreement and enacted laws to phase out chlorofluorocarbons (CFCs) and other substances that deplete the Earth's ozone layer, which protects us from the harmful effects of solar radiation.

We enacted the Oil Pollution Act of 1990 and adopted a major international agreement to strengthen laws related to oil pollution prevention, liability, and response.

We enacted the most environmentally progressive farm bill ever. It will help farmers protect water quality and wildlife habitat and it launches a part of our America the Beautiful initiative to begin a long-term national tree planting and improvement campaign aimed at both rural and urban areas.

In partnership with the Nation's Governors, we developed ambitious national educational goals, while the Congress and the executive branch strengthened environmental education programs. These actions are an essential part of our efforts to revitalize American education and to improve the environment.

We made other commitments to environmental stewardship, including the expansion of national parks, wildlife refuges, marine sanctuaries, and recreation areas; accelerated cleanup of Federal facilities; enhanced protection of marine mammals, the African elephant, the Florida panther, and

other threatened species; and the suspension for up to 10 years of oil and gas leasing in many areas off our coastlines pending further environmental and resource analysis.

The complete record is told in this report. I am proud that our Administration played a catalytic and constructive role in securing these achievements. Progress has come from working cooperatively with the Congress, State and local governments, environmental and conservation groups, corporations, educators, and scores of individuals, as well as other nations and international institutions.

Our achievements in 1990 add to a growing national record of environmental action that has improved the quality of American life. Compared to the conditions facing Americans earlier in my lifetime, our skies are clearer, our lakes and streams are cleaner, and our major technologies are less wasteful.

Our work, however, is incomplete. Americans are sobered by the scope of the stewardship challenge and recognize that it requires ongoing vigilance and action. We know, for example, that increased trade and economic development is needed to reduce poverty and improve the quality of life for all of the world's people. However, if we fail to make wise economic and environmental choices, those needed increases in economic activity are likely to result in new burdens on the Earth's ability to sustain life. Our challenge is both to provide greater opportunities for an expanding population and to protect the environment upon which we depend.

Several forces work in our favor. Our economy is fundamentally sound, which allows us to make environmental investments and serve as a model for others. Our technology is first-rate, as is our research establishment. Our citizens are eager to make a personal contribution.

In the days ahead, therefore, we must summon the full measure of our powers to achieve environmental results. In that effort we should be guided by what science tells us about the most serious threats to our health and environment, and also by our knowledge of what works and what does not.

In particular, we must learn to harness wherever possible the power of the marketplace in service to the environment. The goal of a healthy environment may not be provided by markets acting alone. However, government regulations are blunt tools that impose unforeseen human costs. Therefore, we need to consider all costs and benefits of government programs as they are developed and expand the use of market incentives that deliver results at the lowest possible cost to society. As a corollary, we need to strengthen the base of scientific and economic understanding that supports such decisions.

Our environmental efforts should also be guided by a holistic view. The environment is composed of a seamless web of relationships between living organisms and the air, water, and land that surround them. Accordingly, rather than continue to address environmental issues in

isolation from each other or from other social goals, we must expand our efforts to understand and protect the functional integrity of the environment -- and our place in it.

We can also apply American ingenuity to the challenge of preventing pollution. There is no reason to think of pollution as an inevitable problem that occurs at the end of a pipe. Quite the contrary: as pollution becomes more costly, and because we recognize the environment is an enclosed sphere, we are finding that pollution prevention can be less costly and better for the environment.

Our efforts to enhance the quality of the domestic environment must be accompanied by comparable efforts toward global environmental quality. In these times, Americans are aware that our political and economic security is affected by actions occurring abroad. Likewise, we know that environmental threats do not stop at a line on a map. In the months and years ahead, we need to broaden our dialogue with other nations and international institutions and together address environmental issues that know no boundaries.

At home, two further principles will guide our environmental policies. First, we will continue to harness the enthusiasm and expertise of citizen volunteers. Partnerships between the public and private sectors have always been a key to our success, and their value in environmental affairs is growing. Second, we will continue to enforce environmental laws firmly and fairly. Our record and our message in this regard are absolutely clear: polluters must pay.

Taken together, these principles -- and the new programs and initiatives that are putting them into action -- represent a turning point in American environmental affairs. No longer should we as a nation focus on isolated fragments of what is in fact a complex, interconnected set of problems. Nor should we accept rigid, shortsighted measures that stymie innovation, shift pollution from one location to another, or impose unnecessary costs. In the future, our national environmental strategy must be comprehensive, long-range, efficient, and adaptable to changing information about risks and benefits.

In the coming months, our Administration will pursue a number of new initiatives to advance these principles. For example, in December 1990 I established by Executive order the President's Commission on Environmental Quality. This Commission will soon be at work building public-private partnerships to help achieve concrete results in the areas of pollution prevention, conservation, education, and international cooperation. A program of Presidential awards for achievement in conservation and environmental affairs will stimulate voluntary activity and recognize the outstanding efforts of individuals and organizations. Each of these projects is intended to underscore my belief that environmental stewardship must flow from action by all Americans, not just from government action.

In the legislative arena, our Administration will work with the 102nd Congress toward enactment of amendments to the Clean Water Act and other laws, seeking opportunities to incorporate

innovative, market-oriented provisions. We will also seek to make progress toward the goal of no-net-loss of wetlands and to strengthen programs to revitalize the Great Lakes, the Chesapeake Bay, and other productive ecosystems. And we will work for a National Energy Strategy that provides a balance among the goals of increased energy efficiency, increased use of alternative fuels, and environmentally responsible development of all U.S. energy resources.

I have proposed that the Congress give the environment a permanent place at the Cabinet table by creating a Department of the Environment. Given the importance of environmental matters, both domestically and internationally, the Environmental Protection Agency is already accorded equal status with other major Federal departments in my Administration. However, I feel this policy should be established in law for the future. The Congress should reject extraneous provisions that would delay consideration of this proposal.

Looking abroad, the United States will continue to seek to conclude an international convention on global climate change in time for its signing at the 1992 United Nations Conference on Environment and Development in Brazil. In our view, such a convention must be comprehensive in scope, addressing all sources and sinks of greenhouse gases, adaptation as well as mitigation measures, and continued scientific and economic research and policy responses. The United States is committed to a series of domestic actions that have many benefits such as curbing air pollution, conserving energy, and restoring forest lands and that also help to curb greenhouse gas levels. These actions -- recently established in law or proposed by my Administration -- will hold U.S. net emissions of greenhouse gases at or below the 1987 level through the foreseeable future. An effective response to potential climate change also requires that all nations participate and meet obligations that are appropriate to their circumstances.

I have also proposed that a worldwide convention on forests be developed and ready for signing by world leaders at the U.N. conference in 1992. Forests provide diverse benefits, helping to clean our air and water, foster biological diversity, and sequester greenhouse gases. We should take steps now to protect and enhance them. In the coming year, I also hope we can move forward on U.S. proposals for integrated economic and environmental assistance in such regions as Latin America and the Caribbean, Eastern and Central Europe, and the Middle East.

The worldwide market potentially available for U.S. exports of environmental goods and services approaches $60 billion annually, and it is growing. I have directed the Department of Commerce to assess that market, and I look forward to the creation of a partnership between business and government to develop the opportunities for environmental technology exports. This effort will help to create new jobs while enhancing the quality of life here at home and around the globe.

The causes and effects of environmental problems are diverse and complex. We should be humbled by the fact that the more we learn, the more questions arise. But unlike the situation a generation ago, we know today that ecological degradation can be halted and, indeed, reversed through rigorous analysis, constructive dialogue, and hard work. Let us work together in this

generation to achieve a more productive harmony between humanity and the environment.

George Bush

The White House,

April 18, 1991.

Nomination of William Harrison Courtney To Be United States Commissioner for the Bilateral Consultative Commission and the Joint Consultative Commission

April 18, 1991

The President today announced his intention to nominate William Harrison Courtney, a career member of the Senior Foreign Service, Class of Counselor, for the rank of Ambassador during his tenure of service as U.S. Commissioner for the Bilateral Consultative Commission and the Joint Consultative Commission established by the Threshold Test Ban Treaty (TTBT) and the Peaceful Nuclear Explosions Treaty (PNET).

Dr. Courtney is currently Deputy U.S. Negotiator for U.S.-Soviet Defense and Space Talks at the U.S. Mission in Geneva, Switzerland. Prior to this he was Deputy Executive Secretary for the National Security Council at the White House, 1987.

Dr. Courtney graduated from West Virginia University, receiving a bachelor of arts degree, and Brown University, receiving a doctoral degree in economics. He was born July 18, 1944, in Baltimore, MD. Dr. Courtney is married, has two children, and resides in Geneva, Switzerland.

Nomination of Constance Bastine Harriman To Be a Member of the Board of Directors of the Export-Import Bank of the United States

April 18, 1991

The President today announced his intention to nominate Constance Bastine Harriman, of California, to be a member of the Board of Directors of the Export-Import Bank of the United States for a term expiring January 20, 1995. She would succeed Richard C. Houseworth.

Since 1989 Ms. Harriman has served as Assistant Secretary for Fish, Wildlife, and Parks at the Department of the Interior. Prior to this she served as an associate with Steptoe & Johnson, 1987 - 1989. Ms. Harriman has also served as Associate Solicitor for Energy and Resources at the Department of the Interior, 1985 - 1987.

Ms. Harriman graduated from Stanford University (B.A., 1970; M.A., 1973) and the University of California at Los Angeles (J.D., 1980). She was born October 10, 1948, in Palo Alto, CA. She is married and resides in Bethesda, MD.

Presidential Determination No. 91 - 31 -- Memorandum on Disaster Assistance in the Persian Gulf Region

April 19, 1991

Memorandum for the Secretary of State, the Secretary of Defense

Subject: Drawdown from DOD Stocks for Disaster Assistance in the Gulf Region

Pursuant to the authority vested in me by section 506(a)(2) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2318(a)(2)) (the ``Act''), I hereby determine that it is in the national interest of the United States to draw down defense articles from the stocks of the Department of Defense and defense services of the Department of Defense for the purpose of the provision of international disaster assistance in the Gulf Region. Such assistance will be available to meet urgent needs in the countries of the region, including Iran and Iraq.

Therefore, I hereby authorize the furnishing of up to $50 million of defense articles from the stocks of the Department of Defense and defense services of the Department of Defense, for the purposes and under the authorities of Chapter 9 of Part I of the Act.

In addition, pursuant to the authorities vested in me by section 552(c)(2) of the Act (22 U.S.C. 2348a(c)(2)), I hereby determine that, as the result of an unforeseen emergency, the provision of assistance under Chapter 6 of Paragraph II of the Act in amounts in excess of funds otherwise available for such assistance is important to the national interests of the United States; and that such unforeseen emergency requires that immediate provision of assistance under that chapter. Therefore, I hereby direct the drawdown of commodities and services from the inventory and resources of the Department of Defense of an aggregate value of up to $25 million, and authorize that they be furnished under the authority of that chapter.

The Secretary of State is directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority, and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 12:17 p.m., May 7, 1991]

Presidential Determination No. 91 - 32 -- Memorandum on the Extension of Credit to Mongolia

April 19, 1991

Memorandum for the Secretary of State

Subject: Determination Under Section 2(b)(2)(D)(i) of the Export-Import Bank Act of 1945, as Amended -- Mongolia

Pursuant to section 2(b)(2)(D)(i) of the Export-Import Bank Act of 1945, as amended (12 U.S.C. 635(b)(2)(D)(i)), I determine that it is in the national interest for the Export-Import Bank of the United States to guarantee, insure, extend credit, and participate in the extension of credit in connection with the purchase or lease of any product by, for use in, or for sale or lease to Mongolia.

You are authorized and directed to report this determination to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 12:38 p.m., May 7, 1991]

Appointment of Gary L. Foster as Special Assistant to the President and Deputy Press Secretary

April 19, 1991

The President today announced his intention to appoint Gary L. Foster to be Special Assistant to the President and Deputy Press Secretary at the White House. He would succeed Stephen T. Hart.

Since October 1990 Mr. Foster has served as Director of Public Affairs at the Department of Commerce. Prior to this, he was director of communications for the 1990 Economic Summit of Industrialized Nations, 1990, and director of special events for the Eisenhower Centennial Foundation, 1989. From 1985 to 1989, Mr. Foster served as Deputy Director of the Office of Presidential Advance for Press at the White House. He was director of inaugural balls in the Operations Division of the Committee for the 50th American Presidential Inaugural, 1985. In 1984, he served as a press advance representative for Reagan-Bush '84.

Mr. Foster graduated from the University of Texas, Austin (B.S., 1981). He was born March 21, 1959, in Fort Worth, TX, and currently resides in Washington, DC.

Appointment of J. Dorrance Smith as Assistant to the President for Media Affairs

April 19, 1991

The President today announced the appointment of J. Dorrance Smith, of Texas, to be Assistant to the President for Media Affairs.

Mr. Smith is the former executive producer of ABC News ``Nightline." Previously he was executive producer of ``This Week With David Brinkley," a post he held since the broadcast premiered in 1981. In addition, Mr. Smith served as executive producer of ``The Koppel Report: Tragedy at Tiananmen -- The Untold Story," which aired in June 1989. Previously he was a Staff Assistant to President Gerald Ford. Mr. Smith will be responsible for the Office of Public Affairs and the Office of Media Relations.

He graduated from Claremont College (California) in 1973 with a B.A. in literature. He was born on May 25, 1951, in Houston, TX.

Remarks on Meeting the National Collegiate Athletic Association Men's and Women's Basketball Champions

April 22, 1991

Good morning, and please be seated. Let me salute our Vice President and our Secretary of Education, the latter fairly well-known in the circles in Tennessee from which he has just come. But we're delighted -- Dan and I are delighted that he's a part of our administration, and we're already grateful for that Tennessee touch as we try to do something to help kids all across our country. Not instantly, it's not going to happen all at once, but we've got a wonderful program. And I just was in proselytizing, trying to get all this talent on my right and on my left involved in the future in their own way, but that's what it's going to take.

I'm delighted to be here. Of course, I'm glad to see Coach K on my left over here, Mike Krzyzewski. He was a graduate of the West Point class 1969. And I see one of my trusted right-hand people from the State Department here, but I understand that there may be others of your classmates, but Bob Kimmitt is a key member of the State Department. I welcome the staff of the Blue Devils and the players. I see that Pat has an armful here, but I welcome her and her assistants. I offered her relief to find somebody to volunteer. I figured maybe Senator Helms or former Congressman Mizell would hold the baby, but no, she'd have none of that. [Laughter] But, Pat, we welcome you and your assistants.

We have with us today representatives of the Midnight Basketball League. I was over there last week in Baltimore and was so impressed by what Mr. Standifer and others are doing to help these young people. They are Points of Light for an entire nation. High school championship teams are here from DeMatha High School, coached by Morgan Wootten; and from Madison High School, by Pat Deegan. I assume it's these pros over here, but welcome all. We're delighted you're here.

And let me just say that just a few feet from here, in this State Dining Room, Yogi Berra once said of a state dinner, ``How could you get a conversation started in there? Everybody was talking too much." [Laughter]

Well, today all of America is talking. And they're talking about these two teams, your incredible championships. And they're calling it Blue Devil destiny or yet another Volunteer victory.

Consider first how Tennessee won its third title in just 5 years, showing what Hemingway termed ``grace under pressure" -- that depth and quickness, shooting, intelligence, poise, and yes, strength of character which embodies a champion.

In the Good Book, it reads, ``And a little child shall lead them." Well, here the little child was Tyler, Pat's kid, a 6-month-old son. And before the title game against Virginia, Pat put him in a t-

shirt, I'm told, with a Cavaliers mascot crossed out -- they X-ed him out -- then presented her son to the team. The gift helped the Vols upset Virginia in overtime. Mission Impossible became Mission Achieved.

Dena Head spurred that mission, scoring 28 points in the championship game. So did teammate Daedra Charles, 19 points and 12 rebounds; Jodie Adams, whose last-second three-pointers helped get the Lady Vols to the title game; Peggy Evans, the sixth woman, great center; Lisa Harrison, great passer; Kelli Casteel, the blue collar Lady Vol and Most Valuable Player in the year's mideast regional. Together, you and your team helped Pat win her third NCAA championship title, more than any coach but John Wooden and Adolph Rupp. She's fast becoming the most famous legend to come out of Tennessee since Davey Crockett. [Laughter]

Then there's the pride -- I will switch over here -- the pride of Tennessee's neighboring State. Five times in the last 6 years, including the last 4, Duke had made the Final Four. This year, you made a good thing even better. First, you stunned unbeaten UNLV in one of the greatest games in NCAA tournament history. I happened to catch the end of that one, and it was sensational. And next, you beat Kansas in the title game with one of the youngest teams in your tenure, coach: two seniors, three juniors, three sophomores, and five freshmen.

Bobby Hurley never had that quandary. His craft is basketball, and he is a virtuoso on the court, and so is Christian Laettner -- and the Final Four's Most Valuable Player. Grant Hill, Thomas Hill added to the Blue Devils' hit parade. And seniors Greg Koubek and Clay Buckley have set a record that can never be broken. They made it -- and this one can never be broken -- they made it to four Final Fours. Together the Blue Devils slam-dunked opponents and seized Duke's first-ever championship.

Coach K, like Pat, you showed that nice guys can finish first. And moreover, your team, like Pat's, proved the scholar athlete is not a contradiction in terms.

Let me repeat what you said about your kids, about your players: Everything in their lives doesn't hinge on a basket or a rebound, so they can rationalize when there's a roadblock, when maybe they should stay on the same avenue a little longer.

At Duke and Tennessee, that avenue leads to graduation. Both schools have high academic standards. Each recruits aggressively but honestly and openly. And both stay within the rules. Over the last decade, more than 90 percent of Duke and Tennessee players got their diplomas -- over 90 percent of the players got their diplomas. Both teams have higher graduation rates than the student bodies at their institutions. Like many of your fellow alumni, you players will make an even greater difference after graduation than before.

I ought to tell the rest of our audience that I -- a little more about this. I met with these players and asked them to continue their volunteers efforts toward educational excellence. And I want to

help them energize our educational system at all levels. I'm proud to report that there seem to be enthusiastic agreement -- it's not obligation but it's a privilege to be able to help others.

In a real sense, the student athletes from Duke and Tennessee have become a metaphor for our national education strategy, a long-term movement that touches every school and student in America. You set high goals and you reach them. You excelled in the classroom. You demonstrated the kind of commitment and determination that we hope all students will adopt in the future. You showed why education is our most enduring legacy, vital to everything we are and can become.

For that I salute you. I thank you for what you've done and are doing today. And I just can't tell you what a pleasure it is to have both of these outstanding champion teams to the White House. Thank you all very, very much.

Note: The President spoke at 10:25 a.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Education Lamar Alexander; Mike Krzyzewski, men's basketball coach at Duke University; Robert Michael Kimmitt, Under Secretary of State for Political Affairs; Pat Summitt, women's basketball coach at the University of Tennessee, and her son, Tyler; Senator Jesse Helms; former Representative Wilmer D. Mizell, Sr., Executive Director of the President's Council on Physical Fitness and Sports; Van Standifer, founder of the Midnight Basketball League; and basketball coaches Morgan Wooten of DeMatha High School and Pat Deegan of Madison High School.

Remarks at a White House Ceremony for the Observance of National Crime Victims' Rights Week

April 22, 1991

Welcome to the White House. A while ago it seemed a little warm, and now I don't know what's happened to us. But I'm delighted to be here, and I'm also very pleased to welcome all of you to the Rose Garden, very pleased to be with the Attorney General, who is doing an outstanding job in this area -- many areas, but this one that brings us together in expressing our concern in trying to help the victims of crime. I'm pleased to see so many Members of the House and the Senate here with us today. We welcome you all.

I'm glad to see Jane Burnley, the Director of the Office for the Victims of Crime. And also Mayor Daley, from Chicago, honoring us, who's been long interested in this. Rich, welcome, sir, to the White House. And I want to thank the State legislators as well who are with us.

Over the past couple of years, 2 years, we've traveled across the country praising those involved in service to others. And our crime victims effort is a very special part of that tradition. Shortly after I took office, the Attorney General invited 1989's honorees to meet me in the Oval Office. A year ago this week, we gathered here in the Rose Garden to salute the 1990 honorees. And moments ago, I signed a proclamation declaring this National Crime Victims' Rights Week.

And now it is again a privilege to stand with a new group of honorees and salute you not only as Points of Light, helping other people, but also as points of courage.

Ladies and gentlemen, standing before you are seven good Americans who simply refused to surrender, seven good Americans who won against the odds, representing seven good reasons why our efforts for crime victims will continue to triumph and to grow.

Far too often, for too many years, victims of crime became the forgotten people, subjected to continued victimization by the system itself. Then people like Virginia's Frank Carrington, rightly regarded as one of the founding fathers of the movement, stepped into the breach. They fought back. They got involved. And they proved to America that one man or one woman can make a difference.

Maybe you heard about this 11-year-old girl up in Alaska. She tried to help when her mom was attacked at home just after Christmas. The assailant got away, but not without the girl showing the police where the man left his fingerprints. And 10 weeks went by without a lead. And then the girl spotted the accused at a convenience store. And she didn't hide. She didn't run away. She called the police, and then, unbelievably, she grabbed a neighbor and chased this man down the street. And when the police made the arrest she was holding onto his hair for all she was worth.

True story.

Like a real-life version of the gutsy child in ``Home Alone," Diana Bowles stood up for family, stood up against crime, and stood up to be counted when the chips were down. Like the seven all-American heroes we honor today, she symbolizes a new America where people refuse to be the victims anymore.

And I think of pioneers like California's Gail -- this one's a tough one -- Abarbanel and Jayne Crisp, of South Carolina. A generation ago, a continent apart, each of these two women helped cultivate the grassroots effort to assist the victims of rape. Out of efforts like these, America came to understand a simple truth: that every victim of every crime deserves to be treated with dignity and compassion.

Over the past decade, community efforts like those represented here have been backed up by a new partnership with the White House and America's cities and States. While the crime bill I signed last year fell far short of the effective criminal justice reform that I had sought, it did create the first-ever Federal crime victims bill of rights. It gave the Justice Department enhanced authority to ensure that the system treats crime victims fairly. And it contains new measures to protect child victims and witnesses.

Working with Congress, we not only reauthorized the 1984 Victims of Crime Act, we also boosted its annual Victims Compensation and Assistance Fund to $150 million -- dollars that came not from taxpayers but from criminals' fines and penalties. We stepped up efforts to fully implement the Victim-Witness Protection Act and the new Victims' Rights and Restitution Act. And there's probably no better model of their success than one of today's honorees, Nancy Stoner Lampy, our victim-witness coordinator in South Dakota, an outstanding advocate for Native American crime victims.

We've made real gains. But many challenges remain. Two of today's honorees can help point the way: California's John Gillis and Tennessee's Barbara Reed. They've both made their mark fighting for tougher laws. They know the real way to help the crime victims of tomorrow is by taking dangerous criminals off the streets today.

Almost exactly 1 year ago, on this same occasion, I stood here and called on the Congress to enact our full range of tough new anticrime proposals. Regrettably, most of them never made it back to my desk in there. And we've got to do better. Each day that passes is one too many. Each victim lost is more than we can afford.

Our Violent Crime Control Act of 1991 contains a wealth of new proposals that support the growing national concern for innocent victims of all crimes. And it includes new protections for witnesses and abused kids, new rules to enhance the Federal prosecutions of sexual violence involving children, mandatory HIV testing of accused sex offenders, and it guarantees a victim's

right to address the court at sentencing. Just as important, our crime bill proposes bold new reforms of habeas corpus appeals, the exclusionary rule, and the death penalty. These three reforms are based on three simple and fundamental virtues: First, that victims should not have to endure endless years of frivolous appeals; second, that victims have an interest in knowing that courts will consider all relevant evidence when deciding guilt or innocence; and third, that victims and survivors have an interest in knowing that the punishment imposed will be commensurate with the brutality of the crime.

Seven weeks ago I put a challenge to Congress, and I said: If our forces could win the ground war in 100 hours, then surely the Congress can pass this legislation in 100 days. The clock is running. America wants it done right, and America wants it done responsibly, and, in my view, America wants it done now.

I've saved one honoree for last. She's Josephine Bass, who founded a shelter in Chicago for women and children who are victims of domestic violence. It's called the Neopolitan Lighthouse. And I like the symbolism. Like each of you, a lighthouse shines through the storm and gives hope at night. And like each of you, it is a beacon to hundreds of others, an immovable light by which to chart one's course to safety. And like each of you, it is proof that each Point of Light matters. Each time your message gets through can mean one life changed and another life saved.

Together, let's pledge to take back our streets. Congratulations to all of you. Congratulations to the winners. And thanks to all of you, and may God bless our great country. Thank you very much.

[At this point, the awards were presented.]

May we invite the Members of Congress to come up and congratulate our winners.

Note: The President spoke at 2:11 p.m. in the Rose Garden at the White House. In his remarks he referred to Attorney General Dick Thornburgh; Jane Nady Burnley, Director of the Office for Victims of Crime; Richard M. Daley, mayor of Chicago; crime victim Diana Bowles; and the following recipients of Department of Justice awards for outstanding public service on behalf of victims of crime: Frank Carrington, Gail Abarbanel, Jayne Crisp, Nancy Stoner Lampy, John Gillis, Barbara Reed, and Josephine Bass. The proclamation is listed in Appendix E at the end of this volume.

Nomination of Carl E. Mundy, Jr., To Be Commandant of the United States Marine Corps

April 22, 1991

The President today announced his intention to nominate Lieutenant General Carl E. Mundy, Jr., to be Commandant of the U.S. Marine Corps, in the grade of general. He will succeed General A.M. Gray.

General Mundy is currently serving as the commanding general, Fleet Marine Force Atlantic/II Marine Expeditionary Force/Fleet Marine Force Europe. Previously, he served as Deputy Chief of Staff for Plans, Policies, and Operations, Headquarters Marine Corps, and Marine Corps Operations Deputy to the Joint Chiefs of Staff (1986 - 1990).

General Mundy is a native of Atlanta, GA. He is married to the former Linda Sloan, and they have three children.

Remarks at the John F. Kennedy Center for the Performing Arts Musicale Reception

April 22, 1991

Maestro, you and Sara can see how we all felt about that. But to Chairman Wolfensohn and Elaine; Chairman of the Corporate Fund William Schreyer; and to Dina -- Dina Merrill Hartley of the Trustee Development Committee; and to the Congressional Trustees, we welcome them, the members of the Trustees Circle and the new Hundred Club of the Corporate Fund.

It is a pleasure -- sheer heaven -- for us to be here tonight sharing in a dream, Ted, of President Kennedy's. JFK yearned to see an America that valued the art as much as business or science or politics. And he once said, ``Roosevelt and Lincoln understood that the life of the arts is very close to the center of a nation's purpose and is a test of the quality of a nation's civilization."

Tonight, in a sense, we pay tribute to that vision. And to all of yours. You're here because you care deeply about this country's need to nourish its spirit. You're here because you believe in the Kennedy Center's vital and exciting and enjoyable work. And you've given of yourselves to endow its future and the Nation's.

And this is important work, and it's great work, and it's essential work because art strikes a chord within our hearts. The Kennedy Center brings that extraordinary experience in all its wonderful diversity to millions of people. But it does something else remarkable, too. It has charged into a leadership position in our society by broadening and deepening its education program, for its directors understand that nothing is more important than teaching our youth.

And as we equip kids with the skills to compete in the 21st century, we must also help them develop as complete human beings. One way to do this is through the arts. And without knowledge of the beauty and depth of the human spirit, our lives and successes can become dull and joyless.

As our national center for the arts, the Kennedy Center reaches across America and into the future. Last year its -- your -- education and public service programs reached over six million people, many of them kids, many of them children. Think of it. Think of how your gifts today are ensuring the future of the arts for the audiences of tomorrow. But the Kennedy Center clearly will not rest on such laurels. You've begun exploring new ways to bring art to even more people, making full use of television and radio, technologies that can turn homes into theaters.

Your gifts are part of a unique private-public partnership, begun last year by the Congressional Trustees who are with us here tonight. They encouraged Congress, which answered my call for the funding needed to rescue the Center. And they helped inspire you, the donors that we salute

this evening.

And of course, tonight, we also salute two dazzling performers. Maestro Rostropovich, you honor us with your presence. We're moved not only by your artistry but also by your compassion as an inexhaustible defender of human rights.

And Jim Wolfensohn has given many gifts to the artistic heart of this country. Sara, however, may be the most remarkable. [Laughter] So, thank you for showing us the importance of passing on the legacy, Jim, of your cultural heritage.

You remind us of William Blake's words: ``Nations are destroyed or flourish in proportion as their poetry, painting, and music are destroyed or flourish."

And so, through the Kennedy Center, we resolve that our arts and our nation will, indeed, flourish forever.

Thank you all. And God bless you in this important work.

Note: The President spoke at 5:51 p.m. in the East Room at the White House, following a performance by cellist Mstislav Rostropovich, the National Symphony Orchestra's music director, and pianist Sara Wolfensohn. In his remarks, the President referred to James D. Wolfensohn, Chairman of the Board of Directors of the Kennedy Center and father of Sara Wolfensohn; Mr. Wolfensohn's wife, Elaine; William A. Schreyer, chairman and chief executive officer of Merrill Lynch and Co., Inc., and Chairman of the Kennedy Center Corporate Fund; Dina Merrill Hartley, Trustee of the Center and Chairperson of the Trustee Development Committee; and Senator Edward M. Kennedy.

Message to the Congress Transmitting a Report on Panamanian Government Assets Held by the United States

April 23, 1991

To the Congress of the United States:

1. I hereby report to the Congress on developments since the last Presidential report on October 27, 1990, concerning the continued blocking of Panamanian government assets. This report is submitted pursuant to section 207(d) of the International Emergency Economic Powers Act, 50 U.S.C. 1706(d).

2. On April 5, 1990, I issued Executive Order No. 12710, terminating the national emergency declared on April 8, 1988, with respect to Panama. While this order terminated the sanctions imposed pursuant to that declaration, the blocking of Panamanian government assets in the United States was continued in order to permit completion of the orderly unblocking and transfer of funds that I directed on December 20, 1989, and to foster the resolution of claims of U.S. creditors involving Panama, pursuant to 50 U.S.C. 1706(a). The termination of the national emergency did not affect the continuation of compliance audits and enforcement actions with respect to activities taking place during the sanctions period, pursuant to 50 U.S.C. 1622(a).

3. Since my last report, the Office of Foreign Assets Control of the Department of the Treasury (``FAC") has released to the control of the Government of Panama approximately $180,000 of the $130.7 million that was blocked. The amount released represents blocked tangible property on which creditors' liens have been allowed to be executed.

Of the approximately $132.76 million remaining blocked at this time (which includes approximately $2.2 million in interest credited to the accounts since my last report), some $131.7 million is held in escrow by the Federal Reserve Bank of New York at the request of the Government of Panama to fund a portion of Panama's arrearage to international financial institutions. Additionally, approximately $1.1 million is held in commercial bank accounts for which the Government of Panama has not requested unblocking. A small residual in blocked reserve accounts established under section 565.509 of the Panamanian Transactions Regulations, 31 CFR 565.509, remains on the books of U.S. firms pending the final reconciliation of accounting records involving claims and counterclaims between the firms and the Government of Panama.

4. I will continue to report periodically to the Congress on the exercise of authorities to prohibit transactions involving property in which the Government of Panama has an interest, pursuant to 50 U.S.C. 1706(d).

George Bush

The White House,

April 23, 1991.

Message to the Congress on the Continuation of the National Emergency With Respect to Export Controls

April 23, 1991

To the Congress of the United States:

1. On September 30, 1990, in Executive Order No. 12730, I declared a national emergency under the International Emergency Economic Powers Act (``IEEPA") (50 U.S.C. 1701, et seq.) to deal with the threat to the national security and foreign policy of the United States caused by the lapse of the Export Administration Act of 1979, as amended (50 U.S.C. 2401, et seq.) and the system of controls maintained under that Act. In that order, I continued in effect, to the extent permitted by law, the provisions of the Export Administration Act of 1979, as amended, the Export Administration Regulations (15 C.F.R. 768, et seq.), and the delegations of authority set forth in Executive Order No. 12002 of July 7, 1977, Executive Order No. 12214 of May 2, 1980, and Executive Order No. 12131 of May 4, 1979, as amended by Executive Order No. 12551 of February 21, 1986.

2. I issued Executive Order No. 12730 pursuant to the authority vested in me as President by the Constitution and laws of the United States, including IEEPA, the National Emergencies Act (50 U.S.C. 1601, et seq.), and section 301 of title 3 of the United States Code. At that time, I also submitted a report to the Congress pursuant to section 204(b) of IEEPA (50 U.S.C. 1703(b)). Section 204 of IEEPA requires follow-up reports, with respect to actions or changes, to be submitted every 6 months. This report is submitted in compliance with that requirement.

3. Since the issuance of Executive Order No. 12730, the Department of Commerce has continued to administer the system of export controls, including antiboycott provisions, contained in the Export Administration Regulations. In administering these controls, the Department has acted under a policy of conforming actions under Executive Order No. 12730 to those required under the Export Administration Act, insofar as appropriate.

4. Since I issued Executive Order No. 12730, there have been several significant developments in the area of export controls:

The spread of weapons of mass destruction continues to constitute a threat to the national security and foreign policy interests of the United States. Accordingly, in Executive Order No. 12735 of November 16, 1990, and the Enhanced Proliferation Control Initiative of December 13, 1990, we announced major steps to strengthen export controls over goods, technology, and other forms of assistance that can contribute to the spread of chemical and biological weapons and missile systems. On March 7, 1991, the Department of Commerce issued two new regulations and a proposed rule to implement these steps. The new regulations control the export of 50 chemicals as well as dual-use equipment and technical data that can be used to make chemical and biological

weapons. (56 F.R. 10756 and 10760, March 13, 1991.) The proposed rule would expand controls to cover exports when the exporter knows or is informed by the Department of Commerce that an export will be used for missile technology or chemical or biological weapons, or is destined for a project engaged in such activities. The rule also proposes to restrict U.S. citizen participation in such activities and the export of chemical plants and plant designs. (56 F.R. 10765, March 13, 1991.)

Concerned Government agencies continue negotiations with our Coordinating Committee (COCOM) partners on the development of a Core List of truly strategic items that will remain subject to multilateral national security controls.

Enforcement efforts have continued unabated. In a major enforcement action, on February 22, 1991, the Department of Commerce temporarily denied the export privileges of a Dutch company, Delft Instruments N.V., and certain related companies, in connection with an investigation of illegal reexport of U.S.-origin night vision equipment to Iraq.

On January 21, 1991, the Department of Commerce submitted a report to the Congress, extending for the period of January 21, 1991, through January 20, 1992, export controls maintained for foreign policy purposes under the Export Administration Regulations. Several changes were announced, including a change in controls toward the People's Democratic Republic (PDR) of Yemen. The PDR of Yemen has merged with the Yemen Arab Republic, and the new country was not included by the Secretary of State among designated terrorist-supporting states. Accordingly, controls maintained for reasons of antiterrorism have not been extended. In addition, foreign policy controls on exports to Namibia were removed on March 21, 1990, when it achieved independence from South Africa.

The unrestricted access of foreign parties to U.S. goods, technology, and technical data and the existence of certain boycott practices of foreign nations, in light of the expiration of the Export Administration Act of 1979, continue to constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. I shall continue to exercise the powers at my disposal to retain the export control system, including the antiboycott provisions, and will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

George Bush

The White House,

April 23, 1991.

Letter to Congressional Leaders on Social Security

April 23, 1991

Dear Bob: (Dear George:)

Six months ago, the Administration and a bipartisan majority in the Congress agreed to separate Social Security from the Federal budget. The advocates of this action argued that this separation was necessary to help protect Social Security. To this end, we also agreed to implement a ``firewall'' procedure requiring a super-majority vote in the Senate to protect against efforts to deplete the Social Security trust fund balances.

It now appears that there is a Senate loophole in those procedures. It was slipped into last year's budget legislation without the knowledge or approval of many of those who participated in the budget summit. Recently, you and Senator Domenici introduced legislation to repair the Social Security ``firewall.'' I support this legislation and urge the Senate to adopt it immediately.

It is my understanding that some may attempt to exploit this loophole during Senate consideration of the Congressional Budget Resolution. They may propose an amendment to clear the way for legislation to weaken the Social Security system. Senator Moynihan's proposal, for example, would return Social Security to the same financing scheme that drove the system to the brink of insolvency in 1982. His proposal would drain roughly $23 billion from Social Security trust fund reserves in 1992 and $170 billion by the end of 1996. Under pessimistic economic assumptions, adoption of this legislation could again threaten to bankrupt the Social Security system.

We rescued the Social Security system eight years ago on a bipartisan basis. When we did, we made a promise to every American who receives Social Security benefits, to those who support the system today, and to those who will rely on it when they retire. We have worked together to assure that today's benefits are protected and that the system will be strong enough to continue providing benefits to future retirees. I intend to assure that we keep our promise.

Sincerely,

George Bush

Note: Identical letters were sent to George J. Mitchell, Senate majority leader, and Robert Dole, Senate Republican leader.

Remarks Prior to a Meeting With General H. Norman Schwarzkopf, Commander of the U.S. Forces in the Persian Gulf

April 23, 1991

Q. Mr. President, what did you have to say to General Schwarzkopf?

The President. I'm listening. I'm in a listening mode. And besides, this is a photo op, at which I normally do not take questions.

What I'll say to him and when he first got home is, welcome, well-done, and what he and his troops did in terms of fulfilling our objectives is fantastic. And what he and his troops did for the morale of the United States of America is unbelievable.

We have a great team in Secretary Cheney and General Powell and General Schwarzkopf, and the country knows it. You can feel it. Anytime you get out to this place, why, you sense it. It is fantastic. And I told him that and congratulated him.

Q. General Schwarzkopf -- --

Q. -- -- the Oval Office, General?

The President. Would you like to see how a guy should handle the press? Come on, Norm. [Laughter] And don't change your style.

Q. General Schwarzkopf, regardless of your agreement with the President to end the war, do you feel that you would have liked to have gone on and prosecuted it further?

The General. What I'd really like to say is if the President's not going to answer any questions, I damn sure am not going to answer any. [Laughter]

The President. Now you see how to handle them?

Note: The President spoke at noon in the Rose Garden at the White House. In his remarks, he referred to Secretary of Defense Dick Cheney and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff.

Remarks at the Presentation of a Point of Light Award to the United States Naval Academy/Benjamin Banneker Honors Mathematics and Science Society Partnership in Annapolis, Maryland

April 23, 1991

Thank you, Admiral Hill. And thank all of you. Thank you very, very much. I just can't tell you how pleased I am to be here. Let me salute our Secretary of Education from whom you've just heard, Lamar Alexander. We've outlined a program of revolution, if you will. We want to start from scratch and challenge every school in this country to do better, every State to do better. And we have an outstanding former Governor and outstanding educator as our Secretary, and we are very blessed. And I'm delighted he was here with me today.

I want to thank Governor Schaefer, too, for pledging to have Maryland remain -- and I use that word advisedly -- remain in the forefront of this educational revolution. Under him the State has been innovative, and now he's pledged to be out front even further. And we're very grateful, Don, and thank you, sir, for that.

I want to salute the mayor over here, thank him for the weather and thank him for greeting us when we arrived over here on the lacrosse field, or wherever the hell it was over here. [Laughter]

And as for J.D. over here -- when I saw him up here waving I said, we've got an election in '92, I've got to watch this guy. [Laughter] But there's a man of commitment. And I'll say a little more about him later on. But I'll tell you, I was impressed with what I saw here today, and delighted. And also, as one who a thousand years ago wore a naval uniform, I wanted to salute the midshipmen of the greatest Navy on the seven seas. You don't have to take my word for that. If you want a reference, go ask Saddam Hussein -- if you can find him.

And as for General Powell, he went to Yankee -- I had a bad day opening the Rangers game. [Laughter] Got to throw out the first ball for the Rangers game, Milwaukee/Rangers, and I -- curve ball, broke a little early, went into the ground. That's my side of the story, and I'm staying with it. [Laughter] And then a week later, hard, fast, right over the center of the plate, Colin Powell up in Yankee Stadium. Sergeant Powell will be reporting -- [laughter] -- to Nome, Alaska. [Laughter]

But I guess there was a lesson in this, because I saw it all through the war -- able to throw it right over the plate, call them as he saw them, lead this great military to a victory that I think has made every American proud. Colin, we're grateful to you.

And we're running a couple of minutes late. We wouldn't have been, but Colin and I and a couple others, Secretary Cheney, we just had lunch at the White House with General Norm Schwarzkopf. He hasn't had a good meal in a long time. You should have seen the guy eat. So, we're a little late. [Laughter] I'll tell you, we can't afford to invite him over there anymore. [Laughter]

But now to the business at hand. Because like Colin and like Lamar Alexander, I was in those science labs, seeing some of these midshipmen and seeing these students from Banneker Honors Society. I heard about these projects -- I'm a guy that dropped out after one day in physics at Yale. Literally -- it's in the record. One day and I couldn't take it anymore. But here I was hearing these kids talking about satellite dishes or rockets or kind of splitting some kind of ray coming through a bunch of things. They were trying to tell me what it was. [Laughter] And I got to thinking, we are very grateful and very lucky.

You know, the other day, as one who is computer-illiterate -- and to answer Lamar Alexander's challenge that everybody, not just those in school but everybody out of school ought to learn a little something, too, and then share that -- I pledged that I would learn to run a computer. I'm the guy that doesn't know how to play ``Super Mario Brothers'' yet. But I'm going to try hard. And yet, I saw these young kids, way in advance of all of that, not only with their computers but with their dedication to science.

It's an honor to be here to celebrate that kind of spirit that I think means a bright future for the Navy. And I'm talking not just about the sacrifice of these midshipmen that help, but I'm talking about the spirit of these kids. This kind of spirit means a bright future for our nation, as Colin Powell said. The men and women of our Armed Forces who responded so brilliantly when the world needed them in the Persian Gulf are also quietly responding to the call to meet the challenges here at home.

No challenge is more crucial than education. So, 2 years ago, as Lamar said, we met with the Nation's Governors, and together we set six national education goals for the year 2000. Last week, we announced a new national crusade to reinvent, literally, to reinvent the American school, with the help, though, of citizens, businesses, educators, communities, midshipmen -- everyone. Secretary Lamar Alexander has put together this dynamic, exciting strategy, and we call it America 2000.

The midshipmen here and the local community have set the kind of example that we would like to see duplicated all around the Nation. You understand that everyone in America has a crucial role to play in education -- producing the kind of informed, enlightened public that gives power to democracy and gives us a leg up on the 21st century.

That's why I am so pleased and proud to present our 437th daily Point of Light award to this outstanding educational partnership between the Benjamin Banneker Honors Math and Science

Society and the United States Naval Academy.

The midshipmen here are famous for their many quiet acts of community service. Today we salute this group of midshipmen who, with the professors here at Annapolis, have served for the last 3 years as tutors and mentors. They've helped kids from local schools begin discovering the real promise, the real potential.

The midshipmen give up those precious few, precious free Saturdays to tutor young people in math and science and to take them to lunch in that friendly little dining hall, King Hall. You're helping kids learn math and science, but just as important, they get to see firsthand your discipline, your dignity, your determination -- the kind of example that they need to succeed.

The midshipmen here today are only half the story. This program would never have been launched without the parents determined to accept nothing less than excellence from their children. Let me offer my special thanks and congratulations to you parents, to the local schools who have been superb in cooperation, and especially to the man on my left over here who made this outstanding program happen -- Mr. Joseph D. Speller -- J.D. We need millions more like you, J.D. -- people concerned about the condition of their communities and moved not just to complain about it but to do something about it.

I'm proud to recognize this program during the Points of Light National Celebration, here on National Youth Service Day -- a day when we shine the spotlight of national attention and praise on young people who make a difference in their communities through direct and consequential acts of service.

These midshipmen in this program and in all of the Navy's community efforts -- Academy's community efforts -- are learning the true satisfaction that comes from serving others. They'll tell you they get far more from their relationship with these kids than they give.

Midshipman Lionel Hines, for instance, who's suffering through being a plebe here, says, ``Helping these kids makes you feel like you're not so much of a nobody." Lionel, I'll be rooting for you and your classmates when you climb that big lard-covered pole next month.

Before I go -- and I really don't want to go back to work -- I want to share a story that really embodies the spirit of our Points of Light celebration. Midshipman Paul Schimpf has been tutoring fourth-graders at school in Annapolis. Their teacher, Mrs. Young, wrote the commandant to describe Paul's impact on her children. The students rarely miss Tuesdays when ``their Mid" comes to class. They dress better. And she writes, ``A funny thing has happened. After a major discussion of President Bush's Thousand Points of Light goal and Midshipman Schimps' example, my students now give up their Monday morning break to become `reading buddies' to one of the kindergarten classes in their own school. The Points of Light theory," she says, ``has become contagious." Well, if the spirit of community service really is contagious, I hope an epidemic

breaks out all over America.

To all of the midshipmen who've served their community and their country -- to the parents and local leaders who've turned their concern for education into direct action -- for all that you've been doing to help these promising youngsters, please accept the heartfelt thanks of this President and the entire Nation. I salute you as our 437th Point of Light.

Thank you. Congratulations to each and every one of you. And may God bless the United States Navy. Thank you all very, very much.

Now it is my pleasure to present Mr. Joseph D. Speller, representing the Honors Society, and Midshipman Alex Campbell, representing the Academy. Where is he? Here we go. The letter is designating their organizations as our 437th daily Point of Light.

J.D., congratulations and thank you for what you're doing. And, Alex, congratulations to you. Good luck.

Note: The President spoke at 3:12 p.m. in Bancroft Hall at the U.S. Naval Academy. In his remarks, he referred to Virgil L. Hill, Jr., Superintendent of the Academy; Secretary of Education Lamar Alexander; Gov. William Donald Schaefer of Maryland; Alfred Hopkins, mayor of Annapolis; Joseph D. Speller, parent/sponsor of the U.S. Naval Academy/Benjamin Banneker Honors Mathematics and Science Society; President Saddam Hussein of Iraq; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; Secretary of Defense Dick Cheney; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; and midshipmen Lionel Hines, Paul Schimpf, and Scott A. Campbell.

Remarks Following Discussions With President Hassan Gouled Aptidon of Djibouti and an Exchange With Reporters

April 24, 1991

President Bush. There comes a time when nations must decide whether to allow aggression to go unchallenged. And the decision is never easy for any country, large or small. But today I want to thank one small nation which took up a very large challenge in the Persian Gulf war -- the Republic of Djibouti.

Tiny in size, lacking in resources, and vulnerable to retaliation, Djibouti saw Saddam Hussein's aggression as an intolerable precedent for small nations everywhere. And so Djibouti joined the chorus of condemnation, voting with the Arab League and the United Nations. It joined the coalition of forces against Saddam Hussein. By opening its airfields, its seaports, its territorial waters to allies, Djibouti aided allied forces to liberate Kuwait quickly and efficiently.

President Gouled, your personal support was invaluable. Djibouti's response to the Gulf crisis, however, came as no surprise to us. Djibouti has long been a model of stability and moderation in a region which is no stranger to violence and extremism. This deep and abiding desire for peace and willingness to act with others to resist aggression are the chief characteristics of what I call the new world order. It is the responsibility imposed by our successes. It refers to new ways of working with nations like yours to deter aggression, and to achieve stability, to achieve prosperity, and above all, to achieve peace.

Together, we look forward to the day when the nations of the world, large and small, cooperate peacefully to settle disputes and to deter aggression.

We are glad to have the opportunity to express our hopes directly to President Gouled, and we anticipate many long years ahead in our relationship.

I want to thank you again, Your Excellency, for the warm welcome which Djibouti has always extended to our Navy, and your support of the United States soldiers, sailors, airmen, marines, and coastguardsmen was indeed essential to our coalition success. We thank you, and we wish you well.

President Gouled Aptidon. Mr. President, it is a great pleasure for me to be here in this wonderful country at your kind invitation. I have very much enjoyed the opportunity to meet with you in an atmosphere of genuine friendship and mutual understanding.

I wish to commend you, Mr. President, for your strong leadership during the recent Gulf crisis

which culminated in the liberation of Kuwait and the restoration of its legitimate government. As a small country, the Republic of Djibouti has an interest in the recognition and maintenance of the territorial integrity of other nations around the world.

We discussed a wide range of issues of common concerns, Mr. President, including matters related to our bilateral relationship, Djibouti's strategic importance in general, and its vital role in the Gulf crisis in particular.

The plight of the destitute peoples of the Horn of Africa deserve urgent international action to alleviate the misery and endless suffering as a result of the prolonged civil strife and ethnic conflicts. The misfortunes in the neighboring countries have had a calamitous impact on the political, social, and economic survival of Djibouti. However, we shall persevere in our strenuous mission of reconciliation and stability.

Mr. President, I call on the United States Government to take a leading role in seeking an end to the armed conflicts in the Horn of Africa, which have resulted in the deaths of tens of thousands and unnecessarily threatened the lives of tens of millions of impoverished people.

We found ourselves in agreement on the goals for post-Gulf peace and security. The aftermath of the Gulf war provides a unique opportunity to adopt constructive policies that will guarantee peace and security in the region in the Middle East and that will ensure the legitimate rights of the Palestinian people.

President Bush and I also had the opportunity to review important elements of our bilateral relationship. We have discussed ideas designed to assist Djibouti in meeting its development needs which improve the living standards for Djibouti's population.

Again, I enjoyed meeting my friend, President Bush. I leave Washington with a deep appreciation for the assistance the U.S. has provided to Djibouti and optimism over closer U.S.-Djibouti ties that have been established during this visit.

Thank you. I was a bit more lengthy.

President Bush. Tres bien. Tres bien. Thank you, and welcome again.

Situation in Iraq

Q. Mr. President, should there be a deadline for all Iraqis to withdraw from -- --

President Bush. We're working on the problem. I'll have a little more to say about it later. There are serious problems, but I think we're getting it under control.

Administration Travel Policy

Q. Mr. President, what about Governor Sununu? Have you asked him to review his travel policy?

Q. Do you think he's getting a bum rap?

President Bush. I know that he's complied with these -- the policy. He's gone for full disclosure. So, I'm not saying what the rap is, but as one who's vowed to stay above even the appearance of impropriety, perhaps it is appropriate to review the policy. But I think he has complied with it. He has not -- there was total disclosure. And I don't know more what one could ask of a person. And he has my full confidence.

But in terms of reviewing the policy, I'll take a look at that. We'll get our best people to review it in the light of practice and see whether it should be altered in any way. But the point is here, he complied with the existing directives, and I think he should be given credit for that. He made what I think is full disclosure. And if people say it's not full, we'll ask for whatever else it is. But I don't know what the rap is. He's complied.

Q. Do you think there was an abuse, Mr. President?

President Bush. Well, I think he complied with the existing policy, and that's -- so how can it be abuse? But I think it is appropriate to take another look at the policy because I want our administration to be above even the perception of impropriety. If that policy leads to a perception problem, then I'll take a look at it. And that's exactly what I'm going to do. We'll get Boyden Gray and others to take a look. But I don't like this jumping all over Governor Sununu when he has complied with the policy and has made full disclosure. What more can you ask of a man?

Q. But was it excessive use, sir? Was there excessive use?

President Bush. You make that judgment.

Q. -- -- there is no 48-hour deadline?

Q. Well, do you have an opinion, sir?

President Bush. I've got an opinion on a lot of things, John [John Cochran, NBC News].

Q. Did he go to the woodshed, Mr. President?

Q. Do you think you could share it with us?

President Bush. -- -- got an opinion on a lot of things.

Note: President Bush spoke at 1:10 p.m. at the South Portico of the White House. In his remarks, he referred to President Saddam Hussein of Iraq; John H. Sununu, Chief of Staff to the President; and C. Boyden Gray, Counsel to the President. President Gouled spoke in French, and his remarks were translated by an interpreter. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Djibouti officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Hassan Gouled Aptidon of Djibouti

April 24, 1991

The President held a meeting and working lunch today for President Hassan Gouled Aptidon of Djibouti. The two Presidents discussed bilateral and regional issues including the situation in the Horn of Africa.

The United States and Djibouti have maintained excellent relations since Djibouti's independence in 1977, and we are pleased to have the opportunity to develop them further.

The President thanked President Gouled for Djibouti's support of the coalition and in opposing Iraq's aggression. The two Presidents reaffirmed their support for stability in the Middle East and peace in the Horn of Africa.

Remarks at the National Summit on Mathematics Assessment

April 24, 1991

Thank you, Lamar. Thank you all. And let me just say how pleased I am to be here. I'd like to thank Dr. Frank Press for inviting me once again to this wonderful place. I know we're all grateful for the chance to have this meeting held here.

I salute Dr. Bromley, who is at my right hand in terms of science. He's doing an outstanding job coordinating the science work for the White House and taking a leadership role in many of the most important issues of our day. And, of course, Lamar Alexander. The only problem I've got with Lamar is he has the propensity for working people to death. [Laughter] And we've announced this Education 2000 just last week. He's been grinding away ever since he got in this job. And I have this ugly feeling that he's going to kill me. [Laughter]

But we were yesterday down in Annapolis together and a couple of days ago up where we saluted the Teacher of the Year, incidentally, up in West Virginia. But it's going to be like that because this is a team effort. And we don't want any of you to escape without at least letting you know we want your support, your ideas in terms of fulfilling our objectives for the Education 2000 program.

When I first heard that I was invited to a math summit, I kind of had images of Gorby and I going head on head, you know, in long division, something like that. [Laughter] That's not to be, so let me just make some comments on the -- [laughter] -- maybe never, I don't know, but -- [laughter] -- --

I like what Lamar said about Tom Romberg's challenge assumptions. That's a lot of what our program is about. ``Think anew," as Abraham Lincoln called it. Your purpose here transcends public figures, talking about Bush and Gorbachev. It concerns our nation's future. Of the six national education goals that we established with the Nation's Governors down in Charlottesville, you're helping to realize one of the most ambitious: that American students be first in the world in math and science achievement by the year 2000.

This challenging goal, worthy of a great nation and its future ambitions, plays an important role in our America 2000 Strategy to reinvent the American school. We can't expect kids to meet the test of worldwide competition unless we first establish world-class standards, standards that define the knowledge and skills we expect students to learn and master.

Once we've set standards we must assess our progress in meeting them. I salute the Mathematical Sciences Education Board for hosting this conference, the National Education Goals Panel for

this forum, this afternoon's forum. And above all I thank the educators and policymakers assembled here. You've labored for years to reach consensus on standards for mathematical skills and performance, and I commend you for your commitment and for your achievement. We can't blaze a trail to the future until we know where we stand, where we're at, if you will. If you'll excuse my ending a sentence with a preposition. [Laughter]

The voluntary American Achievement Tests, a cornerstone of the America 2000 strategy, will measure achievement in five core subjects including, obviously, mathematics. I've challenged the Nation to have a test ready for the 4th graders of 1993 and to produce tests for 8th and 12th graders soon after.

I ask each of you to help the public understand the purposes of standards and assessments and to make sure that our achievement tests motivate and inspire students. Let's also see that these tests motivate and inspire the schools, that they make schools more accountable to the people they serve, that they restore the kind of competition and pride that's essential for educational excellence, that they tell us where we stand, so we may start the journey to wherever we want to go.

We in the Federal Government are partners, we're partners with you in advancing the cause of educational excellence. Secretary of Energy Admiral Jim Watkins -- James Watkins -- has chaired a committee that's produced the first inventory of Federal activities that directly influence science, math, engineering, and technical education.

As you know, we must improve training for precollege math and science teachers. We need to attract more women and minorities into science and technology. The budget that we sent to Congress this year calls for a 13-percent increase for math and science education, for a total of nearly $2 billion. But you understand that the Federal Government -- and it's right that the Federal Government can only play a limited role in making America's students the first in math and science. Dollars alone won't get the job done. Real excellence demands a commitment from us all. Everyone's got to declare, everyone must declare, we will reinvent the American school. We will achieve our ambitious national education goals.

And it can be done in many, many ways. Yesterday Lamar and I were down, as I mentioned, down in Annapolis. And it's inspiring to go there anyway. It was a beautiful spring day and all the midshipmen were lined up. And we had Colin Powell with us, and they gave him a wonderful, warm reception. But the thing that struck me the most was a program going on right there in Annapolis where some of these midshipmen go take their Saturdays and they go and get some kids out of the minority community down there -- most of the students in this program are black -- and they bring them to the laboratories on the campus and they teach them elementary physics. They begin to give them some hope and some inspiration, if you will. And it was wonderful.

In the first place, I didn't understand anything the kids said because I don't know anything about

physics. But it was really inspiring to see these young midshipmen who have a rigorous program, as we all know, giving of their time to help others. And that's some of what we're talking about here. It's not invented in Washington. These kids were doing it on their own down there in what we call a Points of Light program, the ability -- propensity of one American to help another. And so, it was very inspiring.

Another thing I want to report on our program: part of it is that you're never too old to stop learning. And so Lamar had my arm twisted up behind my elbow -- my shoulder blade once again, and I announced that I would learn to use a computer. I am computer illiterate. Everybody in this room, obviously, knows how to run a computer. But I would like to report to you that I intend to undertake and fulfill that commitment, and today I learned to turn one on -- [laughter] -- push the button down here and one up here with a green thing on it -- [laughter] -- and out came a command to somebody that I had written out on the -- I pushed a button; I was worried what might happen up there. [Laughter] But it was fun. And I will keep it up, and I plan to.

Enough frivolity. But, look, as you consider your principles, goals, and actions for math assessment, let me just ask you to keep a few questions in mind. Consider what it means to be the best in the world and the kind of balance our students will need between theoretical math and practical applied skills for life. How can we create tests to ensure not just that our best students are as good as any in the world but that our average students achieve world-class status? How can we emphasize testing that encourages better teaching, that doesn't weed kids out but develops better math skills for all?

Every student, everyone, needs goals and challenges. Every school needs goals and challenges. I hope your work will help every single American student and every American teacher reach our national education goals.

Many of you, Lamar tells me, have already led the way. Consider one member of today's audience. Larry Williams, a math teacher of Utah High School in rural Alabama, and a member of the Mathematical Sciences Education Board, has lit a fire under his students, many of whom come from poor or disadvantaged homes. His math teams can compete with any other teams in Alabama and throughout the southeast. When people ask how America can become first in the world in math and science by the year 2000 I point to teachers like Larry Williams, dedicated professionals who help all our children reach their potential.

All of you help set off an American educational renaissance, and I thank you for what you've done and for what you will achieve. And I came over to tell you and, once again, to pledge to our Secretary of Education that we at the White House will do our level-best to back you up every inch of the way.

Thank you all, and may God bless you.

Note: The President spoke at 1:47 p.m. in the auditorium of the National Academy of Sciences. In his remarks, he referred to Secretary of Education Lamar Alexander; Frank Press, president of the National Academy of Sciences; D. Allan Bromley, Assistant to the President for Science and Technology; President Mikhail Gorbachev of the Soviet Union; Thomas A. Romberg, member of the assessment steering committee of the Mathematical Sciences Education Board; Secretary of Energy James D. Watkins; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; and Larry Williams, member of the Mathematical Sciences Education Board.

Remarks at a Ceremony for the Posthumous Presentation of the Medal of Honor to Corporal Freddie Stowers

April 24, 1991

Welcome to the White House. I salute the Vice President and Mrs. Quayle, and Secretary Cheney, other members of our Cabinet, General Vuono, distinguished Members of Congress who are with us today, and former Congressman Joe DioGuardi. I'm especially glad Joe's with us here today. To the former Medal of Honor recipients, I salute each and every one of you. To Georgiana Palmer and Mary Bowens -- the sisters of today's honoree are with us, and don't they look lovely. We are just delighted.

And a note of more than trivial passing: the honoree's great-grandnephew, Staff Sergeant Douglas Warren, of the 101st Airborne -- he returned -- he looks a little jet-lagged to me, but he returned just last night from Saudi Arabia. And I want to welcome you home.

And we also -- to do equal time to the Air Force, why, we salute you, Mr. Stowers, also back here. He's at Langley.

So, it's a lovely day here, and we welcome each and every one of you to the White House. We want to honor a true hero, a man who makes us proud of our heritage as Americans, a man who, in life and death, helped keep America free. I speak of Corporal Freddie Stowers, to whom posthumously we present our highest military award for valor: the Medal of Honor. It's an award for bravery and conscience, the compendium we call character.

Today, Corporal Freddie Stowers becomes the first black soldier honored with the Medal of Honor from World War I. He sought and helped achieve the triumph of right over wrong. He showed, as this year has proved again, that an inspired human heart can surmount bayonets and barbed wire.

Seventy-three years ago, the Corporal first was recommended for a Medal of Honor, but his award was not acted upon. In 1987, then-Congressman Joe DioGuardi and my friend the late Mickey Leland, known to many here, from Houston, discovered the Stowers case while conducting other research. And the Army took up the case. And last November, the Secretaries of the Army and Defense recommended that Corporal Stowers receive the Medal of Honor. I heard his story, accepted their recommendation enthusiastically.

It's been said that the ultimate measure of a man is not where he stands in moments of comfort and convenience but where he stands at times of challenge. On September 28th, 1918, Corporal Freddie Stowers stood poised on the edge of such a challenge and summoned his mettle and his courage.

He and the men of Company C, 371st Infantry Regiment, began their attack on Hill 188 in the Champagne Marne Sector of France. Only a few minutes after the fighting began, the enemy stopped firing and enemy troops climbed out of their trenches onto the parapets of the trench, held up their arms and seemed to surrender. The relieved American forces held their fire, stepped out into the open. As our troops moved forward, the enemy jumped back into their trenches and sprayed our men with a vicious stream of machine gun and mortar fire. The assault annihilated well over 50 percent of Company C.

And in the midst of this bloody chaos, Corporal Stowers took charge and bravely led his men forward, destroying their foes. Although he was mortally wounded during the attack, Freddie Stowers continued to press forward urging his men on until he died.

On that September day, Corporal Stowers was alone, far from family and home. He had to be scared; his friends died at his side. But he vanquished his fear and fought not for glory but for a cause larger than himself: the cause of liberty.

Today, as we pay tribute to this great soldier, our thoughts continue to be with the men and women of all our wars who valiantly carried the banner of freedom into battle. They, too, know America would not be the land of the free, if it were not also the home of the brave.

The soldiers, sailors, airmen, marines, coastguardsmen of Desert Storm -- a group that includes Staff Sergeant Warren -- all these valiant Americans are heirs to the legacy of Corporal Stowers and the men of Company C. No nation could be more proud of its sons and daughters than we are of them.

Today, we celebrate their achievements, but we also heed these words echoing over the centuries: Only the dead have seen the end of war. We owe it to Freddie Stowers and those who revere his legacy to defend the principles for which he died and for which our great country stands.

In that spirit, I am honored to welcome two of his sisters -- Georgiana Palmer, of Richmond, California, and Mary Bowens, of Greenville, South Carolina. They will accept the award on behalf of their late brother, the text of which I will now ask Sergeant Major Byrne to read the citation.

[At this point, the citation was read.]

I think that concludes the service, but I'd like to ask the Vice President and Secretary of Defense and General Vuono and General Powell to come up and thank our recipients. And maybe the other members of the Joint Chiefs would join us. I think it would be most appropriate.

Note: The President spoke at 3:08 p.m. in the East Room at the White House. In his remarks, he referred to Vice President Dan Quayle and his wife, Marilyn; Secretary of Defense Dick Cheney;

Gen. Carl E. Vuono, Army Chief of Staff; former Representatives Joseph J. DioGuardi and Mickey Leland; Georgiana Palmer and Mary Bowen, sisters of Corporal Stowers, and S. Sgt. Douglas Warren and T. Sgt. Odis Stowers, his great-grandnephews; Secretary of the Army Michael P.W. Stone; Sean Byrne, Army Aide to the President; and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff.

Nomination of Nancy P. Dorn To Be an Assistant Secretary of the Army

April 24, 1991

The President today announced his intention to nominate Nancy Patricia Dorn, of Texas, to be an Assistant Secretary of the Army for Civil Works at the Department of Defense. She would succeed Robert W. Page.

Since 1990 Ms. Dorn has served as Deputy Assistant Secretary of Defense for Inter-American Affairs at the Department of Defense. Prior to this Ms. Dorn served as Special Assistant to the President for Legislative Affairs at the White House, 1988 - 1989, and as Deputy Assistant Secretary of State for Legislative Affairs at the Department of State, 1986 - 1988. In 1986 she served as chief of staff and floor assistant for the House Republican Deputy Whip Loeffler and press secretary and chief spokesman for the Loeffler for Governor campaign in Texas. Ms. Dorn served with Congressman Tom Loeffler as the associate staff designee on the staff of the Committee on Appropriations, 1983 - 1986, and as a legislative assistant, 1981 - 1983.

Ms. Dorn graduated from Baylor University in 1981. She was born September 18, 1958, in Lubbock, TX, and resides in Arlington, VA.

Remarks to the United States Academic Decathlon Winners

April 25, 1991

The President. Please be seated. Thank you. What a day. I was going to apologize for keeping you waiting, but now I think I'll take credit for giving you the time in the sun here. [Laughter] It is beautiful, and we are just delighted to have you all here. I want to especially recognize this gentleman in the front row, Ted Sanders, who's doing such a wonderful job at our Department of Education; Bob Suarez of the U.S. Academic Decathlon; and the teams from DC's Benjamin Banneker High School and Alexandria, Virginia's Thomas Jefferson High School of Science and Technology.

And of course, welcome to our newest American heroes, the 1991 Academic Decathlon champs -- the team's from J.J. Pearce High School in Richardson, Texas. We're proud of you, and I think America is proud of you.

I was looking over some of the questions you tackled, like: ``The Earth's magnetic field is compressed on the sun-facing side by what?'' Well -- [laughter] -- the kids behind me know, but for the media out there, the answer is: solar wind. [Laughter] You guys remember that.

All I can say is, I wouldn't have made it past the round where they asked me to spell ``broccoli.'' [Laughter]

But congratulations to Kevin, Dardy, Eugene, Misty, Christine, Craig, Wade, Amie, and Frank, and coaches Dorcas and Linda -- the Norman Schwarzkopfs of Pearce High. [Laughter] That's what we refer to you as around here. [Laughter] You've done something remarkable. This year's contest began with more than 35,000 students at 3,500 high schools coast to coast, and now it's just you.

I must admit, it stirs my Texas pride a little to hear that in this national competition's 10-year history, your school has won five times. And I wish our son's Texas Rangers might be achieving the same kind of record in their field.

But I want to tell every one of the 35,000 across the Nation, seriously, what you've done for this country. You've shown great things can be achieved by commitment, by perseverance, hard work, and teamwork.

And there's something I really like about the decathlon, something I'm going to tell my grandkids about. This isn't about being the smartest kid in your class; after all, each of them is evenly divided among A, B, and C students. The lesson, rather, of the Academic Decathlon is something

each of us needs to take through life. It's about learning to be the best you can.

All right, I have a question: What do you have in common with Bruce Jenner, Rafer Johnson, and Jim Thorpe? All -- --

Student. -- -- wearing gold medals.

The President. That's it. [Laughter] All winning. All winners. All winning decathletes and the ones who mastered the ultimate test of the athlete and the student. You've shown your peers that it's as exciting to root for an academic team as an athletic one. And that it takes skill, stamina, and mental and emotional intensity to achieve in the classroom as well as in the stadium. And by doing that, you give them a priceless gift: the belief in their ability to reach out and shape their own futures.

Last week, along with the Secretaries from the Department of Education -- Secretary Sanders was there and Secretary Alexander, our new Secretary -- I unveiled America 2000, our long-range strategy for educational excellence. It is ambitious. And it is far-reaching and absolutely essential. There's a new century coming, one with unlimited horizons. And our goal must be to make sure that our children enter this new world equipped with the skills that will let them dream dreams and know that they can make them come true. America 2000 is a challenge posed to each of us, to literally reinvent American education, to reach deep within us to find answers, so that our kids can reach out to find the stars.

And that's why I'm so proud of you as messengers of this idea. Your lives and your accomplishments speak to other kids the way no words from a government or even a teacher can. These kids look at each of you and they see themselves. They look at you and they see what they, too, can become. And that's what a new kind of a hero is, a new generation of heroes, with the good values you learn from disciplined determination, the sharp mind that's not wasted on drugs, the confidence and pride that come from stretching yourself, proving yourself. You're the ones who will help our America 2000 dream come true.

You have some pretty impressive partners, too, who will also have a big role to play in reaching our education goals -- private businesses. For instance, in this year's decathlon, there was the local foundation in Hawaii which bought sweaters for its team to wear in competition, the Toastmasters Club which trained students for the speech segment, the companies that sent in experts from within their ranks to tutor the team members, and the major national corporations that underwrote scholarships for the winners.

These businesses believe that each of us can play a pivotal role in our kids' educational future. This amazing bond between industry and individual is the keystone of the American spirit. That spirit is the basis of the decathlon. And it's exactly what we must bring to America 2000. You've proven -- and now we'll all act to continue to prove -- that together we can do great things, great

things that will help inspire others, great things like what's been done at the decathlon by kids like DC's Banneker High's Che-Wah Lee. Che-Wah Lee won the speech gold medal telling how his parents fled China so their children could know the American dream. Great things done by kids like Christine Liu here at Pearce High, the overall top student in the entire competition; by kids like Fred Klug, winner of the decathlon's 1990 Caperton Award for dedication to learning in the face of major obstacles. Fred is permanently paralyzed, and scored 100 percent on the Super Quiz.

And there are great things being done by teams like Thomas Jefferson High School of Science and Technology in Alexandria, Rookie of the Year winner. Teams like Whitney Young Magnet High School in inner-city Chicago, which won this year's bronze medal and became the model for other large urban schools. Teams like Tennessee's Jackson Christian School, State winner although it has just 100 kids in the whole school.

Abraham Lincoln said, ``I will study and prepare myself, and someday my chance will come." You've done just that. And you've inspired your countrymen to do just that.

Thank you, and congratulations. And may God bless you in the exciting futures out there ahead of you. Thank you very, very much.

Note: The President spoke at 11:37 a.m. in the Rose Garden at the White House. In his remarks, he referred to Ted Sanders, Under Secretary of Education; Bob Suarez, vice president of the U.S. Academic Decathlon; J.J. Pearce High School team members Kevin Barenbalt, Dardy Chang, Eugene Chen, Misty Karin, Christine Liu, Craig Macaulay, Wade McIntyre, Amie vonBriesen, and Frank Wilde, and coaches Dorcas Helmes and Linda Berger; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; Olympic athletes Bruce Jenner, Rafer Johnson, and Jim Thorpe; Secretary of Education Lamar Alexander; and Academic Decathlon participants Che-Wah Lee and Fred Klug.

Memorandum on Modifications of the Generalized System of Preferences

April 25, 1991

Memorandum for the United States Trade Representative

Subject: Actions Concerning the Generalized System of Preferences

Pursuant to subsections 502(b)(4) and 502(b)(7) and section 504 of the Trade Act of 1974, as amended (the 1974 Act) (19 U.S.C. 2462(b)(4), 2462(b)(7), and 2464), I am authorized to make determinations concerning the alleged expropriation without compensation by a beneficiary developing country, to make findings concerning whether steps have been taken or are being taken by certain beneficiary developing countries to afford internationally recognized worker rights to workers in such countries, and to modify the application of duty-free treatment under the Generalized System of Preferences (GSP) currently being afforded to such beneficiary developing countries as a result of my determinations.

Specifically, after considering a private sector request for a review concerning the alleged expropriation by Peru of property owned by a United States person allegedly without prompt, adequate, and effective compensation, without entering into good faith negotiations to provide such compensation or otherwise taking steps to discharge its obligations, and without submitting the expropriation claim to arbitration, I have determined that it is appropriate to continue to review the status of such alleged expropriation by Peru.

Second, after considering various private sector requests for a review of whether or not certain beneficiary developing countries have taken or are taking steps to afford internationally recognized worker rights (as defined in subsection 502(a)(4) of the 1974 Act (19 U.S.C. 2462(a)(4))) to workers in such countries, and in accordance with subsection 502(b)(7) of the 1974 Act (19 U.S.C. 2462(b)(7)), I have determined that Benin, the Dominican Republic, Haiti, and Nepal have taken or are taking steps to afford internationally recognized worker rights, and I have determined that Sudan has not taken and is not taking steps to afford such internationally recognized rights. Therefore, I am notifying the Congress of my intention to suspend the GSP eligibility of Sudan. Finally, I have determined to continue to review the status of such worker rights in Bangladesh, El Salvador, and Syria.

Further, pursuant to section 504 of the the 1974 Act, after considering various requests for a waiver of the application of section 504(c) of the 1974 Act (19 U.S.C. 24e(c)) with respect to certain eligible articles, I have determined that it is appropriate to modify the application of duty-free treatment under the GSP currently being afforded to certain articles and to certain beneficiary developing countries.

Specifically, I have determined, pursuant to subsection 504(d)(1) of the 1974 Act (19 U.S.C. 2464(d)(1)), that the limitation provided for in subsection 504(c)(1)(B) of the 1974 Act (19 U.S.C. 2464(c)(1)(B)) should not apply with respect to certain eligible articles because no like or directly competitive article was produced in the United States on January 3, 1985. Such articles are enumerated in the list of Harmonized Tariff Schedule of the United States (HTS) subheadings in Annex A.

Pursuant to subsection 504(c)(3) of the 1974 Act (19 U.S.C. 2464(c)(3)), I have also determined that it is appropriate to waive the application of section 504(c) of the 1974 Act with respect to certain eligible articles from certain beneficiary developing countries. I have received the advice of the United States International Trade Commission on whether any industries in the United States are likely to be adversely affected by such waivers, and I have determined, based on that advice and on the considerations described in sections 501 and 502(c) of the 1974 Act (19 U.S.C. 2461 and 2462(c)), that such waivers are in the national economic interest of the United States. The waivers of application of section 504(c) of the 1974 Act apply to the eligible articles in the HTS subheadings and the beneficiary developing countries set opposite such HTS subheadings enumerated in Annex B.

These determinations shall be published in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:33 p.m., April 25, 1991]

Note: The annexes which accompanied this memorandum were printed in the ``Federal Register'' of April 29. The related proclamation of April 25 is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on Trade With Czechoslovakia and Sudan

April 25, 1991

Dear Mr. Speaker: (Dear Mr. President:)

I am writing concerning the Generalized System of Preferences (GSP) and two developing countries. The GSP program is authorized by the Trade Act of 1974, as amended (``the 1974 Act''), 19 U.S.C. 2461, et seq.

First, I intend to add Czechoslovakia to the list of beneficiary developing countries under the Generalized System of Preferences. After examining the criteria specified in Sections 501, 502 (b) and (c), and 504(f) of the Trade Act of 1974, as amended, I have determined it is appropriate to extend GSP benefits to Czechoslovakia.

I also intend to suspend indefinitely Sudan from its status as a GSP beneficiary for failure to comply with section 502(b)(7) of the 1974 Act concerning internationally recognized worker rights. This decision will take place at least 60 days from the date of this letter.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Presidential Determination No. 91 - 34 -- Memorandum on Assistance for Refugees from Tibet and Burma

April 25, 1991

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(b)(2) of the Migration and Refugee Assistance Act of 1962, as Amended

Pursuant to section 2(b)(2) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(b)(2), I hereby designate refugees from Tibet and Burma as qualifying for assistance under section 2(b)(2) of that Act, and determine that such assistance will contribute to the foreign policy interests of the United States.

You are authorized and directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority, and to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:47 p.m., May 8, 1991]

Final Sequester Order

April 25, 1991

By the authority vested in me as President by the statutes of the United States of America, including section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99 - 177), as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100 - 119), and Title XIII of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101 - 508) (hereafter referred to as ``the Act''), I hereby order that the following actions be taken immediately to implement the sequestrations and reductions determined by the Director of the Office of Management and Budget as set forth in his report dated April 25, 1991, under sections 251 and 254 of the Act:

(1) Budgetary resources for each nonexempt account within the domestic category of discretionary spending shall be reduced as specified by the Director of the Office of Management and Budget in his report of April 25, 1991.

(2) Pursuant to sections 250(c)(6) and 251, budgetary resources subject to sequester shall be new budget authority; new loan guarantee commitments or limitations; new direct loan obligations, commitments, or limitations; and obligation limitations.

(3) For accounts making commitments for guaranteed loans, as authorized by substantive law, the head of each department or agency is directed to reduce the level of such commitments or obligations to the extent necessary to conform to the limitations established by the Act and specified by the Director of the Office of Management and Budget in his report of April 25, 1991.

All sequestrations shall be made in strict accordance with the specifications of the report of April 25, 1991, of the Director of the Office of Management and Budget and the requirements of sections 251 and 254.

George Bush

The White House,

April 25, 1991.

Statement by Press Secretary Fitzwater on Supplemental Assistance Requests for Iraqi Refugees

April 25, 1991

The President today transmitted to Congress a request for FY 1991 supplemental appropriations for the Department of State and the Agency for International Development (AID) and language provisions for the Department of Defense. The requested funds and provisions are for humanitarian assistance efforts for refugees and displaced persons in and around Iraq as well as for peacekeeping activities.

The proposed language provisions would permit transfer from the Persian Gulf Regional Defense Fund to the Department of Defense for the incremental costs of humanitarian assistance.

In addition, the supplemental requests $123.5 million for the Department of State and $27 million for the Agency for International Development for assistance for refugees and displaced persons as well as for peacekeeping activities. The State Department and AID requests would be financed through transfers of interest earned on balances in the Defense Cooperation Account. Contributions of foreign governments would not be used.

These supplemental requests would be exempt from statutory spending limits because they are incremental costs associated with Operation Desert Shield/Desert Storm.

Remarks at an Arbor Day Tree-Planting Ceremony and an Exchange With Reporters

April 26, 1991

The President. Good morning, and welcome back. It's good to see Secretary Madigan here, Mike Deland, and the Deputy EPA Administrator, and the U.S. Forest Service Director. I'm glad that you're all here on this beautiful day on the South Lawn. We're competing with Randy Travis, who's about to appear over here, so it's tough competition. But I think what we've got going here is very, very important.

As J. Sterling Morton, the founder of Arbor Day, said: ``Other holidays repose upon the past; Arbor Day proposes for the future." Our tree-planting initiative to plant and maintain a billion trees a year for 10 years is a major component of our America the Beautiful program. It's an initiative that relies on voluntary individual effort. And it is a program that will enhance the appearance and the quality of our environment.

I welcome this opportunity to thank all the organizations represented here today who have committed themselves to the stewardship of our environment. We cannot succeed without your help. There is no way that government alone can get this important job done.

Later today on the White House lawn, we're going to be having a National Celebration of Community Service. And it is therefore fitting that today, Arbor Day, our 440th daily Point of Light is TreePeople of Los Angeles, California, an organization that has trained volunteer citizen foresters for 18 years and has planted over 180 million trees around the globe. Andy Lipkis and Katie Lipkis, the cofounders, are here with us this morning.

I was reminded by a fellow schoolmate here in Washington the other day that every Arbor Day in our little grade school we planted a tree every Arbor Day. And Secretary Madigan and the Forest Service Chief Robertson are here today to help me plant this beautiful purple leaf beech donated by Russell Watson, who's with us today. And I also have some great helpers back here -- look at them over there -- from Washington, DC's, own Trees for the City program.

So, with no further ado, again, you're most welcome. Please keep up this dedication to our precious environment. And now, shall we begin? You guys want to do the heavy shoveling here? And I'll stand by and critique it.

[At this point, the tree was planted.]

Q. Mr. President, any word on the Mideast peace process?

The President. Let me finish the tree ceremony here before I address myself to Iraq, if that's all right. I may not address myself to Iraq, either, but -- --

Now what was the one question?

Administration Travel Policy

Q. The L.A. Times says that the White House -- that you are very unhappy with John Sununu and you are going to change the travel policy.

The President. He has my full support, and I've said I'm going to review the travel policy. And there might well be changes in it because I want this administration to continue to be above the perception of impropriety. So, if that requires changes, fine. As I said before, John Sununu acted in accordance with existing policy. But if there's reason to change it, I'll be out there in the front making some suggested changes.

Q. Have you made up your mind yet?

The President. I haven't made up my mind yet. We're taking a good, hard look at the whole travel policy.

Q. When do you think you'll have it?

The President. I have no idea, Helen [Helen Thomas, United Press International]. But we'll be out there and get it to you as soon as we get it. I think you may be among the first to get it.

Q. Call me up. My number is -- [laughter].

Middle East Peace Talks

Q. Sir, has Secretary Baker made any progress in the Middle East as far as moving forward the -- --

The President. Yes, he's made progress. I just talked to him. There's sadness in his family -- his mother just passed away, so he will be coming home, stopping short of the two meetings that he had hoped to have in Israel. But it is most appropriate. I mean, they're a very close family. And, incidentally, Barbara and I expressed our regrets to him. We've known Mrs. Baker for many, many years. She's one of God's very special people. And so, he has this personal sadness.

But he did have a meeting with Prime Minister Shamir. And I think it's fair to say that, though problems remain, I think the bottom line is there's some reason for optimism. I don't want to state

why; I'm not going to go into the details of it. I will get debriefed by him when he gets here. And there are still some sticky problems, but we're not going to give up. We're going to continue to try to bring peace to that troubled corner of the world.

Iraq

Q. Mr. President, are you confident that the Iraqis, in fact, will keep their military out of the refugee zones?

The President. Yes, they're not going to -- they don't want to tangle with the U.S. again. They -- --

Q. Do you think their promise is good?

The President. -- -- learned that the hard way, and the forces are there to be sure that it's good; put it that way. We're not looking for any fight. We want to help these Kurds, and we are. What the United States has done in terms of bringing relief to these pitiful people is just -- we all ought to take great pride in the way our country is responding -- and I might say at considerable cost. We're doing it because it's right.

But I do not want to intervene and get our troops hauled into some conflict that's been going on for years. But when it comes to helping people, the United States is today doing what it's always done -- being out in front on the relief effort. But I don't expect, Rita [Rita Beamish, Associated Press], any complication. I don't think Saddam Hussein is dumb enough to want to run into the U.S. troops again.

Q. What about the long-term prospects?

The President. This isn't a press conference.

Q. What about the long-term prospects, Mr. President? What happens when the U.S. leaves, even if there's a small U.N. force there?

The President. I don't know that there's going to be lasting peace in Iraq. Peace has escaped those people for years. So, I would hope, though, that the lesson having been taught to Saddam Hussein about aggression, that some of that lesson might spill over in terms of his own internal problems. I would hope that maybe out of the talks he's having with the Kurdish leaders you'll see some long-sought-after peace. But I can't certify that. And I would hope that -- I would hope -- --

Q. How long will the troops stay there?

The President. They're going to stay there as long as it takes to be sure these refugees are taken care of, and not a minute longer. We're continuing to pull troops back. I want these kids home,

and so do the American people want them home. P.s.: We will do what's necessary to see that this refugee aid gets to the people that need it, and gets there so that they can have it in safety. And then beyond that, we talked yesterday to the Secretary-General, and the U.N. has a major role to play here. Some of the United Nations critics ought to open their eyes, because the United Nations not only had a significant role in the repelling of aggression, which was our objective, but it is also playing a significant role in this refugee relief. So, we're going to continue on that track.

I've got to -- this is the last one.

Q. Do you still think that Saddam Hussein will be deposed? And what do you think -- --

The President. I'm confident he will because there will not be normal relationships with the United States or many other countries as long as he is in power. Those sanctions are going to stay there as far as we're concerned, and undoing some evil that is not going to -- by that, I mean, working out something possibly with the Kurds -- that's only part of the problem. And so, there will not be normal relations with this man as long as I'm President of the United States. I'll guarantee you that.

Q. Sir, he's lasted this long. What's going to put him out of power? What's it going to -- --

The President. The fact that he's been whipped bad in the military. His aggression -- he's been forced to that which he said he would never do. His people don't like him, and it's only terror that's keeping him in power. And someday history will show you these things manage to take care of themselves. And I hope it happens soon because we want him out of there.

We don't have any fight with the Iraqi people. I've said that from day one. Go back and look at the text back in August, September, October. Our fight is not with the Iraqi people. Our objective was to repel aggression, and we did it. And the American troops deserve enormous credit, and they're getting it every single day they come home. But beyond that, this internal matter has been going on for years -- years and years. And I'd like to see it ended. And one good way to end it is to have somebody with a little more compassion as President of Iraq. But let them worry about that problem. I worry about it because there won't be normal relations until he's gone. But history has a way of taking care of tyrants.

Soviet-U.S. Relations

Q. -- -- up of the CFE treaty assure a summit this year -- --

The President. I honestly didn't hear the question.

Q. -- -- summit, sir. A summit?

Q. Soviets.

The President. No set date on a summit. I don't know where that came from.

Q. Has there been progress with the Soviets, sir?

The President. On what?

Q. With the summit.

The President. On the arms control agenda?

Q. Yes.

The President. Modest progress.

Note: The President spoke at 8:49 a.m. on the South Lawn at the White House. In his remarks, he referred to Secretary of Agriculture Edward R. Madigan; Michael R. Deland, Chairman of the Council on Environmental Quality; F. Henry Babicht II, Deputy Administrator of the Environmental Protection Agency; F. Dale Robertson, Chief of the Forest Service; country musician Randy Travis; Andy and Katie Lipkis, cofounders of Tree-People; Russell G. Watson, Sr., owner of Robin Hill Farm Nursery; John H. Sununu, Chief of Staff to the President; Secretary of State James A. Baker III; Mrs. James A. Baker, the Secretary's deceased mother; Prime Minister Yitzhak Shamir of Israel; President Saddam Hussein of Iraq; and United Nations Secretary-General Javier Perez de Cuellar de la Guerra.

Statement by Deputy Press Secretary Popadiuk on the Death of Secretary of State James A. Baker's Mother

April 26, 1991

The President called Secretary Baker this morning to express his condolences on the death of his mother. The President and Mrs. Bush share in the Secretary's loss and are deeply saddened. The Secretary informed the President of his plans to return immediately to Houston. The President said: ``Barbara and I have known Mrs. Baker for many years. She was indeed one of God's special people."

Remarks at the Points of Light Community Service Celebration

April 26, 1991

Please be seated. Thank you all. I don't know how you begin to thank all these people that have contributed to this very special day. Tony Danza, an old friend -- I think he was as moved as I was by that reading we had just a minute ago. Randy Travis, so generous with his time and his creativity; Patti LuPone. I don't know what to say about the Eagles there, but it's just beautiful. And Andrae and Saundra, and Larnelle, and the Ellington Singers, and of course, Peter Max. Just thank you so much for helping us honor this constellation of Points of Light across America, our community service volunteers. A handful of them were here today, and we salute them. There are many, many more -- thank God -- like them all across our great country.

I was very pleased to hear from sitting outside the Oval Office, our great Secretary of HUD, Jack Kemp -- not only is he pressing, giving hope in the area of housing, but he is out helping with this whole concept of Points of Light. Jack, thank you so much for being with us.

I want to pay special thanks to the Points of Light Foundation which, with the help of the United Way and many other organizations, has spent the past 12 days illuminating and celebrating community service initiatives all across our great country.

And special thanks to Jane Kenny, the Director of ACTION, and of course, to Governor George Romney and the National Center and local volunteer centers for all they've done to make this celebration of service such a success.

I'm proud to see this crowd of people of all ages who display the power of community service. This celebration honors you, those Randy Travis calls ``the dedicated army of quiet volunteers,'' the heroes and heroines who battle selflessly against drug abuse, homelessness, and hunger, and other plagues that ruin lives and shatter dreams.

You lead a great movement that's begun to race across this country. The Points of Light movement promises us renewed, strong America because it builds upon our natural yearnings to help one another. You already have been moved by the mighty spirit of voluntary service. Your labors have earned you something very special, something very precious: fulfillment. You do something good, you feel something real. Barbara and I proudly salute each and every one of you for these wonderful efforts.

Our nation faces a wide variety of challenges, but the solution to each problem that confronts us begins with an individual who steps forward and who says: I can help. Government can only do so much and should only attempt so much, but no limits can hold back people determined to

make a difference.

Indeed, our domestic policies try to unleash the American capacity for good deeds. Our America 2000 strategy for reinventing the American school depends not just on the Government here in Washington but upon the support of communities -- parents, families, businesses, unions, schools, other groups and associations of determined individuals.

Consider Eve Dubrow, a Point of Light here in Washington. Eve started Project Northstar, a program in which she and other busy professionals tutor homeless children in reading and writing.

David Evans of Cambridge, Massachusetts, provides another example. David, a computer buff, designed and then donated to others a software program that makes learning fun for children and for adults.

We need cities filled with policemen like Al Lewis in Philadelphia. He and other officers create libraries in public housing projects and invite kids into the precinct house to learn reading and writing.

Eve and David and Al, you've shown the rest of the country that individuals working together do matter, that Points of Light really can brighten the lives and remake communities.

Or consider issues of crime: While we work with Congress to pass comprehensive crime package legislation, many of you've begun to defeat the scourges of drugs and violence and crime.

America needs more individuals like Van Standifer who formed this local group just across the line here, a Midnight Basketball League, a program that offers kids late night basketball and tutoring as an alternative to life on the streets.

We need more people like Mr. W.W. Johnson, who transformed a school basement into a thriving community center where young people learn to respect and cherish hard work and thrift and compassion and family.

Consider issues of economic opportunity: Secretary Kemp and I have proposed the HOPE program to encourage home ownership, enterprise zones, and capital gains reductions to stimulate more small businesses, more jobs. But others on their own are making a difference.

For instance, the Alpha Project. Volunteers of all ages and backgrounds -- young college students to retired carpenters -- are training homeless men and women for jobs in the construction industry. Alpha also gives trainees free food, clothing, and shelter until they earn enough money to live independently. America needs more Alpha Projects.

And here's the wonderful, truly remarkable thing. I could go on and on. There is no problem that is not being solved by someone somewhere in America. Together, in every community, we will renew the spirit of shared purpose that gave birth to this nation. We will embark upon the next century stronger and more unified than ever before.

This is not and never will be a miracle of government. It is a miracle of our people. Americans care. We gladly give of our time and our sweat and our souls.

As Marlene Wilson, the president of the Volunteer Management Association in Boulder, Colorado, points out, ``Caring must strengthen into commitment, and commitment into action." Someday soon all Americans will come to understand that America's most important resource is its community. The idea is simple: Just as a sailor can find his way via one shining star, a life can be changed by one dedicated, shining Point of Light. You see, that light burns within us, within all of us; we need only to share it.

God bless you, and so many thanks for the wonderful work you are doing. Thank you very, very much.

Note: The President spoke at 12:01 p.m. on the South Lawn of the White House. In his remarks, he referred to actor Tony Danza; singer Randy Travis; actress Patti LuPone; singer Andrae Crouche and his sister Saundra; singer Larnelle Harris; the Duke Ellington Choir from the Duke Ellington School for the Performing Arts in Washington, DC; artist Peter Max; Secretary of Housing and Urban Development Jack Kemp; Jane A. Kenny, Director of ACTION; George Romney, former Governor of Michigan and chairman of the board of directors of the National VOLUNTEER Center; Points of Light honorees Eve Dubrow, David Evans, Al Lewis, Van Standifer, and William W. Johnson; and Marlene Wilson, president of the Volunteer Management Association.

Nomination of Nicholas Platt To Be United States Ambassador to Pakistan

April 26, 1991

The President today announced his intention to nominate Nicholas Platt, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary to the Islamic Republic of Pakistan. He would succeed Robert B. Oakley.

Since 1987 Ambassador Platt has served as U.S. Ambassador to the Republic of the Philippines. Prior to this Ambassador Platt served as Special Assistant to the Secretary of State and Executive Secretary of the Department of State, 1985 - 1987; U.S. Ambassador to the Republic of Zambia, 1982 - 1984; Deputy Assistant Secretary of State for International Organization Affairs, 1981 - 1982; and as Deputy Assistant Secretary of Defense for International Security Affairs, 1980 - 1981. Ambassador Platt served as a staff member of the National Security Council at the White House, 1978 - 1980; Director for Japanese Affairs for the Bureau of East Asian and Pacific Affairs at the Department of State, 1977 - 1978; deputy chief of the political section of the U.S. Embassy in Tokyo, Japan, 1974 - 1977; and chief of the political section at the U.S. liaison office in Peking, China, 1973 - 1974. Ambassador Platt served at the Department of State as: Deputy Director and then Director of the Secretariat Staff, 1971 - 1973; chief of the Asian Communist areas division in the Bureau of Intelligence and Research, 1969 - 1971; and China desk officer for the Bureau of East Asian and Pacific Affairs, 1968 - 1969. He also served as a political officer at the American consulate general in Hong Kong, 1964 - 1968; Chinese language training at the Foreign Service Institute and in Taichung, Taiwan, 1962 - 1963; and as vice consul of the American consulate in Windsor, Ontario, Canada, 1959 - 1961. Ambassador Platt entered the Foreign Service in 1959.

Ambassador Platt graduated from Harvard College (B.A., 1957) and the Johns Hopkins University School of Advanced International Studies (M.A., 1959). He was born March 10, 1936, in New York, NY. Ambassador Platt is married, has three children, and resides in Washington, DC.

Nomination of John Thomas McCarthy To Be United States Ambassador to Tunisia

April 26, 1991

The President today announced his intention to nominate John Thomas McCarthy, of New York, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Tunisia. He would succeed Robert H. Pelletreau.

Ambassador McCarthy currently serves as a diplomat-in-residence at Howard University and the University of the District of Columbia. From 1988 to 1990 Ambassador McCarthy served as the U.S. Ambassador to the Republic of Lebanon, Beirut, and Deputy Chief of Mission at the U.S. Embassy in Islamabad, Pakistan, 1985 - 1988. Prior to this Ambassador McCarthy served at the Department of State as Deputy Assistant Secretary of the Bureau of Public Affairs, 1983 - 1985, and Director of the Office of Investment for the Economic Bureau, 1980 - 1983. He served at the U.S. Mission to the European Community in Brussels, Belgium, as economic counselor, 1978 - 1980, and as a trade officer, 1976 - 1978. Ambassador McCarthy served at the European Community desk in the European Bureau of the Department of State, 1973 - 1976; trained in Atlantic affairs at Harvard University, 1972 - 1973; as a political officer for the Bureau of International Organizations at the Department of State, 1971 - 1972; and as vice consul at the American consulate in Chiang Mai, Thailand, 1969 - 1971. He also trained at the Foreign Service Institute in the Thai language, 1968; served at the operations center at the Department of State, 1967 - 1968; as second secretary at the U.S. Embassy in Brussels, Belgium, 1965 - 1967; and as third secretary at the U.S. Embassy in Bangui, Central African Republic, 1962 - 1964. He entered the Foreign Service in 1962.

Ambassador McCarthy graduated from Manhattan College (B.A., 1961) and Harvard University (M.P.A., 1973). He was born December 27, 1939, in New York, NY. Ambassador McCarthy is married, has three children, and resides in Washington, DC.

Remarks and a Question-and-Answer Session With the National Association of Farm Broadcasters

April 29, 1991

The President. Sit down, please, and welcome, welcome. Let me just make a couple of comments and then try, with the assistance of our able Secretary of Agriculture, my friend and yours, too, Ed Madigan, to respond to your questions.

But in the first place, I'm delighted that Ed is here. I was very high on Clayton Yeutter -- moved over to a new and very difficult and very different assignment. Ed stepped into the breach. He's doing a fantastic job for our country. And I understand that he's rapidly making believers out of those in ag business that didn't know him. Those that did I think already were believers, as I have been.

But anyway, we are the most agriculturally productive nation the world has ever known. And I want to be sure that we continue to be that. I'm still convinced that we can compete with anybody, provided we remove some of the barriers to trade. And that's one of the reasons that the Secretary and I are as committed to the successful conclusion of the GATT round; also why I believe that a Mexico free trade agreement would be in our own best interests.

As a matter of fact, we've got a new one with Canada. It's been in effect for 2 years, and agricultural exports have gone up by 35 percent. So, those that want to criticize ought to take a look at the reality, and I think then they'd understand why we are committed -- because we think it's good for American agriculture as well as good for -- I think it's good for jobs, too. Just across the labor frontier there.

There are three important trade agreements. You're all familiar with them. The Uruguay round -- the GATT talks; the trade component of our Enterprise for the Americas Initiative, which is, I think, a bold new program that must succeed in terms of helping these democracies -- fledgling democracies, many of them -- in South America and thus building new markets for our own goods. But in any event, that's the second one. And then the third one, of course, is the North American free trade agreement that I mentioned earlier that, in this instance, features Mexico.

Now, there are some questions about whether these would be of benefit to the American farmers. Let me just give you a couple -- click off a couple of little numbers here. Free trade in North America would give our farmers a freely accessible market of 365 million people with a GNP of $6 trillion. And that's a market that's larger than the European Community. And likewise, the negotiation of a successful GATT agreement would decrease the trade barriers worldwide, offering potentially unlimited export opportunities.

We're not there yet. We've had some difficulties getting our friends in Europe -- and they are friends -- to understand this. But the Secretary and I and our USTR, Ambassador Carla Hills, and the Secretary of the Treasury and the Secretary of Commerce -- all of us are working on this important agreement. But we think that it would be a boon to American agriculture when we're successful.

The success, obviously, hinges on what you know and I know as Fast Track negotiating authority. It is simply not right to -- you can't negotiate an agreement if the people you're negotiating with think that it will be amended in many, many ways. The Congress will, though -- there's a misunderstanding because some think that when we ask for Fast Track, that we're asking Congress to yield their right to vote on it. And that simply isn't -- I found that hard to believe, but I think there's been some confusion on that. We are going to -- they obviously would vote up and down. And if they didn't like it, they'd vote it down. If they liked it, they'd vote for it. But you can't have 25,000 amendments to an agreement and expect your trading partners to negotiate seriously.

So, the Congress -- and I'm very respectful of Congress' role in this. They have a constitutional role on international trade, and some forget that. So, we're sensitive to that role. We've had extensive consultations. I don't believe I've seen an initiative that's had more consultation with Congress than this one. And I think we're going to be all right on it, but we're going to continue to work very hard to get Fast Track approval.

New applications for agricultural products, like the alternative fuels, fuels blended with ethanol, and biodegradable plastics, and some not so modern uses like food and clothing, provide farmers with exciting opportunities. I understand that there's some differences in the ag community. I was just talking to the Secretary about this. But generally speaking, we're committed to alternative fuels. I believe that the Clean Air Act alone is going to create tremendous opportunities for alternative fuel. So I haven't lost my enthusiasm for this at all.

The Fast Track assures our trading partners that we will go through with our agreement. We will vote on what they and we negotiate, and I mentioned that point earlier. New applications for agricultural products is important. And we're talking about some fuels blended with ethanol and biodegradable plastics. And all of these kinds of things I think have a brilliant future for agriculture. It's been a little slower than I had hoped, frankly, but I think there's a big market and big future out there.

And so I would say to farmers, do not despair because you haven't yet reached the full potential of these new markets for your products.

I'm going to be asking agriculture over and over again for support on this Fast Track extension, and I think that the bottom line is, they will enjoy more export opportunity if we're successful here. And I think it will be a boon for the rural economy as well as -- well, obviously it would if

we continue to sell more abroad. So, these were just a couple of the points, and now I'd be glad to respond to some questions.

Q. Mr. President, on behalf of NAFB, we appreciate this time on your schedule. As president of the organization here in 1991, I'd like to defer the first question to the elder statesman of our group from Des Moines, Iowa, a gentleman who was our second president in 1946, Herb Plambeck.

The President. Is that right? Herb, you didn't tell me all that. Thank you, Ron, and I'm just delighted you are here, really.

Trade With Iraq

Q. Mr. President, I'm sure I speak for everyone here in our group when I voice the pride and the gratitude we have toward you for the way the Persian Gulf crisis was handled and the humanitarian efforts that have been made since then.

There are, however, a few questions remaining. One relates to Iraq having been one of our good customers for our farm products. Is any thought being given already toward the restoration of this trade?

The President. The restoration of food support for Iraq is underway, the United Nations having taken some steps. We are not going to let people starve. But in terms of building reliable markets and in terms of trying to have normalized trade, the United States will not have normalized trade as long as Saddam Hussein is in power.

Food is an exception now, because we're not going to let people starve. We are going to go forward with helping people in Iraq without regard to what sect they're from or anything of that nature. But I don't want to mislead any farmer in this country. We will not have normalized trade with Iraq as long as Saddam Hussein is in office. And they're now trying to appeal to get some relief on the oil. There's not going to be any relief as far as the United States goes until they move forward on a lot of fronts, incidentally. I mean, what's happened to these Kurds is absolutely -- it's so sad you're just moved.

Frankly -- and Herb, I'm glad you mentioned it -- we have responded. We responded from day one, and now we're responding to enormous -- hundreds of millions of dollars relief. That's what we do. We're Americans. We do that to help people. But we're not going to have normalized relations with this man.

Credit for the Soviet Union

Q. Mr. President, have you made a decision on granting the Soviet Union more credit?

The President. No, and we're thinking about that. The legislation -- I've talked to Ed about this, and the legislation is fairly specific in terms of creditworthiness. Shake me off if I'm wrong here, Ed, but I think that's correct. Regrettably, the Soviet Union has not entered into the market reforms that I think Gorbachev aspires to and that I know that the President of the Republic, Mr. Yeltsin, aspires to. So, they've got to move forward to be creditworthy if we're going to do this.

Now, there may be -- and we're thinking about this -- there may be some way to extend credits. And I'll tell you another problem is we want to be sure how it's distributed -- that no area is precluded from being the beneficiaries of this kind of credit. So, it's up in the air right now. I don't want to say that I won't go forward with this. I think in some areas it would be very helpful to us, to our grain growers.

I'm not immune to the fact that they've been hurting, so I'd like to be helpful. But I've got to abide by the law. And if we can find ways to encourage forward movement on these credits or find ways to make it creditworthy any other way, so much -- market reform is a good way to do it. There are other ways that perhaps they could make the credit more secure.

Fast Track Authority Legislation

Q. Sir, I'd like to get back to Fast Track. Only one of the major farm organizations, and they're a glaring example -- everybody else is in favor of the Fast Track. What's the hangup? What's the problem? What do you see?

The President. Problem with who? With that one guy that's out of step, or the other 51? [Laughter] I'm for the 51 farm organizations that are for it. Fifty-one are.

Q. Don't you feel it will pass?

The President. Well, I hope so, but we're not going to act like it's done yet. We are killing ourselves trying to get this done, and we are going to continue to work with the Democrats in the Congress -- Republicans. Incidentally, we're approaching this in a nonpartisan manner. We've got some Republicans that I still have to convince, and plenty of Democrats. And then we've got plenty of Democrats that are for us and plenty of Republicans. And Ed's not approaching it in a partisan manner.

But in terms of the farm organizations, thank heavens most of them are seeing that it will benefit the agricultural economy in this country. I really believe it will. But we're just going to keep pursuing it because I don't want to say it's in the bag. It isn't yet. We're counting votes, but we've got a ways to go before I can say to the American farmer, look, we're going to win this one, and you're going to be the beneficiaries thereof.

Q. The President, how successful -- or what would it mean not only to the U.S. as a whole but for the U.S. farmer for a successful GATT agreement? And how important is Fast Track to that?

The President. It's very important to a successful conclusion to the GATT round. Without it, without Fast Track, I think it would be almost impossible to hammer out an agreement that would pass muster with the many countries that have to be in accord. And so it's do or die, in a sense, that this Fast Track -- some have wanted to try to split them off, split off Mexican -- the North American free trade from Fast Track and relating to Europe -- to GATT, I mean. And I don't want that. I don't want to see a policy that discriminates against a neighbor of ours. And so, we're going to go forward. And I -- again back to Bill's question -- I think we can do it, but we're not there yet.

Mexican Adherence to Pesticide Regulations

Q. One of the problems it seems like that Congress and some agricultural interests need assurances on is the pesticide regulation issue. What kind of assurances can you provide that we can get Mexico to conform to our strict pesticide regulations here?

The President. Well, there's a lot of discussion going on with them. It has to do with the other environmental concerns, too. I believe that Mexico -- and the technical way we're doing this I'd have to defer -- even maybe Ed could answer it, but I'd have to defer to Carla. I'm not sure. I have discussed at length the environmental concerns here with the President of Mexico. And all I can tell you is that he has moved forward. He's already shut down or is in the process of shutting down the highest polluting refinery in Mexico. It's the PEMEX refinery. He is well aware of the environmental concerns in this country, and he shares them as far as Mexico.

I'll give you an example. When I first met -- maybe not the first meeting but early-on meeting with President Salinas, who's a good man -- and he started telling me about the children in the Mexican schools. They paint the sky at night with no stars. Imagine that -- a school child painting the sky gray. He said, ``My ambition is to have the children paint the night with the stars and the moon so they can see it." And I am convinced that he is going to do what is reasonable and what he should do to protect his environment, just as we're trying hard to do it on ours.

So, in terms of this, I'm embarrassed to say I can't give you the technical language as to what we might be doing right now on agricultural pesticide use, pesticide use in agriculture, but I am confident -- and incidentally, the Senators tell me that they are confident that the environmental questions can be readily answered.

Ed, do you want to add anything?

Secretary Madigan. You covered it very well.

The President. I mean, it's more general than you wanted, but I am satisfied we can get it done.

Energy Policy

Q. You mentioned the commitment to alternative fuels, and I think wheat and corn producers realize that commitment came long before the Persian Gulf war. But haven't the events of the last few months reemphasized our need to get away from those foreign fuels?

The President. Getting away from this much reliance on foreign oil has been there for a long, long time. It's more clear today because of the Gulf. We must learn. And one of the things that we are trying to do with our whole new national energy program is to become less dependent on foreign oil. Now, one way to do that is through alternative fuels.

We also, I want to say -- and I hope I don't sound defensive -- do have some pretty good ideas in terms of conservation. And we're accused of not having any conservation ideas or conservation program -- and we want it. But I also don't want this country to be shoved into a no-growth mode. I mean, there's a lot of young people that need economic opportunity in this country, a lot of farmers that can sell more if the market increases for their products. But you put your finger on something I feel strongly about, and that is that we must, from our national security standpoint, become less dependent on foreign oil. And alternative fuels is one good way to do it.

I happen to think another way to do it is to expand our exploration domestically. And you run into conflict with special interests groups on that, but I am convinced that that is in our national security interests, too.

Federal Emergency Assistance for Kansas

Q. Mr. President, any decision on Federal assistance for the tornado victims?

The President. I'm glad you asked about that one because one of the reasons I kept you all waiting a little bit is I just signed the disaster assistance for Kansas -- and I expect, as the other requests come in, they will be processed that rapidly. I mentioned yesterday coming out of church that our hearts really go out to the victims. Bob Dole was out there the night before last in Kansas, and he called me up, I think it was Friday night -- or Saturday night I guess he got back -- and said he really had never seen anything like this. And of course, it was widely covered on the television.

And I said, ``Bob, what more do we need to be doing?'' He said, ``Well, the FEMA emergency people are there now.'' And then, of course, then in came the formal request. And I'm happy to say that we did sign that right now, and we'll do what's necessary for other States.

China

Q. Mr. President, what about most-favored-nation status for China?

The President. Well, Mike, it's a difficult one. What I have tried to do with China is to make clear our concern about human rights abuses, stemming out of -- highlighted particularly by Tiananmen Square, but recognize that cutting off all contacts or trying to drive them to their knees economically is not the way to effect change. And I go back to when we opened relations with China. And, yes, there's some abuses there that no American can be tolerant of. But there's a lot of changes in China that have taken place that are beneficial.

And I would point to the fact that our policy of at least trying to keep some reasoned relation with China paid off in spades on the recent war, because we needed -- I felt we needed -- the international sanction that those United Nations gave the effort. And if we'd have had enmity with China, it is very clear in my mind that they might -- I can't say would have, but they might well have vetoed the resolutions. And we operated with an international sanction, an international approval that gave the whole operation worldwide credibility.

So, I think it's important that we have reasonable relations with China. I think it's important we have trade relations with China. But on the other hand, China sometimes doesn't see eye-to-eye with us on some of the fundamental human rights questions that concern me as President and concern all Americans.

So, that's a long way of saying I don't know exactly what we're going to do on the MFN to China. We fought for it last year. We have protected the students in this country, Chinese students -- will continue to do that. But I'm one who believes that if we can keep contact and keep showing them our way, showing them how good our product is, that that's a better way than breaking off relations.

There's a billion -- what, 1.1 billion people in China. And give them their due, they're feeding 1.1 billion people. I wish our trade balance with China was better. It's gone more in their favor. But again, we can't legislate that. But I think I understand China. I note the importance of China. I respect the sovereignty of China. I've said over and over again, I wish that -- I have not certainly approved, indeed, have condemned some of the human rights abuses.

So, we've got to work with this big country. And it is in our interest so to do. Whether that will lead to MFN renewal, that question will be decided very soon. And I, myself, must decide what role the administration will take, because we had a battle on it before, as you know.

Two more -- there are two persistent hands up, and then we'll go. Yes?

Soviet Union

Q. Your reaction to the instability shown last week, of Gorbachev resigning and then the Communist Committee not taking it. What would him stepping down mean to U.S. agriculture?

The President. Well, I think it would mean uncertainty inside the Soviet Union. And there's a lot of question as to something -- if Mr. Gorbachev stepped down, which way the Soviet Union would go. I like to feel that the changes manifested by the lightening up in Eastern Europe and by much more openness, glasnost, inside is irreversible. I like to believe that. But that is an internal matter of the Soviet Union. I have elected to stay in close touch with Mr. Gorbachev. He is the man there right now. We meet with opposition leaders from time to time at various levels, including mine with the Baltic leaders. We have differences with them in terms of, well, treatment of the Republics, for example, right now.

But what happened last week I think in a sense was quite reassuring because there were some widespread speculation that Mr. Gorbachev was in trouble, even with the party. And I think that showed that that was not the case.

But, again, there's a lot of turmoil there. And there's a lot of economic difficulty in the Soviet Union today. And we don't take joy in that at all. We don't take joy in their problems. They've moved considerably since -- on a lot of things. And, again, going back to the war, the answer I gave you on China is very valid in terms of the Soviet Union. They approved every resolution. They stayed with us, even when Gorbachev -- you remember just before the ground war started -- was talking about, well, please hold off. But I didn't take that as a disapproval of what we were trying to do. Indeed, when we said, okay, it's Saturday, Mr. Saddam Hussein, or you've got problems -- the Soviets, having tried their approach, were supportive.

And so again, we want to keep good relations, but they have enormous -- just enormous -- problems, and we take no joy in that at all. I'd like to find ways to be helpful. But when it comes to these credits, we cannot -- we are bound by our laws. And I think that protects the American taxpayers -- that there has to be a certain creditworthiness. So, it's a tough one right now for them, but let's hope that this democratic process will keep going and keep evolving until we have just pluperfectly good relations with them. I mean, we've got good relations, but they've got such enormous problems that their full potential is unrealized.

You talk about energy -- somebody asked me the energy question -- the potential is enormous. But they've got to move forward with more than rhetoric. They've got to go with these market reforms.

Free and Fair Trade

Q. Mr. President, there's been a lot of talk about tariffication. One of those places where it has happened -- Japan has removed quotas and put on tariffs on beef. Could you relate to that, please?

The President. What was the word?

Q. Tariffication -- putting tariffs on instead of quotas in trade negotiations. That's been one of the

goals.

The President. I don't think just substituting one barrier for another, if that's what the question is, is a good way to do it. We're trying to get open markets. It is my fundamental belief that the American farmer can compete with anybody provided we're talking total freedom of trade. We're not there yet. We're not there yet in terms of trade with a lot of countries -- put it that way. But if the substitution is being substituted to throw up a barrier under a different name, I don't think we should be very enthusiastic about that approach.

Maybe I'm missing your question, but -- --

Q. The question is, as opposed to just a strict quota, put on a tariff -- and that's been one of the things that have been talked about in trade negotiations, that has happened, and apparently beef exports to Japan have increased.

The President. Can I refer to my economic expert to answer that which I do not know? [Laughter] Mike? This is Dr. Mike Boskin here.

Chairman Boskin. We have been generally in favor of substituting tariffs for quotas in the context of reducing the tariffs in a variety of ways. So, I think the President's quite right -- you don't want to just substitute one form of barrier for another. That won't help us. That won't help our exporters. But it's being done, and the discussions of it will continue -- discussion of it in the Uruguay round and elsewhere is a process of getting the tariffs removed. So, you start by getting rid of the quotas and putting on a tariff with a schedule for the tariff to decline.

The President. That's what I wanted to say, but I was just kind of hung up on it. Thank you all very much.

Q. I just wanted to say thank you, and we appreciate your access to talk about agriculture for a few moments.

The President. Thank you all very much.

Note: The President spoke at 2:35 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Secretary of Agriculture Edward R. Madigan; Clayton Yeutter, chairman of the Republican National Committee and former Secretary of Agriculture; U.S. Trade Representative Carla A. Hills; Secretary of the Treasury Nicholas F. Brady; Secretary of Commerce Robert A. Mosbacher; Herb Plambeck and Ronald Hays, former president and current president of the National Association of Farm Broadcasters; President Saddam Hussein of Iraq; President Mikhail Gorbachev of the Soviet Union; Boris Yeltsin, President of the Russian Republic; Bill Mason, farm broadcaster at WGEL in Greenville, IL; President Carlos Salinas de Gortari of Mexico; Senator Robert Dole of Kansas; Michael LePorte, farm broadcaster at KRVN

in Lexington, NE; and Michael J. Boskin, Chairman of the Council of Economic Advisers.

Statement by Press Secretary Fitzwater on the Task Force on United States Government International Broadcasting

April 29, 1991

Hundreds of millions of people worldwide rely on U.S. Government broadcasting for objective world news, local news, explanations of U.S. policy, and information about democratic values and institutions, including free-market economics. In light of dramatic political developments worldwide, including the democratic revolution in Eastern Europe, the end of the cold war, and events in the Persian Gulf and Middle East, it is appropriate and timely to examine U.S. Government international broadcasting operations.

The President is pleased to announce the establishment of an independent, bipartisan Task Force on U.S. Government International Broadcasting to study the best future organization and structure for U.S. Government international broadcasting. The President is gratified that the enclosed list of distinguished Americans have agreed to serve.

The Task Force will make recommendations to the President within 6 months on the following issues in the overall context of U.S. foreign policy and public diplomacy:

-- The most appropriate organization and structure under which all USG international broadcasting assets and activities eventually would be consolidated, in steps and over time, under a single U.S. Government broadcasting entity; when and how such consolidation should take place.

-- New technologies in light of the need for U.S. Government broadcasting to remain effective and competitive. This should include strategies for the best use of new technologies.

-- The relationship between U.S. Government broadcasting activities and U.S. private sector broadcasting enterprises in the international arena.

The President today announced that the following individuals have agreed to serve on the Task Force on U.S. Government International Broadcasting:

Chairman:

John Hughes, of Maine. Mr. Hughes is a Pulitzer Prize winning journalist and is currently a syndicated columnist for the Christian Science Monitor. In addition, Mr. Hughes has served as Director of the United States Information Agency/Voice of America, 1982; and Associate Director of the United States Information Agency, 1981.

Members:

David Manker Abshire, of Virginia. Currently Dr. Abshire serves as president of the Center for Strategic and International Studies at Georgetown University in Washington, DC.

Richard M. Fairbanks, III, of the District of Columbia. Since 1985 Mr. Fairbanks has served as a partner with the law firm of Paul, Hastings, Janofsky and Walker in Washington, DC.

Richard Vincent Allen, of Maryland. Since 1982 Mr. Allen has served as president of the Richard V. Allen Co. in Washington, DC.

Viviane M. Warren, of California. Currently Ms. Warren serves as chairman of the Community Advisory Board for KPBS-TV/FM in San Diego, CA.

Rita Crocker Clements, of Texas. Ms. Clements is active in many community service volunteer activities and serves as chairman of the Tourism Advisory Council of the Texas Department of Commerce in Dallas, TX.

Abbott McConnell Washburn, of the District of Columbia. Mr. Washburn served as a Commissioner with the Federal Communications Commission, 1974 - 1982, and currently serves as a director with Metro Mobile Cellular Telephone Service, Inc.

Ben J. Wattenberg, of the District of Columbia. Since 1981 Mr. Wattenberg has served as a syndicated columnist with the United Features Newspaper Enterprise Association; and has served as a senior fellow with the American Enterprise Institute, 1977 to present.

Rozanne LeJeanne Ridgway, of the District of Columbia. Currently Ms. Ridgway serves as the president of the Atlantic Council of United States in Washington, DC.

Stuart E. Eizenstat, of the District of Columbia. Currently Mr. Eizenstat serves as a partner with the law firm of Powell, Goldstein, Frazer and Murphy in Washington, DC.

Margaret Noonan, of New York. Currently Ms. Noonan serves as a writer and journalist in New York, NY.

Remarks on Fast Track Authority Extension and an Exchange With Reporters

April 30, 1991

The President. Let me just thank the leaders for coming down here today to discuss the extension of Fast Track. And, as you all know, Fast Track means the ability to negotiate trade agreements. The export side of our economy has fueled our economic growth in recent years, and we need this Fast Track authority to negotiate trade agreements that will open markets, keep our exports strong, and create jobs and, frankly, sustain our leadership in the world economy. And I appreciate it.

I know some are undecided. I know many are strongly committed here. But I appreciate your coming down because this is priority and we are going all out. I'm grateful to the majority leader who is not with us today, but he's down in Mexico -- I know last night, discussing this and whether -- how it comes out, I don't know. But I think that kind of inquiry is very, very helpful. And I just want to thank you all for your interest and hope that we can convince those -- perhaps mostly out here today that this is the right thing for the United States. And I'm convinced it is, and I also think it's good for our neighbors to the south that I'm determined not to neglect, say nothing of Europe.

In any event, why, I appreciate your coming.

Interest Rates

Q. Will lowering the discount rate encourage lower interest rates worldwide, Mr. President?

The President. Lowering the discount rate -- and the Fed just announced a half-point reduction to 5.5 percent from 6 percent, and this is good. This will stimulate our economy. I think it will help worldwide as well. It is very good news, and I think it will be well-received in this country. And I hope that it will have a strong effect internationally. We are the largest economy in the world. And if ours is robust and growing, that benefits everybody else, in my view.

Q. Do you hope banks follow suit, Mr. President, and follow the prime rate?

The President. Well, I'll leave that to the markets. I won't go into all that, but I think clearly -- and traditionally that has happened, and I certainly expect it to happen.

Q. What about the Germans, sir?

The President. There are problems, and people have different problems in their countries. Some

are much more concerned about inflation than other countries -- but this is a very strong leadership role by the Fed now that will be helpful, I think, around the world -- and certainly be helpful to our economy that needs a kick now, needs a boost.

Note: The President spoke at 10:03 a.m. in the Cabinet Room at the White House, prior to a meeting with the bipartisan leadership of the House of Representatives. In his remarks, he referred to Richard A. Gephardt, House majority leader. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on Restrictions on U.S. Satellite Component Exports to China

April 30, 1991

The President has decided not to approve a request to license the export of U.S. satellite components to China for a Chinese domestic communications satellite, the Dong Fang Hong 3 (DFH - 3). The President made this decision because certain activities of Chinese companies raise serious proliferation concerns.

The United States has undertaken a major worldwide effort to combat the proliferation of weapons of mass destruction, particularly to regions of instability. We take this issue very seriously, and the President's decision not to approve satellite licenses in these circumstances underscores the importance attached to nonproliferation.

The United States is currently engaged in an intensive dialog with China on proliferation issues, aimed at encouraging China to observe internationally accepted guidelines on missile and missile-related technology exports. The Chinese Government has stated that it will be prudent and responsible in its sale of missile technology. We will be discussing our concerns about the activities of the Chinese companies involved in Dong Fang Hong with the Chinese Government.

U.S. satellites, their components and associated technologies are included in the U.S. Munitions List and require licenses for export to controlled destinations, including China. Under sanctions contained in the Foreign Relations Authorization Act, FY 1990 - 91, licensing of these exports is prohibited unless the President determines it to be in the national interest. Given our proliferation concerns, it would not have been appropriate to waive the legislative prohibition for the Dong Fang Hong.

At the same time, the President decided that it is in the national interest to waive legislative restrictions on exports for two other projects, AUSSAT and FREJA, that will launch satellites from China. The two U.S.-built AUSSAT satellites will provide needed communications services for our ally Australia. The President had previously waived legislative sanctions against launches from China for AUSSAT, but the project required additional export licenses. The President was concerned that we live up to our earlier commitment to allow Australia to proceed with this project. The Swedish FREJA satellite, a small scientific satellite, will be used by civilian atmospheric researchers in the U.S., Sweden, Canada, Germany, and Finland.

Nomination of Gordon S. Brown To Be United States Ambassador to Mauritania

April 30, 1991

The President today announced his intention to nominate Gordon S. Brown, of California, to be Ambassador Extraordinary and Plenipotentiary to the Islamic Republic of Mauritania. He would succeed William Hart Twaddell.

Since 1989, Mr. Brown has served as a political adviser for the U.S. Central Command in Tampa, FL. From 1986 to 1989, Mr. Brown served as Deputy Chief of Mission at the U.S. Embassy in Tunis, Tunisia. Mr. Brown served at the Department of State in several capacities including: Director of Arab Peninsula Affairs, 1984 - 1986; Director of Maritime Affairs for the Economic Bureau, 1982 - 1984; Director of United Nations Economic Affairs, 1980 - 1982; and Deputy Director of the Office of Commodities, 1979 - 1980. Prior to this, Mr. Brown studied at the Industrial College of the Armed Forces, 1978 - 1979; served as a petroleum finance officer at the U.S. Embassy in Jidda, Saudi Arabia, 1976 - 1978; and as an energy and economic officer at the U.S. Embassy in Paris, France, 1973 - 1976. He served at the Department of State as an OPEC/Near East officer in the Office of Fuels and Energy, 1971 - 1973; as an Egyptian desk officer, 1969 - 1971; and as a political officer at the U.S. Embassy in Baghdad, Iraq, 1963 - 1966. Mr. Brown joined the Foreign Service in 1960.

Mr. Brown graduated from Stanford University (B.A., 1957). He was born February 24, 1936, in Rome, Italy. Mr. Brown served in the U.S. Army Security Agency, 1957 - 1960. Mr. Brown is married, has three children, and resides in Tampa, FL.

Remarks on National Physical Fitness and Sports Month

May 1, 1991

Bright and early. Thank you all very much. Please be seated. We want to see all of you go one-on-one with Arnold here in a minute. [Laughter]

But we're out here for a very special reason this early. No one wanted to tell Mr. Schwarzenegger it was too early, so here we are. [Laughter] I want to salute our Secretary of Education, Lamar Alexander, who's leading us on a new crusade for educational excellence. And in my view, that includes education of the mind and also a fit body. And I see General Colin Powell here, and I think of the fitness of those who serve under him. And believe me, there's a good example for our whole country in that. Those young people performed superbly abroad, and they were fit, and they were kept fit. So, Colin, thank you sir.

So, what we're doing today is to kick off the National Fitness and Sports Month with the Great American Workout. And here to lead us is our chairman, the Chairman of the President's Counsel on Fitness, Arnold Schwarzenegger. A while back Arnold was up at Camp David with us, with Barbara and me. And we play a great game up there called wallyball -- it's volleyball inside of a racquetball court, marvelous exercise. And our granddaughter's 6-year-old friend Abigail looked through that little window you know they have on the racquetball court and ran into the gymnasium where the Marines were all working out up there. And she said, ``Guess who's in there. Kindergarten cop. He's wearing flowered shorts. It's weird." [Laughter] You remember that, Maria.

Well, Arnold's doing a great job. He's already been -- get this now -- on his own out there because he believes -- to 24 States, and his steps are leading the way for fitness.

Let me welcome the many other celebrities and guests with us, especially the team I just greeted, Northern Michigan University's hockey team, NCAA champs. And I understand that eight members of this team were named to their All American All Academic team, proving you can excel in the classroom as well as on the ice. These young men do serve as a wonderful example to us all.

And as you know, our administration has proposed this bold new education strategy which we call America 2000 -- our Secretary of Education, Lamar Alexander, leading the way. What it does, it challenges our young people to excel in English, history, math, science, and geography. But it also encourages Americans to develop habits that lead to fuller and richer lives, to make learning a process that never ends.

And so, we're here this morning because we want to emphasize another important habit. And I'm not just talking about getting up early. We want to emphasize the importance of healthy bodies,

bodies free from drugs, bodies charged with the vigor that exercise brings. No matter how old you are or what kind of shape you're in, exercise helps every one of us live longer, healthier, more enjoyable lives. And for many of us fitness is already a part of our daily routine. But too many people still look at exercise optional. And one in four adults don't exercise -- one in four don't exercise at all. For the sake of our nation's health, that simply has to change.

And exercise is important for every American. But the focus this year is on youth fitness. And if we want our children to grow up strong and healthy, we've got work to do. Right now, only one State requires daily phys ed from the kindergarten through 12th. And across the country only one in three students of all ages take gym every day. If we care about our kids' future, we'll make room for fitness.

We start by teaching our kids that phys ed is just like any other class -- to get ahead you've got to do homework. And the good news is, is that fitness is fun. So on the weekends, after school stay away from the junk food, get up off that couch, unplug the Nintendo and turn off the TV, and go out and get some exercise. And that's what we're about to do, with varying degrees of enthusiasm, right here this morning. [Laughter]

Before we begin, let me recognize one girl who symbolizes the 10 million American children who are on the right track to good health. The 10 millionth recipient of the President's Physical Fitness Award, Andrea Stafford. You won't believe this one, but it's the truth. Andrea is from Muscle Shoals, Alabama. Where is Andrea? Right there. You come up here, Andrea. Andrea will now take on Pam Shriver in tennis. She told me that's her favorite sport. [Laughter]

But listen, it is my pleasure to declare the month of May National Fitness and Sports Month. And now, without further delay, the czar here and I will attack these workout stations. Thank you all very much for coming.

Note: The President spoke at 7:22 a.m. on the South Lawn at the White House. In his remarks, he referred to Arnold Schwarzenegger, Chairman of the President's Council on Physical Fitness and Sports, and his wife, Maria Shriver; Secretary of Education Lamar Alexander; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; student Andrea Stafford; and Pam Shriver, a professional tennis player.

Remarks at a Presentation Ceremony for the National Security Agency Worldwide Awards in Fort Meade, Maryland

May 1, 1991

The President. Thank you all very, very much. Thank you for this warm welcome. I can't understand you all being in such a good mood, being out here since 9:00 a.m. this morning. [Laughter] But you sure make me feel welcome. Hey, cut your complaining, will you? [Laughter]

Admiral Studeman -- and, please, you all be seated. Sorry about that. [Laughter] But let me salute Admiral Studeman, the other leaders of this great organization, and also Bill Webster, the DCI, and simply say to all the dedicated professionals here at NSA, it is my great pleasure to share with you this very special day.

I also want to salute the Congressman from this district -- you can't miss him over there -- Congressman McMillen standing here, who is a wonderful supporter of your work, too. Tom, we're glad you're here.

The admiral said this visit is a bit of a departure from the routine here at NSA. This isn't exactly the kind of place where you can pull off a surprise party. [Laughter] But I'm very pleased to be out here. In the past couple of months I've had the privilege of meeting, as they came home, with many members of Desert Storm -- brave men and women who served over there, dedicating themselves to the cause of peace in the Persian Gulf.

Today, I wanted especially to come here to express my appreciation to you, the thousands of men and women, civilian and military, of the United States SIGINT system. From the time we took action to the moment the fighting stopped, the world witnessed a display of courage and competence that made every American proud. But what America and the world saw in Desert Storm was just the tip of the iceberg. Our success in the Gulf could, quite literally, never have happened without the dedication that's on display right here through all the days and all the nights of Desert Storm.

As our troops go home to friends and family, they do go home as heroes, and they've earned every parade and every pat on the back. They know and I know that they owe a debt to you. That's why I really wanted to come out here today -- to salute you, the unsung heroes of Desert Storm.

My association with NSA goes back many years. And over the years I've come to appreciate more and more the full value of SIGINT. As President and Commander in Chief, I can assure you, signals intelligence is a prime factor in the decisionmaking process by which we chart the

course of this nation's foreign affairs.

Desert Storm was a team effort on many fronts -- military, diplomatic, economic. NSA and the service cryptologic elements gave us the critical intelligence we had to have to operate effectively on every front. The information all of you provided enabled me and my key advisers to have a sound understanding of Saddam Hussein's capabilities and solid information about the situation on the ground.

It is the nature of your work to shun the spotlight. Where others step forward to the fanfare and public acclaim, your reward is simply quiet pride. And I am here today on behalf of the American people -- the many millions who cannot know the contributions you make to their safety, security, and freedom every single day -- to convey the thanks of a grateful nation.

Once again, my most sincere thanks to each and every one of you for a job well done. And may God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 10:25 a.m. outside the NSA building. In his opening remarks, he referred to Vice Adm. William O. Studeman, Director of the National Security Agency; William H. Webster, Director of Central Intelligence; Representative C. Thomas McMillen; and President Saddam Hussein of Iraq.

Letter to Congressional Leaders on Fast Track Authority Extension and the North American Free Trade Agreement

May 1, 1991

Dear Mr. Chairman:

Through the better part of this century, successive Congresses and Administrations -- Republican and Democratic -- have worked to open markets and expand American exports. This partnership has resulted in unparalleled growth in world trade and huge economic benefits for the United States. Opening foreign markets means economic growth and jobs for all Americans.

Historically, the fast track procedures established by the Congress have served us well. On March 1, I requested an extension of fast track so that we could continue to realize increased economic growth and the other benefits of expanded trade. The fast track in no way limits the ability of Congress to review any agreement negotiated, including the Uruguay Round or a North American Free Trade Agreement (NAFTA). If Congress is not satisfied, it retains the unqualified right to reject whatever is negotiated. But refusing to extend the fast track would end negotiations before they have even begun and relinquish a critical opportunity for future economic growth.

Initiatives to open markets will enhance the global competitiveness of the United States and create new opportunities for American workers, American exports, and American economic growth. The Uruguay Round offers a vital opportunity to eliminate barriers to our goods, investment, services, and ideas. A NAFTA offers an historic opportunity to bring together the energies and talents of three great nations, already bound by strong ties of family, business, and culture. Prime Minister Mulroney and President Salinas are both leaders of great vision. They believe, as do I, that a NAFTA would enhance the well-being of our peoples. They are ready to move forward with us in this unprecedented enterprise.

In seeking to expand our economic growth, I am committed to achieving a balance that recognizes the need to preserve the environment, protect worker safety, and facilitate adjustment. In your letter of March 7, you conveyed a number of important Congressional concerns about free trade with Mexico. At my direction, Ambassador Hills and my Economic Policy Council have undertaken an intensive review of our NAFTA objectives and strategy to ensure thorough consideration of the economic, labor, and environmental issues raised by you and your colleagues. The Administration's response is presented in the attached report. Let me emphasize the following:

First, you have my personal commitment to close bipartisan cooperation in the negotiations and beyond. And you have my personal assurance that we will take the time necessary to conclude

agreements in which both the Congress and the Administration can take pride.

Second, while economic studies show that a free trade agreement would create jobs and promote growth in the United States, I know there is concern about adjustment in some sectors. These concerns will be addressed through provisions in the NAFTA designed to ease the transition for import-sensitive industries. In addition, my Administration is committed to working with the Congress to ensure that there is adequate assistance and effective retraining for dislocated workers.

Third, based on my discussions with President Salinas, I am convinced that he is firmly committed to strengthened environmental protection, and that there is strong support for this objective among the Mexican people. Because economic growth can and should be supported by enhanced environmental protection, we will develop and implement an expanded program of environmental cooperation in parallel with the free trade talks.

Fourth, President Salinas has also made it clear to me that his objective in pursuing free trade is to better the lives of Mexican working people. Mexico has strong laws regulating labor standards and worker rights. Beyond what Mexico is already doing, we will work through new initiatives to expand U.S.-Mexico labor cooperation.

Thus, our efforts toward economic integration will be complemented by expanded programs of cooperation on labor and the environment. The catalyst for these efforts is the promise of economic growth that a NAFTA can provide, and the key to these efforts is the extension of unencumbered fast track procedures.

There are great challenges ahead. The world is changing dramatically, as nations move toward democracy and free markets. The United States must continue to open new markets and lead in technological innovation, confident that America can and will prevail in this new and emerging world. By working together, we can negotiate good trade agreements that assure a strong and healthy America as we prepare to meet the challenges of the next century.

Sincerely,

George Bush

Note: Identical letters were sent to Lloyd Bentsen, chairman of the Senate Finance Committee; Richard A. Gephardt, House majority leader; and Dan Rostenkowski, chairman of the House Ways and Means Committee.

Remarks and a Question-and-Answer Session at a Meeting of the Society of Business Editors and Writers

May 1, 1991

The President. Thank you, Jim. And let me say I'm very pleased to be here. And I was greeted out here by Sandy Duerr, the president. She seemed unfazed by her responsibilities of this awesome group. And I want you to know that we presidents must stick together -- where is she? [Laughter] Randy Smith, and Susan Thomson.

No, but it is a pleasure, and I appreciate what Jim said there because financial reporting, financial news, is very important. It isn't always front-page. Look at D1 or E-something or other. But it is fundamental, and it's timely. And I'm very pleased that you invited me here.

I've been looking forward to finding a good forum to talk about an issue of importance to all Americans: economic growth in America. And this is a good one for just that, so that's what I want to do with you today.

At the outset, I am, of course, very pleased that two major banks today, following yesterday's action by the Fed, dropped the prime rate of interest by half a point, down to 8.5 percent. I think that's going to be very good for the economy of the United States of America.

While experts disagree about the length and depth of the recession, we must commit ourselves to policies that will promote growth and prosperity into the next century. This administration's economic growth package, including our urgent request to extend Fast Track trade procedures, can do just that. It can set us on a path toward long-term, market-driven economic growth.

Our administration's growth package begins with control of Federal spending. You all know and I know how controversial last fall's budget agreement was, that bipartisan budget agreement. But what it did do with establishing these caps is to finally put the Federal Government on a pay-as-you-go diet. It cut the growth of Federal debt over the next 5 years by nearly $500 billion. That extra capital -- that extra capital can help generate new jobs.

To increase private savings and investment, we've proposed tax-free family savings accounts, penalty-free withdrawals from IRA's for the first-time buyers. We've proposed cutting the tax on long-term capital gains. That would reduce the Tax Code's bias in favor of debt, expand incentives to invest, give hope to the small guy, the little guy, the small entrepreneur with the big idea. Indeed, it would reinvigorate the American dream.

We also want to redouble our efforts on the problem of excessive regulation. We all know the strangling effect that red tape and overregulation can have on businesses. Every time we write

new laws, though, the laws require new regulations. Some of these regulations are needed, and frankly, some are not. We want to free our people from unnecessary regulations.

The Council on Competitiveness, chaired by the Vice President, reviews all major new government regulations to ensure that the regulatory benefits outweigh the burdens imposed on the economy. The Council will look carefully at everything from the new clean air regulations to ways of approving new biotechnology products. We should not deny the people the benefits that come from products that improve or even save lives.

I headed the Task Force on Regulatory Reform for President Reagan. And I recognize, having done that, that there are legitimate need for regulations. But I am worried about this, and I want to be sure -- assure you, the financial writers of this country, that we are going to do everything that we can to have sensible handling of regulations. I don't like it when I see more and more pages in the Federal Register devoted to regulations. So, yes, we'll do what's right by spelling out regulations for the clean air bill or the new child-care bill, all of which are important, but I do not want to see us overregulate the people or the economy of this country.

We've also sent up to the Hill -- some of you know this, I'm sure -- a financial industry reform bill. This is a comprehensive package, and it will put our financial services system on a sound footing and modernize our outdated banking laws. We've proposed reforming the McFadden Act. This means letting financial institutions compete across State lines. Reforming Glass-Steagle -- this would let banks offer a broader range of financial services to its customers and in the process, to compete more effectively in international markets. And then, reforming deposit insurance -- return it to its original purpose, which was to protect the average depositor.

Next point, strengthening bank supervision, so that we might be able to intervene before banks fail. We've proposed a new way of regulating. It's simpler, and I think it will be more effective.

It's time we brought this banking system of ours into the 21st century so that our banks can fuel economic growth. But in order to do that, we need comprehensive reform, not just a quick and narrow fix. And I'm going to work very hard with the Congress to try to get our proposals passed.

These forward-looking proposals are only one part, then, of our vision for a strong and vibrant American economy. Our request to extend Fast Track procedures looks beyond our borders -- right to the heart of the international market.

In recent years, trade has kept our economy growing. Export business accounted for 84 percent -- 84 percent -- of our economic growth last year. That's nothing new. Merchandise exports have risen 73 percent in the last 4 years -- more than twice the rate of import growth.

Recent, unparalleled growth in world trade has produced huge benefits for us. Our free trade agreement with Canada has opened up previously closed agricultural markets. I wanted to check

my figures on the helicopter coming back from Maryland this morning. Just now, I called our Secretary of Agriculture, and he told me that our agricultural exports to Canada increased 35 percent over the last 2 years because of this agreement. And we expect the growth to intensify as the agreement takes full effect.

You go back and look at the legislative history -- or the free trade agreement history, and you'll find many who were predicting a far gloomier outlook.

Our trade strategy is simple: We want to build on the success of the Canadian FTA. The United States will continue to lead the world toward a system of free trade and open markets. That system makes American genius available to the whole world -- and give Americans access to the good ideas and good products from abroad. Trade means economic growth. Trade means jobs for all Americans.

That's why extension of our Fast Track procedures in these trade negotiations is absolutely critical. Fast Track lets us open up new markets and new opportunities.

Fast Track really is another term for ``good faith." It means that we will consult closely with the Congress. Congress has some constitutional responsibilities here. We have been and we will consult closely with Congress, and also the private sector during these trade talks. It means that we will not tinker with trade agreements worked out by our negotiators and their foreign counterparts.

It gives everyone a fair say in trade talks. It does not take away Congress' power to have the final say, to review these trade agreements. Congress will have its say. It will have a final vote on accepting or rejecting agreements as written, and it will conduct that vote within a reasonable period of time.

It gives the American people a fair say. We will take all the time necessary to address the issues that concern Americans. And there are some issues that concern Americans, and we have to have good answers for those questions, and I believe we do.

Fast Track lets us treat our foreign counterparts fairly. It promises that we will not attach amendments or make changes, since to do so could force negotiators to call off talks or start again from square one.

Our trading partners consider Fast Track an essential ingredient for successful trade talks. We've had Fast Track authority since 1974, and we will need it. And we need to keep it if we hope to pursue these vital trade agreements -- the Uruguay round of the GATT talks, the North American free trade agreement, and of course, the Enterprise for the Americas Initiative. Without Fast Track, very candidly, we jeopardize those agreements. And we jeopardize trade. And we jeopardize American jobs.

Right now, we have the chance to look forward, to expand economic growth, to expand opportunity from the Yukon to the Yucatan. The North American free trade agreement with Canada, our largest trading partner, and Mexico, our third-largest trading partner, would create the largest, richest market in the entire world. Think about it -- 360 million consumers and $6 trillion in annual output.

A unified North American market would let each of our countries build on our strengths. It would provide more and better jobs for U.S. workers. It would stimulate price competition, lower consumer prices, improve product quality. The agreement would make necessities such as food and clothing more affordable and more available to our poorest citizens. It would raise productivity and produce a higher standard of living throughout the world. And the resulting economic integration will strengthen American businesses in the global marketplace.

Let me just try to illustrate the stakes that are involved in the Fast Track debate by discussing the Mexican component of the North American free trade agreement. Trade with Mexico has helped both our countries. Just 4 years ago, we had a $4.9 billion trade deficit with Mexico. And since then, Mexico's President Carlos Salinas has slashed tariff rates. He came in determined to shake things up in Mexico and he's done a great job at that. He slashed the tariff rates. Our exports to Mexico have increased nearly 130 percent to $28 billion, and our trade deficit has shrunk two-thirds to $1.8 billion.

This export boom has created an estimated 264,000 new jobs in the United States. And each additional billion dollars in exports creates nearly 20,000 new jobs here in the United States. And meanwhile, the trade boom has offered new opportunities for Mexican workers. It's offered prosperity to those who before had lived in squalor.

Some people are concerned about these negotiations with Mexico. And just this morning -- in the spirit of working closely with Congress, which I am determined to continue -- we sent a detailed report to Chairman Lloyd Bentsen of the Senate Finance Committee; to Congressman Dan Rostenkowski, the chairman of the Ways and Means Committee; and to the majority leader, Richard Gephardt, who, incidentally, has just come back from Mexico. And I believe that this letter and our report responded to the concerns, the understandable concerns, that they have raised. I gave them my personal commitment to close bipartisan cooperation in the negotiations.

While economic studies show that a free trade agreement would produce jobs in the United States as well as greater exports and output, I know that there's a concern -- not just on Capitol Hill but in many of the labor halls around this country -- about job loss. And our negotiators will address these concerns in provisions of the North American free trade agreement. We will ensure an adequate transition period for workers in import-sensitive industries. We will work with Congress to see that dislocated workers receive proper assistance and retraining. I believe we have the answers to the questions that are being raised by the labor unions and by some on Capitol Hill.

At the same time, it is worth noting that the agreement will create high-wage, high-skill manufacturing jobs in the machinery, computer, telecommunications, and electronic industries. As Mexico develops further, it will need even more of these high-tech goods and services. Those goods and services are more likely to come from the United States than from anyone else in the world.

And secondly, President Salinas and the Mexican people have no interest in allowing their country to become a pollution haven for U.S. companies. Because economic growth goes hand-in-hand with environmental protection, we will expand environmental cooperation programs parallel to the free trade talks. I can assure you, having dealt with him and talked to him quite recently in Houston, Texas, on this very problem, that President Salinas is deeply concerned about the problems facing the environment. He has already ordered shut down the major pollution refinery, the PEMEX refinery, in Mexico. And that is strong evidence of his good faith because he had to take on some very powerful people to make that happen.

I will share with you a story that maybe some of you heard me refer to before, but it made a real impact on me when we were talking about the environment. And he says that when the schoolchildren around Mexico City, where they have that high smog content -- when the schoolchildren paint the sky, they don't show the stars. They paint it gray or black. And they can't see the stars. And he said, ``My ambition is that these young children in Mexico will paint in the stars." And I think that says, as emotionally as I could possible say it, something about this man's commitment to doing something about the environment.

And so we are concerned, but we believe that the environmental cooperation programs that we have in mind and that we've discussed with him can satisfy anybody who's reasonable on this question.

And finally, President Salinas has also made it clear that this agreement will improve opportunities for Mexican working people. Mexico has strong laws regulating labor standards and workers' rights. Beyond those, we will also begin new initiatives to expand labor cooperation between our two countries.

None of these things will happen, though -- none of this can happen if we cannot bargain in good faith. If the Fast Track procedures that we have employed for 17 years -- Republican and Democrat administrations alike -- suddenly are withdrawn or weakened, the United States must continue to open new markets, create new technologies, and seize new opportunities before us. I am confident, and so are the American people, that we can and will prevail in this exciting and challenging world. And I am confident that as we head into the next century -- the next American century -- a strong and healthy America will lead the way.

Thank you all very much for listening and having me over to this most prestigious forum. I'm delighted to have been here. Thank you all.

Moderator. Thank you, Mr. President. We understand you'll take a couple of questions.

The President. That's his understanding, not exactly mine, but go ahead. [Laughter]

Japanese Trade With Mexico

Q. As you know, the Japanese do a lot of low-cost manufacturing in Japanese assembly plants in the maquiladora system right now. Have the Japanese expressed any concerns that the U.S.-Mexico trade agreement might cut them off from Mexico and -- --

The President. I've talked trade with Prime Minister Toshiki Kaifu, and it did not come up in our discussions. But whether that's been represented to our trade negotiators, to Ambassador Hills, or others, I simply don't know the answer to your question. I'm sorry. They shouldn't be worried about it. I mean, there will be new factories, new markets, new products. I mean, I don't think they should worry about that.

Fast Track Authority Extension

Q. In addition to the concerns about the environment and displaced workers, a lot of small manufacturing companies in this country who are suppliers to big assemblers are concerned. What advice have you sought and obtained from such companies in devising your strategy for dealing with Congress towards the Fast Track approval?

The President. I don't know about individual companies, but our dealing with the trade organizations has gotten strong support from the small business groups -- National Federation of Independent Businesses, and other groups as well. And so our dealings, at least the White House dealings, have mainly been with these organizations that represent the smaller businesses. But perhaps our trade negotiators themselves have been in touch with individuals. I just don't know. I know when we were in Mexico we met with some Mexican business people and American business people. Some of them were very large businesses, but there were some small businesses involved there, and we got their input. But whether there's a concerted effort to approach all these companies, I'd have to leave that to the Departments to give you the answer.

Mexico-U.S. Relations

Q. Mr. President, critics of the proposed free trade agreement with Mexico have cited their concerns over environment, labor laws, and possible job losses in this country -- all of which you have addressed today and responded to. I think there may be an area that's sort of been given short shrift. Every year $1 billion-worth of stolen cars, trucks, and airplanes are transported to Mexico. Yet Mexican officials are doing nothing to stop this illegal trafficking and may, in fact, be thwarting efforts to stop it. Don't you think it may be a little inconsistent for this country to

further open its borders with Mexico while such chronic and basic law enforcement problems exist and aren't being dealt with?

The President. No, I don't think so. I think that problems like this, problems of illegal drugs, that you could have mentioned and didn't, that are coming across the border that concern our citizens need to be solved. There's no question about it. But I think a more prosperous Mexico and a more prosperous border on the United States side would be one antidote -- would be one thing that would be helpful.

But, look, we have got to enforce existing laws. We have got to do better in terms of interdiction. And I think we are. And one of the reasons we are doing better is that in this administration under President Salinas we are getting -- I think most of our law enforcement people would tell you -- superb cooperation.

Now, having lived in Texas, why, I know that it's not -- we face some of the same problems along our border that Arizona does. And so I would say that they ought not to use the existing problems to hold up -- problems of crime going across borders, or border brutality, or drugs coming in -- to hold up an important trade agreement.

And if, indeed, this does benefit the people of Mexico, and if you then have a little higher standard of living along the Mexican side of the Mexican border, I would argue with my critics that this would be a sure-fire way to reduce illegal exit or crime or whatever.

That's the way I'd respond to it. But I don't want you to think from the answer that we are unconcerned about the violations of the law.

Last one. Here we go.

The Economy

Q. You have fought very hard to lower the interest rate as a way to stimulate the economy. Yet two million more people are unemployed this year than last year. And the construction industry is not doing any work at all. People can't borrow money because they're overextending from their small savings already. How can just dropping the interest rate get us out of a recession if -- --

The President. In the first place, I think we're going to be coming out of the recession, particularly with this drop in interest rates. So, I would argue with the people that disagree that we will. Most of the indicators -- I think most of the economists, most of the blue-chip forecasters agree with what I've just said.

Secondly, I think dropping interest rates is the best way to stimulate economic growth and to create new jobs and new opportunity. Remind me what was the predicate again -- that two million

-- --

Q. The fact that two million more people are unemployed -- we can't seem to stimulate the economy no matter what the industries are. And people are already too heavily in debt in this country.

The President. New jobs is the answer, isn't it, then, to those that don't have a job. And the way you get new jobs is you go for a growth agenda like I tried to answer here today. And we will come out of this recession, which isn't, fortunately, as deep as some in the past, and when we do come out of it you're going to see growth. And growth is going to create new jobs. And that two million or whatever the figure is will decline. I'm absolutely convinced of it. That's what's happened in every other recession.

And so the unemployment figures -- anytime it's -- my view is -- they always ask me, what's acceptable unemployment? For the guy who doesn't have a job, nothing. No percentage is acceptable. I will say, historically, the unemployment figures have been a lot worse in this country. And when the recessions that they were part of ended, people went back to work in large numbers. So, I think the best answer for hope for the people that are unemployed lies in economic growth, new opportunities.

Q. When do you predict the end of the recession?

The President. I can't give you an exact time. But would you settle for a general ``sooner rather than later''? [Laughter] Because it's going to -- wait until you see the effect of these rates. I mean, I don't really know the answer to your question. And if I did, I wouldn't tell you because the last thing a President needs to be doing is predicting interest rate levels or levels of where the stock market ought to be, or something of this -- I just couldn't get into it. But I do -- I believe, as do most of the forecasters, that the recession will not be a long and deep recession. And I think I'd go with the average of the blue-chip forecasters who seem to indicate that we'll be out of it fairly soon. But I've got to stop short of a definitive date.

Thank you all very, very much.

Note: The President spoke at 12:07 p.m. in the Ballroom at the Washington Marriott Hotel. In his remarks, he referred to Jim Kennedy, Sandy Duerr, Randy Smith, and Susan Thomas, secretary, president, vice president, and former president of the Society of Business Editors and Writers; Vice President Dan Quayle, Chairman of the Council on Competitiveness; Secretary of Agriculture Edward Madigan; President Carlos Salinas de Gortari of Mexico; Senator Lloyd Bentsen; Representatives Dan Rostenkowski and Richard A. Gephardt; Prime Minister Toshiki Kaifu of Japan; and U.S. Trade Representative Carla A. Hills.

Remarks at a White House Briefing on Fast Track Authority Extension

May 1, 1991

The President. Thank you all very much. Please be seated. A thousand apologies for keeping you all waiting, but you had the most knowledgeable Fast Track authority in the country doing the heavy lifting here. Carla, thank you.

But first, thank you all for coming here. I know I've talked to some of you in this room about my favorite subject these days, but I want to just hit it again, and to those I haven't visited with, just urge you to help us if you possibly can. This Fast Track authority question is absolutely fundamental to our major foreign policy objectives.

And we can't look at it narrowly. We've got to look at in terms of the big foreign policy picture. And I'm not talking just about the importance of getting an agreement with Europe; I'm talking about our friends to the south, about the potential that lies in a democratic South America. And I'm not talking there just Mexico and beyond.

And so, we have here a subject I want to talk about in a little more detail, but I want to put it into that broad foreign policy context. It is in the vital national interest of the United States that we get this Fast Track authority, not just to hammer out a successful conclusion to the GATT round but to get this free trade agreement with Mexico, which will show that we are not discriminating by simply looking one direction, that we recognize the potential of our neighbors to the south who are our friends, and that we want to support the change that is so exciting that's taking place to our south.

So, as you know, and maybe Carla -- did you talk about the letters today? Well, I've sent up to the Congress our views on these opportunities that are offered. And maybe you've gotten the details of the response to Lloyd Bentsen, Dan Rostenkowski, and Dick Gephardt to very important letters that we got from them. And they have a constitutional responsibility. They are entitled to our full cooperation and consultation. And I think we've responded, thanks to Carla's leadership, in a very forthcoming way to understandable concerns.

There were two points that our response to the Congress made crystal clear. One is that we've got to seize the opportunities that are afforded by this North American free trade agreement because it's in our interest -- the point I made to you. And then the second one is that we are determined -- and this is the one of vital importance to Members of Congress and to many in this room -- that we're determined to work with Mexico to address the labor and environmental issues that are of common concern.

We also, in these undertakings, make a commitment to negotiate an agreement with all the transition and adjustment provisions necessary to avoid disruptions at home. I would not be pressing this if I felt that this was going to be detrimental to the Americans that needs jobs, or Americans that have jobs. And our response also demonstrates how and why economic growth and enhanced cooperation between our governments -- made possible by this North American free trade agreement -- help dramatically improve labor conditions and also environmental protection.

I'm sure it won't work the way our critics say. In other words, they say it's going to be bad for American jobs, more people thrown out of work. And they say, bad for the environment. And I don't agree with either of them. In fact, I think we've got very good answers on the opposite sides of those two allegations.

The central issue in the Fast Track debate is whether we're going to remain a leader in opening markets and in expanding trade. Everyone in this room knows that exports are absolutely essential, that they're more vital than ever to our own economic growth. And, look, the stakes are high. Nobody's hiding that fact. There are high stakes in this. And with Fast Track we can complete that Uruguay round.

We've gone through like a roller coaster -- ups and downs -- as Carla's tried to hammer out an agreement in the GATT that would be good for all of us. And it's been difficult. But I am convinced that we can complete that Uruguay round and also this North American free trade agreement -- NAFTA -- and lay the bases for our continued competitive success in world markets. And it will carry us well into the next century, in my view. And without Fast Track we're going to lose our ability to achieve these ambitious and important goals. I don't believe protection or isolation or quasi-isolation can do anything other than diminish the growth that is essential in this country, essential to the well-being of all American families.

And I might say today, I was very pleased to see those interest rates come down a little, speaking of growth and getting this economy going.

In the response that Carla helped fashion and that we sent up today, I've given Congress a personal commitment to close the -- to have the best possible cooperation -- best possible cooperation and consultation in the NAFTA, in the Uruguay round, and beyond. And beyond, I'm talking about the Enterprise for the Americas Initiative.

I'm giving my assurance that we take the time necessary to conclude agreements in which the Congress, the administration, the private sector, indeed, all Americans can take pride. There's a timeliness here in getting this Fast Track approved. But the very fact that we're rushing and trying and driving to get that done by dates certain does not mean that we have to rush in thereafter to some bad agreement. We're not going to do it. We could have made a bad agreement long ago.

One night I asked the telephone operators here, I said, ``Would you please get Ambassador Hills?'' It was about 5 or 6 in the evening. But they're so efficient, you know. And the phone answered, ``Hellooo'' -- sound asleep. I'd gotten her -- it's 3 in the morning in some foreign country -- [laughter] -- and back in those days, hammering out, hammering, working hard, trying to eliminate these difficulties. We could have had a bad agreement a long time ago. And she just kept saying no, and had this tough role of moving this thing forward correctly.

So, don't confuse the speed and the urgency of getting this Fast Track authority with the fact that that would lead us to hastily make a bad deal. We're not going to do it. And Carla knows the Congress well, and I know the Congress well, and they are entitled to have us bring back an agreement that we can wholly, enthusiastically endorse. And that's exactly the kind of agreement that I believe we can get.

So, again, I will end where I began: We need your help. And I am fully involved in this. Carla, obviously, is fully involved in it. Our whole Cabinet is energized. We're talking to as many groups as we can. I've been to Texas and to California to visit mainly with Mexican-Americans, but Hispanic groups. There's a lot at stake in this point. And it's something I feel strongly about in my heart. I don't want anybody to be able to allege that we're using different standards here in setting out agreements -- one for the north, one for the south. We're not going to do that. We're not going to do it because it isn't right. And we're going to approach Mexico as the trusted friend and partner that they are. And if there's anybody that deserves this kind of consideration, it is President Salinas in Mexico, who has already made some dramatic changes in that society and in that economy and in his approach to the environment and in his support on the questions of law and order. And he is entitled to a fair shake on all of this, and I am determined that he get it. So, we're going to go forward as best we can.

Did you tell them about Salinas' commitment to the environment?

Ambassador Hills. Not your story -- --

The President. Well, the story is really beautiful because what it is -- and it really touched me as a grandfather of thousands. [Laughter] But I know some of you will be as moved by it as I was. I mean, this man is committed. He has shut down the largest polluting refinery in Mexico over the -- and had to fight to do this, had to fight special interests to get this done. And he did it because of the commitment to the environment.

But the story that he tells is about how the children in Mexico, particularly Mexico City, when they paint a picture of the sky at night, it's gray or black. And he said, ``I want these children to paint the sky with stars in it.'' And he is determined that they do, that you don't have a 6-year-old in the first grade who never sees the stars because of the environmental pollution. And it's a commitment. I mean, that's an emotional portrayal of his commitment that he has subsequently demonstrated in many, many ways.

So, I've got to convince the Members of Congress on these questions of labor, questions of the environment. We've got to explain that Mexico's economic success -- it isn't a threat to us, it's an opportunity. It's an enormous opportunity. I just got a question over there about the -- questions on the border. I'm from Texas, and I know some of the border problems and I know, in the past, how we kind of fenced with each other about these border problems that exist, whether it's people that come here illegally or whether it's the drug question.

But I can tell you from the bottom of my heart that we're getting superb cooperation. That isn't to say we don't have a ways to go. But we want to work with these people in that way. They're our friends. They're our future, in a sense, because we have an enormous potential market there and on below. And we're committed to the democracy that is sweeping most of South America.

So, I get very intense on this question because I really believe it is in our interest. And as people struggle to improve their societies, we ought to be in there helping. And it will help Mexico, but it will also help the United States.

So, on these technical questions that are of understandable concern to the labor unions or to the environmentalists, we understand their concerns, and Carla has done a superb job of answering those concerns.

Again, we need you. This is a team effort. It is not going to get done by the most able Trade Representative we have, by the President, by any individual member of the Cabinet. We've got to get this done by people like yourselves weighing in where you can with these Members of Congress. And I pledge to you that I will go the extra mile because I am absolutely certain it is in the best interest of this country we all love so much.

Thank you very, very much.

Note: The President spoke at 2:49 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to U.S. Trade Representative Carla A. Hills, Senator Lloyd Bentsen, Representatives Richard A. Gephardt and Dan Rostenkowski, and President Carlos Salinas de Gortari of Mexico.

Remarks to Agriculture Groups and an Exchange With Reporters

May 2, 1991

The President. Well, let me just say first, welcome to the White House. I want to take this opportunity with the Secretary here and leaders in American agriculture -- and I use that term advisedly -- here in the White House to publicly acknowledge the very positive response that we've received from key Members of the House and Senate on this legislation, this Fast Track question. I am confident that the growing support for Fast Track is evidence of a fundamental confidence, a confidence in our country that we can compete vigorously in the global economy.

And I want to take this opportunity to say we're approaching this in a nonpartisan manner. I am grateful to Senator Bentsen, the chairman of the Finance Committee, Congressman Rostenkowski, the head of the Ways and Means Committee, for their support and for their positive reception to our Fast Track action plan.

I also want to single out the majority leader -- I'm not trying to position him on this, but he went all the way down to Mexico in a spirit of honest inquiry to meet with President Salinas. We are trying to respond to the questions that he has appropriately raised, and he's committed to carefully review our plan, and I think that's good. I think that's the proper spirit and approach to this matter, and we are going to work very, very hard to expand markets, not just for agriculture but for the working men and women all across this country.

So, that was what I wanted to say. And now I want to hear from you all in just a minute after we are left alone. [Laughter]

Fast Track Legislation

Q. Are you going to win on the Fast Track vote?

The President. Yes, we're going to win. But we're not overconfident; we're not bragging about it. But we're going to work very, very hard. But we are in this to win. It is vital to the United States, to the working people in this country. And it is also vital to our foreign policy objectives around the world, not simply in this hemisphere. It is fundamentally at stake -- but also in Europe and Japan and everyplace else.

Middle East Peace Talks

Q. Are you going to send Secretary Baker back to the Middle East, Mr. President?

The President. Well, he's traveling a lot. [Laughter] I'll be talking to him this evening, but I don't have any -- and there's no immediate plans, but that could change -- --

Q. Is there any merit -- --

The President. -- -- that could change any minute. I am not pessimistic. I am determined that we are going to be the catalyst in that troubled corner of the world for peace. Problems there have been going on for years. But I had a long talk with the Secretary yesterday upon his return, and I'm not pessimistic. I realize there's some strong, big obstacles -- put it that way. But I think everybody would agree that that area of the world is long overdue to have peace for it.

Thank you for -- --

Q. Is the window of opportunity closing up, you think?

The President. What's that?

Q. Is the window of opportunity closing up?

The President. Well, I don't think it's closing, but with this respect and credibility that we properly have in that part of the world, I think we're better positioned than we have been anytime in the last years to be this catalyst for peace. But I don't feel that time is running out in that sense, that we won't have any time after a week, or 2 weeks, or 3 weeks, or something of that nature. But one of the reasons Jim traveled as extensively -- he did is to take the opportunity, based on the support we had in Israel and in these Arab countries, to try to bring them together.

Q. Well, what has happened? I mean, why the stalemate now?

The President. Because it's gone on for many, many years, Helen [Helen Thomas, United Press International]. And you don't solve a problem of this complexity overnight.

Q. No, but it seems to have been -- --

The President. But it's going -- he's making some progress, and I wish I could share with you what it is. But when you're dealing in negotiations that are this sensitive, there are some things that are better kept on a quiet track. I'm just hopeful that we can build on the progress that's already been made.

Q. Well, does that mean bringing Jordan into contact with the Israelis -- ready to meet -- --

The President. Well, we'll have to stay tuned to get the answer to that one. But, obviously, we

want people talking to each other.

Chairman of the Joint Chiefs of Staff Powell

Q. Are you reading any books lately?

Q. Did Colin Powell disagree over the policy on the Gulf, that he was for containment and you were for action?

The President. How could we have disagreement when you see such a superb military operation -- absolutely -- it's just we were -- here's my view on all this fascination with -- what they're asking about is a new book that's trying to say who's up, who's down, who won, who didn't. [Laughter] For those who are not from Washington, let me tell you, we feed endlessly like piranha fish -- [laughter] -- this kind of information. And it's just -- you know.

But as far as Colin Powell goes, he owes the Commander in Chief his advice. When the Commander in Chief makes a decision, he salutes and marches to the order of the Commander in Chief. If there's anybody that has the integrity and the honor to tell a President what he feels, it's Colin Powell. And if there's anybody that is disciplined enough, and enough of a leader to instill confidence in his troops, it's Colin Powell. So, it went very, very well. And the book that they're asking about has some things in it that are true, I'm sure, but I guess the only things that I've seen in it -- called to my attention are those that aren't. So, I, in fairness, ought to read it, which I don't plan to do right away because I'm very busy. [Laughter]

But does that answer it, Charles [Charles Bierbauer, Cable News Network]?

Q. Well, not necessarily. If you say -- --

The President. Well, what have you got going? As you can see, these people are fascinated. I want to talk to them about Fast Track in agriculture -- [laughter] -- and you want to talk about a book that neither of us have read. [Laughter]

Q. If, as you say, he owes you advice, was his advice to continue with containment, whereas your decision was -- --

The President. Let history record that. I'm one that doesn't believe in trying to point out differences. The advice I get -- if an adviser of mine, the Chairman of the Joint Chiefs, the Secretary of Defense, the Secretary of State thought that every time they gave advice it was going to be advertised, I wouldn't get any advice.

People don't want to do that. And these people dealt frankly. And, of course, you're going to have some that think one thing is going to work. But nobody could have been more supportive, and

nobody could have done his job better in every way than Colin Powell -- whether it's giving advice to the President or whether it was saluting and marching to the orders of the President when we decided to go to war. And so -- --

Q. And that was -- the decision was yours alone, then, wasn't it?

The President. Any decision of that nature is the decision of the President of the United States. Absolutely. And Colin couldn't have given me more sound advice along the way, and couldn't have been a better team player, and couldn't have been a more sterling military commander. And it was just a superb effort. And these little kind of nit-picking analysis after the fact -- the American people will look at it, they'll be interested, but they're going to rejoice in a clear victory, and they deserve to.

Thank you so much for your -- [laughter].

Q. Did he call you up today to ask you -- --

The President. No, but I called him up today.

Q. And what happened?

The President. And I said, ``If you have any angst, forget about it." [Laughter] And he said, ``I don't." He said, ``I have none at all." And that's typical of him. He's a generous and superb commander, and a great Chairman of the Joint Chiefs. And nobody's going to drive a wedge between him and me. I don't care what kind of book they've got, how many unnamed sources they have, how many quotes they put in the mouth of somebody when they weren't there. They are not going to divide us on this.

Q. How about Schwarzkopf?

The President. Never mind. [Laughter] Get out of here. [Laughter] You're history, Helen. Out of here. [Laughter] You talk about making command decisions? Out. [Laughter]

Note: The President spoke at 1:20 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Secretary of Agriculture Edward R. Madigan; Senator Lloyd Bentsen; Representative Dan Rostenkowski; Representative Richard A. Gephardt, House majority leader; President Carlos Salinas de Gortari of Mexico; Secretary of State James A. Baker III; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff, who was a subject of Bob Woodward's book ``The Commanders"; and Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf. A tape was not available for verification of the content of these remarks.

Nomination of Sally G. Cowal To Be United States Ambassador to Trinidad and Tobago

May 2, 1991

The President today announced his intention to nominate Sally G. Cowal, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago. She would succeed Charles A. Gargano.

Currently Ms. Cowal serves as the Deputy Assistant Secretary of State for Inter-American Affairs in Washington, DC. Prior to this Ms. Cowal served as Minister Counselor for Public Affairs at the U.S. Embassy in Mexico, 1985 - 1989, and as Deputy Counselor for Political and Security Affairs at the U.S. Mission to the United Nations, 1983 - 1985. In addition Ms. Cowal served in overseas assignments including: Tel Aviv, Israel; Bogota, Colombia; and New Dehli, India. Ms. Cowal is a member of the Senior Foreign Service.

Ms. Cowal graduated from De Pauw University (B.A., 1966) and George Washington University (M.P.A., 1969). She was born August 24, 1944, in Oak Park, IL. Ms. Cowal is married, has three stepchildren, and resides in Washington, DC.

Exchange With Reporters on Reports of a 1980 Hostage Agreement

May 3, 1991

Q. Mr. President, would you object to an investigation of the October supplies -- --

The President. I don't take any questions.

Q. Were you ever in Paris in 1980, sir?

The President. Was I ever in Paris in 1980? Definitively, definitely no!

Q. Did you ever meet with any Iranians?

The President. That's all I'm going to tell you. That's all. Please print it. And let's try to stop this rumor-mongering that's going on. Stop repeating rumors over and over again.

Q. How about Casey and everybody else?

Q. Nothing to it, then, sir, eh?

Q. You mean that nobody in the Reagan campaign went to Paris to meet any Iranian official?

Note: The exchange began at 9:48 a.m. in the Oval Office at the White House, prior to President Bush's meeting with President Carlos Andres Perez of Venezuela. Questions referred to reports of an effort by the Reagan-Bush campaign to keep Iran from freeing 52 American hostages just before the 1980 election. William J. Casey was President Reagan's campaign chairman. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Carlos Andres Perez of Venezuela

May 3, 1991

The President met today with Venezuelan President Carlos Andres Perez, who is on a private visit to the U.S. The two leaders discussed the peace process in El Salvador, expressing their satisfaction over the agreement reached last weekend by the Government of El Salvador and the guerrillas. The President praised President Perez' efforts on behalf of peace in El Salvador.

They also discussed Nicaragua, with both leaders indicating their willingness to help Nicaragua clear its arrears with the World Bank and the Inter-American Development Bank as soon as possible. The United States is prepared to make a substantial contribution to this effort, and so is Venezuela. Spain, Mexico, and other countries are also offering very generous contributions. We hope that with this assistance, Nicaragua will be able to move forward with its economic reform program.

Both Presidents reaffirmed their strong commitment to democracy and pluralism in Haiti. On Suriname, the President and President Perez also set forth their strong support for civilian democratic rule; both agree that the May 25 elections will be a fundamental test of the Surinamese military's willingness to permit a genuine democratic process.

Finally, the two Presidents discussed international oil issues. President Perez briefed the President on a proposal for a multilateral consumer-producer dialog. The President reaffirmed the U.S. commitment to strengthened bilateral energy cooperation and consultations, including our excellent consultations with Venezuela. He reaffirmed the U.S. position that price, production levels, and related issues should be determined by market mechanisms, not by multilateral negotiations.

Following their meeting, President Perez left for Houston, TX, Tulsa, OK, and Palo Alto, CA. He will be honored at the graduation ceremony of the University of Tulsa on Saturday.

Statement by Press Secretary Fitzwater on Disaster Assistance to Bangladesh

May 3, 1991

The President has sent a message to Prime Minister Zia of Bangladesh expressing his condolences and those of the American people on the horrible devastation caused by the recent cyclone. Our hearts go out in particular to the families of the numerous victims of this terrible tragedy.

We also have assured the government of Bangladesh that the United States stands ready to assist in the tasks of relief and reconstruction. The U.S. Government already has provided $2.1 million in disaster assistance for medical supplies, water purification tablets, and funds to support the procurement and distribution of other high priority relief items by nongovernment agencies.

We are looking into other means to help Bangladesh obtain its highest priority needs for clean water, dry food, helicopter transport, clothing, and temporary shelter.

We will be providing additional U.S. Government assistance and we call upon individual Americans and indeed all members of the international community to be as generous in providing aid and comfort to the people of this disaster-stricken nation.

Statement by Press Secretary Fitzwater on the Establishment of the George Bush Presidential Library in College Station, Texas

May 3, 1991

Pursuant to the provisions of the Presidential Libraries Act of 1955, the President has accepted a proposal that a library to house the official records of his Administration be constructed at Texas A&M University. This decision follows an extensive review of the various library proposals by the Archivist of the United States, Don W. Wilson.

The library will be constructed on the campus of Texas A&M University at College Station, Texas. It will be financed through non-Federal funds, and will be administered upon completion by the National Archives and Records Administration.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

May 3, 1991

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (92 Stat. 739; 22 U.S.C. 2373(c)), I am submitting to you this report on progress toward a negotiated settlement of the Cyprus question. This report covers the period from January through March 1991.

This was a period characterized by developments that hold promise for reopening negotiations, under the aegis of the United Nations Secretary General, for further work on a draft outline for a final settlement. As I reported on January 30, the Secretary General's Special Representative in Cyprus, Ambassador Oscar Camilion, and his Director for Cyprus in New York, Mr. Gustave Feissel, had for several months been meeting with leaders of the two communities to explore elements of the outline on which they might agree.

In support of this process, Mr. Feissel held during January and February a series of discussions with a representative of the Turkish Government. After concluding these discussions, Mr. Feissel traveled to Cyprus during the first week of March where he joined Ambassador Camilion for separate meetings with President Vassiliou and Mr. Denktash.

On March 27 the Secretary General reported orally to the members of the Security Council on the status of his good offices mission on Cyprus. His assessment included the main issues that require further clarification. The Secretary General noted that ``current conditions are favorable. Progress is within reach if all concerned are willing to seize the moment and make their contribution." He called for a continuation of the discussions of the last few months in order to resolve outstanding issues, and said that once this was accomplished, it would then be possible to complete the draft outline and invite the two leaders to meet with him again.

On March 28 the President of the Security Council issued a statement in response to the Secretary General's oral report. The statement renewed the full support of the members of the Security Council for the Secretary General's efforts, and encouraged him to continue those efforts. It also urged ``all concerned to act in a manner consistent with resolution 649 (1990), to cooperate fully with the Secretary-General and to continue the discussions that have taken place over the past few months in order to resolve without delay the outstanding issues."

On the island, other developments contributed to a more positive environment between the two communities. First, on February 12, several Greek Cypriot and Turkish Cypriot political leaders met jointly for the first time in almost a year at the Ledra Palace Hotel in the buffer zone. On

March 18 several Greek Cypriot political leaders crossed the buffer zone to north Nicosia to attend an anniversary reception for a Turkish Cypriot opposition political party. Additional intercommunal contacts among political party delegations followed.

Second, on March 21 the Minister of Defense of the Government of Cyprus, Mr. Andreas Aloneftis, announced that his government's defense fund expenditures for 1991 were to be cut in half. This is a welcome development.

With respect to U.S. involvement in the Cyprus issue, I am pleased to report that Secretary of State James Baker met on March 1 with Foreign Minister George Iacovou of the Republic of Cyprus for a thorough discussion of prospects for movement on the Cyprus issue. Foreign Minister Iacovou also met with my Assistant for National Security Affairs, Brent Scowcroft, Assistant Secretary of State Raymond Seitz, and my Special Cyprus Coordinator, Ambassador Nelson Ledsky.

In mid-February Foreign Minister Alptemocin visited Washington to continue a dialogue on Cyprus that he and Secretary Baker had established through an exchange of letters in January. He had meetings with Secretary Baker and me. On March 15, during his trip to Ankara, Secretary Baker discussed the Cyprus question with Turkish President Ozal and Foreign Minister Alptemocin.

On March 23 I discussed the Cyprus issue with President Ozal during his visit to Camp David. At that time Secretary Baker also continued his discussions with the Turkish President. In all of these discussions Secretary Baker and I have had as our firm objective the facilitation of the U.N. Secretary General's good offices mission.

I believe these developments provide hope that we are on the right path to completing a draft outline. I note with pleasure the cautious optimism of the Secretary General that, with the help of the leaders of the two Cypriot communities, the task can be completed within the next few months. The United States will continue to do all it can to facilitate this process.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Remarks to Cochran Gardens Community Members in St. Louis, Missouri

May 3, 1991

Thank you, Governor, and thank all of you. Bertha was telling me you've been out there in the rain for 2 hours. That's beyond the call of duty, as we say over there -- as General Schwarzkopf would say. But let me just say how pleased I am to be here. Bertha asked about Barbara Bush, and I wish she was with me today; she wishes she were here, too. But she's doing an awful lot to help kids learn to read. And I hope all of you kids here today will take a lesson on that and do your level-best in reading and in studying.

Bertha was telling me about the wonderful spirit here. And I wish I'd heard the drum and bugle corps in action. Maybe we'll get to hear them when we finish here. But we congratulate all of you over there.

Let me salute our two Senators, Senator Bond and Senator Danforth. And of course, I'm delighted to have with me here today a man who has been here before, who lives this ideal of home ownership, tenant management, and that's Jack Kemp, our Secretary of HUD. What a job he's doing.

On the way over here, we passed an extraordinary place, that new children's playground. And where once was called Little Nam, a war zone of drugs and decay, you've created a field of dreams. And where dope dealers once roamed, children now can be children. And they can learn, and they can laugh, and they can play. And you deserve great credit for giving these kids hope.

You know, people who have never seen housing development don't understand how significant a small playground can be. But this playground is just one of your many achievements. You've shown an entire nation what great things people accomplish when they get an opportunity to take control of their own communities, when men and women seize their homes and streets from drug dealers, when we empower people and not the bureaucracy.

What a contrast to the dismal legacy of projects like Pruitt-Igoe. Think of how Pruitt-Igoe suffocated this community, attracted crime and sheltered drugs and shattered hope. To me -- to many of us here -- that vacant tract symbolizes the failure of the past.

And today, more and more Americans know that the solutions of the 1960's can't meet the challenges of the nineties, that a system that puts government bureaucracy in charge of everything leaves no room for individual dignity -- the dignity that Bertha's fighting for, that all of you believe in -- a system that warehouses people, strips them of their humanity. I'm here to say, if the system's not helping build a better life, then we must change the system.

Last November I signed the National Affordable Housing Act, the most radical departure in Federal housing policy in two decades. And I want to thank Kit Bond, Senator Bond, who serves on the Senate Banking Committee, who worked hard with Secretary Kemp to get that act through the Congress. Its core is HOPE -- you see the sign right there: Homeownership and Opportunity for People Everywhere. HOPE moves policy in a new direction. It lets public housing residents like you manage your property and eventually own your property.

Although I'm proud that under our administration the number of residents groups training to become resident managers has leaped from 13 to 100, we've got to do more. Today -- now, listen to these numbers -- three million people live in public housing. Yet barely 9,000 units -- barely 9,000 -- are managed by their residents. I call on Congress to give us full funding -- $855 million in fiscal '92. We don't just want a piece of the program; we want the whole darn thing: one million new low- and moderate-income homeowners by the end of 1992.

I also would like to announce two new initiatives today, initiatives that honor people's dignity and ability. The first is the Enterprise Zone and Jobs-Creation Act of 1991, which I'm proud to say will be introduced in Congress next week by our own Senator John Danforth and by Senator Joe Lieberman. This act would plant the seeds for a real urban revival. It designates up to 50 enterprise zones over a 4-year period, one of which could very well end up right here in St. Louis.

Now, you all understand the concept beside enterprise zones: They convert poor neighborhoods into centers of work, centers of opportunity, and they ensure that the most successful entrepreneur in a neighborhood -- ensure that that entrepreneur will not be a crack dealer. It will be that a man or woman who starts a business, demonstrates the value of hard work, offers jobs to local residents.

You also know that you can't start up a business without money. This bill also eliminates capital gains taxes on the development in the zone. It tells potential investors: Put your money right here; put the jobs right here. And that's where I need your help.

It also gives these enterprise zones priority as a free-trade area status. That would let businesses in the zone import materials duty-free if the products are sold abroad. Our Tax Code ought to promote growth. It ought to promote investment and entrepreneurship and opportunity throughout the land. And that's why I have tried repeatedly to get the Congress to cut the capital gains tax. That tax is a tax on the American dream. It is a tax on growth. And we ought to get rid of it so you can have more jobs and opportunity right here in this very area.

You know, the Enterprise and Jobs-Creation Act of '91 makes it possible to turn communities that were once riddled with despair and isolation into neighborhoods that are greenlined for growth and jobs and opportunity. And in that spirit, I'm proud to announce a second initiative: the Community Opportunity Act of 1991, which we will transmit to Congress today. This legislation rejects the idea that Washington knows best. It challenges localities like yours to develop

``community opportunity systems." And these would enable poor citizens to tailor Federal programs to meet their actual needs. The bill also lets Federal officials set aside regulations that might otherwise prevent citizens from devising programs that work.

This act shifts power from the heavy hand of the state to the dedicated hands of the people. I have enough confidence in the American people to believe that they will create new hope and opportunity, that they will devise new and effective solutions if they are just given a chance. You don't want a crutch. You want a ladder, a ladder of opportunity to a better future. And that is what we are determined to provide.

Most Members of Congress, you know, say they want to revive our cities. And now we can test them. We can put them to the test. I call on the Congress to support our HOPE program fully. I call on the Congress to pass the Enterprise Zone and Jobs-Creation Act of 1991. And I call on the Congress to enact the Community Opportunity Act of 1991 right now.

Bertha, Bertha Gilkey -- I've got this quote of hers: ``We don't want to be taken care of; we want to take care of ourselves." That is, to be treated like human beings, not numbers in a housing project.

And people all across this country said: Yes, we want dignity, we want independence, we want responsibility, and we want to own our own homes, and we want to control our destinies. And I would say to the Congress: Congress, you ought to start thinking anew. Give the people a chance now, and pass this new legislation, and don't go back to the old answers that have failed the people of St. Louis year in and year out. It's time to think anew. So, I am convinced that together we can build upon your success. We can offer new opportunity, new optimism, new hope to people condemned to daily bleakness and hardship.

So, please join me. You do have some power in your hands. Get ahold of your Congressman; convince him to think anew and give these new ideas a chance. Because Bertha is right: homeownership builds dignity. Homeownership offers people a real bite of the apple, a chance for the great American dream to come to everybody.

Thank you all, and God bless you, and may God bless our great country, the United States of America. Thank you very much.

Note: The President spoke at 12:40 p.m. in the Cochran Gardens Community Center. In his remarks, he referred to Gov. John D. Ashcroft of Missouri; Bertha Gilkey, president of the National Tenant Union and chairperson of the Cochran Gardens Tenant Management Corp.; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; Senators Christopher S. Bond, John C. Danforth, and Joseph I. Lieberman; and Secretary of Housing and Urban Development Jack Kemp.

Message on the Observance of Cinco de Mayo

May 3, 1991

I am delighted to send warm greetings to all those celebrating Cinco de Mayo.

As you recall the events of the Battle of Puebla, it is fitting that you pay tribute to the brave individuals whose tenacious love of freedom helped to secure independence for Mexico. Through your parades, festivals, dances, and speeches, you not only celebrate their victory but also ensure that every generation continues to learn about Mexico's perseverance on the long road to freedom.

Today, the United States and Mexico are determined to follow a path that will promote greater opportunity and prosperity for our two peoples.

As we celebrate Cinco de Mayo, we reaffirm our friendship and our commitment to the successful conclusion of the North American Free Trade Agreement. By working together to remove barriers to trade and investment, we can promote growth and prosperity for our countries and throughout this hemisphere.

Barbara joins me in sending our best wishes for your celebration.

George Bush

Exchange With Reporters Aboard Air Force One

May 4, 1991

The President. I really have nothing to say in addition to what I said yesterday, but I just want to welcome you on this beautiful -- what a day out there. Fantastic. It is so beautiful. We're going off to this graduation there, the first graduation speech of the year out here at the University of Michigan, where they're really expecting, I think, a large number of people.

Commencement Address

Q. What are you going to talk about?

The President. Just general -- kind of theory -- life its own self, as my friend Dan Jenkins would say. Try to stay awake, Lori [Lori Santos, United Press International]. ``Life Its Own Self." [Laughter] Did you ever read, you know, his book?

But everything's rather calm. You were going to ask about the graduation?

U.S. Military Bases in the Philippines

Q. No, I was going to ask: Is the United States going to be forced to leave its bases in the Philippines?

The President. Well, I don't think so, but we're having negotiations still going on, but it's still no deal. And we've made clear the limits beyond which we are certainly not prepared to go. I think the Philippine leaders understand that. But this isn't any carte blanche operation. This isn't any blank check. And we've gotten a very strong negotiator in Rich Armitage there, who has made clear to the Philippine leaders what the United States position is. But it's too early to say. They go up and down in these negotiations.

Q. Are you willing to walk away from the Philippines?

The President. We've told them that there are certain -- a point beyond which we cannot go. But it's a very important facility there. I think the polls in the Philippines show strong support from the people, but there are some political leaders who are of a different persuasion. But it'll work out; I'm not too troubled by it. There are a lot of other problems out there.

Administration Travel Policy

Q. Is Governor Sununu with us today?

The President. He's down giving a graduation speech today.

Q. Where?

The President. I think it's in Florida.

Q. How did he get there? [Laughter]

The President. Ask him. He's following instructions, as I've said. But this would be considered clearly an official trip, any time you go out like this.

Q. Is that review about over?

The President. Yes, it's getting close.

Q. Up on your desk?

The President. No, but we're very close to coming out with these changes that I've said would be forthcoming.

Alaska Oilspill Reparations

Q. What did you think about the collapse of the Exxon agreement?

The President. Well, I don't really have a judgment on that. I mean, I think that both sides now agree to just go and try to litigate, and that's, in a sense, too bad. But on the other hand, that's their right. The State has a right to call it as they see it, and so does Exxon. So, they'll work it out. It's a good one for us to stay out of.

Iraq

Q. Are we trying to establish a permanent zone for the Kurds as part of the war reparations of Iraq?

The President. I wouldn't phrase it that way. I've always said that we were not interested in a dismembered or fractionated Iraq. That's not our -- I made that so very clear from the very beginning that there shouldn't be any question about that one.

Q. Some London newspaper -- 15 units -- plan for a -- --

The President. I don't know. I didn't see that, and that's certainly not official policy. But certainly

we want these people's lives to be protected against this violence that's been wrought on them for many, many years. It's been going on forever, and it's terrible. But I'm a little pleased with the way that's going out there now, too. America has done what it always does: stand up and try to help people. The operation is superb. I just hope that there will be a peaceful resolution, so they can all go back to their homes, which is what they want to do.

Hey, thanks a million for being with us on this trip. We appreciate you fellas being along, too.

Q. Thanks for inviting us.

The President. Well, that's all right.

Note: The exchange began at 8:45 a.m. while the President was en route to Ann Arbor, MI. In his remarks, the President referred to author Dan Jenkins; Richard L. Armitage, Special Negotiator for the future status of U.S. access to military facilities in the Philippines; and John H. Sununu, Chief of Staff to the President. A tape was not available for verification of the content of this exchange.

Remarks at the University of Michigan Commencement Ceremony in Ann Arbor

May 4, 1991

President Duderstadt, thank you all very much. Thank you for that warm welcome. I want to salute the president, salute Governor and Mrs. John Engler, Representatives of the Congress -- Pursell, Upton, and Vander Jagt, and distinguished Regents, and especially I want to pay my respects to our fellow honorary degree recipients. Barbara and I are very grateful for this high honor. Before this, there wasn't one lawyer in the family, and now we have two.

The last time I was in Ann Arbor, we commemorated John Kennedy's unveiling of the Peace Corps. And as your commencement program indicates, Lyndon Johnson introduced the Great Society in a University of Michigan commencement address.

Today, I want to talk to you about this historic moment. Your commencement -- your journey into the ``real world'' -- coincides with this nation's commencement into a world freed from cold war conflict and thrust into an era of cooperation and economic competition.

The United States plays a defining role in the world. Our economic strength, our military power, and most of all, our national character brought us to this special moment. When our policies unleashed the economic expansion of the 1980's, we exposed forever the failures of socialism and reaffirmed our status as the world's greatest economic power. When we sent troops to the Gulf, we showed that we take principles seriously enough to risk dying for them.

But there's another message. There's another message. We also take them seriously enough to help others in need. Today, men and women of Operation Provide Comfort toil on behalf of suffering Kurds. And today, our thoughts and prayers also go to the hundreds of thousands of people victimized by a vicious cyclone in Bangladesh. Our Government has sent aid to that stricken land. Dozens of private agencies have sprung into action as well, sending food, water, supplies, and donations. The humanitarian instinct runs deep in our people, always has. It is an essential element of our American character.

Our successes have banished the Vietnam-era phantoms of doubt and distrust. In my recent travels around the country I have felt an idealism that we Americans supposedly had lost. People have faith in the future. And they ask: What next? And they ask: How can I help?

We have rediscovered the power of the idea that toppled the Berlin Wall and led a world to strike back at Saddam Hussein. Like generations before us, we have begun to define for ourselves the promise of freedom.

I'd like to talk today about the nature of freedom and how its demands will shape our future as a nation.

Let me start with the freedom to create. From its inception, the United States has been a laboratory for creation, invention, and exploration. Here, merit conquers circumstance. Here, people of vision -- Abraham Lincoln, Henry Ford, Martin Luther King, Jr. -- outgrow rough origins and transform a world. These achievements testify to the greatness of our free enterprise system. In past ages, and in other economic orders, people could acquire wealth only seizing goods from others. Free enterprise liberates us from this Hobbesian quagmire. It lets one person's fortune become everyone's gain.

This system, built upon the foundation of private property, harnesses our powerful instincts for creativity. It gives everyone an interest in shared prosperity, in freedom, and in respect. No system of development ever has nurtured virtue as completely and rigorously as ours. We've become the most egalitarian system in history -- and one of the most harmonious -- because we let people work freely toward their destinies.

When governments try to improve on freedom -- say, by picking winners and losers in the economic market -- they fail. No conclave of experts, no matter how brilliant, can match the sheer ingenuity of a market that collects and distributes the wisdoms of millions of people, all pursuing their destinies in different ways.

Our administration appreciates the power of free enterprise, and our economic and domestic programs try to apply the genius of the market to the needs of the Nation. For example, we want to eliminate rules and redtape that bind the hands and the minds of entrepreneurs and innovators.

Our America 2000 educational strategy challenges the Nation to reinvent the American school, to compete in the race to unleash our national genius.

We've incorporated market incentives into our legislative proposals, so taxpayers will get a fair return on their dollars. Just look at last year's child-care legislation and the Clean Air Act, or this year's transportation bill.

We've proposed a comprehensive banking reform package that strengthens the financial system upon which economic growth depends. We repeatedly have tried to slash the capital gains, so people with dreams have a chance of achieving them.

And we want to extend this dignity of home ownership to people who live now in government-owned apartments. Home ownership gives people dignity.

And although we have tried to transfer power into the hands of the people, we haven't done enough. In a world transformed by freedom, we must look for other ways to help people build

good lives for themselves and their families. The average worker in the United States now spends more than 4 months of each year working just to pay the tax man, and increasing numbers of citizens see that burden as a barrier to achieving their dreams. We've tried to put on a lid on the spending that drives taxes and to concentrate government efforts on truly national purposes. It's only common sense. And if we want to build faith in government, we must demand public services that serve the people. We must insist upon compassion that works.

But the power to create also rests on other freedoms, especially the freedom -- and I think about that right now -- to think and speak one's mind. [Applause] You see -- thank you. The freedom -- I had this written into the speech, and I didn't even know these guys were going to be here.

No, but seriously, the freedom to speak one's mind -- that may be the most fundamental and deeply revered of all our liberties. Americans, to debate, to say what we think -- because, you see, it separates good ideas from bad. It defines and cultivates the diversity upon which our national greatness rests. It tears off the blinders of ignorance and prejudice and lets us move on to greater things.

Ironically, on the 200th anniversary of our Bill of Rights, we find free speech under assault throughout the United States, including on some college campuses. The notion of political correctness has ignited controversy across the land. And although the movement arises from the laudable desire to sweep away the debris of racism and sexism and hatred, it replaces old prejudice with new ones. It declares certain topics off-limits, certain expression off-limits, even certain gestures off-limits.

What began as a crusade for civility has soured into a cause of conflict and even censorship. Disputants treat sheer force -- getting their foes punished or expelled, for instance -- as a substitute for the power of ideas.

Throughout history, attempts to micromanage casual conversation have only incited distrust. They have invited people to look for an insult in every word, gesture, action. And in their own Orwellian way, crusades that demand correct behavior crush diversity in the name of diversity.

We all should be alarmed at the rise of intolerance in our land and by the growing tendency to use intimidation rather than reason in settling disputes. Neighbors who disagree no longer settle matters over a cup of coffee. They hire lawyers, and they go to court. And political extremists roam the land, abusing the privilege of free speech, setting citizens against one another on the basis of their class or race.

But, you see, such bullying is outrageous. It's not worthy of a great nation grounded in the values of tolerance and respect. So, let us fight back against the boring politics of division and derision. Let's trust our friends and colleagues to respond to reason. As Americans we must use our persuasive powers to conquer bigotry once and for all. And I remind myself a lot of this: We must

conquer the temptation to assign bad motives to people who disagree with us.

If we hope to make full use of the optimism I discussed earlier, men and women must feel free to speak their hearts and minds. We must build a society in which people can join in common cause without having to surrender their identities.

You can lead the way. Share your thoughts and your experiences and your hopes and your frustrations. Defend others' rights to speak. And if harmony be our goal, let's pursue harmony, not inquisition.

The virtue of free speech leads naturally to another equally important dimension of freedom, and that is the freedom of spirit. In recent times, often with noble intentions, we as a nation have discouraged good works. Nowadays, many respond to misfortune by asking: ``Whom can I sue?'' Even worse, many would-be Samaritans wonder: ``Will someone sue me?'' Talented, concerned men and women avoid such noble professions as medicine for fear that unreasonable and undefined liability claims will force them to spend more time in court than in the office or in the hospital.

And at the same time, government programs have tried to assume roles once reserved for families and schools and churches. This is understandable, but dangerous. When government tries to serve as a parent or a teacher or a moral guide, individuals may be tempted to discard their own sense of responsibility, to argue that only government must help people in need.

If we've learned anything in the past quarter century, it is that we cannot federalize virtue. Indeed, as we pile law upon law, program upon program, rule upon rule, we actually can weaken people's moral sensitivity. The rule of law gives way to the rule of the loophole, the notion that whatever is not illegal must be acceptable. In this way, great goals go unmet.

When Lyndon Johnson -- President Johnson -- spoke here in 1964, he addressed issues that remain with us. He proposed revitalizing cities, rejuvenating schools, trampling down the hoary harvest of racism, and protecting our environment -- back in 1964. He applied the wisdom of his time to these challenges. He believed that cadres of experts really could care for the millions. And they would calculate ideal tax rates, ideal rates of expenditures on social programs, ideal distributions of wealth and privilege. And in many ways, theirs was an America by the numbers: If the numbers were right, America was right.

And gradually, we got to the point of equating dollars with commitment. And when programs failed to produce progress, we demanded more money. And in time, this crusade backfired. Programs designed to ensure racial harmony generated animosity. Programs intended to help people out of poverty invited dependency.

We should have learned that while the ideals behind the Great Society were noble -- and indeed

they were -- the programs weren't always up to the task. We need to rethink our approach. Let's tell our people: We don't want an America by the numbers. We don't want a land of loopholes. We want a community of commitment and trust.

When I talked of a kinder, gentler nation, I wasn't trying to just create a slogan. I was issuing a challenge. An effective government must know its limitations and respect its people's capabilities. In return, people must assume the final burden of freedom, and that's responsibility.

An introductory course in political philosophy teaches that freedom entails responsibility. Most of our greatest responsibilities confront us not in the government hearing rooms but around dinner tables, on the streets, at the office. If you teach your children and others how to hate, they will learn. And if you encourage them not to trust others, they'll follow your lead. And if you talk about compassion but refuse to help those in need, your children will learn to look the other way.

Once your commencement ends, you'll have to rely on the sternest stuff of all: yourself. And in the end, government will not make you good or evil. The quality of your life -- and of our nation's future -- depends as much on how you treat your fellow women and men as it does on the way in which we in Washington conduct our affairs of state. After all, the opposite of greed is not taxation. It is service.

My vision for America depends heavily on you. You must protect the freedoms of enterprise, speech, and spirit. You must strengthen the family. You must build a peaceful and prosperous future. We don't need another Great Society with huge and ambitious programs administered by the incumbent few. We need a Good Society built upon the deeds of the many, a society that promotes service, selflessness, action.

The Good Society poses a challenge: It dares you to explore the full promise of citizenship, to join in partnership with family, friends, government to make our world better. The Good Society does not demand agonizing sacrifice. It requires something within everyone's reach: common decency -- common decency and commitment. Know your neighbors. Build bonds of trust at home, at work, wherever you go. Don't just talk about principles -- live them.

Let me leave you today with an exhortation: Make the most of your abilities. Question authority, but examine yourself. Demand good government, but strive to do what is good. Take risks. Muster the courage to be what I call a Point of Light. Also, define your missions positively. Don't seek out villains. Don't fall prey to obsessions about ``freedom from'' various ills. Focus on freedom's promise, on your promise.

When John Kennedy talked of sending a man to the Moon, he didn't say, we want to avoid getting stranded on this planet. He said, we'll send a man to the Moon. We must be equally determined to achieve our common goals.

We live in the most exciting period of my lifetime, quite possibly of yours. The old way of doing things have run their course. Find new ones. Dare to serve others, and future generations will never forget the example you set.

This is your day. Barbara and I are very proud to share it with you. Congratulations to each and every one of you. And thank you for the honor.

And God bless the United States of America.

Note: President Bush spoke at 11:22 a.m. in Michigan Stadium, after he and Mrs. Bush received honorary law degrees from the university. In his remarks, he referred to James J. Duderstadt, president of the university; Gov. John Engler of Michigan and his wife, Michelle; Representatives Carl D. Pursell, Frederick S. Upton, and Guy Vander Jagt; and President Saddam Hussein of Iraq. Following his remarks, President Bush traveled to Camp David, MD.

Statement by Press Secretary Fitzwater on the President's Health

May 4, 1991

President Bush is relaxed, comfortable, and having dinner with Mrs. Bush in his room at Bethesda Naval Hospital this evening. He is in good spirits and the doctors' reports are very positive.

President Bush developed atrial fibrillation, which is an irregularity of the heartbeat, while running at Camp David this afternoon about 4:20 p.m. This condition presented itself as unusual fatigue during the run. The President was evaluated by Dr. Michael Nash at Camp David, who detected the irregular heartbeat and found him to be entirely stable with no other symptoms.

The President, accompanied by Mrs. Bush and Dr. Nash, flew by helicopter to Bethesda Naval Hospital, arriving about 5:58 p.m. this evening. At the time of hospital admission, the irregular heartbeat was still present, but the President was completely alert and entirely stable, with no complaints. The President walked into the hospital on his own power.

An electrocardiogram showed no abnormalities except the irregular heart rhythm. An ultrasound examination of the heart showed no structural abnormalities and normal heart function.

The President is undergoing treatment for atrial fibrillation with the drug digoxin. Diagnostic testing and initial treatment took approximately 1 hour. The President has been consulting with Governor Sununu on various issues at the hospital. The President will remain there for observation over the night.

Physicians in attendance are Dr. Lawrence Mohr, colonel of the U.S. Army; Dr. Michael Nash, major, U.S. Air Force, of the White House Medical Unit; and Dr. John A. Williams III, lt. commander, U.S. Navy, a staff cardiologist at Bethesda Naval Hospital.

Mrs. Bush will remain with the President at the hospital overnight. Vice President Quayle spoke with the President by telephone about 7:20 p.m. and found him in excellent spirits.

Note: The Press Secretary read the statement to reporters at 8:30 p.m. in the Briefing Room at the White House. John H. Sununu was Chief of Staff to the President. Later in the week, the President was diagnosed as having Graves' disease.

Statement by Press Secretary Fitzwater on the President's Health

May 5, 1991

The President spent a comfortable night, sleeping well. He awoke at 6 a.m., did paperwork, and spoke with Governor Sununu by phone.

The President is in great spirits, but still has atrial fibrillation. There are no signs of heart damage and no evidence of a heart attack. The President has no other symptoms and feels completely normal. This is corroborated by the blood and x-ray tests which were examined this morning.

The President continues to take digoxin for the atrial fibrillation. This is now being supplemented by the drug procainamide, which is a normal procedure in such cases. The President will remain at the naval hospital today for observation on the drugs.

The President's Physician, Dr. Burton Lee, is supervising the team of physicians who are attending to the President. Dr. Bruce K. Lloyd, captain, U.S. Navy, chief of cardiology at the naval hospital, is directing the President's care. Dr. Allan Ross, chief of cardiology at George Washington University Hospital, is consulting on the President's case.

Mrs. Bush spent the night at the hospital and departed for the White House a little past 7 a.m. She will return to the hospital later today.

The President received a call from Vice President Quayle early this morning, before the Vice President went to church.

The President also spoke this morning with General Brent Scowcroft, his national security adviser; Secretary of State Baker; Secretary of Defense Cheney; and Secretary of Commerce Mosbacher. These were personal calls. There have been no special security concerns.

General Scowcroft and Governor Sununu will meet with the President about mid-morning to provide their routine national security briefing and to discuss other policy matters.

The President also spoke this morning with his son Marvin and his daughter, Dorothy.

The President has received a number of messages from world leaders wishing him good health.

Note: John H. Sununu was Chief of Staff to the President.

Statement by Press Secretary Fitzwater on the President's Health

May 5, 1991

President Bush's diagnosis today remains essentially the same as last night. He continues to take digoxin and procainamide for the atrial fibrillation. While there have been some indications of a positive response to the medicine, the President's heartbeat has not returned to its normal rhythm. The President is wearing a heart monitor and the doctors continue to watch his progress.

In order to allow continued observation of the President, he will remain overnight at Bethesda Naval Hospital. Mrs. Bush has returned to the White House. The President has spent a relatively active day at the hospital, conferring with Governor Sununu, General Scowcroft, his doctors, Mrs. Bush, and other friends that he has called. He visited with his son Marvin and his daughter, Dorothy, at the hospital, as well as his grandchildren Sam and Ellie LeBlond.

The President's medical team met for nearly 2 hours this evening, from 4 p.m. to 6 p.m., to discuss the latest test data. They report that the President is in fine condition, good spirits, and showing some response to the medicine. They will review the President's progress again tomorrow morning, perhaps as early as 5 a.m. or 6 a.m.

The doctors report that atrial fibrillation can last for varying periods of time, sometimes only a few hours, sometimes longer. It is a condition that must be continually analyzed, but can be treated in a number of ways. Because the President is now entering his second day with this heart irregularity, there has been considerable speculation about courses of medical treatment. We want to assure the American people that the President is in a healthy condition. He has not suffered a heart attack. He has not suffered heart muscle damage.

We remain hopeful that the medication will return his heart to normal rhythm. If by morning that is not the case, the doctors will consider electricalcardioversion. This procedure is well-known and relatively commonplace. The risk is minimal, particularly in a patient such as the President who has no demonstrable heart disease. Nevertheless, it would require general anesthesia, which would be expected to incapacitate the President for only a short period of time. The final decision on this will be made tomorrow morning. During the short time that the President would be under anesthesia, the Vice President would be Acting President under the 25th amendment.

Once again, I want to emphasize that we hope that the President will respond to his medicine in a way that returns his heartbeat to normal and no further treatment will be needed. The doctors will make that evaluation early tomorrow morning.

Note: The Press Secretary read the statement to reporters at 9:02 p.m. in the Briefing Room at the

White House. John H. Sununu was Chief of Staff to the President, and Brent Scowcroft was Assistant to the President for National Security Affairs.

Statement by Press Secretary Fitzwater on the President's Health

May 6, 1991

At approximately 10:45 p.m. last night, the President resumed his normal heart rhythm, which was maintained until 4:45 a.m. this morning, at which time atrial fibrillation reoccurred. The attending physicians met at 5:30 a.m. this morning for approximately 2 hours to consider the situation. It was deemed unnecessary to carry out the electrical procedure since the President's response to medication had been encouraging. They decided instead to continue further adjustment of his medication and maintain observation of the President while working here at the White House.

President Bush will be discharged at approximately 9 a.m. this morning and return immediately to the Oval Office. His progress will be monitored here as his medication levels and dosages are observed. It should be stressed again that there continues to be no evidence of organic heart disease.

Today the President will continue his normal responsibilities and activities. He will meet with former Soviet Foreign Minister Shevardnadze at 1:30 p.m. and will conduct other business during the day.

The President rose at 5:20 a.m. this morning. He's in good spirits and anxious to get back to work. We look forward to having him back in the White House very soon.

Note: The Press Secretary read the statement to reporters at 8:38 a.m. in the Briefing Room at the White House.

Exchange With Reporters in Bethesda, Maryland, on the President's Health

May 6, 1991

Q. Mr. President, what do you think?

The President. I feel all right. I've just got to get over and get back to work, and keep a little monitor going here.

Q. Have you had to change your lifestyle at all or -- --

The President. Go ahead and ask the doctors that, but not as far as I'm concerned.

Q. Are you going to lighten up at all for the next few days?

The President. Well, they said to gradually get back into the athletics and not overdo it, so we won't run today.

Q. [Inaudible]

The President. No, it's not caused by jogging. But you ask the doctors; they'll tell you all that. I don't want to get a bad rap on the joggers.

Q. -- -- any particular stress situation?

The President. No. Ask the doctors, because I don't even know that that's the cause.

Q. But is it right now, sir, is your heart beating regularly?

The President. No, it's not in normal rhythm. Ask the doctors what all that means. I've never heard of this stuff before Sunday.

Q. Are you concerned about that at all?

The President. No. If I were concerned I wouldn't be here, I'd be up there.

Note: The exchange began at 9 a.m. on the grounds of Bethesda Naval Hospital, prior to the President's departure for the White House. A tape was not available for verification of the content of this exchange.

Exchange With Reporters

May 6, 1991

President's Health

Q. What did the doctors say?

The President. They're going to have a press conference at 9:30 a.m., I think.

Q. Will you cut back on your schedule at all?

The President. Not much. Kind of work back into it. But I think it's okay.

Q. What about jogging?

The President. Well, we can start again -- he said today if I want to, but I'm not sure I feel up to it yet.

Vice President

Q. What do you think about all the talk of the competence of Vice President Quayle that's been revived?

The President. Hey, he has my full support, always has, and he's doing a first-class job.

Hey, listen, it's great to be back.

Note: The exchange began at 9:20 a.m. in the Rose Garden at the White House, upon the President's return from Bethesda Naval Hospital.

Remarks and an Exchange With Reporters on Ethiopian Jewish Emigration

May 6, 1991

The President. I might just make one comment here to say how much we appreciate Senator Boschwitz going to Ethiopia. A concern of the Falashas, the Jews there in Ethiopia that want to go out and go to Israel, is a concern that I share. And Rudy took a good step forward there in talking to the Ethiopian authorities. It's a mission of conscience, a mission of compassion. And we are very grateful to you for undertaking it.

I'm anxious to hear from you, how you feel things will go. But I know you've got some words of encouragement from the Ethiopian Government. And I think it's a mission that many in this country when they understand it will appreciate it. I'm grateful for your doing it.

Mr. Boschwitz. Well, you've been active in that matter before, very active, Mr. President. So, this is a continuation. Of course, Ethiopia's also in great turmoil, so it's important that we bring peace there.

Q. Is there some reason to believe that the Ethiopians are going to lift the restrictions on emigration?

Mr. Boschwitz. Well, there's some hope that we will. It's a pretty tenuous situation. But I think that they're anxious to meet with some of the rebels, and I think we can bring them together. I think something will happen over there.

Q. Mr. President, can the world deal with three crises at a time -- Ethiopia, Bangladesh, and the Kurds? Are they up to that relief effort?

The President. Resources of the United States are stressed, but the compassion is not. And so, I expect we can do what the United States has always done.

Mr. Boschwitz. The United States moved in 170 million dollars' worth of food in this past year to Ethiopia. We played a very essential role in preventing more egregious starvation there.

The President. Thank you all very much.

Note: The President spoke at 2:32 p.m. in the Oval Office at the White House, prior to a meeting with former Senator Rudy Boschwitz. A tape was not available for verification of the content of these remarks.

Letter to Congressional Leaders on Banking Reform Legislation

May 6, 1991

Dear Mr. Chairman: (Dear Senator:)

As the Committee on Banking, Housing, and Urban Affairs moves forward with legislation addressing banking reform, let me reiterate my strong support for the Administration's proposal to modernize the Nation's financial system. I believe the time has come to address the fundamental problems of our banking system. We must have a comprehensive legislative solution to fuel economic growth through stronger, more competitive banks -- ones that are better able to lend to customers in good times and bad. Without comprehensive reform the economy is exposed to the potential of future credit crunches. This is why the Administration has proposed such broad-based reforms.

A bill that would merely recapitalize the Bank Insurance Fund and make minor changes to the law would be shortsighted. We must fix the fundamental problems in the banking industry, not just fund them. If the Congress fails to adopt a broad-based solution along the lines I have suggested, we may have to face another recapitalization of the insurance fund. This additional exposure of the Bank Insurance Fund imposes risks on savers and taxpayers that no one can seriously desire.

We have taken the first step toward comprehensive reform by laying a broad-based proposal before the Congress. Let us now work together to craft the broad banking reform legislation that this country needs.

Sincerely,

George Bush

Note: Identical letters were sent to Senators Donald W. Riegle, Jr., and Jake Garn, chairman and ranking member of the Senate Banking, Housing, and Urban Affairs Committee.

Letter to Congressional Leaders on Banking Reform Legislation

May 6, 1991

Dear Mr. Chairman: (Dear Representative:)

As the Committee on Banking, Finance and Urban Affairs moves forward with legislation addressing banking reform, let me reiterate my strong support for the Administration's proposal to modernize the Nation's financial system. I applaud your Committee's bipartisan decision to use this comprehensive proposal as the foundation for Committee action before the end of June. My Administration stands ready to work closely with you in every stage of this process.

I believe the time has come to address the fundamental problems of our banking system. We must have a comprehensive legislative solution to fuel economic growth through stronger, more competitive banks -- ones that are better able to lend to customers in good times and bad. Without comprehensive reform the economy is exposed to the potential of future credit crunches. This is why the Administration has proposed such broad-based reforms.

The decision of your Committee to reject a much more narrow approach was the right one. A bill that would merely recapitalize the Bank Insurance Fund and make minor changes to the law would be shortsighted. We must fix the fundamental problems in the banking industry, not just fund them. If the Congress fails to adopt a broad-based solution along the lines I have suggested, we may have to face another recapitalization of the insurance fund. This additional exposure of the Bank Insurance Fund imposes risks on savers and taxpayers that no one can seriously desire.

We have taken the first step toward comprehensive reform by laying a broad-based proposal before the Congress. You have taken the second step by agreeing to take up this proposal in your Committee. Let us now work together to craft the broad banking reform legislation that this country needs.

Sincerely,

George Bush

Note: Identical letters were sent to Representatives Henry B. Gonzalez and Chalmers P. Wylie, chairman and ranking member of the House Banking, Finance and Urban Affairs Committee; and Frank Annunzio, chairman of the Financial Institutions Supervision, Regulation, and Insurance Subcommittee.

Message to the Congress Transmitting an Extension of the Iceland-United States Fishing Agreement

May 6, 1991

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith the Agreement between the Government of the United States of America and the Government of the Republic of Iceland Amending and Extending the Agreement of September 21, 1984, Concerning Fisheries off the Coasts of the United States, as amended and extended. The agreement, which was effected by exchange of notes at Washington on February 11 and April 5, 1991, copies of which are attached, extends the 1984 agreement for an additional 2 years and 6 months, from July 1, 1991, to December 31, 1993. The exchange of notes together with the 1984 agreement constitute a governing international fishery agreement within the requirements of section 201(c) of the Act. The exchange of notes also amends the 1984 agreement to incorporate the latest changes in U.S. law and policy into the agreement.

I urge that the Congress give favorable consideration to this agreement at an early date.

George Bush

The White House,

May 6, 1991.

Statement by Press Secretary Fitzwater on the President's Health

May 6, 1991

President Bush has carried out his normal schedule for the day, indicating several times that he felt well and is glad to be back at work. The President is cheerful and absorbed by conversations with visitors to the Oval Office, often indicating that he feels in the best of health. The President's heartbeat remains in normal sinus rhythm, which means that there is no irregularity.

The White House medical staff continues to monitor the President's heartbeat on a regular basis. A heart monitor has been set up near the President's study just off the Oval Office. A White House nurse checks the President's heartbeat with the monitor between meetings and at other times when the President is not otherwise occupied. During the course of the day, the President's heartbeat has shown no evidence of returning to fibrillation. Monitoring in the days ahead will be done by telemetric EKG equipment.

The intravenous line was removed from the President's arm late this afternoon. The bandage remains only to close the point of insertion. The President remains on digoxin and procainamide.

According to the President's Physician, Dr. Burton Lee, ``The President's medical day in the White House has been uneventful. He has performed the functions of office while maintaining good humor and good health. No problems of any kind have arisen since he left the hospital."

Remarks at the Presentation Ceremony for the Small Business Person of the Year Award and an Exchange With Reporters

May 7, 1991

The President. Thank you all very much. Please be seated. Thank you from the bottom of my former fibrillating heart. [Laughter] To June Nichols, the Acting Deputy Administrator of the SBA; to the SBA regional administrators with us; especially to the Members of Congress with us today: We're delighted to have you here. I just had the honor of signing the proclamation declaring this Small Business Week, and I'm delighted to be with all of you representing small business. Welcome to the White House, America's ultimate mom-and-pop operation. [Laughter]

I've got to admit, I'm glad to be out of the hospital. It's a little unsettling to turn on the news and see Peter Jennings [ABC News] pointing to a diagram of a heart with your name on it. [Laughter] It's not even Valentine's Day. [Laughter]

But there's an extraordinary force at work inside America, a force that does the good work of this country, a force that embodies America's can-do spirit. And that force, as we all know here today, is small business, made up of over 20 million men and women across the land who have taken control of their own lives, made their own choices and decisions; 20 million who stake out their goals and pursue them with determination and grit and vision; 20 million who believe in themselves, their neighbors, their country. And we're here today to celebrate these 20 million pieces of the American dream.

And we're going to meet five of them. You know, the Small Business Person of the Year is one of the most important awards that is. Because it's an award of the American spirit, a spirit that doesn't understand the word ``no."

Joann Schulz wouldn't take no for an answer. When an accident totally disabled her for more than 3 years, she refused to put her life on hold. She earned two degrees in that time. And when she couldn't afford to continue with her education, she found a job in the opthalmic business. She came up with an idea for making products for opthalmic surgeons. And when she did that she wouldn't listen to ``no" -- she started her own business.

Joann wouldn't give up on life when her husband died suddenly. Instead, she poured her energy into her work. The results: Sales have climbed from virtually nothing to $5 million in just 5 years. Her staff has grown from 3 employees to 75. What once was virtually a neighborhood operation now sells products in 22 nations around the world.

Joann has conquered adversity, and she's built a future. And for that, we proudly name her the

1991 Small Business Person of the Year. Congratulations.

Leo LeBlanc wouldn't say no to life, either. Just when his wife developed a life-threatening illness, this corporate vice president was fired. Leo didn't give up. He said yes -- yes to starting over, yes to finding and pursuing his own dream. He took over Enterprise Brass Works, making equipment for the petroleum industry. He instituted innovative reforms and showed faith in his workers and himself by purchasing the company, putting every asset he owned on the line.

And now Leo says yes to success. In the last decade his company has increased sales 525 percent and added more than 100 jobs. Leo LeBlanc is the Small Business Person of the Year first runner-up. Leo, congratulations to you, sir.

A mother's hastily improvised toy for a bored 5-year-old became Caren Eilrich's ticket to the American dream. In 1984 she and her husband, Mark, and friends produced the first ``Space Tubes'' in their laundry room. The toys were so successful that the couple risked everything to go into business. Then tragedy struck. Caren died in an accident just 2 years after starting the company. Mark picked up the pieces and, through hard work and loving care and labor, created a lasting memorial to his wife and a model for his country.

Last year Wildewood Creative Products won a Parent's Choice Award. Its sales approached $3 million. Its staff exceeded 80, and with all supervisors and managers promoted from the production line. We honor Caren's memory and salute Mark, our second runner-up. Congratulations to you.

While Mark embodies determination, Paul Hsu embodies courage. He left Taiwan in search of freedom and opportunity. He found them in America. The company he started, Manufacturing Technology Inc., designs and manufactures sophisticated electronics products. Paul is our National Small Business Prime Contractor of the Year.

The National Small Business Subcontractor Award goes to Bruce Walker's full-service engineering firm that has over 250 professionals -- a firm that has performed engineering design work for such clients as the Los Alamos National Lab and the Department of Agriculture -- Merrick & Company.

Our five honorees today illustrate the kind of grit and enterprise that have made our land great. You'll notice that many of them conduct business around the world. Our administration is committed to encouraging free trade so that all our entrepreneurs may compete globally.

If I might make a pitch: As you know, we've asked the Congress to extend the Fast Track procedures that have been in effect since 1974. Fast Track really means good faith. It assures our trading partners that we will not alter trade agreements that we've settled with them. Congress has the say. Congress will vote yes or no on these agreements as they were written by our negotiators

and their counterparts. It also encourages close cooperation between administration negotiators and Congress. After all, we don't want to submit agreements to Congress that will not pass. Fast Track does not take away Congress' power to accept or reject trade agreements, nor does it railroad the American public into unwise deals. It simply smooths the way for the kind of agreements that American business men and women -- people like today's honorees -- need to spread their goods and ideas throughout the world.

We salute our five winners, as well as the State winners here today. And we also want to honor the agency founded to help them make their dreams become reality -- the SBA, the Small Business Administration. And we want to pay tribute to its dynamic new Administrator, Pat Saiki -- a good friend, feisty, outspoken leader -- but unfortunately she couldn't be with us today; her husband, Dr. Stanley Saiki, passed away unexpectedly last week. And our thoughts and prayers are with Pat and her family.

The SBA will play an increasingly vigorous role in this nation's life as we enter the 21st century. Small business has become the chief supplier of new American jobs and opportunities. Many of the great innovations that will change our lives will spring from small business. It really is the place where the future takes shape. Small businesses reward innovation, create jobs, and give people the means by which to claim their piece of the American dream.

Small businesses of America, we salute you, and we offer you our admiration, our respect, and our gratitude. Thank you for your example. And may God bless you all.

President's Health

Q. How you feeling today?

Q. How are you today?

Q. Can you show it to us?

Q. Show it to us.

The President: Do you think I'm Lyndon Johnson?

Q. Have you given up coffee altogether, sir?

The President: Not altogether, I don't think. I'm on Sanka and a decaf now.

Q. Are you going to have caffeine withdrawal? [Laughter]

Note: The President spoke at 10:07 a.m. in the Rose Garden at the White House. In his remarks, he referred to June Nichols, Acting Deputy Administrator of the Small Business Administration; award winners Joann Schulz, Leo LeBlanc, Mark Eilrich, Paul Hsu, and Bruce Walker; Patricia F. Saiki, Administrator of the Small Business Administration; and Stanley M. Saiki, the Administrator's late husband. The proclamation is listed in Appendix E at the end of this volume.

Exchange With Reporters on the President's Health

May 7, 1991

Q. Mr. President, how are you feeling, sir? And is your heartbeat back to completely normal?

The President. Back to normal, and I'm feeling great. And this is a photo op at which I do not take questions. [Laughter] Same old me. Thank you for inquiring.

Q. Do you want Fast Track to succeed? Don't answer that. [Laughter]

The President. Come on, Helen [Helen Thomas, United Press International]. [Laughter]

Note: The exchange began at 10:23 a.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of this exchange.

Remarks and an Exchange With Reporters Following Discussions With President Mauno Koivisto of Finland

May 7, 1991

President Bush. President Koivisto, welcome again to the United States. It's a pleasure to try to return the hospitality you showed President Gorbachev and me in Helsinki last September. And we're very grateful for that hospitality, and I'd like to think that meeting was very constructive.

Our meeting today was only the latest of many exchanges that we have shared. It's been nearly a decade since you and I first met. Today, as always, I greatly value your view on world events and your efforts over many years to build the excellent relationship between the United States and Finland.

This visit, albeit very brief, gave me an opportunity to thank you personally for Finland's constructive policy in the Middle East. Your country's strong leadership in the U.N. Security Council and the Iraqi Sanctions Committee last fall and your generous aid to the people suffering from Iraqi oppression represent Finland's fine tradition of active partnership in the community of nations.

This sense of responsibility led Finland, within a year of its admission to the U.N., to serve as part of the U.N. Emergency Force in 1956 following the Suez crisis. Finns have served bravely in virtually every peacekeeping force since then, contributing more troops than any other country. Your nation continues this proud tradition in the current U.N. observer force in Kuwait and Iraq.

Finland and the United States enjoy a long and healthy trade relationship. Today, we touched on some new economic issues, including the advantages that could come from a Finnish purchase of our advanced aircraft. Let it be said in fairness that you made a pitch to us on several items that might benefit Finland trade, so this was a mutual exchange. We also discussed the new Europe, from economic integration to arms control, from new challenges to the CSCE to the continuing role of NATO in European security.

The United States and Finland share a deep interest in events in the Soviet Union. I've always valued the opportunity to exchange views with President Koivisto, who is a knowledgeable, an expert, a most perceptive observer of the U.S.S.R.

We discussed the very complex situation in the Baltic States. And I reaffirmed the policy of the United States to support a process of change through constructive and fair negotiations. We agreed on the inadmissibility of the use of force and the importance of pragmatism by all parties in the search for a solution to this problem of the Baltics.

The United States and Finland will continue to support the process of reform in the U.S.S.R. which was initiated by President Gorbachev. We want to see that process continue. We want to see it strengthened. And we will be ready to assist the Soviet and Republic governments in attaining the twin goals of democratization and market economic reform.

Finally, we discussed another issue of major importance to both of our countries: the transition to free markets and liberal political systems by the new democracies of Eastern Europe. We are determined to make every effort to assist them in their historic quest to remake themselves and find a place in the new Europe. This must be a priority for all Western countries.

As democratic peoples, Finns and Americans share many special bonds of friendship. Finns have long added to the American experience. Mr. President, your countrymen were among the first to settle in this country 350 years ago, establishing new lives in the Delaware River Valley. Over a century later, John Morton, a Finnish-American delegate to our Continental Congress, cast the deciding vote for our Declaration of Independence.

The ideals that led him -- liberty and self-government -- remain dear to both our nations. Just look to Philadelphia, 1776, and Helsinki, 1917. And since that time we've enjoyed over 70 years of warm diplomatic relations. And I look forward to continuing this friendship.

May God bless the people of Finland and the United States. Thank you, sir.

President Koivisto. Mr. President: Let me first thank you, Mr. President, for the excellent hospitality extended to me and my party here in Washington. We enjoyed our stay very much. It was also a great pleasure to meet you again and exchange views on the changing world situation.

When we last met in Helsinki in September at the American-Soviet top-level meeting on the Persian Gulf, the world was facing a direct challenge to the rule of law. The Iraqi aggression was repelled by the coalition. Kuwait is now free. Finland faced her responsibility in the United Nations Security Council in its decision to thwart the aggression. And now work must continue to build a new, equitable world.

Finland and the United States are different in many ways, yet we share the same values of freedom, democracy, justice, and human rights. We both want to see the world based on these fundamental principles. But principles are not enough. The economic, social, and the ecological problems can only be overcome through determined international cooperation.

For Finland, developments in Europe and particularly in our vicinity are of vital importance. While we must encourage progress everywhere towards our shared values, we must at the same time maintain stability. Reform efforts in Eastern Europe, including the Soviet Union, now need our support. With the cold war behind us, no new devices must be drawn, but avenues of cooperation be opened for all.

We have also discussed the role of institutions which would promote stability and change in Europe. One of them is the CSCE or the Helsinki process. I have invited President Bush and the other 32 leaders of Europe and North America to Helsinki for the next CSCE followup meeting due to begin in March 1992.

Mr. President, the review of our bilateral agenda showed that our relations are, indeed, in excellent shape. There is mutual appreciation and recognition of our respected roles in world affairs. There are long-standing bonds of friendship between our people. And there are good prospects for expanding the Finnish-American partnership.

I shall leave Washington with warm sentiments about our old and steady friendship. I hope to see you, Mr. President and Mrs. Bush, again in Finland in the not too distant future.

President Bush. Thank you, sir.

Q. Mr. President, you sounded a little hoarse. Are you all right?

President Bush. Yes, just fine.

Q. Have you got a cold?

President Bush. Talking too much. No, I don't think so.

Q. Mr. President, do you have anything from the meeting today between Gorbachev and Ambassador Matlock? It seemed like it went well.

President Bush. What was that?

Q. CFE. Matlock met with Gorbachev today, and the initial reports were positive.

President Bush. We haven't got it yet over here.

Note: President Bush spoke at 1:30 p.m. at the South Portico of the White House. In his remarks, he referred to President Mikhail Gorbachev of the Soviet Union and Jack Matlock, U.S. Ambassador to the Soviet Union. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Finnish officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Francesco Cossiga and Prime Minister Giulio Andreotti of Italy

May 7, 1991

The President met with Italian President Cossiga and Prime Minister Andreotti for about 45 minutes in the Oval Office. The President and the two Italian leaders discussed the Middle East, European security issues, and Eastern Europe. On the Middle East, they discussed the need for continued urgent humanitarian relief for the Kurdish refugees and the need to provide security for their prompt and safe return to their villages. They underscored the important role of the United Nations in taking over and in facilitating the refugee situation.

President Cossiga and Prime Minister Andreotti stressed the strong importance they attach to the Atlantic alliance and the indispensable role of the United States in assuring European security. In their discussion of East European issues, the three leaders expressed concern over growing violence in Yugoslavia. They stressed the importance of respect for human rights and democracy but also affirmed their support for Yugoslavia's political and territorial integrity. They noted that during this volatile period it is important for all sides to practice restraint and to work for a peaceful outcome to disputes.

Statement by Press Secretary Fitzwater on Foreign Access to United States Ports

May 8, 1991

The President today announced a major revision in U.S. port access policy which will provide access for commercial cargo, passenger, fishing, and fishing support vessels of the countries of Eastern Europe to all U.S. ports on the basis of 24 hours' notice of entry into the port. This includes the 12 U.S. ports previously closed for national security reasons to vessels from the region. These ports are:

Charleston, SC

Hampton Roads, VA

Honolulu, HI

Kings Bay, GA

New London and Groton, CT

Panama City, FL

Pensacola, FL

Port Canaveral, FL

Port Hueneme, CA

Port St. Joe, FL

Portsmouth, NH

San Diego, CA

This revision is the result of a comprehensive interagency review, and is designed to stimulate commercial trade between the U.S. and the region. It was taken in recognition of the progress these countries have made toward democracy and the rule of law.

This policy change is designed to facilitate the development of trade between the U.S. and the

countries of Eastern Europe by opening some of the largest U.S. bulk and container ports to their fleets. Previously, access for Bulgarian, Czechoslovakian, Hungarian, Polish, and Romanian vessels required up to 14 days' advance request prior to entering a U.S. port, and vessels of Albania were denied access to all U.S. ports and the U.S. territorial waters.

It represents another step by the U.S. in discarding cold war restrictions and in welcoming the countries of Eastern Europe into the international community of democratic nations. It is taken in recognition of the progress these six countries have made toward democracy and freedom. This change also significantly reduces the administrative burden on the U.S. Coast Guard and on the private sector for port calls associated with commercial vessels of Eastern European countries.

Under this new policy, vessels of Cambodia, Cuba, Iran, Iraq, Libya, North Korea, Syria, and Vietnam will continue to be ineligible to enter U.S. ports for national security reasons.

There has been no change in access for vessels of the U.S.S.R. to the 12 U.S. ports closed for national security reasons, and this new policy fully protects the national security interest of the United States. Access to other U.S. ports for vessels of the Soviet Union will remain as provided for in the U.S./U.S.S.R. Maritime Agreement which was concluded in June 1990.

Remarks Announcing the Resignation of William H. Webster as Director of the Central Intelligence Agency and a News Conference

May 8, 1991

The President. Well, it is with a great sense of pride, genuine pride in his accomplishments and long years of dedicated service to his country, that I announce that Bill Webster has informed me of his intention to retire as the Director of Central Intelligence. Bill will be leaving Federal service after 26 years on the Federal Bench, as Director of the FBI, and as Director of the CIA. And as a former DCI, I know the complex organizations and interrelationships that comprise our intelligence community. Bill has brought an integrity and effectiveness and a insight to the many intelligence-gathering operations of this nation. He has done a superb job.

A strong nation requires a strong intelligence organization. And Bill Webster has directed our efforts according to the guidelines that I set down at the beginning of this administration, that the CIA would have the single mission of providing intelligence to the policymakers of this government. And he's performed admirably. And that is a very important point -- intelligence, not trying to shape policy. There are those who think CIA should have a different role, but I believe Bill Webster has demonstrated the value of an intelligence organization that is professionally directed and purposely committed. It is invaluable in defending the security of America. I noticed what one of our coalition partners said -- the dependence on United States intelligence in the recent war.

In so many ways, he has performed with great distinction and the best -- the best in the sense of service to his country. And I hate to see him go. This was his choice, but I offer him my thanks and I offer him the thanks of a very grateful nation as he finishes this distinguished career in government and considers other avenues.

And he can say a few words now, and then I'll be glad to take just a few questions.

Director, we're going to miss you, pal. But you're not leaving right now. We're not going to let him go.

The Director. Thank you, Mr. President. I have many mixed feelings about this morning. There's never an easy time to go, especially when you are working for an organization that you believe in and for people that you believe in. It's been an extraordinary experience to have worked with you, Mr. President. I have worked with you and for you for the last 10 years, and I want to say before I comment further that I know a good thyroid when I see one. [Laughter]

The President. Swallow gently.

The Director. I think I'm leaving you -- I know I'm leaving you a healthy organization, one that has had during the last 4 years, I think, a good track record for its accountability.

The President. Absolutely.

The Director. So far as it's possible to be accountable. We have positioned ourselves for the challenges of the nineties, which are different than the challenges of the eighties. And I'm very proud of the performance that the entire community rendered during the Persian Gulf.

I realized a couple of months ago that I had finished 20 years of consecutive service and that I was approaching the end of a 4-year term -- not term but 4-year period. My commission says to serve at the pleasure of the President for the time being. And this has been a 4-year ``time being'' that I've been very proud of and privileged to have served, not only with the President but with his national security advisers. But it seemed to me that this was a good window. You hate to leave, but something tells you that it's a good time to leave. I still have my roots in the law, and this gives me an opportunity to pursue other avenues in the private sector.

So, there you are.

The President. When is the 4 years up?

The Director. May 26th.

The President. May 26th, but we've got to be flexible on all of that. Now, either the Director or I will be glad to take questions.

Central Intelligence Agency

Q. Did this come as a surprise? Do you have a successor in mind?

The President. We haven't talked successor. Haven't gotten anyone in mind. But it did come as a surprise when Bill brought this up to me. He told me this several days ago, and it was his decision. I told him that -- what I've said, essentially said here publicly. And he called in yesterday evening and said he thought we ought to go with announcement.

Q. Bob Gates had been nominated once before; would he be a candidate?

The President. Well, as I said, I haven't considered successors yet, but a worthy man, Gates. We all have great respect for him.

Q. Mr. President, speaking of -- early on during the war with Iran, the CIA came under some criticism for not being as informative, not being as informed, perhaps, as it should have been. Was that a factor in this at all?

The President. We all came under criticism early on, and all I say is, look at the results. And in my view, the intelligence was superb. I would call your attention to what the French commander -- who was it yesterday -- commenting on the intelligence that they had to depend on. So, we all got criticism. CIA got a little; Defense Department got a little; we took on some water over here. But the result was superb, and the intelligence was outstanding, and the community performed fantastically. I had a chance to mention that out at NSA, which is a part of the intelligence community. I hope I'll have a chance to go out to CIA again and say this. But I have no complaints whatsoever about the quality of our intelligence.

President's Health

Q. Mr. President, you were described yesterday as elated when you got the news that it was your thyroid, not your heart, that was out of kilter. Do you have any plans to adjust your schedule -- which we all know is rather grueling for anyone, let alone a 66-year-old?

The President. Almost 67. [Laughter] No. They've said that with the thyroid thing that I might not get into as active an athletic regime as I'd like to. And they told me that this morning when I did this test. But they're elated that they know what caused this fibrillation and that's it's curable and will be cured very soon. But they've asked me just for the next few days to check it a little bit in terms of athletics, not in terms of my schedule here.

Q. But beyond the next few days, will you be scaling back?

The President. No, I don't think so. That's the good news, is that once the thyroid is corrected, that means there's no problem on the heart -- thyroid connected to the heart bone, you know. And I think it's going to be all right, and they've assured me that it can be okay, yes.

Handgun Legislation

Q. Mr. President, the House will begin voting today on the Brady bill or the Staggers bill. Is there any scenario under which you would find yourself being able to support the Brady bill if in fact it is attached to your comprehensive crime legislation?

The President. What we've said is we will consider it if it is attached to the comprehensive crime bill. The important legislation, the priority legislation, should be the comprehensive crime bill. And I'm a little discouraged that it has not moved faster. And so, I will just stay with that position that we're opposed to them alone, we'll consider them as part of the comprehensive crime bill.

Q. What is wrong with waiting 7 days, Mr. President?

The President. Our position on this is so well-known I don't want to take up your time going into any more.

Baltic States

Q. Mr. President, you've got the Baltic leaders coming in later this morning. What are you going to tell them about your leanings on providing aid to the Soviet Union?

The President. I'm going to tell them that we haven't made a decision on that. I'm going to tell them I must comply with the law as it's written, but I will also tell them that we have a strong and, I think, good relationship with President Gorbachev. And I will tell them that I will be interested in hearing what their problems are. I will tell them that we have never and will never recognize the incorporation of the Baltics into the Soviet Union. But I will encourage peaceful resolution of these very difficult questions.

Soviet-U.S. Relations

Q. Your comment about Gorbachev today and a similar one yesterday seemed to indicate that you'd like to help him out, that you might want to work around the edges of that creditworthiness provision in the law to provide some kind of assistance.

The President. Look, when you look at the accomplishments of Mikhail Gorbachev, they are enormous. And yes, the Soviet Union is fighting difficult economic times. But I am not about to forget history; and what he did in terms of Eastern Europe, what he's done in terms of perestroika and glasnost has my respect. So, we will deal with the facts as they come to us. But I don't want to see a breach in a relationship that is very strong, that's served us extraordinarily well in recent times during the war itself where, for the first time, the Soviet Union and the United States worked in sync on those matters. And I gave President Gorbachev great credit for that because he was under some pressures at home.

Q. Well, that sounds like you're not going to turn down his request for help.

The President. Well, as I said the other day, we have to be sure that we abide by the rules as established -- I think the Agricultural Department has to make certain representations. But look, I've always felt that when people are hungry or need support as it relates to food and nourishment, that we ought to try to help.

Administration Travel Policy

Q. Mr. President, could you give us an update on your review of the White House travel policy,

and are you still absolutely, firmly convinced that Governor Sununu did not abuse it in any way?

The President. Yes, I am convinced of that, and I'm going to have some changes, and I'll announce some soon, perhaps the next 48 hours.

Q. Were the travels that were made that he took -- be permitted under the revisions?

The President. Well, why don't you wait and see because I don't want to preview it. We pulled one off here with Bill Webster, and it's so much more exciting when you get it when the time is right. So, we'll approach it in that open manner.

Vice President

Q. Mr. President, what do you say to the pundits who have suggested that as a result of your health scare over the weekend you might reconsider keeping Dan Quayle on the ticket next year?

The President. You want that by hand, or do you want it by word? [Laughter]

Q. Hand.

Q. Hand.

The President. No, no. I'm no Nelson Rockefeller. [Laughter] No, I've expressed my support for Dan Quayle. I think he's getting a bum rap in the press -- pounding on him when he's doing a first-class job. And I don't know how many times I have to say it, but I'm not about to change my mind when I see his performance and know what he does. I think it's probably been quite hurtful to him, but he's a man -- strong one and -- in fact, we talked about it a little bit yesterday and I said, look, keep your head up; you're talking to a guy who went through something like this for about 8 years -- maybe not quite as intense, but that goes with the territory. And it's unfair, and it is piling on, and it is beneath the critics to do that at this time, I think. But anyway, it's a question I can't lay to rest.

Q. Some Republicans -- --

The President. Sure, the critics, any critics. But I'm just telling you how I feel.

Hostage Agreement Reports

Q. Mr. President, lately we've been hearing a resurgence of questions and increasing credence to these allegations that the Reagan-Bush campaign in 1980 was involved in a political deal to hold off on hostage releases until after the election. And even President Carter, who hadn't said this

before, thinks that there should be at least some investigation. Don't you think that with all of these allegations coming from so many different continents and so many questions being raised that at least an investigation would be warranted to lay some of these issues to rest?

The President. I think the Congress -- some Democratic Members are looking at it right now, and that's fine. I can only say categorically that the allegations about me are grossly untrue, factually incorrect, bald-faced lies. And I have my schedule out there -- I think it was in -- put in the days in question was in detail in the paper. And those critics -- those who continue to pass this little word-of-mouth ugly rumor ought to have the decency and the honor to say this takes care of this question. I'm talking about myself. And I can categorically deny any contact with the Iranians or anything having to do with it. And to assign -- let me give you a little more lecture on this, Rita [Rita Beamish, Associated Press] -- to assign a motive to a person that he'd want to keep an American in prison one day longer I think is vicious. And I really am turned off by this, and I am disappointed in this Mr. Sick, whoever he is.

Q. But, Mr. President, you wouldn't object then to Congress to -- if there wasn't -- --

The President. They can do whatever they want. It's been looked at exhaustively. But all I'm talking about -- all I can speak for is my own participation or lack thereof. And I think the people that are making these insidious insinuations ought to have the honor to say this takes care of it. But that's not the way the rumor mill works.

Vice President

Q. Mr. President, I just wanted to follow up on the question about the Vice President. The confidence you've expressed in him is buttressed by those around the White House here who say that he's very much a player. There is strong evidence, apart from what the media may or may not write, that that confidence is not widely shared among people in the general public. And I wonder, sir, if you have contemplated altering his role, giving him more of a chance to be seen, or anything that might allow him to shake this image that he seems to have acquired.

The President. I'd love to be helpful to him in any way I could in that regard. In my view, he is doing his assignments very well: Competitive Council, Space Council. He's done a lot of very important foreign travel for me, particularly as it relates to South America. And so, I can think of a lot of things that maybe I could emphasize more because I want to help. I don't like to see somebody unfairly criticized. To me, it's a question of -- again, a question of honor. I just don't -- I don't like it. I see him in action; I know what he's doing. He's been extraordinarily helpful. And I can't ask any more of him. But, Brit [Brit Hume, ABC News], if there was something I could do to help, I'd want very much to do it, because I have great respect for him.

Mr. Fitzwater. Final question.

Iraq

Q. The Iraqis this morning tried to shoot down an American plane. What will be the United States reaction?

The President. Well, we're looking into that. Fortunately it didn't hit anybody. And I gathered from the Pentagon they're not particularly concerned. But we have to look into that.

Q. It seems that, more and more, the U.S. is going deeper in northern Iraq. Aren't you entering the quagmire that you tried so hard to avoid?

The President. Well, as you know, I expressed my concern early on that I did not want to get bogged down. But what we're doing is humanitarian. We're getting enormous credit, finally -- not that we're in there for credit -- for saving lives and helping innocent victims of Saddam Hussein's brutality. And so, you raise a very good question because I don't want to see us get into a quagmire or get further militarily involved with some permanent presence required. I will be talking to the Secretary-General of the U.N., I think it's tomorrow, and I would hope that the U.N. could do in the north that which they're doing in the south.

This is the last one, then I really do have to go.

Middle East

Q. Mr. President, can you tell us your feelings now toward the Middle East? You've got Secretary Baker heading back for yet another trip. The Soviet Foreign Minister, Bessmertnykh, is going to be there at the same time. Does this signal some sort of breakthrough in the offing? Is there something that gives you cause for optimism?

The President. I wouldn't say breakthrough; I wouldn't say breakthrough. But cause for optimism? I think there's reason to be optimistic. I won't go into the details right now because when you're dealing with a situation of this complexity and of this endurance, you have to use some quiet diplomacy, which Secretary Baker is very effectively using. But I saw after his last trip some very, quite negative reports. And I don't think it's negative. I think there's still a real opportunity here. And I don't say that just wishfully; I say it after talking to him and talking to some leaders around the world. So, I'd like to say optimism, but I don't want to go overboard on it because there's still a complex problem.

Q. But there are some who think that you may be being misled, and they cite for proof of that that action such as the Israelis continuing to establish settlements -- that people may be telling the Secretary one thing but either unable to deliver or actually not telling the truth about their intentions.

The President. As we know, these differences have gone on for a long, long time. And I don't think that's the case, that somebody's saying one thing and then going off and just doing something behind his back. But, no, it's complex. But I don't accept that criticism. There's plenty of room to critique this and to wish for more progress from one country or another. But there's a lot going on. And I want to stay involved myself. I want to be a part of this because I think we have an opportunity now. And I think countries that the United States have helped recognize that. And I think Israel understands that. I think the Saudis understand that. I think the Egyptians understand that. And so, I want to use that good will to further peace in the Middle East. And so I'm -- put it this way -- moderately optimistic.

Thank you all very much.

Note: President Bush's 81st news conference began at 8:35 a.m. in the Briefing Room at the White House. In the news conference, the following persons were referred to: Robert M. Gates, Assistant to the President for National Security Affairs; President Mikhail Gorbachev of the Soviet Union; John H. Sununu, Chief of Staff to the President; former President Jimmy Carter; Gary Sick, former National Security Council official during the Carter administration; President Saddam Hussein of Iraq; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; Secretary of State James A. Baker III; and Soviet Foreign Minister Aleksandr Bessmertnykh.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Vytautus Landsbergis of Lithuania and Prime Ministers Ivars Godmanis of Latvia and Edgar Savisaar of Estonia

May 8, 1991

The President met today with President Landsbergis of Lithuania, Prime Minister Godmanis of Latvia, and Prime Minister Savisaar of Estonia for about 40 minutes in the Cabinet Room. The three Baltic leaders, who are on a private visit to the United States, had requested the meeting, the President's sixth with Baltic officials during the past 12 months.

The President reiterated the longstanding U.S. policy of nonrecognition of the forcible incorporation of the Baltic States into the Soviet Union in 1940. The President noted the United States had transported emergency medical assistance to the Baltic States in February. The United States intends to send additional shipments of medical supplies to the Baltic States and to continue its program of medical assistance in the Soviet Union itself.

The President said the United States was encouraged by the resumption of negotiations between the Soviet Government and the Baltic States. The United States believes that fair and constructive negotiations are the only way to resolve the complex problems between Moscow and the Baltic governments. He said the United States hoped that all parties to these negotiations could be flexible and pragmatic in order to reach a just and lasting resolution of the problem.

Remarks to the Hispanic Alliance for Free Trade

May 9, 1991

Thank you very much. And some of that has to do, I think, with my fibrillating heart -- [laughter] -- but it's all right. I just came back from Bethesda and really got a wonderful report. I won't go into the clinical assessment, but it's great. I just take something to do with the thyroid, and the heart is perfect. So, I'm very lucky, very, very lucky.

I came over to talk to you today about an issue that is really of vital concern to me and, I think, of our country. And I have some talking points here, but let me just put them away and speak from the heart. I see my friend the Ambassador here, and I have great respect for him. And I might say I have enormous respect for President Salinas of Mexico.

And he is taking that country that we all love and moving it in a direction that we can all admire. And it would be a terrible tragedy if we took this Fast Track authority from Mexico and pulled it away and turned it down. I think it would send an outrageously bad symbol, not only to Mexico but to the countries to the south. We've got a real opportunity while I'm President to build stronger relations with South America.

I've been down there; I've talked endlessly to the Presidents of the various countries. Just the other day, Gus, Carlos Andres Perez of Venezuela was in. He doesn't benefit from a free trade agreement with Mexico, but he said: You cannot let this fail. The signal that this would send through our part of the world would just be unconscionable.

And so, I am committed to this. And I'm committed to it not just because it's good for Mexico. I'm the President of the United States, and all of us are citizens of the United States -- Gus, that leaves you out -- [laughter] -- but we've got to do what's in the best interest of the United States. And this is in the best interest of the United States.

And I can understand the concerns about the environment, but as Ambassador Hills tells you, we have good answers for that. Mexico is moving on their own. Carlos closed down PEMEX refinery, an enormously difficult political move for him. And yet, he did it. And many other businesses that were polluting have closed down. And the way to help with pollution on the border is to raise the standard of living down there so people can have more money to put into these things that we hold near and dear to our hearts.

And so, I approach this on a foreign policy basis as thinking that it's essential. And I approach it in terms of our own economy as thinking it's essential. We think it will create jobs. I am offended, frankly, by some of the advertising I've seen that I honestly find discriminatory. And I don't like it, and I'm troubled by it. I can understand a labor union person wondering whether it's going to cause drops, but I think we have good answers for it. And I think the answer is it will add to

American jobs. And I'm going to keep working with Carla Hills to get that message out to the United States Congress.

But I really wanted to come over to exhort you all to sally forth to the Hill up there -- you've got many friends up there -- and use your best influence in the best tradition of persuasion of the Congress to make them understand that the Fast Track authority will create jobs, it will open up more trade between countries, it will raise the standards of living along the border on both sides, in my view, and it's going to be a wonderful thing. And I want our administration, indeed, to be firmly committed in terms of free trade, because history shows it results in prosperity.

And so, this is where we stand. And I thank you all very, very much for your interest in it. And do exactly what Carla Hills tells you to do. Thank you all very much.

Note: The President spoke at 10:19 a.m. in the Old Indian Treaty Room of the Old Executive Office Building. In his remarks, he referred to Gustavo Petricioli Iturbide, Mexican Ambassador to the United States; President Carlos Salinas de Gortari of Mexico; President Carlos Andres Perez of Venezuela; and U.S. Trade Representative Carla A. Hills.

Exchange With Reporters Prior to Discussions With Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations

May 9, 1991

Iraq

The President. Welcome everybody.

Q. -- -- police force in northern Iraq?

The President. We're not taking any questions today. Thank you very much. The Secretary-General might want to, but I -- --

Q. Are you hoping that all of the American forces will be out of Iraq soon?

The Secretary-General. Well, I think that that is the wish of our American friends, and as well as the wish of the United Nations.

The President. That's for sure.

The Secretary-General. I think the stations in Iraq are properly settled, but I think we have to be patient.

Q. Are you in favor of a police force -- a U.N. police force in northern Iraq?

The Secretary-General. That's what we are going to discuss with the President and with his collaborators. But today I have received a very clear rejection from the Iraq Government. They do not want a United Nations police presence in the area. Right now, as we -- --

Q. They don't want the U.N.?

The Secretary-General. They don't want the U.N.

Q. That's par for the course, isn't it? I mean, so what? [Laughter] Does that mean you have to comply?

The President. Well, listen, we've got to get to work here. We've got to get to work. I want to discuss all this with the Secretary-General.

Q. Does that mean you have to comply?

The President. And we will discuss all this and then figure out what to do.

Q. Did it come from Saddam?

The Secretary-General. Well, I think -- I have a special envoy there, Mr. Goulding, and he was the one who received from the Minister of Foreign Affairs the negative reaction.

Note: The exchange began at 11:05 a.m. in the Oval Office at the White House. A reporter referred to President Saddam Hussein of Iraq. The Secretary-General referred to Marrack Goulding, U.N. Under Secretary-General, and Foreign Minister Ahmad Husayn Khudayir al-Samarra'i of Iraq.

Remarks Following Discussions With Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations

May 9, 1991

The President. I want to welcome you to the White House today. I discussed with you many of the issues on the world's agenda. In a moment I'll mention some of the challenges, common challenges we face, but before, permit a personal observation.

I think back to the times that we worked together as Perm Reps up there 20 years ago, and I still wonder how it is that I ended up with the easier job. [Laughter] But the problems that arrive at your doorstep often are the product of years of violence and strife. It falls to you to find, through so much hatred and bitterness, the path to peace.

For 10 years now, you've led the United Nations. Your years as the Secretary-General could merely have been difficult, a study in stubborn hope. But instead they've proved to be momentous, proved to be historic. And during your years of service, the U.N. has really come of age. After decades of ideological stalemate, conflict, and the cold war, the U.N. has at long-last taken a major step forward as a true force for peace. And today the U.N. can lay claim to a string of successes stretching across the globe.

In Africa, the U.N. played a leading role in the birth of an independent Namibia. Elsewhere on the African Continent, the U.N. now is at work to end the war in Angola and resolve the future of the Western Sahara. Across Asia, the U.N. continue to play a critical role in peacemaking efforts in Afghanistan and Cambodia.

Right here in our own hemisphere, the U.N. has helped the people of Nicaragua and Haiti exercise their right to choose their own government, and is working to bring peace right now to El Salvador.

And of course, there is the United Nations role in the liberation of Kuwait. The U.N. sent its strong, steady signal every step of the way, and defending the defenseless against aggression, keeping faith with its founding principles, standing fast for what is good and right.

Mr. Secretary-General, a great measure of the success belongs to you, my friend: the product of your patience and perseverance, your immeasurable diplomatic skill, and your unwavering desire for peace. But as we talked at lunch, for each success, new challenges remain.

Consider the unprecedented responsibilities placed upon your good offices and the U.N. Secretariat by Security Council Resolution 687 -- the administration of UNICOM, the special

commission for eliminating Iraq's weapons of mass destruction, the compensation committee; the U.N.'s role in demarking the Iraq-Kuwaiti border, developing guidelines for the arms embargo against Iraq, and encouraging arms control in the region. All of these, all of them, are a daunting task which will challenge the U.N. as never before.

So, Mr. Secretary-General, we're responding to another challenge, too: the need to protect and care for tens of thousands of refugees who fled home and hearth to escape the brutality of one man, Saddam Hussein.

For our part, the U.S. has responded to this human wave of tragedy with massive emergency relief for the refugees in northern Iraq and Turkey. Working with other nations, in close consultation with you, sir, in accord with Resolution 688, we are building temporary camps to encourage these people to come down from the mountains into the camps and, ultimately, to their own villages and towns. We have always looked at this relief effort as limited in duration. We are now in the process of turning these efforts over to the United Nations, and we look forward to working with the U.N. to hasten the day when all these refugees can return home, free from fear, free to live in peace.

In the south, American soldiers provided refuge and care to thousands of Iraqis. Those who sought refuge are now in a safe haven in Iran or Saudi Arabia. The Blue Helmets are on the scene, and U.N. relief agencies are providing assistance to those Iraqis who have chosen to remain in the area where the U.N. is now working.

The U.N.'s work in Iraq is just one of many challenges. Beyond the Gulf, we must work to strengthen the U.N. system through appropriate reforms, to deliver development assistance where needed, to chart a common course of action on global issues ranging from the environmental to international drug-trafficking to terrorism. We must build on the U.N.'s ability to respond to humanitarian crises which, as we've seen most recently in the heart-wrenching ordeal of Bangladesh, speak a universal language of simple human compassion.

Mr. Secretary-General, meeting these challenges is our work -- the work of the United States -- and also the work of the United Nations. I thank you, sir, for coming back to Washington so that we could continue our practice of close collaboration. And I congratulate you on behalf of the American people for doing the world's work -- the work of peace. Thank you very much.

The Secretary-General. Mr. President, as you have just said, this visit has been an important opportunity to discuss the urgent issues which concern both the United States and the United Nations.

These discussions have been, as always, cordial, candid, far-reaching, and productive. However, our consultations, important as they have been, are only one part of the significance of this visit. For the United Nations, this occasion has again confirmed the support and commitment of the

United States and its people to the world organization.

For me, personally, it has been a heartwarming expression of a longstanding friendship with you, Mr. President.

It is clear from this visit and from much that has preceded it that the United States and the United Nations share the vision of the Charter conceived and sealed some 46 years ago on the other shore of this nation. The Charter is a plan of action to achieve that vision. The world of which it foresees and towards which it commits us to give all of our efforts is a practical objective.

Events since 1945, including those which we have discussed today, have confirmed the Charter's declaration that true peace depends on the elimination of the causes of conflict. Those causes are complex and interrelated. Their worldwide scope and their difficulty demand collective action to solve them in accordance with the Charter. Poverty, threats to human rights and the environment, social injustice, and the full range of global issues menace peace and prevent a world worthy of future generations.

The nations of the world now call insistently upon the United Nations to be their forum and their agent for confronting these problems. Immediate emergencies and the longer-range demands which they present will require the best the United Nations can give and all the resources we can muster.

The response of the world community to these challenges will have to match the needs. There is broader agreement than ever before on the nature and importance of the responsibility that we must meet. At the same time, however, the speed and size of the current events which these issues now create require us all to act even more effectively.

We are at a time which offers us suddenly and remarkably the hope and opportunity of great progress towards the kind of world the Charter describes. We must seize the moment before the forces and energy released by all rigidities can harden into new ones.

This visit, both in itself and through our work together, has again impressed all of us from the United Nations with your determination, Mr. President, and seriousness of purpose in that cause.

Mr. President, I would like to thank you -- and through you, the people of the United States -- for your warm welcome, your hospitality, and your support. The spirit of this time with you will sustain our continuing work at the United Nations to realize the promises before us and to turn to action the principles which you and we both serve.

Note: The President spoke at 1:18 p.m. in the East Room at the White House. In his remarks, he referred to President Saddam Hussein of Iraq. Prior to their remarks, the President and the Secretary-General met privately in the Oval Office and with U.S. and U.N. officials in the

Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

White House Statement on the Administration's Revised Travel Policy

May 9, 1991

The President has directed the adoption of a new White House Policy on the use of military aircraft by the Chief of Staff and National Security Adviser, based upon the recommendations of Counsel to the President C. Boyden Gray. The new policy is designed to avoid any questions about their use of military aircraft.

The President believes that the national security-related reasons behind the former policy remain sound and make commercial air travel an unacceptable alternative for the Chief of Staff and National Security Adviser in many instances.

Nonetheless, to ensure that military aircraft are used only when necessary, the new policy will require the White House Counsel's Office to review on a case-by-case basis all requests for travel on military aircraft.

In the case of official travel, use of military aircraft will be authorized where security, communications, or scheduling needs require the use of military aircraft.

In the case of personal travel, the President has decided that not only must there be a determination that security, communications, or scheduling needs require use of military aircraft but also that there is an immediate and compelling need for personal travel. The policy would permit, for example, travel on military aircraft to attend to the serious illness of a close relative when security, communications, or scheduling needs would prevent travel on commercial aircraft.

To avoid the appearance that taxpayer dollars are being used to subsidize political travel, the President has decided to prohibit political travel on military aircraft by the Chief of Staff and National Security Adviser unless the official purpose for travel is predominant or the President approves the travel.

For mixed official and political travel or mixed official and personal travel, the policy allows the use of military aircraft for predominantly official travel if security, communications, or scheduling needs require the use of military aircraft. To ensure that there is no question about the official purpose behind any trip, the Counsel's Office will be required to make a determination that a trip is predominantly official before the trip will be treated as official.

The current reimbursement policy for all nonofficial travel is being retained. The Chief of Staff and National Security Adviser will be required to reimburse the Government at commercial coach rates plus one dollar any time that they travel on military aircraft for personal or political reasons.

Where the Chief of Staff or National Security Adviser take an official trip and also engage in an incidental political activity on the trip, some part of commercial coach fare will be charged to the sponsor of the political event.

The new policy does not apply to those members of the Cabinet (including specifically the Secretary of State, the Secretary of Defense, and the Attorney General) who, pursuant to longstanding policies, regularly use Government aircraft for official and unofficial travel. The responsibilities of these Cabinet members are such that they require instantaneous secure communications capability with the White House, their Departments, other Agencies, and the Congress. In an emergency, they must also be able to return to Washington, or to proceed to other destinations, on an expedited basis. These Cabinet members also have a heightened need for security because the nature of their official duties and their public visibility substantially increase the likelihood of threats to their personal safety.

Nomination of Robert H. Pelletreau, Jr., To Be United States Ambassador to Egypt

May 9, 1991

The President today announced his intention to nominate Robert H. Pelletreau, Jr., of Connecticut, to be Ambassador Extraordinary and Plenipotentiary to the Arab Republic of Egypt. He would succeed Frank G. Wisner.

Since 1987 Ambassador Pelletreau has served as Ambassador to the Republic of Tunisia. Prior to this he was Deputy Assistant Secretary of Defense, 1985 - 1987. He was Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs at the Department of State, 1983 - 1985; Country Director for Arabian Peninsula Affairs at the Department of State, 1981 - 1982; Deputy Assistant Secretary of Defense for Near East and South Asia at the Pentagon, 1980 - 1981. In addition, he was Ambassador to the State of Bahrain, 1979 - 1980, and Deputy Chief of Mission in Damascus, Syria, 1975 - 1978. Ambassador Pelletreau was a political officer in Algiers, Algeria, 1973 - 1975, and served in several capacities in Jordan, Lebanon, Mauritania, and Morocco. Ambassador Pelletreau entered the Foreign Service in 1962.

Ambassador Pelletreau graduated from Yale University (B.A., 1957) and Harvard Law School (LL.B., 1961). He was born July 9, 1935, in Patchogue, NY. He served in the U.S. Navy Reserve, 1957 - 1958. He is married and has three children.

Nomination of Mary Catherine Sophos To Be a Deputy Under Secretary of the Treasury

May 9, 1991

The President today announced his intention to nominate Mary Catherine Sophos, of California, to be Deputy Under Secretary of the Treasury for Legislative Affairs. She would succeed Bryce L. Harlow. Upon confirmation, the President intends to designate her as an Assistant Secretary of the Treasury for Legislative Affairs.

Ms. Sophos currently serves as Deputy Assistant Secretary for Legislative Affairs at the Department of the Treasury. Prior to this she was director of government relations for McCamish, Martin, Brown and Loeffler, 1987 - 1989. Ms. Sophos was assistant minority counsel and budget analyst for the Committee on Ways and Means for the House of Representatives, 1987, and legislative director and a member of the budget associate staff to Congressman Tom Loeffler, 1982 - 1986.

Ms. Sophos graduated from Pitzer College, The Claremont Colleges (B.S., 1976). She was born July 10, 1954, in Oxnard, CA. She currently resides in Washington, DC.

Nomination of Quincy Mellon Krosby To Be United States Alternate Executive Director of the International Monetary Fund

May 9, 1991

The President today announced his intention to nominate Quincy Mellon Krosby, of New York, to be U.S. Alternate Executive Director of the International Monetary Fund for a term of 2 years. She would succeed Charles S. Warner.

Dr. Krosby currently serves as Assistant Secretary for Export Enforcement at the Department of Commerce in Washington, DC. Prior to this she was an economic officer and energy attache for the U.S. Embassy in London, England.

Dr. Krosby graduated from the University of Minnesota, receiving a bachelor of arts degree and a master of arts degree, and the London School of Economics, receiving a doctoral degree in 1979. She was born August 3, 1948, in New York, NY. She is married, has five children, and resides in Washington, DC.

Remarks Upon Receiving an Honorary Degree From Princeton University in Princeton, New Jersey

May 10, 1991

Thank you all very much. This is indeed for me an honor. And the last time, save one, that I was on this campus, I was not treated quite so hospitably. [Laughter] It was out at the baseball diamond, I think in 1948. Crowded along the first baseline -- it was very hostile, the way it worked in Princeton -- were a bunch of hyperventilating, celebrating alumni.

And I remember standing there at first base, and a gigantic tiger -- I think his name was Neil Zundel -- came to the plate. He lofted an easy fly towards Yale's first baseman, me. And as I reached for the ball, the guy just sheer bowled me over -- [laughter] -- to the cheers of the Princeton alumni. [Laughter]

I was hurt, my pride was hurt. But P.S., Yale won the ball game. [Laughter]

So, how lovely today it is, though. And I view this degree as a very high honor from an institution for which I have unlimited respect. It is a great privilege for Barbara and me to be up with you today. I hear the rites of spring over my shoulder out there, but it wouldn't be normal in my job if we didn't hear those rites chanting out there. But I hope I bring peace and tranquility to your campus because you bring great joy to our heart, my formerly fibrillating heart.

Thank you very much.

Note: The President spoke at 10:35 a.m. in the faculty room of Nassau Hall. A tape was not available for verification of the content of these remarks.

Remarks at Dedication Ceremony of the Social Sciences Complex at Princeton University in Princeton, New Jersey

May 10, 1991

Thank you all very much. Thank you. Please be seated. It's a great pleasure to be here. President Shapiro, your words were so kind that my heart almost went back into fibrillation. [Laughter] I salute you, sir, and I thank you for the honor bestowed on me.

To Governor Florio; and to the Members of the United States Congress that are here today; to Mrs. Shapiro, and the board of trustees; to Chairman Henderson; Dean Williamson; Associate Dean Morrow. And I'd also like to salute Princeton's former Presidents Goheen and Bowen. And I'm delighted to help dedicate this impressive complex.

Though I must say that I'm glad that this is May and not the first snowfall. I don't think Barbara would let me take place in your special brand of Olympics. [Laughter]

Seriously, I'm honored to receive an honorary degree from Princeton. Imagine: a son of Yale getting a Princeton degree. ``Son of Yale'' -- you can snicker, but you ought to hear what they call me in Washington. [Laughter]

Governor Florio's comments brought back JFK's words when he said, ``How lucky I was to have a Princeton degree.'' And I agree with him. You remember what JFK said, and I'll paraphrase it -- I have the best of all worlds: a Princeton degree and a Yale education. [Laughter] I knew that would not thrill the band, but you did a great job on ``Hail To The Chief.'' Thank you. [Laughter]

Well, Princeton is a great place. You know, Washington said, ``No college has turned out better scholars or more estimable characters.'' That includes, of course, our last two Secretaries of State. Both have been outstanding public servants. Both love this university. But only one has a tattoo to prove it. [Laughter]

I'll always remember the time that I saw the globe inside the Woodrow Wilson School lobby. Anywhere you touch it, you set off vibrations across the rest of its surface. I can't think of a more appropriate symbol for this nation's role in the world. When we act, we do set off tremors across the globe. And Princeton is blessed with real expertise in the study of the Presidency.

And I salute Professor Fred Greenstein, and it is with some temerity, therefore, that I give this talk that will touch on the Presidency.

I'd like to talk today about an American achievement that has inspired men and women

worldwide, most recently, in Eastern Europe. I'm speaking of our Constitution. In the interest of brevity, I will focus on the roles of the two branches of Government in which I have had the honor to serve, the legislative -- Congress -- and the executive departments.

Consider the President's role. Thomas Jefferson once noted that a President commands a view of the whole ground, while Congress necessarily adopts the views of its constituents. The President and Vice President are the only officials elected to serve the entire Nation. It is the President who is responsible for guiding and directing the Nation's foreign policy. The executive branch alone may conduct international negotiations, appoint ambassadors, and conduct foreign policy. Our founders noted the necessity of performing this duty with ``secrecy and dispatch,'' when necessary. The President also serves as Commander in Chief of our Armed Forces, as it was my role to do in the Persian Gulf.

This does not mean that the Executive may conduct foreign business in a vacuum. I have a great respect for Congress, and I prefer to work cooperatively with it wherever possible. Though I felt after studying the question that I had the inherent power to commit our forces to battle after the U.N. resolution, I solicited congressional support before committing our forces to the Gulf war. So, while a President bears special foreign policy obligations, those obligations do not imply any liberty to keep Congress unnecessarily in the dark.

The President's view of the whole ground includes a second responsibility: shaping the Nation's domestic agenda. Presidents do this by submitting annual budgets to Congress, along with a comprehensive legislative program.

We've had our share of legislative successes. They include a budget agreement that reduces our borrowing requirements by nearly $500 billion over the next 5 years, a Clean Air Act that invokes the power of the marketplace to help America breathe cleaner air, an Americans with Disabilities Act -- landmark civil rights legislation that enhances the dignity of those with disabilities, a child care bill that puts more power and choice in the hands of parents when it comes to the care of their own children.

But Presidents may encourage change through means other than legislation. Our Points of Light campaign encourages the traditional American virtue of private service. Our America 2000 education strategy, which has been well-received across the land, involves dramatic reforms that don't make dramatic new claims on taxpayers' earnings. It draws on people's common frustration with an educational system that simply must do better. It encourages people to use their common sense and good old American ingenuity in creating better, revolutionary new schools. It won't help build a new office building in Washington, but it very well may inspire people to build a better future for themselves and their children, school by school, community by community.

Elsewhere, we've proposed turning programs back to States and localities. This enables people to craft the most appropriate solution for the problems that they confront in this diverse land of ours.

The point is simple: You don't always need to propose a new program to pursue a national goal. Often a President can lead by encouraging the values of service, by helping foster a national spirit of commitment and responsibility.

For too long, pundits and special interests have equated vision with bureaucracy. I hope one of the hallmarks of our administration will be its ability to encourage not just good government but also a good society, one that draws upon and encourages the best instincts and ambitions and values of the American people.

The common thread of commitment, individual commitment, runs through all successful efforts to solve our most intractable problems. The individual who cares, who is determined to change things for the better, can make a difference. And all of us Americans ought to dedicate ourselves to making a difference.

While a President must take on today's problems and tomorrow's challenges, he also has an obligation to ``preserve, protect, and defend'' a 200-year-old system of constitutional government. The most common challenge to Presidential powers comes from a predictable source, represented here by several able Members of the United States Congress.

Although our founders never envisioned a Congress that would churn out hundreds of thousands of pages worth of reports and hearings and documents and laws every year, they did understand that legislators would try to accumulate power. James Madison, your son -- Princeton's son -- warned that ``The legislative department is everywhere extending the sphere of its activity, and drawing all power into its impetuous vortex.'' That was Mr. Madison speaking, not President Bush speaking.

Sometimes this sort of competition falls entirely within the bounds of the Constitution. But consider the unnecessary requests and requirements that can waste the time and energy of the Executive.

Thirty years ago, we devoted nearly 9.5 percent of our gross national product to defense expenditures. And today, defense spending accounts for only 5.3 percent of our GNP. But congressional oversight has grown exponentially. One hundred and seven committees and subcommittees -- 107 -- oversee defense programs and spending. For fiscal year 1989, the Pentagon devoted 500 man-years and over $50 million just to write reports responding to congressional queries on such items as plans for manning tugboats and accounting for the number of bands.

Defense staff has to respond yearly to more than 750,000 congressional staff inquiries. Other executive agencies exhaust their time and energy, often giving identical testimony to a whole battery of subcommittees and committees.

Oversight, when properly exercised, helps keep the Executive accountable. But when it proliferates wildly, it can confuse the public and make it more difficult for Congress and the President to do their jobs properly.

The Chief Executive also preserves, protects, and defends the Constitution through the use of the veto power. Six times in my Presidency, I have vetoed bills that would have weakened Presidential powers. In one case, for instance, Congress wanted to make the President disclose a wide variety of sensitive diplomatic contacts and discussions -- as well as private discussions with the executive branch -- and would have threatened to impose criminal sanctions on a wide range of normal diplomatic activities. I noted in my veto message that: ``The result would be a dangerous timidity and disarray in the conduct of U.S. foreign policy. Such a result is wholly contrary to the allocation of powers under the Constitution."

Elsewhere, Congress has also taken aggressive action against specific Presidential powers, including the power to appoint or remove employees who serve at the President's pleasure. It sometimes tries to manage executive branch -- micromanage the executive branch -- by writing too-specific directions for carrying out a particular law. And when this happens, the President has a constitutional obligation to protect his Office and to veto the legislation. In addition, on many occasions during my Presidency, I have stated that statutory provisions that violate the Constitution have no binding legal force.

But there's another, often overlooked side of the veto power. Often vetoes encourage the Legislature to reconsider its actions. When I vetoed a minimum wage bill -- and it wasn't an easy thing to do -- I sought to persuade Congress that a slightly lower rate would best serve the public interest. And in time Congress agreed. And when Congress bundles up a series of unrelated measures and calls it a single bill, it frustrates the President's constitutional role in resisting the influence of special interests. It is often impractical to veto a tremendous bill, a major bill, especially an appropriations bill because of unrelated riders that would never stand a chance on their own.

Bills of this sort can pose as much of a threat to Congress as to the President. And it has become an annual sport for reporters to pull peculiarities out of the vast spending bills, such as a Federal grant to study cow belches, or a Lawrence Welk Museum, and ask Congress to defend them. Quite often because of the added riders and the complexity of the whole bill, Members don't even know what they've voted for. They're so complex; things are added in the dark of the night.

I have sought, and will continue to seek, a line-item veto to prevent such embarrassments and protect the American people from injudicious appropriation. Right now 43 Governors have such a power. It works. The President ought to have that power, too. Some believe that I already have that power under the Constitution.

In closing, let me try to summarize my view of the Presidency. Presidents define themselves

through their exercise of Presidential power. They must use their special authority to serve the whole Nation in matters of foreign and domestic policy. They must set a tone for governance, at once leading the people, yet following their desires. They must preserve, protect, and defend the Constitution. And they must encourage deliberative behavior on the part of Congress.

But the real power of the Presidency lies in a President's ability to frame, through action, through example, through encouragement, what we as a nation must do, what is required of communities and institutions, large and small, in schools and factories and the hundreds of daily acts of individuals.

The great joy and challenge of the Office I occupy -- and believe me, I am honored every single day I walk into that Oval Office by the privilege of being President -- the great joy is that the President serves not just as the unitary Executive but hopefully as a unifying Executive.

As President, I feel honor-bound to strengthen the marvelous system of government bequeathed to us so that we may remain the freest, the most decent, the most prosperous, caring nation in the history of the world.

Thank you, and may God bless each and every one of you. And thank you for the honor you've bestowed on me.

Note: The President spoke at 11:25 a.m. In his remarks, he referred to Harold Shapiro, president of the university, and his wife, Vivian; Gov. James Florio of New Jersey; James Henderson, chairman of the executive committee of the board of directors of the university; Joseph Williamson, dean of the chapel; Sue Anne Steffey Morrow, associate dean of the chapel; Robert F. Goheen and William G. Bowen, former presidents of the university; Secretary of State James A. Baker III; former Secretary of State George P. Shultz; and Fred I. Greenstein, professor of politics and director of the research program in leadership studies. A tape was not available for verification of the content of these remarks.

Remarks at the Hampton University Commencement Ceremony in Hampton, Virginia

May 12, 1991

President Harvey, Senator Warner, and Congressman Bateman, and members of the university administration, and especially the class of 1991. May I thank the class president, Carvel Lewis, for his remarks; pay my respects to the faculty, and to Mr. Dillard and this magnificent choir. My first exposure to music at Hampton was in the year either 1935 or 1936, when one of your predecessor singing groups came to Eastern schools. And this is a magnificent tradition of Hampton. And let me say to those who graduated 50 years ago, you don't look so old to me. [Laughter]

One of the pleasures of coming here is getting to know your university president better. You know, President Harvey is an avid tennis player. Really avid. When I shook his hand he corrected my grip. [Laughter] At any rate, it's a real pleasure to join with you today. I'm the ninth President to visit your campus, and I might say that eight of them have been Republicans. [Laughter]

Hampton is an elite institution. It boasts the largest endowment of any historically black college or university in the United States. Its graduates contribute daily to our national progress and national well-being. Patricia Stevens Funderburk, Hampton '71, whom you honor today, serves in our Department of Health and Human Services. Patricia, congratulations to you for this fine award.

As President Harvey said and Carvel said, you all will make your marks in the world. And today I'd like to talk about the new world that you will enter, a world no longer divided by superpower confrontation but engaged in economic competition and international cooperation.

You in this magnificent Hampton Roads area understand this world better than most. More than 100 firms in this region conduct business beyond our borders. And when many of you leave this university, you'll look to distant shores, places where you hope to spread American ingenuity -- your ingenuity.

You ought to be excited about your opportunities. I know that I am. We stand on the verge -- if you look around the world you'll understand this -- we stand on the verge of a new age of freedom. If we build upon our strengths, if we join hands as a people, we will build a nation and a future unlike any ever seen in human history.

Our first and greatest strength, of course, is our intelligence, and our greatest tool for developing that strength is our educational system. But we have to be honest with ourselves: Contrary to your tradition of excellence, our educational system as a whole has slipped in recent years. Test scores

continue to fall. Dropout rates soar in many of our school systems. Businesses complain that some high school graduates don't have the basic reading, writing, or math skills. And meanwhile, our elementary and high school students don't compare well to those in other industrial countries in math, science, and even in American geography.

We've got to do better. We ought to improve our schools the old-fashioned way through commitment and competition. Our America 2000 strategy tries to make a quality education available to every child and every citizen who wants to learn. We have challenged Americans to reinvent the American school -- not to improve it but to reinvent it -- not by turning the task over to experts in Washington but by inviting a nationwide competition to create better schools.

The concept of choice -- letting parents choose schools for their children -- plays a role. Its time has come. Polls show that 62 percent of the American public favor choice, and 72 percent of minority Americans advocate choice in the schools.

This should surprise no one, because choice means hope. It lets children from poor neighborhoods enroll in the same schools as our children from wealthier ones. It gives parents the freedom to find good schools for their sons and daughters. It frees students from the tyranny of inadequate education.

We've encouraged communities and businesses to roll up their sleeves and help -- communities, by taking on crime and hunger and other disturbances that make it almost impossible to learn; businesses, by contributing expertise to local schools and by developing education programs at the workplace. You've set a great example right here with Hampton Harbor. You've built a successful commercial residential area, and you're turning the profits into student scholarships.

We remain committed to such programs as Head Start, which help prepare young students for school. It works. As long as I'm President, it will be adequately funded, and it will keep on working.

The business of education is the business of creating a better world. A good education lets you see possibilities you would never have imagined before, and reach them. But education is also a commitment of labor and love.

I recently got a letter from an Army sergeant serving in Saudi Arabia. He talked about his daughter. And he wrote, ``I am very proud of her and would like for her to know this: I am thinking of her even as I sit in the Gulf, serving my country." Nilka Bacilio, who will receive a bachelor of science from the School of Education and Liberal Arts, with honors in therapeutic recreation -- your dad says, ``Hi."

Other parents here have written me, and I want to thank you all. Nothing is more natural, no feeling more fulfilling than having pride in your kids. And when I talk about educational choice

or educational reform, I always remember a crucial truth: We can't go anywhere without the support of the people who love us, who believe in us. And if there is any advice I can give today, it is this: Cherish those who give you this kind of lift, and return the favor whenever you can.

Speaking of educational excellence, let me pause now to honor Dinee Riley, who has achieved the highest grade point average of anyone in this class. It is my privilege and honor to hand her her diploma -- a biology major, 3.95. What a magnificent record. Dinee, you and your classmates should be proud of your accomplishments. And now comes the challenging part: making use of knowledge once you get out of school.

As a nation, we must give everyone a chance to make full use of their imagination and intelligence. Our administration does this by trying to remove barriers to progress. We want to free people now trapped by self-doubt and despair.

We've put together an ambitious housing reform package. We call it HOPE, which extends the dignity of home ownership to people who live in public housing communities. The idea is simple: Give people assets; give them permanent wealth, not just consumable scraps of paper; offer people independence; don't hold them in the bondage of dependency. HOPE offers an ethic of encouragement. It encourages people to take an active part in building better lives for themselves, for us all.

We must free people who have been held back by barriers of discrimination. This administration will fight discrimination vigorously, because a kinder, gentler nation must not be gentle or kind to those who practice prejudice.

We must free people bound by red tape and unnecessary regulation. Last year, Americans devoted 5.3 billion hours to filling out regulatory paperwork -- 5.3 billion hours at a cost to the economy of $185 billion; and this can't continue.

We must free people from the specter of punitive taxation, which takes money that might otherwise buy a home, pay for a child's college education, or establish a family nest egg. The controversial budget agreement that we signed last year restrains the growth of Federal spending. It offers hope that workers in the future will be able to spend less time working for their tax collector and more time working for their families.

We must free people to create the next great invention. Our administration repeatedly has sought a cut in the capital gains, a tax on the wealth that you will create. That tax is a tax on ideas, on innovation, on the American dream.

But mainly, we must free ourselves from doubt. We must free ourselves from fear. We can't afford to hide from the rest of the world by erecting protectionist walls. If we want to learn, we have to compete. If we want to test ourselves, we have to compete. And if we want to take full

advantage of all the world's diverse cultures, ideas, and innovations, we have to compete. Our future lies in the world economy.

Last year, exports accounted for 84 percent of our economic growth. Between 1986 and 1990, our exports to the rest of the world increased 73 percent, and exports to our major competitors grew even more: to Germany, 80 percent; Japan, 82 percent; the European Community by 87 percent. We exported $673 billion in goods and services last year.

And our future depends on trade. We've asked Congress to extend the Fast Track trade procedures that Presidents have been able to use since 1974. Without Fast Track, we will have trouble moving forward with critical trade initiatives, including the Uruguay round of the GATT talks, North American free trade agreement, and the Enterprise for the Americas Initiative. Unfortunately, some of the opponents of free trade have resorted to slurs against our Mexican neighbors in the hopes of derailing Fast Track.

I can think of no more revealing contrast between a free-enterprise view of the human community and the protectionist view. Prejudice is usually nothing more than a breed of cowardice. People afraid to test themselves, or to risk challenging their assumptions, hide behind restrictive laws and restrictive walls.

If we want to lead the post-cold war world, we must not build walls of prejudice and doubt. We must involve ourselves in the world around us. We must build ties of mutual interests and affection everywhere. And the same sentiments ought to guide us at home. In the end, prosperity requires trust. You cannot build a business if you spend all your time worrying about being cheated or conned or attacked. True brotherhood represents the key to happiness and growth.

The programs that I've discussed today give every American, rich or poor or middle class, white or black or brown, a fair chance to pursue his or her destiny. And they try to harness the engine of ambition in service to the common good. They do not divide people along race or class lines; they give everyone a shared stake in everyone else's success.

We have a chance to rekindle the kind of optimism that characterized the civil rights movement of the '60s -- one in which men and women of all races and backgrounds joined to pursue goals that we all hold dear: opportunity, prosperity, justice, freedom, tolerance.

So, today you assume responsibility for shaping an international commonwealth of freedom. Believe in yourselves. Trust in yourselves. Don't abandon your passion for ideas or causes. Work hard, but serve your community. Attend to the thousands of tiny deeds that constitute a good and decent life; treat yourself well and respect others. Be a Point of Light. Build a truly good society.

To you, and to the friends and especially the families who have supported you over the years, congratulations. Thank you for letting me share in your commencement exercises. And may God

bless you and God bless the United States of America.

Note: The President spoke at 10:40 a.m. at Armstrong Field. In his opening remarks, he referred to William R. Harvey, president of the university; Senator John W. Warner; Representative Herbert H. Bateman; Royzell Dillard, director of the university choir; Patricia Funderburk, Director of the Office of Adolescent Pregnancy Programs, Public Health Service; and students Carvel Lewis, Nilka Bacilio, and Dinee Riley.

Statement on Chemical Weapons

May 13, 1991

The Gulf war has once again raised the specter of chemical weapons and demonstrated that unscrupulous regimes can and will threaten innocent populations with these weapons of terror so long as we permit them to exist. These stark events renew and reinforce my conviction, shared by responsible leaders around the world, that chemical weapons must be banned -- everywhere in the world.

The world's best hope for this goal is the chemical weapons convention now being negotiated by the Conference on Disarmament in Geneva. The United States is committed to the early, successful completion of this convention, and I am today announcing a number of steps we will take to accelerate the negotiations and achieve an effective chemical weapons ban as soon as possible. I hope this initiative also will spur other nations to commit themselves equally to this critical objective.

I have instructed the United States negotiating team in Geneva to implement my decisions at the next session which begins May 14. To demonstrate the United States commitment to banning chemical weapons, we are formally forswearing the use of chemical weapons for any reason, including retaliation, against any state, effective when the convention enters into force, and will propose that all states follow suit. Further, the United States unconditionally commits itself to the destruction of all our stocks of chemical weapons within 10 years of entry into force and will propose that all other states do likewise. We will offer technical assistance to others to do this efficiently and safely.

In addition, we will call for setting a target date to conclude the convention and recommend the Conference stay in continuous session if necessary to meet the target. The United States also will propose new and effective verification measures for inspecting sites suspected of producing or storing chemical weapons. To provide tangible benefits for those states that join the convention and significant penalties for those that fail to support it, the United States will propose the convention require parties to refuse to trade in chemical weapon-related materials with states that do not join in the convention. The United States reaffirms that we will impose all appropriate sanctions in response to violations of the convention, especially the use of chemical weapons.

These steps can move the world significantly closer to the goal of a world free of chemical weapons. I call upon all other nations to join us in the serious and cooperative pursuit of this important goal.

Remarks Announcing the Nomination of Robert M. Gates To Be Director of the Central Intelligence Agency and a News Conference

May 14, 1991

The President. Well, I'm pleased to nominate Robert Gates to be the Director of Central Intelligence. As most of you know, Bob Gates has served as deputy national security adviser for the last two and a half years. And before that, he dedicated more than 20 years to the service of the CIA and the important task that it performs for our country. It's with this background of professionalism, dedication, and integrity that I'm asking the Senate to approve his nomination to be the next Director.

He follows in the distinguished footsteps of Bill Webster. And I know that Bob will maintain a strong and responsive Central Intelligence Agency that will provide the kind of intelligence America needs to maintain its role as leader of the free world.

In the last two and a half years, Bob has lent a steady hand to the deliberations of our National Security Council. He's directed, as all of us know, the Deputies Committee -- a group of interagency leaders who in times of crisis have met continuously to provide the basic decisions and recommendations that have protected America's security interests. In Panama and in Liberia, and perhaps most importantly, in Operation Desert Storm, Bob Gates has performed with wisdom and precision in laying out the options for Presidential action. He's a good man, and I'm proud to send his name up to the Senate.

Helen [Helen Thomas, United Press International]?

Q. Mr. President, it's pretty clear that there are no qualms in this administration about opening up the Iran-contra scandal again, and questions to Mr. Gates as to what he knew and when he knew it, in terms of -- --

The President. What's your question to me?

Q. My question is, do you have any qualms about -- --

The President. No.

Q. -- -- this question being opened up?

The President. No qualms at all.

Q. And do you think that he'll be able to -- --

The President. In fact, we've had consultation with -- --

Q. Why did he bow out -- --

The President. May I finish, please? We've had consultation with the people on the Senate Intelligence Committee, and so far I'm very, very pleased with the way they've gone.

Q. Well, why did he bow out before?

The President. Well, all that can -- everybody gets a hearing up there. All will be well.

Arms Control in the Middle East

Q. Mr. President, could I ask you a question about the Middle East? Mr. President, are you taking the lead as has been reported in pressing for a Middle East arms control plan that would freeze Israel's nuclear arsenal and require all states in the Middle East to give back chemical weapons?

The President. Well, we're in the process of working this arms control problem. And I'm not prepared to give any details on it today at all. But there are all kinds of options out there.

Q. May I follow up? Are you consulting now with allies? And when do you think you might have something?

The President. We are consulting with allies, but -- and I can't give you -- I just don't want to predict on the timeframe. But we are discussing it, and I think there's a lot of sympathy for the idea of trying to get control of weapons. And I'm strongly for it.

Nomination of Robert Gates

Q. The CIA was once a Cabinet position, and under William Casey, the last time that Mr. Gates was there, he was considered fairly much a director who advocated his own policies. Will Mr. Gates become a Cabinet member, or will you keep the CIA in the kind of support role it was -- --

The President. I will keep it the way it was when I was there. And it will be -- he will be at the table when matters of -- or we need the intelligence to make critical decisions on foreign affairs. He will not be a political -- trying to shape policy. But he will do a superb job as a professional intelligence officer, heading the Intelligence Agency. That's the way it's going to be.

Situation in Iraq

Q. Mr. President, would you care to give us your reaction to the clash between British troops and Iraqi troops, first? And do you think it will be necessary for American troops to actually occupy Iraq to prevent any more difficulties between the refugees and the Iraqi troops?

The President. No, I think the way I'd do this is to say that it's surprising there have been so few flareups of this nature. Tempers are high; it's very difficult for these refugees. And so I don't expect any more. And we're working with -- we're starting consultations with the United Nations. I think you saw Prince Sadruddin Khan's comments yesterday about getting U.N. flags over some of the convoys. So, we're moving. I want to see this internationalized. But it is to a degree because we have British and French forces there.

Did I leave out a part of that?

Q. Do you think the Iraqi troops should be disarmed -- should voluntarily lay down their weapons or at least pull back?

The President. Well, I'd leave that to the people that are trying to separate the forces there. And I don't -- what they should do is be careful not to put any of these refugees or any allied troops into harm's way.

Middle East Peace Prospects

Q. Has President Assad of Syria pretty much slammed the door shut on any peace talks in the Middle East? And is the U.S. willing to seek a scaled-down version of that -- perhaps talks between the Palestinians, Jordan, and Israel instead of a wider peace conference? And are you growing the least bit discouraged by the failure so far of Secretary Baker to get this thing going?

The President. Well, I wouldn't say it's a failure; but there are ups and downs in this process. There always have been. Anybody that's ever dealt with the Middle East knows that there are ups and downs in the process. But I'm not discouraged. I would like to see President Assad do what the Secretary of State has asked. But we'll just keep working on this. I can't give you a very optimistic report, but I'm about where I was last week or whenever we last talked, to say there's room for optimism. But you go forward and then you get some setbacks in this process. But it's always been that way.

Q. Are you seeking a scaled-down version of talks, perhaps, between Israel, Jordan, and the Palestinians?

The President. We will just leave that to the Secretary. And it won't help for me to be advocating from here what I think. One of the reasons is that when you're dealing with a problem of this complexity, you do need to have certain things kept quiet for negotiation. I don't want to duck

your question, but I just don't feel that it would be helpful for me at this critical time to go into the details.

Yes, two, and then I've got to go.

Soviet-U.S. Summit

Q. Mr. President, after your conversation with President Gorbachev last Saturday, a Soviet spokesman said there would be a U.S.-Soviet summit this summer. Can you confirm that, sir? And secondly, would you support inviting Mr. Gorbachev to the economic summit of the G - 7 in London in July?

The President. On the first part, I can't confirm it. There's no set time, no agreement. I've made clear that I would like to go to Moscow under certain conditions and I'd like to think I will. On the second part of it -- what was the second one on Gorbachev?

Soviet Participation in the Group of Seven Economic Summit

Q. Would you favor having Gorbachev come to the economic summit?

The President. Well, this is a matter that we must discuss with the G - 7 allies. I think that they've evidenced an interest in this -- the Soviets have -- but I think it's important that if he go there something positive will happen. So, this is a matter that I will be discussing with the various leaders of the other six countries.

Two -- one more, and then I've really got to go.

Nomination of Robert Gates

Q. Considering the controversy over Mr. Gates' nomination last time and considering your own ethical standards for your administration, can you tell us on what you base your feeling that there is no problem with what Mr. Gates' role was at the CIA during the Iran-contra -- your own knowledge, or did you have an investigation done, or what?

The President. I know Bob Gates, and I know him to be a man of honor. These matters have been discussed. And I have absolutely no qualms whatsoever. This matter has been investigated over and over again, this Iran-contra. It's been going on for years. If I were worried about opening up Iran-contra, you might suggest I wouldn't send that name forward. But this man has my full trust. He's honest. He's a man of total integrity. And that's the way I'd answer the question. And they'll have hearings -- they can ask any questions they want.

Bob, do you want to say something?

Q. Just briefly, sir, can I follow up?

The President. No, Brit [Brit Hume, ABC News], I'm awful sorry, I've got to go meet the Queen -- [laughter] -- get ready to meet the Queen.

Mr. Gates. Mr. President, I'd just like to thank you. This is a great honor for me. I appreciate the opportunity that it represents. And if confirmed, I look forward to doing my best to more fully develop what is already the best intelligence service in the world. Thank you, sir.

The President. Thank you very much. Thank you all.

Note: The President's 82d news conference began at 9 a.m. in the Briefing Room at the White House. In the news conference, the following persons were referred to: William H. Webster, Director of Central Intelligence; William J. Casey, former Director of Central Intelligence; Prince Sadruddin Aga Khan, chief United Nations Representative in Iraq; President Hafiz al-Assad of Syria; Secretary of State James A. Baker III; President Mikhail Gorbachev of the Soviet Union; and Queen Elizabeth II of the United Kingdom.

Remarks at the Welcoming Ceremony for Queen Elizabeth II of the United Kingdom

May 14, 1991

The President. Your Majesty and Your Royal Highness, ladies and gentlemen, and friends of what is indeed our special relationship. Your Majesty, on behalf of the American people, it is an honor to welcome you to the United States and to the White House.

You have been freedom's friend for as long as we remember -- back to World War II when, at 18, you joined the war against fascism. It was then that America first began to know you as one of us, came to love you as standing fast with us for freedom, summoning across the oceans our values and our dreams.

George Bernard Shaw once joked that Britain and America are two countries separated by a common language. In truth, we are joined by a common heritage and culture, civilization and soul.

On the occasion of your first state visit to the United States, Dwight Eisenhower spoke of these bonds of friendship. He said, ``Those ties have been tested in the crucible of war when we have fought side by side to defend the values we hold dear." That was true in 1957 and just as true today.

For nearly 400 years, the histories of Britain and America have been inseparable. The first permanent English settlement in America was created at Jamestown, in Virginia, 384 years ago this week. Thirteen years later, the Pilgrims landed far to the north at a place they called Plymouth Rock, named after your great naval port from which they sailed.

From those events sprang the American nation, believing, as you do, in the sanctity of the individual, and enriched by family ties that make our nations one. Because those ties have never been closer, today our alliance has perhaps never been stronger. For evidence, look to the sands and seas of the Persian Gulf. Our countries have long sought the real peace which means the triumph of freedom, not merely the absence of war. We know that you can't lock people behind walls forever when moral conviction uplifts their souls. So, like Monty and Ike, and Churchill and FDR, we linked hands and hearts in the Gulf to do what was right and good.

Years from now, men will speak of American and British heroism in the Gulf, as they do today of our cooperation in two World Wars and 40 years of peacetime alliance. They will talk of the 1st Infantry Division and the Desert Rats and of the finest sons and daughters any nation could ever have. They will praise those who assured that naked aggression would not stand, and in so doing, salute Britain's help and leadership in forging our great coalition.

The past year has reaffirmed our alliance of shared principles, our fidelity to democracy and to basic human rights, the fact that there will always be a Britain and that Britain will always be our friend.

In that spirit, let me close with your words from a 1947 radio broadcast when, in the aftermath of another war, you issued both a pledge and a request. You told the British people: ``My whole life, whether it be long or short, shall be devoted to your service and the service of our family to which we all belong." And then you concluded: ``But I shall not have strength to carry out the resolution alone unless you join it with me."

Your Majesty, your example helped inspire a nation and helped your nation inspire the world. Because of what you are, because of what Great Britain means, all freedom-loving people stand ready to carry out your resolution: to achieve what is just and honorable for the nations of the globe.

With great pleasure, then, on behalf of an American people which reveres their mother country, I welcome you and Prince Philip to this country, the United States of America. Thank you very much.

The Queen. Mr. President, thank you for your warm welcome to Washington and to the White House. We are both delighted to be back in the United States and to find you in the best of health. It gives me particular pleasure that this visit comes so soon after a vivid and effective demonstration of the longstanding alliance between our two countries.

It is 15 years since our last visit to Washington when, with a gallant disregard for history, we shared wholeheartedly in the celebrations of the 200th anniversary of the founding of this great nation. But it is 40 years since our first visit to this country, when Mr. Truman was President. It made such a deep impression that I can hardly believe that so many years have slipped past in the meanwhile.

By now, I fully understand what Winston Churchill meant when he spoke of the inspiration and renewed vitality he found every time he came here. This country means more to the rest of the world than a rich and thriving community. In her third as in her first century, the United States represents an ideal, an emblem, and an example: an ideal of freedom under the law, an emblem of democracy, and an example of constant striving for the betterment of the people.

I know that our days in Washington will be full of interest. And once again, we expect to be inspired and surprised by the warmth and generosity of the people of America. We are looking forward to renewing old friendships and to making new ones.

Friendships need to be kept in good repair, not just the personal friendships between heads of state but the more diffused friendships between the governments and peoples of two nations.

There is a symbolism in the events of such a visit that defies analysis but which has a way of reaching the hearts of people far and wide.

At your kind invitation, Mr. President, we are here to celebrate and to reaffirm that friendship. I can assure you that we are truly happy to do so.

Note: The President spoke at 11:17 a.m. on the South Lawn of the White House, where the Queen was accorded a formal welcome with full military honors. In his remarks, the President referred to His Royal Highness Prince Philip, the Queen's husband.

Remarks Upon Receiving the Winston Churchill Award From Queen Elizabeth II of the United Kingdom

May 14, 1991

The Queen. It gives me great pleasure, Mr. President, to present you with the Churchill Award in recognition of the leadership you have shown to the world in recent months.

The President. Thank you very much. Thank you, Your Majesty, and Royal Highness Prince Philip, and Ambassador Loeb, and friends of what is indeed this special relationship. I have prepared here about a 45-minute speech -- [laughter] -- but if I gave it, we would all melt. [Laughter] And we want the visit of the Queen to be the best ever.

So, I will simply say that I am very, very grateful to you, Your Majesty, for taking the time to do this; to you, Ambassador Loeb, for your leadership and what you're doing in terms of scholarships. It is outstanding. It is wonderful.

And I'm old enough to remember, from World War II, Winston Churchill's leadership. He inspired the United Kingdom, but he inspired everybody in this country as well. And I think it's a marvelous symbol of the lasting, special relationship between the United Kingdom and the United States of America. And I am very proud and pleased and honored to receive this.

Thank you very, very much.

Note: The Queen spoke at 1:24 p.m. in the Rose Garden at the White House. The President referred to His Royal Highness Prince Philip, the Queen's husband, and John L. Loeb, Jr., president of the Winston Churchill Foundation and former U.S. Ambassador to Denmark.

Remarks at a Tree-Planting Ceremony

May 14, 1991

Your Majesty and Your Royal Highness, ladies and gentlemen, representatives of the American Association of Nurserymen, which donated this very special tree, welcome to the White House and to an event which commemorates -- whether in America or Great Britain -- how trees can preserve and protect our natural resources.

Winston Churchill once said: ``I am always ready to learn, though I do not always enjoy being taught." What trees teach us is how a precious inheritance can be passed from one generation to another. We see it in the forests of Nottingham and lush delta of Mississippi. We marvel at the Kew Gardens and evergreens of the Pacific Northwest. Trees form a great cathedral of the outdoors. We must nurture them, replenish them, as a family would a best friend.

Your Majesty, 54 years ago President Roosevelt did exactly that, celebrating the British-American family by praising a friend. In 1937, two small-leaf linden trees were planted in honor of your father, King George the Sixth's coronation. For decades they stood erect and proud, like the ties that bind our nations. And then last September, a storm swept through Washington, destroying one of the lindens planted for your father. Each served to remind all of us that trees are precious, but fragile, and they need our help, as we need their beauty.

Teddy Roosevelt once called our lands and wildlife ``the property of unborn generations." And so I can think of no better way to show our friendship, nor salute the children of both our countries than to plant a new linden tree. It is my honor now to dedicate this tree to a truly great and good man, King George the Sixth.

Note: The President spoke at 1:40 p.m. on the South Lawn of the White House. In his remarks, he referred to Her Majesty Queen Elizabeth II of the United Kingdom; His Royal Highness Prince Philip, the Queen's husband; and King George VI , her late father.

Nomination of J. Stapleton Roy To Be United States Ambassador to China

May 14, 1991

The President today announced his intention to nominate J. Stapleton Roy, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China. He would succeed James Roderick Lilley.

Since 1989 Ambassador Roy has served as Special Assistant to the Secretary and Executive Secretary of the Department of State in Washington, DC. Prior to this Ambassador Roy served as Deputy Assistant Secretary for East Asian and Pacific Affairs at the Department of State, 1986 - 1989; as U.S. Ambassador to Singapore, 1984 - 1986; as Deputy Chief of the U.S. Mission in Bangkok, Thailand, 1981 - 1984; as deputy chief of the U.S. mission in Beijing, China, 1979 - 1981; and as Deputy Chief of the U.S. liaison office in Beijing, China, 1978 - 1979. In addition, Ambassador Roy has served as Deputy Director of the Office of People's Republic of China and Mongolian Affairs at the Department of State, 1975 - 1978; studied at the National War College in Washington, DC, 1974 - 1975; and served as a Deputy Director and international relations officer in the Office of Soviet Union Affairs at the Department of State, 1972 - 1974. Ambassador Roy served at the U.S. Embassy in Moscow as a political officer, 1979 - 1972; as an administrative officer, 1978 - 1979; and as an international relations officer in the Office of European and Canadian Affairs and the Office of Soviet Affairs at the Department of State, 1965 - 1968. Ambassador Roy has also served in several U.S. Embassies and consulates, including: political officer in Taipei, 1962 - 1964; consular officer in Hong Kong, 1962; and political officer in Bangkok, 1959 - 1961. He served as an intelligence analyst at the State Department, 1957 - 1958. Ambassador Roy entered the Foreign Service in 1956.

Ambassador Roy graduated from Princeton University (B.A., 1956). He was born June 16, 1935, in Nanjing, China. Ambassador Roy is married, has three children, and resides in Bethesda, MD.

Message to the Senate Transmitting an Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer

May 14, 1991

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, an Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer, adopted at London on June 29, 1990, by the Second Meeting of the Parties to the Montreal Protocol. I am also enclosing, for the information of the Senate, an unofficial consolidated text of the Montreal Protocol that incorporates the Amendment, as well as the adjustments also adopted on June 29, 1990, under a tacit amendment procedure, which provide for a phaseout of CFCs and halons by the year 2000. The report of the Department of State is also enclosed for the information of the Senate.

The principal features of the Amendment, which was negotiated under the auspices of the United Nations Environment Program, are the addition of new controlled substances (other CFCs, carbon tetrachloride, and methyl chloroform), reporting requirements on transitional substances (HCFCs), and provisions concerning financial and technical assistance to developing countries to enable them to meet their control measure obligations. As such, the Amendment, coupled with the adjustments, will constitute a major step forward in protecting public health and the environment from potential adverse effects of stratospheric ozone depletion.

The Amendment enters into force on January 1, 1992, provided that 20 Parties to the Montreal Protocol have deposited their instruments of ratification, acceptance, or approval. Ratification by the United States is necessary for effective implementation of the Amendment. Early ratification by the United States will encourage similar action by other nations whose participation is also essential.

I recommend that the Senate give early and favorable consideration to the Amendment and give its advice and consent to ratification.

George Bush

The White House,

May 14, 1991.

Message on the Observance of Police Week and Police Officers' Memorial Day

May 14, 1991

I am pleased to join with all those observing Police Week and Police Officers' Memorial Day.

Every day of the year, law enforcement officers work hard to protect the lives and the property of others, and all Americans owe a lasting debt of gratitude to these selfless individuals. Whether patrolling our streets and our highways or maintaining order at crowded public events, whether investigating possible criminal activity or responding to sudden calls for help, America's police men and women uphold the public trust.

As Police Officers' Memorial Day reminds us, the work of law enforcement officials often entails great personal risks and sacrifices. Each day our Nation's police officers stand on the front lines in the war against crime, a war that has been made all the more dangerous in many areas by the proliferation of drugs. On this occasion, we remember with solemn pride and with heartfelt appreciation all those officers who have made the ultimate sacrifice in the line of duty.

Of course, we should also honor the loved ones of those who choose law enforcement as a career. These families provide the support that is necessary for officers to function day after day, and it is they who most deeply feel the loss when tragedy strikes.

On behalf of all Americans, I salute our Nation's police officers.

George Bush

Toasts at the State Dinner for Queen Elizabeth II of the United Kingdom

May 14, 1991

The President. Your Majesty and Your Royal Highness, ladies and gentlemen, let me welcome you to the White House, to a dinner to salute the relationship between America and Great Britain which has perhaps never been more special. We've got a lot of things in common. Americans share the Queen's love of horses. And I often wonder if I'd be standing here today if it weren't for a horse fancier named Paul Revere. [Laughter]

Most of all, what links our countries is less a place than an idea -- the idea that for nearly 400 years has been America's inheritance and England's bequest. The legacy of democracy, the rule of law, and basic human rights. Recently, this legacy helped our nations join forces to liberate Kuwait. All Americans involved in the crisis will remember as long as they live the resolve of Prime Minister Margaret Thatcher and Prime Minister John Major, the gritty resolution, ma'am, of Your Majesty's services, and through it all, the steadfast support of the British people. We believed that the human will could outlast the bayonets and the barbed wire, and so we told the world aggression will not stand. Our military cooperation in the Gulf harkened back to our joint military endeavors of two World Wars, and four decades of peacetime alliance. And yet it forms just one part of the remarkable British-American friendship.

Your Majesty, as you so graciously put it this morning, showing ``marvelous disregard of history," your visit 15 years ago celebrated America's bicentennial. How proud we were to have you here. And incidentally, as in your later visits, you showed then another quality which links us: a love of exercise. Rain or shine, your long walks have left even the Secret Service agents panting away. [Laughter] And I'm glad that my fibrillating heart was not taxed by a competitive walk-off today. [Laughter]

As you remember, on the Bicentennial Bell are inscribed the words, ``Let freedom ring." Freedom has been ringing far and wide in recent years. Look at Eastern Europe; to some degree, in the Soviet Union; certainly in South America and other parts of the world. And what that movement owes to the example of Britain and America can hardly be overstated. Nor can the role of those who persevered and the cannons of liberty and who embody the extraordinary ties of sympathy and fellow feeling between our countries.

Let me close with one such man. His name was Abraham Lincoln, whose picture is over our shoulder -- my shoulders here. Perhaps his most perceptive biography was written early in this century by an Englishman, Lord Charnwood. Upon Lincoln's death Disraeli said, ``It touches the heart of nations and appeals to the domestic sentiment of mankind."

Your Majesty, you have touched the heart of this nation many times -- and in our bicentennial

year; and then visiting our shores in 1983, the 200th anniversary of the Treaty of Paris; and then again in 1989. I know I speak for the American people when I express the belief that the bonds which connect our nation and yours -- bonds of history, principle, interest, and affection -- will endure until the end of time.

In that spirit and conscious of the real honor that is ours tonight, I ask you to rise and join me in a toast: To the liberty we share; to the liberty we seek to keep; to the ties which bind America and Great Britain, the ties which make us one; and to the health of our friend, a true liegeman of democracy, Her Majesty the Queen.

Queen Elizabeth II. Mr. President, I must first thank you for your characteristically generous words of welcome. I was delighted to be able to accept your invitation to pay this state visit to Washington and to renew my acquaintance with Blair House, now magnificently restored. Rumor has it that it was another British guest who was at least in part responsible for the decision to make Blair House into the Presidential guest house. It seems that Winston Churchill spent 3 weeks in the White House as the guest of the Roosevelts over Christmas in 1941. Churchill preferred to work at night. And the story goes that very late one night, or more likely, very early in the morning, he tried to persuade Mrs. Roosevelt to let him talk to the President. And Mrs. Roosevelt is supposed to have decided then and there that henceforth the President's guests -- [laughter] -- should be accommodated elsewhere. [Laughter] It so happens that when we came here at the invitation of President Eisenhower, Blair House was temporarily out of commission. And so we stayed in the White House. I may say that neither the President nor I attempted to disturb the rest of the other. [Laughter]

This is now the fourth time I have had the honor of proposing a toast to the President of the United States in the very place where my father once proposed a toast to President Roosevelt. No wonder I cannot feel a stranger here. The British have never felt America to be a foreign land. Here we feel comfortable and among friends. This is not entirely one-sided. It was Mrs. Roosevelt who wrote in 1939, after the long talks between my father and the President about the world crisis, that in times of danger something deeper comes to the surface, and the British and we stand together with confidence in our common heritage and ideas.

This visit and those which we are to pay to Florida and Texas is, therefore, an occasion to reaffirm what has sometimes been called the special relationship between our two nations. The path of this friendship has not always been smooth. But at a time of unusual tension between us, my great-great-grandmother Queen Victoria noted in her diary shortly before she died that the disputes and disagreements between us are really entirely superficial. I am convinced that this is still true today.

And so, Mr. President, while much has changed since those days, events still demand that our two countries use their mutual understanding to work together with our allies and partners towards a world in which more people and more nations can live in freedom with confidence in the rule of

law. As you put it in your Inaugural Address, we know that freedom works. During the Gulf crisis, your country and mine have together shown that freedom works. In the ceaseless task of promoting freedom and free institutions and in standing up for them wherever they may be threatened, the United States has given courageous and unwavering leadership.

The free world has to thank you, Mr. President, for your clarity of vision and firmness of purpose. You have led not with bombast and rhetoric but with steadiness and quiet courage -- what Thoreau described as ``three-o'clock-in-the-morning courage." And you made the decisions that had to be made.

Mr. President, I raise my glass to you and Mrs. Bush; to the friendship of our two nations; and to the health, prosperity, and happiness of all the people of the United States of America.

Note: The President spoke at 8:07 in the State Dining Room at the White House. In his remarks, he referred to His Royal Highness Prince Philip, the Queen's husband; Margaret Thatcher, former Prime Minister of the United Kingdom; and current Prime Minister John Major.

Memorandum on United States Armed Forces in Japan

May 14, 1991

Memorandum for the Secretary of Defense

Subject: Waiver of Limitation with Respect to End Strength Level of U.S. Armed Forces in Japan for Fiscal Year 1991

Consistent with section 8105(d)(2) of the Department of Defense Appropriation Act, 1991 (Public Law 101 - 511; 104 Stat. 1856), I hereby waive the limitation in section 8105(b) which states that the end strength level for each fiscal year of all personnel of the Armed Forces of the United States stationed in Japan may not exceed the number that is 5,000 less than such end strength level for the preceding fiscal year, and declare that it is in the national interest to do so.

You are authorized and directed to inform the Congress of this waiver and of the reasons for the waiver contained in the attached justification, and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:59 p.m., May 23, 1991]

Note: This memorandum was released by the Office of the Press Secretary on May 15.

Message to the Congress Transmitting the Health Care Liability Reform and Quality of Care Improvement Act of 1991

May 15, 1991

To the Congress of the United States:

I am pleased to submit for your consideration and enactment the ``Health Care Liability Reform and Quality of Care Improvement Act of 1991."

This legislative proposal would assist in stemming the rising costs of health care caused by medical professional liability. During recent years, the costs of defensive medical practice and of litigation related to health care disputes have skyrocketed. As a result, the access to quality care for significant portions of the population has been threatened.

The bill would encourage States to adopt within 3 years quality assurance measures, tort reforms, and alternative dispute resolution mechanisms. A pool of funds would be available to States and hospitals in those States that implement these reforms. The quality assurance measures require effective actions to improve quality and reduce the incidence of negligence. The tort reforms would include: (1) a reasonable cap on noneconomic damages; (2) the elimination of joint and several liability for those damages; (3) prohibiting double recoveries by plaintiffs; and (4) permitting health care providers to pay damages for future costs periodically rather than in a lump sum. Most of these provisions would be made specifically applicable to actions arising under the Federal Tort Claims Act.

I urge the prompt and favorable consideration of this proposal, which would complement initiatives the Administration will undertake concerned with malpractice and quality of care.

George Bush

The White House,

May 15, 1991.

Remarks on the Administration's Domestic Agenda

May 15, 1991

Let me just say a few words. And I, first of all, thank you -- thank the leader, Bob Dole, and Don Nickles and everybody for this hospitality. We've got a big and good domestic agenda. I just was up here to get your views, but to urge your support for Fast Track, which is overseas, but it's also domestic because I am convinced that it can create jobs in this country, and I think it's going to be good for the economy of the United States.

I was talking to Senator Thurmond about the crime bill. I am very interested in getting a comprehensive crime package through, and I hope that, with your help, we can do it. I realize the odds are a little difficult, but we want to get that done.

I wanted to mention the veto strategy that Bob Dole and Al Simpson and so many of you have been active in. And it is very important because when we're in a minority, the only way we're going to get something done is to beat down the bad idea before they give us a shot at a good idea. Last year, we were very successful, thanks to the work of everybody around this table. And I just would urge your continued cooperation with the leadership.

Sometimes I know it's easy. Sometimes you can't join us, but for the most part, we've been very good about it, and I just urge your strong support for this veto strategy. It's the only way we can get decent Republican ideas -- and if we don't do it -- kind of disarray and all the chipping away on the Democrat ideas and joining up on something that we know in our hearts isn't good. So, I would strongly urge your support for that.

I know we're moving on transportation and energy. I know Chairman Wallop is working here -- Malcolm's working with us on that. These are all very important. I'm leaving out some.

I would make a pitch for our education strategy, America 2000. Actually, that is being received very, very well across the country. And the Governors, regardless of party, are extraordinarily supportive. I think at the grassroots level, people are beginning to understand that we're not just trying to add more money to a program in Washington, but we've got to revolutionize these schools -- create brand-new schools. It's an exciting prospect, and I urge your strong support.

Later, we'll have a chance to visit a little bit on what's happening overseas. But I just wanted to click off these domestic items because they are vital. I'm sick and tired of people saying we don't have a domestic agenda, because they've got their eyes closed and they don't want to hear -- because we've got a good one. And with your support, we can make a change come to pass. We had a good record last year. The ADA, the crime bill, and child care and other things. And so we can do it this year. We've got to stay together as a team to get the job done.

But thank you all very, very much.

Note: The President spoke at 12:45 p.m. in Room S - 207 at the U.S. Capitol. In his remarks, he referred to Senators Bob Dole, Don Nickles, Strom Thurmond, Alan K. Simpson, and Malcolm Wallop. A tape was not available for verification of the content of these remarks.

Question-and-Answer Session With Reporters

May 15, 1991

President's Health

Q. How are you feeling?

The President. Fine. Very good report on the health today. And today's really, literally -- and I'm not just saying this -- the best I've felt since this onset of all this problem.

Q. You're not tired?

The President. Have been, but today I'm not. Yesterday I was dead tired. But they've got a report back now that I think the doctors will comment on later, but it was very good on getting this thyroid in balance. So, for some reason, I'm itching to get back into action here outside, get some -- --

Q. Miss your jogging?

The President. I miss my exercise. I really do. It's the longest I've been in my life, I think.

Legislative Agenda

But let me just say -- you expressed an interest in what we were doing at the Senate. I was up there making a strong pitch for Fast Track. I feel that the Republican side and many of the Democrats are going to be very supportive in the Senate on Fast Track. It's important to world trade. It's important to the United States economy; that's the point I made.

It's not going to cost us jobs; it will create jobs. And of course, if the United States bugs out of participation in these -- in the GATT round, the European -- the GATT round -- I mean the GATT round generally, and then working with the EC, why, we're in trouble. And I don't want to see us do that. I want us to have full negotiating authority. And we will not bring back to the Congress a deal that they cannot enthusiastically support. There's no purpose in that. We know the parameters within which we have to operate.

I also made a strong pitch for our crime package. I want a comprehensive crime bill. And I challenged the Congress to act within 100 days, and there's no reason in the world they can't. It's been 67 days, I believe, since that challenge, and so I'm very anxious to get a comprehensive crime package out.

We talked about energy, and we talked about transportation. So really, it was -- --

Q. Did you say you would veto the Brady bill?

The President. -- -- just a review of the agenda, the domestic agenda. And then I talked to them about other international subjects. So, that was about what we were doing at lunch.

Helen [Helen Thomas, United Press International], did I hear you ask -- --

Q. Yes. Did they ask you not to veto the Brady bill?

The President. No, there wasn't any discussion of the veto on that because they did not ask it.

Q. Are you going to?

The President. Well, I'll keep all options open. I want a comprehensive crime package. And that's the way we're going to play it, and that's what we should be; the American people should be entitled to that.

China

Q. Did you discuss China, sir?

The President. We discussed China, MFN. I want to see MFN for China continue, and I made a strong pitch for it. We do not want to isolate China. And I go back to the days when I was in China as the equivalent of Ambassador, and though there are major problems in China -- things that we don't like about their system -- things are an awful lot better than they were back in 1975. So, I look at the big picture. I look at the support we got from China in Desert Storm. I look at the importance of China as a country. And I don't want to see us isolate them.

I do want to see them come forward more on some of the things that we've been asking them to do.

Iraq

Q. Is Iraq going to accept some form of police force?

The President. I don't know on that. We may -- we're contemplating going to the United Nations on that to get further authority, although we think that we have authority under existing resolutions.

Q. And a related question: Would you be happy with Iraq paying 25 percent of its oil revenues in

reparations?

The President. I don't have a percentage in mind. We're working out administration positions on that. But the main thing is full compliance with all the U.N. resolutions. And so, that's the key point. I don't know where the talks stand between the Kurds and the center and Saddam Hussein, but that could offer some hope. But I don't think that we can just entrust the fate of the Kurds to the word of Saddam Hussein.

Soviet-U.S. Relations

Q. We understand that you have blocked out the two last weeks in June for a possible summit. Has that moved at all since yesterday?

The President. No. Nothing's happened since I talked to Mr. Gorbachev last weekend. And I want to have a summit. They know and we know what the conditions have been and are. But there's no decision on that, Helen. I keep reading that somebody in Moscow says there's a date, and we don't know where that comes from, unless you do, Marlin.

President's Health

Q. Are you going to take a longer Memorial Day vacation?

The President. You got it.

Q. How many days more?

The President. I don't know.

Queen Elizabeth's Visit

Q. How come you didn't take out the step for the Queen, Mr. President?

The President. What?

Q. How come you didn't give the Queen a step to stand on yesterday?

The President. That's what we hired Joseph Reed for. [Laughter]

Q. Oooh.

President's Health

Q. How about giving us a little bit more on your health report? What did they say about your thyroid? Is it destroyed?

The President. Well, I asked the doctor if he wanted -- I got this when Marlin was doing his briefing. I almost sent in a little note -- I was listening to your questions, wonderful questions, to Marlin about my property taxes. [Laughter] And I asked Burt, and he said he'd rather wait until he talks to the other doctors. But he came in with a very good report about the thyroid now being in balance.

Q. Is it gone?

The President. Well, I don't know. It's not gone. I'd better keep a little of it because you don't want to get those hormones out of shape, you know what I mean? [Laughter]

Q. No, I haven't the slightest idea. [Laughter]

Q. How much weight have you lost? Five pounds, more, eight?

The President. No, about 10.

Q. Ten pounds?

The President. Yes.

Q. Over how long a time?

Q. How long?

The President. Over about a 3-week period.

Q. Are you happy?

The President. Yes. Yes, I'd like to keep it off.

Q. What are you, 190 now, Mr. President?

The President. Help. Here she comes. [Laughter] No, 187 last night.

Q. That's the lowest you've been in how many years?

The President. Lowest I've been in 30 years.

Queen Elizabeth's Visit

Q. How did you like the Queen?

The President. Very, very impressive; an engaging conversationalist and most impressive. I do feel badly -- --

Q. Why didn't you raise the podium?

The President. Well, I feel badly I didn't. And I thought about it and -- but she started to speak. And I didn't realize how it would look from a straight angle, or I would have interrupted her because it wasn't fair to her. And I'm just sorry that it was overlooked.

Grandchild's Birthday Party

Mrs. Bush. You've got the birthday party.

The President. We've got to go see the birthday party.

Q. Whose birthday is it?

The President. Marshall's. Marshall.

Q. Are you allowed to kiss her?

The President. No, I can't. Bar can.

Queen Elizabeth's Visit

Q. He's apologizing for not pulling the step out for the Queen, Mrs. Bush.

Mrs. Bush. He doesn't need to apologize.

The President. I kicked it over to the -- --

Mrs. Bush. It was someone else's job -- come on. [Laughter]

The President. See, we've got our line together.

Note: The session began at 1:50 p.m. on the South Lawn of the White House. In his responses, President Bush referred to President Saddam Hussein of Iraq; President Mikhail Gorbachev of the Soviet Union; Marlin Fitzwater, Press Secretary to the President; Joseph Verner Reed, Chief of Protocol; Burton J. Lee III, Physician to the President; Queen Elizabeth II of the United Kingdom; and Marshall Bush, President Bush's granddaughter. A tape was not available for verification of the content of this session.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Michael Manley of Jamaica

May 15, 1991

The President met today with Prime Minister Michael Manley of Jamaica, who is in the United States on a private visit. The two leaders discussed bilateral and regional issues, including economic cooperation, antinarcotics measures, and Caribbean economic integration. The President and the Prime Minister last met in May 1990, in the Oval Office.

The President commended the Prime Minister for his courageous leadership in pursuing an economic reform program, including deregulation, privatization, and monetary policies. Both leaders expressed their conviction that these measures are key to future investment and economic growth in Jamaica.

The President thanked the Prime Minister for his strong endorsement of the free-trade agreement with Mexico and the Enterprise for the Americas Initiative (EAI). Prime Minister Manley briefed the President on the CARICOM [Caribbean Community] proposal for a multilateral trade and investment framework agreement with the United States, which is currently being negotiated by the U.S. Government and CARICOM. The President is encouraged by the efforts of the Caribbean nations to move toward greater integration. The President noted that Jamaica has played a constructive role in encouraging the participation of CARICOM members in the process of trade and investment liberalization through the EAI.

The President noted that Prime Minister Manley has been a forceful proponent of democracy and human rights, and he expressed satisfaction with Jamaica's role in furthering democracy in the Caribbean region.

Nomination of Morris D. Busby To Be United States Ambassador to Colombia

May 15, 1991

The President announced his intention to nominate Morris D. Busby, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Colombia. He would succeed Thomas Edmund McNamara.

Since 1989 Ambassador Busby has served as coordinator for counterterrorism with the rank of Ambassador at the Department of State in Washington, DC. Prior to this, he served at the Department of State as a special envoy for Central America, 1988 - 1989; Principal Deputy Assistant Secretary of State for Inter-American Affairs, 1987 - 1988; and Director of the Nicaraguan Coordination Office, 1987. Ambassador Busby served as deputy chief of mission at the United States Embassy in Mexico City, Mexico, 1984 - 1987; and as an Alternate United States Representative to the Committee on Disarmament at the United States mission in Geneva, Switzerland, 1981 - 1984. In addition, he served at the Department of State as Deputy Assistant Secretary of State for Oceans and Fisheries with the rank of Ambassador, 1980 - 1981, and Director of the Office of Oceans and Polar Affairs, 1975 - 1980.

Ambassador Busby graduated from Marshall University (A.B., 1960) and George Washington University (M.S., 1971). He was born March 15, 1938, in Memphis, TN. Ambassador Busby served in the United States Navy, 1960 - 1975. Ambassador Busby is married, has two children, and resides in Arlington, VA.

Nomination of Johnnie Carson To Be United States Ambassador to Uganda

May 15, 1991

The President announced his intention to nominate Johnnie Carson, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Uganda. He would succeed John Andrew Burroughs, Jr.

Currently Mr. Carson serves as a member of the senior seminar at the Foreign Service Institute in Washington, DC. Prior to this, Mr. Carson served as Deputy Chief of Mission at the American Embassy in Gaborone, Botswana, 1986 - 1990; deputy political counselor at the American Embassy in Lisbon, Portugal, 1982; and as a staff director for the subcommittee on Africa at the United States House of Representatives in Washington, DC, 1979 - 1982; and staff secretariat in the Office of the Secretary at the Department of State, 1978 - 1979. He also served as deputy chief of mission at the American Embassy in Maputo, Mozambique, 1975 - 1978; studied at the School of Oriental and African Studies and the London School of Economics, 1974 - 1975. He served as a political officer at the United States mission to the United Nations, 1973; as a political analyst at the Bureau of Intelligence and Research at the Department of State, 1971 - 1974; and as a consular and political officer at the American Embassy in Lagos, Nigeria, 1969 - 1971. Mr. Carson has also served as a Peace Corps volunteer in Tanzania and East Africa, 1965 - 1968.

Mr. Carson graduated from Drake University (B.A., 1965) and the University of London (M.A., 1975). He was born April 7, 1943, in Chicago, IL. Mr. Carson is married, has three children, and resides in Reston, VA.

Remarks on Signing the Proclamation Commemorating National Defense Transportation Day and National Transportation Week

May 17, 1991

Good morning, fellow travelers. [Laughter] It's really great to see you all here, representatives of every sector of the transportation industry: road and rail, sea and air. I feel guilty walking to work from over there -- [laughter] -- with all this talent here. But Sam Skinner, our very able Secretary of Transportation, I salute you, sir, and thank you for your leadership on the issue. I salute the distinguished senior DOT officials who are with us. And all our special guests, let me just say, welcome to the White House.

Among the many changes that shaped this country, transportation has really been in the lead. And your industries -- your trucks, trains, ships, and aircraft -- link all 50 States and, as we've seen recently, dramatically link America to the world beyond. For this year, events far beyond our shores remind us that civil transportation sustains not simply a strong economy but an America strong enough to defend its vital interests halfway around the world.

From the first days of Desert Shield to the final moments of Desert Storm, each of your industries made possible the most intensive military lift since the Second World War. More than 4 million tons of dry cargo, 6 million tons of fuel, thousands of troops moved across America and halfway around the world.

As President, let me say that every sector of the civil transportation system -- road, rail, sea, and air -- contributed to the success of Desert Shield and then Desert Storm. And that contribution didn't stop when combat began. Every American shares my pride in our men and women in uniform.

But today I want to thank the pilots and the crew of nearly 90 civil aircraft that flew support missions during Desert Storm, the civilian crew members who served at sea, and all the civilian heroes in the transportation sector who pushed the limit and ventured into harm's way to get the job done. And how well they did it.

I mentioned a moment ago the connection between transportation and America's international competitiveness. And that's why back on March 6th, in my address to the joint session, I challenged Congress to act on the urgent issues facing the Nation. And I focused, not simply on critical crime bill -- that one, which we really want to have -- but on transportation. And I said to Congress then, if our forces could win the ground war in 100 hours, then surely Congress can pass this legislation in 100 days.

And the clock has been ticking. And our transportation bill, thanks to Sam and many of you in this room, has made some headway in the Senate. I'm informed that the House is beginning now to move on this, but there's still a long way to go to get a satisfactory bill. And I don't have to tell you that 16 blocks between this house and the two Houses of Congress can be a long, long trip -- long road in American politics. So now's the time to move a sound transportation bill out of the Congress and onto my desk. And today as we mark the special significance of transportation to America's economic welfare and international security, I ask each one of you: Please join us, join the Secretary, join me, in urging Congress to rise to the challenges and act now.

And once again, it is my pleasure to welcome you all here to the White House. And I will now sign these proclamations declaring National Maritime Day, National Defense Transportation Day, and National Transportation Week. And then I would like to suggest to those outside of what is known as the White House complex that I walk out of here into the Oval Office, and I'd like each one of you, if you have time, to come by and shake hands and at least say hello and see my magnificent office.

Note: The President spoke at 10:18 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Secretary of Transportation Samuel K. Skinner. The proclamations are listed in Appendix E at the end of this volume.

Remarks and an Exchange With Reporters Following a Meeting With Secretary of State James A. Baker III on Middle East Peace Talks

May 17, 1991

The President. Let me just say that I've just received a full report from Secretary Baker on his travels to the Middle East. I've also been on the phone, as has Secretary Baker, with President Mubarak of Egypt. And my assessment after hearing the report from Secretary Baker is that there is real cause for optimism.

And we will continue to work this process. We're not about to stop. We're going to continue to do that. And progress has been made. And so, when you're working a problem this complicated, you just keep on plugging away. And as I said to some of you all yesterday or the day before, a lot of this has got to be conducted with quiet diplomacy.

It's a very difficult problem the Secretary has been working. I thank him for this endless amount of travel he's put in. But the point I wanted to make, after assessing his report, is that there's reason for optimism. Good reason for optimism.

Q. What is the reason?

The President. A lot of these things have to be quiet when you're talking about diplomacy.

Q. Why can't we have any reasons?

The President. You've got some. You can see what's already been done. Everybody was writing off Saudi Arabia earlier on, and the GCC countries have made a pretty good statement.

So, there's plenty of reason. But I'm not going to go into any detail with you, Helen [Helen Thomas, United Press International], because I've told you that the way to solve this conundrum is to not get these parties' position by public statements.

Q. Well, will there be a peace conference?

Q. What is the next step?

Q. Will Secretary Baker go on another trip?

Q. Mr. President, are you giving any thought to inviting them to a conference in Washington?

The President. We're going to keep on working it, from here, and if there's reason to go back, he will. It might kill him -- been traveling all the time -- but he's doing a first-class job on it.

Q. Are you going to invite anyone here?

Q. What about a Washington peace conference -- are you considering that still?

The President. That's a detail I'm not discussing -- along with all the other details I'm not discussing.

Q. Mr. President, is that window of opportunity that was opened after the Iraq war closing? Are you losing some of that advantage?

The President. I don't think so. I think the credibility of the United States is higher in the Middle East than it's ever been. I think it's still there, Jim. I don't think there's an erosion to it.

Q. Are you standing by [United Nations Security Council Resolutions] 338 and 242? Do you continue to support land for peace?

The President. Well, that's -- the United States position is there.

Anybody want to ask the Secretary a question before I -- before we fire this machine up?

Q. Yes, I would like to ask Mr. Baker -- --

Secretary Baker. Let me say something about 242 and 338, which is a very good question. The parties with whom we've been talking have agreed that the objective is a comprehensive settlement based on 242 and 338. And that represents, I think, a pretty important agreement. That doesn't bring you to a peace conference, because you've got to get agreement on everything before -- every last thing has to be agreed to before you can have a peace conference. But that first fundamental agreement has to be made. And it has been made.

Q. Well Mr. Secretary, the parties don't even agree on what 242 and 338 require.

Secretary Baker. If there was an agreement on what 242 required you wouldn't have to have a conference. You wouldn't even, indeed, have to have negotiations. That's what the negotiations are for -- is to determine exactly what's meant by 242.

Q. You're saying everyone's committed to those?

Secretary Baker. To 242 and 338 -- --

Q. Can a conference be held without -- --

Q. Mr. President, can you see any benefit at all to a Washington conference?

Q. Mr. President, are you willing to accept some restrictions on MFN for China?

The President. Thank you all very much. Thank you all very much, and good day. [Laughter] I'm leaving. We'll see you guys.

Note: The President spoke at 1:40 p.m. on the South Lawn of the White House. In his remarks, he referred to President Mohammed Hosni Mubarak of Egypt.

Letter to Congressional Leaders on the Strategic Framework in Asia

May 17, 1991

Dear XXXXX:

Pursuant to section 915 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101 - 189), I am hereby transmitting a follow-on report that updates the status of the implementation of our Strategic Framework in Asia.

Sincerely,

George Bush

Note: Identical letters were sent to Robert C. Byrd and Mark O. Hatfield, chairman and ranking Republican member of the Senate Committee on Appropriations; Sam Nunn and John W. Warner, chairman and ranking Republican member of the Senate Committee on Armed Services; Claiborne Pell and Jesse Helms, chairman and ranking Republican member of the Senate Committee on Foreign Relations; Jamie L. Whitten and Joseph M. McDade, chairman and ranking Republican member of the House Committee on Appropriations; Les Aspin and William L. Dickinson, chairman and ranking Republican member of the House Committee on Armed Services; Dante B. Fascell and William S. Broomfield, chairman and ranking Republican member of the House Committee on Foreign Relations.

Message to the Congress on Japanese Importation of Sea Turtles

May 17, 1991

To the Congress of the United States:

On March 20, 1991, Secretary of the Interior Manuel Lujan and Secretary of Commerce Robert Mosbacher certified under section 8 of the Fishermen's Protective Act of 1967, as amended (Pelly Amendment), 22 U.S.C. 1978(a)(2), that nationals of Japan have engaged in trade in sea turtles that threatens the survival of two endangered species and severely diminishes the effectiveness of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), an international conservation program.

The certification by the Secretaries of the Interior and Commerce was made because Japan has allowed its nationals to import large amounts of raw hawksbill sea turtle shell and olive ridley sea turtle skin. All sea turtles were recognized as endangered by CITES on July 1, 1975, and listed on Appendix I of that convention, which prohibits all international trade in the listed products. When Japan joined CITES in 1981, it reserved on hawksbill and olive ridley sea turtles and continued to trade in them.

Since the certification, my Administration has held discussions with the Government of Japan in an effort to end its trade in sea turtles. The Government of Japan has responded by ending its trade in olive ridley sea turtles and announcing publicly its intent to withdraw its reservations to CITES on olive ridleys. It has also announced publicly its commitment to end all trade in hawksbill sea turtles by a date certain and make a decision in the near future on the specific date for ending the trade and for lifting its reservation to CITES for this species. Given these commitments, I have decided not to recommend specific measures to prohibit wildlife imports at this time pending an assessment within 30 days of the adequacy of Japan's actions to lift its reservation and bring to a conclusive end its trade in hawksbill sea turtles. Based on that assessment, an additional report will be made to the Congress.

George Bush

The White House,

May 17, 1991.

Letter to Congressional Leaders on the Situation in the Persian Gulf

May 17, 1991

Dear Mr. Speaker: (Dear Mr. President:)

On March 19, 1991, I reported to you, consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1), on the successful conduct of military operations aimed at the liberation of Kuwait. Since that time, the United Nations Security Council has adopted Resolution 687, which set forth the preconditions for a formal cease-fire. Iraq has accepted those terms, and the cease-fire and withdrawal of coalition forces from southern Iraq have been concluded. The Iraqi repression of the Kurdish people has, however, necessitated a limited introduction of U.S. forces into northern Iraq for emergency relief purposes. I am reporting these matters to you as part of our continuing effort to keep the Congress fully informed on these developments.

Resolution 687 required, as a precondition for a formal cease-fire, that Iraq officially notify the United Nations of its acceptance of the provisions of the resolution. These provisions included: (1) respect for the international boundary as agreed between Iraq and Kuwait in 1963, which the Security Council guaranteed; (2) the creation of a demilitarized zone along the Iraq-Kuwait border and the deployment of a U.N. observer unit into that zone; (3) the destruction, removal, or rendering harmless of all chemical and biological weapons, ballistic missiles with a range greater than 150 kilometers, and nuclear-weapons-usable material, together with facilities related to them, and international supervision and inspection to verify compliance; (4) the creation of a fund, drawn from future Iraqi oil revenues, to pay compensation for losses caused by the Iraqi invasion and occupation of Kuwait; (5) the continuation of the embargo of all exports of arms to Iraq; (6) the phased relaxation of certain other aspects of the U.N. sanctions against Iraq as Iraq complies with its obligations under the resolution; and (7) the renunciation by Iraq of support for international terrorism.

Iraq officially accepted those terms on April 6, and a formal cease-fire has gone into effect. Accordingly, United States Armed Forces deployed in southern Iraq began withdrawing as U.N. peacekeeping personnel deployed into the zone, and this withdrawal was completed on May 9. The United States has been assisting the U.N. Secretary General in his efforts to implement the other provisions of Resolution 687, particularly with respect to boundary demarcation, compensation, and weapons of mass destruction.

During this same period, however, Iraqi forces engaged in a campaign of brutal repression of internal opposition, with the result that many hundreds of thousands of civilians fled their homes in search of safety in the regions along the Turkish and Iranian borders. In response to this situation, on April 5 the Security Council adopted Resolution 688, which insisted that Iraq cease

its repression and allow immediate access by international humanitarian organizations, and appealed to all Member States to assist in these humanitarian relief efforts.

I immediately ordered United States Armed Forces to begin air-dropping large amounts of food and other essential items to these refugees. However, it soon became clear that even this massive effort would not be enough to deal with the desperate plight of the hundreds of thousands of men, women, and children stranded and suffering in these mountainous areas. Accordingly, on April 16 I directed United States Armed Forces to begin to establish immediately several temporary encampments in northern Iraq where geographical conditions would be more suitable for relief efforts. United States, British, and French forces are providing security for these encampments.

This effort is not intended as a permanent solution to the plight of the Iraqi Kurds. It is a humanitarian measure designed to save lives, consistent with Resolution 688. It is also not an attempt to intervene militarily into the internal affairs of Iraq or to impair its territorial integrity. We intend to turn over the administration and security for these temporary sites as soon as possible to the United Nations (a process that has already begun), and to complete our total withdrawal from Iraq. Our long-term objective remains the same: for Iraqi Kurds, and indeed for all Iraqi refugees and displaced persons, to return home and to live in peace, free from repression.

I am grateful for the support that the Congress has given, and I look forward to continued cooperation in meeting these urgent humanitarian goals.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate.

Message to the Senate Transmitting the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal

May 17, 1991

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, with Annexes, done at Basel on March 22, 1989. The report of the Department of State is enclosed for the information of the Senate.

The Convention, which was negotiated under the auspices of the United Nations Environment Program with the active participation of the United States, makes environmentally sound management the prerequisite to any transboundary movement of wastes. To that end, it bars transboundary movements unless every country involved has consented. Even when consent is obtained, shipments must be prohibited when either the country from which the wastes are exported or the country in which the wastes will be disposed have reason to believe that the shipment will not be handled in an environmentally sound manner. The Convention also provides for the environmentally sound management of wastes that are illegally transported.

Upon receiving the unanimous recommendation of interested agencies, I personally authorized signature of the Convention by the United States last March. The notice-and-consent regime it establishes advances environmental goals that the United States has long held. We were one of the first nations to enact legislation prohibiting exports of hazardous wastes without the consent of the importing country. In March 1989, as negotiations of this Convention were concluding, I announced that the Administration planned to seek statutory authority to ban exports of hazardous wastes except pursuant to a bilateral agreement providing for the environmentally sound management of the wastes. We now have such agreements with Canada and Mexico. Proposed legislation supported by the Administration has recently been transmitted to the Congress.

I recommend that the Senate give early and favorable consideration to the Convention and its advice and consent to ratification.

George Bush

The White House,

May 17, 1991.

Note: An original was not available for verification of the content of this message.

Message to the Senate Transmitting the Tunisia-United States Treaty Concerning the Reciprocal Encouragement and Protection of Investment

May 17, 1991

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the United States of America and the Republic of Tunisia Concerning the Reciprocal Encouragement and Protection of Investment, with Protocol, signed at Washington on May 15, 1990. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

The Bilateral Investment Treaty (BIT) program, initiated in 1981, is designed to encourage and protect U.S. investment. The treaty is an integral part of U.S. efforts to encourage Tunisia and other governments to adopt macroeconomic and structural policies that will promote economic growth. It is also fully consistent with U.S. policy toward international investment. That policy holds that an open international investment system in which participants respond to market forces provides the best and most efficient mechanism to promote global economic development. A specific tenet, reflected in this treaty, is that U.S. direct investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the Parties also agree to international law standards for expropriation and compensation; to free financial transfers; and to procedures, including international arbitration, for the settlement of investment disputes.

I recommend that the Senate consider this treaty as soon as possible and give its advice and consent to ratification of the treaty, with protocol, at an early date.

George Bush

The White House,

May 17, 1991.

Message on Cuban Independence Day

May 20, 1991

On May 20th, Cuban-Americans commemorate the 89th anniversary of Cuban independence, a day that celebrates the heroic efforts of the people who forged the Cuban Republic.

The history of our two countries is closely intertwined. During our own Revolution, when American troops were short on supplies, the women of Havana banded together and raised money for the cause of American freedom and independence.

Eighty-two years later, Cubans banded together and, after a long brutal struggle, built their own republic. Today we remember that victory for freedom and hope for its renewal in Cuba.

Freedom demands sacrifice. And the battle for freedom draws upon people's most heroic instincts and abilities. Jose Marti, a hero of freedom, the father of Cuban independence, said, ``To witness a crime in silence is like committing it." So, today we again reiterate unwavering commitment for a free and democratic Cuba. Nothing shall turn us away from this objective.

I ask Fidel Castro to make this an Independence Day to remember. I call on Fidel Castro to free political prisoners in Cuba and allow the United Nations Commission on Human Rights to investigate possible human rights violations in Cuba. I challenge Mr. Castro to let Cuba live in peace with its neighbors. And I challenge Mr. Castro to follow the examples of countries like Nicaragua, Panama, Paraguay, and Chile in their achievement of new democracies.

Put democracy to a test: permit political parties to organize and a free press to thrive. Hold free and fair elections under international supervision. Ninety-nine percent of the people of this hemisphere live either in a democracy or a country that is on the road to democracy. One percent live under the hemisphere's last dictator, Fidel Castro.

On Cuban Independence Day, our goals for the Cuban nation, shared by Cubans everywhere, are plain and clear: freedom and democracy, Mr. Castro, not sometime, not someday, but now. If Cuba holds fully free and fair elections under international supervision, respects human rights, and stops subverting its neighbors, we can expect relations between our two countries to improve significantly.

Thank you, and may God bless the freedom-loving people of Cuba and the United States.

Note: This message was recorded on May 16 in the Oval Office at the White House and was released by the Office of the Press Secretary on May 20. In his message, President Bush referred to President Fidel Castro Ruz of Cuba. The message was broadcast into Cuba with a Spanish translation on Radio and TV Marti.

Letter to Congressional Leaders Reporting on the Points of Light Foundation

May 20, 1991

Dear Mr. Chairman: (Dear Senator:)

The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991 (Public Law 101 - 507; 104 Stat. 1351) (the ``Act''), requires the President to prepare and submit to the appropriate committees of the Congress a report describing the use of funds made available by the Act to the Points of Light Foundation (the ``Foundation''). Because the Foundation has been operational for such a short period of time, I submit herewith the Foundation's fiscal year 1992 budget submission in lieu of the aforesaid report.

I believe you will find that the fiscal year 1992 budget submission sufficiently describes the activities of the Foundation and the uses to which it intends to put the monies appropriated.

Sincerely,

George Bush

Note: Identical letters were sent to Edward M. Kennedy and Orrin G. Hatch, chairman and ranking Republican member of the Senate Labor and Human Resources Committee; Augustus F. Hawkins and William F. Goodling, chairman and ranking Republican member of the House Education and Labor Committee; Barbara A. Mikulski and Jake Garn, chairman and ranking Republican member of the Senate HUD - Independent Agencies Subcommittee; and Bob Traxler and Bill Green, chairman and ranking Republican member of the House VA, HUD, and Independent Agencies Subcommittee.

White House Fact Sheet on the United States-German Nuclear Energy Safety Initiative

May 20, 1991

Technical Assistance for Central and Eastern Europe

The President and Chancellor Kohl announced today that the United States and Germany will offer joint technical assistance programs to enhance nuclear energy safety in Central and Eastern Europe. This initiative was prompted by their shared commitment to the safe operation of peaceful nuclear facilities worldwide, as well as by requests from Central and Eastern European Governments for assistance in nuclear energy safety.

As technological leaders in the field, the United States and Germany will offer joint assistance to Central and Eastern Europe as well as working through the and with the International Atomic Energy Agency (IAEA) in Vienna. Cooperation will focus initially on safety matters related to older reactors operating in the region, with the primary objective of enhancing operational safety at these facilities. Both sides anticipate that this initially modest program will lay the foundation for further U.S.-German joint efforts with Central and Eastern Europe, as part of their broader commitment to the success of these new democracies.

The IAEA is now engaged in a comprehensive safety review of first generational nuclear reactors in Central and Eastern Europe. The United States and Germany will provide teams of experts and contribute up to $200,000 each in support of this work, which will focus on instrumentation and control, operating procedures, fire protection, and facility management and organization. The United States and Germany also support follow-on measures to the IAEA safety review in key areas such as operator training, power plant maintenance, and safety procedures, and have agreed to matching financial commitments of up to $1 million each over the next 2 years to help fund these activities.

In addition, the United States and Germany will work closely with the World Bank and the newly created European Bank for Reconstruction and Development to encourage a priority focus on safety and environmental concerns in their energy-related lending programs. This could include, for example, funding for alternative sources of electricity to cover energy demands while safety repairs are performed at nuclear power plants. Both sides will also work to promote energy efficiency and adequate supplies of energy resources in these countries, and they will work jointly through the Organization for Economic Cooperation and Development, the Nuclear Energy Agency, and the International Energy Agency to promote nuclear energy safety in Central and Eastern Europe.

Coordination of Bilateral Programs With the Soviet Union

The President and Chancellor Kohl also agreed to coordinate their existing programs of nuclear operational safety cooperation with the Soviet Union. The U.S. program, which commenced with a U.S.-Soviet agreement signed on March 16, 1990, is being implemented under a longstanding U.S.-Soviet Memorandum of Cooperation on Civilian Nuclear Reactor Safety. The program emphasizes improved operational safety practices through strengthened operating instructions, training, and management and operational controls.

The President's News Conference With Chancellor Helmut Kohl of Germany

May 20, 1991

The President. I had a chance to welcome Chancellor Kohl, the Chancellor of a united Germany. And I was delighted to do that and welcome him and his Foreign Minister, Hans-Dietrich Genscher, and others in his party. We've had a good meeting.

We discussed the European security and the importance of NATO in terms of future security for Europe. We both agreed that we have a lot at stake in the successful conclusion of the Uruguay round. We had detailed discussions about the Soviet Union, and Chancellor Kohl shared with me his thoughts on that important question. And I had a chance to thank Chancellor Kohl for Germany's support during the war and to congratulate him for the leadership role that Germany took in trying to bring aid to the Kurds over there in Iraq.

The Chancellor. Thank you very much, Mr. President. Mr. President, ladies and gentlemen, I would like to take this opportunity to thank you and all of our American friends for the unrelenting support which we have been given on our way to complete German unification.

For over 40 years our American friends have guaranteed peace and freedom of the free part of our fatherland of what was then the Federal Republic of Germany. Millions of American soldiers have served their military service in our country, far away from their home country. We will never forget that because that was a precondition for the 3d of October, for the Day of German Unity.

Today again we talked about the process of political unity for Europe, as we have done numerous times during our telephone conversations. This is really what we have always wanted: to get the support of our American friends and partners. And I'm very pleased to be able to be part of that process, a process which Winston Churchill talked about already in 1946 in his famous speech in Zurich, a process leading up to what he called then ``the united states of Europe."

And this process, heading towards political unity, economic unity within Europe, obviously also includes cooperation with the United States of America. German-American friendship and friendship between Europe and the United States is of existential importance for a future for all of us. And this also goes for NATO, which is why it is also important in the future that the United States maintains a substantial troop presence in Germany, but also in Europe as a whole.

Mr. President, we talked about GATT, about the Uruguay round. The two of us know that it would deal a fatal blow to world trade if we would let protectionism come in and take the upper hand. That does not only hold true for us Germans, we, as one of the leading exporting nations in

the world. A failure of GATT would also be a catastrophe for the developing countries. This is why we have to work very hard in order to bring about a success for the Uruguay round, for GATT. And although it is a very difficult subject, I think that we have cause to be carefully optimistic and to see -- to state that things are actually moving.

As far as the conflict -- the war in the Gulf is concerned, I would like to mention here once again what I already told the President. We in Germany and we as Europeans, in Europe as a whole, we want to see his initiatives to be successful. We are very grateful for what Jim Baker did, and I hope that he will continue his missions and that this war, which has been won, will lead also to a peace which is won.

The last thing I wanted to mention here has already been, I think, touched upon by the President, and let me say this in one brief sentence. We have a joint interest, and we as Germans have a particular interest, in seeing the reform movements in Central Europe and southeastern Europe and also in the Soviet Union to be successful.

The President. May I suggest that, on the questions, we alternate one to Chancellor and one to me. I'd be glad to start.

Soviet Union

Q. Chancellor, would you like to see President Gorbachev have a role at the London economic summit?

The Chancellor. President Gorbachev is going to play a role irrespective of whether he's actually bodily present or not. And I think that we have to take a break and talk about it in some detail, about what is going to happen at that summit.

Q. Would you support it?

The Chancellor. I would support what is reasonable and what is beneficial to both sides. And one has to weigh carefully the pros and cons, and one has to talk to them personally about this. And let me say that, at this very point here in this press meeting, I'm not yet in a position to have any sort of definitive answer to that, but I'll soon have one.

Q. Mr. President, did the Chancellor ask you to give any increased aid to the Soviet Union? And where do you stand now on the request for $1.5 million in agricultural credits?

The President. No, there was no specific request. I think there was general agreement that we'd like to be able to help the Soviet Union in every way possible. And we both expressed our confidence in President Gorbachev. Still under consideration.

The Chancellor. I would like to underline this -- taking this occasion to underline this, that we both completely agree in that -- that we support Gorbachev here, that we completely agree with that.

U.S. Troops in Europe

Q. Chancellor, why do you want U.S. troops to remain in Europe? And President Bush, do you think they should stay there?

The Chancellor. Because I think that in spite of the fact that the situation has obviously changed and that indisputably the danger has decreased, I still say and I still think that NATO makes sense, albeit in an adjusted form. It will have to develop. But I still think that NATO should remain. It makes sense. And if NATO is there, then it makes sense that the United States maintain a troop presence.

And let me say, I think that this is both in the American and in the European interest.

Q. And, President Bush, your reaction to that?

The President. I agree with it. NATO kept the peace for 40 years, and the U.S. is a significant participant in NATO, obviously. And we don't want to pull back into some sphere of isolation.

Soviet Union

Q. Mr. President, would you pay an invitation to Mr. Gorbachev for the G - 7 meeting in London?

The President. I agree with what the Chancellor said on that same question: that we're waiting and considering, and see what would be most helpful in terms of the economic recovery in the Soviet Union and Eastern Europe.

Q. Mr. President, is it now -- --

The President. Can you shoot it to the Chancellor? It's his turn. We're going in turns here. Or forever hold your peace, and I'll get around to it later.

Yugoslavia

Q. Mr. Chancellor, Yugoslavia seems to be falling apart at an accelerating pace. Is there anything that you believe that the United States and the NATO allies can do to try to halt the process from disintegrating into violence? And did you discuss that with the President?

The Chancellor. I think that we can all do something. I don't think that this is something which will fall specifically into the sphere of confidence of NATO. I think the European Community could also do something here and must, indeed, do something here. And Yugoslavia must have a very vested interest in cooperation with the European Community. And I think that we are in total agreement here with our American friends that we must act together here, but that, as it is a very delicate subject, we must also be very prudent, very careful in the way we deal with it. It's, as I said, a very delicate, a very difficult problem which actually goes back centuries.

The President. Now we'll go over here. Yes, sir.

Iraq

Q. Mr. President, is it now your policy not to lift sanctions against Iraq as long as Saddam Hussein remains in power? Is that a hard, fast position?

The President. We will abide by the United Nations resolutions, of course. It is our policy that there will not be normalized relations. And it is my view that only if the sanctions are complied with will we be willing to -- I mean, only if every provision of the United Nations resolutions are complied with would we, the United States, be willing to lift sanctions.

Q. Are there any conditions under which sanctions could be lifted and Saddam Hussein still remain in power?

The President. There are certain areas where Iraq, in order to comply with United Nations sanctions, must sell abroad. They've got funds set up to put some of their oil revenues into it. But all of these things are down the road. At this juncture, my view is we don't want to lift these sanctions as long as Saddam Hussein is in power.

Soviet Union

Q. Mr. Chancellor, you talk about the general support to Gorbachev. Did you discuss any specific measures you can take to help him?

The Chancellor. We are in total agreement about one principle: it can only be help for self-help, because these reforms must actually be carried out in the Soviet Union itself. For example, a restructuring of the overall system there, actually bringing about what we call a federative structure. And this also goes for reforms leading up to the introduction of a market economy.

This is, incidentally, a dramatic process. We, ourselves, have now experiences with the kinds of problems that you incur if you try to achieve that transformation if we look to the so-called new Lander, the Eastern Lander [States] of what is now the Federal Republic of Germany.

Q. Mr. President, was progress made today by the negotiators on resolving the issues around the CFE treaty? And if those issues are resolved, would you be willing to go ahead with a summit in June or July with President Gorbachev?

The President. Are you referring to Mr. Moiseyev's visit?

Q. I am, but I can't say his name.

The President. I'm just getting briefed on it here. The answer is, not much progress. And they've not reported to me on that visit yet. But yes, we get that matter resolved and START resolved, I'd like to have a summit with Mr. Gorbachev.

Iran

Q. Chancellor Kohl, you recently spoke over the telephone with Iranian President Mr. Rafsanjani, and your Foreign Minister was recently in Iran. Did you discuss that subject with the President? Do you feel that Iran is opening to the West -- wants to open to the West? Did you discuss the question of hostages?

The Chancellor. Actually, we touched on this issue very briefly, but we're going to take it up at a later stage. I've actually had a number of telephone calls with President Rafsanjani. Hans-Dietrich Genscher was there and had very interesting discussions with him. And my impression is -- and let me be very careful here -- that after years of abstinence, they seem to be willing to show more of an openness, more of a willingness to actually have contacts and talks with the West, which will be in the common interest, particularly if the preconditions would develop favorably.

A precondition, for example, would be that the American hostages are finally allowed to go home to their families. Let me say to you, I pointed this out very, very clearly in no uncertain terms to him. I told him that's more than just a question of improving the political climate here.

The President. We have time to take one more question each.

Kuwait

Q. Mr. President, we've seen over the weekend trials in Kuwait. What is your assessment and what are your concerns about the nature of Kuwaiti justice right now?

The President. I haven't had a report on the trials themselves yet. And when I read about them, I tried to put myself in the place of the Kuwaiti citizens who were brutalized by Saddam Hussein. I tried to think back, and it wasn't hard, to the brutality and the terrible grief that the families that stayed in Kuwait had. And I can understand that there's a lot of bitterness from those Kuwaitis who saw their country raped and pillaged in an unconscionable way.

Having said that, I think it would be in Kuwait's interest to extend the fair trial to everybody and to be as compassionate as one can given the outrages that they faced.

The last question's for the Chancellor.

Q. Do I take that, sir, as meaning you think they can do a better job?

The President. All I know of the trials is what I read in the paper today, and so I'd want to reserve on that until I understand exactly how the system works.

World Economy

Q. Chancellor Kohl, did President Bush reiterate the American request for lower German interest rates? And what's your position on that question?

The Chancellor. Actually, we did talk about that in passing. But I think that the opinions here are well-known. We as Germans have an interest in seeing sound economic growth worldwide. And we are giving an important contribution to that, not least as a consequence of German unification. As a consequence of German unification, we have seen the German economy emerge -- and I don't like that word all that well -- emerge as a sort of locomotive, as a sort of engine motor of the worldwide economy. And I think that this is of advantage to all of us, which is why I think that discussing what can we do in order to push, in order to promote world economy is going to be a very important subject during the G - 7 meeting in London.

The President. Sarah [Sarah McClendon, McClendon News Service], you missed what I said. I said these were the two last ones. I'm very sorry.

Note: The President's 83d news conference began at 6:07 p.m. in the Rose Garden at the White House. The Chancellor spoke in German, and his remarks were translated by an interpreter. In the news conference, the following persons were referred to: Foreign Minister Hans-Dietrich Genscher of Germany; Secretary of State James A. Baker III; President Mikhail Gorbachev of the Soviet Union; President Saddam Hussein of Iraq; Gen. Mikhail Moiseyev, Chief of the General Staff of the Soviet Union; and President Ali Akbar Hashemi-Rafsanjani of Iran.

Exchange With Reporters Prior to a Meeting With President Luis Alberto Lacalle of Uruguay

May 21, 1991

Assassination of Rajiv Gandhi

Q. Mr. President, what do you say about the Prime Minister -- ex-Prime Minister Gandhi?

President Bush. I was just talking to President Lacalle, and he and I agree that this is a real tragedy. Barbara and I have had a friendship, a real friendship, with Rajiv Gandhi and his wife, and it's on a personal basis I mourn the loss. But when you look at his contribution to international order and when you think of his decency, it's a tragedy. And that people resort in a democratic country or anywhere to violence of this nature -- it's just appalling. And I don't know what the world's coming to, but it's a sad thing for this young man to have lost his life in this way. It's a tragedy.

I expect you agree.

President Lacalle. Of course, I do. It's a tough job sometimes being in politics.

President Bush. That's right.

Q. You sound kind of discouraged about what the world's coming to.

President Bush. Well, I'm discouraged about that. This is a man to whom I've felt very, very close. And I felt that I knew him right well. I remember being received by his mother and him while she was still in power and not very long after that she was brought down by assassins' guns. It's just a tragedy, so I am discouraged about that. I'm not discouraged about the world, but I'm discouraged about that, I'll tell you.

Thank you all very much.

[At this point, members of the Uruguayan press corps entered the room.]

Visit of President Lacalle

President Bush. May I just say what a pleasure it is to have the President here. There's no way we can thank him on a visit of this nature for the hospitality that he and his wife and family extended to me and to my daughter down there. But it's a joy seeing this President. We've got a lot in common and we've got a lot at stake in seeing what he stands for succeed -- not just in his

country, but that enterprise spirit succeed across the southern cone and Southern Hemisphere. And I'm optimistic about it, but I'm anxious to talk to your President.

Do you want a word?

President Lacalle. No.

President Bush. Okay. They see you all the time.

Q. Mr. President, fishing is waiting for you in Punta del Este.

President Bush. Quando?

Q. You have to choose.

President Bush. Don't tempt me, I'll be down there.

Thank you guys. Good to see you all. Welcome.

Note: The exchange began at 3:02 p.m. in the Oval Office at the White House. In his remarks, President Bush referred to Rajiv Gandhi, former Prime Minister of India; Sonia Gandhi, his wife; and Indira Gandhi, his mother and also former Indian Prime Minister.

Statement by Deputy Press Secretary Popadiuk on President Bush's Meeting With President Luis Alberto Lacalle of Uruguay

May 21, 1991

President Bush met today with Uruguay's President Luis Alberto Lacalle, who is on a private visit to Washington following his state visit to Canada. The President thanked President Lacalle for Uruguay's strong support for the U.S. and the international coalition in Desert Storm.

The two Presidents reviewed the status of the Enterprise for the Americas legislation and its relation to the Southern Cone Common Market, noting that the two are mutually supportive. They agreed that economic integration efforts in the hemisphere enjoy the strong support of both their countries.

They also discussed the status of Fast Track extension. President Lacalle expressed his strong support for Fast Track extension and for a successful conclusion of the Uruguay round of trade talks. They also discussed the upcoming United Nations Conference on the Environment, scheduled to be held in Brazil in 1992, stressing their hopes for a successful conference.

Message to the Senate Transmitting the Convention for the Prohibition of Fishing With Long Driftnets in the South Pacific

May 21, 1991

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Convention for the Prohibition of Fishing with Long Driftnets in the South Pacific, done at Wellington on November 24, 1989 (the ``Wellington Convention''), and Protocol I, done at Noumea on October 20, 1990, to the Wellington Convention.

The Wellington Convention was negotiated by the South Pacific states and is designed to prohibit driftnet fishing in the South Pacific Ocean. The Convention prohibits the use of driftnets or the transshipment of driftnet catches in waters under the fisheries jurisdiction of the parties within the Convention area, and by vessels and nationals of the parties anywhere within the Convention area. For the United States, these obligations will apply to the United States Exclusive Economic Zone around American Samoa and certain unincorporated U.S. islands and to U.S. nationals and vessels documented under U.S. laws fishing within the Convention area.

Protocol I to the Wellington Convention was adopted by the South Pacific states as the instrument by which distant water fishing nations, whose nationals and vessels fish in the Convention area, agree to prohibit their nationals and vessels from fishing with driftnets in that area.

Public Law 101 - 627 amends the Magnuson Fisheries Conservation and Management Act (MFCMA) to, among other things, prohibit driftnet fishing in waters subject to U.S. fisheries jurisdiction, and by U.S. vessels and nationals anywhere. As a result, no additional legislation will be required for the United States to implement the Convention.

Ratification of the Wellington Convention and Protocol I is consistent with U.S. policy on driftnet fishing. Section 107 of Public Law 101 - 627 provides that it is the policy of the Congress that the United States should support the Wellington Convention and secure a permanent ban on the use of large-scale driftnets on the high seas of the world. Early ratification by the United States will demonstrate U.S. commitment to this policy and encourage similar action by other nations whose participation in the Convention and Protocol I is important.

I recommend that the Senate give early and favorable consideration to the Wellington Convention and Protocol I and give its advice and consent to ratification, subject to the understandings described in the accompanying report of the Secretary of State.

George Bush

The White House,

May 21, 1991.

Nomination of Robert M. Guttman To Be an Assistant Secretary of Labor

May 21, 1991

The President today announced his intention to nominate Robert Michael Guttman, of the District of Columbia, to be an Assistant Secretary of Labor for Labor Management Standards. He would succeed Mary Sterling.

Mr. Guttman currently serves as a consultant in Washington, DC. Prior to this, Mr. Guttman served as Chief of Staff to the Vice President, 1988 - 1989; a senior advisor to Senator Dan Quayle, 1981 - 1988; and as a specialist on social legislation for the Congressional Research Service at the Library of Congress, 1970 - 1981. From 1956 to 1970, Mr. Guttman served in various positions at the United States Department of Labor including Associate Solicitor for Legislation and Legal Counsel.

Mr. Guttman graduated from Harvard College (A.B., 1952) and George Washington University (LL.B., 1961). Mr. Guttman was born August 9, 1928, in Munich, Germany. He served in the British Army, 1947 - 1949. Mr. Guttman is married, has three children, and resides in Washington, DC.

Statement by Deputy Press Secretary Popadiuk on the President's Meeting With General Mikhail Moiseyev, Chief of the General Staff of the Soviet Union

May 21, 1991

The President met with Soviet Chief of the General Staff Mikhail Moiseyev in the Oval Office for approximately 15 minutes this afternoon. General Moiseyev was brought to the Oval Office by General Scowcroft after a brief meeting in the General's office. General Moiseyev recounted for the President his view of the progress of the talks of the last 2 days. The President reaffirmed the U.S. and Western position concerning the CFE treaty. The President took the opportunity to ask General Moiseyev to convey his regards to President Gorbachev.

Note: The statement referred to Brent Scowcroft, Assistant to the President for National Security Affairs, and President Mikhail Gorbachev of the Soviet Union.

Special Assignment of Reggie B. Walton to the White House Media Affairs Office

May 21, 1991

The President today announced that Judge Reggie B. Walton will serve in the White House Office of Media Affairs on special assignment focusing on the President's Comprehensive Violent Crime Control Act of 1991.

Prior to this, Judge Walton served as Associate Director of the Office of National Drug Control Policy for the Bureau of State and Local Affairs in the Executive Office of the President, 1989 to present. In addition, he served as deputy presiding judge of the criminal division of the Superior Court of the District of Columbia, 1986 - 1989; as an associate judge of the Superior Court of the District of Columbia, 1981 - 1989; as Executive Assistant U.S. Attorney for the District of Columbia, 1980 - 1981; as Assistant U.S. Attorney for the District of Columbia, chief of the career criminal unit, 1979 - 1980; and as Assistant U.S. Attorney for the District of Columbia, 1976 - 1980. Judge Walton also served as a staff attorney for the Defender Association of Philadelphia.

Judge Walton graduated from West Virginia State College (B.A., 1971) and American University Washington College of Law (J.D., 1974). He was born February 8, 1949, in Donora, PA. Judge Walton is married, has one child, and resides in Washington, DC.

Exchange With Reporters on Soviet-United States Relations

May 22, 1991

The President. I just wanted to spread good will. No questions, no questions.

Q. Why not?

The President. Spreading a little -- well, because mostly the answers are already out there. [Laughter] But I just wanted to say everything is fine.

Q. How did the Moiseyev meeting go, Mr. President?

The President. As far as I'm concerned, it went very well. We don't have all the results yet, obviously, but I talked to our experts, and they thought there was some progress out of our meeting. But it's at a stage where we need some confidential discussions going on. But I was pleased with it.

Q. Well, can you discuss at all -- --

Q. -- -- this week and on track a summit by -- --

The President. I hope so, I hope so. Well, there's two questions, as you know: CFE and START. But one thing I came away with was the idea that they genuinely want to resolve both these matters, and I really felt that.

Q. Well, is this a political matter or military matter at this point? Is the political will there but the military resist -- --

The President. No, I think it's an arms control matter. It's an interpretation of arms control agreements, and it's highly technical. But you know, there's some question as to whether the Soviets had wanted a deal or whether we did. And the answer is: we both do. So, I think -- the experts told me after the Moiseyev meeting that they felt there was some reason to be optimistic. Now, whether that held true after yet further meetings last night -- --

Q. Do you think they'll pull those divisions out, make them part of the -- --

The President. Well, I don't know. I don't know. But it's -- --

Q. That's sort of the problem on CFE.

The President. Well, on the total limits -- the full limits, counting on the full limits, that everything has got to be accounted for.

Q. So, you're optimistic about a summit then?

Q. If that's resolved this week -- --

The President. I can't quantify it. I just say the talks went reasonably well. But there's some story that we don't want a summit, and that's crazy. And I've assured Gorbachev of that personally.

It's great having you guys back on the plane again. It's wonderful.

Q. You don't want him in London?

The President. Who said I don't want him in London?

Q. Some anonymous official quoted by the New York Times says -- --

The President. That story is totally erroneous, I regret to say -- totally.

Q. What does that mean?

The President. That means that it's wrong.

Q. You want him at the economic summit? You'd like him there?

The President. No decisions have been taken on that. If his coming there can help with the reform and genuinely help with the reform, why, that would be a very, very important matter. But that story I can categorically say is wrong. And there was another one that said the same theme -- somebody is peddling an erroneous line. We are dealing straight with Gorbachev; we're not playing games with him. I think he knows that, and I think Moiseyev knows that.

Q. A June summit?

The President. It's been a pleasure, gang, it's been a great pleasure. Great pleasure to be with you.

Note: The exchange took place in the morning aboard Air Force One while the President was en route to St. Paul, MN. In his remarks, President Bush referred to Gen. Mikhail Moiseyev, Chief of the General Staff of the Soviet Union, and Soviet President Mikhail Gorbachev.

Remarks and a Question-and-Answer Session With Students at the Saturn School of Tomorrow in St. Paul, Minnesota

May 22, 1991

The President. Is it scary to have the President coming? You see, I'll tell you something -- the reason I ask the question is you guys may not know this, but I learn from this. Mr. Alexander is our Secretary of Education -- where is he? Over here. And he's designed the program that's now our administration program, and one of the things in it is that adults, not just children but adults, should learn. And so he and I talked about -- and the thing that I'm trying to learn is the computer. So, what you think is maybe elementary, but for me it's rather advanced. So, it's helpful to learn it on that basis, and then it sets a good example for other kids around the country because they'll see what you can do. You talk about programming this thing -- a lot of kids are going to say, hey, maybe we can do more. Do you know what I mean?

That's good. Any questions? Have you got all the answers or -- don't ask me about computers, okay?

Q. This is a question she wanted to say, but I guess she couldn't get it out. She wanted to know: Did any of your grandchildren work with Legos?

The President. Work Legos? Yes. Yes, but not in -- you mean in a computer sense or just playing with them?

Q. Yes, in a computer sense.

The President. I don't know the answer to that question. I would doubt it because I don't think this is widespread. And our grandkids are in Texas, Florida, Colorado, Virginia, and Maryland -- and I don't know if at this level -- and we have some granchildren -- that they have this kind of programming.

Q. It's available through the schools. It's probably not available commercially.

The President. Yes, but I'm wondering in the schools. He meant in school, didn't he? I don't know; I'm embarrassed to say I don't know what the programs are they're into. But I sure love to see them learn stuff. They all fool around with computers. I guess everybody does that around here.

Q. It's easy to learn once you get the hang of it.

The President. No.

Q. One question about education, sir.

The President. For this guy? For her?

Q. No, for you, Mr. President.

The President. If it's a hard one I'm going to ask the Secretary to answer it, because I don't want to answer a question when I don't know the answer.

Q. Most school systems cannot afford this kind of sophisticated state-of-the-art technology. Your program seems to be geared to innovation. What about all of the other school systems that don't have the funds -- what can be done for them in Education 2000?

The President. Well, I think inherent in our program -- there is funding inherent in it. And one of the things that I think will happen is when you have the revolutionary new schools, others will take the resources that they are using. They will reduce the kind of bureaucratic overhead, and they'll bring it to bear on innovative programs. And that's a part of our philosophy. And, yes, there will be new Federal funding.

We're sending up a piece of legislation that will request funding for or need action on 13 different aspects. But I think people learn by innovation. I don't imagine when this started it had fantastic amounts of money to begin with. So, what will happen is we will inspire, as it's always happened in this country -- good example will inspire others. And, yes, there will be some funding involved, but we've got to start. We've got to begin to think anew on education. And that's what these kids are helping me understand even more.

This is new and not like what it used to be like in education. This isn't cost-intensive. I expect that they're pretty efficient. I saw one teacher in that room with lots of computers that seemed to be handling many subjects. So, there's a lot of opportunity here.

Wouldn't you say, Sarah? [Laughter] I feel that way. How about you -- do you want to add anything to the answer? That's not fair because you don't know the program we're talking about -- whole program we're talking about. But all I'm saying is I bet you've got a lot of neighbors and friends that don't have this in their schools yet.

See, what they're saying is innovation, saying something new here -- some would say radically new here. And they may come along in this program and your teachers may say, hey, we've got to change this a little bit. But they're on the cutting edge for revolutionizing education. And we have got to do that across our entire country. The old answers aren't good enough. They simply are not good enough.

The United States is spending at the Federal level an enormous amount on education, and at the State level. And yet, the results are not good enough. And you guys are going to make it better. Teachers are going to make it better. Superintendents are making it better. And that's why we're -- one of the reasons I wanted to come out here is you set -- you don't believe this, but you set an example for a lot of other kids just by that good answer you gave. And the same for you, Sarah.

With those words of wisdom, I've got to go on about my business. But I'm glad to see you. I hope you aren't nervous when we've finished.

Q. No, I'm just excited now.

The President. Just excited now? I'm pretty excited, too. It was wonderful. Good luck. I'd better go on.

Note: The President spoke at 12:15 p.m. in the Integrated Learning Systems Tech Center. Prior to his remarks, he participated in a computer programming demonstration.

Question-and-Answer Session With Students at the Saturn School of Tomorrow in St. Paul, Minnesota

May 22, 1991

The President. Any questions? I'll answer it without the computer. This guy, Lakers.

Q. Do you ever have any time to have fun, like go outside and, like, throw a frisbee or go out and play?

The President. Yes, we do. We go to Camp David. Have you ever heard of Camp David? And I go up there on the weekends. They've got all kinds of sports.

Q. You mean, you go up there and actually play around and stuff?

The President. Yes. We have a baseball pitching machine, for example; we have a bowling alley; we've got a place where you can shoot skeet; they've got a gymnasium, a lot of workout -- we play wallyball, which is a volleyball game inside the racquetball court. You can swing a golf club. It's wonderful. And there's swimming. You like swimming?

So, you do all that. And at the White House, you probably don't see it in the pictures, but there's athletic facilities in there, and that's fun. But when you go out, go outside the gates, you usually have a lot of people with you and stuff.

But at Camp David, why, it's more relaxing, so I can do pretty much what you can do. If I want to go out -- if my wife, Barbara, and I want to go out for supper, we can do it. We can go to a restaurant. But you have these guys come along, some of the press and some of the Secret Service and all of that. But it's not that tough.

Q. What's the best thing about being President?

The President. Well, in the most serious vein, I love coping with the problems in foreign affairs, and I'm determined to see this program that we're working on in education -- we call it America 2000 -- be a success. We've got to do better in education, we've got to do better in fighting against drugs and crime.

A President can't do all of this, but he can have a program. Then the Congress has to come and help, you see. But I like that part of the job -- trying to do something that'll help somebody, trying to do something that will enhance the peace.

Recently we had a war that you're all familiar with, and the President had to make the decisions --

you going to go to war or not. And there was a big principle there, and that was that a big guy doesn't bully his neighbor. It was an international principle with all the U.N. countries supporting what we did.

So, on the substance, that's what I like about my job. And the pleasure side, it's just -- people are very nice to me in the White House. There are wonderful people that work there, you know. Got a good staff and work with good men like our Secretary.

Yes, Vikings man.

Q. Would you admit your grandchildren to go to this school?

The President. Yes, I'd -- well, one of them is 14, and maybe he would be advanced a little more. We've got one who is -- we've got them all ages. But I hope that someday the schools they go to will have this kind of innovative program.

Q. Who inspired you to be President?

The President. That's a hard question. Because I was in politics and my dad started in public life. And you know, when you have a father doing something like -- he was a United States Senator, and then it evolved from that. In the late seventies, I tried and got defeated. And then I got to be Vice President -- was picked by President Reagan. And then it just flowed from there. Had tried in '80, lost, got up and dusted myself off and tried again.

Q. You still didn't answer my question, though. Why did you want to become President?

The President. Well, see, the reason I just gave her. But I want to try to help. I headed up there, and it's -- you know, you have to have some motivation -- ideological motivation. I think that our administration is doing good things for the country -- so, doing good things for the country is one. And then I think when you're my age and maybe younger, too, you want to think that you can contribute to world peace. It's a big picture thing. But you look around the troubles -- the Soviet Union and China and South America and all of this. I think we can help. I think the United States is still respected, and I think people still look up to us. So we want to use that respect and credibility to help them. It's wonderful in that sense.

Q. How does it feel to be President?

The President. Well, it feels pretty good, except at times, when you have some big problems out there. But I'm lucky, because I have very good people: the White House staff, very good people in the Cabinet, very good people that are working -- these ambassadors and people that are working the problems I was telling this guy about.

So, it's not that complicated. You have to have good advice, and there's certain things you have to do. You just can't say ``do this," because you have to go to Congress and work with them. But it's a wonderful challenge. I love it. Every single day I'm there I like it very, very much.

Q. How old were you when you thought about becoming President?

The President. How long ago did I start?

Q. How old were you when you thought about -- --

The President. That's a good question -- started thinking, I mean. I don't know the answer. I honestly don't know the answer, whether it crossed my mind when I was in high school. It might have. In those days, everybody wanted to be President. You wanted to be a fireman and a policeman in sixth grade, and you want to be a President when you get about a senior in high school. So, a lot of people did. But I can't say I was motivated and driven by that period in my life.

I've got two more, and then I've got to go. They're signaling me to get out of here.

Q. When were you first interested, or did you ever expect to be running for the President or being the President?

The President. Well, I can't remember, as I told him, when I was first interested, but then I think seriously started thinking about it in the late seventies.

Q. Do you like having to get up and having to go -- like split-second having to go to different countries and stuff like that?

The President. I like that kind of travel. I loved coming out here today. I love getting out of the White House, and I love that. And I like listening to you guys. You say, well, I wonder whether he's just putting this on or whether he's acting or whether he likes it. I like it. I learn; each question, I learn what might be on your mind. I learn in the classroom. I learned here. And we're trying to revolutionize education. And I see these good questions, see what you can do with this, and I'm thinking we've got to succeed.

So, I like getting out for that reason and, yes, I love to go abroad. Our country is still very well respected around the world, and we have a leader -- we're the leader of the free world and people look up to us. So, you go there and try to encourage programs or policies that will enhance that, will make it better.

This guy, and then I've got to run. They're signaling. I'll give the pilot one chance after this. Go ahead.

Q. When you go bowling, do you always have like the Secret Service agents go with you?

The President. Yes. Well, close by. If I went there, we'd have to have Secret Service guys there. They go there ahead of time, and they'd want to protect the other bowlers from me. [Laughter] I'm a bowler. But no, you can go do that. You just ask them, and you've got to give them a little advance notice. But there's a lot of -- we saw yesterday the death of a good friend of mine in India. I don't know whether anybody noticed that. But his name was Rajiv -- did you see it?

Q. Yes. Last night.

The President. You're right. Rajiv Gandhi. And we knew him well. Barbara and I knew him well. I just talked to his wife this morning. Here was a man, he was out campaigning, and a terrorist got him. Allegedly a bomb in a flower basket -- he goes by and somebody pushes a button. So, there's a lot of stupid people out there that think you can change things by terror. We have to be on guard in this country, even though we've been blessed by having less of it.

Last question.

Q. How do you feel about Saddam Hussein's actions?

The President. Condemn it. The most brutal thing we've ever seen. It was without any moral underpinning. The whole world rose up against him. Do you remember, he tried to say it's him against -- the Arabs against the United States? But the United Nations said something different: It's the whole world against his brutality. When you see what he did to the environment, when you see what he did to the people of Kuwait, when you see the principle that he offended, principle of aggression against a neighbor -- nonaggression against a neighbor, why, you say this man has no redeeming value. He's a bad person. Unfortunately, there are people like that in the world.

Well, I had better run, but thank you. Thank you so much.

Q. Thank you so much. Thank you for visiting.

The President. I like to do -- you've got a good man over here, hoping he's a teacher. You did a great job. Thanks a lot. It made it much more interesting this way. Thank you all. Good luck. Nice to see you.

Reporter. Mr. President?

The President. No press conference. Let me explain something to you guys in the class. The press -- these ones you see -- now, you'll see him on Channel 4 tonight. No, on NBC tonight. So, you

watch. And their job is to ask me questions and for me to give answers as best I can. Sometimes I do it. We have press conferences. Maybe you've seen it. And then sometimes they'll understandably want to get an answer to a question. But I can't do it all the time. I have to do it in a rather organized fashion. So, we do it mostly in press conferences.

But they've got their job to do, like he is and wants me to answer. I'm not going to answer it right now. Not that I'm afraid to answer the question, but I just have to get on the schedule, and once we get bogged down, we're in the middle of a press conference. But that's the way it works. But you'll see some of these people tonight. Jim [Jim Miklaszewski, NBC News], you'll see. And who else have we got? But it'll be on the television. Brit Hume back there with ABC -- and they come along. See, they come on most of the trips, not all. Sometimes we answer the questions, and then they write the stories. You'll see them reporting on the visit to the school tonight. That's the way it -- now, whether Time magazine over here -- you ever heard of Time? Well, see, now, he's going to write a glowing piece about this education program. [Laughter.] We've got high hope.

But everybody, all these guys -- and they won't say it, but they'll all be impressed with what they've seen here. And in various ways that will help other schools take the initiative that your school has taken.

Hey, listen, thanks a lot. Nice to see you. Good luck to you.

Note: The question-and-answer session began at 12:30 p.m. in the Discourse Room. In his remarks, the President referred to Secretary of Education Lamar Alexander; Rajiv Gandhi, former Prime Minister of India, and his wife, Sonia; and President Saddam Hussein of Iraq. A tape was not available for verification of the content of this session.

Remarks to Students and Faculty of the Saturn School of Tomorrow in St. Paul, Minnesota

May 22, 1991

Thank you, Governor. Let me just say I'm here to -- thank you very, very much. I'm here to talk about education. But with that North Stars introduction, let me put it this way: they took it on the chin last night, but who knows? We've got a whole new skating match out there today. I have just seen in the classroom -- re: the computer -- what Minnesota has seen on the ice. I think we saw a lot of Bellows, a lot of Gagner, a lot of Jon Caseys in the classroom -- first-class kids starring in what they're doing.

I met with Tom King of the Saturn School. He's the Bob Gainey of this operation. I tell you -- he's got some up-and-coming North Stars on this team here. I was delighted to see them. I wanted to thank Governor Carlson for his courtesy and his welcome, his commitment to education. I want to especially single out the man you first heard from, our new distinguished Secretary of Education, Lamar Alexander. He is revolutionizing education in this country.

As we talk about education, it would not be right if I didn't single out the community leaders, the teachers, my fellow computer students. I'm sorry that Senator Durenberger is not with us today; he has an important vote. But I'm glad to see that he is already a cosponsor of our legislation today.

Today I came out here to learn and also to talk about American leadership. We are committed to the idea of America remaining a force for good in the world -- the home of free markets and free people, the land of democracy and opportunity. We're also committed to leading the way in educational innovation. Our strategy for achieving this leadership is called America 2000. And what America 2000 is all about is a challenge, challenging all the methods and the means of the past. Here in Minnesota, from St. Paul and Minneapolis to Cyrus and Miltona, you're sailing this country into the future. You are creating public school choice. Minnesota is out front, it is the wave of the future, and you are to be congratulated.

Like you, other schools, businesses, and communities all across America are creating the new generation of American schools -- North Carolina has Project Genesis, Ted Sizer has a Coalition of Essential Schools, Washington State's schools are setting the pace for the 21st century.

[At this point, audience members interrupted the President's remarks]

Isn't it wonderful about democracy? They have a right to speak, and I think I have a right to be heard. But we're used to this.

Let me say that Oliver Wendell Holmes once wrote: ``I find the great thing in this world is not so much where we stand as in what direction we are moving. To reach the port of heaven, we must sail sometimes with the wind and sometimes against it, but we must sail, and not drift, and not lie at anchor."

With America 2000 we are not standing at anchor. We've shoved off and set sail. From now on, business-as-usual will be very unusual. You know, in cities all across this nation, people have started changing the American school. They know that there have been enough studies, enough commissions, enough blue ribbon panels, enough white papers, and it's time we got down to the business of inventing new schools for a new world. We took the first step in 1989 with the Nation's Governors, Democrats and Republicans alike, we established the six national education goals and set the clock ticking for the end of this decade -- to the end of the status quo.

Those goals are -- these are the six goals: first, to ensure that every child starts school ready to learn; second, to raise the high school graduation rate to 90 percent without lowering standards; third, to ensure that every American student leaving the 4th, 8th, and 12th grades can demonstrate competence in five core subjects; and fourth, to make our students first in the world in math and science, and that's what we saw a little of today; and fifth, to ensure that every American who is an adult is literate and has the skills necessary to compete in the global economy; and sixth, to free every American school from drugs and violence so that learning can take place.

So our challenge now -- yours and mine and the Secretary's and the Governor's -- is to reinvent the classroom -- Lamar and I call it creating ``New American Schools" -- for the year 2000 and beyond. It's just one part of our America 2000 strategy to meet those six lofty goals that I just mentioned. No one says it's going to be easy. But it's a battle for our future that we must and will win.

For today's students, we're designing better and more accountable schools. For tomorrow's students, we're creating a new generation of schools. For the rest of us -- today's work force and yesterday's students -- we're transforming America into a nation of students, lifelong learners who continue to grow and explore every single day. And finally, all across this nation, parents and teachers -- and God bless our teachers -- and the neighbors are getting together in communities to make learning happen.

We're talking about breaking the mold, building for the next American century. Reinventing -- literally starting from the bottom up to build revolutionary new schools, not with bricks and mortar but with questions and ideas and determination. We're looking at every possible way to make schools better while still keeping our eyes on the results.

And that's why I've come here to Minnesota. Just down the river from this bluff stood St. Paul's first school, a crowded -- it was a one-room log cabin that a Mrs. Rumsey called to order about 150 years ago. Back then, Minnesota was a wilderness, although settlers soon transformed it into

a teeming center of growth and enterprise. Here, along the banks of this great river, rail lines and grain mills and hard-working pioneers forged the center of the agricultural empire called the Great Plains.

These days, Minnesota remains a land of opportunity for many: small business start-ups generate most jobs here in the Twin Cities, and big businesses ranges from agriculture to medicine to transportation to high tech. Minnesota remains a pioneer, and you can take great pride in that, leading the Nation in educational choice. You have guaranteed that every family in the State can choose which public school its children will attend. Minnesotans know that education means opportunity. Many people helped promote these great reforms, many here in this audience today. One who is not here, one such person, is Al Shanker, president of the American Federation of Teachers -- who was here last week, I understand. And he is very enthusiastic about your progress.

I just came from a wonderful day, a wonderful experience, from the Saturn School of Tomorrow, right here in downtown St. Paul. And I want to thank Tom King and Charlie Burbach for the grand tour. Frankly, I was a bit surprised by the place -- so much technology, and such young kids. But then at my age, they all look young; I will admit it. But someone asked me if I wanted to see a high-tech machine used for ``HyperCard'' -- I thought he was talking about my fibrillating heart. [Laughter]

Let me share with you the basic idea behind this school, as I understand it, as your experts explained it to me, as our Secretary of Education explained it to me -- one that could only have become reality because of the bipartisan support that it received. Saturn is a citywide magnet school, with over 200 middle-school students coming from all over the district. Each morning, they arrive at this old YWCA building ready to learn on state-of-the-art technology: computers that teach reading and math; videodisc systems that access libraries and encyclopedias -- and let me thank the members of these two libraries, the directors, for letting us use this wonderful facility today. Thank you very, very much. Off-site classrooms in science and art museums that give kids hands-on learning. I asked one kid, expert in the computer already, about the sixth grade level, ``What do you want to be?'' He wanted to be an artist. And you can get that from this kind of innovative approach to education.

The curriculum -- you all know it, but the rest of this country doesn't -- includes core subjects, and yet it is designed to respond to a changing world -- one of global communications, computer programming, chemistry, personal wellness, and community volunteering.

Let me tell you a true story -- some here may have heard it -- that happened when the founder of Control Data, William Norris, stopped by the Saturn School to see the fourth and fifth graders at work. He noticed that one fifth grader -- maybe the guy I just saw -- was busy wiring a small motor to a model car. It might have been Elijah, it might have been Sarah who I met with. A fourth grader nearby was on the computer connected to the model car. Mr. Norris asked him,

``What's going on?''

And the kid said, ``I'm writing the computer program to make the car start and stop,'' this from one of your fourth graders. And Mr. Norris -- and this is a true story -- Mr. Norris asked him how that worked, and the boy explained the first few steps. Then he stopped.

So Mr. Norris, the head of Control Data, asked him to keep going so he could get a few more details. And the kid said to his partner, ``What's the matter with this guy? He doesn't seem to understand anything about computers!''

Part of Lamar and my program is that adults are never too old to learn. I'm trying, I'm starting in on the computers. Learned a lot today, as a matter of fact. I've had three computer lessons. The point is, it doesn't take the head of Control Data to see that Saturn doesn't look like a regular school. No old-fashioned desks. Kids on the floor, playing with ``mice'' -- not your kind, their kind, those little gadgets calling up the information on the computer. In fact, its motto is ``High Tech. High Teach. High Touch.'' That's because it isn't a regular school. Whether these kids know it or not today, what they are doing is exploring new frontiers in American education.

And yet, the school's director is realistic. He says: ``Look, we see it as a work in progress. We have as many questions as we have answers. We don't hold it up as a solution; it isn't something that can be cloned.''

Like any new idea, we don't know what tomorrow holds for the Saturn School. And there may be aspects of its approach that, from time to time, generate controversy. But when we say ``break the mold,'' we've got to give communities the power to experiment, to think anew, to be daring.

I like what works. I'm confident about the prospects of new American schools in communities all across this country. The new generation of schools is but one part of our America 2000 strategy. With more accountability, with more choice in our schools, with a national commitment to lifelong learning, with the active engagement of community, our business community in the business of education, we will embark on a new voyage in the American experience.

You know, it's going to take time. We can begin today by pulling up the anchor and hoisting the sails. We've set our sights as a country now on new horizons, ones of opportunity and freedom and American leadership.

Again, I am inspired by what I saw here today. And I want to take this message of progress and innovation, creativity all across our country. I thank each and every one of you. I wish you all the best in your work, and God bless each and every one of you. Thank you very, very much.

Well done, everybody. Now, it is my pleasure, and it won't take a minute, to sign our new education bill that we will send up to the Congress today. I ask for your support. I guarantee you,

you won't be disappointed if it passes. It's in keeping with what the people of Minnesota are doing. Thank you all very much.

Note: The President spoke at 1:24 p.m. in the courtyard at the St. Paul Public Library. In his remarks, he referred to Gov. Arne Carlson of Minnesota; Minnesota North Stars hockey players Brian Bellow, David Gagner, and Jon Casey, and coach Bob Gainey; Dr. Thomas King, associate director of the school; Secretary of Education Lamar Alexander; Senator Dave Durenberger; Theodore R. Sizer, professor at Brown University and founder of the Coalition of Essential Schools; Albert Shanker, president of the American Federation of Teachers; and Charles Burbach, principal of the school. Following his remarks, the President returned to Washington, DC.

Message to the Congress Transmitting Proposed Legislation to Promote Excellence in Education

May 22, 1991

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the ``AMERICA 2000 Excellence in Education Act," a bill to help America attain the National Education Goals by the year 2000. I believe that a bold and comprehensive effort, involving all sectors of our society, is needed if we are to implement real educational reforms and reach the National Education Goals by the year 2000. The ``AMERICA 2000 Excellence in Education Act" would authorize specific legislative initiatives designed to support such an effort.

Eight years ago, the National Commission on Excellence in Education reported to the Nation that our schools were failing. Since that time, States and localities have enacted a number of school reforms, but these actions have been too slow and too timid. The strategy that I announced on April 18 responds to our need for bold action. It would bring together elected officials, business people, educators, parents, social service providers, civic and religious groups, and, to the greatest extent possible, every American in every community in a crusade to transform our educational system.

AMERICA 2000 is more than just a Federal effort; it is truly a national strategy. Only through a national effort, in which all sectors of society join, will we be able to attain our goals. Further, AMERICA 2000 is not just a program or a set of programs; rather, it is a national crusade. The legislative proposals included in this bill are just components, albeit very important components of a strategy most of which would take place outside the Federal Government.

The ``AMERICA 2000 Excellence in Education Act" includes the following specific legislative initiatives aimed at fulfilling the principles described below:

The New American Schools program would provide seed money for the start-up of ``break-the-mold" schools. These schools would: (1) employ the best that is known about teaching and learning; (2) make use, as appropriate, of the latest technologies; and (3) be tailored to meet the needs and characteristics of individual communities. At least one school would be established in each U.S. Congressional District in communities designated as ``AMERICA 2000 Communities."

The Merit Schools program would reward schools that make notable progress toward achievement of the National Education Goals, particularly the goal of ensuring that all students leave grades four, eight, and twelve having demonstrated competence in the core academic subjects. At least 20 percent of each State's funding would be used for awards to schools that have

made outstanding progress in mathematics and science education. This program would provide a powerful incentive for all schools to improve their educational performance.

Attainment of the National Education Goals will depend heavily on the preparation and performance of teachers, principals, and other school leaders. Therefore, three initiatives focus on providing seed money for the training of teachers and school leaders and for the development of alternative teacher and principal certification programs in the States.

-- Governors' Academies for Teachers would be established in each State. These academies would provide experienced teachers with opportunities for renewal and enhancement of their knowledge and teaching skills in the core academic disciplines of English, mathematics, science, history, and geography. Separate funding would be used by the academies to reward and recognize outstanding teachers of the core subjects.

-- Governors' Academies for School Leaders would operate in each State to provide current and prospective principals and other school leaders with training in instructional leadership, school-based management, school reform strategies, and other skills necessary for effective educational administration.

-- The Alternative Certification of Teachers and Principals program would assist States interested in broadening the pool of talent from which to recruit teachers and principals. Funds would assist States to develop and implement, or expand and improve, flexible certification systems. Through these alternative certification systems, talented professionals, and others who have demonstrated subject matter competence or leadership in fields outside of education could become teachers or principals.

The Educational Reform through Flexibility and Accountability part of the legislation would authorize projects that would improve student outcomes through increased flexibility in using Federal, State, and local categorical funds and services to achieve specific goals.

The bill would also improve the Chapter 2 State grant program by requiring that more funds be reserved at the State level, where more significant educational reform activities can be implemented. The bill would also authorize the use of those funds to support enhancement of parental choice.

Educational choice is one of the most important tools that communities can embrace in their pursuit of educational improvement. Three components of the ``AMERICA 2000 Excellence in Education Act'' address the need for encouraging and testing different methods for enhancing educational choice.

-- The bill would amend the Chapter 1 Compensatory Education program to support decisions by parents making educational choices for their children. As amended, the statute would provide that

Chapter 1 services follow the child participating in Chapter 1 to the public or private school that the child chooses to attend. The child's local school system would arrange for Chapter 1 services to ``follow the child'' or, if the school system decides that approach is not feasible or efficient, it would provide the child's parents with a cash grant that would enable them to purchase compensatory education services for their children.

-- The Assistance for Parental Choice initiative would provide payments to local educational agencies that have implemented programs in which parents are permitted, and given sufficient financial incentives, to select among a variety of public and private educational programs.

-- Educational Choice Programs of National Significance would make grants to demonstrate and evaluate approaches that show potential for expanding educational choice.

To assist in measuring progress toward the National Education Goals, the bill would make important changes to the authority for the National Assessment of Educational Progress. The bill would authorize the collection of State-representative data on English, mathematics, science, history, and geography in grades four, eight, and twelve beginning in 1994. The legislation would also permit the use of National Assessment tests at district and school levels by States that wish to do so.

Because Americans need to know how much time their children should spend learning and how that time should be used, the bill would authorize creation of a National Commission on Time, Study, Learning, and Teaching.

In support of the National Education Goal that every adult American be literate by the year 2000, the bill would authorize establishment of Regional Literacy Resource Centers. These centers would provide technical assistance to, and enhance coordination among, State and local providers of literacy services.

I urge the Congress to take prompt and favorable action on this legislation. Taken together, these initiatives, coupled with the rest of the AMERICA 2000 strategy, would spur the actions that are necessary for this country to attain the National Education Goals by the year 2000.

George Bush

The White House,

May 22, 1991.

Remarks Announcing the Reappointment of General Colin L. Powell as Chairman of the Joint Chiefs of Staff and a News Conference

May 23, 1991

The President. Well, today I announce with great pleasure my decision to reappoint General Colin Powell as Chairman of the Joint Chiefs for a second 2-year term when his term expires.

Look, he has done a fantastic job, and I'm taking this step now to demonstrate my great confidence in his ability and the tremendous respect that I have for him. And it's personal, and it's professional. And the military advice that he provided me under pressure for our operations in Panama and Liberia, Somalia and, of course, most important, in the Gulf was absolutely remarkable. And the confidence I have in him is reflected in the confidence the men and women of our Armed Forces have in General Powell. And I've seen it firsthand, and it has not diminished in any way.

In the years ahead, we're going to be making important changes in the military, in its size, in its structure, and in its orientation. And General Powell and I and Secretary Cheney have been talking about this over the months. These decisions are not easy, but he's been at the forefront of planning for this critical restructuring, and I can think of no one more qualified to lead our Armed Forces as we prepare them for the challenges of the 21st century.

And so, Colin, I am delighted that you are willing to re-up and to take on another term in this very onerous, taxing job. I think of Alma and your family. I think of the alternatives and the options, but your sense of service to country is just unquestioned. And I am delighted that you are willing to undertake this.

General Powell. Thank you, Mr. President.

The President. We have a rebuttal here. [Laughter]

General Powell. Thank you, Mr. President. I am very honored and privileged that you would offer me a second term as Chairman. I, of course, accept it gladly because it gives me the opportunity to stay in uniform and to continue serving a nation, serving you, but most importantly, serving the great young men and women who volunteer to serve in their Nation's Armed Forces.

The next 2 years will be full of many challenges, but I'm sure with the great national security team that you have working for you, we will meet these challenges and come out the other end with a strengthened Armed Force, ready to discharge any responsibilities and any problems that may come its way and to ensure that the Nation continues to be well-defended and that we are a

solid arm of your policy team, and that, when called upon, the Armed Forces will acquit themself as well as they have over the past 20 months.

Thank you, Mr. President.

Q. General?

The President. Brit [Brit Hume, ABC News] wants to ask you a question.

Q. General, would you care to comment on the recent account of the Gulf War suggesting that you had, at a minimum, serious misgivings about the use of force option, at least at one point, and give us your sense of how that happened?

General Powell. No, I really am not going to start commenting on any accounts or books that are out on the subject. The President knows what advice I gave to him, so does the Secretary. It's a pleasure working within a team that you can give advice on all options. We were all together throughout this entire exercise, and efforts to suggest that there was distance between the President and his other advisers are incorrect.

The President. And let me add something, Brit. We had a lot of meetings. And General Powell leveled with me, and Admiral Jeremiah leveled with us, and Norm Schwarzkopf leveled with us. And to the degree they were not rushing to commit our young men and women to battle, that's exactly the way they should have been. And I wasn't rushing to commit our young men and women to battle. And he gave me sound advice. He gave me straightforward advice. I never had any concern about where he stood. I expect the Secretary of Defense feels exactly the same way.

And I just want to be on the record as saying that he spoke his mind; he did it openly. And then when we had to get together in meetings and figure the next steps, he was a constructive force all the way along the line. And it was Colin Powell, more than anyone else, who I think deserves the credit for the time we had to -- after all options, in my view, were exhausted -- draw the line in the sand. It was he that suggested to me, sitting right up here in that office.

And so, I feel that he did what any general officer should do. He told me the risks; he told me what was at stake in human life. He told me what his view is to how it would go, which was always very positive, if we had to commit forces. And I am unhappy about revisionistic views of things.

Soviet Union

Q. President Gorbachev is apparently requesting $100 billion in economic help and would like to come to the London economic summit. Are either of those possible? And what share would the United States be willing to take in the $100 billion?

The President. Well, as I said yesterday, we're still talking to our allies about this. President Gorbachev has not presented me with this proposal. We will be having Mr. Primakov and another gentleman here -- I think it's this week -- to discuss this, or to discuss what Gorbachev told me would be some new ideas on economic reform. But what I want to do -- and I expect this is true of President Mitterrand, I know it's true of Kohl and certainly of John Major -- is to get together, talk about it, and see what we can do to help genuine reform in the Soviet Union.

So, I'm not prepared to comment on a proposal that has not been brought to my attention.

Q. Are we closer to a summit in Moscow after the visit of General Moiseyev here in Washington?

The President. Well, I defer to our experts, Secretary Cheney standing here, Brent Scowcroft there, and the Secretary of State. And it is my view -- I think I said this yesterday -- that there is some room for optimism on working out these remaining problems on arms control. And if that's true, there will be a summit.

Q. Before the end of June, sir?

The President. Well, I can't help you on the timing. That was our hope, you remember, to have it in the first half of the year. But I have not sat down with our experts to understand what progress they have made. I think they felt progress was made by the Moiseyev visit. You want to add anything to that, Dick?

Secretary Cheney. No, sir.

Q. Mr. President, you said what you ought to do is get together with the allies and sit down and talk about economic reform in the Soviet Union. Are you talking about the forum like an economic summit or some other kind forum to have an allied discussion?

The President. No, I'm talking about a lot of diplomacy between now and the economic summit.

Q. You mean individual -- --

The President. Yes, Not a big meeting of any sort, although with the sherpas meeting, I expect this subject will come up. But I'm not -- you're asking about me personally, and I don't plan any pre-summit head-of-state meeting.

Q. Why would you not favor just doing this at the economic summit with Gorbachev? What's the downside to that?

The President. We don't want to look -- I don't want to have something come out of the summit

that's negative. What I want to have come out is positive.

Q. Mr. President, President Gorbachev said yesterday that it is in the West's interest to put some significant sums of money behind economic reforms in the Soviet Union -- billions of dollars. Do you think that the West, and the United States in particular, ought to be willing to put some significant sums of money behind that cause?

The President. The Soviet Union is a great power. And we deal with them with respect. We have problems with them. But it is in our interest -- it is in the national security interest of the United States, and I think in every other interest, to have a reformed Soviet Union, particularly one that's going to prove to be more democratic. And I've never believed that President Gorbachev had given up on reform. And certainly he's not given up on openness, glasnost. So, my answer would be, let's look at it. But nobody's talked to me about numbers. Nobody's talked to me about details. As I said, we're receiving a delegation at Gorbachev's request, just as he received our agricultural delegation at my request. So, it's mutual, and we will work constructively with our allies -- $100 billion is a large piece of change still.

Q. Have you made a decison on the question of more grain export credits?

The President. No decision.

Q. Mr. President, as far as the London summit is concerned, is there some possibility that you might consider some kind of an option where Mr. Gorbachev would come in an observer status or perhaps to view in an informal way rather than be a formal participant?

The President. I think all options are open. None closed. But, again, what's going to help? What's going to help bring the West closer on terms that are reasonable? I think President Gorbachev knows that we have understandable concerns about credit worthiness. And I think he understands -- I hope he understands that I and the other allied leaders want to move forward.

Q. So you think there's a real possibility still that he might be in London in some way or another?

The President. Well, as I said, Carl [Carl P. Leubsdorf, Dallas Morning News], I'm not going to go into it beyond -- I tried to answer the question vaguely as possible -- [laughter] -- until we know more about it. You can't pin me down on it.

Israel

Q. Mr. President, do you share Secretary of State Baker's frustration with the new Israeli settlements in the occupied territories? And how much of an impediment to a peace process are these settlements?

The President. Secretary Baker reiterated the long-standing policy of the United States Government, not just in our administration but, as General Powell and Secretary Cheney know, of previous administrations. And so, I didn't see anything particularly new in what he said. I have appealed to the Soviet Union -- I mean, to Israel not to move forward with more settlements. They know it's our policy. And I can understand the Secretary's concern and perhaps frustration by this. However, Israel's moving in some ways that I will not discuss with you. And so, I have no reason to be totally pessimistic. The settlements have been and will continue to be a difficult problem for us.

Soviet Union

Q. Mr. President, it was clear that Gorbachev yesterday was moving to press the West for commitments on aid. Is it your concern at this point that without his reforms actually in place and fully implemented that it would be premature or a possible waste for the West to commit large sums of credits or invite him to the summit in London?

The President. Norm [Norman Sandler, United Press International], I just go back to the answer I've given -- about three different answers, same question -- nicely disguised as a new question. But I really -- I think I've answered the question. I honestly believe it. I'm not going to get out there -- --

Q. It seems there are some reservations on your part. Is that true?

The President. My only reservations are, will it help? Will it be true -- will it encourage reform? I'll tell you, there is something that's positive there, and that is that Yeltsin and Gorbachev appear to be in communication. Gorbachev has reiterated to me, which he didn't have to do, his continuing commitment to reform. And you see these agreements that are worked out between the Republics -- I think it's called the ``nine-and-one'' agreement. And these are positive things. So, I want to look at it positively. But we also have to look at it realistically. And President Gorbachev knows this.

This is the last -- this is the final question, the very final one, right over here.

Fast Track Legislation

Q. How do you stand this morning about Fast Track? Do you think it's going to pass in both Chambers?

The President. That's a slow ball, and the answer is yes. Okay. Thank you for asking. It's very, very important to us. And not just to the administration; it is important to the workers in this country. It's important to the environmentalists in this country. A more prosperous Mexico, for example, can do a lot more on border problems, environmental problems, and labor wage

problems. And so, I'm excited about the prospect of being able to negotiate without our hands tied for a Uruguay round continuation, for a satisfactory conclusion of Uruguay round and for the Mexican FDA.

This is the last one now.

Middle East Peace Talks

Q. Mr. President, given that Secretary Baker portrayed the Israel new settlements every time he went back there as something of an insult, a thumb in the eye, and given the fact that U.S. aid generally props up Israel, are you willing to now use that lever to pressure Israel?

The President. What I want to do -- I'm not pressuring anybody. What I want to do is get people to talk in that part of the world where they haven't talked before. And what I want to do is take the credibility that I believe the United States has now in Israel and in the Gulf countries and in the other countries in the Middle East to try to be a catalyst for peace. So, we're not talking about pressure. And what Secretary Baker was doing was reiterating a long-standing policy of the United States.

Thank you all very much. A follow-on; no more new ones.

Q. Do you agree with Secretary Baker that those settlements were the main impediment to success on his trip?

The President. I would want to read his testimony, but new settlements do not enhance the prospects for peace.

Note: The President's 84th news conference began at 9 a.m. in the Rose Garden at the White House. In the news conference, the following persons were referred to: Chairman Powell's wife, Alma; Adm. David E. Jeremiah, Vice Chairman of the Joint Chiefs of Staff; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; Secretary of Defense Dick Cheney; President Mikhail Gorbachev of the Soviet Union; Yevgeniy Primakov, Soviet Presidential Council member and envoy for President Gorbachev; President Francois Mitterrand of France; Chancellor Helmut Kohl of Germany; Prime Minister John Major of the United Kingdom; Gen. Mikhail Moiseyev, Chief of the General Staff of the Soviet Union; Brent Scowcroft, Assistant to the President for National Security Affairs; Secretary of State James A. Baker III; and Boris Yeltsin, President of the Republic of Russia.

Message to the Congress Transmitting the Annual Report of the Corporation for Public Broadcasting

May 23, 1991

To the Congress of the United States:

In accordance with the Communications Act of 1934, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting for Fiscal Year 1990 and the Inventory of Federal Funds Distributed to Public Telecommunications Entities by Federal Departments and Agencies: Fiscal Year 1990.

George Bush

The White House,

May 23, 1991.

Exchange With Reporters Prior to Discussions With President Arpad Goncz of Hungary

May 23, 1991

Q. This is for the President.

The President. No, no. I just finished an arduous press conference. And I can't talk anymore about anything because I just finished what I would say was a full and comprehensive press conference. And the President might be glad to take a question, but we've got to get on -- --

Q. Do you have a message for the Hungarian nation, Mr. President?

The President. Wait a minute, this may be one I want to break the rule for. [Laughter] Look, in the first place, it's a pleasure to have President Goncz back here. I hope he feels he's among friends because he is. And secondly, we have great respect for what Hungary is doing and trying to do in the future. And it is a dramatic story. It is a wonderfully exciting story about democracy and free markets. And yes, there are some economic problems, but we want to be as helpful as we can. We want this new democratic country and regime to be as successful as possible.

Glad you asked. Thanks. Thank you for your understanding.

Note: The exchange began at 10:06 a.m. in the Oval Office at the White House.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Arpad Goncz of Hungary

May 23, 1991

President Bush met for approximately 30 minutes this morning with Hungarian President Arpad Goncz. The President expressed his understanding for the difficulties Hungary faces in transforming the Hungarian economy and pledged America's continuing strong support. He said that Hungary and the United States will work together to assure that Hungarian democracy succeeds.

The two leaders talked about ways to expand U.S. trade and investment in Hungary. Toward that end, a team of U.S. experts is visiting Budapest this week to review with Hungarian officials impediments to expanded trade and possible ways of overcoming them. This is part of our effort to assure the new democracies of Central and Eastern Europe the widest possible access to U.S. and European markets, which we expect will be a major theme of the G - 7 summit. President Goncz expressed his gratitude for U.S. understanding and support. In this context, the two Presidents also agreed on the importance for the successful conclusion of the Uruguay round.

The two leaders also discussed nationalities conflicts in Central and Eastern Europe, as well as transformations in the Soviet Union.

Message to the Congress Transmitting the Annual Report on Radiation Control for Health and Safety

May 23, 1991

To the Congress of the United States:

In accordance with section 360D of the Public Health Service Act (21 U.S.C. 360qq), I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act of 1968 during calendar year 1990.

The report recommends the repeal of section 360D of the Public Health Service Act that requires the completion of this annual report. All the information found in this report is available to the Congress on a more immediate basis through Center technical reports, the Radiological Health Bulletin, and other publicly available sources. This annual report serves little useful purpose and diverts Agency resources from more productive activities.

George Bush

The White House,

May 23, 1991.

Remarks to the National Retail Federation

May 23, 1991

Good morning. Thank you very much. Please be seated. It's great to have you all here at the White House. It's good to see Bill Howell behind me here, and Tracy Mullin. And of course, Boyden Gray you heard from -- one of our top people in the White House, my friend of long standing, our general counsel who follows the issues that I'm sure you're interested in very, very closely. I'm pleased to see Jack, Jack Schultz here, and delighted to be with you.

The federation, your federation, has supported our administration, as I think you all know, on a wide range of topics. And I wanted at the outset of these remarks just to express my appreciation for that and obviously ask, while I have this much horsepower here, for your continued support. But let me just talk about an issue today that is of importance to every person in this room, I'd say, transcending importance. And the subject is economic growth. It affects everybody in the country, including and especially perhaps the 16 million workers that you represent.

While there's some disagreement about the length and the depth of the recession, we've got to commit ourselves to policies that are going to promote growth and opportunity that will carry us right into the next century.

Incidentally, on the recession, I'm feeling more confident about the fact that we're -- if not have bottomed out, are bottoming out. And I think there's an awful lot of economic forecasters that would agree with what I`ve just said.

Our growth package can do this. It can guarantee prosperity into the future and it can put us on a long-term path to market-driven economic growth. Our growth package begins -- you might say, began -- with trying to control Federal spending. Our budget agreement last year, over which I took a great deal of flak for understandable reasons, finally put the Federal Government on a pay-as-you-go basis, and it cut the growth of Federal debt by nearly $500 billion over the next 5 years. And that extra capital, that extra capital, not being money spent by the Government, means more investment; it means more purchasing power.

The budget caps, I can tell you, are working. There's now some real, meaningful discipline in the Congress against the temptation to spend, spend, and spend. There's still an inclination on the part of some to do that, but you don't see as many spending bills coming down the pike at us as you would have without the spending caps that are effectively put on by the budget agreement.

To increase the private savings and investment, we've also proposed -- and we're going to fight for them -- tax-free family savings accounts and penalty-free withdrawals from these IRA's for first-time home buyers.

Our financial services reform bill -- and I'm strongly committed to that, and I hope you'll help us work this through the Congress -- will help modernize our financial system, change around the overlays of regulation, ensure the future strength of the financial system, and help finally to alleviate the tight credit conditions.

We proposed cutting the tax on long-term capital gains. And I'm absolutely convinced that that would spur job-creating investment in our economy. It would cut the Tax Code's bias in favor of debt. It would expand incentives to invest and give a leg up to those that perhaps need it the most but that generate the most jobs, and I'm talking about small businesses, the small entrepreneur. And it would keep the American dream alive -- a guy could start something and see it succeed -- it would facilitate that.

We're investing in R&D, up $8.4 billion to $76 billion. That's inclusive. That includes all research and development. That's still, even in Washington, a lot of money -- $76 billion, the highest level ever -- which will fuel even greater growth in the future.

You, the retailers, America's retailers, know better than most that Government regulation shouldn't impose unnecessary burdens. We have a regulatory responsibility, but we must guard against unnecessary regulatory burdens on the working men and women. That's why the Vice President's Council on Competitiveness -- and he's doing a superb job in this -- will continue to review these regulations that massively come down the pike at us to ensure that regulatory benefits outweigh burdens by the widest margin possible.

And to the degree we were able over the past 10 years to cut back on regulatory excess, I would give great credit to Boyden Gray, who's sitting here with me. He took the lead on that when I chaired that Regulatory Relief Council for then President Reagan.

These proposals that I've just clicked off are only part of our action plan for a strong and healthy economy. We're looking beyond our borders for new opportunities in international markets. Over the past four decades, and especially in recent years, trade has kept our economy going strong. If there's any group in the country that understands that -- anyone -- I think it would be your group.

Merchandise exports have risen 73 percent in the last 4 years, more than twice the rate of import growth. Export business accounts for an increasing share of our economic growth. We've seen unparalleled growth in world trade and huge economic benefits for the United States.

Our trade strategy is not all that complicated. It's simple: The United States will continue to lead the world toward a system of free trade and open markets because it means economic growth; it means jobs for all Americans. And as the competition sorts out, it means that the American taxpayer or the American consumer has a better shot at paying less for goods.

As you know, we've asked Congress to extend the Fast Track procedures. These hold the key to

good faith relations between the administration and Congress in trade matters and between our negotiators and their counterparts in these trade negotiations.

We're expecting a final vote on Fast Track probably this afternoon, but anyone who takes it for granted that the vote is in the bag is wrong. We're going right down to the wire, and every vote counts. And so, when you sally forth from here, head directly to Capitol Hill -- [laughter] -- and gracefully lean on those who have not shown the wisdom on this matter that you've shown. We need your support, really, seriously, in these final hours and we can't win without the help of concerned Americans.

We've got to win this for a lot of reasons, for the domestic consumer, for our robust growth in trade. And we also need it for strong foreign policy reasons. You don't have the time to hear me on how enthusiastic I am about the changes taking place in Mexico, what that means for democracy, what Fast Track for Mexico means for the countries south of our border. Yesterday -- or the day before yesterday it was Lacalle of Uruguay. Two weeks ago it was Carlos Andres Perez and Michael Manley -- Perez of Venezuela and Manley heading the CARICOM [Caribbean Community] from Jamaica. Everyone of them saying, look, I don't benefit directly, but you must pass Fast Track negotiating authority. I can't tell you what a bad signal it would send to your friends and allies in fledgling democracies south of your border if you don't pass it.

So, in addition to what it will do for the American economy and American consumer, I am convinced that it has serious and a broad-based foreign policy ramifications.

The last thing I want to do is to stress that equal growth, equal economic growth -- fair economic growth -- and equal opportunity go hand-in-hand. I want to just clear the record here -- it's not directly come under the heading of the Retail Federation, but I want to sign a civil rights bill this year. And I have sent a good, strong proposal that would battle discrimination in the workplace up to the Congress. And I don't hear any discussion of it when I read the newspapers. It's always about somebody else's bill that they want me to digest.

Unfortunately, the bill that I sent up is being held hostage while Congress pushes a bill that is almost identical to the one that I felt that I had to veto last year. On Tuesday, we had an announcement of a Democratic compromise. But it was an announcement, no bill, no exact language. As far as our experts can tell -- and some of this is highly technical -- the changes that they're proposing are strictly cosmetic.

I do not want to veto another bill with the name ``civil rights'' on it. I think our administration has a good record on civil rights. I take pride in the fact that I personally have had understanding and a good record on civil rights. But I am not going to sign a bill that will foster quotas, directly or indirectly. You can put language in as it did in the last year saying this is not a quota bill, and then you have provisions in there that would have forced employers to accept quotas or undertake highly expensive and damaging legal costs in defending a position.

If the Congress is really serious -- and I don't think it's the Congress as much as some of the groups outside -- but if they are really serious and they want to take a step -- maybe not as big a step as they'd like to see, but if they want to take a step against job discrimination in the workplace, a step that indeed does correct some of the decisions that many of us feel should be corrected from the Supreme Court, then I would ask that they pass my bill. It's a good bill. It's a fair bill. And it doesn't drive the small employer into a state of frenzy because of fearing mindless legislative action against him.

Then if we can do this, we can move forward in a constructive and bipartisan fashion to address the other elements of my program for expanding choice and opportunity.

So, these were the subjects I wanted to take up with you. I want to end, though, where I began. You know, the longer I am in this job, the more I am convinced that it is the outside forces, it's the people -- and you represent them -- the people that can make things happen. I am not jaundiced about government. I'm still optimistic. And I believe that we can make good things happen if we have the support of people like yourselves who are willing to take the time to take your message, which in this instance happens to be our message, up to Capitol Hill. So, I really wanted to come over and thank not only your leaders but all of you for what you're doing. And I'm very grateful.

Today it's Fast Track. Yesterday it was something else. And tomorrow I'll be knocking on your door for support on something else again. But we have worked together, and I'm very, very grateful for that. Thank you very much.

Note: The President spoke at 11 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to National Retail Federation officials W.R. Howell, chairman, Tracy Mullin, president of the government and public affairs division, and John J. Schultz, president of the retail services division and executive director; C. Boyden Gray, Counsel to the President; Vice President Dan Quayle, Chairman of the Council on Competitiveness; President Luis Alberto Lacalle of Uruguay; President Carlos Andres Perez of Venezuela; and Prime Minister Michael Manley of Jamaica.

Remarks on Fast Track Legislation and a Question-and-Answer Session With Reporters

May 23, 1991

The President. I assume you want to get my reaction on Fast Track. And I want to simply thank the leaders in Congress on both sides of the aisle. I want to congratulate everyone in our administration who worked so hard on this: Nick Calio, Fred McClure, and of course, most especially, Ambassador Carla Hills, who worked her heart out on this.

And I believe this is a very important step for our country. I think it's a very important step for our neighbors to the south and, hopefully, for Europe as well. So I couldn't be more pleased. The vote was, frankly, larger than I anticipated, though I think I told you all yesterday I thought we would win. But it's a great day, it really is. And it's going to be good for the working man in this country and good for the environment, not the other way around.

So I congratulate the leaders of Congress. I want to single out Congressman Dan Rostenkowski on the House side for his leadership. And I just couldn't be happier. It's a wonderful, wonderful end-of-week present, you might say, for the American people.

Q. How pivotal do you think Mr. Gephardt's decision was in that margin?

The President. Very pivotal, because Dick Gephardt, who wrestled with this for reasons I understood, came down, in my view, on the right side of it. And it wasn't an easy call for him. But he, in my view, made the right decision, and I'm confident that his decision brought along a lot of other votes because he's in the position of leader there and that's important.

The Speaker played it fair all the way. So I have nothing but praise for Congress on this one. And I'm just delighted it worked out that way.

President's Health

Q. Mr. President, is it true that you felt a little bit mentally slowed during your illness?

The President. Rita [Rita Beamish, Associated Press], can I turn the question around and say this: Did I seem a little mentally slow? Here, I'll tell you how it is. [Laughter]

Q. Did you feel mentally slow?

The President. Have you ever gotten tired -- has anybody here ever been tired? And if you have, when you're tired it's better to take it easier, take a little time before you come up to try and

answer a lot of tough questions. And so, yes, I've been tired, and the medicine is known to do that to people. But I'm back 100 percent, snapped back, and feel sharp as a tack and ready to field the most tough question and do it rapidly. [Laughter]

So no, really, I'm not making this up. I feel much -- each day. The weight is still down, but I think the American people have been subjected to perhaps an overdose of analysis on this. But people are interested, and I'm flattered by the interest, but I really am feeling good. I don't know what I have to do to prove it. We could jog a couple today, but I'm not quite ready for that. I hope to exercise this weekend.

Q. -- -- running -- --

The President. Yes, I'm going to -- well, I don't know about running, but I'm going to exercise.

Q. How active are you going to be this weekend, sir?

Q. So we know what to pack.

The President. It will be about the same. I want to do some fishing and play a little golf. But on running, we'll phase back into this.

Q. Are you going to Yale?

The President. I'm going to phase back into this up there -- [laughter].

Q. Thank you, Helen [Helen Thomas, United Press International].

Federal Budget

Q. Mr. President, how do you feel about the tax plan from the Democrats? The Democrats have -- --

The President. Well, I haven't studied it yet. My first question would be, how do we pay for all these wonderful things, and do we worry about the deficit? I do. And do we stay within the budget limits, which I am determined they will stay within? But other than that, I'm not going to criticize it before I've studied it. It's just opening round.

Q. Can I ask a Fast Track question, Mr. President?

Soviet Union

Q. -- -- this morning about Mr. Gorbachev at the economic summit. You keep asking the question, will it contribute to reform. How are you inclined to answer that?

The President. But we'll conclude that along the way. I was just on the phone to Prime Minister John Major this morning -- Marlin may have told you -- and we discussed this. And I'll be talking to the other European leaders. I think we're all agreed that if it will help, fine.

Q. How do you measure that -- --

The President. Well, we'll have to wait and see. I don't know exactly how you measure it. I don't know what his plan is.

Q. Do you need a plan -- --

The President. Well, see, we've got Primakov coming over here with a plan. Let's see what it is. If it makes sense, we'll encourage it. If we have some reservations about it, we owe Mr. Gorbachev, who is a friend that, hey, look, just had some difficulties. So, I don't want to prejudge it before we've even heard from the guy.

Q. Are you disappointed from the reaction from Shamir?

Defense Bill

Q. -- -- Planned Parenthood centers that you have always supported?

The President. I haven't seen the vote today, but I support population efforts. I'm not -- obviously not for abortion, if that's -- was that related to the defense?

Q. Souter was the deciding vote.

The President. Oh, I didn't see the vote. I thought we were talking about the defense bill yesterday.

Q. Will you veto the defense bill?

The President. Well, I think this will come out of it. I hope it will come out so we don't need the veto. But I've done it before and I would again. I haven't changed my position.

Middle East Peace Talks

Q. Are you disappointed from the reaction that you're getting from Prime Minister Shamir to

Secretary of State Baker's comment on the settlements?

The President. I asked Marlin to bring me some comments on this because I haven't seen those. I've had a big day today -- busy day. But, look, Secretary Baker was speaking for this administration. And I strongly support what he said. And I strongly support what he's trying to do. There's no light between anyone in the administration. And our policy, as I said earlier, is well-known. And it would make a big contribution to peace if these settlements would stop.

And that's what the Secretary was trying to say. And I thought he said it very well. And I am 100 percent for him. I noticed some interpretive story today that suggested that I was lightening up. I'm backing the man. He's knocking himself out, going the extra mile for peace. And one way to get there is to have the settlement policy under control. We don't want it expanding like this. There's nothing new in this. This isn't new. This is the age-old policy.

Q. Do you think he is making a connection between the peace and the settlements that -- --

The President. I'm stating the policy of the United States of America, and so was the Secretary. And I think most people in this country understand it and have understood it. And nothing's different. But we would like to see those settlements stopped. And I'm glad I had the chance to put a little period and exclamation point on this.

Q. Will you be calling Shamir, sir, to discuss this?

The President. I'm in touch with him. I have -- I don't know, even know what -- I'm a little at a loss because -- --

Q. He said the Arabs have to give more and that Israel -- --

The President. Well, everybody has to give. That's what I tried to say today. The goal is to get people talking who have been shouting at each other and arming against each other. And we've got an opportunity now because we do have new credibility -- newfound, better credibility in the Middle East, all countries over here in my view. And so what Baker's trying to do, and I back him 100 percent, is to use that to get exactly this done, to have others compromise. Everybody has to give and listen and talk, come to the table, and then we'll see what happens.

Q. Are you finding them more intransigent than you expected?

The President. I don't know than I expected. Nobody said this would be a cakewalk. But we've got a ways to go before I can tell the American people we're there. They're all coming to the table, all those that we've invited. But the Secretary's working hard -- --

Q. Are you going to invite -- --

The President. We're doing a lot behind -- --

Q. Are you going to invite anyone to Washington?

The President. Sorry? A lot behind the scenes.

Q. Is there anything you can do to persuade the Israelis to your point of view -- --

Q. Invite him where?

Q. -- -- beyond simply talking with them?

The President. Well, I'm going to keep trying. I'm going to keep trying because I think Prime Minister Shamir knows my view on this. I know he knows there's nothing different between present policy and past policy in terms of settlements. But if you mean in the whole scheme of things -- --

Q. Things like loan guarantees, aid -- --

The President. Oh, yes. Well, I'm talking about how you get the peace process started. And yes, I'll be talking to anybody that's willing to talk about it, and so will the Secretary.

Thank you very much.

Q. Are you inviting them here?

Soviet Union

Q. Are you considering a meeting with Gorbachev outside Moscow or London?

The President. Not right now.

Q. Something less than a summit?

The President. Not right now.

Q. Did you talk to Major about inviting Gorbachev to London?

Q. What about women in combat?

The President. What about it?

Q. Did you talk to Major about whether he should invite Gorbachev to the summit in London.

Q. Is he in favor of that?

The President. Yes, we did discuss that. But his position is the same as mine. Gorbachev's -- I mean, regarding Gorbachev, the Prime Minister and I are in exact sync on this. We both want to look at it and consider it and not leave the door closed nor open, but see what the proposals are. And if it will help, fine.

I mean, Gorbachev, I am still convinced, is working the reform path, working the perestroika path. And I'm not going to pull the rug out from under him. On the other hand, we have limitations in what we can do. And when we do something, we want it to be meaningful. We don't want to just have it some gesture that doesn't help the struggling Soviet economy. So we're in a critical time here in terms of meetings, in terms of G - 7 or summit. And I'm anxious to hear from Mr. Primakov, who is Gorbachev's special emissary. Just as he was anxious to hear from our agricultural specialists that went over there, come up with some good ideas. And this is the way you do it. You talk to each other and you keep going. And it's true for U.S.-Soviet, it's true for G - 7, and it's true for the Middle East.

Thank you all very much.

Note: The President spoke at 3:30 p.m. at the North Portico of the White House. The President referred to Nicholas E. Calio, Deputy Assistant to the President for Legislative Affairs (House); Frederick D. McClure, Assistant to the President for Legislative Affairs; U.S. Trade Representative Carla A. Hills; Representatives Dan Rostenkowski and Richard A. Gephardt; Thomas S. Foley, Speaker of the House of Representatives; Prime Minister John Major of the United Kingdom; Marlin Fitzwater, Press Secretary to the President; Yevgeniy Primakov, Soviet Presidential Council member and envoy for Soviet President Mikhail Gorbachev; Supreme Court Associate Justice David Souter; Prime Minister Yitzhak Shamir of Israel; and Secretary of State James A. Baker III.

Statement on the Senate Energy and Natural Resources Committee's Action Approving the Administration's National Energy Strategy

May 23, 1991

I am pleased to congratulate Chairman Bennett Johnston, Senator Malcolm Wallop and the Senate Energy and Natural Resources Committee on the energy bill they approved today. The 17 - 3 vote by the committee demonstrates a genuine bipartisan commitment to balanced, realistic, and comprehensive energy legislation.

When I announced my National Energy Strategy (NES) on February 20, I challenged the Congress to do its part to pass the legislation recommended in the NES. The committee's action today, taken on a bipartisan basis, marks a very constructive first step in this process.

The committee's action helps move America toward a more secure, cleaner, and more efficient energy future.

Exchange With Reporters on the Assassination of Former Prime Minister Rajiv Gandhi of India

May 24, 1991

The President. Well, may I pay my respects to all the Embassy staff, too, and thank you very much for coming out to pay honor to this -- we feel this very strongly, your loss.

Q. Mr. President, how confident are you that Indian democracy will pass through this crisis?

The President. India's democracy is strong, steadfast, and it has the full support of our country. It always has, and it always will. And this is a terrible tragedy. It tests the souls of India, and it trys the hearts of all of us. But I fear not for India's democracy.

Q. Mr. President, are you worried about -- --

The President. I really must go on.

Q. Are you worried about the sectarian violence and really just wanted to -- --

The President. Well, I hope that India will cope. They always try to do that. There are people that feel passionately about this, but this is no time for more violence. This is a time for calm, for peaceful resolution to differences. And if anybody ever stood for that, it was Rajiv Gandhi and his family.

Q. Do you have a small message for the Indian people?

The President. No. The United States will deal with the Indian Government with respect and quality. And so, I have no worries about that at all.

Q. What did you write on the book?

Q. Any message for the Indian people?

The President. Well, I tried to express my sentiments there. And I'm sure the Ambassador will share it with you.

Thank you.

Q. Do you ever worry about the possibility of a terrorist attack against yourself?

The President. No, I never worry about that. See you all.

Note: The President spoke at 8:40 a.m. at the Indian Embassy. In his remarks, he referred to Abid Hussain, Indian Ambassador to the United States.

Remarks at the Dedication Ceremony for the Khalil Gibran Memorial Garden

May 24, 1991

Please, those who have chairs be seated, and the rest of you, thank you for the warm welcome, really. I told them to leave Millie at home over here. I don't know what the barking is. [Laughter] But let me first salute my old friend, my dear friend Bill Baroody, and thank him for his leadership; to Sheryl Ameen and Colonel Tannous, Adelaine Abercia, our friend Ambassador Lahoud, and, of course, our distinguished Representative, Congresswoman Oakar. To all of you I would say, without your sponsorship we wouldn't be standing here today. I want to single out Flip Wilson for his help in making this possible; it's greatly appreciated. Salute another old friend, Jamie Farr.

And ladies and gentlemen, it's an honor -- I mean this from the heart -- it is an honor to be asked to dedicate this garden to a man who has done so much for poetry and, through poetry, for all of us. Barbara and I were pleased when Bill asked us, and others asked us, to serve as honorary cochairmen of the dedication committee. And now that I see -- Barbara's seen it -- the beauty of this place, I'm struck by the committee's dedication.

They and all who contributed to this memorial offer it as a real tribute to Gibran's legacy -- his belief in brotherhood, his call for compassion, and perhaps above all, his passion for peace.

The spot where we now stand holds a special place in my heart because, as most of you know, for 8 years I lived up the street with my family. And this memorial renders this place so much more special by honoring a man who enlivened candor with cadence and lent song to truth.

Gibran once wrote that ``remembrance is a form of meeting." So, in this garden, we meet this man again. The graceful symmetry and the slope of these grounds lead the eye in a sweep that is, indeed, poetry in motion. The cedars of Lebanon that will someday canopy the poet's memorial remind us of those which once sheltered his birth. His words carved on these benches -- and they are so beautiful -- echo those he has etched on our memory. And as the entrance's footbridge brings us into his garden, so his work ``leads us to the thresholds of our own mind."

Perhaps his greatest bequest was the key by which we opened our own imaginations. His was not poetry for the passive but for the participant. He wrote that the wisest teacher reveals ``that which already lies half asleep in the dawning of your knowledge." And his poetry sounded that reveille with a song of beauty and truth.

When Gibran said that ``work is love made visible," those weren't just words that he wrote; they were words that he lived. Part poet, part philosopher, he extracted ``the secret of the sea from a

drop of dew." Poetry was the language in which he explored his soul and taught us about ours. And when he spoke of the realm of the spirit, his words pressed the veil we cannot see, yet cannot see beyond. He drew us where we were unused to climb and shared what he saw -- the promise of a kinder, gentler world.

And as we survey today's world, we see progress towards Gibran's vision, but we also see promise unfulfilled. And we see the need to renew Gibran's message of tolerance and compassion for a world too often at odds rather than at peace. Perhaps nowhere is this more important than in the Middle East, Gibran's homeland where peace still wanders as the region's prodigal son.

That region gave us a symbol of peace in Gibran. It is cruel irony that those lands now suffer the strife and hatred and fear. Our administration's efforts are premised by those words Bill just quoted, that ``We are all children of the same supreme being." And that's why we must strive to turn this bitter cycle of demanding an eye for an eye into one of offering a hand for a hand. We shall continue our efforts to help bring peace back home to this vital and historic part of the world, so that someday ``its bread of affliction" may become ``bread cast upon the waters."

Gibran once wrote, ``Love is a word of light written by a hand of light upon a page of light." The hand is his; and the page, our hearts.

May I say to those who follow on this program, I apologize. I would like to be a full participant, but we're scooting off to New England on a long-established event. But I salute those who are participating in the program, ask their forgiveness and yours. And thank you very much, because it is Barbara and I who are honored by what has happened here today, inviting us to be participants.

Thank you very much.

Note: The President spoke at 8:59 a.m. in the Khalil Gibran Memorial Garden. In his opening remarks, he referred to William J. Baroody, Jr., Chairman of the Board of Trustees of the Woodrow Wilson International Center for Scholars and president of the Khalil Gibran Centennial Foundation; Sheryl Ameen, member of the board of directors of the foundation; Peter S. Tannous and Adelaine Abercia, chairman and vice chairman of the dedication committee; Ambassador Nassib S. Lahoud of Lebanon; Representative Mary Rose Oakar; and entertainers Flip Wilson and Jamie Farr. Following his remarks, the President traveled to Boston, MA.

Statement by Press Secretary Fitzwater on the Airlift of Ethiopian Jews to Israel

May 24, 1991

We are delighted to announce that this morning at 7 a.m. Washington time, an emergency humanitarian airlift began which will transport the 18,000 Ethiopian Jews in Addis Ababa to Israel. The operation results from an agreement between the Governments of Israel and Ethiopia. We expect the airlift to last 2 days. We have been informed that the operation is proceeding smoothly.

We want to express our appreciation to Acting President Tesfaye Gebre-Kidan of Ethiopia. We understand that the Ethiopian decision to allow the Falashas to depart the country was taken in response to a letter from President Bush on May 22. Our initiative in this humanitarian operation commenced with the visit of Senator Rudy Boschwitz to Addis Ababa as a special emissary of the President on April 26 - 27.

The United States will be hosting a conference in London starting on May 27 to help facilitate an end to the tragic war in Ethiopia. We hope at that time to see the establishment of a provisional government and agreement on a plan for a political transition leading to peace and democracy.

Israeli Prime Minister Shamir called President Bush at about 11 a.m. aboard Air Force One to thank him for the American role in release of the Falashas. The Prime Minister and the President also discussed the Mideast peace process. The Prime Minister expressed his appreciation for Secretary Baker's efforts in the Mideast and said he hoped the peace process will continue.

Note: The statement referred to former Senator Rudy Boschwitz; Prime Minister Yitzhak Shamir of Israel; and Secretary of State James A. Baker III.

Statement by Press Secretary Fitzwater on Multilateral Export Controls

May 24, 1991

Last evening, the United States and sixteen Western allies agreed in Paris to implement a new system of export controls for dual-use goods and technologies with significant military applications. The agreement brings to a close a major review of allied East-West export control policy initiated in January 1990, in response to the President's call upon the member states of the Coordinating Committee for Multilateral Export Controls (COCOM) to adapt their export control regimes to the rapidly changing international political and military environment.

For over 40 years, COCOM, comprised of NATO members (less Iceland) plus Japan and Australia, has maintained a system of export controls to keep key technologies with both military and civilian uses from being used to enhance the military capability of certain countries. Historically, these have included the Soviet Union, former members of the Warsaw Pact, the People's Republic of China, and several other countries. The changes to be implemented by COCOM partners demonstrate the continued relevance of COCOM and its ability to adapt quickly to changing world circumstances.

The agreement means a 50% reduction in existing export controls to a ``Core List'' of militarily strategic technologies and goods. That reduction is in addition to a 33% cut in the list agreed to by COCOM in June 1990. The United States and its partners concluded that an overhaul of the lists was justified, based on a changing strategic situation and rapid diffusion of some technologies that were making the existing control lists obsolete. The Core List contains only the most critical goods and technologies, which are essential in maintaining the existing significant gaps between Western and Soviet-based military systems, gaps that were demonstrated to be critical to our national security in Operation Desert Storm. On the other hand, because of the broad diffusion of certain technologies, export controls have been eliminated, for example, on most of the computers exported from the United States today. COCOM member/states also agreed to significant reductions in controls on microprocessors, machine tools, aircraft, avionics, and propulsion systems. In addition, the United States will continue a presumption of approval for the export of Core List items to bona fide civil end-users for civilian purposes.

The new agreement continues the trend toward reducing controls on items destined for Poland, Czechoslovakia, and Hungary, reflecting the disintegration of the Warsaw Pact and the fact that these three countries have entered into strategic trade agreements with Western nations to prevent diversion of Western-supplied technology to the Soviet Union.

COCOM partners agreed that individual countries will continue controling goods and technologies dropped from the COCOM list that could contribute to the development of nuclear, chemical, and biological weapons, and the missiles to deliver them.

Full implementation of the new lists is planned for September 1, 1991, and a fact sheet is available that provides additional details on the COCOM agreement.

Remarks at the Exports-Generating Jobs for Americans Luncheon in Boston, Massachusetts

May 24, 1991

Thank you all very, very much for that warm welcome. Secretary Mosbacher -- and let me single out the other man up here -- it's so good to see the Bay State's own, able, achieving Governor Bill Weld here, who is working hard also in his spare time on this very important question of exports. I salute him and thank him for what he and the other New England Governors are doing when they come together to do this.

I want to salute Lieutenant Governor Paul Cellucci, an old friend who is out here somewhere; and another one, the treasurer of this State, Joe Malone, who are with us right over here. I'm going to get in trouble on this, but I see, next to Joe, Pat Saiki, the new head of the SBA; and Ron Roskens of AID is over here. John Macomber, formerly one of you, one of the chief executives of one of the largest companies in America, now ably heading the Ex-Im Bank over here. Another one so well-known who came out of private business, a big success, and now in Government, Fred Zeder, the able head of OPIC. And then -- many others -- Priscilla Rabb-Ayres from the U.S. Trade and Development Program; Ron Skates, head of Data General. Let me just cut it off there. But I should have many, many more to whom I pay my respects and my thanks. Let me just simply say thank you all for coming out, all of you in the audience who are supporting American exports.

Frankly, having gone to school outside of Boston, it is nice to visit Boston, a place known for its humility and intellectual modesty. [Laughter] The old saying you remember: If you hear an owl hoot to ``whom'' instead of ``who,'' you can be sure it was born and educated in Boston. [Laughter]

But I am glad to be back here. This area has been through hell, and I am absolutely confident that under the State's leadership of Bill Weld and under your leadership, Boston and Massachusetts has not lost its enterprise spirit. You're caught up in a regional problem with this recession, and I am confident that you'll come booming out of it, particularly if your work on exports is as successful as I'm sure it will be.

You know, it feels a little strange to be talking about exports in front of the real expert, my dear friend Bob Mosbacher. And I just can't tell you how much he's done on Fast Track and on all these regional conferences and in so many other ways. I'm glad to see him here. And I heard that he dashed back to Washington from yesterday's lunch to give a last-minute push for the extension of Fast Track.

Bob, you and everyone associated with our national export initiative have really done a spectacular job promoting exports from the United States. And, frankly, the numbers tell the tale.

This nation enjoyed its greatest export month ever last October. And the latest monthly figures -- and they're for March -- nearly equaled the record. We exported $34 billion in goods that month, and we had the smallest, the smallest monthly trade deficit that we've seen in 7\1/2\ years.

As you all know, the world economy has changed. It's changed dramatically in recent years. If you want to succeed in business these days, you can't worry just about competition from U.S. companies; you have to go head-on-head with firms from all over the world. The lesson is clear: If we want to remain the greatest economic power on Earth, we must build a strong economy at home. But in my view just as important, we must make sure that our companies have a fair chance to do business abroad.

In recent years -- I look around this room and read my briefing papers on the attendees -- your companies led the way. You helped drive the longest peacetime expansion in our nation's history. In the process, you supplied jobs and you generated ideas, and you created new industries. All you have to do is look around the Boston area at Information Alley, at larger companies such as Digital Equipment, Foxboro, Raytheon -- builders of the Patriot missile. Look at the medium-sized firms, such as Little and Ocean Spray. And you even have small dynamos, like Octocom Systems and Jet Spray International.

Boston was built on trade. Before our independence it was one of the most important ports in the entire British Empire. We reminded the Queen of that when she was here the other day -- [laughter] -- because we had her for lunch up in our Family Dining Room, which is surrounded with pictures of the Port of Boston and the vital trade that was going through there years ago, and it still continues. But it served as this nation's trading capital for years.

Enterprise comes naturally here. Yankee entrepreneurs push the envelope of innovation. You give America the power of inspiration, of enterprise, and of creativity.

The New England Governors Conference has worked hard to promote the cause of international trade. Governor Weld and five other colleagues have put together an economic development strategy that stresses the importance of increasing New England's visibility, increasing New England's clout in international markets.

Our administration has tried hard to encourage export businesses in a number of ways. Just a year ago we created the Trade Promotion Coordinating Committee, a council of 18 Federal agencies that provide export assistance to U.S. businesses. This week, the Committee has inaugurated a trade information center for companies to call in. The number: 1 - 800 - USA - TRADE. It gives callers access to information about the full range of Federal programs to help our exporters.

Today, let me just focus briefly on two critical aspects of international competitiveness: quality production at home and free and fair trade around the globe. Let's start with quality. It is no secret that American products, once the envy of the world, face stiff competition now from all over the

globe. But no one can say that Americans aren't interested in quality.

In a competitive world we have reasserted ourselves and will continue to do so. Four years ago the Reagan administration and the Congress created the Malcolm Baldrige awards to honor quality in the workplace. We now give up to six awards a year, but only if we find enough companies that meet what are very exacting standards that the Baldrige award requires. The competition, I'm proud to say, gets more intense each year. Only 66 companies applied for the award in 1988; this year 106 did. The largest number of applications came from small businesses.

Everywhere you can find evidence that American businesses want to compete. You see it in the workplace, where labor and management are working together to build better and more reliable and more innovative products. You see it in the classrooms, where workers go to build upon our most precious natural resource, our minds. And you see it, I proudly say, in our America 2000 education strategy, which encourages lifelong learning. Even see it in shops and stores, where ``Made in the U.S.A.'' has become a selling point again and where the Baldrige award has become a major advertising bonus.

This is also true in foreign markets. Our export business has grown dramatically of late. American firms exported $371 billion worth of goods and services in 1985. Just 5 years later, their total had grown to $673 billion.

We export more than any nation on Earth, and we import more. Since 1986 sales to Canada, our larget trading partner, have increased by two-thirds. Our trade with Latin America has increased even more rapidly, up 74 percent. Listen to this one in light of the recent debate. Exports to Mexico, now our number 3 trading partner, have grown to an astounding 130 percent since 1986. That's really, as we see it -- Bob and I see it -- just a beginning.

We enjoyed an 80-percent increase in sales both to Western Europe and Japan. Exports to the newly industrialized nations of the Pacific Rim rose by 132 percent. And trade in this hemisphere has grown dramatically because the new democracies in Central America and South America have begun eliminating constraints on foreign investment and lifting import restrictions on such products as automotive parts, computers, software, industrial supplies -- the building blocks of any modern market economy.

As an administration, we want to build upon that record by completing the Uruguay round of the GATT negotiations and opening up the entire world for free and fair trade. We also want to create a free trade zone that would encompass Canada and the United States and Mexico.

This single market -- 360 million consumers who now produce $6 trillion in annual output -- would tower over even the European market. But, frankly, we don't want to stop there. We also hope to build upon our trade success south of Mexico through the Enterprise for the Americas Initiative. We no longer will take South America for granted. I can't think of a more appropriate

time to talk about these initiatives than today. We're wrapping up World Trade Week, and we stand on the verge of a new age of wider, swifter, more integrated world trade.

I am very, very happy, indeed, to say that the United States Senate a few minutes ago joined the House in extending the Fast Track trade procedures. And that was thanks to a great show of bipartisanship. I salute my fellow Texan, Lloyd Bentsen; I salute our leader in my side of the aisle, Bob Dole; I salute Bob Packwood and so many others who went up against big odds to prevail on this issue.

The administration can move ahead on several very important trade initiatives now. And these do include the Uruguay round of the GATT talks, the North American free trade agreement, and the Enterprise for the Americas Initiative. We've shown the world that we will meet the challenges of the 21st century and that we'll meet them united in purpose and united in effort.

Let me stress that the administration will consult closely with Congress in these trade talks. We have a superb negotiator in Carla Hills, Ambassador Hills, who along with Bob Mosbacher and others in this room worked their hearts out to achieve these victories in the House and the Senate. But we must from now on continue to cooperate with the United States Congress.

Fast Track provides a tool for dealing in good faith with Congress and with our trading partners. Its passage provides some of our best economic news in months.

I met recently with leaders from the textile and apparel industries. Let's face it, that industry was somewhat divided. But I met with quite a few of them in the White House, leaders of the industries, each of whom saw great opportunity in a free trade agreement with Mexico. One CEO told me that her company's 1,200 jobs in Mexico support 2,000 jobs here in the United States of America. And without this alliance, she said, those 2,000 jobs simply would not exist.

And the point is this: Through Fast Track, I really believe everybody wins. In a world built upon free trade, every nation has a vested interest in the prosperity of its trading partners. After all, you can't export to a nation that is suffering from economic depression. Free and fair trade builds ties of mutual interest. It lays down a foundation for peace and for prosperity right here in our hemisphere and throughout the world.

Our entire administration is dedicated to the cause of free and fair trade and American exports. Vice President Quayle was promoting the cause just this week in Japan, Singapore, Malaysia, and Indonesia. And just a short while ago, I met with members of PEC, the President's Export Council. And what a superb Council we have -- busy people, busy executives giving their time to help this concept of expanded exports. Heinz Prechter and Bev Dolan and the other hard-working members are advancing the cause.

And you in your daily affairs play an equally crucial role. You help America put its best face and

its best products before the entire world. And so again, on this very special day for American exports and, I say, for American prosperity, I thank you for being here. I thank you for all the time you give to this noble crusade. And may God bless you and God bless our wonderful country. Thank you very, very much.

Note: The President spoke at 12:34 p.m. in the Cityview Ballroom at the Boston World Trade Center. In his remarks, he referred to Secretary of Commerce Robert A. Mosbacher; Gov. William Weld and Lt. Gov. A. Paul Cellucci of Massachusetts; Joseph Malone, Massachusetts State treasurer; Patricia F. Saiki, Administrator of the Small Business Administration; Ronald W. Roskens, Administrator of the Agency for International Development; John D. Macomber, President of the Export-Import Bank of the United States; Fred M. Zeder, President and Chief Executive Officer of the Overseas Private Investment Corporation; Priscilla Rabb-Ayres, Director of the Trade Development Program; Ronald L. Skates, president and chief executive officer of Data General Corp.; Queen Elizabeth II of the United Kingdom; Senators Lloyd Bentsen, Bob Dole, and Bob Packwood; Carla A. Hills, U.S. Trade Representative; and Heinz C. Prechter and Beverly F. Dolan, Chairman and Vice Chairman of the President's Export Council.

Remarks at a Fundraising Reception for Congressional Candidate Steve Pierce in Boston, Massachusetts

May 24, 1991

Thank you. What a wonderful enthusiastic turnout for Steve. I wanted to come up and tell you how firmly I am convinced that he ought to be the next Congressman. We need many, many more like him in the United States House of Representatives, believe me.

At the outset, let me salute several people here. I'll tell start with Bill Weld. Here's a guy who came in against big odds. He's making the tough calls on the budget, and I think he's earned the respect of everybody -- Republican, Democrat, and independent alike.

At his side are Paul Cellucci and Joe Malone, the State treasurer -- and of course, Paul, our Lieutenant Governor. I salute them. I thank my old friend Leon Lombardi for stepping up to the plate and taking over the chairmanship of the party. At his side, I'm proud to say, is one who works with me in the White House, my old dear friend Ron Kaufman, who is a Republican national committeeman. And I'm glad that this is a team working together to build the party here. I am one who feels that we have a good chance in the State of Massachusetts, particularly given the leadership that Bill Weld has given it, and particularly given the new breath of fresh air that Steve Pierce is going to give it when he gets to Washington, DC.

You see, he's come a long way to get where he is today -- 100 miles. [Laughter] Down the Mass Pike, all the way from Westfield. [Laughter] If you don't believe me, ask Andy Card. [Laughter] Steve's been -- and I might add, to Andy's many friends here, what a joy it is to have him as our Deputy Chief of Staff. The guy takes on more difficult problems, handles them with compassion and finesse, and always comes up with the right answer. It's a joy going to the White House, knowing he's right down the hall.

But on Steve, he's already proved that he's a fighter. He served in the legislature, in the statehouse, and he's demonstrated his convictions, what he really believes, what he can do. So, I think we're dealing here with a proven -- not just a candidate but a proven entity that has already made his mark. And now we need him in Washington.

You see, I asked him what the race is about, and I think I understand it. I understood it when he started in. The race is about taxes and the need to keep them down, and the race is about jobs and the need to get them up. And the two go hand in hand. And this man understands it, and he's going to fight for it when he gets to Washington.

You know, last fall we put on some meaningful caps on Federal spending -- long overdue. I'm proud to say they are working at the Federal level. And I take a look at what Bill Weld is doing at

the State level, and it can work. You don't have to raise the tax on the working men and women in this country. And Steve understands that, and I believe he will hold the line -- we must do it -- and help us steer what will be known as a steady path to growth.

Incidentally, I am confident that this economy is coming out of recession. And I think this area of the country, which has been beleaguered, disproportionately so, will soon be on the road to recovery. I am confident of that.

We've been talking about this with some of our most outstanding Massachusetts business people, men and women, some of our most outstanding business leaders on the national scene, just this morning because a key to this continued growth is free and fair trade. Just a few minutes ago Bob Mosbacher and I, with our marvelous Export Committee, discussed this. And I am very proud to say that as we were discussing the matter in there, or just before I walked into that room, the Senate did what the House did last night, approved Fast Track. And I am convinced that's going to be jobs for the people of Massachusetts.

The U.S. exported more than $673 billion last year in goods and services. Exports generated 84 percent of our overall growth. Think about that one. In a slow economy, 84 percent came from exports, a sure sign that the future lies in free and fair trade. That's why our administration, joined by Governors like Bill Weld, place such an importance on ensuring American companies a fair shot in the global marketplace. We must demand -- and I think we can now through the negotiations on GATT and the negotiations with Mexico -- we must demand, should demand an even playing field. And if we get that, America can compete with anybody anywhere in the world.

So, what's at stake here is a successful conclusion to the Uruguay round of trade talks with Europe and all the rest of the countries of the world, an agreement that breaks down the barriers that now hold some of you all back when you try to export. And also, we want to create this free trade zone uniting U.S., Canada, and Mexico, and that will create a single market of 360 million people. We're working now through our Enterprise for the Americas Initiative to expand trade opportunities with all the nations of the hemisphere -- north, central, and south.

You see, it is my deep conviction that we must not neglect our neighbors to the south. And I don't think it will cost us jobs; I'm convinced it's going to create jobs if we can open up those markets and have those economies start back on the road to recovery, just as I'm sure ours will do.

I'm happy to salute the leaders of the United States Senate, Republican and Democrat alike, who joined the bipartisan leadership in the House yesterday to take this legislative action that was essential to give us what we need to negotiate these pacts.

We've shown the world, I believe, that we can meet the challenge of the 21st century and that we'll meet them united in purpose and in effort. So, let me just say to those who are interested in

this free and fair trade and in this Fast Track: I pledge to the Members of the United States Congress that we are going to consult as we go along. We will not bring to them a bad trade agreement with Uruguay round or with Mexico; no point in that. It will pass, and it will pass because we will be consulting with the Democrats and the Republicans in the United States Congress.

Let me also say that this passage provides, I think, some of the best economic news we've had in months.

Now, to Steve. We've talked about this. He came down to check in with me in the Oval Office the other day, looking at the drapes. I don't want him to get too far ahead of himself there -- [laughter] -- but he understands -- listen, I know this guy. This is one that I've got my heart in, this endorsement, because I know him. I know what he stands for. I know what his political heartbeat is. I know that he understands the tremendous potential for growth that's represented in these global markets.

Also, I think we need a champion in the Massachusetts delegation who understands -- not just a champion for business itself but for jobs, for the men and women that are out there on the production line. And I think in Steve we have just exactly that because Steve is not a pessimist about it. He knows that these Massachusetts companies are ready to compete, and he wants to do what he can -- you heard him -- on growth, the empowerment agenda, to unleash the competitive energy.

So, let us stand nationally for what he stands for, not just in this race but in his past record: jobs, opportunity, and growth. That's the formula, and I think if we send Steve down there, you'll know that your wallets are safe for a while, anyway, at least as far as he's concerned. [Laughter]

This gives me an opportunity to get back in the political arena. I haven't been in it for a while because now we've had a little lull since last fall's election, and I feel the adrenaline flowing. I hope it doesn't go to my heart, but nevertheless -- [laughter] -- but I can't think of a finer young man, a finer family to represent the western part of this great State. So, when he asked if I would come up here and he asked Barbara to help out -- I believe she'll be doing it next week, but in any event, she's in his corner 100 percent -- I accepted before he could change his mind. And I'm glad to be here, proud to be with your Governor, your Lieutenant Governor, and our chairman, and especially proud to be with our next Congressman from western Massachusetts. What big shoes to fill, but he will do it.

Thank you all very much, and may I take this opportunity to make a nonpartisan comment. Bill and I and Paul Cellucci and others rode in from the airport, and I must say I was deeply touched and moved by the warm response and welcome from the people that lined the streets coming in from the airport. I was deeply touched, and it gives me one hell of a sendoff for what's going to be a great Memorial Day weekend. Thank you all very, very much.

Note: The President spoke at 1:22 p.m. in the Harborview Ballroom at the Boston World Trade Center. In his remarks, he referred to Gov. William Weld and Lt. Gov. A. Paul Cellucci of Massachusetts; Joseph Malone, Massachusetts State treasurer; Leon Lombardi, Massachusetts Republican Party chairman; Ronald C. Kaufman, Deputy Assistant to the President for Political Affairs; Andrew H. Card, Jr., Assistant to the President and Deputy Chief of Staff; and Secretary of Commerce Robert A. Mosbacher.

Statement on Signing the Niobrara Scenic River Designation Act of 1991

May 24, 1991

Today I have signed into law S. 248, the ``Niobrara Scenic River Designation Act of 1991." This action will, among other things, designate three segments of the Niobrara River and one segment of the Missouri River in Nebraska and South Dakota as ``instant" components of the National Wild and Scenic Rivers System without the benefit of a formal study.

The Niobrara River is an outstanding river resource, and the national significance of the resource is not in question. Approval of this bill will preserve and protect the resources of the Niobrara for future generations and will provide for a worthy addition to the National Wild and Scenic Rivers System.

However, I am extremely disappointed that the Congress has acted to designate these segments for Wild and Scenic River status without the benefit of a study under section 5(a) of the Wild and Scenic Rivers Act. This study is not just a matter of blind process; rather, such a study would have given the Congress all the information needed to determine the most appropriate method of protecting the valuable resources along the Niobrara. Such a study is especially important when the lands along the designated segments are predominantly privately owned. Where private property interests are at stake, a formal study should be an absolute requirement before Federal action is taken that may infringe such rights.

I believe that to protect the integrity and viability of the National Park System, completion of feasibility studies should be a prerequisite for establishment of any new unit of the National Park System. Any component of the National Wild and Scenic Rivers System that is administered by the National Park Service becomes a unit of the National Park System. I urge the Congress to adhere to the requirement for such studies in the future.

George Bush

The White House,

May 24, 1991.

Note: S. 248, approved May 24, was assigned Public Law No. 102 - 50.

Presidential Determination No. 91 - 35 -- Memorandum on Disaster Assistance for Bangladesh

May 26, 1991

Memorandum for the Secretary of State

The Secretary of Defense

Subject: Drawdown of Department of Defense Articles and Services for International Disaster Assistance in Bangladesh

Pursuant to the authority vested in me by section 506(a)(2) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2318(a)(2)) (the ``Act''), I hereby determine that it is in the national interest of the United States to draw down defense articles from the stocks of the Department of Defense and defense services of the Department of Defense, for the purpose of providing international disaster assistance in Bangladesh.

Therefore, I hereby authorize the furnishing of up to $20 million of defense articles from the stocks of the Department of Defense and defense services of the Department of Defense, for the purposes and under the authorities of Chapter 9 of Part I of the Act.

The Secretary of State is authorized and directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority, and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:42 a.m., June 7, 1991]

Note: This determination was released by the Office of the Press Secretary on May 29.

Remarks at the Yale University Commencement Ceremony in New Haven, Connecticut

May 27, 1991

Thank you very, very much. President Schmidt and members of the faculty, and the Yale community, fellows of the Yale Corporation, and especially with congratulations to my fellow honorands, it is an honor to be here today. Mayor Daniels, it's nice to be back in the city. And most importantly, to the graduating students, congratulate each and every one of you. May I single out Yale's band. They've cleaned up for today, and they've never been better under Mr. Tom Duffy. Thank you, sir. And thank you for the warm welcome. Si res prehensio en cano est non oves sic vacio. That means, if you're holding up the sign, you can't throw eggs. [Laughter]

I remember my own commencement. Like so many of my classmates, I'd come to Yale fresh from war, ready to make up for ``lost time." I remember our impatience and our optimism. And we sensed upcoming adventure. I imagine it's the same today for all of you. It's almost as if life is about to begin, that is, if the commencement speech ever ends. [Laughter]

Twenty-nine years ago, President Kennedy stood right here, and my dad was honored with him. And he said, ``I have the best of all worlds: a Yale degree and a Harvard education." [Laughter] He had it wrong. I've got the best of all worlds: a Yale education and a Yale degree.

My day was no different. There's an excitement in the air. And Barbara and I spent a good part of our senior year thinking about, literally, becoming farmers. We talked about life on the land and rising early and working hard and raising a crop and a family. And we looked into the finances of running a farm. In the end, we decided against the whole idea. We realized that when it came to pigs and chickens and cattle or corn, we didn't know the first thing about farming.

So, of course, there was only one alternative: I went west and became an oilman. [Laughter] The very day after the ceremony like this one, I traded the familiar surroundings of this beautiful old campus for the dust and grit and searing heat of the Lone Star State.

Odessa, Texas, became my world. And yet, far beyond 37 Hillhouse Avenue where Barbara and I lived or the Flatlands of West Texas, change rocked the whole world in ways that would affect us all for more than 40 years. On June 20th, 1948 -- my graduation day -- the United Nations sent out its first peacekeeping force, 49 men from the United States and 6 other nations, to bring the promise of peace to the Middle East. And on that day, the Soviet Union tried to clamp down on the free sectors of Berlin. The Berlin blockade had begun. And on that day, Congress, after an all-night session, passed a bill to help the nations of war-torn Europe. That package would become known, as we all know, as the Marshall plan.

Today's world -- your world -- is every bit as astonishing. Back in my day, opportunity knocked. And yours, your pager beeps.

We have seen in 2 short years the end of a long era of cold war and conflict. The Iron Curtain collapsed -- it's gone, the wall is down -- and with it the myth of an ideology called communism. On the barren ground that once separated East and West, the democratic idea sprouted anew.

As a nation, we can take great pride in this triumph. It vindicates more than 40 years of American vigilance -- a lesson learned on the battlefields of Europe and the seas of the South Pacific -- that this nation could no longer pursue a policy of ``splendid isolation."

The democratic renaissance in Central and Eastern Europe, the blossoming of democracy here in the Americas, the emerging consensus on the African Continent that democracy is the road to development, none of this would have taken place if America had turned inward, away from the challenges of a new world. So today, as we seek to promote freedom and democracy and human rights, as we seek to strengthen stability within the international community, an America confident enough to engage the world remains our best hope for peace, security, and shared prosperity.

Look in every corner of the globe and you will find that the American example has consequences. When we reach out, we offer more than cars or grain or MTV. We exemplify an ideal, an ideal that conquers circumstance and suspicion, that conquers despots and empowers people. Some argue that a nation as moral and just as ours should not taint itself by dealing with nations less moral, less just. But this counsel offers up self-righteousness draped in a false morality. You do not reform a world by ignoring it.

East Asia is a case in point. Today, this dynamic region plays an important role in the world economy. As it has grown more prosperous, it has also grown more free. Driven forward by the engine of economic growth and trade, especially with the U.S., South Korea and Taiwan have shed their once-authoritarian rule in favor of democracy and freer trade.

This same approach guides our policy towards the People's Republic of China, home to fully one-fifth of the world's people. China easily can affect the stability of the Asian-Pacific region and, therefore, affect the entire world's peace and prosperity. The Chinese play a central role in working to resolve the conflict in Cambodia and relax tensions on the Korean Peninsula. China has a voice now in the multinational organizations. And its votes in the United Nations Security Council against Iraq's brutal aggression helped us forge the broad coalition that brought us victory in the Gulf. And so, when we find opportunities to cooperate with China, we will explore them. When problems arise with China's behavior, we will take appropriate action.

After the tragedy of Tiananmen, the United States was the first nation to condemn the use of violence against the peacefully demonstrating people of Beijing. We were the first to guarantee

the rights of Chinese students studying on campuses across the country, including here at Yale. The United States was the first nation to impose sanctions, and we are now the last, alone among the Western democracies, to keep those original sanctions in place. At every high-level meeting with the Chinese Government, U.S. officials reiterate our position on human rights violations.

Unfair trade is also high on our agenda. Just last month, we cited China under the trade rules of a special 301 for pirating U.S. copyrights and patents. And for the sake of national security, we will ban technologies and equipment to any Chinese company found to violate rules outlawing transfer of missile technologies.

We will continue to advance our interests and ideals: for free and fair trade, for broader democratization, for respect for human rights throughout China. Let me be clear: As a member of the United Nations, China is bound by the U.N. Declaration of Human Rights. We will hold China to the obligations that it has freely accepted.

And finally, we continue urging China to exercise restraint in its weapons exports. Our recent experience with Iraq proves how dangerous the deadly trade can be. And very soon, I will announce significant new steps that we can take to control arms exports to the entire Middle East. Every nation must play a part in this effort. That's why we urge the Chinese Government to abide by the letter and spirit of international agreements on missile technology controls, and to do what 141 other nations have already done: sign the nuclear nonproliferation treaty.

And this is one way that the United States can be a catalyst for positive change. This week, I will employ another by proposing formally that MFN trade status continue for China. This policy has generated considerable controversy. Some critics have said: Revoke MFN -- or endanger it with sweeping conditions -- to censure China. Cut our ties, and isolate it. We are told this is a principled policy, a moral thing to do. This advice is not new. It's not wise. It is not in the best interests of our country, the United States. And in the end, in spite of noble and best intentions, it is not moral.

First, MFN is [not] special. It is not a favor. It is the ordinary basis of trade worldwide. Second, MFN is a means to bring the influence of the outside world to bear on China. Critics who attack MFN today act as if the point is to punish China, as if hurting China's economy will somehow help the cause of privatization and human rights.

The real point is to pursue a policy that has the best chance of changing Chinese behavior. If we withdrew MFN or imposed conditions that would make trade impossible, we would punish South China, in particular, Guangdong Province, the very region where free market reform and the challenge to central authority are the strongest. Right now, there's an estimated two million Chinese who are working and proving that privatization can work -- all in South China. Withdraw MFN, and their jobs would be in jeopardy. In addition, endangering MFN would deal a body blow to Hong Kong, the bastion of freedom and free trade in the Far East.

But the most compelling reason to renew MFN and remain engaged in China is not economic, it's not strategic, but moral. It is right to export the ideals of freedom and democracy to China. It is right to encourage Chinese students to come to the United States and for talented American students to go to China. It is wrong to isolate China if we hope to influence China.

For two decades after the Communists seized power in 1949, the Western world followed a policy of isolation toward China. This period proved to be among the most brutal episodes in Chinese history, a nightmare of anguish and death and suffering that will scar the soul of China for decades to come.

So, it comes down to the strength of our belief in the power of the democratic idea. If we pursue a policy that cultivates contacts with the Chinese people, promotes commerce to our benefit, we can help create a climate for democratic change.

No nation on Earth has discovered a way to import the world's goods and services while stopping foreign ideas at the border. Just as the democratic idea has transformed nations on every continent, so, too, change will inevitably come to China.

This nation's foreign policy has always been more than simply an expression of American interests; it's an extension of American ideals. This moral dimension of American policy requires us to remain active, engaged in the world. Many times, that means trying to chart a moral course through a world of lesser evils. That's the real world, not black and white. Very few moral absolutes. Enormous potential for error and embarrassment. But all are part of the risks that we willingly take to advance the American ideal.

Many times in the past 40 years, people have encouraged us to adopt a policy of righteous isolationism, but we remained engaged. We cannot advance principles if we curl up into a defensive ball. We cannot transform a world if we hide from its unpleasant realities. We can advance our cherished ideals only by extending our hand, showing our best sides, sticking patiently to our values, even if we risk rejection.

Look at the way American encouragement and the American example, the power of the American example, is paying off in Taiwan and Korea. We will have no leverage, we will not be able to advance our cause or resist repression, if we pull back and declare that China is simply too impure a place for us. We want to promote positive change in the world through the force of our example, not simply profess our purity. We want to advance the cause of freedom, not just snub nations that aren't yet wholly free.

Let me close today with some modest pieces of advice. First, understand that you often will confront moral ambiguity. There will come times when you will have difficulty distinguishing between good guys and bad guys. When these situations arise, identify your principles and stick by them. Stick by them even when people jeer, when people urge you to find a quick and easy

out. If you remain patient and true to yourself, you can't go wrong. Second, remember that the corner of the world that matters most is one right here at home, the one you share with friends and family. And finally, your destiny and the currents of history will most likely intersect more than once. You will have ample opportunity to make your mark. And take care to make it count.

To all the graduates of the class of '91 who now join me as proud alumni of this great university, congratulations, good luck to you, and may God bless the United States of America.

Note: The President spoke at 11:55 a.m. in the Yale University Quadrangle. In his remarks he referred to Benno C. Schmidt, Jr., president of the university; John Daniels, mayor of New Haven; and Thomas C. Duffy, director of the Yale University bands.

The President's News Conference in Kennebunkport, Maine

May 28, 1991

President's Health

Q. Mr. President, could we get your reaction -- --

Q. How about the water at the White House? Do you want to talk about that now?

The President. The water at the White House?

Q. Yes.

The President. What about it?

Q. They're apparently checking it.

Q. It's being checked to see if this is the thyroid problem.

Q. They're saying that possibly you and Mrs. Bush and the dog, having gotten these autoimmune problems, that perhaps it's something to do with the water.

The President. Maybe the air. I don't know -- --

Q. You didn't know about it?

The President. No.

Q. Did you know it was being checked?

The President. Not checked. I just heard something on the television. I could hardly believe it.

The odds against two people in the family having -- the doctor told me, the thyroid specialist, one of the classic thyroid men, Colonel Burman, known for his expertise, told me the odds are one in three million. But many people live in the same house together, one of whom has thyroid -- so I'm not going to lose confidence in the water at the White House until we know a little more about this.

Q. How about two people and the dog?

The President. I feel very comfortable in looking into it. Well, two people and the dog, that's about one in 20 million. [Laughter]

Q. How are you feeling today?

The President. Good. Feel good.

Q. How about the water at the Vice Presidential mansion?

The President. Well, it tasted good to me, but I don't have any reason to believe that had anything to do with my thyroid. But let them look into it.

Q. Have you been gaining weight up here, sir?

The President. Yes, darn it. [Laughter]

Q. How much?

The President. Well, the low was -- I hit a low of 185 in the morning, weighing in. You drop a little overnight with this. And this morning I was 190. That's a dangerous -- --

Q. Coming back.

The President. Yesterday I got a little tired at the end of the day, and today I feel fine. You have to pace yourself a little. But I'm sleeping much better, and I really do feel good and wish I had about 4 more days here.

Q. Is the medication any different? Are you still -- --

The President. No, they're taking it, but they're trying to phase it out. They're going -- the doctor -- here, get over here, Larry. I may need some -- [laughter] -- no, but they're cutting it down, and then they balance it out. And it's a balance situation. I got very dry in the mouth when I was talking, and they suggested maybe I needed to push fluids. But it's a balance question.

In terms of feeling good, though, I really do. I'm not just putting that on; I feel very good. I almost feel like getting some aerobics up this afternoon on the bike or a short jog, just to -- because I don't feel good unless I have that kind of exercise. This, if I walk the thing, would be better, but I enjoy playing so much that I'd rather get more golf in.

Q. Are they going to let you jog now?

The President. Well -- --

Dr. Mohr. That's left up to the President. He's feeling well, his medication is being tapered according to the original plan, and everything is going very well, according to our plan. So, we're very pleased.

Q. Doctor, what do you think of these reports of the water at the White House being -- --

Dr. Mohr. That's something that is being checked, largely to answer the kind of speculation that is being propagated right now. We have no reason to suspect that there's any problem, but we did ask the Secret Service to check the water for lithium and iodine, which are two substances known to cause thyroid problems. We think the probability of that being a cause of this is very small, but largely, just to allay any speculation, we're having that done.

Q. Are you doing anything as a precaution, like having bottled water put in?

Dr. Mohr. No, no. Nothing -- --

The President. We usually take that anyway.

Dr. Mohr. Nothing unusual like that. Absolutely not.

Q. Was this initiated by the story last Friday, or was this something that the doctors had been thinking of looking at?

Dr. Mohr. This is something that we initiated, largely realizing that there might be some speculation about that, and so it's something that we asked the Secret Service to check into. And they have -- --

The President. What do they know about water?

Dr. Mohr. Well, they have the laboratory capability of checking water for -- --

Q. Now he's worried about it.

Dr. Mohr. -- -- checking water for unusual substances. They have the mechanisms for doing that and the contacts for doing that, and they actually do monitor -- --

The President. I'll tell you this, and make a medical contribution. You correct me if I'm wrong.

But somebody asked one of our specialists, Colum or Ken Burman, about lead -- lead in the air. And they said that is impossible -- I mean, that's what he told me. Now, I don't know. You know, if there were pipes or something of that nature.

Q. There are no reports that we're aware of, of lead having any relationship to thyroid disease.

The President. But our motto is ``get the lead out," so let's -- [laughter] -- --

Dr. Mohr. You bet.

Q. Doctor?

Q. Why did Mrs. Bush bail out on you today?

The President. She hasn't been playing at all, Jerry [Gerald Seib, Wall Street Journal].

Q. Is she playing tennis up there?

The President. Yes, one day she played -- no, I didn't hit yet.

Q. You haven't jogged at all, then?

The President. No. Haven't jogged, haven't rode the bike, haven't walked the treadmill. Going out in the boat now. I may do one or the other this afternoon, or maybe come back up here. But I do feel good. Been taking a little sleep after lunch here, which is good. Sleeping very well. Going to bed real early, much earlier than I normally do.

Q. To what do you attribute the weight gain? Lobster?

The President. No, we haven't had that. Just to the thyroid, I'm afraid, because I loved it at 185. But I'd rather be well at 195 than having these problems at 185.

Soviet Union

Q. Mr. President, did you talk to Gorbachev about MFN for the Soviet Union?

The President. I'm going to leave Marlin to discuss that, but that subject did not come up. But I'd rather he brief you on the whole substantive part of that conversation, a conversation which I think was good. We initiated it, as I did a couple of weeks ago with President Gorbachev. They're working very hard -- he is -- this ``nine-and-one" agreement, other agreements they're working on.

Primakov and his associate will be here this week, and President Gorbachev told me that they were prepared to talk in detail about economic reform, and I told him I personally would be delighted to see both of them after they've had a chance to visit with our experts. We did talk arms control, and both of us agree that we must get these differences on CFE worked out, which are now very narrow, and START, which Moiseyev told me -- I asked him in the Oval Office how he felt about it, and he went like this: He said -- [at this point, the President gestured] -- this much difference.

I think our people agree. So, there's no reason if the Soviets will move a little bit on CFE that we can't get agreement on CFE and then move quickly to close the START. I want to go to Moscow, and I've said that, and I don't know that the Soviets have believed this all along because there's speculation in our papers that we're pulling away. So I had an opportunity to tell him that we're not moving away from him or the Soviet Union, that we want to do what's right; we want to see their reform continue. And as you all know, I guess if I'm criticized on the Soviet relationship it's for staying what some would say is too close to Gorbachev, and I don't think so.

I think our administration is on the right path here, and I'm not about to forget the significant reforms already taken in the Soviet Union, and I'm not about to forget what President Gorbachev did in his role in the freeing of Eastern Europe. So we're going to stay this course, and we're going to iron out these difficulties, and then we'll see how we go on some of these technical matters like MFN and credits and these points that are very important.

But I think if we can get our arms control agreements, get our summit going, we can accomplish a lot.

Q. But you didn't give him an answer on the grain credits?

The President. No, I didn't.

Q. Has Gorbachev backed away from going to the London summit?

The President. Do I get credit for a full press conference if I take one more?

Q. Yes.

The President. That's 98.

Q. Has he backed away from the idea of speaking at the London summit in July? Did you discuss that?

The President. I don't think so. We're going to be discussing that, obviously, with -- Lori [Lori

Santos, United Press International]?

Q. I can't find it.

The President. What was your question? It's our fault, okay.

Q. Is Gorbachev going to the London summit? He still wants to go? Did you discuss that, and what -- --

The President. No, we didn't talk about that, but I don't imagine that he's changed his view on this. I do think there was some misinterpretation of -- original story that came out, and I'm afraid I responded to it, that he was asking for $100 billion. And I'm afraid I didn't take my own advice and listen to what he said before I commented. But that did not come up in this conversation.

Q. What is your view now on having him come to the London summit? Do you think that's a necessary -- --

The President. My view now is, let's go forward and discuss these matters with Primakov and Yavlinsky and see where we come out. We've stated our position that if it can help reform and that if it can be positive, I'm convinced that not only will the United States but the other -- this is very complicated -- the other members of the G - 7 would feel that way. I've done some talking. I talked to Mulroney last night about it, for example. Talked to John Major.

Hey, I give up.

Q. No, no. Let's finish. Finish.

The President. Do I still get credit?

Q. No, you don't get credit.

Q. Are you at the point of talking dates for the Moscow summit?

The President. No, there are no dates.

Q. When do you think it could happen?

The President. Well, sooner rather than later, if we get these -- I'd have to do some schedule changing now, because we're getting -- but no, we'd have to wait and see. But it's important enough that we would change my schedule in order to go there if these conditions that both sides recognize are met.

Q. Does that mean there won't be a summit someplace else before Moscow? Are you shooting for Moscow yet?

The President. That's a good question, but not necessarily. But there's no discussion of that, Tom [Thomas Raum, Associated Press]. There's no -- with the Soviets. There may be some administration talk about it that has not come to my attention, and there may be some on the Soviet side. I want to think positively and I want to try to keep driving forward. It's in our interest -- that's the point I've got to make to the American people -- it is in the interest of the United States to continue with improved relations with the Soviets. It's so clear to me, just as I made the point yesterday about China that, though we're disappointed in many things, that I do not believe isolation or setting the clock back is the way you effect change.

I believe contact and discussion -- there's exceptions to that rule. But for the most part, on a major power like China and certainly a major power like the Soviet Union that has moved towards reform, we want to stay engaged. We want to go there. We want to talk. Want him to come back at some point. I went out of my way to tell him that we weren't playing games. We're not trying to say one thing and mean another, and I hope Mikhail Gorbachev understands this. I think he does. And I say that because Margaret Thatcher had a good conversation with him. Our experts were very well received by him -- Ed Hewett and the others on agriculture.

These things are not on the surface that much, like our delegation going there, but you note them. I note carefully who receives those people, what kind of reception they get in terms of substance. And Brent has already talked to our returning delegation. And I think that he feels that, given the report that I will receive from them either through him tomorrow or from them directly the next day, that there's reason to be hopeful.

So, I'd rather have the glass half full than half empty, and I'd rather think that we can resolve these problems that need to be resolved before we have the meeting.

President's Home in Kennebunkport

Q. Mr. President, were you shocked by your tax assessment on Walker's Point by the Portland Press Herald?

The President. The word shocked, or happy? Look, I'll pay my taxes. And the last thing I need is to argue with the tax assessor. Let somebody else do it. We want to pay our fair share, and I don't think anybody will argue in this case that I'm not. But that just goes with the territory.

Q. Is it worth $2.2 million?

The President. I don't know. It's worth infinity to me because, as you know, it's been in our family

since 1903 -- that house, the place before that. It doesn't matter about the price on it, as far as I'm concerned. It's where my family comes home, and it's our anchor to windward. It has great meaning in terms of family. And we are blessed; Bush family is blessed. The children come home, and they look forward to it. So, there's no price tag. Let them put the taxes wherever they want, and I'll pay them in this case.

Now, I might have a different attitude if it weren't Kennebunkport and Walker's Point.

China

Q. Can you set any conditions on MFN?

The President. We're not talking conditions. I want it done the way I talked about. And that's the way it should be done. It's only right that it be done that way. I recognize I've got a hard sell from some Congressmen who did not listen to what I said before they were ready with their rebuttals. But that's all right. I can understand that. I can understand their anxiety about human rights. All I want them to do is understand mine and then understand that the way to move forward is to continue contacts and to continue supporting those elements in the Chinese society that are already changing and have changed.

I referred to Guangdong Province in South China yesterday. And I also noted -- this I should have said in my speech -- that one of the mothers of one of the leading dissidents came to this country and was quoted in the newspapers as saying things were improving there. And she was permitted to come here, and she was out front now.

Yesterday, I noticed they quoted -- I believe it was on television; it might have been in the papers -- one of the Yale students saying I didn't understand. But they might well have quoted the guy that walked across the platform, stopped, went out of his way -- and it wasn't easy to do -- and said, thank you for what you're doing for the students.

So, there's difference of opinion. We found that many of the students groups before supported our position on MFN. So, we've got a selling job, though, because I don't think I've made that point clearly enough yet. But just as we started uphill on fair trade, free trade agreement, we're starting perhaps a little behind on this. But I think I can explain it. I understand it, I'm strongly for it, and I know what I'm suggesting is in the best interest of the United States, not just China -- in the best interest of our country. I've got to get out and make that as clear as I possibly can.

Q. Senator Mitchell sounded like he was going to give you a pretty good fight.

The President. Well, he's already indicated that, but I'd like to talk to George and I'd like to reason with him. I'd like him to understand exactly what will happen to Hong Kong, for example. I know that a lot of the leaders in other countries will be weighing in, just as they did on the free trade

agreement.

The British particularly are concerned, and I've already talked to the Prime Minister about that: if we cut off MFN, what happens to Hong Kong. I talked to Brian Mulroney. I hate to quote these leaders without asking their permission, but in this case I have no qualms saying that Mulroney will come back and say extension of MFN is in the interest of the free world as well as in China's interest.

So, I think when I sit down with Mitchell -- I understand his position. I understand the politics of all of this, also. But for me, this transcends politics. Hey, the easy copout, the easy election year politics would be to go the other way. But that's not good foreign policy.

Q. Is Mitchell making a political issue out of this for his own good?

The President. My view is, I want to reason with him and see that he doesn't.

Q. Can you reason with him?

The President. Oh, yes. Yes, I have a good relationship with him.

Q. But you're not ruling out completely -- --

The President. He's the leader of the Democratic Party, pretty much. Ron Brown, maybe, but Mitchell, Jesse Jackson, and a handful of others. But he's got to stand there and say what he thinks and rally his troops. But I want to rally around what's good for the United States in this instance and leave the politics aside. I think the good politics are probably on the other side of this issue.

But I know I'm right on it, and therefore I'm going to fight for it, as I did and as we did -- I shouldn't put this personally -- on the Fast Track. We started, and all of you know this, with some big uphill odds on it. We came through because Carla Hills and others -- Bob Mosbacher and so many others were very persuasive. And we'll have the same approach to this question. But I have no argument with George Mitchell to start with. I mean, he takes a position the minute I finish speaking, but that's politics.

Now, we sit down and talk about the issue. And if I can convince him, fine. It's not just Mitchell. We've got people in our own party that are out there jumping around you, still. So, I'm not aiming the partisan shot at him; I just happened to hear what he had to say.

Q. Are the Democrats desperate for an issue?

The President. On this?

Q. On anything?

Q. Do you think it might be necessary in the end to accept some sort of conditions in order to save MFN at all? And are you willing to consider that?

The President. I'm not thinking about that, Susan [Susan Spencer, CBS News]. I'm thinking about winning it on the merits -- what's best for the foreign policy of the United States and what's best for the foreign policies of the Western countries and what's best for China. And I think the answer is to continue MFN as is.

So, I'm not into the concession business or sitting down, or trading at this juncture, and I know we start off a little behind here. But I may have jumped the gun on getting it out a week or so ago, but I did it because I feel so certain that what I'm proposing is good foreign policy. I think we've got a good record, our administration, on foreign policy, and so we will go down that path.

Soviet Union

Q. One more on the Soviets. What about this business of possibly a Western aid package in exchange for economic reforms in Moscow?

The President. Again, we have made clear that we want these reforms to continue. But when you're dealing with equality and respect with sovereign nations, you don't try to dictate terms. You don't always put it in, ``You do this or else you won't get that," ``You do this and we'll give you that" -- clearly it's a two-way street, and we want to see things done. But you've got to deal with respect with these people. When you have differences, make clear what they are. But the way you phrased that question I'm not sure is the way I would approach this. But they know that we want to see reforms continue, and they know if we're convinced of that, that good things will happen.

But I stop short of, ``You do A, B, and C, and we'll do D, E, and F."

Q. Are you going to give them the ag credits?

The President. That's one of the matters that we'll be discussing with Primakov and Yavlinsky. The Soviets make the point, and I think with some justification, that they have never failed to pay on ag credits -- never failed to pay back. I think they look at me now and say: ``What's the President doing? We have never failed on this."

Q. Sounds like you're going to give it to him.

The President. And I'm looking at it in terms of overall reforms and wanting to see the credits, if granted, be -- help. Not just alleviate hunger, but be used perhaps to help in their whole agricultural system. That's why we sent the team over there. And that's -- before I get into that, want to sit down and talk to our returning specialists who were good and who were well received there.

Q. Are you coming out here for the Fourth, Mr. President?

The President. I don't think so. I don't think so. I hope to be up here -- --

Q. To have a summit.

The President. -- -- well, who knows? But I have a summit here on July 1st. That's my mother's 90th birthday -- and that goes back to the taxes on Walker's Point.

Q. I meant July 4th.

The President. No. Full credit on a press conference.

Note: The President's 85th news conference began at 11:30 a.m. at the Cape Arundel Golf Course. In his remarks, he referred to Kenneth Burman, chief of endocrinology at the Walter Reed Army Medical Center; Lawrence Mohr, White House physician; Colum Gorman, endocrinologist at the Mayo Clinic; Marlin Fitzwater, Press Secretary to the President; President Mikhail Gorbachev of the Soviet Union; Yevgeniy Primakov, Soviet Presidential Council member and envoy for President Gorbachev; Mikhail Moiseyev, Chief of the General Staff of the Soviet Union; Grigory Yavlinsky, Director of the Soviet Center for Economic and Political Research; Prime Minister Brian Mulroney of Canada; Prime Minister John Major of the United Kingdom; Margaret Thatcher, former Prime Minister of the United Kingdom; Ed Hewett, Special Assistant to the President for National Security Affairs and Senior Director of Soviet Affairs; Brent Scowcroft, Assistant to the President for National Security Affairs; George J. Mitchell, Senate majority leader; Ronald H. Brown, Democratic Party chairman; Jesse Jackson, candidate for the 1988 Democratic Presidential nomination; Carla A. Hills, U.S. Trade Representative; and Robert A. Mosbacher, Secretary of Commerce.

Statement by Press Secretary Fitzwater on the President's Health

May 28, 1991

Because of the remarkable coincidence of the President and First Lady both having Graves' disease, the President's physician is exploring any possible link to environmental or other causes. While the doctors feel it is highly unlikely that their thyroid condition could be related, or in any way related to the lupus disease suffered by Millie, prudence dictates that all such possibilities be examined.

The Secret Service is taking water samples at Camp David, the Vice President's residence, the White House and Walker's Point to ascertain any possible presence of iodine or lithium, two substances which have been associated with thyroid disease. In addition, Dr. Charles L. Christian, head of medicine at the Hospital for Special Surgery in New York, has been asked to review the medical history of the First Family, including Millie, to ensure that there is no relationship in any way. These tests and reviews will be made over the next few weeks. We do not expect conclusions for some time.

Remarks at the United States Air Force Academy Commencement Ceremony in Colorado Springs, Colorado

May 29, 1991

What a day. Please be seated, and thank you for that warm welcome. To my old friend, Senator Goldwater; to Secretary Rice and General McPeak; to General Hamm, who's done such a fantastic job here; ladies and gentlemen; graduates. Our altitude is 7,250 feet above sea level -- far, far above that of West Point or Annapolis. And I'm sorry I'm a little late. I flunked my room inspection at Kennebunkport this morning. [Laughter] Barbara gave me 20 demerits. Then it took time to talk the pilot of Air Force One, Colonel Barr, out of doing an Immelmann over this stadium. [Laughter]

It is an honor for me to join you here at ``Wild Blue U," the home of the quick and the brave. There's never been a better day to be part of this magnificent team.

For 40 years, my generation struggled in the confines of a divided world, frozen in the ice of ideological conflict, preoccupied with the possibility of yet another war in Europe. More recently, many here and abroad wondered whether America still possessed the strength and the will to bear the burden of world leadership. My fellow Americans, we do, and we will.

Through strength of example and commitment, we lead. You've been taught the price and the importance of leadership. As you leave the Academy, you answer your nation's call to advance the cause of freedom, to lead. There's a new sense of pride and patriotism in our land. And it's good for our nation's soul.

The beltway cynics may call this renewal of patriotism old-fashioned, but Americans rarely mistake cynicism for sophistication. Patriotism binds the real and lasting fabric of our nation. Assertive but not arrogant -- self-assured, kind, generous -- we remain committed to our fundamental values.

So today I speak to you, and to every member of America's Armed Forces, to say thanks. When others weren't sure we were up to the task, you were. When your country asked you to serve, you did. And when others said, ``No, no, we're not ready; we can't," you said, ``Yes, we are ready; we can." You and your colleagues in all the services prove that Americans consider no risk too great, no burden too onerous to defend our interests and our principles -- in short, to do what's just and to do what's right.

Consider our fundamental decency and humanity, our commitment to liberty. Our service men and women in the Gulf, weary from months in the desert, now help suffering Kurds and the

people of Bangladesh. When a carrier on the way home after months in the Gulf was diverted to Bangladesh, a crewman was asked, ``Aren't you disappointed that you don't get to go home?'' He replied, ``Not at all. We're saving lives. We're doing what we ought to do.''

We do not dictate the courses nations follow, but neither can we overlook the fact that our examples reshape the world. We can't right all wrongs, but neither can any nation lead as we can.

Joined by the world's leading nations, we worked to create a coalition in which countries great and small joined forces to liberate Kuwait. That coalition saw soldiers from dozens of lands fight shoulder to shoulder, fly wingtip to wingtip in the cause of freedom. And it saw our forces as fully integrated as any in our history, demonstrating the true strength of joint operations.

A year before you came to Colorado Springs, I was privileged to be here. And I told the class of '86, ``There's no doubt the Soviets remain our major adversary. Our two separate systems represent fundamentally different values.''

Since then, we've seen remarkable political change. But let's not forget the Soviet Union retains enormous military strength. It will have the largest land force in Europe for the foreseeable future. With perhaps five new strategic missile systems in development, they'll be ready for yet another round of strategic modernization by the mid-1990's.

At the same time, however, Soviet troops have embarked on the long trek home from Czechoslovakia, Hungary, Poland -- and, happily, from a reunified Germany. We are hopeful that the Soviet Union itself will continue its move toward freedom.

As superpower polarization and conflict melt, military thinkers must focus on more volatile regimes, regimes packed with modern weapons and seething with ancient ambitions. We are committed to stopping the proliferation of weapons of mass destruction. But there is danger that despite our efforts, by the end of this century nearly two dozen developing nations could have ballistic missiles. Many already have nuclear, chemical, or biological weapons programs.

Nowhere are the dangers of weapons of proliferation more urgent than in the Middle East. After consulting with governments inside the region and elsewhere about how to slow and then reverse the buildup of unnecessary and destabilizing weapons, I am today proposing a Middle East arms control initiative.

It features supplier guidelines on conventional arms exports; barriers to exports that contribute to weapons of mass destruction; a freeze now, and later a ban on surface-to-surface missiles in the region; and a ban on production of nuclear weapons material. Halting the proliferation of conventional and unconventional weapons in the Middle East while supporting the legitimate need of every state to defend itself will require the cooperation of many states in the region and around the world. It won't be easy, but the path to peace never is.

And as the world changes, our military must evolve and change with it. Last year, I announced a shift in our defense focus away from old threats and toward the dangers that will face us in the years to come. We need a more agile, flexible military force that we can put where it is needed, when it is needed. I also called for new technology in our defense systems. And I proposed a defense package to the Congress that meets these demands.

In the years ahead, defense spending will drop to below 4 percent of our gross national product, the lowest level in over 50 years. But we must spend that money in ways that address the threats that we are likely to face in the future. Although we developed this budget before the Gulf war, it anticipates very important lessons of that war -- lessons that, frankly, some in the United States Congress now ignore.

Gulf lesson 1 is the value of air power. I remember meeting with General McPeak up at Camp David. In his quiet but forceful way, he told me exactly what he felt air power could do. After he left, I turned to my trusted National Security Adviser -- who's with me here today, a former political science professor here at the Academy and a pilot, General Scowcroft -- and said, ``Brent, does this guy really know what he's talking about?'' General Scowcroft assured me he did. And General McPeak, like the entire Air Force, was right on target from day one. The Gulf war taught us that we must retain combat superiority in the skies.

Then there's Gulf lesson 2: The value of Stealth. Surprise is a classic principle of warfare, and yes, it depends on sound intelligence work. But Stealth adds a new dimension of surprise. Our air strikes were the most effective, yet humane, in the history of warfare.

The F - 117 proved itself by doing more, doing it better, doing it for less, and targeting soldiers, not civilians. It flew hundreds of sorties into the most heavily defended areas without a scratch.

The F - 117 carried a revolution in warfare on its wings. The next step in that revolution is the Stealth bomber, the B - 2. Not only for its contribution to nuclear deterrence, but also from the standpoint of conventional cost-effectiveness, the B - 2 has no peer. It carries over 10 times the conventional load of an F - 117 and can fly 5 times further between refuelings. It gets to the job faster, with more tons of ordnance -- without the force buildup and time we needed prior to Desert Storm -- and without needing foreign airfields in the immediate proximity of a conflict. And it replaces B - 52 aircraft approaching twice the age of you graduates -- and I say that respectfully. [Laughter]

Yet, last week, the House of Representatives voted to terminate the B - 2, redirecting those funds at unnecessary weapons. Anyone who tells you the B - 2 is ``too expensive'' hasn't seen flak up close lately. America needs the B - 2 bomber, and I'm going to fight for it every inch of the way.

Gulf lesson 3: We learned that missile defense works and that it promotes peace and security. In

the Gulf, we had the technologies of defense to pick up where theories of deterrence left off. You see, Saddam Hussein was not deterred, but the Patriot saved lives and helped keep the coalition together.

That's one reason that we've refocused strategic defense toward Global Protection Against Limited Strikes or GPALS, as we call it. It defends us and our allies from accidental launches or from the missile attacks of international renegades. While the Patriot worked well in the Gulf, we must prepare for the missiles more likely to be used by future aggressors. We can't build a defense system that simply responds to the threats of the past.

Yet some in Congress want to gut our ability to develop strategic defenses. Last week the House irresponsibly voted to cut nearly $2 billion from GPALS and to kill its most promising technologies. I call on the Senate today to restore our missile defense programs, to safeguard American and allied lives, and to promote security.

Gulf lesson 4, the most fundamental, is the value of people. People fight and win wars. And this nation never has fielded better fighting men and women than it does today. In 1980, 68 percent of those enlisting in the military had high school diplomas. Now it's 95 percent and climbing. The military has become our greatest equal opportunity employer. It offers everyone a chance, and it promotes people solely on the basis of merit. The men and women you will soon be leading are the best educated and most motivated anywhere, anytime, ever. You know the standards. You know, I was tempted to ask General Scowcroft how he thought I was performing during the war, but I was afraid he'd say, ``Fast, neat, average, friendly, good, good." [Laughter]

Although we will cut troop levels 25 percent by mid-decade, we must ensure that they remain fully prepared to respond quickly and decisively to crises. We must ensure that they are totally integrated, taking full advantage of the kinds of joint operations so powerfully demonstrated in the Gulf. We must ensure that they have weapons that emerge from military necessity, not pork barrel politics. We must ensure that the cuts in the Active and Reserve components result in the most effective and efficient forces possible. We must not compromise our readiness just to protect unneeded bases, programs, and forces.

Look, no President -- no President could or would deny Congress its right to approve budgets or conduct oversight. But as Commander in Chief, my greatest responsibility is national defense, and I will veto any bill that doesn't support and sustain my defense program.

And so, I ask the Congress to help make our forces leaner and more effective. Don't weigh them down with pork. Don't deny our people the tools that they will need to do their jobs in the next century.

You graduates will find that no other combat force you encounter will have your skills, your technology, or support. You'll find that in world leadership we have no challengers. But in our

turbulent world, you will find no lack of challenges. And I know you are ready.

So, to all of America's servicemen -- all of them, wherever they may be -- and all of America's servicewomen, I salute them. I salute you. And to this 1991 graduating class of the United States Air Force Academy, may I say, you have earned your commissions. Well done, and Godspeed. And may God bless you and the United States of America. Thank you all very, very much.

Note: President Bush spoke at 11:15 a.m. in Falcon Stadium. In his opening remarks, he referred to former Senator Barry Goldwater; Secretary of the Air Force Donald B. Rice; Gen. Merrill A. McPeak, Air Force Chief of Staff; Gen. Charles Hamm, superintendent of the U.S. Air Force Academy. Brent Scowcroft, Assistant to the President for National Security Affairs; and President Saddam Hussein of Iraq. Following his remarks, President Bush returned to Washington, DC.

Nomination of Lynn M. Hansen for the Rank of Ambassador While Serving as United States Representative to the Conventional Armed Forces in Europe Joint Consultative Group

May 29, 1991

The President today announced his intention to nominate Lynn Marvin Hansen, of Colorado, for the Rank of Ambassador during his tenure of service as the U.S. Representative on the Conventional Armed Forces in Europe (CFE) Joint Consultative Group and to the Negotiations on Conventional Armed Forces in Europe (CFE). He would succeed R. James Woolsey.

Since 1989 Dr. Hansen has served as the John M. Olin Distinguished Professor of National Defense and Security Studies at the United States Air Force Academy in Colorado Springs, Colorado. Prior to this Dr. Hansen served as Assistant Director at the United States Arms Control and Disarmament Agency in Washington, DC, 1986 - 1989.

Dr. Hansen graduated from Utah State University (B.S., 1960) and the University of Utah (M.A., 1966; Ph.D., 1970). He was born December 27, 1935 in Idaho Falls, Idaho. Dr. Hansen served in the United States Air Force, 1960 - 1983, retiring as a colonel. Dr. Hansen is married, has seven children, and resides in Monument, CO.

Presidential Determination No. 91 - 36 -- Memorandum on Trade With China

May 29, 1991

Memorandum for the Secretary of State

Subject: Determination Under Subsection 402(d)(1) of the Trade Act of 1974, as Amended -- Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974, as amended, Public Law 93 - 618, 88 Stat. 1978 (hereinafter ``the Act''), having determined, pursuant to subsection 402(d)(1) of the Act, 19 U.S.C. 2432(d)(1), that the further extension of the waiver authority granted by subsection 402(c) of the Act will substantially promote the objectives of section 402 of the Act, I further determine that the continuation of the waiver applicable to the People's Republic of China will substantially promote the objectives of section 402 of the Act.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:43 a.m., June 7, 1991]

Letter to Congressional Leaders on Trade With China

May 29, 1991

Dear Mr. Speaker: (Dear Mr. President:)

I hearby transmit a document referred to in subsection 402(d)(1) of the Trade Act of 1974, as amended, 19 U.S.C. 2432(d)(1) (``the Act''), with respect to the continuation of a waiver of application of subsections (a) and (b) of section 402 of the Act to the People's Republic of China. The document includes my reasons for determining that the continuation of the waiver currently in effect for the People's Republic of China will substantially promote the objectives of section 402, and my determination to that effect.

Documents concerning the extension of the authority to waive subsections (a) and (b) of section 402 of the Act, including a determination with respect to other countries and the reasons therefor, are transmitted separately.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Presidential Determination No. 91 - 37 -- Memorandum on End Strength Level of United States Armed Forces in Europe

May 29, 1991

Memorandum for the Secretary of Defense

Subject: Determination Regarding End Strength Level of U.S. Armed Forces in Europe for Fiscal Year 1991

Consistent with section 406(b) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101 - 510; 104 Stat. 1546), I hereby authorize an end strength level of members of the Armed Forces assigned to permanent duty ashore in European member nations of the North Atlantic Treaty Organization in excess of 261,855 for fiscal year 1991, and determine that the national security interests of the United States require such authorization.

You are authorized and directed to notify the Congress of this determination and of the necessity therefor contained in the attached justification, and to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:22 p.m., June 3, 1991]

White House Fact Sheet on the Middle East Arms Control Initiative

May 29, 1991

Fulfilling the pledge he made in his March 6 address to a joint session of Congress, the President announced today a series of proposals intended to curb the spread of nuclear, chemical, and biological weapons in the Middle East, as well as the missiles that can deliver them. The proposals also seek to restrain destabilizing conventional arms build-ups in the region.

The proposals would apply to the entire Middle East, including Iraq, Iran, Libya, Syria, Egypt, Lebanon, Israel, Jordan, Saudi Arabia, and the other states of the Maghreb and the Gulf Cooperation Council. They reflect our consultations with allies, governments in the region, and key suppliers of arms and technology.

The support of both arms exporters and importers will be essential to the success of the initiative. Since proliferation is a global problem, it must find a global solution. At the same time, the current situation in the Middle East poses unique dangers and opportunities. Thus, the President's proposal will concentrate on the Middle East as its starting point while complementing other initiatives such as those taken by Prime Ministers John Major and Brian Mulroney. It includes the following elements.

Supplier Restraint

The initiative calls on the five major suppliers of conventional arms to meet at senior levels in the near future to discuss the establishment of guidelines for restraints on destabilizing transfers of conventional arms as well as weapons of mass destruction and associated technology. France has agreed to host the initial meeting. (The United Kingdom, France, the Soviet Union, China, and the United States have supplied the vast majority of the conventional arms exported to the Middle East in the last decade.) At the same time, these guidelines will permit states in the region to acquire the conventional capabilities they legitimately need to deter and defend against military aggression.

These discussions will be expanded to include other suppliers in order to obtain the broadest possible cooperation. The London summit of the G - 7, to be hosted by the British in July, will provide an early opportunity to begin to engage other governments.

To implement this regime, the suppliers would commit:

-- to observe a general code of responsible arms transfers;

-- to avoid destabilizing transfers; and

-- to establish effective domestic export controls on the end-use of arms or other items to be transferred.

The guidelines will include a mechanism for consultations among suppliers, who would:

-- notify one another in advance of certain arms sales;

-- meet regularly to consult on arms transfers;

-- consult on an ad hoc basis if a supplier believed guidelines were not being observed; and

-- provide one another with an annual report on transfers.

Missiles

The initiative proposes a freeze on the acquisition, production, and testing of surface-to-surface missiles by states in the region with a view to the ultimate elimination of such missiles from their arsenals.

Suppliers would also step up efforts to coordinate export licensing for equipment, technology, and services that could be used to manufacture surface-to-surface missiles. Export licenses would be provided only for peaceful end uses.

Nuclear Weapons

The initiative builds on existing institutions and focuses on activities directly related to nuclear weapons capability. The initiative would:

-- call on regional states to implement a verifiable ban on the production and acquisition of weapons-usable nuclear material (enriched uranium or separated plutonium);

-- reiterate our call on all states in the region that have not already done so to accede to the nonproliferation treaty;

-- reiterate our call to place all nuclear facilities in the region under International Atomic Energy Agency safeguards; and

-- continue to support the eventual creation of a regional nuclear weapon-free zone.

Chemical Weapons

The proposal will build on the President's recent initiative to achieve early completion of the global chemical weapons convention.

The initiative calls for all states in the region to commit to becoming original parties to the convention.

Given the history of possession and use of chemical weapons in the region, the initiative also calls for regional states to institute confidence-building measures now by engaging in presignature implementation of appropriate chemical weapons convention provisions.

Biological Weapons

As with the approach to chemical weapon controls, the proposals build on an existing global approach. The initiative would:

-- call for strengthening the 1972 Biological Weapons Convention (BWC) through full implementation of existing BWC provisions and an improved mechanism for information exchange. These measures will be pursued at the 5-year Review Conference of the BWC this September;

-- urge regional states to adopt biological weapons confidence-building measures.

This initiative complements our continuing support for the continuation of the U.N. Security Council embargo against arms transfers to Iraq as well as the efforts of the U.N. Special Commission to eliminate Iraq's remaining capabilities to use or produce nuclear, chemical, and biological weapons and the missiles to deliver them.

Note: The fact sheet referred to Prime Minister John Major of the United Kingdom and Prime Minister Brian Mulroney of Canada.

Remarks at the Federal Bureau of Investigation Academy Commencement Ceremony in Quantico, Virginia

May 30, 1991

Thank you all very much. And Mr. Attorney General, Dick Thornburgh, thank you, sir. May I salute Director Sessions, a friend of long standing, a man in whose service I take great pride. I'm delighted that our drug czar, Bob Martinez, former Governor, is with us here today. I salute all the members, top-level members, of the law enforcement community that are with us here today.

I'm delighted to see our landlord, General Al Gray, who heads the Marine Corps and to whom we all owe a vote of gratitude and thanks for the way he and those Marines performed in Desert Storm. Al, we're delighted to see you here. And I'm delighted to be here, though I think that, on my way in, I may have spotted Hannibal the Cannibal in the audience. [Laughter] For those parents and others, that's an inside joke that I'm not sure I understand myself, but nevertheless -- [laughter].

And of course, a special congratulations to today's newest Special Agents, the class of '91 - 6th. And given my doctors' orders, current orders, I'm glad it was you and not me who had to make it through the ``Yellow Brick Road'' in order to be here today. [Laughter] But my heartfelt congratulations to you. And I share in the pride that your families all have in you today.

Speaking of my health, which I am reluctant to do, but you might know that I just received a note -- a true story -- from a farmers' organization. And it said: ``This wouldn't have happened if you had eaten your broccoli.'' [Laughter] I don't want to get in a fight with them; just give me thyroid problems any day. [Laughter]

But I'm very proud to be here saluting the FBI for its ``fidelity, bravery, and integrity.'' And I'm proud to salute this class for its ``courage, commitment, and common sense.'' But I've got a problem. I don't want to embarrass a fellow Texan, but tell me, Bill, how come, under the jurisdiction of the Director of the FBI, there's a little Virginia town that has the highest crime rate in the Nation? And after looking around there today -- and, Tony, thank you so much for you and your able compatriots showing me all this. But after looking around there today, there's one thing I know for sure: No matter how persuasive you are, after I leave the White House, I am not retiring to Hogan's Alley. [Laughter] Once is enough.

But you young men and women graduating today have already solved your share of these Hogan's Alley crimes. And now you're going out to face the real thing. And we are grateful to you. You're joining an FBI that plays an essential role in preserving the peace of our country: investigating violations of Federal law in criminal and civil and counterintelligence fields. But

there's something else very special about the FBI, beyond its crimefighting role. The Bureau sets an example for the country in showing how citizens and different levels of government can work together to meet our most important challenges. ÿ7Eÿ7E

The concept of teamwork between individuals and the various levels of government lies at the heart of the FBI's mission. And frankly, we need to work together across this land to battle the scourge of violent crime that threatens our homes, our families, and our future.

Last year, six million American citizens -- six million -- fell victim to violent crime. Violent crime claimed the lives of over 20,000 Americans. Look at the statistics and a frightening fact emerges: Our streets posed a greater threat to our own service men and women than did the foes in the Middle East. We deserve better than that as a nation. Our children -- God bless our children, and they deserve better than that. And we will, with your help and your leadership, take back our streets.

In May of 1989, I stood in the rain on the steps of the Capitol with some of the law enforcement officers who put their lives on the line for all of us. Together, we called on the United States Congress to pass our crime package, legislation designed to protect our cops by giving them the tools they need to get their job done. And yes, it was tough legislation, but it was fair legislation. Today, almost exactly 2 years later, I stand here in the midst of another group of law enforcement officers. Two years have passed, and Congress still has not acted on our request.

Earlier this year, the Attorney General and I convened an unprecedented crime summit. We called upon the finest minds in American law enforcement. And in March, following the summit and taking into account what we learned there, we sent a crime bill to Congress. Our Comprehensive Violent Crime Control Act of 1991 will confront the terrifying spiral of lawlessness. It will strengthen our nation's criminal justice system, too often unfairly loaded against dedicated law enforcement officials.

The act has four major elements. First, habeas corpus reform. We're determined to free the courts from frivolous, repetitive delays, gimmicks and challenges from people who have already exhausted their legal appeals. Our bill will ensure that convicted felons will no longer evade punishment by drowning justice in a sea of legal challenges unrelated to guilt or innocence.

The second major element is exclusionary rule reform. It is simply intolerable that armed criminals go free when law enforcement officers have collected solid evidence in good faith efforts to follow court guidelines.

Our bill limits the possibility of releasing violent criminals on the basis of legal technicalities. It permits juries to consider evidence that's been gathered by officers acting in good faith. This will avoid situations like that of the DC drug squad. At a bus station, they seized a bag they believed contained cocaine. They called the prosecutors and were told that they didn't need a warrant to

search. Sure enough, they found a large supply inside. And sure enough, the evidence was ruled inadmissible, even though they'd acted in total good faith. Our bill would assure that such evidence survives in court. In addition, it allows introduction into evidence of firearms seized from dangerous criminals, no matter how officers obtain those weapons. And that makes sure, then, that those who misuse firearms are caught and punished, plain and simple.

And third, more categories of firearm offenses and penalties. Under this bill, drug traffickers and violent felons who use semiautomatic weapons will face stiff mandatory sentences. First-time felons caught with firearms will spend 5 years behind bars. No plea bargains. No early release. Our bill also creates new Federal offenses for firearms, theft, and smuggling. We will silence the illegal guns that blast away in our streets, in our homes, and around our schools by punishing the violent criminals who misuse guns.

And our fourth core provision is for the restoration of the Federal death penalty. We need an enforceable Federal death penalty for the most heinous crimes -- for the senseless murder of a Federal judge or the terrorist killing of civilians or the cold-blooded execution of a law enforcement officer or Federal witness. We should give juries the option of imposing the death penalty for such depraved crimes. And we must send the strongest possible message to those who would commit such crimes. We must tell them that our society will protect itself from violent predators.

And for more than a decade now Congress has talked about reinstating the Federal death penalty. And now, frankly, Congress should act. In that way, we will be telling victims and the families of victims that we will not forget their suffering, their loss. We will be telling them there that we're doing everything we can to ensure that others don't suffer similar fates.

But crime victims deserve more than compassion. They also deserve action. And that's why I take particular pride in the fact that, working with Congress, we have already not only reauthorized the 1984 Victims of Crime Act but have also boosted its annual victims compensation and assistance fund to $150 million. Those are dollars that come not from taxpayers but, as you all know, from the fines and penalties levied against criminals.

But of course, the best way, the best way to help the victims of crime is to make sure that they don't become victims in the first place. And so, in our crime bill we've strengthened the core proposals with some potent new additions. Our act includes sections designed to curb terrorism, racial injustice, sexual violence, and juvenile crime. It requires appropriate drug testing as a condition of post-conviction release for Federal prisoners. It outlines protections for witnesses and for abused kids. The bill makes it easier for Federal officials to prosecute those who commit acts of sexual violence involving children. It provides for HIV testing of accused sex offenders. And it guarantees a victim's right to address the court at sentencing.

Listen to these words: ``The land is full of bloody crime and the city is full of violence." The

prophet Ezekiel wrote that over 2,000 years ago. The battle between good and evil still rages. But our crime bill will strengthen the hand of good -- that's your hand, the hand of our nation's law enforcement professionals.

The American people, frankly, are tired of talk. I believe they want action. In March, we asked the Congress to pass a crime bill within 100 days; I challenged them at a joint session up there. And so far, 85 days have passed, and neither House has chosen to take up our crime package. The 100 days will expire on June 14th, but as you know, the crime issue will not. America wants real, comprehensive action against crime. America wants it done right, and it wants it done now. And I assure you, so do I.

Finally, there's another more subtle threat to the peace, and that's racial strife. For the past couple of years, the issue of civil rights has divided Americans. Our position as an administration is clear, and believe me, I'm telling you this from the heart. I want to sign a civil rights bill. I am proud of my record on civil rights, and I'm proud of my administration's record on civil rights. But we want to sign a bill that advances the cause of equal opportunity. We want to sign a bill that advances the cause of racial harmony. And we want to sign a bill that encourages people to work together.

Unfortunately, congressional leaders again want to pass a bill that would lead employers to adopt hiring quotas and unfair job preferences. This week, they proposed an antiquota amendment to take care of the problem, the quota problem they said didn't exist.

This shouldn't fool anyone. If you look closely at the amendment, you'll see that it endorses quotas. Even the section that supposedly outlaws quotas endorses quotas. It defines the ``Q'' word -- as it's come to be known -- it defines the ``Q'' word so narrowly that it would allow employers to establish personnel systems based on numbers, not on merit. Other sections rig the rules against employers. If their numbers aren't right, the employers are essentially helpless to defend themselves in court. And another section of the bill forbids many victims of illegal quotas from even getting their day in court.

If you listen to proponents of this bill, you'll hear another interesting thing. You'll hear them boast their approach makes it easier to prosecute and sue people. Well frankly, this is hardly the road to racial harmony. It's the road to lawsuits and discord.

And so, let's start over. Let's make harmony our goal. A good place to start is our own bill, the administration's civil rights bill. You see, our bill would punish vigorously those who practice prejudice in the workplace. It would not offer a blank check to lawyers and special interests. It frankly would offer a helping hand to victims of racism, sexism, and other forms of discrimination. It would build on the strong and just laws that we already have. And I'd like to sign it, along with our crime bill, and I'd like to sign it soon.

I'm very proud to be with you law enforcement officials. And I want you to know that you have the public's support -- never doubt that -- you have the public's support and gratitude. You have all of our support. And very candidly, you've earned it. You deserve our admiration, our respect, and the best, toughest anticrime package your grateful nation can give you. No more loopholes, no more rolls of the dice. It's time. It's long past time.

So, once again, I was just delighted when the Attorney General and the Director asked me to come down here to see you in action, to salute this graduating class. Congratulations to the graduates, to their families on this very special day. And the best of luck to all of you. And may God be with you.

Thanks to all the FBI and DEA Agents here, to the State, and to the local and international police officers and the FBI National Academy and, again, to your landlords, the United States Marines. May God bless you all. And may God bless the United States of America.

Thank you very, very much.

Note: The President spoke at 2:10 p.m. in the auditorium of the administration building. In his remarks, he referred to Attorney General Dick Thornburgh; William S. Sessions and Anthony E. Daniels, Director and Assistant Director (Training Division) of the Federal Bureau of Investigation; Bob Martinez, Director of National Drug Control Policy and former Governor of Florida; and Gen. Alfred M. Gray, Jr., commandant of the Marine Corps.

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iran

May 30, 1991

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on developments since my last report of November 29, 1990, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c). This report covers events through March 31, 1991, including those that occurred since my last report dated November 29, 1990. That report covered events through September 30, 1990.

1. Since my last report, both the Iranian Transactions Regulations (``ITRs''), 31 CFR Part 560, and the Iranian Assets Control Regulations (``IACRs''), 31 CFR Part 535, have been amended. Copies of these amendments are attached. The ITRs were amended on March 15, 1991, 56 FR 11100, to permit the issuance of specific licenses authorizing the case-by-case importation of Iranian oil in situations where the import transaction is in resolution of an outstanding claim against Iran before the Iran-United States Claims Tribunal in The Hague or otherwise results in the payment of the full proceeds from the sale of the Iranian oil into the Tribunal's Security Account. Permitting the importation of Iranian oil under these conditions is intended to promote the settlement of certain claims pending before the Tribunal and to replenish the Security Account from which monetary claims are paid to the U.S. claimant.

The IACRs were amended on February 15, 1991, 56 FR 6546, to comply with an arbitral award issued by the Tribunal which found that the United States Government had violated the Algiers Accords by licensing various U.S. account parties to open blocked reserve accounts on their books to cover amounts demanded by an Iranian beneficiary under a standby letter of credit (``SLC''). Under section 535.568, these accounts were permitted to be held by account parties in lieu of payment of the SLC amounts by the issuing or confirming U.S. bank into a blocked account and the reimbursement of the bank by the account party. Under this amendment, the transfer of funds contained in blocked reserve accounts by SLC account parties is no longer restricted unless the account parties can demonstrate that they qualify for one of three limited exceptions.

2. The great majority of import licensing activity under the ITRs involved the importation of nonfungible Iranian-origin goods, principally carpets, that were located outside Iran prior to the imposition of the embargo and that did not result in any payment or benefit accruing to Iran after the effective date of the embargo.

During the reporting period, the U.S. Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the ITRs. The Office of Foreign Assets Control and U.S. Customs Service investigations of these violations have resulted in forfeiture actions and the imposition of civil monetary penalties amounting to $821,477. Numerous additional forfeiture and civil penalty actions are under review.

On November 16, 1990, a guilty plea was entered in United States v. Iron Gate Products, which involved the smuggling of Iranian-origin caviar into the United States. In addition to having merchandise valued at $850,000 forfeited to the United States Government, the defendant also agreed to pay more than $30,000 in cold storage costs incurred by the U.S. Customs Service during the course of the investigation.

3. The Tribunal continues to make progress in arbitrating the various claims before it. Since my last report, the Tribunal has rendered 18 awards, for a total of 507 awards. Of that total, 349 have been awards in favor of American claimants: of these, 214 were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 135 were decisions adjudicated on the merits. The Tribunal has issued 34 decisions dismissing claims on the merits and 76 decisions dismissing claims for jurisdictional reasons. Of the 48 remaining awards, two were withdrawn, and 46 were in favor of Iranian claimants. As of March 31, 1991, awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at $2,023,506,655.53.

As of March 31, 1991, the Security Account has fallen below the required balance of $500 million 34 times. Iran has periodically replenished the account, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. Iran has also replenished the account twice when it was not required to do so by the Accords. Iran has not, however, replenished the Security Account to the required balance of $500 million since the last report. Discussions are underway with Iran to rectify this deficiency. As of March 31, 1991, the total amount of the Security Account was $252,838,236.81, and the total amount in the interest account was $14,331,443.56. The aggregate amount that has been transferred from the interest account to the Security Account is $832,872,986.47.

4. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for $250,000 or more. Over 80 percent of the nonbank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 118 such claims on the docket. The largest of the large claims, the progress of which has been slowed by their complexity, are finally being resolved, sometimes with sizeable damage awards to the U.S. claimant. ARCO, for example, settled its case against the Iranian National Oil Company for a payment of $9 million. Since the last report, 15 large claims have been decided.

5. As anticipated by the May 13, 1990, agreement settling the claims of U.S. nationals against Iran for less than $250,000, the Foreign Claims Settlement Commission (FCSC) has undertaken to review 3,112 claims. The FCSC issued its first awards in April 1991 and is expected to complete its adjudication of these claims by September 1993.

6. In coordination with concerned Government agencies, the Department of State continues to present United States Government claims against Iran, as well as responses by the United States Government to claims brought against it by Iran. Since the last report, the Department has filed pleadings in five government-to-government claims.

7. Since my last report, one additional bank syndicate has completed negotiations with bank Markazi Jomhouri Islami Iran (``Bank Markazi," Iran's central bank). After this settlement is finalized, only two syndicates will remain with claims against Dollar Account No. 1 at the Federal Reserve Bank of New York.

8. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The IACRs issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the ITRs issued pursuant to Executive Order No. 12613 continue to advance important objectives in combatting international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Nomination of Luis Guinot, Jr., To Be United States Ambassador to Costa Rica

May 30, 1991

The President today announced his intention to nominate Luis Guinot, Jr., of Puerto Rico, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Costa Rica. He would succeed Deane Roesch Hinton.

Since 1988 Mr. Guinot has served as a partner and attorney with the law firm of Kelley, Drye & Warren in Washington, DC. Prior to this Mr. Guinot served as a partner and attorney with the law firm of Rose, Schmidt, Chapman, Duff and Hasley, 1985 - 1987, and Chapman, Duff and Paul, 1974 - 1985. From 1972 to 1974, Mr. Guinot served as Assistant General Counsel for the Department of Agriculture. In addition, Mr. Guinot was a self-employed attorney at law and consultant, 1972, and served as Administrator for the Office of the Commonwealth of Puerto Rico in Washington, DC, 1969 - 1972. He also served as an associate attorney with the law firm of Faerber and Cerny, 1968 - 1969.

Mr. Guinot graduated from New York University (B.A., 1957) and the Columbus School of Law at Catholic University (J.D., 1968). He was born April 8, 1935, in San Juan, PR. Mr. Guinot served in the U.S. Army, 1959 - 1967. Mr. Guinot is married, has five children, and resides in Clifton, VA.

Exchange With Reporters on Soviet-United States Relations

May 31, 1991

The President. Let's turn so they can all see.

Q. Is it later yet, sir?

The President. Yes.

Q. All right. Well, then, will you tell us about the Primakov meeting?

The President. Yes. That's all I'll tell you about. I'd rather talk about swimming and these champions that we have here. I take great pride in the accomplishments of my fellow Texans and what they stand for in sports the example they've set for the rest of the country -- not only in competitive sports, but in fitness generally, something that we are trying to emphasize. And I might say to you all that the famous Arnold Schwarzenegger is doing a first-class job. He's taken this Fitness Council thing very seriously and goes all over the country. He's been, I think, in 26 of the States now.

But I do mean it. You all set a wonderful example. Congratulations on the competitive side, too.

Just a word, then, on the Primakov visit. In the first place, it's the kind of thing that is extraordinarily helpful to international relations and to improved relations between the Soviet Union and the United States. This visit comes on the heels of a visit by our experts, among them Ed Hewett right here in the White House, to the Soviet Union where they were very cordially and courteously received by President Gorbachev.

The emphasis on our delegation was primarily agriculture. And I will have an opportunity to get more detail within the next day or two from them as to their recommendations and their views. But they come back leaning forward, and I think that's good. We want to try to be helpful where we can.

The Primakov visit came at the suggestion of President Gorbachev. And what he wanted to do is send this very high-level visit, three distinguished individuals to explain to us the reforms that are being undertaken in the Soviet Union and their commitment in the future to reform. And I was very impressed with Mr. Primakov's presentation. Mr. Yavlinsky fleshed it out a little bit on the economic side. And I told them what I've told the American people, and that is that we want to be helpful, that we will study in detail the presentation they made. They've had an opportunity to go into much more detail, incidentally, with our experts in State and Treasury; here at the White

House, Dr. Boskin.

So, I liked what I heard, and we have some decisions ahead of us, and I'm not going to prejudge those decisions. I'm not going to suggest that my mind is made up, nor is the administration position yet firmed up on a wide array of matters with the Soviets. But I can say this to all those interested, not only here but abroad, that this visit by Mr. Primakov was extraordinarily helpful, and we talked about almost every subject that has been on the front pages over the last few days.

So, I'll have more to say about this later on when I get a chance to visit with our experts and see what they feel in terms of some of the detail. In a meeting that lasts 45 minutes you cannot go into the detail that's necessary to reach firm conclusions. But I'd have to say preliminarily that I view this as a very positive, positive meeting.

Q. Secretary Baker seemed to think it didn't go far enough.

The President. Well, I have great respect for Jim Baker's views, and I don't know what that means, that predicate that it didn't go far enough. I mean, I've talked to him, and he didn't use those words to me. I've learned something since I've been in this job, and that is not to comment on what somebody says somebody said because you get in trouble that way.

Q. Mr. President, do you think the Soviets -- does it appear that they're willing to take the severe economic steps and take the pain that's going to be needed for the economic reform the United States expects?

The President. I think that they made clear that they were prepared to do that, and all I'm saying is we need a little more detail -- detail that has, incidentally, been presented to our experts and more of which will be presented to our experts in the time that remains.

So yes, I had the impression that they are undertaking what for them is and what the world will see is radical economic reforms. And when you've had a totally controlled economy and you try to move to a market economy, it's not easy. They need help along the way. But Rita [Rita Beamish, Associated Press], I believe the answer to your question is, yes, they certainly say they're prepared to do that.

Q. How about the economic summit, sir? Would you invite Mr. Gorbachev to the London summit? Have you made up your mind on that?

The President. The matter was obviously discussed, and as I say, I've got a little homework to do now before I make comments on that, definitive comments on that or on grain credits or on MFN. But I'm feeling more positive on a wide array of specific questions. And yet, that isn't to suggest that there are not some big problems out there.

Q. What about a Moscow summit in -- --

The President. -- -- inside, and they're roasting out here, these swimmers.

Q. What about a Moscow summit in June? Did Primakov give any indication that the Soviets were going to move on CFE and allow this summit to take place in June?

The President. We did not, in this meeting, discuss arms control. So that did not come up -- CFE, START, or the Moscow summit. Now, maybe before they leave we'll have more insight into that. But it did not come up in this meeting here, if that's what your question is.

Q. And Moscow summit in June?

The President. No, that summit and the arms, they link, as you know. And that didn't come up. But what's happening on that is, Jim Baker will be dealing with Bessmertnykh in Lisbon on that question. Maybe they already met. And Mr. Gorbachev told me on the phone last week that the way to handle -- that Bessmertnykh would be coming to Lisbon with firm proposals and a firm desire to resolve the difficulties on CFE and certainly to narrow the remaining differences on START. Thank you all very much.

Note: The President spoke at 10:50 a.m. in the Rose Garden at the White House. In his remarks, he referred to the NCAA champion University of Texas men's and women's swim teams; Arnold Schwarzenegger, Chairman of the President's Council on Physical Fitness and Sports; Special Envoy Yevgeniy Primakov of the Soviet Union; Ed A. Hewett, Special Assistant to the President for National Security Affairs and Senior Director of Soviet Affairs; Soviet President Mikhail Gorbachev; Grigory Yavlinsky, Director of the Soviet Center for Economic and Political Research; Michael J. Boskin, Chairman of the Council of Economic Advisers; Secretary of State James A. Baker III; and Aleksandr Bessmertnykh, Foreign Minister of the Soviet Union.

Presidential Determination No. 91 - 38 -- Memorandum on the Use of Wheat Reserve for Disaster Assistance

May 31, 1991

Memorandum for the Secretary of Agriculture

Subject: Food Security Wheat Reserve Release

By virtue of the authority vested in me as President by the Food Security Wheat Reserve Act of 1980 (the ``Act'') (7 U.S.C. 1736f - 1), I hereby authorize the release in fiscal year 1991 of up to 300,000 metric tons of wheat from the reserve established under the Act (the ``reserve'') for use under Title II of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1691 et seq.), to meet relief needs that exist in developing countries of the Middle East, Africa, and Asia, which I hereby determine are suffering major disasters. The wheat will be used to provide urgent humanitarian relief to the peoples in the Middle East, Africa, and Asia who are suffering widespread hunger and malnutrition.

This action is taken because wheat needed for relief in these regions cannot be programmed for such purpose in a timely manner under the normal means of obtaining commodities for food assistance due to circumstances of unanticipated and exceptional need.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:46 p.m., June 20, 1991]

Note: The memorandum was released by the Office of the Press Secretary on June 1.

Remarks at the United States Military Academy Commencement Ceremony in West Point, New York

June 1, 1991

Thank you all very much for that warm welcome back to West Point. Thank you all very, very much. Thank you, General Palmer -- Dave Palmer -- for that introduction. May I salute our Secretary of the Army, Secretary Stone; our Chief, General Vuono. And might I say at the beginning that this country owes a great vote of thanks to both these general officers who have served their country with sacrifice and distinction. Please express yourselves by showing your appreciation to Carl Vuono and Dave Palmer, two great soldiers.

And may I single out at the outset several other special guests who, along with Secretary Stone and General Vuono, came up with me on Air Force One: Congressman Sonny Montgomery, of Mississippi, a great supporter of a strong military. You guys better cheer, he's a major general also. [Laughter] And then, Congressman Ham Fish, who represents this West Point sister so well in Congress. And also may I single out my trusted national security adviser, Brent Scowcroft -- the class of '47 at this Academy. Also Congressman Ben Gilman, who represents, as I understand it, the next congressional district over -- also a great friend of the Point.

And last, but certainly not least, let me single out a friend of our country, Ambassador Bandar, the Saudi Arabian Ambassador to the United States. And look, don't hold it against him that he's a fighter pilot. [Laughter] From day one of Desert Shield, all through Desert Storm, Saudi Arabia and the United States stood shoulder-to-shoulder versus aggression. And together we did what was just and right.

Now to the business at hand. A special greeting to the families and to the friends and, most important, to the cadets of the class of 1991. It is an honor -- and I mean that, for both Barbara and me today -- it is an honor to be here at this symbol of ``duty, honor, country," and to know what Douglas MacArthur meant when he said, ``In the evening of my memory, I always come back to West Point." Barbara and I are proud to become honorary members of this Long Grey Line.

You know, it's really something to look out over this outstanding military audience. Now I know how Bob Hope feels. [Laughter] Also, let me say it was good of you to invite a Navy man to speak at West Point. I left the goat outside, but I'm glad to be here. [Laughter]

Before my remarks to this graduating class let me just make an announcement that is of interest to all here -- to all around the world. The United States and the Soviet Union not many hours ago resolved our differences on the CFE treaty, clearing the way for an important step towards a superpower summit. And I congratulate our Secretary of State, the Foreign Secretary of the Soviet Union Bessmertnykh, and all involved. This is important to world peace, and I'm glad to

make this announcement right here at West Point.

You know, we meet this morning not as members of opposing teams but as one people called Americans, Americans who know that like the memorial at Pearl Harbor or the chapel at the Air Force Academy, its silhouette reaching toward the sky, this ground right here at West Point reflects our deepest values and principles.

Look around you -- the majestic cadet chapel, the four statues in the mess hall, on grounds hallowed by generations of military heroes. Their lessons live as oral history, passed from one decade to another. Militarily and culturally, morally and spiritually, West Point has always been a metaphor for the American character.

The American character inspired generations of immigrants to push back the wilderness, establish settlements, and secure independence. One generation preserved the Union. Another fought ``the war to end all wars." The generation of your parents and grandparents showed that the Iron Curtain could not hold back America's values, America's hopes, America's example.

Today, I want to talk of the American character and how it makes ours a great nation. This character has many elements, the foremost of which is our devotion to freedom. The love of liberty drives our national heartbeat. Might I add that that beat is regular, not fibrillating. A central tenet of this devotion, freedom of religion, creates a special place for values, for morals and faiths and causes larger than ourselves.

Next, our character bursts with self-reliance and creativity, two qualities that propel us from the drawing boards of today to the launching pads of tomorrow. Indeed, to this day, the only footprints on the moon are American footprints; the only flag, the Stars and Stripes.

Finally, we define our character through the service we render to others, by assuming responsibility for the welfare of our homes, our families, and communities. We must serve those for whom the American dream still seems an impossible dream.

You at West Point have established an example for the rest of the Nation. Here people measure each other in terms of merit, heart, and will, not creed or sex or color or national origin. Look to your left and look to your right, and what do you see? People divided by race and religion? No. You see your friends and your future. Our Armed Forces have shown what Americans can do when they see themselves not as white and black and red or brown but as one people united in common purpose, pulling for each other, helping each other, relying upon each other -- and in the process, getting the job done.

More than three decades ago, the civil rights movement reshaped a nation by appealing to this American character. It invited people to join hands in common cause against evil, to build a society upon common decency and respect. Martin Luther King dreamed of an America in which

one day our children would -- and to quote -- ``not be judged by the color of their skin but by the content of their character.'' In the Army, just as here at West Point, that ``one day'' has arrived.

As Chief Justice Earl Warren wrote in Brown versus the Board of Education, ``The road to progress for the victims of past discrimination is equal and excellent education.'' In the years since the Army became a volunteer force it has featured equal and excellent education. As a result, we have the best educated military in our history. The percentage of minority enlisted personnel has nearly doubled, as has the number of minority noncommissioned officers. The number of minority officers has almost tripled.

And you may recall that at the beginning of the Gulf war -- think back now -- you may recall that at the beginning of the Gulf war some complained that we have too many minorities in the military. My disagreement could not be more clear. The military is, yes, the greatest equal opportunity employer around. And as our distinguished Chairman, Colin Powell, said at the time, we have nothing to be ashamed of.

And at West Point, certainly, you have plenty to be proud of. Your class boasts the 1,000th black graduate of this institution, a great leader, as anybody who's been around this place knows, a great athlete. The 1,000th female graduate, also an all-around leader, a good soldier. And then the first graduate -- your class -- the first graduate from among the Hmong people of Laos. Yet the Army and West Point don't recruit minorities. They recruit soldiers, the finest sons and daughters any country could ever have.

And so, our country's task, America's task, is to achieve nationally what we celebrate today at West Point. We must think of ourselves not as colors or numbers but as Americans, as bearers of sacred values. To reach that end, we must destroy the racial mistrust that threatens our national well-being as much as violence or drugs or poverty. We've all seen images of racial violence, vivid pictures of fire and destruction, flashing lights and nightsticks. But we've also experienced little episodes of mistrust, little ugly examples -- people slipping across the street to avoid someone of a different color, pressing themselves wearily into the back of an elevator. The practice of distrusting strangers because of their race or nationality, the habit of using patronizing or demeaning stereotypes.

Let's not kid ourselves. Regrettably, racism and bigotry still exist in this great country of ours. But let there be no doubt, this President and this administration will strike at discrimination wherever it exists. Because, you see, prejudice and hate have no place in this country, period. The real question that's facing us is not whether to fight these evils but how.

Black and white, the great civil rights leaders of the fifties and sixties deplored intolerance, demanded equality of opportunity and equality under the law. Government's responsibility is to enhance, not redistribute, opportunity to ensure that all people get a fair chance to achieve their dreams. And today, some talk not of opportunity but of redistributing rights. They'd pit one group

against another, encourage people to think of others as competitors, not colleagues. That's not the way to achieve justice and equality here in America. We need to adopt a more unifying, moral, and noble approach.

I learned long ago that if you want something done, give someone a reason for doing it. Don't put them on the defensive; don't browbeat them. Appeal to the better angels of their nature. As I see it, this is the concept behind affirmative action. To me, true affirmative action expresses a duty of citizenship: good faith efforts to provide opportunity for individuals based on merit, to reach out and create truly equal opportunity for those who have been left behind, those who have been excluded.

Some think affirmative action should involve a Rubik's Cube of workplace guarantees. And I believe that it should inspire people of all races to nurture affirmative values, affirmative views of themselves, affirmative lives. And that's why our administration is committed to a comprehensive attack on the problems facing disadvantaged Americans.

We've called for a revolution in education with our America 2000 strategy. We've tried to reform the public housing system, turn it into an ownership system with a program we properly call HOPE, H-O-P-E. And we've proposed enterprise zones to plant seeds of growth amid the ruins of crumbling cities and dusty rural areas. And we've offered tough anticrime legislation because no American is free if imprisoned by the fear of crime. And we have advocated community opportunity areas to shift power from the heavy hand of the state to the hands that run the home, raise the family. God bless the strength of the American family. We've got to do more to help strengthen it.

These policies give power back to the people, and they move us toward achieving the goal of equal opportunity. They do not -- cannot -- ensure equal success.

In that spirit, consider our civil rights package. Our administration's S. 1991 civil rights bill would forbid consideration of factors such as race and sex in employment practices. It will ensure that Congress lives by the same rules it prescribes for others. And it will not force employers to choose between using quotas or the risk of costly litigation.

I know there's another so-called civil rights bill out there, but it's a quota bill, regardless of how its authors dress it up. You can't put a sign on a pig and say it's a horse. It invites people to litigate, not cooperate. And this is no way in our country to promote harmony.

And so, let us cast off now the politics of division. Let's build a society in which people respect each other, work with -- not against -- each other, and strive to illuminate the American character.

Tomorrow, our able Secretary of HHS -- Health and Human Services -- my colleague in our Cabinet, Dr. Lou Sullivan, will address the high school in his hometown of Blakely, Georgia.

What's unusual is that this distinguished doctor now, then was not permitted to attend that school when he was young. It would not admit black kids. He overcame the burdens of prejudice to become an eloquent advocate of good education and sound values. And Lou has forgiven, but he and we can never forget the terrible things that racism and prejudice can do to a land.

Here at West Point you have shown the essence of the American character, opportunity based on merit. And now, let us build a ``we," not a ``me," generation by carrying the ideals of this school to the Nation and the world.

You know, many of the service men and women who performed brilliantly during Operation Desert Shield and then subsequently Desert Storm have become what we call Points of Light at home. They've returned to their own communities and urged young people to follow their lead, to work hard, to stay in school, to stay away from drugs. And so, let's thank those who have taken this message back to the schools and communities across our land. And let's vow to do more.

And I'd like to encourage all of you, respected in your communities now, to become Points of Light. Visit a school or a recreation center or a place of worship, and share some of your lives and your experiences. I ask communities to invite these wonderful men and women to speak at the schools and other forums. You in this class of 1991 can show that the story of the Good Samaritan is more than just an object lesson, for, you see, it's part of the American character.

Douglas MacArthur, a son of West Point, once said, ``The soldier, above all other people, prays for peace, for he must suffer and bear the deepest wounds and scars of war." America's magnificent military has helped secure the peace abroad. Our challenge now is to heal the wounds and the scars at home and help the extended hand spur harmony and brotherhood, not faction and suspicion.

And so, let us honor the true grandeur of America, the dignity of the individual. You here at West Point, you all lead the way.

May God bless the class of 1991 as you go on with your service to the greatest country on the face of the Earth. And may God bless the United States of America. Thank you very much.

Note: The President spoke at 10:10 a.m. in Michie Stadium. In his remarks, he referred to Lt. Gen. Dave R. Palmer, Superintendent of the Academy; Michael P.W. Stone, Secretary of the Army; Gen. Carl E. Vuono, Army Chief of Staff; Representatives G.V. (Sonny) Montgomery, Hamilton Fish, Jr., and Benjamin A. Gilman; Brent Scowcroft, Assistant to the President for National Security Affairs; Prince Bandar bin Sultan, Ambassador from Saudi Arabia; entertainer Bob Hope; Secretary of State James A. Baker III; Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; and Secretary of Health and Human Services Louis W. Sullivan. Following his remarks, the President traveled to Camp David, MD, for the weekend.

Exchange With Reporters on Soviet-United States Relations

June 1, 1991

The President. Well, good news on CFE. We're very pleased, of course. The agreement was achieved under the original limits, which is good -- [inaudible] -- under the original limits. And so, I think it's a good thing for world peace, and I think it's very good for U.S.-Soviet relations. The agreement, of course, has to be acquiesced to by a lot of other countries besides ours, but I think we feel that the deal is guaranteed. Others will go along because it is fair. And others were very anxious that we take the lead role and try to work out what heretofore were differences.

So, we have that one under control. We're still going to work the START problem. When I asked Moiseyev, General Moiseyev, about it, he held up his fingers like that, and he said, ``That's about the amount of difference." Now, Brent can go into detail if he wants to on it, but we're talking about a problem, particular problem, that won't be overly easy to solve. But nevertheless, we're going forward positively. And that, of course, will clear the decks for a Moscow meeting that I want to see very much. So, it's a good day. This is an important step that was taken in Lisbon.

And in a sense, it masks another thing -- [inaudible] -- and that is the peace talks or the meeting resulted after a lot of diplomacy, and some of it on our part -- Chester Crocker and Hank Cohen and Secretary Baker -- in bringing these factions in Angola together. That is an important thing that happened and it may get obscured because the arms control announcement came out of Lisbon also.

When I saw Cavaco Silva of Portugal -- [inaudible] -- we ought not to underestimate the importance of that, peace on the continent of Africa after all this time. So, it's a good day.

Q. Does this affect your thinking on whether or not to invite Mr. Gorbachev to the London economic summit?

The President. It doesn't affect this at all.

Q. Would you have your own superpower summit before the London summit? Is it that close?

The President. Well, I don't know. Brent and John Sununu are trying to sort out the scheduling problems. But as far as I'm concerned, as soon as we get the remaining details out of the way, the sooner, the better. And I think President Gorbachev wants that. Of course, the G - 7 meeting is set, so it would have to be either before or after. I don't think it's that critical whether it's before or after, but my view is that we're getting close on time, getting closer to scheduling problems for me and maybe for him. So, we don't know the answer really.

Q. Are you closer right now so that you want to nail it in its entirety before the summit?

The President. We want to get it down so we can sit down and say, hey, we've got agreement on START. Whether that means sign a paper with everything written on it -- --

Q. Or initial a framework or something -- --

The President. Yes, I think it should be the framework because that means then that we've worked out some gritty details that still plague us.

But the point is, this is good on its own merits, and also, I think it will help. Now we've seen that we both can overcome difficulties, and our experts now can go forward. And I will assure the Soviets that I will instruct our experts to lean forward as far as possible. And as I remember, he told me the same thing. So, I view it as an optimistic happening there and something good for our country.

Q. What did you think about the $250 billion price tag on the Soviet aid package?

The President. I don't -- [inaudible] -- talk to the Soviets. I've talked to Gorbachev and nobody yet has a price tag on anything.

Q. Wasn't that what they asked for -- --

The President. I don't know what they asked. I was talking about what they've talked to me about. And I expect if there's some firm price tag of that nature, why, they'd want the United States -- [inaudible].

Q. Have you talked to Gorbachev in the last couple of days? Do you expect to talk to him now with the breakthrough?

The President. I talked to him a few days ago -- well, I could well do it because we're very pleased, and I'm sure he is. But I have no schedule of a phone call, and we did talk a few days ago.

Q. Are you going to announce MFN this weekend? You have only a couple more days.

The President. On -- --

Q. The Soviets -- on extending the deadline of June 3d.

The President. Well, as I told them, we're looking at the emigration bill. We encouraged them to

go forward with the bill; they've done that. But I just want to be sure of the details. We're not holding back. We're trying to just be sure we know what we're doing.

Listen, I've got to get out of here so I get there before you guys do.

Note: The exchange began shortly after noon aboard Air Force One, prior to the President's departure from West Point, NY. The President referred to Gen. Mikhail Moiseyev, Chief of the General Staff of the Soviet Union; Brent Scowcroft, Assistant to the President for National Security Affairs; Chester A. Crocker, former Assistant Secretary of State for African Affairs, and Herman J. Cohen, the current Assistant Secretary; Secretary of State James A. Baker III; Prime Minister Anibal Cavaco Silva of Portugal; Soviet President Mikhail Gorbachev; and John H. Sununu, Chief of Staff to the President.

Presidential Determination No. 91 - 39 -- Memorandum on Trade With the Soviet Union, Bulgaria, Czechoslovakia, and Mongolia

June 3, 1991

Memorandum for the Secretary of State

Subject: Determination Under Subsection 402(d)(1) of the Trade Act of 1974, as Amended -- Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974, as amended, Public Law 93 - 618, 88 Stat. 1978 (hereinafter ``the Act''), I determine, pursuant to subsection 402(d)(1) of the Act, 19 U.S.C. 2432(d)(1), that the further extension of the waiver authority granted by subsection 402(c) of the Act will substantially promote the objectives of section 402 of the Act. I further determine that the continuation of the waivers applicable to the Republic of Bulgaria, the Czech and Slovak Federal Republic, the Soviet Union, and the Mongolian People's Republic will substantially promote the objectives of section 402 of the Act.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:51 p.m., June 10, 1991]

Letter to Congressional Leaders on Trade With the Soviet Union, Bulgaria, Czechoslovakia, and Mongolia

June 3, 1991

To the Congress of the United States:

I hereby transmit the documents referred to in subsection 402(d)(1) of the Trade Act of 1974, as amended (19 U.S.C. 2432(d)(1)) (``the Act''), with respect to a further extension of the authority to waive subsections (a) and (b) of section 402 of the Act. These documents continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to the Republic of Bulgaria, the Czech and Slovak Federal Republic, the Soviet Union, and the Mongolian People's Republic will substantially promote the objectives of section 402. The attached documents also include my reasons for recommending the extension of the waiver authority, and for my determination that continuation of the waivers currently in effect for the Republic of Bulgaria, the Czech and Slovak Federal Republic, the Soviet Union, and the Mongolian People's Republic will substantially promote the objectives of section 402. My determination with respect to the waiver applicable to the People's Republic of China and the reasons therefor is transmitted separately.

I note that the extension of the waiver applicable to the Soviet Union will apply to Estonia, Latvia, and Lithuania. This in no way affects the long-standing U.S. policy of not recognizing the forcible incorporation of Estonia, Latvia, and Lithuania into the Soviet Union or our support for the right of the Baltic States to reclaim their independence.

George Bush

The White House,

June 3, 1991.

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Press Secretary Fitzwater on Trade With the Soviet Union

June 3, 1991

The President submitted to the Congress his recommendation to extend the waiver authority granted under the Jackson-Vanik amendment (Section 402) to the 1974 Trade Act. In doing so, the President has determined that extension of the authority and of the waiver for the Soviet Union granted in December 1990 will promote the objectives of the agreement, free emigration.

The President made this decision in view of the fact that the Soviet Government has substantially reduced barriers to emigration for Soviet citizens. Numbers of Soviets emigrating rose from 2,000 in 1986 to over 370,000 in 1990. The administration believes that this positive trend will continue.

The President's action will permit the Soviet Union to remain eligible for export credit guarantee programs of the Commodity Credit Corporation of the Department of Agriculture and of the Export-Import Bank. The waiver is for 1 year.

Statement by Press Secretary Fitzwater on Trade With Bulgaria, Czechoslovakia, and Mongolia

June 3, 1991

The President submitted to the Congress his recommendation to extend the waiver authority granted under the Jackson-Vanik amendment (Section 402) to the 1974 Trade Act, as well as the separate waivers for Bulgaria, Czechoslovakia, and Mongolia. These waivers will promote freedom of emigration in these three countries and ensure their continued eligibility for official credit programs such as those of the Export-Import Bank and Commodity Credit Corporation. The waviers are also required for the extension of most-favored-nation trade status.

The President's report to the Congress describes the dramatic surge toward democracy in Czechoslovakia and the complete freedom of emigration its citizens now enjoy. Czechoslovakia has benefited from most-favored-nation trade status since November 1990. Bulgaria and Mongolia have also made impressive progress toward democratization and free emigration. We anticipate according MFN status to both countries pending ratification by the respective legislatures of the bilateral commercial agreements signed in April 1991.

Remarks to the National Federation of Independent Business

June 3, 1991

Thank you very, very much for that welcome. Listen, I should be the one clapping to thank you all for the fantastic support that NFIB has given to this administration as we work towards common goals.

First, let me thank John Sloan not just for the introduction but for the leadership he has given to these sound business principles. I'm also very pleased that with us here, with John and me here on this platform, is Pat Saiki. She has joined our team in the administration, having been a key member of it when she was in the Congress, and she already has brought new energy to the SBA. And we're very proud of her. And I know you will enjoy working with her.

Let me warn you ahead of time, I gave four commencement addresses last week. And if I lapse into saying things like, ``Your future lies ahead of you," -- [laughter] -- or ``You're at a crossroads in your life," you'll know exactly why. [Laughter]

Actually, my favorite commencement line of all comes from that great philosopher, Woody Allen. [Laughter] That's right, Woody Allen. He once told a graduating class, ``Mankind is at a crossroads. Down one path is despair and utter hopelessness. Down the other, total destruction." [Laughter] Then he goes on and finishes, ``Let's hope your generation has the wisdom to choose correctly." [Laughter]

Well, this is one place I don't have to worry about that. You offer something other than hopelessness and destruction and despair. You create opportunity and hope. You've played a leading role -- and I don't say this just in passing, I mean it -- you've played a leading role in helping this administration advance the cause of free markets and economic growth. And thanks for helping us win some important victories in the Congress, victories in pushing back this endless flow of mandated programs -- mandated parental leave now, and helping us in pushing for parental choice in child care, a wonderful step forward for our country that strengthens the family of the United States. And thanks for helping us persuade Congress to preserve a crucial device for securing free and fair international trade, the Fast Track procedures.

And now, we need your help in securing civil rights legislation that ensures the most basic civil right of all: the right of all people to pursue their dreams without fear of discrimination or fear of unfair lawsuits.

In that regard, I notice some of the buttons out there. I like the buttons. And I don't know anybody who disagrees with that sentiment, as a matter of fact. You've got mine, as a matter of fact.

Calvin Coolidge once told a gathering of newspaper editors that ``the chief business of the American people is business." And that much-maligned quote contains an important truth. We are an enterprising people, and our economy thrives because people with ideas establish businesses like yours. They risk money. They risk comforts. They risk failure. And they achieve greatness.

The Government can help advance the cause of economic freedom in three ways. First, it can promote it. It can create an environment that enables entrepreneurs to flourish, especially the men and women who run small businesses. Our economic growth package offers a series of positive inducements to growth. We want to bring down the tax on capital gains. That reform won't just reduce the cost of capital but to reform. And it won't just reduce the cost of capital, it will encourage investors to risk money on new businesses, therefore expanding job opportunities for all Americans, including small businesses. It also will encourage people to sell assets such as real estate that they won't sell now because the taxes are too high.

This administration also is determined to put a lid on the growth of Federal spending. Last year's controversial budget agreement -- the largest deficit reduction program in history -- imposed real, long-term caps on spending. You now see Members of Congress trying to retreat from the spirit of that agreement, urging us to raise taxes so they can buy political pork. No way. Congress must keep its word. Congress must keep its word. And if it doesn't, I will veto spending bills that violate the caps and violate our budget accord.

Our growth package also includes a comprehensive set of long-overdue banking reforms. These reforms are designed to bring our banking system up to date and to make banks, large and small, stronger and better able to serve their customers. The business community -- particularly yours, the small business community -- needs strong banks that can provide much-needed financing for jobs and for economic growth.

This administration believes in free and fair trade. In an age of international economic competition we cannot afford, simply cannot afford, to shield ourselves from competition or to lose the vast benefits that free and fair trade will produce. We will use the Fast Track procedures to pursue three vital trade agreements: the Uruguay round of the GATT talks, the North American free trade agreement, and the Enterprise for the Americas Initiative. These agreements would open the world to American products and would create fantastic opportunities for American businesses.

We also want to create a work force that can propel America into the 21st century, to make that 100 years the next American century. Our America 2000 strategy for education lays out a series of bold challenges: to create better and more accountable schools that parents can choose, to reinvent the American school by developing a new generation of American schools, to turn our land into a nation of students and, in the process, me into a computer genius. [Laughter] But no one's too old to learn. That's part of our fundamental thesis. And to create communities where learning can happen.

I understand the vital importance of a well-educated work force to the small business sector in particular. You depend on schools to educate our kids. You don't have the resources to provide remedial education. You depend on schools to provide sensible measures of educational achievement. That's one of the reasons we are developing a series of voluntary national achievement tests.

I'll be talking today to groups -- when I leave here, I'll go over to speak to one of them -- to groups that are helping us develop sound educational goals and measurements. And you can be sure that I'll stress that their business will give a big boost to America's businesses.

But it's not enough just to encourage growth. Government's second role must be to remove some of the obstacles that it has created. Regulations cost the economy at least $185 billion -- that's billion dollars -- last year. That's $1,700 for every taxpayer. The Government generated 5.3 billion hours' worth of paperwork during the same period. I think that we can all agree we don't need this much paperwork and regulation. You've seen the volumes of regulation. Maybe the Surgeon General can help -- [laughter] -- make them put a warning label on the Federal Register: Do not attempt to lift this unless your name's Arnold Schwarzenegger. [Laughter]

The Vice President's Council on Competitiveness has zeroed in now on regulations that turn would-be Edisons into paper-pushers. It helps weigh the costs and the benefits of regulation so that when the Government issues rules it will produce more benefits than redtape.

Health care costs also have become a major factor for many businesses. Although some people think it makes sense to establish our own brand of federally mandated national medical care, I disagree strongly. And we have offered reforms to hold down medical costs without reducing the amount of available medical care. Some encourage people to take care of themselves. Others encourage people to resolve disputes with doctors instead of hauling everyone involved off to court. Too many of our medical dollars go to pay off lawyers -- with all respect to you guys out there. Our medical money ought to pay for healing, not suing.

And thirdly, this administration will fight legislative proposals that threaten small business, that threaten the heart and soul of our economic system. We will resist mandated benefits programs. You know them all too well, Washington's one-size-fits-all solutions to problems that come in all sizes and shapes.

We will also oppose striker replacement legislation. The bills in Congress, believe me, could have catastrophic consequences for small businesses, regardless of whether they have union representation. As you know, small business creates most of our jobs in this country. A survey published just last week showed that firms with 100 or fewer employees generate 58 percent, 58 percent, of our new jobs.

And finally -- and this is timely -- we will fight for a civil rights bill that pursues the cause of civil

rights, the cause of equal opportunity. Our civil rights package -- and you haven't read anything about it because the debate is being dominated by the Democrats that control the Congress -- takes dead aim at those who discriminate unfairly. But it also encourages people to work together, rather than employing quotas or other devices; encourages them to work in the name of equality, instead of inviting people to squabble and to feud.

You know, let me talk from the heart here. I have been accused of playing election politics with this issue. And very frankly, it's the other way around, and it has been for some time. My opponents won't even consider my civil rights bill. They keep changing theirs to attract different blocks of voters. Their obvious move to convert the bill into a ``women's issue'' is just plain, pure politics -- a politics of selective inclusion and exclusion. Our bill would properly protect women's rights, everyone's rights.

The beltway interest groups and their spokespersons want to make me accept or veto a quota bill. And the fact is we have tried to compromise, but not to accept quotas. And at one point last year, we had an agreement that would bring all sides together. But the beltway interest groups refused. They wanted a political win. They wanted to grind me into the political dirt.

And we have a good record on civil rights. And we had a good history of fair play. And I want a fair, strong antidiscrimination bill that will guarantee worker's rights, women's rights, workplace rights, but will not create quotas. And P.S. -- P.S. -- [laughter] -- I want a bill that will help all working men and women and not one that will produce a bonanza for avaricious lawyers. And now you know my position.

If you listen to these talk shows you wouldn't even know we have a civil rights bill up there. [Laughter] You see the same ones, hey? [Laughter]

Today, you have my word: Whatever happens to this bill -- and I feel this in my heart -- I will continue to work for racial harmony and fair play and against discrimination in the workplace.

We want to build a society of shared hopes and helping hands, a society in which all benefit from growth and prosperity. We want to make this kind of society -- a good society -- the hallmark of our administration.

In closing, let me say that this administration will not waver in its devotion to free enterprise. All of us here know that no experience can match the scary thrill of striking out and starting a business. Nothing better tests your mettle. And as we prepare to launch ourselves into the next American century, we must do the three things I've outlined today: We must encourage enterprise, sweep away unnecessary barriers to growth, and fend off attempts to place chains on entrepreneurs.

We want a free society, a just society, a fair society. But we also want a society brightened by

growth and hope. And you know, each in your own way, in your own communities, you promote that dream every day. And we will encourage you every single step of the way.

Thank you. May God bless you all. And may God bless the United States of America. Thank you very much.

Note: The President spoke at 1:04 p.m. in the Regency Ballroom at the Capitol Hill Hyatt Regency. In his remarks, he referred to John Sloan, president and chief executive officer of the National Federation of Independent Business; Patricia F. Saiki, Administrator of the Small Business Administration; humorist and film director Woody Allen; and Arnold Schwarzenegger, Chairman of the President's Council on Physical Fitness and Sports.

Remarks to the National Education Goals Panel

June 3, 1991

Well, thank you very much, Governor Romer. And what I really wanted to do is to come over and join my colleagues from the Department of Education -- particularly our Secretary -- in thanking this busy and distinguished group of Governors who are taking the lead on our educational reform.

Roy, at the outset, thank you, sir, as chairman. And let me say, we are enthused over your concept of this interim council -- very much so -- and delighted that you and Carroll are willing to undertake that commitment.

I'm pleased to be here with the National Education Goals Panel as you tackle tough work on behalf of the entire country. And all of us feel that you're doing a great job. And I want especially to thank the Governors who spent so much of the past year traveling -- as Roy said -- around the country and traveling to Washington to deal with this challenging assignment. We all owe a great debt to Governor Romer and to his colleagues for their important work on this panel. And so, thank you all very, very much.

You know, there are only a few moments in our lives when we are called upon to join a crusade, and I honestly believe this is one of them. We have a crisis in American education, and we've simply got to do something about it.

I just came from a meeting with the National Federation of Independent Businesses, NFIB. And I talked to them about economic growth -- something we can't achieve without an educated, motivated work force. Education is vital to everything we are and everything we can become. But look at the facts. Eight years ago, the National Commission on Excellence in Education published its powerful indictment of our schools. And yet today, ours is still, remember, a ``nation at risk."

And at the same time, we remain devoted to education. If you talk to parents, you'll hear that nothing is more important. No nation on Earth believes as deeply as we do in the value and the importance of education. People from coast to coast have begun the hard work of educational reform.

I had an inspiring day with Lamar out in Minnesota the other day. You could just feel their commitment to revolutionary new methods in this one little corner of our great country.

The nonpartisan Federal-State -- and let me emphasize that word again, nonpartisan -- Federal-State partnership brought this issue to the forefront of the national agenda a couple of years ago. And we brought the Nation's Governors together, or they came together with us for an unprecedented education summit at the home of Thomas Jefferson, a true education President.

The Governors weren't worried about their place in history. They came to work. And as they did, a compact emerged, one that rests not on flowery promises but on a challenge to raise our expectations and achieve concrete results.

We resolved then to become an America of tougher standards, higher goals, and bigger dreams. And 5 months later, after reaching out to educators and parents and civic leaders, the Governors and I adopted six national education goals for the year 2000. This audience is familiar with them, but let me click them off: readiness for school; school completion; student achievement and citizenship; science and math supremacy; adult literacy and lifetime learning; and safe, drug-free schools.

And these goals were in our minds as we developed one of the administration's most exciting initiatives, a comprehensive educational reform challenge known as America 2000. America 2000 calls for a revolution in American education. It challenges all Americans to raise expectations, to pledge genuine accountability, and above all, to create a new generation of American schools. It sets out to transform a nation at risk into a nation of students. And it urges everyone to make our communities places where learning will happen.

And now we're here with a team that figures prominently in the America 2000 game plan, the National Education Goals Panel. The panel's charge is to hold us accountable. It will report on the Nation's and the States' progress toward meeting our education goals. In meetings with educational experts and in regional forums across the country, this, again, nonpartisan panel has already launched a national dialog about how to measure our own educational progress.

I know that the members were hard at work earlier today, defining the first education report card to the Nation. And they'll issue that report in September, on the second anniversary of the education summit. This and subsequent reports will do more than simply monitor our progress. They will use our new national standards. They will supply clear direction to our efforts. And they will help promote accountability and promote excellence.

This panel's work will hold a mirror up to the Nation and force us to take an honest look at ourselves and at our schools. And when we look in that mirror, we'll see that our actions can and will make a difference.

So, that's where we are right now, poised to rise to the challenge. But there's something else. National Assessment of Educational Progress, known as NAEP, is about to release a report. It will tell us what we already know, that we have work to do. It will show that the level of student performance varies widely across the country and that we're not measuring up.

I want to talk directly to every parent, student, teacher, and administrator, and elected official in this country. When you see the NAEP -- N-A-E-P -- when you see the NAEP report, view it as evidence that we need high national standards to serve as an incentive for every student. View it

as a personal call to accountability and to action. This panel will. It will use this assessment as its benchmark, a reminder of what we must achieve.

It will take a long time. For instance, this panel's charge is for a decade. And it will take a lot of tough work. It will take energy and determination and imagination. But those are the building blocks of the American spirit.

But we're armed for this battle. Fortunately, our kids give us a great secret weapon. They are the best natural resource of any nation on Earth. We've seen our young people perform in the Persian Gulf, and we've seen what they can do. And they inspire us to reinvent our educational system. We must forge a system worthy of them. We've got to create a system that will help them compete in the world of the 21st century and one that will let them be the very best in that world. They can be the best, and they will be the best.

Teachers -- bless them -- also provide an incredible resource, like teacher Danford Sakai of Waiakea High School. He summed up what we need in this battle when he called for ``commitment, caring, common sense, communication, and courage."

I really, Governor Romer, want to thank this panel on behalf of the country. Your meeting certainly makes this an important day, a concrete beginning and pledge of commitment. You are our navigator, guiding us toward this new world of standards of excellence in education.

And as we prepare to confront what may be the most pressing crisis of our society, a favorite quote comes to mind: ``Whatever you can do -- or dream you can do -- begin it. For boldness has genius, power, and magic in it."

We can respond to that call together. We can dream bold dreams and unleash the power and magic that are, indeed, the genius of the American spirit. And that's how we can reinvent American education.

Thank you all very much for giving your time to your country in this manner. We are very, very grateful to you. And may God bless our country. Thank you so much.

Note: The President spoke at 1:30 p.m. in the Independence ``A" Ballroom of the Grand Hyatt Hotel. In his remarks, he referred to Gov. Roy Romer of Colorado, chairman of the panel; Secretary of Education Lamar Alexander; and Gov. Carroll A. Campbell, Jr., of South Carolina, a member of the panel.

Remarks to Education Leaders

June 3, 1991

This is what we call in the White House a cameo appearance -- in, out. [Laughter] But we have our new Deputy Secretary, number two in the Department, David Kearns here. I want to tell you something about him. He was the former chief executive of Xerox, and he comes to this big job, but with a total dedication and commitment to education. And I think it says a wonderful thing to our country that a man with his extraordinary business achievements -- all the time, incidentally, when he was in that job he was constructively engaged in helping our schools and helping education. But here he is now working hand-in-hand with our very able Secretary, who all of you know and to whom I just once again express my real appreciation for the job he and this fantastic team we've got over there at the Department is doing.

I'm not here, though, to talk about what the center can do for the people. That's not the way we're going to reform education in this country. What I want to do is talk about or just thank you for what you are doing and what we're counting on you to do as we reach out to achieve our national education goals, goals that were established in a totally nonpartisan way by the Governors, unanimously adopted by the Governors.

Governor Romer was going to come on over here today, Governor Campbell with him on our education panels of the Governors' Association. But they've actively involved in another meeting which the three of us attended not so many minutes ago. And I say that because they wanted to be here, too. But we're grateful to Governor Romer of Colorado, Governor Carroll Campbell and the others that are participating on the Governors panel.

Lamar and I were talking. He said, well, look, remind these people that they're the ones that stand at the center of this crusade to reform the American schools and to reach the six national goals that you all are familiar with, and reach them by the year 2000. It's a strong agenda, a tough agenda in some ways. But all of us are determined that, with your help, we can do it.

So, what we talk about in the America 2000 strategy, you put into action. And the ideas for implementing a lot of our strategy has got to come from you all and thousands like you across this country. It can't succeed -- we cannot dictate from Washington. I am not anti-Washington. I am not antibureaucracy. We've got some wonderful people who have given their lives in these Departments, but this program, America 2000, cannot succeed if we try to do it from Washington itself.

And so, we've got to spread the message. And along those lines I'm going over to Delaware next week -- I think with Lamar, I hope -- to attend a graduation for graduates of an adult education program. One of our goals, as you know, is you're never too old to stop learning. And by going there we hope that this will put some focus on the program -- many of you are already involved in

that kind of education -- give a boost to what you're doing and maybe in the process get some good ideas as to how we can do it better.

Then the following week, I go by to Colorado and see Governor Romer, who's our chairman really of the Governors on this, in the education field, talking about the role of community in education. Once again, community in education, because we simply -- dedicated though I know our people are here -- can't get it done without a sense of community. Governor Romer and his colleagues in the Colorado 2000 effort are going to hold meetings in 176 locations across the State in a single night. I don't think he'll be at all of them, but nevertheless -- [laughter] -- he's a good man, but not that good.

And that's an impressive effort. I cite it because it builds on this theme of participation that is absolutely essential. And we hope that kind of thing will happen all across the country. And so, we've urged all cities and States to take a few simple, commonsense steps to get the reform going in whatever way they feel they can be most effective. First, they have to adopt the goals for themselves, the national education goals. And as some of you know, there may be resistance here and there. But look at them carefully, put them all together, and I think you'll think it's the right approach or the right program for the country.

And the approaches, they may well vary. They have to adopt these goals. They've got to devise a communitywide strategy to meet them, develop a report card system to assess progress towards the goals, and then be willing to create and support a new school.

One of the aspects of this that Lamar has me fired up the most about is citizens and communities starting from scratch -- and we haven't done it well enough yet -- and creating new schools. And hopefully we'll be able, with the effort of David and Lamar, to supplement those efforts with some funds to get these things going in the different States.

But it's a wonderful concept. And some may need longer school terms. Some may want to have varied hours. Some may want different curricula -- whatever it is. But that's the genius of it, the diversity of it. And I think it's an exciting project.

I think you can stimulate the kinds of local activities that you need, that we need, and I know you will. So, I really want to say thanks. Lamar told me you all are disproportionately involved for American citizens, so in some ways I'm singing and preaching to the choir. But the choir can get out there and get others in phase and get them creating.

And of all the things that we're trying to do -- we're trying to clean up the streets and help with the neighborhoods, and Barbara and I are trying to at least in some tiny way say how important we think family is. And we're trying to deal with the Soviet Union, and all of these things that you have the privilege of doing as President. But there's nothing that I feel more excited about or whose importance I think is priority than this program of America 2000.

So, I've told the Secretary that I want to help in every way possible. And I mean it. And Barbara has already, in my view, set a pretty good example in her own way in terms of reading and the emphasis on that, and helping kids. But she's a Point of Light. You all are Points of Light. And we're going to do what we should do in terms of legislation and all of that, but I need your help. The country needs your help -- your leaders. And I'm very grateful to those of you who are already out there doing the Lord's work in helping these young kids of ours. Thank you very, very much.

In order to feel that you're never too old to learn, I'm going off to a lecture on Andrew Jackson's Presidency. And I expect I'll be better informed when I finish. But I will now turn this podium over to Lamar and to David. And again, with my sincere thanks to all of you, thank you very much.

Note: The President spoke at 4:45 p.m. in the Indian Treaty Room of the Old Executive Office Building. In his remarks, he referred to David T. Kearns, Deputy Secretary of Education; Gov. Roy Romer of Colorado, chairman of the National Education Goals Panel; Gov. Carroll A. Campbell, Jr., of South Carolina; and Secretary of Education Lamar Alexander.

Remarks Announcing the Nomination of Robert Strauss To Be United States Ambassador to the Soviet Union

June 4, 1991

The President. Let me just say that I am delighted to announce my intention to nominate an old friend and an experienced diplomat, Robert Strauss, to be our next Ambassador to the Soviet Union.

Bob Strauss has taken on difficult and delicate assignments in the past for Presidents of both parties. I know that he's the right man to represent the United States in this fantastic period of change in the Soviet Union. And at this moment, we are considering any number of ideas to foster democratic reform, to foster economic change in the Soviet Union. And at the same time, the status of East-West relations is being redefined by the emerging democracies of Eastern Europe and by President Gorbachev.

We have an important role in leading and defining a new world order in which the United States and the Soviet Union continue to work cooperatively for the betterment of mankind. And I frankly can think of nobody, no one, more qualified or more talented to bring to this representation what we need: contacts with high officials, a knowledge of America, a guarantee that two ships -- big ships, important ships -- won't pass in the night for lack of understanding. And I'm very proud that he will be our representative to the Soviet Union during this important, I would say, critical period.

And Bob, I just can't tell you how grateful I am to you and I ought to say to Helen, too, your wife, for being willing to undertake this important assignment. It's a wonderful thing for our country. And I am confident that this appointment will be well-received by your many friends on both sides of the aisle of the United States Senate, of the Congress, and certainly by the American people. So, thank you for suiting up once again, and I believe it's a wonderful thing for the United States. Thank you for being willing to do this.

Now, please say a word, if you will. And then we'll get the Secretary.

Mr. Strauss. I have no statement to make other than, a week ago if anyone had told me I would be standing here, I would have thought they were crazy. I spent the last several days in consultation with the President and with the Secretary of State and with Helen Strauss, I might add. And I have concluded that if there is a role I can play, I'm delighted to play it with the Secretary of State and with this President.

I enter this administration as a Democrat, as all of you know. It's a nonpolitical appointment, if ever there was one and could be one, and I certainly will come out a Democrat. And in the

meantime, I'll do my damnedest, Mr. President, to represent this nation as you and the Secretary would want me to.

I'll take a question or two later on after the Secretary says something, if you like.

Secretary Baker. Mr. President, Ambassador Strauss, let me simply echo, Mr. President, what you've said with respect to this appointment. We are extraordinarily pleased that Ambassador Strauss is willing to undertake this responsibility. It is a real plus for America. It's a plus for the American people. It is a plus, a big plus, for the developing relationship and the emerging and continually positively forward-moving relationship between the United States and the Soviet Union.

The President. Bob, thank you. And I have an 11:15 a.m., but if you want to fire a couple of questions at -- --

Q. Mr. President, are we going to have a summit at the end of the month?

Q. Mr. President, are you going to Moscow at the end of the month?

The President. We're talking about that all in the next couple of days here. I have no comments on any of these stories right now. I want to keep the focus on this wonderful new appointment. And Bob will take some questions. And I don't know whether -- Jim, do you want to stay with him?

Note: The President spoke at 11:07 a.m. in the Rose Garden at the White House. In his remarks, he referred to President Mikhail Gorbachev of the Soviet Union; Mr. Strauss' wife, Helen; and Secretary of State James A. Baker III. Following the President's remarks, Mr. Strauss, who was a former U.S. Trade Representative, responded to questions from the press.

Message to the Congress Transmitting the Annual Report on Aeronautics and Space

June 4, 1991

To the Congress of the United States:

It is with great pleasure that I transmit this report on the Nation's achievements in aeronautics and space during 1989 and 1990, as required under section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476). Not only do aeronautics and space activities involve 14 contributing departments and agencies of the Federal Government, as represented in this report, but the results of this ongoing research and development affect the Nation as a whole.

In 1989 and 1990 we successfully conducted eight space shuttle flights, deploying the Magellan Venus probe, the Galileo Jupiter probe, the Syncom IV Navy communications satellite, and the Hubble Space Telescope and retrieving the Long Duration Exposure Facility. The successful launch of 28 expendable launch vehicles put into orbit a wide variety of spacecraft including the Cosmic Background Explorer and the Roentgen satellite. In addition, many ongoing activities contributed to the period's achievements. The Voyager 2 encounter with Neptune capped off the highly successful 12-year Voyager program; the Tracking and Data Relay Satellite System became fully operational; the Defense Advanced Research Projects Agency sponsored a commercially developed first launch of the Pegasus Air-Launched Space Booster; the Department of Commerce continued studies on ozone, cloud occurrence, and snow cover -- factors critical to our study of climate change; the Federal Aviation Administration strengthened aviation security by deploying the advanced Thermal Neutron Analysis system for detecting explosives in baggage; the Smithsonian Institution contributed greatly to the public's understanding of space research and conducted programs to improve pre-college science instruction; and we helped Soviet Armenians in need of medical assistance by establishing the Telemedicine Space Bridge between U.S. doctors and hospitals in earthquake-struck Armenia. These are just a few of the many accomplishments produced by our 1989 and 1990 budgets for space ($28.4 billion and $31.8 billion, respectively) and aeronautics ($10.6 billion and $11.4 billion, respectively).

The years 1989 and 1990 were successful ones for the U.S. aeronautics and space programs. Not only did these lead to significant accomplishments in scientific knowledge, but also to improvements in the quality of life on Earth through benefits to the economy, to the environment, and in the defense of freedom. Our mission must be to provide stability in aeronautics and space leadership in an ever-changing international environment.

George Bush

The White House,

June 4, 1991.

Statement on China

June 4, 1991

On the second anniversary of the Beijing massacre, we recall the disappointment, heartbreak, anger, and frustration that we all felt as our hopes and those of the people of China were raised and then dashed on Tiananmen Square. The brutal and arbitrary use of deadly force against the peaceably demonstrating people of China can never be forgotten.

When the Beijing Spring was crushed, I was the first leader of the free nations to condemn the violence, impose sanctions, and urge that China return to the path of reform. Today, we maintain more sanctions against China for its human rights violations than any other nation. Our goal is to remain engaged over the long term with China in order to foster its return to a pattern of reform.

Remarks Announcing the Resignation of Dick Thornburgh as Attorney General

June 4, 1991

The President. I just want to deviate from my normal position on not taking questions or making statements at these Cabinet meetings. But I do want to take what is an unusual opportunity to let you know that our colleague and our very able Attorney General, Dick Thornburgh, has informed me that he expects to become a candidate for the U.S. Senate. And at my request, however, I am pleased -- we talked about this yesterday and again just now -- I am pleased that he has agreed to remain in office through at least the end of July.

And we've also discussed the key legislative issues that we have before Congress that are so important to the administration, and certainly to the Attorney General and to the Department of Justice. And he's agreed to continue to help to push for our civil rights bill, for a crime bill that is long overdue. And one of the key things we've got left to do is the implementation of that landmark Americans with Disabilities Act, drawing up the regulations for that. It's critical.

And I want to just take this opportunity before the Cabinet to thank him, my friend and our able Attorney General, for his outstanding record as Attorney General and for his sound advice -- legal adviser to two Presidents. And we are going to miss his wisdom and his support.

And Dick, I just can't tell you what a fantastic job, in my view, you have done. And so, I'm delighted you're willing to accommodate my request that you stay on for the end of this timeframe I mentioned, and we just wish you the very best in whatever lies ahead.

Q. Who is his replacement? [Laughter]

The Attorney General. I'm sorry to hear you're so sad I'm going. [Laughter]

Note: The President spoke at 2:05 p.m. in the Cabinet Room at the White House.

Remarks at the Awards Presentation Ceremony for Emigration Assistance to Ethiopian Jews

June 4, 1991

I am just delighted to see all of you here in the Rose Garden to celebrate a wonderful thing and to honor four people of the many who participated in permitting people to go home. And I have had a chance to express my personal appreciation to Senator Boschwitz and this team of able American diplomats who made possible a humanitarian rescue mission of heroic proportions.

Their efforts set the stage for an airlift over the weekend of May 24th which brought freedom for one of history's most remarkable people, the Ethiopian Jews.

As civil war escalated in that country, we worried. This year it grew stronger, and prospects for the Falashas' departure to Israel were jeopardized. And their future security looked increasingly in question. And I know everybody out here that has talked to me about this and checked in with friends in the administration felt very strongly about that.

In April, as insurgent forces closed in on the capital, I called Rudy Boschwitz. I asked Senator Boschwitz to go to Addis Ababa urgently as a personal emissary of the President to seek to arrange the expedited departure of the Ethiopian Jews. Events since Senator Boschwitz and his team took their trip have unfolded with dazzling speed. And thanks to him and especially to his colleagues here and others who aren't with us today, arrangements were put in place between Israel and Ethiopia for one of the most bold humanitarian airlifts in history. It succeeded, in less than 24 hours, in carrying more than 14,000 Ethiopian Jews to new lives in Israel.

The London roundtable, chaired by the United States, resulted in a joint declaration by the Ethiopian combatants who have agreed to organize an all-parties conference to select a transitional government there. We view that decision as a commitment to the democratic process and hope that all Ethiopian political parties and groups in Ethiopia will take advantage of this opportunity to help build a pluralistic future for their country.

As I say, for all of us here today and I think for all the Jews around the world, this was an event of emotional proportions. And I just want you to know that I share in that emotional feeling that something wonderful has happened.

So, in recognition of his extraordinary efforts to arrange for the evacuation of the Falashas at this crucial moment during this period of dramatic political change in Ethiopia, I am today awarding Senator Boschwitz the Presidential Citizen's Medal. And at the same time, I am presenting special awards for exceptional service to the three individuals who made up the Senator's courageous diplomatic team. And Rudy sings their praises to high heavens for the work they did: Irvin Hicks,

a Deputy Assistant Secretary of State for African Affairs; Robert Frasure, the Director of the African Affairs here in the White House at the National Security Council; and then one who's not with us today but is ably represented, Robert Houdek, our Charge d'Affaires of our Embassy in Addis, operating under fire, under great pressure, performing admirably. Mrs. Mary Houdek is accepting the award on behalf of her husband who is still in Ethiopia.

And in presenting these awards, I also want to make special mention of someone else, and I'm talking about Assistant Secretary Hank Cohen in his role in this remarkable odyssey. Operation Solomon represents a culmination for his leadership over the years on this question of the Ethiopian Jews. And all of this occurred at the same time when the Angola accords were signed, a negotiation in which, as we all know, Hank Cohen played an extraordinarily important role.

I salute the contribution which all of them have made to this tremendous success in removing the Ethiopian Jews from harm's way and reuniting them with their loved ones in Israel. And I also salute your efforts to bring peace and democracy to that country, to Ethiopia, a troubled country with which we feel a special kinship in spite of the years of bad relations under the previous regime.

And now it's a privilege and a pleasure to get on with this small awards ceremony, but I think I speak for everybody in the audience when I say we do this with grateful hearts. And now I might ask my military aide, Major Boschwitz -- [laughter] -- Major Boschwitz. [Laughter] Sorry -- Major Bonwit to -- close, Dave -- to read the first citation, if you would, sir.

Note: The President spoke at 3:19 p.m. in the Rose Garden at the White House. In his remarks, he referred to former Senator Rudy Boschwitz; Irvin Hicks, Deputy Assistant Secretary of State for African Affairs; Robert C. Frasure, National Security Council Director for African Affairs; Robert G. Houdek, Charge d'Affaires at the U.S. Embassy in Ethiopia, and his wife, Mary; Herman J. Cohen, Assistant Secretary of State for African Affairs, and Major David F. Bonwit, Marine Corps Aide to the President.

Appointment of the 1991 - 1992 White House Fellows

June 4, 1991

The President today announced the appointments of the 1991 - 1992 White House fellows. This is the 27th class of fellows since the program was established in 1964. Sixteen fellows were chosen from nearly 800 applicants who were screened by 11 regional panels. The President's Commission on White House Fellowships, chaired by Ronna Romney, interviewed the 32 national finalists prior to recommending the 16 persons to the President. Their year of government service will begin September 1, 1991.

Fellows serve for 1 year as members of the White House staff or as special assistants to members of the Cabinet. In addition to the work assignments, the fellowship includes an education program that parallels and broadens the unique experience of working at the highest levels of the Federal Government. The program is open to U.S. citizens in the early stages of their careers and from all occupations and professions. Federal Government employees are not eligible, with the exception of career Armed Forces personnel. Leadership, character, intellectual and professional ability, and commitment to community and national service are the principal criteria employed in the selection of fellows.

Applications for the 1992 - 1993 program may be obtained by contacting the President's Commission on White House Fellowships, 712 Jackson Place, NW., Washington, DC 20503.

The 1991 - 1992 White House fellows are:

Anderson, Betsy L., of New York, NY, is a corporate attorney associated with Davis, Polk & Wardwell in New York City. Ms. Anderson, a Rhodes scholar, received a B.A. degree in jurisprudence from Oxford University in 1982 and a J.D. degree from the Yale Law School in 1984. Following graduation from Yale, she served for 2 years as a law clerk to the Honorable Charles S. Haight, Jr., U.S. District Judge for the Southern District of New York. Ms. Anderson was born October 5, 1956, in Phelps, WI.

Broz, Joseph S., of Evergreen, CO, a theoretical physicist, received a bachelor's degree in physics from the Massachusetts Institute of Technology (MIT) in Cambridge. He recently obtained a doctorate from the Swiss Federal Institute of Technology in Zurich, Switzerland. While an undergraduate, he founded a consulting practice in energy research and development and in 1985 cofounded a joint U.S.-French public manufacturing company. Dr. Broz was born November 7, 1956, in Omaha, NE.

Caldwell, William B., IV, of Columbus, GA, serves as a major in the U.S. Army assigned to the 82d Airborne Division stationed at Fort Bragg, NC. He graduated from the U.S. Military Academy, West Point, NY, in 1976. Major Caldwell received a master of science degree in

systems technology from the Naval Postgraduate School and a master of arts degree in combined operations from the Army Command and General Staff College. A published military author, he is the recipient of the Hannibal Award for Leadership, which he earned at West Point, and the coveted Master Tactician Award while at the Command and General Staff College. Major Caldwell was born January 24, 1954, in Columbus, GA.

Colmenares, Margarita H., of Los Angeles, CA, is an executive of the Chevron Corp., El Segundo, CA. She is on loan to the Society of Hispanic Professional Engineers, Los Angeles, where she is completing her second term as national president. Ms. Colmenares received a bachelor's degree in civil engineering from Stanford University in 1981. She has participated in Leadership America, the American Center for International Leadership, and programs associated with the National Hispana Leadership Institute. Ms. Colmenares was born July 20, 1957, in Sacramento, CA.

Cox, Darlene Louise, of Newark, NJ, is chief nursing administrator, University Hospital, University of Medicine & Dentistry, Newark, NJ. She graduated from Cornell University-New York Hospital School of Nursing in 1974, where she excelled in the maternal-child and psychiatric nursing specialties. Ms. Cox received a master's degree in nursing from the University of Michigan in 1980. She plays a major leadership, management, and policy role in her present position. Ms. Cox was born August 13, 1952, in Harrisburg, PA.

Douglas, Charlene Yvonne, of Cleveland, OH, is a nurse and teacher who specializes in public and community-based health programs. She received a bachelor of arts degree in American studies in 1975 and a bachelor of science degree in nursing from Case Western Reserve University in 1978. In 1981 she received a master of public health degree from Johns Hopkins School of Hygiene and Public Health and is presently a Ph.D. candidate at the same institution. Ms. Douglas is a specialist in occupational health and health psychology. She was born August 19, 1953, in Cleveland, OH.

Gray, W. Scott, of Alexandria, Virginia, is a lieutenant commander in the U.S. Navy, assigned to the Naval Sea Systems Command in Washington, DC. He graduated from the U.S. Naval Academy in 1979 with a bachelor of science degree in mechanical engineering. In 1981 he successfully completed the Navy's rigorous nuclear power training program and since has held various assignments as a nuclear submarine officer. Lieutenant Commander Gray was born June 30, 1957, in Providence, RI.

Hagerott, Mark R., of Kent, WA, is a lieutenant in the U.S. Navy, assigned to the Office of the Chief of Naval Operations, Washington, DC, as a political-military specialist. Lieutenant Hagerott received a B.S. degree in history from the U.S. Naval Academy in 1983. He was later selected as a Rhodes scholar and attended Oxford University, where he earned an M.A. degree in politics and economics in 1985. Lieutenant Hagerott was born March 4, 1961, in Wayne, MI.

Hagerty, William F., IV, of Tokyo, Japan, is an international management consultant with the Boston Consulting Group, Inc., in Tokyo. He received a B.A. degree in economics and business administration from Vanderbilt University in 1981 and received a J.D. degree from Vanderbilt Law School in 1984. Mr. Hagerty, noted for his expertise concerning U.S.-Japan trade issues, serves as the director of the American Chamber of Commerce's Market Japan program in Tokyo. He was born August 14, 1959, in Nashville, TN.

Harker, Patrick Timothy, of Cherry Hill, NJ, is an associate professor of decision science at the Wharton School, University of Pennsylvania, and director of the Fishman-Davidson Center for the Study of the Service Sector. Dr. Harker graduated from the University of Pennsylvania in 1981, where he earned a B.S.E. degree in civil engineering. Dr. Harker then entered graduate school where he earned an M.A. in economics and a Ph.D. in civil engineering; both degrees were awarded in 1983. He was born November 19, 1958, in Camden, NJ.

Johns, Raymond E., Jr., of Westwood, NJ, is a lieutenant colonel in the U.S. Air Force, currently assigned as a test squadron commander at Wright-Patterson Air Force Base, OH. He graduated from the U.S. Air Force Academy in 1977 with a B.S. degree in aeronautical engineering, and after graduation he attended pilot training at Williams Air Force Base, AZ, where he was named a distinguished graduate. In 1987 he received an M.S. degree in administration from Central Michigan University. Lieutenant Colonel Johns was born December 7, 1954, in Teaneck, NJ.

Kutchins, Alison B., of San Francisco, CA, until recently a vice president of the investment banking division of Goldman, Sachs & Co., San Francisco. In 4 years she earned both a B.S. degree in economics and a master's degree in management from the Massachusetts Institute of Technology, graduating in 1982. Ms. Kutchins was born May 22, 1960, in Chicago, IL.

McCowan, Rod A., of Lawton, OK, is manager of several major higher education accounts for International Business Machines Corp., U.S. Marketing & Services, Rockville, MD. Mr. McCowan graduated from the University of Oklahoma in 1984 with a B.A. degree in ethics and religion. In 1985 he earned a master's degree in social and professional ethics from Yale University Divinity School, and in 1990 earned a master's degree in public policy from the John F. Kennedy School of Government, Harvard University. Mr. McCowan was born January 15, 1959, in Lawton, OK.

Miller, Matthew Louis, of New York, NY, is an associate with McKinsey & Co. in New York City. He received a B.A. degree in economics, magna cum laude, from Brown University in 1983, having spent his junior year at the London School of Economics. In 1986 he received a law degree from Columbia University School of Law, where he was editor of the Columbia Law Review. Mr. Miller was born November 20, 1961, in New York, NY.

Thoman, Sally J., of Bakersfield, CA, is an advanced systems manager in the space and communications division of TRW's electronic systems group, Redondo Beach, CA. In 1979 she

received a bachelor of science degree in electrical engineering from the University of Southern California. She was a trustee scholar and one of five graduates named to the Order of Troy. Ms. Thoman was born February 20, 1957, in Bakersfield, CA.

Young, George Haywood, III, of New York, NY, is a vice president in the mergers and acquisitions group of The First Boston Corp., New York City. In 1982 he received a B.A. with honors in international relations and political science from Brown University. In 1983 he earned an M. Phil. in international relations from Magdalene College, University of Cambridge, Cambridge, England. Mr. Young earned a master's of public and private management degree from Yale School of Organization and Management in 1987. He was born February 10, 1959, in Washington, DC.

Message to the Congress Transmitting the District of Columbia Budget and Supplemental Appropriations Request

June 5, 1991

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the District of Columbia Government's 1992 budget request and 1991 budget supplemental request.

The District of Columbia Government has submitted three alternative 1992 budget requests. The first alternative is for $3,083 million in 1992 and includes a Federal payment of $425 million, which is the currently authorized level. The second alternative is for $3,142 million and includes a Federal payment of $484 million, which is the amount contained in the 1992 Federal budget. The third alternative is for $3,288 million, which includes a Federal payment of $631 million, the amount requested by the D.C. Mayor and City Council. My transmittal of this District budget, as required by law, does not represent an endorsement of its contents.

There are two specific issues to which I would direct your attention. First, I encourage you to continue the abortion funding policy enacted in the District's 1989, 1990, and 1991 appropriations laws. The Congress should continue to prohibit the use of both Federal and congressionally appropriated local funds for abortions, except when the life of the mother would be endangered if the fetus were carried to term.

Second, the 1992 budget proposes to modify and make permanent the 1990 pilot project that requires the District of Columbia to charge Fedeal establishments directly for water and sewer services. Inappropriate charges and excessive usage have been eliminated through this pilot project. Taxpayers have been relieved of the burden of paying water bills totaling over $4 million for non-Federal entities. Further reductions of 6 - 10 percent in Federal appropriations for water and sewer services have also been realized because non-appropriated, self-financing entities are now required to pay for the services they receive.

George Bush

The White House,

June 5, 1991.

Remarks Following Discussions With Prime Minister Anerood Jugnauth of Mauritius

June 5, 1991

The President. Mr. Prime Minister, it is an honor for us, our whole team, all of us, to welcome you to the White House on this, your first official visit to Washington. I understand you have with you some of your business community, and I look forward to greeting them when this little ceremony is over.

Your visit comes at a time of tremendous change for my country and yours and for all the world. We've seen a new faith in freedom sweep the globe. It's taking hold on every continent.

This new discovery of free enterprise and free government across Africa vindicates the path that Mauritius has followed since the very first days of its independence. On the island of Mauritius, democracy has deep roots. Pluralism flourishes in a free and open multiparty system. And the free market is widely recognized as the engine of growth and development.

Mr. Prime Minister, under your leadership Mauritius has experienced almost a decade of unprecedented economic growth. The challenge for Mauritius now is to diversify its economy, to ease the exclusive dependence on the export of one product, and I'm pleased that we had a chance to talk about that today. The key is creating a pro-investment climate, and here Mauritius has made a strong beginning with its Export Processing Zone. Gross earnings generated by this zone, this EPZ, now surpass earnings from Mauritius' traditionally dominant sugar industry. The EPZ is responsible almost singlehandedly for slashing unemployment, providing the people of Mauritius with new opportunity and new hope.

Mr. Prime Minister, let me repeat here what I said in our meetings today. The United States applauds the course you have chosen. We stand ready to help. We will tailor our assistance programs to meet Mauritius' new needs, to help your nation develop new markets and industries. But we know that government-to-government programs alone cannot unlock your nation's tremendous potential for growth, so we must build ties between our private sectors. And I am pleased that this September the Agency for International Development and OPIC, our Overseas Private Investment Corporation, plan an investment mission to Mauritius to develop promising opportunities for American industry.

Under the terms of the Lome Convention, Mauritius does enjoy access to European markets, to the Middle East and Asia, and of course, to the continent of Africa. Geography has made Mauritius a gateway to growth. There is every reason that Mauritius, the ``star of the Indian Ocean," can turn its potential to prosperity in the years ahead.

In addition to the issues of increased trade and investment, I reviewed with Prime Minister Jugnauth world affairs of urgent concern, in particular our common security concerns in the Indian Ocean. I stressed the tremendous value to Mauritius, to its neighboring nations, to the international community as a whole, of the American military presence in the region as demonstrated so clearly in Operation Desert Storm. We talked about the Middle East. We talked about the continent of Africa. And from our view, sir, this was a far-reaching and very constructive dialog that we had here today.

Our two peoples are separated by thousands of miles, but we are linked across that vast distance by a common faith in freedom and, by that faith, to a common future as friends.

So, once again, sir, it has been my real pleasure to welcome you and your able assistants, your teammates here, to the White House and to Washington. May God bless you all. And thanks for coming our way.

The Prime Minister. Mr. President, I very deeply appreciated the opportunity given to me today to discuss with you matters of importance to our two countries and pertinent issues of mutual interest to the United States and Mauritius, two countries which share very many common ideals of freedom, democracy, respect for human rights, peace, justice, and equality.

On this historic occasion, it gives me the greatest pleasure on behalf of the Government and people of Mauritius, and in my own name, to convey to the wonderful people of the United States of America our warmest greetings, our very best wishes, and the expression of our admiration and friendship. To you, Mr. President, I convey our highest respect as the inspiring leader of the free world.

Our talks were conducted in a friendly atmosphere as naturally as leaves come to the tree. This is but normal. Although Mauritius is on the other side of the world in the middle of the Indian Ocean, we do share so many common ties. We Mauritians enjoy, as do the Americans, democratic traditions, a free press, an independent judiciary, and a free market system.

In the 23 years of our independence, Mauritius has conducted regular and free elections in a multiparty parliamentary system. Mauritius, like the United States of America, is a melting pot of many races and religions. Our people, too, worked hard and transformed a bare country from a land of opportunity to what the international community now calls an economic miracle nation.

A lot of the success comes from our dedication to educating our people. We therefore applaud, Mr. President, your efforts as the education President. We have one of the highest literacy rates in the world. And we continue to provide for better access to higher education and specialized training free of cost to our students. At the same time, we are trying to develop a society that will not, in its material search, become oblivious of human values.

This again reminds us, Mr. President, of your own ideals so eloquently expressed during your Inaugural Address when you said that -- I quote -- ``America's success would be measured by the need not to be more driven to succeed than anyone around us, but to celebrate the quieter, deeper successes that are not made of gold and silk, but of better hearts and inner souls."

In our consultations with you, Mr. President, we reviewed the situation in the Persian Gulf, and we are happy to note that a permanent peaceful settlement is in the offing. I congratulate the allied nations under your able leadership in their efforts to demonstrate that aggression shall not be allowed to succeed.

In the new world order that is developing, it augurs well for the future that international cooperation is given paramount importance in allowing consultations and dialog to promote peace, as demonstrated in recent United Nations concerted action in the Gulf crisis. It is in this spirit that problems, whether in the Horn of Africa, Southern Africa, the Middle East, or elsewhere, can be successfully resolved.

Mr. President, we Mauritians are, however, very much concerned about recent events in South Africa. Such events -- namely, continued violence and postponed agendas -- unfortunately raise doubts about the future of the negotiations process. We appeal for the immediate cessation of hostilities. We feel that Mr. Mandela and Mr. Buthelezi should aim at bringing unity among the black communities. A united leadership would bring about a dismantlement of apartheid sooner. President de Klerk, Mr. Mandela, and Mr. Buthelezi have a tryst with destiny to build a united, democratic, nonracial South Africa.

I share, Mr. President, your vision of this new world order. I trust this can serve as a guide for the Indian Ocean region also. As a small, vulnerable country, we want to ensure peace in the area. That is why we support the move for the Indian Ocean to be a zone of peace and also the establishment of a nuclear free zone in the region.

The process of demilitarization embarked upon by you, Mr. President, and President Gorbachev should be encouraged to its logical conclusion. It is obvious, therefore, that the Chagos Archipelago should be returned to Mauritius, its rightful owner.

We also had much to talk about international trade in general, and Mauritius trade in particular, the key to our continued economic development and long-term prosperity. I am confident that our two largest exports, sugar and textiles, will continue to obtain reasonable and sustained access into the U.S. market. We are ready, willing, and prepared to continue to supply the highest quality products to the United States of America. Mauritius looks forward to successful diversification programs while attracting foreign investments in new areas, for example, medium and high technology, manufacturing, tourism, banking, shipping, and computer technology.

I'm reminded of Napoleon Bonaparte's maxim that ``a leader is a dealer in hope." Your leadership

proves it. Like you, Mr. President, we have a vision. A vision that, as old rivalries disappear, as we build new consensus among world leaders, we can create a future world that will be rid of environmental pollution, we'll see an end to famine, provide universal access to health care, establish better standards of living for all, encourage free trade and ensure peace.

Mr. President, I'm proud to say that Mauritius is a great little country wherein there is unity in the richness and splendor of diversity and wherein peaceful coexistence is not a mere blueprint but a living reality. We have been referred to as a United Nations in miniature. So, indeed, we are. But our people have great hearts and great visions for ourselves and for the peoples of the world, united in freedom and true democracy, the democracy and democratic life that Americans and Mauritians enjoy fully.

Mr. President, we Mauritians are a peace-loving and hardworking people. We're also a sophisticated people. In our humble but strong contributions to the free world, we naturally expect tangible gestures of encouragement from the stalwarts of freedom led by the wonderful American people. Our success deserves special attention and further encouragement, for after all, we, too, wish and work towards the advent of true democracy throughout the world. In this context, an economically stronger and more prosperous Mauritius would become an ongoing example to prove that the democratic way of life is the best way of life. Mr. President, I rely on you to help Mauritius to achieve this.

Before closing my remarks, I should like to express my unflinching support to you, Mr. President, in your ceaseless and dedicated efforts to safeguard world peace and promote democracy everywhere. We are touched by the warmth of the hospitality that has been extended to me and my delegations since our arrival. I shall treasure these great moments of my visit. I wish to extend our deepest appreciation to you, Mr. President, and to the great people of the United States of America for having invited us to visit the sanctuary of freedom that your country is and for having made our stay as useful as it has been pleasant. Thank you very much, indeed, and God bless you and God bless America.

The President. Thank you very much, and thank you for those kind words. I appreciate it.

Note: The President spoke at 1:23 p.m. at the South Portico of the White House. In his remarks, the Prime Minister referred to Nelson Mandela, Deputy President of the African National Congress; Mangosuthu Gatsha Buthelezi, Chief Minister of South Africa's KwaZulu Homeland and leader of the Inkatha Freedom Party; President Frederik Willem de Klerk of South Africa; and President Mikhail Gorbachev of the Soviet Union. Prior to their remarks, the President and the Prime Minister met privately in the Oval Office and with U.S. and Mauritian officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Statement by Press Secretary Fitzwater on Civil Rights Legislation

June 5, 1991

Although the President has indicated that the Democratic leadership's civil rights bill passed by the House of Representatives today is a quota bill that he intends to veto, we are gratified by the number of votes in opposition to the legislation. The 273 - 158 vote indicates strong support for sustaining a Presidential veto.

We are disappointed that the President's civil rights legislation was not approved Tuesday evening. It is a comprehensive bill that fights discrimination and offers the Nation the best chance to ensure equal opportunity in the workplace. The President remains hopeful that antidiscrimination legislation which does not produce quotas is enacted by Congress this year. We hope that the President's proposed legislation will receive more comprehensive consideration as this issue moves to the Senate.

Nomination of Steven I. Hofman To Be an Assistant Secretary of Labor

June 5, 1991

The President today announced his intention to nominate Steven I. Hofman, of Maryland, to be an Assistant Secretary of Labor for Public Affairs. He would succeed Dale Triber Tate.

Since 1989, Mr. Hofman has served as vice president of Hagar Sharp, Inc. in Washington, DC. Prior to this, he served as a guest scholar at the Brookings Institute, 1989; as director of research and policy development for the House Republican Research Committee, 1987 - 1988; and as executive director of the House Wednesday Group, 1979 - 1987.

Mr. Hofman graduated from Queens College/CUNY (B.A., 1975). He was born August 9, 1953, in New York, NY. Mr. Hofman is married, has two children, and resides in Silver Spring, MD.

Nomination of Frances C. McNaught To Be an Assistant Secretary of Labor

June 5, 1991

The President today announced his intention to nominate Frances Curtin McNaught, of Virginia, to be an Assistant Secretary of Labor for Congressional and Intergovernmental Affairs. She would succeed Kathleen Harrington.

Currently, Ms. McNaught serves as Chief of Staff for Secretary Designate Lynn Martin at the Department of Labor. Prior to this, Ms. McNaught served with United States Representative Martin as: chief of staff, 1985 - 1990; legislative director, 1981 - 1985; and as an administrative assistant, 1977 - 1979. In addition, she served as acting campaign manager for the Lynn Martin for Senate Committee, August 1989 - October 1989.

Ms. McNaught graduated from the University of Wisconsin (B.A., 1961). She was born January 9, 1941, in Richlands, VA. Ms. McNaught has one child and resides in Arlington, VA.

Presidential Determination No. 91 - 40 -- Memorandum on Export-Import Bank Services for Bulgaria

June 5, 1991

Memorandum for the Secretary of State

Subject: Presidential Determination Under Subsection 2(b)(2) of the Export-Import Bank Act of 1945, as Amended -- Bulgaria

Pursuant to subsection 2(b)(2) of the Export-Import Bank Act of 1945, as amended (12 U.S.C. 635(b)(2)), I hereby determine that it is in the national interest for the Export-Import Bank of the United States to guarantee, insure, extend credit, and participate in the extension of credit in connection with the purchase or lease of any product by, for use in, or for sale or lease to Bulgaria.

You are authorized and directed to report this determination to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:47 p.m., June 19, 1991]

Note: This determination was released by the Office of the Press Secretary on June 7.

Remarks at the Annual Southern Baptist Convention in Atlanta, Georgia

June 6, 1991

Thank you all very, very much. Thank all of you. And Dr. Chapman, Morris, a fellow Texan, pride of Wichita Falls and the rest of the country. And Dr. Bennett, I salute you, sir. You came down today with one who's serving well our principles overseas, and that is a son of Atlanta, Paul Coverdell, Director of the Peace Corps, who's with us -- one of Georgia's favorite sons. I salute him.

The last time -- and we were talking about this on the long way up the stairs over here; this is a tremendous auditorium -- the last time I attended a Southern Baptist Convention was in 1982. Too long ago. But never so long that I'd lose touch with the rock-solid values of this community, qualities that make it uniquely American. Strong but compassionate, proud but not boastful, decent and giving, and as Morris said, believing strongly in family, bearing an enduring belief in freedom, an abiding faith in the love of God and, yes, in the power of prayer.

Everywhere you turn, it seems, American values are ascendant around the world. Look at Eastern Europe and the Soviet Union: there, places of worship long stood silent and subdued, forced underground by the iron fist of the state. But now, the churches, the synagogues, and the mosques buzz with life, reclaimed by the people, joyfully emerging to proclaim their faith anew.

In Africa and Asia and Latin America, your ministries flourish and spread the word of God around the world. And even in the heat of the Persian Gulf, nearly 200 Southern Baptist chaplains reported that well over 1,000 conversions among the service men and women of Operation Desert Storm had taken place, and some solemnified with poncho-lined holes in the sand serving as makeshift baptistries.

Southern Baptists have been doing quiet but crucial work, engaging in countless acts of kindness and compassion, spreading the word of God, demonstrating the profound power of religious freedom. And you've held to faith where others may have lost it, gained in numbers where others haven't, and made a difference where others couldn't. You prove that the flower of faith can bloom anywhere; that no matter how hard the journey, no matter how humble a surroundings, God's love provides.

During the Gulf crisis, Barbara and I, and much of this nation -- I think, in this instance, most of this nation -- found guidance and comfort in prayer. And throughout the struggle, your prayers sustained us. And so, I want to thank you all and ask that you keep -- as Morris generously said -- those in the decisionmaking process, keep us in your prayers.

You know, I've confessed this to Dr. Chapman and a few others, leaders in the Southern Baptist movement. And for me, prayer has always been important, but quite personal. You know us Episcopalians. [Laughter] And like a lot of people, I've worried a little bit about shedding tears in public or the emotion of it. But as Barbara and I prayed at Camp David before the air war began, we were thinking about those young men and women overseas. And I had the tears start down the cheeks, and our minister smiled back. And I no longer worried how it looked to others. Here we go.

And I think that, like a lot of others who had positions or responsibility in sending someone else's kid to war, we realize that in prayer what mattered is how it might have seemed to God.

Above all, after all the months of praying and asking for God's guidance, I thought it important to thank God for sustaining our nation through this crisis. And that led to 3 National Days of Thanksgiving and Prayer, which I really believed strengthened our wonderful nation.

You know, for too long, too many have worried that we Americans have weakened the two fundamental pillars supporting our society, our families and our faith. But while the cynics may sense some kind of religious resurgence over the last 2 or 3 years, they've always been a lagging indicator of American life. Most of us have never had to get our faith in God back, because we never lost it. In a recent survey, 40 percent of Americans named ``faith in God'' the most important part of their lives. Only 2 percent selected ``a job that pays well.''

In this bicentennial year of the Bill of Rights, we would do well to pause and reflect on religion's roots in our society, and our society's roots in religion. The Founding Fathers thought long and carefully about the role of religion and government in our society. And it's no accident that among all of the freedoms guaranteed by the first amendment -- freedoms of speech, of the press, of assembly, of petition -- the first was the freedom of religion. And that's why the story of a little girl named Monette Rethford, out in Norman, Oklahoma, is now getting national attention.

A fifth-grader in public elementary school, Monette liked to read her Bible under a shade tree during recess. No teachers involved, no disruption of the school activities. Just Monette and then, from time to time, a handful of friends who joined her voluntarily to share their faith and discuss how it touched their daily lives. Yet school officials told Monette that her prayer group was illegal on school property, an ``unlawful assembly.'' They forgot that the first amendment was written to protect people against religious intrusions by the state, not to protect the state from voluntary religious activities by the people.

I would add this: that the day a child's quiet, voluntary group during recess becomes an ``unlawful assembly,'' something's wrong.

In that spirit, once again I call on the United States Congress to pass a constitutional amendment permitting voluntary prayer back into our nation's schools. You see, let's put people first and

allow them the freedom to follow their faith.

Putting people first also means making sure government allows people to make their own decisions. And that means giving parents and families the right to choose the kind of child care that they want for their kids. Choice in child care.

Just today we are publishing regulations that will provide the first vouchers for child care. And finally, low-income parents will have the chance to choose where their kids get child care, including religious settings and with religious instruction. Just on my way over here this morning, here in Atlanta, I visited a church-based child-care center where children receive first-class care regardless of their parents' religion, background, or income. We fought a long time to preserve choice for parents. And today it truly becomes a reality, at least in child care.

We want to extend the concept of choice to include schools. Every family should have the freedom to choose a school for a child. Our efforts for choice in schools seek to put power in parents' hands. We trust them to make the right decisions for their kids. And some argue that choice will make bad schools worse. Our new Secretary of Education doesn't agree with that, and I don't agree with that. I am confident that choice will make even the bad schools better. They'll have to compete.

And something more -- one of our national education goals: We believe that kids should be safe to walk the streets, any streets. Schools should also be free from the fear of crime and the despair of drugs. And if you detect a note of frustration in what I'm about to say, you're a good psychiatrist, because it's true.

Back on March 6th, I challenged the Congress of the United States to pass a tough crime bill in 100 days to keep our streets safe. And yet, the leadership has failed to make crime a priority issue. We submitted our first crime bill more than 2 years ago, and nothing has happened. Surely the United States Congress can pass a crime bill in what's left of that 100 days.

There's another issue before the Congress: that's the question of human life, the question of abortion, a difficult and a deeply emotional decision for all Americans. The question -- and we've faced it before -- is whether the American taxpayer should pay for abortions. And honest people of good will, I'm sure, differ on this question, but I firmly oppose Federal funding of abortions, except where the life of the mother is endangered. Since 1981 the Federal Government has determined that taxpayer funds should be used for abortion only in this most narrow of circumstances.

And whatever we've learned over the last few decades, it's clear that America is a nation that no longer lacks a moral vocabulary. Ideals like decency and virtue are no longer subject to scorn.

And I'd ask that you hold fast to the Southern Baptist ideal of ``a free church in a free state." Hold

fast to protect -- and, Morris, once again, in his generous introduction, spoke of this -- to protect all faiths in freedom, and hold fast to protect our most essential unit of life, the family.

As I look at our social agenda, and as Barbara and I talk about it and worry about it in the wonderful setting of the White House, we keep saying: What can we do? Privileged as we are to serve this great country, what can we do to strengthen family life in America? It is essential to our well-being.

Let me close with a story -- well, let me just make a couple of other remarks. [Laughter] Not many. I mentioned family, so let's ask ourselves in child care and education and crime legislation: Are we doing all we can to preserve faith and family? And, if not, we've got to do more. Only when we protect and preserve our most cherished ideals and institutions, does government by the people serve the people.

We are, as ever, ``One nation under God." No nation better reconciles diversity of faith with unity of purpose. And as new challenges confront us we must draw on that strength and work to build a nation united in its commitment to decency and opportunity, to freedom, to family, and to faith.

Now to this story about a Kurdish family, Mikail and Safiya Dosky, who escaped from Iraq over a decade ago. During their perilous journey across the Iranian border, they became separated from their 2-year-old daughter, Gilawish. Mikail and his wife made it; the child, left behind. Their daughter did not make it out.

After settling in America, Mikail, the father, kept trying to get his daughter out of Iraq, even traveling there himself, but to no avail. And just a few weeks ago, the dad, Mikail, got a phone call from an American helicopter pilot in Turkey, one of our heroes. This pilot had been flying supplies to save the lives of these Kurdish refugees when he got a note from Gilawish -- now, this child, now 18 years old -- asking him to call her parents in America. He did, and Mikail's friends at the First Baptist Church in Alexandria, Virginia, helped him get to Turkey and bring his daughter back. And after thousands of miles, thousands of days, and thousands of dollars, Mikail and Gilawish arrived in America Tuesday night -- where years of sorrow were washed away with tears of joy.

What a testament to the power of faith and hope and love, all of which God provides in abundance. In war and peace, as I've mentioned above, faith provides our solace, our shield, and our shelter. I understand what Lincoln talked about when he said many times he went to his knees as President of the United States. And as the Psalmist wrote, ``God is our refuge and strength, a very present help in trouble." God's light leads us forward. And today, as always, let us pray for His continued guidance and His grace.

Thank all of you for your commitment, your leadership, your love, and your prayers. And may God continue to bless this land with freedom and peace.

Thank you all very, very much.

Note: The President spoke at 11:44 a.m. in the Georgia World Congress Center. In his remarks, he referred to Morris Chapman and Harold C. Bennett, president and executive president of the Southern Baptist Convention; Paul D. Coverdell, Director of the Peace Corps; and Secretary of Education Lamar Alexander. Prior to attending the convention, the President toured the child development center at Central Presbyterian Church in Atlanta.

Exchange With Reporters Aboard Air Force One

June 6, 1991

Soviet-U.S. Relations

The President. -- -- a couple of experts to answer your questions.

Q. What's going on in Geneva tomorrow?

The President. Well, I assume they'll be talking about a possible summit meeting. As we've said before, we want to move START further along. So, they'll be talking substance. I am going to having a meeting with -- back this afternoon -- a rather important meeting. That will help Secretary Baker, if I can get a hold of him.

Q. Who will be at that meeting this afternoon?

The President. It's an NSC meeting. I don't know exactly the participants or who's in town or not, but it's an NSC meeting. And one of the main agenda items is on the strategic arms topic.

Q. What has to be decided?

The President. Well, there are some very technical issues; I'm not exactly the world's greatest expert, but downloading and counting. I mean, there are some things that are highly technical, but are very, very important. And so, we have to hammer out some remaining differences. But a lot of the work has been done. So, we're pushing. We're going to start getting -- --

Q. Will Secretary Baker be able to set the date for the summit in this meeting tomorrow, do you think?

The President. Well, it depends a lot on what we do today and then on how those ideas are received by Mr. Bessmertnykh and on what they bring to the table. I mean, it's a two-way street here, and both sides are dealing in very good faith at this point. And both sides want to have a summit, and both sides obviously want to get a strategic arms agreement. So, that's a given at this point. That hasn't always been the case necessarily, but we'd like to have that -- I mean, if we start with that spirit, and then we'd like to have the meeting.

Civil Rights Legislation

Q. What do you think of Senator Danforth's proposal in the Senate on civil rights?

The President. Well, he has three bills, and our people are taking a hard look at them. What I want to see happen somewhere along the line here is somebody take a look at our legislation. It's good legislation; it is strong in terms of elimination of discrimination in the workplace. It avoids the quota problem that's dividing the forces in Congress. I'd like to see people deal from our legislation. We've been fighting on ``theirs'' legislation, and I've said very frankly for 2 years now what's wrong with it. And I think a lot of the American people agree with me, very candidly, on this. But I keep saying I want a civil rights bill that will bar discrimination in the workplace, and I think we can get it. But I don't believe any of you have heard a serious analysis of our bill, and the reason is, we're always playing from somebody else's sheet of music.

So, we've got this power to veto bad legislation. I want an antidiscrimination bill. So, as the action shifts to the Senate, what we're going to try to do is talk to the Democrats about trying to give our bill a fair chance. It hasn't had it. Most of the editorials that oppose me don't even know what's in our bill. And part of my responsibility is to try for what I believe, and I think what I believe in, most of the American people believe in -- antidiscrimination, but no quotas. So, what happens? They flail me for divisive politics; that means not doing it Ralph Neas' way, some civil-appointed guy up there in Washington that calls all the shots. Well, that's not good enough now.

Q. Are you willing to compromise on yours?

The President. I have compromised. Sure I am. So, that's the spirit I bring to it. But my problem has been, we had a deal worked out with one of the leading Senators last year and a handshake and a look in the eye. And he goes up, and some of the people in Washington, beltway crowd, says that's not good enough. So, I've given you my -- politics in this, I must say I really still honestly feel that it's on the other side. And I must say I get offended a little bit when people question my motives on this because we've been out front on what we are for. And it's very seldom you hear any discussion of it.

Persian Gulf Conflict

Q. Were you embarrassed to get a little teary up there?

The President. No, I do that in church. No embarrassed, but maybe in public it's kind of a first or maybe third.

No, I feel very emotionally about the war and about having to send other people's sons and daughters halfway across the world and commit our troops to battle. So, I was trying to speak to them from the heart. Maybe I'm not too proud of myself, but I felt strongly. I'll never forget that day. I knew what was over the horizon in terms of our air war, and I stood there with the tears coming down my face, and that's the way it was. So, why not say it?

Q. Did you think it was going to be worse? Did you think the air war was going to be worse?

The President. Well, I just wondered about it, and one life -- you remember all the talk about body bags. And I'm a human being, and I felt a great responsibility to the American people and to the families. I hope it doesn't get too emotional at the service at Arlington. I still feel it. I feel very strongly about those kids that gave their lives for this country. So, if I show some emotion, that is just the way I am.

Q. Mr. President, the Southern Baptists -- --

The President. And so does the rest of the family, I might add. I'm putting this off on Barbara, too.

National Endowment for the Arts Chairman

Q. They want you to fire John Frohnmayer for supporting sacrilegious art.

The President. I support John Frohnmayer. I support him, and I oppose sacrilegious art. Some of the things in the name of art that are put forward and called art that are totally sacrilegious are deeply offensive to me. But I also think they're offensive to Frohnmayer. He's in a very difficult position, and in my view he's doing a good job. So, we have a difference, and I think if some of his critics had a chance to understand his role, they would understand he is trying very hard. It is tough. And we don't want censorship, but we don't want just plain sacrilegious junk being peddled as art. And I'll spare the American people the one vivid offensive example that comes to my mind, and it is so bad that I don't even want to tell you what it is. I think most of you know what it is.

Lesbian Episcopal Priest

Q. Mr. President, your home church ordained a lesbian woman as a priest today. What do you feel about that?

The President. Well, I'll be very candid with you, I think the churches, regional churches and branch churches, have a right to do what they want. Perhaps I'm a little old-fashioned, but I'm not quite ready for that.

Note: The exchange began at 12:40 p.m., prior to the President's departure from Dobbins Air Force Base in Atlanta, GA, for Washington, DC. In his responses, the President referred to Secretary of State James A. Baker III; Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; Senator John C. Danforth; Ralph G. Neas, executive director of the Leadership Conference on Civil Rights; and John E. Frohnmayer, Chairman of the National Endowment for the Arts. A tape was not available for verification of the content of this exchange.

Nomination of Desiree Tucker-Sorini To Be an Assistant Secretary of the Treasury

June 6, 1991

The President today announced his intention to nominate Desiree Tucker-Sorini, of Colorado, to be an Assistant Secretary of the Treasury for Public Affairs and Liaison. She would succeed Roger Bolton.

Since 1989 Ms. Tucker-Sorini has served as Deputy Assistant Secretary of Public Affairs at the United States Department of the Treasury. Prior to this, she served as Director of Public Affairs for the International Trade Administration at the Department of Commerce, 1986 - 1989; Press Secretary for the United States Trade Representative, 1984 - 1986; and as Special Assistant to the Director of Women in Development at the Agency for International Development, 1983. Ms. Tucker-Sorini also served as Director of Fundraising for Tucker & Brown in Washington, DC.

Ms. Tucker-Sorini was graduated from Colorado State University (B.A., 1980). She was born January 14, 1958, in Grand Junction, CO. Ms. Tucker-Sorini is married and resides in McLean, VA.

Remarks at the Swearing-In Ceremony for Henry Catto as Director of the United States Information Agency

June 7, 1991

The President. Thanks for that warm welcome. I'm just delighted to be over here for this occasion, the formal swearing-in, and also to give me the opportunity to thank all of you for what you do for your country. I want to salute, of course, Henry Catto and Jessica; Leonard Marks is out here -- one of the former directors of this very important agency.

I'm delighted to stand at the side of my friend of longstanding, Henry Catto. I'm pleased that so many of his friends and family could be with us here to share in this special day. First, let me also salute Dick Carlson, the Director of the VOA. Dick has piloted the Voice during 5, I think, of its most fascinating years, and done it well. I am just delighted that he has agreed to serve as an ambassador for our country. His service to the public will continue, and I'm very proud that he'll be at my side.

I'm also pleased to announce that his successor, as the new Director, is a man who I know will uphold this extraordinarily proud legacy of the Voice, and I'm talking about, now, Chase Untermeyer. He's now an Assistant to the President, but he was formerly an Assistant Secretary of the Navy, a former journalist. He was an elected official in Texas. And in his coming into this job, clearly he will be following a long line of distinguished Americans. So, he'll need your help, and with it I know he'll do very, very well.

And of course, I really wanted to have this occasion over here because I wanted to recognize the talented professionals of USIA. One of the reasons that I'm here today is to thank all of you for an awful lot, but especially for your dedicated service during Desert Shield and Desert Storm. I know many of you put in an awful lot of hours. For many, it was a round-the-clock effort. The expertise of your people in the field, the fine Gulf war pamphlets that you produced, all the extra hours behind the microphone at VOA and in USIA's TV studios helped us get the word out, helped people in the Middle East and around the world separate fact from fiction about Iraq's aggression and the intentions of Saddam Hussein. We were up against an enormous propaganda machine from various quarters overseas. And I think that you all distinguished yourselves with great honor and great credit to the United States of America. So, thank you from this grateful heart.

To those of us who know the history, the proud legacy of this agency, USIA's key role in the Gulf comes as no surprise. Since the time President Eisenhower created USIA nearly 40 years ago -- then in the midst of the cold war and conflict -- public diplomacy has played an integral role in American foreign policy. USIA is founded on the belief, the certainty, if you will, that ideas matter, especially to this nation, a nation founded on the idea of freedom.

The cold war was itself, in the deepest sense, a war of ideas. In that war, USIA acted as America's advocate, spreading the message of democracy and freedom, doing it in a very convincing way, spreading the message of human rights and human dignity that went behind the Iron Curtain, that passed the jammers' wall of noise and into every corner of closed societies around the world.

And today, at long last, thank God, the cold war has drawn to an end. The Iron Curtain, the Berlin Wall, the monument of lies posing as truth -- all were reduced to ruins by the undeniable power of an idea: that all people everywhere must be free.

Each of you shares in this great triumph of the human spirit. But your work, I'm sure you all know, is far from over. Just as millions drew hope from this American idea, so now the American example speaks to people the world over: in the developing countries seeking to unleash the power of free enterprise, to the nations now engaged in the difficult business of democracy-building, everywhere that men and women still struggle to be free. There's still this example, the American example, that we must get out.

Today more than ever, in our world of instantaneous communication -- when images, ideas, and information cross the globe at the speed of light -- the work you do at USIA advances our national interest. Your broadcasts, your exchanges, the overseas libraries and publications, the programs to teach English -- all tell America's story to the world: who we are, how we live, and perhaps most important, what we believe in.

That is America's message. You here at USIA take America's message to the world. You tell the story that the world still wants to hear.

Let me just close now with the business at hand, a personal note about my dear friend and your new Director. Back on August 2d, the day that the Iraqi tanks first rolled into Kuwait, both Margaret Thatcher and I were scheduled to take part in an Aspen Institute conference out in Colorado -- Aspen, Colorado.

We were also to be Henry's guests at their ranch in Aspen. It turned out to be quite a memorable ``working visit,'' as some of you may remember. I saw firsthand at that critical moment, though, Henry's understanding of a complicated situation, his unerring judgment, his unquestioned expertise, and above all, his unswerving devotion to principle, as he and I discussed, of the Iraqi invasion. Everyone who knows this man will agree that his considerable strength will serve him well in this proud new post as Director of USIA.

So, once again, my sincerest thanks to all of you for your warm welcome, and much more important than that, for what you do. I expect over here you wonder if we over at the White House even know you exist at times. Maybe you're better if you don't know you exist at times. [Laughter] When Henry suggested we could come over here, it gives me an opportunity to thank you in the best way I possibly can for your dedicated service to the greatest country on the face of

the Earth.

Now it is with great pleasure that I will witness the swearing-in of Ambassador Henry Catto as Director of USIA. Thank you.

[At this point, Director Catto was sworn in.]

Director Catto. Mr. President, Justice Kennedy, USIA colleagues here in Washington and watching throughout the globe on Worldnet or listening on the Voice of America. Spring, sir, is the season of new beginnings. Two springs ago in May of 1989, I had the experience of presenting my credentials to Queen Elizabeth at Buckingham Palace. Thanks to you, Mr. President, for 2 years I had the honor to represent our country in the United Kingdom.

That experience reinforced a belief of mine. I've learned a little something about diplomacy over the years; and if I have, it's that public diplomacy is an indispensable component of an effective foreign policy.

Scholars call ours the Information Age. The Industrial Age was defined by the steam engine, by the dynamo, by the electronic grid. The current epoch is defined by new technologies -- by computers, by satellites, by silicon chips. In the Information Age, public diplomacy is not only valuable, it is essential to any prolonged success in world affairs.

You mentioned, Mr. President, in your remarks, the events of August 2d. I think it would interest everyone here to know that at one point, half of Prime Minister Thatcher's Cabinet were former USIA international visitors. Your public display of unity and determination at that critical moment were crucial in shaping world opinion about the need for an international response to the Iraqi invasion.

The Gulf conflict was the first international crisis, unmistakably, of the Information Age. And appropriately, the men and women of the U.S. Information Agency did themselves proud. And proud they should be, Mr. President. As the coalition took shape, the USIA's public affairs and public information officers on six continents explained America's goals and diplomatic efforts.

Our Worldnet facilities at American Embassies throughout the globe made it possible for foreign journalists to interview by satellite the men and women shaping American policies in the Gulf and on other issues. Meanwhile, here in Washington, the USIA's foreign press center helped American-based foreign journalists by providing briefings, press releases, and press conference facilities. And all the while, people of the Voice of America did their jobs brilliantly. They got the news; they told it straight. That is their job: to tell it like it is.

Equally important, and also all the while, our exchange programs for scholars and teachers went on, and our AmParts lecturers made tour after tour, and our USIS centers around the globe helped

those eager to learn more about America. And if I may say so, nobody could do those things better, either. No one could do them better than USIA.

Once upon a time, a wise man was asked the secret of happiness. He responded: Find a mission in life and take it seriously. Mr. President, the men and women of the United States Information Agency have a mission. They carry and transmit to a world that hungers for America's story -- our news, the best of our culture, information about our policies -- an understanding of our way of life. That is our mission: to be America's information agency in the Information Age. We do, and we will, take that mission seriously.

Mr. President, thank you for the honor you have done me and for the thrill you've given us all by paying us a visit here today. Thank you very much.

Note: The President spoke at 10:14 a.m. in the Voice of America Auditorium. The following persons were referred to: Director Catto's wife, Jessica; Leonard H. Marks, Director of the U.S. Information Agency during the Johnson administration; Richard W. Carlson, Director of the Voice of America; Charles G. Untermeyer, Assistant to the President and Director of Presidential Personnel; President Saddam Hussein of Iraq; former Prime Minister Margaret Thatcher and Queen Elizabeth II of the United Kingdom; and Anthony M. Kennedy, Associate Justice of the Supreme Court.

Remarks at the Presentation Ceremony for the Drug-Free School Recognition Program Awards

June 7, 1991

Welcome. Welcome all to the Rose Garden. No roses, but it's the Rose Garden. [Laughter] Now please be seated, and thank you all for coming. Well, listen, it's a great pleasure to see all of you here. And it's a pleasure to be with our Drug Policy Director Bob Martinez, doing a great job in the antidrug campaign across this country; our very able Attorney General Dick Thornburgh standing next to me; and Lamar Alexander here, our new Secretary of Education, who's excited the country with our program for America 2000, a good look at revolutionizing education.

And I'm just delighted -- is David Kearns going to be here? I heard that he might, but I don't see him out there. So, I'll leave out our new Deputy Secretary over at Education, David Kearns, who's also a key member of our team.

But I'm pleased to see a lot of the students here today. That's important at an event like this one because all the damage drugs can do, what's worse is that drugs rob you of your future and our future. Frankly, our future as a nation is robbed. And it's in your hands.

With our thoughts fixed on our future and before we begin, let me briefly mention two forward-looking actions taken in the House of Representatives yesterday. The House provided funding for two of this administration's top priorities: Space Station Freedom -- that's America's pioneering effort to establish a permanent presence in space, thus keeping us on the cutting edge of science and research and development -- and the HOPE program, to expand opportunities for home ownership to people who now live in public housing. And each program is a prime example of how we can shape America's future for the better.

This is the 4th year we've hosted the Drug-Free School Recognition Program. And this year, the schools we honor come from every corner of America, near and far. One stands not far from here up 16th Street -- DC's own Abraham Lincoln Junior High School. [Applause] I see they brought us some fans along today. That's the way it should be. Others come, literally, from as far away as the North Pole -- North Pole High School in Fairbanks, Alaska.

Now, I'm sure all of you know about America's 2000 strategy that I've referred to -- to transform, literally transform, American schools and move the Nation toward achieving the six ambitious national education goals that we've set for ourselves, working in close conjunction with the Nation's Governors. We've set a target for our students to be first in the world in math and science by the year 2000. We want to increase the graduation rate to 90 percent. We will ask our students to demonstrate a competence in five core subjects as they progress from fourth grade to graduation.

And many times, the last goal we mention is safe, disciplined, and drug-free schools. It may be last, but it is certainly by no means the least important. We can't hope to give any student a sound education, a decent shot at the future, if drug users and drug dealers roam the halls of our schools. And for this reason, drug-free schools are a top priority of our America 2000 strategy and of our national drug control strategy.

We've made some progress. We have made some progress in decreasing illegal drug use among America's students. And each of the schools gathered here today helps ensure that this progress will continue.

The 56 schools we honor represent 28 States and the District, District of Columbia. These include public and private schools, large and small, rural and urban, elementary, junior, and senior highs. But for all your differences, there's one thing in common. There's a common matrix here: You're winning the battle. In a society where our children often get mixed messages on drug use, you're sending a clear signal: You draw the line against drugs.

Take Washington Middle School in Albuquerque, New Mexico. For some kids, walking to Washington Middle School every morning means running an urban gauntlet, threading their way through gang turf. But when they get to school, they're in a new world; they enter another world. Washington Middle School is off-limits to gangs. It hosts more than a dozen student support groups, places where kids can turn to escape the peer pressure that often pushes them into this deadly experimentation with drugs.

And then, there's Washington's Parent Center, a program that teaches everything from English to how to be a better parent. And I've heard about banners on the wall there that say it all: ``It's easier to build a child than repair an adult."

When a school succeeds, as all of yours are succeeding, in a sense it's a team victory -- for the teachers, the administrators, for the students, but also for the parents and the wider community outside the classroom.

When I unveiled our America 2000 strategy back in April, I said this: ``Across this nation, we must cultivate communities where children can learn, communities where the school is more than a refuge, more than a solitary island of calm amid chaos." And I challenged every city and town across our country to become an America 2000 community by doing four things: adopt the national education goals; devise a community-wide plan for reaching them; establish a report card to measure progress; and fourth and finally, to create and support what I call a new American school. If there's one word that defines what it takes to be an America 2000 community, that one word is commitment.

Kenedy High School in Kenedy, Texas, understands that kind of community commitment. Four years ago, a Kenedy kid, a Kenedy student, died from drug abuse. The school vowed to turn that

tragedy into hope, and a small Texas town declared its own war on drugs. Student leaders at Kenedy formed what they called a SWAT team -- Students With A Target -- to spread this antidrug message. Even more important, the community outside the school closed ranks to deny drug users a safe haven. It's working. Kenedy's success comes from community involvement: a commitment on the part of every adult, every shopkeeper, every community leader, every parent never to look the other way when kids use drugs.

Washington and Kenedy and all the other schools here today prove that when it comes to stopping drugs, we can fight back. By creating a drug-free environment where students can learn, you set an example that other schools can follow. And so, once again, it has been a real pleasure to welcome you to the White House. Congratulations to each and every one of you for your fine work. And may God bless our country as we wage this heroic fight.

Thank you all very, very much.

Note: The President spoke at 11:20 a.m. in the Rose Garden at the White House. In his remarks, he referred to Bob Martinez, Director of National Drug Control Policy; Attorney General Dick Thornburgh; Secretary of Education Lamar Alexander; and Deputy Secretary of Education David T. Kearns.

Nomination of Richard W. Carlson To Be United States Ambassador to the Seychelles

June 7, 1991

The President today announced his intention to nominate Richard W. Carlson, of California, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Seychelles. He would succeed James B. Moran.

Since 1986 Mr. Carlson has served as Director of the Voice of America at the U.S. Information Agency in Washington, DC. Prior to this, Mr. Carlson served as Director of the Office of Public Liaison at the U.S. Information Agency, 1985 - 1986, and was self-employed, 1984 - 1985. In 1984, he was a candidate for mayor of San Diego. In addition, Mr. Carlson served as senior vice president of the Great American First Bank of San Diego, CA, 1977 - 1983; TV anchor with KFMB - TV in San Diego, CA, 1975 - 1977; producer, writer, and director of the NBC Documentary Unit in Burbank, CA, 1975; political editor and TV news anchor with ABC TV in Hollywood, CA, 1971 - 1975; and as a freelance writer, 1970 - 1971. He served as a reporter for various television stations and news organizations in California, 1962 - 1970.

Mr. Carlson attended the University of Mississippi, 1961 - 1962. He was born February 10, 1941, in Boston, MA. Mr. Carlson served in the U.S. Navy, 1959 - 1962. He is married, has three children, and resides in Washington, DC.

Nomination of Charles G. Untermeyer To Be an Associate Director of the United States Information Agency and Director of the Voice of America

June 7, 1991

The President today announced his intention to nominate Charles Graves Untermeyer, of Texas, to be an Associate Director of the United States Information Agency for Broadcasting and Director of the Voice of America. He would succeed Richard W. Carlson.

Since 1989, Mr. Untermeyer has served as Assistant to the President and Director of Presidential Personnel at the White House in Washington, DC. Prior to this, he served as Assistant Secretary of the Navy for Manpower and Reserve Affairs, 1984 - 1988; Deputy Assistant Secretary of the Navy for Installations & Facilities, 1983 - 1984; and as Executive Assistant to Vice President Bush, 1980 - 1983. From 1976 to 1980, Mr. Untermeyer served as a member of the Texas House of Representatives. Mr. Untermeyer also served as a political reporter for the Houston Chronicle and executive assistant to County Judge Jon Lindsay in Houston, TX.

Mr. Untermeyer graduated from Harvard University (B.A., 1968). He was born March 7, 1946, in Long Branch, NJ. Mr. Untermeyer served in the U.S. Navy, 1968 - 1970. Mr. Untermeyer is married and resides in Washington, DC.

White House Statement on Federal Budget Amendments for the Education Reform Strategy

June 7, 1991

The President today sent to the Congress FY 1992 budget amendments that would provide financing for his America 2000 education reform strategy now before the Congress. The strategy is a national -- not a Federal -- strategy, requiring the participation and support of families, communities, and the business sector in addition to Federal, State, and local governments. Federal resources and authorities, however, should play an important role in helping the States to achieve the national education goals and to help bring schools and teaching up to the standards necessary for America to compete effectively in the world economy of the next century.

The requested amendments would provide funds for the following activities:

new American schools ($180 million);

merit schools ($100 million);

Governors' academies for teachers ($70 million);

Governors' academies for school leaders ($22.5 million);

alternative certification of teachers and principals ($25 million);

assistance for parental choice programs ($200 million);

parental choice programs of national significance ($30 million);

the Commission on Time, Study, Learning, and Teaching ($1 million); and

a variety of activities to develop world-class educational standards, American achievement tests, and electronic education networks for elementary and secondary schools, to assess workplace literacy skills, and for other purposes ($38.2 million).

These requests reflect reallocations among accounts in the Department of Education. In total, these reallocations would not affect current FY 1992 budget estimates.

Statement by Press Secretary Fitzwater on Supercomputer Export Controls

June 7, 1991

In November 1990 President Bush called for efforts to improve the multilateral application of export controls on high performance computers. Based on that initiative, the United States and Japan on June 6 concluded consultations on supercomputer export controls. Both Governments share the view that supercomputers are of strategic concern, particularly for the development of nuclear weapons and missiles, and that great importance should be attached to export controls on supercomputers for the purpose of preventing the proliferation of such weapons.

The consultations will assist supercomputer suppliers by streamlining procedures for supercomputer exports to many free-world trading partners. The bulk of U.S. supercomputer exports are to Western Europe and Japan.

Supercomputers are defined as computers above the 195 million theoretical operations per second (Mtops) level. The consultations address procedures the United States and Japan have applied to supercomputer exports in recent years.

For exports to countries that pose a national security or proliferation concern, such as countries that have not signed the Nuclear Non-Proliferation Treaty, strict safeguards against misuse are required. Depending on the destination and circumstances, some applications may be denied. The United States and Japan will consult with each other prior to each supercomputer export to such countries.

The United States and Japan hope to establish a more effective control system by seeking the cooperation of several European countries with emerging supercomputer suppliers.

Details of the procedures and safeguards will be published by the Commerce Department in the Federal Register to provide guidance to U.S. exporters.

Note: The Office of the Press Secretary issued a fact sheet on the same day which provided additional information on supercomputer export controls.

Appointment of Gary R. Blumenthal as Deputy Assistant to the President for Cabinet Liaison

June 7, 1991

The President today announced the appointment of Gary R. Blumenthal, of Virginia, to be Deputy Assistant to the President for Cabinet Liaison. He will also serve as Special Assistant to the President for Agricultural Trade and Food Assistance.

Since January 1990 Mr. Blumenthal has served as Chief of Staff to the Secretary of Agriculture. From May 1990 to December 1990, he was Executive Assistant to the Secretary of Agriculture. From 1983 to 1989, Mr. Blumenthal served in the Department of Agriculture's Foreign Agricultural Service, first as a legislative assistant and then as director of legislative affairs. From 1979 to 1981, Mr. Blumenthal was legislative assistant to Representative Larry J. Hopkins (R-KY). In 1981 he was staff assistant to Secretary of the Air Force Verne Orr and in 1982 served as a field representative for the Republican National Committee in five Southern States.

Born in Kittery, Maine, Mr. Blumenthal was raised in Jacksonville, NC. He graduated from East Carolina University (B.A. 1978) and lives in Arlington, VA, with his wife and two children.

Remarks at a Memorial Service in Arlington, Virginia, for Those Who Died in the Persian Gulf Conflict

June 8, 1991

We meet today to remember the men and women who gave their lives to their nation and to the ideal of freedom during Operation Desert Storm. All across our land people celebrate our victory in that war, and there's a new and wonderful feeling in America. Later today -- they're already started -- crowds will gather to watch troops march triumphantly from Washington to the Pentagon in a grand parade. But war also deserves quiet, sober remembrance. And here in this quiet place we can offer humble homage to young people who last summer answered their country's call and never returned.

I think we all admire this place, its sloping hills and grasses and the trees -- no hype. Heard a bird sing a minute ago. We confront mysteries here. We celebrate the fact that each person we commemorate today gave up life for principles larger than each of us, principles that at the same time form the muscle and strength of our national heart.

Dwight Eisenhower once spoke of the most ennobling virtues of man: faith, courage, fortitude, and sacrifice. He knew that America grew out of brave men's dreams of a commonwealth of freedom, of virtue. He knew that America endures because it dares to defend that dream. That dream links the fields of Flanders and the cliffs of Normandy, Korea's snow-covered uplands and the rice paddies of the Mekong. It's lived in the last year on barren desert flats, on sea-tossed ships, in jets streaking miles above hostile terrain. It lives because we dared risk our most precious asset -- our sons and daughters, our brothers and sisters, our husbands and wives -- the finest troops any country has ever had.

The heroes of Desert Storm and Desert Shield came from all across this country: towns of Mississippi, tenements of New York, the plains of America's giant, sprawling checkerboard that is our country. They were rural and urban; they were native, they were foreign-born; black and white, red and brown; privileged and poor. And they were our best.

Far away they battled the inner enemy of fear and won. And then they set an embattled nation free. And they went to the Gulf not because it was the expedient way but because it was the American way. Through their sacrifice as they caused brutal aggression to fall, they renewed our faith in ourselves.

From the time Operation Desert Shield began, a sacred bond grew up between Americans here at home and those that were serving in the Gulf. Just think of the yellow ribbons that joined this nation's hands and souls. Think of how the American family has perhaps never been more united. We prayed for the heroes of the Gulf and for the unsung heroes, the military families. There have been no parades for them, nor will they be immortalized in statues or monuments. And yet, in

little kindnesses and deeds they reached out to each other, neighbor to neighbor, often stranger to stranger. They gave love without strings; in essence, they gave brotherhood.

Each of you helped make the Persian Gulf war an historic war. Spouses, children, parents, friends -- all showing how, as Woodrow Wilson said, ``War is a dramatic symbol of a thousand forms of duty." The enemies of peace, the brutal aggressors, could not match the combined prayers of 250 million Americans and the collective courage of half a million troops who knew that aggression must not stand.

Today we commemorate not only history but sacrifice and bravery. So, let me close with a story of how a woman, Debbie Wyatt, returned from naval duty in the Gulf. As her three young children leaped into her arms, crying and hugging her, a reporter asked her if she'd do it again. And she replied simply, ``I'd go back tomorrow if my country called." I don't know how anyone can fail to tremble in joy and admiration and awe upon hearing her reply. Answering the call made others free, and answering the call has kept us free. Today we hope that this time was the last time, that we stand prepared to respond again should there ever be a next time. Our goal is real peace -- the triumph of freedom, not merely the absence of war. Our means is the courage and character of the American people.

So, let us remember the heroes of the Gulf, those with us, those who gave their life -- as the sergeant so beautifully sang, ``The Last Full Measure of Devotion" -- so that mankind will say: Just as they honored America, we honored them with the lives we lead.

God bless them, and may God bless the United States of America.

Note: The President spoke at 9:38 a.m. in the amphitheater at Arlington National Cemetery. T. Sgt. Thomas Steckhard, USAF, sang ``The Last Full Measure of Devotion" prior to the President's remarks.

Remarks in a Teleconference With the Annual Meeting of the Public Broadcasting Service in Orlando, Florida

June 11, 1991

The President. Thank you for that kind introduction and for your generous comments about our approach to education. And I'll tell you, the Points of Light concept, something new with us -- we're trying to put some focus on it. But believe me, it is taking hold across this country, and I think it's a wonderful thing. And I appreciate your interest in all of that.

I must confess I wish I were with you in Orlando. Instead, I'm stuck up here in Disney World North. [Laughter]

I love the idea of talking with you in this manner in a teleconference. Nothing could be more appropriate. Every day, PBS transforms ideas, lessons, and information from one side of this country to the other -- big cities, small towns, and back again.

And some of us remember when PBS was called educational television. Your name's changed, but of course, that we understand. But your mission hasn't. And today, your 300 affiliates serve 63,000 elementary and secondary schools across this country. And your broadcasts reach 30 million kindergarten through 12th grade students. And some of your programs sustain inquisitive adults. And others go straight to college and university campuses.

Personally, I'd like your help. I'm looking for a good computer instruction course. But you probably need to find a truly qualified 7-year-old to make it credible.

I was out in Milwaukee the other day. And you should have seen -- maybe you all have seen this -- but you should have seen the competence of these young kids as they move into the computer age, their competence on computers. It's fantastic. We've got to do more.

In the past year, enrollment, if you want to call it that, in your electronic college classroom has grown 20 percent. These and other programs fit right into our America 2000 education strategy. As you know, that strategy follows a four-track path to achieving our six national education goals: creating better and more accountable schools for today's students; inventing a new generation of American schools; becoming a nation of students, young and old; and making our communities places where learning can happen.

We've talked a bit about how you improve today's schools. Track one: Everyone should get involved. For instance, I'm happy to see that PBS will be donating a satellite dish to Slanesville, West Virginia, home of the Teacher of the Year, Rae Ellen McKee. Is that she I see smiling away on the monitor, maybe? And she'll be talking to you in just a few minutes. And what a person she

is. You know, I visited her school in April, and I think you'll agree when you hear her that she deserves and has earned the high honor that she's received.

State-of-the-art hardware is just one way you help our schools step into their future. My kids tell me they used to dread it when a teacher rolled a television into the classroom because they knew they'd have to look at a black and white videotaped lecture from a teacher in a room with bad acoustics. Now, no one makes those complaints anymore. You've changed with the times. You've developed new programming. You've pioneered new broadcasting techniques, including closed-captioning for deaf students and the descriptive video service for blind students.

And now, as we prepare to create new American schools, you look to the heavens. Telstar 401, due to race into orbit in 1993, will let you transmit television signals nationwide. And that certainly won't hurt when it comes to developing new audiences for your shows.

Track three of America 2000, developing a nation of students, runs right through your studios. You mentioned Barbara, and I'm grateful for your very kind comments about her. But she and I cannot thank you enough for your work in giving previously illiterate Americans the gift of reading. Project Literacy U.S. -- PLUS -- helps turn Americans submerged in the darkness of illiteracy into beaming points of light. You offer refresher courses, practical courses in programs that cause the viewer to pause, think, and explore the universe of ideas.

I can't think of any series that has done more to advance the study of American history, for instance, than Ken Burns' series, ``The Civil War."

I'll be visiting some very special students just in an hour or so, in Delaware later today -- a group of night school students who've worked hard to gain high school diplomas. And frankly, I'd be surprised if they didn't owe some of their inspiration in education to you.

So, my point is simple: The days of the little red schoolhouse are over. We find ourselves in an era of competition. And education, like any other vital industry, will benefit from the constant tug and pull of new ideas, new products. You push everyone in the education industry to do more, to do better. For years, your efforts -- and I've talked only about a few of them -- have promoted respect for learning and an appetite for education.

In launching our America 2000 project, I have asked each State and every American community to join in an ambitious effort, a crusade -- and this one is -- a crusade for educational excellence. In many communities across this country, individuals have already stepped forward to be the sparkplug that energizes businessmen, parents, community leaders, and educators to make America's schools better and more accountable.

I believe our schools will change for the better when parents and communities make change their mission. And so as the America 2000 project takes root in communities across this country, I

would ask each of you to join us, to become involved in this enormously important revolution to transform American education.

Well, thanks for listening to my lecture. It is a pleasure to be with you in this marvelous electronic manner. And now, with no further ado, I would once again say thanks, and I'd be glad to take a question or two. Thank you very much.

Q. Thank you very much, Mr. President. We appreciate your remarks to us. You talked about change. How will the role of the States and local educational organizations change in the next century?

The President. Well, State Governors and legislatures, along with local school districts, are absolutely crucial to the success of our America 2000 strategy. Those who think that education problems can be solved in Washington ought to know better, because the American people know better. The Federal Government provides roughly 7 percent -- 7 percent -- of the total dollars spent on education; State and local governments provide 93 percent. At the national level, we can set goals and standards that every community, every school, and every student can try to achieve.

That was the beauty of the Charlottesville conference with the Governors. But it is in our States, it's in our communities that we must become part of the crusade to invent a new generation of American schools, to figure out better ways of teaching and learning. The States will have to agree to hold themselves and their schools to much higher standards. This simply cannot be done from Washington. I am not anti-Washington, but that can't be done from Washington.

The Secretary of Education, Lamar Alexander, and I are committed to lead -- to exhort everyone to a higher standard and to travel this country and highlight models of what works. Next week we'll join Governor Romer, for example, the Governor of Colorado, who's very active in education. I might say here, look, this is a totally nonpartisan effort. And Governor Romer, we'll be with him when he kicks off Colorado 2000, the first statewide effort to adopt the national education goals and develop the strategies to meet them. The State role is crucial as communities across the Nation compete to be America 2000 communities. Our new breed of education Governors -- and they are fantastic -- is essential to the success of our revolutionary new program, America 2000.

Q. And in addition to what you see as you go around the country, you often also meet with world leaders. Have you seen any education initiatives in other countries that you'd like to see incorporated in your educational goals for the United States?

The President. Well, yes, some are doing certain things better than we are. In Japan and Korea, the parents are actively involved in their children's schools -- I'd say more so than here. Students do much more homework. This will go over well down there in Orlando with the public schools, but they do much more homework than the average student in American schools. In China,

students routinely learn two or three languages. I happen to think we need to do better in multilingual disciplines.

In the Soviet Union, students are learning algebra in elementary school. You saw the reports the other day from this nationwide study, and it was appalling what we're not achieving in mathematics. Government leaders around the world tell me that students are learning math in different ways than American youngsters. They aren't just learning to use computers, but are applying math to everyday problems, everyday situations.

So, there is a lot to learn from other countries. I am not apologizing and saying that they're all right and we're wrong. But we should remember that we want to have American schools that countries everywhere are trying to emulate. Japan, for instance, is trying to introduce more creativity and get away from just learning by rote. And wherever we go, we're the world's grand champions in scientific research and technology. So, we can learn from them, and they can learn from us.

But the main point is, we're involved here in something that is really revolutionary. For America 2000 to succeed, we've got to think anew, as Lincoln said. We've got to do it in a way that approaches these problems with no fixed conclusions as to how to solve them, but with innovative ideas. And that is why I am so delighted with the participation of the Governors. That's why I'm so delighted with what you referred to, sir, as the Points of Light approach where communities and public media and everybody are involved in innovating, in putting the focus where it needs to be put -- and that is on getting this country better educated.

And we can do it. This isn't just a lot of hot air rhetoric out of Washington. Believe me, as I go around this country, I sense a determination in the communities to get the job done, to improve our educational system. And it's not simply a desire of Americans to be number one again, although I think we've got an awful lot that lends that description to us right now. It's a desire to see -- it's an understanding -- put it this way -- that a better educated young people guarantees the future of this country.

So, look, thanks for letting me drop in on you from about 22,000 miles out there in space by satellite. And thank you all for all that you are doing to make America smarter. Thank you all, and I hope you have a wonderful meeting there.

Note: The President spoke at 9:39 a.m. in Room 459 of the Old Executive Office Building via a two-way video and audio hookup with the meeting in Orlando. In his remarks, he referred to Rae Ellen McKee, a teacher at Slanesville Elementary School, Slanesville, WV; Secretary of Education Lamar Alexander; and Gov. Roy Romer of Colorado.

Remarks in a Teleconference With the National Advertising Conference of the American Advertising Federation in Nashville, Tennessee

June 11, 1991

The President. Thank you. My heavens, what a welcome. I can see you all -- the backs of your heads here. Ooops, I can see you turning around. [Laughter]

Thank you all very much. What a marvelous technology. Howard Bell, ladies and gentlemen, it is a pleasure to join you today on a medium you understand so well and to address this, the 23d annual National Advertising Conference of the Federation -- of the American Advertising Federation.

Normally in these speeches, you say ``I wish I were with you.'' I will say I wish I were there in Opryland. I'm a country fan, and this week we had Barbara Mandrell up at Camp David. We've had Mo Bandy up there, Jimmy Dean, the Gatlins, Lee Greenwood, and just last week we were privileged to have Alabama singing for our congressional barbecue. So, I'm a fan of country music. And I just wish I were there to not only hear your proceedings, but to catch a little of that act later on.

But I was thinking this morning that there's one advantage to addressing an audience from the advertising industry. If my remarks cause a headache or upset stomach, you'll know how to get fast, fast relief -- click it.

But look, this is reasonably short -- reasonably short because in a few minutes I'm going over to Seaford, Delaware, to a GED graduation -- these night school guys, old and young. And it's exciting what's happening in education.

But back to the subject at hand. We tend to forget in this age of instant communication that your profession has informed Americans for more than two centuries -- two centuries. You probably know that Thomas Jefferson once noted that advertisements contain the only truths to be relied on in a newspaper. You agreed with Thomas, hey? I'm not sure I don't agree with Thomas. As a matter of fact, I think I do.

Today, you transport facts and proclamations, pleas and arguments to every corner of America. And the federation's more than 52,000 members -- advertisers, advertising agencies, media companies, advertising professionals, and college students majoring in advertising -- you all study and refine the arts of informing and persuading the public. Together you've done more than take aim at the bottom line. You've shown that any definition of a successful life must include serving others.

And I believe so very strongly in the historic concept of one American helping another. We call it, as I'm sure you know, a Thousand Points of Light. You have enhanced the Points of Light Foundation, donating millions and millions of dollars a year in multimedia public service announcements. Your chapters and members have served communities nationwide.

Atlanta's Advertising Club established a minority relations program. Houston's Advertising Federation reached out to those afflicted by the terrifying disease AIDS. And in Arkansas, advertisers poured their time and talent into a campaign that combats child abuse. And way out in Honolulu, you promoted the lifesaving cause of organ donation. You've taken on projects as vast and various as our great land, helping people in more than 220 communities and 200 college campuses. No one should underestimate the power of your deeds or the importance of your profession.

You know, there's an old story of how an ad salesman was trying to convince a store owner to do some advertising. And the owner said, ``Look, I've been in this location for 50 years, and I've never needed to advertise." And the salesman said, ``The town church has been in the same location for 100 years, but they still ring their bells."

Two years ago this month, our administration recognized the AAF with the Private Sector Initiative Commendation. Last year, another Presidential award testified to your belief that, as Emerson said, ``The only gift is a portion of thyself."

Today, let me close by praising a man who has given much of himself and much to our nation. Howard Bell makes his final appearance as AAF president at this convention. And he has served as an advertising evangelist and trailblazer. And he's built the AAF into the megaphone of the ad industry. Under his leadership, membership tripled, AAF established new means and standards of self-regulation. And perhaps most important of all, the federation under Howard's leadership acted upon the axiom that prosperity without purpose means nothing.

And for that, I thank him and commend him. And I thank you. You've made a big difference in this nation's life. But let's go further still. Let's build a better and more focused future for ourselves, our families, our communities, and our great country.

And now, Howard, since I've traveled so far to be with you, I'm glad to take a few questions, but that's the end of the formal part -- end of the speech.

Thank you.

Mr. Bell. Thank you. Thank you very much, Mr. President. And we appreciate your willingness to answer a couple of questions. And the first question, sir, is: As you know, the economic downturn has affected all areas of business and particularly the communications and the media

industries. Do you see, Mr. President, any positive signs in the economy that signal the beginning of an upturn?

The President. Well, Howard, if I can borrow a term from Wall Street, I am bullish on the economy. Not overly optimistic, not Pollyannic about it. But while some sectors are still sluggish, on the whole a turn- around in the economy appears to be in the making. I don't want to be in the prediction business. What a President says on this can adversely affect markets and all of that. But according to the just-released May unemployment report, over half of all industries added to their payrolls. Industrial production has also been rising. And such upward trends will continue, according to the Index of Leading Indicators.

The index has risen for 3 consecutive months, a strong signal that the economic future looks bright. Now, I don't want to sound, as I say, euphoric because, frankly, some people are still hurting in this country and they're hurting badly. And this worries me; this concerns me. But things are beginning to move forward. And as far as your industry is concerned, I'm optimistic that it, too, will pick up as the rest of the economy gathers steam. Increased factory orders will have an impact on the advertising industry as businesses begin to move their products.

So, I think there's reason to be optimistic. This recession has lasted perhaps longer than we would have thought. It hasn't been as deep as many have predicted. Let's see where we go. I think things are looking much more promising as I speak to you here.

Q. Well, thank you. Mr. President, I'd like now to introduce David Bell, the president of Bozell and AAF's national chairman, who will ask the next question.

Q. Mr. President, the American Advertising Federation is currently working with the private sector division of the United States Information Agency to develop advertising and marketing data with respect to the free market economic system that will be made available to embassies around the world. Now, these data and expertise will provide access to proven methodologies to the Eastern European countries, among others, as they move toward a market economy. Do you see additional ways that the advertising industry can help foster these important developments in such countries?

The President. Well, what is it about the Bell name that is just dominating that convention? But anyway, I know no nepotism is involved -- I've been told that. Look, it's a good question. Let me say that I was just over at USIA last week at the swearing-in of Henry Catto, our new Director, former Ambassador. I know that Henry is very excited about AAF's volunteer work with the Private Sector Market Resource Committee.

The important skills that our Eastern European friends acquire through your generosity will help provide the building blocks to establish a productive economy. David, I think the advertising community can show these nations how to transform -- transmit, I should say, information swiftly

and creatively. With the many public service announcements your industry produces, you help teach people about these important issues. In fact, as I recall, you helped create and produce the production of the Department of Energy's ``Do Your Part, Drive Smart'' energy efficiency campaign. Now, that campaign showed us all how a few simple steps would help us become more energy efficient.

And also, let me speak about a personal friend here. Look at the wondrous success of Jim Burke and the Partnership for a Drug-Free America. What a fantastic job Jim and the others -- many of them with you today there -- are doing. The advertising they've produced has helped stem the tide of illegal use of drugs by powerfully illustrating the often-fatal consequences of drug use. The ads are superb.

And every country has problems that can be addressed with effective public affairs advertising. And as countries begin to realize that they need help to communicate information, they'll do it with advertising.

So, a good question and a good way to end this teleconference. Thank you. Thank you all for what you're doing. Thank you for having me in Nashville, and God bless you all. Thank you so much.

Note: The President spoke at 10:05 a.m. in Room 459 of the Old Executive Office Building via a two-way video and audio hookup with the meeting in Nashville. In his remarks, he referred to Howard H. Bell and David A. Bell, president and chairman of the federation; Henry Catto, Director of the U.S. Information Agency and former U.S. Ambassador to the United Kingdom; and James E. Burke, chairman of the Partnership for a Drug-Free America.

Remarks at the James H. Groves Adult High School Commencement Ceremony in Seaford, Delaware

June 11, 1991

Thank you so very much, and may I first thank our Governor. In my book, he deserves not just two introductions but as many as you want to give him. He's done a superb job. And he was one of the leaders in the classic Governors meeting at Charlottesville as we began to set and eventually set the national education goals for our great country.

I want to thank all of you for this warm welcome. I especially want to say what a glorious and wonderful day it is for the parents and the families that are here today. And, of course, I was very pleased to come over here with the former Governor and now our great Secretary of Education. He'll work you to death. Watch out. The guy is killing me because he is determined to see this America 2000 education program succeed. I told him I'd help, and I've done nothing else since I said that.

So, I'm delighted to be here. But I can't really think of any more important domestic challenge than the success of Lamar Alexander's and, I'll proudly say, my education program. And believe me, it is bipartisan. It isn't Republican; it isn't Democrat; it's not liberal; it's not conservative. It is good, sound educational policy for this, the greatest country on the face of the Earth.

I am delighted to see Bill Roth. I don't want to put a time mark on him, but he and I went to the Congress on exactly the same day -- elected on the same day in 1966 -- and he has represented this State with great distinction in a wide array of domestic matters and a wide array of foreign affairs matters. And so, I am pleased to be with him today.

I want to salute your principal, Wayne Meluney, who I'm told has done a superb job here; and your superintendent, Superintendent Frunzi, who we heard from a little bit today.

And finally, but perhaps most important, let me congratulate the graduates today, their friends and families. And I will say to Vicki -- who looked a little bit nervous up here as she walked up, but did a superb, a super job on her speech -- and to Bill Fritz sitting over here, what I got out of both you all's speeches is family, faith, and determination. If any three values ever came through, it was those. Thank you for giving us that great performance. Bill, thank you, sir.

I appreciate your being here. I understand it wasn't easy. After all, when you go to night school, you can't always make it to a graduation during the day. Most of you, hopefully, are getting some sleep somewhere along the line. And I remember when the teacher would want a note whenever you missed a day of school. And today I understand a few of you could have used a note for your employers explaining why you've been absent from work. I can't write notes for you, but I can

thank all of the employers out there who have their priorities right, who give a day off for a momentous occasion like this.

The night school at Groves High School is one of the few of its kind in this country -- that's why Lamar and I wanted to come over here today -- a night school fully accredited to grant a regular high school diploma. This should teach something to all of us who care about American education. Groves provides a shining example of the kind of innovative approach to education that I have in mind when I challenge our communities all across this country to become a nation of students.

Many of you may know that back in April we came forth with this national education strategy -- we call it America 2000 -- to help our schools and students reach the six ambitious education goals that I referred to -- goals we've set for the year 2000. And that strategy moves toward the future on four tracks to achieve these six goals.

First, we start with building better and more accountable schools for today. Second, we want to create a new generation of American schools for tomorrow. And third, we've got to build a consensus that education doesn't end when your high school days are over. Lamar referred to my experimentation and hopefully learning with a computer. But all of us have to go back to school to continue our education -- really to continue to learn. It doesn't matter where we stand in life. Young and old, we must become a nation of students. Fourth -- fourth point -- we must focus beyond the four walls of the classroom and cultivate communities where learning can happen and will happen. We're working with the Governors, with education and business leaders and many others to challenge every community across this country to make this a national crusade to improve our schools.

I'm here to celebrate your part in this crusade. You're an example. You may not realize it, but you are an example to many across this country. You're a part in this crusade. We salute it -- your choice to become students again. And I was so moved by what Bill said and by Vicki's determination. Each one of you made the choice to take on tremendous odds and to triumph over indifference. You found your way back to school, and in so doing, you found your way forward in life.

And we're doing a better job now getting the message out that our young people should stay in school. But we sometimes forget to keep reaching out to those who don't stay in school. Too often, without intending to, we as a society act almost as if when you drop out, you drop off the end of the Earth. And that's just not true, and you're living proof that it's not true.

You know firsthand that when you drop out, you can almost hear the doors to opportunity slamming shut. But one door never closes. You can always return to school. One study shows that almost half of all students who drop out return to the classroom within 4 years. And in between, they learn the hard way that the world of work has little to offer for those who don't have

diplomas. Most of the time, the good jobs and the promotions all go to people with the degree.

Programs like this one offer a way back to school -- a way up in the world. In a world of too many dashed hopes and dead ends, a school like Groves can open doors to a better future.

The diploma that you receive today tells the world that you've done more than meet the prescribed State standards. You've returned to the classroom, you've cracked the books, you've stayed up late studying and learning -- and you've made the grade. This diploma tells the world of your self-discipline and of your drive, and it testifies more eloquently than anyone ever can to the power of your will and your dreams. That, too, is what those valedictorian messages were about.

Many of you traveled a very tough road to get here. And we've heard today from Vicki, Bill -- how Vicki came to get a good education and then it was her children and her husband that taught her the true value of family. And we heard Bill, who most eloquently talked about dropping out before most of today's graduates, with all respect, were even born and how he came back to school 30 years later -- six kids, one heart attack later. And no, there's no link, I can testify, Bill, between the last two, six kids and the heart attack. [Laughter] But, look, here's the point. He came back to finish that degree. But the best thing, the best thing, sir, about your story is not what you managed to do but where you're going from here. And you've won a scholarship to study, I'm told, at Delaware Technical and Community College.

Each one of you, each one of you has a story. Consider Kathy Tucker. Fourteen years ago, Kathy got married. She went to work, she had a child -- and she left school. And she promised herself she'd come back to finish high school when her own son started kindergarten. It took a little longer, but she kept that promise. And today she collects her diploma, and she shows her three kids just what happens when you set a goal and refuse to let circumstance stand in your way. Now she's a living portrait, if you will, in self-determination and what it means to want an education so much that you'll work for it, you'll sacrifice for it, and you'll get it.

I know many of the parents graduating today believe becoming students again has helped them become better teachers of their own children, and I'm sure that's true. I want to say to Kathy Tucker and to all the parents before me here in the class of '91 who have worked so hard to get here: You've already taught your kids something. You've already taught them a lesson in the value of learning. You've set an example.

And finally, let me share a story about Rosemary Everton. She does not belong to today's class -- she graduated with the Groves class of 19 years ago. But her story ought to give you a glimpse of possibilities to come. Today, while you look back with quiet pride on all you've done to get here and the sacrifices you've made, Rosemary's story lets you know that the doors you've opened may lead to a destiny even you cannot yet imagine.

Rosemary Everton -- she got married; she dropped out at the age of 15, even before she got to

high school. And at 16, with a baby and a full-time job, she decided to go back to school. And for 2 years, she took lessons right here at Groves 4 nights a week. And she cared for a baby and held down a job and built a sturdy marriage -- and she got her degree.

And she says, ``To this day, I still do not know how I did it. I do know that after receiving a high school diploma this way, I felt there was nothing I could not do. And that's what kept me going even when I felt there was no way I could do everything at once because I had already done everything at once."

Well, today, Rosemary Everton and her husband have their own company. They employ more than 200 people. And she has this to say about what Groves taught her: ``I learned math, English, and history -- but something more important, I learned that there's nothing I can't do with patience and perseverance."

For Rosemary, today's success began with a small but sensible dream: to get that diploma. And you'll have to decide what lies over your own horizon. You've already taken that first step -- that great step. And as Rosemary said, there's nothing you can't do.

Everyone here today has made it to this place, this moment, with the help and encouragement of others. Parents gave up a few evenings a week to babysit. Husbands or wives who did a few extra chores to let you go to class. Even children who worked hard to keep quiet around the house -- some of them, not all -- so you could study for that big test. And today, your family and friends share your joy and the pride you quite rightly feel. And let me say from the bottom of my heart, I know I do. And I know that Secretary Lamar Alexander does, and I know your Governor does.

But today you stand at center stage. I can't wait to shake hands with each and every one of you. It's a lot better than the Air Force Academy. They had 1,000 or something like that. [Laughter] And here we have some reasonable goal out there. [Laughter] But you've made it through school for one reason, and one reason alone -- because you came back. And when it would have been easy to make excuses, so easy to cop out, you made demands on yourself. And you made it your mission to learn. You made your demands and you lived up to them.

And once again, my thanks for this very warm welcome here today, and for this opportunity to share in this special day. So, let me extend an invitation, which I'm sure many can't accept because of what you're doing, but tomorrow on the South Lawn of the White House, I'm going to be talking to some other extraordinary Americans about the challenges that we face as a nation. And it would be an honor to have today's graduates join us tomorrow evening at the people's house -- at the White House.

Thank you all very, very much. And congratulations to each and every one of you.

Note: The President spoke at 12:57 p.m. in the high school auditorium. In his opening remarks,

the President referred to Gov. Michael N. Castle of Delaware; Secretary of Education Lamar Alexander, former Governor of Tennessee; Senator William V. Roth, Jr.; A. Wayne Meluney and George L. Frunzi, director of adult education and superintendent, respectively, for the Sussex County Vocational-Technical District; and student speakers Victoria Eastburn and William Fritz. Following his remarks, the President returned to Washington, DC.

Nomination of Arthur Hayden Hughes To Be United States Ambassador to Yemen

June 11, 1991

The President today announced his intention to nominate Arthur Hayden Hughes, of Nebraska, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Yemen. He would succeed Charles F. Dunbar, Jr.

Mr. Hughes currently serves as Deputy Assistant Secretary of Defense for Near Eastern and South Asian Affairs. Prior to this Mr. Hughes served as Deputy Chief of Mission at the U.S. Embassies in: Tel Aviv, Israel, 1986 - 1989; The Hague, Netherlands, 1983 - 1986; and Copenhagen, Denmark, 1980 - 1983. In addition, Mr. Hughes served at the Department of State as: Director of the Secretariat Staff for the Executive Secretariat, 1978 - 1980; officer-in-charge of Spanish affairs, 1977 - 1978; and Special Assistant to the Assistant Secretary of State for European Affairs, 1976 - 1977. He also served as a political officer at the U.S. Embassy in Bonn, Germany, 1973 - 1976. Mr. Hughes served at the State Department in Washington, DC, as staff assistant to the Under Secretary of State for Management, 1971 - 1973; State Department representative at the National Military Commander Center at the Department of Defense, 1970 - 1971; and watch officer at the State Department Operations Center, 1970. From 1965 to 1967, Mr. Hughes served as consul at the U.S. consulate in Maracaibo, Venezuela. He entered the Foreign Service in 1965.

Mr. Hughes graduated from the University of Nebraska (B.A., 1961). He was born September 25, 1939, in Lincoln, NE. Mr. Hughes served in the U.S. Army, 1962 - 1963. Mr. Hughes is married, has two children, and resides in Bethesda, MD.

Appointment of Gary J. Andres as Deputy Assistant to the President for Legislative Affairs

June 11, 1991

The President today announced the appointment of Gary J. Andres, of Virginia, to be Deputy Assistant to the President for Legislative Affairs (House).

Since 1989 Dr. Andres has served as Special Assistant to the President for Legislative Affairs at the White House. Dr. Andres served from February 1988 to January 1989 in the office of congressional affairs for George Bush for President and at the Presidential transition. From July 1985 to January 1989, he was executive director for Federal relations at Southwestern Bell Corp., in Washington, DC. From October 1983 to July 1985, Dr. Andres served as vice president for Prudential-Bache Washington research. In 1983 he was a legislative assistant to Congressman Carlos Moorhead (R - CA) and from 1982 to 1983 a legislative assistant to former Congressman Tom Corcoran (R - IL).

Dr. Andres graduated from Wheaton College (B.A., 1977) and the University of Illinois (M.A., 1978; Ph.D., 1982). He has three children and resides in Falls Church, VA.

Appointment of Arnold I. Havens as Special Assistant to the President for Legislative Affairs

June 11, 1991

The President today announced the appointment of Arnold I. Havens, of Virginia, to be Special Assistant to the President for Legislative Affairs (House).

Since 1989 Mr. Havens has been a partner with the law firm of White, Fine & Verville in Washington, DC. Prior to this Mr. Havens served as minority counsel and staff director for the House Energy and Commerce Committee, from 1983 to 1986. From 1981 to 1983, Mr. Havens served as associate minority counsel for the Subcommittee on Commerce, Transportation, and Tourism. From 1979 to 1981, Mr. Havens served as assistant to the chairman of the Railroad Retirement Board in Chicago, IL. From 1973 to 1979, he served as associate counsel, Office of Legislative Counsel, House of Representatives.

Mr. Havens graduated from the University of Illinois (B.A., 1969; LL.B., 1973). Mr. Havens is married to Debra Hardy Havens, has three children, and resides in McLean, VA.

Remarks to Members of the Defense Community at Andrews Air Force Base, Maryland

June 11, 1991

Thank you all very much. And I hope everybody's enjoyed this tour as much as I have. And first, let me pay my respects to the men and women of the U.S. Air Force. I was telling General McPeak and the Secretary that I'm always so impressed by you all's dedication, certainly service. And I'm just delighted to be here with those that have made this exhibition possible from the research stage and right on up until now. I want to salute Dick Cheney, of course; our leader -- one of our leaders, Bob Dole, is with us today; Don Rice, of course, our Secretary; General McPeak, you've heard me speak about him; and Members of the Senate who took the time to come out here today -- our chairman, Sam Nunn, and others. And I'm just delighted you all are here.

Senator Warner, Senator Nunn, and the members of the committee have been strong supporters of Stealth technology even before the first prototype F - 117 in 1977. And we've now seen the promise of Stealth fulfilled with a remarkable success of the F - 117 in Desert Storm.

The F - 117 carried a revolution in warfare on its wings over Baghdad. And these remarkable aircraft flew only about 2 percent of the combat sorties, but struck over 40 percent of the strategic targets. The success of the F - 117 is a tribute to those men and women who could see -- even in the seventies -- the potential of Stealth, the need for Stealth, and had the strength and perseverance to see it through.

Among those who deserve special credit for the accomplishment are the members of this committee who gave that plane, the F - 117, their strong and continuous support. And there now is no question, Stealth works. And it's been proven in combat. And it broke the Iraqis' back, and it saved precious American lives. It flew hundreds of sorties through the most heavily defended areas without a scratch.

And the B - 2 takes the next generation of Stealth and applies it to a strategic bomber. This leap in technology will make a unique contribution to nuclear deterrence and will deliver the enhanced conventional capabilities that F - 117 pilots say they'd most like to have: more range, more payload. The B - 2 has 5 to 6 times the range and 10 times the payload, 10 times the payload of the F - 117.

Some claim they don't understand the mission of the B - 2. Well, let me try to clear it up. The mission of the B - 2 is deterrence: nuclear deterrence, conventional deterrence, deterrence all across the spectrum. And with the smaller forces and budgets that we're looking at in the nineties, that's the kind of flexibility and value that America needs. We need the B - 2 bomber. We cannot allow the House actions that would terminate this vital program to stand.

Partners with the B - 2 in deterrence are the new cruise missiles that also embody Stealth technology, and they will provide a cost effective way to keep some of our older bombers viable, and they add a unique capability to even our most modern systems.

No student of the Gulf war can doubt how the combination of cruise missiles and manned aircraft can overwhelm an enemy's air defenses.

And finally, Desert Storm should have made the importance of control of the air crystal clear to all. Air superiority -- air superiority enabled the allied forces, air and surface, to operate with an effectiveness that amazed the world and, thank God, to operate with allied casualties as low as possible.

Today's generation of fighters drove the Iraqi Air Force from the skies. The F - 22 that we see here, the prototype of the next air superiority fighter, combined Stealth and maneuverability in a way that ensures the American forces in the next century will be able to count on control of the air.

Stealth has really brought a revolution to air power. It is a leap in technology that comes from American genius and ingenuity. It works, and it's needed. And it's an edge that can help guarantee our security in the ever more complex world that we will face in the future. And it's an edge that I want to give our country, and an edge that America's fighting men and women deserve to have should they ever be called on again.

I'll fight for Stealth, and I will fight for the B - 2. And I appeal to the leaders here today and to others in the Congress to step up to the challenge and give it full support and full funding this year.

And I want to thank you again, everybody from the Senate that took the time to come out here today. And for those that are committed, let me tell you, please let us know what we can do because this is priority, not simply to the administration but, in my view, to the country.

Thank you all very much for taking the time to join us.

Note: The President spoke at 2:58 p.m. in Hangar 3 at the base. In his remarks, he referred to Gen. Merrill A. McPeak, U.S. Air Force Chief of Staff; Secretary of Defense Dick Cheney; Robert Dole, Senate minority leader; Secretary of the Air Force Donald B. Rice; Sam Nunn, chairman of the Senate Armed Services Committee; and Senator John W. Warner. Prior to his remarks, the President participated in a briefing and toured strategic and tactical fighter aircraft at the base. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on United States Agricultural Loan Credit for the Soviet Union

June 11, 1991

President Bush has informed President Gorbachev today that the United States will meet the Soviet request for up to $1.5 billion in credit guarantees toward the purchase of American agricultural products. Secretary of Agriculture Ed Madigan will follow up immediately with Soviet officials to work out the details of this agreement.

The President's offer specifies U.S. willingness to make the credit guarantees available in three tranches over the next 9 months -- $600 million this month, $500 million in October 1991, and $400 million in February 1992. The President made this decision after having received the views of the Presidential delegation he sent to the U.S.S.R. in late May to study the grain request and the food distribution system there.

In addition to meeting the Soviet request for credit guarantees, the President today also expressed to President Gorbachev his continued interest in collaborating on a long-term effort to improve the food distribution system in the U.S.S.R., primarily through the introduction of market measures. The United States is prepared to form a high-level team of Government and private experts to assist the Soviets in this effort.

In making this decision, the President took into consideration the record of the Soviet Government in meeting its official obligations. The President's decision also followed assurances from the Soviet Government that the grains made available through the credit guarantees would be fairly distributed among Soviet Republics and the Baltic States. The President's decision reflects the administration's desire to promote a continued positive evolution in the U.S.-Soviet relationship. In particular, we hope that this assistance will help to stabilize the food situation in that country.

Note: Press Secretary Fitzwater read the statement to reporters at 4:38 p.m. in the Briefing Room at the White House.

Remarks Prior to Discussions With President Alfredo Cristiani Buckard of El Salvador

June 12, 1991

President Bush. Let me say I am just delighted you're here, and we have a lot to talk about when we're alone. But I'll say before we are that we support you and what you're trying to do and the courageous steps you've taken -- the free election process being part of it, of course -- but what you're trying to do and bring peace there. And I must say you have our respect and full support. And let there be no doubt about that anywhere, in this country, in Salvador, wherever else it may be.

Reporter. Mr. President are you taking questions from us today?

President Bush. No questions today if you don't mind.

Q. Perhaps the President of El Salvador would like to.

President Bush. Well, if he'd like to answer a question, but he knows that he's going to have a press opportunity later on. He knows that seldom do I take them here, but he can do it any way he wants. I'm not trying to slant -- --

Q. Would you talk to us about the status of the investigation into the killings of the Jesuits, sir?

President Cristiani. Afterwards, after we -- there will be a press conference tomorrow.

President Bush. I think that's a better, more fair way to handle it so others can be there. That's the way we like to do it, too.

But I commend you on what you're doing in that and many other cases there, too -- many other moves towards true and open democracy. Let there be no -- this administration for this President, strong.

Q. Happy birthday.

President Bush. It's been a good one so far.

Q. Will you call on me at your next news conference, sir? I was kinder and gentler this time.

President Bush. You were. I noticed that. We're got to have one soon, provided you throw me a slow ball, softball.

[At this point, another group of journalists entered the room.]

President Bush. May I say to the journalists -- I want to repeat what I said in front of the last wave, which is that we strongly support this President and what he is doing carrying his country inexorably down the democratic path. And let there be no doubt about it, he has the full support of this administration. He's taken on tough problems, handled them with dispatch. Some tough problems remain, but there is no question in my mind that this President and his administration merits the full, all-out support of the United States.

And it is not his government that is keeping peace from coming to his country that had open and free certified elections, many more times than one. And it is the opposition; it is people who think they can use the gun to get what they should be willing to fight for at the ballot box.

And so, I'm proud to have President Cristiani at my side. Today we've got lots to talk about, so you guys are almost history here -- [laughter] -- but thank you for coming. And I don't take questions in the Oval Office, as I'm sure most of you know. And I think the President will be having a press conference tomorrow some time. But I wanted to violate a rule that I have of not making comments because I feel so strongly about the need to support the President and the steps he's taking there.

Thank you all, and I hope you feel welcome here in the States.

Q. Thank you. Happy birthday again.

President Bush. Oh, thanks. I thought I'd hate it, but so far it's been very good.

Note: President Bush spoke at 11:07 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks.

Remarks Following Discussions With President Alfredo Cristiani Buckard of El Salvador and an Exchange With Reporters

June 12, 1991

President Bush. Mr. President, with your permission, let me just say that I was delighted to spend time talking and working today with a close friend of the United States, President Cristiani of El Salvador. And in greeting one of your predecessors, Dwight Eisenhower declared that: ``Friends and countries are not measured by the extent of territory or the size of their population. They are measured by their dedication to their friends, to common values, priceless values that free men possess above even life itself."

Thirty years later, those words still ring true. Through trying circumstances, El Salvador holds fast to its democratic traditions. And seven times in 10 years, your courageous countrymen have voted in free and fair elections, proving to the world that, in Lincoln's words, ``the ballot is stronger than the bullet."

Mr. President, time and again you and the people of El Salvador have proved your doubters to be wrong. Political rights have flourished despite hardship and despite war. And your people enjoy freedom of speech like never before. Exiles who once feared for their lives have returned, come back home to campaign for office and build parties.

You also have begun to lay liberty's cornerstone, the rule of law. And you've strengthened the judicial system. You've expanded civilian authority over the police and military and you've committed yourself to dramatic reductions in armed forces. And you've strengthened protections for human rights.

Soon, the trial of those accused in the 1989 Jesuit murders will begin, and we know that you will press to see justice done in the case of this despicable crime.

But as newly-freed people around the globe are learning, political freedom is connected to economic freedom. And here, too, your nation has taken dramatic strides. When you freed exchange rates, wiped out price controls, and clamped down on government spending, your farmers, your workers, your investors responded with a burst of creativity and growth. Inflation fell last year, and exports rose by 17 percent. And in spite of guerrilla attacks on economic targets, your economy grew faster than it has since 1978, up 3.4 percent.

This progress cannot continue indefinitely unless peace finally comes to El Salvador. Fortunately, you have led your people toward peace and reconciliation. You extended the hand of forgiveness in your Inaugural Address, and you told your country that time for negotiations had come and you

offered to negotiate without precondition. Throughout your country and the world, people of goodwill agree that time for peace has come.

And now the FMLN guerrillas must show in word and deed that they want peace and its natural counterpart, democracy. The guerrillas agreed to negotiate a cease-fire for September of 1989. They showed no eagerness at all to meet that deadline. And then they promised the foreign ministers of the European Commission a cease-fire by May 30th. But they were not truly committed to that deadline either. And the killing and destruction, regrettably, continues.

So, the world must ask: How many more Salvadorans must die before the guerrillas understand that Salvadorans want peace and freedom, not violence and war? I urge the guerrillas to return to the negotiating table and stay there until a cease-fire is reached.

Mr. President, difficult steps lie ahead. But the world understands your commitment to peace, and democracy. The United States and the international community fully support your efforts for peace, and we will support sound peace accords in your brave land.

We both serve at a time when freedom and democracy are sweeping the globe. Here in the Americas we are building something unprecedented in human history -- the world's first completely democratic hemisphere. And under your leadership, El Salvador has taken a place in that democratic community, and within your borders hope flourishes. People have gotten into the spirit of national reconciliation and they now tolerate opposing views and they support democratic institutions, and they have dedicated themselves to preserving human rights. These ingredients cannot help but produce peace. And when they do, your people will remember that your leadership made peace possible.

Mr. President, I salute you, sir, for your courage and your leadership. You have my full confidence and support, the full confidence and support of our entire administration. And Godspeed you, and God bless your work on the road to peace for El Salvador. We are delighted you came here, sir.

All yours.

President Cristiani. Mr. President, first of all, I would like to not only thank your kind words that you have just expressed, and I certainly receive them not personally, but in the name of all Salvadorans.

As you have expressed, the people of El Salvador have undergone quite a task. Hardship has been the name of the game in El Salvador for the past 10, 12 years. And the Salvadorans have always shown in general that they want peace, that they want democracy, and they want freedom. And the freedom of those who want their rights respected is also something that is cherished by all Salvadorans.

And let me just say that the appreciation of the people of El Salvador because they have found that in this quest for peace, freedom, and democracy, that we have found a true partner in the United States. And certainly under your leadership, Mr. President, this has been increased to levels where we cannot but be grateful forever.

We believe that it has been with the support of the United States and other friendly nations that El Salvador has been able to overcome the hardships, and that, because of this support, it certainly motivates us to continue to work even harder to achieve what we all want to see in El Salvador, a truly peaceful society living and progressing as any other country in the world is doing.

I would like to also thank you in the name of all our delegations for the kindness that you have shown and also the support that we have received from your words and that we go back encouraged to even work harder in order to get peace for our people as soon as possible.

And just let me end by saying also that we lived through your endeavors in the Persian Gulf and that from the Salvadoran people there is nothing but admiration as to your leadership. The way you handled the situation in the Gulf war was something that should be copied by anyone who wants to become a leader in their own countries. And we certainly can understand the difficulty of that decision that you had to take when you had to send young people to die for a cause, but a cause that was just and was right. And a cause that we certainly respected, and not only respected but also supported fully from our position in El Salvador. And we certainly would like to say that there is great admiration for yourself and for the people of the United States for risking everything in order to preserve the rights anywhere in the world. And this is something that also encourages to move forward in this task.

Please let me just end, Mr. President -- I know that you have expressed once before that you do not like this to be remembered very often, but also we would like to wish you a very happy birthday. We hope that the difficulties that you just went by with your health are certainly over and gone with. And we hope that you can certainly say -- we can certainly say happy birthday for many, many years more.

Thank you very much, Mr. President.

President Bush. Thank you, sir. Thank you so much.

Address on Democratic Policy

Q. Mr. President, are you going to bash the Democrats tonight?

President Bush. Stay tuned.

Q. They're saying all kinds of nasty things about you today.

President Bush. Oh, it's so discouraging. All I have is pleasant things to say about them, because we've got to work together to get a lot done. That's what we're trying to do.

Q. Are you going to release the other $40 million for El Salvador?

President Bush. I'll tell you one thing -- you're not going to hear anything if this thunderstorm comes through here and blasts us off our own lawn.

Q. Sir, do you think you can change perceptions that you're more of a foreign policy President than a domestic President?

President Bush. Well, the truth always will out -- that's the way I look at it. It will be good. This isn't going to be a harsh attack -- and that's what this is going to be about -- --

Q. Are you going to take the high road?

President Bush. -- -- feel the one I feel most comfortable on. However -- -- [laughter]

Note: President Bush spoke at 1:21 p.m. at the South Portico of the White House. Prior to his remarks, the two Presidents met privately in the Oval Office and with U.S. and Salvadoran officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room. A tape was not available for verification of the content of the question-and-answer session following the Presidents' remarks.

Nomination of Christopher W.S. Ross To Be United States Ambassador to Syria

June 12, 1991

The President today announced his intention to nominate Christopher W.S. Ross, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic. He would succeed Edward P. Djerejian.

Since 1988 Ambassador Ross has served as the U.S. Ambassador to the Democratic and Popular Republic of Algeria. Prior to this, Ambassador Ross served at the Department of State as Executive Assistant to the Under Secretary for Political Affairs, 1985 - 1988, and as Director of Regional Affairs at the Bureau of Near Eastern and South Asian Affairs, 1984 - 1985. Ambassador Ross served as special assistant to the special Presidential envoys to Lebanon, the Middle East, and Tel Aviv, 1982 - 1984; at the Department of State as a public affairs adviser at the Bureau of Near Eastern and South Asian Affairs, 1981 - 1982; and as Deputy Chief of Mission at the U.S. Embassy in Algiers, Algeria, 1979 - 1981. Ambassador Ross served with the U.S. Information Agency in several capacities: public affairs officer in Algiers, Algeria, 1976 - 1979; information officer in Beirut, Lebanon, 1973 - 1976; branch public affairs officer in Fez, Morocco, 1970 - 1973; junior officer trainee in Tripoli, Libya, 1969 - 1970; and public affairs trainee in Washington, DC, 1968 - 1969. Ambassador Ross entered the U.S. Information Agency in 1968.

Ambassador Ross graduated from Princeton University (A.B., 1965) and Johns Hopkins University (M.A., 1967). He was born March 3, 1943, in Quito, Ecuador. Ambassador Ross is married and resides in Algiers, Algeria.

Nomination of Jeffrey C. Martin To Be General Counsel at the Department of Education

June 12, 1991

The President today announced his intention to nominate Jeffrey C. Martin, of Tennessee, to be General Counsel of the Department of Education. He would succeed Edward C. Stringer.

Currently, Mr. Martin serves as a consultant to the Secretary at the Department of Education in Washington, DC. Prior to this, Mr. Martin served with the law firm of Shea & Gardner as a partner, 1985 - 1991; as an associate, 1980 - 1985; and as an associate with Barnes Hickman, Pantzer & Boyd, 1979 - 1980. From 1978 to 1979, Mr. Martin served as a law clerk to the Honorable Spottswood W. Robinson III, U.S. Court of Appeals for the District of Columbia Circuit.

Mr. Martin graduated from Indiana University (B.A., 1975) and the University of Chicago Law School (J.D., 1978). Mr. Martin was born December 5, 1953, in Columbus, OH. He is married, has two children, and resides in Silver Spring, MD.

Remarks on the Administration's Domestic Policy

June 12, 1991

Thank you all very much. Thank you, but don't give up your daytime work. [Laughter]

Thank you all, and good evening. Members of our Cabinet here, Governor Campbell, and Governor Mike Castle. Honored guests: Dr. Benjamin Payton -- and old friend -- the president of Tuskegee University who brings a lifelong commitment to our historically black colleges and universities, welcome. Drew Batavia, winner of the 1988 Distinguished Disabled American Award, welcome to you, sir. To Robert Egger, founder of the D.C. Central Kitchen, and the 60 other Points of Light who are here tonight, your work inspires this nation. Mayor Hackett, of Memphis, is with us; Mayor Myric, of Charlotte; County Commissioner Klinger, good to see you all again. And I see Paul O'Neill over here, the chairman of Alcoa, a dedicated advocate for educational excellence. And to the rest of this extraordinary gathering -- leaders of businesses and veterans groups, associations, volunteer organizations, education partnerships, those who are working for home ownership -- all those who make America the land of opportunity, welcome to the White House.

I might add that also with us is Anthony Henderson -- I don't see him -- there he is right there, my man. Anthony Henderson is a youngster from Barcroft Elementary School across the river there in Arlington. You may remember that when I visited his class, Anthony's the one who asked me to prove that I was the President of the United States. And here he is -- [laughter] -- I had to show him my driver's license and my credit card. [Laughter] Anthony, do you believe me now? All okay, all right. And welcome. I'm just delighted you're here.

Over the past 30 months, this world has changed at a dramatic pace. America has been called upon to meet one challenge after another. And meet them we did -- each and every one of them. From Eastern Europe to Panama to the Persian Gulf, our country stands as a strong champion of freedom.

Ninety-eight days ago, I asked the Congress to tackle the urgent problems on the homefront with that same energy that we dedicated to tackling the crisis on the battlefront. I spelled out my domestic priorities -- setting out, I'll admit, an ambitious agenda founded upon enhancing economic growth, investing in our future, and increasing opportunity for all Americans. I sent to the Congress literally hundreds of recommendations for legislative change. Then I specifically asked that Congress pass just two laws in 100 days, a comprehensive anticrime bill and a transportation bill.

Now, you've heard a lot about that lately, but this kind of challenge is not new. Presidents as different as Johnson and Ford have a history of encouraging the Congress to meet a deadline. In fact, Lyndon Johnson, in his State of the Union Address in January of 1964, challenged the

Congress to act on at least eight broad domestic issues, all within 5 months. And I thought 100 days was fairly reasonable. And I wasn't asking the Congress to deliver a hot pizza in less than 30 minutes. [Laughter] That would be revolutionary for a Congress. I only asked for two pieces of legislation in 100 days. It's now clear that neither will be on my desk by Friday.

And, look, I'm disappointed, but, frankly, I'm not surprised. Tonight I'd like to put this all in -- try to put it in some perspective. I haven't asked you here to sit through a litany of programs and policies. We have a long list of legislative priorities already before the Congress, awaiting congressional action. I won't repeat that list here tonight. But rather, I'd like to do something different and describe to you how I personally see the shared strength and promise of America.

It is hard for the American people to understand, frankly, why a bill to fight crime cannot be acted on in 100 days; or why Congress can't pass a highway bill in 100 days. But, look, if it can't be done, if 100 days isn't enough, let me just ask this rhetorical question: How many days are?

These are important issues, and there are many, many others. And most Americans believe fear of crime and violence threatens our most basic freedoms and denies us opportunity. They also believe that we must invest in our future to provide an infrastructure for those who come along after us. So they don't understand -- the American people don't understand the complications and the inaction and the bickering, particularly when so many do understand what it takes to solve problems in their own neighborhoods: commitment, compassion, and courage.

I cannot fully explain this inaction to the American people. As I said, I'm disappointed, but not surprised. But I can say this as partial consolation: America's problem-solving does not begin or end with the Congress, nor with the White House.

Yes, it would help if Congress would do what people are asking of them. And I'll keep working with the Congress; my hand remains extended. But we cannot let Congress discourage or deter us from meeting our responsibilities.

I believe that the people gathered here tonight, under the twilight shadow of our magnificent Washington's Monument, understand this better than most. You are extraordinary Americans, representing thousands of others. You bring to life the genius of the American spirit. And it is through you and with you that we can solve our most pressing problems. Together we can transform America and create whole and good communities everywhere. Tonight, all Americans can help lead the way.

A great nation has the courage to be honest about itself. And we are -- let's never forget it -- we are a great nation. I believe that absolutely, as do you. We are indisputably the world's most powerful force for freedom and economic growth. Still, no one can deny that we have these enormous challenges. Not all Americans are living the American dream by a long shot. Many can't even imagine it.

There are impoverished Americans, the poor and the homeless, the hungry and the hopeless, many unable to read and write. There are Americans gone astray, the kids dragged down by drugs, the shattered families, the teenage mothers struggling to cope. Then there are Americans uneasy, troubled and bewildered by the dizzying pace of change.

For many years I've crisscrossed this country, as many here have. As President, part of my job -- and it really is an exciting part -- is going to the small towns and the big cities and the schools, the neighborhoods, and the factories. Those are the places where you discover what's good and right about our country -- and what's going wrong, too.

The state of our nation is the state of our communities. As our communities flourish, our nation will flourish. So we must seek a nation of whole communities, a nation of good communities -- an America whole and good.

What defines such a community? First, it is one that cares for the needs of its young people by building character -- values and good habits for life. Second, it's a community that provides excellent schools, schools that spark a life-long interest in learning. Next, there is opportunity and hope, rooted in the dignity of work and reward for achievement. Fourth, it's where people care about their health and their environment and where a sense of well-being and belonging is nurtured. And finally, all of its neighborhoods are decent and safe.

Because millions of Americans have chosen to lead the way, these are not simply dreams. Thousands of whole and good communities already flourish in America, communities where ordinary people have achieved the American dream. We should never in our anguish lose sight of that. America is the most productive, prosperous, enlightened nation on Earth -- a nation that can do anything. And we can do even better.

We should be confident as a country about what lies ahead. America has a track record of success -- success shaped with our own hands. Sometimes in our impatience, yes, we've made mistakes -- but when we do, we dust ourselves off and go at it again. Every American should take pride in this country's fundamental goodness -- decency. Each of us must resolve in our own hearts that for all the good we've done, it's time to do better -- much, much better.

Conventional wisdom in our day once held that all solutions were in the hands of government -- call in the best and the brightest, hand over the keys to the national treasury. Bigger government was better government: compassion was measured in dollars and cents, progress by price tag. We tried that course. As we ended the '70s, our economy strangling on inflation, soaring interest rates, and unemployment, America turned away from government as ``the answer."

So, conventional wisdom then turned to the genius of the free market. We began a decade of exceptional economic growth and created 20 million new jobs. And yet, let's face it, many of our streets are still not safe, our schools have lost their edge, and millions -- millions still trudge the

path of poverty. There is more to be done, and the marketplace alone can't solve all our problems.

Is the harsh lesson that there must always be those who are left behind? America must have but one answer, and that answer is no. There is a better way, one that combines our efforts -- those of a government properly defined, the marketplace properly understood, and services to others properly engaged. This is the only way -- all three of these -- to an America whole and good.

It requires all three forces of our national life. First, it requires the power of the free market; second, a competent, compassionate government; and third, the ethic of serving others, including what I call the Points of Light. These three powerful forces create the conditions for communities to be whole and free, and it's time that we harnessed all three of them.

In our complex democracy, power is fragmented. And that can be frustrating. But on balance, it's for the good. And power tends to move toward those who serve the greater good: entrepreneurs like John Bryant, a young self-starter who has built a multimillion-dollar enterprise and now helps rebuild inner-city Los Angeles; caring individuals like Mack Stolarski, a retired carpenter who now helps his student apprentices repair homes for the poor and disabled.

And because of the power of the free market, what so much of the world can only imagine, we take for granted: abundant food on the shelves of our supermarkets, quality products at our shopping centers. Nothing beats the free market at generating jobs and income and wealth and a better quality of life.

The good news in communities is that the free market is now applying its resources and know-how to our social problems. Many companies, recognizing that tomorrow's workers are today's students, are leaders of a revolution in American education -- partners in the exciting America 2000 strategy. Others are crusaders for environmental protection, while still others are innovators from health care to child care.

Transforming America requires not only the power of the free market, but also a dynamic government. To be the enlightened instrument of the people -- the government of Jefferson and Lincoln and Roosevelt, and the embodiment of their vision -- it must truly be a force for good.

I believe in this kind of government -- a government of compassion and competence. And I believe in backing it up with action. Here tonight, for example, is Mrs. Lauren Jackson-Floyd, one of the first Head Start graduates. Now she teaches preschoolers in that same marvelous program. Her success is why we expanded Head Start by almost three-quarters of a billion dollars. And last year I signed our child care bill to expand parents' choices in caring for their children.

And we fought for a Clean Air Act that puts the free market in the service of the environment -- and we won that one. And the Americans with Disabilities Act, the most important civil rights bill

in decades, has brought new dignity and opportunity to our nation's disabled. Disability leaders like Justin Dart and Sandy Parrino and Evan Kemp were right here, right on this platform, when I signed it. And they're with us tonight.

Jack Kemp and I stood with Ramona Younger across the river in Charles Houston Community Center, over there in Alexandria. And if the Congress enacts our HOPE Initiative -- H-O-P-E -- these public housing tenants can become America's newest home owners. Dewey Stokes here, President of the Fraternal Order of Police, wants to help make our neighborhoods safer, and that's why he supports our crime bill. And if we get a civil rights bill -- and I want one -- like the one I sent to Congress, we will take an important step against discrimination in the workplace.

This is not big government; this is good government.

And finally, along with the forces of the free market and the Government, we must add this ethic of voluntary service. We call it Points of Light. This is not a phrase about charity. It's about the light that is within us all, in our hearts, a light that brightens the lives of others and makes whole the lives of those who shine it. I love Randy Travis' new song. It says, ``a ray of hope in the darkest hour."

Points of Light is a call to every American to serve another in need. But no one of us can solve big problems like poverty or drug abuse all by ourselves. Only the combined light from every school, every business, place of worship, club, group, organization in every community can dissolve the darkness.

Whether a company holds an after-hours literacy program for its workers, a police station counsels tough kids, or third-graders phone lonely homebound citizens -- these senior citizens assigned to their rooms -- Points of Light show those in need that their lives truly matter.

Government and the market, joined with Points of Light, will overwhelm our social problems. And this is how we must guarantee the next American century. Every person, every business, every school board, our associations, our clubs, our places of worship -- we all have the duty to lead.

And only then -- only then can we truly think and act anew. And now Congress, too, must understand the successes and the failures of the past and help us forge a certain future in America.

You people gathered here tonight represent those who refuse to rest easy. I look out and I see so much reflected in your faces -- the strength, the conviction, the commitment. You represent those millions of Americans who use power to achieve a greater good. And I know because you brought me into your homes and your neighborhoods and your schools and your churches.

And last year, I walked through a reclaimed crack house in Kansas City with Al Brooks, the

leader of an anticrime coalition. And I learned more about how we can fight crime in 2 hours than in 2 months of TV news.

Another day I visited General Hospital here in DC, and held a tiny boarder baby in my arms, the child of cocaine addicts. And the remarkable dedication -- I wish every one of you could have been with me -- the remarkable dedication of the women who rescued these babies was just as moving. America needs to hear that story, too.

Just a few months ago, I dropped in on a little West Virginia school in a town called Slanesville. The National Teacher of the Year teaches remedial reading there. And her name is Rae Ellen McKee, and she's here tonight. And visiting her gave me the opportunity to say to the Nation, ``Thank God for our teachers''.

And just yesterday, Lamar Alexander -- the Secretary -- and I flew over, and I spoke before the graduating class of the James H. Groves Adult High School in Sussex County. And we were the guests of the Governor, Mike Castle. And I invited the class to join us tonight. And I went there with the Governor and the Secretary to honor these men and women who had the courage to go back to school and get their diplomas. And they honored us by telling America to be a nation dedicated to lifelong learning.

These are the Americans who love this country for what it is and for what it can become. These are the Americans who make this a nation of boldness, filled with problem solvers, gifted with the American tradition of living up to our ideals. And these are the Americans who prove that no one in America is without a gift to give, a skill to share, a hand to offer.

This is the genius of America: ordinary Americans doing extraordinary things.

The Congress can refer our proposals to its committees and tie itself up with debate, and produce complicated and sometimes expensive and sometimes unworkable legislation. But in the end, we and them must carry forward the magic of America. We must carry forward what is good and reach out and embrace what is best, and we must do the hard work of freedom. You see, I know you have. And I know you will. Through you, our country can become an America whole and good.

For that, our country is grateful. And because of that, our country -- the greatest and freest on the face of the Earth -- will prevail.

Thank you all very, very much.

Note: The President spoke at 8:02 p.m. on the South Lawn at the White House. In his remarks, he referred to Gov. Carroll Campbell of South Carolina; Gov. Michael N. Castle of Delaware; Richard C. Hackett, mayor of Memphis, TN; Sue Myrick, mayor of Charlotte, NC; Ann Klinger,

county supervisor for Merced County, CA, and former president of the National Association of Counties; Secretary of Housing and Urban Development Jack Kemp; and Secretary of Education Lamar Alexander. The audience of invitees, composed of elected officials, service organization representatives, and Point of Light award recipients, sang a chorus of ``Happy Birthday'' to the President when he appeared on the South Lawn. A tape was not available for verification of the content of these remarks.

Remarks on Childhood Immunization

June 13, 1991

The President. Let me just say at the outset of these remarks how proud I am of our Secretary, who is taking the lead in matters like immunization, the subject at hand today, and so many others, going across this country, the message of hope, recognizing our shortcomings, but also outlining programs that are essential to the health of this nation.

I'm delighted to see Chairman Whitten here, long interested in the health of our children, and Congressman Norm Lent and three Senators whose passion is this kind of caring for others. And I'm talking about Senator Bumpers, Senator Hatch, and Senator Chafee, all with us here today.

And I also want to just second the motion as to what Lou said about Assistant Secretary Mason and Surgeon General Novello and, of course, our old associate here who now heads the Center for Disease Control, Bill Roper. Welcome back, Bill. Glad to have you here.

And let me also salute, because this is vital to success of a program like this, the State and local health officials. And I'd be remiss if I didn't signal out this dressy bunch of kids here in the front row. They look great, and there's a certain symbolism of having them with us today. And thank you -- their teachers and their families -- for bringing them our way. To them I say, I'll try to be brief. [Laughter] As with immunization, this will only hurt a little. [Laughter]

When we announced our national education goals, the very first was that by the year 2000 all children in America will start school ready to learn. And that's one reason we put such emphasis on our Healthy Start initiative. Every child deserves a chance. And in the 1990's, no child in America should be at risk to deadly diseases like diptheria and polio or the one that Lou was stressing here today, measles.

A decade ago, we hoped to eradicate these threats. And thanks to those of you here today and many others across our country, we have made remarkable progress. And on behalf of a grateful nation then, let me thank all of you and others like you for what you have done by being in the leadership role in these important questions.

I urge you to get on now with the job at hand because, despite our successes, 1990 brought the largest number of measles cases since 1977 -- 1977 -- a 50-percent increase over `89. And that's why I again commend the Secretary of HHS Dr. Sullivan, and Dr. Mason, Surgeon General Novello, and Mr. Roper and others for performing their HHS SWAT team to visit six major cities -- Lou gave you the names -- work with State and local officials, some of you here today.

And they want to learn why kids aren't getting immunized. And they want to get every community mobilized. And out of this testing they'll come forward with ideas that I hope will

help this nation's health.

We've got to find out what works and make sure the word spreads so that the disease does not. By getting to kids at an earlier age, by educating parents and finding creative ways to get them into the clinics, we can see that no child is left vulnerable without a vaccine for preventable childhood diseases.

My budget for '92 calls for an additional $40 million for the CDC immunization program, targeted especially to communities where the need is the greatest. Overall, Federal funding for immunizations has more than doubled since '88. But a problem like this one won't be solved by directives out of the White House or out of HHS or out of NIH or wherever. We've got to assault it from all angles and levels with public health efforts, with creative partnerships between the nonprofits and the private sector, with conscientious action on the part of parents, teachers, and citizens.

And we have plenty of vaccines. But we must do the hard work of logistics, of planning, of coordination to get the medicine to kids who need it, especially in the urban neighborhoods.

So, let me thank all of you here today, singling out a few Points of Light in this effort: the Junior Leagues, the Children's Action Network, and many other organizations and individuals who have been committed to childhood immunization programs for years. You've been doing the Lord's work for years, long before we've got the proper focus on it here at the Federal Government. Your remarkable work to build awareness will get results. And I'm certain of that.

Throughout our health policy programs, we're putting new emphasis on prevention. America's a humane and caring society that cannot condone unnecessary suffering. And what's more, to remain a vital society, we can't afford to waste human resources either. Disease prevention represents our best opportunity to reduce the ever-increasing portion of our resources that we now spend to treat preventable illnesses.

For the sake of children who need protection from childhood diseases, we need to try creative ideas like ``one-stop shopping'' for health care, and escorted referral for ``express lane'' immunization at clinics. By encouraging all health care professionals never to miss a chance to give a shot, we'll have a fighting chance to get ahead of these diseases.

Along with all who serve in health care, today I call on every parent everywhere in America: Don't take a chance. The facilities are there. The vaccines are available. Call your local public health official or your own physician. Please, make sure your child is immunized.

A deadly plague called polio threatened my generation, darkened the fun of summers and crippled and killed kids. But American ingenuity, fantastic research, stopped that killer. And while some say each generation repeats the mistakes of the last, no generation in America should

suffer the plagues of the past.

American decency demands that we not let complacency lead to contagion, and never let apathy lead to epidemic. So, with the efforts of people like you, with the help from these five Congressmen and many Members of Congress and many others -- Chairman Whitten, Norm Lent, Senator Bumpers, Senator Hatch, and Senator Chafee -- the help of these leads -- who else did I miss? Where is Arlen? Now, Senator Specter has done something he normally doesn't do, he's blended in with the crowd back there. [Laughter] But you should be sitting up here so I could finger you. But stand up, because I want these other -- or you could come up with us. But Senator Specter has been a leader in this whole quest for helping kids.

So, it's a cooperative effort. And I'm going to approach it that way as we -- I hope our Department is. I know Lou Sullivan is. And it's not just the Members of Congress, nor the President of the United States; it's all of you. Many of you have been out front long before we have. But I thank you. I salute you. And now let's go out and get the job done. And thanks for coming to the White House on this beautiful day.

And Arlen, if you all would come up, let me just get one quick picture with our health professionals here.

Thank you all very, very much.

Q. Mr. President, who will submit your health package to Congress? Who will submit it, sir?

The President. -- piece by piece. You're hearing a very important part of it right now.

Note: The President spoke at 9:26 a.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Health and Human Services Louis W. Sullivan; Representatives Jamie L. Whitten, chairman of the House Appropriations Committee, and Norman F. Lent; Senators Dale Bumpers, Orrin G. Hatch, John H. Chafee, and Arlen Specter; James O. Mason, Assistant Secretary for Health; Antonia C. Novello, Surgeon General of the Public Health Service; and William L. Roper, Director of the Centers for Disease Control.

Remarks at the Groundbreaking Ceremony for the Hospital for Sick Children

June 13, 1991

Thank you all very, very much. We got a tent, we have clowns. What else is there? [Laughter] This is wonderful.

Listen, thanks for that warm welcome. And Barbara and I have been looking forward to this. And I want to acknowledge a special friend of yours, a friend of medicine's who came out with me here today, our Secretary of HHS, Dr. Lou Sullivan. We just came from the Rose Garden where we talked about the importance of childhood immunization. And I want to tell you, the more I see and listen to our Secretary, whom we've known before he became Secretary -- Morehouse School of Medicine, where he was a head -- the more I respect his work for this country, particularly for the children of this country.

We're also honored to have with us today, resplendent in uniform, Dr. Antonia Novello, who with such a poignant firsthand knowledge she has of the critical need for this kind of hospital of compassion. And a special greeting to Dr. Constance Battle who I met, the hospital CEO, medical director, and guiding spirit.

And to Stephen Montgomery, the introducer, the chairman of this hospital's board, a person who epitomizes what we refer to as the Points of Light. Let me say to you and all the other volunteers and all the others that give their lives to helping others here, we are very, very grateful to you.

And to the representatives of the District that are with us today, may I salute you. And welcome also to the doctors, the nurses, the therapists, the aides, the volunteers who fill these halls with life and love. A special welcome -- a special welcome to the parents who are here, but even more than that, most of all to the kids themselves right over here.

Barbara and I are thrilled to be here. She heard that 62 years ago, the First Lady, Mrs. Herbert Hoover, laid the cornerstone of the main building here. And so, she and I are both thrilled that we'll get to do this job today. She talked with me about her very moving visits here, and she speaks for the mothers' special love for those most in need.

Some of you kids have been to our house, the White House, the people's house, when you've come for Christmas tours. But I wanted to see this place for myself. And you know something, I'm sure that Barbara's stories even didn't prepare me for the majesty of this place. I expected to feel sadness when I got out of the car, and I felt a sense of joy and real hope projected by those who have committed a lot of their lives to helping others here. As parents, we desperately want to protect our kids; we want to spare them pain or fear. And that's why our hearts go out to families

whose kids lie in incubators or cribs, wheelchairs behind the walls here. And it's hard to face a world in which your children suffer. You ride an emotional rollercoaster, and you must draw upon all reserves of courage and love and certainly faith just to make it through each day.

These marvelous kids -- and I wish all of you could see them from this vantage point, at least the ones we have with us -- have won their first great battle, the battle for life. And now they're fighting the battle for recovery. And my money's on them; I believe they're going to make it. And they're being very good listening to all of this. [Laughter] And this is the place where they start. It may be hard for some of us to walk into a hospital, I confess that myself, but you get drawn into the drama of life within its walls. And you see notes at the end of the cribs, I'm told, ``She smiles when tummy is rubbed," or ``He reaches for panda when it's moved away." Some tiny bodies bear the marks of what brought them here, regrettably, society's ailments: abuse, accidents, drugs. But the staff's love and care casts a special light upon everything.

I was reminded of a Bible verse that describes apostles who did their work because it was right: ``We were gentle among you like a nurse taking care of her children." The Bible says that. Gentle among us like the nurse in a rocking chair cradling an infant swathed in tubes, or the one who dressed the comatose girl in a new dress. The little girl in her twilight world will never see her outfit, but it shows that somebody cares. Gentle like the senior citizen volunteer sitting next to a window, feeding the blind toddler on his lap. The caregivers have created within a maze of machines and respirators a human world; a community of hugs and kisses, a world where people talk not of how sick the kids are -- that's with them every day -- but of how well they can be; a world where a nurse, explaining why she does what she does, says without pausing to think it over, ``They feel our love."

You know, when you're dealing in medicine, whether you're a doctor or not, we toss around the word ``miracle" a lot. But this hospital reminds of its true meaning. A real miracle is saving one child. It's watching a toddler take that first unassisted breath in his life. It's seeing a young girl, paralyzed from the neck down, learning to draw with her mouth. Well, Bobetta, I'm talking about you. Or it's saying goodbye to a boy who came 14 months ago as a premature newborn and who will be leaving next month, going home with his mom and dad.

Really, I think, that's the legacy of the Hospital for Sick Children. It's a legacy that must spread. I was amazed to hear that this is one of only a handful of similar hospitals in this country. We need more places like this, transitional care facilities for kids who no longer require a hospital's acute care, but who aren't well enough to go home yet. We need communities like this, where parents can apply the salve of love and can learn how to care for their kids in the years ahead. And the staff here, I'm told, is developing a magnificent program that shows how to set up this kind of hospital.

I hope health care professionals across this country will learn from it and go on to develop more facilities like this one. They're cost-effective. They work. They stabilize children and give them

the best possible chance to live and to recover. We'll need more such centers since the technologies that save lives also create more long-term health challenges.

Barbara's told me that you always have a waiting list here. She's also told me that you never turn away any children whose families cannot pay. And I look at your plans for expansion and think of how many more lives you'll be able to reach out and touch.

The Hospital for Sick Children is a hidden treasure. And it brings out the hidden treasure in kids who otherwise might have been forever forgotten. No one who walks through your doors can leave without feeling a kind of awe. You bring alive the prayer of St. Francis: ``Where there is despair, let me sow hope. Where there is darkness, light. And where there is sadness, joy."

And thank you for the life-transforming love that you show. Barbara and I will never forget this place or any of you. And may God bless you for your inspiring work and the very special kids that you love.

Thank you all very much.

Note: The President spoke at 10:02 a.m. on the grounds of the hospital. In his remarks, he referred to Secretary of Health and Human Services Louis W. Sullivan; Antonia C. Novello, Surgeon General of the Public Health Service; Constance U. Battle, chief executive officer and medical director of the hospital; Stephen Montgomery, chairman of the hospital's board of directors; and patient Bobetta Ricks.

Remarks on Signing the Baltic Freedom Day Proclamation

June 13, 1991

Welcome everybody, and please be seated. First of all, may I welcome Senator Riegle from Michigan and Congressmen Ritter and Hertel with us here today. Just delighted to have you here. And let me begin by thanking all of you. I'm sure it's inconvenient coming from as far away as some of you have, but you're welcome here, and we're delighted to have you.

I had the pleasure of meeting some of you all a few months ago here at the White House. And I, frankly, valued and got a lot out of the exchange of views on the situations in the Baltic. And I pledged then and pledge again our desire to continue close consultation with Baltic-Americans from whatever State and, of course, the Congress as well on these important questions.

And it's an honor to mark this occasion, this important occasion with so many of the men and women who champion the cause -- and have for years -- of freedom for the Baltics.

More than 50 years have passed since the dark days of June in 1940, when three sovereign nations were subjugated by superior force. In those 50 years, the courage of the Baltic peoples has shown that force can subjugate a nation, but it cannot rob a people of their desire to be free.

Never has anyone in this room believed that the fate of the Baltic States was sealed by that secret pact between Hitler and Stalin. Never has the United States recognized the forcible incorporation of the Baltic States into the Soviet Union. Never in five long decades have the people there and all of you too, I might add, lost hope: the indomitable spirit that sustains the history and heritage of the Baltics. Generations of sons and daughters who have never known freedom have faith that the Baltics will one day once more be free. Today, that dream of self-determination, the Baltics' democratic destiny, burns fiercely and bright.

In Estonia, in Lithuania, and Latvia, freely elected legislatures now govern in the name of the people. The popular will has expressed its clear and unmistakable desire for freedom. And in the face of violence and intimidation, the Baltic peoples and their freely elected leaders have steadfastly refused to answer violence with violence, preferring the path of peace and principle.

The resumption of negotiations between the Soviet Government and the Baltic States is a positive step. And yet there's much reason to be concerned about recent Soviet actions against customs posts in Lithuania and Latvia and the ongoing Soviet occupation of broadcast facilities in Vilnius -- acts that are incompatible with the process of peaceful change. Good-faith negotiations cannot go forward in an atmosphere of threat and intimidation.

And this nation has taken steps to demonstrate our support for the Baltic nations, the people there. In February, through the generous support of many of the groups represented here today, the U.S. shipped emergency medical supplies to Estonia, Lithuania, and Latvia. And I'm proud to say that since the response from the Baltic-American community has been so tremendous, we'll soon send a second shipment to the Baltics. These shipments are but one side of the affinity we feel as Americans with the aspirations of all the Baltic peoples.

In May, I met here in the White House with the elected leaders of Lithuania and Estonia and Latvia -- and my sixth meeting, incidentally, sixth meeting with the Baltic leaders in the past 12 months. And I will tell you today what I told them: At every opportunity, I and other members of our administration have made clear to President Gorbachev and to the other Soviet leaders this nation's firm belief in the legitimate aspirations of the Baltic States. The fate of freedom in the Baltics will remain high on our agenda.

So, once more, keep up your good work. I think the educational process that all of you are engaged in as you help other Americans understand what's at stake here is very important to the ultimate solution to these problems. And I'm delighted to have you here. And may I say, God bless the people of the Baltics. And now I want to ask the Members of Congress to come up with me as I sign the proclamation designating June 14, 1991, Baltic Freedom Day.

Thank you all very much.

Note: The President spoke at 2:20 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Senator Donald W. Riegle, Jr.; Representatives Don Ritter and Dennis M. Hertel; and President Mikhail Gorbachev of the Soviet Union. The proclamation is listed in Appendix E at the end of this volume.

Statement on Signing the Bill Providing Humanitarian Assistance for Iraqi Refugees and Displaced Persons

June 13, 1991

Today I have signed H.R. 2251, an Act that provides supplemental appropriations for humanitarian assistance to refugees and displaced persons in and around Iraq and for peacekeeping activities.

I am pleased by the demonstration of bipartisan cooperation and the speed with which the Congress has worked to complete action on this legislation. This Act will enable the Departments of State and Defense and the Agency for International Development to continue their efforts on behalf of the refugees and displaced persons in and around Iraq, and to replenish those accounts which have been drawn down by the immense effort of Operation Provide Comfort. The funds provided in this Act are incremental costs of Operation Desert Shield/Desert Storm.

In the 68 days since the initiation of Operation Provide Comfort, the United States has delivered by air and land over 17,000 tons of relief supplies and provided medical assistance for thousands of Iraqi refugees and displaced persons who fled to the Turkey/Iraq border area. Countless lives were saved. Through American leadership, spearheaded so well by the military, 650,000 Iraqi refugees and displaced persons have left the inhospitable mountains and traveled to or through relief camps we built. Most are now returning to their homes. The last mountain camp has closed. The task of responding to this human tragedy is not over, but we can be grateful for what has been accomplished by the United States, the United Nations, and the international community.

George Bush

The White House,

June 13, 1991.

Note: H.R. 2251, approved June 13, was assigned Public Law No. 102 - 55.

Remarks at the Annual Republican Congressional Fundraising Dinner

June 13, 1991

Thank you. Thank you, Senator Gramm, and thanks, all of you. First, let me say what a superb job my introducer is doing in his early efforts -- and there will be ongoing efforts -- get control of the United States Senate back. Phil Gramm is a tiger. You saw a little of it here tonight. He's tough, and I believe he's going to get the job done.

May I first salute our Vice President. Let me tell you something: Dan Quayle is doing a superb job for our country here and abroad in everything he does, and I am proud to have him at my side.

And of course, let me salute the former majority leader of the United States Senate, Howard Baker, who took on this task, a busy man. And he got a job done in a historic way. Howard, we owe you a tremendous vote of thanks and thank you, sir.

And I also salute Bob Michel and Senator Dole. It's a joy to work with them. I couldn't ask for any leaders to give me more support, steadfast, loyal support, than these two, one in the Senate and one in the House. And thank you both.

And may I also thank my Cabinet. We've got a good Cabinet, a strong Cabinet. We get a lot of ideas presented at the Cabinet table. And then the decision is made, and they come together. And I am very blessed with having them and having a strong White House staff, many of whom are here tonight. So, I'm grateful, and it gives me a good chance to say that to you, the movers and shakers of the Republican Party.

Let me just say a few words about our country. Frankly, I am confident, optimistic about the future of this great country. And I am very proud of the way our young men and women served with courage in the Gulf, the way they selflessly liberated a small nation. And our objective was to show that aggression will not stand, and they sure showed that. The aggressors were kicked out of Kuwait because of the fine young men and women of this country.

And what I want to see us do is put this same courage and dedication and sense of purpose to work right here at home. In the communities I visit -- and Barbara is with me, going to many more on her own, I might add -- I sense a certain urgency. There is an impatience in the air. People feel that as a nation we've got great work to do. And that is good because that is America.

You know, I spoke at the White House last night on the lawn, with the monument behind us and a beautiful summer evening there, to a remarkable cross section of America, hundreds of people who make America a land of opportunity. People whose products and ideas fuel an economy that,

whatever its ebbs and flows, remains the envy of the world. People who make government work for us and not against us. And finally, the Points of Light, the people who use their time and talent to help the young and old, who are too busy solving problems to be stopped by them. These people give this nation its special character, and they make their nation a nation of practical people, resourceful, down-to-Earth, hard-working. And they make America a nation where ideals count; a nation filled with people not easily satisfied, always ready to aim high, to ask more of their country and of themselves.

And so, that is what is going on across the country, but here in Washington we've got to ask ourselves: How can government help? How do we recognize the role that government must play and the limits to what government can do? Each party provides its own answer. The Democrats that control their party don't look at things the way we do. I frankly get a little sick and tired of hearing the true practitioners of partisan politics saying that we have no domestic agenda. We have the kind of domestic agenda the American people want, the kind they elected us to enact. And if those leaders weren't up there, we'd get the job done for this country. The partisans refuse to move.

I loved it when they attacked a speech that I didn't give even before I didn't give it. [Laughter] They go out and assail a theme that wasn't particularly going to be in the speech in the first place. They're desperate. They seem to feed -- these Democrat leaders -- on hard feelings, to thrive on bad times, to keep telling us that everything is bad about our country. And such a negative approach to this, the greatest country on the face of the Earth.

But your philosophy, my philosophy, is fundamentally different. We put our trust in the people. Republicans want to do more than simply rein in the excesses of the liberal alternative. Republican government is guided by a sense of what is good for the individual, what is good for the family. The family stands at the very center of all that is right and good about America, and this President and this party will defend the American family and will deny legislation that weakens the American family.

When we put together our policies and programs, we've got to always ask ourselves: Does this really help? Does this program or policy promote independence, or are we treating a proud individual as a ward of the state? Are we strengthening or weakening the family? Is government offering a helping hand or a fatal embrace? The answers to those questions shape our administration's approach to government.

Take education: We want schools that work, an education strategy that sparks innovation, improves achievement, raises standards, and in the process, revolutionizes the American schools.

Take housing: Let the Democrats make it their goal to warehouse the largest possible number of housing tenants by throwing money at bricks and mortar. Our goal is to transform those tenants into America's newest homeowners and give them the dignity that everybody that owns a home

feels in his heart.

And take child care: We fought off, with great help in the Senate and great help in the House, the other party's attempt to build a new child care bureaucracy managed and mandated from Washington, DC. A system of redtape and regulations so stifling that it would take our kids out of their grandparents' arms and put them into antiseptic government day care institutions. And our child care initiative put choice right where it belongs -- in the hands of the parents. And we passed -- thank heavens we passed a good child care bill last year.

And look, I am the first to know that we have had difficulty putting our ideas into action. Right now, as you have heard tonight from our leaders, Republicans are on the short end of the numbers game up on Capitol Hill. In a world where the pace of change accelerates every day, we've got one part of government, congressional government, that moves at a glacial pace. I didn't come here to knock the Congress. I've got a lot of Congressmen sitting out here that make sense that can knock the Congress.

I've been there, though. I served in the House alongside of Bob Dole, who is here, and Bob Michel and many other old hands here tonight. And I will once again say that I just can't tell you, every day that I'm in the White House, how grateful I am to our leaders. And it's not just the two that we've had here tonight -- I salute them -- but to our whips Al Simpson and Newt Gingrich. They are doing a super job for our party.

Look, I respect the Congress, and I know the dedication that good Congress men and women bring to that job. And I know the way our whips get going and all the rest of our Republican team work tirelessly to advance our team. But I also know Capitol Hill, the way the place allows each individual Congressman to duck collective responsibility for taking action, even when action is imperative.

Back in March -- and you heard Phil mention this -- during my joint address to the Congress at the conclusion of Desert Storm, I challenged Congress to tackle pressing national problems with the same energy and the same sense of purpose that guided us in the Gulf. And I set out a fairly detailed domestic agenda, and to get things moving I picked just two issues. I singled out just two -- it could have been more -- a comprehensive crime bill and a transportation bill. And I urged the Congress to act to pass these two bills in 100 days. Franklin Roosevelt challenged the Congress to act in a period of time. Lyndon Johnson challenged it. President Ford challenged it. John Kennedy set goals with timeframes on them. To listen to the leaders of the Democrats squawk, you'd think I was violating the Constitution of the United States.

Ninety-nine days have passed since I issued the challenge, and all we've gotten from the Congress these past 99 days is 101 excuses. And I think I detect a trend here: The complaints are getting louder the closer we move towards 1992, for some reason. If Congress doesn't get the message, the American people are going to have to get themselves a new Congress. And very candidly,

with your generosity tonight and what so many of you have done in the past and will do in the future, that is where you come in.

In 1992, with your help, we will make great gains in the House. Bob Michel is right. I think the climate is different now. I really believe people want change. I think they're tired of people that serve in perpetuity. I think they want change and dynamism. And we can build Republican numbers up to a point where we are within striking distance of a majority, where we can work across the aisle then. Can't quite get it done yet. Then we'll be able to work across the aisle to build a consensus with the far-sighted, like-minded members of the opposition, and there are plenty of those around. Where after too many years in the wilderness, we can put our ideas into action in the House. And I have even higher hopes for the Senate. After election day in 1992, when I talk to the Senate majority leader, I'll be talking to Bob Dole, a Republican. And it's about time we get control back.

And so, let me say to all the Republican Members of the Congress here tonight: In spite of all the odds, thanks to you we have had our share of successes, from clean air to child care to the historic civil rights legislation, the Americans with Disabilities Act. But too much of the time you and the White House have been forced to play defense. I've counted on congressional Republicans to uphold my vetoes. We've turned back more than a few bad bills that would have become law. And I was reluctant, but I had to veto 21 bills. And thanks to so many Members here tonight, not one single veto has been overturned. And that is not easy.

Which reminds me, if we could only get for the President that which 43 Governors have, we could really protect the taxpayer. And I'm talking about the line-item veto. And I'm trying to find ways to use it. And if we control one House of the Congress, we can get on the offensive. We can stay there. We can bring to the attention of the American people those things that I was elected to perform on. We can get our programs through: crime and transportation and education and a real growth package and our homeownership initiatives and regulatory reform and a true civil rights bill. All of our agenda to move America forward -- and we've got a good one. We can deliver the kind of leadership America deserves, the kind of government that I honestly believe in my heart that only our party can provide.

And so, tonight I wanted to thank each and every one of you for helping us take a step forward to the future. As you get shaken down by these awesome fundraisers out here and you do the same to your fellow Americans, you're doing the Lord's work. We need you. And you're working to change the direction of this country and give us the manpower and the womanpower in both Houses of Congress to get the job done.

Thank you all, and God bless you. Barbara and I are grateful to each and every one of you.

Note: The President spoke at 9:36 p.m. in Hall A at the Washington Convention Center. In his remarks, he referred to Senator Phil Gramm, chairman of the National Republican Senatorial

Committee; Vice President Dan Quayle; Howard Baker, dinner chairman; Robert H. Michel, House Republican leader; Bob Dole, Senate Republican leader; Senator Alan K. Simpson; and Representative Newt Gingrich.

Exchange With Reporters Aboard Air Force One

June 14, 1991

The President. What do you think of my shoes -- okay? [Laughter]

Q. -- -- slippers.

The President. I don't want anybody taking pictures of them, Jessie [Jessica Lee, USA Today]. Don't want to see them in USA Today, do you know what I mean?

Q. I don't have a camera with me.

The President. Okay.

President's Schedule

Q. So, this is the first of how many California trips in the next 15 months or so?

The President. What?

Q. This is the first of how many California trips?

The President. Oh. Well, I don't know. I haven't been out here as much as I'd like. And we've got several good events, one pure R&R tomorrow night, and then the graduation at a very important university, CalTech, with the emphasis on science and R&D. It's very symptomatic of what we need to be doing in terms of math and science. And then we have, Sunday, the Simon Wiesenthal memorial dinner.

So, it's a mixed trip. I'll be meeting with some press. We'll be doing an Asian-American event. And yes, I expect I'll be coming out here quite a bit in the next year and a half.

Soviet-U.S. Relations

Q. Is the summit now off until the fall, Mr. President?

The President. No decision on summit dates at all. We're still hoping and trying to go forward. But, as President Gorbachev said, it's hard to achieve, working all these problems out in a short timeframe. Although as far as we're concerned, if we can get the difficulties on START worked out, we can still have a meeting at the end of June. I think both sides think that the issues are fairly complex still. But we're going to try we're going to try.

Q. Still possible the end of June?

The President. Well, we've saved the time. But I don't want to mislead anybody. I mean, it's difficult. And he said yesterday -- I thought he said something like it looked more like the end of July. And so, we've got time set aside for both windows there.

Civil Rights Legislation

Q. Have you taken a look at -- are you familiar with the Danforth proposal on a civil rights bill?

The President. Our attorneys and the Attorney General are looking at it. And I'd like them to look very hard at our proposal. We've heard very little about my legitimate civil rights proposal that is a really good one. And I just hope that when people thrash around, they'll take a hard look at that one. I'm told that the politics are such that the Democrat leadership simply won't accept our bill, which does hit a major lick against discrimination in the workplace. So, as we talk about other proposals, we're asking them to take a hard look at ours.

Iranian Nuclear Weapons

Q. Mr. President, there was a report this morning that Iran has a nuclear weapons program that's being aided by Pakistan. Do you know anything about that?

The President. Haven't seen such a report and I think I'd know about it -- oh, Iran. I thought you said Iraq.

Q. Iran.

The President. Still don't know about it. But we'll take a look at that.

Soviet Union

Q. What sort of aid package would you like to see for the Soviets come out of the G - 7 meeting?

The President. I think we need a reform package, and I think they think we need a reform package. After all the stories and price tags, I think there's a recognition on all sides that the best way to assist the whole reform process is move to reform itself. And then we'll see what else happens. I was pleased we were able to get certification from the Secretary of Agriculture that the grain credits are creditworthy. We went ahead with that project. There are other things that we're moving on. But in terms of this whole reported megabuck package, I think we've got a lot of discussion to do in terms of reform. And they know that. This doesn't come as any surprise to Mr. Primakov or, well, certainly to Mr. Gorbachev.

Q. Do you think -- is the G - 7 agreed on that?

The President. Well, I think we have general agreement. We'll wait and see until we get the G - 7. But I'm in touch with some of those leaders, and I don't think there are big divisions in the G - 7 on that question.

Q. So, you think, for example, that Chancellor Kohl and President Mitterrand share your view that -- --

The President. Well, I don't know. That's one of the things you have a meeting about is to find out what views people have. But so far nobody's sent me a letter saying, hey, please write out a check for whatever it is -- $150 billion.

Q. Well, are the Soviets, in fact, doing enough in the way of reform?

The President. It's a very hard problem they face. Just yesterday we saw a major reform, which is a viable election system. And then you've got certain economic reforms that we're talking to them about in terms of agriculture distribution. But the problem is so immense that it takes some time. But if the question is, do they want a reform, certainly Gorbachev, certainly Yeltsin. I think the answer is yes.

They've got an enormously complex situation. In a country that big moving from a solid state-controlled system to a market economy is not easy. They've got horrendous problems there. But the reforms have got to be detailed a bit more before blank checks are written, and even then it would be difficult. The U.S. is -- we're not rolling in cash. We've got big deficits; we've got enormous problems ourselves. And my first interest is the American people.

Q. Will Yeltsin get a warmer reception in Washington -- --

The President. We already planned, regardless of this, to meet with Mr. Yeltsin. And I think the significance -- there were free and fair elections. And several mayors that support reform were reelected, and Mr. Yeltsin was elected. I say, mayors elected, and Yeltsin elected. And democracy is on the move there. I happen to think this is good for everyone in the Soviet Union, including the man that started reform, President Gorbachev. And I think he would look at it that way.

South Africa

Q. You're also going to meet with Buthelezi when he comes.

The President. Yes, we certainly are. We certainly are going to do that, just as we met with Mr. Mandela, Mr. de Klerk. Buthelezi is a very powerful leader there. He's got a strong following and

constituency. And what we want to do is see peace, reconciliation in South Africa. And I think they're moving dramatically in that direction. So, I look forward to seeing him again. I think it will be my third or fourth meeting with him.

Thank you all very much.

Note: The exchange began at 7:05 a.m., prior to the President's departure for Los Angeles, CA. The following persons were referred to: President Mikhail Gorbachev of the Soviet Union; Senator John C. Danforth; Attorney General Dick Thornburgh; Secretary of Agriculture Edward R. Madigan; Special Envoy Yevgeniy Primakov of the Soviet Union; Chancellor Helmut Kohl of Germany; President Francois Mitterrand of France; Boris Yeltsin, President of the Republic of Russia; Mangosuthu Gatsha Buthelezi, Chief Minister of South Africa's KwaZulu Homeland and leader of the Inkatha Freedom Party; Nelson Mandela, Deputy President of the African National Congress; and President F.W. de Klerk of South Africa. A tape was not available for verification of the content of this exchange.

Remarks at the California Institute of Technology Commencement Ceremony in Pasadena, California

June 14, 1991

Thank you, Pete, for that very generous introduction. I'm delighted to see Gayle with you over here. Congressman Moorhead -- and to the business at hand -- your chairman of the board, Dr. Mettler, who I've known for years and admired and respected. Dr. Everhart, the president; Dr. Jennings; Dr. DuBridge; Dr. Beckman; Dr. Brown; Mr. Avery; Dr. Shuster -- hello.

I'd also like to acknowledge this distinguished board of trustees that I had the honor to meet with just a while ago. And it's a pleasure to be here at CalTech, my first visit. I'm told it's the first visit of a seated President since Teddy Roosevelt.

However, my trip back to Washington, I understand, will be delayed. Some of CalTech's finest reassembled Air Force One in the lobby of my hotel. [Laughter] Ditch day, perhaps.

You look restless out there -- let me tell you about a Yale graduation. I will confess to having gone to Yale. A minister gave the graduation speech. ``Y," of course, was for youth; that took 40 minutes. ``A," altruism -- brushed that one off in 20 minutes. ``L" was for loyalty -- 45 minutes. ``E" for enterprise -- 30 minutes. The speech ended and most of the kids had left. There was one guy praying. The minister went over and said, ``Oh, son, I'm glad to see a man of faith here. What were you praying for?" He said, ``I was giving thanks that I didn't go to the California Institute of Technology." [Laughter]

So, I'll try to be respectful in that regard. But I should say with pride that we celebrate today the centennial of CalTech. This institution has accomplished astonishing things in 100 years. Your students, your professors, and your graduates have peered into the heart of the atom, gazed out at stars billions of miles away. They've inspired new medicines and biotechnologies, and they've hurled rockets into the heavens. And they've helped redefine the sciences upon which modern technology and modern life depend. CalTech's mission is outward-looking, its quest never-ending, and its path of discovery truly remarkable.

We now stand on the verge of a new voyage in the American experience, charting a fresh course to a world of unseen possibilities and promise. This is mild compared to what I normally run into; I feel, out of respect for the office, it ought to be greater. [Laughter] But to reach it, we will need a strong, swift current of ideas. Thomas Aquinas once said that if the highest aim of a captain were to preserve his ship, he would stay in safe harbor forever. Now, as our imagination mulls over the prospects for the 21st century, the time has come to leave port and set sail -- to the new world beyond.

Many Techers have already explored new worlds -- worlds of the positron and the quark, and the fingerprint of the human gene, and the microcosm of the silicon chip. These brilliant men and women understood the architecture of a problem, and they knew how to navigate the maze of possibilities that stood between them and a solution. Like them, you think about the opportunities -- not the obstacles -- that lie ahead.

I think of the day I graduated from college. We were impatient, were optimistic, bored with the speaker -- but we sensed a coming adventure. And I suspect it's the same with you. Only this time, you probably aren't thinking about becoming farmers, like Barbara and I were. My generation built our future with mortar and brick and machinery. And yours will propel us toward destiny and innovation, ingenuity, and imagination.

Earlier this century, Henry Luce declared this ``The American Century." In his time, that future consisted of smelters and smokestacks -- heavy, productive industries. And now, as this American century draws to a close, ours is an age of microchips and MTV. Ours is an economy increasingly dependent not upon our natural resources or geographic location but upon knowledge. As you well know, knowledge is dynamic, never standing still as it expands beyond the horizon. So, my challenge to you today is to push beyond today's horizons and create new and more distant horizons for your future.

This is the next frontier. In the 21st century, knowledge will shape the power of the individual -- as well as the power of the Nation. Knowledge, defined in our labs and libraries, on bookshelves and computer screens. Whether you're in the military, at the market or on the mainframe, that knowledge will define opportunity.

Some call this the Third Wave or the Information Age or the New Age of Discovery. With a nod to Henry Luce, I believe this serves as a cornerstone for the next American century. If we face this future foursquare, if we accept the call to unleash our imaginations, we will transform this nation. And I have no doubt American will transform the world.

We begin with the free market, the powerhouse of ingenuity. Free markets and free people breathe life into the American dream. Look at the good that people can achieve. Charles Richter and George Housner's research has saved untold lives through their work on predicting and preparing for earthquakes. Harry Gray's research could lead to our harvesting energy from sunlight the same way the plants do. And medical researcher Pamala Bjorkman's research may someday prevent such diseases as arthritis and diabetes.

Look at all the creative enterpreneurs, the ones transforming basic research into new products, the ones with that knack for know-how. This is a true story: I got a letter the other day from a company named Genstar, founded by four CalTech grads. They'd heard me talk about our six national education goals to achieve excellence by the year 2000. I once joked that the seventh goal should be that by the turn of the century, Americans must be able to get their VCRs to stop

flashing ``12:00." [Laughter]

I admit that I didn't think it was possible. [Laughter] But this team of upstarts, CalTechers, invented a device that solves the VCR clock problem easily. [Laughter] They wrote, ``We respond promptly to your national call for VCR literacy by the year 2000 -- in fact, 9 years ahead of schedule." [Laughter]

Well, with mentors like these, there may be hope for students like me, still struggling with the complexities of this age of technology. Their kind of entrepreneurs -- their approach to entrepreneurship helped make our nation prosperous and great. This kind of can-do spirit, this expression of natural American creativity will make our new education strategy work. America 2000, as we call it, summons the Nation to create a new generation of American schools -- schools that break the mold, schools where all students reach world-class standards of performance in English, science, history, geography, and mathematics. It's time that we started measuring success by something other than the Federal dollars spent. Let's not ask ourselves: What does it cost? Let's ask: Does it work?

This administration has rewarded programs in which government acts intelligently and programs produce results. Head Start, where kids get the tools they need to start school ready to learn -- it works, and we support it. We've expanded Head Start funding by over $700 million in the last 2 years.

We advocate programs that employ free market incentives -- like tax credits for low-income parents to choose their own child care -- because they use human nature as a lever, not as an obstacle. We support initiatives that create opportunity -- like our housing vouchers for public housing tenants. Our HOPE initiative gives public housing tenants control over their lives and their futures.

But, you see, home ownership and tenant management -- these are the waves of progress that can truly reduce hopelessness and despair in our great country.

Whether in schools, in child-care centers, or factories or neighborhoods, we must ensure that government is part of the solution, not part of the problem.

I'm not opposed to government per se. I'm not a government-basher. But we in government must understand, bigger isn't better; better is better.

One hundred days ago today, I asked the Congress -- and Pete referred to this -- to tackle the urgent problems here at home with the same commitment that this country dedicated itself to in tackling the crisis in the Persian Gulf. I spelled out a comprehensive domestic agenda, but asked Congress, recognizing the complexities, to pass just two bills in 100 days -- a comprehensive anticrime bill and a transportation bill to do something about the infrastructure in our country.

These bills would work. As a matter of fact, I sent that crime bill to the Hill 24 months ago -- 2 years ago tomorrow. Neither bill has reached my desk. And the American people, as they look at our system, don't understand why.

The American people don't understand what's so hard about passing a bill in 100 days to fight crime. They don't understand the delay, the inaction, the foot-dragging, particularly when they see that Congress can pass a funding bill for a ferryboat in Samoa or a study of the Hatfield-McCoy feud while threatening to cancel the manned space program and the Space Station Freedom.

Last week, a congressional committee nearly canceled the second golden age of space exploration and its possibilities for new knowledge, new technology, and whole new industries here on Earth. Thanks to wiser heads in Congress, both Democrat and Republican, the space station survived -- not, as some believe, at the expense of science. Science and space must be partners in the budget wars, both vital investments in the future.

We must invest now in a brighter future. That's why our administration fully supports high performance computing, and math and science education. We're also proposing a 13-percent increase, bringing research and development to $76 billion. We want to increase funding for the supercollider by more than 100 percent. Government and the free market often converge in the field of basic research. Together, they help produce a brighter future for all Americans. And that's why my commitment to it is so strong.

Most Americans find beltway bickering mystifying, and they should. We ought to think of nobler issues and purposes. We must call upon our higher aspirations. We've done it before, first carving out a superpower out of the wilderness, and then creating the most prosperous, educated society on Earth, and now, thanks to the leadership of many right here on this stage, reaching beyond our planet to the glory of space.

With the telescopes on Mount Palomar, with the Keck telescopes in Hawaii, your astronomers are looking farther than mankind has looked before. Your JPL labs enable unmanned space missions such as the Pioneers and Voyagers to touch the distant boundaries of our solar system.

And here in Pasadena, scientists can now use the world's fastest computer. I hear that the computer is so advanced, it can actually calculate the number of ``Tommy's Burgers'' that you all eat. [Laughter] And I am told -- this may be far-fetched -- that it can reprogram the scoreboard at the Rose Bowl even faster. [Laughter]

You know, it's great -- CalTech is one of the few schools in the country where ``PC'' has always stood for ``personal computer.''

To guarantee that the 21st century becomes the Next American Century, we must combine the might of the free market and intelligent government with something else: the brilliance of those

who make a difference in the lives of others, including the ones that I refer to as the Points of Light.

We know what it takes to solve problems in our own neighborhoods. Some among us have decided to step to the front lines of the war on drugs; others have taken time to teach others to read, or volunteered to care for AIDS babies after work and at night.

Your education here at CalTech enables you to lead, to use your talents for the sake of our country and communities and our children. Those of you who volunteered to help abused women and children at the Hestia House, or taught kids to read in Pasadena, or helped the boys and girls at Five Acres -- you have accepted the challenge. You understand that with your diploma today comes a commitment to reach for the horizons of justice and opportunity, freedom and peace.

In the next American century, all of us will have a responsibility to lead. Each part of our communities -- the union halls, the police clubs, the chambers of commerce, the parents, teachers -- everyone can use their power to solve problems. Because, if you think about it, there isn't a problem in America that isn't being solved somewhere.

Whether you're drawn to the magic of the marketplace, to the honor of public service, or to the ethic of serving others, each of you will be building an America whole and good. Your generation will map our voyage into the next century. I join you in your quest for faraway places and salute your vision of worlds unseen.

Thank you for your hospitality. And may God bless each and every one of you as you graduate from this wonderful institution. Thank you, very much.

Note: The President spoke at 10:35 a.m. on the California Institute of Technology athletic field. In his opening remarks, he referred to Gov. Pete Wilson of California and his wife, Gayle; Representative Carlos J. Moorhead; Ruben F. Mettler, Thomas E. Everhart, Paul C. Jennings, Lee A. DuBridge, and Arnold O. Beckman, chairman of the board of trustees, president, provost, president emeritus, and chairman emeritus, respectively, of the California Institute of Technology; Harold Brown, chairman of the Foreign Policy Institute at Johns Hopkins University; R. Danton Avery, founder and chairman of Avery International; and Marguerite Shuster, pastor of Knox Presbyterian Church in Pasadena, CA. He also referred to the presence of protesters in the audience.

Statement Reaffirming the Government-to-Government Relationship Between the Federal Government and Indian Tribal Governments

June 14, 1991

On January 24, 1983, the Reagan-Bush administration issued a statement on Indian policy recognizing and reaffirming a government-to-government relationship between Indian tribes and the Federal Government. This relationship is the cornerstone of the Bush-Quayle administration's policy of fostering tribal self-government and self-determination.

This government-to-government relationship is the result of sovereign and independent tribal governments being incorporated into the fabric of our nation, of Indian tribes becoming what our courts have come to refer to as quasi-sovereign domestic dependent nations. Over the years the relationship has flourished, grown, and evolved into a vibrant partnership in which over 500 tribal governments stand shoulder to shoulder with the other governmental units that form our Republic.

This is now a relationship in which tribal governments may choose to assume the administration of numerous Federal programs pursuant to the 1975 Indian Self-Determination and Education Assistance Act.

This is a partnership in which an Office of Self-Governance has been established in the Department of the Interior and given the responsibility of working with tribes to craft creative ways of transferring decision-making powers over tribal government functions from the Department to tribal governments.

An Office of American Indian Trust will be established in the Department of the Interior and given the responsibility of overseeing the trust responsibility of the Department and of insuring that no Departmental action will be taken that will adversely affect or destroy those physical assets that the Federal Government holds in trust for the tribes.

I take pride in acknowledging and reaffirming the existence and durability of our unique government-to-government relationship.

Within the White House I have designated a senior staff member, my Director of Intergovernmental Affairs, as my personal liaison with all Indian tribes. While it is not possible for a President or his small staff to deal directly with the multiplicity of issues and problems presented by each of the 510 tribal entities in the Nation now recognized by and dealing with the Department of the Interior, the White House will continue to interact with Indian tribes on an intergovernmental basis.

The concepts of forced termination and excessive dependency on the Federal Government must now be relegated, once and for all, to the history books. Today we move forward toward a permanent relationship of understanding and trust, a relationship in which the tribes of the Nation sit in positions of dependent sovereignty along with the other governments that compose the family that is America.

Interview With Linda Douglas of KNBC, Jim Lampley of KCBS, and Paul Moyer of KABC in Los Angeles, California

June 15, 1991

President's Health

Q. You won't play in an hour and a half, I guarantee you. You won't get around.

The President. Even in a cart?

Q. If you drive fast, you might.

The President. -- -- a little golf today.

Q. Gaining some of the weight back, are you?

The President. Unfortunately.

Q. Do you still do the stair-climber?

The President. Is that a vicious assault on my figure, or what? [Laughter]

Q. No, you look good. I know you dropped -- --

The President. Actually, I got it down. I was, normally, weighed out about 198. Got it down to 185 in a not-very-pleasant way. The medicine drove it -- now I'm at 190.

Q. Can you feel the thyroid medicine's side effects?

The President. Not anymore. I feel it in that it's not quite right in the tummy and stuff, when it affects you in that way.

Q. Doesn't make you feel logy and tired, though?

The President. By the end of the day I'm probably a little more tired than I would have been, but I have a full schedule. Go to work at 7 a.m. and all of that; work normally. Like yesterday, though, I came home before going to the ball game and took a little nap, which I might have done anyway because of the 3-hour time change.

Q. Have you had any other recurrence of the accelerated heartbeat? Has that happened?

The President. I don't think so. I think it's supposed to from time to time, but if it has, it's been very, very short. But I think it's been normal 99.9 percent of the time. They don't seem to worry about that anymore.

Abortion

Q. Mr. President, as you know, abortion may be a key issue in the 1992 Presidential campaign. You have supported the overturning of Roe versus Wade. Why do you think that States should be able to make abortion illegal? Why do you think abortion should be illegal?

The President. Well, because I think there are too many abortions, and I favor life over abortion. I think there are other means. I've said this in the past, but I think adoption is a good one; I think education is one. The spiraling rate of abortions in this country just bothers me from an ethical standpoint. So, it's that. And my position is well-known.

Incidentally -- you put it in a context of an election -- I remember in 1988. Some think this is the deciding factor. It's but one of but many issues. And in the Republican Party, for example, we have people that agree with me and we have people that disagree with me. And so, I think it will always be that way, and it's a very tough personal issue for the American people. But that's my position, and I'm going to stay with it.

Q. Pete Wilson, Governor of California, has taken a very strong position against your position, that is, your position supporting the law which would prohibit Federal funding of clinics that disseminate abortion information. He would use scarce California tax dollars to supplant those Federal funds that you are trying to cut off. How do you react to that? Is that frustrating to you?

The President. No, not at all. What's frustrating to me is using Federal taxpayers to promote or counsel on abortion. That's against the policy of this and previous administrations. But whatever somebody else at State levels do, I can't argue with the Governor. We have a difference on how we look at that very sensitive question. But there are so many other issues with which I agree with him that it doesn't bother me, if that was the question, at all.

So, I think the thing is, look, here's what I believe. We've got people in our party that agree and people that disagree, so stay with your position. And have people understand that we've got a ``big tent'' approach in our party, and I think the Democrats do. I think many, many Democrats support my position.

You know, they had some protesters out at CalTech where I spoke yesterday. As I said to the crowd there, it was kind of beneath the dignity of my office because there were so few.

[Laughter] Normally, we can attract more protest than that. But they had gags. They were the noisiest people with gags in their mouths, I'll admit, that I've ever seen. What they were protesting, though, is something quite -- a misunderstanding. I think they were saying the Federal Government says you can't inform people about -- I mean, that the policy in the country as a result of the Supreme Court decision is that you can't inform people about abortion. That's not correct. I just don't want them done with Federal taxpayers' money going in a way that would promote abortion. And that's my view. But people are free to do it, but I don't want the Federal money going into that.

Iraq

Q. Mr. President, Saddam Hussein is still there.

The President. Yes.

Q. The sanctions before the war didn't get him out. His people did not overthrow him, as you called for them to do. He put down two rebellions, one in the north, one in the south. The bottom line is he's still there. What's it going to take to get him out?

The President. Well, may I remind you a little history. The policy was not to get him out of office; the policy was to get him out of Kuwait. International statements by the United Nations in concert said, this aggression won't stand. The original call for sanctions by those who opposed my policy right up to the very end was, ``Sanctions will get him out of Kuwait; sanctions will reverse the aggression.'' It was very clear to me that it wouldn't. And so, out he went from Kuwait -- which would have, under the policy of everybody, achieved all the objectives. It achieved ours.

Then along comes the Kurd problem and the Shiite problem. And my view is, we will not have normalized relations with Saddam Hussein as long as he's behaving this way. But get it in focus. Don't change the goalposts, I tell my critics. The goalposts were, aggression will not stand. And aggression didn't stand. And it was an enormous victory that was properly celebrated here and all around the world.

Now, am I happy that Saddam Hussein is there? Absolutely not. Will we lighten up on international sanctions as long as he's there? No. But I must clarify, because the way your question came at me made me think of some of the political critics who were saying we didn't succeed. We did succeed. And our objective was never to throw him out of office. Look at all the U.N. resolutions.

So, I'm still hopeful that, recognizing the economy in that country is very sorry, that the Iraqi people will do what they should have done long ago, in my view. This man is unforgivably brutal. What he's done to the environment, what he did to the people of Kuwait, what he's doing to his own people is unconscionable. But it was not an objective of the United Nations resolutions or

the U.S. policy to throw him out of office. The objective was to throw him out of Kuwait, and boy, did our people perform well.

Q. If I can follow up, your people are interviewing an Iraqi defector, and they take great credence in what he's saying about the fact that there are maybe four nuclear installations in northern Iraq that we didn't know about, one hidden in a mountain. There could be 88 pounds of highly enriched uranium, enough to make two or three bombs. Forty percent of his chemical capability could still be there. What are the implications of that, Mr. President, to Israel's security, to the United States, and what are we going to do about it?

The President. The implications are that he is violating agreements with the overall peace agreement. The implications are that he's got to -- I mean, the answer to these charges is that we're going to have to find out how much of all these allegations are true and make him comply with what is now international law through an agreement with all the parties that they would fully account for what's left.

And so, there are a lot of sources. I think you're dealing, understandably, with part of the data. I hope I'm dealing with more of the data. I don't think either of us is dealing with all of the data. So, one, we've got to establish the facts, and two, we have to make clear that he will not remain with a nuclear capability. And, yes, probably some of it did survive, obviously. And I can state this without contradiction: His ability to project all this into an atomic weapon has been set back into the Dark Ages. But nevertheless, you're right when you say there should -- or indicate that there should be concern about his possession of any of these things.

So, we've got to probe. The U.N. has a committee; they must go and examine every lead. They must go into the geography, into the places that defectors or any other pieces of intelligence lead us. And he better be open about it. And that's one more reason there will not be any normalized relations under the status quo.

Military Base Closures

Q. Mr. President, let's turn to the subject of our military defenses and California's economy. We are 2 weeks away now from final recommendations as to how many California military bases are going to be recommended for closure. Millions of dollars -- hundreds of millions of dollars, thousands of jobs at stake. The Long Beach Naval Shipyard, just for one example, turns a profit, returned $56 million to the Treasury last year, and is targeted for elimination. What do you see as the most important criteria in making these final decisions?

The President. What I see is the most important criteria is what's best for the overall defense of this country. We pledged to get defense spending down, and it is moving down dramatically. We've seen in the war the need to have a rapid-deployed force that is the best in the world. And we've seen in this, out of the Gulf Desert Storm operation, Desert Shield, the need to project naval

forces around the world.

So, the policies of the Defense Department are based on this national interest. Now, there is a Base Closure Commission that will be making final recommendations, and they are trying to approach this without regard to politics. They are trying to say what is the best for the national defense. And as you would cite the concerns from a shipyard that has performed well, I can shift you to the east coast and cite the concerns about an airbase that my airplane lands in that was the first one -- Air Force One up at Pease Air Force Base, the SAC base -- that had a useful role to play in Desert Storm and is targeted for the first airbase to be closed.

I would also make a political statement that I hope is not misinterpreted by the people of Long Beach. Every Congressman I know wants to close bases, but they want to close them in the other guy's district. And so, what we're trying to do is take into consideration the economic facts, take into consideration how well an installation has performed, but do what's best for the national good. And then it will go up to the Congress, and it will be fine-tuned there.

But I might say, it's not just bases. It is systems, vast, expensive military systems. And I have great confidence in the Secretary of Defense and in Colin Powell and the Chiefs to make these very tough decisions. But I remember the campaign and the politics where -- ``Why are you spending so much on defense?'' Well, defense has taken a big hit, and we can live with it. But we've got to live with it in a way that projects force rapidly and so I can go to the American people and say, look, we've got the adequate defenses -- sea and air and ground -- to, one, safeguard this country, and two, to do what's right around the world.

Q. So, are you saying that you're likely to go down the line with the recommendations of the Defense Base Closure Commission regardless of whether those recommendations run counter to your short-term economic goals and dollars?

The President. Absolutely. Short-term economic -- I will go down the line with the recommendations of the Chairman of the Joint Chiefs and the Secretary of Defense, just as I did when we waged war in Desert Storm.

Q. If they say Long Beach, Long Beach goes?

The President. I have great confidence in them. And if I didn't have confidence in them, they wouldn't be in their jobs. It's not a President's role to second-guess the fine-tuning of the defense. It is his dire responsibility to guarantee to the American people that the national security interests are being met and that our military is second to none in the world. So, I have to look at it that way.

Q. If they recommend to close the Long Beach Naval Shipyard, you'll close it?

The President. I will not use politics to counter a decision by the Chairman of the Joint Chiefs and the Secretary of Defense. And Congress will take a look at these matters. But do not count on the President to look after my political interests, confident as I am of the ability of that shipyard and other shipyards around this country, air-bases around this country. That is, the President has to rise above politics no matter whether it hurts him or helps him politically. And I have to look at it that way. And my appeal to the American people if I run again will be, look, we're doing what's in the best interest of the United States.

And I make one more observation. There's some history to base closings. And there's also a history that after bases close, if the economy is in good shape, there's a vigorous private sector that comes in and that gets these facilities in one way or another. There's a public service aspect where some of these could be turned into facilities for other purposes. But I am not going to use politics to second-guess my Secretary of Defense. And I hope the American people understand that.

Vice President

Q. Mr. President, the Office of the Vice Presidency has always been the most powerful springboard into the Presidency that has existed over time. Do you hope that Dan Quayle will some day become President?

The President. Look, let me say something about that. I was there for 8 years. You say it's a powerful springboard, but do you remember the flak I got that no Vice President since Martin Van Buren had ever ascended to the Presidency in his own right? It was called the Martin Van Buren syndrome. And I used to go around saying Marty is going to be proved wrong, or proved right. And sure enough, it worked out that way.

My view on Dan Quayle is he's done a good job. He is getting the most unfair rap from his critics of anybody that's been in this job. And you're talking to ``the wimp.'' You're talking to the guy that had a cover of a national magazine that I'll never forgive that put that label on me. And now some that saw that we can react when the going gets tough maybe have withdrawn that allegation. But it wasn't pleasant. The job doesn't lend itself to high profile and decisionmaking. It lends itself to loyally supporting the President of the United States, giving him your best judgment, and then when the President makes a decision, supporting it.

And Dan Quayle has been superb. May I give you an example? He just came back from Eastern Europe. I don't remember any front-page stories or spelling out the great success of that trip. And it was successful. He's over there reassuring the Eastern Europeans that we are interested in their recovery. All you read about is the Soviet Union in that regard. He did a fantastic job there. He's done it in South America. He's done it in Asia. He's done it domestically, supporting my domestic agenda that we don't read too much about. And so, he's doing a first-class job.

And I'll let the system work on the politics, but I'm glad to have this opportunity to defend him fully. You're not going to get me into 1992 politics as it relates to the Vice President or this one except to say he's going to be on the ticket if I run again.

Q. That wasn't my question. My question was -- --

The President. That's all right, that's my answer. [Laughter] Thank you, nice try.

Q. Do you hope that he will some day become President?

The President. I gave you my answer. Don't try to get me -- and listen, I've learned a lot since I saw you guys last, and that is to answer what I want to answer, not what you want to ask.

Q. I'm going to ask you this anyway.

The President. Go ahead.

Q. Let's talk about Dan Quayle, the man, all right? Your support for him is undeniable. We have just heard it. What is it about Dan Quayle, the man, that prompts these jokes from Carson, Letterman, the ``piling on," as one Congressman put it the other day, and the impugning of this man's character? What is it about Dan Quayle, the man, that created these kinds of jokes?

The President. Hey, listen, you're talking to the number one butt of the jokes for Leno and Letterman and Johnny Carson for 8 years. I think I led the parade. Every once in a while, Ronald Reagan, popular as he was with the people, would take a couple of broadsides. But I led the parade. It goes with the territory. It has nothing to do with Dan Quayle's performance because his performance is superb.

Q. How did it start?

The President. Same way it started with me. Same way it starts with any Vice President. So, it just goes with the territory. Don't you remember what Herbert Hoover said -- I mean, who was it said -- Vice President Garner -- ``The Vice Presidency isn't worth a warm bucket of spit." Now, try that one on for size and see how Jay Leno goes with it.

Q. Are you suggesting that if Pete Wilson were Vice President he'd be the subject of just such jokes and barbs?

The President. I'm suggesting that when I was Vice President for 8 years, I was the subject of such barbs. It goes with the territory. So, look at it that way. And I tell Dan that. I say, hey, start the word with a B, not a Q, and put history in perspective. This isn't anything new. I admit they're piling on more. But it's so grossly unfair. But the only explanation I can give you to a very good

question is, it goes with the territory. Some good things go with it, too.

Q. The implications of some of these comments -- --

The President. Here I sit, Martin Van Buren to the contrary.

Q. That's right. The implication of some of these comments about Dan Quayle, Mr. President, to be quite candid with you, are that he is not very bright, that he's a dufus.

The President. And they're just so unfair and so grossly wrong that I can think of no other answer than it goes with the territory. I really believe that. I see the guy every day in action. He asks the tough questions. And I ask him -- I challenge him on things inside. And I could ask for no more loyal supporter in that job than Dan Quayle. So, I can't explain it.

But you know, I'll tell you something. After I had a little fibrillation cum thyroid, there was kind of a -- there was a piling on. Any fair-minded American knows that. Might have been a joke; might have been a hype in these news magazines -- regrettably, some of them going more to the gossip, the little squibs in the front. And yet there was a reaction, I think. The American people are saying enough is enough. Look at the guy on the merits. And I'm confident when all look at him on the merits, they'll see what I see. So, I enjoy defending him because I know I'm right. I see him in action. Jay Leno doesn't; he needs a laugh in 1991, just like he needed one off of me in 1987. It took me a while, incidentally, as Vice President to get used to it. Then they were saying to me, hey, he's spelling B-U-S-H right, so why not let him fire away. [Laughter] You can't do anything about it anyway.

Q. Well, sir, I guess you do appear to be willing to talk about Mr. Quayle, so I guess I don't understand why you're not willing to address the question of whether or not you'd like him to be President some day.

The President. I answered your question as best I can, and I'm not going to answer it anymore. I think he's well-qualified to be, but please don't inject me into 1996 politics before a final decision's been made on 1992. That's the only reason.

Q. Well, let's talk about -- --

Q. So when will that decision -- --

The President. If you're asking me, is he qualified, the answer is, absolutely, yes. So, let me go a little further and tell you that.

Voter Turnout

Q. Mr. President, there's a brand new book by the political writer of the Washington Post, ``Why Americans Hate Politics." Recently we had a municipal election here, 5 city council seats up for grabs; voter turnout was well under 20 percent. Do Americans hate politics?

The President. No. I don't agree with whoever the writer is for -- --

Q. Why don't they vote?

The President. Who wrote the book?

Q. E.J. Dionne.

The President. Good man. I haven't read the book, regrettably, so I -- --

Q. Why don't Americans vote?

The President. Why don't they what?

Q. Vote.

The President. Maybe they're happy with their President. Do you think? I don't know why. I don't know why they don't participate. They're making a big mistake if they don't. And I think there's a turnoff on politics. I've been pointing out some of it recently in the fact that I think there's a frustration with the legislative branch as a body because I think people see the Congress, as a whole, not acting.

And maybe it's my own frustration because we have proposed initiative after initiative. I'll give you one example: an anticrime bill that we put forward 24 months ago, I think, today, and no action has been taken on it. And American people look at their neighborhoods and they say, wait a minute, we have 535 Members of Congress, and why hasn't something happened? This could be part of it. I don't know. I don't know why there's a frustration, but I mean, I should, in fairness, look at Dionne's book because I think he's a cogent observer of the American political scene. But I hadn't heard of the book or seen it.

1980 Hostage Deal Reports

Q. Mr. President, I know that you recently wrote a letter to former hostage William Morehead, I believe, is his -- --

The President. No, not William. Morehead Kennedy.

Q. Morehead Kennedy, excuse me.

The President. Yes.

Q. Eight of the former hostages have called for an investigation of the accusations that the Reagan campaign people delayed the release of the hostages until after he was inaugurated, signed also by a local hostage by the name of Jerry Plotkin, local former hostage. I know your feelings on this. Let me ask you, you don't like what you call the rumormongering and the speculation. Wouldn't a bipartisan congressional investigation with subpoena power put all that to rest?

The President. It could, and Congress is looking at it.

Q. Would you like to see it?

The President. I haven't seen any evidence to support it. None. But if Congress concludes it, I'd welcome it. But I've seen enough rumormongering and hatemongering, accusing me of things inferentially that I don't like, that I can categorically deny it, as I did to Morehead Kennedy. I think he's accepted that.

They had me in Paris on October 20th. So, what did we do? We put out a play-by-play, an hour-by-hour part of the schedule. And so, some of them had the decency to retract that charge. Others are still saying, hey, there's evidence out there. Let Congress do it. I think anything by the executive branch would be suspiciously viewed as something less than objective.

Q. But you'd welcome a congressional investigation?

The President. If they see the evidence to go forward. But to spend millions of taxpayers' dollars based on rumors, I'm sorry, I don't think that's good.

But let me tell you this on that one. To assign to me the motive that for political gain I would assign an American to captivity one minute longer than necessary, I think is a vicious personal assault on my integrity and my character as President. I don't think I'd deserve to be in this Office if for one minute I suggested a person be held hostage so I could get political gain. And I know the same is true of President Reagan.

So, this is what troubles me about these allegations. But if there's evidence -- the Congress is looking, they've got committees looking at it -- let them go forward. I have nothing to -- wouldn't stand in the way of that. But if there's no evidence, I think they ought to say so, to lay it to rest. If I were a hostage -- I told Kennedy, hey, if I were in your position and I read a bunch of allegations about me or anyone else, I'd be heartbroken. I'd want to get to the bottom of it. But that's not the case. So, let me tell you, Morehead, what I know. And I know I had nothing to do

with it, and I have no knowledge of anybody that had anything to do with it.

Q. Was there an ``it''?

The President. They're alleging there was an ``it''.

Q. Can you categorically state that there was never any such plan?

The President. To the best of my knowledge, I can. I know of nothing, direct or indirect, that would suggest this. And I can categorically deny that I wasn't in Paris when these rumors and these allegations put me there.

How do you clear your name? Maybe the investigation is it, but it has to be based on fact. It can't just go out there and have a billion-dollar witch-hunt. So, I'd love to get it cleared, and I've done it as emphatically as possible. Because this gets to the heart of character. This gets to your soul. This gets to what's decent and right in the world.

And to suggest that a sitting President or a then Vice President would in any way, direct, indirect, know of and condone this, it touches me much more than some that -- like disagreeing on abortion or disagreeing on closing bases. This one gets to the soul. And I'm glad you gave me a chance to wax emotional about it because it really turns me off, these little clever suggestions that I might have been involved. And all I can do is deny any knowledge of it, direct, indirect, for me or anyone else. That's all I can do. And I have a feeling that the American people are fair and they'll understand this. This is the most emotional I've been about it, but you touched a real nerve, and so did Kennedy. That's why I wrote him the letter I did, which categorically denied it, direct or indirect.

George Deukmejian

Q. Mr. President, is George Deukmejian on your list of candidates for Attorney General to replace Mr. Thornburgh?

The President. Hey, you know something? One, great respect for George Deukmejian. Two, that matter's been thrown into a cloud, a judge intervening in the process up there, so I don't know there's a vacancy. And three, I don't have a list. High regard for Deukmejian, tremendous. He seems very happy in what he's doing.

President's Health

Q. Can we get, just very quickly -- we touched on it in the beginning -- --

The President. This is the longest 15-minute interview I've had, too. But I've enjoyed it very -- --

Q. I know you've got to go tee it up at Sherwood.

The President. Let's get our priorities sorted out here. [Laughter]

Q. How are you feeling?

The President. Healthy.

Q. Are you still taking the medication?

The President. Yes, I take medication, and I've brought along my doctor, who's tethered out here somewhere, who would be glad to give you -- oops, he's not tethered out there somewhere. But if you really want it, on-camera question, I'm sure he'd be glad to answer it. I'm on medication. The medication is trying to get the thyroid in balance and guards against, in the process, fibrillation of the heart.

Incidentally, I think every other guy on the street has had a heart fibrillation. I have never seen so much mail from people across the country. Not only that, but they're all doctors. They're all telling me exactly what to do. We had a letter from one saying it was a conspiracy of the Mossad, which happens to be the very good security agency in Israel. It's the damnedest thing I have ever seen.

Q. Are you running again?

The President. And I'm flattered with the interest. But I feel very good.

Q. Running? Are you running again?

The President. I ran 2 miles on Monday. I worked out on one of those bicycles this morning. Play golf today. Play tennis tomorrow. So, I feel good. I can't tell you I feel perfect yet, but I'm getting there. Weight got low and now bounced up a little. And I'm back. But I want to get off all this medicine. And I think they proclaim in a couple of weeks I'll be there.

California Elections

Q. Are you going to endorse Senator Seymour in his race against Bill Dannemeyer?

The President. Yes.

Q. Even though he's pro-choice?

The President. Listen, there's a thousand issues, and I'm proud to have his support. You know, you asked a good question. What is it that tries to find a difference -- I guess it's because you don't want to talk about all the banks that weren't robbed today, that were not robbed today. [Laughter] So, everybody looks for a difference between me and another Republican, just as they look at the differences the Democrats are fighting endlessly about in the same way. Really carving themselves up, nationally. I don't know how it is out here. Maybe it's more tranquil, the Willie Brown versus whoever it is in the Senate.

But nevertheless, I support Seymour. It is my view that the country has got other issues on their mind -- national security, the economy, the environment -- a thousand issues, including pro-choice. Are you for abortion or are you against it? A lot of people have that one as the number one issue. But elections aren't decided on that. And then you have another layer which is the values. People tease me about talking about family, faith, all this kind of thing.

So, it's not as simple as some proponents of a special issue would have you believe. And I learned long ago, there isn't one single Republican that agrees with me on every issue. And I learned something else: I'm not going to ask that there be a litmus test on every single issue. I want somebody else to vote for me besides me. And so, I support Seymour. He's an incumbent Senator. I think I'm going to be out here in the fall for a fundraiser for him and I hope it drags in some bucks.

Q. The other Senate race to fill Alan Cranston's seat. We've got a Representative Tom Campbell from up around Stanford who's a moderate Republican; we have a conservative by the name of Bruce Herschensohn, who's a political commentator. How do you handicap that one?

The President. The same way I did in handicapping when I ran for President in '88. Let the voters decide it.

Q. You want to endorse somebody there?

The President. Let the voters decide it. No. I don't get into primaries. I'm supporting tickets, but I don't get into primaries.

Upcoming Presidential Campaign

Q. Sir, you say ``if you run'' again in `92. Why wouldn't you?

The President. Oh, you're pressing me a little early. Why wouldn't I? Can't really think of a reason except, certainly health. I'd owe it to the American people to say, hey, I'm up for the job for 4 more years. I'm absolutely convinced on that one. If you had to ask me that one today, I think health's in good enough shape to certify, yea, but I want to take a look at it later on. I don't know.

I've got a strong-willed wife. Oh, she's strong. [Laughter]

Q. Who doesn't? [Laughter]

The President. And the Silver Fox, boy -- --

Q. Is there another kind?

The President. But if the family appealed that I not do it, I'd have to say that would weigh with me. Our kids differ, incidentally. Some of them are enthusiastic: ``Hey, Mom, I'm on TV." [Laughter] And others want to shun the -- they want to protect their privacy. I think we've worked out a balance as a family, but in all seriousness, that could have an effect. It wouldn't be decided on running away from a battle. The fact if there's a battle, and there will be, that would make me inclined to say, ``I'm going to be a candidate again."

I just haven't decided. It's early. Don't push me. I think it's good politics, too, not to have to get out front and have, ``Here's my campaign manager for Orange County," or ``Here's who's going to run the fundraising effort in San Francisco." Too early. You know, one more point on the politics. They always say, hey, these campaigns are too long. Campaigns go on too long. The political observers -- you had mentioned one. I don't know about Dionne's position, but many of them -- it's brutal. It's unfair to the American people. There's no active political campaign on now for 1992 on either side of the aisle. And people are saying, hey, how come you're not in there? How come you haven't said you're a candidate?

Q. So you oppose moving the California primary to March, as opposed to its present position in June?

The President. I'm going to take an heroic position on that one and say let Californians decide. [Laughter] That's the federalist system. That's the way it works, the way it should work.

I've got to get out of here now. Come on -- --

Q. One more. One more.

The President. This is Saturday. What is this -- Saturday. I'm going to go tee it up. A quick one for him, one for her, and then I'm history.

Q. Thank you.

The President. And don't ask me the same question again, because I just can't answer it. [Laughter]

The Presidency

Q. I'll ask you a different one. You are perhaps one of the most qualified Presidents in our history in terms of your experience, before you became President, in government. In light of that, search your soul for this one -- --

The President. Yes.

Q. -- -- and tell me what is it, the one thing about this job that's just so doggone harder -- much more difficult than you thought it would be?

The President. In many ways it's less hard. But the one thing that's harder, or if I could substitute the word frustrating, is the inability to get my domestic program through. We're in a fight on civil rights, for example. I pride myself on having a record of conscience and compassion on civil rights. We have before the Congress a civil rights bill that, in my view, would go a long way to eliminating discrimination in the workplace. And it would not result in quotas, direct or indirect. It wouldn't compel employers to put in quotas in order to avoid lawsuits. I feel strongly about this legislation. I can't get my legislation seriously considered, hearings before committees on it.

So, there's a frustration level, and I guess I'd have to accept your word: It is harder, given the fact the other party controls both Houses of the Congress, to get the things done I want done -- or put it more broadmindedly, get the things done that I think I was elected to do. Therein lies a frustration. But I have to accept the fact that the executive branch is ours, the congressional branch is controlled by the leaders. So, when we get into the campaign you're pushing on, I'll go after them. They've already started going after me. And I've started a little bit kinder and gentler approach so far. But the American people will get this in focus.

But therein is the harder part because I spell out an agenda, I take my case to the people on an agenda, and we're frustrated. The war was something else. We needed the support of the Congress. And I think if you go back and look at the history of Desert Storm and Desert Shield, I had to bring the American people along as Commander in Chief or as President and then, at the appropriate moment, go to the Congress, although I didn't think I had the constitutional responsibility to do this, and say: Sanction the use of force. Do what every nation in the world has done almost through the United Nations sanctions.

There it was different because the President in foreign policy and in running a war, if you will, has much more power in the ability to call decision. I didn't have to call the subcommittee on military defense to ask if the air war should start. I didn't have to summon the congressional leaders to say, please give me a vote, 6 to 4, as to whether we're going to start the ground war.

And so, that part -- not that the war was easy, not that the committing of forces was easy, but from a running-my-job standpoint it was easier. I could assign the duties to Norm Schwarzkopf,

through Colin Powell, through Cheney, and not have to worry about a subcommittee wanting to take a look and now we'll reallocate -- hey, Norm, don't send the 81st Airborne there; put them over here in Iraq somewhere.

It's a big difference; foreign policy is a big difference, not in funding but a big difference in how you run, making something happen. My frustration: inability to make stuff happen. And that's going to mean I need more support in the Congress -- excuse the pitch.

Q. In a sense, you're saying that, as for your job, the war with Iraq was easier than the war with Congress?

The President. Yes. In terms of making decisions, not in terms of emotion. Not in terms of what's in my heart when I have to say to a mother or a cousin or a brother: I'm going to put your son in harm's way; I'm going to send your daughter to be the first woman that might be in combat -- thinking of a dead woman who performed heroically, the helicopter pilot.

I mean, therein, it's much tougher. I confessed the other day -- I don't like these personal confessions, but I confessed that up at Camp David the tears came down my eyes as I had to contemplate this. So, it's not easier in that, in the moral obligation you have, but it's easier in getting something to happen.

Upcoming Presidential Campaign

Q. Can you imagine, understanding that you want to stay away from the '92 campaign, that you or whoever runs in your place will, nevertheless, make a point of those Democrats who voted against the war, a strong point, to defeat them on that issue?

The President. Well, you're already seeing some of that on both sides. You're seeing people defending their votes, and you're seeing people attacking some on their votes.

Q. How about you, though?

The President. I don't know. As I told you, I haven't contemplated tactics or campaign. I think on that one I would say, look, you're -- kind of like I did just now -- here's what I had to do, here's how the American people responded.

You see, I don't think it's wrong to have these parades. When I go down -- yesterday, riding in a big limo in areas where people -- I'm sure they didn't vote for me in overwhelming numbers, some of the neighborhoods we went through. They were just areas that demographically are tough for Republicans. But when you see them out there with a little American flag, they're not saying hooray for George Bush; they're saying something's different in our country. There's a pride. There's a patriotism. And back inside the beltway, on some of these deadly talk shows,

some of them don't get it. They don't understand what's happened in the country. I don't have to flog this. I don't have to put it, ``I did it.'' This team -- these are young men and women, many of whom are -- put it in political terms -- for me, against me, they did their duty for their country. And I think the American people will understand that without my having to throw a partisan spin on it for 1992.

It was bigger than that. It was more majestic than that. And I'll try to resist demagoguery because I really feel so emotional about what our troops did and what our general officers did and how the war was done, compared to other wars. And for that, I salute those who had the authority to make decisions. So, I hope I can rise above a temptation to politicize something that was noble for our whole country and in which everybody -- Democrat, Republican, liberal, conservatives -- should take enormous pride.

Q. Thank you, Mr. President.

Q. Thank you, sir.

The President. Thank you for this 15-minute opportunity. [Laughter] Sorry I got wound up, but these are very -- --

Q. We were wound up as well as you, sir.

The President. Well, I enjoyed it -- as you could tell -- very, very much. Thank you.

Note: The interview began at 7:55 a.m. in the Burton Room of the Four Seasons Hotel. The following persons were referred to: Gov. Pete Wilson of California; President Saddam Hussein of Iraq; Secretary of Defense Dick Cheney; Colin L. Powell, Chairman of the Joint Chiefs of Staff; Vice President Dan Quayle; television talk show hosts Johnny Carson, David Letterman, and Jay Leno; journalist E.J. Dionne; former hostages Morehead Kennedy and Jerry Plotkin; former President Ronald Reagan; former Governor of California George Deukmejian; Attorney General Dick Thornburgh; Senators John Seymour and Alan Cranston; Representatives William E. Dannemeyer and Tom Campbell; California State Assembly Speaker Willie Brown, Jr.; Bruce Herschensohn, Republican senatorial primary candidate in California; and Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf.

Statement by Press Secretary Fitzwater on Constraints on Trade With China

June 16, 1991

The President has implemented his decision announced on May 27, 1991, to impose constraints on high technology trade with the People's Republic of China as a result of actions by entities in the P.R.C. to transfer missile technology to other countries. The President decided that the significant risks to U.S. security interests posed by these missile transfers require the imposition of limits on the sale of high performance computers. In addition, the President will not waive sanctions that prohibit the transfer of U.S. technology for satellites launched on Chinese rockets. Finally, we are taking steps to impose sanctions on certain firms in the P.R.C. that have contributed to missile proliferation.

Appointment of Clayton S. Fong as Deputy Director of the Office of Consumer Affairs

June 16, 1991

The President today announced his intention to appoint Clayton S. Fong, of California, to be Deputy Director of the Office of Consumer Affairs at the Department of Health and Human Services. He would succeed Edward Barth Cohen. The Office of Consumer Affairs serves as the principal adviser to the President on consumer issues.

Since 1989 Mr. Fong has served as Deputy Associate Director of Presidential Personnel at the White House in Washington, DC. Prior to this Mr. Fong served in the office of Governor Deukmejian of California as the deputy appointments secretary, 1987 - 1989, and as community liaison, 1984 - 1987.

Mr. Fong graduated from the University of California, Berkeley (B.A., 1982). He was born May 18, 1959, in San Francisco, CA. Mr. Fong is married and resides in Silver Spring, MD.

Remarks to the Asian-Pacific Community in Fountain Valley, California

June 16, 1991

Thank you all very, very much. Senator Seymour, first of all, thank you, sir. Senator Seymour, a brand-new Senator doing a first-class job for California and for the United States. I had the pleasure to support him, endorse him, and I'm glad to be introduced by him.

And let me single out other Members of Congress: Dana Rohrabacher is here with me. All of you know him, and you should if you don't. Bob Dornan, my steadfast supporter, and Congressman Cox, Chris Cox. And Congressman Mineta with us here today. This is a nonpartisan, bipartisan group, and I'm delighted to see him with us. Congressman Dreier I didn't see. Dave didn't make it, darn it; don't hold it against him. [Laughter] Congressman Faleomavaega.

Elaine Chao, our Deputy Secretary of Transportation back here. And to the others: Mr. Kwan, Miss Porntip, Elizabeth Szu -- what a job she's done on this marvelous day. Inder Singh, another leader of all of this. Ky Ngo; Johnny Tsu, my old friend from San Francisco; and most of all, my fellow Americans. I'm proud to be with you on this very special day.

It's wonderful to be here. I just toured some cultural exhibits. I hope all of you will have a chance to see them. And I've seen some that were fascinating, and I also have heard that the performers did a superb job. I'm sorry I didn't get to do that.

I'm also glad to be with you on Father's Day. I don't know about your kids, but I know about mine, and they guided me through life by using those three magic words: ``Ask your mother." [Laughter] Let me also say, as someone who just had a birthday, it's a pleasure to be with people whose cultures revere old age. But I don't feel old. This great turnout -- Elizabeth says 60,000 people -- make me feel like a spring colt, young indeed. And I'm proud to be with you all.

And I am proud to have had the chance to salute the various groups who form the Asian-Pacific-American community. This community combines groups diverse in name but united by ideals: discipline, self-sacrifice, belief in hard work, and most fundamentally, devotion to freedom. These ideals brought your grandparents and parents, and also some of you, many of you, to this country. These ideals have always uplifted the United States of America.

You know, for more than 200 years, this nation has built free markets and protected free people. There is no question: Opportunity in America is the envy of the world. You came in search of opportunity, and you're finding it. You came to build a better America, and you are building it in a myriad of thousands of ways. You've enhanced our schools, our professions, our small and large businesses. For America's Asian-Pacific community, growth is not a code word; it's a watchword

that helped the entire American community. And I congratulate you for that contribution to the greatest country on the face of the Earth.

As Senator Seymour just told us, Asian-Americans have made the American dream a reality. According to the latest National Assessment of Educational Progress, Asian-Americans are excelling where we need to excel, in subjects such as math. Your greatest contributions, I'm convinced, lie ahead. The Asian-Pacific community has increased in size over the last decade, more than any other ethnic group. I look forward to more pioneers like Henry Tang, physicist Leo Esaki. They know how merit and opportunity beget growth and opportunity and brotherhood.

You know, we also must understand, though, that growth abroad can help the United States. We can find a perfect example in East Asia, a dynamic region that will spur America's growth. I think you all know this, but a lot of Americans don't: Already, our transpacific trade has surpassed our transatlantic trade. In 1990, we exported more to Singapore than we did to Spain or Italy, to Malaysia more than to the Soviet Union, to Indonesia more than to all of Central Europe. This is what you all are doing, and this is what we believe in. The FAA estimates that by 1993, traffic on Pacific routes will surpass the Atlantic on a passenger-mile basis. Consider, too, that more than 1,000 U.S. companies have invested over $4 billion in the People's Republic of China and that China buys about $5 billion of American products from computers to cotton. You take away these exports, and you take American jobs.

So, let me just say a word about that. I acted 3 weeks ago to expand this growth by asking Congress to renew for another year China's most-favored-nation status. I knew that ending MFN would increase the cost of Chinese imports. It would hurt Hong Kong, a bastion of freedom and free trade, as well as investors in south China's export industries -- south China, the center of China's prodemocracy movement now. I know many of you have families and visited your families -- the students, some of whom I've just met with, maybe some of whom I just see. You brought with you your American ideas: democracy, human rights, free enterprise. We should not cut off this flow of hope, of goods, of ideas and ideals because, you see, these nourish the desire for freedom. Our policy relies on an obvious fact: To influence China, one simply cannot isolate China. And I do not want to be the President to isolate China. I want to be the President to facilitate change for human rights in China.

Let me give you one reminder of this, and I'll get on to another -- I want to talk about these guys. You guys wait; I'm going to get to you because I agree with you. And when I ask you to hold that sign up, please do it. Now let me finish this one point here.

I have another example. In December of 1989, over strong objections from many in the Congress, I vetoed the so-called Pelosi bill. I don't mistrust her intentions, but she was wrong -- unnecessary legislation. If that bill had become law, I am convinced in my mind that Beijing would have used it as a pretext to stop permitting Chinese young people to study in the United States. Instead, I extended even greater protections than provided for in the Pelosi bill, first through a Presidential

memorandum, then through a far-reaching Executive order. And you know, in the last year alone, we issued 11,500 visas to Chinese students and scholars to study in the United States. That would have been 11,500 opportunities lost if we had turned our back on China.

And I might say, I met with some of the student leaders, the real student leaders, just a minute ago -- Chinese people studying in the United States, four of them having stood in Tiananmen Square. And these signs say it: Renew MFN for China without condition because we want to be able to effect change for human rights in China.

So, we'll be continuing to urge China to reform internally and to rejoin the community of nations. We can't be sure of success, but we can be sure that without American dialog, without your commitment to freedom being understood in China, the movement for reform in China would be set back. And I don't want to be here as President when we set back the chance for human rights in any country.

Now, here's my signs back here. Get them up high so the press can see them. Where's the one with ``SADDAM''? Where is it? Well, I don't see it. But let me tell you, they are right. They are absolutely correct. We will not remove sanctions from Iraq as long as the brutal Saddam Hussein remains in power.

And I might say peripherally how proud I am. I was in there a minute ago, and an Asian lieutenant, an Asian-American lieutenant in the Air Force, came up to me, and she said, ``Thank you for Desert Storm.'' And I turned to her and I said, ``Don't thank me, you thank your colleagues in the Air Force, the Army, the Navy, the Coast Guard, and the Marines that made our country proud again.''

So, you guys are right. And we'll do everything we can to see that we have a reasoned administration there with whom we can deal with respect, integrity, and honor. But it isn't going to be there as long as it's the brutalization of the Kurds in the north, the Shiites in the south, and as long as there's this environmental degradation that Saddam has wreaked upon the entire world. So, we were right in kicking him out of Kuwait.

And let me say another point -- human rights; you got it. Let me make another point. We've got to brush away arbitrary discrimination. And if that means fighting quotas that harm talented Americans like the thousands of Asian students in our universities, then we're going to fight all the way. You know the awful tolls: Quotas penalize achievers. They slam shut opportunity's door. Here in California, in this great, largest State, and across the Nation, we have seen the conflicts that quotas can incite, and we have come to appreciate more than ever before the importance of excellence and opportunity.

You know, our administration does believe in affirmative action, in offering a hand, in opening the door of opportunity. But we don't believe in an America by the numbers. We do not believe in

discriminating by quotas or by the numbers.

And very candidly, and I hope this doesn't sound egotistical, but I take pride in the fact that we have a good record on civil rights. We've nurtured equality of opportunity and equality under the law. We've promoted a civil rights bill that would strengthen our laws against discrimination, and we've tried to build a spirit of cooperation, not litigation.

I've put forward a major piece of civil rights legislation to fight against discrimination in the workplace. Congress should pass my bill. Let me be clear: I will not sign any civil rights bill that allows quotas, directly or indirectly, explicitly or implicitly.

And if I might just say a word -- take a word of pride in what our administration has done. We've practiced the kind of affirmative action I'm talking about. I'm proud to have named more Asian-Pacific-Americans to top management and advisory roles than any President in history. And I'm going to keep on finding good men and women from the Asian community to serve this great country. This may be hard for some of you to understand -- successful in business, leaders and students -- but I was the first to appoint a Government agency head, Pat Saiki -- Pat Saiki leading now the SBA. The first as a Deputy Secretary of a Cabinet Department, the second highest level, right there next to the Secretary -- and of course, you know her, Elaine Chao, in whom I take such great pride once again. The first as an Ambassador -- I found this hard to believe, but the first, Ambassador Julia Chang Bloch. And of course, I can't tell you how proud I am to have at my side a guy that many of you know, Sichan Siv, who's working in the White House. What a job he's done for us.

You know why they were picked? They weren't picked because they were Asian-Americans; they were picked because they were the best men and women for the job. And that's the American way.

I mentioned the ideals that enrich the Asian-Pacific community. Let me close with a passage from a Chinese author, Lin Yutang. ``Today," he said, ``some are afraid of simple words like goodness and mercy and kindness. They don't believe in the good old words because they don't believe in the good old values."

Well, Asian-Pacific-Americans have always believed in these good old-fashioned values -- mercy, goodness, kindness, and I would add family, the strength of the American family. Asian-Pacific-Americans have always believed in these values -- respect for dignity, yes, belief in family, hard work, free enterprise, belief in ideals and causes larger than ourselves.

So, I wanted to say I am very proud to have been here today. I see the signs from the various countries, and thank heavens, I've been enriched by being in almost every one of them. I think of the tragedies in Bangladesh, and then I think of our helicopter pilots that went in on their way home, gave up coming home to save lives there. I think of Iraq and what our young men and

women did. And yes, I think of those who lost their lives in Iraq. And it would never have happened if the brutality of Saddam Hussein hadn't overcome reason and rationality. I think of Cambodia and India and Pakistan. And I think of all of these -- and Vietnam -- you are right, you are right, Vietnam -- look at what the contribution Vietnamese have made to our great country. And we're never going to forget that Vietnam is not free and democratic, as some of our critics would have you believe.

So, I know I'm going to get in trouble for forgetting them -- Iran, Iran. I want to see a free Iran full of human rights, where we can have better relations again. And thank God, relations are getting a little better, but I want to see them good, the way you people want them right here.

Now, thank you all -- hey, listen, I'm going to get in trouble. [Laughter] But I came out here, Barbara and I did, to say thank you for the contribution to this great country, thank you for what you are doing. And I look forward to working with each and every one of the 60,000 of you to make things better for our great country, America, and for the countries from which you came. Many thanks. And may God bless you all. But most of all, may God bless the United States of America. Thank you very much. Thank you.

Note: The President spoke at 12:38 p.m. at Mile Square Park. In his remarks, he referred to Senator John Seymour; Representatives Dana Rohrabacher, Robert K. Dornan, C. Christopher Cox, Norman Y. Mineta, David Dreier, and Nancy Pelosi; Delegate to Congress Eni F.H. Faleomavaega; Deputy Secretary of Transportation Elaine L. Chao; Frank Kwan, a producer for television station KNBC; Porntip Narkhirunkanok, 1989 Miss Universe; Elizabeth Szu, Inder Singh, and Ky Ngo, coordinators for the event; John Tsu, senior adviser for the event; Henry Tang, an education and sports leader in the community; Leo Esaki, 1973 Nobel Prize winner for physics; President Saddam Hussein of Iraq; Patricia F. Saiki, Administrator of the Small Business Administration; Julia Chang Bloch, U.S. Ambassador to Nepal; and Sichan Siv, Deputy Assistant to the President for Public Liaison.

Remarks at the Simon Wiesenthal Center Dinner in Los Angeles, California

June 16, 1991

Thank you all very much. Let me first thank my dear friend, Jerry Weintraub, for that generous introduction. And thanks to Wilson Phillips for the anthem so beautifully done. My thanks to Tony Danza for being here. [Laughter] Had to go out and get a haircut so we would recognize him. [Laughter] But what a good man he is.

And Barbara and I are just delighted to be here tonight. We wanted to specially be here to salute our -- yours and our -- guest of honor. As you may know, Arnold -- Arnold Schwarzenegger -- spent a day with us up at Camp David, and competing with Barbara in tobogganing, she broke her leg. [Laughter] Then, Arnold spent a day with us at the White House promoting fitness, and I ended up in the hospital with arterial fibrillation, or something like that. [Laughter] You'll never eat lunch in my town again, Arnold. [Laughter] But I'm delighted to see you. Come to think of it, you could be my special emissary to Congress. [Laughter] Talk about ``The Terminator."

Honestly, though, this guy is a wonderful choice, wonderful choice, for your National Leadership Award. He embodies the good, essential values of this world, values like caring and fairness and faith. He's simply a decent, nice human being. And congratulations, my friend. And thank you for honoring this wonderful American.

I also want to pay a special tribute to Gayle Wilson. Sorry Pete couldn't be with us tonight; he's up wrestling with the budget problems. And to Senator John Seymour, our wonderful new Senator in the United States Senate; to David Dreier, who's with us tonight -- down here -- a fine Member of the United States Congress. I'm told Mayor Bradley was to be here. I haven't seen him. But anyway, I wanted to salute him. We're in his city and delighted to be here. Is he there? Well, Tom, I can't see you, but nice to see you.

And all the friends of Simon Wiesenthal Center who are here tonight. The Counsel General of Israel is with us, Ron Ronen. And it's a particular pleasure to see our friend, the Bushes' friend, Rabbi Hier, again. Thank you, sir, for that honor, that beautiful cup. And let me just say that your vision, your conscience, and commitment set a challenge for us all. I will cherish this sacred gift of this Cup of Elijah. To you, ``I lift up the cup of redemption in thanks and gratitude."

Let me say that I've heard that at Seder this Cup of Elijah is filled, as he just said, with wine and with the promise of redemption. I know the verse that says Elijah ``shall turn the heart of the parents to the children, and the heart of the children to their parents." I really hope that this symbolic gift can challenge us to do the same, to reclaim our soul through the love of the human family, a love borne of remembrance.

Let me just make a few comments, eating before the broccoli is served -- [laughter] -- and asking your forgiveness for pushing on. We have a big day tomorrow, off in Colorado and Wisconsin, before returning to Washington. So, please forgive us. But let me just say a word about this Center and for the man it's named for. The extraordinary hero that this center honors is our living embodiment of remembrance. The two pledges of Simon Wiesenthal's life inspire us all -- ``Never forget'' and ``Never again.''

He reminds us that we as a people must study closely the lessons of the concentration camps. And, yes, like many here, Barbara and I have been to Auschwitz. We've seen the images of human evil. And literally, when I left, I left part of me. But I took something away in its place: the determination not just to remember but also to act.

I say this to you as a World War II veteran, as an American, and now as President of the United States: The haunting images compel us to guard against tyranny and inhumanity. Remembering makes us strong. Remembering makes us act.

But there's something else. We must also remember something more powerful than the horror: the triumph of the inextinguishable human spirit. Those who survived the Holocaust could have sunk into hate and revenge. Instead, they lifted themselves and all of humanity toward a greater goal. I believe that the ultimate lesson here is the transcendent glory of survival. Hope triumphed over horror. Life triumphed over death.

And we must also remember the story of a single life. In this case, the story of a great man named Raoul Wallenberg, a story brought to the conscience of the world by another great man, the one whose name this center bears. When I was over with Barbara in Budapest we went to Raoul's memorial to pay tribute. His actions embodied the highest ideals of human decency and morality, a hero of our times. We owe him not only tribute, not only remembrance, but also commitment, to have a full and final accounting of his precious life.

We all know Elie Wiesel. He dedicates his life to the Holocaust and its victims because ``anyone who does not remember betrays them again.'' The freedom we enjoy carries a profound responsibility. Now the victims of other human rights abuses call to us daily from across the globe. In the memory of the millions who died, we must not forget. We must not close our hearts. We must not fail to act.

We've been acting for years to promote freedom in the Soviet Union, including the freedoms of religion and emigration. That action has paid off. Jews in the Soviet Union can now study Hebrew. Jews who choose to leave can do so. Some delays, admittedly, but they can leave. Hundreds of thousands have made aliyah to Israel. This is freedom in action.

In the Gulf, Simon Wiesenthal was among the first to speak out against Saddam Hussein's brutality. He said: ``Silence is admittance. We cannot tolerate silence.'' It was because of

Saddam's aggression that we made our stand in the Persian Gulf. The world had ignored the brewing madness 50 years ago. We would not make the same mistake this time. It was a moral imperative to act.

As I contemplated as Commander in Chief of the Armed Forces what action to take against Saddam Hussein's aggression, I thought of the world's inaction those many years ago when first the army and then the SS marched into Poland. It was on my mind as I had to make this fateful decision to send our sons and daughters into combat in the Gulf.

And then there's exciting and emotional freeing of the Ethiopian Jews that was referred to a minute ago. Rudy Boschwitz, a former United States Senator, a wonderful man, was our special emissary. Recently in the Rose Garden, I was privileged to honor him, Bob Frasure of the National Security Council, Irvin Hicks of the State Department, Robert Houdek there in our Embassy -- embattled Embassy in Addis Ababa. For their extraordinary actions we honored them, helping in what turned out to be one of the most intensive humanitarian airlifts in history. Thanks in considerable part to the efforts of the United States -- a lot of people in the United States -- the Ethiopian Jews were delivered from harm's way within 30 hours, reunited with loved ones, and given the opportunity to begin new lives in Israel. What a joyous, wonderful homecoming.

These events remind us that Israel was created as a refuge for Jews who face or flee persecution. So, our challenge is to make Israel truly secure. We learned the hard lesson that geography alone cannot guarantee security for Israel. We've learned that military power alone cannot guarantee her security. Israel and her neighbors will enjoy true and lasting security only when they achieve genuine reconciliation. And that's the goal behind the peace initiative that I launched 3 months ago.

Our Secretary of State has worked tirelessly to follow up, and direct negotiations between Israel and her neighbors no longer seem such a distant dream. The process we have designed can promote peace, but only if the parties in the region muster the political will to make it happen. If they do, the issues that divide them will fall away, and the Middle East at last can begin the journey toward lasting peace.

We're here tonight in honor of a place that drives us to use the pain of our past literally to forge a better future. The Simon Wiesenthal Center is not just a museum, although its vivid images will never let the past fade. It's also an activist organization of more than one million members, one million separate voices bound together in single purpose: the call for all lives to have meaning, dignity, and hope.

I must say that was running through my mind when the Holocaust survivors brought in the Mauthausen flag. What a story, those men and women creating out of scraps this symbol of the values that gave them hope. Just think, those values were the ones upon which this country was founded, ones we too often take for granted, I'm afraid, in our busy lives. I just wish that every

American could hear their story. I wish every American could see this flag and feel the same emotion that I felt when these survivors brought it to this stage.

The values those courageous Jewish victims saw symbolized in our flag became the ones on which they founded their new homeland. These shared values unite our country and Israel in an extraordinary, special kinship -- values like freedom, democracy, morality, respect, deeply rooted traditions of tolerance, individual rights, and liberties. Our countries have forged an unprecedented bond, a bond of shared ideals, shared struggles, shared commitments.

Tonight, I want to return to those essential, basic values and pledge America's eternal vigilance for justice, peace, and human rights throughout the world. As your President, I say there is no room in America for indifference. The Holocaust must never be dehumanized or dismissed. We pledge it will also never be forgotten.

There is no room in this country for hate crimes. We must raise our voices and the full force of our law against every hate group, desecrater and demagog, brown shirt or white sheet. We will not be fooled by a change in disguise if corruption and inhumanity still lie buried in their hearts.

There is no room -- no room at all -- in America for bigotry. And we will stand firm against intolerance, racism, and discrimination in any form or any place: in our cities, in our media, in our minds, in our hearts. And we pledge to expose the corrosive hatred of bigotry wherever it festers and to rid our land of it for our children's sake.

There is no room in our America, in our world, for anti-Semitism. The insidious ugliness of this cancer destroys the human spirit. We must root it out and conquer it wherever it may start to grow.

There is no room in our world for persecution of a people. We must be committed to the security, opportunity, and identity for all peoples of the world.

There's no room in our world for persecution of a nation. Israel's survival will be guaranteed. And the best way to do that is through a just and lasting peace.

And above all, we must, each of us, embody in our lives the lesson of this wonderful center so brilliantly expressed by its hero, Simon Wiesenthal, who reminds us: ``Freedom is not a gift from Heaven. One must fight for it every day." And that, my friends, is our final and most important pledge.

Thank you very much for the privilege of sharing this evening with you and for the warmth of your friendship, for the dedication of your purpose. And may God bless the United States, the greatest country on the face of the Earth. Thank you very much.

Note: The President spoke at 7:20 p.m. in the Los Angeles Ballroom at the Century Plaza Hotel. In his remarks, he referred to Jerry Weintraub and Rabbi Marvin Hier, board member and dean of the Simon Wiesenthal Center; the singing group Wilson Phillips; actor Tony Danza, master of ceremonies for the dinner; Arnold Schwarzenegger, Chairman of the President's Counsel on Physical Fitness and Sports; Gayle Wilson, wife of Gov. Pete Wilson of California; Senator John Seymour; Representative David Dreier; Thomas Bradley, mayor of Los Angeles; Ron Ronen, Counsel General of Israel; humanitarians Simon Wiesenthal and Elie Wiesel; Swedish diplomat Raoul Wallenberg; President Saddam Hussein of Iraq; former Senator Rudy Boschwitz; Robert C. Frasure, National Security Council Director for African Affairs; Irvin Hicks, Deputy Assistant Secretary of State for African Affairs; Robert G. Houdek, Charge d'Affaires at the U.S. Embassy in Ethiopia; and Secretary of State James A. Baker III.

Exchange With Reporters Aboard Air Force One

June 17, 1991

The President. We received a second letter from President Gorbachev, and it relates to the arms control situation, the START differences. We view it as a positive response. Obviously, when you're dealing with these details on START, when you're dealing with highly technical issues, it's hard to categorize letters of this nature. But the tone was good, the determination to reach agreement was positive. And we're looking very closely at the details, which I think would be most inappropriate to discuss here. We're down to some -- as I mentioned the other day coming out here -- some very fine points on arms control.

So, that's two letters in a very short period of time -- the first, very positive tone on the grain credits. We're looking forward to a visit this week, I think it is, from Mr. Yeltsin when he comes here. And this last, the second letter on START, I view it as very important.

I know your next question will be, well, when will we have a summit meeting to initial something or sign something on START? I just don't know the answer to that. General Scowcroft can maybe follow up on it. But we don't have the answer. I'm still holding the dates at the end of June and the end of July, and I'm hoping that we can move as quickly as possible to conclude it. But I have to say this is very positive.

Soviet-U.S. Relations

Q. Did the letter discuss any kind of timetable on wrapping all this up?

The President. I don't think so. It didn't discuss -- you mean on dates? No. But what it did is to respond to some of our suggestions on START and to build on some suggestions that they had previously made. But I'd say it's a narrowing of differences, and that's what we're -- we're in agreement here where it's 96 percent, or, you know, close to it, concluded. I remember Moiseyev sitting in the Oval Office saying, ``This much separates us,'' just this much. And so, I think maybe it's a little less today. But we've got to take a look at it.

Q. Is this a response to -- --

The President. I wouldn't say breakthrough, but I think it's progress.

Q. Is it a response to the ideas that were put forth in Lisbon?

The President. Yes.

Q. And do you think that Baker and Bessmertnykh are going to be able to kind of tie this up in

Berlin?

The President. We keep going in increments. We're going to try. They're going to be in touch now. I think our U.S. policy -- we've got to hammer out maybe a detail or two in light of this letter. But yes, that's exactly what we want to do, is to get it done. And I'd have to say I'm a little more optimistic about it.

Q. How close?

The President. Well, I can't say. As I said, Moiseyev said, ``this far.'' Now we'll move it down to ``that far.'' I think people agree on that. I don't think that they think there's a wide difference. What I do think is that some of the differences that remain are fairly difficult.

Q. -- -- still about a summit this summer?

The President. Well, I'm talking that way, and I think President Gorbachev would like that. I think it's in our interest. We've got lots of subjects to talk about in addition to this. But this one, obviously, is kind of a sine qua non. We can't go forward -- that means -- [laughter] -- something that's important, without which -- but, no, it's progress. I don't want to overstate it. I don't want to get hopes up. But yes, on terms of holding dates and trying to get a summit meeting, I really want to have it. I mean, we'll see President Gorbachev in London, notwithstanding. But there are a lot of bilateral issues that we need to talk about. And following the Yeltsin visit, there may be even more. So, we'll keep plugging away on the thing.

Q. There was some talk of taking some of the final technical details like the really nitty-gritty on telemetry and kind of kicking that down the road, leaving that to a joint commission or something like that.

The President. I don't think we can duck the -- well, here's the expert. I don't think we can duck the -- --

Q. Do you want all the specific language wrapped up and in the treaty?

The President. Well no, we'll have a meeting without having every ``t'' crossed and every ``i'' dotted on a treaty. But on a question of this importance that you mentioned, encryption of data, we've got to make progress. I mean, that's one of the remaining issues, frankly, and I have not gotten from our experts -- one of them who is standing next to me -- exactly how much progress we may have made there. But we can't duck that. We don't want to mislead the United States Congress, and there's no point in suggesting that there's not a problem when there is. But that's one that we have to make real progress on, and they know it.

Q. Is there still a problem there?

The President. Well, we're going to wait and see when we get the analysis, but I'm afraid we haven't solved it all, let me just put it that way.

Q. -- -- dot every ``i'' and cross every ``t'', isn't that how you got in trouble with CFE?

The President. No. We crossed every ``t'' and signed a treaty. Then we had a little problem on interpretation. That's very different. What I'm saying is we've got to narrow down these major issues to get them to agreement. But there's a step then between that and writing out an X-number-of-page treaty. And that's going to be highly complicated drafting, but the drafters will have these problems resolved before they start. So, that's what I was referring to.

South Africa

Q. In South Africa today there was another -- --

Q. On registration.

The President. Well, we're going to analyze it carefully. The law, our law, says lift the sanctions when these four out of five conditions are complied with. So, we have to -- --

Q. Is there still a problem with political prisoners? Is that -- --

The President. Let Brent respond to that. [Laughter]

Note: The exchange took place in the morning while the President was en route from Los Angeles, CA, to Grand Junction, CO. The following persons were referred to: President Mikhail Gorbachev of the Soviet Union; Boris Yeltsin, President of the Republic of Russia; Brent Scowcroft, Assistant to the President for National Security Affairs; Mikhail Moiseyev, Chief of the General Staff of the Soviet Union; Secretary of State James A. Baker III; and Soviet Foreign Minister Aleksandr Bessmertnykh. The final questions referred to the elimination by the South African Government of the law which classified all South Africans by race at birth. A tape was not available for verification of the content of this exchange.

Remarks to Community Members in Grand Junction, Colorado

June 17, 1991

What a day. What a magnificent day. Thank you very, very much, Governor Romer, and all of you. Let me just say at the outset, I wish all of you -- not all at the same time -- but all of you could have been riding in that limousine from the airport. There is no way that I can begin to tell you how emotional Barbara and I felt about that warm welcome to this wonderful corner of God's Earth. You really made us feel at home. And you talk about patriotism and values -- it's right here. Thank you very, very much.

Let me first salute the Governor, about whom I'll have more to say in a minute, doing an absolutely sensational job chairing our National Education Goals Panel. I want to single out our leaders of the State legislature who are partners with the Governor in this effort. My friend, longtime friend, Ted Strickland, the president of the Colorado Senate; Chuck Berry, the speaker of the Colorado house; and all the other distinguished individuals on the steering committee for Colorado 2000.

And it's not just the big names. I just met with the leaders in this community who are leaders for revolutionary change in education. We had a fascinating seminar and I learned a lot from them. I salute your Congressman Ben Campbell, who's doing a great job for this district. Dr. Rosier, President Kieft, and others who -- those are just two of the many that joined us for this panel I referred to. And, of course, to our outstanding Secretary of Education, Lamar Alexander. He is leading this country in a wonderful new direction.

A word about your geography. On the way in I was struck by the majestic views of the Grand Mesa, that great big table that looks like just the kind of place where God might have done His homework or put down the palette He used to paint the sky. Some beauty. You are very, very lucky.

And I thought, as we drove in, about the vast frontiers that lie out here. And some will say that America's frontiers have been fully explored, developed; some will even say lost. But one frontier knows no limits, needs constant development, and cannot be lost. And that's the frontier of the American mind, the unlimited vista of American imagination.

As a people, our love of learning has guided every step of our progress. I love it when Barbara Bush, committed to literacy and education as she is, comes home and tells me these moving tales of how kids are trying to struggle against adversity to learn, how adults learning to read create a new dimension in their lives. And I might say, with some little husbandly pride, the Silver Fox is doing one heck of a job for education.

The Northwest Ordinance of 1787 declared this: ``Knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged." Now that same need to encourage education brings us together today, 204 years later. You can think of education as a competitiveness issue, or an economic issue -- but above all, education in America is a moral imperative.

Thomas Jefferson knew, and Eastern Europe recently reminded us, that the powers of any society rest ultimately with the people themselves. Education provides the grounding in ideas and values crucial to maintaining democracy and prosperity. It serves as our greatest source of social, economic, and yes, moral power.

No domestic program has greater influence over our future. None attracts more attention or generates more passion on the part of our people. And none will have a higher priority with this President than educational excellence. And that's why, together with all of the Nation's Governors and with dedicated citizens across the Nation, we set six ambitious national education goals for Americans of all ages. This wasn't a White House initiative, wasn't just by the Governors. It was a combined partnership in setting these education goals for the first time in our country's history.

We cannot achieve these goals without declaring a revolution in American education. This revolution demands far more than revolving-charge, blank-check spending. It demands that every community raise expectations, accelerate accountability through parental choice, and reward results. And that's exactly what Grand Junction is doing in leadership in this great country of ours.

Our America 2000 education strategy challenges all Americans to raise expectations, to pledge genuine accountability, and to create a new generation of American schools. It sets out to transform a nation at risk into a nation of students. It calls for cultivating communities where learning can and will happen.

All of you here have been doing just that, and I congratulate you. You're part of a national crusade for reform -- I should interject, a State crusade. And I'm so impressed with the connected television program that Governor Romer has just told us about. You're part of this national crusade which is a movement that takes different forms in different communities all across our nation, depending upon local needs and resources.

Local businesses need a talented labor pool. Schools need guidance in developing programs and curricula. Every citizen needs to know that the kid standing on the street corner is going somewhere and isn't just another lost soul waiting to become a statistic, no one knowing his name.

And we need you. We need every citizen to join this revolution for American education, whether it's the business executive who takes time out to visit a classroom; the older American who knows

so much and has so much to share, tutoring kids at the local library; or especially the parent who takes a few extra minutes each night to read with a child.

Every one of our national education goals relies on everyone in every community across this nation. And I'm confident that if Grand Junction is any example at all, we can achieve each and every one of these national goals.

And that's so impressive -- what's so impressive about what your State is doing, why I'm so pleased with Colorado 2000. Governor Romer's leadership in responding to my call for America 2000 communities has been outstanding. He's been way out front in a leadership role. And tonight, as you heard him say, virtually all of Colorado's 176 school districts will meet, connected by high technology, to adopt goals, set strategy, and yes, measure results. And that's just the kind of thoughtful, community-based action that we'll need to reinvigorate and transform America's schools. You see, we haven't just launched Washington, DC, 2000. It's America 2000. And what that means is Colorado 2000, Grand Junction 2000.

And I challenge every community in America to do what you are doing: to become an America 2000 community, to embrace the national education goals and accomplish them. Community involvement and community innovation will enable students of the future to set and meet world-class standards of achievement. But world-class standards begin here in the hearts and imaginations of people who care about education, who care about their kids, and who care about the future.

About 150 miles from here, in a little town called Norwood, Colorado, a woman named Carolyn Sharp is doing what students of the past couldn't have dreamed possible. Seventy-four years old, she's too far away to get radio or TV broadcast. But now she gets satellite. She gets satellite-delivered programming through the Mind Extension University and does her learning long-distance. Seventy-four, and here's what she says: ``I'd already been boning up, doing some history research on my own, and I wanted to take a class." And now, by satellite, she's studying French, history, and physics. She's a great role model. And for my part, I've been trying to learn how to use a computer, and I'm going to keep on trying. I will not challenge any of the 12 kids in Nintendo, however.

At its most fundamental, learning involves ambition and imagination. We Americans have never been known for a lack of imagination, and we've had set goals for education as ambitious as any that we've for the West, for space, or for any other American frontier.

With the active support of people like you, I'm confident that we will meet these national goals and help our children toward the future that they deserve.

May I thank you for your leadership and interest in educating not just the kids in Grand Junction, not just the kids in Colorado, but by example you are demonstrating an interest in helping kids all

across the country.

May God bless our young people. May God bless our teachers. And may God bless each and every one of you that's willing to take a leadership role in making America 2000 a fantastic education success.

Thank you all, and God bless you.

Note: The President spoke at 12:18 p.m. in the Mesa County Courthouse. In his remarks, he referred to Gov. Roy Romer of Colorado; Ted Strickland and Chuck Berry, Colorado State legislators; Representative Ben Nighthorse Campbell; Paul W. Rosier, superintendent of the Mesa County Valley School District; Ray N. Kieft, president of Mesa State College; and Secretary of Education Lamar Alexander. Prior to his remarks, the President attended a meeting of the Mesa County School Board. Following his remarks, the President traveled to Milwaukee, WI.

Remarks at a Fundraising Dinner for Senatorial Candidate Bob Kasten in Milwaukee, Wisconsin

June 17, 1991

Thank you, Bob Kasten and Eva, great to be with you. I am so pleased to see an early supporter and great friend of mine who has certainly done a wonderful job in this State, and that is your outstanding Governor Tommy Thompson and his wife, Sue Ann. What a wonderful couple you have running this State.

And your Lieutenant Governor is with us, Scott McCallum; your State treasurer Kate Zeuske. And, of course, I want to introduce somebody special with whom I've been traveling a great deal, a former Governor who is now leading our country towards what we call America 2000, a renaissance, a true renaissance, in education. And I mean Governor Lamar Alexander, who's standing right here. Lamar, please stand up.

And as he and I contemplate the national problems, I can guarantee you that we can learn an awful lot not only from Bob Kasten in the Senate in his commitment to education but from the programs that Tommy Thompson has already put into effect to encourage excellence in education in this State.

I'd be remiss if I didn't single out my old friend, John MacIver, who worked me to death back years ago and then stayed at my side when I was down and dusted me off. And he and a handful of others have been my most stalwart political supporters in this country. And he's actively involved in Bob Kasten's race, as I knew he would be -- and thank God he is. To Mike Grebe, who is the Kasten chairman, as well as our national committeeman: always stepping up to the plate, always in a role of leadership, I salute him. And I am delighted to see others -- Helen Bie, our national committeewoman is here. David Opitz, the chairman, our State chairman. And party's going to be important now as we move into 1992. And Wayne Oldenberg, who is doing such an outstanding job as Bob Kasten's finance chairman.

All of these people are making it happen. Bob tells me this is one of the largest fundraising events that he's ever had. And I think it's a tribute to him, of course, but also to the leadership that's gone into this event.

I'm sorry to have kept you all waiting a little bit. I'm sorry if this has caused any unfounded excitement. One man heard that Bush was coming to town; he started a rumor that a major brewery was on its way back here, leaving St. Louis. [Laughter]

But Bob supports me when I need it, and that's one of the reasons I accepted with alacrity his invitation. You've heard some about his accomplishments tonight -- moved quickly into the ranks

of senior Senate leadership, part of our leadership team in the United States Senate. He stood solidly by my side at times that weren't so easy leading up to Operation Desert Storm. He was there. He never wavered. He saw what we had to do to kick aggression back. And he was steadfast in his support, and I'll always be grateful to him for that.

We had a little receiving line earlier, and I met two or three people that had been in Desert Storm -- one, a member of the police department here; another who was at the dinner tonight. And I couldn't help but remember that Bob went to Egypt to visit Wisconsin's own 128th and 440th -- reached out and told them that they had his support.

You know, he's carved out a niche as a top spokesman for economic growth, for environmental stewardship, for educational excellence that I mentioned, and for American international leadership, and, of course, for cheese. [Laughter]

A few months back, we held a meeting to discuss Soviet affairs in the Middle East. And we talked then about many of the issues that occupy the headlines these days: how to promote economic reform in the Soviet Union. And I must tell you I'm looking forward, if we can iron out these difficulties that remain on START -- the Strategic Arms Reduction Talks -- to meet with Mr. Gorbachev to talk further about reform in the Soviet Union. And this week we'll be receiving the newly-elected, first elected head of the Russian Republic, Boris Yeltsin, in Washington, DC. And I'm looking forward to that.

But as Bob and I wrestled with these weighty problems of international affairs -- where we should go next in the Middle East peace talks, how to verify the arms control agreements with the Soviets -- it was a productive meeting, and I learned a lot. But every few minutes or so, Bob, who knew more about the subjects at hand than many of those that were around that table, would weave in a mention of dairy price supports for Wisconsin farmers. What I'm saying is, he knows who sent him there to Washington, and he's never forgotten it. And that's why I think he's going to be reelected, and reelected big. He gives a new meaning to the term ``sacred cow,'' I might add. [Laughter]

We've reached an interesting point in this administration. And I think as you look back in this nation's history, our performance in the Gulf -- and I say ours: I'm talking about the young men and women who were over there, their performance in Desert Storm. I'm talking about the superb job done by the military commanders there and in the Pentagon and by the leadership given by our Secretary, Dick Cheney. Our performance demonstrated that America will do the right thing when duty calls. And they will help a country halfway around the world that's been overrun by a brutal dictator. And they will work with other nations to build an unbeatable consensus in an unconquerable military force. And they will risk their finest sons and daughters, all in defense of liberty.

We haven't lost it. We found something special out of Desert Storm. Go with us, go with Barbara

and me around this country. It's not politics. You go to places we couldn't get one vote if we tried. And the American people are out there with their flags and their enthusiasm and the rediscovery of who we are: a country that will stand up against aggression and win -- and win promptly and win confidently.

And there was another lesson; there was another lesson out of this. We learned that the Presidency as an institution is charged to respond to such situations. The President has a unique responsibility to build the kind of national and international support that is necessary to build democracy and to defend liberty in cases that we saw halfway around the world.

But we've also learned that the kind of consensus is more difficult to build when it comes to doing business at home. Do you remember right after Desert Storm ended, people were saying now if the President would take this newfound credibility that we all earned in the Gulf -- that everybody did -- and use it for domestic problems, that would be great. That would be wonderful.

Well, the American people want to take on economic problems, educational problems, environmental problems. And they want to fight crime. They want to improve race relations and fight against discrimination in the workplace and reshape, as Bob mentioned, the national defense and join the exciting economic cooperation and competition beyond our borders.

But if we really want to mount an all-out assault on these problems, we need more good people in the United States Senate, more dedicated people, more imaginative people, and we must return those that are doing the job for this country. And I'm talking about Bob Kasten, for one.

Some of the Democrats' ideas to how we do this domestic Desert Storm is to do it their way. I wasn't elected to do it their way. I was elected to do it our way, the sensible way.

Working with this Senator, we proposed a comprehensive economic growth package. It holds the line on Federal spending. And a lot came out of that budget agreement, controversial though it was. It holds the line on taxes. It cuts the capital gains rate. It facilitates savings, and everybody involved in business knows that our country has terribly low savings rates. It makes it easier for poor and middle class Americans to become successful entrepreneurs, to take a risk to start something. Small business is the backbone of this country -- employment and everything else, productivity and employment. And so, we need more of it.

And I believe if we could get more Republicans, we'd do much better on the economic front. As it is now, I'm playing defense in the House; I'm playing defense in the Senate. Thank God we had 21 vetoes, and every single one of them was sustained. We've got to keep bad things from happening and then get more people so we can make good things happen in the Senate.

We're embarked, as I said, with credit to Lamar Alexander, on a nonpartisan or a bipartisan educational revolution that would put power in the hands of people. It would let parents, not the

bureaucrats, make the crucial choice of which schools their children should attend. And you in Wisconsin, and especially right here in Milwaukee, understand what I'm talking about because you led the way in terms of choice for this country.

I'm still very worried about our neighborhoods. Those neighborhoods that can afford it the least are most afflicted by crime. And we've tried for more than 2 years to persuade Congress to pass a comprehensive anticrime package -- one that protects police, protects citizens, helps the victims, and puts the dangerous criminals behind bars. And we've asked the Congress to adopt a modest transportation package to make it easier for commuters to travel from home to work and back without having to sit for hours in traffic.

We've created a strong civil rights package to strengthen our laws against those who discriminate. And specifically, our package seeks to eliminate discrimination in the workplace, and it encourages all Americans to view civil rights as a shared commitment and goal rather than an invitation to litigation. And we need more good people in the Senate and the House to get these three initiatives moving and moving fast.

And we have done something that I think all Americans, regardless of party, wanted. They wanted to get this defense spending under control. And yes, we've proposed restructuring our Armed Forces in a way that pares down our military, pares it down certainly in terms of spending as a percentage of our GNP and just real reductions, as well, in spending.

And we do this without reducing the readiness. But I need people to support that concept and not just come into the Congress with some meat ax without regard to whatever might come up in the future. Perhaps there would be another Desert Storm, and I want our forces to be able to respond, respond rapidly, go in, get the job done, and come out. And that's only going to be done if we have a program for defense that has reductions but also keeps in mind the priorities that we must have established as we go through the last part of the nineties.

I cite this because I think it's reasonable. I think we've got a good domestic program. I get sick and tired from hearing the Democrats out there crying that there's no domestic agenda. The problem is, they want their domestic agenda, the same old tired answers of the past -- try to bring them into the future. And it's not going to work.

How many of these important bills do you think Congress has passed? You guessed it: zero, none. We are going to keep fighting for our domestic Desert Storm, for our domestic agenda. But we can't do it if we're fighting against these tired old characters out of the past who want to go back and say, let the Federal Government solve all our problems. It's not going to work. It's failed in the past. We need new people in the Senate. And we need new people in the House. They're going to look at it just exactly that way.

And let me say this: You can't blame Bob for the failures up there. He has fought for economic

growth. He drafted the reforms that ought to save us $6 billion just in regulatory paperwork alone next year. And he's going to continue -- that would continue to produce savings for years to come. He pushed for that capital gains reduction in spite of the demagogs saying this is a tax break for the rich. He pushed for it because he knew it would create more jobs. And he's pushed for progrowth tax changes. And he stood with us in promoting a new progressivity in education. And he's helping us very much, as I said, in our 2000 -- the America 2000 strategy.

He supported our crime legislation. Compare his record with others, not just from Wisconsin, but others on the national scene like he is. He supported this. He supported better transportation for this State and for all of America. And he stood at our side on civil rights, trying to offer the extended hand of brotherhood and hope rather than divisive politics based on clashing claims, lawsuits, and quotas. Quotas is not the American way. We don't need that. We need fair play.

So, I ask you to look at the facts. Cut through the rhetoric, look at the facts, and see what our bill does and see what the other bill does.

I'm a little sick and tired of people saying we don't have a decent civil rights program. We do. We've got a good record. And I'll be darned if I'm going to knuckle into a handful of people inside the beltway who say jump and then the Democrat Senators say how high. It's too late.

I don't have to remind you that after the Gulf war we asked Congress to pass just two bills out of all these I've mentioned in a 100 days, crime and transportation, and it didn't pass either. And I mentioned out there at the White House, if 100 isn't enough, let's give them another 100. But let's get something done for America, and do it right.

So, economic growth, education, crime, transportation, civil rights, defense -- Bob Kasten is fighting for all these things. And I need more like him.

So, the message is simply this -- you know it: With your support and the support of others like you around the country, this administration won't have to rely on the veto as its weapon for improving legislation. It'll be able to look to a Congress ready, willing, and eager to serve the people. And Bob, let me just say you have my strong support. Let's do what it takes to win in 1992.

Thank you all very much. Godspeed to all of you, and may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 6:30 p.m. in the Milwaukee Exposition and Convention Center. In his remarks, he referred to Mr. Kasten's wife, Eva; Gov. Tommy Thompson of Wisconsin and his wife, Sue Ann; Scott McCallum and Kate Zeuske, Wisconsin Lieutenant Governor and treasurer; Secretary of Education Lamar Alexander, former Governor of Tennessee; John MacIver, attorney with Michael, Best, and Friderich in Milwaukee, WI; Mike Grebe and Helen Bie, Republican

National Committee delegates; David Opitz, State Republican Party chairman; Wayne Oldenberg, Kasten campaign finance chairman; President Mikhail Gorbachev of the Soviet Union; Boris Yeltsin, President of the Republic of Russia; Secretary of Defense Dick Cheney; and President Saddam Hussein of Iraq. Following his remarks, the President returned to Washington, DC.

Remarks at the Welcoming Ceremony for President Fernando Collor de Mello of Brazil

June 18, 1991

President Bush. Good morning all, and welcome to the White House. It is my great honor to greet you, Mr. President: one of Latin America's most dynamic statesmen.

The U.S.-Brazilian friendship has spanned nearly two centuries. Now an alliance built on fidelity -- to democracy, healthy mutual respect, and firm collective will -- the relationship has never been better. The most basic roots of our friendship lie in our dedication to democracy, our allegiance to the power of individuals, and the rule of law.

The nations of the Americas all struggled and gained independence from the old ways of the Old World, and we built nations of promise and renewal. One hundred and seventy-nine years ago, the United States was proud to be the very first nation to recognize the newly sovereign Brazil. And that year, your predecessors achieved independence without bloodshed, traded goods with the world, and began to integrate a vastly diverse country. Today, President Collor, you represent the modern leader, Brazil's first directly elected President in 29 years. We understand the challenges you face and we admire the vigor with which you are dealing with them.

Across the spectrum, from trade and economic matters to environmental issues, to concerns over nuclear proliferation, we are determined to treat our common challenges as opportunities, opportunities to improve life throughout this hemisphere.

Brazil, with its great natural wealth and resourceful people, can make enormous contributions to the world economy and to hemispheric prosperity. Along with the other nations of the Americas, as a long-term goal, we aim to create the largest free-trading partnership of sovereign states in the world.

The Enterprise for the Americas Initiative which I unveiled 1 year ago next week can help make this goal a reality, and we are already making great strides. I am pleased to announce that tomorrow we will sign completed negotiations for a trade and investment framework agreement with Brazil, Argentina, Paraguay, and Uruguay -- the countries of the planned Southern Common Market, MerCoSur. This agreement is a significant step toward achieving our common goals, and we look forward to this new era of enhanced cooperation.

Mr. President, America stands by your side as you tackle Brazil's most pressing issues. When I visited Brazil last December and was received so warmly by you, sir, I saw the bold economic changes that you were making. And I saw something else; I saw a bold, active President, too. We all know that he's a tireless worker, but add to that jogging, piloting fighters, jet skiing, and

several other activities. My kind of guy. [Laughter]

You've trimmed government and announced plans to reprivatize enterprises, fight inflation, and liberalize trade. These are the keys to growth and prosperity in Brazil.

As the 21st century draws near, we'll mark the 500th anniversary of Columbus' discovery of the Americas and the arrival of Cabral's Portuguese fleet in Brazil. Spectacular change characterizes the half millennium. The New World is becoming integrated in ways our forefathers would never have dreamed. And our firm collective will can help ensure a future filled with cooperation, not conflict.

Brazil knows well the importance of united efforts, aligning with the allies in both World Wars, its brave expeditionary forces playing a key role in World War II. A half-century later, Brazil supported the United Nations resolutions and sanctions against Iraq despite significant economic losses to Brazil. And that, Mr. President, testifies not just to your vision but to your courage; and for this, we thank you, also.

On behalf of all Americans, I salute the shared ideals that unite our nations and the lasting friendship between the people of the United States and the people of Brazil.

It is my great pleasure to welcome you to the White House. May God bless the Federative Republic of Brazil. Welcome, sir.

President Collor. Mr. President, ladies and gentlemen: Relations with the United States of America are a priority for Brazil. In my inaugural speech, I stated the need to eliminate from our relationship the emphasis which up to then had been placed on contentious trade issues. Such an emphasis used to obscure the true sense of a partnership based on common values, aspirations, and enterprises.

This first goal has been achieved. In a mutually satisfactory way, Brazil has shown its earnestness and willingness to approach the issues pending on the bilateral agenda. Today, the Brazil-United States agenda is clearly positive, and this is only a starting point for continuous improvement in our relations.

Brazil and the United States are the two largest democracies on the American continent. We place our most profound trust in political and economic freedom as the only way to achieve the individual and collective fulfillment of our citizens. We cannot limit ourselves to solving circumstantial problems. The advances that we make must be founded upon a wide-ranging political vision and serve to reinforce a strong and lasting friendship.

It is in this spirit that we salute the Initiative for the Americas. Aside from its very important conceptual gains such as the linkage between foreign debt, trade, and investment, the initiative is

remarkable above all because of its vision of the future, a future that we must build together.

Mr. President, let us close the chapter on past trade disputes and past debt problems. Let us join efforts to expand mutual trade, technological cooperation, new credit, and investment flows. My idea of a truly stable international partnership is based on two major assumptions: The first is that is up to every country to determine its own destiny and to make the necessary sacrifices to achieve its national goals.

The Federalist Papers themselves state that: provided there be a free people and carefully managed finances, ``foreign nations will be much more disposed to cultivate our friendship than provoke our resentment." Brazilian democracy has followed this lesson very closely. Brazil is making enormous sacrifices and resolutely carrying out its economic modernization project. We have adopted an adjustment program that is comparable only to the most rigorous and contemporary world history. In Brazil, the state will no longer be a producer of goods but rather a promoter of collective well-being.

The second assumption for a true partnership is a recognition of the interdependence that exists among nations, a reality which imposes upon all societies and their leaders the obligation to ponder the international consequences of their actions. Brazil is fully aware of this. We know that despite our present hardships, our policies of liberalizing reform will not succeed without real cooperation and positive responses on the part of the international community regarding solutions to such problems as foreign debt, removal of trade barriers, and access to advanced, clean technologies.

Though we respect the legitimate values and interests of all peoples, we must insist on cooperation in the crusade we lead to achieve harmony between men and nature. This is precisely the challenge that stands before us as we approach the 1992 United Nations Conference on Environment and Development to be held in Rio de Janeiro: the search for a balance between man's seemingly infinite quest for progress and the finite limits of Earth's resources.

Mr. President, I look forward to our coming talks. I'm certain that our commitment to democracy and, believe me, my personal deep esteem for you will help us attain good results. We have before us a historic opportunity to create a new partnership between Brazil and the United States. Let us grasp it with determination and a sense of the future.

May God help us to elevate our relations to the level warranted by the greatness of our two countries. Thank you very much.

Note: President Bush spoke at 10:15 a.m. at the South Portico of the White House, where President Collor was accorded a formal welcome with full military honors. Following the ceremony, the two Presidents met in the Oval Office.

Remarks Prior to Discussions With President Fernando Collor de Mello of Brazil

June 18, 1991

Q. Are you in a talking mood today?

The President. Out of respect for our guest, the only talking I want to do in here is not to respond to questions but just to repeat what I said out there: how much respect I have for President Collor, how much I value our personal relationship, but even more important, how determined we are to work with Brazil for the common aims that we, both countries, have. And I'm just delighted you're here, sir.

Barbara and I are looking forward to the social end of it, and much more important to us is working with you to achieve the goals that you've set in a very difficult situation. But you're doing great, and we want to help.

Q. How much of an issue will weapons proliferation in the Gulf be, sir?

The President. You misunderstood what I said. I said I wasn't going to take any questions; I just wanted to give a speech. It's two entirely different things. But all issues will be discussed.

Q. If you make your statement, we should be allowed to ask questions.

The President. No, no, wait a minute.

Q. Can we speak in English?

The President. Yes, but I don't take questions in here. But I think out of fairness, let me just simply say what I said to the second wave of press, and that is how delighted I am to have my friend President Collor here in the Oval Office. And so, we've been looking forward to this visit on two planes: one, pure friendship and social side, which pales in comparison to the importance of working with this President to further our common aims, to see how the United States can be helpful to the broad reform agenda that he has courageously set. The problems are big, but we salute him for his tackling of those problems, and it's those things that I think are the most important for this visit.

Q. A policy meeting next year, Mr. Bush, in Brazil?

The President. I'm not taking any questions. It wouldn't be fair to the others; I said I wouldn't take questions here. We normally don't in the Oval Office, so I just can't, but there will be a chance to

ask them later on, I think.

Note: President Bush spoke at 10:35 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks.

Remarks at a White House Briefing for Law Enforcement Officials on Crime Legislation

June 18, 1991

I understand you've been here for a while, but I'm the last event, you'll be happy to know. [Laughter]

I first want to single out the two gentlemen, and I use the term advisedly, sitting behind me: our Attorney General, who has done such a superb job in standing up for the victims of crime and against the criminals, and then Governor Bob Martinez, who has just taken over as our czar. Why in America we call people czars, I don't know. [Laughter] But nevertheless, if there is one that should be termed that, it is he, because he has a fantastically important portfolio. He has hit the ground running, not just domestically but in working with our foreign friends whose cooperation is absolutely essential if we are going to make your work and the work of those you support any easier. By that, I am talking about law enforcement.

So, I want to thank you all for coming. I promise to be brief. I want to single out not just the law enforcement people themselves, but those who represent in one way or another the victims of crime. We had a little ceremony a while back to salute them, to honor them, and all three of us here feel compassionately and strongly about that question. And we must never forget to honor them and to facilitate the caring that they deserve from the Government and from every other quarter.

I hoped that I might have had a chance to see all of you, knowing of your commitment, a little sooner than now. I had hoped that the Congress would have taken up our crime bill before now and that we could have gathered there for a signing ceremony. It may well happen; it must happen. It's right for this country that it happen. And at least the Senate has consented to begin work this week on this issue of vital importance to all Americans.

The people simply don't understand this. We sent a crime bill up 2 years ago, and the American people say: What in the world is going on? What is taking so long? And I know I run the risk of ``bashing'' the Congress. But that is not what this is about. It is trying to encourage this lethargic system to do that which the people want, do that what I was elected to try to do.

So, we'll keep on pushing, but your help in this is vitally important. Those of you here today represent a promising development in the past 2 years. More than ever, we've seen, I think, a new sense of cooperation among Federal, State and local law enforcement officials. And the victim groups -- again, strong cooperation, the neighborhood organizations that are essential to this fight, strong cooperation -- all are saying that the time for reform is now.

This coalition is the front line in our war on crime. Frankly, it is tired of felons going free on technicalities in sentences that seem tough but are not carried out because the defendant is clogging our court system with appeal after appeal after appeal.

As part of this unique coalition, you know the kinds of changes in the law you need from Congress to really make a difference in this fight. That's what this is all about -- making a difference. You know that our bill, with its habeas corpus reform, its exclusionary rule reform, revised death penalty procedures, will help you. And in a broader sense, it'll help the entire criminal justice system. With its provisions regarding racial bias, it will ensure fair jury deliberations and fair sentencing.

You know that the so-called racial justice act in the Biden bill will in effect invalidate, regardless of the cause of the sentence, virtually all State death penalty laws and those death penalty sentences that have not yet been implemented. You know that the exclusionary rule provisions in the Biden bill at best codify existing law, and that the assault weapon provisions in the bill, by identifying particular weapons, can certainly be easily circumvented.

What is clear is that the Biden bill will make our jobs harder. We can have real criminal law reform without hollow gestures. And I know you share my view that we need real change, substantive change, not some watered down bill that's passed just before we move into an election year -- a watered down bill that really gives the appearance of doing something, that doesn't have the effect of getting the job done. The Congress needs to hear from you.

I used to wonder before I got into this job how much appeals to Congress really meant; whether individuals that are really concerned can effect progressive, constructive change. I'm absolutely convinced that you can. So, they need to hear from you. They need to learn the importance of increasing the accountability and the certainty of punishment in our criminal system.

That's why you're so important to this debate. You're out there, working for all of you -- many on the streets and the highways, many working with officers that are. And you know how things really are, and I think you know what really needs to be done. So, I wanted to thank you for coming over. I wanted to thank you for your commitment. I expect there are times -- because when you're working as hard as you do -- that you wonder if anybody cares.

I know we do. I know we care a lot. But I think much more important than that is, I really believe the American people care. It's areas, some that are hurt the most by poverty and despair, that will be helped the most by this kind of legislation. So, we care about you. We're grateful to you. And thank you all very, very much for what you're doing. And now, P.S., please work even harder if that's possible. Thank you all very much.

Thank you all very, very much for coming and for the work you're doing.

Note: The President spoke at 4:04 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Attorney General Dick Thornburgh; Bob Martinez, Director of National Drug Control Policy; and Senator Joseph R. Biden, Jr.

Toasts at the State Dinner for President Fernando Collor de Mello of Brazil

June 18, 1991

President Bush. Mr. President and Mrs. Collor and distinguished guests, friends of Brazil, it's a distinct privilege for Barbara and me to salute this extraordinary President, Fernando Collor de Mello. I'm glad that Indiana Jones and his wife could join us tonight. [Laughter]

I hear that, yesterday, en route from Brasilia to Washington, the President himself piloted the plane and even helped land it. I'm glad he didn't pull a barrel roll over the South Lawn. [Laughter] But all our Brazilian guests are here tonight, so I guess the passengers weren't too much in danger. Captain Collor got them here a half-hour early, and nobody lost their luggage -- [laughter] -- so things are going very well to start off our visit.

Our two countries were built on the aspirations of pioneers, immigrants, merchants, and workers, hardy people, filled with the spirit of enterprise and independence, enthusiasm and ingenuity. And they came to the Americas determined to achieve lives of freedom and opportunity. And this is our heritage, and we will continue to fulfill it.

The legacy we leave to our future generations must be an alliance of democratic institutions, free markets, and environmental stewardship. President Collor, I salute you, sir, for your efforts to invigorate your political system, your firm commitment to free people and free markets, your determination to raise environmental awareness both at home and abroad.

Our guests deserve to know about your trek to Brazil's scientific outpost in Antarctica. You moved around at such a pace that you almost lost one of your cabinet officers in a snowbank -- something like speed golf, only this was in Antarctica. [Laughter]

Your service to your nation expresses your faith that Brazil will move forward and that our nations will continue to be loyal friends and allies as we enter the 21st century.

In 1876, as the United States celebrated its Centennial, a certain foreign visitor was making his own headlines. Clad in a black suit and silk cap, your Emperor, Dom Pedro II, sailed into New York's East River as thousands of spectators thronged the docks, cheering and saluting. And then he did this: he traveled our country on our new railroad, over 9,000 miles from Maryland to Wyoming to California to Louisiana, causing one newspaper editor to remark that: ``When he goes home, he will know more about the U.S. than two-thirds of the Congress." [Laughter] An exact quote.

Finally, on July 4th, in Philadelphia, Dom Pedro joined President Grant in opening our centennial

exhibit. A hymn was written especially for our 100th birthday by the celebrated Brazilian composer Antonio Carlos Gomes. A tribute to your Emperor noted that, ``no distinguished stranger ever came among us who, at the end of 3 months, seemed so little of a stranger and so much of a friend to the whole American people as Dom Pedro II of Brazil."

Today, Mr. President, you sir, carry on this friendship. Americans are proud to call you our friend. And on their behalf, let me propose this toast to the lasting friendship between the people of the United States and the people of Brazil, to the shared ideals that unite our nations and to a future of freedom, democracy, and prosperity all across the Americas. Once again, welcome, sir.

President Collor. Mr. President, Mrs. Bush, ladies and gentlemen, on behalf of Rosane and myself, I want to thank you for your kind words and your hospitality tonight and throughout our stay in Washington.

I remember our first meeting in January of last year when I visited as President-elect. Even though it was not on the schedule, you invited us to dine here in a friendly, informal atmosphere. I am pleased that this year's visit has confirmed that same cordiality shown us the night Rosane and I had the real surprise dinner at the White House. I also met the best-selling author that night. [Laughter] Her name is Millie. [Laughter]

Mr. President, whoever visits the United States encounters the fundamental values of Western civilization. Here are joined for the first time in history freedom and well-being. The determination with which I fight for the democratic development of my country is strengthened by the trips I make to the United States.

Brazil is one of the largest countries in the world in terms of the size of its area, population, and economy. We are a democratic, industrialized, and dynamic nation on the path of modernity and determined to overcome the problems of social inequalities. We want these facts recognized, not to increase our status but to increase our participation in world decisions and in contributions to mankind.

Brazil has restored democracy and strengthened its choice of a free market economy. These are the principles that form the foundation for my government's work towards modernizing our country and renewing our international relations.

Respect for human rights, preservation of nature, freedom to trade and to invest, the unvarying pursuit of peace -- these for us are not mere rhetorical expressions. They are the means we have chosen to rescue the millions of Brazilians who still live in poverty.

We are convinced that we have made the correct decision, but we are cognizant of the sacrifices involved. We do not want to share these sacrifices. History shows that the progress of any society is determined by its own efforts. Our desire to change and our willingness to come to grips with

the costs of that change must be recognized.

The international community must respond to these national efforts with immediate and effective compensation. The system of nations undergoes rapid transformations, and significant advancements in political strategy must inspire similar daring and creativity in cooperation towards social and economic development.

In an interdependent world, peace will only be consolidated if there is a joint, balanced, and corresponsible effort toward the task of establishing a fair order between men and nations. This is the true destiny of democracies.

Mr. President, Mrs. Bush, ladies and gentlemen, Brazil and the United States are very close to each other. Geographically, our continents are joined. Historically, we belong to the same generation of independent nations. Philosophically, the highest value in both our cultures is placed on individual and group progress and on political and economic freedom. We have a long history of friendship and cooperation in common. But we must do more, much more, and we will do it.

Insofar as the world organizes itself into great continental blocs of economic power, it is clearly our responsibility to build a strong, united region. The partnership which we shall create and extend together with the other nations of Latin America will be fundamental for the future of this hemisphere. The opportunity, President Bush, is before us, within our grasp. Brazil and the United States have never traveled opposite paths. This is no longer enough. Let us now forge better paths together.

I sincerely hope that our reencounter inaugurates a new partnership between the people of our two nations. May God guide us, President Bush. Thank you.

And I would like to propose a toast for the health, the prosperity of the United States of America and its great President, Mr. Bush, and Mrs. Bush.

Note: President Bush spoke at 8:10 p.m. in the State Dining Room at the White House. In his remarks, he referred to President Collor's wife, Rosane. President Collor referred to the President's dog Millie and ``Millie's Book as Dictated to Barbara Bush."

Exchange With Reporters

June 19, 1991

Chief of Staff's Travel

Q. Mr. President, are you angry at the Chief of Staff?

The President. No.

Q. The papers said that you're ready to take some action.

The President. Well, I've looked into this matter and, given the circumstances, I think it was appropriate. We had a lot of very important negotiation on legislation. We have a very important speech that needed fine-tuning. He knew I wasn't happy with that. He made plenty of phone calls. You know, I recognize, and I think the Governor does, there's an appearance problem. But when you look at the facts surrounding this particular trip, this beating that he's taken is unwarranted in my view. And I will say it's special for reasons I've outlined to you. But nobody likes the appearance of impropriety. On the other hand, I think fairness dictates you ought to look at the particular fact about it. And so, that's my view. In fact, I back him up on this -- --

Q. Have you encouraged him to exercise more caution on the appearance question?

The President. I think when you have an appearance problem, I think all of us would agree you want to try to avoid it as much as possible, and I think all of us have. But you shouldn't be judged by appearance; you ought to be judged by the fact. And so, that's what I'm saying here. And there's plenty of reason that this was done, and it doesn't set a precedent. It doesn't say anybody that has access to a car can go anyplace anyone wants at any time. The Governor would be the first to say that.

So, that's the way I look at it. And I'd say it's special, and I've looked at the facts. And I feel very comfortable with it -- --

Q. Have you discussed this with him personally?

The President. Of course, I did. We discussed it -- --

Q. Do you think he's being victimized?

The President. Well, can I rephrase your question?

Q. Okay.

The President. Do I think there's a piling on -- --

Q. Do you think he's being targeted?

The President. Do you think there's a piling-on syndrome out there? Yes, I do. And you can interpret that one any way you want to.

Q. You got anyone in mind? [Laughter]

The President. So far, the UPI is clean as what they call a hound's tooth -- [laughter]. Don't ask me about -- --

Q. Those are the most deadly words in history. [Laughter] You're 1,000 percent behind him, aren't you? [Laughter]

Q. Is the Governor's job safe, sir?

The President. Yes. And he's doing a first-class job, and I think the people around this table would attest to that. We've done well. We've got a good domestic agenda. And I think the American people are beginning to understand it.

The problem is, to get that message out, you've got to beat down a bad domestic agenda first because we don't have the proper numbers. And so, we've got a good program. And as soon as you all leave, which I know will be very soon, we will have a chance to discuss -- [laughter] -- that's one of the things we're going to discuss today, is where we stand on some of this important legislation.

I don't think I need to tell you all again I want a civil rights bill, and I don't want a quota bill. I think the American people want a civil rights bill, and they don't want a quota bill. And that's one of the things that John Sununu and Boyden and others around here are working closely with the Congress on. The transportation bill -- we've got a lot of things to discuss -- the crime bill. We've got a good domestic agenda.

And why some people don't understand that, I don't know. I can understand the Democrats not understanding it because, very candidly, they've got a different domestic agenda. It happens to be a bad domestic agenda, but nevertheless it seems to dominate. We're asked to sing from their music, and I'm not going to do that. We haven't in the past, and we're not going to do it now.

So, there's a lot going on, and I say that John Sununu's been right in the heart of a lot of this serious negotiation in attempting to get things done, and I'm very grateful to him for that.

Civil Rights Legislation

Q. Do you like the Danforth compromise, sir, on civil rights?

The President. Well, we've got some reservations, but I like the fact he's trying, and I like the fact other Senators are working with him, because Republicans want a civil rights bill that eliminates, as best a bill can, discrimination in the workplace. I will repeat: They don't want a quota bill. And I, frankly, resent it when some of my political opponents up there -- or put it this way, our political opponents up there charge me or charge Members of Congress who agree with me as having some kind of a political agenda here.

I sent this bill up 2 years ago, or maybe year ago. Certainly when the winning political -- the '92 political connotations. And so, I wish people would interpret things that way, because that's the way the facts are. But I haven't seen much defense of that, and I haven't seen much advocacy of our bill. I haven't seen anything that says what's wrong with our legislation.

You know what my deal would be to these people? Look, if you really want an antidiscrimination civil rights bill and you're not happy with the President's, try it. Take four steps forward. You might not get all five you want; take four and see if it doesn't help eliminate discrimination in the workplace. But don't inflict the American people with something that inevitably, in the opinion of the Attorney General, our own counsel, and many of the staff people on the Hill lead to quotas. And that's what the issue is. And I get very hot under the collar when we get accused as a party or as an administration that doesn't care about the civil rights aspects of all of this.

So, I'm going to keep talking about it and keep trying to be rational and keep trying to work with Congress constructively. We've got to do that to get a decent bill passed. But I am not going to sign a bad bill.

Well, that's just one. We've got a lot of other issues that -- I don't know how I got off on this diatribe here, because -- --

Q. You don't think you're being political?

The President. No. I will be when the time comes.

Q. Not at all?

The President. Well, yes. I was out at a fundraiser, and then I loved it. I was very political. But we're moving into that season. But do you think anytime people criticize the President that they're being political? Do you think anytime they accuse me of not having a domestic agenda up there? Do you think anytime they go off down to some salon retreat down here in Virginia and come out

with diatribes against me that that's political? Sure it is, Helen [Helen Thomas, United Press International]. We're all grown up. But we know how it works. But we've tried to approach legislation, sometimes to the distress of some, in a very nonpartisan way because that's the only way I can get something done for this country. But I'm not going to yield on fundamental principle, and that is not political. That's something I believe.

But sure, we're moving into a political season. I'm hearing all kinds of weird voices out of the past coming out criticizing on the other side. Not our side, of course. We don't do that kind of stuff.

Q. Well, it's a two-way street, isn't it? And you'll put a label on every time when it isn't political?

The President. Well, yes, label this as a nonpolitical conversation this morning, but you'll know. [Laughter] It's like Potter Stewart on pornography: You'll know it when you see it. [Laughter]

Q. That's the quote.

The President. Now, would you all kindly fold the -- hooks? [Laughter] It's been a joy. Now, get the -- [laughter].

Q. We've got to go to work. [Laughter]

The President. Does this count as a press conference?

Q. No.

Q. No.

Q. Pretty close. [Laughter]

The President. Marlin? [Laughter]

Q. Pretty close, Marlin.

Q. We were told the President wasn't going to talk at all. [Laughter]

Note: The exchange began at 10:03 a.m. in the Cabinet Room at the White House, prior to a meeting with the Republican congressional leadership. The following persons were referred to: John H. Sununu, Chief of Staff to the President; C. Boyden Gray, Counsel to the President; Senator John C. Danforth; Attorney General Dick Thornburgh; Potter Stewart, former Associate Justice of the Supreme Court; and Marlin Fitzwater, Press Secretary to the President. A tape was

not available for verification of the content of this exchange.

Remarks at the Presentation Ceremony for the Presidential Scholars Awards

June 19, 1991

Welcome. Good to see all of you. Welcome. Well, please be seated. It's a delight to have you all here at the White House. May I salute the Chairman, my old friend John Engler, who also doubles as the Governor from Michigan, an awesome assignment, but has found time like all of our committee to give to this worthwhile program. And I'm very grateful to you, John. And then, of course, on my right here, Secretary Lamar Alexander, our new Secretary of Education, a former Governor who's really bringing a new drive and a new focus on our program, America 2000, which I think has a real shot now at revolutionizing education in this country. And we need it. We need to start from scratch and take a new look. So, I salute both of them.

I particularly want to thank the members of the Commission and the corporate sponsors, and all of you, thank you for coming. Welcome to the White House and to an event that bestows the highest scholastic honor that a President can bestow.

First, I want to say that there's absolutely no rule here that says that the person giving the speech has to be as smart as the students receiving the scholarships. [Laughter] Thank heavens. [Laughter]

Which reminds me of what George Burns once said: ``Smartness runs in my family. When I went to school I was so smart my teacher was in my class for 5 years." [Laughter] Well, even at 95 -- and he was here the other day -- George Burns would salute this program, the Presidential scholarship program, now 27 years old. And today, I would like to discuss briefly how education can and must help prepare America's children to serve the Nation and the world.

Let me begin by asking you to look at yourselves and say, what do you see? You see some of our best and brightest young people. You see living educational success stories. You see our hope for an exciting and rich future.

You come from every sort of background, every race and creed. You live in all 50 States, the District of Columbia, Puerto Rico, and in other lands. But as Americans, you revere learning, achievement, and the hope that both create.

California's Marisa DeSalles realizes all of that. And she expects to be the first woman in her -- where is she? Now, we've got to salute some of these folks, if I'm going to be talking about you. Okay. She expects to be the first woman in her family to earn an undergraduate degree.

And so does Jonathan Sievers. No, no? Okay, the guy didn't make it. Well, I'll talk about him

anyway. There he is. Good. Good. He was born in Kwajalein in the Marshall Islands, and he is the third sibling in his family commended as a Presidential scholar. And that is really remarkable. And he knows who to thank. He thanks his parents -- and let me just say how he phrased it -- for ``making me practice and for leaving the fish alone." [Laughter] You have to be from Kwajalein, like I was once, to understand this inside joke. [Laughter]

Then there's another, Kai Ng of Illinois. Kai, where are you? Right there. Coming here from Hong Kong in 1974, she learned English from her sister and ``Sesame Street." She can tell you how you can do it. That's the same place I'm trying to learn how to run a computer. [Laughter]

Now, education traditionally has served as the ladder that enables individual Americans to reach beyond the clouds. And every time someone succeeds in going further, higher, we all reap initiatives. And we all reap the benefits.

Aimee Crago, a Presidential scholar from Louisiana -- she's here with us. Aimee, now, we don't want to embarrass you, but stand up. And if you don't mind my quoting you, ``I think that in order to be the person one wants to be, one needs to have a knowledge of all the people one could be, and education provides this knowledge."

It's become something of a cliche to say that knowledge is power, but it really is. And knowledge, imagination, ambition -- these form the pillars of our future. Education can help us keep our competitive edge and imaginative fires, here and abroad. It gives us the means to raise our standards, the standards of living, to improve the quality of our lives. It can lead us into a new golden age of information, understanding, and technology.

America has no natural resource more precious than its intellectual resources. And that's why recently I announced this program I referred to earlier called America 2000. It's an education strategy. It is really -- look at the details -- it's a pioneering crusade to make and keep American education number one.

For today's students, we must make existing schools not only better but more accountable. For tomorrow's students, the next generation, we must create a new generation of American schools. And for all of us -- for the adults who think our school days are over -- we've got to become a nation of students, recognizing that learning is a lifelong process. Finally, outside our schools, we must make our communities places where learning can occur.

Our education strategy realizes that education can help us practically. For over 200 years, America's genius has created innovations like the wireless, the Model T, and integrated circuits. I'm reminded of the man who was asked what he would take if his house was on fire and he could only remove one thing. He answered, ``I would take the fire." American scholarship works. [Laughter]

Yet education must also shape us morally, providing the grounding ideas and values crucial to democracy. I have said, and I really believe this, that in America the definition of a successful life must include serving others. But you cannot serve if you can't think. You cannot serve if you can't separate good from bad, true from false, practical from dreamy.

Just as many have labored to share their knowledge with you -- parents and teachers and administrators and friends -- you must follow suit. Give of yourselves: as a tutor in a prison, at a local school, in a homeless center. You will share something far more profound than little scraps of information. You will share a way of looking at the world and, in the process, of looking at yourself.

So, this may be hard to put in focus, but you are today's trailblazers and leaders. What you learn today and in years to come will help us make the 21st century the next American century. It won't be easy. I recall once, marvelous story of a professor who left Yale just before I got there. He was marking an examination paper shortly before Christmas -- and for those of my generation, I'm talking about William Lyon Phelps, and the noted scholar that he was -- came across a note. The note read: ``God only knows the answer to this question. Merry Christmas." The guy handed his paper in like that. Phelps returned the paper with an annotation: ``God gets an A. You get an F. Happy New Year." [Laughter] True story.

I guess what I'm saying is, you can't bluff your way through the future. And you have to face it squarely and take it on. And you will encounter obstacles, but you will overcome them. And you will conquer through resilience, through scholarship and, above all, the example of your lives.

And as you do, think of those in this program again who deserve our thanks. Our Governor here, Governor John Engler, who is Chairman of this White House Commission. Think of the Commission sponsors who enable you to do this. And let me salute the Commission members who choose 141 honorees from among all of America's high school seniors.

But also remember the teachers who inspired you, the friends or adults who counseled you, supported you, gave you the confidence to achieve great things. Kathryn Cunningham, a scholar from Vermont, has said, ``I thank my parents for their advice that achievements mean nothing if they don't help anyone else." All your parents ought to be proud. While this is your day, I kind of think it's also theirs.

And to every Presidential scholar, my heartfelt congratulations. And in closing, a challenge: Let us not only move mankind into the future, let us better it, ennoble it. Make the best of the special blessings bestowed upon you. God bless you all and your wonderful families. And may God bless the United States of America. Thank you, and congratulations to all of you.

Note: The President spoke at 2:35 p.m. on the South Lawn at the White House. In his remarks, he referred to Gov. John Engler of Michigan, Chairman of the Commission on Presidential Scholars;

Secretary of Education Lamar Alexander; comedian George Burns; and Presidential scholars Marisa DeSalles, Jonathan Sievers, Kai Ng, Aimee Crago, and Kathryn Cunningham.

Remarks by President Bush and President Collor of Brazil on Signing an Enterprise for the Americas Initiative Multilateral Trade Agreement

June 19, 1991

President Bush. Well, first, let me welcome everybody here -- a most distinguished guest list from all across our treasured hemisphere, and we're delighted to have you here. Of course, I want to single out our guest of honor, who's been here for what the United States feels has been a terribly important visit, President Collor of Brazil. I want to salute Foreign Minister Di Tella; Foreign Minister Rezek; Foreign Minister Frutos; Foreign Minister Gros; and the Secretary General of the OAS, our distinguished friend Baena Soares; and Secretary Brady and Secretary Mosbacher. Of course, Carla Hills here at the table for the United States, and so many distinguished Ambassadors. We're delighted to have you here.

This is an occasion to be proud of. We want to refer to this, and will refer to this, as the Rose Garden Agreement. For those who are new here, this is a very special place, this Rose Garden. Many historic events have happened here; many current events take place here. But we view this agreement as one of significance, and I would refer to this as the Rose Garden Agreement. It represents the culmination of a great deal of negotiating work. It represents a new departure for our trade and investment relations with Argentina, Brazil, Paraguay, and Uruguay.

And more importantly, this agreement demonstrates how a new cooperative spirit is at work in our hemisphere. Almost exactly a year ago, I set forth some ideas on how the United States and the other countries of this hemisphere could address issues of trade, investment, and debt. And one of the ideas advanced was the negotiation of bilateral trade and investment framework agreements as a way to move us along the road to our ultimate destination. Free trade area -- this is the way we see it -- a free trade area stretching from Alaska in the north to Tierra del Fuego in the south. A major new free trade area.

The four countries represented here came back and they told us they had some innovative ideas, and they came back with a very imaginative proposal. Instead of doing a bilateral framework agreement, why not do a framework agreement with a number of countries? And we thought about it. The logic was compelling. And in the marketplace of ideas, good ones advance, and this was a very good one.

In keeping with that spirit and the purpose of the EAI -- the Enterprise for the Americas Initiatives -- we were delighted, in keeping with that spirit, to join with a group of hemispheric countries that are working together to break down barriers to trade among themselves. And we've spent the last several months working with you all to make this a reality. And I want to congratulate, with pride, our negotiator, Carla Hills, for her work and that of her team. On behalf

of the United States, I can proudly say I hope you found them cooperative, but I'm proud of the negotiations that were undertaken and concluded. And I want to thank each Foreign Minister for the work that you have done to make this signing today possible.

We all know, however, that agreeing on the words and then putting them down on paper is only the first step. The most important part of any agreement is its implementation. I want to assure you that we are committed to making this agreement work in practice. And as I made clear when I proposed the Enterprise for the Americas Initiative, our goal is to help bring more trade and growth, more jobs and greater prosperity to this, our shared and treasured hemisphere.

I don't intend for the Enterprise for the Americas to be just a slogan. We can't afford here in the United States to have one more slogan and then have the policy itself not be followed through on, have the policy fail. And so, we want it to mean real progress in this hemisphere. And you have my commitment to bring this agreement the same spirit of cooperation -- bring to it the same spirit of cooperation and innovation that produced it in the first place.

So, I wanted to thank you. I wanted to simply say, from the standpoint of the United States of America, we know it is in our interest. I am convinced it is in the interest of all the signatories to this agreement -- this Rose Garden Agreement. And I believe also there's a good message for others in this hemisphere.

So, thank you to everybody that worked so hard on it. And again Mr. President, I just can't tell you how pleased we are to have you. And you get the final word.

President Collor. Mr. President, Ministers of Foreign Affairs, Ambassadors, ladies and gentlemen, for the first time since our countries took their places in the concert of nations, we four and President Bush and the United States of America are meeting to inscribe our common aspirations for peace, justice, and development in a formal agreement which translates the will of our peoples and governments.

May this moment be remembered as an historical milestone which foreshadows a brighter and better future for generations to come. May this Rose Garden Agreement flower as a source of inspiration for all of us, people and governments, rich and poor, as a token of faith in our future -- a common future, but a better future on a planet where we can raise our children in peace and harmony and social justice with trust in our neighbors and no fear for our environment.

May God guide us. And thank you very much, President George Bush.

Note: The President spoke at 5:04 p.m. in the Rose Garden at the White House. In his remarks, he referred to Foreign Minister Guido Di Tella of Argentina; Foreign Minister Francisco Rezek of Brazil; Foreign Minister Alexis Frutos Vaesken of Paraguay; Foreign Minister Hector Gros Espiell of Uruguay; Joao Clemente Baena Soares, Secretary General of the Organization of

American States; Secretary of the Treasury Nicholas F. Brady; Secretary of Commerce Robert A. Mosbacher; and United States Trade Representative Carla A. Hills.

Statement by Press Secretary Fitzwater on the Establishment of the Council on Trade and Investment

June 19, 1991

The United States today signed a framework agreement with Argentina, Brazil, Paraguay, and Uruguay establishing a Council on Trade and Investment. The President, accompanied by Brazilian President Fernando Collor, participated in the Rose Garden ceremony. United States Trade Representative Carla A. Hills signed for the United States. The other signatories were Argentine Foreign Minister Guido Di Tella, Brazilian Foreign Minister Francisco Rezek, Paraguayan Foreign Minister Alexis Frutos Vaesken, and Uruguayan Foreign Minister Hector Gros Espiell.

The framework agreement is the first signed with a regional group since the President announced the Enterprise for the Americas Initiative (EAI) on June 27, 1990. The United States has signed bilateral framework agreements with eight other countries of this hemisphere under the EAI.

The objectives of this Council, established by this framework agreement, are to monitor trade and investment relations, identify opportunities for expanding trade and investment through liberalization and other appropriate means, and negotiate implementing agreements. It will also seek to consult on specific trade and investment matters of interest to both parties and identify and work to remove impediments to trade and investment flows. Under the agreement, the five countries agreed to seek the cooperation of the private sector in matters related to the work of the Council.

In his remarks during the signing ceremony, the President praised the accord, noting that the proposal for a multilateral agreement had come from the four Latin American countries. He reaffirmed that the U.S. goal is for a hemispheric free trade area stretching from Alaska in the north to Tierra del Fuego in the south, and promised that the United States would implement this agreement with the same spirit of cooperation and innovation that produced it in the first place.

At President Collor's suggestion, the parties have agreed to refer to this agreement as the Rose Garden Agreement.

Remarks Following Discussions With Former Prime Minister Margaret Thatcher of the United Kingdom

June 20, 1991

The President. I don't think we're having a press conference, but I want to just take this opportunity to say how much General Scowcroft and I have enjoyed a visit with the former Prime Minister. Over an hour, she shared with us her views on the Soviet Union, having returned from a very interesting and very constructive trip not so long ago. We are anticipating a meeting today of Mr. Yeltsin, and this debrief or my picking her brains, as I did, is extraordinarily helpful in that context, as in many other contexts.

But Margaret, I just want to thank you for popping in, and you are welcome at any time.

Mrs. Thatcher. Thank you very much, Mr. President, I've enjoyed it enormously. They're historic days: democracy has come to the Soviet Union. It now has to be backed up by full economic reform, with everyone pulling together. Thank you very much. Thank you so much.

Note: The President spoke at 8:10 a.m. on the South Lawn at the White House. In his remarks, he referred to Brent Scowcroft, Assistant to the President for National Security Affairs, and Boris Yeltsin, President of the Republic of Russia. A tape was not available for verification of the content of these remarks.

Remarks Following Discussions With Mangosuthu Gatsha Buthelezi, Chief Minister of South Africa's KwaZulu Homeland and Leader of the Inkatha Freedom Party

June 20, 1991

The President. Let me just say that we've had a very engaging and interesting meeting with the Chief Minister Buthelezi. He and I were reminiscing, and I think this is my fifth meeting, at least, with him over the last few years. And I've found this one perhaps the most constructive in terms of getting up-to-date from him on developments in South Africa.

We talked about the sanctions question. We talked about a wide array of other questions, including the state of play in negotiations. And we have a very good feeling now. He agrees with us that dramatic progress has been made -- or we agree with him on that. We both agree that more progress must be made.

I told him of our policy. Our law is very clear that when five conditions are met, we will lift sanctions. And I don't want to put words in his mouth, but I believe the Chief Minister feels this would be the constructive approach to take in terms of jobs and investment and many other things.

So, we once again have had a very good, productive meeting where we agree on perhaps the most important questions facing relations between this country and South Africa.

Chief Minister, it's been a joy to have you here once again, sir.

The Chief Minister. Thank you, Mr. President. Good afternoon, ladies and gentlemen. I just want to say that I'm very honored, indeed, to be here. And I'm pleased to have once again, as the President said, the opportunity to meet with the President. We had positive and fruitful discussions about the future of South Africa.

We in the Inkatha Freedom Party and the majority, I think, of all South Africans share the fundamental values upon which this great democracy is based: individual liberty, human dignity, and a just society based on just laws.

This meeting comes at an auspicious moment as legislated apartheid has been scrapped. And South Africa now faces the great challenge of ensuring a peaceful transition to a multiparty democracy.

As we are witnessing around the world, transitions to democracy are the most delicate time in the life of nations. And those such transitions are happening at an unprecedented pace, from Eastern Europe to Africa. None, in fact, are assured of success without careful preparation of democratic structures and democratic ethos in the society.

This delicate task cannot be accomplished on the base of one or two parties alone. They cannot just be bipolar, especially in complex societies such as that of ours in South Africa. Authentic democracies have numerous voices and numerous visions, all of which must be heard. We look forward to engaging other parties in political debate, but stress that this engagement must take place in the political arena, not in the streets. Ours must be a politics of negotiation, not a politics of coercion.

We abhor the violence which has continued to rack our land because it has no place in the fashioning of democracy, and it must be rejected unequivocally by all parties. Intimidation and armed struggle must be rejected in favor of dialog and consensus. A free and democratic South Africa will face many challenges as it strives to overcome the half-century lost to the evil of apartheid.

Half of our population, ladies and gentlemen, is under the age of 15. They will need education; they will need jobs; they will need health care and the basic tools of life if there is to be the growth and stability democracy requires. There must be a redistribution of wealth brought about by the redistribution of opportunity. This means the creation of jobs and the encouragement of investment.

Africa is a desperately poor continent which is only now beginning to join the movement toward multipartyism, markets, and growth. South Africa's potential to play a supportive role in Africa can only be realized once our own future is secured.

The wide world -- worldwide, rather, trend towards freedom is our inspiration, and the role of the United States has played in this is a very great one and a very important one. We now ask that the United States help us to craft a new democracy in the same generous and evenhanded spirit it has displayed elsewhere, and that you continue to stand by our people as we strive to rebuild our nation. We have struggled and many have died to overcome apartheid so that our children may live free in the country of our forefathers and that they may learn to love peace and protect the fruit of our efforts, liberty.

I thank you, Mr. President.

Note: The President spoke at 1:17 p.m. at the South Portico of the White House. Prior to his remarks, the President and the Chief Minister met privately in the Oval Office and with U.S. and Inkatha officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room.

Remarks and an Exchange With Reporters Prior to Discussions With President Boris Yeltsin of the Republic of Russia

June 20, 1991

President Bush. Well, I'm very pleased to welcome to the White House the newly-elected President of the Russian Republic, Boris Yeltsin. And I want to publicly congratulate President Yeltsin on a truly historic victory in this election last week which made him the first democratically elected leader in the long and rich 1,000-year history of Russia. And to put it in American terms, he won by a landslide.

We will be interested in his views on the critical issues confronting the U.S.S.R. and its place in the world: the attempt that we're following from afar to forge a new union treaty, this historic effort to transform the Soviet economy, the imperative of freedom for the Baltic peoples, and of course, continued good relations with the United States and the West.

We have been heartened and encouraged by President Yeltsin's commitment to democratic values and free-market principles, and we look forward to working with him. But at the same time -- I want to be very clear about this -- the United States will continue to maintain the closest possible official relationship with the Soviet Government of President Gorbachev. Indeed, in just the few minutes we've had inside, President Yeltsin has told me that he and President Gorbachev are in very close contact and working cooperatively together to achieve these ends.

He knows that I have great respect for President Gorbachev, as I do for him. And we have an excellent relationship, and our ability to work together has produced, I think, enormous benefits for both of our countries and it served the cause of world peace and stability in the world.

So, let's not forget that it was President Gorbachev's courageous policies of glasnost and perestroika that were the pivotal factors enabling us to end the cold war and make Europe whole and free. So, in this new world in which the United States works with the new Soviet Union, we want and intend to have good relations with the Soviet Government and certainly the Republic Governments. And certainly, obviously, with this dramatic election, that includes Russia, the largest of them all.

We're very pleased to have the good fortune to work with such impressive men as President Gorbachev and President Yeltsin. And again, sir, welcome to the United States. You've made a tremendous impression here already, not simply in the Congress and at the White House but with the people along The Mall out here. And that's what democracy is all about.

So, I really am looking forward to exchanging views on these questions and any other questions

that are on your agenda. Welcome to the White House.

All yours, sir.

President Yeltsin. I thank you for the warm words addressed to my homeland, to Russia, to President Gorbachev, and to me. I thank you for receiving me here in the White House and for this invitation to exchange views on the present-day situation in Russia, in my country, and also about the future which we are eager to build.

The popular elections for the President of Russia, which was the choice of the majority of the people of Russia, was indeed the choice in favor of democracy and the profound economic and social reform.

We are also believers in freedom for the peoples of the Baltic countries who should not be chained because one cannot build a union with chains.

I want to assure you, Mr. President, and through you, the people of the United States, that all the positive things that have been attained and achieved by President Nixon, by you personally, by President Gorbachev, in the fields of security and cooperation, in reducing the global military confrontation, is a major achievement of us all. And I shall seek to develop this achievement together with President Gorbachev.

Indeed, we still have forces back at home which want to go back to the times of stagnation. But I can, with all the responsibility, assure you that this will not happen. Russia, which accounts for 70 percent of the gross national product of the Soviet Union, is firmly and irrevocably committed to democracy. And it will not allow any reversion of the course of history.

Once again, Mr. President, I thank you for this invitation, and I hope that we shall have a success in our discussions. I thank you.

Q. Mr. President -- --

Q. Mr. President -- --

President Bush. We can't take any questions. Maybe -- should we each take one?

Q. Earlier today, President Yeltsin said that he thought all Soviet foreign aid should be stopped, that charity begins at home. He included Cuba in this. I assume you would approve of such remarks.

President Bush. I'd say the matter of foreign aid is a matter for the Soviet Union to determine. They know that we've had differences on Cuba, and it wouldn't hurt my feelings a bit if they cut

off all foreign aid to Cuba, if that's the question.

President Yeltsin. It is my understanding that this question is also addressed to me. I have said that the Supreme Soviet of the Russian Federation has enacted a law under which all extenuous systems of all countries and all regimes is terminated. All without exception. And I am stressing that point. We only have 180 million rubles to disburse for Afghanistan. But we have warned the people that as of July 1, assistance will be terminated. We shall have to trade with them.

Afghanistan has tobacco, fruit, and vegetables. And they can trade with us, more so that they are very good merchants. We want to maintain commercial relations with all the countries, not just give us help and assistance, because I do believe that charity begins at home. And in my country two out of every five persons live below the poverty line.

President Bush. May I have the last word? See, I've learned something here. If I had had that answer inside before I gave my answer, I might have had a more knowledgeable answer.

So, now we're going to go in and do some work in here. And I learned something with great interest here about the laws as already passed in the Soviet Union. And I salute them. That's their decision. And it's not the United States role to fine-tune how the Soviet Union or Russia or anybody else deal with other countries. That's their business. And I'm very interested in that answer. And now we're going to go in and learn some more.

Note: President Bush spoke at 3:23 p.m. in the Rose Garden at the White House. In his remarks, he referred to President Mikhail Gorbachev of the Soviet Union. President Yeltsin spoke in Russian, and his remarks were translated by an interpreter.

Remarks to the American Association of State Highway and Transportation Officials

June 21, 1991

Thank you. Let me salute Secretary Skinner. I'll tell you, he is doing a superb job out there. And I heard about a half an hour of his remarks there -- [laughter] -- and I thought he did a great job warming up the crowd. We don't need it here, but he gave my speech. But look, we all know that Sam is committed, doing a first-class job, overcoming obstacles along the way, and making great progress on this subject that's of such concern to all of us here.

Let me salute also Hal Rives, the AASHTO president, and thank him and all of you for being with us today. Behind me we've got the flags of all the States, and we stuck them out here for a reason, just as you and the Secretary are here for a reason, and that is to symbolize our commitment to a new partnership in creating a truly national highway system.

You all understand the importance of mobility in our society. Our economic growth, our international competitiveness, even our cultural vitality, all depend on the transportation lifelines that span this nation, that let people get to work, get home, to entertainment, to family, and friends.

We're the most mobile society in history, economically and, of course, I'd say literally as well, given our size. This century, we've developed the world's most advanced transportation system. We've done it through strong commitment; we've done it through substantial investment. We've tried to harness the power of market forces, and we're going to continue to do that. But we also believe in solid partnerships between the private sector and government at all levels.

No transportation partnership has endured so long or accomplished as much as the one between the Federal Government and AASHTO. Our organizations have worked together, I'm told, for 75 years now. We've helped turn a sprawling land knitted together by dusty back roads into a nation linked together by high-performance roads and highways. Those corridors have reshaped our nation and made it possible for all of us to take mobility for granted.

When Ike -- when President Eisenhower first proposed a major national highway network back in '56, he laid the groundwork for unprecedented movement, unprecedented access all across America: to products, to services, and obviously, in the process, to prosperity.

Now, as the whole world seems to shrink while the competitive pace quickens, we must make certain American business has the mobility to compete and get its goods to market. That's why our surface transportation proposal calls for significant investment in the future. We propose, as Sam mentioned, increasing Federal highway spending by 39 percent over the next 5 years. The

interstate system has mapped out our economic prosperity by ensuring our competitiveness and productivity.

We're committed to building stronger partnerships at every level. We favor giving new flexibility to the States. Let them decide how to address local needs. Our bill provides innovative features to encourage private investment in our transportation infrastructure.

We seek legislation for greater investment at the Federal level for our overall highway system to meet an important national need. We asked for a higher State matching share for local roads outside the national highway system because we believe Federal funds should stay focused on national needs.

We believe our nation is best served by providing greater flexibility, greater accountability at the State and local level. A higher State match on roads that are critical to national interests will increase the total infrastructure investment. It will help us build better, more efficient transportation networks.

And I'm very pleased the Senate included a national highway system in its version of the Surface Transportation Reauthorization Act. The Senate's bill has some good features to it; increased flexibility was one that we put forward originally. We need to loosen the Federal strings on the States highway programs.

But at times, the stretch between Pennsylvania Avenue and the Capitol Building and the White House seems like the longest street in America -- the journey from here up there. You wouldn't believe how much bills change from the time they leave the White House until the Congress finishes with them. And we know we're right all the time, you know. [Laughter] So, that's certainly the case with the Senate version of this bill that Sam has had such a hand in crafting and trying to get enacted.

The Senate bill doesn't focus Federal funds sufficiently on national needs. It allows for no differential match between the national highway system and other programs. And it shortchanges the national highway system. It calls for excessive Federal spending, putting at risk other important Federal programs, including programs that you all care about. Aviation safety and modernization would be ones that come to mind, as well as education, health care, fighting the war on drugs -- all these other national priorities. The Senate version doesn't lower matching ratios or eliminate operating subsidies for local transit systems. And finally, the Senate bill directs how Federal money will be distributed within States, tying the hands of State officials. State transportation officials, in our view, have the vision, the experience, and yes, the organizations to ensure that our highway funds are spent wisely.

As you all know, I challenged the Congress to pass a comprehensive crime bill and a transportation bill in 100 days, by June 14th. And while the Senate has acted, and I give them

credit for that, the House hasn't taken any official action at all. What the American people heard as a 100-day challenge, the Congress used as an excuse to complain. A challenge of 100 days became an occasion for 100 different delays and 101 excuses for inaction. The roadblock, thank heavens, has been broken by the action in the Senate. And I urge the House now not to lose that Senate-created momentum. I also challenge the Congress not to let a fight over the allocation of resources overshadow the real issues that are at stake here: long-term productivity and the fundamental economic health of our nation.

So, I say to the Congress: Don't stop. Don't pass ``go.'' Don't collect any more dollars. Just pass our transportation bill.

The old approaches to surface transportation just won't do it. And by any standard, the way in which we, the Federal Government, and you, the States, do business must change in response to new fiscal and technological challenges. We've got to take full advantage of our present opportunity to create a surface transportation program that will meet our present and future needs, not our past problems.

We've got to develop a new generation of transportation systems and solutions. And our bill recognizes that we can't just preserve the well-worn paths of the past. We must move ahead. And I do need your help. We all need your help. And the Nation needs your expertise, needs your service.

So, let's renew and reinvigorate the partnership between the State and Federal interests. And we've got to stop the jawboning up there. We've got to stop stalling and get the job done. With the right tools and the right investment and the right incentives, we're going to move this nation into the next American century. And I look forward to working with you every step of the way. I'm grateful to all those who have already taken a leadership role in moving our transportation system forward.

So, thank you for coming down on this warm day. And you'll be glad to know the speech is over. Thank you all very, very much.

Note: The President spoke at 10:10 a.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Transportation Samuel K. Skinner and Hal Rives, president of the association.

Message to the Congress Reporting on the National Emergency With Respect to Chemical and Biological Weapons Proliferation

June 21, 1991

To the Congress of the United States:

1. On November 16, 1990, in Executive Order No. 12735, I declared a national emergency under the International Emergency Economic Powers Act (``IEEPA") (50 U.S.C. 1701, et seq.) to deal with the threat to the national security and foreign policy of the United States caused by the proliferation of chemical and biological weapons. In that order I directed the imposition of export controls on goods, technology, and services that can contribute to the proliferation of chemical and biological weapons and delivery systems. I also directed the imposition of sanctions on foreign persons and foreign countries involved in chemical and biological weapons proliferation activities under specified circumstances.

2. I issued Executive Order No. 12735 pursuant to the authority vested in me as President by the Constitution and laws of the United States, including IEEPA, the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code. At that time I also submitted a report to the Congress pursuant to section 204(b) of IEEPA (50 U.S.C. 1703(b)). Section 204 of IEEPA requires follow-up reports, with respect to actions or changes, to be submitted every 6 months. This report is submitted in compliance with that requirement.

3. Since the issuance of Executive Order No. 12735, the United States Government has implemented additional export controls under the Enhanced Proliferation Controls Initiative (EPCI), announced on December 13, 1990. Three provisions implementing EPCI and Executive Order No. 12735 amend the Export Administration Regulations and were published in the Federal Register (56 FR 10756 - 10770, March 13, 1991), copies of which are attached. These regulations impose additional controls on exports that would assist a country in acquiring the capability to develop, produce, stockpile, deliver, or use chemical or biological weapons or ballistic missiles. The first two regulations were issued in interim form for public comment and implemented immediately. The third regulation was issued in proposed form for public comment.

The three regulations can be described as follows:

The first regulation expands from 11 to 50 the number of chemical weapons precursors whose export is controlled by the United States Government to all countries except the 20-member Australia Group of countries that cooperate against chemical and biological weapons proliferation and the NATO member countries. Prior to this regulation the United States had controlled the 39 additional chemical weapons precursors only to Iran, Iraq, Syria, and Libya, and the four

embargoed countries of Cuba, Vietnam, Cambodia, and North Korea.

The second regulation imposes a requirement for individual validated licenses for export of certain chemical and biological weapons-related dual-use equipment to 28 designated destinations.

The third regulation will impose a requirement for individual validated licenses where an exporter knows or is informed by the United States Government that any export is destined for the design, development, production, or use of chemical or biological weapons or missiles. This regulation also will impose an individual validated license requirement for U.S. persons who knowingly provide assistance to such a project, as well as for U.S. person participation in the design, construction, or export of whole chemical plants that make chemical weapons precursors.

The United States Government, in bilateral contacts, at the Australia Group meetings of December 1990 and May 1991, and at the Missile Technology Control Regime (MTCR) partners meeting of March 1991, has pursued negotiations with foreign governments to persuade them to adopt measures comparable to those the United States has imposed. At the May 1991 Australia Group meeting, the members agreed that by the next Australia Group meeting in December 1991 they would place controls on the export of all 50 chemical weapons precursors identified by the Group. They also agreed in principle to control the export of dual-use chemical weapons-related equipment. The United States Government is seeking greater harmonization of national export control laws, particularly in the areas of chemical and biological weapons-related equipment, including whole chemical plants, and curbs on citizen proliferation activities and end-user controls. At the MTCR partners meeting, significant progress was made toward adopting an updated annex of controlled missile-related technologies. The MTCR partners also agreed to consider further harmonization of controls and implementation procedures. We will continue to pursue efforts to obtain foreign adoption of comparable measures.

An interagency chemical and biological weapons sanctions working group chaired by the Department of State has been established to evaluate intelligence and identify potentially sanctionable chemical or biological weapons activity that has taken place since November 16, 1990. This group has met and vetted information on potentially sanctionable activities but has not completed its analysis. The Administration has not as yet made any sanctions determinations but is reviewing potential sanctions cases.

On May 13, 1991, I announced a further U.S. initiative aimed at completing a comprehensive global chemical weapons ban in the Geneva Conference on Disarmament within 12 months. The initiative contains a series of concrete, forward-looking proposals that we believe will help inspire other governments and make this result possible.

In addition, on May 29, 1991, I announced a Middle East arms control initiative intended to curb the spread of chemical and biological weapons as well as conventional arms, missiles, and

nuclear weapons. With regard to chemical and biological weapons, the initiative calls for the establishment of guidelines for restraints on transfers of conventional arms, weapons of mass destruction, and associated technology. It calls for all states in the Middle East to commit to becoming original parties to the Chemical Weapons Convention and for confidence-building measures by regional states. The initiative also calls for strengthening the 1972 Biological Weapons Convention through full implementation of its provisions, an improved mechanism for information exchange, and regional confidence-building measures.

4. The proliferation of chemical and biological weapons continues to constitute an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal, including export controls and sanctions, and will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

George Bush

The White House,

June 21, 1991.

Letter to Congressional Leaders Transmitting the Annual Report on International Activities in Science and Technology

June 21, 1991

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Title V of the Foreign Relations Act of Fiscal 1979, as amended (Public Law 95 - 426; 22 U.S.C. 2656c(b)), I am transmitting the annual report on international activities in science and technology for fiscal year 1990.

This year's report highlights the unique role of science and technology in foreign policy by focusing on six topical areas and examining how science and technology interface with foreign policy in those fields. It further explores this relationship by discussing our cooperation in these six areas with 20 countries plus two multilateral organizations, the European Community and NATO. This new format should be more effective in providing insight into the interaction between science and technology and foreign policy in the United States.

Fiscal year 1990 was a year of U.S. leadership in global environmental issues, highlighted by the White House Conference on the Science and Economics of Global Change. The year also saw continued U.S. support for international projects in space, human genetics, high energy physics, materials science, and earthquake engineering. In the human health area, prominent U.S. research collaboration with foreign countries continued in the areas of acquired immune deficiency syndrome (AIDS), vaccines against childhood diseases, prevention and control of blindness, cardiovascular disease, mental illness, and health problems of aging. Today science and technology figure prominently in the reform programs of not only the countries of central and eastern Europe, but in major developing countries as well. The long-term outlook is for further increase in the role of science and technology in foreign policy.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; Claiborne Pell, chairman of the Senate Foreign Relations Committee; and John Glenn, chairman of the Senate Governmental Affairs Committee.

Statement by Press Secretary Fitzwater on President Bush's Telephone Conversation with President Mikhail Gorbachev of the Soviet Union

June 21, 1991

President Bush spoke by telephone with President Gorbachev this morning for approximately 40 minutes. President Bush discussed yesterday's meeting with Russian Republic President Yeltsin. President Bush stated he had a good discussion centered on the current political and economic reforms taking place in the Soviet Union. President Bush noted with pleasure the cooperative nature between Yeltsin and Gorbachev in moving the reform process forward and emphasized to President Gorbachev how important this is to the overall process.

President Bush reaffirmed the U.S. commitment to support these reforms since they not only help the Soviet Union but are of benefit to the wider international community. President Gorbachev presented an overview of the current situation in his country. The two leaders spoke about the forthcoming economic summit and the economic issues that face the international community.

President Bush discussed the appointment of Robert Strauss as the new Ambassador to the Soviet Union. President Gorbachev expressed his great pleasure on the appointment and stated he is looking forward to working with Mr. Strauss. President Bush also discussed the need to conclude a START treaty and the possibility of a summit, but no specific dates were discussed.

Nomination of Frank G. Wisner To Be United States Ambassador to the Philippines

June 21, 1991

The President today announced his intention to nominate Frank G. Wisner, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines. He would succeed Nicholas Platt.

Since 1986 Ambassador Wisner has served as U.S. Ambassador to the Arab Republic of Egypt. Prior to this, Ambassador Wisner served as Deputy Assistant Secretary of State for African Affairs, 1982 - 1986; and as Ambassador to the Republic of Zambia, 1979 - 1982; he was Deputy Executive Secretary of the Department of State, 1977 - 1979; Director of the Office of Southern African Affairs, 1976; and Special Assistant to the Under Secretary of State, 1975 - 1976. He also served as Director of the Office of Plans and Management in the Bureau of Public Affairs, 1974 - 1975; as the First Secretary at the U.S. Embassy in Dhaka, Bangladesh, 1973 - 1974; as the First Secretary at the U.S. Embassy in Tunis, Tunisia, 1971 - 1973; and as the officer in charge of Tunisian affairs at the Department of State, 1969 - 1971; and at the Agency for International Development in Vietnam, 1964 - 1969. Ambassador Wisner entered the Foreign Service in 1961.

Ambassador Wisner graduated from Princeton University (A.B., 1961). He was born July 2, 1938, in New York, NY. Ambassador Wisner is married and has four children.

Nomination of Eric I. Garfinkel To Be an Under Secretary of Commerce

June 21, 1991

The President today nominated Eric I. Garfinkel, of Maryland, to be Under Secretary of Commerce for Export Administration at the U.S. Department of Commerce. He would succeed Dennis Edward Kloske.

Since 1989, Mr. Garfinkel has served as Assistant Secretary for Import Administration at the U.S. Department of Commerce. Prior to this, Mr. Garfinkel served in the Transition Office of the President-Elect as the transition office contact for international trade, 1988 - 1989; as Vice President and General Counsel for the Overseas Private Investment Corporation, 1987 - 1989; and as a partner, with the law firm of Anderson, Hibey, Nauheim & Blair, 1984 - 1987. He also served as a Deputy Assistant Director for Commerce and Trade in the White House Office of Policy Development, 1982 - 1984; an attorney/advisor for the United States Trade Representative, 1981 - 1982; and an associate with the law firm of Collier, Shannon, Rill and Scott, 1980 - 1981.

Mr. Garfinkel graduated from the University of Maryland (B.A., 1976) and Emory University (J.D., 1979). He was born July 11, 1954, in Flushing, NY. Mr. Garfinkel is married, has two children, and resides in Chevy Chase, MD.

Radio Address to the Nation on the Administration's Domestic Agenda

June 22, 1991

I'd like to talk with you about some things that are very important to me: families and homes, futures and hopes -- the ways in which we Americans can tackle the domestic problems that confront us.

In recent months, we've all felt a bracing surge of American optimism and determination. We look at our schools and say: Let's make them better. We look at our neighborhoods and say: Let's make them even safer. We see opportunities around us and say: Let's go for it.

In many ways, we've regained a sense of ourselves and our values. For the past quarter-century, politicians in Washington have acted as if the Federal Government could solve every problem from chigger bites to earthquakes. No more. We all realize that government has real limits. You can't replace values with regulations. You can't replace parents with caseworkers. And you can't replace the dedication to service with mandates.

Over the years, a number of well-meaning laws have thrown up barriers to individual action. Gradually, they have begun to transform government from the guardian of individual liberty into a weed that chokes off freedom and strangles initiative.

I'd like to ask your help in pruning this creeping weed so that we can take on problems that concern us all. Our administration's domestic agenda strives to build a more effective, compassionate government, to encourage service to others, and to give Americans the elbowroom that they need to do great deeds.

Several months ago, I challenged the Congress to pass two bills in 100 days. One was a comprehensive crime package. It includes measures to help law enforcement officials defend the peace, to let citizens live without fear of neighborhood terror, to compensate victims, and to punish victimizers swiftly and firmly.

The American people are tired of watching hoodlums walk, of seeing criminals mock our justice system with endless technicalities. They want to bring order to streets shaken by chaos and crime. Yet, for more than 2 years, Congress has failed to act on my proposals to fight crime and strengthen the rule of law.

The second 100-days bill is a transportation package that would give States the freedom to build the highways and transit systems they want and not just those Washington dictates. It encourages innovation, such as private efforts, to improve our transportation system. It tries to put Federal

dollars where they belong -- on national needs, not pork-barrel projects. Some in Congress want to weaken the bill's focus, pretend that our transportation needs and challenges haven't changed. As a result, no bill has yet reached my desk.

I chose the crime and transportation bills because of their obvious importance to the American public. But our administration's agenda includes much more. We have submitted a civil rights package aimed at attacking discrimination and building a new atmosphere of brotherhood and trust. We've proposed a revolution in education, a dramatic reform of public housing, and a banking package that would restore the health of our financial system. While there's been some movement, Congress still has not passed any of these bills.

We have made progress, however. Our education strategy has caught fire in communities from coast to coast. And to help our families, we've just completed a major reorganization of the Department of Health and Human Services, giving unprecedented attention to children's needs.

Think of this when someone claims that we don't spend enough money to have a vision. Dollars don't make visions; deeds do. When government spends your money, it shouldn't do so for appearances. It should spend your money on programs that work. This philosophy lies at the heart of our domestic agenda. We want to restore proportion to government by letting government do what it does best and freeing you to do what you do best. We want to restore faith in government by making real commitments, not impossible promises.

But while we Americans demand more effective government, we also must demand more of ourselves. Entrepreneurs should be free to pursue their visions boldly, knowing that our future depends upon their success. Neighbors should seize the chance to help one another, to settle disputes over a cup of coffee rather than in a courtroom, to commit the little acts of kindness that turn rows of houses into neighborhoods. Let's stop seeking excuses and find opportunities to serve, to help one another, to become sources of wealth and Points of Light.

John Kennedy was right when he said: ``Ask not what your country can do for you. Ask what you can do for your country."

While government can't do everything, it ought to do its job. So today, I urge Congress to join us in doing the Nation's business. Unshackle our initiatives on crime, transportation, banking, economic growth, education, energy, housing, and civil rights. There is no shame in acting, and there's plenty of time between now and Congress' August recess to get the job done.

We know we can do great things. Together, let's do them.

Thank you, and may God bless you and our great nation.

Note: The address was recorded at 12:03 p.m. on June 21 in the Cabinet Room at the White

House. It was released by the Office of the Press Secretary on June 22.

Remarks at the Dedication Ceremony for the Zachary and Elizabeth Fisher House in Bethesda, Maryland

June 24, 1991

Thank you, Secretary. What a beautiful day out here at Bethesda. Please be seated and thank you. Thank you, Secretary Garrett. And good morning, Admiral Lichtman. Thank you and all your associates for this warm welcome. I want to, of course, single out Zachary and Elizabeth Fisher for their generosity, not just for this but for others to follow.

I want to, with the risk of embarrassment, say that coming in I congratulated Admiral Trost, our former CNO, for his vision in getting this program underway. And everybody jumped all over me and said, it's not Carl, it's Pauline. So, we salute her as well, and both of them for their vision.

It's a special day for Barbara and me, coming back here to Bethesda to see an exceptional group of people. Glad we don't have to stay this time. [Laughter] But it does give me an opportunity, seeing so many familiar faces -- with my tiny, minor problem in mind -- to just say thank you. For those who have not been inside this place as a patient, the care and the concern for everybody -- all the patients that I visited with telling me this -- is just unbelievable. And it's typical of hospitals, of course, all across this country, but we saw it firsthand. And I extend you all my heartfelt thanks. No fibrillation, just bringing it on out -- [laughter] -- and would give you this report. Over the weekend, I played three hard sets of tennis, ran 2 miles, hit some golf balls. So, lest there be any doubts about the efficiency of Navy medicine, why, Admiral, I'm back 100 percent.

And true story and perhaps of not much interest, but I got this letter from a farmers' group during my recovery: ``This wouldn't have happened if you'd eaten your broccoli.'' [Laughter] I would rather risk refibrillation, but that's my position. [Laughter] But there's a lot goes on at this medical center that's inspiring. I again commend the dedication of the doctors and the nurses, the corpsmen; all who make life so pleasant for people that are under stress and strain -- some of whom are just back from the Gulf, I might add, some of the professionals; and others who are still caring for some of the cases right here at the main hospital for those who really suffered, really got hurt in Desert Storm.

And so, today we celebrate something else that makes this place remarkable -- the opening of this Elizabeth and Zachary Fisher House, the gift of two longtime friends of ours. Barbara and I have known the Fishers for many, many years. I think it dates back, Zach, to 1971 when I was Ambassador at the U.N. But his building will provide lodging for military families who have come to visit their seriously ill or injured loved ones.

With pride I tell you that Barbara Bush has been very helpful in encouraging this kind of dwelling -- the Ronald McDonald Houses that so many of you know about that are connected with the

many other hospitals, civilian hospitals. And she shares my joy in celebrating this one here.

Because a concerned couple cared, this house will become a home to families facing the triple blow of critical illness, financial pressures, and separation. And we had the pleasure of meeting several such families inside. And I must say, to hear them talk about what this means to them says it all.

Listen to how the Fishers dedicate this house: ``To our greatest national treasure, our military men and women and their loved ones." Millions were touched by the sacrifice of our troops, but the Fishers did something. They acted upon this. And I've spoken to a lot of people about our concept of Points of Light, those who have given themselves to help others. And Elizabeth and Zach are brilliant Points of Light. They saw a need, and then they moved in to fill it. They didn't wait for Congress. They didn't wait for a study or a committee hearing. They saw a problem, moved in and solved it.

This kind of dedication and ingenuity has made ours the strongest and, I think, the most caring nation in the world. This comfort home is one of seven furnished family retreats that the Fishers are donating to military hospitals across the country. They were inspired by a simple wonderful truth: The most important part of life is being with someone you love, helping someone you love, sharing life with someone you love.

It was a little over a year ago that Barbara spoke up at Wellesley about our philosophy -- I think, our country's philosophy. So, let me -- possibly risking embarrassing her -- but let me share it with you again today. She said: ``You will never regret not having passed one more test, not winning one more verdict, or not closing one more deal. You will regret time not spent with a husband, a friend, a child, or a parent."

And on behalf of the families who will find peace in this home and the ill or injured loved ones who will find comfort in their presence, I want to join the rest of you in thanking the Fishers. You really represent this wonderful concept in America. De Tocqueville noticed when he first came here the propensity of one American to help another. You represent our best.

And may I just say to our military men and women with us here today -- the Coast Guard, represented by Admiral Kime, the Navy and other services as well -- thank you for your service to our nation. And may this house bring you comfort in your time of need.

Thank you all very, very much.

Note: The President spoke at 9:25 a.m. outside the Fisher House. In his remarks, he referred to Lawrence Garrett III, Secretary of the Navy; David M. Lichtman, commander of the National Naval Medical Center; Carlisle A.H. Trost, former Chief of Naval Operations, and his wife, Pauline; and J. William Kime, Commandant of the U.S. Coast Guard.

Remarks at the Swearing-in Ceremony for Bernadine Healy as Director of the National Institutes of Health in Bethesda, Maryland

June 24, 1991

It is nice to be back here at NIH on this beautiful day. And may I salute Dr. Sullivan, a former researcher and NIH grant recipient. And let me salute, Lou, what a magnificent job you're doing as Secretary of HHS. It isn't easy, and he's doing a first-class job.

And over my right shoulder, Connie Horner, the Deputy Secretary of HHS. And Dr. Mason, Assistant Secretary of HHS for Health, a great member of this team. Dr. Healy, who we're out here to honor and salute, whose career shows what scientist Lewis Thomas meant when he talked of the capacity to do something unique, imaginative, useful, and altogether right. I also would like to single out Dr. Broder, the head of the Cancer Institute; my friend Dr. Tony Fauci, the Director of the National Institute of Allergy and Infectious Diseases. I think Congressman Early is with us. Congresswoman Morella was to be. I haven't spotted her out there -- there she is, right here in the front row. [Laughter] Art Modell and so many others. Ladies and gentlemen.

Before we get into what I assure you will be mercifully brief remarks, I do want to single out two people that came out here with me from the White House -- one, my own doctor, Burt Lee, who came to me and us from Memorial Sloan-Kettering in New York and who is doing a superb job. And he keeps telling me and reminding me of the fantastic asset that this country has in NIH. Burt Lee over here -- Burt, stand up so they can see you. And with him Dr. Allan Bromley, who is the head of our scientists. He's the top scientist at the White House. Doesn't have much challenge for that job, I might add -- [laughter] -- but nevertheless, it's through him that I first saw Bernadine Healy in action. And he's doing a superb job in many aspects of science. Allan, would you please stand up.

And let me just say that I'm delighted to be with members of the National Institutes of Health family on this very special day.

In becoming Director of NIH, Dr. Healy not only joins a long and noble tradition, she assumes a post from which she can help us build a better, healthier, more prosperous America.

Let's consider results that the NIH has already achieved: growing in 104 years from a one-room laboratory on Staten Island to an organization with 13 institutes, 4 centers, and the National Library of Medicine.

Before the turn of the century, the ``microbe hunters'' who founded the NIH risked their lives to fight cholera and yellow fever. And then in the fifties, Director James Shannon urged the Nation

to spend money on research as well as on iron lungs to defeat the scourge of polio.

NIH-supported research has led to some of the most important biomedical advances of the past century in heart disease, cancer, and other disorders. And now we must build on these beginnings. And that's why we have requested that the NIH's funding for fiscal '92 be increased to almost $9 billion, the largest increase ever requested by any President. And we want to help you lead us toward a new age of biotechnology.

Already, NIH-supported researchers have developed many of the tools used in biotechnology. They've created training and education programs to enlarge the pool of talented researchers. And here at NIH you know that education makes great futures possible. Inspired scholarship has produced procedures and products that enable us to live longer, more creative lives. And your labors will enrich the next American century.

We know that biomedical research is a key to transforming the practice of medicine. Today, for example, NIH supports work on new drugs that can limit the damage from heart attacks, on techniques for identifying hidden injuries by means of painless computerized images of the body, on medicines to save victims of accidents from permanent spinal cord injury.

These NIH initiatives reflect our commitment to biomedical innovation. Our Council on Competitiveness is developing recommendations for streamlining the drug approval process, cutting regulations redtape so that healing drugs get to those who need them. We're working to ensure that government-sponsored research and private research will move more quickly into the marketplace.

I am proud of our commitment to cures that not even Ripley would believe. Scientists have begun learning how to read the human genome, building a body of knowledge that will be forever useful. Researchers throughout our country work day and night to create vaccines and other measures that prevent disease before it strikes. These advances show, as Emerson said, how ``in the hands of the discoverer, medicine becomes a heroic art."

Still, heroism starts in the human heart. Each American bears responsibility for doing whatever he or she can do to live a long and healthy life. We know that we can keep people healthier by preventing disease rather than by waiting to deal with disease or illness after it sets in.

Americans need to drink less, smoke less, and exercise more. And they need to take preventive measures, such as getting immunized early and regularly, to ensure future health. Unwise decisions by the individual can undo the wisest government policy. And, yes, we should and will commit government to further scientific and biomedical advancement. But remember, without the individual our nation cannot accomplish its goals. With the individual bent on reducing risk factors, we can make America not only the world's wealthiest nation but its healthiest nation, too.

And in that spirit, I want to take this chance to praise a national campaign that our administration has begun against infant mortality. We know that good health requires the best possible start in life, and so we've launched the Healthy Start program, a pilot project that will bring early prenatal care to thousands of low-income mothers while helping to identify which government programs work best. We're also improving the health system of all women by focusing on cancer, heart disease, osteoporosis, and other problems.

I know this is a very special interest of Dr. Healy's. And let me also say how pleased I am that Dr. Healy has also begun a major initiative for health by developing a strategic plan for NIH.

And last week, Secretary Sullivan announced a reorganization plan that would bring three more institutes to the NIH: The National Institutes for Mental Health, Drug Abuse, and Alcohol Abuse and Alcoholism. This plan will make it easier to find ways to treat drug and alcohol abuse and to cure mental illness.

We want to expand drug and alcohol treatment research, allowing the NIH to help eliminate the tragic health consequences of unwise personal behavior. We've proposed an aggressive program of prevention initiatives for infants, for children, for adults, and for the elderly. Such initiatives will promote a healthier America and may help keep costs from spiraling further.

I challenge the biomedical and behavioral research community to join this crusade. After all, we're talking, literally, about the life of a nation. We're talking about our future and our children's future.

Let me close with a story that typifies the dedication of NIH researchers and staff, whom I salute today. It concerns a woman who came up to the world-famous violinist Fritz Kreisler after he just finished a concert. She said, ``I'd give my life to play as beautifully as you did." And Kreisler replied, ``My dear madam, I did."

Lives of dedication are exemplified here at NIH. Buildings full of unsung heroes. Health care workers, grants administrators, animal caretakers, laboratory technicians, support staff, and the new Director -- all of you commit your professional lives to the public and to the future.

The 12th century physician-philosopher Maimonides spoke of medical practice inspired with soul and filled with understanding. Dr. Healy, you bring to this office the inspiration, the soul, and the understanding necessary for building upon NIH's already sterling legacy. May God bless you and our wonderful country, the United States of America.

And now, it is my honor to witness the formal swearing-in of Dr. Bernadine Healy as the Director of the National Institutes of Health. Thank you all very, very much.

Note: The President spoke at 9:46 a.m. in the Jack Masur Auditorium in the Clinical Center on

the campus of the National Institutes of Health. In his remarks, he referred to Secretary of Health and Human Services Louis W. Sullivan; Constance Horner and James O. Mason, HHS Deputy Secretary and Assistant Secretary for Health; Samuel Broder, Director of the National Cancer Institute; Anthony S. Fauci, Director of the National Institute of Allergy and Infectious Diseases; Representatives Joseph D. Early and Constance A. Morella; Art Modell, owner of the Cleveland Browns football team; Burton J. Lee III, Physician to the President; and D. Allan Bromley, Assistant to the President for Science and Technology.

Exchange With Reporters Prior to a Meeting With Sadako Ogata, United Nations High Commissioner for Refugees

June 24, 1991

Refugee assistance

Q. Nice to see you.

The President. Very nice to see you all. Just delighted. We had a wonderful weekend, and we're so pleased to see Mrs. Ogata here because we're going to talk about some very important refugee matters. The High Commissioner's Office is doing a superb job, and we've got some big problems out there.

High Commissioner Ogata. We do have two large issue areas. One is, of course, in Iraq and in the Persian Gulf area. And the other is now in the Horn of Africa -- --

The President. Oh yes.

High Commissioner Ogata. -- -- which is just as large in terms of the scope of the refugees involved as well as the seriousness. And we require a great deal of international support and mobilization of resources.

The President. Well, we certainly want to do our part on that.

High Commissioner Ogata. You have been doing a great deal. And I came primarily to thank you very much and also to ask you for continued support.

The President. Well, as these problems develop, the United States -- --

High Commissioner Ogata. You have always taken the lead, yes.

The President. -- -- will have to do it. We have to do that.

Thank you all very much.

Measles Vaccine Funding

Q. Mr. President, have you postponed the funding of the measles vaccine for another year?

The President. I don't know what that story was about. If it's done, it hasn't been called to my attention. And I'll have to discuss it with -- --

Q. It was a low-level set of recommendations that have worked themselves up to -- --

The President. I wondered where that story came from, because there was certainly no decision -- --

Q. Because after extravaganza last week on -- --

The President. Yes, exactly. They're trying to act like we're turning our back. I'm surprised people would write it without confirming it, saying I had done something. It was a little annoying, but we'll have to look at it. I can't understand how anybody would write something and attributing it to what the President had done without doing as you're doing, verifying it. So, I appreciate your thoroughness here, giving us a chance to set the record straight.

Q. There's a few other questions we have, too.

The President. Good to see you.

Note: The exchange began at 11:08 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the President's Meeting With Sadako Ogata, United Nations High Commissioner for Refugees

June 24, 1991

President Bush met today with Mrs. Sadako Ogata, the United Nations High Commissioner for Refugees (UNHCR). They discussed refugee issues worldwide, with special emphasis on the Horn of Africa and the situation in Iraq. They agreed on the importance of a rapid and comprehensive response to humanitarian emergencies. The President underscored the strong and continuing U.S. support for UNHCR and wished Mrs. Ogata well in her new position as High Commissioner.

The United States will contribute immediately an additional $5 million in refugee program funds to meet the emergency needs of refugees and displaced persons in the Horn of Africa. This brings total U.S. support for refugee assistance activities in the Horn of Africa for fiscal year 1991 to $51.3 million, including recent provision of $18 million in Food for Peace food and 3.6 million Meals Ready to Eat (MRE's) valued at $15.3 million.

The United States is prepared to provide additional assistance as may be required.

Remarks Congratulating the National Hockey League Champion Pittsburgh Penguins

June 24, 1991

Well, please be seated. And standing next to me is a Pennsylvanian of note, our Attorney General. And he and I are very excited and somewhat -- I am, at least -- apologetic for keeping this group of athletes waiting. I don't want to get them up in arms like I've seen them from time to time out on the ice. [Laughter] But it's not exactly hockey weather, either; I'll admit that. But let me salute Pennsylvania's two Senators that are with us today, Senator Specter, Senator Wofford; of course, Rick Santorum, your Congressman from out there; and Bob Walker, another great Pennsylvanian. So, welcome all.

I'm delighted that we're here to honor the Penguins, the National Hockey League's champions that brought such excitement to this country. This is a special moment, I'm sure, for the city of Pittsburgh, as it is for all of us here in the Rose Garden. The Penguins have brought home the city's first-ever Stanley Cup -- brought the Cup back to the U.S. for the first time since 1983. Somehow, I have the feeling that's even -- special even if you're a Rose Garden veteran like Eddie DeBartolo over here, who comes regularly with his football team. [Laughter] But four Super Bowls with the 49ers, and now he's starting down this Stanley Cup collection road. We welcome you, sir.

The Penguins take their place alongside the Pirates and the Steelers in the hearts of Pittsburghers. And in the ``City of Champions," a new ice age has begun.

Back when the season started, I don't mean to downgrade you guys, but I don't think anyone of all our sports sages and scribes were predicting that you'd end up right here. But sure enough -- well, one of the reasons last year, some very good games, but you finished fifth -- watched the playoffs on TV. The Penguins began this year without their mainstay, Mario Lemieux, and he was then out -- as we all know who follow this sport -- with a serious back injury. Without his top scorer, Coach Johnson built a strategy around the defense. Mark Recchi and Kevin Stevens stepped right in to supply the scoring, and goalie Tom Barrasso took his motto from Harry Truman: ``The puck stops here." [Laughter]

And, yes, as we all know, Mario made it back. Just so he wouldn't feel left out, his teammates let him skate away with the Stanley Cup MVP -- you talk about a comeback.

But your success took team effort. A large share of the credit does go to Craig Patrick, the general manager who took a gamble in March when the Penguins were 12 points out of first place. Craig engineered a six-player trade that brought Ron Francis, Ulf Samuelson, Grant Jennings to the team. And I think, most sports observers would concede it was in there that things started turning around. The Penguins went 9, 3, and 2 in their last 14 games -- came from behind and clinched

the title.

You beat the injuries. You beat the odds. And, clearly, you beat your opponents all the way to the Stanley Cup.

So, your hard work, your drive, your determination made this a season to remember. But while you're here, let me just commend you for another special achievement off the ice -- for a team spirit that just doesn't win games, but saves lives.

I mentioned Tom Barrasso a moment ago. Two years ago, Tom and his wife Megan got the news that every parent dreads -- they learned their daughter was stricken with cancer. And this brave little girl is only 4, and already she's pulled through surgery and chemo and a bone marrow transplant. And Ashley, I'm just so pleased you could come here to the Rose Garden today. She's sweet. You play your cards right and I'll invite you in to say hello to Millie, our dog, too. [Laughter]

Now, the Barrassos have overcome their pain to reach out to other children battling illness. They've begun a foundation to combat childhood cancer. Every member of the Penguins team -- the family, if you will -- has joined in this effort.

I can tell you nothing hits harder than to see a kid up against this kind of a problem. And so I would say to you, you are, in addition to being fantastic skaters -- tough hockey players -- you are what we like to refer to as Points of Light, each of you in your own way, and we're very grateful for the example that sets for our country.

So, you're champions on the ice and off the ice. And welcome to all of you. We're just delighted you're here on this beautiful day.

Thanks for coming.

Note: The President spoke at 11:42 a.m. in the Rose Garden at the White House. In his opening remarks, he referred to Attorney General Dick Thornburgh; Senators Arlen Specter and Harris Wofford; Representatives Richard John Santorum and Robert S. Walker; Edward DeBartolo, owner of the Pittsburgh Penguins and the San Francisco 49ers football team; Bob Johnson and Craig Patrick, Penguins coach and general manager; team members Mario Lemieux, Mark Recchi, Kevin Stevens, Tom Barrasso, Ron Francis, Uif Samuelson, and Grant Jennings; and Mr. Barrasso's wife, Megan, and daughter, Ashley.

Presidential Determination No. 91 - 43 -- Memorandum on Trade With Bulgaria

June 24, 1991

Memorandum for the Secretary of State

Subject: Determination under Section 405(a) of the Trade Act of 1974, as Amended -- the Republic of Bulgaria

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I determine, pursuant to section 405(a) of the Trade Act, that the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of the Republic of Bulgaria'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:39 a.m., July 5, 1991]

Note: This memorandum was released by the Office of the Press Secretary on June 25. The Agreement on trade relations and the exchange of letters between U.S. and Bulgarian officials were printed in the ``Federal Register'' of June 28. The related proclamation on trade with Bulgaria is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on Trade With Bulgaria

June 24, 1991

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 407 of the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I am transmitting a copy of a proclamation that extends nondiscriminatory treatment to the products of the Republic of Bulgaria. I also enclose the text of the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of the Republic of Bulgaria,'' including exchanges of letters that form an integral part of the Agreement, which was signed on April 22, 1991, and which is included as an annex to the proclamation.

The Agreement will provide a nondiscriminatory framework for our bilateral trade relations, and thus strengthen both economic and political relations between the United States and the Republic of Bulgaria. Conclusion of this Agreement is an important step we can take to provide greater economic benefits to both countries. It will also give further impetus to the progress we have made in our overall diplomatic relations since last year.

I believe that the Agreement is consistent with both the letter and the spirit of the Trade Act. It provides for mutual extension of nondiscriminatory tariff treatment, while seeking to ensure overall reciprocity of economic benefits. It includes safeguard arrangements to ensure that our trade with the Republic of Bulgaria will grow without causing disruption to the U.S. market and consequent injury to domestic firms or loss of jobs for American workers.

The Agreement also confirms and expands for American businesses certain basic rights in conducting commercial transactions both within the Republic of Bulgaria and with Bulgarian nationals and business entities. Other provisions include those dealing with settlement of commercial disputes, financial transactions, and government commercial offices. Through this Agreement, the Republic of Bulgaria also undertakes obligations to modernize and upgrade very substantially its protection of intellectual property rights. Once fully implemented, the Bulgarian intellectual property regime will be on a par with that of our principal industrialized trading partners. This Agreement will not alter U.S. law or practice with respect to the protection of intellectual property.

On January 22, 1991, I waived application of subsections (a) and (b) of section 402 of the Trade Act to the Republic of Bulgaria. I determined that this waiver will substantially promote the objectives of section 402, and, pursuant to section 402(c)(2) of the Trade Act, notified the Congress that I have received assurances that the emigration practices of the Republic of Bulgaria will henceforth lead substantially to achievement of those objectives.

I urge that the Congress act as soon as possible to approve the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of the Republic of Bulgaria" and the proclamation extending nondiscriminatory treatment to products of the Republic of Bulgaria by enactment of a joint resolution, referred to in section 151 of the Trade Act.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter was released by the Office of the Press Secretary on June 25. The Agreement on trade relations and the exchange of letters between U.S. and Bulgarian officials were printed in the ``Federal Register" of June 28. The related proclamation on trade with Bulgaria is listed in Appendix E at the end of this volume.

Presidential Determination No. 91 - 44 -- Memorandum on Trade With Mongolia

June 24, 1991

Memorandum for the Secretary of State

Subject: Determination under Section 405(a) of the Trade Act of 1974, as Amended -- the Mongolian People's Republic

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I determine, pursuant to section 405(a) of the Trade Act, that the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of the Mongolian People's Republic'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:40 a.m., July 5, 1991]

Note: This memorandum was released by the Office of the Press Secretary on June 25. The Agreement on trade relations and the exchange of letters between U.S. and Mongolian officials were printed in the ``Federal Register'' of June 28. The related proclamation on trade with Mongolia is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on Trade With Mongolia

June 24, 1991

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 407 of the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I am transmitting a copy of a proclamation that extends nondiscriminatory treatment to the products of the Mongolian People's Republic. I also enclose the text of the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of the Mongolian People's Republic,'' including exchanges of letters that form an integral part of the Agreement, which was signed on January 23, 1991, and which is included as an annex to the proclamation.

The Agreement will provide a nondiscriminatory framework for our bilateral trade relations, and thus strengthen both economic and political relations between the United States and the Mongolian People's Republic. Conclusion of this Agreement is an important step we can take to provide greater economic benefits to both countries. It will also give further impetus to the progress we have made in our overall diplomatic relations since last year.

I believe that the Agreement is consistent with both the letter and the spirit of the Trade Act. It provides for mutual extension of nondiscriminatory tariff treatment, while seeking to ensure overall reciprocity of economic benefits. It includes safeguard arrangements to ensure that our trade with the Mongolian People's Republic will grow without causing disruption to the U.S. market and consequent injury to domestic firms or loss of jobs for American workers.

The Agreement also confirms and expands for American businesses certain basic rights in conducting commercial transactions both within the Mongolian People's Republic and with Mongolian nationals and business entities. Other provisions include those dealing with settlement of commercial disputes, financial transactions, and government commercial offices. Through this Agreement, the Mongolian People's Republic also undertakes obligations to modernize and upgrade very substantially its protection of intellectual property rights. Once fully implemented, the Mongolian intellectual property regime will be on a par with that of our principal industrialized trading partners. This Agreement will not alter U.S. law or practice with respect to the protection of intellectual property.

On January 23, 1991, I waived application of subsections (a) and (b) of section 402 of the Trade Act to the Mongolian People's Republic. I determined that this waiver will substantially promote the objectives of section 402, and, pursuant to section 402(c)(2) of the Trade Act, notified the Congress that I have received assurances that the emigration practices of the Mongolian People's Republic will henceforth lead substantially to achievement of those objectives.

I urge that the Congress act as soon as possible to approve the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of the Mongolian People's Republic'' and the proclamation extending nondiscriminatory treatment to products of the Mongolian People's Republic by enactment of a joint resolution, referred to in section 151 of the Trade Act.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter was released by the Office of the Press Secretary on June 25. The Agreement on trade relations and the exchange of letters between U.S. and Mongolian officials were printed in the ``Federal Register'' of June 28. The related proclamation on trade with Mongolia is listed in Appendix E at the end of this volume.

Exchange With Reporters Prior to a Meeting With the Congressional Black Caucus

June 25, 1991

Q. Mr. President, are you going to lift South African sanctions soon?

The President. We're not taking any questions at what is known as a photo opportunity.

I will say, I'm glad to have the Black Caucus here. We have had differences on some issues. I don't think we have differences in terms of questioning each other's motives, and I think on this question I want to hear from them. And then I want to tell them how I see the law, which was written by the Congress, and how I would interpret the law, which I -- under which I don't have much flexibility. But I'm anxious to hear from these leaders as to their view on that very important issue, and their -- I'll be very frank with them in giving them my views.

This is not the first meeting of the Black Caucus, nor will it be the last, as far as I'm concerned. I think it's a good thing to have these kind of discussions, and I appreciate your comments on that from time to time. Ed requested the meeting, and I'm glad you all are here.

So, there's an answer to your question -- which I will take no more, which I will take no more.

Q. Are you also going to discuss the civil rights bill?

The President. -- -- the agenda is wide open. And I want to hear from them on a wide array of questions. You see Mr. Rangel here; I expect it won't be confined to any two categories, knowing of his fascination and leadership in the field of antinarcotics. So, it's an open agenda. Education. We'll talk about anything that's on the minds of these leaders of the Congress and members of the Black Caucus.

Note: The exchange began at 10:05 a.m. in the Cabinet Room at the White House. In his remarks, the President referred to Representatives Edolphus Towns and Charles Rangel.

Remarks at a Luncheon Meeting With Law Enforcement Officials

June 25, 1991

Well, let me just say it's a pleasure to be here with the heads of all our Federal law enforcement agencies. We'll be taking a little lunch, talking over the issues of concern to the various departments.

But let me just say a word about our crime bill. By now, certainly all of you are familiar with this 100-day challenge that I threw down to the Congress to act on the bill. That was now 106 days ago. And we sent our comprehensive crime bill up to the Congress 106 days ago, and the Senate started debating provisions of the legislation just last Thursday. The House has given absolutely no indication that they plan to act soon.

Our bill, in my view, would help fight violent crime, assist our law enforcement officials by relieving many of the frustrations of the current system. There will be no more delays, no more abuse of the system through habeas corpus petitions. It has penalties for those who use a firearm in the commission of a crime. They're the ones we ought to go after.

We also propose reforming the exclusionary rule to permit the admission of evidence that has been seized in good faith. And a meaningful Federal death penalty -- everyone's familiar with that and our position on that.

But my view is, the American people simply are tired of watching hoodlums walk, of seeing criminals mock our justice system with these endless technicalities. They want to bring order to the streets that are shaken by chaos and crime -- the people do. And yet, for more than 2 years Congress has failed to act on our proposals -- good, solid proposals -- to fight crime and to strengthen the rule of law.

So, we've got to wait and see what the final product will look like. I'm simply not going to sign just any bill, just call it an anticrime bill. And I will not sign any bill, frankly, that handcuffs our law enforcement people, our police, and that demoralizes the law enforcement community.

Now we just got word, however, this morning -- another disappointment, I might say -- but the Senate declined to adopt our exclusionary rule provision. Our proposal would have extended what they call a good faith exception of the exclusionary rule to warrant searches. This means that the evidence of serious crimes will be excluded at trial now because the officer did not have a warrant, even where the officer believes in good faith that no warrant was necessary.

So, as troubling as this is, what is worse is that the Biden exclusionary rule proposal remains in

the bill. And although Senator Biden attempted to codify current case law, our view is that his language would actually make it harder to get evidence admitted as it does current law.

So, I hope the Senate will take a new look at these provisions. I hope that Congress or the House side of that Congress will act, and I can guarantee all of you who are giving a lot of your lives -- and your people are -- to law enforcement that the American people are with us in this; they want these things done. And I'm having great difficulty getting it through the Congress, so I hope the American people will speak up and let the Congress know that this kind of strong anticrime legislation has their support. We need some action.

It's a pleasure.

Note: The President spoke at 12:14 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Senator Joseph R. Biden, Jr. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the President's Meeting With Secretary General Manfred Woerner of the North Atlantic Treaty Organization

June 25, 1991

The President met with NATO Secretary General Manfred Woerner in the Oval Office for approximately 30 minutes this afternoon. Secretary General Woerner and the President reviewed the progress NATO has made in the transition of the alliance as mandated by the NATO leaders at the July 1990 NATO summit. In particular, they focused on the success of the recent Defense Planning Committee Ministerial and the North Atlantic Council Ministerial meeting. Secretary General Woerner and the President also discussed arrangements for the November NATO summit in Rome, which they view as the culmination of the work mandated in London. Both of them agreed on the vitality and the relevancy of NATO to meet future challenges in Europe. The President also reiterated the United States strong support for the development of a European security identity that strengthens the NATO alliance.

Nomination of Diane S. Ravitch To Be an Assistant Secretary of Education

June 25, 1991

The President today announced his intention to nominate Diane S. Ravitch, of New York, to be Assistant Secretary for Educational Research and Improvement at the Department of Education. She would succeed Christopher T. Cross.

Since 1975 Dr. Ravitch has served as an adjunct professor of history and education for Teachers College at Columbia University. She is one of the Nation's foremost scholars on education. Prior to this Dr. Ravitch was a part-time writer and a full-time mother. Dr. Ravitch serves as an elected member of the National Academy of Education, which is the Nation's leading honorary organization of education scholars, 1979-present; an elected member of the Society of American Historians, 1984-present; and an elected member of the American Academy of Arts and Sciences, 1980-present. She is the author of 11 books and nearly 200 articles on education.

Dr. Ravitch graduated from Wellesley College (B.A., 1960) and Columbia University's Graduate School of Arts and Sciences (Ph.D., 1975). She was born July 1, 1938, in Houston, TX. Dr. Ravitch has two children and resides in Brooklyn, NY.

Message to the Congress Transmitting the Report on Restoration of the Baltic States Independence

June 25, 1991

To the Congress of the United States:

In accordance with Public Law 101 - 309 (104 Stat. 265), I am submitting to you this report on U.S. Government actions in support of the peaceful restoration of independence for the Baltic States.

In 1940, the Soviet Union forcibly occupied the independent Baltic States of Estonia, Latvia, and Lithuania. Following sham elections, the three countries were incorporated into the USSR. The United States has never recognized the incorporation of the Baltic States into the USSR. The United States maintains diplomatic relations with representatives of their last free governments and is in close touch with the new democratically elected governments in each of the three Baltic States.

The United States has consistently stood with the majority of Balts who never lost hope that they would one day regain their freedom. In the late 1980s, pro-democracy movements in the three Baltic States emerged and began to grow in strength. Among the most active were Sajudis in Lithuania, the Latvian Popular Front, and the Estonian Popular Front and Estonian Citizens' Committees. In largely free elections in early 1990, pro-democracy forces gained a majority in all three legislatures and formed pro-independence governments.

On March 11, 1990, the Lithuanian legislature proclaimed the full and immediate restoration of Lithuanian independence. Eight days later, on March 19, President Gorbachev declared the Lithuanian proclamation invalid and insisted that the Lithuanians restore the status quo that existed prior to March 11 and recognize the supremacy of Soviet law. The Soviet government followed up this decree with intimidating troop movements in Vilnius and later an economic embargo on the supply of key products, including oil and natural gas. Undeterred, Estonia and Latvia subsequently issued their own proclamations espousing restoration of independence as their goal following a transitional period.

In response to the Soviet embargo against Lithuania, I conveyed to President Gorbachev my deepest concern and regret over Soviet actions and urged him to begin a peaceful dialogue with the Lithuanian government. Secretary Baker pressed the same points in exchanges with Foreign Minister Shevardnadze. Finally, in late June 1990, the Soviet government lifted its embargo when the Lithuanian Supreme Council agreed to a formula whereby the independence proclamation would be suspended during the course of negotiations with Moscow on Lithuania's future.

Thereafter, Moscow and the three Baltic States began to inch toward talks, but these broke off after only a few sessions with each side accusing the other of being unwilling to negotiate in good faith.

At the end of 1990, pro-Moscow forces in the three Baltic States stepped up their pressure on the popularly elected governments there. In January, pro-Moscow forces -- including local Communist Party members, Black Beret special Interior ministry troops, and Soviet Army paratroops -- attacked and occupied communications and other facilities in Vilnius, Riga, and other cities, leaving at least 21 dead.

In the wake of this Soviet pressure against the Baltic States, our Government has undertaken a vigorous diplomatic effort designed both to help avert future violent confrontations in the Baltic States and to enable the Baltic peoples to realize their legitimate but long-denied aspirations. We have held lengthy exchanges with our NATO Allies, neutral countries, and central European democracies on this issue. We have succeeded in forging a strong, common position among CSCE signatories rejecting violence and intimidation and calling for peaceful dialogue among the parties. The United States currently supports giving the Baltic States observer status at CSCE meetings and will support full membership once these nations regain independent statehood.

Also this spring, the United States took a leading role in the U.N. Human Rights Commission's (UNHRC) discussion of the January violence in the Baltic States. The United States successfully worked for consensus on the UNHRC resolution calling on the Soviet Union to review the January events and provide a full report to the Commission.

In numerous contacts with Soviet President Gorbachev and other Soviet officials since mid-January, both Secretary Baker and I have repeatedly raised the matter of the Baltic States. There can be no doubt that the Soviet leadership understands this issue's importance to the United States and our unwavering support for the cause of Baltic freedom. We have underscored the unacceptability of the use of force and intimidation and the urgent need for dialogue and negotiations with the freely elected representatives of the Baltic States, which will lead to an outcome that respects Baltic aspirations for self-determination. Each of the Baltic States began negotiations with the Soviet Union on a broad range of issues in April. We are following these talks closely and hope they will be conducted in good faith, free of threats and intimidation by all sides.

Secretary Baker and I have met with representatives of the Baltic States on numerous occasions. I met with Lithuanian President Landsbergis, Estonian Prime Minister Savisaar, and Latvian Prime Minister Godmanis in May; with Estonian President Ruutel in March; with President Landsbergis in December 1990; Prime Minister Savisaar in October 1990; Prime Minister Godmanis in July 1990; and then-Prime Minister Prunskiene in May 1990. Secretary Baker has met with the three Baltic permanent representatives in Moscow and with the foreign ministers of all three Baltic States in Washington, New York, and Paris. Our Consulate General in Leningrad also maintains a

nearly continuous diplomatic presence in the Baltic States and is in close contact with the governments there. We have used these and other contacts with Baltic leaders to keep current on the state of affairs in the Baltic States and to convey U.S. support for the legitimate aspirations of the Baltic peoples.

In addition, the Department of State maintains regular contact with the Charges d'Affaires of the three Baltic diplomatic legations accredited to the United States. The radio services of Radio Free Europe and the Voice of America have also played an important role in conveying and explaining U.S. policy on the Baltic States.

The Administration has also attempted to express our support for the Baltic people in new ways. Working through Project Hope, we shipped medical aid directly to the Baltics on February 28 to meet basic medical needs. We are now following up with a second shipment of medical supplies this month. We provided U.S. technical help to Latvia after a chemical spill in the Daugava River in November 1990. The Department of Agriculture began a program to assist Lithuanian agriculture and support U.S. agricultural sales there by modernizing a feedgrain mill. Visits by a number of Members of Congress and Administration officials have also underscored the American people's support for Baltic self-determination.

These extensive contacts reflect our recognition of the fact that these governments are democratically elected, represent the will of the Baltic peoples, and deserve our support.

The United States has stood and will continue to stand in solidarity with the Baltic peoples in their striving for freedom and self-determination. Our intensified diplomatic efforts over the past year have played a critical role in galvanizing global support for the cause of the Baltic peoples and for a peaceful, negotiated outcome that takes proper account of legitimate Baltic interests. We strongly encourage the Soviet government and the three Baltic governments to progress in talks begun in early April on the issues that divide them.

George Bush

The White House,

June 25, 1991.

Memorandum on the Delegation of Authority Regarding Missile Technology Proliferation

June 25, 1991

Memorandum for the Secretary of State,

the Secretary of the Treasury,

the Secretary of Defense,

the Secretary of Commerce

Subject: Delegation of Authority Regarding Missile Technology Proliferation

By virtue of the authority vested in me by the Constitution and laws of the United States of America, including section 301 of title 3, United States Code, and sections 1701 - 1704 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101 - 510) (the Act), I hereby make the following delegations:

1. The authority and duties vested in me by sections 72 and 73 of the Arms Export Control Act (22 U.S.C. 2797a and b) and section 1704 of the Act (22 U.S.C. 2797 note) are delegated to the Secretary of State, except that:

a. The authority vested in me to make determinations with respect to violations by U.S. persons of the Export Administration Act of 1979 under section 72(a)(1) is delegated to the Secretary of Commerce.

b. The authority vested in me to deny certain U.S. Government contracts as provided in sections 73(a)(2)(A)(i) and 73(a)(2)(B)(i), pursuant to a determination made under section 73(a)(1), as well as the authority vested in me to make the findings provided in sections 72(c), 73(f), and 73(g)(1), are delegated to the Secretary of Defense. Waivers based upon findings made pursuant to sections 72(c) and 73(f) shall be issued, transmitted to Congress, and notified to the Secretary of the Treasury as appropriate by the Secretary of State.

c. The authority vested in me to prohibit certain imports as provided in section 73(a)(2)(C), pursuant to a determination made by the Secretary of State under such section, and the obligation to implement the exceptions provided in section 73(g), are delegated to the Secretary of the Treasury.

2. The authority and duties vested in me by section 1702 of the Act and section 11B of the Export

Administration Act of 1979 (50 U.S.C. App. 2410b) are delegated to the Secretary of Commerce, except that:

a. The authority and duties vested in me by sections 11B(b)(1)(A) (insofar as such section authorizes determinations with respect to violations by U.S. persons of the Arms Export Control Act), 11B(b)(1)(B)(iii) (insofar as such section authorizes determinations regarding activities by foreign persons), and 11B(b)(5) are delegated to the Secretary of State.

b. The authority vested in me to make the findings provided in sections 11B(a)(3), 11B(b)(6), and 11B(b)(7)(A) are delegated to the Secretary of Defense. Waivers based upon findings made pursuant to sections 11B(a)(3) and 11B(b)(6) shall be issued, transmitted to Congress, and notified to the Secretary of the Treasury as appropriate by the Secretary of Commerce and Secretary of State, respectively.

c. The authority vested in me to prohibit certain imports as provided in section 11B(b)(1)(B)(iii), pursuant to a determination made by the Secretary of State under such section, and the obligation to implement the exceptions provided in section 11B(b)(7), are delegated to the Secretary of the Treasury.

All functions delegated herein shall be exercised in consultation among the Secretary of State, the Secretary of Defense, the Secretary of the Treasury, the Secretary of Commerce, the Director of the Arms Control and Disarmament Agency, and other departments and agencies as appropriate.

The functions delegated herein may be redelegated as appropriate. Regulations necessary to carry out the functions delegated herein may be issued as appropriate.

The Secretary of State is authorized and directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:39 a.m., July 5, 1991]

Note: This memorandum was released by the Office of the Press Secretary on June 26.

Remarks at the Unveiling of the Official Bust of the President

June 27, 1991

Mr. Vice President, Mr. Speaker, distinguished leaders of both the House and the Senate, I'm just delighted to be here, and I want to especially thank Wendell Ford and Ted Stevens, who do such a wonderful job protecting and enhancing the history of this fantastic building in so many ways. It brings back to me so many happy memories of time spent on both ends of the Capitol -- 4 years in the House and 8 as the presiding officer, the President of the Senate.

So, I'm delighted to be here today. I can't quite get used to all this. I'm not even dead yet, and here -- [laughter] -- here is this magnificent sculpture by an old and dear friend of the Bushes, Walker Hancock. I believe I first met him when I was about 3 years old. He's been a special friend of our family. He, of course, is one of the most prominent sculptors -- most prominent in the whole country. I was proud to give him the National Medal of the Arts last year. I can tell you that he put a lot of time into this bust, having gone to Italy himself to see that it was finished properly, doing all the design and work himself. We've sat for him -- he was most understanding, came up to Camp David. We did some work in the White House.

Having this magnificent work, given what he had to work with -- [laughter] -- done by this outstanding American artist, makes it doubly, doubly special for us. I just couldn't be more pleased. And of course, I'm touched by the Members of the House and the Senate that have turned out for this.

My schedule read that it was time to motorcade to the Capitol for this unveiling of my bust, and I started worrying about the headlines on that one. [Laughter] No, not what you're thinking. ``Bush Goes For Bust," maybe, or ``Bush Gets Busted." [Laughter]

I am reminded of the time, though, that historians have written about George Washington. And they asked him why, in so many busts made of him, did he always have a curious smile on his face? Walker, I'm not sure this anecdote is true, but he explained that it all began when the sculptor Joseph Wright was first doing a life mask of him, oiling his face and applying the plaster. Just as the plaster was setting, Martha Washington walked into the room. Surprised to see the President this way, she let out a shriek. The President smiled, and the rest is history. [Laughter] That's a true story. And thank God Barbara Bush didn't walk into the room when Walker and I were working -- [laughter] -- or you could have had something less serious and perhaps not as proper for this austere building and this austere place.

I am very, very proud to be here, and I must say in conclusion that I can't express my feelings enough about this body. We have fights from time to time, obviously, but the days I spent here will always be remembered as perhaps the happiest times in my life. The friends crossed all the

aisles. It wasn't just the gymnasium, either, Sonny; it was far more than that.

The longer I'm in my job, the more important I come to understand what friendship means. And that's what this day is about; and so, once again, I want to thank all involved in this project. I especially want to thank the leaders of both the House and the Senate, the Democrats and the Republicans who are here today. You do honor not to me as an individual but to the office I held. I think this is a marvelous, marvelous bust. And Walker, once again, my thanks and congratulations to you, sir.

Thank you all very, very much.

Note: The President spoke at 2:44 p.m. in the Rotunda at the Capitol. In his remarks, he referred to Dan Quayle, Vice President of the United States; Thomas S. Foley, Speaker of the House of Representatives; Wendell H. Ford and Ted Stevens, chairman and ranking Republican member of the Senate Rules and Administration Committee; sculptor Walker Hancock; and Representative G.V. (Sonny) Montgomery. Prior to his remarks, the President attended a meeting with Senate Republican leaders in Room S - 230 at the Capitol.

Remarks Commemorating the First Anniversary of the Enterprise for the Americas Initiative and an Exchange With Reporters

June 27, 1991

Please be seated. Welcome, distinguished Members of Congress and both Houses. Let me salute our Secretary of the Treasury and another Cabinet member, Ambassador Carla Hills; Minister Foxley of Chile; Minister de Franco of Nicaragua; Minister Alfaro of Panama. I could not be more pleased to have you all join me up here today. And look at this audience, sweating out there. [Laughter] Change that -- perspiring out there.

Bob Mosbacher is here, our Secretary of Commerce; and Ed Madigan, General Scowcroft, Bill Reilly, Mike Boskin, Larry Eagleburger -- and I'm going to get in trouble -- Mr. Robson, and many, many more. Fred Zeder, and John Macomber of the Ex-Im, Ron Roskens of AID. You have our top people here, and it's very symbolic and important that they be here. I think that this shows vividly our commitment to building a better and more prosperous hemisphere.

We're also pleased to have with us Mr. Enrique Iglesias of the Inter-American Development Bank. It seems like he just left. He was just here the other day, and we welcome him back. The Ambassadors from Latin America and some of the Caribbean countries; from the OAS, the Secretary General here -- we salute you, sir; and many members of the diplomatic corps. To everyone I would say, my warmest greetings to you on this historic day. Feel free to take your coats off. If it weren't for these cameras, I'd take mine off. [Laughter]

I'm just delighted, again, that you're all here. And we've come here today to celebrate the first anniversary of the Enterprise for the Americas Initiative. As you know, this initiative wasn't a unilateral thing; it grew out of talks between many of us here today. I heard many of your concerns about building a prosperous hemisphere, of throwing off the deadening weight of debt and economic stagnation, and building strong ties of idealism and self-interest. With the Enterprise for the Americas Initiative, we vowed to encourage free trade, stimulate investment, and reduce the debt burden that overwhelms so many of our neighbors and our colleagues.

We've made great progress. In just 1 year we've signed eight bilateral framework agreements for trade and investment -- with Chile, Colombia, Costa Rica, Ecuador, El Salvador, Honduras, Peru, and Venezuela. Make that 10 agreements, because today Carla Hills will sign bilateral framework agreements with Minister de Franco of Nicaragua and Minister Alfaro of Panama. We also are negotiating with Guatemala and the 13-nation English-speaking Caribbean Community.

Last week, right here, Ambassador Hills also joined representatives of Argentina, Brazil, Paraguay, and Uruguay in signing what we call the Rose Garden Agreement, the first regional

framework accord under the Enterprise for the Americas Initiative. Carla has been very busy, and I'm glad to see her bringing a lot of these things to fruition. I congratulate her and Dave Mulford and so many others who have worked tirelessly on these projects.

Ambassador Hills and her counterparts will pull down tariff and nontariff barriers, protect patents and intellectual property, strengthen investment environments, and make it possible for firms to repatriate their profits. In short, we will build a solid foundation for economic cooperation and prosperity.

We've also begun making our hemisphere more hospitable to investment. The Inter-American Development Bank has approved its first investment sector loan -- it's $150 million to Chile. Minister Foxley and President Iglesias completed arrangements for this loan today, I am told.

President Iglesias, I want to thank you, sir, and congratulate everyone at the IDB for this important step. And we should congratulate Chile for the impressive free-market reforms that it has undertaken. Through these loans, the IDB will help Latin America and the Caribbean countries compete for capital and embrace reforms that foster economic growth.

For years the world experimented with the fantasy that experts could manage economies. The utter failure of the communism system demonstrated that expert cadres can no more manage growth than they can manage the weather or anything else. Free markets reward people who have ideas, not just those who have connections. They allow poor people to become rich. They make possible unprecedented levels of social mobility. And of course, they mean jobs. They teach people hard study, hard work, and commitment to others. Those commitments produce real wealth.

I'm also pleased to report that our proposal for a $1.5 billion multilateral Investment fund has gotten off to a great start. Japan has pledged $100 million for each of the next 5 years. Canada, France, Portugal, and Spain have expressed keen interest in supporting the fund, which will provide targeted support for countries that undertake the difficult reforms necessary to encourage investment and stimulate free enterprise.

Pillar three of our proposal, debt reduction, also has gotten off to a rousing start. Five nations already have negotiated far-reaching reductions in commercial debt through the provisions of the Brady plan. Other nations will take advantage of the plan as their economic reforms take shape.

Congress has agreed to reward economic reform and trade liberalization by reducing a portion of a nation's debt,the food assistance loans contracted under P.L. 480. Congress also supported our recommendation to use interests on remaining debt for grassroots environmental projects. And this ambitious, innovative plan already has produced results. Today, the U.S. will sign an agreement with Chile, slashing Chile's P.L. 480 debt 40 percent, to $23 million. This is the first example of bilateral debt reduction under EAI. We look forward to reaching an understanding

soon on the environmental component of this agreement.

So now, just briefly, let me talk about what lies ahead. As you know, Congress recently voted not to terminate the Fast Track trade procedures that enable us to deal in good faith with you -- and with Congress -- in trade negotiations. Our goal is to create a free trade zone that will cover all of North America. This trade zone -- 360 million consumers and markets that produce more than $6 trillion in annual output -- will set the stage for something even more dramatic, a whole hemispheric zone of free trade.

I was very proud and pleased the way so many countries south of Mexico and in the Caribbean supported the FTA, the Fast Track authority, with Mexico. It's broad vision, because it should sweep through -- this whole concept of free trade must sweep through our whole hemisphere.

The Enterprise for the Americas Initiative can link our nations with their diverse cultures, work forces, and creative forces. I know some have worried that the EAI might indicate a reduction in our commitment to the multilateral trading system. Not so, we remain fully committed and fully determined to make that system work.

Indeed, as part of the Uruguay round, we have joined our Latin American and our Caribbean allies in trying to pull down protectionist barriers in Europe and in Asia. I want to stress the importance of reaching a successful conclusion to the round. It can establish a basis for worldwide free and fair trade. Without it, we're going to have great difficulty moving forward.

We live in an extraordinary place at an extraordinary time. When Cuba embraces democracy, ours will become the first truly democratic hemisphere in the world. That is a major goal, a major accomplishment by most countries already; Cuba being this holdout.

There's no accident of history here. From the northern tip of Alaska to the southernmost point of Tierra del Fuego, we share common heritages. Our people can trace their roots to all the nations of the world. We share ties of culture and of blood and of common interest. And now, as democracy sweeps the world, we share the challenge of leadership through example.

We can lead the way to a world freed from suspicion and from mercantilist barriers, from socialist inefficiencies. We can show the world how prosperity preserves the social order, and the land, air, and water as well. We can show the rest of the world that deregulation, respect for private property, low tax rates, and low trade barriers can produce vast economic returns. We can show the rest of the world how to build upon each other's strengths, rather than preying upon weaknesses.

Today, I simply want to pledge to you, our friends, my full effort to make the Enterprise for the Americas Initiative a total reality. I urge Congress to pass promptly the legislation necessary to enact EAI. This includes debt reduction authority and authority for the United States to contribute

its share to the Multilateral Investment Fund.

In 1876 -- I think I mentioned this the other day when President Collor was here -- the Brazilian Emperor, Dom Pedro II, visited the United States and stopped in St. Louis, among other places. And he noted that local craftsmen were using only the sturdiest materials in building a customs house. The emperor was stunned. ``But an iron building would last 400 years," he noted. ``You do not mean to tell me that there will be any custom houses in 400 years."

We meet today to honor Dom Pedro's vision of a hemisphere shorn of customs houses and jammed with thriving markets. If we can build a hemisphere devoted to freedom, one that prefers enterprise to envy, we've going to create our own new world order.

We've worked miracles in one year, and so let us shape a revolution in the next because I honestly believe that together, we can make our hemisphere's freedom first and best for all.

Thank you, and God bless you. And thank you all for coming down here on this very hot, but very significant occasion. Thank you.

[At this point, Secretary Brady and Ambassador Hills signed trade agreements with Chile, Nicaragua, and Panama.]

One half of it done.

Resignation of Supreme Court Associate Justice Marshall

Q. Mr. President, have you thought about a successor to Thurgood Marshall?

Q. Mr. President, what do you want in a Marshall successor, sir?

Q. And how soon? How soon will we have a successor?

Q. Have you got a successor, Mr. President?

The President. Now, what was that one question? What was the one question?

Q. Thurgood Marshall, sir. What about a successor to Mr. Marshall?

The President. Well, it just happened, I mean. But we'll move promptly; we'll move very swiftly. I paid my respects to Justice Marshall in a statement that we put out. He served his country with great distinction. And, you know, it's very pleasant for Barbara and me -- I knew nothing about this, of course -- but he and Mrs. Marshall were our guests up at Camp David a while back. And

we had a very warm and relaxed and entertaining visit. I say entertaining from him, he fired off a few jokes for us. And it was very pleasant.

So, in the personal relationship, we feel sad about this, but he's served his country well. And we're going to move -- --

Q. Wasn't there some notice at all, sir?

The President. No, no. This is really the -- literally, the first I heard when we went up to the Hill.

Q. What about -- --

Q. Will it be a minority?

Q. Mr. Sununu has issued another apology. What do you have -- do you have anything to say about?

The President. I've said all I really care to say about that.

Q. What qualities will you look for in a replacement?

Q. What about a replacement, sir? A successor?

The President. Somebody that believes in the Constitution of the United States, as all nine of those Judges do that are on the court now, and somebody with experience, obviously, and somebody that will be able to serve a while. So, that's it.

All right. Thank you all.

Note: The President spoke at 4:05 p.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of the Treasury Nicholas F. Brady; U.S. Trade Representative Carla A. Hills; Finance Minister Alejandro Foxley Riesco of Chile; Economy Minister Silvio de Franco of Nicaragua; Commerce Minister Roberto Alfaro of Panama; Secretary of Commerce Robert A. Mosbacher; Secretary of Agriculture Edward R. Madigan; Brent Scowcroft, Assistant to the President for National Security Affairs; William K. Reilly, Administrator of the Environmental Protection Agency; Michael J. Boskin, Chairman of the Council of Economic Advisers; Lawrence S. Eagleburger, Deputy Secretary of State; John E. Robson, Deputy Secretary of the Treasury; Fred M. Zeder, President and Chief Executive Officer of the Overseas Private Investment Corporation; John D. Macomber, President and Chairman of the Export-Import Bank of the United States; Ronald W. Roskens, Administrator of the Agency for International Development; Enrique V. Iglesias, President of the Inter-American Development Bank; Joao Clemente Baena Soares, Secretary General of Organization of American States; David C.

Mulford, Under Secretary of the Treasury for International Affairs; President Fernando Collor de Mello of Brazil; Thurgood Marshall, Associate Justice of the Supreme Court, and his wife, Cecilia; and John H. Sununu, Chief of Staff to the President.

Statement on the Resignation of United States Supreme Court Associate Justice Thurgood Marshall

June 27, 1991

Justice Marshall has rendered extraordinary and distinguished service to his country as a pioneering civil rights lawyer, a judge on the U.S. Court of Appeals for the Second Circuit, as Solicitor General, and in his tenure on the Supreme Court. His career is an inspiring example for all Americans. He grew up under segregation to achieve the highest office to which a lawyer can aspire. His accomplishments on the Bench will long be remembered. We wish him the best in his retirement. I intend to nominate a successor very soon.

White House Statement on the Executive Order Amending the Manual for Courts-Martial, United States, 1984

June 27, 1991

The President today signed an Executive order entitled ``Amendments to the Manual for Courts-Martial, United States, 1984."

This order amends the rules for Courts-Martial relating to pretrial investigations, discovery, and procedure; pretrial agreement negotiations; speedy trial; and appellate actions. It also amends the Military Rules of Evidence relating to polygraph evidence and makes minor changes in the definition of crimes and punishments.

Note: The Executive order is listed in Appendix E at the end of this volume.

Nomination of Olin L. Wethington To Be Deputy Under Secretary of the Treasury

June 27, 1991

The President today announced his intention to nominate Olin L. Wethington, of Virginia, to be Deputy Under Secretary of the Treasury for International Affairs. He would succeed Charles H. Dallara. Upon appointment, Mr. Wethington shall be designated as an Assistant Secretary of the Treasury and a member of the Board of Directors of the Overseas Private Investment Corporation. He would succeed Charles H. Dallara.

Since 1990, Mr. Wethington has served as Special Assistant to the President and Executive Secretary to the Economic Policy Council at the White House in Washington, DC. Prior to this he served as a partner with the law firm of Steptoe and Johnson in Washington, DC, 1985 - 1990; a Deputy Under Secretary for International Trade at the Department of Commerce, 1983 - 1985; and Director of the Planning and Evaluation staff for the International Trade Administration at the Department of Commerce, 1982. In addition Mr. Wethington served as an Executive Assistant to the Under Secretary for International Trade at the Department of Commerce, 1981 - 1982; an attorney with the law firm of Steptoe and Johnson, 1977 - 1981; and an adjunct professor of law at Georgetown University Law Center, 1980 - 1981.

Mr. Wethington graduated from the University of Pennsylvania (B.A., 1971, and M.A., 1971); Columbia University (Ph.D., 1974); and Harvard Law School (J.D., 1977). He was born on November 17, 1948, in Durham, NC. Mr. Wethington is married, has three children, and resides in McLean, VA.

Statement on Signing the Education Council Act of 1991

June 27, 1991

Today I have signed S. 64, the ``Education Council Act of 1991." This legislation is the first legislative success for our AMERICA 2000 strategy and is an example of the constructive, bipartisan effort needed to transform our educational system.

This legislation establishes a National Commission on Time and Learning and a National Council on Education Standards and Testing. Their establishment will help us to focus on issues critical to schools and students in this Nation and to rethink how we can best achieve educational excellence in America.

The National Commission on Time and Learning, which is similar to the Commission proposed in our AMERICA 2000 plan, will examine the quality and adequacy of the study and learning time of the Nation's elementary and secondary students. It will consider issues regarding the length of the school day and year, the role of homework, the use of time spent for academic subjects, year-round professional opportunities for teachers, and the use of schools for extended learning programs.

The National Council on Education Standards and Testing will report, by December 31, 1991, to the Congress, the Secretary of Education, and the National Education Goals Panel on the establishment of national education standards and an appropriate system of voluntary national testing, activities proposed in AMERICA 2000. It explicitly recognizes the importance of the National Education Goals Panel and its role.

I urge the Congress to pass quickly the remaining legislative components of AMERICA 2000, including proposals that would create a New Generation of American Schools, promote parental choice, and establish Governors' Academies for Teachers and School Leaders. AMERICA 2000 is a vital part of our decade-long crusade to help America reach the National Education Goals. Passage of the ``AMERICA 2000 Excellence in Education Act" will hasten our advance toward achieving those goals.

George Bush

The White House,

June 27, 1991.

Note: S. 64, approved June 27, was assigned Public Law No. 102 - 62. The statement was released by the Office of the Press Secretary on June 28.

Statement on South Africa's Accession to the Nuclear Non-Proliferation Treaty

June 28, 1991

I welcome and strongly commend the Government of South Africa's decision to accede to the Nuclear Non-Proliferation Treaty. This decision reflects the growing international conviction to halt the proliferation of weapons of mass destruction, as exemplified by the adherence to the treaty by other states in the region. It further demonstrates the statesmanship and vision of President de Klerk as he takes South Africa into a new era beyond apartheid and regional conflict, toward reconciliation and partnership.

I strongly urge those nations in the region who have not acceded to the treaty to do so in order to join the growing community of nations firmly bound to the principles of nuclear nonproliferation, to strengthen the international regime against the spread of nuclear weapons, and to promote the cause of peace and global cooperation.

Letter on the Resignation of United States Supreme Court Associate Justice Thurgood Marshall

June 28, 1991

Dear Mr. Justice:

It is with deep regret that I acknowledge your letter of retirement from the Supreme Court effective at such time as a successor is qualified.

Our Nation is deeply indebted to you for your long and distinguished public service. Your courageous leadership in the fight for equal opportunity, exemplified by your brief and oral argument in the landmark case of Brown v. Board of Education, is a powerful example of how one person's commitment to his convictions can shape a nation's attitude on such a fundamental issue.

Your distinguished service to our country, first on the U.S. Court of Appeals for the Second Circuit, as our Nation's 33rd Solicitor General, and capped by a great career on the Supreme Court will also be long remembered.

Barbara and I wish you happiness and every blessing in your years of retirement.

Sincerely,

George Bush

June 27, 1991.

My Dear Mr. President:

The strenuous demands of court work and its related duties required or expected of a Justice appear at this time to be incompatible with my advancing age and medical condition.

I, therefore, retire as an Associate Justice of the Supreme Court of the United States when my successor is qualified.

Respectfully,

Thurgood Marshall

Note: Originals were not available for verification of the content of these letters.

Letter to Congressional Leaders Reporting Budget Rescissions

June 28, 1991

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the Impoundment Control Act of 1974, I herewith report two proposed rescissions totaling $542,000,000 and two revised deferrals of budget authority now totaling $2,950,976,437. Including the revised deferrals, funds reported as withheld now total $10.2 billion.

The proposed rescissions affect the Departments of Commerce and Housing and Urban Development. The deferrals affect International Security Assistance and the Department of Health and Human Services. The details of the deferrals and proposed rescissions are contained in the attached report.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The report was printed in the ``Federal Register'' of July 10.

Nomination of Robert Michael Kimmitt To Be United States Ambassador to Germany

June 28, 1991

The President has nominated Robert Michael Kimmitt, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Federal Republic of Germany. He would succeed Vernon A. Walters.

Since 1989 Mr. Kimmitt has served as Under Secretary of State for Political Affairs at the Department of State in Washington, DC. Prior to this he served as a partner with the law firm of Sidley & Austin, 1987 - 1989; General Counsel at the Department of the Treasury, 1985 - 1987; Executive Secretary and General Counsel of the National Security Council, 1983 - 1985; and a senior staff member of the National Security Council, 1982 - 1983.

Mr. Kimmitt graduated from the U.S. Military Academy at West Point (B.S., 1969) and Georgetown University Law Center (J.D., 1977). He was born December 19, 1947, in Logan, UT. Mr. Kimmitt served in the U.S. Army, 1969 - 1982; and in the Army Reserve, 1982 - present. He is married, has five children, and resides in Arlington, VA.

Nomination of Cari M. Dominguez To Be an Assistant Secretary of Labor

June 28, 1991

The President has nominated Cari M. Dominguez, of Maryland, to be an Assistant Secretary of Labor for Employment Standards Administration at the Department of Labor. She would succeed William C. Brooks.

Since 1989 Ms. Dominguez has served as Director of the Office of Federal Contract Compliance at the Department of Labor in Washington, DC. Prior to this she served as vice president and director of executive programs at Bank of America in San Francisco, CA, 1986 - 1989; and vice president and corporate manager of EEO and Affirmative Action, 1984 - 1986. In addition Ms. Dominguez served at the Department of Labor in the Office of Federal Contract Compliance Programs as a Special Assistant to the Director, 1980 - 1984, and as a development specialist, 1974 - 1979.

Ms. Dominguez graduated from American University (B.A., 1971, and M.A., 1977). She was born March 8, 1949, in Havana, Cuba. Ms. Dominguez is married, has one child, and resides in Gaithersburg, MD.

Nomination of Nancy Risque Rohrbach To Be an Assistant Secretary of Labor

June 28, 1991

The President has nominated Nancy Risque Rohrbach, of Virginia, to be an Assistant Secretary of Labor for Policy at the United States Department of Labor. She would succeed Jennifer Lynn Dorn.

Since 1989 Ms. Rohrbach has served as a consultant in Arlington, VA, and as a commissioner on the National Commission on Children. Prior to this she served as an Assistant to the President and Cabinet Secretary at the White House, 1987 - 1989; vice president of Russo, Watts & Rollins, 1986 - 1987; and as a Deputy Assistant to the President for Legislative Affairs, 1981 - 1986.

Ms. Rohrbach graduated from Radford College (B.A., 1968). She was born April 14, 1946, in Paris, France. Ms. Rohrbach is married, has two stepchildren, and resides in Arlington, VA.

Exchange With Reporters Aboard Air Force One

June 28, 1991

The President. Well, look at it this way, it's Friday. T.G. it's Friday. I'm ready to get out of there, I'll tell you.

Resignation of Supreme Court Associate Justice Marshall

Q. Did you watch Justice Marshall -- did you watch the news conference on TV?

The President. No. No, I didn't see it. What did he say?

Q. He basically said that you should pick the best person for the job and race wouldn't be a factor. Do you agree?

The President. Well, I'm going to try and do exactly that. And I saluted him yesterday. I didn't see the press conference, but I want to go for excellence, and I want to keep in mind representation of all Americans. But I would agree with him if that's what he said. Again, I didn't hear it, so I'd have to be careful.

Q. Do you feel pressured, Mr. President?

The President. I don't feel pressured at all. I want to move soon, though. I feel pressure to get this matter, get our nomination, up to the Senate as soon as possible. So, I would hope to have it resolved in a very few days.

Q. Is the process starting all over, sir, or are you going to pick up from the last time?

The President. No. As you know, we went through a screening process earlier on at the time the vacancy came forward that was filled by Judge Souter. So, the process didn't have to start from scratch, square one. That's not to say that other names are not being considered. But in anticipation, we always try to keep a current look at these matters. Who knows what's going to happen?

Q. Sir, would you like to be able to name a black to this seat?

The President. I'd like to just weigh all the options and go for the best qualified candidate.

Q. Do you have a short list in your mind, sir?

The President. Fairly short.

Q. What do you mean by keeping in mind representation of all Americans?

The President. Somebody that will be seen as keeping with the judicial philosophy that I've always expounded in terms of interpretation, not legislation. Somebody that is very broad-minded on issues.

Q. Sir, some people are saying the decision is very near; indeed, you have already made it.

The President. No, I've not already made it. And it is near, but I've not made it.

Q. How short a list do you have?

The President. Well, I can't help you with that.

Q. Is there any chance you'll name -- --

The President. A handful of names.

Q. Is there any chance you'll name someone before you return back to Washington?

The President. I wouldn't say there's any decision to do that, but I don't know. I'd have to hedge on that because I just don't know the answer to that. If I said yes, why, then you'd anticipate it.

Q. Why are you so eager to -- --

The President. Because it's better. As long as you're as close as we are, it's better to get the choice made so you don't get a lot of needless lobbying and pressure. There's plenty of pressure on it anyway, but I mean, I don't want a lot of needless putting forward of names that might not be considered -- good people, I might add. But we've narrowed it down so that we're not looking for 20 new suggestions. And I think if we get people's hopes up or to have some advocate of a certain person and then not have that person seriously considered is not fair. It's not fair to the individual.

Q. Can you tell us anything about the traditional philosophy you're looking for?

The President. No, just the definition, the broad definition that I've always adhered to or that I've advocated, that I ran for President on. I'm not about to change my view on that.

Q. Is there a quota system on the Courts?

The President. I don't think so. I don't think there's a quota system on the Courts, nor do I think there should be a quota system on the Courts. It's a good question, and I don't think the appointment of a minority or one who represents a so-called majority should be viewed as quotas one way or the other.

Iraq

Q. How concerned are you, sir, about reports of Iraq fighting with -- --

The President. I'm very concerned. I understand the Secretary-General had a press conference on this expressing the concern of the United Nations, generally. And if, again, this is represented to me that he condemned these actions, why, clearly, we're in that view. But we've got some serious work now ahead of us -- diplomatic, diplomatic process has to start. We can't, from a U.S. standpoint, permit this brutal bully to go back on what was a solemn agreement and to threaten people that are there under U.N. jurisdiction. And that's exactly what he appears to have done.

The man has no shame. And he goes to these extraordinary ends, and I think world opinion will mount fast against him on this issue. I mean, shooting in the air to scare off people sanctioned by the United Nations who are there to expose what this man has done. I mean, I don't think the world will support this at all, anybody. The United States certainly won't. So, now the question is, what do you do about it? Deliberately take time to work the diplomacy, and this is under the auspices of two United Nations resolutions. And I think we need to be sure that we start immediate consultation at the U.N.

And then don't press me what I'll do beyond that because I'm not prepared to say, not prepared to say what we'll do.

Q. I just wonder whether the coalition might feel that it's entitled under certain circumstances, this time with the U.N. sanction of these actions, to take military action.

The President. Well, I think some could argue that the U.N. resolutions have already spoken on all means necessary, 678 having been incorporated into a more recent resolution. So, that's the way I'd answer that.

Q. Are you satisfied that, in fact, he has violated the cease-fire -- --

The President. Yes, I'm totally satisfied of that. I've seen incontrovertible evidence to this effect, incontrovertible. Unarguable. Clear.

Q. Beyond just simply not letting people in -- --

The President. Oh, yes, absolutely. We shared that information with the several different

countries.

I've got to run.

Q. What kind of things -- --

The President. A wide array.

Note: The exchange took place at 12:01 p.m. while the President was en route from Washington, DC, to Kennebunkport, ME. In his responses, President Bush referred to Thurgood Marshall and David H. Souter, Associate Justices of the Supreme Court; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; and President Saddam Hussein of Iraq. A tape was not available for verification of the content ot this exchange.

Question-and-Answer Session With Reporters in Kennebunkport, Maine

June 29, 1991

Supreme Court Nominee

The President. Look at all these happy faces out here. Otherwise, they'd be sleeping. [Laughter]

Q. Exactly. Thanks for having us here.

The President. One thing, you go to bed early up here.

Q. Is it true that Ken Raynor is one of the finalists for the Supreme Court? [Laughter]

The President. We're looking for a big Justice.

Q. Have you decided yet, Mr. President, on your choice?

The President. Not yet -- 6 in the morning. [Laughter]

Iraq

Q. Mr. President, anything new from Iraq as far as the situation in -- --

The President. No.

Q. Did you hear the announcement today that Hussein says he'll let the U.N. team in?

The President. Heard that, but he's been lying so much. I hope like heck he's telling the truth this time.

President's Golf Game

Q. How you doing, Mr. President -- good round?

The President. Very good, yes. I played very well today. So, don't judge me by that last shot -- no. [Laughter] Better, though, a little better.

Iraq

Q. Mr. President, can you give us an update on the situation with Iraq, what's going on as far as the inspections, what you're hearing?

The President. Well, what I'm hearing is we've got our policy, and we've got to start doing a lot of diplomacy on this matter. It's very disturbing. And you heard the world reaction from this, so we're just considering, as I mentioned yesterday, what needs to be done. He must comply with United Nations resolutions. This concept of going in there and lying and shooting in the air to scare international observers is just something that cannot be condoned.

Now, he did make some statement today, but I've heard that before. So, I want to see full implementation of those U.N. resolutions, and so does everybody else. We have a serious situation and this man -- I haven't changed my view about what it's going to take to have good relations with the United States. But this interim thing of keeping his word and then breaking it by harassing international inspectors is simply unacceptable to everybody. So, I'll leave it there.

Q. Would you consider a military option, Mr. President?

The President. I've said all I want to say about it. We will review the bidding and some diplomacy involved here. This is a U.N. resolution. That means there's a lot of people involved in it. But we feel that the authority exists for that under existing resolutions, 678 having been incorporated into the last resolution. So, it's a serious situation, it's not just one -- --

Q. Would you favor giving him a deadline to comply, sir?

The President. I don't -- I'll just leave it where we are.

Q. Well, sir, do you think the fact that he didn't allow two inspections was stalling for time so he could try to cover up and hide -- --

The President. No question. No question about it. The intelligence is incontrovertible. And everybody that's seen it -- there's no dispute. I mean, this isn't even a question. And I think those in the United States and others that have seen the evidence are just convinced of it. I mean, it's visible; it's clear.

Q. What do you mean when you say ``review the bidding," sir?

The President. What I mean is we've got plenty of time to think everything over and a concerted international effort. The great success of Desert Storm was that the world opinion and the United Nations backing up world opinion or molding world opinion was very important. And this one -- I think you've already seen a worldwide reaction against this. But you have to do certain things, and we're taking the steps.

Q. Does his action surprise you in the wake of what happened to him in Desert Storm?

The President. No, no. It doesn't surprise me in the wake of what's been going on since Desert Storm, either.

Q. Does the time give him a chance to further hide these things?

The President. Sure, yes.

Q. And does that not make it more difficult to deal with?

The President. It makes it more difficult. Anytime you're cheating and lying and hiding complicates things.

Q. Are you holding open a military option?

The President. I haven't discussed military option or any other option. I'm just leaving it where it is. And as I say, in our view, the United Nations resolutions, existing resolutions, clearly give sanction to that. But it's premature to discuss what might be done by the United States and others. We've got some consultation to do, just as we did leading up to Desert Storm on the diplomatic front.

But it's a troubling matter, and there's no question about it. This isn't -- when you see their man standing up at the U.N. and lying, it just takes me back to where things were before they were wiped out on the battlefield.

Q. Are you planning consultations today, sir, with any of your staff?

The President. Well, lots going on. I'm not, but we've set in train some diplomatic action, so there will be plenty of consultation today and in the future, Secretary Baker carrying the main responsibility for that as he did in diplomacy before. But we're in close touch with the situation, obviously, and concerned about it.

Supreme Court Nominee

Q. -- -- Supreme Court nominee this weekend, sir?

The President. Remember the old expression ``stay tuned''? Stay tuned.

Q. Are you going to be conferring with anyone today in Washington on that?

The President. Oh, I'm talking all the time to Washington, yes. But I certainly like being up here.

Q. Have you already made up your mind?

The President. No.

Thank you all. You've got the whole day now until we play again this afternoon.

Note: The session took place at the Cape Arundel Golf Course. The President teed-off at 6:23 a.m., and the questions were asked at various intervals during the game. In the session, reporters referred to Kenneth C. Raynor, the club professional for the golf course; President Saddam Hussein of Iraq; and Secretary of State James A. Baker III. A tape was not available for verification of the content of this session.

White House Statement on the Increase of the Import Quota on Peanuts

July 5, 1991

On the basis of an investigation and report of the United States International Trade Commission, the President has decided to increase the import quota on peanuts to 100 million pounds for the current marketing year, which ends on July 31. This represents an increase from a quota of 1.7 million pounds.

Under section 22 of the Agricultural Adjustment Act of 1933, the President may modify, suspend, or terminate import quotas provided such action would not materially interfere with the peanut price support program operated by the U.S. Department of Agriculture.

Note: This item was not received in time for inclusion in last week's issue.

Exchange With Reporters on START Negotiations and Possible Soviet-United States Summit

July 8, 1991

Q. Mr. President, does it look like you're still going to be going to Moscow at the end of the month?

The President. Well, a lot depends on this meeting that's coming up between the Secretary of State, Foreign Minister Bessmertnykh and Moiseyev -- General Moiseyev. And I've said before that what we want to do is to have a summit meeting with the Soviets. I've also said that I want this START agreement completed. And their coming in here is a good move; it was in response to an appeal I made to President Gorbachev.

So, it's a good thing that they're coming. And the time -- there's plenty of time to get this done so we can have a meeting at the end of July. But whether these last difficulties can be ironed out, we just don't know. But this should be seen as a good sign, whether we get it completed in time for a July summit or not. And I'll have a chance to talk to Gorbachev in London a week from -- well, it's in a few days, 8 days or 9 days.

Q. In other words, Mr. President, you want performance not conversation?

The President. He's got it. Walter, you summed it up far better than -- [laughter]. Thank you for that helpful -- [laughter].

Thank you all very much.

Note: The exchange began at 10:05 a.m. in the Roosevelt Room at the White House prior to a meeting with the New American Schools Development Corporation Board. The President referred to the Chief of the Soviet General Staff Mikhail A. Moiseyev and Walter H. Annenberg, a director of the New American Schools Development Corporation Board.

Remarks Announcing the New American Schools Development Corporation Board

July 8, 1991

Lamar, thank you. And I really wanted to have Lamar say something so I could more formally salute him for this fantastic job he's doing, and others at the Department are doing, in this field of education. I am so proud of the job he and David Kearns -- right out of the corporate community, he's pitched in. And I think it's conceded, without respect to politics at all, that we have not only a first-class team at the Department, but we have a first-class concept. And I think that's very important.

I want to thank Governor Tom Kean, who's with us here. He is the chairman of the New America Schools Development Corporation -- and Frank Blount, along here, as its president and CEO. And I salute both of them and thank them both.

I also want to single out a man that's known to, I think, everybody here, but that's Governor Booth Gardner of the State of Washington. He's been an aggressive advocate for education that works. He's a leader. He's head now of the National Governors Association, I believe. And yet, in spite of all those responsibilities, he's keeping the focus nationally on education. I just had the pleasure of meeting with him and some of his team. A very interesting meeting -- teachers, businesspeople, parents, and superintendents. And a wonderful approach that they're taking in the State of Washington.

I also want to salute another Governor with us, another former head of the NGA who's now a member of all of this -- and I'm talking about Virginia's Governor Gerry Baliles. The meeting that Booth and all of us had here in the Oval Office was a good one. With them was another person well-known here, the Lt. Governor Joel Pritchard, an old friend of mine -- and all the people that he brought in -- handful, four or five -- were involved in his schools of the 21st Century Initiative. Good ideas are at work out there in the State of Washington.

I want to salute Lee and Walter Annenberg -- dear friends to all here -- more about their role in a moment. Leaders of the corporate world who are with us today, education experts. And welcome to all of you on this hot day in the Rose Garden.

I've asked you here to mark with me a milestone on the road to America 2000: the founding of the New American Schools Development Composition. As I said when we announced America 2000 right here at the White House in April, our national education strategy does not create a new program. It issues a challenge: to reinvent American education, to set aside the stale preconceptions, and to design New American Schools -- and I'll emphasize the word new -- for the year 2000 and beyond.

We seek nothing less than a new generation of American schools -- schools that will help every -- every -- student reach world-class standards. Schools that set the pace for the Nation, now and certainly into the next century.

We take our first step toward these new schools when we forge a new partnership -- between educators and entrepreneurs, between communities and the corporate world -- a partnership that links every level of government -- local, State, and Federal -- with the people. And that partnership really starts right here.

Little more than 2 months have passed since we unveiled this program America 2000 -- this concept. But already, thanks to all here, we are making real progress. Governor Kean briefed me and other new members of the board a few minutes ago with news that I think you'll all want to hear.

Within the next few weeks, the New American Schools Development Corporation will form an education advisory panel -- under the leadership of Saul Cooperman, former chief state school officer for the State of New Jersey.

Funds are pouring in -- I don't want to say pouring because we're going to put an arm on you all in a minute here -- [laughter] -- but funds are coming in well. And Tom told me -- reported to me, that already $30 million has been raised -- much of it from the corporations that are represented here today. And that's even before you've begun the formal fundraising drive.

And, of course, I want to single this one out, but $10 million comes from the Annenberg Foundation in the form of a challenge grant. I know I challenged you at the onset of all of this to raise $150 million to $200 million. No need to stop there, but nevertheless, I want to repeat the challenge. The Rand Corporation has signed on to provide the New American Schools Corporation with Rand's expert analysis.

And finally, the New American Schools Corp. has scheduled its design conference in August to attract reformers whose ideas about what works will make the New American Schools a reality. The revolution begins right here. We've done enough handwringing about the state of our schools, and now, let's act. Let's apply America's special genius for invention to our schools.

Lou Gerstner of RJR Nabisco was telling us about risk-taking. Yes, there's taking of risks in all of this. But you don't make it if you don't risk and experiment.

We won't find a sheet of instructions for our task; no handbook out there for how this is going to succeed. We're going to have to call upon our own resources and insight. We're going to have to really break the mold, throw out the old blueprints, and build for the next century.

All we ask is this: Students in these New American Schools must demonstrate that they can meet

the new national standards for five core subjects.

Meanwhile, the schools must meet their own standards. Outside of the costs of the initial R&D, they must operate on a budget comparable to conventional schools. We don't want gold-plated schools. We just want those results to be gold-plated.

And beyond that, every aspect of these New American Schools must be open to experiment. Take a hard look at the way we've been doing things and ask why -- should we open our schools to pre-schoolers; break down the barriers that separate school from society? Does it make sense, on the eve of the 21st century, to pattern our school year around the rhythms of the agrarian past of this great country, when children took summers off to help with planting?

We don't want our New American Schools initiative to purchase bricks and mortar. We want to encourage an experiment, a competition of ideas that can bring even the oldest school building in America alive with learning.

Clearly, our schools and students have got to pass technological challenges. As citizens of the 21st century, our children must handle a computer keyboard with as much ease as the children of the 19th century handled a buggy whip or steered a plow. But as I said when I announced America 2000, the New American Schools that we create must be more than shrines where we worship the state-of-the-art, more than rooms full of kids sitting at computer terminals.

In some cases, the New American School may require addition, providing something missing in our schools -- a new technology or a dose of traditional values. In other cases, the solution may call for subtraction, clearing away obstacles to learning, clearing some space for the one indispensable element in education -- the teacher who can teach.

In each instance, we will need the help of parents and others. They must reinforce outside the schools the values that will be stressed inside the schools.

We used to talk about the three ``r's'' in education -- reading, writing, and arithmetic. But we need to add a fourth ``r,'' one I have talked about often in the past and others here have as well -- respect. We all respect education's importance. We must build respect for our educational product now through results we can measure and results we can build upon.

No one will conduct our educational revolution for us. We've got to do it ourselves. Our new nominee for the Supreme Court, Judge Clarence Thomas, offers what I think is a very stirring testament to what people can do when they refuse to take no for an answer; when through sheer determination they overcome obstacles that others have placed in their way. It was very emotional for me up there at our house in Maine when we announced his appointment because he outdistanced poverty and racism; because he possessed the greatest treasures of all, the love of family, the faith of teachers -- remember what he said about teachers -- and then the belief in

himself.

With that example, none of us should take no for an answer. And so, let's vow to create schools with which we can meet the challenges of the future.

So, whether you're a civic leader -- we have some here -- or a CEO -- we have many here -- an educator, an elected official -- each one of you is a pioneer ready to lead our children to a new world of possibility. I am confident the New American Schools will, indeed, shape the next American century.

So, I really want to thank you all for being a part of this. Thank you for what you've done so far and for all that you are destined to do. We have a first-class team, and we want everybody here and many across this country to be a part of it. So, good luck, thanks again. And may God bless the United States of America.

Q. Mr. President, why are you pushing so hard for a July summit?

The President. I've announced all along that that's what we want. Go back and look -- I've said it over and over again.

Q. Why July?

The President. Because it's important I talk to Gorbachev on a lot of items, a lot of issues.

Note: The President spoke at 10:35 a.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Education Lamar Alexander; Deputy Secretary of Education David Kearns; Walter H. Annenberg, a director of the New American Schools Development Corporation Board, and Leonore Annenberg, his wife; and Louis Gerstner, vice chairman and chief executive officer of RJR Nabisco, Inc., and a member of the New American Schools Development Corporation Board.

Remarks Prior to a Meeting With the Advisory Commission on Regulatory Barriers to Affordable Housing

July 8, 1991

Let me just thank all the members of this advisory committee and, particularly, our Secretary and Governor Kean and Lud Ashley. We've got a topflight commission. Earlier on with the leadership of Secretary Kemp, we set a goal for the administration, one million new homeowners by the year 1992. Jack tells me that we've got a good start on that. I think it's some 650,000 new, and low- and moderate-income homeowners to date. And that's at a time when the economy hasn't been all the best for a lot of people out there.

But if we want to have affordable housing for all -- and that's certainly our objective and goal -- we've got to confront this problem of regulation and excessive redtape, the bureaucracy in times interfering. And these are obstacles that make it difficult to construct housing for low-income families.

So, that's why our Secretary and this Commission have focused on the maze of bureaucratic barriers. And I'm very anxious to get a detailed report from everybody here about how it's going. But again, I want to end by thanking you, Governor, and Lud; of course, our Secretary and other key members of all this who devoted a lot of time to studying how we can make housing more affordable. It is a worthy national goal, and we've got to succeed. And I commend Jack and others at HUD on the start, but we recognize it's just the beginning.

So, thank you all for coming.

Note: The President spoke at 1:38 p.m. in the Roosevelt Room at the White House. In his opening remarks, he referred to Secretary of Housing and Urban Development Jack Kemp; Governor Thomas Kean, chairman of the Advisory Commission on Regulatory Barriers to Affordable Housing; and Thomas L. Ashley, president of the Association of Bank Holding Companies.

Statement by Press Secretary Fitzwater on Renewed START Negotiations

July 8, 1991

Yesterday afternoon Soviet Ambassador Komplektov conveyed to General Scowcroft, President Gorbachev's response to the President's message of Saturday. President Gorbachev agreed with the President's view for the need to redouble efforts at completing a START agreement and accepted the President's invitation to send a delegation to Washington to work on the negotiations. The Soviet delegation, headed by Foreign Minister Bessmertnykh, will arrive on Wednesday evening. The delegation will also include Chief of the Soviet General Staff Moiseyev and Ambassador Obukhov, as well as a number of arms experts. They will meet with Secretary Baker on Thursday afternoon and Friday. The President welcomes this decision by President Gorbachev and hopes it can lead to further progress in the START negotiations.

Remarks on the London Economic Summit and an Exchange With Foreign Journalists

July 8, 1991

The President. All I want to do is say we're looking forward to this trip -- I am very much. It's preceded by several bilaterals -- one, an important meeting with Brian Mulroney in Canada tomorrow. Perhaps some might think that's less necessary because I stay in such close touch with him by phone and we visit back and forth. But it's important for us anyway; I hope for him. We'll have a chance to talk about not only the upcoming G - 7, but we'll have a chance to talk about where we go on the trade agreement -- North American trade agreement.

Then the next event leading up to the summit will be a visit from Toshiki Kaifu, the Prime Minister of Japan. We're going to treat him like family and have him to our home up there, and it will really be a one-on-one session so he and I can exchange ideas before the G - 7 meeting. He'll then go flying off, and a day or two or later I will leave for France.

There I'll meet with President Mitterrand, just a couple hours of very private conversation like we've had several different times. And I find these meetings with any of these leaders, all of these leaders, very important. It sets the tone, and you can talk without a lot of formality about issues of concern to both countries.

I expect we'll be dwelling with President Mitterrand as to what will be coming up in the next day or two at the G - 7 summit, but there are other issues that could conceivably come up. But again, it's a series of contacts, one-on-one, that I value. I think this one was actually our suggestion, and I hope I'm not imposing on the President of the French Republic on a very historic day for their country. But nevertheless -- Bastille Day, I believe. And he is changing his schedule, which I'm very pleased about, to conclude his -- well, I think he probably would have concluded his ceremonies anyway. But we will have this meeting prior to flying across the Channel to London, where I will have a private dinner with John Major.

And I might add to those here that I'll be seeing Helmut Kohl one-on-one there. I had a nice conversation with him today, which lasted, what, 30 minutes, something like that.

So, this is what we see leading up to the G - 7. There, of course, we'll all meet. Then I guess the highlight of all this will be the arrival of President Gorbachev. I might say to Mr. Gan, of the Soviet Union, that we were very pleased when President Gorbachev, with alacrity, decided to send his able Foreign Minister and General Moiseyev over here. We'd like to finish a START agreement in time to have a meeting at the end of this month; maybe spill over a day or two into August. But that's his goal; that's our goal. I'd like to see it happen.

But nevertheless -- then we'll see how those meetings go here. But there's another point, and that is I will have an opportunity to sit down and talk with him on a one-on-one meeting there in London prior to a larger meeting -- of course, others meeting with him, too -- but larger meeting with the G - 7. Then I understand we're having a dinner.

Then it's off to Greece and Turkey, where I see two very respected leaders. And I say that not just in a diplomatic sense, but they're two people with whom I feel I have a very good personal relationship. And so, I'll be meeting with Mr. Mitsotakis, Mr. Ozal, and there will be a wide array of subjects discussed -- bilateral and international issues.

So, it's first Greece, a couple of nights; Turkey, a couple of nights; and then back to the States.

So, with no further ado, I'll be glad to -- I think the best way to do it is to work our way around the table and try to respond as directly as I can to questions. If you get into something very technical I might have to turn to my right or left for a little assistance, but I think I can handle it. So, how do we want to begin? Would you like to start, Mr. Saunders?

Persian Gulf Conflict

Q. Certainly. Regarding the Persian Gulf war, do you now think that, a, what was at stake, and b, what was accomplished were worth the tens of thousands of human lives? And if so, why?

The President. Absolutely. There's absolutely no question in my mind. There was a single purpose, and that is the reversal of aggression -- sending a lesson that the world understands, and that is that aggression will not stand.

And we tried a peaceful approach to that. We had unprecedented diplomacy, in which Canada and other countries participated. And you had a sanction of the action that was taken by the United Nations Security Council. It fulfilled what one would call its peacekeeping function, or its peacemaking function, by having these resolutions that would have led to peace if they could have been supported by this brutal dictator, Saddam Hussein. And peace failed.

But it isn't because other countries, many represented around this table, didn't try -- didn't try. We tried. And I think Saddam miscalculated. One, I think he thought that we wouldn't commit to force. I think he was particularly fingering the United States in that regard. And second, I think he had this crazy misapprehension that if we did use force that he would have a victory. And he had nothing of the kind. Aggression was reversed. And that principle alone sends a good message around the world.

So, yes, it was worth it. We mourn the loss of everybody. War is not pleasant. But I think it was -- there's kind of a revisionistic thinking in some quarters to which I give absolutely nothing -- no credence at all.

Do you want to follow up on it?

Q. No.

European Security

Q. Mr. President, I'll ask a question about European security. France and the United States differ strongly about independent European defense structure. My question will be, how long do you think the U.S.A. and Great Britain will be able to block the emergence of such a structure? And second, what danger do you see in such a development -- a European defense -- --

The President. You're talking about the security structure?

Q. Yes.

The President. I'm not sure how far apart we are on that. And that's one of the matters I'd like to discuss with President Mitterrand.

I read that there's Britain and U.S. here, and others there. I don't think that's the case. Certainly, that's not what our Secretary of State feels from having a lot of talks with different parties. So, I'd hedge the answer by saying let me talk to President Mitterrand about this.

What I hear them saying, the French saying, is a recognition of the continued importance of NATO. Now, France has a different way of participating, you might say, in NATO. But I see nothing on the part of France that would say to the United States: You go home and let us take care of the security arrangements through a different vehicle. That's not there. That's not what's happening.

So, let's talk about it. I think this whole concept of another arrangement for European security is not put forward in an attempt to drive NATO out of business. Now, if I'm wrong I'd be concerned about it. But I don't think I'm wrong. So, I'm going to wait until I talk to the President of France about that.

In other words, we're not worried about it and we don't think there's any cabal against the United States and NATO, or people trying to send us a message that we're no longer required for Europe's security. In fact, I think -- I get it just the opposite, as a matter of fact.

Civil Conflict in Yugoslavia

Q. Mr. President, while talking with Chancellor Kohl you probably raised the question on what to do with Yugoslavia and what it implies for the new world order. Kohl has said that he would like

to recognize the two republics and that the [Berlin] wall really has shown to every European the importance of self-determination. Now, you were still acting on the theory of the integrity of territory. What does Yugoslavia really imply in terms of independence movements, in terms of more countries knocking at the door of CSCE? And what is your policy?

The President. Well, our policy has been negotiations between the parties involved. It has been a peaceful resolution to this country, one that is not settled by violence.

I did touch on this -- this was not the main subject in my conversation with Chancellor Kohl -- and I think he's putting -- well, I shouldn't say what's he's putting; let me say what we do. We're putting some hope on the fact that this initiative by the EC, the Dutch Foreign Minister in the lead, will buy some time for the parties to peacefully resolve their differences.

But if you make the case that there will be a dissolution of Yugoslavia as we now see it, I couldn't project for you, in reply to your question, what that would mean. But if it's peaceful, if there's a peaceful resolution to these differences and there's a determination of that nature, then I think that the United States, anyway, would have no difficulty with that.

We are for the independence of the Baltic States, for example, in the Soviet Union. The way in which they were incorporated into the Soviet Union has never been recognized by the U.S. So there's a craving in many quarters for independence.

But this matter has been, I think, properly addressed by the EC. I salute them for some difficult diplomacy. And I'm hoping that this matter can be resolved through conversation, through dialog. But it wouldn't be the part of the U.S. to stand up if the parties agreed on one direction and say, hey, that's unsatisfactory to us. It's essentially a European matter, and they're coping, I think, in a difficult situation quite well -- right now. Right now, I don't know what will happen.

Turkish-Greek Conflict

Q. Mr. President, there's widespread expectation in our part of the world that your visit to Greece and Turkey will lay the ground for a reconciliation for the difference between the two countries, and perhaps even the signing of a nonaggression pact. What would you respond to this?

The President. Listen, if our visit could result in something like that I would rejoice because I'd like to see these two countries, with whom we have extraordinarily friendly relationships, work out their difficulties. And I can make a case for you that this is a good time in history not only for that, but a resolution to the other problem that keeps plaguing them both, and that's the question of Cyprus.

And the reason I say that is that it is in my view that both Mr. Mitsotakis, and Ozal are strong leaders and reasonable people. But I can't -- I don't want to set as a goal that that you outlined as a

part of a precedent. There's something, it seems to me, a little bit arrogant to suggest that I can fly to these two countries and out of that would result this solution. But if in any way the United States can be a catalyst for resolution of historic differences, so much the better. But I don't want to get the sights up.

Your question, if I just answered one sentence on it, I'm afraid it would raise anticipation -- hope of what we think we can do. And I want to just sit and talk with both sides and both these leaders. I think they, themselves, would concede that there's good relationships now between the United States and -- perhaps historically good -- and those countries, both of whom are very important to us. Not just in a common defense situation, but culturally and many other ways. So, maybe there's a chance; maybe there's a chance.

Aftermath of the Persian Gulf Conflict

Q. Mr. President, the United States entered the war, the Gulf war, with certain friends and a certain coalition. Do you feel that through this experience, the passing of the war, and after the war, the United States has the same friends, the same judgment of them, the same coalition? And what about Israel and that frame of reference?

The President. I think that, basically, the countries that we worked with in forming the coalition, and then moving forward together to kick the aggressor out of Kuwait, are still very friendly with the United States. There are varying degrees, obviously. We had strained relations with Syria. Now I think they're better. We've had historically great relations with Italy, for example; Britain, France. And those relations have been nothing but enhanced by the way the coalition worked and by the U.S. role in it, in my view.

Whether we can take this -- and I think -- and again, I don't want to kind of sound chauvinistic or overly proud, but I do think that out of all of this, the United States has a new standing and a certain credibility in these countries that you mentioned and in other countries. I think that includes Israel. You asked about Israel.

We would like to take that credibility, if I'm correct that it exists, and be the catalyst for peace in the whole Middle East. And we're running into some difficulties. They wouldn't have been hard to predict by any of you all -- you follow foreign affairs and you follow these international tensions. And so, they're predictable, you might say. We're not going to give up. We're going to keep on trying. And I think that various countries are going to have to give a little.

I'd love to see direct talks between the parties. I'd love to see the ending of this boycott. I'd love to see an end to the settlements. I'd like to see a lot of things happen that aren't happening. But we're going to keep trying. And I think that our participation in -- some might say, coleadership of the coalition is helpful to us in that regard. And let's hope we can move the peace process forward.

Good God, that area -- you see Israeli kids, you see Palestinian kids -- and it's not my generation, it's not the next, it's the one after that, that worries me. Do these kids, whatever country they're from, have to live in this kind of fear and animosity? Do they have to grow up now, yet another generation of young kids, because grown people can't get together to solve heretofore intractable problems?

And so, I look at it quite emotionally, and I want very much to have us keep trying. I salute our Secretary of State, who has tried. And I can't give you the most optimistic answer right now as to where all of that stands; I wish I could. But we are going to stay involved for the reason I gave you.

Multilateral Trade Negotiations

Q. Mr. President, one of the main agenda of the London economic summit will be the Uruguay round. But Japan and the European Community seem to be reluctant, somewhat reluctant to make concessions, especially in the agricultural area. How are you going to persuade other leaders in London in order to lead to -- --

The President. Well, first, I'm going to tell them, hey, you guys aren't the only people protecting. We're guilty. We've got legislation on our books you don't like. First, I'll start by pointing out that this is a world problem and all of us -- nobody can be pointing the finger at the other person.

To the degree agriculture is the hangup -- and it is a significant hangup -- on the Uruguay round, I will be pressing these leaders on group and one-on-one to do what is extraordinarily difficult politically for some of them, and that is to take on the agricultural lobby or community in their own countries. And it isn't easy. And again, I don't want to go there with a holier-than-thou attitude when we talk about agriculture. But we have friends that won't be at this summit that are saying to us, what about your export enhancement program, for example.

So, we've got some problems. But it is essential that we move forward -- we, collectively, move forward on agriculture if there's going to be a successful conclusion. And there have been some breakthroughs with Japan that we see as positive -- citrus and other agricultural products a while back; now we may be making some headway on rice. I hope we are.

But I will go there saying, look, I know it's not easy, but we've got to get the job done now. And we do. The way to benefit the Third World, that many of the participants of this summit will be talking about, is to get the Uruguay round concluded, and that's going to be the most benefit to them -- more than any aid package that you can put together.

Soviet-U.S. Relations

Q. Sir, especially on the G - 7 summit in London, some people say there is certain ambivalence, if

not ambiguity, in the American approach to the Soviet Union. So, sir, what would you like to see happen in our relations in the immediate future? Could you describe your short-term -- --

The President. As it relates with the summit or broader than that?

Q. Broader.

The President. Broader? I'd like to see an arms control agreement. Broader, I would like to see continued cooperation -- which has been magnificent, I might add, in terms of the coalition that Mr. Saunders -- or the war that Mr. Saunders asked about -- the cooperation from the Soviet Union surprised many people around the world. I'd like to see that continue, because I think these two great powers must work together on regional problems.

I'd like to see, out of the summit, I'd like to see us have more understanding of the reforms that President Gorbachev is undertaking. I would like to feel that the Soviet Union is as firmly embarked on the course of reform as I'm confident that President Gorbachev wants to see them. We'd like to see -- and this comes under the heading of their business, not ours, as I was schooled early on about being careful about mingling in the internal affairs of another country -- that Yeltsin and Gorbachev continue -- and I use that word advisedly -- working together.

The Yeltsin visit here was a success on two counts: one, he came here in the face of a magnificent electoral victory. The American people understood this. Here's a guy who took his case to the polls, to the people, and won. And secondly, he came here and he did not try to use that visit to put down President Gorbachev. And that won him many friends here. And I think the way in which it worked out, hopefully, was a benefit to both President Gorbachev and Yeltsin.

So, you ask what I'd like to see. I'd like to see that continue. And the Soviet Union knows that we have a longstanding view that the Baltics should be free. Now, that's a very complicated question, but that's the U.S. position. Hasn't changed. Won't change. That's just a handful of the things that we're talking about. But I'd love to see this reform move far enough forward and be for real enough that we could then all pitch in and be of as much assistance as possible in terms of the economic recovery. The Soviet economy is hurting now, and I say that not holier-than-thou, but it is; factually, the Soviet economy is in bad shape. And it is our view, and I think it will be the view of the other G - 7 partners, that the way to correct that, certainly longer run, is going to be privatization, market reform -- all of these things.

So, we go there to the summit, to my meeting with Gorbachev, with an open mind, but we've also made clear that we have certain limitations on what we can do until reforms are firmly in place.

Cyprus

Q. Mr. President, my question will kind of follow up my Greek colleague's question with a

Cyprus angle. Now there are hopeful signs for a settlement on the issue. Do you think your visit to the region will help speed up this process? Do you expect an agreement soon, and what do you think the obstacles are?

The President. One, I've been told there are hopeful signs. Two, our position is well-known, and that is continuing to support the initiative of the Secretary-General. And we don't go there with some bold new plan that we would throw before Mr. Mitsotakis, Mr. Ozal, or Mr. Vassiliou. We aren't going there in that mode. But if, in the talks we have, the U.S. again can have a catalytic role in this age-old question, so much the better.

Again, I don't want to raise expectations -- Bush is coming to solve the Cyprus question. That would be unfair to the people on the islands; it would be unfair to Greek interest and Turkish interest. But I keep coming back to this: They're two reasonable, strong-willed leaders. They have a reasonable relationship. This thing's gone on too long. And you've got a man in Cyprus, President Vassiliou, who's extraordinary in my view. And let's hope we can be helpful.

But it is not one where the U.S. is going to dictate an answer to this problem, whether it's Turkish troops in the island or whether it's the Greeks not giving -- the view that the Greek Cypriots won't give fair enough representation to the others. These are problems that are out there. But we can't solve those, the United States. It's going to have the good will of people there to do it.

Persian Gulf Conflict

Q. Mr. President, if I can follow up on the Gulf question: Given Saddam Hussein's assault on the Shiites and the Kurds, and given his deceit over the nuclear weapons research which has now brought the renewed threat of military action by the United States, do you now feel that you stopped the ground war too soon and should have pressed on either to Baghdad or until Saddam was overthrown?

The President. No, I don't. And the reason I don't is that much of the legality of the steps we've taken came through international sanction, international will as expressed in 12 resolutions of the Security Council. And it was not ever the intent to march into Baghdad and to get bogged down in a guerrilla warfare in the city of Baghdad to accomplish that end.

Now, how do I feel about Saddam Hussein today? Do I think he's a liar? Do I think he's broken his word over and over again? Yes. Will we ever have normal relations with this country as long as he's there? No. Will the sanctions be removed as long as there is this brutal treatment of his own people and violation of international law? No.

But I don't think we can retroactively go back and take a look and say, well, the world community was wrong or certainly the United States should have unilaterally taken action, when you look at what taking action means. I listen to the crowd around here saying, let sanctions work. Sanctions

are still on. Saddam Hussein would still be in Kuwait, if we adopted that policy. Sanctions are still on. And there's a lot of revisionistic thinking going on in the country, and I don't think that even given hindsight, that I would say we should have done something different because I don't know how you go about accomplishing that end.

Now, perhaps the retention of these sanctions, given the pounding he's taken and given the fact that people see how much of a liar he's been on these nuclear things -- maybe that will facilitate change inside Iraq. He made a big mistake getting involved in trying to conceal capabilities for restoring -- or gaining a nuclear bomb, by restoring his nuclear capability. The world doesn't want this. The world sees it for what it is. And shooting over the heads of U.N. observers is a stupid thing to have done.

But I wish I could answer affirmatively, but I wouldn't answer affirmatively to your question unless I could also now, in retrospect, foresee what would have been different. Because what I foresee would have been marching into Baghdad, coalition forces getting sniped at and maybe not finding Saddam Hussein, and being bogged down in an urban guerrilla warfare.

And so, the critics now -- some of whom opposed our entry as a coalition into the war -- saying, well, you should have gone into Baghdad. And I say, yes, and do what; how? And we ought to ask that because it isn't that easy. I'm very proud of the fact that we, when provoked -- or put it this way -- when the Kurds were brutalized and fled, the United States and France and Germany on the east, and England, particularly, Canada, a lot of countries responded, did something. That's good; it's humanitarian. But to reconstruct it from the beginning and to say, hey, you were wrong to get into this in the first place -- no, we were right. And to say, as some in this country have done, those who were my severest critics, some of them in the beginning, hey, you should have marched into Baghdad -- I don't see it. I don't think that General Schwarzkopf or General Powell sees it either. I'm not sure that our coalition force leaders would see it. Do I wish he were out of there? You bet, you bet.

Mr. Fitzwater. Mr. President, we only have a couple minutes left. Maybe a final round or question.

The President. Dealer's choice. Fire away.

Future Military Action Against Iraq

Q. I have a very quick one and don't expect a direct answer. But for what's it worth, when will you start shooting or bombing if Hussein does not surrender the nuclear equipment to your satisfaction?

The President. Do what?

Q. When would you start taking military action, shooting or bombing or whatever -- --

The President. You're right in not expecting a direct answer. [Laughter]

Q. Can you talk about the context?

The President. No, I can't talk about anything other than to just say the options are open. I'm a great believer, as we think we established during the war, of international agreement on this. Never forget that the thing that was significant in all of the coalition activities was the fact that there was broad international agreement. It wasn't the superpower United States acting on its own. It was Canada in partnership; it was a lot of countries that aren't going to be sitting around at the G - 7 in cooperation. So, I can't help you on anything of that nature, except to say we take it very, very seriously.

I'm told that there is some -- quote -- ``good news'' -- unquote -- coming out of Baghdad today. I haven't seen it, but wherein Saddam once again states that he will fully cooperate and have inspectors. Well, let's see whether that can work before we have to go further with options.

U.S. National Interests

Q. Mr. President, against the revisionists that you quoted frequently today, how would you define the national interests of the United States?

The President. Define it overall?

Q. Overall.

The President. Peace and security.

Q. But they say the U.S. should not interfere, you have problems -- --

The President. I don't think many people say that. But one reason that U.S. participation, I think, was respected is because of the international implications from the United Nation's participation. And so, I think that helped. But look, we are thrilled with the moves toward democracy and freedom around the world. We were elated when the cold war ended and when Germany was unified, and when countries in Eastern Europe -- you don't want to forget them, incidentally, as we go to this G - 7 summit -- the countries of Eastern Europe. You've got to remember that their success is terribly important to freedom-loving countries everywhere. They stepped out front. They're making reforms that none of us around this table would have predicted a couple of years ago. We have to have them succeed. But it's commitment to democracy and freedom, and it's a recognition that no country can do it all alone.

So, those are a couple of our objectives, I think.

Mr. Fitzwater. Thank you all very much.

The President. I hope I didn't filibuster too much and deny others the questions. Good to see you all. I thought I'd have been asked about the baseball game in Canada. [Laughter] You failed to get on the most important subject.

Q. Don't follow sports.

The President. You don't? Well, I do. My son's involved with the Texas Rangers. I'd like to note that, and they're in first place in the American League. That's very important. [Laughter]

Good to see you all. Good luck.

I can't tell you how much I'm looking forward to this. And it's not just the getting out of Washington syndrome. I think we're going to -- I hope we'll get some things accomplished. And I really look forward to seeing the leaders that I'm working with. I was on the phone to a lot of them -- and I got kidded about that -- maybe not kidded, needled about it, I guess -- sometimes on telephone diplomacy. But I'm a firm believer that contacts of the nature that we're going to have are important. And what they guard against is what I talk about, about ships passing in the night. Got an agricultural problem with Japan; let's talk about it. Got a big reorganization or Baltic problem with the Soviets; let's talk about that. I can't change my position because Gorbachev might like me, and he damn sure isn't going to change his because I like him.

But as I look around this table and I think of the leaders, I think a personal relationship can be extraordinarily helpful. And if you can't get agreement, so be it. But at least you've tried in an environment that has the best chance to succeed. And that's why I do spend a lot of time on this personal side. That's why I called President Mitterrand and had contacted him to see if such a meeting would be useful, or Prime Minister Kaifu. I don't want to get credit because there is agreement on these things, but Brian -- I mean, that we sit down and talk before these meetings and try to hammer out as many difficulties as possible. And that's what a lot of this is about.

Anyway, off we go. Thank you all very much.

Note: The interview began at 11:16 a.m. in the Roosevelt Room at the White House. Participants included Akio Nomura, Asahi Shimbun, Japan; Ian Brodie, Daily Telegraph, United Kingdom; John Saunders, Toronto Globe and Mail, Canada; Stephane Marchand, Le Figaro, France; Carola Kaps, Frankfurter Allegemeine Zeitung, Germany; Alexander Papachelas, Kathimerini, Greece; Turan Yavuz, Milliyet, Turkey; Furio Columbo, La Stampa, Italy; and Vitaliy Gan, Pravda, Soviet Union.

In the exchange, the following persons were referred to: Prime Minister Brian Mulroney of Canada; Prime Minister John Major of the United Kingdom; Chancellor Helmut Kohl of Germany; President Mikhail Gorbachev of the Soviet Union; Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; Gen. Mikhail A. Moiseyev, Chief of the General Staff of the Soviet Union; Prime Minister Constantinos Mitsotakis of Greece; President Turgut Ozal of Turkey; President Saddam Hussein of Iraq; Hans Van den Broek, President of the European Community and Minister of Foreign Affairs for the Netherlands; President Boris N. Yeltsin of the Republic of Russia; President George Vassiliou of the Republic of Cyprus; Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf; and Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff. Marlin Fitzwater is Assistant to the President and Press Secretary.

Remarks at a Meeting of the American Defense Preparedness Association

July 9, 1991

Thank you ladies and gentlemen. Thank you very much for that warm welcome. Ladies and gentlemen, and, General Skibbie, thank you, sir, for that introduction. It's a pleasure to be your guest here. My thanks also to the chairman, Mac Cramer, and to all of you for coming. I would single out, except I can't see them, our three service Secretaries and Ambassador Cooper who are all with us today. And I might say, all four of them are doing a superb job for our country, and I'm extraordinarily grateful to them.

I've seen some wonderful things just in the last few days around our country. Larry touched on it, referred to it a little bit, but last week, Mt. Rushmore had its dedication: Americans celebrating their nation and their fighting forces. And here in Washington, we enjoyed an incredible fireworks display last Thursday -- a spectacle surpassed perhaps only by the red glare of those Patriot missiles over Israel and Saudi Arabia.

And I can tell you, maybe not as well as some of you could tell me, that the mood in this country is one of confidence, is one of renewed patriotism and pride, and nobody can take that away from the United States. It's out there and it's strong, and a lot of it, of course, stems from the way our men and women performed in Desert Storm. And somebody touched elusively -- the General did a little bit, or alluded to it -- the Vietnam period. And let me just say that one of the beautiful things about what's happened out there is there is now a justifiable, long-overdue recognition and credit given to those who served in Vietnam. And I can't tell you how much pride and pleasure I take out of that.

You may not realize it, this is a little-known fact, but today is the anniversary of Zachary Taylor's death. [Laughter] The poor guy has really suffered his share of indignities recently -- [laughter] -- digging him up. But I want to set the historical record straight about Zachary. I was told that his last words were, ``Pass the broccoli." [Laughter] No, so his last words were, really, ``I have endeavored to do my duty."

And what I've done here today is come to talk about our shared duty to maintain an effective national defense. The Senate, as everybody here knows, has started looking at our defense budget. And its deliberations could have a profound impact on our future national security.

Recognizing the changing international environment and taking into account domestic fiscal constraints, our administration has proposed a tough, lean defense budget -- a proposal that consumes a smaller percentage of our gross national product than any defense budget since the Great Depression. Now, you don't have to have an accounting degree or a chest full of medals to understand that under present circumstances, every penny we spend on unnecessary defense items

will come at the expense of defense muscle.

I know that budget cuts are going to hurt. They're going to hurt some right here in this room, and I understand that. But we will have to set new priorities and focus on only our most important, absolutely vital programs. As President, I have a duty to serve the national interest, and our national interest demands a defense budget that guarantees our security at the lowest feasible cost.

And last August I announced plans to restructure our Armed Forces in light of the cold war's end and the emergence of a new kind of world. And I might say that that proposal was carefully thought out by the top people in the Pentagon -- not only the Joint Chiefs, but others; people in whom I have so much confidence. And that proposal recognized some fundamental facts: One, we don't have a blank check for defense -- never have. We must live within our means. Two, instabilities around the globe still threaten us and many nations have acquired weapons of mass destruction. And when despots such as this Saddam Hussein combine modern weapons and ancient ambitions, they do threaten us all. And Saddam Hussein isn't the only despot around and, nor regrettably, will he be the last.

And meanwhile, the Soviet Union remains a military superpower, with an increasingly sophisticated war machine and a program to modernize -- to modernize many of its weapons systems.

And three, we need the right kind of military. Our forces must have the strength here and abroad to discourage aggression, the mobility to meet unexpected challenges, and the flexibility to deal with everything from ICBM's to regional conflicts to hostage crises.

These considerations lie at the heart of our administration's defense proposals. And any defense bill that fails to incorporate them will get my veto.

With that in mind, let me talk about a few items that I consider absolutely crucial, beginning with the B - 2 Stealth bomber. I've asked for 75 B - 2 bombers, the most revolutionary military aircraft in our nation's history. And when you hear certain members of Congress complain about the B - 2's cost, remember that a single B - 2 does the job of literally dozens of aircraft, tankers, escorts, suppression and surveillance craft, and other bombers. And when people argue coyly that we only need a few B - 2s because they're so technologically advanced, ask yourselves: Should we risk our security, the lives of our sons and daughters, and our national credibility just because some do not want to acknowledge the revolutionary advantage this weapon system will give the Nation? Should we enter the 21st century reliant upon a bomber designed in the forties and built in the fifties? No. The B - 2 combines the range and payload of the B - 52 with the advantages, the enormous advantages, the proven advantages, of Stealth technology. And in the end it offers deterrence -- nuclear deterrence, conventional deterrence -- deterrence all across the spectrum.

Think about the costs; think about military operations; think about our long-range national

security needs, and you'll conclude that we do, indeed, need two full wings of the B - 2.

Some also seem reluctant to spend money protecting Americans from accidental or intentional ballistic missile attacks. We've asked Congress to support the GPALS' system -- that's Global Protection Against Limited Strikes. Anyone who thinks we will face threats more severe than the Scud missile -- won't face them -- are deluding themselves. If we want to protect ourselves and deter aggression, we have a responsibility to develop defense technologies, such as brilliant pebbles, that lie within our reach. This includes GPALS.

As we prepare for the future, we must also ask what kind of military force structure we need. Our Gulf experience reinforced the valuable role that the Reserves can play. And it also showed that we don't need the kind of Reserve components the House insists that we keep. The House defense bills would spend nearly $12 billion over the next 5 years on unneeded Reserve positions and operations. This money would come, frankly, at the expense of programs that all our forces -- Active and Reserve -- will need.

We learned many things in the Gulf -- many, many things -- a number of which were anticipated in the defense speech that I gave last August 2d -- ironically, if you think back, the very day Saddam invaded Kuwait. And we learned that nations of the world can and will act collectively to deal with aggression. They'll try diplomacy first, as well we should and as well we did, and use military action only as a last resort. We learned that the United States alone -- it's only the United States that can mobilize the international community and then lead it through such efforts. That leadership was not just coincidence or nice to have, it was a prerequisite for our collective success. And I salute those in our country that led.

We learned that high-tech weapons are not pricey, expensive ``toys,'' as critics have claimed for many years. They minimize civilian casualties, maximize damage to military targets, shorten wars, save lives -- American lives; in this instance, coalition lives, and, yes, even enemy lives. We must never forget any life unnecessarily lost is a tragedy, especially in times of war.

It would be a shame if, so soon after this war, we disregarded these lessons. And it would be a travesty to waste money on defenses that would not have helped us in the Gulf and won't help us meet our future challenges.

As the Senate begins its deliberations, I urge it to pass a budget that defends people, not pork; that enables us to fight the next war, not the last one; that promotes national security, period.

Let me tell you now, if the Congress sends me a defense bill that is inadequate, that fails to fund needed programs and wastes money at the expense of defense muscle, no matter how big a bill, how urgent, I will veto it.

You see, we have tried, we have tried to restore proportion to Federal Government and use the

office of the Presidency to make decisions that might seem too painful -- understandably so -- to Representatives or Senators. I understand where they're coming from. I was a Member of the United States Congress; I've served there, and I know the genuine pressure on Members of Congress to advance the interests of their home district or of their State.

Thirty years ago, in his valedictory address to the Nation, Dwight Eisenhower emphasized several themes that remain important today. ``A vital element in keeping the peace is our military establishment," he said. ``Our arms must be mighty, ready for instant action, so that no potential aggressor may be tempted to risk his own destruction." And yet, Ike also cautioned that our efforts must serve national interests and national needs -- not the narrow concerns of specific industries or interest groups.

A new world order demands a new set of defense priorities. And together, we can put those priorities into action. As attention turns toward the Senate now, I ask your help in creating a military strong enough to protect our interests, but lean enough to preserve public faith in government.

I am delighted to have had this opportunity to express those who are knowledgeable in this field and who can be extraordinarily helpful in pursuing the ends I've outlined here.

Thank you for all you do. Thank you for your continued efforts to keep America safe and strong.

Let me close on a matter not exactly related to our defense program. Yesterday I had an interview with some journalists. I'm fixing to go overseas on a rather prolonged trip, and we met with the journalists from many of the countries that I will be visiting. And one of the people asked the question to me about the war against Saddam Hussein. And the question was put, well, given events since victory, do you think it was worthwhile? Do you think what you did as a country, not individually, but do you think what you did was worthwhile? I think that was the way the question was phrased. And I said: I have never been more convinced that what we did was worthwhile. Some are moving the goalposts. Some are trying to redefine what the war was about. Was it instant democracy in Kuwait? Was it the total demise of Saddam Hussein? It wasn't these.

An international coalition came together. We utilized the United Nations in a way that it's never been utilized, but perhaps its framers thought it would be utilized. And we decided that aggression would not stand. And one of the reasons we were successful in proving to the world that aggression would not stand was because of the men and women in the Armed Forces and because we had the equipment, because we had the technology to make our words of warning count.

And I am absolutely convinced that this revisionistic theory, thinking that we're hearing around this town and other places is as wrong as it can be, because, in my view, with the thanks of a fantastic military and the equipment and the people, we did something noble. We kicked

aggression right out of Kuwait, and we said to the aggressor the international community and international law won't stand for this kind of behavior in the future. And that was the message. It is relevant; it is strong. And that is why I am so determined that we have a defense budget and a defense capability in the future that will permit us, if ever called upon, to make very clear to an aggressor, your aggression will not stand.

Thank you all very much. And may God bless our country.

Note: The President spoke at 10:28 a.m. in the Grand Ballroom at the J.W. Marriott Hotel. In his remarks, he referred to Lt. Gen. Lawrence Skibbie, president of the American Defense Preparedness Association; Mac Cramer, chairman of the American Defense Preparedness Association; Donald B. Rice, Secretary of the Air Force; Michael P.W. Stone, Secretary of the Army; H. Lawrence Garrett III, Secretary of the Navy; Henry Cooper, Director of the Strategic Defense Initiative Organization; and President Saddam Hussein of Iraq.

Remarks at the Presentation Ceremony for the National Medal of the Arts

July 9, 1991

Thank you all for coming to the White House. And I'm sure glad we're doing this indoors -- [laughter] -- instead of out. But may I salute Secretary Lujan, a member of our Cabinet. Mr. Frohnmayer, my dear friend who heads this arts effort, and does it most effectively, I might say. Senator Hatch was to be -- right back here, Orrin Hatch. And then, in front of him, Chairman -- our distinguished Senator Claiborne Pell. And Congressman Yates was coming and he is over -- modestly in the back row, along with another Congressman, Ralph Regula there -- but more than welcome. Both champions of the arts, bringing good judgment and balance to the questions that concern us all. So, I salute them.

And let me just say how pleased we are to see here the members of the President's Committee on the Arts and the Humanities -- so many corporate patrons without whom the arts would not flourish as much as they do -- and then, of course, especially today, the family and the friends of the honored recipients.

We're delighted to welcome you to this historic East Room. This afternoon, we honor with the National Medal of the Arts a group of men and women whose creative efforts really do capture America's vigor and spirit.

Our artists draw on inspirations and cultures from around the world, but then reinterpret them in distinctive ways, creative ways, American ways. And their passion and their genius and their courage add new dimension to our lives. They remind us of a truth expressed long ago by William Blake, who wrote: ``Nations are destroyed or flourish in proportion as their poetry, painting, and music are destroyed or flourish."

And fortunately for us, art in America is alive and well. In all its forms, it captures the exhilarating feeling of being an American -- daring everything, dreaming everything, reaching for everything. And more importantly, it inspires Americans to dare more, dream more, and reach further.

Today, we honor several. The honorees express vital emotions and truths. Pearl Primus weaves together dance and anthropology; calls forth the joy and excitement and spiritual vigor of our African and Caribbean heritage. Pietro Belluschi's innovative architectural designs -- they evoke the grandeur of this land, particularly the Pacific Northwest. His works evoke scenes as various as soaring mountain summits and quiet forest floors checkered by slanting sunbeams.

Roy Acuff keeps alive the undying tradition of authentic country music -- and I confess, I love

that music. And he has helped make country music -- really he's the father of it, you might say. I don't want to date Roy, but -- [laughter] -- the father, and really has made it what it is today -- a music for all Americans, an art form that doesn't hold back one single thing. And it captures the joys and the aches and the frustrations that most of us feel, but few of us can express.

In a world where people too often try to reduce life's imponderables to black-and-white entries on a spreadsheet, our award winners provide color and depth and perspective.

Teacher and painter Richard Diebenkorn does not blink from the challenge of expressing himself as he sees fit. In his studio or his classroom, he teaches the importance -- the necessity -- of personal integrity. Honi Coles -- Charles ``Honi'' Coles' exuberant dance captures the sheer vitality and the joy of the American spirit. And it shows that you can't be fully American without breaking into a sweat and having fun from time to time. [Laughter]

We often talk of a new world characterized by competition and enterprise, but our kids will not enjoy full lives if they don't experience and appreciate art. A life without art is flat and dull and gray. And it contains none of the highs and lows that give meaning to daily affairs.

Some of our honorees have devoted their careers to ensuring that all Americans enjoy the enriching influence of art.

Maurice Abravanel keeps symphony music popular by conducting and teaching with his Santa Fe Opera. John Crosby gives young American singers the opportunity to train and perform here in their own country. And Isaac Stern -- Barbara demanded to sit next to Isaac Stern -- [laughter] -- expresses the nobility that lies within us all with his heart and that magnificent violin. And just this year, in the middle of a threatened Scud attack -- Scud missile attack in Tel Aviv -- he returned to the stage and continued playing. Isaac Stern does more than play an instrument; he inspires us with his virtuosity, his courage, and his commitment to humanity.

We also want to recognize benefactors who, through vision and steadfast commitment, keep art alive. American art thrives because of arts administrators like our own J. Carter Brown, who has molded the National Gallery into a museum really for the entire nation. Volunteers enhance our arts: men and women like R. Philip Hanes, Jr., whose generous patronage has guided the regional and national growth of the Arts Council movement. It is unlikely, but Philip will not want to claim that he and I were classmates at college many years ago, but I claim it -- proudly, as a matter of fact. [Laughter]

We owe a debt to passionate stewards of the arts such as the famed Kitty Carlisle Hart, a distinguished performer committed to making quality art available to all Americans. And artists can continue to develop and flourish, as I mentioned earlier, because of corporate sponsors like Texaco, which has set a standard in corporate philanthropy through its half-century of generous support for the arts.

As we honor these beacons of excellence, I'm reminded of something that President Kennedy once said: ``In serving his vision, the artist best serves his nation.'' And you honorees have all served our nation brilliantly. Thank you. Congratulations. It's a joy to have you here.

And now, I'd simply like to ask John Frohnmayer to assist me in presenting to you these symbols of our nation's gratitude and high esteem.

Note: The President spoke at 12:03 p.m. in the East Room at the White House. In his remarks he referred to Secretary of the Interior Manuel Lujan, Jr., and John E. Frohnmayer, Chairman of the National Foundation on the Arts and Humanities.

Remarks on Presenting Presidential Citations to Joe DiMaggio and Ted Williams

July 9, 1991

The President. Welcome to the Rose Garden. And may I salute, first of all, the Members of Congress that are down here. One of them, former big leaguer, Jim Bunning, now a Congressman who you may know. And probably you hit them over the fence off this guy. But, nevertheless -- [laughter] -- welcome, all you fellows. And two Senators here and, of course, our commissioner, Fay Vincent, and especially to Joe DiMaggio and Ted Williams.

And before I get started I want to single out the LSU Tigers championship baseball team. We're proud of them. And I'm sorry that your coach couldn't be up here, Skip Bertman, because of surgery. But I just can't tell you how welcome you are here in the Rose Garden. I hope you'll have a good tour around Washington, DC. [Laughter]

Now, Sandra Bertman is here somewhere. Right there. Welcome, Sandra.

Well, this year that ball club -- I don't know if you all know this -- won 55 games to tie a university record. And they also played in their fifth college world series in the last 6 years. So, they're dominating college baseball. And it's most appropriate that we have so many members of the Louisiana congressional delegation here to honor them.

Let me just ask the team to stand up so we can at least identify you guys. Welcome, welcome, welcome.

And now to the other honored guests, Number 5 and Number 9. Looking at these two greats -- standing next to them -- I have a confession. I didn't think that I'd get to meet royalty so soon after the Queen's visit. But, nevertheless, here they are.

I don't want to reminisce too much, but I was 17 years old during their famous 1941 season, 50 years ago. And like many American kids in those days and today, I followed those box scores closely, watched the magnificent season unfurl. In those days I was, Joe, a Red Sox fan, and my brother though, a Yankee fan. And 50 years later, that '41 season just remains a season of dreams.

Half a century ago, with much of the world already at war, baseball staged one of its greatest seasons. Brooklyn won its first pennant in 21 years and clashed with its crosstown rival, the Yankees, in a memorable World Series. The Yanks took the series, but our guests, in their own ways, really carried the entire season.

Who, even now, does not marvel at the Splendid Splinter and the Yankee Clipper? These genuine

heroes thrilled Americans with real deeds. Both on the scene loomed larger than life, on the baseball fields and then onto the battlefields. And both men put off their baseball careers to serve their countries.

Their service deprived them -- I think every baseball lover will tell you -- of even greater statistics, but also enhanced their greatness in the eyes of their countrymen. Today, as we remember them, we honor them.

Next week, we'll witness the 50th anniversary, of what many consider baseball's greatest feat, Joe DiMaggio's 56-game hitting streak. No one has gotten really close to that before or since.

In a song of the era, ``Joe, Joe DiMaggio, we want you on our side," well, I think everybody felt that way then and now -- and this entire Nation did. That's for sure. Decades later, he was named baseball's Greatest Living Ballplayer.

Like Joe, today's other guest displayed a special kind of magnetism on the baseball diamond. Ted Williams, people will tell you, has many sides. He's an ardent conservationist, an avid fisherman, a pilot who served in both World War II and Korea. And I'm going to ask him to help me with my press relations. Do you remember how all that used to work out there in baseball? But I can learn from him. He told it as it was.

But he is also, perhaps, the greatest hitter in baseball history. Fifty years ago, he did what no one has done since, he eclipsed .400 in the regular season. Most of you know how he finished off that campaign -- entering a season doubleheader. Ending the season there was this doubleheader. Ted was hitting .3995, statistical equivalent of .400 -- of an even .400. And to protect that average, his manager wanted him to sit it out. He refused. He went 6 for 8, and he finished at .406. That kind of courage and determination, frankly, made him one of our all-time greats.

Joe DiMaggio won the honors as the Most Valuable Player in '41. He batted .325 in his career, and amazingly, retired with almost as many home runs as strikeouts. And, of course, throughout it all he displayed his famous grace and modesty that set such a great example for our country.

Ted won six batting titles. And in 1960, at 42, he retired as only a deity could. He stroked a home run -- number 521 -- in his final at bat.

We'll think of these men tonight as we watch the 62d All-Star Game in Toronto, Canada, and we'll remember, too. We'll remember how Joe played in 11 All-Star Games. We'll recall how 50 years ago this month, Ted gave the Mid-Summer Classic one of its most dramatic moments -- a 3-run, ninth-inning wallop in Detroit that gave the American League a 7 - 5 victory.

As we leave for Toronto, just in a little bit, let me speak for the old guys here: May God bless these heroes of our youth. Again, my congratulations to LSU, the heroes of tomorrow in the pro

leagues, I'm sure. We welcome you here. We welcome you for what you stand for as the NCAA Champions over these past years. And we're very grateful to have you here.

And so, let me leave you with no further ado before embarrassing Ted and Joe to say a word, if they will -- play ball. It's all yours, Ted.

Ted Williams. I've always realized what a lucky guy I've been in my life. I was born in America. I was a marine and served my country, and I'm very, very proud of that. I got to play baseball and had a chance to hit. I owe so very, very much to this game that I love so much. I want to thank you, Mr. President. I think you're doing a tremendous job. And I want you to know you're looking at one of the greatest supporters you'll ever have. Thank you.

The President. Joe, you have the last word -- --

Joe DiMaggio. Thank you, Mr. President, ladies and gentlemen. I'm honored. Thank you so much. And to you LSU players out there, congratulations on your championship. I know the feeling. I've been in one or two myself. It's nice to be here with you. And thank you again.

The President. And now may I ask Major Bonwit to read the citations, please.

[At this point, the citations were read.]

Thank you all for coming. Thank you all for coming to the White House.

Note: The President spoke at 2:04 p.m. in the Rose Garden at the White House. In his remarks, he referred to baseball Commissioner Fay Vincent; Sandra Bertman, wife of Skip Bertman, the coach of the Louisiana State University baseball team; the Splendid Splinter, Ted Williams; the Yankee Clipper, Joe DiMaggio; and Maj. David Bonwit, Marine Corps Aide to the President. Later in the afternoon, the President traveled to Toronto, Canada.

News Conference of President Bush and Prime Minister Brian Mulroney of Canada in Toronto

July 9, 1991

The Prime Minister. I'm delighted to welcome the President and his party to Canada. We've had an opportunity for a very good review of the situation before the baseball game, in particular, the situation as it relates to the G - 7 summit, upcoming in London next week. I think that the American and the Canadian positions are, in many areas, very compatible.

We -- as far as Canada is concerned -- we don't expect either blank checks or miracles in London, but we expect President Gorbachev to arrive with a very serious plan to fundamentally reform the economy of the Soviet Union. And if that takes place, my expectation is that there will be a positive and constructive response from the members of the G - 7.

I believe that's, by and large, the position of most of the leaders with whom I've chatted so far, and the President can tell you about his own expectations. But we had the chance to touch on this, the situation in Iraq, some bilateral matters where we have a very good bilateral relationship.

And so, I thank the President for his visit, and I look forward to the ball game a little later on.

Mr. President.

The President. I have nothing to add to what the Prime Minister said about the expectations for the G - 7 meeting. But I will say this: That once again, I have found in the Prime Minister a man whose judgment I value on these matters. I think on Canada-U.S., the relationship is very, very good -- the bilateral relationship. And as we had this tour d'horizon, we discovered that we were looking eye-to-eye at most, if not all, of these international matters.

So, it's a pleasure to be here. It's a night for baseball, but I, too, will be glad to respond to several questions.

[At this point, a question was asked and answered in French.]

South Africa

The Prime Minister. The question, Mr. President, was in regard to your response on sanctions, on South Africa. I indicated that Canada was part of the Commonwealth on sanctions, that we were going to stick to the sanctions until our common-front partners felt that we had met all the criteria, but in the case of the United States, you are guided by criteria from Congress and that you would be responding to that in your time.

The President. Well, let me simply add to that that, yes, the American law is clear. And when the conditions set out by Congress were met, the President will lift the sanctions. It's not a question of exercising a lot of judgment; it's a question of determining whether these five conditions have been met. And we are getting very close to making a final decision and I will make it in accordance with U.S. law.

It is different than the Commonwealth arrangements that Prime Minister Mulroney referred to.

Q. Mr. President, I understand your interpretation of the law, but what do you say to the argument that black South Africans really won't be free of apartheid until there's a new constitution and they get the right to vote? And why not keep that pressure of sanctions on until South Africa goes over the top, so to speak?

The President. My view is, when the five conditions have been met, that it will be better for all South Africans to keep the process of reform moving forward. I think it will benefit their economy, and I think that will mean more jobs for blacks. I've never been enthusiastic about sanctions in the first place, if you want to know the truth. But I think that de Klerk has done things that none of us would have dreamed possible in effecting and moving towards change and freedom, and moving towards the ultimate, total elimination of apartheid.

And our law is clear. And I plan to not seek some way out of it, but I plan to enforce it. And I'll do it very cheerfully because that is my view.

Q. Are you confident that South Africa will go that final step?

The President. I'm confident that as long as we don't slap President de Klerk in the face after he achieves what we set out as goals and we do what we should do, I think that will encourage further development and further fairness and further elimination of racial barriers that are offensive to everybody.

Q. Apart from the different criteria that you've outlined in each country for the lifting of sanctions, would you say, in President Bush's words, that you see eye-to-eye on this matter as you do on other international matters? And is the sanctions question, whether sanctions should be lifted by Commonwealth nations, in any way linked to your own plans to visit that country in the fall?

The Prime Minister. No. We've had a disagreement with the American administration going back to the days when the President was the Vice President. Canada firmly believed that sanctions were the only way to go in terms of bringing a racist regime to its knees, and bringing about the necessary changes, which is why we were in the forefront of the design and the application of the sanctions package in 1984 - 85.

Now, we always recognized that the American administration could quite properly take another course of action, which it did. We have implemented our sanctions, pursuant to a series of criteria which once met, we will change. We don't believe they have been met, and until we meet with the Commonwealth foreign ministers in the near future, we won't make that decision. But we recognize there's another school of thought in regard; there's no difference on the objective being sought. The objective being sought by President Bush and myself was always the elimination of apartheid. And there was no question about that. It was just the way of getting there.

But I think that we both recognize that President de Klerk has made some remarkable strides forward, and that has to be recognized and acknowledged and, indeed, applauded.

The President. It's very interesting -- if I might, with your permission, sir -- it's very interesting that in the United States, some of those Senators who were in the forefront of putting into effect the sanctions laws are now saying it would be a mistake to continue the sanctions, provided these five conditions are met. For example, one of the most respected U.S. Senators is Senator Lugar of Indiana, and I believe he is -- and I know he was, early on, a strong advocate. But he also was in the forefront on the enactment -- or the creating of these laws that govern what the President does, and he, I think, has said as recently as today that it would be appropriate if these sanctions are lifted in accordance with the law.

And so, I look at it, hey, I'm there to execute -- they made the laws, and I'm there to faithfully execute and fulfill my obligations as President of the law.

Q. Today the IOC [International Olympic Committee] made a decision to allow South African athletes into the '92 Olympics. I'm wondering if this is going to change Canada's policy on not allowing Canadian athletes to participate in the same event as South African athletes.

The Prime Minister. There will be no change in our policy whatsoever. We devised our policies in conjunction with our fellow members of the Commonwealth some 5 or 6 years ago. We have executed them in tandem with all the members of the Commonwealth but one. And there will be no change in our policy until we have an opportunity to get together with our colleagues in the Commonwealth in the late summer.

Q. Does this mean that Canadian athletes then will not be sponsored to go to the Olympics?

The Prime Minister. Well, it means exactly what I said. There will be a meeting in the late summer or early autumn, and we'll try and deal with the matter then.

Soviet Union

Q. Mr. President, will Mr. Bessmertnykh and the rest of the team that President Gorbachev is sending to Washington find any willingness to give on the American position? And secondly, if

these START talks are wrapped up this weekend, will that affect our posture, the G - 7 posture towards aid to the Soviets?

The President. No, I don't think anything that's decided regarding START will have any effect on the thinking of the United States or these other countries. I think, as the Prime Minister very eloquently stated, we are in very close agreement as to what should happen. We are going to welcome Mr. Gorbachev there. I think it's a very good thing he's coming. But I wouldn't think that if there's a START agreement, that that would change for other countries this formulation, broad formulation we're talking about.

Now, in terms of the summit, I want to have a summit with President Gorbachev. I think it's a good thing. I did talk to my dear friend, Brian Mulroney, today about subjects that all of us need to talk to the Soviets about. You can't do it in 1 hour at lunch in London or with 18,000 observers in a multifaceted meeting in London. There are a lot of things we need to talk about.

But one of the criteria for having a summit has been, on both sides, a solution to the START question, as you know. And so, what we're going to do is to sit down with Moiseyev and Bessmertnykh, who have come in response to an appeal I made to President Gorbachev -- and I thank him for that -- to see if we can't iron out a couple of major technical problems with START and then a few other smaller problems.

But I don't want to overstate my anticipation on this because I'm not that sure we can hammer it out before I see Mr. Gorbachev for our bilateral meeting in London at all. I think that the very fact they are here is responding to one thing that I felt strongly about -- is that we need to make clear to the Soviets that we are activating our bureaucracy in every way possible. And I think this is a very good sign on his part that he is willing. Secretary Cheney had plans that we were enthusiastic about, getting the poor guy a day or two of rest. He's turned around to come back to Washington. And we have demonstrated in every way we can how important we think these talks are.

But I don't want to raise the hopes of a lot of people in the United States and in other countries that want to see a START agreement. We'll wait and see. I don't know what's going to happen in these talks. But I think we've given and given, and I hope the Soviets understand that. And we've got to get in a deal that not only are we enthusiastic about but one that can get through the Congress. So, I'll leave it right there.

Q. They won't find any more give in our position?

The President. I'm just not saying. When you go into a card game you don't -- into a negotiating session you don't say, hey, by the way, we want to compromise on points a, b, d, or e. I mean, we'll sit down and talk to them. And we have given, and we have taken, I hope, a little bit, gotten a little bit of flexibility on their part. And that's the way this negotiation will be approached.

[At this point, a question was asked and answered in French.]

Q. The Prime Minister, in giving an account of your discussions on the future of President Gorbachev, referred to these changes of both political and economic survival. Do you, both of you, have any doubts of conscience about the changes of political or economic survival of Gorbachev?

The President. In the first place, I think that's a matter for the internal affairs of the Soviet Union to determine who's going to be in control there. I think when Mr. Yeltsin won that landslide victory and then came, at least speaking for the United States, came to the United States and spoke of new cooperation with Gorbachev, that was a good thing. I think -- as I look at the situation, I think that is very much of a reassurance, if you will, that President Gorbachev will be around as President of the Soviet Union.

And so, we, for the United States, do not anticipate his demise in any way. And yet these matters, the final determination, obviously should be for the people of the Soviet Union to determine.

The Prime Minister. On that, when you have a country larger than the United States, with a population base larger than the United States, whose GNP is between 30 and 35, 40 percent, perhaps, max, of that of the United States, you have a country in very serious trouble. Everybody knows that. Mr. Gorbachev happens to be President of that country whose system brought about the downfall of the economy.

He is coming to London, in our judgment, the judgment of Canada, as a man who has demonstrated great leadership instincts and great leadership examples. His reaching out to the United States and reciprocal responses has been very constructive and very helpful internationally. But he's got very serious problems that can only be addressed by fundamental reforms in his economy. And I suppose all we're saying in regard to the economic survival is that, indeed, unless there are strong moves towards a market economy within timeframes, it's doubtful whether he can get it all done in a required period of time.

So, the response to him, I think, from all of us will be constructive and helpful. He has more than proven his worth as a very impressive leader. But on this, we're all from Missouri, and we've all got to be shown before -- as I indicated elsewhere, we're not going to throw good money after bad. We want to help but we want to do it in a very constructive and appropriate way. And I think that's the general attitude of most of the G - 7 leaders.

Thank you. Merci beaucoup.

The President. Merci beaucoup. Un gran plaisir. Je practice mon francais. How do you say ``next time''?

The Prime Minister. La prochaine fois. [Laughter]

The President. La prochaine fois, je serai parfait en francais. [Laughter]

Q. Are you preparing for your Presidential visit -- --

The President. I'm thinking about going to London.

Q. Mr. President, sanctions tomorrow -- is that possible?

Note: The President's 87th news conference began at 7:18 p.m. in the indoor batting tunnel of the Skydome. The President and the Prime Minister later attended the baseball All-Star game played at the Skydome. In the news conference, the following persons were referred to: State President F.W. de Klerk of South Africa; Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; Mikhail A. Moiseyev, Chief of the General Staff of the Soviet Union; President Boris N. Yeltsin of the Republic of Russia; and President Mikhail Gorbachev of the Soviet Union. Following the game, the President returned to Washington, DC.

Proclamation 6313 -- To Modify Temporarily the Import Quota on Peanuts

July 9, 1991

By the President of the United States

of America

A Proclamation

1. Heading 9904.20.20 of the Harmonized Tariff Schedule of the United States (HTS) provides that no more than 775,189 kilograms of peanuts described therein may be entered into the United States during any 12-month period beginning August 1 in any year. This limitation was proclaimed by the President in Proclamation No. 3019 of June 8, 1953 (18 FR 3361), and was modified in subsequent proclamations, under the authority of section 22 of the Agricultural Adjustment Act of 1933, as amended (the 1933 Act) (7 U.S.C. 624).

2. On the basis of the investigation and report of the United States International Trade Commission, which conducted an investigation into this matter pursuant to section 22 of the 1933 Act, I find and declare that changed circumstances require a quantity of 100 million pounds (45,359,702 kilograms) of peanuts to be permitted entry during the quota period ending July 31, 1991, as hereinafter proclaimed, to carry out the purposes of section 22. I also find and declare that the entry of such quantities of peanuts, under the conditions hereinafter proclaimed, will not render or tend to render ineffective, or materially interfere with, the price support program of the Department of Agriculture with respect to peanuts.

3. Section 604 of the Trade Act of 1974, as amended (the Trade Act) (19 U.S.C. 2483), requires the President, from time to time, as appropriate, to embody in the HTS the substance of the relevant provisions of that Act, and of other acts affecting import treatment, and actions taken thereunder, including the removal, modification, continuance, or imposition of any import restriction.

Now, Therefore, I, George Bush, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to section 22 of the 1933 Act and section 604 of the Trade Act, do hereby proclaim:

(1) In order to modify temporarily the import quota on peanuts of the type described in HTS heading 9904.20.20 and to facilitate its administration:

(a) Heading 9904.20.20 of the HTS is modified by striking out the quota quantity ``775,189'' and

by inserting in lieu thereof ``45,359,702''; and

(b) The following new note 5 is added to the U.S. Notes to subchapter IV of chapter 99 of the HTS:

``5. Peanuts. --

No peanuts provided for in heading 9904.20.20, other than peanuts blanched or otherwise prepared or preserved, shall be entered, or withdrawn from warehouse for consumption, through July 31, 1991, unless the following certificates (or a bond for their production) for such peanuts are filed with the appropriate customs officer at the time of such entry or withdrawal:

(a) A certificate issued by the U.S. Department of Agriculture attesting to the fact that the peanuts meet the requirements as to quality, size, and wholesomeness that are specified in the Outgoing Quality Regulation -- 1990 Crop Peanuts (7 CFR 998.200), and

(b) A certificate issued by a U.S. Department of Agriculture laboratory or a designated laboratory approved by the Peanut Administrative Committee attesting to the fact that the peanuts tested `negative' as to aflatoxin.".

(2) In order to restore the previous quota quantity for such peanuts, HTS heading 9904.20.20 is modified by striking out the quota quantity ``45,359,702'' and by inserting in lieu thereof ``775,189'', and U.S. note 5 to subchapter IV of chapter 99 of the HTS is deleted.

(3)(a) The modifications made by paragraph (1) of this proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of publication of this proclamation in the Federal Register.

(b) The modifications made by paragraph (2) of this proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after August 1, 1991.

In Witness Whereof, I have hereunto set my hand this ninth day of July, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:56 p.m., July 9, 1991]

Message to the Senate Transmitting the Treaty on Conventional Armed Forces in Europe

July 9, 1991

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Treaty on Conventional Armed Forces in Europe (CFE). The Treaty includes the following documents, which are integral parts thereof: the Protocol on Existing Types (with an Annex thereto), the Protocol on Aircraft Reclassification, the Protocol on Reduction, the Protocol on Helicopter Recategorization, the Protocol on Information Exchange (with an Annex on Format), the Protocol on Inspection, the Protocol on the Joint Consultative Group, and the Protocol on Provisional Application. The Treaty, together with the Protocols, was signed at Paris on November 19, 1990. I transmit also, for the information of the Senate, the Report of the Department of State on the Treaty.

In addition, I transmit herewith, for the information of the Senate, six documents associated with, but not part of, the Treaty that are relevant to the Senate's consideration of the Treaty: Statement by the Union of Soviet Socialist Republics, dated June 14, 1991; Statement by the Government of the United States of America, dated June 14, 1991, responding to the Statement by the Union of Soviet Socialist Republics (Statements identical in content were made by the 20 other signatory states on the same date. Copies of these Statements are also transmitted.); Declaration by the Government of the Federal Republic of Germany on the Personnel Strength of German Armed Forces, dated November 19, 1990; Declaration of the States Parties to the Treaty on Conventional Armed Forces in Europe With Respect to Personnel Strength, dated November 19, 1990; Declaration of the States Parties to the Treaty on Conventional Armed Forces in Europe With Respect to Land-Based Naval Aircraft, dated November 19, 1990; and Statement by the Representative of the Union of Soviet Socialist Republics to the Joint Consultative Group, dated June 14, 1991. The first two Statements are legally binding and constitute a separate international agreement, while the latter four documents represent political commitments.

The CFE Treaty is the most ambitious arms control agreement ever concluded. The complexities of negotiating a treaty involving 22 nations and tens of thousands of armaments spread over an area of more than two and a half million square miles were immense. Difficult technical issues such as definitions, counting rules, methods for destroying reduced equipment, and inspection rights were painstakingly negotiated.

The Treaty is the first conventional arms control agreement since World War II. It marks the first time in history that European nations, together with the United States and Canada, have agreed to reduce and numerically limit their land-based conventional military equipment, especially equipment necessary to conduct offensive operations. Significantly, the reductions will eliminate

the overwhelming Soviet numerical advantage in conventional armaments that has existed in Europe for more than 40 years. The Treaty's limits enhance stability by ending force disparities, and they limit the capability for launching surprise attack and initiating large-scale offensive action in Europe.

The Treaty contains a wide-ranging verification regime. Under this regime, in which intrusive on-site inspection complements national technical means to monitor compliance, ground and air forces of the participting states in the area of application of the Treaty will be subject to inspection, either at declared sites or with challenge inspections. The Treaty also provides for a detailed information exchange on the command organization of each participating state's land, air, and air defense forces as well as information about the number and location of each participating state's military equipment, subject to the limitations and other provisions of the Treaty. This information will be updated periodically and as significant changes to such data and reductions of equipment take place.

The military equipment to be reduced and limited consists of battle tanks, armored combat vehicles, artillery, attack helicopters, and combat aircraft in service with the conventional armed forces of the States Parties in Europe from the Atlantic to the Urals. Inclusion of the Baltic military district within the area of application of the Treaty ensures that the Treaty's limits apply comprehensively to all Soviet forces within the area. This does not represent any change in the long-standing U.S. policy of nonrecognition of the forcible incorporation of the Baltic States into the Soviet Union. At the conclusion of the 40-month reduction period, the numerical limits on this equipment in the area of application for each group of participating states will be as follows: 20,000 battle tanks, 30,000 armored combat vehicles, 20,000 pieces of artillery, 2,000 attack helicopters, and 6,800 combat aricraft. All military equipment subject to and in excess of these limits that was in the area of application at the time of Treaty signature or entry into force (whichever amount is greater) must be destroyed or, within specified limits, converted to nonmilitary or other purposes. Subceilings are established for specific geographical zones within the area of application, the purpose of these being to thin out forces on the central front while forestalling buildups in the flank areas. Under the so-called ``sufficiency rule'' of the Treaty, no State Party may hold more than approximately one-third of the total amount of equipment in these five categories permitted within the area of application as a whole.

Above and beyond eliminating force disparities and limiting the capability for launching large-scale offensive action, the CFE Treaty will be of major importance in laying the indispensable foundation for the post-Cold War security architecture in Europe. Only with this foundation in place can we move from a European security order based on confrontation to one based on cooperation.

I believe that the CFE Treaty is in the best interests of the United States and represents an important step in defining the new security regime in Europe. It achieves unprecedented arms reductions that strengthen U.S., Canadian, and European security. Therefore, I urge the Senate to give early and favorable consideration to the Treaty and its related Protocols and Annexes, and to

give advice and consent to its ratification.

George Bush

The White House,

July 9, 1991.

Message to the Congress Reporting on the Economic Sanctions Against Libya

July 9, 1991

To the Congress of the United States:

1. I hereby report to the Congress on the developments since my last report of January 11, 1991, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (``IEEPA''), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c).

2. Since my last report on January 11, 1991, the Libyan Sanctions Regulations (the ``Regulations'') 31 C.F.R. Part 550, administered by the Office of Foreign Assets Control (``FAC'') of the Department of the Treasury, have been amended. This amendment, published on May 6, 1991, 56 FR 20541, adds an appendix to the Regulations containing a list of organizations determined to be within the term ``Government of Libya'' (Specially Designated Nationals of Libya). A copy of this amendment is attached. Since January 11, 1991, there have been no amendments or changes to orders of the Department of Commerce or the Department of Transportation implementing aspects of Executive Order No. 12543 relating to exports from the United States and air transportation, respectively.

3. During the current 6-month period, FAC made 15 decisions with respect to applications for licenses to engage in transactions under the Regulations, as well as 4 amendments to previously issued licenses. Several of these licenses were issued to former employees of the People's Committee for Students of the Socialist People's Libyan Arab Jamahiriya, also known as the PCLS, to permit them to engage in court actions against the PCLS to recover salary, severance pay, and other unpaid benefits.

4. Various enforcement actions mentioned in previous reports continue to be pursued, and investigations of possible violations of the Libyan sanctions were initiated. The recent amendment to the Regulations listing organizations determined to be Specially Designated Nationals (``SDNs'') of Libya publicly identifies organizations located outside Libya that have been determined by FAC to be owned or controlled by, or acting on behalf of, the Government of Libya. For purposes of the Regulations, all dealings with the organizations listed will be considered dealings with the Government of Libya. All unlicensed transactions with these persons, or in property in which they have an interest, are prohibited. The initial listing of 48 Libyan SDNs is not intended as a static list, but will be augmented from time to time as additional organizations or individuals owned or controlled by, or acting on behalf of, the Government of Libya are identified.

5. The expenses incurred by the Federal Government in the 6-month period from December 15, 1990, through June 14, 1991, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at $254,700. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

6. The policies and actions of the Government of Libya, such as support for terrorism and international destabilization and the pursuit of offensive weapons systems, particularly chemical weapons, continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya as long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

George Bush

The White House,

July 9, 1991.

Message to the Senate Transmitting the Convention for a North Pacific Marine Science Organization

July 9, 1991

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Convention for a North Pacific Marine Science Organization (PICES), which was done at Ottawa on December 12, 1990, and signed by the United States on May 28, 1991. I transmit also, for the information of the Senate, the report by the Department of State with respect to the Convention.

I believe that the new organization to be created by the Convention will contribute significantly to understanding the role of the ocean in global change as well as address other pressing scientific problems in the northern North Pacific Ocean region. Since understanding global change is one of my highest scientific priorities, I believe that it is very important that the United States ratify the Convention in time to participate formally in the initial work of the organization.

PICES would advance scientific knowledge of the region's interactions between the ocean, atmosphere, and land, their role in and response to global weather and climate change, impacts on flora, fauna, ecosystems, and their uses, and responses to human activities, filling the current need for such coordination and cooperation in scientific research in the region. This may include:

regional aspects of some global change research;

research on living resources and their ecosystems, broader than traditional fisheries research, resulting in a sound scientific basis for taking living resoruce management decisions (although PICES itself would not deal with management);

research on pollution and environmental quality; and

other research that requires broad coordination and an interdiciplinary approach, including identification of pressing research problems and planning research programs, developing and cooredinating multinational research projects, promoting exchange of scientific data and information, and organizing scientific workshops and symposia.

Canada, the People's Republic of China, Japan, the Union of Soviet Socialist Republics, and the United States cooperated in the development of the Convention, which will enter into force following ratification, acceptance, or approval by three of the possible five signatory States. It is anticipated that the Convention will enter into force before the end of 1992. A few non-signatory

nations are expected to accede to the Convention after it has entered into force.

I recommend that the Senate give early and favorable consideration to the Convention and give its advice and consent to ratification.

George Bush

The White House,

July 9, 1991.

Message to the Congress Transmitting the Report on Conservation and Use of Petroleum and Natural Gas in Federal Facilities

July 9, 1991

To the Congress of the United States:

As required by section 403(c) of the Powerplant and Industrial Fuel Use Act of 1978, as amended (42 U.S.C. 8373(c)), I hereby transmit the twelfth annual report describing Federal actions with respect to the conservation and use of petroleum and natural gas in Federal facilities, which covers calendar year 1990.

George Bush

The White House,

July 9, 1991.

Memorandum on the Combined Federal Campaign

July 9, 1991

Memorandum for the Heads of Executive Departments and Agencies

This has been a special year for all Americans. We have experienced a coming together, a rebirth of patriotism and service to the Nation. Whether speaking of Desert Storm or the Thousand Points of Light, I am reminded daily that Federal employees have been in the forefront making magnificent contributions. In this regard, the Combined Federal Campaign is an avenue through which thousands of Federal employees voluntarily express their concern for others. It is also very gratifying and rewarding for those of us in top-level positions to be a part of this important and purposeful endeavor by taking on leadership roles in the Combined Federal Campaign.

I am delighted to tell you that Secretary of Labor Lynn Martin and Martin L. Allday, Chairman, Federal Energy Regulatory Commission, have agreed to serve as co-chairs of the 1991 Combined Federal Campaign of the National Capital Area. I am asking that you support Secretary Martin and Chairman Allday by personally serving as chairman of the campaign in your agency and appointing a top official as your vice chairman.

Your commitment and visible support will help to guarantee a successful campaign this year. Together, we must do everything we can to encourage Federal employees everywhere to do their part in support of the 1991 Combined Federal Campaign.

George Bush

Remarks on the Termination of Economic Sanctions Against South Africa and a News Conference

July 10, 1991

The President. Let me begin with a statement, and then I will take a few questions.

First, let me state that apartheid must be eliminated. We've worked with the nations of the world to bring an end to this system of racial prejudice by every means possible. Political and economic pressure had been brought against the Government of South Africa by the United States and by other nations for the last several years. Progress has been slow and often painful. But progress has definitely been made.

During the last 2 years, we've seen a profound transformation in the situation in South Africa. Since coming to office in 1989, President de Klerk has repealed the legislative pillars of apartheid and opened up the political arena to prepare the way for constitutional negotiations. As I've said on several occasions, I really firmly believe that this progress is irreversible.

Much remains to be done; let's be very clear on that point. But I've been impressed with the commitment by President de Klerk, by Nelson Mandela, by Chief Buthelezi and many others to continue to build a constitutional democracy in South Africa. We will use all available means to encourage this process through to its successful conclusion.

The Congress anticipated this situation in what is known as the Comprehensive AntiApartheid Act of 1986, which placed economic sanctions against South Africa. That law anticipated the benefit of lifting these sanctions as a means of encouraging the Government of South Africa and the people of South Africa to continue the progress that has been made in eliminating apartheid.

I have, today, just signed and issued an Executive order terminating the sanctions against South Africa. And in doing so, based on a recommendation from Secretary Baker, I have determined that the South African Government has met all five of the conditions for these sanctions to end as set forth very clearly in the act.

In other measures, sanctions including the arms embargo and restrictions on our ability to support South Africa at the IMF are unaffected. These other sanctions remain in effect.

This morning I talked just now to Nelson Mandela -- a fairly long talk with him to tell him personally of the commitment by the people of the United States to support equality in South Africa. I told him of my personal belief that lifting the sanctions at this time is the right thing to do in order to encourage continued change in his country, to help provide a more stable and dynamic economy in which the blacks of South Africa can participate.

Tomorrow I intend to call President de Klerk to indicate to him that we expect the progress he has made so far to continue. Incidentally, on the Mandela call, we've been in reasonably frequent touch, and I told him that certainly that consultation will certainly continue. And he seemed to be understanding and pleased about that.

The peaceful transition to the new South Africa will not occur in a vacuum. South Africa must achieve full economic health through a strong rate of growth if it is to meet the expectations of all South Africans for a better life. The end of sanctions on trade and investment will encourage this process. And we hope that State and local governments and private institutions in the United States will take note of our action and act accordingly to help build a new South Africa, to help build employment opportunity in South Africa.

And so, my appeal here and my appeal at this G - 7 meeting that I'm fixing to go to will be that we all must help now. And I'm therefore directing that our assistance to black South Africans be doubled from its present level of $40 million, and these funds will be used to expand our efforts to prepare black South Africans to participate fully in the revitalization of their economy and to help meet the most pressing needs of blacks in the areas of housing and education.

This is a moment in history which many believed would never be attained. But we've done so through the efforts of many people in South Africa and around the world. And in that sense, this is a time for reflection and it's also a time when all who care about the future of South Africa, as I do, should rededicate themselves to stay the course in the interest of peace and democracy. There has been dramatic change. The law says when the five conditions are met the sanctions will come off. I've signed that today. But all is not totally well there, and we will continue to be actively involved, as actively involved as we can be.

So, that is my statement, and now I'll refer to Tom Raum [Associated Press] for the first question.

South Africa

Q. Mr. President, do you have any concerns or reservations that in moving now to remove the sanctions you might actually have the effect of undermining some of the progress that has been made rather than helping?

The President. I had no flexibility in considering that, but my view is we will not be undermining the progress. Sometimes one wants to recognize the changes, the very constructive changes, that have taken place and then see what the next step is. And in my view, the mandate by Congress is a proper one, and I think now that our role should be encouraging consultation between the parties -- all of them, be it Buthelezi, Mandela, de Klerk -- to see that the progress made can be built upon. So, I don't have any thoughts like that at all.

Q. May I follow up, sir? What do you say to groups like the NAACP and Amnesty International,

and even House Speaker Tom Foley, that all the five conditions have not been met and there are, in fact, still political prisoners in South Africa?

The President. I say to him -- well, as a matter of fact, under our definition, there are not. Mr. Mandela pointed out to me that under different definitions of the prisoner -- what can constitute a prisoner -- there may be people that are prisoner. Under the way the Congress defined prisoner -- and I'm going to refer these technical questions to Secretary Cohen, who has done a fantastic job on all of this -- we are complying fully. But in terms of how I respond to critics on this, I say, look, one, we're complying with the law you people wrote, and secondly, I happen to think it's the right thing to do. I believe that this will result in more progress towards racial equity instead of less, and certainly in more economic opportunity rather than less. So the time has come to do it.

Q. Mr. President, are you willing now to acknowledge that you were wrong on the question of sanctions -- --

The President. No.

Q. -- -- which you opposed? And you seem to think that they're pretty good for Iran and Iraq.

The President. The answer is no.

Q. You think none of this progress came as a result of our tightening the screws?

The President. Well, I can't say that, no. In fairness, I can't say that none came as a result of that. But I think what really turned the difference is when South Africa came in with a new regime and they decided to move forward. But I don't think it was strictly because they wanted to get rid of two sanctions while others remain.

Q. Well, it wasn't a question, it was a mammoth change in the whole society.

The President. No question. No question about it. But you're saying, do I credit sanctions totally, and the answer is no.

Q. I didn't say totally.

The President. Well, I did. [Laughter]

Supreme Court Nominee

Q. Mr. President, Senator Mitchell said a couple of days ago that he thought that you believed in quotas for everyone but yourself and everyone but Supreme Court nominations; he was referring

to your nomination of Judge Thomas to the Supreme Court. And his remark seems to reflect some widespread disbelief that Judge Thomas's race had nothing to do with his choice. And I wondered if you might take another crack at that question, sir.

The President. I was trying to think if Senator Mitchell -- where he was when Lyndon Johnson put Marshall on the Court. I can't remember whether he accused Lyndon Johnson of a quota. I don't think he was in Congress then, but it would be interesting to go back and look at it in history. I don't think he said it was a quota. In my view, this isn't a quota appointment. I said up there in Maine, and I still feel -- I feel more strongly than ever that it is the right thing at the right time, to use an expression that Lyndon himself used.

And so, we're taking on some water on this, a little -- few shots. But I have an innate confidence that this man will be confirmed. And the reason he will be is that he deserves to be confirmed. I don't want to take too much time on this answer, but out there when I mentioned this in Missouri the other day, on the Fourth of July, there was a unanimous response from the people in terms of support -- Missouri -- support for this man. So, I think it will be well-received -- is well-received.

Q. Well, quota or not, sir, can you really say that his race had nothing to do with the selection?

The President. I think I indicated up in Maine that so much the better. But I'm not going to say it's a quota appointment. I don't believe that one seat should be assigned to one group of any kind.

Federal Reserve Board Chairman

Q. Mr. President, I'd like to ask about another appointment. Do you plan to nominate Alan Greenspan for a second term as Chairman of the Fed?

The President. I have a very high regard for him. And I want to announce a decision on that very soon.

Q. When will that be coming, sir?

The President. Can't help you on the exact timing. I've got a very busy schedule -- please, terribly busy. [Laughter] I'm trying to go to Europe, and we're canceling all kinds of -- really, it is hectic around here. But it is a key -- it's a jungle out there -- it is a very important appointment. And I think some of these stories, these understandable kind of couch-analysis stories on what we're doing about Alan Greenspan is ridiculous. I've expressed a high regard for him before; I'll express a high regard for him here. The thing doesn't come up until mid-August, I believe. Because there's been some kind of ugly speculation, I'd like to move very soon on it. But you do have an influence on timing things, not you but everybody out there.

Central Intelligence Agency Director Nominee

Q. On another appointment, Mr. Gates for the CIA. According to the testimony yesterday from Mr. Fiers, both Casey and Gates' subordinate apparently, Clair George, apparently did know about the Iran-contra affair before Mr. Gates acknowledges that he knew. Does this new information give you any pause at all and do you think that it may imperil his nomination?

The President. Absolutely none. Absolutely none. It gives me a chance to reaffirm fully, totally, my complete support for this outstanding individual who will be confirmed and who will be a great Director of Central Intelligence. So, it really hasn't -- and all I've seen about it was some reports in, I think it was, today's paper. But I didn't see anything in just reading the paper that would lessen my confidence in Gates or in any way implicate Gates in something that was not right.

Q. Did you discuss it specifically with him -- what transpired?

The President. With Bob? Well, only this morning to say, hey, you're my man, I'm all for you, and don't let them get you down. Because he's good. And he'll be outstanding to be the Director of Central Intelligence.

Q. Sir, whether you're right or wrong, are you concerned what blacks and other minorities may think about some of your recent decisions as a trend?

The President. Yes.

Civil Rights

Q. You're lifting sanctions on South Africa; you've chosen a Supreme Court nominee who, although black himself, is unpopular among a lot of civil rights organizations; and you've got a Senator in your own party, John Danforth, who says this White House, Mr. Sununu in particular, is too rigid on a civil rights compromise. If you were a black or a member of a minority, wouldn't you think that George Bush is getting away from Lee Atwater's idea of reaching out to blacks?

The President. Yes, I'll be honest with you, I would. Because if I believed everything you cited, I would be concerned about that. But I think that we will prevail. Frankly, I think Clarence Thomas' appointment is a good -- will be well-received in the black community. You put it, I think, John [John Cochran, NBC News], in terms of how do some of these big organizations that think they speak for all blacks feel. And yes, there have been some concerns, and yes, I'd be concerned if constant criticism eroded what I feel is a commitment to civil rights here. But I think as you put down the appointment of an outstanding black to the Court and say that civil rights groups don't like it is something that shows we're not for civil rights, I'm very sorry, I would vehemently disagree with that.

In terms of a civil rights bill, if they want to pass one, pass mine. Pass mine, now. And it moves against discrimination in the workplace. And you don't hear anything about it because others want to do something that we can't accept. And I've repeated over and over again what the problem is. But it's a good civil rights bill, and if you can't -- I'd say to some of these critics out there, if you can't take 100 steps, take 85, 89, and then let's go back and reason together and try to get the rest done.

What was the other point?

Q. Well, let's see -- [laughter].

The President. Clarence Thomas.

Q. South African sanctions.

The President. South African sanctions. No, I think that will go over well. I think the Congress laid down the law. I am implementing the law.

But your question was a different one. Your question is, do you get concerned?

Q. The perception.

The President. Yes, the perception. And, yes, I am concerned about that because I know what's in my heart, I know what our record is, I know what I feel, and I know what I think is right. But if there's a pounding away from leaders that claim to speak for all the black community, yes, it worries me.

Q. Sir, just on the floor of the Senate today, Bill Bradley said this just a short time ago, speaking of George Bush: ``In 1988, he used the Willie Horton ad to divide white and black voters and appeal to fear. Now, based on your remarks about the 1991 civil rights bill, you have begun to do the same thing again." That's Bill Bradley.

The President. Yes, I know, and I don't like that. I don't agree with it totally. I didn't use any Willie Horton ad of that nature, either. That has become part of the liberal attempt to revise -- what's that statement they use up on Congress -- I'd like to revise my remarks and -- extend and revise my remarks. I mean, that's just grossly unfair.

The point on Willie Horton was not Willie Horton himself; the point was, do you believe in a furlough program that releases people from jail so they can go out and rape, pillage, and plunder again? That's what the issue was. And thank God we've made some progress, incidently, in our Justice Department on correcting that.

But that's part of the liberal litany. And yes, if it sinks in, John, this would concern me. But I think the American people are fair, and I think they know I want a civil rights bill. And I think they see that in appointing Clarence Thomas -- or nominating Clarence Thomas -- that I'm trying to get the best person. If he's black, we're not going to discriminate against that. And he is the best, and he's very good. But part of his problem is that he comes at some of these issues in a way a little different than a very liberal Senator from New Jersey would look at it. But he is a fair-minded guy, and he can take a look at this and decide on the merits.

But I've made up my mind. But you've put your finger on something that does concern me because this tremendous -- you know, this kind of drop, drop, drop of water on the rock could make a difference. But I'm going to take my case every chance I get -- and this is a good opportunity right here -- to black Americans and say, hey, listen, we've got a good record on civil rights and we're going to continue it, and you ought to be rejoicing that we have a very able judge to be elevated to the Supreme Court.

And similarly on civil rights. We've got a good civil rights bill. Don't listen to all these people out there that say it's bad. Put this one into effect. Let's take a step together and try. But I've got to keep doing this, saying this, so people understand how I feel.

South Africa

Q. Mr. President, one of the criticisms of lifting of sanctions is it will limit the influence the U.S. has over continuing the end of apartheid. How do you answer that? And if you say that the U.S. can continue diplomatic pressure, was there any success in the diplomatic area during the period the sanctions were in effect that you can point to?

The President. I say sanctions continuing -- some are. Some have been lifted. And we are going to continue to engage -- consulting with Mr. Mandela. And we're going to continue to be engaged in talking to Chief Buthelezi. And we're going to continue to be engaged by talking to Mr. de Klerk. In terms of can I point to something, I can only point to the real change in South Africa taking place because of Mr. de Klerk himself and some of his associates who have a very different approach to equity and race and to the elimination of apartheid than his predecessors.

Somebody asked a question -- I'm not sure of the answer I gave -- I can't say that sanctions had no effect, but I think far more important than sanctions was the fact that you had a forward-looking man of Mr. de Klerk's stature who released Mr. Mandela from jail and decided to go forward in consultation. And I can't say that Mr. de Klerk did that because of economic sanctions.

Abortion

Q. Mr. President, your domestic policy staff is looking at the title 10 regulations that affect whether doctors can mention abortion as an option for women who come to family planning

clinics. Are you amenable to a compromise on this issue?

The President. Listen, if some compromise can be worked out that I find acceptable, absolutely.

Q. Well, could you describe the kind of compromise you might -- --

The President. No, I can't describe it for you because I haven't found such a compromise yet. My position is well-known, oft-stated, open, and I'm not going to change my fundamental position. Now, if something can be worked out, can be resolved, so much the better.

Iraq

Q. The U.S. has had a couple of days now to analyze a 29-page document released by Saddam Hussein detailing Iraq's nuclear holdings. Are you convinced at this point that he's come clean, or do you think he's -- --

The President. No.

Q. Do you think he's still hiding a nuclear weapons capability? And what can the U.S. do about it?

The President. The answer to your questions are nope and yep. No, I am not convinced that it's total. And yes, I do feel that there's still reason to believe that he is hiding and has not come totally clean.

Now, do I view this step favorably, his confessing to that which he has denied over and over again? Yes, I think that's progress. But we will be watching this very carefully. I've been having consultations with leaders -- already two major leaders around the world, Mulroney yesterday, Mubarak today. I'll be talking to others in the next day or two about this Iraq situation.

And I am anticipating a unanimous view that we've got to keep our eyes wide open and not be lulled by some letter or some very belated offering from Saddam Hussein that he is now willing to do that which he should have done a long time ago. So, I've very skeptical, but I would have to say that the letter is progress. And I am convinced that the coalition and the major countries that we've been dealing with on this will be looking at the problem the same way I am.

When you're dealing with nuclear, when you're dealing with proliferation of nuclear in the area, that is a subject that really gets people's attention. Some other deviation by Saddam Hussein might have been less uniting of coalition forces and other forces around the world. But when you're dealing with hiding and cheating and lying on nuclear matters, I think almost every country is very, very concerned.

Q. A followup, please. Prior to the war with Iraq, you expressed concern that Saddam Hussein may not be getting the message from the United States that the U.S. was serious in turning back the aggression. He was pretty quick to react this time around, after there were reports that you refused to rule out military action. Do you think he got the message this time?

The President. I certainly -- put it this way -- I'm hopeful that he got the message because we're deadly serious. And I do still believe, Jim [Jim Miklaszewski, NBC News], that part of the massive miscalculation last year was, one, he didn't believe it and, two, he believed that if we did, hypothetically, if use of force would come, that he in some way would prevail. And I think he's disabused now on both points.

So, I would hope that our enhanced credibility that I keep referring to, along with the enhanced credibility of our supportive allies, might have made the difference in this instance. But I wish I could tell you I felt it was all done.

Q. Mr. President, did we miscalculate by not taking out Iraq's nuclear capability when our bombers were flying?

The President. Well, I think we took out a lot of Iraq's nuclear capability when our bombers were flying. The question is how do you -- how can you certify, when your objective is to get Saddam Hussein out of Kuwait, that you have also taken care of this collateral and very important problem? And I don't think that we -- I think we can certify that the program has been set back a long, long ways.

I couldn't help but think back to those dreadful days of debate and turmoil in this country before the successful conclusion of Desert Storm, with many thinking when we talked about an Iraqi nuclear capability that we were just throwing up that as a smokescreen to try to enhance our action or to give us another reason for which to act against this tyrant. And now people are saying, hey, they may have been on to something here. And so, it wasn't an objective to destroy that, but it worked out that we did take out a great deal of his nuclear capability.

The problem is that under the latest resolutions, second-to-last resolution I believe it is, 679 of the United Nations -- looking for help here and not getting any -- [laughter] -- that under that resolution it is very clear that this should all be abandoned. And he said, I don't have any of this. Then we show him through briefing of the United Nations Security Council that he's got it. ``Oh, yes, but, well, I've been obfuscating'' -- I don't know how you say that in Arabic -- [laughter] -- but he's been obfuscating, which I say is lying, and then comes forward and says here is what I'm going to do. So, we're certainly skeptical about this.

Q. If I can follow that, sir, there apparently are inspections underway now. Are you going to be able to assure the world it is all gone?

The President. No. But we are going to try to be able to assure the world that it is all gone. But when you're burying component parts off in the desert somewhere, in somebody's attic or somebody's basement in downtown Baghdad, if that's what's happening, it is pretty hard to certify that. But what we want to do is set up a mechanism so whenever there's any evidence of intelligence that is even a hint of his violation of these U.N. resolutions, we must be satisfied, the international community must be satisfied, the U.N. must be satisfied that that equipment has been destroyed.

So, what's happened is that once again through these incidents it has been pointed out that he'll go to any end to do those things which he's not supposed to do. I again come back to the letter, hope it's positive. But it's like Missouri -- show me. I'm from Missouri; we've got to see exactly what's going on.

You already had a question. Charles [Charles Bierbauer, Cable News Network].

Q. Mr. President, you were meeting, I believe, this morning with Secretary -- --

The President. Last two. Really, these are the last two. And then we've got Secretary Cohen, who's going to go into all the technical details on the question of South Africa and, I might say parenthetically, who has done a superb job himself on handling South Africa. He wasn't there the other day when we had our ceremony honoring those who helped with the question of Ethiopia. Not only is he interested in the Horn, the south of this, but he's done a great job on all these African questions -- Angola and many others. So, I hope you will save some of these technical ones for him.

Charles, and then we're going to end here.

Military Base Closings

Q. You met, I believe this morning, with Secretary Cheney to discuss base closings. Have you signed off on that? He's called it a good package.

The President. Yes, I signed the letter to the Commission and I signed the forwarding of the Commission report with a total acceptance of the Commission report -- signed the transmittal of that, if you will, to the United States Congress.

Q. Is it enough? Would you like to see it go further?

The President. No, I think for now it's proper. I think they did their work without any reference to politics. Anytime you close a base someplace you're going to have people in that district or that State raise cain about it. And I can understand that.

But this commission has served without political motivation; and the report, I am satisfied, is without political bias or motivation. So, I sent the committee forward largely based on the enthusiastic acceptance, obviously, of the Pentagon on this, because it comes under the heading of their business and gets into what I was talking about yesterday, the need for a balanced and structured force with less money being spent on it.

Iraq

Q. The Iraq situation is still a bee in your bonnet here. Six months after the war, Saddam Hussein is still making trouble. It's not the same kind of trouble, but it is still a problem. What's your attitude now about dealing with this outlaw you've surrounded? Is he going to be trouble for you now for a long time to come? How do you approach this? Do you reason with him all of a sudden, after having caught him? What's your feeling about it?

The President. No. No, I don't see any room to reason with him as long as he is in violation of any of these -- I'll put it this way -- as long as any of the United Nations sanctions remain unfulfilled. And even beyond that, I don't think, given his total lack of any kind of -- put it this way -- I don't think that his behavior merits any kind of formal treatment by the United States, or informal treatment. We cannot have normal relations with Iraq -- normal relations -- as long as this man is in power.

And for my part, I want to see the economic sanctions kept on. I keep going back to the ``let sanctions work'' -- do you remember that cry? If we had let sanctions work back there, we would have had the coalition fall apart and the main objective would have been totally unmet. That man would still be sitting in Kuwait and would have been threatening further -- who knows what he would have been doing to Saudi Arabia? So, he's still there. And he's there with a bloodier hand. And we will not have normal relations as long as he's there. But we are determined to continue to work through the United Nations to see these resolutions fulfilled.

And let me add another one, because I now sense a little hue and cry going up in some quarters about food and medicine. The United Nations resolutions provide for being able to ship food and medicine into this country. What it doesn't provide for is having food shipped in there and then sent off to the Baath Party cadres up in Tikrit. It doesn't provide for taking the food out of the mouths of the hungry children or the medicine away from the people and giving it to the army. And once again, this whole diversion is another reason that I feel as strongly as I do that there will not be normal relations with Saddam Hussein ever again.

But again, I'd like to repeat what I said before the war started: Our argument is not with the people of Iraq. It's not even with other leaders in Iraq. We'd be perfectly willing to give the military another chance, provided Saddam Hussein was out of there and representations were made to the rest of the world as their willingness to abide by these U.N. resolutions and play by international law. But they're not willing -- under Saddam Hussein, it is most unlikely that any

will ever believe him if he says that.

So, that's where we are. And I'm very concerned about it. And I still feel, as I said at a question yesterday, that certainly setting back that aggression on itself -- the objective, the main objective of the United Nations was worth it. But there are these residual problems that concern me, of course.

Thank you all very, very much.

Note: The President's 88th news conference began at 12:02 p.m. in the Briefing Room at the White House. In the news conference, the following persons were referred to: Nelson Mandela, head of the African National Congress; Mangosuthu Gatsha Buthelezi, chief minister of South Africa's KwaZulu Homeland and leader of the Inkatha Freedom Party; Herman J. Cohen, Assistant Secretary of State for African Affairs; Alan D. Fiers, Jr., former director of the Central Intelligence Agency's covert operations in Central America; Clair E. George, former CIA deputy director for operations; William J. Casey, former Director of the CIA; President Saddam Hussein of Iraq; Prime Minister Brian Mulroney of Canada; and President Mohammed Hosni Mubarak of Egypt.

Executive Order 12769 -- Implementation of Section 311(a) of the Comprehensive Anti-Apartheid Act

July 10, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Comprehensive Anti-Apartheid Act of 1986 (Public Law 99 - 440), as amended (``the Act''), and section 301 of title 3 of the United States Code, and having concluded that the Government of South Africa has taken all of the steps specified in section 311(a) of the Act, and, therefore, that title III and sections 501(c) and 504(b) of the Act have terminated, it is hereby ordered as follows:

Section 1. Implementation of Section 311(a) of the Act. All affected executive departments and agencies shall immediately take all steps necessary, consistent with the Constitution, to implement the termination of those sanctions which were imposed by title III and sections 501(c) and 504(b) of the Act.

Sec. 2. Status of Prior Executive Order. Except as superseded by section 1 of this order, Executive Order No. 12571 of October 27, 1986, ``Implementation of the Comprehensive Anti-Apartheid Act,'' shall remain in effect. Pursuant to this order, the Inter-Agency Coordinating Committee established by section 12 of that order shall monitor the termination of those sanctions which were imposed by title III and sections 501(c) and 504(b) of the Act.

Sec. 3. Actions Taken and Proceedings Pending. This order shall not affect any action taken or proceeding pending and not finally concluded or determined on the effective date of this order, or any action or proceeding based on any act committed prior to the effective date of this order, or any rights and duties that matured or penalties that were incurred prior to the effective date of this order.

Sec. 4. Revocation. Executive Order No. 12532 of September 9, 1985, and Executive Order No. 12535 of October 1, 1985, which lapsed on September 9, 1987, pursuant to the provisions of sections 1622(d) and 1701 of title 50 of the United States Code are hereby revoked.

Sec. 5. Effective Date. This order shall be effective immediately.

George Bush

The White House,

July 10, 1991.

[Filed with the Office of the Federal Register, 2:54 p.m., July 10, 1991]

Message to the Congress Transmitting the Defense Base Closure and Realignment Commission Report

July 10, 1991

To the Congress of the United States:

I transmit herewith the report of the Defense Base Closure and Realignment Commission pursuant to section 2903 of Public Law 101 - 510; 104 Stat. 1810, accompanied by the Commission's errata sheet submitted to me on July 9, 1991.

I also hereby certify that I approve all the recommendations contained in the Commission's report.

George Bush

The White House,

July 10, 1991.

Remarks at the White House Conference on Library and Information Services

July 10, 1991

Thank you all very much for that welcome, and may I thank our marvelous band over there who brought us the music. What a job they always do. And may I, at the outset of these comments, thank those who have served and worked so hard to make this successful event a reality -- Charles Reid, the Chairman of the White House Conference -- [applause]. I'm glad his family's out there. [Laughter] Richard Akeroyd, the Cochairman; and Jean Curtis, Joseph Fitzsimmons, and all the rest of you out there who have participated in this very active and, I am told, successful conference. And welcome to all the State delegates out there.

First, let me say I am delighted to be here. I just checked in with the boss of the East Wing of the White House -- that is Barbara Pierce Bush -- [laughter] -- and she was just so pleased with the response, and she is so intimately involved in the work of all of you, but of many of you specifically in this room. And I just wanted to say that I appreciate very much your kindness and courtesy to her.

Since Presidents seem to get their own libraries -- [laughter] -- goes with the territory -- it's nice not to worry that one of you will try to collect my overdue fines. [Laughter]

I'm proud of our country's libraries. And you know, a member of my family wrote a book that's available in most of them. Ironically, Millie is not allowed to get a library card. [Laughter] And there's a great injustice and discrimination out there. [Laughter] Incidentally, that book -- it just shows you the power of books. That book, which was written to benefit Barbara's educational foundation -- maybe she mentioned it this morning, I don't know -- but it is raised for that educational cause over $1,100,000. It shows you the power of books and the power of what can happen. And I know you all understand what I mean by that.

You know, Franklin Delano Roosevelt once gave his son James some advice that I've always tried to follow; sometimes I fail. To give a good speech, he said, you must ``be sincere, you must be brief, and be seated." [Laughter] Well, I promise to do all three, not because I'm not enthralled with the work of the conference but because tomorrow Barbara and I leave for Maine, where I will be receiving the Japanese Prime Minister -- [applause] -- Kennebunkport contingent over here -- [laughter] -- and receive the Japanese Prime Minister and then go on -- we both head abroad for the G - 7 meeting and then on to Greece and Turkey. So, you've caught us at the beginning or at the end of a busy week, and the beginning of another one.

But I am glad to be here with you today, because this magnificent event builds upon years of hard work. And let's face it: the world has changed dramatically since the last White House Conference on Library and Information Services. The thirst for freedom has swept aside the

acceptance of tyranny. New and amazing technologies have made ideas accessible to everyone. Books, faxes, computer disks, television broadcasts have simply shattered the reign of ignorance and created a whole new world of enterprise, competition, and with it, intellectual growth.

So, you have come together from across this land to honor a common, exciting dream, the dream of making this the greatest nation that it can possibly be.

Your poster captures beautifully the essence of this challenge. The background picture of the world emphasizes the fact that we now live in a world united by information highways and joined in productive competition. The three photographs superimposed over that globe represent your three goals: literacy, productivity, and democracy. An open book, surrounded by other books, reminds us that the quest for the future begins with literacy. And again, with great pride, Barbara has joined many of you, and she has devoted a great deal of time to this fundamental and important cause because, you see, she knows and you all know better than most Americans that to open a book is to open the doors of opportunity. Illiteracy bars those doors, and it wastes our most precious resource, our minds.

Second on your poster is a photo of a computer keyboard. Now, I can talk about computers now. [Laughter] Marginally qualified to talk about computers now. [Laughter] But seriously, part of our education America 2000 strategy is that nobody is too old to learn, and I think it's a very important concept. So, a couple of months ago I decided to keep up with our grandchildren, not just in Nintendo, but I mean in trying to learn how to run one of these things. So, I started taking lessons. And it's amazing, youngsters understand the technology upon which our future rests, and we've got to rush to catch up with them.

Technology can make us more productive as a society, and information technology arms us with unprecedented power. Our kids will need high-tech skills to compete in the global marketplace of the 21st century. And we already know they have the character: we've seen them create a computer industry out of virtually nothing. And in the Gulf, we've seen them turn these sophisticated weapons into not what some would want us have believe are totally tools of destruction, in this instance, tools of liberation. And if we want to let our national spirit soar, we must cultivate ideas and knowledge. Perhaps no one will play a bigger role in setting the American spirit aloft than the very people in this room.

You will help us explore and conquer a new electronic frontier. Already, these fiber optic cables carry billions of pieces of information in a wire as thin as a strand of hair. Satellite systems beam information around the world. Computers combine music and video and text for interactive teaching systems, opening up whole new horizons for our fantastic teachers all across this country. And as I look at this, and I expect as you look at it, we recognize that this is just a beginning.

The administration's high performance computing and communications initiative proposes

developing a national information network. Now, this network would offer high-speed computing capabilities to research and educational institutions. And it also would give experts the experience necessary to develop a broader, privately-operated national information network. Such an infrastructure would allow all Americans to share quality information and entertainment when and where they want, and at a reasonable cost.

This amazing beginning equips us to take on the challenge of democracy, symbolized again in your poster by our Constitution. Thomas Jefferson once wrote, ``A democratic society depends upon an informed and educated citizenry." Jefferson knew that education is not a trivia game, a contest to acquire little scraps of data. A sound education informs our passion and protects our values and instills respect for the truth. Information is democracy's greatest and surest weapon and our world's greatest and surest hope.

I expect -- well, put it this way -- I know that you don't often get credit as revolutionaries. Too often, people think of the library and information science professionals as people who go around saying, ``Shhhhhh!" -- do that for a living. But in fact -- and this is the way we look at it in the Bush family, and I say family advisedly -- Barbara is my anchor to windward in all of this -- you preserve democracy's greatest resource, the ideas that have helped reshape an entire world.

Earlier this year -- and I hope all are familiar with it -- we introduced a new education strategy. America 2000 we call it. America 2000 isn't another slogan, wrap-around some proposed legislation. America 2000 calls for a revolution in American education. It challenges all Americans to raise expectations, to pledge genuine accountability, and above all, to create a new generation of American schools. And when we say ``new generation," we're not just talking about putting a coating of paint on an old way of educating; we're talking about really a revolution in American schools. It sets out to transform a nation at risk into a nation of students. And it urges everyone to make our communities places where learning will happen.

Libraries and information services stand at the center of this revolution. And today, our more than 15,000 public libraries serve nearly 70 percent of our population, they loan 1.3 billion items each year, and they use less than 1 percent of our tax dollars. I think you'll agree, that is quite a bargain. Our libraries serve as the schoolrooms for lifetime learning and the launching pads for our future.

All of you involved with this conference have made an invaluable contribution to the progress of American life. And so, I look forward to receiving your policy recommendations, and I am committed to working with you to improve our libraries and information networks and to carry America 2000 forward.

J. Robert Oppenheimer said it beautifully: ``The unrestricted access to knowledge may make a vast, complex, ever more specialized and expert technological world -- nevertheless a world of human community."

So together, I think we will ensure an America of the greatest technological and human success. The potential is limitless. And this is an exciting time to be alive, and I can tell you, I view it as a fantastically exciting time in our history to have the honor of being President of the United States.

So, thank you all very much for your part in shaping the future. I don't think you can be a President and live in that magnificent house down the road there without thinking about the future. And to do that, we have to count our blessings for the past. We have to count our blessings for what we call a Thousand Points of Light as well, and that is men and women -- a volunteer commitment, getting out there and helping others and setting standards that the rest of the world admires and respects. And that is where each and every one of you come in.

Thank you, and may God bless the United States of America. Thank you very much.

Note: The President spoke at 1:50 p.m. in Hall A of the Washington Convention Center. In his remarks, he referred to Jean Curtis, executive director of the White House Conference on Library and Information Services; Richard Akeroyd, vice chairman of the White House Advisory Committee on the White House Conference on Library and Information Services; and Prime Minister Toshiki Kaifu of Japan.

Letter to Congressional Leaders on the Redeployment of United States Armed Forces That Served in the Persian Gulf

July 10, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to the provisions of section 108 of the Operation Desert Shield/Desert Storm Supplemental Appropriations Act, 1991 (Public Law 102 - 28; 105 Stat. 166), I transmit herewith classified and unclassified reports on the redeployment of the forces of the Armed Forces of the United States that were deployed in the Persian Gulf area in connection with Operation Desert Storm.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Proclamation 6314 -- Lyme Disease Awareness Week, 1991

July 10, 1991

By the President of the United States

of America

A Proclamation

Lyme disease is a potentially debilitating bacterial infection, transmitted to humans by the bite of a very small tick, that merits the attention of all Americans. These ticks -- which frequently appear to be no larger than a freckle -- feed primarily on deer, but other hosts may include horses, dogs, cats, birds, and cattle. Although most cases are concentrated in the coastal Northeast, Wisconsin, Minnesota, northern California, and Oregon, Lyme disease has been reported in nearly all States, and the number of recorded cases has been increasing each year.

Fortunately, however, most persons with Lyme disease respond well to prompt treatment with antibiotics if the infection is detected early. Early symptoms of the disease may include a red, bull's-eye-shaped rash at the site of a tick bite, headache, fever, joint pain, and fatigue. Later symptoms may mimic those of arthritis and/or brain, nerve, and heart disease. If left untreated, Lyme disease can seriously damage the skin, joints, heart, and nervous system.

Because Lyme disease can pose a significant health threat, and because no completely reliable test for detection of the infection has been developed, prevention is very important. Hikers, outdoor workers, and other individuals who enter wooded, tick-infested areas should take precautions to avoid being bitten by the deer tick. These include staying away from long grass or brush, covering up well with light-colored slacks and long-sleeved shirts, using tick repellents, and carefully examining oneself afterwards for ticks.

In the Federal Government, physicians and scientists are working together with their colleagues and other concerned individuals in the private sector to advance research on Lyme disease and to promote public awareness of this complex and potentially dangerous infection.

In support of those efforts, the Congress, by House Joint Resolution 138, has designated the week beginning July 21, 1991, as ``Lyme Disease Awareness Week'' and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week beginning July 21, 1991, as Lyme Disease Awareness Week. I encourage all Americans

to observe this week with appropriate programs and activities to increase their knowledge of Lyme disease.

In Witness Whereof, I have hereunto set my hand this tenth day of July, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:09 a.m., July 11, 1991]

Remarks Announcing the Nomination of Alan Greenspan To Be a Member and Chairman of the Board of Governors of the Federal Reserve System and a News Conference

July 10, 1991

The President. Just to top the day with a very important announcement, I want to say that it is my intention to send, as soon as possible, to the Senate my intention to reappoint Chairman Greenspan as Chairman of the Federal Reserve, and also nominating him to another term as a Governor of the Federal Reserve.

I, of course, would encourage the Senate to move as quickly as possible on this important nomination. The respect that Alan Greenspan has around the world and in this country, particularly in the financial marketplaces, is unparalleled. And it gives me great pleasure to move forward at this time, quite a bit in advance of the expiration of the term, but nevertheless, I think, most appropriately, to ask him to serve.

And you know, it's not a one-way street. This is a very complicated job. It is a time-consuming job. It's a job of great pressure. And I'm extraordinarily grateful to Chairman Greenspan for being willing to undertake another term as Chairman of the Fed. He has done an outstanding job. Every place I go abroad, I get the same reports and the same vote of confidence that I get here; from the central bankers abroad, from the finance ministers abroad, as well as from the heads of state and government.

So, this country is very fortunate to have the important affairs of the Federal Reserve Bank in Alan Greenspan's hands, and I am very grateful that he is willing to continue in this most important job.

And so, Alan, my thanks to you, sir, for your service to your country, and the mike is all yours.

The Chairman. I thank you very much, Mr. President. It's certainly been an honor to serve as Chairman of the Federal Reserve under your Presidency. And hopefully, if the Senate sees fit to find my credentials appropriate, I look forward to another 4 years of what is really, for an economist, the most interesting job that there is in government.

Needless to say, the last 4 years have been rather extraordinary, and I suspect that the next 4 years will have as many surprises as the last 4.

Again, let me thank you very much, Mr. President. It has certainly been an honor to work with

you.

Economy

Q. What does this portend for the economy? Do you think we're really coming out of the recession now?

The Chairman. Helen [Helen Thomas, United Press International], I think the evidence is increasing week by week that the bottom is passed and the economy is beginning to move up. We still do not yet know how rapid the recovery is, or the underlying strength of it, but I think it's a pretty safe bet at this stage to conclude that the decline is behind us and the outlook is continuing to improve.

Q. Mr. President, what kind of signal do you hope that this reappointment sends to the financial markets, which have been a little apprehensive about this and waiting for decision for some time?

The President. Well, I don't think they've been apprehensive in any way other than hoping that this would take place. So, I think it will -- to the degree markets have been gittery in anticipation, which I don't think has been the case, this certainly should be a reassuring signal to not only domestic but to world markets because of the respect level that I alluded to before.

Chairman Greenspan

Q. Mr. President, did Chairman Greenspan, in effect, save his job with these interest cuts early this year?

The President. No, his job wasn't in jeopardy. The Fed is an independent -- sometimes very independent organization over there, and he's got to lead that important enterprise the way he sees fit. I think we both understand that the growing economy is a good thing. And certainly, our administration is committed to that. But I see nothing in anything that the Chairman has done that would indicate that he doesn't agree with that. He's been a fierce fighter against inflation, but I think he also is as strongly committed to growth, not just for what that means to jobs and everything in America but what it means internationally. We cannot have a global economy that is stagnant.

Q. -- -- a factor in your decision, sir?

The President. No, just overall excellence was the factor in this decision.

Economy

Q. A question for Chairman Greenspan. With unemployment hovering around 7 percent, do you

think there's room to ease interest rates a little bit to spur the economy?

The Chairman. I think you know me well enough, Mik, [Jim Miklaszewski, NBC News] that that is not a question that I'm about to answer. I think that what we committed to do, and I've said this innumerable times before the Congress in the various sessions that we've been at, is to try to maintain the maximum long-term sustainable economic growth that is possible. And that we hope that the basic policies which we engage in will implement that. And as I've said innumerable times before the Congress, that trying to keep the inflation under control is a necessary condition to maximizing economic growth and employment, and keeping the unemployment rate as low a feasible level as one can conceive.

Q. Are you satisfied with all the current conditions: inflation, unemployment, growth?

The Chairman. I'm never satisfied with the state of conditions. We always have something out of balance which requires redressing and hopefully we will work in that direction to do what is required.

Q. Mr. President, I wonder if you'd take that question. Do you feel, given the favorable economic data we've seen in recent weeks that there's room for further easing of the money supply?

The President. I don't get into that public -- I thought he gave a brilliant answer in saying he wouldn't answer it. [Laughter]

Q. Mr. President, some of your advisers have suggested that the Fed is not allowing the money supply to grow fast enough to assure the kind of growth that they would like to see. You majored in economics in college, do you agree with that? [Laughter]

The President. Having majored in economics at Yale, why, I'm probably the least-well qualified to comment on that of anybody. But, look, I can't say what level of where -- within these cones of targets that the Fed should operate; that's not my job. My job is to be concerned overall about the economy. I've expressed my interest in lower rates from time to time. I think the Chairman has expressed his interest in seeing a growing economy, so I'd have to leave it real general.

And I would not be standing here next to Chairman Greenspan, and for this assignment, if I didn't have full confidence. That isn't to say that you're never going to have differences between an administration and the Fed. But I think as you look back historically, you'll find that there has been far more compatibility and congeniality in terms of outlook between the Fed Chairman and our Secretary of the Treasury, our economic advisers here. And I can't say there have never been differences of how we look at a problem. My view is to keep the interest rates as low as possible without getting inflation out of control, and to see this country grow. And it is very important to our economic program and to the world, it seems to me, the opportunities for people around the world, to see a growing world economy. And I'm satisfied that in a broad sense Chairman

Greenspan shares those goals.

Then I got two more, and then I'm leaving. Once, twice -- --

Q. Mr. President, when you announced your bank reform act to the holding companies, you have said that they had an obligation to the banks, that is, to make credit available when interest rates came down. And some of the manufacturers have said that that's just not happening. What are you going to do, and what is the Fed going to do to try to stimulate that?

The President. Well, I will say, again, good banks should make good loans. And there are some problems. There have been some problems in the banking system. I think there's some indication that the banks are doing better now. Certainly, if you take a look at the Stock Exchange, the way some of the bank stocks have reacted, I think you'll see reason for the public saying, hey, there's room for a little optimism here. But I still feel that good banks should be making more good loans. Some have taken the lower -- the differential on interest rates and used it to improve their balance sheets, and that's a highly technical point, but it's an important one.

And we can't dictate to the private sector what they ought to do. But if we do our fiscal job right here, if we keep the lid on that spending as best we can by fully seeing that Congress and ourselves stay with this budget agreement that was so controversial a year ago, then I think we are doing our part in providing a climate in which these banks can prosper and in which these banks can then start doing what I'd like to see them do as soon as feasible -- good loans made by sound banks.

And so, I'm a little more optimistic on this question of banks because it does look like people are -- the market is saying, wait a minute, they may have turned a corner here. Having said that, there may still be some problems out there. But it's predicated on a growing economy, the success -- the continuation of improvement, in my view.

Banking Reform

Q. A followup on this, sir? Seeking the spread to the bottom line, though, doesn't achieve what you wanted. And I'm wondering if you will keep your implicit suggestion that your lobbying for the bank reform act or the Brady bank reform act, as you call it -- --

The President. Absolutely.

Q. -- -- is contingent upon the availability of credit.

The President. No, my lobbying for it is unconnected to the availability of credit. I think we need reform. And Nick Brady's done a great job bringing that to the attention of the Congress. We're getting bipartisan cooperation on many facets of that bill. So, I don't think the two should be

linked. I mean, I really think that banking reform can stand on its own strong two feet. And it has some regulatory changes. It has some changes in what banks are permitted to do.

And so, I remain -- I'm glad you brought it up because we are firmly committed to the banking reform legislation. We've had the leaders of the Congress down to tell them that. And perhaps I haven't been quite as visible or as vocal on this as I feel I should be because of the press of other problems. But it's most appropriate it's raised at this meeting here, and we are committed.

Abortion

Q. I just want to see if we could get you to expand a little bit on your comments earlier today on being willing to consider a compromise on the abortion counseling regulation?

The President. No, you can't get me to expand on it.

Q. Just tell us whether you have been concerned by arguments that it could interfere with the doctor-patient relationship?

The President. No, I can't help you at all except to say that -- stories this morning -- if there is a chance to work out something, I'd be glad to do it. But I also pointed out I am not going to -- I ought not to be asked to violate my fundamental positions on this whole question of abortion and Federal funding and the exceptions and all of that. I am not going to change the position. But if there's some language as it relates to some regulation that can be resolved, why, so be it. So much the better.

We've got enough contentious items out there that divide this country, and I want to see the country come together. And in this whole question, somebody I -- I don't think I responded to it early on about the ``big tent'' theory that Atwater propounded -- of course, I feel that way. We've got people in our party that differ on this issue, and the Democrats have plenty of people in their party that differ on this issue.

So, if there's room for some compromise or some accommodation on a regulation, without asking me to fundamentally change my convictions on this question, so be it. And we ought to try to resolve that. But I don't know whether it's possible. I've had some interesting talks with Senator Chafee and others who are trying to get actually two vehicles, as I understand. One is an HHS appropriations -- --

The Chief of Staff. Labor-HHS appropriation.

The President. Labor-HHS. And the other is a free-standing legislation approach by Senator Chafee to try to work something out.

So of course, I'd like to see accommodation. But I am not going to change my fundamental position on this issue that for me is a very moral issue. And I understand when people -- Republicans differ with me. And I understand when Democrats that feel as I do agree with me. So, let's try to keep the tent broad. Let's try to reduce the numbers of contentious fights we have in this country and bring the country together. But I am not going to change my fundamental position.

Thank you all very, very much.

Q. In the debate you had said you had not sorted out the penalties -- --

Q. Mr. Greenspan?

Q. -- -- growing pressure for higher interest rates -- --

The President. Do you want any more or do you -- they'll keep you all day. This crowd is outrageous. They'll keep you all day long. Especially Helen Thomas, who knows that I cleared that question up years ago. But anyway -- --

Q. No, you didn't.

The President. What are your views on abortion?

The Chairman. I'll give them. I can talk about tennis all day.

Q. How about abortion?

Q. Chairman Greenspan, please.

The Chairman. I've got a couple of minutes. I've got to go.

Economy

Q. How do you view the growing pressure in Germany towards higher interest rates? And do you think we can combat -- if interest rates rise in Germany, can we combat that from coming into our system and causing our interest rates to climb at a time when we are trying to recover?

The Chairman. Well, remember that because exchange rates are free to move to the extent that there are pressures that would occur by changes in interest rates in any country, they need not impact on interest rates in the United States because whatever forces are moving are likely to be absorbed in a change in exchange rates rather than interest rates.

Q. So, you're not concerned about any -- --

The Chairman. Well, obviously, I am monitoring and am in continuous contact -- we're monitoring the International Monetary System, and I am in continuous contact with my colleagues abroad, especially the president of the Bundesbank. And we coordinate policies in the manner which, in our judgment, minimize the international repercussions that could occur from policies that either one of us tends to take.

Q. The differentials right now are okay?

The Chairman. I would just as soon not discuss that because that implies what policies might or might not be taken by the Federal Reserve or the Bundesbank, so I would like to back off.

Q. Chairman, do you see any signs of inflation reemerging from any sources as this recovery gets underway? Do you spot anything like that in the data?

The Chairman. Not yet. In other words, the one element in the outlook which I find encouraging is that we've come to a point where inflationary pressures are really very muted. That's not to say we should not be concerned about their being reignited at some point, but really examining the existing state of data gives one some confidence that inflation is well-contained at this stage.

I can do one more question, then I've got to run.

Thank you very much ladies and gentlemen.

Q. What are you going to do differently in your next term?

The Chairman. I haven't a clue. [Laughter]

Note: The President's 89th news conference began at 5:56 p.m. in the Briefing Room at the White House.

Remarks Prior to a Meeting With Foreign Minister Aleksandr Bessmertnykh of the Soviet Union

July 11, 1991

The President. Someday I want to get Mikhail up there to the seashore. I think he would enjoy that. In the summer; the winter is hell -- it's cold.

But, again, my sincere thanks to both of you for making this trip. I know it is an inconvenience. You did it on very, very short notice, and I think it demonstrates President Gorbachev's interest, your interest, Moiseyev's interest in reaching accord on START, which is important to both our countries. But thank you very, very much for coming.

And I think the American people see this as a significant step of principle by the Soviet Union. I want to encourage that view because that is exactly what it is, on very short notice, to come here to try to work out these details.

Foreign Minister Bessmertnykh. We very much appreciate this opportunity to share the views and positions on the remaining issues of the START. And President Gorbachev has sent you a letter on this issue -- helpful. So we shall develop with the Secretary, I think, the final stage of the treaty. There is a chance that both sides will come -- we'll try together. I think -- --

The President. We'll see how we do on it. I still remain convinced that it is in our interest -- I am just thinking now of the United States -- to have a meeting with President Gorbachev in the Soviet Union, in Moscow, because there are so many issues -- other issues that we need to discuss, too. But we've all set this one as kind of a sine qua non, so I hope we can get it resolved.

Foreign Minister Bessmertnykh. Yes.

The President. Will you please extend my best wishes and say that -- I know I speak for others that will be at the Economic Summit in saying we are delighted he is coming there. And I just -- I think it will go well. We all remain committed to the dramatic changes that you have undertaken there and the reforms. So, we'll see where that goes. And I'm sorry I won't be here all day long to work with you on this. Some of it is so technical we've got to rely on the experts.

Foreign Minister Bessmertnykh. Yes.

The President. I'm not overlooking you, but -- -- [laughter].

Foreign Minister Bessmertnykh. I understand.

Q. Mr. Foreign Minister, Secretary Baker said yesterday that the U.S. is hoping you are coming here with answers to the very concrete proposal tabled in Geneva. Do you have those answers?

Foreign Minister Bessmertnykh. In Geneva, we have made definite progress on both sides. We have moved on certain positions, but still there are three major technical things to overcome. And we have some ideas from the United States and we have brought some of our ideas, so we'll try to merge them. And I hope that we shall have a productive discussion.

Q. What do you think the chances are that you will be able to break those problems at this meeting?

Foreign Minister Bessmertnykh. Well, I am hopeful. We'll try. We'll try.

The President. The man is looking for odds. We don't give odds in the Oval Office. [Laughter] It's like handicapping a horse race. Can't give it to you, Norm [Norm Sandler, United Press International]. Nice try, though.

Note: The President spoke at 7:35 a.m. in the Oval Office at the White House. In his remarks, he referred to President Mikhail S. Gorbachev of the Soviet Union and Chief of the Soviet General Staff Mikhail A. Moiseyev.

News Conference of President Bush and Prime Minister Toshiki Kaifu of Japan in Kennebunkport, Maine

July 11, 1991

The President. May I just say at the beginning how pleased Barbara and I are to have the Kaifus -- the Prime Minister of Japan here at Maine. We've begun our talks. And thus, we haven't covered every topic, but one thing that I do want to say up front is that I was very pleased to firmly accept his very generous invitation to come to Japan, and I plan to do that -- we'll work out the exact dates -- but sometime near the end of November. But it is a firm invitation and a firm acceptance, and I'm looking forward to it very much.

Again, Mr. Prime Minister, welcome. Did you want to have an opening?

The Prime Minister. Mr. President, thank you very much for those kind words of yours. I am most grateful that, in spite of the very recent meeting that we had only in past April in California, you've been kind enough to also receive me again here in Kennebunkport in your summer house, in a very family-like atmosphere, with my wife as well. And thank you so much for that.

We've been discussing various matters, and I'm most satisfied with the talks that we've been having. I also would like to thank you for promising to visit Japan later this year. And together with the entire Japanese nation, I'll be looking forward to your visit to Japan.

Japan-U.S. Relations

Q. Mr. President, did the Prime Minister bring a check along? And have you solved the rice problem? And do you think that there's a growing anti-Japanese sentiment in this country?

The President. I can handle this one. Before I answer the question may I say that I predicted with 100-percent accuracy who would ask the first question and what it would be. [Laughter]

Q. Sorry.

The President. On the question of the Gulf, I believe that matter is totally resolved. I think Japan's total contribution has been way up there -- what's -- something like $9 billion. And any differences that might have existed between the United States have been resolved, and we will brief that to the United States Congress.

On the question of rice and agricultural generally, we've just determined to keep working on that. There are differences, no question about that. But we both agree that a successful conclusion of the Uruguay round, particularly shooting for the end of the year or early next year, is vital. So, we

will keep working the rice question and the other questions. There are four main areas in trade: agriculture, market access, and a couple of others. And I think we'll keep working those, not just with Japan but with Europe. We've got some big problems with Europe. I'm satisfied we can work them out.

And on the third part of that question, I don't know too much about how matters are in Japan today, and that's one of the reasons I'm very anxious to go to Japan. And very candidly, there may be some elements there of anti-American feeling, and I can't deny that some elements in this country appear to want to bash Japan, to use a common expression.

I think Japan has been a good partner in many, many ways. And we have a strong bilateral relationship that I believe this visit will enhance even further. To those in either country that might harbor concerns about the other, let me simply say this relationship is big, it's broad, it's strong. It transcends any one issue or another. And I salute the Prime Minister for his part in strengthening this bilateral relationship that I feel so strongly about. It is critical.

And the United States has broad interests in Asia, and Japan has broad interests, as one that's helped us enormously in South America. And so, where there are differences they are outweighed by the common ground that we share and the common objectives that we share.

Would you, Mr. Prime Minister, do you want to -- it's a very important question. Would you be interested in saying anything? If not, we'll go to the next question.

The Prime Minister. Let me also respond to those questions very briefly. First of all, from the very beginning, Japan has been cooperating in the context of activities to recover peace in the Gulf area, and to date, we submitted to the Diet, the Japanese Parliament, a bill for appropriating such contributions. We asked the Japanese people to accept a tax increase for that purpose. And as a result, we expended a total of more than $10 billion.

I explained this to the President during our meeting today, and he kindly understood that point and he was kind enough to say that he appreciated these Japanese contributions.

As regards the rice issue, I explained to the President that the Japanese position and the efforts we've been making and will be making with the determination that the Uruguay round must come to a successful conclusion, and we agreed that the difficulties that all of us have respectively, the difficulties for the United States or for Japan and the European communities, must be discussed and resolved in the process of the Uruguay round negotiations.

We believe that Japan-U.S. relations go far beyond just these individual problems like the Uruguay round negotiations. In the London economic summit meeting that will be held just in a few days, we'll have to discuss how we're going to address the question of support for the Soviet Union or the major issues that exist in the Asia-Pacific region. And there's also the Latin

American question which President Bush just referred to, as well as our response to the East European situation. There are numerous problems that are common to all of us, and we have come to agreements on many of those issues as well.

Let me say one last thing. When it comes to Japan-U.S. relations, we believe that instead of bashing each other we should be basking together, looking ahead in the same direction. And to enable us to do that, we should be engaged in joint efforts.

The President. Have you got one for the Prime Minister?

West-Soviet Relations

Q. Mr. Prime Minister, both of you are about to meet Soviet President Gorbachev. I believe both of you have received a long letter from him. Some people suggest that Mr. Gorbachev is racing ahead to settle a START agreement so that he can get some economic benefits from the West. Is that true?

The Prime Minister. Well, my views are that, to the extent the correct orientation of perestroika continues or sustains, then the West should support the Soviets. And regarding what would be necessary in that respect, we had discussion last year at the Houston summit meeting, and following that summit meeting there was a survey conducted by IMF and three other international institutions which produced a report.

We today, have been providing the maximum possible technical support for the Soviets, and we shall try and give support to them so that the Soviet Union will become a member of the international community, sharing the same orientation with us.

The President. May I add on that that I agree with the Prime Minister's approach there, and there is no linkage of the nature you asked about between conclusion of a START agreement and economic aid to the Soviet Union. They're simply not linked. They're both important; each is important in its own right. We will be addressing the economic situation in a multilateral way at the G - 7.

But the START agreement, there's not truth to the matter that he's speeding up START so he can get money or get economic benefit out of the G - 7 meeting -- none, no connection.

Central Intelligence Agency Director Nominee

Q. Mr. President, in view of new revelations that the CIA purposely misled Congress on the Iran-contra affair, the Senate Intelligence Committee voted unanimously this afternoon to indefinitely postpone hearings on the Gates nomination. Do you think that's justified? Are they going to find anything?

The President. One, I don't think that's what they did, and two, they ought to get on with the confirmation. I don't think you can accept some closed-door allegation that -- nothing that I understand involving Mr. Gates -- and suggest that hearings on this fine man should be delayed.

But it's not my understanding, Jim [Jim Miklaszewski, NBC News], that that's what they did.

Q. Well, as I understand it, they postponed the hearings which were to be next week.

The President. I thought they were going to have a -- let me get some help from Marlin. I've been in a meeting all day.

Mr. Fitzwater. I think they just delayed consideration until Monday on when it's going to start. They didn't reach any decisions -- --

Q. A followup to that, sir. You've been head of the CIA, you know how it works. Does it stretch credibility at all to believe that Gates' immediate superior and immediate subordinates knew what was going on and Mr. Gates did not?

The President. Doesn't stretch my credibility because I believe firmly in Bob Gates' word. And he's a man of total honor, and he should be confirmed as Director of Central Intelligence. And when you have behind-doors, closed-door allegations that nobody really knows anything about, I'm not sure where the fairness element comes in on that one, Jim.

That's domestic. Do you want -- do you need a translation?

A question for the Prime Minister, please.

Japan-U.S. Relations

Q. Mr. Prime Minister, there's a lot of interest in my part of the United States, in Texas, in a project called the supercollider, and I know that the United States Government has been seeking Japanese help in this project. First, did you discuss this at all with the President, and secondly, is Japan prepared or planning to make some substantial financial contribution to that project?

The Prime Minister. We did not discuss this issue of superconducting collider today, but in the past, I received explanation from President Bush about the U.S. position on this. And the Japanese Government has in the past received a request for cooperation from the United States.

There is growing awareness in Japan that this sort of thing, superconducting collider, is important for science and technology. And researchers in Japan are studying what sort of cooperation would be possible. However, I am not prepared today, here, to say what sort of financial cooperation is

possible. And I might add that scientific and technological research in Japan is being carried under difficult financial situations as well.

Q. Mr. President -- --

The President. Now, wait a minute. These guys haven't had any -- the Japanese press corps.

But let me say on the supercollider, we only got this far through our talking points and we've got this far to go -- supercollider is in here. [Laughter]

Q. Are you going to ask him for some funds?

The President. Toshiki, be careful. [Laughter]

I think -- we haven't heard from any of the Japanese press.

Japan-U.S. Relations and the Soviet Union

Q. The question was whether -- the question of intariffication was raised by the President with regard to the rice issue, and whether there was a discussion on financial support for the Soviet Union.

The Prime Minister. We did discuss the rice issue, as I mentioned earlier, but not in specifics. As I mentioned earlier, what we said was that we ought to deal with these difficult issues in the course of these Uruguay round negotiations, and that Japan would make its efforts to bring about a successful conclusion of the Uruguay round talks by the end of this year.

As regards support for the Soviets, we believe it is important to first sound out what are the wishes of the Soviets, and we would have to know more clearly what the economic state of that country is, the political situation is there, and so on. So, we've not said that we'll be giving financial support for that country.

The President. Time is running out. We're going to take one more for each of us, if that's agreeable to you, Mr. Prime Minister.

Q. Let me followup on that question regarding economic support for the Soviet Union. You mentioned the political situation or the political context. Now, there still remains the northern territories issue between Japan and the Soviet Union. Did you, Mr. Prime Minister, explain to the President that until the territorial issue is resolved, Japan will not be in a position to provide large-scale financial support, and were you able to have the President's understanding of that Japanese position?

The Prime Minister. First of all, when we say political context, in the first place, we believe that there must be a clear indication from the Soviets regarding their determination to adopt a market economy, and they also have to indicate to us their outlook of transformation into a market economy.

Of course, in this regard, what is most important is self-reliant efforts by the Soviets themselves. And both of us agreed that we would not spare our efforts in cooperating with them by providing technical support or knowledge or international support for them.

Secondly, they also have to make clear to us that they will be shifting their resources away from military to civilian purpose or civilian use. This is a matter that was discussed last year at the Houston summit meeting as well.

And the third point is in the context of international relations, Soviet perestroika, or that new-thinking diplomacy, will have to be applied more broadly across the globe. So, these are the points that comprise the political context which I mentioned.

Now, between Japan and the Soviet Union, I, myself, had a meeting with President Gorbachev recently and a joint declaration came out which recognized the primary importance of the efforts to sign a peace treaty through the resolution of the territorial issue, and that we should be accelerating our work for that purpose. And there is an awareness on both sides that it is important to expand our relations towards a better balance. This President Bush understood kindly and gave his support to.

The President. May I -- Toshiki, with your permission -- I'm in trouble because I recognized two different reporters. And if I might take these two that will end it, if that's agreeable.

Once. Twice.

International Trade

Q. Thank you, sir. I want to return to the issue of rice and the Japanese position on rice imports into their country. Does that make your job more difficult when you go to Europe and trying to get them to break down, to lower their barriers to American agricultural imports?

The President. Well, clearly, if we could get agreement on rice, it would facilitate the whole Uruguay round process. Having said that, there are things in our agricultural policy that cause some of our foreign friends difficulties. I'd cite the agricultural enhancement program. And some raise with us quotas that we have on various commodities. So, what we've got to do is lay all these things on the table and try to bring them to a conclusion, hopefully by the end of the year.

Associated Press -- Rita [Rita Beamish, Associated Press]?

Q. Mr. President, you received a long letter from Mr. Gorbachev this morning, as you said, and we're told that in it he outlined the presentation that he'll make to you and the other G - 7 leaders next week in London, and presumably, answering some of the specific concerns that you had before you were willing to make any pledges on economic assistance for the Soviet Union. Can you tell us whether, in fact, you feel, after looking at this, that you are satisfied enough that his reforms are proceeding and he has an adequate plan that you can pledge some assistance? And secondly, can you give us an idea of what, in fact, he's asking for? And is it a promise to demilitarize the economy and seek technical and other types of assistance?

Soviet Union

The President. It is true that President Gorbachev, in a spirit of openness and candor, conveyed a rather long document to the United States and to the other summit participants. Indeed, I handed a copy of that to Prime Minister Kaifu just up in the living room, up here during our discussions. And we left a copy -- gave a copy this morning, just chopped it off early for Secretary Baker.

Now for the bad news. I have not had a chance to read this entire document, nor be briefed on the entire document. It's working its way through our experts. Doug Paal is up here with us, and General Scowcroft, I believe, has had a chance to look at it briefly. But I'm just not in a position to comment on it, and respond to this penetrating and most appropriate question, because we have not reviewed it. But it's unlikely that it will have all those ingredients that you say -- that you asked about.

Rita, did that cover all those?

Q. Yes. If I could just followup, though. We've seen reports from Gorbachev and Soviet officials that they will promise to demilitarize the economy and to seek investment and technical assistance rather than some large cash donation. Just based on these preliminary reports, do you have a sense, though, that you will be able to come together and respond favorably to Gorbachev, what he's asking?

The President. Without full analysis, I'm confident we can come together. And I would identify myself with the remarks made by Prime Minister Kaifu a minute ago in terms of the common approach that we will be taking as we try to help and assist the Soviet Union.

So, that concludes the press conference. But, Toshiki, let me just say once again, we are very pleased you're here. And now I would like to invite you to go out in my boat, and we'll look at some of our natural resources, the seals. And for those who are staying at the Shawmut, we will come tearing by and give you a wave, and you can eat your hearts out.

Welcome.

Thank you very, very much.

Note: The President's 90th news conference began at 4:30 p.m. on the lawn of his residence at Walker's Point. The Prime Minister spoke in Japanese, and his remarks were translated by an interpreter. In the news conference, the following persons were referred to: the Prime Minister's wife, Sachiyo Kaifu; Robert M. Gates, Assistant to the President and Deputy for National Security Affairs, and nominee for Director of the Central Intelligence Agency; Marlin Fitzwater, Press Secretary for the President; Douglas H. Paal, Special Assistant to the President and Senior Director of Asian Affairs for the National Security Council; and Brent Scowcroft, Assistant to the President for National Security Affairs. Prior to the news conference, the President and the Prime Minister met privately in the residence. Later in the evening, the President and Mrs. Bush hosted a private dinner in their residence for the Prime Minister and Mrs. Kaifu.

Statement by Press Secretary Fitzwater on the Appointment of Ronald W. Roskens as a Deputy Coordinator for United States Assistance to Eastern Europe

July 11, 1991

The President today announced the appointment of AID Administrator Ronald W. Roskens as an additional Deputy Coordinator for U.S. Assistance to Eastern Europe. The Coordinator is Deputy Secretary of State Lawrence S. Eagleburger, and the two current Deputy Coordinators are Deputy Secretary of Treasury John Robson and Council of Economic Advisors Chairman Michael Boskin.

The Office of the Coordinator was created in December 1989 in connection with the Support for Eastern European Democracy (SEED) Act of that year to oversee the effective delivery of U.S. assistance and support to the economic reforms then being undertaken by Poland and Hungary. Since then, as political and economic reforms have spread to most of Eastern Europe, the SEED program and the work of the Coordinator has also been extended.

U.S. grant assistance for Central and Eastern Europe amounts to more than $1 billion for 1989 - 91, with an additional $470 million requested for FY 1992. AID is involved in the administration of most of this assistance and channels a substantial portion of it through the Enterprise Funds for Poland, Hungary, and Czechoslovakia, which are directed by private boards to finance enterprise development in these three countries.

Note: This statement was not received in time for publication in the appropriate issue.

Message to the Congress Transmitting the Reports on Implementation and Impact of Employer Sanctions

July 11, 1991

To the Congress of the United States:

I transmit herewith the first and second annual reports on implementation and impact of employer sanctions. These reports are required by section 402 of the Immigration Reform and Control Act of 1986 (Public Law 99 - 603; 8 U.S.C. 1324a note).

George Bush

The White House,

July 11, 1991.

Note: This message was not received in time for publication in the appropriate issue.

Nomination of John Giffen Weinmann for the Rank of Ambassador While Serving as Chief of Protocol for the White House

July 11, 1991

The President has announced his intention to appoint John Giffen Weinmann, of Louisiana, to be Chief of Protocol for the White House. He would succeed Joseph Verner Reed. In conjunction with this position, the President has announced his intention to nominate Mr. Weinmann for the rank of Ambassador while so serving.

Since 1989 Ambassador Weinmann has served as U.S. Ambassador to Finland. Prior to this, Ambassador Weinmann served as a member of the national finance committee for George Bush for President; and Louisiana State finance chairman for the George Bush for President/Louisiana Victory '88. He served as president and director for Waverly Oil Corp., 1979 - 1989. Ambassador Weinmann served as chairman of the board of Eason Oil Co., 1977; and director, 1961 - 1980. He has been involved in numerous professional and civic organizations.

Ambassador Weinmann graduated from Tulane University (B.A., 1950; and J.D., 1952). He was born August 29, 1928, in New Orleans, LA. Ambassador Weinmann served in the U.S. Naval Reserve. He is married, has five children, and resides in Metairie, LA.

Note: This nomination was not received in time for publication in the appropriate issue.

Nomination of Donald A. Laidlaw To Be a Deputy Under Secretary of Education

July 11, 1991

The President today announced his intention to nominate Donald A. Laidlaw, of New York, to be Deputy Under Secretary for Management at the Department of Education. He would succeed Thomas E. Anfinson.

Since 1982 Mr. Laidlaw has served as the IBM director of executive resources and development in Armonk, NY. Prior to this he held several positions at IBM, including: corporate director of executive resources, director of personnel for the data processing division, and director of personnel planning in data processing group headquarters.

Mr. Laidlaw graduated from St. Lawrence University (B.A., 1952). He was born September 21, 1930, in Ogdensburg, NY. Mr. Laidlaw served in the U.S. Army, 1952 - 1954. He is married, has three children, and resides in Chappaqua, NY.

Note: This nomination was not received in time for publication in the appropriate issue.

Nomination of Jill E. Kent To Be Chief Financial Officer at the Department of State

July 11, 1991

The President today announced his intention to nominate Jill E. Kent, of the District of Columbia, to be Chief Financial Officer at the Department of State. This is a new position.

Since 1989 Ms. Kent has served as Deputy to the Under Secretary for Management at the Department of State. Prior to this she served at the Department of the Treasury as: Assistant Secretary for Management, 1988 - 1989; Principal Deputy Assistant Secretary for Departmental Finance and Management, 1986 - 1988; and Deputy Assistant Secretary for Finance and Planning, 1985 - 1986.

Ms. Kent graduated from the University of Michigan (B.A., 1970) and George Washington University (J.D., 1975, and LL.M., 1979). She was born June 1, 1948, in Detroit, MI. Ms. Kent is married and resides in Washington, DC.

Note: This nomination was not received in time for publication in the appropriate issue.

Question-and-Answer Session With Reporters in Kennebunkport, Maine

July 12, 1991

The President. Good-bye. We'll get back so we don't get blown away.

Q. Come over here and talk to us.

The President. I don't want to get blown away over there either. [Laughter]

Arms Reductions Talks

Q. Mr. President, could you share with us your report from Secretary Baker on the talks?

The President. No, I can't. I'd refer you to General Scowcroft on that. But it's a little -- he felt they were leaning forward -- --

Japan-U.S. Relations

Q. A little supercollider talk this morning?

The President. Yes, that matter did come up. Yes, it did.

Q. Any pledges?

The President. No, but I think there was an interest, an interest in this. Hey, listen, I've got to go now. Heavy recreation coming up before we go abroad, so I've got to keep going.

Q. Mr. President, were you aware of the taped telephone conversation -- --

The President. No. And I'm not going to get into that at all.

Supreme Court Justice Nominee

Q. How about marijuana?

The President. What?

Q. Marijuana smoking by Thomas.

The President. How about it?

Q. Well, aren't you appalled?

The President. Well, Helen [Helen Thomas, United Press International], I would ask all of us to examine our consciences on that. And I think the matter has been put in proper perspective, and I think he handled it very well, and certainly, in this instance, in these circumstances, in no way is disqualifying. And I was pleased most of the Senators that spoke out said the same thing.

Q. What about his expression of admiration for Farrakhan?

Central Intelligence Agency Director Nominee

Q. Has Gates told you about -- --

The President. Let me say something on the Gates matter. What are we coming to here? You're talking to somebody who had to prove his innocence -- me -- on the basis of rumor. It was alleged by people that we weren't sure who they were, that I was in Paris at some deal to keep Americans in captivity. That's what the allegation was against me. And I'm saying to myself, who's making these allegations? What's the evidence? What have we come to in this country where a man has to prove his innocence against some fluid, movable charge?

And now I'm thinking about Bob Gates. And I'm saying: What is all this about? Isn't the people that might be accusing him of something -- shouldn't it be their responsibility under the American sense of fairplay? I have full confidence in him. But what is this system where we hear through some leak in some newspaper that behind closed doors somebody has said something, and thus a lot of people run for cover?

I have confidence in Gates. And if somebody wants to accuse him of something, the Senate is absolutely right in getting that determination made and asking for the evidence, but they ought not to have it obscured by some testimony that's been going on for 4 years. They ought not to accept a rumor. They ought not to panic and run like a covey of quail because somebody has made an allegation against a man whose work I trust and who, as I understand it, hasn't been fingered by what's coming out of this process.

And so, I'm glad that this has come up again because I think what we're entitled to in this country is fairplay, innocence until guilty. And yes, the Senate has an obligation, but let's call these witnesses that are supposed to know something bad. Isn't Bob Gates entitled to that? I mean, why let them run for cover and say let's hang it out all over next summer? Now, if Gates wants to do that, that's fine. But if somebody asked me about it, I'd say, hey, get the men up there that are making these -- --

Q. We don't understand -- --

The President. Excuse me -- get the men up there that are making these allegations. Isn't that the American system of justice? What is it when we hear something leaked to a newspaper and we all run for cover because we're -- not me, because I know Bob Gates and I have total confidence in the man's integrity and honor. And if the Senate wants -- and the Senate, I think, now owes it to him to promptly call his accusers or those who they think -- who we understand from newspaper articles are supposedly making accusations against him. And don't let them stay under cover, ``well, we can't do that because we have this other ongoing testimony'' or some behind-closed-doors, what do they call these -- indictment proceedings going on. That's not the American way.

We sent this nomination up some time ago. And if everybody's going to get flustered and panic because of some allegation by some -- where we don't even know that the person is accusing him of anything -- all I'm saying is fairplay. The American -- --

Q. Do you think -- --

The President. May I finish? The American people understand fairplay. And I just hope the Senate will keep this in mind. I have no argument with Senator Boren, Senator Murkowski wanting to get to the bottom of it. But this idea that it will be served by leaving it out all summer -- you know and I know there will be questions every single day -- what about this allegation? What about that? All I'm saying is, from everything I've seen, yes, let's get to the bottom of it, but let's bring forward these people that are supposedly fingering him. Let's bring forward and let them stand there under oath before the Senate, as I think the Senate intends to do. But why wait? Why not -- this nomination has been there a long time, and now we're hearing that there's some process going on behind-closed-doors someplace by some witness who hasn't fingered Gates, but that's enough to hold this up.

If Bob Gates wants to hold it up, fine. If he says to me we want to delay it, fine. But other than that, let the American system of fairplay work. Let innocence until proved guilty be the guideline here. And let promptness -- we need a good -- a new Director to follow on an excellent Director, and we need it soon, to run this intelligence community.

So, that's my position. And I'm glad, Jim [Jim Miklaszewski, NBC News], that you raised it again because I really feel strongly about this. I just don't think it's the American way to bring a good man down by rumor and insinuation. That's not the system.

Q. Do you think it's Democrats in the Senate looking for a political issue?

The President. No, I don't think that. I honestly do not.

Q. There's none of that in there?

The President. Well, not as long as David Boren is chairman. He's not looking for an issue. Very candidly, I think he shares my high regard. If anyone else is, I don't know of it, and I don't think the Senate has come to that.

Q. What about Mitchell and the leadership?

The President. Well, I hope not, and I don't think so. I wouldn't accuse George Mitchell of that -- take a few zingers from him once in a while, but that's politics. But I'm not going to try to put a political tone on this thing. I think this is too serious a business. But what I do worry about is that there's some pusillanimity, faint-heartedness. You hear a rumor, and then you run for cover, get under the bush like a quail, and hope that you don't get flushed out for a while. That's not what this is about. We've got a man's honor and integrity on the line here.

And that's really why I wanted to turn around and answer the last question that I intend to answer, except for the one Helen [Helen Thomas, United Press International] was shouting at me -- --

Q. What I was going to ask you is how is it possible to be the number two man in the CIA, have tapes from 1984, have, obviously, everything came across his desk -- --

The President. No, obviously, it might not have.

Q. Why?

The President. Well, because that's sometimes the way it works in a compartmented system. And for you to assume that it has, is exactly what I'm talking about. That's not fair. There is no evidence. You can raise a hypothetical question, but the man is entitled -- he's given his word on this previously. And that's the way I'd answer your question. And if it looks that way, fine, let the Senate get on it right now, and not me try to respond to a hypothetical question, the question challenging this man's honor and integrity right here. That's not the way it works.

Q. That's not the question. The question is, do you know what's going on in an Agency where you work topside?

The President. Sometimes you do, and if it's compartmented and the Director may have done something differently, maybe you don't. But that's a matter for the Senate to decide. Gates has already stated his view on that. And it is not for you or me, Helen [Helen Thomas, United Press International], to suggest that the order is such that that's impossible. And that's what your question, fairly or unfairly, imputes to me. And when you ask it, and it goes out all across this country, you're raising doubts in the minds of the American people. You've got to do that; that's your job.

Q. I'm not doing that.

The President. You are. But that is your job, and you should to it --

Q. He should withdraw his nomination -- --

The President. -- -- and my view is he is entitled to fairness, and fairness is get on with it. Don't leave a person twisting out there because of a hypothetical situation of this nature.

Q. Should the independent prosecutor also get on with his investigation, sir? Because apparently -- --

The President. He's been on with it for 4 years. He ought to get on with it and off with it, in my view.

Q. Should he release the information that pertains to Mr. Gates?

The President. I wish he would. It's my understanding that he doesn't have any. But -- yes, that would be extraordinarily helpful. And I think the Senate should demand it. But they shouldn't hold it up based on some inquiry over here that's been going on 4 years. This is the intelligence community of the United States. I have nominated the best man for it. And it just distresses me to hear hypotheses raised that throw question on his integrity. And he's entitled to get it up with -- this thing's been up there for some time. Now along comes a story in a newspaper that a man might -- to -- what do you call it -- plea bargain in order to do something else, and we're asked to say this is bad for Bob Gates. It's not our system.

Q. Did you talk to Mr. Gates about this?

The President. No. No, I haven't in the last couple of days.

Q. To clear the air, Mr. President -- --

Alleged 1980 Hostage Deal

Q. Mr. Speaker, the President is moving on -- --

The President. Mr. Speaker? Come on. [Laughter]

Q. No, no. The Speaker is moving towards -- --

The President. The Speaker is moving. I'm President, he's Speaker. [Laughter] Remember that. [Laughter]

Q. I'll try.

The President. Just because you're from Texas and think of me entirely differently. [Laughter] Go ahead. What's the question?

Q. Never as Mr. Speaker. The Speaker is moving forward a formal committee investigation of the election deal charge.

The President. Fine. Fine.

Q. Is that all right with you?

The President. Absolutely. If he's got some evidence, and just so it's not pure politics.

Q. You don't think it's a -- --

The President. I've said that before.

Q. -- -- fishing expedition?

The President. Well, I wouldn't accuse the Speaker of that. The man -- he's another one that's -- too much integrity to be in that mode. I think he's in a difficult position. But let's see the evidence, bring it forth. If they're still charging that I was in Paris on October 20th, if it's that kind of case, fine. But the evidence is -- what happened -- you know, here's a good case. All this rumor, can't quite pin it down, but as Vice President, the President -- now President -- was supposed to have been in Paris in the month of October, specifically on October 20th. Who's accusing me? Well, nobody's really accusing you of it, but every paper's got it.

We come forth with evidence which includes almost minute-by-minute certification as to where I was, and then they say, well, maybe that's laid to rest, but somebody else is supposed to have been someplace else. Maybe the way to lay it to rest is through what Foley's talking about. And if he decides that, look, he'll have full cooperation from me. How long can you keep denying your knowledge or involvement on something that didn't happen, as far as I know? But maybe he's got some other evidence. But it just seems a little weird that it keeps going. You shoot down one thing, and somebody else raises another.

Q. Are you certain that Casey had no dealings that could be interpreted -- --

The President. I have no knowledge of what Casey can do, or did do. The man's dead. Let's have some more interviews with a dead man. You know what I mean? Get it? [Laughter]

Q. I think so. [Laughter]

Q. Mr. President, to clear -- --

The President. Hey, I've got to go fishing, it's much more important than doing this. Yes, Helen [Helen Thomas, United Press International]? No.

Central Intelligence Agency Director Nominee

Q. Mr. President, to clear the air and get everything out in the open, could you order the release of the CIA telephone conversations?

The President. I'm leaving all this in the hands of the legal authorities and I am not going to intervene in a court proceeding. I am not a lawyer. I don't want to divert and have some 22-year-old prosecutor jump up and say that the President has -- [laughter] -- frustrated the process here. I don't know enough about that. You've got good lawyers that do. I don't know enough about scheduling or how evidence before grand juries work, and I'm disinclined to learn. But I do know a little something about fairplay. And I know how the American people feel about fairplay. And all I'm trying to say is, let's revert to that standard. Let's use that as the guide here and not get caught up in some niggling, legal point.

I'm seeing a man's character getting damaged, just as I felt mine was challenged when they said, hey, prove your innocence. You're guilty until innocent. Prove you weren't in Paris on -- whatever the hell it was -- October 20th. And here he went to the front yard at 10:22. He was at the so-and-so embassy at 10:27. He was so and so. And then finally, well, that one just fades away into the sunset and along comes a bunch of other allegations by unnamed people that you can't find and can't put your -- like reaching out and touching a handful of whipped cream, you can't get ahold of it. I don't want to -- I've been through it a little bit -- but I don't want to see Bob Gates, a man of honor and integrity, go through it anymore. That's all I'm trying to say.

Thank you. Have a neat day.

Soviet Union

Q. Did you get to look at Gorbachev's letter yet?

The President. Have a wonderful day. Well, we're getting briefed on it, yes.

Q. What do you think of it?

The President. It's a fantastic letter. [Laughter]

Q. What about the plan?

The President. And we've got some differences with it. Good letter.

Note: The session began at 10:03 a.m. on the lawn of the President's residence at Walker's Point, upon departure of Prime Minister Toshiki Kaifu of Japan. In the session, the following persons were referred to: Brent Scowcroft, Assistant to the President for National Security Affairs; Clarence Thomas, nominee for Associate Justice of the Supreme Court of the United States; Louis Farrakhan, leader of the Nation of Islam; Robert M. Gates, Assistant to the President and Deputy for National Security Affairs, and nominee for Director of the Central Intelligence Agency; David L. Boren, chairman, and Frank H. Murkowski, vice chairman, of the Senate Select Committee on Intelligence; Senate majority leader George J. Mitchell; Speaker of the House Thomas S. Foley; and William J. Casey, President Reagan's 1980 campaign chairman. One question referred to the acquisition by Iran-contra prosecutor Lawrence E. Walsh of tapes of telephone conversations between the Central Intelligence Agency headquarters and CIA agents in Central America. Robert M. Gates was Deputy Director of the CIA in 1986. Another question referred to reports of an effort by the Reagan-Bush Presidential campaign to keep Iran from freeing 52 American hostages just before the 1980 election.

Proclamation 6315 -- Captive Nations Week, 1991

July 12, 1991

By the President of the United States

of America

A Proclamation

Each July 4, we Americans celebrate our Nation's Independence with a profound sense of gratitude for the blessings of liberty. Yet, as we rejoice in our freedom, we also remember our solemn obligation to speak out in behalf of those peoples who suffer under tyranny and oppression. Thus, this month we also observe Captive Nations Week.

Established at a time when Marxist-Leninist regimes had enslaved many nations of the world and overshadowed others with the very real threat of expansionism, our annual observance of Captive Nations Week has underscored our determination to defend the ideals of national sovereignty and individual liberty. It has also underscored our belief in the inevitable triumph of freedom and democratic ideals. Now, after more than three decades, we can see that our faith has been well founded; our vigilance and resolve have borne fruit.

The world has entered a promising new era. Communism has failed throughout Eastern Europe. The Soviet Union has taken important steps toward democracy and openness. More and more regimes that once ruled by terror and force have fallen, swept away by courageous peoples who are eager to take their rightful place in the community of free nations -- a community that is marked by respect for human rights and the rule of law.

Tragically, however, despite these welcome changes, there remain captive peoples whose sufferings cannot be overlooked. The United States is determined to keep faith with all oppressed peoples and to assist peaceful efforts to promote democracy and freedom. Indeed, until freedom and independence have been achieved for every captive nation, we shall continue to call on all governments and states to uphold both the letter and the spirit of international human rights agreements, including the Universal Declaration of Human Rights, the Final Act of the Conference on Security and Cooperation in Europe, and the more recent Charter of Paris.

The Congress, by Joint Resolution approved July 17, 1959 (73 Stat. 212), has authorized and requested the President to issue a proclamation designating the third week in July of each year as ``Captive Nations Week."

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week beginning July 14, 1991, as Captive Nations Week. I call upon the people of the United

States to observe this week with appropriate ceremonies and activities, and I urge them to reaffirm their commitment to upholding the God-given right of all peoples to liberty, justice, and self-determination.

In Witness Whereof, I have hereunto set my hand this twelfth day of July, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:01 a.m., July 15, 1991]

Note: This proclamation was not received in time for inclusion in last week's issue.

White House Statement on the Trade Enhancement Initiative for Central and Eastern Europe

July 12, 1991

During President Walesa's visit to Washington in March, President Bush announced a trade enhancement initiative for the Central and East European countries. President Bush is determined that the historic political and economic transformation in these countries must and will succeed. Supporting these new democracies wherever possible is one of this administration's top priorities. The economic transformation of these countries will depend greatly on increased trade and access to world markets.

In May President Bush dispatched a team of experts to the region to determine ways of reducing trade barriers and other impediments the region faces in trying to expand access to export markets. Based on the team's report, President Bush has approved a package of specific actions to implement his initiative. These actions are outlined below:

1. Opening Markets. The United States will provide substantially expanded market access for the Central and East European countries by liberalizing quota programs and by enhancing the Generalized System of Preferences (GSP). We will adjust the quota programs for steel and textiles to meet requests by these countries to the extent possible. For textiles, we will renegotiate successor bilateral agreements with Hungary, Poland, and Czechoslovakia by the end of the year. Concerning cheese quotas, we will act in conjunction with the results in the Uruguay round to increase country access for cheeses covered by quotas. Concerning the GSP, we will give special and expedited consideration to the countries in the region by: 1) inviting additional and reviewing previously rejected product petitions, and 2) helping to improve utilization of the GSP program, such as by sponsoring seminars and providing assistance in preparing petitions.

2. Building Export Infrastructure. The United States will help the export performance of Central and East European countries through a targeted technical assistance program. This would include assistance for these countries in setting up export and investment promotion programs, and export finance programs that meet OECD [Organization for Economic Cooperation and Development] guidelines; additional training in management and marketing; and advice on tariff restructuring, customs service operations, and standards development.

3. Avoiding the Displacement of Agricultural Exports. The United States will take precautions to ensure that its agricultural export subsidies do not displace shipments from the Central and East European countries. These precautions will include periodic reviews with these countries of their overall pattern of exports. We will urge that the EC [European Community] take similar precautions.

At next week's London economic summit, President Bush will urge leaders of other Western

nations to take similar trade expansion steps. For example, he will suggest that other countries also give greater priority to opening their markets to textiles, steel, and agriculture.

The actions outlined above are part of a continuing and comprehensive effort by the United States and other developed countries to promote economic growth in Central and East Europe. Other elements are highlighted below.

The International Monetary Fund [IMF] has arrangements with countries in the region that will allow it to disburse up to $5 billion in 1991. The World Bank has announced plans to commit $9 billion to the region over the next 3 years. The European Bank for Reconstruction and Development, established in April, made its first loan in June, and is planning to lend more than $7 billion to the region over the next 5 years.

The United States has provided $944 million in grants and more than $1 billion in other assistance in fiscal years 1990 and 1991.

The United States is providing technical assistance valued in excess of $200 million in a wide range of areas, including management training, market economics education, privatization, legal and financial reforms, and strengthening democratic institutions.

The United States has created enterprise funds in Poland, Hungary, and Czechoslovakia. These funds, which promote the development of the private sector, will have a total capitalization of at least $360 million.

The United States has provided a total of $256 million in food aid to countries in the region during 1990 and 1991. This includes food assistance of $112 million to Romania.

The United States and other members of the Paris Club have agreed to reduce official debt owed by Poland equivalent to $17 billion.

The G - 24 countries have provided more than $26 billion in grants and loans during 1990 and 1991 in support of Central and East European country reforms.

The G - 24 countries have undertaken to provide financing to fill residual balance of payments requirements estimated by the IMF to be in excess of $3 billion in 1991.

The G - 24 countries contributed to a $1 billion stabilization fund for Poland. This included a $200 million grant from the United States.

Note: This statement was not received in time for inclusion in last week's issue. Lech Walesa is President of Poland.

Remarks at the Presentation Ceremony of the Declaration of the Legion of Merit, Degree of Chief Commander, to General Michel Roquejeoffre in Rambouillet, France

July 14, 1991

The President. Mr. President, let me say, I am very pleased to mark this brief visit to your country by honoring a Frenchman of great character and courage, General Michel Roquejeoffre.

General, under your able leadership, sir, French forces displayed a valor that brought great credit to the name of France and contributed to the success of our coalition. Like Lafayette before you, you took the field in service to a larger cause. A grateful Nation gives you thanks. And on behalf of all Americans, it is a privilege and a pleasure to present you the Legion of Merit Degree of Chief Commander.

And now, after translation of that, I will ask Major Cancilla if you would please read the citation, sir.

Major Cancilla. The President of the United States takes great pleasure in presenting the Legion of Merit, Degree of Chief Commander, to General Michel Roquejeoffre for exceptionally meritorious conduct in the performance of outstanding service as the commander in chief of the Rapid Action Force during Operations Desert Shield and Desert Storm.

General Roquejeoffre assembled and commanded over 16,000 of France's best soldiers, sailors, airmen, and marines as a contingent of the largest coalition in modern history. General Roquejeoffre's ability to foster a cohesive and cooperative spirit between all nations resulted in the successful execution of hostilities against one of the world's largest land armies, employment of history's most extensive and impressive air campaigns, and effective maritime intercept and mine operations, and the world's first defense against ballistic missiles.

His air force struck heavily defended targets in Kuwait and was instrumental in neutralizing or reducing a significant number of enemy capabilities, particularly the Iraqi commanding-control-infrastructure and its ability to conduct counterattacks. The French Daguet Division conducted a light-ning breakthrough and encircling movement covering over 150 kilometers in less than 48 hours, and then protected the coalition's flank. French naval forces were active during the entire campaign, conducting escort operations and mine clearing, and actively participating in the ongoing maritime intercept operations.

Throughout Operations Desert Shield and Desert Storm General Roquejeoffre led his forces

magnificently and displayed the leadership, vision, wisdom, and perseverance required to ensure the victory of coalition forces over Iraq.

Note: The President spoke at 4:47 p.m. on the steps of Chateau de Rambouillet. Maj. Russell Cancilla was Army Aide to the President. A tape was not available for verification of the content of these remarks.

The President's News Conference With French President Francois Mitterrand in Rambouillet, France

July 14, 1991

President Mitterrand. President George Bush and myself, we have just been discussing some of the major problems: the situation of Iraq; the way the allied forces behaved and are behaving; acting, either in what they should do in the presence of possible future measures of terror taken by Saddam Hussein, both against the Kurds in Kurdistan and also in the region of the southern marshlands where the Shiites are, and also, in connection with possible resumption, or continuation, of the preparations for a nuclear industry.

We also discussed the whole range of problems relating to the Middle East, and clearly there is a link between the two subjects. And lastly, we discussed the question of security in Europe. Over and above certain other conversations perhaps were matters of less interest from the international point of view but of great interest for me.

And I want to thank President Bush very warmly for having come to France and particularly here to Rambouillet. And as Mrs. Bush knows, they both know that they're very welcome, that they're friends, and they're always welcome. They're friends of our country and they're also personal friends.

Well, having expressed my thanks, and I think it was appropriate that they be expressed, and I can assure you, this is very sincere. I think that now President George Bush may have a few words to say to you before you ask your questions.

Thank you.

President Bush. Mr. President, my few words are simply this: I am very grateful to you on your national holiday for receiving me. Once again, the conversations that we've had without notes, without a lot of advanced preparation, has been extraordinarily helpful to me. And the last point I would make is that this visit here, brief as it is, gave me an opportunity to honor -- appropriately honor Monsieur Roquejeoffre -- my pronunciation is very bad -- but your outstanding general who served with such distinction in the Gulf.

And on this holiday, let me express my appreciation to the French people, and particularly to the President of the Republic, for the steadfast cooperation in Desert Storm and Desert Shield. And the United States and France were shoulder-to-shoulder then in battle, and we've been shoulder-to-shoulder in peace for a long time. And under the leadership of President Mitterrand, I'm absolutely content that that will continue.

So, thank you, sir, for your extraordinary courtesy.

Iraq

Q. Mr. President, the President of France is being quoted as saying there are circumstances that would cause intervention, that would make intervention in Iraq the proper thing to do: massacring their population, arming themselves with nuclear weapons. Have you seen that statement or could you tell us your own conditions, your own terms for moving militarily against Iraq?

President Bush. I just have not seen the statement, but if it's as you've phrased it, I would support his statement. We are together in the way we're looking at this situation in Iraq -- the situation I'm referring to being Saddam Hussein's continuation of lying and trying to go forward with some nuclear capability. And that is a cause for alarm all over the world. And I don't like to talk about a statement I have not seen, but after a discussion with President Mitterrand, I am confident that France and the United States once again are looking at this important matter in the same way.

Soviet Union

Q. President Mitterrand, do you still favor liberalized loans to Gorbachev instead of having to go through the waiting for a whole period of technical assistance? Are you ready to give bank loans to Gorbachev? It seems to be in contrast to the other Western allied positions.

President Mitterrand. Well, it would be my wish that Mr. Gorbachev should be able to receive the aid that would be necessary for him to enable the economic situation of his country to pickup. But naturally, such a recovery would not, in fact, be actually done by the foreign powers -- that's us. Obviously, if the recovery is to be, it must be a recovery, in fact, done by the Soviet people itself and particularly the Soviet leaders. So, it's important that the Soviet leaders, with determination, embark upon the path towards reforms, any reforms that would make economic success possible.

But it's not a question really of starting a discussion on whether it's a question of the chicken or the egg. I mean, should he first have economic recovery to receive aid or vice versa. Now, what I say is that he must be given enough aid so as to be able to succeed, and straightaway.

Q. But there is a difference with the other summit partners on this question. Is that true, President Bush?

President Bush. I'm sorry I don't -- I didn't get -- --

President Mitterrand. President Bush, if I understand correctly, President Bush also -- it is also his wish that Mr. Gorbachev should be able to succeed. As to the method for that, well, he'll explain that himself, but the goal is the same.

Q. Mr. President, please, do you mean that on leaving London Mr. Gorbachev should be able to say that he was taking home a certain number of commitments -- not checks with so many zeros on it but a certain number of measures that would make it possible to do a company of the reforms? In other words, to some extent, he should be bound to the West in a lasting manner, for example, by participation in the international monetary institutions?

President Mitterrand. That's taking things a bit fast, perhaps, perhaps a bit premature. It's clear that his participation in the last day, in a different framework from the actual G - 7 -- I hope that this can be a prelude to future, more organic links between the Soviet Union and the seven countries concerned. But other measures would be required for that to be achieved.

Secondly, I don't think that one should expect that by next Wednesday a whole series of decisions be taken that would simply have emerged from a few hours' discussions. No, I hope what will emerge will be a signal and a starting point. It won't be the point of arrival yet.

President Bush. Since I'm your guest, do you want to recognize the journalists?

President Mitterrand. You know yours better than I do, and I prefer mine obviously, but I know them. But you're head of a democracy, too.

President Bush. Okay.

President Mitterrand. So, anyway, madam, as you are standing up, please fire away.

Q. President Bush, could you tell us what the status of the START talks are in Washington, what is the final hangup, and do you think that there will be a chance by the time that you meet with President Gorbachev on Wednesday that you will have some kind of understanding that will lead to not only a treaty but a summit in Moscow?

President Bush. Well, it's my understanding that as of last night they were very close. This morning, General Scowcroft talked to -- I talked to Jim Baker at about 10 last night eastern time. And this morning at some hour Brent Scowcroft talked to Jim Baker.

The major problems appear to be resolved. But there are two or three problems that are important that need to be finalized before we can say we have a deal. And Secretary Baker has postponed his departure time and is working on those matters now. But I have been out of contact with him in the last 3 or 4 hours, so I just don't know anything more than that.

Q. What issues are they, concerning what?

President Bush. I don't think it would be helpful to go into the detail of the issues while they are trying to resolve them. But no, I think we have a reasonable opportunity. But we are not going to

make a bad deal to just try to get something done before Wednesday, nor are the Soviets.

Middle East Peace Process

Q. -- -- President Bush, that you didn't believe very much anymore in Mr. Baker's mission as far as the Israeli-Arab problem is concerned.

President Mitterrand. I said to Mr. Bush exactly what my feeling was on the subject.

Q. I would like to ask a question to President Bush. It seems that the peace process has faced many obstacles. Mr. President, do you believe that this process has failed or does it still have a chance?

President Bush. The peace process -- the American initiative of bringing the parties together still has a chance. It is going to take forthcoming positions from several countries, but it still has a chance. I'm a little concerned that it's taken this long, but we are not going to give up on that. So yes, we're not prepared to write off this process. And I had an opportunity to get some suggestions from President Mitterrand and also to share with him where I think these behind-the-scenes talks stand. And some may recall that in Maine a few days ago, I said that it may fall to me to state publicly before too long exactly what we have been trying to do and what our objectives are and who needs to come forward and do what.

But, no, I am not giving up on the process as it now stands.

Soviet Union

Q. President Bush, Mr. Mitterrand said: ``What I say is he should be given enough aid to succeed, and straightaway." And we understand that you feel that there's more proof and testing in the wings before you'll feel that aid should be given. How straightaway are you prepared to give aid to Mr. Gorbachev to support him?

President Bush. The first question would be, what kind of aid? Second question would be, if it's the kind of technical assistance and ability to reform their economy and move to market and move to liquidity, we'd be prepared to give that today. One of the things we wanted to discuss at the G - 7 is exactly this kind of proposal. But again, we have stated our position that this is not blank-check time, and that reforms have to take place before money could well be spent in helping to solve these problems.

As you know, the United States -- you say given aid -- we extended $1.5-billion-worth of agricultural credits. Now, do you consider that aid or do you consider that in the interest of the United States? I hope it helps them.

So, there are all kinds of ways to address the aid question. And I am very interested in getting the views of our G - 7 summit partners prior to the arrival of Mr. Gorbachev. But at one point, people were alleging -- I don't know how true it was in France, but it was all over our country -- that Mr. Gorbachev was coming, asking for $150 billion, somebody write out a check for $150 billion over a period of time. And that isn't in the cards and certainly won't be in the cards until these reforms go forward.

Q. May I follow?

President Bush. Go ahead. You can't. [Laughter]

Iraq

Q. Thank you, Mr. President. Mr. President, do you at present have tangible proof, evidence, real evidence that Iraq is building or rebuilding or trying to rebuild nuclear weaponry? And has President Bush given you evidence in that respect? And the second part of my question is, do you think that military intervention, in order to bring to an end what Mr. Bush calls a subterfuge and lying, do you think that a military intervention -- and my question also goes to President Bush -- would such action forward the mission given by the United Nations to the coalition?

President Mitterrand. It was decided that our military would remain in close, constant touch in order to exchange information, and in particular, to the American military, conveying information of the French military on the actual evidence concerning the continuation of Iraqi activities in the nuclear field -- the nuclear armament field. That's point number one, because clearly we have to be mutually informed in order to be able to take any decision.

Now, would we be prepared for a military intervention? You did not talk about Kurdistan, incidentally, and yet I decided to maintain by a slight transfer of troops from northern Iraq to Turkey -- we decided to keep on the spot a few hundred troops and certain arms and vehicular -- aircraft in order to be able to intervene within the framework of the coalition if Iraq decided to exercise repression, vis-a-vis, the Kurds. And that is a fact, I mean, that has already been decided.

As to military intervention against a supposed nuclear site, I said to President Bush that the important thing would be for information forthcoming to us so that we could be sufficiently certain that there was nuclear activity going on for it to be justified.

President Bush. Mr. President, as much as he addressed the question to me, might I just finish just a little bit?

There have been incontrovertible evidence presented to the United Nations Security Council that the man is lying and cheating. There were rumors that force might be used. Shortly after that, Saddam Hussein came forward and said essentially this: I have been lying and cheating. I have

been doing things that I heretofore said I have not been doing, but now I'm not going to do them anymore. And I think it is very important to the security of the whole region, indeed to the world, that he not do them any more: that he not go forward with a nuclear program, that he comply with each and every United Nations resolution.

So, that's what this is all about. And let us hope that his last confession, or his last statement that he would comply is followed to the letter and to the T. I can tell you I am still, in spite of that, very much concerned about his intentions, with reason. I'm not just thinking that way; I have evidence to back that up.

President Mitterrand. The Security Council has warned Iraq that there could be dire consequences if Iraq does not abide by international rules.

Now, President Bush has to go to London this evening, so we can't continue this meeting with the press. I would be happy for the President to say himself he'd prepared still to reply to two or three questions, I don't know. I think three would probably take too long.

President Bush. Two.

President Mitterrand. This is going to become very difficult. Perhaps a U.S. journalist.

Aid to Emerging Democracies

Q. A question for President Bush. There have been some reports that because of the focus on President Gorbachev's need for economic reform and assistance from Western nations, that some of the needs of the emerging democracies in Eastern Europe might be ignored or not taken care of adequately. Could you address yourself, sir, to your perception of where G - 7 might end up with respect to providing aid that's needed for other emerging democracies, not only in Eastern Europe but around the world?

President Bush. Well, I had a chance to get President Mitterrand's views on that -- his advice on that. And I can tell you that he and I and, I'm confident, the rest of the G - 7 will not do anything that will send a signal that we are shifting our attention away from the fledgling democracies in Eastern Europe in order to help the Soviet Union. They need not be mutually exclusive. But you raise a very important point and one that has concerned me. And as for the U.S. side, we will be doing everything we can to make clear to Eastern Europe that we want to be participants in their continued march down democracy's path.

And I feel certain -- I don't want to put words in his mouth, but this was exactly the view that President Mitterrand shared with me. Will they have ideas as to how the United States can do more? I'm sure, although he didn't say that. And we've got ideas. But we must not send a signal that attention has shifted away from their success because we all want to see the success of

President Gorbachev in the Soviet Union.

President Mitterrand. As a matter of fact, the European Community has started discussions with several of Central, Eastern Europe and already certain agreements have been signed and others underway. These are association agreements. Furthermore, I'd like to point out that aid to Eastern European countries has not in any way affected the total amount of aid given to the African countries, the countries which are part of the Lome agreements with the EC, which shows that our countries are prepared to make a substantial effort in order to meet all these needs. It's difficult for them.

Q. Mr. President, coming back to President Saddam Hussein, let's put the question in a very straight way: Do you think it's time to get rid of him?

President Bush. You put it in a straight way, and I'll put the answer in a rather circuitous way. The United States will not have improved nor normalized relations with Iraq as long as Saddam Hussein is in power. I will not have our people voting to lift sanctions as long as he is in power.

He is hurting his people. Before the war started I made very clear, over and over again, that our argument was not with the people of Iraq -- it wasn't even with the regime in Iraq -- it was with Saddam Hussein. I had a chance to talk to President Mitterrand on this and get his views. And my view remains that the best thing that could happen would be for him to step aside and let us all begin with whoever took his place to try to have improved relations. That would mean, of course, full and total compliance to every ``t'' and every ``i'' in the U.N. resolutions.

But that's the way to bring relief to the people of Iraq. We're sending food over there, and the food gets diverted by this brutal man to support his army or to support the people in Takrit. And world opinion is getting sick and tired of it. So, they can sort that out at home, but I can state the position of the United States.

Thank you, sir.

Q. May I follow up, Mr. President?

President Mitterrand. I want to thank President George Bush, warmly. And I wish him a very good trip to London where I'll have the pleasure of meeting him again tomorrow. And I thank you.

Note: President Bush's 91st news conference began at 6:24 p.m. on the lawn of Chateau de Rambouillet. President Mitterrand spoke in French, and his remarks were translated by an interpreter. In the news conference, the following persons were referred to: President Saddam Hussein of Iraq; Gen. Michel Roquejeoffre, to whom President Bush had earlier in the day presented the Declaration of the Legion of Merit, Degree of Chief Commander, for his role as

commander of the French forces operating in the Persian Gulf crisis; President Mikhail Gorbachev of the Soviet Union; Brent Scowcroft, Assistant to the President for National Security Affairs; and Secretary of State James A. Baker III. A tape was not available for verification of the content of this news conference.

Remarks at the Presentation Ceremony for the Declaration of the Legion of Merit, Degree of Chief Commander, to Sir Peter de la Billiere in London, United Kingdom

July 14, 1991

The President. Mr. Prime Minister, may I thank you, sir, for setting the arrangements for this ceremony. And I am very pleased to mark this visit by honoring one of Her Majesty's finest, Sir Peter de la Billiere.

My pronunciation is horrible; my respect knows no bounds. We do this for his many contributions to the coalition victory in the Gulf.

And, General, under your leadership, sir, in the midst of the most daunting task, never once did your country hesitate or waver. Always Britain was there, steadfast and strong. So, let me say to you, sir -- to you and also to the forces under your command: America is honored to be your ally. In recognition of your courage and accomplishment, it is a privilege and a pleasure to present you with the Legion of Merit, Degree of Chief Commander.

And now I'd ask Commander Justice to read the citation.

Commander Justice. The President of the United States takes pleasure in presenting the Legion of Merit, Degree of Chief Commander, to Sir Peter de la Billiere, General, British Armed Forces, for exceptionally meritorious conduct in the performance of outstanding service as the commander of British forces, Middle East, during Operations Desert Shield and Desert Storm.

General de la Billiere assembled and commanded over 43,500 of Britain's best soldiers and airmen, a contingent of the largest military coalition in modern history. General de la Billiere's ability to foster a cohesive and cooperative spirit between all of the nations resulted in a successful execution of hostilities against one of the world's largest land armies, employment of history's most extensive and impressive air campaign, and the world's first offense against ballistic missiles.

His air force closed 16 airfields and flew over 5,500 sorties that were instrumental in neutralizing or reducing a significant number of enemy capabilities, particularly, the Iraq command and control infrastructure and their ability to conduct counterattacks. His army attacked through some of the thickest offenses in theater, covering over 260 kilometers in less than 72 hours.

Throughout Operations Desert Shield and Desert Storm, General de la Billiere led his forces

magnificently and displayed the leadership, vision, wisdom, and perseverance required to ensure the victory of coalition forces over Iraq.

Note: The President spoke at 8:50 p.m. in the Pilliared Room of No. 10 Downing Street, the residence and office of Prime Minister John Major of the United Kingdom. LCDR Wayne Justice was Coast Guard Aide to the President. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on Middle East Peace Talks

July 15, 1991

Mr. Fitzwater. President Bush has asked Secretary of State Baker to return to the Middle East immediately upon the conclusion of the G - 7 summit rather than accompanying him to Greece and Turkey as originally planned. Since the Secretary's last trip, we have been engaged in quiet diplomacy to get agreement to a conference that would launch direct bilateral and multilateral negotiations following President Assad's response to President Bush's letter. The President and the Secretary are hopeful that progress can be made and feel that it could be very useful for the Secretary to meet again with the leaders in the region. The Secretary will, however, complete his plans to attend the ASEAN meeting in Kuala Lumpur, arriving Monday evening.

The Secretary will hold discussions in the following countries: Syria, Egypt, Jordan, Saudi Arabia, and Israel.

I don't have any other details at this time, but I did want to make that announcement. And we'll provide more as soon as we can get it.

Q. When does he leave?

Mr. Fitzwater. Right after the G - 7 meeting.

Note: The Press Secretary read the statement at 5:58 p.m. to reporters at the Hilton Hotel in London, United Kingdom. In his statement, he referred to President Hafiz al-Assad of Syria.

Exchange With Reporters in London, United Kingdom

July 15, 1991

The President. Well, I was just asking what the press interest was in. And tonight at our dinner, the Secretary, having covered Yugoslavia and a lot of other issues at the Foreign Minister level -- we talked about the Iraq situation and we talked mainly about conventional arms control or how the various participants in the G - 7 could show their keen interest in arms control. We didn't go into the details of START or anything of that nature.

So, those were the subjects at our dinner. And, Jim, you were into several other subjects -- Yugoslavia -- --

Secretary Baker. Yugoslavia, Asia -- a whole host of regional political issues.

The President. And then a main topic at our dinner was the Middle East. And with that in mind, we have received a response from Syria. We view it as a positive response. We're not suggesting that everything is fine and that there couldn't be some last minute hitch to it, but we're approaching this very positively. And so much so that I've asked Jim Baker to go back to the area to immediately follow up.

This is what we would term a breakthrough from what we know about it, something very important. We're grateful that President Assad has come forward at this point -- appears to have come forward -- willing to engage in the kinds of discussions that Secretary Baker has been pressing for. That's been part of our policy.

So, we'll see where we go from here. And I regret that Jim won't be with me at Turkey and Greece. Both countries have been important to us. He's done a lot of work with their Ministers. But this takes priority, and so he will go to several countries in the Middle East and we'll see where we come out.

Middle East Peace Talks

Q. Mr. President, how would you describe the significance of this breakthrough? Do you see real hope here?

The President. Well, again, I will wait until I hear from Jim Baker after he's been in the area, been to several of these countries. But I think, in fairness to President Mubarak who worked with President Assad of Syria on this, and to others, we would say, from what we've seen, we would say breakthrough. But we've learned that you -- we want to go into all the details so that there can't have been some hang-up. But clearly, it is a coming forward by President Assad that we view as very, very positive -- breakthrough, perhaps or maybe, but I think these words -- we've

got to be careful until the details are finalized.

Q. What is your plan, and why is it still a secret? And what will Israel respond to this, since it's already rejected it?

The President. Well, I don't know that Israel has rejected this. And the plan has -- the major components of it are well-known. But there are details of it better kept for quiet diplomacy. So, I think mostly people realize what we're talking about here in trying to get these parties to engage one with the other, starting mechanism being a conference of sorts. But we're just going to go forward and keep pressing. And I don't believe Israel has rejected this. They haven't had a chance to even understand what President Assad is proposing. And one of their concerns has been that Syria hasn't been coming forward, and now if it is proper that they are coming forward, that clearly would, I would think, be good for those who want peace in the area. It is a very important step that's taken place.

Q. You mean he has made a concession on some of the -- --

The President. I wouldn't call it a concession. He's just agreed now to come forward to the kinds of meetings that are necessary to get this process going. And that is a major step if it proves to be correct.

Q. Mr. President, how will you convince Israel to get on board now that the Syrians have made this move?

The President. I would like to think that when they say they want peace, that they would get on board naturally. They've been wanting talks with people in the area, and if all goes well here, that's exactly what will happen. So, I'm not going to do anything other than -- to suggest that they'll be unwilling to. My view is that, if it's as represented, that they will want to. They've made statements to us of wanting to do these things, so now here will be a good test, a good -- --

Q. You mean they have not responded?

The President. Well, we haven't asked Israel to respond to the Syrian response yet. We're, as I say, examining it in every detail.

Iraq

Q. Mr. President, the other side of this is the possibility of renewed bombing inside Iraq. When you talked to the various leaders tonight, do you have support -- if Iraq does not come forward and give the information that we all want, do you have support for military action against Iraq?

The President. There would be strong, strong support for that. I would refer you to what President

Mitterrand said yesterday morning, very clear, very direct. The British clearly are in that supportive mode. And I think most countries, recognizing the terrible danger of this man going forward with a nuclear program, would be of the same mind.

Mr. Fitzwater. Thank you all.

The President. Thank you all.

Q. Mr. President, can I ask you one last question?

The President. Yes, you've got it.

START Negotiations

Q. Is there a possibility that by the time you meet Mr. Gorbachev later this week there will be an agreement on a strategic arms accord?

The President. Well, I meet him the day after tomorrow, and so I don't want to raise people's hopes, except to say this: that the hard work that went into this by the Foreign Secretary, Mr. Bessmertnykh, and by our Secretary of State produced a lot of results, a lot of results. And we have one sticking point that is highly technical. And whether President Gorbachev and I are able to even discuss something of this technical nature without a lot of experts around I'm not prepared to say.

This G - 7 meeting was not to be dominated by some agreement or lack of agreement on START. And I'm determined to keep it that way. But clearly, if he wants to discuss it further at this meeting, we will be prepared. Maybe there will be other ways to meet. Maybe after Jim and I and General Scowcroft and others who are key to this have a chance to discuss in detail the highly technical arguments, maybe we'll be able to sit with the Foreign Minister when he gets here.

So, we don't have a plan to try to hammer it out in that way. And again, I don't want to confuse President Gorbachev's coming to the G - 7 summit with arms control, with START. It still remains, however, that we want a summit agreement. It still remains that to have a summit agreement, we should have all these details worked out and to have broad agreement on START -- not every single ``t'' crossed or ``i'' dotted. We're talking there, I'm told, of several hundred pages of documentation. That isn't necessary, but the Secretary and the Foreign Minister, having hammered out agreement on the major sticking principles, we're now -- I think, to use Jim's word -- about 99 percent of the way there. But having said that, this last issue is sticky, and we'll have to see where we go.

But I think the Soviets want a summit. We've got many things that I want to talk to him about at a summit. And so, let's hope that this matter will be resolved in the short period of time that lies

ahead. I still would say to you that if that's done, there could be a summit by the end of this month still. So, pack your bags, but don't have them zipped up. It's that kind of a thing.

Q. Well, if it's 99 percent, what's that big hang-up? It seems to me -- 10 years.

The President. The other one percent; you've got to deduct 99 from 100. [Laughter]

Q. When do you leave? When do you leave? Wednesday night or Thursday?

Secretary Baker. Probably Thursday morning.

The President. Why don't you ask the Secretary of State a few questions? [Laughter]

Secretary Baker. Probably Thursday morning.

London Economic Summit

The President. No, but it's been a good meeting so far. Let me just say this since we're here at Winfield House: We are very grateful to Prime Minister Major, not just for the hospitality and the lovely evening and the arrangements and all of that but to the time and attention that he put in, the leadership that he put into this G - 7 summit. He's worked out the agenda in a good way. He's been very tolerant of dissenting views, and these discussions we've had are freewheeling. And I am very impressed with the job he has done. I think everyone else attending the summit would agree with that.

Q. Yes, but he won't let us cover anything.

The President. Well, that's your problem, not Major's. [Laughter]

Hey, would you like to say a few words for Helen [Helen Thomas, United Press International]? [Laughter] She wants somebody to answer her questions about anything.

Mrs. Bush. I'll be out later, Helen. [Laughter]

The President. Here's our hostess. Helen Thomas would like to get your view on the balance of payments. [Laughter]

Q. No. We just want to be able to cover the wives occasionally.

Note: The exchange began at 10:50 p.m. at Winfield House, the residence of U.S. Ambassador to the United Kingdom Raymond G.H. Seitz, upon the President's return from a working dinner with

summit participants at the Tower of London. In the exchange, the following persons were referred to: Secretary of State James A. Baker III; President Hafiz al-Assad of Syria; President Mohammed Hosni Mubarak of Egypt; President Francois Mitterrand of France; President Mikhail Gorbachev and Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; Brent Scowcroft, Assistant to the President for National Security Affairs; and Prime Minister John Major of the United Kingdom. Marlin Fitzwater is Press Secretary to the President. A tape was not available for verification of the content of this exchange.

London Economic Summit Declaration on Conventional Arms Transfers and Nuclear, Biological, and Chemical Weapons Proliferation

July 16, 1991

1. At our meeting in Houston last year, we, the Heads of State and Government and the representatives of the European Community, underlined the threats to international security posed by the proliferation of nuclear, biological and chemical weapons and of associated missile delivery systems. The Gulf crisis has highlighted the dangers posed by the unchecked spread of these weapons and by excessive holdings of conventional weapons. The responsibility to prevent the re-emergence of such dangers is to be shared by both arms suppliers and recipient countries as well as the international community as a whole. As is clear from the various initiatives which several of us have proposed jointly and individually, we are each determined to tackle, in appropriate fora, these dangers both in the Middle East and elsewhere.

Conventional Arms Transfers

2. We accept that many states depend on arms imports to assure a reasonable level of security and the inherent right of self-defence is recognised in the United Nations Charter. Tensions will persist in international relations so long as underlying conflicts of interest are not tackled and resolved. But the Gulf conflict showed the way in which peace and stability can be undermined when a country is able to acquire a massive arsenal that goes far beyond the needs of self defence and threatens its neighbours. We are determined to ensure such abuse should not happen again. We believe that progress can be made if all states apply the three principles of transparency, consultation and action.

3. The principle of transparency should be extended to international transfers of conventional weapons and associated military technology. As a step in this direction we support the proposal for a universal register of arms transfers under the auspices of the United Nations, and will work for its early adoption. Such a register would alert the international community to an attempt by a state to build up holdings of conventional weapons beyond a reasonable level. Information should be provided by all states on a regular basis after transfers have taken place. We also urge greater openness about overall holdings of conventional weapons. We believe the provision of such data, and a procedure for seeking clarification, would be a valuable confidence and security building measure.

4. The principle of consultation should now be strengthened through the rapid implementation of recent initiatives for discussions among leading arms exporters with the aim of agreeing a common approach to the guidelines which are applied in the transfer of conventional weapons. We welcome the recent opening of discussions on this subject. These include the encouraging

talks in Paris among the Permanent Members of the United Nations Security Council on 8/9 July; as well as ongoing discussions within the framework of the European Community and its Member States. Each of us will continue to play a constructive part in this important process, in these and other appropriate fora.

5. The principle of action requires all of us to take steps to prevent the building up of disproportionate arsenals. To that end all countries should refrain from arms transfers which would be destabilising or would exacerbate existing tensions. Special restraint should be exercised in the transfer of advanced technology weapons and in sales to countries and areas of particular concern. A special effort should be made to define sensitive items and production capacity for advanced weapons, to the transfer of which similar restraints could be applied. All states should take steps to ensure that these criteria are strictly enforced. We intend to give these issues our continuing close attention.

6. Iraqi aggression and the ensuing Gulf war illustrate the huge costs to the international community of military conflict. We believe that moderation in the level of military expenditure is a key aspect of sound economic policy and good government. While all countries are struggling with competing claims on scarce resources, excessive spending on arms of all kinds diverts resources from the overriding need to tackle economic development. It can also build up large debts without creating the means by which these may be serviced. We note with favour the recent report issued by the United Nations Development Programme (UNDP) and the recent decisions by several donor countries to take account of military expenditure where it is disproportionate when setting up aid programmes and encourage all other donor countries to take similar action. We welcome the attention which the Managing Director of the International Monetary Fund (IMF) and the President of the World Bank have recently given to excessive military spending, in the context of reducing unproductive public expenditure.

Non-Proliferation

7. We are deeply concerned about the proliferation of nuclear, biological and chemical weapons and missile delivery systems. We are determined to combat this menace by strengthening and expanding the non-proliferation regimes.

8. Iraq must fully abide by Security Council Resolution 687, which sets out requirements for the destruction, removal or rendering harmless under international supervision of its nuclear, biological, and chemical warfare and missile capabilities; as well as for verification and long-term monitoring to ensure that Iraq's capability for such weapon systems is not developed in the future. Consistent with the relevant UN resolutions, we will provide every assistance to the United Nations Special Commission and the International Atomic Energy Agency (IAEA) so that they can fully carry out their tasks.

9. In the nuclear field, we:

-- Re-affirm our will to work to establish the widest possible consensus in favour of an equitable and stable non-proliferation regime based on a balance between nuclear non-proliferation and the development of peaceful uses of nuclear energy.

-- Reaffirm the importance of the nuclear Non-Proliferation Treaty (NPT) and call on all other non-signatory states to subscribe to this agreement;

-- Call on all non-nuclear weapon states to submit all their nuclear activities to IAEA safeguards, which are the cornerstone of the international non-proliferation regime;

-- Urge all supplier states to adopt and implement the Nuclear Suppliers Group guidelines.

We welcome the decision of Brazil and Argentina to conclude a full-scope safeguard agreement with the IAEA and to take steps to bring the Treaty of Tlatelolco into force, as well as the accession of South Africa to the NPT.

10. Each of us will also work to achieve:

-- Our common purpose of maintaining and reinforcing the NPT regime beyond 1995;

-- A strengthened and improved IAEA safeguards system;

-- New measures in the Nuclear Suppliers Group to ensure adequate export controls on dual-use items.

11. We anticipate that the Biological Weapons Review Conference in September will succeed in strengthening implementation of the convention's existing provisions by reinforcing and extending its confidence-building measures and exploring the scope for effective verification measures. Each of us will encourage accession to the convention by other states and urge all parties strictly to fulfil their obligations under the convention. We each believe that a successful Review Conference leading to strengthened implementation of the BWC, would make an important contribution to preventing the proliferation of biological weapons.

12. The successful negotiation of a strong, comprehensive, and effectively verifiable convention banning chemical weapons, to which all states subscribe, is the best way to prevent the spread of chemical weapons. We welcome recent announcements by the United States which we believe will contribute the swift conclusion of such a convention. We hope that the negotiation will be successfully concluded as soon as possible. We reaffirm our intention to become original parties to the convention. We urge others to become parties at the earliest opportunity so that it can enter into force as soon as possible.

13. We must also strengthen controls on exports which could contribute to the proliferation of biological and chemical weapons. We welcome the measures taken by members of the Australia Group and by other states on the control of exports of chemical weapons precursors and related equipment. We seek to achieve increasingly close convergence of practice between all exporting states. We urge all states to support these efforts.

14. Our aim is a total and effective ban on chemical and biological weapons. Use of such weapons is an outrage against humanity. In the event that a state uses such weapons each of us agrees to give immediate consideration to imposing severe measures against it both in the UN Security Council and elsewhere.

15. The spread of missile delivery systems has added a new dimension of instability to international security in many regions of the world. As the founders of the Missile Technology Control Regime (MTCR), we welcome its extension to many other states in the last two years. We endorse the joint appeal issued at the Tokyo MTCR meeting in March 1991 for all countries to adopt these guidelines. These are not intended to inhibit cooperation in the use of space for peaceful and scientific purposes.

16. We can make an important contribution to reducing the dangers of proliferation and conventional arms transfers. Our efforts and consultations on these issues, including with other supplier countries, will be continued in all appropriate fora so as to establish a new climate of global restraint. We will only succeed if others, including recipient countries, support us and if the international community unites in a new effort to remove these threats which can imperil the safety of all our peoples.

16 July 1991

Note: The declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

London Economic Summit Political Declaration: Strengthening the International Order

July 16, 1991

1. We, the leaders of our seven countries and the representatives of the European Community, renew our firm commitment to the ideal of a peaceful, just, democratic and prosperous world. The international community faces enormous challenges. But there is also reason for hope. We must reinforce the multilateral approach to the solution of common problems and work to strengthen the international system of which the United Nations, based on its Charter, remains so central a part. We call on the leaders of other nations to join us in that cause.

2. It is a matter for hope and encouragement that the United Nations Security Council, with the backing of the international community, showed during the Gulf crisis that it could fulfil its role of acting to restore international peace and security and to resolve conflict. With the East-West confrontation of the last four decades behind us, the international community must now build on this new spirit of cooperation not only in the Middle East but wherever danger and conflict threaten or other challenges must be met.

3. We believe the conditions now exist for the United Nations to fulfil completely the promise and the vision of its founders. A revitalised United Nations will have a central role in strengthening the international order. We commit ourselves to making the UN stronger, more efficient and more effective in order to protect human rights, to maintain peace and security for all and to deter aggression. We will make preventive diplomacy a top priority to help avert future conflicts by making clear to potential aggressors the consequences of their actions. The UN's role in peacekeeping should be reinforced and we are prepared to support this strongly.

4. We note that the urgent and overwhelming nature of the humanitarian problem in Iraq caused by violent oppression by the Government required exceptional action by the international community, following UNSCR 688. We urge the UN and its affiliated agencies to be ready to consider similar action in the future if the circumstances require it. The international community cannot stand idly by in cases where widespread human suffering from famine, war, oppression, refugee flows, disease or flood reaches urgent and overwhelming proportions.

5. The recent tragedies in Bangladesh, Iraq and the Horn of Africa demonstrate the need to reinforce UN relief in coping with emergencies. We call on all Member States to respond to the Secretary General's appeal for voluntary contributions. We would like to see moves to strengthen the coordination, and to accelerate the effective delivery, of all UN relief for major disasters. Such initiatives, as part of an overall effort to make the UN more effective could include:

(a) the designation of a high level official, answerable only to the United Nations Secretary-General, who would be responsible for directing a prompt and well-integrated international

response to emergencies, and for coordinating the relevant UN appeals; and

(b) improvement in the arrangements whereby resources from within the UN system and support from donor countries and NGOs can be mobilised to meet urgent humanitarian needs in time of crisis.

The United Nations would then be able to take the early action that has sometimes been missing in the past. The United Nations should also make full use of its early warning capacity to alert the international community to coming crises and to work on the preparation of contingency plans, to include the question of prior earmarking of resources and material that would be available to meet these contingencies.

6. Since we last met the world has witnessed the invasion, occupation and subsequent liberation of Kuwait. The overwhelming response of the international community in reversing the forcible annexation of one small nation was evidence of the widespread preference for

-- taking collective measures against threats to the peace and to suppress aggression

-- settling disputes peacefully

-- upholding the rule of law and

-- protecting human rights.

These principles are essential to the civilised conduct of relations between states.

7. We express our support for what the countries of the Gulf and their neighbours are doing to ensure their security in future. We intend to maintain sanctions against Iraq until all the relevant resolutions of the Security Council have been implemented in full and the people of Iraq, as well as their neighbours, can live without fear of intimidation, repression or attack. As for the Iraqi people, they deserve the opportunity to choose their leadership openly and democratically. We look forward to the forthcoming elections in Kuwait and to an improvement of the human rights situation there and in the region.

8. We attach overriding importance to the launching of a process designed to bring comprehensive, just and lasting peace between Israel and her Arab neighbours, including the Palestinians. Such a peace should be based on UN SCRs 242 and 338 and the principle of territory for peace. We support the concept of a peace conference starting parallel and direct negotiations between Israel and representative Palestinians on the one hand and Israel and the Arab states on the other. We confirm our continuing support for the current American initiative to advance the peace process, which we believe offers the best hope of progress towards a settlement. We urge all the parties to the dispute to adopt reciprocal and balanced confidence-

building measures and to show the flexibility necessary to allow a peace conference to be convened on the basis set out in this initiative. In that connection we believe that the Arab boycott should be suspended as should the Israeli policy of building settlements in the occupied territories.

9. We take note with satisfaction of the prospects opened by the restoration of security in Lebanon. We continue to support efforts by the Lebanese authorities to achieve the implementation of the Taif process, which will lead to the departure of all foreign forces and the holding of free elections.

10. We express our willingness to support the development of economic cooperation among the countries of the Middle East on the basis of liberal policies designed to encourage the repatriation of capital, an increase in investment and a decrease in obstacles to trade. Such policies should be accompanied by comprehensive long-term efforts to bring about more stability for the Middle East and the Mediterranean.

11. We welcome the further substantial progress in reform, both political and economic, achieved in the countries of Central and Eastern Europe during the last year and recognise that these gains will need to be maintained through a difficult period of economic transition, including through regional initiatives. We have a strong interest in the success of market reforms and democracy in Central and Eastern Europe and we commit ourselves to full support for these reforms. We also take note of the progress of Albania towards joining the democratic community of nations.

12. Our support for the process of fundamental reform in the Soviet Union remains as strong as ever. We believe that new thinking in Soviet foreign policy, which has done so much to reduce East/West tension and strengthen the multilateral peace and security system, should be applied on a global basis. We hope that this new spirit of international co-operation will be as fully reflected in Asia as in Europe. We welcome efforts to create a new union, based on consent not coercion, which genuinely responds to the wishes of the peoples of the Soviet Union. The scale of this undertaking is enormous: an open and democratic Soviet Union able to play its full part in building stability and trust in the world. We reiterate our commitment to working with the Soviet Union to support their efforts to create an open society, a pluralistic democracy and a market economy. We hope the negotiations between the U.S.S.R. and the elected governments of the Baltic countries will resolve their future democratically and in accordance with the legitimate aspirations of the people.

13. It is for the peoples of Yugoslavia themselves to decide upon their future. However the situation in Yugoslavia continues to cause great concern. Military force and bloodshed cannot lead to a lasting settlement and will only put at risk wider stability. We call for a halt to violence, the deactivation and return of military forces to barracks and a permanent ceasefire. We urge all parties to comply with the provisions of the Brioni agreement as it stands. We welcome the efforts of the European Community and its member states in assisting in the resolution of the

Yugoslav crisis. We therefore support the dispatch of EC monitors to Yugoslavia, within the framework of the CSCE emergency mechanism. We will do whatever we can, with others in the international community, to encourage and support the process of dialogue and negotiation in accordance with the principles enshrined in the Helsinki Final Act and the Paris Charter for a new Europe, in particular respect for human rights, including rights of minorities and the right of peoples to self-determination in conformity with the Charter of the United Nations and with the relevant norms of international law, including those relating to territorial integrity of states. The normalisation of the present situation will allow us to contribute to the indispensable economic recovery of the country.

14. We welcome the positive developments in South Africa, where the legislative pillars of apartheid have at last been dismantled. We hope that these important steps will be followed by the de facto elimination of apartheid and improvement in the situation of the most impoverished among the population of South Africa. We hope that negotiations on a new Constitution leading to non-racial democracy will begin shortly and will not be disrupted by the tragic upsurge of violence. All parties must do all that is in their power to resolve the problem of violence. We are concerned that the foundation for a new non-racial South Africa will be undermined by mounting social problems and declining economic prospects for the majority of the population, which have contributed to the violence. There is an urgent need to restore growth to the economy to help reduce inequalities of wealth and opportunity. South Africa needs to pursue new economic, investment and other policies that permit normal access to all sources of foreign borrowing. In addition to its own domestic efforts, South Africa also needs the help of the international community, especially in those areas where the majority have long suffered deprivation: education, health, housing and social welfare. We will direct our aid for these purposes.

15. Finally, we look for further strengthening of the international order by continued vigorous efforts to deter terrorism and hostage taking. We call for the immediate and unconditional release of all hostages wherever they may be held and for an accounting of all persons taken hostage who may have died while being held. We welcome the undertakings given by governments with an influence over hostage holders to work for the release of hostages and urge them to intensify their efforts to this end. We extend our sympathy to the friends and relations of those held. We reaffirm our condemnation of all forms of terrorism. We will work together to deter and combat terrorism by all possible means within the framework of international law and national legislation, particularly in the fields of international civil aviation security and the marking of plastic explosives for the purpose of detection.

* * * * * *

16. This forum continues to provide an invaluable opportunity for representatives from Europe, Japan and North America to discuss the critical challenges of the coming years. But we cannot succeed alone. We call on the leaders of the other nations to join us in our efforts to make a practical and sustained contribution to the cause of peace, security, freedom and the rule of law, which are the preconditions for trying to bring about greater justice and prosperity throughout the

world.

16 July 1991

Note: The declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

Letter to Congressional Leaders on the Situation in the Persian Gulf

July 16, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1), and as part of my continuing effort to keep the Congress fully informed, I am again reporting on the status of efforts to obtain compliance by Iraq with the resolutions adopted by the U.N. Security Council.

As I stated in my report of May 17, 1991, U.N. Security Council Resolution 687 required as a precondition for the formal cease-fire that Iraq accept the destruction, removal or rendering harmless of all chemical and biological weapons, ballistic missiles with a range greater than 150 kilometers, and nuclear-weapons-usable material, together with related facilities and equipment; and that it accept international supervision and inspection to verify compliance with these requirements. On June 17, the Security Council approved a plan for this supervision and inspection, to be conducted by the International Atomic Energy Agency and the Special Commission created under Resolution 687.

With the strong support and encouragement of the United States, these bodies have been working actively to identify, inspect and arrange for the elimination of these weapons and related items. While some inspections of declared missiles and chemical weapons have occurred, Iraq has generally engaged in obfuscation and evasion of its obligations. In recent weeks, public attention has focused on Iraq's nuclear equipment and material, but this has also been true with respect to Iraq's undeclared chemical weapons and ballistic missiles and its continuing refusal to acknowledge any biological weapons development activities. We will not allow these Iraqi actions to succeed. We will continue to insist on the full identification and complete elimination of all relevant items as well as the imposition of a thorough and effective monitoring regime to assure Iraq's long-term compliance with Resolution 687.

In addition, the United Nations has moved forward in the implementation of other requirements of Resolution 687. The Security Council has created a U.N. Compensation Commission to consider and pay claims for losses caused by the Iraqi invasion and occupation of Kuwait, to be funded by deductions from Iraqi oil export revenues. The U.N. Iraq-Kuwait Observation Mission has deployed into the demilitarized zone created by the Security Council along the Iraq-Kuwait border, and the Iraq-Kuwait Boundary Demarcation Commission has made a substantial start toward the final demarcation of the boundary, which would eliminate one of the ostensible causes of the war. However, in light of the intransigence of Saddam Hussein and the failure of Iraq to comply with its obligations under the Resolution, the Security Council has not further relaxed the current economic sanctions.

In my last report, I described the Iraqi repression of the Kurds and other internal population groups, which necessitated the introduction of U.S. and other coalition armed forces into northern Iraq to provide relief and security for the civilian population. As I stated then, this effort was not intended as a permanent solution to the problem, nor as a military intervention in the internal affairs of Iraq. Rather, it was intended as a humanitarian measure to save lives. Having succeeded in providing safe conditions for the return of Kurdish refugees from the mountainous border areas, U.S. forces have now withdrawn from northern Iraq. However, we have informed the Iraqi Government that we will continue to monitor carefully its treatment of its citizens, and that we remain prepared to take appropriate steps if the situation requires. To this end, the coalition plans to maintain an appropriate level of forces in the region for as long as required by the situation in Iraq.

I remain grateful for Congress' support of these endeavors, and I look forward to continued cooperation toward achieving our objectives.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate.

Statement by Press Secretary Fitzwater on the Senate Confirmation Hearings for Central Intelligence Agency Director Nominee Robert M. Gates

July 16, 1991

Last week, the President urged in the strongest terms that the Senate Select Committee on Intelligence and the full Senate promptly schedule hearings and act favorably on the nomination of Robert Gates to be Director of Central Intelligence. The President took this position because a prolonged process would be unfair to Mr. Gates and subject him to continuing innuendo and groundless allegations. We still have those concerns.

While the committee is prepared to begin hearings next week, it has informed the White House that it would not complete the confirmation process prior to the August recess, and suggested starting the hearings on September 16, 1991. The White House concurs in this delay.

We are hopeful that the September 16 date to begin hearings provides the opportunity to move the nomination forward expeditiously and without interruption. A start-and-stop hearing and confirmation process dragging out over a number of weeks would not be fair to Mr. Gates.

The President again underscores his total support for Mr. Gates and urges the committee and the full Senate to act as soon as possible to confirm this honorable, able, and dedicated public servant.

Nomination of Sylvia Chavez Long To Be an Assistant Secretary of Veterans Affairs

July 16, 1991

The President today announced his intention to nominate Sylvia Chavez Long, of New Mexico, to be an Assistant Secretary of Veterans Affairs for Congressional Affairs at the Department of Veterans Affairs. She would succeed Edward G. Lewis.

Since 1989 Ms. Long has served as a Deputy Assistant Secretary for Program Coordination and Evaluation at the Department of Veterans Affairs. Prior to this she served as veterans/military liaison and deputy district office manager for Congressman Steve Schiff in Washington, DC.

Ms. Long graduated from the University of New Mexico (B.A., 1988). She was born October 26, 1948, in Sante Fe, NM. Ms. Long serves in the U.S. Navy Reserve, 1974-present. She has two children and resides in Fairfax, VA.

London Economic Summit Economic Declaration: Building World Partnership

July 17, 1991

1. We, the Heads of State and Government of the seven major industrial democracies and the representatives of the European Community, met in London for our seventeenth annual Summit.

2. The spread of freedom and democracy which we celebrated at Houston has gathered pace over the last year. Together the international community has overcome a major threat to world peace in the Gulf. But new challenges and new opportunities confront us.

3. We seek to build world partnership, based on common values, and to strengthen the international order. Our aim is to underpin democracy, human rights, the rule of law and sound economic management, which together provide the key to prosperity. To achieve this aim, we will promote a truly multilateral system, which is secure and adaptable and in which responsibility is shared widely and equitably. Central to our aim is the need for a stronger, more effective UN system, and for greater attention to the proliferation and transfer of weapons.

Economic policy

4. Over the last year, some of our economies have maintained good growth, while most have slowed down and some gone into recession. But a global recession has been avoided. The uncertainty created by the Gulf crisis is behind us. We welcome the fact that there are now increasing signs of economic recovery. Progress has been made too in reducing the largest trade and current account imbalances.

5. Our shared objectives are a sustained recovery and price stability. To this end, we are determined to maintain, including through our economic policy coordination process, the medium-term strategy endorsed by earlier Summits. This strategy has contained inflationary expectations and created the conditions for sustainable growth and new jobs.

6. We therefore commit ourselves to implement fiscal and monetary policies, which, while reflecting the different situations in our countries, provide the basis for lower real interest rates. In this connection, continued progress in reducing budget deficits is essential. This, together with the efforts being made to reduce impediments to private saving, will help generate the increase in global savings needed to meet demands for investment. We also welcome the close cooperation on exchange markets and the work to improve the functioning of the international monetary system.

7. We will also, with the help of the Organisation for Economic Co-operation and Development

(OECD) and other institutions, pursue reforms to improve economic efficiency and thus the potential for growth. These include: --

a) greater competition in our economies, including regulatory reform. This can enhance consumer choice, reduce prices and ease burdens on business.

b) greater transparency, elimination or enhanced discipline in subsidies that have distorting effects, since such subsidies lead to inefficient allocation of resources and inflate public expenditure.

c) improved education and training, to enhance the skills and improve the opportunities of those both in and out of employment, as well as policies contributing to greater flexibility in the employment system.

d) a more efficient public sector, for example through higher standards of management and including possibilities for privatisation and contracting out.

e) the wide and rapid diffusion of advances in science and technology.

f) essential investment, both private and public, in infrastructure.

8. We will encourage work nationally and internationally to develop cost-effective economic instruments for protecting the environment, such as taxes, charges and tradeable permits.

International trade

9. No issue has more far-reaching implications for the future prospects of the world economy than the successful conclusion of the Uruguay Round. It will stimulate non-inflationary growth by bolstering confidence, reversing protectionism and increasing trade flows. It will be essential to encourage the integration of developing countries and Central and East European nations into the multilateral trading system. All these benefits will be lost if we cannot conclude the Round.

10. We therefore commit ourselves to an ambitious, global and balanced package of results from the Round, with the widest possible participation by both developed and developing countries. The aim of all contracting parties should be to complete the Round before the end of 1991. We shall each remain personally involved in this process, ready to intervene with one another if differences can only be resolved at the highest level.

11. To achieve our objectives, sustained progress will be needed in the negotiations at Geneva in all areas over the rest of this year. The principal requirement is to move forward urgently in the following areas taken together: --

a) market access, where it is necessary, in particular, to cut tariff peaks for some products while moving to zero tariffs for others, as part of a substantial reduction of tariffs and parallel action against non-tariff barriers.

b) agriculture, where a framework must be decided upon to provide for specific binding commitments in domestic support, market access and export competition, so that substantial progressive reductions of support and protection may be agreed in each area, taking into account non-trade concerns.

c) services, where accord on a general agreement on trade in services should be reinforced by substantial and binding initial commitments to reduce or remove existing restrictions on services trade and not to impose new ones.

d) intellectual property, where clear and enforceable rules and obligations to protect all property rights are necessary to encourage investment and the spread of technology.

12. Progress on these issues will encourage final agreement in areas already close to conclusion, such as textiles, tropical products, safeguards and dispute settlement. Agreement to an improved dispute settlement mechanism should lead to a commitment to operate only under the multilateral rules. Taken all together, these and the other elements of the negotiations, including GATT rule-making, should amount to the substantial, wide-ranging package which we seek.

13. We will seek to ensure that regional integration is compatible with the multilateral trading system.

14. As we noted at Houston, a successful outcome of the Uruguay Round will also call for the institutional reinforcement of the multilateral trading system. The concept of an international trade organisation should be addressed in this context.

15. Open markets help to create the resources needed to protect the environment. We therefore commend the OECD's pioneering work in ensuring that trade and environment policies are mutually supporting. We look to the General Agreement on Tariffs and Trade (GATT) to define how trade measures can properly be used for environmental purposes.

16. We are convinced that OECD members must overcome in the near future and, in any case, by the end of the year, remaining obstacles to an agreement on reducing the distortions that result from the use of subsidised export credits and of tied aid credits. We welcome the initiative of the OECD in studying export credit premium systems and structures and look forward to an early report.

Energy

17. As the Gulf crisis showed, the supply and price of oil remain vulnerable to political shocks, which disturb the world economy. But these shocks have been contained by the effective operation of the market, by the welcome increase in supplies by certain oil-exporting countries and by the actions co-ordinated by the International Energy Agency (IEA), particularly the use of stocks. We are committed to strengthen the IEA's emergency preparedness and its supporting measures. Since the crisis has led to improved relations between producers and consumers, contacts among all market participants could be further developed to promote communication, transparency and the efficient working of market forces.

18. We will work to secure stable worldwide energy supplies, to remove barriers to energy trade and investment, to encourage high environmental and safety standards and to promote international cooperation on research and development in all these areas. We will also seek to improve energy efficiency and to price energy from all sources so as to reflect costs fully, including environmental costs.

19. In this context, nuclear power generation contributes to diversifying energy sources and reducing greenhouse gas emissions. In developing nuclear power as an economic energy source, it is essential to achieve and maintain the highest available standards of safety, including in waste management, and to encourage co-operation to this end throughout the world. The safety situation in Central and Eastern Europe and the Soviet Union deserves particular attention. This is an urgent problem and we call upon the international community to develop an effective means of coordinating its response.

20. The commercial development of renewable energy sources and their integration with general energy systems should also be encouraged, because of the advantages these sources offer for environmental protection and energy security.

21. We all intend to take a full part in the initiative of the European Community for the establishment of a European Energy Charter on the basis of equal rights and obligations of signatory countries. The aim is to promote free and undistorted energy trade, to enhance security of supply, to protect the environment and to assist economic reform in Central and East European countries and the Soviet Union, especially by creating an open, non-discriminatory regime for commercial energy investment.

Central and Eastern Europe

22. We salute the courage and determination of the countries of Central and Eastern Europe in building democracy and moving to market economies, despite formidable obstacles. We welcome the spread of political and economic reform throughout the region. These changes are of great historical importance. Bulgaria and Romania are now following the pioneering advances of Poland, Hungary and Czechoslovakia. Albania is emerging from its long isolation.

23. Recognising that successful reform depends principally on the continuing efforts of the countries concerned, we renew our own firm commitment to support their reform efforts, to forge closer ties with them and to encourage their integration into the international economic system. Regional initiatives reinforce our ability to co-operate.

24. All the Central and East European countries except Albania are now members of the International Monetary Fund (IMF) and the World Bank. We welcome the steps being taken by those countries that are implementing IMF-supported programmes of macro-economic stabilisation. It is crucial that these programmes are complemented by structural reforms, such as privatising and restructuring state-owned enterprises, increasing competition and strengthening property rights. We welcome the establishment of the European Bank for Reconstruction and Development (EBRD), which has a mandate to foster the transition to open, market-oriented economies and to promote private initiative in Central and East European countries committed to democracy.

25. A favourable environment for private investment, both foreign and domestic, is crucial for sustained growth and for avoiding dependence on external assistance from governments. In this respect, technical assistance from our private sectors and governments, the European Community and international institutions should concentrate on helping this essential market-based transformation. In this context, we emphasise the importance of integrating environmental considerations into the economic restructuring process in Central and Eastern Europe.

26. Expanding markets for their exports are vital for the Central and East European countries. We welcome the substantial increases already made in exports to market economies and we undertake to improve further their access to our markets for their products and services, including in areas such as steel, textiles and agricultural produce. In this context, we welcome the progress made in negotiating Association Agreements between the European Community and Poland, Hungary and Czechoslovakia, as well as the Presidential Trade Enhancement Initiative announced by the United States, all of which will be in accordance with GATT principles. We will support the work of the OECD to identify restrictions to East/West trade and to facilitate their removal.

27. The Group of Twenty-four (G24) process, inaugurated by the Arch Summit and chaired by the European Commission, has mobilised $31 billion in bilateral support for these countries, including balance of payments finance to underpin IMF-supported programmes. Such programmes are in place for Poland, Hungary and Czechoslovakia. We welcome the contributions already made for Bulgaria and Romania. We are intensifying the G24 coordination process and we reaffirm our shared willingness to play our fair part in the global assistance effort.

The Soviet Union

28. We support the moves towards political and economic transformation in the Soviet Union and are ready to assist the integration of the Soviet Union into the world economy.

29. Reform to develop the market economy is essential to create incentives for change and enable the Soviet people to mobilise their own substantial natural and human resources. A clear and agreed framework within which the centre and the republics exercise their respective responsibilities is fundamental for the success of political and economic reform.

30. We have invited President Gorbachev to meet us for a discussion of reform policies and their implementation, as well as ways in which we can encourage this process.

31. We commend the IMF, World Bank, OECD and EBRD for their study of the Soviet economy produced, in close consultation with the European Commission, in response to the request we made at Houston. This study sets out many of the elements necessary for successful economic reform, which include fiscal and monetary discipline and creating the framework of a market economy.

32. We are sensitive to the overall political context in which reforms are being conducted, including the ``New Thinking'' in Soviet foreign policy around the world. We are sensitive also to the importance of shifting resources from military to civilian use.

33. We are concerned about the deterioration of the Soviet economy, which creates severe hardship not only within the Soviet Union but also for the countries of Central and Eastern Europe.

The Middle East

34. Many countries have suffered economically as a result of the Gulf crisis. We welcome the success of the Gulf Crisis Financial Co-ordination Group in mobilising nearly $16 billion of assistance for those countries suffering the most direct economic impact of the Gulf crisis and urge all donors to complete disbursements rapidly. Extensive assistance is being provided by Summit participants for the Mediterranean and the Middle East, as well as by the IMF and World Bank.

35. We believe that enhanced economic co-operation in this area, on the basis of the principles of non-discrimination and open trade, could help repair the damage and reinforce political stability. We welcome the plans of major oil exporting countries for providing financial assistance to others in the region and their decision to establish a Gulf Development Fund. We support closer links between the international financial institutions and Arab and other donors. We believe this would encourage necessary economic reforms, promote efficient use of financial flows, foster private sector investment, stimulate trade liberalisation and facilitate joint projects e.g. in water management, which would draw on our technical skills and expertise.

Developing Countries and Debt

36. Developing countries are playing an increasingly constructive role in the international economic system, including the Uruguay Round. Many have introduced radical policy reforms and are adopting the following principles:

(a) respect for human rights and for the law, which encourages individuals to contribute to development;

(b) democratic pluralism and open systems of administration, accountable to the public;

(c) sound, market-based economic policies to sustain development and bring people out of poverty;

We commend these countries and urge others to follow their example. Good governance not only promotes development at home, but helps to attract external finance and investment from all sources.

37. Our steadfast commitment to helping developing countries, in conjunction with a durable non-inflationary recovery of our economies and the opening of our markets, will be the most effective way we have of enhancing prosperity in the developing world.

38. Many of these countries, especially the poorest, need our financial and technical assistance to buttress their own development endeavours. Additional aid efforts are required, to enhance both the quantity and the quality of our support for priority development issues. These include alleviating poverty, improving health, education and training and enhancing the environmental quality of our aid. We endorse the increasing attention being given to population issues in devising strategies for sustainable progress.

39. Africa deserves our special attention. Progress by African governments towards sound economic policies, democracy and accountability is improving their prospects for growth. This is being helped by our continued support, focused on stimulating development of the private sector, encouraging regional integration, providing concessional flows and reducing debt burdens. The Special Programme of Assistance for Africa, co-ordinated by the World Bank and providing support for economic reform in over 20 African countries, is proving its worth. We will provide humanitarian assistance to those parts of Africa facing severe famine and encourage the reform of United Nations structures in order to make this assistance more effective. We will also work to help the countries concerned remove the underlying causes of famine and other emergencies, whether these are natural or provoked by civil strife.

40. In the Asia-Pacific region, many economies, including members of the Association of South-East Asian Nations (ASEAN) and the Asia-Pacific Economic Co-operation (APEC), continue to achieve dynamic growth. We welcome the efforts by those economies of the region which are assuming new international responsibilities. Other Asian countries, which are strengthening their

reform efforts, continue to need external assistance.

41. In Latin America we are encouraged by the progress being made in carrying out genuine economic reforms and by developments in regional integration. We welcome the continuing discussions on the Multilateral Investment Fund, under the Enterprise for the Americas Initiative which, together with other efforts, is helping to create the right climate for direct investment, freer trade and a reversal of capital flight.

42. We recognize with satisfaction the progress being made under the strengthened debt strategy. Some countries have already benefited from the combination of strong adjustment with commercial bank debt reduction or equivalent measures. We encourage other countries with heavy debts to banks to negotiate similar packages.

43. We note:

(a) the agreement reached by the Paris Club on debt reduction or equivalent measures for Poland and Egypt, which should be treated as exceptional cases;

(b) the Paris Club's continued examination of the special situation of some lower middle-income countries on a case by case basis.

44. The poorest, most indebted countries need very special terms. We agree on the need for additional debt relief measures, on a case by case basis, for these countries, going well beyond the relief already granted under Toronto terms. We therefore call on the Paris Club to continue its discussions on how these measures can best be implemented promptly.

45. We recognize the need for appropriate new financial flows to developing countries. We believe the appropriate way to avoid unsustainable levels of debt is for developing countries to adopt strengthened policies to attract direct investment and the return of flight capital.

46. We note the key role of the IMF, whose resources should be strengthened by the early implementation of the quota increase under the Ninth General Review and the associated Third Amendment to the Articles of Agreement.

Environment

47. The international community will face formidable environmental challenges in the coming decade. Managing the environment continues to be a priority issue for us. Our economic policies should ensure that the use of this planet's resources is sustainable and safeguards the interests of both present and future generations. Growing market economies can best mobilize the means for protecting the environment, while democratic systems ensure proper accountability.

48. Environmental considerations should be integrated into the full range of government policies, in a way which reflects their economic costs. We support the valuable work in this field being undertaken by the OECD. This includes the systematic review of member countries' environmental performance and the development of environmental indicators for use in decision-making.

49. Internationally, we must develop a co-operative approach for tackling environmental issues. Industrial countries should set an example and thus encourage developing countries and Central and East European nations to play their part. Co-operation is also required on regional problems. In this context, we welcome the consensus reached on the Environmental Protocol of the Antarctic Treaty, aimed at reinforcing the environmental preservation of this continent. We note the good progress of the Sahara and Sahel Observatory as well as the Budapest Environmental Centre.

50. The UN Conference on Environment and Development (UNCED) in June 1992 will be a landmark event. It will mark the climax of many international environmental negotiations. We commit ourselves to work for a successful Conference and to give the necessary political impetus to its preparation.

51. We aim to achieve the following by the time of UNCED: --

a) an effective framework convention on climate change, containing appropriate commitments and addressing all sources and sinks for greenhouse gases. We will seek to expedite work on implementing protocols to reinforce the convention. All participants should be committed to design and implement concrete strategies to limit net emissions of greenhouse gases, with measures to facilitate adaptation. Significant actions by industrial countries will encourage the participation of developing and East European countries, which is essential to the negotiations.

b) agreement on principles for the management, conservation and sustainable development of all types of forest, leading to a framework convention. This should be in a form both acceptable to the developing countries where tropical forests grow and consistent with the objective of a global forest convention or agreement which we set at Houston.

52. We will seek to promote, in the context of UNCED:

a) mobilization of financial resources to help developing countries tackle environmental problems. We support the use of existing mechanisms for this purpose, in particular the Global Environment Facility (GEF). The GEF could become the comprehensive funding mechanism to help developing countries meet their obligations under the new environmental conventions.

b) encouragement of an improved flow of beneficial technology to developing countries, making use of commercial mechanisms.

c) a comprehensive approach to the oceans, including regional seas. The environmental and economic importance of oceans and seas means that they must be protected and sustainably managed.

d) further development of international law of the environment, drawing inter alia on the results of the Siena Forum.

e) the reinforcement of international institutions concerned with the environment, including the United Nations Environment Programme (UNEP), for the decade ahead.

53. We support the negotiation, under the auspices of UNEP, of an acceptable framework convention of biodiversity, if possible to be concluded next year. It should concentrate on protecting ecosystems, particularly in species-rich areas, without impeding positive developments in biotechnology.

54. We remain concerned about the destruction of tropical forests. We welcome the progress made in developing the pilot programme for the conservation of the Brazilian tropical forest, which has been prepared by the Government of Brazil in consultation with the World Bank and the European Commission, in response to the offer of co-operation extended following the Houston Summit. We call for further urgent work under the auspices of the World Bank, in co-operation with the European Commission, in the framework of appropriate policies and with careful attention to economic, technical and social issues. We will financially support the implementation of the preliminary stage of the pilot programme utilising all potential sources, including the private sector, non-governmental organisations, the multilateral development banks, and the Global Environmental Facility. When details of the programme have been resolved, we will consider supplementing these resources with bilateral assistance, so that progress can be made on the ground. We believe that good progress with this project will have a beneficial impact on the treatment of forests at UNCED. We also welcome the spread of debt for nature exchanges, with an emphasis on forests.

55. The burning oil wells and polluted seas in the Gulf have shown that we need greater international capacity to prevent and respond to environmental disasters. All international and regional agreements for this purpose, including those of the International Maritime Organisation (IMO), should be fully implemented. We welcome the decision by UNEP to establish an experimental centre for urgent environmental assistance. In the light of the recent storm damage in Bangladesh, we encourage the work on flood alleviation under the auspices of the World Bank, which we called for at the Arch Summit.

56. Living marine resources threatened by over-fishing and other harmful practices should be protected by the implementation of measures in accordance with international law. We urge control of marine pollution and compliance with the regimes established by regional fisheries organisations through effective monitoring and enforcement measures.

57. We call for greater efforts in co-operation in environmental science and technology, in particular: --

a) scientific research into the global climate, including satellite monitoring and ocean observation. All countries, including developing countries, should be involved in this research effort. We welcome the development of information services for users of earth observation data since the Houston Summit.

b) the development and diffusion of energy and environment technologies, including proposals for innovative technology programmes.

Drugs

58. We note with satisfaction progress made in this field since our Houston meeting, notably the entry into force of the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychiatric [Psychotropic] Substances. We welcome the formation of the United Nations International Drugs Control Programme (UNDCP).

59. We will increase our efforts to reduce the demand for drugs as a part of overall anti-drug action programmes. We maintain our efforts to combat the scourge of cocaine and will match these by increased attention to heroin, still the principal hard drug in Europe and Asia. Enhanced co-operation is needed both to reduce production of heroin in Asia and to check its flow into Europe. Political changes in Central and Eastern Europe and the opening of frontiers there have increased the threat of drug misuse and facilitated illicit trafficking, but have also given greater scope for concerted Europe-wide action against drugs.

60. We applaud the efforts of the ``Dublin Group'' of European, North American and Asian governments to focus attention and resources on the problems of narcotics production and trafficking.

61. We commend the achievements of the task-forces initiated by previous Summits and supported by an increasing number of countries: --

a) We urge all countries to take part in the international fight against money laundering and to cooperate with the activities of the Financial Action Task Force (FATF). We strongly support the agreement on a mutual evaluation process of each participating country's progress in implementing the FATF recommendations on money laundering. We endorse the recommendation of the FATF that it should operate on a continuing basis with a secretariat supplied by the OECD.

b) We welcome the report of the Chemical Action Task Force (CATF) and endorse the measures

it recommends for countering chemical diversion, building on the 1988 UN Convention against drug trafficking. We look forward to the special meeting in Asia, concentrating on heroin, and the CATF meeting due in March 1992, which should consider the institutional future of this work.

62. We are concerned to improve the capacity of law enforcement agencies to target illicit drug movements without hindering the legitimate circulation of persons and goods. We invite the Customs Cooperation Council to strengthen its cooperation with associations of international traders and carriers for this purpose and to produce a report before our next Summit.

Migration

63. Migration has made and can make a valuable contribution to economic and social development, under appropriate conditions, although there is a growing concern about worldwide migratory pressures, which are due to a variety of political, social and economic factors. We welcome the increased attention being given these issues by the OECD and may wish to return to them at a future Summit.

Next meeting

64. We have accepted an invitation from Chancellor Kohl to hold our next Summit in Munich, Germany in July 1992.

17 July 1991

Note: The declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

The President's News Conference With Soviet President Mikhail Gorbachev in London, United Kingdom

July 17, 1991

President Bush. Well, may I say that it was a pleasure to have President Gorbachev in this Embassy. We've made a good deal of progress, and we will -- he might have something to say about how much progress. But from the standpoint of the United States and the economic front and the arms front, we are very pleased with this meeting.

And once again, Mikhail, welcome, sir. I'm delighted to see you and your top people here.

President Gorbachev. Mr. President, it was very short, and that's because of the circumstances. In fact, we didn't have a lot of time at our disposal, but we used it very well and very productively, and we were able to talk about quite a few things. Again, there's not much time for the press conference, and maybe later you will be able to satisfy yourselves as far as what happens at our subsequent meeting.

Now, what I wanted to say was, in view of the fact that we were told that all of the issues are solved on the START treaty, we, with the President of the United States, have agreed to finalize everything in Geneva, and we will give commensurate instructions so that we could then sign that treaty. And this connection -- there's also the issue of the visit of the President of the United States to the Soviet Union.

Once again, I've invited the President to come to the Soviet Union on a visit at the very end of July, and I hope that everything is clear now about the visit -- the visit will take place. The Soviet people, all of us will be ready to give our hospitality to the President of the United States and, I also hope, to Mrs. Bush and to all those who will accompany him to Moscow. Welcome, Mr. President, to Moscow, and welcome all of you to Moscow.

And the last point: The President and I have had a discussion within the framework of what is happening in the context of this unique meeting with the G - 7. And we are pleased with the kind of discussion that has taken place on those issues. So, I'm through, too.

President Bush. May I simply say that we accept with pleasure President Gorbachev's invitation. I hope we can get a lot done. And we've already accomplished a lot in treaty negotiations.

The goal, of course, is an economic goal. We'd be cooperatively working with President Gorbachev and, I would say, the rest of the G - 7 and the rest of the world in integrating the Soviet economy into the rest of the world's economies. It's a big problem, a big project, but I pledge to him my interest and our efforts to do just exactly that.

But thank you, Mikhail, for your invitation. And before you change your mind, we accept with pleasure. [Laughter]

President Gorbachev. Well, I think that over the years of our cooperation you have seen, Mr. President, that we are true to our word in all those things: in working together, in accommodating you, your interests, and the interests both of ourselves and of our partners -- particularly the United States.

I think that we have to say that the President and I have very limited time and so will not be able to answer all the questions that you would like to ask. After the meeting with the G - 7, maybe then I will be able to answer all of your questions.

Soviet-U.S. Relations

Q. Does this mean you have a START treaty ready to sign now, and you are going to Moscow, and everything is on the line? Who caved? Who gave in?

President Bush. Helen [Helen Thomas, United Press International] always asks the questions where there has to be a winner or a loser or somebody continuing to fight each other; that's the way it is. There was compromise on all sides, and it's in the best interest of the United States, and I hope that the Soviet people feel it's in the best interest of the Soviet people.

Q. Well, does that mean that you will not build a new missile?

President Gorbachev. Let me say, I share what the President has just said. We will not be able to succeed either today or tomorrow in building new international relations, new international security, in achieving a balance of interest in the world if we try to achieve advantage and if we try to win. We have to move reciprocally towards each other in the interests of both our peoples, and I hope very much that the meeting that will take place in Moscow will be in the interest of all mankind, of all those who will be able to now breathe more quietly and to say that we have moved further away from the threat of nuclear war. So, it's our common victory, and I think that all those who have worked toward this important step -- they really deserve a lot of credit.

Q. About G - 7, what do you see as the strong position -- strong points of the Gorbachev proposal?

President Bush. I think it would be unwise and inhospitable for me to start talking about the G - 7 and what might happen to it until Mr. Gorbachev has a chance to come to this meeting hosted by John Major. That's the first point.

Secondly, leave out any communication between the two of us, let me simply say that in terms of

our luncheon, I am convinced, as I have been, that President Gorbachev is determined to continue with economic reform. They face difficult problems. I'll be candid with you -- we face difficult problems at home in a budgetary sense. But all in all, I would leave anything coming out of the G - 7 until after the President has had a chance to discuss this with the other seven leaders.

Q. President Gorbachev -- --

President Gorbachev. Thank you, ladies and gentlemen.

President Bush. Are we finished? [Laughter]

Q. There's been talk during this summit of political support and technical assistance -- --

President Gorbachev. We have discussed with the President.

Q. Is that enough for you to take home in terms of economic aid, or are you looking for a bundle of cash here? [Laughter]

President Gorbachev. Well, that's my general answer. [Laughter]

President Bush. I've learned something about how to handle all these guys. This is good news.

Q. What's the date -- pin it down?

President Bush. Well, we're pinning it down, but I'd say the very end of July.

Q. How long will the summit be?

President Bush. Oh, 2 or 3 days, but that's up to our host.

Q. Will you actually sign it then?

President Bush. We're trying.

Q. Was President Gorbachev helpful to you on the Mideast? Was he helpful to you?

President Bush. Very much. He continues to be.

Note: President Bush's 92d news conference began at 1:25 p.m. in the garden of Winfield House, the residence of U.S. Ambassador to the United Kingdom Raymond G.H. Seitz. President Bush referred to Prime Minister John Major of the United Kingdom. President Gorbachev spoke in

Russian, and his remarks were translated by an interpreter. Prior to the news conference, the two Presidents participated in a working luncheon at Winfield House. A tape was not available for verification of the content of this news conference.

The President's New Conference in London, United Kingdom

July 17, 1991

The President. I have a brief statement and then I'll be glad to take a couple of questions.

But this is an historic day for the United States and for East-West relations. We, today, concluded with the Soviet Union a nuclear arms treaty that will begin the reduction of long-range nuclear weapons. And this treaty really has been in the works for more than 9 years. I've been marginally involved in it since -- for a long period of time -- not that period of time. I think it's appropriate to thank President Reagan, who started this negotiation back in 1982, and who nurtured the START talks through the sometimes turbulent changes in the U.S.-Soviet relationship.

It's perhaps difficult to understand how a treaty, involving several hundred pages of detailed negotiations, can evolve down to one very technical and complex issue, but it did. And I'm delighted that we were able to resolve that issue finally, today. And it was a mutually satisfactory solution. It wasn't a case of winners or losers, or who gave or who didn't give. And it was a case of both sides agreeing to a limitation that will mean real reductions in nuclear long-range missiles.

And I also want to compliment President Gorbachev, who stuck with these discussions while he works to reorient the entire economy and the social fabric of his country. He's shown enormous leadership in forging ahead with these plans.

It's a strong symbol of the growing U.S.-Soviet relationship that we accept the opportunity to meet with President Gorbachev in Moscow in only a few days time to discuss many other problems now of mutual interest. We will be in Moscow on July 30th and 31st to discuss issues across the full range of the so-called five baskets that we've described in the past: that's bilateral issues, the regional matters, the human rights, arms control, and transnational issues; drugs and terrorism and these kinds of things.

I look forward to these meetings and the opportunity it gives me to follow up on what I think were productive meetings with the G - 7, certainly productive with the G - 7 summit and then with President Gorbachev here for the wrap-up of the G - 7 summit.

Today he outlined his program for reforming the Soviet economic and social system. And the G - 7 has responded with the kind of assistance that we believe will encourage progress -- must encourage progress toward a free market economy and a democratic society.

We had a very frank, incidentally -- not the diplomatic use of the word -- but a very frank and

good discussion over at Lancaster House on the Soviet economy. He responded very directly to questions. And I thought it was a good meeting. I think he did, too. And I think John Major, frankly, deserves a great deal of credit -- the way he conducted the G - 7 meetings and then the way he graciously conducted the meetings today. He was an outstanding chairman, and I was proud to be there and see him in action. It was good stuff.

It's not going to be quick or easy to implement change in the Soviet Union. It's enormous problems they face. But we believe that President Gorbachev has made an irrevocable commitment, and I would like to feel that this course that he has embarked on, and others in the Republics are embarked on, is irreversible.

But it's been a good day. I think it's a good day for the United States, which concerns me most of all.

START Agreement

Q. Mr. President, let me ask you what clinched the arms deal. Did the Soviets come in with a proposal today? Did you accept it as is, did you make a counteroffer? And exactly what's in the deal? We don't know yet.

The President. Well, we'll find out about that as we go along. But there's -- the details of how it worked out is, we had one sticking point in new types, and it's very, very technical, Terry [Terence Hunt, Associated Press]. And it was resolved today. They came with a proposal, having Jim Baker and Bessmertnykh having spent hours wrestling the details with our experts -- this one had to require our calling back to the technical experts to be sure we weren't overlooking something. And while we were sitting at lunch we told Mr. Gorbachev that -- no, wait a minute. We finished lunch and I went into a private meeting with him. Jim Baker was waiting to get the callback; he got it back. In principle we'd agreed, but then the experts signed off on it, specific parts of the language, so we got the thumbs-up, and we agreed that we have a deal.

And this was true of a lot of other issues. There was give-and-take all along the way on, you know, technical stuff -- incryption of telemetry. I mean, it's a very technical subject that's plagued us for years. And I am satisfied, given the response from the defense people, that it is clearly in our interest. They are very pleased about all of this.

Q. So you accepted just what they brought in, you said, yes, that's okay?

The President. Today the language they brought in was fine, yes. And what had happened before was the language that we had proposed and they had proposed was unsatisfactory.

Soviet Union

Q. Mr. President, the long document that Mr. Gorbachev sent in advance of this meeting was greeted with some skepticism, complaints that it was too vague. Listening to Mr. Major and Mr. Gorbachev at their news conference, it still sounds vague as to what it is Mr. Gorbachev is proposing to do in the Soviet Union. Has he spelled out details, and really, what are they?

The President. Not in a 432-point program or paragraph by paragraph. But he's committed himself to the broad principles that are necessary. But the reason we are going to have the follow-on the way it was defined by Mr. Major is to be sure we can be helpful to assist flushing it out. For example, the cooperation with these international financial organizations is very important stuff. But he's got to -- he will come in an associate status to the IMF, to the World Bank; he'll see how all these things work. And out of all that, and I think in a relatively short period of time, practical suggestions will occur to their experts as to how we can go ahead and implement the broad market reforms he talks about, price reforms he's talking about, how we can sooner achieve convertibility of the ruble rather than later.

So, I accept your premise that it's not all fleshed out in every detail, and I think President Gorbachev recognizes that. Otherwise he wouldn't have been quite as enthusiastic over what transpired today as he was.

Q. Mr. President, you said that this was a very frank discussion --

The President. Right here, and I'll be right over to you, Susan [Susan Spencer, CBS News].

Q. Is there anything the United States can do unilaterally for the Soviet Union at this point, or is there zero that you could tell him either at lunch or during the afternoon discussion?

The President. I don't whether what we did today on arms control was unilateral in terms of the U.S. but -- --

Q. But I thought this separated the economic and the arms control. On economics, is there any single thing the United States can do?

The President. Well, look, we've got a tremendous know-how in the field of energy. And so do other countries. But if there's one sector of their economy in addition to agricultural -- distribution reform -- that's crying out for outside help, technological help, it's the energy side. And I think we can help them enormously there. But to do all that there's has to be a finalization of the details between these Republics and the center. And that's what's very difficult.

But I think President Gorbachev understands that. I think he's determined to finalize this union treaty. And as I may have mentioned to you when we had some experts up the other day -- our experts, outside-the-government experts -- they were unanimous in the view that this is the single, most important thing they can do for us then to facilitate energy and agriculture distribution and

all of that. Plus, I think when our finance minister goes there -- Nick Brady -- when that is all resolved, I think there are things we can do bilaterally. But at this juncture there isn't one single program or something of that nature that comes to mind.

Q. Does he understand the relationship between things like aid to Cuba and their high levels of defense spending and the barrier that that may put in the future to aid from the West? Did you discuss that with him?

The President. I think he understands the political problems, Susan, that go with that for the -- especially for the United States. And that was discussed by me. And then it came up in the G - 7. And he points out that there's much, much less aid going into Cuba. But I think what you're asking about is the political problem that we've got about helping the Soviet Union as long as they're propping up the one totalitarian dictator -- Communist dictator in our hemisphere. So, I think he understands it.

In terms of total economic drawdown on the Soviet Union, it's very small, even though they've got some enormous economic problems. But yes, that was discussed and other issues as well of that nature.

Q. Was it clear to him that the political side is going to be the determining factor, or could be, in terms of reaching a point where actual cash is provided to the Soviet Union?

The President. I think he understands because we've been talking about that one -- particularly on Cuba -- we've been talking about that for a long time.

But let me give you another example coming at it in a different way. Iraq used to have a very special relationship with the Soviet Union, and yet the Soviet Union, I think, was very helpful in the United Nations in standing up against Iraq. It showed a shift. So, I think they've demonstrated an ability to shift. But I think your point is -- well, I think your point is well-taken because it's very hard to ask the American people, please spend money, send checks when this one dictatorship 80 miles from our shores is being propped up.

So, I think there's much more understanding on that -- not that I've worked any magic on it, but yes, we talked about it here. But also because it was brought up without any prompting by others as an example of the kinds of regional problems that we'd like to see resolved.

But just as we go forward on a bilteral arms control agreement because it is in the national interest of the United States, we can do other things, even though all those regional problems aren't totally resolved. It makes it much more difficult, however, to have the Cuban problem hang.

Q. If you were still in the oil business, would you feel safe in risking any capital in a joint venture

with the Soviet Union and taking this beyond technical assistance, given the example of, say, Chevron and Kazakhstan, and some other instances?

The President. I think I'd want to know who I was making a deal with. I think I'd want to know that I could get my money back -- out. I think I'd want to know that they had worked out their problems on taxation.

But, you know, I use an example from my own limited experience a long time ago, and I told him that we've got a federation of States -- we've had 200 years to sort it out. But even so, we have -- in the offshore drilling business, I remember arguing with the Federal Branch -- the Coast Guard -- while still having to get permits from the States -- State of Louisiana, State of Texas -- and then worrying about how the States interacted with the Federal Government on offshore drilling rights, who gets what.

And so, there's a parallel there. But we've sorted it out in the United States. We have orderly arrangements. We don't need a union treaty, but people know where the taxes are going to be levied and who's in charge of making the deal and the contract. And those things have to be resolved. Once resolved, I think that the future is wide open because they are rich in natural resources and they want the reform to keep going and they're trying to move to market.

So, I think it just depends on how this union treaty works out for large-scale investments. But there's an enormous potential there. And I keep saying to myself, think how things were 5 years ago. Think what it was like. Who would have dreamed we'd be talking about the kinds of things we are with the Soviet Union. Who would have dreamed the Russian Republic would have had literally a fair and popular election or that the Eastern Europeans would be free or that the Berlin Wall would be down? I mean, a lot has happened. And it's going to take a while before a lot more happens.

But I think what's important for the American people and certainly for this President to keep in mind the big picture as we worry about the difficulties that they face now in moving to a market economy.

START Agreement

Q. Mr. President, when did you actually know that a new deal had been clinched -- I'm following up on Terry -- and had you had a feeling beforehand, and is this the end of the road? And what did you agree upon? I mean, I know it's technical, but can you give us one word, because we're writing stories and we don't know what was -- --

The President. Well, let me get Brent to help you with the details on it. But when we actually agreed -- that means I'm not familiar with absolutely every being t being crossed and every i being dotted -- --

Q. No, but I mean, when did you actually have the feeling that it was -- --

The President. After Besmertnykh sat down with Jim Baker, which was just a few minutes before Mr. Gorbachev walked in here. In other words, this wasn't a stacked deck. This wasn't set. We didn't have an indication that they were going to come with a proposal, our having made some, that was acceptable to them. But so, it really -- literally, Helen [Helen Thomas, United Press International], it happened when their party arrived here. Jim went off in another room there, and then he came in and told me that he thought this looked very good. He'd run it by General Scowcroft, who took a look at it -- he's an expert in these matters and he felt that it was acceptable.

But again, it is so highly technical that we had to go -- on ranges of missiles and all of this -- that we felt more comfortable going back talking to the technical arms control experts. But it wasn't a set deal. I mean, we haven't known that this was going to happen. I was perfectly prepared to say to him today, look, let's keep working on it.

But he was very pleased. I think he felt that what they came with was a deal-maker, and sure enough, it was.

Q. So you had no previous inkling -- --

The President. No.

Q. -- -- and nothing last night?

The President. Nothing.

Q. They all came in smiling, though, and they seemed to -- --

The President. The Soviets you mean?

Q. Yes.

The President. Well, I think they felt that they had met the criteria that had been spelled out by Jim Baker and our defense experts in Washington. I think that accounts for that.

Q. You noted, Mr. President, that you've been 9 years at this. Are you prepared now to take a breather and say that's enough on arms control? Or do you want to roll up your sleeves and see if you can fellowup with more deep cuts?

The President. Well, I think we always ought to be willing to reduce arms between the two

countries if it is in the national interests of the United States. But let us get this one put to bed with the t's crossed and the i's dotted, and then we'll think as to what the next step should be. But I haven't started thinking that way. We want to get this one anchored down.

Q. Do you have any concern about the Senate on this?

The President. I don't, no. I mean, I don't, no. It's a good deal and the defense people are so enthusiastic that it's in the interest of the United States that I think it ought to sail through the Senate. Now, we have every obligation to answer their technical questions. They've got some great arms control experts up there on both sides of the aisle. But I think they will be well-satisifed with this.

Yes, Charles [Charles Bierbauer, Cable News Network] and then Jim Miklaszewski, NBC News]. Oh, excuse me, Jim and then Charles -- or just Jim.

Soviet-U.S. Relations

Q. It wasn't too many years ago, Mr. President, that the U.S. considered the Soviet Union the evil empire. Understanding that the relationship is improving, how do you consider the Soviets today -- ally, still an adversary?

The President. Well, I think as long as we have missiles deployed, we've got to be realistic -- missiles deployed against each other. Allies aren't in that posture. We're moving. In the first palce, we've got freindly relations. The evil empire syndrome ended when, I think, the cold war ended, and I think it has ended. And we've got very different times now. But I don't want to suggest that everything is perfect.

We've got the problems that Susan asked about. We've got certain arms problems. But we've gone so far that I should say very friendly relations at this point, and a determination on our part to try to help in every practical way to further reform. Because reform is not just an internal reform; it's democracy that they're moving towards and have really manifested a real interest in. It's markets, it's capitalism, it's all the things that have helped other people around the world, and it can help them. And as that develops, I am that any things that have been in our way of friendship before, such as arms and our worries about each other, will diminish. Trade is great. It's a good, salutary way to make things better.

So, I would characterize the relations as good, still some problems. Nobody that I know of and certainly in our administration is interested in seeing them fly apart, or having their wheels fall off, on the economy or anything of that nature. That's quite different than it was a few years ago.

Q. But you made the point very strongly that there was no linkage between START -- --

The President. Right.

Q. -- -- and what went on here with the G - 7 in terms of providing technical assistance to the Soviets. But how far can you go with the Soviet Union when, in fact, missiles are pointed at each other?

The President. Well, that's good question. But I think trade can help an awful lot to make the climate such that the suspicion that they might still harbor in some corners of the Soviet Union about our intentions is laid to rest. I think there are some elements there that are still highly suspicius of U.S. intentions towards them. And perhaps there are some highly suspicious in the United States of Soviet intentions toward us.

But I think we can move foward just as fast as practicality dicates on the economy. And I think with that will come an enhanced democracy in the Soviet Union because I think people, once they see how privatization works, once they see how markets work, once they see how elections work, it's bound to steamroller. So, I think the long-range problem will take care of itself. Shorter-range, we want to move forward, irrespective of what's happening now, in the arms field in terms of helping them do what we want to see them do: move down the democracy road.

Iraq

Q. Mr. President, you mentioned Iraq earlier. Will President Gorbachev support you if it's necessary to renew military action?

The President. That was not discussed today. I think that they, like us, would hope that we wouldn't have to use force. But perhaps that matter will come up when we're in Moscow. But I will just revert back to how they stood up against aggression with us in the United Nations. And I know that they're very concerned about nuclear proliferation -- the proliferation of nuclear capabilities. But I didn't get into any question of if we had to use force would they join us.

But clearly, I've said before and I'll say it here again, we don't want to go -- we're not any Lone Ranger out there. We think we have authorities under the United Nations resolutions to do what's needed to be done, but I am hopeful that it can be done without force. But if they continue to lie, if they continue to harbor equipment that could lead to development of nuclear weapons in direct contravention of their obligations, then we have to review our options. But it wasn't discussed in that manner today.

Q. Do you feel that you have the support of the other G - 7 countries?

The President. I thought it was fairly well-spoken on that -- teeing off from what Francois Mitterrand said the day that we arrived in Paris. And I think most -- I don't want to put words in everybody's mouth -- but I think most would agree with what Mitterrand said.

Yes, Jim. You've done it? I thought I saw your hand again.

Q. Just to followup on Dan's [Dan Goodgame, Time Magazine] question, you may not have discussed Iraq with Mr. Gorbachev, but Mr. Baker and Bessmertnykh have. And is there not a sense that Mr. Bessmertnykh has conveyed that the Soviets are not as supportive as your other allies?

The President. I think they made clear they hope that force would not be used. But that's quite -- they were in that mode back early on in the Iraq days. I'm not suggesting they want to use force. I'm not suggesting I do. And I think it would be very important to work cooperatively with them again. But we've got too much hypothesis here. I'm just hoping now that Iraq will totally reveal their hidden capabilities. And I'm a little suspcious, very candidly. I haven't seen anything to allay my concerns.

Any other before we go around again? Yes, Terry.

Soviet Union

Q. Did Mr. Gorbachev get enough to go home with his head high, Mr. President, or do you think that he's going to be attacked by the hardliners when he gets back in Moscow?

The President. I didn't hear his press conference right now, but I'm told it was quite positive. And at the end of our meeting it sounded quite positive. So, I think he feels it was a good meeting and very much worthwhile.

Q. Did he ask for U.S. support for a fund to support the ruble to make it a convertible currency?

The President. No, he did not ask for funding to do that.

Q. Did he ask for any sort of direct funding?

The President. We had a long discussion about the convertibility of the ruble, but it didn't come to that kind of a request.

Q. Did he seem satisfied strictly with technical assistance in these meetings, or did he urge that the seven do more than that?

The President. I think he would have -- he didn't -- I'm trying to think of something he asked for that didn't materialize. He really was trying to explain more what was going on inside the Soviet Union, what the pressures were, what he was up against in terms of history, if you will, and how they were coping and how determined they were to work with the Republics and how much help

they did need in terms of technical assistance. But he really stopped short of what some had predicted might be on his agenda.

Q. Did you talk at all on him keeping any -- he says a mixed economy, which included continued collectivization of agriculture. Can you buy off on that?

The President. Well, I'm not sure that's what it concludes, because what I got was that they're moving more and more towards privatization. It was ironic that all of us looked at our countries to see whether there were any highly regulated government industries or whether any -- the governments of any state or central government owned any of the goods and services that lead to production, which is how you compute GNP -- goods and services. And I think some found that there were highly regulated industries. Others found that the state still owned certain kinds of industries ``So he who is the purest of all casteth the first rock.'' But I do think that he recognizes that they have a mix now, but that, frankly, what we made very clear is that the sooner that moves entirely to privatization and private ownership of agriculture, the better.

He gave me some figures that, regrettably, I didn't bring down -- gave us some figures -- in terms of how much privatization has already taken place. And Mr. Mulroney, I think it was, very knowledgeable in agriculture, told him how productivity would soar if all of it was privatized. So, I didn't get the feeling that he wanted to leave this mixture. I got the feeling that he is crawling before he walks, that he's moving out towards privatization. I hope that's not a misconstruction.

Middle East Peace Process

Q. Does the letter from President Assad put pressure on Israel to come around on the peace process?

The President. Well, we're analyzing that, and I can answer your question better after I hear from Jim Baker on his trip. But it's not a question of pressure. It's a question of trying to bring people to understand that peace and talking to each other is in everybody's interest. So, I'm not going to term it what action or lack of action is going to bring pressure on any party. But I do consider it, from what we've seen, to be positive. Now we've got to pin down the details and move forward.

International Markets

Q. Why has there been so little progress in opening the markets of the G - 7 countries to the exports of emerging democracies? This just keeps getting kicked down the road.

TAhe President. Come again on it.

Q. Why has there been so little progress at this summit, as in Houston, at opening the markets of the G - 7 economies to the exports of Eastern Europe?

The President. Well, I'm not sure how little progress there's been made. We are trying, on a broad scale, to cope with that through a successful completion of the GATT round. Again, he who has no protection should speak the loudest and clearest about the benefit of the kind of trade that we all want to see. We have protection in our agriculture system that offends and troubles some of our strongest friends around the world. I think of how Australia looks at our agricultural enhancement program, for example. And they say that's taking markets away from them. We say we're not aiming that program at you; you're trying to let our farmers compete until we can achieve a satisfactory conclusion of the GATT round.

What's needed to knock down barriers to whatever it is, is a world trading agreement. So, I think every country that I'm familiar with has certain kinds of protection barriers. We've got some on texiles and on other products, and other countries as well have many serious ones. So, that brought us around to saying, look, the best thing we can do for Eastern Europe is to solve this Uruguay round problem, and that will enhance the economies quicker and better than anything else. But I think it's because each has these protective devices in place, and they'll remain in place until a broad agreement is reached, in this case, on the Uruguay round. Hopefully, we can plod away and at the same time on the Northern American Free Trade Zone.

But that's the problem. And we've always ready to look bilaterally with these Eastern European countries because out of this summit, we were determined that we not push them off into the background. They've already moved. Some of them have histories of privatilzation in market. So, their problems aren't quite as onerous as this massive problem facing the Soviet Union that hasn't had a history of privatizlation in market.

But it is essential that they succeed. And we will be alert to every possibility to help them. But some of the problem is what you've put your finger on, markets that aren't widely open. And the answer to that is the successful conclusion of the GATT round, it really is.

One more, and then I've got to run.

Soviet Union

Q. Do you think that he did not expect any money, and isn't it empty-handed?

The President. Helen, I answered that question about eight different ways.

Q. Well, but he -- I mean, how can they really -- --

The President. Ask him. I just told you all I can tell you. You've been writing that -- but there's been speculation, and it's based not -- you report what you see, I'm sure, and what others say -- that there's going to be -- he's going to come here with a big demand for money. And now nobody

can quite adjust to the fact that he didn't come here with a big demand for money. But he didn't. And I think we ought to give him -- --

Q. He didn't ask for any money at all?

The President. Did you hear him? Didn't he answer -- or did he? Maybe it wasn't asked at the press conference. But the answer is, no.

Q. Maybe he was told not to ask.

The President. You try telling Mr. Gorbachev what to do or what not to do. [Laughter] I mean, he's a pretty powerful guy and he's pretty strong-willed. And so, he did it the way he thought was best, and that's the way it is. And so, there isn't some hidden agenda that somebody gets him off to the side of the room and say, ``hey, please don't ask for money, you're going to get turned down." That's not the way it works, believe me.

Q. Well, you signaled a lot that he shouldn't ask for money, that it wasn't going to be there.

The President. He reads my signals, and I read his, but -- --

Q. He would have been turned down -- --

The President. Too hypothetical.

Q. Do you think he can sell this back home?

The President. I assume he wouldn't have agreed with it if he didn't think he could sell it, and enthusiastically agree. You heard the tone of it, which I'm told was pretty darned positive. So let's rejoice.

Trip to Greece and Turkey

Q. Greece and Turkey.

Q. Why are we going?

The President. Pack up. Get packed. [Laughter] No, it will be good.

Upcoming Soviet-U.S. Summit

Q. Which city do you want to visit in the Soviet Union besides Moscow?

The President. I'm turning to my Soviet expert, a man that spent many years wrestling with these problems, and will now take your technical questions -- [laughter] -- and will be glad to give you his preferences for itineraries.

May I introduce General Brent Scowcroft, the head of the National -- --

Note: President Bush's 93d news conference began at 7:45 p.m. in the garden of Winfield House, the residence of U.S. Ambassador to the United Kingdom Raymond G.H. Seitz. In the news conference, the following persons were referred to: Prime Minister John Major of the United Kingdom, who hosted the summit; Secretary of State James A. Baker III; Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; Secretary of the Treasury Nicholas F. Brady; Brent Scowcroft, Assistant to the President for National Security Affairs; President Francois Mitterrand of France; Prime Minister Brian Mulroney of Canada; and President Hafiz al-Assad of Syria. Following President Bush's news conference, Brent Scowcroft responded to reporters questions. A tape was not available for verification of the content of this news conference.

Nomination of Delbert Leon Spurlock, Jr., To Be Deputy Secretary of Labor

July 17, 1991

The President today announced his intention to nominate Delbert Leon Spurlock, Jr., of California, to be Deputy Secretary of Labor. He would succeed Roderick Allen DeArment.

Since 1989 Mr. Spurlock has been with the law firm of Gregory D. Thatch in Washington, DC. Prior to this he was Assistant Secretary of the Army for Manpower and Reserve Affairs in Washington, DC, 1983 - 1989. From 1981 to 1983, Mr. Spurlock was General Counsel for the Department of the Army. He was an attorney with Spurlock & Thatch, 1977 - 1981. From 1975 to 1977, he was chief of the conflicts of interest division for the California fair political practice commission in Sacramento, CA. Prior to this he was an acting professor of law at the University of California, Davis, CA, 1972 - 1975.

Mr. Spurlock graduated from Oberlin College (B.A., 1963); Howard University Law School (L.L.B., 1967), and George Washington Law Center (L.L.M., 1972). He is married, has two children, and resides in Reston, VA.

Nomination of Marshall Jordan Breger To Be Solicitor for the Department of Labor

July 17, 1991

The President today announced his intention to nominate Marshall Jordan Breger, of the District of Columbia, to be Solicitor for the Department of Labor. He would succeed Robert P. Davis.

Since 1985 Mr. Breger has served as Chairman of the Administrative Conference of the United States in Washington, DC. Prior to this he was Special Assistant to the President in the Office of Public Liaison at the White House in Washington, DC, 1983 - 1985.

Mr. Breger graduated from the University of Pennsylvania (B.A., M.A., 1967; J.D., 1973) and received a B.Phil. in 1970 from Oriel College, Oxford University. Mr. Breger is married, has two children, and resides in Silver Spring, MD.

Remarks at the Arrival Ceremony in Athens, Greece

July 18, 1991

The President tells me it's my turn. President Karamanlis, and our Greek and American friends: I am greatly honored to receive this welcome, and to see Prime Minister Mitsotakis and other distinguished members of the Greek Government.

More than 200 years ago, my Nation was forged in the fire of liberty. Today, Barbara and I are delighted to visit this nation that gave birth to democracy in this very city 2,500 year ago and whose principles still inspire all who love and cherish freedom.

Thirty-two years ago, the last American President to visit this historic land praised ``those great Greek city-states that we learned to love and admire even from the days when, as little boys, we learned our ancient history." Dwight Eisenhower understood how Greece's glory had shaped and enriched the world and especially the United States of America. Eisenhower was right to say, ``the spirit of the West, the modern spirit, is a Greek discovery, and the place of the Greeks is in the modern world."

This glory did not die with the ancient city-states. It still lives, still summons our values and ideals. We stand for government by the people. We endorse the rights of self-determination, equal protection under the law, and freedom of thought and worship. We believe that these rights derive from the sanctity of the individual, the bond which binds our two nations.

Today, totalitarianism lies disdained and discredited, a victim of its own brutality and its own inadequacy. As a result of this, freedom's tide swells, as the tide of communism recedes. Men like President Karamanlis and Prime Minister Mitsotakis have pressed passionately for freedom and offered new hope to the world.

I arrive today with the hope that we will continue to renew and strengthen our special relationship. I look forward in my discussions with the President and the Prime Minister to confirming our common interest in a new world order, stability in the Balkans, peace on Cyprus, and reconciliation between Greece and Turkey. Most important, I'm anxious to discuss how we might strengthen our own security and economic ties.

Finally, I'm reminded of the words of Socrates, who said, ``I'm not an Athenian or a Greek but a citizen of the world." In that spirit, Greece stood for what is right in the Persian Gulf by insisting that aggression must not stand. I applaud the Greek Government and the Greek people for having helped to defend liberty in its hour of danger.

In closing, let me say to President Karamanlis, I am truly honored that the man who extended the hand of friendship to President Eisenhower 32 years ago is here to do the same for me today.

Thank you very much, sir, for the welcome.

Note: The President spoke at 2 p.m. upon arrival at Anthinai Airport. In his remarks he referred to President Constantinos Karamanlis and Prime Minister Constantinos Mitsotakis of Greece. A tape was not available for verification of the content of these remarks.

Remarks to the Greek Parliament in Athens, Greece

July 18, 1991

Thank you, sir, for the welcome, and may I pay my respects to President Karamanlis; Prime Minister Mitsotakis; president of the Parliament, Mr. Tsaldaris; Mr. Papandreou, who I had the privilege of meeting not so long ago; and members of the Vouli.

Let me first thank you for the extraordinary honor of speaking to you. It means a great deal to follow in the footsteps of such great men as Dwight Eisenhower and General Charles de Gaulle, who spoke here.

No American can come to Athens without feeling a kind of sacred awe. All that Americans are, all that Americans stand for, all that we hold most dear has roots right here, in the great city and the great country where democracy was born 2,500 years ago.

Every American student learns to appreciate the magnificence of the Parthenon and the Delphi, the cool Aegean Sea. And we learn that the great disciplines -- philosophy, theology, drama, literature, mathematics, biology, zoology, and of course, politics -- were born on these shores. I expect all the rest of them are alive, but I'm sure politics is still alive on these shores. We see in your monuments and museums the seeds from which our Republic of freedom grew up.

After 2,500 years, mankind is only beginning to grasp the magnitude of what your forefathers achieved. Through dozens of generations, through the rise and fall of great empires, through wars and plagues, through depressions and economic revolutions, through the triumphs and travails of human affairs, one thing has endured: the dream of democracy.

And so today, as old despotisms melt away and a commonwealth of freedom arises around the globe, we can truly say that our future -- the world's future -- began right here.

Although I have not visited -- well, I visited Greece in 1960, and then once again, I believe, in '79. I haven't been here that much lately, but I feel at home here. I have the honor to share this Chamber today with a man who symbolizes ancient Greek principles and modern Greek courage, President Constantine Karamanlis.

Then Prime Minister Karamanlis hosted President Eisenhower back in 1959, and has done business with every American President since Harry Truman. He restored democracy to Greece in 1974, and made it possible for Greece to assume its present stature as a bulwark of stability.

He built firm relations with the West and helped secure Greek membership in the European Community. He ensured that Greece would play an important role in the Atlantic alliance. And he enlarged Greece's international responsibilities, its international influence, its international

importance.

To honor this great man and to stress the special quality of our renewed relations with Greece, I now would like to invite your President to join us in Washington next year for a state visit. And I hope you will accept, Mr. President. I hope you will accept so that the American people can express their heartfelt gratitude to you, their admiration for you, and their respect for Greece.

And today, I also want to repeat my invitation to another great man -- a man I admire and respect -- your Prime Minister, Constantine Mitsotakis. And I have asked him to make an official visit to our Capital. And this trip would let the whole world know that our friendship, like the ideals that link us, will endure.

As I stand here today, I'm happy to say that our relations are stronger than ever. We have tightened our economic ties with agreements on customs and civil aviation and tourism. We've made great progress together in the international fight against terrorism. And with this visit, I hope that we can make this special relationship stronger still.

We can build a more vibrant economic relationship. While the United States is the largest external investor in Greece, we want to do more. We want to ensure that American capital and know-how will be able to contribute to lasting Greek prosperity. And I, therefore, asked our Secretary of Commerce to lead a Presidential trade and investment mission to Greece this autumn.

We can strengthen our security relationship. We already have forged solid ties through NATO. This year, the United States will provide $350 million in security assistance to Greece. We've just agreed to lease you two Knox-class frigates. And we will expedite the shipment of 10 F 4D aircraft to you; will deliver 18 more this fall. These agreements express our determination to stand by you, now and in years to come.

You stood squarely with the international coalition that liberated Kuwait from Saddam Hussein. This kind of cooperation is not new. In the Persian Gulf, as in Korea and the two World Wars, Greece sided with the forces of freedom.

Now, we face a new world, a world in which military confrontation is being pushed aside by constructive economic competition, a world in which nations struggle to build and perfect democracy. Although we have no road map to guide us through this world, we have a sure compass in principles that both our nations hold dear: the peaceful settlement of disputes, free enterprise, an open world economic system and, underlying it all, democracy.

Here in Greece, you command an especially vivid view of the world. Here in your unique location at this historic time, we can see the challenge, and the promise, of what we refer to as the new world order.

To the north, Europe's first post-cold war crisis has erupted. The peoples of Yugoslavia struggle to secure newfound freedoms and overcome the pull of ancient hatreds. The international community, rallied by the bold initiative of the EC, appeals to the Yugoslavs to chart a new future -- a democratic future -- through peaceful negotiations. We call upon the leaders there to spare their people from dreadful civil war.

As an EC country and a stable democracy, you can help nations, such as Albania and Bulgaria, who struggle along the road to freedom. Struggle they might, but look back at very recent history. And who would have predicted that these countries now want to go down freedom's road, democracy's road? Your Balkan neighbors, including Yugoslavia, look to you for guidance and help and hope.

A kind of youthful optimism flourishes everywhere. The emerging democracies of Europe, peoples throughout the Soviet Union, men and women, young and old, throughout the world, aspire to achieve the ideals first sketched out here in Greece.

But ideals are important only if they can shape actions. You understand this. We are encouraged that your Government is advancing new ideas to foster stability in the Balkans and the Aegean. The opportunity for a new era of accommodation in this region beckons. With that in mind, I must report that my meeting with Mr. Gorbachev yesterday was in that spirit of cooperation as the Soviet Union seeks to do more according to democratic principles.

I'm hoping that the arms control agreement that we worked out yesterday with Mr. Gorbachev -- the first to reduce the strategic arms in history -- proves to be a benefit to all the countries around the world, particularly in this region.

You and Turkey face a great challenge: to resolve these old disputes that divide you. More than 60 years ago, Eleutherios -- and I've got to watch my pronunciation -- Venizelos signed treaties of friendship and commerce with the father of modern Turkey, Kemal Ataturk. I pray that your two nations might follow the example set by these giants.

Today, with new leaders of vision, your nations enjoy a unique opportunity to overcome the misunderstandings of the past. You can begin to heal the deep wounds that scar Cyprus, that divides families and friends on that island.

In the new world that I have discussed, none of us should accept the status quo in Cyprus. And today I pledge that the United States will do whatever it can to help Greece, Turkey, and the Cypriots settle the Cyprus problem, and do so this year.

In the end, the ties that bind the United States and Greece go far deeper than economic or military necessity. You see, as many of you know, Greek-Americans have enriched our country

enormously, in every profession, in every region, in every walk of life. Two distinguished businessmen and old friends who have accompanied me on this trip -- Alec Kortelas and Alex Spanos -- both of whom have made a tremendous imprint in our country. And of course, our able Ambassador Michael Sotirhos serves our Nation well.

And we have subtler ties, too. Cities across America take their names from such places as Athens and Corinth and Delphi and Sparta. And near one of my favorite fishing spots lies the town of Marathon, Florida. And of course, my country would not exist if your forefathers had not developed the world's most revolutionary idea -- democracy. Our founding fathers studied your history closely and revered deeply the works of the ancient Greeks. Thomas Jefferson, the author of our Declaration of Independence, once observed, ``Greece was the first of civilized nations, presenting examples of what man should be."

Yet, we also must remember that the powers of ancient Greece fell because they could not set aside old hatreds, because they refused to acknowledge common ties, common principles, common acts, common aims. We must resolve not to repeat their mistakes.

Tomorrow, I have a wonderful opportunity. I shall visit the Acropolis and stand near the temples where our ancient forefathers charted ideals for the ages. And as we gather here today, let us agree to build a new Acropolis, a monument not of marble or steel but of something far less fragile: a monument of deeds and ideals, a new world order erected upon timeless ideas born right here.

That new world order can help us achieve our dreams of collective security and individual liberty. Every nation must assume some of the burden of building this order. And every nation must accept its responsibilities for building a sound international economy. And every nation must do its duty to preserve freedom and enterprise.

America and Greece have special responsibilities in this quest -- the United States as the world's strongest democracy, Greece as the world's first. But if we engage fully in the changing world beyond our borders, we can build an order in which all nations enjoy prosperity, democracy, and peace.

Eleutherios Venizelos once claimed that ``America has realized the ideals of Ancient Greece. No two elements come closer to each other than do the Greek and the American." That tremendous compliment also outlines our common challenge: to work even more closely in securing a new world order dedicated to freedom and enterprise.

We live in exciting times. Who would have dreamed that the changes taking place in the Soviet Union would offer this promise of freedom and democracy? Who would have dreamed that the captive nations of Eastern Europe are free and are on the path that you set many thousands of years ago: the path to full and free and fair and open democracy? So, for those that are gloomy

about the present, I say you shouldn't be. There's plenty of room to be optimistic. And I'm delighted -- I feel more of a sense of optimism coming to democracy's birthplace.

I want to thank you for the extraordinary honor of inviting me to address this special session. And I stand here surrounded by the grandeur and echoes of the ages, a proud son of the ideals that your land gave the world. And so, like all friends of liberty, I leave you now, and I must say ``zito i ellada" [long live Greece]. Thank you very, very much.

Thank you all. Thank you, sir.

And let me just -- please be seated. I'd like to present to your President and your Prime Minister, and really to the Greek people, a replica of our Declaration of Independence, a document that symbolizes our profound ties to you and our timeless debt to the people and the legacy of Greece.

Once again, thank you all very much.

Note: President Bush spoke at 3:49 p.m. in the Greek Parliament building. In his remarks, he referred to President Constantinos Karamanlis and Prime Minister Constantinos Mitsotakis of Greece; Athanasios Tsaldaris, president of Parliament, who introduced President Bush; Andreas Papandreou, president of the Panhellenic Socialist Movement; the Vouli, the Greek unicameral Parliament; President Saddam Hussein of Iraq; President Mikhail Gorbachev of the Soviet Union; Eleutherios Venizelos, former Greek Prime Minister and statesman; and Michael Sotirhos, U.S. Ambassador to Greece. Alec Kortelas, Florida Republican Party finance chairman; and Alexander G. Spanos, president and chairman of the board of directors of the San Diego Chargers football team. A tape was not available for verification of the content of these remarks.

The President's News Conference With Greek Prime Minister Constantinos Mitsotakis in Athens, Greece

July 18, 1991

Prime Minister Mitsotakis. First of all, I would like, on behalf of the Greek Government, and personally, to welcome the President of the United States and the American delegation to our country. This first visit of an American President to Greece after 32 years takes place at a very important period for our countries and at a critical period for our area. This is why it constitutes a political event of particular significance. It reinforces the efforts of our Government to develop Greek-American relations and also to enhance stability and peace in the Balkans and throughout this area.

With President Bush, both privately, as well as together with our delegations, we had substantial and fruitful talks. We discussed our great national issue, that of Cyprus, which as you well know is going through presently a very important turning point. Issues of decisive importance were naturally discussed: the Greek-Turkish relations and the situation in the Balkans, as well as the first role our country is playing in the developments occurring in this region.

Finally, we discussed also the effort our country is making in the sector of primary importance, that of the economy. I outlined our positions fully and extensively, and I underlined our determination -- the determination of Greece -- to contribute substantially, assuming also initiatives to contribute to the settlement of problems and to the consolidation of peace and cooperation among the countries of our region.

The visit of President Bush constitutes a decisive landmark in the further enhancement and the development of Greek-American relations which is pursued by my Government, both with consistency and determination. Greece, a longstanding and loyal friend and ally of America in all the struggles for democracy and freedom, wishes to contribute substantially in the effort that is being led by the United States of America to see the world enter into a new era, securing for all the peoples prosperity, security, and freedom.

The President. Thank you, Mr. Prime Minister, a great friend of the United States. And let me just repeat, I have enormous respect for this Prime Minister. I found today's meeting to be most useful. I believe U.S.-Greek relations are in excellent shape -- Greece, a trusted NATO ally, a country with whom we have extensive interaction between our peoples.

As the Prime Minister said, we did have a good exchange on Cyprus and Greek-Turkish relationships. And I told him that if we could be a catalyst that would help solve the problem of Cyprus, we'd willingly fulfill that role. In talk to the Defense Minister, it is our intention to do what we can to help strengthen the Greek Armed Forces.

We heard a good presentation on the economy, and I assured our Greek friends that we want to expand trade and investment. I think the Secretary of Commerce's mission here could prove to be very, very fruitful. I referred to four new economic agreements earlier: customs, civil aviation, tourism, and investment guarantees. We're getting those locked up.

And lastly, I would repeat, how much I'm looking forward to having the Prime Minister come on an official working visit in the near future and then, of course, hopefully to welcome President Karamanlis at his convenience on a state visit in 1992.

But again, my thanks to you.

Cyprus Situation and Greek-Turkish Relations

Q. President Bush, you have said that the status quo in Cyprus is intolerable and unacceptable to all the parties involved. What gives you so much optimism that this can be solved this year? And how far are you willing to go to try to encourage the Turks and so forth to be more conciliatory on the question?

The President. Well, I think the answer is to be helpful in trying for this conciliation you talk about. Both sides seem to be more optimistic in terms of the Secretary-General's initiative, which we all know is the best hope. So, our role, as I said, is catalytic. And I will do whatever I can to facilitate this process.

And there are technical -- I mean, some serious problems that exist. But it looks to me when you have a person like the Prime Minister I'm standing next to and President Ozal and a serious, respected leader in Cyprus and a Secretary-General that is personally engaged, that we have an historic opportunity. So, I'll simply try my best.

Q. -- -- submitted a new proposal to withdraw -- to move actually -- some aggressive weapons from the common borders. Three things on that. First of all, I should say that Bulgaria accepted the Greek proposal and Turkey refused it. Three things: Did you discuss this matter today? Second, what is your view on that? And third, does this cause some kind of disappointment that Turkey refused, especially coming from London where you had some positive developments in arms talks in Europe?

The President. Well, I just heard some details on this today. Again, if the United States can be useful, anything that can reduce tensions on borders is something we're extremely interested in. And I don't think that it flies in the face of anything that was accomplished in -- if you're referring to the deal between the Soviet Union and the United States on the strategic arms.

Q. There is a new mood -- --

The President. Well, let's see if we can't get more understanding on both sides on it.

Q. Mr. President, does your visit to Greece and Turkey mean that you are personally engaged, involved, in solving the problems of the region and especially the Cyprus issue?

The President. Yes, it means that I hope that this visit will be more than a symbol. I learned a little more about these problems today; I expect I'll learn a little more when we're in Turkey. But I don't want to suggest that the United States can wave a wand, a magic wand, and solve a problem that has plagued this part of the world for a long time. But we are going to try. And we're going to try to be -- we are supportive of what the U.N. Secretary-General is trying to do. And it is felt, because we do have excellent relations with Greece and excellent relations with Turkey and, indeed, with Cyprus itself, that we, more than some other countries, can be helpful. So yes, I want to use whatever tools we have available to facilitate these discussions.

Soviet-U.S. Relations

Q. Mr. President, given the gap between what Mr. Gorbachev asked for in his letter to the London summit and what the London summit gave, will you be taking anything, any concrete offers to Moscow later this month, especially in the areas of technical assistance? And can you tell us what the hold-up is on the MFN, granting MFN to the Soviets?

The President. We may be able to flesh out the agreements achieved by the G - 7 with the Soviet Union. In other words, we may be able to make some of those undertakings a little more specific. But at this juncture, I have no new proposal.

What was your other question, please, sir?

Q. MFN -- why it's been hanging there for some time.

The President. Well, I think there's some technical problems in the law as passed by the Soviet Union. As you know, we needed an emigration law passed, and I believe it was, but I'm told that their lawyers have some difficulty. But I want to move on that as soon as I'm told that the decks are clear. I think it's something we should do.

Q. Could they get that in Moscow?

The President. I don't know, maybe. I just don't know.

The Balkans

Q. Mr. President, what role do you see Greece playing in the Balkans?

The President. In the Baltics?

Q. Balkans?

The President. Balkans. I see -- sorry, I was expanding your horizons here. [Laughter] Well again, I sat and listened intently to the Prime Minister, who emphasized to us the importance of peace. He emphasized Greece's commitment to unity. And I don't know that we have a unique role that we can play, but we would reiterate our call for negotiation. What worries us, and I know it worries the Prime Minister, is the propensity to move toward military action here. And we don't want to see that, and I know the Greek Government doesn't. But we have stated our position, learned more about it -- what did you tell me, sir? The exports to Yugoslavia from Greece are tremendous.

Prime Minister Mitsotakis. Thirty percent.

The President. Thirty percent. I mean, a major figure. And this could not go along if there was turmoil there. So, we will again request our call for peaceful resolution to these questions. But that is about the role of the United States at this juncture.

Greece

Q. Mr. President, I know you have a difficult time in Greece, spending most of your time at meetings. Would you like to come back for a vacation in Greece?

The President. Yes, I'd love to do that sometime. I really would. That's what we call a slow ball in the trade. [Laughter] And I'd like to hit out over the fence by saying I'd love to spend some time some day cruising through the Greek islands. I did it for one day at one point, about 1961 I think it was, and it was heaven. And, yes, I'd like to do that at some point.

Stability in the Area

Q. Mr. President, given the amount of arms given to Turkey, are you worried about some sort of imbalance in this area in the future? What will the U.S. do in order to secure the balance in the area?

The President. Well, I think we have so much faith in both that we would be sure that the requirements of each were met to the best of our ability. But we're the ones that are now urging curtailment of arms in some ways, but I think we have a defense program worked out with Greece that I hope will satisfy their requirements.

Visit to Turkey

Q. Mr. President, the Patriarch of Constantinople came to the United States on an official visit, and you received them at the White House. Will you see him or call him when you go to Istanbul after Greece?

The President. Well, I don't know whether I'll be doing that or not. If the schedule is like it was in London, I doubt it. I just don't -- we go from, as this gentleman so tactfully put it, meeting to meeting -- meetings that are already set up. But we had a very cordial meeting with the Patriarch, and I just can't answer your question as to whether it's on the schedule or whether there will be time for something of that nature, important though it is. So, we'll have to wait and see how the schedule develops. But we had an excellent meeting with him.

President's Domestic Agenda

Q. Mr. President, Cyprus is just the latest of a long list of complex, long-lived international problems that you've shown a personal interest in. There's a perception, fair or unfair, that you are not as engaged as you should be in some of the domestic problems that the United States faces. How do you account for that? And with an election coming up next year, what do you intend to do about that?

The President. I account for it by the fact there's an election coming up next year. And I don't plan to do anything about it because we have an outstanding domestic program. My problem is, we have too few Republicans and too many Democrats. Now, I don't know whether the Prime Minister understands that in his terms here, but that's my problem. And we've got excellent programs, some of which have been enacted. I cite the historic Clean Air Act as one; the aid for people with disabilities, the assistance there. I think that putting caps on reckless spending has been a useful thing.

But we've got a ways to go. I want, as you know, a crime bill. I want a civil rights bill. But it's pretty difficult when you have a majority that sees politics around the corner and are making it a little tougher.

But I don't hear that too much anymore. Maybe that's still -- some making -- you have to look at who makes the charge. And nobody will convince me that there's not a lot of politics in all of that. But that isn't to say because there's an unfulfilled agenda that I ought not to perform my duties as President in terms of foreign affairs. I will continue to do that.

And I think this visit is very important. I had a good visit this morning with the respected President, President Karamanlis -- outstanding visit with a man that is so respected in the States. Same thing for the Prime Minister today. And I think that's in the interests of the United States of America.

But we've got plenty going on back there, able people in these Departments trying to get their

agendas through.

So, I discount some of the criticism, if it's still going on. Maybe it will increase. But put a little political factor on it, because things are going pretty well. And I see this recession of ours turning around. And that's going to narrow the areas of criticism in the political arena. So, we're used to it. But I think that any President is responsible to do both to the best of his ability, and that is what I am trying to do -- domestic, foreign affairs.

Cyprus Situation

Q. Mr. President, going back to the region: Would you suggest a step-by-step procedure in order to solve the Cyprus problem? And if so, could you please name one step-by-step procedure that you would suggest on that?

The President. It is not my role to spell out the steps, nor is it my role to spell out the procedures. It is my role to use whatever authority the United States may have -- and the Prime Minister is very generous in his assessment of that -- to further support for the United Nations Secretary-General's proposals in any way I can. There's where the step-by-step procedures are. And then they, of course, have to be solved between two very strong and very able leaders. And then the people of both countries have to -- both Greece and Turkey, to the degree that this is where it stands -- have to agree.

So, I give you a little more general answer than you want.

Q. Here in Greece, Mr. President, several asked themselves why didn't the United States do the same they did for Kuwait -- that is, why didn't America try to liberate Cyprus?

The President. Let me be sure I understand the question. Liberate it in what way? Sending in the 82d Airborne? That was never an option.

Q. You freed Kuwait. Well, in Cyprus, too, human rights have been violated and a military invasion has taken place. So, why don't you help free this country as well?

The President. Acting under the United Nations resolutions -- 12 of them -- we forged an enormous coalition to go in and kick the aggressor out of Kuwait. It was almost unanimously supported in the United Nations -- a handful of holdouts -- and it's a very different situation as it relates to Kuwait and to Cyprus.

So, I would say that the best answer to Cyprus is peaceful resolution of this question and to have it resolved as much as possible between two very able heads of government.

Greek-Turkish Relations

Q. Mr. President, concerning Greek-Turkish relations, did you discuss the possibility of signing a nonaggression pact? And what is your position on that matter?

The President. With which? Nonaggression between who?

Q. Between Greece and Turkey -- a nonaggression pact.

The President. I don't remember being asked anything about that. It may have been touched on by the Prime Minister, but that I will leave between the parties.

Iraq

Q. Mr. President, the United Nations inspection team appears to have concluded that Iraq's nuclear capability was destroyed in the war. I'm wondering if they missed the incontrovertible evidence you said existed, sir.

The President. Well, I'm sure they must have if we're still turning up evidence that the Iraqi dictator is still trying to perfect some nuclear capability. And clearly, there's no question that the nuclear capability was set back in the war, but that's not the point. The point is he must fully comply with the United Nations resolutions. And he's been lying and cheating and hiding material, and that simply is not good enough. And the whole world is very much concerned about it. They do not want to have nuclear weapons in the hands of this kind of aggressor.

Q. But, sir, the team appears to have concluded that the capability is destroyed. How can you react to that?

Prime Minister Mitsotakis. Thank you, gentlemen -- ladies and gentlemen.

Note: The President's 94th news conference began at 6:25 p.m. on the patio of the Prime Minister's office. In the news conference, the following persons were referred to: Greek Defense Minister Ioannis Varvitsiotis, U.S. Secretary of Commerce Robert A. Mosbacher, United Nations Secretary-General Javier Perez de Cuellar de la Guerra, President Turgut Ozal of Turkey, President George Vassiliou of Cyprus, President Mikhail Gorbachev of the Soviet Union, and President Saddam Hussein of Iraq. A tape was not available for verification of the content of this news conference.

Toast at a State Dinner in Athens, Greece

July 18, 1991

Well, thank you, Mr. President, not only for that warm welcome today, but for those very kind words. And I simply cannot tell you how happy I am to return to Greece -- ``the cradle of democracy'' -- at a time in which ancient principles and modern aspirations meet -- come together.

Some 25 centuries ago, the democratic idea was born right here in Athens. And you kept that idea alive and inspired our Founding Fathers to begin the American experiment. And while this year we celebrate the 200th anniversary of our Bill of Rights, you celebrate the 2,500th anniversary of democratic government.

Mr. President, we speak often of democratic principles and individual liberties and the rule of law. And together, we've stood strong so that democracy would survive in Europe. Greece was among the first countries to resist fascism when you fought Mussolini's army in 1940. And you were also the first to stop Soviet expansionism in Europe after World War II.

And now our North Atlantic alliance supports those same guiding principles, principles that inspire nations all around the world. And today, the human spirit vanquishes the evils of totalitarianism, and the spark of freedom glows brightly in virtually every corner of Europe.

Mr. President, you have played a tremendously important role in preserving the flame of democracy for half a century. And many have stood for democracy, but only a gallant few have risen to the call of reversing autocracy and restoring democratic principles to government and society. And you, sir, are one of those few.

As a matter of fact, you're unsurpassed in that small, very distinguished group. You fought the forces of evil in the Second World War. You fought communism afterward. And you restored democracy to Greece in 1974. Your success in this profound endeavor was a victory for Greece and for the world.

Mr. President, these are brilliant accomplishments. And we pay tribute this evening to your magnificent record as one of the West's great statesmen.

Thucydides wrote that ``the bravest are surely those who have the clearest vision of what is before them, glory and danger alike, and yet, notwithstanding, go out and meet it.'' Twice Prime Minister of Greece, and now twice President, you inspire the people of Greece, the people of the United States, and free men and women everywhere.

So, ladies and gentlemen, will you please join me in a toast. To the good fortune of President

Karamanlis, to the many times throughout history our two countries have inspired and supported each other, and to the deep friendship -- the real and lasting friendship between our peoples. And may God bless Greeks and the American people as well.

Note: The President spoke at 8:50 p.m. in the dining room at the Presidential Palace.

Exchange With Reporters in Athens, Greece

July 19, 1991

Q. Mr. President, President Assad said that he's pushing your deal -- --

The President. No, Jim [Jim Miklaszewski, NBC News], hey, this is a history tour.

Q. -- -- your offer on Mideast peace talks. Do you have any reaction to that this morning?

The President. At the appropriate time, yes. But this is not the place.

Acropolis Tour

Q. How do you like this place? [Laughter]

Q. Have you talked to Secretary Baker?

The President. It's marvelous, and I think we're getting to do what a lot of Americans -- most Americans -- would like to do, just get a taste of this history. I'll tell you, it's fantastic, marvelous.

Q. Is that what you mean when you say ``the American dream''? Is this not it?

The President. Democracy is the American dream, and it started right here. So, we see these marvelous symbols of Greece's past. But all of this is just so impressive.

Q. How important is culture in your life?

Q. No reaction this morning -- --

The President. Third trip for me. There's a great sense of wonder every time you come here.

Middle East Peace Process

Q. Any reaction at all, sir, to the news from -- --

The President. I'd rather not now, but it looks -- I mean, I must say it's very encouraging. I don't want to divert this into a press conference, but as we said earlier, there were positive aspects. And what I've heard from the Secretary is all positive so far. So, we'll see where we go.

We're talking about this Middle East initiative now and the Syrian response, which is quite

encouraging. Secretary Baker is really working hard on this. He's over there plowing away.

Visit to Greece

Q. Mr. President, if you had some time, what else would you like to visit in Greece?

The President. Well, I'd like to visit every Greek isle. [Laughter] I might have to wait until I get out of this job to do it.

Q. Did you see any of the protests last night, Mr. President?

The President. No, didn't see a thing. It was a tranquil and very, very pleasant evening. And I guess this is the time to -- another time to express my appreciation to the Prime Minister for his hospitality -- and it's wonderful. And I meant yesterday what I said about U.S.-Greek relations. So, this is kind of the icing on the cake. But yesterday was, as far as we were concerned, fantastic.

Let me say this: Anyplace that an American President goes, whether it's in Chicago, Dallas, San Francisco, New York, or Athens, we're bound to stir up a little interest. But that's some of what democracy is about. We don't worry about all that. And let the people that are in charge of it handle it. It's all going very well indeed, thank you.

It doesn't concern me one bit. I mean, what we say, ``goes with the territory." And so, if there was some disturbance yesterday, no, that's part of people's right to get out and say what they think. As long as they do it peacefully. It's the same way in our country; so, we have no problems.

Cyprus Situation

Q. Mr. President, when you say you have some ideas about Cyprus, are you advancing a proposal of your own?

The President. No, I answered that one yesterday, Charles [Charles Bierbauer, Cable News Network]. I'm not sure you were here yesterday at the press conference. And I would use the word catalyst -- the United States cannot dictate terms, but we can express a keen interest in being helpful. And I will be discussing that a little further today, and then we'll see what happens when I go and talk to my friend, Mr. Ozal. We've got two strong leaders in Greece and in Turkey. And I expect that -- you know, they feel it and I feel there's an opportunity. So, that's about all I was talking about yesterday. Yet, it's important.

Q. Are you taking anything specific -- new -- from here to Mr. Ozal?

The President. Hey, listen, I want to talk about this -- a little history. I'd like to give you guys a history lecture, but you all want to talk about something else.

Acropolis Tour

Q. What impresses you the most about it?

The President. I refer all questions to my man, Sig.

Q. Had you seen it before, Mr. President?

Q. How important is culture in your life?

The President. In my life? Look at my wife, and you can tell it's -- we talk about this all the time.

Q. Had you visited here before?

The President. Yes, twice.

Note: The exchange began at 8:15 a.m. while President Bush was touring the Acropolis. In the exchange, the following persons were referred to: President Hafiz al-Assad of Syria; Prime Minister Constantinos Mitsotakis of Greece; President Turgut Ozal of Turkey; and Sigmund A. Rogich, Assistant to the President for Public Events and Initiatives. A tape was not available for verification of the content of this exchange.

Remarks at the Greek-American Chamber of Commerce Breakfast in Athens, Greece

July 19, 1991

Thank you all very much. And thank you for that warm welcome and the welcome from various members of this association that I see all around the hall here. And let me salute Ambassador Sotirhos -- proud of his Greek heritage -- doing a fantastic job for the United States of America here in Athens and in this great country. And I'm proud of him, I'm proud of his wife, and I am delighted with the job he is doing for all of us.

And may I salute Mr. Petsiavas and Mr. Ioannou and Mr. Tsomokos and the members of the Greek and foreign diplomatic corps who are with us today. I see the dean over here. But others are here, I am sure. And I just want to say again how pleased Barbara and I are to be here.

If we look a little bit that we've been outside, the answer is, we have. We had a fantastic visit up at the Parthenon, and there we had a chance to salute 2,500 years of democracy and commitment to individual rights.

And this is quite a scene, if you think about it. I notice that Mike very generously said I was a businessman, but when he said profit and loss, I thought he put a little too much emphasis on the last one. [Laughter] But far be it from me to be critical. And he was right about the risk-taking and trying -- which I think has given me a little more understanding about what your lives are all about, as you try to build the productivity of this country and the productivity of our great country.

So, it is quite a scene. Here we have a number of citizens -- accomplished citizens from many countries -- gathered in the capital of Greece -- Athens -- in a hotel run by an American company. And that certainly symbolizes the kinds of ties that our nations enjoy, and ties that I want to talk to you about today. I am sorry I wasn't here for the breakfast. They told me that inside the eggs there was going to be broccoli. And I decided I would come in later -- [laughter] -- just for the very end of all of this.

But, you know, we brought with us from England two gentlemen that are known to many here. For those that don't know them, I just want to single them out. Sons of Greece, great friends of Greece, but people who have joined us here and who have done great things for the United States, and I'm talking about my dear friends Alex Spanos and Alec Kortelas. I'd like them to stand if they're here. There they are.

I single them out because really there are others, many others right in this room like them. There are many others in the United States like them. But they show that opportunity can translate into

prosperity. And in many ways their example ought to serve as a beacon for Greek businessmen in Greece. They show that a new world order applies old world genius to new world realities. So, Alec and Alex, our businessmen, they remind me from time to time that time is money. So, in the interest of keeping profits high, I promise to keep this morning's talk short. I know that will come as a great relief to all of you.

Let me just talk a little bit about improving economic relations between the United States and Greece, and to express my support -- strong support -- for the economic path that Prime Minister Mitsotakis has charted for this great county. The Prime Minister has taken a giant first step towards strengthening the Greek economy by outlining some goals that sound very familiar to this American President.

He wants to cut the redtape, privatize the economy, reduce the cost and size of the public sector, of the government sector, and get his economy on a growth path.

Prime Minister Mitsotakis deserves enormous credit for working to lift the veil that for too long kept Greece out of the international economic mainstream. He understands that free markets, not state-management, can help Greece invigorate its economy, reduce its deficit, pay off its external debt, and remain a member in good standing of the European Community.

We shouldn't underestimate, given the state of the world economy, the difficulty of the Prime Minister's task. We shouldn't underestimate its importance either. So, let me just tell you what he and I talked about, what I told him.

First, we believe in the reform efforts. And I might ask you to take a rather global look at this point. It isn't simply Greece that is moving on this important path that I have outlined above. Take a look at what is happening in Eastern Europe. Take a look at the aspirations inside the Soviet Union towards privatization and market reform and convertibility and all of the things necessary to improve the lives of the people through trade. Far better to do it that way than through some aid program that screeches to a halt because it has no underpinnings.

So, we are embarked here on a program that really makes a difference, this reform program. I think his reforms will work. I think they can make a big difference in Greece. You see, we also believe strongly in the benefits of trade. I left that economic summit there in London more determined than ever to press for open markets, free and fair trade around the world, and open investment opportunities everywhere. This isn't to benefit solely the United States, and yes, we would benefit, but it is to benefit every single country that participates in achieving these goals.

You see, the litter of communism provides eloquent testimony to what happens when people forget about the virtues of free enterprise and avoid the tough discipline that competition provides. If we want to make the most of the talent of our people in America, in Greece, in Europe, and all around the world, we must advance the cause of free and fair trade.

Our administration remains totally determined to reach a successful conclusion of the GATT -- of this Uruguay round -- and I remain optimistic that we can do so.

As I look at the various economies around the world, I am absolutely convinced that Greece would benefit enormously from a successful conclusion of the GATT round. The more Greece opens its markets to foreign investment and the more it works to develop its export industries, the more secure its future will be. And I am happy to say that our trade relationship with Greece is growing stronger every single day. The United States enjoys what I think is a special and strong relationship with Greece. And again, I salute the Prime Minister for his key role in all of this.

That relationship should make a lot of people happy. Consider the bottom line. U.S. exports to Greece increased 10 percent last year, and Greek imports to the U.S. increased by $30 million. But you see, if you look at the big picture -- and you all understand this -- that was only a beginning. Our governments recently have signed a bilateral customs agreement, a new civil aviation agreement, a joint declaration on tourism. And I believe that these initiatives will increase the number of commercial flights between the nations, speed the flow of goods through customs, and generate more tourist business.

I couldn't help but stand there -- Barbara and I talked about this -- standing there just in the wish that many and all Americans could someday share the joys that we felt standing in the midst of that history just a few minutes ago. The Greek and the U.S. Governments are cooperating effectively in this worldwide fight against terrorism, and this effort is obviously going to remain a priority for both countries. We're trying to expand trade and investment opportunities for American companies that want to do business in Greece. And we have worked to protect intellectual property rights, patents, copyrights, trademarks, and the like for American firms doing business in Greece. We have worked with the Government of Greece to ensure the swift and fair repatriation of profits. It has to happen. And we hope to improve the prospects for American firms interested in bidding on Greek Government contracts.

This progress -- and I'm not saying there is not more that needs to be done. There is. But this progress demonstrates that the Greek Government is ready to do business with American companies and that it welcomes American investment. And this is a refreshing change. And it explains why, for the first time in more than a decade, OPIC, the Overseas Private Investment Corporation, can offer insurance and financing for private-sector investment projects. The investment climate here seems more hospitable than ever for Americans.

And now the United States needs to take advantage of the welcome that the Prime Minister has given us. So, as I announced yesterday in my speech to the legislature, I have asked Commerce Secretary Bob Mosbacher, known to many in this room, to lead a Presidential trade and investment mission to Greece this autumn. And that mission can persuade even more American businesses to take advantage of the opportunities that are already here and the opportunities that will be here in the future.

In the days and months ahead, our Governments will continue working to improve economic relations and eliminate these obstacles to growth. But in the end, good business is common sense, and common sense ought to guide us as we work to build a more prosperous future.

I am happy to say that I think, as you look at this country and our country, things look good. In the United States, as everyone here knows, we've been facing substantial, tremendous economic problems. Our country has been in recession, albeit by historical standards statistically rather mild. But some of our people have been hurting because of this recession. Most of the indicators now are that the recession is over and that growth is beginning. And it is my own view that if that growth pattern continues, and I think it will, this will benefit businesses all around the world. The dynamism and the size of the American economy relates to economies of small countries and medium-sized countries all around the globe.

So, we are more optimistic today about the economies at home. I must tell you, as President, I think it is tremendously important that we keep a vigil out. Last year, about this time, I lost about 4 quarts of blood fighting with Congress on a budget agreement. But I can tell you that the results of that budget agreement, controversial though it may have been, painful though it may have been, we now have caps -- real caps -- on Government spending. It is fine for me to come to Greece and lecture the Greeks about how they ought to control the Government sector. But we'd better do something about it ourselves in the United States. And so, we have put caps -- real caps, that are holding -- on our own spending. And I think that will result in the Government sector getting more under control and freeing up the private sector, as our economy recovers, to do the dynamic things that only private enterprise can take care of.

So, I am going to fight for those caps. I am going to keep them on. And I don't care how much blood it takes in the future, I am not going to let the Congress take them and let us go back to reckless Government spending that hurts the enterprise and hurts the American people.

And so, as one firm says, I am bullish on America -- and I'm not advertising for one firm against some of the others I see around here -- but I have reason to be. And let me just tell you something very personally. This is a fantastic and challenging time, a rewarding time to be President of the greatest and freest country on the face of the Earth. As you look around the world and you see what has happened in Eastern Europe; as you see the changes that are already beginning to take hold in the gigantic Soviet Union; as you see our own hemisphere -- the Western Hemisphere -- with all but one country moving down democracy's path; as you take a look at Asia and the dynamic trade relationships that we have with Asia -- and that they are continuing to grow -- we remain, in spite of our affinity and affection for the people of Greece and Europe -- we are also a Pacific power -- and you see those trade relationships strengthening -- I can tell you, it is an enormously rewarding time -- in spite of the problems we face -- to be President of the United States.

I happen to believe that the action that we took collectively with allies -- and I will always be

grateful to Greece for their participation -- the action we took against Saddam Hussein gave the United States a new respect and credibility around the world. And I am very grateful, obviously, to the men and women who served under our banner. But the other day I had a chance to reward the French general, the British general, with high honors, expressing our appreciation that this was not a United States unilateral move; it was a revitalized United Nations, and it brought together Greece and the United States and Turkey and many other countries who stood up against -- for a common purpose -- and that purpose is aggression, bullying, one neighbor against another, will not stand. It did not stand. And we've set a principle out there for the world. It will not stand in the future. And I am very grateful to everybody that participated.

And so, that achievement of that common purpose of turning back aggression from a bullying and brutal dictator now leads us to what I call a possibility of a new world order. And let me just assure you -- this isn't on the subject of commerce, it's on the subject of political rivalries, it's on the subject of world peace -- that we will use every bit of this newfound political power or this worldwide credibility to do our best to bring peace to the historically troubled corners of the world.

As you see the changes that are taking place in your sphere, and then you couple those with the changes that are taking place in the political sphere, I think we all conclude that we have a historic opportunity. I must tell you, I felt very strongly about that when I sat down with Mikhail Gorbachev the other day in London. They are trying. They've got enormous economic problems. But we sat there, and we finalized a strategic arms reduction treaty, the first time that we have been able to significantly reduce the destabilization of the world through intercontinental ballistic missiles. It is a wonderful achievement, not just for the American people, not just for the people in the Soviet Union, for I think it reflects on everybody in Greece, the feeling that we can curtail the unprofitability that goes into these massive arms and then bring the power of private enterprise to bear, helping the people of the countries around the world. These are exciting times. These are not times to be pessimistic about the world in which we live.

And so, things do look good. The President of this great country and the Prime Minister have felt, as we're back to bilateral relations now, have helped forge what is a new beginning here, a new beginning to an old friendship. And so, my challenge to you all is let's make things even better.

I want to thank you for inviting me this morning. I got a good shot of your strong coffee next door, which added to the warm welcome here, I might add. And now Barbara and I have the thrill of doing what I am sure everyone here has done, go to Crete -- as for us will be a first time, though this visit to Athens was not the first for either of us, which has been fantastic.

But I think we will take away a lot of things with us when we leave after this very short visit to Greece. But we won't ever forget the warm reception. We won't forget this meeting, because as you look around the room and see the numbers, you keep in mind the world opportunity that private business brings.

And so, thank you all. And may God bless Greece, but may God bless the United States of America. Thank you very much. Thank you all. It's a pleasure to be with you.

Note: The President spoke at 8:55 a.m. in the ballroom of the Intercontinental Hotel. In his remarks, he referred to U.S. Ambassador to Greece Michael G. Sotirhos and his wife, Estelle; Greek American Chamber of Commerce officials: Dimitrios Petsiavas and Costas Ioannou, presidents, and Symeon Tsomokos, director general; Saudi Arabian Ambassador to Greece Sheikh Abdullah Al-Malhooq, the dean of the diplomatic corps in Greece; Alexander G. Spanos, president and chairman of the board of directors of the San Diego Chargers football team; Alec Kortelas, Florida Republican Party finance chairman; Prime Minister Constantinos Mitsotakis; President Saddam Hussein of Iraq; Gen. Michel Roquejeoffre of France and Sir Peter de la Billiere of the United Kingdom, who were awarded the Declaration of the Legion of Merit, Degree of Chief Commander, for their roles in the Persian Gulf crisis; President Mikhail Gorbachev of the Soviet Union; and President Constantinos Karamanlis of Greece. A tape was not available for verification of the content of these remarks.

Remarks to United States and Greek Armed Forces in Souda Bay, Crete

July 19, 1991

Warm up here. Take this off -- I will now take off my Air Force jacket, my Navy necktie, and go to work. [Laughter]

Mr. Prime Minister, thank you, sir, for your wonderful words. And may I first salute the visiting dignitaries, members of our Armed Forces, members of the Greek Government, our hosts and hostesses, and especially those who serve in the Armed Forces of Greece and the United States. I'm just delighted to visit this historic island, this land of memory and myth. And I'm deeply honored to meet today the officers and crew of these two proud ships, the Limnos and the U.S.S. De Wert.

Before I go any further, let me also salute the support team right here at Souda Bay. There's at least seven of them here in the front row. [Laughter] Let me put it in perspective. In the months since last August 2d, Souda serviced 97 ships, loaded and unloaded 13,000 tons of cargo, handled 31,000 flights, pumped 4\1/2\ million pounds of jet fuel. Souda has run round-the-clock at break-neck pace. Operating at 300, 400, and 500 percent above normal, day after day, Souda Bay was called on to keep the supply lines moving, and day after day, Souda Bay did its duty with distinction.

I had the pleasure of touring Limnos a few minutes ago, speaking to some of her sailors. And let me say to all, and to you especially, Mr. Prime Minister: My visit to your great country would not be complete without an opportunity to thank the members of the Greek Armed Forces, a key member of our coalition. Greece stood with us from the very first moments of Desert Shield to the final victory in Desert Storm. And we are very grateful to each and every one of you.

Flying in today, looking down as we came in over Souda Bay put me in mind of my own Navy days many, many years ago. But how things have changed dramatically and, I might add, for the better. I mentioned a moment ago my visit to Limnos. Let me speak to the crew -- officers and crew of the U.S.S. De Wert. Daring, dauntless, defiant. That is your motto the proud legacy of De Wert carries with it wherever she sails. And it's a special pleasure to meet you all here, so far from home and hearth, to bring you on behalf of friends and family, on behalf of all Americans, a nation's heartfelt thanks.

A larger task unites the De Wert and the Limnos and the two nations they represent. And 2,000 years ago, Thucydides wrote: ``Freedom, if we hold fast to it, will ultimately restore our losses. But submission will mean the permanent loss of all that we value. To you who call yourselves men of peace, I say you are not safe unless you have men of action at your side." And today, just as these two ships are moored stern to stern, so, too, the key to keeping our nations secure

remains the Atlantic alliance.

I am pleased to announce today, during this visit, a series of initiatives designed to strengthen U.S.-Greek security and to help modernize the Greek Armed Forces. First, I have expressed to Prime Minister Mitsotakis our readiness to lease your country two Knox-class frigates for the Hellenic Navy. Secondly, we will accelerate the delivery of 10 F4 - E aircraft to Greece this summer, with an additional 18 to follow in the autumn. And finally, we plan to transfer to Greece, from existing NATO stocks, a large number of tanks and artillery that will measurably increase Greece's defensive capabilities.

Each of these steps reaffirms our close and critical defense relationship with our valued NATO ally, Greece. Our support for Greek security will not waver.

Greece remains a valued ally, and our friendship with Greece remains part of our destiny. The United States remains committed to helping Greece maintain its ability to perform its vital NATO missions. Greece can be certain that U.S. support will remain steadfast and strong.

So, once again, may I thank you for your warm welcome, and for your service to the cause of peace. And, may I say, may God bless the U.S. Navy, the Greek Navy, those who serve aboard Limnos and De Wert. And now I would like to hand the Commanding Officer Nikitiadis of the Limnos a small token: it's the flag of the Commander in Chief of the United States Armed Forces. And I'm delighted to hand it to you, sir, in commemoration of this visit.

Thank you all very much. Thank you.

A Souda Bay crowd here. I wish I could stay a while.

Note: The President spoke at 12:25 p.m. at the Souda Bay naval facility. In his remarks, he referred to Prime Minister Constantinos Mitsotakis of Greece and Constantinos Nikitiadis, commanding officer of the Greek naval ship ``Limnos.'' A tape was not available for verification of the content of these remarks.

Nomination of Parker W. Borg To Be United States Ambassador to Burma

July 19, 1991

The President today announced his intention to nominate Parker W. Borg, of Minnesota, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Burma (Myanmar). He would succeed Burton Levin.

Since 1989 Mr. Borg has served as Principal Deputy Assistant Secretary for the Bureau of International Narcotics Matters at the Department of State. Prior to this Mr. Borg served as Deputy and Acting Coordinator at the Bureau of International Communications and Information Policy at the Department of State, 1987 - 1989; as a senior fellow at the Center for Strategic and International Studies, 1986 - 1987; and Deputy to the Director of the Office for Counterterrorism, 1984 - 1986. From 1981 to 1984 he served as the U.S. Ambassador to the Republic of Mali. He served in various positions at the State Department and in the Foreign Service, 1965 - 1981.

Mr. Borg graduated from Dartmouth College (A.B., 1961) and Cornell University (M.P.A., 1965). He was born May 25, 1939, in Minneapolis, MN. Mr. Borg is married, has three children, and resides in Washington, DC.

Nomination of James F. Dobbins To Be United States Representative to the European Community With the Rank of Ambassador

July 19, 1991

The President today announced his intention to nominate James F. Dobbins, of New York, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Representative of the United States of America to the European Communities, with the rank and status of Ambassador Extraordinary and Plenipotentiary. He would succeed Thomas Michael Tolliver Niles.

Currently Mr. Dobbins serves as Acting Assistant Secretary of State for European and Canadian Affairs at the Department of State in Washington, DC. Prior to this he served as Principal Deputy Assistant Secretary of State for European and Canadian Affairs, 1989 - 1991; Minister and Deputy Chief of Mission in the U.S. Embassy in Bonn, Germany, 1985 - 1989; Deputy Assistant Secretary of State for European Affairs, 1982 - 1985; and Director of the Office of Theater Military Policy in the Politico-Military Bureau at the Department of State, 1981 - 1982. Mr. Dobbins served in various capacities at the State Department and in the Foreign Service, 1967 - 1981.

Mr. Dobbins graduated from the Georgetown University School of Foreign Service (BSFS, 1963). He was born May 31, 1942, in New York, NY. Mr. Dobbins served in the U.S. Navy, 1963 - 1967. He is married, has two children, and resides in Washington, DC.

Remarks at the Arrival Ceremony in Ankara, Turkey

July 20, 1991

President Ozal and Prime Minister Yilmaz, Your Excellencies, my friends. Barbara and I are very grateful for this generous reception and for the chance to be here in Turkey. Having heard all our lives about Turkish hospitality, I can say just from this initial impression that reports of its warmth have not been exaggerated.

Thirty-two years ago when President Eisenhower visited Turkey, he was greeted by a roaring crowd and thousands hailed him in the streets, cheering not merely America but also our shared values and ideals. One sign in particular touched him. It read: ``Welcome to your second home." And today I already feel as President Eisenhower did, that Turkey is a second home. And I say that not merely because of your famed hospitality but because of these common ideals and interests. Turkish-American friendship reaches back as far as the late 18th century. And we forged close ties through trade and commerce, military cooperation, and above all, a vision expressed by your great leader, Ataturk, that the voice of the government must speak the words of its people.

And recently, Mr. President, your people proved that friendship anew, or as the Turkish proverb says: Good friends become apparent on black days.

When Saddam Hussein invaded Kuwait, Turkey acted courageously to ensure that aggression would not stand. And as the whole world knows, the international coalition could not have achieved the liberation of Kuwait without Turkey's pivotal contributions. Because we were resolute against naked aggression, our nations stand together now at the dawning of a new world order.

Over the next 2 days in Ankara and historic Istanbul, Mr. President, I would like to discuss our future with you, your Prime Minister and with the Turkish people. We'll talk of regional disputes, environmental challenges, and Turkey's economic reforms, reforms that have helped you build a foundation for lasting prosperity. And here let us strengthen our developing strategic relationship by agreeing to closer consultations on the vital political issues we face, building expanded security ties, and establishing a much more vigorous economic dialog.

But let us not stop there. Let us broaden contacts between the Turkish and American people so that, in science and medicine, the environment and education, technology and trade, culture and human rights, we might understand each other better and strengthen the bonds that connect us.

And as I've just come from Greece, let's talk about ways of building a path to peace on Cyprus and making possible the reconciliation between Turkey and Greece.

For 40 years, Turkey's been an integral part of the West. And recently, you've helped the Iron Curtain fall from Eastern Europe, spurring democracy abroad, just as you've worked hard to build it at home. I firmly believe the years ahead will lead to even stronger and broader U.S.-Turkish ties, and we look forward to laying the foundations for the future by maintaining the alliance that has served us so well.

A Turkish proverb reads: A shared cup of coffee results in 40 years of memories. Well, Mr. President, our conversations can result in deeds and dreams that literally will inspire future generations. So, over the next 2 days in your great country, let's have no fear, as Ataturk said, of speaking the truth. Indeed, let's use the truth to attain the stable peace and greater prosperity that this nation, this region, and our world deserve.

And again, sir, to my friend, the President, let me thank you for this magnificent reception. To all the officials of the Turkish Government and the court and all the leaders here today, thank you, too. And may God bless your great country, and ours, the United States of America, as well. Thank you.

Note: President Bush spoke at 11:02 a.m. upon arrival at Esenboga Airport. In his remarks, he referred to President Turgut Ozal and Prime Minister Mesut Yilmaz of Turkey; Kemal Ataturk, founder of the modern Turkish Republic; and President Saddam Hussein of Iraq. A tape was not available for verification of these remarks.

The President's News Conference With Turkish President Turgut Ozal in Ankara, Turkey

July 20, 1991

President Ozal. Ladies and gentlemen, having just completed the main part of our talks which covered a wide range of issues, President Bush and I are now ready to face what might turn out to be the most delicate part of our program: taking on the press. [Laughter] I will now make a short introductory statement, which I believe will be followed by one of President Bush later. We will be glad to take your questions.

As your background briefs probably note, this is the second visit to Turkey by an American President, and the first one since 1959. This alone makes President Bush's presence an honor and historic occasion. On a personal basis, my wife and I are particularly happy to be able to reciprocate the warm hospitality that was accorded to us by President and Mrs. Bush during our visit to the United States.

You all know that during the recent months President Bush and myself consulted each other frequently, and on occasions, almost daily. Although these consultations dealt with the immediate concern of those days, they nevertheless underline the unity of course and parallelism of approach between our two countries. During my last visit to the United States, we had intense discussions in the relaxed atmosphere and seclusion of Camp David. There we came to recognize that our longstanding relations and cooperation have reached strategic dimensions which offered our nations real possibilities. We decided that we should work together and turn these possibilities into lasting benefits.

Today we went further on these issues. We noted that the friendship and cooperation that exists between our two countries not only serve our interest on the bilateral level but also constitute an essential element of the broader partnership between the United States and Europe as a whole. It's clear that Turkey's taking its rightful place in Europe in integration will have important implications on the stability of regions neighboring Turkey and, ultimately, on the peace and stability of Europe and the world.

These call for a deepening of our political dialog. We agreed that while the recent developments in the European security environment allow for a more effective pursuit of dialog and cooperation as a means for enhancing security, an adequate defense posture is still an essential element in facing prevailing uncertainties and instabilities. Accordingly, the United States has a keen interest in the modernization of Turkish Armed Forces.

On the economic front, we both believe that free trade should be the driving force in our commercial ties and that there is a need for enhancing and diversifying our economic relations through increased and balanced trade and greater United States investments and joint ventures in

Turkey.

Furthermore, we are convinced that the scope of our relations would be incomplete if cooperation areas such as education, science, health, technology, and culture are neglected. The strategic dimension that our relations have already reached and the agenda we have set for the future necessitate arrangements for an institutional framework which will enable us to monitor the progress that we hope to achieve.

This is why we have decided to set up a permanent mechanism for consultations which will bring together our high level officials on a regular basis. Different groups -- each asked to deal with a different field of cooperation -- will meet as needed, but at least once a year, and work to further our ties. A steering group cochaired by the under secretaries of the Turkish Foreign Ministry and the U.S. State Department will be created to monitor and report the progress achieved. This group will meet twice a year.

As you might expect, we also discussed the question of Cyprus. I confirmed that Turkey is fully committed to a negotiated settlement mutually acceptable to the Turkish Cypriot and the Greek Cypriot peoples of the island; and that political equality, bicommonality, bizonality, and the maintenance of Turkey's effective guarantee are essential to a just and viable peace there.

I emphasize that U.N. Security Council Resolution 649 provided the necessary framework for such a settlement. And that quadripartite meeting I suggested recently, to be held in accordance with the political equality of the two Cypriot parties, could provide the much-needed turning point.

In summary, ladies and gentlemen of the press, this has been a most fruitful visit. I hope and pray that what we, as the heads of state of our countries, have set out to accomplish today will be for the good of our nations and constitute a milestone in our longstanding ties.

Thank you.

President Bush. Thank you, Mr. President. And I'm in Turkey to pay my respects to this great nation with which my country has been so close for so many years.

President Ozal and I have had excellent talks today. He is a courageous leader who has gained great credit and stature for Turkey in the world. And I was also pleased, if I might say so, to meet at his house, his residence, with Turkey's very impressive, new young Prime Minister Mesut Yilmaz, and I want to thank him over here for the time he gave me for fruitful talks as well.

We value Turkey's NATO partnership, its commitment to democracy, and its integral position in the Western community. And Turkey played a critical role, as we all know, in the international coalition that liberated Kuwait, valiantly serving our common interests in a lawful international

order and a stable region.

President Ozal and Mr. Prime Minister, thank you for today's work. Both of us agreed -- all three of us agreed today to build a new strategic relationship based on closer political, security, and, yes, economic links.

In this spirit, the United States supports Turkey's military modernization, including its 160-plane F - 16 development program. And we have pledged to expand our trade and investment -- a point very important to both countries -- and to develop new avenues of cooperation in a lot of fields: education, environment, science and technology, medicine, and others.

And finally, I believe that an opportunity may exist for progress on the Cyprus problem. And the United States is committed to support the efforts of the U.N. Secretary-General in whatever way we can. And I'm also convinced that the Turkish leadership is serious about building new and better ties with the Greek Government of my friend Prime Minister Mitsotakis.

And let me close, Mr. President, with saying how deeply moved I was and Barbara was, and I expect all of us were, by the warmth of the reception from the Turkish people when we came in from the airport. No one is so sophisticated that those outpourings of interest in and, I think, affection for one's country, and in this instance the United States, make a difference. I mean, it makes a tremendous difference. And I can't tell you how moved and touched I was -- the little children all the way up to the old men and women who greeted us along the side of the road. And I think that started this visit off on a very high plane.

Thank you, sir.

Turkey

Q. Mr. President, as you well know, the strict adherence of Turkey to the United Nations sanctions during the Gulf crisis and Gulf war has had adverse effects on Turkish economy and finances. We realize that there are some long-term technical and economic cooperation in the future. But could you tell us whether this visit will give short-term, concrete benefits to Turkey?

President Bush. Well, I'm not sure of what one means by short-term, concrete. I'm very pleased of the commitments made by those in the area. Substantial financial commitments will continue or have been -- are in the process of being fulfilled. I'm thinking particularly of the Gulf States and what they've done. I hope that is short-term.

But in terms of the United States, I think we have an understanding with the Turks along the lines of my statement here as to what we can do to better enhance each other and to help the Turkish economy. So, I'd leave it right there except to say Turkey did suffer. Many countries did -- that supported the Gulf war. It was costly to everybody. But I think the price was worth it when you

consider that aggression did not stand, and we've set a precedent for future aggressors so that they will travel very, very carefully.

Iraq

Q. Mr. President, I'd like to ask you about Iraq. There was renewed fighting this week in northern Iraq between Kurdish rebels and Saddam Hussein's forces. Can you tell us, is that a matter of concern for you and does that risk renewed U.S. involvement in Iraq?

President Bush. Are you speaking to me or to President Ozal? Yes, it's a matter of concern to us. Anytime there's a conflagration of that nature it's a matter of concern to us. I understand that the matter is, hopefully, getting resolved. But we moved in when the Kurds were brutalized -- great cooperation from Turkey and other countries. It was not a unilateral move. We have subsequently removed our forces from the area. But I think that the parties there realize that our role is for peace. And anytime there's an outbreak of hostilities it concerns us.

I don't think, if the question implies that we're going back to what we were when the war ended and major, massive attacks were launched against the Kurds, that we're seeing something like that taking place here.

Cyprus

Q. Mr. President, in your recent statements you have made reference to only one of the parties in the Cyprus dispute -- one of the parties, local parties in Cyprus; i.e., the Greek Cypriot community's leader. And you haven't made any reference to the Turkish leader. Is there a reason for not making such a reference, and is it not contrary to the Security Council decision 649 on equality? Thank you.

President Bush. No, I think you raise a point -- perhaps oversight. But I do believe that -- the question is a question of community, not personality. The President of Turkey has proposed quadripartite talks, and we support that. So, I appreciate your pointing that out to me. And I think the question is community. And I mentioned Vassiliou as the President of Cyprus, but I think you raise a good point: this problem will not be solved unless the communities get together.

I'm not looking -- I'm just sitting here answering. I'm not in charge of who's vectoring these questions.

Iraq

Q. If I may follow up on Terry Hunt's [Terence Hunt, Associated Press] question. This is a question really for both of you -- the question really being, what is the tripwire whereby allied forces would come into play, particularly this rapid deployment force that you're forming here in

Turkey? Is it only actions against the Kurds north of the 36th parallel or, in fact, would it be actions against the Kurds to the south? And this is also important for the Shiites. There are reports, unconfirmed reports, that Saddam is trying to starve out the Shiites, keep them in the marshlands in the south.

President Bush. Do you want to go first?

President Ozal. You go first, sir.

President Bush. Well, thank you. [Laughter]

Let me say that the rapid deployment force is to guard against a repeat of horribly brutal events in the north. And we are not anticipating that that force will be used. We are thinking that Saddam Hussein, having learned his lesson once, will hopefully not embark on the kind of carnage that resulted in our having to do what we did in the past with Turkish cooperation.

So, I would not anticipate, John [John Cochran, NBC News], seeing those forces have to come into action. But should there be a need in the south, different assets would be used.

President Ozal. I think I will say, just in addition to what President Bush has said, the force is going to be a kind of force -- will be used to protect the Turkish borders to come to such a big inflow of refugees, which has been in the month of April. And such occurrence should never happen again.

President Bush. The President raised a good point, because, in addition to what happened in saving Kurdish lives, there was this question of respect for borders. And when the people came down out of the mountains, fearing no longer for their lives, we did, usefully, make a statement about the sanctity of borders. And so, I'm sorry I omitted that from my comments.

Cyprus

Q. Mr. President, you said there are new opportunities to solve the Cyprus question. Did these emerge after you visited Greece and you're here now?

President Bush. Well, I think when you have reasonable people coping with a long-enduring problem you have a very good opportunity to work it out. The Secretary-General is personally engaged. This President, President Ozal, has stated his position and he stated it very, very clearly. Prime Minister Mitsotakis stated his position, and I thought it was quite clear. They've already got the framework in this proposed quadripartite meeting.

And thus, yes, we discussed some more of the detail behind it, but I remain optimistic that this problem can be solved. It is not, as I've mentioned, one where the United States can dictate nor

would attempt to dictate terms. This is in the United Nations framework where it should be. But I told my friend President Ozal, I told the Prime Minister that we are prepared to be catalytic, prepared to help if we possibly can. But I heard nothing today that makes me more pessimistic about the solution to this problem.

Turkey

Q. A question for President Ozal. Concerning the sacrifice that the nation of Turkey underwent for its participation in the Gulf war, have you been disappointed with the amount of compensation that you've received from those who have pledged to assist you? What do you want President Bush to do, if anything, to repay Turkey?

President Ozal. I think, in front of the international press here, I would like to thank especially to President Bush the support given on that aspect to Turkey.

Let me tell you, a crisis such as occurred in the world, and everybody loses. I mean, not only Turkey but also Yugoslavia, which has relation with Iraq and Kuwait, and also take Romania or Bulgaria or maybe other countries -- India. But we have borders. Yes, we have been involved militarily or base-wise in order to counter this aggression. And up to now, what we get maybe doesn't meet our requirements -- I mean, our losses -- but if I compare it to other countries, those countries get nothing, and Turkey at least gets, up to now, more than $3 billion, mostly free of charge, not credits.

And therefore, I say I would like to thank President Bush with the support he has shown, and still this support is coming from the United States and through the Gulf countries also involved. Thank you.

President Bush. Another Turkish journalist? I want to get in -- --

Cyprus

Q. Mr. President, you are admired internationally for being a champion of the rule of law. Unfortunately, in Cyprus this very principle is being violated by the imposition of one community as the government of the whole of the island. How can this be reconciled with 649? And what can you do to help, Mr. President, to remedy the situation?

President Bush. It can't be reconciled, and the only answer is negotiation and discussions. So I'll repeat: We have reasonable leaders now in both Turkey and Greece. You have a determined Secretary-General. You have a United States President and Government willing to use whatever it can to have international law supported and to have this heretofore intractable problem solved. And so, the Turkish Government has proposed a get-together quadripartite, and that is the best hope for peace and the best hope for the solution to the Cyprus question.

President's Health and Travel

Q. You've been keeping to a whirlwind pace, sir, on this trip. You have another one coming up which is scheduled in much the same way. And I wanted to ask first, sir, how are you feeling? And second, I wonder how your staff is doing and how you expect it will be doing by this time next week? [Laughter]

President Bush. I'm feeling great. I plan to exercise when I leave here. I'll confess to being a little bit tired -- a lot of evening action out there coupled with getting up pretty early. So, I'm 67 still, and I have to confess that from time to time I get tired. But I've been spared a lot of the work by my staff, a lot of the behind-the-scenes work. Some of the staff are fatigued. Others are ready to charge. But I think when we get home we'll have an opportunity to relax. The doctor -- you know, because of this recent -- I don't want to bore the Turkish press with it -- but I had a little flare-up a while back. And because of that, well, the doctors check it every day and give me the pulse treatment, and I'm on some kind of medication to get the thyroid in balance and all of this.

But, Brit [Brit Hume, ABC News], generally speaking, I feel good. I feel up for all of this. I can't say that at some points along the line in the last few days I haven't gotten tired. But I know that we'll have enough time to do two things when we get home. Monday I have a speech, as you know, Monday afternoon, but -- which might not be one of the heroic successes. It may rank with my empowerment speech, which fell a little flat. But that being over, I will be prepared to do two things: one, get some rest in our own bed and be ready to go; and secondly, brief for the important meetings with President Gorbachev.

But, no, I'm very blessed with, you know, the ability to keep charging.

Q. What about your staff, sir?

President Bush. The staff -- I haven't taken inventory. One or two were feeling a little under the weather from time to time, but for the most part they seem cheerful. And I'd let Marlin, when this is over, speak for all -- he himself having awoken from a good night's nap on Air Force One coming over here. So, he'll be in a position to address himself to that.

Q. What is the speech? Is it a speech to the American people?

President Bush. No, it's a speech in the Rose Garden to some special group. Don't ask me any more.

Iraq

Q. Mr. President, I have a very simple and short question for you. Are you dedicated and

determined to remove Saddam with whatever means that can be used for his end?

President Bush. One, I'd like to see him out of there -- Saddam Hussein. Two, we will not have normal relations with the United States [Iraq] as long as he's in there. Three, it was never an objective of the United Nations under these many resolutions -- 12 resolutions -- to get him out of office. The resolution was to get him out of Kuwait. And with the help of Turkey and other countries, we were fantastically successful there.

But what he's doing now to his own people by diverting food away from his own populace into the hands of some special interests there, and what he's doing now in his ongoing quest to start forward on some nuclear program -- although he now says he's not doing that -- but what he has done is very bad and counterproductive, as he tries to hide the remnants of his tattered defense forces.

And so, I see nothing redeeming in his attitude or in the way he has conducted himself. I see it as a clear case of evil versus good -- and he's the evil in this one. And yet, it wasn't an objective -- and I would say this to some who think it should have been -- to remove him from power. We would not have gotten the international sanction from all these resolutions and all these countries if that had been an objective. And so, I am hopeful that he will leave.

And let me just repeat this right here in this country. I said long before the first shot was fired that our argument was not with the people of Iraq, nor was it with the Iraq military -- the establishment. It is with Saddam Hussein, who runs that country with an iron fist, without regard to the feelings of his own people. And it's still that way. And if some way they could get him to step aside and get out of there, we, for the United States' part, would be willing to start right in from scratch. No matter who the person is, what the establishment is, we want pledges that they would honor these United Nations resolutions. But that's the way we feel about it.

Cyprus

Q. Mr. President, if I could bring you both back to the Cyprus question. You both have professed interest in negotiating this and working it through. But I understood that you were bringing some ideas from Mr. Mitsotakis to President Ozal, and I wondered if you could give us some sense of whether you, President Ozal, heard anything different that would seem to be more favorable -- just how that discussion went. We haven't really had much of substance, just good will.

President Bush. Well, that's important -- good will's an important part of this. And I think any matter that I passed along to President Ozal from Prime Minister Mitsotakis, to the degree he asked me to pass it along in confidence, should remain confidential. But the major part of our discussion related to the problems of security and the geography of the question and how to get these talks started that were proposed, in this instance, by Turkey. So, that was about it, but I'd certainly defer to President Ozal on this.

President Ozal. Yes, let me answer. I think the Cyprus question is not an easy question to be solved. It is a difficult problem, because if it was not a difficult problem it should not stay 27, 28 years. But I have a feeling time has changed and there has been some progress. Even in the United Nations there was a new Security Council decision, 649, which has given some additional element for settlement of this dispute. And I think there are reasonable people around it, and if everybody becomes with a good intention, why this problem cannot be solved.

That is my belief. And that is the reason I proposed to have a quadripartite meeting among Greece, Turkey, and the Turkish and Greek communities in the island.

President Bush. Mr. President, could I ask your indulgence because I recognized two American journalists at the same time -- could we take one more from each? Only because Helen [Helen Thomas, United Press International] was on her feet. And we'll go first to the Turkish -- I'd hate to prolong this when we're having so much fun, but I need to get back and get back on schedule. We have a Turkish one here.

New World Order

Q. Mr. President, with the Gulf crisis you have started using the term ``the new world order.'' And you also repeated it at the airport today. What do you mean by this, and how does it affect Turkey and the region?

President Bush. It affects it by peaceful negotiation. It affects it because in the defeat of Iraq's aggression, we set a new moral tone: aggression is not going to stand. And so, now we want to build on that. We set it by using the United Nations in an unprecedented way -- I say we -- not the United States -- Turkey and every other country, coming together under international law, acting under the rubric of the United Nations Security Council resolutions.

So, it's that and it is peaceful negotiation and it is also coupled, a new world order, with this inexorable move toward democracy and freedom that's taking place. A lot of countries haven't had the benefits of democracy like the United States and Turkey. A lot of them are just beginning to go down that path. So, it would be all of those components coming together.

This is the last one. Normally, the last one gets you in trouble.

Middle East Peace Process

Q. Mr. President -- President Bush -- what do you think are the possibilities that there will be a Middle East peace conference? You say you're getting very positive reports from Damascus and Cairo, but there seem to be signals otherwise from Israel. What do you think is going to happen? Do you have any fallback position or options?

President Bush. Well, we're not trying to fall back at this juncture, because Jim Baker has encountered positive responses in Syria. I've seen his report -- I talked to him yesterday, as a matter of fact -- I've seen his reports from Egypt which I would interpret as positive. He's on to Saudi Arabia now.

And I believe in my heart of hearts that when this is explained on his last stop, when this is explained in Israel, that all countries will see that it is in their interests to come forward and talk peace. And that's what this is all about.

And so, we don't have any fallback position. We think we've put forward some good ideas. And I'm very happy that certain countries now see the merits in these ideas, and I hope that all of them will. There's still some important stops on this mission: Saudi Arabia is one, Jordan another, and of course, Israel terribly important in the equation too.

I've heard mixed statements in the press from different countries, but that's not the way these things happen. You don't get deterred when one minister or another responds in any country. You just go forward with what you think is right. And I again salute our Secretary of State. I go back to Brit's question. I don't know how -- Jim Baker used to get tired when he drove across town in Washington, DC -- literally. He'd call me up and tell me how tired he was, campaigning and all of that. Now he's going all around the world all the time, dedicated to trying to help solve this problem.

And so, I see no reason to have any fallback position. What I see is to be as supportive as we can, not only of what Baker is trying to do but to get -- my involvement -- to get these other countries along the way to be supportive. And we're going to do just exactly that. I think the world is crying out for a peaceful solution in the Middle East. And as long as I've known Turgut Ozal, he's told me: You must help solve this problem. And that's exactly what we're trying to do.

And so, every time you hear some negative comment or comment of reserve, you can't get discouraged. You go forward on a question of principle. And that's what the United States is doing. And I'm very proud of our Secretary of State.

Thank you all very much.

Note: President Bush's 95th news conference began at 4:28 p.m. on the front landing of the Presidential Palace. In the news conference, the following persons were referred to: President Ozal's wife, Semra; Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations; President Saddam Hussein of Iraq; President George Vassiliou of Cyprus; Rauf Denktash, leader of the Turkish Cypriot community; Prime Minister Constantinos Mitsotakis of Greece; and Secretary of State James A. Baker III. A tape was not available for verification of the content of this news conference.

Toast at a State Dinner in Ankara, Turkey

July 20, 1991

Mr. President and Mrs. Ozal and ladies and gentlemen. Let me begin by thanking President Ozal for inviting us over here to see this wonderful country. We were standing outside of Ataturk's tomb this morning, and I couldn't help but think of the parallels between the founder of the modern Turkish Republic -- whose name means ``Father of the Turks'' -- and the man we Americans call the Father of our Country, George Washington.

Both were great generals; both were great leaders. And both used their words, their times, and their opportunities to build great nations. Each knew that to win a war one must secure the peace. And each had a vision for his country's future that, through courage, labor, and selfless determination, became the nation's destiny.

And then, as now, we believe in what Ataturk called ``peace at home and peace abroad.'' We know that protecting peace sometimes means being willing to defend it. That's why we've worked together in NATO for close to 40 years. That's why we fought together in the Korean war. And that's why we stood together to reverse the occupation of Kuwait.

There were many people -- many men and women -- responsible for the success of the international coalition and the liberation of Kuwait. But I firmly believe that no one provided greater leadership or clarity of purpose than President Turgut Ozal. I know because we talked together by phone countless times. And he never flinched, and he was always courageous and farsighted.

Let me add, sir, that our respect and gratitude certainly extends also to Turkey's military leaders -- the Turkish General Staff -- who displayed uncommon dedication to the coalition's objectives. It was a comfort for all of us in Washington to know that when the United Nations decided to take that step and impose sanctions against Iraq, Turkey would not hesitate to do what was right. I want you to know -- and on this one I speak confidently on behalf of the American people -- that Turkey's role in the Gulf crisis has not, and will not be, forgotten.

Let me also say that we know the cost of your courage. Your Turkey's incurred enormous damage -- especially in the southeast -- from its compliance with UN sanctions, its decision to deploy troops, and its generous relief assistance to hundreds of thousands of displaced people camped along its borders.

As we look ahead, let's use the last year as a model of cooperation. As allies, Mr. President, we must expand and deepen our relationship -- we must create a new strategic relationship.

It's been said that great tasks and important missions are accomplished only through cooperative

efforts. And that's why I talked today with President Ozal and Prime Minister Yilmaz of strengthening the bonds that link our countries.

Turkey's genius can advance not only prosperity at home but also peace abroad. So, let us build a new future together: a future of peace in the Middle East, a future of peace on Cyprus, and peace between two great countries -- Turkey and Greece -- led by wise and responsible men. And let us work together to build a U.S.-Turkish relationship with the knowledge that our paths are common, our interests and values are intertwined, and our fate, as free and democratic peoples, will be always linked.

Mr. President, let our path be straight and true. Let us achieve the real peace that Ataturk and General Washington dreamt of. And let us enrich this generation, and all generations to come.

And may I ask all the guests here to join me now in a toast to the health of the President and Mrs. Ozal, and to the great and strong relationship between the United States and Turkey. And thank you, sir, for your hospitality.

Note: President Bush spoke at 8:35 p.m. in the garden of the Presidential Palace. In his remarks, he referred to President Ozal's wife, Semra. A tape was not available for verification of the content of these remarks.

Exchange With Reporters Aboard Air Force One

July 21, 1991

Q. We like your suit. It's great!

President Ozal. Thank you.

President Bush. How about my shirt? It's sort of elitist, a little elitist -- remember when we played golf down in Jupiter?

Q. Are you looking forward to the sightseeing trip?

President Bush. Oh, yes. This is going to be wonderful.

Middle East Peace Process

Q. Have you heard from Baker?

President Bush. Never been here before. Never.

Haven't talked to him, but the report we got was pretty favorable out of the Saudis, so we'll see where we're going. I think he's making step-by-step progress here -- talking to the President about it. We both see reason to be optimistic. We'll just have to see.

Q. Does that mean you have a solution to the settlements there and the boycott?

President Bush. Oh, not the whole solution, but it's an important step.

Q. Do you have to pay tribute to the Arab world when you're dealing with Israel -- --

President Bush. I think whatever, people want peace in the Middle East. I know that's true for all Americans, including the political, which you refer to as political considerations in countries. So, I hope we have something going here that all the American people can enthusiastically support. I really believe they will. We've got to make clear what it is we're doing. But I think we're beginning to see the kinds of cooperation that is necessary for peace. We've been talking a little about that here.

Q. -- -- as being seen as pressuring the Israelis?

President Bush. It's not a question of pressuring, it's a question of bringing -- or pressuring any

other country. It's a question of reasoning and taking this, what I keep calling a new credibility for the United States in the Middle East itself and using that to encourage what is a very reasonable and important step to peace. It's more that -- you start using those volatile words and it simply just hardens positions, so I'm avoiding all that.

Q. Are you worried about -- --

President Bush. I'm just avoiding all those words.

Turkey

Q. -- -- in Istanbul there have been some demonstrations. Are you worried about it, terrorism?

President Ozal. No.

President Bush. The answer -- no. And I agree with him.

Public Opinion Polls

Q. President Ozal, are you taking a chance by being so friendly with the United States -- in the newspaper today that a recent poll indicates that most Turks feel that the United States is interfering in the internal affairs -- are you spending some political capital by being so friendly with the United States?

President Ozal. I couldn't get it.

President Bush. Are you using political capital by being friendly to the United States because there's a poll -- --

Q. It means you won't win next year. [Laughter]

President Ozal. I think you talk about the poll in the British newspapers -- about the European Community -- --

Q. The line says: ``Most Turks say their future lies with the EC, not America." They feel the United States is interfering in the internal affairs in terms of -- --

President Ozal. We didn't see it -- --

President Bush. He's like me, he doesn't live by these polls. I've told you that over and over again: We do not live by polls. Remember all the accusations made against me last year? Do you

remember all of them? Tom [Tom DeFrank, Newsweek], I know you would never have written anything like that -- --

Q. [Inaudible]

President Bush. That's right. If you believe that, you'll believe anything. [Laughter]

Q. Well, you read your polls, don't you?

President Bush. Helen [Helen Thomas, United Press International], my wings would drop off if I told an untruth, so put it this way: From time to time, I look at them but I don't live by them or make decisions by them, and I hope our record has proved that by now. So, we'll see.

If he lived by them -- I suppose if he lived by every little tick in Turkish pulse there would have been a lot of reasons for Turkey not to do what they did. And they stood firm and it was a wonderful example of how you ought to do what is right. So, with those words of wisdom, see you.

President Ozal. Sometimes you have to lead the way.

Q. Thank you for not wearing a tie.

President Bush. That's right -- no ties. He said no.

Secretary of State's Secret Trip

Q. What's this secret trip that Baker is going on?

President Bush. Secret trip? It's so secret he hasn't told me about it.

President Bush's Schedule

Q. After the trip to the Soviet Union will you go straight to Kennebunkport or back to DC?

President Bush. Oh, gosh, I haven't looked at the exact dates. I may have to go back for a while. We've got a couple of grandchildren appearing that will -- Barbara's schedule. But I think I'll have to be back in DC, I mean, rather than just land at Pease, or something.

Q. Right.

President Bush. No, I think -- I haven't talked to them, but I better ask before I say. I haven't

gotten that far down the road.

Relax. See you in Istanbul.

Note: The exchange took place while President Bush was en route to Istanbul, Turkey, where he toured the Blue Mosque, the Hagia Sophia Museum, the Topkapi Palace, and the Bosphorous Strait. A reporter referred to Secretary of State James A. Baker III. A tape was not available for verification of the content of this exchange.

Exchange With Reporters in Istanbul, Turkey

July 21, 1991

The President. You asked a question earlier, John [John Cochran, NBC News], and I've altered our policy because we may not have a chance to say anything else. And with Mr. Demirel's permission, maybe you should ask him something.

Middle East Peace Process

Q. Well, I actually wanted to ask, sir, you talked earlier about not wanting to use the word pressure in relation to Israel. But haven't the circumstances of the last few days -- given what the Saudis have done, given what the Syrians have done -- hasn't this created a new situation which requires possibly a new response from the Israelis?

The President. Well, we're asking that there be positive responses from all the parties. And our policy is well-known with Israel on settlements; we haven't changed one bit. So, there's some sticking points there. But I think most people around the world view what has happened as positive -- the Syrian letter, the responses out of Lebanon, the responses out of Egypt, are positive. And I'm confident, I hope it's not misplaced confidence, that when the Secretary gets to Israel he will find that they, like all these other countries, realize that time for peace is at hand.

We've been talking, for example, on Cyprus here. And I haven't yet had the chance to hear from Mr. Demirel's position, but our position has been there ought to be a quadripartite meeting. And the Greeks have not agreed to that yet, and this proposal was made by the Turks, but there's, you know, there's still details to be worked out. But that's our position. We've got it out there on Cyprus and we're discussing it with the Greek Government and the Turkish Government.

Similarly, in the Middle East, we've put out a proposal that now is getting the kinds of support from various parties that I think the world has long awaited. So, we'll just keep trying. We can't dictate on either of these two questions, but we sure can be helpful.

Q. Mr. President, if you did succeed in arranging a Middle East peace conference, would you travel to the region to host the -- --

The President. I think it's premature. I'd go anywhere if it would really, truly be productive to help there or help on any other question. But I think it's way premature to suggest that the presence of the President of the United States at this juncture at some meeting or other could be helpful. But the process is moving; I think that's the key point. I just haven't really even thought about that particular question.

Q. Would the suspension of the settlements, would that help -- stopping where they are right now,

just marking time -- would that be a key thing that the Israelis could do now?

The President. Well, I would think so. And that's been our position. I had a one-on-one discussion with Mr. Shamir about this months ago and made clear to him that the United States' policy was that there should be no more settlements. And so, that was -- our position hasn't changed on that. And so, we just leave it right there.

Q. Mr., President, surely Mr. Shamir has made clear to you that Israel -- --

The President. Now, wait a minute. You don't ask in that tone; just ask the question.

Q. It would seem that Mr. Shamir has made clear that he does not accept the U.S. proposal and yet -- --

The President. I'm not so sure of that. You don't know what he's made clear to me and what he hasn't. What I'm saying is I'm hopeful he'll accept it.

Q. But, sir, is a settlement freeze the most important thing the Israelis could do now?

The President. Well, I'm not sure. There's a lot of -- we're talking about a conference that will lead to one-on-one talks. All of these questions are important. But, John, the question of settlements has been important. I think anybody in the Middle East will tell you -- and I hesitate to speak for my guest that I just met -- but I haven't encountered anybody in this part of the world that thinks increasing settlements is a helpful thing. And the U.S. policy has been opposed to it for years. So, this isn't anything new with us. This isn't new at all.

Q. What about the Saudis?

The President. Well, we're hearing positive things out of the Saudis. And all that is good.

Q. Did you talk to Secretary Baker yet?

The President. Not today.

Q. The fact that the Syrians no longer require any PLO presence, is that very important?

The President. I think that the Syrian letter and Baker's follow-on talks with Syria is very, very important. And I just don't want to go into the details of what the Secretary talked about.

And now, having violated my non-Sunday answering questions at photo-op policy, thank you all very much. But note, inasmuch as we're here, our interest in matters relating to -- of interest to the

Turkish Government. I mentioned Cyprus because I know it's of concern to everybody. And again, we do want to help. And though there has been no agreement on these meetings, this is the key point: we'd like to think that there will be.

Q. Do you want to talk about the 7 - 10 formula?

The President. Not right now. Won't talk about it but -- --

Q. The rapid deployment force -- did you all get into that?

The President. No, I haven't gotten to that yet, but they know our position on it.

Thank you all very much for your time and attention.

Note: The exchange began at 3:45 p.m. in the Ciragen Palace Hotel, prior to a meeting with Suleyman Demirel, leader of the True Path Party. The President referred to Secretary of State James A. Baker III and Prime Minister Yitzhak Shamir of Israel. A tape was not available for verification of the content of these remarks.

Nomination of Richard Clark Barkley To Be United States Ambassador to Turkey

July 21, 1991

The President today announced his intention to nominate Richard Clark Barkley, of Michigan, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Turkey. He would succeed Morton I. Abramowitz.

Currently, Mr. Barkley is a visiting fellow at the National Defense University in Washington, DC. Prior to this he served as Ambassador to the German Democratic Republic, 1988 - 1990; Deputy Chief of Mission, Pretoria, Republic of South Africa, 1985 - 1988; political counselor, American Embassy, Bonn, Federal Republic of Germany, 1982 - 1985; and Deputy Chief of Mission, Oslo, Norway, 1979 - 1982. Mr. Barkley served in various capacities at the State Department and in the Foreign Service, 1962 - 1979.

Mr. Barkley graduated from Michigan State University (B.A., 1954) and Wayne State University (M.A., 1955), and he served in the U.S. Army, 1955 - 1957. Mr. Barkley was born December 23, 1932, in Chicago, IL. He is married, has one child, and resides in Springfield, VA.

Remarks at a Dinner Hosted By President Turgut Ozal in Istanbul, Turkey

July 21, 1991

Mr. President and Speaker of the Parliament, Mr. Prime Minister, members of the Turkish Government: Barbara and I want to thank you for this warm welcome. And I am deeply honored to be the first American President to come to this historic city.

Among the nations of the world, few claim a past as storied as yours. Turkey stands at a crossroads of cultures and civilizations. Here in Istanbul, one city spans two continents.

This city's ancient history is written for all to see in marble, stone, and gold -- and in the monumental grandeur of the Hagia Sophia, the serenity of the Blue Mosque, the courts of Topkapi, and here in this beautiful palace, a treasure house of Turkish art and architecture. Like Istanbul, Turkey is East and West, ancient and modern. For in Turkey, what might elsewhere appear as contradictions are dazzling facets of culture and character.

In this magnificent palace -- testament to Turkey's past -- in the presence of the men and women entrusted with the future of this nation, it is fitting to speak about new and old, about our new world of change, about the enduring partnership that binds our two nations.

This partnership grows out of a shared devotion to the international ideal, the understanding that responsible nations must work together to repel aggression to preserve the peace. From the days of the Korean war, and the legendary bravery of the Turkish Brigade, through the long years of cold war, as partners in the NATO alliance, and today in our effort to forge a new world order, Turkey has stood for this international ideal.

For 40 years, Turkey played a strategic role as a bulwark of NATO's southern flank. The alliance's, and Turkey's, steadfast adherence to common values and interests produced a stunning triumph. Democracy triumphed over totalitarianism in Eastern Europe, and the cold war yielded to prospects for a different kind of world.

Then came Iraq's invasion of Kuwait, an act that defied all that the United States and Turkey stand for, an act that exposed your entire region -- this entire region -- to brutal aggression. Turkey's response as a key member of the international coalition stands as a tribute to the leadership of President Ozal, to the professionalism of the Turkish military, and to the great heart of the Turkish people.

Turkey's actions as a pivotal coalition member demonstrated again our readiness to defend our common values and interests. It proved that our alliance was built not upon the fear of

communism but out of a profound, shared commitment to freedom and democracy.

All during the world's effort to use diplomacy to get Iraq's brutal dictator to remove his forces from Kuwait and then all during Desert Shield and Desert Storm, President Ozal and I were in constant touch. There was no individual in any country that was more resolute, more determined to see international law prevail. And once the decision was made to use force -- difficult decision that it was -- no ally was more solid than Turkey, no leader more staunch than your President, President Ozal.

Our work as friends, allies, and coalition partners continues today. Our two nations are part of a newly formed residual force stationed near Turkey's border with Iraq. And all of us understand this force will not stay permanently. But we also understand the importance of sending a strong, unmistakable signal to Saddam Hussein: He must not resume war against his own people.

Mr. President, Mr. Prime Minister, our nations for years have fostered a strong relationship. Turkey's stand in the Gulf demonstrated that relationship's strength. Tonight, let us pledge to build further upon our common ties and aims, to strengthen the links our governments have forged.

In years to come, we will continue to back our warm words with firm deeds. Our administration hopes to deliver a $625 million military assistance program in 1992, a substantial increase. We support Turkey's production of 160 F - 16s.

But this new strategic relationship between our nations points beyond simply the military dimension to expanded trade and increased investment in one of Europe's most dynamic economies.

Well before the fall of the Berlin Wall and the advent of free market forces in Eastern Europe, Turkey launched an ambitious reform program. In the 1980's, Turkey outpaced every nation in the OECD in economic growth. In the nineties, as the new nations discover the power of free enterprise, as democracy dispels a long dark era of division and distrust, Turkey can regain its historic place as a trade hub, uniting Europe -- East and West -- Asia, and the Middle East.

Finally, our new relationship means building new bridges, bringing together the best minds in both our nations in the fields of science and technology, medicine and the environment; opening the doors to our universities; opening our minds to each other's ideas, cultures, and traditions. The people of our two nations have known and admired each other as allies. And it's time now for our people to get to know each other better as friends.

A key to this new relationship lies in the opportunities now opening as a direct result of a decade of democracy. Turkey today is a nation confident of its place in the world, a confidence made clear in your nation's opening to the new democracies of Eastern Europe and your growing

relationship with the Soviet Union. Your Black Sea initiative, aimed at expanding trade with the Soviets and other nations that border that great body of water, illustrates the promise of what I have called the new world order. East-West confrontation has made way for trade and cooperation, the cornerstones of lasting peace.

These initiatives promise increased prosperity for the Turkish people and increased security for the Turkish Republic. In the famous words of Ataturk, ``peace at home, peace abroad'' remains a worthy goal for all nations.

And that means we must begin building a lasting peace right here in the Eastern Med. In the past 2 days, in Ankara and on the island of Crete, I have honored the memories of Kemal Ataturk, Eleutherios Venizelos -- two statesmen whose every thought was for the good of their nations, two statesmen who earlier this century made possible a generation of peace between Turkey and Greece.

Once again, Turkey and Greece have produced leaders of vision, both trusted friends of mine. And as a friend of Turkey, let me say the time has come for a new opening to a neighbor and fellow NATO ally. The time has come for lasting peace between Turkey and Greece. After all, Greece and Turkey have been allies in NATO, partners in the coalition that liberated Kuwait, free European nations devoted to a common ideal. So, this sad chapter of ill will must end. No two nations who cherish democracy should regard each other as enemies.

This opening must include movement on the Cyprus question. In less than 2 years' time, we've witnessed a chain reaction, a chain reaction of change that has swept away the Berlin Wall, and with it, four decades of totalitarian rule and the ever-present risk of global war. And so, the message I bring to Turkey and to Greece is simply this: We've seen too much change in the world to settle for the status quo between your two great countries, both, I'm proud to say, friends of the United States of America, both of whom stand to gain much through friendship.

We have seen too much change in this region and throughout the world to stand for the status quo in Cyprus. We support the efforts of Secretary-General Perez de Cuellar to open the door to a solution for the problem. But I would like to tell the people of Turkey what I have told the people of Greece: The solution lies in your hands. Your friends can and will offer encouragement and support, but only Greeks, Turks, and Cypriots can reach an effective, lasting resolution.

I believe the time is right to break through the barrier, tear down the old taboos, and build a lasting peace. When I see the wealth of leadership -- President Ozal, Prime Minister Yilmaz, Mr. Denktash, President Karamanlis, Prime Minister Mitsotakis, President Vassiliou -- I know the leadership exists in Turkey, Greece, and Cyprus to set aside old animosities and seize an opportunity for real peace.

Mr. President and Mr. Prime Minister, members of the Turkish Government, leaders here with us

tonight, I am confident that Turkey can rise to this challenge.

A decade of free government and free enterprise have made Turkey a rising star of Europe. Politically and economically, Turkey is today a nation transformed. There should be no question that Turkey deserves entry into the European Community and the Western European Union, and Turkey can count on America's strong support.

Turkey stands as a model to those who strive for free elections and free markets. Regimes that force a false choice between progress and piety -- between technology and tradition -- stand refuted by your experience. Turkey proves that a nation can build a flourishing democracy and a modern economy, can embrace freedom and tolerance, and still sustain its ancient faiths.

Turkey aims at the vision of Ataturk, a vision all around us evident in this city, with it minarets and modern skyscrapers, a vision that marks out Turkey's destiny in the region, in Europe, and in the world beyond.

More than 30 years ago, President Eisenhower came to your country on a pilgrimage of freedom, a visit that I know some may remember. And in the generations since then, Turkey turned promise into prosperity, creating a future few would have thought possible. But for all that has changed, one fundamental fact remains the same: In the words of Eisenhower: ``No power on Earth, no evil, no threat, can frustrate a people of your spirit."

Once again, I thank all of you for the warm welcome that Barbara and I have received in Ankara and here in this fantastic city of Istanbul. May our two nations always work to preserve peace, freedom, and prosperity. And may God bless the people of Turkey. Thank you all very, very much.

Note: President Bush spoke at 8:21 p.m. in the dining room of Dolmabahce Palace. In his remarks, he referred to Kaya Erdem, Speaker of the Turkish Parliament; Prime Minister Mesut Yilmaz of Turkey; President Saddam Hussein of Iraq; Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations; Rauf Denktash, leader of the Turkish Cypriot community; President Constantinos Karamanlis and Prime Minister Constantinos Mitsotakis of Greece; and President George Vassiliou of Cyprus. A tape was not available for verification of the content of these remarks.

Remarks at the Departure Ceremony in Istanbul, Turkey

July 22, 1991

President Bush. Mr. President, Mr. Speaker, Mr. Prime Minister, and ladies and gentlemen. Barbara and I just want to simply thank you for our visit and for the warmth of this Turkish hospitality. We are very grateful.

A Turkish proverb reminds us, ``A long journey is shortened by good companions." Well, our stay here has been brief, but our companions have been splendid. And the proverb applies equally to the quest for peace and prosperity. Its road is arduous, but good companions shorten it, as President Ozal and Prime Minister Yilmaz have proved over these past 2 days.

Mr. President, real peace means the triumph of a better life, not merely the absence of war. This goal requires stout hearts and open minds and will provide a fitting object for our new strategic relationship.

Turkish-American ties date back more than 200 years. But our goal must be more extensive political ties, deeper security ties, broader economic ties, and more enduring commercial ties. And I leave Turkey knowing that our ties are as strong as they have ever been and that they can and will grow even closer. Toward that end, President Ozal and I talked of how to broaden cooperation between our people in fields such as education, the environment, science, technology. And we discussed Turkey's commitment to democracy and the free market and how increased trade and investment can enhance our relationship as allies and friends.

We pledged to expand the military cooperation that helped liberate Kuwait. And our administration supports Turkey's priority objective of military force modernization, including its 160-plane F - 16 development program. We stand side-by-side in maintaining an international force to preserve stability on your southeastern frontier. And in that spirit, I'm pleased to announce that the United States will provide $1 million to Turkish villages along the Iraqi border that suffered economic losses during the refugee crisis.

And we will remain engaged with you, our Greek allies, the Cypriot people, and the U.N. Secretary-General in hopes of building a lasting peace in Cyprus. If a wall in Berlin can fall to human brotherhood, so can ancient hatreds on Cyprus.

I began with a Turkish proverb, so let me close with another one: ``The bird with one wing cannot fly." Mr. President, you're a dear friend and colleague. And you know, as I do, that our strategic relationship has two wings, one extending from Maine to Alaska, and the other spanning your vast historic land. And together, let us fly toward a better future.

So, once again, my friend, thank you for this welcome, for the kindness that you and the Turkish

people have shown over the past few days. And may God bless Turkey and the United States of America.

President Ozal. Mr. President, Mrs. Bush, ladies and gentlemen. We are coming to the end of the President Bush visit to Turkey. This visit has fulfilled all our expectations.

During this visit we have not only confirmed how strong the foundations of Turkish-American relations are but we have also been able to take new steps for a more comprehensive and deeper relationship, encompassing political security, economic and social fields.

The fact that the second phase of the F - 16 project has been agreed upon with a production target of 160 aircraft, that a steering group has been established to conduct intensive political consultation on all key issues of common interest, and to monitor other aspects of our relationship are some of the concrete steps demonstrating the political will and determination of our two countries to forge ever-closer relations.

This visit has also provided us with the opportunity of exchanging views on all the major issues concerning our two countries and confirming the identity of views among us. But alongside all these important issues, it gave all of us, Mr. President and Mrs. Bush, the opportunity to get to know you even better, to consolidate our friendship, and to appreciate once again how lucky the world, whole world, is in having such a great leader like you as the President of the United States at a time when such important developments are taking place in our globe that will affect all generations to come.

I'm asking you, Mr. President and Mrs. Bush, to convey the greetings and best wishes of the Turkish people to the American people. As we say goodbye we are all proud of the level the Turkish-American partnership has reached through our mutual efforts.

Thank you.

Note: President Bush spoke at 10:10 a.m. at Ataturk Airport prior to departure for Washington, DC. In his remarks, he referred to Kaya Erdem, Speaker of the Turkish Parliament, and Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the Establishment of the Bulgarian-American Agriculture/Agribusiness Enterprise Fund

July 22, 1991

The President today announced his intent to establish a Bulgarian-American Agriculture/Agribusiness Enterprise Fund. Vice President Dan Quayle discussed the fund with the visiting Bulgarian economic delegation led by Deputy Prime Minister Dimitur Ludzhev and Minister of Finance Ivan Kostov at their July 22 meeting. The Vice President welcomed the progress Bulgaria has made in political and economic reform under the leadership of President Zhelev and Prime Minister Popov and noted that the establishment of an enterprise fund was designed to accelerate the process of privatization.

Similar to the funds already established for Poland, Hungary, and the Czech and Slovak Federal Republic, the new Bulgarian fund will invest in the private sector, using its own funds and drawing on other sources of venture capital as well. The Bulgarian fund, however, will differ from the others in two important ways:

-- it will focus primarily (but not exclusively) on the agriculture/agribusiness sector, including agricultural inputs, food processing and packaging, distribution, and other related areas; and

-- it will be charged from the beginning to provide technical assistance to complement its investment activities. The funding for this technical assistance will come out of the capital stock of the fund.

The administration intends to make an initial grant of $5 million to the fund from money appropriated this fiscal year for East European assistance in the foreign affairs operations Bill.

The Bulgarian-American Agriculture/Agribusiness Enterprise Fund may make loans, grants, and equity investments in addition to sponsoring technical assistance, training, and other measures designed to foster the growth of private business in all sectors of the Bulgarian economy, with a particular emphasis on the agriculture sector.

The fund will be a private, non-profit organization. The American members of the Board of Directors will be designated by the President at a later date. The fund will maintain appropriate records of its activities and will file an annual report that includes a statement of an independent auditor.

Exchange With Reporters Prior to a Cabinet Meeting

July 23, 1991

Oil Sales by Iraq

Q. How do you feel about limited oil sales to Iraq, Mr. President? Mr. President, limited oil sales to Iraq? Limited oil sales by Iraq -- excuse me.

The President. Limited oil sales by Iraq.

Q. To raise money.

The President. It's something we ought to talk about here, as a matter of fact.

Q. What are you going to talk about?

Q. That's on the agenda, easing the sanctions on Iraq to allow -- --

The President. Well, it might well be, now that it's been raised here -- [laughter] -- what our position is on that, and -- we've talked out there at the U.N., as you know, and my view is the U.N. mechanism is clear in terms of helping children and those who may be threatened with either famine or disease.

The machinery is in place there and it's very clear that Saddam Hussein has not complied with the U.N. resolution, so we'll see what we can do.

We're not trying to hurt any individuals there. Our argument is not with the women and children of Iraq; it's with the dictator. He has not made restitutions regarding the Kuwaiti people that are held, of Kuwaiti gold that is held -- total disclosure on possible nuclear developments, and so there's much to be done.

But the United States is not going to see suffering of innocent women and children there. There's all kinds of mechanisms available for him to take care of it -- his own resources inside the country, the possible release of resources outside of the country -- and it's a matter that's being discussed at the United Nations.

I had a good discussion this morning with Prince Sadruddin Khan, who is doing some fine work on this question. But we haven't resolved yet, and I need to talk to -- here, we have not resolved yet exactly what we're going to do at the United Nations.

Q. But there is a plan? You are working on a plan, possibly, to permit some oil sales for food and medicine?

The President. That's all I'm going to say about it right now. I hope you'll understand, Helen [Helen Thomas, United Press International].

Q. I don't quite -- [laughter] -- --

Trade With China

Q. Sir, do you have enough votes to block MFN or to keep MFN going for China?

The President. We're going to be talking about that now. My position is so clear I would hope so.

Note: The exchange began at 10:05 a.m. in the Cabinet Room at the White House. In his remarks, the President referred to Prince Sadruddin Aga Khan, Executive Delegate for the United Nations Secretary-General on the humanitarian situation in Iraq. A tape was not available for verification of the content of this exchange.

Remarks at the Presentation Ceremony for the Take Pride in America Awards

July 23, 1991

Good to see you all. A few minutes late -- filling out the frequent flyer forms. [Laughter]

I'm delighted to be here, and let me just say at the outset of this, why, I'm just back from a fascinating trip to London and to Turkey and to Greece, and I think it was a good one. But now I'm back to the very important business at hand, and an opportunity to thank some people who have done a disproportionate amount for their country.

To Secretary Lujan, who's been such a driving force for voluntarism and public land stewardship, I salute you and thank you. And of course, to Linda Evans who's just taken so much interest in this Take Pride in America program, we're very, very grateful to her.

To Senator Conrad Burns over here, we salute him and thank him. And to all of you who have shown an interest in this, many from its very inception, thank you and welcome to the White House. And thank heavens we're doing it indoors instead of out. [Laughter]

You know, I know I speak for everybody that goes abroad, it is always nice to be back on home soil. What better way to come home after visiting distant lands than to recognize Americans who do take pride in America: our millions of acres of forests and parks, wildlife preserves, and beaches. The Take Pride in America campaign urges all Americans to help preserve this precious heritage for future generations.

Every day, everywhere in America, people are finding ways to make a difference. We call these Points of Light -- we refer to these people as Points of Light. And in your service to our shared environment, all of you who take pride in America do shine brightly and brilliantly.

Our dog Millie is doing her part. [Laughter] Last time I threw a stick out on the lawn and said, ``Fetch," she had me written up for littering out here. [Laughter]

The public resources that you've worked to preserve and protect -- the parks that you've adopted, the rivers you've cleaned and reclaimed, the children that you've taught -- these represent a legacy for future generations that every one of you works to serve.

This morning, 121 of you received well-earned recognition for your commitment and your achievements in promoting voluntary stewardship of our public lands. And I want to offer my congratulations, and my admiration and respect for each and every one of you.

This afternoon, among so many special groups, I can't begin to recognize all. But let me offer just two examples of what it means to ``Take Pride in America." Take Pat Mitchell. As a volunteer, she travels around the State of Alabama as ``Auntie Litter" -- here she is, suited up for the occasion -- [laughter] -- ``and the Pollution Patrol" -- teaching schools, churches, and other groups about the new three R's: refuse [reuse], reduce waste, and recycling. She's showing people many things that they can do to improve our environment. And thank you very much for what you are doing, Pat.

And the next is Rafael Munoz -- where is he? Right here. Here he is. This guy's of the Norris Square Park Patrol, a group working in one of the most deprived areas of Philadelphia. The 35 youngsters who make up this patrol, from 10 to 18 years old, work several hours each day cleaning the park, picking up and recycling broken glass, planting trees and flowers, and painting park benches. The patrols have discouraged vandals, and what was once a haven for crime and drugs has become a place where preschoolers can play without fear. Keep up the good work.

It's really unfair to single out anybody in this group, because each of the award winners here today have stories of equal accomplishment, equally worthy of recognition, who deserve to be emulated across our country.

You know, one of the previous Presidents, one of my predecessors, Calvin Coolidge, once said: ``No person was ever honored for what he received. Honor has been the reward for what he gave." And so it is with all of you who eagerly and actively Take Pride in America. So, thank you all. I'm just delighted that this is my first event since returning to the good old U.S. of A. And now, I want to turn the program over to Secretary Lujan, who has two special awards to present, and Linda and I will be the spear carriers helping him out.

Note: The President Spoke at 4 p.m. in the East Room at the White House. In his remarks, he referred to Linda Evans, spokesperson for the Take Pride in America program.

Statement by Press Secretary Fitzwater on the Extension of William Webster's Term as Director of the Central Intelligence Agency

July 23, 1991

The President today requested that CIA Director William Webster remain in his position for 1 month beyond his scheduled retirement on July 31. Director Webster graciously consented to the President's request. The Director's immediate response underscores the lifelong dedication to public service that has marked his career. The President appreciates this commitment and the Director's willingness to change his personal plans. The President requested the extension because of the announced delay in the confirmation hearings for Robert M. Gates.

Nomination of Arthur J. Rothkopf To Be General Counsel of the Department of Transportation

July 23, 1991

The President today announced his intention to nominate Arthur J. Rothkopf, of the District of Columbia, to be General Counsel of the Department of Transportation. He would succeed Phillip D. Brady.

Currently Mr. Rothkopf serves as a senior partner with the law firm of Hogan & Hartson in Washington, DC, and has served as a partner, 1969 - present, and as an associate, 1967 - 1969. Prior to this, he served as associate tax legislative counsel with the Department of the Treasury, 1963 - 1966; supervisory attorney with the Securities and Exchange Commission, 1960 - 1963; and as a staff attorney with the Department of the Treasury, Customs Service, 1958 - 1960.

Mr. Rothkopf graduated from Lafayette College (B.A., 1955) and Harvard Law School (LL.B., 1958). He was born May 24, 1935, in New York, NY. Mr. Rothkopf is married, has two children, and resides in Washington, DC.

Proclamation 6316 -- Korean War Veterans Remembrance Week, 1991

July 23, 1991

By the President of the United States

of America

A Proclamation

In 1950, while Americans were still enjoying a sense of pride and relief following the Allied victory in World War II, our Nation suddenly became engaged in another great struggle for freedom. On June 25 of that year, communist forces of the North launched a ruthless attack against the free Republic of Korea. The United Nations swiftly condemned the invasion and formed the UN Command to repel the aggressor. America's Armed Forces, many of whom had just served during World War II, joined with those of 17 other nations in the ensuing conflict. Forty years before the international effort to liberate Kuwait, these courageous individuals demonstrated the power of collective resolve in the face of lawless aggression.

Addressing the American troops serving in Korea, President Truman declared: ``You will go down in history as the first army to fight under a flag of a world organization in the defense of human freedom . . . . Victory may be in your hands, but you are winning a greater thing than military victory, for you are vindicating the idea of freedom under international law." By the time a cease-fire was negotiated at Panmunjom on July 27, 1953, more than 54,000 American servicemen had died to defend the lives and liberty of others. Some 103,000 were wounded, and today 8,000 are still listed as missing in action. This week, we honor our Nation's Korean War veterans and remember in prayer those heroes who made the ultimate sacrifice at places such as Inchon, the Pusan Perimeter, and the Chosin Reservoir.

Veterans of the Korean War can take pride in their legacy. These heroes and their fallen comrades not only helped to restore the freedom of South Korea but also won a decisive victory for the ideals of liberty and self-determination. Today there is hope for peace and reconciliation on the Korean Peninsula, and in just a few months the Republic of Korea will take its rightful place as a member of the United Nations. These promising developments are a monument to each of the brave and selfless Americans and other UN forces who fought in Korea four decades ago for the sake of peace and freedom.

In grateful recognition of our Nation's Korean War veterans, the Congress, by House Joint Resolution 255, has designated the week beginning July 21, 1991, as ``Korean War Veterans Remembrance Week" and has authorized and requested the President to issue a proclamation in

observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week beginning July 21, 1991, as Korean War Veterans Remembrance Week. I urge all Americans to observe this week with appropriate programs, ceremonies, and activities in honor of the Nation's Korean War veterans. I also ask all Federal departments and agencies, organizations, and individuals to fly the flag of the United States at half-staff on July 27, 1991, in honor of those Americans who died as a result of their service in Korea.

In Witness Whereof, I have hereunto set my hand this twenty-third day of July, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 1:21 p.m., July 24, 1991]

Note: This proclamation was released by the Office of the Press Secretary on July 24.

Remarks on the Nominations of Robert M. Gates and Clarence Thomas and an Exchange With Reporters

July 24, 1991

The President. Let me just welcome everybody back and, before we get to our business at hand, make a comment on a couple of nominees. One, Bob Gates -- I continue to strongly support him. He's a good man. I defer to the Senate in terms of the scheduling, but I think he's done well on his calls.

As far as Judge Thomas goes, I'm told that the Senate has now set a date for the hearing. I think he's seen something like 32 Senators. It's my judgment that the more people see him and get to know him, they'll understand why we are so convinced that he will be an outstanding Justice on the Supreme Court. He's another good man. So, I just hope these will move forward after this break -- --

Senator Thurmond. August the 10th is the date set for the hearings.

Q. September.

The President. Well, that's important information -- --

Q. Mr. President, are you getting worried about the Gates nomination?

The President. I'm not worried about it a bit, because I think fairness will out in the end, and I think that the man deserves to be confirmed. And I've seen nothing, other than innuendo and reports that he must have known this or something -- I don't want to get started. I told the Cabinet yesterday how strongly I feel about this, and so I will stand by this man.

There's a system of fairplay in this country, and I think it should apply to both nominees, frankly. And I think the way this country is handling it, I think that's exactly what's going to happen. So, I'm not worried about them, but I wish the system had been able to take care of both those nominations more rapidly. But that's not -- that's not my argument. The Senate has every right to set its own timing. But I don't like it when there's a lot of innuendo and suspicion.

On the Thomas nomination, now, there is a kind of a flurry of outrage and predictable smearing of the man. But if people get to see him, they get to know his record, they get to know his background -- I have this feeling this country is strongly behind him. And it's not just in the -- I think it's also in the minority community. The survey yesterday showed that -- strong support for Judge Thomas in the black community. This is a good thing. I think that's a very good thing.

So, I think on both cases the merits are on their side, and I just am pleased that they seem to moving right in spite of the fact that the Gates nomination, I'd hoped it had been over for -- but Bill Webster has been very -- I think you all saw that -- and very generously agreed to stay on through August, and then I expect the Senate will act, having had plenty of time then to run down some of these -- try to catch some of the phantoms out there -- the shadows.

It's sorry when this country -- if somebody is known to have said that maybe the guy above him should have known this, and apparently people are saying, hey, what's fair here? What's right? What's honorable? And I think the Senate will get to the bottom of all of that on Thomas, and the man will be confirmed.

Q. Do you think it's right that all those questions should be looked into?

The President. Every question should be looked into, yes. But what you shouldn't do is have a guy guilty until proved innocent in this country. It's just backwards -- 180. I'm afraid -- --

Note: The President spoke at 9:15 a.m. in the Cabinet Room at the White House, prior to a meeting with Congressional leaders. Robert M. Gates was nominated to succeed William H. Webster as Director of Central Intelligence. A tape was not available for verification of the content of these remarks.

Exchange With Reporters Prior to a Meeting With President Robert Mugabe of Zimbabwe

July 24, 1991

President Bush. Welcome, everybody.

Q. Mr. President, are you disappointed -- --

President Bush. I'd like to take this opportunity just to welcome President Mugabe here to the Oval Office. I met him many years ago on a visit to his country and have seen him several times since then. But I'm just so pleased you're with us -- --

President Mugabe. Thanks a lot.

President Bush. -- -- and very glad to have you here. A lot to talk about -- about Africa.

President Mugabe. Yes, of course.

President Bush. Any anything else, too, I might add.

South Africa

Q. President Mugabe, do you support President Bush's decision to lift sanctions against South Africa?

President Mugabe. I support his concern about South Africa, his repeated concern that there must be human rights, and the fact that he imposed sanctions against South Africa and still maintains quite a lot of sanctions against South Africa in spite of the relaxation that has taken place.

President Bush. That's what I call a very tactful answer and a very good answer, too, I might add. [Laughter]

Note: The exchange began at 11:03 a.m. in the Oval Office of the White House. A tape was not available for verification of the content of this exchange.

Remarks Following Discussions With President Robert Mugabe of Zimbabwe

July 24, 1991

President Bush. Well, Mr. President, let me just say that I've been honored and pleased to meet with you and your associates here at the White House today. I remember visiting Zimbabwe in 1982, when I was Vice President, and I certainly recall the warm reception that you gave me personally and that the Zimbabwean people gave our whole delegation. And it gives me great pleasure to, in some small way, return that hospitality.

Our nations share many common aspirations. We both found independence in revolution. Americans are proud of the role we played in the Lancaster House accords, paving the way for Zimbabwe's independence in 1980.

Over the years, we've had our honest differences. But we both share a fundamental belief that government must serve the people and that, through democratic elections, the people are the best judge of government's performance.

The last year and a half has brought remarkable and bold developments in your country and, indeed, throughout Southern Africa. Positive change moves in promising ways. Zimbabwe has ended its state of emergency and witnessed free and open elections -- moving with the tide of human aspiration worldwide. Last year your party decided against attempts to legislate a one-party state. And in keeping with events throughout Africa and around the world, Zimbabwe has abandoned Marxist-Leninism as its guiding principle.

Much of the credit for these accomplishments, sir, go to you for your courage, your commitment and to creating real opportunity for your people.

And, of course, opportunity means economic growth, and you've announced this investment policy -- a new investment policy -- as part of a broad structural adjustment program to encourage market-led economic prosperity. The International Monetary Fund has described your program in glowing terms, and we share the IMF's enthusiasm.

Last July, your government signed an investment guarantee agreement with our Overseas Private Investment Corporation -- we call it OPIC. And since then, several firms have announced their intention to invest in Zimbabwe. Beyond simply proclaiming our faith in your country, we've proved it -- doubling our level of development assistance this year. We will continue to look for ways to help you invigorate Zimbabwe's promising private sector.

I believe your stature worldwide will continue to grow. I remember congratulating you in 1982 at

that marvelous state dinner in your homeland for Zimbabwe's election to the United Nations Security Council. Earlier this year, Zimbabwe's leadership as President of that Council was critical to the success of the coalition's efforts to enforce U.N. resolutions against Iraqi aggression.

We were very proud to have worked with you during that crucial period. And we look forward to a strong working relationship to serve as a force for positive change in Southern Africa, including Mozambique and South Africa.

Our conversations today, I can report, have been warm, productive; and they should serve as a basis to broaden and deepen our important relationship. We support your country's considered steps to economic reform, Mr. President, and we hope those measures will be matched by similar progress towards multiparty democracy.

And as you depart, you leave with the best wishes of the American people for a more peaceful and prosperous and free Zimbabwe, and we look forward to working with you.

Thank you, sir.

President Mugabe. Thank you, Mr. President. Ladies and gentlemen, members of the press. I would like to take this opportunity to warmly express my profound appreciation to you, Mr. President, for kindly inviting me to the United States of America. My entire delegation and I are extremely grateful for the hospitality we have received since our arrival.

The President and I have held useful deliberations on bilateral and wide-ranging international issues. Zimbabwe is implementing an economic reform program whose main components are trade liberalization, structural adjustment including strict public expenditure aiming at a reduction of the budget deficit, the decontrolling and deregulation of the economy, and the creation of an atmosphere conducive to increased local and foreign investment -- leading, in turn, to an expansion of the economy and the generation of more employment and more domestic, regional, and international trade.

This bold and ambitious but achievable program, which will open up our economy to market forces, has been endorsed by the World Bank and the IMF and, indeed, has received warm support from the United States administration.

Of the $16 billion needed to finance this 5-year program, $12.5 billion will come from within Zimbabwe. The remaining $3.5 billion must be mobilized from external sources. At our March Paris donors meeting, we were gratified by the level of support pledged, but we need further international assistance to enable us successfully to complete the program.

We have over 40 private United States companies doing business in Zimbabwe. We hope the

additional incentives and the stable political situation will attract more United States private investors.

Trade is an important part of our economic reform program. We are, therefore, encouraged by the growing trade between our two countries. We hope the volume of this trade will increase rapidly.

Mr. President, Zimbabwe appreciates the development aid it has been receiving from the United States bilaterally and through the Southern African Development Coordination Conference -- SADCC -- since independence in 1980. I'm sure this assistance plays an even more important role in our economic reform program.

Zimbabwe welcomes the ending of the cold war and the rapprochement currently prevailing between the two superpowers. Many regions in the developing world, however, are not yet benefiting from this political thaw.

In our Southern African region, we are still confronted by apartheid despite the repeal of the acts that legalized it. Whilst we applaud and commend President de Klerk for steps taken so far, we are concerned by the pace of events and the continuing violence bedeviling that country.

Total dismantlement of apartheid and a new political dispensation leading to the creation of a united nonracial democratic South Africa remains our ultimate goal. That is why we in Southern Africa would urge that the remaining sanction pressures on the Pretoria regime be maintained until the path to democracy has reached an irreversible stage.

The end of hostilities in Angola was a most welcome development. We shall render our full and total support to ensure a lasting peace. And may I take this opportunity of congratulating you, Mr. President, and the United States for the role you have played in bringing about the peace process in Angola.

In Mozambique, we hope the two sides will also move quickly towards a cease-fire and the establishment of a lasting solution. We eagerly await the restoration of peace in our area and the chance to devote our resources to development. The resolution of these conflicts will enhance our ability in peaceful times to unleash all our forces to combat underdevelopment and consolidate our economy.

Mr. President, we are mindful of our close cooperation and collaboration during the Gulf crisis, as was evidenced during our Presidency of the Security Council. We believe in the principles of international law and hope that the momentum of bilateral cooperation will continue and lead to the establishment of a broader solution and peace in the Middle East, including the final, permanent, and satisfactory settlement of the Palestinian question.

Once again, Mr. President, Zimbabwe rejoices in the excellent relations existing between our two

countries. We have a proverb in Zimbabwe which says: One never travels a path once. I hope, Mr. President, having traveled the path to Zimbabwe once, you will travel again and visit us. And the Zimbabwean people will once again have the joy of receiving you.

May I thank you for all the very warm welcome we have received and for the opportunity afforded us to exchange our ideas. I thank you.

President Bush. Thank you, Mr. President. Well done, sir.

Q. Mr. President, tomorrow's the U.N. deadline on the nuclear report from Iraq. Do you expect them to come clean?

President Bush. -- -- stick to the -- deadline -- no comment on that right now. Don't -- playing that up too much, but they know what they have to do.

Note: President Bush spoke at 1:15 p.m. on the South Lawn at the White House. Prior to their remarks, the two Presidents met privately in the Oval Office and with U.S. and Zimbabwean officials in the Cabinet Room, and then attended a luncheon in the Old Family Dining Room. A tape was not available for verification of the content of these remarks.

Message to the Congress Reporting a Budget Deferral and Proposed Rescission

July 24, 1991

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one proposed rescission totaling $5,000,000 and one revised deferral of budget authority now totaling $127,036,000. Including the revised deferral, funds reported as withheld now total $10.3 billion.

The proposed rescission affects the Department of Defense. The deferral affects the Department of State. The details of the deferral and proposed rescission are contained in the attached report.

George Bush

The White House,

July 24, 1991.

Note: The attachment detailing the deferral and proposed rescission was printed in the ``Federal Register'' of July 31.

Message to the Congress Transmitting a Report on the Ready Reserve

July 24, 1991

To the Congress of the United States:

Pursuant to section 673(d) of title 10, United States Code, I have the honor to transmit the enclosed report relating to units of the Ready Reserve of the Armed Forces that remain on active duty under the provisions of section 673 as of July 1, 1991.

Retention of these units is required by continuing military requirements in response to the ongoing emergency declared in accordance with section 301 of the National Emergencies Act, and Executive Order 12743, January 18, 1991, ``Ordering of the Ready Reserve of the Armed Forces to Active Duty."

Ready Reserve units of the Army, Navy, and Air Force are still performing essential missions in the United States, Europe, and Persian Gulf area that support the retrograde of U.S. Armed Forces from the Persian Gulf. Ready Reserve units of the Army are also participating in Operation Provide Comfort by supporting efforts to provide humanitarian assistance to Kurdish refugees in Turkey and northern Iraq. Marine Corps Ready Reserve units remain deployed to the Western Pacific to fulfill the strategic military obligations of the United States in that region. They will remain deployed until such time as the Active component elements deployed to the Gulf can be reconstituted in the Western Pacific, an effort that was also delayed by Operations Provide Comfort and Sea Angel, in which returning U.S. forces provided humanitarian relief to victims of natural disasters in Bangladesh.

All Coast Guard Ready Reserve units have been released from active duty.

George Bush

The White House,

July 24, 1991.

Remarks on the National Energy Strategy

July 24, 1991

Please be seated. Thank you all very much. Well, may I just thank everybody for coming, and first of all greet our Secretaries: Jim Watkins, who is doing an absolutely superb job on the energy front, and I'm delighted that he's here. And I think after I do my number here, why, he will get into a lot more of the substance. But I want to salute also Manuel Lujan and Bill Reilly, key players in our drive to do a better job on the energy front.

And of course, we have in the front row, in case those of you in the back haven't seen them, Senator Wallop and Senator Bennett Johnston and Phil Sharp. And Mike Deland is over here. I'm getting in trouble because I'm going to -- I thought Martin Allday was supposed to be here from FERC. There he is, right there in the second row -- Midland, Texas, man. [Laughter] Thank you again.

Five months ago -- and many of you, maybe not all, but put it this way, most were probably here that day -- we announced our comprehensive and balanced strategy for an energy future that is secure, efficient, and environmentally sound. And our national energy strategy is designed to meet needs this Nation can't afford to compromise: continued economic growth, increased energy efficiency, strong environmental protection, and then a reduced dependence on foreign oil.

This strategy relies on the magic of the marketplace, the resourcefulness of the American people, and the responsible leadership of industry and government. As we enter the next American century, this balanced approach will propel a larger and larger American economy in a more and more energy-efficient way.

And some have pushed for radical measures in order to reduce the oil imports and reduce our dependency, measures that, in my view, would hurt American industries and jobs and consumers. So, we've got to act with care; but it is our firm belief that we've got to act comprehensively.

And our energy strategy strikes a balance. We believe it is a sound and reasonable middle ground that will achieve greater energy security without endangering the environment or stopping the economy in its tracks.

We start by using energy more efficiently. And we've got to accelerate our research efforts to keep America on the cutting edge of new energy technologies like alternative fuels, electric cars, high-speed rail, solar, and geothermal, safer and more secure nuclear technology. Today, we want to build an energy future that opens the door to new and diverse energy sources because our energy future should never be at the mercy of foreign exporters.

As Jim Watkins will tell you, most of the initiatives contained in this strategy can be implemented

under existing authority. And the administration has already made, I think, a great deal of progress. We've set in motion a substantial part of the strategy already, in other words, without waiting for needed legislation -- legislation that's needed in other areas.

On the legislative front, we've made substantial headway since we released the strategy last February. And I just can't tell you how much I appreciate the leadership of the Members of Congress that are here. We're talking principally about the Senate bill here, but Senator Johnston and Senator Wallop, the Senate energy committee passed a comprehensive and a balanced energy bill, one which embodies the key elements of our strategy. And for them it hasn't been easy. They've had to compensate and consider a lot of interests up there, but they've done a superb job. And I urge the full Senate to act swiftly on this bill which should win support from conservationists and industry alike.

There's been a lot said about the Johnston-Wallop bill -- some of it, frankly, not very accurate. Let me tell you what it actually does. On balance, it defines a very positive role in energy for the Federal Government. It enhances efficiency, energy efficiency, in areas like building efficiency standards, Federal energy management efforts, energy conservation investments by utilities, and the development of new transportation technologies and alternative fuels.

On the supply side, it ensures access to the energy we need to sustain continued growth, growth that is environmentally sound. And we've made a lot of progress on cleaner burning gasoline over the last few years -- private industry doing a superb job with its own research in this area. And in the bill before the Senate, we've encouraged the use of a whole range of environmentally sound fuels like ethanol, methanol, electricity, propane, and certainly, encouraging the use of more clean burning natural gas.

We anticipate that the Johnston-Wallop bill will reach the Senate floor hopefully right after the August recess. I would defer to the experts, but that's what we're hoping for. It won't get there -- they've a pretty full calendar before the August recess. The House began markup on the bill last week, and we're hoping for the same comprehensive approach there that was achieved in the Senate.

We need Congress to act wisely and, I think, act soon -- and I know these Members agree with that -- on this important domestic policy initiative. And we need action on all fronts: to remain world leaders in technology; to protect the environment; to make the most of our domestic resources; and to encourage energy efficiency through incentives for industrial, commercial, and private consumers.

Unfortunately, some critics don't seem to see the big picture. They focus on one or two issues that admittedly are controversial. And if I think they're controversial, talk to these Senators and Congressmen about it, because they get hammered on all sides on these issues. ANWR clearly is one of them.

And let me give you a little history. In 1980, Congress specifically avoided designating part of the coastal plain in Alaska -- the ANWR, the Arctic National Wildlife Refuge -- as wilderness. And instead, Congress asked the Interior Department to determine whether the resources of ANWR could be developed without harming the environment.

Well, since then, Interior has conducted or examined more than 170 studies. And time after time, these studies have shown that under strict environmental oversight, ANWR's coastal plain and its resources could, indeed, be developed safely. The wildlife will be protected. John Turner, the Director of Fish and Wildlife, is here today, and he's conducted rigorous studies. The way of life will be protected. And finally, the State of Alaska fully supports ANWR's development.

So, I urge the Congress to take a look at these facts -- more than 170 studies and the considered opinion of Alaska's own government -- and not to be distracted by the critics, many of whom come from the extreme side. There are some that aren't, that just reasonably have doubt, but we cannot let our policy be shaped in this manner. And so, please encourage people to take a look at the record.

Of course, all of you are here today because you can make a difference in the energy future of this country. And some people act as if Washington can snap its fingers and impose an energy strategy on the rest of the country. We know that just won't work.

The best part of our strategy is that it does draw upon our greatest resource -- I'd call it a national resource -- and that is the ingenuity of our own people. With their resourcefulness, we can ensure that America in the next century will be energy efficient, environmentally sound, and economically strong.

And so, I really wanted to come over here today, first of all, to say thank you, to salute those Members of Congress who are out front and laying it on the line -- it's not without a political downside to any of them -- to stand up courageously for the kind of program that we've talked about here. And as Bennett, Malcolm, and Congressman Sharp will tell you, sure there are differences from time to time, but we're all on the same general track here. And I think it's the right one for our country.

So, I want to thank you for your support. And I hope -- and I'm right confident, looking around this room -- that we can count on your continuing support. So, thank you all very much for your interest, taking the time from these fantastically busy schedules that everybody around this room has. And we're with you. I'm strongly in support of this program that our able Secretary, Jim Watkins, will outline in more detail. And once again, thanks for coming.

Note: The President spoke at 2:53 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Secretary of Energy James D. Watkins; Secretary of the Interior Manuel Lujan, Jr.; William K. Reilly, Administrator of the Environmental Protection Agency; Senator

Malcolm Wallop; Representative Philip R. Sharp; Michael R. Deland, Chairman of the Council on Environmental Quality; and Martin L. Allday, Chairman of the Federal Energy Regulatory Commission.

Proclamation 6317 -- Women's Equality Day, 1991

July 24, 1991

By the President of the United States

of America

A Proclamation

Each August 26 we commemorate the ratification of the 19th Amendment to our Constitution. This Amendment guaranteed for women the right to vote and gave them an equal voice in our Nation's system of self-government. Passed by the Congress in June of 1919, the proposed Amendment was ratified by the Tennessee Legislature on August 18, 1920, and declared part of our Constitution on August 26.

Although the woman's suffrage movement had gained ground in preceding years, and although women already enjoyed the right to vote in some states, the contributions of women during World War I contributed significantly to gathering the force of public opinion behind the proposed 19th Amendment to our Constitution. President Woodrow Wilson noted that the services of women during the war were ``of the most signal usefulness and distinction. The war could not have been fought without them, or its sacrifices endured." The achievements of women during that epic conflict underscored not only their desire but also their ability to act as full and equal partners in the life of our country.

Since the adoption of the 19th Amendment, as more and more legal and attitudinal barriers to their advancement have fallen, women have entered positions of leadership and responsibility in virtually every field of endeavor. For example, today women are not only providing support for our Nation's military personnel but also serving as members of the Armed Forces themselves. Through the workplace, through the ballot box, and, as ever, through their families and their communities, women are helping to shape America's future.

The anniversary of the ratification of the 19th Amendment reminds us of our obligation to ensure that every individual has the opportunity to participate fully in the social, political, and economic life of our country. It also underscores the importance of having the right to vote and of faithfully exercising that right, so that this Nation might always be true to the ideals enshrined in our Constitution and Declaration of Independence.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim August 26, 1991, as Women's Equality Day. I invite all Americans to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twenty-fourth day of July, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America that two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:14 p.m., July 25, 1991]

Note: The proclamation was released by the Office of the Press Secretary on July 25.

Remarks at the Antiochian Orthodox Christian Church Annual Convention in Arlington, Virginia

July 25, 1991

Well, thank you. My heavens, what a wonderfully warm welcome. I'm just delighted to be with you. I want to salute Archbishop Saliba, a man I've known for many years. My pleasure to see you again, sir. And congratulations on celebrating 25 years as the leader of this church.

I think our timing on this meeting is pretty good because just 3 days ago -- who is this guy? -- [laughter] -- I returned from Turkey, the nation that is the home to the ancient city that gives your church its name. And ancient Antioch is where the name ``Christian'' first came into use, a city where a tradition of tolerance took shape around a faith that would one day light the lives of millions. The strength of your faith, and the welcome it has found in America, is testimony that the spirit of Antioch lives today and flourishes.

The spirit of Antioch and the spirit of America really have much in common. For many years now, I've been blessed with the privilege to represent, in one way or another, this great country. And wherever I've gone, on every continent, in every corner of the world, I find people who have tremendous admiration for America and all it stands for. And yes, part of it grows out of the fascination with our music and our movies and with the clothes we wear or the cars we drive. But what attracts people to America more than any material thing is an idea, and that idea is freedom.

And we must remember -- especially in this, the bicentennial year of our Bill of Rights -- that a central part of that American idea is a freedom of faith: the right of every man and woman to worship, to witness God, as they see fit. From the settlers and seekers who landed at Plymouth Rock to the pilgrims of our own day, America has long been a safe haven, a welcome refuge from persecution. They come to our shores to trade tyranny for tolerance. And all faiths are welcome here. Tolerance is our way of recognizing the limits of our own earthbound understanding. Tolerance testified to the fact that we are human, only human: that before God, our vast knowledge, all our science, all the wisdom of the ages, is a single drop of water, and our ignorance an ocean.

Faith has a power of its own. As in the earliest days at Antioch, the means of moving men remains the same: the power of example, of life lived in harmony with an ideal.

The image of the Good Shepherd was present in Peter's mind when he wrote: Tend the flock of God, that is your charge, not by constraint but willingly, not for shameful gain but eagerly, not as domineering over those in your charge but being examples to the flock.

The same ethic governs not simply men but nations. And when America acts in the world, we

must act as a moral agent, as a force for good. Many times, the path forward is full of obstacles, and the choices we confront neither black nor white, in a world of lesser evils. And still, we must choose. To advance American ideals, we must act.

Nowhere are the choices more difficult than in the Persian Gulf and the Middle East. Many of you came to this country from that region, leaving friends and family, leaving a part of yourselves behind. For you, the suffering and turmoil in that part of the world is not simply political but personal. You feel it deeply in your hearts. And I cannot share your private anguish, but I can say from my heart, it pains me deeply to see the Middle East -- sacred ground of three great faiths -- riven by hatred and conflict.

In Iraq, we confronted a country under the rule of a man of brutal means and, in my view, unmitigated evil -- a man who made war on his own people, menaced his neighbor, and threatened the world's peace.

I believed then -- and I believe now -- that what we and our coalition partners did to stand up against Saddam Hussein's aggression was right; it was just; it was moral. And we did the right thing. Who can doubt this now, knowing as we do just how close Saddam Hussein was to possessing nuclear weapons and the means to deliver them against defenseless men, women, and children.

We fought not for a narrow interest but for a noble ideal. And we fought to liberate a nation, to defeat an aggressor who brought misery -- who brings it still -- to many millions of innocent people. I've said over and over again, and I'll repeat it here today: We have no quarrel at all -- none -- with the people of Iraq. But Iraq will not realize its potential as a nation -- rejoining the family of nations -- so long as Saddam Hussein stays in power.

At every point during the Gulf conflict, I held out hope that out of the horrors of war might come new prospects for peace. That hope is even stronger now. In Lebanon, we see the first tangible signs of political progress -- of domestic reconciliation and restored order -- after a decade and a half of nightmarish civil war. Thanks to the Taif accords, a truly sovereign Lebanon -- one free of all armed militias and foreign forces -- is no longer just a dream.

Just last week, Secretary Jim Baker undertook his fifth mission to the Middle East -- fifth -- since the Gulf war. His purpose: to bring about a peace conference designed to launch direct negotiations between Israel and its Arab neighbors. Building on the positive response from Syria, we've gained the agreement of Egypt, Jordan, Lebanon, and the six-State Gulf Cooperation Council -- GCC -- to attend a peace conference with Israel.

As a result, we know for certain now that the Israelis are studying our proposal seriously. We hope that they will respond favorably to this historic opportunity for peace and security. I know the Palestinians are closely examining their choices. And here, too, I would ask only that they do

everything possible to take advantage of this unprecedented situation to attain their legitimate rights and at the same time further the cause of peace.

And as you also know -- you all know -- we also have the public commitment of several Arab States -- including Egypt, Jordan, Saudi Arabia -- to suspend the economic boycott of Israel, if Israel suspends settlement activity in the occupied territories. In the Middle East, as in Lebanon, our objective remains a peace that is fair to all parties, a peace that promotes the security of our friends and true stability in the entire region.

At the same time, all of us must understand the challenges to come and the limits to what we can do. No one -- not this President, not the United States, not the U.S.S.R. or the U.N. or our European allies -- no one can impose a solution that the parties in the Middle East do not welcome and cannot live with. But the difficulties must never stand in our way. We can and will be catalysts for peace. That is the mission of the United States of America.

Just as the Christians of Antioch led by example, so, too, we who would ask others to follow must begin by asking more of ourselves. As Paul wrote to the Romans: Let us, therefore, follow after the things which make for peace.

Once again, let me tell you what a joy it is to be here. Let me give you the commitment I've given to the American people that I will go the extra mile, walk the extra distance to try to bring this peace, lasting peace, long-sought-for peace, to this troubled corner of the world. I feel it deeply in my heart.

Thank you. And may God bless this great Nation, the United States of America.

Note: The President spoke at 11:15 a.m. in the Arlington Room of the Crystal Gateway Marriott Hotel. In his remarks, he referred to Metropolitan Philip Saliba, Primate of the Archdiocese; President Saddam Hussein of Iraq; and Secretary of State James A. Baker III.

Remarks on Signing the National Literacy Act of 1991

July 25, 1991

The President. Please be seated, everybody. And let me welcome our two Secretaries here and also Barbara Bush, who's long been interested in literacy, and the Members of Congress.

As a Nation, we have great educational needs. And those needs don't stop at the schoolhouse door. In this America 2000 strategy that Lamar and I and Lynn and others here and from the Congress have been working on, we're committed to a world-class education for today's and tomorrow's kids. And we're just as concerned with today's workers and parents.

Eighty-five percent of America's workers for the year 2000 are already in the work force, and many of them need help to improve their job skills, to learn how to be better parents, neighbors, citizens, community leaders, friends. And that means recommitting ourselves to literacy for all Americans.

Education is not just about making a living; it's also about making a life. And literacy is where education begins. I first understood the truth of that statement by watching Barbara in her work that still continues, working her heart out for literacy. And I understood it even better when I stood at the National Literacy Honors Celebration last year and shook the hands of grown men and women who changed the course of their lives by learning how to read. I've learned that the tears of joy in their eyes are only the beginning of the difference that literacy makes for all of us, as individuals and as a nation.

And that's why the Governors and I established a national education goal for adult literacy and lifelong learning. Goal 5 states that by the year 2000, every adult American will be literate and will possess the knowledge and skill necessary to compete in a global economy and exercise the rights and responsibilities of citizenship. Well, that's an impressive goal, and one that we move closer to reaching today.

And so, I am delighted to sign into law our first major step toward a fully literate America, an historic national commitment to literacy. This bill is truly national. It creates a network for literacy that starts here in my Cabinet with the cooperative effort of every Agency that has a real stake in literacy. And it reaches out into every region and State of our country because literacy is a need that knows no boundaries.

A literate work force is crucial to the future of our economy. And the future of our children rests on the literacy of their parents who are their first teachers. The future of our democracy depends on an informed, literate populace.

Thomas Jefferson said that ``a nation that expects to be ignorant and free expects what never was

and never will be." And I'm happy to say that this piece of legislation -- and you can tell that from this unlikely array of Congressmen and Senators joined together here -- [laughter] -- but it's really important. This is bipartisan in the best sense of the word. And it was developed with the wise counsel of the American people -- educators and business leaders, some of whom are with us today, public officials and private citizens.

And it is my great hope and belief that this legislation will provide the means for us to become the most literate, productive nation on Earth. And it is another step the administration and Congress will be taking toward the full implementation of America 2000.

And now, therefore, it is my pleasure to sign into law H.R. 751, the National Literacy Act. And I'd like to invite the Senators and Members of the House that are with us today to kind of come up here, if you would, while we do this. It's painless and short. [Laughter] Thank you all very much for coming.

[At this point, the President signed the bill.]

Senator Simon. And I think Barbara ought to get the pen, Mr. President. [Laughter]

The President. Great idea.

Note: The President spoke at 5 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Secretary of Education Lamar Alexander and Secretary of Labor Lynn M. Martin. H.R. 751, approved July 25, was assigned Public Law No. 102 - 73.

Statement on Signing the National Literacy Act of 1991

July 25, 1991

Today I have signed H.R. 751, the ``National Literacy Act of 1991." This legislation represents another significant step toward implementing our AMERICA 2000 strategy and attaining the National Education Goal of adult literacy and lifelong learning.

Improving literacy is one of my Administration's most important objectives. I have consistently proposed increases in funding for literacy programs, including Even Start and adult education, and continued support for current Federal research efforts and the National Adult Literacy Survey.

We have also initiated a number of measures designed to enhance Federal efforts in this area. In 1990, I established a Task Force on Literacy to coordinate Federal literacy policies and programs and to stimulate efforts to improve literacy in our Nation. A host of Federal departmental and interagency activities have been launched as a result of this collaboration.

The Administration has worked closely with the Congress to fashion an effective literacy initiative to enhance government-wide coordination and cooperation. H.R. 751 is the product of that effort. H.R. 751 would establish new literacy programs and provide higher authorization levels for some current adult literacy programs.

I am particularly pleased that State literacy resource centers envisioned by the Act are very similar to the regional literacy resource centers proposed in our AMERICA 2000 Excellence in Education Act.

I am also pleased that H.R. 751 provides for:

-- a multi-agency supported National Institute for Literacy, which will contain a national clearinghouse on literacy, give technical assistance to basic skills providers, and validate exemplary practices in the field;

-- a National Workforce Literacy Assistance Collaborative to improve the basic skills of individuals by assisting small- and medium-sized businesses and labor organizations to develop and implement literacy programs;

-- a number of desirable improvements to the Even Start program; and

-- support for discretionary State literacy programs in correctional institutions.

I must note that section 102(c)(2) of the Act, which adds new subsection (f)(1) to section 384 of

the Adult Education Act (20 U.S.C. 1213c), could be read to constrain the President's authority to select nominees for certain positions to which the Senate gives its advice and consent. Because such a constraint would be inconsistent with the Appointments Clause of the Constitution, this provision must be interpreted as precatory rather than mandatory.

H.R. 751 is a good example of the constructive, bipartisan effort needed to further the goal of increasing literacy in our Nation.

George Bush

The White House,

July 25, 1991.

Note: H.R. 751, approved July 25, was assigned Public Law No. 102 - 73.

Executive Order 12770 -- Metric Usage in Federal Governmental Programs

July 25, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Metric Conversion Act of 1975, Public Law 94 - 168 (15 U.S.C. 205a et seq.) (``the Metric Conversion Act''), as amended by section 5164 of the Omnibus Trade and Competitiveness Act of 1988, Public Law 100 - 418 (``the Trade and Competitiveness Act''), and in order to implement the congressional designation of the metric system of measurement as the preferred system of weights and measures for United States trade and commerce, it is hereby ordered as follows:

Section 1. Coordination by the Department of Commerce. (a) The Secretary of Commerce (``Secretary'') is designated to direct and coordinate efforts by Federal departments and agencies to implement Government metric usage in accordance with section 3 of the Metric Conversion Act (15 U.S.C. 205b), as amended by section 5164(b) of the Trade and Competitiveness Act.

(b) In furtherance of his duties under this order, the Secretary is authorized:

(1) to charter an Interagency Council on Metric Policy (``ICMP''), which will assist the Secretary in coordinating Federal Government-wide implementation of this order. Conflicts and questions regarding implementation of this order shall be resolved by the ICMP. The Secretary may establish such subcommittees and subchairs within this Council as may be necessary to carry out the purposes of this order.

(2) to form such advisory committees representing other interests, including State and local governments and the business community, as may be necessary to achieve the maximum beneficial effects of this order; and

(3) to issue guidelines, to promulgate rules and regulations, and to take such actions as may be necessary to carry out the purposes of this order. Regulations promulgated by the Secretary shall function as policy guidelines for other agencies and departments.

(c) The Secretary shall report to the President annually regarding the progress made in implementing this order. The report shall include:

(1) an assessment of progress made by individual Federal agencies towards implementing the purposes underlying this order;

(2) an assessment of the effect that this order has had on achieving the national goal of

establishing the metric system as the preferred system of weights and measures for United States trade and commerce; and

(3) on October 1, 1992, any recommendations which the Secretary may have for additional measures, including proposed legislation, needed to achieve the full economic benefits of metric usage.

Sec. 2. Department and Agency Responsibilities. All executive branch departments and agencies of the United States Government are directed to take all appropriate measures within their authority to carry out the provisions of this order. Consistent with this mission, the head of each executive department and agency shall:

(a) use, to the extent economically feasible by September 30, 1992, or by such other date or dates established by the department or agency in consultation with the Secretary of Commerce, the metric system of measurement in Federal Government procurements, grants, and other business-related activities. Other business-related activities include all use of measurement units in agency programs and functions related to trade, industry, and commerce.

(1) Metric usage shall not be required to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms.

(2) Heads of departments and agencies shall establish an effective process for a policy-level and program-level review of proposed exceptions to metric usage. Appropriate information about exceptions granted shall be included in the agency annual report along with recommendations for actions to enable future metric usage.

(b) seek out ways to increase understanding of the metric system of measurement through educational information and guidance and in Government publications. The transition to use of metric units in Government publications should be made as publications are revised on normal schedules or new publications are developed, or as metric publications are required in support of metric usage pursuant to paragraph (a) of this section.

(c) seek the appropriate aid, assistance, and cooperation of other affected parties, including other Federal, State, and local agencies and the private sector, in implementing this order. Appropriate use shall be made of governmental, trade, professional, and private sector metric coordinating groups to secure the maximum benefits of this order through proper communication among affected sectors.

(d) formulate metric transition plans for the department or agency which shall incorporate the requirements of the Metric Conversion Act and this order, and which shall be approved by the department or agency head and be in effect by November 30, 1991. Copies of approved plans shall be forwarded to the Secretary of Commerce. Such metric transition plans shall specify,

among other things:

(1) the total scope of the metric transition task for that department or agency, including firm dates for all metric accomplishment milestones for the current and subsequent fiscal year;

(2) plans of the department or agency for specific initiatives to enhance cooperation with industry, especially small business, as it voluntarily converts to the metric system, and with all affected parties in undertaking the requirements of paragraph (a) of this section; and

(3) specific steps and associated schedules through which the department or agency will seek to increase understanding of the metric system through educational information and guidance, and in department or agency publications.

(e) designate a senior-level official as the Metric Executive for the department or agency to assist the head of each executive department or agency in implementing this order. The responsibilities of the Metric Executive shall include, but not be limited to:

(1) acting as the department's or agency's policy-level representative to the ICMP and as a liaison with other government agencies and private sector groups;

(2) management oversight of department or agency outreach and response to inquiries and questions from affected parties during the transition to metric system usage; and

(3) management oversight of preparation of the department's or agency's metric transition plans and progress reports, including the Annual Metric Report required by 15 U.S.C. 205j and OMB Circular A - 11.

(4) preparation by June 30, 1992, of an assessment of agency progress and problems, together with recommendations for steps to assure successful implementation of the Metric Conversion Act. The assessment and recommendations shall be approved by the head of the department or agency and provided to the Secretary by June 30, 1992, for inclusion in the Secretary's October 1, 1992, report on implementation of this order.

Sec. 3. Application of Resources. The head of each executive department and agency shall be responsible for implementing and applying the necessary resources to accomplish the goals set forth in the Metric Conversion Act and this order.

Sec. 4. Judicial Review. This order is intended only to improve the internal management of the executive branch and is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any other person.

George Bush

The White House,

July 25, 1991.

[Filed with the Office of the Federal Register, 3:06 p.m., July 25, 1991]

Nomination of George Edward Moose To Be United States Deputy Representative at the Security Council of the United Nations

July 25, 1991

The President today announced his intention to nominate George Edward Moose, of Maryland, to be Deputy Representative of the United States of America in the Security Council of the United Nations, with the rank of Ambassador. He would succeed Milton James Wilkinson.

Since 1988 Ambassador Moose has served as the U.S. Ambassador to the Republic of Senegal. Prior to this he served at the Department of State as Director of the Office of Management Operations, 1987 - 1988, and as Deputy Director of the Office of Management Operations, 1986 - 1987. From 1983 to 1986 he served as Ambassador to the People's Republic of Benin. In addition, he served as deputy political counselor to the U.S. Mission to the United Nations, 1980 - 1983; an international affairs fellow with the Council on Foreign Relations, 1979 - 1980; and Deputy Director of the Office of Southern African Affairs at the Department of State, 1978 - 1979.

Ambassador Moose graduated from Grinnell College (B.A., 1966). He was born June 23, 1944, in New York, NY. Ambassador Moose is married and resides in Senegal.

Nomination of David J. Ryder To Be Director of the Mint

July 25, 1991

The President today announced his intention to nominate David J. Ryder, of Virginia, to be Director of the Mint for a term of 5 years. He would succeed Donna Pope.

Since 1990 Mr. Ryder has served as Deputy Treasurer of the United States at the Department of the Treasury in Washington, DC. Prior to this Mr. Ryder served as an Assistant to the Vice President and Deputy Chief of Staff in the Office of the Vice President, 1989 - 1990; director of management and operations for the Presidential transition team, 1988 - 1989; director of operations for the 1988 Republican National Convention, 1988; and director of operations for TCOM Systems, Inc., 1986 - 1988. In addition, he served as Deputy Assistant to the Vice President and Director of Advance for the Office of the Vice President, 1985 - 1986. Mr. Ryder served with the Department of Commerce as commissioner general of section and director of the U.S. Pavilion at the 1984 Louisiana World Exposition, 1984 - 1985; and as deputy commissioner general of section and director of the U.S. Pavilion, 1983 - 1984.

Mr. Ryder attended Boise State University. He was born October 14, 1955, in Billings, MT. Mr. Ryder is married, has two children, and resides in Arlington, VA.

Nomination of Richard C. Houseworth To Be United States Alternate Executive Director of the Inter-American Development Bank

July 25, 1991

The President today announced his intention to nominate Richard C. Houseworth, of Arizona, to be United States Alternate Executive Director of the Inter-American Development Bank. He would succeed Larry K. Mellinger.

Since 1988 Mr. Houseworth has served as Director of the Export-Import Bank of the United States in Washington, DC. Prior to this he served in several positions at The Arizona Bank: consultant, 1987 - 1988; executive vice president and senior corporate development officer, 1982 - 1987; and executive vice president and branch administrator, 1972 - 1982.

Mr. Houseworth graduated from the University of Kansas (B.S., 1950). He was born January 18, 1928, in Harveyville, KS. Mr. Houseworth served in the U.S. Army, 1946 - 1948. He is married, has three children, and resides in Chevy Chase, MD.

Proclamation 6318 -- National Juvenile Arthritis Awareness Week, 1991

July 25, 1991

By the President of the United States

of America

A Proclamation

It is estimated that more than 250,000 children in the United States suffer from some form of arthritis. A chronic inflammatory disease of unknown cause, juvenile arthritis may attack the joints and major organs of the body, such as the heart, liver, spleen, and eyes. The disease, which can last a lifetime, often makes even simple tasks difficult and frustrating for its victims.

In addition to the physical pain and limitations that it imposes on its young victims, juvenile arthritis can inflict emotional and financial hardship on entire families. This week, as our Nation reaffirms its commitment to the fight against juvenile arthritis, we commend the courage of the children who cope with the disease from day to day. We also applaud the strength and the resourcefulness of their families in dealing with the disease.

Public awareness of juvenile arthritis and the importance of related scientific research is critical. Today the Federal Government and private voluntary organizations across the country are working together to educate Americans about juvenile arthritis while advancing studies of the disease. These cooperative efforts are evidence of our Nation's determination to conquer juvenile arthritis.

The Congress, by Senate Joint Resolution 142, has designated the week beginning July 28, 1991, as ``National Juvenile Arthritis Awareness Week'' and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week beginning July 28, 1991, as National Juvenile Arthritis Awareness Week. I urge all Americans -- and, in particular, government agencies and health care organizations -- to observe this week with appropriate programs and activities designed to promote public awareness of juvenile arthritis.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of July, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:40 a.m., July 26, 1991]

Note: The proclamation was released by the Office of the Press Secretary on July 26.

Executive Order 12771 -- Revoking Earlier Orders With Respect to Kuwait

July 25, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), section 301 of title 3 of the United States Code, and the United Nations Participation Act (22 U.S.C. 287c),

I, George Bush, President of the United States of America, find that the expulsion from Kuwait of Iraq's occupation forces, the restoration of Kuwait to its citizens, and the reinstatement of the lawful Government of Kuwait eliminate the need for Executive Order No. 12723 of August 2, 1990, entitled ``Blocking Kuwaiti Government Property," and Executive Order No. 12725 of August 9, 1990, entitled ``Blocking Kuwaiti Government Property and Prohibiting Transactions With Kuwait." Those orders were issued to protect the assets of the Government of Kuwait which were subject to United States jurisdiction, and to prevent the transfer of benefits by United States persons to Iraq based upon its invasion of Kuwait. Those orders also implemented the foreign policy and protected the national security of the United States, in conformity with applicable resolutions of the United Nations Security Council. Finding continuation of these orders unnecessary, I hereby order:

Section 1. Executive Order No. 12723 and Executive Order No. 12725 are hereby revoked. This revocation shall not affect the national emergency declared in Executive Order No. 12722 to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States posed by the policies and action of the Government of Iraq.

Sec. 2. This revocation shall not affect:

(a) any action taken or proceeding pending and not finally concluded or determined on the effective date of this order;

(b) any action or proceeding based on any act committed prior to the effective date of this order; or

(c) any rights or duties that matured or penalties that were incurred prior to the effective date of this order.

Sec. 3. This order shall take effect immediately.

George Bush

The White House,

July 25, 1991.

[Filed with the Office of the Federal Register, 10:41 a.m., July 26, 1991]

Note: The Executive order was released by the Office of the Press Secretary on July 26.

Remarks and an Exchange With Soviet Journalists on the Upcoming Moscow Summit

July 25, 1991

The President. Well, we have, I think, about 30 minutes, and I don't know any better way to start other than to say I'm looking forward to this visit very much indeed. A lot of things to talk about, and I have every anticipation that the visit will go well.

A lot of the issues were addressed at this G - 7 meeting, but we've got a lot of bilateral things to discuss and, as far as we're concerned, every issue is open for discussion. So, I think it will be positive. And I hope that the outcome of the visit will be a strengthening of this relationship. It's very important to the United States, and I like to think it's important to the Soviet Union.

So, with no further ado, why don't we just keep going around the circle here until we run out of questions or time. Who wants to start?

Q. Mr. President, you've met with Mr. Gorbachev several times, and every meeting was kind of a step toward some new situation. Can you -- maybe it's a little bit premature to ask you such a question -- but can you explain to us, what could it be from your point of view, this visit of yours -- from a qualitative point of view, qualitative for Soviet-American relations?

The President. Well, of course, on the qualitative sense, I think the signing of an arms control agreement speaks for itself. And I hope that we'll have the agreement ready to sign on every detail. But even if we don't, we've got so much -- I mean, the deal is done, and whatever we sign will be viewed as a significant step forward and one that -- this one isn't just U.S.-Soviet, it just has -- a lot of people around the world have been hoping to see this for a long time.

So, that will probably dominate it. We've got a lot of -- I don't know what you mean ``qualitative." I guess I would put that in the terms of just improving a bilateral relation. I think there's been some doubts in the Soviet Union about the United States intentions. There are different voices in the United States saying different things, just as there are in the Soviet Union. But as the President, I think it will be helpful to convey a message of respect, wanting to work with the Soviet Union, discussing all issues including the regional issues where Soviet participation -- very important on the Middle East -- discussing what we call a new world order where a changing Soviet Union, changed Soviet Union, are an integral part of it.

So, that's the way I'd answer the qualitative aspect of it.

Q. Mr. President, how do you view motivations in the triangle -- Washington, Soviet central government, and the Republics? Your first steps on this way meeting with Mr. Yeltsin and the

trip to Kiev -- --

The President. Well, I don't think we've got a triangle. In other words, I view that the President of the United States primarily deals with the President of the Soviet Union. Having said that, contacts with the Republics is a very important thing. And I think any Soviet leader has many contacts with our Federation, with our Governors, and with our Representatives of these different States.

So, to me it's -- but I don't want to suggest that we've got a three-sided triangle. We're not in that. But we will deal -- I thought Mr. Yeltsin, when he came here, conducted himself very well. He came here in a manner that is understood by Americans -- and that is, backed by a very large vote. And this made quite a difference to Americans. Here's a man who took his case to the Russian Republic and won a big victory.

But I don't think that that means we have a triangle where I deal with Yeltsin on the same basis as I deal with Gorbachev, and Yeltsin deals with us the same way he deals with Gorbachev. I mean, you can't conduct foreign policy that way. You have to have an ordered approach. And people in the Soviet Union, whole Union, are entitled to know that the President of the United States will deal with respect with the President of the Soviet Union.

Having said that, that doesn't preclude good relations with Yeltsin or anybody else there. But I just don't want to equate the two.

Did I get that question? Okay. I just wanted to be sure that was the question.

Q. Mr. President, the START treaty, to some extent, signifies a shift from the cold war agenda centered around arms control, to a new agenda, so to say, agenda with more emphasis on economic preparation -- trade. What is your perspective on that?

The President. I think that's true. I don't say this is the end of the arms control road, but -- because there will be other objectives down the road, I think. But we're dealing with such dynamic change in the Soviet Union that, as we said out at the G - 7, in terms of technical assistance and all, we want to be a part of it. And so, I think that the economic questions that will be -- were discussed -- will be a part of it. The system questions will be a part of it.

The Soviet Union has not had a market economy. They've not had convertibility of currency. They've not had private ownership. And now there seems to be -- and elections. So, we have all these subjects that will soon dominate the agenda without driving arms control totally away from the agenda. But these are the critical things. These are the things that -- successful acceptance of the technical assistance and moving the Soviet economy and markets forward and all -- we think is in the best interests of all the citizens there. And clearly, we think it's in our interests, or we wouldn't be pursuing this.

I mean, I think if you want to visualize a bright future, you look at the continuations of the Gorbachev reforms; you look at the continuations of much of what Mr. Yeltsin stands for; and you see enormous opportunity for investment and for participating and working closely in political matters. The very changes that Gorbachev has brought about really was, I think, largely responsible for the utility of the United Nations, for example. We talk about a new world order, but this couldn't have taken place unless there had been a dramatic change in the thinking in the Soviet Union. Thinking, incidentally, that both Gorbachev and -- since we mentioned Yeltsin -- seem to share.

So, I think that arms control, defense, all of these things will continue to be important -- and sometimes sticking; there will be some sticking points. But if we do our jobs properly, I think they will be overshadowed by this common desire to work together for the change -- to facilitate and enhance the changes taking place in the Soviet Union.

Q. Mr. President, my question may be kind of a follow-up on what my colleague just asked. I am interested in the arms control issue. My impression is that, now, when START is done, the arms control issue is going to the background. I mean, in the first place, we're having these economic and social problems -- --

The President. Yes.

Q. -- -- between the United States and the Soviet Union. So, the question, number one, to which extent would you agree that arms control is not as important as it used to be, say, a year ago? And secondly, if we talk about START II, which you're going to discuss in the Soviet Union, what do you think would be the ultimate goals of the START II process? Do you have any numerical figures?

The President. I don't. On the second part, I just don't. Can't help you with what we will be proposing or even a broad dimension of what might follow-on.

There will be other arms control areas where we've got to work together -- chemical weapons is a good example. We like this open skies approach that we've talked about before, and I've got to convince Soviet leaders that this is not detrimental to their interests at all, particularly in a new and open society. So, there will be arms control items that will follow-on.

Having said that, the achievements in CFE, INF, and START have taken the major intractable issues off the table. And those are the ones that the world looks to and says, my God, isn't this great? We're moving in the same direction with the Soviet Union. Our children might grow up without the fear of nuclear weapons. And so, those three have been very, very important in my view. But I think we've still got an arms control agenda. And there could be some START follow-on, there could be some of these other areas we're talking about. But I think the reason the

economic issues and all will come to the forefront is that so much has already been done in arms control -- or will have been done by the time we get this START deal done.

Q. If I understood you correctly, Mr. President, you will be taking some specific proposals for a START II to -- --

The President. I don't know how specific they will be in this short of time, but there will be a broad discussion of issues. I haven't really seen the briefing paper to know how interested the leaders over there will be in all of this, but I have found Mr. Gorbachev always interested in discussing that kind of thing. But I can't help you with any specifics at this point. We may be fleshing out some before we get there, but there won't be any bold, new proposal on the part of the United States for a dramatic next step. We'll be talking more, how do we achieve a next step; what areas are of interest here?

Q. Mr. President, until the last years there was a huge and very intensive ideological war between East and West. As I find it today it's nearing to the end, but it's centered and moved to the Soviet Union. And being here in Washington, I heard that there was a new thesis which was put in use in the Soviet Union that results -- and meeting of Mr. Gorbachev with you and with other leaders from Western countries -- they are estimated now by some circles, some political circles of our country, as a third world war which was lost by Mr. Gorbachev. Would you comment on such a -- --

The President. I think that is a very cynical and very unfair observation. You mean the results of the summit would be -- yes. I don't agree with that at all, because what I detected there in the G - 7 was an anxious desire to try -- to facilitate the change that is already taking place there, to help in the change.

And maybe somebody is saying, well, he didn't get money. Maybe that's what the criticism is. But he didn't ask. I mean, he wasn't there with his hat in his hand in a beggar's uniform, coming there trying to beg for money. We talked very openly about the needs to continue the reform. Obviously, we made clear to him something that he already knew: that finalization of the treaty, union treaty, formalization of the 9 plus 1, is very important. It's very hard to make investments if you don't know who you're contracting with or how the taxes are going to be divided up.

But to suggest that this was a cold war victory just misinterprets the climate of the meeting. The climate wasn't staring at each other across the table with animosity. It was really quite constructive: How do we work together? And therein lies the biggest difference on cold war ideology. Hell, I remember from the U.N. with Yakov Malik, who became a friend of mine; but, God, there'd be times when we'd just sit glaring at each other with opposite positions. And that was cold war, maybe not the coldest days of the cold war, but that was cold war. And now that's changed and there isn't any kind of ``grind the other guy into the dirt'' on either side as far as I'm concerned. So, it's not -- the analogy, the charge that people make, that say, that simply is

unfounded in my view.

Q. Mr. Bush, the G - 7 decided that the West would give the Soviet Union only advice, not money, not much credit. However, we hear another viewpoint in the West. Aid will increase the chances that reform start -- area and will work. What do you think about this position, and where is a fine line when the West can realize that the Soviet Union's reforms are going successfully?

The President. Well, one of the reasons we proposed this associate membership in the IMF and the World Bank, is that I think that membership, that associate membership, will lead to greater understanding all across the economic hierarchy in the Soviet Union. And so, I think that it will end when the treaty's been finalized; when reforms are irreversible; and where the commitment that Gorbachev has made and Yeltsin has made to market, to privatization is more demonstrable, where there's more -- and technical assistance that came out in this G - 7 is important to facilitating all that.

It wasn't a question of just finding some way not to do something with the Soviet Union. Everybody there really felt that technical assistance, be it in energy, or food distribution, or nuclear safety, consultation on environment -- all of this kind of thing is essential to make subsequent investments worthwhile. Without them the private investments wouldn't come, as a matter of fact. And that's where the big change is.

One of the summit participants made the comment that we've got a company in our country that wants to invest $1 billion in the Soviet Union. They can't quite do it yet until you finalize the union treaty, until some of the internals are worked out -- how we get our money out. But when that happens, all you need is 100 of those and you have $100 billion that can make a tremendous difference in the lives, the standard of living of the people inside the Soviet Union.

So, this technical assistance approach was not some kind of stumbling fallback position -- let's do that and then we won't have to do something else. I think President Gorbachev knows not only that that makes sense, but I also think he knows that financial constraints under which some countries -- I'll start right with the United States -- are operating. You guys know it. You're here, you read the debate every day. And I think he handled that -- getting all that in perspective very well.

Q. Sir, this is kind of a follow-up. If we could get back to the London summit. I want to make sure one thing. So, eventually you think that the West will commit its prestige, I mean itself, its prestige, some of its resources to making the U.S.S.R. part of what Gorbachev called one civilization?

The President. No question. And the emphasis should be, to really help the lives of the people, on private-sector investment. I mean, that's where the big bucks lie; that's where the major change lies; that's where employment of people lie; where increase of standard of living lies. However,

the preliminary -- what the hell am I thinking of -- associate membership in the World Bank, in the IMF, yes, would lead to membership, which in turn would lead to the kinds of specialized funding requirements that some of these projects or some of the central government or some of the governments there will require.

I do think that this approach will lead to irreversibility at home because once -- in the Soviet Union, I mean -- because once that starts big, I think it will so benefit the people's lives that there won't be any going back. It's happening in other countries. It's happening in Eastern Europe, although it's a little slower than they'd like to see. But they're beginning to get the feel of what private investment can do and what market economies can do and what private ownership can do.

Having said that, the Soviet Union has some big problems. And it's not for me to go over there and get all involved in their internal affairs, but I'm told they've got problems with housing for returning soldiers. Well, those are tough problems to work out. But I still believe that the broad emphasis on markets and private investment and all of that is a way to solve even those intractable problems.

Q. Mr. President, I would like to raise an issue which is very much in the headlines these days.

The President. Which country, yours or mine?

Q. Both.

The President. Both -- okay.

Q. The application for the full membership with IMF and the World Bank for the Soviet Union -- so what are you going to do about that?

The President. Well, the G - 7 has already taken a position on that; it should be an associate membership. The application came in a letter that was dated prior to the G - 7 meeting, so I will try to get some clarification on this. But there was a lot of consideration given to it, and what I've said here is the position of the United States.

Q. So, in other words, it's premature you think?

The President. That's what we decided and that's what -- the position that was taken at the G - 7. The IMF and the World Bank have certain requirements. We've touched generally on what some of these requirements are. And the Soviet Union, like any other country, is going to have to meet the requirements. And the requirements can't be met yet. But they will be met when this associate membership brings to fruition -- helps bring about the changes in the strengthening, in the different economic -- the economy in the Soviet Union.

You know, I was a little surprised to see the application, but on the other hand, I don't get all out of shape on it because I know what the G - 7 -- how they deliberated. I know the spirit of cooperation -- not negativism -- that existed in terms of helping there. And it's our strongly-held conviction that this has to happen. The rules of these big IFIs, we call them -- international financial institutions -- would not at this juncture permit them to go forward with loans or with grants or whatever it is. But if the program that we outlined, the associate membership -- if experts get the feeling of how it works and the assistance that we talked about here goes forward, who knows? I mean, that may happen sooner rather than later.

But it's not an anti-Soviet position. It's just a very realistic position. So, when this application was made, we say, hey, what's happening here? I mean, maybe they decided to go in for some technical reason at this point. But I don't think anybody can be under any illusion as to what's going to happen on that because that was discussed a little over a week ago. And the decision taken by at least seven of the countries that are members of these IFIs, these international financial institutions.

Mr. Fitzwater. One more round -- --

The President. All right -- four to go.

Q. Mr. President, I hope that during your visit to the Soviet Union you wouldn't hear such an accusation such as we hear. But, anyway, they exist and we must talk -- --

The President. Yes, I understand.

Q. -- -- and one of them, it's again from an ideological point of view that if there would be a profound and comprehensive market reentered, reforms in the Soviet Union, everything, every little bit of Soviet industry will be bought out or sold to the so-called Western capitalists. Is there, from your point of view and from your experience, any foundation?

The President. I don't think there's a foundation for that. I'm all for encouraging foreign investment in the Soviet Union. I think that would be the quickest way, the quickest way to encourage -- to raise the level of -- standard of living of people at home. But that doesn't mean all foreign investment.

The dynamism of the U.S. economy when it was more dynamic, and as it recovers, will come from small business. It's not going to be the General Electrics and these gigantic corporations. It comes from small business. And once this thing takes hold, in some little business in some corner of the Soviet Union that was owned by the state or by a city or by some bureaucracy, moves into ownership by Igor so-and-so on the corner down here -- it has nothing to do with foreign investment. It has to do with system. And that's what's going to make this economy more dynamic.

Foreign investment can help. And as I say, I think it's important. But the concept, the exciting concept, has to lie with individual people over there or people coming together to start businesses or take over a state-owned business and make it more efficient. I'm absolutely certain that it will just open up tremendous opportunities, in addition to what may be foreign investment coming, but for the guy next door owning a small shop, a restaurant, whatever it is -- a manufacturing company -- and doing it quicker and doing it better and making a better product because of competition.

And so, to those that say, hey, we don't want the foreign investors to own everything in the Soviet Union, I'd say, you make these changes that the whole world is looking for and you'll find that it is -- this is all a cash and is generated by what I'm talking about. You'll find there's a lot of innovation in people once they don't have to comply with a lot of state regulation.

Now, how do I know this? Because we've been down this; we still have publicly-owned utilities or publicly-owned projects that are much less efficient than those that are owned by the American people.

Now, you hear the same charge made, incidentally, about Japanese investment in this country. Some have rather cynically said, well, Japan's going to own all of the United States. My view is, I support Japanese investment in our country. It results in competitiveness. It results in productivity increasing in our country. If they can come in and show a better way to run a hotel, the guy next door is going to have to do a better job, or his hotel is going to go down.

So, I would say to those that might be concerned about this at home, no, private investment will help. It will make a big difference. But what you're going to do here is unleash the dynamism of private ownership at home of people in the Soviet Union. And people say, well, they don't have the money to do that. Watch how it generates. Watch how a small business can mushroom, create jobs for people, and create opportunity. So, I would say to those who might worry about that: don't worry. That's not the history of how it works in other countries.

One more?

Q. And in this connection, what are your personal expectations of achievements -- political and economic achievements -- in the Soviet Union between now and the year 2000?

The President. Oh, well, there I'm optimistic about all that because I think you'll see a Soviet Union that has sorted out its internal relations with the Republics. I'm not saying you have to do it the way we do -- 50 States and a central government. But there may be some pattern, how we sort these relationships on taxation or power to regulate between States and Federal. But that will be sorted out on a Soviet Union scale, Soviet Union model; Not a U.S. model; not a French model.

And once that's done, I would say that -- and that will be done far sooner than the year 2000 -- then I'd say, looking over the horizon to the year 2000, you're going to find a dynamic situation with better transportation, a better distribution for agricultural products, a smoother working political relationship between the Republics and the center, and a standard of living that has gone up for the individual worker or the individual housewife in the Soviet Union. That's what I visualize. And, of course, that's what we'd like to see happen.

And some might say, well, you see a big economically strong Soviet Union beginning to emerge in the year 2000 -- isn't that competition for the United States? No. Competition stems from the differences in ideology -- I mean, to be very candid about it, the approach that the Soviet Union took for many years in terms of what we would view as totalitarianism or centrally-controlled industry, Marxism, whatever you want to call it. But as that gives way to the same kind of change that's taken place elsewhere, this idea that we have to be enemies or that we have to be in competition all the time is crazy. We compete with Europe. And I get mad at them when they've got protection practices that we don't like. And they get mad at us when we do.

But nobody views it as an enemy kind of thing. So, I would say that the final answer to your question is, looking at the year 2000, there wouldn't be this talk of enmity. And, of course, I'd like to see that we'd look at our defense requirements and have a little more trust and take some of the great assets that are involved in defense and turn them into private productive uses -- beat the swords into ploughshares.

We've trying that, as you know. We're bringing down -- we're closing bases, bringing down defense. We've still got a very strong defense. The Soviet Union has a strong defense. But as we trust each other more, and as this economic model works, why I think the happy thing about 2000 is that kids growing up in the Soviet schools and the kids growing up in the American schools -- little 10-year-olds -- 9 years from now won't be looking with a kind of question -- hey, we trust these people. I mean, I'd like to think that more mutual trust would emerge because of what we're talking about.

Mr. Fitzwater. This is the final question.

The President. Yes, we've been around. Keep going, I'll keep the answers shorter, Marlin.

Q. Sir, can we expect a joint statement emerging from the Moscow summit on the Middle East probably, or Iraq?

The President. I don't know whether there will be a joint statement. My position has been the Soviet Union already has demonstrated a very helpful attitude in terms of -- cooperative attitude, working towards bringing about peace talks in the Middle East. And we're grateful. But whether there will be a statement emerging on that, I don't know.

And Iraq, we may have some differences is how we look at it. But the main thing is we came together at the U.N. on the major common goal: this aggression will not stand. And the Soviet Union at the last minute had a couple of ideas of a peace conference or peace talk just before military force was used. But that's fine. I mean, so did a lot of other people have those ideas. But once the battle was joined, the Soviet Union stayed with the U.N. position and the U.N. resolutions. And so, I will be looking at that and thanking people there for that support.

But whether there will be anything in the future on it or not, I just don't know. I have to see what we talk about when we get there.

Last one.

Q. Mr. President, since this is the last question, could I make it two-part?

The President. Yes.

Q. Those will be very short parts.

The President. Two parts with no follow-on -- how's that for an idea. [Laughter] I hope you guys don't get into the American system just because you've lived here a long time, with a follow-on. The insidious follow-on question.

Q. From Helen Thomas [Helen Thomas, United Press International].

The President. Yes, exactly. Exactly.

Q. Mr. President, you said that you wouldn't like to interfere into the internal affairs of the Soviet Union.

The President. That I don't want to interfere in it?

Q. Yes, right.

The President. Yes.

Q. But still I don't think we would come out of this room without you making your comment on what happened yesterday in the Soviet Union when President Gorbachev managed to strike a deal with the leaders of the Republics.

The President. I see what you mean. No, I don't feel I'm interfering in the Soviet Union when I say it's very good that a deal appears to have been worked out. Don't ask me to give you the

details on the deal. Don't ask me to fine-tune any paragraph on it. But the idea of the Soviet Union working out a deal with the Republics is very, very important to these economic objectives that I talked about here. So, I would view a comment by me as simply being supportive. But I hope it wouldn't be interpreted as intervening in the internal economic affairs or political affairs of the Soviet Union.

Q. And the second part, which would be drastically varying from what we used to ask you before. And so, should we expect any news today, which is the final day for the United Nations deadline on Iraqi supplying all the information about nuclear -- --

The President. I don't know what's happening up there. Brent, do you know what's happening today up there?

General Scowcroft. No -- --

The President. There's been a kind of heightened view that after -- almost got it back to the January 15th deadline in terms of using force. And I think that's gotten a little out of hand. I mean, the United States is not going to go off like some cowboy, six-guns shooting in the air because the 25th of July has gone by. But we are going to do is be damned sure one way or another that Saddam Hussein does not continue to lie and does not continue to go against the U.N. resolutions.

And he has not restituted the gold from Kuwait. He has not fully accounted for the people from Kuwait. He continues to do bad things in terms of pursuing nuclear objectives. And there is a whole other list of things that he -- he diverts food away from the people into certain hierarchies. And that's not any good.

But I think there's been a heightened kind of feeling -- well, on the 25th, we'd better batten down the hatches over there because this man is going to be punished. He may get punished someday. And we have got to enforce these United Nations sanctions and resolutions. But I'm just trying to put that 25th of July into a proper perspective. We have expected full disclosure. And I'll be interested to see on the 26th of July what my experts tell me about whether there's been full disclosure. But I wouldn't read too much into it as a day that we -- that military action is taken.

I think the very fact that there was some rather strong feeling from a lot of countries that military action might be taken if he doesn't comply resulted in his coming forward and say, oh, all the things I told you I wasn't doing yesterday, yes, I am doing them. But here's the answer, here's the disclosure. The problem is the disclosure is not full and he's got to comply.

And so, all we want to do is have him keep his word and stop brutalizing his own people by diverting food away from them and medicines. But I think -- I'm still hopeful that he will do that, very candidly -- still hopeful. But I can't guarantee it from what I've seen so far.

Q. Mr. President, this interview will appear on Saturday. What you just said, it still will be valid by that time?

The President. Saturday? What time Saturday? No, I'm just teasing you. [Laughter] No, it will be valid.

Q. Thank you very much, sir.

The President. No, it will be valid. Yes, it will be valid. This thing is -- any action, you've got to have other people with out. We're not going to be off on some Lone Ranger wicket, as I say.

Good to see you all. Thanks for coming.

Note: The exchange began at 2:30 p.m. in the Oval Office at the White House. Participants included Yuri Bandoura, Moscow News; Edgar Cheporov, Literaturnaya Gazeta; Vitaliy Gan, Pravda; and Alexander Shalnev, Izvestia.

The following persons were referred to: President Mikhail Gorbachev of the Soviet Union; President Boris N. Yeltsin of the Republic of Russia; Yakov Malik, former Soviet representative to the United Nations; and President Saddam Hussein of Iraq. Marlin Fitzwater is Press Secretary to the President. Brent Scowcroft is Assistant to the President for National Security Affairs. The interview was released by the Office of the Press Secretary on July 29. A tape was not available for verification of the content of this exchange.

Message to the Congress Transmitting the European Economic Community-United States Fishery Agreement

July 26, 1991

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith the Agreement between the Government of the United States of America and the European Economic Community Amending and Extending the Agreement of October 1, 1984, Concerning Fisheries off the Coasts of the United States, as amended and extended. The agreement, which was effected by exchange of notes at Washington and Brussels on February 1 and June 14, 1991, copies of which are attached, extends the 1984 agreement for an additional 2 years and 6 months, from July 1, 1991, to December 31, 1993. The exchange of notes together with the 1984 agreement constitute a governing international fishery agreement within the requirements of section 201(c) of the Act. The exchange of notes also amends the 1984 agreement to incorporate the latest changes in U.S. law and policy.

U.S. fishing industry interests have urged prompt consideration of this agreement to avoid disruption of ongoing cooperative fishing ventures. I urge that the Congress give favorable consideration to this agreement at an early date.

George Bush

The White House,

July 26, 1991.

Message to the Congress Transmitting the Poland-United States Fishery Agreement

July 26, 1991

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith the Agreement between the Governments of the United States of America and the Republic of Poland Amending and Extending the Agreement of August 1, 1985, Concerning Fisheries off the Coasts of the United States. The agreement which was effected by exchange of notes at Washington on January 24 and June 12, 1991, copies of which are attached, extends the 1985 agreement for an additional 2 years and 6 months, from July 1, 1991, to December 31, 1993. The exchange of notes together with the 1985 agreement constitute a governing international fishery agreement within the requirements of section 201(c) of the Act. The exchange of notes also amends the 1985 agreement to incorporate the latest changes in U.S. law and policy into the agreement.

I urge that the Congress give favorable consideration to this agreement at an early date.

George Bush

The White House,

July 26, 1991.

Message to the Congress Transmitting the Republic of Korea-United States Fishery Agreement

July 26, 1991

To The Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith the Agreement between the Governments of the United States of America and the Republic of Korea Amending and Extending the Agreement of July 26, 1982, Concerning Fisheries off the Coasts of the United States, as amended and extended. The agreement, which was effected by exchange of notes at Washington on May 29 and June 19, 1991, copies of which are attached, extends the 1982 agreement for an additional 2 years and 6 months, from July 1, 1991, to December 31, 1993. The exchange of notes together with the 1982 agreement constitute a governing international fishery agreement within the requirements of section 201(c) of the Act. The exchange of notes also amends the 1982 agreement to incorporate the latest changes in U.S. law and policy into the agreement.

I urge that the Congress give favorable consideration to this agreement at an early date.

George Bush

The White House,

July 26, 1991.

Remarks Commemorating the First Anniversary of the Signing of the Americans With Disabilities Act of 1990

July 26, 1991

First, may I greet the distinguished Members of Congress here in the front rows, thank them for coming, thank them for their interest in the passage of this important legislation we're here to celebrate today, but also in their interest in following up on it. May I greet, also, the Attorney General Dick Thornburgh, and our Secretary of HHS Lou Sullivan and the Vice President, of course. He and I welcome you to the Rose Garden. And may I salute the other guests that are with us. And a special thanks today to the men and women from our business community. American corporations, you see, are a vital part of this team, and your support of the ADA is critical to its success.

One year ago, I stood over there -- many of you present -- on the South Lawn. And I will never -- literally, never -- forget that sight or certainly the emotional feeling I felt on that day. Thousands of people from across the country had come to celebrate the signing of the Americans with Disabilities Act, one of the most comprehensive civil rights bills in the history of this country.

And while people felt a justifiable sense of triumph last year, you also could see a feeling of eager impatience. After all, the signing of the ADA didn't mark the end of a long struggle; it marked, really, a beginning.

Some of you here today joined me on the South Lawn, as I mentioned, a year ago, and we've made tremendous advances since that ceremony. We've introduced changes that will transform people's worlds. The ADA has also helped us -- all of us -- to understand a little bit more about ourselves. It reminds us that along with the privilege of being an American comes a duty: to recognize and defend the rights of every American.

This bill does more than make the American dream of equality a reality for 43 million Americans with disabilities. It offers, in a sense, fresh testimony to our Nation's greatness. It demonstrates how we can advance the cause of civil rights. It shows what can happen when we work together, drawing upon the fundamental decency of the American people.

The quest for civil rights is not a zero-sum game. It shouldn't mean advancing some at the expense of others. The quest for civil rights is a quest for individual rights and equal opportunity and it's a crusade to throw open the doors of opportunity and tear down the walls of bigotry.

The ADA works because it calls upon the best in the American people, and then Americans respond. It works because it embodies what must be at the heart of all civil rights struggles: the spirit of inclusiveness, the devotion to individual rights and equal opportunity. That devotion runs

deep in our Nation. We are the land or opportunity and always have been.

Our Constitution and our courts pledge equal protection under the law. But equally important, our people believe in legal equality -- and many try to broaden opportunity in little ways, by reaching out to capable people and giving them a chance -- giving them a fair chance.

America must be a country where the sons and daughters of poverty have the same grasp on the American dream as the children of privilege. And it must be a land where a child can overcome any obstacle and fulfill his or her own potential.

We see this promise fulfilled by a man I presented to this Nation 4 weeks ago. And we can be proud to live in a country whose highest Court will include a man who understands the importance of basic American values: tolerance, industry, and decency. And I'm speaking, of course, of my nominee to the Court, Clarence Thomas.

While Judge Thomas was at the EEOC, he compiled an excellent record on disability issues, with which I hope all of you are familiar. But his life illustrates the principle that inspires all civil rights bills: the principle that we must throw open the doors of opportunity to everyone. And this spirit should guide us as we pursue all civil rights legislation, for our greatest strength lies in our ability to work together and honor the shared values we treasure.

We have worked together this last year. And in so doing, we've understood more fully just how much people with disabilities have to offer. We've demonstrated that social progress includes economic growth and that both play essential roles in the American dream. Businesses support the ADA because it gives everyone a chance to be productive in the workplace. It broadens our economic mainstream. It enables society to benefit from the wisdom, energy, and industry of people who want just one thing, a fair chance.

And while we've made a strong start, we have much to do. As long as the doors of opportunity are closed to even one American we must keep working at it.

The passage of the ADA, the world's first declaration of equality for people with disabilities, made this country the international leader on this human rights issue. And now the world is watching to see how we use this act, how we remove the physical barriers we've created and the social barriers that we've accepted. Our success or failure in keeping the promise of the ADA will affect the lives of hundreds of millions of people with disabilities, not just here in the United States but throughout the world.

Our challenges remain great, but our will is even greater. In America -- the most generous, optimistic Nation on the face of the Earth -- we will not rest until every man and woman and child with a dream has a fair chance to realize it.

Most of this work will be done by individual Americans acting day by day to increase tolerance and understanding. But the ADA also required five Federal Agencies to come up with implementation regulation or guidelines. These regulations -- relating to employment, public accommodation, transportation, and communications -- are key to the full implementation of ADA. And so I'm proud to announce that most of these Federal regs will be issued today.

All guidelines required of the Department of Justice, the EEOC, the FCC are in final form, and those regarding transportation will be issued soon. I want to thank the people of the executive branch who have worked so hard to make the ADA a reality.

And in addition, today I'm issuing a memorandum to Federal Departments and Agencies. And it directs them to recruit people with disabilities as Federal employees and to ensure that Americans with disabilities have access to Federal programs. The Federal Government must serve as a model employer for the rest of the Nation.

And again, thank you all so very much for your work, for your dedication, and for your devotion and your steadfast faith and, to many here, for your inspiring example. And may God bless you all. And thank you very, very much.

Note: The President spoke at 10:04 a.m. in the Rose Garden at the White House. A tape was not available for verification of the content of these remarks.

Memorandum on Access for People With Disabilities to Federal Programs and Employment

July 26, 1991

Memorandum for the Heads of

Departments and Agencies

On July 26, 1990, I signed the ``Americans with Disabilities Act of 1990," and this Nation welcomed into the mainstream of life all of our fellow citizens with disabilities. As we move forward with the implementation of this landmark legislation, I ask you to look at what you have done, what you currently are doing, and what your plans are for the future to ensure people with disabilities are not excluded from the mainstream.

Many of you have worked hard over the years to establish policies and initiatives to remove barriers that prevented people with disabilities from gaining access to programs and employment opportunities within the Federal Government.

You have removed architectural and physical barriers and provided people with disabilities access to Government facilities and buildings. You have also made real change in employment policies and in the nature of Federal jobs to recognize the talents and skills of people with disabilities. In 1990, people with disabilities represented 6.9 percent of the Federal work force while they represented 3.6 percent of the civilian work force.

However, there is still much work to be done. I want you to renew your efforts in this area and make a special pledge to do everything possible to ensure that people with disabilities have the opportunities they deserve. I want all Federal agencies to review their programs, policies, and practices to ensure that people with disabilities are included in Federal programs, that they are recruited as Federal employees, and that incentives for productivity are encouraged.

Also, I want you to share your experiences and success stories with the private sector so they can benefit from the lessons learned since the 1973 Rehabilitation Act was implemented within the Federal Government. The Federal Government must be a model for the rest of the country to ensure that people with disabilities are afforded opportunities to become full participants in our society. Recruitment, hiring, and career development must afford people with disabilities equal opportunities to achieve their highest potential and become contributing, productive members of the work force.

People with disabilities represent a tremendous pool of talent. They bring to their work diversity in skills and commitment, with a simple request in return -- the chance to be a part of the

mainstream of society. As a nation, we face a shortage of qualified workers in the coming years. Those of us who look beyond an individual's disability and, instead, focus on the ability will be better prepared to meet these new challenges.

I know I can count on all of you in advancing the Federal Government as a model employer of people with disabilities.

George Bush

Note: An original was not available for verification of the content of this memorandum.

Message to the Congress Transmitting the California Public Lands Wilderness Act

July 26, 1991

To the Congress of the United States:

I am pleased to submit for your consideration and passage the ``California Public Lands Wilderness Act."

The Federal Land Policy and Management Act of 1976 directs the Secretary of the Interior to review the wilderness potential of the public lands. Based on the Bureau of Land Management's review of 7.1 million acres of public lands in California and 600 acres in Nevada, the Secretary has recommended that 62 areas encompassing 2.3 million acres be designated wilderness and 147 areas encompassing 4.8 million acres not be designated wilderness.

I concur with the Secretary of the Interior's recommendations, and I recommend designation of the 62 areas identified in the enclosed proposed legislation for inclusion in the National Wilderness Preservation System.

The proposed additions to the National Wilderness Preservation System represent the diversity of wilderness values in the State of California. These range from the forested areas in the King Range Conservation Area, along the northwest California coast, to the Algodones Sand Dunes near the Mexican border, comprising classic sand dunes in low desert. The recommendations span a wide variety of California landforms, ecosystems, and other natural systems and features. Their inclusion in the National Wilderness Preservation System will increase the geographic distribution of wilderness areas in California and complement existing areas of Federal and State designated wilderness. They will provide new outstanding opportunities for solitude as well as primitive and unconfined recreation.

The proposal provides that designation as wilderness shall not constitute a reservation of water or water rights for wilderness purposes. The proposal also provides for areas designated as wilderness that may contain valid existing mineral rights. Generally, these mineral rights will not be acquired. However, when necessary to prevent incompatible development, these rights could be acquired through exchange.

In addition, the Secretary recommends transferring to the National Park System over 108,000 acres of public lands, including about 82,000 acres suitable for wilderness designation. The Secretary also recommends that 147 wilderness study areas, encompassing 4.8 million acres, not be designated as wilderness. I concur with both of these recommendations.

Enclosed are the letter and wilderness study reports from the Secretary of the Interior concerning the 62 wilderness area proposals and the transfer of lands from the Bureau of Land Management to the National Park Service.

I urge the Congress to act expeditiously and favorably on the proposed legislation, so that the natural resources of these areas may be protected and preserved.

George Bush

The White House,

July 26, 1991.

Notice of the Continuation of the National Emergency With Respect to Iraq

July 26, 1991

On August 2, 1990, by Executive Order No. 12722, I declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Iraq. By Executive Orders Nos. 12722 of August 2 and 12724 of August 9, 1990, I imposed trade sanctions on Iraq and blocked Iraqi government assets. Similar sanctions were imposed against occupied Kuwait by Executive Orders Nos. 12723 and 12725 of August 2 and August 9, 1990, respectively, which were terminated by Executive Order No. 12771 of July 25, 1991. Because the Government of Iraq has continued its activities hostile to U.S. interests in the Middle East, the national emergency declared on August 2, 1990, and the measures adopted on August 2 and August 9, 1990, to deal with that emergency must continue in effect beyond August 2, 1991. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iraq.

This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

July 26, 1991.

[Filed with the Office of the Federal Register, 2:09 p.m., July 26, 1991]

Message to the Congress on the Continuation of the National Emergency With Respect to Iraq

July 26, 1991

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1991, to the Federal Register for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to U.S. interests in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Iraq.

George Bush

The White House,

July 26, 1991.

Remarks at the Arrival Ceremony in Moscow

July 30, 1991

President Gorbachev. Mr. President, Mrs. Bush, I would like to extend a warm and sincere welcome to you on Soviet soil within the walls of our ancient Kremlin.

It has been little more than a year since I visited the United States. This year has seen events of tremendous importance, both in our two countries and in the world. For us in the U.S.S.R., it was a year that put to a daily test our capacity to act constructively at a critical time in the process of transition in our progress along the path of democratic transformation and reform.

It was also a challenging year for the international community. It too, is going through a period of transition to a new unprecedented system of international relations. The beginning of a new era in history has been a tough test, indeed, for leaders of states, requiring enormous effort, a sense of high responsibility, strictest realism, and vision.

A great deal in world politics will continue to depend on how the Soviet Union and the United States interact with each other. For the first time ever, our two countries have a chance to build their relations on the natural basis of universal human values and national interest. We are beginning to realize that we need each other, that the security, internal stability, and dynamic development of each of our two countries benefits both of them. Not only our two nations but the entire world needs this kind of U.S.-Soviet relationship. The world has realized this and has given us support in our joint efforts. Today and tomorrow we will be discussing with you, Mr. President, these and many other matters. The Soviet people welcome you as the leader of a great power, as a statesman who is making a great contribution to the shaping of new world politics.

Mr. President, in recent months and weeks, the Kremlin, a symbol of our nation's centuries-old history, has been the scene of events that will shape this country's future. Tomorrow it will witness another such event, the signing of the treaty on the reduction of strategic offensive arms. It is more than just a major step in the process of disarmament. It is a sign of a growing irreversibility of the fundamental change for the better in world development.

The results of the G - 7 meeting in London further solidified this irreversibility. It was the beginning of a new type of international economic relations, which will form the material foundation for world politics in the 21st century.

All this, I hope, will allow our peoples to benefit more directly from the improving Soviet-U.S. relationship.

Allow me, Mr. President, to assure everyone who will be following our work with you in the coming days that we shall try to live up to the hopes of our fellow citizens, the peoples of the

United States and the Soviet Union.

Once again, Mr. President and Mrs. Bush, welcome to the Soviet Union.

President Bush. Thank you very much, sir.

Well, first, let me thank President Gorbachev, leaders that met us last night, people along the way for their warm welcome here. We've been looking forward to this visit. And I'm honored to be in Moscow to meet with President Gorbachev for this historic summit at a time when tension gives way to a new season of hope. We need only compare the words of the cold war with our historic accomplishments in recent years to realize that a new age of promise has dawned. No visitor to this country can fail to see the signs of change.

Since my last visit in 1985, we've witnessed the opening of Europe and the end of a world polarized by suspicion. That year, Mikhail Gorbachev assumed leadership of the Soviet Union, put many monumental changes into motion. He began instituting reforms that basically changed the world. And in the United States, everyone now knows at least two Russian words: glasnost and perestroika. And here everyone appreciates the English word: democracy.

Our nations have moved forward in every sphere: political, military, and economic. And we stood together for the first time in 50 years to face down aggression in the Gulf -- the Persian Gulf. And this week we take, as the President just said, another historic step away from the cold war with the signing of the START treaty.

In the next 2 days, President Gorbachev and I hope to build upon this beginning, to forge a U.S.-Soviet agenda, built not upon military confrontation but upon economic and security cooperation. In the economic sphere, we hope to build upon the agreements we made in Malta -- to normalize economic relations and work toward helping the Soviet Union integrate itself into the international economy. In the Middle East, we see new prospects for peace where once there was only contention. And together, we will work toward building a lasting peace between Israel and her Arab neighbors. And we'll also work together to resolve difficulties and conflicts in Afghanistan and Cambodia, just as we worked to build peace and democracy in Angola, Namibia, and Nicaragua.

No longer must all the world serve as a stage for superpower standoffs. Instead, let everyplace from Central America to Angola to Afghanistan offer new hopes, new opportunities. And let us pursue shared goals: a stable world no longer polarized, mutually beneficial economic ties, cooperation on everything from weapons proliferation to environmental problems.

President Gorbachev has earned our respect and admiration for his uncommon vision and courage in replacing old orthodoxy with glasnost and perestroika. But more fundamental than the relations of leaders are the shared values of their people, and here our common humanity offers the

greatest hope for mankind.

And yes, we have differences, but this hope can enable us to address our differences -- differences over Cuba or the future of the Baltic States or what Japan calls the Northern Territory. But let's conduct all our affairs in the spirit of enduring partnership, based on politics -- peaceful and democratic, on economies -- productive and free. You see, Americans want to work with all levels of Soviet society. Beyond our central Governments, we look for greater interaction between the citizens of our States and your Republics. And beyond government, we seek greater understanding throughout the broad spectrum of society -- among businessmen, students, artists, and scientists.

So, I come here on a state visit to the Soviet Union, but I also come to discover a rapidly changing country. For the sake of peace and new prosperity, on behalf of all Americans I come here today to assure President Gorbachev, the leaders, the great people of this land in each of its Republics, that we stand with you in your historic struggle for democracy and reform.

Fifty years ago, we united as allies to fight a horrible war, a war that cost the Soviet Union hundreds of thousands of lives. So this week, let us come together to seek a newer world -- more stable, more just, more peaceful.

Thank you. And may God bless the Soviet people, the sovereign people of this Soviet Union. We are delighted to be here, Mr. President.

Note: The remarks began at 10:23 a.m. in St. George's Hall at the Kremlin. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter. A tape was not available for verification of the content of these remarks.

Remarks at the Moscow State Institute for International Relations

July 30, 1991

First, may I salute the Acting Director Tyulin, and of course, the distinguished Foreign Minister of the Soviet Union, Mr. Bessmertnykh.

It is a great privilege to meet with you at this critical moment in the history of your nation -- at this time of great hope for all the world.

For 4 long decades, our two nations stood locked in conflict as the cold war cast its shadow across an armed and uneasy peace. This summit marks a new beginning: the prospect that we can put an end to a long era as adversaries, write a new chapter in the history of our two nations, forge a new partnership and a sturdy peace.

We have reason to hope. Indeed, we have good reason to hope. One by one, the cruel realities of the cold war flicker and fade and a new world of opportunities calls us forward. In Europe, for 40 years the fault line of East-West conflict, the nations of Central Europe now find a common home in democracy. Far beyond the confines of this continent -- from Afghanistan to the Horn of Africa, from Angola to Central America -- regional conflicts no longer threaten to become flashpoints for superpower confrontation. Worldwide, the risk of global war stands lower now than at any point in the postwar era.

The challenge we face at this summit -- the challenge you face as present and future leaders of this great nation -- is simply this: Together, our two nations must overcome a half-century of mistrust to seize this moment and build a lasting peace.

During the past 2 years, President Gorbachev and I have made substantial progress in building this new relationship. Together, the Soviet side and the United States side, we've created new opportunities for arms control. Last fall, in Paris, we agreed on landmark reductions in conventional forces stationed in Europe. And tomorrow, in the Kremlin, we will sign the historic START treaty -- the first treaty that significantly reduces the most dangerous and destabilizing nuclear forces.

Lower tensions have also made it possible for our two nations to normalize economic relations. President Gorbachev and I made this a priority at the Malta summit, and I am pleased to report today that this process of normalization is now nearly complete. In May, the Supreme Soviet removed the key impediment to increased trade: Soviet restrictions on free emigration. The new Soviet emigration law stands as a major step forward -- a victory for all who value human rights.

As a consequence of this progress, when I return to Washington, I will submit to the United States Congress the U.S.-Soviet trade agreement that we signed 1 year ago. And then we can grant the Soviet Union most-favored-nation trade status.

I will urge the Congress to repeal the Byrd and Stevenson amendments -- restrictions that limit credits and impede trade. In addition, we will accelerate our effort to conclude a tax agreement and a bilateral investment agreement.

For most of this century, the Soviet Union stood apart from the world market -- stood aside as free market forces spawned unprecedented prosperity across the West. The results of that self-imposed isolation from the world economy proved very costly.

But now that's begun to change. At this month's London summit, President Gorbachev spoke about the Soviet Union's interest in becoming fully integrated into the world economy.

The Soviet Union should become a full participant in the global economy, and the United States will support you in that effort. Beyond two-way trade, the United States is working to open doors to Soviet entry into the economic mainstream. And that's why the United States supported Soviet-observer status at the GATT -- and full membership when the U.S.S.R. has completed the necessary reforms upon which it has embarked. And that's why I proposed last December -- and the G - 7 has just agreed -- that the U.S.S.R. should enter a ``special association'' with the IMF and the World Bank. Though the Soviet Union has recently embarked on its massive reconstruction program of economic reform, its importance and its sheer size entitle it to this special status, which will speed the day to full qualification for benefits from the international financial institutions.

These measures will make available to the Soviet Union assistance and expertise that can help ease the difficult transition to a market economy and improve the standard of living for the Soviet people.

But the crowning proof that we are overcoming the old cold war animosities remains our cooperation in the Persian Gulf. In the depths of the cold war era, Iraq's aggression against its tiny neighbor might well have brought our two nations -- even the entire world -- to the brink of conflict. Instead, our cooperation ensured the international isolation of Saddam Hussein. And if Saddam Hussein thought he could exploit our differences to his own advantage -- he was dead wrong. At every key point in the crisis, the United States and the Soviet Union worked together to send a strong and steady signal to Saddam that his aggression would not stand.

And today, our cooperation in the Gulf holds out hope that we can work together towards a just and lasting peace in regions of the world now driven by conflict -- in the Middle East, Cambodia, and Afghanistan -- just as we've worked together to bring peace and free elections to Namibia, Angola, and yes, Nicaragua.

In every aspect of our relations -- military, political, economic -- we see positive signs of a new partnership. But for all the progress we've made, let's face it, obstacles do remain. Our ability to overcome them will be a key test of the strength of this new relationship I'm talking about.

In many cases, we face conflicts and quarrels rooted in the World War fought 50 years ago, frozen in place by the long cold war that followed: Disputes like Japan's claim -- which we support -- for the return of the Northern Territories. This dispute could hamper your integration into the world economy, and we want to do whatever we can to help both sides resolve it.

Difficult, as well, are questions regarding the future of the Baltic States -- Estonia, Latvia, and Lithuania. Today, a new generation of Baltic leaders -- democratically elected and reflecting the will of the Baltic peoples -- asks a new generation of Soviet leaders to repudiate one of the darkest legacies of the Stalin era. Surely, men and women of reason and goodwill can find a way to extend freedom to the Baltic peoples.

Only good-faith negotiations with the Baltic governments can address the yearnings of their people to be free. We must not see the positive progress that we have made threatened or thrown in doubt. Above all, there needs to be a clear and unqualified commitment to peaceful change.

Another obstacle lies close to home for the United States -- I'm sure you know what I'm going to say it is. Ninety miles off the Florida coast, in Cuba, this obstacle remains. The United States poses no threat to Cuba. Therefore, there is no need for the Soviet Union to funnel millions of dollars in military aid to Cuba -- especially since a defiant Castro -- isolated by his own obsolete totalitarianism -- denies his people any move toward democracy. Castro does not share your faith in glasnost; Castro does not share your faith in perestroika.

Then finally, it's time for your military establishment to move to a peacetime footing. It's time to reduce military spending. We're doing that in the United States. The world has changed. As you struggle to join the international economy, we will offer our help in converting your military-industrial might to productive, peaceful purposes. Now, we appreciate the difficulties of military reform -- the competing demands of people displaced when a cold war makes way for a new world order. But we also know this: The demilitarization of your economy is key to economic transformation. It will enable you to devote more resources to economic growth, and will help you fill the shelves of your stores.

But the key challenge -- the single most important factor in forging a new partnership between our nations -- remains the outcome of the experiment now reshaping Soviet economy -- Soviet society. Consider the Soviet Union we see today. Gone are the days when a small cadre hidden behind the high walls of the Kremlin worked the levers of power. Gone is a rubberstamp legislature -- the one-party monopoly, enforcing one point of view.

In its place we see unmistakable signs of the new Soviet Union. Dissidents who once languished

in internal exile now serve as deputies in the People's Congress. Samizdat has given way to streetcorner critics. A new Soviet revolution has begun -- a revolution marked by the emergence of many voices, inside and outside government, in the proliferation of political parties, here in Moscow, and across every part of the vast reaches of this great and wonderful land.

The forces of reaction and resistance still retain great power. But each day brings new alliances, a new manifesto for change, a new call to action. Some ask: Amid this shifting scene, what is our policy toward all these groups? Who and what do we support? My answer is clear: America stands with the forces of freedom and reform wherever they are found.

My country stands ready to assist in this new Soviet revolution. In the economic sphere, the transformation must come from within. A shortage of foreign capital is not what plunged your economy into crisis, nor can your economic ills be cured by a simple infusion of cash. Only through real reform can the Soviet Union abolish the counter-productive command economy. Only through real reform can the Soviet Union unleash the ingenuity, the energy, and the entrepreneurial potential of its people.

As market reform moves forward, the U.S. stands ready to support your efforts. Right now, the next step, it seems to me, is to devise an economic strategy with the IMF and the World Bank -- a strategy that wins the support of the international investment community. It should be a program that sets out priorities -- one that makes great use of your enormous natural wealth. But even more, it must be a plan that unlocks the great human potential of the people, of the Soviet people. Progress rests on the pace of your reforms -- on the speed with which you move from a system based on command and control to one based on supply and demand. As in Eastern Europe, our assistance will keep pace with your reform.

But our new partnership must go far beyond the halls of government in Washington and Moscow and the capitals of Western Europe. Western governments -- with their own strapped resources -- are limited in what they can do. So, we must bring together the businessmen from Europe and America, and their partners from all across the Soviet Union.

Our new partnership must bridge the thousands of miles between smalltown America and Soviet cities. It means expanded exchanges of scientists and scholars, artists and engineers. And from the great cities of Moscow and Kiev, from the plains of Central Asia and the villages of Siberia, to the port of Vladivostok and all points in between -- it means students coming to study in American schools and live with American families. It means thousands more American students coming to the Soviet Union to explore your past and experience firsthand the future you are working to create.

For four long decades, cooperation of this kind was the casualty of the cold war. So, let this Moscow summit definitively mark the end of what all of us would agree has been an era of mistrust, and let it mark a new beginning for our two nations -- an era of progress toward a new

world of peace and partnership.

Once again, thank you for giving me the opportunity to speak to this Institute. And let me just tell you that relations between the United States and the Soviet Union are good and are getting better. And it is my goal as President of the United States to see that they get even better still. Thank you. And may God bless the people of the Soviet Union. Thank you very, very much.

Note: The President spoke at 3:04 p.m. in the Conference Hall at the Moscow State Institute for International Relations. In his remarks, he referred to Ivan G. Tyulin, acting director of the Moscow State Institute for International Relations; Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; President Mikhail Gorbachev of the Soviet Union; President Saddam Hussein of Iraq; and President Fidel Castro Ruz of Cuba. The President also referred to the Stevenson amendment to the Export-Import Bank Act and the Byrd amendment to the 1974 Trade Act.

Remarks Following Discussions With President Boris Yeltsin of the Republic of Russia

July 30, 1991

President Yeltsin. Of course, this is a short meeting. I met President Bush and his party. The main issues that we have covered and discussed were questions of the situation in the Russian Federation and in the country -- the matters of the union compact, and why there has been a delay in the signing of the union compact. I spoke about the decision, which subject was only yesterday agreed upon. And then we continued our dialog, which we launched in Washington, on the implementation of a number of programs in the Russian Federation. The four principal: storage and processing of agricultural produce, conversion of military industries, training and education of our management personnel, and the setting up of joint transportation ventures.

We have already made some movement while only 28 days have elapsed since our meeting in Washington. In some fields we have already prepared a draft agreement. And I am grateful too, Mr. President, for giving such an impulse, in such a speedy way, to promote our understanding. Besides, we agreed that after the signing of the union treaty, of the union compact, we shall maintain our links and contacts with the Department of Commerce and Department of the Treasury and Agriculture so that after the union compact is signed we would start formalizing our relations either through a memorandum or an understanding between Russia and the United States of America.

I am satisfied.

President Bush. So am I. [Laughter]

The President has given you a very good and thorough description of the agenda. The only point I would add is, one, it was a good meeting from the U.S. standpoint; and, two, President Yeltsin's visit to the United States was a big hit and furthered not only relations and understanding between the Russian Republic and the States, but also the Soviet Union and the States. So, we view this visit as a very positive step in the overall relationship between the United States and Russia and the United States and the Soviet Union.

I want to congratulate him on a job well done in the States.

Q. President Yeltsin, why didn't you attend the meeting with President Gorbachev?

President Bush. We've got to go. I'm late.

Note: The remarks began at 4:40 p.m. in the Ceremonial Room at the Kremlin. President Yeltsin

spoke in Russian, and his remarks were translated by an interpreter. A tape was not available for verification of the content of these remarks.

Toast at the State Dinner in Moscow

July 30, 1991

President Bush. May I first thank you, Mr. President and Mrs. Gorbachev, and all the Soviet people who have welcomed Barbara and me so warmly to this great city and this great country in this historic time.

And I want to pay a special tribute to our host and friend -- a man that my country greatly admires, and a man that I greatly admire. When he came to Washington last year, I took him up to Camp David, and while there, we played a game called horseshoes -- a game in which you throw a horseshoe as close as possible to a stake far away. And on his very first try, he hit the stake. And I gave him that horseshoe as a symbol of good luck. But, as with everything he's accomplished, I think his success was due more to his unique mixture of determination, courage, and skill.

Dramatic changes have reshaped our world since we first met 6 years ago, Mr. President. The relationship between our great nations has moved from confrontation to friendship. Our growing ties remind me of an old proverb from your land: There's no road too long and no obstacle too hard for friendship. Our nations friendship, built on mutual respect and personal trust, is changing the world.

For almost a decade, the START negotiators sought to achieve real and stabilizing reductions in our strategic arsenals. And tomorrow, we will sign a START agreement -- a treaty that bolsters the promise of peace and advances the security of both of our nations -- the first agreement ever to reduce the number of strategic nuclear arms. START and CFE both testify to our new spirit of cooperation and to its potential for building world peace.

But arms control is only one element of our new relationship. We will spend much of our 2 days together discussing the issues that will shape our future: democracy, free markets, prosperity, and peace.

A peaceful revolution has unfolded in the Soviet Union, and we wholeheartedly support your progress towards a society based upon the rule of law, democratic institutions, and a system of free enterprise.

We stand ready to work with you in transforming your economic system by normalizing bilateral ties, deepening our trade relations, and taking concrete steps to support market reforms in many sectors -- food and energy and defense conversion.

Today, we spoke of ways to follow up on President Gorbachev's successful visit to London. The United States supports your integration into the global economy, but a successful integration will

ultimately depend on your democratic and market reforms.

Internationally, our growing partnership as peacemakers and peacekeepers continues to deepen. In the past year, we've worked together to deter aggression and to encourage nations to resolve their differences peacefully.

And now, our common efforts may help bring peace to the Middle East. In this region where dangerous confrontations once divided our nations, we may consolidate our partnership as peacemakers.

Our people will face tough challenges in the days ahead. And I understand that it's an ancient custom in your land that when you prepare for a long journey, you sit for a moment of quiet reflection. Perhaps that is what we need to do now, at least in the silence of our hearts. Individually and together, you see, we face a long, exciting journey of change.

We can gain strength from the words of Chekhov, who once wrote of our responsibility to our world: Man has been endowed with reason, with the power to create, so that he can add to what he has been given.

And let us add then, to the relationship we have developed in recent years. And let us build a better future. And as we begin, may I echo your traditional toast: To the future of our countries. And may I add, the health and happiness of President and Mrs. Gorbachev.

Note: The President spoke at 7:37 p.m. in the Hall of Facets at the Grand Kremlin Palace. In his remarks, he referred to President Mikhail Gorbachev and his wife, Raisa of the Soviet Union.

Message to the Senate on the Extension of AM Broadcasting Service in the Western Hemisphere

July 30, 1991

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Regional Agreement for the Use of the Band 1605 - 1705 kHz in Region 2, with annexes, and two U.S. statements as contained in the Final Protocol, signed on behalf of the United States at Rio de Janeiro on June 8, 1988. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Agreement.

The Agreement establishes a frequency allotment plan and associated procedures designed to enable the International Telecommunication Union (ITU) member countries in Region 2 (Western Hemisphere) to implement the AM broadcasting service in the 100 kHz band (1605 - 1705 kHz) adjacent to the upper end of the existing AM broadcasting band. It is the result of two sessions of a Regional Administrative Radio Conference held in 1986 in Geneva, and in 1988 in Rio de Janeiro, under the auspices of the ITU. The Agreement is consistent with the proposals of and the positions taken by the United States at the 1988 conference. Given the history of harmful interference to U.S. AM broadcasting stations in the existing AM radio band from various countries in the Region (particularly Cuba), the United States, at the time of signature, submitted statements on this subject that were included in a Final Protocol to the Agreement. The specific statements, with reasons, are given in the report of the Department of State.

I believe that the United States should become a party to this Agreement, which provides for the expansion in an orderly manner of the AM broadcasting service in the Western Hemisphere into the band 1605 - 1705 kHz. It is my hope that the Senate will take early action on this matter and give its advice and consent to ratification.

George Bush

The White House,

July 30, 1991.

Remarks to Soviet and United States Businessmen in Moscow

July 31, 1991

Good morning. May I pay my respects and thanks to our able Ambassador, Ambassador Matlock. This gives me a good opportunity to thank him for the fantastic job he has done for the United States of America, and I think also that he's done an awful lot to further understanding between the United States of America and the Soviet Union.

May I say good morning to Mr. Bunich, Mr. Vladislavlev, Mr. Tikhonov, and say that I've been looking forward to this meeting.

As Jack said, I was a businessman once myself. That was first in the oil drilling equipment business and then as a drilling contractor. And the risks were high. But I enjoyed that phase of my life. As entrepreneurs and businessmen and risk-takers, you really do hold a key to the future prosperity of the Soviet Union. You possess the power to create a better life for yourselves and your countrymen. There's an old Russian proverb: The one who leads makes a bridge for the others. Businessmen, such as yourselves, are building that bridge to a new and prosperous Soviet Union.

All around the world we see that a free society rests upon the twin pillars of political and economic liberty. For only when free markets and free people work together can we build a better life for all people. You understand that opportunity arises when people act freely, relying on their own talents. Call it what you want -- ingenuity, resourcefulness, a can-do attitude -- but it all comes down to this: People must be free to work, save, to own their own homes, to take risks, to invest in each other; in essence, to control their own lives.

No conclave of government experts, no matter how brilliant, can match the sheer ingenuity of a market that collects and distributes the wisdom of millions of people, all pursuing their destinies in different ways.

Government does have legitimate responsibilities such as enforcing contracts and protecting private property rights, providing the boundaries of acceptable business behavior. Government must establish rules of fairplay -- what we call a level playing field -- that builds trust and stability. Once established in the Soviet Union, the rule of law will further attract foreign know-how and investment. There is no question about that.

The United States stands ready to help. We're going beyond loans and subsidies. We're offering our best expertise. We endorsed last year's Soviet observership in the GATT, to help establish normal relations with the trading nations of the world. And to accelerate market reforms and your

integration into the global economy, at the recently concluded G - 7 meeting in London, special association for the Soviet Union in the IMF -- International Monetary Fund -- and the World Bank was proposed.

When I return to Washington I will be submitting the United States-Soviet trade agreement to Congress for approval which will generate trade between our countries. We will also seek most-favored-nation status for the Soviet Union. And I'll ask that certain restrictions, technically known as the Stevenson and Byrd amendments, be lifted so that American businesses can better compete for export sales here.

We're also negotiating bilateral tax and investment treaties, and I'd like to see them completed by year's end. They will create a better investment climate between us, help expand our economic partnership as much as possible. In sum, we want to do everything to ensure that our economic relationship expands as quickly as your reforms permit. Freedom brings the opportunity to succeed and, yes, the risk of failure.

The government can act as referee perhaps, but it cannot guarantee success. Free markets are based on the impulsive energy of man's imagination and creativity. And of course, there are risks. I know that from firsthand experience years ago. But there are also rewards for success. Who would have predicted that 15 years ago a group of college students -- university students in the United States -- working in a garage, would redefine the computer industry in America? Or that a trash collector -- a garbage collector from Philadelphia 30 years ago -- would today be the head of a $6-billion waste management firm in the United States?

When opportunity is at work, you can be a mechanic or a millionaire, and in my country some mechanics are millionaires. Pursuing one's destiny means building a better life. Russian values and traditions are compatible with free enterprise, and they should be preserved. Look at the members of the G - 7 -- Western European nations. Each an industrialized democracy; each with its own values and traditions. The culture and climate of American business may be different than other places, but the power of the idea is universal. It's been applied in thousands of ways by millions of people all over the world.

Those who succeed here should not be insulted and labeled as speculators and exploiters, because they're not. They are the people who will fill the shelves in your stores, put your people to work. We understand now why socialism's attempt to create the new Soviet man simply didn't work, because human nature cannot be destroyed and created anew. We seek instead to build upon the strengths of human nature, to allow men and women to control their own destinies in whatever way works best for them.

This notion of free markets and free people -- opportunity for all -- this joint venture between political and economic liberty, this is the spirit of democratic capitalism. Everywhere we hear the voices of men and women yearning for freedom, for the chance to control their own destiny, for a

stronger link between effort and reward. Some call it the American dream, but it's more than that. It's a universal dream. And it's a dream that the Soviet people are now striving to make real for themselves.

And after talks here, I believe the leaders are grasping this concept. Each of you can bring that dream alive. The creation of small- and medium-sized businesses means meeting payrolls, hiring good men and women, producing goods and services that are most needed by consumers, and improving technologies and methods so as to stay competitive.

Free market principles don't just mean that one or two people go out and get rich quick. It is so much more than that. As our President Woodrow Wilson said: Every great man of business has got somewhere a touch of the idealist in him. For you and your employees, it means the dignity and self-respect that come with the job. It means making a difference in your community. And as more and more businesses evolve -- business opportunity evolve -- it means bringing back hope to the people of the Soviet Union.

Your task will be difficult, but let me risk some advice. The story goes that a young man became the manager of a company. And his predecessor handed him three envelopes and said that if he was ever in trouble to open the envelopes. So, one day when the business was not going well, the man decided it was time to open up envelope number one. The message inside said: Blame your predecessor. So he did, and things improved for a while. But then they got worse again. So he decided to open up envelope number two. It read: Blame the accounting department. So he did that. But sales continued to go downhill. And finally, with much hesitation, he opened envelope number three. And it said: Prepare three envelopes. [Laughter]

The moral of that story, I think, is that there are no right or wrong answers. I wouldn't be bold enough to try to tell you in three envelopes how to transform this economy from ``command and control'' to ``buy and sell.'' You must find what works best for each of you and for your customers. You must make the dreams of your own people, in whatever way you can, come alive for them. You must define your own brand of democratic capitalism, one that is consistent with Russian cultures and values.

Remember the words of Tolstoy: The strongest of all warriors are these two, time and patience. Bringing free markets to life will of course take time and patience. But it can be done, because everyone in this room today possesses something that simply cannot be bought or sold. You possess the power of an idea. And I salute you as pioneers for your vision and for your drive.

It's been a great pleasure for me to meet with this very special group today. And I wish you well in the tasks that lie ahead. May God bless you. And thank you very much.

Note: The President spoke at 8:46 a.m. in the Composer's Hall of the Radisson Hotel. In his remarks, he referred to U.S. Ambassador to the Soviet Union, Jack F. Matlock; Pavel G. Bunich,

president of the Association of Leaseholders and Entrepreneurship of the U.S.S.R.; Aleksander P. Vladislavlev, Deputy Chairman of the League of Scientific and Industrial Associations of the U.S.S.R.; and Aleksander A. Tikhonov, president of the Agricultural Academy of the U.S.S.R. A tape was not available for verification of the content of these remarks.

Remarks by President Gorbachev and President Bush at the Signing Ceremony for the Strategic Arms Reduction Talks Treaty in Moscow

July 31, 1991

President Gorbachev. Mr. President, ladies and gentlemen, comrades. In a few moments the President of the United States and I will put our signatures under the treaty on the reduction of strategic offensive arms. This completes many years of efforts that required hard work and patience on the part of government leaders, diplomats, and military officials. They required will, courage, and the rejection of outdated perceptions of each other. They required trust.

This is also a beginning -- the beginning of voluntary reduction of the nuclear arsenals of the U.S.S.R. and the United States, a process with unprecedented scope and objectives. It is an event of global significance, for we are imparting to the dismantling of the infrastructure of fear that has ruled the world, a momentum which is so powerful that it will be hard to stop.

In both countries we face the complex process of the ratification of the new treaty. There will be critics. Here in Moscow some will point to our unilateral concessions, while in Washington there will be talk about concessions made to the Soviet Union. Some will say the new treaty does not really fulfill the promise of a peace dividend since considerable resources will be required to destroy the missiles. And if the missiles are not destroyed, critics will say they're obsolete and must be replaced with new ones, and that will be even more expensive.

Sharp criticism is to be expected also from those who want to see faster and more ambitious steps toward abolishing nuclear weapons. In other words, the treaty will have to be defended. I'm sure we have achieved the best that is now possible and that is required to continue progress.

Tremendous work has been done and unique experience has been gained of cooperating in this enormously complex area. It is important that there is a growing realization of the absurdity of overarmament now that the world has started to move toward an era of economic interdependence, and that the information revolution is making the indivisibility of the world ever more evident.

But the policymakers have to bear in mind that as we move toward that era we will have to make new, immense efforts to remove the dangers inherited from the past and newly emerging dangers, to overcome various physical, intellectual, and psychological obstacles. Normal human thinking will have to replace the kind of militarized political thinking that has taken root in the minds of men. That will take time. A new conceptual foundation of security will be a great help. Doctrines of war fighting must be abandoned in favor of concepts of preventing war. Plans calling for a crushing defeat of the perceived enemy must be replaced with joint projects of mutual stability

and defense sufficiency.

The document before us marks a moral achievement major breakthrough in our country's thinking and behavior. Our next goal is to make full use of this breakthrough to make disarmament an irreversible process. So, as we give credit to what has been achieved, let us express our appreciation to those who have contributed to this treaty -- their talent and their intellectual and numerous resources -- and let us get down to work again for the sake of our own and global security.

Mr. President, we can congratulate each other. We can congratulate the Soviet and American people and the world community on the conclusion of this agreement.

Thank you.

President Bush. Thank you, Mr. President. To President Gorbachev and members of the Soviet Government, and all the honored guests here: May I salute you.

The treaty that we sign today is a most complicated one -- the most complicated of contracts governing the most serious of concerns. Its 700 pages stand as a monument to several generations of U.S. and Soviet negotiators, to their tireless efforts to carve out common ground from a thicket of contentious issues -- and it represents a major step forward for our mutual security and the cause of world peace.

And may I, too, thank everybody who worked on this treaty -- the military, State Department arms control negotiators -- really on both sides. And I would like to say that many are here today; some, like my predecessor, President Reagan, is not here. But I think all of us recognize that there are many who are not in this room that deserve an awful lot of credit on both the Soviet side and the United States side.

The START treaty vindicates an approach to arms control that guided us for almost a decade: the belief that we could do more than merely halt the growth of our nuclear arsenals. We could seek more than limits on the number of arms. In our talks we sought stabilizing reductions in our strategic arsenals.

START makes that a reality. In a historic first for arms control, we will actually reduce U.S. and Soviet strategic nuclear arsenals. But reductions alone are not enough. So, START requires even deeper cuts of the most dangerous and destabilizing weapons.

The agreement itself is exceedingly complex, but the central idea at the heart of this treaty can be put simply: Stabilizing reductions in our strategic nuclear forces reduce the risk of war.

But these promises to reduce arms levels cannot automatically guarantee success. Just as

important are the treaty's monitoring mechanisms so we know that the commitments made are being translated into real security. In this area, START builds on the experience of earlier agreements -- but goes far beyond them in provisions to ensure that we can verify this treaty effectively.

Mr. President, in the warming relations between our nations, this treaty stands as both cause and consequence. Many times during the START talks, reaching agreement seemed all but impossible. In the end, the progress that we made in the past year's time -- progress in easing tensions and ending the cold war -- changed the atmosphere at the negotiating table, and paved the way for START's success.

Neither side won unilateral advantage over the other. Both sides committed themselves instead to achieving a strong, effective treaty -- and securing the mutual stability that a good agreement would provide.

Mr. President, by reducing arms, we reverse a half-century of steadily growing strategic arsenals. But more than that, we take a significant step forward in dispelling a half-century of mistrust. By building trust, we pave a path to peace.

We sign the START treaty as testament to the new relationship emerging between our two countries -- in the promise of further progress toward lasting peace.

Thank you very much.

Note: The remarks began at 3:42 p.m. in St. Vladimir's Hall in the Kremlin. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter.

Toasts at a Dinner Hosted by President Bush in Moscow

July 31, 1991

President Bush. Welcome, President and Mrs. Gorbachev, President Yeltsin, President Nazarbayev, President Ter-Petrozyan, Mayor Popov -- so many distinguished guests. I just want to welcome you here to Spaso House, and I am delighted to have you to this American home in Moscow in the hope of repaying, at least in some very small way, the warmth of the hospitality that's been shown to us by the Soviet people and by many of you in this room since our arrival.

I believe in these meetings we've launched a new era of hope. In the past year alone, we've seen that despite political differences, we can move forward together. I would particularly thank those who worked on the START agreement -- so many in this room having committed so much of their time, of their lives, to achieve the end that I was privileged to sign on behalf of our country today.

And I believe the signing of that treaty offers hope beyond the borders of the Soviet Union, beyond the borders of the United States of America, all across the world. I really believe that from the bottom of my heart. And let me say to our friends from the Soviet Union, Americans, more and more, look upon this country with profound curiosity and hope. And they want to work with all levels of Soviet society.

We live in an exciting time, when we all seek understanding in the larger society -- among businessmen, students, artists, scientists, people engaged in every imaginable profession and endeavor. As we leave, let me just simply assure you that we are ready to work with the people, to establish a partnership in the new world order based on the rule of law and the promise of freedom and the consent of the governed.

This relationship is built on respect. And you've brought incredible transformation in just a few years. And once again, we are very honored to host such a distinguished group of guests, men and women who will lead the Soviet Union to a new era of democracy; a new hope of a better life for all.

May I particularly salute the three Presidents of the Republics that are with us tonight: significant, important, and I am delighted that they are here. May I salute the mayor, Mayor Popov of Moscow. If his problems are anything like the problems of the cities in the United States, he's going to need our best wishes. [Laughter]

May I salute the human rights activists such as Yelena Bonner and artist Anatoly Rybakov, whose works fill in the blank pages of Soviet history under Stalin's rule.

And finally, there is my host on this whole visit, a man that I respect and admire, a man whose

deeds during the past 6 years have given hope to those who believe, as I do, that one individual can change the world for the better. I salute President Gorbachev, then, and I say that we leave confident, more confident than when I came here, that we can, together, build a lasting peace and, with it, a brighter tomorrow for our children.

I'm told that there's an old Russian proverb: You can't tie a knot with one hand. Well, tonight, the United States offers our hand as we tie the knot of friendship and peace together. And may I propose a toast to the health and happiness and prosperity of the Soviet people, with heartfelt thanks to our host and hostess, President and Mrs. Gorbachev.

President Gorbachev. Mr. President, Mrs. Bush, ladies and gentlemen, comrades. Today has been a busy day. A considerable amount of work has been accomplished. We have had meaningful discussions with the President in an atmosphere of openness and trust. We have reviewed a large gamut of problems pertaining to our bilateral relations. We discussed the role that our two countries play on the world scene, as well as their relations with other countries.

Today we signed a landmark agreement that will reduce the strategic arsenals of our two countries. And although I have already had a chance to describe what I believe is the purport and purpose of that treaty, let me now share with you some thoughts regarding this important document.

An important work that had covered almost a decade culminated in this landmark treaty, which has been the witness of many days of difficult and tense relations between our two countries during the cold war and in the postwar period. We have managed to fulfill the task that world history had assigned to our two countries.

I want now to pay particular tribute to our partners for the immense contribution that they made to the signing, the preparation, and negotiation of this important treaty. And most of all, I want to pay tribute to the President of the United States, Mr. George Bush.

While perhaps this is not really the most appropriate audience to say this, but nevertheless, let me break a secret that today, as we were putting the final touches on the treaty that we signed today, we discovered, much to our consternation, that we had approached a number of subjects which even the most sophisticated of our negotiators could not find their way through. You can imagine the tasks, the challenges, and the problems that our experts had to address if I simply tell you that assistants to President Bush had to bring over two volumes of documents just to explain one small point that he wanted to have cleared up.

This is a fact, and we all know this for a fact. And therefore, let me, here in your presence, pay tribute to our scientists who have managed to find the key that opened this ultimate and final vault which really led us through to the final stage of this treaty.

A recurrent theme in our discussions today was the fact that our signatures that we put under the treaty marked only a point of departure in our future endeavors in order to maintain and preserve and bolster the momentum that our negotiations have already gathered. Today we are asking ourselves whether our perception of the world today and of the future of the civilization is correct, and how accurate our forecasts for the future are, and whether or not we will be able to meet the challenges of the future. Let me explain why I believe those questions should be answered in the positive.

Never in its history has humankind been faced with such risks and dangers engendered by its own progress. And if we are to meet this challenge, what we need is bringing together the intellectual and moral resources of our civilization. It is no accident that the idea of a new world order has struck an important chord in the heart of the people of the world. And very important political and spiritual leaders of our countries have pitched into this effort.

Our two countries possess a tremendous potential for future cooperation and development of our relations for their joint participation in this important endeavor. And it gives me particular pleasure to say that during our discussions at Novo Ogaryevo today, the recurring theme of our talks was just how we can cooperate in the future in order to move our relationship and our cooperation ahead. And it is not a play of ambitions; it is an important statement of an important fact. And that fact is the role and responsibility of our countries, both to our nations and to the world at large.

Perhaps it is just a lucky historical coincidence, but who knows, maybe it is not. At this crucial moment in our history, when we are faced with very important challenges, our countries are headed by people who can meet those challenges.

Mr. President, today at this house, we had a chance to shake hands with many of those who shared this responsibility and who made an important and active contribution toward building a new relationship between our countries. Mr. President, I want to raise this glass to your health, sir, to the health of Mrs. Barbara Bush, to the peoples of the United States who are our partners. And we are looking forward to developing cooperation and friendship with you. And this is our choice.

Note: President Bush spoke at 7:30 p.m. in the ballroom of Spaso House, the residence of U.S. Ambassador to the Soviet Union Jack F. Matlock. In his remarks, President Bush referred to President Mikhail Gorbachev and his wife, Raisa of the Soviet Union; President Boris N. Yeltsin of the Republic of Russia; President Nursultan A. Nazarbayev of the Republic of Kazakhstan; President Levan Ter-Petrozyan of the Republic of Armenia; and Gavriil K. Popov, mayor of Moscow. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the Completion of the Strategic Arms Reduction Talks Treaty

July 31, 1991

The completion of START, the Strategic Arms Reduction Treaty, marked by today's signing ceremony, fulfills the challenge undertaken 9 years ago by Presidents Reagan and Brezhnev. That challenge was to find a way not only to limit, but actually to reduce, the number of nuclear weapons deployed by our two nations, and to do so in a way that improves stability and reduces the risk of war.

During the nearly 50 years since the first nuclear weapon was developed, the world has witnessed the creation and deployment of ever increasing numbers of strategic nuclear weapons. Today marks the beginning of a process that reverses that trend.

For the first time in the history of arms control, this treaty will achieve substantial reductions in the strategic nuclear forces deployed by both sides. Even more important, the START treaty will strengthen strategic stability in three key ways:

-- First, it concentrates reductions on the most threatening and destabilizing systems. The reductions will amount to 40 to 50 percent of the total number of strategic missile warheads deployed today, and fully one-half of all Soviet heavy ICBM's.

-- Second, START encourages each side to restructure its strategic forces in ways that make them less threatening and more survivable. The treaty will ban new types of heavy ICBM's and encourage greater reliance on heavy bombers, and on SLBM's and ICBM's with fewer warheads per missile.

-- Third, START includes a wide variety of unprecedented and demanding verification measures designed to help ensure compliance with the treaty. These measures also help build mutual confidence and reduce uncertainty. They include a ban on the encryption of data transmitted during ballistic missile flight tests, an extensive exchange of information on the size and composition of each side's strategic forces, 12 different types of onsite inspections, and specialized monitoring of mobile ICBM production.

As we work toward lowering the risk of nuclear war between our nations, we must ensure that our strategic forces continue to enhance deterrence. For that reason, START allows the modernization of strategic forces within very well defined limits.

We have taken many bold steps in arms control in the past few years. The INF Treaty has

eliminated a whole class of nuclear weapons. The CFE Treaty will establish a conventional balance at lower levels and erase the threat of a short-warning war in Europe. Now, START will produce stabilizing reductions in strategic nuclear weapons and reduce the danger of nuclear war.

While some may seek to judge this treaty in terms of who won or who lost on this or that issue, the right answer is that both our nations, and indeed all the nations of the world, have won in terms of greater security and stability.

The President's News Conference With Soviet President Mikhail Gorbachev in Moscow

July 31, 1991

President Gorbachev. Good evening, ladies and gentlemen. The basic part of the visit, the official visit of the President of the United States of America to the Soviet Union, is behind us. And there are many things that are important which are still ahead within the framework of this big political international event.

These days were full of very substantial dialog over a wide spectrum of issues. And I must say that it's kind of difficult for me -- --

[At this point, President Bush's earphones for translation failed.]

I guess I'll have to repeat from the very beginning what I said in that case. [Laughter]

Q. Number two, Mr. President. [Laughter]

President Gorbachev. Now -- do you hear me now? Is everything okay? It's tolerable?

I already said, addressing the international press, that we see the official visit of the President of the United States to the Soviet Union as a big event in our relations -- really a global event. And I want to say that these days we have done a great deal of work which I think will create difficulties for me and the President in order to present it in condensed form. And nevertheless, this visit, to some extent, sums up the last stage of our cooperation at a very fundamental, dramatic time of development, of events in the world, when both the President of the United States of America and the Soviet Union were placed in very difficult circumstances, unusual ones, which demanded from them a great feeling of responsibility in taking very important decisions which have had consequences, and will have consequences in the further development of our cooperation and events in the world.

And so, with the President, he and I did not lose time, and immediately at our first meeting we summarized the overall situation in a fast-changing world and tried from these positions to look upon our cooperation, evaluate our joint efforts, and trying to map out some contours, directions of development of this cooperation which would correspond to these changing conditions within which we have to act.

The President showed great interest in the events taking place in our country, our domestic processes. I tried to satisfy his interest and did this on my part with a great deal of satisfaction, since in his interest, I felt a desire to understand even more what is going on in our country, and

moreover, I felt also a feeling of solidarity in this.

We had an interesting, substantive discussion, and perhaps for the first time it covered the following in our bilateral cooperation. For the first time over the past period, we probably accented rather strongly what our economic relationship should be like, how we have to work together in this importance here so that -- or so that relationship in this area would be appropriate to the international dialog which we have reached in other areas.

And here we have noted on the basis of mutual understanding -- if not, President Bush will say so -- that there must be movements in accommodation as well. Obviously, one can do a lot in the area of reform so that we can include ourselves in international economic ties. To play by the rules of the game -- I like this expression. I haven't invented any other one for the time being. That's why I use the term I'm familiar with. We have to do a great deal, and we have made our choice to continue reforms, democratic changes, and especially now, to move decisively forward towards a market relationship, a relationship of property, and so on.

It's clear that our success in these internal affairs is tied to a great extent to the process of reform in the Federation. And I hope that I have satisfied the interest of the President about the state of this as of today. We both understand that this is very important for the success of our work, and thus, we must change, we must understand, and will understand here in the Soviet Union, that the basic responsibility for the fate of this country for reforms, for the making of decisions which are very important: is our prerogative, our responsibility.

And obviously, we are very interested in the more fruitful cooperation with the countries of the West. And in the light of continuing the discussion which we had in London, within the framework of my meeting at the G - 7, we spoke also about this subject as well. And I tried to develop a thesis, which I expressed in London, that we hope to see accommodating movement of the Western countries because they, too, in their approaches in the sphere of economic cooperation, must accommodate us.

We are talking about removing barriers which are connected with decisions taken during the cold war, during the arms race. This is a different time; different winds are blowing. And we must reevaluate all these decisions. I don't think they need to be preserved when our relationship is different now, and we want them not only to be preserved but to be more dynamic, to be based more firmly on trust.

Obviously, the question arose about the participation of the Soviet Union in international economic organizations, and I must say, for the first time we talked substantially about specific spheres of cooperation in implementing certain projects on the basis of bilateral cooperation. To speak about this briefly, we spoke about cooperating in the field of energy, especially in the area of conversion. We have great possibilities here, and specifically in the sphere in which we are very interested: that is the agricultural sphere, especially food distribution.

In this regard, I transmitted certain materials to the President as in a memoir; the same was done by the Foreign Minister Bessmertnykh -- gave it to the Secretary of State, Mr. Baker, in a memoir about those projects in which we could cooperate fruitfully. This is a very interesting and substantive project. We would want to act in such a way that in implementing these projects -- all of them -- to give a possibility to each other to earn money. In other words, the process goes forward, and there's benefit from it.

But there are spheres of cooperation where movement forward will not give us a chance because of additional production to make these calculations, like in the area of food production, for example. In the food area, here there could be interesting accomplishments, an interesting project, but what we get as the result we need -- we have problems in the food area, very acute ones. But we can't offer this to the United States. They have no interest now in buying food from us. So, we must implement other projects where we could earn hard currency and use this. And I've named such spheres, many such spheres.

We talked in general about continuing such works. Soon we will have competent groups of specialists, headed by important representatives of business circles, to realize these projects. And thus, I expanded this part, and the other parts will be shorter. For the first time, we discussed very substantially the sphere of bilateral relations, and not only with regard to disarmament, political dialog, and a resolution of world problems but had such a businesslike discussion and I greet this, I welcome it, and I hope that it will have positive consequences.

Then the President and I thought about the following, and what do we do next? We've signed the treaty and what's next? We've congratulated each other and our peoples and the world with the fact that such great progress has been accomplished as a result of almost a decade of work. And what's next?

And we did not want simply to be pragmatists here. We wanted to look at the problem of security, stability from the point of view of the present-day realities. Or should we simply continue the negotiations which already are taking place? And there are many problems which still need to be discussed. Or should we also look at the world from a somewhat different position from today's heights with the new reality which exists?

And I think that was the main item of our exchange because without understanding each other in this, it's hard to find the keys to resolution of specific issues. We agreed to continue discussion on this issue and even set up the mechanisms which must be implemented in order to do this.

Nevertheless, we also examined very many specific issues of disarmament without our -- we did not leave unattended problems of the Middle East. And I must say, and if the President considers it appropriate, he could name certain things. And if you have questions, we could discuss this. We have worked out a joint document on this. I have in mind our common position with regard to the Middle East. I think that this is a very important result of our joint work, and I think that the fact

that this position will be publicly announced will have serious influence on this process. And we consider that it is in a decisive stage and we should not -- and here I want to use what our ministers use -- to have a window of opportunity in order to really achieve progress in this very sensitive area of international politics.

The President and I talked about the situation in Europe in the context of implementing the agreement -- the Helsinki Agreement, the Paris Charter, and especially with regard to the processes taking place in that region, and specifically noted the situation in Yugoslavia, and expressed our position, our understanding, our approach to the resolution of this issue -- a very serious one which worries many of us. Also in a joint statement we expressed this.

I must say that we also moved forward and discussed other things. We tried to also look at many global processes, and in this regard, did not pass by many issues of international politics -- compared our points of view. In some issues we reserved the opportunity to come back to this. We put off discussing this. In some cases, we required consultations on the U.S. side. In other cases, we needed time to study the issue. But that means that the process will continue. And in this case as well, we noted the necessity of cooperation and interaction in resolving those many international issues which exist and which must be resolved.

The atmosphere was a very warm one -- sincere, frank, open. And today we sense the representatives of the press -- said that the press didn't want to interfere with us somewhere out in a village to talk one-on-one and in an uninhibited manner. We did all of this. This is also important. It's very good.

One of the members of the delegation -- I asked the question: How do you feel? -- a very important person. And the answer was: Like at home. And that's the kind of atmosphere which we worked in.

I am satisfied with the fact that political dialog is developing in this way once in this hall. And there are many witnesses here; I want to repeat this -- I talked about this to the President, he knows this as well -- that I am convinced that without what we have today in our relationship, such a character of Soviet-American relations, we could hardly count on everything that has happened in the past year. And we could hardly have interacted in such a way when the world placed before us very serious problems.

If this had been in another time, if we had faced such problems in another time, it would be difficult to say what would have happened. But today we even understand better the value of our cooperation, the fact that this is necessary. So, perhaps this is not a question of a platonic love but a deep understanding of the fact that, as countries and states, we need each other today and tomorrow. And I feel and I know that our peoples welcome this direction of development of our relations between our countries.

And from this point of view, it moves ahead -- far ahead -- our cooperation. And thus, I want to ask the pardon of the President and the press. I am the host and I maybe, misused it, but perhaps I could listen to your comments as well that I'm speaking so much.

I understood that you almost agree with everything I have said. [Laughter]

President Bush. What I heard I liked. [Laughter]

Once again, this might be an appropriate time for Barbara and me to thank the President and Mrs. Gorbachev for this fantastic hospitality. And yes, I couldn't agree more about the productive nature of the talks, the enhancement of mutual understanding. This is not diplomatic language, in my view, this is fact.

You know my views on the START agreement. Indeed, it's the culmination of a long and historic negotiation. And I happen to believe that the winners on this are the young people, not just in the Soviet Union, not just in the United States but all around the world. And we are taking major steps in transforming our economic relations. President Gorbachev touched on some of this.

But we're going to send up the trade agreement to the U.S. Congress. We're going to grant most-favored-nation status now that the technicalities have been worked out. We have fulfilled thus our Malta goal, Mr. President, of normalizing our economic relationship. We agreed here to tackle the next challenge -- President Gorbachev talked about that -- furthering economic reform in the U.S.S.R., and seeking to integrate the Soviet economy into the international system. We're going forward with space cooperation, cooperation in the environment. And we have several joint projects in mind there.

Building on our historic cooperation during the Gulf crisis, we discussed -- the President and I discussed our partnership in resolving longstanding regional problems. As you mentioned, we're putting out statements on Yugoslavia, Central America. And, indeed, I want to comment now just briefly on the Middle East before taking your questions.

We did reaffirm our mutual commitment to promote peace and genuine reconciliation between the Arab States, Israel, and the Palestinians. And we believe there is an historic opportunity right now to launch a process that can lead to a just and enduring peace and to a comprehensive settlement in the Middle East. We share the strong conviction that this historic opportunity must not be lost. And while recognizing that peace cannot be imposed, it can only result from direct negotiations between the parties, the United States and the Soviet Union pledge to do their utmost to promote and sustain the peacemaking process.

And to that end, the United States and the Soviet Union, acting as cosponsors, are going to work to convene an October peace conference designed to launch bilateral and multilateral negotiations. Invitations to the conference will be issued at least 10 days prior to the date the

conference is to convene. And in the interim, Secretary Baker and Foreign Minister Bessmertnykh will continue to work with the parties to prepare for this conference. And I am today asking Secretary of State Jim Baker to return to the Middle East to obtain Israel's answer to our proposal for peace.

And again, my thanks to you, and I'd be prepared to take questions along with you, sir.

Yugoslavia

Q. One question to Comrade Gorbachev. You said that you talked with Mr. Bush about Yugoslavia. What is the essence of that conversation about Yugoslavia?

And, Mr. Bush, when you received me several years ago in the White House in your capacity at that time as Vice President of the United States of America, you said to me that the relations between our two countries -- there's a special relationship between Yugoslavia and the United States. Is that definition still valid? And whether the United States is still supporting Yugoslavian territorial integrity? Thank you.

President Gorbachev. You asked about the essence of the conversation. I will then make use of the fact that I will relate the content of the U.S.-Soviet statement on Yugoslavia. This is the result of our conversation on this subject. We, both countries, with a deep concern, have noted the dramatic development of events in Yugoslavia. And we have been against the use of force and call upon all sides to abide by the agreements on the cease-fire. We, the Soviet Union and the U.S., proceed from the premise that the resolution of issues must be found by the peoples of Yugoslavia, themselves, on the basis of democratic principles through peaceful negotiations and a constructive approach.

We emphasized the necessity of having all sides respect the basic principles indicated in the Helsinki Act and the Paris Charter. The U.S. and the U.S.S.R. support the efforts undertaken by the CSCE countries -- specifically the European Community steps to resolve the problem. This is the essence of the statement.

President Bush. I would only add, sir, that inasmuch as that was a joint statement, that expresses our continued position as well.

Middle East Peace Talks

Q. Mr. President, can I ask you, the fact that you're going ahead with this peace conference, does that mean that you have Israel's acceptance of the outlines of your conditions for a peace conference, or is there still a hangup, or have you got a commitment from Mr. Shamir?

President Bush. Well, I would wait and let Secretary Baker answer that question after this next

meeting. And if I had to express a degree of optimism or pessimism, I'd say I'm a little more optimistic today. But the visit of Jim Baker now is for what we said here, to obtain Israel's answer to our proposal for peace. And if I had the answer in my pocket -- or he did -- I'd expect that we would say so.

Soviet-U.S. Relations

Q. I have a question to both Presidents: You discussed many questions of international issues, bilateral issues. You signed a unique agreement today. What did you leave for the next meeting? And can we say when you're planning to have it?

President Gorbachev. I think that what we discussed today and what we have set in motion, both with regard to a political dialog and a continuation of the disarmament process and new subjects in the area of economic cooperation and trade, interaction in the resolution of important issues including regional conflicts, which, unfortunately, still take place, and especially since we have begun a significant discussion about the concept of future strategic stability, that means that we have many issues to discuss and many meetings ahead. So, I think that our contacts will continue.

But I would express myself in favor of the following: Perhaps not always can we go -- and this makes the positions of Presidents very specific -- but it's harder for them than for the Ministers of Foreign Affairs to travel and discuss issues of foreign affairs. But nevertheless, the President and I have developed a method of conversation. We exchange opinions by telephone. As soon as we have a need, concerns, or simply to exchange opinions about something important, we do this by telephone, and this takes place on a regular basis.

And secondly, we regularly exchange letters. And this exchange of opinions has not ceased even in recent days when we have already reached agreement with the President. We were expecting him here. So, we have many channels in order to support this very high level of cooperation which we have. And I think a great role will be given to our Departments -- the Ministries of Foreign Affairs, but other Departments as well because we have new areas of cooperation.

President Bush. I would only add to that, that though no date is set, it is my view -- and I haven't always held this view -- that a meeting without an agenda is a good idea from time to time between the Soviet President and the President of the United States. And with this -- President Gorbachev talked about arms control and regional problems and other problems -- but as this dynamic autonomy begins to move, a chance for a dynamic economy here, there's going to be much more to talk about on the economic side than we've ever had before -- cooperation, partnerships, joint ventures. The whole approach to economics that he has endorsed that is going to benefit, I believe, the Soviet Union, and I think there's enormous potential for the United States.

So, it is my view that we've got plenty to talk about. And I, for one, would be prepared to, as I've

stated before, to have a meeting where there's not a crisis out there to be managed; rather we can be sure that we're not two ships passing in the night -- the analogy I used, I believe, in Malta -- appropriately. [Laughter] And I look forward to future meetings because you get a lot done where you can't put out -- sign a 3-point program or a 20-point protocol. But a lot is done just by the kinds of conversations we've had today.

Lithuania

Q. President Gorbachev, there was an ugly border incident in Lithuania last night in which a number of Lithuanian border guards were killed. I wonder if we could have your reaction and any explanation you might have of it?

Also, President Bush, any reaction from you, in light particularly of your call yesterday afternoon for freedom for the Baltic States?

President Gorbachev. You know, we received this information when we were talking outside the city. The first information was such that the incident was on the border between Lithuania and Byelorussia, and when one of the citizens of Byelorussia went in the direction of Lithuania and at the customs point where he was approaching, he saw two wounded people and four that died. He quickly related this information, and now the state security agency of Lithuania and Byelorussia -- the chairman of the state committee on security offered also to help in the cooperation. So, now we are investigating this.

I must say that, in addition to regret, we must simply sympathize with the families of the people that died. And I myself must say that we are doing everything in order not only to take actions but also to avoid such excesses, such conflicts on the basis of resolution of basic issues. And we have taken such basic mutual decisions with regard to issues -- concerning Armenia and Azerbaijan there's a dialog. And the faster and more productive the dialog is, the more efforts there are to break it down. Not everyone likes this process that is developed in such a direction. And it's hard for us to say what happened. We heard versions, the President and I, but these are versions. This is not important at any rate. I will be monitoring this, and we will tell you what it was that happened in reality.

Q. I just wanted to get your reaction, sir, to the incident in light of your call yesterday afternoon for freedom for the Baltic States.

President Bush. Well, I don't think there's a connection, but I do regret the violence. I listened to what President Gorbachev said about the discussion. We clearly favor negotiation -- he knows that -- that would lead to a reduction of cross-border violence from both sides. And obviously, I'd like to join in expressing my regrets to those families whose loved ones are lost.

But the President immediately got on this and said they're conducting an investigation. I think

there's hope that the investigation will be cooperative between the Lithuanian side and Byelorussia's side. And so, we can't prejudge the incident, but I had an opportunity to express my views to President Gorbachev on the whole question of the Baltic States. I don't think it's fair to link a border incident before you know what happened to that question, however.

Soviet Economic Integration

Q. Mr. President, how far did you go after London in moving ahead in the integration of the U.S.S.R. into the international economy? Was there progress reached in this area? To both Presidents.

President Gorbachev. Perhaps you can begin.

President Bush. Well, let me say that's a serious objective to start with. Secondly, I believe that active participation in these international financial institutions and the status that was deemed best by the G - 7 is the most important thing that the Soviets can do right now. I have freed up, as you heard today, certain trade benefits or normalizing the trade procedures that, in my view, will help. And we've done that since the meeting in London.

But the answer is, full participation -- full benefit of these international institutions require full knowledge and steps towards the privatization and toward convertability, all the things that I believe the Soviet Union wants.

So, work with the international organizations and then bilaterally do what we've done and other countries will be doing, too, I'm sure, to remove the underbrush, remove the barriers to bilateral economic cooperation. So, quite a bit has happened between us since Paris. And we look forward with our representatives in these international organizations to working very cooperatively with the Soviet leaders.

President Gorbachev. I understand that I'm supposed to comment on this as well since the question was to both Presidents. I will be brief since I have already expressed my opinion about this. London was the beginning of a very important process. This was the meaning of the London meeting, and one must judge about this in that light.

It's very important that after London there's a desire on both parts to work out a mechanism which would permit the shifting of this cooperation, given the political will of the leadership of the Western countries. In the Soviet Union, we think that we should have special structures which would keep tab of the cooperation between the Soviet Union and the G - 7 countries, and first of all, in the area of investment, so the process would be easier in the taking of decisions of mutual interest.

And it's good that the mechanism has started to be implemented, which we discussed in London,

and the Minister of Finances of England is already here. We first talked about the fact that there would be visits of the Minister of Finance, the Secretary of the Treasury of the U.S., and the representative of the FRG. So, in other words, there would be the mechanism of implementing specific areas of cooperation. And this is very important that there be a mechanism for real interaction.

And finally, the President mentioned that, on the part of the U.S., an important decision will be taken to make trade between our countries easier. I would say that I mention this in passing, but we often discussed this with the President. I asked, and we agreed, to study the question of COCOM restrictions today because many billion-dollar projects which are ready to go and even signed are not being implemented because of the fact that they have elements that come under COCOM restrictions.

And therefore, a very serious process has started and I think that this will continue and grow stronger, be more specific. It will give results. There is a will and a desire to do this. It's very important.

Nuclear Weapons

Q. I would ask both of you to think back to the 1986 Reykjavik summit when Ronald Reagan horrified quite a few American nuclear experts and almost all of the European leaders by giving serious consideration to your proposal, President Gorbachev, for a ban on all nuclear weapons. In the end, Reagan said no because of the belief that nuclear deterrence has, in fact, kept the peace. At that time, you had a massive conventional edge in Europe, though. Since then, we've had the CFE treaty. Why now are the two of you not saying we will now work towards a total nuclear ban? Do you still believe in the efficacy of nuclear deterrence in keeping the peace? Particularly, sir, I ask you, President Bush, given the fact that some of these breakaway Republics, they have nuclear weapons in there and who knows what would happen if they declare independence.

President Bush. The very fact that -- I wouldn't suggest that a breakaway Republic is going to use a nuclear weapon against the United States, but I would suggest that we have every reason in the world to be concerned about renegades -- not in these areas, perhaps; I hope not -- getting hold of nuclear weapons. And that's one of the reasons I strongly support our GPALS program that is being debated in the Senate right now.

But in my view, other countries do possess nuclear weapons. It's not just the Soviet Union and the United States. And I do believe that we are on the right path by the path that President Gorbachev has outlined today on following on existing agreements. So, rather than try to have a ethereal or a utopian answer, let's follow through practically, as he suggested. And then as far as the U.S. is concerned, I'd like us to go forward with a system that puts nobody at threat, nobody at risk. The only thing at risk is an errant nuclear missile aiming at a country. And that's why I support the defensive approach, and that's why I think one of the lessons out of the Iraq war -- and maybe

President Gorbachev reads this differently -- is that defenses work. And though we're talking about a different concept now, an expanded concept, a more high-tech concept, I think a lot of lives were saved by defense. So, that's my reply.

President Gorbachev. I will say a few words. I think that the argument which you want to ascribe to me, that in my policy I looked upon nuclear weapons as an element of deterrence, is not true. I have not said this. Yes, we got involved in the arms race in a very serious way. Thank God, as we say in Russian, that we stopped this and turned it back. And this is a great accomplishment since we understood where we were headed.

But it's hard to resolve all these issues which have piled up, and all these weapons that have piled up. And I think that there is still a lot that we have to do. We have mapped out a few things for the future, and then there will probably also be questions put to all members of the nuclear club, and they also have to think about what to do with nuclear weapons in the future.

And finally, we must very carefully act about having the mechanism which we have created and which seems has worked -- but apparently not effectively enough -- about nonproliferation of nuclear weapons. This was one of the important topics of our conversation with the President during these days. For if certain countries will lower their arms and disarm and head in the direction of a nonnuclear world, and at the same time, others will find ways to develop the process in order to have their own nuclear weapons, then we will have a situation which is absurd.

So, in continuing to support nuclear disarmament and within the framework of the negotiation process, which we have, we have agreed to continue this. We have the question of truly improving the mechanism of nonproliferation nuclear technology in order -- missile technology -- in order to create an unsurmountable barrier in this area. I think this is one of the most important things we have to do today.

Q. What significance does the process of European integration have in your conversations with the President, for example, the postwar unification of Europe? What image of this is the most acceptable to you from the point of view of the Soviet Union? For example, the image of a General de Gaulle Europe of fatherlands, countries with decisions being made on a national level, or a united states of Europe, with common decision being made among them? Thank you.

Europe

President Gorbachev. First of all, you can probably guess that everything that happens in Europe -- in the world -- we have always looked towards Europe for everything that happens in Europe, in our areas -- I don't want to list them -- has a great importance for the developments in the world. So, undoubtedly, the President and I noted the positive developments which are taking place in Europe and we noted support of the documents aimed at creating a new Europe. And we see that

the Soviet Union and the U.S. must participate very actively in building a new Europe. All of this has existed and continues to exist. And we feel a responsibility to do this.

But you asked the question about how. I think perhaps you are a little hasty because when we are creating a certain schematic and then try to impose it, then we get one result. When a process is being developed in a logical way within the Helsinki process, a political process of choice, then we find that new forms of cooperation and new institutes come into being.

Now I would say the following: We must, within the framework of the documents, the general path mapped out in the Helsinki and the Paris agreements, act in such a way that the old institutions be transformed in the interest of a new Europe so that they serve the interest of a single economic territory, a single security of Europe, a legal aspect. And so, this is what we must aim for. That means when the old institutions, when they change, we have to bear this in mind. But apparently, we will also have new institutions which will arise, which will serve this process.

And now if we have, for example, a common energy approach, there will be mechanisms of administering this and will have a great significance in the fate of Europe and the process to realize this. Thus, in going along this path without destroying the old institutions in creating new ones, we probably will find the forms gradually to resolve these issues. But if we declare a specific course, but will keep the old structures, institutions without changing them at all, then again, there can be a process of simply regrouping of forces in Europe. And there can be new confrontations which would come into being with a different distribution of forces.

I am not in favor of this, so I would more quickly go through the process of creation of new institutions and would stimulate those tendencies which would move us towards a united Europe.

I don't think that here we need to have languages vanish; cultures, traditions vanish. I think this would be a mistake if we set ourselves such a goal. I think we should take into consideration those specific characteristics and traditions -- the histories of the people -- but also aim for their unification. I think this is compatible, although we see that there is also an explosion of nationalism, separatism, efforts to unravel everything. This is a dangerous process. I think that if we follow a path of chaotic development of such processes, then we'll get into a bad situation.

So, I am for the transformation of all institutions. I am for new institutions which would act in the interest of unification processes in Europe.

Mr. Fitzwater. We used our allotted time. Thank you very much.

Note: President Bush's 96th news conference began at 4:33 p.m. in the Press Theater of the Ministry of Foreign Affairs. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter. In the news conference, the following persons were referred to: Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; Raisa Gorbachev, wife of the

President of the Soviet Union; Prime Minister Yitzhak Shamir of Israel; Norman Lamont, Chancellor of the Exchequer of the United Kingdom; Secretary of the Treasury Nicholas F. Brady; and Finance Minister Theo Waigel of Germany. Marlin Fitzwater is Press Secretary to President Bush. A tape was not available for verification of the content of this news conference.

Nomination of William Caldwell Harrop To Be United States Ambassador to Israel

July 31, 1991

The President today announced his intention to nominate William Caldwell Harrop, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary to Israel. He would succeed William Andreas Brown.

Since 1987 Ambassador Harrop has served as U.S. Ambassador to Zaire. Prior to this Ambassador Harrop served as Inspector General of the Department of State and Foreign Service, 1983 - 1986, and as U.S. Ambassador to Kenya and concurrently as U.S. Ambassador to the Seychelles, 1980 - 1983.

Ambassador Harrop graduated from Harvard University (B.A., 1950). He was born February 19, 1929 in Baltimore, MD. Ambassador Harrop served in the U.S. Marine Corps, 1951 - 1952. He is married, has four children, and resides in Washington, DC.

Nomination of Russell K. Paul To Be an Assistant Secretary of Housing and Urban Development

July 31, 1991

The President today announced his intention to nominate Russell K. Paul, of Georgia, to be an Assistant Secretary of Housing and Urban Development for Congressional and Intergovernmental Relations. He would succeed Timothy J. Coyle.

Currently Mr. Paul serves as Deputy Assistant Secretary for Grant Programs at the Department of Housing and Urban Development. Prior to this he served as an intergovernmental relations officer at the Department of Housing and Urban Development.

Mr. Paul graduated from Samford University (B.A., 1974). He was born June 23, 1952, in Greenwood, SC. Mr. Paul is married, has five children, and resides in Riva, MD.

Nomination of John J. Easton, Jr., To Be General Counsel of the Department of Energy

July 31, 1991

The President today announced his intention to nominate John J. Easton, Jr., of Vermont, to be General Counsel of the Department of Energy. He would succeed Stephen A. Wakefield.

Since 1989 Mr. Easton has served as Assistant Secretary of Energy for International Affairs and Energy Emergencies at the Department of Energy. From 1987 to 1989 he served as an attorney with the law firm of Miller, Eggleston and Rosenberg, Ltd., and as attorney general of Vermont, 1981 - 1985.

Mr. Easton graduated from Georgetown University (J.D., 1970) and the University of Colorado (B.S., 1964). He was born June 16, 1943, in San Francisco, CA. Mr. Easton served in the U.S. Air Force, 1964 - 1968. He resides in Arlington, VA.

White House Fact Sheet on The Strategic Arms Reduction Treaty (START)

July 31, 1991

Today, the United States and the Soviet Union signed the Strategic Arms Reduction Treaty. This treaty marks the first agreement between the two countries in which the number of deployed strategic nuclear weapons will actually be reduced. Reductions will take place over a period of 7 years, and will result in parity between the strategic nuclear forces of the two sides at levels approximately 30 percent below currently deployed forces. Deeper cuts are required in the most dangerous and destabilizing systems.

START provisions are designed to strengthen strategic stability at lower levels and to encourage the restructuring of strategic forces in ways that make them more stable and less threatening. The treaty includes a wide variety of very demanding verification measures designed to ensure compliance and build confidence.

Central Limits

The treaty sets equal ceilings on the number of strategic nuclear forces that can be deployed by either side. In addition, the treaty establishes an equal ceiling on ballistic missile throw-weight (a measure of overall capability for ballistic missiles). Each side is limited to no more than:

-- 1600 strategic nuclear delivery vehicles (deployed intercontinental ballistic missiles [ICBM's], submarine launched ballistic missiles [SLBM's], and heavy bombers), a limit that is 36 percent below the Soviet level declared in September 1990 and 29 percent below the U.S. level.

-- 6000 total accountable warheads, about 41 percent below the current Soviet level and 43 percent below the current U.S. level.

-- 4900 accountable warheads deployed on ICBM's or SLBM's, about 48 percent below the current Soviet level and 40 percent below the current U.S. level.

-- 1540 accountable warheads deployed on 154 heavy ICBM's, a 50-percent reduction in current Soviet forces. The U.S. has no heavy ICBM's.

-- 1100 accountable warheads deployed on mobile ICBM's.

-- Aggregate throw-weight of deployed ICBM's and SLBM's equal to about 54 percent of the current Soviet aggregate throw-weight.

Ballistic Missile Warhead Accountability

The treaty uses detailed counting rules to ensure the accurate accounting of the number of warheads attributed to each type of ballistic missile.

-- Each deployed ballistic missile warhead counts as 1 under the 4900 ceiling and 1 under the 6000 overall warhead ceiling.

-- Each side is allowed 10 on-site inspections each year to verify that deployed ballistic missiles contain no more warheads than the number that is attributed to them under the treaty.

Downloading Ballistic Missile Warheads

The treaty also allows for a reduction in the number of warheads on certain ballistic missiles, which will help the sides transition their existing forces to the new regime. Such downloading is permitted in a carefully structured and limited fashion.

-- The U.S. may download its three-warhead Minuteman III ICBM by either one or two warheads. The Soviet Union has already downloaded it's seven warhead SS - N - 18 SLBM by four warheads.

-- In addition, each side may download up to 500 warheads on two other existing types of ballistic missiles, as long as the total number of warheads removed from downloaded missiles does not exceed 1250 at any one time.

New Types

The treaty places constraints on the characteristics of new types of ballistic missiles to ensure the accuracy of counting rules and prevent undercounting of missile warheads.

-- The number of warheads attributed to a new type of ballistic missile must be no less than the number determined by dividing 40 percent of the missile's total throw-weight by the weight of the lightest RV tested on that missile.

-- The throw-weight attributed to a new type must be no less than the missile's throw-weight capability at specified reference ranges (11,000 km for ICBM's and 9,500 km for SLBM's).

Heavy ICBM's

START places significant restrictions on the Soviet SS - 18 heavy ICBM.

-- A 50-percent reduction in the number of Soviet SS - 18 ICBM's; a total reduction of 154 of these Soviet missiles.

-- New types of heavy ICBM's are banned.

-- Downloading of heavy ICBM's is banned.

-- Heavy SLBM's and heavy mobile ICBM's are banned.

-- Heavy ICBM's will be reduced on a more stringent schedule than other strategic arms.

Mobile ICBM's

Because mobile missiles are more difficult to verify than other types of ballistic missiles, START incorporates a number of special restrictions and notifications with regard to these missiles. These measures will significantly improve our confidence that START will be effectively verifiable.

-- Nondeployed mobile missiles and non-deployed mobile launchers are numerically and geographically limited so as to limit the possibility for reload and refire.

-- The verification regime includes continuous monitoring of mobile ICBM production, restrictions on movements, on-site inspections, and cooperative measures to improve the effectiveness of national technical means of intelligence collection.

Heavy Bombers

Because heavy bombers are stabilizing strategic systems (e.g., they are less capable of a short-warning attack than ballistic missiles), START counting rules for weapons on bombers are different than those for ballistic missile warheads.

-- Each heavy bomber counts as one strategic nuclear delivery vehicle.

-- Each heavy bomber equipped to carry only short-range missiles or gravity bombs is counted as one warhead under the 6000 limit.

-- Each U.S. heavy bomber equipped to carry long-range nuclear ALCM's (up to a maximum of 150 bombers) is counted as 10 warheads even though it may be equipped to carry up to 20 ALCM's.

-- A similar discount applies to Soviet heavy bombers equipped to carry long-range nuclear ALCM's. Each such Soviet heavy bomber (up to a maximum of 180) is counted as 8 warheads

even though it may be equipped to carry up to 16 ALCM's.

-- Any heavy bomber equipped for long-range nuclear ALCM's deployed in excess of 150 for the U.S. or 180 for the Soviet Union will be accountable by the number of ALCM's the heavy bomber is actually equipped to carry.

Verification Regime

Building on recent arms control agreements, START includes extensive and unprecedented verification provisions. This comprehensive verification regime greatly reduces the likelihood that violations would go undetected.

-- START bans the encryption and encapsulation of telemetric information and other forms of information denial on flight tests of ballistic missiles. However, strictly limited exemptions to this ban are granted sufficient to protect the flight-testing of sensitive research projects.

-- START allows 12 different types of on-site inspections and requires roughly 60 different types of notifications covering production, testing, movement, deployment, and destruction of strategic offensive arms.

Treaty Duration

START will have a duration of 15 years, unless it is superseded by a subsequent agreement. If the sides agree, the treaty may be extended for successive 5-year periods beyond the 15 years.

Noncircumvention and Third Countries

START prohibits the transfer of strategic offensive arms to third countries, except that the treaty will not interfere with existing patterns of cooperation. In addition, the treaty prohibits the permanent basing of strategic offensive arms outside the national territory of each side.

Air-Launched Cruise Missiles (ALCM's)

START does not directly count or limit ALCM's. ALCM's are limited indirectly through their association with heavy bombers.

-- Only nuclear-armed ALCM's with a range in excess of 600 km are covered by START.

-- Long-range, conventionally armed ALCM's that are distinguishable from nuclear-armed ALCM's are not affected.

-- Long-range nuclear-armed ALCM's may not be located at air bases for heavy bombers not accountable as being equipped for such ALCM's.

-- Multiple warhead long-range nuclear ALCM's are banned.

Sea Launched Cruise Missiles (SLCM's)

SLCMs are not constrained by the treaty. However, each side has made a politically binding declaration as to its plans for the deployment of nuclear-armed SLCM's. Conventionally-armed SLCM's are not subject to such a declaration.

-- Each side will make an annual declaration of the maximum number of nuclear-armed SLCM's with a range greater than 600 km that it plans to deploy for each of the following 5 years.

-- This number will not be greater than 880 long-range nuclear-armed SLCM's.

-- In addition, as a confidence building measure, nuclear-armed SLCM's with a range of 300 - 600 km will be the subject of a confidential annual data exchange.

Backfire Bomber

The Soviet Backfire bomber is not constrained by the treaty. However, the Soviet side has made a politically binding declaration that it will not deploy more than 800 air force and 200 naval Backfire bombers, and that these bombers will not be given intercontinental capability.

Other Background

The START agreement consists of the treaty document itself and a number of associated documents. Together they total more than 700 pages. The treaty was signed in a public ceremony by Presidents Bush and Gorbachev in St. Vladimir's Hall in the Kremlin. The associated documents were signed in a private ceremony at Novo Ogaryevo, President Gorbachev's weekend dacha. Seven of these documents were signed by Presidents Bush and Gorbachev. Three associated agreements were signed by Secretary Baker and Foreign Minister Bessmertnykh. In addition, the START negotiators, Ambassadors Brooks and Nazarkin, exchanged seven letters related to START in a separate event at the Soviet Ministry of Foreign Affairs in Moscow.

Magnitude of START -- Accountable Reductions

Following is the aggregate data from the Memorandum of Understanding, based upon agreed counting rules in START. (Because of those counting rules, the number of heavy bomber weapons actually deployed may be higher than the number shown in the aggregate.) This data is effective as of September 1990

(TABLE START)and will be updated at entry into force:

@h1

@h1United States

@h1Soviet Union

Delivery Vehicles 2,246 2,500

Warheads 10,563 10,271

Ballistic Missile Warheads 8,210 9,416

Heavy ICBM's/Warheads .... None 308/3080

Throw-weight (metric tons) .... 2,361.3 .... 6,626.3

As a result of the treaty, the above values will be reduced by the following percentages:

Delivery Vehicles .... 29 percent .... 36 percent

Warheads .... 43 percent .... 41 percent

Ballistic Missile Warheads .... 40 percent .... 48 percent

Heavy ICBM's/Warheads .... None .... 50 percent

Throw-weight (metric tons) .... None .... 46 percent

(TABLE END)

Proclamation 6319 -- Helsinki Human Rights Day, 1991

July 31, 1991

By the President of the United States

of America

A Proclamation

In 1975, when the United States, Canada, and 33 European states joined in adopting the Helsinki Final Act of the Conference on Security and Cooperation in Europe, we affirmed ``the close link between peace and security in Europe and in the world as a whole." Signatories to the Helsinki accords also recognized that respect for human rights and fundamental freedoms is essential not only to achieving lasting peace among nations but also to promoting their social and economic development. During the past 16 years, the CSCE process begun at Helsinki has played a leading role in building mutual confidence, reducing the risk of conflict, and enhancing the growth of democracy and openness in Europe. This year we welcome Albania's entry into the CSCE community and its commitment to respect human rights and fundamental freedoms that this symbolizes.

The tremendous changes that have swept central and eastern Europe underscore the CSCE's effectiveness in advancing the goal of universal compliance with the Helsinki accords. At their meeting in Paris last November, CSCE members welcomed the emergence of a new transatlantic partnership of nations based on a mutual commitment to upholding human rights and the rule of law. In signing the Charter of Paris for a New Europe, members added to existing CSCE principles new and sweeping commitments to political pluralism, free elections, free enterprise, and the rule of law. New CSCE institutions established at the Paris summit -- such as the Office for Free Elections in Warsaw, the CSCE Secretariat in Prague, and the Conflict Prevention Center in Vienna -- strengthen the CSCE's ability to help consolidate and to build upon recent gains. The United States encouraged and welcomed these developments as evidence that the CSCE can serve not only as a catalyst for change but also itself change to reflect the demands of an evolving Europe.

During the June meeting of CSCE foreign ministers in Berlin, the Conference endorsed the report of the Valletta Meeting on the Peaceful Settlement of Disputes and agreed to designate the Conflict Prevention Center in Vienna as the nominating institution to help settle disputes. Members also agreed on a mechanism for holding emergency official-level meetings of the CSCE, which has first been called into action in the current Yugoslav crisis.

As the Yugoslav crisis demonstrates, major challenges remain. The United States will continue to suggest that the CSCE strengthen its capacity to address the political sources of conflict. One area

of special concern to us is the persecution of ethnic minorities. Ethnic tensions in Europe provide a solemn and urgent reminder that we still have much work to do in achieving universal compliance with both the letter and the spirit of the Helsinki accords. The United States has sought to lead other member-states in exploring ways that the CSCE can help reduce those tensions and fulfill the promise of a Europe that is whole and free, and at peace with itself.

As an expression of the special importance that the United States continues to attach to the CSCE in a changing Europe, the Congress, by House Joint Resolution 264, has designated August 1, 1991, as ``Helsinki Human Rights Day'' and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim August 1, 1991, as Helsinki Human Rights Day and reaffirm the United States dedication to the principles of human dignity and freedom -- principles that are enshrined in the Helsinki Final Act. As we Americans observe this day with appropriate programs, ceremonies, and activities, let us call on all signatories of the Final Act to fulfill their obligation to respect the rights and dignity of all their citizens.

In Witness Whereof, I have hereunto set my hand this thirty-first day of July, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:37 a.m., August 1, 1991]

Note: The proclamation was released by the Office of the Press Secretary on August 1, and published on August 6.

Remarks at the Arrival Ceremony in Kiev, Soviet Union

August 1, 1991

Chairman Kravchuk. Today on the Ukrainian soil we are extending our hearty welcome to the high-ranking guests, President of the United States of America George Bush and Mrs. Bush. Our sincere words of welcome are also addressed to the well-known U.S. statesmen and those accompanying the President.

Mr. President, we attach to your visit to the Ukraine very great importance, and we think it will be another step in improving relations between our countries. Your visit reflects the changes which have taken place in our countries and in the world as a whole.

Despite the complexity and contradictoriness of the political processes, the basic feature of today's world development is radical positive changes. And for these changes mankind should thank the foresighted policy of our states, their common aspirations towards humane and just peace.

We are especially satisfied with the fact that you, Mr. President, came to our Republic right after the historic document, the Strategic Offensive Arms Reduction Treaty, had been signed in Moscow. The Ukrainian people consider this act as another concrete step towards the achievement of general and complete disarmament, toward a world without weapons and without wars.

Your visit to the Ukraine is taking place at a time difficult for the Republic. However, on the basis of the Declaration on State Sovereignty and thanks to the aspiration toward national concord, the Ukraine is, step by step, moving along the road to its high aim: sovereignty, bringing about stability and civil peace.

Fifty-two million representatives of different people -- the Ukrainians, the Russians, the Poles, the Jews, the Bulgars -- are working together on this land. And for them, Ukraine is their home. We have resolutely chosen the road to democracy, market economy, and sovereignty; and this choice of ours is supported by the majority of the people.

The American Nation knows only very well the price of genuine sovereignty, and the Declaration of Independence was one of the first to proclaim to the whole world the ideals of freedom, equality, and brotherhood. Taking into account the present-day political and economic realities, we are pursuing the policy aimed at the setting up of a new union, a union of sovereign states as further consolidation and development of fruitful relations with all the Republics. This policy is being supported by the people, and around it, all kinds of political forces are being consolidated.

On the international area, the Ukraine is striving to acquire the status of an equal member of the

international community, to integrate its economy into the world economy.

To your visit, Mr. President, we attach sincere hope for the establishment of direct relations between the Ukraine and the United States of America, into whose foundation the first bricks have already been laid.

We believe that after your visit to Ukraine it will be visited by a great number of businessmen, and we will create every necessary condition for their activities here.

Let me once again welcome you, Mr. President, Mrs. Bush, and the members of the American delegation on the hospitable Ukrainian soil, and say to you in Ukrainian, Laskavo prosimo.

President Bush. Chairman Kravchuk, Barbara and I are simply delighted to visit Kiev, the city of golden domes, and I might say that we saw so many beautiful hilltop churches from the windows of Air Force One as we came in.

Ukraine, as we all know, is the motherland of many hundreds of thousands of Americans. In fact, back home in Washington, DC, stands a statue of the Ukrainian poet and painter Taras Shevchenko. Once, reflecting on the democratic experiment in America, he wrote this: ``When will we have a Washington with a new and righteous law? One day we shall have him."

Well, I'm here to tell you, sir, that the United States stands committed to a new world order based on what Shevchenko called a ``new and righteous law" -- the rule of law and the guarantee of real economic freedom, political freedom, religious freedom. Yes, the world is changing profoundly. But with change comes opportunity and hope for the future.

The American people applaud the changes that are creating a Soviet Union blessed with free markets and free people. We're anxious to offer help and hope where needed, to build ties of understanding and common interest. In that spirit we recently opened a consulate general in this great city, a permanent American presence to build America's friendship with Ukraine.

I come here having concluded 2 days of very productive work in Moscow. President Gorbachev and I did sign, as you referred to, an historic treaty that will, for the first time, reduce strategic forces between our countries. But we also talked about peace and prosperity, in hopes that our nations can increase trade and share ideas and experiences with one another.

Now, we look forward to meeting with Chairman Kravchuk and other Ukrainian leaders. We want to expand the scope of our relationship with the people of this Republic, as you mentioned -- build stronger economic ties and extend the range and quality of cultural, social, and academic and professional exchanges. We want to retain the strongest possible official relationship with the Gorbachev government, but we also appreciate the importance of more extensive ties with Ukraine and other Republics, with all the peoples of the Soviet Union.

As I hope you know, the American people care about people in Ukraine and Russia and the other Soviet Republics. In the aftermath of the Chernobyl tragedy, American citizens and private relief organizations responded with deep concern and generosity. American physicians are helping Ukrainian officials study the long-term health effects of the accident. And through a Presidential initiative on medical assistance, we've shipped badly needed pharmaceutical supplies to help Chernobyl victims.

You are a strong people, and your rich and glorious past spans centuries of upheaval and change. You first brought Christianity to this part of Europe, this crossroads of Europe and Asia. Christianity took hold here over a thousand years ago when Prince Vladimir of Kiev baptized his followers in the Dnieper River.

Now, for the first time in 40 years, the patriarchs of the Ukrainian Orthodox and Catholic Churches have returned to Kiev. With the freedom to practice religion a spiritual renewal has begun among all the religions of Ukraine -- Catholics, Jews, Orthodox, and others. A new day, in some ways, has already arrived.

Thank you, Chairman Kravchuk. It's a great pleasure for all of us to be here. And we're looking forward to our visit.

Note: The ceremony began at 1:01 p.m. at Borispol Airport, upon the arrival of President Bush. Leonid M. Kravchuk, Chairman of the Republic of the Ukraine's Supreme Soviet, spoke in Russian and his remarks were translated by an interpreter. In his remarks, the President referred to U.S. and Soviet cooperation in dealing with the aftermath of a 1986 accident at the Chernobyl nuclear plant in the Ukraine.

Remarks at a Luncheon in Kiev, Soviet Union

August 1, 1991

Thank you very much. And I am very grateful to Chairman Kravchuk and people of Ukraine for welcoming us so warmly through your Golden Gate.

I will shorten these remarks because our lives are controlled by satellites these days. But I've come here to Kiev to learn more about the tremendous challenges you face, to strengthen the ties that link the people of America and the people of Ukraine, and to signal our strong support for free markets and free government.

Our people are not strangers. In Chicago and Cleveland, Pittsburgh and Philadelphia, and all across America, hundreds of thousands of Ukrainian Americans preserve your proud heritage and history.

The end of the cold war opens opportunities to forge a new relationship. Through increased trade, expanded exchanges -- through American medical assistance, efforts aimed at helping you cope with the after-effects of Chernobyl -- the United States and Ukraine can build a future based on shared aspirations and common interests.

So, our visit marks a beginning. We don't come to tell you how to pursue your future. We won't preach, nor prescribe solutions. We come to offer our expertise, our hopes. And we will do our best to build sturdier ties of culture, ideas, and trade with the Soviet Union and all of its Republics.

America stands ready to support the forces of reform in Ukraine, especially those of economic reform. But in the end, we recognize that Ukraine will shape its own future. And only you can transform an economy based on the concept of command and control into one based on the laws of supply and demand. Only you can guarantee the sovereign rights of the individual -- political, religious, and economic.

You will bear responsibility for making your land more prosperous and free, according to your traditions and cultures, your hopes and dreams.

May God bless both our lands. And may I say thank you, Chairman, for your hospitality. Mrs. Bush and I and all that travel with us are just delighted to be here. Thank you, sir.

Note: The President spoke at 3:10 p.m. at Marinsky Palace. In his remarks, he referred to Leonid M. Kravchuk, Chairman of the Republic of the Ukraine's Supreme Soviet. The President also referred to U.S. and Soviet cooperation in dealing with the aftermath of a 1986 accident at the Chernobyl nuclear plant in the Ukraine.

Remarks to the Supreme Soviet of the Republic of the Ukraine in Kiev, Soviet Union

August 1, 1991

Well, first, thank all of you for that warm welcome. And may I take this opportunity to thank all people of Ukraine that gave us such a warm welcome, such a heartfelt greeting. Every American in that long motorcade -- and believe me, it was long -- was moved and touched by the warmth of the welcome of Ukraine. We'll never forget it.

Chairman Kravchuk, thank you, sir. And to the Deputies of the Soviet, Supreme Soviet, may I salute you. Members of the clergy that are here, members of the diplomatic corps, representatives of American pharmaceutical and health care corporations who I understand are with us today, and distinguished guests all. Barbara and I are delighted to be here -- very, very happy. We have only one regret, and that is that I've got to get home on Thursday night -- I can still make it. And the reason is, our Congress goes out tomorrow, finishes their session they're in now, and I felt it was important to be there on that last day of the final session.

This beautiful city brings to mind the words of the poet Alexander Dovzhenko: ``The city of Kiev is an orchard. Kiev is a poet. Kiev is an epic. Kiev is history. Kiev is art."

Centuries ago, your forebears named this country Ukraine, or ``frontier," because your steppes link Europe and Asia. But Ukrainians have become frontiersmen of another sort. Today you explore the frontiers and contours of liberty.

Though my stay here is, as I said, far too short, I have come here to talk with you and to learn. For those who love freedom, every experiment in building an open society offers new lessons and insights. You face an especially daunting task. For years, people in this nation felt powerless, overshadowed by a vast government apparatus, cramped by forces that attempted to control every aspect of their lives.

Today, your people probe the promise of freedom. In cities and Republics, on farms, in businesses, around university campuses, you debate the fundamental questions of liberty, self-rule, and free enterprise. Americans, you see, have a deep commitment to these values. We follow your progress with a sense of fascination, excitement, and hope. This alone is historic. In the past, our nations engaged in duels of eloquent bluff and bravado. Now, the fireworks of superpower confrontation are giving way to the quieter and far more hopeful art of cooperation.

I come here to tell you: We support the struggle in this great country for democracy and economic reform. And I would like to talk to you today about how the United States views this complex and exciting period in your history, how we intend to relate to the Soviet central

Government and the Republican governments.

In Moscow, I outlined our approach: We will support those in the center and the Republics who pursue freedom, democracy, and economic liberty. We will determine our support not on the basis of personalities but on the basis of principles. We cannot tell you how to reform your society. We will not try to pick winners and losers in political competitions between Republics or between Republics and the center. That is your business; that's not the business of the United States of America.

Do not doubt our real commitment, however, to reform. But do not think we can presume to solve your problems for you. Theodore Roosevelt, one of our great Presidents, once wrote: To be patronized is as offensive as to be insulted. No one of us cares permanently to have someone else conscientiously striving to do him good; what we want is to work with that someone else for the good of both of us. That's what our former President said. We will work for the good of both of us, which means that we will not meddle in your internal affairs.

Some people have urged the United States to choose between supporting President Gorbachev and supporting independence-minded leaders throughout the U.S.S.R. I consider this a false choice. In fairness, President Gorbachev has achieved astonishing things, and his policies of glasnost, perestroika, and democratization point toward the goals of freedom, democracy, and economic liberty.

We will maintain the strongest possible relationship with the Soviet Government of President Gorbachev. But we also appreciate the new realities of life in the U.S.S.R. And therefore, as a federation ourselves, we want good relations -- improved relations -- with the Republics. So, let me build upon my comments in Moscow by describing in more detail what Americans mean when we talk about freedom, democracy, and economic liberty.

No terms have been abused more regularly, nor more cynically than these. Throughout this century despots have masqueraded as democrats, jailers have posed as liberators. We can restore faith in government only by restoring meaning to these concepts.

I don't want to sound like I'm lecturing, but let's begin with the broad term ``freedom." When Americans talk of freedom, we refer to people's abilities to live without fear of government intrusion, without fear of harassment by their fellow citizens, without restricting others' freedoms. We do not consider freedom a privilege, to be doled out only to those who hold proper political views or belong to certain groups. We consider it an inalienable individual right, bestowed upon all men and women. Lord Acton once observed: The most certain test by which we judge whether a country is really free is the amount of security enjoyed by minorities.

Freedom requires tolerance, a concept embedded in openness, in glasnost, and in our first amendment protections for the freedoms of speech, association, and religion -- all religions.

Tolerance nourishes hope. A priest wrote of glasnost: Today, more than ever the words of Paul the Apostle, spoken 2,000 years ago, ring out: They counted us among the dead, but look, we are alive. In Ukraine, in Russia, in Armenia, and the Baltics, the spirit of liberty thrives.

But freedom cannot survive if we let despots flourish or permit seemingly minor restrictions to multiply until they form chains, until they form shackles. Later today, I'll visit the monument at Babi Yar -- a somber reminder, a solemn reminder, of what happens when people fail to hold back the horrible tide of intolerance and tyranny.

Yet freedom is not the same as independence. Americans will not support those who seek independence in order to replace a far-off tyranny with a local despotism. They will not aid those who promote a suicidal nationalism based upon ethnic hatred.

We will support those who want to build democracy. By democracy, we mean a system of government in which people may vie openly for the hearts -- and yes, the votes -- of the public. We mean a system of government that derives its just power from the consent of the governed, that retains its legitimacy by controlling its appetite for power. For years, you had elections with ballots, but you did not enjoy democracy. And now, democracy has begun to set firm roots in Soviet soil.

The key to its success lies in understanding government's proper role and its limits. Democracy is not a technical process driven by dry statistics. It is the very human enterprise of preserving freedom, so that we can do the important things, the really important things: raise families, explore our own creativity, build good and fruitful lives.

In modern societies, freedom and democracy rely on economic liberty. A free economy is nothing more than a system of communication. It simply cannot function without individual rights or a profit motive, which give people an incentive to go to work, an incentive to produce.

And it certainly cannot function without the rule of law, without fair and enforceable contracts, without laws that protect property rights and punish fraud.

Free economies depend upon the freedom of expression, the ability of people to exchange ideas and test out new theories. The Soviet Union weakened itself for years by restricting the flow of information, by outlawing devices crucial to modern communications, such as computers and copying machines. And when you restricted free movement -- even tourist travel -- you prevented your own people from making the most of their talent. You cannot innovate if you cannot communicate.

And finally, a free economy demands engagement in the economic mainstream. Adam Smith noted two centuries ago, trade enriches all who engage in it. Isolation and protectionism doom its

practitioners to degradation and want.

I note this today because some Soviet cities, regions, and even Republics have engaged in ruinous trade wars. The Republics of this nation have extensive bonds of trade, which no one can repeal with the stroke of a pen or the passage of a law. The vast majority of trade conducted by Soviet companies -- imports and exports -- involves, as you know better than I, trade between Republics. The nine-plus-one agreement holds forth the hope that Republics will combine greater autonomy with greater voluntary interaction -- political, social, cultural, economic -- rather than pursuing the hopeless course of isolation.

And so, American investors and businessmen look forward to doing business in the Soviet Union, including the Ukraine. We've signed agreements this week that will encourage further interaction between the U.S. and all levels of the Soviet Union. But ultimately, our trade relations will depend upon our ability to develop a common language, a common language of commerce -- currencies that communicate with one another, laws that protect innovators and entrepreneurs, bonds of understanding and trust.

It should be obvious that the ties between our nations grow stronger every single day. I set forth a Presidential initiative that is providing badly needed medical aid to the Soviet Union. And this aid expresses Americans' solidarity with the Soviet peoples during a time of hardship and suffering. And it has supplied facilities in Kiev that are treating victims of Chernobyl. You should know that America's heart -- the hearts of all -- went out to the people here at the time of Chernobyl.

We have sent teams to help you improve upon the safety of Ukrainian nuclear plants and coal mines. We've also increased the number of cultural exchanges with the Republics, including more extensive legal, academic, and cultural exchanges between America and Ukraine.

We understand that you cannot reform your system overnight. America's first system of government -- the Continental Congress -- failed because the States were too suspicious of one another and the central government too weak to protect commerce and individual rights. In 200 years, we have learned that freedom, democracy, and economic liberty are more than terms of inspiration. They're more than words. They are challenges.

Your great poet Shevchenko noted: Only in your own house can you have your truth, your strength, and freedom. No society ever achieves perfect democracy, liberty, or enterprise; if it makes full use of its people's virtues and abilities, it can use these goals as guides to a better life.

And now, as Soviet citizens try to forge a new social compact, you have the obligation to restore power to citizens demoralized by decades of totalitarian rule. You have to give them hope, inspiration, determination -- by showing your faith in their abilities. Societies that don't trust themselves or their people cannot provide freedom. They can guarantee only the bleak tyranny of suspicion, avarice, and poverty.

An old Ukrainian proverb says: When you enter a great enterprise, free your soul from weakness. The peoples of the U.S.S.R. have entered a great enterprise, full of courage and vigor. I have come here today to say: We support those who explore the frontiers of freedom. We will join these reformers on the path to what we call -- appropriately call a new world order.

You're the leaders. You are the participants in the political process. And I go home to an active political process. So, if you saw me waving like mad from my limousine, it was in the thought that maybe some of those people along the line were people from Philadelphia or Pittsburgh or Detroit where so many Ukrainian-Americans live, where so many Ukrainian-Americans are with me in the remarks I've made here today.

This has been a great experience for Barbara and me to be here. We salute you. We salute the changes that we see. I remember the French expression, vive la difference, and I see different churnings around this Chamber, and that is exactly the way it ought to be. One guy wants this and another one that. That's the way the process works when you're open and free -- competing with ideas to see who is going to emerge correct and who can do the most for the people in Ukraine.

And so, for us this has been a wonderful trip, albeit far too short. And may I simply say, may God bless the people of Ukraine. Thank you very, very much.

Note: The President spoke at 3:55 p.m. in Session Hall of the Supreme Soviet Building. In his remarks, he referred to Leonid M. Kravchuk, Chairman of the Republic of the Ukraine's Supreme Soviet.

Remarks at the Babi Yar Memorial in Kiev, Soviet Union

August 1, 1991

Thank you, Chairman Kravchuk. And to our special guests today, the survivors of the Babi Yar massacres and the Ukrainians who helped rescue them, it is my great honor to be here today.

We come to Babi Yar to remember. We remember violence and valor; we remember prejudice and selflessness. At Babi Yar, in the vast quiet here, something larger than life assails us: the shadows of past evil, the light of past virtue. The wind that shakes the leaves bears a special weight, as if whispering warnings and cautions, telling tales of victims and villains, cowards and heroes.

Babi Yar stands as a monument to many things. It reminds us that history gives our lives meaning and continuity and that any nation that tries to repudiate history, tries to ignore the actors and events that shape it, only repudiates itself.

For many years, the tragedy of Babi Yar went unacknowledged, but no more. You soon will place a plaque on this site that acknowledges the genocide against Jews, the slaughter of gypsies, the wanton murder of Communists, Christians -- of anyone who dared oppose the Nazi madman's fantasies.

Babi Yar reminds us of the sheer stupidity of prejudice. Here we think about people of great promise and talent, young men and women who would have become doctors or physicists, athletes or artists, mothers, fathers. All died because a maniac in Berlin wanted to exterminate their kind.

The statue here testifies to an important truth. Just as bricks and stones shape great monuments, families shape nations. The love of parents, the trust of children, the blessings of life and learning -- these things give life meaning; they give society its character; they give nations a sense of destiny and purpose.

Here, at Babi Yar, Nazis set out to destroy families and faiths, set out to destroy the soul of a nation. And here, on September 29, 1941, soldiers forced men, women, and children to undergo a ritual of humiliation and death. Victims stopped first to empty their pockets and place their valuables in heaps on the ground, and then moved forward to another place where they had to remove their clothing, which Nazis folded in neat piles -- booty for the Fuehrer.

And then shivering, they moved to the edge of the ravine where marksmen murdered their prey, letting the bodies tumble into long, deep pits. For 36 hours, rifle reports and shrill human cries

shattered the calm. Nazis tried to drown out that horror by playing dance music over loudspeakers. And despite this macabre ritual, screams made their way into the hearts of townspeople -- and to the pages of history.

When the first round of shooting stopped, more than 33,000 bodies lay in the pit, and many more people had committed suicide rather than undergoing the humiliating execution rites. Within 18 months, nearly 100,000 people perished here.

Miraculously, a few managed to escape, several of whom have joined us today, along with several people who helped protect the victims of the massacred at Babi Yar. And I think it would be most appropriate to ask them to stand so we may honor them.

Abraham Lincoln once said: We cannot escape history. Mikhail Gorbachev has promoted truth in history. Here's the quote: Not to settle political scores, or cause suffering, but to render due tribute to everything that was heroic in the past and to learn lessons from mistakes and miscalculations.

Today we stand at Babi Yar and wrestle with awful truth. We marvel at the incredible extremes of human behavior. And we make solemn vows:

We vow this sort of murder will never happen again.

We vow never to let the forces of bigotry and hatred assert themselves without opposition.

And we vow to ensure a future dedicated to freedom and individual liberty rather then to mob violence and tyranny.

And we vow that whenever our devotion to principle wanes, we will think of this place. We will remember that evil flourishes when good men and women refuse to defend virtue.

Let me quote the poet Yevtushenko, whose poem about Babi Yar helped restore remembrance of this place and of its history. Here's what he wrote: On Babi Yar weeds rustle; the tall trees, like judges, loom and threaten. All screams in silence; I take off my cap and feel that I am slowly turning gray. And I, too, have become a soundless cry over the thousands that lie buried here. I am each old man slaughtered, each child shot. None of me will forget.

None of us will ever forget.

The Holocaust occurred because good men and women averted their eyes from unprecedented evil. And the Nazis fell when good men and women opened their eyes, summoned their courage and faith, and fought for democracy, liberty, and justice and decency. This memorial proves that eventually the forces of good and of truth will rise in triumph. No matter how bleak our lives may seem, this fact should comfort us. It should inspire us to spare future generations from horrors

like the one that claimed nearly 100,000 souls at Babi Yar.

May God bless you all. May God bless Ukraine and its wonderful people, and may God bless the memories of Babi Yar.

Note: The President spoke at 5:25 p.m. in front of the memorial. In his remarks, he referred to Leonid M. Kravchuk, Chairman of the Republic of the Ukraine's Supreme Soviet.

Remarks on the Middle East Peace Talks in Kiev, Soviet Union

August 1, 1991

The President. -- -- a wire service report that Prime Minister Shamir has accepted and they will attend this conference. I've not yet had a chance -- just got on the plane -- have not had a chance to talk to Secretary Baker, but this, indeed, is good news if that report is accurate. And I hope it is, assume it is.

And there's still a lot of hard work ahead, but this is bound to be good news for peace in the Middle East. And I'm very, very pleased that the hard work on many parties, especially our Secretary of State, looks like it may be coming to fruition. So, let's mark this one up as good tidings, and I hope that things go forward right now in a good way.

Q. How did you solve the Palestinian issue, Mr. President?

The President. I leave all the details to the Secretary until -- at least until I have chance to talk to the Secretary. All I've heard was a service report -- a wire service report that Prime Minister Shamir has accepted. And I assume that's the way -- under the conditions that were presented to him. And if so, that's very good.

Q. Did he ask if -- --

The President. That's all I've got. I don't know enough about it to comment anymore, except to say I think it's very good and we'll have more on that later.

Note: The President spoke at 7 p.m. aboard Air Force One, prior to departure for Washington, DC. In his remarks, he referred to Prime Minister Yitzhak Shamir of Israel.

Message to the Senate Transmitting the International Convention on Oil Pollution Preparedness, Response and Co-operation, 1990, With Annex

August 1, 1991

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the International Convention on Oil Pollution Preparedness, Response and Co-operation, 1990, with Annex, adopted at London November 30, 1990. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Convention.

The Exxon Valdez experience demonstrated that catastrophic oil spills have the potential to overwhelm the resources of any single nation. The Convention is an important new international environmental agreement that establishes a global framework for cooperation among nations whose resources, knowledge, and expertise are available to share in preparing for and combatting such spills.

The Convention, which was signed by the United States on November 30, 1990, subject to ratification, was developed in response to a U.S. initiative at the Paris Economic Summit in July 1989. When in force, the global response coordination mechanism created by the Convention will make a significant contribution to minimizing damage from major oil pollution incidents and to the protection of the marine environment. I therefore recommend that the Senate give early and favorable consideration to the Convention and give its advice and consent to ratification.

George Bush

The White House,

August 1, 1991.

Memorandum on Trade With the Soviet Union

August 2, 1991

Presidential Determination No. 91 - 47

Memorandum for the Secretary of State

Subject: Determination under Section 405(a) of the Trade Act of 1974, as Amended -- the Union of Soviet Socialist Republics

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I determine, pursuant to section 405(a) of the Trade Act, that the ``Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and to publish it in the Federal Register.

George Bush

Letter to Congressional Leaders Transmitting a Proclamation on Soviet-United States Trade Relations

August 2, 1991

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 407 of the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I am transmitting a copy of a proclamation that extends nondiscriminatory treatment to the products of the Union of Soviet Socialist Republics. As an annex to the proclamation, I also enclose the text of the ``Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics," which I signed on June 1, 1990, including related annexes and exchanges of letters.

Implementation of this Agreement will strengthen political relations between the United States and the Soviet Union and produce economic benefits for both countries. It will also give further impetus to the progress we have made in our overall diplomatic relations over the last several years, and help to reinforce political and economic reform in the Soviet Union.

I believe that the Agreement is consistent with both the letter and the spirit of the Trade Act. It provides for mutual extension of nondiscriminatory tariff treatment, while seeking to ensure overall reciprocity of economic benefits. It includes safeguard arrangements designed to ensure that imports from the Soviet Union will not disrupt the U.S. market.

The Agreement also confirms and expands for American businesses certain basic rights in conducting commercial transactions both within the Soviet Union and with Soviet nationals and business entities. Other provisions include those dealing with settlement of commercial disputes, financial transactions, and government commercial offices. Through this Agreement, the Soviet Union also undertakes obligations to modernize and upgrade very substantially its protection of all forms of intellectual property rights. Once fully implemented, the Soviet intellectual property regime will be on a par with that of our principal trading partners.

I note that the proclamation also extends nondiscriminatory treatment to the products of Estonia, Latvia, and Lithuania. This in no way affects the long-standing U.S. policy of not recognizing the forcible incorporation of the Baltic States into the Soviet Union and of continuing to support their legitimate aspirations.

On December 29, 1990, I waived application of subsections (a) and (b) of section 402 of the Trade Act with respect to the Soviet Union. On June 3, 1991, I recommended an extension of the waiver authority in section 402. I included with this recommendation my determination that the continuation of the waiver in effect for the Soviet Union would substantially promote the

objectives of section 402.

I urge that the Congress act as soon as possible to approve the ``Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics" and the proclamation extending nondiscriminatory treatment to the products of the Union of Soviet Socialist Republics, Estonia, Latvia, and Lithuania by enactment of a joint resolution, referred to in section 151 of the Trade Act.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Nomination of B. Robert Okun To Be an Assistant Secretary of Education

August 2, 1991

The President has nominated B. Robert Okun, of the District of Columbia, to be Assistant Secretary for Legislation and Congressional Affairs at the United States Department of Education. He would succeed Nancy Mohr Kennedy.

Currently Mr. Okun serves as a consultant for the United States Department of Education in Washington, DC. Prior to this he served as executive director of the House Republican Conference, 1989 - 1991.

Mr. Okun graduated from Duke University (A.B., 1981). He was born October 24, 1959, in Glen Cove, NY. Mr. Okun is married and resides in Washington, DC.

Statement by Press Secretary Fitzwater on Cyprus

August 2, 1991

Prime Minister Mitsotakis and President Ozal have informed President Bush that Greece and Turkey have agreed to attend a well-prepared meeting concerning Cyprus.

The meeting would be convened and chaired by the United Nations Secretary-General under his Security Council mandate. Greek and Turkish leaders will work in support of the Secretary-General's efforts to narrow differences in advance of it. The meeting is planned for September in the United States, provided that adequate progress in the effort to narrow those differences is made in the meantime.

Proclamation 6320 -- Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics

August 2, 1991

By the President of the United States

of America

A Proclamation

1. Pursuant to the authority vested in me by the Constitution and the laws of the United States, as President of the United States of America, I, acting through duly empowered representatives, entered into negotiations with representatives of the Union of Soviet Socialist Republics to conclude an agreement on trade relations between the United States of America and the Union of Soviet Socialist Republics.

2. These negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act").

3. As a result of these negotiations, an ``Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics," including annexes and exchanges of letters which form an integral part of the Agreement, the foregoing in English and Russian, was signed on June 1, 1990, by duly empowered representatives of the two Governments and is set forth as an annex to this proclamation.

4. This Agreement conforms to the requirements relating to bilateral commercial agreements set forth in section 405(b) of the Trade Act (19 U.S.C. 2435(b)).

5. Article XVII of the Agreement provides that the Agreement shall enter into force on the date of exchange of written notices of acceptance by the two Governments.

6. Section 405(c) of the Trade Act (19 U.S.C. 2435(c)) provides that a bilateral commercial agreement providing nondiscriminatory treatment to the products of a country heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress under the provisions of that Act.

7. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States the substance of the provisions of that Act, of

other acts affecting import treatment, and actions taken thereunder.

Now, Therefore, I, George Bush, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 404, 405, and 604 of the Trade Act of 1974, as amended, do proclaim that:

(1) This proclamation shall become effective, said Agreement shall enter into force, and nondiscriminatory treatment shall be extended to the products of the Union of Soviet Socialist Republics, in accordance with the terms of said Agreement, on the date of exchange of written notices of acceptance in accordance with article XVII of said Agreement. The United States Trade Representative shall publish notice of the effective date in the Federal Register. On such date, and without prejudice to the long-standing U.S. policy of not recognizing the forcible incorporation of Estonia, Latvia, and Lithuania into the Soviet Union, nondiscriminatory tariff treatment shall also be extended to the products of Estonia, Latvia, and Lithuania.

(2) Effective with respect to articles entered, or withdrawn from warehouse for consumption, into the customs territory of the United States on or after the date provided in paragraph (1) of this proclamation, general note 3(b) to the Harmonized Tariff Schedule of the United States, enumerating those countries whose products are subject to duty at the rates set forth in Rates of Duty Column 2 of the tariff schedule, is modified by striking out ``Estonia'', ``Latvia'', ``Lithuania'', and ``Union of Soviet Socialist Republics''.

In Witness Whereof, I have hereunto set my hand this second day of August, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:28 p.m., August 2, 1991]

The President's News Conference

August 2, 1991

The President. Today, August 2, provides an opportunity for all Americans to reflect upon the past year. It was just 12 months ago today that Saddam Hussein, lacking provocation or cause, ordered an attack upon Iraq's small and defenseless neighbor, Kuwait. What followed, the world now knows, was a nightmare of brutal occupation, a nightmare that only came to an end several months ago. What liberated Kuwait was an unprecedented effort, one that brought together most of the international community, initially in support of sanctions, ultimately in support of military force, and always consistent with the principles and resolutions of the United Nations.

Our task has not ended. We must ensure that Iraq complies fully with all U.N. resolutions and eliminates its weapons of mass destruction. And we must work to reintegrate Iraq and its people into the region once the Iraqi people choose new leadership.

Most significantly on this August 2d, we note that two new opportunities for peace have emerged as a biproduct of our efforts in the Gulf. In the Middle East, we're close to convening a conference this October that will launch direct talks among Israel, the Palestinians, and the Arab States. I welcome Prime Minister Shamir's statement that he supports our proposal, and I call upon Israel and the Palestinians to clear away remaining obstacles and seize this truly historic opportunity for peace.

And I'm pleased, too, on another front, that Prime Minister Mitsotakis and President Ozal have informed me that Greece and Turkey have agreed to attend a meeting concerning Cyprus. This meeting would be well-prepared and both convened and chaired by the United Nations Secretary-General under his Security Council mandate. Greek and Turkish leaders will work in support of the Secretary-General's efforts in advance of the meeting, planned for September in the United States, provided that adequate progress is made narrowing differences before then.

That's the end of the statement, and I'll be glad to take just a few questions. Helen [Helen Thomas, United Press International], I understand you have the first question.

Middle East Peace Talks

Q. Mr. President, you're on the record several times saying that the implementation of U.N. Resolution 242 and 338, land-for-peace, should be the basis of ending this 40-year conflict. Do you still feel that way?

The President. Well, the United States has not changed its position on 242 and 338, of course. But the point now is not to further elaborate on how we think the outcome should be; this is a matter to be negotiated. But the United States' policy hasn't changed.

Q. But you admit that there has to be concessions on both sides, though.

The President. I would leave that for the discussions. One way to avoid progress is to start spelling out what should happen or how it should work before the parties sit down. The big news and the important news is, there seems to be agreement on this conference. And I think -- I'll tell you, people all around the world are hoping that this proves to be true. We don't want to miss this opportunity for peace.

POW's and MIA's

Q. Sir, you were shot down and you know what it's like. And if you had been captured and they had not come after you, it would have been pretty bad, wouldn't it? I wonder how you feel about the possibility that there are still alive people over there who were captured who might be in Cambodia or Laos -- --

The President. Yes.

Q. -- -- or Vietnam. And did you ask the Soviets about any prisoners they might have from past World Wars?

The President. Yes, we raised that with the Soviets. They've maintained before and I would expect maintain again that they know of no American prisoners. But look, you're talking to one who was almost taken prisoner, and I think the United States Government should run down every single lead. As General Scowcroft said the other day, and I back him fully, there's no hard evidence of prisoners being alive. And for those who are unscrupulously raising the hopes of families by fraud, that should be really condemned. You talk about something brutal to a family, that's about as cruel as you can do. However, if there's any hard evidence, it will be pursued and run to the ground. And our policy has always been based on the assumption that until we can account for every person missing that we have to run down these leads to prove that nobody is held.

But, Sarah [Sarah McClendon, McClendon News], I've got to be careful that I don't do what some have done and maliciously raise the hopes of families, and yet, I want to reassure those families our Government, our Defense Department, they're going to go the extra mile to find out if there's anything there. And is anybody has any hard evidence, please bring it forward.

So, you hit me on something that really I feel strongly about in my heart.

1992 Campaign

Q. Mr. President, tomorrow you've summoned your top political advisers to Camp David to talk

about the re-election campaign in 1992. Does this mean that you've made the decision to run again?

The President. No. No firm decision in that regard. But I'm going away next week for a vacation, and I'm very happy about that, incidentally. And before I went I wanted to get some advisers together to talk about 1992. But there will be no decisions as to organization, there will be no decision as to issues, there will be no firm decisions for me. It's a listening session. I wanted to get it out of the way before I go up to Maine. It's not inclusive, incidentally.

Most of the people that will be there will be from around the Washington area, and of course, as you look down the road at a possible 1992 race, there are people all over this country to whom I owe the very fact I'm standing here who won't be there. So, it's that kind of a listening session. And the last thing I want to do is project a sense of arrogance or unconcern about the tough task that lies ahead if I decide to be a candidate, and this is a good way to start a little more formal listing project. But that's about all.

Do you want a followup to that?

Q. Yes. Mrs. Bush has raised some personal concerns. She said she supports whatever you want to do. But can you foresee anything that might make you decide not to run?

The President. No. I'll be honest -- the only thing would be a health problem, and I don't have one right now. But I mean, it wouldn't be fair to the American people to ask to be reelected, knowing that you, in your heart of hearts, might feel you couldn't finish the job. But I don't feel that way. I think the doctors whom report regularly, it seems to me -- [laughter] -- I'm very sorry about that. That's a third dog and we've already got two. I don't know what she's doing here. Where were we? I was answering a serious -- oh, the health. [Laughter] My memory. [Laughter]

Well, look, if you had a dog run across in front of you like that -- health is good, and Barbara leveled with people the other day. I've tried to level with them. I would not masquerade or hide on a question of that significance. And, frankly, Rita [Rita Beamish, Associated Press], that's about the only thing I can think of that would make me change my mind. Sometimes I feel, let's go -- all right, let's join forces -- particularly when I listen to some of the charges that take place by the Democrats who now seem to have a concerted policy, and that policy is to tear down the President -- otherwise very nice Senator's -- [laughter] -- now reverting to out-of-character attacks. They really are.

You look at the people that are going ballistic out there and they're not that kind of guy, but they've got a game plan now. So, sometimes I feel the juices start flowing. But it's a little early for that. I haven't even been on vacation yet. Wait until I come back all ready to charge.

Iraq

Q. Mr. President, you talk about a continuing need to replace the leadership in Iraq. Did you and Mr. Gorbachev discuss this? This is one element we haven't heard of your discussions. And to what degree do you still have Soviet support in dealing with Iraq?

The President. I think the Soviets are as interested as anybody else in seeing Iraq comply fully with the United Nations resolutions. I did have a chance to discuss at the meeting we had outside of Moscow the feelings that I've expressed here and that I've expressed before about the need to change Iraq's leadership, the fact that there will not be normalized relations with the United States, anyway, as long as Saddam Hussein is in power.

But I want to keep repeating, Charles [Charles Bierbauer, Cable News Network], this -- look, the argument isn't with the people of Iraq; the argument isn't with the other leaders in Iraq. The argument is with Saddam Hussein. If the military talked him into stepping aside and getting out of there, I'd give them a real break as far as U.S. policy goes. I'd start over and say, all right, now you prove to us that you want to live within the family of nations peacefully. You show me now that you're going to comply with these resolutions, and we're going to give you every benefit of the doubt. So, the argument still is with Saddam Hussein, and I don't know of one single defender that he has anywhere around the world anymore.

Q. Well, does Mr. Gorbachev agree with you that he must go, and did you contemplate any steps -- --

The President. Well, I don't know that. I don't want to put words in his mouth about whether he agrees or not, but you asked whether we had a chance to discuss it, and we sure had a chance. He gave me every chance to tell him how strongly I feel about it.

Q. So, what do you do next?

The President. That's the third question, and we don't know. It's a good question, though. What we do is keep pressing for full implementation of these resolutions. Look, it's not all negative. There has been some compliance. I continue to feel, based on good evidence, that they are hiding information, that they are begrudgingly giving up information, and so I would call upon them to be far more cooperative than they've been.

Middle East Peace Talks

Q. Mr. President, on the Palestinians, what is the latest with Jim Baker and how he's resolving the issue with the Palestinians?

The President. I would just leave that for him to make an announcement at the appropriate time. There are some sensitive negotiations going on. It would not be helpful for me to talk about

formulas, what the U.S. is trying to do on all of this. We're involved in a process of real diplomacy here, and I should have said at the outset that I'm just not going to go into details of that nature.

Economy

Q. Mr. President, new unemployment figures out today show the jobless rate remaining high. In light of that, are you willing to extend unemployment benefits, as the Senate has suggested, and more broadly, what do you intend to do about the economy?

The President. Let me say to the American people I was delighted to see the unemployment come down from 7 percent to 6.8 percent. Still too high, but moving in the right direction. So, the bill -- I don't have a bill on my desk yet. Dole -- Senator Dole had a very good approach. The last thing we want to do is break the budget agreement and spend outside to increase the deficit. I do not want to see higher interest rates that would have a devastating effect on this economy, and that's what would result if we go and pass a lot of legislation that busts the budget agreement. So, wait until I see what the House does and what legislation comes this way. But I like the Dole approach; I support him for that.

I don't read the unemployment news as anything but very good news for the American people.

Q. Do you think lower interest rates are needed at this point?

The President. I've always been a low-interest rate man, but I don't want to make this a clarion call, standing here at this moment for the Fed to reduce the rates -- short-term rates. But I must say, I think inflation has been pretty well under control. I'd still like to see it lower, of course. But I want jobs and I want growth. And I think the people that are out of work that could have a job if the economy was more robust. So, you ask me, do I lean in favor of lower or higher rates. That would be a very easy question, and I'd say lower. But I want to wait and see now how this unemployment news is received by the markets. But basically, I think we can afford to have lower rates. I want to keep the economy growing.

HIV Policy

Q. Mr. President, do you favor maintaining that 4-year ban on immigration for those contaminated with the HIV virus?

The President. I'm sorry, I have not had a chance to talk to the key administration officials on that, which would be the people at NIH and the HHS Secretary. There's been some movement on it since I've been gone, but I just am not prepared to announce our policy firmly at this time.

Women in Combat

Q. Congress yesterday lifted the ban on restriction of women in combat. Are you in favor of that?

The President. Well, again, I don't want to dodge behind my absence, but I don't think it did on all combat assignments, as I see it.

Q. -- -- for pilots.

The President. Well, I think there are some darn good women pilots out there and I have no particular hangups on that. But I want to see -- I want to hear from the Secretary of Defense, the members of the Joint Chiefs on all of these things. That's the way you make prudent decisions around here. Sometimes it's considered a little overly cautious, but I think on something of this nature I really want to hear, certainly, from General Powell and Secretary Cheney.

Middle East Peace Talks

Q. Mr. President, do you consider East Jerusalem to be occupied territory subject to the U.N. resolution?

The President. You must have missed what I said earlier here about trying to get something going. This is no time to go into contentious issues, representational issues. The policy of the United States is clear. But what we've got to do now is be this catalyst to get people talking. And for me to go into issues of that nature at this point, I'm simply not going to do that.

We've got a couple more. Marlin is frantic here.

Cuba

Q. At the summit, did you ask President Gorbachev to cut off military assistance to Cuba, and if so, what did he tell you?

The President. I had an opportunity to tell him that one way the Soviet Union would have vastly improved receptivity here would be to do exactly that. It's a bit of an anomaly as the Soviet Union is moving toward democracy and freedom and for political participation to have one sore thumb sticking out in this hemisphere, a sore thumb that is being financed by the Soviet Union. They do say, and I think with some merit, that they have significantly reduced their contributions to Cuba. But look, I'd love to see them eliminated, and he gave me every chance in the world to express my position on that.

Q. Sir, just to follow, did he indicate -- --

Iraq

Q. -- -- type of commitment on whether or not he would be in favor of resuming use of force against Iraq if Iraq doesn't comply with uncovering all of those nuclear weapons?

The President. I think without going into some confidential talks, to paraphrase, I think he's hopeful that that wouldn't even be necessary, that Iraq would comply. I'm not as relaxed on it.

Northern Territories

Q. Mr. President, did you raise the Carile Island issue? If so, what was Mr. Gorbachev's response?

The President. The Northern Territories?

Q. Yes.

The President. Yes, it was raised publicly and privately. I wasn't pushing for some answer; I was saying that we support the Japanese position, and I think he understands that.

Civil Rights

Q. Mr. President, what are your specific objections to Senator Danforth's civil rights compromise?

The President. I haven't seen Jack Danforth's last position. I will say that I thought the letter I sent up answered the one condition that he told me existed, the one difference that existed. When he came in here, he said there's one difference. And I had hoped that the answer that I sent to him, based on the Attorney General's opinions, would answer it. Apparently it has not done that. But look, we'll keep talking about this, and I salute Jack Danforth. In the first place, I respect him; in the second place, I know he's coming at this as a matter of conscience. I think he also knows that I want to get a civil rights bill. And I don't want to miss this opportunity to say how grateful all of us are who strongly support this good man, Clarence Thomas, how grateful we are to Jack Danforth for his key leadership role. There's not many Senators up there that have more respect.

But I'll keep talking about this civil rights matter with him. We've got some time now. As I say, I thought I had replied to what he said was the one problem. It boils down to something like education -- what kind of educational requirements an employer can put on. And Jack was worried that if you have an entry-level job -- you know, say a cleaning-up job somewhere -- that you shouldn't deny a man work because of requiring a high school diploma for that. And I thought that what we did in our letter was to make clear to him that that's not what our interpretation of the legislation would do and that there's ways to waive that in the legislative history so that you can have entry-level jobs that do not require education.

Having said that, I want to see excellence in education. I want to see more people get high school diplomas. I want to see more people have an incentive to get a better education. And that's why the approach that we've been taking, I think, was a good one.

But, again, I can't fault Jack Danforth's integrity, his honor, and I will look carefully at his response, which apparently is on its way down here.

Economy

Q. Mr. President, the initial market response has been one of concern to the unemployment figures -- concern that perhaps the recovery has been shaky and that the decline is essentially a reflection of Americans giving up hope, not even applying for unemployment.

The President. Not even what?

Q. Applying for unemployment.

The President. Well, if they aren't even applying for unemployment and they're entitled to it, then I don't think we need further unemployment benefits. What I do think is that the economy is recovering and it's moving forward. And if they're not even applying for the benefits that are already there, I wouldn't argue that that's a sign of desperation. I would argue that that's a sign that they might think things are getting better, or otherwise, they would apply.

Q. Sir, some of those people -- the length of their -- that their entitled for unemployment just ran out.

The President. I think some people are hurting and hurting badly, and that's why I like the Dole approach that does take care of some extension of these benefits. But it couples it with fiscal integrity. And that's what I think is needed.

Q. -- -- this week that the CIA knew as early as 1986 that BCCI had acquired illegal ownership of the First American Bank. Doesn't this -- and that they told other Government Agencies, but not apparently the Federal Reserve Board. Doesn't this raise serious questions about Government determination to bring this bank within the law?

The President. May I ask just as a matter of fact where was it revealed, because I again have been gone. If it was revealed this week, I've been out of the country. But what revelation are we referring to; was there some testimony to that effect?

Q. No, this was a memo, a CIA working paper that was declassified by Senator Kerry as part of

his hearings.

The President. Well, I'll have to look at it to see. But I think there's a lot of second-guessing and hindsight going on in this matter. It's an egregious matter of breach of public trust in the sense that this bank apparently was doing very bad things. But I've seen motives assigned to various people that I'm not prepared to accept at this point. And I really shouldn't get into that question until I know exactly what the charge is, which I don't know.

I do know this, that some are trying to use this matter to be against my nominee to head the CIA, Bob Gates. And I will resist that every way possible because I repeat my full confidence in his honor and his integrity. And that's where it is and that's where it's going to be all year long until the Senate does what it should have done, in my view, some time ago, and that's approve him to be Director.

Q. Would you regard this as a serious matter, if it turned out -- --

The President. I do regard the whole thing as a very serious matter. A lot of people are going to be hurt in this matter -- depositors, honest depositors. And so, I view the whole thing as a serious matter.

Q. Can I just finish? If it turned out the Government Agencies were aware of this but didn't pass this information on to the Federal Reserve Bank, would that be a serious matter?

The President. Well, I think if people were absolutely certain of the fraud and cheating of people, that information should go in proper channels to whoever's responsible. Yes, I would view that as something that's -- --

Yes, two more over here. These two women in the front here seem very eager.

Domestic Affairs

Q. Let me just ask you about -- there are a lot of Americans who are unemployed or jobless or just kind of struggling to get by and who see you traveling around and talking about aid to the Soviet Union and Eastern Europe and so forth, and see, perhaps incorrectly, feel and argue that you seem to be paying more attention and more concern to people outside the country. And this is a cry, as you know, that those not so nice Senators may be adding on to. But I wonder, are you concerned about this perception? Is this something that you'll be -- --

The President. No, I'm not in the least concerned. You see, I think people are interested in the START agreement. I think people around this country want to see their children grow up in a world that has less concern about blowing each other up in the world. So, I think people are very much concerned. Yes, they've got economic problems, but I think people are saying, I think it's

good that America is taking the lead in trying to bring about better relations with the Soviet Union who we used to always be enemies with. I think American people are saying, good heavens, if the United States can be a catalyst for peace in the Middle East, this is good.

Now, if the charge was made that that's the only thing I'm interested in, and they can manage to sell that through nice guys being told to say bad things, I would be concerned. But listen, we haven't begun to fight on that front. We've got excellent programs. And the only way, when the other party controls the Congress, is to defeat some of their lousy ideas and then keep saying to the American people, have your congressman try the President's ideas.

Civil rights is a very good example. Some of our education initiatives are a very good example. Our housing initiatives are a very good example. So, please, American people -- let me look over this way -- please, do not listen to the charges by frantic Democrats who are trying to say we don't have a domestic policy when we have a very good one. Give it a chance. Let the President's programs come up, and let's have some support for what he was elected to do, not do it on the basis of a concerted, liberal Democratic attack on the President.

And I am not going to lose interest in world peace, and I don't think the American people want me to. And so, we are fully engaged, and wait until you see me come back after August, after I'm rested up a little, to take on these fellows who are very nice, very pleasant -- all go down to Pamela Harriman's farm down here, the bastion of democracy -- and come back and tell me that we don't have a domestic program. Come on. Lighten up out there. We've got a good one.

Yes, John [John Cochran, NBC News], last question.

Q. Where are you -- --

The President. No, we had one over here too, didn't we? No, go ahead to him and then we'll come back.

1992 Campaign

Q. Are you going to meet with your advisers this week? And where do you think you're vulnerable politically? Some of your people talk about the Democrats may try to pass a health care plan and you'll get hurt on that, or they may try a soak the rich scheme. What are you worried about? You're a pretty good political analyst yourself, you're going to bring something to the discussion -- --

The President. You know why I'm laughing, John? I remember the campaign. Please tell us your weaknesses. Please tell us why you can't make it. It's like those questions that came up during the Iraq war, you remember, on Saturday Night Live: please give us the code words so when we invade the beaches we'll know where not to go. Please tell us the exact missile sites that you have,

so that we can share this with the American people. [Laughter]

Hey, I've got plenty of problems. And I do a lot of things wrong and I'm going to try to do better. But we've got a good domestic agenda. We will have a lot more to say about this in the fall. We need more farsighted people like me in Congress, I might add, that will give our ideas a chance.

Q. Are you going to run for Congress?

Q. You should have stayed there, but you didn't.

The President. I mean it. I really hope that we can get more people out there that look at these issues the way I did. The American people elected me to do certain things, and they see a Congress that is frustratingly negative on everything. And so, that's why I'm getting fired up thinking about it, getting a little ahead of where I want to be now. But we've got a good message and it will get out there. But I'll be darned, John, if I'm going to help you by saying, hey, here's my real weakness.

Q. -- -- Democrats most vulnerable? Pick two issues the Democrats are most vulnerable on.

The President. The economy and world affairs, both.

Last one.

Latin America

Q. Vice President Quayle is going to South America very soon. Now you just met with Gorbachev and you talked about Cuba. What about the rest of Latin America? Where does it fit in all this global new order?

The President. Very good question and it gets me back to John's question. Did you finish the question?

Q. Well, also I wanted to know if you are going to Mexico this year or are you going to meet with President Salinas this year?

The President. I want to meet with him as much as possible. But you played right into my hand on this one. [Laughter] I happen to think that the American people think it is outstanding that we now have a policy toward Central and Latin America and South America that is forward-looking. It's more than rhetoric: the Enterprise for the Americas Initiative, the CBI, and the Brady approach. All of these things are positive, and we have better relations with an almost democratic hemisphere than we've ever had. And I like to think that the United States had a lot to do with encouraging the democratic movements south of our border.

You see, I don't look at the Mexican free trade agreement, for example, as something that's just going to benefit Mexico. I think it fits into what John was asking about, a domestic program. I think it's going to mean jobs for the working men and women of this country.

And so, these things interact. But look, if I send a signal that we're neglecting Latin America, I would say this to you right now what I tell the leaders: Please understand that is not true. And the fact Dan Quayle is going down there is a very important thing. Bob Mosbacher's going there. And what they're doing is talking about how we can further enhance and work with them on their economic recoveries.

Q. But did you talk to Mr. Gorbachev about this and what is the result of that conversation?

The President. I didn't talk to him about each individual country, but I did have a chance to -- I'm not sure it was with Gorbachev -- point out how interested we are in this whole hemisphere being democratic. That point was made when the Cuban discussion came up. But I didn't go into the Brady Plan or the Enterprise for the Americas Initiative with each of these other countries -- to which we are firmly committed. So, I can't say that was a major subject because it doesn't interact with the bilateral -- with the Soviet interest so much.

But I did say this: We're very grateful to you for your help with the solution to the Nicaraguan question. And he understood exactly what I meant, just as I showed some interest in Africa and thanked him for their role in Namibia and in Angola, and saying let's work together to eliminate apartheid in South Africa. So, that was the way the questions of South America were touched and on other global matters.

But, listen, thanks. I hope you all get a little chance for a vacation. I'll be here for -- go to Camp David today. I'll be back -- I'm not trying to be like Dana Carvey here -- [laughter] -- but I'm going to be here Monday and Tuesday. And then I'll come back -- maybe we'll have another little seance before I leave. And then I'm history for a couple -- a few weeks. And I will try to do a few domestic events out of Maine -- traveling a little bit. Probably have some meetings. I'm anticipating a visit from a foreign leader up there. And so, I'll be working some, but I don't want to mislead the American people. As far as I'm concerned, it's going to be a vacation. I think I've earned it, like a lot of Americans, and I'm looking forward to it. And it will not be denied.

President's Health

Q. How are you feeling, Mr. President?

The President. Ten -- 10 out of 10. And I just -- and how do I know? I just got a clean bill of health this morning from Dr. Lee and company. I really feel good. I get a little tired. Look, I'm 67. I get a little tired on a trip like this. But I slept well last night, and I'm ready to go. I mean, I'm

very blessed with all this. So, there's no hangups. All this politics -- got plenty of time to fall into place. And as I say, health -- I don't want to mislead anyone, but right now I feel like a million bucks.

1992 Campaign

Q. When do you think you will announce on whether you're going to run again?

The President. Well, I want to get some opinion from all of these gurus with whom I'll be surrounded here.

Q. What's your feeling about it?

The President. Gut feeling? Well -- --

Q. January? Earlier?

The President. Well, when did -- I can't even remember what my predecessors did, and so I certainly don't want to prejudge that. Maybe January. I don't know. It's just -- please don't write maybe January down -- maybe February, maybe, March. [Laughter.] I don't know. But I want to do what's best, not just for the President and Vice President but what will help us do what I'm asking for here, get more support in the United States Congress.

And I don't know yet the answer to that. That's way ahead of the political power curve.

Thank you all very much.

Note: The President's 97th news conference began at 12:34 p.m. in the Rose Garden at the White House. In the news conference, the President referred to the following persons: President Saddam Hussein of Iraq; Prime Minister Yitzhak Shamir of Israel; Prime Minister Constantinos Mitsotakis of Greece; President Turgut Ozal of Turkey; General-General Javier Perez de Cuellar da la Guerra of the United Nations; Brent Scowcroft, Assistant to the President for National Security Affairs; Secretary of State James A. Baker; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; Marlin Fitzwater, Press Secretary to the President; Clarence Thomas, nominee for Supreme Court Associate Justice; Pamela Harriman, a Democratic Party fundraiser; President Carlos Salinas de Gortari of Mexico; Secretary of Commerce Robert A. Mosbacher; Dana Carvey, a comedian who does an impersonation of President Bush; and Burton J. Lee III, Physician to the President.

Statement by Press Secretary Fitzwater on the President's Health

August 2, 1991

As the President mentioned in his press conference today, he had a routine examination this morning by his personal physician, Dr. Burton Lee. Dr. Lee reports that the President is in excellent health. There are no changes in the President's medication.

The President continues to recover from Graves disease and his treatment and response are normal. The President maintains a vigorous and healthy physical regimen. His work habits are normal and reflect his good health.

Nomination of Arnold Lee Kanter To Be an Under Secretary of State

August 2, 1991

The President today announced his intention to nominate Arnold Lee Kanter, of Virginia, to be Under Secretary of State for Political Affairs. He would succeed Robert Michael Kimmitt.

Currently Dr. Kanter serves as Special Assistant to the President for National Security Affairs and Senior Director for Defense Policy and Arms Control at the National Security Council at the White House in Washington, DC. Prior to this he served as Director of the National Security Strategies Program and as Associate Director of the International Security and Defense Program, 1985 - 1989. Dr. Kanter served at the Department of State as: Deputy Assistant Secretary of State for Politico-Military Affairs, Deputy to the Under Secretary of State for Political Affairs, and Director of the Office of Policy Analysis in the Bureau of Politico-Military Affairs.

Dr. Kanter graduated from the University of Michigan (B.A., 1966) and Yale University (M.Phil., 1969, and Ph.D., 1975). He was born February 27, 1945, in Chicago, IL. Dr. Kanter is married, has two children, and resides in McLean, VA.

Note: This nomination was not received in time for publication in last week's issue.

Nomination of Jo Ann Krukar Webb To Be an Assistant Secretary of Veterans Affairs

August 2, 1991

The President today announced his intention to nominate Jo Ann Krukar Webb, of Virginia, to be an Assistant Secretary of Veterans Affairs for Policy and Planning. She would succeed Allen B. Clark, Jr.

Since 1989 Ms. Webb has served as Director of the National Cemetery System in the Department of Veterans Affairs in Washington, DC. Prior to this she served as a health care consultant for ACTION.

Ms. Webb graduated from Pennsylvania State University (B.S., 1970) and George Washington University (M.H.A., 1978). She was born June 30, 1948, in Ford City, PA. Ms. Webb served in the U.S. Army, 1968 - 1976. She is married and resides in Falls Church, VA.

Note: This nomination was not received in time for publication in last week's issue.

Nomination of Edward Joseph Mazur To Be Controller of the Office of Federal Financial Management

August 2, 1991

The President nominated Edward Joseph Mazur, of Virginia, to be Controller of the Office of Federal Financial Management, Office of Management and Budget. The Controller is a new position established by the Chief Financial Officers Act of 1990.

Since 1980 Mr. Mazur has served as the State comptroller of the Commonwealth of Virginia. In addition, Mr. Mazur serves as co-chairman of State/Federal cash management reform task force, 1983 - present.

Mr. Mazur graduated from the University of Connecticut (B.S., 1964) and the University of Pennsylvania Wharton School (MBA, 1968). He was born September 24, 1942, in New Haven, CT. Mr. Mazur is married, has three children, and resides in Richmond, VA.

Note: This nomination was not received in time for publication in last week's issue.

Nomination of Gary C. Byrne To Be a Member of the Farm Credit Administration Board

August 2, 1991

The President has nominated Gary C. Byrne, of California, to be a member of the Farm Credit Administration Board for the term expiring May 21, 1996. He would succeed Marvin Duncan.

Currently Dr. Byrne serves as Administrator of the Rural Electrification Administration at the Department of Agriculture. Prior to this he served as chairman, president, and chief CEO of the Bank of Alex Brown in Sacramento, CA.

Dr. Byrne graduated from the University of Redlands (B.A., 1965), and the University of North Carolina, Chapel Hill (Ph.D., 1969). He was born May 1, 1942, in Upland, CA. Dr. Byrne is married, has two children, and resides in Washington, DC.

Note: This nomination was not received in time for publication in last week's issue.

Statement on the Nomination of Clarence Thomas To Be an Associate Justice of the United States Supreme Court

August 5, 1991

Judge Clarence Thomas, accompanied by Senator Jack Danforth, has met individually with almost 60 Members of the Senate. Fred McClure, our Director of Legislative Affairs, informs me that these visits have gone very well.

Judge Thomas has attracted the support of a broad spectrum of people from across America. With the overwhelming support that is now showing up for Judge Thomas, in measurable ways, not only in the minority communities but across the board, you can see that he is much closer to the mainstream of America than some of the groups that are opposing him.

I look forward to having the hearings begin on September 10 on my nomination of Judge Thomas. The American people are going to see, and the Senate will confirm, that Judge Thomas is the right person to earn the title ``Mr. Justice."

Letter to Congressional Leaders Transmitting a Report on Hungarian Emigration Policy

August 5, 1991

Dear Mr. Speaker: (Dear Mr. President:)

In January 1991 I determined and reported to the Congress that Hungary continues to meet the emigration criteria of the Jackson-Vanik amendment to, and section 409 of, the Trade Act of 1974.

As required by law, I am submitting an updated formal report to the Congress concerning emigration laws and policies of the Republic of Hungary. You will find that the report indicates continued Hungarian compliance with U.S. and international standards in the areas of emigration and human rights policy.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Export Controls

August 5, 1991

Dear Mr. Speaker: (Dear Mr. President:)

1. On April 23, 1991, consistent with the requirements of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (``IEEPA''), I reported to the Congress on the exercise of export control authority under Executive Order No. 12730 of September 30, 1990. In that order, I declared a national emergency under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) to deal with the threat to the national security and foreign policy of the United States caused by the lapse of the Export Administration Act of 1979, as amended (50 U.S.C. 2401 et seq.).

2. Section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)) requires that the President, within 90 days after the end of each 6-month period following a declaration of a national emergency, report to the Congress on the total expenditures directly attributable to that declaration. This report, covering the 6-month period from September 30, 1990, to March 31, 1991, is submitted in accordance with that requirement.

3. The expenses incurred by the Federal Government in the 6-month period from September 30, 1990, to March 31, 1991, that are directly attributable to the exercise of authorities conferred by the declaration of a national emergency with respect to export controls were largely centered in the Department of Commerce. Expenditures by the Department of Commerce are estimated at $19,797,000, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Bureau of Export Administration.

4. The unrestricted access of foreign parties to U.S. goods, technology, and technical data and the existence of certain boycott practices of foreign nations, in light of the expiration of the Export Administration Act of 1979, continue to constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. I shall continue to exercise the powers at my disposal to retain the export control system, including the antiboycott provisions, and will continue to report periodically to the Congress.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives,

and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Transmitting the Annual Report on Nuclear Nonproliferation

August 5, 1991

Dear Mr. Speaker: (Dear Mr. President:)

I have reviewed the activities of the United States Government departments and agencies during calendar year 1990 related to preventing nuclear proliferation, and I am pleased to submit my annual report pursuant to section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95 - 242, 22 U.S.C. 3281(a)).

As the report demonstrates, the United States continued its efforts during 1990 to prevent the spread of nuclear explosives to additional countries. The events of the past year underline the importance of these efforts to preserving our national security by reducing the risk of war and increasing international stability. I am determined to build on the achievements cited in this report and to work with the Congress toward our common goal: a safer and more secure future for all humankind.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks at the Presentation Ceremony for the All-American Cities Awards

August 6, 1991

Please be seated and thank you. You're probably clapping for this fantastic weather. [Laughter] Isn't it marvelous.

Let me just thank the Members of Congress who are with me today and thank them for their interest. A couple of them were former mayors, so they know something about what it's like to be on the firing line. But Dick Lugar and Mike McNulty, Ben Cardin, Bob McEwen are with us. And I want to particularly single out the representatives of our finest cities. I see my friend Henry Cisneros over here. He'll have something to do later on, part of the program. Wayne Hedien also, who's the Chairman and CEO of Allstate.

You know often people ask why we ought to be optimistic about our Nation's future. You hear a lot of complaints, and there are a lot of problems, but I think there is reason to be optimistic. Look at any of the 10 cities that are appropriately being honored here today, and listen to the stories of small cities like Gothenburg, Nebraska, population 3,000, and of big cities like Baltimore.

Hear these stories and you'll hear the heartbeat of this country, and you'll share our unshakable optimism in the future of this great land because there is no finer resource in this world as these cities prove, than the people -- American people. Mayor Michael Harmless of Greencastle, Indiana, put it best: ``Our people made the difference." And he means people who rejected pessimism and apathy in favor of optimism and engagement.

Today we salute the 1991 All-American Cities that join a roster of honor of over 400 other chosen since 1949. These communities recognize the truth that William Jennings Bryan expressed nearly 100 years ago: ``Destiny is not a matter of chance;" he said, ``it's a matter of choice. It's not a thing to be waited for; it's a thing to be achieved."

Well, these communities have lessons to teach us all. And they do not wait for government to take the initiative. They recognize that government can solve some but not all the problems. And they realize that communities can claim and shape their own destinies. These communities prove the power of partnership. Across this country citizens, government, business, and volunteer groups are cooperating to confront community issues together. These communities recognize the responsibilities of citizenship, as Teddy Roosevelt admonished Americans to be actors not merely critics. And the central theme of all these stories is the unlimited power and promise of voluntary service to others. These communities show us the strength of the American character -- people helping one another without expecting any financial compensation for themselves. And today we call them Points of Light. But they've been the heart of our Nation for over 200 years.

And some of their projects focused on youth, like Gadsden, Alabama's motivational Quest for Excellence, or Baltimore's mentoring program, called Project Raise. To fight crime, Austin, Texas, inaugurated Youth at Risk, and Winchester-Frederick County in Virginia set up a teen center to foster a drug-free environment. In Albany -- Albany, New York -- community groups, businesses, and social services, these social service agencies, came up with the Albany Plan to battle drug abuse through prevention, education, enforcement, and of course, treatment.

Some communities launched an urban renaissance. In New Jersey, Newark residents devised plans to revitalize the downtown area and thus restore the neighborhoods. And Greensboro, North Carolina, citizens created a public-private partnership called Visions to reinvigorate their city. A few communities fought for their very survival. Greencastle, Indiana, lost 40 percent of its jobs -- imagine this, 40 percent of its jobs -- when a major national corporation moved out. So, residents got together and introduced a creative economic development initiative to attract new industries.

Gothenburg, Nebraska, fought for its future after the agricultural depression, revitalizing the Gothenburg Improvement Company. Inspired by the slogan ``vision is the art of seeing things invisible," volunteers have recruited new jobs for residents, making their vision a reality.

A three-time winner, Dayton, Ohio, took aim at three critical issues: protecting water, battling drugs, and providing affordable housing. Citizens, the private sector, and city government all joined forces showing how diverse segments of the city can combine their many gifts and resources to make a difference. As Mayor Rick Blase of Gothenburg says: ``Any problem you face is insurmountable if faced alone. But together Americans can do anything."

A centuries-old inscription on a church in Sussex, England, summarizes what these communities here in this country have done: ``A vision without a task is but a dream. A task without a vision is drudgery. But a vision with a task is the hope of the world."

So, thanks to all of you, and all out here for giving us hope, for showing us the way. And may God bless this great land we share. And now we'll get on with these presentations. Thank you very, very much.

Note: The President spoke at 9:19 a.m. in the Rose Garden at the White House. In his remarks, he referred to Senator Richard G. Lugar; Representatives Michael R. McNulty, Benjamin L. Cardin, and Bob McEwen; Henry Cisneros, chairman of the board of the National Civic League; and Wayne E. Hedien, Chairman and CEO of Allstate.

Remarks at a Kickoff Ceremony for the Eighth Annual National Night Out Against Crime in Arlington, Virginia

August 6, 1991

Thank you, Dick -- Mr. Attorney General -- thank you very much. To Judge Bonner, my respects. And I'm just delighted to be here. To Matt Peskin, the Director of the National Association of Town Watch, I was glad to have met him and glad that he's here.

And we've got other key members of our law enforcement team here today. I can't see him, but I'm told Carol Hallett's out there, the U.S. Customs Commissioner; Mike Moore of the Marshals; Steve Higgins, the Director of ATF; Peter Nunez, the Assistant Treasury Secretary for Law Enforcement; and Maurice Turner, who is our nominee, and I'm proud to say that, for the Bureau of Justice Assistance.

This is my first visit to the DEA headquarters, this one. And certainly, I'm told, the first visit of a President to come to DEA headquarters. And this one where some of America's biggest heroes work every single day. I know quite a few DEA agents have joined us this morning along with a class of the DC Metro Police -- the recruits there -- the DEA Basic Agent Class 81. And let's thank them also for the courageous work they're doing. I am also pleased that so many local neighborhood Town Watch activists could join us here today.

And I really wanted to say that you deserve our thanks for your courageous and selfless work, too. And it's also great to see these kids here in the front, the young kids, I'm told, from the District. I'm delighted to have them here, and I understand one of them is going to come up and help us screw in this light bulb in a little bit.

What a pleasure it is to join with you this morning for the kickoff ceremony of the 8th Annual National Night Out. I admit I told the staff that participating in the Night Out ceremony did not mean they get the morning off ceremony -- [laughter] -- although several are with me and delighted to be here.

This evening, 23 million people in 50 States, the U.S. territories, and military bases all over the world will say good-bye to crime. And they'll turn on these outside lights, sit on porches, and visit with their neighbors and the local police officials. And they're going to host block parties and cookouts and parades and contests. And they'll organize the most effective crime-fighting force known to anyone -- and that is communities that care.

We want to turn back the clock in this area to the good old days when all the kids knew the cop on the beat, when people looked out for their neighbors, and when we felt safe in our own communities.

Too many times today, as Dick pointed out, neighbors and police are perfect strangers. The communities don't come together. And the result: Too many crimes go unobserved or unreported; too many criminals go free.

We have a chance to change all that. And tonight will be the biggest Night Out ever -- 8,300 communities, I'm told, nearly every American major city will join in. Hundreds of suburban and rural communities will join the festivities.

In Minneapolis, last year's biggest Night Out city, concerned citizens will gather at over 700 block parties. At the Minneapolis Youth Kickoff Dance, more than 1,000 young people will give crime the twist, the pretzel, and the bump. And in Memphis, people will rejoice at a mock funeral -- community watch groups there have organized to bury crime. In New Orleans, it's a Mardi Gras-style jazz festival for crime that will promote the day when criminals will sing the blues.

And in Buffalo, New York, police agencies and government officials from the United States and Canada will join in a Hands Across the Border ceremony while crime fighters aboard the U.S.S. Little Rock say bon voyage to crime.

Forest Hills, Texas, will host an Old West Shoot-Out against the bad guys in the black hats. And the 7276 U.S. Air Base Group in Crete, Greece, will sponsor a Spot the Burglar contest.

In cities and towns across America and at our military bases overseas, law-abiding citizens want criminals to know that there are more of us than them. And neighborhood watch programs and other community patrols will serve notice that we plan to deploy our most powerful weapons against drugs and crime: our eyes and our ears.

The fight against crime in many ways is a fight to rebuild the institutions from which America has always drawn its strength: families and schools and neighborhoods and places of worship. And our administration believes in building a rule of law by emphasizing the values and virtues that make our land great.

Our comprehensive crime bill would strengthen the relationship between law enforcement officials at the local, State, and Federal levels. And right now that legislation is up on Capitol Hill, and I'd like to have a comprehensive crime bill that I can sign into the law by the end of this year. And we're going to keep pushing for that end.

I think the American people want such legislation. Sometimes you hear of my lack of interest in domestic affairs. Well, here's a good example of something they can move on right now and should have been enacted a long, long time ago.

And we've proposed reforms that let local prosecutors and judges do their job. And they're the ones who know how to fight crime in your community, not some so-called expert back here in

Washington, DC. And what we need are more police officers, prosecutors, and judges who understand the rule of law.

Our nominee for the U.S. Supreme Court -- let me just say a word about him -- Judge Clarence Thomas. He not only has lived the values that we hold dear, he's promoted them through his distinguished career in public service. And his personal story -- when you meet him you can't help but be impressed -- in my case, deeply moved. It impresses everybody, everybody that's fair and openminded.

And I nominated him because he has the brains, he has the record, and he has the personal decency that Americans should expect in a Justice of the Supreme Court -- a fidelity to the Constitution and the rule of law.

Judge Thomas has tremendous support from a broad section, a cross-section of America. And that across-the-board support includes minority communities, overwhelmingly supported in minority communities, I might add, and is now manifesting itself in measurable ways. So, when you hear about opposition to Judge Thomas from one beltway group or another, it's clear that they are simply out of touch with mainstream America.

Look at today's piece in the Washington Post by Margaret Bush Wilson, a former chairman of the NAACP's National Board of Directors for 9 years. She was chairman of the Board for 9 years, and she's known Judge Thomas for 17 years, known him personally. In supporting the Judge, she said, ``I know that as a Supreme Court Justice, Clarence Thomas will continue to defend and protect the rights of the needy. He does not permit anyone to think for him and he is intellectually honest." Maybe some of these groups out there could take a lesson from that distinguished civil rights advocate and look at the facts and the record instead of engaging in ideological attacks.

As we talk today about values and about taking responsibility for building a better future, Clarence Thomas comes to mind. He certainly exemplifies the very attitudes we want all Americans to adopt as they build better, safer communities.

You also understand the front lines -- reporting suspicious activities, identifying these drug dealers, even closing down crack houses. And you play a critical role in building a better future for this Nation. I salute you for your faith in America and your hope in a better tomorrow for our children. It was very good for me to walk by this lobby and see those shields of those who have given their lives in your line of work, standing up against crime to the benefit of all Americans. It brought home to me once again, as previous awards ceremonies have, how indebted I am and how indebted this country is to those of you who served in that manner on the front line. Don't sit at the head table, not the heroes receiving the awards, but out there day in and day out trying to make things a little better, a little safer for these kids that are here today and others like them all across the country.

So, in addition to saluting this program, I want to tell you from the heart I am very, very grateful to everybody that serves at DEA, the other groups that I mentioned here or those that are going into police work, you have my confidence and you have my gratitude. So, it's a fitting way to start this light bulb ceremony by me just saying from the bottom of my heart, thank you very, very much. And may God bless the United States. Thank you.

Note: The President spoke at 11:10 a.m. in the Auditorium at the Drug Enforcement Administration. In his opening remarks, he referred to Attorney General Dick Thornburgh; Robert C. Bonner, Administrator of the Drug Enforcement Administration; Carol B. Hallett, U.S. Customs Commissioner; K. Michael Moore, Director of the United States Marshals Service; Stephen E. Higgins, Director of the Bureau of Alcohol, Tobacco and Firearms; Peter K. Nunez, Assistant Treasury Secretary for Law Enforcement; and Maurice T. Turner, Jr., nominee to be Director of the Bureau of Justice Assistance.

Statement by Press Secretary Fitzwater on the Soviet-United States Trade Agreement

August 6, 1991

The President sent to the Congress on August 2 the U.S.-Soviet trade agreement for its approval as he said he would do during the Moscow summit. The agreement provides for reciprocal most-favored-nation tariff treatment.

The President stated in his transmittal letter to the Congress that the trade agreement, which will extend MFN to the U.S.S.R. and the Baltic States, in no way alters the long-standing policy of the U.S. of not recognizing the forcible incorporation of the Baltic States of Lithuania, Latvia, and Estonia into the U.S.S.R. or our support for their legitimate rights.

The Administration has decided to supplement the extension of MFN to the U.S.S.R. and the Baltic States with special provisions for the Baltic States. First, we will begin accounting for Baltic origin products separately from those originating elsewhere in the U.S.S.R. for trade statistical purposes. Second, we will also offer to the Baltic governments technical assistance in trade development and export promotion to improve our trade relations with them.

Question-and-Answer Session With Reporters Aboard Air Force One

August 6, 1991

The President. This is my pre-vacation goodwill stop here.

Hostages

Q. Hear anything on the hostages? On the deal?

The President. Haven't heard an official word at all. Seen those hopes get raised over and over again, and -- --

Q. Have you had a lot of communications with various -- different countries that seem to have raised your hopes?

The President. No, I'm not saying that. I'm just saying all this public attention to it, which comes in cycles, it seems to me, in waves. And I do not want to make any statement of any kind that will contribute to the concern of the families involved. So, we'll leave it there. If something happens, so much the better. The story will come out on what the United States, you know, has done on the question of connecting countries. But it is just totally counterproductive to raise the hopes of families, as has happened over and over again, only to have them destroyed.

I've told the American people that we're doing everything we can, but I simply do not want to get into any details here at this point -- for that very reason.

Q. Is there any reason why the whole chemistry would have changed at this point and these hostages -- --

The President. Well, I can think of a lot of reasons, but you could have thought of the same reasons years ago in terms of better relations with one or another. But I'm not going to do -- don't try to get me to do what I don't want to do here because it really is unfair on the human dimension to these families. It really is.

Q. Have you talked to Perez de Cuellar?

The President. We're in touch with -- and have been consistently for a long period of time about these matters. And I'm simply not going to contribute to the speculation until we're sure of something. It's not fair to the families.

Had a good meeting with -- debrief with Jim Baker at lunch. Brent, John Sununu, and I met with him. He's very tired, obviously, but, as you know, there were predictions months ago that we'd never be this far, and so I salute him for what he's doing, what he's tried to do -- those leaders around the world with whom he's met and with whom I've been in contact. And let's just hope that the whole process goes forward. It's very, very important for world peace.

Middle East Peace Conference

Q. Does it look like the PLO, though, is now kind of pulling back after making -- --

The President. Well, one spokesman did. But Jim was not altogether discouraged. There's an awful lot of sentiment amongst Palestinians everywhere, amongst certainly the Arab countries, wanting this peace process to go forward. So, let's hope that reason prevails and that all sides keep leaning forward; that's what's needed now.

And I -- I don't know -- again, it's hard to quantify your feelings as to how it -- whether it's all going to come together or not, but I'm much more optimistic now than I was a month ago, put it that way.

President's Vacation

Q. Are you glad to be out of here?

The President. I'm out -- yes, just couldn't be more pleased.

Resignation of L. William Seidman

Q. Do you have any comments on Mr. Seidman's resignation?

The President. No. I think it was -- except that I think he's done a very good job and I don't think it's unexpected. I think the term expires, and I think he's indicated some time ago that he was willing to stay until around this period of time. I just saw the letter.

Q. Are you considering Mr. Taylor to replace -- --

The President. I'm not -- I just saw his letter, so we're not speculating. The fix is not on.

Q. Hadn't you indicated at one time that you'd like to see him -- --

The President. Well, we'll start over and take a hard look. There will be some names coming my way. But I don't -- well, I guess, if there's a letter of resignation made, it may be they send them

up here. We have a whole system for those things, so I don't want to get ahead of where we are. There's no firm decision.

Iran-contra Investigation

Q. Any reaction on the Iran-contra investigation by Congress?

The President. No, just so it's fair. As I've said before, if they've got some evidence, and it's hard evidence, and it's not just based on outrageously flimsy sources, fine. I've told you my opinion about the charges that were made against me about being in Paris -- or being anywhere -- and I've told you a flat denial with any knowledge, direct or indirect. So, I'd like to think that this will be done responsibly and certainly will approach it in that way. But I hope it's just not, as Bob Michel said, a wild goose chase, or -- you know, when you're dealing with flimsy evidence and people who are less than reliable in terms of their backgrounds, you've got to be very careful. But if they've got something, and they can get to the bottom of this and prove it one way or another, so much the better. But if it's simply something else, as we approach a political season, that wouldn't be good.

But I have no reason to question Speaker Foley on this.

Q. Any thoughts on the timing of this, though, coming into the campaign year?

The President. No, I don't -- no, just let them go forward. Unless -- the American people are going to be saying: What have you got, what's your evidence, who are your sources, how firm is it, is it political, or not? I'm sure that Foley and Mitchell do not intend to conduct a political trial of some sort here. But the people are going to be saying: What's your evidence, what's the hard evidence here? But I've said before, hey, if you've got something, go forward and fully investigate. And in the process I've defended myself against a lot of scurrilous, scandalous rumors. And I'll be prepared to do that all along the way.

Hostages

Q. Have we had any corroboration at all from the British, or the Syrians, for that matter, on this Tehran Times article?

The President. I'm not sure I know which article you're talking about.

Q. I'm talking about the article related to the hostages.

The President. I can't, again, comment any further on it. But I think everybody is extraordinarily interested in this and hoping for something. But again, I don't want to contribute to that.

I'd better get down there and sit down. I'm glad you guys are with us.

Q. See you at golf. Golf this afternoon?

Note: The session took place while the President was en route to Kennebunkport, ME. In the session, the following persons were referred to: Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations; Secretary of State James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; John H. Sununu, Chief of Staff to the President; L. William Seidman, Chairman of the Board of Directors of the Federal Deposit Insurance Corporation and Chairperson of the Resolution Trust Corporation; William Taylor, Director of Division of Banking Supervision and Regulation of the Federal Reserve System; Robert H. Michel, Republican leader in the House of Representatives; Thomas S. Foley, Speaker of the House of Representatives; and George J. Mitchell, Senate majority leader. A tape was not available for verification of the content of this session.

Statement by Press Secretary Fitzwater on the Nomination of Clarence Thomas To Be an Associate Justice of the United States Supreme Court

August 7, 1991

Judge Thomas has diverse and broad-based support across the country, including in minority communities. His record is distinguished and demonstrates his lifelong commitment to the rule of law and fidelity to the Constitution.

The Leadership Conference on Civil Rights' action today ignores this record and reflects their liberal political agenda. This predictable opposition simply shows again that they are out of touch with mainstream America.

We look forward to the September hearings where we are confident that Judge Thomas' outstanding record, experience, and extraordinary background will show once and for all why he will make an exemplary Justice of the Supreme Court.

Statement by Press Secretary Fitzwater on the Release of British Hostage John McCarthy

August 8, 1991

President Bush is pleased by the release today of John McCarthy by his captors in Lebanon. Rumors persist of the release of an American hostage, but we still have no direct information that such a release will occur. While we are happy for the family of Mr. McCarthy, we reiterate our appeal that all hostages be released immediately, safely, and unconditionally.

We remain in touch with our Ambassador in Lebanon and other officials in the region through diplomatic channels. Our State Department Reception Team left Washington last evening and is now in Wiesbaden, Germany. We will contact the British Government to obtain any information that Mr. McCarthy has regarding the condition of American hostages with whom he was held in tragic captivity in Lebanon. We are in frequent contact with the families of the American hostages and our thoughts and prayers are with them. We continue to hope and pray that all hostages will be released.

Letter on the Resignation of Attorney General Dick Thornburgh

August 9, 1991

Dear Dick:

It is with mixed emotions that I accept your resignation as Attorney General effective as of the close of business on Thursday, August 15, 1991.

Your departure from the Cabinet will be a great loss. As America's chief law enforcement officer, you have been relentless and unwavering in your pursuit of all those who would prey upon our society, from the violent offender, to the international drug trafficker; from the organized crime boss, to the environmental polluter; from the savings and loan thief, to the corrupt public official. At the same time, you have provided crucial and courageous leadership on a host of difficult issues, from efforts to enact our civil rights and crime bills, to protecting the Executive Branch against incursions on our constitutional authority.

Most important, during the last three years, when I had a tough call to make, I knew I could rely on your sound judgment and advice. That is, after all, the most important tribute that a client can pay to his lawyer. So, as you leave the Cabinet, know that you carry with you the utmost thanks of your client for a job well done.

In returning to your home state of Pennsylvania, however, you provide our Party with the strongest possible candidate in the special election to fill the seat left vacant by the tragic death of Senator John Heinz. And come next year, I will be looking forward to working with ``Senator Dick Thornburgh'' on the many important issues that our Nation faces.

Barbara joins me in extending to you and Ginny and your family all our best wishes.

Sincerely,

George Bush

Dear Mr. President:

As you know, I earlier expressed to you my intention to seek the Republican nomination for the United States Senate seat from Pennsylvania left vacant by the tragic death of our mutual friend, Senator John Heinz.

As you also know, there was a very real question about whether the election to fill that seat would

be held this year or at any time before 1994. That question appears to have been resolved this week by a federal court in Pennsylvania.

Accordingly, I am tendering to you my resignation as Attorney General effective as of the close of business on Thursday, August 15, 1991.

I cannot begin to express to you how fulfilling and rewarding my service as a member of your Cabinet has been. With your strong support, the Department of Justice has led a stepped-up law enforcement effort against international drug traffickers and money launderers, organized crime, white collar criminals, environmental polluters, and those who would deprive our citizens of their civil rights and the advantages of free market competition. Much of our success in these endeavors has been due to the day-in, day-out efforts of the many dedicated employees of this Department, but your leadership and strong support have been crucial and invaluable.

Ginny and I are both also most appreciative of your efforts in securing passage of the Americans with Disabilities Act, which I believe to be the most important civil rights legislation signed into law in the last 25 years.

On a more personal note, we will always treasure the warm friendship which you and Barbara have shown toward our family. The many personal kindnesses extended to us during the past three years have added immeasurably to the pride we feel in having served your Administration and our nation during these challenging and exciting times.

I hope to continue to have the opportunity to work with you during the months and years ahead in the service of our country. Until then, I extend my best wishes for further success to you and to my Cabinet colleagues.

Sincerely,

Dick Thornburgh

Note: The letters were made available by the Office of the Press Secretary but were not issued as White House press releases.

Excerpt of a Statement by Press Secretary Fitzwater on the Anticipated Release of an American Hostage

August 10, 1991

We have seen news reports about the release of American hostages, and we remain hopeful that one or more hostages will be released soon. We are, of course, trying to obtain more information.

The Revolutionary Justice Organization has apparently told the press that it will release a hostage within 72 hours. Past communications and photographs issued in the name of that group have stated that it holds Joseph Cicippio and Edward Tracy. We have no direct information concerning this statement. We continue to receive reports from diplomatic sources that a captive release will occur.

We reiterate that now is the time for all hostages and others held outside of the legal system in the region to be released immediately, unconditionally, and safely for humanitarian reasons. We call on all governments with influence to make this happen.

Our reception team remains in Wiesbaden [Germany] on standby status, and we continue to maintain contacts with the families of all hostages.

We understand that China has announced it intends to sign the Nuclear Non-Proliferation Treaty. This is something that we have been seeking for a long time. We welcome this development, and we look forward to early ratification by China of the treaty.

Note: Material from this statement that pertained to the President's daily schedule in Kennebunkport, ME, has been included in the Digest of Other White House Announcements.

Statement by Press Secretary Fitzwater on the Release of American Hostage Edward Tracy

August 11, 1991

The Syrian Foreign Ministry has informed the U.S. Embassy in Damascus that Edward Austin Tracy has been released by his captors in Lebanon and has been taken into custody of Syrian officials in Damascus. President Bush is gratified that Edward Tracy has been released and shares the happiness of all Americans for him and his family.

The President was advised by Deputy National Security Adviser Robert Gates at 7 a.m. that American hostage Edward Tracy had been released and was in Damascus. The Syrian Government had notified the U.S. Embassy Charge at about 3 a.m. that a release was imminent. The President was notified that a release was expected soon.

Just before 7 a.m., the U.S. Embassy was informed that Mr. Tracy is in the Foreign Ministry in Damascus. We understand that the U.S. Charge, John Craig, is now on his way to the Foreign Ministry.

Exchange in Kennebunkport, Maine With Reporters Following the Release of American Hostage Edward Tracy

August 11, 1991

The President. Let me just read a brief statement, if I might, because I know that all Americans are gratified today by the release of Edward Tracy from captivity in Lebanon. We share in the happiness of Mr. Tracy's family for his release, but we know the anguish of the families who still have relatives in captivity. And I want them to know that we continue to press for the freedom of their loved ones.

I just talked to Mrs. Doris Tracy and to Ed Tracy's sister, Maria Lambert, over in Vermont, and they, of course, are experiencing the joy and happiness that any family would. They, too, are praying for the release of the others.

And I'd like to express our appreciation to the Government of Iran which used its influence with the Lebanese groups involved in order to gain the unconditional release of these hostages. And our thanks also go out to the Governments of Syria and Lebanon, both of which have facilitated this release. And at the same time, our satisfaction is necessarily tempered by the fact that these other hostages are still held.

We call upon the governments with influence on this issue to build on this positive move and work for the release of all hostages regardless of their nationality and for an accounting of those who may have died while in captivity. And so, again, I think our whole country rejoices, but we still have much apprehension and much to be prayerful about on this Sunday, August 11th.

Q. Mr. President, why do you think these hostages have been -- today? And do you think this could be the beginning of the end of this crisis?

The President. We don't know exactly why they were released. Some are tying it to the peace process. Maybe if that's true, so much the better. But the fact is that this man has now been released, and we're simply now focusing on future releases. I just can't answer that question definitively.

Q. Does this bode well, though, for the others, sir?

The President. Well, I would hope so, and I certainly don't think there's anything contrawise in it. I mean, I think it's got to be positive news for all.

Q. You've given thanks to Iran, to Syria, and to Lebanon. Is it perhaps time for Israel to do

something specific?

The President. Well, Jim [Jim Miklaszewski, NBC News], I've said that all countries holding hostages ought to release them -- people that are not held under procedures of law but have been taken hostage. I just hope that we soon wake up in this world and recognize that holding hostages is a counterproductive way to make a statement of policy or for any other reason.

Q. Well, sir, excuse me, but if you're responding to this question on Israel, are you saying that Israel is holding hostages?

The President. I'm just saying I just defined for you what hostage-holding is.

Q. Are you saying that Israel should release the Shiite prisoners that it holds?

The President. I'm saying everybody that is held as a hostage should be released by every country, whichever it is.

Q. Mr. President, you've mentioned the help from Iran and Syria. What kind of good will would you be now willing to extend to them for the good will that they've shown? And also, can you give us anything further on exactly what kind of help they've provided and how helpful -- --

The President. I don't think it's a question of extending good will. Other Americans are being held against their will; others from different countries are being held against their will. So, we want to see them all released. So, I've just said that we are grateful for the release of this one hostage, but there's much left to be done, unfortunately.

Q. So, you're saying that you really don't expect any change or improvement in relations with Syria and Iran until all the hostages are out?

The President. I think the hostage question is one question between these countries, and there are many other questions between these countries. But we view this as a very positive step. But I don't think we owe anybody anything when Americans are being held against their will and then one is released and others are still in captivity. What I don't want to do is flamboyantly and inadvertently set something back here if the process is going to go forward. I don't want to do that. But on the other hand, I simply will keep repeating that there will not be, there can't be, totally normalized relations as long as people are held against their will.

Now, the Iranians will say that they're not holding these people, and indeed I think they have been helpful here. But to be really helpful, we'd see the release of all these Americans and the Brits and everybody else.

Again, I appeal to hostage-holders, wherever they may be, to release the hostages.

Q. Have you talked to Secretary-General Perez de Cuellar since his meeting with McCarthy, and have you talked to the Israeli leaders about this -- --

The President. No, I've not talked to any of them.

Q. Will you be talking to the Israeli leaders about McCarthy's letter? McCarthy says that in the letter is this request for the 400 Arab prisoners to be released from Israel.

The President. I imagine that we'll be in touch with Israel through the proper channels, but I haven't talked to any of the people you ask about. They know our position. Having been reiterated here, I hope that it's heard loud and clear around the world.

I am pleased that Mr. Tracy has been released.

Q. Mr. President, just a followup on that. Do you have any reason to believe that these two hostage releases that we've seen, and three if you count the Frenchman, is this part of a process that's going to keep going forward?

The President. I don't know, Rita [Rita Beamish, Associated Press]. I simply don't know the answer to that. Do you remember when, oh it seems like years ago, hostages were released, everyone's hopes were up that this would signal the beginning of the end, and it has failed to materialize. So, I think we've got to be a little cautious on that. But perhaps, given the peace activity in the world, there's more of an incentive to get this hostage question behind the various countries that do have influence with those that are holding the hostages. I think the release of this Frenchman shows that when countries and different factions come together, something can happen. In other words, a real cry went up to get this man released, and sure enough, he was.

So, let's hope that all of this comes together and our citizens will be released and the others as well. I keep thinking on this Sunday of Terry Waite, a man of faith who went to, I'd say, do the Lord's work and was taken prisoner.

Q. Sir, is it correct then to say that there's been an unprecedented degree of cooperation in all this?

The President. I think there's been newfound cooperation; but again, the results are not much different yet than what happened when other hostages were released.

Q. Are you receiving any reports now, sir, of any other possible pending releases within the next -- --

The President. Well, only rumors. That's all we're living with these days. And again, I just do not want to be a part of playing the rumor game and getting the hopes up of the families both here and abroad. But all we're dealing with at this juncture are rumors.

Q. Well, are those rumors that -- --

The President. A couple more, and then I've got to go to church.

Q. Whether they are called prisoners or hostages that Israel is holding, would you endorse their release now?

The President. I'd love to see all people held against their will released. And by that, I mean those who are taken as hostages. Now, if somebody is taken for legitimate legal purposes, that's something else again. But yes, to the degree they fit the description, I'd like to see every country release them, and I'd like to see the whole world turn away from holding hostages.

You know, we went through a spate of hijackings as a way to express one's political disapproval. And there was a little condonation of this: ``Well, you have to understand where these people are coming from and what their reasons are." And somehow the world has come together against that. I'm not saying it'll ever happen, but I think people recognize that putting innocents at risk is not the way one makes a political statement. So, let's hope that the world comes together now against taking hostages and kidnaping people and pulling them away from their homes to hold them hostage for some political goal, whatever it is.

A couple more, and then I really do have to run.

Q. The Revolutionary Justice Organization said that the reason that they released Mr. Tracy was because of positive indicators, developments, and progress in the negotiations that are going on to release the people that they want freed, presumably those held by Israel. Can you shed any light on the status of those negotiations; and particularly, does Israel seem to be bending, perhaps, on releasing those PLO prisoners?

The President. We can't shed any light on it, but let's hope progress is made on all fronts in releasing these people. But I can't help you with any details. I know a little more than I'm saying, but nothing that would have a positive effect on seeing people released. But it is so important that these people are released from prison.

Q. Is the U.S. taking new steps today, different steps today in light of the McCarthy release and the Tracy release?

The President. Well, there's not many steps we can take. Obviously, we're in touch with people wherever we get a lead, and that does include the U.N. officials. And once in a while we have a

suggestion from some of them as to what we might do, different people, and we try to follow up. And we have been doing -- but we've been doing this for years.

So, again, I don't want to say the next move is up to the United States of America. It raises the hopes of families, only regrettably to have lowered down.

But let's hope that the process will go forward. I do think that there's an overall climate internationally now that permits -- or put it this way -- that would encourage hostage holders to set aside some of their alleged reasons for holding people or their grievances in order to permit them to release them. And by that, I'm talking about I hope that this peace process will go forward. There's some connection here; there's no question about that. You talk to some of the hostages that came out in the past, and they will tell you that that's what was on the mind of many of their captors -- the longstanding question of the Palestinian people and all of this.

So, I think if there's any overall kind of blanket reason to be optimistic, it might be that people around the world see that there's a good chance that ancient enemies will sit down and talk peace. And perhaps that is encouraging this forward motion; I certainly hope that's the case. I hope that that would be a clear by-product of these preliminary discussions that Secretary Baker and others have been having around the world.

But again, I don't want to make too direct a linkage because I just can't prove that. Some are saying, ``We'll release A, B, and C if you'll release D, E, and F." And so it's not all caught up in the peace process, but it's an encouraging umbrella, I think.

Well, thank you all. See you in church, I'm sure.

Please -- and incidentally, this is -- we've finished with all -- you are more than welcome to come to this little church that means so much to us for history purposes only. That was the church in which my mother and dad were married, that all of us were baptized, and my grandmother worshiped about the time the church was built. So, it's very special, and I hope you enjoy it.

Thanks.

Note: The President spoke at 9:31 a.m. at his home in Kennebunkport, ME. The following persons were referred to: Mrs. Doris Tracy, wife of former American hostage Edward Tracy and Maria Lambert, his sister; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; former British hostage John McCarthy; former French hostage Jerome Leyraud; British hostage Terry Waite; and Secretary of State James A. Baker III. During this exchange, a reporter referred to a letter from Islamic Jihad delivered by former British hostage John McCarthy to the United Nations Secretary-General. A tape was not available for verification of the content of this exchange.

Proclamation 6321 -- National Senior Citizens Day, 1991

August 12, 1991

By the President of the United States

of America

A Proclamation

Many a poet and philosopher has reverently described it as ``the autumn of life," or the rich twilight that eventually follows the glorious day of youth. Today, however, millions of American seniors are changing the way we view old age. Far from fading into the sunset, these men and women are serving as brilliant points of light in their communities. They are serving others through a host of volunteer programs and personal acts of kindness; they are sharing their ample knowledge and experience in the workplace; and they are quietly enriching their families with a wealth of love and wisdom. Across the United States, older Americans are proving that the senior years -- like any other season in life -- hold great opportunities and rewards of their own.

Today an estimated 42 million Americans are aged 60 and older, and their numbers are growing steadily. The United States Department of Health and Human Services reports that America now has the second largest population of older people in the world. On this occasion, as we gratefully salute our Nation's senior citizens -- the majority of whom are healthy and active -- we also recognize those older Americans who need special assistance.

Through the United States Administration on Aging, and through the vast network of State and regional agencies on aging, our Nation is working to provide senior citizens with the opportunities and services that they need and deserve. Many of our efforts are designed to assist elderly Americans who do not have a family member to help care for them. We are also working to provide support to older Americans who serve as primary caregivers for an ill or disabled spouse, parent, or other elderly relative. These efforts underscore our respect for older Americans and our determination to ensure that they are able to live with dignity, comfort, and security.

In honor of those who have given so much to succeeding generations, the Congress, by House Joint Resolution 181, has designated August 18, 1991, as ``National Senior Citizens Day" and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim August 18, 1991, as National Senior Citizens Day. I call on all Americans to observe this day with appropriate programs, ceremonies, and activities in honor of our Nation's senior citizens.

In Witness Whereof, I have hereunto set my hand this twelfth day of August, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:06 p.m., August 13, 1991]

Note: The Office of the Press Secretary released this proclamation on August 13, and it was published in the Federal Register of August 15.

Exchange in Kennebunkport, Maine, With Reporters on the Hostage Situation in the Middle East

August 13, 1991

The President. The only thing I've got on my mind is I just wanted to say that I talked to Javier Perez de Cuellar today, the Secretary-General of the United Nations. I don't think I needed to say this, but I told him that we fully support his efforts. He and his team are running down every possible avenue. He has my full support in everything he's trying to do. I caught him in Geneva; he's still working the problem in Geneva.

I asked him whether he was optimistic and all. He said, well, perhaps a little bit more reason to be hopeful, but no specifics that I can share with anyone. But it was a good conversation, and I really do think that we ought to be grateful to the way the U.N. operates under his leadership at a time like this.

Q. Sir, do you have anything from the Israelis on the prospects for releasing Sheik Obeid?

The President. No, there wasn't anything at all from them. I noticed that they are very interested in getting back their own, having accounted their own military, and I can certainly sympathize with that. I wasn't perhaps overly clear on that the other day, but when I spoke about people being taken for political reasons I still feel strongly that everybody ought to release those.

But then we've seen that there are some that are held in Germany that are violent breakers of the law. There are some soldiers unaccounted for, and all that should be cleared up, certainly. But those that are in jails convicted of terrorist acts, hijacking planes, bombings, clearly they've got to pay the price. But it's these political kidnapings and hostage-takings where I hope people will all go ahead and release them.

Q. So are the soldiers in that category?

The President. Well, there's a full accounting that's required, and I can certainly understand Israel's desire to have the full accounting for those people. Absolutely.

Q. Is the United States putting any pressure on Israel to go in the same direction?

The President. No, no pressure. We can't pressure anybody. But we keep repeating our policy, and I still repeat that I don't want to get the hopes up of families. I think that's still the tragedy in all of this.

Q. But do you find yourself, sir, now more optimistic after -- --

The President. Well, not particularly over yesterday, for example, but I think he feels there's enough movement going on in various corners that there's reason to have more optimism. I just hate to raise the stakes on our side by expressing greater optimism because I've seen too many families hurt.

Q. Would you discourage them from negotiating on behalf of the prisoners?

The President. He's doing his level-best to act as an honest intermediary and taking messages back and forth and trying his level-best, and I support that fully.

Q. If he negotiates, that's okay with you?

The President. We stay with the United States policy. And he is trying to facilitate the release, and I salute him 100 percent for what he's trying to do.

Q. He indicated that the release of those seven, or the accounting for those seven Israeli military guys, that that seems to be really the main sticking point. And he said that if that could be solved then the hostage situation could be solved; not a direct quote, but it seems to be what he's saying.

The President. I think the military people are unaccounted for, whether they're MIA's in Vietnam or whether they're Israeli soldiers presumably held somewhere else, there should be a full accounting. And I certainly share Israel's concern, just as I expect all countries share our concern about MIA's that are not accounted for.

Q. Just to be clear on this business of negotiating, you wouldn't tell -- are you saying that you would not tell Mr. Perez de Cuellar not to negotiate -- --

The President. He's free to do whatever he wants to do, and the other parties are as well.

Q. Have you received any clarification of the letter?

The President. And I support him in what he's trying to do.

Q. -- -- of the letter he -- --

The President. I've seen the letter, yes -- eight pages of it. In fact, I looked at it this morning.

Q. As I understand it, they were trying to get clarification of meaning -- --

The President. Well, there hasn't been anything since this morning that I know of in terms of clarification. You mean in terms of people that are held all over the world kind of thing?

Q. All over the world, yes.

The President. That needs clarification.

Q. Do you feel -- is there anything new since yesterday? Marlin told us that there were some positive aspects to it. Does it seem like, that this letter shows more hope than we've had in the past because of -- --

The President. Well, maybe the fact that some of these groups are even discussing a hostage release is important, but I can't tell you that, having looked at that letter and read an analysis put together for me by the National Security Council people, that I see any reason to be extraordinarily hopeful because of that long letter.

So, it's still murky, and it's still ugly business. But I am very pleased that we have a Secretary-General, that the United Nations does, that's willing to go the extra mile. And he's sure trying hard, and maybe it'll have some results. I certainly hope so. I know the American people all do.

Q. Did he give you any indication of he hopes to have it settled within a week, or any kind of a -- --

The President. No, he didn't have any timeframe on it, Rita [Rita Beamish, Associated Press]. That's a good question. And there was no kind of, ``Well, if I find out something by 24 hours or 48 then it would lead to something else." There was none of that.

Q. Are you certain that all the groups that are holding hostages are represented in whatever the U.N. talks are?

The President. No. I think some of it is so shadowy you're never really sure.

Well, thank you all very much.

Note: The President spoke at 6:10 a.m. on the course at the Cape Arundel Golf Club in Kennebunkport, ME. In his remarks, he referred to Sheik Abdul Karim Obeid, Moslem cleric and Hezbollah leader held by Israel. He also referred to a letter from Islamic Jihad and delivered by former British hostage John McCarthy to United Nations Secretary-General Javier Perez de Cuellar de la Guerra. Marlin Fitzwater is Press Secretary to the President. A tape was not available for verification of the content of this exchange.

Letter to Congressional Leaders Transmitting the 1991 National Security Strategy Report

August 13, 1991

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 603 of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99 - 433; 50 U.S.C. 404a), I hereby transmit the annual report on the National Security Strategy of the United States, 1991.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement on the 1991 National Security Strategy Report

August 13, 1991

Today I signed and forwarded to Congress the National Security Strategy Report for 1991. This report comes at a rare moment in history. Seldom if ever have we been offered such an opportunity: to build a new international system in accordance with our own values and ideals. The cold war has at long last released its grip on world events. Democracy is coming to Eastern Europe. The Gulf war helped create an unprecedented consensus that aggressive force must not be used to settle disputes and that if it is, the international community will respond. More so than ever before, we have seen the United Nations play the role dreamed of by its founders. The United States and Soviet Union have signed a treaty that for the first time significantly reduces their strategic nuclear arsenals. Yet, for all these national and international triumphs, the world remains a volatile place with ethnic antagonisms, national rivalries, religious tensions, spreading armaments, personal ambitions, and lingering authoritarianism. Our national security strategy reflects the significant achievements, sobering realities, and important opportunities that now confront us.

This report emphasizes the enduring political, economic, and military foundations of our national strategy, yet acknowledges the mandate for change in implementing elements of that strategy. While addressing our strategic relationship with the Soviet Union as an inescapable priority, we will work with our allies to respond to new political challenges, taking into account a more internally oriented and less threatening Soviet Union. While contributing to global stability as only America can, we will shift our focus to regional threats and peaceful engagement. While reducing nuclear and conventional force levels on the Continent, we will work with our NATO allies to foster reconciliation, security, and democracy in a Europe whole and free. And while providing adequately for our defense, our economic well-being will remain the foundation of our long-term strength.

Our response to strategic challenges has always been shaped by what we are as a people, for our values are the link between our past and our future, between our domestic life and our foreign policy, between our power and our purpose. Our responsibility as a Nation remains not only to protect our citizens and our interests but also to help create a new world in which our fundamental ideals not only survive but flourish. That is the essence of our national security strategy.

I look to this report to be the foundation for a productive, nonpartisan, national dialog as we continue to develop and articulate a strategic approach that will guide us safely into the 21st century.

Nomination of William Taylor To Be a Member and Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation

August 13, 1991

The President today announced his intention to nominate William Taylor, of Illinois, to be a member and Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation for a term expiring February 28, 1993. He would succeed L. William Seidman.

Currently Mr. Taylor serves as staff director of the Division of Banking Supervision and Regulation at the Board of Governors of the Federal Reserve Bank in Washington, DC. He served as a bank examiner with the Federal Reserve Bank in Chicago, IL, 1961 - 1968; and as vice president in charge of lending with the Upper Avenue Bank in Chicago, IL, 1968 - 1972. From 1972 to 1976, he served as vice president and manager of James W. Rouse and Co., a real estate development and banking firm in Chicago, IL.

Mr. Taylor graduated from Cornell College (B.A., 1961). He was born June 24, 1939, in Chicago, IL. Mr. Taylor is married, has three children, and resides in Oakton, VA.

Remarks at the Annual Convention of the National Fraternal Order of Police in Pittsburgh, Pennsylvania

August 14, 1991

Thank you all. And Dewey, thank you for that very generous introduction. The Government has a good relationship with this outstanding organization. Many of you have been to the White House. Many more I hope will come. But I want to thank your president for the introduction and for his leadership.

I want to, of course, salute the Attorney General, Dick Thornburgh, so well-known to everybody, not just in Pittsburgh, but across this country, for the job he's done for law enforcement. I want to thank the members of the Fraternal Order of Police, ladies and gentlemen. I want to thank all of you, all 3,000 of you, for the warmth of that greeting.

Now I know how Barry Bonds and Bobby Bonilla feel over at Three Rivers Stadium. [Laughter] I don't think so many great defenders have gathered in Pittsburgh since the last reunion of the Steelers' Super Bowl teams. [Laughter]

A couple of years ago, 2 years ago, I was scheduled to address you. I couldn't because of the tragic death of an American hostage. Maybe you all remember him. I certainly do: Colonel William Higgins. Today, I am delighted to be here at a time when hostages are being released from the Middle East.

This is a very difficult time, let's face it, for the families of those still held hostage. For years they've endured the cruel water torture, you might say, of occasional vague promises followed by crushing disappointment. They've seen their loved ones used as political puppets, but they haven't been able to identify the puppeteers.

We cannot tell, I wish I could tell you, but we cannot tell what lies ahead. But this administration will never rest until every hostage is free to rejoin his loved ones and return to the America that loves them.

I think it's appropriate to say that I want to once again express my strong support to Secretary-General Javier Perez de Cuellar of the United Nations for his continuing efforts to free all the hostages. They're doing a good job there and trying hard, and we support him 100 percent.

And I look out over this crowd, and I expect many fought in the war preceding Desert Storm. And I might say to those who did serve in Vietnam, while we're talking about accounting for people: We will do everything to our level-best to account for every single MIA in the Vietnam area.

I'm here today because, as in the Middle East, our entire administration opposes chaos and lawlessness, and stands shoulder-to-shoulder with those who strive for law and order. And Dewey, once again, thank you for your kind words.

As you well know, there are no magic, one-step solutions to the complex problems of crime and drugs. In some cases, education, employment, career counseling -- these things sometimes can help turn prisoners into productive citizens. And we recognize that. Drug rehabilitation can direct ex-drug users toward useful lives. But sometimes these means don't work. And we must remember that the first obligation of a penal system is to punish those who break our laws.

Today, I want to discuss ways in which we can help free America from the fear of crime and drugs, and in the process thank those of you in this organization who have had a constructive input into the legislation that I want to talk about. Frankly, I am proud of our domestic agenda, our administration's domestic agenda. We have strong initiatives in child care and clean air and home ownership and transportation, and other areas as well. But I'm especially proud of our war on crime. Our outgoing Attorney General, with me here today, Dick Thornburgh, has played a tremendous role in this fight. And he's taken his job as America's chief law enforcement officer very seriously. Relentlessly, tenaciously, he's pursued those who prey on our society.

Dick, on behalf of all Americans I want to thank you in this, your home town of Pittsburgh, for your superb service to our country as Attorney General. Leaving politics aside, this Nation owes you a real vote of gratitude.

We come here armed with some good news. Last year the percentage of American households affected by crime fell to an estimated 24 percent, the lowest rate since the Federal Government introduced this indicator in 1975. But as good as that may sound, it is hard to celebrate the fact that nearly one in every four households feels the touch of crime each year. So today let's talk about building an America even more deeply committed to the values that make law and order possible.

One good step in my view would be to ensure that Clarence Thomas becomes the next Justice on the United States Supreme Court. This man knows, Clarence Thomas knows, as Teddy Roosevelt said, that America will not be a good place for any of us until it is a good place for all of us to live in. He has lived the values that we hold dear: duty, decency, and personal responsibility. And he's promoted those values through his career in public service.

I don't know how many saw the announcement I made up in Maine with Clarence by my side when I announced this appointment, but his personal story cannot help but move people, inspire them.

I nominated Judge Thomas because he has the brains and the background, the character to promote fidelity to the Constitution and to uphold our commitment to equal opportunity. I ask

you to help support those values by urging the Senate to confirm Clarence Thomas as our next Supreme Court Justice.

Values, values is what we're talking about. It's what drives you in your careers. We can't underestimate the importance of these values since, as you know, police cannot maintain the peace without the help, the support, and the respect of the people they serve.

When you deal with crime's victims and its perpetrators, you know that our citizens want and deserve to feel safe, to live in communities in which they are safe. But no one should underestimate the difficulty of bringing order to streets decimated by lawlessness and chaos.

First, our administration is committed to rewarding good police work. By the end of this year, we will have 50 percent more Federal prosecutors than in 1988. We're on our way to doubling the capacity of the Federal prisons. That will help us house more than 2,500 dangerous criminals convicted since 1989 under tough Federal laws that require a mandatory 5-year sentence for using a gun in a violent crime or a drug trafficking offense.

We've acted to curb potential furlough abuse. Under Dick Thornburgh, and I salute him for this, we've tightened the furlough review process for inmates, further restricting the already limited furlough opportunities for Federal offenders. In April of 1989 the furlough rate was 1.2 per 100 inmates. This April it'll be less than half that. And of course, no furloughs are granted for anyone serving a sentence of life without parole. There will be no let-up. Furlough is a privilege, and it's not a right.

And again, with the help of many here, our administration has acted to punish hardened criminals -- career -- what you all call career criminals -- under the Federal Armed Criminal Career Act. You shouldn't have to endure the frustration of watching a seasoned criminal walk free because we didn't have the facilities or the prosecutors or the will to take the law, and our law enforcement officers, seriously. We would like every State to have tough laws to deal with violent criminals. But we're not waiting for those who don't.

Project Triggerlock, started just in April, already has produced 850 indictments against persons for firearm offenses. Together, we've seized criminals' assets, using them to fund law enforcement and building new prisons. More than $700 million of the assets seized have been returned to State and local law enforcement agencies for use in fighting crime. You talk about poetic justice; that's it. And it's long overdue.

But this is just a beginning, and you know it. You're out there on the front lines. You know it better than I do. We have a very good chance this year of passing the administration's comprehensive package to combat violent crime. Nearly two and a half years ago I announced our Violent Crime Act legislation, asking Congress to back up our law enforcement officials with laws that are fair, fast, and final. That package starts with a commonsense proposition: Don't send

police into battle wearing handcuffs.

And so, we proposed stiff penalties for criminals using semiautomatic weapons, an improved exclusionary rule, and habeas corpus reforms. These proposals -- and if you haven't seen them, take a look at them -- these proposals tell criminals: You will serve the time. They also tell police and law-abiding citizens: We will reclaim our neighborhoods and streets.

Our package also says: Let's give our law officers the respect they deserve, in part by imposing the death penalty on those who kill a law enforcement officer.

Our proposals impose tough punishment on drug kingpins who threaten a Federal witness or a juror or a judge. We want a good faith exception to the exclusionary rule. There's no reason, none at all, that good police officers should be penalized and criminals freed because a judge or lawyer bungled a search warrant. We want habeas corpus reform that will prevent criminals and lawyers from using technicalities to gum up our justice system.

In short, the time has come to show less compassion for the architects of crime and more compassion for its victims. And you all know it: no group suffers more from violent crime than the poor, a group most heavily victimized by lawlessness.

Working with Congress, we reauthorized the 1984 Victims of Crime Act and boosted its annual Victims Compensation and Assistance Fund to $150 million. These dollars came not from taxpayers but from criminals' fines and penalties. After all, crime shouldn't pay; let the criminals pay it for a change. And that's what happens as we try to support these victims of crime.

We stepped up efforts to implement the Victim-Witness Protection Act and the new Victims' Rights and Restitution Act. And let me note how our Violent Crime Control Act of 1991 gives further aid to innocent victims of crime. It includes new protections for witnesses and abused kids. It provides rules that make it easier to prosecute those who commit sexual violence against women and children. It imposes mandatory HIV testing of accused sex offenders, and it guarantees a victim's right to address the court at sentencing.

I'm very happy that a bipartisan coalition in the Senate has passed a crime bill that includes most of the features in our original legislation. We now look for the House Judiciary Committee to act in an equally responsible manner, so that the full House may follow suit.

To build upon this Nation's commitment to order, we must enact a comprehensive crime bill that lets police uphold our laws. But at the same time, we should be very careful not to make police responsible for creating peace everywhere.

After all, the fight against crime is everyone's business. Families and neighborhoods, and schools and churches, and drug shelters and businesses and the media -- everyone must join this fight.

You cannot do your jobs if citizens don't call you, don't trust you, don't work with you. And you can't turn bad people into saints.

For 75 years, this organization, the Fraternal Order of Police, has supported the men and women who have the tough duty of keeping the peace. I pledge my support, and I offer this commitment: Our administration will help you take criminals off the streets, so that Americans can take back their streets.

Barbara asked that I specifically bring you her greetings. She's up to her eyeballs in the grandchild business, as we're on vacation over there in Maine. [Laughter] But I want to just say this, since several in our receiving line mentioned her. She agrees with this and stands with you all, particularly the family aspects of this -- the wives and the children who see their husbands out on the line or the husbands who see their wives out on the line, protecting the communities in this country. And we are grateful to each and every one of you for what you do every single day.

Now, you keep up the good work. Thanks for what you've done. Thanks for your support. And may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 9:49 a.m. at the David Lawrence Convention Center. In his remarks, he referred to Dewey R. Stokes, president of the National Fraternal Order of Police; Attorney General Dick Thornburgh; Barry Bonds and Bobby Bonilla, members of the Pittsburgh Pirates baseball team; American hostage Col. William Higgins, who was executed by his captors in 1989; United Nations Secretary-General Javier Perez de Cuellar de la Guerra; and Judge Clarence Thomas, nominee for Supreme Court Associate Justice. Following his remarks, the President returned to Kennebunkport, ME.

Statement on Signing the Intelligence Authorization Act, Fiscal Year 1991

August 14, 1991

Today I have signed H.R. 1455, the ``Intelligence Authorization Act, Fiscal Year 1991."

I am pleased that the Congress has eliminated the most serious problems identified in my Memorandum of Disapproval of November 30, 1990, regarding its predecessor, S.2834 (101st Congress). In particular, I am pleased that the Act, as revised, omits any suggestion that a ``request" by the United States Government to third parties may constitute ``covert action" as defined by the Act. In addition, I am pleased that the revised provision concerning ``timely" notice to the Congress of covert actions incorporates without substantive change the requirement found in existing law. I reiterate my intention to proceed in this area as outlined in my letters to Senators Boren and Cohen of October 30, 1989; I am glad that the Congress has accepted that statement of intention and, in the spirit of comity in which it was offered, has not added any restrictions beyond those that the executive and legislative branches have agreed are found in existing law.

I remain concerned about legislatively directed policy determinations in the Act and provisions that are without effect because they are unconstitutional under the Supreme Court decision in INS v. Chadha, 462 U.S. 919 (1983). I reiterate that the inclusion of such provisions is inappropriate.

Several provisions in the Act requiring the disclosure of certain information to the Congress raise constitutional concerns. These provisions cannot be construed to detract from the President's constitutional authority to withhold information the disclosure of which could significantly impair foreign relations, the national security, the deliberative processes of the Executive, or the performance of the Executive's constitutional duties.

I believe that the Act's definition of ``covert action" is unnecessary. In determining whether particular military activities constitute covert actions, I shall continue to bear in mind the historic missions of the Armed Forces to protect the United States and its interests, influence foreign capabilities and intentions, and conduct activities preparatory to the execution of operations.

I am confident that this Act will lay to rest disputes that in the past have arisen between some Members of Congress and the executive branch, and I look forward to continued cooperation with the Intelligence Committees.

George Bush

The White House,

August 14, 1991.

Note: H.R. 1455, approved August 14, was assigned Public Law No. 102 - 88. The statement was released by the Office of the Press Secretary on August 15.

Exchange With Reporters in Kennebunkport, Maine

August 15, 1991

The President. Good morning, everybody, bright and early.

Hostage Situation

Q. Any hopeful signs on the hostage situation?

The President. Nothing overnight. Just talked to the Sit Room, and I think Perez de Cuellar just left Geneva. But we haven't gotten a last-minute report: coming. So, there's nothing, no new developments overnight at all.

President's Health

Q. What happened to your arm, sir?

The President. Donated a little blood to the cause.

Q. Where? Here in town?

The President. No, no. The nurse took it out.

Q. On purpose? [Laughter]

The President. No, they check me about once a month on that blood withdrawal.

Q. What are you doing instead of running these days?

The President. I ran yesterday, 2 miles.

Q. Did you?

The President. Yes.

Q. Where?

The President. On the place. Yes.

Q. And you're running how often?

The President. About once a week. And then I'm playing tennis out there and playing golf here, which isn't a lot of exercise, except for the amount of swings I'm taking.

Q. Are you using a Stairmaster or anything like that?

The President. No, I've run -- I use one at home, but I ran 20 minutes yesterday which is 2 miles.

Q. You're not cutting back on that on doctors' orders, are you?

The President. No, no. I'm cutting back on it because I'm playing a lot of tennis and a lot of other stuff, getting up early around here and -- cast for 45 minutes yesterday steadily which was fantastic fishing. So, it's a mixed program.

Q. What was the blood test for?

The President. They just take it out of here and test it every month or so.

Q. Just routine?

The President. Yes, just to see the balance on the thyroid. I'm still taking thyroid stuff, and will be, I guess, for the rest of my life.

Hostage Negotiations

Q. Are you pleased with Israel's response and the way they're proceeding?

The President. It sounds like flexibility on all sides. But again, Rita [Rita Beamish, Associated Press], it's pure speculation this morning because there isn't any news overnight that we know of.

Q. Do you think we're settling into -- Perez de Cuellar seems to indicate maybe a little bit of, I don't know, a holding pattern or just maybe having to settle in for -- --

The President. Well, when I talked to him a couple of days ago he expressed cautious optimism, and I don't know that there's any reason to change that assessment.

Q. You said that there would now be, this would now be a time for secret negotiations. Who is taking part in these secret negotiations.

The President. Well, if it's secret, we wouldn't know, would we?

Q. But I thought you might know.

The President. If it's a big secret we wouldn't. Well, I might. But I think the ball is largely in the constructive hands of Perez de Cuellar and his team now which is good because the U.N., having performed very well during the Desert Storm period and prior to that I think has a certain new respect level. It certainly -- the Secretary-General seems to have the confidence of all parties. So, that's the major chance now for more release.

Q. Have you talked to him?

Q. Are you concerned at all, sir, that with Perez de Cuellar negotiating with these hostage-takers that it might have the effect of doing what the United States has always not wanted to do, and that is to make hostages seem more valuable because it gets the attention of the world community?

The President. I don't think if it's being handled this way, there's any chance of that at all. Our position is well-known, and I think others have had different policies on that. You've seen in the past where Israel, anxious to account for every single one of its fighting people, fighting men have been taken prisoner from time to time, have been willing to engage in prisoner swaps.

Q. You have no problem with that?

The President. None at all. I don't see that there's anything that would diminish our policy at all, in all of this. In fact, I'm just hopeful that it will result in the release of our people.

Q. Have you talked to him since -- --

The President. No, not since I talked to him a couple of days ago.

Golf Game

Q. Are you going to use Big Bertha?

The President. I'm going to unleash it out here, yes. Keep your head down there and left arm straight and bring it on through, and the results are startling. By that, I mean wet.

Q. Wet?

The President. It's not very wet, not the way I use it.

Q. Where's Mrs. Bush?

The President. She's recovering from her round of yesterday. That's subject to present interpretation by the Secretary-General, which means she stunk and doesn't want to play today. [Laughter] No, rephrase that. She didn't have her finest outing yesterday. [Laughter]

Note: The exchange began at 6:14 a.m. on the course at the Cape Arundel Golf Club in Kennebunkport, ME. In the exchange, the President referred to United Nations Secretary-General Javier Perez de Cuellar de la Guerra, and a reporter referred to Big Bertha, one of the President's golf clubs. A tape was not available for verification of the content of this exchange.

Proclamation 6322 -- National Sarcoidosis Awareness Day, 1991

August 15, 1991

By the President of the United States

of America

A Proclamation

Sarcoidosis, a disease that affects many of our fellow citizens and people around the world, remains shrouded in mystery. Skin-related symptoms of this chronic, multi-system disease were first recognized more than 100 years ago; however, the effects of sarcoidosis on other bodily organs were not observed until the first quarter of this century. Today researchers are still trying to learn more about the cause and the nature of this affliction.

Sarcoidosis can strike people of all races and of all ages, but, according to the United States Department of Health and Human Services, it is most common among black Americans who are between the ages of 20 and 40. While no cause has yet been identified, it is thought that heredity predisposes some individuals to the disease. Intensive research during the past decade has not only supported this belief but also enabled physicians to diagnose and to manage sarcoidosis more effectively.

Today researchers at both the National Institute of Allergy and Infectious Diseases and the National Heart, Lung, and Blood Institute are leading studies on the etiology, diagnosis, and treatment of sarcoidosis. On this occasion, we recognize their work and that of other concerned physicians and scientists throughout the United States. We also salute the victims of sarcoidosis who demonstrate great courage and determination in their efforts to cope with the disease; and we pay tribute to their family members and to other concerned Americans who are engaged in grass-roots efforts to promote awareness of sarcoidosis, as well as improved treatment and support for its victims.

To focus national attention on sarcoidosis, the Congress, by House Joint Resolution 309, has designated August 29, 1991, as ``National Sarcoidosis Awareness Day'' and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim August 29, 1991, as National Sarcoidosis Awareness Day. I invite all Americans to join in observing this day with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this fifteenth day of August, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:38 a.m., August 16, 1991]

Note: The proclamation was released by the Office of the Press Secretary on August 16 and published in the Federal Register of August 19.

Statement on Signing the Energy and Water Development Appropriations Act, 1992

August 17, 1991

I have today signed into law H.R. 2427, the ``Energy and Water Development Appropriations Act, 1992." This Act provides funds for the water resources development activities of the Army Corps of Engineers and the Department of the Interior's Bureau of Reclamation. In addition, the Act provides funding for the Department of Energy. Various related independent agencies such as the Appalachian Regional Commission, the Nuclear Regulatory Commission, and the Tennessee Valley Authority are also funded by this Act.

The funding in this Act will help make important investments in research and development for general science and energy supply, environmental restoration and waste disposal, and water resources development. I am concerned, however, about the longer-term distribution of funds between scientific research and development of national significance and water projects of more local benefit. Funding for water projects is increased above the Administration's request by $132 million, while the Administration's request for General Science and Research Activities is reduced by $76 million.

Sections 304 and 506 of the Act raise constitutional concerns. Section 304 would direct the Secretary of Energy, ``to the fullest extent possible," to ensure that 10 percent of the funds for the Superconducting Super Collider go to various institutions that are defined by their racial composition. To the extent that important governmental objectives are not clearly identified as the basis for such designations, they may raise constitutional concerns. I therefore direct the Secretary, as part of his obligation to implement section 304 ``to the fullest extent possible," to administer the section in a constitutional manner.

Section 506 of the Act provides that none of the funds appropriated by this or any other legislation may be used to conduct studies concerning ``the possibility of changing from the currently required `at cost' to a `market rate' or any other noncost-based method for the pricing of hydroelectric power" by Federal power authorities. Article II, section 3, of the Constitution grants the President authority to recommend to the Congress any legislative measures considered ``necessary and expedient." Accordingly, in keeping with the well-settled obligation to construe ambiguous statutory provisions to avoid constitutional questions, I will interpret section 506 so as not to infringe on the Executive's authority to conduct studies that might assist in the evaluation and preparation of such measures.

George Bush

The White House,

August 17, 1991.

Note: H.R. 2427, approved August 17, was assigned Public Law No. 102 - 104.

Statement on Signing the Emergency Unemployment Compensation Act of 1991

August 17, 1991

Today I am signing H.R. 3201, the ``Emergency Unemployment Compensation Act of 1991." This bill would authorize $4.5 billion primarily for a Federal program of emergency unemployment compensation that would bypass the discipline of the Bipartisan Budget Agreement. H.R. 3201 specifies that this new program and other provisions of the bill will not take effect unless I designate the associated spending as an emergency under the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. For the following reasons, I will not designate the direct spending and the appropriations authorized in H.R. 3201 as an emergency.

The Administration, the Chairman of the Board of Governors of the Federal Reserve System, and most private forecasters believe that the recession has ended and that a recovery appears to be under way. Recent official figures show that the GNP for the second quarter of this year actually increased. Last month's drop in the unemployment rate is another encouraging sign. Although the unemployment rate may continue to react with a lag, it should decline further with the economic growth that is forecast for the rest of this year.

By historical standards, the current unemployment rate would not be cause for ``emergency" action to trigger additional benefits above and beyond those provided by current law. When the Congress last created a temporary Federal supplemental compensation program in 1982, the unemployment rate exceeded 10 percent -- much higher than the current rate of 6.8 percent. When that program was allowed to expire in 1985, unemployment was still higher than the current rate.

While it is not a satisfactory substitute for a job, I am gratified that the present unemployment compensation system -- including its provisions for extended benefits -- is providing $25.4 billion in payments to the unemployed this fiscal year. The present system will continue to provide benefits for those who are eligible.

Under current circumstances, an emergency designation could be counterproductive. It could signal the abandonment of the fiscal discipline of the 1990 budget agreement. This would have a negative effect on financial markets, could jeopardize the recovery, and thus might increase unemployment just when the projected recovery would otherwise have been decreasing unemployment.

In addition to the problem with the ``emergency" designation, the Administration believes that the revised program of unemployment compensation authorized by H.R. 3201 is poorly designed and unnecessarily expensive, and could lead to slower reemployment. The new program would create four tiers of benefits providing from 4 to 20 weeks of compensation. Experience suggests that

such a complex, cumbersome system would result in benefit delays, payment inaccuracies, and escalating administrative costs.

H.R. 3201 would expand ``emergency'' unemployment benefits to every State, even those with relatively low unemployment. It would abandon the measure of unemployment that has historically been used to trigger extended benefits and would substitute an overly broad measure that does not reflect the target group to be served: insured workers. Further, States could shift costs from the current Extended Benefit program, where the States pay 50 percent of the costs, to the new program, under which the Federal Government would assume 100 percent of the costs.

For all these reasons, the unemployment compensation program in H.R. 3201 is not an effective response to current economic conditions.

Of course, I am deeply concerned about those who have lost their jobs during the recession and am anxious to see them return to work at the earliest possible date.

To that end, it is essential that we take responsible actions to assure that the economic recovery and its associated job-creation continue and strengthen. With that objective in view, I urge the Congress to enact measures that will increase the Nation's competitiveness, productivity, and growth. At the same time, I am determined that we must continue to support the hard-won reforms to assure budget discipline and must avoid any measures that might threaten the prospects of continued economic recovery and job-creation.

George Bush

The White House,

8 - 17 - 91

Note: H.R. 3201, approved August 17, was assigned Public Law No. 102 - 107.

Memorandum of Disapproval for the District of Columbia Appropriations Bill for Fiscal Year 1992

August 17, 1991

I am withholding my approval of H.R. 2699, a bill providing appropriations for fiscal year 1992 for the District of Columbia.

While I do not object to the underlying legislation and the funding the bill would provide, language concerning the use of funds provided by the bill for abortion is unacceptable. I have stated my intention to veto any bill that does not contain language that prohibits the use of all congressionally appropriated funds to pay for abortions other than those in which the life of the mother would be endangered if the fetus were carried to term. The limitation I propose is identical to the one included in the District of Columbia Appropriations Acts for FY 1989, FY 1990, and FY 1991.

H.R. 2699 would place such a limitation on the use of Federal funds to pay for abortion, but would permit congressionally appropriated local funds to be used for abortions on demand with no restriction whatsoever. As a matter of law, the use of local funds in the District of Columbia must be approved by the Congress and the President through enactment of an appropriation act. Under these circumstances, the failure of H.R. 2699 to prohibit the use of all funds appropriated by the bill to pay for abortion, except in the limited circumstances mentioned above, is unacceptable.

From the outset of my Administration, I have repeatedly stated my deep personal concern about the tragedy in America of abortion on demand. As a Nation, we must protect the unborn. H.R. 2699 does not provide such protection. I am, therefore, withholding my approval of H.R. 2699.

The adjournment of the Congress has prevented my return of H.R. 2699 within the meaning of Article I, section 7, clause 2, of the Constitution. Accordingly, my withholding of approval from the bill precludes its becoming law. The Pocket Veto Case, 279 U.S. 655 (1929). Because of the questions raised in opinions issued by the United States Court of Appeals for the District of Columbia Circuit, I am sending H.R. 2699 with my objections to the Clerk of the House of Representatives.

George Bush

The White House,

8 - 17 - 91

Note: The President's last day for action on this bill was August 17.

Executive Order 12772 -- Waiver Under the Trade Act of 1974 With Respect to Romania

August 17, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 402(c)(2) of the Trade Act of 1974, as amended (``Act'') (19 U.S.C. 2432(c)(2)), which continues to apply to Romania pursuant to section 402(d), and having made the report to the Congress required by section 402(c)(2) of the Act, I hereby waive the application of sections 402(a) and 402(b) of the Act with respect to Romania.

George Bush

The White House,

August 17, 1991.

[Filed with the Office of the Federal Register, 3:38 p.m., August 20, 1991]

Note: The Executive order was released by the Office of the Press Secretary on August 21 and published in the Federal Register on August 22.

Memorandum on Trade With Romania

August 17, 1991

Presidential Determination No. 91 - 48

Memorandum for the Secretary of State

Subject: Determination under Subsection 402(c)(2)(A) of the Trade Act of 1974, as Amended -- Romania

Pursuant to subsection 402(c)(2)(A) of the Trade Act of 1974, as amended (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to Romania will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

Note: The memorandum was released by the Office of the Press Secretary on August 21.

Letter to Congressional Leaders on Trade With Romania

August 17, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to subsection 402(c)(2)(A) of the Trade Act of 1974, as amended (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 of the Act with respect to Romania will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received assurances with respect to the emigration practices of Romania required by subsection 402(c)(2)(B) of the Act. This letter constitutes the report to the Congress required by subsection 402(c)(2).

Pursuant to subsection 402(c)(2), I shall issue an Executive order waiving the application of subsections (a) and (b) of section 402 of the Act with respect to Romania.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letters were released by the Office of the Press Secretary on August 21.

Exchange With Reporters in Kennebunkport, Maine

August 18, 1991

Hostage Situation

Q. Mr. President, there's been a real lull in the hostage situation. Are you concerned that there's a loss of momentum here?

The President. Well, I've expressed my views. We ought not to get the hopes of people up. The Secretary-General doesn't seem that concerned about this lull, and so you don't want to dash hopes either. But the last comments I saw from him in the reporting cable were that he was not all that pessimistic and that it was going to take a little more time. But there has been nothing new, Jim [Jim Miklaszewski, NBC News], that I have seen overnight that would make me change the assessment that I've been on for a while.

Q. Is it true that the Iranian Government is really taking the lead in solving this question?

The President. I don't think alone. I mean, I think they've tried to be, certainly, more constructive. I mentioned the other day an appreciation to them for their role in facilitating the release of Tracy. So, I think there's a feeling that they would like to get this matter behind them. But again, I want to stop there because there's much more that needs to be done by all the parties that have influence over the hostage-holders.

Q. I guess the New York Times is saying today that the President of Iran actually is personally involved and that his government has won over the dissident factions that were blocking the release of the hostages.

The President. I can't confirm that, but certainly that would be constructive. And there's a feeling around the world that it's time to end all this. And I think it's that general feeling that is helpful. I said the other day that I think the prospect of a peace in the Middle East might have been conducive to all this. I hope it has. But still, we've got a long way to go before that's all worked out.

Terrorist Threat

Q. On that vein, there's a Republican task force that says the administration is ignoring a new potential terrorist threat from the Middle East.

The President. Well, I hadn't read anything other than the report about what that task force said, and I don't think there's any such -- I mean, if that's what they said, I'd have to speak to them because I don't think we're ignoring a terrorist threat. We're always concerned about terrorism,

but if they have some constructive suggestions as to how to protect American citizens against the threat of terrorists, I'll avidly read that report.

But I didn't read it, Jim, that we were ignoring the threat, and so I want to be fair to the authors of it. I saw a quote by Congressman McCollum, who is a very reasonable Congressman, a very bright and intelligent person. And so, before commenting on the question, on the hypothesis, I'd want to talk to him about it.

Q. Is there a new potential threat for terrorism and retaliation for the Gulf war?

The President. Well, there's always a threat of terrorism or retaliation. But Saddam Hussein has been so thoroughly discredited that I don't think there would be anything other than some reckless renegade terrorists that would try to exact retribution. He was roundly condemned in the Arab world; we won't forget that.

Hostage Situation

Q. Will the Israelis be forthcoming on the hostage situation as part of the -- --

The President. You know, I think they've got a very good case when they say, ``Look, we want our military accounted for.'' That's fair. It's a reasonable request. And I gather that the discussion that the Secretary-General had with the Israeli representative went pretty well, and I thought they were quite forthcoming. But I would just encourage all parties to be as forthcoming as they possibly can. But surely, worldwide opinion would say it's reasonable to want to know about your navigator or the pilots or whatever it was that were unaccounted for. Look at the agony we're going through long after the Vietnam war is over, running down every lead.

And incidentally, the delegation that went over under the auspices of the Defense Department ran into a fraud, ran into a case of pure fraud: raising the hopes of the American people with phony pictures and a great hue and cry on every media outlet because of the hope that somebody would be free, only to find that the person that they were put in touch with admitted to a fraud. And that is the reason I've been trying to downplay all this a little bit.

Protesters in Kennebunkport

Q. There are some people from Operation Rescue here. Are you planning to meet with them?

The President. No. I'm trying to get a vacation here. We've had requests to meet with people from all over, all different causes. I'm sure they'll understand. If I did meet with them I'd say, ``Hey, please abide with the law, don't violate a judge's order, and stay within the law.'' And I'd say that to ACT UP [AIDS Coalition To Unleash Power] when they come up here or to any other demonstrators. I empathize with the out-of-work demonstrators even though some of them were

the organizers and had good jobs. But look, they've got a point. They want to demonstrate. They want to peacefully express their concerns to the President about unemployment benefits. I understand that. And they behaved properly, and they did their thing. I don't think, from what I've heard, there was much inconvenience to the people in the town, which does concern me.

So, it depends how people conduct themselves. No, I'm not going to have any meetings here. I'm trying to avoid that. I'm meeting with the Governors by satellite this afternoon, however, an exception that will prove the rule. And then we'll have some others. I think we're going to have some of our people from Washington up here in the next few days.

Anyway, I better go to church.

Note: The exchange began at 9:45 a.m. at St. Ann's Episcopal Church. In the exchange, the following persons were referred to: United Nations Secretary-General Javier Perez de Cuellar de la Guerra; recently released hostage Edward Tracy; President Ali Akbar Hashemi-Rafsanjani of Iran; Representative Bill McCollum; and President Saddam Hussein of Iraq. Operation Rescue is an organization of anti-abortion activists, and ACT UP is an organization of activists seeking additional funding for AIDS research. Following the exchange, the President attended morning services at the church.

Remarks in a Teleconference With the National Governors' Association in Seattle, Washington

August 18, 1991

The President. Well, Booth, thank you very much for that kind introduction. Let me also say hello to the Speaker, Tom Foley, who's come back home to his State to welcome the Governors to the Emerald City. My thanks to all of you for letting me come by in this manner, come in by satellite.

Booth, I know as NGA chairman for the past year you've been frequently doing that bicoastal redeye. So, I need to loan you this satellite here. It is the quickest way to travel coast-to-coast: smooth ride, we hope, and no jet lag.

This year's gathering is marked, obviously, by the sadness at the passing of one of your own, I want to say our own, a past chairman of NGA, Governor Richard Snelling. Barbara and I join all of you in expressing our sympathy to the Snelling family, to Dick's wife, Barbara, and their children. Everyone who ever worked with Dick, of every political stripe, knew him to be a man of character and deep commitment. He will be missed by the people of Vermont and by Americans everywhere who value that high standard that he set for the business we're all in, public service.

This is a perfect forum to highlight several issues of urgent concern to all of us. So, let's start with transportation. In just 43 days, the Federal Government's authority to fund highway and transit projects will expire. We need a new 5-year Federal reauthorization bill to maintain and improve our infrastructure.

In just a few hours from now, I'm told you'll hear from Sam Skinner. I've asked Sam to work with the Congress to redouble our efforts to produce a reauthorization bill acceptable to all parties. All levels of government must do more to meet our transportation needs. That's why I've proposed a 39-percent increase in the Federal share for highway spending. But let me be clear: I will veto any bill that includes an increase in the gasoline tax.

The clock is ticking. I urge the NGA to help keep the pressure on, to join me and the Congress to pass this critical bill.

Anyone who knows the NGA knows you've come to Seattle to get things done. Over the past several years, we've forged a partnership between the Federal Government and the States. That partnership has begun to achieve great things in education. Now, we must join forces on the tough issue of health care. Booth, you've led the NGA's task force on health care in crafting a policy on health-care reform. There are good stories in the paper about that today. Your draft policy calls for comprehensive State reforms. It outlines how the Federal Government can encourage innovation. If the NGA adopts such a policy, we want to work with you. We'll do our best to

remove Federal obstacles to State-designed solutions.

Health care and transportation are just two of the many issues of our agenda that affect every aspect of American life. But we must face other challenges: making our economy stronger; our streets safe; battling drugs; building a Nation united in its desire to secure peace, prosperity, and opportunity for all Americans.

Today, let me just focus on education and to commend you on the work you've done this year to improve learning in America. It's been nearly 2 years since we met in Charlottesville. There, following in the footsteps of America's truly education President, Thomas Jefferson, we committed ourselves to the ``Jeffersonian Compact.'' That compact led us to establish six national education goals and launched the Nation on a decade-long crusade to improve our schools.

This march toward excellence has many dimensions. In the 2 years since the education summit, two key principles behind our national goals now drive the forces of reform. I'm talking about high expectations and a focus on results.

Some, and I can understand this, but some dismissed our goals as too ambitious. But you and I know if we wanted dramatic improvement, we had to set our sights higher. Improved performance begins with high expectations.

In the future, our students will have to meet or exceed objective, world-class standards. I believe that every child can learn, regardless of background or disability. We want all students to succeed.

Since Charlottesville, a second key principle has shaped our approach to education reform. We must focus on results, build a performance-based education system. Our work with the National Council on Standards and Testing, chaired by Carroll Campbell and Roy Romer, will result in a system of American achievement tests to help us mark our progress. No longer will we measure educational success by the dollars we pour into the process. We'll measure success by the caliber of students our schools produce.

We'll start measuring performance this fall when we release the first national education report card. We won't see the report card until September, but let's not kid ourselves about the news. We know right now that our schools aren't making the grade. That's why your support in addressing this critical problem is so very important.

Today, I'd like to announce that I will be addressing the state of our Nation's education here in Maine on September 3d, as our school season begins. I'm glad Governor Jock McKernan, the new chairman of the Education Commission of the States, will be with us, as I plan to make this the first in a series of such reports.

I also plan to address our Nation's school children on October 1st. And if I might, I'd like to suggest and ask that each of you do the same in your State.

Our summit in Charlottesville focused on results. And now, through the hard work of the National Education Goals Panel, we need to reestablish phase one of the voluntary national testing system. I call it the American Achievement Test. We need this to be ready for the 1993 school year, and we'll continue to work closely with you, the Governors, in meeting this deadline.

Tomorrow, Lamar, your former colleague and now mine, Lamar Alexander, will speak to you about America 2000, our plan to restructure, literally re-invent, America's schools. America 2000 challenges us to do more than tinker with the existing system. It challenges us to mount a national crusade: one that draws its energy from the American people's desire for change; one that enlists and engages parents, corporate and community leaders; one that makes us use the talents, drive, and desire of everyone who has a stake in America's schools. That's why America 2000 deserves the full support of every Governor.

Incidentally -- and it really was very important to us, to me, in getting perspective here -- some time ago, Barbara and I traveled to Grand Junction, Colorado, to help launch Colorado 2000, a program for which Governor Romer deserves enormous credit. And thousands of people were ready to join this crusade. What struck me the most was the passion that these people shared, the passion that comes from glimpsing the world of possibilities open to every child.

That passion must spark this great crusade in every State. When I announced America 2000, I said there can be no renaissance without revolution. Well, I'm pleased to tell you today that, State by State, community by community, and school by school, that revolution has begun.

Two hundred years ago, Thomas Jefferson called education the keystone of the arch of the American experiment. Education stands as our most enduring legacy, vital to our economic strength, fundamental to our democratic institutions. Education speaks to us, always, as the dream that shapes America's destiny.

Now, as Booth said, we're going to have some give-and-take here. And I really am anxious to hear about your work in Seattle; what's going on in your States. And thank you, Booth. As they say on TV, ``Back to you."

Governor Gardner. Thank you, Mr. President, for your comments. We have several members here that are looking forward to dialoging with you. I'll just start it off on a light note. I know you're interested in domestic affairs. I have a circumstance where my wife is just picking up golf. Believe it or not, it's true. And if you have any suggestions or comments I might make about her game?

The President. Don't say what I said about Barbara's game. I learned the hard way on that one.

I've been vindicated actually, because it was she that said she stunk, not me. But I would suggest kind and gentle comments, Booth, and wish her well. [Laughter]

Governor Gardner. I'll pass that on to her.

I'd like to now call on Governor Ashcroft.

Governor Ashcroft. Mr. President, thank you very much for communicating with us again. Our opportunity to work with you has been most pleasing, particularly your coming to our meetings, hosting the education summit, and being willing to have an open door to us. In particular, I want to thank you for your commitment on the transportation issues.

We do need to reinforce our commitment to infrastructure, but our policy of the NGA calls for States to retain taxing capacity. And I think additional Federal tax would eliminate my ability to raise the right resources at the State level to match Federal resources that would come under a new reauthorized bill. And obviously, it should be a reconstructed bill in my judgment, and I think you're on the right track there. So, I want to thank you for your commitment to protect us from counterproductive Federal intrusion into an important State revenue source on the gas tax.

On a personal note, I've written to all the Governors here about my fondness for Clarence Thomas, with whom I shared an office for 16 months. And you get to know a person pretty well in 16 months sharing the same room with him. I think he's a great nominee, and I hope he has a chance to demonstrate that greatness on the Court.

The President. I think he will. And I know there's been some honest debate on that one. But you know, I don't know if you can see behind me the little tiny former tool shed, I think, and it was standing right here. I must say I got all choked up when I heard Clarence talk about his background. And he did it from the heart; there's no phoniness here. I honestly believe that he'll be a great Justice, and at this juncture I feel he will be confirmed. You might talk to Tom Foley, who's always very fair in these matters, although it's the Senate's business, and get his view. But I think he'll get a shot. I think he'll be given a chance to serve on this Court, and I think he will acquit himself.

It's funny that Missourians, who know him best, seem to be, in a rather nonpartisan or bipartisan matter, the strongest for him. And so, I appreciate your words about him. He's quite a guy, quite a guy.

Governor Romer. Mr. President, Carroll Campbell will report in a moment on the Goals Panel. I want to give you an update on the Council on Standards and Assessment. We met last Thursday and made four decisions that I think are significant.

First, as a council we decided that we would recommend to Congress and to the Goals Panel an

achievement system, not one test, but an assessment system where we'd take advantage of the best that the States have now going and develop it as a total system and not just a Federal test.

The second recommendation is that we work with clusters of States, that each State not proceed alone, but they try to group and use some combined efforts to save money and to get the job done better and quicker.

Third, we recommend that we begin at the 4th grade and work toward the 8th and the 12th, rather than reverse; and to begin in the year '93 - '94, which is in keeping with your suggested timetable.

The fourth decision we made was to begin with the subject matter of reading, writing, and arithmetic because those are the most available to us in a quality form by '93 - '94.

And I just wanted to give you that update because it was a lot of action and we did it, I think, expeditiously.

The one other comment I'd like to share with you, Mr. President, is that a number of Governors view the standards and assessment like two pieces of bread on a sandwich, and they're both very important. We do need to set standards, and we do need to assess how well we do. But inside those two pieces of bread we need to fill that sandwich. In other words, we need to cause those students to be able to reach those high achievement levels. And inside that sandwich we need to have obviously better teacher education. We've got to have better instructional materials, textbooks, and other matters. We've got to have better management of the school and substantial reform of the school system.

And so, I think some of my colleagues wanted to share with you -- we need your help, not just in setting the standards and in holding our feet to the fire on assessment but we need your help to fill the middle of that sandwich. Because many of us are having to go back to our taxpayers -- you know, I know Governor Wilson in California did, and many of us are having to go back to our taxpayers and say, you've got to put some things on the table to help us get this job done. You can help reinforce that message at a local level. And I just want to share that with you.

The President. Well, Roy, thanks. And talk to Lamar in a little more detail about this and let us see what we can do. Let me just, without filibustering here -- when you did that statewide program after I saw you with these participants from towns and cities across Colorado, did you run into any resistance to the concept of testing at all?

Governor Romer. No, there's apprehension about testing, but there's not resistance. I think what they're concerned about is that they may have a heavy load laid on them. And say you're going to hold our feet to the fire, but you're not going to give us the resource or the reform to get there. And I think we need to do both.

The President. Okay. I think there's been some resistance, but I don't think it's unmanageable, particularly if we're able to do what you say here. But anyway, thanks.

Governor Campbell. Mr. President, how are you?

The President. Good, Carroll.

Governor Campbell. We have been working very, very diligently trying to get ready to give you a report on the Nation on September 30th. And we'll have a lot of information at that time, and it's going to give us a better idea of where we stand. We do not yet know exactly how to measure goal three. But Roy Romer has been leading the measurement effort. And I've served on that panel with him, and he's making great progress. And we think that we will have the things in '93 - '94 that are necessary, particularly in the 4th grade.

Let me say this: People want to know what we're really testing. We set standards, and then we have to know how to measure against those standards. And it's my belief that the system is going to respond. You made the comment just a moment ago that things are happening all over America. They are. In every State, people are striving to meet the goals on their own. And that's what our effort's about, is to try to stimulate the system to meet these goals. But we need your constant, your sustained effort on this subject and your continued speaking-out to remind and challenge this Nation. Because I think that the Nation is ready to respond. And through your leadership, I think it will respond.

The President. Well, I plan to do that, and if I didn't, Lamar would kill me. And he's pretty much of a taskmaster, but we will be spending a lot of time on it. I think in terms of total commitment of Presidential time, there's been a fair amount so far. But I just keep seeing the need to do more and more, and supplementing what not only the Department is doing under Lamar and David Kearns and some really vital new leadership, but also what the Governors are.

So, I will participate and I will do my level-best. And talk to Tom again. We're going to need help with Congress on how we get some of these initiatives that I know most Governors support, passed through the Congress. But I sense a spirit of real cooperation now and I really know I have to do as much as I possibly can in doing exactly what you've said. So, thanks for the suggestion.

Governor Roberts. Mr. President, I had the opportunity last February, at the Governors' Convention, to talk to John Sununu on two issues that I raised a question with him on: the issue of energy conservation and particularly as it related to the issue of mass transit. Mr. Sununu, at that time, referred me to the about-to-be-released ``national energy policy'' which followed our conference by a couple of days.

With all due respect, Mr. President, I was disappointed in the energy policy, particularly as it related to issues of conservation, which I thought the policy was somewhat devoid of, and as it

really pushed on the issue of mass transit in growing city environments that are really being clogged and environmentally affected by the lack of mass transit.

I think my question to you today would be how is this country going to move to be less dependent on foreign oil unless we move aggressively on the issue of mass transit in city areas of this Nation? And I think the flip side of that coin would be how can we become more environmentally sound in this country if policies continue to the degree that I think they are now, to make choices that cause the pollution of air and that encourage the offshore drilling or at least the pressures toward that in States like mine, basically don't encourage American people to save those resources and don't really encourage us to conserve the resources of this country?

The President. Well, of course, Governor, I would disagree with your hypothesis. I think that our energy program does have good sound conservation measures in it. I think our transportation program, I hope it will be helpful in helping unclog the systems here.

But you talk about becoming independent from foreign oil, and then you say no offshore drilling. I don't know whether you realize how much of our domestic oil comes from offshore drilling. It's not off of Oregon, but it's like closing a military base. Everybody wants to close military bases, but they want to close them in the other guy's district or the other guy's State. You want to see the United States independent, and there is no way that you can project energy independence without continuing to, in a sound environmental way, use hydrocarbons.

So, I think, take a hard look at it, analyze it, talk to Jim Watkins, and then let me know specifically where you think it falls short. But your State has some problems that I am very sympathetic to, and I know you're trying to sort out. You started off saying you wanted to mention the environment. I find myself torn between what are extremes sometimes, but are really a choice between environment and people working. And that may be an oversimplification, but there's an awful lot of people in your State, and a lot of people in the State I'm sitting in right now, who feel that maybe we're leaning too far over on the side of environment.

So, I just want to say I am committed. I think I know something about the energy business. I think we are making headway. This reformulated gasoline for cars, I think we're doing well there. I don't want to shut down the auto industry. I don't want to impose these rigid CAFE [Corporate Average Fuel Economy] standards. Some environmentalists say that's the answer, to conserve. I tell you, we are concerned about jobs, and I just don't want to go to the extreme.

But look, I accept your constructive comments or criticism if you will. And we'll take a look every way we can to see that we're doing our level-best. But I would enlist your help and your suggestions from your State as to what I should tell the people that write in that are getting thrown out of work by some of the extreme positions in the environmental mode. So, please help us on that one.

I don't think you and I are far apart on it. I did a little homework here, but maybe we are. But it's a tough one out there. I'm talking about the endangered species -- I'm off of the energy thing a little bit. But we've got to find our way, and we've got to do it without throwing an awful lot of people out of work. And yet, I think our clean air bill was a major step forward. I think we've got other environmental initiatives that I think can help in this regard.

But look, this country cannot instantly turn to sun and wind and solve all our problems. Someday maybe we can do that, and I think we've got some good research money in our program to do that.

But let's keep talking about it. Let's keep in dialog on it. Because, look, I'm not saying we've got all the answers, but I do think we have a pretty well-balanced energy program. It's being attacked from both sides, so it must have something to recommend it.

Governor Roberts. Thank you, Mr. President.

Governor Weld. Mr. President, we in Massachusetts are very excited about the North American free trade agreement that you are negotiating with Canada and Mexico. We think it's going to enable us to increase our production and our exports and create a lot of jobs, and we think it's going to be good for the country to be part of a 600-million-person market so we can compete with Europe starting in 1992.

Some people, as you know, have criticized the agreement because of environmental problems in Mexico and wage rates in the other countries. I know that you have dealt personally with both President Salinas and Prime Minister Mulroney on these issues. Can you tell us, so that we can help to persuade our people, based on your personal work with them, on what basis we can say that we envision that so far from costing us jobs or hurting our economy, this agreement is going to be a real stimulus and lead to job creation in the American States?

The President. I can. And first, the guy sitting not too far from you is my monitor -- I'm looking down now instead of at you, looking to see where the Speaker is. I expect he's off to your right, I don't know. But in any event, he can tell you that if we bring back a trade agreement negotiated with Mexico that is not considerate of the disparity in wages or does something to exacerbate those differences, and does not produce environmental change, why, that bill won't pass. The agreement won't pass. All we got was the right to negotiate on the so-called Fast Track. And so, there's some checks and balances that I think properly lie in the United States Congress.

But some felt in the debate, Governor, that we shouldn't do anything with Mexico along these lines until Mexico had cleaned up its environment and stopped polluting the rivers and brought themselves up into the, roughly to the standard area where we are. It was my feeling and the feelings of the majority in the Congress that we ought to go ahead now, get the Fast Track, negotiate, and hopefully, through expanded trade, Mexico would gain the wherewithal to do

much more in the way of environment.

But you put it on a personal basis. Carlos Salinas is committed unlike any previous President, I think Tom will confirm this, to improving the environment for his people. And again, at the risk of being not only repetitious but maybe perhaps emotional about it, when he told me that the school kids in Mexico painted in the sky at night in their classes, 1st-grade classes, with no stars and no moon. And he said my ambition is to have those children paint in the stars and the moon because they can see them so clearly every night.

And I think most people that have followed it will tell you he's moving in that direction. He is a new breed, a young aggressive leader, and I think in the environment he will do exactly what we're talking about.

In terms of labor disparity, it is my belief that increased trade will raise wage standards in Mexico, rather than drag them down. It's isolation and it's degradation and it's excessive poverty that keeps the wage rates disproportionately low. And I think there's plenty of examples to prove it. But you're on to the two key points of this agreement. And we will do our level-best to hammer out a very sound one.

And you know, on this one, we had difference with many of the trade unions. They just differed and felt that, look, this is going to export jobs. I think it's going to increase jobs in the United States because of the vigorous increase in exports that we'll see.

So, there's some big problems out there. I've got confidence in our negotiators. And I have great confidence in President Salinas of Mexico. And we will do our level-best to bring to Tom Foley and the others an agreement that does take care of the two areas which are the two most significant areas of debate in this FTA [free trade agreement] with Mexico.

But I agree with you, it's a good, important step that's been taken by the Congress and the administration, and now we've got to flesh it out.

I might say parenthetically, and I'd ask for the Governors' support on this one, help us, with your European friends and your sister cities and whoever it is, get this trade agreement going for the GATT. The big, broad picture of booming international trade depends on a successful conclusion to the Uruguay round. And we're still having enormous difficulty with Europe, particularly on agriculture. And so, a lot of you go over there with trade missions, a lot of you know those leaders, and please at every turn, emphasize the need to move forward with agricultural reform. Because if we don't get that, there will not be a successful conclusion to the Uruguay round. I wouldn't be a part of it, and I wouldn't ask that Tom Foley and the leaders in the Senate be asked to vote on a treaty that leaves agriculture sitting off on the side.

So, we need the help of every American leader to convince these European, particularly Europe,

European leaders that the best way to help undeveloped countries, the best way to guarantee an increase in the world economy is to get a successful conclusion to the GATT round. So it's FTA with Mexico, but it's also the Uruguay round.

Governor Weld. Thank you, Mr. President. Tom Foley, as you spied on your monitor, is here to my right -- --

The President. Now I see him.

Governor Weld. -- -- and he sends you his greetings. And we all thank you on behalf of all the Governors for being with us today.

The President. Well, do you want a little recreational report for Governor McKernan, and Governor Weld can eat his heart out? I don't know if Governor Gregg is there. I think my cousin caught a 14-pound bluefish today. It's about to rain like hell on us here, it looks like, because we may catch some of Carroll Campbell's business, or maybe it's in North Carolina, but I'm worried a little bit about the hurricane.

But I appreciate your willingness to entertain my appearance in this manner. It's a good way to do it.

Tom, I'm looking forward to seeing you and Heather when the Prime Minister of the United Kingdom is here, and I hope the regional Governors will be able to join us. I use this unusual invitational method to say to the new Governor of Vermont, if he's there, he's most welcome to come over. But I'm enjoying this rest and I expect, like all of you feel, you should take a little R&R. So, I'm not faking it. It's not a business trip. Thank you so much, and thanks for letting me come over this way.

Note: The President spoke at 4:03 p.m. from his home in Kennebunkport, ME, via a two-way video and audio hookup with the meeting in Seattle. During the teleconference, the following persons were referred to: Governor Booth Gardner of Washington; Thomas S. Foley, Speaker of the House of Representatives and his wife, Heather; late Governor Richard Snelling of Vermont; Secretary of Transportation Samuel K. Skinner; Governors Carroll A. Campbell of South Carolina, Roy R. Romer of Colorado, and John R. McKernan, Jr., of Maine; Secretary of Education Lamar Alexander; Governor John D. Ashcroft of Missouri; Clarence Thomas, nominee for Supreme Court Associate Justice; Governor Pete Wilson of California; David T. Kearns, Deputy Secretary of Education; John H. Sununu, Chief of Staff to the President; Governor Barbara Roberts of Oregon; Secretary of Energy James D. Watkins; President Carlos Salinas de Gortari of Mexico; Prime Minister Brian Mulroney of Canada; Governors William F. Weld of Massachusetts and Judd Gregg of New Hampshire; Prime Minister John Major of the United Kingdom; and Governor Howard Dean of Vermont.

Statement by Deputy Press Secretary Popadiuk on the Attempted Coup in the Soviet Union

August 19, 1991

We are aware of the press reports concerning President Gorbachev. We have no details at this time. The President was informed by General Scowcroft. We are continuing to seek details.

Note: The statement referred to press reports of a coup against President Mikhail Gorbachev of the Soviet Union. Brent Scowcroft is Assistant to the President for National Security Affairs.

Remarks and an Exchange With Reporters in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

August 19, 1991

The President. Let me make a few comments about these momentous and stunning events. While we're still watching the situation unfold, and it still is unfolding, all is not clear. It seems clearer all the time that, contrary to official statements out of Moscow, that this move was extra-constitutional, outside of the constitutional provisions for governmental change.

Clearly, it's a disturbing development; there's no question about that. And it could have serious consequences for the Soviet society and in Soviet relations with other countries including the United States. President Gorbachev is clearly an historic figure, one who's led the Soviet Union toward reform domestically and toward a constructive and cooperative role in the international arena. And it's important to keep in mind the enormous changes that have taken place: towards openness, towards reform, changes in Eastern Europe, the newfound cooperation with the United States and others in the Gulf, and many other areas. There's a whole new era of cooperation and we don't want to see that change, obviously.

Gorbachev's contributions have laid a foundation for progress that I am convinced the people in the Soviet Union want to see continue. This morning I've been in touch with other world leaders. I just hung up from talking to Chancellor Kohl; I talked to President Mitterrand; I talked to Prime Minister John Major. I'm sure I'll be talking to others today. I talked to the Secretary of State, and I talked to our DCM [Deputy Chief of Mission] in Moscow, who, incidentally, tells me that all of our people there are safe, and all are properly accounted for. I say that to reassure any families that are involved. Their information there, as you can imagine, is probably as sketchy as the rest of the world's at this time.

So, what we'll do is follow the events very carefully as they unfold in order to determine the appropriate response that we, in consultation with our allies, should make. And we expect that the Soviet Union will live up fully to its international obligations. And clearly, any commitments that are outstanding on the part of the West will be judged and acted on in accordance with that statement that the Soviet Government must live up to its obligations. Obviously, the West is not going to retreat from its principles of reform, openness, commitment to democracy.

And there's a lot at stake here. I don't know whether to take heart or not from Yanayev's statement that this does not mean turning back the reforms, but there was such a statement made by him. So, the situation is still quite murky inside the Soviet Union -- have the notes here of my calls from, the calls I made to Kohl, Mitterrand, and Major. And I think it's fair to say that all of us are in total agreement with what I've said, with what John Major has said. President Mitterrand will

be talking to the French television in a few hours, I'm told. And so, I think at this point what we do is simply watch the situation unfold, and we state and restate our principles. And we'll see where matters go. It's all still unfolding.

Yes.

Q. Mr. President, you know Yanayev. You mentioned you met him at the airport the last time you were in Moscow. What do you make of him? What does your gut tell you about him?

The President. Well, my gut instinct was that he has a certain commitment to reform. The book on it so far has been something to the contrary. But I think it's not he that is calling the shots. And you see some of the other individuals involved; they have been real hard-liners. One of the reasons that we have conducted our policy the way we have is to encourage reform and democracy. And I've said over and over again that we did not want to see a coup backed by the KGB and the military. And apparently that is what is underway.

I think it's also important to know that coups can fail. They can take over at first, and then they run up against the will of the people. So, it's too early to say, but let's hope that Yanayev, when he made his statement, was speaking from conviction, his statement being that this will not mean setting back, as I understand it, setting back reform and commitment to go forward.

Q. Mr. President -- --

The President. Let me finish. We've got a followup over here.

Q. Have you or will you try to reach Gorbachev, Yanayev, or Yeltsin?

The President. Well, I have not called them yet. John Major placed a call, and I believe was told that the lines were down or that it was impossible to get through to them. But we may try to do that.

All this stuff is unfolding. It's just happened. And we will take a calm approach to it, but a firm stand based on principle.

Q. Mr. President, have U.S. forces been placed in any heightened alert because of this?

The President. No.

Q. And do you plan to cut short your vacation because of this?

The President. Well, I will do what's necessary and what I think will be helpful in making clear

the United States position. And I'm not interested in show business, not interested in make-work. I am interested in following this with, based on the principles that we hold dear, and I will follow it very, very closely. Whether I go back to Washington or not is yet to be decided. If I thought it would help in any way, I would do that. But to -- as you know, we have very good communications. We're in touch with everybody here, both by secure line and by unsecure, just open lines.

So, it's a little early to say what I'll be doing, but you can rest assured I will do what is in the best interest of United States foreign policy.

Q. Has the United States detected any heightened alert on the part of Soviet forces in Central Europe or in the Soviet Union?

The President. Well, I don't think there have been any changed there, but certainly we've seen heightened use of Soviet force in Moscow and outside which concern us.

Q. What do you believe the motivation is, sir, behind the coup? Why did they remove him?

The President. We don't know that. We don't know that. Clearly, some of the hard-liners have been concerned about the rapidity of reform. They've been concerned about the demise of the Communist Party per se. And I think they've also been concerned about the Soviet economy. But in a coup of this manner, you never know what's going to happen. I think Gorbachev was as surprised as anybody, obviously. And let's just remain open on this as to whether it's going to succeed or not. We're seeing the first returns, you might say, coming in. But the people's commitment to reform and democracy and openness is very profound. And I think it's awful early to say that those changes are reversible.

I'm inclined to believe that when people understand freedom and taste freedom, and see democracy in action, that they're not going to want to change. And you have, of course, the whole force in conviction of the Russian Republic and what happened through its elections. And so, it's still early; it's very early to have a lot of final answers.

Q. Mr. President, do you actually know who's in charge right now, and more particularly, who's in charge of the Soviet nuclear arsenal? Is that a great concern?

The President. Well, I don't imagine there's been any change in that. And we don't know who's in charge, except that they say Mr. Yanayev is in charge.

Q. Has his government, or whatever it is, attempted to contact the administration in any way?

The President. So far, no. But we may contact them. But I don't want to do anything that we would give approval to these extra-constitutional, outside-the-constitution changes that have

taken place.

Q. Are you going to stop the process of economic cooperation that's been unfolding in recent months with the Soviets?

The President. I think things will be on hold. If we're going to set back democracy, set back reform, obviously not only the United States, but Europe will put things on hold as well. There's a lot at stake in all of this, and certainly I wouldn't go forward with aid or assistance when you have this kind of extra-constitutional action taken by a handful of people backed up by the military there. We know most of these people that are involved in all of this, and this is a fairly hard-lined, a very hard-lined group that have elected to take matters into their own hands. But what hasn't been heard from yet are the people of the Soviet Union.

Q. Mr. Yeltsin seems to have called for a general strike and protest. Do you support that?

The President. Well, we'll just see what happens on that.

Q. Mr. Yeltsin has said that the Russian federation will not abide by the new decrees. Do you support that, sir?

The President. Well, I support what I've outlined here as our principles, and certainly I can understand where an elected leader like Mr. Yeltsin is coming from. One of the reasons his visit to the United States was so successful, and it was, and I've said it over and over again, is because he was elected by an overwhelming number of people in the largest Republic.

I think what he is doing is simply expressing the will of the people there to have these reforms and have democracy, the steps already taken to democracy, strengthened. I hope that people heed his call.

Q. Mr. President, in your conversations with Gorbachev a couple of weeks ago, did he give any suggestion that this was a possibility, and did U.S. intelligence detect any preparations for this?

The President. I don't know of any intelligence that predicted that there would be a coup at midnight U.S. time or whatever it was yesterday. There's always been a concern. I think if we go back, I think you would see that I've expressed concerns about the hard-liners taking over. But no, Gorbachev didn't mention that to me, and Gorbachev feels, and I expect he still feels this way: that the taste of democracy is such that people aren't going to regurgitate it, that they want it to go forward in spite of the very difficult economic times that are extant in the Soviet Union.

Q. Mr. President, what do you feel you could do at this point to affect events in the Soviet Union, if anything?

The President. There's very little we can do except to reiterate, in total cooperation with the European allies, our commitment to these principles of reform and openness and democratic change. And that's what we are going to continue to do. I've indicated that business will not be business as usual because we will not support economic aid programs, for example, if adherence to extra-constitutional means goes forward.

Q. Mr. President, you said the economic aid was on hold. What about the START treaty? Will you hold back on that as well?

The President. No. These treaties are in the interest of the United States clearly, and they have said that all treaties will be abided by. And that's good. We won't want to go back to the cold war days, and we're not going to do that. This is a very frustrating and unconstructive step. But we're not going to go back to that. We're not going to go back to seeing Europe as it used to be with Soviet forces all through Eastern Europe. So, we're not trying to go back to square one. What we're trying to do is say let the situation clear up but adhere to certain fundamental principles.

Q. How can you be sure the hard-line government would honor these in terms of the treaty?

The President. Well, hard-line governments in the past adhered to certain treaties that were enacted, and so I don't think we need to raise that specter at this point. Obviously if they weren't adhering to the treaty that would be a whole different, the treaties, the series of treaties, that would be a whole different ball game.

Q. Sir, can you tell us whether our Embassy has made any effort to get through there or whether there has been any official contact between our Government and theirs at any level that you know of?

The President. Right now I don't know. As I say, I talked to Jim Collins over there, and I think they're watching matters unfold. But whether they've talked to anybody in the hierarchy there, I simply don't know.

Q. Mr. President, the people who would seem most vulnerable at this point are probably the republican leaders. Is there anything that the U.S. or the West can do to help the Republics from being pulled back in by a military -- --

The President. There's very little we can do right now, except to reiterate what I've said here: that we will support those who adhere to these principles, democratic principles, and that includes reform and perestroika and glasnost, as they're referred to. But we are going to watch the situation unfold, and if we see ways to be helpful, of course, we will be. But we're dealing with a situation that, at best, is murky at this point and is very disturbing at this point.

Q. Sir, could you just give us a detail or two on when you learned of this, how late you stayed up

on it, how early you got up?

The President. I learned about it last night around, what was it, Brent, 11:50 p.m. or 12 a.m. or something like that. And then I talked to the Situation Room early this morning, been talking to General Scowcroft from the early hours on, 5 a.m. on. And the question is, what can you do, Brit [Brit Hume, ABC News]? Is it show business, or should we really spell out these principles? And I know there's a lot of -- I've heard some of the commentators telling me how I ought to conduct this business. But my mind goes back to how it was a year ago in another very troubling international situation. So, we will follow it closely. We will conduct ourselves appropriately, be in touch with these foreign leaders, act with them to do whatever we can do to keep the reforms going forward.

And it's not a time for flamboyance or show business or posturing on the part of any countries, certainly, the United States. We have disproportionate responsibilities in handling these matters with confidence and cool and a, I think, informed way. And we're still gathering a great deal of information.

Q. Mr. President, the representation in Moscow is in transition right now. Is that causing a bit of a problem for Ambassador Matlock as well?

The President. No. No, it's causing none. The Embassy is in very firm hands, and I expect that Ambassador Strauss will hit the ground running when he gets over there.

Q. I'm sorry, sir, do you expect that he will continue to be sent -- --

The President. Well, as I say, if I have any announcements along those lines, or any other lines, I'll be sure to let you guys know right away because it's a matter of importance. But it just happened, as you know, a few hours ago, and a lot of wheels starting to turn.

Q. Mr. President, you said you don't want to go back to the cold war days. But at this point, do you feel that the Soviet Union may again be a threat to the United States?

The President. A threat in what sense?

Q. Military threat?

The President. I think we've always based our defense posture on the fact that Soviet missiles are aimed against the United States. One of the reasons I rejoiced in getting a strategic arms talk is that there will be fewer missiles aimed against the United States. But nobody in their fondest dreams has suggested that that is not a problem. We have other areas where we have divergent interests. Cuba is one of them.

I don't want to see us overstate things here so as to wipe out the progress that has been made in international cooperation on many fronts. And if you think there's some concerns here about this, try talking to the Germans about it; they don't want to see the clock set back. Nor do the Eastern Europeans. And I don't think that will happen. But I don't want to, in the wake of a very unfortunate and bad series of events taking place, act like we're going to go back into a status quo ante, go back and encourage through reckless statements something to take place that would set the clock back to where it was before these changes under Gorbachev took place.

Q. Would your preferred course of action at this point be for a return of Gorbachev to power?

The President. Well, I've always felt that he represented the best opportunity to see reform go forward. He's been in a bit of a balancing act, as we all know. One of the reasons we supported him, two reasons: one, he was the President of the Soviet Union, and thus we conducted our business as we should through the President. But secondly, he represented enormous productive and fantastic change. And I think throwing him out in this manner is counterproductive, totally. And I'm sure that the Western European leaders agree with that.

So, if he were there, obviously, I think the world would be sighing with relief now. And they understand, I think, more clearly why we have been trying to keep our foreign policy based on the fact that he offered the best hope. But we have other democratic forces there now, and we want to give them the kind of support we can without being counterproductive.

Q. Mr. President, have you tried the hot line, and who's on the other end?

The President. No, we haven't tried the hot line. We're not going to overexcite the American people or the world. And so, we will conduct our diplomacy in a prudent fashion, not driven by excess, not driven by extreme.

Q. How do you see this situation affecting the prospects for a hostage release and prospects for a Middle East peace conference in October?

The President. Well, I don't know. But there was one area where we've been working very cooperatively with the Soviet Union. Foreign Minister Bessmertnykh has been extraordinarily constructive in that, and so was President Gorbachev. But it is way too early. But here's an area where cooperation between the Soviet Union and the United States was extraordinarily important and remains important. But as the situation unfolds, I don't know how this new leadership, if this coup is successful, are going to treat these matters. But I think it would be very counterproductive to have it go back to square one in the Middle East when we have an opportunity for a breakthrough and for peace. It's a good question, but it is way too early to give an definitive answer to it.

Q. Mr. President, do you have any back-channel intelligence on the whereabouts of Mr.

Gorbachev?

The President. No.

Q. Mr. President, why do you say that using the hot line, attempting direct conduct, why do you suggest that might be some flamboyant kind of gesture?

The President. Because I think the hot line is -- there's other ways to call is one thing. Secondly, the hot line people connect with some kind of military problem between the Soviet Union and the United States. And do you think I want to suggest that to the American people or to the people in Europe? Absolutely not. And there's other ways to communicate other than the so-called hot line.

All right, you got it. Don't say we never give you any news up here.

Q. That's right. [Laughter] Guaranteed news.

Hurricane Bob

Q. Are you worried about that hurricane that's bearing down on us?

The President. This afternoon -- be coming in. Well, it's not the hurricane itself, we hope, but it looks like -- here's our Coast Guard Commander; he can give you the latest. What is it? Commander Justice.

Commander Justice. The storm this afternoon: 30- to 60-knot sustained winds; gusts, maybe, to 70, and 4- to 7-foot tidal surge.

Q. Good boating weather? [Laughter]

The President. Boats are out.

Brent Scowcroft. It's golfing weather. [Laughter]

Q. -- -- a storm like that here at Walker's Point or would you be inclined to get out of here if something like that -- --

The President. This wouldn't scare us a bit.

Q. You're not recommending evacuating?

Q. You're not?

Q. As of -- based on what you know now, or -- --

Commander Justice. As of right now we're not.

Q. Okay. Thank you.

The President. People in the Shawmut may want to reconsider. [Laughter]

Note: The President spoke at 7:50 a.m. at his home in Kennebunkport, ME. In the exchange, the following persons were referred to: President Mikhail Gorbachev of the Soviet Union; Chancellor Helmut Kohl of Germany; President Francois Mitterrand of France; Prime Minister John Major of the United Kingdom; Secretary of State James A. Baker III; Jim Collins, Deputy Chief of Mission at the U.S. Embassy in Moscow; Vice President Gennady Yanayev of the Soviet Union; President Boris Yeltsin of the Republic of Russia; Brent Scowcroft, Assistant to the President for National Security Affairs; Jack Matlock, former U.S. Ambassador to the Soviet Union; Robert S. Strauss, Ambassador-designate to the Soviet Union; Foreign Minister Aleksandr Bessmertnykh of the Soviet Union and Lt. Cmdr. Wayne E. Justice of the U.S. Coast Guard. Parts of this exchange could not be verified because the tape was incomplete.

Statement by Deputy Press Secretary Popadiuk on the Attempted Coup in the Soviet Union

August 19, 1991

President Bush met with his national security advisers this afternoon in the Roosevelt Room for an update on the situation in the Soviet Union. Attending were Governor Sununu, General Scowcroft, Deputy National Security Adviser Robert Gates, Acting Secretary of State Eagleburger, Acting Secretary of Defense Atwood, Deputy Secretary of the Treasury Robson, Chairman of the Joint Chiefs of Staff Colin Powell, Deputy Director of Central Intelligence Kerr, and Arms Control and Disarmament Agency Director Lehman. In addition, representatives from the National Security Council, Treasury, and Department of Defense attended. President Bush stated the seriousness of the situation and discussed the phone calls he has had with various world leaders. President Bush has called the President of the EC, Prime Minister Lubbers, Presidents Ozal, Havel, and Walesa, and Prime Minister Antall. Earlier President Bush had spoken with Chancellor Kohl, President Mitterrand, and Prime Ministers Mulroney, Major, Andreotti, Kaifu, and Gonzalez.

In the conversations with East European leaders, the irreversibility of the democratic process in Eastern Europe was emphasized. President Bush agreed to stay in close touch with the East European leaders and pledged continuing U.S. support for the economic and political reform process in the region.

Soviet Ambassador Komplektov, at his request, met with Acting Secretary Eagleburger at noon at the State Department and this afternoon with Robert Gates at the White House. In his meeting with Mr. Gates, Ambassador Komplektov also presented a letter for President Bush from Soviet Vice President Yanayev.

Note: The statement referred to John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; Robert M. Gates, Assistant to the President and Deputy for National Security Affairs; Lawrence S. Eagleburger, Deputy Secretary of State; Donald J. Atwood, Deputy Secretary of Defense; John E. Robson, Deputy Secretary of the Treasury; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; Richard J. Kerr, Deputy Director of Central Intelligence; Director Ronald F. Lehman II of the U.S. Arms Control and Disarmament Agency; Prime Minister Ruud Lubbers of The Netherlands and current President of the European Council; President Turgut Ozal of Turkey; President Vaclav Havel of Czechoslovakia; President Lech Walesa of Poland; Prime Minister Jozsef Antall of Hungary; Chancellor Helmut Kohl of Germany; President Francois Mitterrand of France; Prime Minister Brian Mulroney of Canada; Prime Minister John Major of the United Kingdom; Prime Minister Giulio Andreotti of Italy; Prime Minister Toshiki Kaifu of Japan; Prime Minister Felipe Gonzalez Marquez of Spain; Soviet Ambassador to the United States Viktor Komplektov; and Vice President Gennady Yanayev of the Soviet Union. Gennady Yanayev served as head of the State

Committee for the State of Emergency during the attempted coup.

Statement on the Attempted Coup in the Soviet Union

August 19, 1991

We are deeply disturbed by the events of the last hours in the Soviet Union and condemn the unconstitutional resort to force. While the situation continues to evolve and information remains incomplete, the apparent unconstitutional removal of President Gorbachev, the declaration of a state of emergency, and the deployment of Soviet military forces in Moscow and other cities raise the most serious questions about the future course of the Soviet Union. This misguided and illegitimate effort by-passes both Soviet law and the will of the Soviet peoples.

Accordingly, we support President Yeltsin's call for ``restoration of the legally elected organs of power and the reaffirmation of the post of USSR President M.S. Gorbachev."

Greater democracy and openness in Soviet society, including steps toward implementation of Soviet obligations under the Helsinki Final Act and the Charter of Paris, have made a crucial contribution to the welcome improvement in East-West relations during the past few years.

In these circumstances, U.S. policy will be based on the following guidelines:

-- We believe the policies of reform in the Soviet Union must continue, including democratization, the process of peaceful reconciliation between the center and the republics, and economic transformation;

-- We support all constitutionally elected leaders and oppose the use of force or intimidation to suppress them or restrict their right to free speech;

-- We oppose the use of force in the Baltic States or against any Republics to suppress or replace democratically elected governments;

-- We call upon the Soviet Union to abide by its international treaties and commitments, including its commitments to respect basic human rights and democratic practices under the Helsinki Accords, and the Charter of Paris;

-- We will avoid in every possible way actions that would lend legitimacy or support to this coup effort;

-- We have no interest in a new cold war or in the exacerbation of East-West tensions;

-- At the same time, we will not support economic aid programs if adherence to extra-constitutional means continues.

Note: The statement referred to President Mikhail Gorbachev of the Soviet Union and President Boris Yeltsin of the Republic of Russia.

The President's News Conference in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

August 20, 1991

The President. The events in the Soviet Union continue to deeply concern the whole world. The unconstitutional seizure of power is an affront to the goals and aspirations that the Soviet peoples have been nurturing over the past years. This action also puts the Soviet Union at odds with the world community and undermines the positive steps that have been undertaken to make the Soviet Union an integral and positive force in the world affairs.

I have this morning spoken with Boris Yeltsin, the freely elected leader of the Russian Republic, and I assured Mr. Yeltsin of continued U.S. support for his goal of the restoration of Mr. Gorbachev as the constitutionally chosen leader. And I also shared with him the support that other world leaders voiced in my several conversations yesterday, conversations I had with those leaders in Eastern Europe and leaders in Western Europe as well, Prime Minister Kaifu, and I gave him that reassurance. Mr. Yeltsin is encouraged by the support of the Soviet people and their determination in the face of these trying circumstances. He expressed his gratitude for our support of him and President Gorbachev.

The situation concerning President Gorbachev's status is still unclear. And I've twice tried to reach him by phone, including within the last hour, but have so far been unsuccessful.

We continue to closely monitor this situation. Our new, and I might add, very able Ambassador to the Soviet Union, Robert Strauss, just sworn in, will be departing immediately for Moscow to take charge of our Embassy and to report to me on the situation that he finds in the Soviet Union. So, I'm asking him to go over there, get the lay of the land, establish what will be strong leadership -- the Embassy, we've got a good team in place, but this man is in charge of this important mission -- and then to return within the next several days to give me a full, personal report on what he sees there.

He will not be presenting his credentials on this trip. It's going to be a short trip. And I've said that this group assumed power extra-constitutionally.

In conclusion, I want to emphasize that we are going to monitor the situation closely and consider its ramifications throughout the entire world. And I've emphasized in my conversation with the Eastern European leaders that the democratic processes in their country cannot be reversed. Eastern Europe is important. And I've called three of the leaders, and I want to take this opportunity to assure them of our continued interest and the need to retain calm in those countries. And indeed, they were very grateful for the contact by the United States.

The United States will continue to support the economic and political reforms in their countries. And I will continue to seek the advice and counsel of Eastern European leaders in the days ahead. And of course, the Secretary and I will be in close touch with the Western European leaders and others around the globe.

Because this is an ongoing process of consultations, we intend to maintain a more formal work schedule during the remainder of my stay in Maine. There will be a number of meetings with Government officials and private sector experts related to the events in the Soviet Union. There will be daily briefings on a formalized basis by my national security advisers, and I will be keeping in touch with Secretary Baker.

As you know, I will be receiving Prime Minister Mulroney and also Prime Minister Major and, of course, receiving Ambassador Strauss when he returns.

Secretary Baker will be leaving today for the NATO ministerial [meeting] that will be held in Brussels.

These difficult events in the Soviet Union I believe demonstrate the wisdom of our strong and continuous support for the process of reform and restructuring. We'll continue to support the democratic processes that have been set in motion in the Soviet Union. And most importantly, I know that the American people stand behind the people of the Soviet Union who are seeking more freedom and more opportunity in their society.

So, I'd like now to turn this podium over to Ambassador Strauss for a comment, and then Secretary Baker, and I will be glad to take questions, or the Ambassador. And I have here, of course, our top national security team and Secretary Cheney, and the Chairman of the Joint Chiefs is here, the Vice President. And if you want to direct questions to any of them, why, that would be fine, too. We're following all, the situations on all fronts there, economic, military, whatever it is, very, very closely.

Bob.

Ambassador Strauss. Thank you, Mr. President. Let me just very briefly say that circumstances have changed rather dramatically since I accepted this assignment. It's a different world. Nevertheless, although circumstances have changed, as I've said, it seems to me that my mission remains basically the same. And that is to go to Moscow to speak very clearly, speak very plainly, and if necessary with undiplomatic candor from time to time -- to speak for you, Mr. President, and you, Mr. Secretary, and for the American people, and to speak for the principles of freedom and democracy and rule of law. And that I intend to do.

I thank you for this, I express my appreciation to you for the confidence you've shown in me, and I'll do my best to fulfill the job. Thank you, sir.

The President. Well, I'd be glad to entertain a few questions.

Q. Mr. President, is there any evidence, do you have any evidence that this coup might be on shaky ground, what you mentioned yesterday about sometimes coups fail and that possibly the opposition that's rallying around Yeltsin has any possibilities to turn it around? And what kind of support are you able, or will you give them other than verbal?

The President. Well, I said yesterday that some coups fail. The likelihood of this, it's hard to evaluate in this circumstance. However, there appears to be very strong support from the people in the Soviet Union for constitutional government, for democratic reform. And when you see the numbers turn out -- President Yeltsin told me that he anticipated there were, he thought there were 100,000 people near his building when I talked to him a few minutes ago. He thinks that there will be strong support from the labor to his request that labor go out and don't produce until this matter is resolved. So, you don't take freedom away from people very easily. You don't set back democracy very easily. And I'd say that it is in the best interest of the Soviet Union in its relations with other countries if a constitutional government is promptly put back into operation there.

Q. Mr. President, what kind of support, though, are you going to give Yeltsin, or are you -- just have to stay on the sidelines and offer verbal encouragement?

The President. Well, we're certainly going to offer encouragement in every way we can. And we're making very clear to the coup plotters and the coup people that there will not be normal relations with the United States as long as this illegal coup remains in effect.

The Western Europeans have met, and they have come out with a statement along those lines. And I think, with the exception of a few renegade regimes around the world, we're seeing universal condemnation. So let's hope that that will bring these people to their senses.

I was just looking here at the statement from the EC decisions, and they have concluded that the CSCE human rights conference in Moscow should not go forward, and we will certainly back them in that. Technical assistance, they're following what I mentioned yesterday in holding back all of that. And they have some serious economic problems, and they need the help of the West, and they need the cooperation of Eastern Europe, and they're not going to get it under existing conditions.

Q. What happens now to the cosponsorship of the Middle East conference -- will we do it alone -- and other front-burner issues with the Soviet Union? And what was the gist of the letter from Yanayev?

The President. It's far too early to say what will happen to the Middle East conference. The whole

world wants to see that succeed. The hopes for peace in the Middle East -- and again, I credit Secretary Baker for his indefatigable efforts in putting together this peace process -- the whole world wants to see it succeed. I hope that there will be no frustration to that on the part of the Soviet Union who have heretofore played a very constructive role in all of that.

But again, we are not in contact with Foreign Minister Bessmertnykh. We simply don't know what's going to happen.

What was the other part of your question?

Q. -- -- go it alone?

The President. We will continue to fight for, continue to use our best efforts to bring peace to the Middle East, no matter what happens; of course we will. But let's face it, the Soviet Union heretofore has been constructive. They're important in the United Nations concept, and they're important on their own with the relations they have with some other countries.

It is ironic that only a handful of countries, predictably extreme countries, have supported what's happening in Moscow. I think of Libya, I think of Iraq, and I think of Cuba. These are renegades. These are people that have been swimming against the tide of democracy. The rest of the world appears to be very upset with this usurpation of power.

Q. Mr. President, in the past you've had differences with Chancellor Kohl over monetary aid to the Soviet Union. In your telephone conversation with him yesterday, did you say that it was imperative that they not give any money to the new regime?

The President. No. We worked out at the G - 7 meeting an agreement with Chancellor Kohl that he fully supported. Germany has some special problems. Germany wants those Russian troops out of a unified Germany. We want the troops out of a unified Germany, but that was not discussed.

Q. Aside from Secretary Baker's trip to Brussels, is this situation such that you might want to see the European leaders meet together in a summit?

The President. Well, I'm not sure that that's the next step. We're in close contact with them. I talked to the G - 7 leaders yesterday, including Ruud Lubbers, the Prime Minister of The Netherlands who is head of the EC now. And I'm not sure that a face-to-face meeting of the European leaders and the United States and Japan would be productive at this point. But I think the process of Jim going to NATO, his doing that, is a very important step.

Yes, these two over here.

Q. Mr. President, when you say that economic relations with the Soviet Union are now on hold, does that mean that you're actively going after suspending grain credits, for example, or delaying most-favored-nation status?

The President. We're just sitting here for a while leaving everything on hold, as I've said. We're reviewing all these matters, and it's way too early to say how each individual category is going to work out. It's simply -- we've got to just take our time. We've got to be prudent, a word I think is applicable here. And I think we've got to be strong. I think the world is turning to the United States for leadership here, many countries. And I think the best thing to do now is to put these matters on hold. We did this yesterday. As you've seen, the Europeans, Western Europeans, have followed suit. We don't want to hurt people anywhere in terms of starvation, things of that nature. But that's not the question right now. So, it's premature for me to say what agreements will go forward and what won't. I will always have in mind what is in the national interest of the United States, however.

Q. Mr. President, in light of your statement of yesterday, late yesterday afternoon, and in light of the fact that you're now denouncing the new regime in Moscow as illegitimate and unconstitutional, might you now or soon be considering granting to Lithuania and the other Baltic Republics that are, after all, elected governments the full recognition they have long demanded?

The President. Our position on the Baltic States has not changed. And if there's ever a change in the position, we'll let you know. As you all know, we have not ever recognized the forceable incorporation of the Baltic States into the Soviet Union. And that's where that matter is right now. But we are not giving up on the restoration of constitutional government in the Soviet Union itself. And so we'll leave that matter right there.

Q. -- -- if that fails, sir, what -- --

The President. I'm not going to go into any hypothesis. I don't want to give hope to the coup plotters by suggesting that it is going to fail.

Let's see who we have over here.

Q. Are you saying that if the coup succeeds and the Soviet government, this new Soviet government is in power a long time, that the U.S. still would not recognize the Soviet Union?

The President. You must have missed what I said to Brit [Brit Hume, ABC News]. I'm not going to go into anything that hypothetical. There's no point in trying to spell out way in advance of events what we might or might not do. And the main thing I want to do is see the restoration of constitutional government.

So, I'm sorry, I'm not going to take hypothetical questions or respond to questions of a

hypothetical nature. I simply can't do that.

Q. You're very definite in the short term about not recognizing them?

The President. I'm very definite in what I said in this statement, yes.

Q. Mr. President, have you heard from Mr. Yeltsin on the whereabouts or the well-being of Mr. Gorbachev? Or from anyone else, for that matter?

The President. Mr. Yeltsin told me that he tried to send emissaries to see Mr. Gorbachev, that those emissaries were unsuccessful because Mr. Gorbachev is being prevented from seeing people. As I say, I've tried to call him yesterday. I think Prime Minister Major tried the same thing. I tried again today. Mr. Gorbachev is the duly constituted leader of the Soviet Union. And we will continue to try.

The other thing that Yeltsin told me is, and I think he's said this publicly, that he feels that if this medical answer has any validity to it that the World Health Organization should be permitted to see and examine Mr. Gorbachev. I can tell you that Yeltsin doesn't believe that, and I must tell you I don't believe it. But that is one of the canards being thrown out. It's really old-fashioned. But nevertheless, we will continue to try to stand with Mr. Gorbachev as Yeltsin is trying to do.

Q. Are you going to have to increase our stores of ammunition now, or are you going to leave more troops in Europe than you would have taken out?

The President. I'm not crossing any of those bridges now at all. I've mentioned the matter is where it stands. We're not moving any forces. Secretary Cheney and General Powell can respond to that when I finish if anyone wants to go further, but there's no -- I'm not trying to elevate any chance of military confrontation. Nobody wants that, and I expect, I hope, that that's true of the coup plotters. It's certainly true of Eastern Europe, of Western Europe, and of the United States of America. And it's darn sure true of the people that elected Mr. Yeltsin, and it's true of the people that have supported constitutional reform in the Soviet Union which are vast majorities. So I'll leave it right there.

Q. Should the new Soviet regime be that concerned about American threats, considering it so far has been a bloodless coup and considering our response to the Tiananmen Square massacre?

The President. Who is threatening? Who is threatening?

Q. Well, you're not going to give them any diplomatic recognition at this point.

The President. I don't view that as a threat. I view that as a factual statement. That's not threatening at all. We are committed, nobody should be surprised that we remain committed to

democratic reform and to constitutional government there. That means that Gorbachev, who was constitutionally installed, is in our view in power.

You know, it's interesting that Yanayev is saying he looks forward to working with Gorbachev. It seems to me that gives a certain credibility to what I'm just saying. I've raised the question, I hope not in a testy manner, about military confrontation because I think we want to cool that. This isn't a time to threaten militarily or to move forces around just to show machoism. That's not what's called for here. What's called for is diplomacy. What's called for is commitment to principle, backing those people who are committed to reform, backing the people in the Soviet Union and in the Republics.

Q. Mr. President, you said that there are other democratic forces in the Soviet Union, that they may help. It seems that you wouldn't settle for anything but Gorbachev. But do you see other democratic forces emerging there that could play a very big role? Who are they? And also, do you trust them?

The President. There are plenty of people that are committed. Look at the mayor of Leningrad, for example. There are plenty of people who are committed to democracy and to reform there and in the Republics. I think one of the things that triggered this coup, the timing of the coup, was the fact that a union treaty was about to be signed which gave certain rights to these Republics.

So, believe me, there's thousands and millions of people that are committed to democratic reform. But why should I go into that question that might imply that we are turning our backs on the duly constituted leader? We're not going to do that.

Q. The present group seems to be trying to appeal to the people because they feel that they are hungry and they want food. Do you think that the London [economic] summit could have done something more financially?

The President. What they're trying to do is to say: ``Look, we've got energy problems. We've got food problems. We've got health problems, and we, the unelected coup, are going to solve those problems.'' They can't do it without outside support. Mr. Yeltsin knows that. Mr. Gorbachev knows that. And these people will understand that. But what they're doing is trying to cloak their illegal move in the usurping power by saying to the people, ``We're going to help you in these areas where you've been short-changed.'' That will not succeed. They're going to need to go forward with these reforms if the Soviet Union is going to fulfill its potential. So, that is a clear, obvious tactic they're using, but I don't think that people are going to buy into it.

I'm going to take two more after this, and then we've got to run.

Q. Mr. President, when you spoke with Yeltsin, did he give you any indication that he feared for his personal safety or that the Gorbachev family, Mrs. Gorbachev was in any way -- was with her

husband, away or -- --

The President. Yes. Nothing on the Gorbachev matter. Here was a man who was standing, Yeltsin, standing courageously against military force. And I told him that ``We respect you. You've been duly elected here. We pray for you, and we hope that you're successful.'' And what he wants to see is the restoration of constitutional government. He wants to see the rights of the Republics, and he wants to see President Gorbachev restored to power. He didn't say he's afraid; he's a very courageous man. He says he's convinced that the people will stand with him, and well they should.

Q. Mr. President, for you or for Ambassador Strauss: When he gets there, with just whom will he be meeting?

The President. I'll leave that up to his good judgment, Charles [Charles Bierbauer, Cable News Network], because you know Moscow so well, and it's very hard to say with whom he will be meeting. The one thing I want him to do is establish his leadership in our Embassy, to consult with a highly professional staff there -- one of whom is Mr. Collins who's the DCM [Deputy Chief of Mission] to whom I talked yesterday -- get the lay of the land from the ground. So, it's less reaching out to individual leaders, but I'll leave that to his good judgment and the judgment of the Secretary of State.

Last one. Owen, [Owen Ullman, Knight-Ridder] and then we're going. I haven't seen you in a long time over here.

Q. A followup, sir. I'm trying to establish whether it's quicker for him to meet with Mr. Yanayev, for example?

The President. Well, we have no plans on that. And what we don't want to do is do anything that legitimizes this current regime or legitimizes what is clearly an illegal coup. And at this juncture, there are no plans for that. But again, this is a fast moving situation, and we'll have to wait and see what his judgment is when he gets there and what he and the Secretary decide.

Owen, and this is the last one.

Q. -- -- Gorbachev over the past month, did either of you in your conversations talk about the possibility of something like this happening or the possibility of even civil war in the Soviet Union?

The President. No. What was talked about on his part was the irreversibility of this change, the fact that constitutional government is there, elections are over the horizon and have taken place in the Republics, some of the Republics, and his conviction that the people are committed to reform and certainly to openness, glasnost, as well. And I've seen nothing in the last day or two that

would compel him or me to alter that.

Now, that isn't to say that there's a formidable obstacle right now in the way, and that is eight people that have usurped unto themselves all the power and are trying to take over by force, although Yanayev has said he looks forward to working with Mr. Gorbachev in the future.

So, there wasn't discussion of that. As you know, I think I have referred to -- I know I have in our meetings -- concerns that we conduct ourselves in such a way to minimize the chance of military takeovers. And that military takeover has taken place. But I believe that the policy that we've had into effect of supporting Gorbachev, as Yeltsin has been doing over the last few months, is the correct policy. I think it is the best hope for democracy, was the best hope for democracy and reform, and remains the best hope for democracy and reform.

You get hit from the left saying if you'd written out a better check this wouldn't have happened, and I don't believe that for one single minute. And you get hit on the other side by people that are suggesting that if we hadn't been supportive of the duly constituted President of the Soviet Union that things would have gone more swimmingly for democracy. I reject that. I don't believe there's any fact in that. And if there were, why was Boris Yeltsin, who was elected overwhelmingly, supportive as he was and continues to be of Mr. Gorbachev?

So, there it is. And as I say, we will be departing. I'm going to continue this vacation. I'm going to encourage our people to, but I don't want to be under any false color. It's going to be different now than it's been, maybe a little more like last year. What is it about August? [Laughter] But I will closely monitor this. We have extremely good communications up there, not only with our own key leaders, the Secretary of State, ambassadors, Secretary of Defense, Chairman of the Joint Chiefs, our Chief of Staff, our national security team, the Vice President. Communications are excellent.

But I don't want to again mislead people. I'm going to be spending a little more time, maybe quite a bit more time, in various formal ways that you will see unveiled in staying on top of this situation. But I don't want to panic. I don't want to send a signal, by sitting around the Oval Office here looking busy, that the American people should expect an instant satisfactory answer to this problem. I don't want to elevate hopes by succumbing to the whims of a few political critics that suggest that the matter can be better done in another way.

It happened, same thing, last year, and I did it the way I thought was best. And I hope I will have the full support of the American people as we follow this very, very closely. But I want to redefine it because I said that this vacation was going to be all rest and no work. And now it's going to be changed somewhat even though I have been getting briefed.

We have tremendous press coverage up there, get our message out. We have excellent communications and contacts. And rather than elevate the hopes by churning around in here, I'm

going to finish what I started out to do. And I will receive various visitors, and you'll be fascinated, I am sure, by who they are. And it will show you my commitment to staying right on top of this situation because people are looking to the United States for the leadership in this, disproportionately.

I might add this point. Neither the Ambassador here or the Secretary of State or the Secretary of Defense or the Vice President or the Chairman of the Joint Chiefs or my White House advisers want to see this turn into an East-West confrontation. And we're going to get pushed. If I answer some of these hypothetical questions, I could inadvertently move things into an East-West confrontation. And that's not what this is about.

Many changes, constructive changes, have taken place in the world as a result of Mr. Gorbachev's leadership, as a result of Mr. Yeltsin's election. Adherence to democracy, for example, in the latter case. And clearly all you have to do is look at Eastern Europe, you have to look at a united Germany, you have to look at cooperation in various areas around the world to know what I'm talking about.

So, what we don't want to do is inadvertently set back any of those changes that are very, very important to the United States and to the rest of the world, particularly to Eastern Europe. And so we will conduct ourselves less flamboyantly than some would have us do our business, but I think with the proper mixture of strength and conviction to these democratic principles.

Thank you all very much.

Note: The President's 98th news conference began at 10:35 a.m. in the Rose Garden at the White House. In the news conference, the President referred to the following persons: President Boris Yeltsin of the Republic of Russia; President Mikhail Gorbachev of the Soviet Union; Prime Minister Toshiki Kaifu of Japan; Robert S. Strauss, Ambassador to the Soviet Union; Secretary of State James A. Baker III; Prime Minister Brian Mulroney of Canada; Prime Minister John Major of the United Kingdom; Secretary of Defense Dick Cheney; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; Vice President Dan Quayle; Vice President Gennady Yanayev and Minister of Foreign Affairs Aleksandr Bessmertnykh of the Soviet Union; Chancellor Helmut Kohl of Germany; Prime Minister Ruud Lubbers of The Netherlands; Jim Collins, Deputy Chief of Mission at the U.S. Embassy in Moscow; and John H. Sununu, Chief of Staff to the President. The President also referred to the European Community (EC) and the Conference on Security and Cooperation in Europe.

Proclamation 6323 -- National Rice Month, 1991

August 20, 1991

By the President of the United States

of America

A Proclamation

A staple food for much of the world's population, rice is one of the most important grains grown today. It is cultivated in more than 100 countries and on every continent except Antarctica. Rice was cultivated in North America as early as 1696. Indeed, by the time the United States declared its independence from Great Britain, rice had become one of this country's major agricultural exports.

Today the United States is one of the world's leading exporters of rice, supplying about 20 percent of the rice in world trade. In addition, much American-grown rice has been provided to other countries through Food for Peace programs, which have helped to promote the social and economic well-being of less developed nations and provided vital sustenance to victims of disaster.

The United States Department of Agriculture reports that American growers harvested more than 7 million metric tons of rice last year. The value of this crop is important to our Nation's economy.

Rice is an important agricultural commodity not only in terms of its economic value but also in terms of its nutritional value. An excellent source of complex carbohydrates, rice can be a healthy part of a well-balanced diet. It contains only a trace of fat and is cholesterol- and sodium-free.

Consumers can enjoy various types of rice, from brown rice to the more traditional white rice, which is utilized in gourmet recipes as it is in simple meals. Wild rice, a native grain of North America, is being increasingly enjoyed by American consumers.

Rice may also be processed in various forms: as bran or flour in baked goods, or as an ingredient in cereals and healthful snacks. Rice is also an important component in the domestic brewing of beer.

To promote greater awareness of the versatility and the value of rice, and to celebrate America's status as a major exporter of rice for both commercial and humanitarian purposes, the Congress, by Public Law 101 - 492, has designated the month of September 1991 as ``National Rice Month'' and has authorized and requested the President to issue a proclamation in observance of this

month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim September 1991 as National Rice Month.

In Witness Whereof, I have hereunto set my hand this twentieth day of August, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:32 a.m., August 21, 1991]

Note: The proclamation was published in the Federal Register on August 23.

Proclamation 6324 -- National Awareness Month for Children With Cancer, 1991

August 20, 1991

By the President of the United States

of America

A Proclamation

Our Nation's fight against cancer has advanced on many fronts, from education and prevention to diagnosis and treatment. This month, we celebrate the remarkable progress that has been made in saving children with cancer.

The Department of Health and Human Services reports that, thanks to important scientific breakthroughs, the mortality rate for childhood cancer has dropped by more than 50 percent since 1950. This dramatic decline has been made possible by improved diagnostic and prognostic techniques, by advances in technology, and by advances in the treatment of serious forms of cancer such as leukemia and Wilm's tumor. For example, long-term research has enabled physicians to predict with greater success which patients are most likely to suffer a relapse -- thereby helping the health care team to plan the optimal course of therapy.

As a result of such progress, more than 70 percent of the children who were diagnosed in the 1980s as having acute lymphocytic leukemia have sustained long-term remission and can be considered cured. This is an incredible improvement when compared to the fact that, during the early 1960s, only about 4 percent of leukemia patients survived the disease.

More than a tale of medical progress, however, the story of childhood cancer also reveals the strength and the resilience of the human spirit. Children with cancer have consistently inspired others through their courage and determination. During National Awareness Month for Children with Cancer, we salute these brave youngsters and their parents, who share in their suffering and provide them with love and support, as well as the many scientists and researchers who are pressing on to new frontiers in the fight against this disease. We also gratefully recognize the pediatric oncology nurses, the social workers and clergy, and the many other professionals and volunteers who -- with great compassion and skill -- help young cancer victims and their families through difficult times.

Of course, while members of the National Cancer Institute and other, private research organizations have won key victories for children with cancer, we know that much work remains to be done. According to the Department of Health and Human Services, an estimated 7,800

American children will be diagnosed this year as having cancer. We will continue working together for their sake and for the sake of generations to come.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim September 1991 as National Awareness Month for Children with Cancer. I invite all Americans to join in observing this month with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twentieth day of August, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:45 p.m., August 21, 1991]

Note: The proclamation was released by the Office of the Press Secretary on August 21 and published in the Federal Register on August 23.

Statement by Press Secretary Fitzwater on Trade With Romania

August 21, 1991

The President has waived for Romania the emigration provisions of the Jackson-Vanik amendment to the Trade Act of 1974, reflecting the wide freedom of emigration which the citizens of Romania now enjoy. The President's decision responds to requests from leaders of Romania's democratic opposition, as well as from the Romanian Government, and will directly benefit the people of Romania as they face continuing economic hardship.

The Jackson-Vanik waiver will make Romania eligible to apply for credit guarantees for commercial imports of U.S. agricultural products. These would provide needed agricultural commodities, beyond the more than $120 million in U.S. food and other humanitarian assistance supplied in fiscal years 1990 and 1991.

The waiver does not constitute restoration of most favored nation (MFN) tariff status, which Romania renounced in 1988. MFN status is a separate issue, which will be decided on the basis of further substantial progress toward a market economy and democratic pluralism, including the holding of free and fair local and parliamentary elections in the near future.

The President's decision also underscores the great importance the United States attaches to continued movement toward free markets and democracy throughout Central and Eastern Europe.

The President's News Conference in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

August 21, 1991

The President. I wanted to report to the American people on some of the latest developments related to the situation in the Soviet Union.

I spoke at length this morning to President Boris Yeltsin. The call began at about 8:30 a.m. And I also talked to Ambassador Strauss, who is now in our Embassy in Moscow, in position. And I also talked, in the last 20 hours, to President Menem in Argentina, to Prime Minister Mulroney, Prime Minister Major, and I will continue these kinds of consultative calls.

President Yeltsin was clearly encouraged by the fact that he had survived another night in the Russian Parliament building without a major assault by the forces supporting this coup. He told me that tens of thousands of Muscovites had turned out to help guard the building from attack.

Yeltsin said he was encouraged by indications that more and more military units and their commanders were abandoning support of the coup. His building is still surrounded, however, and special troops, the Spetznaz, are remaining loyal to the coup plotters. It is those troops who are moving to occupy additional sites in the Baltic States.

President Yeltsin said that the Russian Supreme Soviet had met and declared unanimously that the coup was illegal and without effect. And he also mentioned the importance of the next meeting of the Union Supreme Soviet, which will be held on August 26th. And they are, this is the way he put it, they are vigorously trying to line up support for that Supreme Soviet to declare this coup illegal.

President Yeltsin said he told the Supreme Soviet of the strong support being given by the United States to those resisting the illegal emergency committee activities and that the Supreme Soviet received the news very, very warmly.

There are at present, according to Yeltsin, flights of aircraft carrying his representatives, and also others with members of the emergency committee on their way to the Crimea to meet with President Gorbachev. Obviously he doesn't have all the details on that, and I won't be able to fill you in on any details on that, either.

President Yeltsin said he was prepared for all contingencies. He thanked the United States profusely for its support, which was making an important difference, and asked that we continue to stay in touch with him, which we will do.

Ambassador Bob Strauss, who had just arrived, gave me a rundown on developments in Moscow which paralleled those of President Yeltsin, the reports he was getting there.

Overall, while the situation remains highly fluid and uncertain, I think it is safe to say that the situation appears somewhat more positive than in the earliest hours of this coup. So, I will stay in touch with President Yeltsin, hopefully at some point be able to contact President Gorbachev, which we still are unable to do. But I guess I would say to the American people these developments are positive.

Q. Mr. President, this hardly sounds like a declaration the coup is over. What can you tell us, based on your conversations with Yeltsin and any other information you've got about the status of the coup plotters, whether the emergency committee is still in control there and the whereabouts and the condition on President Gorbachev?

The President. We don't know. We have all kinds of rumors. We have all kinds of raw intelligence coming in. But, Norm [Norman Sandler, United Press International], I think it would be a big mistake to add to the rumor mill. We simply don't know. Yeltsin tells me that he thinks five of the coup leaders have left Moscow; but he, I think, would be the first to tell you that he is not totally certain on this. He also feels that Pavlov is in the hospital. But we can't confirm it, and therefore it just -- there's so much rumor and speculation. I want to try here now to avoid that as best I can.

Q. Do you know who is in control of the Soviet military right now, and were there any Western diplomats on these planes that are supposedly headed for the Crimea to meet with Gorbachev?

The President. Well, there were rumors about a flight that was taking some Western diplomats from the Embassies there. I talked to John Major about that, but there's no evidence that -- when I talked to him, which was 15 minutes ago, there was no -- in fact, he had confirmed that the plane had not left. And yet, rumors had it that they were on their way. So, he had just talked to his emissary, who was going to be on the airplane.

Q. Mr. President, have you tried to reach President Gorbachev since yesterday?

The President. I haven't tried a direct phone call to him personally, but I'll keep trying.

Q. If the Soviets survive this constitutional crisis, would you be more inclined to provide direct economic aid to their economy which will be in no better shape?

The President. We will look at it. The G - 7 took action on that. We will continue to do what both Gorbachev and Yeltsin want, and that is to provide the kind of aid that the G - 7 said they would provide. And we will certainly, if things work out in a satisfactory fashion, get back into the business of furthering the economic recovery, certainly.

Q. Mr. President, could you elaborate a little bit on what you said about these special forces troops? The impression seems to have been that these were troops that were leaving the city, that that was a positive sign. Is it your understanding -- --

The President. There are two different groups of them. One of them is the airborne forces, and I believe that the airborne commander has come over to the Yeltsin side and pulled his forces back. The other are Spetznaz forces, which are the highly disciplined forces who answer to Defense Minister Yazov, and apparently they are still under command of Yazov, and they have not come over to the side of democracy and freedom.

Q. Is Yazov still there?

Q. So, Yazov is in charge, is still controlling the military?

The President. Well, it's very hard to tell. But according to Mr. Yeltsin, I've told you just exactly how it is working as of right now.

Q. As far as you know, though, Yazov is still -- --

The President. I would say that, as far as what Mr. Yeltsin knows, which is what I know, that the defense is not over on the side of Mr. Yeltsin at this point.

Q. Mr. President?

The President. Yes, we're going to work our way right down here.

Q. Mr. President, with Boris Yeltsin anchoring democratic opposition to this coup, where does that leave him if things do in fact resolve themselves satisfactorily?

The President. It leaves the world looking at him as a very courageous individual, duly elected by the people, standing firmly and courageously for democracy and freedom, with enormous stature as a result of that.

Q. Would that change the U.S. approach toward Mr. Yeltsin in any way?

The President. The U.S. approach towards Mr. Yeltsin, as you know, is to be supportive of those who are elected. Ever since he's been elected he has received total support. And before he was elected he was received properly. But I must say in terms of the respect level, I will join others all around the world, not just politicians or elected leaders of countries, in saying that he has shown tremendous courage, and the people appear to be rallying behind him.

And as I said earlier on, to some skepticism, 48 hours ago or more, that: Look, all these coups don't succeed and democracy, once unleashed, is a pretty powerful force. So, I think he will have a well-earned stature around the world that he might not have had -- that he was on his way to having, but might not have fully achieved before all this happened, provided it works out the way certainly the United States wants it to work out. But it is too early to declare these matters over. I don't want to be a part of that.

Q. How about Mr. Gorbachev's position, sir?

The President. Well, who knows? I mean, we can't even get in touch with Mr. Gorbachev, but Yeltsin is strongly supporting him, and so are we. He was constitutionally empowered. And that's the point here. Every time I talk to Yeltsin, or both times I've talked to Yeltsin, he makes this point of strong support for Gorbachev.

Q. Mr. President, are you planning any additional steps today, and have you given any additional instructions to Ambassador Strauss about what he should do?

The President. No, he will be in touch with me probably later today, and in touch with the Secretary of State. I missed a call, I think, from Jim Baker a few minutes ago. But he's over in Brussels. He will have met with the NATO leaders. I expect we may see him up here tomorrow, and we can get a little more detail out of that one. But I don't know the exact details of the Strauss plans yet. He just got there, he's surveying the situation as I asked him to do, and developments are happening so fast that I'll just have to wait and see how the clock runs and what he has to say.

Q. Did President Yeltsin's reports on the activities of the special forces and other military units -- are they mirrored by U.S. intelligence on the subject, or do we have any U.S. intelligence on those subjects?

The President. Well, we have the best intelligence in the world, and sometimes it can accurately predict things, and sometimes it can actually count the beans and tell us the things you're asking about. We have some evidence of force movements in the Baltic area, but I don't want to go beyond that.

Q. Mr. Bush, when you say that Yeltsin says there's a delegation from the Russian Republic en route to the Crimea hoping to see Gorbachev, what is your understanding of what they hope will happen? Do they want to bring him back to Moscow?

The President. Absolutely. They want him back in power.

Q. Do they think he'll be able to?

The President. He was constitutionally put into office, and they want to have the law fully

observed. So, they would like to see that, and they would like to see him in there unhampered by the illegality of the coup.

Q. Can you give us any sense of whether they think that will be possible today, tomorrow? Any timeframe?

The President. No, I can't because he was understandably vague as to whether they would get to see Gorbachev. He gave me the names of the people that were on the flight, which I'm not going to give because I think that should come from over there.

Q. Mr. President, given the way the world, if you will, is wired for sound and pictures, it's conceivable that Gorbachev is hearing you right now -- --

The President. I hope so.

Q. -- -- or will. Since you can't get through to him on the phone, what would your message publicly be to him?

The President. I would say: Stay with your principles. Stay with your reforms. Stay with your commitment to democratic process and constitutional law. Stand shoulder-to-shoulder with Yeltsin, as you have been, in seeing the evolution of democracy and perestroika and glasnost in the Soviet Union. And knowing Gorbachev, I'm convinced he will. Knowing what the objectives of the coup plotters must be, I would expect they would be trying to get him to do something else.

Q. Sir, in your communications with the Soviet Union, have there been any assurances to the U.S. at any level that the Soviet nuclear arsenal is safeguarded, that someone can't get their finger on the button?

The President. We see no reason to be concerned about that. Our people are taking a hard look at that all the time.

Q. Sir, I know you were glad to hear Boris Yeltsin say that American support has been very helpful to him. But in fact, you've talked about the limited impact the U.S. can have, your aides talked even more starkly about how little impact the limited economic aid we have, cutting off cultural exchanges. Is that the sort of thing that would have any impact on people, for these conservatives who are desperate to stay in power? Do you think you've any impact?

The President. Yes, I think -- well, I would simply go by what Mr. Yeltsin says. And the statement I made yesterday -- he was profuse in his gratitude for that. And it's not just the United States, but we are the United States of America and, thus, the disproportionately loud voice in matters of this nature.

But, John [John Mashek, Boston Globe], all I can tell you is what the man says. I'll tell you what I said to him. I said, ``Now, would it be helpful to have another statement along the lines of the ones I made yesterday?" And he said, he repeated, ``Yes, yes, yes, it is very important." And so, you know, there's some people in this country from one side or another of the spectrum that we have that say you ought to be able to wave a wand and solve a problem of this nature in the city of Moscow instantly. That's not what you can do. But what you can do if you're President is put the full force of the American people behind, emotionally, morally, behind the democratic forces. And that's what I'm trying to do. And apparently according to Mr. Yeltsin at least, and I think others, that's what we should be trying to do.

Q. But sir, these are pretty hard-boiled characters -- --

The President. Yes, they are.

Q. -- -- who plotted this coup, and moral pleas to them probably have very little impact. Do you think the fact that they fear this economic aid being cut off, not only by you but by the EC countries, do you think that's the sort of thing that has an impact possibly on -- --

The President. Well, I would think it would have, or I wouldn't have -- you know, I would have done it anyway. But I think it would have. Yes, John, they've got economic problems. As you know, some of their first decrees where they were going to put food on the shelves and do something about medicine and do something about energy, but as they see the reality of the world, they are going to need the help of the outside world. And when they see the United States and they see the European foreign ministers coming together, all saying they're not going to have business as usual, I think it does make an impact. And so, that is one thing that can be done.

Q. Could it have caused the apparent split within the coup plotters?

The President. No, I think what caused the current split in the coup plotters, and this is pure conjecture, is some of them realizing sooner than others that they may have bitten off more than they can chew here. But time will tell on that one, and again, I don't want to be proclaiming this matter solved. I will say, once again, that I am pleased it is moving in the direction that it appears to be moving.

But they've got a lot of troops. They've got a lot of force. They've got a lot of people that look at these matters in a very hard-line way. The one thing I don't want to do is inadvertently contribute to their will and their resolve. But I think some are flaking off because they think that they've gone about it wrong.

Q. Assuming that President Gorbachev does recover his authority, how will this affect his ability to keep the Soviet Union on a stable path? Will he be strengthened by it or weakened?

The President. I would say that, again, a little hypothetical for me to get into: Given Yeltsin's support for him and given the respect with which he's held by leaders all around the world, and that has certainly not been diminished by this at all, he will still be a force to be reckoned with.

Again, they can sort out inside their own matters. But what will be filtered away, should Gorbachev be reinstated, as we hope he will be, what will be filtered out will be the fear of a rightwing military takeover because the people will see that the power of the people to stand up against this illegality is pretty good, pretty strong.

Q. So, in effect, that might indeed strengthen his hand to move in a -- --

The President. It's possible, but again it's too hypothetical yet. We've got a big problem out there, and I'd want to try to keep it as factual as possible.

Q. Mr. President, when you were considering aid before the economic summit and other times, you had said you didn't want to give any serious aid until you saw credible reforms in place and the idea that it wouldn't go to waste. Does this delineation, the support of the people for Yeltsin and Gorbachev and the delineation of the progressives enhance their credibility? Do you now feel differently that you believe the reforms?

The President. I don't feel differently about their credibility. I never doubted the commitment to democracy or the commitment to perestroika, the commitment to reform. What has to happen, and what all of us addressed that problem in the G - 7 summit was, what had to happen was certain things had to take place before you send money.

But when you talk about economic support, we had put into effect in London, agreed on a program in London that was very acceptable to both Gorbachev and Yeltsin.

Q. Sir, you talked about the possibility of Mr. Gorbachev being reinstated. In this case, would you like to see popular Presidential elections in the Soviet Union?

The President. I think there will be, and I think those who are committed to democracy, as we are, strongly believe in that.

Q. Mr. President, given the ``character'' of the coup leaders, are you surprised they sort of went halfway with the coup and the incredible apparent disorganization of it?

The President. I think it's too early to decree how disorganized it is, but I think they underestimated the power of the people. They underestimated what a taste of democracy and freedom brings. Everyone recognizes that there were serious economic problems, and I think they felt, well, we'll come in there, promise food on the shelves and to solve these problems. And then they saw that, overriding all of that was a commitment by many, many people in Russia and in

the Soviet Union entirely, to democracy, for democracy. So, I think there, if this coup fails, that will be the serious miscalculation.

Q. Mr. President, if Gorbachev returns or some other, what you view as a constitutional figure returns, would you urge them to deal more forthrightly and decisively with the KGB, the interior forces and the military -- --

The President. It is too early to sort that out, and I wouldn't be bold enough to give advice to Mr. Yeltsin and Mr. Gorbachev to how to treat with those matters.

Q. Mr. President, you mentioned that we have the best intelligence in the world. Since there was a degree of surprise in the coup, do we have a better idea now as to when this coup was organized or who was the ringleader? Do you have any one person that you're now saying -- --

The President. Not yet. And, you know, I know a lot is expected of intelligence. But Mr. Gorbachev had pretty good intelligence. Mr. Yeltsin had pretty good intelligence. And all the intelligence services around the world think they've got good intelligence, and I know we've got the best, and I would simply say, based on this experience, that there are some things you cannot accurately predict.

That wasn't your question. We don't yet know the genesis of all of this, and it'll be a while before anybody does.

Q. Mr. President, you are reluctant to declare the coup over, but some are suggesting if this coup does fail, it will actually mean an end to the hard-liners and help to jump start democracy in the Soviet Union. What's your own feeling?

The President. It is so clear to me that if this coup fails, democracy will take a gigantic leap forward because we will have seen its underpinnings. We will have seen its inherent strength. We will have seen that a courageous leader, standing up for a principle, can rally an enormous number of people behind him.

Obviously, some of the determination will be based on the view of Mr. Gorbachev, but it would surprise me very much if he didn't stay totally committed to this path of democratic change.

Q. But in your view, is this the last hurrah for the hard-liners?

The President. Well, we'd have to wait and see. If I said that, I'd be declaring this over, and it's not the role of the President of the United States. Let's let these matters develop there.

One, two, three, and four, and then I'm out of here. [Laughter] That's the last question.

Q. Mr. President, you said that Yeltsin has prepared for all contingencies. Does he think, and do you think that there's still a possibility of a last-ditch military confrontation, and what does Yeltsin have at his disposal to hold up his end of such a confrontation?

The President. He made clear to me he doesn't think that the military threat is over. I think I stated that in the statement. But he was pleased, obviously, that the airborne troops had pulled back. But he made clear to me that he was not about to say that the threat is finished.

Q. What kind of forces does he have on his side, and is he prepared to fight?

The President. Well, they have some Russian forces, and he's got people on his side. He said, ``tens of thousands'' was the way he phrased it today.

Q. I'm wondering if you see any parallels between this situation and what we were going through last year at this time where the world unites to condemn an action in hopes of reversing it through sort of moral suasion. It seems to be going a little better this time than last year. But if perhaps you talk about this force as a democracy, is it really just the fact that the people inside the Soviet Union weren't going to accept this?

The President. Well, I don't see a parallel on the democratic question. I do see a moral parallel: The world rising up against aggression last year, the world supporting the forces of democracy. This time there's a little difference. But there's a similarity if you want to put in terms of good-versus-evil which some philosophers might think is a little oversimplistic, and I don't. I think here we have a question of what's good and what's bad. What's good is the commitment to constitutional law and democracy, and what is bad is use of muscle to try to overthrow it.

Last year, what was good was the fact that the world stood up against aggression: democratic countries, nondemocratic countries. And what was bad is you had a handful of aggressors who had thought they could bully and the bludgeon a neighbor.

So, there are some parallels, Karen [Karen Hosler, Baltimore Sun], but I think there are also some distinct differences.

Q. Is the major difference, though, the forces of democracy that are being unleashed in the Soviet Union?

The President. I think it's a very important distinction here because the battle last year was not over democratic rule in Kuwait, for example; it was over aggression. Do you reward aggression or not? Do you let aggression stand or not? So that it was a different question, a different moral question. Both issues have strong moral underpinnings.

Q. Mr. President, the American relationship with Mr. Yeltsin has been fairly awkward at times

over the last couple of years. No matter what happens precisely now, would you guess that the development in the last 3 days have changed that relationship forever, one way or another?

The President. In the first place, I think they were proper before the elections. Secondly, I think they properly improved dramatically after he was overwhelmingly elected by the people. That is a significant turning point for the way regimes all around the world, countries all around the world look at Mr. Yeltsin. And they have taken a quantum leap forward now by this man's displayed courage and by his commitment to democracy.

A followup?

Q. I was just going to say, have you found that in your personal relationship with him over the last couple of days that you've had an easier time talking with him? There has been some concern that he was somewhat erratic, somewhat flamboyant previously. Has that been a problem at any point in the last couple of days?

The President. I don't detect any less flamboyance. And in this instance, the flamboyance -- [laughter] -- the flamboyance is a very positive quality as you climb up there and encourage your people. But I don't see a turning point as a result of this. I mean, we had very cordial discussions as I think he, himself, confirmed in Moscow; I think he was accorded when he came to Washington as an elected leader. I think he felt, at least he said so, and I believe him, he felt that visit had gone very, very well.

So, I can't say to you, Jerry [Gerald Seib, Wall Street Journal], that there's been, in the personal contact way, been a dramatic change because I think as I have watched him in action as an elected leader his performance has been superb. And some were trying to make this long ago into a Gorbachev-versus-Yeltsin battle, for example. I think that the way Yeltsin has conducted himself shows you that is not a Yeltsin-versus-Gorbachev battle. I don't think that Boris Yeltsin is sitting around thinking how do we dump Gorbachev. I think he is properly and with feeling expressing himself in total support of Mr. Gorbachev.

Last one.

Q. Yes, Mr. President, oil prices shoot up, and the markets have been unstable. Do you think that if the crisis should be very long, there could be a threat to the U.S. recovery?

The President. It's too hypothetical, but I think the answer is no. But you have to define ``long'' in something like that. But any time you have a conflagration of this magnitude, there are going to be some speculative losses. But the underpinning of the American economy is still pretty good, and so I wouldn't predict the kind of deleterious effect that the question, at least to me, implies.

I'm in trouble here. No, I'm out of here.

Q. Any hurricane damage at Walker's Point?

Q. Are you going to try to reach Gorbachev?

The President. We might give that another shot.

Q. Will you try to send anyone to see him?

The President. Come back tomorrow. I never knew what luxury you all were living in over here. [Laughter]

Note: President Bush's 99th news conference began at 10:35 a.m. at the Shawmut Inn. In the news conference, the following persons were referred to: President Boris Yeltsin of the Republic of Russia; Robert S. Strauss, U.S. Ambassador to the Soviet Union; President Carlos Saul Menem of Argentina; Prime Minister Brian Mulroney of Canada; Prime Minister John Major of the United Kingdom; President Mikhail Gorbachev, Prime Minister Valentin Pavlov, and Defense Minister Dmitri Yazov of the Soviet Union; and Secretary of State James A. Baker III. The ``ten-plus-one agreement'' is a treaty of union redefining the relationship between 10 Republics of the Soviet Union and the central government. A tape was not available for verification of the content of this news conference.

Exchange With Reporters in Kennebunkport, Maine, on the Attempted Coup in the Soviet Union

August 21, 1991

The President. Well, I just wanted to report that at 12:19 p.m., I had a phone conversation with Mikhail Gorbachev, and it lasted about, what, 20 minutes I think. It was a good call. Gorbachev is still in the Crimea. He will return either tonight or tomorrow to Moscow. He tells me that things are under control. His first call, I believe, was with Boris Yeltsin.

He stated his sincere appreciation to the people of the United States and others around the world for their support for democracy and reform. He sounded in good physical condition; indeed his voice was buoyant. Barbara was with me, and we both asked him to convey our respects to Raisa, and he very kindly made references to his friendship with Barbara and me on a personal basis. But it was good. It was a good talk. It's a good development.

Now, he will be going back to Moscow and, hopefully, working with the Presidents of the Republic, Nazarbayev and Kravchuk, the Ukraine leader, staying with him. There's a good basis now for all of this.

So, we'll see what happens, but in his view the constitutional authorities are back in power and democracy and freedom and reform have prevailed. That's his assessment; I hope that it's not ahead of where things stand in Moscow.

I have not talked, again, to President Yeltsin, but he believes that Moiseyev has ordered the forces back to their bases. All in all, it's a very, very positive development.

Q. Did he discuss the circumstances surrounding his confinement?

The President. No. No, he didn't, except that his guards, he did say, stayed very loyal to him.

Q. Does that mean he was never under actual physical arrest there?

The President. I have no idea. I didn't go into all of that.

Q. Did you get any detail on the ``ten-plus-one agreement," too? What's the status of that?

The President. No. We just got detail on the fact that freedom and democracy have prevailed, and he's expressing his sincere appreciation to us.

Q. What is the main factor in the failure of the coup?

Q. Had he talked to people from the coup that assured him that the coup was over? Have they given him status as President?

The President. I don't know. I don't know. There are all kinds of wild rumors about what's happened to the people involved in the coup, but I don't want to go into that. Some of them may be accurate, and some may not. But he was anticipating some of them coming to see him; he said that to me. But whether that proves to be the case or not, I don't know.

Q. What do you consider the main factor in the failure of the coup?

Q. So, is he the President again? What's his status?

Q. -- -- the coup is essentially over? This morning, you're a little -- --

The President. He feels that way.

Q. And did he say what happened in the last couple of hours that -- --

The President. No. Just the fact that he was elated, and it sounded like for the last hour he was back fulfilling his duties and calling the shots.

Q. What do you consider the main factor in the failure of the coup?

The President. The fact that they underestimated democracy and freedom, and that you can't put it back in a box -- these totalitarian systems. You can't have them come out and take over. You can't put freedom and democracy back into a box and keep it contained, and that's what happened. And as a matter of fact, that's one of the things Gorbachev said, and certainly Yeltzin feels that way.

Q. Do you know anything about the suicide of Yazov?

The President. No.

Q. Did he know anything? Did he say anything?

The President. No. I talked to Jim Baker who had talked to, who was it Jimmy had talked to? Yanayev? No, not Yanayev, Yakovlev is who we had talked to. And Yakovlev had some information on that. But it's all -- I don't want to repeat it, because I don't know whether it's true. There's too many rumors around out there.

Q. What did Gorbachev say about the origins of the coup, what the coup leaders are trying to

accomplish?

The President. He didn't say any more than I've told you. I really, Norm [Norman Sandler, United Press International], have given you the main substance of this talk.

Q. He didn't say what he was told, or -- --

The President. We will obviously try to cooperate with the Soviet Union, back in constitutional hands, and with the Russian Republic, with respect for the way Boris Yeltsin has conducted himself, these other Republics that apparently have stood firm with the put-down of the coup and stood firm and loyal to the constitutionally authorized President Gorbachev.

So, I think it's a very fine day. It's been an emotional day in a sense with these -- being right in the middle of this history. And I think people know of my respect for Gorbachev, indeed, the way I feel about him. And I was just delighted to hear that he was fine, delighted that he appeared to be well.

Q. Did you call him, or did he call you?

The President. Well, we placed the call. It's a little unclear. I think it was in response to my call.

Q. Did President Gorbachev say that he intends to have popular elections, Presidential elections?

The President. No, we didn't go into any details like that.

Q. Did you encourage him to work with Mr. Yeltsin?

The President. Well, I think he is working with Mr. Yeltsin.

Q. Does this significantly change the U.S.-Soviet relationship?

The President. I think it's a good day for U.S.-Soviet relationship because I don't think that the fear that some of us have had about, many people have had actually, about rightwing takeovers will no longer be as extant. They tried, and then they failed. And democracy prevailed and reform prevailed. That's what this is all about. So, I think that, I expect the relationship to be, if anything, even better. We've got to wait. We've got to sort out some internal problems. But I explained to him, as I've told Yeltsin, that we're ready to talk to the leaders of the Republic, and certainly we'll be ready to talk and deal with the President of the Soviet Union itself.

Q. Mr. President, just now on CNN's air, the President of Georgia said that this was all a plot inspired by Gorbachev himself. Now, whether that's true or not, what does that say to the state of

the interethnic rivalry?

The President. -- -- say to him he needs to get a little work done on the kind of statements he's making. I mean that's ridiculous. There's a man who has been also swimming against the tide, it seems to me, a little bit. And I don't want to go overboard on this, but he ought to get with it and understand what's happening around the world.

Q. Are you saying that -- --

The President. To suggest that President Gorbachev would plot to put the people of the Soviet Union through this kind of trauma and the rest of the world through it just makes absolutely no sense at all. Now, I haven't heard him say that, so I want to hedge it. You've told me he said it; I haven't heard it. So, I've got to be very careful I don't react to something that may not be true. I learned that one a long time ago.

But if that's what the man said, I would just discount it 100 percent.

So, anyway, I've got to go to work. Rita [Rita Beamish, Associated Press]?

Q. Are you confident, Mr. President, it's definitely over then? You're confident that the coup leaders -- --

The President. I'm just telling you what I know here. I have not talked to people in Moscow. I did talk to Jim Baker, and he's very upbeat from the contacts he's had. He had a long talk with Yakovlev a few minutes ago, who is confident that it's over. But it's not up to us to decree whether it's over or not. I'm telling you what these various leaders are saying about it. And it's a good day. It's a very good day.

Q. Any word on where the five plotters have turned up?

The President. Well, no. I've read the same rumors you heard. But one of them turned up. But I haven't heard about the rest.

Note: The exchange began at 1:15 p.m. at President Bush's home. In the exchange, the following persons were referred to: President Mikhail Gorbachev of the Soviet Union and his wife, Raisa; Presidents Boris Yeltsin of the Republic of Russia and Nursultan A. Nazarbayev of the Republic of Kazakhstan; Leonid M. Kravchuk, Chairman of the Republic of the Ukraine's Supreme Soviet; Mikhail A. Moiseyev, Chief of the General Staff of the Soviet Union; Defense Minister Dmitri Yazov of the Soviet Union; Secretary of State James A. Baker III; Vice President Gennady Yanayev of the Soviet Union; Aleksandr Yakovlev, a former Politburo Member and former close aide to President Gorbachev; and President Zviad Gamsakhurdia of the Republic of Georgia. A tape was not available for verification of the content of this exchange.

Proclamation 6325 -- National Park Week, 1991

August 21, 1991

By the President of the United States

of America

A Proclamation

The founding of our magnificent Yellowstone National Park in 1872 not only marked an important milestone in the history of American conservationism but also inspired a worldwide movement to set aside certain lands for the preservation of their unique scenic value and natural resources. Today more than 100 countries boast some 1,200 national parks or equivalent preserves.

To help protect the scenery, wildlife, and historic sites that are found throughout our National Park System, the Congress established the National Park Service on August 25, 1916. The National Park Service is responsible for managing the lands in its care ``in such manner and by such means as will leave them unimpaired for the enjoyment of future generations." It is a noble and important task because our national parks are more than scenic preserves. As the renowned conservationist and civic leader, J. Horace McFarland, observed:

The parks are the Nation's pleasure grounds and the Nation's restoring places. . . . [they] are an American idea; it is one thing we have that has not been imported. . . . These great parks are, in the highest degree, as they stand today, a sheer expression of democracy.

Now celebrating its 75th anniversary, the National Park Service has helped to lead the way in protecting America's natural resources and cultural and historic treasures. The Service holds in trust for the American people such riches as the awe-inspiring vistas of the Grand Canyon, the sublime cliffs and forests of Yosemite, the hallowed ground of Gettysburg, the rugged beauty of Acadia, and the towering majesty of our Statue of Liberty. It is estimated that more than 250 million people from throughout the United States and around the world will visit these and other national parks this year.

The National Park Service will celebrate its 75th anniversary with programs designed to focus attention on the inestimable value of our national parks and on the need for their preservation. In recognition of this anniversary, the Congress, by Senate Joint Resolution 179, has designated the week beginning August 25, 1991, as ``National Park Week" and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim

the week of August 25 through August 31, 1991, as National Park Week. I invite all Americans, as well as our friends around the world, to participate in events commemorating the 75th anniversary of the National Park Service.

In Witness Whereof, I have hereunto set my hand this twenty-first day of August, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:39 p.m., August 22, 1991]

Note: The Office of the Press Secretary released the proclamation on August 22 and it was published in the Federal Register on August 26.

Exchange With Reporters in Kennebunkport, Maine

August 22, 1991

The President. We're in the middle of our domestic briefing which will continue. We interrupted that to get briefed by Secretary Baker who has just returned from the ministerial abroad, the NATO ministerial, that went very, very well. He filled me in on his conversations with the Foreign Minister of the Soviet Union itself and of the Russian Republic; he met with him, I believe. And of course, we are very pleased that constitutional government has been restored there.

On the domestic side, as I say, we're halfway through it. This is a follow-on to regularized domestic briefings that we hold in the White House with Director Darman and Mr. Roger Porter and our Chief of Staff; Andy Card, our deputy. We have those regularly, but this was an update. And we talked about our education program. We're really looking forward to the fall with Congress out now, trying to figure out how best to get congressional action on some of our programs: energy, transportation, education, the crime bill, many other agenda items that will be coming up in the fall.

So, it's a mixed day of both the domestic agenda and the foreign policy agenda which has, of course, been dominated by events in the Soviet Union. And I have not talked to any of the leaders today. I did talk last night, as I think Marlin may have released, to Prime Minister Kaifu of Japan. And of course, Japan has very special interests in relationship to the Soviet Union. And he shared the emotion that we all felt as to developments over there.

So, that's an update for right now.

Internal Situation in the Soviet Union

Q. Mr. President, how do you judge Gorbachev's opening moves back in Moscow? He's put Moiseyev, a fairly hard-line person, in charge of the military.

The President. Well, he told me when he was in the Crimea that he had ordered Moiseyev to remove the forces, see that the forces move back, and I gather that has taken place. And it was Moiseyev with whom we finalized -- on the military side, through the Soviet Union, helped finalize the START agreement. But ``who's on first'' over there is up to them. That's not something that the United States can say any more about.

Q. Mr. President, to what extent has Gorbachev himself been part of the problem? Not in the coup, necessarily, but after all he did hand-pick these eight leaders. And to what extent do you think Gorbachev himself has been responsible for the drag on reforms?

The President. I heard President Gorbachev say that he bore responsibility for the people that he put in and felt betrayed by some of them. And that's a matter -- I think that said it all pretty well, Jim [Jim Miklaszewski, NBC News]. In terms of reforms, let's keep everything in perspective, and let's recognize that not only is Eastern Europe free, Germany reunited, troops moving back and all of that, but that he launched a very ambitious program on perestroika and on glasnost. You never would have seen a press conference today had it not been for the initiatives that he took early on.

Now, with some of the harder-liners on the sidelines, clearly, that perhaps frees up President Gorbachev to work very closely with President Yeltsin to see that these reforms continue. The objectives of the United States, of course, are to see a market-oriented economy in the Soviet Union and also to see certainly a democratically held elections and democratic-oriented regime there.

So, I view the recent happenings as very positive in that regard, to further the economic reforms. I can tell you that I made a decision today to lift the hold that we have had on the various economic programs that I think will clearly benefit the Soviet Union. That's as of now taken care of.

Q. Well, now that the hard-liners, some of the hard-liners have been brushed aside, do you look for Gorbachev to quicken the pace of reforms?

The President. Well, I haven't had an opportunity to discuss that with him. I haven't had an opportunity yet to discuss it with any of the Presidents in the Republics. But I would like to think that all elements in Moscow and in the various Parliaments would recognize that the best way to get economic support from the West is to adopt a genuine and far-reaching economic reform program. That has been on hold for some reasons which include a lack of a union treaty.

So, that's up to them. That's up to the Republics and the center, but they've got to get on with a treaty so that American entrepreneurs know who they're dealing with. You can't make a deal and then wonder whether you have to make it with two other entities. And that kind of problem would be eliminated if a good, solid union treaty were agreed between the Republics and the center.

Q. Mr. President, what do you hope Gorbachev does now in terms of independence for the Baltic Republics?

The President. You know, my position has been -- in the first place, we still don't recognize the incorporation and the Baltic flags do fly there in Washington as you know. But I've long felt that the quicker independence can be granted to the Baltics, the better. And let's hope that out of this now we will see genuine negotiations between the Baltic States and the center to accomplish this end. I've talked to President Gorbachev about this before. I've talked to President Yeltsin about it as a matter of fact. So, perhaps recent events will speed the day when you have an agreed path set out for independence of these States.

In my view, that would do more to enhance good will in the United States than almost any other single thing that could be done.

Q. Mr. President, do you think that this is a situation where Gorbachev is going to feel more personally inclined to speed up the pace of reform or maybe just pressured by this new kind of loose alliance that he's going to have to forge with Yeltsin?

The President. Well, I've always felt that Gorbachev was committed to perestroika. And I've always felt that he was committed to openness. So, what pace it takes now, with the removal of some of the hardest-liners to whom Gorbachev had to pay some attention, I can't say. But I see nothing in here but good news in terms of speeding up the pace.

Q. Mr. President, would this be a good time for Mr. Gorbachev to rein in the army and KGB, put them under -- --

The President. I think he's already seen that just taken place on a factual basis. Those responsible for moving the forces -- Defense Minister Yazov apparently is definitively out of the picture. Mr. Gorbachev appears to have put some trust in General Moiseyev -- Moiseyev, I guess is the pronunciation -- and he is a man that we've worked with. But that's a matter for Gorbachev to sort out, the center, as indeed Yeltsin pointed out yesterday, I believe. But we obviously will be looking for a regime that will move forward with these policies of diversification of defense industries.

We have had an opportunity in the past to express our concern about levels of defense spending in the Soviet Union. And clearly I'd like to see a finalization now of the START agreement which has only some details left, but that was resisted up until close to the final breakthrough by some of the hardest-liners in Soviet defense.

So, in the whole defense area we've got to wait. It's up to them who the head of their defense department is and who will be the next Chief of Staff. But we will hold back a little on military-to-military contacts until we see this sort out and move briskly forward on the agreements that we've already reached. And as I say, on the economic front we will go forward with the program that we outlined, a program that both Gorbachev and Yeltsin seem to feel would be very beneficial to the Soviet Union.

Q. But nothing new on the economic front?

The President. I don't see anything new right now on that. We'll be talking to our European friends about this. But we agreed in London on a certain path, and if there's something that we could do that might further enhance economic recovery, we'll always be glad to take a look.

Middle East Peace Process

Q. Sir, where do you go from now on the Middle East issue? Are you in contact with Mr. Bessmertnykh? Is he completely out? What do you expect next?

The President. The Secretary of State has talked to Mr. Bessmertnykh. And let me just ask him to comment in a little more detail here on how he sees that developing. But I can tell you we will do everything we can to see this peace conference go forward. It is in the interest of the entire world. And through hard work by our Secretary of State and with cooperation of a lot of other entities, countries and entities, things have moved far beyond where many of the severest cynics thought it would be. And now with this turmoil in the Soviet Union hopefully behind us, and with the Soviet Union being important in all of this, I see nothing but an improved chance.

But Jim, I'd like you to comment on the next details if you would.

Secretary Baker. I did have an opportunity to talk by telephone with Minister Bessmertnykh when I was in Brussels, and I believe that the Soviet Union will be every bit as committed toward trying to create jointly with us and others an active and viable peace process in the Middle East as they were before. Some of you may have seen during the course of the coup where certain sources, a very limited number as the President has pointed out, praised the fact of the coup. Those sources have shown an uncanny ability in the past to back losers, and this is another example of that.

We believe that there's an opportunity here for a possibility for peace. It's an opportunity that may not come by again for a long time. And we would hope that all the countries in the region and the sources and entities would subscribe to that and would join with us in seeking to promote peace in the Middle East.

Internal Situation in the Soviet Union

Q. What about the question about whether Bessmertnykh is in or out right now? There seems to be some doubt about what his role was, where he was during the course of the coup attempt -- --

Secretary Baker. When I spoke to him yesterday on the telephone, he was the Foreign Minister of the Soviet Union. And picking up on what the President just said, the designation of their cabinet officials is really a matter for them to determine. Having said that, I think it's our view that what has happened might well provide us with the opportunity to pursue an expanded agenda with the Soviet Union, an expanded agenda centered on reform.

Q. But Mr. President, isn't there some concern, I mean, there is some confusion or some uncertainty about what Bessmertnykh's role was. For example, he disappeared, and it was announced that he was going to be sick for 2 days.

The President. There's a lot less confusion than there was 2 days ago, isn't there?

Q. But it was announced that he was going to be sick for 2 days, and then he showed up a day later, once the coup was over.

The President. Well, let them sort that out. Does that come under the direct heading of the United States of America? Here's a man that was constructive in the peace process. Here's a man that worked side by side with the Secretary of State to get something done. Now let them figure out if that's who they want to continue there. But we will deal with the Foreign Minister of the Soviet Union, and it's not for us to second-guess what happened in a complex situation. All I'm saying is: Things are an awful lot better today than when we were standing here, what was it, 48 hours ago.

Q. To clarify, the U.S. doesn't have any indication -- --

Q. Don't you have to approach the Soviet Union, though, for at least a brief period of time with a little more caution? Don't you have to figure out who it is you're dealing with and talking with?

The President. I said that, I think. Yes, Jim. But I don't think that means that -- what I want to do is give instant support for the change that's taken place. And one way to do it is to lift the economic hold that we've had on a program that I think would benefit the recovery. I'm perfectly prepared, and I think the American people want to go forward. But absolutely, we don't know exactly how all this is going to sort out and who is going to be on first or who's going to be on second when it comes to staffing the bureaucracy inside the Soviet Union.

But again, that doesn't exactly come under the heading of our business. I would be a little resentful if somebody told me who I ought to have in my Cabinet from Moscow. And I think they'll sort that out. There's great pressures now between the center and between the Republics. And there's also a great accommodation between the center and the Republics. And so, let's just see how it works out and not try to put this on a personal basis as to who ought to be where. That's their business.

Q. Mr. President, hasn't Gorbachev's personal stature been permanently weakened by this? And can he rule now without the fear of another coup from some direction?

The President. I wouldn't say that his stature has been weakened by it. Here's a man who stood by his desire for reform and democracy. And he was seized and put under house arrest. And to say that that is a weakening performance, I don't know.

Now, if you ask me has Boris Yeltsin's stature been enhanced, the answer is clearly yes. But this jumping on Gorbachev, who was taken and held under house arrest with his wife and grandchild, I'm simply not going to be a part of that nor a part of second-guessing all that. They've got

procedures there that they've now put into effect in terms of investigating all of this. What business, what possible good could come from the President of the United States trying to sort all that out? Let the system sort it out. All I know is that he was committed to reform, he had the support of Yeltsin, and he had the support of the President of the United States and every other leader around except Iraq, Cuba, and Libya. And that's good enough for me. We're on the right side of that one.

Q. He'll still have to rule with the threat of a coup over his head, another coup, possibly.

The President. Well, you must know more about this than I do. I just don't see the threat of another coup, but there might be one. I don't know. But I'd love to know what any observer would base that comment on right today.

Q. How can you go forward in your relation with the Soviet Union without choosing between Mr. Yeltsin and Gorbachev?

The President. We've done it pretty well so far, haven't we?

Q. Would it be helpful to have another meeting with Gorbachev in the near future to discuss accelerating the pace of reform?

The President. We'll probably be discussing Soviet Union matters with him. No question about it. But whether -- is your question a head-on-head meeting?

Q. Yes, sir.

The President. Well, I don't know. There's no plans for such a meeting. And I think they've got some matters in the wake of this, which we've been fencing around about here, to sort out themselves. But I'm available. Look, this relationship is very, very important. And all I can say is: Isn't the world an awful lot better off today than it was 48 hours ago? And the answer to that one is, ``Absolutely, yes."

Now, I can understand you all wanting to get out ahead of the power curve and try to have me committed as to who should be Secretary of Interior or Secretary of Defense over there, Minister of whatever is, and I'm not going to get into that business. What I am going to do is say both Yeltsin and Gorbachev are committed to reform, to democracy, and to openness, and this is very good. And there are some tensions, there are some dynamics between the Union and the center, but they'll sort that out.

And I think it will be sorted out without the threat, now, of another rightwing takeover. And the reason I say that -- some suggesting another coup here -- the reason I say that is the message of democracy was so clear. The strength of the people was so clear and visible in this one that I

think anybody attempting another coup from the right would have to be out of their minds to take on hundreds of thousands of people who clearly, in spite of economic problems, want to see democracy prevail.

That's what it was about. That's what the message was about. That's what the survival of Gorbachev was about. That's what the strength of Yeltsin was about in demanding the return of Gorbachev. And I think the American people understand this probably a lot more clearly than any people around the world.

I'm going to take this last question, and then I'm shutting this thing down. I'm up here on a vacation now, and you're going to see me vacating a lot more. You've had me in here too much lately, and I apologize for abusing your hospitality.

Q. You've often said that the stability of the Soviet Union is in the best national interest of the United States. But as a result of this failed coup attempt, won't some of the Republics and the Baltic States be emboldened to perhaps rise up against the central government? Won't that create still further instability?

The President. Well, again, I don't know that, say, ``still further." If you mean still further than a coup where you had tanks rolling down toward the Russian Parliament building, no, I don't think so. But on the other hand, what I see is an opportunity, an opportunity to accelerate the talks that would lead to independence.

The position of the United States is clear on all of this. And there have been some reasons, some of which have now been gotten out of the way, that this process has gone much slower than I want; I think slower than Gorbachev might want, but clearly slower than Yeltsin wants. But I hope we're not looking at some confrontation on this. What I hope we're looking at is more rapid negotiations that lead to the full independence that we would like to see for the Baltic States.

Q. So, the central government's seen the light as a result of this?

The President. I think some of the people that saw the darkness are no longer around. And I think that's, I would hope that that's the case. But again, I can't assure you of that. We just don't have enough information on that at this point. But clearly, some of the hardest-line obstructionists are no longer in the picture. And so, I'd say to the degree any of that underbrush has been removed it makes it better and makes it clear that the people's drive for self-determination can't really be stopped. So, let's use the -- I hope they will use now the process of accelerated negotiation to get on with this. This is the position of the United States, and it's not going to change.

Thank you all very much.

Note: The exchange began at 2:05 p.m. at President Bush's home. In the exchange, the following

persons were referred to: Secretary of State James A. Baker III; Foreign Minister Aleksandr Bessmertnykh of the Soviet Union; Foreign Minister Andre Kozyrev of the Republic of Russia; Richard G. Darman, Director of the Office of Management and Budget; Roger B. Porter, Assistant to the President for Economic and Domestic Policy; John H. Sununu, Chief of Staff to the President; Andrew H. Card, Jr., Assistant to the President and Deputy Chief of Staff; Marlin Fitzwater, Press Secretary to the President; Prime Minister Toshiki Kaifu of Japan; President Mikhail Gorbachev of the Soviet Union; Mikhail A. Moiseyev, acting Defense Minister and Chief of the General Staff of the Soviet Union; President Boris Yeltsin of the Republic of Russia; and former Defense Minister Dmitri Yazov of the Soviet Union. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on the Reduction of Bolivia's Debt to the United States

August 22, 1991

We have entered into agreements with Bolivia to reduce substantially Bolivia's debt to the United States. Reduction of Bolivia's food assistance debt is a major step forward in realizing the goals of the Enterprise for the Americas Initiative (EAI), a program which the United States proposed on June 27, 1990, to promote increased trade, investment, and growth throughout the hemisphere.

Bolivia's far-reaching steps to reform its economy, including measures to open its investment regime, qualify Bolivia for debt reduction under the EAI. Bolivia is receiving a very substantial reduction of its bilateral debt owed to the United States. Under legislation enacted by Congress last year, the United States is reducing Bolivia's P.L. 480 debt by 80 percent, from approximately $38 million to approximately $7.7 million.

Under separate legal authority to assist the relatively least-developed countries, the United States will eliminate Bolivia's $341 million debt owed to the U.S. Agency for International Development, the first time such relief has been provided outside of Sub-saharan Africa.

These understandings will help pave the way for significant additional funds for environmental projects in Bolivia. In particular, the United States welcomes the commitment of Bolivia to provide $20 million in local currency over 10 years to support environmental activities.

The administration applauds this important step to reduce Bolivia's debt and provide support for the environment and looks forward to continuing to work with Bolivia and other countries in the region to advance the goals of the Enterprise for the Americas Initiative.

Proclamation 6326 -- National Campus Crime and Security Awareness Week, 1991

August 22, 1991

By the President of the United States

of America

A Proclamation

If our Nation's schools are to be marked by excellence, they must offer students and teachers an environment that is conducive to learning. Accordingly, AMERICA 2000, our strategy to reinvigorate the Nation's education system, calls for every school in the country to be safe, disciplined, and free of drugs and violence.

Surveys indicate that as much as 80 percent of all crimes committed at our Nation's institutions of higher learning are perpetrated by students, against students. The vast majority of these crimes are related to alcohol or drugs. Regardless of its source or nature, however, campus crime not only inflicts costly material losses but also causes untold personal suffering. Moreover, campus crime disrupts the vital functions of colleges and universities, thereby depriving students of an optimal educational experience.

Stopping theft, vandalism, sexual assault and other crimes on campus will require the sustained cooperation of students, administrators, and staff, as well as campus security personnel and law enforcement officials. Every academic community in America must increase its awareness of campus crime and ways to prevent it.

Last year, the Congress passed the ``Student Right-to-Know and Campus Security Act," which requires colleges and universities to inform students and employees about campus crime statistics and campus security policies. By working together to achieve the goals set forth in this legislation, we will not only promote the safety of those who study and work at our Nation's institutions of higher learning but also provide our students with a valuable lesson in civic responsibility.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the week beginning September 1, 1991, as National Campus Crime and Security Awareness Week. I encourage all Americans to observe this week with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this twenty-second day of August, in the year

of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:46 p.m., August 23, 1991]

Note: The Office of the Press Secretary released the proclamation on August 23 and it was published in the Federal Register on August 27.

Statement by Press Secretary Fitzwater on the Reduction of Jamaica's Debt to the United States

August 23, 1991

Today the United States and Jamaica entered into an agreement to reduce substantially Jamaica's food assistance debt to the United States. Under legislation enacted by Congress last year, the United States is reducing Jamaica's P.L. 480 debt by 80 percent, from approximately $271 million to approximately $54.2 million.

Jamaica is implementing a wide range of reforms aimed at building a strong market-oriented economy. These initiatives, including measures to make the economy more attractive to investors, qualify Jamaica for debt reduction under the EAI.

The agreement represents a major step forward in realizing the goals of the President's Enterprise for the Americas Initiative (EAI), a program designed to promote increased trade, investment, and growth throughout the hemisphere. It also paves the way for an environmental framework agreement between the United States and Jamaica. Under this agreement, Jamaica will be permitted to make interest payments on the new reduced debt in local currency paid into an environmental fund established in Jamaica.

Proclamation 6327 -- National Rehabilitation Week, 1991

August 23, 1991

By the President of the United States

of America

A Proclamation

Thanks, in large part, to the variety of rehabilitative programs and services that are available in the United States, millions of Americans with disabilities are leading fuller, more independent, and productive lives. These men and women are utilizing their knowledge and skills in virtually every field of endeavor, and our entire Nation is richer for their achievements. Thus, it is fitting that we pause to recognize the many dedicated professionals and volunteers who help to promote the rehabilitation of persons with disabilities.

Rehabilitation is a collaborative process that involves health care providers, therapists, educators, employers, and many others. For example, through advances in technology, scientists and engineers are helping persons with disabilities to overcome the physical barriers that once prevented them from participating in the mainstream of American life.

Effective rehabilitation technology and techniques are also helping to change the attitudinal barriers that have, in the past, limited opportunities for persons with disabilities. Today these members of our society are refuting age-old myths and misconceptions, proving that a disability need not be an obstacle to success. Continuing advances in rehabilitation services and in related education and research -- coupled with implementation of the Americans with Disabilities Act of 1990 -- will further open the door to their social and economic advancement.

Of course, challenges remain in the effort to help more and more Americans with disabilities achieve their fullest potential. These challenges range from the development of a wider array of rehabilitation services to improved cooperation among human service agencies. Nevertheless, by working together, we can meet them.

In recognition of the courage and determination of persons with disabilities, and in honor of all those who assist in their rehabilitation, the Congress, by Senate Joint Resolution 72, has designated the week of September 15 through September 21, 1991, as ``National Rehabilitation Week'' and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week of September 15 through September 21, 1991, as National Rehabilitation Week. I encourage all Americans to observe this week with appropriate programs and activities, including educational activities that will heighten public awareness of the rehabilitative services that are available in this country and the many ways in which these services benefit persons with disabilities.

In Witness Whereof, I have hereunto set my hand this twenty-third day of August, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:38 p.m., August 26, 1991]

Note: The Office of the Press Secretary released this proclamation on August 26, and it was published in the Federal Register on August 28.

Statement by Press Secretary Fitzwater on the Resignation of Mikhail Gorbachev as General Secretary of the Soviet Union Communist Party

August 24, 1991

It has been announced that President Gorbachev has resigned as General Secretary of the Communist Party and has requested that the Central Committee of the Party disband. We welcome this news as another step forward in the reform process.

Today Ambassador Strauss attended the funeral of those killed defending against the attempted coup in the Soviet Union. The Ambassador read a Presidential message to the mourners at the funeral. Afterwards, he presented his credentials to President Gorbachev at the Kremlin and had a 1-hour meeting with him. Later in the day, Ambassador Strauss had a 40-minute meeting with Russian Republic President Yeltsin. He expects to continue his meetings with a variety of political figures in Moscow.

The G - 7 will convene in London on August 29, 1991, at the sherpa level. Under Secretary of State for Economic Affairs Robert Zoellick will represent the United States.

Note: The statement referred to Robert S. Strauss, U.S. Ambassador to the Soviet Union; President Boris Yeltsin of the Republic of Russia; and Robert B. Zoellick, Under Secretary of State for Economic and Agricultural Affairs.

Message Honoring Those Civilians Killed in Moscow During the Attempted Coup

August 24, 1991

A great American, Patrick Henry, more than 200 years ago said: ``Give me liberty or give me death." In the years since then, many Americans have faced that choice and have made the supreme sacrifice in defense of freedom and democracy. The justice of the cause does not make the loss of brave men and women any easier to bear.

The American people during this past week shared the shock of the Russian people at the attack on their liberties, watched with admiration their defense of their White House and all it symbolized, and shared their joy at the collapse of the effort to reimpose tyranny. Today, we share your sorrow at the price these brave souls paid in the just cause for which they and you fought. They did not die in vain. May the memory of them remain bright and the democracy for which they gave their lives flourish among you.

Note: Robert S. Strauss, U.S. Ambassador to the Soviet Union, read this Presidential message at the August 24 funeral of three civilians killed in Moscow during the attempted coup.

The President's News Conference With Prime Minister Mulroney of Canada in Kennebunkport, Maine

August 26, 1991

The President. Let me just make a couple of opening comments. First, to say what a pleasure it was for the Bush family to have the Mulroneys here. Particularly at this time it was important that I have an opportunity to consult with Canada's Prime Minister. It seems coincidental that it was a year ago that we were consulting, and I value his judgment now as I did then. A year ago we were talking about how to repel aggression, and today we're talking about exciting changes in the Soviet Union that will benefit everybody in my view.

So, once again, I have at my side here today a man that I trust, a man whose judgment I value, and these consultations were in the best tradition of diplomacy. We talked about a number of issues, in particular the status of the Baltics. And we also talked about economic aid. We're having a sherpa meeting. We're having deputy and finance ministers meetings taking place in the next couple of days, and they'll be very interesting. We'll get a little more information from them. I wouldn't look for major decisions, from the U.S. side anyway, coming out of those meetings.

I talked this morning, as did the Prime Minister, with Chancellor Kohl, Prime Minister Kaifu, Antall of Hungary. We're in close agreement on most issues regarding the change.

During the week I'm going to have more discussions with other world leaders. And the Baltic situation has been very important. I think everybody knows the U.S. position about wanting full and total independence. There are still some matters that they themselves have to hammer out. I'll let the Canadian Prime Minister obviously speak for himself, but we're moving very, very close to recognition. There are some questions about what do you recognize. There are some border questions that are important. And of course I'm anxious to hear, as I said, I think yesterday, the outcome of the meetings in the Supreme Soviet.

On the economic side, we had a far-reaching discussion. We agreed that this is an issue that the industrial democracies need to review carefully. For the U.S. side, I can tell you that I've seen nothing to make me change my mind about the agreement we collectively took at London in the G - 7 there: a determination to help the Soviet Union but a recognition that reform had to take place. And there's a little bit of uncertainty now, and they themselves need to sort that out so that when you have a contract, you know who it's with; when you have a deal, you know that it's going to be fulfilled. But the change has been so traumatic, we can't expect all that to be ironed out overnight. But nevertheless, again, moving in the right direction, we'll stand ready to assist when we can. But speaking for the United States, there will be nothing out of the sherpa meeting that will commit us to the writing of checks, as I've referred to it.

I am making available today, announcing the availability of this $315 million of the second

tranche of the agricultural credits to the Soviet Union. I believe the Prime Minister will have more to say on that subject. So, events are moving rapidly; they're going in the direction of freedom and democracy. I remain optimistic that these enormous changes can be handled without disorder, without the anarchy that we hear some on the television talking about. But it's traumatic change. And sometimes it's better to let your views be known to the Soviet leaders as to how we want things to resolve, and then let them sort out some of the details. As far as I'm concerned, that can apply to the Baltics; it can apply to other things as well.

But anyway, Brian, you're so welcome. And I once again thank you for your advice and counsel which I do value.

The Prime Minister. Thank you, Mr. President. I was glad of the opportunity for another full review of pretty extraordinary and welcome events. As a result of some of these developments, Canada moved this morning to begin the process of establishing full diplomatic relations with the Baltic States and all of the agreements that would necessarily follow from that decision.

I have instructed the Minister for International Trade and the Minister for Industry, Science and Technology, who was formerly the Minister of Finance for Canada, Michael Wilson, to meet in the very near future with the representatives of the Baltic Republics, and then to go on to Kiev where in the near future we hope to open a consulate general that has already been announced.

There are fundamental and economic challenges that remain, and these are matters first and foremost for the new leadership of the Soviet Union. The accelerated pace of reform will, as the President and I and others have indicated in London, the accelerated pace of reform will be met by accelerated commitments of various kinds by the G - 7 leaders, including the Government of Canada.

In fact, earlier today on the specific problem of what a difficult autumn or a winter might bring in the Soviet Union, and given the extraordinary productive capacities in the agricultural sector of both the United States and Canada, the President and I agreed today to support very actively initiatives for food aid to ensure that basic needs are met in the Soviet Union throughout what is clearly a difficult and challenging period.

And I thanked the President for his hospitality. The Mulroneys always have a great time here. Not always successful with the fish, but we enjoy it a great deal. And I thank the President and Mrs. Bush.

Soviet Union

Q. Canada is only the latest in the growing list of countries that have extended full diplomatic recognition to the Baltics. Why is it that they're able to do this but the United States continues to lag back?

The President. I think we have certain special responsibilities. We've made very clear our conviction that the Baltics will be independent, and I feel more confident of that than ever. From the United States standpoint, I'd like to know a little bit more about what's coming out of the EC [European Community] tomorrow, what's coming out of the Soviet Parliament meeting. But also, I want to know a little more about controlling one's own territory and what you're recognizing. I mean, there are some difficulties there. Lithuania today, for example, is different than the Lithuania that had its freedom and that was recognized by us.

So, we need a little more information, but we're moving very fast. And I feel very comfortable with what other countries are doing. I think we've already stated our conviction that not only will they be free but they'll be independent. And I'd just like to see a little bit more, a few more cards on the table before we take another step. I may have more to say about this after the Prime Minister's visit. They may do something in the EC tomorrow, but I'm anxious to talk to him. And I do think that others recognize that we have perhaps different responsibilities than other countries around the world in a matter of this gravity and in a matter of dealing with the Soviet Union generally. I hope we've handled it properly, and I'm confident that we will be there when needed on this question.

Q. Could you explain to us why today, not yesterday or tomorrow, what is it that you see in the Baltics that President Bush doesn't see?

The Prime Minister. Well, I think the President has just explained the special responsibilities of the United States, as the world and he sees them. You say, ``Why now, or why yesterday?'' In fact, it was yesterday that I decided to do this with my colleagues, but we decided to wait until this morning to see what President Gorbachev might say that could impact on that decision. Nothing changed, and therefore it's a value judgment of the Prime Minister and his colleagues to go ahead and recognize the complete independence of the Baltic States. And that's what we have done.

Q. -- -- Mr. Bush?

The Prime Minister. Mr. Bush has just explained his own optimism and the consistency of his own position. Canada and the United States never recognized the incorporation of the Baltic States into the Soviet Union in the first place. Canada and the United States have said from the very beginning that the whole thing was illegal. So, we've been fully consistent for over 50 years now, and this is just a question of Canada having decided that now is the time as far as we're concerned, and the President, for reasons that he's just explained, conveying his own view.

Q. Can I ask a question of both of you, Mr. President and Mr. Prime Minister? What about those Republics within the Soviet Union which are now declaring their independence? Will you ever recognize the Ukraine and other Republics on that question?

The President. That's another question. We've got to wait and see. We've opened a consulate general in the Ukraine. This is moving very, very fast. Certainly, the aspirations of people for freedom and independence is something that the United States has long been identified with. But as each one of these Republics declares its independence, and you have Byelorussia doing that, we want to see what we're talking about in terms of order, what we're talking about in terms of how this freedom evolves. I'm confident that this move for freedom and move for independence is inexorable. I believe it's just going to continue. But it has effects on other countries; it has effects on Yugoslavia, for example. And so, I want to see the big picture. I want to see that we know a little bit more on all of these before we set up -- try to send ambassadors to different places.

Q. -- -- the Soviet Union inexorable?

The President. I don't know whether it's a breakup or not. How they decide on their own to affiliate with the center in terms of federation, that's murky still. It's not clear. So, what the United States is trying to do is do what we can to encourage -- and certainly in the case of the Baltics -- independence, do what we can in terms of other states to stand for their self-determination. I don't want to be a part of making a mistake that might contribute to some kind of anarchy inside the Soviet Union.

I don't see that we could do that, but I want to be darned sure we don't. These developments are happening very, very fast. I've told our sherpas -- I've sent instructions through the Secretary of State to our sherpas, I've sent instructions through the Deputy Finance Minister to -- that are going to be meeting through -- Secretary Brady: Listen, compare facts, get as much information as we can. But the United States is not going to precipitously commit to various things until we know a little more about what's happening.

I think that's a good thing to do, and I'm going to continue that policy. And under that policy I am very pleased that things have been moving very, very well, thank you.

The Prime Minister. The United States and Canada stand for freedom and liberty; that's been our whole existence. In the case of the Ukraine, to indicate the differences that do exist within their own constitutional apparatus, they've already given an indication of what they'd like to do subject to a referendum later on this year. And obviously, we will respect the freely expressed wishes of the people of the Ukraine.

Q. I'm sorry I didn't understand you. [Laughter]

The President. There's a lot I don't understand, but you go ahead, Jim [Jim Miklaszewski, NBC News].

Q. Do you think the events of the last week either mark the death or the impending death of the Communist Party in the Soviet Union? And after the U.S., after Americans have spent so much

time, money, and effort in their struggle against that system, shouldn't Americans take some kind of satisfaction in what's going there this week?

The President. The answer is yes and yes. Yes, it clearly is the death knell for the Communist movement around the world. There's only a handful of people that stick out like a sore thumb. I think of one down there in Cuba right now that must be sweating, because you can't stop, as I said earlier on, right here, this quest for freedom.

What was the second part? The answer was yes, but give me the question.

Q. Should Americans be taking satisfaction -- --

The President. Of course, we should. Of course we should. And so should Canadians and everybody that has stood for freedom for so long. I think back, and Brian and I were talking about this, the days when we talked about the cold war and what it meant and the fear of aggression and what we saw and hated in Hungary. Those days are gone now. And so, the American people should take great pleasure that regardless of politics -- Democrat, Republican, whatever it was -- they have always stood against the totalitarianism and the toughness of those regimes and for exactly what's happening: independence, self-determination, democracy, freedom, moving now -- not there yet -- moving toward market economies.

I don't know whether you want to add to that one or not, and then you have this -- --

[At this point, a question was asked and answered in French. No translation was provided.]

The President. We identified this lady. Is it for me or for the Prime Minister?

[At this point, a question was asked and answered in French. No translation was provided.]

Q. Mr. President, the President of the Soviet Union, Mr. Gorbachev, was in front of his Parliament today still talking about the union treaty which by all accounts seems to be obsolete given especially what the Ukraine did. I wonder if you and your advisers still have any concerns that Mr. Gorbachev might not be getting the message?

The President. Well, I don't know about getting the message. I haven't heard the results of what went on at that meeting. We heard a little bit of it. But my view is, let's see. I mean, they've got a democratic process going on there now. We've heard from the Russian Supreme, Russian Parliament, if you want. I'd prefer now to call it a Parliament. Same thing for the Soviets. So, let's see how it sorts out.

Some want to stay affiliated with the center. To do that, if they're going to get aid from the West, they're going to have to have some agreement, a treaty, some understanding so people know who

they're dealing with. One of the things that they need is a deal on energy. Canadian interests, United States interests stand ready to help. But you can't have it if you have 25 different guys going off in different directions when it comes to making a contract.

There would be a benefit to them to hammer out these details in a treaty, so an entrepreneur from Canada or from the United States could go in and say, ``Okay, now we know who to deal with." So, there are some very practical reasons why agreement between the center and the Republics are very important to their economic recovery.

Now, for those entities that say they want total independence -- and they've got to sort out how they're going to handle their economic relationships with Russia, with the Soviet Union, and with the West. There are some very complicated formulae that have to be evolved here. There's very complicated situations because of the dependence at this moment in history of some of the Baltics States, for example, on the center. Steel goes one way, energy comes another, and they've got to sort some of this out. But none of that should, as I cite that, none of that should be interpreted as a lack of interest on our part of the United States in seeing independence and freedom just as quickly as possible.

You mentioned -- the Ukraine is a good one. Eighty percent of the people at one point said, ``Hey, we approve of the union treaty." Now they've declared independence, but does that mean that they don't want a union treaty at all? I don't know the answer to that.

To have answers to all these complex questions at the end of a week that's moved this fast is expecting too much. I, for one, am going to say, ``Hey, we've got a few days here. Let's know what we're doing. Let's be sure we understand what's happening. Let's do nothing to interfere or hold back independence or freedom or a right to be independent." I owe the American people the answer to some of these questions that I don't yet have, and I'm not going to move precipitously. Yet, I am going to continue to move in a way to encourage independence and self-determination.

Canadian Unity

Q. Prime Minister, in the past, Canada has been very chary about the claims for independence of breakaway states. Michael Wilson is going to Kiev. Is there a risk that our relations or our discussions with the government of the Ukraine may not have a reflection in the discussions of the government of Quebec in the months ahead?

The Prime Minister. No, not at all. As I indicated earlier, the Soviet Union, and we discussed the Baltic States, for example, the Soviet Union came about as the result of a totalitarian and illegal integration of states which resulted eventually in the Soviet Union. Canada was the result of a great and democratic coming together of people, English and French, who sought freedom; much the same way as the United States was formed.

So, the Canadian experience and the Canadian history is the antithesis of the Soviet Union. It was component states coming together, freely asking for unity, political and economic unity. Nothing was ever imposed on a Canadian, ever. It was the contrary. It was Canadians saying, ``Let us come together so that we can devise and build a greater and a more prosperous nation," which indeed they have over the last 125 years.

So, A, there is no parallel. And, B, I haven't the slightest doubt, none, about the question of Canadian unity. Canadians will remain together, French-speaking and English-speaking, in my judgment because the Canadian experience, with its imperfections, has produced one of the great pluralistic liberal democracies in the world, with a huge capacity for the production of wealth and a major contribution to international institutions such as the United Nations, which contribute generally, I think, to the well-being of the world.

So, Canada has accomplished a lot, and the reason that it was able to do so over so many decades is that it came together in freedom. Canada is a child of freedom. Freedom and liberty has been our environment, which is the antithesis of what has taken place in Central and Eastern Europe and the Soviet Union, which is why they have failed with their Communist system, which is why Canada has succeeded over all of these years.

China-U.S. Relations

Q. Mr. President, you've stood firm in not dealing with the hard-liners in Moscow, the Yanayevs and the Pugos, and yet you continue to deal with those in China who are hard-liners who suppressed the freedom movement there. How are you reassessing how you have dealt with China and will deal with China in light of what happens in Moscow so long as you're ringing the death knell for communism?

The President. What we're trying to do in China is to see reform move forward. I think what I've said is that we're on the right path to do that. Cutting off discussion with China is not a way to do it. Going back to the cold war would not have been a good way to deal with the leaders in the Soviet Union, and going back to the chilly days of the cultural revolution would not be a good way to help reform go forward in China. So, our policy is engagement on the economic front, encouragement of them as much as we can on the human rights front.

Soviet Union

[At this point, a question was asked in French. No translation was provided.]

The Prime Minister. The question dealt with some apparent disagreement of the G - 7 summit as to what we should do, and both the President and I have read that from time to time. And I can tell you that when the question was put at the luncheon that preceded the meeting with Mr. Gorbachev around the table, ``Are we all in agreement with what is about to be proposed? Is there

anyone in this room who thinks that we are not doing enough?" And I asked the question, and the answer was, ``We are in full agreement with the proposed package that is going forward. We think it's timely, we think it's constructive, and we think it's the way to go."

And so, if there's any Monday morning quarterbacking on that issue, I think the President will tell you that that was not the manner in which this was developed or evolved or put forward at the meetings in London.

The President. It's this concept that if we had given a lot of money out of London and that would have avoided this quest for freedom, democracy, and turmoil now in the Soviet Union is absolutely ridiculous. It is absurd on the face of it, and the Prime Minister knows that there were no divisions here. I keep reading about divisions in some of these countries. And yet when I talk to the chief of state -- I did with Helmut Kohl today -- I saw one deal that he felt we all ought to give a lot of money. That's not what he talked to me about at all today, in fact, said that that wasn't the case, that we ought to be careful, we ought to learn more about it, we ought to let these sherpas meet and these Foreign Ministers. And I'm sure he told Brian, the Prime Minister, the same thing.

So, we've got to deal from strength, and we've got to deal from principle. You've got to know what you're dealing with also.

Q. Mr. President, Mr. Gorbachev spelled out a frame of reference today that would seem to push elections well into 1992 with the union treaty and then a constitution 6 months after that. I was wondering what your response is to the potential timelag there, and how you feel about Mr. Cheney's comment yesterday that in his view, Mr. Yeltsin would be preferable in this situation?

The President. We'll deal with who's there. I've expressed myself on Boris Yeltsin. I've expressed myself on Gorbachev. It's not a choosing either/or here. I think what Dick Cheney was saying is, here's a man who -- and Yeltsin gave statements of great courage, physical statements and verbal statements -- here's a man who, in things like cutting off aid to Cuba and in their defense diversification, stand with us on a lot of these questions. So, that's good. But it's not ours, it's the United States to say whom we're dealing with. We can't do that.

What was the second part of it?

Q. The timeframe, sir, that puts elections -- --

The President. I'm sorry, I can't comment on a timeframe that I don't know about. As I've told you, I've just not heard the results of the meeting that went on, so I'm not going to comment on it.

The Prime Minister. A final Canadian question, Rob [Rob Russo, Canadian Press]?

Q. Prime Minister, did you and the President have a chance to discuss reassessing defense policies in light of what's going on over there, given that there's a NATO meeting coming up, and reassessing your own individual defense agreements with the Soviet Union?

The Prime Minister. Well, I think the President indicated, Rob, one of the difficulties that comes from this remarkably sensitive series of developments in the Soviet Union: Who do you deal with? And who are these agreements going to be with in the future, be they commercial or economic or defense? This raises the question of prudence to which the President referred.

I'm going from here to British Columbia for a meeting of the Cabinet. And one of the questions there, from our perspective, will be precisely the impact of this on NATO and our presence in Europe and the position of our allies. The President and I have discussed this, and we realize that it's an ongoing situation that will have to be reviewed regularly until there's a greater degree of permanence and a much better definition of the nature of the problem and its depth and the manner in which it will eventually be resolved.

And so, we're going to be prudent and vigilant in respect of our interests, and I believe that is the position of all of our allies.

The President. John [John Mashek, Boston Globe], last one because he's got to eat a burger, have a hot dog -- --

The Prime Minister. Hot dog. [Laughter]

The President. -- -- and be out of here at 1:30. And those planes come in, something has to happen. So -- --

Q. While you've expressed a desire not to intrude in Soviet affairs, Mr. President, you have saluted Mr. Gorbachev and glasnost and perestroika. Isn't it realistic now to expect that Mr. Gorbachev is at the very least going to have to share power or perhaps even be subjugated by Mr. Yeltsin?

The President. I think what you've seen evolving in the last few days is a sharing of power. Absolutely. And I think both Yeltsin and Gorbachev understand that.

What was the other part of it?

Q. Well, the other part would be, is Mr. Yeltsin's first moves outlawing the press, no matter how much that may be an anathema to us, or the Communist Party, are those democratic moves?

The President. Again, I think what he was trying to do is in the realm of his purview there inside the Russian Republic to shut down certain propaganda organizations. And they've got to sort out

how they're going to deal with their, whatever it is, first amendment over there. They've got to figure how much free speech they're going to allow, how much dissent they're going to permit. It's going to take a little time. They've just come off a tumultuous win over totalitarianism that's celebrated around the world. There's a lot of refinements like this.

The relationship with these Republics is only a part of it. How they treat with the free enterprise part of it, the private sector and around the world, that's another part of it. The question you've raised is another part of it. And we Americans are so eager, we want it to happen right quick. We want to know all the answers: everything in place; who we're dealing with; will he be here tomorrow; is he going to be gone the next day; are they on the edge of anarchy, as some of these talking-heads are telling us on television?

One good thing for the economy -- [laughter] -- the talking-head industry is back. [Laughter] Going strong out there. [Laughter] And my view is, look, get the best advice you can. Talk to trusted counselors and advisers, your peers in other countries, and then move, not slowly but in a determined fashion, to further democracy, freedom, whether it's freedom of the press or freedom of election or freedom of speech in other ways. And all this has to happen. But we're too restless. They get a new guy in charge of the public works in downtown Kiev and you want to know whether I support the -- I can't tell you about that yet.

The Prime Minister. Important fact, we do -- [laughter] -- strongly.

The President. And I might point out we've had a consulate general in Kiev, and they're opening one. So, there are a little different tastes on some of these matters. But the big thing is we're together. The West is saying: Isn't this great. And it's moving in the right direction. So, we'll be there. When freedom's at stake, you'll be there, whether it's the Baltic States or whether it's these other Republics that want independence. But let's know a little more about it. Let's be sure we know what we're doing and that we don't inadvertently contribute to something that might result in a little more hardship for somebody or a little more disorder in the Soviet Union.

We'd better run if we're going to eat.

The Prime Minister. Thank you all.

The President. Thank you all very much.

Q. When's Ambassador Strauss coming up?

The President. I'll rely on my man, Fitzwater, who doesn't know either. [Laughter]

Q. Tomorrow?

The President. He'll be up here tomorrow. And the Prime Minister the next day, and so we'll have plenty going this afternoon. I see Dick Darman and Bob Teeter there, Roger Porter. We'll continue our discussions about the fall and the domestic agenda. So, there's plenty of do. Plenty of news for you all. So, stay ready.

Note: The President's 100th news conference began at 12:43 p.m. at his home on Walker's Point. In the news conference, the following persons were referred to: Chancellor Helmut Kohl of Germany; Prime Minister Toshiki Kaifu of Japan; Prime Minister Jozsef Antall of Hungary; Minister of Industry, Science, and Technology and Minister of International Trade Michael Holcombe Wilson of Canada; Prime Minister John Major of the United Kingdom; President Mikhail Gorbachev of the Soviet Union; President Fidel Castro Ruz of Cuba; Secretary of State James A. Baker III; Deputy Secretary of the Treasury John E. Robson; Secretary of the Treasury Nicholas F. Brady; former Vice President Gennady Yanayev and former Interior Affairs Minister Boris Pugo of the Soviet Union, who participated in the attempted coup in the Soviet Union; Secretary of Defense Dick Cheney; President Boris Yeltsin of the Republic of Russia; Robert S. Strauss, U.S. Ambassador to the Soviet Union; Marlin Fitzwater, Press Secretary to the President; Richard G. Darman, Director of the Office of Management and Budget; Robert M. Teeter, personal adviser to the President; and Roger B. Porter, Assistant to the President for Economic and Domestic Policy. The ``sherpa'' meeting in London was attended by Robert B. Zoellick, U.S. Under Secretary of State for Economic and Agricultural Affairs, and representatives of the European Community, Canada, and Japan. A tape was not available for verification of the content of this news conference.

Proclamation 6328 -- Commodore John Barry Day, 1991

August 26, 1991

By the President of the United States

of America

A Proclamation

During its War for Independence, our Nation faced a great and proven sea power. The young Continental Navy, which had been established by the Continental Congress in October 1775, was only a fraction of the size of the British fleet. Nevertheless, the small American naval force not only achieved several key victories during the War but also established a tradition of courageous service that continues to this day. On this occasion, we honor the memory of one of America's first and most distinguished naval leaders, Commodore John Barry.

After immigrating to the United States from Ireland, John Barry became a successful shipmaster in Philadelphia. He was also an enthusiastic supporter of American Independence, and when the Revolutionary War began, he readily volunteered for service. Thus, John Barry was commissioned as one of the first captains of the Continental Navy.

Captain Barry served bravely and with distinction throughout the course of the War. While commanding the brig LEXINGTON, he captured the British sloop EDWARD in April 1776. This victory marked the first capture in battle of a British vessel by a regularly commissioned American warship. Seven years later, Captain Barry participated in the last American naval victory of the War, leading the frigate ALLIANCE against H.M.S. SYBILLE in March 1783.

Captain Barry's record of service to our country is distinguished not only by its length but also by his extraordinary patriotism and daring. In late 1776, he led a raid by four small boats against British vessels on the Delaware River and seized a significant quantity of supplies that had been meant for the British Army. Serving as a volunteer artillery officer in December of that year, Captain Barry participated in General George Washington's celebrated campaign to cross the Delaware River, which led to victory at the Battle of Trenton.

Captain Barry continued to serve our country after the end of the Revolution, helping to make the American victory a meaningful and enduring one. Active in Pennsylvania politics, he became a strong supporter of the Constitution, which was ratified by the State Assembly on December 12, 1787. In June 1794, President George Washington appointed him as a commander of the new frigate U.S.S. UNITED STATES, one of six that were built as part of a permanent American naval armament. For the remaining years of his life, Commodore Barry helped to build and to lead the new United States Navy, commanding not only the U.S.S. UNITED STATES but also

``Old Ironsides," the U.S.S. CONSTITUTION.

Commodore John Barry died on September 13, 1803, but his outstanding legacy of service is carried on today by all those brave and selfless Americans who wear the uniform of the United States Navy.

The Congress, by Public Law 102 - 92, has designated September 13, 1991, as ``Commodore John Barry Day" and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim September 13, 1991, as Commodore John Barry Day. I invite all Americans to observe this day with appropriate ceremonies and activities in honor of those individuals, past and present, who have served in the United States Navy.

In Witness Whereof, I have hereunto set my hand this twenty-sixth day of August, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 12:15 p.m., August 28, 1991]

Note: The Office of the Press Secretary released this proclamation on August 27 and it was published in the Federal Register on August 30.

The President's News Conference With Prime Minister Major of the United Kingdom in Kennebunkport, Maine

August 29, 1991

The President. I'm very pleased that Prime Minister Major and his family have been able to join us. For over the past few months, ever since he's been Prime Minister, he and I have exchanged views. We've stayed in very close contact regarding a number of fast-moving events on the international scene. I appreciate his counsel and his wise judgment. And in like manner, we've had extremely useful talks on the current situation inside the Soviet Union. These exchanges are particularly important since he is off on Sunday to Moscow and will be able to share with the Soviet leadership our views and hopes for the Soviet peoples in a direct manner.

We stand united, as do other Western partners, in our commitment to help Soviet reform. The industrial democracies have already undertaken steps to aid the economic process. The program that we established at the G - 7 meeting under John Major's chairmanship in London was a flexible program, adaptable program. And as a matter of fact, today the G - 7 sherpas are meeting in London to review the situation and exchange views on any further steps that can be undertaken. But we must remember that the Soviet Union is undergoing a major political change.

The Prime Minister and I also had a discussion about the Baltics. The U.S. is a strong supporter of Baltic independence; we've so notified the Soviet Union. And we've urged the Soviet leadership not to stand against the winds of this inevitable change.

The Baltics want freedom. Clearly, the United States and the U.K. want them to have freedom. And clearly, the Baltics will have freedom. So, let the Soviet leadership on this one act accordingly. That's our message.

And again, Mr. Prime Minister, I really enjoyed our conversation today, and we're just delighted you and your charming wife, Norma, are with us.

All yours, sir.

The Prime Minister. Thank you. Thank you very much, sir, Mr. President. I'd like, firstly, to thank the President and Mrs. Bush for their invitation to join them here today. Norma, Elizabeth, and I have had a great time, and we're very grateful to you for making us feel as much at home in New England as we do in our England. And we are grateful to you for that.

I've discovered, over the last few months, that the President is not only a man I can do business with; I've discovered this morning he's a man I can go fishing with. We've done more successful business than we had fishing this morning, I must tell you that, but we have managed to reach an

agreement on a number of things on dry land in our discussions thus far, both on shore and out there fishing this morning.

We certainly agree, absolutely, on our objectives in responding to the collapse of communism in the Soviet Union. We need to support democracy. We need to encourage the economic reform that they so badly need in the Soviet Union. And we need also to respond compassionately to the urgent needs that the Soviet people have at the present time.

We will go on talking to the Soviet authorities, the central authorities, and also building on the existing relationships and the developing relationships with the new leaders in the Republics. We're already in touch with the leaders of the Baltic States, and I hope when I visit Moscow on Sunday that I will be able to meet some if not all of them, as well as Presidents Gorbachev and Yeltsin and some of the other key figures out there at the moment.

We agreed this morning on the principles governing aid to the Soviet Union. There is a window of opportunity at present for the speeding up of the economic reform process, and that is absolutely vital for the Soviet Union. The need to speed that is urgent, and we agreed this morning that we need to support the effort.

Our judgment is that what the Soviet Union and the Republics most need is emergency humanitarian assistance, practical help in converting their economy into one that works. That means that that aid must be linked to a clear and comprehensive and practical reform plan, that it must go to those people who are in need, including directly to the individual Republics, and that it needs to be linked to the Soviet commitment to further reduce defense spending.

And we were able to identify in our discussions this morning a number of points, six particular points worthy of action. The first is to implement existing food credits. The second is to assess the need for food aid during this winter. The third is to produce some lifeline teams, teams to travel to the Soviet Union to help achieve efficient food production and food distribution. That may well be a public-private partnership, and it's an area where we and the United States will be moving ahead in the days and weeks immediately in front of us. We agreed also we needed to implement the know-how programs and the technical assistance that we discussed at the G - 7 and the bilateral agreements we already have to assist the Soviets on that front. We also felt that the time was right to get the IMF and the World Bank involved urgently in helping to work out practical structural reform plans and technical assistance for the Soviet Union. And sixthly, we agreed that it would be right to accelerate implementation of special association for the Soviet Union with the IMF with a view to full membership in due course for those who qualify, and by ``qualify'' I mean as well in terms of effective reform plans.

Now, that help with food aid and food distribution and technical assistance will require a good deal of international collaboration if the effort is going to be as targeted as it deserves to be to avoid duplication and as successful as we would want it to be. And that does necessarily mean

that we need some mechanism involving the principal countries and the principal groupings involved.

I will take the opportunity as current Chairman of the G - 7 to keep closely in touch with the other G - 7 members to help ensure we coordinate our activities. All the members of the G - 7 have been providing some very useful and constructive input for my meetings in Moscow this weekend. And when I have had that meeting, I'll be writing to them to discuss what needs to be done and to report to them on the judgments I reach there and the discussions that I had.

I think it is worthwhile making the point that we do have a very urgent need for better information about what's happening there than we yet have. All the members of the G - 7 have agreed to pool their findings by the end of September, to pool their findings on what needs to be done to meet the most urgent food and medical needs in the Soviet Union.

So, that is the basis of the discussions we have had this morning, and they've been very useful and very constructive. And I'd like to thank the President again for the very timely opportunity we've had to share our thoughts on the remarkable events that are taking place at the present time.

We can't dictate the ending of what is happening in the Soviet Union, but neither are we mere spectators. And I think what has happened in the West in the last few days and the discussions we've had this morning indicate the way in which we can contribute to assist the Soviets. And I believe this morning we've reached a new and better understanding on the supporting role the West can play. So, I am very grateful for the opportunity to have those discussions.

The President. What we thought we'd do is alternate questions for me and for the Prime Minister. We're not going to take many, but we will endeavor to do our best here. So, who wants to go first?

Soviet Union

Q. Mr. President, the Supreme Soviet's been meeting most of this week. You said that you were hoping to see a clearer picture of the Soviet Union's political future emerge from those sessions, yet things seem about as confused today as they did 48 or 72 hours ago. Are things moving a little bit too slowly on that front for you, or do you see things falling into place?

The President. No, I think the changes are so monumental that it is going to take time to sort it all out with finality. Every day there are new announcements of some new dramatic step taking place, and so that's for them to sort out. We can't affect it particularly.

I think the Prime Minister was right on target when he says we want to help; we're not just bystanders. We have a tremendous stake in what's taking place. But no, these changes have moved with such rapidity that -- well, put it this way, if 2 weeks ago somebody had predicted

this, everybody would have said he had lost it. And so, changes are going on, but again, all the cards are not on the table when it comes to what the United States role should be or the U.K. role in further assistance of one kind or another.

But I don't worry about that. I mean, they've got enormous problems in the Republic, in the center, and in the other Republics as well, not just the Russian Republic. So, it's moving fast. We are watching. We are learning. And we stand ready to be assistance, because what's at stake here is democracy and freedom. And our countries are clearly committed to that.

Q. Are you still expecting some kind of action on independence for the Baltics today or tomorrow from the Supreme Soviet?

The President. Well, I don't think it'll be today or tomorrow. It could well be Monday. But we just are not certain of that; leave it right there.

Western Aid to the Soviet Union

Q. Prime Minister, most of the measures that you say you've discussed today involve speeding up things that were already entrain. Do you not have any sense that, given the momentous changes that we've seen in the Soviet Union, some more fundamental reconsideration of Western policy might be necessary?

The Prime Minister. We identified some time ago what was most practical and of most assistance to the Soviets; that hasn't changed. The dimensions of that have changed; the need, the speed for it has changed; perhaps the volume of it has changed.

What we've actually done this morning is agree a very practical way forward. People are suggesting all sorts of things that ought to be done, but the priorities are to deal with the problems of food and food distribution, to deal with the ways in which we can help the Soviets maximize their own capacity to produce both food and other mechanistic and hardware produce. And we need a good deal of information in order to do that. There's no point in going beyond that until we can see precisely what the need is.

I understand the wish that there is in some people's mind to do something fresh, entirely different, and entirely dramatic. But we have to consider what will be practical, what is deliverable, and what would actually help. And it was actually quite striking earlier this week that one of the Soviet spokesmen was saying, ``The problem isn't really a question of large-scale money. We actually need technical advice and know-how, and we need food.'' This is what we're providing, and we're potentially doing it on a very substantial scale and across a very wide field.

I would envisage that we would send some of these lifeline teams, not just to the center but to a number of the Republics, in order to go there, see what needs to be done, report back, and enable

us then to put in hand the practical measures that are needed to help. I think that's what is most in the interest of the Soviet Union, and that's what we've agreed this morning.

Soviet Nuclear Weapons

Q. Mr. President, does the breakup of the Soviet empire raise any concerns in your mind about who controls the Soviet nuclear arsenal? The Ukraine, for one, which wants to break away has nuclear weapons there. How do you want this matter disposed of?

The President. I want to have it disposed of a way that nuclear weapons safety is totally guaranteed. And to date, we feel very comfortable about that. We had a group as knowledgeable as one can be about Soviet procedures taking a look at this, and I want to reassure the American people that at no time has there been any official concern about inadvertent use of nuclear weapons or something going awry.

But that is a matter that needs to be sorted out, and I'm confident that everybody in the Republics and everybody in the center understands that the last thing that the world needs is some kind of a nuclear scare, say nothing of a nuclear confrontation. So, I'd like to use that question, Terry [Terence Hunt, Associated Press], to calm any fears that the American people have. We did not notice any untoward movement of nuclear forces, and so we feel comfortable now that whoever is in charge will do the right thing in terms of safeguarding these nuclear weapons.

Perhaps the Prime Minister would want to add to that because he's knowledgeable in this field.

The Prime Minister. I'd only add to agree with it. We see no reason for concern about what is happening in nuclear weapons in the short term. The army commands still have the same controls. There's a certain degree of stability. We see no reason to worry. But clearly, it is a matter that we'll want to address and discuss with the Soviets at an early stage. And the sooner we can get positive answers and positive assurances, the happier we'll be.

Q. The Republics won't be allowed to -- Kazakhstan and the Ukraine won't be allowed to keep these weapons, will they, on their own?

The President. No, and I doubt that. But whatever happens, I think wise and sane heads from whatever Republic, or whatever the center proves eventually to be, will recognize that safeguarded nuclear weapons programs are absolutely essential. By ``safeguarded'' I mean guarantees, redundancy to see that things can't inadvertently go wrong. And not only would the world demand it but I think the people inside the Soviet Union will demand it. And they've always felt that way. And we see no reason to escalate the fears that might exist by any other response here.

British Aid to the Soviet Union

Q, Mr. Major, are you prepared to spend British Government money on helping the Soviet Union?

The Prime Minister. We're already doing that. We crossed that bridge some time ago with the implementation of the know-how schemes. And they, of course, go not to the central Soviet authorities but out in the Republics and, in the majority of cases, to individual companies and individual enterprises. So, we crossed that Rubicon some time ago.

Q. Are we now going to spend more?

The Prime Minister. Well, we've got to assess the need first. If and when we've assessed the need, we'll do what we can in concert with our partners to meet that need. Nobody should doubt that we believe that is the right thing to do, the right thing to do on humanitarian grounds and I think the right thing to do on political and strategic grounds as well.

U.S. Aid to the Soviet Union

Q. Mr. President, speaking of spending money, Les Aspin has recommended, or he's going to recommend to Congress that they take $1 billion out of the defense budget and put it into some kind of Soviet-aid program. What do you think of that idea?

The President. I think technically that would require a change in the existing budget agreement. As you know, Jim [Jim Miklaszewski, NBC News], many people, many politicians have tried to change the budget agreement for one reason or another. Some wanted to spend more on one program domestically, and some wanted to spend more on another.

It's ironic that just a few days ago when this coup was underway, there started a debate about ``Are we spending enough on defense'' -- almost a 180. Now the debate comes, ``Well, maybe we've got too much in defense.'' I'd say let's take a little time and sort this thing out intelligently.

Certainly, we want to live within our budget agreement. We owe this to the American people. We've got to get this economy going. And more and more Government spending is not the answer. His suggestion, as you say, doesn't result in more, but you've got to accommodate a lot of domestic interests that would like to see more money going somewhere. It's ironic that I was attacked prior to all this coup about being too much concerned about money for the Egyptian debt or money for the Soviet Union. And now suddenly, before the cards are all laid down on the table, we have people saying: Hey, what we've got to do now to prove that we are interested is send more money. Send more dough for something.

I couldn't agree more with what our G - 7 Chairman, John Major, has said about helping people, whether they're in the Republics or in the center, wherever, in terms of food aid. We also want to

be sure it gets there. We want to be sure that the distribution systems work. So, we've got a lot to do. But I think it's way too premature. Les Aspin is a very creative thinker, and I give him great credit for thinking about this. But there will be a lively debate in the United States Congress. And I, for one, will be sure we get all the information that we possibly can, by mid-fall, by mid-September, whenever it is the debate will be joined. And then I will have a strong recommendation. Right now, I simply cannot endorse that.

And I notice so many people are jumping up and saying what we must do now is cut defense spending more. I think we've cut defense spending a lot, and I want to be sure that our forces are properly structured to meet the needs that we were talking about just 12 months ago, standing in this very same place. How soon, how quick we forget.

And so, I think it's a little premature, his suggestion. But again, with respect, I think it's good he's thinking about this. And yet, I'm not going to go out there and say we can afford to cut defense. Where's it going to come from? What account do they want to take it out of, for example? And what will that do to our readiness and our disproportionate responsibility to stand up against terror and aggression wherever it may be coming from?

But I do think that out of this change in the Soviet Union, if we handle it properly and if things keep going forward instead of slipping back, there's an opportunity for a vastly restructured national security posture. But it's way too early, way too early, to get into that.

Q. But how do you tell those who are unemployed right now, given all the events over the past couple of years in Eastern Europe and what's going on in the Soviet Union right now, that there appears to be no peace dividend, if I take it that's what you just said?

The President. Well, what I've said is that we've dramatically cut defense. That was part of a commitment I made, and that's a commitment we've kept. But somebody always is coming and saying cut defense more. They weren't doing this a week ago is my point, Jim.

When that coup started, I didn't hear one single proposal like this. In fact, I heard a few voices, tom-toms beating in the woods, saying: Hey, maybe we've got to turn around the defense cuts we've already made. My point is, let's get -- you know, it's not going to happen all at once, let's get the facts. Deal from strength, get the facts, and then make decisions; not try to get out there and have an instant solution to a problem when you don't know the major parameters of the problem.

Soviet Union

Q. Prime Minister, when you said that you want to see significant Soviet defense cuts, what sort of level are you looking at as our share of, say, GNP? And what sort of time scale are you looking at?

The Prime Minister. We want the commitment to extend the defense cuts they are committed to already. The first part of the equation is to make sure that they continue with those cuts to which they are already committed, and we have no reason to suppose that isn't going to happen. But even when they've done that, they're spending a quarter of their central government expenditure on defense.

Now, I don't think it is a tolerable proposition for them to sit upon that level of defense expenditure at a time when they're seeking very substantial assistance in one form or another from the West.

We don't expect them to do it overnight. We expect them to agree to make further defense reductions and to begin to put those entrain. But defense reductions necessarily, on very practical grounds, have to phased; they can't be done overnight. But we want the commitment, and we want the program to begin to start. And I don't think that we could realistically be expected to require less of them in the circumstances in which they find themselves at the moment and with the assistance that they would wish to see from us.

Q. Will you want such a commitment on Sunday when you see Mr. Gorbachev and Mr. Yeltsin?

The Prime Minister. Well, I don't think you get commitments of that sort in a single meeting. I think I'll certainly make it clear in the discussions we have on Sunday that that's the way we're thinking at present.

The President. Last one for me. Marlin said. You know how I abide by his rules.

Q. The Supreme Soviet just announced within the past half hour that they are suspending the Communist Party throughout the Soviet Union. Are you concerned about actions they're taking that may not be necessarily democratic to the abounding parties, or how do you assess this?

The President. They've got some democratic authority. Some of these people were elected into this Parliament. I, frankly, rejoice in that. I don't see anything but good news in that, for terms of the West and certainly in terms of America. The demise, the fall of a totalitarian, nondemocratic party effort, I think that's a good thing. So, I don't see any bad news in that at all. Rejoice. Cheer.

Q. Mikhail Gorbachev has also criticized Boris Yeltsin today for going too far with decrees this week that he says may not be constitutional. He says last week that was all right, but the decrees that Yeltsin is continuing with, Gorbachev is now criticizing. Do you think that there's a danger now that Yeltsin may be going too far?

The President. No. I say let them sort it out. You know, I keep making the point. I made a comment the other day that when they appoint a new public works manager in downtown Kiev,

that's their business. I got, incidentally, turned in for being testy. I thought that was highly amusing. But, obviously, some didn't. [Laughter] I thought it was very funny. But it also has a serious note to it. When it comes to personnel, I don't know, John, if you've been asked, but every time some guy is in and someone's out, and a new person is appointed that nobody's ever heard of in the West, I'm supposed to be reacting.

Look, they're sorting out an enormous, complex set of new relationships. And so, if President Gorbachev has something to say about President Yeltsin, knowing President Yeltsin, he's apt to hear back from him. But that's the way the system is evolving. As you're struggling for democratic processes, these things happen. And I really think it is counterproductive for the United States to have to have a view on every statement by every leader about what's happening inside the Soviet Union and in the Republics.

What we want to do is adhere to certain values. And as the process moves to total acceptance of these values, whether it's free elections or whether it's democracy generally or the whole broad concept of freedom, we rejoice. But there's going to be some ups and downs in all of this, and they can sort it out without a lot of second-guessing from the President of the United States or telling them where they ought to be the day after tomorrow.

These are monumental changes that have taken place, and the whole world is excited about it. And there's going to be hiccup here, there's going to be criticism there, there's going to be a move that we didn't expect over here, for example. But it's moving in the right direction. It has been fantastic. I'm wondering what we're going to do for an encore next August, John. [Laughter] Because last year, as you know, it was the Gulf -- --

The Prime Minister. The Gulf.

The President. -- -- starting. And I might say, I'm just ending -- I want to identify myself on something here that -- a question asked to the Prime Minister. The way that this Prime Minister handled the G - 7 meeting, it's been obscured by events now. But you go back and look at what he did and the program we all came out with as a result of his chairmanship, and it's just as relevant today, given this monumental change that's taken place, as it was the day that he fashioned the compromises between very strong European leaders and the leaders of North America.

Go look at it. Look at what we thought then, we collectively thought then was best for the Soviet Union and its economy or whatever, and I think you'll find enormous relevance even though these tremendous changes have taken place.

Now, as he said, we're going to fine-tune it. We're going to step up attention to urgent humanitarian assistance for food. There's other things we can do. But what he fashioned there -- and we all would like to now take credit for it because it appears to be right on target -- what happened there was very, very relevant today when you look at the kinds of assistance they really

need. And you hear what Mr. Yavlinsky says yesterday or the day before, and then lay that down against the agenda that Prime Minister Major sorted out and led us to reach agreement on, and you'll find that this program is very sensible.

So, we'll do our part in the West. But as for the United States, I am not going to be jumping into the middle of what's going on. Leave that to the editorialists. Leave that to the Sunday talk shows. Don't leave it to the policymakers and the foreign policy of the United States. If we see something that we think takes them off this track toward democracy, freedom, openness, reform, we'll speak up on it. But when you have internal things going on of the nature you asked about, I really think it would be counterproductive for each country to weigh-in and tell one or the other of these two strong leaders how to do things or to tell the Republics exactly how they ought to do their business.

They know where the principles of the U.S. are and the principles of the U.K., and we're not departing from them. If we see something against them, we'll have that to say. But I am not going to comment on every personnel change or every comment by one leader or another as they sort out these enormously complex problems from inside.

Prime Minister Major has the last one.

The Prime Minister. I was just reflecting that if commentators in the Soviet Union asked the Soviets to comment on every political exchange in the United Kingdom between political parties and political personalities, they'd be jolly busy. I think they'd answer as the President did. We're wise to keep out of it.

The President. He has one more question because we said we'd do an even number. So, has somebody got a question for the Prime Minister, fine. I'm out. I'm out of here.

Bush-Major Discussions

Q. In your discussions with the President, did you manage to get off the Soviet Union and onto the rest of your forthcoming trip, which will cover China and Hong Kong? And has the President given you any assurances of help with the problem of the boat people because it will require a nod and wink from the United States before the Vietnamese are willing to accept the idea of internationally managed centers?

The Prime Minister. We haven't finished our discussions. We're going to have lunch together. We've got some more things to talk about. We've touched on China. We've touched on GATT. We've touched on a number of matters. But we haven't concluded our talks. There are issues like that still to be talked about.

The President. Thank you all very much.

Note: The President's 101st news conference began at 12:08 p.m. at his home on Walker's Point. In the news conference, the following persons were referred to: Prime Minister Major's wife, Norma, and daughter, Elizabeth; President Mikhail Gorbachev of the Soviet Union; President Boris Yeltsin of the Republic of Russia; Representative Les Aspin of Wisconsin; Marlin Fitzwater, Press Secretary to the President; and Grigory Yavlinsky, a Soviet economist.

The President's News Conference in Kennebunkport, Maine

September 2, 1991

The President. Nearly 2 weeks ago, the world watched with fascination the courage of the Soviet people in foiling a cynical coup, a coup that, thank God, failed. We've marveled since at their efforts to build a new and democratic future. Major changes are now taking place in the Soviet Union, not the least of which is the establishment of new arrangements between the Republics and the central government.

While we await the final outcome, I welcome President Gorbachev's support for the concept that the Republics will be free to determine their own future. This new ``ten-plus-one'' agreement speaks eloquently to that. This is a watershed in Soviet political thinking, equal to the dramatic movements toward democracy and market economies that we are witnessing in the Republics themselves. The United States strongly supports these efforts.

The Baltic peoples of Estonia, Latvia, and Lithuania and their democratically elected governments have declared their independence and are moving now to control their own national territories and their own destinies. The United States has always supported the independence of the Baltic States and is now prepared immediately to establish diplomatic relations with their governments. The United States is also prepared to do whatever it can to assist in the completion of the current process of making Baltic independence a factual reality. To facilitate this, I will be sending the Deputy Assistant Secretary of State, Mr. Kamman, to the Baltics.

We also understand the enormous challenges that lie ahead for the Soviet people in meeting their own food and energy needs particularly and beginning true economic reform. Therefore, I'm sending Under Secretary of Agriculture Crowder with an experts' mission to survey with Soviet and Republic officials their critical food requirements for the coming winter, particularly in those Republics that are likely to be in the greatest need.

And in a month, a Presidential mission, led by Secretary of Agriculture Ed Madigan, will bring a delegation of senior private sector and Government officials to the U.S.S.R. to seek solutions to a winter food problem if we determine that one exists, and to continue our long-term efforts to help the Soviet Union and the Soviet people resolve problems in food distribution.

I've also asked Secretary of State Jim Baker and our AID Administrator, Mr. Roskens, to work with Project HOPE to augment and extend my Presidential initiative on medical assistance to the U.S.S.R. through the end of 1992.

We intend to work closely with Soviet and Republic officials in both of these efforts. This

morning I talked to the President of Estonia and of Latvia, as I did to Mr. Landsbergis of Lithuania a couple of days ago, to tell him of this official position now being taken by the United States of America.

Now, I'll be glad to take just a few questions. Terry [Terence Hunt, Associated Press].

Q. Mr. President, what does today's action signify to the independence movements of the other Republics? Does it offer the guarantee that when they declare their independence that the United States will also recognize them?

The President. What we'll do is look at each case on a case-by-case basis. But I think more important than what we might do down the road is what apparently is happening there in agreement between the center and the Republics, and that is that each shall determine its own future.

The Baltics, of course, are quite different. We never, as you know, recognized their incorporation in the first place. So, there are some technical difficulties as we go along, but I think this is very good news that they're willing to sort it out. And we'll look at it, obviously, on a case-by-case basis. We've got to know first what kind of relationship these Republics want to have with the center before we can jump way ahead and say what we're going to do in each case.

Q. Mr. President, you delayed recognizing the Baltic countries, we're given to understand, because of the role of the United States as a superpower and because of your desire not to undercut Mikhail Gorbachev. What are the criteria now that you have decided this is the time to do this? Have you talked with someone in the Soviet Union? Are you satisfied with what the Russian Parliament is doing?

The President. Well, I think it's all moving in the right direction. I thought that Gorbachev's statement yesterday, for example, which was heralded around the world as recognizing the right of the Baltics to be free, whether that's a proper interpretation or not, that was a good statement. And we have been quietly asserting to him for a long time that the best thing he could do in terms of relationships with the United States is to free the Baltic States. And we've been working hard on that, and so it's taken me -- a final decision -- 3 or 4 more days than somebody else. But in the sweep of history, I think we will be proved correct in taking just a few days to see if we can't effect change within the Soviet Union, and I'm very pleased of the two developments I've talked to you today about.

Q. Have you had any contact with senior Soviet officials about this? Has this been coordinated with them at all?

The President. I've been in touch with Mr. Gorbachev two or three times since my telephone conversation with him.

Q. Mr. President, I wonder if you'd amplify a bit on your reaction to this ``ten-plus-one'' deal that Mr. Gorbachev seems to be working out, especially in light of some of your comments last week and those of your advisers, and the interest the United States has in there being a Soviet Union, in there being a central government?

The President. Well, I can't help you at all on it until I know a little more about it, until I know what will work out between them. You may also remember that last week I talked about the need for them to work these problems out without dictation or a decree every day from the United States. I think it is very early; we just don't know the details of it. But we'll be there, and we will work with what evolves.

But the different Republics have different relationships, and we simply at this point -- I don't believe there's anybody that knows enough about it to give a good, definitive answer to your very good question.

Q. I wonder if at some point, sir, you saw events spinning out of control, that at some point it appeared that Mr. Gorbachev may have been out of it, that the Soviet Union was going away?

The President. I don't feel that. I think things are moving. It's very difficult for them, but when you see their Congress meeting as it is, I think that's an extraordinarily good sign. When you see declarations that the center and the head of, the President of the biggest Republic want to work together, that's a good sign. When you see an orderly process being worked out for determining just exactly that, the relations between the Republic and the center, that's a good sign.

So, these things are moving. Again, I don't want to underestimate the problems the leaders face over there, but I really think it's too early for us to definitively comment on each Republic what the relations with the United States are going to be.

It is very clear that the Baltics are different. It's been clear all along that we were for their independence, and I think that this step that I've taken today will have wide support around the world. Clearly in the United States it'll have very strong support, and it's the right thing to do. I'm pleased that at least there seems to be some recognition coming out of the center now that this is a proper move.

Q. Will it not be simpler for the United States, sir, to be conducting foreign policy, still, with the central government? Are you not hoping that there's some sort of central government for foreign policy and arms control?

The President. I think there's got to be some government with which the United States works on many questions. I mentioned the other day contractual questions. You've raised the question here of further arms control agreements. We've got to work with the Soviet Union in terms of their

very important role in the peace process in the Middle East. So, we will continue to deal with the Foreign Ministry, for example, in Moscow.

But as these other Republics come front and center, we then must determine what their role will be and how they can help with peace, or what they're going to do about distancing themselves from the last remaining communist dictator in this hemisphere. I'm talking about Fidel Castro.

We heard Boris Yeltsin, I think, properly, say, ``Look, there's not going to be any aid from Russia, from the Russian Republic to Castro." That's good. We're for that position. We'd like to hear the center say the same thing. So, we've got to deal with who is there.

There are some very important questions that transcend internal events in the Soviet Union as far as we're concerned: Afghanistan, Cuba, the Middle East, all kinds of questions where we do need a strong partner, a convincing partner to deal with. But as this situation evolves, I can't predict for you whether it'll be a partner or a bunch of partners on what it's going to be. We just don't know yet.

Q. On the issue of ambassadors to the Baltics, would there be one ambassador for the region, or will there be an ambassador for each of the Baltics?

The President. Well, I expect that since we recognize the independence and the standing of each of these States, there will be separate diplomatic missions for each State. We're getting Secretary Kamman to go over there and take a look at all of that, talk about the details, as other countries are now doing. But no, they won't be lumped in as kind of ``the Baltic States." We will be looking to the independence of each State.

Middle East Peace Conference

Q. Mr. President, you mentioned the Middle East. Have you or officials in your administration had conversations with Soviet officials? What is the prospect for convening a peace conference in October, as you had hoped?

The President. Well, I don't know. I can't give you the prospect of that. I don't think it's been adversely affected by anything in the Soviet Union, however. So, the ball lies in other courts, and Jim Baker has been in touch with various participants, even though he's been away. But we've been keeping up active work there, and I would hope that we'd be able to go forward with a peace conference that the entire world wants to see take place.

But I don't think it's been adversely affected, Gene [Gene Gibbons, Reuter News Service], by what's happened inside the Soviet Union. In other words, I see no force pulling away, whether it's a Republic or the center, from pulling away from the constructive role the Soviets have played in this.

Q. Will Secretary Baker be going back on a sixth trip, sir? There's some talk -- --

The President. Well, I expect sometime, but there are no plans for it right now. I talked to him, I guess it was yesterday or the day before, but that was not discussed.

Soviet Union

Q. Do you see, Mr. President, Gorbachev as the best person positioned to weld the Republics together into some form of economic union?

The President. Well, I see him as the President of the Soviet Union, and therefore he will be dealt with with respect. People know how I feel about him, and he's in an extraordinarily difficult position now. He has had our support. He will continue to have our support. Policy isn't based on personality; it's based on who you're dealing with. The fact that I happen to think that he's done an awful lot for the world is out there for all to see. I think everybody in the G - 7 and EC and all these groupings share my respect for what has been done.

Take a look at -- Eastern Europe is a good place to start. Take a look at this hemisphere where we've had cooperation, or Angola or many other things. That's there. That's on the record. Now, how we move forward -- I'll deal with him and with respect and with a certain degree of recognition that we look at some of these problems, foreign policy problems, eye to eye. How it evolves inside the Soviet Union, I once again say that's their business.

Q. Did he send any communications at all to you requesting that you delay your announcement on the Baltic States?

The President. I think, put it this way: Without going into the confidentiality of any communications, I think the fact that we have waited until now is not only understood but very much appreciated by him and hopefully by others in the Soviet Union. I like to think that some of these positive statements might, perhaps indirectly, but might be a result of a policy of taking a day or two more, not being stampeded into something the whole world knew we were going to do in the first place. And I've made sure that President Landsbergis and the others understand this because I wouldn't want to send a signal to them that we were weakening in our desire to have them free.

But when history is written, nobody is going to remember that we took 48 hours more than Iceland or whoever else it is. But what's going to be remembered is what happens, how does it work out. And that's what we're interested in, is seeing the Baltic States quickly get their independence and the freedom that they've long aspired to. And I think there was quite a bit of understanding amongst the Baltic leaders of the position of the United States once I made clear to them that we were determined to see this recognition go forward.

United States Foreign Policy

Q. Mr. President, what refinements are made necessary now by the events of the last 2 weeks on the new world order in particular and U.S. foreign policy in general?

The President. The first part of the question?

Q. What refinements do you find necessary?

The President. Well, again I think we have to wait and see what evolves inside the Soviet Union. The Soviet Union is facing enormously difficult problems, obviously, on the economic front. But I'm confident that all of the developments there which have an underpinning of freedom, the desire for independence, for self-determination, all of those things work in favor of what I referred to as a new world order. It really could be described as democracy on the move.

Now, some have a long way to go before democracy is perfected. But I think as we see this evolution, it is clearly a recognition that others, too, want to participate in this new world order. They want self-determination; they want the independence; they want the strength that freedom and democracy give them. All of that's very, very exciting. And I think the world, I think history will write this month down as one of the most important turning points towards a genuine new world order, and certainly a turning point towards freedom and democracy. There's no question about that. It's been monumental.

Defense Budget

Q. Would you project large cuts in the defense budget, for example, though?

The President. No. I wouldn't predict large cuts in the defense budget. As we've said, when we sent a sound defense budget to the Hill, the United States must be ready.

The last need for a strong defense and show of muscle had nothing to do with the Soviet Union, except we got their cooperation. And I'm talking about what we were talking about a year ago: Would we have to use force to turn back aggression? And it was only the United States that could take this leadership role. It's only the United States that had the credibility. It's only the United States, in my view, that single-handedly could express the will to go in there and do what we did, because we have such a disproportionate responsibility for the kind of military action in pursuit of freedom and against aggression that exists.

So, I think we've got to guard against the siren's call, ``Now is the time to slash defense spending.'' I was standing here, how many days ago was it, somebody remind me, 8 or 9, when some people were saying, ``Well, we ought to reverse out the defense cuts and add to our defense.

Look what's happening in downtown Moscow this minute." And you heard that call go up. And so, we've got a good, sound defense program. And if there's ways that we can save money in defense, I'll be right out front. I've told the American people we're going to do it, and we have done it. We have cut defense. But I'm not going to cut into the muscle of defense of this country in a kind of an instant sense of budgetary gratification so that we can go over and help somebody when the needs aren't clear and when we have requirements that transcend historic concerns about the Soviet Union.

What I hope is that, out of all of these changes in the Soviet Union, we'll see some recognition that we're not their enemy, and they'll stop aiming missiles at the United States of America. They'll stop deploying new weapons systems. They'll stop spending billions of rubles on modernization of defense systems. When we see that, then we'll be there. And when our friends in Europe tell us that there's no threat at all of any kind to their borders from anybody, why, then we'll take a look. But I'm not going to be stampeded into what I would think of is kind of some mood of euphoria that misleads the American people about the national security interests of this country.

Demonstrations at Kennebunkport

Q. On a slightly different subject, the AIDS activists who were demonstrating out here yesterday basically took your suggestion. They were very orderly, very calm, and not as extreme as they sometimes have been. I wonder, did their message reach you at all, move you at all?

The President. Well, would you rephrase the message for me? We're spending $4 billion a year on AIDS research. When you consider that on a per capita basis compared to heart disease or cancer, it's an awful lot. It's far more.

So, what was the message?

Q. The message is that you're not acting strong enough; there's not enough leadership; there's not a coordinated comprehensive program. They're looking for something at the Cabinet level. A lot of -- better coordination between the agencies. They're looking for needle programs that can be federally funded; that sort of thing.

The President. I'm not in favor of federally funding needle programs. I am in favor of the most efficient and effective research possible. I'm in favor of compassion. I'm in favor of behavioral change. Here's a disease where you can control its spread by your own personal behavior. You can't do that in cancer. Well, to some degree some might argue you can in heart disease if you run and stay fit.

So, if the message is compassion, I got it loud and clear. If the message is research, I would say please talk to Dr. Fauci and others at the National Institutes of Health who will tell you that we're

doing pretty well in funding of research, and we've got the best scientists in the world. And I think there's more optimism in this community now, the scientific community, than there has ever been.

To the degree the message hit some little merchant in Kennebunkport on the best weekend possible and caused that person to close his doors, I got that part of it and didn't like it. To the degree they stayed within the law and weren't arrested, I support that kind of First Amendment demonstration. You know why they were here, and I know why they were here. They were here because you all are here. They were here because they could get disproportionate television coverage and, to some degree, print coverage because the President happened to be at his ancestral home, and I understand that.

There's another demonstration going on today, and I'll listen for the message. I think it has to do that we shouldn't use nuclear power. They don't need to demonstrate because I think we should use nuclear power. It's clean, and it's been safe, and we've got good science on that.

Then you had a demonstration last week. That was the one I was concerned about. Because some of the demonstrators, not those that were the organizers and the official paid organizers, but those who legitimately were out of work. That one hit home. Because when a family is out of work, that's one I care very much about.

So, we've had several of these demonstrations, and on each one I listen about it and get, I guess you might say get the message. Sometimes I agree with it, and sometimes I don't. I was elected President to do what I think is best, and I learn from listening, but I don't learn from some of the excesses that take place, whether it's in front of an abortion clinic or whether it's throwing blood or interrupting somebody's right to be heard.

So, I hope I got some message out of all of this, and I've tried to define it for you.

Baltic Independence

Q. Sir, you called for the Baltics to become independent as soon as possible. Gorbachev in his public statement seemed very vague about how cumbersome this constitutional process will be, how long it will take. Has he given you any assurances in private about some of the practical and legal dynamics or complications at work here?

The President. Not in the last couple of weeks, Norm [Norm Sandler, United Press International], but I've been into that with him in great detail in terms of what he sees as the constitutional constraints, if you will. In spite of all that, my urging is, to anybody with authority in the Soviet Union, is: Turn the Baltics loose now, free, clear. And, yes, there's going to have to be some negotiation between the center and between the States because there's an overlapping of resource responsibility: where does the energy come from; how do the steel imports go from one of the

Baltics into the center. There's control of one's own territory.

One of the things that we have felt was necessary before full recognition has been control of the territory. And yet, as you see these Soviet troops leaving and you hear statements out of the Soviet Union that give you encouragement, then we feel that they're much better positioned to control their own territory totally.

There are still, as you point out, some details to be worked out however.

Q. Do you think, and do you think he thinks at this point that this is a fait accompli, that this is going to happen and probably sooner rather than later?

The President. I have nothing that would be definitive on that for you, nothing that would cause me to make such a statement about what he thinks.

Q. What about your belief in the matter?

The President. Well, my belief is that it's inexorable, this quest for freedom and independence on the part of the Baltics, it's going to be a fait accompli. And it's pretty close to it now with the recognition of these different States and with the statements out of Moscow. But no, I don't think that process can be reversed if that's your question.

Last two. Two hands up.

Civil Conflicts

Q. Mr. President, there's already some trouble between Armenia and Azerbaijan. There's some trouble in Moldavia. Are you concerned about what is brewing in the Republics between the different nationalities, and is there any role the U.S. can play in solving this?

The President. I don't think much of a role. Again, as I've said over and over again, many of these complex questions steeped in history are going to have to be resolved by the parties themselves.

Q. Do you have any plans, sir, moving south a little bit, to offer any kind of recognition to any of the Yugoslavian States? Some of the European countries have suggested that if the fighting continues they would recognize Croatia and Slovenia as separate states. Is the U.S. taking any kind of policy position there?

The President. No, we're not there yet.

U.S. Aid to the Baltic States

Q. How about economic aid to the Baltics, Mr. President? Now that you're recognizing their independence, these countries are going to have a hard time economically. Are you going to step in with some money?

The President. I think it's a little premature to say what we will or won't do. I'm sending somebody over there to survey the scene. We'll be in close touch with these leaders.

There's an awful lot of people who want aid and are entitled to aid. We are limited in what we can do. I'm not about to forget Eastern Europe. It's all very exciting what's happening in the Baltic States and in the Republics and in Moscow. But it's also very important that Czechoslovakia and Hungary and Poland succeed. And we have a commitment to them in terms of aid. And I'm not about to forget it. And so we've got to sort all of this out. But clearly we will be in a listening mode, and hopefully we can be constructive partners as these countries move towards the independence they so richly deserve and achieve the independence they so richly deserve.

Thank you all very much. End of press conference nine for the summer vacation, not counting any questions on the golf course. Is that right, Marlin? I want to be sure I'm factually correct, yes.

Mr. Fitzwater. That's right, sir. Yes, sir.

The President. Take that down, please everybody. Note it. It's a very interesting historical fact, along with the changes.

And I will say this in the end of this: I know, there's nothing like off-the-record at an official press conference, but I think, given the monumental events that have taken place -- and I don't want this to be gratuitous because if I say something nice everybody out there is going to have to say something ugly to show they're not captives -- I think you all have been most understanding. We're up against extraordinary events. You have been relentless in shouting about it and asking me to respond, and I understand it.

But on balance, we've had a good rest up here and we have not been unduly infringed on in any way by outside or certainly by those who are with us here. And I go back with a fresh perspective. Yes, I caught no fish in the river today -- [laughter] -- but just the quiet out there and the fact that people understand that when one's on vacation that's the way it is from time to time means a great deal to me and to my entire family.

Thank you.

Note: President Bush's 102d news conference began at 10:05 a.m. at the President's home on Walker's Point. In the news conference, the following persons were referred to: President Mikhail Gorbachev of the Soviet Union; Curtis Kamman, Deputy Assistant Secretary of State for European and Canadian Affairs; Richard T. Crowder, Under Secretary of Agriculture for

International Affairs and Commodity Programs; Secretary of Agriculture Ed Madigan; Secretary of State James A. Baker III; Ronald W. Roskens, Director of the United States International Development Cooperation Agency; President Arnold Ruutel of Estonia; President Anatolijs Gorbunovs of Latvia; President Vytautas Landsbergis of Lithuania; President Fidel Castro Ruz of Cuba; President Boris Yeltsin of the Republic of Russia; and Anthony Fauci, Director of the Institute of Allergy and Infectious Diseases at the National Institutes of Health in Bethesda, MD. Marlin Fitzwater is Press Secretary to the President.

Message on the Observance of Labor Day

September 2, 1991

Each year, we Americans set aside the first Monday of September to commemorate Labor Day. On this occasion we celebrate the achievements of our Nation's workers. It is the sweat, toil, and ingenuity of individual Americans that have insured the success of our great experiment in self-government.

The United States is the country that works. We lead the way in building, innovation and technology. We've put men and women into space, and we've walked on the Moon. Our farmers feed millions of people here at home and throughout the world, and our engineers and scientists have helped to usher in the computer age. We have built a free, strong, and prosperous Republic, one that is serving as a model for emerging democracies around the globe. Indeed, many U.S. labor organizations are helping to provide technical assistance, training, and other forms of aid to these countries.

We've done much, but our task will never truly be done because it is in the American spirit to reach higher, to do better. That is why we are engaged in a concerted effort to restore excellence to the Nation's schools. Our America 2000 strategy will help to ensure that our Nation's workers have the knowledge and skills, including the technical skills that are needed to enjoy full, productive lives in our increasingly competitive world.

This Labor Day, as we consider all that we have accomplished, let us rededicate ourselves to achieving the goals that still lie ahead. Let us continue to show the world how a free society works for its people. And let us remember that each of us, regardless of our occupation, has the power to contribute to a better America, a better world.

Remarks to Students and Faculty of the Lewiston Comprehensive High School in Lewiston, Maine

September 3, 1991

Thank you so much for that welcome back. Thank you all very, very much. Oh, such a nice welcome. Thank you. And thank you, Governor McKernan, for that warm introduction. May I salute Maine's Senator, Senator Cohen, to whom I look for leadership and counsel on so many issues. And also to Congresswoman Olympia Snowe, your Congresswoman, our friend, Barbara's and mine, the wife of the Governor, a high achiever in her own right in the House of Representatives. It's a pleasure to be sharing the podium, the dais here, with both of them.

It's my pleasure to welcome all of you back to school. [Laughter] I know there are some mixed emotions about that, but nevertheless. [Laughter] I'm going back to Washington today, and I must say with mixed feelings because we've had a fantastic time over on the coast at Kennebunkport.

I'm especially pleased, though, to be here to help my good friend, my trusted friend Governor McKernan, kick off Maine 2000, which as he said, is our crusade for excellence in education. And also I'm very pleased to share the stage with other officials here, your mayor, the superintendent, the marvelous band. It's pretty hard to, on short notice, whip up ``Hail to the Chief'' and do it as well as this crowd did over here. And I'm very grateful to them. And I want to thank the superintendent and this morning's host, Principal Sykes of Lewiston Comprehensive High School and Principal Susan Martin of Farwell Elementary where we just came from.

This is familiar country for Barbara and me. You remember: I'm the one that gets needled from having so many homes in my past, in our past. It was in this city, in Lewiston, that we first learned that Franklin Delano Roosevelt had died back in 1945. And that's when I was living here briefly. That's when I was flying torpedo-bombers out of what was then the Lewiston-Auburn Naval Air Station. And so I say, it's nice to be back in one of my hometowns. Thank you very much.

Let me say to our very able Secretary of Education from whom you heard a minute ago, Lamar Alexander: I promise that I will keep up with my computer lessons, but I'll need a little more time to write my report on ``what I did on my summer vacation.'' [Laughter] And if you think mine's a tough assignment, how about President Gorbachev, what he did on his summer vacation. [Laughter]

Bar and I were talking on the way over here because we both remember our own kids going off to school many years ago. See, we were at the elementary school here and the kids coming in with their parents. And I asked the kids, ``Well, are you a little nervous?'' And some would say, ``Yes.'' Then there would be confident guy that, ``No, no, everything's under control.'' But it reminded us both of our own kids going off to school many years ago. Now, those kids are grown, and we

watch the grandkids, 10 of them, start a new school year just like each of you behind me that are starting this school year.

And when you're growing up, the new year doesn't begin January 1st. It starts today. I saw that this morning at Farwell. And still, some or those kindergarteners seemed disappointed that I didn't bring along Arnold Schwarzenegger, the ``kindergarten cop'' -- [laughter] -- who I might say, parenthetically, as your teachers involve themselves in education, you've got some coaches out there that recognize the importance of physical fitness. And Arnold is doing a first-class job nationwide as head of our Council on Fitness. And as Lamar Alexander knows, these things go together. They go hand-in-hand.

Parents operate on a school calendar. Each new school year wipes the slate as clean as an unused blackboard. And we embrace the eternal hope that, this year, our children will come home with straight ``A's.''

Education and expectation: The two go hand-in-hand. And your world, the whole world, trembles with new possibilities. One day, we scratch out our thoughts with paper and pen; the next, it seems, we use computers and laser printers. One day, the Soviet Union, bellicose and threatening, stares at us from across the sea. But in a single dramatic week, we saw 70 years of history swept away. With the dizzying changes that surround us, history books and atlases seem to have a shorter shelf life than milk. [Laughter] This is our world, an exciting world. And if we are to thrive in it, we must understand history and geography, math and science, the great books and the great thoughts they contain. When challenges confront us, we must have what it takes to act.

I'm sure you all feel the opening-day jitters that come with each day, each school year, opening day in each school year. But it's not just the students. Everyone must retain that sense of expectation, that feeling that the school doors open a new world of possibility for all of us.

To put it in broad perspective, the battle for the future begins right here. Not in Washington, DC, not in Congress, right here. The ringing school bell sounds an alarm, a warning to all of us who care about the state of American education. Only if we educate our sons and daughters well, will they enjoy the blessings that we simply take for granted.

Every day brings new evidence of crisis. Last week, we learned that SAT scores have fallen again. Scores on the verbal SAT have tumbled to the lowest level ever. And these numbers tell us: Our schools are in trouble.

But before we point fingers, assign blame, how many of us demand more of our children, ourselves, our schools? Survey after survey suggests too many parents and students remain unconcerned, unconvinced that the state of their own schools should worry them.

Sure they know something is wrong. Ask them to grade the Nation's schools, and not even one-

fourth will give American schools an ``A" or a ``B". But you ask them to grade their own schools, and you get a very different answer. Three-fourths grade their schools as good, even excellent.

We seem to think the crisis in American education plagues some other city or State, or some other school across town, anywhere except our school. Some of us just don't want to ask tough questions and risk angering teachers and administrators. We seem to believe that while everything else in the world changes, our schools shouldn't. What was good enough for us should be good enough for our kids.

And the truth is, all our children are at risk. All of us share responsibility for the state of every school and each individual student -- here in Lewiston, and in a hundred thousand schools in cities and towns all across our great country. If our schools fail us, we can't blame Washington. We can't blame Augusta. We must blame ourselves for betraying our children.

If our own history and the recent events in the Communist world teach us anything, they teach us that competition breeds excellence. The same holds true for education. That's why I and a majority of the American people favor choice in education. If we want better schools, we should set off a competition for the best schools. Get everyone involved in the struggle, and every school will improve. For far too long, we've sheltered our schools from healthy competition, and our children have paid the price. There's another benefit of choice of course. Wealthy families already enjoy choice. Poor families do not. Now, if we want to extend opportunity and improve education, we should give parents the power to choose their children's schools, public or private, and watch our schools compete to be the very best.

Almost 2 years ago, this Nation's Governors, all the Governors, and I worked together at a fantastic meeting at Charlottesville. And we established six ambitious national education goals, goals posted today right here on the walls of this gym. In April, I announced America 2000, a national education strategy to move us forward, community by community, toward those goals.

By the year 2000, we pledged to raise this Nation's graduation rate to at least 90 percent. Right here your teachers and your superintendents and your principals have done a good job, because in the past 4 years, Lewiston High has cut its dropout rate in half. And you've earned the right to be proud. But before you get too relaxed about that and get too comfortable, keep in mind that even at last year's lower rate, 4 years from now, more than 60 of the freshmen seated behind me will not be walking across that Civic Center stage to get their diploma.

By the year 2000, we've challenged ourselves to become first in the world in math and science. And right now, we stand 12th in the world in math and science, dead last among the industrialized nations. Ranking first means more than engaging in some kind of intellectual Olympics. Where we rank in the world matters here, and it should matter to you. Look at Lewiston; for most of its history, Lewiston's been a mill town producing textiles and shoes. But times change: Mayor Howaniec tells me L.L. Bean has located its new telemarketing center in

Lewiston. And today, the town's traditional industries account for only 7 percent of the local economy. Increasingly, the mothers and fathers of this freshman class here now work in new companies, employing new technologies. And some have even branched off, entrepreneurs, started small businesses of their own.

And still, we can't be content to educate our children with today's businesses in mind. By the time our kids graduate from high school or college or graduate school, new industries will have sprouted up. Our economy will demand new skills twinned with old-fashioned values of hard work and a determination to become the best that each of us can be.

This country was built by generations of Americans with strong backs and the will to work from sunup to sundown. As citizens of the next century, today's 9th graders will have to use their minds to push forward the technological revolution transforming the entire world. The pioneers of the next American century must blaze new sorts of trails. They must explore the far corners of a future governed as much by microwaves and lasers as by coal or steel. Our minds have become our greatest natural resource, and the key to our Nation's success in the global marketplace lies with that old treasure, Yankee ingenuity.

But let's face it, we won't make progress if we don't know where we stand. Maine has taken a leadership role on this one. But by the year 2000, we must call on students at grades 4, 8, and 12 to demonstrate their competence in five core subjects. We'll have the first of these American achievement tests in place for the year 1993 to '94, in that school year. Each State must develop its own means of measuring progress, its own report card, and share the results.

And that's crucial. We can't afford to treat our children's success or failure as if it were a State secret. Each student and every parent deserves to know whether they and their schools measure up to world-class standards.

School performance lags in part because we ask our teachers to do so much more than teach. We expect them to act as social workers and psychologists and family counselors.

I might add here, Barbara and I worry about the disintegration of the American family. Every kid ought to have somebody that knows his name, cares about him. But it often falls to the role of the teacher to love that kid, hug that kid. The teachers do an awful lot. At the same time, we ask too little of our students. We shy away from demanding excellence and accountability. As a Nation, we sometimes seem more worried about how our students feel than what they learn. And that's got to change. Graduation means more than a diploma. Our kids deserve an education.

And the only way that this will happen is if all of us, all of us, teachers, students, parents, and communities, join in this national crusade for excellence in education. Fundamentally, that's what America 2000, Maine 2000 is all about.

Our first three goals raise expectations and measure results. Our last three goals complete the challenge. By the year 2000, every American child should start school ready to learn. Every American adult should be literate, and every American school must be free from drugs and violence.

I saw a bus as we drove over to the elementary school advocating Head Start. And here in Lewiston, some of today's new freshmen participated in Head Start, a proven program that I've urged Congress to open up to thousands more preschool children. In the battle against illegal drugs, Lewiston schools have taken the lead. I can't tell you how exciting it was to see the D.A.R.E., D-A-R-E, kids out there at the elementary school. And there are other drug prevention programs, beginning in elementary school. You've taken the lead. And tonight, I'm told that right here at Lewiston High, a new school year begins for adults learning how to read, studying for their GED, living proof that it is never too late to learn.

So far, I've spoken about our schools, about the revolution in American education that must take place within these walls. But the revolution can neither begin nor end here. Let me use a ``word problem'' to show you why. Assume that a child goes to school from kindergarten to 12th grade, and never misses a day. Subtract summers and weekends, all the hours before and after school. How much time do our children spend in classrooms?

The answer may surprise you. It is 9 percent; one-eleventh of their time. They spend the rest of their lives elsewhere, at home, playing with friends, or in some shopping mall.

But what happens in that 91 percent makes all the difference in the world. We cannot blame the schools alone for that dismal decline in SAT verbal scores. Your teachers are working hard. The drop shows that we haven't taken the time to read to our kids, to talk with them, to teach them the art of communication, how to think, how to write, how to speak clearly.

What happens at home really matters. And when our kids come home from school, do they pick up a book or do they sit glued to the tube watching music videos? Parents: Don't make the mistake of thinking your kids only learn from 9 a.m. to 3 p.m. You are, and always will be, their first teachers.

Here's another shocking number. Children in one study said the average parent spends just 15 minutes a day, 15 minutes, in conversation with them. Most people spend that much time on coffee break.

The freshmen here today may think they're a bit old to have their homework checked. And maybe as parents, certainly this President will admit, we can't keep up with the latest in computer technology. But that doesn't mean we can't help. The Class of '95 is old enough to sit down, to watch the evening news, talk with their parents about what's going on in the world, to take interests, opinions, and ideas seriously.

But the future of American education depends on more than what happens in the classroom or around the kitchen table. Ask yourselves, ``In our communities, do we value education and intellect? In the working world, do we reward employees who go back to school, who learn new skills?" Every member of the community must play a role in this revolution.

And so parents, don't be a stranger to your child's school. Visit the classroom. Talk to the principal. Get to know those teachers. Make it your business to find out whether your child's school is drug-free. And talk to your school board about school choice, about the curriculum, about ways to put your schools to use year round. But you don't have to have kids in school to have a stake in what happens in the classroom. For the older folks among us, don't complain about ``kids today" or that the neighborhood ``isn't what it used to be." Get active in the community. Go into your schools. See what you can do to help some kid or help your community.

And the same goes for local business leaders. Get involved, not just in word but in deed. Think of it as community service, giving something back to this wonderful community, to the community your company calls home. Or, think of it in terms of just plain, sound business cultivating the kind of future employees your company needs in order to keep ahead. But above all, act. Do something. Enlist in this great crusade. And that really is the idea behind what we call America 2000 communities, States, cities, and towns that recognize the school as the living center of the community.

Today, the revolution has begun, in Colorado, Oregon, in Tulsa and in Memphis. And today I'm proud to say, right here in Lewiston and in every corner of the State of Maine, it's begun. Together, we must ignite a renaissance in American education, a revolution that will make this Nation every bit the leader in the century ahead that it has been since 1776.

Once again, my heartfelt thanks to you for this warm welcome, as all across this country we begin another school year. And may God bless the United States of America.

Thank you very, very much.

Note: The President spoke at 9:50 a.m. in the gymnasium of Lewiston Comprehensive High School. In his remarks, he referred to Governor John McKernan of Maine; Senator William S. Cohen; Representative Olympia J. Snowe; Mayor James Howaniec; Robert Conners, superintendent of schools; Richard Sykes, principal of Lewiston Comprehensive High School; Susan Martin, principal of Farwell Elementary School; Secretary of Education Lamar Alexander; and Arnold Schwarzenegger, Chairman of the President's Council on Physical Fitness. Prior to his remarks, the President met with students and faculty of the Farwell Elementary School.

Proclamation 6329 -- Minority Enterprise Development Week, 1991

September 3, 1991

By the President of the United States

of America

A Proclamation

America has demonstrated to the world that when individuals have the freedom to pursue their dreams and to put their talents and ideas to work, we all benefit. As more and more nations recognize the value of free enterprise and private initiative -- and reform their economies according to market-oriented principles -- the United States must act to strengthen its competitiveness.

If the United States is to remain a leader in the expanding global marketplace, we must redouble our efforts to produce high quality goods and services. We must also maximize the talent and potential of our people, our most important resource. Every American must have the knowledge and skills -- including the technical skills -- that are needed to enjoy full, productive lives in our rapidly changing world. That is one reason why we have launched AMERICA 2000, our national strategy to achieve excellence in education.

I am confident that this strategy will succeed because we Americans are a proud and determined people. Those qualities are exemplified by minority entrepreneurs, who have long been recognized for their determination to overcome obstacles and to create better lives for themselves and for their children. This week, we salute the more than 1 million minority business owners across the United States for helping to build a stronger America. These hardworking men and women are contributing to the economic development of their communities, and they are creating jobs and opportunities for their neighbors. For example, according to the U.S. Department of Commerce, minority businesses generate more than $78.5 billion annually in gross receipts. More than 250,000 of these businesses have paid employees, providing jobs for an estimated 845,000 people.

This week, as we celebrate the achievements of our Nation's minority entrepreneurs, we also reaffirm our commitment to promoting equal opportunity, high quality education, and effective job training for all Americans. In so doing, we will enhance our Nation's strength and productivity while creating more vibrant communities and improved standards of living for every citizen.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the week of September 22 through September 28, 1991, as Minority Enterprise Development Week. I encourage the people of the United States to observe this week with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this third day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:09 a.m., September 4, 1991]

Note: This proclamation was published in the Federal Register on September 5.

Proclamation 6330 -- Citizenship Day and Constitution Week, 1991

September 4, 1991

By the President of the United States

of America

A Proclamation

After receiving word in London of our Constitution and its approval by the Congress of the Confederation, John Adams wrote that the document was, ``if not the greatest exertion of human understanding, the greatest single effort of national deliberation that the world has ever seen." When they adopted the first 10 Amendments to our Constitution, our Nation's Founders added to that great charter of American government a set of clear, concise, and express guarantees of the fundamental rights of individuals. Known collectively as our Bill of Rights, these 10 amendments have helped to define and to defend our liberties. They have also served as a model for the world. During this 200th anniversary of our Bill of Rights, we do well to reflect on the timeless principles that it enshrines and on our role in upholding them.

The Bill of Rights guarantees, among other basic liberties, freedom of religion and of assembly, as well as freedom of speech and of the press; it protects the right to keep and bear arms; it prohibits unreasonable searches and seizures; and it ensures that no person shall be deprived of life, liberty, or property without due process of law. It also defines basic rules of fairness in criminal procedure. Ratified in 1791, the Bill of Rights makes clear that our Constitution is a charter of limited government based on the principles of federalism. Together these documents express in law our Nation's commitment to the truths first affirmed in our Declaration of Independence: ``that all men are created equal, that they are endowed by their Creator with certain inalienable Rights, that among these are Life, Liberty and the pursuit of Happiness."

Our observance of Citizenship Day and Constitution Week reminds us that we have not only many rights but also many responsibilities as citizens of this great Nation. With characteristic eloquence and sagacity, the celebrated American jurist Learned Hand once said: ``Liberty lies in the hearts of men and women. When it dies there, no constitution, no law, no court can save it." His words are a stirring reminder that our Constitution and Bill of Rights can be effective guarantees of freedom only as long as we understand and prize the principles that they enshrine. Accordingly, each of us has a responsibility to uphold the ideals of tolerance and justice; to teach our children the difference between liberty and license; and to share in the hard work of freedom -- at the ballot box, in the workplace, on the farm, in the military, or through our homes, schools, and places of worship. This is the essence of good citizenship.

The Congress, by joint resolution of February 29, 1952 (36 U.S.C. 153), designated September 17 as ``Citizenship Day." Also, by joint resolution of August 2, 1956 (36 U.S.C. 159), the Congress designated the week beginning September 17 and ending September 23 of each year as ``Constitution Week."

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim September 17, 1991, as Citizenship Day and call on government officials to display the flag of the United States on all government buildings. I encourage Federal, State, and local officials, as well as leaders of civic, social, and educational organizations, to conduct ceremonies and programs to commemorate the occasion.

Furthermore, I proclaim the week beginning September 17 and ending September 23, 1991, as Constitution Week, and I encourage all Americans to observe that week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this fourth day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:39 a.m., September 5, 1991]

Note: This proclamation was published in the Federal Register on September 6.

Exchange With Reporters Prior to a Cabinet Meeting

September 4, 1991

Q. Mr. President, did you know the conservatives were going to use personality attacks in their Thomas ads?

The President. We're not going to take questions, but on that one I will simply say that the White House properly and vigorously spoke out against the ad. I think I'd be very careful about saying ``the conservatives," you know, in the kind of broad context. But there was one ad that was offensive, and it was promptly and quickly condemned. It doesn't help in my view. Clarence Thomas himself spoke on that and spoke very clearly on that. So, you see these things from time to time that are totally counterproductive on all sides of the political spectrum. That one was not a good ad.

Q. Would you urge them to not run it?

The President. Yes, I'd urge them to not run it.

Q. Are you afraid that there may be some repercussions because of that?

The President. Well, I think the case for Clarence Thomas is so strong that it's not going to be determined by an ad from the left, a group speaking out from the left, and plenty of them have, political left in this country nor an ill-chosen ad from the right.

The case is too good for him. So, I don't have that fear, but I just don't think it contributes. If the hope was to contribute something positive to his confirmation, in my view that's not the way you go about it.

Q. What do you think was their motivation?

The President. I'm not in the analysis business. We're trying to have a Cabinet meeting, but I can understand your interest in all of that. But thank you very much.

Q. What are you going to talk about at the Cabinet meeting?

The President. Well, we're going to talk about the Soviet Union, the domestic agenda, the America 2000, and how everyone here will pitch in on that with a lot of enthusiasm -- that's our educational program -- the budget, 1993. And then we'll have what they call a general discussion. That's item six here. [Laughter] We've got a lot scheduled -- take 20 minutes.

Q. Are you sending Baker to Moscow?

The President. He will be available to respond for his travels. [Laughter]

Note: The President spoke at 10:04 a.m. in the Cabinet Room at the White House. In the exchange, the following persons were referred to: Clarence Thomas, nominee for Supreme Court Associate Justice, and Secretary of State James A. Baker III.

Appointment of Constance Horner as Assistant to the President and Director of Presidential Personnel

September 4, 1991

The President today announced the appointment of Constance Horner as Assistant to the President and Director of Presidential Personnel at the White House. She would succeed Charles Untermeyer.

Since 1990 Mrs. Horner has served as Deputy Secretary of the Department of Health and Human Services. Prior to this, Mrs. Horner served as Director of the United States Office of Personnel Management, 1985 - 1990; Associate Director of the Office of Management and Budget, 1983 - 1985; Director of VISTA and Acting Associate Director of ACTION, 1982 - 1983; and Deputy Assistant Director for Policy and Planning, 1981 - 1982. She was also appointed a member of the Commission on White House Fellowships and the Commission on Executive Exchange.

Mrs. Horner is a fellow of the National Academy of Public Administration. She received a Bachelor of Arts degree in English literature from the University of Pennsylvania and a Master of Arts degree from the University of Chicago. She was born February 24, 1942, in Summit, New Jersey. She is married, has two children, and resides in the District of Columbia.

Nomination of Edward G. Lanpher To Be United States Ambassador to Zimbabwe

September 4, 1991

The President today announced his intention to nominate Edward Gibson Lanpher, of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary to Zimbabwe. He would succeed J. Steven Rhodes.

Currently Mr. Lanpher is serving as deputy chief of mission of the American Embassy, Canberra, Australia. He served as Director of the Office of Southern African Affairs at the Department of State, 1986 - 1989; deputy chief of mission for the American Embassy, Harare, Zimbabwe, 1982 - 1986. He served as political officer in the American Embassy, London, 1979 - 1982; legislative management officer in the Office of Congressional Relations at the Department of State, 1977 - 1979.

Mr. Lanpher graduated from Brown University (B.A., 1966). He was born December 8, 1942 in Richmond, VA. He is married, has three children, and resides in Australia.

Appointment of J. French Hill as Special Assistant to the President and Executive Secretary to the Economic Policy Council

September 4, 1991

The President today announced the appointment of J. French Hill, of Texas, as Special Assistant to the President and Executive Secretary to the Economic Policy Council.

Since May 1989 Mr. Hill has served as Deputy Assistant Secretary of the Treasury for Corporate Finance. From 1984 to 1989, he served with the Mason Best Company and was named Director in 1988. From September 1982 to October 1984, he served as legislative assistant to United States Senator John Tower and as Assistant to the Chairman on a subcommittee of the Senate Committee on Banking, Housing, and Urban Affairs. From 1979 to 1982, Mr. Hill was a banking officer for Interfirst Bank-Dallas and the senior financial analyst in the planning and investment group for the bank's holding company.

Mr. Hill graduated from Vanderbilt University in 1979 and received a degree in Economics. He is married to the former Martha McKenzie of Dallas, TX.

Nomination of John F.W. Rogers To Be Under Secretary of State for Management

September 4, 1991

The President today announced his intention to nominate John F.W. Rogers, of New York, to be Under Secretary of State for Management. He would succeed Ivan Selin.

Currently Mr. Rogers is executive vice president for operations of The Oliver Carr Company, 1988 to present. Prior to this, Mr. Rogers served as Assistant Secretary of Treasury for Management (1985 - 1987) and Assistant to the President for Management (1981 - 1985).

Mr. Rogers graduated from George Washington University (B.A., 1978). Mr. Rogers was born April 15, 1956, in Seneca Falls, NY, and resides in Washington, DC.

Statement Announcing the Resignation of Paul Coverdell as Director of the Peace Corps

September 4, 1991

I have today regretfully accepted the resignation of Paul Coverdell as Director of the Peace Corps of the United States, effective October 1, 1991.

During Paul's tenure as Director, exciting things have happened around the globe. The Peace Corps' entry into emerging democracies around the world has been an important part of America's effort to assist newly freed people everywhere. I am proud of the fact that the Peace Corps has sent volunteers to more new countries during the last 2 years than during the previous 2 decades. I join the people of these nations in thanking him and the Peace Corps for their timely and able assistance.

I am also proud of his efforts to bring to the American classroom the Peace Corps' knowledge of the world through programs like World Wise Schools and the Peace Corps' Fellows/USA. The World Wise Schools program has exposed over 60,000 American students to the international experiences of Peace Corps volunteers stationed throughout the world. The Fellows/USA program places returned Peace Corps volunteers in ``at-risk'' schools while they pursue master's degrees in education, benefiting both the volunteers and the students. These programs are excellent uses of the many talents of current and returned volunteers.

I salute Paul's efforts to energize the Peace Corps by recruiting a wider representation of volunteers from all backgrounds and all regions of the country. He has worked hard to use his private sector experience to further improve the Peace Corps management systems, and I am grateful for his dedicated service to the Peace Corps and to this country. Both Barbara and I appreciate Paul's friendship and wish Nancy and him the best.

Remarks During the America 2000 Conference Call

September 4, 1991

Secretary Alexander. Good morning and welcome to everyone around the Nation listening in on the America 2000 daily conference call. This is Secretary of Education Lamar Alexander in Washington, DC.

This is our first America 2000 daily conference call. It helps us enable Americans changing our education system to share their progress with one another. Today we're enormously honored to have with us President Bush, who yesterday helped Governor McKernan kickoff Maine 2000, part of the President's and the Governors' State-by-State strategy to reach the six national education goals.

Good morning, Mr. President, and thank you very much for being here.

The President. Listen, I'm delighted to be here and delighted to be on the line not only with you, Secretary, but with Governor Don Schaefer and with Governor Jock McKernan. And yes, we did have a good day yesterday in Maine as Maine kicked off its Maine 2000. We were in Lewiston. A lot of discussion with teachers, family, a little emphasis on how family can participate more.

And Governor McKernan, Jock, maybe you'd want to pitch in now because I thought it was a very worthwhile day.

Governor McKernan. Well, Mr. President, I want to thank you for everything you've done to keep education on the front burner. I can tell you that your appearance in Lewiston and the America 2000 and now Maine 2000 effort is going to be the shot in the arm that I think we need if we are really going to continue the momentum to meet the national education goals that have been determined by you and your office and the Governors, starting with that historic summit in Charlottesville.

I can tell you that when the first assessment of how the Nation is doing comes out on September 30th, that in order to continue the momentum going, we intend to have Maine Education Day on October 1st to discuss exactly what the meaning is of the results that we've found. And I am convinced the only way that we're going to be successful in doing what I know you believe has to be done in education is with your involvement.

So, I just want to say to you that we certainly appreciated your being here in Maine. Everyone is, even today, still so excited about it, and they believe that you really are the Education President.

The President. We're going to stay with this. Thanks, Jock; now here's Lamar again.

Secretary Alexander. Thanks, Jock. Yesterday was a great day.

Mr. President, you know there are other States, maybe a dozen others that are getting ready to launch their efforts to meet the national education goals. One of them is Maryland, and Governor Don Schaefer is on the line from Annapolis.

Governor Schaefer. Well, Lamar, thank you very much. I'm very honored to be on with you and the President. Tomorrow we have a great honor: Mrs. Bush is coming to help us at Worthington Elementary School in Ellicott City to kick off Maryland's 2000. So, we're pretty good, too.

You said something, Mr. President, I liked, that we must blame ourselves for bad schools and not point the finger at everyone else. And I think it actually starts in the family; if we can get the parents really, really involved in education and if we can support the teachers, and we put some more money in.

As you know, I've supported your goals. And I've taken two of your goals as my own personal goals: that is, making schools drug free and preparing all children for schools before they start in. I think that's very important. Give them at least an equal opportunity when they do enter a school that everyone starts equal. And we are going to, of course, on November 12th issue a report card for every Maryland school showing performance.

One of the things that we want to do and -- we've had Schools for Success, we're in our second year -- and our goals are: make schools more accountable, improve student performance, and, of course, make students more prepared when they get out into the job market that they're prepared to accept a job.

But I want to commend you. I think you are doing a superb job. I want to thank you very much for emphasis on education. It really means an awful lot to all of us to know the President and that great Secretary you've got over there supporting us.

The President. Well, Don, we're delighted you're involved. I might say to those who are listening that might not be as familiar with this program, that we are totally determined to keep this on a nonpartisan basis. We have to do that in order to succeed. You and I have talked about this. I think we touched on it up at Camp David before Lamar was even on board, of the importance of family involvement, the things you mentioned here, certainly, the drug-free aspects. So, I just wanted to pledge to you that we're approaching it in that manner.

Be nice to my wife tomorrow because I don't want her coming home grumpy. She's your campaign manager anyway, so treat her with care. And also, I know some of our secretaries are going to be over there. I think Lou Sullivan and Jim Watkins, Bill Reilly, so you've got a lot of our -- Dave Kearns is going -- a lot of our first team. And so we're looking forward to this, too. So, please hang in there and keep up your leadership role. We need you.

Governor Schaefer. Thank you, Mr. President. We will. And I'm glad Mr. Reilly's coming. He's done a great job in the environment. He gets a lot of criticism, but I think he's coming up with the right things on a lot of areas.

Mrs. Bush is a great goodwill ambassador. I'll tell you everyplace she goes she just spreads joy and happiness. And people have great confidence in her. So, we're very pleased that she's coming with us.

The President. Well, she was with us with Jock up there in Maine yesterday too. And I felt funny -- me, my being the one to read to the kids, because she's been doing that literally and without a lot of PR on it all the way, all along here for the last 10 years or so. So, she'll do more. And I'd say to you, Jock, or to Don and others that may be listening, she wants to give her time to this. She's committed and so call on her whether it's in a formal thing like tomorrow's opening or something else, because, really, this is her life. This is her commitment. So -- --

Governor Schaefer. You know, Mr. President, she did that in Baltimore City a number of years ago when you were Vice President. She came to Baltimore City on a literacy program, and people just liked her then. But she was very strong on literacy at that time.

The President. Great.

Governor McKernan. Mr. President, as a matter of fact, she has been in Maine, as you well know, helping with literacy as well. And the combination of both of you, as I said yesterday, really does give a shot in the arm to what I think we all realize is so important and that's lifelong learning.

I thought also that it was a wonderful division of labor the way you read the first part of that story to those kindergarten kids and you let her read the -- --

The President. Big words in there. Now listen, here's Lamar to close this thing off. And thank you all very, very much and everybody else that tuned in here. This is the first of what will be many such conference calls, and I hope by the time they're all finished that the message will be in every corner of our great country.

Now, Lamar, Secretary, all yours.

Secretary Alexander. Thank you, Mr. President, thank you, Governors. And, in addition to the Cabinet members who will be with Mrs. Bush tomorrow in Maryland, four Cabinet members, Secretaries Kemp and Madigan, and Lynn Martin from Labor, Sam Skinner from Transportation and I will be going to Omaha to kick off Nebraska 2000 and Omaha 2000 with Governor Ben Nelson and Mayor Morgan. So things are moving.

Thank you very much, Mr. President, Governor McKernan, Governor Schaefer. The American 2000 daily conference call happens everyday at this time, Monday through Friday. I hope you'll listen in tomorrow and learn more about Americans changing schools, community by community, school by school.

The President. Over and out and many thanks.

Governor Schaefer. Thank you.

Governor McKernan. Thank you.

Note: The President spoke at 11:58 a.m. in the Oval Office at the White House. In these remarks, the following persons were referred to: Secretary of Education Lamar Alexander; Governor John McKernan of Maine; Governor William Donald Schaefer of Maryland; Secretary of Health and Human Services Louis W. Sullivan; Secretary of Energy James D. Watkins; Administrator of the Environmental Protection Agency William K. Reilly; David T. Kearns, Deputy Secretary of Education; Jack Kemp, Secretary of Housing and Urban Development; Edward R. Madigan, Secretary of Agriculture; Lynn M. Martin, Secretary of Labor; Samuel K. Skinner, Secretary of Transportation; E. Benjamin Nelson, Governor of Nebraska; and P.J. Morgan, Mayor of Omaha.

Proclamation 6331 -- Gold Star Mother's Day, 1991

September 4, 1991

By the President of the United States

of America

A Proclamation

We Americans can never forget the brave and selfless individuals who have given their lives for our country. Indeed, this year alone has given us several poignant reminders of the debt that we owe to each of them. While the 200th anniversary of our Bill of Rights has renewed our appreciation for the blessings of liberty, the war in the Persian Gulf has deepened our gratitude toward those who have died to win them. On this occasion, however, we honor the mothers of our Nation's fallen. Known as Gold Star Mothers, these women have shared in the sacrifices of their children, and they deserve a commensurate portion of our respect and thanks.

Any parent who has ever suffered the loss of a son or daughter knows that when that child dies, a part of oneself dies too. Accordingly, our Nation's Gold Star Mothers understand the value of liberty because they have borne part of the price that has been paid to defend it. Today many Gold Star Mothers are demonstrating their enduring love of freedom through generous voluntary efforts in their communities -- including special efforts in behalf of veterans and active duty service members.

Although we set aside this day in their honor, let us pay tribute to our Nation's Gold Star Mothers throughout the year by assuring them -- through word and deed -- that their children's sacrifices are remembered and appreciated. Let us continue working to promote respect for human rights and the rule of law around the world, and let us pray for lasting peace among nations, so that no more Americans might die in battle, and so that no more mothers might face war's bereavement.

The Congress, by Senate Joint Resolution 115 (June 23, 1936), designated the last Sunday in September as ``Gold Star Mother's Day'' and authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim September 29, 1991, as Gold Star Mother's Day. I call on all government officials to display the United States flag on government buildings on this day. I also urge the American people to display the flag and to hold appropriate meetings in their homes, places of worship, or other suitable places, as a public expression of the sympathy and the respect that our Nation holds for its Gold Star Mothers.

In Witness Whereof, I have hereunto set my hand this fourth day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 1:48 p.m., September 5, 1991]

Note: The Office of the Press Secretary released this proclamation on September 5, and it was published in the Federal Register on September 9.

Message on the Observance of Rosh Hashanah, 1991

September 5, 1991

The sounding of the shofar heralds the new year 5752 and calls Jews everywhere to examine their lives: ``Awake, you sleepers, and ponder your deeds; remember your Creator, forsake your evil ways, and return to God!" These words of Maimonides describe the self-reflection that begins on Rosh Hashanah and continues through ten days of penitence to Yom Kippur. To prepare for this concluding Day of Atonement, the faithful seek reconciliation with the Almighty and reaffirm their commitment to charity and goodness.

On the occasion of the High Holy Days, I offer best wishes to American Jews and to our Jewish friends throughout the world. May the spirit of reconciliation and renewal that characterizes this period remind all Americans of our responsibilities toward our families, friends, and neighbors. May it also strengthen our mutual commitment to peace among nations. Indeed, as the eyes of the Diaspora are turned to Israel, let us pray that peoples throughout the world might be reconciled in the spirit of charity, forgiveness, and renewal.

Barbara joins me in sending our best wishes to Jews everywhere for the year 5752, and in saying, once again, L'Shana Tova Tekateivu -- may you be inscribed in the Book of Life for a good year.

George Bush

Statement by Deputy Press Secretary Popadiuk on the Cyprus Conflict

September 6, 1991

The President welcomes U.N. Secretary-General Perez de Cuellar's statement of September 5 regarding prospects for a high-level meeting this month on the Cyprus issue. He strongly endorses the Secretary-General's aim to hold such a meeting to resolve what has been a most difficult and stubborn problem between good friends of the United States. These are times of momentous change and also times of great opportunity. In this spirit, the Secretary-General's announcement reflects the fact that all of the parties involved realize that a lasting settlement may be within their grasp. Difficult issues remain. The President encourages all of the parties to continue the hard work and statesmanship that have brought them this far so that the remaining obstacles can be overcome. The United States remains in close contact with all the parties and is prepared to assist the Secretary-General in whatever way he sees fit to help ensure the success of this endeavor.

Note: The statement referred to United Nations Secretary-General Javier Perez de Cuellar de la Guerra.

Remarks to the National Association of Towns and Townships

September 6, 1991

Please be seated, and thank you, Butch, for that introduction. I salute the president of NATAT. And it's a pleasure to have this opportunity to address the board of directors and all the members or many of the members, those of you here today of the National Association of Towns and Townships. I love that town meeting concept. At the outset, let me simply thank those who were responsible for the lovely quilt that was left for me here in the holding room. I'm just sorry that Barbara is not here to revel in it already, but I guarantee you she'll see it when I get back to the White House. [Laughter]

You know, this week doesn't mark the end of summer just for schoolchildren across the country. And I'm back at my desk, too. But I won't bore you with a speech titled, ``What I did on my summer vacation." [Laughter] Okay though, I will tell you my reaction when I received a phone call on August 19th saying, ``It's a crisis!" I responded, ``Look, I've already heard enough about Barbara's golf game." [Laughter] Some of you may have remembered the way I characterized her golf game, and I'm still living it down. [Laughter]

But thank you for giving me this chance to meet with you today. You know, Ike, President Eisenhower, talked of ``the great and priceless privilege of being raised in a small town". I understand some of that because I, too, had that privilege. The towns of my youth and of my children's youth were all very different from each other, from the tree-lined streets of Greenwich, Connecticut, to the salt air of little Kennebunkport, to the dusty oil-patch towns of Odessa, Texas, and Midland, Texas. But they also had much in common, the same thing that I think this meeting, all the people here, have in common.

Our towns nurture dreams, and they nourish values. Think of the ideals of integrity, hard work, and caring for others instilled in a young boy growing up in Pinpoint, Georgia. Today, that man stands ready to serve on the highest court in this land. Clarence Thomas embodies the virtues America and all her towns and townships hold dear. Just before coming over here, I just had a cup of coffee with Clarence, with Judge Thomas. And I am more convinced than ever that I have appointed the right man for the Supreme Court. And I expect and hope that he will be confirmed.

I am delighted to be here with people from the towns that really form this Nation's backbone. You know what Thomas Jefferson meant when he said American townships ``have proved themselves the wisest invention ever devised by the wit of man for the perfect exercise of self-government and its preservation."

You understand the problems that challenge our country. You understand them not from a bureaucrat's safe distance but from the embattled position of public servants whose neighbors call

to complain about services or the lack thereof. And you understand the real basics of local government, and that's why you are our country's future and our country's hope.

Our domestic policy begins with you, the people of this land. Here in Washington and in the States, politicians and officials have learned that we can't just hurl money at problems. We take enough of people's money as it is. And if we want to do our jobs, we must make better use of the vast sums already at our disposal. More fundamentally, we must recognize the genius of our own people. And we must trust them, and trust you, to find answers that do good things to make America work. We must make our government more responsive, more local. And we must learn from the real professionals, you, the NATAT representatives. You're the voice of small-town America.

And that's a considerable voice. I'm not sure many in the country understand this. That is a considerable voice, of course. Eight of ten, eight of ten governmental bodies in this Nation represent communities with 5,000 or fewer residents. And you will have to help others. The examples you set will help teach the other 20 percent how, in these difficult times, that they can cope and innovate and make ends meet.

Your strengths begin with your commitment to the American idea of civic responsibility. Many of you are part-time officials, I'm told, volunteers. And you give your time to your communities. You emphasize creativity and innovation, what folks in my birthplace of Milton, Massachusetts, referred to as ``old-fashioned Yankee ingenuity." And sometimes you exhaust your ingenuity just trying to escape the regulatory handcuffs that are placed upon you by Federal and State mandates. And I am concerned about those mandates. The President simply can't wave a wand, given our Federal system, given our system of Congress and the executive branch, can't wave a wand to correct all these things. But I believe strongly in the importance of cooperation among all levels of government.

Our administration also remains committed to the commonsense approach of the Regulatory Flexibility Act, one that lets you use your own common sense to solve your own problems. And I will direct Federal departments and agencies to follow the spirit and the letter of that law.

Speaking of creativity, I want to add my congratulations to Bill Herman of Weare, New Hampshire. Bill won your Grassroots Government Leadership Award by producing ideas for cutting costs without slashing services. Now, maybe I should call on him -- [laughter] -- I'd like him to help me solve one big problem, because when I asked my staff how we can improve our crisis management, they said, ``How about a calendar that doesn't have August on it?" [Laughter] Think back a year, and then look at this August, and you'll know what I'm talking about. [Laughter]

All of you here have helped develop public-private partnerships, a crucial concept as we gear up for the unique problems of the 21st century. The alliance between your National Center for Small

Communities and private sector sources, like the Kellogg Foundation, sets an example for others to follow.

Because of your strengths, your successes, and your leadership, today I ask you to lead one of our greatest battles: making our Nation's schools the world's best.

You know, our administration introduced an education strategy 5 months ago. We call it America 2000, and it involves four different tracks: accountable schools for today -- and get that word accountable -- accountable schools for today; a new generation of schools for tomorrow; a Nation of students committed to a lifetime of education; and fourth, communities where learning can happen.

Now, you play a critical role in making that entire strategy work, and especially track four: building communities that value, support, encourage, and advance education. It's no coincidence that we historically have entrusted this fundamental responsibility -- education -- to communities. And we now call upon you to enlist in our national crusade to improve education community-by-community.

First, let's adopt the education goals established 18 months ago following that Charlottesville education summit with the Nation's Governors. Then you can begin to develop a community plan to reach the goals to design a report card to measure your progress and to create your own ``break the mold school," one that builds upon your unique strengths and takes into account your special needs and circumstances.

We're talking about a revolution. We're talking about communities literally starting from scratch and redesigning schools that can cope and meet these broad goals that have been set out. It's not going to be done from the center. The Department of Education can help, State education associations can help, teachers' unions can help, but it can't be done there. It's got to be done at the local level. And as we immerse ourselves in the challenges of the nineties, or administration also will look to you for leadership in other areas.

For instance, Congress is now debating, or will soon be again debating, the 5-year reauthorization of the Nation's surface transportation system. Now, we need your help in getting a system that spends money to address needs and not just support politicians' careers. We've called in our bill for increased investment in infrastructure. Some think spending a lot of money is the only answer. Not so; we need more sensible programs. More than half of all congressionally mandated transportation projects don't even show up on State priority lists. You might like some of the programs your Member of Congress slips into legislation. But in the end, Congress usurps local power for its own purposes, making decisions in Washington that affect the lives and the pocketbooks of people in Berea, Kentucky, or Mount Wolf, Pennsylvania.

So, if Congress sends me a transportation bill with another tax, with a gasoline tax on it, I'm

going to veto it. We must not let Congress raise the gas tax for projects that towns don't even need. And we won't let it raise a tax that will do nothing except squeeze the local economies and lighten the workers' already-thin pocketbooks. Now, our highway bill, my highway bill, will invest in infrastructure without raising taxes or busting those budget caps, meaningful controls on spending now placed upon the Congress of the United States.

We believe in letting communities shape their own futures, and this belief lies at the heart of our Community Opportunity Act. This proposal invites communities to think of new ways to solve old problems, and it lets all of us adopt a more flexible approach to domestic social programs. You see, it puts the emphasis on results and not on procedures cooked up back here in Washington, DC. After all, when someone wants food or shelter or schooling, what's more important, the service or the government paperwork?

And this commonsense approach, giving local governments greater flexibility, led us to propose turning over $15 billion in so-called ``Federal money'' to the States, no strings attached. And it was paid for under our proposals. This initiative will give decision-making power to the people whose lives those decisions will affect. And quite simply, that's the fundamental principle on which our administration functions.

This turnover proposal, and the act itself, grow out of the basic assumption that government assistance programs should lead people to self-sufficiency. There's no better way to do this than by rebuilding those programs from the bottom up based on plans developed right at your level, right at the community level.

I talked about Jefferson earlier, and if we want to remain true to the spirit of his philosophy, we must empower communities to control their own futures. Our domestic policy isn't a spending policy; it's designed to increase personal freedom and to produce results, not just a lot of expensive rhetoric. And this is the way to approach all of this country's challenges. It's an extraordinary opportunity, and it's essential that we get it enacted and in use.

So, I wanted to come over here and thank you, the leaders of this organization all attending this conference, for your work and, really, for the example you set for so much of America. I expect it's hard for some of you to realize that when it's all put together, you really are setting an example for this country. Even with whatever problems our towns may face, I know that we'd all agree with writer Catherine Sedgwick, who loved her town of Stockbridge, Massachusetts. And someone once told her that she spoke about Stockbridge as if it were heaven. ``Well,'' she replied, ``I expect no very violent transition.'' [Laughter]

So, not only are you solving problems but let me just end by another thing that is on my mind. I am concerned as President of this country about the pressures on family. I am concerned as I see family values sublimated. I am concerned as I see the breakup of many families. And somehow I have the feeling that you, the representatives in NATAT, understand what I'm talking about here.

I think you in your work, keeping that government, keeping the solutions close to the people, are really doing something constructive about family values, about strengthening family in these times when the families across our country are under an awful lot of strain.

So, good luck to you, all of you, and may God bless the towns to which you return. Thank you very, very much.

Note: The President spoke at 10:05 a.m. in the Regency Ballroom of the Hyatt Regency Hotel, Capitol Hill. In his remarks, he referred to Lothar ``Butch'' Wolter, Jr., president of the National Association of Towns and Townships; Clarence Thomas, nominee for Supreme Court Associate Justice; and William G. Herman, member of the board of selectmen of Weare, NH.

Exchange With Reporters Prior to a Meeting With Secretary of State Baker

September 6, 1991

Q. Good morning, Mr. President. Good morning, Mr. Secretary.

The President. Good morning, Helen [Helen Thomas, United Press International]; enjoyed seeing you here today, and I noticed how President Carter saluted you yesterday. I thought that was very nice.

Q. I didn't think so. [Laughter]

The President. Let me just make a couple of comments, and then I'll take a couple of questions. But we're having a discussion here with the Secretary of State and the others that you see here.

And I have asked the Secretary to undertake a very important mission, yet another one. This one will take him to the Soviet Union, including stops in the Baltics, among others. And then, a very important part of this, is his trip back to the Middle East. It is very, very important, matters having come this far, that we do everything we can to give peace a chance.

And with that in mind, I am going to ask every single Member of Congress to defer, just for 120 days, consideration of this absorption aid package. We're interested in absorption aid; we take pride in the fact we've taken the leadership role in refugees coming, people coming to the Soviet Union [Israel]. But it is in the best interest of the peace process and of peace itself that consideration of this absorption aid question for Israel be deferred for simply 120 days.

I think the American people will strongly support me in this, and I am going to make this position as clear as I can to every single Member of the Congress and to the American people because we worked very diligently and many countries have, and Israel has as well as some of these Arab States, to come together at a peace conference. And this debate will take place later on. It should take place, but this is not the time for a debate that can be misunderstood, a debate that can divide.

So, my pitch that the Secretary has already made in two very friendly conversations with Prime Minister Shamir is: Let's defer it. The debate's going to be lively, the debate will be upcoming, but let's wait 120 days so we will take no chance of unraveling a peace process that offers us the best hope for peace in decades, literally decades. And I feel very, very strongly about it.

I support those Senators and others in the Congress that have already taken a position on deferment. I think of Senator Leahy, for example, who has a very important role in all of this, and

his constructive leadership, I think, will be remembered by all, on all sides of this question, that want peace. And there's others.

The Secretary's talked to a lot of the leadership, and I'll be following up now with many calls because we want to give peace a chance.

Aid to Israel

Q. What does Shamir say about this?

The President. Well, the Secretary's had two good talks. At this juncture I gather he wants to go forward. But as President of the United States I'm taking the strong recommendation, and strongly approve of it incidentally, but from the Secretary of State that this be deferred. And I think farsighted Members of Congress understand exactly why it should be deferred. We don't need an acrimonious debate just as we're about to get this peace conference convened.

Q. Mr. Bush, would you want the deferment if Israel had changed its housing, its settlement policy? If they were no longer putting up housing in the settlements, would you feel freer to go ahead with the -- --

The President. Our settlement policy is well-known. I don't want to have any debate on this question now. Everybody knows the United States policy about settlements, and that policy is not going to change. And I must do a better job convincing the people here and in Israel that we are correct on this, with our underlying desire for peace. But it isn't a question of that. My point here is: Defer discussion on all these matters now, and let's go to this conference that's just about put together. And I'm convinced that the debate we're talking about would be counterproductive to peace.

We've worked very, very hard. Everyone knows of our special and friendly relationship with Israel, and I feel strongly about that in my heart, but I know it is in the interest of world peace that this be deferred.

Q. How are you going -- with Soviet participation as you plan the conference? Are you going to just go it alone?

The President. Well, the Secretary will be in Moscow, that will be discussed. But the Soviets have played a very constructive role in all of this, and I see no reason that any of these changes that have taken place inside the Soviet Union will change that. I think they want to see it go forward.

Q. Mr. President, on the loan guarantees, are you convinced that the Israelis will be willing to go along with the peace conference if this is put on hold?

The President. Well, I'm convinced that they've already indicated a willingness to go forward without conditions of that nature, and I see no reason that they'd change that right now. It would be counterproductive. Look, we all know the passions on both sides, and this is no time to inflame the passions on both sides. Israel's stated its position, but there was never any linkage on their part, and we're trying to avoid linkage on our part.

Q. You seem certain there will be a conference.

The President. I'm very hopeful there will. But part of the Secretary's mission is to do everything we can to ensure there will be a conference. Look, this is one the whole world wants to see happen. This isn't just American foreign policy; everybody wants this to take place. And I would again salute Secretary Baker and Larry Eagleburger and everybody that's worked on this, here at the White House also.

But we've come a long, long way. I remember when the whole prospects for this conference were being written off a few months ago, and now people are saying we've got a chance. And let's not blow it by having an acrimonious debate that's going to be read, not just in the States but around the world, as one way or another. We don't need it. We don't need that ingredient clouding the waters just at a time the waters are beginning to clear.

Q. And you think Congress will respect your request for the delay?

The President. I'm going to fight for it because I think this is what the American people want. And I'm going to do absolutely everything I can to back those Members of the United States Congress who are forward-looking in their desire to see peace.

Q. Are there assurances that Congress will go ahead already?

The President. We're going to work hard on them, and we'll see. But I think they should. I think that's what -- again, I keep saying it -- is in the best interest of peace. And I think all of them want to give peace a chance, yes.

Secretary Baker. Give peace a chance; 120 days, that's all the President's asking for, 120 days.

Q. Is it still realistic to shoot for an October conference, do you think?

The President. We'll see. You know, the U.S. position is we'd like to have had it long before now. But Jim will go over there to the Middle East, he'll be discussing that. We'll have more to say about that later on.

Thank you all very much.

Q. Do you have a date in mind for the -- are you shooting for any -- --

The President. I'll let the Secretary take those questions later. Probably after he's been there would be a better time to answer that.

Thank you all. News, news, news, we've got a lot of news.

Note: The exchange began at 11:16 a.m. in the Oval Office at the White House. The following persons were referred to in the exchange: Secretary of State James A. Baker III; former President Jimmy Carter, who had met with President Bush the previous evening; Prime Minister Yitzhak Shamir of Israel; Senator Patrick Leahy; and Deputy Secretary of State Lawrence S. Eagleburger.

Appointment of C. Thomas Burke as Deputy Commissioner of the Commission for the Study of Alternatives to the Panama Canal

September 6, 1991

The President today announced his intention to appoint C. Thomas Burke, of New York, to be Deputy Commissioner of the Commission for the Study of Alternatives to the Panama Canal. He would succeed J. Michael Farrell.

Currently Mr. Burke is executive vice president and chief executive officer of Meehan Overseas Terminal in Albany, NY. Prior to this he was executive director of Port Everglades in New York.

Mr. Burke graduated from Northeastern University, (A.B.A., 1957) and Blackstone School of Law-Chicago (L.L.B., 1968). He was born August 30, 1933, in Albany, NY. He resides in Saratoga Springs, NY.

Appointment of Timothy J. McBride as Deputy Assistant to the President and Executive Assistant to the White House Chief of Staff

September 6, 1991

The President today announced the appointment of Timothy J. McBride, Assistant Secretary of Commerce for Trade Development, to be Deputy Assistant to the President and Executive Assistant to the Chief of Staff at the White House. He would succeed Edward Rogers, Jr.

Currently Mr. McBride is Assistant Secretary of Commerce for Trade Development, 1990 - present. Prior to this Mr. McBride has served as Special Assistant to the President of the United States, 1989 - 1990; personal aide to the Vice President of the United States, 1985 - 1989; Deputy Director of the Vice Presidential Advance Office, 1985; consultant to the Republican National Convention Arrangements Committee in Dallas, TX, 1984; and a small business management consultant in Coral Springs, FL, 1982 - 1984.

Mr. McBride graduated from Eastern Michigan University (B.B.A., 1982). He was born October 10, 1958, and is a native of Michigan. Mr. McBride resides in Alexandria, VA.

Address to the Nation on the Supreme Court Nomination of Clarence Thomas

September 6, 1991

My fellow Americans:

I would like to talk today about opportunity in America. Our land, unique among all nations, grew out of high ideals, the most precious of which is that every man and woman deserves a chance to go as far as their abilities and hard work will take them, that all deserve to live free from the bonds of prejudice and arbitrary limitation.

For more than two centuries our national soul, the U.S. Constitution, has given life to the values of equality before the law. While people try from time to time to bury that spirit beneath an avalanche of lawsuits, technicalities and decrees, every American knows that profound notions of fairness, justice, equality, and civility define us and bind us.

Not every American can recite the Constitution. But most of us can feel it. We feel it because Americans, through their daily deeds, give real-life to American principles.

Next week, the Senate will begin hearings about a man whose life is a story of opportunity: Judge Clarence Thomas, my nominee to serve on the United States Supreme Court. Most of you have heard his story, how Clarence Thomas was raised in Pinpoint, Georgia, by stern and loving grandparents, educated in parochial schools, graduated from Holy Cross and the Yale Law School.

He grew up deprived of material wealth, but blessed with the important treasures: a loving family, sturdy values, and a chance. His family, friends, and teachers did not define equal opportunity in terms of regulations or statistics, and neither did he. Clarence defined opportunity through education, dedication, and just plain hard work.

When you hear or see coverage of those hearings, think of your sons, your daughters, your loved ones, and their voyage into a tough world. Then think of this extraordinary man who conquered deprivation without self-pity or complaint. And think of what it means to appoint to our highest Court a man who appreciates the real glories of our form of Government and understands the real difficulties our Nation faces.

When a President selects a Justice to the Supreme Court, he must pick someone who appreciates our Constitution's timeless majesty, who understands the importance of the rule of law in our society. But the nominee also must cherish the values that make our land great, that make our chins quiver in pride and gratitude when troops return home bearing the flag, or when Americans

through hard work, determination, and dedication expand the frontiers of possibility.

Clarence Thomas has preserved the fabric of our Constitution as a judge on the U.S. Court of Appeals. And he will continue to do so on the Supreme Court.

Senate hearings start next week. I know the Senate will maintain standards of dignity and appropriate scrutiny when it comes to Judge Thomas. And I urge all Americans to do the same. I know that the American public, when it gets a chance to see Clarence Thomas in action, will feel as I do: proud that we have entrusted this son of America with the task of keeping our heart healthy and whole, and proud of this man who embodies the promise of equality and opportunity in America.

Thank you. May God bless you. And may God bless the United States of America.

Note: This address was recorded for radio broadcast at 2:05 p.m. in the Roosevelt Room at the White House. This address was not received in time for publication in the appropriate issue.

Statement on the Supreme Court Nomination of Clarence Thomas

September 9, 1991

On the eve of the confirmation hearings for Judge Clarence Thomas' nomination to the Supreme Court, I want to emphasize once again the distinguished record and character of this man. In the weeks since his selection, Judge Thomas has faced criticism from many quarters with dignity, restraint, and strength of character. I know that he will demonstrate the same qualities during the hearings.

Today, I telephoned Senator Joseph Biden and Senator Strom Thurmond to express my appreciation for the manner in which they had conducted the confirmation process and to reiterate my strong feelings about the wisdom and talent of Judge Clarence Thomas. Senator Biden and Senator Thurmond, as majority and minority leaders of the Judiciary Committee, are committed to a fair and honorable hearing.

When I nominated Judge Clarence Thomas, the administration applied no litmus test on specific issues that might come before the Supreme Court. We did not question Judge Thomas on possible decisions or cases that could come before the Court. Similarly, I have confidence that the Judiciary Committee will want to preserve the independence of the Court as it explores the record of Judge Thomas.

I look forward to the early confirmation of Judge Clarence Thomas.

Nomination of Carolynn Reid-Wallace To Be an Assistant Secretary at the Department of Education

September 9, 1991

The President today announced his intention to nominate Carolynn Reid-Wallace, of the District of Columbia, to be Assistant Secretary for Postsecondary Education at the United States Department of Education. She would succeed Leonard L. Haynes III.

From 1987 to 1991, Dr. Reid-Wallace served as vice chancellor for academic affairs at the City University of New York. Prior to this, she served as Assistant Director of the Division of Education Programs and Director of Precollegiate Education for the National Endowment for the Humanities, 1982 - 1987; director of the NAFEO Clearinghouse, 1981 - 1982; director of the NAFEO/NEK Humanities Program, 1979 - 1980. In addition, Dr. Reid-Wallace served at Bowie State College as: acting chief executive, 1977 - 1978; dean of the College and vice president for academic affairs, 1976 - 1978; dean of undergraduate studies, 1975 - 1976; and dean of instruction, 1974 - 1975.

Dr. Reid-Wallace graduated from Fisk University (B.A., 1964), Adelphi University (M.A., 1965), and George Washington University (Ph.D., 1981). She was born June 26, 1942, in Williamsburg, VA. Dr. Reid-Wallace has one child and resides in Washington, DC.

Proclamation 6332 -- National Historically Black Colleges Week, 1991 and 1992

September 9, 1991

By the President of the United States of America

A Proclamation

For more than 100 years, our Nation's historically Black colleges and universities have provided rewarding educational opportunities for millions of Black Americans. These institutions have opened the doors of achievement to generations of students who otherwise might not have been able to enjoy the benefits of a higher education. Our entire Nation is richer as a result -- graduates of historically Black colleges and universities have made substantial contributions to our country in virtually every field of endeavor.

The U.S. Department of Education reports that historically Black colleges and universities have provided undergraduate training for three-fourths of all Black Americans holding a doctorate degree, three-fourths of all Black officers in the Armed Forces, and four-fifths of all Black Americans who serve as Federal judges.

Historically Black colleges and universities also lead in awarding baccalaureate degrees to minority men and women in the life sciences, the physical sciences, mathematics, and engineering. Because our National Education Goals include making America's elementary and secondary school students first in the world in math and science, the role of these institutions in promoting high standards for entering students, as well, is more significant than ever.

Committed to excellence as well as to opportunity, our Nation's historically Black colleges and universities embody the kind of proud, determined spirit that is essential to achieving our National Education Goals. Recognizing their potential for leadership as we implement AMERICA 2000, our strategy to bring about a renaissance in American education, I am calling on the office that is responsible for the White House Initiative on Historically Black Colleges and Universities to play an integral part in assisting this Administration in its education efforts. I have also asked the Secretary of Education to continue to encourage and to assist historically Black colleges and universities in their vital mission.

In recognition of their exemplary goals and achievements, the Congress, by Senate Joint Resolution 40, has designated the week beginning September 8, 1991, and the week beginning September 6, 1992, as ``National Historically Black Colleges Week'' and authorized and requested the President to issue a proclamation in observance of these occasions.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the weeks beginning September 8, 1991, and September 6, 1992, as National Historically Black Colleges Week. I invite all Americans to observe those weeks with appropriate programs, ceremonies, and activities, thereby demonstrating our appreciation of and support for these important educational institutions.

In Witness Whereof, I have hereunto set my hand this 9 day of Sept., in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:50 p.m., September 9, 1991]

Note: This proclamation was published in the Federal Register on September 11.

Remarks at the Welcoming Ceremony for President Abdou Diouf of Senegal

September 10, 1991

President Bush. To President and Mrs. Diouf, ladies and gentlemen, a sincere welcome. And on behalf of the United States of America, long known for its fidelity to freedom and human dignity, I am honored to welcome President Diouf, the President of a nation which so clearly echoes those beliefs.

A Senegalese proverb says, ``Misunderstandings don't exist; only the failure to communicate exists."

And, Mr. President, because you have communicated to the world what Senegal embodies, there can be no misunderstanding about the ideals and aspirations that link our two societies and peoples.

For those who follow Senegalese history, it is obvious why Senegal has become one of our closest friends in Africa.

Ever since its independence in 1960, Senegal has adhered to the principles of a democratic political system. Your robust, free press can publish the full spectrum of political thought and opinion. And like us, you have an independent judiciary, vital to any government which operates by the rule of law. And let me mention, too, your enviable record in the field of human rights.

These facts, of course, could describe, we think, our country, the United States of America. We both share a fundamental commitment to the peaceful solution of conflicts. We both believe in the inalienable rights of all. In Senegal it's said, ``Man is the best cure for his own ills." Well, Mr. President, the whole world has begun to vanquish the ills of tyranny and totalitarianism. Bayonets and barbed wire cannot conquer man's yearning to be free.

Last year at this time, Senegal was preparing to send 500 soldiers to the Gulf to participate in Operation Desert Shield. Shortly after the end of Operation Desert Storm, a tragic plane crash in Saudi Arabia claimed the lives of 93 of those brave Senegalese soldiers as they returned to their base near the Gulf after a pilgrimage to Mecca. So, Senegal paid proportionately the highest price of any coalition partner in freeing Kuwait from naked aggression.

We mourn your lost countrymen but know that they died for the noblest cause of all: the unstoppable tide of freedom that today is changing history swiftly, dramatically. Future generations will look to our age and say, ``Here, here in the 1990's began the new world order."

And thus, we welcome not only an old and dear friend to Washington, but a friend who shares our values, who will fight for freedom, and who has a deep appreciation and respect for the American way of life. Mr. President, just as your people love America, so does America love the nation of your birth. God bless you and Senegal and the United States of America. And once again, welcome to our shores.

President Diouf. Mr. President, the words of welcome you have just spoken are those of a true friend. I was deeply moved by them and by the warmth of this beautiful ceremony. Allow me, therefore, at the very outset, to express heartfelt thanks to you on behalf of my wife and on my own and that of the delegation accompanying me.

Mr. President and dear friend, Madam Bush, Your Excellencies, ladies and gentlemen, this is the third time in the space of 2 years that I find myself in this great and beautiful country. This time, however, my visit is of special significance. To begin with, it is my first state visit and the second one by a Senegalese President. It is also significant because it takes place in the background of a particular international setting marked by the end of an era and the heralding of a new order on which we Senegalese and Americans are pinning equal hopes. Add to this the fact that with the strengthening of the Senegalese democracy, our approach becomes more identical to yours. And this in turn makes your model more appealing to us.

Lastly, I note that since the end of the Gulf war, I am the first African President to be received on a state visit by your country. I fully appreciate the significance of this gesture. And I should like to express my gratitude for the thoughtful demonstration of friendship towards me and my country.

At this juncture I should like to dedicate my profound thoughts to the worthy sons of America fallen on the field of honor. As my country suffered the loss of 93 soldiers in Saudi Arabia, I can well appreciate the grief of those who lost their loved ones and to whom I should like to offer once again my condolences. We can take comfort in the fact that their sacrifice has not been in vain, for despite the Gulf war and its aftermath, despite the institutional tremors that have shaken the Soviet Union over the past few weeks, the international atmosphere is, happily, one of detente which our peoples long for.

The progress made in arms reduction with the signing of the START treaty, following the adoption of the Paris Charter for a New Europe, the triumph of democratic demands across the world and particularly in Africa, the dismantling of the legal basis of apartheid -- we still have to draw inferences from it -- are all encouraging signs as we approach the end of the 20th century.

Indeed, never before in the history of mankind has the sound of freedom resounded so loudly and so far and wide. Never have freedom and peace combined so harmoniously for so many human beings and peoples. Yet, this is no permanent achievement. Quite the contrary, it is frail because of the major challenge that is still confronting us, poverty. This is a challenge to us all. Mr.

President, I know that this cause is so dear to your heart. I know and I appreciate the efforts your Government is making to face up to it.

Africa, which had apprehended that it would be marginalized to the benefit of the countries of Eastern Europe, is now resolutely committed to the fight for integration, a must for its development. The adoption and signing of the June 1991 OAU [Organization of African Unity] summit of the treaty establishing the African Economic Community is a clear manifestation of this commitment. In my capacity as the current Chairman of the ECOWAS [Economic Community of West African States], I will leave no stone unturned to translate that commitment into concrete achievements within our subregion. I am confident that countries like yours, together with international institutions which have always been by our side, will support us in our endeavors.

Mr. President, I cannot end without expressing once again my thanks for the warmth of your welcome, without renewing my determination to continue striving with you for the triumph of our common values and ideals for the greater well-being of all men and the whole of mankind. I hope that our efforts to that end will be successful, and I express my most sincere wishes for you and your family's good health and happiness and for the sustained prosperity of the friendly American people.

Note: The President spoke at 10:02 a.m. on the South Lawn of the White House, where President Diouf was accorded a formal welcome with full military honors.

Proclamation 6333 -- General Pulaski Memorial Day, 1991

September 10, 1991

By the President of the United States

of America

A Proclamation

When our ancestors boldly declared America's Independence, the hopes of countless people around the world went with them. Among those who understood the significance of America's struggle for liberty and self-government was the daring Polish patriot, Casimir Pulaski.

Before he journeyed to the United States and volunteered to join the Continental Army, Casimir Pulaski had fought to free his native Poland from tyranny and foreign domination. His devotion to the cause of liberty cost him dearly -- forced into exile, the young Count had to leave behind both his personal fortune and his beloved homeland. Yet Count Pulaski never relinquished his belief in the universal cause of freedom. He reportedly wrote to General George Washington: ``I came here, where Freedom is being defended, to serve it, and to live or die for it." With those words, Casimir Pulaski expressed his determination to stand in solidarity with the American colonists.

An experienced and highly skilled tactician, Count Pulaski was named a General in the Continental Army and was eventually given command of his own cavalry unit. From the time he volunteered for service until his last day in command of the Pulaski Legion, this lifelong freedom fighter participated in a number of important campaigns -- including Brandywine, Germantown, and Trenton. Leading a bold charge during the siege of Savannah on October 9, 1779, he was mortally wounded. He died two days later and was buried at sea.

Were he alive today, Pulaski would find his dreams fulfilled, the cause of freedom won. The ideals of liberty and representative government that were planted on these shores more than 200 years ago have taken root around the world. Under a new, democratic government, the Polish people have begun working to break the cycle of impoverishment and decline imposed by nearly half a century of totalitarian rule. The United States wholeheartedly supports their courageous and determined efforts to establish a market-oriented economy and stable democratic rule.

On this occasion, as we remember General Pulaski's extraordinary contributions to our country, we also pay tribute to our friends in Poland and to the many Americans of Polish descent who have labored and sacrificed to uphold the cause of freedom. Their faithfulness and resolve, like that of General Pulaski, offers a worthy example to us all.

Now, Therefore, I George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim October 11, 1991, as General Pulaski Memorial Day. I direct the appropriate government officials to display the flag of the United States on all government buildings on that day, and I encourage the people of the United States to commemorate this occasion as appropriate throughout the land.

In Witness Whereof, I have hereunto set my hand this tenth day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:02 p.m., September 10, 1991]

Note: This proclamation was published in the Federal Register of September 12.

Nomination of Paul H. Cooksey To Be Deputy Administrator of the Small Business Administration

September 10, 1991

The President today announced his intention to nominate Paul H. Cooksey, of Virginia, to be Deputy Administrator of the Small Business Administration. This is a new position.

Since 1988 Mr. Cooksey has served as vice president and regional management partner with the Oliver Carr Co., in Washington, DC. Prior to this, he served as vice president of Robinson, Lake, Lerer & Montgomery, 1986 - 1988, and as Deputy Assistant Secretary for Administration at the Department of the Treasury, 1985 - 1986.

Mr. Cooksey graduated from Hampden-Sydney College (B.A., 1970) and George Mason University School of Law (J.D., 1981). He was born August 13, 1948, in Tokyo, Japan. Mr. Cooksey is married, has one child, and resides in Alexandria, VA.

Nomination of Herbert Tate To Be an Assistant Administrator of the Environmental Protection Agency

September 10, 1991

The President today announced his intention to nominate Herbert Tate, of New Jersey, to be an Assistant Administrator of the Environmental Protection Agency for Enforcement and Compliance Monitoring. He would succeed James J. Strock.

Since 1986 Mr. Tate has served as Essex County prosecutor in Newark, NJ. Prior to this he served as a private practitioner, 1985 - 1986, and as an associate attorney with the law firm of Carella, Byrne, Bain & Gilfillan, P.A., in Roseland, NJ, 1983 - 1985.

Mr. Tate graduated from Wesleyan University (B.A., 1974) and Rutgers University School of Law (J.D., 1978). He was born February 22, 1953, in Karachi, Pakistan. Mr. Tate resides in West Orange, NJ.

Letter to Congressional Leaders Transmitting a Report on International Export of Missile Technology to Iraq

September 10, 1991

Dear Mr. Chairman:

Enclosed is a classified report with an unclassified summary on the international export to Iraq of nuclear, biological, chemical, and ballistic missile technology as required by section 586J(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513).

Also enclosed is an unclassified report on sanctions taken by other nations against Iraq as required by section 586J(c) of the Act.

Sincerely,

George Bush

Note: Identical letters were sent to chairmen Robert C. Byrd of the Senate Appropriations Committee, Claiborne Pell of the Senate Foreign Relations Committee, Jamie L. Whitten of the House Appropriations Committee, and Dante B. Fascell of the House Foreign Affairs Committee.

Toasts at the State Dinner for President Abdou Diouf of Senegal

September 10, 1991

President Bush. Ladies and gentlemen, welcome to the White House. And to President and Mrs. Diouf and members of the Senegal delegation, a very special welcome.

Nine years ago, Barbara and I were hosted in Senegal, never forgotten that trip. And today, we have the opportunity to try in this manner to repay Senegal's marvelous hospitality. And we welcome to America's home, to this White House, a first citizen of the continent of Africa. This week provides an opportunity for our countries to renew the shared interest which link our two nations and peoples and the values that join us, the values we hold so dear. We both revere liberty and human dignity and respect for the rights of man. And we each believe for individuals, choice; for society, pluralism; and for nations, self-determination.

And together, by lifting minds and horizons, we are helping to shape a new world order. You see, Senegal was the first sub-Saharan African nation to say to Saddam Hussein, ``Your aggression will not stand." And America, sir, applauds your courage in opposing this threat to world security. You lifted up, you buoyed the coalition, and you showed that strength of character will always outlast strength of arms.

Mr. President, you know, as recent events have verified, totalitarianism is crumbling because democracy would not, will not be denied. And now, let us all pledge to help Senegal's democratic system serve as a model for those countries seeking to embrace the principles of self-government, self-determination, and freedom of expression.

We seek a world in which the lamp of liberty brightens every corner of the Earth. And in that spirit, I would like to close with words from Leopold Senghor, a poet-politician who was the first President and founder of independent Senegal. Forty-six years ago, near the end of World War II, President Senghor wrote ``A Prayer For Peace," and he spoke of the peoples of Europe, Asia, Africa, and America and concluded this way: ``Grant that their warm hands embrace the Earth in a band of brotherly hands under the rainbow of your peace."

Mr. President and ladies and gentlemen, now I would ask that you guests and others join me in a toast: to the health of our good friend, President Diouf, to the happiness and prosperity of the Senegalese people, and to those brotherly hands which can build a peace for our children and all the children of the world.

God bless you, Mr. President. Welcome to the White House.

President Diouf. Mr. President, allow me to say how happy my wife and I, and also the delegation accompanying me, are to be in this great country and among its friendly people. I come at the invitation of a very close, personal friend and a great respected leader, whose dynamism in terms of ideas, clear-sightedness, and steadfastness of purpose evoke admiration.

I come to meet a great people who have established themselves as staunch defenders of the ideals of freedom, democracy, peace, and respect for human rights. They are the people whom you have referred to as ``a beacon of hope shining for the whole world."

The developments that have taken place in recent months have brought to the fore how you view these peoples' responsibilities, and they have demonstrated the correctness of your vision. They have given us Senegalese added reasons to be proud to be counted among your friends and to share with you the same ideals.

By this, I'm not just referring to the crucial part that your country played in solving the Gulf crisis. What I also have in mind, and I should like to emphasize this, is the triumph of the principles which form the basis of the societies we are striving to build and our common wish to see a new order prevail in international relations. I know that I also speak for you when I stress that this new order should be characterized more by the rule of law, a greater solidarity among peoples and nations, as well as a full respect for human rights and basic freedoms. But I hasten to point out that it should also foster a process of democratization of international relations so that we are able to entrench democracy better within all states and to usher in a world in which the ballot paper will permanently replace the bullet. This would indeed be a wonderful posthumous victory for one of your illustrious predecessors, who said of the ballot that it is stronger than the bullet.

The United Nations, which has yet again proved its usefulness and effectiveness, appears to me as the prime instrument to achieve that objective. And with the United States at the forefront, the outcome of the struggle is never in doubt. For all these reasons I should like to express, in addition to my compatriots' deep admiration for Your Excellency, my government's determination to intensify, strengthen, and diversify the excellent relations that happily exist between our two countries. Better still, we want to reinforce day by day the age-old links that our two peoples have established and that will be symbolized by the Goree-Almadies Memorial.

The exceptionally warm welcome showered on my wife and me and on my delegation, and your determination to help Senegal succeed in its development efforts, are clear indications that you are similarly well-disposed towards us. That is why my visit could not have got off to a better start. That is also why I look forward to seeing our already exemplary bilateral cooperation develop further. And I'm delighted to meet again a very dear friend of mine.

With this fond hope, I invite you, ladies and gentlemen, to raise your glasses and drink to the health and personal happiness of His Excellency, Mr. George Bush, and Madam Barbara Bush, to

whom I pay my humble respects: to friendship and co- operation between the United States and Senegal, to the sustained prosperity of the friendly American people, to freedom and democracy for all peoples.

Note: President Bush spoke at 8:08 p.m. in the State Dining Room at the White House. In his toast, he referred to President Diouf's wife, Elizabeth, and President Saddam Hussein of Iraq. President Diouf spoke in French, and in his remarks he referred to a memorial to slaves brought to America from Senegal.

Exchange With Reporters Prior to a Meeting With Congressional Leaders

September 11, 1991

Cuba

Q. Mr. President, what do you think of the Soviets pulling their troops out of Cuba?

The President. I wish they'd hurry up. [Laughter]

Middle East Peace Talks

Q. Mr. President, are you going to lose on the loan guarantees to Israel in Congress?

The President. Well, I don't know what you mean by lose on it. What I'm for is the peace process to be successful, and we're working diligently for that. And so, the program I'm recommending in my view is the best to enhance peace in the area that's vital, of vital interest to the American people, the people in the Middle East, and indeed, to around the world. If I've ever seen one initiative that has support worldwide, it is this concept of at last getting people in the area to talk to each other about peace.

And so, what I'm suggesting in a simple delay here, in my view and in the view of all of us in the administration, is the best way to set the proper tone for these talks to start. And I feel very strongly about it. So, it's not a question of winning or losing in my view. Strong-willed people look at these matters differently. My view is that a delay is in the interest, and I'm going to fight for it. And I think the American people will back me on it if we take the case to the people. But what we're really trying to do is work it out without getting into a lot of confrontation. And I think that's the approach to take at this point.

Q. Can you avoid confrontation when they're bringing the fight to you, when they're going around you? When the Government of Israel has its own -- --

The President. I can take quite a few punches. But that's not what we're talking about here. We're talking about working harmoniously together in the spirit of co- operation. And I've seen comments from abroad that I didn't particularly appreciate. But we're the United States of America, and we have a leadership role around the world that has to be fulfilled. And I'm calling the shots in this question in the way I think is best. And I've got some selling to do with certain Members of Congress, and that's understandable to me.

So, we'll see how it comes out. But I'm not approaching this in the spirit of confrontation if that's

the question. You haven't seen any real controversial statements coming out of here up till now.

Q. You're not committed to the guarantees after the 120 days, sir, are you?

The President. I'm committed to seeing that they get considered. And we generally have been quite supportive of the idea of absorption. We've taken the lead, the lead around the world in facilitating the question of the Soviet Jews coming to Israel and the Ethiopian Jews as well. The position of this administration is not only well known but I think it's highly respected in Israel and around the world for this.

So, we're not backing off from that. And in principle, this concept of helping, we want to do it. But I'm not committed to any numbers and never have been. There was a very misleading statement in the papers today, out of Israel, that I'd like to clear up because it said that we were committed, and they wanted what we'd committed to. And I'm sorry to tell you that simply is not correct. And if they're going to deal on this question, we ought to be dealing from the facts. And so, that one was not a fact, just some spokesman. I don't know who he was or what he was trying to do. But it gives me a good chance to make clear that that isn't correct.

Q. Do you take threats from the Israelis that they may stay away from the peace conference if they don't get -- do you take those seriously?

The President. I've seen no threats from them. I've seen no threats from them. We have a special and a good, strong relationship with Israel, and that's going to continue. But I've seen no threats, and we don't deal in threats over here. And we don't try to threaten other people. That's not the way you accomplish something in foreign affairs.

Q. Are you concerned, though, that they may not come to the peace table?

The President. No. I think they're committed, and I think it's a good thing they are. And I think others are committed, and we want the climate to be right to facilitate their coming to the table. Everybody wants these parties to come to the table all around the world.

What we're talking about here is a simple delay of 120 days before this matter is debated because out of the debate is going to come a lot of posturing and positioning that in my view will not help the peace process. So, that's what it boils down to, and that's why this very reasonable request is being made.

Q. Mr. President, you sound like you don't think you'll prevail.

The President. Mr. Dole made it -- --

Supreme Court Nominee

Senator Dole. Clarence Thomas did an outstanding job, Mr. President.

The President. Thank you for changing the subject. It lets me say I was very moved by his testimony -- I've just had a chance to talk to some of you all here today -- not only moved by it but impressed by his answers as I now see them. And I must say I am more confident than ever that I've made the right nomination to go up to the Senate. I think the support from the American people is out there and strong, particularly after this moving presentation yesterday. I might say I see one guy sitting over here who I feel equally as strongly about, and that's Bob Gates. So, when those hearings start, why, I'll have strong supportive words of that one again, too, because he's the right man to run the intelligence community.

That's about it. This is a full-scale press conference.

Q. Do you think he'll answer any of the questions that are being put to him?

The President. He's doing a superb job and knows exactly how to handle himself, and I think that's what's coming through. Here's a man not only with experience and qualifications but ability to handle himself under tough questioning.

Note: This exchange began at 10:10 a.m. in the Cabinet Room at the White House. Senator Bob Dole referred to the Senate confirmation hearings of Clarence Thomas, nominee for Supreme Court Associate Justice. The President referred to Robert M. Gates, nominee for Director of the Central Intelligence Agency. A tape was not available for verification of the content of this exchange.

Remarks to Representatives of the Baltic States

September 11, 1991

Thank you very much. Listen, this is a very joyous day. And let me first start by thanking our Secretary. I don't expect there's a person here today that's come to the White House for this event that hasn't known, personally, Ed Derwinski. I expect all of you respect him as I do.

This cause, this concept of freedom for the Baltic States, has been his cause for a long time, long before he became a Secretary in the Cabinet, all through his congressional days, and before that. And I've been with him as he's been to certain of these ethnic festivals, and I've seen the affection for him in your communities. And so, I wanted to start by saying how fortunate I am I can have him at my side in the administration, and to thank him for his steadfast support.

I also am very pleased to welcome all of you to the White House. I view this as a special and, certainly, historic event: the freedom, the independence of Estonia, Latvia, and Lithuania, and the establishment of diplomatic relations between the U.S. and those free countries.

So also, let me give a warm welcome to a distinguished visitor, the Speaker of the Estonian Parliament, Mr. Nugis, who's with us today, and ask him to stand. Welcome to you, sir.

I'd like first to pay tribute to the many leaders, the men and women in this room, who stood resolutely for so many years in support of freedom in the Baltics and throughout the dark days of the cold war. The Baltic peoples had two indefatigable champions in the United States: their fine diplomats in Washington and this power that came from the Americans of Baltic heritage. Neither ever allowed the world to forget the crime visited upon the Baltic States 51 years ago.

And I've just had the privilege of visiting with these people standing behind me, these three gentlemen, remarkable men: Consul General of Estonia, Mr. Jaakson; the Charge of Latvia, Mr. Dinbergs; and the Charge of Lithuania, Mr. Lozoraitis. And I salute them, all of them.

Each of these men deserves our respect and our admiration and our gratitude for this tireless devotion to freedom and for helping us, reminding those of us in public life that we must never forget the Baltic peoples. When they'd come to these receptions, people would wonder about it, but I'm proud that the United States always had them there. But they were a reminder, in person and in group, a reminder of the need to press forward for freedom.

I'd also like to praise our other distinguished guests today, the leaders of the community, and I guess that includes everybody here, or you probably wouldn't be here. Few have done so much for their homeland as you have. I know it's appreciated in your home countries. You've honored both the countries from which you have sprung and the country in which you now live. And Americans are especially gratified by the restoration of Baltic independence.

You know, since Roosevelt, since President Franklin Roosevelt, one of the men for whom this room is named, we are in the Roosevelt Room, as you know, he refused to accept the Soviet occupation of the Baltics in 1940. And ever since then the United States has pressed for the international recognition and the independence of the Baltics.

And in many meetings with President Gorbachev during the last 2 years, we reiterated, and I did personally, and Jim Baker did over and over again, making it abundantly clear that there was no alternative to freedom for the Baltics. And I'd like to think now that, hopefully, in some way that made a difference in convincing the Soviet leadership to do the right thing. Estonia, Latvia, and Lithuania are free again, and we welcome them back to the commonwealth of freedom.

Ladies and gentlemen, it is our responsibility, all of us as Americans, to help the Baltics integrate fully into the West, to nurture these young democracies, to help them transform their economies towards a free market that we all know works so well. And I'm therefore very pleased to announce today a series of measures, beginning measures to start this process which the Secretary of State will be discussing with the Baltic leaders when he visits the region in not so many hours from now.

But first, I'm pleased to announce that, and this is a fait accompli, I'm pleased to say also that the United States will sponsor Estonia, Latvia, and Lithuania for membership in the United Nations at the General Assembly on September 17th, just as we supported them for membership in the CSCE earlier this week.

Second, as many of you know, the United States safeguarded for over 50 years financial assets of the Baltic Governments. And we look forward to working with the independent Baltic States on arrangements for unfreezing the gold and other assets as soon as possible and move forward on that just as quickly as we can.

Third, we will move quickly to normalize our own economic relationship with the Baltics by extending the most-favored-nation treatment and including them under the trade enhancement initiative designed to increase their trade with the West. And we'll also provide GSP and OPIC benefits. And we'll continue the work we've already started to provide medicine for the Baltic hospitals.

Fourth, we will help the Baltics to integrate into the world economy. This is a big one, a very important one, economic integration. We will encourage the IMF and the World Bank to work closely with the Baltics to prepare them for membership. We hope that membership in the European Bank for Reconstruction and Development will proceed on a fast track, and we will also support Baltic participation in the OECD Center for Economies in Transition.

And fifth, we will work closely with our allies in the G - 24 process to coordinate economic

assistance to the Baltic States. For our part, the U.S. intends to extend a variety of technical assistance and other programs under the Support for Eastern European Democracies Act.

Finally, I'm delighted to announce today that we will move immediately to establish a Peace Corps program for Estonia and Latvia and Lithuania.

Let me say in closing that as the United States was true to the Baltic States in captivity, we will continue to be true to them as democratic partners in the years ahead.

It's been a pleasure to contemplate this, for me. At least, and I think for others here, this emotional event. It is a special day. When these three worthy advocates of independence of the Baltic States came into the Oval Office, I think they, too, felt the emotion of the moment. I expect many of you, too. We want to do our part; we want to lead. We want to help these new countries, and many of you, all of you, almost all of you, as Americans can do your part in the future, just as you can take great credit for the part you've played in the past in keeping administration present, administrations past, aware of the need to fight and stand for Baltic independence.

Congratulations to each and every one of you, and may God bless the Baltic States and the United States of America.

I think, unless you all want to say something, that concludes my role. But listen, I'm delighted you all were here. There's the newest American and Baltic parity, right there. [Laughter] The youngest in the whole world.

Note: The President spoke at 1:25 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Secretary of Veterans Affairs Edward J. Derwinski; Ulo Nugis, Speaker of the Parliament of Estonia; Ernst Jaakson, Estonian Ambassador-designate to the United States; Anatol Dinbergs, Charge of the Latvian legation to the United States; Stasys Lozoraitis, Lithuanian Ambassador-designate to the United States; President Mikhail Gorbachev of the Soviet Union; Secretary of State James A. Baker III; and a baby who was in the audience.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Jan Krzysztof Bielecki of Poland

September 11, 1991

President Bush was very pleased to welcome Prime Minister Bielecki of Poland to the White House. The Prime Minister and President Walesa deserve great credit for reforming the Polish economy and building Polish democracy.

Poland is leading the way with a radical economic transformation, and it is working. The private sector is growing dramatically. Exports are on the rise. American investors are giving Poland a vote of confidence. Enormous difficulties remain: the legacy of the inefficient Communist system, the collapse of the Soviet market, and others, but President Bush assured the Prime Minister that the United States stands with Poland as it moves toward economic recovery.

In discussing the revolutionary changes in the Soviet Union, President Bush also assured the Prime Minister that Western support for reform there will not be at the expense of Poland or the other new democracies. In fact, having gone far down the road toward a free economic system, Poland should now have a role in supporting the expansion of democracy and markets farther east. President Bush therefore proposed that our Governments explore ways for Poland to participate in efforts to assist the Soviet Union and the Baltic States.

The United States is also opening its markets to Polish products and will soon be negotiating more liberal trade agreements with Poland, Hungary, and Czechoslovakia. We hope the European Community will also move quickly to open its markets. Additionally, we are increasing our support for Poland's private sector. The Polish-American Enterprise Fund has now committed more than $100 million for new ventures. And President Bush was pleased to announce a new housing loan guarantee program for the region, with the majority going to assist Poland in developing a private housing sector.

At this time of historic change in the Soviet Union and the Baltic States, Poland's success is all the more important to us. As President Bush told Prime Minister Bielecki, the United States attaches great importance to Poland's security and independence and to the new U.S.-Polish partnership.

Message to the Senate Transmitting the International Convention on Salvage, 1989

September 11, 1991

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the International Convention on Salvage, 1989, done at London April 28, 1989, and signed by the United States on March 29, 1990, subject to ratification. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Convention.

This Convention is designed to promote sound environmental practices by commercial salvors and to strengthen the maritime transportation industries by ensuring that salvors receive adequate compensation. This Convention also incorporates the essential provisions of the Convention for the Unification of Certain Rules of Law with Respect to Assistance and Salvage at Sea, done at Brussels September 23, 1910 (27 Stat. 1658, TS 576, 1 Bevans 780), which it will replace for States Party to both Conventions to the extent their provisions are incompatible. The 1910 Convention reflects the traditional international admiralty principles that a salvor may be remunerated for salvage services only if successful, and the salvage reward is limited to the value of the property salved.

The 1989 Salvage Convention offers increased protection for the marine environment by requiring both the vessel owner and the salvor to use due care to protect the marine environment and permits the salvor to be rewarded for preventing or minimizing damage to the environment during salvage operations.

The United States played an active role in the development and negotiation of this Convention. The affected public sectors have been fully consulted. All recommend expeditious ratification of the Convention.

I recommend that the Senate give early and favorable consideration to the 1989 Salvage Convention, and give its advice and consent to ratification.

George Bush

The White House,

September 11, 1991.

Nomination of Edward P. Djerejian To Be an Assistant Secretary of State

September 11, 1991

The President today announced his intention to nominate Edward P. Djerejian, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counsellor, to be an Assistant Secretary of State for Near Eastern and South Asian Affairs. He would succeed John Hubert Kelly.

Since 1988 Ambassador Djerejian has served as the U.S. Ambassador to the Syrian Arab Republic. Prior to this he served as Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs, 1986 - 1988; as a Special Assistant to the President and Deputy Press Secretary for Foreign Affairs, 1985 - 1986; and as the Deputy Chief of Mission at the American Embassy in Amman, Jordan, 1981 - 1984. In addition, he served at the American Embassy in Moscow as chief of external affairs in the political section and then as acting political counselor, 1979 - 1981.

Ambassador Djerejian graduated from Georgetown University (B.S., 1960). He was born March 6, 1939, in New York, NY. Ambassador Djerejian served in the U.S. Army, 1960 - 1962. He is married, has two children, and resides in Bethesda, MD.

Message to the Senate Transmitting the International Telecommunication Regulations

September 11, 1991

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the International Telecommunication Regulations, with appendices, signed at Melbourne on December 9, 1988, with a statement, including a reservation. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Regulations.

The International Telecommunication Regulations (Melbourne, 1988) replace the Telegraph Regulations and the Telephone Regulations (Geneva, 1973), to which the United States is a party.

The International Telecommunication Regulations provide suitably neutral and flexible guidelines for international telecommunication networks and services offered to the public. The Regulations are in the public and commercial interest of the United States.

The International Telecommunication Regulations entered into force on July 1, 1990, among states that have notified the Secretary General of the International Telecommunication Union of their adherence.

I believe that the United States should become a party to the International Telecommunication Regulations, and it is my hope that the Senate will take timely action on this matter and give its advice and consent to ratification.

George Bush

The White House,

September 11, 1991.

Remarks at the Stan Scott Tribute Dinner

September 11, 1991

Thank you all, and please be seated. And Connie, let me thank you on behalf ofeverybody here for your key role in making this such a very special evening. Lou Sullivan, our Secretary, who in my view is doing a superb job, is, as many of you know, off in Africa or he certainly would have been here. And he sends his greetings.

And I don't know how you begin to thank everybody in this distinguished audience. We have Senator Pressler, Senator Breaux, and Bob Livingston, Julian Dixon, Art Fletcher, Charlie Rangel, Buddy Roemer, Ambassador Weinmann, Sid Barthelemy, Chris Edley, Bill Gray. Ron Brown's supposed to be here. I hope he is. Percy Sutton, Lionel Hampton, Vernon Jordan, Peabo Bryson, and on and on it goes in one of the most glamorous get-togethers. I don't see how some of us fit in the same room with our views, but you know why we're all brought together: It's Stan Scott.

What are you laughing at? [Laughter]

But let me also salute the family: Bettye and, of course, Stan and Susan, Ken, Stan, Jr. I'm fibrillating just trying to get through the acknowledgments of this darned dinner. [Laughter] Barbara and I don't go out much. [Laughter] We get asked out some, but we don't go out much. And I know I speak for her when I say what a joy, just on a plain friendship basis, what a joy this evening has been.

Imagine a guy like me from Texas associating with an Ivy League elitist like Governor Roemer of Louisiana. [Laughter] It's absolutely -- two degrees from Harvard. Can you imagine that? And when I got tonight's program and looked down this awesome list of speakers, I felt like a contestant on ``Star Search.'' [Laughter] It's bad enough when you have one act to follow, but six is a little too much.

And after all this eloquence, I know how Zsa Zsa Gabor's last husband felt. [Laughter] I know what I'm supposed to do, but I'm not exactly sure how to make it interesting. [Laughter]

But, listen, thank you, Connie, and all the others that arranged this wonderful program for, really, for urging us to come, for letting me participate, and Barbara and me to be such enthusiastic participants in this. Let me salute the Stanley Scott Scholarship Fund. And I can't tell you how much it means to join all of you in praising our close friend and saying a simple thanks to you, Stan, for bringing us all together and for so much more.

You know, Stan offers living proof that love nourishes virtue, that hard work pays, that good things happen to good people, and most impressive, that some journalists can turn to honest work.

[Laughter]

Now that you have sold your beer distributorship, Stan, you are at liberty to divulge the great secret. And I hope Leonard Goldstein won't take offense. But we all want to know which is it: ``tastes great'' or ``less filling''? [Laughter]

Those of us who know Stan and feel we know him well, know that four passions govern his life: love of family, love of country, love of adventure, and love of good works. And I'm leaving out his love of the Los Angeles Lakers which is a sore subject this year.

But Stan's family instilled in him a real hunger for knowledge. And lest some of you haven't milled through this room, I don't know whose looking after Atlanta. So many Scotts from there are here. But somebody's looking after the store.

But you feel this sense of family when you're around Stanley. And you know that his family instilled in him a real hunger for knowledge. His love of country inspired him to give back some of freedom's blessings. His love of adventure gave him the courage to shift careers without even shifting gears: journalism, politics, corporate communications, private business. And his love of good works moved him to try new ideas, new angles, new approaches, to make the best for this magnificent gift of friendship.

If you look around the room, you get an appreciation of the power of Stan's personality. Here, we have people of all colors, all parties, all backgrounds. It's the darndest, wild, and crazy mix of different political views I've ever seen. You have Democrats such as former Congressman Bill Gray and New Orleans' very able Mayor Sidney Barthelemy join Republicans such as Connie Newman and Buddy Roemer. And we're here because of Stan, who taught us all really what friendship means and because we know that education can foster true brotherhood. It can lead us as individuals and as a Nation to the true equality that we have sought so long. It can dissolve the ignorance, prejudice, and hatred that build high walls between people.

And the United Negro College Fund strengthens America by extending educations to deserving men and women at 41 private historically black colleges and universities. The Stanley Scott Scholarships will be built upon that solid legacy.

And no one here underestimates the importance of the UNCF's mission or, frankly, the difficulties that it faces. Many UNCF institutions have suffered through some tough times, but they have survived, thanks to the hard work of people in this room and to the professionals who work at UNCF institutions.

The United Negro College Fund keeps hope alive by ministering specially to black American men and women. And if you'll permit me a personal note, my own personal involvment started way back in 1947 when I was at college and when Bill Trent, who was well and favorably known

to so many of us in this room, came into my life and signed me up. Now, as Bill Gray very generously mentioned, as honorary chairman of Campaign 2000, I take great happiness and great joy in the fact that my family has a continued involvement. And my younger brother, John, will become chairman of the board of the United Negro College Fund, starting in April of 1992.

We all know, we all believe, that a mind is a terrible thing to waste and so, frankly, are United Negro College Fund colleges and universities. We must not let them be wasted.

And before I go any further, let me just ask everyone to thank and to recognize Chris Edley's fabulous work as UNCF president. Can't see him out there, but -- -- [applause]. And I know there are other previous presidents, my old and dear and close friend Art Fletcher and Vernon Jordan, and I'm leaving out a thousand because so many men of distinction and others have served as president of the UNCF.

Now, a word about the next president of the UNCF. You see, Bill's appointment is a two-fer, what they call a two-fer for me. When he resigned his seat in the House today, the Democrats lost a fine leader, and I lost a very tough and a very effective, always fair, but a very tough and effective opponent. But the cause I care about deeply, the one that joins us tonight, has gained this great leader. And so, I can't help but win. Get him out of the way. And here we are working together for a cause we all believe in.

But our real star at this all-star tribute is Stan and his many contributions to our lives. The Scott Scholarship Fund represents the kind of service that all of us admire. And it will extend the gift of knowledge to young men and women who might not otherwise get college educations. It will strengthen the 41 private institutions that comprise the UNCF. And it will strengthen, really it will strengthen our Nation.

I'm committed to seeing our Nation become the world's leader in education. I hate to see this many people assembled without making what perhaps is the only partisan pitch of the evening, but I will make it as nonpartisan as possible: I do want to ask you to look at our America 2000 education strategy. It is new, it is innovative, and I believe that it will achieve the national education goals that we established in conjunction with every single one of the Nation's Governors. So, look at it, and help us if you can. It's going to lead to great things for the kids of this country.

I know that we have these political differences, but we're setting those all aside. And better, let us use them if we can as a source of strength. We must remember always, in the process, that civility lies at the heart of civil rights.

The people in this room can make a huge difference, as Stan has, and many of you in this room have. Let me give you an example. I don't know if Ron Brown, who's been a sponsor of this organization, is here tonight, and I don't mean to embarrass him. But let me just tell you what I'm

talking about when I'm talking about civility.

I think of the wasting illness that claimed my friend, Lee Atwater. And some in the press and some in the political arena taunted him. He invited some of it, I'll readily admit, but nevertheless, they taunted him. And the personal attacks really tortured his family and his friends. And during all of this, Ron Brown quietly and gently sent messages of encouragement and friendship to Lee and Sally Atwater. He didn't leak it to the press. He did what friends do: He just gave a piece of himself. And I don't have to state the obvious, but Ron and Lee didn't agree on a hell of a lot in terms of politics. But they knew that no political dispute is worth surrendering people's basic decency. And I salute Ron for that approach.

And so, many of us will disagree over particulars of social policy, but we have only ourselves to blame if we fail to promote a good society, a Nation united in its quest for brotherhood, indivisible in its determination to provide sound educations for everyone, committed to promoting the kind of fairness that really counts, a growing economy that gives every man and woman a fair chance to go as far as their abilities will take them. And Stan, you see, has given life to the ideas discussed here tonight.

His strength of character and the range of his accomplishments are legend; I loved that film. We may have little fights, but Stan has taken on what literally is the fight of his life.

And, Stan, we love you. We're pulling for you. You have served your Nation and your many friends long and selflessly. We salute you. And ladies and gentlemen, so let us just give thanks to and for a great American. And, Stan, thanks for giving us a look at our better selves and depriving us of excuses when we think that things seem too tough, the odds too long, the path too cluttered with obstructions.

You, through your example, have overcome, and in time so shall we all. God bless you.

Note: The President spoke at 8:34 p.m. in the ballroom at the Washington Sheraton Hotel. In his remarks, he referred to Constance Berry Newman, Director of the Office of Personal Management; Secretary of Health and Human Services Louis W. Sullivan; Senators Larry Pressler and John B. Breaux; Representatives Bob Livingston, Julian C. Dixon, and Charles B. Rangel; Arthur A. Fletcher, Chairman of the Commission on Civil Rights; Governor Buddy Roemer of Louisiana; John G. Weinmann, U.S. Ambassador to Finland; Sid Barthelemy, mayor of New Orleans; Chris Edley, former president of the United Negro College Fund; William H. Gray III, president of the United Negro College Fund; Ronald H. Brown, chairman of the Democratic National Committee; Percy Sutton, general partner, Apollo Theatre Investor Group; musician Lionel Hampton; Vernon E. Jordan, Jr., former president of the National Urban League; singer Peabo Bryson; Stan Scott's wife, Bettye, and family members Susan, Ken, and Stan, Jr.; Leonard Goldstein, president of Miller Brewing Co.; William Trent, former president of the United Negro College Fund; John Bush, brother of President Bush; and Lee Atwater, former

chairman of the Republican National Committee, and his widow, Sally. The President also referred to the television program, ``Star Search'' and a video shown at the dinner on Stan Scott's life. A tape was not available for verification of the content of these remarks.

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board

September 11, 1991

To the Congress of the United States:

I hereby submit to the Congress the Annual Report of the Railroad Retirement Board for Fiscal Year 1990, pursuant to the provisions of section 7(b)(6) of the Railroad Retirement Act, and section 12(l) of the Railroad Unemployment Insurance Act.

The Railroad Retirement Board (RRB) serves nearly 900,000 railroad retirees and their families and almost 280,000 railroad employees who rely on the system for retirement, unemployment, disability, and sickness insurance benefits. Beneficiaries depend on the financial integrity of the pension funds for payment of their benefits.

This report includes the RRB's 18th actuarial valuation of the railroad retirement program's assets and liabilities. The valuation concluded that, barring a sudden, unanticipated, large drop in railroad employment, the railroad retirement system will experience no cash-flow problems for at least 20 years. The long-term stability of the system, however, remains questionable, and under the current financing structure, actual levels of rail employment in the coming years will determine whether additional corrective action is necessary.

The Railroad Retirement Reform Commission, created by the Congress to give the rail sector a chance to address the financial instability of the rail pension, issued its report in September of 1990. I strongly oppose the report's recommendation to renew the diversion of Federal income taxes to the rail pension. Since 1983, approximately $1.5 billion in such taxpayers subsidies have been given to the rail pension fund. Railroad pension benefits should be financed solely by rail sector resources, and I will continue to oppose any additional general revenue funding measures for the railroad retirement system.

Other Commission recommendations such as privatization hold promise as equitable reforms to the system; rules protecting private pensions (ERISA) should also apply to the railroad's private pension system.

The Commission adopted a proposal contained in the Administration's FY 1992 budget to extend benefits to all rail sector beneficiaries, such as widows and divorced spouses. These individuals would have been eligible for benefits under Social Security but are denied equivalent benefits by the rail system. Conforming rail social security and Social Security would make the rail pension benefit structure more equitable. This Administration has a strong belief in just governance and supports such a measure that would conform benefit eligibility under the Railroad Retirement Act

with the Social Security Act.

The Office of Management and Budget (OMB) was concerned with the overall management of RRB programs and engaged in a thorough management review of its operations. As a result of this review, an agreement was reached between OMB and RRB that included a 5-year management plan outlining the specific improvements and resources necessary to achieve much needed reforms at the RRB. Both OMB and RRB are committed to many substantial reforms, and the RRB leadership is demonstrating a new and progressive approach to addressing inefficiencies, debt collection, and automation modernization. I commend the Board for its efforts and urge the Congress to support appropriations for these measures to enhance RRB efficiency, eliminate material weaknesses, and to protect the integrity of the trust funds. The RRB Inspector General's Office also deserves praise for its diligence in monitoring and enforcing industry compliance with the pension contribution statutes. Such efforts help to preserve the integrity of the rail pension funds, on which rail employees and retirees depend.

George Bush

The White House,

September 11, 1991.

Nomination of Jose E. Martinez To Be Director of the Trade and Development Program

September 11, 1991

The President today announced his intention to nominate Jose E. Martinez, of Texas, to be Director of the Trade and Development Program. This is a new position.

Currently Mr. Martinez serves as Special Assistant to the President and Associate Director of Presidential Personnel at the White House in Washington, DC. Prior to this, he served as Associate Director of Presidential Personnel for national security matters, 1990; as president of J.E. Martinez & Associates, Inc., a consulting firm in Alexandria, VA, 1985 - 1990; and he served as a professional staff member of the United States Senate Committee on Armed Services, 1981 - 1985.

Mr. Martinez graduated from Our Lady of the Lake University in San Antonio, TX (B.A., 1976) and The Catholic University of America (M.A., 1979). He was born August 14, 1941, in Matamoros, Mexico. Mr. Martinez served in the United States Air Force 1961 - 1981. He is married, has five children, and resides in Alexandria, VA.

The President's News Conference

September 12, 1991

The President. Since the end of the Gulf war, we've worked extremely hard to take advantage of what we believe are new and exciting possibilities for peace in the Middle East. Secretary of State Baker has traveled to the region about a half a dozen times and will go again in a few days. As a result of these efforts we're on the brink of an historic breakthrough. We've come a long, long way, and we're close to being able to convene a peace conference that, in turn, would launch direct peace negotiations between Israel and the Arab States, something the state of Israel has sought since its inception.

A few days ago, I asked Congress to defer consideration for 120 days of Israel's request for $10 billion in additional U.S. loan guarantees meant to help Israel absorb its many new emigrants. I did so in the interests of peace. I did so because we must avoid a contentious debate that would raise a host of controversial issues, issues so sensitive that a debate now could well destroy our ability to bring one or more of the parties to the peace table.

A good deal of confusion surrounds this request for deferral, confusion that I'd like to try to clear up. Let me begin by making clear what my request for delay is not about. It's not about the strength of my or this country's support for emigration to Israel. Both as Vice President and President I've tried my hardest to do everything possible to liberate Jews living in Ethiopia and the Soviet Union so that they could emigrate to Israel. Today, in no small part due to American efforts, hundreds of thousands of people are now living in Israel able at last to live free of fear, free to practice their faith.

Nor should our request for delay be viewed as an indication that there exists any question in my mind about the need for a strong and secure Israel. For more than 40 years the United States has been Israel's closest friend in the world, and this remains the case and will as long as I am President of the United States.

This is a friendship backed up with real support. Just months ago, American men and women in uniform risked their lives to defend Israelis in the face of Iraqi Scud missiles. And indeed, Desert Storm, while winning a war against aggression, also achieved the defeat of Israel's most dangerous adversary. And during the current fiscal year alone and despite our own economic problems, the United States provided Israel with more than $4 billion in economic and military aid, nearly $1,000 for every Israeli man, woman and child, as well as with $400 million in loan guarantees to facilitate emigrant absorption.

My request that Congress delay consideration of the Israeli request for $10 billion in new loan guarantees to support emigrant absorption is about peace. For the first time in history, the vision of Israelis sitting with their Arab neighbors to talk peace is a real prospect. Nothing should be

done that might interfere with this prospect. And if necessary, I will use my veto power to prevent that from happening. Peace is what these new emigrants to Israel and, indeed, all Israelis long for. Their chance for a decent job, a decent life, depends on it.

It is our goal to support the welfare of the new emigrants and to have peace; not to choose one humanitarian goal at the expense of the other.

Let me end with just one final point: The Constitution charges the President with the conduct of the Nation's foreign policy. And during Desert Shield and then Desert Storm, I came before the American people, as President, asking for the latitude to do what was right and necessary. A good many sincere Members of Congress of both parties disagreed at the time. And now again there's an attempt by some in the Congress to prevent the President from taking steps central to the Nation's security.

But too much is at stake for domestic politics to take precedence over peace. This I know is something the bulk of the American people understand. And I'm asking the Congress to postpone this question for 120 days. This postponement is not meant to prejudice in any way of what we would do come January. And I'm asking the American people to support me in this request.

Quite simply, a 120-day delay is not too much for a President to ask for with so much in the balance. We must give peace a chance. We must give peace every chance.

And now I'd by glad to take a few questions.

American Jobs and Foreign Aid

Q. Mr. President, what do you say to people who believe that if there is aid made available, that it best be spent on the millions of Americans who are without jobs and are disadvantaged?

The President. Well, that is a question that the American people seem to be raising more and more about foreign aid. But my view is, we must do what we can to facilitate this peace process. In the long run, that is not only in our national security interest, but I think it would prove to be in the financial interests of the United States as well.

So I don't think that these two need to be mutually exclusive.

Q. Do you think you are going to do more and more for the Americans who are without jobs now and who are really poverty-stricken?

The President. I think we are beginning to see this economy move, and I think that, of course, is by far the best answer to jobs. Jobs created by the Federal Government don't last. Jobs created by reinvigorated private sector do. And that is why I would hope that our growth package that we

have there can be moved on.

Release of Hostages

Q. Mr. President, Israel yesterday released 51 Arab prisoners, and the Shiite Moslem kidnappers say that they support a comprehensive settlement of the hostage ordeal. What's your reading of this situation, and is there anything that the United States can do to facilitate the process?

The President. Not directly. I was very pleased, though, at the release of those prisoners. We have been in touch with the Secretary-General, with Mr. Picco of his office also who is doing a very good job. And again, we're back where we were a month ago, ``How optimistic is the President? How optimistic is the Congress about the release of these prisoners?" And once again, I am going to resist quantifying my optimism. But I think this recent development is bound to be viewed properly as very, very favorable.

Q. Do you believe that the release of a hostage is imminent?

The President. I don't want to put terms on it. I mean, I know that there was a feeling a month ago, I remember it very well, that a hostage release is imminent, and sure enough, thank heavens, a release did take place. But I just am going to resist, Terry [Terence Hunt, Associated Press], if you will permit me not to go into how optimists or moderately optimistic or whatever that I am.

Supreme Court Nomination

Q. Mr. President, to change the subject yet again, Judge Thomas has told the Senate Committee that he's never expressed an opinion about Roe versus Wade; that he has no opinion in 18 years on one of the most controversial legal issues in the country. First of all, do you find that credible? And secondly, do you find that something that commends him further to be a Justice on the Supreme Court?

The President. I think it's a question for the Senate to decide, and I think he's handling himself very, very well. And if you look back to other people that have appeared before the Court, there seems to be some similarity in wanting to stay away from prejudging cases. So, he has my full support. I think he's doing a beautiful job up there. And I, again, I don't quantify everything, but I feel more confident than ever that he will be confirmed. And I think that's because the American people see that he should be.

Q. Are you surprised that he said he has absolutely no opinion on the subject?

The President. No, I think he's handling himself very, very well.

Israeli Loan Guarantees

Q. Back on the question of the Israeli loan guarantees, even many of your Republican supporters on the Hill say that Israel should have had this money a long time ago. And they don't support the 120-day delay that you're asking for. Is there any kind of compromise? Is there any kind of middle ground? You sound very tough today on wanting to hold to that 120.

The President. I just sound principled. I am convinced that this debate would be counterproductive to peace. And I owe it to the Member of Congress to say it as forcefully as I can. I've worn out of the telephone in there and one ear, and I'm going to move over to the other ear and keep on it. Because this is, peace is vital here, and we've worked too hard to have that request of mine denied. And I think the American people will support me. They know we support Israel. I've just detailed some of what we've done. So, there should be no question about that. I am giving the Congress -- and I did it with the leaders today, having an opportunity here, thank you, to do it here -- to give my best judgment. And I'm up against some powerful political forces, but I owe it to the American people to tell them how strongly I feel about the deferral.

Q. Are those power political forces ungrateful for what you've done so far on a peace process? And why doesn't the peace argument sell with them?

The President. I think it will sell, but it's taken a little time. And we're up against a very strong and effective, sometimes, groups that go up to the Hill. I heard today there was something like a thousand lobbyists on the Hill working the other side of the question. We've got one lonely little guy down here doing it. [Laughter] However, I like this forum better too.

Q. Are they ungrateful for what you're trying to do?

The President. I don't know whether -- I'm not talking about gratitude. I'm talking about world peace. And we've got to get it into a far broader perspective. And that's exactly what I'm talking about, and I think people will understand that.

Q. Mr. President, you said that a contentious debate now could actually keep some parties away from the peace table. Yet, the Israelis claim that those Arabs who have indicated a willingness to participate in the peace process have not made the settlement issue a precondition. They say that's your precondition. As one columnist said this week, ``It's your obsession.'' Is that fair?

The President. I would simply say that I read some charges coming out of a source in Israel that we'd made a deal with the Arabs that we would fight this. That's not true. That is factually incorrect. It's simply not true. No, it is my judgment, and Jim's, and everybody else that's working this problem and has been for months, that this is the approach we ought to take because we don't want a contentious debate on settlements or anything else over there at this junction. We want to get these parties to the table. And I don't think it's asking too much to have a 120-day delay. I think Congress should listen carefully to what I'm asking for, and I hope that they will go along

with this.

Q. Mr. President, you talked about powerful political forces at work. It sounds like you're feeling the heat from the Israeli lobby. Do you think that there's unfair foreign intervention in the U.S. political process here?

The President. No, I don't think -- I think everybody ought to fight for what they believe in. That's exactly what I'm beginning to do right here. We've laid back down, we've been lying in the weeds, saying let's not get all these debate subjects going. The best thing for peace, to move the process forward, is just have this deferral.

But I'm going to fight for what I believe. And it may be popular politically, but probably it's not. But that's not the question here. That's not -- the question is whether it's good 1992 politics. What's important here is that we give this process a chance. I don't care if I get one vote. I'm going to stand for what I believe here. And I believe the American people will be with me if we put it on this question of principle. And nobody has been a better friend to Israel than the United States, and no one will continue to be a better friend than the United States.

But here we are simply asking for a 120-day deferral, and that's what motivates me. It doesn't have anything to do with lobbies or politics or anything else.

Q. Mr. President, just how much damage is being caused by this showdown?

The President. I don't think there's any damage. Lawsy, we'll be debating something else tomorrow. But I think this one's very important, and that's why I want to be sure that our position is out there. I'm not only half in jest about what's happening up there on the Hill. Listen, there's a tremendous effort going on. And we have had a low profile on this. And I wake up now and see that we better get our message out loud and clear.

Q. Does this strain itself threaten the peace process?

The President. No. It has nothing to do with the peace process in my view. If what would happen, the result is what would strain it, not the -- --

Q. Isn't there a loss of trust, sir? Do the Israelis trust you as much as they did?

The President. Well, you'll have to ask the Israelis that. I can't tell you about that. All I'm doing is expressing the foreign policy of the United States of America. And we're going to say what we think is best. If they agree, fine. They've got to worry about their priorities. But I think many people there want to see this peace process go forward. The polling numbers in Israel are overwhelming in support of the peace process.

And so, what I'm trying to say is, listen to the degree America's judgment and leadership matters, listen to what we say, how strongly we feel about this. And I think the people there will respond. I think the American people will respond.

Mr. Fitzwater. The final question please.

Q. Have you made a commitment to the Israelis and to the Congress, if that delay is acceded to, that you will support the loan guarantee unequivocally and with no further conditions?

The President. What was that?

Q. Have you made a commitment to the Israelis and to their supporters in the Congress that if they agree to the delay, that you will then support the loan guarantee?

The President. Absolutely not. That would undermine everything. I proposed that the question be considered in 120 days without any objection on our part and that in principle a concept of absorption aid, the principle that we backed up by $400 million this year, will still be a valid principle. But to agree to something of that nature would be just the same -- if I feel it's detrimental to the peace process as presented now, that kind of agreement would be equally detrimental to the peace process.

I'm really going to have to run. I'm going to Philadelphia here in a minute, and then I've got something else I've got to do before I go there.

Q. What?

The President. Domestic agenda.

Q. Mr. President, you've said Israel wants this peace conference as much as you do. And yet it's Israel that submitted this request to you. Have they put you in a difficult position? And does this say something about their less-than-genuine interest?

The President. Well, you can't judge by statements from one or another in the Cabinet in Israel. You've got to look at the whole picture. And there have been some disquieting statements by one rather flamboyant minister that I'm sorry I didn't get asked about because I've just been aching to answer the question. [Laughter] But we're not judging. Not going to answer any more. But I'm just simply saying, we're not judging it on a statement here or there. I take the Prime Minister at his word when he says that they feel it is in their interest to have a peace conference. And it's not been an easy decision for him. But he's taken that decision, and to his credit, he reaffirmed their interest in the peace process just less than 48 hours ago. So, those are the statements we ought to look at, and in that one, why, I was quite reassured.

But again, Charles [Charles Bierbauer, Cable News Network], we are the United States of America. We've got our policy. We should say clearly what our policy is. And I want this peace process to happen. I want the Israelis to do that which they wanted all along: have a chance to sit down one-on-one with historic adversaries. And I want the Arabs to have a chance to get this question settled once and for all. And I really believe the whole world wants that.

And it is my best judgment that a rancorous debate now is literally miniscule in importance compared to the objective of peace. And that is, we ought to set it back 120 days only. Who's going to get hurt? What possibly could work against that reasonable request from an administration that has brought this thing from square one right up to a peak that nobody really believed we could achieve: getting these countries together. And the work that's gone into it, I just don't want to risk it by us taking some stand in the United States Congress against a request by the President in order to satisfy some other interest.

We've got to keep our sights on the broad picture of peace in the Middle East. And I would say that includes world peace. They're so closely interlocked when you look at the complex relationships in the Middle East and how they spill over into Europe and to Asia, and to the Soviet Union still. So, we're talking about a major chance now for one more tremendous step towards peace. We've seen the evolution in the Soviet Union. And we've seen the defeat of aggression over there in Iraq. We've seen democracy on the move in our hemisphere. And here is a last place that really needs this peace process to go forward.

Q. Mr. President, just a quick followup was if this goes through, which Arabs could you no longer count on?

The President. I'm not going to define that at all. It's just our judgment that it would be very detrimental to the peace process. I can't help you with individual -- listen, I've got to go, honest.

Should we get one in the -- too bad you're not in the back of the room. Right back there.

CIA Nomination

Q. Mr. President, next week you have another somewhat controversial nominee going to hearing, the Robert Gates CIA nomination. Are you still confident that he will be confirmed? Is there any consideration being given to withdrawal?

The President. Absolutely no consideration to withdrawal because there's no reason for withdrawal. I don't see, I'm not sure how controversial this nomination will be. When the facts are out there, and the Committee are going to deal with it in my view, in extraordinarily good faith. I've had an opportunity to talk to the chairman, the ranking Member, other Members of Congress, and I think that a lot of these kind of feathery charges that are floating out there are nonsense. And I think the process will be fair enough that I wouldn't concede that this nomination is in any

trouble at all. And I believe Bob Gates is the best man to head the intelligence community. I have total confidence in his honor, his integrity, if you will, his word of honor. And I think he will be confirmed. So, I have no question in my mind about this being the proper choice.

Q. You don't think the Clair George indictment hurt him?

The President. I don't think so. I think people are fair. I mean, if Clair George came out and made some charge against Bob Gates, that might have some influence. But I don't think that will happen. I have no reason to believe that at all.

Q. Followup on the -- --

Q. Sir -- --

The President. Hey listen, I'm not making an excuse. I really do have to get the heck out.

Q. Can you just follow up on Jerusalem, sir, just a quickie on Jerusalem?

The President. Thank you very much.

Q. Thank you.

Note: President Bush's 103d news conference began at 1:05 p.m. in the Briefing Room at the White House. In the news conference, the following persons were referred to: Secretary of State James A. Baker III; Giandomenico Picco, Assistant to the Secretary-General of the United Nations for Special Assignments; Robert M. Gates, nominee for Director of the Central Intelligence Agency, and Assistant to the President and Deputy for National Security Affairs; and Clair George, former Chief of Covert Operations, Central Intelligence Agency, who was indicted on September 12 on charges relating to the Iran-Contra affair. A tape was not available for verification of the content of this news conference.

Remarks at the Veterans' Administration Hospital in Philadelphia, Pennsylvania

September 12, 1991

Thank you all very, very much. Thank you very much. Dr. O'Brien, to you and Dr. Woody, thanks for greeting me. And to all the others, medical doctors and Ph.D.'s that we just rubbed elbows with, thank you for the quick education course we've had.

I want to salute our Secretary who heads the Veterans' Administration, the first Cabinet officer now that the vets are in the Cabinet, Ed Derwinski, with whom I served in the Congress for many years. Director Bob Martinez, the former Governor of Florida, came in, and we'll talk a little bit about the numbers. But far more important than that, because we've got a long way to go as Dr. O'Brien said, is the dedication that he's bringing to this job. And it's not simply on interdiction; it's not simply on treatment. It's across the whole sphere of the drug problem. And so, I salute him for that.

And of course, to my old colleague, Larry Coughlin, who is your Congressman, I thank him not only for being here, but for his interest in all of this work including the Veterans' Administration side of it, as well as the fight on antinarcotics that goes beyond the veterans.

Let me simply thank those who were patients here and now being consulted, the consultors and consultees, for giving of their time.

I think Dr. O'Brien was rather kind about all this because I worry about this kind of thing when you come here. Is it going to be considered just show business? Are we just trying to get what they call the basic photo op, or maybe get one of these cameras so you'll be on the 6 p.m. evening news? And that really, I'd like you to believe, is not what my interest is all about. I am interested, but I learned both from the consultors and the consultees a few minutes ago that I've got an awful lot still to learn. And I was very impressed with the quality of the work that I see here in this great institution.

I'd been briefed ahead of time before climbing off of that helicopter about the marvelous resources that you have here, human resources. And once again, as I told the patients or those that were being treated, it's not easy to get up in front of anybody; maybe the President's a little more complicated, too. I don't know. But they confessed to a little nervousness. But for those of you that were not privileged to hear them, they were good. Right from the heart, called it directly. And I'll tell you, I learned a lot just from this short visit. And I'm grateful to each and every one of you. And to those that had to put up with the logistics and the security and all of that, we promise to leave right on time. [Laughter]

Now, in '89 we introduced what was the first national drug control strategy. And at the time, the drug epidemic had incited a fear, and certainly a despair, even rage among Americans. I think that that strategy did set forth clear goals. And we tried to rally Americans to fight back. Many of you have been doing that for years, but wanted to get the Government behind this national strategy.

We look back now on 2 years of intensive work. We can survey with pride the accomplishments that many of you have made, that collectively we as a people have made, and we look forward to the victories that I'm certain lie ahead.

Recent National Institute on Drug Abuse figures show that over an 18-month reporting period, overall drug use in the United States fell an estimated 11 percent. Cocaine use fell even more dramatically, occasional use dropped 29 percent. And the number of cocaine-related casualties in emergency rooms fell 23 percent.

So, this is good news. There's no question about that. We ought not to deny you your part in it. But as Dr. O'Brien just impressed on us, we're just beginning. Let's face it, most of the difficult work still lies ahead. We continue to disrupt the drug flow through, I think, improved interdiction efforts, trying to keep it from coming to our shores. But we can never fully control our long borders. We're a free country, and we have free going to and froing from our neighbors to the north and south. And thank God we do. We're blessed by peaceful neighbors with no intentions against one another. But that does present, in these terms of open borders, a problem. And we've discouraged drug use by imposing tough penalties on those who distribute drugs. But in the end, we can win the drug war only by winning the wars that rage within the hearts of those who abuse drugs.

We can't move too soon because drug abuse does threaten everybody. And it destroys the very fabric of our society. It rips families apart.

No one can tally the costs that hardcore drug users impose upon us all. I'm sure there are estimates out there. But you've got to throw in the violent crime, the broken families, the accidents, the disease and disability and death, the energy drained from the nobleness of our society, the wretched fate of the 100,000 drug-exposed babies that are born each year.

While we urge those who do not use drugs not to start, drug treatment programs can help save those who have been overcome by their addiction. And if ever there was a lesson that I've learned today, it's just exactly that. And once again, my gratitude to all involved. These programs can reduce the toll that drugs exact. Day in and day out, drug treatment professionals like you, all fight this war for human life and dignity. You win the battles; that's one soul at a time.

Here in this center, I've seen that drug treatment can work. Drug use falls by more than 70 percent among those that are treated here I'm told. Your patients are three times more likely to be employed than are drug abusers who receive no treatment, and only one-fourth as likely to go out

and commit crimes.

The human stories tell even more. They tell of the long, arduous, agonizing journey back to a whole life. A journey that, regrettably, not everyone completes. These stories show that only those who take responsibility for their actions and their own lives can enjoy real dignity.

Nothing here comes easily to you or your patients. But you ought to be proud. You combine the best in treatment: medical, social and psychological, with this innovative research that Dr. O'Brien talked about in these introductory remarks. You've created precisely the kind of treatment center that we talk about in this national drug control strategy: stressing personal responsibility, determining what works, and building a record of success.

So, if my visit here does nothing else, I hope that the message gets out that what you're doing can serve as a great example for others all across our country.

This clinic began working years before this Nation had such a strategy. You were the pioneers before people really even focused on drugs as a major problem. For 20 years, you've developed new information about the nature and the treatment of addiction. And hundreds of thousands of patients across the country have benefited as a result.

For the last 3 years, the Federal Government has been able to give you additional research funds, all from the budget for the war against drugs. I know that you could use more. Dr. O'Brien very frankly mentioned that earlier on in a very subtle way. My arm is now out from under the -- -- [Laughter] This guy's a real gentleman, but he's a hell of a salesman, too. [Laughter] I got the message out there.

But the Federal Government wants to help, limited resources, of course, in whatever field for medicine. But we're trying hard on that. We support you and want to do more because the programs do work. We support you also because of what you stand for, and that's getting back to the people, giving people the opportunity to work to rebuild their lives.

Grants constitute only a part of our efforts to build new treatment programs and improve those that are already in operation. We've worked to expand the number of treatment openings and the range of treatment methods that are available.

I'm proud that based on our Fiscal Year '92 budget that I sent to Congress, since 1989 Federal funding for drug treatment has increased by $778 million. That's an 89 percent increase. And programs funded with the help of the Federal Government treat 2.2 million each year, up from 1.5 million. And in those same 3 years, our total annual spending against drugs has nearly doubled, from $6.4, in this whole drug program, $6.4 billion, now to $11.7 billion. I'm not trying to offset your plea, Dr. O'Brien. But I want you to know we're listening, and we're making some progress.

Look, I know this, and you who fight every single day and give of your lives to fight this problem know this, we still have a long way to go as a country, because we've got to measure our success not in dollars spent, not in these statistics that I'm clicking off here, but in lives reclaimed. And America has got to realize that success at staying off drugs depends on the environment from which addicts come and to which they return.

We can't lay responsibility for a cure just at the feet of you very competent health professionals. And we can't win this fight without effective local law enforcement, strong families, caring neighborhoods, education, good schools, active places of worship. Treatment can't succeed, is what I'm saying, in a vacuum. It certainly cannot succeed in a society that feels weak or no longer cares.

People think the problem in our world is crack or suicide or babies having babies, and those are symptoms. The disease is a kind of moral emptiness, though. And we cannot continue producing generations born numbly into despair, finding solace in a needle or a vial. If, as President, I had the power to give just one thing to this great country, it would be the return of an inner moral compass nurtured by the family and valued by society. And I had the feeling as I watched the Ph.D.'s and the M.D.'s working with these young people, or talking with pride about where they've come from, they are doing something by inculcating and helping to reinculcate these kinds of values into the lives of the young men and women that they are helping.

A strong conscience is more irresistible than a crack pipe. And a national conscience would haunt us in the knowledge that every life lost to drugs or despair kills a part of each of us.

So, here we see hope; we see a beginning. Your patients come in desperation, they told us this today, after their descent into the moral degradation of drug abuse. And they learn that the road out of the abyss begins by taking personal responsibility for overcoming addiction. No one can function alone physically, emotionally, or spiritually. We can't live full lives without the support of families and friends and neighborhoods and places of worship and I'd add then too the counselors that I've seen in action here today.

This center recognizes the importance of belonging to a society, of building a community of people who care, who reach out, and those who then in turn, reach back.

So, in addition to saying thank you, I want to say God bless you in your work you do here. You give us inspiration. You give us hope and a glimpse of how to strengthen the American dream. And believe me, for me, this last hour was no photo op. It was a basic, wonderful learning experience.

Thank you.

Note: The President spoke at 5:30 p.m. at the Veterans Administration Substance Abuse

Treatment Center in Philadelphia. In his remarks, he referred to the following persons: Dr. Charles P. O'Brien, Chief of Psychiatry at the Center and associate professor at the University of Pennsylvania; Dr. George Woody, Director of the Center; Edward J. Derwinski, Secretary of Veterans Affairs; Bob Martinez, Director of National Drug Control Policy; and Representative Lawrence Coughlin of Pennsylvania. A tape was not available for verification of the content of these remarks.

Proclamation 6334 -- National POW/MIA Recognition Day, 1991

September 12, 1991

By The President of the United States of America

A Proclamation

Through riveting and often heartrending personal testimony, former American prisoners of war have helped us to appreciate more fully the courage and the sacrifices of those United States military personnel who have been captured by the enemy during periods of armed conflict. During World War II, the Korean War, the Vietnam War, and other conflicts, many American prisoners were subjected to brutal treatment and torture by their captors in violation of fundamental standards of morality and international law. Many did not survive. Today, as a measure of our gratitude toward those who have endured so much for our sake and the sake of freedom-loving peoples everywhere, we remember in a special way Americans who remain missing and unaccounted for.

In honor of these Americans, on September 20, 1991, the National League of Families POW/MIA flag will be flown over the White House, the U.S. Departments of Defense, State, and Veterans Affairs, the Selective Service System headquarters, and the Vietnam Veterans Memorial. This black and white emblem symbolizes our continued commitment to secure the release of any Americans who may still be held against their will, to obtain the fullest possible accounting for the missing, and to ensure the repatriation of all recoverable American remains.

Our Nation's POWs/MIAs accepted great risks to help defend the lives and liberty of others, and they deserve our faithfulness and resolve in return. We have an obligation to them and to their families, and we will honor it. Indeed, all Americans recognize the lingering anguish of those who await word of their loved ones' fates, and we are determined to help them gain the peace and solace that real answers will bring.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim September 20, 1991, as National POW/MIA Recognition Day. I urge all Americans to join in honoring former American POWs, as well as those U.S. servicemen and civilians who are still missing in action. I also encourage the American people to express their solemn appreciation for the courage and the sacrifices of the families of POWs/MIAs. Finally, I call on State and local officials and private organizations to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this twelfth day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of

America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:29 p.m., September 12, 1991]

Note: This proclamation was published in the Federal Register on September 16.

Proclamation 6335 -- National D.A.R.E. Day, 1991

September 12, 1991

By the President of the United States of America

A Proclamation

The most important priority of our National Drug Control Strategy is to reduce drug use by our Nation's citizens, especially our young people. A key aim of AMERICA 2000, our national strategy for achieving excellence in American education, is to ensure that every school in the United States is free of drugs and violence. Realizing these goals will require the creative energy and the commitment of many different people in every community. Parents, educators, law enforcement officials, and students, as well as business and civic leaders, must work together to rid our Nation of drugs and to build schools and neighborhoods where individuals can learn.

Drug Abuse Resistance Education, or Project D.A.R.E., provides an outstanding example of how such cooperation works. Taught by veteran law enforcement personnel, the D.A.R.E. program is designed to prevent the use of drugs and alcohol among students. It teaches young people to resist pressure to use drugs and encourages wholesome alternatives to drug use. Initiated in 1983, D.A.R.E. is one of many constructive, school-community partnerships that have been implemented in all 50 States and in several foreign countries.

In recognition of D.A.R.E.'s contribution in forging strong bonds between schools and communities -- bonds that are essential to achieving our National Education Goals -- the Congress, by Senate Joint Resolution 121, has designated September 12, 1991, as ``National D.A.R.E. Day."

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim September 12, 1991, as National D.A.R.E. Day. I encourage all Americans to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twelfth day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:03 p.m., September 12, 1991]

Note: This proclamation was published in the Federal Register on September 16.

Nomination of Robert Stephen Pastorino To Be United States Ambassador to the Dominican Republic

September 12, 1991

The President today announced his intention to nominate Robert Stephen Pastorino, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be United States Ambassador to the Dominican Republic. He would succeed Paul D. Taylor.

Since 1989, Mr. Pastorino has served as Deputy Chief of Mission at the American Embassy in Mexico City, Mexico. Prior to this, he served as a Special Assistant to the President at the National Security Council, 1988 - 1989; a Deputy Assistant Secretary at the Department of Defense in Washington, DC, 1987 - 1988; and as Charge and Deputy Chief of Mission at the American Embassy in Tegucigalpa, Honduras, 1986. From 1984 to 1986, Mr. Pastorino served as the Economic and Political Counselor at the American Embassy in Mexico City, Mexico. He joined the Foreign Service in 1966.

Mr. Pastorino graduated from San Francisco State University (B.A., 1964). He was born March 16, 1940 in San Francisco, CA. Mr. Pastorino is married and resides in Fairfax, VA.

Remarks at a Fundraising Dinner for Senatorial Candidate Dick Thornburgh in Philadelphia, Pennsylvania

September 12, 1991

Please be seated, and thank you all for that wonderful warm welcome back. Let me first salute the Members of our congressional delegation. I know Larry Coughlin came in with us, and I'm told that Curt Weldon and Don Ritter are here. I can't see too well beyond the glare here. I'm proud to be up here with Joe Egan, who is the candidate for mayor of Philadelphia. And I'd love to see him win that race, and I hope you'll all support him. And I see one of Dick's former fellow Governors and one of my great admired friends, and that's Governor Mike Castle of Delaware here, coming across the border. Mike, welcome, and thanks for being here.

Let me just say a word about Arlen. He's doing exactly what he should do. This is very important work. He couldn't join us tonight. He's a member of the Judiciary Committee, as you all know and should take pride in. He's there for the Thomas hearings. And before we go any further, let me just say that what I've seen over the past few days from Judge Thomas makes me more confident than ever that I've nominated the best man for the Supreme Court. And he deserves to sit on that High Court.

Parenthetically, I watched the opening presentation that he made to this committee, and I got kind of choked up listening, as I did at Kennebunkport when I nominated him. And I called Barbara, picked up the little button that rings right over to the house there, and she said, ``Quick, I'm watching Judge Thomas." So, I called her to remind her to do that, but if you haven't seen it and you have any of those crazy VCR's, play it back. It really bespoke a lot about values in our country. And I think we saw the decency and honor of that man right there in those few minutes where he made that presentation.

I want to salute also two that came up here with me, two Cabinet-level officers: Ed Derwinski, the Cabinet Secretary for the Veterans Administration, and then Governor Bob Martinez, who is leading our fight on narcotics, on drugs, both of them here and give them a welcome. [Applause]

And of course, our party leaders, Anne and Elsie and Herb. It's always a pleasure to be with them. I'm just recovering from the way Elsie Hillman, and to some degree, Anne and Herb also, killed me when I was running for President. Dick, be careful of these now, they're going to wear you out. But they're good. They're the best, and you're lucky to have such good party leaders here.

I'm kind of the entre here, leaving and afraid you're going to have broccoli later on. So, what I'm -- [laughter] -- going to do is to just give a few comments, because along with Ed and Bob Martinez, we're off to a veterans event back in Washington. I do bring Barbara's love and

affection. And if I might say something that might sound a little prejudice, I am very proud of Barbara Bush and the work that she's doing for literacy in this country. And, she's a darn good First Lady, and she is as strongly convinced that Dick Thornburgh is the man for the job as I am. And so, you'll be seeing her up here campaigning. I guarantee that. She loves Ginny, and she sends her love. And I expect you'll see her on the campaign trail.

But I'm here tonight -- this is called brief remarks you'll be happy to know -- to just say a few words about Dick. Seven weeks to go until election day, this race, compressed into that timeframe, is a sprint right from the beginning to the end, which is just over the horizon. That, I believe, is important. Dick comes out of having done a fantastic, substantive job for the whole country. And he earned the respect of the country. And I believe people are relieved to have a short timeframe for this election. But I believe the fact that he's come here from Attorney General, he knows how to campaign in this State, he's had a great record as Governor of this State, means that he will win that Senate seat. And boy, do we ever need him in the United States Senate.

And I think when it's all over, and you all are better analysts of your own politics than I am, but if you had to go through a bunch of words, one that would come to my mind is trust, trust of the people of this Commonwealth. And I believe that's going to come through loud and clear.

I will say that there's a certain sadness amidst this celebration tonight, and it is a celebration, due to the absence of a man that many of us in this room knew as a friend, all of you I expect. And I'm talking about Senator John Heinz. When this State lost him we lost a man whose integrity and ethic of selfless service inspired us all. My heart still goes out, as yours does I know, to Teresa and those wonderful boys. But it's a tribute to the candidate that we champion tonight that when this party faced the daunting prospect of selecting a successor to John Heinz, the first name, the one that came forward with this resounding support was Dick Thornburgh.

It is no mystery. Just go back and take a look at the record. As Governor, he fought hard for the working men and women of this State. When he took office in '78, Pennsylvania strained beneath the weight of what had become a chronic deficit and suffered a crisis in that word I use, in public trust. Dick came in and he took action. He cut the bureaucratic bloat. He cut taxes on individuals and business to spur growth, economic growth. He restored integrity to a State government that had been plagued by corruption and scandal. When he left the statehouse in 1986, he left Pennsylvania in enviable good health; a State government with a budget surplus of $350 million and a State making the difficult economic evolution from the smokestack era to the age of high-tech.

His next contribution, as we all know, came on as what I just referred to as the national level. As the Nation's number one law enforcer, he turned his crusade against corruption into a war on white-collar crime. He fought to make life tougher on the criminals and a bit easier, this is the compassionate side, a bit easier for the victims of crime that are scarred by crime and scarred by

violence. Let me just cite one recent statistic that Bob Martinez, our Drug Czar, and I were talking about coming over here: Over the past 18 months, drug use in this country is down by 11 percent. And I really firmly believe it's because of Dick and others like him that we are really beginning now to win this war on drugs. And I salute him. He never gave up, never said that it couldn't be done.

He took care of the law enforcement side. We've increased to something like -- an almost a 75-percent increase in the number of Federal prosecutors, and nearly doubled the number of prison beds. And he expanded initiatives like this Asset Forfeiture Program that I think many of you have heard about, to prove the old adage that ``crime does not pay''. It's a marvelous program, and it's working. Under this program, last year Federal law enforcement officials seized more than half a billion dollars in ill-gotten gains and turned over $200 million of that amount to State and local governments to wage the fight against crime and drugs right on the local level.

And for Pennsylvania and for the Nation, Dick Thornburgh fought tirelessly, as I mentioned, for decency, for decency in government and the dignity of the individual. And again, I think these qualifications make him the clear choice for the United States Senate.

Permit me one personal note, one that I believe relevant in a very real way to Dick's approach to public life. Many of you know how Dick led the effort to pass last year's civil rights legislation. He referred to it, the Americans with Disabilities Act. Dick and Ginny and their sons know firsthand what it means to triumph over disability. At the age of 4 months, tragedy struck Peter Thornburgh in the form of a near-fatal head injury. Every day since, he's waged a battle using all of his ability. The Thornburghs pulled together as a family, triumphed over hardship, held fast to hope. As a dedicated public servant but also as parents, they and I know how much it meant for them to help welcome Peter and 43 million citizens with disabilities into the American mainstream as we passed that act.

And when I saw this kid up here tonight, I said, thank God Dick Thornburgh took the leadership in the Americans for disability act. This kid's got a future, a real future. You could tell it when you heard that performance up here.

So, the guy's been tested. He's mastered some of the most difficult challenges that government has to offer. He pulled Pennsylvania out of that economic tailspin, and he's done battle against society's criminals and the drug traffickers. And now he's ready for the toughest assignment of all, going to Capital Hill without combat pay. [Laughter] And believe me, that is a challenge. In a world where the pace of change seems constantly to accelerate to me -- and I'm not in a Congress-bashing mood tonight, I'm not really warmed up -- [laughter] -- Congress seems inert. They go after me on the domestic agenda, and yet they refuse to take up and support the new proposals that this country needs. Their domestic agenda is to attack my domestic agenda -- [laughter] -- and that's not good enough for the United States.

And so, we need more people that understand the fundamentals that I've talked about here tonight. And Dick will become a key Member right from the day he is there because of that magnificent service in the Cabinet of the GOP shock force, trying to shake things up, working for things he believes in, trying to get something done, and shake loose that Democratically controlled logjam of the legislation that he helped shape and that we both believe in. It's Republican legislation that's been gathering dust on the desk of the Democratic leadership. And I'd like to see more like him in the Senate, enough Republicans to swing the Senate firmly back so we have control and can at least take the offense on legislation, at least bring to a vote the things that I was elected to try to perform on. Get moving on this domestic agenda.

America's seen now what the Democrats do when they control both Houses, and it isn't a pretty picture. It's simply not a pretty picture. And I really think the time has come to get control of the Congress, certainly to get control of the United States Senate. And this race, this first race that will have an effect on 1992 elections, is absolutely critical. So, look at the big picture, as well as what's best for Pennsylvania, and you'll also then conclude once again that Dick Thornburgh is the right man for this job.

You know, they asked me -- the charge is leveled against me, sometimes in kindness and sometimes with a little edge to it, that I'm interested in foreign affairs. I expect the whole world is: When you see the change that has taken place, the crushing of aggression that Saddam Hussein brought to bear on Kuwait, see the remarkable changes that have taken place in Eastern Europe and democracy in our own hemisphere and what's happening in the Soviet Union, monumental changes. So, I plead guilty; yes, I'm interested in that. But there's something wrong when we can push the foreign forces out of Kuwait, but we can't even get our domestic programs through the United States Congress. We need more people that look at these issues the way you and I do.

And we've known for a long time that our party is really the party of the American ideals. But more important, we stand as the party of ideas. And I just think that we need to get moving. We've got a great child-care program with choice in it. We've passed a good clean air bill. We've done other things in the Congresss in the environment that I would have to thank them for, for their cooperation in getting them passed. But we're stalled on a lot of ideas. I want to see more tenants turned into home owners in this public housing across the country. I want to see more ways to enlist the ingenuity of the marketplace to clean the air and provide new sources of energy. We've got a good energy program. Dick knows this well as head of our Domestic Policy Council. He helped shape the energy program and the transportation bill.

So, when he talks about agenda, that's what he's talking about. And our problem is, it gets stalled in an old-thinking United States Congress. We want to clear the path, though, through this maze, and I really believe we must succeed in creating more opportunities for individuals and families to shape their own destinies and to secure their own freedom.

And so, it's not just that Barbara and I are friends of Dick and have total confidence in his

decency and in his integrity, but it's more than that. It's that we really believe and I really believe as your President that he can do more to shape this legislative agenda and help get this country moving than if he hadn't been in Washington and if he hadn't been the great Governor that he was of this Commonwealth.

So, it's a great pleasure for me to be here to salute him, to urge you all on. I don't know how much money you gave to come have this meal. I don't know how good the meal is going to be. But I know you're here for a good cause, and believe me, do everything you can in the last 7 weeks to send this good man back to Washington as a Member of the United States Senate.

Thank you, and God bless all of you. And let me just say as I end, this comment: If you get the feeling I'm enthusiastic about the job that many of you helped me get into a few years ago now, you're absolutely correct. I love this challenge. I love every single day going to that Oval Office and going to work. But it would be one heck of a lot better if we had this great man in the United States Senate.

Thank you very much.

Note: The President spoke at 6:47 p.m. at the Hotel Atop the Bellevue. In his remarks, he referred to Representatives Lawrence Coughlin, Curt Weldon, and Don Ritter; Joe Egan, candidate for mayor of Philadelphia; Governor Mike Castle of Delaware; Senator Arlen Spector; Clarence Thomas, nominee for Supreme Court Associate Justice; Secretary of Veterans Affairs, Edward J. Derwinski; Bob Martinez, Director of the Office of National Drug Control Policy; Anne Anstine, chairman of the Pennsylvania State Republican Committee; Elsie Hillman and Herb Barness, State Republican committeemen; Dick Thornburgh's wife, Ginny, and son Peter; former Senator John Heinz and his widow, Teresa; and President Saddam Hussein of Iraq.

Nomination of Albert Peter Burleigh for the Rank of Ambassador While Serving as Coordinator for Counter-Terrorism

September 12, 1991

The President today announced his intention to nominate Albert Peter Burleigh, of California, a career member of the Senior Foreign Service, class of Minister-Counsellor, to be accorded the rank of Ambassador during his tenure of service as Coordinator for Counter-Terrorism. He would succeed Morris D. Busby.

Since 1989 Mr. Burleigh has served as Principal Deputy Assistant Secretary of State for the Bureau of Intelligence and Research at the United States Department of State. Prior to this, he served at the Department of State for the Bureau of Near Eastern and South Asian Affairs as: Deputy Assistant Secretary of State, 1987 - 1989; Director of the Office of Northern Gulf Affairs, 1985 - 1987; and Deputy Director of the Office of Analysis and Research, 1982 - 1985. Mr. Burleigh joined the Foreign Service in 1967.

Mr. Burleigh graduated from Colgate University (A.B., 1963). He was born March 7, 1942, in Los Angeles, CA. Mr. Burleigh resides in Washington, DC.

Nomination of James Ashley Endicott, Jr., To Be General Counsel at the Veterans Affairs Department

September 12, 1991

The President today announced his intention to nominate James Ashley Endicott, Jr., of Texas, to be General Counsel for the U.S. Department of Veterans Affairs. He would succeed Raoul Lord Carroll.

Currently Mr. Endicott serves as court master of the 3d Judicial Region of Texas. From 1982 to 1989, he served as an attorney in private practice in Temple, Belton, and Killeen, TX.

Mr. Endicott graduated from The Citadel (B.S., 1960) and George Washington University (J.D., 1968). He was born June 21, 1939, in Kansas City, MO. Mr. Endicott served in the United States Army, 1960 - 1982. He is married, has one child, and resides in Harker Heights, TX.

Nomination of John A. Shaw To Be an Assistant Secretary of Commerce

September 12, 1991

The President today announced his intention to nominate John A. Shaw, of Maryland, to be an Assistant Secretary of Commerce for Export Enforcement. He would succeed Quincy Mellon Krosby.

Since 1988 Dr. Shaw has served as Associate Deputy Secretary of the Department of Commerce. Prior to this Dr. Shaw served as senior advisor to the Administrator of the Agency for International Development, 1988; and as vice president for Washington Operations for the Hudson Institute, 1987 - 1988.

Dr. Shaw graduated from Williams College, (B.A., 1962) and Cambridge University (M.A., 1967: and Ph.D., 1976). He was born July 1, 1939, in Philadelphia, PA. Dr. Shaw is married, has two children, and resides in Washington, DC.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

September 12, 1991

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (92 Stat. 739; 22 U.S.C. 2372(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question. This report covers the period from April through May 1991, during which the United States made continued high-level contacts with the leaders of both Cypriot communities in support of the efforts of the United Nations Secretary General to complete an outline for a Cyprus settlement.

In mid-April Mr. Rauf Denktash, leader of the Turkish Cypriot community, traveled to the United States. On April 15 he met in Washington with various Members of Congress and with Secretary of State Baker and Under Secretary of State for Political Affairs Robert Kimmitt. During these meetings Mr. Denktash expressed his views concerning the Cyprus problem. In turn, both Secretary Baker and Under Secretary Kimmitt urged Mr. Denktash to be flexible and creative in the U.N.-led process of completing an outline for a Cyprus settlement. Specifically, Secretary Baker requested that Mr. Denktash present to the United Nations clear Turkish Cypriot positions on the issues of territorial adjustments and the return of displaced persons. He also told Mr. Denktash that the political objectives of the Turkish Cypriot community could only be secured through the negotiation of a political settlement.

As the Department stated publicly, these meetings did ``not imply a change in US policy toward Cyprus. The US recognizes only a single state of Cyprus and does not accept that there is or can be an independent Turkish Cypriot state on the island." Mr. Denktash was seen ``in his capacity as leader of the Turkish Cypriot community and as one of two equal participants in the intercommunal negotiations, conducted under the auspices of the United Nations. . . ."

On April 17 my Special Cyprus Coordinator, Ambassador Nelson Ledsky, testified on the Cyprus issue before the Senate Foreign Relations Subcommittee on European Affairs. He told the Subcommittee that the United States had been working to facilitate a Cyprus settlement and would intensify its efforts, in support of the U.N. Secretary General's good offices mandate, in the months ahead.

In early May Ambassador Ledsky traveled to Europe where he discussed the Cyprus problem with the German and U.K. Governments, as well as with representatives of the European Community and the Council of Europe. He also met with a representative of the Soviet Union.

During April and May Secretary Baker continued his correspondence with Turkish Foreign

Secretary Alptemocin in an effort to assist the United Nations in moving the negotiating process forward. At the same time the United Nations continued its efforts to lay the basis for completing an outline for a settlement. During the week of May 20 representatives of the Government of Turkey and of the Turkish Cypriot community traveled to New York for consultations with Mr. Gustave Feissel, the Secretary General's Director for Cyprus Affairs. During these consultations the Turkish side made proposals on the issues of territorial adjustments and the return of displaced persons.

On May 22 Turkish Ministry of Foreign Affairs Under Secretary Ozceri met with Secretary Baker and Under Secretary Kimmitt. They discussed the proposals of the Turkish side, and Secretary Baker reemphasized the importance of continued flexibility by all the parties concerned.

On May 29 President Vassiliou met with Secretary Baker for a full discussion of the Cyprus problem. Then, on May 30, President Vassiliou met with me in the Oval Office. During these meetings both Secretary Baker and I discussed with President Vassiliou recent developments affecting the intercommunal negotiations and urged him to be flexible with respect to completing the outline for a settlement.

Based on the developments of the last 2 months, I continue to believe that a moment of opportunity exists to finish the long overdue outline of a Cyprus solution, and that its completion can lead to a final settlement of the Cyprus problem in the foreseeable future. While many obstacles remain before the outline can be concluded, I am convinced that each of these obstacles can be removed, and the path to a just and lasting settlement cleared, if the leaders of both communities on the island will make the difficult decisions required to make agreement possible. It is my earnest hope that they will do so.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee. The original was not available for verification of this letter.

Address to the Nation on the Nomination of Robert Gates To Be Director of the Central Intelligence Agency

September 13, 1991

My Fellow Americans:

This week millions of you watched and listened as Judge Clarence Thomas appeared in his Senate hearings as my nominee for the Supreme Court. And now the Nation knows what I know: Clarence Thomas is a magnificent American. The hearings have revealed his warmth, his grace, his intellectual vitality. And above all, Judge Thomas is driven by a passion for fairness, deepened by life experience, disciplined by profound understanding of our Constitution and the wisdom of our forefathers.

This is no time for special interest agendas to block this important appointment. As the Senate continues its deliberations, I am confident that we'll agree that Judge Thomas is the right man for the Supreme Court.

Next week, the Senate will begin its deliberations on another nomination crucial to America's well-being for many years to come: my choice of Bob Gates as Director of Central Intelligence.

Our victory against Saddam's aggression and the extraordinary changes in the Soviet Union have our spirits soaring. But we must recognize that while the coming years offer great hopes, they pose challenges as well. The times demand a vigorous, experienced Director of Central Intelligence. We have that man in Robert Gates.

Bob Gates was nurtured in the love of American democratic values in the Kansas community called home. He studied at three of our best universities, earning a doctorate in Russian and Soviet history. Twenty-five years ago he entered the ``silent service'' of the CIA. He became CIA's Deputy Director in the 1980's. The achievements of American intelligence during that decade owe much to his innovative and effective leadership.

As one who once had the privilege to serve as Director of Central Intelligence, I have boundless admiration for the women and men of our professional intelligence services. I deeply believe Bob Gates is the man best qualified to lead our intelligence community through the challenges of the 1990's.

During my hours of decision in Operations Desert Shield and Desert Storm, Bob Gates stood by my side every step of the way, giving wise counsel, helping bring the best out of our civilian and military commanders.

I need Bob Gates now at the helm of our intelligence services. As hearings on Bob Gates' nomination begin in the Senate next week, I hope all Americans will join me in asking the Senate to approve his nomination promptly.

Thank you, and may God bless the United States of America.

Note: The President spoke at 4:01 p.m. in the Oval Office at the White House. In his remarks, he referred to Clarence Thomas, nominee for Supreme Court Associate Justice; President Saddam Hussein of Iraq; and Robert M. Gates, Assistant to the President and Deputy for National Security Affairs. A tape was not available for verification of the content of this address.

Proclamation 6336 -- Energy Awareness Month, 1991

September 13, 1991

By the President of the United States

of America

A Proclamation

Meeting our Nation's future energy needs is a task of immense proportions -- and utmost importance. To some American motorists, this challenge might be symbolized by long lines for gasoline and high prices at the pump. To others, it might be symbolized by lowering the thermostat during winter months. However, when it comes to building a secure energy future for the United States, there is more at stake than meets the eye. Safe, reliable, and affordable sources of energy are vital not only to our personal mobility and comfort but also to our Nation's productivity and security. America's utility companies and other energy providers supply the light, heat, and power that are needed to operate our factories and farms, our schools and defense installations, and other places of work.

Continuing instability and conflict in some regions of the world underscore the need to use energy efficiently; to reduce our dependence on insecure sources of energy; and to develop more energy resources. Of course, we must skillfully balance efforts in these areas with our determination to maintain a growing economy. We must also balance them with our commitment to a cleaner, healthier environment.

Our comprehensive National Energy Strategy calls for the wise and effective development of all of our Nation's energy resources, including coal, natural gas, and nuclear energy, as well as hydroelectric power and other forms of renewable energy. It also calls for the development of new technology for oil and gas exploration; increased use of alternative fuels; and aggressive conservation efforts.

This month, the United States Department of Energy will be working to promote public awareness of our Nation's energy needs and the energy options that are available to us. With strong leadership at all levels of government -- and with the sustained cooperation of business, industry, energy providers, and concerned consumers -- we can implement the sound energy policies and practices that are essential to America's well-being.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim October 1991 as Energy Awareness Month. I urge all Americans to observe this month with appropriate educational programs and activities.

In Witness Whereof, I have hereunto set my hand this thirteenth day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:17 a.m., September 16, 1991]

Note: The proclamation was published in the Federal Register on September 18.

Message to the Senate Transmitting the Mongolian-United States Consular Convention

September 13, 1991

To the Senate of the United States:

I am transmitting, for the Senate's advice and consent to ratification, the Consular Convention Between the United States of America and the Mongolian People's Republic signed at Ulaanbaatar on August 2, 1990. I am also transmitting, for the information of the Senate, the report of the Department of State with respect to the Convention.

The signing of this Convention is a significant step in the process of improving and broadening the relationship between the United States and Mongolia. There currently does not exist a bilateral agreement on consular relations between the two countries. The Convention sets forth clear obligations with respect to important matters such as notification to consular officers of the arrest and detention of nationals of their country and protection of the rights and interests of nationals of their country.

The people of the United States and Mongolia have begun to establish ties of friendship and cooperation. I welcome the opportunity through this Consular Convention to promote good relations between the two countries. I recommend that the Senate give early and favorable consideration to the convention and give its advice and consent to ratification.

George Bush

The White House,

September 13, 1991.

Nomination of Alan M. Dunn To Be an Assistant Secretary of Commerce

September 13, 1991

The President today announced his intention to nominate Alan M. Dunn, of Virginia, to be an Assistant Secretary of Commerce for Import Administration. He would succeed Eric I. Garfinkel.

Since 1990 Mr. Dunn has served as a Deputy Assistant Secretary for Science and Electronics at the International Trade Administration of the United States Department of Commerce. Prior to this, he was Deputy Assistant Secretary for Basic Industries at the International Trade Administration, 1989 - 1990. Mr. Dunn has served as an attorney with O'Conner & Hannan, Attorneys at Law, 1987 - 1989; as general counsel of Temps & Company, 1985 - 1987; and as Executive Assistant to the Chairman of the U.S. Consumer Product Safety Commission, 1984 - 1985.

Mr. Dunn graduated from George Mason University (B.S., 1975) and the University of Virginia School of Law (J.D., 1980). He was born February 16, 1953, in New Haven, CT. Mr. Dunn resides in Arlington, VA.

Note: This nomination was not received in time for publication in the appropriate issue.

Remarks on Designating the Solar Energy Research Institute as a National Laboratory

September 16, 1991

Good to see you all. Please be seated. Let me just welcome everybody here. And special thanks to Henson Moore, our Deputy Secretary at Energy, who, along with Jim Watkins, who's not here today, has been such a driving force for our national energy strategy. Dr. Sunderman, we salute you, sir, the director of the Solar Energy Research Institute; Hank Habicht of the EPA Administration; Mike Deland and, of course, Dr. Bromley, our Science Advisor.

And may I pay my respects to the Members of Congress who are with us. Senator Johnston has taken a leadership role early on, on this Senate energy bill. Senator Hank Brown, very active in it. And Congressmen Hefley and Schaefer and Skaggs, all of you, a warm welcome to the White House.

Before we get started, let me congratulate the Senate Energy Committee on approving a comprehensive energy bill that incorporates many of the key elements of our strategy. I urge the full Senate to act on this bill swiftly. I also hope that the House Energy and Commerce Committee will complete action on energy legislation this fall. The country needs an enacted energy strategy.

For 7 months now, we've been highlighting the strengths of our national energy strategy, a comprehensive, we feel, balanced approach to accomplish the goals of continued economic growth, increased energy efficiency, strong environmental protection, and a reduced dependence on foreign oil.

One of the most important themes in our national energy strategy is the more efficient use of energy resources. We must keep America on the cutting edge of new technologies, like alternative fuels, electric cars, solar and geothermal energy, high-speed rail, and advanced, even safe nuclear energy facilities. We must encourage environmentally responsible development of all U.S. energy resources, including renewable energy.

Renewable energy does reduce demand upon our other finite natural resources. It enhances our energy security and, clearly, it protects the environment.

Cost-effective renewable energy technologies can contribute in their way to a strong and growing economy: Domestically, by spurring competition and innovation in U.S. markets, and in our balance of trade by displacing more expensive imported energy and providing new services and products for export.

We saw during the past year how important this is to our national security.

We don't have to wait for scientific breakthroughs to capitalize on renewable energy technologies. We just need to translate our success in the lab into progress in the marketplace. And we must continue focused, industry-driven R&D to realize the full potential of these technologies.

In the last 2 years, we have increased the Federal budget for renewable energy research and development by 78 percent and have started construction on a new Federal lab. This funding has supported R&D in a number of important areas: Photovoltaic cells that convert sunlight to electricity; advanced turbines that harness the power of the wind; and new ways of producing ethanol and methanol for our cars and trucks.

It's easy to criticize and complain that we're not doing enough in promoting renewable energy. We will leave that to others, while we quietly here do the hard work which will make renewable energy technologies a reality in the marketplace.

Much of this progress, I call it outstanding progress, has been accomplished in Golden, Colorado, at the Department of Energy's Solar Energy Research Institute, SERI. SERI has excelled in R&D and in technology transfer. This year SERI scientists have won four of the prestigious R&D 100 awards.

In recognition of SERI's success and its important role in strengthening our energy future, I am pleased to announce the elevation of SERI to the status of a national laboratory. SERI, which will now be known as the National Renewable Energy Laboratory, joins an elite group of our Nation's finest scientific facilities.

This designation symbolizes our commitment to finding new ways to produce and use energy that is cleaner, more efficient, and more sustainable.

So once again, thank you all for joining us this morning to mark this special occasion. And let me end where I began with congratulations to Secretary Moore, Henson Moore, and Dr. Duane Sunderman. Thank you very, very much.

Note: The President spoke at 10:02 a.m. in the Roosevelt Room at the White House. In his remarks he referred to W. Henson Moore, Deputy Secretary of Energy; Secretary of Energy James D. Watkins; Duane N. Sunderman, director and executive vice president of the Solar Energy Research Institute; F. Henry Habicht II, Deputy Administrator of the Environmental Protection Agency; Michael R. Deland, Chairman of the Council on Environmental Quality; D. Allan Bromley, Assistant to the President for Science and Technology; Senators J. Bennett Johnston and Hank Brown; and Representatives Joel Hefley, Dan Schaefer, and David E. Skaggs.

Remarks at the Presentation Ceremony for the National Medals of Science and Technology

September 16, 1991

Thank you. Please be seated, and let me welcome the dignitaries, that's almost everybody. I don't know who is excluded, but -- [laughter] -- first, Secretary Mosbacher and Secretary Lujan here, Bob over my shoulder, Allan Bromley, my Science Advisor; Henson Moore, I believe is to be here, of Energy; and, of course, Rock Schnabel of Commerce; Walter Massey, the Director of the National Science Foundation. And then finally and perhaps most important today, our honorees and their friends and families. It's my pleasure to welcome all of you to this steamy Rose Garden. [Laughter]

And with us today are five Nobel laureates, leading engineers of the information age, authors of some of this century's world-changing discoveries and inventions. Men and women whose quantum leaps of learning compress generations of knowledge within a single lifetime of achievement. From the first moments of creation to the frontiers of the solar system, and now with Voyager, beyond, your knowledge spans the broad canvas of human endeavor.

Some of you are not only experts in your field, you invented your field. Your quests and questions produced new disciplines, new knowledge, new ways of looking at our world.

And today, your Nation recognizes your monumental accomplishments, honors the differences you have made: Advancing human understanding, improving the human condition, helping mankind conquer ignorance and illness, helping this Nation compete and prosper.

Today's award winners range in age from the Pegasus Team, a group of precocious 40-something scientists and one 37-year-old, who designed and built the world's first private space rocket to Admiral Grace Hopper, born in 1906, who pioneered the revolution that put personal computers on the desks of millions of Americans. And dragged even this President into the computer age. [Laughter]

I was asked for a report. It's been almost 6 months since my first computer lesson, and I'm making progress. I make the same mistakes, but I do it five times faster. It's marvelous. [Laughter]

The men and women we honor exemplify not simply the life of the mind, but the spirit of adventure and risk that accompanies the quest for advancement.

Take Stephen Bechtel, whose vision helped a city spring from the Saudi desert, helped turn the Arctic waters of James Bay into a source of energy for millions of North Americans, and who's

now helping Kuwait rise up from the ashes of war.

Consider Colonel Stapp, John Paul Stapp, expert on the human impact of G-forces stress. When his experiments became too dangerous to impose on others, Colonel Stapp became his own subject. And as a former Naval aviator, I can hardly believe he's withstood 40 G's. That's the same as going from 632 miles per hour to a dead stop in 1.4 seconds. Colonel Stapp put himself on the line and made flying safer for everyone, from passengers on commuter shuttles to the astronauts now orbiting the Earth on Discovery.

From the work of a single individual come benefits that can banish suffering and prolong life for many millions of people. Consider the career of Gertrude Elion, Nobel prize-winning biochemist. Her life's work spans the quest to defeat leukemia and malaria to today's battle against AIDS and other immune system disorders.

Together, your efforts transformed our world. And yet, as a Nation, our honor for all you've done falls short if we fail to sustain your forward march. This administration has proposed what progress demands: Record funding levels for research and development, with funds channeled to the individual investigator and small research teams that so often redefine state-of-the-art. To advance technology, we've focused funds on the areas of energy and aeronautics, biotechnology and advanced materials, high performance computing and communications.

To advance science and engineering research, we've urged Congress to approve an 18 percent increase in funding for the National Science Foundation, keeping us on track with our commitment to double spending on that vital research arm by the year 1994. Our commitment to science and technology proves beyond doubt we will not shortchange the future.

In the words of astronomer Edwin Powell Hubble, ``Equipped with his five senses, man explores the universe around him, and calls the adventure science." Well, science and technology hold open the hope of infinite possibility, of answers that eluded Einstein, of a new world free from fear and want. And that same shining future, the new world of possibility, exists within every child.

In the end, progress of enlightenment comes down to education, and what are we doing to cultivate the children sitting today in classrooms around the country, the generation we'll ask to provide solutions to the challenges of a new century, answers to questions that haven't even yet been asked.

Unless we act immediately, the next generation may not be equipped to follow in your footsteps. All of you know our national education goals and the strategy that we call America 2000, our challenge to everyone with a stake in our schools to literally reinvent American education. Well, right now, in some studies of math and science aptitude, U.S. students rank dead last amongst the industrialized nations. And that one statistic alone should shake us out of our complacency and

show us the scope of the challenge that we face.

If we're going to be first in the world in math and science by 2000, there's not a moment to waste. Because we're serious, next year's budget targets $661 million for precollege math and science education, a 1-year increase of 28 percent.

And today, I salute every one of you who has taken the time to share your wisdom in the classroom. I mentioned earlier that we have five Nobel laureates with us today. Let me recognize another medal-winner for a singular distinction: Elvin Kabat, who's had the satisfaction of seeing one of his students go on to win a Nobel.

We must preserve the vital connection between teaching and research. That's the idea behind the Commerce Department's Technology Heroes Program, to turn Medal of Technology winners into role models for our kids. And that's why today I am pleased to announce the establishment of the Presidential Faculty Fellows Program, to provide 5-year grants totaling $500,000 to as many as each of 30 young faculty members each year. These grants will support young scholars in their path-breaking work in science and technology and their teaching in the classroom. Perhaps years from now, some of those Presidential Faculty Fellows will have their own day here in the Rose Garden.

In honoring each of you, this Nation honors the boundless horizons of the human mind, the soaring spirit of inquiry, the special genius of the architects who fashion today's fantastic idea into tomorrow's usable tool. Your work stands as its own reward; so let me simply add your Nation's thanks.

Once again, welcome to the White House. Congratulations on your well-deserved honors. Now, with the help of Dr. Massey and Secretary Mosbacher and Dr. Allan Bromley, we will present the awards.

Thank you all very much.

[At this point, Walter Massey presented the awards.]

Well done to the presenter. I guess that concludes it, doesn't it?

Thank you all and, again, my congratulations. I think that concludes the ceremony. And the person that's in charge of the weather, please meet me inside. [Laughter] Thank you all very much.

Note: The President spoke at 10:30 a.m. in the Rose Garden at the White House. In his remarks he referred to Secretary of Commerce Robert A. Mosbacher; Secretary of the Interior Manuel Lujan, Jr.; D. Allan Bromley, Assistant to the President for Science and Technology; W. Henson

Moore, Deputy Secretary of the Department of Energy; ``Rock'' Schnabel, Under Secretary of Commerce for Travel and Tourism; Walter Massey, Director of the National Science Foundation; and Gertrude Elion, Nobel prize-winning biochemist.

The President's News Conference With Chancellor Helmut Kohl of Germany

September 16, 1991

The President. Once again, it's been my pleasure to welcome the Chancellor of Germany. We had a wide array of subjects that were discussed. The United States position and the German position are very, very close on all these major issues. And I will let the Chancellor, if he wants to, describe the issues we talked about, but it was every one that you would imagine would be on the agenda.

So, I wanted to thank the Chancellor here, thank him, and thank those that traveled with him. He was wonderfully received out in California. And this visit has given me an opportunity, and our experts, to be brought up to date on how Germany looks at these changes that are taking place all around the world.

So, once again, Mr. Chancellor, thank you, sir, for coming. And the floor is yours.

The Chancellor. Mr. President, thank you very much for these warm words of welcome. And I would like to use this opportunity to also extend another word of gratitude because in about 2 weeks' time it's going to be 1 year since we have attained German unity. And it's almost like a dream come true, all of these dramatic changes that we've seen occurring in Central and Eastern Europe.

And I've said it in all my speeches that I gave during this trip here and the speeches that I gave in California at the University of California and at numerous other occasions, that we have not forgotten that the Americans have always stood shoulder-to-shoulder with us as friends and partners, just as all the American Presidents have, ever since Harry S. Truman up to the present President, my friend, George Bush.

And, Mr. President, let me mention once again how important I think it is that, in view of these dramatic changes occurring in the world of today, that we work together so closely as we have and as partners and friends.

I would only like to mention a few points here, points that occurred during the very long and very thorough conversation that we had just now. And I would like to mention a subject here that I think is very much on the agenda in the United States right now. It is in our interest, it is in my interest that we come to a positive conclusion of the GATT round. Free world trade and the fight against protectionism are important prerequisites for freedom in the world.

I would like to mention the other important subject that we discussed not only today but in the

numerous telephone conversations that we had over the past few weeks. And here again I see that we are in total agreement. We want to see a situation in the Soviet Union come about where there is freedom, democracy, and the rule of law. And we know that such a liberal democratic society can only be established in the Soviet Union if a federal framework is found as by way of political structure for the Soviet Union.

And I hope that the treaty that is going to be signed this week, about the treaty governing the relationship between the central authority and the Republics, that this is going to be signed in the next future by as many Republics as possible. Because the precondition for everything else is that in the Soviet Union a sound and stable economic framework and economic development is launched, that sound and stable framework conditions exist there, because only on the basis of that is then the West be in a position to actually help and assist the Soviet Union in its further development.

But I would like to add here, I think it is wise to help and it is reasonable to help now so that a free and liberal order can be established in the Soviet Union. Later on I predict that things will get far more expensive than they are now. In London during the G - 7 meeting, we discussed this topic. The decisions will have to be implemented quickly. And the two of us were in agreement today that if we look ahead to the probably rather harsh winter that the Soviet Union is expecting, it is also necessary to decide in time on food aid and medical aid that we give to the Soviet Union.

Another subject on the agenda today was the dramatic development in Yugoslavia. And I can only repeat here what I've said time and again: In this country, in this situation there, as quickly as possible there must be a renunciation of the use of force, and one must come back as quickly as possible to dialog. By use of force, no side there is going to make any headway at all. There is no way that you can keep a state together by using tanks.

Mr. President, thank you once again for these very cordial and very friendly talks that we had here today.

The President. We have time for just a few questions here, and I'd like to have them alternated as we do, one for me and one for the Chancellor, in any order.

Yes, Helen [Helen Thomas, United Press International].

Western Aid to the Soviet Union

Q. Mr. President, you said that you both are very close on the issues. Are you close, or have you developed a Soviet aid package, I mean outside of food?

The President. No specific aid package and no specific food or other humanitarian assistance package. But we're in agreement that, on the latter, it should go forward very soon in order to

avert hunger. And certainly, there are some medical supplies that might be necessary to avert medical catastrophe this winter.

In terms of any further aid, we will move forward on that. I'm going to meet with Secretary Brady just when this meeting is over, who is going to Moscow. Secretary Baker will have some ideas on this when he comes back, having spent several days there. But we still feel, and I think the Chancellor does, you heard him say they've got to get on with the reforms, they've got to work out this, the kind of ``son of Union Treaty I," you might say, so people know who they're dealing with.

But in principle, we'd like to be able to be of some assistance. But there was no specific deal, there weren't numbers that we were talking about or anything of that nature.

Q. When do you think you will have something?

The President. We will move as expeditiously as we can, but we're not ready yet, for some of the reasons I've touched on and others as well.

Now, for the Chancellor; who has got one for Chancellor Kohl?

Civil Conflict in Yugoslavia

Q. Chancellor, do you think you have developed a way in which one can avoid further use of force in Yugoslavia?

The Chancellor. I don't think any one of us here has developed a sort of patent recipe, but I think we do stand a very small chance now. During these last few days, I do think that we stand a small chance to impress it on the people responsible and the political leadership there in Yugoslavia that a further escalation of the conflict must at all costs be avoided, that a deployment of the central forces of the army of the central authority must at all costs be avoided.

CIA Director Nominee

Q. Mr. President, Robert Gates said today that he wished that he had been more skeptical, he wished he'd asked more questions, he wished he had done more to get to the bottom of the Iran-Contra affair. Is that a feeling that you share?

The President. I've not seen the Gates testimony. We've been in these meetings with Chancellor Kohl. I'm disinclined to comment on, although I'm sure you're interpreting it accurately, what it is Mr. Gates had said. From any summary of what's been said, I have no feeling that his chances have been diminished, and indeed, my support for him will not waver. So, I just don't want to comment, Terry [Terence Hunt, Associated Press], on something that you're telling me he said

until I know exactly what it was. But I suppose what he's saying, if that's it, is that with a lot of hindsight and a lot of things that have come to the surface since, maybe he wished he'd done things differently. I guess we all might fit into that description.

But clearly, he's a good man, well-qualified, and I remain confident that he will be confirmed. He should be. He'd be a great Director of Central Intelligence.

Q. That was the question I was asking you. Is that a feeling that you have now, that you wish that you had done more -- --

The President. About what?

Q. Iran-Contra, to get to the bottom of it.

The President. I wish the damn thing had never happened. What do you mean do I wish anything done differently? But what I might have done about it, that's something else. We spend so much time on it. I must say I was very pleased to see the Ollie North decision today, however.

For the Chancellor.

Trade Negotiations

Q. Chancellor Kohl, what specifically did you recommend to get the GATT talks moving?

The Chancellor. I think both sides have to do something. We in the European Community but also our other partners in GATT have to do something. And I'm talking about the services part of the GATT round. I'm talking about the textile part of the GATT round where things really now should be set in motion.

The most important thing is that right now all of us have to understand that if GATT fails, we all fail. And this failure would constitute really a very severe blow against free world trade, and that would have catastrophic consequences in the present world economic situation, not last for us Germans. Thirty-five percent of our production, after all, thirty-five percent of our production goes into exports, and increasingly.

The second point would be a failure of GATT would be catastrophic for the Third World countries, for the developing countries because they would then enter into a vicious circle. They would enter into a vicious circle in the sense that they would not be able, if there is a failure of the GATT round, to sell their products. That means they will have to borrow money somewhere else, and that means that, in order to buy machinery, in order to buy equipment of all sorts, that means at the end of that they will have incurred so many debts that we have to launch a rescheduling of those debts.

Israeli Loan Guarantees

Q. Mr. President, polls and politicians in Israel and the United States indicate that you would have more success in delaying the Israeli loan guarantees if you linked it to settlements. Isn't that in essence what you are doing, and why not make that explicit link?

The President. It is my view that the less debate we have on these contentious issues now, the better. And it is my view that the peace process is enhanced overall by this deferral. And so, our policy is based on that. And I am absolutely convinced it's right. The United States' views on settlements didn't originate with this administration, but I feel very strongly about the settlement question. And I've stated it over and over again. But I think rather than reiterate positions, what we need to do is simply defer consideration of that request and take it up at a later date. And I am convinced that that's in the best interests of peace.

Incidentally, I just interrupted my lunch with the Chancellor to take a phone call from Jim Baker who had just concluded 3 hours of meetings in Israel. And I expect I'll be talking to him later on.

But what I am proposing is in the best interest of peace. And peace is in the best interest of Israel, and it's in the best interest of other countries in the area. And certainly, as I, having discussed this with the Chancellor, I know he feels it's in the best interest of all the European countries as well.

Q. Has this become a personal issue between you and Prime Minister Shamir and Housing Minister Sharon?

The President. No. I haven't talked to them lately. I've stated the position of the United States of America, and it isn't going to change. I feel as strongly about it today as I did when I made the statement. And it's when the policy was formulated. And we are the United States, and this is the foreign policy of the United States while I'm President. And so, there's no rancor about it. And there's no personalities involved. But I will follow through now on what I feel is best for the United States of America. And I'm absolutely convinced it's in the best interest of the peace process.

The Chancellor. Mr. President, if you allow, I would like to add a brief remark, add to the subject. And let me reassure you I'm not going to interfere in internal American affairs. But I would like to make one thing very clear that I think I share with nearly all of my European colleagues. We completely and unequivocally support the President's initiative for a peace conference for the Middle East. And all of us hope and pray that this initiative is crowned by success. We all hope that at the end we will not be faced with a situation where we say we won the war but we lost the peace.

And I would like to say something here as regards the President's position that he's taken over the

years. I know of no American President who has done as much for the State of Israel as President George Bush.

The President. The Chancellor, a question for the Chancellor?

Iraq

Q. Chancellor Kohl, what do you think the allies should do about Iraq's apparently renewed intransigence toward the U.N. inspection teams? And did you discuss that in your meeting with President Bush?

The Chancellor. I think that one should try to exploit all the possibilities open to us within the framework of the United Nations Security Council, and I think that this should be done in a very decisive and a very determined manner.

The President. Let me simply add to that: I totally agree with that. It is essential that Saddam Hussein comply with the United Nations resolutions that have been passed. And he is now, once again, going against those resolutions. And working closely with others, we now must make a determination as to what to do about this.

Nuclear Security

Q. Mr. President, you've said twice recently, on July 18th and again on Labor Day, that as long as the Soviets point missiles at the United States we cannot be friends and allies. I'd like to know how serious you think that threat is and whether that might be an issue that would be tied to aid programs in the future.

The President. I think the threat is far less today, far, far less than it's been. Let's hope that the dramatic progress that has taken place over the past couple of weeks continues, and we may not have that problem to contend with. Certainly we don't have it to contend with now as we did in the past. But we still have security responsibilities, and we still have to see that they're carried out. So, we'll just have to wait and see. Things are moving so fast and developments are taking place so fast that I can't comment on what it's going to be like. But clearly, if the missiles were not aimed at the United States, it would facilitate a lot of things.

Q. Do you see it directly tied to food aid or to other aid?

The President. No, I don't see it tied to food aid.

Iraq

Q. Chancellor, could you come back to the question of Iraq? When you say use all possibilities,

does that include using military possibilities, and has the President discussed that with you?

The Chancellor. No, we did not discuss this last point. But I think that the truce must be kept in this and all its different parts, because if this cease-fire is not abided by, then I think that would mean that the decisions of the United Nations are not taken seriously.

The President. One more for each, and we're finished.

Iran-Contra Affair

Q. I'd like to ask you why you think the Ollie North decision was a good decision. Since prosecutor Walsh says he was not going to pursue prosecution because of the North testimony with immunity up on the Hill, it appears that North may have in fact slipped a noose on a technicality. Or do you think that he was not responsible for destroying White House documents and lying to Congress?

The President. No, my basis is that he's been through enough. He was acquitted once. There was an appeal. He's been let off. Now, the system of justice is working. And on a personal basis and for his family who have been through a lot, I'm very, very pleased. That's what I was basing it on.

Q. Do you think he was responsible for lying to Congress?

The President. Listen, why am I going to second-guess the court system? I've stayed out of it. All I'm saying is they've made a statement now, and I think it's a good thing for the reasons I've given you.

Q. Don't you see an irony here -- --

The President. You don't get two follow-ups in this league. This is the big league. You get one followup question. You tried hard, and that's it. Now you need one for the Chancellor.

Middle East Peace Talks

Q. Mr. Kohl, a followup to what you said, sir. By your statements do you mean that if Israel comes to you for the $10-billion guarantee, you will not accept it, the EC will not accept it? And do you think a peace conference should be held if Israel and the Palestinians refuse to come?

The Chancellor. We do have talks with Israel, and these talks are going on, which is why I'm not going to discuss them publicly because, as we all know, discussing these matters publicly usually always increases the asking price, so to speak, in general negotiations. But I think it is well known that we have adopted a highly critical position as regards the settlement policy.

The President. I might add to that that it's very encouraging and, I think, proper that the Israelis continue to express an interest in attending the peace conference. Clearly that's true on the part of others. And so, I don't think we ought to go into this kind of negative thought that it might not happen. The whole policy is based on bringing these people together and bringing peace to the area. So, I've been pleased that the parties seem to be still going forward in terms of attending a peace conference.

And I know that Chancellor agrees with that because we've had a chance to both talk about how strongly we feel that these peace talks, when they take place, would be in the interest not just to peace in the Middle East but world peace. I mean, a lot of other countries are involved in all of this.

Q. What did Secretary Baker say about his talks, Mr. President?

The President. Very good talks, as a matter of fact.

Note: The President's 104th news conference began at 2:37 p.m. in the Rose Garden at the White House. Chancellor Kohl spoke in German, and his remarks were translated by an interpreter. In the news conference, the following persons were referred to: Secretary of the Treasury Nicholas F. Brady; Secretary of State James A. Baker III; Robert M. Gates, nominee for Central Intelligence Agency Director and former Deputy Director of the CIA; Oliver North, a former National Security Council aide who had charges against him concerning the Iran-Contra affair dropped earlier in the day; Prime Minister Yitzhak Shamir and Minister of Construction and Housing Ariel Sharon of Israel; President Saddam Hussein of Iraq; and Lawrence E. Walsh, the Iran-Contra independent prosecutor.

Prior to the news conference, the President and the Chancellor met privately in the Oval Office and attended a luncheon in the Old Family Dining Room.

Nomination of Steven E. Steiner To Be United States Representative to the START Joint Compliance and Inspection Commission

September 16, 1991

The President today announced his intention to nominate Steven E. Steiner, of Maryland, to be accorded the rank of Ambassador during his tenure of service as United States Representative to the START Joint Compliance and Inspection Commission.

Since 1988 Ambassador Steiner has served as the United States Representative to the Special Verification Commission. Prior to this, he served as Director of Defense and Arms Control for the National Security Staff at the White House, 1983 - 1988; Director of Public Affairs for the Bureau of European Affairs at the U.S. Department of State, 1981 - 1983; and as Deputy Director of Theater Military Police for the Bureau of Politico-Military Affairs, 1978 - 1981. Ambassador Steiner entered the Foreign Service in 1966.

Ambassador Steiner graduated from Yale University (B.A., 1963) and Columbia University (M.I.A., 1966). He was born July 14, 1940, in Kittanning, PA. Ambassador Steiner is married, has three children, and resides in Chevy Chase, MD.

Statement by the Press Secretary on Senate Confirmation Hearings on the Supreme Court Nomination of Clarence Thomas

September 16, 1991

President Bush today telephoned his nominee to the Supreme Court, Judge Clarence Thomas, in Senator Danforth's office, and congratulated him on the completion of his testimony before the Senate Judiciary Committee. The President said that Judge Thomas' testimony showed the American people that he has an outstanding record, is committed to the rule of law, and will preserve and protect the Constitution.

The President is confident that Judge Thomas will be confirmed.

Note: The statement referred to Senator John C. Danforth.

Statement by Press Secretary Fitzwater on President Bush's Meeting With President Jose Eduardo dos Santos of Angola

September 16, 1991

President Bush used the occasion of the private visit of President Jose Eduardo dos Santos of Angola to review with him the status of the Angola Peace Accords. President Bush reiterated our firm commitment to the Angola peace process and to the full and timely implementation of all aspects of the accords. In light of the recent difficulties concerning the assembly and cantonment of troops and the slow pace at which discussions are proceeding toward agreement on an electoral calendar, including a precise date for elections, President Bush urged President dos Santos to resolve these issues quickly so that the peace process will maintain its momentum and genuine national reconciliation can finally be established in Angola. President Bush informed President dos Santos that we remain committed to establishing diplomatic relations with the government which emerges from free and fair internationally monitored elections. President Bush noted that he is looking forward to Angola's elections next year and reiterated our preference, also contained with the accords, that they be held in September.

Letter to Congressional Leaders Reporting on the Situation in Iraq

September 16, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1), and as part of my continuing effort to keep the Congress fully informed, I am again reporting on the status of efforts to obtain compliance by Iraq with the resolutions adopted by the U.N. Security Council.

Since my last report, the International Atomic Energy Agency (IAEA) and the Special Commission created under Resolution 687 have continued to conduct inspections and other activities related to Iraqi weapons of mass destruction and ballistic missiles. With strong support from the United States, these bodies have been working actively under difficult conditions to identify, inspect and arrange for the elimination of these weapons and related items. As a result, Iraq has permitted some access to facilities related to these weapons, and inspectors have viewed the destruction of some ballistic missiles and chemical munitions, and catalogued large volumes of equipment related to Iraq's nuclear and other programs.

Iraq continues, however, to misrepresent the scope of its programs in these areas, to use deception and concealment to prevent inspection teams from locating equipment subject to elimination under Resolution 687, and to deny inspection teams full and unrestricted access to facilities associated with weapons of mass destruction and ballistic missiles. This pattern of behavior, as well as other Iraqi violations of the requirements of Resolution 687, resulted in the adoption on August 15 of Resolution 707, which condemns Iraq for these actions and holds it in material breach of its obligations. In addition, the IAEA Board of Governors voted on July 18 to find Iraq in violation of its Safeguards Agreement and thus of the Non-Proliferation Treaty. Recently, Iraq has refused to permit the U.N. to base helicopters inside Iraq for these purposes, contrary to an explicit Security Council demand contained in Resolution 707. The United States will not tolerate the continuation of this situation, and if necessary will take action to ensure Iraqi compliance with the Council's decisions so as to fully implement Resolution 678's call for the restoration of international peace and security to the Persian Gulf region.

Significant progress has been made since my last report toward implementation of the resolution of the Security Council concerning compensation for the victims of the unlawful invasion and occupation of Kuwait. The first session of the Governing Council of the new U.N. Compensation Commission met from July 22 - August 2 in Geneva, and adopted criteria for the first category of claims to be considered by the Commission -- namely, claims of individuals for up to $100,000. The Executive Secretary of the Commission and his two deputies have been appointed, as well as a number of experts on the oil industry, banking and claims processing. The next session of the

Governing Council will begin on October 14, and will focus on the adoption of a mechanism for collection and monitoring of Iraqi oil export revenues, as well as criteria for other categories of claims.

On August 15, the U.N. Security Council adopted Resolution 705, which approved the earlier recommendation of the Secretary-General that the ceiling on contributions to the Compensation Fund be set at 30% of Iraqi annual oil export revenues. On the same date, the Security Council adopted Resolution 706, which authorized sales of up to $1.6 billion of Iraqi oil, the proceeds of which would be paid to a U.N. escrow account and used as follows: (1) 30% would go to the Compensation Fund; (2) the U.N. would retain the amounts necessary for costs incurred by the Special Commission, the Boundary Commission, and other U.N. efforts pursuant to Resolution 687; and (3) the remainder would be used for the food, medicine and other items for essential civilian needs, which would be provided under strict U.N. supervision to ensure their equitable distribution in Iraq. We are currently working with the Secretary-General and other Security Council members to implement this resolution as soon as possible.

As I stated in my previous reports, the United States remains concerned about the situation of the Kurds and other internal population groups that have been the object of repressive measures by the Government of Iraq. We have informed the Government of Iraq that we will continue to monitor carefully the treatment of its citizens, and that we remain prepared to take appropriate steps if the situation requires. To this end, an appropriate level of forces will be maintained in the region for as long as required by the situation in Iraq.

I remain grateful for the support of Congress for these efforts, and I look forward to continued cooperation toward achieving our mutual objectives.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate. These letters were released by the Office of the Press Secretary on September 17.

Remarks Following Discussions With President Alberto Fujimori of Peru

September 17, 1991

President Bush. Mr. President, it has been a great pleasure and a privilege to meet with you today and exchange views on the important issues that our two countries must overcome together. You, sir, you, Mr. President, are Peru's hope for the future. We have spoken openly, discussing the tough challenges Peru faces, from economic hardship to renegade insurgencies, from the war against drugs to the battle to preserve human rights. Much has been done on all these fronts, but much more waits to be achieved.

Mr. President, since taking office, you have cut government spending, eliminated price controls, knocked down barriers to trade and investment. Those reforms have begun paying off. They've begun paying dividends. Inflation has eased; net international reserves have risen. Peruvians feel confident in themselves, their economy, and their nation. We want to be a full partner in your efforts to restore Peru's economy because your people deserve the fruits of economic growth after so many years of suffering.

We also discussed narcotics trafficking and production, a scourge that blocks Peru's path to a peaceful and prosperous future, drains its resources, drives insurgency, and dampens its hope for a better tomorrow. Under your leadership, sir, Peru has moved to combat this deadly threat. You've both strengthened policy and military operations against the drug industry and stressed the need for alternative crop production. The U.S. and other nations have joined to support Peru's efforts with training, resources, and equipment. And in this spirit, I was pleased to reaffirm last May's accords in which we agreed to cooperate closely in combating drug trafficking.

To support these efforts, my administration wants to send $94 million in economic and military assistance to fight drugs. Unfortunately, Congress has placed a hold on disbursement of these funds, chiefly because of stated human rights concerns. We share these concerns, and so do you, Mr. President. But you have made progress on human rights, and let's also then see progress on releasing these funds.

Without this needed aid, cocaine traffic will continue unabated and violence and abuses will increase unredressed. So, I urge Congress to help Peru and the Andean nations create economic alternatives to coca production by passing my Andean Trade Preference Initiative.

Mr. President, you've combined strong leadership with swift action. You've replaced police officers suspected of corruption and abuse, begun to open up detention centers to prosecutors, and pledged to strengthen your military code.

Your reforms have begun to help improve the human rights record of the security forces, and your deeds echo the words of your country's constitution, ``That all men, equal in dignity, have rights of universal validity." Rights abuses have fallen sharply since you took office last year. And Mr. President, your leadership and your nation deserve our support, and you have it.

Our Government is pleased to cochair with Japan an international group to help Peru with its debt problems and hasten its reintegration into the international financial community. A number of other countries, including several in Latin America, have joined this process which is so important for Peru's future. We hope the democratic community will rally generously to support your people.

Mr. President, you are confronting the challenge of change with courage and vision. And you're building a new Peru with a sound economy, respect for law, and a new sense of social justice and national reconciliation. You're steering your country steadily toward a place of renewed leadership in the community of democratic nations which Peruvian patriot Juan Pablo Viscardo y Guzman once called ``the great family of brothers."

And so, once again, sir, it has been an honor to welcome you and, yes, your family to the White House and your excellent team that you brought with you. We welcome you once again, and let me just say may God bless you and the people of Peru.

President Fujimori. Mr. President, as President of Peru, I would like to express my appreciation and that of the Peruvian people for all your hospitality during our trip and for the considerable assistance that your Government has provided to my country through your leadership of the refinancing group. Thanks to your support, Peru will be able to resume normalized relations with the international financial community.

As we have discussed together, Peru and the United States have joined in a terrible intimacy in the war against drugs. Our country can play a significant role in the effort to wipe out drug trafficking. Peru produces 60 percent of the world's coca leaf, while the United States consumes 80 percent of the world's cocaine. The efforts on the part of both our countries to fight this scourge, within the framework of the antidrug agreement which we have signed and with the support of the coca-growing farmers of Peru, are critical. And we all recognize that each victory in this fight will benefit the youth of the entire world. In order to replace the coca leaf with other crops in Peru, it will be necessary to change our systems and create the conditions for a true market economy. It is only in this manner that the coca-growing farmer can switch to alternative and profitable crops.

We are making progress in this difficult war. We have achieved a national consensus which includes all of the coca-growing farm organizations for a move to legal crops and alternative development. Through intelligent efforts based on the shared vision between our two countries, we can consolidate a relationship which will vanquish drug trafficking.

As I informed you, we have established a new policy in Peru for the protection of human rights which will complement our fight against drug-trafficking and terrorists and will guarantee the full respect of those rights.

We are committed to ending the problems in Peru without abandoning the rule of law and democracy. Our plan for fighting drugs in Peru calls for identifying the coca-growing farmers. By identifying the coca farmers, we will also be able to identify the drug traffickers. I wish to assure you that our efforts to put an end to the activities of drug-trafficking will be implacable.

I am certain that with the cooperation of the United States of America, with its friendship and fraternity, together we will be able to free humanity of the terrible scourge of drug-trafficking.

Mr. President, again, my sincere thanks. Your support and concern for the reconstruction of my country will long be remembered by myself and the people of Peru. Many thanks.

Note: President Bush spoke at 1:22 p.m. in the East Room at the White House. Prior to their remarks, the two Presidents met privately in the Oval Office, met with U.S. and Peruvian officials in the Cabinet Room, and attended a luncheon in the Old Family Dining Room.

Remarks in a Teleconference With Schoolchildren During the Annual National Space Science Symposium

September 17, 1991

The President. Well, Dick, Admiral Truly, thank you very, very much; and to Charlie here and Tammy down there someplace, Lisa.

I was watching part of the program before we came in. I saw some of you all there. And let me say how exciting I think the efforts of the spacemobilers and the astronauts are to teach students about space and space exploration. When I was a kid, we had some idols we thought were out of this world. With people like Charlie and Tammy Jernigan, they really are out of this world. And you know what I mean.

It's also a privilege to be with so many fine students interested in learning about the future of space. And I especially want to salute the national winners of the Space Science Student Involvement Program who are in the studio with us here today. Their academic achievement, you guys can learn from them, their academic achievement deserves real special recognition.

So looking forward to today, for a few minutes I was a hero with one of my young grandkids, younger guy than you. When I told her I was going to be on television, she thought I'd finally made it on to ``Sesame Street." [Laughter]

And as you begin the school year, just think of what you can make of the future. Many of you are the class of the year 2000. In NASA lingo, that means ``T" minus 8 years, 3 months, and 13 days. And you, the students of today, will help keep America the world's leader. And all of you, if you work hard, but all of you can turn learning into an adventure.

And to do this you have to prepare not just by studying, but by studying hard, especially math and science. And that means doing what I too often fail to do, that means homework. And it means setting goals both for you and for America.

This is why our administration and the Nation's Governors created six national educational goals, one of which is to be the first in the world in math and science. And together you can help say of American education, ``All systems are go."

And since this telecast began, the astronauts orbiting in the space shuttle Discovery have traveled halfway around the planet Earth. Just think about that: Just since the program began, about 12,000 miles. Even if you don't end up working in space, what you learn about math and science and all the rest of the subjects you study will help you for the rest of your life. So, do your best. Make America proud. Help achieve a lift-off to learning.

And now, Charlie, having heard some questions I understand they've got a few more questions, and maybe you and I can answer them. I hope they give the tough ones to this guy, and I'll take the easy ones. [Laughter]

Mr. Bolden. Well, Mr. President, I think they're ready, and we're going to give you two questions from here before we switch down to Texas for some. So, who has a question for the President?

The President. There she goes. What is it?

Q. I go to Stevens Elementary School. My teacher is Miss Hamilton.

The President. Is she a hard teacher?

Q. No.

The President. No? Okay.

Q. Do you want your grandchildren to live and work in space?

The President. Oh, I'd love it if one of them would do that. We've got 12, so we've got a lot to choose from, girls and boys. But I think it would be wonderful. I don't know whether they'll make it, but if they're going to, they've got to start in, as I'm sure some of you are: recognize the importance of school first and then as they get a little older concentrate on that math and science and all the things that Charlie can tell you about that are important to it. But I think it would be wonderful because I think the challenge for our country, a lot of it, lies out there in space.

Mr. Bolden. Next question. Let me see your hands, and, Admiral Truly, I think there's one right by you.

Q. I would like to ask you how is space technology helping you as the President?

The President. Well, there are many ways it helps. I'm not sure exactly in terms of my day-to-day responsibilities as President, but space technology helps in so many practical ways. One I think of is, and I guess it affects whether you're President or whether you're just a plain citizen, is in medicine. Some of the research that they have done has a direct application to medicine. Other parts of research that interest me, I guess, again, not just because I'm President, but citizen, is what they learn about weather, what they learn about crops internationally in terms of feeding the world.

One of the worries I have is there are a lot of hungry people in the world. And how do we, as the United States, use our advanced science that NASA taught us so much about to help other

people? And we've got to help people at home, but we also have an obligation. Somebody is hungry halfway around the world, we need to help them. And the science that comes out of the space program in terms of agriculture is very, very important.

So, that is just a couple of ways, but I'm sure there are many, many more.

Mr. Bolden. Mr. President, we're going to switch now down to Tammy Jernigan and the crew in La Porte and give them an opportunity to ask us about four questions. So, Tammy, if you would go around the room and give us your question.

Ms. Jernigan. Thank you, Charlie. Mr. President, I've been so really excited here at College Park Elementary to ask you some questions.

Q. Mr. President, how will you know that we're first in science and math?

The President. Well, I don't know. There are all kinds of objective ways of measuring. But one of the goals that we have is to have voluntary testing at various levels: 4th, 8th, and 12th grade. They have measures now to determine what countries are ahead, and, regrettably, we're about 12th in that special field. So, in addition to just getting a feeling of it by the results, by how well people do in life, there will be, under our national education goals, there will be national testing. And I think this will help. I think the schools are interested. The Governors are interested, and I think it will help us answer your question better, once that starts.

Q. Mr. President, how did you come up with your goals?

The President. I didn't hear you. Tell me one more time. I was listening, but I just didn't get it. What was it?

Q. Mr. President, how did you come up with your goals?

The President. The education goals, a very good question. I'll tell you what we did. We met with all the Governors. And I went down to Charlottesville, Virginia, and met with the Governors. And then they went back to the States and working with the White House staff and the Governors' staffs we came up with these national goals. They made suggestions. We'd offer our suggestions. And 50 Governors came together with the White House to set, for the first time in our history, national goals. And they are: to be first in math and science. We talk about ``ready to learn," and that means Head Start program. We talk about ``nobody is too old to learn." That includes me. I'm trying to learn a computer. Everybody in this room probably knows how to do it better than I do. But I'm not too old to learn even though I'm getting up there, 67 years old. I remember when I was your age I thought if I got 67, wow, over the hill, gone, history. [Laughter]

But we've got these good sensible goals now. And now the thing we're going to try to do is get

each State to work with their communities to solve these, to come up with solutions so that we meet these education goals.

Who else has got it? Nice to see you again, incidentally.

Q. Mr. President, why do we want to put a person on Mars?

The President. Well, I think it's going to just go to the cutting edge of the science. And everything that's happened in space, from the very first vehicle into space to the very last, has taught us a lot about the real world and all outside our own world.

And so, I think it would just be a quantum leap forward in terms of our knowledge as to what the universe is about. And I hope that in addition it would have very practical answers to some of the problems we face on Earth. So, it's going to what they call a cutting edge. It's going out front. It's exploring. It's like the guys in the wagon trains that used to go across this country. They were the pioneers. Now, the pioneers are Charlie and Lisa and Tammy and others. And it's a wonderfully exciting thing. So, it's expensive. It's going to take a while to do it, but we've always got to be in the forefront. At the United States, more and more countries are looking to us for everything in the world, including being the leader in science and technology.

Q. Mr. President, what if you are talented in art and you drop out of school because you can make a bunch of money?

The President. Talented in art and you drop out of school to make a bunch of dough? Well, first place, I hope -- maybe if you're asking about yourself or someone in your family, I hope they are talented in art. But I don't think you ought to drop out of school. You can have one discipline. You can have one area of expertise. But to be a full human being you need a wide array of knowledge.

And so my advice to somebody that fit that description -- really good in art, maybe good enough to start selling paintings or doing sculpture, or whatever it is, is a grade school or a high school student -- finish your education. That's only a part of your life, a vital part of your life. But you need to be a whole person, a whole man, a whole woman. And you can't do it if you are less than fully educated.

So, if you know somebody, if you asked me the question because you know somebody that fits that description and they were looking for a little advice: Keep up with the art. Do what you do best, but don't neglect being a whole person. And you only get that from a full education.

Good question though.

Ms. Jernigan. Mr. President, we understand we're out of time. We really appreciate the time that

you've spent with us here today.

Bye.

The President. All right. Thanks. You guys had good questions.

Mr. Bolden. Tammy, thanks very much to you and the kids down there in La Porte. And we're going to swing back up here and give our kids an opportunity to ask just a few more questions before the President has to leave. So, how about more questions?

Q. My question is, do you think current problems like drugs and crime will follow us to space?

The President. I'll tell you, I've got some good news. We're making dramatic progress in the fight against narcotics. It's just beginning to happen, but we're making great progress. And the best progress is amongst kids your age and a little bit older who are turning away from drugs because they know how bad it is. But no, there would be no room for drug use in space. The life that Charlie's described for you and you've heard about from La Porte, Texas, today, is too complex: One person's life depends on another. And you can't have any kind of thing like drug use in space.

What grade are you in?

Q. Fourth.

The President. Fourth grade. Can't have it in the fourth grade. You ruin your lives. And the good news is, as I say, is people are beginning to understand this more. The bad news is, we're not there yet. I just met with the President of Peru before I came over here. And they grow something like 40, 60 percent of the coca leaf, and we're working with them to try to eliminate this. And they say to us, ``Hey, you help us eliminate this coca leaf." That's where the cocaine comes from. ``But you use 80 percent of the narcotics in the world. The demand in your country, Mr. Bush, is 80 percent."

So, what we've got to do is continue with the education programs and the neighborhood programs and the State programs and the community programs and, yes, the White House programs. So we teach people you simply can't use drugs whether it's space -- it's not going to go out into outer space -- nor cities, nor homes, nor families, wherever. We just can't do it.

Q. Would you like to go on a trip to space to help build a space station?

The President. Yes, I'd like to. I don't think I'll make it though. [Laughter] I don't think they'd let me in. I don't think Admiral Truly, who's the boss of this program, would have a guy my age. I think healthwise I might be able to make it. And I'm not sure Charlie would want an old guy up there with him on his next space mission which he's going to undertake what, next spring?

Mr. Bolden. Next spring sometime.

The President. Your question wasn't am I going to do it, but would I like to. I'd love to do it. I really would love to see the world as these people have seen it. And I think I'd be a better President if I had.

Q. I want to ask you, how difficult is it to be our President?

The President. It depends on what's happening out there, I'll tell you. And some days it's very difficult, and some days it's not so bad. But I think the answer is: In the first place, it's exciting; it's fun; I like it. There are so many things to be done both here and abroad. And the thing about that one is to get good people with you.

One of the reasons our space program has been successful, the leader in the whole world, is because we've attracted really good people. And the same thing is true for the White House. So, you know, at times like during the war and stuff, it gets a little complicated and difficult. And then at times, you just feel, look we can do anything we set our sights on. But I think the advice is: Get good people around you.

Q. I want to know what kind of work -- is the work hard that you do?

The President. You mean President? Well, it's pretty long hours. I get up every morning at 5 a.m. This might be of real interest to you. Our dogs are like alarm clocks. We have two dogs, you know, Millie and Ranger. They're like alarm clocks. They wake at 5 a.m. every morning. And so I have a long day. So, I go home and go to the Oval Office. Then in the evening I work. I have an office in the White House, the big White House part, the residence. And sometimes it's very difficult and complicated, and you worry about people and how they're doing: drugs or the cities or whatever else it is. But I don't know that it's harder than your teacher's job or the astronaut's job. I don't think it's a question of difficulty. Again, it's a question of, ``Are you up for it? Do you think you can do it? Do you want to make a contribution?'' Something like that.

Q. And I want to know, how do you feel about sending people into space?

The President. Sending people in there? Well, in the first place, clearly people don't go into space unless they want to, unless they've got a drive, unless they've got a mission. And then, you worry about it, as President. But I think their neighbors worry about it, his friends. It's something when you see something dramatic like a lift-off. But I view it as a challenge. I think Charlie's lucky. He's a good man. I think he's lucky to be in space.

Mr. Bolden. We have time for one more question, and you've been having your hand up, so go ahead.

Q. Mr. Bush, would you consider letting Millie be the first American dog in space? [Laughter]

The President. First dog in space?

Q. American.

The President. I don't think I'd let Millie do it because I don't think she could pass the physical. She has lupus, and that's a disease. And I don't think any of the doctors at NASA would let her go. Other than that, if they were going to take a dog out there, I'd let Ranger. I've got a dog named Ranger, Millie's son. He could go maybe. But I don't think people would like the President's dog getting to be the first dog in space. They'd all say, ``Hey, how come my dog didn't get to go.'' You know what I mean? So, I don't think Millie's going to go either. But anyway, that's an interesting question because they do take different kinds of animals. I guess you do, or don't you?

Mr. Bolden. Different kinds of animals. Yes, sir, Mr. President.

The President. No dogs yet?

Mr. Bolden. No dogs yet that I know of, like you said, on an American space flight.

Mr. President, we want to thank you very much. I know you've been very, very busy. And you've taken a lot of your personal time out to be with us today. And I know the kids are excited. So, I thank you for them.

Admiral Truly, we thank you very much. I want to thank Lisa McLeod. Tammy, I'd like to really thank you and the kids down there in La Porte. I want to thank our television audience because you've been superb. We've had lots of fun here together. We want to thank the public television stations who've chosen to carry us today. And we want to encourage all of you to take heed at the words that you heard today: study, study, study; read, read, read. We really appreciate your being with us. So, so long.

Note: The President spoke at 2:38 p.m. from the auditorium of the National Aeronautics and Space Administration on NASA Select TV via a two-way video and audio satellite hookup. In his remarks, the President referred to: NASA Administrator Richard H. Truly; Lisa McLeod, NASA Aerospace Education Specialist; Elizabeth Hamilton, a teacher at Stevens Elementary School; and President Alberto Fujimori of Peru. Astronauts Charlie Bolden in Washington, and Tammy Jernigan in La Porte, Texas, led the teleconference. Students participated in the teleconference from: Stevens Elementary School, Washington, DC; Bucknell Elementary School, Alexandria, VA; Ashburton Elementary School and Harlem Park Elementary School in Baltimore, MD; and College Park Elementary School, La Porte, TX. A tape was not available for verification of the content of these remarks.

Nomination of Elaine L. Chao To Be Director of the Peace Corps

September 17, 1991

The President today announced his intention to nominate Elaine L. Chao, of California, to be Director of the Peace Corps. She would succeed Paul D. Coverdell.

Currently Ms. Chao serves as Deputy Secretary at the U.S. Department of Transportation in Washington, DC. Prior to this, Ms. Chao served as Chairman on the Federal Maritime Commission, 1988 - 1989; Deputy Administrator of the Maritime Administration at the U.S. Department of Transportation, 1986 - 1988; and vice president for syndications of BankAmerica Capital Markets Group, 1984 - 1986. She was selected as a White House Fellow and worked in the Office of Policy Development at the White House in 1983 - 1984. From 1979 to 1983, she worked as an international banker at Citicorp in New York.

Ms. Chao graduated from Mount Holyoke College (B.A., 1975) and Harvard Business School (M.B.A., 1979). She was born March 26, 1953, in Taipei, Taiwan. Ms. Chao is a resident of California.

Exchange With Reporters at the Grand Canyon, Arizona

September 18, 1991

Q. Mr. President, a question about Iraq while you're there, sir? Could you take a moment?

The President. No, I can't.

Q. Can we ask you an environmental question?

The President. No, not right now. I'm in a learning process here.

Environmental Policy

Q. This is a great photo op, but your critics say your policy doesn't measure up, sir.

The President. That's not what we're hearing today, Jim [Jim Miklaszewski, NBC News]. If you listened carefully to the briefing, you'd see great progress has been made. That's a very important point.

That's the last question I might take because we're getting a good briefing here.

Iraq

Q. Mr. President, with all due respect, sir, could you at least tell us if time is running out on Saddam? Has he run out of time?

The President. A long time ago.

Q. We're told that you're moving troops back to Saudi Arabia, sir. Is that true?

Environmental Policy

Q. Mr. President, on the environment, are your critics just wrong about the administration's record on the environment?

The President. Now we're doing -- now we're focusing on domestic.

Q. Are your critics just wrong?

The President. Wrong about what?

Q. About their criticism of the administration's policy on the environment.

The President. Yes, they're wrong. They're wrong. You've heard about the progress.

Q. Why wasn't this plant cleaned up years ago?

The President. We've got the Clean Air; we've got the revision of the Clean Air. We're signing an agreement today, and progress is being made. That's the good point. But I think the critics are -- you can't respond to the extremes in the critics. We've got some critics and perfect reason to say we can do better, but we're making real progress.

Q. The environmentalists pushed the administration into doing this.

The President. No, no. No, no. We're doing what's right.

Presidential Campaign

Q. Is this a warm-up for your campaign '92, sir?

The President. No. No, no.

Q. Not even a -- --

The President. I'll let you know when that comes. You'll know it when you see it.

Q. You mean you're not running?

The President. You'll know it when you see it.

Note: The exchange began at 9:10 a.m. at Yavapai Point on the Grand Canyon. In the exchange a reporter referred to President Saddam Hussein of Iraq. A tape was not available for verification of the content of this exchange

Remarks at an Environmental Agreement Signing Ceremony at the Grand Canyon, Arizona

September 18, 1991

Thank you, Governor Symington. And thank all of you here for the warm welcome. And let me just salute the two members of the administration that are with me on the platform here: Our Secretary of the Interior Manuel Lujan and, of course, the man you just heard from, our able EPA Administrator Bill Reilly. I particularly want to thank the Members of Congress from Arizona that are with us today: Senator McCain, Senator DeConcini over here, and of course, Representative Stump and Representative Kyl, also greeting us here today. So, we have a good turnout. I'm glad you all are seated. And I wish you all were, but I will -- this isn't the shortest speech I've ever given either, so -- [laughter].

But, look, I love coming back to this general area, though this will be my first trip down inside the Canyon. This spot where I was sitting reminds me of that old political adage, ``Never move backward." [Laughter] It kind of reminds me of -- looks like something that started out in Washington as a trench and went over budget. [Laughter] I love the outdoors. I hope that's clear to the American people by now, the sports and the recreation and the sheer beauty of it.

Let me tell you, I've been privileged to travel all around the world, and I don't believe that anywhere you can find a better outdoor attraction than this. Many times what you don't see is as impressive as what you do. Here, as we look over the south rim of the world's greatest natural wonder, we see Arizona skies, a kaleidoscope of beauty of the Grand Canyon, we see a place that has made even the most calloused observer gasp with awe.

We don't see smog, today. But sometimes smoke and fumes obscure this lovely view. And we're here to say today: No more. The Navajo visibility rule, the rule that we will sign today, honors Teddy Roosevelt's admonition about the Grand Canyon. Here are his words; they apply to today: ``Leave it as it is. You cannot improve on it. The ages have been at work on it, and man can only mar it. What you can do is to keep it for your children, your children's children, and all who come after you, as one of the great sights which every American, if he can travel at all, should see."

Well, the visibility rule will help ensure cleaner skies and more breathtaking vistas for visitors. It helps preserve the spectacular treasure without shutting down the electricity-generating industry and without forcing people to choose between environment and their jobs.

If people think the revolution in the Soviet Union was spectacular, they ought to come here. Who ever thought that we'd be able to get the Grand Canyon Trust, the Environmental Defense Fund, the Salt River Project, and the Arizona Public Service Company to share the spotlight. [Laughter] But it's so good that they did. It is so wonderful that they are cooperating in this forward-looking manner, partners in an historic agreement.

And so many people here deserve a hand, Bill Reilly singled out some. I want to just mention, again, Governor Symington, the representatives of the environmental community and of the utility industry as well. I think we owe a special thanks to Bill Reilly of the EPA, our Administrator.

He has tried to promote a series of cooperative ventures based on the common-sense view that you can get further by seeking people's help than suing them. And the EPA's Green Lights program encourages the voluntary use of energy efficient lighting. Green Lights promotes energy conservation, which saves electricity and cuts down on pollution.

Our voluntary program to reduce toxic emissions has enlisted more than 200 companies, who together have promised to cut toxic emissions by more than 200 million pounds a year.

And today's agreement offers further proof that Bill's own brand of shuttle diplomacy has helped eliminate environmental gridlock and produce the kind of consensus that enables us to take care of our planet and our economy.

These agreements illustrate a crucial element of our administration's vision for America's future. Before I go further, I just have to ask some of the critics out there: How's this for the vision thing? [Laughter]

Today's event celebrates the kind of civility and cooperation that our administration has tried to promote for our entire society. For too many years, Americans have divided into feuding camps, people sparring over causes, special interests battling it out against special interests, and so on. We have overlooked the fact that most Americans share a broader set of goals and beliefs, which I think we would all call the American dream. We need to revive that dream and invite people to join us in pursuing it, regardless of their party, their background, or their ideology.

Most of us want a lot of the same things. Around here, for instance, everyone wanted to preserve the Canyon and the local economy. And no one wants an environmental policy that permits the wanton destruction of our natural treasures. And nor can we afford a policy that makes the American worker an endangered species. Our policies should promote economic growth, create new jobs, and still let everyone enjoy the grandeur of the outdoors. And, believe me, it can be done. It is being done.

We can achieve our most important goals only by working together, taking advantage of our diverse skills, abilities, commitments, and passions. And if we divide up like the Hatfields and the McCoys, we don't accomplish anything worthwhile. We just destroy ourselves and those causes that we hold dear.

Ten years ago, I was Chairman of the Presidential Task Force on Regulatory Relief, then Vice

President. And I called for greater use of informal negotiation techniques instead of litigation and for market-based approaches to controlling pollution. And this agreement shows that those innovations work. And so does the landmark Clean Air Act, which I signed last year, and in the process broke a logjam that had prevented progress for a dozen years.

Our administration has crafted a new, common-sense approach to environmental issues, one that honors our love of the environment and our commitment to growth. And in just the last year, we've signed bills to prevent oil spills, protect the Antarctic. We've initiated a program to plant a billion trees a year around the country. And it's going well. We've launched a massive effort to protect our public lands.

And our cooperative efforts still go further. Just this summer the EPA and key environmental groups and the petroleum industry reached an extraordinary agreement on reformulated gasoline, another giant step toward cleaner air and another step toward improving visibility right here at the Grand Canyon.

Recent world events make it clear that free markets and economic growth provide the firmest foundations for effective environmental stewardship. People tend to forget that environmental stewardship is a high-tech business, and it requires great ingenuity and insight. Science and technology give us tools for cleaning up our environment and keeping it clean. They help us identify our problems precisely and develop efficient solutions.

Our genius will open up new frontiers of clean energy: nuclear power, solar power, geothermal power, and others that exist only in the imagination of our dreamers and innovators.

It's no surprise that the poorest nations, those not blessed with prosperous, growing economies, suffer the worst, most sweeping environmental degradation. It's also natural that nations weighed down by these centrally planned economies, nations that don't enjoy free markets, would experience horrendous pollution. Take a look at Eastern Europe. Or as we get a bigger window into the Soviet Union, take a hard look at the Soviet Union, the whole former Socialist world: Clean air and water have been more scarce than consumer goods.

And in contrast, our economic expansion of the eighties was accompanied by an unprecedented improvement in air quality. Statistics, I don't want to bore you with statistics but here are some EPA figures. Sulphur dioxide levels fell 24 percent in the eighties, carbon monoxide levels dropped 25 percent, suspended particulate emissions decreased 15 percent, and we had 87 percent less lead in our air at the decade's end than we did in 1980. And I promise you: We must and we will do even better in the nineties. Today's agreement represents a good start. And it will reduce sulfur dioxide emissions from the Navajo generating plant by 90 percent.

And in years to come, we will face tougher challenges, and our administration has taken steps to meet them. We've devoted significant resources to gathering crucial data about global warming,

deforestation, ozone depletion, and the polar icecaps, all elements of global change. And we've begun using satellites to develop subtle, sophisticated, and useful models for studying our planet, for determining just what problems exist, and suggesting ways in which we can address them. And that is the key to sensible solutions. The space shuttle Discovery just this week, just back, placed in orbit a satellite that will measure ozone depletion. This launch got our Mission to Planet Earth off the ground, so to speak.

And the National Space Council, chaired by the Vice President, has pushed for ways to get space-based environmental research going now, not 10 years from now, so we won't have to wait for these answers.

We want to use science to help us solve our chief environmental problems. And Bill Reilly put it best in a recent newspaper piece that he wrote, ``The environmental debate has long suffered from too little science. There has been plenty of emotion and politics, but scientific data have not always been featured prominently in environmental efforts and have sometimes been ignored even when available." That was his quote, and I believe he is 100 percent on target. Good science hastens our progress toward a cleaner environment, and we ought to use it to our best advantage.

But we also must put our money where our mouth is. And in this year's budget alone, I asked for nearly $1 billion for acquiring park land, protecting wetland and endangered species, and enhancing recreation. But Congress has tentatively cut this budget by more than $200 million. And today I'd like to call on the United States Congress to join me in a crusade to preserve America's outdoors. On this year, the 75th anniversary of our Park Service, politicians shouldn't fund special interest projects at the expense of such national treasures as the Grand Canyon. But after we talk about toxins and taxes, expenditures and innovations, we owe it to ourselves to stop and remember just why we're here: We care.

Dave Beal, for many years the Chief Naturalist of the Grand Canyon National Park, has offered us all some simple advice, ``Go out along the Canyon rim alone to watch dark shadows climb the colored walls as the sun drops to the horizon. Think about the eons of time represented by rock formations exposed to your view and the fossil record of life through the ages. Feel the bite of the wind on your cheeks, and listen for the sound of distant rapids on the river far below. And finally, dwell for just a moment on thoughts about yourself and the role you play on this Earth." Real, philosophical, practical, wonderful words.

A wise environmental policy enriches everyone. And that's what so many of you here today have done. You've enriched the American people with your coming at it from a cooperative side of business, whether you've dedicated your life to the environment through one of these environmental organizations represented today or whether you're part of the marvelous public servants that serve the parks of this country. This park and this Nation and certainly this President owe all of you a great debt of thanks. And thank you all.

And now, I'd like to ask the representatives of the Grand Canyon Trust, the Environmental Defense Fund, the Salt River Project, and the Arizona Public Service Company to witness Bill signing this historic agreement. And isn't this a fitting, wonderful time to say may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 9:50 a.m. In his remarks, he referred to Governor Fife Symington of Arizona; Secretary of the Interior Manuel Lujan, Jr.; William K. Reilly, Administrator of the Environmental Protection Agency; Senators John McCain and Dennis DeConcini; Representatives Bob Stump and Jon L. Kyl; and Merrill D. Beal, former Chief Naturalist of the Grand Canyon National Park. Prior to his remarks, the President received a briefing on the Grand Canyon National Park, and following his remarks, he participated in a hike of the Kaibab Trail. A tape was not available for verification of the content of these remarks.

Exchange With Reporters at the Grand Canyon, Arizona on the Situation in Iraq

September 18, 1991

Q. Mr. President, on Iraq just for a second, are you thinking about a deadline?

The President. On the campaign?

Q. No, for Saddam Hussein.

The President. No, no, there's no deadline, but I'm thinking about seeing the will of the international community complied with. And it's so clear what he has to do. So, we're just doing what's right here. And there's no threats; there's just determination, that's all there is, firm determination that he will comply to the letter of the U.N. resolutions.

And it's not just the United States; a lot of other countries feel this way, too.

Q. Do you foresee a situation where conflict resumes?

The President. I don't think Saddam wants any of that. I don't think he does. I'm confident he doesn't, absolutely confident.

Q. Do you think the international community will be with you, though -- --

The President. Yes.

Q. -- -- if you decided to take action again?

The President. Well, it depends what `action" is, but yes, I'm confident -- --

Q. Military action?

The President. Well, I'm confident that the international community will be with us in whatever is done. But there's no -- we're not in a threatening mode here. This isn't what this is all about. So -- --

Q. Have you been talking to people, France, Germany, the British?

The President. There have been some contacts. I personally have -- I don't want to say haven't, I

have had what I would call limited contact on that with foreign leaders so far. But it's not -- no, but it's not all -- we're not into this kind of emergency mode here.

Brent, did you discuss the statement that the Pentagon is going to be putting out on that?

Mr. Scowcroft. No, I have not. In general, the statement is going to be that there is military planning going along, and it seems to be to our demands that Saddam Hussein permit U.N. helicopters to fly on their inspection trips. And there's been no execute order, and if you will comply with the U.N. resolutions there won't need to be an execute order. But it's an escort mission. And in addition, the Saudi Government has asked for the deployment of -- --

The President. Patriot -- --

Mr. Scowcroft. -- -- of some Patriot, and we're going to accede to that request.

Q. What do you mean by escort mission?

Mr. Scowcroft. Well, you send -- the U.N. helicopters have a right under, I think, U.N. Resolution -- I think it's 707.

The President. It's 688, isn't it?

Mr. Scowcroft. It's 689 and 707, to fly anywhere they want in Iraq. The Iraqis have said originally, no, they couldn't, they had to use Iraqi helicopters. Now they've said, well, they can, but they've put some conditions on it. Now, if the U.N. helicopters fly there in a nonpermissive environment, then they need some kind of protection. And that's what it is we're talking about.

The President. I don't believe it will come to that, and I don't think you do, and I don't think the Defense Department does. So, this is what we would call prudent planning.

Q. So, you're saying that the planes are not necessarily going to begin the escort mission unless needed?

Mr. Scowcroft. No, that's right. This whole thing is precautionary, incident to this dispute over the use of U.N. helicopters.

Q. Well, why would the Saudis ask for military -- --

The President. I think it's a safeguard. I mean, they just don't want to feel threatened.

Mr. Scowcroft. They don't want to be -- --

The President. I don't think they feel threatened now.

Mr. Scowcroft. They feel uneasy, they feel exposed, and they -- --

The President. Their civilian populace was pummeled by this reckless man, and they just don't need to go through it anymore. But that's quite different than the story that came out this morning; I'll say no more about that one, but just take your guidance from what General Scowcroft said and what the Pentagon will be saying or maybe has said by now, and what I've just told you here. That's what it is. If somebody tried to make more out of it they're making a big mistake; they're doing something that is wrong.

Q. It's not an effort to finish the job, Mr. President?

The President. Well, we finished the job in compliance with the United Nations resolutions, which was to set back the aggressor, get him out of Kuwait. That was the job. And that was finished. Now, if there's something starting up again, there's another part of -- I might have to take that back a little, Ellen, [Ellen Warren, Knight-Ridder] because there's another part of the job. The original part of the job was to put an end to the aggression. That was done, and done with total finality, and done beautifully.

Now there's some other United Nations resolutions that have not been complied with. One of them has to do with his trying to go forward with or trying to conceal any weaponry that comes under the resolutions. And so, the job is unfinished in this sense, that we are going to do our part, along with other countries, to see that he does comply with these resolutions.

So, maybe I answered a little too quickly in the beginning.

Q. But no more military action?

The President. Only what General Scowcroft has referred to, and I don't think it will come to that. I think the man will see that we are very serious about this, and he will do what he should have done in the first place, disclose and comply.

Q. Aren't you getting a little fed-up with him? I mean, he -- --

The President. Oh, yes, I'm plenty fed-up. I'm plenty fed-up with him.

Q. Why are the Saudis threatened?

Q. I mean, this isn't the first time -- --

The President. No.

Q. -- -- that you had to remind him that he's not complying with them.

The President. That's right. He's a very difficult fellow, as we've all seen. Very difficult. But we intend to see that these resolutions are complied with. He's not going to question our resolve on this. I mean, he may be testing and probing here and there, but he knows better than to take on the United States of America in this regard.

So, there's no point threatening. We just do a couple of things and then make certain demands, and we think they'll be complied with.

Thank you very much. Now if you'll get off my pet rock here -- [laughter] -- I've got to get on.

Note: The exchange began in the morning while the President was participating in a hike of the Kaibab Trail. In the exchange, the following persons were referred to: President Saddam Hussein of Iraq and Brent Scowcroft, Assistant to the President for National Security Affairs. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater On Iraq

September 18, 1991

Under U.N. Security Council Resolutions 687 and 707, Iraq is obligated to eliminate its weapons of mass destruction and its ballistic missile capabilities. Iraq is also required to permit U.N. Special Commission and International Atomic Energy Agency inspection teams to verify Iraqi compliance.

In order to fulfill its inspection responsibilities, the U.N. Special Commission needs to be able to use its helicopters and other aircraft over Iraq. Iraq has refused to allow U.N. helicopters to operate unimpeded in Iraq. This is a clear violation of U.N. Security Council Resolution 707, which permits the use of helicopters without condition. The United States and other members of the U.N. Security Council have therefore been discussing the most appropriate means to continue inspections in Iraq.

Consistent with those discussions, military planners have examined options to provide helicopters and support necessary to continue U.N. inspections. But there has been no decision to deploy these U.S. forces, nor will such a decision be required if Iraq complies with the provisions of U.N. Resolutions 687 and 707.

In the meantime, the Government of Saudi Arabia has requested deployment of U.S. Patriot units to the Kingdom as a deterrent against the continuing Iraqi missile threat. The United States has granted the request for this purely defensive system in light of the current Iraqi threat and continued Iraqi noncompliance with U.N. Security Council resolutions.

Iraq continues to employ concealment and deception to evade U.N. Special Commission inspection teams and thus to preserve a residual capability to produce and deploy these weapons illegally. We believe Iraq still possesses several hundred Scud missiles of the type used against Saudi Arabia during the Gulf war.

Remarks Upon Arrival in Salt Lake City, Utah

September 18, 1991

Thank you very, very much. Governor, thank you so much. I don't know how you feel about it, but every time I climb on that airplane I get a tremendous thrill about seeing it as a symbol, a symbol of the United States of America as we travel around the world. I hope you felt the same way when you saw that thing taxi up here.

I keep hearing and reading about the amount of time traveling I do but I'll tell you something: I don't spend near as much time going through the air as Ty Detmer does. [Laughter]

Let me salute the Governor, my friend, and thank him for this -- Governor Bangerter and his Lieutenant Governor, Val Oveson. And of course, our Members of Congress that are with us: Congressman Hansen over here and, of course, our two nationally famous, wonderful Senators, Jake Garn and Orrin Hatch. What a job all three of these are doing for your State back in Washington, DC.

You know, a serious note, one thing that does constantly impress me is the sheer greatness of the United States as I travel in this plane around the world. We've witnessed staggering changes recently, positive changes for the most part. And we ought to be very, very proud that it was our country, the United States of America, that has led the global revolution towards democracy, free enterprise, and yes, human rights.

And everywhere you go, it doesn't matter if it's Africa or the Soviet Union or Eastern Europe or what used to be called the Republics and now are free States in the Baltic States, people look to the United States of America. It's your country and mine, that they look to for their freedom.

And I wish I were this guy's age right here -- the two flagmen. You can't see them. How old are you? He's 6, this guy is 6; I wish I were 6 years old and could think of the wonderful life that lies ahead as you see this world moving towards democracy and freedom. I believe that the things that have happened in the world just in the last few months guarantee that this guy won't have to be looking over his shoulder worrying about nuclear weapons. All he can do is think about having a good and strong and prosperous life in the great United States of America.

We still marvel at the courage of Utah's settlers more than a century ago, and Norm touched on it, harnessing faith and muscle and technological ingenuity to build a civilization and make the desert bloom. Well, today Utah takes its brave place in America's special mission in the world, affirmed once again by the heroic service of the State's sons and daughters in Operation Desert Storm.

I might say, two sons of Utah came out with me on this airplane. From Provo is Roger Porter over

here, one of our top assistants in the White House. And next to him, General Brent Scowcroft, who was at my side during Operation Desert Storm. He's the head of our National Security Council. So, we brought two Utahans back home today.

But it's not all national security. Utah is a leader in involving parents and families in education. And it's a leader in the results we are seeing through America 2000's education strategy. And among many of your impressive achievements is your first place ranking among all the States in the percentage of high school grads passing the Advanced Placement exams. You should be very, very proud of that.

And I think you've proved, and your Senators and this Congressman keep reminding me of this, that Utah proves that a tax-and-spend is not the formula for quality education. Actually you spend less per pupil and receive less Federal aid per pupil than any other State. But you promote the values of hard work, and that equips students with the knowledge and the skills necessary to adapt to changing times and conditions, and helps them develop those abilities, incidentally, that they'll need to compete in the international economy of the 21st century.

Your economy is growing. It's vibrant. You're creating jobs. You're showing what a dedicated, skilled work force can produce. And your workers are recognized across the country as efficient and as innovative. You bring entrepreneurship and hard work together in an inspiring formula for success.

I might also say that you shine with the achievements of volunteers. The propensity of one American to help another is voluntarism. We call it Points of Light. And I'm honored to greet, in a minute, George Simmons, Marykaren Harward, Lucille Isakson, representatives of the Bridgerland Literacy Program and the Salt Lake City Community Shelter and Resource Center. They are the true heroes, joined by many of you, the true heroes of community service.

From here I'll be going down to see one that's a favorite of Jake Garn's. I'm going to the Primary Children's Medical Center to celebrate their new expansion. And there I'll announce a key new feature of our Healthy Start initiative to improve the health of babies. And I'll announce help for 15 communities that face a problem Utah does not suffer: high infant mortality rates. We will stress good prenatal care including healthy lifestyles for expectant mothers. And we will point to the communities such as yours where the public works to ensure that babies are born healthy.

It is a great treat for me to be here. I have only one regret, and that is that Barbara Bush didn't climb down those stairs with me today. She would have loved this, believe me. I can tell I'll have a good visit. It'll be short.

In Utah, people live by the code that success in life must include serving others. And you understand something that I wish everyone around our country did. You understand that we are a nation of families. And I can see this in the values that your State reflect, your good schools, your

respect for God's creation. And again, thank you for this warm, warm welcome. And may God bless the people of Salt Lake City, the great State of Utah, and of our United States of America. Thank you all very, very much.

Note: The President spoke at 3:04 p.m. on the tarmac of the Salt Lake City International Airport. In his remarks, he referred to Gov. Norman H. Bangerter and Lt. Gov. W. Val Oveson of Utah; Ty Detmer, quarterback of the Brigham Young University football team; Representative James V. Hansen; Senators Jake Garn and Orrin G. Hatch; Roger B. Porter, Assistant to the President for Economic and Domestic Policy; Brent Scowcroft, Assistant to the President for National Security Affairs; and Points of Light recipients George Simmons, Marykaren Harward, and Lucille Isakson. A tape was not available for verification of the content of the remarks.

Remarks to the Staff of the Primary Children's Medical Center in Salt Lake City, Utah

September 18, 1991

Thank you very, very much. Thank you for that warm welcome. And let me just say how pleased I am to see Secretary Sullivan here today, to be with him. He's doing a superb job at HHS. He's just back from a trip, significant trip to Africa with the Vice President, was in Colorado yesterday. And when jet lag catches up with this guy, he's going to go like that, I think. [Laughter] But nevertheless, Lou, we're glad you're here.

And may I salute, of course, the Governor, who greeted us so kindly, and the Congressman, Congressman Hansen, and our two great Senators, Orrin Hatch and Jake Garn, who were earlier on, and the Lieutenant Governor of the State. And also I want to single out another man to whom Barbara and I still feel very close, the former Secretary of Education Ted Bell I see sitting over here. And to Mr. Anderson, the center chairman here, and to Dave Salisbury, who gave us that fascinating history of how all this came about, the chairman here, Mr. Parker, the CEO, and Dr. Simmons, the medical director of Primary Children's Medical Center, I want to particularly salute all of them. And to ladies and gentlemen and kids over here, it's a pleasure for me to be here today. And I really have enjoyed this brief but most informative tour of this magnificent facility.

An old adage counsels, ``live and let live'' -- this adage says ``live and let live.'' Well, this facility helps give life to kids. It's a state-of-the-art pediatric care center. It also towers as a monument to America's volunteer spirit.

For many years, the children of this area, the Intermountain area, supported Primary Children's with pennies, nickels, and dimes given on their birthdays. This selfless spirit of charity continues today with the giving of your time and of yourselves. I think of and salute hundreds of volunteers who donate more than a quarter million hours a year to children and those community representatives serving without pay as members of the governing board of the hospital.

I think, too, of your staff and physicians, a handful of whom I just met, one of whom, Dr. Floyd Seager, we have honored nationally as a daily Point of Light. He's sitting right over here. That's talking about voluntarism at its finest. That same generosity of his moved thousands of area residents, that volunteer spirit, to help build this facility. All helped Intermountain Health Care win the health care industry's highest honor for quality, the Healthcare Forum Witt Award.

On my tour of the hospital, we started by visiting the rehab unit. And then I saw many sick kids who have won their first battle, the battle for life, and are now fighting a second battle, and that's the battle for recovery. These kids really depend on your trust and your affection and your caring. And you, in response, fulfill the old Bible verse: ``We were gentle among you, like a nurse taking care of her children.''

Nowhere is this more important than in reducing infant mortality rates. We must reverse the factors that cause preventable infant deaths. That's why I've personally made what we call the Healthy Start program a Presidential initiative and a top national priority. It's also why I'm pleased, with Dr. Sullivan, to award Healthy Start program grants today to 15 communities that have shown urgent need, have developed excellent plans for addressing those needs, and have organized communitywide efforts to achieve results.

I asked the Congress for $57 million this year to help curb infant mortality; Congress appropriated only $25 million. We will use it as best we can; between $1 million to $2 million will go to each of these 15 communities. I am pleased that the Healthy Start program can begin immediately, but Congress must appropriate more money for this initiative next year. Together, let's show how America's most precious resource is America's ability to care.

In that spirit, let me close these brief remarks with a story about one of Barbara Bush's predecessors, a First Lady, in my view, a great First Lady, Pat Nixon. And once she toured a medical center and stopped to embrace a little girl blinded by rubella. For a few minutes, she talked to the girl and held her close. And then later, someone came over and told her that the child was deaf, as well as blind. Pat answered that she'd known that. ``But she knows what love is," Mrs. Nixon said. ``She can feel love."

Well, at Primary Children's, you feel that the minute you walk in here. Kids feel love every day of their lives. For that, we owe a debt of gratitude to everyone here who helps. I know you will remain, I'm confident that you will remain one of the finest pediatric care centers in the entire world.

It has been so inspirational to be with you. Congratulations, and best wishes to all of you, and best wishes especially to all of you. Thank you very, very much.

Note: The President spoke at 4:30 p.m. at the center. In his remarks, he referred to Secretary of Health and Human Services Louis W. Sullivan; Gov. Norman H. Bangerter of Utah; Representative James V. Hansen; Senators Orrin G. Hatch and Jake Garn; Lt. Gov. W. Val Oveson of Utah; former Secretary of Education Terrel H. Bell; Arthur S. Anderson, chairman of the board of trustees of the center; David Earl Salisbury, chairman of the board of trustees, and Scott Smith Parker, chief executive officer, Intermountain Health Care; Michael Anthony Simmons, medical director of the center; and Floyd Seager, a doctor at the center. A tape was not available for the verification of the content of these remarks.

Remarks at a Republican Party Fundraising Dinner in Salt Lake City, Utah

September 18, 1991

Thank you very, very much. Please be seated. And, Norm, thank you, sir, not only for that warm welcome, but to you and Colleen for your hospitality ever since we arrived at that magnificent airport rally out there. We felt the warmth of your hospitality, and I'm grateful to you. And don't apologize for this podium. Remember how the Queen of England did with the same podium -- all you could see was her hat, so you came off pretty well compared to her. [Laughter]

I want to welcome also, as Norm generously did, Sam Skinner, who is our Secretary of Transportation. And once in a while the Democrats make a charge: no domestic agenda. And if they would only listen to our Secretary of Transportation, we would have had in place a fantastic new transportation program, in place and operating. But we're fighting a lot of old thinking in Washington. I'm convinced Sam is going to prevail, and he's doing a first-class job for transportation in this country. And I'm glad he's with us.

And let me salute, as warmly as I can, your two Senators. We don't control the United States Senate; we're playing defense a lot of the time. You've got to beat back bad ideas before you can get good ideas to even have a chance with the makeup and the political persuasion that controls the Senate. But in Jake Garn and in Orrin Hatch, we have two principled people who are not afraid to stand up against the current and who, because of this standing they have on both sides of the aisle, are able from time to time to get noble things accomplished. And I am grateful to both of them. I depend heavily on them and when it comes to holding the line up there in the Senate and moving forward as best we can. And so I want you to know how strongly I feel about the Utah representation in the Senate. And of course, Jim Hansen is with us, too, tonight. And he's doing a first-class job in the House. So, you've got good, strong representation in Washington.

I salute Governor Ashcroft, another dear friend that's got his responsibilities now in the National Governors' Association as well as doing the second-best job in the Nation according to Norm running his State, so -- [laughter] -- so, John, welcome to you and Janet.

And ever since I've gotten here, for the party types, the political people upon whom we all are going to depend so much next year -- people are saying, we've got the great new chairman, a party chairman in the State of Utah. And you do. And he can't throw a curve ball maybe or a knuckle ball like Charlie Hough, but Bruce Hough is doing a first-class job. And I'm glad we have this young, energetic leader heading our party.

I want to salute Jack Roberts, who's with us tonight, the national committeeman. If I might be permitted a personal reminiscent of sorts, my dad served in the Senate with Senator Wallace Bennett. And they were good, close friends. And Wallace Bennett, I understand, is in the hospital,

and I just would ask that his son and others convey to him not only my respects but my affectionate greetings because we have great warmth of feeling in the Bush family for that former Senator of yours who did such a superb job nationally.

Of course, Bonnie Stevens, to whom I owe a debt, and also Delonne Anderson are here, for helping back in 1988, chairing the Bush-Quayle effort, and giving me the opportunity to be President at this fascinating time in history. And so, I've got a lot of people I'm grateful to here tonight. It's a pleasure to be here.

When you first came up with your State slogan, ``Utah: A Pretty, Great State," the mail poured into the White House. And one guy suggested a new slogan we could use: ``Barbara Bush: A Pretty, Great First Lady." [Laughter] And I really wish that she were here, but I know that when we see the spirit of voluntarism that strengthens the concept of family in this State, I know that she wants to be a part. I know that she wants to help and do her best, and she isn't going to turn her back on politics either. So, invite her out and be careful because she's apt to show up. But I'm sorry she's not with us today.

History records that when Brigham Young first stood overlooking the Wasatch Front and saw Salt Lake, he uttered the now-famous words, ``This is the place." And he was right, this is the place. And it is, as Norm mentioned in his opening remarks, the home of strong family, of hard work, of good education and good health. And these values have built a community like none other in America. And they're values that I am convinced, in spite of the turmoil in the cities or the consternation caused by the use of narcotics, I am convinced that they are the values that a vast majority of the American people share.

Traditional values and then this concept of public service, they have been the hallmark of the Utah Republican Party. Governor Bangerter was a small businessman who has given nearly 20 years of elected service to the people of this State. He's done a fantastic job as Governor, and I think some of it is he hasn't forgotten the grassroots. He understands where he came from to be Governor of the State, and stays in touch. And I think there's an important message in that for all politicians including the President of the United States.

In Jake Garn you had a war veteran, space explorer, kidney donor, key member of our Republican team in the Senate, as I mentioned. And he's now leaving the Senate for the noblest cause of all, to spend more time with his wonderful family. And we will miss him very much in the United States Senate. But I think there's a wonderful example he's setting for a lot of us in his dedication to his own family and his willingness to give up the glamour of the Senate to return to these values that mean so much to him. He's been a great strength, as I say.

And I'm delighted that Orrin is out here with us. He's been in Washington standing by a man -- and doing a first-class job of it -- who will be the next Associate Justice of the Supreme Court, Judge Clarence Thomas. And he's done a first-class job. And we have a first-class nominee for

the Court. I'm grateful to you, Orrin, for that.

And so, you have good leadership. I mentioned Jim Hansen. You got good leadership who have made this Republican Party what it is today, one of the best State organizations in the country. But in order to achieve excellence at home and competitiveness abroad, we need more like them in the House, in the Senate, and in the statehouse. And we really do need more people who think as they do.

I was elected by the American people, with I must say wonderful support from this State, to perform on certain things, to accomplish certain things in certain ways. And the great frustration has been that because I don't have control in both Houses of the Congress, our party, as I said, we are playing defense. And I would like to see that change. We do need more Republicans in office, and I'm going to do my level best to guarantee we get more Republicans in office next year.

There's something remiss when you can push Iraq out of Kuwait but we can't push a good bill out of the United States Congress. [Laughter] And here's how Republicans define a good bill: not by dollars spent and redtape created but by lives enriched and families strengthened. And you see, I think there should be one question in every decision that comes before a President, comes before Members of the United States Congress. And it should be: Does this strengthen the American family? Whether it's in terms of keeping Americans on the job or ensuring that they live in a safe, clean environment or guaranteeing a quality education for our kids, we must do absolutely everything we can to preserve and strengthen the American family.

And I know how tough it is to be a parent these days, to keep a family together. Although I will confess I was a father who raised our kids using those three magic words, ``Ask your mother." [Laughter] But we must preserve working families. And our child-care law provides low income parents with the means to select the best care for their children, because parents know best what kind of care their children need. We can't figure that out in a bureau or a department in Washington, DC.

Parents know best, and that's what choice is all about. They don't want their kids in some Federal warehouse. They want to have the option of having relatives look after them or a church participate or a neighborhood sitter. And we're the party that can proudly say we put choice into the hands of parents with our child-care legislation that these -- [applause].

And now we're fighting for choice in education. We want choice in education as well. We think that parents and students, not the bureaucrats should choose which school is best for them. And they're the ones who know best. Parents are a child's first teacher. Their first classroom is often the kitchen table. And we want to help parents do the best they can. And one of our national education goals that John Ashcroft and Norm help set, one of those education goals, is that by the year 2000 every child should arrive at school ready to learn. And to do it, we're proposing increased funding for Head Start and good nutrition and health care programs. We've got to have

these kids ready to learn.

So, we want choice; then we want more opportunity to be prepared to learn. You might say, what happened to our education bill? Well, it's almost like the Congress has been listening to that favorite group of mine, Alabama, the country group: ``I Ain't Got No Business Doing Business Today." And that's the way it is. And we've got some very good education programs up there. We've got a great Education Secretary under Governor Lamar Alexander. And we are fighting against big odds up there, but I think we're going to win this one. I believe we are going to get a good, sound Federal education program, not to superimpose itself on the States or the localities but to supplement what's done best at the local level. And that's the philosophy behind our education program.

And our bill has been gathering some dust, a hostage, in some case, to the lobby, the education lobby. The teachers unions oppose some of what we're trying to do. But I'll say it again: For the sake of our children we need choice in education, and therefore we need choice in Congress. And we need more Republicans who think as we do to try to get the job done.

We must strengthen the health of the American family. I mentioned that. And earlier today it was very moving for me when I visited the Primary Children's Medical Center here in town and saw that infant ward. I don't know how many of you all have had a chance to visit there. It's nothing to do with Republicans or Democrats; it has to do with love;, and it has to do with caring. And for me, it was a very emotional experience. It's a sad fact: We can prevent one-quarter of the infant deaths in America every year. And to ensure that young people get as good a start in life as possible, we have proposed increased funding for the prevention of infant mortality, to improve prenatal care and nutrition programs, and target communities with the highest infant mortality rate and educate would-be parents.

You see, it isn't simply enough to treat newborns. Strong families mean a strong America.

As Republicans, we're fighting to preserve this family by fostering an environment in which working parents can make ends meet and can raise healthy kids from the very, very beginning and can send them to the school they want, ready to learn. We're a nation of families. And here in Utah, I have this feeling that you understand it, you understand it far better than most. And I can see it in your values, in your good schools, and in your faith, your respect for God's creation.

In fact, let me put it in the words of someone who says it best, not a famous writer or singer, a 20-year-old from here who served in the Persian Gulf, Mike Averett, Jr., one of four kids in his family. And he said of Utah Valley: ``I would do anything to defend this place. I want it to stay just as it is."

And I want that for a lot of America, too. Where the values are strong and the schools are good, we want it to stay as it is. But there are many that don't have, many kids in this country who

nobody knows their name, nobody cares about them, where the schools are lousy. And our job is far from unfulfilled.

So, I salute your values. I hope that I can find a way to strengthen the family and these fundamental institutions and help strengthen it in other parts of this great country of ours. The challenge is absolutely enormous. And the reward will be great.

I have had a fantastic day out here on the road. It is good for the soul, and I think I'll be a better President for getting out around this great country of ours. I feel that way every time I go. Today we started at the Grand Canyon, and then we landed to be received at this wonderful nonpartisan rally, then the hospital, and now this political dinner. It's been a wonderful outing. And I'd like to stay here for dinner, but I looked at the menu, and it said -- [laughter] -- bouquette, my French is very good -- bouquette, fresh seasonal vegetables. And I thought in some subtle way that meant broccoli, so I -- [laughter]. You call it what you want.

And knowing of my commitment to choice now, I hope you'll excuse me. But it's been a great day. And I salute the party leaders and those of you who are rolling up your sleeves and getting active in the political process. You know, it's fashionable to knock politics. It's the way it has been; it's the way it always will be. But God bless those people that are willing to roll up their sleeves and get involved. Whether it's helping elect good people or whether it's serving in the United States Congress or at the local level or being a great Governor of a State.

I've enjoyed being here, and I feel refurbished -- slightly tired, but refurbished for being around such wonderful people. Thank you, and may God bless the United States of America.

Note: The President spoke at 6:50 p.m. at the Salt Lake City Marriott Hotel. In his remarks he referred to Gov. Norman H. Bangerter of Utah, and his wife, Colleen; Secretary of Transportation Sam Skinner; Senators Jake Garn and Orrin G. Hatch; Representative James V. Hansen; Gov. John Ashcroft of Missouri, and his wife, Janet; Bruce R. Hough, Utah Republican State Chairman; Jack Roberts, Republican national committeeman for Utah; Bonnie Stevens, Bush-Quayle '88 vice chairwoman; Delonne Anderson, Bush-Quayle '88 vice chairman; Clarence Thomas, nominee for Supreme Court Associate Justice; and Secretary of Education Lamar Alexander. A tape was not available for verification of the content of these remarks.

Nomination of Kathleen Day Koch To Be Special Counsel of the Office of Special Counsel

September 18, 1991

The President today announced his intention to nominate Kathleen Day Koch, of Virginia, to be Special Counsel of the Office of Special Counsel for the term of 5 years. She would succeed Mary F. Wieseman.

Since 1988 Ms. Koch has served as General Counsel of the Federal Labor Relations Authority in Washington, DC. Ms. Koch served as Associate Counsel to the President at the White House, 1987 - 1988, and as a senior attorney in the Personnel Law Division at the Department of Commerce, 1984 - 1987.

Ms. Koch graduated from the University of Missouri in St. Louis (B.S., 1971) and the University of Chicago (J.D., 1977). She was born November 27, 1948, in St. Louis, MO. Ms. Koch has three children and resides in Annandale, VA.

Statement on the Resignation of J.R. Thompson, Jr., as Deputy Administrator of the National Aeronautics and Space Administration

September 18, 1991

I have today regretfully accepted the resignation of J.R. Thompson, Jr., as Deputy Administrator of NASA.

During his distinguished 25-year career with the National Aeronautics and Space Administration, J.R. has proven himself a man of exemplary dedication and vision. He played a key role in returning the shuttle safely to flight and restoring the integrity of the space shuttle program following the 1986 Challenger accident. In recent years, he has been at the forefront of setting the course for the Nation's space program for the next century.

Throughout his career, J.R. has had tremendous impact on our Nation's space program. From his initial efforts at improving propulsion engineering, to managing the Marshall Space Flight Center, to his most recent and notable position, J.R. has been a leader and an innovator. He has rightfully earned numerous awards for his efforts. Among his many honors, he has twice earned the Presidential Rank of Meritorious Executive and this year received the John F. Kennedy Astronautics Award from the American Astronautical Society.

Barbara joins me in wishing J.R. and his family the very best as we salute his proud service to a grateful Nation.

Remarks at a Fundraising Breakfast for Senator Bob Packwood in Portland, Oregon

September 19, 1991

Senator Packwood, thank you for that warm and personal introduction. May I salute Bill Packwood down here on the end lest some of you don't recognize this recent graduate of Penn State who flew out with us today. I was just delighted to see him. Also pleased that our Secretary of Transportation, Sam Skinner, seated over here, is with us. And he's doing a superb job. We're going off to Los Angeles right after this breakfast to do a little more in the transportation front.

I understand that Senator Seymour is here. I haven't seen him, but Senator Seymour of California is with us. John, why don't you stand up if you are, because I've -- well, so he's not. Where is he? Oh, way back there. He'll be flying down with us to his State of California.

And may I salute Craig Berkman, my friend of long, long standing, who the Senator and everyone else tells me is doing a superb job for this party. And Tim Lee, the event chairman, he's done a mighty good job also, and I salute him. Don't let him rest up too much. We're going to need him for more of these events before this is over, I'm sure.

I also thank the band, the Wilson High School Band over there; the Waverly Children's Home, who led the Pledge of Allegiance; and of course, the choir that put great life into our complicated but wonderfully moving National Anthem. All of them did a first-class job.

Portland, Oregon, the ``City of Roses." Portland is a very special place. But I was thinking if you had to borrow a name from the State of Maine, how about Kennebunkport? Nice ring to it.

But let me say it's been an amazing month or so in our world. I focus going back to Maine this summer in the month of August. Before Congress went on recess, a few remnants of the cold war remained intact. By the time it had returned, that Congress had come back, a coup tried to unseat Mikhail Gorbachev, and instead of that, the coup de grace was given to communism itself.

And I couldn't help note, Reverend, your special appeal about the Baltic States. It's most appropriate as these countries, once considered satellites, never by the United States, but considered satellites in the Soviet Union are now free, independent countries, their flags flying at the United Nations as well as over their own capitals. And that is historic. It's long overdue. And I take great pleasure, as I know all Americans do, in their independence. So, I'm pleased you mentioned them in your fitting and lovely invocation.

The changes in the world are indeed staggering and, for the most part, positive. I am very proud of the fact that it is the United States of America that is leading the way. You travel abroad, and

many of you have, and you see clearly that it is our country which is out front, helping many new fledgling democracies find their way in Africa, in South America, and Eastern Europe and, yes, in what used to be an iron Marxist State called the Soviet Union. It is mind-boggling to think of the changes that have taken place just in the last 6 or 7 weeks.

We have an unprecedented opportunity to build a new era of peace and prosperity here and abroad, to build a new world order where the rule of law prevails over the use of force. None of these changes would have taken place if the United States had not remained firmly committed to the cause of freedom. Over the years we stood firm. And in this year's tense debates about the Gulf, these changes couldn't have taken place if Congress hadn't authorized the use of force to stop a brutal dictator.

Bob Packwood was one of those who, against those public opinion polls of the moment, stood with me in that historic debate. And that's just one reason, one of many, that I'm happy to join him here today because he is a force for positive good on Capitol Hill.

You know his accomplishments as chairman of the Senate Finance Committee, where he's now the ranking Republican, his influence on tax reform and employee benefits. You know the impact he's had on free enterprise, on trade, and on deregulation, especially when he was chairman of Commerce, Science, and Transportation Committee. But I want to tell you this and tell you urgently, and yes, this is a political gathering to honor him, but you must return Bob Packwood to the United States Senate. His 23 years, it will be 24 at election time, of seniority make him a solid leader of strength and experience. So, we need him. The party needs him as a spokesman, as a leader.

And Bob effectively works behind the scenes sometimes to make sure that our message is heard. And it's not easy when you're up against an automatic moving majority that wants to do things just the opposite from the way I was elected to perform. And so, I'm delighted he's up there doing that. And one other point: He has a sound record. He hasn't forgotten the human equation. The fact that people need jobs and must not be thrown out of work by extreme environmental positions is known to him. And I don't believe we need extremes to solve the problem.

If that overall message of his is not listened to, we do face trouble. I spoke to Congress 197 days ago, and I issued a simple challenge, and here, if I might, repeat it, ``If America can defeat a brutal dictator in a matter of weeks, then surely its legislative body can manage to pass two bills, the administration's crime and transportation bills, within 100 days." That was in the State of the Union message 197 days ago.

Well, almost twice that time, that 100 days, has elapsed, and we still do not have those two bills. And it's clear that the Democrats have no desire to help us advance what is a sound and strong domestic agenda. Their alternative is not a domestic agenda. It's a political one: to block our agenda. And we cannot let that succeed.

Occasionally, we have been able to break the logjam. We're proud of the Clean Air Act that was passed. I think it's good environmental policy. I think it's just good plain national policy. I'm proud of the Americans with Disabilities Act that we managed to pass last year, the most forward -- looking piece of civil rights legislation in years. And I'm proud with our success in child care. But we can succeed only with the help of the American people. To continue the fight, we need you to elect and reelect leaders who care deeply about this country, who care about the approach that I've outlined here, strong, competent, principled men like Bob Packwood.

And to continue this Nation's victories, the American people must rediscover their own genius. That's the heart of our domestic philosophy that overlies our domestic agenda, the concept that the true power and potential in this land must rest in the hands of the people. Our domestic policy begins by trusting you.

Let me elaborate. Our domestic agenda tries to carry that faith forward into the future. Our housing proposals, for example, would turn housing residents into homeowners, would emphasize tenant management, letting people in the area itself manage their own affairs. It relies on the belief that our public housing citizens can care for themselves and contribute to our society. Our energy package attempts to conserve energy while encouraging innovation. The transportation package that Sam Skinner has been so inventive in gives more power to local authorities, who know their own needs. The national drug strategy is all encompassing, with lots of the most effective work being done by the private sector and at the local level. And our crime package, the most comprehensive in American history, tries to give our streets back to the people.

In each case, we want Washington to give power back to the people and give them a chance to shape their own destinies rather than having to answer to distant bureaucrats. And this philosophy serves as the foundation for an issue I'd like to just touch on in a little more detail. I'm talking, of course, about education. Our democracy can remain vital only if we continue to grow in knowledge and wisdom, understanding the increasingly complex and competitive world in which we live. We Americans can and must revitalize our education system for our children, for our future. We don't want just a good education system. We want the best. We deserve a system that will give every citizen the power to throw open his or her own door of opportunity.

I came to this job believing that education is our most enduring legacy, vital to everything that we are and everything we can become. I believe it with even more conviction now. Five months ago we issued a challenge that we call America 2000, a call to reinvent, revolutionize if you will, American education. This initiative sketched out the framework for a national education strategy made up of four elements: accountable schools for today, and I emphasize that word ``accountable''; a new generation of schools for tomorrow, not do it the same old way; each community find a new way to approach the education challenges in that community, that State; a Nation of students committed to a lifetime of education -- I'm floundering around trying to learn how to use that computer a little better, and I'm getting up there in years, nobody is too old to learn -- and a community where learning can happen. And by that I mean an environment in

which education can take place, in which kids feel free from fear, and they can go on about the business of learning.

Now, you play the critical role in making that strategy work. You must ensure that each of your communities as a whole engages in this commitment to education. People who want Washington to solve all problems are simply missing the point. What happens there doesn't matter half as much as what happens in each hometown. Remember, on the total figures for education, 6 percent is Federal Government spending, 94 percent by local and State private entities. Every person, every school, every town must join this special national army, an army undertaking the most important crusade of all: the crusade to prepare our children and ourselves for our country's future. You can, you must make our communities places where learning can happen.

Let me give you just a handful of examples of what Oregonians are doing to help improve education around them. The National Guard, a Willamette University fraternity, Kiwanians, and individuals joined together to ``adopt'' Salem's Richmond Elementary School, which serves a large migrant population. This community so enriches the lives of the students and the school that they won this year's Governor's Volunteerism Award and the district award for outstanding business school partnership.

In Albany, more than 2,000 residents have come together to focus on the district's 22 schools through a remarkable business partnership program begun, in this case, by the Chamber of Commerce. In West Linn, not only do parents assist teachers in classrooms but over 50 percent of middle school science students have been given the chance to strengthen lessons learned in schools through local internships as a part of a program called ``Future Makers.''

And then there's my favorite place, I like the name at least, Salem's Bush Elementary School. [Laughter] Everyone there in that community has joined to give this school new life and make it a centerpiece of community life. In this school, where 75 percent of the families live below the poverty level and one-third speak no English, residents set up an ``Even Start'' literacy program for kids and parents. Local college students provide tutoring, mentoring, and help with therapy groups. Volunteers from businesses, hospitals, and the community contribute to weekly tutoring programs. Anyone can join: 85-year-old Esther Wilson has been working with at-risk kids in Salem for 9 years. Members of a local church help students with languages, but they're also building a playground. In Salem, you see, people understand that you must help kids be students without forgetting that they're kids. That's because kids ought to experience education as one of life's great joys. The community also encourages parents to volunteer at the school; this enriches the school and makes citizens feel more a part of their children's education.

There are thousands of stories like this, tens of thousands across this country. This could never happen if somebody tried to design a program in a subcommittee on education in the House of Representatives or in the United States Senate. It couldn't happen. You cannot generate that kind of love and that kind of concern by some Federal legislation back in Washington, DC.

There are thousands of stories like these. And you can write your own versions in your own neighborhoods. America cannot afford to wait or to waste an entire generation. As we look ahead to the year 2000 we must answer the call: Let tomorrow begin today.

I will stay personally involved. Our new Secretary of Education, Governor Lamar Alexander, is taking a crucial leadership role in advocating and promoting our program called Education 2000. I don't want to turn what is an upbeat, enthusiastic rally for Bob Packwood into a lecture on education. But I feel so strongly about this, I urge you: Take a hard look at it. If it's not partisan. It gets all across partisan lines. And it really answers the future challenge and says that these kids sitting right over here are going to have a better shot if we get this program fully implemented and fully into effect.

Here in Oregon, you can do something about it also because it is part of the philosophical underpinning of our administration, and that is to reelect Bob Packwood to the Senate.

You know, I am delighted to be back here in Portland. I'll remember this day next spring when I welcome the Trailblazers to the White House after they win the NBA title. But I reserve the right to change these remarks when I get to Los Angeles. [Laughter] And then tomorrow I'm going to be in Chicago, so -- [laughter].

But listen, let me just say this. I am very privileged to be President of the United States at this historic time. The change around the world is so rapid, the ferment and turmoil and change in our country so challenging. I am blessed. And Barbara feels exactly the same way as First Lady. And if I might say a word about her, I think she is doing a superb job as she travels around teaching literacy in this country.

But the longer I'm in this job, the more convinced I am that to get the job done, to finish what so many of you helped me begin, I need good people that look at these broad views philosophically the way we do. Sure, there are going to be differences on one issue or another. But the big thing is Bob Packwood and I share this philosophical underpinning that the best answer is to keep government as close as possible to home. That's education, that's fighting drugs, whatever it is. And so, let me just say: Please, go all out in '92 and return this good man to the United States Senate.

Thank you all very, very much. Well, again, thanks for your welcome and your support. God bless you all.

Note: The President spoke at 8:25 a.m. in the Oregon Ballroom of the Oregon Convention Center. In his remarks, he referred to William H. Packwood, son of Senator Packwood; Secretary of Transportation Samuel K. Skinner; Senator John Seymour; Craig L. Berkman, chairman of the Oregon Republican Party; Timothy H. Lee, event chairman for the Packwood committee; Reverend Edgars Petrevics of the Oregon Latvian Lutheran Church; President Saddam Hussein of

Iraq; Secretary of Education Lamar Alexander; and the Portland Trailblazers, a professional basketball team. A tape was not available for verification of the content of these remarks.

Remarks to Green Line/Interstate-105 Project Construction Site Employees in Los Angeles, California

September 19, 1991

Thank you very much. Governor Wilson, thank you for that introduction. And may I pay my respects to Secretary Skinner and Senator Seymour with us here, Mayor Bradley, also two other Members of the United States Congress over here, Glenn Anderson, Dana Rohrabacher, well-known to everybody around these parts. I salute them. And to the California State secretary for transportation and housing Carl Covitz, who was explaining much of this to me today. My sincere thanks to Jerry Baxter, to Neil Peterson, and to all of you guys that helped me eat my lunch out there, whoever you are, and who are doing the work on this project. It's a pleasure to be here.

We've got some great humorists at the White House. One of my aides, when I told him we had been invited to visit the transportation project, he said, ``Well, would you like to have a moving experience?'' And I am moved to be here. And I'm very grateful for this reception, the conversation I had with he people doing the work, and especially grateful that all of you are here.

I suspect the traffic jam that Los Angeles is most concerned about breaking up these days is the one that is at the top of the National League West. And I wish I were going to get to go see the ball game tonight, but unfortunately, I am not.

And I'm here today, though, to congratulate Los Angeles and California for their leadership, its national leadership. You're setting an example for the whole country in advancing a project which symbolizes the kind of transportation planning, high tech, and teamwork that America needs to compete in the world marketplace.

This project will improve the movement of people and goods not just within this great city but between modes of transportation: rail, car, bus, and air transportation. With links to both Los Angeles International Airport and Southern California's port facilities, Interstate 105 and the Green Line will help speed goods to markets throughout the global economy.

Interstate 105 dramatizes the Federal, State, and local partnership at its best, showing that together, we Americans can do anything.

The Federal role is focused on construction of the interstate, including HOV lines. State and local governments have joined to help commuters move more efficiently and to unclog Los Angeles area roads and highways. And I salute California and the Los Angeles area for their commitment of over $1 billion, including local funding for the total price tag for the new Green Line.

This project embodies America's need for greater infrastructure investment at every level. It

shows why, when we unveiled our transportation plan more than 7 months ago, we proposed at the Federal level investing 39 percent more in highway funding, primarily by focusing Federal investment on roads of national importance, the 150,000-mile national highway system.

The state of some of our highways was reflected in an updated version of an old song that some cynic sang to me the other day, ``You take the high road, and I'll take the low road, and I'll hit a pothole before you."

Well, we've got to change that. And our transportation plan will, indeed, help improve America's roads. Look at this one, look at Interstate 105, a crucial link in our new highway system. Especially with the Green Line using its median strip, it will prove how investment in high tech can ease local congestion and other problems as well.

The Green Line will be a state-of-the-art, fully automated system, one of only four such systems in the world. I - 105 makes special accommodations for high-occupancy vehicles, which encourages carpooling by commuters. All over America, including California, we are seeing ``smart car, smart highways" programs which help drivers move more safely and more freely.

And there are other innovations in our transportation plan, including more flexibility for State and local transportation officials on how Federal dollars are spent, more capital investment for transit, and incentives for greater use of private funds to support our road system.

But we still face one big hurdle that needs to be cleared, and I'm talking about congressional inaction today. Last March I challenged the Congress to pass our bill in 100 days. And it's now 197 days and counting. Let me tell you what we want and what we don't want. We want a bill that works. We don't want a bill that paves America with special projects, with pork. We want a transportation system that spends our money effectively, one that truly addresses national needs. And we don't want one that simply furthers political careers by spending money on hundreds of special interest projects. We want a good transportation bill, and I am going to do all I can to keep the heat on to get such a bill.

Many special interest projects often are not even on the local and State priority list. But I - 105 and the Green Line are certainly projects that argue the other way. They are projects where there's a need, projects that people want. And they are examples of how transportation infrastructure can make us much more competitive in the global economy. They also demonstrate how State and local governments can take a lead role in financing and managing of important transportation projects and, in the process, get fantastic results. And they show California is leading the way toward a brighter tomorrow.

The novelist John Steinbeck once wrote, ``The spring is beautiful in California." Well, I'd like to add, so is September. And thank you for a great day. Thank you for this fantastic contribution to the infrastructure of our great country. And may God bless you and our wonderful country.

Note: The President spoke at 1:21 p.m. at the site. In his remarks, he referred to Governor Pete Wilson of California; Secretary of Transportation Samuel K. Skinner; Senator John Seymour; Mayor Tom Bradley of Los Angeles; Representatives Glenn M. Anderson and Dana Rohrabacher; Carl Covitz, California secretary of business, transportation, and housing; Jerry Baxter, director of California Transportation District; Neil Peterson, executive director of the Los Angeles County Transportation Commission. Prior to his remarks, the President had lunch with the construction site employees and attended a briefing and tour of the project. A tape was not available for verification of the content at these remarks.

Exchange on the Situation in Iraq With Hispanic Journalists in Los Angeles, California

September 19, 1991

Q. Mr. President, you talked yesterday about the situation with Iraq in the monitoring of the cease-fire agreements. Do you think it will be necessary to have a substantial show of force, of weapons, and perhaps troops in that region to make sure that those agreements are fulfilled, implemented?

The President. At this juncture the answer to your question is, no, I don't think so. I do think that Saddam Hussein must comply willingly or reacting to pressure with the United Nations resolutions. There is too much at stake. The international community has too much at stake. The very meaning of a new world order with the U.N. playing an active role in it has too much at stake. The United States has a disproportionate responsibility for this. We do the heavy lifting. We're the only ones that can. And we saw that clearly when your sons and daughters went off to that war in the Gulf.

We don't need lots of troops and to mobilize a whole ``Son of Desert Storm'' operation. The way to diffuse it is for Saddam Hussein to do what the U.N. is calling on him to do. One way to have him to do is to understand that if he doesn't, he is going to find that we are prepared to use military action to see that he does comply. And we're not going to be doing this alone if it comes to that. We'll have others with us.

But to allay the concerns of America, I would simply say we're not talking about massive troop movements. What we are talking about, if required -- and if you ask me whether I thought it will be or not, I'd say, no -- what we are talking about is accompanying helicopters with some air power. And we got a lot of air power there.

And we've demonstrated, thanks to our technology and to the ability of our pilots, that we can be very specific as we apply this air power. And so, I'm glad you asked that because there's a lot of interest in the country, and a lot think that we're talking about a massive mobilization. I saw one of the networks interviewing some families down at Shaw Air Force Base, ``Oh, please, we don't want to go through this again.'' That's not what we're talking about here. And I don't see it escalating that we would be talking about it.

But I will say this: I am determined that he comply with these resolutions. And when a President makes a statement like that, he ought not to do it without being willing to back that up. And I think the reason we ended up having the war in the first place was twofold. One, Saddam Hussein never believed we'd use power. He just didn't believe it. He listened to the debate in this country. He read the editorials. He'd misread a sign, and he didn't believe it. And the second miscalculation was, he believed that if we did use power, he didn't think we would, but he

believed that if we did, that he would prevail either by a standoff emerging as the new Nasser or in some way beating us. He had no idea what was going to happen to him.

That's now history. He knows what we can do. And so, it is my gut feeling that he will do that which he should have done long ago, and that is comply with the letter of the United Nations resolutions.

And I would just like to take this opportunity to say to him through your outlets: He should comply. He should not miscalculate again. And we don't need to threaten. That's all we have to say: You ought to comply. And I've never been more determined. And he can interpret it any way he wants to.

Q. Are you imposing a deadline for him?

The President. No, no deadlines. Just a simple statement of determination in which I'm sure I would be joined by countries all around the world. I mean, this isn't just the United States. Just as the strength of Operation Desert Storm came from the fact that it had an international sanction, his compliance and demand for compliance comes not just from the United States but from the Security Council of the U.N.

So, there's no deadline, no lines in the sand. Just to say: Hey, go ahead and do what you ought to have done some time ago.

Note: The exchange began at 1:55 p.m. in the Benedict Room at the Four Seasons Hotel. President Bush referred to President Saddam Hussein of Iraq. A tape was not available for verification of the content of this exchange.

Remarks at a Fundraising Dinner for Senator John Seymour in Los Angeles, California

September 19, 1991

Thank you all very, very much. And thank you, Senator Seymour. Thank you, John, for those kind words. And thanks all of you for this very warm welcome back, my 10th trip to California as President. And let me thank Andy Williams, for starters, for blessing us with that beautiful anthem of ours and the way in which he did it. I salute his wife, Debbie. My respects to Reverend Robert Schuller for tonight's invocation. And Reverend, I know I speak for everyone when I wish your father the speediest of recoveries.

And let me salute the stars of the GOP galaxy with me here tonight. With me is our Secretary of Transportation Sam Skinner; Governor Pete Wilson, of course, and Gayle, making the tough decisions up there in Sacramento; the honorable George Deukmejian, a long-time friend of all of ours; Jim Dignan, our State GOP chairman; and his vice-chairman Tirso Del Junco. And I'm just pleased to be with all of them.

And it's a pleasure to be here, back here at the Century on the Avenue of Stars with so many of LA's brightest lights. Let me just start with tonight's emcee, the honorary mayor of Hollywood. He's a national figure these days, Johnny Grant. Always a pleasure to be with him. I want to thank A.C. Lyles, who worked to pull together this star-studded cast. And I, of course, would genuflect before and salute Bob Hope and Delores. It's a great pleasure to see them up this late. [Laughter] And to Gene Autry and his wife, Jackie; and to John and Connie Gavin; and to Sly Stallone and Chuck Norris and Loretta Young and Delta Burke and Gerald McRaney.

And, of course, Kevin Costner is here. He was my partner in golf. I'm surprised he showed up after my poor showing there in Washington, DC. But he and his wife, Cindy, are here. Kevin's working on the sequel to ``Robin Hood: The Prince of Thieves." It's called ``Robin Hood: Chairman of the Election and Reapportionment Committee." [Laughter] He'll steal your seat right out from under you. [Laughter]

And last but not least, the reason we're here tonight: the rising star of the Senate, a man whom I respect and in whom I believe totally, and that is John Seymour. I think we all know John's story, his transition from successful businessman, active in his community, to mayor of Anaheim, and later, member of the California State senate. Then, Governor Pete Wilson came back to Calfornia, tapped John to take his seat in Washington. And tonight, we're here, unified in our desire, in our dedication to make sure that John Seymour stays in the Senate.

He mentioned, really, that he wasted no time in making a mark for himself on Capitol Hill. It was 48 hours after his arrival that he took part in that solemn debate that he referred to. And that debate was conducted in the highest traditions of the Senate. And he did cast a momentous vote to

authorize the use of force to free Kuwait. And it wasn't an easy vote. You've got to think back now. Given the superb performance of the force, it looks like it might have been easy, but it wasn't at the time. And to John and to all of you who stood with me with our fighting men and women during the days of Desert Storm, my heartfelt thanks for your prayers and your support.

It was a fine moment for our country. It turned things around. And let me just say I am confident that what happened then will be the guarantor that we don't have to do all that again. I believe, no matter how bad he is, Saddam Hussein is not going to miscalculate once more. He's not going to do that. And we are going to stay firm as we can be the way I spelled out the policy yesterday. It isn't going to change one single bit. And he is going to comply with every single resolution of the United Nations.

We live at a time of just extraordinary change, at a moment in history when old gives way to the new. In August 1990, the world's attention was riveted on Iraq. And this August, the epicenter of change shifted over to Moscow and to the rest of the Soviet Union. And what began as the Old Guard's attempt to turn back the clock ended up as the last gasp of a dying ideology. And the coup failed, and communism stood exposed and empty at its core. I was very pleased when both Yeltsin and Gorbachev gave the United States credit for standing firmly with them, thus helping to guarantee the coup's failure.

And it is true that the collapse of communism stands as a triumph for freedom-loving men everywhere, a victory for the principles all of us here hold dear, principles we've pledged to defend: freedom, democracy, and the dignity of man.

The aftershocks of that ideological earthquake have made themselves felt around the world, even right here in California. Just last night the citizens of Santa Monica stormed city hall and knocked down their statue of Tom Hayden. [Laughter]

Speaking of democratic change, your Governor, Pete Wilson, tells me that this very day, this very afternoon, every Republican member of the State Assembly voted against the Democrats' gerrymander. And I applaud them and the Governor. And I fully expect them to support their Governor, their party, and their President by also voting no on the Democrats' effort to override Governor Wilson's veto. The Governor is right to insist on fairness. The people of California are entitled to fairplay on redistricting. So, enough of outrageous gerrymanders.

But even in times of tremendous change, some things still stay the same. And next time you're in Washington, visit Capitol Hill and note the differences between the political parties. The party in charge of Congress may not see that Americans want action, but I really believe our party does. Yes, we're outnumbered. Yes, we cannot take the offensive because of the numbers on both Houses of Congress. But we want action. And we're waging a battle to take back the Senate in 1992 and get Capitol Hill moving on our domestic agenda. We can start right here. Help California keep its edge by electing this fine man, sending him back to the Senate.

In his 9 short months of office, John has adapted well to the strange new world of the Senate. John won passage of five amendments, I think Pete referred to this, to the crime bill, five key tough-on-crime provisions, more amendments than any Senator not on the Judiciary Committee.

And thanks to John Seymour, California's and this country's streets may just get to be a little bit safer.

And I might also say that John has been a key supporter of America 2000, our revolutionary national education strategy. You take any number of problems we cope with today from crime and drugs to economic competitiveness, education really is part of their solution.

And right now, our schools can't pass the test. Take a look at this State's graduation rate. Just 65 percent of California's students graduate with their classes. One in every three kids falls through the cracks, and that's a crime.

America 2000 offers answers, not excuses. America 2000 demands revolutionary change. And the very idea of change strikes fear in the hearts of the education establishment in this country. Our critics in the establishment and their friends up on Capitol Hill, sing the same old refrain, ``We aren't spending enough on our schools." Well, it's time for them to check their math.

In the last 10 years in current dollars, total education spending went from about $200 billion to over $400 billion, and we're still 12th in the world in math and 9th in science achievement.

The American people are not stingy, but they know that a fistful of dollars will not fix the problems plaguing our schools. And real reform begins with raising expectations, setting our sights on our national education goals, and freeing our schools to meet them. And it means making today's schools better and building ``break the mold" schools to serve the students of tomorrow. It is important that these communities decide what is best for them, start from scratch, redesign the schools, the school curriculum, the length of the term, whatever it is. But each community should start from scratch and try. Real reform recognizes that teachers and schools can't do the job alone. And we've got to call on parents and communities and private sector companies.

In California and all across this country, we want to see every city and town become what we call America 2000 communities. Earlier this month, I generated some controversy with my remarks about television and its effect on kids. But the fact is, TV shouldn't be an electronic babysitter. Even the best educational TV, and there's some tremendous programs, cannot substitute for parents who care. Kids who sit in front of the tube all day, may be great for the ratings, but they won't help our SAT scores. And they certainly won't be able to compete in the 21st century, when brains, not brawn, will determine the destiny of nations.

So, real reform means taking responsibility, challenging our communities to get involved, giving

parents the power to choose which school is best for their kids. And that is what we call America 2000: common sense. But then again as Tom Paine understood, sometimes, in the right circumstances, common sense can be revolutionary.

In California, across this country, really, a Republican revolution has begun. We've known for a long time our party is the party of American ideals, that our faith in freedom reflects the special magic of America. And just as important, right here at home, the Republican Party stands as the party of ideas. From reinventing our schools to turning tenants into homeowners, from enlisting the marketplace to clean our air to promoting ways of finding new energy sources, to waging a drug war that is making dramatic headway, on one issue after another: When Americans ask for solutions, Republicans deliver.

And that's the secret behind our success in this great State. The secret that makes John Seymour effective in the Senate.

And tonight we reaffirm those powerful ideals that give this party its sense of direction and its strength of purpose. I am very sorry that Barbara Bush isn't out here with me tonight. I know she would have loved the glitter and the wonder of it all. And she just plain likes coming out to California. But she and I talk about the problems that our country face. And we often come back to the fundamental values that we all learned when we were kids: the importance of family, the importance of faith, the importance of community values. And so, it starts from square one, but I like to feel that our party now is in the forefront of all of this.

So, my plea tonight is let us wage a Republican revolution here in California and across this country, and let's start by guaranteeing that John Seymour remains in the United States Senate.

Once again, thanks to you for this warm welcome. And may God bless the United States of America. Thank you very much.

Note: The President spoke at 8:02 p.m. at the Century Plaza Hotel. In his remarks, he referred to Senator John Seymour; singer Andy Williams and his wife, Debbie; Reverend Robert A. Schuller, pastor, Rancho Capistrano Community Church; Secretary of Transportation Samuel K. Skinner; Governor Pete Wilson of California and his wife, Gayle; George Deukmejian, former Governor of California; Jim Dignan, chairman, and Tirso Del Junco, vice-chairman, of the California Republican Party; Tom Bradley, mayor of Los Angeles; entertainers Bob Hope and his wife, Delores, Gene Autry and his wife, Jackie, John Gavin and his wife, Connie, Sylvester Stallone, Chuck Norris, Loretta Young, Delta Burke, Gerald McRaney, and Kevin Costner and his wife, Cindy; President Boris Yeltsin of the Republic of Russia; President Mikhail Gorbachev of the Soviet Union; and President Saddam Hussein of Iraq. A tape was not available for verification of these exchange.

Nomination of Mary Jane Maddox To Be Deputy Director of ACTION

September 19, 1991

The President today announced his intention to nominate Mary Jane Maddox, of Texas, to be Deputy Director of the ACTION agency, the Federal domestic volunteer agency. She would succeed Jane A. Kenny.

From 1982 to 1991 Ms. Maddox served as administrative assistant to Representative Steve Bartlett of the Third District of Texas. In addition, her civic activities in Texas have included serving as president of the PTA, Wake Village Elementary School, Texarkana; cochairman, Employ Youth Program, Marshall Chamber of Commerce; and board member of Camp Fire Girls, Port Arthur. She currently serves on the bazaar committee for St. Alban's Episcopal Church in Washington, DC.

Ms. Maddox attended the University of Texas at Austin, 1957-1960. She was born August 7, 1939, in Corpus Christi, TX. Ms. Maddox is married, has two daughters, and resides in Washington, DC.

Statement by Press Secretary Fitzwater on Peru's Drug Interdiction Efforts

September 20, 1991

After talking with President Fujimori of Peru, President Bush told him that the Government of Peru's agreement with the coca farmers opposing drug trafficking and in favor of alternative development represents an imaginative approach which we would like to support. He also said that President Fujimori's interest in attacking the drug traffickers in an ``implacable interdiction effort'' offers hope for the future and that the United States wishes to assist in the most helpful way possible.

Note: The statement referred to President Alberto Fujimori of Peru.

Remarks at the Annual National Convention of the United States Hispanic Chamber of Commerce in Chicago, Illinois

September 20, 1991

@Thank you very much. And I really want to thank you for that warm reception here. First, may I salute two Secretaries of my Cabinet, Secretary Lujan, who many of you have known over the years, is with us today; and also Secretary Sam Skinner, who just came in with us from California, a son of Chicago in a sense, and doing a great job as Secretary of Transportation.

May I also thank the Governor of the State, Jim Edgar; and the mayor of this great city, Mayor Daley, for greeting me at the airport here and welcoming us to Illinois and to Chicago. And this is, as I view it, certainly not a partisan gathering, and I think their both showing up together, side-by-side, was a manifestation of that. [Laughter]

But may I thank Jose, Jose Nino, who just introduced me, your very able president; Gabe Aguirre, the outgoing chairman. And thank you all, ladies and gentleman, for, once again, that very warm welcome. Let me congratulate my fellow Texan, Delia Reyes, your newly elected chair. And warmest greetings to the many dignitaries that are here.

I'm here a little later than originally scheduled. Would you believe we experienced a slight flight delay? [Laughter] I know it happens all the time. We had to circle the city while Michael Jordan practiced takeoffs and landings out here. [Laughter] And there's a second reason, too, if I may be candid. I know you've just heard Jack Kemp speak, and I thought you'd want to catch your breath for a little bit. [Laughter]

If you're still feeling winded, it's my fault. It goes back to our first Cabinet meeting, and I asked Jack, ``Can't you generate, can't you work up a little more enthusiasm?'' And you saw it today. But he's doing a great job for us as Secretary of Housing and Urban Development. His concept, our concept, of tenant management and home ownership offers really hope to millions. But then, Jack and all our administration believe in the greatest and most visionary of American ideals, the ideal of real equality, ensuring that people can go as far as their abilities and their hard work will take them.

Five centuries ago, men crossed the great ocean and brought Hispanic America into being. Ever since then, we have called the combination of European and American peoples on these vast lands not a new territory, not a new colony, not a new settlement. We've called it a new world.

Hispanic America arose out of risk and romance. Several forces fed its growth: transoceanic trade, the movement and mingling of peoples, the grand enterprise of discovery and development.

On September 20, this very date, but in 1519, Magellan and his party set sail from Spain to sail around the globe. Next month we begin a year of commemoration leading to the 500th anniversary of Columbus' daring journey.

We must not think of these achievements as somehow antique and irrelevant. Frontiers don't close when men settle the wilderness, when they build cities and factories and schools. Subtle but braver adventures confront advanced civilizations: the adventures of creating families, educating children, knowing that no matter how hard or how comfortable our circumstances, we must make our world better. In the life of the Americas, in our mission of discovery and development, 1492 was only yesterday.

How true this is in the case of commerce. Voyagers charted the trade routes of the Americas centuries ago, but we've only now begun to explore their full potential.

Your convention theme sings with this spirit: ``Launching New Partnerships." America's more than 400,000 Hispanic-owned firms provide new jobs and generate new wealth. In 1987, the latest date for these statistics, our Hispanic-owned businesses pumped nearly $25 billion into our economy and created half a million jobs.

You believe in yourselves, in your abilities, your determination, your excellence. Because you believe in yourselves, you helped our administration get congressional approval to extend our Fast Track procedures for trade negotiations. Armed with that powerful tool -- and as you heard this morning from an able team from three countries -- we are negotiating a North American free trade agreement.

I might say that Mexico, under President Salinas, has been a powerful leader and ally. And I would also say that relationships between Mexico and the United States have never in history been better. And that is in the best interests of the United States of America. When we complete that accord, and I'm confident we will, we'll build a free trade zone that ranges from the Yukon to the Yucatan, ``a market of 360, get the figure, 360 million consumers and a present annual output of $6 trillion.

When we seal the free trade agreement, Hispanic-owned firms in the United States will enjoy strong natural advantages. Bonds of family, language, understanding the culture, already cherished in the families represented here today, all of these will gain value as business assets.

Because you believe in yourselves, you also have supported our Enterprise for the Americas Initiative, aiming to establish a network of expanded trade, investment, and cooperation from Hudson Bay to the Straits of Magellan.

The North American free trade agreement and the Enterprise for the Americas Initiative incorporate the great lesson of our age: trade and enterprise can build wealth and preserve

freedom. Protectionism and Government control only create poverty and backwardness, and yes, a denial of freedom.

Consider the case of Mexico. Since 1986, when Mexico joined the GATT and dropped tariff rates from 100 percent, 100 percent, to little more than 10 percent, U.S. exports to Mexico have more than doubled. Exports of automobiles and auto parts have quadrupled. Exports of iron and steel, which were running a $12-million deficit just 4 years ago, now are achieving a $300-million surplus. And this rise in exports created almost 300,000 jobs in the United States. Each additional $1 billion in exports will translate into nearly 20,000 American jobs.

But these reforms, it's not a one-way street, these reforms have helped Mexico, a classic win-win situation, if you will. Fidel Velazquez Sanchez, the head of the Mexican Labor Confederation, recognizes that increased trade will create new jobs, indeed, new industries in Mexico, and he strongly supports the trade agreement.

What's good for Hispanic America will be good for the United States. And with open trade, by the year 2000, United States firms will be doing a robust business with dynamic economy of 100 million Mexican consumers.

The prospects seem equally exciting south of Mexico, too. We've heard a lot about the Mexican free trade agreement. We've heard about the negotiations. They are our friendly neighbors on the border, and we ought to -- parenthetically I might say, we should never just take those friends for granted, whether it be to our north or to our south. We are blessed by peaceful borders. But we're already advancing creative plans now to reduce debt, boost investment, and increase trade. We've now signed framework trade liberalization agreements involving 28 countries in the hemisphere. So, it's not just Mexico. But we need your help.

Congress still has failed to give us debt reduction authority and funding and to give us the ability to contribute to the Multilateral Investment Fund. This would help stimulate investment and build stable democracies within our hemisphere. So please, speak out in support of the Enterprise for the Americas Initiative. And join me in urging Congress to pass the legislation to put it into full effect. Enterprise for the Americas is not a slogan. It will strengthen democracy and freedom in those friendly countries south of the Rio Grande, and it will be good for American exports, and that means it will be good for American jobs.

Our efforts to expand U.S. exports will get another boost when my friend, Jose Martinez, becomes Director of the United States Trade and Development Program.

And of course, one more event will demonstrate to one and all that we really have entered into a new era of freedom and opportunity. I'm speaking of Cuba's becoming free and democratic.

Today we hear the creaking and crumbling of that Castro dictatorship. And the day is coming, I'm

absolutely convinced of this, sooner than Castro dares to believe, when the people of Cuba will reclaim their destiny and rejoin the Western Hemisphere's family of free nations.

And if we want to make our hemisphere a neighborhood of peoples, we must do more than lift economic and political barriers. Our administration also has promoted educational and cultural exchanges between our country and our neighbors in the hemisphere. As in commerce, the natural leaders in this enterprise will be Hispanic Americans.

You see, something more than mere geography unites us. Common cultural roots enable us all to seek a shared destiny for our hemisphere, for ourselves.

And I want to thank the Hispanic Chamber of Commerce for its endorsement of our America 2000 education strategy. I am grateful for your initiatives to teach economics and entrepreneurship to our kids, beginning in the kindergarten. And now, if only someone could do the same for economists, I think we'd be in pretty good shape around here. [Laughter]

America 2000, like our economic proposals, begins with an article of faith: We believe that parents care about their children, care about education, and can help find schools that will help their children reach their potential. So, we want to expand parental choice so that parents will have as much choice in the crucial matter of education as they now have when they wish to purchase peanut butter.

And if we want to make the most of ourselves, we must invite competition and show just how well we can do.

America 2000 will enable Hispanic communities to draw upon their natural strengths and values. And it will enable parents, teachers, and yes, church and business leaders to help reinvent American education.

To further this goal, I have announced the membership of the President's Advisory Commission on Educational Excellence for Hispanic Americans. Chicago's own Andres Bande, CEO of Ameritech International, will chair the panel, and its work will play a major role in unleashing the America 2000 revolution in education.

I understand Andres is here today, and I'd like him to stand up, right there. Thank you for undertaking this. This is important work he's about to be engaged in. And I know, on his behalf, I'd like to solicit your ideas and your full cooperation.

Let me close with a few comments on a concept we talked about earlier, development. It's a term of art, of course, in international economics. We tend to use ``developing country'' as a sort of fuzzy euphemism for ``poverty,'' for a nation short on material or financial wealth.

But when we use the term ``development'' in this way, we forget its deeper meaning. Isn't the United States -- must it not be still ``developing''? For all our present wealth, can we afford to become static or stagnant? And if we're not giving our children a moral and intellectual inheritance as good as our parents gave us, are we a ``developed'' society?

I think again of the explorers on our continent five centuries ago. Some were wise, some were foolish. And we remember the effort wasted in trying to find the imaginary Seven Cities of Gold. And those adventurers were not just looking in the wrong place; they were searching for the wrong treasure. The treasure was, and is, in men and women, in ``human resources,'' in mind and muscle and soul. And these, not unearned bonanzas, build civilizations.

Our work never ends. That's the key to life's excitement. In these hopeful times, as we tear down economic barriers and liberate ourselves from ideological confines, we must continue supplying our own sons and our own daughters with the values, the fundamentals, of a good society. Together, I know that we shall.

You know, the longer I'm in the White House and privileged to serve as President of the United States, and the more Barbara and I discuss these enormous problems that Mayor Daley confronts in his excellent way every day, or Jim Edgar, the Governor of this State, confronts in his very effective way as Governor, the more we contemplate those problems and the more I look at this great country of ours that I'm privileged to lead at this point in history, and I must say it's a very exciting point, the more Barbara and I conclude that family is absolutely essential to our success. We have got to stay involved, we have got to stay fundamentally involved. And when I speak to this group, it's almost like preaching to the choir because I think if you exemplify one of the prime values and principles that this group and, indeed, Hispanic American culture all across our country exemplifies, is love of family and its faith and its conviction about our great country, the freest and fairest on the face of the Earth.

So, thank you very much for letting me come by and visit this highly successful convention. And let me tell you that it's a great joy to be back with you again. And may God bless our great country. Thank you very very much.

Note: The President spoke at 1:45 p.m. at the Hyatt Regency Hotel. In his remarks, he referred to Secretary of the Interior Manuel Lujan, Jr.; Secretary of Transportation Samuel K. Skinner; Governor James Edgar of Illinois; Richard M. Daley, mayor of Chicago; Jose Nino, president and chief executive officer of the United States Hispanic Chamber of Commerce; Gabriel E. Aguirre, former chairman of the board of the Hispanic Chamber of Commerce; Delia Reyes, chairman; Michael Jordan, member of the Chicago Bulls basketball team; Secretary of Housing and Urban Development Jack Kemp; President Salinas de Gortari of Mexico; Fidel Velazquez Sanchez, union leader of the Mexican Labor Confederation; Jose E. Martinez, Director of the Trade and Development Program; President Fidel Castro Ruz of Cuba; and Andres Bande, CEO of Ameritech International. These remarks were not received in time for publication in the

appropriate issue.

Proclamation 6337 -- National Hispanic Heritage Month, 1991

September 20, 1991

By the President of the United States

of America

A Proclamation

When we speak of our Hispanic heritage, we speak of more than one particular set of customs and traditions. Indeed, the Hispanic American heritage can be traced back to many different lands -- to places as far-flung as Cuba, Mexico, Spain, and Peru. Nevertheless, Americans of Spanish and Latin American descent share a great sense of pride in the deep cultural and historical ties that exist between them.

Rich and varied, the Hispanic American heritage is as old as the story of America itself. Daring Spanish navigators who explored the New World nearly half a millennium ago were the first Europeans to establish settlements in what is now United States territory. In fact, by 1565 -- almost half a century before British colonists landed at Jamestown -- the Spanish had established a permanent settlement at Saint Augustine, Florida. Traders and missionaries followed in the wake of explorers such as Coronado, Ponce de Leon, and Alvar Nunez Cabeza de Vaca, helping to open the American Southwest to further settlement and development.

Making use of the land's resources through farming, ranching, and mining, Spanish peoples shaped much of the Western frontier. Thriving communities took root around many Spanish missions, and today cities such as San Diego, Los Angeles, San Antonio, and Santa Fe continue to bear evidence of their celebrated past. However, over the years, Hispanic Americans have made vital contributions in communities across the country and in virtually every field of endeavor.

Today Hispanic Americans are our Nation's fastest growing minority. The number of Hispanics in this country grew by 53 percent during the past decade, up from 14.6 million to 22.4 million. This means that Hispanics now constitute about 9 percent of our population.

Many Hispanic Americans have come to these shores as immigrants, seeking better lives for themselves and their children. The achievements of these men and women indicate that they have not taken liberty for granted. Today Hispanic Americans are reaping the rewards of hard work: more and more are entering the political, social, and economic mainstream of American life.

Hispanic Americans are eager to enjoy the blessings of freedom and economic opportunity because many have known the bitter reality of life without them. As a Nation, we must keep faith with them and continue working to ensure equal opportunity for all of our citizens. With that in mind, last September I signed the Executive Order on Educational Excellence for Hispanic Americans. This order established a special Presidential Advisory Commission that will help to identify ways that the Federal Government can improve educational opportunities for Hispanic Americans.

The Congress, by Joint Resolution approved September 17, 1968, as amended by Public Law 100 - 402, has authorized and requested the President to issue annually a proclamation designating the month beginning September 15 and ending October 15 as ``National Hispanic Heritage Month."

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the month beginning September 15, 1991, and ending October 15, 1991, as National Hispanic Heritage Month. I call upon the people of the United States to observe this month with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this 20 day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:12 a.m., September 23, 1991]

Note: This proclamation was not received in time for publication in the appropriate issue. It was published in the Federal Register of September 24.

Nomination of Lanny Griffith To Be an Assistant Secretary of Education

September 20, 1991

The President today announced his intention to nominate Lanny Griffith, of Mississippi, to be Assistant Secretary for Intergovernmental and Interagency Affairs at the Department of Education. He would succeed Michelle Easton.

Since 1989, Mr. Griffith has served as Special Assistant to the President for Intergovernmental Affairs at the White House in Washington, DC. Prior to this, he served as the southern political director for George Bush for President, 1987 - 1988; regional political director for the Republican National Committee, 1984 - 1986; and as campaign manager for Haley Barbour for Senate, 1983. Mr. Griffith served as executive director for the Mississippi Republican Party, 1979 - 1981 and 1983. From 1976 to 1979, Mr. Griffith served as an associate with the law firm of Freeland and Gafford, Lawyers in Oxford, MI.

Mr. Griffith graduated from the University of Mississippi (B.B.A., 1973; J. D., 1976). He was born August 13, 1951. Mr. Griffith is married, has two children, and resides in Alexandria, VA.

Note: This nomination was not received in time for publication in the appropriate issue.

Exchange With Reporters on an Unemployment Benefits Bill

September 23, 1991

Q. Mr. President, do you have any indication Saddam Hussein is doing the right thing in Iraq today?

The President. I've been working on unemployment benefits this morning. Been on the telephone. And we strongly support Bob Dole's package, which is budgetarily sound, forward-looking, takes care of those that really need help. So, I've been focusing on that this morning and calling several Senators about it, and I just hope that the Senate will do what's needed, and that is help these people, but also do something that is budgetarily sound, and that is -- where we have offsets and we stay within the budget agreement. So, that's what I've been concentrating on.

Now, as I leave, I'll be focusing in the United Nations on these other questions.

Q. Mr. President, do you think -- --

The President. Well, I'm going to be focusing on all that when we get up there, and I'll have something to say about it later this morning.

Note: The President spoke at 10:05 a.m. on the South Lawn at the White House. During this exchange, a reporter referred to President Saddam Hussein of Iraq. Robert Dole is Senate Minority Leader. A tape was not available for verification of the content of this exchange.

Address to the 46th Session of the United Nations General Assembly in New York City

September 23, 1991

Mr. President, thank you, sir, Mr. Secretary-General, distinguished delegates to the United Nations, I am honored to speak with you as you open the 46th Session of the General Assembly.

I'd first like to congratulate outgoing President Guido De Marco of Malta and salute our incoming President Samir Shihabi of Saudi Arabia. I also want to salute especially Secretary-General Javier Perez de Cuellar, who will step down in just over 3 months. But let me say, Secretary-General Perez de Cuellar has served with great distinction during a period of unprecedented change and turmoil. For almost 10 years we've enjoyed the leadership of this man of peace, a man that I, along with many of you, feel proud to call friend. So today, let us congratulate our friend and praise his spectacular service to the United Nations and to the people of the world. Mr. Secretary-General.

Let me also welcome new members to this chamber: two delegations representing Korea, particularly our democratic friends, the Republic of Korea; the Republics of Estonia, Latvia, and Lithuania; and new missions from the Marshall Islands and Micronesia.

Twenty years ago, when I was the Permanent Representative here for the United States, there were 132 U.N. members. Just 1 week ago, 159 nations enjoyed membership in the United Nations. Today, the number stands at 166. The presence of these new members alone provides reasons for us to celebrate.

My speech today will not sound like any you've heard from a President of the United States. I'm not going to dwell on the superpower competition that defined international politics for half a century. Instead, I will discuss the challenges of building peace and prosperity in a world leavened by the cold war's end, the resumption of history.

Communism held history captive for years. It suspended ancient disputes, and it suppressed ethnic rivalries, nationalist aspirations, and old prejudices. As it has dissolved, suspended hatreds have sprung to life. People who for years have been denied their pasts have begun searching for their own identities, often through peaceful and constructive means, occasionally through factionalism and bloodshed.

This revival of history ushers in a new era, teeming with opportunities and perils. And let's begin by discussing the opportunities.

First, history's renewal enables people to pursue their natural instincts for enterprise. Communism

froze that progress until its failures became too much for even its defenders to bear. And now citizens throughout the world have chosen enterprise over envy, personal responsibility over the enticements of the state, prosperity over the poverty of central planning.

The U.N. Charter encourages this adventure by pledging ``to employ international machinery for the promotion of the economic and social advancement of all peoples." And I can think of no better way to fulfill this mission than to promote the free flow of goods and ideas. Frankly, ideas and goods will travel around the globe with or without our help. The information revolution has destroyed the weapons of enforced isolation and ignorance. In many parts of the world technology has overwhelmed tyranny, proving that the age of information can become the age of liberation if we limit state power wisely and free our people to make the best use of new ideas, inventions, and insights.

By the same token, the world has learned that free markets provide levels of prosperity, growth, and happiness that centrally planned economies can never offer. Even the most charitable estimates indicate that in recent years the free world's economies have grown at twice the rate of the former Communist world.

Growth does more than fill shelves. It permits every person to gain, not at the expense of others but to the benefit of others. Prosperity encourages people to live as neighbors, not as predators. Economic growth can aid international relations in exactly the same way. Many nations represented here are parties to the General Agreement on Tariffs and Trade. The Uruguay round, the latest in the postwar series of trade negotiations, offers hope to developing nations, many of which have been cruelly deceived by the false promises of totalitarianism.

Here in this chamber we hear about North-South problems. But free and open trade, including unfettered access to markets and credit, offer developing countries means of self-sufficiency and economic dignity. If the Uruguay round should fail, a new wave of protectionism could destroy our hopes for a better future. History shows all too clearly that protectionism can destroy wealth within countries and poison relations between them. And therefore, I call upon all members of GATT to redouble their efforts to reach a successful conclusion for the Uruguay round. I pledge that the United States will do its part.

I cannot stress this enough: Economic progress will play a vital role in the new world. It supplies the soil in which democracy grows best. People everywhere seek government of and by the people. And they want to enjoy their inalienable rights to freedom and property and person.

Challenges to democracy have failed. Just last month coup plotters in the Soviet Union tried to derail the forces of liberty and reform, but Soviet citizens refused to follow. Most of the nations in this chamber stood with the forces of reform, led by Mikhail Gorbachev and Boris Yeltsin, and against the coup plotters.

The challenge facing the Soviet peoples now -- that of building political systems based upon individual liberty, minority rights, democracy, and free markets -- mirrors every nation's responsibility for encouraging peaceful, democratic reform. But it also testifies to the extraordinary power of the democratic ideal.

As democracy flourishes, so does the opportunity for a third historical breakthrough: international cooperation. A year ago, the Soviet Union joined the United States and a host of other nations in defending a tiny country against aggression and opposing Saddam Hussein. For the very first time on a matter of major importance, superpower competition was replaced with international cooperation. The United Nations, in one of its finest moments, constructed a measured, principled, deliberate, and courageous response to Saddam Hussein. It stood up to an outlaw who invaded Kuwait, who threatened many states within the region, who sought to set a menacing precedent for the post-cold war world. The coalition effort established a model for the collective settlement of disputes. Members set the goal, the liberation of Kuwait, and devised a courageous, unified means of achieving that goal.

And now, for the first time, we have a real chance to fulfill the U.N. Charter's ambition of working ``to save succeeding generations from the scourge of war, to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and nations large and small to promote social progress and better standards of life in larger freedom." Those are the words from the charter. We will not revive these ideals if we fail to acknowledge the challenge that the renewal of history presents.

In Europe and Asia, nationalist passions have flared anew, challenging borders, straining the fabric of international society. At the same time, around the world, many age-old conflicts still fester. You see signs of this tumult right here. The United Nations has mounted more peacekeeping missions in the last 36 months than during its first 43 years. And although we now seem mercifully liberated from the fear of nuclear holocaust, these smaller, virulent conflicts should trouble us all. We must face this challenge squarely: first, by pursuing the peaceful resolution of disputes now in progress; second and more importantly, by trying to prevent others from erupting.

No one here can promise that today's borders will remain fixed for all time. But we must strive to ensure the peaceful, negotiated settlement of border disputes. We also must promote the cause of international harmony by addressing old feuds. We should take seriously the charter's pledge ``to practice tolerance and live together in peace with one another as good neighbors."

UNGA Resolution 3379, the so-called ``Zionism is racism" resolution, mocks this pledge and the principles upon which the United Nations was founded. And I call now for its repeal. Zionism is not a policy; it is the idea that led to the creation of a home for the Jewish people, to the State of Israel. And to equate Zionism with the intolerable sin of racism is to twist history and forget the terrible plight of Jews in World War II and, indeed, throughout history. To equate Zionism with

racism is to reject Israel itself, a member of good standing of the United Nations.

This body cannot claim to seek peace and at the same time challenge Israel's right to exist. By repealing this resolution unconditionally, the United Nations will enhance its credibility and serve the cause of peace.

As we work to meet the challenge posed by the resumption of history, we also must defend the charter's emphasis on inalienable human rights. Government has failed if citizens cannot speak their minds, if they can't form political parties freely and elect governments without coercion, if they can't practice their religion freely, if they can't raise their families in peace, if they can't enjoy a just return from their labor, if they can't live fruitful lives and, at the end of their days, look upon their achievements and their society's progress with pride.

Politicians who talk about ``democracy'' and ``freedom'' but provide neither eventually will feel the sting of public disapproval and the power of people's yearning to live free.

Some nations still deny their basic rights to the people. And too many voices cry out for freedom. For example, the people of Cuba suffer oppression at the hands of a dictator who hasn't gotten the word, the lone hold-out in an otherwise democratic hemisphere, a man who hasn't adapted to a world that has no use for totalitarian tyranny. Elsewhere, despots ignore the heartening fact that the rest of the world has embarked upon a new age of liberty.

The renewal of history also imposes an obligation to remain vigilant about new threats and old. We must expand our efforts to control nuclear proliferation. We must work to prevent the spread of chemical and biological weapons and the missiles to deliver them. It is for this reason that I put forward my Middle East arms initiative, a comprehensive approach to stop and, where possible, reverse the accumulation of arms in that part of the world most prone to violence.

We must remember that self-interest will tug nations in different directions and that struggles over perceived interests will flare sometimes into violence. We can never say with confidence where the next conflict may arise. And we cannot promise eternal peace, not while demagogs peddle false promises to people hungry with hope, not while terrorists use our citizens as pawns and drug dealers destroy our peoples. We, as a result, we must band together to overwhelm affronts to basic human dignity.

It is no longer acceptable to shrug and say that one man's terrorist is another man's freedom fighter. Let's put the law above the crude and cowardly practice of hostage-holding.

In a world defined by change, we must be as firm in principle as we are flexible in our response to changing international conditions. That's especially true today of Iraq. Six months after the passage of U.N. Security Council Resolutions 687 and 688, Saddam continues to rebuild his weapons of mass destruction and subject the Iraqi people to brutal repression. Saddam's contempt

for U.N. resolutions was first demonstrated back in August of 1990. And it continues even as I am speaking. His government refuses to permit unconditional helicopter inspections and right now is refusing to allow U.N. inspectors to leave inspected premises with documents relating to an Iraqi nuclear weapons program.

And it is the United States view that we must keep the United Nations sanctions in place as long as he remains in power. And this also shows that we cannot compromise for a moment in seeing that Iraq destroys all of its weapons of mass destruction and the means to deliver them. And we will not compromise.

This is not to say, and let me be clear on this one, that we should punish the Iraqi people. Let me repeat, our argument has never been with the people of Iraq. It was and is with a brutal dictator whose arrogance dishonors the Iraqi people. Security Council Resolution 706 created a responsible mechanism for sending humanitarian relief to innocent Iraqi citizens. We must put that mechanism to work.

We must not abandon our principled stand against Saddam's aggression. This cooperative effort has liberated Kuwait, and now it can lead to a just government in Iraq. And when it does, when it does, the Iraqi people can look forward to better lives, free at home, free to engage in a world beyond their borders.

The resumption of history also permits the United Nations to resume the important business of promoting the values that I've discussed today. This body can serve as a vehicle through which willing parties can settle old disputes. In the months to come, I look forward to working with Secretary-General Perez de Cuellar and his successor as we pursue peace in such diverse and troubled lands as Afghanistan, Cambodia, Cyprus, El Salvador, and the Western Sahara.

The United Nations can encourage free-market development through its international lending and aid institutions. However, the United Nations should not dictate the particular forms of government that nations should adopt. But it can and should encourage the values upon which this organization was founded. Together, we should insist that nations seeking our acceptance meet standards of human decency.

Where institutions of freedom have lain dormant, the United Nations can offer them new life. These institutions play a crucial role in our quest for a new world order, an order in which no nation must surrender one iota of its own sovereignty, an order characterized by the rule of law rather than the resort to force, the cooperative settlement of disputes rather than anarchy and bloodshed, and an unstinting belief in human rights.

Finally, you may wonder about America's role in the new world that I have described. Let me assure you, the United States has no intention of striving for a Pax Americana. However, we will remain engaged. We will not retreat and pull back into isolationism. We will offer friendship and

leadership. And in short, we seek a Pax Universalis built upon shared responsibilities and aspirations.

To all assembled, we have an opportunity to spare our sons and daughters the sins and errors of the past. We can build a future more satisfying than any our world has ever known. The future lies undefined before us, full of promise, littered with peril. We can choose the kind of world we want: one blistered by the fires of war and subjected to the whims of coercion and chance, or one made more peaceful by reflection and choice. Take this challenge seriously. Inspire future generations to praise and venerate you, to say, ``On the ruins of conflict, these brave men and women built an era of peace and understanding. They inaugurated a new world order, an order worth preserving for the ages."

Good luck to each and every one of you. And thank you very, very much.

Note: President Bush spoke at 12:44 p.m. in the General Assembly Hall at the United Nations. In his address, he referred to outgoing U.N. General Assembly President Guido De Marco and incoming President Samir Shihabi, Secretary-General Javier Perez de Cuellar de la Guerra of the United Nations, President Mikhail Gorbachev of the Soviet Union, President Boris Yeltsin of the Republic of Russia, President Saddam Hussein of Iraq, and President Fidel Castro Ruz of Cuba.

Toast at a Luncheon Hosted by United Nations Secretary-General Javier Perez de Cuellar in New York City

September 23, 1991

Secretary-General de Cuellar. Excellencies, ladies and gentlemen, it is a great pleasure for me to welcome to the United Nations our guest of honor, President Bush; and also to welcome Their Excellencies, Mr. Fernando Collor, President of the Federal Republic of Brazil; Alfredo Felix Cristiani Buckard, President of the Republic of El Salvador; Mr. Amata Kabua, President of the Republic of the Marshall Islands; Mr. Bailey Olter, President of the Federated States of Micronesia; the Honorable James Brendan Bolger, Prime Minister of New Zealand; Dr. Gro Harlem Brundtland, Prime Minister of Norway; Dr. Carlos Torres y Torres Lara, Prime Minister of Peru. I should also like to extend my warm greetings to the distinguished foreign ministers and permanent representatives accompanying them.

Distinguished guests, the General Assembly convenes this year against the background of a transformed global scene and a rejuvenated United Nations. We are, of course, faced with questions to some of which there are no easy answers. But the very nature of those questions indicates the depth and radical nature of the change that has taken place.

New horizons have been opened before us and our thinking has been unshackled. It has been an immense achievement of the world's leadership. To all who initiated, encouraged, promoted, or facilitated it, humanity pays its tribute as history will no doubt laud their accomplishment.

Among them, a great architect of change is George Bush, the President of our host country. As a former permanent representative to the United Nations, he knows our organization intimately and, therefore, perceives its full potential. As he said when addressing the General Assembly last year, and I quote, ``Not since 1945 have we seen the real possibility of using the United Nations as it was designed, as a center for international collective security."

The world expects that this potential will be fully used to seize the unique opportunity which has now been offered. This is the opportunity to usher in a new era in which under the rule of law disputes will not be left to fester, aggression will enjoy no impunity and oppression no license.

It should be an era in which the other dimensions of peace, protecting human rights, reducing poverty, limiting weapons, and saving the environment will be addressed with a sense of urgent concern.

Even though I am daily reminded of the formidable difficulties in the way, I am firmly convinced that these expectations are by no means utopian. We need no magic to meet them. We need fidelity to the principles so articulated in our charter. We need patient efforts undertaken with

objectivity and common sense and, I would stress, compassion.

We are looking at a world scarred with suffering but also brightened by hope. We trust that world statesmanship will alleviate the one and answer the other.

Excellencies, ladies and gentlemen, I ask you to join me in a toast to the health of our distinguished guests of honor, to the well-being of their countries, and to peace in the world.

The President. Mr. Secretary-General and distinguished members of the United Nations community, excellencies, ladies and gentlemen, and dear friends. For many years, even though we left after only 2 years, Barbara and I regarded this as kind of a second home.

And I walked into this dining room a minute ago, and I had a lot of thoughts. Some of them were kings and potentates and foreign ministers and prime ministers who were eating here elbow-to-elbow. But I remember a woman named Alice that used to wait on the tables here. And she would take a king or the lowly of us new ``perm reps'' and put us right in the same basket and make us all feel very much at home. And it was a wonderful experience. I don't know what happened to Alice, but I think that spirit is still prevailing here at the United Nations. And people that haven't served here, I think, sometimes don't realize that it does exist. So this is for me, a wonderful homecoming reunion.

Somebody once observed, ``The character of a people is embodied in its leaders.'' Mr. Secretary-General, once again, as I said to the G.A., the character of the U.N. for the last several years has been embodied in you. You and the other leaders have witnessed this great change in the past several years, changes that brought an end to, again, the superpower rivalry that dominated many of the debates here and, indeed, poisoned the international arena.

But the passing of this rivalry has enabled the U.N. to assume its proper role on the world stage, that was the role that was envisioned some 45 years ago by its founders. And history is going to record that at the onset of this decade, the U.N. regained the faith of its founders by responding with courage and vision to the invasion of Kuwait. And you helped the nations of the world restore peace and stability to the Gulf by reversing the tide of aggression against a member state.

So, a new wave of freedom now sweeps the globe. And in virtually every corner of the world, governments that have been repressive have been swept aside. And in their place have sprung up democracies -- fragile, some -- but democracies which can and must be nurtured to withstand the daunting difficulties that they confront.

And I think a collective task here would be to strengthen this trend towards freedom, these democracies, affirming the rights of the individual while truly responding to the collective will of the people. Mr. Secretary-General, I wrote down a quote of yours, ``Resolution of conflicts, observance of human rights, and the promotion of development, together weave the fabric of

peace. If one of these strands is removed, the tissue will unravel."

Well, sir, you've played a central role in binding this fabric of peace. You've helped lessen tensions around the world in a time of tremendous change. And by keeping your eye fixed on the horizon, sir, you've helped the U.N. find the road to peace.

I wouldn't dare say that I speak for everybody here on most subjects. It just wouldn't work that way. But on this one, I think, I confidently think that I speak for everybody in this room when I thank you on behalf of freedom-loving peoples everywhere. And I congratulate you, sir, on a job well-done. And so, I propose to all that we raise our glasses to the cause of peace, to the health of our dear friend, Javier Perez de Cuellar, and to the liberty we can and must achieve for the children of this world.

Thank you.

Note: The Secretary-General spoke at 1:45 p.m. at the Intercontinental Hotel in the Delegate Dining Room. A tape was not available for verification of the content of these remarks.

Exchange With Reporters in New York City

September 23, 1991

Q. Mr. President, are you prepared to send additional U.S. forces into the Gulf region to respond to -- --

The President. You know, I'm not going to take any questions here, Jim [Jim Miklaszewski, NBC News]. We're trying to sort all this out, exactly what the facts are. We're not going to go do anything before we understand the facts. We are determined that the resolutions will be implemented fully. And I tried to set that tone in the speech I made. But until we know a little more, why, there's going to be no decisions on what the United States would do. Indeed, a lot of other countries in the United Nations have a keen interest in this, and we're interested in finding out what they think.

Q. Mr. President, do you believe Brazil could help you more in the Gulf effort again?

The President. I believe that Brazil was out front early on, standing up against aggression, and I see no reason to think that will change.

Q. Do you think -- --

The President. Thank you. Hey, listen, this isn't a press conference. Thank you very much for your interest. [Laughter]

Note: The exchange began at 3:15 p.m. at the Waldorf Astoria Hotel, prior to President Bush's meeting with President Fernando Collor de Mello of Brazil. A tape was not available for verification of the content of this exchange.

Proclamation 6338 -- Fire Prevention Week, 1991

September 23, 1991

By the President of the United States

of America

A Proclamation

More than 5,000 people in the United States die each year as a result of fire -- most of them in their homes. Tens of thousands more suffer painful and often disfiguring fire-related injuries. If we are to prevent such tragic losses in the future, all Americans must learn how to identify and to avoid fire hazards. Moreover, all of us -- especially children and older adults -- must know what to do in case fire strikes.

Fire prevention begins with recognizing and changing risky behaviors such as careless smoking; fire prevention is as simple as keeping matches and lighters out of reach of children. These and other basic measures -- such as safe storage of combustible materials -- can save lives. Americans can also reduce their risk of dying in a home fire by installing and properly maintaining an adequate number of smoke detectors.

While smoke detectors can give an early warning of fire, planning ahead for emergencies enables individuals and families to make good use of that warning. Hence, the National Fire Protection Association (NFPA) has selected ``Fire Won't Wait -- Plan Your Escape'' as the theme of Fire Prevention Week, 1991. The NFPA is working to remind all Americans that there is no time for planning once a fire starts, so advanced preparation is vital. In the same spirit, the United States Fire Administration continues to coordinate other public education campaigns that are designed to promote fire safety. These campaigns complement NFPA efforts.

During this annual observance of Fire Prevention Week, I urge all Americans to develop and practice a home fire escape plan. Ideally, such a plan should include two ways out of every room, as well as a designated meeting place outside for all members of the family. Parents should teach their children the importance of crawling close to the floor to avoid smoke and noxious fumes, as well as the ``stop, drop, and roll'' technique for extinguishing flames on one's clothing.

This week, as we dedicate ourselves to fire prevention, let us also recognize all those individuals who are working toward the same goal. These include the members of the Congressional Fire Services Institute; the International Association of Fire Fighters; the International Association of Black Professional Fire Fighters; the National Volunteer Fire Council; the International Society of Fire Service Instructors; the Fire Marshals Association of North America; the National Association of State Fire Marshals; and all other public and private organizations that conduct fire

safety education programs.

On this occasion, let us offer special thanks to the Nation's volunteer and professional fire fighters, who frequently put themselves in harm's way to protect the lives and the property of their fellow Americans. And, of course, let us remember with grateful prayers those fire fighters who have made the ultimate sacrifice in the line of duty.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the week beginning October 6, 1991, as Fire Prevention Week. I urge all Americans to plan and to participate in fire prevention activities -- this week and throughout the year.

In Witness Whereof, I have hereunto set my hand this twenty-third day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:06 p.m., September 23, 1991]

Note: This proclamation was published in the Federal Register on September 25.

Proclamation 6339 -- National School Lunch Week, 1991

September 23, 1991

By the President of the United States

of America

A Proclamation

One of the first aims of AMERICA 2000, our comprehensive strategy for achieving excellence in education, is ensuring that every child in the Nation starts school ready to learn. Because a hungry or undernourished child is less likely to be an eager and attentive student, the National School Lunch Program plays an important role in helping us to meet this goal.

Thanks to the National School Lunch Program, approximately 23 million students in 91,000 schools across the country are able to eat a wholesome, well-balanced lunch each day. Meals provided through the Program, which has been expanded to include the School Breakfast Program, help these children to develop the energy, stamina, and good health that they need to study and to learn.

The National School Lunch Program also continues to promote healthy eating habits among the youngsters who participate. Indeed, much has changed since their parents sat at the cafeteria table. As conventional wisdom regarding diet and nutrition has changed, so have school lunches. Students now have a much wider array of healthful and nutritious options than ever before.

The success of the National School Lunch Program has been made possible by many different people, including Federal, State, and local officials, as well as parents, educators, food service specialists, and students themselves. This week, we acknowledge the many dedicated professionals and volunteers who have contributed to the National School Lunch Program since its inception in 1946.

By joint resolution approved October 9, 1962 (Public Law 87 - 780), the Congress designated the week beginning on the second Sunday of October in each year as ``National School Lunch Week'' and requested the President to issue a proclamation in observance of that week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week beginning October 13, 1991, as National School Lunch Week. I call upon all Americans to recognize those dedicated and hardworking individuals who contribute to the success of the School Lunch Program.

In Witness Whereof, I have hereunto set my hand this twenty-third day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:16 p.m., September 23, 1991]

Note: This proclamation was published in the Federal Register on September 25.

Exchange With Reporters in New York City

September 24, 1991

Q. Mr. President, are you all consulting with other members of the Security Council before the meeting this evening?

President Bush. We always consult with other members before meetings, yes.

Q. Have you talked to some, have you talked to any today? Any of the members today?

President Bush. I'm talking to one right now.

Q. You mentioned Mr. Mitterrand -- --

President Bush. I talked to the President of France, yes.

Q. Anyone else?

President Bush. No, no.

Q. No one else on the Security Council?

President Bush. We have our representatives there. There's a lot of consultation going on.

Q. Why are you being so patient with Mr. Hussein, Saddam Hussein? Waiting for him to get the message?

President Bush. He'll get the message.

Q. Are you waiting for him to get the message?

President Bush. He'll get the message. He'll understand that we're all very serious. I agree with what the President of Venezuela just said, and that is that the United Nations has a very major role here.

Q. President Perez, has the U.S. been too patient?

President Perez. I think the United States has shown that they respect the decisions of the United Nations and that it is the responsibility of the United Nations to face up to the situation.

Note: The exchange began at 2:40 p.m. at the Waldorf Astoria Hotel, following President Bush's meeting with President Carlos Perez of Venezuela. President Bush referred to President Francois Mitterrand of France and President Saddam Hussein of Iraq. A tape was not available for verification of the content of this exchange.

Exchange With Reporters in New York City

September 24, 1991

Q. How about a handshake, please?

The President. You've got it. You want a standing handshake or a seated handshake?

Q. Mr. President, are there any CIA people in that U.N. inspection team?

The President. Can you imagine asking a question like that? You know I never discuss questions of that nature.

Q. Iraq says or claims that there are American spies.

The President. Iraq ought to simply comply with the United Nations resolutions. That's what they ought to do.

Q. Mr. President, do you believe that the Resolution 425 will be implemented this year?

The President. We want to see all the -- the resolution -- --

Q. Resolution 425.

The President. We want to see everything implemented as best it can be, and that's our position, one of the principal positions we take with the United Nations.

Yes. And this is really the last one. This is really what we call a photo opportunity.

Q. You've always said that you've supported Lebanon and you support all the agreements about Lebanon. We need action. What do you intend to do?

The President. Well, I'm not sure the United States can take unilateral action. As I mentioned at the United Nations yesterday, this is an era where concerted international action is taking precedence over -- and properly so -- over unilateral steps. But in the first place, we have been supportive of accords that have taken place outside of the United Nations. I'm thinking of Taif and some of these things. But we simply want to be a catalyst, if we can, for peace. We don't have to always go in lockstep with the United Nations, but we'd like to see that be the cutting edge for these very tangled situations.

But as you know, in the whole Middle East, Secretary Baker and I are working very hard to see

countries in the area take a major step forward. That's something the United States can do. That's something that would clearly be of long-range benefit for Lebanon if it works.

So, we will pursue certain courses, working with friends in these different areas. But we also think that sometimes multilateral agreements are a good way to go. I can't tell you what individual steps we'll take, but I'm anxious to know what the President thinks that we might do to be of further help.

Note: The exchange began at 3:40 p.m. at the Waldorf Astoria Hotel, prior to President Bush's meeting with President Ilyas Harawi of Lebanon. President Bush referred to Secretary of State James A. Baker III and to the Taif Accords, an agreement signed by Lebanese Parliamentarians in October 1989 designed to bring peace to Lebanon. A tape was not available for verification of the content of this exchange.

Remarks at a Republican Party Fundraising Dinner in East Brunswick, New Jersey

September 24, 1991

Thank you so much, Governor Kean and Deb, for meeting us, welcoming us back to this great State. I do feel like I've been here many times, and frankly, I wish Tom Kean were still Governor of this State.

I also want to single out Mike Castle, the Governor of Delaware, for making the trip up here in support of our candidates in these important elections that are coming up. Mike was a great leader in the battle for our education program that I'm going to mention -- a minute ago, one of the Governors that was clearly out front in that, doing a great job in one of our neighboring States. And, Mike, thanks for coming all this way.

And I can't tell you what a joy it is to have at my side every day in Washington another son of New Jersey, Nick Brady, our Secretary of the Treasury, so well-known.

And may I salute our chairman, Bob Franks; our Republican leader, John Dorsey; the assembly Republican leader, Chuck Haytaian; along with my old friend, Bo Sullivan. You've got a good team working the problem for the fall, and I'm delighted to be with them.

May I also suggest that you look carefully at the team behind us, the delegation behind us there. New Jersey is well-represented. And I wish all of them well in their quests for the fall, and whatever you're running for, good luck. God bless all of you. Thanks for being here.

Well, I've come here today fresh from -- that means ``immediately from," not necessarily ``fresh feeling" -- [laughter] -- from 2 days of meetings over at the U.N. in New York City. And it really, as Tom said, it is mind-boggling to contemplate the changes that have swept our world in the last few years, even in the last few months. In my address to the General Assembly I tried to provide some context to those extraordinary developments.

Freedom is an idea whose time has come, in Eastern Europe, across the great land mass of Asia, in Africa, and right here in our own hemisphere, right here in the Americas. And let me tell you, every person in this room can be proud of the fact that one nation has been in the vanguard of this exciting movement toward freedom day in and day out, year after year. And that nation is the United States of America. And we all should be proud of it.

Just last month when a coup threatened to set back the cause of freedom and democracy in the Soviet Union, the United States stood firmly on the side of freedom, against the coup plotters, and with the people of the Soviet Union. And after the coup failed, both Boris Yeltsin and Mikhail

Gorbachev called me to say how fundamentally important it had been to have the support of the American people. We have that strength for the values that people respect all around the world.

And as Barbara and I travel all around the world, we hear it time and again: America has a disproportionate responsibility to lead. And I can assure you we're going to continue to do that because I believe, and I know this, that it's good for our country. And I think it's good for the cause of world peace.

Tonight I'm here for the same reason many of you are, because we believe in the potential of the New Jersey Republicans. I've been campaigning alongside of many of you in this State for years, and that's why. And as a matter of fact, I think my first political trip as Vice President back in '81, my first one was a State party fundraiser right up the Parkway at Kean College. Exit 140, isn't it? Anyway, it's in there somewhere. [Laughter] But I like to campaign here because New Jersey Republicans typify our belief in faith, in family, and in individual initiative. And that's what New Jersey voters want in their leaders. They're not getting that now, and that's what these elections are about that are coming up just in a few weeks from today.

No matter where they live in this diverse State, the beautiful shore counties down there, and communities over in Ocean County, the suburbs of Bergen and Essex, or the sprawling open country in western Jersey, the counties of Hunterton or Warren -- [applause] -- I knew we'd get this crowd on that one. Chuck brought the team along here. [Laughter] But New Jerseyites are mainstream voters. And I can tell you the Republicans define the mainstream in this State. And because of that I honestly believe, after talking to the political leaders, reading about the problems of the State, the quest for innovation, I might add, that the people in this State want, I believe that Republicans will take back the assembly and the senate in the fall.

And I've heard about the job that's been done by the party leadership and the county leaders recruiting candidates. Proof that the New Jersey GOP is forward-looking and inclusive. And in fact, more women and minorities are running for office as Republicans than as Democrats than ever before. And we'll run on the Republican record, and it's a good record both here in New Jersey and nationally as well.

You've got good top leaders: Bob Franks at the party headquarters and Chuck here in the assembly and John Dorsey in the senate. And they know the principles that Republicans stand for. We stand for free markets and free people, the power of the individual, the potential of innovation. And that's at the heart of our domestic agenda. And we believe in measuring success by how many lives we enrich, how many families we strengthen -- and thank goodness for the family, and how much faith we have in our future. And those are the building blocks for a better America, and Republicans will not forget that.

Our domestic agenda begins by an abiding trust in the American people. And it tries to carry that faith forward into the future. Take, for example, our housing proposals: Turn housing residents

into homeowners. That's what it's about. Strip them of the indignity that comes from the hopelessness of living in projects with no real future. Make homeowners out of them. We believe in tenant management. We believe our public housing citizens can manage their own affairs and contribute to our society. And that's the philosophy.

And I'm a little tired of hearing Democrats say we have no domestic agenda. The problem is their domestic agenda is to crush our domestic agenda. They're doing nothing but griping, refusing to consider the new ideas, and sending me a bunch of garbage I will not sign. I'll continue to veto the bad stuff until we get good bills.

Our energy package attempts to conserve energy while encouraging innovation. Our transportation package gives more power to local authorities who know their own needs. And I believe that we're making headway now, real headway if you look at the latest polling figures on drug usage. I believe we're making headway and winning the war on drugs. And the national drug strategy is working. And thank goodness for the people on the front lines: the community groups, the law enforcement people, the private sector, right there at the local level, the level closest to the people.

And our crime package is the most comprehensive in American history. And we're determined to give our streets and our communities back to the people. But we need more help down there in Washington to get our crime package through the Congress.

We've had our share of successes on the domestic front. I take great pride in the fact that we passed child care legislation that puts choice in the hands of parents, where it should be. A Clean Air Act, hailed by environmentalists and business alike, that uses the power and innovation of the marketplace to clean our Nation's air. An Americans With Disabilities Act, the most far-reaching civil rights bill in decades. And that was all passed with the leadership of the Republican administration in Washington, DC.

And right now in Congress there's some debate on how to help the unemployed whose benefits have run out. The Democrats want us to pass a bill and simply not pay for it, push it on over to future generations. And our approach, the Dole Substitute it's called, helps the unemployed, they get the extended benefit, but who pays for the program. And this approach, their approach adds to an already humongous deficit, and ours does not. Ours pays as you go and takes care of those who are in need. And that is the fundamental difference between the Republicans and the Democrats.

I mentioned Mike Castle and education. I might well hark back to the leadership Tom Kean gave in education. Everyone in this State, everyone in the Nation knows of his leadership on education. But our America 2000 education strategy is generating a crusade for excellence in education in State after State and community after community. Your own Tom Kean, as I say, chairs what we call the New American Schools Development Corporation. It's an innovative part of the America

2000 strategy.

Across-the-board we've got a good record on education. And if I might be permitted a word of pride, I happen to think the First Lady is doing a pretty darn good job on volunteer and literacy as well.

No, we've got a good record I believe. The question is getting it out, doing it in a way that is going to help these candidates. I might add, it's very important if we believe in these local answers we'd better get good people wrestling the problems in the assembly. But in order to build a better country, a better America, we've got to have more conviction and courage in Congress and in the statehouses, and certainly, as I say, in the assembly.

It's time to bring New Jersey back to the commonsense policies of the Republican Party. And I believe New Jerseyians will appreciate the GOP really does stand for growth and opportunity and prosperity, especially after the last few years. From my vantage point, I don't want to be prognosticating and be one of these guys that relies on the latest figures, but I think it looks a little shaky for the Democrats. [Laughter] I heard that some of the Democrats in Trenton were calling the captain of that Greek cruise liner for advice on how to abandon ship. [Laughter]

Our administration's economic growth agenda promotes growth and opportunity. And it's for all Americans. And our economic growth package is one that creates a right climate for business to flourish. We want to bring down the tax on capital gains so that investors will invest money in new businesses, new ideas, and new jobs. And even though I think this economy, sluggish as it's been, is recovering, the best thing to do to create new jobs would be to pass that capital gains differential. It isn't a relief bill for the rich. It's a jobs bill. And we ought to get it passed.

We've been pushing incentives to save. Tying into this unemployment compensation debate, we're going to have that on the floor. We need more R&D, we need more savings incentives like these IRA's. And that's part of the Republican approach. We want to bring that deficit down, and so I am determined -- we have caps now on spending, and I am determined to enforce those caps and not let the Democrats who want to spend try to go around the budget agreement that was worked out last year.

Another area that I take pride in, is that we are for free trade. We're determined that America will remain a world leader in the global economy and because we want to open up the world to American products. In the last 4 years alone, some of you may not realize this, exports from the United States have increased 55 percent, more than twice the rate of import growth. And right now exports have galvanized our economy. Though our economy has been sluggish, it's the exports side that has been very vibrant.

We can build on our strengths to create more growth, more opportunity, and more prosperity if we have sound and sensible trade policies.

One more point: Last year, regulations cost the economy at least $185 billion -- regulations. And we're trying to do something about that. The Vice President's Council on Competitiveness has targeted burdensome regulations, you know the ones. They strangle productivity. They defy logic and don't effectively or efficiently protect the public interests. And it's time we cut through this tangle of redtape and cleared a path for economic growth.

I know some of you don't like this nostalgia, particularly given what you're putting up with today. But during the Kean administration, New Jersey was an economic powerhouse. And it can be again. It's time to unleash this power of the imagination. Tom touched on that and worked on that when he was a Governor. And it's time to do that now. It's time to bring commonsense government back to Trenton.

And speaking of common sense, most people know Thomas Paine's famous words: ``These are the times that try men's souls.'' But most people don't know that Thomas Paine, true story, wrote those words while in New Jersey during the American Revolution. Well, these times, let's face it, try men's souls. And once again, you can make history in New Jersey. It may not have that same context of a revolution, particularly when you compare it to the changes that are taking place all around the world still, in Eastern Europe and, hopefully, in the Middle East and other areas. But this year you can do something about it. This year this State can go Republican. And I believe that the people of this State deserve leadership and common sense. I think that means they deserve a Republican assembly and a Republican senate.

So, I came up here tonight to thank our leaders, to wish these candidates all the best, and to tell you this parenthetically: I looked around the room, and we had a little receiving line before I walked in here, and I saw so many faces that were very supportive of me as I ran for President of the United States in 1988. Probably almost everybody in this room. Maybe we've got a few converts, I don't know. [Laughter] But I would simply say this: If you get the feeling that I like my job, you're right. There has never been a more exciting time in recent history to be President of the United States. I'm proud to be there. I'm grateful for our support. Now, give me the kind of philosophical support in Trenton, and I'll be happier still.

Thank you very, very much.

Note: The President spoke at 6:40 p.m. at the East Brunswick Ramada Renaissance Hotel. In his remarks, he referred to Thomas Kean, former Governor of New Jersey, and his wife, Debbie; Governor Michael N. Castle of Delaware; Secretary of the Treasury Nicholas F. Brady; Assemblyman Bob Franks, Republican State Chairman; John H. Dorsey, State Senate Minority Leader; Garabed Haytaian, Assembly Minority Leader; Joseph Sullivan, president, New Jersey Governor's Club; President Boris Yeltsin of the Republic of Russia; and President Mikhail Gorbachev of the Soviet Union. A tape was not available for verification of the content of these remarks.

Nomination of Curtis Warren Kamman To Be United States Ambassador to the Republic of Chile

September 24, 1991

The President today announced his intention to nominate Curtis Warren Kamman, of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Chile. He would succeed Charles A. Gillespie, Jr.

Since 1989 Mr. Kamman served as Deputy Assistant Secretary for European and Canadian Affairs at the U.S. Department of State in Washington, DC. Prior to this he served as Deputy Assistant Secretary for Intelligence and Research at the U.S. Department of State, 1987 - 1989.

Mr. Kamman graduated from Yale University (B.A., 1959). He was born January 15, 1939, in Chicago, IL. Mr. Kamman is married, has three children, and resides in Washington, DC.

Exchange With Reporters on an Unemployment Benefits Bill

September 25, 1991

Q. Mr. President, are you going to do anything about the stand off in Iraq?

The President. This is a photo op today, a serious one with no questions.

Senator Dole. We guessed right, though.

Q. How about on the unemployment legislation? Are you going to be able to turn around the veto?

The President. We've got a very good proposal on unemployment. And it extends benefits, and it's paid for. And we're not going to give up on that approach. We call it the Dole Substitute, I call it the Dole Bill, and it's got very strong support by good, thinking people. And I support it. And yes, we want to help people, but also we want to see that what we do is fiscally sound. And that's what this approach is all about.

Q. Are you going to be able to turn around the veto override?

The President. We'll cross those bridges when we get to them.

Note: The exchange began at 10:02 a.m. in the Cabinet Room at the White House, prior to a meeting with congressional leaders. Robert Dole is Senate Minority Leader. A tape was not available for verification of the content of this exchange.

Remarks at the Minority Business Development Week Awards Ceremony

September 25, 1991

Thank you all very, very much. Please be seated and welcome to the East Room. And particularly, welcome to our Secretary Bob Mosbacher, our SBA Administrator Pat Saiki, right behind me here. I want to single out Maurice Stans who, years ago, took the real national leadership role in the minority enterprise approach that brings us together today. And I also want to thank two leaders of the Congress with us today, John LaFalce and Andy Ireland, who have been in the forefront of all of this for a long, long time.

I'm proud to take part again in this special week, as we turn the spotlight on men and women who have transformed the American dream into a series of all-American success stories. I like your theme, ``Building a Stronger America Through Minority Business Development." And it touches upon two principles dear to me.

First, we cannot build an America worthy of its people if we do not extend real opportunity to everyone regardless of race, creed, and background and give all Americans a chance to go as far as their abilities will take them.

And second, a strong and vibrant economy holds the key to our future as a Nation. And if we don't produce new products and opportunities, and if we don't give people of modest means a chance to become wealthy by virtue of their boldness and diligence and genius, then we lose the very foundation of democracy and our lives degenerate into a scramble for scarce goods, rather than in a march towards a better future.

Our free enterprise system cannot survive without the full participation of all racial and ethnic groups. And it cannot survive if it offers opportunity to some and not to others. And it can't survive if it doesn't produce new success stories, stories like yours that inspire young men and women to look up and say: ``I want to be like them."

Too often we forget that hard work and success are also forms of public service: They address people's needs, they draw upon individuals' abilities, they provide role models for youngsters who too often draw their conclusions about life from television shows of brash hoods out on the street.

And your role in giving incentive to minority young people, and indeed all the youth of our country, simply cannot be overestimated. You're educators just by working to be successful. And you can do more. Seize every opportunity to give our young people the will to complete their education and to better prepare themselves to follow in your footsteps. This is one of the major goals, incidentally, of our America 2000 education initiative.

We rejoice that so much of our world now believes in free enterprise and the kind of enterprise demonstrated by the people that we honor here today. These awards celebrate the American spirit, a spirit that looks past obstacles and challenges, identifies goals, and then says, ``I can do it."

Eleven years ago, college professor Richard Cheng founded Eastern Computers and said, ``I can do it." His company pioneered the business of producing multilingual computer systems. It occurs to me that if he now could produce a system that would enable parents to understand their kids -- [laughter] -- he would be taking things a quantum leap forward. [Laughter] But in any event, Eastern Computers today employs nearly 350 people. It generated sales of $34 million last year.

Hugh Brown had an idea for a technical engineering service company, and he said, ``I can do it." And with the help from SBA, its 8(A) program, he did more than compete. He found his own place in our competitive economy, and today BAMSI employs more than 1,300 people, and its sales last year exceed $84 million.

Raymond Haysbert had to overcome resistance to minority enterprise. He knew he could do it. And over the past 40 years, he has transformed H.G. Parks into a household name. Kids across the country call, ``More Park sausages, Mom, please." -- [laughter] -- thus proving that his customers even have good manners. [Laughter] His company consistently ranks within the top 100 black-owned businesses in America. Its sales under his leadership have risen from $30,000 a year to more than $36 million, and that's a great success story.

Gae Veit said, ``I can do it." In a business in which women form a significant minority, the construction industry, you see, she set out to create her own construction firm back in 1982. And roadblocks surrounded Gae. The doubters accosted her, but she knew what she wanted, fought for it, and got it. And she shaped her vision by naming her company ``Shingobee" which means ``beautiful evergreen tree" in her Sioux language. And Gae's beautiful evergreen tree has grown from a small sapling into a thing to behold, a company that expects to do more than $10 million worth of business this year. These winners and many more like them show that all you need to make a difference in America is a fair shot at it, a fair chance. And your lives and accomplishments speak loudly and say, ``Take aim at an idea, and make it work."

I'm impressed to hear you're hosting a Youth Awareness Day tomorrow to give young people the chance to meet successful business men and women. You can become their role models, their inspiration. And maybe one day, and here's the highest compliment of all, maybe one day they'll become your competition.

Each leader here today and others across this land bear witness by their presence to the truth of a statement that William Jennings Bryan made nearly 100 years ago: ``Destiny is not a matter of chance; it is a matter of choice. It's not a thing to be waited for; it's a thing to be achieved." And you've proven all of that.

So, thank you, congratulations to the winners. Congratulations to all of you, and may God bless the United States. Thank you very much.

Note: The President spoke at 11:31 a.m. in the East Room at the White House. In his remarks, he referred to Secretary of Commerce Robert A. Mosbacher; Administrator Patricia F. Saiki of the Small Business Administration; former Secretary of Commerce Maurice H. Stans; Representatives John J. LaFalce and Andy Ireland; and award recipients Richard Cheng, Hugh Brown, Raymond Haysbert, and Gae Veit.

Remarks to the Department of Education's 1990 - 1991 Blue Ribbon Schools

September 25, 1991

Thank you all very, very much. Thank you ever so much, Lamar Alexander. What a job our Secretary is doing. First class. I kind of like the music beyond the wall over there -- [laughter] -- but I don't think they could hold a candle to the Marine Band. I want to thank them very much for being here.

And I know that all of you were perhaps as disappointed as Barbara and I were by the weather today. You see, we'd planned on hosting all 800 of you on the White House lawn, and here I am, the one who ended up making the field trip, along with Bar. [Laughter]

But let me recognize, first off, the many corporate contributors to the Blue Ribbon Program who are here today. And of course, I'm very pleased, again, to introduce or to acknowledge or to thank our first-rate Secretary of Education, Lamar Alexander, who got us over here. And believe me, he is a real taskmaster. He is seeing to it that both Barbara and I mind our P's and Q's and stay actively involved in this education program we believe so strongly about.

Barbara and I are delighted to recognize the schools that represent this Nation's Blue Ribbon best. And we've bestowed blue ribbons now for 9 years. Some of your schools are no strangers to the winner's circle. And today, we host a record 32 two-time winners. We meet at a moment when this Nation has embarked on what really is a crusade for real reform, revolutionary reform in our schools. A crusade we call America 2000, a revolution that will ready us to enter the new world now on our horizon.

As you know, right now the news for American education is anything but good. Part of the necessary business of reform is to shine a light into the dark corners of the system, focus on the schools that aren't making the grade, shake people out of their complacency, and show them we need change.

But there's another part, another part of the business of building better schools across America: shining the spotlight on the schools that work and the people that make them work, the success stories like each one of the 222 schools here today.

Last December, with the world's attention riveted on Desert Shield, I laid out five principles to guide our efforts to restructure and revitalize our schools. With the state of our schools back in the national spotlight, those principles bear repeating today.

First, we've got to raise expectations, hold our schools and students to a higher level of

achievement. Second, we must decentralize the authority, clear some room for our teachers and principals to do what they do best, make learning come alive. And third, we need responsible schools, customer-driven, and that means school choice.

If we want to create a climate for change, let parents decide which school, public or private, is best for the kids. And fourth, we must make certain our schools are market-oriented. By that I mean competition. Competition works in the business world; it can spur excellence in our schools. And fifth and finally, we must make sure that our schools are performance-based. We need to measure our schools by real results, by the students they produce rather than the resources that we pour in. Quite simply, then, measure by what works.

Two years ago, I met with the Governors of your State at the Education Summit in Charlottesville, Virginia. There in the shadow of Mr. Jefferson's university we set in motion the process that identified six ambitious national education goals to prepare our children for the challenges of a new century, the challenges that that century is destined to bring.

We came away from Charlottesville with a solid consensus that what matters most is results. Now, a few days from now the Governors and members of our administration, who together constitute the National Education Goals Panel, will tell us just how far America needs to go to reach our goals for the year 2000. We already know there is bad news. And this new national report card isn't going to be one that we want to post on our refrigerators. The point is, it's a place to start, though. Finding out where we stand is the first step towards moving forward.

For a long time, too long really, we spent our time and energy talking about reform rather than taking action. And that is changing now. And again, I salute our Secretary of Education. We're charting a new course for this Nation's schools, and in that effort, your schools are the pioneers, the ones blazing a trail the rest will follow someday. The levels of achievement we're looking for in the year 2000 are the goals you're shooting for today.

And we here in Washington want to do what we can. Clearly, we can lend a hand. But the real revolution takes place in the communities that you call home. And when you come from as far away as Kalaheo High in Hawaii, Alaska's -- here are a couple of people who have come from as far away as Kalaheo High in Hawaii back there -- Alaska's East Anchorage High School or Hahn American High School on Hahn Air Force Base in Germany or as near to this place as DC's own Benjamin Banneker and Hine Junior High, you see at a glance that each school travels its own path to excellence.

One sad note for any of the kids here who made this short trip from Banneker and Hine, the problem is that right after lunch you'll have to be back in class. [Laughter]

Some schools here today mirror the communities they come from. Their successes reflect years of love and interest and just plain hard work from communities that care. Some of the schools

represented here today triumphed against all odds in spite of tough, cruel surroundings. For their students, these schools are islands of calm in the midst of chaos. And that drives home today's lesson: There's no blueprint for the one school that works for everyone. But there is a blue ribbon for every school that works best.

Take Genesis, an alternative school for kids with special needs out in Kansas City, Missouri. Genesis began as a Vista program back in the mid-seventies. And today the vast majority of its funds come from the private sector, from national organizations like the United Way, down to local businesses.

Genesis serves the kids who have fallen through the cracks, the dropouts, the teen mothers, children coping with broken homes and shattered hopes. And it turns around two-thirds of the troubled kids that come through its doors, prepares them to go back to their old schools or go on to get a GED. For these students, Genesis is literally a new beginning, a second chance that gives them their best shot at a promising future.

The schools we honor today come in all shapes and sizes, serve students of all races and creeds and colors. From America's major cities to our tiniest town, each one of you represents the tip of the iceberg, the collective accomplishment of teachers and students, principals, parents, and the communities you come from.

Consider one of the smallest schools here today, Craftsbury Academy, a 180-student public school out in the Vermont farm country, in a town called Craftsbury Common. Times are tough out there. But economic difficulties haven't stopped that community from giving its children every possible opportunity to learn.

I think it says something about Craftsbury that when the teachers voted to send someone to today's ceremony, they sent a parent, Gary Houston, a past graduate of Craftsbury whose four kids go there now. So please accept our thanks for all the mothers and fathers who understand what powerful teachers parents can be.

So today, your shining example must spark a revolution in American education, spur reform that will literally re-invent the American schools. Each of your schools is well on the way to where all of us must be. We'll reach our goals by challenging the best minds and big thinkers out there to help us create a new generation of American schools and have these schools up and running in every congressional district across America by the year 1996. By challenging every city and town to join the crusade -- become an America 2000 community. And I'm proud to tell you that so far, nine States and one territory are already part of the great and growing America 2000 community. And I assure you there is room for every State, city, and town across this country.

We really have to start now, improve those schools that lag behind, and make our best schools better still. We won't write anyone off. We won't waste time wringing hands about the fact that

the year 2000 is just a little more than 8 years away. Look at it from a kid's point of view, a child's point of view: Eight years is a lifetime of learning. So, let's spend the time between now and the year 2000 opening a new world of possibility for our children.

And that's the spirit that will get us to our goals for the year 2000. One community at a time, one school at a time, one student at a time, for the sake of our future we will win this American revolution.

And let me just say that if I ever let up, and if I ever don't show the proper leadership or the proper support for America 2000, I get it both ways. I get it coming on me from the Secretary of Education who says, ``You are committed, now stay that way.'' And you can bet your neck I get it from the person sitting on my right who's dedicated a lot of her life to helping illiteracy.

So, congratulations to all of you. And when you get home with your blue ribbons, please share my thanks with everybody, it's not just you all, but with everybody who makes your schools so successful.

Thank you and may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 12:07 p.m. at the Sheraton Washington Hotel. In his remarks he referred to Secretary of Education Lamar Alexander and Gary Houston, a graduate of Craftsbury Academy in Vermont.

Statement by Press Secretary Fitzwater on the President's Meeting With Chairman Leonid M. Kravchuk of the Supreme Rada of the Republic of the Ukraine

September 25, 1991

The President met with Ukrainian Supreme Rada Chairman Leonid Kravchuk today in the Oval Office and Cabinet Room for 45 minutes. The two leaders discussed developments in Ukraine since the President's visit to Kiev on August 1 and the current situation in the Soviet Union.

The President reaffirmed to Chairman Kravchuk the administration's firm support for the efforts underway in the Soviet Union to build democracy, market economic reform, and the rule of law. The President also outlined U.S. steps to promote economic reform in Ukraine, including consideration of a Peace Corps program and the provision of technical assistance. The President said the United States would continue its medical assistance to Ukraine begun last spring and would attempt to increase U.S. trade by sending an OPIC/EXIM and Commodity Credit Corporation team to discuss this issue. ``Ukraine has a special place in the hearts of Americans," the President said. ``There is a vibrant Ukrainian community in this country."

The President also told Chairman Kravchuk that the United States would accept his invitation to send a Presidential delegation of distinguished Americans to the Babi Yar commemoration next week.

The President invited Chairman Kravchuk to return to the White House at 5 p.m. to continue his discussions with administration officials headed by Ed Hewett, Special Assistant to the President for Soviet Affairs.

Note: The statement referred to Edward A. Hewett, Special Assistant to the President and Senior Director for Soviet Affairs.

Appointment of Thomas E. McNamara as Special Assistant to the President for National Security Affairs and Senior Director for International Programs and African Affairs

September 25, 1991

The President today announced the appointment of Thomas E. McNamara as Special Assistant to the President for National Security Affairs and Senior Director for International Programs and African Affairs on the staff of the National Security Council. He would succeed David C. Miller, Jr.

Ambassador McNamara has just returned from 3 years as the U.S. Ambassador to the Republic of Colombia. He joined the Department of State in 1965 and has served overseas in Paris, Lubumbashi, Bukavu, Moscow, and as Deputy Chief of Mission in Kinshasa, Zaire, 1980 - 1983. In Washington he has worked in the State Department's Bureaus of European Affairs and Politico-Military Affairs and in the U.S. Arms Control and Disarmament Agency. From 1983 to 1986 he was Deputy Assistant Secretary of State for Politico-Military Affairs. Before his assignment to Colombia, he was Director of Counterterrorism and Narcotics on the staff of the National Security Council.

Ambassador McNamara was born in New Haven, CT. He received his Bachelor of Arts degree from Manhattan College and a Master of Arts degree from the University of Notre Dame. He is married to the former Emma Julia Fonseca and has two children.

Remarks at the Welcoming Ceremony for King Hassan II of Morocco

September 26, 1991

The President. Well, it is an honor to welcome His Majesty King Hassan to the United States of America. The relationship between our two countries is rich, tracing back more than 200 years to the Moroccan-American Treaty of Peace and Friendship. And that agreement remains the longest unbroken treaty in our history.

Your Majesty, under your leadership, relations between our nations continue to grow and prosper in a variety of fields, in trade and investment, in cultural contacts, and in resolving regional disputes.

This past year has seen a world of remarkable change, transformations that have reverberated across every continent. Morocco is stepping forward to meet this new world. You have lowered barriers to increased investment and trade and begun the privatization of many of Morocco's wholly owned state enterprises. Already, your nation's economic opening has meant new opportunity for American investment, some of them generated by 1989's highly successful OPIC mission to Morocco.

Morocco is also responding to the call to all governments to recognize the rights and freedoms of their people. In this regard, the United States applauds Your Majesty's recent release of political prisoners, your establishment of the Royal Consultative Council on Human Rights in Morocco, and I know Morocco will not be deterred from this courageous course.

Your Majesty, we are pleased to see the United Nations proceeding with its efforts to resolve the Western Sahara dispute with Morocco's support. And it took a great deal of courage for you to agree to the U.N. Secretary-General's plan for a referendum, and I confirm America's willingness to play its role in promoting a just and lasting settlement in the Sahara in accordance with that plan.

In the Gulf, Morocco was among the first to commit forces in defense of Saudi Arabia. And when the issue was still in doubt, Morocco stood on the side of justice and against aggression. And today, I can assure you, Your Majesty, that the United States will continue to work toward a lasting peace in the Middle East.

We now see the real prospect of a peace conference leading to direct negotiations between Arabs and Israelis. That process aims at a comprehensive peace based on United Nations Security Council Resolutions 242 and 338, and the principle of territory for peace.

We seek to elaborate on this principle to provide for real security and real peace for all states in the Middle East, including Israel, and for recognition of legitimate political rights of the Palestinian people. Your Majesty, I look forward to working with you toward those objectives.

Your Majesty, once again, a warm welcome to the White House. I look forward to our talks, and I want to extend a special welcome to your daughter who has accompanied you on this visit. And I trust the fruits of our discussion will make the world a better place for her and for all of our children. Welcome once again, Your Majesty.

The King. Praise be to Allah. May the blessings of the Almighty be upon Mohammed, his household, and companions. Mr. President and dear friends, we are delighted to respond to your gracious invitation and to meet with you. Our visit constitutes indeed one important link in a series of previous visits during which we have come to establish excellent friendly relations with many of your predecessors. Mr. President, today's encounter will certainly renew and strengthen these relations.

We were no more than a child when we were introduced to President Franklin Roosevelt by our late father, Mohammed V. We never knew personally Presidents Eisenhower, Kennedy, Johnson, Nixon, Carter, and Reagan. Today we are received by you, Mr. President, a dear friend of ours whose distinguished career we have been following attentively. We have been following attentively your career, Mr. President, first when you were appointed Ambassador to China, then CIA Director and Vice President to our great friend, President Reagan, and finally, President of the United States of America. Throughout your career, we have at all times perceived in you a man of rectitude, humility, deep thought, true foresight, and unshakeable faithfulness towards his friends.

It is true that our last visit to the United States of America dates back to 1983. However, during these 8 years, our friendly relations have never been better. It couldn't have been otherwise considering that these relations are as old as your Nation. For the 1786 Treaty of Amity and Peace, signed by President Jefferson and our ancestor Mohammed III, has always been and still remains the basis of the excellent rapport existing between our two governments and nations.

What makes this friendship exemplary is the fact that it has never been affected by juncture or vicissitude, nor has it been changing in dimension or level. It has rather been similar to itself, unaffected by world crises and requirements of the cold war.

We are looking forward to the talks we shall have with Your Excellency, and with a number of officials from the executive and legislative branch. We have no doubts that these talks will reveal the likeness of our views concerning political and economic issues.

Mr. President, you know better than anyone that the Gulf crisis has made men all over the world realize that it is mandatory to rely on international legality for the solving of world issues and for

the sake of peace and understanding among the nations. We sincerely hope that the same legality is applied in the case of the Middle East. It is indeed hard to believe that the tragedy of the Middle East has lasted half a century.

As to the Kingdom of Morocco, we shall ever be ready to contribute to any peaceful solution liable to give each one his due and bring about a just and lasting peace in this area. We will constantly be on your side, mobilized in order to seek this peace in the Middle East.

I pray you, Mr. President, and dear friend, to accept our thanks for your invitation, your warm welcome, and your generous hospitality. We wish you excellent health and success, and we wish the American people much prosperity.

Note: The President spoke at 10:44 a.m. on the South Lawn of the White House, where King Hassan was accorded a formal welcome with full military honors. In his remarks, the President referred to Secretary-General Javier Perez de la Guerra of the United Nations, and Lalla Meryem, King Hassan's daughter. King Hassan spoke in Arabic, and his remarks were translated by an interpreter.

Toasts at the State Dinner for King Hassan II of Morocco

September 26, 1991

The President. Your Majesty, Barbara and I are truly delighted to have this opportunity to welcome you and your daughter, Her Royal Highness Princess Lalla Meryem, to the United States.

You know, the pomp and circumstance at dinners like these never grows old. As we were descending the lovely staircase this evening, I have to confess that Barbara and I felt like movie stars. To steal a line from Humphrey Bogart, ``Welcome to Casablanca." [Laughter]

But, Your Majesty, the friendship between our two countries stretches back more than 200 years, back beyond even the autumn of 1788, when the Emperor of Morocco, Mohammed III, sent warm words of support and encouragement to the then newly-elected President of the United States, a brand new President receiving these greetings back in 1788. And for me, the friendship between Morocco and the United States has been quite personal.

Of course Barbara and I remember our visit. I fondly remember this visit to Morocco as Vice President in 1983, the crowds in Fez and in Rabat who welcomed us as we drove through those cities in an open car. And I recall your gracious invitation to put aside some of the pomp of state and inviting us to dine together along with many members of your family, surrounded by friends. It's something we will never forget.

And at critical moments in history, our two nations have acted in concert: earlier this century, when 300,000 Moroccans fought with the Allies against the Axis powers in World War II; and last year when Morocco once again demonstrated its commitment to shared ideals by sending its troops to the defense of Saudi Arabia.

Just as we've worked together to frustrate aggression, so we can work together to promote peace and stability in the Middle East, in the Gulf, and in Western Sahara. It will be the work of old friends, building a new world order.

So, let me ask all of you to stand and to raise your glasses to the health of King Hassan and his family, to a future blessed by peace, and to the common bonds of friendship that link the people of Morocco and the United States of America. Welcome, Your Majesty.

The King. Mr. President and dear friend, Mrs. Bush, Your Excellencies, ladies and gentleman: I want first to ask you to pardon my bad accent, please. I am delighted to say that my present state visit in the United States of America will certainly be for me a memorable one; for not only was

the welcome party very warm, but the talks we had were suffused with that same openness and sincerity which have always characterized our contacts for the last 10 years.

Mr. President, God's will has always been to grant you success in whatever position you held, and in all the issues you had to handle. This is certainly due to your personal abilities and qualities, but also due in part to Mrs. Bush, a God-given companion. Constant support and dispenser of affection and serenity, so indispensable to any head of state. With Mrs. Bush here present, kindly accept the expression of my sincere consideration and admiration.

Mr. President, may the United States of America enjoy under your clairvoyant leadership an era of prosperity, and participate fully in the edification of harmonious and constant free cohabitation among the nations of the Earth.

As I thank you again for your gracious hospitality, I invoke, hoping you, Mr. President, the help of the Almighty, wishing you excellent health and full success in your endeavors. Long life to the United States of America. Long life for kingdom of Morocco.

Note: The President spoke at 8:30 p.m. in the State Dining Room at the White House.

Message to the Congress on the Extension of the National Emergency Declared in Executive Order 12730

September 26, 1991

To the Congress of the United States:

On September 30, 1990, in light of the expiration of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401, et seq.), I issued Executive Order No. 12730, declaring a national emergency and continuing the system of export regulation, including antiboycott provisions, under the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq.). Under section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), the national emergency terminates on the anniversary date of its declaration unless I publish in the Federal Register and transmit to the Congress notice of its continuation.

I am hereby advising the Congress that I have extended the national emergency declared in Executive Order No. 12730. Attached is a copy of the notice of extension.

George Bush

The White House,

September 26, 1991.

Notice on Continuation of Export Control Regulations

September 26, 1991

On September 30, 1990, consistent with the authority provided me under the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq.), I issued Executive Order No. 12730. In that order, I declared a national emergency with respect to the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States in light of the expiration of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401, et seq.). Because the Export Administration Act has not been renewed by the Congress, the national emergency declared on September 30, 1990, must continue in effect beyond September 30, 1991. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency declared in Executive Order No. 12730.

This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

September 26, 1991.

Executive Order 12773 -- Amending Executive Order 10480

September 26, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Defense Production Act of 1950, as amended (50 U.S.C. 2601 et seq.) (``Act''), and in order to transfer the responsibilities of the General Services Administration as authorized under the Act, it is hereby ordered that section 303 of Executive Order No. 10480 is amended by deleting ``Administrator of General Services'' and inserting ``Secretary of Defense'' in lieu thereof and that section 604 of Executive Order No. 10480 is amended by deleting ``General Services Administration'' and inserting ``Department of Defense'' in lieu thereof and by deleting ``Administrator of General Services'' and inserting ``Secretary of Defense'' in lieu thereof.

George Bush

The White House,

September 26, 1991.

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

September 27, 1991

The President. The subject at hand is going to be the economic situation, the second meeting we've had this week on the initiatives and on where we stand. But I want to say to everybody around this table how important we're viewing this vote in the Senate on Judge Clarence Thomas.

He's a very good man. I do feel that he deserves to be confirmed. The support from across the country is enormously strong for him, in the minority community, majority community, whatever you want to call it. And I'd like to see that quickly voted on, and I feel that it will be.

And I do think the Senate committee has conducted itself in a very fair way. But I must say that I'd like to see the clear will of the American people be followed on this one. And certainly, I just wanted everybody here to know that I have not in any way done anything other than increase in my enthusiasm for and belief in Clarence Thomas to be an outstanding Justice and believe he will be going on the Court.

Q. Mr. President, you don't even have CFE or the START treaty ratified yet. Do you think you may be jumping the gun by proposing still more missile cuts?

The President. Stay tuned, Jim [Jim Miklaszewski, NBC News]. We're living in a rapidly changing world. And I think what I will be saying tonight will have major worldwide implications for world peace. And just leave it in that context. I'm not going to take any questions about it. You know me, and I don't like leaks very much. So, I might be the leaker. I look for leakees and fail to find them. [Laughter]

Q. Will there be any savings for taxpayers as a result of your proposals, Mr. President?

The President. You misunderstood what I said, Terry [Terence Hunt, Associated Press]. I said I don't want to take any more questions on it.

Q. Do you think that the Thomas nomination is in danger, sir?

The President. -- determined -- Dana Carvey, determined. [Laughter]

Q. Mr. President, do you think that the Thomas nomination is in danger?

The President. No. I think it's in pretty good shape. And I just wanted to reaffirm to everybody here my strong enthusiasm for Clarence Thomas. I'm bolstered in all of that when I see the

American people with the same high regard, obviously. They get asked all the time. And I was very interested to see the Southern Christian Leadership Conference came out for him, not with a tremendous amount of fanfare as some organizations that opposed him have. But this was a very, very interesting endorsement, frankly, and one that deserves critical consideration by a lot of Members of the United States Senate.

So, it will be all right.

Thank you all very much.

Note: The President spoke at 9:53 a.m. in the Cabinet Room at the White House. In his remarks, the President referred to Dana Carvey, a comedian who does impersonations of George Bush. A tape was not available for verification of the content of this exchange.

Proclamation 6340 -- National Domestic Violence Awareness Month, 1991

September 27, 1991

By the President of the United States

of America

A Proclamation

When we Americans celebrate Thanksgiving later this fall, most of us will be able to count home and family among our greatest blessings. Tragically, however, far too many of our fellow citizens have been denied the joys of a happy home as a result of domestic violence.

Domestic violence not only inflicts great physical pain and suffering but also undermines the very fabric of society. A tragic betrayal of personal trust and responsibility, it strikes at the fundamental bonds of family life -- bonds that, in turn, hold together any truly stable community and nation. Thus, domestic violence cannot be dismissed as a simply ``private'' matter. Its impact warrants the attention and concern of all Americans.

Domestic violence is not limited to any one group; it affects individuals and families from every race and every walk of life. Neither is it just a series of hostile exchanges or the kind of simple quarrels that can occur from time to time in every family. On the contrary, domestic violence is a serious and destructive pattern of behavior that can lead to injury and death.

The Department of Health and Human Services reports that domestic violence is already the largest cause of injury to women in the United States, and that its incidence is rising. Other victims include the elderly, as well as abused and neglected children. Youngsters who suffer or simply witness domestic violence may carry emotional scars for a lifetime. Those scars can lead to vicious cycles of abuse and despair.

Fortunately, we have made progress in our campaign to end the tragedy of domestic violence. During the past decade, we have taken great strides in coordinating Federal support with local and private-sector efforts to expand prevention services -- particularly in areas that have been traditionally underserved. We have also promoted greater coordination of services for abused spouses and their children, thereby helping to meet long-term needs -- such as substance abuse treatment, child care, and counseling -- as well as immediate needs for shelter. Of course, because domestic violence poses such a grave threat to individuals and families, we still have more work to do.

Every autumn since 1985, we have set aside National Domestic Violence Awareness Month as a time to reflect on this problem and on ways that we can assist its victims. This year, let us recognize the many dedicated volunteers and professionals who offer shelter and support to the victims of domestic violence. Let us also strive to learn more about domestic violence and how each of us can help bring an end to it.

The Congress, by Senate Joint Resolution 73, has designated October 1991 as ``National Domestic Violence Awareness Month'' and has authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 1991 as National Domestic Violence Awareness Month. I urge all Americans to observe this month with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this twenty-seventh day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 3:10 p.m., September 27, 1991]

Note: This proclamation was published in the Federal Register on October 1, 1991.

Proclamation 6341 -- National Forest Products Week, 1991

September 27, 1991

By the President of the United States

of America

A Proclamation

Ever since this country's earliest inhabitants hunted game and gathered food in their deep shade, America's forests have provided man with vital sustenance, as well as wood for fuel and shelter. During National Forest Products Week, we reflect on the continuing importance of our Nation's forests and remind ourselves of the need to manage them with care.

From our celebrated national forests to our prized State parks, from our vast industrial timberlands to the small, privately owned woodlots of rural America, our country's forests provide a wealth of benefits. Various species of plants and animals thrive on these rich tracts of land. Individuals and families find in them a wonderful setting for camping and other recreational activities. Yet our forests provide more than habitat for wildlife and beauty for the eye. Wood and wood products are used to make a multitude of products, from the floors beneath our feet to the roofs over our heads. All of our paper products come from wood -- everything from the newspapers that help us stay informed to the stationery that helps us stay in touch with family, friends, and co-workers.

While today's antiques remind us that furniture made from wood can last for generations, scientists are demonstrating how wood products and derivatives can shape the look of tomorrow.

The development and use of forest products not only affect our personal comfort and well-being on a daily basis but also contribute substantially to our Nation's economy. According to the Department of the Interior, the forest industry employs nearly 1.6 million men and women, who together earn almost $43.6 billion in annual wages.

Given their contributions to our economy and to the livelihood of countless individuals and families, we must remember that our Nation's magnificent forests are, in many ways, precious and fragile. Trees can be destroyed needlessly by disease, by forest fires and other natural disasters, and by human carelessness. If we are to continue to meet a variety of consumer needs, our forests must be protected and renewed.

During the past 100 years, we have moved toward more efficient and responsible management of

our forest resources. Indeed, through various methods (such as multiple-use and sustained yield management), we are helping nature to replenish our forests. State and local governments, private and voluntary organizations, and concerned individuals are promoting and participating in efforts to conserve and recycle paper products. Millions of people are also taking part in the America the Beautiful Initiative, helping to plant and maintain nearly 1 billion trees per year across the country, in both urban and rural areas. This month, let us acknowledge the importance of these efforts and renew our commitment to them.

In recognition of the value of our forests, the Congress, by Public Law 86 - 753 (36 U.S.C. 163), designated the week beginning on the third Sunday in October of each year as ``National Forest Products Week'' and authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week beginning October 20, 1991, as National Forest Products Week and encourage all Americans to observe that week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this twenty-seventh day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 3:22 p.m., September 27, 1991]

Note: This proclamation was published in the Federal Register on October 1.

Proclamation 6342 -- Leif Erikson Day, 1991

September 27, 1991

Byÿ7Eÿ7E theÿ7Eÿ7E Presidentÿ7Eÿ7E ofÿ7Eÿ7E theÿ7Eÿ7E Unitedÿ7Eÿ7E States of America

A Proclamation

Each October, Americans of all ages join in commemorating the voyages of Leif Erikson, the daring son of Iceland and grandson of Norway who explored the North American coast nearly a millennium ago, and, in so doing, charted a course for generations of Europeans to follow. However, on this occasion, we celebrate more than the remarkable journeys of Leif Erikson and his fellow Norse adventurers. We also celebrate the enduring ties of friendship that exist between the people of the United States and our friends in northern Europe.

Leif Erikson was part of a long line of Norse explorers who braved the vast waters of the Atlantic for the sake of their people's future. His father, Eric the Red, had led the first group of Europeans to colonize Greenland. According to the Icelandic Saga of Eric, young ``Leif the Lucky'' returned to Norway in the year 1000, and there became a convert to Christianity. When he was later commissioned by King Olaf I to carry the faith back to Greenland, the young navigator once again took to the high seas. Thus, over the course of several generations, Leif Erikson and his fellow Norsemen ventured from their ancestral homeland to places such as the British Isles, the Faroe Islands, Iceland, Greenland, and eventually North America.

Although the first Norse settlements on this continent did not become permanent, the voyages of Leif Erikson and other Norse explorers had a lasting impact on the development of the Western world. These pioneers presaged a later era of discovery that has included other great navigators such as Christopher Columbus, Magellan, and Sir Francis Drake, as well as latter-day explorers like Roald Amundsen, who was the first man to reach the South Pole. Of course, we know that the spirit of daring and discovery continues to thrive today. The fascinating work of our astronauts and engineers, the painstaking research of our physicians, archeologists, and other scientists -- all reflect the timeless appeal of exploration and learning.

Among those who have kept alive the bold, industrious spirit of Leif Erikson are Americans who trace their roots to the Nordic countries. Immigrants from Denmark, Finland, Iceland, Norway, and Sweden have greatly enriched this country, not only through their unique customs and traditions, but also through their commitment to educational achievement and good government. Today, as we celebrate our Nordic American heritage with a series of special events -- including a gala reenactment of the first Norse voyage to these shores -- we also reaffirm our mutually rewarding ties with the countries of northern Europe.

In honor of Leif Erikson and our Nordic American heritage, the Congress, by joint resolution

approved on September 2, 1964 (78 Stat. 849, 36 U.S.C. 169c), has authorized and requested the President to proclaim October 9 of each year as ``Leif Erikson Day."

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 9, 1991, as Leif Erikson Day, and I direct the appropriate government officials to display the flag of the United States on all government buildings on that day. I also encourage the people of the United States to observe this occasion by learning more about our rich Nordic American heritage and the early history of our continent.

In Witness Whereof, I have hereunto set my hand this twenty-seventh day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 3:29 p.m., September 27, 1991]

Note: This proclamation was published in the Federal Register on October 1.

Address to the Nation on Reducing United States and Soviet Nuclear Weapons

September 27, 1991

Good evening.

Tonight I'd like to speak with you about our future and the future of the generations to come.

The world has changed at a fantastic pace, with each day writing a fresh page of history before yesterday's ink has even dried. And most recently, we've seen the peoples of the Soviet Union turn to democracy and freedom, and discard a system of government based on oppression and fear.

Like the East Europeans before them, they face the daunting challenge of building fresh political structures, based on human rights, democratic principles, and market economies. Their task is far from easy and far from over. They will need our help, and they will get it.

But these dramatic changes challenge our Nation as well. Our country has always stood for freedom and democracy. And when the newly elected leaders of Eastern Europe grappled with forming their new governments, they looked to the United States. They looked to American democratic principles in building their own free societies. Even the leaders of the U.S.S.R. Republics are reading The Federalist Papers, written by America's founders, to find new ideas and inspiration.

Today, America must lead again, as it always has, as only it can. And we will. We must also provide the inspiration for lasting peace. And we will do that, too. We can now take steps in response to these dramatic developments, steps that can help the Soviet peoples in their quest for peace and prosperity. More importantly, we can now take steps to make the world a less dangerous place than ever before in the nuclear age.

A year ago, I described a new strategy for American defenses, reflecting the world's changing security environment. That strategy shifted our focus away from the fear that preoccupied us for 40 years, the prospect of a global confrontation. Instead, it concentrated more on regional conflicts, such as the one we just faced in the Persian Gulf.

I spelled out a strategic concept, guided by the need to maintain the forces required to exercise forward presence in key areas, to respond effectively in crises, to maintain a credible nuclear deterrent, and to retain the national capacity to rebuild our forces should that be needed.

We are now moving to reshape the U.S. military to reflect that concept. The new base force will

be smaller by half a million than today's military, with fewer Army divisions, Air Force wings, Navy ships, and strategic nuclear forces. This new force will be versatile, able to respond around the world to challenges, old and new.

As I just mentioned, the changes that allowed us to adjust our security strategy a year ago have greatly accelerated. The prospect of a Soviet invasion into Western Europe, launched with little or no warning, is no longer a realistic threat. The Warsaw Pact has crumbled. In the Soviet Union, the advocates of democracy triumphed over a coup that would have restored the old system of repression. The reformers are now starting to fashion their own futures, moving even faster toward democracy's horizon.

New leaders in the Kremlin and the Republics are now questioning the need for their huge nuclear arsenal. The Soviet nuclear stockpile now seems less an instrument of national security, and more of a burden. As a result, we now have an unparalleled opportunity to change the nuclear posture of both the United States and the Soviet Union.

If we and the Soviet leaders take the right steps -- some on our own, some on their own, some together -- we can dramatically shrink the arsenal of the world's nuclear weapons. We can more effectively discourage the spread of nuclear weapons. We can rely more on defensive measures in our strategic relationship. We can enhance stability and actually reduce the risk of nuclear war. Now is the time to seize this opportunity.

After careful study and consultations with my senior advisers and after considering valuable counsel from Prime Minister Major, President Mitterrand, Chancellor Kohl, and other allied leaders, I am announcing today a series of sweeping initiatives affecting every aspect of our nuclear forces on land, on ships, and on aircraft. I met again today with our Joint Chiefs of Staff, and I can tell you they wholeheartedly endorse each of these steps.

I will begin with the category in which we will make the most fundamental change in nuclear forces in over 40 years, nonstrategic or theater weapons.

Last year, I cancelled U.S. plans to modernize our ground-launched theater nuclear weapons. Later, our NATO allies joined us in announcing that the alliance would propose the mutual elimination of all nuclear artillery shells from Europe, as soon as short-range nuclear force negotiations began with the Soviets. But starting these talks now would only perpetuate these systems, while we engage in lengthy negotiations. Last month's events not only permit, but indeed demand swifter, bolder action.

I am therefore directing that the United States eliminate its entire worldwide inventory of ground-launched short-range, that is, theater nuclear weapons. We will bring home and destroy all of our nuclear artillery shells and short-range ballistic missile warheads. We will, of course, ensure that we preserve an effective air-delivered nuclear capability in Europe. That is essential to NATO's

security.

In turn, I have asked the Soviets to go down this road with us, to destroy their entire inventory of ground-launched theater nuclear weapons: not only their nuclear artillery, and nuclear warheads for short-range ballistic missiles, but also the theater systems the U.S. no longer has, systems like nuclear warheads for air-defense missiles, and nuclear land mines.

Recognizing further the major changes in the international military landscape, the United States will withdraw all tactical nuclear weapons from its surface ships and attack submarines, as well as those nuclear weapons associated with our land-based naval aircraft. This means removing all nuclear Tomahawk cruise missiles from U.S. ships and submarines, as well as nuclear bombs aboard aircraft carriers. The bottom line is that under normal circumstances, our ships will not carry tactical nuclear weapons.

Many of these land and sea-based warheads will be dismantled and destroyed. Those remaining will be secured in central areas where they would be available if necessary in a future crisis.

Again, there is every reason for the Soviet Union to match our actions: by removing all tactical nuclear weapons from its ships and attack submarines; by withdrawing nuclear weapons for land-based naval aircraft; and by destroying many of them and consolidating what remains at central locations. I urge them to do so.

No category of nuclear weapons has received more attention than those in our strategic arsenals. The Strategic Arms Reduction Treaty, START, which President Gorbachev and I signed last July was the culmination of almost a decade's work. It calls for substantial stabilizing reductions and effective verification. Prompt ratification by both parties is essential.

But I also believe the time is right to use START as a springboard to achieve additional stabilizing changes.

First, to further reduce tensions, I am directing that all United States strategic bombers immediately standdown from their alert posture. As a comparable gesture, I call upon the Soviet Union to confine its mobile missiles to their garrisons, where they will be safer and more secure.

Second, the United States will immediately standdown from alert all intercontinental ballistic missiles scheduled for deactivation under START. Rather than waiting for the treaty's reduction plan to run its full 7 year course, we will accelerate elimination of these systems, once START is ratified. I call upon the Soviet Union to do the same.

Third, I am terminating the development of the mobile Peacekeeper ICBM as well as the mobile portions of the small ICBM program. The small single-warhead ICBM will be our only remaining ICBM modernization program. And I call upon the Soviets to terminate any and all programs for

future ICBM's with more than one warhead, and to limit ICBM modernization to one type of single warhead missile, just as we have done.

Fourth, I am cancelling the current program to build a replacement for the nuclear short-range attack missile for our strategic bombers.

Fifth, as a result of the strategic nuclear weapons adjustments that I've just outlined, the United States will streamline its command and control procedures, allowing us to more effectively manage our strategic nuclear forces.

As the system works now, the Navy commands the submarine part of our strategic deterrent, while the Air Force commands the bomber and land-based elements. But as we reduce our strategic forces, the operational command structure must be as direct as possible. And I have therefore approved the recommendation of Secretary Cheney and the Joint Chiefs to consolidate operational command of these forces into a U.S. strategic command under one commander with participation from both services.

Since the 1970's, the most vulnerable and unstable part of the U.S. and Soviet nuclear forces has been intercontinental missiles with more than one warhead. Both sides have these ICBM's in fixed silos in the ground where they are more vulnerable than missiles on submarines.

I propose that the U.S. and the Soviet Union seek early agreement to eliminate from their inventories all ICBM's with multiple warheads. After developing a timetable acceptable to both sides, we could rapidly move to modify or eliminate these systems under procedures already established in the START agreement. In short, such an action would take away the single most unstable part of our nuclear arsenals.

But there is more to do. The United States and the Soviet Union are not the only nations with ballistic missiles. Some 15 nations have them now, and in less than a decade that number could grow to 20. The recent conflict in the Persian Gulf demonstrates in no uncertain terms that the time has come for strong action on this growing threat to world peace.

Accordingly, I am calling on the Soviet leadership to join us in taking immediate concrete steps to permit the limited deployment of nonnuclear defenses to protect against limited ballistic missile strikes, whatever their source, without undermining the credibility of existing deterrent forces. And we will intensify our effort to curb nuclear and missile proliferation. These two efforts will be mutually reinforcing. To foster cooperation, the United States soon will propose additional initiatives in the area of ballistic missile early warning.

Finally, let me discuss yet another opportunity for cooperation that can make our world safer.

During last month's attempted coup in Moscow, many Americans asked me if I thought Soviet

nuclear weapons were under adequate control. I do not believe that America was at increased risk of nuclear attack during those tense days. But I do believe more can be done to ensure the safe handling and dismantling of Soviet nuclear weapons. Therefore, I propose that we begin discussions with the Soviet Union to explore cooperation in three areas: First, we should explore joint technical cooperation on the safe and environmentally responsible storage, transportation, dismantling, and destruction of nuclear warheads. Second, we should discuss existing arrangements for the physical security and safety of nuclear weapons and how these might be enhanced. And third, we should discuss nuclear command and control arrangements, and how these might be improved to provide more protection against the unauthorized or accidental use of nuclear weapons.

My friend, French President Mitterrand, offered a similar idea a short while ago. After further consultations with the alliance and when the leadership in the U.S.S.R. is ready, we will begin this effort.

The initiatives that I'm announcing build on the new defense strategy that I set out a year ago, one that shifted our focus away from the prospect of global confrontation. We're consulting with our allies on the implementation of many of these steps which fit well with the new post cold war strategy and force posture that we've developed in NATO.

As we implement these initiatives we will closely watch how the new Soviet leadership responds. We expect our bold initiatives to meet with equally bold steps on the Soviet side. If this happens, further cooperation is inevitable. If it does not, then an historic opportunity will have been lost. Regardless, let no one doubt we will still retain the necessary strength to protect our security and that of our allies and to respond as necessary.

In addition, regional instabilities, the spread of weapons of mass destruction, and as we saw during the conflict in the Gulf, territorial ambitions of power-hungry tyrants, still require us to maintain a strong military to protect our national interests and to honor commitments to our allies.

Therefore, we must implement a coherent plan for a significantly smaller but fully capable military, one that enhances stability but is still sufficient to convince any potential adversary that the cost of aggression would exceed any possible gain.

We can safely afford to take the steps I've announced today, steps that are designed to reduce the dangers of miscalculation in a crisis. But to do so, we must also pursue vigorously those elements of our strategic modernization program that serve the same purpose. We must fully fund the B - 2 and SDI program. We can make radical changes in the nuclear postures of both sides to make them smaller, safer, and more stable. But the United States must maintain modern nuclear forces including the strategic triad and thus ensure the credibility of our deterrent.

Some will say that these initiatives call for a budget windfall for domestic programs. But the

peace dividend I seek is not measured in dollars but in greater security. In the near term, some of these steps may even cost money. Given the ambitious plan I have already proposed to reduce U.S. defense spending by 25 percent, we cannot afforded to make any unwise or unwarranted cuts in the defense budget that I have submitted to Congress. I am counting on congressional support to ensure we have the funds necessary to restructure our forces prudently and implement the decisions that I have outlined tonight.

Twenty years ago when I had the opportunity to serve this country as Ambassador to the United Nations. I once talked about the vision that was in the minds of the U.N.'s founders, how they dreamed of a new age when the great powers of the world would cooperate in peace as they had as allies in war.

Today I consulted with President Gorbachev. And while he hasn't had time to absorb the details, I believe the Soviet response will clearly be positive. I also spoke with President Yeltsin, and he had a similar reaction, positive, hopeful.

Now, the Soviet people and their leaders can shed the heavy burden of a dangerous and costly nuclear arsenal which has threatened world peace for the past five decades. They can join us in these dramatic moves toward a new world of peace and security.

Tonight, as I see the drama of democracy unfolding around the globe, perhaps we are closer to that new world then every before. The future is ours to influence, to shape, to mold. While we must not gamble that future, neither can we forfeit the historic opportunity now before us.

It has been said, ``Destiny is not a matter of chance. It is a matter of choice. It is not a thing to be waited for. It's a thing to be achieved." The United States has always stood where duty required us to stand. Now let them say that we led where destiny required us to lead, to a more peaceful, hopeful future. We cannot give a more precious gift to the children of the world.

Thank you, good night, and God bless the United States of America.

Note: The President spoke at 8:02 p.m. in the Oval Office at the White House. In his remarks, he referred to Prime Minister John Major of the United Kingdom; President Francois Mitterrand of France; Chancellor Helmut Kohl of Germany; Secretary of Defense Dick Cheney; President Mikhail Gorbachev of the Soviet Union; and President Boris Yeltsin of the Republic of Russia.

Radio Address to the Nation on the Daily Points of Light Program

September 28, 1991

Usually when I speak to the Nation, it's to announce a new program or discuss some pressing national policy. Well, today I won't be talking about programs or policy, but about a vision for a better future.

Over the past 2 years, I've honored Americans who have shown the better angels of their nature by volunteering to help others. These individuals and groups realize that we build a better America not by protesting or demanding that others assume responsibility for our problems; we build better futures by taking on the problems we see in our own communities.

These people answered their own inner call for action. They illustrate our land's genius and generosity, a land where ordinary people accomplish extraordinary things. I call them Points of Light because they shine through the dark times of want or despair.

On Monday, the 575 daily Points of Light will come to Orlando, Florida. Barbara and I will take part in a national tribute in their honor. And when America looks at these heroes, it should see and cherish them first as individuals. They come from every State, range in age from 7 to 103, and cover the spectrum of faith, experience, and background.

But we should also look upon them as a group that can shine the light toward a better future. The 575 Points of Light form an inspiring portrait of our Nation's potential. They address the problems our Nation fears most. And they do because they want to, or because they feel they must.

Some offer friendship and advice to troubled teens, befriend the lonely, or simply hold drug-addicted babies. Others serve meals to AIDS patients, build housing for the homeless, reclaim crime-infested neighborhoods. Through the combined light generated by these acts of consequence we can dissolve the darkness, we can rekindle our own belief in ourselves.

Imagine if all 575 Points of Light lived in one place. When you realize that people like these live in your neighborhood, some just waiting for a chance to serve others, then it's easy to picture such a place. If every community in this land committed itself to sacrifice and action in this work, then each could become a ``community of light."

In a community of light, people would discover the fulfillment that comes with helping others. In a community of light, each school, business, place of worship, and group would lead its members toward the light of service as equal partners in solving social problems at their root. In a

community of light, people would use their ingenuity, experience, and passion to find solutions that work for their neighborhoods, their communities. They would adapt other people's successful programs in efforts to meet their needs or, if necessary, they would craft their own.

In a community of light, everyone will be sought after for their own gifts, for each person has something to share.

Walt Whitman celebrated this when he wrote, ``I hear America singing; each singing what belongs to him or her and to no one else." It's odd, but in many communities around this country neighbors don't know one another. Huge apartment buildings teem with strangers. City blocks teem with strangers. Suburban neighborhoods lie silent because people won't come to a front door to say, ``Hi, welcome to the neighborhood."

We start building communities of light by creating friendships and bonds where we live. When we treat neighbors as friends, listen to their problems and concerns, and talk about ways of making things better, then we establish the foundation for a community of light.

No, voluntarism won't solve every problem. It won't fuel our economy. It won't establish and protect the rule of law. It won't supplant essential government services. But it will provide the equally essential heart and soul our communities deserve.

So starting today, I call on every city, town, and neighborhood in our country to accept this great challenge to become a community of light. And then, together, we'll find a way to unite this country, not through our fears but through our good works.

Note: The President recorded this address on September 27 at 3:45 p.m. in the Cabinet Room at the White House for broadcast at 9 a.m. on September 28. A tape was not available for verification of the content of this address.

Proclamation 6343 -- To Implement an Accelerated Schedule of Duty Elimination Under the United States-Canada Free-Trade Agreement, to Make Technical and Conforming Changes to the Harmonized Tariff Schedule of the United States, and for Other Purposes

September 28, 1991

By the President of the United States

of America

A Proclamation

1. On January 2, 1988, the President entered into the United States-Canada Free-Trade Agreement (the Agreement). The Agreement and certain letters exchanged between the Governments of Canada and the United States were approved by the Congress in section 101(a) of the United States-Canada Free-Trade Agreement Implementation Act of 1988 (the Implementation Act) (Public Law 100 - 449). The Agreement entered into force on January 1, 1989.

2. Section 201(b) of the Implementation Act grants the President, subject to the consultation and lay-over requirements of section 103(a) of the Implementation Act, the authority to proclaim such modifications as the United States and Canada may agree to regarding the staging of any duty treatment set forth in Annexes 401.2 and 401.7 to the Agreement as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Canada provided for by the Agreement.

3. Consistent with Article 401(5) of the Agreement, the President, through his duly empowered representative, on August 16, 1991, entered into an agreement with the Government of Canada providing an accelerated schedule of duty elimination for specific goods of Annex 401.2 to the Agreement. The consultation and lay-over requirements of section 103(a) of the Implementation Act with respect to such schedule have been complied with.

4. Also consistent with Article 401(5) of the Agreement, the President, through his duly empowered representative, on May 18, 1990, entered into an agreement with the Government of Canada providing an accelerated schedule of duty elimination for specific goods of Annexes 401.2 and 401.7. Pursuant to the authority granted in section 201(b) of the Implementation Act, the President, in Proclamation No. 6142 of May 25, 1990, implemented an accelerated schedule

of duty elimination under the Agreement for those goods originating in the territory of Canada. However, certain goods could not be included in that agreement and accelerated schedule because of incomplete information regarding their tariff classification. Agreement as to acceleration of duty elimination for these goods was reached in an exchange of letters between the Governments of the United States and Canada. The consultation and lay-over requirements of section 103(a) of the Implementation Act with respect to such goods have been complied with.

5. Pursuant to section 201(b) of the Implementation Act, I have determined that the modifications hereinafter proclaimed to existing duties on goods originating in the territory of Canada are necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Canada provided for by the Agreement and to carry out the agreements with Canada providing an accelerated schedule of duty elimination for specific goods of Annex 401.2 to the Agreement.

6. Section 202(d)(1) of the Implementation Act authorizes the President to proclaim, as a part of the Harmonized System, implemented by the United States in the Harmonized Tariff Schedule of the United States (HTS), the rules of origin set forth in Annex 301.2 to the Agreement. Section 202(d)(2) of the Implementation Act authorizes the President to proclaim, subject to the consultation and lay-over requirements of section 103 of the Implementation Act, such modifications to the rules as may from time to time be agreed to by the United States and Canada. I have decided, pursuant to an agreement entered into on August 16, 1991, between the United States and Canada, that certain modifications in the rules of origin for particular goods of chapter 15 of the HTS should be proclaimed as a part of the HTS. The consultation and lay-over requirements of section 103 of the Implementation Act with respect to such modifications have been complied with.

7. Section 201(a) of the Implementation Act authorizes the President to proclaim such modifications to or continuance of existing duties, such continuance of existing duty-free or excise treatment, or such additional duties as the President determines to be necessary or appropriate to carry out Article 401 of the Agreement and the schedule of duty reductions with respect to goods originating in the territory of Canada set forth in Annexes 401.2 and 401.7 to the Agreement.

8. Certain provisions of the Customs and Trade Act of 1990 (the 1990 Act) (Public Law 101 - 382) and the Omnibus Budget Reconciliation Act of 1990 (the Budget Act) (Public Law 101 - 508), changed the tariff treatment of brooms and brushes of broom corn, woven fabrics and gauze of wool or of fine animal hair, ethyl alcohol, and ethyl tertiary-butyl ether. As a result of these changes, such goods originating in the territory of Canada became subject to rates of duty that are higher than the applicable duty rates previously proclaimed by the President pursuant to section 201 of the Implementation Act. In addition, previously enacted temporary duty suspensions for certain articles expired at the close of December 31, 1990. Consequently, such goods, if originating in the territory of Canada, became dutiable as of January 1, 1991, contrary to the terms of Article 401(8) of, and Annex 401.2 to, the Agreement. Accordingly, pursuant to section

201(a) of the Implementation Act, I have determined that it is necessary or appropriate to modify the HTS to ensure that the affected goods originating in the territory of Canada are afforded the tariff treatment contained in Annex 401.2 to the Agreement.

9. Title III of the 1990 Act amended the HTS to modify the tariff treatment afforded to various goods imported into the customs territory of the United States. Title II of the 1990 Act amended the Caribbean Basin Economic Recovery Act (CBERA) (19 U.S.C. 2701 et seq.) to repeal the termination on duty-free treatment under CBERA and to provide duty-free treatment for certain articles grown, produced, or manufactured in Puerto Rico. Technical corrections and conforming amendments to the HTS were set forth in sections 10011 and 11502(g) of the Budget Act.

10. In order to implement the tariff treatment provided for in CBERA, the 1990 Act, and the Budget Act, it is necessary to embody in the HTS the substance of the provisions of these acts. In addition, in order to clarify the preferential tariff treatment accorded under the CBERA, it is necessary to modify provisions of the general notes to the HTS to conform them to CBERA as amended by the 1990 Act.

11. Section 242 of the Compact of Free Association (the Compact) entered into by the Government of the United States and the Governments of the Marshall Islands and of the Federated States of Micronesia (the freely associated states), as given effect by section 401 of the Compact of Free Association Act of 1985 (the Association Act) (Public Law 99 - 239), requires the President to proclaim that articles imported from the freely associated states shall, under specified conditions, receive duty-free treatment subject to the limitations imposed under sections 503(b) and 504(c) of the Trade Act of 1974 (the 1974 Act) (19 U.S.C. 2463(b), 2464(c)).

12. Section 243 of the Compact, as given effect by section 401(b) of the Association Act, provides that certain articles imported from the freely associated states are to be excluded from the duty-free treatment proclaimed by the President and are to receive most-favored-nation (MFN) tariff treatment. Section 401(a) of the Association Act provides that only canned tuna provided for in item 112.30 of the Tariff Schedules of the United States (TSUS) that is imported from the freely associated states during any calendar year in an aggregate quantity not to exceed 10 percent of the U.S. consumption of canned tuna during the immediately preceding calendar year, as reported by the National Marine Fisheries Service, may be entered free of duty. In addition, section 401(a) of the Association Act further provides that canned tuna imports from the freely associated states entering free of duty shall be counted against the aggregate quantity of canned tuna that is dutiable under rate column numbered 1 for TSUS item 112.30 for that calendar year. The effect of this provision is that the tariff-rate quota of TSUS item 112.30 would have been available to imported canned tuna during any calendar year only to the extent that the quantity of canned tuna from the freely associated states that entered free of duty during the calendar year pursuant to section 410(a) of the Association Act was less than the aggregate quantity of canned tuna, if any, dutiable under TSUS item 112.30 for that calendar year.

13. The foregoing exclusions and restrictions are set forth in terms of the TSUS. The United States converted from the TSUS to the HTS effective January 1, 1989. Proclamation No. 6030 of September 28, 1989, incorporated into the HTS the exclusions and restrictions set out in section 401 of the Association Act, but did not clarify the manner in which canned tuna from the freely associated states shall be accorded limited duty-free treatment as set forth in section 401 of the Association Act. Therefore, modifications to general note 3(c)(viii) to the HTS and to chapter 16 of the HTS are appropriate in order to clarify the manner in which the provisions of section 401 of the Association Act relating to canned tuna shall be administered.

14. Pursuant to section 4 of the United States-Israel Free Trade Area Implementation Act of 1985 (the Israel Act) (19 U.S.C. 2112 note), the President proclaimed, in Proclamation No. 5365 of August 30, 1985, changes in tariff treatment which the President determined were required or appropriate to carry out the schedule of duty reductions for products of Israel set forth in Annex 1 to the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel (the Israel FTA), entered into on April 22, 1985. Subsequently, in Proclamation No. 5646 of May 4, 1987, the President modified the tariff schedules to eliminate duty-free treatment for articles eligible for entry under certain provisions covering articles exported from the United States and returned after having been advanced or improved abroad. I have determined, pursuant to section 4 of the Israel Act, that further modifications are required or appropriate to carry out the schedule of duty reductions with respect to products of Israel set forth in Annex 1 to the Israel FTA.

15. On October 3, 1990, pursuant to actions taken by their parliaments, the Federal Republic of Germany and the German Democratic Republic became a single country, following the signing of a treaty with the Governments of the United States, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and France. Accordingly, in order to ensure that MFN tariff treatment is afforded to all goods the product of the Federal Republic of Germany, I have determined that it is appropriate to modify general note 3(b) to the HTS, enumerating those countries whose products are dutied at the rates set forth in the Rates of Duty Column 2 of the HTS.

16. Section 604 of the 1974 Act, as amended (19 U.S.C. 2483), requires the President, from time to time, as appropriate, to embody in the HTS the substance of the provisions of that Act, of other acts affecting import treatment, and actions thereunder, including removal, modification, continuance, or imposition of any import restriction.

Now, Therefore, I, George Bush, President of the United States of America, acting under the authority vested in me by the Constitution and laws of the United States, including but not limited to section 604 of the 1974 Act, section 213 of CBERA, section 4 of the Israel Act, section 401 of the Association Act, sections 201 and 202 of the Implementation Act, and titles II and III of the 1990 Act, do proclaim that:

(1) In order to provide for an accelerated schedule of duty elimination for specific goods of Annex 401.2 to the United States-Canada Free-Trade Agreement and to modify the rules of origin, the tariff treatment provided for in the HTS for certain goods originating in the territory of Canada and general note 3 to the HTS are modified as provided in Annex I(a), (b), (c), (d), (e), and (f) to this proclamation.

(2) In order to modify certain rates of duty and to provide for staged reductions for specified goods originating in the territory of Canada to conform such duty rates to the schedule of duty reductions set forth in Annex 401.2 to the Agreement, the HTS is further modified as set forth in Annex I(g), (h), (i), and (j) to this proclamation.

(3) In order to make technical and conforming changes in various provisions of the HTS, and to implement the tariff treatment provided for in CBERA and the 1990 Act, including the tariff treatment of certain articles grown, produced, or manufactured in Puerto Rico, the HTS is modified as set forth in Annex II to this proclamation.

(4) In order to make conforming changes in the tariff treatment of products of the freely associated states following changes in section 503(b) of the 1974 Act and to clarify the tariff treatment of articles imported from the freely associated states, general note 3(c)(viii) to the HTS and chapter 16 of the HTS are modified as set forth in Annex III.

(5) In order to carry out the schedule of duty reductions for products of Israel, as provided in Annex I to the Israel FTA, HTS subheadings 9802.00.60 and 9802.00.80 are each modified by inserting in the Rates of Duty 1-Special subcolumn after the symbol ``CA'' in parentheses the symbol ``, IL''.

(6) In order to afford MFN tariff treatment to all goods the product of the Federal Republic of Germany, general note 3(b) to the HTS is modified by striking out ``German Democratic Republic''.

(7) Any provisions of previous proclamations and Executive orders inconsistent with the provisions of this proclamation are hereby superseded to the extent of such inconsistency.

(8) (a) The modifications made by paragraphs (1) and (2) of this proclamation shall be effective with respect to goods originating in the territory of Canada entered, or withdrawn from warehouse for consumption, on or after the dates set forth in Annex I to this proclamation.

(b) The modifications made by paragraph (3) of this proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after the dates set forth in Annex II to this proclamation.

(c) The modifications made by paragraph (4) of this proclamation shall be effective with respect

to products of the freely associated states entered, or withdrawn from warehouse for consumption, on or after the dates set forth in Annex III to this proclamation.

(d) The modifications made by paragraph (5) of this proclamation shall be effective with respect to products of Israel entered, or withdrawn from warehouse for consumption, on or after January 1, 1989.

(e) The modification made by paragraph (6) of this proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after October 3, 1990.

In Witness Whereof, I have hereunto set my hand this twenty-eighth day of September, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 5:04 p.m., September 30, 1991]

Note: The Office of the Press Secretary released this proclamation and accompanying annexes on September 30, and it was published in the Federal Register on October 2.

Remarks at the Daily Points of Light Celebration in Orlando, Florida

September 30, 1991

Thank you very much. And let me just start by saying a special word of thanks to Michael Eisner and Ron Allen for bringing all of these Points of Light together for this very special occasion. Ever since this concept got started, Michael Eisner has been in the forefront of it. You could tell from his remarks how strongly he feels, how compassionately he views the work of every single one of the Points of Light here today. And we all owe him a great vote of gratitude.

And may I also pay my respects and thanks to the board of directors of the Points of Light Foundation and all who are doing such a superb job on this work. And I'd single out our own White House chief of all the operations there, Gregg Petersmeyer.

I'm very pleased that Congressman McCollum is with us. And let me just thank Sandi Patti for once again doing the honors on this magnificent anthem of ours. I want to thank Lee Greenwood and all who are making this a spectacular event. And there's one more special person that I want to point out right now. Today, I'm naming our 575th Daily Point of Light. She's a great kid. She's only 12, but she gladly helps students with multiple disabilities at her school. She teaches them living skills and reads to them. And she's a friend. And I want her to come on up onstage now and take her place among all our Points of Light, from Houston, Texas, Julie Harms.

Everything here at Epcot reminds us of the vision of the man who conceived this amazing place as an exploration of community. Walt Disney once said, ``The greatest moments in life are not concerned with selfish achievements, but rather with the things we do for the people." And he was absolutely right. And that creed brings us together in this extraordinary place, sharing this extraordinary day. We celebrate the American spirit, the greatest natural resource of this, the greatest Nation in the entire world.

We celebrate it in front of this tableau of American heroes: our 575 Points of Light. We've honored them for showing ``the better angels of our nature," for volunteering to help others in their own communities. They sum up the genius of this great and generous land; ordinary people but doing extraordinary things.

Today, we celebrate a service that comes from the heart. The people here remind me of the story Martin Luther King shared the night before he died, of a visit that he'd made to the Holy Land. And there, he'd traveled the road of the Good Samaritan. And he saw the path of robbers and realized that the others didn't help the man in need because they were afraid. They asked themselves, ``If I stop to help this man, what will happen to me?" But King said the Good Samaritan asked, ``If I don't stop to help this man, what will happen to him?"

Each of these 575 Points of Light had to defeat fear, suspicions, and even just plain old complacency. They didn't say, ``This is why I can't help." They said, ``This is why I can, why I must." And they said, ``Maybe I don't have technical skills, but I'm a good listener. Maybe I don't have money, but I have time. Maybe I'm not physically fit, but I care. And maybe I never finished school, but I have life experience. I have something special to share."

Look behind me and out here, too, with other representatives. I think it's fitting to point out that Points of Light are one people or are they a group in a community. These 575 dedicated Americans show that Americans care about their Nation. They care about each other.

Look at these Points of Light for themselves. But also try to imagine something more. Imagine if all of them left their hometowns -- Mike Noyes of Maine, Mrs. Wurst's third-graders of Nebraska, Frank Lockyear from Oregon, all the others -- and moved to one community. What would happen? In a few weeks that place would be utterly transformed because everyone would explore their genius for helping others and enriching their own lives in the process. Ninety-one-year-old Julia Goldstein would go to an elementary school and tutor kids.

Richard McDonough would talk local hotels into giving rooms and training for the homeless. Reverend Eddie Edwards would get his neighbors to reclaim and refurbish crack houses. Dr. Floyd Seager would get his colleagues to give free medical services. Shadonica Cohnes would get other college students together; they'd be mentoring kids in housing developments. Imagine all 575 of these ideas, ideas that already are working somewhere, working to enrich one community.

A community like this, one in which a person, every group, every institution gave even a small part of their time in service to others would become a ``community of light."

Every town has this potential already. Look around your neighborhood at the rich and varied tapestry you find where you live. You know a Julia Goldstein, an elderly woman down the street who could help kids learn to read. Like Richard McDonough, every day you deal with people who could help the homeless. You attend places of worship where leaders like Reverend Edwards could unite neighborhoods to renovate housing. You are doctors and college students and mothers and retired people and kids who could become Point of Lights in your own town. And yours, too, can become a community of light.

We've gathered together all of these Points of Light to show that you don't have to give up your job or throw off your family responsibilities to help people. Often, little things that take little time can make a huge difference. Each community has people of good minds and good hearts, people who can truly make a difference.

We know that all the world's woes cannot be solved through voluntary service. Our society can't survive without an efficient, compassionate government that can preserve people's liberties, that can establish a rule of law vital for civilized life, and that can do its part to help those in need in

many, many ways. We also know the importance of a vibrant economy and the jobs and opportunities it creates.

But legislation and commerce alone cannot provide the soul that society needs. Real people also must be prepared to respond to real problems around them. And they must extend the hand of friendship to neighbors, offer their time and concern to those who have fallen upon bad times.

That's really what we mean when we talk about communities of light. We celebrate the potential for a nation whose goodness grows out of small acts of consequence made by many people.

George Washington's America had a common vision, one so inspiring that when Lafayette returned to France, he brought back with him American soil to be buried in. And we can recapture the feeling of purpose that gave birth to this Nation.

But first, we've got to cast off fear and laziness and engage in a little selfless work. We need to look at our toughest problems -- crimes, drugs, the breakdown of the family -- and realize that we can't ask government to do everything. And we can't wait for Washington to act every time a new problem arises on our own blocks. We must have the faith in ourselves to act. We must have the commitment of our ideals to act. And we must have the support of friends and neighbors to act.

When conflict raged in the Gulf earlier this year, we thought and felt and cared as one Nation. That sacrifice and common purpose showed us a glimpse into our better selves. Now, we must face the hard facts. Challenges confront us everywhere. So, we must embrace the thrilling opportunity to show what we're made of. The people gathered here prove that we possess the grit, the virtue, and the will to clean away many of the obstacles that stand between us and our ideal for a better America.

If, as President, I had the power to give just one thing to this country, it would be the return of an inner moral compass, nurtured by the family and valued by society. This compass would guide all people to value life, every life. It would show us that each life lost to despair devalues us all. It would remind us that caring and conscience make us human and make us free.

Long may our land be bright with caring's brilliant light, and with the glow of communities of light lit by our 250 million possible solutions. And may we be filled with the words St. Francis lived by nearly eight centuries ago, ``Where there is hatred, let me sow love. Where there is despair, hope. And where there is darkness, light."

Thank you all so very much for serving your Nation in this spectacular way. May God bless you, and may God bless the United States of America. Thank you all.

Note: The President spoke at 11 a.m. in the American Gardens Theater in the Epcot Center in Walt Disney World. In this public tribute, all 575 Daily Points of Light named by the President

during the last 2 years were honored as part of the 20th anniversary of Walt Disney World. In his remarks, the President referred to Michael Eisner, chairman of the board and chief executive officer of Walt Disney World Company; Ron Allen, chief executive officer of Delta Airlines; C. Gregg Petersmeyer, Assistant to the President and Director of the Office of National Service; Representative Bill McCollum; entertainers Sandi Patti and Lee Greenwood; and Points of Light Julie Harms, Mike Noyes, Dian Wurst, Frank Lockyear, Julia Goldstein, Richard McDonough, Eddie Edwards, Floyd Seager, and Shadonica Cohnes. A tape was not available for verification of the content of these remarks.

Remarks to a Press Forum at the Daily Points of Light Celebration in Orlando, Florida

September 30, 1991

Let me just quickly say that this has really been a remarkable day, certainly one of the most remarkable since I've been President, for me, anyway. I'm delighted to see everybody here, delighted to meet with these remarkable Points of Light and appreciate the interest that so many have shown in their work.

The Points of Light that you'll have an opportunity to question in a few minutes represent four different sectors in the society. Each has a unique and valuable role to play in solving our most serious problems.

I tried to say out there in the outdoor gathering that government has a keen and active role to play, but it cannot be done without the Points of Light concept because of their organizational skills and their businesses are especially well suited to mobilizing employees for effective community service. Moreover, whether it's a large corporation or a neighborhood retail store, businesses across America are finding very good ways to use their distinctive talents to solve social problems at the local level.

For young Americans, for the young ones over here, service can be a profound expression of their idealism that we so often associate with young people. The young Points of Light are going to have a lot to tell you, I'm sure, about how their generation is expressing its idealism through direct and consequential action. Senior citizens possess a wealth of experience and wisdom and energy which they never cease to want to contribute to their country.

And finally, because sports foster the values of teamwork, preparation, and discipline while offering clearly defined measures of success, athletes and athletic instructors who share their gifts also have a very special ability to lead others to a realization of their own self-worth.

So, what we're going to do here, I'll let you break into separate groups, then get on with the real purpose of this gathering: Hearing from these outstanding Points of Light about their work, about their role in this most important community service movement.

Again, I want to express my thanks to Mr. Eisner and all Disney for what I understand has been most hospitable attention to all of our people from all around this country. And I think that's very, very fine.

And though I have to go on to a lunch now, I might just say that inasmuch as I have not had a chance to comment since my speech on Friday about nuclear weapons, I just wanted to say I have

been very pleased with the reaction from all around the world. I was pleased with the Soviet reaction. I fully expect that they will cooperate fully, and I think it's a good thing for the young people around the world and in this country. And I would say that all the reaction from all different corners of the Earth has been positive so far.

The international reaction, I think, shows the world's thirst for peace. And what I propose will preserve our own leadership, our own strength, guarantee our own national security, but will significantly reduce nuclear weapons and, again, for the young people the fear of nuclear weapons. So, I'm very pleased with the response to all of that, and I would say to the Points of Light: I know as you wrestle with these problems and are right down at the neighborhood level trying to help people, I hope in some way this move now that I think will be worldwide to reduce these weapons will be stimulative and will offer a lot of hope to the young generations coming along.

Again, my thanks to all of you. It's a joy for Barbara and me to be with you, and good luck.

Note: The President spoke at 12:13 p.m. in Asbury Hall in the Epcot Center in Walt Disney World. Following the President's remarks, the Points of Light participants divided into four core groups: Business, Youth, Seniors, and Sports and Recreation, for specialized press forums addressing social problems in American communities. The President referred to Michael Eisner, chairman of the board and chief executive officer of Walt Disney World Company. A tape was not available for verification of the content of these remarks.

Remarks at a Luncheon for Participants in the Daily Points of Light Celebration in Orlando, Florida

September 30, 1991

The President. Thank you all very much. I will repeat: This has been one of the most remarkable days of my Presidency. I again want to express my appreciation to Michael Eisner, to all the people at Disney, to this outstanding board of directors that this foundation has. You saw them introduced earlier. And for these busy, successful people to be giving of themselves in this matter I think is an inspiration to all of us.

I want to thank Bill Frederick and Dick Nunis and others in this city who have committed themselves to making Orlando the first city of light, and I particularly admire the spirit in which this commitment has been made. All people -- businesses, groups and institutions in this city, as we've just heard, will be equal participants in this effort.

Orlando has stepped right into the forefront now of the Points of Light movement. And I am confident that the leaders in cities and towns across the United States will be able to learn from this, from your experience and from your inspiration. That there is such interest in this movement as a means of transforming communities is a tribute to the Daily Points of Light who are gathered here today, and you do make us believe that someday we'll see Communities of Light spread across the United States.

Now, my role is to introduce the next speaker. My notes say, ``A remarkable lady whose warmth and concern have made a difference in so many lives." I'm not objective. I'm not an objective judge on this one. A lot of you all are familiar with the work that she's done since we moved into the White House. But in a quiet way, long before this organization started, she has been a very special Point of Light for many, many years. And so it gives me great pleasure to introduce to all of you someone you know, Barbara Bush.

[At this point, Mrs. Bush addressed the Points of Light participants.]

Note: The President spoke at a luncheon at 12:50 p.m. in the Grand Harbor Ballroom in the Yacht and Beach Club Resort at Walt Disney World. In his remarks, he referred to Michael Eisner, chairman of the board and chief executive officer of Walt Disney World Company; Bill Frederick, mayor of Orlando; and Dick Nunis, president of Walt Disney World Company. Following the luncheon, the President departed for Miami.

Message to the Congress Reporting Budget Deferrals

September 30, 1991

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one deferral of budget authority for FY 1991, totaling $86,959,992, and seven deferrals of budget authority for FY 1992, totaling $1,817,019,817.

These deferrals affect International Security Assistance programs as well as programs of the Agency for International Development and the Departments of Agriculture, Defense, Health and Human Services, State, and Transportation. The details of these deferrals are contained in the attached report.

George Bush

The White House,

September 30, 1991.

Note: The attachment detailing the deferrals was published in the Federal Register on October 7.

Remarks at the Beacon Council Annual Meeting in Miami, Florida

September 30, 1991

Thank you for that welcome back. And I'm delighted to be here. And Jim Batten, thank you, sir. What is it about the water in Miami? I think about Alvah Chapman and all he did as a civic leader in addition to running Knight-Ridder. And now in that same marvelous, unselfish tradition, you have Jim Batten who introduced me here today, and I'm very grateful to him for that warm introduction. And I listened carefully to his counsel. And, yes, the Federal Government must help when you have active citizens like Miami, trying to take care of their own problems. We have a role. We understand it. And we want to be your partners in these efforts for economic development. So, thank you, sir, very, very much.

I want to thank John Anderson, the council president. I want to salute Burt Landy, the incoming chairman. And I would like to just say what a great job your outgoing chairman has done. [Laughter] I'm entitled to my opinion. Now, wait a minute here.

I'm also pleased that one of the representatives from here, Ileana Ros-Lehtinen, flew down with us. And your State insurance commissioner is with us today. And I hope I'm not neglecting others, but that is a marvelous turnout.

Jeb, I've got to hand it to you. You've been telling me Miami is friendly territory, and I'm beginning to see what you mean. Imagine winning a new major league baseball franchise and naming it for my Press Secretary. I hear Marlin, Fitzwater that is, is serious about these rumors that he'll get to throw out the first pitch. [Laughter] Marlin thinks I don't notice these things, but last time I gave a press conference he'd left his rosin bag there at the podium in the newsroom. [Laughter]

Commerce in Miami, it's always been an adventure. Dade County now numbers 2 million residents, but in an exciting sense it's still an outpost of opportunity. Your organization's symbol, the beacon on the old Cape Florida Lighthouse, reminds us that less than a century ago, south Florida was a frontier less developed and more forbidding than the Western deserts. And in the year 1900, Miami was a sultry settlement of fewer than 1,700 souls. And today, Miami serves as the gateway of the Americas, a powerful magnet for economic growth.

Here, you look beyond your borders, and beyond your time. And you take seriously your obligation to build a prosperous economy not just for today, but for the future.

For instance, you do care deeply about education, and your schools reflect that commitment. Educators across our country admire Dade County's international schools program. Graduates of

the program will meet all the requirements for university admission not only in the United States but also in participating foreign countries.

This sort of imagination, this commitment to quality lies at the heart of our administration's America 2000 strategy, to spark a veritable revolution in education. Miami can take pride that our Secretary of Education, Lamar Alexander, this month gave special recognition to the Dade County schools' innovations.

But you should not rest on today's laurels because you'll need to do even better in the future.

You know, we talk a lot at our students and about our students. Well, tomorrow I will be going into a junior high classroom to talk to and with our students about their role in this revolution.

All across the United States via CNN and PBS, other students in their own schools will be able to hear this message about the need for educational excellence. And we're determined to deepen the involvement of parents. We want to give parents the freedom to choose their children's schools, public, private, or parochial. We're challenging parents, students, businesses, and community leaders to help develop schools that simply break the mold. Because Dade County already is in the forefront, in the vanguard, I count on you to light the way, to show the whole Nation how we can reinvent American education.

You also build a better future with just plain common sense. You invite business, rather than shooing it away. Miami enjoys a large tax base with some of the lowest tax rates in the country. But one important tax remains not just for Miamians but for taxpayers all across the country. And I'm talking here about the Federal tax on capital gains. A capital gains tax cut will boost startup companies and other small businesses. And these are the primary sources of new jobs in our country.

And I may be talking to the choir here with some of the entrepreneurs in this crowd, but that's because I want you to sing a louder chorus. Some folks in Congress still haven't gotten the message. They don't understand that a capital gains tax cut is not a sop for the rich. It offers a helping hand to entrepreneurs and dreamers, people who aren't rich today but whose contributions could enrich our entire society tomorrow.

A capital gains tax cut also will help beleaguered industry, especially the real estate business. And a cut will produce an immediate increase in property values, which in turn can offer new hope for struggling financial institutions.

So, I hope you'll make the truth vivid to Congress. Talk about your own experiences and needs. Tell them to cut the capital gains taxes and give our people jobs. The two things are interlocked.

And we also must fight as a Nation to battle another tax, an invisible tax. And many in this room

have been in the forefront of this. I'm talking about crime. Crime exacts enormous costs. I think of the job that many of you did in battling the narcotics coming into this country, battling the crime related to all of that. I'm talking about crime. Crime exacts enormous costs in security systems, in business losses, in workers' morale, in pain, and in fear.

Our administration has proposed a comprehensive crime package that offers people hope, and it gives them a chance to reclaim their streets. The Senate has passed a bill that incorporates many of our suggestions. It's important that you urge the House to do the same thing. We must prevent the criminals from holding up our economy. And we need fewer stickups and more lockups, and this bill will help get the job done.

On a more positive note, Miami faces an exciting future in international banking and financial services. Among American cities, only New York conducts more foreign banking business. And with expected growth in foreign trade, the market for Miami-based financial services should grow ever more robust. And unfortunately, you must be dealing now, at the Federal level at least, with banking laws that lag way behind our times. Our administration wants to bring them up to date.

I worry about the economy. Jim Batten touched on it. These are tough times. But we can do something about it. We sent Congress a comprehensive package of banking reforms earlier this year. Our plan would protect depositors' hard-earned money, strengthen and modernize our banks and financial institutions, and make them more competitive in global markets.

So, this is no time for delay. And this is no time for anticompetitive measures. If we want strong banks and a strong economy, Congress must enact comprehensive banking reforms. And I might add, parenthetically, we also need a full and vigorous team on the Federal Reserve. This is a matter on which the United States Senate needs a loud wake-up call. Two of the seven seats on the Fed sit empty right now. And my nomination for the first vacancy, Larry Lindsey, won an overwhelming endorsement from the Senate Banking Committee, but one or two Senators have held up his nomination for months. And given the problems the country faces, the financial problems, that's just plain inexcusable.

And when the Senate confirms Larry Lindsey, we hope it will move quickly to confirm Susan Phillips, my choice for the other open seat. The Senate also needs to act on my renomination of Alan Greenspan as Chairman of the Federal Reserve Board. He's doing a good job. There's no controversy, but they ought to get on about the Nation's financial business, it seems to me.

The Fed faces a host of important decisions in monetary policy, in bank regulation, and international affairs. And it shouldn't have to address them with anything less than a full team, a team dedicated to ensuring price stability and fostering economic growth.

Our administration wants to take on issues that you care about. And here I've touched on just a few: the education, crime and economic growth, the capital gains tax, Fed and banking reform.

And I could talk, too, about energy or transportation or homeownership or tenant management in housing or in defense. But the point is, we need Congress' help if we want to move forward toward our goals. And looking out on the enormous collection of talent, of business talent, I can't resist asking you to volunteer in helping me persuade Congress to get moving, not tomorrow, not next year, not the next congressional session, but now.

And now I'd like to briefly look ahead. As we gather here, we can almost see a new age of liberty dawning around the globe. I can't think of a more exciting time in the history of our country to be President than right now. The changes around the world are amazing, and freedom and democracy is on the move, and I think peace has a much better chance than it's had in a long, long time.

Now, I spoke of that new age just this past Friday night in an address to the American people. And because of the dramatic changes that have swept our world, particularly in the Soviet Union, we are now able to take equally dramatic steps to make our world safer from the threat of nuclear weapons. I am very pleased with the positive worldwide response to our announcement, particularly from President Gorbachev.

I believe that this announcement the other day really does have the chance of removing fear from the minds and hearts of our young people in schools, not just in our country, but all around the world.

We are seeing that new age of democracy and freedom also dawn right here in our own hemisphere. With each passing day, we move closer to realizing the dream of free trade, from the Arctic Circle to the Strait of Magellan. Under President Carlos Salinas, this outstanding young President of Mexico, Mexico has enacted breathtaking economic reforms. And now, with the Fast Track procedures in place, we are negotiating with Mexico and Canada to create a North American free trade agreement that will create an open market of 360 million consumers, one that produces $6 trillion a year in economic output.

Our prospects south of Mexico look just as exciting. We have signed framework trade and investment agreements with 28 countries in this hemisphere. And I have asked Congress to act promptly on legislation for debt reduction and a multilateral investment fund for the hemisphere. These simple acts will let us put our Enterprise for the Americas Initiative into full effect and make Miami a key gateway to our Nation's economic future.

I might say, having challenged the Congress to take certain action on the domestic side, that we approach this Fast Track authority in a totally nonpartisan way. It wasn't Democrat; it wasn't Republican; it was just sound, good business that will help our neighbors and, in my view, will create job after job right here in the United States of America. It was government at its very best, and now we're working to hammer out an agreement that Congress can accept, a trade agreement with Mexico and Canada that Congress can enthusiastically endorse. And it shows that it can be

done when you reach out and work across the aisle Republican and Democrat and even Independent. So, that is what we've got to do, and I must say, I think this sets a good example. And I hope when we bring these things to fruition, Miami and south Florida will be the immediate beneficiaries of what I think is farsighted foreign policy.

But our hopes for the future involve more than just the promise of trade, important though that is. We also see a dramatic increase in individual freedom and empowerment throughout our region. Democratic elections, respect for human rights, economic liberty are fast becoming the rule, not the exception.

This phenomenon just begs for a catchy name. Here's one, ``La revolucion sin fronteras," the revolution without frontiers. Now some here will know that I stole the term. It comes from the bad old days of Sandinista rule in Nicaragua. When Marxists used this slogan, it signaled a threat to freedom and sovereignty of Nicaragua's neighbors. Threat to the sovereignty, threat to the freedom.

And how times have changed. Today, a real liberation movement sweeps the globe. And it threatens no one's peace or sovereignty, no one's right to worship, no one's freedom to buy and sell, or to imagine and create. It's the revolution of democracy. And it makes possible the equally startling revolution of ideas that gives rise to economic progress.

In closing, it's absolutely impossible to visit Miami these days without feeling that this revolution soon will sweep away our hemisphere's last dictator, Fidel Castro. Already, a savvy team of experts from the Greater Miami Chamber of Commerce has prepared a detailed report on the economic opportunities that will emerge along with freedom in Cuba. Trade and investment will offer new hope to the Cuban people who have suffered enough despotism and deprivation.

Remember how we used to dream about a free Cuba and a prosperous, free hemisphere? Well, it's no longer a fantasy. It's inevitable in my view. Soon our new world, our hemisphere of the Americas, will be a community where liberty, peace, and prosperity know no frontiers. And Miami will flourish, you can see it clearly, as its hub and as its beacon.

Some have suggested to me that now is the time, given the enormous changes in Eastern Europe, changes in the Soviet Union, the changes for democracy south of Mexico, that now is the time to alter our policy towards Cuba.

Let me tell you something, I'm not going to change it one single bit. The Cuban people are entitled to have this wave of democracy fulfill their dreams. And we want to be a part of that answer, a part of that new democracy in which many people in this room can have such an active role as we try to bring commerce and prosperity to people that have been deprived too long because they've been the victim of totalitarianism.

It's a great pleasure to be back here in Miami today. As I say, I think of the activity and the energy of Miami's civic business community. You're an example to the rest of the country. And I salute you, I'm grateful to you, and I might just say on a very personal basis, thanks for embracing my son, our daughter-in-law. We've got a granddaughter here, and these Bushes feel that they're an integral part of the love and honor that is Miami. Thank you all very, very much.

Note: The President spoke at 3:33 p.m. at the James L. Knight International Center. In his remarks, he referred to James Batten, chairman and chief executive officer of Knight-Ridder, Newspaper, Inc.; Alvah Chapman, director and chairman of the executive committee of Knight-Ridder; John Anderson, president of the Beacon Council; Burt Landy, chairman of the Beacon Council; John Ellis (Jeb) Bush, the President's son and former chairman of the Beacon Council; Representative Ileana Ros-Lehtinen; State insurance commissioner Tom Gallagher; Marlin Fitzwater, Press Secretary to the President; Secretary of Education Lamar Alexander; Larry Lindsey and Susan Phillips, Presidential nominees to the Federal Reserve Board; Alan Greenspan, Chairman of the Federal Reserve Board; President Mikhail Gorbachev of the Soviet Union; President Carlos Salinas de Gortari of Mexico; President Fidel Castro Ruz of Cuba; and the President's daughter-in-law Columba Garnica Bush and granddaughter Noelle. Following his remarks, the President departed for New Orleans.

Remarks at a Fundraising Dinner for Governor Buddy Roemer in New Orleans, Louisiana

September 30, 1991

Thank you all very, very much. Thank you, Buddy, and thank all of you. Thank you so very much for that warm welcome. I'm just delighted to be here. It was a wonderful introduction, recalling why the author Pearl Buck wrote, ``I fell in love with Louisiana generally and New Orleans in particular." Well, thinking back to the 1988 convention, this town reminds me of winning. And I have a feeling that, come October 19th, it's going to remind me of winning once again -- because we're going to reelect this State Governor.

I want to thank my friends, Jim Bob Moffett and Dave Treen, and everyone else that worked on this highly successful dinner. A quick ``hello" to two with whom I closely work and whom I respect enormously, Jim McCrery and Bob Livingston, Members of the United States Congress who are right here with us tonight.

And also, we ought to have a word in there for that marching band from St. Augustine. Just first class. First class. Thank you. And it was so great to taxi up in this magnificent new Air Force One and see a red carpet rolled out at the airport to greet me. Then, I found out it was for Jim Mora. [Laughter]

Actually, you're getting a preview of what a Republican administration can do for Louisiana. How 'bout those Saints, fastest start in history. [Applause]

But I am proud, very proud, indeed, to be here to show my support for my long-time friend, and I use that term advisedly, Buddy Roemer. We've done a lot of things together; fought a lot of battles on the athletic courts.

I think we've got a lot in common. We both can be a bit stubborn. We don't always get along with the legislature. [Laughter] We both like fishing. We both love Tabasco. And I want to see him reelected Governor of this State, and I'm sure he agrees with me that he wants to be reelected Governor of this State.

But look at the record, though, seriously. A man who values conviction above conscience, who puts the people before the politicians. He was elected in very tough times, if you just look back over your all's shoulders, to do some tough work. And now he deserves reelection, as Jim Bob said, to finish the job. He spoke for most Louisianians when he said, and here were his quotes: ``Change and progress do not come easily. There have been battles won and battles lost. But we will not go back. We will not turn back the clock. Our children's future can't endure it. Our conscience won't allow it." Those were his words.

Like Buddy Roemer, our administration has tried to pursue policies of conscience which do advance that future. First, as he did, let's now look abroad where, more than ever, America clearly remains the light of the world.

When a dictator crushed hopes for democracy in his homeland and endangered the Western Hemisphere, we helped the Panamanian people restore free elections and the rule of law. And when a brutal tyrant invaded and plundered Kuwait, we helped put together an international coalition that rolled back his aggression and liberated a land. And let me say this: The aggression against Kuwait did not stand, and any defiance of those United Nations resolutions now on the books and unfulfilled, any aggression against those, any defiance of those will not stand either. I'm just as determined to see that he does not succeed.

As communism crumbled, we extended a helping hand and made it clear that Americans will support those who promote democracy, free enterprise, and individual liberty.

And so ours is a changing world. And I might say, parenthetically, I can't think of a time in American history of more challenge or more excitement to be President of the United States. It is absolutely fantastic, the change that's going on around the world.

Just last month when a coup threatened the cause of democracy in the Soviet Union, we stood, all of us in this country, firmly on the side of freedom. And after the coup failed, both Boris Yeltsin and Mikhail Gorbachev called me to say how absolutely crucial it had been to have the support of the American people.

These Soviet leaders, as Lincoln said, had the courage ``to think anew." And because of that and because of our commitment -- America's commitment to values people respect around the globe -- as you saw Friday night, we are now able to take dramatic steps to reduce nuclear weapons and to build a freer and safer world. And I might add, the response to the proposals that I made Friday about nuclear arms reduction has been overwhelming, from countries all over the world: Not just over in Eastern Europe; not just the Soviet Union; all over the world, a freer and a safer world.

And at home, we seek nothing less. So, we have launched a domestic agenda, Buddy talked about some of it on education, to achieve growth and opportunity and progress. Let me just cite some accomplishments. We've got a long way to go, working with the Governors for some of these objectives.

The child care: Our administration pushed for and got legislation that has dramatically increased child care assistance to parents in this country, giving the parents a choice as to where they want their kids taken care of when they need child care.

And next, the clean air: We pushed for and got pioneering legislation to combat acid rain and toxic air pollutants.

Also, last year we pushed for and got the first landmark civil rights legislation for people with disabilities: the Americans With Disabilities Act.

These bills represent an administration which believes that government should serve the people, not the other way around. Buddy knows what I'm talking about. It's been said that Buddy doesn't just talk the talk; he walks the walk. And so does this administration. We are walking, I'd say running, with a flock of domestic initiatives. There's only one problem, and that is a Congress whose only agenda is to block our agenda. And we're getting a little tired of it, frankly.

Let's look first at crime and transportation. Our administration has unveiled a transportation bill to address local needs and a crime bill to take the criminals off the street, so that law-abiding Americans can take back the streets. Last March 6th, I said we could pass both bills in 100 days. It's 208 days later, and Congress still hasn't even acted on this legislation.

Let's take a look next at the environment. Here in Louisiana, Buddy Roemer has made your Department of Environmental Quality protect what Teddy Roosevelt called ``our cathedral of the outdoors." I challenge Congress to do the same by funding our America the Beautiful program to restore our wetlands.

Let's look at civil rights. Some in Congress want a bill that divides our people. I want one that brings us together. And I have just this kind of civil rights bill up there right now, and I'd like to see it passed. I don't like these allegations made that we're not interested in the rights of all Americans. We are, but I'm not going to sign a bad bill just to have satisfaction of some Democrats that are running the Congress.

Another initiative is our capital gains legislation to spur the economy. In Louisiana, some are saying, ``Laissez les bon temps rouler." [Laughter] Well, everybody knows first you've got to make a roux. [Laughter] Capital gains is a recipe for growth. It isn't a tax break for the rich. It's a jobs creation bill. And with this stagnant economy, heaven knows we need something to create jobs for the American people.

And finally, let me talk about how you can't have a developed economy without developed minds, what Buddy referred to as ``the second war." We've started a crusade for educational excellence that's taken hold in State after State. It is called, as he said, America 2000. And when he, when this Governor, saw that Louisiana wasn't passing the grade, he sent the State back to school. Today, you see signs of progress everywhere in this State, and you feel it. In Louisiana, the ACT scores of black students have increased dramatically. The CAT scores of all students have improved for 3 straight years. And your college-bound seniors have improved their SAT scores. The Roemer legacy: Smaller class sizes, more respect for the teachers that sacrifice for the lives of our kids, and achievement on the rise. And that is a good legacy for this State, and it's a good example for our entire country.

You know, a noted politician once said of Buddy Roemer, ``He's often wrong, but never in doubt." [Laughter] That's a real compliment coming from Tip O'Neill. [Laughter]

Two years and two days ago, I saw how Buddy can be self-confident and right -- sorry, Tip -- working with me and all of the Nation's Governors at the Charlottesville education summit.

Buddy also joined me last April at the White House when I announced America 2000, a national strategy to reach six education goals, from making every citizen literate to making our students first in math and science. There were 50 Governors. There was a handful of them out front creating, doing the imaginative thinking. And I can tell you without fear of contradiction, Governor Roemer of Louisiana was one of that handful that made this whole strategy possible.

And I agree with him that our future depends on raising education above previous plateaus of achievement. And that's why Buddy recently announced his intention to organize 2000 Louisiana communities statewide: his own crusade, your own crusade for excellence.

The Americans really in this field, I think, want radical reform. We're not talking anymore about patching it up. We're not taking about that. Spending on education went from something like $110 billion to $400 billion over the last 10 years. It isn't a question simply of spending money. The results went down, spending almost quadrupled.

What we need -- reforms like school choice to give the parents a chance to choose where they want those kids to go. And that choice alone will guarantee that the schools that are not chosen will improve themselves. It's worked in other cities. It's worked in States, and it can work right here under his leadership. Americans, the people, want radical reform with competition and accountability, and with those schools we'll work, and wasteful programs will waste away. And power will shift from the heavy hand of the State to the hands that run the home and raise the family.

Like America 2000, Louisiana 2000 will let citizens work together to help our education system work for us. I speak of government and communities, teachers and parents, businesses and volunteers, and yes, in this field Democrats and Republicans, and liberals and conservatives. It doesn't matter. It is too important to let party divide us and keep us from accomplishing our, achieving our goals. We're involved in a cause that is larger than ourselves. And I might say that if I ever get negligent and don't do my part, this lady sitting over here on my left, given her commitment to literacy, will see that I do my job. I'll guarantee you that. So there.

Education, the environment, a strong economy, and true civil rights: Buddy changed parties to crusade for these causes. And Churchill said, ``Some men change their principles for their party. Others change their party for their principles." Some would rather fight than switch. Some would rather switch than fight. Buddy decided to switch and fight. And tonight, I ask you and all the people across this State of Louisiana to fight for him, to keep him as Governor of this State.

So join us in a government of the extended hand, not the closed mind and the self-indulgent heart. Let's help Buddy Roemer steer Louisiana away from old-style gutter politics and toward the far limits of the horizon.

Thank you all for your support. Thank you for the warm welcome for Barbara and me, and may God bless you. And let's keep Buddy Roemer the great Governor of the State of Louisiana. Thank you very, very much.

Note: The President spoke at 7:27 p.m. in the Grand Ballroom of the Sheraton New Orleans Hotel. In his remarks, he referred to James R. Moffett, chairman of the Louisiana Council for Fiscal Reform; David Treen, former Governor of Louisiana; Congressmen Jim McCrery and Bob Livingston; Jim Mora, head coach of the New Orleans Saints football team; President Boris Yeltsin of the Republic of Russia; President Mikhail Gorbachev of the Soviet Union; and Thomas P. O'Neill, Jr., former Speaker of the House of Representatives. Following his remarks, the President returned to Washington. A tape was not available for verification of the content of these remarks.

Remarks Following Discussions With Amir Jabir al-Ahmad al-Jabir al-Sabah of Kuwait

October 1, 1991

The President. We've just had a very successful meeting with the Amir. And we stand together in our resolve that Iraq comply fully with all the United Nations Security Council resolutions so that it can never again pose a threat to Kuwait and all the nations of the region.

In particular, the Amir and I strongly condemn Iraq's refusal to free the many Kuwaitis that are still held in Iraq. And we call again for their immediate and unconditional release. And we reaffirm our view that United Nations sanctions must remain in place against Iraq until a new leadership emerges in Baghdad, a leadership willing to live in peace with its neighbors and its own people.

We also reviewed Kuwait's great progress in reconstruction, physical and political, since liberation 7 months ago. And considerably more than half of the oil fires are out, and oil exports have resumed, and schools have reopened. And I applaud all that has been accomplished. And I was heartened to hear that elections for restoring parliamentary government are on track for October next year. And I fully endorse Kuwait's endeavors to expand political participation, and look forward to watching this process develop in the freest possible atmosphere.

So, all in all it was a good visit with a country to whom we feel very close. And Your Royal Highness, welcome, sir.

The Amir. Mr. President, I was standing with you right here last year, and now I'm standing with you at the same place. But what a difference between the two occasions. When you, Mr. President, expressed the conscience of your people, you positively demonstrated the nobility of your roots and the sincerity of your commitment. When you expressed the conscience of mankind, it was a testimony of your outstanding leadership and your Nation's superiority.

Such is the behavior and ethics of nations that have deep-rooted and civilized principles. The people of the United States of America and their leadership have vividly epitomized their principles during the period of aggression on my country. In an ominous moment, evil inclinations erupted, stirred up by false ambition and brutish greed and profound envy. The free world responded by denouncing and rejecting this aggression.

Your reaction to the rapid rhythm of events was combined with the voice of reason, principles, and values, which you, Mr. President, were determined to promote and emphasize. And therefore, your speeches and statements were directed to all peoples, reviving the confidence in them that the world is truly directed to all people in a search for new destination where security prevails, the

weak safe, and humanity is primarily dedicated to the achievement of man's well-being.

The free world rallied around these values and diffused a fervent spirit to shield rights against violation, justice against grievance, and man against indignity. It was the greatest global demonstration in which honorable voices of the world's leaders were raised to defend rightness and human dignity.

The people of Kuwait will remain in debt to this noble human position and will always remember it with gratefulness and appreciation. Those who sacrificed their blessed lives and pure blood in the war to liberate Kuwait will remain models for heroism and for defending righteousness.

It pleases me on this occasion of our meeting to convey to you the feelings of the Kuwaiti people towards you and towards the people of the United States of America. It is the strong desire of the Kuwaitis to strengthen relations between our peoples and our two countries in such a manner so as to serve our mutual interests and achieve adherence to human values and benefit all mankind.

Finally, I wish to express to the American people, to your administration, and to you personally, Mr. President, the appreciation and gratitude of the people of Kuwait for the backing and the support you continue to extend to us.

Peace be upon all of you. Thank you.

Q. Mr. President, what have you learned from the U.N. inspectors about Iraq?

The President. Listen, I really have no time for questions. We have this education speech, and it's going live to many locations. So, I'll have to get back to you on that.

Q. What are you doing about the coup in Haiti, sir?

Note: The President spoke at 11:30 a.m. in the Rose Garden at the White House. A tape was not available for verification of the content of these remarks.

Proclamation 6344 -- White Cane Safety Day

October 1, 1991

By the President of the United States

of America

A Proclamation

Utilized by individuals who are blind to enhance their mobility and independence, the white cane is a widely recognized symbol of determination and achievement. By employing this simple device, thousands of Americans with visual impairments are able to navigate safely and freely through their environment, thereby leading fuller, more productive lives.

During our annual observance of White Cane Safety Day, we not only celebrate the accomplishments of those who use the white cane but also renew our commitment to removing the physical and attitudinal barriers that have, in the past, impeded the advancement of Americans with disabilities. This commitment underlies our efforts to implement the provisions of the Americans with Disabilities Act of 1990, which prohibits discrimination against persons with disabilities in many areas of daily life, including employment, public accommodations, telecommunications, and transportation.

Of course, one of the most important keys to opportunity in our society is a high-quality education. Accordingly, AMERICA 2000, our strategy for achieving our National Education Goals, is designed to ensure that every American has access to a world-class education.

For persons who are blind, equality in education begins before preschool and extends beyond the traditional classroom. That is, parents, teachers, public officials, and other concerned Americans must work together to promote school readiness for the blind, as well as access to on-the-job training and other educational opportunities.

On this occasion, as we reflect on the white cane and all that it symbolizes, let us reaffirm, once again, our determination to ensure equal opportunity for all Americans -- including persons who are visually impaired.

The Congress, by Joint Resolution approved October 6, 1964, authorized the President to designate October 15 of each year as ``White Cane Safety Day."

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 15, 1991, as White Cane Safety Day. I encourage all Americans to observe this day with appropriate programs and activities, in recognition of the achievements of those individuals who

use the white cane.

In Witness Whereof, I have hereunto set my hand this first day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 9:16 a.m., October 2, 1991]

Note: This proclamation was published in the Federal Register on October 3.

Statement on the Presidential Mission to the Soviet Union on Food and Agricultural Requirements

October 1, 1991

I am very pleased that Secretary of Agriculture Ed Madigan will depart this afternoon for Moscow as head of a Presidential Mission to assess the food situation in the Soviet Union. Secretary Madigan will lead a delegation of senior private sector officials and Government experts to Moscow, St. Petersburg, and Kiev over the next 9 days. I have just met with this distinguished group and have every confidence they will be a credit to the United States on this important mission. Their expertise in U.S. agriculture, the world's most productive and efficient, covers the spectrum from on-farm production to consumer retailing.

Their mandate is twofold. First, Secretary Madigan and his team will work intensively with Union and Republic leaders to develop ways by which the U.S. and its allies can help institute needed improvements in the country's systems of transportation, distribution, storage, and marketing of agricultural goods. This follows the excellent preparatory work done by Under Secretary Richard Crowder's expert mission last month. The ultimate answer, of course, is for the Union and Republics to effect a rapid transition to a free market economy. Second, they will work closely with Union and Republic leaders to identify likely food shortage areas in that vast country this winter and will discuss with them ways U.S. farmers can help reduce their needs.

In the meantime, I have decided to take another step to insure that the U.S. does everything possible to help with the food situation. The administration will therefore make available today $585 million in credit guarantees for private sales of U.S. agricultural commodities to the U.S.S.R. This makes immediately available all remaining credit guarantees originally scheduled to be offered through February 1992. This action will put more American grain and other food into the pipeline now so that it will arrive at its destination in time to be of assistance during the hard winter facing the Soviet people. So far this calendar year, U.S. agricultural export credit guarantees will total $2.5 billion for the Soviet Union. The millions of tons of grain and other agricultural products shipped under these credit guarantees have kept American farm exports moving while making possible badly needed food imports into the Soviet Union.

These are exciting days, and we are at an historic juncture in U.S.-Soviet relations. I am proud that America's agricultural abundance and expertise can play a crucial role in supporting the leaders, President Gorbachev, President Yeltsin, President Nazarbayev and Chairman Kravchuk, and others who are transforming their country and its relations with the rest of the world. We are with them, and working with them we strive to remake U.S.-Soviet relations for a brighter and more peaceful future.

Remarks to Students and Faculty at Alice Deal Junior High School

October 1, 1991

Thank you, Ms. Mostoller, and thanks for allowing me to visit your classroom to talk to you and all these students, and millions more in classrooms all across the country.

You know, long before I became President I was a parent. I remember the times that my kids came up with a really tough question or a difficult decision. I tried my best never to shut them down with a quick ``no." I would simply say those three magic words that made that problem disappear: ``Ask your Mother." [Laughter]

Let me tell you why I've made the trip up from the White House to Alice Deal Junior High. I'm not here to teach a lesson. You already have a very good teacher. I'm not here to tell you what to do or what to think. Maybe you're accustomed to adults talking about you and at you; well, today, I'm here to talk to you and challenge you. Education matters, and what you do today, and what you don't do can change your future.

Every day, we hear more bad news about our schools. Maybe you saw today's headline, I don't know if you had a chance to look at it, about the release of the new National Goals Report. Get the camera to come in and take a look at this for a moment. In math, for instance, this national report card shows that, nationwide, five of six eighth graders don't know the math they need to move up to the ninth grade.

In spite of troubling statistics like this one, I don't see this report, however, as just bad news, and I'll tell you why. This report tells us a lot about what you know and what you don't know. It gives us something to build on. It shows us our strengths and the weaknesses that we've go to correct. It sets forth a challenge to all of us: Work harder, learn more, revolutionize American education.

I know you've heard about stanines and percentiles, surveys and statistics, but here's what all that fancy talk really means: Education means the difference between a good future and a lousy one. Reports don't give us the right to make excuses. Our scores will tell us where we are and where we need to go.

I mentioned earlier the bad news we hear about schools today. But what we don't hear enough about are the success stories. You know, all over America, thousands of schools do succeed, even against tough odds, even against all odds. Kids from all over the District of Columbia petition to get into Alice Deal School here because parents know this school works. It works because of teachers like the one standing over here, Ms. Mostoller, who decided at the age of 25 -- maybe you all know this, but a lot of people around the country don't -- she decided at the age of 25 that

she wanted to teach. She was standing in a supermarket checkout line when she saw a magazine ad about college. She went back to school, worked her way through in 7 years, waiting tables to pay tuition. She made it, and so can you.

This school here works because of students like the ones with me today, students like Rachel Rusch -- where's Rachel? Right there, okay -- a member of Alice Deal's award-winning ``Math Counts'' team. Rachel, you tell me if I'm wrong, but you and six other students in this class alone have taken part in the Johns Hopkins Talent Search. They took the college entrance exams on an experimental basis last year as seventh graders. Even in junior high, some of them scored well enough to get into college right now. So, let's just put it on the line. You've got the brains. Now, put them to work -- certainly, not for me, but for you.

Progress starts when we ask more of ourselves, our schools and, yes, you, our students. We made a start nationally now by setting six National Education Goals to meet the challenges of the 21st century. By the year 2000, at least 9 in every 10 students should graduate from high school. We should be first in the world in math and science. We need to regularly test student's abilities. Every American child should start school ready to learn; every American adult should be literate; and every American school should be safe and drug-free. Reaching those goals is the aim of a strategy that we call America 2000, a crusade for excellence in American education, school by school, community by community.

But what does all this mean, you might say, what is he doing, what does this all mean for the students right here in this room? Fast-forward -- 5 years from now. Unless things change, between now and 1996 as many as one in four of today's eighth graders will not graduate with their class. In some cities, the dropout rate is twice that high or higher. Imagine: Out of a total of nearly 3 million of your fellow classmates nationwide, an army of more than half a million dropouts.

I ask every student watching today: Look around you. Count four students. Start with yourself. No one dreams of becoming a dropout, but far too many do. Which one of you won't make it through school?

The fact is, every one of you can. Let's make a pact then right here. Let's work to see that 5 years from now, you and your friends will be more than sad statistics. Give yourself a decent shot at your dreams. Stay in school. Get that diploma.

Let's go back to the future. In the fall of 1996, 5 years from now, nearly half of today's eighth graders who get their diplomas will enter the working world. More than half the graduates will stay in school and become the college class of the year 2000.

The question each student watching today should ask is: Where will I be, where will I be 5 years from now? Will I be holding down a good job and maybe working toward a better one, or will I

be out of school and out of work? Will I be on a college campus, or out running the streets?

Think about that tonight when you're at a kitchen table doing some homework; while your parents are meeting your teachers like so many millions do this year at back-to-school nights all across our great country.

I'm asking you to put two and two together: Make the connection between the homework you do tonight, the test you take tomorrow, and where you'll be 5, 15, even 50 years from now. You see, the real world doesn't begin somewhere else, some time way down there in the distant future. The real world starts right here. What you do here will have consequences for your whole lives.

Let me tell you something, many of you may find very hard to believe this. You're in control. You're thinking: How can the President say that about kids like us when we don't even have our driver's license? But think about it, and you'll see what I mean.

Think about drugs. You see films. You hear police experts and tough speakers from the outside. You get stern lectures from everyone: movie stars, athletes, teachers, parents, friends. But you know and I know that all the drug prevention programs, all the pledges, all the preaching in the world won't pull you through that critical moment when someone offers drugs. At that moment, everything comes down to you. Yes or no, you've got to choose, and the answer will change your life. Your parents won't make the decision. Your teachers won't make the decision. Your friends won't make the decision. It's up to you. It takes guts to take control.

A sound body and a sound mind, they go together, as my friend, and he is a friend, Arnold Schwarzenegger says. He's crossing the Nation talking with students about the importance of fitness. And real fitness means no drugs.

Studies show a decline in drug use, and that's good, that's encouraging, I think. And every student who draws the line against drugs really deserves credit for that. But drugs and violence continue to threaten every school, every small town and suburb in America. And as students, you have a right to be physically safe at school. You should never have to worry that a quarrel in the hallway will lead to gunfire in the playground. Fear should never follow you into the classroom.

If you have to take the long way home after school so you don't cross paths with the gang hanging on the corner, if outsiders roam the halls of your school hassling kids, hassling students, you must take control. Go to your teacher, or go to your principal, or go to your parents, as difficult as it may be, go to the school board if you have to. Demand discipline. If good people chicken out, bad people take control. Together, we can -- I really believe this -- we can drive the drugs and guns and senseless violence out of our schools.

When it comes to your own education, what I'm saying is take control. Don't say school is boring and blame it on your teachers. Make your teachers work hard. Tell them you want a first-class

education. Tell them that you're here to learn.

Block out the kids who think it's not cool to be smart. I can't understand for the life of me what's so great about being stupid. If someone goofs off today, are they cool? Are they still cool years from now when they're stuck in a dead-end job? Don't let peer pressure stand between you and your dreams.

Take control -- challenge yourself. Only you know how hard you work. Maybe you can fake, maybe, just maybe you can fake your way into a job, but you won't keep it for long if you don't have the know-how to get the job done. Maybe you can cram the week before that marking period ends, and turn that C into a B. But you can't con your way past the SAT and into college. If you don't work hard, who gets hurt? If you cheat, who pays the price? If you cut corners, if you hunt for the easy A, who comes up short? Easy answer to that one: You do.

You're in control, but you are not alone. People want you to succeed. They want to help you succeed. Here at Deal, teachers like your outstanding teacher standing here with us today, Ms. Mostoller, from your principal, Mr. Moss, to your custodian, Mr. Francis. Right now in classrooms across this country, in the communities you call home, when things get tough, when answers are hard to come by, there's a teacher, a parent, a friend or family member ready to help you. They want to see you make it.

If you take school seriously, you won't have to settle for a job, just any job. You'll have a career. If you make it your business to learn, one day you'll be a better parent. You may not think about it now, but one day your children will want to look up at you and say, ``I've got the smartest Mom and Dad in the world." Don't disappoint them.

Let me leave you with a simple message: Every time you walk through that classroom door, make it your mission to get a good education. Don't do it just because your parents, or even the President, tells you. Do it for yourselves. Do it for your future. And while you're at it, help a little brother or sister to learn, or maybe even Mom or Dad. Let me know how you're doing. Write me a letter -- and I'm serious about this one -- write me a letter about ways you can help us achieve our goals. I think you know the address.

Now we're going to walk over to the school auditorium to say hello to the rest of the student body. To all the students across the country who watched us here in this great classroom today, may I simply say thank you and good luck to you this school year.

And now, Ms. Mostoller, if you'll kindly lead the way. Thank you all very much. Nice to be with you.

Note: The President spoke at 12:15 p.m. in a classroom at the school. His remarks were broadcast live by the Cable News Network, the Public Broadcasting System, the Mutual Broadcasting

System, and the NBC radio network. In his remarks, he referred to Cynthia Mostoller, an eighth grade humanities teacher; Rachel Rusch, a student; Arnold Schwarzenegger, Chairman of the President's Council on Physical Fitness; principal Reginald R. Moss; and custodian George Francis. A tape was not available for verification of the content of these remarks.

Remarks on Greeting the 1991 National Basketball Association Champion Chicago Bulls

October 1, 1991

Thank you all for coming. I would like to welcome all of you. Sam Skinner, our Secretary of Transportation, came here to gloat. He bored us all to death about these guys for -- ever since last winter. And it's nice to see him here. Ed Derwinski, our Secretary of Veterans Affairs, come to cheer his home team.

I'd also like to express my condolences here today to Jim Edgar, the Governor of the State, whose mother died last week. Our thoughts go out to him. I know he'd be here if it weren't for that.

I also want to welcome so many Members of the Illinois Congressional delegation. Commissioner Stern is with us; Bulls, owner, and old friend of mine, Jerry Reinsdorf, it's great to have them all here.

We were out now just watching some awesome shooting on our basketball court down here that I wish we could have shared with everybody. But it was spectacular; really good.

We're also pleased to have with us -- and I want to get them to stand up, if we can -- representatives of the Anacostia Youth Basketball League, and then 24 players from a dozen Washington, DC high school teams with us. Will you guys all stand up so we can at least see where you are? Welcome.

Finally, we're delighted to have with us David Mercer, the national executive director of the YMCA; Barbara Roper, the chairperson of the YMCA national board. In the 100th anniversary of basketball, I think we all do owe a special vote of thanks to the Y and what they've meant to so many kids around this country.

I know I'm no Ray Clay, but I'll try to give the Bulls a hearty welcome as well. We're here because the Chicago Bulls answered all their critics last year, compiling the best regular-season record in their history and then crushing all the opposition on the way to their first-ever National Basketball Association Championship.

If some Hollywood scriptwriter had come up with a plan, tried to submit a script on this last year, movie producers would have tossed it away -- too improbable, too many pieces of history and fortune. Last year the franchise celebrated its 25th anniversary. The Bulls sold out every home game and ran their streak of sellouts at the stadium to 190 games.

Now we have our first Rose Garden sellout. [Laughter] Suddenly, everyone in the entire

administration claims to have come from Chicago. [Laughter]

The team won its 1,000th game last season, played its 1,000th home game and welcomed its 10 millionth fam. The team enjoyed its first 60-plus win season, ran off the longest home winning streak in its history; set records for the best defensive quarter ever and the best offensive quarter. And on June 12th -- my birthday, I might add -- the Bulls won the world championship. Not bad for a team that the experts said would lose to the Pistons and then to the Lakers. Not bad at all.

Former Soviet Olympic coach Alexander Gomelsky, he once said, ``It's an axiom that good players without a good coach make a mediocre team." Well, no one who has seen Phil Jackson prowl the sidelines, who has seen that going on, nobody can argue against his skills as a coach. And what's even more amazing is the fact that sports-writers actually call him a nice guy. I didn't think they liked anybody, at least before they retired. But that's the way it is.

At any rate, Phil, who, I must mention, as New York Knick once roomed wioth Bill Bradley, Senator Bill Bradley. I want to congratulate him, his excellent staff, and everybody connected with his winning ball club.

One key: You made great use of the Bulls' talent. Just look down the roster, and everyone contributed to the success of the team. Let me just click them off: B.J. Armstrong, Bill Cartwright, Horace Grant, Craig Hodges, Dennis Hopson, Michael Jordan, Stacey King, Cliff Levingston, John Paxson, Will Perdue, Scottie Pippen and Scott Williams. And you'll find each name in the box scores and we'll see a lot of them in the Hall of Fame

Now, everyone here certainly, and many around the country, know exactly what you all did on the court last year. But I want to just say that the Bulls also perform spectacular feats after the 24-second clock has expired and the crew has turned off the lights at the stadium.

John Paxson, whose long-range bombs destroyed the Lakers during the playoffs, couldn't be here today because he's committed himself to hosting a drug-free assembly as part of Hugs Not Drugs program that he's so interested in.

Horace Grant works with Youth for Christ, stressing the importance of positive lifestyle, as well as getting good position on the offensive boards.

And Cliff Levingston hosts an annual Charity Basketball Classic for Multiple Sclerosis.

Bill Cartwright did that great ad for the National Committee for the Prevention of Child Abuse and helps out the Little City Foundation, a home for the retarded.

And B.J. Armstrong stresses recycling, not littering. And, of course, he likes to pick up stray basketballs, usually from Isiah Thomas and Magic. [Laughter]

Michael Jordan performs a host of good works, with a series of charities and through his foundation.

The CharitaBulls also do a great job of serving youth in Chicago's embattled neighborhoods. And in sum, the people on this team serve their communities.

And I spoke to students across the Nation today from an 8th-grade class out here. And it's worth pointing out that the Bulls also contribute to this Nation's educational efforts. Everyone on the team participates in Stay-In-School assemblies. And you stress the importance of getting an education. And you also illustrate the joys of physical fitness, something that this Administration has encouraged under the kinder, gentler leadership of Arnold Schwarzenegger -- [laughter] -- who, incidentally, is doing a good job as head of our Fitness Council -- been to 27 States now, I think, and going to all of them.

You guys thought I'd talk just about basketball, but it is tough to limit yourself to sports when an entire team sets this kind of selfless example for the rest of our society.

I'm pleased to have you all here. We've waited months for this event, and I can tell you, as far as I'm concerned, all of you were worth the wait.

So, David Stern and Jerry Reinsdorf, and players and officials for the Bulls, thank you all for joining us. Thank all of you. And may I encourage every one of the kids from Anacostia and elsewhere with us out in this audience to get going in that school, do your best. And some day I expect, confidently, many of you will be standing right here.

Thanks for joining us and thanks to making fans out of the White House staff, who is always looking for a good excuse to get out of work -- [laughter] -- but nevertheless this one is one in which I'm very happy and proud to join them. And thanks for what you've done to stimulate the best in sports in the United States of America. God bless you all. Thank you.

Note: The President spoke at 2:33 p.m. in the Rose Garden at the White House. In his remarks, he referred to Secretary of Transportation Samuel Skinner; Secretary of Veterans Affairs Edward Derwinski; Governor Jim Edgar of Illinois; David Stern, commissioner of the National Basketball Association; Jerry Reinsdorf, owner of the Chicago Bulls; David Mercer, national executive director of the YMCA; Barbara Roper, chairperson of the YMCA national board; Ray Clay, game announcer for the Chicago Bulls; Alexander Gomelsky, former coach of the Soviet Olympic basketball team; Phil Jackson, coach of the Chicago Bulls; Senator Bill Bradley of New Jersey; members of the Chicago Bulls; and Arnold Schwarzenegger, Chairman of the President's Council on Physical Fitness. A tape was not available for verification of the content of these remarks.

Appointment of John F. Herrick, Jr., as Special Assistant to the President for Advance

October 1, 1991

The President today appointed John F. Herrick, Jr., of Ohio, as Special Assistant to the President for Advance. Mr. Herrick would succeed Spencer E. Geissinger.

Since 1989 Mr. Herrick has served as Assistant Press Secretary at the White House in Washington, DC. Prior to this, he served as Press Advance Representative at the White House from January 1989 to October 1989; press advance representative for the Bush/Quayle campaign from 1987 to 1988; and intern with the Office of the Vice President in 1986.

Mr. Herrick graduated from Dartmouth College with a B.A. in 1988. Mr. Herrick was born November 2, 1965, in Cleveland, OH. He resides in Arlington, VA.

Note: This appointment was not received in time for publication in the appropriate issue.

Statement by Press Secretary Fitzwater on the President's Signing of a Bill Making Continuing Appropriations for Fiscal Year 1991

October 2, 1991

President Bush last night signed the Continuing Resolution H.J. Res. 332, which provides for continuing normal Government operations from October 1 to October 29. We are glad that Congress passed this resolution without extraneous amendments, but we urge action on all of the Government's appropriation bills.

Providing for the normal operation of the Government through continuing resolutions is an undesirable practice. However, a continuing resolution is necessary at this time in order to keep the Government functioning while the Congress completes the appropriations process.

Statement by Press Secretary Fitzwater on the President's Meeting With President Jorge Serrano of Guatemala

October 2, 1991

The President met today with President Jorge Serrano of Guatemala to discuss regional and bilateral issues of mutual interest. The President praised the courageous leadership of President Serrano in establishing diplomatic relations with Belize and in working actively for a solution to the protracted conflict in Guatemala. The President noted that these steps will benefit not only Guatemala but the peace and stability of all of Central America.

The two Presidents discussed mutual efforts to support democracy throughout the hemisphere and focused on the need to restore the democratically-elected government of President Aristide of Haiti. The President was encouraged by President Serrano's commitment to improve the human rights situation in Guatemala, and he underscored that continued progress in this area is of central importance to the United States. The two leaders also discussed U.S. assistance to Guatemala and narcotics cooperation.

Note: The statement referred to President Jean-Bertrand Aristide of Haiti who was overthrown by a military coup on September 30.

Nomination of Michael G. Kozak To Be United States Ambassador to the Republic of El Salvador

October 2, 1991

The President today announced his intention to nominate Michael G. Kozak, of Virginia, a career member of the Senior Executive Service, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of El Salvador. He would succeed William Graham Walker.

Currently Mr. Kozak serves as Principal Deputy Assistant Secretary of State for Inter-American Affairs in Washington, DC. Prior to this, he served at the U.S. Department of State in several capacities including: Principal Deputy Legal Advisor, 1985 - 1988; Deputy Legal Advisor, 1982 - 1985; Assistant Legal Advisor for Near East and South Asian Affairs, 1981 - 1982; Assistant Legal Advisor for Inter-American Affairs, 1978 - 1981; and Attorney Advisor in the Office of the Legal Advisor, 1972 - 1978.

Mr. Kozak graduated from the University of California at Berkeley (A.B., 1968) and the University of California School of Law at Berkeley (J.D., 1971). He was born September 18, 1946, in Pasadena, CA. Mr. Kozak is married, has two children, and resides in Arlington, VA.

Nomination of Victor H. Reis To Be Director of Defense Research and Engineering at the Department of Defense

October 2, 1991

The President today announced his intention to nominate Victor H. Reis, of the District of Columbia, to be Director of Defense Research and Engineering at the U.S. Department of Defense. He would succeed Charles M. Herzfeld.

Since 1990 Dr. Reis has served as Director of the Defense Advanced Research Projects Agency at the U.S. Department of Defense. Prior to this, he served as Deputy Director of the Defense Advanced Research Projects Agency, 1989 - 1990; special assistant to the director in the Lincoln Laboratory at the Massachusetts Institute of Technology, 1989; senior vice president for strategic planning at the Science Applications International Corp., 1983 - 1989; and Assistant Director for National Security and Space in the Office of Science and Technology Policy in the Executive Office of the President, 1981 - 1983. From 1973 to 1981, Dr. Reis served on the senior staff at the Lincoln Laboratory at the Massachusetts Institute of Technology.

Dr. Reis graduated from Rensselaer Polytechnic Institute (B.S., 1957); Yale University (M.S., 1958); and Princeton University (M.S. and Ph.D., 1962). He is married, has four children, and resides in Washington, DC.

Nomination of Donald C. Fraser To Be Deputy Under Secretary of Defense for Acquisition

October 2, 1991

The President today announced his intention to nominate Donald C. Fraser, of Massachusetts, to be Deputy Under Secretary of Defense for Acquisition. He would succeed Donald J. Yockey.

Since 1990 Dr. Fraser has served as Deputy Director of Operational Testing and Evaluation for Command, Control, Communications and Intelligence at the U.S. Department of Defense in Washington, DC. Prior to this, he served as executive vice president for the Charles Stark Draper Laboratory, 1988 - 1990; vice president for technical operations at the Charles Stark Draper Laboratory, 1981 - 1988; and as director of the control and flight division at the Massachusetts Institute of Technology Instrumentation Laboratory, 1969 - 1981.

Dr. Fraser graduated from Massachusetts Institute of Technology (B.S., 1962; M.S., 1963; and Ph.D., 1967). He was born April 20, 1941, in New York, NY. Dr. Fraser has two children and resides in Arlington, VA.

Exchange With Reporters

October 2, 1991

Unemployment

Q. Are you going to control the jobless?

The President. Yes. What I want is a bill that doesn't bust this budget; I've made that very clear from day one. We're prepared to extend unemployment benefits. In fact, I'd like to see it done, but I'm not going to go and put the burden on all the rest of the people in this country. So, we've got a good package and, once again, the Senate is testing us in this administration, and I'm trying to protect the taxpayers as well as those who are unemployed.

And that's our position, and I'll send it back, and I hope that they'll then send us a bill that we can sign. And we've got one before the Congress right now, but you just cannot -- we're getting some partisan politics here, and I am determined to stand for principle. And that's what I'm doing.

Q. Mr. President, what are you doing with that $10 billion that belongs to these unemployed people? What are you doing with it? Are you using it to run the Government?

The President. What are you talking about?

Q. That $10 billion that's there for these unemployed people, the trust fund.

Q. The trust fund. The trust fund for unemployment.

Q. What are you doing with it?

The President. The whole budget explains that. The debate explained it. It's just too complicated to go into.

Q. Well, why don't you use it for these poor people who are hungry?

The President. Because we are using tons of money for -- to pay unemployment benefits.

Q. It'll run out.

The President. And what I want to do is to see one that does not break the budget and further burden a burdened economy. And we're very clear on it, and I'm just a little annoyed at the constant political pressure. They know very well I can't sign it, and if they want to help the

unemployed and those who have no benefits, they ought to work cooperatively with this administration.

I was elected to try to protect the taxpayer as well as those who are unemployed, and that's exactly what I'm doing.

Q. But don't you think the unemployed -- --

Haiti

Q. How about the coup in Haiti, Mr. President? What can you do about Haiti?

The President. I'm worried about Haiti. I'm very worried about it. Here's a whole hemisphere that's moving in a democratic way, and comes along Haiti now, overthrowing an elected government. We care very much about it.

I was just talking to the Secretary of State, who will be representing the United States at the OAS meeting. This is one where the OAS, a newly revitalized OAS with Canada now as a member, has a special role, and we will be supportive of OAS action to try to reverse this coup out. But it is very difficult.

Q. [Inaudible]

The President. Well, we'll see what happens over there. But that would be my inclination -- --

Q. Troops, or -- --

The President. -- -- that the problem with that one is, you start hurting the Haiti people. No, I am disinclined to use American force. We've got a big history of American force in this hemisphere, and so we've got to be very careful about that. But we'll see how others feel at the OAS. There's some talk over there now abut a multinational force, so we'll have to wait and see.

Robert Gates

Q. Are you worried about Gates, Mr. President, after yesterday -- --

The President. No, I'm not worried about him. I'm strongly for him and -- --

Q. Are you and Mr. Sununu going to permit offshore oil drilling in Vietnam?

Q. How do you feel about what was said about him here yesterday, that he's cooked intelligence

to meet policy -- --

The President. Well, I think he'll have his chance to clear the record up. And, frankly, I don't know where these people have been all these years with all their anxiety they've felt about these estimates. It seems funny that all surfaces right now. But I know Bob Gates, and I know he wouldn't slant an estimate for some political purpose. And I also know, having been out there, that you have a wide array of views amongst analysts, and somebody has to be responsible for the final product.

I was at the agency. I know how it works. And my confidence in Bob Gates has not been diminished one single bit. He's a good man. He deserves confirmation, and I'm confident that he will be confirmed, just as I'm confident that Clarence Thomas will be. Now the Senate will vote affirmatively on that one.

So, I see no reason to waver on any of this, and I simply am not going to do that.

Thank you. I had better get going to Pennsylvania. Thanks.

I don't know anything about offshore drilling in Venice. Where was it?

Q. Vietnam. Offshore drilling on Vietnam. Are you going to arrange to let that start? Mr. Sununu, I think, has been working on it.

The President. Offshore drilling --

Q. Offshore drilling off Vietnam.

Q. With Elvis. [Laughter]

Q. Will you look into it, and let me have an answer later?

The President. If Sununu knows the answer, ask him. He's standing right there.

Are you for it, or against it? I want to be with the people on this one.

Q. Sir, I'm no expert on it either way, but -- [Laughter]

Presidential Campaign

Q. Are you campaigning for reelection?

The President. No. You'll know it when I start doing that. But I'm going to be up there working for Dick Thornburgh today.

Q. When are you going to announce?

The President. And for Larry Hopkins in Kentucky.

Q. When are you going to fill Thornburgh's job?

Q. November or January?

The President. Good question. It's moving. It's moving a little bit there.

Q. Are you going to have Thornburgh explain the Inslaw case, Mr. President? The Inslaw case, are you going to have Thornburgh explain that?

The President. I know his views on that. He doesn't have to explain it.

What was the last -- this is the last question, Helen [Helen Thomas, United Press International].

Q. When are you going to announce for reelection, which is very obvious?

The President. Well, what's obvious?

Q. That you're running.

The President. That the date has approached? Listen, you try to go out and express yourself on the need for good education in this country and put forward a sound program. I put forward a sound program on unemployment benefits. We want to help the unemployed, put forward a sound crime package, and all of a sudden, everybody says it's purely political.

Now, I assume that's just because we're getting close to 1992. But I'm going to continue to put forward what I think are the domestic priorities for this country and work to see them fulfilled. I realize that it's that time of year. And as each Democrat gets out there and starts announcing, why, it's going to increase the propensity for people in the media to say, hey, everything I do is political. But I remember a little -- it's better. Things are better now because I remember when they said I wasn't doing anything domestically, which happened to be untrue, also.

But things are moving in the right direction, and I think people understand we've got a very sound education program, and I'm going to continue to pursue it. And, yes, I expect people to say it's political, but that's just the time of year. That's just the season. So, I'm not going to worry about it,

nor am I going to be deterred by that, nor am I going to let a handful of Democratic candidates announce -- and I'm not announced -- set the agenda for this country. They weren't elected to do something, I was, and I'm going to keep on trying to do it.

Q. Who do you want to run against?

The President. No more questions of any kind. [Laughter]

Note: The exchange began at 10:38 a.m. on the South Lawn of the White House prior to the President's departure for Pittsburgh, Pennsylvania. During the exchange the following persons were referred to: Secretary of State James A. Baker III; Robert M. Gates, nominee for Central Intelligence Agency Director and former Deputy Director of the CIA; John H. Sununu, Chief of Staff to the President; Clarence Thomas, nominee for Supreme Court Associate Justice; Attorney General Richard L. Thornburgh; and Representative Larry J. Hopkins of Kentucky. A tape was not available for verification of the content of these remarks.

Remarks at the Twelfth Annual Crime Stoppers International Conference in Louisville, Kentucky

October 2, 1991

Thank you, George Underhill, for that very kind introduction, and all of you for that warm welcome to Louisville, and to this marvelous conference of Crime Stoppers. I'm very pleased, sitting over my shoulder here is the Attorney General, the Acting Attorney General of the United States, Bill Barr. Let me tell you something, Dick Thornburgh left a little while ago, resigned for purposes that certainly I understand, but Bill Barr here is doing an outstanding job for law enforcement and for the Department of Justice as our Acting Attorney General, and I'm just delighted he's here with me.

Let me congratulate Reginald Whynott for a job well done and his newly-elected successor, Sid Newman. And I'm delighted to join this 12th annual conference of Crime Stoppers International. I note that the day after tomorrow is the 60th birthday of this Nation's preeminent Crime Stopper, is it true that you've gathered here to throw a birthday party for Dick Tracy? [Laughter] I hope that Sid Newman will have, in the future, as much success as his predecessor had, because I've just had a grassroots briefing over at the police department on one unit of Crime Stoppers, and I'm told that the whole movement is growing by leaps and bounds. Not only is it growing nationally and internationally, but the volume of people using this service and working with law enforcement in this service is increasing exponentially. So, it's a wonderful thing.

You know, in school we learn the ``three Rs''. And from now on we'll also have to learn the Crime Stoppers' lesson, the ``three Ps''. To stop crime, we need people to help the police, and we need publicity by the press.

And after all, these three Ps produce a fourth: peace. You know, you promote public safety by turning it into a community affair. Crime Stoppers come in all sizes and descriptions: grandparents, kids, businessmen, parents. And you strengthen the bonds that turn a series of homes into real communities. And together, you make your communities, and our Nation, a lot better, stronger, a lot better and safer place to live. Indeed, through your 850 international programs, you make the world a safer place to live.

To Americans sick and tired of feeling threatened in their own homes, of cowering in fear of punks, of worrying about their kids and their future, I say, band together; become Crime Stoppers. You offer a cost-effective, responsible, moral way to help take back the streets.

You've contributed information that has helped solve 370,000 felonies. The courts have convicted 96 percent of those arrested through tips supplied by Crime Stoppers. Your information has helped authorities recover nearly $2 billion in narcotics and stolen property. That works out to $80, $80 in return on every dollar that is spent. Can you imagine what this country would be like

if Congress worked like that? [Laughter]

But look what we're up against. Last year 6 million American citizens fell victim to violent crime, 6 million. Violent crime claimed the lives of over 20,000 Americans. Our streets pose a greater threat to our service men and women than did the foes in the Middle East. And we deserve better. Our children deserve better than that.

In May of 1989, I stood in the rain on the steps of the United States Capitol with some of the law enforcement officers who put their lives on the line for all of us. Together, we called for Congress to pass our crime package: legislation designed to protect our cops by giving them the tools they need to get their job done. And yes, it was tough legislation. I think it was fair legislation.

And today, nearly two-and-a-half years later, I stand here in the midst of another group of highly dedicated people fighting crime. Two-and-a-half years have passed and Congress still has not passed the core provisions that we requested.

In March, we sent a crime bill to Congress, a bill designed to make your work less necessary. Our Comprehensive Violent Crime Control Act of 1991 will confront the terrifying spiral of lawlessness. It will strengthen our Federal criminal justice system, too often unfairly stacked against dedicated law enforcement officials.

Our bill will ensure that convicted felons no longer evade punishment by drowning justice in a sea of legal challenges unrelated to guilt or innocence. Our bill limits the chances of a violent criminal getting released on the basis of legal technicalities. And I think that's long overdue, to support the police officers in this country.

Our bill imposes tough sentences upon drug traffickers and violent felons who use semiautomatic weapons. It establishes new punishments against those who steal and smuggle firearms. No plea bargains. No early release.

Our bill establishes an enforceable Federal death penalty for those who murder Federal judges, and those who engage in the terrorist slaughter of civilians, and those who kill law enforcement officers or Federal witnesses.

We simply must tell criminals our society will protect itself. The American people want action.

In March, I asked the Congress to pass a crime bill within 100 days. The 100 days expired on June 14th. But the crime bill has not been enacted. Americans don't want excuses. They want action in this field. They don't want timid bills that nibble at the edges of the crime problem. They want a tough, comprehensive package. And our people want to see the fight on crime now. So, please, let your representative know that we want our Members of Congress to be crime fighters, too.

I am proud, very proud, to have an opportunity to pop in here and to salute you at this conference. You Crime Stoppers and our brave law enforcement officials earn our admiration, our respect; and you and this Nation deserve the best, toughest anticrime package that we can produce. No more loopholes. No more rolls of the dice. No more delays. Listen to these words: ``The land is full of bloody crimes. And the city is full of violence." The prophet Ezekiel wrote that over 2,000 years ago. The battle between good and evil still rages. But our crime bill, and your work, your dedicated, selfless work will strengthen the hand of good.

There are many frustrations in my job as President of the United States. I've just spoken to you about some of them here as we're trying to back up the law enforcement officers that we honor today. There are many satisfactions. Very candidly, when I see this young Bobby over here, sitting there with that hat on -- [laughter] -- no, that little guy, I say to myself -- [laughter] -- the guy in front of you is -- [laughter] -- and I say to myself, isn't it fantastic the changes that are taking place around the world, the reduction of the nuclear weapons, meaning less fear for that generation of nuclear weapons. And the fall of communism around the world and the principled leadership of Americans for freedom and democracy, not only over in the Middle East, but around the rest of the world as well, makes this a very exciting time to be President of the United States.

But the job clearly is nowhere near finished when I think of the problems that the law enforcement officers of this country face on our streets every single day. I am determined not only to lead in this direction for this kind of anticrime legislation, but I want to back up the law enforcement people in this country in every way I can.

You found a way. You, as Crime Stoppers, have found a way to give of yourselves. And now I, and the rest of my administration, and hopefully the United States Congress, will get with it, roll up our sleeves, pass this strong legislation, and back you up in your selfless work in every way possible.

It's been a great pleasure to be here. And may God bless the United States of American. Thank you.

Note: The President spoke at 4:16 p.m. at the Galt House East Hotel. In his remarks, he referred to George Underhill, conference chairman, Crime Stoppers International; Acting Attorney General William Barr; Richard L. Thornburgh, Republican candidate for the United States Senate; Reginald Whynott, former president of Crime Stoppers International; and Sid Newman, president of Crime Stoppers International. A tape was not available for verification of the content of these remarks.

Remarks at a Fundraising Dinner for Larry Hopkins in Louisville, Kentucky

October 2, 1991

Thank you, Larry. Thank you all very, very much for that warm welcome. Let me just say that I'm delighted to be here, joining all of you as one of ``a whole lot of people who want to elect Larry Hopkins Governor."

Let me give my special thanks to an old friend of mine, Lee Brown, for his leadership and his help in putting together this obviously successful dinner. He's done it again. He's been at my side through battle after battle. And he's been a great citizen of this State. And Larry was telling me it wouldn't have been possible without his leadership. So, Lee, we are very, very grateful to you.

I also want to salute another friend, a great friend of mine, former colleague, Gene Snyder over here, a good supporter who served this State with great distinction. And, of course, I feel as Larry does about our own Secretary of Transportation, with whom I work so closely, Sam Skinner. He really is doing a superb job for our country.

And we've got a good team, as Larry said. I've worked with them all, Bob Gable, our chairman; Nelda Barton, who was on the National Committee when I was national chairman; Jim Bunning, the national committeeman, I don't think he could be here with us tonight, unfortunately. And we also have a marvelous slate of statewide office seekers, and I hope you'll vote for every single one of them.

And I was particularly pleased to see another old friend. I told him, and I'll repeat it here, that I look around and I'm so grateful to so many for giving me the opportunity to be in this job. And the Bush family knows how politics works, and Larry Forgy has been at my side for a long time. And I was just thrilled to see him back here.

Kentucky is together now; the Republican Party unified. And I believe this is the year to elect a Republican Governor.

We were doing a little research coming down here, and I notice that we're not far from Zachary Taylor's resting spot. Poor old Zachary. [Laughter] When they dug him up last summer to find out how he died -- they really did -- they discovered that his last words were, ``Pass the broccoli." [Laughter] I'm not sure if you all have eaten, but you'll excuse me if I take off, okay? [Laughter] We're going over to the CMA [Country Music Awards] awards in Nashville.

But let me just say, in the last few weeks, with all the historic events in the world, people have seen the importance of leadership and ideals. When a coup tried to replace Gorbachev and

overthrow the change, it applied the coup de grace to communism: No leadership, though, and no ideals.

As I said at the United Nations, we face a different kind of world than we've ever seen, one in which we can build a new era of peace and prosperity at home and abroad. But we can achieve these lofty goals only if people take up the challenge of leadership without losing sight of their ideals. It won't be easy. We saw unrest in our almost democratic hemisphere, we saw unrest in Haiti this week; factions continue fighting one another halfway across the world in Yugoslavia. We still have not been able to bring and -- help bring a lasting peace to the Middle East. This week we got fresh evidence that Saddam Hussein has engaged in an active nuclear weapons development program. If the new world order means anything, it means that we face a greater variety of challenges than ever before.

I can tell you that I was very pleased to announce these drastic cuts in nuclear weapons. I can also assure you that this was supported by the Joint Chiefs, by our Secretary of Defense, and our national security is guaranteed. And I can tell you, as we look at the challenges, in my view, the United States will always be up to the challenge.

I'm looking at that grand scene, but I'm also looking at our country. And right here -- and I'm very, very pleased to be back. You face enormous challenges as well. For leadership, I really believe the time has come for this dramatic change he's calling for, not just the party, but we need this man, this leader, Larry Hopkins, in the Governor's mansion there in Frankfort.

He's helped this commonwealth for 20 years, particularly as a top Republican up there on the ag committee. He serves with his time and his hard work, but most important, he brings to Washington this absolute, fierce sense of integrity and honor.

Don't you think it's time then that Kentucky had a Republican Governor? Let's put it in an historical perspective. Think back when Green Bay beat Kansas City to win the very first Super Bowl. Or if you prefer a local angle, the year Jim Bunning led the National League in strikeouts. Seems like ages ago. [Laughter] Well, that was 1967, and that's the last time a Republican lived in the Governor's mansion. And we've got to do something about that come November.

Here's a reason why. Look where you are now, 24 years later. Kentucky's spending has increased more rapidly than the Federal spending, and heaven knows, I'm unhappy about that. Larry's going to put an end to that. He's earned his stripes by taking a tough antispending stance up there in Washington.

And he means business. And he's going to fight, you heard him, on keeping the jobs here and creating new jobs, rather than letting them slide out, slip away to some other area. He knows that you can't help Kentucky workers if taxes and regulations chase all the jobs away.

And his bold plan to jump-start the economy doesn't try to turn Kentucky into a land of smokestacks. He wants to strengthen the farms that make this State great. This is a State matter, but I like his proposal of a regional agriculture center. He doesn't intend to smother farmers with new gimmicks and restrictions.

I always worry about the mandated programs out of Washington, DC, whether it's in agriculture or housing or whatever it is. You get a little committee together, they control the Congress, they come up with mandated programs telling everybody in every State, in every walk of life, how the programs are going to work in the States. And Larry doesn't believe in that. He knows that people are tired of too much Government and too little personal freedom, personal freedom to choose different things. And we aren't second to anyone, and all we need is a chance to prove it.

Our administration's domestic philosophy really starts with a fundamental truth, and that's that the true power and potential in this land rests in the hands of our people. That's what I mean when I'm saying I'm against so many mandates. Our domestic policy begins by trusting you.

Consider -- let me just click off a couple of items in the domestic agenda. Our housing proposals will turn public housing, their residents there, into apartment managers and homeowners. What better way to have dignity for a low income family, than having them own their own homes.

We've got a good energy program that will conserve energy while encouraging innovation. It encourages Americans to develop new technologies, you've got good resources here; what we need are better, improved technology. We need alternative fuels for motor vehicles, other breakthroughs that will increase our energy independence without reducing our economic growth. And we have such a package.

Our transportation package, Sam can wax eloquent on that, gives more power to local authorities. It lets you decide which roads your Federal dollars will build, rather than putting the decision in the hands of some subcommittee up there in Washington, DC.

Our crime package -- I've just come from the Crime Stoppers who are having their international convention here. Had a chance to see what the local police here are doing in that crime stopping department right here, locally handling it. And our crime package, the most comprehensive in history, will give our streets back to the people. It's going to put an end to the endless legal gimmicks that enable convicted criminals to escape justice. And it will make drug dealers pay, literally, for their crimes. And it will let juries hear testimony from victims so we can get fairer, fuller justice.

These are just a few of the items in our package, but they demonstrate our basic theme: that we will protect law-abiding citizens from criminals rather than protecting the criminals from the law.

The problem is too often Congress simply refuses to act. This even remains true for something as

crucial as education. You know the story on the crime bill. I challenged them in March, I think it was, for 100 -- gave them 100 days to pass the comprehensive crime package; 100 days went by and now we're close to 200. And it's simply -- they haven't even sent a bill down for me to sign of a comprehensive nature.

In the last 10 years -- I mentioned education -- in the last 10 years, in current dollars, total spending on education went from about $200 billion to over $400 billion. Those are rough figures, but that's roughly what happened, went from, in 10 years, from $200 billion to $400 billion. And we are still 12th in the world in math and we are 9th in the world in science. And just last Monday, the National Education Goals Panel confirmed that we have a long, long way to go. So, let's start working with our Education 2000, our America 2000 program to improve education, not tomorrow, not next month, not next year, but right now. And Kentucky can have a lot to do with the success of this revolutionary new approach to education.

Yesterday, I talked with a group of school children in Washington -- they were eighth-graders, I believe -- about the importance of education. And I told them that they can control their future by demanding more and doing more. Everyone here can take control, too.

So, let's decide right now to make our schools the best in the world. And I am confident that when Larry Hopkins gets to be Governor, he'll work closely with former Governor Alexander, our Secretary of Education, to put into effect this innovative revolutionary America 2000 program.

Let's decide right now to provide educations that prepare young men and women for the competitive, international economy out there. The world is getting smaller. Communication is much more rapid. And it's very, very important that these kids be competitive. And let's decide to build a system that gives everyone the power to throw open his or her own door of opportunity and travel the path to success.

Last April we made this challenge, challenging Americans to reinvent, literally reinvent, the American school, to revolutionize, and I mean revolutionize, American education. And this strategy encourages us to create accountable schools for today and a new generation of schools for tomorrow; a Nation of students committed, not just to finishing regular classes, but to a lifetime of education. And I'm still working at it myself. You ought to see me try to get that computer to operate. [Laughter] But I'm going to stay on it because our theory is nobody is too old to learn. And I would recommend this to some of you other backward technological people out there. I'm having a lot of fun doing it.

But we can all learn. And our communities can be made for learning to happen. And that means less crime, and obviously that we want to have places where kids are prepared to start learning, and that means more Head Start. So, we've got a good, comprehensive educational program, and all of you can play a critical part in implementing it.

People who want Washington to solve all these problems are simply missing the point. And I am convinced that's one reason why Larry is willing to come back here, roll up his sleeves, and run for Governor of this great State.

What happens up there in Washington, is important. I am not antigovernment, but, believe me, it doesn't matter half as much when we talk about these problems as what happens in each hometown, and I might say, in each family.

I am very concerned as your President about the diminution of family, the disintegration of family. And I don't know what we can do about it, but I do salute Barbara Bush as she goes around the country not only talking about literacy -- (applause) -- not only talking about literacy, but about the importance of family being involved with these young kids: reading to them, caring about them, comforting them. And sometimes, I guess, some of us older guys take all that for granted. But we can't anymore. Family is too darn important to our country.

I need a strong advocate for this approach to education in Kentucky. And I believe Larry can work with the establishment, as much as we need to do that. But I don't think he'll work for it. I think he believes in the power of the individual communities to shape the educational opportunity for the young people.

I know that here in Kentucky you'll take that call seriously because this is the ``land of tomorrow." And your tomorrow really has got to begin today with hard work to make sure that your next Governor will be a man of principles, and that man is Larry Hopkins.

And that's why I wanted to come down here tonight when Lee and Larry asked me to show up for this wonderful event. When Governor Hopkins calls next year, he will have a friend in the White House. I can guarantee you that. Larry, come here just a second. Let me just say this. I've had to call on this guy for some tough votes, to be at my side through some big fights, and we've lost quite a few of them and every once in a while we win one up there. We're not outnumbered hopelessly. But he's given of himself. He's been there when I've asked. And now I want everybody across this great State of Kentucky to support him for Governor. You couldn't get a better man.

Thank you all, and may God bless the United States.

Note: The President spoke at 5:35 p.m. at the Kentucky Fair and Exposition Center. In his remarks he referred to Lee Brown, event chairman; former representative Gene Snyder; Secretary of Transportation Samuel K. Skinner; Robert Gable, chairman of the State Republican party; Nelda Barton, Republican national committeewoman; Representative Jim Bunning; Larry Forgy, Larry Hopkins' opponent in the Republican primary for Kentucky Governor; President Mikhail Gorbachev of the Soviet Union; President Saddam Hussein of Iraq; Secretary of Defense Dick Cheney; and Secretary of Education Lamar Alexander. Congressman Larry J. Hopkins is the

Republican candidate for Governor of Kentucky. A tape was not available for verification of the content of these remarks.

Proclamation 6345 -- Veterans Day, 1991

October 3, 1991

By the President of the United States

of America

A Proclamation

Memory is the first measure of gratitude -- those who are truly grateful do not forget the service that has been rendered for their sake. Each November we Americans remember in a special way the veterans of the United States Armed Forces. Through their vigilance, courage, and sacrifice, these individuals have helped to secure the freedoms that we so enjoy today -- the freedoms that we can sometimes, all too easily, take for granted.

Since President Woodrow Wilson asked that all Americans pause on November 11, 1919, in honor of the Nation's war heroes, Americans have set aside this date to remember and pray for all those patriots who have put themselves in harm's way to defend the lives and liberty of others. As we salute our Nation's veterans, we also remember with solemn pride their fallen comrades, including those heroes who rest ``in honored glory . . . known but to God."

There is no irony in the fact that we honor this country's war veterans on the anniversary of Armistice Day, a day dedicated to peace. As was the case during Operation Desert Storm, members of the U.S. military have engaged in armed conflict only as a last resort, only to defend freedom and the rule of law. And we know that these ideals form the only sure foundation for lasting peace among nations.

America's veterans have faced the hellish fires of combat and the chilling presence of mortal danger so that our children and our children's children might dwell in a safer, more peaceful world. The freedom of millions of people around the globe is, in many ways, a living monument to each of them.

Today thousands of veterans continue to serve our Nation through their families and their communities, helping others to appreciate more fully the value of freedom and the importance of patriotism. These contributions we also remember with thankfulness and pride.

Of course, while memory is the first measure of gratitude, its fullest and most meaningful expression is found in word and deed. We can never repay our veterans for all that they have endured for our sake, but we can show by our actions -- on this day and every day of the year -- that their great sacrifices are indeed cherished and remembered. Whether we do so on our own or through our schools, businesses, and community organizations, let us convey our thanks to

veterans through acts of generosity and kindness. Let us demonstrate, in a special way, our respect and concern for those former service members who are hospitalized or disabled.

In order that we may pay due tribute to those who have served in our Armed Forces, the Congress has provided (5 U.S.C. 6103(a)) that November 11 of each year shall be set aside as a legal public holiday to honor America's veterans.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim Monday, November 11, 1991, as Veterans Day. I urge all Americans to honor our veterans through appropriate public ceremonies and private prayers. I also call on Federal, State, and local government officials to display the flag of the United States and to encourage and participate in patriotic activities in their communities. I invite civic and fraternal organizations, churches, schools, businesses, unions, and the media to support this national observance with suitable commemorative expressions and programs.

In Witness Whereof, I have hereunto set my hand this third day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 9:18 a.m., October 4, 1991]

Note: This proclamation was published in the Federal Register on October 7.

Remarks at the Proclamation Signing Ceremony for German-American Day

October 3, 1991

President Bush. In the first place, it's a great pleasure always to welcome Foreign Minister Hans-Dietrich Genscher to the Oval Office. We've had many, many conversations since I've been President, and I value his counsel and his friendship. And welcome back, sir.

I am particularly pleased to see so many guests from the new German states in the East, Hans-Dietrich telling me of your participation here including Minister-President Muench and other leaders from Saxon-Anhalt, Mayor Wagner of Dresden, and officials from Minister Genscher's hometown of Halle.

Let me also welcome leaders of the German-American community: Helmut Kruger, Elsbeth Seewald, and Adelbert Theune.

In a few moments I'll be signing this bill and proclamation commemorating German-American Day. And how fitting it is that this ceremony coincides with Germany Unity Day and the first anniversary of German unification. One year ago today, here at the White House, we joined our friends in Germany in celebrating the long-awaited reunification of their country. What a thrilling moment it was. I'll never forget it, and Americans that participated and saw it, they'll never forget it.

Today, one year after welcoming united Germany into the commonwealth of free nations, let me pay special tribute to our 17 million new German friends, those from the Eastern states of the former GDR, the German Democratic Republic.

We admire your courage in throwing off the shackles of a cruel ideology, and joining your brothers in the West in building a new Germany, whole and free. You are important new members of our transatlantic community, and part of the special bond between Germans and Americans.

Americans and Eastern Germans, you've been cut off from one another for more than two generations. And so, in signing the proclamation commemorating German-American Day, let me extend a very special, an extra special welcome to you, those who have come from the East. It is a great pleasure to be here. And I now turn the podium over to the Foreign Minister, and then we will get on with the signing. But welcome everybody.

Foreign Minister Genscher. Mr. President, ladies and gentlemen, today we are celebrating the tradition of German-American Day and the first anniversary of the unification of Germany.

America stood by us in good times and in bad. During the unification process and during every phase of the two-plus-four talks, we knew that America was on our side. And we never will forget this, Mr. President.

We all know that without you, Mr. President, and without my friend, James Baker, German unity and freedom would not have been achieved last year. Though this very day is a day of gratitude for the German people to the people of the United States and to you personally, Mr. President, the sound of the Berlin Liberty Bell at midnight on the hour of unification was a moving symbol of this, one year ago.

Today, German-American Day is being celebrated in over 400,000 villages in your country. The Germans from the new federal states now have a share in the almost 100 sister city arrangement. Today, I'm particularly happy to present to you, Mr. President, the delegation from my home state, Saxon-Anhalt, headed by Minister-President Muench, and to introduce to you also the Mayor of the city of Dresden.

``We the people'' -- these are the opening words of the American Constitution which puts man's pursuit of happiness to the fore -- ``We are the people'' -- in this cause citizens everywhere in the former GDR wrought freedom and unity.

You, Mr. President, have now brought the world a step nearer to a new peaceful order which we all want. United Germany feels that it will be allied with the United States of America forever, a united Germany in Europe, whole and free. This, Mr. President, is our message to our American friends on German-American Day 1991, and on this first anniversary of the unification of Germany.

Thank you very much.

Note: The President spoke at 4:20 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to German Foreign Minister Hans-Dietrich Genscher; Werner Muench, Prime Minister of Saxon-Anhalt; Lord Mayor of Dresden Herbert Wagner; Helmut Kruger, president of the United German-American Committee; Elsbeth Seewald, president of the German-American National Congress; and Adelbert Theune, president of the Steuben Society. Foreign Minister Genscher referred to Secretary of State James A. Baker III. A tape was not available for verification of the content of these remarks.

Proclamation 6346 -- German-American Day, 1991 and 1992

October 3, 1991

By the President of the United States

of America

A Proclamation

When German settlers landed in America near Philadelphia on October 6, 1683, they established the first of the many ties that exist between the United States and Germany. Since then, generations of German immigrants and their descendants have made outstanding contributions to American history and culture. However, the ties that we celebrate today are not only those born of kinship but also those based on common values and aspirations. Indeed, the same love of liberty that led the first German immigrants to these shores continues to animate U.S.-German relations.

For more than 40 years following World War II, the United States stood together with its friends in the Federal Republic of Germany to help guarantee that nation's freedom and security and to advance our common interests. Yet we also shared the hope that all Germans would one day enjoy the blessings of liberty in a united, democratic, and sovereign Germany. The dramatic opening of the Berlin Wall in November 1989 and the official unification of Germany less than one year later marked the achievement of that goal. Today the United States looks forward to continuing the friendship that our two peoples have so long enjoyed. Active trade and close political cooperation within the context of the Atlantic Alliance are among the most important dimensions of this relationship. However, we also value our various ``people-to-people'' contacts and exchanges. Accordingly, to promote the exchange of information and ideas with the five new Federal States of Germany -- which for too long had been isolated by the ruling communist regime -- we have joined with the German government in establishing the RIAS Foundation. In addition to facilitating cooperative radio and television productions, the Foundation will offer training and other programs for students, broadcast journalists, and other media professionals. This year the United States also opened a new Consulate General in the city of Leipzig, further strengthening the ties between our two peoples.

The new, united Germany that stands in friendship with the United States also stands as our partner in leadership. After Iraqi forces launched their brutal invasion of Kuwait on August 2, 1990, Germany joined in the international coalition that condemned the aggression and resolved to uphold the rule of law. Moreover, today's Germany not only symbolizes a new Europe, a Europe whole and free, but also is helping to lead the effort to achieve this goal. Along with the United States and other Western nations, Germany is offering valuable support to the emerging democracies of Central and Eastern Europe through investment, training programs, and technical

assistance.

In keeping with its enhanced stature as a force for peace and stability in global affairs, Germany will host the next summit of the world's seven leading industrialized nations. The United States looks forward to this meeting in Munich in July 1992, and we welcome the many opportunities that lie ahead in U.S.-German relations.

The Congress, by Senate Joint Resolution, 151, has designated October 6, 1991, and October 6, 1992, as ``German-American Day''and has authorized and requested the President to issue a proclamation in observance of these occasions.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 6, 1991, and October 6, 1992, as German-American Day. I call upon the people of the United States to observe these occasions with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 3rd day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:17 p.m., October 4, 1991]

Note: This proclamation was published in the Federal Register on October 8.

Message to the Congress Transmitting a Report on Panamanian Government Assets Held by the United States

October 3, 1991

To the Congress of the United States:

1. I hereby report to the Congress on developments since the last Presidential report on April 23, 1991, concerning the continued blocking of Panamanian government assets. This report is submitted pursuant to section 207(d) of the International Emergency Economic Powers Act, 50 U.S.C. 1706(d).

2. On April 5, 1990, I issued Executive Order No. 12710, terminating the national emergency declared on April 8, 1988, with respect to Panama. While this order terminated the sanctions imposed pursuant to that declaration, the blocking of Panamanian government assets in the United States was continued in order to permit completion of the orderly unblocking and transfer of funds that I directed on December 20, 1989, and to foster the resolution of claims of U.S. creditors involving Panama, pursuant to 50 U.S.C. 1706(a). The termination of the national emergency did not affect the continuation of compliance audits and enforcement actions with respect to activities taking place during the sanctions period, pursuant to 50 U.S.C. 1622(a).

3. The Office of Foreign Assets Control of the Department of the Treasury (``FAC'') has released to the control of the Government of Panama approximately $450,000 of the approximately $132.76 million that remained blocked at the time of my last report. The amount released represents blocked financial accounts that the Government of Panama requested be unblocked.

Of the approximately $137.3 million remaining blocked at this time (which includes approximately $5 million in interest credited to the accounts since my last report), some $136.5 million is held in escrow by the Federal Reserve Bank of New York at the request of the Government of Panama to fund a portion of Panama's arrearages to international financial institutions. Additionally, approximately $600,000 is held in commercial bank accounts for which the Government of Panama has not requested unblocking. A small residual in blocked reserve accounts established under section 565.509 of the Panamanian Transactions Regulations, 35 CFR 565.509, remains on the books of U.S. firms pending the final reconciliation of accounting records involving claims and counterclaims between the firms and the Government of Panama.

4. I will continue to report periodically to the Congress on the exercise of authorities to prohibit transactions involving property in which the Government of Panama has an interest, pursuant to 50 U.S.C. 1706(d).

George Bush

The White House,

October 3, 1991.

Nomination of Henrietta H. Fore To Be an Assistant Administrator at the Agency for International Development

October 3, 1991

The President today announced his intention to nominate Henrietta Holsman Fore, of California, to be an Assistant Administrator of the Agency for International Development at the Bureau for Asia. This is a reappointment.

Since 1989 Ms. Fore has served as Assistant Administrator of the Agency for International Development for Private Enterprise. Prior to this, she served as president and director of Stockton Wire Products in Burbank, CA, 1977 - 1989; president and chairman of the board of Pozacorp, Inc., in Burbank, CA, 1981 - 1989; and director of the Water Quality Management, 1987 - 1989.

Ms. Fore graduated from Wellesley College (B.A., 1970) and the University of Northern Colorado (M.A., 1975). She was born December 9, 1948 in Chicago, IL. She is married, has four children, and resides in Washington, DC.

Nomination of David M. Nummy To Be an Assistant Secretary of the Treasury

October 3, 1991

The President today announced his intention to nominate David M. Nummy, of Oklahoma, to be an Assistant Secretary of the Treasury for Management. He would succeed Linda M. Combs. Upon appointment, he will be designated Chief Financial Officer at the Department of Treasury.

Since 1989 Mr. Nummy has served as Deputy Assistant Secretary for Departmental Finance and Management at the U.S. Department of the Treasury. Prior to this, he served as comptroller of the office of the President-elect, 1988 - 1989; comptroller of George Bush for President and Bush/Quayle '88, 1987 - 1988; and business manager for Research/Strategy/Management, Inc., 1986. Mr. Nummy served as a Senior Analyst for Tax Policy for the U.S. Senate Committee on the Budget, 1985; deputy campaign director of the People for Pete Domenici, 1983 - 1984; and as a Special Assistant to the Staff Director and an Analyst for Federal Credit at the U.S. Senate Committee on the Budget, 1981 - 1983.

Mr. Nummy graduated from Oklahoma State University (B.A., 1978; M.S., 1979). He was born April 6, 1957, in Oklahoma City, OK. Mr. Nummy resides in Washington, DC.

Nomination of Charles R. Hilty To Be an Assistant Secretary of Agriculture

October 3, 1991

The President today announced his intention to nominate Charles R. Hilty, of Ohio, to be an Assistant Secretary of Agriculture for Administration. He would succeed Adis Maria Vila.

Currently Mr. Hilty serves as Associate Deputy Secretary for the U.S. Department of Agriculture in Washington, DC. Prior to this, he served as minority staff director for the House Committee on Agriculture, 1984 - 1991; Administrative Assistant in the Office of Congressman Edward Madigan, 1978 - 1984; and night wire editor for the St. Louis Post-Dispatch in St. Louis, MO.

Mr. Hilty graduated from Bowling Green State University (B.S., 1960). He was born November 6, 1934, in Bluffton, OH. Mr. Hilty served in the Ohio National Guard, 1960 - 1966. He is married and resides in Washington, DC.

Remarks to the Annual Convention of the National Fraternal Congress of America

October 3, 1991

Thank you very much. What a wonderful warm welcome. Thank you so much, and thank you, Pat Donlin, for the kind words, the kind introduction. And may I salute Bishop Daily; it's an honor to be with you, sir; and so many, many friends here today.

Ladies and gentlemen, when America won its independence two centuries ago, our founders chose a national motto. And they decided upon e pluribus unum: out of many, one. And it symbolized the Federal union of the 13 original States, and captured the new Nation's spirit of openness, tolerance and liberty.

Early on, early America was not the ethnic and religious melting pot of today, but neither was it monolithic. A great religious diversity arose in our land from Puritan New England, through Newport and New Amsterdam's early Jewish settlements, through the Middle Atlantic communities of Dutch Calvinists and German Lutherans, through Maryland's Catholic colony to the Southern States' Anglicans and Presbyterians.

Constitutional protection of freedom of conscience made the melting pot possible, even inevitable. E pluribus unum became a self-fulfilling prophecy. And true to our motto, America attracted Slovaks and Poles and Italians and Greeks and Cubans and Vietnamese, Chinese and Lebanese and Irish by the millions.

America became a beehive of community self-help, fraternalism. Fraternal benefit societies helped millions of immigrants make the economic and cultural transition from the Old World to the New. Fraternal societies, they offered life, life insurance and health insurance to Americans who might not otherwise have found those protections. Local lodges and councils of fraternal groups gave -- and still give -- millions of hours to voluntary social service.

Motivated by fraternal ideals, millions of your members bring cheer to residents of nursing homes, share friendship with retarded kids, give elderly neighbors rides to the store, to church, to the doctor. Your members' voluntary gifts contribute hundreds of millions of dollars to educational, medical and social institutions. The fraternalist tradition illustrates America's distinctive commitment to community service, and voluntary service flourishes more in America than in any other Western society. Fraternal societies were the prime examples that I listed in 1988, when I first spoke of what Pat referred to, of America's ``Points of Light."

Today, we look to voluntary fraternalism to lead us back to our roots and away from a debilitating social experiment -- Government paternalism with all its mandated benefits designed by some

subcommittee on Capitol Hill.

Before the advent of the modern welfare state, voluntary associations, usually religious or fraternal in character, provided most social services. Fortunately, we still have a strong voluntary sector in social services. And as I look at the problems of this country -- and I've just come from a media association for fighting drugs; media people come together to fight against drugs. But as I look at social service, I see that we need this spirit of voluntarism more than ever in the history of our country.

I mentioned the media against drugs. And then just before that, I met with the Red Ribbon Campaign. These are family people, the National Federation of Parents for Drug-Free Youth, coming together. Some of you may well be in it on this Red Ribbon Campaign, people voluntarily coming together to work in their communities to help eliminate in this instance the scourge of drugs. Parents getting involved more actively now and family, with their kids who are threatened by this scourge. I cite it just because it's one more of many, many examples of what I am talking about here today and what you all understand so well.

Voluntary social service institutions: they provide creative competition for government agencies and other voluntary groups. They offer not just aid, but also choice to those whom they serve. They belie the dangerous notion that anything public must be governmental. I am not opposed to the Government. I'm proud to lead the Federal Government. But everything has a proper place in our society, and we must not allow the Government to crowd voluntary groups out of the social services field. Nor should we let the Government monopolize public education.

America needs to revise, we say renew actually, renew its thinking about public education. From the earliest times, Americans have sought to provide quality education as universally as possible. Historically, our schools have served the same public purpose, whether their organizers were Methodist pastors or Catholic nuns or county councils. Strictly speaking, any school that meets fundamental State standards and does not violate antidiscrimination laws provides public education.

But schools that aren't operated by government and funded by tax dollars are finding it harder and harder to survive on such an uneven financial playing field. Not many parents can afford both high tax levies and private or parochial school tuition. Surely many among you have wrestled with a ``choice'' that wasn't a fair choice. Maybe you wanted your son or daughter to attend a Christian day school or a Lutheran high school but couldn't afford to.

Our America 2000 education strategy aims to restore real freedom for parents to choose schools for their children. We're confident that greater choice will encourage creative competition among private and parochial schools, improving education for everyone. At the same time, we want to foster imaginative new approaches to school organization and management. We're enlisting, incidentally, parents, innovative teachers, business leaders, churches and voluntary associations in

the enterprise of creating what we call, and properly so, ``New American Schools.'' We're not going to just patch over the old approach. We're trying to revolutionize the schools in this country.

I hope you will join us in working to renew American education. And you can help by getting the message to your Members of Congress, your State legislators and your local school officials. And you can help by getting involved in your own schools. But as ambitious and promising as these financial and organizational reforms are, there's far more that we must all do to improve American education.

Schooling takes up just a small part of a youngster's time. It may surprise you how little time is taken. From kindergarten to high-school graduation, our children on an average spend only 9 percent of their time in their school. That's just one-eleventh of the time. Our children spend the remaining 91 percent of their time at home or playing with friends or maybe out at a video arcade.

Here's the most shocking statistic: Children in one survey said that they spend just 15 minutes a day talking with their parents, 15 minutes. And moreover, the U.S. Department of Education reports that our eighth-graders spend an average of more than 21 hours per week watching television, but fewer than 6 hours a week doing homework.

If these surveys actually reflect wider patterns, we could make our schools the best in the world and still find ourselves in deep trouble. Kids and parents have to talk, and parents have to take an active role in encouraging their children to learn and excel in school.

As I contemplate my job and the great problems facing our country, and I talked to Barbara about this a lot, we worry about the disintegration of the American family in our society. We want to see it strengthened so these kids today whose lives are threatened by this new scourge of narcotics will have the love and affection and caring from parents that can make a tremendous difference.

This may not be the Government's business, but it's the Nation's business. It's the business of our people and I would like to be more effective if I could find ways, and I know Bar would, too, Barbara would as well, to find ways to help strengthen the fabric of the American family.

So as our administration works for reforms to give parents more choice in schools, naturally we want parents to join us, to speak up, to fight for their rightful freedoms. And we want you to join us in this cause.

Even more fundamentally, our kids' future, our Nation's future, demands that parents responsibly use all the freedom and power they already have. Parents or guardians, with some help from grandparents and pastors and good neighbors, mold our children's moral character. And they supply the motivation and discipline that young people need.

Learning begins at home, whether the subject is math or science or literature or civic virtue. I hope that people haven't become so accustomed to a big government role in education that they forget that the real responsibility for education begins and ends at home.

De Tocqueville understood. ``There is no country in the world," he wrote, ``in which everything can be provided for by the laws or in which political institutions can prove a substitute for common sense and public morality."

The framers of the Constitution understood. And so did the great men and women, a century later, who founded America's flourishing alliance of fraternal societies.

I am confident that you, too, understand and accept the responsibilities that accompany our most precious freedoms. It wasn't costly, an activist government that made America great. Our strength and generosity flowed from individual initiatives and voluntary associations. Personal faith inspires public progress.

The American promise that beckoned your fathers and forefathers to these shores reaches out to new generations, to new waves of immigrants. With your numbers, with your strength of spirit, I know America's fraternal associations will form a great part in keeping this promise for generations to come.

It is a great pleasure to visit with you for this short time, to pay my respects, to urge you to stay involved in your wonderful, I would say, heroic work.

Thank you all and may God bless you.

Note: The President spoke at 1:59 p.m. at the Grand Hyatt Hotel. In his remarks, he referred to W. Patrick Donlin, president of the National Fraternal Congress of America, and Thomas, V. Daily, national chaplain of the Knights of Columbus.

Remarks at the 25th Anniversary of the Country Music Awards in Nashville, Tennessee

October 3, 1991

Thank you, thank you, Reba, and congratulations to all of tonight's award winners. It's great to be here with friends and with the music I love. And Barbara and I come here as fans.

Country music gives us a window on the real world. And when I want to feel a surge of patriotism or turn nostalgic or even when I need a little free advice about Saddam Hussein, I turn to country music. [Laughter]

But country songs do say a lot about life and sometimes -- and this is true -- in the Oval Office, I read a sentence that's under the glass, right-hand corner of my desk and it says, ``If we're gonna see a rainbow we'll have to stand a little rain."

And country entertainers treat each other as family. Let me just say that Barbara and I sympathize with the country music family on the loss of a great lady, Dottie West. [Applause] And we are very sorry that our dear friend, Minnie Pearl could not be with us tonight. She's not been well. And Minnie, you have America's prayers and best wishes.

And Barbara and I will always be grateful for what the country music family did for our troops in the Gulf and for their families. You sure helped them ``stand a little rain," so when Desert Storm went by they could see that magnificent rainbow.

You know, it's easy to see why America loves country music, country music loves America. Thank you and may God bless this great country of ours.

Note: The President spoke at 10:05 p.m. at the Grand Ole Opry. In his remarks, he referred to entertainer and host Reba McEntire; President Saddam Hussein of Iraq; and entertainers Dottie West and Minnie Pearl. Following his remarks, the President returned to Washington, DC. A tape was not available for verification of the content of these remarks.

Exchange With Reporters on the Situation in Haiti

October 4, 1991

Q. Mr. President, are you willing to go as far as you were for Kuwait?

President Bush. We're very interested in the restoration of the democratically elected government in Haiti, and the situations are not parallel at all, entirely different. But this one we are convinced that democracy should prevail in Haiti. The fight is -- the discussion here is about the restoration of a democratically elected government. The United States is joining most of the rest of the world in calling for the restoration of a democratically elected leader, who's sitting right next to me. That is the question -- --

Q. Can it be done without force?

President Bush. -- -- before us right now. And this matter, I will have no more questions now. I'm having a press conference, and I'll be glad to answer questions like that, Helen [Helen Thomas, United Press International], but I'll take no more at this time.

Q. President Aristide, do you think that you don't want any military intervention in your country? And do you think you can be restored to the presidency by peaceful means?

President Aristide. As Mr. President Bush said, we are talking about going back in a democratical way and to continue the democratical forces in Haiti. Later we will talk about something else.

Note: The exchange began at 9:34 a.m. in the Oval Office at the White House. Jean-Bertrand Aristide is the President of Haiti. A tape was not available for verification of the content of these remarks.

Remarks to Recipients of the Presidential Elementary Award for Excellence in Mathematics and Science Teaching

October 4, 1991

Please be seated. Late for class, I apologize, I apologize. [Laughter] But you might be interested in this. I was just meeting with the duly elected, democratically elected President of Haiti, who, as you know, has been overthrown. And we're very concerned, obviously, about democracy in that country. And so I hope you'll forgive me for being late for this event.

But I'm delighted to be here with Dr. Bromley, my science adviser, who is doing a superb job as we focus the nation's attentions on math and science and the need to be competitive in these areas, indeed, retain our leadership in the areas that you're so involved in.

And, of course, the same for Jim Watkins, our Secretary of Energy, who, not only does he have responsibilities as Secretary of Energy and gives me valuable advice in that field, and then based on his former role as Chief of Naval Operations, judgment on all of that, but he's never lost his abiding interest in education, something that he has been very prominent in before assuming these responsibilities. And he keeps up that interest. So, you've got two of our very best here.

I understand that we have teachers from all 50 States, DC, Puerto Rico, the U.S. territories and then our Department of Defense Dependent Schools; from West Germany to Fairmont, West Virginia, and from Austin, Texas, to Alpha, Illinois. So thank you for coming and congratulations to all of you.

Speaking of Illinois, I just was told the story about a school in Illinois that was named after Jack Benny. And every year, Benny made a point of going to the school and visiting the children. And one year he was speaking to a group of 12-year-olds and he asked if there were any questions. And a kid put up his hand. ``Mr. Benny," he said, ``why did they name you after our school?" [Laughter] That's really apropos of nothing here, but I kind of liked it.

But no matter where the school is or who it's named after, I believe that our math and science teachers are blessed with a gift for inspiration. And they possess the same drive that motivates their students to construct skyscrapers, or crack DNA codes, or craft race cars, or create new computer models, or climb aboard a spaceship. Not only are you adventurers, but you inspire your students to take their first steps in the adventure of their lives, the adventure of becoming educated men and women.

Some teachers with us today, each one a winner, arrived here at the White House from Indian reservations and inner cities, volcanic islands. And while the journey may have been long for

some, it's been incredible for all, because along the way you have ignited the spark of understanding, the power of curiosity and the wonderful potential that lies latent in every child.

A teacher of young people and a student of man, the late -- and he was a friend of mine and I know some of you must have known him -- the former President of Yale University as well as Commissioner of Baseball Bart Giamatti once observed, ``Teaching is an instinctual art, mindful of potential, craving of realizations." I think that's a true observation today, for now we're relying on each of you to practice the art of realizing potential.

No one said it would be easy. Two years ago, we met with the Nation's Governors. As you know, I did. We agreed to establish an ambitious set of educational goals to be met by the turn of the century, including first in the world in math and science. And some people say, ``We can't do it." And I expect like most of you, I think we can. Math and science education is one of our top priorities. In fact, we've requested $1.9 billion of Federal spending on math and science education for Fiscal Year 1992, which translates into a 92-percent increase at the precollege level since the start of this administration. But it takes more than just money, it takes a commitment to world-class standards community by community, all across America.

And just this week, we learned some important information on the math and science front, some of which seems to surprise Americans.

First, it appears that today's students know about as much math and science as their parents did 20 years ago when they were children. Rather than declining in skills, as most people have assumed, students are reversing that downward trend.

And secondly, however, five out of six eighth graders do not know what you math teachers think that they ought to know about math. This presents a tremendous challenge. For while our students' achievement is holding steady, the level of skills and knowledge required of them is skyrocketing.

There is encouraging news in all of this. We're working together to set world-class standards for national assessments in math, science, English, history and geography, to develop a better and clearer picture of where our strengths and weaknesses lie.

Our math teachers have already developed world-class curriculum standards. And just this month, the Department of Education granted half a million dollars to the National Academy of Science to do the very same thing with our science curriculum. Math teachers already work side-by-side with Governors and Members of Congress in taking steps towards the American Achievement Test. And I've asked that the first phase of this American Achievement Test be ready for use by the 1993 - 94 school year.

And finally, if we are committed to raising math and science standards to world-class levels, we

must help our educators prepare themselves to teach those schools. And therefore, I have proposed to the Congress that we immediately establish Governors academies for teachers of math and science as well as teachers in the other core subjects in every State in the Nation.

And this week's goals report shows us how far we have still to go. But to get there, we must revolutionize American education: Not just school by school, but beyond, and community by community, certainly in family by family. In fact, in just a couple of hours -- there's a reason Lamar is not here, our Secretary of Education -- I'm going up to meet him and the board of directors of the New American Schools Development Corporation at Camp David. And they're seeking nothing less than to reinvent American education. And they're working to provide us a substantial amount of money so we can get that started.

And that's what, in essence, the overall America 2000 strategy is all about. And that's where we really need your help. We all agree that we want to teach kids to think straight, to appreciate the past, and look to the future to serve others and the community. But you hold the key to instilling intellectual excellence in your students and your colleagues. And your vigor, tolerance, your academic discipline, will stretch young minds. But your example will also build know-how for other teachers. In your classrooms and labs, you can really begin the revolution in American education.

An educator and teacher, the man who taught me a lot about the real business of living, a man named Claude Fuess, said a very interesting thing. He was the headmaster at Phillips Academy. A very interesting thing the day he retired after 40 years of teaching, he said, ``I was still learning when I taught my last class."

As we face the daunting task of redefining American education, let's remember, the best teachers never stop learning. And the best ones learn constantly to think anew. And that sense of innovation is the key to creating a new generation of American schools. If we're to make a difference in the schools, we must break the mold and see what works. We need to keep learning new ways. We need to keep trying new ideas.

You won these awards because you experiment with new ideas, you're not afraid to experiment with new teaching methods. And for that, you have your country's heartfelt thanks and best wishes. And what's even better, you have the gratitude and admiration of the most important people in the world, and that is your students.

So thank you all. Congratulations. Thank you very, very much for being with us on this beautiful day in the Rose Garden. And keep up that fantastic leadership.

Thank you all.

Note: The President spoke at 10:10 a.m. in the Rose Garden at the White House. In his remarks

he referred to: President Jean-Bertrand Aristide of Haiti; Dr. D. Allan Bromley, Assistant to the President for Science and Technology; Secretary of Energy James D. Watkins; former commissioner of baseball A. Bartlett Giamatti; and Secretary of Education Lamar Alexander. A tape was not available for verification of the content of these remarks.

The President's News Conference

October 4, 1991

The President. Today's unemployment figures show the economy is moving in the right direction. The drop in unemployment is one more sign that the economy is strengthening. Data released just this week showed new car sales were up, housing sales were up, purchasing managers index was bullish on the manufacturing sector. And people should take note of the fact that interest rates are falling to levels that we haven't seen since 1977.

Although I believe that the economy is on the right track, let me be the first to say all is not well. I'm deeply concerned about those who are out of work. Unemployment benefits are important. Congress should provide a responsible extension of such benefits.

The bill that we've been for for some time, the Dole bill, does just exactly that. And I'll sign a bill that helps people and also protects the overall economy by keeping to the budget agreement. As I said, there is a bill in Congress to do that right now. And if Congress gives me that bill, I will sign it immediately.

I'll be glad to take some questions.

Situation in Haiti

Q. Mr. President -- --

The President. Yes, Terry [Terence Hunt, Associated Press].

Q. You said this morning that you're committed to the restoration of the democratically elected government in Haiti. Are you willing to go beyond economic pressure to use of multinational military intervention to defend democracy?

The President. Well, I am very hopeful that this matter can be resolved without such a multilateral force. The United States has been, and properly so, very wary of using U.S. forces in this hemisphere. There's a lesson out there for all presidents, and the lesson I've learned is that you've got to be very, very careful of using United States forces in this hemisphere.

So, I'd like to think that this mission by the Organization of American States will do it. We are committed to democracy in Haiti. We want to see Aristide restored to power. We had a long talk with him today, not only about the restoration of that, but he reiterated a commitment to human rights there. So, let's hope that that can be done without any kind of force. I hope that's what the result will be of this multinational mission that's going down there under the leadership of the OAS. I think that's the way to go.

They've had a hearing in the United Nations, and the United States clearly is upset when internal affairs result in the setting back of democracy. And that's what's happened. So we're committed to the restoration of democracy and a strengthening of democracy in Haiti. We feel very strongly about it.

I am reluctant to use U.S. forces to try to accomplish it, except if American citizens' lives are in any way threatened, of course. I feel that is a direct concern and responsibility of the President.

Q. Would you take part in a multinational force?

The President. Well, I think we've got to wait to see. I don't want to get out ahead of where this OAS mission is. And I would like to see it succeed without having to use force or having to put together such a force, say nothing of use it.

Unemployment Benefit Extension

Q. Mr. President, what should 10 million people who are out of work and the 95,000 people in Michigan who were taken off welfare rolls, what should they do now to survive until the economy does rebound?

The President. They should demand of their Congress to pass a bill that the President can sign. And I'm committed to such a bill to extend unemployment benefit compensation, and I'd like to have it passed and sent down here. And if it means vetoing a bad bill so that the people that are working and the people whose families are hurting but are just making ends meet so that they can have a better shot -- and I'm talking about not breaking the budget agreement -- that's what I'm going to do. I'm not going to take something that's bad. And so what they ought to do is demand of their Congressmen, ``Let's not just try to get it your way up there. Do something that the President can sign that will help us with unemployment benefits but will also protect the other taxpayer." Let's don't forget some of these people still pay taxes even though unemployed at the moment. And I'm trying to protect the economy as well as do something compassionate for those that are out of work.

And, Helen [Helen Thomas, United Press International], I was in Pittsburgh the other day talking to some friends after a political meeting up there. They didn't even know that we were for this proposal. There's been so little coverage of it. And I'm for unemployment benefit extension and doing something about it. And I am also for protecting all those that aren't working and that are working who pay taxes. And one way you do that is to keep the Democratic Congress from busting the budget agreement.

Q. Mr. President, will that feed the people, pay the rent, and help them to get jobs at this particular point?

The President. Yes, my program will.

Q. Mr. President, sir, we've heard that, from some of your advisers, that you are actually considering taking some kind of strong remedial action to boost the economy, to give it a kick-start. Any truth in that?

The President. As I've said, I'm very pleased with the unemployment numbers today. I remember back in my previous incarnation as Vice President when they were far higher than this, and it was resisted, some of these Government job proposals. I would like to see something done in the way of a growth package. I think that would stimulate the economy immediately.

It doesn't have to take effect. It just has to get the confidence that a reduction in capital gains would give it because it would create jobs, and people would see it. People would invest more. And this is kind of cynically looked at by some political leaders as a tax break for the rich. There's something that would help immediately. It didn't have to go into effect. It would send a message of confidence to investors. So, there are things of that nature that we've proposed in our growth package that I think would help.

On the other hand, I am encouraged that the statistics that I've given you, and there are other ones, indicate an improvement. My problem is there's a different, there's a disconnect between the statistics and the order books. And I want to see this good news of today followed on now by more orders and more employment. But I must say I think that it's moving in the right direction.

Economic Strategy

Q. Sir, as we move into a Presidential election, the Democrats think you are vulnerable on the economy, and there is a feeling around the country that you've decided to let Alan do it -- Greenspan, with the Fed Reserve lowering interest rates. That really is your only strategy, other than -- --

The President. I beg your pardon, I just gave you a strategy, John. You must have missed what I said about capital gains reductions, about IRAs, about R&D extension. You see, these are things that would help stimulate the economy. And I don't know why people are tone deaf up on Congress about this. It would help. And it wouldn't bust the budget agreement.

And that's what I'm trying to do. And things are moving, and they're moving in the right direction. Thank God this recession hasn't been as deep as previous recessions. But when people are still hurting, I want to do what I can to help. But it doesn't help to simply add more to an already intolerable deficit. And so therein lies the big difference.

But we've got a good program for growth. And I'd like to see the Congress move on it. But when

you don't have the control of it, it's pretty hard to even get it considered.

Capitol Hill Ethics Issues

Q. One matter that has received quite a lot of coverage around the country is this latest episode on Capitol Hill with the checks bouncing and the restaurant bills going unpaid, and so forth -- --

The President. Checks and balances? [Laughter]

Q. Yes. We've seen you -- --

The President. I'm sorry. [Laughter] Go ahead, Brit [Brit Hume, ABC News]. Excuse me.

Q. You've gone to some lengths to provide, or to attempt to provide leadership on ethical matters in the executive branch. What's your reaction, sir, to these goings-on on the Hill?

The President. I say they ought to sort it out themselves.

Q. Well, don't you have some opinion on it?

The President. What? [Laughter]

Q. Do you have some view of it?

The President. I'm afraid that anything I say on it will be considered political. And you know how I'm trying to avoid that. [Laughter] No, I'll let them sort that matter out themselves. And I do think that it's hurt the Congress in the eyes of the American people. And I think they're trying to move to correct that.

Middle East Peace Conference

Q. Mr. President, there are reports from Paris today that the Mideast peace conference will convene in late October. What is the status of preparations for those talks and has the time and place been set?

The President. There are no preparations in the sense of logistics for that that I know of. No dates have been set. And a lot depends on what happens in the next couple of weeks as to whether such a conference will take place at that time. I certainly would like to think that we could get on with this. But I don't want to mislead you. I was briefed just before I walked in here about a statement out of Paris that sounded to me a little more firm than where we are right now.

Israeli Loan Guarantees

Q. There have been complaints in Israel that by delaying these loan guarantees you're prejudging the settlement issue and tilting toward the Arabs. How do you -- --

The President. I disagree with that. My position has been one, in a sense, of reiteration of longstanding U.S. position. And I think it was the right thing to do. I'm very pleased with the strong support from the American people for the position I've taken. The support from around the world is strong. And I think it's not prejudging or getting on one side or another of this ageless dispute.

Employment

Q. If we can get back to the economy for a minute. The Bureau of Labor Statistics numbers show that there are now 300,000 fewer jobs today in this country than there were when you took office. What does that say about your overall economic performance? And why do you think -- --

The President. I was hoping that you'd ask that. Go ahead.

Q. Why do you think the recovery has been so slow?

The President. Let me tell you something. The statistics that came out today take even the household survey, which has been the one that was cited, and raise it up. So the fact is no longer true, the statistics that some of the Congressmen were using. It's no longer true. In addition, there is the establishment survey that shows a very substantial increase in employment, as will the household survey now. So, you asked the wrong question, or a day late because of -- --

Q. Let me ask another question.

The President. Yes, try another one.

Q. Do you still think that you can adhere to your promise to create, I think it was, 30 million new jobs in 8 years?

The President. Thirty million? Eight years? Yes. [Laughter] Well, I, gosh, I don't remember being quite that optimistic about being elected at the convention. But I think the economy is recovering. I think it will be more robust as we go along here. Job creation is fast. Now, whether I could live up to 30 million in 8 years, I don't know. But I -- get through these first 4 years, that's what I'm focusing on right now.

Q. What's your goal? What do you think you'll be able to do? What do you see -- --

The President. I can't give it to you in exact figures. I've learned just to void all the predictions now, including 30 million in 8 years. But I am very encouraged with the way it's happened. And the statistic you asked about is outmoded by just a tenth of one percentage point. That's the thing that's amazing about this economy. The 300,000 was so totally wiped out. I can't give you the exact figure, but maybe one of our experts can.

CIA Director Nominee

Q. Mr. Bush, do you totally dismiss the testimony that the Senate heard this week that your nominee, Bob Gates, cooked the analysis to CIA for political reasons?

The President. If that's the charge, I totally dismiss it. I think it's an outrageous assertion against a very honest man, a thoroughgoing professional. And that's the worst charge that can be leveled against an intelligence officer. And I know Bob Gates, and I know he would never cook the estimates.

Q. Does it trouble you, however, that these people who might end up working for him put a good deal on the line to tell Congress their opinion with presumably nothing to gain?

The President. No, I think they have every right to do that. I haven't seen, sitting here as President of the United States, these allegations before. These people haven't felt to come -- I don't know that they went to the Inspector General of the agency before. I hope the record shows they did. It would be something to look into. Have they accused this good man of the worst kind of sin you can have as an intelligence officer, which is politically slanting estimates?

But I'm saying I don't believe it about Bob Gates. I know enough about how estimates are achieved that I know sometime, somebody has to make a decision. And every analyst, every junior analyst cannot have his or her estimate be the one that comes to the President of the United States, you see.

So, I just have total confidence in Bob, and I certainly will defend him against that charge, which is really -- you have to know and have a feel for the intelligence community to understand how serious a charge that is in that business.

Presidential Candidates

Q. Mr. President, the field of Democrats who want your job are now pretty much announced. What is your assessment of your competition?

The President. When I become a candidate and if I become a candidate, I will be glad to assess -- I'm not even sure I'll do it then. I'll let the Democratic primary process go forward, let the voters sort that out without any editorializing from me on it. And they're all going after the nomination.

And then I think the process will work as it traditionally does, that when you have a general election there will be a lot of to and fro on assessing.

But I don't really think it would be helpful for me to kind of analyze and point out. It's like the questions I get here, ``Please tell us your three greatest weaknesses as President of the United States, sir." The Saturday Night Live over there. I want to stay out of that.

Q. Mr. President, do you agree with some other Republicans that your reelection is basically at this point a lead-pipe cinch?

The President. No, I certainly don't. And I'm not going to approach it that way. If I become a candidate with finality I'm not going to approach it in that way at all.

G - 7 Finance Ministers' Meeting

Q. The G - 7 finance ministers will meet with the Soviet Union and amongst themselves in Bangkok next week. Do you support the idea of a temporary bridge loan to the U.S.S.R. if it becomes necessary, and/or additional agricultural credits or U.S. purchases of Soviet oil for our strategic -- --

The President. I'm waiting for our Agricultural Secretary to come back, Ed Madigan. We're having meetings going on right now with the Secretary of the Treasury, who's come back; the Secretary of State, who also met with the leaders. So it's too early for me to say anything other than, if people are starving or there's a shortage of medical supplies, the United States will not be found wanting. I just don't want to go into it any further.

Q. Could I follow on the domestic: Do you have a message for the G - 7 ministers as far as promoting world growth? Would you like to see interest rates come down?

The President. Yes, I'd like to see lower interest rates, and I'm glad that that's being accommodated here with very, very low incidences of inflation. You know, they used to have a thing called the misery index. Some of the people that followed politics remember that. That was unemployment and inflation added together. Thank God, even when people are hurting, that that misery index is lower than at some of the times in the recent past, within the last 15, 20 years. It's not doing badly.

Having said that, I don't want to sound that I am unconcerned about the people that Helen asked about.

Confidence in the Economy

Q. You said a minute ago something I didn't quite understand, that capital gains didn't have to go

into effect to have an effect. What did you -- --

The President. I mean confidence in the economy. You see, what I think is that what the economy needs is a shot of confidence. Banks have money to loan, and they're not particularly willing to loan it. Good banks should make good loans, for example. Now, some of that can be blamed on regulatory excess. Some of it, I think, is a lack of confidence. But I think as soon as they see in place steps that will strengthen, that clearly benefit the economy, before those benefits are actually felt, I think people will start moving and investing and see this economy take off more. That's what I was talking about.

Q. Besides jawboning the issue, sort of what we're doing here, is there anything you can do unilaterally, though, to help the recovery along?

The President. I don't know exactly what one can do unilaterally except jawboning. We're taking the steps that are not unilateral steps and trying to get steps taken that are not unilateral. So, as you see this economy recovering. I think it's all right to try to instill confidence in the marketplace. But I don't want to be unrealistic about it -- I don't want to be euphoric in my optimism -- that I do feel optimistic about the economy.

I don't want to be unrealistic. There are some things -- maybe there is more we can do, you might say, unilaterally in terms of regulatory excess. But we're taking a look to see. And we've taken some steps. And they have not corrected the problem frankly. So, we'll be trying to find out.

Central Intelligence Agency

Q. One of the most serious charges leveled during these Gates confirmation hearings really doesn't have anything to do with Gates personally but the agency as a whole: that it's been dead wrong on everything from moderates in Iran to the fall of the Government in the Soviet Union. Are you concerned that there's been some degradation of the agency over the past decade?

The President. No. You see, I'm perhaps the, I guess I'm the ultimate consumer of intelligence as President. I'm briefed every morning in a very select document called the PDB, the President's Daily Brief. I see as much as I want to, under my way of running the Presidency. The Director comes down almost every morning, but a briefer is in there every morning at 8 a.m. I see the intelligence product.

And, yes, there's some mistakes made. But when you're dealing with measuring intentions, please understand it is unlike counting beans or counting rockets or counting tanks. They're very different. And so when you're measuring intentions, of course there's going to be people that make mistakes. But as far as I'm concerned, as the ultimate consumer of the intelligence product, I think it's been very, very good. And I am absolutely confident that we have the best intelligence service in the world. I know it. I know that for fact certain. And we share intelligence, very

carefully, with foreign leaders from time to time. And they are always impressed.

So, I have no hesitancy in representing that to the American people. It's something I know something about.

Q. These aren't just some mistakes. I mean, these could be considered monumental mistakes.

The President. Well, if you'd cite one, I would be glad to comment on it. I don't know which ones -- --

Q. The situation in Iran with moderates in Iran and the collapse of the Soviet Government.

The President. I don't remember the estimates. I'd have to look at it myself to tell you whether I thought ex post facto that there was anything -- how egregiously wrong they were. Of course, there are mistakes that are going to be made when you're looking for needles in a haystack or when you're looking for moderates in Iran.

But let me just tell you this: Does anybody think today, is there anybody out here that would say that this regime under Mr. Rafsanjani is less moderate than Khomeini? Absolutely not.

And so again, I'd have to refresh my memory on what the charge is, but there is clearly a move now in Iran to be a little more on, what I would say, the reasonable side, moderate side. And I hope that continues because I want better relations with Iran. I think they know, and we know, the American people know, what it's going to take. It's going to take a full accounting for these hostages. If Iran has one iota of influence they ought to release the hostages. Then we can get back together a little.

So again, Jim [James Miklaszewski, NBC News], I'm not trying to avoid your question, I'm simply saying you're dealing in degrees here. I think most observers of Iran would say things are a little different than they were under the more radical Khomeini regime.

Q. Mr. President? Mr. President?

Q. Could you say --

Q. Mr. President?

The President. No, right here in front of me.

Parental Leave Legislation

Q. Mr. President, I think the United States is the only Western industrialized nation that does not guarantee a pregnant woman the right to have her job back and does not allow parents with legitimate family emergencies to take leaves. You vetoed a bill last year that would have provided that, and now you have another one. Are you perhaps entertaining a change of heart?

The President. I'd look at the bill, but I don't -- I'm not entertaining any change of heart. I don't want to see any more mandated benefits. I want to see these matters resolved the way they should be. And I don't think that we need a larger Federal participation in the problem you outlined.

And I've been very consistent on it. I was that way all along. And I think that we're here talking about jobs, we're here talking about competitive, and we're here talking about how we can show more compassion. One way is to have a more vibrant economy where they can do a lot more things of that nature. So, I'm not inclined to change my position at all.

Last one back there.

I've got to go to Camp David on a domestic education program we're working on there. Lamar Alexander's up there with this school; we're trying to revolutionize the schools. And he's got together a group of people, private sector that are willing to -- private sector to contribute fantastic sums of money to help us -- --

Q. Mr. President --

The President. -- Sarah [Sarah McClendon, McClendon News Service], please let me finish -- to really do a job on revolutionizing the schools. And it's a wonderful program, and I want to go up there and give it strong support.

Yes, last one.

Q. Thank you, Mr. President -- --

Q. Have you given any more thought to -- -- [Laughter]

The President. Come on.

Government of Iraq

Q. Mr. President, at the General Assembly, you said you thought that you'd like to see the cooperative effort that led to Desert Storm lead to a just government in Baghdad. And that seemed to be the first time you've actually suggested that the U.N. take on the job of replacing Saddam. Did you mean that they should take an active part? And what are you going to do to implement that? What do you have in mind?

The President. Well, I've got in mind all along what I said is that I'd like to see Saddam Hussein out of there so we could have more normalized relations. Our argument is not with the people; never has been; never was at the height of the war. And I made that very, very clear as we went along. And so it is with Saddam Hussein, who is continuing to brutalize his own people. And that's just the way it's going to be.

Q. Sir, you've said that all along. But you've always said nature would have to take its course, that that wasn't the U.N. mandate. But it seemed that at the U.N. when you said you'd like to see that cooperative effort actually bring it about, you said when it does that you were going beyond that in asking the U.N. to take steps here.

The President. Well, I'll have to review. You're getting me with the context not quite so clear in my mind. But if there's any question about wanting Saddam Hussein out of there, let me reiterate, we want him out. And if there's any question that it would benefit the people of Iraq, let me lay that one aside. It would be of great benefit to the people of Iraq and the United States. And most of the other countries I know are going to keep these economic sanctions on until there's dramatic change there. And we're going to still continue under the U.N. resolution to permit the sale of oil, properly supervised, so that the funds from that go to the people, in terms of food and medicine. So that's policy.

Frances [Frances Harden, CNN], this is the last one, because -- --

Q. Mr. President, have you given -- --

Q. What about public schools, Mr. President -- --

The President. Sarah, come on, lighten up, will you.

Q. What about public schools?

Nuclear Arms Reductions

Q. Have you given any more thought to Mitterrand's call for a four-power summit to discuss nuclear arms reductions?

The President. I've not heard from him directly on that. I am pleased, incidentally, with the way the response is coming in from around the world on our initiative of a week ago -- very pleased, indeed -- including the Soviet Union. But, look, we'll participate in whatever it is in order to hurry the day that we have lower levels of nuclear weapons. But I've not, I just don't want to address myself to a specific proposal because I haven't seen it, have it analyzed or anything of that -- --

Q. You would be willing to go to a summit to discuss that? Is that what you're saying?

Foreign vs. Domestic Affairs

The President. I've got to watch foreign travel. I don't want to have it leveled against me that I'm interested in only one area here. But this brings home -- I'm just thinking of this press conference. I kept a little score sheet here. This brings home a point I'd like to raise. I think we've got a very good domestic agenda. And I know I'm very concerned when people are out of work. And I think we've got a good alternative to help; alternative from what the leaders in the Congress are putting forward. But, for obvious reasons, there continues to be understandable fascination with and interest with what's going on abroad. I didn't take a question here on Haiti. I thought I would. So I understand -- --

Q. Yes, you did, the first question.

The President. I consider that a question, let me revise it. [Laughter] But, okay, so we got one question on Haiti. [Laughter] But I'm making a point. Please let me finish the point. The point is a President has to deal with these things. You could have every Congressman and every group can deal much more openly and be much more engaged on the domestic side. But on foreign policy there's a disproportionate responsibility on the President for national security, whatever it is.

So, you all ask a lot of international questions, and I answer them. But I just hope it doesn't come out that this is all I'm interested in, because it isn't. There is a funny thing now going on when we go out and we talk about education or we talk about the crime bill, people say, ``Well, this is political season." And so I will keeping plodding along here and making clear what our domestic priorities are. And I will not neglect my responsibilities to try to keep the American people informed on national security matters, lowering the threat from nuclear weapons, or events such as Terry asked about in Haiti, so that people know what we're doing.

And that's it.

Q. You once said you enjoy foreign policy.

The President. I do. I like all kind of policy and that's a -- --

Q. You said you'd rather talk about foreign policy than talk about Rostenkowski.

Note: The President's 105th news conference began at 11:47 a.m. in the Briefing Room at the White House. In the news conference, the following people were referred to: President Jean-Bertrand Aristide of Haiti; Alan Greenspan, Chairman of the Federal Reserve Board; Robert Gates, nominee for Director of Central Intelligence; Secretary of Agriculture Edward R. Madigan; Secretary of the Treasury Nicholas F. Brady; Secretary of State James A. Baker III;

President Hashemi-Rafsanjani and Ayatollah Khomeini, former religious leader of Iran; President Saddam Hussein of Iraq; Secretary of Education Lamar Alexander; and Representative Dan Rostenkowski. Following the news conference, the President and Mrs. Bush departed for Camp David, MD.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Jozsef Antall of Hungary

October 4, 1991

The President met with Hungarian Prime Minister Jozsef Antall in the Oval Office this morning. The President reaffirmed our strong commitment to the Hungarian economic and political transformation. The President believes that the revolutionary changes in the Soviet Union make the success of Hungarian democracy even more important than before.

Prime Minister Antall described his great concerns about the situation in Yugoslavia and urged strong international efforts to bring about a solution while providing clear safeguards for the rights of national minorities in the region. The President agreed, mentioned Secretary Baker's strong statement on Yugoslavia at the U.N. last week, and pledged to continue U.S. support for European Community-led efforts to bring about a cease-fire and a process of negotiations.

Executive Order 12775 -- Prohibiting Certain Transactions With Respect to Haiti

October 4, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code,

I, George Bush, President of the United States of America, find that the grave events that have occurred in the Republic of Haiti to disrupt the legitimate exercise of power by the democratically elected government of that country constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. Except to the extent provided in regulations, orders, directives, or licenses which may hereafter be issued pursuant to this order, all property and interests in property of the Government of Haiti, its agencies, instrumentalities and controlled entities, including the Banque de la Republique d'Haiti, that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons, including their overseas branches, are hereby blocked.

Sec. 2. Except to the extent provided in regulations, orders, directives, or licenses which may hereafter be issued pursuant to this order, any direct or indirect payments or transfers to the de facto regime in Haiti of funds, including currency, cash or coins of any nation, or of other financial or investment assets or credits, by any United States person, or by any person organized under the laws of Haiti and owned or controlled by a United States person, are prohibited. All transfers or payments owed to the Government of Haiti shall be made when due into an account at the Federal Reserve Bank of New York, or as otherwise may be directed by the Secretary of the Treasury, to be held for the benefit of the Haitian people.

Sec. 3. For the purposes of this order:

(a) The term ``de facto regime in Haiti'' means those who seized power illegally from the democratically elected government of President Jean-Bertrand Aristide on September 30, 1991, and includes any persons, agencies, instrumentalities, or entities purporting to act on behalf of the de facto regime, or under the asserted authority thereof, or any extraconstitutional successor thereto.

(b) The term ``United States person'' means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States, or any person in the United States.

Sec. 4. The measures taken pursuant to this order are not intended to block private Haitian assets subject to the jurisdiction of the United States, or to prohibit remittances by United States persons to Haitian persons other than the de facto regime in Haiti.

Sec. 5. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations and to employ all powers granted to me by the International Emergency Economic Powers Act, as may be necessary to carry out the purposes of this order. Such actions may include prohibiting or regulating payments or transfers of any property, or any transactions involving the transfer of anything of economic value, by any United States person to the de facto regime in Haiti. The Secretary of the Treasury may redelegate any of these functions to other officer and agencies of the United States Government, all agencies of which are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order, including suspension or termination of licenses or other authorizations in effect as of the date of this order.

Sec. 6. This order is effective immediately.

Sec. 7. Nothing contained in this order shall confer any substantive or procedural right or privilege on any person or organization, enforceable against the United States, its agencies or its officers, or the Federal Reserve Bank of New York or its officers.

This order shall be transmitted to the Congress and published in the Federal Register.

George Bush

The White House,

October 4, 1991.

[Filed with the Office of the Federal Register, 2:46 p.m., October 4, 1991]

This Executive order was published in the Federal Register on October 7.

Proclamation 6347 -- National Radon Action Week, 1991

October 4, 1991

By the President of the United States

of America

A Proclamation

Radon is a naturally occurring, colorless gas that, when concentrated in high levels, can pose a threat to human health. Generated by the natural breakdown of uranium in soil, rock, and groundwater, radon can gradually seep into any building through cracks and other openings in the foundation. Because radon has been detected in every State across the country, all Americans should be aware of this potential hazard.

High levels of radon in the home are believed to be the second leading cause of lung cancer in the United States. Indeed, only smoking causes more deaths by the disease. People who smoke and dwell in a house with unacceptable levels of radon run an especially high risk of developing lung cancer.

Fortunately, even extremely high levels of radon in the home can be reduced, and testing for the gas is relatively simple and inexpensive. Indeed, testing one's home, school, or office for radon should require little time and few resources.

The United States Environmental Protection Agency has joined with a number of State governments in promoting local efforts to help Americans test their homes and schools. Other organizations that are sharing in these efforts include: the American Lung Association, the Advertising Council, the Consumer Federation of America, the American Public Health Association, the National Safety Council, and the National Association of Counties. This week, I join with them in urging all Americans to test their homes for radon and to make any necessary modifications to reduce excessive levels of the gas.

The Congress, by Senate Joint Resolution 132, has designated the week of October 13 through October 19, 1991, as ``National Radon Action Week'' and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week of October 13 through October 19, 1991, as National Radon Action Week. I encourage government officials and all Americans to observe this week with appropriate programs and

activities designed to enhance public awareness of the risks of excessive radon exposure and ways that we can reduce them.

In Witness Whereof, I have hereunto set my hand this fourth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:34 p.m., October 4, 1991]

Note: This proclamation was published in the Federal Register on October 8.

Remarks at the National Italian-American Foundation Fundraising Dinner

October 5, 1991

Thank you, ladies and gentlemen, very much. Thank you, Frank. Thank all of you, and Frank Stella, thank you for those kind words. And thanks to all of you for this warm welcome for Barbara and for me. May I salute the Most Reverend Pro Nuncio, thank him for the blessing. And Nancy, congratulations to you on this dinner -- chairing it -- this highly successful dinner and that lovely introduction of Barbara. Thank you very, very much.

And may I also salute Jack Valenti and the leadership of the foundation: Frank Stella, Jeno Paulucci, and Arthur Gajarsa. It's great to see members here from all three branches of the Federal Government. And of course, a special welcome to our distinguished guests who came from Italy to join us this evening, and to the Members of Congress, Pete Domenici from the Senate, and so many Members of the House with us tonight.

Let me single out one of the many, a man that I've worked with over the last few years, a man I respect, and that is the Foreign Minister, Mr. De Michelis. He's honored here tonight for his strong leadership in Italy, his support of common objectives with the United States. And I think you've chosen very, very well indeed. And I think of Italy's strong support for our nuclear arms reduction proposal. And incidentally, today may be a day that lives in history. We had a very positive response from President Gorbachev on reducing nuclear weapons, and we have a national Italian-American dinner that might be over before midnight. So, it's one hell of a day. And if I don't stay on time, he's going to kill me.

But let me just say to the Foreign Minister and to Pete Secchia, who I might proudly say is doing his part for our country in Italy. In my view, I would say that relations between the U.S. and Italy have never been better. And I would pledge to Italy's new Ambassador, Ambassador Biancheri, that we welcome you, sir. He presented his credentials at the White House just a few days ago. And let me give you a solemn pledge from all in our administration to work closely with you to keep this great relationship on track. And it's good, and it's strong. And we all take great delight in that.

May I also salute Paul Tagliabue, the honoree, Bar's co-honoree, the man who helps give us so many memorable Sunday afternoons in front of the TV when we should be out cutting the grass. And also we share the spotlight tonight with celebrities like the guy right over my shoulder here, Ernest Borgnine, Oscar-winner, and with two fellows who give Michelangelo's David a run for his money: Sly Stallone and Joe Piscopo. And, of course, that monument to Mom's cooking that swept through the White House the other evening at a State dinner, Dom DeLuise. Things haven't been the same since. [Laughter] Can you imagine all the people at a stuffy State dinner dealing with that guy? [Laughter]

And let me also salute a guy who wants to trade a star on Hollywood Boulevard for a seat in the Senate, mayor of Palm Springs, my friend, Sonny Bono. I've got one question for him: What makes Sonny think that someone from the California entertainment industry can succeed in national politics? [Laughter] And Sonny, a little advice for you, if you want to practice debating, skip over Connie Morella, who's sitting next to you, and go a couple of seats down with Geraldine Ferraro, and be ready. It's tough. I've been there, I know. [Laughter]

Just a word about your wonderful organization. Every member here knows what it means to trace your roots to Italy, to feel that special pride in your heritage mixed with profound compassion for all of us who can never be Italian. [Laughter] I do think it says something special about our Nation, that we can combine such reverence for the land of our ancestors with this unshakable patriotism for this country we call home. Our America is confident, openhearted, a place where our differences don't detract, but make us all richer.

And we can all feel the special bond that links so many millions of Americans to the ``Old Country." If America is, as I believe, and I think Sly Stallone believes from those beautiful remarks he made, the most fortunate country on Earth, we owe it to the values that your community, the Italian-American community, calls its own: values of family, and faith, and freedom.

We must strengthen those living values in everything we do. Think of your parents and their parents, the people whose hands and hearts, sweat and sacrifice made this country what it is today. We must seek a society worthy of them, a place where our sons and daughters can raise a family, build a future, better, brighter than the one before.

And tonight's gathering is special. You kick off a year of celebration marking the 500th anniversary of Columbus' famous voyage. I want to mention this foundation's special role as coordinator of this celebration under the able leadership of our friend, Frank Donatelli.

1992 gives us a chance to reach back into history, to make this celebration a time of renewal. From Columbus' voyage to the settlers at Plymouth Rock to pilgrims bearing steamer trunks and filing through the portals at Ellis Island, America has always been the New World.

Luigi Barzini, the Italian-born author whose family came to this country when he was a boy, wrote that immigrants from Italy and from all lands came to America because it was, and here's the quote, ``Nothing more than the sum of all their different and sometimes impossible hopes."

What a wonderful definition of America: a land of impossible hopes made real, a country where one generation's dreams become the next generation's destiny.

So, as we celebrate five centuries since Columbus' epic voyage, let us also celebrate the many

contributions Americans of Italian heritage have made and will make to this proud country we share.

Once again, thank you for your hospitality to Barbara and me. And may God bless the United States, and may God bless the Republic of Italy. Thank you very much.

Note: The President spoke at 10 p.m. at the Washington Hilton Hotel. In his remarks he referred to Frank Stella, vice chairman of the foundation; Agostino Cacciavillan, Papal Nuncio to the United States; Representative Nancy Pelosi, event chairperson; Jack Valenti, member of the board, National Italian American Foundation, president of the Motion Picture Association, and master of ceremonies; Jeno Paulucci, chairman of the foundation; Arthur Gajarsa, president of the foundation; Senator Pete Domenici; Gianni De Michelis, Italian Foreign Minister; President Mikhail Gorbachev of the Soviet Union; Peter Secchia, U.S. Ambassador to Italy; Boris Biancheri, Italian Ambassador to the United States; Paul Tagliabue, NFL commissioner; entertainers Ernest Borgnine, Sylvester Stallone, Joe Piscopo, and Dom DeLuise; Sonny Bono, mayor of Palm Springs, CA; Representative Connie Morella; 1984 Democratic Vice Presidential candidate Geraldine Ferraro; and Frank J. Donatelli, chairman of the Christopher Columbus Quincentenary Jubilee Commission. A tape was not available for verification of the content of these remarks.

Proclamation 6348 -- Child Health Day, 1991

October 7, 1991

By the President of the United States

of America

A Proclamation

Our children's state of health is, in many ways, a measure of our success and character as a people. Thus, on Child Health Day, we reaffirm our commitment to helping every American youngster enjoy the best possible start in life -- beginning with high quality health care throughout pregnancy for expectant mothers and extending through each child's formative years.

In recent decades, we have made important progress toward the goal of better child health. For example, early immunization has virtually eliminated some childhood diseases, and, with increased vigilance on the part of parents and public health officials, it has the potential to conquer several others. A variety of educational programs and support services -- both public and private -- have encouraged more and more pregnant women to protect the lives of their unborn children through proper nutrition and prenatal care. The United States Child Nutrition Programs, including the School Lunch and School Breakfast Programs, have helped to bring healthy, well-balanced meals to millions of youngsters. Nevertheless, we know that we still have much work to do.

Statistics show that many children die or suffer permanent disability as a result of injuries -- injuries that could be prevented. In fact, the Department of Health and Human Services reports that more youngsters ages 1 through 19 die from injuries than from all other causes of death combined. In 1988 alone, injuries claimed the lives of more than 22,000 children. These injuries may be the result of accidents or physical abuse and other crimes.

Fortunately, we are finding ways to reduce the risk of accidental injury among children. Scientific research and advances in technology have enabled us to develop safer toys and flame-retardant clothing, as well as child-proof packaging for medicines and toxic chemicals. Growing public awareness of safety issues has led to protective legal measures, such as State statutes that require child passenger restraints in motor vehicles. Local initiatives requiring the use of bicycle helmets, fencing around swimming pools, and certain safety standards for playground equipment are also helping to reduce the risk of childhood injury. Of course, the success of these and other measures requires our vigilance and cooperation as parents and neighbors.

If we are to protect the lives and health of our Nation's children, then we must also redouble our efforts to stop the scourges of child abuse, drunk driving, and other crime. A stable, loving home

and a safe, nurturing environment are essential to every youngster's physical well-being and emotional development.

Government cannot replicate the love and commitment of parents; neither can it fulfill their primary responsibility in caring for their children. However, public officials, parents, and physicians -- as well as educators and other concerned Americans -- can work together to promote the health and safety of our Nation's youth. Today, let us renew our resolve to do just that. Precious lives depend on it.

The Congress, by joint resolution approved May 18, 1928, as amended (36 U.S.C. 143), has called for the designation of the first Monday in October as ``Child Health Day'' and has authorized and requested the President to issue annually a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim Monday, October 7, 1991, as Child Health Day. I urge all Americans to join me in renewing our commitment to protecting the lives and health of this Nation's youngest citizens.

In Witness Whereof, I have hereunto set my hand this seventh day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:29 a.m., October 8, 1991]

Note: This proclamation was published in the Federal Register on October 9.

Letter to Congressional Leaders Transmitting a Report on Verification of Nuclear Warhead Dismantlement and Special Nuclear Defense Controls

October 7, 1991

Dear Mr. Speaker: (Dear Mr. President:)

I am transmitting with this letter a report to the Congress: Verification of Nuclear Warhead Dismantlement and Special Nuclear Material Controls, as required by section 3151 of the National Defense Authorization Act for Fiscal Year 1991. The report reflects the views of a Technical Advisory Committee on the subject defined by Congress: on-site monitoring techniques, inspection arrangements, and national technical means that might be useful to verify the dismantlement of nuclear warheads, a ban on the production of plutonium and highly enriched uranium for nuclear weapons, and the disposition of these materials recovered from dismantled nuclear warheads.

A distinguished panel of Government and nongovernment technical experts was assembled, according to Federal Advisory Committee Act guidelines, to serve as the Technical Advisory Committee under the requirements of the Act. They have summarized their findings in the unclassified Executive Summary, and approve the material presented in the classified full report, initially prepared by the Department of Energy. The Technical Advisory Committee had full independence in expressing their expert opinions on these matters. The Committee was chaired by Ambassador C. Paul Robinson who served as the U.S. Ambassador to the Nuclear Testing Talks.

The mandate to the Committee in the legislation was challenging. It is difficult and potentially misleading to evaluate verification issues in isolation from the details of a potential agreement. Since there are no such agreements drafted, the adequacy of the verification measures could only be discussed in broad and general terms. That said, the report makes clear the difficulties and risks involved. As the Advisory Committee reports, the United States could not effectively verify the number of existing warheads or the amount of special nuclear material currently on hand. We likewise could not have high confidence in discovering clandestine warhead or special nuclear material stockpiles. In addition, the report notes the extreme difficulty of monitoring the many potential paths in which nuclear warheads or special nuclear material could be produced.

The Committee charter was limited to the assessment of technical verification arrangements and techniques, and therefore their report does not address the broader national security implications of the possible outcomes defined in the legislation. The Committee was in unanimous agreement, however, that for any controls regarding warhead demilitarization or special nuclear material production, maintenance of an effective and modern nuclear deterrent must not be compromised.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Transmitting the Report on Possible Effects of a Strategic Arms Reduction Agreement on the Trident Program

October 7, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 1001 of the National Defense Authorization Act for Fiscal Years 1990 and 1991, I am forwarding herewith the classified version of the report to the Congress on Possible Effects of a Strategic Arms Reduction Agreement on the Trident Program. Also enclosed is the unclassified version of the report.

As we negotiated the START agreement, an important requirement for us was to ensure that the number and types of strategic forces we planned to retain under the Treaty would guarantee the Nation's defense. In that respect, the Trident submarine will provide a survivable and enduring element of the U.S. strategic Triad well into the next century. Maintaining its effectiveness and survivability will be one of our most fundamental tasks. For the reasons stated in the enclosed report, I remain confident that the planned number and configuration of Trident submarines represent the best deployment plan.

I also recognize that providing for the Nation's defense is a dynamic requirement, necessitating constant vigilance and adjustment. For this reason, I assure you that we will continue to examine the overall sufficiency of our strategic forces and will seek those changes necessary to maintain its effectiveness and survivability.

I value the important role the Congress must play in maintaining our Nation's defenses and look forward to working closely with the Congress to ensure the viability of our strategic nuclear deterrent.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Press Secretary Fitzwater on the President's Meeting with Jonas Savimbi of Angola

October 7, 1991

The President held a very good meeting with Dr. Jonas Savimbi, President of UNITA, and reviewed with him the status of the Angola peace accords. The President reiterated our firm commitment to the peace process and our continued interest in seeing Angola reach national reconciliation. The President also discussed the timing of elections next year, noting that our preference remained for the elections to be held in September.

Note: The statement referred to the National Union for the Total Independence of Angola (UNITA).

Statement by Press Secretary Fitzwater on the President's Cabinet Meeting

October 7, 1991

President Bush today reviewed a number of economic and legislative policy issues with his Cabinet. The President emphasized that the economy is emerging from the recession. The President said he was told by a number of business leaders this morning that the recovery is underway, but it requires nurturing.

The index of leading economic indicators, for the last 7 months, has forecast growth in the economy. Housing starts and industrial production have been increasing for 5 months, and inflation is down and declining. In addition, interest rates, both short-term and long-term, are at their lowest levels in years.

The President applauded efforts to hold down unnecessary regulations that can have the effect of limiting the creation of new jobs and urged a redoubling of efforts to do so. He also expressed concern about the availability of credit for small businesses which have historically created most of the new jobs in the country.

The President and his Cabinet reviewed the major pieces of domestic legislation now before the Congress. The President emphasized that he would support the extension of unemployment benefits in a bill proposed by Senator Robert Dole.

The President also heard reports from his Cabinet on the crime bill, the comprehensive banking reform legislation, the national energy strategy legislation, the Surface Transportation Act, and a number of child health care programs administered by the Department of Health and Human Services.

Proclamation 6349 -- National Firefighters Day, 1991

October 7, 1991

By the President of the United States

of America

A Proclamation

When you ask a group of youngsters what each would like to be when he or she grows up, frequently, at least one will reply: ``a fireman!'' Even though the aspirations of youth often change over time, it is, nonetheless, a very telling answer. Children as well as adults recognize the extraordinary courage of firefighters -- and the tremendous importance of their work. On this occasion, Americans of all ages join in paying grateful tribute to the heroic individuals who serve our Nation as professional and volunteer firefighters.

The responsibilities of a firefighter often entail considerable personal risk and sacrifice. In addition to enduring what are sometimes long and unpredictable hours -- a burden shared by the loved ones who must cope with worry and waiting -- firefighters are frequently called to put themselves in harm's way to protect the lives and the property of others. Today we remember in a special way those firefighters who have perished in the line of duty. Their great sacrifice underscores the risks that firefighters accept, each and every day, for our sake.

Professional and volunteer firefighters not only bring prompt, highly skilled assistance to victims of fire and other emergencies but also play a leading role in promoting public safety. Through schools and community programs across the country, firefighters are helping to educate the public -- in particular, children -- about ways to avoid fire and safety hazards. They are also teaching individuals what to do if an emergency strikes. Many firefighters who are also trained as paramedics and emergency medical technicians are helping to save lives by instructing citizens in first aid -- including cardiopulmonary resuscitation.

In recognition of the lifesaving work of our Nation's firefighters, the Congress, by House Joint Resolution 189, has designated October 8, 1991, as ``National Firefighters Day'' and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 8, 1991, as National Firefighters Day. I encourage all Americans to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this seventh day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America

the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:39 a.m., October 8, 1991]

Note: The Office of the Press Secretary released this proclamation on October 8, and it was published in the Federal Register on October 9.

Executive Order 12776 -- Extending the National Defense Service Medal to Members of the Reserve Components of the Armed Forces of the United States During the Period of the Persian Gulf Crisis

October 8, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, and as Commander in Chief of the Armed Forces of the United States, it is hereby ordered as follows:

Section 1. Under such regulations as the Secretaries of the Army, Navy, and Air Force, or the Secretary of Transportation with regard to the Coast Guard when it is not operating as a service in the Navy, may severally prescribe, and subject to the provisions of this order, the National Defense Service Medal, as established by Executive Order No. 10448, as amended, may be awarded to members of the Reserve Components of the Armed Forces of the United States, as delineated by section 261 of title 10 of the United States Code.

Sec. 2. The National Defense Service Medal, as authorized in the first section of this order, may be awarded to an individual who was a member in good standing of a Reserve Component of the Armed Forces of the United States during a period designated by the Secretary of Defense as the period of the Persian Gulf crisis for the purposes of this order.

Sec. 3. The National Defense Service Medal may be awarded posthumously to a member of a Reserve Component of the Armed Forces of the United States who satisfies the requirements for such award under this order and under regulations promulgated pursuant to section 1 of this order.

George Bush

The White House,

October 8, 1991.

[Filed with the Office of the Federal Register, 11:55 a.m., October 9, 1991]

Note: This Executive order was published in the Federal Register on October 10.

Proclamation 6350 -- National Disability Employment Awareness Month, 1991

October 8, 1991

By the President of the United States

of America

A Proclamation

No nation, no matter how wealthy, has ever been able to afford the waste of human talent and potential. That is particularly true today, as the world economy continues to grow in size and sophistication. If the United States is to remain strong and prosperous in the increasingly technological, increasingly competitive global marketplace, then we must employ the creativity, energy, and skills of all of our citizens -- including the millions of Americans with disabilities who are both eager and able to work.

The estimated 43 million Americans who have disabilities constitute a rich, yet too often untapped, national resource. Because each of these Americans, like every other citizen, is a full heir to the promise of ``life, liberty, and the pursuit of happiness," our Nation has a solemn obligation to provide them with equal opportunities in education and employment. Doing so is not just in the best interest of the United States, it is also one of the best ways we can affirm our belief in the inherent rights and dignity of all individuals.

It is gratifying to report that we are already making progress. For example, the Americans with Disabilities Act required, among other measures, that five specific Federal agencies establish implementation regulations or guidelines. Most of those regulations -- relating to employment, public accommodations, transportation, and communications -- have been proposed. On July 26, 1991, the first anniversary of the Americans with Disabilities Act, I issued a memorandum to the heads of all Federal departments and agencies directing that the Federal Government serve as a model for the Nation by providing equal opportunities for persons with disabilities in recruitment, hiring, and career development.

Of course, while government can lead, it cannot do the job alone. The success of the Americans with Disabilities Act will depend on the express commitment and the sustained cooperation of public officials, educators, business and industry leaders, and persons with disabilities. A little over a year ago, when I signed into law the Americans with Disabilities Act of 1990, the world's first comprehensive declaration of equality for persons with disabilities, the United States became the international leader on this human rights issue. As other nations seek to bring their disabled citizens into the mainstream of national life, we can truly say that the Americans with Disabilities

Act will affect the lives of millions of people around the globe.

The Congress, by joint resolution approved August 11, 1945, as amended (36 U.S.C. 155), has called for the designation of the month of October of each year as ``National Disability Employment Awareness Month." This special month is a time for all Americans to recognize the unlimited potential of persons with disabilities and renew our determination to provide equal employment opportunities for them.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the month of October 1991 as National Disability Employment Awareness Month. I call on the people of the United States to continue working to guarantee for Americans with disabilities equal employment opportunities and all of the full rights and privileges of citizenship.

In Witness Whereof, I have hereunto set my hand this eighth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:28 p.m., October 8, 1991]

Note: This proclamation was published in the Federal Register on October 10.

Proclamation 6351 -- Mental Illness Awareness Week, 1991

October 8, 1991

By the President of the United States

of America

A Proclamation

Once shrouded in mystery -- and spoken of only in sad, hushed tones -- mental illness is becoming more widely understood. Thanks to dramatic advances in basic biomedical research and in the behavioral sciences, we have been able to achieve significant improvements in the diagnosis, treatment, and prevention of emotional and mental disorders. Scientific progress has also helped to alleviate the stigma associated with mental illness, as more and more Americans learn about its origins and effects. Nevertheless, because millions of Americans suffer from some kind of mental disorder, we pause this month to reflect on this major public health problem and to renew our commitment to better mental health.

Mental illness can affect people of any age, race, or walk of life. For example, many elderly Americans are vulnerable to depression and to other illnesses that can threaten their independence and security. Many youngsters who are affected by phobias or other mental disorders continue to suffer when their symptoms are mistaken for passing behavioral problems. Left untreated, mental illness not only leads to lost productivity in school and in the workplace but also damages its victims' self-esteem and personal relationships.

Recognizing the high costs of mental illness to individuals and to the Nation, scientists, physicians, and other concerned parties throughout the Federal Government and the private sector are working hard to achieve further progress in brain research. Just 2 years ago, as an expression of our support for their efforts, I signed into law House Joint Resolution 174, which called for the observance of the 1990s as the ``Decade of the Brain.'' This resolution underscored the importance of continuing brain research and signalled our firm commitment to better mental health in the United States.

In recognition of the importance of educating the public about mental illness and the needs of those who suffer from it, the Congress, by Senate Joint Resolution 156 has designated the week beginning October 6, 1991, as ``Mental Illness Awareness Week'' and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim

this week of October 6 through October 12, 1991, as Mental Illness Awareness Week. I invite all Americans to observe this week with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this eighth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:54 a.m., October 9, 1991]

Note: This proclamation was published in the Federal Register on October 10.

Statement on Efforts to Ensure the Availability of Credit

October 8, 1991

I have today approved a set of proposals for additional action to relieve the ``credit crunch." The proposals were developed by the Treasury Department working with the bank regulators. They were reviewed and presented to me by the Economic Policy Council in response to my directive of September 27th.

There are many signs that we are emerging from the recession. Housing starts are up 26 percent since January. Industrial production has risen for 5 straight months. Our unemployment rate in September fell to 6.7 percent. In addition, the index of leading economic indicators has been steady or increasing for 7 straight months.

With mortgage interest rates at their lowest levels since 1977, I want to ensure that we have sound banks making sound loans. The genius of the American economy is the entrepreneurial spirit of our people. Ensuring sound credit for economic expansion which creates new jobs is important.

I am pleased with the additional steps we are announcing today. But let me emphasize: This is not all that can or should be done. I have directed the Economic Policy Council to examine additional measures that might be taken, not only to relieve the credit crunch, but also to advance our agenda for job-creation and growth. We will be meeting to review additional recommendations in the weeks ahead.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Tofilau Eti Alesana of Western Samoa

October 8, 1991

The Prime Minister of Western Samoa, Tofilau Eti Alesana, met with the President for half an hour in the Oval Office today. The Prime Minister and the President discussed issues in the South Pacific and international developments. The President thanked the Prime Minister for Western Samoa's support for Operation Desert Storm and for its positive response to his nuclear initiative.

Remarks Welcoming President Vigdis Finnbogadottir of Iceland and Queen Sonja of Norway

October 9, 1991

President Bush. Please be seated this sunny day in the Rose Garden. But let me just say what a pleasure it is to welcome President Vigdis Finnbogadottir -- excuse me, I have such difficulty, and I've known her a long, long time -- of Iceland, and of course, Queen Sonja of Norway, to Washington.

The ties between our two lands go back nearly 1,000 years to the time of the voyages of Leif Eriksson and his companions, the first Europeans to set eyes on North America. This year we also celebrate the 50th anniversary of the establishment of diplomatic relations between the United States and Iceland.

On Leif Eriksson Day we commemorate the voyages of Leif the Lucky, Son of Iceland, Grandson of Norway. His bold and adventurous spirit is an inspiration to peoples on both sides of the Atlantic who continue to work on the frontiers of knowledge in many areas. This is also a time to celebrate not only the strong relationship between our countries but also our shared commitment to the ideals of democracy and peaceful cooperation between nations. Our common views regarding a strong NATO symbolize our faith in these ideals.

In recognition of Vinland Revisited and the events surrounding this occasion of President Vigdis and Queen Sonja's visit, I would like to present each of them with a copy of the Presidential declaration proclaiming October 9th Leif Eriksson Day and then turn to them for comments.

President Finnbogadottir. Mr. President, I wish to thank you very much and the people of the United States for the warm welcome that they have given us here when we come on an important mission with our Viking ships and with the Gaia that is to symbolize our wish to make a better world, ecologically speaking.

We are having the young children in mind, we are having the future in mind when we come with friendship, as we always do. And may I present you, on behalf of Iceland and Norway, ``The Viking Discovery of America," a special edition, the first copy signed by His Majesty the King of Norway, Harald V, and myself.

President Bush. How beautiful a present. Thank you so very much. It's lovely. Thank you.

Queen Sonja. Mr. President, I am very happy also to be here in Washington on this important occasion. And I have the privilege to present to you a replica, but in silver this time, of the Gaia. We believe and hope it will fulfill its promise to help out children in our world. Also like the

President of Iceland said, to help the future and the future generation to be able to profit by this wonderful planet Earth. Thank you very much, Mr. President.

President Bush. Beautiful. Thank you.

Queen Sonja. And also, I hope it will strengthen our ties between Iceland, Norway, and your country, the United States. Thank you.

President Bush. Well, thank you very, very much.

Note: The President spoke at 2:55 p.m. in the Rose Garden at the White House.

Proclamation 6352 -- Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics

October 9, 1991

By the President of the United States

of America

A Proclamation

1. Pursuant to the authority vested in me by the Constitution and the laws of the United States, as President of the United States of America, I, acting through duly empowered representatives, entered into negotiations with representatives of the Union of Soviet Socialist Republics to conclude an agreement on trade relations between the United States of America and the Union of Soviet Socialist Republics.

2. These negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act").

3. As a result of these negotiations, an ``Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics," including annexes and exchanges of letters which form an integral part of the Agreement, the foregoing in English and Russian, was signed on June 1, 1990, by duly empowered representatives of the two Governments and is set forth as an annex to this proclamation.

4. This Agreement conforms to the requirements relating to bilateral commercial agreements set forth in section 405(b) of the Trade Act (19 U.S.C. 2435(b)).

5. Article XVII of the Agreement provides that the Agreement shall enter into force on the date of exchange of written notices of acceptance by the two Governments.

6. Section 405(c) of the Trade Act (19 U.S.C. 2435(c)) provides that a bilateral commercial agreement providing nondiscriminatory treatment to the products of a country heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress under the provisions of that Act.

7. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States the substance of the provisions of that Act, of

other acts affecting import treatment, and actions taken thereunder.

Now, Therefore, I, George Bush, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 404, 405, and 604 of the Trade Act of 1974, as amended, do proclaim that:

(1) This proclamation shall become effective, said Agreement shall enter into force, and nondiscriminatory treatment shall be extended to the products of the Union of Soviet Socialist Republics, in accordance with the terms of said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XVII of said Agreement. The United States Trade Representative shall publish notice of the effective date in the Federal Register.

(2) Effective with respect to articles entered, or withdrawn from warehouse for consumption, into the customs territory of the United States on or after the date provided in paragraph (1) of this proclamation, general note 3(b) to the Harmonized Tariff Schedule of the United States, enumerating those countries whose products are subject to duty at the rates set forth in Rates of Duty Column 2 of the tariff schedule, is modified by striking out ``Union of Soviet Socialist Republics".

In Witness Whereof, I have hereunto set my hand this ninth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 5:10 p.m., October 9, 1991]

Note: This proclamation was published in the Federal Register on October 11.

Letter to Congressional Leaders on the Agreement on Trade Relations With the Soviet Union

October 9, 1991

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 407 of the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I am transmitting a copy of a proclamation that extends nondiscriminatory treatment to the products of the Union of Soviet Socialist Republics. As an annex to the proclamation, I also enclose the text of the ``Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics,'' which I signed on June 1, 1990, including related annexes and exchanges of letters.

Implementation of this Agreement will strengthen political relations between the United States and the Soviet Union and produce economic benefits for both countries. It will also give further impetus to the progress we have made in our overall diplomatic relations over the last several years, and help to reinforce political and economic reform in the Soviet Union.

I believe that the Agreement is consistent with both the letter and the spirit of the Trade Act. It provides for mutual extension of nondiscriminatory tariff treatment, while seeking to ensure overall reciprocity of economic benefits. It includes safeguard arrangements designed to ensure that imports from the Soviet Union will not disrupt the U.S. market.

The Agreement also confirms and expands for American businesses certain basic rights in conducting commercial transactions both within the Soviet Union and with Soviet nationals and business entities. Other provisions include those dealing with settlement of commercial disputes, financial transactions, and government commercial offices. Through this Agreement, the Soviet Union also undertakes obligations to modernize and upgrade very substantially its protection of all forms of intellectual property rights. Once fully implemented, the Soviet intellectual property regime will be on a par with that of our principal trading partners.

On December 29, 1990, I waived application of subsections (a) and (b) of section 402 of the Trade Act with respect to the Soviet Union. On June 3, 1991, I recommended an extension of the waiver authority in section 402. I included with this recommendation my determination that the continuation of the waiver in effect for the Soviet Union would substantially promote the objectives of section 402.

I urge that the Congress act as soon as possible to approve the ``Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics'' and the proclamation extending nondiscriminatory treatment to the products of the Union of Soviet

Socialist Republics and the proclamation extending nondiscriminatory treatment to the products of the Union of Soviet Socialist Republics by enactment of a joint resolution, referred to in section 151 of the Trade Act.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Proclamation 6353 -- Polish-American Heritage Month, 1991

October 9, 1991

By the President of the United States

of America

A Proclamation

The ties that exist between the peoples of the United States and Poland are as old as our Nation itself -- firmly rooted in kinship and fortified by our mutual devotion to the ideals of liberty and self-government, they have withstood the tests of time and adversity. This month, we proudly celebrate those ties, as well as the many contributions that Americans of Polish descent have made to our country.

Our Polish American heritage traces back to the settlement of Jamestown in 1607, when Poles stood among the first immigrants to the New World. Since then, generations of Polish immigrants have built new lives on these shores, inspiring others by their faith and hard work and enriching American culture through the unique customs and traditions of their ancestral homeland. And from the scientific genius of Copernicus and Madame Curie to the brilliant work of artists such as Chopin and Paderewski, individuals of Polish descent have enriched not just America but the world with a wealth of talent and vision.

However, of all the gifts that Poland has given to the world, one of the most valuable and enduring is the example of her people, who have demonstrated extraordinary faith, courage, and resolve in their quest for freedom. Indeed, since the earliest days of our Republic, Americans and Poles have shared an abiding love of liberty and self-government. Brave Poles such as Tadeusz Kosciuszko and Kazimierz Pulaski helped to achieve our Nation's independence. They stood in solidarity with our ancestors because they knew that the hopes of all freedom-loving peoples were invested in this country's bold experiment in self-government. Through their historic Constitution of May 3, 1791, which was modeled after our own, Poles bravely asserted their desire for freedom. That document has remained a cherished symbol of Polish patriotism and courage.

Despite generations of foreign occupation and repressive rule, including invasion by Nazi Germany and the Soviet Union in 1939 and the declaration of martial law in 1981, Poles have remained firm in their hopes for freedom. Their recent triumph over communist rule and their peaceful transition to a democratic system of government underscored the truth of the timeless refrain: ``Poland is not lost while Poles still live."

Today the people of Poland are writing a bright new chapter in their nation's history. We Americans applaud their courageous steps to reform their economy and government, and we reaffirm our support for their efforts. In addition to offering direct financial aid, the United States has been engaged in efforts to encourage private sector investment and the growth of market institutions in Poland, through such vehicles as a housing loan guarantee program, the Polish Stabilization Fund, and the Polish-American Enterprise Fund. They symbolize our commitment to helping Poland establish stable democratic rule and a successful market-oriented economy.

In recognition of the strong and friendly ties that exist between the United States and Poland, the Congress, by Public Law 102 - 115, has designated October 1991 as ``Polish-American Heritage Month'' and has authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 1991 as Polish-American Heritage Month. I urge all Americans to join their fellow citizens of Polish descent in observance of this month.

In Witness Whereof, I have hereunto set my hand this ninth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:22 a.m., October 10, 1991]

Note: This proclamation was published in the Federal Register on October 11.

Remarks on Signing the Columbus Day Proclamation

October 10, 1991

Let me salute our chairman, Frank Donatelli, and salute the members of the commission, Gay Kingham and other members of the native American community with us; Christobal Colon, a descendant by direct line of Christopher Columbus. Of course, all the Members of Congress we're delighted to see here. Ambassadors Zappala and Einaudi and other members of the diplomatic community, so many. And we're very pleased to see all of you here. Let me just welcome you to the White House complex. That's what this is called for various reasons. [Laughter]

It's an honor to celebrate Columbus Day. You know, we're, in addition, saluting the start of a year of activities saluting the 500th anniversary of the first landing in the New World.

Today I will sign a special proclamation. I might add a P.S., and that P.S. will mandate that all Americans learn to pronounce a new word, ``quincentenary." [Laughter] I'm trying to get it down myself.

It is not easy this week to resist the temptation to stretch the truth and try to establish some special link to the Italian community or to Spain, whose ships and sailors carried Columbus to the New World. I will resist it. I was telling that to my aides last week as we headed to our newly named auto fleet, the Nina, the Pinta, and the Santa Maria. [Laughter]

Emerson once said, ``Every ship that comes to America got its chart from Columbus." For half a millennium, what Columbus discovered has helped chart the course of exploration and opportunity, sailing freedom's ship to every corner of the Earth.

Today, we salute a hemisphere moving toward democracy and free enterprise, aided by initiatives like the Enterprise for the Americas Initiative. It is my hope that this quincentenary will commemorate the common heritage of America and its neighbors. In addition, we salute not only Columbus' spirit of adventure but also the story of this Nation, unafraid, ever-changing, challenging the unknown, devoted to the blessings of liberty and the principles that unite all Americans.

Columbus Day celebrates the idea that we do not value diversity merely because America is strong. America is strong because we value diversity. In that spirit, it is now my privilege to sign a proclamation designating October 14, 1991, as Columbus Day. Thank you all very, very much for being in attendance.

Note: The President spoke at 10:30 a.m. in the Indian Treaty Room at the Old Executive Office Building. In his remarks, the President referred to Frank J. Donatelli, chairman of the Christopher Columbus Quincentenary Jubilee Commission; Gay Kingham, executive director of the American

Indian Congress; U.S. Ambassador to Spain Joseph Zappala; and Ambassador Luigi R. Einaudi, U.S. Permanent Representative to the Organization of American States.

Proclamation 6354 -- Columbus Day, 1991

October 10, 1991

As we approach the 500th anniversary of Christopher Columbus' first landing in the New World, renewed attention is being focused on this celebrated Admiral of the Ocean Seas in both Europe and the Americas. During our annual observance of Columbus Day, we celebrate all that this master mariner has symbolized to our Nation. For generations, Christopher Columbus has embodied the spirit of exploration and discovery -- and the beginning of America itself.

When Columbus began his first bold transatlantic voyage in 1492, he was pursuing both a theory and an opportunity. The journey promised as much risk as reward, and it required substantial courage, initiative, and resolve on the part of Columbus and his crew. These qualities have been shared by virtually every great pioneer. Thus the story of Christopher Columbus reminds us that all fruitful exploration and discovery begins with a willingness to set one's sails higher, to seek new horizons, and to follow wherever one's imagination and experience might lead. It also reminds us that industry and labor are the foundation of learning and progress.

On this occasion, however, we celebrate not only the spirit of learning but also the story of our Nation. The meeting of cultures that was made possible by Christopher Columbus marked the beginning of a new chapter in history. The subsequent exchange of knowledge, resources, and ideas between the Old World and the New led to the development of two entire continents and to the birth of a Nation committed to liberty and opportunity.

Columbus Day has long been a special occasion to Italian Americans and to Americans of Spanish descent. Yet as we remember the brave son of Genoa who, with help from the Spanish monarchs Ferdinand V and Isabella I, linked two hemispheres, we know that this day holds meaning for us all. It is a time to recall the many pioneers who, like Columbus, have challenged the unknown and carried humankind further along the path of progress. It is a time to celebrate the rich heritage of America's native peoples, as well as our strengths as a Nation of immigrants. On this day, we also celebrate the close ties we share with our neighbors in Central and South America and the Caribbean, as fellow heirs of Columbus' voyages. Our Administration is working hard to develop these ties even closer through the Enterprise for the Americas Initiative. Most important, perhaps, Columbus Day is a time for us to do some exploring of our own -- to study and learn from the past so that we might appreciate more fully the blessings of freedom and the principles that unite all Americans today.

In tribute to the legacy of Christopher Columbus, the Congress, by joint resolution of April 30, 1934 (48 Stat. 657), as modified by the act of June 28, 1968 (82 Stat. 250), has requested the President to proclaim the second Monday in October of each year as ``Columbus Day."

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim

October 14, 1991, as Columbus Day. I call on the people of the United States to observe this day with appropriate ceremonies and activities. I also direct that the flag of the United States be displayed on all public buildings on the appointed day in honor of Christopher Columbus.

In Witness Whereof, I have hereunto set my hand this tenth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:33 p.m., October 10, 1991]

Note: This proclamation was published in the Federal Register on October 15.

Remarks Following Discussions With President Rafael Calderon of Costa Rica

October 10, 1991

President Bush. It's a great honor and pleasure to meet with you today at the White House. And I warmly remember my visits to Costa Rica as Vice President in 1986 and then as President in 1989. I will never ever forget the cheers, the genuine enthusiasm that the Costa Rican people showed for the United States of America when our flag was displayed there in that stadium. I'll never forget it. I know Barbara was touched by the warm hospitality extended by you and Mrs. Calderon and the Costa Rican people at your inauguration last May. There can be no doubt, Mr. President, that the people of Costa Rica and of the United States have a deep and abiding friendship, one for the other.

Costa Rica and the United States stand shoulder to shoulder for common values and aspirations. Our friendship is rooted in shared commitments to human rights, economic and social freedom, democracy, and peaceful foreign relations.

Costa Rica stands tall as a model of courage. For most of your lifetime, Mr. President, Costa Rica's neighbors have suffered from violence and instability, often under dictatorship. Political violence, border conflicts, death squads, subversion by Marxist guerrillas, all of these have scarred Central America and the Isthmus. Through all of this, without an army, Costa Rica stood fast. Costa Rica is a rock of stability in Central America because its people believe in permanent things: the sanctity of the person and of the family, the centrality of human freedom.

Almost half a century ago, the Costa Rican people made a civilized political and social compact. Costa Ricans strictly limited the power of government to interfere with civil liberties. Against all threats, domestic and external, Costa Ricans have kept faith with that promise. Costa Rica practices robust competitive politics, peacefully transferring power from party to party, from person to person. With its independent judiciary and limited public security forces, Costa Rica is a model civil society based on the rule of law.

Your country keeps faith with its international commitments, even when doing so is costly. Through all of the Central American turmoil during the 1980s, Costa Rica gave safe haven to refugees and respected universal human rights.

Mr. President, we strongly support your efforts, courageous efforts, to renew Costa Rica's economic strength. You've put together a very effective economic team. You've shown personal courage and impressive skills of leadership in advancing such reforms as price deregulation, privatization of government agencies, and tax reform. And I applaud these efforts which will help assure prosperity for the Costa Rican people.

And yes, I know that sacrifice by the people of Costa Rica is involved here. But I also know that the difficult economic decisions that you have taken will pay off for the wonderful people of Costa Rica.

I encourage you to continue to exercise the leadership necessary to complete the reform effort. We are recognizing that leadership today in making available $24 million in economic support funds. I promise to work unceasingly with you to let the liberating power of free markets help your country and mine and our neighbors as well.

Already we're working together to promote the Enterprise of the Americas Initiative for expanded trade and investment in the hemisphere. And I thank you, sir, for your very strong support of this initiative. The framework agreement for trade and investment between our countries will join with other accords to create new jobs and improve living conditions throughout the Americas. Our common efforts will hasten the day when the Americas will become a flourishing trade area from the Arctic Circle to the Strait of Magellan.

Mr. President, Costa Rica is a haven of peace, and Costa Ricans have always helped to resolve conflicts in your region. Today, we see the best of the Costa Rican tradition in your efforts to help bring about a just and peaceful solution to El Salvador's civil conflict. Fundamentally, all these efforts have been possible because Costa Ricans have labored for decades to cultivate the habits of civil society, habits of freedom and responsibility. Because of this abiding faith, Costa Rica is assisting in a new birth of freedom, prosperity, and peace for all of Central America.

Thank you again, Mr. President, my friend, thank you for your visit. And may God bless the people of Costa Rica.

President Calderon. Mr. President, Mr. Secretary, we are extremely thrilled today. I must recall that during an entire lifetime we have had the best relations of friendship, solidarity, and cooperation with the United States. It is not in vain that the United States is the oldest and most solid democracy in the Americas, and Costa Rica is the oldest and most solid democracy in Latin America.

On a personal note, I am so very pleased with the relationship of affection which binds you, Barbara, and your entire family to me and my entire family. And also on a personal note, just as you and I are standing here, my father stood here 51 years ago with President Roosevelt, strengthening the ties of friendship and solidarity binding the United States and Costa Rica.

As one governing a Latin American country, I have come here to express my thanks for your idea and your program of the Enterprise for the Americas Initiative. I have affirmed, and I repeat, that the history of the economic relations of Latin America and the United States will be divided into two phases, pre- and post-Enterprise for the Americas Initiative.

We have come here not out of a desire to ask the United States for economic assistance, but rather armed with a desire to come over the next few years to a free trade agreement with the United States which will increase the number of jobs, the amount of investment, the amount of exports, and the amount of wealth and employment of our country. We hope that by the first quarter of 1992 that we will be eligible for the Enterprise for the Americas Initiative facilities, having by then reduced considerably our external debt, and being ready by that time to take advantage of a free trade agreement.

Thank you once more, President Bush, for your support, your backing, your warmth, and your affection toward us and toward the entire Costa Rican people. Thank you once again for the cooperation of you and of your Government in the various international organizations in which the United States is represented.

Thank you once again for your cooperation in terms of equipment for our fight against drug trafficking which is a major concern of both of us. We are bound to be the first line of defense of American youth against drug trafficking, as well as the first line of defense of our own youth.

Thank you, finally, for continuing this endless, ceaseless struggle that the United States and Costa Rica have been waging and continue to wage for freedom and democracy in the world.

Thank you once again, President Bush.

Note: President Bush spoke at 1:18 p.m. on the South Lawn at the White House. President Calderon spoke in Spanish, and his remarks were translated by an interpreter. Prior to the remarks the two Presidents met privately in the Oval Office.

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

October 10, 1991

Q. Mr. President, the conservatives say you're not doing enough to help Thomas. They say you're not helping Thomas enough.

The President. Let me repeat it because some are a little hard of hearing. I support him 100 percent. No fear of contradiction. I am strongly for him. I'm simply not going to inject myself into what's going on in the Senate. I have very strong convictions about it, and I'll share them with you at the appropriate time. But as for now, you put me down and the White House down and our administration down as 100 percent for Clarence Thomas, without wavering in any way.

And let's see the Senate get on with its business in a fair fashion and get this matter resolved. And when it's done in that manner, I am absolutely convinced that he will be confirmed and will be on the Supreme Court because, in my view, he deserves to be there. And let the hearing go forward. But I don't want to get in -- I don't want to elaborate anymore because I have very strong feelings. And I've said about all I want to say about it right now.

I had a good visit with him yesterday. And I didn't see how my views supporting him could get any stronger, but they certainly did.

Q. They said you should go on TV.

The President. What?

Q. They say you should make a TV address, and you should denounce the Biden committee.

Q. Is it a smear campaign?

The President. Come on, Rita [Rita Beamish, Associated Press]. [Laughter]

Note: This exchange occurred following the remarks of President Rafael Calderon of Costa Rica and President Bush.

Remarks to the Religious Alliance Against Pornography

October 10, 1991

Let me welcome all of you to the White House. Good afternoon. And I'm pleased to see your Chairman, Dr. Jerry Kirk; His Eminence the Cardinal, Cardinal Bernardin, who is out in the forefront of this good work, the Archbishop of Chicago; Sarah Blankin, the chairperson of the National Women's Leadership Task Force; and Erv Duggan, FCC Commissioner. Welcome all to the White House.

It's a pleasure to take part in the alliance's national conference because we've all come here out of deep concern for one thing, and that is the well-being of our neighbors, our families, and particularly, I think, our children. Your group incorporates men and women of all faiths, all walks of life, and yet you stand united in your commitment to the dignity of human life, the integrity of the community, and our moral responsibility to our children. I believe that no matter who you are or where you live, we all want a better Nation, a better world for our children and grandchildren.

And most Americans feel very strongly that obscenity is not a part of that better world. It abuses, it degrades and insults both women and men. We've all heard the stories: Innocent children drawn into the world of pornography, victimized by crimes whose consequences are beyond imagination. This horror must stop.

Our administration is committed to the fullest prosecution of obscenity and child pornography crimes. And as I have stated before, and as I'm sure you will hear from my very able Acting Attorney General Bill Barr, who's doing a superb job, this will remain a priority. We've made tremendous progress at the Federal level, through such Federal initiatives as Project Postporn, in which we have virtually eliminated that horrible mail order obscenity business. Imagine, the indiscriminate mailing of hardcore pornography into American homes. And I know nobody in this room would want their children to have opened the mail the day that that kind of filth arrived.

In the last 6 months alone, the Department of Justice has obtained major indictments and convictions against some of the largest hardcore pornography producers and distributors in this country.

These successes would not have been possible without the leadership of the Department of Justice, and then the U.S. Attorneys in the cities like Dallas and Birmingham and Tallahassee and Concord, New Hampshire, and over here in Alexandria, Virginia, and the continued efforts of the Postal Inspection Service, the FBI, and the U.S. Customs Service.

Let me add, our prosecutors need more help in prosecuting sexual violence and child abuse cases. And that's why the administration's crime bill includes new provisions to protect women and children from violence and abuse.

Our crime bill is tough. We need a tough bill, our crime bill. It's the one we need. It's been there too long, and I want to see the Congress move on it and act on it and do, in this instance, what the American people want. In the next few weeks, the House, the House of Representatives, will consider what the Democratic leadership calls a crime bill. Sadly, rather than a call to arms in the war against crime, that bill, in the House I'm talking about now, maps out a retreat from current law. The bill handcuffs police and prosecutors in their efforts to fight crime instead of the criminals who commit the crimes.

And so, I really didn't want to miss this opportunity to come over here and ask you for your help in turning the crime bill around. Let your Representatives in Congress know, and know now, that it is time for a tough crime bill, one that cares about the victims of crime more than it does the criminals.

We also need something more, for the Federal system cannot stand alone. The legislative branch can pass strong laws, and the executive branch can present cases for prosecution in the courts. But the rest lies in the hands of decent men and women, and whether it's the jury members representing their community for a just society -- and by the way, we've piled up convictions because of juries standing on the side of community standards -- or it's as parents instilling values in our children. Time and again, so many things come down to family. And I firmly believe that we must do everything we can to support the American family. You know what I'm talking about. You just have an inner sense of what's right and wrong and that moral compass that delineates between what is tolerant and what is intolerable.

We all want, everyone wants I'm sure, a decent America. As de Tocqueville observed, ``America is great because she is good, and if America ceases to be good, America will cease to be great." And without the commitment of religious and moral leaders like yourselves to preserve the good, America will fail to achieve the great.

So, let me leave you with this challenge, this exhortation: Please keep up the good fight. Please continue to educate Americans about the threat that obscenity and child pornography pose to our Nation. And together I am absolutely convinced that we can build a better world for these kids.

We're working this, as you know, in the international scene. One of the joys I take about what's happened as the Soviets now have come forward to accept many of our challenges in reducing nuclear weapons, one of the great joys I take is to think what this means to, in my case, our grandchildren, most of you all, children -- [Laughter] -- but it's a wonderfully exciting thing. But that's just part of the equation. So much of it relates to what happens right here at home. And that, of course, is where each and every one of you come in.

So, thank you for being here. I'm preaching to the choir, I know, but thank you very, very much. [Laughter] Thank you, and God bless you all.

Note: The President spoke at 2:16 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Jerry Kirk, chairman of the Religious Alliance Against Pornography; Joseph Cardinal Bernardin of Chicago; Sarah Blankin, chairperson of the National Women's Leadership Task Force; Ervin Duggan, Commissioner of the Federal Communications Commission; and Acting Attorney General William Barr.

Remarks at the Andrew Mellon Dinner

October 10, 1991

Your Majesty, Queen Sonja; Vice President and Mrs. Quayle; my old friend, President Spadolini; members of the diplomatic corps and trustees of this marvelous gallery; Mr. Justice; members of the Cabinet; and distinguished guests all. First, I seem to do this every time I appear here, but let me rethank Paul Mellon. Every couple of years Paul is gracious enough to invite me over to dinner at his house. And if home is where the heart is, then this is truly Paul Mellon's home.

And I'm delighted that Queen Sonja is with us tonight. It's a shame that King Juan Carlos of Spain could not stay for this dinner. But I discovered why, I just found out why. After a quick sneak preview of all the wonderful items from around the world in the 1492 exhibit, His Majesty had to get back to see if anything was left in Spain's museums. [Laughter]

And I also want to pay tribute to our Chief of Protocol, Joe Reed, who's with us. This is one of his last events. And after 2\1/2\ years of outstanding service, I don't know about the rest of you, but for Joe, these qualify as casual clothes. [Laughter] Having said all that, we're going to miss him.

And Barbara and I, for both of us, it's a great honor to be with you tonight to celebrate the legacy of Mr. Andrew Mellon and others, who have built and supported this magnificent National Gallery of Art. In a fitting way, two important anniversary celebrations merge into one. We mark the 50th anniversary of the opening of the gallery and its stately West Building and, in just 2 days, we begin a year-long observance leading to the 500th anniversary of Columbus' voyage of discovery.

Every visit to this gallery is an act of discovery, for art reveals emotions, insights, and experiences that reflect the unity of human experience and aspiration. Art flows from mysterious creative forces. To produce great art is to give birth to a kind of truth. And that is why Dante called art, as it were, ``the grandchild of God."

In the United States, we trace our roots to every nation on Earth. And nations from around the globe have helped the gallery assemble the unprecedented exhibition of masterpieces that opens this week: Circa 1492 Art in the Age of Exploration. And we thank everybody that cooperated on this, everyone from abroad, everyone here in this country who has worked so cooperatively to make this exhibition so spectacular.

We also gather to express our gratitude, I'd say our Nation's gratitude, to Mr. Andrew Mellon. An immigrant's son, he devoted energy, passion, and patience to improve himself and the country he loved. And he was a complete man. His life and his legacy prove that the most truly successful Americans dream the most generous of dreams. Mr. Andrew Mellon gave us a daughter and son in his own mold and image. Ailsa Mellon Bruce and Paul Mellon inherited their father's

appreciation for fine art and his generous spirit. And as Andrew Mellon gave us this magnificent building of John Russell Pope's design, so Paul and his late sister gave the Nation I. M. Pei's path-breaking East Building. And it's a great pleasure to see Mr. Pei here with us tonight as well.

Like their father, Ailsa and Paul poured great talent and resources into assembling collections of art for the National Gallery. And, Paul, sir, as long as people live in this Capitol City, they will draw pleasure and inspiration from the Mellon family's gifts.

Every year some 7 million visitors, our dear friend Carter Brown tells me, open their eyes to the National Gallery's masterpieces. Some study and practice art through the gallery's educational programs, but the gallery beckons more than professionals and experts. It invites all the millions who tour its halls to become apprentices to the masters. For generations to come this gallery will open windows into the minds and souls of Leonardo and Picasso and Whistler and Renoir and Turner and Durer and hundreds more. The gallery's great works of art make yesterday's dreams alive and palpable, and they stir the creative energy of thousand's tomorrows.

Paul Mellon once quipped, ``What this country needs is a good five-cent reverie." And I think we all can agree that he has given us that and an awful lot more.

Thank you and may God bless you all and our great country. Thank you very, very much.

Note: The President spoke at 9:06 p.m. at the West Building, National Gallery of Art. In his remarks, the President referred to Queen Sonja of Norway; Vice President Dan Quayle and his wife, Marilyn; Giovanni Spadolini, President of the Italian Senate; several Justices of the Supreme Court; Paul Mellon, son of Andrew Mellon; King Juan Carlos I of Spain; Chief of Protocol Joseph V. Reed; Ailsa Mellon Bruce, daughter of Andrew Mellon; I.M. Pei, architect; and J. Carter Brown, director of the National Gallery of Art. These remarks were not received in time for publication in the appropriate issue. A tape was not available for verification of the content of these remarks.

Proclamation 6355 -- National Children's Day, 1991

October 11, 1991

By the President of the United States of America

A Proclamation

Few joys here on earth can compare to that of a happy childhood. As we advance in years, we begin to recognize it as one of life's greatest blessings. Of course, the ideal childhood is more than a precious age of innocence or of long, carefree days at play. It is also an exciting time of learning and discovery that shapes our values and our sense of identity, equipping us for the challenges and opportunities of the future. Because the person who enjoys a healthy, happy childhood is most likely to become a healthy, well-adjusted adult, we do well to recall our obligation -- as parents and as a Nation -- to protect, nurture, and provide for our children.

Most parents are keenly aware of their responsibilities of providing food, shelter, clothing, and basic health care -- the fundamental material support that is essential to every youngster's physical and emotional well-being. Yet parents also have a responsibility to nurture the spiritual and intellectual development of the child whom God has entrusted to their care.

Indeed, whether he or she is their biological, adoptive, or foster child, every youngster needs encouragement and discipline, as well as attention and affection. By word, deed, and example, parents must help their children recognize the meaning of love and respect -- and the difference between right and wrong. Parents can and should help their children to recognize their own talent and potential, and instill in them an appreciation of the American traditions of freedom and tolerance. Finally, because the days of childhood can never be reclaimed, we must allow our children to be children, never rushing them in our constant attempts to educate and inspire.

Of course, meeting the responsibilities of parenting is not easy. For many families, putting food on the table and making ends meet is an enormous challenge in itself. Filling a child's emotional and spiritual needs and material demands requires faith, sacrifice, fortitude, and commitment -- virtues that are the measure of love and the strength of families. Yet the importance of giving our children ample amounts of love, discipline, and guidance cannot be overstated; statistics on drug abuse, adolescent pregnancy, and other problems underscore the consequences of offering too little, too late. And we know that while government can and should assist parents in fulfilling their duties, it is no substitute for stable, loving family life.

Thus, as we honor America's youngest citizens on this National Children's Day, let us recall the essential ingredients of a healthy, happy, and secure childhood and reaffirm our commitment to helping every American youngster to enjoy the best possible start in life. As it is written in Scripture, ``Train up a child in the way that he should go, and when he is old, he will not depart

from it."

The Congress, by Senate Joint Resolution 126, has designated the second Sunday in October 1991 as ``National Children's Day'' and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim Sunday, October 13, 1991, as National Children's Day. I call on the American people to observe that day with appropriate programs, ceremonies, and activities designed to honor children and to emphasize the importance of their physical and emotional well-being. I also urge all Americans to reflect on the importance of stable, loving families to children and to our Nation.

In Witness Whereof, I have hereunto set my hand this eleventh day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:10 p.m., October 11, 1991]

Note: This proclamation was published in the Federal Register on October 16.

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

October 11, 1991

The President. I just want to deviate from the rules of keeping this open just for a photo op to make a statement about the proceedings on the Hill.

In my view, Judge Thomas made a very, very powerful and convincing statement. This decent and honorable man has been smeared. And his statement was strong. But, you know, the judge was wrong in one way. He said grave and irreparable damage cannot be corrected. The damage is grave, but his innate decency and honor are such that even these charges will not do irreparable damage to him.

The American people are fair, they are basically fair. And they know character when they see it. And today they saw a decent, honest man speaking from the heart. And he should be confirmed. In my view, he will be confirmed. And in the end, he will get his good name back.

Thank you very much. And now -- --

Q. Mr. President, are you -- --

The President. I'm not going to take any questions. I've said all I want to say about it.

Q. Are you interested in hearing Ms. Hill's comments?

The President. I am interested in the whole process. And I've said exactly what I think, and I'm not going to change my mind. I saw honor and decency there. And I know it when I see it, and so do the American people.

Thank you all very much.

Q. Do you think he's going to withdraw?

The President. I've answered all the questions I'm going to answer. Thank you.

Let there be no doubt.

Note: The exchange began at 11:34 a.m. in the Oval Office at the White House during a photo session with Secretary General Manfred Woerner of NATO. A tape was not available for verification of the content of these remarks.

Memorandum of Disapproval for the Emergency Unemployment Compensation Act of 1991

October 11, 1991

To the Senate of the United States:

I am returning herewith without my approval S. 1722, the ``Emergency Unemployment Compensation Act of 1991." I would gladly sign into law responsible legislation that does not threaten the economic recovery and its associated job creation, a fact that members of my Administration and I have repeatedly made clear. We have worked diligently with Members of Congress to encourage them to adopt a well-crafted alternative program of extended unemployment benefits that is paid for, as required under the bipartisan budget agreement. Unfortunately, the Congress has rejected this alternative and ignored my call for passage of measures that will increase the Nation's competitiveness, productivity, and growth.

The Administration is deeply concerned about the needs of the unemployed and their families. It is essential that we take responsible actions to ensure that the economic recovery continues and strengthens, creating new employment opportunities.

If a bill providing unemployment benefits in a responsible manner -- financed under the budget agreement -- reached my desk, it would be signed immediately so we could provide real additional benefits to the unemployed.

S. 1722 would effectively destroy the integrity of the bipartisan budget agreement and put into place a poorly designed, unnecessarily expensive program that would significantly increase the Federal deficit. Enactment of S. 1722 would signal the failure of budget discipline, which would have a negative effect on financial markets that could threaten economic recovery and lead to increased unemployment. This legislation would not well serve the unemployed or our Nation's taxpayers.

S. 1722 violates essential elements of last year's bipartisan budget agreement. It does not include offsets for costs that the Congress projects at $6.5 billion during fiscal years 1992 - 1995. Instead, it simply adds this cost to the Federal deficit by requiring that the provisions of the bill be treated as ``emergency requirements" designated by the President and the Congress under the Balanced Budget and Emergency Deficit Control Act of 1985. This breaches the budget agreement by denying me the independent authority to determine when an emergency exists, thereby removing a key safeguard for enforcing budget discipline.

In addition, S. 1722 is substantively flawed. It would establish a new, temporary Federal program providing three tiers of extended unemployment benefits. This complex, cumbersome system

could slow reemployment and would result in benefit delays, payment inaccuracies, and escalating administrative costs. Moreover, the bill inappropriately abandons the measure of unemployment that has historically been used to trigger extended benefits, substituting an overly broad measure that is not based upon the target group -- insured workers.

The Administration will continue to support alternative legislation that effectively addresses the needs of the unemployed while also maintaining the budget discipline that is imperative to the prospects of future employment and economic growth.

George Bush

The White House,

October 11, 1991.

Note: The President's last day for action on this bill was October 21.

Proclamation 6356 -- World Food Day, 1991 and 1992

October 11, 1991

By the President of the United States

of America

A Proclamation

At a time when America traditionally celebrates the promise of a rich autumn harvest, we do well to remember that hunger and malnutrition are a painful reality for millions of people around the world today. The situation is particularly tragic among infants and children in less developed countries. Each year millions die of starvation or disease; many others are permanently disabled as a result of chronic vitamin deficiencies. Recognizing the threat that hunger poses to human life and to the stability of nations, the United States is participating in the 11th annual observance of World Food Day.

The American people have long been providing generous humanitarian assistance to the hungry and less fortunate. This year alone, the United States will give more than 8 million metric tons of food, worth nearly $1.9 billion, to hungry people in other countries. In addition to sharing our Nation's abundant agricultural resources, we will also continue to share our technical knowledge and expertise, helping needy peoples to achieve greater food production and economic development.

Although we have taken important strides in the campaign against hunger, we still have much more to accomplish. Just as there is no single cause behind this large and complex problem, there is no single solution. For example, the worst reports of hunger and starvation often come from countries that have been racked by years of political upheaval and civil war. Indeed, in countries such as the Sudan, Ethiopia, and Mozambique, famine has not been so much the result of adverse weather conditions and crop shortages as of strife-related barriers to the distribution of food. The needless suffering of millions of innocent men, women, and children compels us to persevere in the quest for lasting peace and security.

We must also continue to promote private enterprise and free markets as catalysts for economic development and technological progress among nations. In many countries, centralized government planning has destroyed incentives for farmers and stifled agricultural production, leading to widespread poverty and hunger. Elsewhere -- even where crops are abundant -- excessive trade barriers prevent farmers from selling their goods on world markets, thereby limiting economic opportunity and growth. That is why we must continue working to open the world's markets and to liberalize trade through negotiations such as the Uruguay Round of the General Agreement on Tariffs and Trade.

Another threat to the future of some developing nations is the systematic degradation of the natural resource base on which sustainable agriculture depends. Forests are being destroyed at a rapid rate and soils depleted through subsequent erosion. Failure to protect the environment poses a significant long-term threat to the ability of those countries to feed their inhabitants.

The observance of World Food Day reminds us that the chilling specter of hunger and starvation is often nothing less than the lengthening shadow of illiteracy, poverty, government repression, and civil unrest. On this occasion, as we renew our commitment to feeding the hungry, let us also reaffirm our determination to find the lasting answers that go hand in hand with peace, opportunity, and education.

The Congress, by House Joint Resolution 230, has designated October 16, 1991, and October 16, 1992, as ``World Food Day'' and has authorized and requested the President to issue a proclamation in observance of these days.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 16, 1991, and October 16, 1992, as World Food Day. I call on all Americans to observe these days with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this eleventh day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:51 p.m., October 15, 1991]

Note: This proclamation was not received in time for publication in the appropriate issue. It was released by the Office of the Press Secretary on October 15, and it was published in the Federal Register on October 17.

Exchange With Reporters at Holly Hills Country Club in Ijamsville, Maryland

October 13, 1991

The President. Sunday. I'm out here to relax Sunday afternoon. Like a lot of the rest of the country, I've been glued to the television, and needless to say, I thought Judge Thomas put it in great perspective yesterday. And my heart aches for him and his family. But I saw a strong man, a man that has my full confidence, a man that belongs on the Court, and I believe he will make it. I noticed that the country appears to be strongly supporting him. So, I'm very pleased.

Confirmation Hearings of Clarence Thomas

Q. Do you think Anita Hill is lying?

The President. I just have total confidence in Clarence Thomas.

Q. What about the whole circus, sir?

Q. Mr. President, do you have any evidence that Anita Hill is lying?

The President. -- -- listening to the testimony, and I have total confidence in Judge Thomas.

Q. Judge Thomas said yesterday that he'd been killed by this. Do you think under the circumstances that he really should still be on the Supreme Court?

The President. Yes, I think so. And thank God he's decided to put up with even more abuse and go through more of this.

The American people know fairness when they see it, and they know that this process is ridiculous. And they know it's unfair at the last minute to have a charge like this leveled against a man that served -- been confirmed four times by the Senate. I think it's outrageous. But the American people are fair. They appear to be supporting Judge Thomas. I certainly am supporting him, and I see no reason to waver one iota. And when he said, ``Yes, I'm going to stay in there, they're not going to drive me out of this," I think that said something to the American people, too.

Q. What about your own selective process? Do you really know the people you select?

The President. Yes. In this instance, I know him well.

Q. And were you aware -- --

The President. Absolutely not. This is a last-minute charge that came out that nobody was aware of. It came out after the hearings were concluded, after he'd testified. And of course, I didn't know that.

Q. Sir, do you agree that he's under attack from special interest groups?

The President. I just leave it that he's got my full confidence. And I was rather persuaded by some of those statements, but I'm not going to go into all that right here.

Q. What about the process, the whole confirmation process?

Q. What do you mean you were persuaded by them?

The President. That's all I'm going to say about it, Helen [Helen Thomas, United Press International]. You can use your own imagination on it. I have total confidence in Jack Danforth, for example. He knows this man. I know this man, people that do have total confidence in his honor and his integrity. And so, let the process go on. I'm trying to stay out of the process except to express my full support.

I think when it's over I owe the American people my suggestions as to how to improve this process, and I will do my level best to provide -- --

Q. How about your own process?

The President. -- -- such as leaking Federal, FBI reports. We're going to have a new process on that, I can tell you.

Q. Are you going to hold those tighter, Mr. President?

The President. I'll talk about that at an appropriate time. And our process is fine because we've selected a very, very good man. And a lot of attacks are on him, but it hasn't wavered one iota.

Q. What about the racial overtones of all of this?

The President. I don't like it. I don't like it. I think he, when he put his finger on kind of stereotypical images, I think that hit home to a lot of people.

Q. Some critics say that this could all have been avoided if there would be more moderate people -- --

The President. Oh, yes, those who don't want a judge like Judge Thomas on the Court have said that. But I'm the President. I know what the Constitution says. And I will appoint those who I think are the best and who will interpret the Constitution. And I believe that's what Judge Thomas will do. Some want to give him a litmus test on individual issues. We know that. You know that. I know that. The American people know that. And when those litmus tests are either not addressed or when they're not passed, some groups are going to rant and rave and go after him with anything they can bring to bear on the process.

Look, nobody is naive in all of this.

Q. You don't think the American people should have known what was in that FBI report, is that what you're saying?

The President. No, I think FBI reports, because they contain raw allegations, unfinished intelligence, should not be released to the American people. And the release of them violated the rules of the United States Senate.

Q. Should they be held accountable?

Q. Did you watch Professor Hill's testimony, Mr. President, and if so, what did you think?

The President. I saw some of it. And I'm going to stand strongly in support of my nominee. I believe he deserves to be confirmed.

Q. Then you think that she's not telling the truth.

The President. I believe that Judge Thomas is telling the truth all out. Yes, he is.

Q. What should happen to those who released the FBI reports?

Q. He says he would never have accepted if he'd known this was going to happen.

Q. What should happen to those who released those FBI reports?

The President. Well, in a sense, that's a matter for the Senate. But it also comes under the heading of my business inasmuch as the FBI is part of the executive branch.

Q. He says that he would never have accepted your nomination if he'd realized he would go through this. Do you feel any regret or feel any guilt -- --

The President. No.

Q. -- -- that you subjected him to this?

The President. No, and I think that what he's saying is he never dreamed that this -- his family and him would be brutalized in this manner.

You know, I remember talking to him at Kennebunkport about this, saying, ``You know, you're going to go through a tough ordeal here." I remember the day well and the conversation well, sitting back in our little bedroom back there. I took him back alone and discussed this with him. But I don't think either one of us dreamed how bad it would be.

You know, there's something wrong when you parade this kind of charge in front of the American people and with this definition. There's ways to consider this kind of thing.

Q. Does that mean you don't take this charge seriously, Mr. President?

The President. It means I think the system -- I agree with what Senator Danforth said about it. And I think most Senators feel a certain uncleanliness about all of this right now. I'm pretty sure they do.

Q. Do you take the charge seriously of sexual harassment?

The President. Of course, I would. But I also know what the law says about sexual harassment, and I also think that everybody should take the charge seriously. But that doesn't mean I'm not a little like the American people when I say, hey, these hearings went on for -- the nomination was made 106 or 107 days ago, and if this was as egregious as -- the charge as egregious as is now leveled, how come the normal behavior for 10 years? How come the last-minute charge brought before the American people? I mean, I don't understand that.

Q. I know, that's why -- --

The President. Well, they could well be, but 10 years is a long time, Helen. And you have 105 days of purgatory for this man. So I don't -- --

Q. Do you think that he would have had a clear sailing had these charges not -- --

The President. Well, no, I don't think so. I think that many Senators -- for philosophical reasons -- not for ethical reasons, not for reasons of character but for philosophical reasons -- had said they wouldn't vote for him. No, I don't think it would have been clear sailing. I think he would have passed, though, yes.

Q. Do you think the statute of limitations should be over on this even if he did do these things?

The President. Of course, it's over. But that doesn't -- she's not bringing a legal case, as I understand it. The rules are very clear. You heard the testimony, and I heard the testimony. Sexual harassment is bad, but I have a funny feeling here that this is not all that's at stake here. And like the American people, I'm troubled by this, very troubled by it. But strongly in support of Judge Thomas.

Q. You don't think he ever thought about the abortion case in any sense?

The President. I just stand by the testimony, Helen.

Q. Sir, since Bork, these types of hearings have gotten dirtier and dirtier.

The President. They have.

Q. What can be changed?

The President. Well, maybe that's something good that will come because I think the people will demand of the Senate something that's a little more proprietary than this.

Q. Are you going to recommend changes?

The President. Yes, I will. But I don't know how -- --

Q. How do you influence that?

The President. Well, I've got a good way of talking to the American people and asking for their support when I feel strongly about something.

Q. Mr. President, several times you've said now that more is at stake than her testimony. Could you be more specific about what you think is going on, about what's behind -- --

The President. No. I've stated exactly what I want to say on this. Nice try, though. You want to get me into every fight up there, and I don't want to be in it. I don't want to -- --

Q. Well, you are.

The President. No, I'm not.

Q. This is why you're standing here.

The President. Well, you were yelling at me. [Laughter] I didn't want to leave you standing here. I didn't invite you out here. You don't have to -- go on home and leave me, let me play golf on Sunday. That's fine with me, Helen. And I think the American people would understand that, too, that you've got your job to do, and I've got mine to do.

Q. Come on, you'd be lonely without us. [Laughter]

The President. No, I must admit, if I didn't see you on the first tee, which I hope you won't be on, I'd be lonely without you. I agree. [Laughter]

Q. Is Gates going to make it on Friday?

The President. Just don't put me under oath on that.

Q. How about the last one?

The President. The last tee? Depending on how I do. If I'm grumpy and have been shanking them -- --

Q. Go home. You don't want to be out here. It's too cold.

Q. We came to tell you what's going on in the hearings.

The President. Yes, you can, but I brought a little set so I can tune in from hole to hole out there.

Q. Have you really?

The President. Yes.

Q. You did really, a TV set?

The President. No, it's a little radio.

Q. -- -- saw it?

The President. No, I've watched some of it, not all of it, some of it.

Q. Were you surprised that he didn't watch it?

The President. No, I think, I certainly understand that. I certainly understand that. Who wants to hear his family and good name castigated over and over again and dragged through the mud?

Q. Have you talked to him at all since -- --

The President. I had him down to the White House the other day, not since that, no.

Any others? Because this is the last shot at me. This is the last shot.

Q. Any plans to talk to him today?

The President. No plans, but it could happen. But I have no plans, no.

Middle East Peace Conference

Q. What are the chances of a Middle East peace conference by the end of the month?

The President. Now we're talking substance, foreign relations here. Let's see. I don't know how to rate the odds on that. But I do know that most perspective participants want to go to the table, and that's quite different than it used to be. So, I'm somewhat hopeful that Secretary Baker can move this forward now. It's come a long way, we've forgotten that, a long, long way.

Q. How about a -- --

The President. One more question, this counts as a full-scale press conference. [Laughter] It does. Come on, this has been 15 -- how many questions?

Q. This is the 19th hole.

The President. No, it's not. [Laughter]

Q. You're a nice and accessible President. How -- --

The President. Thank you, thank you, Helen. Did you get that, did you guys pick that up? [Laughter]

Nuclear Test Ban

Q. How about the summit on the nuclear test ban?

The President. With particular emphasis on nice. What?

Q. Will there be any meeting with Gorbachev, maybe in Rome at the NATO meeting, or anything

like that? Nuclear test ban?

The President. Oh, there is no decision taken on the NATO meeting. And there will be a lot of communication with the Soviets on the proposals, and then I think, at some time, a meeting with the Soviet leaders might be appropriate.

Q. -- -- like Malta?

The President. Come on. [Laughter] You're having this developed that these Republics are having an increasingly large say in the -- and want to have an increasingly large say. So, it's a little early to say exactly how such a meeting would be put together.

Q. So, it could be more than Gorbachev?

The President. Well, I think you're finding, that I'm finding that these Republic leaders are wanting more and more say over nuclear weapons in their territory.

Q. They're coming closer to a union treaty it looks like on -- --

The President. Well, I think that would be a good thing. And it's mainly on the economic side. But as I've long stated, to give the economic support, the humanitarian support, food support, why, they have to sort out these differences between them.

Confirmation Hearings of Clarence Thomas

Q. Mr. President, on Thomas, you saw a lot of these charges in the '88 campaign leveled at Dan Quayle. What goes through your mind when you see this again?

The President. What goes through my mind is I wish the political process weren't quite this ugly. Because how do you attract really first-class people like Clarence Thomas if they feel that in one way or another they're going to be brutalized, and if they feel that, even at the last minute after the hearings are closed and there's been 105 days since the nomination, that somebody can come forward with the charge? I think it makes it hard.

On the other hand, I like to look at the glass half-full and maybe out of this some procedural changes will be made that will protect the family, for example, and make it easier. But you ask what I think, I think it's pretty rough, that public service can be pretty ugly. And a lot of good men and women say, ``I don't need this. I don't want to serve my country if this is what it takes, if my family has a chance at being destroyed by the process."

So, that's one of the downsides, I think, the enormous downsides of all of this.

Political Campaigns

Q. Is that true also of political campaigns?

The President. Yes.

Q. That there may be a ``take no prisoners'' attitude?

The President. Yes. That's true of a lot of things about public life.

Q. Democrats felt that the Willie Horton ads didn't raise the tenor of campaigning in '88.

The President. Yes. They have a point, but they missed the point of Willie Horton. It wasn't anything to do with race. It was to do with murderers being let out of jail to commit crimes again. And that's all it was about.

But you're right. The opposition picked up on that and tried to make something ugly of it. And so, it's too bad. I mean, I think those things are difficult. But the issue was a very valid issue. It had to do with what kind of furlough policy you wanted.

Q. Well, do you think it tainted your campaign?

The President. Some think so. I don't think so. I think the American people saw right through it and agreed with me in terms of these furloughs. They don't want a man that is put into jail without any, supposedly without parole, being released -- and that's what happened -- to go out and commit another crime in another State. And that's all it was about.

But, yes, when it's picked up and made into something racist and nasty, I think that's too bad. But I don't think that has anything to do with what's happening today. I think this thing is so much -- that was on an issue, and I don't think anybody -- --

Q. Well, what is the crux then? What do you think is the basis of the opposition?

The President. To what?

Q. To what?

Q. To this nomination that you've made.

The President. Well, I'd just let every American make up his or her own mind as to what the crux is. Many have stated it: philosophical opposition. Many of the judges have, I thought that Joe

Biden had a comment like that. I understand that. He has every right to do that; he's a Senator. But some to get their way will go to no, will go the ultimate in trying to drag someone through the mud and -- --

Q. -- -- campaign?

The President. What do you mean by that?

Q. Will you counterattack when they attack -- --

The President. Sure, when they go after me, I'll go right back after them, if I decide to run. And I told you I will let you know when the candidacy becomes formal. I don't want to get out ahead of all these legal arrangements.

Q. -- -- could do it now.

The President. No, but it's too small a crowd. If I do that I want a great big crowd, and I don't want the golf course in the background, maybe. [Laughter] Although this is Sunday -- --

Q. That could make -- --

The President. No, that's all right. But this is Sunday. A lot of Americans watched the Ryder Cup, and now they can see the other extreme out here, about to tee it up.

But this idea of changing your life, not showing up at golf because I might be afraid you'd ask me questions on the golf course -- not for me. Look, I'm going to get my exercise the way I want. I work hard. I'm going to continue to work hard. And the fact that this is a nice setting out here -- the only regret I've got is they dragged you all the way out from Washington. But let it be said nobody had to show up.

Q. Are you going to play with Mrs. Bush today?

The President. She's playing in another very important match right behind us today.

Q. We wanted to show up. We didn't know that you were going to hold a news conference.

The President. I want credit for a full news conference.

Q. Thank you, Mr. President. This is a full one.

The President. This is it. I may not -- it is a full one. Anymore, because I'm leaving. I want

everybody to have exhausted -- domestic policy, you said? The education program? Yes, I'm very much interested in that. And we will continue to push for America 2000. And I hope we can get a good crime bill.

Q. -- -- Are you sorry you vetoed the unemployment?

The President. And I hope we can get a good transportation bill. And how I'd like -- --

Unemployment Compensation Bill

Q. -- -- Are you sorry you vetoed the unemployment?

The President. No. Because now I'd like to get a good unemployment compensation bill that is not going to break the backs of those who are employed. I'm concerned about the unemployed, and I'm concerned about those families in America that are having difficulty making ends meet. And what we don't need to do is get this deficit higher and, thus, put the burden on the back of the middle class or lower-middle class, people that have jobs and are barely making ends meet.

So, I want a good unemployment compensation bill, but I want one that is not going to bust the budget agreement.

Q. So, what's going to happen to these people?

The President. So it will work. They ought to send me a good bill. They can do it tomorrow if they want to, if they work on Monday. But I think tomorrow is a holiday. Make that Tuesday. And they could get it down there in 24 hours, because I'm not going to sign a bad one, and I will sign a good one. And we've got a good one on the Hill, and it's within the budget. And it won't result inevitably in higher taxes on the American people.

Q. Why can't you use the money that's in the budget for this particular reason?

The President. No, you can't do it because you have to declare an emergency, and I'm not going to do that because I want to have it within the budget agreement. And that's why, and we can do that.

Q. Mr. President, a poll last week said that a lot of people do not like the way you're handling the economy.

The President. I noticed that, and I've got to do something about it.

Q. -- -- trouble you at all?

The President. Yes, it did.

Q. What are you going to do about it?

The President. Get a good bill I can sign, by beating back bad bills. So, if the Democrats now want to not play politics, they'll send me a good unemployment compensation bill, one that shows concern for people out of work; one also that is paid for under the budget agreement, like the one we've got on the Hill.

But I think I've got to do more. And of course, this is a political season. They're pounding me on that now, and sometimes that gets through to the American people. I happen to think that we've got a good domestic program, but the point is we've got to keep reiterating it over and over again.

Q. Well, you've got to admit that the economy is really bad.

The President. Fortunately, it's less bad than it was. And yes, as long as one American is out of work and hurting, everybody has got to be concerned about that, including me, and I am.

Confirmation Hearings of Clarence Thomas

Q. Were you surprised at that two-to-one margin in the Post poll that people believe Thomas over Hill?

The President. No, I wasn't surprised. I wasn't surprised. I was pleased.

Q. What do you think Thomas's chances are now?

The President. I don't know. I don't know. I don't think they're -- I haven't seen any vote count. I'm not sure there are because this thing is kind of in a state of being decided here. So, I don't know. I'd like to think that they are good. But in terms of what's good or not, in terms of the chances, I don't know. But I have no regrets about putting this good man forward. I have lots of regrets about what happened to him. And I really feel hurt about it, mainly in identifying, trying to empathize with his family, and also, to some degree, with the process. I think a lot of Americans felt kind of unclean watching this and kind of hurt and troubled by it. I know I did. I know my family did.

Not to say, Helen, that somebody doesn't have a right to come out and all that. But there's something ugly about it.

Q. Well, what about her and her family?

The President. Yes, she didn't have to come forward at the last minute. She didn't want to be made public like this. Do you remember? She asked that it not be done. So therefore -- --

Q. And she would have taken a lie-detector test -- --

The President. Yes.

Q. Would you like to see them both take lie-detector tests?

The President. No, because I've passed the point where I think -- I don't want to be in a position of advocating that every nominee takes a lie-detector test. And I don't think any responsible elements are suggesting that. And I think it's a stupid idea.

But when you question -- if the idea is challenging the word of one over another, to use the lie-detector test in that way, I reject it.

The World Series

Q. Are you going to the World Series?

The President. Stay tuned. I don't know. We don't know yet. I'd love to, though.

Q. Do you like Atlanta because -- --

The President. What?

Q. Atlanta.

The President. Hey, listen. I've got to go to work now.

Q. Are you going to play 9 holes or 18?

The President. Eighteen, maybe 27.

Q. Oh, my!

Q. You're joking, you're not going to play 27. [Laughter]

The President. -- -- Kennebunkport -- come on, guys, I've got to go.

Q. That's the great American people.

The President. That's why I'm standing here. [Laughter]

Q. They vote.

The President. Okay, we'll see you all. So long.

Note: The exchange began at 12 noon on the golf course. During the exchange the following persons were referred to: Clarence Thomas, nominee for Supreme Court Associate Justice; Anita Hill, University of Oklahoma law professor who testified against Clarence Thomas before the Senate Judiciary Committee during his confirmation hearing on October 11; Senator John C. Danforth; Robert H. Bork, nominee for Supreme Court Associate Justice in 1987; Robert M. Gates, nominee for Central Intelligence Agency Director and former Deputy Director of the CIA; Secretary of State James A. Baker III; President Mikhail Gorbachev of the Soviet Union; Vice President Dan Quayle; Willie Horton, a convicted criminal whose furlough became a campaign issue in the 1988 Presidential election; and Senator Joseph R. Biden, Jr. A tape was not available for verification of the content of these remarks.

Exchange With Reporters on the Nomination of Clarence Thomas to the Supreme Court

October 14, 1991

Q. Mr. President, sir, did you personally approve the idea of the attacks on Anita Hill?

Q. Are you going to make any phone calls, Mr. President?

The President. I'm not going to have yet another press conference, but I will say this: I am very pleased with the way the support all across the country is holding strong for Judge Thomas. It is important to note that among Afro-Americans, black Americans, that the support is very, very strong. That is significant, and I think highly important. So, it appears to be holding, and now a vote will take place. And I think that is about all I care to say about it right now.

Note: The President spoke at 1:30 p.m. on the South Lawn of the White House upon arrival from Camp David. Anita Hill is a University of Oklahoma law professor who testified against Clarence Thomas before the Senate Judiciary Committee during his confirmation hearing on October 11. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the 1991 Nobel Peace Prize winner Aung San Suu Kyi

October 14, 1991

We applaud the Nobel Prize Committee's decision to award the 1991 Nobel Peace Prize to Aung San Suu Kyi (Owng Sahn Soo Chee). Her leadership of the Non-Violent Movement for Democratic Reform in Burma is in the best tradition of previous winners of the Nobel Peace Prize. She is the leader of the Opposition National League for Democracy Party which swept to victory in the 1990 national elections.

Arrested because of her political activities, she has been held incommunicado under house arrest for over 2 years. Even her husband and her children have not been allowed to visit her.

Her courage and her sacrifice are an inspiration to all who believe in democratic principles and government. Her continued detention without trial is the most obvious sign of the repressive manner in which the Burmese military maintains its rule.

The United States once again urges the Burmese military regime to transfer power to the duly elected civilian government and release all political prisoners, including this year's Nobel Peace Prize winner, Aung San Suu Kyi.

Remarks at the Welcoming Ceremony for Amir 'Isa Khalifa of Bahrain

October 15, 1991

The President. Your Highness, it is my great honor to welcome you to the White House today and to have this opportunity to consult with you on the many challenges that face our two countries and to convey my heartfelt thanks to you, a valued coalition partner. Bahrain has been a firm friend and a close ally for half a century but never more than in this past year as we've stood together to turn back aggression.

Your Highness, we spoke together many times in the aftermath of August 2d and at key moments during Desert Storm, and never once did you waver. Always you stood strong and resolute. From its strategic position in the Gulf, Bahrain served as a key staging point in Desert Storm. Your air force, the Bahraini air force, helped the coalition secure the air superiority so decisive to victory. Bahrain endured Scud attacks, shook off Saddam's desperate attempt to sow terror, and emerged each time more determined to prevail.

Your Highness, your country's conduct in this crisis is a credit to your leadership and to the courage of the people of Bahrain. Just as we joined forces to liberate Kuwait, common action remains a key to meeting the challenges we face today.

In a few minutes, we'll begin our meetings, building on the common ground we share. And let me focus now on our approach to Iraq, and let me state our position in the simplest possible terms. Saddam Hussein will not scorn the will of the world. Iraq must never again threaten its neighbors. We will keep the pressure on until we are satisfied that all of Saddam's weapons of mass destruction and the means to deliver them have been destroyed, until a new leadership in Iraq stands ready to live in peace with its neighbors.

Your Highness, as leader of a country that knows too well what it means to be menaced by Saddam, I know you join me in looking ahead to the day Iraq closes this sad chapter in its history and joins the cause of peace. I've said many times, and I'll repeat it here, that our quarrel has never been with the people of Iraq. The United States, in concert with the United Nations, has proposed a comprehensive program allowing Iraq to resume oil exports to fund the purchase of food and medicine. But the international community deserves to know with certainty that the food and medicine purchased under this plan reach the people of Iraq rather than Saddam's armed forces.

This program can go forward the instant Saddam Hussein accepts U.N. Resolutions 706 and 712 and puts in place a U.N.-supervised system to monitor oil exports and food distribution. History teaches that the consequences of war echo far beyond the battlefield. Our coalition in the Gulf war did more than defeat an aggressor. Our common effort created new opportunities for lasting

peace throughout the Middle East. All Americans hope to see this region, so long driven by war, blessed by peace. In that spirit, the United States supports Bahrain's decision to participate along with its GCC partners in the upcoming peace conference. This readiness, this willingness to reach out strengthens the prospect for the only peace that can endure, a fair and comprehensive peace acceptable to all parties in the region.

Your Highness, from the moment the first American engineers arrived in your country to help develop your oil resources some 60 years ago, our countries have worked together in many ways. Our discussions today will touch on all aspects of our relations, from investment opportunities to security cooperation. And, as always, we seek to build on common ground, on the goodwill of nations that have worked together in the past, the goodwill that gives us faith in a better future.

Once again, Your Highness, it is my pleasure to meet with you today for what I'm confident will be productive discussions.

Welcome to the White House, and may God bless the people of Bahrain.

The Amir. Mr. President, it is a pleasure for me to be visiting this great country at your kind invitation. And I sincerely appreciate the warmth and the friendship shown to myself and to my delegation. It's also given me great pleasure, Mr. President, to extend to you and to all the American people, my heartfelt greetings and the warm wishes of the people of Bahrain.

During my visit here, I'm looking forward to renewing our longstanding and mutual valued friendship, to exchanging views on matters of mutual interest to our two countries. The links between the United States and Bahrain have developed in many fields for well over half a century. The cooperation between our two countries first began in the 1940's and has strengthened considerably since then, more particularly so during the last decade.

Through the Iran-Iraq war, we worked closely together to insure freedom of navigation in the Arabian Gulf, and more recently as a part of a multinational effort to reverse the Iraqi aggression against Kuwait. Our people and forces were united as never before. This experience will never be forgotten and has formed a deep bond between our two countries.

I take this opportunity to sincerely thank you, Mr. President, and the American people for your courageous stand against aggression and for your determination that right and justice should prevail. Your stand in the multinational effort is undoubtedly a major positive contribution to future international relations. The association between the United States and Bahrain stands as an example of what can be achieved irrespective of physical size, distance apart, or cultural differences.

When goodwill and cooperation exist on both sides, it is our duty to continue to work together and through the United Nations to insure that peace and stability prevails between all nations. Mr.

President, the world is currently witnessing major political and ideological changes, and we must all assure that the rules of law and civilized conduct are not overshadowed during these transformations.

As a superpower, the United States has a major role to play in this respect. I would like to take this opportunity, Mr. President, to praise you and your administration for your commitment to reducing confrontation and to promoting peace and cooperation through the world. We have recently witnessed the end of the cold war, following the rapid collapse of historic East-West confrontation. It is my belief that we are currently also on the verge of a major breakthrough in the peace process in the Middle East, based on United Nations Resolutions 242 and 338.

There is no doubt that the United States has been a major catalyst to what has been achieved in these events. Our strategic cooperation, however, should not be allowed to overshadow the many other closed links between Bahrain and the United States. These include: trade, commerce, education, science, and technology. These links have brought the people of our two countries close together, and there now exists many strong personal relationships between the Americans and Bahrainis. These personal relationships are the true test of friendship between our two countries.

To this end, the American Bahrain Friendship Society was founded in Washington last year. And both the society and all its members have my sincere good wishes and support for the future. It is my hope that my visit will further consolidate the many ties between our two countries. It is my wish and the wish of the Bahraini people that our close relationship with the United States will continue to flourish and prosper in the years ahead, and become even stronger in the 21st century.

On this occasion, I would like to take this opportunity, Mr. President, to renew my invitation to you and to Mrs. Bush to visit Bahrain. It would give me great pleasure to welcome you to Bahrain and enable the Bahraini people to show their friendship and appreciation to you and to the American people.

Finally, Mr. President, it is my pleasure to extend to you and to the American people my very best wishes for continued peace and progress and prosperity. Thank you very much, sir.

Note: The President spoke at 10:13 a.m. on the South Lawn at the White House, where Amir 'Isa Khalifa was accorded full military honors. Following the ceremony, President Bush and Amir 'Isa Khalifa met in the Oval Office and participated in a formal luncheon in the State Dining Room at the White House. In his remarks, President Bush referred to President Saddam Hussein of Iraq. The GCC is the Gulf Cooperation Council.

Remarks at the Dedication of the National Law Enforcement Officers Memorial

October 15, 1991

Thank you all very much. Thank you, Senator D'Amato. Please be seated, all of you. And Barbara and I are just delighted to be with you here today. Mr. Speaker, honored to have you here, sir. I understand that Senator Mitchell was here, had to leave. Senator Pell is with us. And, of course, your friend and mine, Al D'Amato, who's out there on the firing line day in and day out on behalf of our law enforcement officers. Al, thank you for that introduction, sir.

May I thank especially Craig Floyd. And I heard Barbara Dodge's moving remarks, in the back, Barbara and I just when we came here. I salute her. Of course, our Acting Attorney General Bill Barr; former Attorney General Ed Meese; the head of the FBI is with us; head of the Secret Service; and so many others that are committed to law enforcement.

I also was told that Jim and Sarah Brady are here. I don't know if that's true or not, but in any event, they're here in spirit if they're not here in purpose. Here they are over here as a matter of fact: Jim.

This Nation has erected many monuments to generals and admirals, privates and seamen who defended our Nation's freedom against tyranny and oppression. We gather here today to dedicate this memorial to uniformed heroes of another sort: Those who enforce the law and keep us secure here at home.

For too long, America's lawmen and women have been the forgotten heroes, forgotten until there's trouble, until we're stranded on the road, or frantically dialing 911 at home.

Today we remember these heroes and heroines. ``Now the real healing can start," says Vivian Eney. Vivian, as you know, past president of Concerns of Police Survivors, here's her quote, ``When the grave doesn't look new anymore, when the grass has grown over it, this will be the place to come, to see the names, to touch the names."

Visitors will come here. Some will be children, perhaps looking for a father or mother they never really knew. Who were these people? they will ask. They were policemen and policewomen, marshals and sheriffs, State troopers, special agents. They gave their lives in the line of duty. And they were young and old, ranging from 19 to 81. And they had names as diverse as America itself: Donald Kowalski, Patrick O'Malley, Freddie Lee Jackson, Tommy DeLaRosa, Jose Gonzales, Donna Miller. And they had wives and husbands, mothers and fathers, and so many young children. Most of all they had love: Love for their profession; love for their communities; love for their families; love that can still be felt in this special place right here today.

They devoted themselves to the timeless values that society shares. They valued the law. They valued peace: The peace of a civilized community that protects children at play, families at home, and storekeepers at work. They valued human life so much that they were prepared to give their lives to protect it.

They gave much and asked little. They deserve our remembrance. Here in America's Capital, for as long as these walls stand, they will be remembered, not for the way they died, but for how they lived.

They didn't ask for honors, though honor them we will. We honor them with these walls, with these trees and grass, quiet pool of water. But we can honor them in a more profound way, a more lasting way, by strengthening the laws that they swore to uphold.

Since 1989, on a rainy spring day I know many of you remember, I've tried to persuade Congress that our police need help. Too many times, in too many cases, too many criminals go free because the scales of justice are unfairly tipped against dedicated lawmen and women like you. With your help, that will change.

We need a crime bill that will stop the endless, frivolous habeas corpus appeals that waste time prosecutors could be spending on new cases. We need a crime bill that says to police, ``Look, if you act in good faith, evidence will not be suppressed in court based on needless technicalities." We need a crime bill with tough penalties, such as a 10-year minimum sentence to anyone using a semi-automatic weapon in a violent or drug-related crime with no plea bargains, no parole. And Al D'Amato touched on it, but we need a crime bill that warns would-be killers out there, ``Be prepared to pay with your own life."

I asked Congress to pass these proposals more than 2 years ago. And we've gotten, very candidly, only a piecemeal response. This week, the House of Representatives is voting on a crime bill. But for that bill to be worth anything, it must contain the crucial elements that I've just cited, elements the House Judiciary Committee refused to include, unfortunately, in the bill itself. Congress is only a few blocks away. And they've heard from me, and they're going to keep on hearing from me. But really, on this one, if you feel as strongly as I do, and I know you do, they need to hear from you.

There is a war going on out there, a war between criminals and a good society. We know that war will not end as long as evil dwells in men's souls. But we can work to lock up those who are too violent to live in civilized society. And we can support the law enforcement officers who are on the front lines saving us every single day of our lives. And we can put new laws on the books to keep new names off of these walls.

President Coolidge long ago told us, ``The nation which forgets its defenders will itself be forgotten." We will not forget. America will not forget. And we will not forget, obviously, those

we honor, those who died. We will not forget those who protect and serve every single day of the year.

In the Oval Office, as you all know, a lot of important papers and documents cross that desk in that majestic office, no matter who's President, every single day. Most of them stay there just a day or two. But inside the drawer, one thing stays: a New York City patrolman's badge, number 14072. I brought it along today. It belonged to Eddie Byrne, a rookie cop who was guarding a witness when he was gunned down on the orders of a drug dealer in jail. Eddie's father, Matt Byrne, asked me to keep that badge as a ``reminder of all the brave police officers who put their lives on the line for us every single day." Well, I've kept it. And I have it with me here today, and I will always keep it, when I'm President and long after I leave this majestic office I'm so proud to hold.

When society asks someone to put on a badge and place it over his or her heart, we make a sacred covenant, a covenant that says, ``We as a society stand behind those who enforce the law against those who break the law." And that's what Eddie Byrne's badge means to me.

This memorial gives meaning to that covenant, gives meaning to these lives, gives meaning to the law and what it stands for. No number of words or wreaths, no amount of music or memorializing, will do justice here today, but we have begun the remembrance and begun the healing.

And once again, thank you very much for allowing Barbara and me to share this moment with you. And may God bless the law enforcement officers of our great country. Thank you very, very much.

Note: The President spoke at 2:34 p.m. at Judiciary Square. In his remarks, the President referred to Senators Alfonse M. D'Amato, George J. Mitchell, and Claiborne Pell; Speaker of the House of Representatives Thomas S. Foley; Craig Floyd, chairman of the National Law Enforcement Officers Memorial Fund; Barbara Dodge, president of Concerns of Police Survivors; Acting Attorney General William Barr; former Attorney General Edwin Meese III; William S. Sessions, Director of the Federal Bureau of Investigation; John R. Simpson, Director of the United States Secret Service; former Press Secretary James Brady and his wife, Sarah; and Vivian Eney, former president of Concerns of Police Survivors.

Proclamation 6357 -- National Law Enforcement Memorial Dedication Day, 1991

October 15, 1991

By the President of the United States

of America

A Proclamation

Each and every day of the year -- and at every hour of the day -- our Nation's law enforcement officers walk the thin blue line, putting themselves in harm's way to protect the lives and the property of their fellow Americans. Statistics provided by the Department of Justice underscore the risks and sacrifices that they accept for our sake: on average, one officer dies in the line of duty every 57 hours; that is, 150 law enforcement personnel each year. Another 20,000 are injured, and some 60,000 are assaulted. Because such numbers, like news headlines, can too often belie the reality of human suffering, we must always remember that each of these officers is a beloved son or daughter, a husband or wife, a sister or brother, a mother or father, or a friend.

This year, on October 15, the National Law Enforcement Officers Memorial will be dedicated in Washington, D.C., to honor these American heroes. The names of those who have made the ultimate sacrifice in service to our country are inscribed along the Memorial's ``Pathway of Remembrance.'' They include names such as that of U.S. Marshal Robert Forsyth, who, in 1794, became the first American law enforcement officer to die in the line of duty. He was killed while serving an arrest warrant.

The Memorial also contains the names of Hammond, Indiana, Police Officer Donald P. Cook, who was shot and killed in January 1947 after serving only 7 days on the job; New Salem, North Dakota, Police Chief Ed Memby, who was shot and killed in July 1953 by a man who refused to pay a 1 cent sales tax on a soda; U.S. Marshal Samuel Enoch Vaugh, the father of 13 children, who was shot and killed by a prisoner in August 1953; and Julie Y. Cross, the first female Secret Service casualty, who was shot and killed during a stakeout in October 1979. These, of course, are just a few of the brave and selfless individuals to whom our National Law Enforcement Officers Memorial has been dedicated. We also remember with solemn pride and gratitude the hundreds of others who have gone before them, as well as those who have since joined their ranks.

Years from now, the National Law Enforcement Officers Memorial will continue to remind visitors of the debt that we owe to those who have died in the service of public safety and justice. On this occasion, however, as we honor the fallen, let us also remember the heroic individuals

who, at this very moment, continue to wage our Nation's fight against crime. Let us pray for their well-being, and let us offer them our wholehearted cooperation and support.

To heighten public awareness of the risks and the responsibilities that law enforcement officers face each day, the Congress, by Senate Joint Resolution 107, has designated October 15, 1991, as ``National Law Enforcement Memorial Dedication Day'' and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 15, 1991, as National Law Enforcement Memorial Dedication Day. I urge all Americans to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this fifteenth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 3:02 p.m., October 15, 1991]

Note: This proclamation was published in the Federal Register on October 17.

Proclamation 6358 -- Country Music Month, 1991

October 15, 1991

By the President of the United States

of America

A Proclamation

To listen to a country and western song is to hear the story of America set to music. It is a story of patriotism and hard work, a story of faith, opportunity, and achievement. Most of all, it is the story of a people whose love of freedom is equalled only by their love of life itself. During Country Music Month, we proudly celebrate this popular musical genre and the many talented composers and performers who bring it to our ears.

Country music is honest, good-natured music played with style and spirit. Like a favorite pair of faded blue jeans, it fits the way we live. Never out of fashion, always comfortable, country music has millions of fans in cities and towns across the United States -- people of all ages and all walks of life. And whether they tap their toes to the lively sound of bluegrass and honky-tonk or hum along with the rhythm and blues, country music lovers share an appreciation of the simple and most important things in life: faith, family, and friendship.

Of course, while country music speaks from the heart of the American people, it has -- like liberty itself -- a great and universal appeal. Indeed, millions of people around the world can be counted among its fans. Maybe that is because country music crosses the barriers of culture and language, capturing all the joys, struggles, laughter, and heartache that are part of our daily lives. In any case, the growing popularity of country music is a tribute to generations of American composers, lyricists, singers, and musicians.

The Congress, by House Joint Resolution 305, has designated October 1991 as ``Country Music Month'' and has authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 1991 as Country Music Month. I invite all Americans to observe this month with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this fifteenth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 3:13 p.m., October 15, 1991]

Note: This proclamation was published in the Federal Register on October 17.

Statement by Press Secretary Fitzwater on Nuclear Arms Reduction Talks

October 15, 1991

Following up on the President's initiative to reduce nuclear weapons, the U.S. Defense and Space Negotiating Group in Geneva, Switzerland, has tabled a new U.S. approach to an agreement facilitating deployment of ballistic missile defenses.

The United States is now prepared to discuss limits on the scope and timing of defense deployments, consistent with the President's direction to pursue a system providing Global Protection Against Limited Strikes (GPALS). This new approach builds on the climate reflected by the President's nuclear initiative and the positive Soviet response and should make it possible to reach an agreement facilitating the deployment of ballistic missile defenses to protect against accidental, unauthorized, or third country launches.

As we pursue an agreement in Geneva, it is essential for Congress to do its part by supporting our efforts there and by funding the Strategic Defense Initiative at a level that will enable us to deploy ballistic missile defenses at the earliest point feasible. The Senate's support for deployment of highly effective defenses against limited ballistic missile attacks is encouraging. President Bush urges the Congress as a whole to support this worthy goal.

A negotiated solution governing deployment of defenses that will protect the United States, our allies, and our forces abroad from limited ballistic missile strikes, together with congressional determination to fund such defenses, will make the world a safer place.

Nomination of John Condayan To Be an Associate Director of the United States Information Agency

October 15, 1991

The President today announced his intention to nominate John Condayan, of Virginia, to be Associate Director of the U.S. Information Agency for Management. He would succeed Henry E. Hockeimer.

Since 1989 Mr. Condayan has served as Minister Counselor for Administrative Affairs at the American Embassy in London, England. Prior to this, he served at the U.S. Department of State as: Director of the Office of Foreign Missions, 1988 - 1989; Deputy Assistant Secretary for the Office of Foreign Missions, 1987 - 1988; and Deputy Assistant Secretary for Operations for the Bureau of Administration and Security, 1984 - 1987.

Mr. Condayan graduated from Bucknell University (B.S., 1955) and Syracuse University (M.P.A., 1974). He was born September 1, 1933. Mr. Condayan is married, has two children, and resides in London, England.

Statement on the Confirmation of Clarence Thomas as an Associate Justice of the Supreme Court

October 15, 1991

I am pleased that the Senate voted to confirm Judge Clarence Thomas for the Supreme Court. Judge Thomas has demonstrated to the Congress and to the Nation that he is a man of honesty, dedication, and commitment to the Constitution and the rule of law. The Nation and the Court benefit from having a man of principle who is sensitive to the problems and opportunities facing all Americans.

I thank Senator Jack Danforth and other Members of the Senate who helped guide this nomination through to confirmation.

Exchange With Reporters on the Confirmation of Clarence Thomas as an Associate Justice of the Supreme Court

October 16, 1991

Q. Where are the women?

Q. New meaning to Helen's [Helen Thomas, United Press International] question.

Q. Mr. President, are you going to speak to the Nation about the process of confirmation?

The President. Well, I'm going to have something to say. Whether I speak to the Nation about it, and -- if you mean an Oval Office and that, I don't know about that; there's no decision. But I think I owe the people my observations and, more importantly, some suggestions to improve the process. That comes under the heading of the Senate business clearly, but I have some views. And there is some interaction between the administration, obviously, and the Senate.

So, we're thinking, going to get working on some ideas, flushing out some, and, clearly, I'll go public with it. How I do it is yet to be determined.

Q. And how soon?

The President. Well, that hasn't been determined yet, but fairly soon, I'd say, because I think it's fresh in people's minds.

Q. Today?

The President. No, you won't have anything -- --

Q. You're not going to tie this in with the swearing-in, are you, sir?

The President. Do what?

Q. You wouldn't tie that in with the swearing-in?

The President. No. I want to go forward with the swearing-in as soon as possible. There's a vacancy on the Court, and we haven't decided on a firm time for that. But it will be very soon indeed, if that is agreeable to soon-to-be Mr. Justice Thomas.

Q. Are you going to clamp down on the use of FBI reports or sharing of those with the Hill?

The President. I don't want to prejudge what I'm going to say. But I think there's general agreement around the country and certainly in the Senate that the present process is simply not fair. And I think Senators on both sides of the aisle are going to want to see changes in several areas.

Thank you all very much.

Q. Including use of FBI reports?

Note: The exchange began at 10:04 a.m. in the Cabinet Room at the White House during a photo session with House Republican leaders. A tape was not available for verification of the content of these remarks.

Remarks at a Points of Light Awards Ceremony for the American Business Press Association

October 16, 1991

Thank you all. Please be seated. Thank you all for being here. And I know that I'm joining this program in progress, but it is my pleasure to officially welcome all of you to the White House. And let me salute Gerry Hobbs, the chairman of the American Business Press; your president, John Emery; and Cathy Black, president of the Association, the American Newspaper Publishers Association, and a member, I might proudly say, of our Points of Light Foundation.

Let me -- I don't know where he is, he was at the door a minute ago. Here's Gregg, Gregg Petersmeyer, you can't miss him. [Laughter] But I do want to single out Gregg, salute him for the inspirational job he's doing as our key person here involved in this whole Points of Light concept.

And finally, I want to thank the American Business Press for encouraging their member publications to spill ink on behalf of such a good cause. We all know the value of competition in the business world. And this awards program shines the spotlight on companies that transform their communities through volunteer service.

As I've said before, American corporations are not just profitmaking monoliths. American businesses and America's business press aren't just stocked with human resources, so many infinitesimal fractions of the GNP. They're filled with real people, men and women, neighbors, members of our communities, parents with kids to raise, people with something to give, gifts to give. And one glance into the pages of your publications shows business at its best: people producing goods and services we need; people devoting tens of thousands of hours to worthy causes.

Take this year's grand award winner, Wegmans Food Markets, a family-run supermarket chain based in Rochester, New York, profiled in Supermarket Business. Supermarkets often draw on school-age workers to fill their part-time work force, and we all know the difficulties of holding down a job and keeping up in school. Four years ago, Wegmans initiated the Work-Scholarship Connection, a program to help kids succeed at work and in the classroom. And their target: 14- and 15-year-olds, especially those faltering at school, the kind of kids in danger of becoming tomorrow's dropouts.

Wegmans gives these kids a part-time job and assigns each one a mentor at the supermarket: an adult coworker, possibly a supervisor, who lends a hand with homework during work breaks or maybe just lends a sympathetic ear to some teenager too used to adults who just don't seem to care. Each mentor works with a school sponsor to track their child's progress. And Wegmans is tough. You've got to do the job in school. And if the kids don't do well, Wegmans hears about it and cuts the kid's work hours.

But there's a real payoff for the kids who graduate. Each one gets a scholarship of up to $5,000 to the college of their choice. And yes, if they go to a college near home, they keep their job at Wegmans. [Laughter]

No, but that work-scholarship program of theirs shows how ordinary people can do extraordinary things.

The mentors who make Wegmans' program work aren't paralyzed because they can't singlehandedly save the world. They're too busy saving the future, the child who lives right down the street. That same spirit motivates the runners-up that we honor today: Bell Atlantic, for its family literacy project, profiled in the School Library Journal; Eaton Corporation, for its literacy work in Atlanta as reported in Business Atlanta Magazine; Neon Enterprises, for its work with at-risk youth and others in need, as publicized in Restaurant Business; Red Lobster Restaurants, recognized by Training: The Human Side of Business for their 20-year policy of hiring the disabled; and finally, Jose Paulino, whose story was told in the pages of Pharmaceutical Representative.

You won't find Jose's name on the Fortune 500, maybe, but when he's not busy making sales, you can find him at New York's P.S. 136, where he's adopted a seventh grade class. In the article, Jose says about adopting a class, and I quote, ``It doesn't cost anything. It doesn't take that much." Well, whatever it takes, he's got his share and more.

Every one of the American Business Press's Points of Light proves you never know who's ready to help until you ask. And when Wegmans started their program, it lined up 30 junior high students who needed help and put out a call for 15 employees to become mentors, to step into the program to help. Fifty-nine volunteers stepped forward and the program's taken off from there.

So, this is a wonderful example. These are wonderful examples for our entire country. And, you know, when we first started this, there were some who started emphasizing this concept that de Tocqueville found so fascinating about America, the propensity of one American to help another. Some suggested that we were trying to avoid the Government's responsibility, but that's not the way it works. This whole concept that you all represent and believe in is really the best and most fundamental way we can of helping others and helping our own communities in strengthening the family in this country or doing better for education.

But we're going to try to do our part here at the Federal level, but I must say that I just feel overcome because I see the effectiveness of this whole spirit of Points of Light concept, one American helping another. And it is inspirational, and I really wanted to just come over and thank the business press for opening the pages of its very influential publications, opening eyes in so many industries to the shining story of so many Points of Light.

So, once again, my heartfelt thanks to each and every one of you, and God bless you all for the contributions you make. And now, I'm told that I get to say hello to some, at least, of those that you're honoring here today.

Thank you very, very much.

Note. The President spoke at 11:22 a.m. in Room 450 at the Old Executive Office Building. In his remarks, the President referred to Gerry Hobbs and John Emery, chairman and president, respectively, of the American Business Press Association; Cathy Black, president of the American Newspaper Publishers Association; C. Gregg Petersmeyer, Assistant to the President and Director of the Office of National Service; and Jose Paulino, sales representative for Hoechst-Roussel Pharmaceuticals.

Memorandum on the Emigration Policies of the Czech and Slovak Federal Republic

October 16, 1991

Presidential Determination No. 92 - 3

Memorandum for the Secretary of State

Subject: Determination Under Subsections 402(a) and 409(a) of the Trade Act of 1974 -- Emigration Policies of the Czech and Slovak Federal Republic

Pursuant to the authority vested in me by subsections 402(a) and 409(a) of the Trade Act of 1974 (19 U.S.C. 2432(a) and 2439(a)) (``the Act''), I determine that the Czech and Slovak Federal Republic is not in violation of paragraph (1), (2), or (3) of subsection 402(a) of the Act, or paragraph (1), (2), or (3) of subsection 409(a) of the Act.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

Note: This determination was released by the Office of the Press Secretary on October 17.

Remarks in a Teleconference With the Associated Press Managing Editors

October 17, 1991

The President. Thank you, Ralph. Thank you very much. Thank you for the plug for the Texas Rangers. It's nice being introduced in Detroit by a fellow Texan. It's also nice to see Lou Boccardi again. He's on the corner of my screen, about half of Lou is there. But let me just say I am very sorry I couldn't join you for today's lunch, especially since it's miserable, rainy, and cold here, and I'm sure it's nice and sunny out there.

Let me open with an apology. I know that many of you depend on Washington to provide grist for news stories. And I know that we just haven't held up our end of the deal. In recent weeks, things around here have been just plain dull.

Actually, I appreciate this opportunity to speak with you. I'd like to get a couple of gripes off my chest. First, can you get the delivery people to stop throwing our paper in the shrubs? And I know you love it when people ask about that.

Second, and I know you're tired of hearing this one, but couldn't you focus on the good news for once? You know, there's a great Anne Murray song -- I'm a country music fan -- Anne Murray of Canada, a song called ``A Little Good News." And let me recite for you one verse, one nice verse:

``I came home this evening. I bet that the news will be the same. Somebody takes a hostage, somebody steals a plane. How I want to hear the anchorman talk about a county fair, how we cleaned the air, how everybody learned to care."

Well, I think that's a great idea, not exactly what your work is about, and I understand that. But I've just about had it with all the bad news about lawyers, and bankruptcies, and strikes, and business seizures, and stock splits, and profit-sharing, and wars, and bitter personal feuds. Just once, just once, I'd like to see you limit the sports pages to scores and standings.

Today I want to talk about a subject that many of your papers discuss regularly: our administration's domestic policy. And I've talked with audiences around the Nation about our initiatives on crime, on education, on energy, transportation, and many other matters. But today let me focus on an issue of great concern in Detroit and, as a matter of fact, throughout our Nation: economic growth. And let me start with some good news. I cite this recognizing that a lot of people are still hurting. But the trends, the economic trends, look good.

Industrial production, for example, has risen for 5 straight months. Housing starts have risen 26 percent since January. The unemployment rate in September fell to 6.7 percent, down three-tenths

of a percent in 3 months, and the lowest rate in nearly 5 years [months]. The Index of Leading Economic Indicators has held steady or increased for 7 straight months, and it's jumped 5 percent since January.

*5 months

Inflation, now, this is solid good news, it's fallen a 2.7 percent annual rate. Mortgage interest rates have dropped to the lowest level since 1977. And over the years, our administration has promised a series of initiatives that would stimulate economic growth and make our economy much stronger, initiatives that would instantly restore much needed confidence in our economic progress. Congress generally has chosen to avoid these proposals, either by preventing votes or changing the subject.

Maybe you're tired of hearing me talk about this, but the capital gains tax offers a case in point. Against the argument that the cut raises questions of fairness, let me ask you to judge. The capital gains tax effects future wealth, not present wealth. High capital gains rates discourage investment in untried products and services. They make it difficult for people with ideas to get the capital they need to make a difference. Historically, when capital gains rates fall, revenues increase, and the rich assume the lion's share of the tax burden.

Let me read you a quote about capital gains, ``The tax on capital gains directly effects the ease or difficulty experienced by new ventures in obtaining capital and thereby the strength and potential for the growth of the economy." John F. Kennedy said that.

A capital gains cut will set off an explosion of small business formation, which means that your ad people will have new clients, and you might be able to give your reporters a pay raise after all. In short, a capital gains cut would give our economy a much-needed boost. It would raise real estate prices and cut the overall cost of the savings and loan cleanup. It would help people of imagination and drive.

As I've said a number of times, the capital gains tax is a tax on the American dream. And nevertheless, in 3 years congressional leaders have not permitted one single up or down vote on our capital gains proposals. If they were convinced that this is a tax break for the rich and would be unpopular across the country, they ought to at least let it come to a vote.

Consider other items in our growth package. We proposed a comprehensive banking reform legislation. And Congress has the opportunity to make America's banking system more efficient and more competitive internationally. But it has got to act now. It's hung up on the House side, incidentally, the House of Representatives.

Only comprehensive legislation which addresses the fundamental problems facing the banking industry will strengthen our banks and support economic growth. We've offered proposals to ease

the credit crunch that affects lenders nationwide, lenders who, for instance, make it possible for newspapers to build new presses and plants, purchase new equipment, and improve their fitness in the incredibly competitive media business. We've promoted incentives for savings, investment, entrepreneurship. We've proposed increasing Federal expenditures on research and development. And we've advocated a permanent R&D tax credit.

We have worked aggressively to open foreign markets to American goods and services. And we continue to press for a successful conclusion to the Uruguay round of multilateral trade talks. This is a very important thing. And then, as you all know, we've begun negotiating a North American free trade agreement, which would create a unified market consisting of the United States, Canada, just across the river from you, and Mexico.

We've pursued the Enterprise for the Americas Initiative, which promises to encourage economic growth throughout our hemisphere and build ties of mutual interest. We've promoted tort reform. And this is an important one, and I sure would like to ask your support. We have promoted tort reform to cut down on needless litigation and the costs that that imposes on every single industry. And we've fought against regulations that produce red tape without improving the quality of American life. We've still got a ways to go there, I will admit.

We've worked to build a more intelligent, flexible workforce through our America 2000 education strategy. It's a little longer-range, but very, very important. And, finally, we've worked to maintain the fiscal discipline established by last year's controversial budget agreement.

When people say that we have no domestic agenda, they simply have not seen the facts. We have a good forward-looking agenda. Congressional leaders just won't act on it. This is one of the great problems of a divided Government, where you have the President of one party and both Houses controlled by another.

I know that you will spend two sessions discussing economic issues tomorrow. And I'd also like to encourage you to think about ways of improving the coverage of economic issues. They're not the sexiest. They're not the most vital. They aren't the most interesting, but they are the most vital.

Urge your reporters to take a hard, fair, informed look at these policies and then at the congressional alternatives. Ask them to study the history of capital gains cuts. Ask them to discuss banking reform proposals with leading bankers in your town. Ask them to dig deeper and deeper for the facts and to treat sweeping generalizations and slogans, whether they come from me or somebody else, with proper skepticism. Well, since you're editors, I suppose you could tell them, not ask them.

A free press truly can serve as a guide to good public policy, but only if reporters and editors take seriously their duty to inform the public in a comprehensive, balanced manner. I am very sorry that I couldn't join you today in Detroit. But I am glad that we have been able to get together by

this video hookup, and I wish you all the best in your meetings over the next 3 days.

May God bless our great country. And now I'll be glad to take a couple of questions.

Q. Mr. President, many of the people in this room feel that the American people didn't receive an entirely complete or timely report on the Persian Gulf war because of the requirement for press pools in virtually every situation, not just situations where independent reporting was physically impossible. One particularly sensitive issue was prior review of stories and pictures. Right now, a group of editors is talking with Pentagon people about those feelings. Without prejudging what they come up with, I wondered if you think it's possible to restore the kind of aggressive and independent reporting that characterized American newspaper reporting of World War II and Korea and Vietnam, rather than this somewhat pool-driven, briefing-driven coverage of the Persian Gulf war?

The President. Yes, I think there can be room for improvement. I thought some of you all's people were going to meet with Dick Cheney on this. It is my understanding that the final decision on whether to go public with disputed material really rested at the hands of the outlets.

Let me address myself to the broader question. I do think that the pooling worked to some degree. I don't agree with you, and I have to tell you this -- and I expect I'm the only one. I don't know how many people you've got in the room, but the vote will be overwhelmingly against me -- I think that the American people felt that they got very strong, intrusive coverage of the war. I really believe that. I also believe, and I think you might agree with this one, that there must be discipline. There cannot be everybody strolling around in a hostile environment. And I think when we saw some taken prisoner, that was pretty good evidence that there was some reason to have some kind of pooling mechanism.

But, look, I can't argue with you that it was perfect. I do think the American people feel they got good, thorough coverage, and that's a credit to every single person in the room there and many, many more in other media forums all around the country. But I'd like to think we could improve it. The Desert Storm, the rules for this are not locked in concrete. They were tailored for this particular operation that had long logistic problems.

I also would like to, and I may be on weak ground here, but I thought that in World War II -- and I'm old enough to remember some of it -- that there was real censorship of all these dispatches. I know my mail was censored, for example, as a little guy flying or floating around on an aircraft carrier. And I think that if you look back, you'll find that there was an awful lot of pure censorship there that was not anywhere near matched by what went on under the Desert Storm arrangements.

But let me just offer you a spirit, having defined some differences here, of cooperation because we do want the best, most intrusive coverage possible, and that can be done with the safety of

everybody in mind and the national interest in mind. I say ``national interest'' because I'm still reminded of the ``Saturday Night Live'' program. I don't know whether any of you saw that, about the guy getting up, ``Now, could you please give us the code words that would help Saddam Hussein understand what he's up against?'' Or, ``Could you give us directly the place that you plan for the Marines to land? Would it be this on the map or that?'' And it went on and on and on. I showed this to a couple of people, and it hit, with all respect now -- [laughter] -- it hit a familiar chord with some.

We don't want to go to one extreme or another. And if we need to do a better job of finding the balance, we'll sure try. I think in Dick Cheney we've got an extraordinarily reasonable man, and I know he's already trying to improve the whole pooling concept and the restrictions that did cause you understandable concern.

Q. Thank you.

Women's Issues

Q. Mr. President, one of the most disturbing issues that emerged from the Thomas hearings and confirmation process was the whole issue of sexual harassment in the workplace. Do you think that your support of Judge Thomas, the continuing perception of the ``old boys' network'' in Washington, DC, and in Government, your positions on abortion, all cause you a problem with women as you approach your reelection? And related to that, what are the things that you're thinking about doing that, in the words of Judge Thomas, can help heal the wounds that have emerged from the hearings, the great divisions of race and gender and class?

The President. That's a very broad, penetrating question. Let me try to respond. And the answer to your question is no. To begin with, I don't think that I have, as a result of all this, an increased problem with women. I go back -- if you want to put it in a -- and I think you put it in a political context. But I noticed on the surveys that everybody lives and dies by that women supported Judge Thomas overwhelmingly. Women activists, feminist groups might not have, but women overwhelmingly supported Judge Thomas as did men, as did the entire country with minority Americans, Afro-Americans supporting him even more than the national average. When you've separated out the Afro-Americans, support was even stronger there.

So I don't start from the defensive posture on having nominated this good man to the Court. And I also believe that he will be an independent Justice. And I believe that he is going to surprise some who think they know exactly where he stands on every single social issue.

Now, in terms of discrimination, sexual harassment in the workplace, I have a civil rights bill before the Congress now. You haven't heard much about it because they just keep beating me over the head to pass their civil rights bill, I'm talking about the Democratic leaders. Ours is the only one, I believe, that addresses further the question of sexual harassment in the workplace.

And we have a good policy on this as it is in the executive branch. And I think everybody should take it very, very seriously. And maybe even though a lot of it was deeply offensive to American families across this country with its graphic detail, maybe something good will come out of it. And by that, I mean a sensitizing of the populace to the problem, the legitimate problem of sexual harassment.

Having said that, I wish that the country had been spared some of the detail that I think should have been assigned to the Congress. Anita Hill, as you remember, she didn't want to bring out this graphic detail. And had that graphic detail not been out there, I think the hearing could have been properly done. Her charges could have been properly heard in some executive session. And I don't think the people would have been denied anything that they had a right to know about. I think sometimes when you get to subjects that are that sensitive, it is well to delegate to your elected officials.

So, I was troubled. I was thinking of my little grandchildren hearing some of the graphic sex allegations. And yet, setting that aside for a minute, I do think there was something sensitizing about the question of sexual harassment. The problem is, there was also something sensitizing about the process itself, where a good man, on the eve of confirmation, had a last-minute charge raised about him, a charge stemming back from 10 years before. And this troubled the American people, and I think that's one of the reasons support for Judge Thomas, about to be Mr. Justice Thomas, increased as the hearings went on.

So, let's hope -- you know, I think you also mentioned, I didn't write the notes down properly here. I think you also mentioned what Justice Thomas said -- maybe you didn't, but I've been doing a series of interviews here -- what he said about healing and getting on with it I think makes a good deal of sense.

I will be coming out, in answer to part of your question here, next week with some suggestions, not in anger, not for partisan political gain, certainly not assailing the Congress in which I once served. But hopefully, making constructive suggestions as to how we can avoid in the future that which the American people, I think rather unanimously, think has been a kind of a messy situation.

It's been very interesting here. Everyone, including me, have been glued to our television sets. We saw some ugliness. We saw some good things. We saw some people that wanted to bring this man down for reasons having nothing to do with sexual harassment. But we also saw the prevailing wisdom of the American people.

So I don't think that these -- what I think of is the women's groups, feminist groups that were on the television every day berating those that voted the other way, voting for Thomas -- I don't think they speak for all the women in this country.

And I might say something I hope you don't think is too controversial. I don't believe that the civil rights leaders all speak for the American people on a matter of this nature. If they did, how come support for Judge Thomas would have been so strong among black Americans?

So, I've learned a lot. I'm still, as you can tell from this rambling answer, trying to sort it out, and I will be for the next few days. Then I'll have some constructive suggestions. And I expect half the people in that room, maybe more, will criticize and the other half might see some merits to what I suggest. But we're a strong country, and we can get beyond the ugliness of all of this. And let's hope something good comes out of it. And I want to do my part to heal whatever wounds do exist out there.

Mr. Langer. Thank you.

The President. Well, thank you all very much. Ralph, thank you, sir.

Mr. Langer. Thank you, Mr. President.

The President. Over and out.

Note: The President spoke at 12:15 p.m. from Room 459 in the Old Executive Office Building to the 57th annual convention of Associated Press Managing Editors, meeting in Detroit, MI. In his remarks, the President referred to Ralph Langer, president of the Associated Press Managing Editors; Secretary of Defense Richard B. Cheney; President Saddam Hussein of Iraq; Clarence Thomas, who was confirmed by the Senate on October 15 as Supreme Court Associate Justice; Anita Hill, University of Oklahoma law professor, who testified against Clarence Thomas before the Senate Judiciary Committee during his confirmation hearing on October 11; and Louis D. Boccardi, president and chief executive officer of the Associated Press.

Message to the Congress Transmitting a Report on Export Controls

October 17, 1991

To the Congress of the United States:

1. On September 30, 1990, in Executive Order No. 12730, I declared a national emergency under the International Emergency Economic Powers Act (``IEEPA") (50 U.S.C. 1701, et seq.) to deal with the threat to the national security and foreign policy of the United States caused by the lapse of the Export Administration Act of 1979, as amended (50 U.S.C. 2401, et seq.) and the system of controls maintained under that Act. In that order, I continued in effect, to the extent permitted by law, the provisions of the Export Administration Act of 1979, as amended, the Export Administration Regulations (15 C.F.R. 768, et seq. (1991)), and the delegations of authority set forth in Executive Order No. 12002 of July 7, 1977, Executive Order No. 12214 of May 2, 1980, and Executive Order No. 12131 of May 4, 1979, as amended by Executive Order No. 12551 of February 21, 1986.

2. I issued Executive Order No. 12730 pursuant to the authority vested in me as President by the Constitution and laws of the United States, including IEEPA, the National Emergencies Act (``NEA") (50 U.S.C. 1601, et seq.), and section 301 of title 3 of the United States Code. At that time, I also submitted a report to the Congress pursuant to section 204(b) of IEEPA (50 U.S.C. 1703(b)). Section 204 of IEEPA requires follow-up reports, with respect to actions or changes, to be submitted every 6 months. Additionally, section 401(c) of the NEA requires that the President, within 90 days after the end of each 6-month period following a declaration of a national emergency, report to the Congress on the total expenditures directly attributable to that declaration. This report, covering the 6-month period from April 1, 1991, to September 30, 1991, is submitted in compliance with these requirements.

3. Since the issuance of Executive Order No. 12730, the Department of Commerce has continued to administer the system of export controls, including antiboycott provisions, contained in the Export Administration Regulations. In administering these controls, the Department has acted under a policy of conforming actions under Executive Order No. 12730 to those required under the Export Administration Act, insofar as appropriate.

4. Since my last report to the Congress, there have been several significant developments in the area of export controls:

We continued to address the threat to the national security and foreign policy interests of the United States posed by the spread of weapons of mass destruction. In Executive Order No. 12735 of November 16, 1990, and the Enhanced Proliferation Control Initiative of December 13, 1990 (``EPCI"), we had announced major steps to strengthen export controls over goods, technology,

and other forms of assistance that can contribute to the spread of chemical and biological weapons and missile systems.

-- On March 7, 1991, the Department of Commerce issued two new regulations and a proposed rule to implement EPCI. The new regulations controlled the export of 50 chemicals as well as dual-use equipment and technical data that can be used to make chemical and biological weapons. (56 F.R. 10756 and 10760, March 13, 1991.)

-- On August 15, 1991, the Department of Commerce made the proposed rule final. The final rule expands controls to cover exports when the exporter knows or is informed by the Department of Commerce that an export will be used for missile technology or chemical or biological weapons, or is destined for a country, region, or project engaged in such activities. The rule also restricts U.S. citizens participation in such activities, as well as the export of chemical plants and plant designs. (56 F.R. 40494, August 15, 1991.)

-- The Department of Commerce also issued a new regulation that revises the list of items subject to control for nuclear nonproliferation reasons. The updated list reflects technological developments in the field, as well as U.S. nuclear nonproliferation policy. (56 F.R. 42652, August 28, 1991.)

In light of the changes that have occurred in Eastern Europe, negotiations with our Coordinating Committee (COCOM) partners yielded a streamlined Core List of truly strategic items that will remain subject to multilateral national security controls. The Department of Commerce implemented this new Core List effective September 1, 1991. In implementing the Core List the Department totally revised its Commodity Control List, now called the Commerce Control List (CCL), and made certain additional substantive changes in controls. (56 F.R. 42824, August 29, 1991.)

-- For the first time, all controlled software and technical data have been integrated into the CCL, including definitions for these items that parallel those of our COCOM partners.

-- Following my decision to remove certain sanctions under the Comprehensive Anti-Apartheid Act, controls on certain exports to South Africa of computers, aircraft, and petroleum products have been removed. Other controls affecting South Africa, such as those implemented pursuant to the United Nations arms embargo, remain in place.

-- On August 28, 1991, the Department of Commerce submitted a report to the Congress indicating that the Department was reformulating controls on exports to countries that had been designated by the Secretary of State as repeatedly having provided support for acts of international terrorism. In a few instances we reported that controls were being expanded, particularly with respect to Iran and Syria, the only two of the six countries designated as terrorist-supporting not presently subject to separate trade embargoes. In addition, the report indicated that

the Department was expanding controls on items of missile proliferation concern. The changes reported to the Congress were implemented in the course of revising the CCL.

Enforcement efforts have continued unabated:

-- On August 21, 1991, the Department of Commerce renewed a previous Temporary Denial Order to withhold the export privileges of a Dutch company, Delft Instruments N.V., and certain related companies, in connection with an investigation of illegal reexport of U.S.-origin night vision equipment to Iraq. (56 F.R. 42977, August 30, 1991.)

-- On August 28, 1991, Special Agents from the Department of Commerce's Bureau of Export Administration arrested two Iranian businessmen in Newport Beach, California, on charges of illegally exporting to Iran U.S.-origin equipment with possible nuclear and/or missile technology applications. The two businessmen were subsequently charged in a 17-count indictment with conspiracy, illegally exporting U.S.-origin equipment, and making false statements to the United States Government in connection with the exports.

-- Following numerous discussions with officials of Czechoslovakia, Hungary, and Poland, the Department of Commerce has assisted the new East European democracies to implement and strengthen their export control systems, including prelicense inspections and postshipment verifications. These developments will allow for enhanced and much-needed trade in high technology items in the region, while helping to prevent unauthorized shipments or uses of such items.

5. The expenses incurred by the Federal Government in the 6-month period from April 1, 1991 to September 30, 1991, that are directly attributable to the exercise of authorities conferred by the declaration of a national emergency with respect to export controls were largely centered in the Department of Commerce, Bureau of Export Administration. Expenditures by the Department of Commerce are anticipated to be $20,390,000.00, most of which represents wage and salary costs for Federal personnel.

6. The unrestricted access of foreign parties to U.S. goods, technology, and technical data and the existence of certain boycott practices of foreign nations, in light of the expiration of the Export Administration Act of 1979, continue to constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. I shall continue to exercise the powers at my disposal to retain the export control system, including the antiboycott provisions, and will continue to report periodically to the Congress.

George Bush

The White House,

October 17, 1991.

Proclamation 6359 -- Crime Prevention Month, 1991

October 17, 1991

By the President of the United States

of America

A Proclamation

America has committed unprecedented energy and resources to the fight against crime -- and with promising results. We have strengthened law enforcement, making record increases in the number of Federal prosecutors and agents, and we have significantly increased the capacity of Federal prisons. Through vigorous public education and prevention programs, we have started to reduce the demand for drugs -- the companion and source of far too much corruption and violence. At the same time, through stepped-up interdiction efforts, we have disrupted the deadly operations of several major drug cartels. Such intensified efforts to uphold law and order have made a difference: according to victimization surveys cited by the Department of Justice, the percentage of American households affected by crime fell last year to its lowest rate since 1975.

Despite the progress we have made, however, the incidence of crime in the United States is still much too high. More than 22 million households in the United States felt the blow of crime last year, and countless Americans live in fear for their safety. While we can place great confidence in the courage, professionalism, and skill of our law enforcement officials, we also know that government cannot do the job alone -- law enforcement officers must have the respect and the support of the people they serve.

Fortunately, many concerned Americans have already taken a stand to help prevent crime and to apprehend its perpetrators. These Americans are keeping watch over their neighborhoods and reporting any suspicious activity to police; they are helping to identify drug dealers and to clean up abandoned lots and other places that seem to attract illicit activity; and they are working to develop rewarding education and recreation programs that can help keep youngsters away from drugs. Such voluntary grass-roots efforts are vital to winning the fight against crime.

Crime Prevention Month underscores the fact that everyone has a role to play in making our streets safe -- businesses, schools, religious and voluntary organizations, the media, as well as concerned individuals and families. With that in mind, let us create a new spirit of cooperation and caring in our communities. Let us reinforce, by word, deed, and example, the values that make law and order possible: personal responsibility, respect for others, and the fundamental sense of decency that comes from knowing the difference between right and wrong. Working together, we can build a better, safer America.

The Congress, by House Joint Resolution 303, has designated October 1991 as ``Crime Prevention Month'' and has authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 1991 as Crime Prevention Month. I call on all Americans to observe this month with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this seventeenth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:20 a.m., October 18, 1991]

Note: This proclamation was published in the Federal Register on October 21.

Message to the Congress Deferring Sanctions Under the Pelagic Driftnet Agreement

October 18, 1991

To the Congress of the United States:

The conservation of high seas living marine resources and averting threats to such resources have become important international issues in recent years. Much of the concern has focused on the use of the large-scale pelagic driftnet fishing method. The United States has worked with several high seas driftnet fishing countries to assess the impacts that these methods have upon the marine environment through cooperative high seas monitoring programs. The data collected in these programs has substantiated concerns about the destructive nature of this wasteful fishing technique.

The international community recognizes the problems posed by large-scale pelagic driftnet fishing on the high seas. In December 1989, the United States cosponsored Resolution 44/225 that was adopted by consensus by the United Nations General Assembly (UNGA), as was reaffirmation Resolution 45/197 a year later. UNGA Resolution 44/225 calls for an end to the use of large-scale pelagic driftnets on the high seas by June 30, 1992, unless jointly agreed conservation and management regimes can be put in place to prevent the unacceptable impacts posed by this fishing method on the marine environment. The scientific data show the indiscriminate nature of this fishing technique. Thus, I fully expect that all those involved in large-scale pelagic driftnet fisheries will make plans to end such fishing by June 30, 1992. Accordingly, I have instructed Secretary Baker to seek such commitments from driftnet fishing countries.

Pursuant to the provisions of subsection (b) of the Pelly Amendment to the Fishermen's Protective Act of 1967, as amended (22 U.S.C. 1978), I am reporting to you following certification by the Secretary of Commerce on August 13, 1991, that the Republic of Korea (ROK) and Taiwan violated the terms of the cooperative scientific monitoring and enforcement agreements the United States has with the ROK and Taiwan. The Secretary's letter to me was deemed to be a certification for the purposes of subsection (a) of the Pelly Amendment. Subsection (a) requires that I consider and, at my discretion, order the prohibition of imports into the United States of fish products from the ROK and Taiwan, to the extent that such prohibition is sanctioned by the General Agreement on Tariffs and Trade.

Since certification, both the ROK and Taiwan have responded to U.S. concerns in some measure. The ROK has recalled to port all the Korean driftnet vessels that were detected by U.S. enforcement patrols beyond the high seas driftnet fishing boundaries, instructed its commercial and enforcement vessels to adhere to the ROK regulations enacted pursuant to the U.S.-ROK driftnet agreement, and imposed penalties on masters and owners of 14 violating vessels. Since the ROK certification, Korean driftnet vessels appear to have operated in accordance with the

boundary provisions of the U.S.-ROK driftnet agreement; however, as of October 5, seven Korean driftnet vessels had failed to return to port in compliance with the ROK recall notice. The Government of the ROK has expressed its regret for the violations and has assured the United States that it will do its utmost to ensure that its vessels adhere to all relevant enforcement provisions outlined in the U.S.-ROK driftnet agreement.

Taiwan has yet to take remedial and punitive measures with respect to its driftnet vessels found operating outside of the prescribed high seas fishing area in the North Pacific. The authorities on Taiwan, however, have noted that the vessels in question have been boarded and investigated on the high seas by Taiwan patrol vessels and that punitive actions would be contemplated at the close of the current fishing season when the fishing vessels return to their home ports.

Taiwan has responded to the general concern of the international community by positively addressing the fundamental objective of ending large-scale pelagic driftnet fishing on the high seas by June 30, 1992, as called for by UNGA Resolution 44/225. On September 13, 1991, our representatives received a letter from the authorities on Taiwan that stated that the Executive Yuan reiterated a government policy to end the use of this fishing method by June 30, 1992. We place great reliance on the authorities on Taiwan to implement this policy in a forthright and timely manner.

I have decided to defer sanctions against Taiwan and Korea for 90 days pending evaluation of any additional remedial and punitive measures that each may take regarding the 1991 violations for which it was certified and their adherence to the driftnet agreements.

Over the longer term, I will watch closely their commitment to end large-scale pelagic driftnet fishing on the high seas by June 30, 1992, in line with the desire of the international community to end such fishing by that date.

Certification of Korea or Taiwan will be continued pending review of their performance. I have directed Secretary Mosbacher, in cooperation with Secretary Baker, to continue to monitor developments relating to large-scale pelagic driftnetting conducted on the high seas by the ROK and Taiwan and to report to me in 90 days or as otherwise warranted.

George Bush

The White House,

October 18, 1991.

Statement Announcing the Middle East Peace Conference

October 18, 1991

I am extremely pleased that Secretary of State Baker and Foreign Minister Pankin have announced that the United States and the Soviet Union are issuing invitations to a Middle East peace conference in Madrid beginning on October 30.

I myself plan to be there to help open this historic gathering, one with the potential to bring true peace and security to the peoples of the area.

As the invitation makes clear, the objective of the effort is nothing less than a just, lasting, and comprehensive settlement of the Arab-Israeli conflict, to be achieved through a two-track approach of direct negotiations between Israel and the Arab States and Israel and the Palestinians based upon U.N. Security Council Resolutions 242 and 338.

I very much hope that all those invited will respond quickly and affirmatively so that the necessary organization and preparations can be completed for this historic undertaking.

Remarks at the Swearing-In Ceremony for Supreme Court Designate Clarence Thomas

October 18, 1991

President Bush. Welcome all to the White House. Mr. Vice President and Mrs. Quayle, a warm welcome. And, of course, to the members of the Supreme Court. And may I simply say that Barbara and I join with you and with all the Nation in mourning the loss of Nan Rehnquist, the wife of the Chief Justice.

Let me also welcome the many Members of the United States Congress that are with us today. Single out but a few: Minority Leader Dole and Chairman Biden and ranking member Thurmond of the committee, and so many others; members of our Cabinet over here and so many friends of Clarence Thomas, who have worked with him here in Washington. And, of course, I should especially single out Senator Jack Danforth, a man every American would be proud to call friend.

And of course, those special guests, the many members of Clarence Thomas' family here today: his wife, Ginnie, son Jamal here in the front row, and Clarence's mother, Mrs. Leola Williams; his sister, Emma Mae Martin; his brother, Myers. His cousins, it reminds me of Pinafore, his cousins, sisters, aunts. [Laughter] But that's the way it ought to be. And all of you, some of whom drove all the way up, I see a little advertisement over here from Pin Point, Georgia, to be here this afternoon. That's 600 long miles, but I've got a feeling they might have driven 6,000 miles to be here today.

People from far and wide, from all walks of life, all levels of education and income, have come here today in testament to the character of Clarence Thomas. But what brought you here is also something more: the power of the American ideal; the values of faith and family, of hard work and opportunity. These are the values that unite us all, that give America meaning.

America is the first nation in history founded on an idea: On the unshakable certainty that all men are created equal. When we ask our Justices to uphold the Constitution, we entrust to them the laws that give life to our principles. Clarence Thomas now joins the distinguished ranks of jurists to whom we entrust this sacred task, who, in the stark and simple phrase of Chief Justice Marshall tells us ``what the law is."

I said when I nominated Clarence Thomas that this man is a fiercely independent thinker, with an excellent legal mind, who believes passionately in equal opportunity for all Americans. Since then, the whole Nation has learned that the passion and the intellect and the independence of mind all spring from a single source: An inner strength stamped on his character long ago, when he walked the dirt roads of Pin Point.

Clarence Thomas comes to the Supreme Court having worked in the private sector, having served in State government and in every branch of Federal Government. Each position will serve him well on the Court, sharpening his vantage point on the many questions that come before him.

These are the man's qualifications. They are not the same as his experience.

Clarence Thomas knows firsthand the searing hate and sting of segregation. He knows the cold face of indifference, the unthinking cruelty that tells some men and women that society expects little of them and offers even less.

But Clarence Thomas would not be here today if there were not more to his story. He's known his share of the joys of life: the love of family, the devotion of friends, the kind gestures from people committed to decency and fairness, to justice and to the American dream.

Clarence Thomas has endured America at its worst, and he's answered with America at its best. He brings that hard-won experience to the High Court, and America will be better for it.

So, let me say to everyone here: Don't be overawed by the solemnity of this moment. Celebrate this day. See what this son of Pin Point has made of himself. See how he makes us proud of America, proud of all that is best in us.

In just a few moments, we will bear witness as the oath of office is administered to our Nation's newest Supreme Court Justice. Before we do, let me say on a personal level, America is blessed to have a man of this character serve on its Highest Court.

Clarence Thomas, Mr. Justice Thomas, congratulations. And now I'd like to ask Justice Byron White to administer the oath.

[At this point, Associate Justice Byron White administered the oath of Government service, and Judge Thomas then spoke.]

Note: The President spoke at 2 p.m. in a ceremony on the South Lawn of the White House. In his remarks, the President referred to Chief Justice William Rehnquist's wife, Natalie, who died on October 17; Senators Robert Dole, Joseph R. Biden, Jr., Strom Thurmond, and John C. Danforth.

Proclamation 6360 -- National Consumers Week, 1991

October 18, 1991

By the President of the United States

of America

A Proclamation

For generations, our Nation's free enterprise system has provided consumers an unparalleled selection of high quality goods and services, as well as ample opportunities for earning, spending, and investing personal income. Now, as more and more countries around the world adopt market-oriented economies, thereby expanding global trade and commerce, consumers stand to benefit from an ever wider array of options.

Increasing competition in the marketplace spurs business and industry to improve both the quality and price of their products and services. This in turn enables consumers to get more out of their buying dollar. At the same time, the demand for greater innovation and productivity helps to create jobs.

The theme for this year's observance of National Consumers Week, ``Today's Choices -- Tomorrow's Opportunities," underscores the importance of decisions made by individual consumers. What people buy, where, and how often helps to determine the shape of the marketplace, be it at the local or the international level. Here in the United States, we have traditionally relied on the ability of consumers and private industry to balance each other's needs and interests in the marketplace, with government intervening only to ensure fairness and the safety of goods and services. This system provides the flexibility that is essential to economic growth and technological progress.

However, while our options as consumers are virtually unlimited, our resources are not. Every American needs to recognize the importance of savings and investment, and all of us must decide carefully when spending our resources. To be responsible and discerning consumers, we must be knowledgeable about available goods and services. Every American must also be able to apply fundamental literacy skills to the day-to-day challenges of participating in our economy. The skills that one uses to compare products or to balance a checkbook are vital to success, not only in the marketplace, but also in the workplace. Our Nation's parents, educators, business leaders, and public officials share the responsibility for teaching these essential skills.

This year, as we mark the 10th anniversary of National Consumers Week, let us renew our determination to ensure that every American has the basic tools needed to exercise his or her rights as a consumer. Those rights include: the right to be free of unfair monopolies, which limit

selection of products and services; the right to healthful and safe products; and the right to be heard when products do not meet acceptable standards. These rights are based on fundamental principles of freedom and fairness, and their preservation goes hand in hand with the success of our free enterprise system.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the week beginning October 20, 1991, as National Consumers Week. I urge business owners, educators, public officials, consumer leaders, and members of the media to observe this week with appropriate activities that emphasize the important role consumers play in keeping our markets open, competitive, and fair. I also urge them to highlight the importance of education in helping citizens to become responsible consumers.

In Witness Whereof, I have hereunto set my hand this eighteenth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:51 a.m., October 21, 1991]

Note: This proclamation was published in the Federal Register on October 22.

Executive Order 12777 -- Implementation of Section 311 of the Federal Water Pollution Control Act of October 18, 1972, as Amended, and the Oil Pollution Act of 1990

October 18, 1991

By authority vested in me as President by the Constitution and the laws of the United States of America, including Section 311 of the Federal Water Pollution Control Act, (``FWPCA") (33 U.S.C. 1321), as amended by the Oil Pollution Act of 1990 (Public Law 101 - 380) (``OPA"), and by Section 301 of Title 3 of the United States Code, it is hereby ordered as follows:

Section 1. National Contingency Plan, Area Committees, and Area Contingency Plans. (a) Section 1 of Executive Order No. 12580 of January 23, 1987, is amended to read as follows:

``Section 1. National Contingency Plan. (a)(1) The National Contingency Plan (``the NCP"), shall provide for a National Response Team (``the NRT") composed of representatives of appropriate Federal departments and agencies for national planning and coordination of preparedness and response actions, and Regional Response Teams as the regional counterparts to the NRT for planning and coordination of regional preparedness and response actions.

``(2) The following agencies (in addition to other appropriate agencies) shall provide representatives to the National and Regional Response Teams to carry out their responsibilities under the NCP: Department of State, Department of Defense, Department of Justice, Department of the Interior, Department of Agriculture, Department of Commerce, Department of Labor, Department of Health and Human Services, Department of Transportation, Department of Energy, Environmental Protection Agency, Federal Emergency Management Agency, United States Coast Guard, and the Nuclear Regulatory Commission.

``(3) Except for periods of activation because of response action, the representative of the Environmental Protection Agency (``EPA") shall be the chairman, and the representative of the United States Coast Guard shall be the vice chairman, of the NRT and these agencies' representatives shall be co-chairs of the Regional Response Teams (``the RRTs"). When the NRT or an RRT is activated for a response action, the EPA representative shall be the chairman when the release or threatened release or discharge or threatened discharge occurs in the inland zone, and the United States Coast Guard representative shall be the chairman when the release or threatened release or discharge or threatened discharge occurs in the coastal zone, unless otherwise agreed upon by the EPA and the United States Coast Guard representatives (inland and coastal zones are defined in the NCP).

``(4) The RRTs may include representatives from State governments, local governments (as agreed upon by the States), and Indian tribal governments. Subject to the functions and authorities

delegated to Executive departments and agencies in other sections of this order, the NRT shall provide policy and program direction to the RRTs.

``(b) (1) The responsibility for the revision of the NCP and all the other functions vested in the President by Sections 105 (a), (b), (c), and (g), 125, and 301(f) of the Act, by Section 311(d)(1) of the Federal Water Pollution Control Act, and by Section 4201(c) of the Oil Pollution Act of 1990 is delegated to the Administrator of the Environmental Protection Agency (``the Administrator").

``(2) The function vested in the President by Section 118(p) of the Superfund Amendments and Reauthorization Act of 1986 (Pub. L. 99 - 499) (``SARA") is delegated to the Administrator.

``(c) In accord with Section 107(f)(2)(A) of the Act, Section 311(f)(5) of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1321(f)(5)), and Section 1006(b) (1) and (2) of the Oil Pollution Act of 1990, the following shall be among those designated in the NCP as Federal trustees for natural resources:

(1) Secretary of Defense;

(2) Secretary of the Interior;

(3) Secretary of Agriculture;

(4) Secretary of Commerce;

(5) Secretary of Energy.

In the event of a spill, the above named Federal trustees for natural resources shall designate one trustee to act as Lead Administrative Trustee, the duties of which shall be defined in the regulations promulgated pursuant to Section 1006(e)(1) of OPA. If there are natural resource trustees other than those designated above which are acting in the event of a spill, those other trustees may join with the Federal trustees to name a Lead Administrative Trustee which shall exercise the duties defined in the regulations promulgated pursuant to Section 1006(e)(1) of OPA.

``(d) Revisions to the NCP shall be made in consultation with members of the NRT prior to publication for notice and comment.

``(e) All revisions to the NCP, whether in proposed or final form, shall be subject to review and approval by the Director of the Office of Management and Budget (``OMB")."

``(b) The functions vested in the President by Section 311(j)(4) of FWPCA, and Section 4202(b)(1) of OPA, respecting the designation of Areas, the appointment of Area Committee members, the requiring of information to be included in Area Contingency Plans, and the review

and approval of Area Contingency Plans are delegated to the Administrator of the Environmental Protection Agency (``Administrator'') for the inland zone and the Secretary of the Department in which the Coast Guard is operating for the coastal zone (inland and coastal zones are defined in the NCP).

Sec. 2. National Response System. (a) The functions vested in the President by Section 311(j)(1)(A) of FWPCA, respecting the establishment of methods and procedures for the removal of discharged oil and hazardous substances, and by Section 311(j)(1)(B) of FWPCA respecting the establishment of criteria for the development and implementation of local and regional oil and hazardous substance removal contingency plans, are delegated to the Administrator for the inland zone and the Secretary of the Department in which the Coast Guard is operating for the coastal zone.

(b)(1) The functions vested in the President by Section 311(j)(1)(C) of FWPCA, respecting the establishment of procedures, methods, and equipment and other requirements for equipment to prevent and to contain discharges of oil and hazardous substances from non-transportation-related onshore facilities, are delegated to the Administrator.

(2) The functions vested in the President by Section 311(j)(1)(C) of FWPCA, respecting the establishment of procedures, methods, and equipment and other requirements for equipment to prevent and to contain discharges of oil and hazardous substances from vessels and transportation-related onshore facilities and deepwater ports subject to the Deepwater Ports Act of 1974 (``DPA''), are delegated to the Secretary of Transportation.

(3) The functions vested in the President by Section 311(j)(1)(C) of FWPCA, respecting the establishment of procedures, methods, and equipment and other requirements for equipment to prevent and to contain discharges of oil and hazardous substances from offshore facilities, including associated pipelines, other than deepwater ports subject to the DPA, are delegated to the Secretary of the Interior.

(c) The functions vested in the President by Section 311(j)(1)(D) of FWPCA, respecting the inspection of vessels carrying cargoes of oil and hazardous substances and the inspection of such cargoes, are delegated to the Secretary of the Department in which the Coast Guard is operating.

(d)(1) The functions vested in the President by Section 311(j)(5) of FWPCA and Section 4202(b)(4) of OPA, respecting the issuance of regulations requiring the owners or operators of non-transportation-related onshore facilities to prepare and submit response plans, the approval of means to ensure the availability of private personnel and equipment, the review and approval of such response plans, and the authorization of non-transportation-related onshore facilities to operate without approved response plans, are delegated to the Administrator.

(2) The functions vested in the President by Section 311(j)(5) of FWPCA and Section 4202(b)(4)

of OPA, respecting the issuance of regulations requiring the owners or operators of tank vessels, transportation-related onshore facilities and deepwater ports subject to the DPA, to prepare and submit response plans, the approval of means to ensure the availability of private personnel and equipment, the review and approval of such response plans, and the authorization of tank vessels, transportation-related onshore facilities and deepwater ports subject to the DPA to operate without approved response plans, are delegated to the Secretary of Transportation.

(3) The functions vested in the President by Section 311(j)(5) of FWPCA and Section 4202(b)(4) of OPA, respecting the issuance of regulations requiring the owners or operators of offshore facilities, including associated pipelines, other than deepwater ports subject to the DPA, to prepare and submit response plans, the approval of means to ensure the availability of private personnel and equipment, the review and approval of such response plans, and the authorization of offshore facilities, including associated pipelines, other than deepwater ports subject to the DPA, to operate without approved response plans, are delegated to the Secretary of the Interior.

(e)(1) The functions vested in the President by Section 311(j)(6)(B) of FWPCA, respecting the requirements for periodic inspections of containment booms and equipment used to remove discharges at non-transportation-related onshore facilities, are delegated to the Administrator.

(2) The functions vested in the President by Section 311(j)(6)(A) of FWPCA, respecting the requirements for periodic inspections of containment booms and equipment used to remove discharges on vessels, and at transportation-related onshore facilities and deepwater ports subject to the DPA, are delegated to the Secretary of Transportation.

(3) The functions vested in the President by Section 311(j)(6)(A) of FWPCA, respecting the requirements for periodic inspections of containment booms and equipment used to remove discharges at offshore facilities, including associated pipelines, other than deepwater ports subject to the DPA, are delegated to the Secretary of the Interior.

(f) The functions vested in the President by Section 311(j)(6)(A) of FWPCA, respecting requirements for vessels to carry appropriate removal equipment, are delegated to the Secretary of the Department in which the Coast Guard is operating.

(g)(1) The functions vested in the President by Section 311(j)(7) of FWPCA, respecting periodic drills of removal capability under relevant response plans for onshore and offshore facilities located in the inland zone, and the publishing of annual reports on those drills, are delegated to the Administrator.

(2) The functions vested in the President by Section 311(j)(7) of FWPCA, respecting periodic drills of removal capability under relevant response plans for tank vessels, and for onshore and offshore facilities located in the coastal zone, and the publishing of annual reports on those drills, are delegated to the Secretary of the Department in which the Coast Guard is operating.

(h) No provision of Section 2 of this order, including, but not limited to, any delegation or assignment of any function hereunder, shall in any way affect, or be construed or interpreted to affect the authority of any Department or agency, or the head of any Department or agency under any provision of law other than Section 311(j) of FWPCA or Section 4202(b)(4) of OPA.

(i) The functions vested in the President by Section 311(j) of FWPCA or Section 4202(b)(4) of OPA which have been delegated or assigned by Section 2 of this order may be redelegated to the head of any Executive department or agency with his or her consent.

Sec. 3. Removal. The functions vested in the President by Section 311(c) of FWPCA and Section 1011 of OPA, respecting an effective and immediate removal or arrangement for removal of a discharge and mitigation or prevention of a substantial threat of a discharge of oil or a hazardous substance, the direction and monitoring of all Federal, State and private actions, the removal and destruction of a vessel, the issuance of directions, consulting with affected trustees, and removal completion determinations, are delegated to the Administrator for the inland zone and to the Secretary of the Department in which the Coast Guard is operating for the coastal zone.

Sec. 4. Liability Limit Adjustment. (a) The functions vested in the President by Section 1004(d) of OPA, respecting the establishment of limits of liability, with respect to classes or categories of non-transportation-related onshore facilities, the reporting to Congress on the desirability of adjusting limits of liability with respect to non-transportation-related onshore facilities, and the adjustment of limits of liability to reflect significant increases in the Consumer Price Index with respect to non-transportation-related onshore facilities, are delegated to the Administrator, acting in consultation with the Secretary of Transportation, the Secretary of Energy, and the Attorney General.

(b) The functions vested in the President by Section 1004(d) of OPA, respecting the establishment of limits of liability, with respect to classes or categories of transportation-related onshore facilities, the reporting to Congress on the desirability of adjusting limits of liability, with respect to vessels or transportation-related onshore facilities and deepwater ports subject to the DPA, and the adjustment of limits of liability to reflect significant increases in the Consumer Price Index with respect to vessels or transportation-related onshore facilities and deepwater ports subject to the DPA, are delegated to the Secretary of Transportation.

(c) The functions vested in the President by Section 1004(d) of OPA, respecting the reporting to Congress on the desirability of adjusting limits of liability with respect to offshore facilities, including associated pipelines, other than deepwater ports subject to the DPA, and the adjustment of limits of liability to reflect significant increases in the Consumer Price Index with respect to offshore facilities, including associated pipelines, other than deepwater ports subject to the DPA, are delegated to the Secretary of the Interior.

Sec. 5. Financial Responsibility. (a)(1) The functions vested in the President by Section 1016(e)

of OPA, respecting (in the case of offshore facilities other than deepwater ports) the issuance of regulations concerning financial responsibility, the determination of acceptable methods of financial responsibility, and the specification of necessary or unacceptable terms, conditions, or defenses, are delegated to the Secretary of the Interior.

(2) The functions vested in the President by Section 1016(e) of OPA, respecting (in the case of deepwater ports) the issuance of regulations concerning financial responsibility, the determination of acceptable methods of financial responsibility, and the specification of necessary or unacceptable terms, conditions, or defenses, are delegated to the Secretary of Transportation.

(b)(1) The functions vested in the President by Section 4303 of OPA, respecting (in cases involving vessels) the assessment of civil penalties, the compromising, modification or remission, with or without condition, and the referral for collection of such imposed penalties, and requests to the Attorney General to secure necessary judicial relief, are delegated to the Secretary of the Department in which the Coast Guard is operating.

(2) The functions vested in the President by Section 4303 of OPA, respecting (in cases involving offshore facilities other than deepwater ports) the assessment of civil penalties, the compromising, modification or remission, with or without condition, and the referral for collection of such imposed penalties, and requests to the Attorney General to secure necessary judicial relief, are delegated to the Secretary of the Interior.

(3) The functions vested in the President by Section 4303 of OPA, respecting (in cases involving deepwater ports) the assessment of civil penalties, the compromising, modification or remission, with or without condition, and the referral for collection of such imposed penalties, and requests to the Attorney General to secure necessary judicial relief, are delegated to the Secretary of Transportation.

Sec. 6. Enforcement. (a) The functions vested in the President by Section 311(m)(1) of FWPCA, respecting the enforcement of Section 311 with respect to vessels, are delegated to the Secretary of the Department in which the Coast Guard is operating.

(b) The functions vested in the President by Section 311(e) of FWPCA, respecting determinations of imminent and substantial threat, requesting the Attorney General to secure judicial relief, and other action including issuing administrative orders, are delegated to the Administrator for the inland zone and to the Secretary of the Department in which the Coast Guard is operating for the coastal zone.

Sec. 7. Management of the Oil Spill Liability Trust Fund and Claims. (a)(1)(A) The functions vested in the President by Section 1012(a)(1), (3), and (4) of OPA respecting payment of removal costs and claims and determining consistency with the National Contingency Plan (NCP) are delegated to the Secretary of the Department in which the Coast Guard is operating.

(B) The functions vested in the President by Section 6002(b) of the OPA respecting making amounts, not to exceed $50,000,000 and subject to normal budget controls, in any fiscal year, available from the Fund (i) to carry out Section 311(c) of FWPCA, and (ii) to initiate the assessment of natural resources damages required under Section 1006 of OPA are delegated to the Secretary of the Department in which the Coast Guard is operating. Such Secretary shall make amounts available from the Fund to initiate the assessment of natural resources damages exclusively to the Federal trustees designated in the NCP. Such Federal trustees shall allocate such amounts among all trustees required to assess natural resources damages under Section 1006 of OPA.

(2) The functions vested in the President by Section 1012(a)(2) of OPA, respecting the payment of costs and determining consistency with the NCP, are delegated to the Federal trustees designated in the NCP.

(3) The functions vested in the President by Section 1012(a)(5) of OPA, respecting the payment of costs and expenses of departments and agencies having responsibility for the implementation, administration, and enforcement of the Oil Pollution Act of 1990 and subsections (b), (c), (d), (j) and (l) of Section 311 of FWPCA, are delegated to each head of such department and agency.

(b) The functions vested in the President by Section 1012(c) of OPA, respecting designation of Federal officials who may obligate money, are delegated to each head of the departments and agencies to whom functions have been delegated under section 7(a) of this order for the purpose of carrying out such functions.

(c)(1) The functions vested in the President by Section 1012 (d) and (e) of OPA, respecting the obligation of the Trust Fund on the request of a Governor or pursuant to an agreement with a State, entrance into agreements with States, agreement upon terms and conditions, and the promulgation of regulations concerning such obligation and entrance into such agreement, are delegated to the Secretary of the Department in which the Coast Guard is operating, in consultation with the Administrator.

(2)The functions vested in the President by Section 1013(e) of OPA, respecting the promulgation and amendment of regulations for the presentation, filing, processing, settlement, and adjudication of claims under OPA against the Trust Fund, are delegated to the Secretary of the Department in which the Coast Guard is operating, in consultation with the Attorney General.

(3) The functions vested in the President by Section 1012(a) of OPA, respecting the payment of costs, damages, and claims, delegated herein to the Secretary of the Department in which the Coast Guard is operating, include, inter alia, the authority to process, settle, and administratively adjudicate such costs, damages, and claims, regardless of amount.

(d)(1) The Coast Guard is designated the ``appropriate agency'' for the purpose of receiving the

notice of discharge of oil or hazardous substances required by Section 311(b)(5) of FWPCA, and the Secretary of the Department in which the Coast Guard is operating is authorized to issue regulations implementing this designation.

(2) The functions vested in the President by Section 1014 of OPA, respecting designation of sources of discharges or threats, notification to responsible parties, promulgation of regulations respecting advertisements, the advertisement of designation, and notification of claims procedures, are delegated to the Secretary of the Department in which the Coast Guard is operating.

Sec. 8. Miscellaneous. (a) The functions vested in the President by Section 311(b) (3) and (4) of FWPCA, as amended by the Oil Pollution Act of 1990, respecting the determination of quantities of oil and any hazardous substances the discharge of which may be harmful to the public health or welfare or the environment and the determinations of quantities, time, locations, circumstances, or conditions, which are not harmful, are delegated to the Administrator.

(b) The functions vested in the President by Section 311(d)(2)(G) of FWPCA, respecting schedules of dispersant, chemical, and other spill mitigating devices or substances, are delegated to the Administrator.

(c) The functions vested in the President by Section 1006(b) (3) and (4) of OPA respecting the receipt of designations of State and Indian tribe trustees for natural resources are delegated to the Administrator.

(d) The function vested in the President by Section 3004 of OPA, with respect to encouraging the development of an international inventory of equipment and personnel, is delegated to the Secretary of the Department in which the Coast Guard is operating, in consultation with the Secretary of State.

(e) The functions vested in the President by Section 4113 of OPA, respecting a study on the use of liners or other secondary means of containment for onshore facilities, and the implementation of the recommendations of the study, are delegated to the Administrator.

(f) The function vested in the President by Section 5002(c)(2)(D) of OPA, respecting the designating of an employee of the Federal Government who shall represent the Federal Government on the Oil Terminal Facilities and Oil Tanker Operations Associations, is delegated to the Secretary of Transportation.

(g) The functions vested in the President by Section 5002(o) of OPA, respecting the annual certification of alternative voluntary advisory groups, are delegated to the Secretary of Transportation.

(h) The function vested in the President by Section 7001(a)(3) of OPA, respecting the appointment of Federal agencies to membership on the Interagency Coordinating Committee on Oil Pollution Research, is delegated to the Secretary of Transportation.

(i) Executive Order No. 11735 of August 3, 1973, Executive Order No. 12123 of February 26, 1979, Executive Order No. 12418 of May 5, 1983 and the memorandum of August 24, 1990, delegating certain authorities of the President under the Oil Pollution Act of 1990 are revoked.

Sec. 9. Consultation. Authorities and functions delegated or assigned by this order shall be exercised subject to consultation with the Secretaries of departments and the heads of agencies with statutory responsibilities which may be significantly affected, including, but not limited to, the Department of Justice.

Sec. 10. Litigation. (a) Notwithstanding any other provision of this order, any representation pursuant to or under this order in any judicial proceedings shall be by or through the Attorney General. The conduct and control of all litigation arising under the Oil Pollution Act of 1990 shall be the responsibility of the Attorney General.

(b) Notwithstanding any other provision of this order, the authority under the Oil Pollution Act of 1990 to require the Attorney General to commence litigation is retained by the President.

(c) Notwithstanding any other provision of this order, the Secretaries of the Departments of Transportation, Commerce, Interior, Agriculture, and/or the Administrator of the Environmental Protection Agency may request that the Attorney General commence litigation under the Oil Pollution Act of 1990.

(d) The Attorney General, in his discretion, is authorized to require that, with respect to a particular oil spill, an agency refrain from taking administrative enforcement action without first consulting with the Attorney General.

George Bush

The White House,

October 18, 1991.

[Filed with the Office of the Federal Register, 10:52 a.m., October 21, 1991]

Note: This Executive order was published in the Federal Register on October 22.

Proclamation 6361 -- National Down Syndrome Awareness Month, 1991

October 21, 1991

By the President of the United States

of America

A Proclamation

Down Syndrome is one of the most common congenital causes of mental retardation. According to the Department of Health and Human Services, it affects approximately 4,000 babies in the United States each year. At one time in our history, people with Down Syndrome were stigmatized or, all too frequently, committed to institutions. Now they are benefitting from important advances in research, education, and health care.

Today we know that many individuals with Down Syndrome are both determined and able to lead active, productive lives. Thanks to early intervention and main-streaming, as well as improved treatment of physical health problems related to Down Syndrome, thousands are doing just that.

In recent years, more and more parents have been able to obtain the information and support that they need to cope with the unique challenges of rearing a child with Down Syndrome. Through special classes and mainstream programs in schools, more and more young people with this developmental disability are joining in the exciting process of learning and discovery. Many are also working to achieve their fullest potential through vocational training and independent living programs. Their achievements, underscored by recent television appearances of actors with Down Syndrome, are helping to dispel old myths and misconceptions about the disorder.

Much of this progress has been made possible by the vision and hard work of concerned researchers, physicians, educators, and parents, including members of private voluntary organizations such as the National Down Syndrome Congress and the National Down Syndrome Society. Working together with government agencies, these Americans have helped to affirm the God-given abilities and worth of persons with Down Syndrome. This month, we express our admiration and our support for their efforts.

To help promote greater understanding of Down Syndrome, the Congress, by Senate Joint Resolution 131, has designated the month of October 1991 as ``National Down Syndrome Awareness Month'' and has authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the month of October 1991 as National Down Syndrome Awareness Month. I invite all Americans to observe this month with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this twenty-first day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:25 p.m., October 21, 1991]

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Proclamation 6362 -- United Nations Day, 1991

October 21, 1991

By the President of the United States

of America

A Proclamation

As its Charter states, the United Nations was envisioned ``to save succeeding generations from the scourge of war . . . to reaffirm faith in fundamental human rights . . . in the equal rights of men and women and of nations large and small, and to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and to promote social progress and better standards of life in larger freedom." Today the United Nations has an opportunity unparalleled in its 46-year history to fulfill the promise of its Charter.

In the past year, the United Nations has played a dramatic role in repelling aggression and vindicating the right of all states to live in peace. Indeed, it has proved that it can be an effective vehicle for promoting international cooperation and security. During the crisis in the Gulf, the U.N. condemned Iraqi aggression and took necessary and proportional steps to ensure peace and security in the region. It has also demonstrated exemplary compassion in addressing the human tragedy wrought by Iraq's invasion of Kuwait, the ensuing armed conflict, and subsequent Iraqi actions against its own citizens.

Today we know that, with the building of consensus and cooperation among its members, the United Nations can meet serious and sudden challenges to international peace. However, universal respect for human rights, as well as the long-term social and economic development of nations, are Charter aims that go hand in hand with the larger goal of lasting world peace. Thus the United Nations and its specialized agencies must continue working to overcome repression, poverty, illiteracy, and other persistent barriers to human freedom and progress.

Many people are aware of the United Nations' role in peacekeeping and in coordinating international humanitarian relief efforts. However, the United Nations is also playing an increasingly visible and important role in the fight against illicit drug use and drug trafficking. In 1987, the Secretary General convened a global conference on these subjects. One year later, the United States and other countries joined in negotiating the U.N. Convention Against Illicit Drug Trafficking in Narcotic Drugs and Psychotropic Substances. We have urged all signatories to ratify this treaty.

The United States will also continue to support global environmental protection efforts through

the United Nations. Established in 1972, the United Nations Environment Program (UNEP) has an important role to play as humankind strives to reconcile legitimate needs for economic development with the need to preserve our planet's fragile ecosystem. During the past two decades, UNEP has been collecting widely sought information on the most effective means of conducting environmental impact assessments. As we prepare for the 1992 Conference on Environment and Development, UNEP should continue to serve as a central forum for the study and development of related policies and programs.

By facilitating international cooperation on issues ranging from the environment and drug interdiction to war and peace, human rights, development, and humanitarian concerns, the United Nations and its specialized agencies are helping to shape the world of tomorrow. The United States is pleased to note that seven new members have recently joined the United Nations, and we look forward to continuing progress in the year ahead.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim October 24, 1991, as United Nations Day. I invite all Americans to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twenty-first day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:49 a.m., October 22, 1991]

Note: This proclamation was published in the Federal Register on October 23.

Message to the Congress on the Determination Not To Impose Sanctions Against Mexico Under the General Agreement on Tariffs and Trade

October 21, 1991

To the Congress of the United States:

Pursuant to the provisions of subsection (b) of the Pelly Amendment to the Fishermen's Protective Act of 1967, as amended (22 U.S.C. 1978), I am reporting to you that on August 22, 1991, the Secretary of Commerce reported to me that the country of Mexico has been under a court-ordered embargo since February 22, 1991. No yellowfin tuna or products derived from yellowfin tuna harvested by Mexico with purse seines in the eastern tropical Pacific Ocean may be imported into the United States.

The Secretary's letter to me was deemed to be a certification for the purposes of subsection (a) of the Pelly Amendment. Subsection (a) requires that I consider and, at my discretion, order the prohibition of imports into the United States of fish and fish products from Mexico, to the extent that such prohibition is consistent with the General Agreements on Tariffs and Trade. Subsection (b) requires me to report to the Congress within 60 days following certification on the actions taken pursuant to the certification; if fish and wildlife imports have not been prohibited, the report must state the reasons for the lack of a prohibition.

After thorough review, I have determined that, given that an embargo is currently in effect and given the continuing negotiations with Mexico toward an international dolphin conservation program in the eastern tropical Pacific Ocean, sanctions will not be imposed against Mexico at this time. Mexico will continue to be certified, and we will review Mexico's marine mammal incidental mortality under the Marine Mammal Protection Act if a finding is requested for 1992. I will make further reports and recommendations to you as developments warrant.

George Bush

The White House,

October 21, 1991.

Nomination of Kay Coles James To Be Associate Director for National Drug Control Policy

October 21, 1991

The President today announced his intention to nominate Kay Coles James, of Virginia, to be Associate Director for National Drug Control Policy. She would succeed Reggie B. Walton.

Since 1990 Ms. James has served as executive vice president and chief operating officer of One to One Partnership, Inc. in Washington, DC. Prior to this, she served as Assistant Secretary for Public Affairs at the U.S. Department of Health and Human Services in Washington, DC, 1989 - 1990; director of public affairs for the National Right to Life Committee in Washington, DC, 1985 - 1988; and personnel director of Circuit City Stores, Inc. in Beltsville, MD, 1983 - 1985. From 1981 to 1983, Ms. James served as director of community education and development for Housing Opportunities Made Equal in Richmond, VA.

Ms. James graduated from the Hampton Institute in Hampton, VA (B.S., 1971). She was born June 1, 1949, in Portsmouth, VA. Ms. James is married, has three children, and resides in Annandale, VA.

Remarks at the Welcoming Ceremony for President Vaclav Havel of Czechoslovakia

October 22, 1991

President Bush. Today we welcome a man whose moral authority makes him a hero not simply in his own land but everywhere that people cherish freedom: President Vaclav Havel.

I suspect the life of Vaclav Havel, President, would tax even the imagination of Vaclav Havel, playwright. Yet your life inspires us precisely because it shows that greatness begins with small acts of conscience and personal decency, acts that each one of us can perform.

Confronted with a wall of lies, you summoned the courage to ``live in truth," to shun the silence that allows the lie to live, to speak out and risk the consequences. That courage sustained you through 5 long years in prison, as an outcast in your own country, to the chill autumn night 2 years ago when the people of Czechoslovakia came to Wenceslas Square. At first, a few candles flickered in the night sky. In time, the square was ablaze with light. The Velvet Revolution had begun.

Long before that night, you had written about ``the power of the powerless." In the Revolution of '89, the world saw the Czech and Slovak people break their chains; the world witnessed once more the awesome power of the democratic idea.

Today, the electricity of revolution has given way to the sober business of democracy building. Your Federal Republic faces the challenge of three revolutions: First, an economic revolution, to replace the failed command system with the free market. Second, a political revolution, to replace the totalitarian travesty with democratic government and the tyranny of men with the rule of law, so that Czechs and Slovaks, working together, can build a secure future. And third and most important, you face a moral revolution, the need to build public trust and tolerance, to trade the cynicism that helped people survive the old regime for the idealism that will help you build a new one.

For 40 years, the ruling regime fed your people nothing but lies: a steady diet of quotas fulfilled, record harvests, unanimous votes, and unending progress; an elaborate fantasy that fooled no one. Today, Mr. President, you lead a people who know that being free means facing the truth, preferring fact to fiction, no matter how harsh the truth may be.

Your struggle is far from over. Everywhere across your country you feel the strains, the dislocations, and depressed standard of living. And I know the transition has hit particularly hard in Slovakia.

Yet your country has made impressive progress. You've taken decisive steps to privatize State enterprises, to liberalize trade and investment, to lift restrictions on private enterprise.

Each barrier you sweep away unleashes the energies of free enterprise, liberates the Czech and Slovak people to pursue their ideas and ideals.

America stands with you in this effort. Our trade enhancement initiative aims at opening American markets to your products. We seek through a special review to expand your benefits under our Generalized System of Preferences. Our enterprise fund will channel capital to Czech and Slovak entrepreneurs ready to put it to work. OPIC -- the U.S. Government's Overseas Private Investment Corporation -- has just completed a mission to Czechoslovakia, the largest mission OPIC has ever led to any country.

During your visit, our governments will sign the new Bilateral Investment Treaty, assuring an attractive investment climate for American firms that do business in your country.

A few days ago, I signed a document exempting the Czech and Slovak Federal Republic from the requirement of an annual Jackson-Vanik review. I hope for early congressional action to grant your country permanent most-favored-nation status. And to aid Czechoslovakia in its efforts to join the global economy, I call on the World Bank and the European Bank for Reconstruction and Development to provide assistance to pipeline projects already under consideration.

As your Federal Republic transforms itself within, it also has claimed its place in the councils of Europe. Mr. President, as a founder of Charter 77, you lived through the days when the secret police ransacked homes for papers related to the Helsinki accords. You must marvel that Prague now serves as home to the permanent Secretariat of the CSCE.

Nearly 1 year ago when I addressed your Federal Assembly, sir, I spoke of America's enduring role in Europe and of our vision of a new commonwealth of freedom. I know you share that vision, and I value your strong conviction that the U.S. should remain in Europe as a guarantor of security.

Together, on both sides of the Atlantic, we can work as partners in a growing community of free nations to extend the values of democracy, free enterprise, and the rule of law.

Your country knows better than most the harsh lessons of history, what happens when aggression goes unchecked. When Iraq invaded Kuwait, the Czech and Slovak people stepped forward to take their place in the coalition against the aggressor. Even as it struggled to secure its own fragile independence, your country came to the defense of a nation in need.

You led the way in showing a new Europe that the security of one State is inseparable from the security of all. I welcome the opportunity to reaffirm today my country's commitment to your

success, to the promise of democracy and independence.

Once again, Mr. President, welcome to the White House. And may God bless the Czech and Slovak people.

President Havel. Mr. President, ladies and gentlemen. Let me, on behalf of the whole Czechoslovak delegation, thank you for your warm welcome. I have a good feeling that we are coming to friends with whom we share the same attitude toward the principal values of life, and who, therefore, understand our problems and needs.

Our friendship has deep roots and has gone through a difficult test of time. In the hearts and minds of our people, it survived the adversity of the long decades of the totalitarian era to be given a new dimension by the freedom reborn in my country 2 years ago. The legacy of the fathers of Czechoslovak-American cooperation -- the founder of our State, Tomas Garrigue Masaryk, and President Woodrow Wilson -- has thus been fulfilled.

It makes me happy to feel that I can regard you, Mr. President, as a friend of Czechoslovakia and as my personal friend. This is not the first time when I have an opportunity to step on the soil of your country. I shall never forget the reception accorded to me during my last year's visit when I came here for the first time in the capacity of head of state. Today, I am starting my first official State visit to your country, and I am looking forward to seeing it unfold no less successfully.

It will certainly be a breakthrough in our relations as significant documents are to be signed on this occasion. A permanent place among them will be held by the declaration on the relations between our countries in which we shall express our resolve to work together for the advancement of our cooperation. In so doing, we shall make a contribution, even if a limited one, to the strengthening of the traditional partnership between the United States and Europe.

We do see in this partnership a guarantee of our own stability and security. It is my conviction that our visit to your country, for which we prepared with utmost care, will achieve its purpose and confirm what I have said with much pleasure a number of times already, namely, that relations between Czechoslovakia and the United States have never been as good as they are now.

Thank you.

Note: President Bush spoke at 10:12 a.m. on the South Lawn at the White House where President Havel was accorded a formal welcome with full military honors. Charter 77 was a group of Czechoslovak dissidents founded in 1977 to address human rights issues within Czechoslovakia. President Havel spoke in Czech, and his remarks were translated by an interpreter. Following the ceremony, the two Presidents met privately in the Oval Office. After their private meeting, the two Presidents met with their advisers in the Cabinet Room.

Joint Declaration of the United States and the Czech and Slovak Federal Republic

October 22, 1991

The United States and Czechoslovakia are bound by a commitment to the fundamental principles of democracy, human liberty and the rule of law. These values form the basis of the U.S. Constitution as well as of the Czechoslovak Declaration of Independence, which was written in the United States and signed in 1918. Slovak and Czech representatives, led by Tomas Garrigue Masaryk and Milan Rastislav Stefanik, inspired by the concepts of freedom and democracy, brought to life the idea of a common Czecho-Slovak State. It became a model parliamentary democracy in the heart of Europe that flourished until falling victim to Nazism and Stalinism. The United States remained steadfast in its belief that democracy and freedom must come to Czechoslovakia. The monuments to American soldiers and airmen who gave their lives for the freedom of Czechs and Slovaks bear witness to that commitment.

The Czechoslovak democratic revolution of 1989 opened the way to a new beginning in Czechoslovak-U.S. relations. The United States reaffirms its commitment to Czechs and Slovaks as they work to consolidate a free, prosperous, and independent society. The United States values the participation of the Czech and Slovak Federal Republic in the commonwealth of free nations and considers its security and independence integral to the new Europe, whole and free.

Our relations are based on the United Nations Charter, on the principles embraced in the Helsinki Final Act, the Paris Charter of the Conference on Security and Cooperation in Europe, and other CSCE commitments. Our nations and peoples understand that to promote fundamental human rights is also to accept the responsibility to look beyond personal, ethnic, or regional self-interest and work toward the common good. We are committed to developing our new partnership through an enhanced political dialogue and regular contacts at all levels in areas of common interest.

We will work together as members of the growing Euro-Atlantic community, supported by the Atlantic link, European integration, and regional cooperation. The CSFR considers the presence of the United States in Europe as indispensable to peace and security in this new community. Czechoslovakia and the United States will help to build a new system of cooperative security in Europe based on democracy and respect for the Helsinki principles which will complement NATO and its indispensable role in safeguarding European security. The CSFR welcomes the proposal to develop new institutional relationships with NATO, including regular meetings, participation in some of the meetings of NATO committees and groups, and increasing civilian and military exchanges.

We share the conviction that only a market economy releases the creative potential of individuals and constitutes an essential condition for economic and social development and prosperity. The

United States hopes to assist Czechoslovakia in making the transition to a free market economy as rapid and as smooth as possible. It is our mutual hope that the Czech and Slovak-American Enterprise Fund and the new Bilateral Investment Treaty will advance the progress of the reform now underway. Similarly, we support the efforts undertaken, in the context of the Group of 24, to provide assistance to the reforming economies of Central and Eastern Europe.

The CSFR and the United States call for the early conclusion of the Uruguay Round of the GATT. This agreement on trade is essential to the successful pursuit of our common goals of economic reform and growth in the countries of Central and Eastern Europe and globally. Recognizing the importance of free trade, the CSFR welcomes the steps taken by the United States to provide expanded market access.

The United States and the Czech and Slovak Federal Republic reaffirm the importance of cooperative regional ties. We recognize that the strengthening of the traditional economic, cultural, and political ties which bind together the states and people of Central Europe will help them overcome historic national antagonisms and will advance their integration into Europe. The United States welcomes the increasing cooperation undertaken by Czechoslovakia and other countries of the region, and believes that such cooperation will help assure the irreversibility of democratic change and the peaceful settlement of all disputes.

The United States of America and the Czech and Slovak Federal Republic are convinced that the principles of this declaration will further strengthen the bonds of lasting friendship and cooperation between both states, as an integral element of the broader partnership that binds the United States and Europe and of a new world order based on democratic values and the rule of law.

Note: This declaration was not issued as a White House press release. The Group of 24 are the industrialized democracies that have pledged support for economic and political reform in Central and Eastern Europe.

Exchange With Reporters Prior to a Meeting with Secretary of Agriculture Edward R. Madigan

October 22, 1991

Aid to the Soviet Union

Q. Mr. President, are you going to provide aid for the Soviets for the winter?

The President. Nobody is going to starve, and people are not going to be adversely affected in their health for lack of medicine. But we're not -- we're going to hear from the Secretary as to what he feels is required. And we've always, the United States has always been open for humanitarian support, for humanitarian needs. But we have made no decisions on any of this yet, and we haven't -- I read one report from Ed Madigan. I now am going to have a more detailed presentation here. And then we've got to tie all of this together.

Secretary Brady is back from Asia, where they had a meeting of the G - 7 regarding the overall demands or requests from the Soviet Union. And you've got to consider the foreign policy aspects of it. The Treasury -- Mr. Zoellick is with us today. So, we've got a lot of planning before we -- --

Q. Well, how quickly are you prepared to meet those -- --

The President. Well, do it in a reasonable, prudent way, to take whatever time is required to be sure what you're doing makes sense. We've got a lot of domestic problems. We've got a lot of domestic demands here, and we've got to sort it all out. So, I don't know. I can't give you an exact timeframe as to when we will have a plan. We've got many other countries we're working with on this. So, it's not just the United States waving a wand and solving problems. We've got our own resource problems. We want to help. We've got to coordinate this with other countries. So, I just can't help you on the exact timeframe.

Hostages in Lebanon

Q. Are we seeing the end of the hostage crisis in Lebanon?

The President. This takes me back to Maine, in August, when we kept talking about all the hostages coming out, you remember? And I said, ``Listen, please don't press me on this. I do not want to get the hopes of these families up." And sure enough, one hostage released, and now, thank God, another. We're very pleased about that. But we just have to keep supporting the efforts that are going on right now to get the release of all of them. But I just can't, again, help you on timing on that. Thank you all.

Note: The exchange began at 2:15 p.m. in the Cabinet Room at the White House. During the exchange, the President referred to Secretary of the Treasury Nicholas F. Brady and Robert B. Zoellick, Counselor of the Department of State. The President also referred to the Group of 7 (G - 7), the industrialized democracies that participate in annual economic summit meetings. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the Release of American Hostage Jesse Turner

October 22, 1991

We rejoice with Mr. Jesse Turner and his family at his release after so many years in unjust captivity. We pray that he is in good health and will soon be reunited with his family. Our special State Department reception team left the U.S. at midday for Wiesbaden, Germany, to provide any assistance possible. We cannot forget that others remain hostage. We call again for the safe, immediate, and unconditional release of all those in the region who are held hostage outside the process of law. We also seek a full accounting of those who have died in captivity, including return of their remains.

We appreciate the efforts of all those who helped make this release possible and welcome the humanitarian efforts of the U.N. Secretary-General. Mr. Turner had been in captivity for nearly 5 years. Four other American hostages remain.

Note: The statement referred to United Nations Secretary-General Javier Perez de Cuellar.

Remarks on Signing the Executive Order on Civil Justice Reform

October 23, 1991

Welcome, everyone. I'm, of course, very grateful to Dan Quayle, our Vice President, for his hard work on the issue that I want to discuss today, and to many of you here who have been very helpful in all of this. I want to single out our nominee for Attorney General, Bill Barr, the Acting Attorney General, and Ken Starr, the Solicitor General who headed the working group that produced what I think is a very fine report.

A little more than 2 months ago, the Vice President outlined our agenda for civil justice reform before the American Bar Association. That speech unleashed a national debate, a flurry of mail here at the White House, I might add, and some of the best lawyer jokes that I've heard in years. [Laughter]

But we're not here today to make an easy hit on lawyers. Frankly, I don't think that the problem rests with lawyers; the problem stems from a legal system that just spun out of control. Sadly, we've become the most litigious society in the world.

In order to restore sanity to our civil justice system, the Competitiveness Council that the Vice President chairs has recommended extensive and concrete steps that we can take, starting today, to get our legal system back on track. There's 50 recommendations, and these 50 recommendations include changes in the rules of discovery, adoption in certain areas of the ``loser pays'' rule, encouragement of alternative dispute resolution, caps on punitive damages, and changes in the rules and expert evidence to end the use of ``junk science'' on the witness stand.

I've named only a few of our many recommendations. Some of these proposals require Federal legislation, and we're going to be transmitting that up to the Congress very, very soon. Other proposals require action by the Supreme Court. Today's Executive order will apply most of these recommendations, where possible, to the Federal Government. And I'm asking every agency head, many here today, to do everything possible to fully and effectively implement the Executive order.

With all that said, let me get to the heart of the matter. Civil justice reform is absolutely essential to our country's well-being. I'm talking about access to health care and quality of life. Parents are having a tough time finding an obstetrician just out there in some of the States because many obstetricians found it wasn't worth it to practice anymore. I'm talking about beneficial new products that never reach the marketplace at all because of liability concerns.

I'm talking about jobs. We got a letter the other day from an architect in California named Charles

Yaeger. Here's what he wrote, ``I have many friends who are going out of business because of fear of lawsuits."

And I'm talking about inflation and consumer prices. The owner of Zaun's Trustworthy Hardware in Iowa, Brad Zaun, wrote to us as follows: ``As a business owner myself, the liability insurance is getting out of hand. The manufacturers could significantly lower their prices both wholesale and retail, which would stimulate our economy."

Maybe other countries don't have this problem because every other Western democracy has the ``loser pays" rule in order to discourage senseless lawsuits. Maybe it's because we have most of the world's lawyers here in America. Maybe it's because the pop culture in this country encourages lawsuits.

I don't know how many of you watch Hulk Hogan in the movie, but he's got a brand new movie out there, and at one point he asks the bad guys if they're going to beat him up. You know what the bad guys replied? ``Hey, this is the nineties; we're going to sue you." [Laughter]

People around the country understand that, and they have understood it for some time. And we've got to get something done about it. You see the problem everywhere. From the hindrance of new medicines to local bans of firework displays on the Fourth of July, the fear of outlandish litigation has begun to strangle the American dream.

Americans understand that civil justice reform means growth, competitiveness, and jobs. That's why I feel so strongly about these recommendations by Dan Quayle's Competitiveness Council. This is not a partisan issue; we keep making that point. It's a matter of overcoming the vested interests and changing the status quo to ensure a better and most prosperous life for all Americans.

The Federal Government is the largest single consumer of legal resources. As the client, I'm asking you, the Government's top lawyers, to help us change the status quo. The Executive order will hold you to higher standards than private practitioners. But it will also give us the opportunity to lead the country by example toward civil justice reform.

Today we're taking the first step. And now I want to invite Bill Barr and Ken Starr to join Dan Quayle and me up here as I sign this Executive order. And again, thank you all very much for coming.

Note: The President spoke at 11:43 a.m. in the Roosevelt Room at the White House.

Executive Order 12778 -- Civil Justice Reform

October 23, 1991

Whereas, the tremendous growth in civil litigation has burdened the American court system and has imposed high costs on American individuals, small businesses, industry, professionals, and government at all levels;

Whereas, several current litigation practices add to these burdens and costs by prolonging the resolution of disputes, thus delaying just compensation and encouraging wasteful litigation;

Whereas, the harmful consequences of these litigation practices may be ameliorated by encouraging voluntary dispute resolution, limitations on unnecessary discovery, judicious use of expert testimony, prudent use of sanctions, improved use of litigation resources, and, where appropriate, modified fee arrangements;

Whereas, the United States sets an example for private litigation by adhering to higher standards than those required by the rules of procedure in the conduct of Government litigation in Federal court, and can continue to do so without impairing the effectiveness of its litigation efforts;

Whereas, improving the quality of legislation and regulation to eliminate ambiguities in drafting would reduce uncertainty and unnecessary litigation; and,

Whereas, improving the quality of administrative adjudications would reduce the time and resources expended during the administrative process.

Now, Therefore, I, George Bush, by the authority vested in me as President by the Constitution and the laws of the United States of America, including chapter 31 of title 28, United States Code, and section 301 of title 3, United States Code, and in order to facilitate the just and efficient resolution of civil claims involving the United States Government, to encourage the filing of only meritorious civil claims, to improve legislative and regulatory drafting to reduce needless litigation, to promote fair and prompt adjudication before administrative tribunals, and to provide a model for similar reforms of litigation practices in the private sector and in various states, hereby order as follows:

Section 1. Guidelines to Promote Just and Efficient Government Civil Litigation. To promote the just and efficient resolution of civil claims, those Federal agencies and litigation counsel that conduct or otherwise participate in civil litigation on behalf of the United States Government in Federal court shall respect and adhere to the following guidelines during the conduct of such litigation:

(a) Pre-filing Notice of a Complaint. No litigation counsel shall file a complaint initiating civil

litigation without first making a reasonable effort to notify all disputants about the nature of the dispute and to attempt to achieve a settlement, or confirming that the referring agency that previously handled the dispute has made a reasonable effort to notify the disputants and to achieve a settlement or has used its conciliation processes.

(b) Settlement Conferences. As soon as practicable after ascertaining the nature of a dispute in litigation, and throughout the litigation, litigation counsel shall evaluate settlement possibilities and make reasonable efforts to settle the litigation. Such efforts shall include offering to participate in a settlement conference or moving the court for a conference pursuant to Rule 16 of the Federal Rules of Civil Procedure in an attempt to resolve the dispute without additional civil litigation.

(c) Alternative Methods of Resolving the Dispute in Litigation. Litigation counsel shall make reasonable attempts to resolve a dispute expeditiously and properly before proceeding to trial.

(1) Whenever feasible, claims should be resolved through informal discussions, negotiations, and settlements rather than through utilization of any formal or structured Alternative Dispute Resolution (ADR) process or court proceeding. At the same time, litigation counsel should be trained in dispute resolution techniques and skills that can contribute to the prompt, fair, and efficient resolution of claims. Where such benefits may be derived, and after consultation with the agency referring the matter, litigation counsel should suggest the use of an appropriate ADR technique to the private parties.

(2) It is appropriate to use ADR techniques or processes to resolve claims of or against the United States or its agencies, after litigation counsel determines that the use of a particular technique is warranted in the context of a particular claim or claims, and that such use will materially contribute to the prompt, fair, and efficient resolution of the claims.

(3) Litigation counsel shall neither seek nor agree to the use of binding arbitration or any other equivalent ADR technique. A technique is equivalent to binding arbitration if an agency is bound, without exercise of that agency's discretion, to implement the determination arising from the ADR technique. The requirements of this paragraph shall be interpreted in a manner consistent with section 4(b) of the Administrative Dispute Resolution Act, Public Law 101 - 552, 104 Stat. 2736 (1990). Practice under Tax Court Rule 124 shall be exempt from this provision.

(d) Discovery. To the extent practicable, litigation counsel shall make every reasonable effort to streamline and expedite discovery in cases under counsel's supervision and control.

(1) Disclosure of Core Information. In those cases where discovery will be sought, litigation counsel shall, to the extent practicable, make reasonable efforts to agree with other parties mutually to exchange a disclosure statement containing core information relevant to the dispute and to stipulate to an order memorializing such agreement. For purposes of this subsection, ``core

information" means the names and addresses of people having information that is relevant to the proffered claims and defenses, and the location of documents most relevant to the case. This guideline to disclose core information shall not apply in cases while a dispositive motion is pending.

(2) Review of Proposed Document Requests. Each agency within the executive branch shall establish a coordinated procedure for the conduct and review of document discovery undertaken in litigation directly by that agency when that agency is litigation counsel. The procedure shall include, but is not necessarily limited to, review by a senior lawyer prior to service or filing of the request in litigation to determine that the request is not cumulative or duplicative, unreasonable, oppressive, unduly burdensome or expensive, taking into account the requirements of the litigation, the amount in controversy, the importance of the issues at stake in the litigation, and whether the documents can be obtained from some other source that is more convenient, less burdensome, or less expensive.

(3) Discovery Motions. Before petitioning a court to resolve a discovery motion or petitioning a court to impose sanctions for discovery abuses, litigation counsel shall attempt to resolve the dispute with opposing counsel. If litigation counsel makes a discovery motion concerning the dispute, he or she shall represent in that motion that any attempt at resolution was unsuccessful or impracticable under the circumstances.

(e) Expert Witnesses. Litigation counsel shall make every reasonable effort to present only reliable expert testimony before a court.

(1) Widely accepted theories. Litigation counsel shall refrain from presenting expert testimony from experts who base their conclusions on explanatory theories that are not widely accepted. For purposes of this subsection, a theory is widely accepted if it is propounded by at least a substantial minority of the experts in the relevant field.

(2) Expertise in the field. Litigation counsel shall present expert testimony only from those experts whose knowledge, background, research, or other expertise lies in the particular field about which they are testifying.

(3) Expert disclosure. Litigation counsel shall offer to engage in mutual disclosure of expert witness information for those experts that a party expects to call as expert witnesses at trial, provided, and to the extent, that the other parties agree to make comparable disclosures of any expert witnesses they expect to call at trial.

(4) Ban on contingency fees. The amount of compensation paid to an expert witness shall not be linked to a successful outcome in the litigation.

(f) Sanctions. Litigation counsel shall take steps to seek sanctions against opposing counsel and

opposing parties where appropriate.

(1) Litigation counsel shall evaluate filings made by opposing parties and, where appropriate, shall petition the court to impose sanctions against those responsible for abusive practices.

(2) Prior to filing a motion for sanctions, litigation counsel shall submit the motion for review to the sanctions officer, or his or her designee, within the litigation counsel's agency. Such officer or designee shall be a senior supervising attorney within the agency, and shall be licensed to practice law before a State court, courts of the District of Columbia, or courts of any territory or Commonwealth of the United States. The sanctions officer or designee shall also review motions for sanctions that are filed against litigation counsel, the United States, its agencies, or its officers.

(g) Improved Use of Litigation Resources. Litigation counsel shall employ efficient case management techniques and shall make reasonable efforts to expedite civil litigation in cases under that counsel's supervision and control. This includes but is not limited to:

(1) making reasonable efforts to negotiate with other parties about, and stipulate to, facts that are not in dispute;

(2) reviewing and revising pleadings and other filings to ensure that they are accurate and that they reflect a narrowing of issues, if any, that has resulted from discovery;

(3) requesting early trial dates where practicable; and,

(4) moving for summary judgment in every case where the movant would be likely to prevail, or where the motion is likely to narrow the issues to be tried.

(h) Fees and Expenses. To the extent permissible by law, in civil litigation involving disputes over Federal contracts pursuant to 41 U.S.C. 601 et seq., or in any civil litigation initiated by the United States, litigation counsel shall offer to enter into a two-way fee shifting agreement with opposing parties to the dispute, whereby the losing party would pay the prevailing party's fees and costs, subject to reasonable terms and limitations. The Attorney General shall review the legal authority for entering into such agreements.

Sec. 2. Principles to Enact Legislation and Promulgate Regulations Which Do Not Unduly Burden the Federal Court System.

(a) General Duty to Review Legislation and Regulations. Within current budgetary constraints and existing executive branch coordination mechanisms and procedures established in OMB Circular A - 19 (legislation) and Executive Order No. 12291 (regulation), each agency that is promulgating new regulations, reviewing existing regulations, developing legislative proposals concerning regulations, and developing new legislation shall adhere to the following

requirements:

(1) The agency's proposed legislation and regulations shall be reviewed by the agency to eliminate drafting errors and needless ambiguity.

(2) The agency's proposed legislation and regulations shall be written to minimize needless litigation.

(3) The agency's proposed legislation and regulations shall provide a clear and certain legal standard for affected conduct rather than a general standard, and shall promote simplification and burden reduction.

(b) Specific Issues for Review. In conducting the reviews required by subsection (a), each agency formulating proposed legislation and regulations shall make every reasonable effort to ensure:

(1) that the legislation --

(A) Specifies whether all causes of action arising under the law are subject to statutes of limitations;

(B) Specifies in clear language the preemptive effect, if any, to be given to the law;

(C) Specifies in clear language the effect on existing Federal law, if any, including all provisions repealed or modified;

(D) Provides a clear and certain legal standard for affected conduct rather than a general standard, while promoting simplification and burden reduction;

(E) Specifies whether private arbitration and other forms of private dispute resolution are appropriate under enforcement and relief provisions, subject to constitutional requirements;

(F) Specifies whether the provisions of the law are constitutionally severable, if appropriate;

(G) Specifies in clear language the retroactive effect, if any, to be given to the law;

(H) Specifies in clear language the applicable burdens of proof;

(I) Specifies in clear language whether it grants private parties a right to sue and, if so, the relief available and the conditions and terms for any authorized award of attorney's fees, if any;

(J) Specifies whether State courts have jurisdiction under the law and, if so, whether and under

what conditions an action would be removable to Federal court;

(K) Specifies whether administrative proceedings are to be required before parties may file suit in court and, if so, describes those proceedings and requires the exhaustion of administrative remedies;

(L) Sets forth the standards governing the assertion of personal jurisdiction, if any;

(M) Defines key statutory terms, either explicitly or by reference to other statutes that explicitly define those terms;

(N) Specifies whether the legislation applies to the Federal Government or its agencies;

(O) Specifies whether the legislation applies to States, territories, the District of Columbia, and the Commonwealths of Puerto Rico and of the Northern Mariana Islands; and,

(P) Addresses other important issues affecting clarity and general draftsmanship of legislation set forth by the Attorney General, with the concurrence of the Director of the Office of Management and Budget and after consultation with affected agencies, that are determined to be in accordance with the purposes of this order.

(2) that the regulation --

(A) Specifies in clear language the preemptive effect, if any, to be given to the regulation;

(B) Specifies in clear language the effect on existing Federal law or regulation, if any, including all provisions repealed or modified;

(C) Provides a clear and certain legal standard for affected conduct rather than a general standard, while promoting simplification and burden reduction;

(D) Specifies in clear language the retroactive effect, if any, to be given to the regulation;

(E) Specifies whether administrative proceedings are to be required before parties may file suit in court and, if so, describes those proceedings and requires the exhaustion of administrative remedies;

(F) Defines key terms, either explicitly or by reference to other regulations or statutes that explicitly define those items;

(G) Addresses other important issues affecting clarity and general draftsmanship of regulations

set forth by the Attorney General, with the concurrence of the Director of the Office of Management and Budget and after consultation with affected agencies, that are determined to be in accordance with the purposes of this order.

(c) Certification of Compliance for Agency Legislation or Regulations. When transmitting such draft legislation or regulation to the Office of Management and Budget (``OMB''), the agency must certify that (i) it has reviewed such draft legislation or regulation in light of this section, and (ii) either the draft legislation or regulation meets the applicable standards provided in subsections (a) and (b) of this section, or it is unreasonable to require the particular piece of draft legislation or regulation to meet one or more of those standards. Where the standards are not met, the agency certification must include an explanation of the reasons for the departure from the standards. Recommendations and cost-benefit analyses under subsection (d) of this section shall be included in the agency certification required by this subsection.

(d) One-Way Fee Provisions. Each agency shall review, and shall perform a cost-benefit analysis on, all provisions of any legislation or regulation that the agency proposes which provide for an award for attorney's fees in favor of only one class of parties, including those statutes which require the Government to pay a prevailing private party's attorney's fees. The agency shall recommend against enactment of the fee shifting provisions of such legislation if the costs significantly outweigh the benefits, or if the legislation does not define the fees and costs covered by the statute or detail when an award of fees and costs would be appropriate. Such agency recommendations shall be presented to OMB through the Circular A - 19 legislative coordination and clearance process and included in the agency certification required under subsection (c) of this section.

Sec. 3. Principles to Promote Just and Efficient Administrative Adjudications. In order to promote just and efficient resolution of disputes, an agency that adjudicates administrative claims shall, to the extent reasonable and practicable, and when not in conflict with other sections of this order, implement the recommendations of the Administrative Conference of the United States, entitled ``Case Management as a Tool for Improving Agency Adjudication,'' as contained in 1 C.F.R. 305.86 - 7 (1991).

Sec. 4. Coordination by the Department of Justice.

(a) The Attorney General shall coordinate efforts by Federal agencies to implement sections 1 and 3 of this order.

(b) To implement the principles and purposes announced by this order, the Attorney General is authorized to issue guidelines implementing sections 1 and 3 of this order for the Department of Justice. Such guidelines shall serve as models for internal guidelines which may be issued by other agencies pursuant to this order.

Sec. 5. Definitions. For purposes of this order:

(a) The term ``agency'' shall be defined as that term is defined in section 451 of title 28, United States Code, except that it shall exclude all departments and establishments in the legislative or judicial branches of the United States.

(b) The term ``litigation counsel'' shall be defined as the trial counsel or the office in which such trial counsel is employed, such as the United States Attorney's Office for the district in which the litigation is pending or a litigating division of the Department of Justice. Special Assistant United States Attorneys are included within this definition. Those agencies authorized by law to represent themselves in court without assistance from the Department of Justice are also included in this definition, as are private counsel hired by any Federal agency to conduct litigation on behalf of the agency or the United States.

Sec. 6. No Private Rights Created. This order is intended only to improve the internal management of the executive branch in resolving disputes, conducting litigation in a reasonable and just manner, and reviewing legislation and regulations. This order shall not be construed as creating any right or benefit, substantive or procedural, enforceable at law or in equity by a party against the United States, its agencies, its officers, or any other person. This order shall not be construed to create any right to judicial review involving the compliance or noncompliance of the United States, its agencies, its officers, or any other person with this order. Nothing in this order shall be construed to obligate the United States to accept a particular settlement or resolution of a dispute, to alter its standards for accepting settlements, to forego seeking a consent decree or other relief, or to alter any existing delegation of settlement or litigating authority.

Sec. 7. Scope.

(a) No Applicability to Criminal Matters or Proceedings in Foreign Courts. This order is applicable to civil matters only. It is not intended to affect criminal matters, including enforcement of criminal fines or judgments of forfeiture. This order does not apply to litigation brought by or against the United States in foreign courts or tribunals.

(b) Application of Notice Provision. Notice pursuant to subsection (a) of section 1 is not required (i) in any action to seize or forfeit assets subject to forfeiture or in any action to seize property; (ii) in any bankruptcy, insolvency, conservatorship, receivership, or liquidation proceeding; (iii) when the assets that are the subject of the action or that would satisfy the judgment are subject to flight, dissipation, or destruction; (iv) when the defendant is subject to flight; (v) when, as determined by litigation counsel, exigent circumstances make providing such notice impracticable or such notice would otherwise defeat the purpose of the litigation, such as in actions seeking temporary restraining orders or preliminary injunctive relief; or (vi) in those limited classes of cases where the Attorney General determines that providing such notice would defeat the purpose of the litigation.

(c) Application of Alternative Dispute Resolution and Core Disclosure Provisions. Subsections (c) and (d)(1) of section 1 of this order shall not apply (i) to any action to seize or forfeit assets subject to forfeiture, or (ii) to any debt collection case (including any action for civil penalties or taxes) involving an amount in controversy less than $100,000.

(d) Additional Guidance as to Scope. The Attorney General shall have the authority to issue further guidance as to the scope of this order, except section 2, consistent with the purposes of this order.

Sec. 8. Conflicts with Other Rules. Nothing in this order shall be construed to require litigation counsel or any agency to act in a manner contrary to the Federal Rules of Civil Procedure, Tax Court Rules of Practice and Procedure, State or Federal law, other applicable rules of practice or procedure, or court order.

Sec. 9. Privileged Information. Nothing in this order shall compel or authorize the disclosure of privileged information, sensitive law enforcement information, information affecting national security, or information the disclosure of which is prohibited by law.

Sec. 10. Effective Date. This order shall become effective 90 days after the date of signature. This order shall not apply to litigation commenced prior to the effective date.

George Bush

The White House,

October 23, 1991.

[Filed with the Office of the Federal Register, 2:13 p.m., October 23, 1991]

Note: This Executive order was published in the Federal Register on October 25.

Proclamation 6363 -- Community Center Month, 1991

October 23, 1991

By the President of the United States

of America

A Proclamation

During the travels that inspired his acclaimed work, Democracy in America, Alexis de Tocqueville was deeply impressed by the American tradition of neighbor helping neighbor. ``What political power," he asked admiringly, ``could ever carry on the vast multitude of lesser undertakings which the American citizens perform every day, with the assistance of the principle of association?" More than a tribute to the generosity of this country's people, his words also contained a telling observation about the blessings of freedom -- including our freedom of assembly.

The American traditions of voluntary association and service continue to thrive today. In many ways, they are embodied by this Nation's bustling community centers. Offering a wide range of cultural, social, and recreational activities and services, these local institutions have been gathering places for people of all ages and all walks of life. By the turn of this century, community centers had become a haven for thousands of immigrants, who sought help learning English and adjusting to life in the United States. Now in their second century of service, community centers continue to offer the American people valuable assistance programs as well as rewarding opportunities for personal enrichment.

This month, as we recognize the importance of our Nation's community centers, we also salute the many dedicated professionals and volunteers who make them work. These Americans are brilliant Points of Light whose efforts are making a real difference in the neighborhoods, cities, and towns in which they live.

The Congress, by Public Law 101 - 587, has designated the month of October 1991 as ``Community Center Month" and has authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim October 1991 as Community Center Month. I invite all Americans to observe this month with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this twenty-third day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of

America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:23 p.m., October 24, 1991]

Note: This proclamation was published in the Federal Register on October 28.

Statement by Press Secretary Fitzwater on the Middle East Peace Conference

October 23, 1991

We are extremely pleased that we now have in hand the acceptances of all those invited to participate in the Middle East peace conference. We believe this positive response constitutes another significant milestone on the path of resolving the Arab-Israeli conflict. As the President said at the time the invitations were issued, we view this conference as having the potential to bring true peace and security to the region. We very much hope that all those attending will come to Madrid with an open mind, ready to begin on October 30 to set aside the hatreds and suspicions of the past and work toward building a new, more peaceful Middle East.

Nomination of Kevin E. Moley To Be Deputy Secretary of Health and Human Services

October 23, 1991

The President today announced his intention to nominate Kevin E. Moley, of Louisiana, to be Deputy Secretary of Health and Human Services. He would succeed Constance Horner.

Since 1989, Mr. Moley has served as Assistant Secretary for Management and Budget at the U.S. Department of Health and Human Services. Prior to this, he served with the Health Care Financing Administration's Office of Prepaid Health Care at the U.S. Department of Health and Human Services as Director, 1986 - 1988, and Confidential Assistant to the Administrator, and then Acting Administrator of Operations, 1984 - 1986. Mr. Moley also served as a district group manager for CNA Insurance Co. of Chicago and for the New England Life Insurance Co. in marketing and underwriting management positions.

Mr. Moley served in the U.S. Marine Corps, 1965 - 1971. He was born November 7, 1946, in New York, NY. Mr. Moley is married, has one child, and resides in McLean, VA.

Remarks to the Veterans of the Office of Strategic Services Dinner

October 23, 1991

Well, thank you, Judge McGivern and Geoffrey Jones and General Quinn and Vangie Bruce. Barbara and I are just delighted to be with you. I want to salute, first off, my two predecessors as DCI: Dick Helms over here and Bill Colby over there, both of whom taught me an awful lot and helped me during that one fantastic year that I was privileged to serve at Langley. And it's good to see in the audience our next Director of Central Intelligence, my dear, trusted friend, Bob Gates.

I want to salute particularly those who have come here from Norway and from France and from England honoring the memory of the OAS -- OSS. Not that I should get into this language business here, OAS, OSS, you can't tell one -- [laughter] -- no, but I think it's a wonderful tribute to the common bond that they are here with us tonight. I'm also delighted that Sophia Casey could be here this evening, Bill's widow.

And I wanted to salute another man I served with, who's not here tonight, but that's Bill Webster, upon whom I relied so heavily and who, in my view, served so very, very well as DCI. And also the man that stepped into his shoes, Dick Kerr, who stepped in and guided and is guiding this agency in complicated times when Bill left. Dick's over here, and I'm just delighted he's with us. And I'm very grateful to both of them. Also, two other special people with us tonight: A member of my Cabinet, Carla Hills, who's doing an outstanding job negotiating these trade agreements, and also my trusted NSC Adviser, Brent Scowcroft over here.

And one last one. A man that shows you can do it. When the President says let's go, he knows how to carry it out. And I'm talking about General Stiner, over here, who I'll always be grateful to.

I had no idea that I'd get such a big, heavy medal. I'm wondering if it's recording, around this crowd here. [Laughter]

But seeing Evangeline Bruce over here reminds me of a story about D-Day. General Donovan, the story goes, told David Bruce that he had arranged to be buried at Arlington and asked David if he had done the same. And suddenly alarmed, David said, ``No, and why do you ask?" Donovan replied, ``You should get a plot near mine. Then we can start an underground together." [Laughter] I don't know if that's true. [Laughter]

But seriously, I will always treasure this Donovan Award. It will remind me always to honor the general's memory.

I may well turn out to be the last American President of World War II vintage. Time does march on. But I am one who will never forget the honor and the decency and the courage of the OSS. It will be with me as long as I live.

And as for William Donovan, he was one of those rare statesmen whose deeds and ideas will continue to guide and inspire free people long after his time, indeed long after your time and mine. Next year we celebrate half a century since Bill founded the OSS and established intelligence capabilities to make the United States an enduring force for world freedom. And though 32 years have passed since General Donovan's death, his legacy lives in the breezes of freedom that enliven Dresden and Kiev and Krakow.

William Donovan believed that the way to avoid a hot war was to win the cold war. And for two succeeding generations, thousands of men and women in our intelligence community fought that struggle for world peace and freedom. Many of you, you OSS veterans, stood in the front ranks.

Four OSS men became chiefs of the CIA: Allen Dulles, Dick Helms, and Bill Colby and Bill Casey. Historians will record their courage, their leadership, and yes, their patriotism.

We've heard too much, and much unfair and untrue, of failure in recent weeks and too little of CIA's crucial part in this victory for freedom. And we've heard too little of the sacrifice you and those you trained made to advance democracy. We've heard too little of the cold war victory that is indeed your special triumph.

But I am confident that history will honor the ``cold warriors'' of the agency of CIA: The men and women who struggled in the shadows, sent messages over the airwaves, smuggled forbidden books and magazines, all to help pierce the Iron Curtain. History will praise the secret strategies and operations, the personal valor and organizational excellence that gave our intelligence community success in its cold war mission.

And history will indeed marvel at the vision of William Donovan. General Donovan made a clear-eyed distinction between means and ends. He saw the need for strong intelligence capabilities even outside the wartime, but he never thought of the intelligence function as an end in itself. And though he was acclaimed in his lifetime as the father of American central intelligence, he said he would rather be remembered for his contribution to a peaceful world order, to a true community of free nations.

More than three decades ago, he foresaw today's events, miraculous events. And here's the quote, ``Someday the Iron Curtain will lift,'' he declared, ``and the captive nations of East Europe will become part of a United Europe. Even Russia, purged by future events of its desire to bully and subdue its neighbors, will be a member, and given the genius of the Russian people, a highly respected and valued member.'' How's that for your vision thing?

As Bill Donovan's bold vision becomes a reality, we must preserve solid American intelligence capabilities. We need them for this promising new era no less than we required them for the period that followed the Second World War.

I mentioned this earlier, but let me just state again: I have chosen a vigorous new leader to be the Director of Central Intelligence, Bob Gates. And he is a tough-minded innovator, and he is an independent thinker with a passion for excellence. And he has served by my side through Panama crisis, through Desert Storm, through the drama of August in Moscow, and I have the fullest trust in his integrity and ability.

And I was very pleased and I'm sure you were, by the strong Senate Intelligence Committee vote to endorse Bob's nomination. And let me just say, I hope you will join me in urging the full Senate to confirm him promptly. He's got a big and important job to do.

Bob's mission is to lead our intelligence community in changing as profoundly as the world has changed. The collapse of Soviet communism will affect the world as dramatically and favorably as did the defeat of Hitler and the Axis.

After V - E Day, the OSS no longer needed to parachute Jedburghs into Germany. By the same logic, we have less need to apply some of our more daring and costly collection methods to gain intelligence from post-communist Europe and Russia. Just as we can now afford to make sweeping cuts in nuclear forces once used to deter the Soviet threat, we can and we will make better use of the assets we once needed to penetrate Soviet secrecy.

By no means can we or should we or will we let our guard down. Let no one mistake our confidence and goodwill for weakness. We're not about to dismantle the intelligence capabilities that we've worked so hard to rebuild, but we must adapt them to new realities.

Success in the struggle against communism does not mean the CIA's work is done. Bob Gate's challenge, the community's challenge, the challenge of the excellent men and women in Langley and elsewhere in the intelligence community, is to move beyond the cold war to the complex problems of the 21st century. Tomorrow's intelligence community will need to consolidate and extend freedom's gains against totalitarianism. Intelligence will enhance our protection against terrorism, against the drug menace. Intelligence will help our policymakers understand emerging economic opportunities and challenges. It will help us thwart anyone who tries to steal our technology or otherwise refuses to play by the competitive rules. It will help us seek peace and avert conflicts in regions of dangerous tension.

One task for tomorrow's intelligence community is especially urgent: Stopping the proliferation of weapons of mass destruction, biological weapons, chemical weapons, nuclear weapons, ballistic missiles. This is a life-or-death mission, and I'm going to do everything in my power to make sure American intelligence has the resources and the leadership to get the job done.

Tomorrow's job will be easier because today's intelligence community has given its successors a head start. As President, I'm privileged to know some unsung American heroes of the here and now, heroes who will never wear a medal; they'll never sit at the head table. It's well that we remember past embodiments of American courage: the Swamp Fox; the ragged Continentals; the men of the Fighting 69th; the poets and lawyers, women and men, of the OSS. But be assured that right this very day, our intelligence professionals are performing deeds as brave and vital as those of any heroes in our history. Be assured that victory in Desert Storm cost so few American lives because, in my view at least, our intelligence community did its work with characteristic brilliance.

America will keep faith with these women and men. Under Bob Gate's direction, we will dramatically expand our human intelligence collection efforts. We will give our officers and analysts the very finest in support technology. And we will show no tolerance for those who leak secrets that protect our intelligence professionals' lives.

I was only out at Langley a short time. And just before I went there -- I want to relate something to you because few moments for me have been more painful than the occasion I had just before I became DCI: To meet with the son of Richard Welch, a CIA station chief murdered by left-wing terrorists after his name and position had been disclosed to the press. What was I to say to this young man? Why has his father died? So that a reckless ideologue could sell more books, Philip Agee's ``Counterspy'', having blown Richard Welch's cover? I don't care how long I live, I will never forgive Philip Agee and those like him who wantonly sacrifice the lives of intelligence officers who loyally serve their country.

Not long ago, not long ago over in the Roosevelt Room in the White House, I invited a group of CIA station chiefs who had been instrumental in the success of Desert Shield and Desert Storm. They were the station chiefs from that whole Middle East area. And I explained that I just wanted to shake their hands and address them face to face and tell them how deeply I appreciate their courage and devotion to our country. And I wish I could personally thank every individual who serves selflessly out there, takes the risks that they do.

But I forgot to tell them one thing: I am sick and tired of those in the political arena or, yes, in the media who do nothing but carp and criticize and second-guess the intelligence community of the United States. Measuring intentions, as everyone in this room knows, is an extraordinarily difficult task, and no one can expect every estimate to turn out to be 100 percent correct or 100 percent perfect.

Let me sum it up this way. I am absolutely convinced -- and I have a responsibility, I think, to the American people to see that this is true -- but I am absolutely convinced that we have the finest intelligence service in the world. It is second to none and as President of the United States of America I intend to keep it that way, to support it, to strengthen it, and to honor those who serve with such selfless dedication.

Thank you very much.

Note: The President spoke at 9:38 p.m. at the Washington Hilton Hotel. Prior to his remarks, the President received the William J. Donovan Medal, awarded to those who have rendered distinguished service in the interest of the democratic process and the cause of freedom. In his remarks, the President referred to Owen McGivern, chairman of the Donovan Award Committee; Geoffrey M.T. Jones, president of the Veterans of the OSS; Lt. Gen. William W. Quinn, Ret., emcee for the dinner; Evangaline Bell Bruce, former OSS official and wife of the former U.S. Ambassador to the Court of St. James, David K.E. Bruce; former Directors of Central Intelligence Allen Dulles, Richard Helms, William E. Colby, William H. Webster, and William J. Casey and his wife Sophia; Acting Director of Central Intelligence Richard J. Kerr; nominee for Director of Central Intelligence Robert M. Gates; U.S. Trade Representative Carla Hills; Gen. Brent Scowcroft, Assistant to the President for National Security Affairs; Gen. Karl Stiner, Commander of the U.S. Special Operations Command. William J. Donovan was founder and Director of the Office of Strategic Services during World War II. Richard S. Welch, a CIA official, was killed in Athens, Greece, on December 23, 1975. A tape was not available for verification of the content of these remarks.

Remarks to Representatives of Public Administration Groups on Public Service

October 24, 1991

Thank you all very, very much for being here. I know it's nice to get off of work. [Laughter] But I'm talking about getting people this interested in public service to come together. I'm particularly pleased to see Tim Clark, who is president of the National Capital Area Chapter of the American Society for Public Administration; Ray Kline, over here, the president of the National Association of Public Administrators; and then my old friend Dave Maxwell, vice chairman of the Council for Excellence in Government, all interested in public service.

I am delighted to join you this morning. I come here, I hope, in a constructive vein to discuss two issues that we all care about deeply: public service and then, Tim touched on it, public faith in government.

Like many of you, I have devoted much of my adult life to public service. And I, too, cherish public service really as a special honor and a personal obligation. And I always have. Long ago, my dad served for years as the moderator of the town meeting, the Connecticut town meeting in our town of Greenwich. It convened once a month, and people came there and talked about whatever concerned them as they always do at town meetings. It could be rowdy or boring. The meetings always, though, gave people a special sense that their opinions made a difference and that they shared something special with their neighbors and friends. Those meetings taught me just what we mean when we talk of a government of the people, by the people, and for the people.

The notion of public service has always motivated Americans to be Americans. More than 150 years ago, de Tocqueville noted with some astonishment that ``When an American needs the assistance of his fellows, it is very rare for that to be refused, and I have often seen it given spontaneously and eagerly." He did not mistake us for saints. He understood that freedom demands such service to others.

It also demands that public servants lead by example. Americans will not tolerate hypocrisy. People in other countries wonder why we make such a fuss when our leaders violate our standards of behavior. The reason is simple: As Americans, we feel that we have a destiny to lead, to show the way by ideals, not just to ourselves but to the entire world.

Yet while our Government rests upon unchanging principle, it cannot rest upon past achievements. Government, like everything else, must evolve. Our long and sturdy tradition of tolerance enables us to test new ideas through public debate. When Congress considers issues, no one minds a tough and honest discussion. We expect it. By the same token, we want and expect our free press to look beneath events, take account of people's motives, and ask tough questions rather than numbly repeating partisan propaganda or baseless rumor. We demand integrity in

public behavior and discourse, and when we don't get it, we react.

The recent hearings on Judge Thomas stirred a kind of anger. The American people saw some of the seamier sides of Washington life. They saw proceedings that degenerated into target practice against good men and women. Ronnie Perry of Brunswick, Georgia, wrote me a letter. I don't know him. Here's what it said: ``It is my fear that good, honest, moral men and women in this country will no longer subject themselves to the ridicule that Judge Thomas had to face." Likewise, Anita Hill's backers might wonder how anyone might be expected to come forward in the future if public officials cannot maintain proper confidentiality, such as the confidentiality promised to Professor Hill.

I want to digress, though, in fairness, to read from page 3 of the hearings on the Committee on the Judiciary, because Senator Biden, in my judgment, tried. Here's what he said at the very opening of these hearings: ``Second, while I have less discretion than a judge in a trial to bar inappropriate or embarrassing questions, all of the witnesses should know that they have a right to ask that the committee go into closed session." He cites a rule here, rule 26.5, ``to go into a closed session if a question requires an answer that is a clear invasion to the right to privacy.

``The committee will take very seriously the request of any witness to answer particularly embarrassing questions as they view whether or not it is embarrassing to answer those questions in private." So I salute the Chairman for those words that went unheeded as the process unfolded.

The bruising hearings showed what happens when political factions let agendas overwhelm personal decency. Some people have tried to drag public debate to a new low, searching openly for dirt, any dirt, without regard to people's rights to privacy, sometimes without concern for the facts. While crusading pressure groups talk about their favorite issues, they forget that human beings sit there beneath the glare of the spotlight, vulnerable to assault from all quarters. The piranha tactics of smearing the individual and ignoring the issue serve no public purpose. They aim to destroy lives and wreck reputations.

The dramatic hearings and the theatrics outside the hearing rooms captivated the attention of the American public, all right. Millions upon millions of Americans watched the hearings with a combination of curiosity, suspense, and, I submit to you all, disgust. The Nation was stunned and repulsed by the spectacle. The scenes from the Senate bore little resemblance to the tidy legislative process that we all studied in school and that we describe to our children, now, maybe to our grandchildren. X-rated statements, cross-examinations pushed aside the soaps and Saturday cartoons. And the process seemed unreal, more like a satire than like the Government in which all of you, in which I, take so much pride; more like a burlesque show than a civics class.

The hearings also showed that politicians must contend with a host of different forces and influences. The public saw the congressional staffers everywhere; saw outside pressure groups exhorting and twisting, and the staffs ever-present, everywhere.

I worry that the hearings sent our people this kind of false message: ``If you want to make a difference, don't enter public service. Join a special interest group. That way, whether it's the right or the left, join a special interest group, and that way you can fight as hard as you want or as dirty as you want without any responsibility for the results."

I served in Congress. I have great respect for Congress. I know the incredible pressure and difficulty of working there. But public faith in Congress is absolutely vital for our form of government. I think we can all work together to help strengthen its image and build greater public support.

Members of Congress criticize the executive branch all the time. That's fine, often constructively. And I offer these suggestions, then, in a spirit of constructive criticism.

First, given the outrageous nature of the leaks and the Senate's announced intention of going after them, the Senate must determine who leaked the information and turned what should have been a confidential investigation into what many people who wrote me described as ``a circus" and ``a travesty."

Here's a proposal that I support: The Senate should appoint immediately a special counsel to find out who leaked what and for what reasons. The public cares very much above this case, and in my view, they will for a long, long time. And the investigation ought to focus just on this case. And the special counsel should receive unfettered access to all relevant records and witnesses, and should have subpoena power to get the truth. The Senate ought to set a clear goal for finishing up the investigation. I suggest January 3d, when it returns for a new session. Frankly, the American people just will not understand it if the Senate fails to bring the leaker or leakers to justice.

Second, we must promote more tolerant, less viciously partisan debate. I've heard complaints that the White House does not consult sufficiently with Congress in matters of these nominations. Frankly, I have tried to consult with Congress. And we welcome closer consultation. Let me just get that out on the table. I don't want to put any nominee through a public meat grinder. And I always welcome advice, especially in cases that might prove controversial.

Much of what I have to say today has been sharpened by discussion with Members of Congress. But let me make it clear: I will not give a group of Senators veto power over a nominee before the Senate has conducted hearings and held a confirmation vote. I will not surrender Presidential authority or powers any more than Congress will surrender its power.

In any event, no one ought to accept the charge of insufficient consultation as an excuse for this unforgivable leak.

Third, the hearings focused attention on the problem of sexual harassment in the workplace. We have taken additional steps at the White House as recently as yesterday to address the problem.

We will ensure that employees of the Executive Office of the President are aware of the problem and appreciate fully our strong commitment to building a workplace free of harassment. And on March 1st, our administration submitted a civil rights bill that contains specific provisions to strengthen penalties against sexual harassment and encourage compliance with the law. That was back on March 1st. Congress will act soon, I hope by passing my civil rights bill. And at the very least, I hope Congress will pass the portions on which we have reached agreement.

But legislation alone can't solve the problem of sexual harassment in the workplace. Sexual harassment is ugly behavior. Together, we must eradicate prejudices, not just through laws, but through simple respect for other human beings. In the end, laws can punish prejudice, but they cannot, alone anyway, produce enlightenment. Only we can do that by acting on our convictions.

The Thomas hearings also raised concerns about the confirmation process generally. And let me offer several specific recommendations for reforming the process.

First, shorten the time-lapse between nominations and confirmation; shorten it to 6 weeks. It takes four times as long to secure a vote today; four times as long as it did just 30 years ago, during the Presidency of John Kennedy. It took the Senate an average of 63 days to confirm our appointments sent up in 1989; 65 days for the group nominated in 1990. We now have a large group of people waiting for the Senate to vote on their nominations, and they have been waiting an average of 80 days.

At the beginning of this week, more than 190 nominations remained pending before the Senate. A few examples: I nominated Bob Clarke, Robert Clarke, for appointment as Comptroller of the Currency on January 23d, more than 9 months ago; I nominated Larry Lindsey for a seat on the Federal Reserve Board on February 28th. In times of economic concern, we need the service of these people. And if Members of the Senate don't like my nominees, then they should vote against them. But they should not stall progress by resorting to the old, and in my view, obsolete technique of placing a hold on nominations. Once again, this isn't Republican or Democrat; it is institutional.

We in the White House certainly must do our part. We will redouble our efforts to ensure that nominees complete all their required paperwork promptly and will respond promptly to requests for further important information. I've asked our Office of the White House Counsel and Office of Government Ethics to see that our regulations and clearance procedures do not, however, discourage public service. I am committed to an ethical administration, but we must ensure that our rules have not become so detailed and so onerous as to scare good, honest people away from public service.

And second, we will work with committees in Congress to ensure the confidentiality of information. I have ordered that the FBI reports be carried directly to committee chairmen and any members designated by the chairmen. The members will read the reports immediately, in the

presence of the agent, and then return them. No FBI reports will stay on Capitol Hill. And furthermore, members only will have access to these reports. Staffs will not have access to these reports.

This preserves confidentiality. In my view, it protects nominees. It protects potential witnesses against the nominees. And it protects the Members of Congress.

Third, Congress should establish a mechanism for investigating congressional leaks thoroughly, professionally, promptly. And I've met this week with several leaders from the Senate from both parties, and they agree that we must prevent future leaks and establish a suitable mechanism for investigating them swiftly, bringing culprits to justice.

There is no excuse for leaks that wreck lives and needlessly destroy reputations. The law already prohibits such leaks from the executive branch. And again, we intend to enforce that law rigorously. I know it's not easy. I've been there. I saw it when I was Director of Central Intelligence when we dealt with national security. I've seen frustrating leaks in the White House that have nothing to do with character assassination or national security, that simply relate to policy matters. I know it's not a simple matter here. But we've got to do better, both the executive and the legislative branch.

And fourth, Congress ought to follow the same laws that it imposes on everyone else. More than a dozen laws apply to the executive branch, but not the Congress. Most of these laws apply to everyone in America except Members of Congress. Congress does not have to comply with the Equal Pay Act of 1963. It does not have to follow title VII of the Civil Rights Act of 1964, a title that prohibits sexual harassment and discrimination on the basis of race, color, sex, religion, and national origin. It doesn't have to obey the provisions of the Americans with Disabilities Act of 1990, the Age Discrimination in Employment Act.

I would wager that the American people do not know that Congress has exempted itself from the sexual harassment laws private employers and the executive branch must obey. And they have. We've heard choruses of criticism against the evils of sexual harassment. And we've received good suggestions about how to become more vigilant about this insidious crime. But these lessons should not be wasted on the men and women who drafted the law. For you see, when Congress exempts itself from the very laws that it writes for others, it strikes at its own reputation and shatters public confidence in government.

These exemptions encourage special interest groups to press, then, for reckless regulations, knowing that Congress might adopt such laws if it won't feel the sting of these laws. This practice creates the appearance and reality of a privileged class of rulers who stand above the law. Our founders thought it proposterous to suggest that such behavior would ever take place in America.

We did a little research. Federalist Paper number 57 asserts that elected officials, and here's the

exact language, ``can make no law which will not have in full operation on themselves and their friends, as well as on the great mass of society." The writer of that paper also noted ominously, ``If this spirit shall ever be so far debased as to tolerate a law not obligatory on the legislature as well as on the people, the people will be prepared to tolerate anything but liberty."

The people have begun to speak now. And today I call upon the Congress to take a simple step toward increasing public confidence. Submit to the laws it imposes on others, including strict enforcement provisions, not just Ethics Committee jurisdiction, and do so by the year's end.

There's a lot of just plain people up there on the Hill trying to make a living. And people who work for Congress ought to have the same rights and legal remedies as those who work for anyone else.

But Congress also must submit to the laws that is imposed on the executive branch. And this includes the Privacy Act, which prohibits inappropriate leaks by executive agencies, title VI of the Ethics in Government Act of 1978, the independent counsel law.

And all of us should demonstrate our commitment to clean and effective government. From the very start of my administration, I made it absolutely clear that I expect my appointees to follow strict standards of propriety so the American people would have full and increasing confidence in our ability and integrity.

I established a Commission on Federal Ethics Law Reform in January of 1989. I pushed for initiatives that resulted in the Ethics Reform Act of 1989. I signed an Executive order in April '89, setting forth the principles of ethical Government service. And I charged the Office of Government Ethics with issuing a single, comprehensive, and clear set of objective, reasonable, and enforceable standards. Those standards will be ready soon. They're out now for review.

In the executive departments and the White House we do strive to set and meet high standards of public service. I'll never be happy. We can always do better in the executive branch, in the departments, and in the White House. And I pledge to the American people that I'm not here to point fingers; I will continue to see that we do a better job of all of this in the executive branch of the Government. I'm going to keep on trying. But all I'm doing here is inviting the Congress to do the same. Sometimes we protest too much, and we reform too little. And so, now is the time to act.

And finally -- going on too long here, but I'm wound up on this. [Laughter] I really feel strongly about this. Finally, we all must remember that our business is to do the public's business. That becomes increasingly different for a Congress that contains more than 300 committees and subcommittees and makes use of nearly 40,000 workers.

It becomes increasingly difficult for a Congress that answers to no one with respect to its budget,

its staff, its perks, even the enforcement of its own rules.

The business of doing the people's business gets even more difficult when committees make broad and unfocused demands, for example, the Judiciary Committee asked Clarence Thomas to submit more than 32,000 pages of documentation prior to his hearings. I'd hate to give a quiz to the Senators to see how many people read the 32,000 documents that they asked for. [Laughter] A defense bill routinely runs a gamut of committees and subcommittees.

I support the bipartisan effort of Senators Boren and Domenici, Representatives Hamilton and Gradison to trim this overgrown thicket of committees and subcommittees. These four are out front for congressional reform, and I salute them. Senator Boren framed the matter when he said this, ``No one doubts that Congress is in trouble as an institution. In poll after poll, Americans describe Congress", these are his words, ``as inefficient, unresponsive, wasteful, and compromised by the way it finances its campaigns." ``It's time for Congress to take another look at itself," these four suggest. ``It's time to go beyond piecemeal efforts and to enact comprehensive, bicameral reforms."

I support the efforts of the congressional reformers. A system originally designed to help Congress do the public's business has turned into a machine so complex and bewildering that the public doesn't understand it. Many Members of Congress do not fully understand it. Only specialists and lobbyists can pick their way through the labyrinth.

The American people want more. They want a Government that will foster economic growth and fight crime and drugs and work to improve schools and build better roads and answer the concerns of the people. And they want a Government that listens, not one that commands.

And in the end, taxpayers won't be impressed with reforms if Members of Congress pay greater heed to the beltway lobbyists and pressure groups than to constituents. If people feel powerless, they will find ways to recover their just powers.

Our founders handed down to us the finest system of Government in history, one in which the legislature and the executive do battle as part of our system of checks and balances. But we must remember who is servant and who is master. Noah Webster asked in 1802, ``If all officers of Government are the servants of the people, how can it be expected that the masters should not, at times, take the Government out of the hands of the servants."

The reforms I've proposed today will help us do the people's business. They will rein in a Government that seems remote, seems distant and complex; they will bring it back to the people and give citizens the feeling of power that we felt at those town meetings some 60 years ago. We must remember, we come here to serve. A few simple reforms can go a long way toward building the public faith upon which our entire democracy depends.

Thank you not only for your interest but for all you do in elevating public service. It's worthwhile. Don't give up your work.

Thank you very, very much, indeed.

Note: The President spoke at 11:52 a.m. at the National Museum of American History. The following persons were not clearly identified: Clarence Thomas, Associate Justice of the Supreme Court; Anita Hill, a University of Oklahoma law professor who testified before the Senate Judiciary Committee during the Clarence Thomas confirmation hearing; Senators Joseph R. Biden and David L. Boren; and Representatives Lee H. Hamilton and Willis D. Gradison, Jr.

Message to the Senate Transmitting the Treaty on Mutual Assistance in Criminal Matters Between Panama and the United States

October 24, 1991

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the United States of America and the Republic of Panama on Mutual Assistance in Criminal Matters, with Annex and Appendices, signed at Panama on April 11, 1991. I transmit also, for the information of the Senate, the Report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. The Treaty should be an effective tool to assist in the prosecution of a wide variety of modern criminals, including members of drug cartels, ``white collar criminals," and terrorists. The Treaty is self-executing.

The Treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes: (1) the taking of testimony or statements of witnesses; (2) the provision of documents, records, and evidence; (3) the execution of requests for searches and seizures; (4) the serving of documents; and (5) the provision of assistance in locating, tracing, immobilizing, seizing and forfeiting proceeds of crime, and restitution to the victims of crime.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

George Bush

The White House,

October 24, 1991.

Proclamation 6364 -- National Breast Cancer Awareness Month, 1991

October 24, 1991

By the President of the United States

of America

A Proclamation

Despite all we have learned about prevention, despite all of the advances that have been made in its diagnosis and treatment, breast cancer continues to kill thousands of American women each year. Stopping this tragic loss of life will require continued research as well as the sustained cooperation of scientists, health care professionals, educators, insurance providers, individual women, and other concerned Americans.

According to the American Cancer Society, women in the United States have never been at greater risk for breast cancer: an estimated one in nine women will develop the disease at some point in their lives. Fortunately, however, scientists across the country also note that much progress has been made in controlling breast cancer. Better and earlier treatment has helped more and more women who have contracted breast cancer to survive the disease.

Today we continue to rely on basic research to identify and develop improved means of preventing, diagnosing, and treating breast cancer. However, the knowledge yielded by basic research is only as helpful as our willingness and our ability to use it. If women are to benefit from advances in the diagnosis of breast cancer -- and if physicians are to succeed with early intervention and treatment -- then regular screenings for the disease are vital. Some scientists estimate that mortality from breast cancer could be reduced by almost one-third if women obtained mammograms as often as recommended by the National Cancer Institute. Women between the ages of 40 and 50 should have a mammogram every 1 to 2 years, and women over the age of 50 should have a mammogram annually. Screening mammography helps doctors to detect breast cancer at its earliest and most treatable stages. Women whose breast cancer is detected early also have more options to choose from when making crucial decisions about treatment.

During the past decade, we have welcomed many advances in the treatment of breast cancer, and more are on the horizon. The National Cancer Institute alone is supporting more than 70 breast cancer treatment studies at hospitals across the country. Pharmaceutical companies, academic institutions, and other organizations are funding additional studies. This month, we recognize the many dedicated women and men who are using their knowledge and skills to enhance our

understanding of breast cancer; we salute the business owners who have provided breast cancer screening for employees; and we applaud the courage of the many women who have made public their experiences in dealing with breast cancer, thereby helping other victims.

To enhance public awareness of breast cancer and the importance of regular screenings for the disease, the Congress, by Senate Joint Resolution 95, has designated the month of October 1991 as ``National Breast Cancer Awareness Month'' and has authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the month of October 1991 as National Breast Cancer Awareness Month. I also ask health care professionals, insurance providers, and employers -- indeed, all Americans -- to observe this month with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this twenty-fourth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:35 a.m., October 25, 1991]

Note: This proclamation was published in the Federal Register on October 28.

Memorandum on the Employment of Soviet Nationals

October 24, 1991

Presidential Determination No. 92 - 4

Memorandum for the Secretary of State

Subject: Employment of Soviet Nationals at U.S. Diplomatic and Consular Missions in the Soviet Union

By the authority vested in me by the Constitution and laws of the United States, including section 301 of title 3 of the United States Code and section 136 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (Public Law 99 - 93) (``the Act''), I hereby determine that implementation of section 136(a) of the Act poses undue practical and administrative difficulties. Consistent with this determination, you are authorized to employ Soviet nationals in nonsensitive areas of the New Embassy Compound in Moscow under strict monitoring by cleared Americans. Further, I delegate to you the responsibility vested in me by section 136(b) of the Act to report to the Congress on circumstances relevant to this determination. Such responsibility may be redelegated within the Department of State.

You are authorized and directed to report this determination to the Congress and to publish it in the Federal Register.

George Bush

Note: This determination was released by the Office of the Press Secretary on October 25.

Remarks at the Announcement of Agreement Between the Department of Energy and the Advanced-Battery Consortium.

October 25, 1991

Thank you all. And, Jim Watkins, thank you very much. You may want to sit there, this is fairly long. [Laughter] May I salute not only Secretary Watkins but Secretary Mosbacher; and Bill Reilly, our Administrator; Chairman Deland was, here he is here, Mike Deland. And, of course, single out Senator Johnston and Senator Riegle with us today.

And I would like to thank the three representatives of the automotive industry who are with us and who have had such an important part to play in all of this. Welcome to the White House, all of you, and to an event that shows how America's genius rests on the timeless qualities of enterprise and ingenuity, qualities which can make the next century the new American century.

When I first heard I'd be getting together with America's competing big three, I thought Jennings, Rather and Brokaw would descend on the White House. [Laughter] So, this is a very pleasant experience, and, actually, I think it's terrific that these three large motor companies were brought together in mutual cooperation.

Earlier today, I mentioned to one of my grandkids this idea that I'd be out here giving a speech about electric batteries. He said, ``I hope it's not interrupted by that pink bunny with a drum." [Laughter]

Six months ago, Chrysler, Ford and GM, together with California Edison and the Electric Power Research Institute, formed a consortium to develop improved batteries for electric automobiles. And they knew that widespread use of electric vehicles wouldn't become a reality until someone built more powerful, less expensive electric batteries.

And today, I am very proud to announce this agreement between this consortium and our Department of Energy, supported by utilities and battery manufacturers, to move us closer to that day. We've joined in a 4-year research project to create a new generation of batteries. And the goal: nothing less than to make electric vehicles competitive by the year 2000.

This private-public partnership will employ market forces, as Jim mentioned, to protect natural resources and point us toward a cleaner, more prosperous fuel and future. And it will help us reduce dependence on foreign oil and help us reduce pollution. It will also create American jobs for engineers and scientists during this R&D period and for battery manufacturers and then the support industries as this project moves into commercial production.

You know, regulating increased fuel economy will not significantly reduce our dependence on uncertain sources of foreign oil. And to accomplish that, we need alternatives to gasoline, and the electric vehicle is one of the most attractive alternatives around. The development of a competitive electronic auto industry will do more to reduce oil imports than rigid fuel efficiency standards that risk jobs and public safety. And let's remember: senseless overregulation is always a one-way dead end.

But while batteries have brought us together today, batteries are not all that this day is about. The group gathered here points to a new way of doing business: combining industry and Government's intellectual and productive assets to sustain our competitiveness in the whole international arena. Electric vehicles represent the next technology milestone in the auto industry. And we intend to beat our competitors to that milestone.

Today's agreement embodies an idea whose time has come, that Government and business can help America outthink, outwork, and outperform any nation in the world.

Earlier this year, I announced the administration's national energy strategy, a blueprint of powerful ideas for America's future. And I want to salute Senator Bennett Johnston who's been a key leader. I don't want to say partner because that might make you all believe he believes in every detail we are emphasizing. But he's done a superb job up there in the Congress working with the Department of Energy and the White House. And I would like to avail myself of this opportunity to encourage support for our energy bill.

The agreement fits into the blueprint of America's future being strong. It reflects our commitment to diversify transportation fuels. I believe there's plenty of safeguard for the environment in it, advancing technology and increasing industry participation in research and development.

And that strategy is key to achieving for all Americans a secure, clean, and affordable energy future. The U.S. Senate will soon consider comprehensive energy legislation -- it's Senate bill 1220 -- incorporating many of the principles that shape our strategy. And I urge Congress to do its part by enacting strong energy legislation like Senate bill 1220. This legislation is environmentally sound. It does not threaten to throw a lot of automobile workers out of work by enacting excessive CAFE standards.

And it was once observed, ``Our Union is river, lake, ocean, and sky." It is also people dreaming dreams of endless possibility, caring, toiling, creating, and achieving.

And let me thank you all for coming to the White House. And it's now my privilege to witness the signing of an agreement that reaffirms the spirit of America, that tomorrow will be even better, brighter, and greater than today.

Thank you all very, very much. [Applause]

Note: The President spoke at 10:42 a.m. on the South Lawn at the White House. In his remarks, he referred to Secretary of Energy James D. Watkins; Secretary of Commerce Robert A. Mosbacher; William K. Reilly, Administrator of the Environmental Protection Agency; Michael R. Deland, Chairman of the Council on Environmental Affairs; Senators J. Bennett Johnston and Donald W. Riegle, Jr.; and television network anchormen Peter Jennings, Dan Rather, and Tom Brokaw.

The President's News Conference

October 25, 1991

The President. Well, I have a brief statement, and then I'll be glad to take a few questions.

After extraordinary debate and negotiation, we have reached an agreement with Senate Republican and Democratic leaders on a civil rights bill that would be a source of pride for all Americans. It does not resort to quotas, and it strengthens the cause of equality in the workplace. Both the administration and the Congress can present this legislation to the people of America as a new standard against discrimination and for equal opportunity.

This agreement was reached last night in marathon negotiations, shepherded by Senator John Danforth of Missouri, nurtured by Senator Dole and other leaders of both parties. It was a proud accomplishment for the Congress and the administration. And now we can go forward together in progress on civil rights in this country.

I remember standing out there in the Rose Garden with Attorney General Thornburgh more than a year-and-a-half ago, to make an unshakable commitment to the Nation's civil rights leaders that I wanted a nonquota civil rights bill that I could sign. And assuming there are no changes in the bill as agreed to last night, we now have such a bill. And my promise will be kept, and I will enthusiastically sign this bill.

Another subject: on the Middle East peace conference. I want to note the historic nature of this meeting. The Middle East has been characterized by dangerous and tragic conflict for decades. The peoples of this region still have enormous differences. But I want to commend the statesmanship of the leaders of all those parties attending the peace conference.

Sitting down together is the beginning of understanding. And we cannot know the outcome, of course. It will take patience and determination. The United States cannot make peace in the Middle East; only the parties themselves can do that. But we can and will be a committed and active partner in the search for peace.

Secretary Baker has been patient. He's been steadfast. He's been tirelessly disciplined in working with the Soviet Union and all the parties in the region to make this conference and the promise of peace a reality. We owe him a major debt of thanks.

I also go to Madrid to meet with President Gorbachev. And I know that President Gorbachev joins me in wanting to put the hopes and aspirations of all the world behind these new opportunities for peace.

So, thank you very much. And now I'll be glad to take a few questions.

The Economy

Q. Mr. President, on the domestic arena, the American economy is worrying an increasing number of people. Millions are out of work, and it seems almost daily statistics are pouring in making it look like there might be another recession. Aren't signs clear that some kind of action is needed, and what would you tell Americans you will do to help?

The President. I don't want to buy into the predicate about another recession. I don't feel that way. The economy has been sluggish. It hasn't been near as good as I would like to see it, or certainly the American people would like to see it. What would I like to do about it? I'd like to have seen the Congress take the action that I've proposed way back starting in '89 and have continued to propose on growth. We need some stimulation to economic growth.

And I think everybody is now familiar with the fact that I think a capital gains cut would stimulate growth and create jobs and create opportunity. And we get assailed as this is a tax break for the rich. I'd like to propose to Congress: Let's try it. And I'll take all the blame on the political side, and then give me only half the credit on what good that would do for the economy.

We've also had a program that includes enhanced R&D. We've got banking reform legislation that would clearly be stimulative in terms of loaning -- it's hung up in the Capitol. We've put forward a program related to IRA's. We've got a transportation bill that is job-intensive, we've put forward for the most heavily adversely affected areas enterprise zones.

Now, there's a good six-point growth package for you, and the Congress has refused to do one single thing about it. And I don't think there is one person out across this country that is in doubt that we are for these things.

So, we will see where we go from here. But I am concerned. When people are hurting, of course, you're concerned about it. And I'd like to see an unemployment benefits package that includes pay-as-you-go, that doesn't add to the deficit, burden the future generations with more Federal deficit. Make it work within the budget agreement. That's what I've proposed. And by standing firm, I hope Congress will now send me such a package.

Tax Cuts

Q. Some Republicans on the Hill have indicated a willingness to go along with Democratic tax cuts for the middle-income class. Would you be willing to throw in on that?

The President. I'd be so enthusiastic about a tax cut for all Americans, but I want it to be done -- it can't be done and still live within the budget agreement. I'm enthusiastic about that. But it has to be, if there's going to be anything new of that nature, it's got to be that and then figuring how to

have it within the budget agreement.

And I prefer to emphasize these things: capital gains reduction, R&D, bank reform, IRA, transportation bill, enterprise zones, the thing I have said. But I'm not going to be totally opposed to some of these ideas I hear up there. But let them consider our growth package. That's what I'd start with. And then if there's some other merits, fine. But let's do it without busting the budget agreement and then saying Federal debt doesn't matter. It does matter. Deficits matter.

Middle East Peace Conference

Q. Mr. President, Prime Minister Shamir will lead Israel's delegation to Madrid. As recently as yesterday, he said there would be no territorial concessions to Arab States, no freeze on Israeli settlements. Can there be any progress in Madrid and afterward if that's his stand?

The President. Terry [Terrence Hunt, Associated Press], I knew you were going to -- somebody was going to ask these questions of the -- detailed questions about stated position of participants in the conference. It is most understandable. I'm not going to reply to them. What I do not want to do is inadvertently complicate the process. Let the parties sit down, as they plan to do, and discuss these, one priority or another. It is not for the United States to do that.

Our positions are known on 242 and 338. Our positions are known on a lot of other subjects that will probably be discussed there. But we are trying to be a catalyst to bring people together and let them talk about the differences. So, I'm sorry, I'm not going to take, answer, respond definitely to this question, nor to others about the specific issues that divide the parties. We're not trying to impose a settlement. We're trying to bring people together so they can achieve a settlement.

Q. Will you outline the U.S. stands, though, when you open the conference?

The President. I don't think we need to do that at this juncture. The United States positions are clear. But it isn't a question. We're not having a conference about U.S. policy. We're having a conference about bringing people together to settle age-old disputes.

Q. Will you see Mr. Shamir?

The President. Yes, I certainly will, and I'll see other delegations heads. And I'll see President Gorbachev, and I hope to see the Prime Minister of Spain and the ruling Monarch, the King of Spain. So, I'll have, I don't know how many, bilateral meetings. That hasn't been set up. But clearly, I will, and look forward to it.

Civil Rights Bill

Q. May I give you an outline, a scenario of what may have happened on the civil rights debate

over the last couple of days, and you tell me what's wrong with it? Wednesday afternoon you had some Republican Senators over here, and you and Boyden Gray passed out a piece of paper stating some objections to Senator Danforth's bill. Some of these Republican Senators went back to the Hill, some conservatives who normally would want to side with you, and they found out that the White House had misrepresented Senator Danforth's bill. They went ballistic, said you could no longer hold the line with 34 votes to get a veto of the civil rights bill sustained. And at that point you decided you had to compromise, and you basically caved. What's wrong with that scenario?

The President. Wrong. It's just wrong, that's all. Next question? [Laughter]

Q. Well, then, what's wrong?

The President. It's wrong. We didn't cave. We worked out in a spirit of compromise a negotiated settlement where I can say to the American people, this is not a quota bill. There was give-and-take on a lot of issues, and you're just putting a political spin on it that is 100 percent wrong.

Q. Are you confident you have the votes to sustain a veto?

The President. Yes.

Q. You were confident all the way?

The President. Absolutely. We've been dealing from that position. We didn't have the votes to carry my civil rights bill. So, have we compromised some? Yes.

In fact, I'm going to ask Boyden to answer the specific questions on where the give-and-take was here after I finish because it's highly technical, believe me. And with all respect, I'm not sure everybody will understand it after he explains it. [Laughter] But it is very technical. And all I know is, I can simply certify it is not a quota bill. It is a fair bill, and it's going to hit a lick against discrimination in the workplace. And I couldn't be more happy. In fact, we just heard from Senator Kennedy that says it's going to have -- he believes that a large number of Democrats will go along with it, too.

So, I've said I wanted a civil rights bill. I said I didn't want a quota bill. We have a civil rights bill. It is not a quota bill, and I couldn't be happier because I have not liked -- --

Q. Mr. President -- --

The President. -- -- may I finish, I have not liked these characterizations that I really didn't want a civil rights bill. I've wanted it all along. I think many people here know that because I've said it all the time, but I don't think the American people necessarily did. That's why it's a joyous day.

Yes, we're coming right across here.

Q. The civil rights bill that you do have caps damages in sex discrimination cases but not in cases of racial discrimination. Understanding that this is the first time any monetary damages have been allowed for sex discrimination cases, nonetheless, how do you justify that to women who may see it as an indication that sexual discrimination cases just aren't taken as seriously as racial discrimination?

The President. I just would try to dispel that notion and say, look, the main thing is to get a civil rights bill that hits against sex harassment, and hits against discrimination in the workplace. So, that's the way I'd answer it. And this is the first -- --

Q. Why should there be a difference?

The President. This is an historic first. Let me refer you to the lawyers.

Clarence Thomas Confirmation Hearings

Q. Mr. President, back to the Thomas hearings. In view of the force of his unvarnished testimony during the 11th hour hearings, sir, I wondered if -- which many people I think believed saved his nomination -- I wondered if you reconsidered the wisdom of placing nominees at the disposal of White House handlers whose jobs seems to be to shave all the rough edges off their positions and to prevent them from saying anything that might be controversial?

The President. I heard this question before. [Laughter] Not since Sunday. I think when you talk about White House handlers positioning everybody, you do a disservice to the nominees. Yes, a person that's being thrown up into the confirmation process welcomes advice and counsel. But I think if one suggests that the nominee is going to do exactly what handlers are alleged to want to happen, I think it's wrong.

So, I don't think -- I think the way that question comes out does a disservice to Judge Thomas who set his own pattern. Yes, he was helped by various people; there were certain questions that they would say: Well, you might get this question or that. How do you think that one should be replied to, fine. But I think it demeans him to suggest that handlers are telling everybody what to say or not to say. There's a pattern in these confirmation hearings about who gets asked what question, who doesn't. I believe that he was asked over and over again more questions on a subject or another, than his predecessor.

Q. Well, Mr. President, Thomas himself said before he delivered his statement on Friday that it was not the product, as he put it, of any handlers. So surely, if he recognized that handlers had had a role in his testimony beforehand, don't you?

The President. I'm not saying there weren't people trying to help. Somehow I don't like the word handlers; like the prizefighter, ``Okay, go in and slug 'em again.'' I mean, that's not what this is all about. Maybe I'm missing your question, Brit [Brit Hume, ABC News].

Q. Well, aren't we talking here, sir, about people who, when they're not doing this, are lobbying on behalf of various private interests, who need to maintain good relationships, understandably, with Capitol Hill, and whose participation in a situation like this is a bit of a conflict of interest in the sense that they don't want to alienate anybody, and they don't want the nominee to?

The President. You see, if you suggest, if the question suggests that a nominee, in this instance Judge Thomas, would compromise principles because of some person trying to help him not wanting to alienate Congress, I would just reject that. I don't think it's an intellectually fair charge to level against him, is the way I'd handle it.

B - 2 Stealth Bombers

Q. Mr. President, Colin Powell apparently feels the Pentagon can live with half the 75 B - 2 Stealth bombers that you have proposed. Do you agree? And if so, how will you keep opponents of the program from chipping away at the lower number?

The President. Well, we have a program. It's up there. And we will be discussing a wide array of defense matters as we go forward now. And I'm not going to -- I don't want to take a position on one key player's alleged position and compare it to how somebody else in the administration feels.

I will have something to say as we go along, each step of the way, as to administration position, and not permit myself to be drawn into debating what one key player says over what another key player might feel. So, I can't help you on it. I'm just not familiar either with Colin's latest comments on that.

Q. It sounds like there's some give in your position, though, that you're not rigid on the 75.

The President. Well, I wouldn't say that. We've got a proposal up there, and let's see where we go with it.

Budget Agreement

Q. Mr. President, when you signed the budget agreement with Congress, the economy was not known to be in a recession, the Soviet Union had not collapsed, and therefore, you had not ordered a cutback in the Nation's nuclear arsenal, and estimates hadn't come out that the U.S. could live with a much smaller defense force. Why not revisit the budget agreement in light of all

this, and in light of the fact that the budget deficit is going to be higher than the agreement called for anyway?

The President. I will not revisit it because I want -- it's the only cap we have on outrageous congressional spending. It's the only way you control the excesses of spending. It is the only guarantee that the taxpayer has that his interest, to some degree, will be protected.

And if you revisit it in the sense of removing these constraints, the spending gates would open. We've already seen it on some legislation. The unemployment benefits is a good, recent example. Don't worry about budget deficits. Don't worry about those people that are paying the taxes. Just throw on some more spending. And I'm sorry, I don't want to reopen the budget agreement because I think the constraints on spending are helpful.

There have been some things that have broken it. I think the bank problems and some of these have been extraordinary. But if we redo that agreement you're going to see a windfall of spending programs. And it's constraining us in our budgeting, and it constrains Congress in its spending. So, I'm just not going to revisit it.

Q. Well, isn't it a problem, sir, to be constrained like that in terms of trying to deal with new problems that have arisen like the continuing unemployment?

The President. Yes, it's a problem. But it helps you deal with an old problem that has plagued us for years: constraining Federal spending. But sure it is. What President wouldn't like to have a free, open wallet just to give money for every good cause that comes along? A lot of people would like that. There's a lot of problems in this country, some of which would require more money. But there also is a responsibility here to try to hold the line on excessive spending. And that is where the budget agreement comes into effect.

Bank of Credit and Commerce International Investigation

Q. Mr. President, considering your concern about propriety in Government, what was your reaction when a senior member of your White House staff, Ed Rogers, left the White House employ and signed a contract with a Saudi Sheikh accused of being a key figure in the BCCI scandal?

The President. Well, he is a free citizen to do anything he wants once he leaves the White House. My concern is about the White House itself, that it be beyond any perception of impropriety.

Q. Well, what do you think he was selling to the Saudis except for accessing -- --

The President. Ask him. I don't know what he's selling. I don't know anything about this man, except I've read bad stuff about him. And I don't like -- I don't like what I read about him. But I

would suggest that that matter is best dealt with by asking this man what kind of representation he is doing for this Sheikh. But it has nothing to do, in my view, with the White House.

Q. Even though he left here only 3 weeks before and had never had a job in private industry before?

The President. Well, Ann [Ann Compton, ABC News] -- --

Q. His only job had been working for you.

The President. -- -- suppose you left here and went out into the private sector for some company, and you'd been editing and writing all your life, and you started off -- I don't know that it would be the function of the President to suggest what employment somebody should take. If you ask me, would I like to go out there and leave my job and go to work for this Sheikh when I get through being President; no, I wouldn't like to do that. [Laughter]

Tax Cuts

Q. Washington is seeing something of a bidding war this week on tax cuts, started by some of the meetings you had here with Republicans. Has the bidding war ended? Have you been able to shut it down? And the second question is, if any kind of tax cuts can't break the budget deal, doesn't that make it a nonstarter?

The President. Give me the first part again.

Q. Well, have you shut the bidding war down?

The President. Well, I don't think we can shut it down. I think it's understandable when you have bad economic numbers come in from time to time, mixed, I must happily say, with some reasonably good ones, the people get concerned. I'm concerned. But I don't want to say to them, well, you shouldn't come forward with proposals, but I don't want to participate in a bidding war.

We've got some good proposals up there. Some are being attacked, I think rather unfairly, for pure political reasons; things that would have stimulated the economy long before now. And I don't need to repeat those six again, but if you'd like me to, I will.

But nevertheless, I really do think that these are things that would stimulate jobs and stimulate growth and new business formation. And Congress wants to try some other approach. They are not together in their act. I'll look at the processes. I will keep in mind whether they bust the budget agreement or not, and then I'll make some determination and might well come out with something, a new combination of what I think is best. Maybe I should do that.

But no, it doesn't trouble me that people are concerned about the state of the economy as they see it, or concerned when people are out of work; of course, they should be concerned. So, I can't criticize someone for his or her proposal as to what to do up there.

Q. As long as the price for a cut in the capital gains tax from the Democrats' perspective is going to be a hike in rates or some form of rate limit, it's got to be a nonstarter from your perspective, doesn't it?

The President. I'm not going to -- I've proposed a capital gains cut with no income tax increases, and I like that idea. I don't want to be out there again getting caught up in some meat grinder on taxes again. And I don't think the American people want to have their taxes raised again, whether lower income, middle income or higher income.

There's an awful lot of discomfort in this country about higher taxes. A lot of people think we ought to be doing a better job on controlling spending. It's one of the reasons I don't want Congress to bust the budget agreement. So, we're going to stay on this. Anything I propose will have real growth to it.

The other point for the economic reporters here and those that concentrate on that is, let's be sure what we do helps. Let's be sure it helps in timely fashion. And that's a key point. What's needed. What will help. And I'm trying to sort that through with the best economic advice I can get.

Anita Hill's Testimony

Q. Mr. President, there are published reports that you personally approved the campaign by Republican Senators to discredit Anita Hill. Marlin said that that was not true. Whether that was true or not -- --

The President. It wasn't true. Let me just stop you right there. It was not true. Now, go ahead.

Q. Did you condone the Republican tactics? And if you didn't, as the head of the Republican Party and President of the United States, why didn't you stop it?

The President. What tactics are you talking about, please?

Q. Well, there were a lot of critics of the Republican Senators who -- --

The President. No, I'm not one of those.

Q. -- -- who led a campaign to discredit Anita Hill's testimony.

The President. Well, the testimony raised certain questions in the minds of the American people who overwhelmingly supported Clarence Thomas, incidentally, right at the end as well as along the way. I think it's appropriate to inquire about that testimony.

Q. Did you have any problems with the kinds of questions they asked or the innuendo that there were other things there that they could not bring -- --

The President. I had problems with the whole thing. I gave a speech yesterday on my problems, which I think are the problems the American people had with the whole process, because, you see, I think those graphic, X-rated charges, no matter whether they prove true or not, should be done behind closed doors. I don't like -- think the American people have a right to know, but they also have a right to delegate. And in my view, Joe Biden was right at the very beginning of the whole hearings when he suggested that witnesses could be accommodated behind closed doors. That's the way I'd like to have seen the matter resolved.

And I don't think the American people would be any worse off for it. Nor would Clarence Thomas or Anita Hill be any worse off for it. I think they'd be better off for it.

Q. Could I just ask, did you think she was treated fairly?

The President. I think -- I don't want to accuse Senator Biden of not running a fair hearing. I said in the very beginning -- --

Q. Ohhh.

The President. I said in the very beginning I thought that he did a good job on that. So, please don't try to draw me into what was fair and not. Some people were disappointed in the results. They might not think it was fair. I was pleased with the results because I think the American people's confidence in this judge has been proved to be correct.

Q. Albeit you believe Anita Hill was not telling the truth and your nominee was, are you concerned at all, Mr. Bush, that three women who were scheduled to testify about the so-called glass ceiling -- --

The President. No, not concerned about that.

Q. Even though they said the treatment of Anita Hill was what persuaded them they should not go public and criticize their employers in public?

The President. Look, there's a lot of people on all sides bubbling around out there in moments of discontent. I think the country's glad to have the matter resolved. I think it resolved itself satisfactorily in terms of the end result, Clarence Thomas being on the Bench. I think I was vastly

persuaded by his points about what had happened to him and his family as a result of this. So, renewing it, or if the question is, do I think it could have been extended so three other people could come forward? No, I don't think so.

Q. No, sir, this is a separate hearing in which three women refused to testify about another area of job discrimination, saying that what they considered the public flaying of Anita Hill reflected what might happen to them if they went -- --

The President. Excuse me, I missed your point. Yes, I am concerned about that. I'm concerned about good people who might want to come -- otherwise be attracted to Government won't come forward to come into Government because they themselves don't want to be possibly put through that kind of a meat grinder. Yes, I am very much concerned about that.

Q. Excuse me, Mr. Bush, these were women who were already in Government who said, previous to Anita Hill's testimony, that they had suffered job discrimination because they were women. Following her testimony and treatment by the Judiciary Committee, they refused to testify in public for fear of similar treatment, even though there may have been legitimacy to their claims, which you claim was not the case with Anita Hill. What I'm asking is, are you -- --

The President. I didn't claim that.

Q. -- -- worried about a chilling effect?

The President. You're putting words in my mouth. I didn't claim any such thing, but go ahead.

Q. Are you worried about a possible chilling effect?

The President. Yes, I just said so. Yes, I am worried about a chilling effect. The more that kind of open, flamboyant debate where people's characters, on one side or another, get attacked, I worry about it. And I addressed myself to that in a speech yesterday and had some suggestions about it. And one of them, I don't think I specifically made there, I think they ought to have more executive sessions when it comes to this, or it comes to hearing people's concerns so they can come forward. Yes, I do worry about that.

Louisiana Gubernatorial Elections

Q. Sir, you campaigned in Louisiana for Buddy Roemer, and what is your political analysis of the kind of climate that would produce the number of votes that came in for a former Klan leader and a Nazi sympathizer, David Duke, who claims to be a Republican?

The President. I don't know. I didn't follow the issues that much down there to know why people that voted for him did that. We have -- I want to be positioned in that I could not possibly support

David Duke because of the racism and because of the very recent statements that are very troubling in terms of bigotry and all of this.

Having said that, I can't help you on the other questions that obviously influenced a lot of very plain, honest, decent voters down there. But there's a discontent amongst a lot of voters, and maybe he touched a chord on that. Having said that, to the degree it was attractive to voters because of race or bigotry, I would denounce that vigorously.

Q. Would your repudiation go so far as to advise the people of Louisiana to vote for his opponent or perhaps write in another name?

The President. I already supported Buddy Roemer, and I don't know how the rules work down there in that at all. But I am very unhappy that the Governor was not renominated here or got into the runoff. I'm very unhappy about that because I still feel he's a very reasonable man, forward-looking man, and good man. But I'm not going to inject myself in here except to say we can never in any way support David Duke for the reasons I gave. So, please don't try to draw me into a runoff in that State. I'm not going to be so drawn.

Mr. Fitzwater. One more.

The President. Yes, this is the last one.

Middle East Peace Conference

Q. Are you going to be in a position in Madrid at the meeting with President Gorbachev to answer some of his proposals about nuclear weapons with proposals of your own?

The President. No.

Q. If not, what are you going to talk about?

The President. Well, open-ended. We're going there -- the matrix is a peace conference for the Middle East. But I'm sure we'll discuss bilateral issues, and I'll be prepared to discuss nuclear weapons. I'll be prepared to discuss their economy and ours. I'll be prepared to discuss anything that he's interested in. We always have wide-ranging discussions, and I'm looking forward to that part of this very, very much.

But the reason I was so quick is I don't want to leave the impression that we're coming forth with a new four-point program or six-point program in response to his positive response to our initiative.

Let me end this press conference by -- Ellen [Ellen Warren, Knight-Ridder], last one. All right, I

did recognize you earlier. I'm sorry, but this is it now, really.

Harassment in the Workplace

Q. There are some people, sir, who think that the message from the Anita Hill-Clarence Thomas hearings, the message to women is, don't bother to come forward on sexual harassment because you won't be believed. Sir, do you believe that is a message, or would you tell the American women that they should come forward?

The President. I say they should come forward. But let's do it in a climate so people are not destroyed in the process. And that's why I'm saying let's do it behind closed doors, or let's have procedures that you don't leak information that Anita Hill gave, that she asked be confidential, and then somebody goes out and insidiously leaks it, and she's drawn into a public debacle that she didn't want in the first place.

Yes, I'm concerned about that and her feelings, and everything else related to it. And I've made proposals that I think would help, including the way we handle FBI reports. So, when people can't come forward for fear of their character being damaged and being dragged through the mud, of course, I worry about it. And that's why I styled some proposals yesterday that I think will help address the problem. Whether it will solve a lot, Ellen, I don't know. And I repeat, it's true for not just women coming forward on a sex harassment case or to back up Anita Hill, but it's true for people that might otherwise come into Government. And they don't want to be dragged into these kinds of disclosures that go after their character.

And I don't know how we solve the problem entirely. But I have made some suggestions that I think will help.

Q. But why, sir, shouldn't women now be concerned that their character will be damaged by coming forward, understanding that most sex harassment hearings are not on television?

The President. Well, why should a nominee not be concerned that his character will be blasted as Judge Thomas' was? You're putting it on one basis. You're putting it on the feminist basis. Yes, I'm concerned about that. And I've made proposals to do something about it.

I'm also concerned on a public service basis. And in this instance, I was very much concerned about the character assassination of Clarence Thomas, that there's a way to handle these things. You delegate intelligence matters; why can't you delegate -- and without the people having a right to know every detail -- why can't you delegate in the hearings the judgment on these matters to the Senators to do behind closed doors? And why can't we facilitate the process by guaranteeing, as best we can, against insidious leaks that damage people the minute the door opens? And so, I've made some proposals on that. And yes, I'm concerned.

But I don't want to end on a downer note here. I want to end by saying, I can't tell you how pleased I am about this civil rights vote. You know, some people have said, ``Well, the President may not really want a civil rights bill; he wants an issue of some sort." -- my political opponents charging that over and over again. And the fact now that we have a good, strong, reasonable civil rights bill, I think it's good for the American people. I think it transcends party politics.

And I salute Bob Dole and Jack Danforth on our side and others on the Democratic side who have been willing to work in a constructive fashion, ups and downs in the negotiating process, charge and countercharge, but today we have a good civil rights bill. And I'd like to ask the Senate to promptly pass it without change. And I'd like to ask the House to accede to it. And let's do something that's good and upright in the field of civil rights for the American people.

Thank you very much.

Civil Rights Bill

Q. Sir, do you understand what's in the bill?

The President. You guys want to talk to Boyden?

Q. Yes.

The President. But here's my problem on the -- some of the detail is highly technical, so I'd like to ask -- but, yes, I understand the issue.

Note: The President's 106th news conference began at 11:25 a.m. in the Briefing Room at the White House. The following persons were referred to but not clearly identified: President Mikhail Gorbachev of the Soviet Union; Prime Minister Felipe Gonzalez Marquez of Spain; King Juan Carlos I of Spain; C. Boyden Gray, Counsel to the President; Clarence Thomas, Associate Justice of the Supreme Court; Colin L. Powell, Chairman of the Joint Chiefs of Staff; Edward M. Rogers, Jr., former Deputy Assistant to the President and Executive Assistant to the Chief of Staff; Sheikh Kamal Adham of Saudi Arabia; Marlin Fitzwater, Press Secretary to the President; Anita Hill, a University of Oklahoma law professor who testified before the Senate Judiciary Committee during Clarence Thomas' confirmation hearing; and Buddy Roemer, the incumbent Governor of Louisiana, who was defeated in that State's bipartisan gubernatorial primary by David Duke and former Governor Edwin W. Edwards. A tape was not available for verification of the content of this news conference.

Proclamation 6365 -- National Red Ribbon Week for a Drug-Free America, 1991

October 25, 1991

By the President of the United States

of America

A Proclamation

Since we introduced our first National Drug Control Strategy in 1989, our Nation has made significant progress in the fight against illicit drug use. Through education and prevention programs in both the public and private sectors, we have taken important strides in reducing the demand for drugs. Indeed, recent figures from the National Institute on Drug Abuse show that, over an 18-month reporting period, overall drug use in the United States fell by slightly more than 10 percent. Cocaine use fell even more dramatically, by about 29 percent. Through more vigorous law enforcement and interdiction efforts, we have also lessened the deadly trade of drug traffickers. They are no match for a united, determined America.

However, while these and other trends are encouraging, we know that we are only just beginning to win the war against drugs. That is why I urge all Americans to join in observing this National Red Ribbon Week for a Drug-Free America. Through the widespread display of the red ribbon, let us demonstrate our refusal to tolerate illicit drug use and our resolve to build a safer, healthier future for the United States. Indeed, with this simple gesture, each of us can set a positive example for others while sending a clear and unequivocal message to the merchants of death who deal drugs -- a message that says ``This scourge will stop!"

The Congress, by House Joint Resolution 340, has designated the period beginning October 19, 1991, and ending October 27, 1991, as ``National Red Ribbon Week for a Drug-Free America" and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the period of October 19 through October 27, 1991, as National Red Ribbon Week for a Drug-Free America. I urge all Americans to observe this week by supporting community substance abuse prevention efforts. I also encourage every American to wear a red ribbon during this week as an expression of his or her commitment to a healthy, drug-free lifestyle.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of

America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:16 a.m., October 28, 1991]

Note: This proclamation was published in the Federal Register on October 29.

Proclamation 6366 -- World Population Awareness Week, 1991

October 25, 1991

By the President of the United States

of America

A Proclamation

Demographic trends among the world's population, which now surpasses 5.4 billion, cannot be overlooked as a factor when we examine important global issues such as economic development and environmental degradation. That is why we do well to observe World Population Awareness Week.

The United States has long recognized that population growth, in and of itself, is a neutral phenomenon. Indeed, as we stated during the 1984 International Conference on Population, because every human being represents hands to work, and not just ``another mouth to feed,'' population growth may be an asset or a liability depending on such factors as government economic policies, agricultural practices, and a nation's ability to put men and women to work. Rapid population growth is often occurring in those nations where economic stagnation, attributable in large part to the failure to adopt market-oriented policies, makes them less able to cope with economic and environmental challenges. For example, population growth may be viewed as a threat in countries where excessive government controls eliminate incentives for farmers and other workers to produce, where housing and health care facilities do not keep pace, or where precious natural resources are used without regard to future needs. Demographic change can also become problematic when a nation fails to anticipate or to respond to such trends as massive urban migration. However, because people are producers as well as consumers, population growth can also be a sign and a source of strength.

The United States has been a leader in efforts to focus attention on population issues -- particularly in less developed nations where population growth and related demands for land, public services, and other resources have exceeded their availability. At the Houston Economic Summit, the G - 7 leaders stated that ``In a number of countries, sustainable development requires that population growth remain in some reasonable balance with expanding resources. . . . Improved educational opportunities for women and their greater integration into the economy can make important contributions to population stabilization programs.'' Currently, the United States, cognizant of the rights and responsibilities of individuals and families and respectful of religious and cultural values, provides nearly half of all international assistance that supports effective, safe, and voluntary family planning programs. This aid is but one part of a comprehensive economic development assistance program. We have also taken a strong position in the global

community to address problems such as illiteracy, poverty, and environmental degradation. Indeed, recognizing the need to use precious natural resources wisely, we have worked to promote sustainable development. We have also consistently advocated the political and economic freedom vital to the advancement of individuals and nations.

Of course, no nation can achieve acceptable levels of productivity and progress without a healthy population. Thus, the United States will continue to support and to promote programs that are designed to improve maternal and child health. We will continue to support education and disease prevention, as well as programs that target the specific health problems of the poor -- problems that are often aggravated by such factors as poor sanitation and the lack of safe drinking water.

During World Population Awareness Week, we reflect on the importance of every one of these efforts and reaffirm our commitment to them. After all, by promoting the health of individuals and the strength and stability of families, we can enhance the well-being of entire nations.

The Congress, by Senate Joint Resolution 160, has designated the week beginning October 20, 1991, as ``World Population Awareness Week'' and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week of October 20 through October 26, 1991, as World Population Awareness Week. I invite all Americans to observe this week with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 1:49 p.m., October 28, 1991]

Note: This proclamation was published in the Federal Register on October 30.

Message to the Senate Transmitting the Jamaica-United States Mutual Legal Assistance in Criminal Matters Treaty

October 25, 1991

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the Government of the United States of America and the Government of Jamaica on Mutual Legal Assistance in Criminal Matters, signed at Kingston on July 7, 1989. I transmit also, for the information of the Senate, the Report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. The Treaty should be an effective tool to assist in the prosecution of a wide variety of modern criminals, including members of drug cartels, ``white-collar criminals," and terrorists. The Treaty is self-executing.

The Treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes: (1) the taking of testimony or statements of witnesses; (2) the provision of documents, records, and evidence; (3) the execution of requests for search and seizures; (4) the serving of documents; and (5) the provision of assistance in proceedings relating to the forfeiture of the proceeds of crime, restitution to the victims of crime, and the collection of fines imposed as a sentence in a criminal prosecution.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

George Bush

The White House,

October 25, 1991.

Note: This message to the Senate was released by the Office of the Press Secretary on October 28.

Teleconference Remarks With the American Gas Association

October 28, 1991

The President. Mike, thank you very much, and thank you for those goods words. And may I salute your chairman, Bill McCormick, the incoming chairman, Dick Farman. And I am delighted to be able to join you by satellite in San Diego at the 73d annual conference of the American Gas Association.

I'd like to talk to you today about our energy future, about America's energy future: The indispensable foundation for the goods we produce, the enterprises we launch, and the quality of life we enjoy. When our administration developed our national energy strategy, three principles guided our policy making: reducing our dependence on foreign oil, protecting our environment, and promoting economic growth. As a part of our comprehensive energy strategy, natural gas is key to all three.

First, decreasing our dependence on insecure energy supplies is a top priority of this administration. We're willing to practice what we preach. In April of this year, I took action to put the Federal Government in the lead on increasing energy efficiency by issuing an Executive order that calls for sharp reductions in Federal energy use. Under this new mandate, overall Federal energy consumption will be reduced by 20 percent from 1985 levels within a decade. Fuel consumption in the Federal fleet will be pared by 10 percent from current levels within 4 years, and the Federal Government will increase its purchases of vehicles powered by alternative fuels like compressed natural gas.

Contrary to gloomy predictions of the seventies, when misguided Federal regulation created natural gas shortages, we are blessed now with abundant supplies of natural gas within our own borders. In fact, the Department of Energy recently reported a 113 percent replacement of reserves for 1990 in the lower 48, the lower 48 States. To assure that supplies of natural gas remain ample, we must rely on the logic of the marketplace. And that is why in 1989 we enacted a law phasing out the last Federal wellhead price controls on natural gas so that the free market could do its work.

Second, we're committed to preserving and protecting the environment. No question about that. We looked to the ingenuity of the free market as we worked to defend our precious environment through enactment of the Clean Air Act Amendments. The AGA was one of the first major trade groups to endorse our administration's proposal for clean air legislation. And I am very grateful, and I thank you for that effort. As clean-burning natural gas is put to work in generating electricity, for fueling vehicles, cooling and heating, and supplying the needs of the industry, Americans know that the environment stands to benefit.

And third, energy security and environmental protection must go hand-in-hand with economic growth. And that growth depends upon opening new markets and new opportunities for American industry. A North American free trade agreement will promote economic growth throughout this continent. Your industry knows what I am talking about. The northern tier of Mexico is the largest single export market for U.S. natural gas, and with this agreement we are looking forward to continued growth and opportunity.

Economic growth also depends upon an educated work force. America's natural gas producers, companies, and utilities are doing a great deal to make their communities places where learning can happen. Your Education 2000 program, a 10-year, industrywide commitment to helping our Nation reform its schools, is a great example of the partnerships necessary to invent a new generation of American schools. I urge you and all of your members to continue to engage in the education reform movement so that we can prepare American children to compete and win in the global marketplace.

Economic growth, environmental protection, energy security, and a well-prepared work force are crucial to America's success in the next century. As part of the fabric of daily life in America, your companies and employees can make a real difference. In many ways you already are, and for that, I thank you.

I wish you a successful conference and best wishes in the coming year. And now I'll be glad to take a few questions.

Mr. Baly. Mr. President, our chairman, Bill McCormick has a question for you.

Mr. McCormick. Mr. President, we praise you for your leadership in the Clean Air Act Amendments passed by the Congress last year, and we were pleased to support the administration's goals in the act. We also appreciate your work toward enactment of the national energy strategy that you proposed earlier this year. AGA has been supportive of this initiative since the outset. The Senate looks like it will begin debate soon on the NES, and we wanted to know how you foresee the debate shaping up and your administration's role as the debate unfolds?

The President. Bill, as I said earlier, securing a clean and affordable energy future is a very important objective of our entire administration. And that is why I am supporting this bipartisan energy bill, S. 1220 to the technocrats there, that should go before the Senate very soon. This bill incorporates many important principles of this national energy strategy of ours.

During the Senate's deliberations on this bill, we are going to be working very closely with Senators Bennett Johnston, well-known to all of you there, Malcolm Wallop, the same, to ensure that our key provisions remain intact. In keeping with our goal of increased domestic energy production, I remain committed to providing environmentally responsible energy development in

ANWR, in the Alaskan Wildlife Refuge. And I want to avoid the crippling effects of excessive CAFE standards because we cannot sacrifice public safety and jobs all in the name of fuel efficiency mandates.

We need your industry's help in getting a good bill on my desk. We are expecting some very tough votes, but I am confident that the American people will understand the importance of enacting a comprehensive, balanced energy bill. And let me add, I'm very comforted by the fact that our national security requirements are clearer now and that the threat is less difficult. But I do not want to see us increasingly dependent on foreign sources of energy. And I want to see drilling in this country continue. It can be done in an environmentally sound way, and I think everybody in your audience there knows that we must continue to drill and produce in this country. We'll do our best, though, to get this energy bill passed.

That's it.

Mr. Baly. Mr. President, our chairman-elect, Dick Farman has a question.

The President. Shoot, Dick.

Mr. Farman. Mr. President, in your remarks, you mentioned AGA's Education 2000 program, and we're all looking forward to hearing later in today's meeting from Gregg Petersmeyer on your administration's national service efforts. Would you care to comment on what other domestic initiatives your administration is currently working on or has plans to introduce this year?

The President. Well, Dick, thank you, and I'm glad Gregg Petersmeyer will be there -- he's been made famous by ``Doonesbury," if any of you inflict that upon yourselves, reading that cartoon -- because Gregg has done a great job on this Points of Light principle that we believe in and that your association believes in with your own approach to education. So, I'm delighted that Gregg will be out there with you.

But look, on the domestic agenda, we've advanced a broad, aggressive domestic agenda over the last 2 years. It's included such legislative successes as the Clean Air Act Amendments; the ADA, that's the Americans with Disabilities Act, a sweeping piece of civil rights legislation; our child care bill, one that gives choice to parents; and our HOPE bill, that's H - O - P - E, our housing bill that promotes tenant management and ownership of public housing. And we've already mentioned our America 2000 education initiative, touched on this national energy strategy of ours. And Congress, right now, is considering provisions of the administration's crime bill.

We've sent up two crime bills since 1989, and we're just now seeing action on the key provisions. Some of you may remember that I challenged the Congress to complete action on two bills, that crime bill and our transportation bill, in 100 days. That was back at the time of the State of the Union, I believe. And incidentally, the transportation bill is a bill that would stimulate a sluggish

economy. It's job intensive, and it would do that, stimulate, without busting the budget agreement, without increasing our Federal deficit. But here we are, almost 8 months later, still waiting for both.

We now have a civil rights bill that I can certify to the American people is not a quota bill. It is fair, and it's good. And just last week, I signed an Executive order to enact reforms in our civil justice system. I hope some of you saw that.

We need liability reform. We need to check the reckless use of lawsuits and the propensity for more and more outrageous settlements. We'll be sending legislation to the Congress on that very, very soon. And there is one area where you all weighing in can really get something done.

But most importantly, we have offered numerous economic reform proposals which, if they had been enacted by Congress, would have long ago promoted the economic growth that America needs. I am sure some of you are sick of hearing this, but I have proposed a capital gains cut that would in my view create more jobs and create them soon. We've proposed penalty-free withdrawals from these IRA's for first-time homebuyers. Clearly, that would stimulate or would have stimulated the housing market. I've proposed more Federal funds for research and development, a little longer range but very, very important. Your industry knows this. I've proposed enterprise zones to stimulate our hardest-hit urban areas. It's not going to cost the taxpayer. It will eventually mean money to the Treasury because you get those new businesses started in those areas. And then the transportation bill that I just mentioned, and incentives for increased savings and investment.

Throughout the coming legislative year, we will fight tooth and nail for economic growth, opportunity, and jobs. And I will fight against legislation that will bust the budget agreement and further burden the young people of this country with more and more debt, with bigger and bigger Federal deficits.

Now, and I realize that this only is a thumbnail sketch of our agenda, but I hope I have responded to your question. And I know there is a lot to be done. I am not relaxed about the economy, but I am not going to jump in and take steps out of some Congressional panic that might make the situation worse or might burden future generations of America more.

So, thank you very much for asking the question, and thanks for the opportunity to be out there with you today in this unique way. It works well from our standpoint, and I hope it came through loud and clear over there. But over and out, and many thanks.

Note: The President spoke at 12:09 p.m. from Room 459 in the Old Executive Office Building to the 73d annual conference of the American Gas Association, meeting in San Diego, CA. Michael Baly III, president of the AGA, served as moderator for the teleconference. In his remarks, the President referred to C. Gregg Petersmeyer, Assistant to the President, Office of National Service.

The President also referred to Corporate Average Fuel Economy [CAFE] standards for automobiles and the Arctic National Wildlife Refuge [ANWR].

Remarks to Travel and Tourism Chief Executive Officers

October 28, 1991

Thank you all very, very much for being here. And I normally don't go around wearing make-up. I want you to know that. But we have a little studio in here, and I've just completed a satellite broadcast out to the West Coast. And I did not want to keep you waiting any more.

But, Bob, thank you very much for being here. Let me salute two that you may have heard from. I don't know whether Mike Boskin and Roger -- Roger Porter, was here and Mike Boskin, I believe. Has he been? They are key players on our team, and I'm glad they've participated. I want to salute John Keller who is sorely missed at the White House. He and I worked together for many, many years, and now he's over there. We're still working together but out of different buildings, and I know he's doing a good job. I want to salute Rock Schnabel and Roger Ballou, the president of American Express Travel Related Services, whom I've just met out here. So, here we go.

I am told that this is perhaps one of, well put it this way, one of the most unprecedented gatherings of travel and tourism executives. And I want to thank you all for taking the time to come here. I wanted to just pop in on this briefing to show support for the extraordinary contributions that your group is making, not only to the industry, travel and tourism industry, but to the economic well-being of our Nation. And it's high time that this industry, travel and tourism, a $327 billion economic powerhouse, received the recognition that it so richly deserves.

Let me just cite some numbers that most of you know, but some around the country don't know. In 1990, international visitors spent more than $50 billion on U.S. tourism and transportation services. We expect a $5 billion increase in 1991. U.S. earnings from tourism are growing faster than our receipts from goods and services as a whole, and this has been the case for over 30 years.

In terms of income generated and jobs created or sustained, tourism is among the top 3 industries in 37 of our 50 States. In 1990, nearly a million Americans owed their livelihood to international visitors. Add to that just over 5 million jobs generated by domestic travel and tourism for a total of nearly 6 million American jobs.

This solid record of growth has not gone unnoticed by small communities and by rural areas facing the challenge to diversify their economies. More and more rural communities are making tourism a part of the economic development options for the nineties. And the U.S. Travel and Tourism Administration, along with other Government agencies, are working to put smalltown America on the tourist map.

An example of our administration's commitment to this idea is a Presidential initiative on rural economic development which recognizes that new economic opportunities for rural America will be found primarily in off-farm employment opportunities such as tourism, retirement living, and commercial recreation. As part of that initiative, Federal agencies will provide leadership for educational outreach programs in rural tourism development.

I am also pleased to report that next month USTTA and other Federal agencies will sponsor a nationally televised conference, ``Turn It Around With Tourism,'' in conjunction with, in this instance, the University of Minnesota. This conference is intended to strengthen tourism-related businesses in small towns and in rural communities.

On the international front, this administration has sought to foster liberalized trade and to obtain the adaptation of international rules for the conduct of trade in services, including tourism, as well as encourage trade-related investment.

Several initiatives will have this effect by reducing barriers to tourism services, thereby opening up additional travel markets to companies.

They will also ``lock in'' beneficial conditions for market access in key existing tourism markets. Such an example is the fact that the United States has signed trade addenda with five Eastern European countries, including Czechoslovakia, Poland, and the Soviet Union. And we are currently working on a sixth addendum with Romania. These addenda will ensure that the U.S. travel industry receives the same benefits from agreements with our trading partners as other industries.

Supporting this industry takes the work of everyone, public and private. Our daughter, incidentally, our only daughter, Dorothy, helped me understand this when she worked in the Office of Tourism in the State of Maine. As for me, tough duty though it may be, I continue to do my part for the commercial recreation industry. [Laughter] Fishing, boating, tennis, golf, running, hunting, and all of this. Horseshoes. It's tough duty. Somebody has to do it, and I'm going to keep on. I don't care what they say about it. [Laughter] But seriously, this is a multimillion dollar industry, recreation industry, not to be taken for granted.

But the people who can really get America moving are right here in this room. Working side-by-side, the public and private entities you represent under the slogan of ``GO USA,'' and led by Bill Marriott, have managed to overcome the temporary lag in traveler confidence that was caused by the Persian Gulf war. And today, as we kick off phase two, under the leadership of Jim Robinson, I'm sure this coalition will be enormously successful stimulating travel to and within the United States.

In a moment, I'm going to turn this over to John Keller, the Under Secretary. But let me just simply reiterate my support for the agency, a small agency that is critical to this country's

international competitiveness in the global market, and for ``GO USA.'' I look forward to watching this partnership between Government and private sector companies grow and prosper, at home and abroad.

And as for me, although it is not exactly tourism in action, I will be leaving at 9:30 this evening for Madrid. And I might just say one word about that. These are important meetings. This is historic, and I don't want to get peoples' hopes too high because there is a long, long way to go before we have the makings of or have agreement for peace in that troubled corner of the world, the Middle East. But it's worth it. Believe me, it is worth it to reach out, and it is only the United States, it is only our country that can serve as this catalyst for peace. And so, I'm looking forward to this, and I'm hoping that it will be a first step now, this conference, in bringing peace to this part of the world that has suffered too long from war and conflict.

So, thank you again, once again, for all you're doing for this wonderful industry, and thank you for the opportunity just to drop in and say hello. Thank you.

Note: The President spoke at 12:26 p.m. in Room 450 of the Old Executive Office Building. In his remarks, the President referred to: Secretary of Commerce Robert A. Mosbacher; Michael J. Boskin, Chairman of the Council of Economic Advisers; Roger B. Porter, Assistant to the President for Economic and Domestic Policy; John Keller, Under Secretary of Commerce for Travel and Tourism; Rockwell A. Schnabel, Deputy Secretary of Commerce; JW Marriott, Jr., president and chairman of the Marriott Corp.; James D. Robinson III, chairman and chief executive officer of American Express Co.

Proclamation 6367 -- Refugee Day, 1991

October 28, 1991

By the President of the United States

of America

A Proclamation

The United States has long been both a symbol of hope and a source of substantial aid for refugees around the world. Through private voluntary organizations as well as government agencies, the American people have provided generous humanitarian assistance to millions of persons dislocated by natural disaster or by civil strife. We have also kept our doors open to people seeking refuge from tyranny and persecution, and we have encouraged other free nations to do likewise. By working hard to reap the rewards of freedom and opportunity, thousands of refugees have not only built new lives for themselves in the United States but also made invaluable contributions to our country.

While we have welcomed many refugees to these shores, the United States has also been working to overcome the conditions that force large numbers of people to flee their beloved homelands. We have consistently condemned political and religious persecution, and we have championed human rights while promoting the ideals of liberty, democratic pluralism, and tolerance. We have also worked to promote the peaceful resolution of conflicts and sustainable economic development in countries beset by poverty. Tragically, however, despite progress in these areas, the number of refugees worldwide has doubled during the past decade: according to the Department of State, their number has grown from 7,300,000 to an estimated 16,000,000. More than 11,000,000 of these refugees are concentrated in the Near East, in Asia, and in Africa. In all regions of the world, women and children continue to be the most seriously affected.

The international community must continue to uphold its fundamental responsibilities toward refugees. For our part, the United States remains firmly committed to assisting refugees and to contributing toward international relief efforts. The United States Government will continue to support the work of the United Nations High Commissioner for Refugees. Recognizing the value and the effectiveness of international cooperation on a wide range of global problems, we will also continue to urge other nations to increase their bilateral and multilateral assistance to refugees. Finally, because the refugee crisis is primarily the result of systematic government repression and bitter civil strife in some regions of the world, the United States will continue to promote respect for human rights and the rule of law, as well as the peaceful resolution of conflicts.

The demise of communism and the triumph of democratic movements around the world has

brought about an era of promise and opportunity. Heartened by this knowledge, let us build on the progress we have made so that all peoples might enjoy the blessings of freedom and security in their respective homelands.

The Congress, by Senate Joint Resolution 192, has designated October 30 of each year as ``Refugee Day'' and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I George Bush, President of the United States of America, do hereby proclaim October 30, 1991, as Refugee Day. I encourage all Americans to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twenty-eighth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 1:56 p.m., October 28, 1991]

Note: This proclamation was published in the Federal Register on October 30.

Second Annual Report to the Congress on the State of Small Business

October 28, 1991

To the Congress of the United States:

I am pleased to submit my second annual report on the state of small business. Nineteen ninety was an exciting year for small enterprises internationally -- a year when new winds of economic freedom blew strongly across Central and Eastern Europe and the Soviet Union. It was also a year of new and difficult challenges, as citizens of those nations struggled to build new free market economies.

American business also faced new challenges in 1990, as the economy slowed after nearly 8 years of expansion. Gross national product grew more slowly in 1990 than in previous years and real business earnings were down from the previous year's level. Fewer start-up businesses opened their doors than in 1989, and more businesses closed.

Yet even in this slower growing economy the strong spirit of American enterprise flourished, as small businesses continued to hire and train almost 9 out of 10 of America's new private sector workers. Research indicated that small business owners also tend to retain their employees longer in economic slowdowns.

Evidence of women's and minorities' impressive strides into business ownership continued to surface. Newly available census data indicated that women's business ownership jumped by more than 57 percent from 1982 to 1987, while business ownership by Black Americans increased by more than 37 percent.

We have much to celebrate in the fact that American business ownership increasingly reflects our great national strength -- our diversity. The 20 million individuals who own small businesses continue to make remarkable contributions to the vitality of our economy. I believe that, working together, government and the private sector can make the economic environment even better for small businesses and for all Americans.

My Administration is committed to opening doors to free and fair trade, so that more American entrepreneurs can compete globally. For example, thanks in part to the ``fast track'' authority recently approved by the Congress, we will continue to improve our trade with Mexico, where 85 million people buy 70 percent of their imports from the United States. And the United States-Canada Free-Trade Agreement is stimulating trade with our northern neighbors.

Another priority is to reform our pension system. In small firms, for example, only 25 percent of

employees are covered by pension plans. Often for legitimate business reasons -- but at a significant cost in retirement security for employees -- fewer pension plans are being formed than in previous years. We can do better. We can increase pension portability, pension accessibility, pension flexibility. We can eliminate some of the administrative headaches associated with pension plans, and my Administration has been working on legislative proposals to do just that.

I believe we can and must make health care more available and affordable -- especially for those 35 million Americans without health insurance. Unfortunately, many of our Nation's uninsured are workers in small businesses, which employ many older, seasonal, and temporary workers -- higher risk, higher cost workers from the standpoint of health insurers. These small firms often find the financial and administrative costs of health insurance prohibitive. We have many minds working on that problem in this country -- and I think it will turn out that the best solutions are local ones, rather than national Government mandates.

We can free up more capital for investment in new products, new processes, new technologies, new ideas. Decisions about which new ideas are worth investment are best made by those who have the most to lose -- the investors. It makes sense, then, that incentives to invest more -- as we have proposed in the form of lower taxes on capital gains -- will help channel new capital to good ideas, innovations, and businesses. That in turn will mean more economic growth and more jobs for Americans.

Another urgent priority for our Nation is education. We are not making the grade in education, and that threatens the ability of workers to perform their jobs and the ability of our Nation to compete in a global market. We have been working with the Governors to develop a set of goals that will make American students first in the world in math and science and make every American adult literate by the year 2000. Small businesses, which employ many of our entry-level workers, are on the front lines of this war against illiteracy, and their involvement will be key.

It is certainly true in this last decade of the 20th century that the big picture -- the national and international view -- is exciting as new democracies are formed, new leaders take the stage, nations move towards market economies. But I am more and more convinced that real change happens mostly at the small level, the local level, the individual level -- in the millions of places where new ideas are born, new enterprises are established, new workers are trained. I am confident that individually and together, in the spirit of American enterprise, we will meet and surpass the challenges before us.

George Bush

The White House,

October 28, 1991.

Message to the Senate Transmitting The Bahamas-United States Extradition Treaty

October 28, 1991

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Extradition Treaty between the Government of the United States of America and the Government of the Commonwealth of The Bahamas signed at Nassau on March 9, 1990. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Treaty.

The Treaty is designed to update and standardize the conditions and procedures for extradition between the United States and The Bahamas. Most significant, it substitutes a dual criminality clause for a current list of extraditable offenses, so that, inter alia, certain additional narcotics offenses will be covered by the new Treaty. The Treaty also provides a legal basis for temporarily surrendering prisoners to stand trial for crimes against the laws of the Requesting State.

The Treaty further represents an important step in combatting terrorism by excluding from the scope of the political offense exception serious offenses typically committed by terrorists; e.g., crimes against a Head of State or first family member of either Party, aircraft hijacking, aircraft sabotage, crimes against internationally protected persons, including diplomats, hostage-taking, narcotics trafficking, and other offenses for which either the United States or The Bahamas may have an obligation to extradite or submit to prosecution by reason of a multilateral treaty, convention, or other international agreement.

The provisions in this Treaty follow generally the form and content of extradition treaties recently concluded by the United States. Upon entry into force, it will supersede the existing Extradition Treaty between the United States and The Bahamas.

This Treaty will make a significant contribution to international cooperation in law enforcement. I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

George Bush

The White House,

October 28, 1991.

Statement by Press Secretary Fitzwater on an Anti-Narcotics Summit

October 28, 1991

President Bush has accepted an invitation from the Presidents of Bolivia, Colombia, Ecuador, Peru, and Venezuela to attend a second anti-narcotics summit. The President has invited the participants to the United States for this summit and proposed that it be held in early 1992, perhaps as early as February. This is also the second anniversary of the successful Cartagena summit of February 1990.

Since that day in Cartagena when the President met with the Presidents of Bolivia, Colombia, and Peru, we have made tremendous strides in the drug fight, both at home and abroad. That meeting brought the international effort against drugs into focus as has no other event. The struggle has become a national priority for many nations, including Mexico which has been invited to participate in this summit.

Since we set forth our common goals in the Declaration of Cartagena, cocaine consumption in the United States is down. The drug mafias have been attacked, and trafficker routes have been disrupted throughout the region. We have been working together to create alternative development and new trade opportunities in the hemisphere, and we have negotiated bilateral agreements to strengthen our unified front against drug abuse and trafficking. Efforts against chemical supplies and money laundering are also improving.

The five Andean Presidents jointly invited President Bush to meet with them to ``undertake a joint evaluation of the advances made in the battle against narcotics so as to be able to set even more audacious goals in our effort to defeat once and for all this scourge of mankind." Hence, this summit will be expanded and will build on the excellent base established at Cartagena 2 years ago.

Statement on Signing the Continuing Appropriations Bill

October 28, 1991

Today I have signed into law H.J. Res. 360, making further continuing appropriations for fiscal year 1992.

Providing for the operation of the Government through Continuing Resolutions is an undesirable practice. However, a Second Continuing Resolution for FY 1992 is necessary at this time in order to keep certain activities of the Government functioning while the Congress completes the appropriations process.

I commend the Congress for presenting me with a simple, straightforward extension of funding that is not burdened with unrelated provisions. I also urge the Congress to complete the ordinary appropriations process by November 14, which is the date this Resolution expires except for activities covered by the Foreign Operations appropriations bill.

George Bush

The White House,

October 28, 1991.

Note: H.J. Res. 360, approved October 28, was assigned Public Law No. 102 - 145.

Statement on Signing the Treasury, Postal Service and General Government Appropriations Act, 1992

October 28, 1991

Today I have signed into law H.R. 2622, the ``Treasury, Postal Service and General Government Appropriations Act, 1992."

I am pleased that this Act provides significant funding increases for major Administration priorities, including modernization of tax processing systems in the Internal Revenue Service, drug interdiction activities in the United States Customs Service, and drug rehabilitation and treatment programs financed through the Office of National Drug Control Policy.

I commend the Congress for lowering postal rate subsidies for certain third-class mailers who use nonstandard envelopes that cost more to process and deliver. I look forward to working with the Congress to continue our joint efforts to reform this program.

A number of provisions in the Act condition the President's authority, and the authority of affected executive branch officials, to use funds otherwise appropriated by this Act on the approval of various committees of the House of Representatives and the Senate. These provisions constitute legislative vetoes similar to those declared unconstitutional by the Supreme Court in INS v. Chadha. Accordingly, I will treat them as having no legal force or effect in this or any other legislation in which they appear.

In addition, title I of the Act contains several provisions that limit the ability of the Office of Management and Budget to perform certain review functions (e.g., the prohibition on using funds for review of agricultural marketing orders). These provisions raise constitutional concerns because they impair the President's ability to supervise the executive branch.

Balancing the competing priorities of Government programs is a difficult task. I appreciate the efforts of the Congress in developing this Act. We will continue to work with the Congress to seek solutions to those concerns I have noted.

George Bush

The White House,

October 28, 1991.

Note: H.R. 2622, approved October 28, was assigned Public Law No. 102 - 141.

Statement on Signing the Department of Transportation and Related Agencies Appropriations Act, 1992

October 28, 1991

Today I have signed into law H.R. 2942, the ``Department of Transportation and Related Agencies Appropriations Act, 1992."

This Act includes funding to maintain and improve our transportation systems. The Act also contains strong provisions pertaining to testing for drug abuse and alcohol misuse in the transportation sector. These provisions, which had our full support, send a strong signal to those who travel on mass transit and other systems: We are committed to ensuring that America's transportation systems are safe.

In one respect, however, this appropriations measure lacks meaning. The Congress still has not presented me with a surface transportation reauthorization bill. This appropriations Act appears to suggest that States have $16.8 billion in grant assistance to award new highway construction contracts this fiscal year. In reality, until the reauthorization bill passes, the States have only $5.8 billion to award from funds left over from last year. New funds are unavailable because the Congress has failed to enact the reauthorization bill in a timely manner.

The Administration proposed a highway bill on February 13 of this year. On March 6, I challenged the Congress to present me with a bill I could sign in 100 days. The delay in enactment of the highway bill disrupts the construction industry, costs jobs, and slows down needed improvements to our transportation systems. We need to put people back to work. I urge the Congress to develop expeditiously a bill I can sign.

George Bush

The White House,

October 28, 1991.

Note: H.R. 2942, approved October 28, was assigned Public Law No. 102 - 143.

Statement on Signing the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993

October 28, 1991

Today I have signed into law H.R. 1415, the ``Foreign Relations Authorization Act, Fiscal Years 1992 and 1993." The Act contains welcome new authorities for the Department of State, many of them included at the Administration's request. For example, the Act provides an important authorization of funds for construction of a secure chancery in Moscow, and for full payment of assessed contributions and arrearages to international organizations and for peacekeeping activities. These are especially helpful in light of our current relationship with the Soviet Union and the expanding peacekeeping role of the United Nations. I want to express my appreciation to the Congress for its cooperation in this effort. I regret, however, that the Congress has included several provisions in the Act that raise constitutional or other difficulties.

Article II of the Constitution confers the Executive power of the United States on the President alone. Executive power includes the authority to receive and appoint ambassadors and to conduct diplomacy. Thus, under our system of government, all decisions concerning the conduct of negotiations with foreign governments are within the exclusive control of the President. Some of the provisions of H.R. 1415 could be interpreted as directing or limiting through legislation the conduct by the President of foreign relations. Such an interpretation would violate fundamental constitutional principles.

For example, section 129 would prohibit the issuance of Israel-only passports and the issuance of more than one official or diplomatic passport to any U.S. Government employee for the purpose of acquiescing in the Arab League countries' policy of denying entry to persons whose passports reflect that they have travelled to Israel. It also directs the Secretary of State to enter into negotiations to seek an end to this policy. I am sympathetic to the goals of this legislation and have made this issue part of the Administration's discussions with the countries that engage in such practices.

The Constitution, however, vests exclusive authority in the President to control the timing and substance of negotiations with foreign governments and to choose the officials who will negotiate on behalf of the United States. A purported blanket prohibition on the issuance of more than one official or diplomatic passport to U.S. Government officials could interfere with my ability to conduct diplomacy by denying U.S. diplomats the documentation necessary for them to travel to all countries in the Middle East and could upset delicate and complex negotiations. I therefore am directing the Secretary of State to ensure that this provision does not interfere with my constitutional prerogatives and responsibilities.

Section 322 and title IV also raise constitutional concerns. These sections deal with Middle East arms control policy and purport to direct the President specifically how to proceed in negotiations

with the United Nations and with foreign governments. This Administration is strongly committed to ongoing negotiations regarding restraints on the transfer of conventional arms and weapons of mass destruction to the Middle East. However, I must construe these sections consistent with my responsibility for conducting negotiations with foreign governments.

Section 301(b) requires the Secretary of State to designate an official with responsibility for, among other things, developing a proposal for the prosecution of Persian Gulf war criminals in an international tribunal, including proposing to the United Nations the establishment of such tribunal. I am sympathetic to the goal of this provision. I note, however, that the responsibilities of this official are to be understood by reference to section 301(a). In guiding him in the performance of his duties, therefore, I will keep in mind that section 301(a) expresses only ``the sense of the Congress." In conjunction with these provisions, section 301(c) requires me to submit a report to the Congress describing evidence of war crimes and identifying war criminals. I will interpret this provision in a manner consistent with my constitutional authority to protect state secrets and sensitive law enforcement information.

On a different matter, several sections impose significant reporting requirements on the Secretary of State that could be read to compel the disclosure of sensitive diplomatic activities or communications and/or state secrets. Section 114 requires unclassified reporting of certain activities in the confidential fund maintained for emergencies in the diplomatic and consular service. The mandatory public disclosure of some of these activities would be inimical to the success of U.S. foreign policy, and I shall therefore interpret this provision consistent with my constitutional authority to protect such information.

Title V, Chemical and Biological Weapons (CBW), raises concerns with respect to both the President's control over negotiations with foreign governments and the possible disclosure of sensitive information. Title V's provisions establish sanctions against foreign companies and countries involved in the spread or use of chemical and biological weapons. Title V demonstrates that the Congress endorses my goal of stemming dangerous CBW proliferation. In signing this Act, it is my understanding, as reflected in the legislative history, that title V gives me the flexibility to protect intelligence sources and methods essential to the acquisition of intelligence about CBW proliferation. In part, such flexibility is available because title V does not dictate the timing of determinations that would lead to sanctions against foreign persons.

In connection with another arms control provision, section 323, I am signing this Act on the understanding that the sanctions that must be imposed as a result of this new section apply only to exports to foreign persons of items controlled pursuant to the Arms Export Control Act, and not to exports to foreign persons of items controlled by any other law.

Section 198 deals with the publication of the ``Foreign Relations of the United States historical series" and the declassification of Department of State documents. This section also must be interpreted in conformity with my constitutional responsibility and authority to protect the

national security of the United States by preventing the disclosure of state secrets and to protect deliberative communications within the executive branch. To the extent that section 198 addressed the standards for declassification of national security information, it will be interpreted to effect no change in the standards set forth in the existing Executive order on national security information. Further, section 198 will be implemented in a manner and on a schedule that will not risk ill-considered release of protected information.

Other provisions that might be construed to require disclosure of the content of sensitive diplomatic communications, state secrets, or intelligence information will also be interpreted consistent with the President's responsibility to protect such information. See, e.g., sections 127, 129(c), 133, 192, 193, 356(b), 404, 506(b), and 508. Similarly, section 235 will be interpreted consistent with my responsibility to protect privileged material.

A number of other provisions of H.R. 1415 also pose serious constitutional problems. Section 173 would impose unconstitutional restrictions on my appointment power with respect to members of the Board of the Inter-American Foundation. Section 175(b), by requiring the Secretary of State to submit ``legislative recommendations'' to the Congress, would infringe on the Executive's constitutional prerogative to submit ``such measures as [the President] shall deem necessary and expedient.'' U.S. Const., Art. II, section 3. By directing the opening or restricting the closing of consular, diplomatic, and United States Information Agency offices, sections 112, 206, 216, and 223 would constrain the exercise of my constitutional authority to conduct foreign relations and, in particular, to direct ambassadors and other representatives of the United States. Because of these constitutional difficulties, I will treat these provisions as advisory.

Section 234 mandates the creation of a Kurdish broadcast service at the Voice of America (VOA). This Administration agrees that the Iraqi Kurds need information on events in the free world and pertaining to their own situation, and also agrees with the statement in section 234 that the Voice of America provides an effective means to accomplish this. However, this Administration believes that the creation of VOA language services through legislation limits the ability of the Agency to respond to rapidly changing international situations in a flexible and timely manner. For these reasons, this Administration will continue to oppose the specification in legislation of languages, broadcast hours, and organizational arrangements.

H.R. 1415 also includes requirements for more than 60 new reports to be submitted to the Congress. While I recognize the value of reports in assisting the Congress in its legislative responsibility, taken together such reports put a heavy burden on the reporting agencies at a time of scarce resources. I hope that, in the future, the Congress will balance its legitimate need for information with the time and expense involved in preparing a report, and make an effort to minimize reporting requirements, both in terms of the number and frequency of reports that must be submitted, as well as the level of detail required.

Finally, I object strongly to section 122, creating the position of Assistant Secretary of State for

South Asian Affairs. A single Assistant Secretary handling both the Near East and South Asia, as is the case under the Department's current organization, is best for the conduct of foreign policy as well as from a management perspective. Having a single bureau enables the Department of State to develop an integrated approach to such crucial issues as proliferation of weapons of mass destruction, the Islamic revival, and the Afghan situation -- all of which involve both the countries of South Asia as well as those of the Near East. From a management perspective, this would be the smallest geographic bureau in the Department, and therefore would be inefficient and expensive. More generally, I will continue to work with the Congress to obtain the organizational flexibility needed to conduct our foreign policy most effectively.

George Bush

The White House,

October 28, 1991.

Note: H.R. 1415, approved October 28, was assigned Public Law No. 102 - 138.

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1992

October 28, 1991

Today I have signed into law H.R. 2608, the ``Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1992."

While providing less than I had requested, this Act includes funding for important programs at the Department of Justice that make major contributions to the fight against crime and illegal drug use in our society. In addition, funding provided for weather satellites should avoid any possible future gap in coverage and protect our public safety. Finally, the Act provides needed funds for programs to conduct the Nation's foreign affairs and public diplomacy programs. Especially important is the funding for our contributions to the United Nations, other international organizations, and peacekeeping activities.

Section 503 of the Act prohibits the use of funds to issue Israel-only passports and more than one official or diplomatic passport to Government employees in certain circumstances. This prohibition applies to issuing passports for the purpose of complying with the policy of some Arab League nations of denying entry to persons whose passports reflect that they have previously visited Israel. I am sympathetic to the goals of this provision and have made this issue part of the Administration's discussions with the countries that engage in such practices.

The Constitution, however, vests exclusive authority in the President to control the timing and substance of negotiations with foreign governments and to choose the officials who will negotiate on behalf of the United States. A purported blanket prohibition on the use of funds to issue more than one official or diplomatic passport to U.S. Government officials could interfere with the President's ability to conduct diplomacy by denying U.S. diplomats the documentation necessary for them to travel to all countries in the Middle East and could upset delicate and complex negotiations. I therefore am directing the Secretary of State to ensure that this provision does not interfere with my constitutional prerogatives and responsibilities.

As with the Acts of the last 2 years, I interpret the provisions related to the Legal Services Corporation as not restricting the authority of future recess appointees to exercise all powers conferred upon members of the Board of Directors of the Corporation.

George Bush

The White House,

October 28, 1991.

Note: H.R. 2608, approved October 28, was assigned Public Law No 102 - 140.

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992

October 28, 1991

Today I have signed into law H.R. 2519, the ``Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992."

The Act provides the funding necessary for our space program, key elements of the Nation's research enterprise, a strong program of environmental protection, important programs relating to the Nation's veterans, and various housing programs. While many sections of the Act provide funds for priority activities requested by the Administration, several housing provisions are flawed.

Although it does not fully fund the Administration's request for civil space activities, the Act provides the funds necessary to maintain a balanced and forward-looking space program. An increase of almost 10 percent is provided for space science programs. Funding is provided to advance work on the engine for the proposed New Launch System. In addition, Space Station Freedom, an essential step in meeting our future space objectives, received an increase of almost 7 percent, an amount adequate to keep the project on schedule during the current fiscal year.

The Act funds the Administration's request for a range of environmental protection programs. The operating budget of the Environmental Protection Agency, which includes funds for implementing the Clean Air Act, enforcing our environmental laws, and improving the science base for environmental protection, will grow by approximately 11 percent. I am pleased that the Act also funds my request for special grants to accelerate progress in meeting sewage treatment requirements in Boston Harbor, New York Harbor, Los Angeles, San Diego, and Seattle. I would note that the Congress has again reduced my request for funding for Superfund cleanups. The Administration is committed to accelerating progress in cleaning up hazardous waste sites.

The Act provides an 11 percent increase for important research and education programs under the National Science Foundation (NSF). I believe that a strong basic research program is vital to America's continuing ability to compete in world markets. Although this Act provides a higher proportion of requested research funds than has been the recent practice, the Act has reduced the requested 16 percent increase for research and related programs to an 11 percent increase. These core research programs of the NSF primarily fund individual investigators, the backbone of American science and the source of most of our new discoveries. I ask the Congress to work with me to ensure the future strength of America's vital research and development enterprise.

This Act meets the needs of our Nation's veterans. The Act provides $13.6 billion for VA Medical

Care, an increase of $1.3 billion over the FY 1991 enacted level. This increase will allow the Department to provide quality care to all eligible veterans and will enhance access to important services, including those for veterans who are AIDS sufferers and for veterans seeking drug abuse treatment. The $581 million appropriation for the administration of VA benefits provided in the Act will enable the Department to handle all benefit claims, including those related to Desert Shield/Desert Storm. Therefore, I am not designating an additional $14.1 million for the administration of benefits as ``emergency requirements'' under the provisions of the Budget Enforcement Act.

I am disappointed, however, in several provisions of the Act related to housing. Language in the final Act -- contained in neither the House- nor Senate-passed versions of the bill -- prevents HUD from promulgating a regulation concerning the Public Housing program. This extraordinarily objectionable provision cancels HUD's efforts to make vitally necessary reforms in the Public Housing program. By this action, the Congress ensures that HUD pays local housing authorities to operate vacant public housing units. This means that there is less incentive to take needy people off of waiting lists. Further, this provision points to the problems that arise when the Federal Government subsidizes buildings rather than people.

I am greatly concerned over the inadequate funding levels for the Administration's important housing initiatives that emphasize tenant choice, homeownership opportunities, and coordinated housing-service delivery to the homeless. The Congress has provided approximately 40 percent of the requested funding level for the Homeownership and Opportunity for People Everywhere program (HOPE), a program that would enable low-income persons to take control of their lives through homeownership. Further, the Congress has provided no funding for the flexible rental housing component of the Shelter Plus Care program, the Administration's initiative for the homeless.

I am disappointed that the Congress continues to support housing programs that are very costly and that do not offer choice to poor families because new buildings, rather than poor families, receive subsidies. Further, the Congress has provided $150 million for unauthorized, special purpose projects, an action that is inconsistent with the policy goals of the Department of Housing and Urban Development Reform Act of 1989.

I am disturbed that the Congress has chosen to waive the non-Federal matching requirement for the HOME program for 1992. The graduated match required in the HOME program reflected both the spirit of partnership between States, localities, and the Federal Government and the strong incentive toward rehabilitation of substandard housing and tenant-based assistance. The waiver not only eliminates the incentive for rehabilitation and tenant assistance, but, more significantly, it strips the program of the ability to induce more investment in low-income housing.

The Congress had an especially difficult task balancing the diverse and competing priorities

funded in this Act. Notwithstanding the concerns I have expressed, I appreciate their efforts. We will continue to work with the Congress to seek solutions to the problems I have noted and to attend to the priorities I have identified.

George Bush

The White House,

October 28, 1991.

Note: H.R. 2519, approved October 28, was assigned Public Law No. 102 - 139.

Statement by Press Secretary Fitzwater Condemning Terrorism on the West Bank

October 28, 1991

We condemn the senseless act of violence conducted on the West Bank today. We have previously warned that extremist groups might try to use violence to disrupt the forthcoming Middle East peace conference. They cannot be allowed to succeed in sabotaging the peace process. We call upon all parties to condemn this act and reject violence, especially at this critical time. We offer our sympathies to the victims of this terrorist act. 8

Nomination of William Edwin Ryerson To Be United States Ambassador to the Republic of Albania

October 28, 1991

The President today announced his intention to nominate William Edwin Ryerson, of Virginia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Albania. This ambassadorial appointment follows the resumption of U.S. relations with Albania on March 15, 1991.

Most recently Mr. Ryerson served as Chief of the United States Delegation in Tirana, Albania. Previous assignments included: Associate Director, Visa Services Directorate, Bureau of Consular Affairs at the U.S. Department of State, 1990 - 1991; Consul General at the U.S. Embassy in Belgrade, 1986 - 1990; Serbo-Croatian language training at the Foreign Service Institute, 1985 - 1986; Chief of Consular Section at the U.S. Embassy in Bonn, 1981 - 1985; Office Director, Office of Public and Diplomatic Liaison, Visa Services Directorate, Bureau of Consular Affairs at the U.S. Department of State, 1980 - 1981; and Berlin Desk Officer, Office of Central European Affairs at the U.S. Department of State, 1978 - 1980.

Mr. Ryerson graduated from Cornell University (B.A., 1960). He was born December 10, 1936, in Pompton Lakes, NJ. He is married, has four children, and resides in Arlington, VA.(M.A., 1972). He is married, has one child, and resides in Alexandria, VA.

Executive Order 12779 -- Prohibiting Certain Transactions With Respect to Haiti

October 28, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code, and in view of Resolution MRE/RES. 2/91, adopted by the Ad Hoc Meeting of Ministers of Foreign Affairs of the Organization of American States on October 8, 1991, and in order to take additional steps with respect to the national emergency declared in Executive Order No. 12775 of October 4, 1991,

I, George Bush, President of the United States of America, find that the grave events in the Republic of Haiti that are continuing to disrupt the legitimate exercise of power by the democratically elected government of that country continue to constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, and hereby order:

Section 1. Except to the extent provided in regulations, orders, directives, or licenses which may hereafter be issued pursuant to this order, all property and interests in property of the Government of Haiti, its agencies, instrumentalities and controlled entities, including the Banque de la Republique d'Haiti, that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons, including their overseas branches, are blocked.

Sec. 2. Except to the extent provided in regulations, orders, directives, or licenses which may hereafter be issued pursuant to this order:

(a) Any direct or indirect payments or transfers to the de facto regime in Haiti of funds, including currency, cash, or coins of any nation, or of other financial or investment assets or credits, by any United States person, or by any person organized under the laws of Haiti and owned or controlled by a United States person, are prohibited. All transfers or payments owed to the Government of Haiti shall be made when due into an account at the Federal Reserve Bank of New York, or as otherwise may be directed by the Secretary of the Treasury, to be held for the benefit of the Haitian people.

(b) Except as provided in subsection (d) of this section, the importation into the United States of any goods of Haitian origin, other than publications and other informational materials, or of services performed in Haiti, is prohibited.

(c) The exportation from the United States to Haiti, directly or indirectly, of any goods, technology (including technical data or other information controlled for export pursuant to the Export Administration Regulations, 15 C.F.R. Parts 768 et seq.), or services other than (i) publications and other informational materials; (ii) donations of articles intended to relieve human suffering, such as food, clothing, medicine and medical supplies; and (iii) rice, beans, sugar, wheat flour, and cooking oil, is prohibited.

(d) For a period of 30 days from the effective date of this order, goods containing parts or materials exported from the United States prior to the effective date of this order may be imported into the United States following assembly or processing in Haiti.

Sec. 3. For the purposes of this order:

(a) The term ``de facto regime in Haiti'' means those who seized power illegally from the democratically elected government of President Jean-Bertrand Aristide on September 30, 1991, and includes any persons, agencies, instrumentalities, or entities purporting to act on behalf of the de facto regime in Haiti, or under the asserted authority thereof, or any extraconstitutional successor thereto.

(b) The term ``United States person'' means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States, or any person in the United States.

(c) The term ``goods of Haitian origin'' means goods grown, produced, manufactured, extracted, or processed in Haiti, or which have entered into Haitian commerce.

Sec. 4. The measures taken pursuant to this order are not intended to block private Haitian assets subject to the jurisdiction of the United States, or to prohibit remittances by United States persons to Haitian persons other than the de facto regime in Haiti.

Sec. 5. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to me by the International Emergency Economic Powers Act, as may be necessary to carry out the purposes of this order. Such actions may include prohibiting or regulating payments or transfers of any property, or any transactions involving the transfer of anything of economic value, by any United States person to the de facto regime in Haiti; or prohibiting or regulating the provision of transportation between the United States and Haiti by any vessel or aircraft. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government, all agencies of which are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order, including suspension or termination of licenses or other authorizations in effect as of the date of this order.

Sec. 6. Unless otherwise specified, this order shall be effective as of 11:59 p.m., eastern standard time, November 5, 1991. Sections 1 and 2(a) of this order became effective at 12:23 p.m. on October 4, 1991, pursuant to Executive Order No. 12775.

Sec. 7. Nothing contained in this order shall confer any substantive or procedural right or privilege on any person or organization, enforceable against the United States, its agencies or its officers, or the Federal Reserve Bank of New York or its officers.

Sec. 8. Executive Order No. 12775 of October 4, 1991, is hereby revoked to the extent inconsistent with this order. All delegations, rules, regulations, orders, licenses, and other forms of administrative action made, issued, or otherwise taken pursuant to Executive Order No. 12775 and not revoked administratively shall remain in full force and effect under this order until amended, modified, or terminated by proper authority. The revocation of any provision of Executive Order No. 12775 pursuant to this section shall not affect any violation of any rules, regulations, orders, licenses, or other forms of administrative action pursuant to that order during the period that such provision of that order was in effect.

This order shall be transmitted to the Congress and published in the Federal Register.

George Bush

The White House,

October 28, 1991.

[Filed with the Office of the Federal Register, 11:45 a.m., October 29, 1991]

Note: This Executive order was released by the Office of the Press Secretary on October 29, and it was published in the Federal Register on October 30.

Message to the Congress Transmitting an Executive Order Prohibiting Certain Transactions With Haiti

October 28, 1991

To the Congress of the United States:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. section 1703(b), and section 301 of the National Emergencies Act, 50 U.S.C. section 1631, I hereby report that I have again exercised my statutory authority to issue an Executive order with respect to Haiti that:

(a) Continues to block all property including bank deposits of the Government of Haiti in the United States or in the control of U.S. persons including their overseas branches;

(b) Continues to prohibit any payment to the de facto regime in Haiti by U.S. persons or by any person organized under the laws of Haiti and owned or controlled by a U.S. person, and to require that payments owed to the Government of Haiti be paid when due into an account in the Federal Reserve Bank of New York, unless otherwise directed by the Treasury, to be held for the benefit of the Haitian people; and

(c) Prohibits, effective 11:59 p.m. e.s.t., Tuesday, November 5, 1991, trade between Haiti and the United States, with an exception for trade in informational materials. The order further excepts exportation to Haiti of (i) donations intended to relieve human suffering; and (ii) rice, beans, sugar, wheat flour, and cooking oil. An import exception is also created for goods containing parts or materials exported from the United States through Tuesday, November 5, 1991, assembled or processed in Haiti, and imported into the United States before midnight on December 5, 1991.

Items (a) and (b) reaffirm the action I took in issuing Executive Order No. 12775 on October 4, 1991, and continue to be warranted by the circumstances described in my report to the Congress of October 4, 1991, regarding that Executive order. Item (c) is a new action taken in view of the continuing crisis in Haiti and of the resolution of the Meeting of Foreign Ministers of the Organization of America States adopted on October 8, 1991, which inter alia urges member States to impose a trade embargo on Haiti.

I have instructed that this order be implemented with due regard to humanitarian needs of the Haitian people.

I am enclosing a copy of the Executive order.

George Bush

The White House,

October 28, 1991.

Note: This message to Congress was released by the Office of the Press Secretary on October 29.

Nomination of William Edwin Ryerson To Be United States Ambassador to the Republic of Albania

October 28, 1991

The President today announced his intention to nominate William Edwin Ryerson, of Virginia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Albania. This ambassadorial appointment follows the resumption of U.S. relations with Albania on March 15, 1991.

Most recently Mr. Ryerson served as Chief of the United States Delegation in Tirana, Albania. Previous assignments included: Associate Director, Visa Services Directorate, Bureau of Consular Affairs at the U.S. Department of State, 1990 - 1991; Consul General at the U.S. Embassy in Belgrade, 1986 - 1990; Serbo-Croatian language training at the Foreign Service Institute, 1985 - 1986; Chief of Consular Section at the U.S. Embassy in Bonn, 1981 - 1985; Office Director, Office of Public and Diplomatic Liaison, Visa Services Directorate, Bureau of Consular Affairs at the U.S. Department of State, 1980 - 1981; and Berlin Desk Officer, Office of Central European Affairs at the U.S. Department of State, 1978 - 1980.

Mr. Ryerson graduated from Cornell University (B.A., 1960). He was born December 10, 1936, in Pompton Lakes, NJ. He is married, has four children, and resides in Arlington, VA.

Note: This nomination is being reprinted because of typesetting errors in last week's issue. We regret any inconvenience this may have caused.

The President's News Conference With President Gorbachev of the Soviet Union in Madrid, Spain

October 29, 1991

President Bush. Well, just very briefly, I want to thank President Gorbachev. We've had yet another very constructive meeting. We're here, of course, for this international conference on the Middle East, and I can express my gratitude to President Gorbachev for the very constructive role that the Soviet Union has played in the actions leading up to this conference. We're grateful to him for that.

We also discussed some of the matters of mutual interests involving the situation inside the Soviet Union, the dynamic change there, the commitment to reform that is still very strong. And all in all, as far as I'm concerned, it was yet one more very good meeting with the President.

President Gorbachev. I join what Mr. President just said and wanted only to say a couple of words for myself. We agreed on holding this meeting since it was a very convenient opportunity in order to coordinate our watches, synchronize our watches, to talk a little about what is of mutual interest to the Soviet Union and to the United States.

Yes, it's true that we began by -- we talked about all the many years of effort that we made. Especially our joint efforts in the very recent past, both of the United States and the Soviet Union, has brought us to the point now where, today, tomorrow, this long-awaited forum, this long-awaited conference is opening. And let's hope that given everything that we might encounter along the way during these negotiations within the confines of this conference, let's hope that it all turns out for the best and positively.

In any case, President Bush and I have agreed that having opened this conference and having left Madrid, we not at all expect to be somewhere on the side. On the contrary, we're going to facilitate as much as possible, use all the remedies that we have at our disposal. I think that all the participants of the conference and we, too, wanted to -- both today and tomorrow we'll talk about it some more, maybe to appeal to everybody that they act responsibly with great understanding that what is beginning within the framework of this Madrid conference -- how meaningful it is, and that everybody be very constructive as much as possible.

Further, we said a lot and talked a lot about -- since I had the intention to pose before President Bush several questions, several issues vis-a-vis what's happening internally in the Soviet Union, and also because he and Mr. Secretary of State also had a whole series of questions in order to ask, for the benefit of their own understanding, to try to find out where we now are in the Soviet Union and to get a better grasp of what kind of issues and problems we're trying to solve.

This took quite a large percentage of our time, probably the majority of our meeting. I'm very satisfied by the position which was held, by the position of the President of the United States, and hope that -- have all the basis to believe and feel that this is yet another step in strengthening the mutual understanding and cooperation between our two countries, right at the stage of all the great and momentous changes that are taking place.

And finally, we had an exchange of information and views as to what each of the sides is doing in the context of disarmament and all the initiatives that have been undertaken.

The President and I gave a very high mark to the way we are solving a lot of these very burning issues which for many years have plagued us. But now basing ourselves on all the experiences that have happened over the last few years, especially how well we're getting along now with our two countries, between the Soviet Union and the United States, also among the members of the two governments of the two countries, that we're finding very good solutions.

In any event, we wanted to have a very short meeting to chat and maybe not overload ourselves too much because the subject of this meeting, in fact, is the opening of the conference. But in fact, we had a very substantive discussion; I think it will be very useful for both parties, for both sides. Thank you.

Nuclear Arms Reduction

Q. This is a question to President Bush and President Gorbachev. You are now talking about disarmament or arms control. How much of the two schedules of both the Soviet Union and the United States, schedules of disarmament and arms control, how much are they similar, the two schedules of the two countries?

President Bush. We made some sweeping proposals a while back. President Gorbachev immediately responded positively to our proposals. Then he came forward with some additional proposals. And I would say, after analyzing his, and his analyzing our proposals, that our schedules are very close to in line. And what we've agreed to do today is to talk further on the practical steps involved.

We had good discussions on the whole question of nuclear arms reduction and nuclear safety, but I can assert from the U.S. side that our schedules, as you refer to them, talk to them, are very close. And now what we've got to do is iron out more detail, have more discussion. And we've agreed to send our top people, including Mr. Bartholomew, to discuss with the Soviet side what additional steps we can agree on, additional to those that have already been agreed. I think we both want to go forward with CFE and START ratification very promptly.

President Gorbachev. I would have to merely confirm what President Bush said. There's no reason to worry or have any concern from either one or the other side. In view of the thing that

people say, ``Well, maybe this was found or that was found,'' certain initiatives, some people have concerns on schedule. No, there's nothing to worry about, I think. That's very important to say. And this is also a sign of responsibility and determination.

Secondly, I want to confirm what was said. We did, in fact, agree how this mechanism will work, the mechanism which will give us, or provide the opportunity for us to continue discussing these issues, to keep each other informed, and to clarify issues for each other as they arrive.

In addition, we've also agreed that there be created two groups which will discuss issues having to do with strategic stability. Included among that is strategic stability for the future. I think we'll also be handling these kinds of issues and looking far into the future.

Aid to the Soviet Union

Q. Mr. President, did you tell Mr. Gorbachev that you would provide any additional aid to the Soviet Union? And further, do you think the Western nations should withhold aid from breakaway Republics, such as the Ukraine, who refuse to cooperate on military and economic matters?

President Bush. On the latter point, we discussed a lot that relates to the Republics, but we still are very respectful of the changes that are taking place. I asked for certain clarification from President Gorbachev on this.

What was your point on the Ukraine?

Q. I was wondering whether or not the Ukraine, which says that it won't cooperate on the economic union, and it's also insisting on joint control with Moscow of nuclear missiles -- if you think that Western countries should provide aid to -- --

President Bush. I think that what we ought to do, and we did have a long discussion with President Gorbachev, is figure out the best package that we can do that will come as close to meeting his requirements as possible for economic aid. And clearly, some will go to the Republics. So, that all requires negotiation. There is no agreement on specific amounts or anything of that nature, but we did have a strong -- we had a good discussion of the requirements.

And again, I think the American people, when it comes to food aid and medicines, clearly want to be of assistance to the Soviet Union. And secondly, we are very interested in trying to do our part to see the reforms continue. And so we had a wide discussion about that. But no specifics have been agreed on. We will go back and talk to our representative that attended the G - 7; David Mulford attended the G - 7 finance meetings in Moscow. And then we'll have more negotiation and discussion with President Gorbachev on that.

Q. But it's not a barrier if the Ukraine refuses to cooperate on the economic and military matters?

President Bush. Well, I think it's President Gorbachev's feeling that they will cooperate on economic matters, but I defer to him on that.

President Gorbachev. I'm used to answering tough questions, so I agree. I agree to answer this part of your question as well. Yes, we for a long time now, President Bush and I have been discussing the cooperation at this very, very difficult phase of our reform process where the Soviet Union now finds itself. And I must say that, inevitably, given the very substantive nature and the principal nature and sometimes even sharpness of our discussions, nonetheless, we and the President, and the administration, we know that the President and the administration in Washington has shown great understanding and cooperation towards our plight.

We today, as well, discussed this within the context of saying that today in the Soviet Union -- today people from the G - 7, the deputy finance ministers of the G - 7 are meeting there to discuss this issue in particular. The very specific answer is that the result of the meeting -- there have participated 12 Soviet Republics and every one of them signed a memorandum by which they confirm the unified responsibility that they bear for paying the debts of the Soviet Union. They have empowered, all the 12 Republics have empowered their representatives to delegate their powers over to Vneshekonom Bank and have it be the central juridical face, also to decide who bears what responsibility in the Republics, who to have dealings with, who's going to have the authority.

So, I think that when you look at it at first glance, it might be a technical issue, but in very fact, it points out that if you have solidarity among all the Republics today on this, let's hope that in the future that is continued. So, let's say now today that all 12 have signed.

Now, how about the Ukraine? Two days ago, I think it was Friday morning, I spoke with the Prime Minister of the Ukraine, Mr. Volkin, who said to me in this talk, he told me that the Ukraine, after the decision by the Supreme Soviet, when he put forth his own program, among a whole series of other things that was said in that program, one of those issues was to enter the circle of Republics and sign the economic treaty. The Supreme Soviet voted, I think it was 283 or 284 in favor of the position of the Prime Minister of the Ukraine and only 39 against. This gave him the opportunity, now based upon the decision of the Supreme Soviet, to tell us and report to us that, in fact, he will sign. Maybe he's already signed it since I left Moscow, but in these last several days he will have signed this. So, I hope this takes care of your concern.

And finally, returning to today's conversation, I told President Bush I felt it necessary to report to him the most important thought, that now we have come up through this stage and now are actually beginning to make realistic, concrete steps toward the marketplace, stabilizing finances, taking steps to liberalize prices, taking steps aimed at quickening, speeding up the process of regularizing the financial order in the country. To really take a hard look and get our hands

around the debts. In other words, that very specific process that has to move us to the marketplace, that is now beginning.

And in fact, all of our society is now faced with a rather complex set of decisions. This precise moment when we are especially sensitive to what we are doing in our country, and we feel sensitively what the attitude is of all of our partners abroad. We have to take a look at what's been going on. I've reported to all the people -- I just told the President what all the G - 7 partners were talking about in Moscow, and we will get back once again to this issue and help them find a specific solution. Thank you.

Leadership in the Soviet Union

Q. Since your departure from Moscow, who is taking your place in Moscow? Who is fulfilling your duties?

President Gorbachev. Okay, I'll try to answer quickly because I know that nobody is. I'm still the President. Nobody is taking my place. Everybody else is doing what they're supposed to be doing and carrying out their functions. Whether I am more calm and confident now than I was before, I didn't lose my balance then, and I haven't lost it now. I'm fully confident that what we're doing is ultimately necessary, and I will do everything that's in my power to do everything necessary. Nobody is going to take me out of the action. The choice has been made.

President Bush. Let me respond to this, what I understand was the second part of the question. I have had a history of very satisfactory negotiations with President Gorbachev. You're correct in that. Secondly, when the coup attempt took place, we stood up against that. And thirdly, I sense no difference in how we talk and the frankness with which we exchange views, no difference, certainly from my standpoint, in the respect level for President Gorbachev. We in the United States watch with fascination and keen interest the developments inside the Soviet Union, the dramatic movements towards the reforms that he, himself, committed himself to years ago.

So, it is not for me to fine-tune every detail of change inside the Soviet Union. It is for me to continue to negotiate with President Gorbachev, with his total understanding, I'm sure. We've had many contacts with the Republics as well. And so, we will deal with what's there. And I'm very happy to see my friend again and to have had very fruitful discussions that have not in any way been altered by the tragic coup attempt last summer.

Middle East Peace Conference

Q. Mr. President, both of you, in terms of the Madrid conference, can there be a lasting, a just settlement in the Middle East unless there is a tradeoff of conquered land for peace? And also, with your hands-off policy, aren't you really -- you've brought them to the table. Does it mean ``you guys fight it out'' and there will be no involvement of the sponsors?

President Bush. Did you have an order in which you'd like that replied to?

Q. No, you can answer it any way you like.

President Bush. Thank you, Helen [Helen Thomas, United Press International].

Do you want to go first?

Look, the invitation went out. In the invitation it talked about Resolution 242 and 338. The American position is well-known. The Soviet position is well-known. But what is important here is getting the parties together. And one way you don't do that is for either the Soviet Union or the United States to try to impose a settlement. So, let them sort it out. We're available. We're there, the Soviet side, the U.S. side. Secretary Baker will remain on our side after I leave tomorrow.

But, we're not here to impose a settlement. We are here to be a catalyst. I think the worst thing we could do is reiterate our own positions to such a degree that one side or the other became disenchanted before they even talk to each other. This is historic because people are sitting down to talk to each other for the first time. So, at least from the U.S. side, it is not my intention to try to impose a settlement or to go back to years of differences and reiterate strongly held convictions.

On the U.S. side, what we're interested in is getting Israel and its neighbors to sit down and talk, talk in a multilateral facet and then go forward bilaterally.

Q. But you didn't answer my question.

President Bush. What was it? I thought I gave a good answer to it. [Laughter]

Q. Can there be peace if there is not a tradeoff?

President Bush. I told you, let the parties work all this out, Helen. Who is it for you and me to sit here in this lovely Soviet Embassy to try to say what the requirements are going to be? I told you what the invitation said, based on 242 and 338. Everybody knows what that means. So, there's no point in me going beyond that. Please don't try me again today, as you did yesterday. [Laughter]

You know Helen?

President Gorbachev. Yes. I've got to say that President Bush really vocalized what our approach is, what we decided to follow and to keep to. So, I think that this is the proper way, the proper approach. Respect also to the participants of the negotiating process. This is very tough for them, very difficult meetings where they're going to have to maybe do quite a bit of work, all of them,

so that they all come out to a final, positive conclusion.

Because it doesn't mean, like I said before, I want to reiterate again: This does not mean that we are simply going to stand on the side and that it doesn't really make any difference to us what happens. No, that's not at all. Our role of playing our good offices, using our good offices, we will perform. But everything else, what is decided upon, what is agreed to, must use what we have today, all of us, at our disposal.

We need a new climate of international relations, a new situation has to be developed, new relations among leading countries in the world, first of all, the Soviet Union and the United States. And then included in that also, reestablishment of diplomatic relations with Israel. Use everything that we have to find the keys, to find all the right chords, to get rid of all those old, outdated issues and problems. Find a solution which would satisfy the interests of everybody. Without a balance, without taking into account everybody's needs, we will not succeed.

Therefore, President Bush has just informed you about the process that we have agreed to and the kinds of approaches we will be dedicated to. Thank you.

Q. Given Syria's position regarding the regional negotiations, is it -- and of course, its refusal so far to enter this negotiations -- is it your position, sir, that the parties to the regional negotiations should go on and conclude agreements regardless and independent of the element of withdrawal that is apparently most important to the Syrian position? And secondly, should settlements and negotiations for peace go on hand-in-hand, independently?

President Bush. These are both very important questions and they're very substantive questions, but once again, I think it would be counterproductive for me -- let President Gorbachev decide on his own -- but it would be counterproductive for me to give definitive answers to how I feel those two important questions should be resolved. The U.S. has historic positions; the Soviet side has historic positions.

We brought these parties together now in something that most people thought could never happen. And once again, it would be counterproductive for me to set conditions or to say from the U.S. side how these two questions that you properly asked about be resolved. I'm simply not going to do that. This is too sensitive a time. We're trying to get in here to have people start discussions on their own. And I don't want to give anybody any reason whatsoever to walk away or to make additional demands because of something I have said.

So, I simply, respectfully, will not answer your question in the detail that I know you'd like me to do.

President Gorbachev. During the preliminary stages where we were preparing this conference, there was quite a number of very sharp issues that were raised, even in the press a lot, quite a bit

is being written, publicized, people's points of view, opinions. But tomorrow the conference starts. And so, this preliminary, preparatory phase, in spite of all the difficulties that we've encountered, all the discussions that have been had, all the things said in the press -- nonetheless, we are here at the opening. Let's just open the conference, and let's start working.

It seems to me that the sides themselves can only win if they maintain a position of principle but are constructive. Everybody's concerns are real. But let's really say we're not going to substitute by our actions that which happens at the negotiations at the conference.

Aid to the Soviet Union

Q. The issue of economic assistance that the United States said for all the time that first they have to deal with the center when it comes to foreign aid, and now in many of the enterprises we're moving hard currency -- in what position the United States found itself. In other words, is the United States more actively working with the Republics, and namely Russia itself, or still going to deal only through the center?

President Bush. Well, I thought I addressed myself to that. Clearly, we're here today, and we're dealing with President Gorbachev. I have kept contacts with President Yeltsin. You asked specifically about the Russian Republic. But on a matter of this nature where we're talking about credit, and we're talking about hopefully humanitarian assistance, it is important that Americans get the view that the center and the Republics are together on these matters. But we don't plan to change our dealings with President Gorbachev or, indeed, with President Yeltsin or leaders of the other Republics. And I think, I have the feeling they both understand that. It's a little vague, but I don't believe I can be more specific on your question than that.

I think under the economic agreement, President Gorbachev was explaining to me today, the Republics are indeed together with the center, closer together with the center on these economic matters than ever before, which makes it much easier for the United States or the G - 7 or the other countries that clearly want to assist in the reform process, in helping this go forward.

Q. President Gorbachev and President Bush as well, despite what you've said about the economic situation, it's not entirely clear to me. Did you, sir, President Gorbachev, make any specific, any new requests for assistance? And did you, Mr. Bush -- you've indicated in talking about a package, is this something over and beyond what we have heard before? If you could be more specific, it would help us.

President Gorbachev. Well, in general, if you would bear in mind the fact that recently, between myself and the leaders of the G - 7, there is a regular exchange of views and information, then many of the issues directed to President Bush. Well, he knew about a lot of these issues anyway. He already was informed of it.

At the same time, based upon our requests, the President of the United States and other leaders of the European Community were working on these kinds of questions. Now, in this connection for them to decide, a couple of days ago they decided to have this meeting of the deputy ministers of finance who came to Moscow to discuss this cooperation, the assistance, and they, I think very substantively, went through and made assessments of what is the real situation and came to one, single, unified understanding. And that's very important if you're going to make decisions.

They had a unified, single opinion of what is going on. They established a series of positions, opinions that they came up with, and the governments and these countries will then be told about this.

So now, when the President goes back to Washington and I go back to Moscow, we will listen to what these recommendations of the specialists are, talk about it, think about it. Then we will then be able to be in a position to finally make a determination on this question.

I don't think that everything is solved by this. Maybe it will be several times in the future we may have to come back and ask other assistance, because life casts up a whole variety of surprises. But the very fact that we have fruitful, constructive, specific, businesslike, and very promising work going on, and it also bodes well for future results. Thank you.

President Bush. That's essentially the way I would have answered the question.

Q. That there is nothing specific?

President Bush. You heard President Gorbachev use the word ``specific,'' but I'd say we're in a phase of discussing details, which obviously means specificity. But I endorse what he said about needing further work and consultation on this, each with our own economic side, and then follow through with more discussion.

So, there were some specifics discussed, but we will go forward as he indicated.

Q. What is the magnitude of what you're discussing now in contrast to what it was -- --

President Bush. We've agreed, we're not going to go into magnitudes of it right now.

Thank you.

Note: The President's 107th news conference began at 2:55 p.m. at the Soviet Embassy. In his remarks, President Bush referred to Reginald Bartholomew, Under Secretary for International Security Affairs at the Department of State; and David C. Mulford, Under Secretary for International Affairs at the Department of the Treasury. President Gorbachev spoke in Russian, and his remarks were translated by an interpreter.

The President's News Conference With Prime Minister Felipe Gonzalez of Spain in Madrid

October 29, 1991

The President. I simply want to thank Prime Minister Gonzalez, and also Foreign Minister Ordonez for this fantastic cooperation and leadership on this conference. In a very short period of time, Spain has pulled this whole thing together, and everyone I've talked to tells me that it has been just nothing short of a miracle. And of course, I am very grateful for the hospitality, but also for the way they've handled these arrangements. And so, I want to thank the Prime Minister and everybody else involved in these wonderful arrangements.

In terms of U.S.-Spain bilateral relations, they are very, very good. We, of course, are excited about 1992, the quincentenary of Columbus' first voyage to America. That all can wait until after this visit, but nevertheless, we're here at the beginning of interesting times in terms of U.S.-Spanish relations which I can attest to are very, very good.

But my sincere thanks to you, sir, for all you've done to facilitate the convening of this historic conference.

Spain's Role in Middle East Peace Process

Q. I would like to ask President Bush what do you think about Spain's cooperation in the future in the peace process in the Near East after the Madrid conference is over and for the future phases where they might also have a role? And we would like to know if this visit excludes the fact that in July of '92 you will be here; does this exclude the fact? Thank you.

The President. First, this visit here does not exclude future visits of any kind although we have no firm schedule for my own personal travel in 1992.

Secondly, because your Prime Minister is widely respected in the countries that are participating, who knows what the future role of Spain will be? And it could well be in terms of -- they've already offered the facilities for ongoing talks, one kind or another, bilateral talks. And so, Spain having demonstrated not only its interest but your Prime Minister having demonstrated his knowledge about the area, I would say we'll just have to wait and see, see what the parties want. But they've already served in an extraordinarily useful role in hosting this conference.

Q. President Bush, at a meeting that you had in Camp David when you met the King of Spain, was that when you decided that Spain would be the perfect place? Could you tell us a little bit about what happened? Was it your proposal? Was it the King's proposal? We'd really like to know a little bit more about how Spain was chosen. Thank you, sir.

The President. No, I think Secretary Baker has explained it very well that it had to be a place where the participants would feel at home and comfortable, and Spain immediately came to the fore. I can't say that other sites were not considered. I believe there was some consideration given to The Hague, some consideration given to a spot, Lausanne, I believe, in Switzerland. But Spain emerged, as the leading choice. And with all great respect for His Majesty -- and I might say what a joy it was to Barbara and me to have the King and Queen of Spain at Camp David -- that matter was not decided at that level.

Prospects for Peace in the Middle East

Q. Mr. President, 10 days ago or just about, Secretary Baker did not want to make, to predict chances of success of this conference. Four days ago the French President Mitterrand did not want to do it again. Now, just the day of the conference, how do you rate chances of success? And also from President Gonzalez I would like to hear his own impression. Thank you.

The President. I rate it the same way that Secretary Baker did 10 days ago, not wanting to rate it or quantify that. But the very fact that it's taking place, the very fact that the parties are coming together is, I think, an important sign that there is a chance for success. But I think we would all agree that there's a lot of hard negotiation between the parties to take place before we can say with joy in our hearts that there will be lasting peace in the Middle East. So, I can't quantify it for you, but I'd say that I'm more optimistic today just because we're this much closer to the actual convening of the conference.

The Prime Minister. Years ago, we had hoped that something would lead to negotiations in this region, and it seems that we finally have something that is going to lead to these conversations. For the first time in 43 years, we have the possibility of dialog in this region, and I think that this is really hope for all of us.

Latin America

Q. We would like to know what you talked about this afternoon. And we would like to know if you mentioned Cuba and if you talked about new ideas in the Caribbean area.

The Prime Minister. There has been nothing but very pleasant and friendly conversation. We reviewed the conference itself, the peace conference, and we've also reviewed the situation in Central America. We didn't mention Cuba except a passing mention. We talked about the situation in Europe and the Soviet Union. And the meeting was very friendly and very cordial, as President Bush has just said.

The President. May I add a word to that, please? Prime Minister Gonzalez has a very special standing in South America, Central America, and the leaders there turn to him often for advice and counsel, as we do. So when we talk, for example, today about Salvador, his role as a special

``friend'' of the Secretary-General, you're familiar with the term ``friend'' to the Secretary-General, we can talk to a man who has established not only his knowledge and his interest in the area but has a following in the area.

So, the visit from my standpoint did not relate simply to the conference, nor to bilateral relations between Spain and the United States but getting his views once again on matters affecting our own hemisphere, including the antinarcotics business. So, we spent maybe 10 minutes talking about that and getting his ideas on that.

U.S. Assurances to Peace Conference Participants

Q. Mr. President, assurances were given to each of the parties by Secretary Baker on your behalf. Do each of the parties know what assurances were given? When will the American people know these assurances, since we obviously will be responsible for any commitments you've made?

The President. Well, Helen [Helen Thomas, United Press International], I'd have to refer that question to the Secretary of State. And I think the American people have a right to know these things, but I think sometimes when you're having quiet negotiations to make something happen, the American people assign their trust to the President, to the Secretary of State to conduct these sensitive matters. This conference is historic. And there's nothing that's going to be of difficulty for the American people in any way; I can assure you that. But I would simply leave to Jim any discussion of any details of that nature.

Q. Will they be made public at any point?

The President. I don't even know what you're talking about. What ones are you referring to?

Q. We understand assurances were made to each party -- --

The President. Like what?

Q. -- -- to bring them to the table. We don't know.

The President. Well, they're here, put it that way. And we're very, very pleased, and I don't think there are any secret covenants if that's what you're getting at. But I'm sorry, I just don't know what you're talking about. But let me refer you to the Secretary of State on this.

Q. White House officials have said that there are assurances.

The President. Well, assurances -- I mean, there are certain things in our policy that we're -- assure all the time.

Terrorism on the West Bank

Q. To Mr. Bush. Do you believe that the violence in the Middle East the last 36, 48 hours was an attempt to disrupt the peace talks before they begin? And if you do, your comments on such tactics.

The President. Condemning such tactics -- total condemnation of the kind of violence we've seen. And if they were designed to disrupt the conference, let's hope they fail. And I think it's just one more, actually, these terrorist acts of violence are one more reason I'd like to see this conference succeed. So people will not resort to the violence in the future that they have resorted to in the past.

Q. Prime Minister Gonzalez, your comments as well?

The Prime Minister. I apologize, but we really don't have much time left. I'm trying to get an international balance here. From on that side -- --

Spain

Q. Mr. President, what will be the role of Spain in the new world order?

The President. A very respected partner who stands for peace and democracy and whose leaders are respected around the world. And I think that the fact that we consult very closely with Prime Minister Gonzalez on various matters, and I've touched on some of them: the Middle East; touched on our own hemisphere; I remember talking to him at the time of Desert Storm -- means that we, as far as the United States goes, Spain has a very special standing and can be extraordinarily helpful in terms of world peace. So, you have to see what the situation is, but I've given you some examples of where they've already played a very constructive role.

United Nations' Role

Q. Do you miss the United Nations in this conference? And why have you allowed Israel not to pay any attention to the U.N. for many years?

The President. I think the conference is properly structured. The United Nations, we've all seen, has come into a very important new phase in its existence, fulfilling the dreams of some of its founding fathers in terms of peacemaking, peacekeeping in various parts of the world. The standing up against the aggression caused by Iraq is perhaps the foremost example. But they're also playing a useful role, still, in trying to achieve peace in Cyprus. They're trying very hard, the Secretary-General is, in El Salvador. And you look around the world, and they are very active, constructively so, in many areas.

In this particular area, because of the view of some of the parties, it was deemed better to go forward in the way the conference is structured now. But that isn't to denigrate the United Nations. Israel, I think everybody knows the history, feels that in the United Nations they are ganged up on. That's their view, and they're an important player here. And their views had to be considered as this conference was structured. I think other countries in the area that are going to be participating clearly went along with this.

The Prime Minister. As far as I remember, Secretary Baker and Secretary Pankin talked about 338 and 242, the United Nations -- [inaudible] -- that finally have started a dialog, a dialog that everyone has waited for, for such a long time.

Prospects for Bilateral Negotiations

Q. For President Bush: Sir, do you know any reason at this point why the bilateral negotiations would not get underway, and can you tell us what day they're scheduled to start?

The President. The bilateral negotiations that would follow this opening session? No, I know of no reason why, I mean, I can think of a lot of conditions, but it's not helpful to go in and elaborate on everything that might go wrong. What I want to do is point out what might go right. And what might go right is these countries realize that this is the best hope for peace.

And I think that's what I will be talking about in my opening remarks tomorrow. I expect President Gorbachev will be talking about the same thing. So, I see no built-in stumbling block that will keep these talks from going forward, if I'm interpreting your question correctly.

Q. What day will they begin?

The President. I can't answer that. I just don't know. I think all that has to be negotiated out.

The Prime Minister. Thank you, very much, and the first time we're 5 minutes late. Thank you, very much.

Note: The President's 108th news conference began at 7:03 p.m. in the Moncloa Palace. The following persons were referred to: Foreign Minister Francisco Fernandez-Ordonez of Spain; King Juan Carlos I and Queen Sophia of Spain: Secretary-General Javier Perez de Cuellar of the United Nations; and Foreign Minister Boris D. Pankin of the Soviet Union.

Appointment of John A. Gordon as Special Assistant to the President for National Security Affairs

October 29, 1991

The President today announced his intention to appoint Brigadier General John A. Gordon as Special Assistant to the President for National Security Affairs. He will also serve as Senior Director for Defense Policy and Arms Control.

Since 1989 General Gordon has served as Director for Defense Policy and Arms Control for the National Security Council. From 1987 to 1989, he served as Commander of the 90th Strategic Missile Wing at F.E. Warren Air Force Base in Wyoming. In addition, General Gordon served in various military assignments for Air Force Strategic Missile Units, 1985 - 1987. From 1981 to 1985, he served in several positions in the Bureau of Politico-Military Affairs at the Department of State, including Director for Strategic Nuclear Policy and for Defense and Arms Control Matters. General Gordon was involved in a wide range of research and development plans in his assignments with Air Force Systems Command, Strategic Air Command, the Office of the Under Secretary of the Air Force, and Sandia National Laboratories.

General Gordon graduated from the University of Missouri (B.S., 1968); the United States Naval Post Graduate School (M.S., 1970); and Highlands University (M.A., 1972). He is married, has one child, and resides in Alexandria, VA.

Remarks at the Opening Session of the Middle East Peace Conference in Madrid, Spain

October 30, 1991

Prime Minister Gonzalez, and President Gorbachev, Excellencies. Let me begin by thanking the Government of Spain for hosting this historic gathering. With short notice, the Spanish people and their leaders stepped forward to make available this magnificent setting. Let us hope that this conference of Madrid will mark the beginning of a new chapter in the history of the Middle East.

I also want to express at the outset my pleasure at the presence of our fellow cosponsor, President Gorbachev. At a time of momentous challenges at home, President Gorbachev and his senior associates have demonstrated their intent to engage the Soviet Union as a force for positive change in the Middle East. This sends a powerful signal to all those who long for peace.

We come to Madrid on a mission of hope, to begin work on a just, lasting, and comprehensive settlement to the conflict in the Middle East. We come here to seek peace for a part of the world that in the long memory of man has known far too much hatred, anguish, and war. I can think of no endeavor more worthy, or more necessary.

Our objective must be clear and straightforward. It is not simply to end the state of war in the Middle East and replace it with a state of nonbelligerency. This is not enough. This would not last. Rather, we seek peace, real peace. And by real peace, I mean treaties, security, diplomatic relations, economic relations, trade, investment, cultural exchange, even tourism.

What we seek is a Middle East where vast resources are no longer devoted to armaments. A Middle East where young people no longer have to dedicate and, all too often, give their lives to combat. A Middle East no longer victimized by fear and terror. A Middle East where normal men and women lead normal lives.

Let no one mistake the magnitude of this challenge. The struggle we seek to end has a long and painful history. Every life lost, every outrage, every act of violence, is etched deep in the hearts and history of the people of this region. Theirs is a history that weighs heavily against hope. And yet, history need not be man's master.

I expect that some will say that what I am suggesting is impossible. But think back. Who back in 1945 would have thought that France and Germany, bitter rivals for nearly a century, would become allies in the aftermath of World War II? And who 2 years ago would have predicted that the Berlin Wall would come down? And who in the early 1960's would have believed that the cold war would come to a peaceful end, replaced by cooperation, exemplified by the fact that the United States and the Soviet Union are here today not as rivals but as partners, as Prime Minister

Gonzalez pointed out.

No, peace in the Middle East need not be a dream. Peace is possible. The Egyptian-Israeli Peace Treaty is striking proof that former adversaries can make and sustain peace. And moreover, parties in the Middle East have respected agreements, not only in the Sinai but on the Golan Heights as well.

The fact that we are all gathered here today for the first time attests to a new potential for peace. Each of us has taken an important step toward real peace by meeting here in Madrid. All the formulas on paper, all the pious declarations in the world won't bring peace if there is no practical mechanism for moving ahead.

Peace will only come as the result of direct negotiations, compromise, give-and-take. Peace cannot be imposed from the outside by the United States or anyone else. While we will continue to do everything possible to help the parties overcome obstacles, peace must come from within.

We come here to Madrid as realists. We do not expect peace to be negotiated in a day or a week or a month or even a year. It will take time. Indeed, it should take time: time for parties so long at war to learn to talk to one another, to listen to one another; time to heal old wounds and build trust. In this quest, time need not be the enemy of progress.

What we envision is a process of direct negotiations proceeding along two tracks: one between Israel and the Arab States; the other between Israel and the Palestinians. Negotiations are to be conducted on the basis of U.N. Security Council Resolutions 242 and 338.

The real work will not happen here in the plenary session but in direct bilateral negotiations. This conference cannot impose a settlement on the participants or veto agreements. And just as important, the conference can only be reconvened with the consent of every participant. Progress is in the hands of the parties who must live with the consequences.

Soon after the bilateral talks commence, parties will convene as well to organize multilateral negotiations. These will focus on issues that cross national boundaries and are common to the region: arms control, water, refugee concerns, economic development. Progress in these fora is not intended as a substitute for what must be decided in the bilateral talks; to the contrary, progress in the multilateral issues can help create an atmosphere in which longstanding bilateral disputes can more easily be settled.

For Israel and the Palestinians, a framework already exists for diplomacy. Negotiations will be conducted in phases, beginning with talks on interim self-government arrangements. We aim to reach agreement within 1 year. And once agreed, interim self-government arrangements will last for 5 years. Beginning the 3d year, negotiations will commence on permanent status. No one can say with any precision what the end result will be. In our view, something must be developed,

something acceptable to Israel, the Palestinians, and Jordan, that gives the Palestinian people meaningful control over their own lives and fate and provides for the acceptance and security of Israel.

We can all appreciate that both Israelis and Palestinians are worried about compromise, worried about compromising even the smallest point for fear it becomes a precedent for what really matters. But no one should avoid compromise on interim arrangements for a simple reason: Nothing agreed to now will prejudice permanent status negotiations. To the contrary, these subsequent negotiations will be determined on their own merits.

Peace cannot depend upon promises alone. Real peace, lasting peace, must be based upon security for all States and peoples, including Israel. For too long the Israeli people have lived in fear, surrounded by an unaccepting Arab world. Now is the ideal moment for the Arab world to demonstrate that attitudes have changed, that the Arab world is willing to live in peace with Israel and make allowances for Israel's reasonable security needs.

We know that peace must also be based on fairness. In the absence of fairness, there will be no legitimacy, no stability. This applies above all to the Palestinian people, many of whom have known turmoil and frustration above all else. Israel now has an opportunity to demonstrate that it is willing to enter into a new relationship with its Palestinian neighbors: one predicated upon mutual respect and cooperation.

Throughout the Middle East, we seek a stable and enduring settlement. We've not defined what this means. Indeed, I make these points with no map showing where the final borders are to be drawn. Nevertheless, we believe territorial compromise is essential for peace. Boundaries should reflect the quality of both security and political arrangements. The United States is prepared to accept whatever the parties themselves find acceptable. What we seek, as I said on March 6, is a solution that meets the twin tests of fairness and security.

I know -- I expect we all know -- that these negotiations will not be easy. I know, too, that these negotiations will not be smooth. There will be disagreement and criticism, setbacks, who knows, possibly interruptions. Negotiation and compromise are always painful. Success will escape us if we focus solely upon what is being given up.

We must fix our vision on what real peace would bring. Peace, after all, means not just avoiding war and the costs of preparing for it. The Middle East is blessed with great resources: physical, financial and, yes, above all, human. New opportunities are within reach if we only have the vision to embrace them.

To succeed, we must recognize that peace is in the interest of all parties; war, absolute advantage of none. The alternative to peace in the Middle East is a future of violence and waste and tragedy. In any future war lurks the danger of weapons of mass destruction. As we learned in the Gulf war,

modern arsenals make it possible to attack urban areas, to put the lives of innocent men, women, and children at risk, to transform city streets, schools, and children's playgrounds into battlefields.

Today, we can decide to take a different path to the future, to avoid conflict. I call upon all parties to avoid unilateral acts, be they words or deeds, that would invite retaliation or, worse yet, prejudice or even threaten this process itself. I call upon all parties to consider taking measures that will bolster mutual confidence and trust, steps that signal a sincere commitment to reconciliation.

I want to say something about the role of the United States of America. We played an active role in making this conference possible. Both the Secretary of State, Jim Baker, and I will play an active role in helping the process succeed. Toward this end, we've provided written assurances to Israel, to Syria, to Jordan, Lebanon, and the Palestinians. In the spirit of openness and honesty, we will brief all parties on the assurances that we have provided to the other. We're prepared to extend guarantees, provide technology and support, if that is what peace requires. And we will call upon our friends and allies in Europe and in Asia to join with us in providing resources so that peace and prosperity go hand in hand.

Outsiders can assist, but in the end, it is up to the peoples and Governments of the Middle East to shape the future of the Middle East. It is their opportunity, and it is their responsibility to do all that they can to take advantage of this gathering, this historic gathering, and what it symbolizes and what it promises.

No one should assume that the opportunity before us to make peace will remain if we fail to seize the moment. Ironically, this is an opportunity born of war, the destruction of past wars, the fear of future wars. The time has come to put an end to war, the time has come to choose peace.

Speaking for the American people, I want to reaffirm that the United States is prepared to facilitate the search for peace, to be a catalyst, as we've been in the past and as we've been very recently. We seek only one thing, and this we seek not for ourselves, but for the peoples of the area and particularly the children: That this and future generations of the Middle East may know the meaning and blessing of peace.

We have seen too many generations of children whose haunted eyes show only fear, too many funerals for their brothers and sisters, the mothers and fathers who died too soon, too much hatred, too little love. And if we cannot summon the courage to lay down the past for ourselves, let us resolve to do it for the children.

May God bless and guide the work of this conference, and may this conference set us on the path of peace. Thank you.

Note: The President spoke at 10:30 a.m. in the Salon de las Columnas at the Royal Palace.

Proclamation 6368 -- National American Indian Heritage Month, 1991

October 30, 1991

By the President of the United States

of America

A Proclamation

During our annual observance of National American Indian Heritage Month, we celebrate and study the rich history and folklore of America's native peoples. Long before this country was settled by immigrants from around the world, it was the home of generations of Native Americans. Each of the many different tribes that inhabited this vast country had a unique and vibrant culture, as well as its own system of social order. The first European settlers in the New World benefitted greatly from what they learned from this country's original inhabitants, who gave them a wealth of knowledge and skills in such areas as hunting, farming, and crafting tools. Today all Americans can continue to learn from the rich heritage of this country's native peoples.

By the time we reach adulthood, most of us are familiar with the legends of Pocahontas, Geronimo, Sacajawea, and Hiawatha. However, National American Indian Heritage Month provides an opportunity to learn more about the contributions and the achievements of countless other Native Americans. This month, we remember individuals such as Seattle, the chief and orator for whom the great city in Washington is named; Sequoyah, who taught thousands of his fellow Cherokee to read and write; and Ely Parker, the son of a Seneca leader, who served as an officer under General Ulysses S. Grant during the Civil War and became the first Indian to serve as Commissioner of Indian Affairs. Fifty years after the beginning of United States participation in World War II, we also honor the Navajo code-talkers, whose use of their native tongue and secret code words was never broken by enemy forces.

Every tribe of Native Americans is unique, and each has celebrated heroes of its own. Yet together generations of Native Americans have quietly strengthened and enriched the United States. American culture has been greatly influenced by the customs and traditions of this country's native peoples, and all of us can be grateful for their outstanding example of environmental stewardship.

This month, we also celebrate the unique government-to-government relationship that exists between Indian tribes and the Federal Government. That relationship has weathered various conflicts, inequities, and changes over the years, evolving into a vibrant partnership in which more than 500 tribal entities stand shoulder to shoulder with the other governmental units that

form our Republic. We will continue to seek greater mutual understanding and trust in this relationship, as well as the further advancement of tribal self-government.

The Congress, by Senate Joint Resolution 172, has designated the month of November 1991 as ``National American Indian Heritage Month'' and has authorized and requested the President to issue a proclamation in observance of this occasion.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim November 1991 as National American Indian Heritage Month. I urge all Americans, as well as their elected representatives at the Federal, State, and local levels, to observe this month with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this thirtieth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:07 p.m., October 30, 1991.]

Note: This proclamation was published in the Federal Register on November 1.

Nomination of Lisa A. Hembry To Be a Member of the National Museum Services Board

October 30, 1991

The President today announced his intention to nominate Lisa A. Hembry, of Texas, to be a member of the National Museum Services Board for a term expiring December 6, 1995. She would succeed Diana D. Denman.

Since 1988, Ms. Hembry has served as a senior associate with the Staubach Co., in Dallas, TX. Prior to this she was the public affairs director for KRLD Radio in Dallas, TX, 1982 - 1988.

Ms. Hembry graduated from Southern Methodist University (B.S., 1975). She resides in Dallas, TX.

Message to the Senate Transmitting Argentina-United States Mutual Legal Assistance in Criminal Matters Treay

October 31, 1991

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the Government of the United States of America and the Government of the Republic of Argentina on Mutual Legal Assistance in Criminal Matters, signed at Buenos Aires on December 4, 1990. I transmit also, for the information of the Senate, the Report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. The Treaty should be an effective tool to assist in the prosecution of a wide variety of modern criminals, including members of drug cartels, ``white collar criminals," and terrorists. The Treaty is self-executing.

The Treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes: (1) the taking of testimony or statements of witnesses; (2) the provision of documents, records, and evidence; (3) the execution of requests for searches and seizures; (4) the serving of documents; and (5) the provision of assistance in locating, tracing, immobilizing, seizing and forfeiting proceeds of crime, and restitution to the victims of crime.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

George Bush

The White House,

October 31, 1991.

Message to the Congress Transmitting the Annual Report of the National Highway Traffic Safety Administration

October 31, 1991

To the Congress of the United States:

It is my privilege to provide you with the annual reports on activities under the Highway Safety Act and the National Traffic and Motor Vehicle Safety Act, both enacted in 1966. These reports provide a summary of our activities during calendar year 1990 and of the National Highway Traffic Safety Administration's priority plan for the next 3 years. The plan will be an evolving guideline for the agency's safety activities to improve motor vehicle and traffic safety.

The plan includes motor vehicle rulemaking on the crashworthiness of passenger cars, light trucks, and vans; vehicle rollover stability; and safety improvements in heavy trucks, school buses, and child safety seats.

It also calls for initiatives to promote State laws and programs to increase safety belt use, motorcycle helmet use, and to discourage drunk and drugged driving.

The report on motor vehicle safety includes the annual reporting requirement in title I of the Motor Vehicle Information and Cost Savings Act of 1972.

In the Highway Safety Acts of 1973, 1976, and 1978, the Congress expressed its special interest in certain aspects of traffic safety that are addressed in the volume on highway safety.

I am pleased to inform you that 1990 was a year of significant gains in traffic safety. The traffic fatality rate, the accepted measure of risk on the road, was 2.1 deaths per 100 million vehicle miles traveled, the lowest in history and down 36 percent since 1980. Safety belt use is also higher than ever, with 49 percent of Americans buckling up, and drunk driving fatalities have declined significantly.

There is good news for Americans in virtually every critical part of the highway safety picture. The decline in the fatality rate is expecially encouraging and means that we are able to drive with less risk. The dramatic increase in safety belt use and public concern about drunk driving have translated into thousands of lives saved and injuries avoided.

The progress we have made is, of course, no consolation to the relatives and friends of the 44,500 people who, despite the safety advances and greater public awareness, lost their lives in traffic accidents in 1990.

As we continue to pursue highway and motor vehicle safety programs that are most effective in preventing these deaths and injuries, I am convinced that significant progress will be made through the combined efforts of government, industry, and individual motorists.

George Bush

The White House,

October 31, 1991.

Remarks at Republican Congressional Leadership Meeting

October 31, 1991

The President. I just want to say a word before this meeting. I am looking forward to making some comments on this unemployment benefits. I have been saying all along that I want to sign an unemployment benefits package, and I want it to be one that does not bust the budget agreement. We want a temporary program that takes care of the people that are hurting out there, and there are people that are hurting. And I've said this all along, I am very much concerned about it.

I want a temporary program, and I want to live within the budget agreement so we do not increase interest rates on everybody. And thirdly, I want one that does not raise taxes only to make the economic problems worse. And I am hopeful that the Democrats will now come forward with such a package. And they have one that busts the budget agreement, and they have one that is not confined the way I think it ought to be.

And so, I don't know where you all think it stands, but I'd like to -- leaders, and you're doing a great job trying to work it out, but we are for it, but not for a reckless one that burdens every single taxpayer in this country.

Senator Dole. If I could just reinforce that. I didn't mean to interrupt you, Mr. President.

The President. No, I want to hear what -- --

Senator Dole. But I just made a statement on the Senate floor saying pretty much the same thing. Let's set -- you know, we've taken care of civil rights. That was very important. The next most important thing in the agenda is the extended benefits. We ought to sit down and work it out in a bipartisan way without busting the budget in paying for it. And I hope we can do that in the next few days.

Representative Michel. Well, I want to say, too, Mr. President, we've had our substitute. You don't know, Bob Dole, and our substitute that we've had on the table there. I suspect we'll probably have to make some modification of that, but we're holding to your criteria that it be of a temporary nature, that it pay for itself, and not cause the other problems that you have alluded to here.

And I would add the highway bill, Bob, is a very important job-builder that we've got to get done here in addition to those that you have mentioned.

The President. We've got to increase jobs right away.

Well, we've got a lot to talk about, but this one is important. And I get a little annoyed at the politics being played at the expense of people that do not have benefits and need them. And what we're talking about is protecting all the taxpayers and helping those who are out of work. And that is what I want to do. And I have discovered something around here; the only way you can get reasonable legislation to protect all the people is to beat back bad legislation that is going to further burden all the people. And so, we'll just have to do that, and I appreciate your leadership and your help in trying to get some sense coming out of the Congress on this important issue. People are hurting, and they ought to be helped.

Representative Gingrich. Can I comment just for a second, Mr. President? I just want to say, I think, I know from our meetings in this room that you have been prepared for over 2 months to sign a bill that would have gotten nearly 3 million families extended checks on a regular basis. And those checks could have been going out for 2 months. And I think that, you know, I hope that in the next couple of days we can get a bipartisan agreement that will let you sign a bill that is responsible and that gets those checks out. But it is tragic to see people putting commercials on television about the checks that aren't being sent while they take the action to block the checks. So, I just want to reinforce, at any point in the last 2 months, we could have signed, we could have passed and signed a responsible bill, and the checks would be out there right this minute. So, I hope this week we'll be able to do it.

Q. Mr. President, what do you hear about your house, sir?

The President. Well, we are -- what I hear has not been from under the heading of good news. But I don't want to burden everybody about that. There are a lot of people that were hurt by this storm, and a lot of people in California that were hurt by fires that just wiped them out. And Barbara and I are in a fortunate position that we can bounce back. But it is not good news, and we'll just go up and take a look. Rather devastating to our family, but when I compare that to the fortunes of others, why, we've got a lot to be grateful for.

Note: The President spoke at 10:02 a.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of these remarks.

Remarks on Presentation of the President's Environment and Conservation Challenge Awards

October 31, 1991

Some beautiful day here in the Rose Garden. And may I salute Secretary Lujan and Secretary Jim Watkins here and Bill Reilly, EPA Administrator. Of course, Chairman Mike Deland and Dick Austin of GSA. Welcome to the White House, and Happy Halloween to all.

I saw something on TV last night that I'd like to respond to before we begin here. Despite what happens to Linus every year in the pumpkin patch, I do believe in the Great Pumpkin. Now, you old guys wouldn't get it, but I'll tell you -- -- [Applause]

It is a real pleasure to have our Presidential award winners -- the Challenge Award, it's called -- here on such a beautiful late October day. And I'd especially like to thank the awards partners who made this first-time awards ceremony possible. Gil Grosvenor behind me here of The National Geographic; Frank Bennack here of the Hearst Corporation; Mr. Allison is here today representing Drew Lewis of the Business Roundtable; and Russell Train of the World Wildlife Fund. Let me also add a note of thanks to the awards selection committee and the technical advisers.

Last month, I had the chance to visit the Grand Canyon, a magnificent, almost miraculous sight on a spectacular day. And the scale of all that actually staggers the senses. And that day in September, I spoke about the power of innovation and the strength of cooperation as the foundation for a new generation of environmental action.

Today, we are honoring 9 medalists and 23 citation winners who embody the new generation of environmental entrepreneurs. As President, I've had the distinction of honoring Americans for their achievement in the arts, humanities, sciences, and this time now has come for the country to honor achievement in the understanding and conservation of our environment.

We have with us today people who have formed partnerships to protect natural wildlife -- from the Great Lakes in the North to the Playa Lakes in the Great Southwest, and from the Sacramento River to the Barrier Islands off the Atlantic Seaboard.

We are also recognizing companies that have integrated environmental values into virtually every single business decision, whether they are involved in fast food or financial services, newspapers, utilities, household products, or furniture.

And we honor other winners because they pioneered new technologies that save both money and the environment with creative solutions to challenges like agricultural pollution and ozone

depletion and state-of-the-art techniques for recycling paper, metal, and plastics.

And finally, we recognize groups who have inspired a new respect for the environment in millions of Americans: newspaper and magazine groups, book publishers, teaching institutions, media advisers to TV and film industries, even the Girl Scouts. And these outstanding Americans have given us cleaner technologies and products, better ways to manage natural areas, and a greater capacity for environmental problem-solving. They are working to improve the quality of life for all Americans through a safe and healthy environment.

Earlier in this century, a man I deeply admire also visited the Grand Canyon and likewise shared his thoughts with the crowd assembled. Looking out over what he called a vista of ``great loneliness and beauty," President Theodore Roosevelt said, ``The ages have been at work on it, and man can only mar it. We have gotten past the stage when we are to be pardoned if we treat any part of our country as something to be skinned for 2 or 3 years for the use of the present generation, whether it is the forest, the water, the scenery. Whatever it is, handle it so that your children's children will get the benefit of it."

Each of you understands President Roosevelt's challenge. Each of you has acted on it, taken it upon yourselves to ensure that future generations will inherit a safe and healthy environment. And for that, you have my admiration, my gratitude. And please keep up the good fight. And now let's, if we could Mike, hand out these well-earned awards and citations in the following categories: Partnership, enviornmental quality management, innovation, and education and communications.

[At this point, the President presented the awards.]

While you all are here, I have a special announcement to make. We talk a lot about recycling. Well, today we're going to save a few trees by giving two speeches at the same time -- [laughter] -- piloting a new program in recycling audiences, too. So here goes. [Laughter]

But seriously, we are taking a major step in placing the Federal Government in its proper role of leadership by example by increasing all Federal recycling and use of recycled materials. By signing this Executive order today, we will establish a Federal Recycling Coordinator and individual recycling coordinators at each Federal agency. And we are directing, where possible, products made from recycled materials are procured for Government use. Simply put, we are requiring all Federal agencies to strengthen their recycling efforts, hopefully thus setting an example for others around our country.

And so, with that said, I am very pleased to sign this Executive order.

[At this point, the President signed Executive order 12780, entitled Federal Agency Recycling and the Council on Federal Recycling and Procurement Policy.]

Thank you all. Such a beautiful day. Thank you for being with us.

Note: The President spoke at 11:29 a.m. in the Rose Garden at the White House.

Executive Order 12780 -- Federal Agency Recycling and the Council on Federal Recycling and Procurement Policy

October 31, 1991

Whereas, this Administration is determined to secure for future generations of Americans their rightful share of our Nation's natural resources, as well as a clean and healthful environment in which to enjoy them; and

Whereas, two goals of this Administration's environmental policy, cost-effective pollution prevention and the conservation of natural resources, can be significantly advanced by reducing waste and recycling the resources used by this generation of Americans; and

Whereas, the Federal Government, as one of the Nation's largest generators of solid waste, is able through cost-effective waste reduction and recycling resources to conserve local government disposal capacity; and

Whereas, the Federal Government, as the Nation's largest single consumer, is able through affirmative procurement practices to encourage the development of economically efficient markets for products manufactured with recycled materials;

Now, Therefore, I, George Bush, by the authority vested in me as President by the Constitution and the laws of the United States of America, including the Solid Waste Disposal Act, Public Law 89 - 272, 79 Stat. 997, as amended by the Resource Conservation and Recovery Act (``RCRA''), Public Law 94 - 580, 90 Stat. 2795 (1976), hereby order as follows:

PART 1 -- PREAMBLE

Section 101. The purpose of this Executive order is to:

(a) Require that Federal agencies promote cost-effective waste reduction and recycling of reusable materials from wastes generated by Federal Government activities.

(b) Encourage economically efficient market demand for designated items produced using recovered materials by directing the immediate implementation of cost-effective Federal procurement preference programs favoring the purchase of such items.

(c) Provide a forum for the development and study of policy options and procurement practices that will promote environmentally sound and economically efficient waste reduction and

recycling of our Nation's resources.

(d) Integrate cost-effective waste reduction and recycling programs into all Federal agency waste management programs in order to assist in addressing the Nation's solid waste disposal problems.

(e) Establish Federal Government leadership in addressing the need for efficient State and local solid waste management through implementation of environmentally sound and economically efficient recycling.

Sec. 102. Consistent with section 6002(c)(1) of RCRA (42 U.S.C. 6962(c)(1)), activities and operations of the executive branch shall be conducted in an environmentally responsible manner, and waste reduction and recycling opportunities shall be utilized to the maximum extent practicable, consistent with economic efficiency.

Sec. 103. Consistent with section 6002(c)(2) of RCRA (42 U.S.C. 6962(c)(2)), agencies that generate energy from fossil fuel in systems that have the technical capacity of using energy or fuels derived from solid waste as a primary or supplementary fuel shall use such capability to the maximum extent practicable.

PART 2 -- DEFINITIONS

For purposes of this order:

Sec. 201. ``Federal agency'' means any department, agency, or other instrumentality of the executive branch.

Sec. 202. ``Procurement'' and ``acquisition'' are used interchangeably to refer to the processes through which Federal agencies purchase products.

Sec. 203. ``Recovered materials'' is used as defined in sections 1004(19) and 6002(h) of the Resource Conservation and Recovery Act (42 U.S.C. 6903(19) and 6962(h)), as amended.

Sec. 204. ``Recycling'' means the diversion of materials from the solid waste stream and the beneficial use of such materials. Recycling is further defined as the result of a series of activities by which materials that would become or otherwise remain waste, are diverted from the solid waste stream by collection, separation and processing and are used as raw materials in the manufacture of goods sold or distributed in commerce or the reuse of such materials as substitutes for goods made of virgin materials.

Sec. 205. ``Waste reduction'' means any change in a process, operation, or activity that results in the economically efficient reduction in waste material per unit of production without reducing the value output of the process, operation, or activity, taking into account the health and

environmental consequences of such change.

PART 3 -- SOLID WASTE RECYCLING PROGRAMS

Sec. 301. Recycling Programs. Each Federal agency that has not already done so shall initiate a program to promote cost-effective waste reduction and recycling of reusable materials in all of its operations and facilities. These programs shall foster (a) practices that reduce waste generation, and (b) the recycling of recyclable materials such as paper, plastic, metals, glass, used oil, lead acid batteries, and tires and the composting of organic materials such as yard waste. The recycling programs implemented pursuant to this section must be compatible with applicable State and local recycling requirements.

Sec. 302. Contractor Operated Facilities. Every contract that provides for contractor operation of a Government-owned or leased facility, awarded more than 210 days after the effective date of this Executive order, shall include provisions that obligate the contractor to comply with the requirements of this Part as fully as though the contractor were a Federal agency.

PART 4 -- VOLUNTARY STANDARDS

Sec. 401. Amendment of OMB Circular No. A - 119. The Director of the Office of Management and Budget (``OMB") shall amend, as appropriate, OMB Circular No. A - 119, ``Federal Participation in the Development and Use of Voluntary Standards," to encourage Federal agencies to participate in the development of environmentally sound and economically efficient standards and to encourage Federal agency use of such standards.

PART 5 -- PROCUREMENT OF RECOVERED MATERIALS

Sec. 501. Adoption of Affirmative Procurement Programs. Within 180 days after the effective date of this order, each Federal agency shall provide a report to the Administrator of the Environmental Protection Agency regarding the Agency's adoption of an affirmative procurement program; such programs are required by section 6002(i) of RCRA (42 U.S.C. 6962(i)). Within 1 year of the issuance of this order, the Administrator of the Environmental Protection Agency shall report to the President regarding the compliance of each Federal agency with this requirement.

Sec. 502. Annual Review of Affirmative Procurement Programs. In accordance with section 6002(i) of RCRA (42 U.S.C. 6962(i)), each Federal agency shall review annually the effectiveness of its affirmative procurement program and shall provide a report regarding its findings to the Environmental Protection Agency and to the Office of Federal Procurement Policy, beginning with a report covering fiscal year 1992. Such report shall be transmitted by December 15 each year. Reports required by this section shall be made available to the public.

PART 6 -- RECYCLING COORDINATORS AND THE COUNCIL ON FEDERAL

RECYCLING AND PROCUREMENT POLICY

Sec. 601. Federal Recycling Coordinator. Within 90 days after the effective date of this order, the Administrator of the Environmental Protection Agency shall designate a senior official of that Agency to serve as the Federal Recycling Coordinator. The Federal Recycling Coordinator shall review and report annually to OMB, at the time of agency budget submissions, the actions taken by the agencies to comply with the requirements of this order.

Sec. 602. Designation of Recycling Coordinators. Within 90 days after the effective date of this order, the head of each Federal agency shall designate an agency employee to serve as Agency Recycling Coordinator. The Agency Recycling Coordinator shall be responsible for:

(a) coordinating the development of an effective agency waste reduction and recycling program that complies with the comprehensive implementation plan developed by the Council on Federal Recycling and Procurement Policy;

(b) coordinating agency action to develop benefits, costs, and savings data measuring the effectiveness of the agency program; and

(c) coordinating the development of agency reports required by this Executive order and providing copies of such reports to the Environmental Protection Agency.

Sec. 603. The Council on Federal Recycling and Procurement Policy. (a) A Council on Federal Recycling and Procurement Policy is hereby established. It shall comprise the Federal Recycling Coordinator, the Chairman of the Council on Environmental Quality, the Administrator of the Office of Federal Procurement Policy, and the Agency Recycling Coordinator and the Procurement Executive of each of the following agencies: the Environmental Protection Agency, the Department of Defense, the General Services Administration, the National Aeronautics and Space Administration, the Department of Energy, the Department of Commerce, and the Department of the Interior. The Federal Recycling Coordinator shall serve as Chair of the Council.

(b) Duties. The Council on Federal Recycling and Procurement Policy shall:

(1) identify and recommend, to OMB, initiatives that will promote the purposes of this order, including:

(A) the development of appropriate incentives to encourage the economically efficient acquisition by the Federal Government of products that reduce waste and of products produced with recycled materials;

(B) the development of appropriate incentives to encourage active participation in economically

efficient Federal waste reduction and recycling programs; and

(C) the development of guidelines for cost-effective waste reduction and recycling activities by Federal agencies;

(2) review Federal agency specifications and standards and recommend changes that will enhance Federal procurement of products made from recycled and recyclable materials, taking into account the costs and the performance requirements of each agency;

(3) collect and disseminate Federal agencies' information concerning methods to reduce wastes, types of materials that can be recycled, the costs and savings associated with recycling, and the current market sources and prices of products that reduce waste and of products produced with recycled materials;

(4) assist the development of cost-effective waste reduction and recycling programs pursuant to this order by developing guidelines for agency waste reduction and recycling programs and by identifying long-range goals for Federal waste reduction and recycling programs;

(5) provide meaningful data to measure the effectiveness and progress of Federal waste reduction and recycling programs;

(6) provide guidance and assistance to the Agency Recycling Coordinators in setting up and reporting on agency programs; and

(7) review Federal agency compliance with section 103 of this order.

PART 7 -- LIMITATION

Sec. 701. This order is intended only to improve the internal management of the executive branch and shall not be interpreted to create any right or benefit, sustantive or procedural, enforceable at law by a party against the United States, its officers, or any other person.

Sec. 702. Section 502 and Part 6 of this order shall be effective for 5 years only, beginning on the effective date of this order.

Sec. 703. This order shall be effective immediately.

George Bush

The White House,

October 31, 1991.

[Filed with the Office of the Federal Register, 12:42 p.m., October 31, 1991]

Note: This Executive order was be published in the Federal Register on November 4.

Remarks at the Swearing-In Ceremony for William Taylor as Chairman of the Federal Deposit Insurance Corporation

October 31, 1991

The President. Thank you, Father White, for that prayer.

It's a pleasure to welcome William Taylor aboard as he takes on one of America's toughest jobs, Chairman of the FDIC.

I'm delighted that Bill's family could be with us here. I don't know if they've been introduced, but Sharon, his wife, and then Claire, William, and Emily, and his sister, Ruth. We're especially pleased you all are here, and you've got good seats for the occasion, I noticed. [Laughter] That's the way it ought to be.

I'm also pleased to salute our Secretary of the Treasury and Secretary of Housing Jack Kemp; Alan Greenspan, the Chairman of the Fed; and Richard Breeden of the SEC. I don't see Bob Clarke. Oh, here he is, sitting right here. Bob Clarke and also Tim Ryan with us from OTS. And missing in action are two members of Congress who were supposed to be here, but let's hope they're not doing things bad up there on the Hill. [Laughter]

Bill Taylor is a thorough professional who really does exemplify the highest ideals of selfless public service. With more than 20 years service as a bank regulator, he has earned a sterling reputation for fairness and also strength of leadership. He also brings to his new position valuable private sector experience in the banking and real estate finance industries.

My top priority must be for this country's economic growth, sustaining and accelerating that which has been proclaimed by economists as an emerging recovery. And in this, I already have benefited from Bill Taylor's advice. His ideas have helped shape our intensive efforts to ease this credit crunch, the credit shortage. And I know from working directly with Bill that he has a creative and independent mind. He calls them as he sees them, a deep understanding of banking, and above all, a firm sense of responsibility and duty.

We will not enjoy a full recovery until we get our banking system in order. The FDIC belongs to a larger, more complex financial system that needs comprehensive renewal and reform. For all his talent and integrity, Bill Taylor won't be able to do his work to the fullest if we fail to give him the teammates and the tools that he needs.

Vital members of the bank regulation team have been held up by the Senate's confirmation process. The Nation has been waiting more than 9 months for the Senate to act upon my

nomination for Comptroller of the Currency. Two nominees to fill vacancies on the Federal Reserve Board await Senate votes. One of these has been delayed more than 8 months.

And in my speech to the public administrators last week, I had a lot to say about reforming the confirmation process, including the archaic practice of placing ``holds'' on nominees. At this moment of such pressing need for action and leadership, the Senate must act now to go get our top-level bank regulation team in place. We have good people. And they ought to be put in there, and let them do the job.

Let me say today, I will repeat this message over and over and over: The Congress needs to act on a comprehensive growth package, and the Senate on each one of these vital nominations.

Our regulatory team also needs modern tools to keep America's banks strong in competitive global markets. While the rest of the world forges ahead, our banks and businesses bear the dead weight of banking regulations enacted more than half a century ago. And I have asked Congress to enact comprehensive reforms of our banking laws to bring them up to date.

My bank reform package will knock down restraints that keep us from competing on an even basis with the banks of others: European banks, Japanese banks. Odd as it may seem, we permit a bank in Birmingham, England, to open branches in California, but we forbid a bank in Birmingham, Alabama, from doing the same thing. We can't compete if we place our own banking industry in shackles.

Our plan for deposit insurance reform would safeguard depositors' hard-earned money and protect the taxpayers' pocketbooks as well.

Our legislation would set standards for prompt action by bank regulators. This can help us preserve sound banks and ensure sound loans.

Most important, our reforms would allow banks to offer new products and services and to tap new sources of investment. Diversification of risks and assets would put our banks in a stronger position to simply make good loans. This would give America's small and medium-sized businesses, which depend on banks for their capital, the wherewithal to grow. This would let us move forward the way we always have, by extending credit for the pursuit of prudent risks and by supplying capital to create new jobs and open up new opportunities.

Our battle for banking reform faces opposition not just from protectors of the status quo. Incredible as it may seem, some in Congress actually want to move banking laws backward to make our banks even less competitive in the global marketplace. Congress must not give in to the interest groups that seek to hold back progress. The stakes are too high, and we cannot afford to wait any longer. Nothing will stop me from fighting on principle for real bank reform that gets our economy moving toward the future.

Bill, I know that you will be proud to lead what I am told is a bunch, a group of really dedicated professionals over there at FDIC. And all of you enjoy my fullest support in the tough job that you there at that agency face. And be assured, I will continue to make every effort to strengthen America's banking system so that it can support a strong and competitive economy now and in the 21st century.

Thank you very much. And now let us all witness the swearing-in of this good man to go over to FDIC.

[At this point William Taylor was sworn in as Chairman of the FDIC.]

Note: The President spoke at 1:03 p.m. in Room 450 of the Old Executive Office Building. In his remarks, the President referred to Father Constantine White of the Russian Orthodox Church of Saint Nicholas of the Orthodox Church in America and Richard C. Breeden, Chairman of the Securities and Exchange Commission. OTS is the Office of Thrift Supervision. A tape was not available for verification of the content of these remarks.

Remarks Honoring the World Series Champion Minnesota Twins

October 31, 1991

Please be seated everybody. And may I first salute our Cabinet members with us today: Lynn Martin, Jack Kemp, and Bob Mosbacher was to be here. Maybe he didn't get a good seat. [Laughter] And I want to salute the Senators from Minnesota, Senator Durenberger, Senator Wellstone. Of course, Carl Pohlad, Tom Kelly and the players, the coaches, and the official family of the Minnesota Twins.

Dave Durenberger was so confident that he called after the first game of the series to arrange this marvelous event. [Laughter] He now takes full credit for the weather. What a day! What a glorious day, the last day of October! And it's Halloween. You've got to be careful around here with the Congress still in session. [Laughter] Sorry.

Members of the Minnesota congressional delegation, we're just delighted to have you here really, Members of the House and Members of the Senate. And, of course, to two dear friends of mine, commissioner of baseball Fay Vincent and Bobby Brown, Dr. Bobby Brown, the president of the American League.

I also want to single out people that are usually singled out in a different way. And I'm talking about our umpires: Richie Garcia, Drew Coble, Don Denkinger, Rick Reed, Terry Tata, and Harry Wendelstedt. Can we get them to stand up? Thank you, guys. Good to see you again. Thank you all for coming. We're just delighted to see you here. I remember how Bill Klem, a famed umpire, put it. He says, ``I never called one wrong from my heart." And that's how Presidents feel, baseball fans and fellow Americans.

First, let me say it's a pleasure to see so many great amateur players here with us today, two Washington, DC champions: the Bell Multicultural High School boys and the H.D. Woodson High School girls. Where are they? Right there. All right, you guys. And America's Little League champions from Danville, California. Where are those guys? You champions stand up there. Let's show them off here.

And we're lucky to have four Babe Ruth League championship teams with us today. They come from Cincinnati and Oakland, last year's World Series teams, and from LaCrescenta, California, and Marietta, Georgia. Our son George Jr., the Texas Rangers guy, called, and he wants me to scout all of you. So, if you'll stick around after this.

Let me welcome the authors of ``That Championship Season," the 1991 Minnesota Twins, a team that helped deepen America's love affair with baseball. It is absolutely wonderful what this ball

club did for sports and for the spirit in our country. You showed why baseball is the most democratic of sports. It's also the most Republican of sports. [Laughter] But whether in the major leagues or Little League, what counts is the size of your heart and your dreams.

And in 1990, I don't want to remind them of this, they didn't have their best year. They came in last in the West, American League West. And this year, they rose like Lazarus to win their division, beat Toronto in the playoffs, and then came the 88th World Series. And what a series it was: Five games decided by a single run; three went extra innings; five games won in the last inning, and four in the last at-bat. It was a series of indescribable tension, a Fall Classic for all time.

And let me take a moment, incidentally, to talk about that other team in the World Series. What a season it was also for the Braves. What a tribute to character, to human character. They, too, went from worst to first. They, too, captivated this Nation. And they made us hope that the series, like the season itself, would never draw to a close.

Sadly, both now are over. But what memories you have given us. Of infielders Chuck Knoblauch and Greg Gagne, who I gather is not with us today. Chuck here? I think it was Abe Lincoln who said, ``You can fool some of the people all of the time, and all of the people some of the time. But it took Gagne and Knoblauch to fool a base-runner one time." [Laughter]

We recall Brian Harper's clutch hits, Kirby Puckett's game-six winning home run and that circus catch near the wall. Suddenly, Kirby's glove has become more valuable than Michael Jackson's. [Laughter] And Kent Hrbek's brilliance in the field. I refuse to be drawn into that controversy and comment on the play when Kent tagged Ronnie Gant after Gant came off first base. But Barbara asked me to point out to Kent that she could use some help around the house with heavy lifting. [Laughter]

Finally, we think of other moments that made this a series of snapshots of the mind. Dan Gladden's 10th inning, game-seven hustle; Gene Larkin, coming off the bench. We recall Tom Kelly, managing furiously against Bobby Cox; one of the greatest bullpens in baseball history; and Jack Morris winning two games, including a final-game shutout and thrilling the game's most eardrum-popping fans.

Perhaps Mr. Morris, the series' Most Valuable Player, put it best of all, ``It's unfortunate that anyone had to lose this series because this was a true classic in every sense of the word." So each of you made this a kaleidoscope of beauty. Each showed why millions of Americans watch baseball, listen to, read about, debate it, and why for a few golden days each October, each of us becomes a self-anointed expert.

And that wonderful friend, Fay's friend and I'm proud to say mine, the late Bart Giamatti, once wrote that baseball is designed to break your heart. True. But it also lifts as perhaps no sport can.

So I really, thank you guys for the memories, for coming to the White House on this spectacular day, for giving our country a wonderful lift. And God bless you and the rest of our country as well. Thank you all very, very much.

Note: The President spoke at 1:48 p.m. in the Rose Garden at the White House. A tape was not available for verification of the content of these remarks.

Remarks at the Bush-Quayle Fundraising Dinner in Houston, Texas

October 31, 1991

Please be seated. And, Bob, thank you. Thank you for the superior and wonderful job you've done. You know, this is the very first event for the Bush-Quayle fundraising effort. And we wanted to start amongst friends, and we wanted to get somebody good, somebody effective to head this dinner. And I can't think of anybody better than Bob Cruikshank and all those up here and all those out there that have come through. It is wonderful beginning. And I'm grateful, and I know Dan is, to every single one of you.

I want to thank my Vice President, your Vice President and his marvelous wife, Marilyn. I can't begin to tell you of all the things he does. But I think the country now sees his substance and his value, and it's something I see every single day that I'm President as we take on a Congress that, frankly, needs a little leadership up there. I've heard him take the gloves off a little bit there, and that's fine. That suits the heck out of me.

I also want to say to Bob Mosbacher how grateful I am to have him at my side. I know all of you know him. Everybody in this room knows him as a friend. But I know him not just as a friend of longstanding but as an effective member of our Cabinet. And I can tell you, he is out there, domestically, and around the world promoting the American free enterprise system, looking after the interests of American investment, American jobs, here and abroad. And, Bob, I'm very grateful to you.

May I also thank Bobby Holt. Yes, Midland's out there somewhere. [Laughter] Holt is everywhere, and he's doing a wonderful job as our chairman, our national chairman, taking the role Bob Mosbacher had so successfully filled for us in the previous campaign.

Senator Phil Gramm, I agree with everything Dan Quayle said about him. I see him in action. And I'll tell you, when you have the minority in the Senate, when you have to play defense because of the numbers, you want a tenacious bulldog, free thinker, enterprising Senator at your side like Phil Gramm. I'm grateful to him every single day that I'm President.

I want to thank Willie Alexander for being with us, and Reverend Claude Payne, my pastor; Milo Hamilton, of course; and then the Aggies, the Texas A&M Singing Cadets. I don't know how they can still stay standing. This is about a 45-minute speech. Let's see how they do at the end of this one. [Laughter]

It's great to be back. Milo, one slight correction, you said I said, ``There's so-and-so." I was looking at Red Adair, and I said, ``There's that so-and-so." [Laughter]

You know, coming back here really does take you back in a sense to roots. I first became active in politics out in Odessa and Midland in `52 when I headed the Eisenhower-Nixon campaign, Barbara at my side. In '56, the same role. I think it was in that year that she and I conducted the very first primary that was ever held in Midland, Texas. Three people -- some of you have heard this story; it happens to be true -- three people voted all day in that precinct: Barbara, me, and one drunk that thought he was going to the Democratic precinct. [Laughter] And that's the gospel truth. [Laughter]

Then, I came down here to Texas, and early in the sixties I became Harris County Republican chairman. There, I think more than anyplace, Barbara and I first got a taste of what was to become a way of life for us. The party was small, very, very small in those days. And yet, the ideals and the ideas were sound: Fiscal sanity; people controlling their own destinies more; limited government; trust in the people; a compassionate, fair Government; strong defense; a country not afraid to lead. Those were some of the things that brought us together in this tiny party matrix 30 years ago in Harris County. And I must say, those are the same ideals that both Dan and I have, the same ideas that we believe in. Thirty years later, I still feel strongly about those principles and other fundamental principles that join us here tonight.

Lately, the opposition up there in Washington says we don't have an agenda. But I've noticed that their agenda for Congress is stopping our agenda for America. They are old thinkers, tired, old ideas, and all they want to do is block the agenda that I was elected to perform on by the American people. And I'm a little tired of it. You work your heart out for new ideas in trying to bring new systems to this country, and you face the old, same old tired liberal cliches in Washington, DC. We are pro-growth. We are pro-family. We are a pro-freedom agenda. And that is our agenda, to build a better America. And I wish we had more people in the Senate like Phil Gramm, and we'd be singing swiftly ahead, I'll tell you.

I was privileged to work with my dear friend, Hugh Liedtke, and others in starting two or three very small companies here in Texas. And I never forgot, and I never will forget that America owes to its small business men and women. That's one reason that, for over the last 3 years, I've fought against policies that would drive small business into the ground through Government mandates.

Every time you turn around, you've got some subcommittee chairman that's been there 30 years trying to mandate new benefits and tell some guy in Midland or Odessa how to run his life. And we're sick and tired of it. And next year, we're going to change it.

Dan Quayle has a committee trying to do something about overregulation. And you ought to hear them squirming over there in the House of Representatives, refusing to let him get his job done because they're thinking old, tired thoughts that the Federal Government ought to regulate every inch of your life. And we're tired of that one, too.

Look, I'll be the first to agree we need economic growth in this country. But we can't get it if Congress keeps piling on mandated benefits. Wonderful new programs designed by a subcommittee chairman in Washington, DC, telling everybody exactly how they're going to take their leave, what they're going to do about helping people in their neighborhoods. This isn't the way America ought to be operating. I have this wonderful sense that -- I get frustrated at times, but I've got this wonderful sense that we can change that next year by taking our message that the Congress has been around there too darn long, controlled by the same party. And it's time to change it.

Let me give you an example. I'm just getting warmed up because I heard George Mitchell on the television a few minutes ago. Now, let me tell you something here. [Laughter] Let me talk to you about an issue. I don't think there is anybody in this country, any fairminded man or woman who doesn't sympathize with someone who wants to work and is out of work. It's very easy to demagog on this issue. Nobody who has one grain of compassion likes to veto an unemployment compensation bill. But someone -- and I think I was the one elected to do this -- must consider the welfare of all the people in this country.

So, let me tell you what my position is on this unemployment compensation. Number one: I want to see the Democrats in the Senate lay politics aside and help those whose unemployment benefits have run out. Families are hurting out there. And I've said for months that I want to help them.

Secondly, I want a bill that, in helping them, does not burden every single taxpayer in this country, those that are working and those that aren't working. I don't want to see the budget agreement that Phil Gramm and others worked so hard to get into place, the spending caps on it, the only control that you as taxpayers have on a spendthrift Congress, I don't want to see it broken. And the only safeguard we have against more and more spending is that budget agreement.

Every time I turn around, the liberal Democrats want to bust the agreement. That would add to the deficit and eventually add to the tax burden of present generation's and the debt burden of future generations.

Number three on this same subject: We have a proposal before the Congress that extends benefits. It lays aside all this political rhetoric that you hear from these Democrats and get the checks in the mail to those families that are hurting and does it within the budget agreement. Bob Dole proposed that weeks ago. But the Democrats want to ram it down my ear in a political victory, and I'm going to veto their bill if they send it down in a way that's going to bust this budget again. Now, they can mark that one down.

I think it's a crying shame to play politics when people are hurting in this country. I really believe that. And they can get a bill signed by me tomorrow if they get going and send something down that lives within the budget agreement that we all agreed to, that they themselves agreed to. You

tell me who's playing politics with that issue when people are hurting in this country.

It's not all negative. At times, we're able to persuade -- I remember how Lyndon used to talk: ``Come reason with me." Wrench the guy's arm out of his socket. [Laughter] And he was working with control of both Houses of the Congress. I don't know how he'd do it today.

But sometimes we are able to persuade the opposition to cooperate, to join with us. I've reached out to the Congress. I don't believe there's a person in America that thinks I haven't reached out to the Congress, not always in a kind and gentle way, but always reached out to the Congress, trying to get something done for the American people and do it in a manner I was elected to do it. I was the one that was elected, Dan Quayle and I were the ones that were elected by all the people in this country. And the Senators have their responsibilities. Of course they do. But I think I have a responsibility to perform on what I told the people 3 years ago that I would do.

We did get the Clean Air Act through, compromise. Good, fair negotiation with the Democrats, amendments that employ free-market incentives and really do help the environment. We advanced the cause of property rights and home ownership with this HOPE, this homeownership initiative. We're broken down the barriers to employment of 43 million Americans with our landmark Americans with Disabilities Act, which I was very proud -- emotional in signing last year on the South Lawn of the White House.

Other times we can do some positive things on our own. Just last week, I signed an Executive order to take the first steps in reforming our legal system. Dan Quayle's committee came up with some very sound recommendations, and I was proud to incorporate them into an Executive order. We're trying, frankly, to put an end to some of these outrageous lawsuits and monstrous settlements that scare every small businessman, every doctor, and everybody else in this country to death.

There's only so much of it we can do with Executive orders. We need liability reform legislation. And yet, that legislation is bottled up by these people I'm saying tonight are old thinkers. They just don't want to take on the pressure groups, the lobbies, the tough constituents that come together and try to get for the few that which the many are denied.

Americans want liability reform. And I'd like to see the Congress move out now and do something about it. Dan Quayle has been out there on the cutting edge of this, and I am 100 percent behind him.

And I might say that he's touched -- he referred to it -- touched a sore spot with some of the members of the ABA, the American Bar Association, when he called for legal reform. But he touched a nerve with a whole lot more everyday Americans who just plain stood up and cheered. He's done a great job on it, and I am very proud to have him by my side on this issue and all the other issues we're talking about here tonight.

The Senate did a good job in a bipartisan manner on the crime bill. But then it goes over to the House, and some of these old thinkers I'm telling you about are denying the changes that the American people so clearly spoke about in the Presidential elections of 1988. We've got -- you talk about these incentives to get jobs -- we've got some incentive in a transportation bill, a job-heavy transportation bill and yet a good one. We beat back some bad legislation. We've got a good one there.

In the State of the Union message, I said to Congress, ``Hey, how about passing a transportation bill in 100 days?" That was 241 days ago, and they haven't got it down to my desk to be signed yet. I think the people are tired of this kind of old thinking, old politics.

One area where we don't need a lot of legislation, need some but not a lot, is in education. We have an initiative called America 2000, a concept designed to literally revolutionize our schools.

Lamar Alexander, David Kearns, coming together as a fantastic team there, rethinking, working with Governors, Democrats, Republicans alike, to redefine what we need to achieve educational excellence.

And you talk about an exciting concept, one that's gathering momentum and excitement around the country, it's that one. And fortunately, we don't need a lot of legislation because one of the key education committees that you have to go to is tired. Think how much money are we going to spend for this, how much money are we going to spend for that, programs that have failed.

It's not a question of money. It's not a question of that. We spent $190 billion in 1980 on education. We spend $400 billion today, and we're way back in the tail end of education around the world. It isn't good enough. And we've got to think anew. Give me more Senators like Phil, and give me more congressmen like Bill Archer, and by golly, you'll see the change in education that the American people want.

You hear about consumer confidence. Yes, there's a lack of confidence. And one thing that would change it right now is sound, forward-looking banking reform legislation. And we've got those proposals, and they've been gutted by partisan infighting. How I long for a Congress where we can at least take the offense on these important issues.

One subject that many of you know an awful lot about in this room, a national energy strategy. We need that from the Congress. It would mean jobs. It would mean increased production, and it would mean less dependence on foreign oil for our energy requirements.

And I am going to continue to support environmentally responsive access to ANWR, the Alaskan Refuge, for energy production. We need it. And if you're worried about caribou, take a look at the arguments that were used about the pipeline. They'd say the caribou would be extinct. You've got

to shake them away with a stick. They're all making love lying up against the pipeline. And you've got thousands of caribou up there. And yet the same voices, the same voices are arguing against ANWR today. I mean, come on. [Laughter]

I want to see us reduce our reliance on foreign oil, and we can if we pass an energy bill, one like the one that came out of Senator Bennett Johnston's -- good Democrat on this issue -- and Senator Malcolm Wallop, came out of their committee.

You know, we hear a lot about economic growth. I've called for economic growth initiatives in three State of the Union messages, and a part of that, one part of the economic growth was a capital gains tax cut. So, what happens in Washington, DC? They jump up and down and scream, ``This is a tax cut for the rich." Let me tell you, I'll make them a proposal right here tonight. I will take all the political heat that they can muster. Whatever country, however much demagoguery they can bring to bear on that issue, I'll take that heat if they will give this capital gains cut a chance. Because it will create jobs and get America back to work again. And it is not a tax cut for the rich. It is a jobs measure, a small-business-creation measure, a shot-in-the-arm-for-a-sluggish-economy measure.

History has already shown that it does not add to the deficit. The Treasury scores it as a plus, not a minus. It reduces the deficit. So, let the opposition carry on all they want. We've all heard it before -- good heavens, I'm 67, I've heard it for a thousand years -- ``tax cut for the rich, breaks for the rich." Let's try something a little bit different than the mandated programs from Washington that offer people a lack of dignity and a lack of hope. And in the meantime, give the Americans a break. Give them some jobs. Get going with our motivation package.

Finally, it's time we got rid of a practice where a privileged few stand outside the law, where attending to the national interest takes a back seat to serving the special interests. And very frankly, it's time that the United States Congress started following the laws it imposes on every citizen in this country.

I gave the Congress a gentle nudge on this the other day, pointing out that with all the pious cries during those Thomas hearings, Congress, now, get this, has exempted itself from sexual harassment laws. Word of honor. Yesterday the Senate did take one step to put itself under the same laws that the rest of the people have to obey. But that's just not enough. It's time that those who make the laws, live by the laws that they make others live by. Now, that is fairplay, and it's long overdue.

And speaking of Clarence Thomas, I am delighted that he's on the Supreme Court. Men supported him overwhelmingly. Women supported him overwhelmingly. Blacks supported him overwhelmingly. But the liberals in the Senate didn't support him at all. And I'm glad that the people won out on that one.

When I hear the critics in Congress arguing about our priorities, foreign policy or domestic policy. I wonder where their priorities are. The ``global marketplace'' isn't off in Europe or Asia or in Africa. It's right here in our neighborhoods, in our businesses, in our schools. Take a look at our North American free trade agreement. It will have a monumental effect on the quality of life here in the United States over the next decade.

We're not doing this to be nice to Mexico. We're doing it because it is in the best interest of the workers and the people of the United States of America. Every billion dollars in new trade means 20,000 more jobs. A better-educated work force means higher quality products, which means more economic growth. The cycle continues, and growth means more jobs, more opportunity for everyone.

But the world beyond our borders affects us in other ways. And we've got to make a choice: Do we meet its challenges, or do we fall behind?

And yes, since I've been President, we have been called upon to meet one crucial challenge after another. And meet them we did, each and every one. From Eastern Europe to Panama to the Persian Gulf, to dealing with the Soviet Union as history unfolds before your very eyes, in all of these, it is America that stands as a beacon of freedom throughout the world. And our prestige around the world has never been higher than it is today.

I'm still on Madrid daylight saving, or something. My eyes kind of -- because yesterday I was in Madrid, and I helped open that Middle East peace conference in Madrid. But over there, I made a terrible mistake. I flipped on CNN, and I say that with respect to CNN guys down here. But I turned it on, and I saw one of the Democrat leaders, one of the elected Democrat leaders in the House of Representatives attack me for being at that historic conference. I could not believe the small-bore nature of that partisan criticism. Here you have a historic peace conference. You're bringing together people that have been hostile and wouldn't even have been in the same room at any time in their history. And this guy gets on and says I shouldn't be in Madrid for 36 hours.

Come on. We have a responsibility here. I have a responsibility to lead, and I'm not going to let Democratic, liberal carping keep me from leading.

If I had to get -- let me put it to you so you can understand it. Let me put it in Red Adair's terms, ``If I'd have had to let Ted Kennedy tell me whether I could move a quarter-of-a-million troops to the Middle East or let Schwarzkopf move from St. Petersburg or Tampa to Saudi Arabia, Schwarzkopf would still be there. The troops would still be there, and Saddam Hussein would still be in Kuwait, maybe moving into Saudi Arabia. That's what was at stake. And thank God, I didn't have to listen to these carpers telling me how to run that war.

I'm getting warmed up for next year. [Laughter] I told them I was not going to do this until about March or April of next year. [Laughter] But they get under your skin for a while. I've reached out

to this Congress. [Laughter] I really have tried. And I'm getting sick and tired, as the Congress winds up, of this partisan, liberal criticism. I can't wait now to roll up my sleeves and become a candidate. [Laughter]

My point is simply this: We live in an integrated world. And in that world, you can't neatly divide foreign policy from domestic policy. When I talk with foreign leaders about new markets for American products, is it foreign policy or domestic? When I meet with groups of Latin American leaders, as I did in Cartagena, to help try to keep drugs out of America's schools and neighborhoods, is that foreign policy or is that domestic policy? When Desert Storm reignited Americans' faith in themselves, was that just foreign policy?

No. It demonstrated our special role as the world's preeminent moral, political, economic, and military power. The pride that we felt in our fighting men and women, and in ourselves shouldn't be trivialized as something ``foreign."

Anyone who says we should retreat into an isolationistic cocoon is living in the last century, when we should be focusing on the next century, and the life that our kids can have in that next century. They should know that America's destiny has always been to lead. And if I have anything to do with it, lead we will.

I'll tell you, yes, there are plenty of real problems out there all across our country. They're human problems where real people, real lives are at stake. Dan talked about the family, where families are ripped asunder. Tons of problems out there. But we are going to prevail because I firmly believe that the American spirit is alive and well.

In Texas or in Washington, I know we'll keep up the fight. And we will hold as our banner the frontier resolve and the commonsense ideals of those early Texans who built our great State. I am absolutely convinced, no matter what the obstacles we face in a partisan nature, that we can do something for the kids, that we can build a better America.

So, I want to thank you for being here with us tonight. It means a great deal in many, many more ways than I can possibly tell you, for Barbara and me to start this journey, this fundraising journey right here where we feel, what Bob talked about, a sense of love and warmth and friendship. That means an awful lot, whether you're President of the United States or still living around the corner.

Thank you and God bless each and every one of you. Thank you very much.

Note: The President spoke at 9:01 p.m. at the Sheraton Astrodome Hotel. In his remarks, he referred to Robert Cruikshank, chairman of the dinner; Willie Alexander, former Houston Oiler; Reverend Claude Payne, Rector, St. Martins Episcopal Church; Milo Hamilton, emcee for the dinner; Senator Robert Dole; Secretary of Education Lamar Alexander; and David T. Kearns,

Deputy Secretary for the Department of Education.

Statement on Signing the District of Columbia Mental Health Program Assistance Act of 1991

October 31, 1991

Today I have signed into law H.R. 1720, the ``District of Columbia Mental Health Program Assistance Act of 1991," which permits the Secretary of Health and Human Services to enter into an agreement with the Mayor of the District of Columbia with respect to capital improvements necessary for the delivery of mental health services in the District of Columbia.

The Act would, among other things, establish ``buy American" provisions to govern procurements made under the Act. The Act purports to require the United States Trade Representative to rescind a waiver of the Buy American Act of 1933 in regard to any country that the Mayor of the District of Columbia, in consultation with the United States Trade Representative, determines has violated the agreement providing for such a waiver. The decision to rescind such a waiver is an exercise of significant authority that must be undertaken by an officer of the United States, appointed in accordance with the Appointments Clause, Article II, sec. 2, cl. 2, of the Constitution.

Because the Mayor of the District of Columbia is not an officer appointed in conformity with the Appointments Clause, the Mayor may not exercise the authority to rescind, or to direct a Federal official to rescind, the waiver. The Mayor of the District of Columbia has not asserted any such power. In order to enforce the Act consistently with the Constitution, however, I instruct the United States Trade Representative to construe any such determination by the Mayor, made pursuant to section 11(b)(1) of section 4 of the Act, as a nonbinding recommendation.

George Bush

The White House,

October 31, 1991.

Note: H.R. 1720, approved October 31, was assigned Public Law No. 102 - 150. This statement was not received in time for publication in the appropriate issue.

Interview by Ron Stone of KPRC - TV in Houston, Texas

November 1, 1991

The Economy

Q. Mr. President, you made a stemwinder of a speech last night. Let me go over some of those points.

The President. Please.

Q. So you can say again what you said then or clarify some things for me. A majority of the people according to polls think the economy is just going the wrong way.

The President. I know it, and I'm concerned about it. The irony is it's doing somewhat better than most people think, but still a lot of people are hurting. I'm sure they saw and you saw the recovery figures or the third-quarter figures that showed slow but reasonable growth. And yet, when people are being laid off or worrying about their jobs, these numbers don't mean anything. And what we've got to do is to try to take the kinds of action that will create jobs.

So, I'm concerned about it. But as we move into a political year, maybe we can get more done. I feel frustrated, and what we've tried to do, it gets blocked.

Linkage Between Democratic and Foreign Affairs

Q. Some of the people questioned in the polls believe you're not paying enough attention to the economy.

The President. I hear that. I think if you ask them the question, ``Well, did we properly engage Saddam Hussein," they'd say, ``Yes" or ``Do you think it's worth working for peace in the Middle East?" They'd say, ``Yes." But when a person is hurting and they worry about their families eating and whether they have a job the next day, I can understand that. I also made the point last night, though, that these things are interactive. For example, our relationship with Mexico and our working on a free trade agreement will mean jobs for the American people.

Now, I took on the labor unions on that. They have a different view. They think it will cost jobs. But it's job important. When we're talking now about getting a trade agreement, we're talking employment; we're talking more prosperity for the workers in Texas; we're talking about better environmental conditions on our border. And these are domestic issues, but they interlock.

Similarly, I think the peace issues, wherever they are, whether it's an altered Soviet Union or a more peaceful Middle East, eventually, that will mean far less security requirements for the United States.

So, I see the world as interlocking in this communication age, the way capital travels around the world, in this instant-communications age, foreign affairs are domestic affairs.

But again, the opposition is jumping on me for political reasons and saying, ``Well, I spend too much time on that." And then it gets harped on, and people pick it up. I don't agree with it, and I'm not going to change my schedule, incidentally. I'm going to do what I have to do to guarantee to the people peace and the national security interests of this country.

But again, I have to look and say, Ron, ``Am I thinking about this right?" Some guy in Detroit being put out of a job. Someone in Dallas, his firm having to lay off. I can't ask him to think of my being in Madrid is good. But I've got to keep it in focus because I have the responsibility for the national security and for world peace.

Relations with Congress

Q. Well, in all fairness, Congress doesn't get very good grades either for being -- --

The President. They get worse than I do, which is -- they merit that in my view, particularly the Democrat liberals that control it.

You know, what I had fun with last night -- because I've been standing there like a placid punching bag, saying to myself, ``what I want to do is get something done for the men and women of this country." And to do that when the other party controls Congress, you have to compromise, you have to give or take, but you have to lead sometimes through vetoing. And I've been kind of a shock absorber for highly partisan criticism.

And I'm not going to do that anymore. I'm going to say when a guy takes me on in a demagogic way, I'm going to hit him right back. And I'm going to be doing it more and more. I still have to work with Congress. But we've had a good record on getting things through, but we need to do a lot more now. And I'm not going to sit here and let them alter the facts by these personal attacks.

I mentioned one little guy, that's the leader in the Democratic side in the House, criticizing me for being in Madrid, Spain, for I think it was 36 hours in a peace conference that is historic, something nobody in the world would dream we could bring these people. And this little guy jumps up and ``He shouldn't be there. He ought to be here." They ought to go home. The Congress ought to adjourn, and then that would help the American people more. And let us do what I was elected to do.

The Economy

Q. I don't pretend to understand Washington, but the buzzword up there seems to be somehow, a ``jump start'' for the economy.

The President. Yes.

Q. What is that?

The President. What I think people are talking about, they share the concern I have about people that are out of work. And so, they're trying to see, is there something the Federal Government can do quickly, like a quick tax cut or a quick fix on a jobs bill that will ``jump start'' the economy? I don't believe that's possible if the price tag is higher taxes because of breaking the so-called caps on the budget agreement.

I think we've spent way too much Federal money. I think the Federal Government intervenes far too much in our lives. And so, I want to hold the line on that. But I think that's what people are talking about.

And the irony is, I have proposed growth programs, some popular, some not, in three State of the Union messages. But the Democrats have a different philosophy. Not guys like Lloyd Bentsen or some of our congressmen and stuff, but the people that control the machinery up there. They're the old thinkers. So, we have a certain price you pay for divided Government.

Tax Cut

Q. You mentioned tax cut, and we hear more and more talk about that. In all probability, that's going to be the big debate that's going on next year during the campaign, is it not?

The President. Well, it depends how the economy is. I think, if you can say, ``Let's just cut taxes,'' and then let your voice trail off so you don't say, ``Let's increase the deficit,'' that might be all right. I have proposed a package of growth measures including IRA's and capital gains that actually would bring in revenue by stimulative tax cuts. Now, the Democrats elect to call capital gains a tax for the rich. I think if you look at 1978 and the Steiger bill, you'd see that it increases jobs. And that's what I'm interested in: The working men and women having a job with dignity in the private sector.

Congressional Mandates

Q. I don't suppose anybody ever asked you a simplistic kind of question. So, I'll ask you one right here.

The President. Go ahead.

Q. The question is, if the cold war is over, why can't we take all that money we were spending there to help the folks at home?

The President. I think you can take some of it to help the folks at home. First place, when the Government man comes along and says, ``I want to help you," watch your wallet. Be careful. Because when the Congress says, ``I want to help you," that means they want to mandate; they want to tell you, whether you're in school, whether you're in a factory, whether you're in your home, exactly how you want to live your lives and run your business if you want ``Federal" money. It's the taxpayers' money.

So, I don't think that there's any quick fix on all of this. And frankly, I think there's some reason to believe that the Democrats, my view is -- let me start this way: I think it's a sorry thing when the only way somebody thinks he can be elected is to say how bad everything is in the country or to hope that it will get worse so he can win. And it's a sad kind of a negative approach. And I'm much more of a positive person than that, and we'll just keep on trying.

Government Service

Q. As I was driving over here this morning, I thought back to a time longer ago than either of us would like to think about when you ran for Congress, and we talked after you had won the first time. And I said, ``Why in the world would you want to do this? You know, you've got a good job. You've got a lot of money. Why do this?" You said, ``I think people who can, ought to try to make a difference, ought to make the Government work. Now all these years later when you've got the best job there is, can you really make the Government work?

The President. I think we've made a difference. I think we've made a marvelous difference in the feeling in this country about our own national pride. And that's broad scale, broad-brushed, and I think what happened in the Gulf after the malaise days of Vietnam really inspired, way beyond party, the American people. And I can take some satisfaction from that.

On the domestic issues, like the environment and health care and medicine and education and crime, I think we can make a difference. But the problem I'm facing is, I'm up against the liberal Democrats that control Congress who have a very different philosophy. But, yes, I still feel that emotion that I felt. You were nice to mention the Congress because you also talked with me after I lost my first race. [Laughter]

Q. No, we won't mention that.

Redskins vs. Oilers

Q. I only have time for one more question and it's the most important one. And everybody wants to know who you're going to pull for in the Washington-Oiler game this weekend?

The President. You want a good, a straight answer or a political answer?

Q. Well, we'll try both.

The President. All right, let me give you a combination. I love Joe Gibbs of the Redskins. I know him. He does wonderful things for youth. But I'm for the Oilers. And I talked to Jack Pardee a few minutes ago and told him I was rooting for him, told him I hope he'd come by the White House on this visit because Barbara and I will be back there Sunday, and sent my best to Warren Moon, also a friend and guy of whom I share the pride in him everybody does. But, no, put me down in the Oilers column. And I'll have to get up quickly and explain it to Gibbs. I may catch a little hell in Washington, but look this is my home, and that's who I'm for.

Q. Thank you, Mr. President.

Note: The interview began at 9:35 a.m. in the Houstonian Hotel.

Remarks at the Bush-Quayle Fundraising Dinner in Dallas, Texas

November 1, 1991

Thank you, Ray Hunt, and thank all of you. Barbara and I are thrilled and delighted to be with you. And, Ray, thank you for your leadership on this dinner, you and Perry Bass, and Elvis, and my dear friends, Bill and Rita Clements, the great Governor of this State. Phil Gramm, and Tom Loeffler, and all the chairmen and cochairmen, thank you for this fantastic welcome back home.

And I might say, if I don't get in trouble with the FEC, that's the Federal Election Commission, thank you for a wonderful send-off. I am grateful to each and every one of you. And Phil put it pretty well; I do feel a lot of love in this room, a lot of friendship. And I don't care if you're starting out in Midland or Odessa, as Bar and I did in 1948, or whether you come up through the precincts in Houston, Texas, or run with the support of friends statewide with a spectacular lack of success for the Senate in 1964 and '70, you couldn't make it without friends. You couldn't make it without people who care. And we have been blessed in our life by the friendships from the people of this State, and we will never, ever forget how we got this opportunity to serve our country.

And it's the greatest time in history to be President of the United States, and I'm grateful to each and every one of you.

And I'm very proud of our statewide political team. I mentioned Bill Clements. I must say I wish you were in Austin right now. I shouldn't wish that on anybody, but -- [laughter] -- we miss him badly. And I miss his counsel as Governor and his leadership.

But I salute our State chairman Fred Meyer, who is doing a superb job. And he's working hard to see that we get a fair shake in redistricting, I might add. And then, of course, our statewide office holders, my dear and old friend, Kay Bailey Hutchison and Rick Perry, who did the Lord's work by getting selected to commissioner of agriculture. [Laughter]

Reverend Benton, thank you. And to this magnificent music, I don't know how to begin to say thank you to the Texas Boys Choir, to the Vocal Majority, University of North Texas Band. You are magnificent, and thank you all for this very special treat.

And I debated what to talk about. Really, we're here to talk about America's bright hopes for the future, a future that really is built on special values that we've always held dear. These values are special to Texas: A commitment to economic growth, a steadfast respect for the individual, a proud determination to carry faith in democracy to the rest of the world.

Phil Gramm knows what I'm talking about. So do thousands of other Texans, millions of Americans. We have an extraordinary opportunity before us. Together we can cement the gains that Phil talked about, that Ray talked about. We can build on those gains. And let me tell you why. I think we can build on them not only in foreign affairs, but I think we can build on them domestically. And the reason is I really believe that the values we all share are right for the United States. The program that I have is right for the United States. And we've got a slight problem: We've got too darn many liberal Democrats controlling every House of the United States Congress, every committee, every subcommittee, and they can't think of one new idea. All they can try to do is block my domestic agenda.

And that's what I want to talk to you tonight about. We need your help in making some of these changes.

Frankly, we believe that government should ease the burdens on the people. And we believe that for a fundamental reason. We believe that because we have an abiding faith in the communities, in the neighborhoods, in the people themselves. And we understand that when we talk about issues, what we're really talking about are human values; we're talking about people. For example, too often we talk of the economy as if it were something dry and technical, rather than what it really is: The lifeblood of the American dream.

Years ago I learned that economics focuses mostly on people, not on numbers. And I do remember those early days in Odessa, 1948, and then Midland right after that. Then your word was your bond. You shook hands with a guy on an oil deal, Perry, and it kept; it took. That's all you needed. You didn't need 25,000 lawyers drawing up escrow agreements. You had the values out there.

The neighborhood meant something. The strength of family was strong and meant something. And as Ray touched on it and this music said faith was terribly, terribly important. You chose your schools, taught people without being afraid of it, to say the Pledge of Allegiance or to express their patriotism.

Now, it doesn't take long for anyone to understand that the great strength of our country is in the neighborhoods and in the cities and in the towns and, yes, in the family and in our churches and synagogues. It is not shielded and isolated in subcommittees on Capitol Hill. Not by a long shot. It is in the neighborhoods and the families of West Texas and Dallas and Houston and South Texas and the Panhandle and Waco and wherever. It's a strength that comes from a simple source: freedom. Let the liberal Democrats then pursue these programs that enlarge Government, that dictate to every single community by mandated benefits how you're going to run your schools if you want that Federal money. That's your money. If you want that Federal money, you have to live by code A, B, C, or D. And you have to have 25 regulators coming in to be sure that you live by the mandate set by a subcommittee chairman that's been in office 30 years. That's not good enough for America, and I want to change this Congress.

The problem is in the Congress of the United States on the liberal Democrats that control it. And I have been a javelin catcher too long up there. I have been kind, and I have been gentle. And I have tried to work with these guys that control the Congress, the liberals on one side, and I'm tired of it. And I can't wait to be a candidate, when I decide to be one -- [laughter] -- and take this to the American people. They are tired of it. They are sick and tired of it.

I'll tell you something. They say, ``No domestic agenda." They've got a domestic agenda, and that's blocking my domestic agenda. Those old guys who control those subcommittees haven't had a new idea in the 30 years they've been there. [Laughter] And it's time to change it. And I mean it.

Why do you think the American people are so excited about term limitations? They've wised up. They understand it. And I'm going to fight for that, too, all next year. It only seems fair. I've got to limit my term. Why shouldn't they limit their term? [Laughter] Fairplay.

Let's talk about a growth package. I've been pressing the Congress for a real growth package. It started in my first State of the Union, second State of the Union, third State of the Union. Let me just give you my views on what -- if we had more decent-thinking people in the Congress like Phil Gramm -- what we could do to help the economy.

There are some people hurting in this country, and they're hurting bad. And their families can't make ends meet. And some people are getting put out of work. And they need a growth package that's going to create jobs. And I've called for the things that I believe would help, and they've been opposed day in and day out by the liberals that control and the United States Congress.

One of them, let them call it a tax break for the rich. I will bear, as I said last night in Houston, all the political burden that they can heap upon me for calling a capital gains cut a tax for the rich. It is a jobs creator. It is an entrepreneurship bill. We can get more jobs and more businesses going by a capital gains differential than any other single thing. So, call it what you want to, but give it a try. The American people want it. It shows up in the polls, and they ought to have it. And they don't have it because the Democrats want to make political hay instead of putting this country back to work through new jobs created by small business.

We've got to increase our savings base in this country, and that's why I've pushed for incentives like IRA's. Particularly those that can stimulate the housing business. And that's all caught up in an old thinking of the leadership of the United States Congress. I've called for the creation of a permanent R&D tax credit, research and development, so we can retain the cutting edge that we have in technology. And it's absolutely essential. Not a shortrun boost to the economy but something long-run that is going to guarantee our competitiveness around the world. And that means jobs.

I want to see more investment in science and technology to keep us ahead of the curve in world

competition. I want to see us do more in cutting needless Government redtape that frustrates innovation and efficiency. And instead of that, the Congress comes out with more and more regulations. And thank God we've got a good Vice President up there that's trying to cut through them and lift the regulatory burden on the small businessmen of this country.

Jobs -- we need jobs. I'll tell you a job intensive improvement bill, and that's the transportation bill. My State of the Union message, I said to the Congress, I need two pieces of legislation. We've got plenty that we need. We need to do more on education. We need to do more on these economic incentives. But give me a crime bill and give me a transportation bill in 100 days. It is now 242 days, and I haven't had either one of them on my desk.

A transportation bill would put a lot of Americans to work and put them to work fast. And we need it. Our infrastructure needs it. And yet, we've got people that are haggling up there, moving the previous question, seconding the motion, going about all this parliamentary gobbledy-gook when the American people want action. And you give me a Senate controlled by people like Phil Gramm, and you'll get plenty of quick action. And it will be sensible, and it will keep the taxpayers' interest in mind.

I've told you why this economy hasn't gotten the kind of shot in the arm we need. In short, one party has controlled both Houses of the Congress far too long. We did control the Senate when President Reagan came in, and you can take the offense. He took his case to the people. He said, here's what I want to do: A, B, and C. And at least in the Senate you could begin to move the process. You could get your ideas tried.

Today I pointed out these things, and they aren't even willing to try them. The only way I have gotten some good legislation passed is to veto bad legislation and make clear to this Congress I am not going to pass any more of your bad legislation. Now, if you want to compromise, fine. But I am not going to accept it the way you send it down because the people elected me to go forward with these ideas, and you ought to give our ideas a chance. And I'm not going to change. I don't care what title they have on it.

You've heard the question: Why does the President seem to have successes in foreign affairs, difficulty in domestic affairs? The answer is a cinch. [Laughter] It's very, very clear. If I had had to get Ted Kennedy's approval to move General Schwarzkopf to the Persian Gulf, Saddam Hussein would be in Saudi Arabia and Schwarzkopf would have been in Florida still. That's the difference. And that's a fact. And the American people know it's a fact.

It's not a political statement. That is a fact. [Laughter] You just look at the record on those things. [Laughter] Suppose I had to call up the subcommittee chairman of the Armed Forces Subcommittee on Latin America and say, ``Hey, do you think we ought to take a drug dealer out and save the lives of Americans, and get Noriega out and give democracy a chance in Panama?" They'd still be moving the previous question, asking some parliamentary order, ``Mr. President,

can I speak now?"

We do it because you have the power, the national security responsibility and the Presidency. And that's clear, and the American people know it's clear.

The other night I was in Madrid, maybe still on Madrid time. I feel a little groggy here. But the other night I was in Madrid. I think we've done something great. We've got a great Texas Secretary of State in Jim Baker who is working his heart out for peace. And we've done something that the most cynical believed we could never do. Because of the new profound strength of the United States and prestige, frankly, of the United States around the world, as a result of Desert Storm, we were able to bring warring factions together, as Phil said, people who have been at war for thousands of years to at least talk, to come together under the same roof in Madrid and to begin to at least talk about peace.

I don't know what's going to happen in that. I don't know how successful we're going to be. But it was success to just bring those parties together. And it was hard work. And you had to stand up against the skeptics and you challenge old shibboleths and you had to go foward and try the most complicated diplomacy. And whether it succeeds or not, it's worth the candle, it's worth the effort.

And I'm over there. I'm dead tired. I flip on CNN, which was in my bedroom there in the Embassy in Madrid. And I hear the assistant Democrat leader of the House demonstrating his interest in the domestic agenda, criticizing the President of the United States for being in Madrid and trying to bring about peace between these warring factions. I'm sorry, I don't care what this little man thinks. I'm going to keep on leading and try to do my best for the United States of America and peace for his kids and for my kids.

Let him carp. Let him criticize. It's not going to get to me one bit, because I'm going to take my case to the American people, I think, if I decide to become a candidate for President of the United States. [Laughter]

The Democratic leaders in the Senate, they won't permit a straight up and down vote on capital gains. More of them are beginning to talk about it. I have key economic appointments to the Federal Reserve Board, been sitting there, one of them, Bob Clark, a Texan for comptroller. That nomination has been up there for 9 months. We have two directors of the Fed, Federal Reserve Board, the Fed. We've got some problems there. We need the best minds we can have there. And yet, they're blocking these two nominations.

My suggestion to them is do the people's business. If you don't want the people I have up there, send them back. Say you won't approve it. But don't let everybody sit in limbo. And the Senate ought to reform itself and stop putting holds on nominees. Consider them. Advise, consent, but don't just sit there doing nothing when we need good people on the Fed.

I think the American people know that I've tried to reach out. I've tried the kinder and gentler approach, and I'm going to keep on because I want to see some good. Might not sound like it tonight -- [laughter] -- but I'm going to keep on because I really believe that you can get something done. And we have. We've gotten some good -- a good legislation through in a compromised way. And sometimes when I beat back their bad legislation, we come together and get reasonable legislation done.

But let me give you an example on what's going on on that one. There are some Americans that have had their benefits run out for unemployment. They're hurting. Their families are hurting. I don't care whether you're Republican or liberal or conservative or Democrat, whatever you are. When somebody in America is hurting like that you've got to try to do something about it. You've got to care. You've get to feel a sense of compassion for those that are hurting in this country, and there are plenty, unfortunately.

So, I'd like to see an extended benefits check go out to these people. And I've told the Congress what I want. What I want is a bill that will extend these benefits; do it on a temporary basis. We're not going to mandate some whole new program there. Take care of those that are hurting now, and get the economy moving so they won't be hurting in the future. Take care of them, and get those benefit checks out. But do it without burdening everybody that's working in this country, all those that are not working that are paying taxes.

Do it within the budget agreement with the caps on spending is the only control that the taxpayers have over the reckless spending of the Democrats that control the Congress. Do it in a way to protect the taxpayer and still demonstrate the compassion that we feel for these people. And they'd rather, as I said last night -- I used an unfortunate analogy. I said they were trying to stick it up my ear. [Laughter] Let me try to rephrase that for you. [Laughter] No, what they're doing, what they're doing is trying to make political capital while these people are hurting out there.

I hate to tell you, but I read in the paper this morning that the Majority Leader of the United States Senate, who, yesterday, compared me to Herbert Hoover, wants to get his people to vote one more time so I'll have to veto one more time so he can then go to, in a demagogic fashion to the American people one more time to say that I'm against those people that are out of work. And, fortunately, it appears that the other Democratic leaders are much more interested in helping the people that need help and coming together with me to get a deal that will extend these unemployment benefits in the way I've told you I want it done.

And I don't care what the Majority Leader of the Senate thinks about my performance or what he thinks about what he can embarrass me into doing. If he sends me down a bill that's going to bust this budget agreement, I'm going to veto it and send it right back and get some legislation that is good for these people and good for the taxpayer.

I've been 3 years in this job now, and I've never criticized the Majority Leader before. But he is

not going to dish it out and then be unable to take it. I refuse to catch his javelins anymore. I'm going to throw them right back because I've got the truth on my side.

And let me just say on other bills, I am going to veto -- I'm not going to worry about it -- any bill that busts this budget agreement, that increases the outrageous deficit that we are laying on your kids and my grandchildren. We've gone too far. And we have in place constraints on spending. Every day, you find some new dire emergency, they call it, to bail out some special program. And I'm going to hold the line because that is the only protection that all the American people have against reckless spending that is dry-mortgaging the future of our grandchildren and our children.

Let me say that I am pleased when we do get cooperative work with the Congress. I don't want to say we never do. We can get a crime bill. We can get one that says to every guy that's patrolling the drug areas in Dallas, every policeman, ``We're with you. We're going to help you. We're going to get you exclusionary rule reform, or habeas corpus reform. And we're going to have a death penalty for those that kill police officers, and it's going to be prompt and fair." The problem is, we've got a good bill out of the Senate, and now we've got these same subcommittee old thinkers in the House trying to block it.

I believe we can get a decent crime bill. I believe we can get a decent transportation bill. Unfortunately, today the extremes blocked a bipartisan energy bill. Bennett Johnston, a Democrat; Malcolm Wallop, a Republican, have a decent bill. And it was blocked by some parliamentary procedure up there because they're worrying about the caribou in Alaska when I'm worrying about jobs for the American people. I'll go with the people. Let them go with the caribou.

Bipartisanship -- we've got something going in education. We've got a great Secretary of Education. He's got a great deputy in David Kearns. We're working with the Democrats. We're going around those subcommittee chairmen. We're working with Democratic Governors and Republican Governors on this program America 2000. It's good. It revolutionizes education, moves our people up, gives families a choice of where they want their kids to go to school.

And if we can somehow manage to keep that program out of those subcommittees I'm talking about, we can really offer our children a brighter future, and I want to be a part of that. I want to see that succeed. And I believe we can do it.

The liberal Democrats, they've got one formula: Spend a little more money. Do you know what the figures are in education? We spent $190 billion on education, total, around '80 or '81, and it's now up to $400 billion. And their answer is, ``Hey, you cut out $2 billion here, or you didn't add this or that." That's not the point. You've got to revolutionize these schools. You've got to think anew, as Lincoln said, ``You've got to start over." And that's exactly what we're trying to do.

I have one other thing about the Congress I'd like to bring up here to see if I can generate any

support. I have an old-fashioned feeling that Congress ought not to exempt itself from the laws it makes others comply with. I don't know whether that makes any sense or not.

The Equal Pay Act of 1963, Title VII of the Civil Rights Act. I don't know whether you were glued to your TV when the Clarence Thomas hearings were on. We heard a lot about sexual harassment. But did you know, did you know the liberals that control this Congress have seen to it that Congress exempted itself from the sexual harassment laws at the same time they were piously lecturing the rest of the country?

I think the American people want Congress to comply with the same laws that you and I have to live with.

And the last point, and this is the last one, I really do believe that there is an interaction between foreign policy and domestic policy. Somebody mentioned, either Phil or Ray mentioned the free trade agreement with Canada. Yes, I go down to Mexico, and yes, I deal with their marvelous new President, Carlos Salinas. And yes, we're working, spending a fair amount of time trying to get that done. But that's not foreign policy per se. That's a better border for Texas. That's a better environment along our border. That's more jobs for Americans. And I'm going to keep right on working with President Salinas until we can get this historic free trade agreement through. And the same with Canada.

When I meet with Mr. Gorbachev, as I did Monday night, ``Okay," you say, ``that's foreign policy." I think it is in the interest of every child and every school in Dallas that this marvelous, majestic move towards privatization and market economy succeed. And it is in the interest of every kid in this country that this revolution that's taken place in the Soviet Union be successful. And it is only the United States of America that's strong enough, knowledgeable enough, believes enough to see it happen.

Ask Bob Mosbacher. What a job he has done taking technology over there and business expertise to the Soviet Union. And so, let them carp, criticize all they want. Let them make their political brownie points. I am glad that our chance for peace has been enhanced and our chance for trade will be enhanced much more if we are successful in working with these new leaders in the Soviet Union and in the Republics.

I'm very proud of our country, and I am not negative about our country. Frustrated at times with the Congress? Yes. Willing to take my case to the American people? Absolutely. Willing to reach out my hand, as I have over and over again to the Democrats that control Congress? Yes, I'm going to keep right on trying because I want some things done, and the only way I can get them done under the status quo is to reach out.

But let me tell you this: Next year, I am going to go to the American people as clearly as I can. I'm going to put my record of the line, shortcomings, and hopefully, the people will think maybe

the progress has outweighted the shortcomings and say, here's where I'm coming from. Here's the kind of help I need, and that a man like Phil Gramm needs in the United States Congress."

We believe in these same values today in 1991 that I believed in, in Odessa that I mentioned in 1948: Neighborhood, family, freedom of individuals to make the choice on where their kids go and how we lead our lives, the importance of faith in our lives. I'm not embrassed to stand up and salute the flag. I'm proud of it. And America is proud of it again because of the way our kids behaved in Desert Storm.

And I want to take this message: Foreign policy, domestic policy successes we're had, and then those initiatives that need to be performed on. And there's plenty of them. But we've going to need your help, and you've given us a wonderful sendoff by this dinner here tonight. But we're going to need your help at the polls. We're going to need your help to see that our great Texas officers have more support in the elections that lie ahead. And we're going to need your support in working to help me change, change the character of this Congress so that your values and the values of Congress will be hand-in-hand and will be compatible.

I can tell you I never thought I'd look forward to another campaign. I thought I was getting a little too tired for that. And I'm ready. I'm ready because I believe there's so much at stake in this country, and I believe I'm blessed with a wonderful wife who absolutely has enraptured this country because they see in her something strong and decent. And you've given us your support. You've given us your support. And I'm going to do what my mother told me to do, ``Do your best. Try your hardest. Be a decent guy in the process, but work your heart out for what you believe in." You've helped me do that.

Thank you all, and may God bless the United States of America.

Note: The President spoke at 8:46 p.m. at the Reunion Ballroom in the Hyatt Regency Hotel.

Interview With Sylvan Rodriguez of KHOU - TV in Houston, Texas

November 1, 1991

Anti-crime Legislation

Q. Mr. President, congratulations on the progress being made in Madrid and the peace talks over there. But as you talk about a kinder, gentler Nation, it's difficult for Houstonians who are being robbed at Randall's to relate to that. What can you do as President to make the streets safer right here in Houston, your hometown?

The President. Sylvan, there's not too much a President can do, but there are some big things a President can do if he can get cooperation.

You see, there's two schools of thought: One, we need to worry a little more about the criminals and their rights and soften the criminal anti-crime legislation, hoping that you can rehabilitate; and there's another school of thought, which is mine, and that is that we need to be tougher on crime.

We have a crime bill before the Congress that does exactly that: reviews the exclusionary rule, protects the police more, reviews the habeas corpus rule, cracks the death penalty on those who create the most heinous of crimes. And we've got a philosophical difference, particularly in the House.

The Senate Democrats and Republicans have come together for a good bill. So, my answer: ``Help us pass our anti-crime legislation." And then, of course, a lot of it has to be done through the police at the local level. And I think our police chief here is trying very hard. She's good, and she's working on it. But these policemen that are out on the beat need help, and that's what we're trying to give them through our anti-crime legislation.

But we're caught in a philosophical debate. The most liberal Members of Congress simply think I'm on the wrong track, and I think they've been proved wrong. We may get one this year, incidentally. I hope so.

The Economy

Q. Let me ask you a little bit about the economy here.

The President. Fire away.

Q. Here in Houston we've been rocked by layoffs: Compaq let go some 1,400 folks; Transco yesterday announced 500 folks being laid off; Halliburton; Tenneco. The evidence here in Houston is pointing to a recession. What can you tell those folks who are out of work?

The President. I'd tell them that, ``Look over your shoulder and recognize that in spite of the hurt today we've come a long way in Houston." I think about a few years ago when we were going through the same credit and financial institution problems that some of the rest of the country is now.

I'd also tell them that what we need to do in Washington to assist is to have a growing economy with less regulation, with a new banking reform bill, with a transportation bill that creates instant jobs. I happen to believe a capital gains cut would stimulate more Compaqs -- companies being started. It would stimulate jobs in small business that present 80 percent or 85 percent of the jobs in this country. So, we've got good programs, but again, I'm in a fight with the Congress.

I also think there is this one of unemployment benefits. And where unemployment benefits have given out, I want to see that the checks start coming again. But I don't want to do it in a way that burdens everybody that is working or people that are out of work and are paying taxes.

So they ought to lay politics aside. And the Democratic leader in the Senate was reported in the paper today to be holding out against the other Democrats who want to do what I want done. He wants to, as I said last night, ``Stick it up my ear." I was trying to think exactly how to phrase that, but -- [laughter] -- this isn't any time for politics. People are hurting, and I want to send them the checks. But I also want to protect the rest of this country by not busting the budget agreement and adding to the deficit.

Q. A lot of folks are hurting here in Houston because of these layoffs. Can you give them an idea as to how long that's going to last, how long the recession -- --

The President. No, but I -- well, let me try to put -- I don't want to be kind of a cheerleader. I don't want to be a rosy-scenario man. In the first place -- and this is no help to somebody that's hurting -- the recession that we have been in, had been in, is not near as deep as the one that I lived through as Vice President in '81 and '82. So I think we have less far to come to get out of it, in other words.

I think when you see growth in the third quarter, that was a good sign. When you see unemployment -- don't tell this to an unemployed guy -- but when you see unemployment substantially lower than it was in the heights of the last recession, that's a good sign.

But yes, I'd say to them, ``I do believe things are improving." I don't think everything is right. I do think we ought to help those who are out of work. But I don't want to be a part of trying to talk this country into a recession, a deepened recession. And I don't want to win by just talking

negatively about everything.

I know that very candidly, politically, some of the liberal Democrats that control this Congress think the only chance they have to defeat me is to talk this country into hard times. And I don't want to be a part of that. So my message to the person that's hurting is: One, we want to help you. Two, I believe we're going to be out of this thing and may be out of it right now. And three, work with the Congress to get the kind of incentives in the economy that I've been talking about for a long, long time.

Presidential Campaign

Q. Mr. President, I hope to be with you on the campaign trail during this next year.

The President. Get ready. You're not a stranger to it, nor am I. I meant that, what I said last night. I've been trying to be kind and gentle and absorb these political shots from not all the Democrats -- you don't hear some of our Texas Democrats be this personal. But I'm a little tired of having the liberal Democrats up there in the House and the Senate, these entrenched leaders and chairmen of these little subcommittees, dictate to the American people.

I know what the American people elected me to do, and I'd like to be able to do it. So, I'm going to shoot back a little more now. I felt good after that last night. I came home, and I said to Barbara, ``You know, one, it's great to be back in Houston, and I feel good." I thought I'd be dead tired, having come in from Madrid. And I felt good because I slugged back at these guys that have been sniping at me for 6 months.

Q. Are you ready for the fight?

The President. Yes, I am. And we're going to be in a real fight. I'm not going to roll over and let them misrepresent my record. And I had fun pointing out that they say to me, ``What's the difference between foreign and domestic policy?" Foreign policy, you don't have to go to the lowest common denominator on some subcommittee and ask permission to have a Middle East peace conference: you do it. And the people support you. Domestic policy, you've got to come up against this old thinking. So, there is a difference in that.

Q. Well, tell me what the focus of the campaign, then, will be. What's the most pressing issue that you feel -- --

The President. Economy. Jobs. Getting America back to work, helping those who are out of work. But then, of course, you mentioned crime. It's right up on the forefront. And I'm going to take the crime message to the American people and say: ``Get me some Members of Congress that will support my crime bill. Republicans are supporting it. Get me some on the other side so we can move it forward."

Education. We've got a fantastic Education 2000. It's not Republican or Democrat. Democratic Governors are supporting it overwhelmingly. But some of the old thinkers in Congress want to have Congress tell these schools how to do it. They're subject to the power of the labor union in education. But I'm not worried about that labor union, the NEA. They never voted for me in their life. The members do. The union fights me. So, I'm going to fight them.

Q. Let me ask you a little about the middle class. That recent Washington Post-ABC poll indicated that 47 percent are inclined to reelect you, and the others say it's because of the economy and especially the middle class are hurting so much right now.

The President. Any time you've got a bad economy, people are going to look at anybody that's in office. One of the reasons you see term limits so popular, and I support them, is people are saying, ``Hey, they're not helping us."

I can't ask a guy that's thrown out of work at Compaq to think everything I'm doing is perfect. But what I will do in the campaign is draw the lines and say, ``Here's what I've tried to do. Do you know this? And if you believe in it, send me some help up there." But yes, I think the economy is going to be the driving factor in these elections.

The lack of consumer confidence worries me because if they hear all this bad news all the time, people are going to get gloomy about it. It's a good time to buy a house. It's a good time to buy a car. Interest rates are substantially lower. But as long as people are worrying about their jobs, they hold back. So, I've got to border between cheerleading and saying, ``Hey, good banks make good loans; let's move things forward," and not seem uncaring. There's a balance there. I'm walking a tightrope.

Redskins vs. Oilers

Q. I have time to ask you one more question.

The President. Shoot.

Q. I'm sorry to be filibustering here. Save the best for last. Houston Oilers, Washington Redskins, big game. You're from Houston -- --

The President. You want to put me on the spot, don't you? Look, this one isn't that tough for me. And I've said this before, and I'll say it again. I know Joe Gibbs, and I respect him. And yes, I take pride in the Skins' record. But there's no problem for me. I talked to Jack Pardee just before I came down here, told him how great I think he's doing. Got a little secondhand message from Warren Moon, sending his best, and I scribbled out a note back to him. And so, I'm for the Oilers, and I hope they win. And I hope they go on to the Super Bowl, and I hope I get the honor to have

them back in the White House.

Q. Great. Thank you very much, Mr. President. It's good to see you.

The President. All right. Good to see you.

Note: The interview began at 9:47 a.m. in the Houstonian Hotel. During the interview, the President referred to Joe Gibbs, coach of the Washington Redskins; Jack Pardee, coach of the Houston Oilers; and Warren Moon, quarterback for the Houston Oilers. Randall's Food Market is a Houston food store chain. This interview was not received in time for publication in the appropriate issue.

Interview With Dave Ward of KTRK - TV in Houston, Texas

November 1, 1991

Economic Outlook

Q. Mr. President, this is kind of a broad way to begin, but tell us what is America's biggest problem right now.

The President. Right now, world peace having been enhanced, progress having been made as we start a whole new approach to education -- although we've got big problems there -- I think it's the economy. I think it is that people don't have confidence.

Q. Unemployment figures just came out today for October: up another one-tenth of 1 percent, 6.8 percent. What can be done?

The President. Well, in the first place, these things need to be in perspective. It doesn't help to tell someone that's out of work, ``Unemployment is 6.8 percent, and that's far lower than in recession times when I was Vice President back in the '81 - '82 days." It happens to be true.

I would have a mixed message, and it would be this: One, for those that are hurting, we've got to help; those whose unemployment benefits have run out, send me a bill that I can sign that doesn't further burden everybody else by busting the budget agreement.

Secondly, using hindsight, I would have liked to have thought that Congress would move on the package that I put forward to stimulate economic growth: IRA's, a transportation bill, a capital gains reduction, and things that actually create jobs. Lacking that, we've got to fight for a package that will stimulate.

And then thirdly, I'd say I believe the economy is recovering. It grew at 2.4 percent over the previous quarter, in the third quarter. And yet, you go tell some guy at Compaq that's getting laid off, and he's not interested in that. He wants to know, ``How about my job, my family? I'm worried."

And so, I've got to be careful I don't over-cheerlead on this economy, but I don't want to talk people into a further lack of confidence because it's a good time to buy a house, frankly. It's a good time to buy a car in terms of historic interest rates. It's a good time for sound banks to make sound loans. And we've got a banking reform bill that would further enhance credit. I've been worried about that. We're working with the regulators to lighten up on some of the regulation that is causing banks to loan less money.

So, the message is mixed. But when someone is hurting, I must be concerned. And I am. And we're trying hard.

Interest Rates

Q. Would you like to see the Federal Reserve cut interest rates at all?

The President. Yes. I'd like to see them down more. They've been worried, and I think at times properly worried, about inflation. Nobody likes that insidious stealth tax; it rips it out of everybody's pocketbook. But yes, I think we could go down more on rates. And again, a President has to be careful. What I say -- it seems hard for you to believe, having known me all these years, but this affects the markets and there's procedures for doing these things.

But you've asked a frank question, and I've given you a frank answer.

Capital Gains Tax

Q. You may have a Democratic opponent who's calling for a capital gains tax.

The President. Great!

Q. I read one, Tsongas I think, says capital gains tax promotes reinvestment.

The President. A lot of them are talking about it now, but the old thinkers in Congress are unwilling to do it because they're thinking politically, ``We don't want to give the President a victory."

I told them last night, I said: ``Look, give me all the political grief. You call it a tax for the rich. Lay that on. Keep on with your rhetoric. But let's try it. It worked in '78. It created new jobs. It added revenues to the Federal Government -- didn't cost the taxpayers a thing. Let's try it. Let's try to create jobs through the incentive that comes with entrepreneurship."

It's small business that's the backbone of this country. But we're in a political fight, and yet, I think some are coming this way. I've even heard some of the most unlikely sources talking about it now. So, we're going to keep on it. I'm not saying it's a magic that's going to solve everything, but our package will help a lot.

Family Values

Q. A lot of people blame our social ills in our country on the breakdown of the family, giving us social problems. Don't those eventually evolve into economic problems?

The President. Certainly. And I -- oh, Dave, I'll tell you -- --

Q. What can be done about it?

The President. Well, I'm not sure the Federal Government can do a heck of a lot about that: the dissolution of family, marriages breaking up wantonly and at random, children left with nobody knowing their names. I think one thing we can do is safeguard against legislation that is going to inflict mandates on families. I'm for parental choice, for example, in education. I fought hard and got a child care bill that lets the parents choose how this should work.

I don't want to sound holier-than-thou, but you're on to something. The dissolution of the family is a bad thing. And I might put in a plug for what Barbara Bush does here because I think the American people see in her somebody that epitomizes a family value. She goes into any neighborhood; it doesn't matter who votes for who. It's not going to matter next year. She'll be there holding somebody's hand, holding an AIDS baby in her arms, helping with education, getting parents to read to their children. You're talking about family strength. That's a wonderful thing. And it may seem small to some people, but I think the American people see, well, that she practices what she preaches in terms of family. And I'm very proud of her. And I want to try, myself, to assist without trying to mastermind the family problems of individuals.

But I worry about it all the time: The dissolution of the American family, the relaxing of traditional values. It troubles me. But you can't legislate it. It's not something that -- you can't legislate moral behavior in this country.

Anti-crime Legislation

Q. Another trouble spot that we have in Houston and, well, nationwide, but really in Houston -- we've got a horrible crime problem, and we're one of the five drug hotspots in the country. You have said communities should solve their own problems, and I understand that. But we're struggling. We're having a hard time. Is there more that can be done?

The President. Dave, you're right. In the first place, the community action is a very important way. I hope I've not said it to the exclusion of Federal participation. We've got a crime bill that proposes tough anti-crime legislation: habeas corpus reform and a whole bunch of things that I think would strengthen the hand of the police, would be tougher on the criminals, including more rapid capital punishment for those that kill police officers and involved in this insidious narcotics business. So, we have a program here that can help.

But again, I think communities do have to move forward. And Houston is trying. Houston is trying hard. I think our police chief is trying hard in this. I think our officers, some of whom I know and respect, are out there on the front line. And what the Federal Government must do is

support them. And that's what our crime bill will do.

But the liberal Democrats have a very different, softer kind of let's-help-rehabilitate-the-criminal approach. And I think we've tried that, and it's failed. And yes, I'm for some rehabilitation, but I want to support the policeman on the block. And I don't care whether it's a Democrat policeman, Republican policeman, liberal, conservative: they deserve our support. And I need some help from Congress.

Upcoming Drug Summit

Q. Some speculation that the next drug summit might be held in Houston. Do you have any word on that?

The President. Well, I'd like to see it held in the United States. The last one was in Cartagena.

You see, it's my view -- and I'm not talking defensively here -- I think that working with foreign countries on antinarcotics, I don't think that's foreign policy. They say, ``Bush spends too much time on foreign policy." Yes, I went to Colombia and met with them, but I think that helps every neighborhood in Houston, Texas, if we can make more progress on interdicting drugs.

Now, I've invited leaders of many of these countries to a meeting next year, and I'd like to see it in the United States. And it might well turn out to be in Texas. Other States, of course, are interested, and some are accusing me of funneling a little too many events into Houston. But this is my home, and I'm not apologetic about it. And we're a crossroads; we're a community here that can handle these things well.

Governor Ann Richards

Q. Our Governor, Ann Richards, she made a name for herself by kind of trashing you at that last convention. Would you like to say anything about the way she's running the Governor's office?

The President. Well, I don't want to be too nice to her, I mean -- but look, Ann had to do her thing, and she ran a good race. And I'm told that in many areas she's getting along just fine. But everybody forgives a little excess political rhetoric. I don't think she'll be running that same theme again in the future. If so, I'll unleash on her.

But right now I'm in a kind and gentle mood towards our Governor. She's helping in a lot of the education initiatives that I believe in. Most Governors -- you know, our Education 2000 program isn't Republican or Democrat. We've got tons of Democratic Governors supporting it.

So, the jury is still out on her. The jury is still out on me. And let's see how she does. But I'm not going to be carping and criticizing any Governor of Texas. It's my State.

Redskins vs. Oilers

Q. One last thing. The Washington Redskins, Houston Oilers, RFK this Sunday. Who are you going to be rooting for?

The President. I thought that might be the first thing with you. [Laughter] No, I've said this publicly since I've been in Houston, and I always start out by saying I've got great affection and respect for Joe Gibbs. You better have great affection and respect for Joe Gibbs if you want to live in Washington, even inside the fence in the White House. Besides that, he merits that.

Joe is a -- God, what he does, the great work he does with kids. But look, Jack Pardee is my friend. The Oilers are my hometown club. Warren Moon is a guy not only that I respect, but I believe he'd recognize that we have a friendship, too. And so, I want the Oilers to win it. And I want them to go on and do so well that Barbara and I receive them in the White House as Super Bowl champs.

So put that one out there, and I'll go back and take the flak in DC tomorrow.

Q. Thank you, Mr. President. It's good to see you again, sir.

The President. Thank you. Nice reunion.

Note: The interview began at 9:58 a.m. in the Houstonian Hotel. Paul E. Tsongas, former Massachusetts Senator, is a candidate for the Democratic Party's 1992 Presidential nomination. This interview was not received in time for publication in the appropriate issue.

Remarks to Marlow Industries Employees in Dallas, Texas

November 1, 1991

Thank you for that wonderful welcome. But look, you've got it backwards, Barbara and I came down to applaud you all -- [laughter] -- and congratulate you on this national honor. And it is national. And it is international now. And we're very, very proud.

I've just had an opportunity to look through the plant, and I'm very proud of what everybody has accomplished. I might commend my fellow Texan and Cabinet member, Bob Mosbacher because he puts the emphasis on quality. That takes a lot of his time, but he's also putting a lot of emphasis on expanding markets abroad. And one of the great opportunities for this country is to have ever-increasing exports. And I know that this company that has been described as small is already participating vigorously in international markets.

Bob has gone out around the country, and he's organized seminars in some 25 cities in this country. And the common denominator in all of these is that quality is what sells American goods and services, here and abroad.

Ray said it best, and I salute him. I salute all of you and your families. I see a couple of junior Troy Aikmans over here in Dallas Cowboy shirts. [Laughter] And they're getting ready for a little quality themselves, I think. But I'm honored to be here today, and I really mean that. Because we are proud of your outstanding work in earning what is now a very coveted national award, the National Quality Award named in honor of our great friend, Barbara's and mine and Bob Mosbacher's, the late Mac Baldrige.

I was impressed, Ray, by the tour of the plant. I feel as though I've just gone through a crash course: dewpoint hydrometers, parametric amplifiers. I can't pronounce them, and I just hope I can get out of here without a quiz on what the heck it is you guys do. [Laughter] But all I know is you do it well.

I want to compliment the makers of this map behind us and also the map over on the other side, a work of true imagination. At first glance you walk in here, I expect you might think that it's a conventional map of the world. But a more careful inspection shows that it is a symbolic picture of Marlow's ambitious business goals and expectations. And look at it this way: It's a whole world of your own making.

It reminds me of a remark by the great American revolutionary, Thomas Paine. As Americans fought in the War of Independence, which was a struggle for free enterprise as well as political reform, Paine said, ``We have it in our power to begin the world all over again."

Today we are celebrating a new revolution. It doesn't involve cannons and muskets and political tumult, but it is a revolution all the same. You ought to look at it every time you do something across the way in the plant as a revolution. And I'm talking, of course, about the movement in American business for quality improvement.

The best businesses in America, large and small, are renewing, even reinventing themselves to become and to remain world-class competitors. Our companies are overthrowing these outdated and antagonistic barriers between labor and management. They're replacing us-versus-them divisions with real teamwork.

The quality revolution is driving bureaucracy out of our business organizations. Companies are doing away with stratification, leaving as little distance as possible between the most junior employee and the CEO. In this quest, employees at every level are enjoying more power, more incentive, more freedom to create, and more responsibility for their efforts. And with that goes more pride.

We're improving the quality of our products and services with the keenest tools of statistical process control. This revolution that you all are participants in, this quality revolution, topples barriers that used to isolate the backroom ``number crunchers'' from the people who work on the assembly lines and the service counters. So, we're learning how to prevent defects in the first place, instead of correcting them later.

Most important, the quality revolution helps American companies to put the satisfaction of customers at the forefront. Winning organizations know that customers don't want just the best that one company can offer; they want the best that anyone in the world can offer.

Ray Marlow has described quite succinctly what the commitment to corporate quality means. He tells me that the company's receivables and payables are timely, the profit-sharing and taxes are paid, and the revolving bank debt is paid routinely. [Laughter] And, most important, you've got a little cash in the bank. But then he goes on to make this point, which is a credit to all of you, saying that while these are the results, ``they cannot be the goals in and of themselves. The goal must be quality.'' I believe, Ray, that every CEO and every company in America would benefit by sharing your philosophy, the philosophy that these good people practice every day, about effort and results.

The new commitment that we have to world-class excellence will make our businesses stronger than ever as we come out of this recession. And the most important long-term indicators are favorable, I might add, for national recovery. Interest rates are near the lowest in a decade and a half. Industrial production increased in September and rose by an annual rate of more than 6 percent in the third quarter. Manufacturing productivity rose at 3.6 percent annual rate during the second quarter. And the first estimates, that I'm sure that some of you all have seen in the papers, have the gross national product, the GNP, of the country rising 2.4 percent in the third quarter.

So, yes, there are a lot of problems out there. But these indications are good. And I'm one who prefers to see the glass half full rather than criticizing all the time and seeing the glass half empty.

In this climate, one thing I'm determined not to do is to bust the budget deal up there in Washington that caps Federal spending and then, if we busted it, would open up the floodgates for congressional tax-and-spend policies. You all are working for a living and you need some protection from too much Federal spending.

That's why, in this recent, highly pronounced struggle about unemployment compensation, I want one that will comply with the budget agreement: get the checks out to those families who are off of benefits, who are entitled to them, but -- get those out, but not do it by burdening everybody that is working or everybody that's out of work that's paying taxes by increasing their taxes.

And so we're going to keep on working. And I believe that I can if I stay the course, and I plan to do that. I believe we can get a fair unemployment compensation bill that won't burden everybody else and that, yet, will help those families that are desperately in need of help. So, we've got a good proposal. And I find I'm going to stay with it, and I think it's going to help everyone.

I might say parenthetically that Bob and I are doing our level best to pursue economic policies that let companies like this one lead the way to quality. This means we're going to try, as I said, to hold the line not on needed spending but on the wasteful side of the spending equation. I want to see us do things in the tax system to stimulate the creation of new businesses like this one: new businesses, new opportunity, new job.

Some say, ``Well, he's for capital gains reduction.'' I'm for jobs. And they cut capital gains in '78, and it increased jobs and opportunities, and new businesses sprung up. And I'd like to see that happen again. Need a little help with the Congress.

One of the things that I don't want to do is burden the workers of this company with further regulation, or certainly, needless regulation. You don't need some Federal guy coming out of Washington, looking over your shoulder to see you're doing the job all right. You know what to do. You did it so well you got this award. And so, yes, there's some regulation, but let's not have any more needless regulation out of Washington, DC.

I guess the bottom line is that the potential of this quality revolution that you all are involved in, no matter how big your job, no matter how confined your job, you're involved in a quality revolution. And the potential of that reaches far beyond anything that appears on a balance sheet.

Look at educating the kids of this country. David Kearns, who led Xerox -- they were a big, great big company, as you know. They won the same award a couple of years ago that you've won this year. And now that man, David Kearns, is in public service as the Deputy Secretary of Education.

He and Governor Alexander are working to literally reinvent schools. They're trying to do in education what you have done through injecting quality into your work in this plant. And we need to take a new look at education, give parents more choice, and give these kids the best education possible by ``thinking anew,'' as Abraham Lincoln once said.

I wish you all could have known the guy for whom the award you have won was named, Mac Baldrige. He was really a -- he came out of the East, but he was really a westerner. He had a marvelous place out in New Mexico, and he loved riding. And he was a cowboy, honored by the National Cowboy Hall of Fame. He was a rough-riding Renaissance figure, and he was the kind only found in our great country. He was a close friend. I can't repeat every joke he told me, but nevertheless, I can tell you -- [laughter] -- he had a marvelous sense of humor. And for Barbara and me, his untimely loss there in that rodeo arena leaves us still -- trying to describe how I felt about him -- leaves us still with a personal sense of loss.

When he was in Bob Mosbacher's job during the eighties, he worked hard to liberate American business from regulation and yet keep the focus on quality. As much as he cherished economic freedom, he believed that it wasn't worth much if companies failed to do their very, very best. So Mac spent much of his time urging American business to pursue excellence. The National Quality Awards competition, and I know it must have seemed a pain to those of you who had to fill out these endless forms, but nevertheless, it was worth it. And those competitions are one of the great legacies of Mac Baldrige.

Let me just recite for those not from the plant that these relatively small companies that won it, each an electronics manufacturer, merited the award. They were Solectron Corporation out in San Jose, California; they were Zytec of Eden Prairie, Minnesota; and, of course, this wonderful company, Marlow Industries right here in Dallas.

And I think, as participants in this victory, you can say that all three winners, and certainly yours, prove that American enterprise can succeed in world-class competition involving the most sophisticated technologies and having to satisfy the most discerning of customers. And this makes our country very, very proud. And I happen to believe that small business, smaller businesses are the, I know that they are the largest creator of jobs. I believe 80 percent or more of the jobs are in small business.

And what you've done here is to demonstrate that you can have the same quality, if not better, than those companies that have been in business for years and years and years.

So for me, seeing what you do, looking into your faces, shaking a few hands across the way, it's a good day. And I am very, very proud to be with the men and women of Marlow Industries right here today, proud to congratulate you for navigating this ``Baldrige Award Strait'' on the map of dreams.

Now it's your mission to help other companies across the Nation chart their journeys to world-class performance. I hope this little visit results in that, because we believe in you, we believe in your work, and we know you're setting a tremendous example for the entire country, the United States, still the greatest, freest country on the face of the Earth.

Thank you all very much.

Note: The President spoke at 3:30 p.m. in Northgate Business Park following a tour of Marlow Industries. In his remarks, the President referred to Raymond Marlow, President and CEO of Marlow Industries, and Lamar Alexander, Secretary of Education. These remarks were not received in time for publication in the appropriate issue.

Remarks at the Dedication Ceremony for Thanks-Giving Square in Dallas, Texas

November 1, 1991

Thank you, Peter, and Secretary Mosbacher. We're pleased you're with us here today. I'm so delighted to see two old friends, among many others: Ambassador Anne Armstrong, and of course, our Mayor, Annette Strauss. Dr. Garcia, thank you. Your music was spectacular, and we appreciated it very, very much.

And where is the Explorer Post 111, over here? They did a first-class job. Thank you guys for being with us.

Here at this unique shrine of gratitude, I want to offer thanks. I want to pay grateful tribute to all those who envisioned and built Thanks-Giving Square. I would, of course, single out Peter Stewart, who has been with this from its very inception. His conviction and his dedication are well-known to everybody here and all across this great city.

This year in particular, as Annette mentioned, we give thanks for a century and a half of a community known as Dallas. Looking at John Bryan's little log cabin, we can say honestly that Dallas arose from modest beginnings. But the truism, that truism misses a deeper truth. There was nothing modest at all about the dreams, the drive, the potential, and the achievement of Bryan and his community of pioneers.

With the scarcest of natural blessings, the builders of Dallas brought into being one of the world's great cities. The Dallas community has never wavered in its determination for hard work and its devotion to the Almighty. The spirit of Dallas reminds me of the saintly motto, ``Work as though everything depended upon yourself, and pray as though everything depended upon God."

Dallas has a long tradition of clean, efficient government, selfless public service. And Dallas needs to draw upon this more fervently than ever at this time of historic transition in the leadership and the structure of its municipal government. A leader clearly in the Dallas public service tradition is our friend and our Mayor, Annette Strauss.

As you prepare to retire from public service and from the Mayor's office, let me say that every Texan and every American who knows and loves this city must be grateful for all that you have given to this city.

And again, let me express appreciation, Peter, to you and to the others who have been at your side, creating Thanks-Giving Square. This island of tranquility, like any place of prayer, meditation, and rest, is as vital to Dallas as the gleaming towers of commerce that surround us.

Thanks-Giving Square -- it reminds us that Dallas is great only because its leaders and builders understand that they serve a providence greater and more beneficent than they can ever dream of being.

And so, Barbara and I are just delighted to be with you here on this very special occasion. We thank you for your dedication. We praise you for your faith. And I can tell you this: Every single day I'm in this job, I recognize the importance of giving thanks. Thank you very much.

Note: The President spoke at 4:40 p.m. at Thanks-Giving Square. In his remarks, the President referred to Peter Stewart, chairman of the National Thanksgiving Commission; Anne Armstrong, president of the National Thanksgiving Commission; and Yolanda Garcia, entertainer. These remarks were not received in time for publication in the appropriate issue.

Nomination of Leo P. Duffy To Be an Assistant Secretary of Energy

November 1, 1991

The President today announced his intention to nominate Leo P. Duffy, of Pennsylvania, to be an Assistant Secretary of Energy for Environmental Restoration and Waste Management for the Department of Energy. He would succeed Donna R. Fitzpatrick.

Mr. Duffy has served as Director of the Office of Environmental Restoration and Waste Management, 1989 - present; and as Special Assistant to the Secretary for Coordination of Defense Waste Management, 1989. From 1987 to 1989, Mr. Duffy served as general manager of the Westinghouse Waste Technology Service Division for Weston Services, Inc., in Waltz Mills, PA.

Mr. Duffy graduated from New York University (B.S.M.E., 1952). He was born February 19, 1929, in Jersey City, NJ. Mr. Duffy is married, has six children, and resides in West Chester, PA.

Note: This nomination was not received in time for publication in the appropriate issue.

Nomination of Gregg Ward To Be an Assistant Secretary of Energy

November 1, 1991

The President today announced his intention to nominate Gregg Ward, of Virginia, to be an Assistant Secretary of Energy for Congressional and Intergovernmental Affairs at the Department of Energy. He would succeed Jacqueline Knox Brown.

Since 1988 Mr. Ward has been group vice president for external affairs for the American Institute of Architects in Washington, DC. Prior to this, he was government relations director for Thompson & Bussart, Esquire, in Washington, DC, 1986 - 1988; executive vice president for Vote America, 1985 - 1986; Director of Congressional Affairs for the Environmental Protection Agency, 1983 - 1985; and director of governmental affairs and assistant director of labor relations for Sheet Metal and Air Conditioning Contractors' National Association, Inc., 1977 - 1983.

Mr. Ward graduated from the University of North Carolina at Chapel Hill (B.S., 1972). He was born June 28, 1950, in Syracuse, NY. He is married and resides in McLean, VA.

Note: This nomination was not received in time for publication in the appropriate issue.

Nomination of James G. Randolph To Be an Assistant Secretary of Energy

November 1, 1991

The President today announced his intention to nominate James G. Randolph, of Oklahoma, to be an Assistant Secretary of Energy for Fossil Energy at the Department of Energy. He would succeed Robert H. Gentile.

Mr. Randolph has served as president of Kerr McGee Coal Corp. in Oklahoma City, OK, 1978 - 1988. Prior to this, he served as senior vice president of Kerr McGee Corp., coal and uranium operations, 1984 - 1988. Mr. Randolph served in the U.S. Air Force, 1948 - 1976.

Mr. Randolph graduated from the George Washington University (M.S., 1968); the U.S. Army Command and Staff College (M.S., 1964); and the University of Michigan (B.S., 1962). He was born January 20, 1930, in Cleveland, TN. Mr. Randolph is married, has four children, and resides in Oklahoma City, OK.

Note: This nomination was not received in time for publication in the appropriate issue.

Remarks at the Dedication of the Ronald Reagan Presidential Library

November 4, 1991

President Reagan and Nancy, Barbara and I are just delighted to be here on this 11th anniversary of your election as President. My special greeting, of course, to your fellow Californians, President and Mrs. Nixon; also President and Mrs. Ford; President and Mrs. Carter. Mrs. Johnson, you're so sweet to be here. Members of the Reagan, Kennedy, Johnson, and Roosevelt families.

As I listen to these talks I got to thinking: Wouldn't Fred Travalina, Rich Little, Dana Carvey have a wonderful time here today? [Laughter] And I was so moved by Chuck Heston's opening comments; and Lod Cook, congratulations, sir. Once again, you've stepped up and done a superb job. Reverend Donn Moomaw, thank you, sir, for the invocation. And, of course, being with my trusted adviser and military leader, General Colin Powell, is a treat. And then, deja vu, as Sergeant Alvie Powell sang ``The Star-Spangled Banner.'' He did that at my inauguration, and I'll never forget it. Ambassador Annenberg and all who worked so hard on this library, our profound thanks to you.

This marks an historic occasion. For the first time, five Presidents and six First Ladies, past and present, have gathered together in the same locale. The four former Presidents, dedicated public servants, and these wonderful First Ladies, each has played a significant part in the American story.

We begin with the 37th President, Richard Nixon, and the woman we know and love as Pat. Mr. President, you were an innovator at home, a peacemaker and groundbreaker abroad. We'll never forget it. Here, too, are Betty Ford and America's 38th President, Gerald Ford. To this son of Michigan we say: We are very grateful for your quiet strength of character, your vigor, and your just plain innate decency.

Next, we thank the 39th President, Jimmy Carter, and his wife Rosalyn. America applauds your life-long commitment, sir, to peace, to human rights, to helping others. And it was most gracious of you to make such an extra effort to be here today.

And I feel very badly that you haven't met a Democratic President yet, but please don't do anything about that. [Laughter] And Lady Bird, Mrs. Johnson, we salute you for your dedication to our natural beauty and also for your love of family that shines through every single day.

Today, we're here to honor ``An American Life,'' which is the title of his autobiography. We also honor an American original. Ronald Reagan was born on February 6th, but his heart is the Fourth of July.

And with his disarming sense of humor, President Reagan was something refreshingly different in Washington: A politician who was funny on purpose. [Laughter] And he also was, though, a visionary, a crusader, and a prophet in his time.

He was a political prophet, leading the tide toward conservatism. He was also a Main Street prophet. He understood that America is great because of what we are, not what we have. Politics can be cruel, can be mean and ugly and uncivil. And unfailingly, Ronald Reagan was strong and gentle. And he ennobled public service. He embodied the American character. He came from the heart of America geographically and culturally. Not even a bullet from the gun of a would-be assassin could stay his spirit.

I remember the terrible day in March of '81. He looked at the doctors in the emergency room and said, ``I hope you're all Republicans." [Laughter] Well, Republicans or Democrats, his courage and humor made us all proud, proud to be Americans. And for 8 years, I was very proud to be his Vice President. And I saw a man who was thoughtful, sentimental, sending money to strangers who touched him, writing letters on yellow legal paper, and asking that they be retyped because he wanted to make it easier for the recipients to read.

As President, Ronald Reagan was unmoved by the vagaries of intellectual fashion. He treasured values that last, values that endure. And I speak of patriotism and civility and generosity and kindness, values etched in the American character. Once asked who he admired most in history, he simply responded, ``The man from Galilee."

Mr. President, your faith is what is true and good, and that helped reaffirm our faith in the United States of America. Ronald Reagan believes in returning power to the people, and so he helped the private sector create more than 16 million jobs. He sought to enlarge opportunity, not Government. So, he lowered taxes and spending and cut inflation and helped create the longest peacetime boom in American history.

How ironic that the oldest President of the United States would prove as young as the American spirit. Here, as in Washington -- [applause] -- here, as in Washington, he was aided by the true love of his life. As First Lady, Nancy championed the Foster Grandparents Program, heightened breast cancer awareness. She refurbished the White House with the dignity that is her legacy. She sure left us a nice, cozy place to live, I might say. [Laughter] And to the scourge of drugs, she urged America's children to ``Just Say No." And Nancy, for these things, and many more, all Americans salute you.

And finally, the President was a global prophet. Today, we've heard this, but the world is safer because he believed that we who are free to live our dreams have a duty to support those who dream of living free.

He predicted that communism would land in the dustbin of history, and history proved him right.

And he knew that when it comes to national defense, finishing second means finishing last. So he practiced what he preached, supporting a strong military and pioneering the Strategic Defense Initiative. And his vision paid off for every American in the sea and sands of the Gulf. And America thanks him for that, too.

Mr. President, history will record the 1980's were not only among America's finest hours, they became perhaps democracy's finest era. Our friend, the Iron Lady, as usual, said it best. I speak of Margaret Thatcher, your fellow liegeman of liberty. Recently, she spoke of how great leaders are summed up in a sentence. Here's a quote: ``Ronald Reagan won the cold war without firing a shot. He had a little help. At least that's what he tells me." [Laughter] And looking here at men and women from Presidencies of the last three decades, it occurs to me that help came largely from the American people and you.

Here's part of what the historians will say of Ronald Reagan: He was the Great Communicator and also the Great Liberator. From Normandy to Moscow, from Berlin to the Oval Office, no leader since Churchill used words so effectively to help freedom unchain our world.

You were prophet and President, and I want to thank you for your many, many kindnesses to Barbara and to me. You love this country. You know America. And you have blessed America as few men ever have. Now, it is my distinct privilege and honor to introduce the 40th President of the United States, Ronald Reagan.

Note: The President spoke at 12:15 p.m. in Simi Valley, CA. In his remarks, the President referred to Charlton Heston, actor and master of ceremonies; Lodwrick M. Cook, Chairman, Board of Trustees, Ronald Reagan Presidential Foundation and Walter H. Annenberg, a Foundation Member; Reverend Donn Moomaw, Senior Pastor of Bel Air Presbyterian Church in Bel Air, CA; and former British Prime Minister Margaret Thatcher. Presidents Richard M. Nixon, Gerald R. Ford, Jimmy Carter, and Ronald Reagan also spoke at the dedication ceremony. A tape was not available for verification of the content of these remarks.

Nomination of James R. Lilley To Be an Assistant Secretary of Defense

November 4, 1991

The President today announced his intention to nominate James Roderick Lilley to be an Assistant Secretary of Defense for International Security Affairs at the Department of Defense. He would succeed Henry S. Rowen.

Ambassador Lilley has served as Ambassador to the People's Republic of China, 1989 - 1991. Prior to this he was Ambassador to the Republic of Korea, 1986 - 1989. He was Deputy Assistant Secretary for East Asian and Pacific Affairs at the Department of State, 1985 - 1986; and a consultant on international security affairs at the Department of Defense, 1984 - 1985. Ambassador Lilley has also served as Political Coordinator and Senior East Asian Specialist for the National Security Council, 1981; and National Intelligence Officer for China, the senior post in the intelligence community on Chinese Affairs, 1975 - 1978. Ambassador Lilley has served in several capacities for various American Embassies in East Asia, including the Philippines, Cambodia, Laos, Thailand, Hong Kong and the People's Republic of China. He has also served as an adjunct professor at Johns Hopkins School for Advanced International Studies for 3 years.

Ambassador Lilley graduated from Yale University (B.A., 1951) and George Washington University (M.A., 1972). He was born January 15, 1928. He served in the U.S. Army, 1946 - 1947, and the U.S. Air Force, 1951 - 1954. Ambassador Lilley is married, has three children, and resides in Chevy Chase, MD.

Remarks on Presenting the Environmental Youth Awards

November 5, 1991

Welcome all. And thank you, Bill Reilly, for getting all this together. And I'm glad to see our in-house environmentalists, CEQ Chairman Mike Deland, sitting over here. And I also want to thank the EPA regional officers and the teachers and the administrators, who together make this program work.

And finally, let me especially welcome the award winners, America's young environmentalists, welcome all to the White House on this cool, clear, you-can-see-forever day. And think back to when you started your projects. You may have set out to make your community a bit cleaner or to come up with a way to re-use resources we use every day and simply toss in the trash, but the example you set shines far beyond your school and far beyond your neighborhood. What you've done tells other kids, ``You can make a difference." What you've done inspires adults to follow your lead.

Let me give you a true example. Two years ago at the very same place, same awards setting, one winner came up to the stage to shake hands, which I hope you all will do, and asked me, ``Do you recycle at the White House?" [Laughter] And I told him, ``Well, if we don't already, we do now." [Laughter] That kid's probably running for Congress out there somewhere; he was 10 at the time.

Well, today I am pleased to announce to this year's winners that last week I signed an Executive order, effective immediately, instructing that all Federal Agencies here in Washington and out in our regional offices all across this country introduce recycling programs. Some of them have them, but not all.

And I also ordered our Agencies to use recycled materials wherever possible. So, we are serious about recycling.

Whether it's recycling waste or reclaiming a stream or a shoreline or raising the overall environmental awareness, each one of these winning projects is a marvel to your imagination, to your energy, and to your ingenuity. No matter how different, each one shows how an idea that originates in the classroom can have an impact in the community.

I can't single out all of you, but I hope you won't mind that I just make a special mention of our youngest environmentalists, who happen also to come from farthest away: the second grade classes from Mililani Town, Hawaii. I understand Karla -- and I want to be sure I get this right, is it DeGuchi? Right pronunciation? Good. Karla -- I didn't want to get that wrong -- has made a long trip from Oahu to accept the award today for all her classmates. Karla and her fellow

students started with a slogan, ``Earth Day, Every Day,'' and set up a series of projects to show how they could do their part to take care of our Earth. And they put up bird feeders and turned trash to compost and planted trees.

But they didn't stop there. They set up a school-based recycling drive, and it may surprise you to hear what these second graders from Hawaii did with the money they raised. They used it to ``adopt'' four acres of endangered rain forest, Guatemalan rain forest, to preserve a small corner of nature that they will probably never see.

Other projects start out as selfless acts and, along the way, prove that looking after our environment makes good, sound business sense. Take the students from Hawthorne Elementary School in Salt Lake City. They set out to clean up a creek running through the business district, a creek that had literally become a dumping ground. As the kids cleaned this creek, they found the garbage, all the cans, glass, and bottles dumped there, had some value, had some real value. And so, they sold it for scrap, call it ``Trash for Cash,'' and used the money they made to keep the cleanup going.

Together, they transformed that unsightly trash heap into a nature park. And they gave it a new name, Hidden Hollow, and today it's a learning center for other students, a kind of outdoor classroom encouraging everyone to be environmentally aware.

You're here today because of the way you look at the world. You look at the sky above, the trees, rivers, and streams all around and see them for what they are: nature's gift, something precious we must preserve and pass on years from now to your children.

And once again, congratulations to all of you. And I hope that all Americans, young and old, in the Government and back in your communities, can join as partners in preserving our environment.

And now, with our able Administrator's help, Bill Reilly's help, we'll ask you to come up on stage to receive your awards. And thank you all for being here.

[At this point the President presented the awards.]

Thank you all very, very much. It's a great day and how inspiring it is to see this work. It's wonderful. Thank you.

Note: The President spoke at 11:25 a.m. in Room 450 of the Old Executive Office Building.

Exchange With Reporters Following a Meeting With President Nicephore Soglo of Benin

November 5, 1991

The President. That's a very nice personal message, but I want to say with the journalists here that we are so respectful of everything you are trying to do there and the way you're going about it. I know you're here for a big honor, what we consider quite an honor on your visit here. But I'm just so pleased you found time to come by here and have a little visit. And so, not only thank you for the hospitality to our delegation, but I congratulate you on what you're doing there and the way in which you're going about it. I know it's not easy, but I think you're setting a great example for other countries as well in Africa.

Economic Growth Legislation

Q. Mr. President, I hope your guest will pardon the interruption, but have you decided what to do about a growth package yet?

The President. Well, we've got one out there, Brit [Brit Hume, ABC News], that I just wish the Congress had acted on long ago. And I'll keep reiterating it. But whether there will be additional steps, I don't know. If they had taken my five- or six-point growth package some time ago, why, I think it would have had a stimulatory effect. What I don't want to do is come up with a growth package that just further burdens the American taxpayer. And I'm not going to do that.

And so, some of these suggestions that shoot the long-term interest rates right out through the roof are simply unacceptable.

Budget Agreement

Q. Are you talking about what was in the budget, sir, is that correct?

The President. No, I'm talking about the idea of getting broad -- --

Q. -- -- your own package -- --

The President. -- -- tax cuts without regard as to what it does to long-term interest rates and the budget agreement, yes.

Q. But your own package is what was in the -- called for in the budget?

The President. Oh yes, and what we're talking about, about a transportation bill, about IRA's,

about capital gains, about all kinds of stimulatory steps that can be taken without busting the budget agreement. But that's -- you're getting caught up in domestic politics now. [Laughter] But, if you'll excuse me -- --

Food Aid to the Soviet Union

Q. It looks like you're going to have a meeting in there -- --

The President. You're a little premature there, Jessica [Jessica Lee, USA Today], because we're going to be discussing that. We don't want anybody to starve. The United States has always tried to be of assistance when people are really, truly hurting. But there's certainly some constraints on what the United States can do right now because of our own budget problems. And so, we'll just have to wait and see what develops there.

Q. Will they have sufficient credit when they said today -- they made the announcement today that they don't have enough money to last the month.

The President. Well, that's a matter that technical people have to look at. And it is highly technical because it relates not just to the current state of play in the Soviet Union but to the credit of all the central banks, the so-called ``V banks."

Q. ``V banks"?

Q. Will there be some announcements today, Mr. President?

The President. Will I, on this question?

Q. Yes.

The President. I don't know. I would not think there would be any announcements today. I'm getting my signals from General Scowcroft who's just said a very quiet nod of his head. [Laughter] So he knows what's going to come out of the meeting, and I'm not sure I do.

Pennsylvania Senatorial Election

Q. Mr. President, why is the Thornburgh race so close? What's happened there?

The President. How do you know it is, Rita [Rita Beamish, Associated Press]? I mean, I don't know how close one way or another. I just don't know.

Q. The polls show that Wofford steadily closed that gap to the point where it's neck-and-neck,

and Thornburgh was so far ahead.

The President. We'll have to wait and see how the results go. Obviously, we're very strongly for Dick Thornburgh, and we'll see. But the negative campaign that was run against him based on trying to blame him for problems that he had, over which he had no control, maybe that's a harbinger of things to come.

Note: The exchange began at 1:40 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on the President's Meeting With President Nicephore Soglo of Benin

November 5, 1991

The President met for 20 minutes today in the Oval Office with President Nicephore Soglo of Benin. President Soglo is on a private visit to the United States. He will receive the African American Institute's annual Arthur Houghton Award at the United Nations in New York on November 7. The President expressed his admiration and respect for President Soglo as a champion of democracy in Africa and congratulated him on his award. He praised Benin's transition to democracy as a model for other African countries. The two leaders discussed ways in which the United States could support Benin's policy of encouraging private sector growth and the privatization of state-owned companies. The President told President Soglo that the United States was looking forward to working with him and said he was pleased that we had announced a $57 million grant for primary education in Benin.

Proclamation 6369 -- National Hospice Month, 1991 and 1992

November 5, 1991

By the President of the United States

of America

A Proclamation

Dedicated to serving terminally ill persons and their families, hospice programs have become an important part of our Nation's health care system. This month, we gratefully salute the many outstanding professionals and volunteers who provide hospice care.

By offering a positive and supportive environment, as well as high quality medical care, hospice programs enable terminally ill persons to live peacefully and comfortably in their final days. In so doing, these facilities and services not only reaffirm the inherent dignity and worth of every individual but also demonstrate reverence for human life in all its stages. Relying on the combined knowledge, skills, and compassion of a full team of professionals and volunteers -- including physicians, nurses, counselors, therapists, and members of the clergy -- hospice programs also help patients' families to cope with their bereavement.

As hospice personnel well know, caring for terminally ill persons can be physically and emotionally exhausting. Fortunately, the establishment of a permanent Medicare hospice benefit and an optional Medicaid hospice benefit has made it possible for more Americans to obtain needed medical and support services. In addition, concerned individuals and agencies in both the public and private sectors have maintained strong working relationships in the interest of hospice care benefits.

In recognition of the importance of hospice programs and in honor of the many dedicated professionals and volunteers who care for terminally ill persons, the Congress, by Public Law 102 - 121, has designated November 1991 and November 1992 as ``National Hospice Month'' and has authorized and requested the President to issue a proclamation in observance of these months.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim November 1991 and November 1992 as National Hospice Month. I encourage all Americans, as well as government officials and health care providers, to observe these months with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this fifth day of November, in the year of our

Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:41 p.m., November 5, 1991]

Note: This proclamation was published in the Federal Register on November 7.

Message to the Congress Transmitting a Report on Federal Regulatory Policy

November 5, 1991

To the Congress of the United States:

This annual Regulatory Program of the United States Government, created pursuant to Executive Order No. 12498, sets forth my Administration's regulatory policies, goals, and objectives for the coming year. This Regulatory Program, containing submissions of the most significant regulatory activities planned for the year, increases agency accountability for regulatory actions, facilitates coordinated Federal regulatory policy, helps reduce unjustifiable regulatory burdens, and provides the public and the Congress with better access to the regulatory plans of the executive branch.

Federal regulations to implement the laws that protect Americans' health and safety, environment, and economic system are crucial to the public welfare. But these regulations must be efficient and cost effective. We cannot afford for them to be otherwise.

Americans spend billions of hours and billions of dollars each year dealing with Federal regulations and paperwork. With over 100 agencies implementing thousands of regulations, the Federal Government affects nearly every facet of American life. Although intended to benefit and protect the American public, Government regulations may -- through faulty design or clumsy implementation -- have an opposite, even harmful, effect. When Federal regulations impose costs that exceed benefits, taxpayers, consumers, and businesses alike are adversely affected -- paying both higher prices and higher taxes.

That is why we are committed to regulatory reform and paperwork reduction. This Nation must devote its maximum energies and capital to growth and prosperity, consistent with protection of health and safety and the environment.

To reduce unnecessary regulatory burdens, I have asked the Council on Competitiveness, chaired by Vice President Quayle, in conjunction with the Office of Management and Budget's Office of Information and Regulatory Affairs, to ensure agency adherence to the cost-benefit principles and the regulatory review process outlined in Executive Order No. 12291. At a recent meeting of the Council, the Vice President reaffirmed the Administration's commitment to remove excessive regulatory burdens, and regulatory agencies renewed their commitment, consistent with law, to reduce the amount of regulation and ensure that rules clearly maximize benefits and minimize costs.

By assuring implementation of the basic principles set forth in Executive Order No. 12291, I believe this country can achieve a more rational, more reasonable regulatory policy that both

protects health and safety and the environment and benefits American consumers as well as our global competitiveness.

George Bush

The White House,

November 5, 1991.

Statement on the Confirmation of Robert M. Gates as Director of Central Intelligence

November 5, 1991

Today's vote is a confirmation that Bob Gates has the professional expertise and experience to lead our intelligence community during these changing times. I look forward to Bob undertaking his duties quickly as Director of Central Intelligence and guiding our intelligence community during this historic era. He is a true professional of great integrity who will bring a wealth of experience and dedication to a most challenging task.

Statement by Press Secretary Fitzwater on the Postponement of the President's Visit to Pacific Nations

November 5, 1991

The President has decided to postpone his planned visit to Japan, the Republic of Korea, Singapore, and Australia. The President regrets this decision, but believes that uncertainty over the Congressional calendar requires this change. The administration will seek to identify a new schedule for the visits through diplomatic channels.

The President's News Conference

November 6, 1991

Confirmation of Robert Gates

The President. Good morning, everybody. I've got a little statement here, and then I'll be glad to take a few questions on this chilly morning.

First, I am just delighted about the Gates nomination. And I want to commend the Senate for approving him to be the Director of Central Intelligence. He is a good man, and he has outstanding credentials. And he served the country well. He's been at my right hand on all the big decisions we've had to make about war and peace. And I know he is going to be at CIA an outstanding Director, serving with distinction.

I think yesterday's vote brings a certain high degree of professionalism, dedicated leadership to an agency that will be undergoing significant change in the world in the years ahead. And, in my view, the Senate did the right thing. The agency could not be in more capable hands.

1991 Elections

There are four other votes that deserve comment. Yesterday, the voters of Pennsylvania selected Senator Wofford to be the Senator. And Dick Thornburgh, who served the country as Attorney General, ran a strong campaign, a dignified campaign. He and Ginny have worked long and hard for the State of Pennsylvania and for our country. They're wonderful people, and I know it must hurt to lose, having been there myself, but I know that Dick has a brilliant career ahead of him.

We're very pleased. There was a lot of good news for the Republicans. We elected a Governor in Mississippi, the first Republican Governor in this century, a good man, Kirk Fordice. He has pointed the way to change in the South. We believe more and more Republicans will be elected in Southern elections. So, that is very good. Similarly, in the State of New Jersey, it was a blowout. We had a huge swing to Republicans in both the House and the Senate. And in Virginia, right here across the river, the Republicans picked up eight seats in the Senate and now constitute a very, very strong voice in that State's political authority. Both of these elections bode well for Republican ideas and values.

Upcoming European Trip

Let me comment on the trip. NATO and the American presence in Europe have helped keep the peace for over 40 years, and now I am going to be meeting with the NATO leaders in Rome to talk about the challenges of security in the post-cold war world and the opportunity for partnership with former adversaries. I view this as a very important part of the responsibilities of

the President, working for peace around the world.

At The Hague, that is more economic because we'll be talking about our growing cooperation in helping the democratic transformations in Eastern Europe and the Soviet Union and the ways of expanding free and fair trade all around the world, something that is going to generate a lot of new business opportunities for American farmers particularly, but manufacturers and service industries as well. For example, just to put this in perspective, we will do more than $200-billion worth of trade this year with the EC nations, and every billion dollars worth of manufactured exports means 20,000 jobs here in the United States.

Domestic Issues

The best thing for American agriculture, incidentally, is to have a successful conclusion to the GATT talks, to the Uruguay round. The American farmer can compete with anybody, but he's got to have free and fair access to the markets of Europe. And that is a lot of what we'll be talking about when we meet with the EC leaders in The Hague.

On the domestic scene, I hate going away with Congress still in session. Heaven knows what will happen, but there is a chance now to pass a growth package which I've been advocating for about 2 years now, while the American people are demanding action. Haven't seen anything coming out of Congress yet that I can accept, but I am not going to give up on that. Fortunately, we're very serious about getting this economy growing, and we do have strong support, I think, on both sides now for some sensible ideas on growth.

I might say that listening to some, I will just respond this way: We've learned the awful price of isolationism -- back on what I'm trying to do abroad here -- and we've learned that protectionism and trade isolation hastened the worst economic depression in modern history. So, we're going to be proving that we learned those lessons well, and we are going to be, at the same time -- we've got 2 days more of legislative action this week here, and I want to see them move forward on this unemployment compensation, doing it in a way where the tiny percent that we desperately want to help get helped, but we don't burden the 95 percent or whatever it is that are paying taxes. I don't want to do this by breaking the budget agreement in terms of getting the checks to the people whose benefits have run out. So we've got to get going on that one as well.

That is about it. There are some other subjects, but I'm glad to take a few questions.

Postponement of Far East Trip

Q. Mr. President, there is a feeling that it's panic time at the White House, and that you can't -- it's panic time, that you have cancelled your Asian tour because you are afraid of the voters, the people getting more and more resentful of your foreign travels and having no real solution to the problems of joblessness and so forth. What is your response?

The President. My response is, that's crazy. I'll be honest with you, I had thought when this trip was scheduled for the end of November that definitely the Congress would be out of session. The Congress had announced a target date; I think it was for November 4th or November 2d. We've passed that date. It's not surprising. But, nevertheless, that was the date that was announced at the time this trip was set. But I think it is prudent, to use an overworked word, to be around here when the Congress is still in session and especially when you get down to that year-end crunch where a lot of crazy things can happen.

So, I didn't want to take a chance. This trip has been postponed, not cancelled. It does have some very important aspects, particularly the Japanese leg, as affects jobs for America. But that is the reason, Helen [Helen Thomas, United Press International].

But I can understand the political charges. It was a political day yesterday, and we did very, very well. So, tomorrow they'll have another political charge.

1991 Elections

Q. Well, Mr. President, why shouldn't people think that you are running scared when the number of people who say they'll vote for you for reelection has dropped preciptiously, when you've cancelled the trip now and your man in Pennsylvania lost badly? Why shouldn't people think that you're running scared?

The President. Because our man in Mississippi won big. New Jersey won tremendous. Blew them away in Virginia. And so please just don't look at part of the glass, the part that is only less than half-full. I am depressed over the Thornburgh race because he's such a good man, but you look at the overall record and what I stand for and what our party stands for: Had a very good day, thank you. But, look, we're in the political season. These guys are going to be making all these charges. I've told you I don't live and die by the polls. Thus, I will refrain from pointing out that we're not doing too bad in those polls. What matters is the people that are hurting. And let's try to solve the problems for the American people.

But we'll get these charges. I mean, anything you do in this job, I've learned, you take on a little water, get a few hits. If things are going well, why you know, people are smiling and cheering, and when they're not, you've got to redouble your efforts to help people. So, I don't worry about the criticism, and I've told you before, I do not live and die by these polls that go up and down. Having said that, I've seen these head-on-heads, and I feel pretty good about it. But that is -- I don't want to start crowing about something when the election is a year away. I'll be facing a tough fight. All these people that are candidates are tough, and nobody is going to be taking anything for granted.

Yeah, Rita [Rita Beamish, Associated Press]?

Postponement of Far East Trip

Q. You campaigned very vigorously, though, for your man in Pennsylvania, Thornburgh, and it wasn't even close. I mean, he lost. For a guy who went in with more than a 40-point lead, he lost by something like 10 percentage points. Did you know; did your advisers see that coming yesterday before you cancelled your trip? When did you cancel your trip, and also what are the voters -- --

The President. The trip had nothing to do with the election in Pennsylvania. Please, Rita.

Q. Okay. Did you decide to cancel your trip before yesterday?

The President. I talked about it because I've been worried. I talked to Bob Michel on the trip to California, and I said, ``Are you definitely going to adjourn on the 22d''? And he told me, I hope I'm not talking out of school, ``Well, I talked to the Speaker, and he hopes to be out on the 22d. But for the first time he indicated we might not be out on the 22d.'' This from the Congress that said they were going to be adjourned on November 2d or November 4th. And I simply think at the end of a congressional session, it is important to be there. All kinds of crazy things can happen with this crowd that controls the Senate and House, and I'd like to be there to protect the American taxpayer and to help the American worker. So, it was in that timeframe that I got to thinking, ``Hey, we'd better . . .'' -- but it had nothing to do with the Pennsylvania election, nor the great victories in New Jersey, in Mississippi, and in Virginia.

Pennsylvania Senatorial Election

Q. Mr. President, when you saw what the issues were in Pennsylvania, what do you think the voters there were saying about Washington, about the status quo?

The President. I just take Senator Wofford at his word, that there is a message here for the administration and a message here for the United States Congress. And I think people -- when the economy is slow, people are concerned. They're hurting out there; they're concerned about their livelihood. He got a big hand for saying he wants to help on those whose benefits have run out. So do I. We've got proposals up there. We could have had those checks in the mail literally weeks ago. But I must protect, try to protect the taxpayers in this country who don't need another tax increase. A lot of the message in all these elections, I think, had to do with taxes.

But I accept Senator Wofford -- he ran a good campaign -- accept his explanation that there is a message for the White House, and then I notice he said for the Congress, a Congress that is controlled in both Houses by the Democratic Party. So listen, as far as I'm concerned, we'll go the extra mile, and we'll try even harder. But I will try to do it the way I was elected to do it.

Yeah?

Q. Mr. President, one of the potent issues for Senator Wofford was health care. What message do you take from that development in Pennsylvania?

The President. Well, I listen to the message from all these people: Governors, Senators, legislatures. And one of the loud messages was: Don't raise taxes. One of the messages in Pennsylvania: Try to help people with health care. So you've got to balance these two. And we are working, as you know, on the health care issue. And stay tuned because when we get prepared, why, we will be coming forth with something I think is constructive. But you cannot listen to just part of the message. You've got to listen to the whole message. And most of the American people at the State level and the gubernatorial level are saying, ``Hey, please don't hit us again on taxes. Please don't raise our taxes for whatever cause." The best evidence of that one, check it out, is New Jersey, where they just blew the Democrats away.

Louisiana Gubernatorial Election

Q. Are you going to urge voters in Louisiana to vote against David Duke?

The President. Yes, strongly. We had a great victory in Mississippi yesterday. And Kirk Fordice won a good clean race on fundamental issues. And it is truly unfortunate that the State next door in Louisiana -- and they vote next week for Governor -- do not have the choice between two good men. We differ with Senator Wofford, but I think the Pennsylvanians had a choice between two decent, good men.

And I've got to be careful because I do not want to tell the voters of Louisiana how to cast their ballots next week. That is a right that we all cherish. It's a personal right. And so they've got to make their own decisions.

But when someone asserts that the Holocaust never took place, then I don't believe that person ever deserves one iota of public trust. And when someone has so recently endorsed nazism, it is inconceivable that such a person can legitimately aspire to leadership -- in a leadership role in a free society. And when someone has a long record, an ugly record, of racism and of bigotry, that record simply cannot be erased by the glib rhetoric of a political campaign.

So, I believe that David Duke is an insincere charlatan. I believe he is attempting to hoodwink the voters of Louisiana, and I believe that he should be rejected for what he is and what he stands for.

The Economy

Q. Mr. President, the economy, sir, has been reported as rather weak in retail sales and consumer confidence. Are you concerned that consumers are not responding to the interest rate cuts that the Federal Reserve has put through and that the economy isn't coming back, that maybe it's sliding

into recession?

The President. No, I'm not worried about it sliding into recession. I am worried about consumer confidence because I think when you look at historically low interest rates, a lot of people will suddenly wake up and say, ``This is a good time to buy a home, a good time to buy a car.'' But I worry about it. Of course I do. I worry about it when people are hurting, or think that they're hurting, or worried about the future; you know, this right-track, wrong-track argument. Yes, I worry about that. But I think we've got good programs. If the Congress would move, that would help, not solve it all but would help. And I've put forward initiatives for growth that I keep talking about, have been in the State of the Union messages, will continue to talk about until we get action that doesn't hurt the economy.

There is kind of a panic, kind of a frenzy amongst some legislators who don't want to get home because they heard the message yesterday loud and clear from the voters. And that message, the frenzy has to do with, ``Well, we'd better do something.'' We'd better look busy. We'd better accomplish something.'' But the ``something,'' they'd better be careful what it is because the American people do not want to have a higher tax burden. And many of these proposals would do just that, and they also don't want to pay higher interest rates. You notice when some of the proposals were floated last week, long-term rates shot right through the roof because the market was saying, ``Wait a minute. We don't want to bust this budget agreement.'' That is the only safety the taxpayer has, and we don't want to see ourselves get into some spiral of inflation again.

So, it's not an easy problem, but do I worry about it when people lack confidence? Of course I do. And I want to try to find ways to help because people are hurting. But some of it is -- I think you put your finger on it -- there ought to be, in my view, given the economic place where we stand now, more confidence. I'm not trying to say everything is rosy, but I am saying interest rates are down. There is a good chance to do something now in the way of housing or on cars or on whatever that we haven't had before. And so I think it will come around, but, of course, I worry about it.

Q. Are you going to offer any kind of -- --

Reduced Defense Spending

Q. What about a peace dividend? Why not use the peace dividend, the reduction in the military budget?

The President. Well, we're reducing the military budget, and all I want to do is be sure that it is reduced in a way where I can go to the American people, my foremost responsibility in my mind, and say, ``I can guarantee you that the national security is where it should be.'' Reckless cuts, no; cuts, yes. And Dick Cheney is working with the Congress on this, and I think we'll have a good program. And I think it will be at lower levels of spending. We've already made some substantial

cuts in it. So, yes, I don't think anything should be exempt, Helen.

Economic Growth Legislation

Q. Are you going to come up with your own package for growth, tying things together, something new?

The President. Well, I think I already have a good growth package, but I am prepared to work with Congress to come up with something new. The trouble is, when both Houses of Congress are controlled by people who look at these issues differently, it is difficult to get the people's business done. The people do not want to bust the budget agreement; in other words, have more Government spending. They do not want higher taxes, and yet they are interested in health care and in a growth package and all of that. So, it is a delicate situation, but we will continue to work with it. I talked to the leaders before leaving here, and let's hope something can get done.

Foreign Travel T-shirt

Q. What did you think of the Democrat's T-Shirt about all your foreign travel?

The President. I haven't got one yet. Haven't got one yet. I don't worry about that.

Term Limitations for Congress

Q. How about the term limit vote, sir?

The President. Mixed reviews on that. Yes, they lost in Washington and won, I gather, in Texas and some other places. So I haven't really analyzed it yet. I'm for it.

Okay, thank you all.

Q. You're for term limits?

The President. You got it, Helen.

Note: The President's 109th news conference began at 6:49 a.m., prior to his departure for the NATO summit in Rome.

Statement by Press Secretary Fitzwater on the Extinguishing of the Last of Kuwait's Burning Oil Wells

November 6, 1991

Today we celebrate with the people and the Government of Kuwait as they complete a major step along the road to recovery. The extinguishing of the last of Kuwait's burning oil wells represents a remarkable achievement. In less than 9 months, a unique international coalition capped nearly 700 wells, reversing Saddam's cruel efforts to achieve with sabotage what he could not do with his military: The destruction of Iraq's peaceful neighbor and the fouling of an entire region in an act of mass ecological terrorism.

Upon the liberation of Kuwait last March, the President directed U.S. agencies to come to Kuwait's assistance in tackling the disaster perpetrated by Saddam's retreating army, Seven hundred and fifty-two of the country's 1,037 oil wells had been damaged, and 610 were burning. Working closely with the Government of Kuwait, the United States lent vital support in engineering, transport, and other areas, support which was critical to the success in extinguishing the blazing wells. We are delighted to have been partners in every phase of the firefighting effort. We are particularly proud that three of the first four teams on the ground in March were American. It was these teams that laid the groundwork for the success that followed. American teams capped over half of the damaged wells in the effort that grew eventually to include firefighters from 28 countries.

We share Kuwait's joy and salute the brave men and women who met this historic challenge. We support Kuwait's demand for just compensation by Iraq for these and other war-related damages, and we remain determined to stand with Kuwait and others against Saddam and his policies.

Exchange With Reporters Following a Meeting with Prime Minister Major of the United Kingdom in Rome, Italy

November 7, 1991

The President. This was erroneously billed as a press availability when it is but a photo op. So, fire away on the photos.

Q. -- -- meeting?

Q. What did you discuss?

NATO

Q. Do you expect any conflict between the European defense identity and the American role in NATO at this meeting?

The President. I think that will all be smooth. Don't you, Prime Minister?

The Prime Minister. Absolutely.

The President. Really.

The Prime Minister. We're all here to reinforce NATO.

Q. But, I mean, can you really square the Americans keeping a dominant role when they're cutting back their forces in Europe for understandable reasons?

The President. We have a sufficient force to take care of our obligation and our own national security interests, and one of those fundamental national security interests is a vigorous participation in NATO. It is in the interest of the United States to do this, as well as in the interest of the alliance. So, that's the way I would handle that one. And I think our -- I'm just going to not leave here until every single member of NATO understands that. But I think they all do; don't you, Prime Minister?

The Prime Minister. I don't think there's any doubt about it. Nowhere in Europe is there any wish to see any damage done to NATO, and everywhere in Europe is there a total understanding that NATO's been the guarantor of our security for 40-odd years. That's how it's been, and that's how it will stay.

Q. I thought that the Germans wanted to make the decisions more themselves.

The Prime Minister. The position in Europe is that the Europeans feel they have to take the greater share of the overall burden. They all agree to that. It's the overall burden within the NATO structure.

[At this point the President's helicopter approached.]

The President. Here's our man circling, making it difficult for everybody. But thank you all very much.

The Prime Minister. Thanks very much.

Note: The exchange began at 8:04 a.m. at the U.S. Ambassador's residence, the Villa Taverna. A tape was not available for verification of the content of this exchange.

Declaration on the Soviet Union by the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Rome

November 8, 1991

1. We, the Heads of State and Government of the member countries of the North Atlantic Alliance, warmly welcome the historic events that are fundamentally transforming the Soviet Union as we have known it and the relationships among the republics. By their resolute and courageous stand against the illegal coup of 19th August, the men and women of the Soviet Union have affirmed their determination to build a new future based upon democracy, human rights, the rule of law, and economic liberty. The nations of the Atlantic Alliance pledge themselves to assist in this great endeavour. We are prepared to build our relationships with the Soviet Union and the republics on the basis of the following fundamental principles that have guided our own policies and practices for decades.

2. It is for the peoples of the Soviet Union to decide their future relationship through peaceful and democratic means. At the same time, we encourage them to progress towards a common ground of cooperation, both among themselves and with us. In this process, there is no place for threats, intimidation, coercion or violence. Authorities at all levels should respect international norms and international obligations, especially those embodied in the Helsinki Final Act, the Charter of Paris, and other CSCE documents. Consistent with these commitments, government must be based on democracy through free and fair elections, and on the rule of law. Inalienable human rights must be guaranteed, including full respect for the individual and protection of the rights of persons belonging to minorities.

3. In a period of dramatic political change, it is important also to the development of our relations that leaders of the Soviet Union and the republics implement policies that contribute to international peace and security. In this respect, it is critical that the Soviet Union and the republics take all necessary actions to ensure that international agreements signed by the USSR, especially the START Treaty, the CFE Treaty, the Non-Proliferation Treaty, and the Biological Weapons Convention are respected, ratified, and implemented. We call upon all authorities to refrain from any steps that could lead to proliferation of nuclear weapons or other means of mass destruction. We therefore welcome the intention of the Soviet leadership to ensure the safe, responsible and reliable control of these weapons under a single authority. This matter affects the security interests of the entire Atlantic Alliance, as well as those of the international community as a whole. The Soviet and republic governments should adopt firm measures to prevent the export of nuclear or other potentially destabilising military technologies. We urge restraint in the development of conventional military forces that by their size and character could exacerbate political tensions, retard market economic reform, and contradict efforts toward lower and more stable levels of forces as embodied in the CFE Treaty. Because it reduces the dangers of

instability and enhances openness, the CFE Treaty is in everyone's interest, including those of the Soviet Union and the republics.

4. The Allies are firmly convinced that political change should be accompanied by economic liberty and the building of market economies. We support the development of economic policies that promote trade and economic cooperation among republics in the interest of growth and stability. In this context, it is essential that all the republics assume their appropriate responsibilities vis-a-vis Soviet international obligations, which would facilitate integration of the Union and the republics into the world economy. Newly established links with the international financial institutions should facilitate rapid reform towards the development of a market economy as the basis for economic recovery and prosperity for the Union and the republics. The Allies stand ready to assit in this historic undertaking, including through technical assistance in key sectors. In addition, we are providing humanitarian support to the Soviet peoples as they cope with the political and economic crisis that confront them. We consider such assistance a vital contribution to the future security of Europe and of the world as a whole.

5. We hope that leaders and authorities at all levels throughout the Union and the republics will demonstrate their commitment to the values and principles we have reaffirmed in this statement.

6. The North Atlantic Council will continue to consult actively on developments in the Soviet Union, with a view to harmonising our approach towards unfolding events.

Note: The declaration was not issued as a White House Press release.

Declaration on Peace and Cooperation of the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Rome

November 8, 1991

1. We, the Heads of State and Government of the member countries of the North Atlantic Alliance, have gathered in Rome to open a new chapter in the history of our Alliance. The far-reaching decisions we have taken here mark an important stage in the transformation of NATO that we launched in London last year.

2. The world has changed dramatically. The Alliance has made an essential contribution. The peoples of North America and the whole of Europe can now join in a community of shared values based on freedom, democracy, human rights and the rule of law. As an agent of change, a source of stability and the indispensable guarantor of its members' security, our Alliance will continue to play a key role in building a new, lasting order of peace in Europe: a Europe of cooperation and prosperity.

A New Security Architecture

3. The challenges we will face in this new Europe cannot be comprehensively addressed by one institution alone, but only in a framework of interlocking institutions tying together the countries of Europe and North America. Consequently, we are working toward a new European security architecture in which NATO, the CSCE, the European Community, the WEU and the Council of Europe complement each other. Regional frameworks of cooperation will also be important. This interaction will be of the greatest significance in preventing instability and divisions that could result from various causes, such as economic disparities and violent nationalism.

The Future Role of the Alliance: Our New Strategic Concept

4. Yesterday, we published our new Strategic Concept. Our security has substantially improved: we no longer face the old threat of a massive attack. However, prudence requires us to maintain an overall strategic balance and to remain ready to meet any potential risks to our security which may arise from instability or tension. In an environment of uncertainty and unpredictable challenges, our Alliance, which provides the essential transatlantic link as demonstrated by the significant presence of North American forces in Europe, retains its enduring value. Our new strategic concept reaffirms NATO's core functions and allows us, within the radically changed situation in Europe, to realise in full our broad approach to stability and security encompassing, political, economic, social, and environmental aspects, along with the indispensable defence dimension. Never has the opportunity to achieve our Alliance's objectives by political means, in keeping with Articles 2 and 4 of the Washington Treaty, been greater. Consequently, our security

policy can now be based on three mutually reinforcing elements: dialogue; cooperation; and the maintenance of a collective defence capability. The use, as appropriate, of these elements will be particularly important to prevent or manage crises affecting our security.

5. The military dimension of our Alliance remains an essential factor; but what is new is that, more than ever, it will serve a broad concept of security. The Alliance will maintain its purely defensive purpose, its collective arrangements based on an integrated military structure as well as cooperation and coordination agreements, and for the foreseeable future an appropriate mix of conventional and nuclear forces. Our military forces will adjust to their new tasks, becoming smaller and more flexible. Thus, our conventional forces will be substantially reduced as will, in many cases, their readiness. They will also be given increased mobility to enable them to react to a wide range of contingencies, and will be organised for flexible build-up, when necessary, for crisis management as well as defence. Multinational formations will play a greater role within the integrated military structure. Nuclear forces committed to NATO will be greatly reduced: the current NATO stockpile of sub-strategic weapons in Europe will be cut by roughly 80% in accordance with the decisions taken by the Nuclear Planning Group in Taormina. The fundamental purpose of the nuclear forces of the Allies remains political: to preserve peace, and prevent war or any kind of coercion.

European Security Identity and Defence Role

6. We reaffirm the consensus expressed by our Ministers of Foreign Affairs in Copenhagen. The development of a European security identity and defence role, reflected in the further strengthening of the European pillar within the Alliance, will reinforce the integrity and effectiveness of the Atlantic Alliance. The enhancement of the role and responsibility of the European members is an important basis for the transformation of the Alliance. These two positive processes are mutually reinforcing. We are agreed, in parallel with the emergence and development of a European security identity and defence role, to enhance the essential transatlantic link that the alliance guarantees and fully to maintain the strategic unity and indivisibility of security of all our members. The Alliance is the essential forum for consultation among its members and the venue for agreement on policies bearing on the security and defence commitments of allies under the Washington Treaty. Recognizing that it is for the European allies concerned to decide what arrangements are needed for the expression of a common European foreign and security policy and defence role, we further agree that, as the two processes advance, we will develop practical arrangements to ensure the necessary transparency and complementarity between the European security and defence identity as it emerges in the Twelve and the WEU, and the Alliance.

7. We welcome the spirit in which those Allies who are also members of the Twelve and the WEU have kept the other members of the Alliance informed about the progress of their ongoing discussions on the development of the European identity and about other issues, such as their peace efforts in Yugoslavia. Appropriate links and consultation procedures between the Twelve and the WEU, and the alliance will be developed in order to ensure that the allies that are not

currently participating in the development of a European identity in foreign and security policy and defence should be adequately involved in decisions that may affect their security. The Alliance's new strategic concept, being an agreed conceptual basis for the forces of all Allies, should facilitate the necessary complementarity between the Alliance and the emerging defence component of the European integration process. As the transformation of the Alliance proceeds, we intend to preserve the operational coherence we now have and on which our defence depends. We welcome the perspective of a reinforcement of the role of the WEU, both as the defence component of the process of European unification and as a means of strengthening the European pillar of the Alliance, bearing in mind the different nature of its relations with the Alliance with the European Political Union.

8. We note the gradual convergence of views in the discussions concerning the developing European security identity and defence role compatible with the common defence policy we already have in our alliance. We feel confident that in line with the consensus in Copenhagen, the result will contribute to a strong new transatlantic partnership by strengthening the European component in a transformed Alliance. We will help move this development forward.

Relations with the Soviet Union and the Other Countries of Central and Eastern Europe: A Qualitative Step Forward

9. We have consistently encouraged the development of democracy in the Soviet Union and the other countries of Central and Eastern Europe. We therefore applaud the commitment of these countries to political and economic reform following the rejection of totalitarian communist rule by their peoples. We salute the newly recovered independence of the Baltic States. We will support all steps in the countries of Central and Eastern Europe towards reform and will give practical assistance to help them succeed in this difficult transition. This is based on our conviction that our own security is inseparably linked to that of all other States in Europe.

10. The Alliance can aid in fostering a sense of security and confidence in these countries, thereby strengthening their ability to fulfil their CSCE commitments and make democratic change irrevocable. Wishing to enhance its contribution to the emergence of a Europe whole and free, our Alliance at its London Summit extended to the Central and Eastern European countries the hand of friendship and established regular diplomatic liaison. Together we signed the Paris Joint Declaration. In Copenhagen last June, the Alliance took further initiatives to develop partnership with these countries. Our extensive programme of high level visits, exchanges of views on security and other related issues, intensified military contacts, and exchanges of expertise in various fields has demonstrated its value and contributed greatly to building a new relationship between NATO and these countries. This is a dynamic process: the growth of democratic institutions throughout Central and Eastern Europe and encouraging cooperative experiences, as well as the desire of these countries for closer ties, now call for our relations to be broadened, intensified and raised to a qualitatively new level.

11. Therefore, as the next step, we intend to develop a more institutional relationship of consultation and cooperation on political and security issues. We invite, at this stage of the process, the Foreign Ministers of the Republic of Bulgaria, the Czech and Slovak Federal Republic, the Republic of Estonia, the Republic of Hungary, the Republic of Latvia, the Republic of Lithuania, the Republic of Poland, the Republic of Romania, and the Soviet Union to join our Foreign Ministers in December 1991 in Brussels to issue a joint political declaration to launch this new era of partnership and to define further the modalities and content of this process. In particular, we propose the following activities:

-- annual meetings with the North Atlantic Council at Ministerial level in what might be called a North Atlantic Cooperation Council;

-- periodic meetings with the North Atlantic Council at Ambassadorial level;

-- additional meetings with the North Atlantic Council at Ministerial or Ambassadorial level as circumstances warrant;

-- regular meetings, at intervals to be mutually agreed, with:

-- NATO subordinate committees, including the Political and Economic Committees;

-- the Military Committee and under its direction other NATO Military Authorities.

This process will contribute to the achievement of the objectives of the CSCE without prejudice to its competence and mechanisms. It will be carried out in accordance with the core functions of the Alliance.

12. Our consultations and cooperation will focus on security and related issues where Allies can offer their experience and expertise, such as defence planning, democratic concepts of civilian-military relations, civil/military coordination of air traffic management, and the conversion of defence production to civilian purposes. Our new initiative will enhance participation of our partners in the ``Third Dimension'' of scientific and environmental programmes of our Alliance. It will also allow the widest possible dissemination of information about NATO in the Central and Eastern European countries, inter alia through diplomatic liaison channels and our embassies. We will provide the appropriate resources to support our liaison activities.

The Conference on Security and Cooperation in Europe

13. We remain deeply committed to strengthening the CSCE process, which has a vital role to play in promoting stability and democracy in Europe in a period of historic change. We will intensify our efforts to enhance the CSCE's role, in the first instance by working with the other participating CSCE states to ensure that the Helsinki Follow-Up Meeting in 1992 will be another

major step towards building a new Europe. The CSCE has the outstanding advantage of being the only forum that brings together all countries of Europe and Canada and the United States under a common code of human rights, fundamental freedoms, democracy, rule of law, security, and economic liberty. The new CSCE institutions and structures, which we proposed at our London Summit and which were created at the Paris Summit, must be consolidated and further developed so as to provide CSCE with the means to help ensure full implementation of the Helsinki Final Act, the Charter of Paris, and other relevant CSCE documents and thus permit the CSCE to meet the new challenges which Europe will have to face. Our consultations within the Alliance continue to be a source of initiatives for strengthening the CSCE.

14. Consequently, we will actively support the development of the CSCE to enhance its capacity as the organ for consultation and cooperation among all participating States, capable of effective action in line with its new and increased responsibilities, in particular on the questions of human rights and security including arms control and disarmament, and for effective crisis management and peaceful settlement of disputes, consistent with international law and CSCE principles. To this end, we suggest:

-- that the CSCE Council, the central forum for political consultations, continue to take decisions on questions relating to the CSCE and the functions and structures of the CSCE institutions;

-- that the Committee of Senior Officials serve as the coordination and management body between Council sessions and that it acquire a greater operational capacity and meet more frequently, with a view to ensuring the implementation of decisions;

-- that the CSCE's conflict prevention and crisis management capabilities be improved: as one contribution, in addition to the functions entrusted to it by the Paris Charter, the means available to the Conflict Prevention Centre should be strengthened and made more flexible to enable it to fulfil the specific tasks assigned to it by the CSCE Council and the Committee of Senior Officials;

-- that specific tasks based on a precise mandate by the CSCE Council or the Committee of Senior Officials might be entrusted to ad hoc groups;

-- that the decisions taken at the Helsinki Follow-up Meeting ensure complementarity among CSCE activities in the security field including, inter alia, conflict prevention, arms control and consultations on security;

-- that consideration should be given within the CSCE to develop further the CSCE's capability to safeguard, through peaceful means, human rights, democracy and the rule of law in cases of clear, gross and uncorrected violations of relevant CSCE commitments, if necessary in the absence of the consent of the state concerned;

-- that the Office for Free Elections be transformed into a broadly focused Office of Democratic Institutions to promote cooperation in the fields of human rights, democracy and the rule of law;

-- that the monitoring and promotion of progress on human dimension issues be continued in the form of periodic meetings of short duration on clearly defined issues;

-- that further political impetus be given to economic, scientific and environmental cooperation so as to promote the basis of prosperity for stable, democratic development.

Arms Control

15. We strongly support President Bush's initiative of 27th September 1991 which has opened new prospects for nuclear arms reduction. We also welcome President Gorbachev's response. We particularly applaud the decision of both sides to eliminate their nuclear warheads for ground-launched short-range weapons systems. The Allies concerned, through their consultations, have played a central role in President Bush's decision which fulfilled the SNF arms control objectives of the London Declaration. They will continue close consultations on the process of the elimination of ground-based SNF warheads until its completion. We will continue to work for security at minimum levels of nuclear arms sufficient to preserve peace and stability. We look forward to the early ratification of the recently signed START agreement.

16. We note with satisfaction the recent achievements in the fields of conventional arms control and disarmament. We reiterate the paramount importance we attach to the CFE Treaty and call upon all CFE signatories to move forward promptly with its ratification and implementation. We urge our negotiating partners to work with us to reach substantial agreements in the CFE IA and CSBM negotiations, and remain dedicated to achieving concrete results by the time of the CSCE Helsinki Follow-Up Meeting. We welcome the resumption of the Open Skies negotiations; we look forward to agreement on an Open Skies regime by the time of the Helsinki Meeting as an important new element in greater openness and confidence-building in the military field.

17. The Helsinki Meeting will mark a turning point in the arms control and disarmament process in Europe, now with the participation of all CSCE states. This will offer a unique opportunity to move this process energetically forward. Our goal will be to shape a new cooperative order, in which no country needs to harbour fears for its security, by:

-- strengthening security and stability at lower levels of armed forces to the extent possible and commensurate with individual legitimate security needs both inside and outside of Europe;

-- conducting an intensified security dialogue within a permanent framework and fostering a new quality of transparency and cooperation about armed forces and defence policies; and

-- promoting effective mechanisms and instruments for conflict prevention.

18. The proliferation of weapons of mass destruction and of their means of delivery undermines international security. Transfers of conventional armaments beyond legitimate defensive needs to regions of tension make the peaceful settlement of disputes less likely. We support the establishment by the United Nations of a universal nondiscriminatory register of conventional arms transfers. We support steps undertaken to address other aspects of proliferation and other initiatives designed to build confidence and underpin international security. We also deem it essential to complete a global, comprehensive and effectively verifiable ban on chemical weapons next year. We welcome the positive results of the Third Review Conference of the Biological and Toxin Weapons Convention, in particular the decision to explore the feasibility of verification.

Broader Challenges

19. Our Strategic Concept underlines that Alliance security must take account of the global context. It points out risks of a wider nature, including proliferation of weapons of mass destruction, disruption of the flow of vital resources and actions of terrorism and sabotage, which can affect Alliance security interests. We reaffirm the importance of arrangements existing in the Alliance for consultation among the Allies under Article 4 of the Washington Treaty and, where appropriate, coordination of our efforts including our responses to such risks. We will continue to address broader challenges in our consultations and in the appropriate multilateral forums in the widest possible cooperation with other states.

20. The North Atlantic Alliance was founded with two purposes: the defence of the territory of its members, and the safeguarding and promotion of the values they share. In a still uncertain world, the need for defence remains. But in a world where the values which we uphold are shared ever more widely, we gladly seize the opportunity to adapt our defences accordingly; to cooperate and consult with our new partners; to help consolidate a now undivided continent of Europe; and to make our Alliance's contribution to a new age of confidence, stability and peace.

21. We express our deep appreciation for the gracious hospitality extended to us by the Government of the Italian Republic.

Note: The declaration was not issued as a White House press release.

Remarks at the American Seminary in Vatican City

November 8, 1991

Thank you very much. I must say you guys know how to make somebody feel at home. May I say what an honor it has been for me to have all this time with His Holiness. We had a -- I shouldn't talk about what we talk about, but we had a major tour d'horizon, touching on all the trouble spots, and I had an opportunity to express my profound gratitude to the Holy Father for the spiritual and moral leadership, his commitment to peace, and the message that he sends across the world to all of these countries. It's a message of hope, and it is indeed a message of peace.

So, it was a privilege for me as President of the United States to have this time with the Holy Father. And may I express, Your Holiness, our gratitude from Barbara and me, from Jim and Susan Baker, and from this enormous traveling squad that we had inside. [Laughter] I believe the Holy Father was wondering if anybody was left back in the United States. [Laughter] But now we see that there are plenty here representing the spirit of this country. And bless you in your work, and God bless the United States.

Thank you very, very much.

Note: The President spoke at 2:00 p.m. in the Sala Clementina at the Vatican. Pope John Paul II accompanied the President. A tape was not available for verification of the content of these remarks.

The President's News Conference in Rome, Italy

November 8, 1991

NATO Summit

The President. Let me get my brainpower up here. Well, let me just make a brief statement, and then I'll be glad to respond to a handful of questions.

This Alliance has been an extraordinary success. The cold war, the division of Europe, the East-West military struggle are no longer subject for leaders but for historians. But I won't dwell on NATO's successful past. I want to talk about NATO's future.

The Rome summit is a landmark event, for here we took decisive steps in transforming the Atlantic alliance. In so doing, we demonstrated that NATO does not require a Soviet enemy to hold it together. And yesterday we approved a new strategic doctrine reflecting the revolutionary changes that have taken place. NATO forces will be smaller, more mobile, more flexible, able to protect any ally against any threat.

The doctrine provides for the elimination of U.S. land-based short-range nuclear forces, based on the recent United States initiative. And today we approved a declaration on peace and partnership establishing an extensive liaison program with the emerging democracies in the East. This program will address specific needs of these countries: defense conversion, civil-military relations, environmental problems, et cetera.

We institutionalized our relations with these countries by establishing a North Atlantic Cooperation Council. And this Council will hold its first meeting in Brussels next month.

We also issued a special NATO statement on the dramatic transformation of the Soviet Union. The statement welcomes the new opportunity for democracy throughout the U.S.S.R. and lays out agreed principles to guide our policies during these momentous changes. It stresses that the revolution taking place should be carried out peacefully, democratically, and with full respect for individual and minority rights.

We're also calling upon Soviet and Republic leaders to implement the CFE, START, and all other international obligations, as well as to maintain safe and responsible control of nuclear weapons.

We're going to intensify our consultations in NATO to maintain a common Atlantic approach to the volatile situation in the Soviet Union.

This summit gave me the chance to share with our partners our view on the future of the alliance and the United States in the security of Europe. European and American security is indivisible,

and the U.S. will maintain its commitment to Europe in this new era. Because of its Atlantic character, the alliance cannot be replaced, even in the long run. The alliance is the guarantor of the security and stability of Europe.

We're developing a more balanced partnership with our European allies. European unity will strengthen the alliance. It will neither diminish the need for NATO nor substitute for it in the defense of its members.

And our allies share these views. Chancellor Kohl's remarks in the Bundestag in Bonn on Wednesday could not have made this more clear. We and our allies have succeeded in adapting and renewing this alliance for the new world.

So all and all, it was a dramatic meeting, a shift taking consideration of the marvelous changes around the world, and I think every member there feels that it was highly successful.

I'll be glad to take a few questions.

NATO Unity

Q. Mr. President, is there not a lot of dissension within the alliance, France in particular? First, the force question in Europe and now -- --

The President. You say, did I detect a lot of dissension?

Q. Is there not a lot of dissension within the alliance, with France in particular?

The President. No, I don't think there's a lot of dissension in the alliance. The question was, is there a lot of dissension in the alliance, particularly considering France's position. No, I don't think so. I think if you'll look at the text of what was said or what was put out, I think you'll see that France is still strongly supportive of an American presence here. And so I wouldn't say that at all.

Now, when you have frank discussions in a group as big as NATO, are there going to be some nuances of difference? Of course, there are differences. But I think on this instance, France was most constructive. I had a good, long talk bilaterally with Francois Mitterrand this morning, and I'm more sure than ever that the answer I'm giving you is correct.

Q. What about the disassociation from the statement regarding the Soviet Union?

The President. Well, that's an area where there are some differences. Now, here's a question, it's a good question, but I don't think that suggests that there are great divisions inside the alliance. There have been exceptions taken, footnotes taken in the past on announced positions. And the

fact that they view treating the internals in the Soviet Union slightly different than we do or some of the other members do, I don't think should be interpreted as dissension in the alliance.

It points out, however, that strong countries, strong-willed leaders from large countries or small, can disagree and still have the alliance going forward in the way I think the documents proclaim.

NATO Relations with the Eastern European Republics

Q. Mr. President, you spoke about clasping the outreached hand of the fledgling democracies of Eastern Europe and the Soviet Union. Apart from this Council on Cooperation, do you envision full NATO membership for these countries?

The President. I think it's a little premature on that. And let's get going now on this Council. Let's consult with them. Let's make them know that we have keen interest in their security and in their economic well-being. But I think it's premature to go beyond that.

Q. Down the road, though? Is that -- --

The President. Well, I just think it's premature now. Let's go forward with this new mechanism and see how successful it is.

Tax Cuts

Q. Sir, I'd like to turn to the domestic front. Rostenkowski -- sorry about the throat -- Rostenkowski -- --

The President. It's better that way. [Laughter]

Q. Oh, good one. Your friend, Rostenkowski, now has openly come out for taxes. Are you ready to join him in this, on the tax cuts, rather? And also, higher taxes, tax cuts for the middle class and higher taxes -- --

Q. The President. I'm not interested in higher tax cuts [increases] on the American people. I think that there was a pretty good message sent to the voters in New Jersey the other day about that one. And so I don't think that's too swift an idea. However, I have not seen Rosty's total proposal. And I want to look at it carefully. I'd love to be in a position to pledge every American, whatever, a tax cut. But I don't want to do that when I can't see how I can do that and keep it inside the budget agreement.

Interest rates are in good shape now in the United States. Soon they're going to kick in and stimulate this economy and renew confidence in this economy. But you notice when tax cuts were

proposed 2 weeks ago, long-term interest rates shot right through the roof. I have a responsibility, I think, to see that I don't make proposals that will set back the economy, not just in the longer run but in the short run. So, I'll take a look at what Danny's got, but I cannot endorse the part of it that you're talking about here and that you asked me about.

Q. But, sir, he would pay for it with higher taxes in the upper brackets: a 35-percent rate plus a 10-percent surcharge for millionaires.

The President. Well, my worry about taxing somebody else is it always ends up in everybody's pocket. And I worry a little bit that, well, we're just going to tax somebody else. We've heard the Government do this, talk about that. So, I'd have to give it a lot of thought before I could support -- if that's what he's doing. I would have to wait.

Q. You're not enthusiastic about the idea?

The President. I'm not enthusiastic about increasing taxes. I learned that one the hard way.

AIDS

Q. Mr. President, this is another sharp right turn, but I'm sure you're aware the entire country is talking about Magic Johnson.

The President. Oh, yes.

Q. I'd like to, first of all, get your feelings on that, and secondly, let you respond to criticism that's been leveled by AIDS activists and even by a Presidential commission that this is an area where you really haven't sufficiently led the Nation on -- not a question of how much money you spend but a question of attitudes.

The President. Yes. Well, let me first say about Magic Johnson, he's a hero to me, to everybody that loves sports, I think to everybody across this country. I believe he's on our fitness commission. And I just can't tell you the high regard that I have for this athlete. And I can empathize with him. I did catch a little bit of it on television, his statement here, saw the heartbreak of some of the kids that idolize him. And so it's a tragedy, but handled well. And I don't want to sound like this is some -- carrying it further than it is because he might do very, very well, indeed, but I think he's a gentleman who has handled his problem in a wonderful way.

Now, in terms of allegations that I am not interested in AIDS people or not providing proper leadership, I hope that's not true. You say don't discuss funding, but we have increased funding dramatically for AIDS. We've got fantastic research going on at NIH and elsewhere to do something about AIDS. But Susan [Susan Spencer, CBS News], look at it this way: If there's more I can do to empathize, to make clear what AIDS is and what it isn't, I want to go the extra

mile, because my heart goes out to them; I've been to hospitals and seen them; I've talked to some of the victims of AIDS. And I can't say I've done enough; of course, I haven't. But I don't like the allegation, if it is, that I don't care because I do very, very much.

Q. One of the main areas of criticism from the Presidential commission and others has been the immigration policy that restricts people with the AIDS virus from even coming into this country.

The President. It doesn't do that, though, you see.

Q. The allegation being that this conveys a wrong message to people about discrimination.

The President. Well, this is a health problem, and that part of it should be treated in a health manner. And I have great confidence in Secretary Sullivan. And I think some have, some of the most active groups, who, incidentally, I think, hurt the cause. I think some of the machinations of ACT-UP, which is an extreme organization, hurt the cause of understanding, denying people the right to speak. This doesn't help the cause. So, I'm not defensive on that part of it at all. And I think the conference, that people were permitted to come in. Some just didn't want to because of what they felt the message conveyed.

But I think we're doing well as an administration. But if I need to do more, and Barbara does, to express the concern we feel, we'll do it. I say Barbara because I think she is trying very hard also. When you hold those little AIDS babies in your arms I think that sends a powerful message, not just of love but of what AIDS is and is not.

The U.S. Role in NATO

Q. Mr. President, Secretary Baker said yesterday afternoon that the United States would be the leader of the NATO alliance for a long time to come. Could you explain, sir, for the benefit of an average American, why that role is necessary and beneficial for such average people?

The President. NATO has kept the peace for 40 years, over 40 years. In the last 2 or 3 years, we've seen dramatic changes in the entire world. The enemy, a monolithic, powerful Soviet Union is no longer the enemy. The enemy is uncertainty. The enemy is unpredictability. The friend is stability. And so what an ongoing NATO, with its pared-down but quick response and highly effective force, will do is to guarantee against insecurity, against instability, and guarantee security.

I think it's important when you see the development in the Soviet Union -- which is to some degree unpredictable, where we're going to be in terms of those Republics and how they sort out their relationship with the center -- when you see the turmoil in Yugoslavia today, all is not serene. One can't predict with totality where these events will lead us.

And we've got a stake in it. History shows that we have a stake in a peaceful Europe. And so, it's that that I would say to the American people. And I would also say because of the way this has been handled and because of the changes in the world, we are going to be able to participate fully, but at reduced levels of U.S. troop commitment. And that goes along with it.

So, I'd say to the isolationists in the United States: Look at your history. Don't pull back into some fortress America. You just have to look back over your shoulder at the Persian Gulf and look at the recent changes in Europe and understand that it is in our interest to have a strong participation in this Atlantic alliance.

Q. Given the impulse, sir, in Europe to the amount of defense forces that are European, why is it now necessary for the United States to have this leadership role with all the expense and risk that goes with it?

The President. Because it is in our interest to be a participant in the Atlantic alliance. We're not just doing this just for somebody else; we're doing it for ourselves. And all you have to do is go back a little further into history to understand why I'm saying this. And I'm talking about the grand war, World War II. And I think that it's very, very important that we be full participants.

Agricultural Aid for the Soviet Union

Q. You've had for some time, I believe, now, Secretary Madigan's recommendation to grant additional agricultural credits to the Soviet Union, or credit guarantees. Why is this still being delayed, sir?

The President. I had an opportunity to discuss a proposal with Mr. Gorbachev. We came back and had consultations with our Agricultural Department officials: Madigan, Crowder, and others. One of them will be back over there very soon. I'll be meeting with Ed Madigan as soon as this finishes up. And a deal just has not been finalized. Are we willing to help the Soviet Union get through a difficult winter by giving agricultural credits? The answer is yes. Do we want to have the credits secured as best we can? The answer to that question is yes, too. And therein lies a complication that has not been resolved.

Foreign vs. Domestic Spending

Q. Are you in any way deterred, sir, by the suggestion that you should be using whatever that might cost in the Soviet Union to help people back home?

The President. No, I'm not deterred by that. I can understand the sentiment that some say, but I don't think that the U.S. can withdraw from its commitment. And I think the U.S. whoever it is in the U.S., takes pride that when people are hurting and people are desperately hungry the Government tries to help, abroad and at home.

Sanctions Against Yugoslavia

Q. Mr. President, what's your reaction to the decision by the European Community to impose sanctions against Yugoslavia?

The President. We're going to take a look at that now. The question, if you didn't hear in the back, sorry. Well, he just said, what was my reaction to the EC move this morning to place sanctions on Yugoslavia, EC sanctions against Yugoslavia. We're taking a hard look at that. The Secretary and I will be discussing it, and we will have more to say on that in the not-too-distant future.

So, I can't fault what they're doing at all. In fact, I congratulate the EC for the leadership role they have taken in trying to resolve the difficulties between these various entities in Yugoslavia. I can't tell you what the final U.S. position is going to be yet because I've not made a final decision.

Q. But do you have any reaction to their call for the United Nations to impose an oil embargo?

The President. Do I have any what?

Q. They've asked that the U.N. impose an oil embargo.

The President. No, but we will have a U.S. position on that fairly soon. This just happened this morning.

Health Care Reform

Q. Senate Republicans have now unveiled a plan to reform health care and provide access to Americans who now do not have access to affordable health care. Do you have a view of their particular plan? And in general, given the political potency of this issue, do you plan for your administration to come forward with its own plan before the election next year?

The President. I would think that before the election next year, we will. I will say there are 30 health plans, I think it's 30, that have been put forward by Members of Congress. Some of them have very strong merit to them, and some of them have enormous drawbacks because of the costs to all Americans, the prohibitive costs. But I'd like to have a comprehensive health care plan that I can vigorously take to the American people. We're moving forward with certain portions of health care now, as you've heard from Secretary Sullivan. It's a matter of concern. And I think the answer to your question will be yes, Susan.

1991 Elections

Q. Were you surprised by how that issue resonated in the Pennsylvania Senate race? And do you

think there's a message there? Do you see a particular message in that?

The President. Listen, any time a good man loses, and that's what happened in Thornburgh's race, I'm interested in what the message is. But I don't know what one ingredient it was in that race. But I know there were an awful lot of other races in the country, whether it was people interested in health care, that went the other way. In governorships and the sweeping victories in the State of New Jersey where people sorted out the priorities that we've been talking about here, ``Hey, do you want me to go out and raise taxes on the American people?'' And over and over again, wham, the answer was, ``No.''

So, it's what kind of perspective you put it in. But I have great regrets over the Thornburgh race because I know he'd have been an outstanding Senator, and he was an outstanding Attorney General. But the details of it, I can't assert that you're correct in your hypothesis there.

Economic Programs

Q. Mr. President, has the election this week changed your view about how fast you should propose an economic stimulus program or the substance of what such a program might contain?

The President. No, the election has not changed my view. We've had ingredients of a stimulation package before the American people for a long, long time. The Congress now has set a date, I think of the 22d of November, but as I said when I postponed my trip to the Orient, I'm not sure I believe it. The first date was November 2d or 4th, and it's now been set back to the 22d, and let's see. I know what my hopes are in that regard, but let's see.

So, I don't feel under any election pressure. I would like to see the Congress go forward and get this transportation bill. That's got growth potential. I would like to see a capital gains cut. They are labeling this as a tax cut for the rich in spite of the success that it had under bipartisan partisanship and under Bill Steiger back in '78. So, we've put forward IRA's that will help with homebuying, for example.

So, I've got my ideas out there, and the Congress, for various political reasons, want to do it their way. When you don't control either House of the Congress, you have to deal with their ideas. They aren't willing to bring forward mine. And so, I'd like to see them do what we've got forward because I think there are things that can be done to stimulate the economy.

I might say one that isn't a Government move was the cutting of the interest rates the other day. I cannot help but feel that the interest rates at these rather historic lows will have a stimulative effect on the economy at some point. But when they get these gloomy reports out of politicians who can only profit if things are going badly, you have to let that be sorted out by the American people. And that's what's happening out there.

I would hate to be a fellow that thought the only way I could get a job is to have everything going badly for our country. And that seems to be the mentality there. But I'm going to have to resist nice-sounding things that are counterproductive. But I'd like to encourage the Congress to go forward with some of the ideas we've put forward.

Italy and NATO

Q. Mr. President, I have two questions, if I may, sir.

The President. You get one, but they call it a follow-on. You can use that technique. [Laughter]

Q. Well, they're on two different subjects -- [laughter]

The President. They're shaking you off here. [Laughter]

Q. You just talked now in the Rome declaration, talked about smaller, more flexible NATO forces. Does that involve the closing of some of your United States bases in Italy? And, second question -- --

The President. Related to the first is what?

Q. It's on a small bilateral issue. Is your administration going to accede to the Italian Government request for the transfer under the Strasbourg convention to an Italian jailing of Senor Baraldini, an Italian citizen convicted of terrorism 9 years ago in the United States?

The President. Fortunately, the last party is unrelated to the first, and therefore, I'll only take the first part of the question, meaning I don't know the answer to the second part of your question. But maybe somebody can help me on that.

And what was the first part of your question?

Q. Yes, smaller, more flexible force -- --

The President. I don't think there are any plans of that nature regarding our announced cuts with NATO. Italy has been a strong, wonderful supporter of NATO. And I know of no plans in our structuring that would result in that at this moment.

Let me say I don't want to avoid your question on the Baraldini matter, but I just don't know the answer to it. Maybe we can get up with you later. [Laughter] It seems that nobody else knows the answer to it, and it's a very good question. I'm very sorry.

The President's Travel

Q. Mr. President, in Texas last week you gave a rousing defense of your attention to foreign policy and your travels, and then a few days later you canceled the Asia trip, citing the congressional schedule. The reality, though, next year are we not going to see you stay put?

The President. No, you're not going to see me stay put. I am not going to forsake my responsibilities. You may not see me put as much -- I mean, un-put as much. [Laughter]

Q. Will the Japan trip not have to be postponed until after the elections?

The President. The Japan trip will be rescheduled, before the elections. I want to do it before the elections. I'd like to do it fairly soon. It is very important. You know, it's interesting -- this is for the foreign journalists -- I was accused of canceling a foreign trip for political reasons. When the trip was scheduled, the Congress had said they were going to adjourn on November 2d or November 4th. I felt, therefore, I could safely sally forth from the United States and go out to Asia.

So, we canceled the trip, and then some very knowledgeable foreign policy reporters say, ``Hey, you're neglecting Asia. This is a terrible thing. You're not going to Japan, which is a very important trading partner."

I guess both have some credibility, except those who say it was canceled for politics. I canceled it because I don't want to be out of town when Congress is still in session. But I want to reschedule it, and I will reschedule it because these relationships are very important. And it is the President that is responsible for these relationships. And in the case of Japan, for example, it is terribly important domestically. It has an enormous domestic implication. And to neglect that relationship and be driven away from it by people holding up silly T-shirts is ridiculous.

Of course, I'm going to go. And this relationship with Japan is important. It's important to jobs in the State of Michigan, for openers, and many other States all across the agricultural belt. And it's important in high-tech. And it's important in terms of a lot of other things.

And so, I am not going to neglect that part of my responsibilities as President because of some carping by people that simply don't understand that it is the President that has these responsibilities.

And I will simply add for the foreign journalists, if I had had to listen to advice from the United States Senate leadership, the Democrats, or from the House, the leadership over there, to do something about the Persian Gulf, we'd have still been sitting there in the United States, fat, dumb, and happy, with Saddam Hussein maybe in Saudi Arabia. So, I had to get out, and say, ``Hey, this is what we're going to do," and didn't have to depend on the good will of Congress to

get it done. Most of the leaders in the Congress opposed what I did or were in opposition one way or another.

And so, I am not going to neglect my responsibilities. I am going to do as -- better job as I possibly can on showing the concerns I feel and hopefully, in spite of the opposition of Congress, try to find answers to some of the problems that are plaguing the American people. People are hurting there, and they need help. But they don't need the President to foreswear his obligations for national security and foreign affairs.

That's a brief summation of how strongly I feel, and I can elaborate on that if anybody would like.

Abortion Counseling

Q. Mr. President, those House and Senate leaders you just referred to got a bill passed in both Houses this week which overturns your ban on abortion counseling in family planning clinics. Will you veto that and why?

The President. You know, the argument -- this is a domestic issue here -- the argument was the gag rule, the keeping patients from talking to their doctors about any array of options. That was the argument. That was the debate. You go back and look at the clips and look at some of the stories that were written. It is a patient-doctor relationship that people were arguing about. They were saying, you were gagging doctors from giving patients any solution they wanted. That has been resolved by a directive from me to the Secretary of HHS. So, it is no longer the question.

Now, somebody has some other ideas on that. But I will veto the legislation and get the veto sustained, and I already have taken care of ``the gag rule'' about which this was about. Now, there are some other aspects of it on abortion where I just have a difference with the Congress, a standing difference with them. But on the gag rule, it is important to note that matter has been resolved. And clearly, under my directive, they can go ahead, patients and doctors can talk about absolutely anything they want, and they should be able to do that.

But let's not lose sight of what the argument was a few months ago when this first came out, was the prohibition of a person to talk to, the alleged prohibition of a person to talk to a doctor about abortion or about having a doctor recommend abortion. That matter has been resolved. So, therefore, with that underway, I will then go ahead and veto the bill and hope that it is sustained.

The Economy

Q. Mr. President, you said that your ideas for an economic growth package are on the Hill, and they won't do anything about them, the democratically controlled Congress. If that's the case, are you saying you can't do anything to help with the recession right now; you're helpless in this area?

The President. You see these interest rates down; I think that will help tremendously. I think avoiding breaking the budget agreement will help. I don't know that I, personally, individually, can do anything without the cooperation of the leadership. Sometimes, to get something good done, you've got to beat back something bad. And that is what happens when you have a divided Government with the Senate and House leaders off on a liberal tack that is very different than what I was elected to do.

Q. A lot of economists think that, in fact, the President should not try to fine-tune this way, and that recessions are cyclical and you come out, when you come out. Do you essentially agree with that?

The President. Well, as I've said the other day, there's a lot of gloom and doom out of the politicians. I think there's some reason to think that, as in past recessions, the '81 - '82 recession is a good example, we will come out of it. I'm not prepared to say we're in recession when you have a growth, a third-quarter growth of 2.4 percent. It's not vigorous growth. It is not the kind of growth that I'd like to see the United States have, but it is not recession. It does not fit the definition of recession. And yet, you have plenty of people around saying we are in recession.

What's happened, I think, is after that 2.4 percent growth, there's a feeling that it's been rather flat. And I don't know what the numbers are exactly, but I do remember that in the end of the '81 - '82 recession I was sitting there in the Cabinet Room when some Members of Congress, both Republican and Democrat, came to President Reagan and said, you must spend this $3 billion to create, I forget how many jobs, 100,000 jobs. You have to do it. Well, when will these jobs be created? Well, we can get them the next 6 months.

And within the next month or two, the economy itself was creating 500,000 jobs per month without the kind of band-aid legislation that these people were talking about. I remember talking to President Reagan about his wanting to do something but not do something that would be counterproductive.

So, there is this view amongst some economists that economies are cyclical and that you have ups and downs in it. And I think if you go back and look, that's been the case in history.

This recession -- and this is of no comfort to somebody that's lost a job -- is far less deep than the previous recession. And it is my hope that we will come on out of it, and there are some good signs. And yet, there are some troubling signs. So, we'll have to wait and see. But that is an argument for not doing anything dumb, not doing anything stupid that's going to make it worse. One thing that would make it worse is to shoot these interest rates sky-high. I would think that would guarantee the likelihood we wouldn't have a recovery.

Note: The President's 110th news conference began at 2:50 p.m. in the living room at the U.S.

Ambassador's residence. The following persons were referred to: Chancellor Helmut Kohl of Germany; President Francois Mitterrand of France; Representative Dan Rostenkowski; and former Representative Bill Steiger. A tape was not available for verification of the content of this news conference.

Statement by Press Secretary Fitzwater on the Bulgarian-American Enterprise Fund

November 8, 1991

The Bulgarian-American Enterprise Fund was formally established on November 7, 1991. This $50 million U.S. initiative, to be capitalized over 3 years, will promote the development of the Bulgarian private sector through equity investments, loans, grants, training, and technical assistance.

Like the enterprise funds already established for Poland, Hungary, and the Czech and Slovak Federal Republic, the Bulgarian fund is a private, nonprofit organization. It will invest in Bulgaria's private sector, using its own funds and drawing on other sources of venture capital as well. It will foster the growth of private business in all sectors of the Bulgarian economy, with particular emphasis on agriculture and agribusiness: Agricultural inputs, food processing and packaging, distribution, and related areas. Drawing on its capital stock, the fund will also provide technical assistance to complement its investment activities.

The President is pleased to announce that the following distinguished American private sector leaders, representing a wide range of professional experience, have agreed to serve as U.S. members of the Board of Directors:

Chairman

Gary MacDougal, former chairman and CEO of Mark Controls Corp., and Public Delegate and Alternative Representative of the United States to the United Nations General Assembly.

Members

Theodore Cooper, chairman of the board and CEO of The Upjohn Co.

William W. Erwin, farmer, Board Member of the Farm Credit System Assistance Board, former Assistant Secretary of Agriculture.

Edgar D. Jannotta, partner, William Blair & Co.

Marshall Lee Miller, partner, Baker & Hostetler.

These U.S. board members will be joined by Bulgarian directors at a later date. In addition, Frank Bauer, formerly vice president with Booz Allen & Hamiltion, joins the Fund as President.

Proclamation 6370 -- National Poison Prevention Week, 1992

November 8, 1991

By the President of the United States

of America

A Proclamation

For more than three decades, we Americans have observed National Poison Prevention Week as part of a concerted, nationwide campaign to reduce the number of accidental poisoning deaths among children. This annual observance, coupled with our year-round efforts in both the public and private sectors, has helped to save lives: during the past 30 years, the number of poisoning deaths among children under 5 years of age has declined markedly, from 450 in 1961 to 42 in 1988.

This ``success story'' certainly merits celebration. However, because the loss of even one child is more than any family can bear and more than our Nation should tolerate, we must continue to alert the public about the need for poison prevention.

Leading that effort today is the Poison Prevention Week Council, a coalition of 37 national organizations that are determined to protect the health and safety of our most vulnerable citizens. The Council, which embodies our public-private partnership for poison prevention, coordinates the annual observance of National Poison Prevention Week. It also distributes lifesaving information and encourages local poison control centers, pharmacies, health departments, and other agencies to conduct poison prevention programs. The United States Consumer Product Safety Commission, which each year provides a member to serve as Secretary of the Poison Prevention Week Council, helps to direct this important public health campaign to prevent childhood poisonings. It is a truly national effort, enlisting the help of parents, health professionals, educators, and government officials, as well as members of industry and the media.

Poison prevention awareness has saved lives, but there is more to do. The American Association of Poison Control Centers reports that almost 1 million children are exposed each year to potentially poisonous medicines or household chemicals. We must continue to warn parents, grandparents, and other adults about the threat of childhood poisoning and encourage them to adopt safety measures. We can take a simple yet vital step to prevent accidental poisonings by using child-resistant closures and by keeping medicines and household chemicals out of the reach of children.

To encourage all Americans to learn more about the dangers of accidental poisonings and to take more preventative measures, the Congress, by a joint resolution approved September 26, 1961 (75 Stat. 681), has authorized and requested the President to issue a proclamation designating the third week of March of each year as National Poison Prevention Week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week beginning March 15, 1992, as National Poison Prevention Week. I call upon all Americans to observe this week by participating in appropriate programs and activities and by learning how to prevent accidental poisonings among children.

In Witness Whereof, I have hereunto set my hand this eighth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 12:18 p.m., November 12, 1991]

Note: This proclamation was released by the Office of the Press Secretary on November 12, and it was published in the Federal Register on November 14.

Address to the Nation Commemorating Veterans Day

November 9, 1991

At the 11th hour of the 11th day of the 11th month of 1918, the guns fell silent and the First World War came to an end. Ever since, Americans have set aside November 11th to honor our veterans, our heroes, whose footsteps set the pace of freedom's march.

From the fiery birth of our Nation to freedom's latest triumph in the Persian Gulf, America's veterans have always answered the call and given their all whenever freedom was threatened or democracy imperiled.

They called World War I the war to end all wars. But that was not to be. In 1939 democracy was once again threatened, and by the end of 1941, the world was again at war. Americans fought not only for their rights and freedoms, but for those of millions of people throughout the world.

Today, however, with communism defeated and democracy sweeping the globe, our hope grows stronger that war will vanish and a more civilized world, based on friendship, cooperation, and a commitment to peace will emerge.

This Veterans Day, we owe particular gratitude to the men and women veterans of Desert Storm. It is important to honor all veterans, particularly those who fought so bravely during World War II as we prepare to commemorate the 50th anniversary of what we hope to be the last World War.

Like the veterans of World War II, Desert Storm veterans went proudly, willingly, on a mission of high principle and noble purpose: to defeat aggression and defend freedom. In a faraway land they battled the enemy in the field and the inner enemy of fear. Through their sacrifice, they put an end to brutal aggression. They freed a captive nation and set America free by renewing our faith in ourselves.

From the time Operation Desert Shield began, a sacred bond grew between Americans here at home and those serving in the Gulf, much the same as it had during World War II. Think of all those yellow ribbons and those blue stars in the windows during World War II. Think of how the American family has never been more united. That bond, that unity, and that love must be preserved.

President Coolidge said long ago, ``The nation which forgets its defenders will itself be forgotten.'' No Commander in Chief forgets the sacrifices of America's veterans. Nor will America forget those who do the hard work of freedom.

To the men and women of our Armed Forces and to all our veterans, you know that you have your country's gratitude on Veterans Day and every day of the year.

May God bless America and the veterans who keep her free.

Note: The President recorded this address on October 28 in Room 459 of the Old Executive Office Building for broadcast at 9 a.m. on November 9. A tape was not available for verification of the content of this address.

Remarks at a Luncheon Hosted by Prime Minister Ruud Lubbers in The Hague

November 9, 1991

Mr. Prime Minister and President Delors, Foreign Minister van den Broek, distinguished guests, thank you all. And may I especially thank Her Majesty the Queen for the extraordinary, warm, genuine hospitality that we have felt today and that Barbara and I have felt in the past as her guests, and to say what a pleasure it is to be back here once again.

It is my pleasure to meet with you at the conclusion of this, the first meeting of U.S. and EC leaders on European soil. That this is Dutch soil makes the moment all the more special, for nowhere is the moral fiber of our Atlantic community stronger.

I made my first visit to The Hague as President more than 2 years ago -- Ruud Lubbers referred to this -- on the eve, though, of the revolution of 1989. And at that moment, East and West stood locked in conflict, the armed and uneasy peace we called the cold war. And yet, even then in the captive nations of Eastern Europe, the world felt those first stirrings of change.

In the stone church at Leiden, I spoke of the new spirit alive on this continent, of the new world within our reach. Today as we meet in this historic Hall of Knights, Europe stands transformed. A new world stretches out before us, a world alive with the promise of freedom.

Just 2 years ago today, the revolution swept away that stark and searing symbol of Europe's division, and that wall came crashing down. But history allows little time for celebration. With change comes new challenges: New challenges for old allies who must chart a common course in the peace that follows the cold war; new challenges for old adversaries, here in Europe, making certain the nations of the East can look to their Western neighbors for help in securing their hard-won freedoms.

As we confront the future, we must not repeat the errors of the past. On my side of the Atlantic, some greeted the end of the cold war with a chorus of ``Come Home, America." For them, the collapse of communism meant America's engagement in Europe was finished. Nothing could be more shortsighted for Europe, for my country, and for the world.

We must heed the hard-won lessons of this century if we're to seize new opportunities in the next. We should give future historians no reason to see in 1991 a repeat of 1919: An age of naive isolationism with the world's great democracies divided and distracted, a Europe divided between victors and vanquished, oblivious to unexpected dangers. This first age of naivete made possible the horrors of Hitler, followed by the protracted terror of the cold war. For that earlier dalliance with delusion, I think we would all agree the world paid dearly. War cost the lives of millions.

Innocent generations lost the dream of freedom.

The question we face today is not so different than the one our ancestors faced in 1919. For our part, we knew how to wage ``cold war." But do we know how to wage the peace? We must start from the understanding that NATO is not simply a military pact joined only to face a common threat. We must recognize that our Atlantic alliance is as vital in today's volatile world as it was years ago when Europe was menaced by Stalin's army.

Our alliance was from the very first and remains today an alliance of free nations, of fellow democracies, of countries bound by the long sweep of history and shared heritage. Today, as we have been for half a century, Europe and America are partners in peace. And today, we're also partners in prosperity with strong trade ties that enrich our peoples, create new opportunities, and fuel growth.

There is no question that NATO will change. In Rome, we approved changes in the way the alliance will provide for the common defense, the way we will deal with our former adversaries, and even the way we will deal with each other. Our new defense doctrine will ensure that every ally is secure from any threat, security made credible by highly mobile, multinational forces, greatly reduced in size but unmatched in human and technological quality.

Our new NATO liaison program for Europe's youngest democracies, Poland and Hungary, Czechoslovakia and others, will help them transform their military apparatus from a weapon of the state to the guardian of free people.

And finally, the alliance's endorsement of a European defense identity, the long-sought ``European Pillar", will give our European allies more responsibility in the protection of shared vital interests, cherished ideals, and the rule of law.

My country and the nations of this continent are forging a new Atlantic partnership. Think back, look over our shoulders four decades ago, to the days of the Berlin blockade and the Marshall Plan. Nearly all of Europe stood in ruins, half its people locked in chains. And today, Western Europe stands as a model for what democracy, the free market, and cooperation can deliver. More than 300 million people, generating fully one-fifth of the world's economic output, nations that rank among the world's most advanced and best educated.

This era of postwar prosperity has prepared Europe for larger responsibilities. We're now witnessing the new Europe in action: Working with us to help the citizens of Central and Eastern Europe transform their systems, their societies, their lives; in the Middle East, where the European Community stands with us as a partner in the quest for peace. We see the new Europe at work closer to home, striving against difficult odds to end the war in Yugoslavia.

We welcome the emergence of the new Europe, in the European Community's march toward a

single market and political union, in the revival of the Western European Union, the WEU, in the EC's new accord with the European Free Trade Association. Revitalizing the Atlantic alliance and building a European Union go hand-in-hand. Both can contribute to a safe, prosperous Europe and a humane world order. A continuing American role in Europe can facilitate integration doing that by fostering stability. And a more confident and cohesive Europe will, we believe, want the United States to remain fully engaged.

We, therefore, hope for continued progress at the upcoming EC summit in Maastricht because America recognizes the accelerating unity of Europe as a natural evolution toward our common aim: A commonwealth of free nations, working in concert; a new world where more and more nations enter a widening circle of freedom. In the months and years ahead, this commonwealth will be called upon to be patient and steady, at once, resolute and ready to act.

First, we've got to write the final chapter of the cold war conflict. We must help the nations of the East secure the freedoms that they have won. In Central and Eastern Europe, the euphoria of 1989 has worn away. Each country struggles now to build a functioning free market on the ruins of the socialist systems, to rekindle a saving sense of trust essential to democratic society. These nations need our help. They need access to Western markets, financial and technical assistance to ease their transition. For 40 long years, the captive nations of the East looked West for a sign of hope. And it's time now to say to these new democracies we will help you. More than that, after such a cold and protracted isolation, it is time for us to extend to them a warm welcome into this commonwealth of freedom.

And yet, while the urgent work of democracy-building and market reform moves forward, some see in freedom's triumph a bitter harvest. In this view, the collapse of communism has thrown open a Pandora's Box of ancient ethnic hatreds, resentment, and even revenge. Some fear democracy's new freedoms will be used not to build new trust but to settle old scores.

All of Europe has awakened to the danger of an old enemy: A nationalism animated by hatred and unmoved by nobler ends. No one need fear healthy national pride: The distinctive and defining traditions, the living history that gives peoples and nations a sense of identity and principle and purpose. But we must guard against nationalism of a more sinister sort: One that feeds on old, stale prejudices, teaches people intolerance and suspicion, and even racism and anti-Semitism; one that pits nation against nation, citizen against citizen. There can be no place for these old animosities in the new Europe.

The answer lies not in suppressing the dark impulses that destroy nations but in surmounting them, cultivating a spirit of democratic tolerance and peaceful change, a concept of majority rule that respects minority rights. Democracy is not the cause of strife in Eastern Europe and the Soviet Union but rather the solution. Western Europe stands as proof that in the space of little more than one generation, the spirit of democracy can transcend centuries of rivalry, war, nationalistic strife.

We see in Yugoslavia how the proud name of nationalism can splinter a country into bloody civil war. America supports, strongly supports, the efforts of the European Community to bring that conflict to an end. We salute Lord Carrington for his indefatigable efforts. And we urge all parties to stop the violence, to seek through peaceful means an immediate end to the suffering. We are ready to join the EC in holding accountable those in Yugoslavia whose parochial ambitions are perpetrating this agony.

Second, we must seize the opportunities farther East to support the democratic transformation of the Soviet Union and its Republics. Prime Minister Lubbers referred to this: That failed August coup stiffened the resolve of reformers to institute democratic change and introduce true free market reforms. We in the West must answer by offering humanitarian aid, opening our markets to goods from every Republic, encouraging investment, offering economic advice and expertise.

I believe the peoples everywhere in that vast land want change. But no shortcut can spare them suffering and hardship as they dig out from under 70 years of misrule. A harsh winter, hard times, lie ahead. And desperate times breed demagogs. America and Europe share an interest in the success of Soviet reform. Together, we must act to support the forces of liberty and democracy and free enterprise in that troubled region.

Finally, we must guard against the danger that old cold war allies will become new economic adversaries, cold warriors turned to trade warriors. There are signs on both sides of the Atlantic, frankly, that this could happen. Shrill voices on both sides peddle protectionism as the path to prosperity.

That way, in my view, lies to economic ruin, a prescription for plunging us into the kind of impoverishing rivalry that ravaged our economies during the Great Depression. As President, part of my responsibility to the American people is ensuring economic growth and opportunity. In a global economy, that means insisting on free and fair trade.

In North America, as in Europe, great progress has been made driving down trade barriers. But that progress will mean little if the world aligns itself into warring trade blocs. The principle of free trade faces a critical test in the Uruguay round. A positive outcome, one that reaffirms and extends the GATT system, will prove that the United States and the European Community, as world economic leaders, have the confidence to move decisively into a new era of free and open trade, generating jobs and opportunity on both sides of the Atlantic. And that's why I am pleased today to report that the United States and the EC have made progress in just the past few days and have pledged to spare no effort to resolve the equally significant issues that are still outstanding.

Helping the emerging democracies of Eastern Europe; supporting democratic reform in the Soviet Union and in its Republics as well; pushing forward for freer world trade: Each challenge we face constitutes a test. Each holds open an opportunity to give real meaning to strengthen the bonds that link us across the Atlantic, to open our commonwealth of free nations to all who love liberty

and all who seek peace.

Thank you very much. And may God bless The Netherlands and the free peoples of Europe. Thank you.

Note: The President spoke at 12:46 p.m. In his remarks, he referred to: Jacques Delors, president of the European Community's Executive Commission; Foreign Minister Hans van den Broek and Queen Beatrix of The Netherlands; and Lord Carrington, chairman of the Conference on Yugoslavia of the European Community. A tape was not available for verification of the content of these remarks.

The President's News Conference With Prime Minister Ruud Lubbers of The Netherlands and President Jacques Delors of the Commission of the European Community in The Hague

November 9, 1991

President Bush. Well, let me just say that our meetings here and in Rome underline the Atlantic partnership is as important as ever. Our agenda today reflected the growing role of the European Community in Europe and beyond, and much of our international cooperation with the EC is based on the concept of responsibility-sharing. We're working together effectively in aiding Central and Eastern Europe, assisting the Soviet Union, trying to bring peace to the Middle East and Yugoslavia.

Trade was a central issue on our discussions today. The U.S. - EC economic relationship continues to grow. The United States and the EC must demonstrate the ability to lead in the economic area by successfully concluding the Uruguay round. There's total agreement on that point. I think our talks did mark the narrowing of differences and a commitment to work to get that round concluded this year.

And we share the concern of the EC regarding the conflict in Yugoslavia. We, the United States, have concluded that further measures must be taken to hold accountable those who placed their narrow ambitions above the well-being of the peoples. And so, therefore, we will apply sanctions on Yugoslavia comparable to those of the EC. And the EC can also depend on the United States to cosponsor a new U.N. Security Council resolution on Yugoslavia, looking toward a possible oil embargo, and to cooperate fully in efforts to strengthen the embargo on arms exports to Yugoslavia.

We're very grateful to President Delors, Prime Minister Lubbers for the conduct of the meeting today, and also to Her Majesty for the hospitality shown us here in The Netherlands.

Prime Minister Lubbers. As you know, we discussed a number of items this morning, spent some time on explaining the institutional arrangements we are preparing from a strict monetary union and a political union. We exchanged limited views and prepared ourselves for a conference to be held next year in Brazil about the climatological problems.

We, of course, also here spent some time on Yugoslavia, and we are very happy, as you heard from President Bush, that also the United States will contribute to the policies there in putting some pressure on the parties, as was agreed upon already within the European Community.

Most of the time, of course, this morning we have spent to invest in coming to a more common position in the Uruguay round. As the President said, we agreed that it is essential that we come to results in the last months of this year, November and December.

So, a little bit running out of time, and therefore, I'm happy that we had a good opportunity here to discuss this matter. As you have seen in the declaration which was distributed and which I am not going to read for you, we are aiming at an approach, and this is not only one aspect or another, but it is as well about agriculture as about services and intellectual property and what have you.

From the paper you can see that there is progress. We have made an important step forward. On the other hand, we want to be realistic in saying there are still a number of problems that we have to solve together. There is a remaining gap, especially in agriculture. And as we see this as a package deal, so to say, we have to negotiate further a number of elements. Naturally, negotiations have to be done in a way that they can be successful, but it will be difficult for me to be too specific on that.

Let me assure you that we will continue from here, and hopefully, in a period not all too long it will be possible for Mr. Dunkel of the GATT to come out with a proposal that can be endorsed as well by the United States and the Community.

Thank you.

President Delors. Mr. Lubbers has made a full statement on the Community's side on the meeting of this morning. Let me add simply as a personal feeling that for the first time I am reasonably optimistic upon the possibility to reach an agreement in the three common -- on the Uruguay round. And this is very important to deliver a very important signal to the world economy.

Thank you.

Sanctions Against Yugoslavia

Q. Mr. President, how extensive are the sanctions against Yugoslavia, and why is there any reason to believe that the sanctions against Yugoslavia will be any more effective than those already in place against Iraq?

President Bush. Well, I'm not sure how effective sanctions by themselves will be. The decision to take the sanctions was to strongly back the efforts of the EC. As I mentioned, they are not complete yet. We are going to go to the United Nations to try to strengthen the concept of oil embargo. But I don't think anybody can predict with any accuracy that sanctions alone will solve the problems in Yugoslavia, in Haiti, or in Iraq, or in other places. But it is the way that the European Community felt, backed now by the United States, that we can make our position

better, clearer to the people in the various entities inside Yugoslavia.

So, they're fairly broad. I don't have a list of the specific sanctions here, but I cannot say that I think sanctions alone are going to get this job done. I hope they will.

European Unity

Q. Mr. President, you spoke about the importance of accelerating the process towards European unity. The Netherlands tried in the Presidency to do so. Do you think we go fast enough, and is the lack of speed in this process a problem also in the GATT negotiations?

President Bush. The answer is, the manner of how fast one goes, that seems to me is a matter for Europe, and I don't believe that the failure to have all those matters resolved should inhibit a solution to the GATT round.

GATT Talks

Q. President Bush, do you think it's time to take up John Major's suggestion of a G - 7 special summit on the GATT which would at least allow you to bring Japan on board, given that time is really running out fast?

President Bush. Well, I didn't have a chance to talk to the Prime Minister about that. I'm always interested in his suggestions; he's got very good judgment on these trade matters. But I think the first thing we must do is to follow through in the way that we've talked today through the existing mechanism. We are trying to get this matter wrapped up soon. The next step will be, I believe, in Geneva. So, I think that's most important.

When John Major talks about getting Japan involved in various ways, I think he's on to something very important. Because it's the G - 7 that gives Japan a window to these broad international questions. But before I comment on his proposal I would just simply stay with the process that we talked about here today.

Agriculture and Trade Issues

Q. President Bush, American farmers are looking at you to deliver on freeing international trade in agriculture. Reading your joint declaration, it looks as if they haven't got much to cheer about at the moment. And I just wondered if I could ask Mr. Lubbers a question: Do you think that the U.S. Omnibus Trade Act, section 301, can still be in existence if there is to be a Uruguay round agreement?

President Bush. Well, on cheering about, American farmers have a lot at stake on this. Agriculture has been one of the stumbling blocks. Today we say we have made some progress. It

is highly complex. As a layman, not one who has been in on all these negotiations, I can tell you I have a greater appreciation for the complexity. But to the American farmer I would say, please read the communique here, and say, where we've made some progress, I can enthusiastically endorse that. But if the question is, do we have all the problems of agriculture behind us so that the American farmer can rejoice, the answer is, not yet. We've got to keep on trying, though.

But I think there's a positive message here. I notice what President Delors said. He's been engaged in this right up to his elbows since it started. And if he can say that he feels there's progress, why, I think that's a good message not just for the American farmer, but for everybody.

Prime Minister Lubbers. Let me add to that question. As I see it, the GATT negotiations are not about serving one group in one country, but have to serve all countries in order to get more economic growth. That's the main point. It's important. That's what we have to do together. That's the first thing.

The second thing is, that we need a result. We came a little bit nearer to that today, as President Delors said, in order to avoid in the future all sorts of trade wars. I'm not going to brief you in formal legal formalities now, but I want to say that, of course, it would be very important to have more trade to have futures for farmers in all countries and other industries as well in a growing economy, and that we'd have to do it in such a way that we have a better chance to avoid trade wars in the future.

Q. And on the trade question?

Q. President Delors, could you explain, President Delors, why you are more optimistic, and in what areas the differences have been narrowed?

President Delors. This is not the moment to enter into details, but it seems to me that the negotiation, the conversation last week and the meeting tomorrow morning, this morning, excuse me, this meeting provides room of maneuver in the two most important sectors: services and agriculture. But we must go on. This is not the end of the negotiation. But I have always thought that result in an increase of the demand between U.S. and the Community on the two fields, agriculture and services. It was impossible to give an impetus to the negotiation for all the countries.

Q. We were hearing earlier on that figures were discussed for a new agricultural compromise. Do you now have the ingredients for something you can suggest to Dunkel on creeping together between the GATT, the U.S. and the EC, on agriculture offers?

President Delors. We are on the tracks of a reform of the common agriculture policies. And the contribution of this reform to the negotiation of GATT is very simple to say. We intend to produce less, to import less, to import more, excuse me, and to export less. This is our

contribution with the modification of our old system, and this system of agriculture in the communique is different from the system in the U.S. for many reasons. But the main reason is there are -- [inaudible] -- differences between the American agriculture and the European agriculture.

But if we produce less, we are less pressure on the world market, and this is a contribution to the GATT round to let room to maneuver for the other exporters, and notably, the exporters from less developing countries.

Q. The American President, the question was also put to you.

President Bush. I agree with what Mr. Delors said. [Laughter]

Yugoslavia

Q. With respect to the United Nations, do you support the idea of possibly forming a peacekeeping force to intervene in Yugoslavia, assuming that your European partners agree?

President Bush. You're too far ahead of the power curve. We're not talking about force. We're talking about economic sanctions. And thus, I cannot answer a hypothetical question of that nature. We're just not there yet.

GATT Talks

Q. President Bush, have you lowered your expectations in the agriculture negotiations -- --

President Bush. No.

Q. -- -- because you were seeking huge cuts in subsidies?

President Bush. No, we haven't lowered our expectations. And I think our position publicly is well-known, but I agree with what President Delors said. I was not just brushing off the question. I really believe he said how we all feel the talks went today.

But, no, we're trying to reach an agreement, and I think our expectations, which certainly include a satisfactory solution to the agricultural problem, are about the same as they've been.

Protectionist Sentiment in the United States

Q. Mr. President, protectionist pressures are already growing in Congress, and given the coming political year, will probably grow more intense. If you're unsuccessful in these negotiations, how

do you expect to hold back that pressure? And shouldn't Americans expect you to protect their interests, perhaps retaliate for what may be considered unfair trade practices?

President Bush. Well, I think the GATT mechanism protects American interests there, protects the interests of others. And from time to time, we have used the GATT mechanism to protect American interest. But when I use the word ``protection'' there, I say to guarantee fair play. Just as when people bring trade cases against us, they would say they're doing it for fair play.

On your question of broad protectionist swings in the United States, I will continue to oppose that kind of protection -- isolation, if you will -- pulling back into fortress America and thinking that that will benefit the American people. It won't do it. It will shrink our existing markets, rather than expanding markets.

So, you're right; some in an election year will demagog that issue and try to move into a protectionist vein. But that happens every 4 years. Indeed, it happens every 2 years.

But I would say to the American working man and woman, the best interest is to expand our markets and to resist the short-run appeal of basic protection philosophy because that does nothing but shrink markets. And it really is a very bad approach in terms of our own interests, as well as in terms of the interests of the world. So, I will have no problem staying with adherence, an advocacy of a freer trading system, free and fair, level playing field.

I took my case to the American people on that in 1988. I think it was endorsed then. And I recognize that some, given some economic hardships at home, are moving the way you say, but I just think they're wrong. The thing where we have been the strongest economically in recent times has been through expanding exports, through our export market. And one way to guarantee the lack of prosperity for the American men and women is to shrink those export markets. And one way to shrink the export markets is to think you can get there by what is called ``protection.'' It simply will not work.

And history is replete with examples of where it failed, and I cited in the speech I just gave the experience that we had after the World War and in the time of the Great Depression. So, we are not going to go back to a policy of protection. I want to stay with a policy of expanding markets for U.S. products.

Q. But given the stalled economy and the political atmosphere, isn't that going to be a tougher sell?

President Bush. Well, it could be, if anybody believes something that's not true. And what's not true is that protection is the way to prosperity. It is not the way to prosperity, and freer trade is. So, I see your point, Jim [Jim Miklaszewski, NBC News] but I just don't, I can't subscribe to it. And I'm not going to change my position based on political expediency. And I think the

American people can see through political expediency. And I agree with you that some are sounding the siren's call of protection in the States.

Note: The President's 111th news conference began at 2:15 p.m. in the Noenzaal Room in Binnenhof. Arthur Dunkel is the Director General of the General Agreement on Tariffs and Trade (GATT). A tape was not available for verification of this news conference.

Greetings to the American Community in The Hague

November 9, 1991

Thank you. Thank you, Mr. Secretary. Thank all of you. This is too beautiful a day to give my 45 minute speech, don't you think, or not? Yes, and I see the Prime Minister over here, and let me just say to him and the Foreign Minister, Mr. van den Broek, two things: One, here they are at this school, this American School, international school really, giving up some precious time.

Both of them have dual responsibilities: Running the Government here in this marvelous country that's so friendly to the United States, and also their responsibilities as they have assumed the Presidency of the EC. This would give them a precious few minutes off if they didn't have to him here with us today. And I am very grateful to them, not only for their leadership and for the constructive nature of our meetings and for the hospitality that they've given us, but for taking this little extra bit of time to be with us today. Because we owe them an enormous vote of thanks for the interest that they have taken in this school from the day it was conceived.

So, let's show them our appreciation, to both of you, Ruud and Hans, thank you very, very, very much. We are so grateful to you.

And Dr. Schoopert, thank you, sir, for arranging this. When I was a kid I never liked to do anything on Saturday, other than go outside and play soccer or do something like that. And I know that this has been a strain on some of you guys in the front here, having to stay indoors, just as it's a strain on Prime Minister Lubbers, who could be out playing hockey. One of the great athletes of The Netherlands is tethered here in the sixth row. So, I will be very brief.

And I will simply say what a pleasure it is to be here. Barbara, who was privileged to be here, and you've enshrined her visit with that cornerstone out there in the front, polished it up for today, I think. [Laughter] But in any event, she has been telling me ever since that first visit how much she appreciated what you all are doing and were beginning to do in putting together this marvelous institution that serves so many in the field of education. I believe that you're all very fortunate to attend a school of this excellence, and I hope that you're learning here not only the wonders of the United States, but also the wonders of the Dutch culture, history. Then if you do learn that, you'll understand why Jim Baker and I feel as enthusiastic as we do about Dutch-U.S. relations. They could never be better, and we are grateful every single day not only for their friendship, but for their vision of postwar Europe and of the way they see the future from here on. So, we're very fortunate.

And a point I want to make is, I think all of you are very fortunate. I know that some of the people who are also responsible for building this school are here, Mr. Superintendent, and there's no way I could possibly thank you enough for helping provide a world-class education to many children, many generations of American children, and other kids as well.

I think that Americans living abroad are the everyday example to people around the world of what is embodied in the greatness of our country. I don't expect any of you look at yourselves as ambassadors. We've got one. We've got an able one in Ambassador Wilkins. He's the official ambassador. But each of you in every way as you interact with your Dutch friends are ambassadors. You're taking the message of what our country is about. So, look at it that way when you make new friends over in this wonderful country.

But thanks in large part to the enthusiasm of everyone here, I have the feeling that we are putting forward America's best face here in this country.

And so, I wanted to thank you kids, as well as the parents, as well as those who have made the school possible. And let me just say, as I told the Embassy people in here, I don't know how many of you are studying history and how far along you are, maybe not these little guys, but some out there, I'm sure, well-versed in history, including American history, world history. And I would simply say to you, I can't think of a more challenging time to be President of the United States than in the last few years.

The changes that have taken place in this world are mind-boggling. And if any of you who are now seniors had been told in your freshman year in school, wherever that might have been, that the Soviet Union would have been falling apart, that you'd have democracy raging through South America, and that freedom would be on the march as it is, I don't believe that you could have believed that. I don't think your parents could have told you that that was a realistic assumption. And yet, that's exactly what's happened. And now we're faced with a new challenge: How do you try to assist Prime Minister Lubbers and others in managing this fantastic change?

But all I want to say about it is, it's dynamic. It's for real. And the values that your forefathers and mine took for granted or adhered to -- freedom, democracy, human rights -- these things are now on fire and moving all around the world.

So, it is a wonderful time in spite of the problems we face at home, in spite of the problems that face young people in all countries, not only to be alive but to be looking to the future.

And so, I expect out here that someplace there may be a next President of the United States, and whatever her name is -- [laughter] -- I will tell you that Jim Baker and I want to do our jobs to make your job just a little bit easier. I seldom speak confidently on behalf of Barbara, but in this instance I do. We are both thrilled to be here, and we will do our best for education at home. And you do your best to present America's best side to the people of this wonderful country. We'll make a deal on that.

And thank you, and once again, Mr. Prime Minister, Mr. Foreign Minister, I can't tell you how much we appreciate your participation in this celebratory occasion. It's a pleasure to be with you. God bless you and may God bless the United States of America. Thank you very much.

Note: The President spoke at 3:25 p.m. at the American School of The Hague. In his remarks, the President referred to: Gail Schoopert, superintendent of the American School of The Hague; and Howard C. Wilkins, Jr., U.S. Ambassador to The Netherlands. A tape was not available for verification of the content of these remarks.

Nomination of Richard B. Stone To Be United States Ambassador to Denmark

November 9, 1991

The President today announced his intention to nominate Richard B. Stone, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States to Denmark. He would succeed Keith Lapham Brown.

Senator Stone most recently served as chief operating officer for Capital Bank, N.A. in Washington, DC, 1989 to present, and served as vice chairman and a member of the board of directors, 1984 to present. From 1983 to 1984, he served as Presidential Envoy for Central American Affairs and Ambassador at Large for the Department of State in Washington, DC. He was vice chairman and a member of the board of directors for Capital Bank, N.A., 1982 - 1983; and senior resident partner and attorney with Proskauer, Rose, Goets, and Mendelsohn, 1981 - 1982. From 1975 to 1980, Senator Stone was a U.S. Senator from Florida. He has served as Secretary of State for Florida, 1970 - 1974; and a State Senator from Dade County, FL, 1967 - 1970. In addition, he was Miami City Attorney for the City Attorney's Office in Miami, FL, 1966 - 1967.

Senator Stone graduated from Harvard College (A.B., 1949) and Columbia University (LL.B., 1954). He was born September 22, 1928, in New York, NY. He is married, has three children, and currently resides in Washington, DC.

Remarks at the Tomb of the Unknown Soldier

November 11, 1991

Thank you all. Thank you, Mr. Secretary, and thank all of you. To Secretary Garrett and General Powell, members of the Joint Chiefs, ranking enlisted persons with us here today, Members of Congress, to General Streeter, and, of course, Mr. McCoy. Fellow veterans and citizens.

On this cold autumn day, in this hallowed place of honor, we gather to convey our Nation's gratitude for those who risked their lives for the land, the people, and the ideals they loved. At the 11th hour of the 11th day of the 11th month of 1918, the guns fell silent and the First World War drew to an end. Ever since, Americans have set aside November 11th to honor our veterans whose footsteps set the pace of freedom's march.

From our fiery birth in 1776 to freedom's latest triumphs in the Persian Gulf, America's veterans have always answered the call and given their all whenever tyrants and despots imperiled freedom and democracy. They called World War I ``the war to end all wars,'' but that was not to be. The Earth was engulfed a second time and Americans of my generation rose up again to defend their homeland and liberate two continents. Fifty years later the memorial to World War II veterans is all around us, an America strong and proud, her proud example lighting the way to liberty.

And yet even with that war's end, freedom's work was not complete. First in Korea and then in Vietnam, two more generations of Americans responded with determination and vigor. And today, on this Veterans Day, we owe a special debt to the men and women of Desert Storm. They went proudly, willingly, on a mission of high principle and noble purpose to defeat aggression and defend freedom. They freed a captive nation and set America free by renewing our faith in ourselves.

And in this victory America rallied behind those who served in Desert Storm, and in a wonderful way, they rallied behind those who so proudly served in Vietnam. It was long overdue, and it was good for the Nation's soul. America holds a special place in history. As we preserved and strengthened our own democracy, we've sought to extend the blessings of liberty throughout the world. The ideals on which this great Nation was founded have taken root in new and fertile lands.

In the Western Hemisphere, 98 percent of the people now live in democracies. In Africa, people line up to vote as one-man states collapse. Europeans, East and West, unite in ways never thought possible. Age-old enemies of the Middle East finally sit face to face to seek an end to their bitter strife. The Soviet Union strives to throw off the dead hand of communism. And the time is coming when those last few totalitarian states will fade into historical oblivion.

The United States will always be a force for peace in the world. But the peace we seek is a real peace. The triumph of freedom, and prosperity, not merely the absence of war. We can never know which war will be the last. But we take as our hope the prophecy of Isaiah, that ``nations shall not lift sword against nation, neither shall they learn war anymore." And yes, we hope, we pray, that as the years progress, the face of war will recede into our distant memory. But the memory of our veterans and their sacrifice will never fade.

President Coolidge said long ago, ``The nation which forgets its defenders will itself be forgotten." We will not forget. America will not forget. We will not forget those who died. We will not forget those who do the hard work of freedom every day. And we will never forget the POW's and the MIA's yet to be accounted for.

A year from now, 100 years from now, citizens will come here on November 11th to remember. And yet we cannot confine our obligation to a single day. We must always remember the importance of preparedness and the high cost of liberty.

For more than 50 years, 24 hours a day, a lone sentinel has kept a silent vigil aside the Tomb of the Unknowns. And recently, one of the outstanding men who guard the tomb was asked what is it like here at night, alone, in the quiet of this place. And he said he felt a kinship to the men resting here; that this was where he wanted to be, here to honor his comrades and all they represent. ``Sometimes," this young PFC said, ``The rain streaks in your eyes or your fingers go numb from cold, but then I think about what they suffered through. And after that my duty doesn't seem hard at all."

There's a poem the honor guards learn that says it all. ``You are guarding the world's most precious gifts. You, you alone, are the symbol of 250 million people who wish to show their gratitude. And you will march through the rain, the snow, and the heat to prove it."

To the men and women of our Armed Forces and to all our veterans, know that you have your country's gratitude on Veterans Day and every day of the year. And may God Bless America and the veterans who keep her free. Thank you very much.

Note: The President spoke at 11:36 a.m. in a wreath-laying ceremony at the Tomb of the Unknown Soldier in Arlington National Cemetery. In his remarks, the President referred to: Secretary of Veterans Affairs Edward J. Derwinski; Victor S. McCoy, Sr., the National president of the Paralyzed Veterans of America; and Maj. Gen. William F. Streeter, Commanding General, U.S. Army Military District of Washington.

Remarks at the Swearing-In Ceremony for Robert Gates as Director of Central Intelligence

November 12, 1991

Thank you, Dick Kerr, not only for presenting me here today but for the job you've been doing as the Acting Director here. You've been exemplary of the finest in public service, and we're grateful to you.

It is, indeed, as I look around this room wondering who's minding the store at the White House or up on Capitol Hill or at the Pentagon, it's indeed a tribute to Bob Gates that so many of his colleagues are here to witness this event. Colleagues from inside the intelligence community and outside the intelligence community. And of course, I would single out the Vice President, members of the President's Cabinet, General Powell, General Scowcroft, and so many of us that have worked hand-in-hand with Bob over the last few years.

I see some of my predecessors here, DCI, and successors. And indeed, this is a special occasion. And to Justice O'Connor, we are very grateful to you for being here to do the honors today. And once again, I want to single out the Members of Congress that are here from the oversight committees, from the leadership, and from the other relevant committees that this fantastic agency deals with.

Every time I come out here I still have a sense of homecoming. Today I think of that January day in '76 when President Ford stood here as I took the oath of office as DCI, admittedly for a very short period of time. But I treasure having had that one year here, getting to know the people and the institution.

This was without question if not ``the," certainly one of the most rewarding years of my entire long life. Let me just say to the professionals here, the CIA properly still has a mystique about it. And I still get asked, what was so special for you about your privilege of being the DCI there. I still say it's the people here, the dedicated, selfless men and women who serve their country, not seeking recognition or honors. They are true patriots. And we're grateful to each and every one of you.

Today does mark an historic transition. We express the Nation's thanks for the devoted service of former Director Bill Webster, who is with us today, and, of course, to, as I mentioned, Dick Kerr. We welcome then Bob Gates, a new Director from a new generation, a generation moving into leadership without the familiar strategic backdrop of the cold war.

He's no stranger here. He spent his entire career, a quarter of a century, as an intelligence professional. He's a keen analyst, and he's an independent thinker. He stood by my side and gave

me wise counsel during the Panama crisis and Desert Storm and then the drama of August in Moscow. And he has my deepest trust.

Under your new leader, you men and women of the CIA face as challenging a mission as you've ever had. You must change the American intelligence community as rapidly and as profoundly as the world itself has changed. Up until now, a very large proportion of our intelligence resources has been devoted to monitoring the threat posed by a secretive adversary, obviously, the Soviet empire. The collapse of the Warsaw Pact and of Soviet communism allows us to make different use of some of the assets that we once needed to penetrate Soviet and East European security.

Make no mistake: We will not let our guard down. We're not about to dismantle the capabilities that we've worked so hard to rebuild, but we must adapt them to new realities. The intelligence community's new challenge under Bob Gates's leadership is to move beyond the cold war to the complex problems of the 21st century. Our world without the cold war confrontation is a safer world, but it is no Garden of Eden. This is not the end of history. Men and nations still have their propensities for violence and for greed and for deceit. Therefore, we must work as vigilantly as possible for better world conditions and structures for peace.

We need a strong intelligence community to consolidate and extend freedom's gains against totalitarianism. We need intelligence to verify historic arms reduction accords. We need it to suppress terrorism and drug trafficking. And we must have intelligence to thwart anyone who tries to steal our technology or otherwise refuses to play by fair economic rules. We must have vigorous intelligence capabilities if we're to stop the proliferation of weapons of mass destruction. And so, this is truly a life-or-death mission.

In sum, intelligence remains our basic national instrument for anticipating danger: military, political and economic. Intelligence is and always will be our first line of defense, enabling us to ward off emerging threats whenever possible before any damage is done. It can also be a means of anticipating opportunities.

As you work to transform the intelligence community to face our new era, I pledge to do all that I possibly can to keep American intelligence strong. Under Bob Gates's direction, we will dramatically expand our human intelligence collection efforts. We will give our officers and analysts the very finest in support technology. We will show no tolerance for those who leak secrets that protect our intelligence professionals' lives.

As the CIA's Deputy Director during the eighties, Bob Gates was an innovative leader who deserves much of the credit for putting strength and pride back into American intelligence. He's a man of skill. He is a man of integrity. He'll be a very strong and effective manager here. Now, I am looking to him and to each and every one of you who have given your lives to American intelligence to commit yourselves anew to the excellence that always has been the hallmark of our intelligence community.

I can certify to the American people with total confidence that we have the finest intelligence capability in the world. And we're going to strengthen it, and we're going to see that we continue to have this as the guardian of the peace.

I'm grateful to each and every one of you that serve here. Give me a chance to say thank you. And I'm especially proud to be at the side of Bob Gates as he takes the oath of office as DCI. May God bless you all, and thank you very, very much.

Note: The President spoke at 9:11 a.m. at the headquarters of the Central Intelligence Agency in Langley, VA.

Proclamation 6371 -- National Women Veterans Recognition Week, 1991

November 12, 1991

By the President of the United States

of America

A Proclamation

Earlier this year, some 35,000 American service women played highly visible roles in ensuring the success of our military operations in the Persian Gulf. While we celebrate their outstanding contributions -- and those of their counterparts here at home and at bases around the world -- we do well to remember that women have been an invaluable part of the United States Armed Forces for generations.

Since the earliest days of our Republic, women have written many important pages in American military history, often accepting great risks and sacrifices for the sake of others. During the Revolutionary War and later during the Civil War, thousands of women provided compassionate aid to sick and wounded soldiers. Many other women served as scouts and couriers, and a number of historical accounts relate the stories of women who disguised themselves as men in order to join in the fighting. During the Spanish American War, women nurses waged a valiant battle against an epidemic of typhoid fever in Army camps. Their work so impressed the Congress that it established the Nurses Corps as a permanent auxiliary of the Army. By World War I, the Navy and the Coast Guard were also accepting women volunteers.

When World War II required the total commitment of this Nation's will and resources, women achieved full military status in the Women's Army Corps and in the Navy's WAVES. The Coast Guard and the Marines followed suit in accepting women enlistees, and the Women's Air Force Service Pilots was formed to ferry military aircraft.

During the half century since World War II, women have continued to be an invaluable part of our Nation's armed forces. From Korea and Vietnam to places such as Panama and the Persian Gulf, American service women have consistently demonstrated the extraordinary courage, patriotism, and skill that we have come to expect of this country's military personnel. Some have been wounded, and others have made the ultimate sacrifice, in the line of duty.

Over the years, the number of women in our armed forces has steadily increased. Today nearly one and one quarter million women stand among our Nation's veterans. This week, we proudly and gratefully salute each of them.

In recognition of the many contributions that women veterans have made to our country, the Congress, by Senate Joint Resolution 145, has designated the week beginning November 10, 1991, as ``National Women Veterans Recognition Week'' and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week of November 10 through November 16, 1991, as National Women Veterans Recognition Week. I urge all Americans to observe this week with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twelfth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:51 p.m., November 12, 1991]

Note: This proclamation was published in the Federal Register on November 14.

Proclamation 6372 -- National Alzheimer's Disease Month, 1991 and 1992

November 12, 1991

By the President of the United States

of America

A Proclamation

Advances in science and medicine have given millions of Americans the opportunity to enjoy longer, healthier lives. Older Americans now constitute a growing percentage of our Nation's population, and, together, they represent a rich source of knowledge and insight for younger generations. By providing senior citizens with opportunities to share their wisdom and experience, we not only strengthen and enrich this country but also affirm the inherent dignity and worth of every human being, regardless of his or her age.

Today, more and more employers and other Americans are recognizing the enormous talent and potential of senior citizens. One of the greatest threats to fulfilling that potential, however, comes from Alzheimer's disease.

Alzheimer's is a debilitating brain disease that, over a period of years, robs its victims of their memory and intellect, their health, their independence, and eventually their lives. Alzheimer's disease also disrupts the lives of thousands of Americans who must endure the physical, emotional, and financial strains of caring for an affected parent, spouse or sibling.

Fortunately, the families of Alzheimer's patients are not alone in their struggle with this terrible disease. In communities across the country, health care providers, social workers, and other concerned professionals and volunteers have joined forces to promote public awareness of Alzheimer's and to help families that are affected by it. Federal, State, and local governments are working to improve the delivery of services for people with Alzheimer's, and researchers in both the public and private sectors are striving to learn how we can prevent and eventually cure the disease. Scientists and physicians are also developing new methods to manage symptoms of Alzheimer's, as well as facilities that are better equipped for the special needs of people with the disease and related disorders.

Our ultimate goal, however, must be to eliminate the need for such treatments and facilities. Accordingly, under the leadership of the National Institute on Aging, the Federal Government will continue to conduct and support biomedical research on Alzheimer's disease. During the past few years, we have learned much about the basic processes of Alzheimer's and drawn closer to

identifying its causes; we will now seek further progress in these areas, and we will place special emphasis on the discovery and development of therapeutic drugs. Such efforts will be crucial to finding ways of treating and preventing Alzheimer's disease.

As an expression of our Nation's commitment to protecting the health of all older Americans, the Congress, by Senate Joint Resolution 36, has designated November 1991 and November 1992 as ``National Alzheimer's Disease Month'' and has authorized and requested the President to issue a proclamation in observance of these months.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim November 1991 and November 1992 as National Alzheimer's Disease Month. I encourage all Americans to observe these months with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this twelfth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 3:05 p.m., November 12, 1991]

Note: This proclamation was published in the Federal Register on November 14.

Notice on Continuation of the Iran Emergency

November 12, 1991

On November 14, 1979, by Executive Order No. 12170, the President declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States constituted by the situation in Iran. Notices of the continuation of this national emergency have been transmitted annually by the President to the Congress and the Federal Register, most recently on November 9, 1990. Because our relations with Iran have not yet returned to normal, and the process of implementing the January 19, 1981, agreements with Iran is still underway, the national emergency declared on November 14, 1979, must continue in effect beyond November 14, 1991. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iran. This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

November 12, 1991.

[Filed with the Office of the Federal Register, 11:51 a.m., November 12, 1991]

Note: This notice was published in the Federal Register on November 13.

Message to the Congress on the Continuation of the Iran Emergency

November 12, 1991

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency is to continue in effect beyond November 14, 1991, to the Federal Register for publication. Similar notices have been sent annually to the Congress and the Federal Register since November 12, 1980, most recently on November 9, 1990.

The crisis between the United States and Iran that began in 1979 has not been fully resolved. The international tribunal established to adjudicate claims of U.S. nationals against Iran and of Iranian nationals against the United States continues to function, and normalization of commercial and diplomatic relations between the United States and Iran has not been achieved. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed in the process of implementing the January 1981 agreements with Iran and in the eventual normalization of relations with that country.

George Bush

The White House,

November 12, 1991.

Statement on Signing the Veterans' Compensation Rate Amendments of 1991

November 12, 1991

It gives me great pleasure to sign into law H.R. 1046, the ``Veterans' Compensation Rate Amendments of 1991."

Our Nation provides compensation and other monetary benefits to service-disabled veterans and Dependency and Indemnity Compensation (DIC) benefits to the survivors of those who died as a result of military service to our country.

H.R. 1046 provides a 3.7 percent increase in compensation and DIC benefits effective December 1, 1991. Nearly 2.2 million Armed Forces veterans and their dependents will benefit from the 3.7 percent increase in compensation benefits. In addition, the same increase will be provided to the 277,000 surviving spouses and 37,000 children who receive DIC benefits.

As a Nation, we are ever mindful of the special debt that we owe those veterans who unselfishly gave of themselves to assure the continued safety and greatness of this country. The freedoms and liberty that we enjoy as citizens of this country depend on the men and women in our Armed Forces. The measure that I sign today bears witness to our gratitude and continued commitment to those who served our country. It demonstrates that the American people will not forget the valuable contribution that our veterans made to this Nation.

George Bush

The White House,

November 12, 1991.

Note: H.R. 1046, approved November 12, was assigned Public Law No. 102 - 152.

Proclamation 6373 -- Hire a Veteran Week, 1991

November 12, 1991

By the President of the United States

of America

A Proclamation

During the past year, America's service men and women demonstrated, once again, the extraordinarily high standards of professionalism and skill that we have come to expect of the United States Armed Forces. Working together with remarkable precision and speed, they ensured the resounding success of our military operations in the Persian Gulf -- from the massive deployments of Operations Desert Shield and Desert Storm to the large-scale humanitarian relief efforts of Operation Provide Comfort and Operation Sea Angel. This month, as we salute our Persian Gulf veterans and, indeed, all those who have served in our Nation's armed forces, we also recognize the wealth of knowledge and experience that they have to offer as members of the civilian work force.

From the beginning of Operation Desert Shield, the American military showed that it is capable of planning and executing tremendously complex and sensitive operations. Our success in the Persian Gulf highlighted not only the superiority of American technology but also our troops' ability to employ these remarkable tools. Moreover, the conflict in the Gulf reminded all Americans that we can rely on our citizen-soldiers, the Reservists and National Guard members who responded so well when called upon to stand shoulder-to-shoulder with their comrades in the regular components of the active duty military forces. We also saw that the American employer is prepared to stand behind the employee who is called to active military service and to safeguard that individual's employment rights while he or she is away.

This month, as we honor our Nation's veterans, let us also recognize the value of recruiting and hiring these Americans in the workplace. Our veterans have developed special knowledge and skills through their military service, and they clearly possess the drive and the discipline that are needed to help keep American business competitive in the international arena.

The Congress, by House Joint Resolution 280, has designated the week of November 10 through November 16, 1991, as ``Hire a Veteran Week'' and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America do hereby proclaim the week of November 10 through November 16, 1991, as Hire a Veteran Week. I encourage all Americans -- in particular, employers, labor leaders, and public officials -- to support the

campaign to increase the employment of men and women who have served our country in the armed forces.

In Witness Whereof, I have hereunto set my hand this twelfth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:49 a.m., November 13, 1991]

Note: This proclamation was published in the Federal Register on November 14.

Remarks at a Bush-Quayle Fundraising Luncheon in New York City

November 12, 1991

Lou, thank you very much. My heavens, what a wonderful job you've done and these chairmen have done on this dinner. To paraphrase John F. Kennedy, I'm touched at this warm reception but not half as touched as all of you have been. [Laughter]

I'll tell you, this is a wonderful, wonderful sendoff for us, and I am very grateful to you. I want to salute Rabbi Balkany and the Harlem Boys Choir, favorites of Barbara's and mine. They've been to the White House at least a couple of times since we've been honored to live there.

Let me just say about our Senator, Al D'Amato, we got some priorities coming up in 1992, but I think it is absolutely essential and, as far as I am concerned, priority to see this good man for New York elected back to the Senate. And I really believe in him.

I want to thank our Secretary of Commerce, Bob Mosbacher, and today, especially, Georgette. You heard Lou singing her praises for the job she did. I want to thank a couple of other veterans at the table here -- Wayne Calloway and, of course, Joy Silverman; Bill Powers, the driving force behind the New York GOP, our new State chairman in here. And again, I'll be in trouble if I go further. But I really think -- I want to thank all of you for this strong support.

Let me also say about the elections that took place on the 5th: it was a great day for the New York GOP and a great day across the river as the New Jersey legislature went clean sweep for the Republican Party. We picked up seats in both areas, both States that nobody dreamed we would win.

I want to especially welcome the leaders, now, of the New Jersey legislature: Haytaian and DiFrancesco, who are both here, I think. Anyway, if they are, please stand up. Right over here. These two guys are going to be running the State legislature now, one in the Senate and one in the House.

Some may have forgotten in the wishful thinking of the political coverage on the part of the Democrats, but Jim Florio, the Governor of New Jersey said, ``The New Jersey election is a referendum on the Bush administration.'' So be it. We'll stand by that one. We're all for it, and thank you for what you guys did.

And finally, let me mention the other name here, Dan Quayle, back in Washington, doing a superb job trying to cut back these regulations and on the Competitiveness Council. He's served our country well as an advocate for economic growth, for sound foreign policy, as an ambassador

for our interests abroad, traveling to these various countries and doing a first-class job. And he's even squared off with the American Bar Association. Quayle 21, lawyers 0. [Laughter]

I feel blessed -- and I really mean this -- and I think Lou and Wayne and others who have been to the White House know how I feel. I really am privileged to be the President, to serve this country at this terribly exciting moment in history, a moment when America and the ideals that we stand for has celebrated a string of successes around the world. And in the world beyond our shores we have grown accustomed to the dizzying pace of change.

And yet, here at home, and Al touched on it, we do have a Congress that, in my view -- and I think it's confirmed overwhelmingly by the surveys of the American people -- we have a Congress that is out of step with the times and out of touch with the heartbeat of the American people. They're pushing the same old, tired liberal agenda to a country that is hungry now to build on what we've done abroad and bring that to success here at home.

And this fall, the American people have seen Congress up close, and they've seen their inability to move when Americans demand action. They've seen this endless appetite for sideshows that have really kind of embarrassed our country here and abroad. They've seen the overindulgence in perks and privileges. And they've seen quote: their tax dollars at work. And I've got the feeling that when it comes to the Congress, the American people aren't feeling very kind and gentle.

And it shouldn't surprise anyone that the liberals that control the Congress -- and thank God we have people like Al fighting for our values every day in that body -- tell an entirely different story. They claim they can't act because we don't have an agenda. And you don't hear much about their agenda. The agenda of that liberal leadership is simply this: Take whatever legislation the President sends up to the Hill and knock it down; bury it in some obscure subcommittee and swear they never even saw it.

This country needs an energy bill. We are too dependent on foreign oil for our own interests. We've got a good energy bill, and they won't even let it be debated in both Houses of the United States Congress.

This is what we're up against. And I know it's a two-way street, and I hope the American people understand that I have tried to hold out my hand and work with the Congress, sometimes to the consternation of some of the Republicans in the House and the Senate. But I've tried to work with the Congress. I've extended the hand and said, ``Let's try to do something for this country. Reach out. Deal in good faith."

And now the political season is upon us. The politics of '92 are just across the horizon here, and the rhetoric is heating up. But people are hurting in this country and Government, where it can, and where it can do it correctly, should try to help these people. And so I am going to keep on trying to work with the United States Congress and put the politics aside wherever possible

because the country's business has to come first. But I am not going to be the javelin catcher for the liberals that run the Congress anymore. We're going to fight them when we have fundamental issues at stake.

It's not as if we haven't had some successes, and thanks to Al and his colleagues on our side of the aisle working cooperatively with the Democrats, we've had some. We can be proud of the Clean Air Amendments which for the first time enlist market mechanisms in service to our precious environment.

We should champion our child care bill. The other side wanted to warehouse our kids in a brave new child care-mandated Federal bureaucracy. Their answer: let some subcommittee chairman that's been there 30 years tell the mothers and fathers of this country what kind of child care they should have, what kind of child care they shouldn't have. And we put instead, through hard negotiations passed, a bill that puts choice in the hands of the parents and keeps those kids as close to the family as possible. And it's good legislation.

And yes, we should celebrate landmark civil rights legislation, like the Americans with Disabilities Act, a covenant to bring this country's 43 million disabled citizens into the American mainstream. And I'm proud of our administration's role, and our Republican Senators' role in passing this important legislation.

And now, on the other civil rights bill, I said, ``Look, I want a civil rights bill. I do not want a quota bill." And we stayed with it. They thought they were going to ram the political decision down against me with the American people. I vetoed a bad bill. And now we have a civil rights bill that is good, that works against discrimination in the workplace, but is not a quota bill. And that's what you have to do. You've got to beat down bad legislation before you can get good legislation. And I'm going to sign that bill, incidentally. I will be signing that civil rights bill enthusiastically and very, very soon.

These successes, and I think they are successes, cannot obscure the fact that the rest of our agenda is still stuck in the maze, mugged by party leadership, locked into the tired, old liberal mind-set, and determined to try to go one-up politically.

Let me just mention our transportation bill. We've got a good Secretary of Transportation, as Bob Mosbacher knows, Sam Skinner. It's a job-intensive bill that puts Americans to work, improving our infrastructure, our roads. And I challenged Congress to pass that bill along with our comprehensive crime package in 100 days. That was back in March. The 100 days came and went in June, and now it looks like we won't see either one until January.

The American people deserve better than that. They're crying out for tough anti-crime legislation that protects the policemen out there and has a little less sympathy for the criminals themselves.

But the liberal leadership that control Congress don't want to act unless it's to expand the powers of the Government so that some subcommittee chairman or some staffer in that vast bureaucracy lays down another mandate on the American people and thus renders our businesses far less competitive all around the world.

Capitol Hill lives in a loophole of its own making. Time after time Congress exempts itself from the laws that others have to abide by. With all those righteous statements by the Senators beating up on Clarence Thomas, you wouldn't know, this is the fact, that Congress had exempted itself from the sexual harassment remedies that apply to private employers. And that's just one of more than a dozen laws that Congress does not apply to itself.

The American people aren't dumb. They sense -- may not know those facts -- but they sense there's something wrong. And I think the time has come for those who make the laws to live by those same laws.

If the Democrats who control the Congress don't heed the will of the people, the people may just do a little legislating of their own. That's what these term limits are about all across the country. That's why you see enthusiasm for term limits all across the country. People sense there's something wrong in the United States Congress. And they're tired of double standards, double talk. They want action. They want action to get this economy growing again. But they don't want phony action. They don't want a fix put on there by pledging some euphoric tax cut that may or may not have an effect on the economy and definitely could have an adverse effect on a deficit that is far too large.

And right now the signals are mixed. Yes, we had growth in the third quarter, not near as vigorous as anybody in this room or certainly standing at this podium would like. Inflation numbers, thank heavens, are good because high inflation is that stealth tax that hits every American right in the pocketbook. We're getting those fundamentals moving in the right direction. The interest rates are at a good low now compared to recent history. And I'm convinced we'll soon see these low rates kick in and boost this sagging consumer confidence.

I was talking to some businessmen earlier, and I'd frankly like to see the credit card rates down. I believe that would help stimulate the consumer and get consumer confidence moving again. But people are hurting. And they're hurting here in New York, and they're hurting across this country, and families trying to make ends meet, proud Americans trying to keep their dignity when they lost their jobs. And I don't know any American who sees this happening who is so callous that he cannot feel or she cannot feel a tug in her heart, who doesn't want to reach out actually and hold out a hand and try to help these people.

But the opposition sees this as a question of lost jobs. And the solution then comes in the form of a check. And we see it another way: As a matter of lost opportunity, as a chance to recapture dignity in the form of a paycheck. In short, we see the answer to unemployment as economic

growth. As Lou would say, making the pie bigger so more and more people can participate.

Three times in 3 years I've called on the United States Congress to enact economic measures that I believe are sound, that would not exacerbate a deficit that is already too high, and that would help economic growth.

Three times in 3 years the leadership up on the Hill sent those initiatives into a liberal limbo up there. Tort reform is a good example, placing reasonable limits on some of these outrageous awards. These outrageous awards are rendering us noncompetitive in many ways.

New initiatives to increase savings and investment; IRA's that are tailored to boost home ownership and give the housing industry a needed boost; enterprise zones to spawn a new generation of urban entrepreneurs. Over and over again, I've sent those requests to the United States Congress. And yes, a capital gains tax cut which I believe, if it could be done without getting a lot of baggage on it coming out of the Congress, would unleash investment and get our economy moving again.

Two years ago, in November of 1989, we came close on capital gains. A majority in both the Senate and the House passed a package containing a capital gains tax cut. And it took a last-minute political maneuver by Senator Mitchell, the Democratic leader of the Senate, to block the passage. And he got that political victory. And 8 months later, our economy slipped into recession that we all have been worried about.

I'll make a deal with the Democrats: You give me the political rhetoric, you give me the political heat that you think comes from labeling the capital gains cut as a tax that benefits only the rich, and I'll bear that political burden. But give the economy a chance to see what would happen if we passed the capital gains reduction, because I believe it would help put us back to work. It's not an instant fix. It would help. It would stimulate growth. I think it would generate more jobs, short run at least, and the Treasury thinks long run it would generate income and ultimately bring in more tax revenue than it costs. But the leadership up in the Congress is making it extraordinarily difficult not just to do this one, but any of these initiatives that I've told you about.

Lou and I were talking about another thing here at lunch and Wayne Calloway -- we were talking about the link between domestic and foreign policy. Look at the way the liberals talk about foreign policy. Since I took the oath of office, the Nation has been called on to meet one challenge after another. It's been an exciting time of change in the world from Eastern Europe to Panama and to, yes, what Al was talking about, to the Persian Gulf.

And each time, America answered the call. Each time, America advanced the cause of freedom. Because we did, America stands today as the world's preeminent power: Economic, political, military, and this last one is important, yes, moral power. The moral beacon for other countries around the world.

And yet, we hear the political voices going up as we move into an election year, ``Well, why does the President spend so much time on foreign policy?'' I don't care what the second-guessers in the Capitol have to say. I am not going to apologize for one single minute that I devote to advancing our economic principles abroad or working for world peace. I'm not going to change because this is in the interest of everybody in this country.

When you hear some of this carping up on the Capitol Hill, you'd think we were back in the 19th century, isolated from the rest of the world by two oceans. Today the neat little boxes -- we label them ``foreign'' and ``domestic'' -- they're outdated, relics from an earlier era that don't describe the new world around us.

Think about the great questions of war and peace. If we succeed in making this a more peaceful world for your grandkids and ours, is that foreign policy or is it domestic? Will it eventually have a benefit for the taxpayer because we can do better in terms of defense spending, reorienting our priorities? Or are they two separate things?

Look at the crisis in the Middle East. Last month in Madrid we asked ancient enemies to come and sit down at the same table, to put aside generations of hatred for the sake of peace. And yet, one of the leaders on the Democratic side of the House of Representatives got up -- when I was in Madrid for 36 hours to convene this historic conference -- and got up and criticized me for being there. I'm very sorry, I am not going to change my ways because I believe we have an historic opportunity, and it's only the United States that can help bring peace to that troubled corner of the world.

Think about a problem plaguing this country, this city, this State, and many other cities: illegal drugs. When I convene a drug summit in Cartagena, Colombia, that helps work with them to stop the tidal wave of crack before it hits the streets of New York, is that foreign policy or is that domestic?

Think about the global economy. Liberals act as if the global marketplace is way over there somewhere in Asia or in Europe when it's really all around us. Consider this: Every additional billion dollars in new trade in manufactured goods, for example, means 20,000 new American jobs. And so when I go to The Hague, as I was there just this past Saturday, to make our case with the leaders of the EC to open up the European markets to American goods, particularly American agricultural goods, is that foreign policy or is that domestic policy?

We were talking about it up here again. And as you know I've postponed a trip to East Asia, as important as it is, to push for freer trade and open markets in Japan and Korea and Australia; Singapore we were going to. When I learned that Congress might stay in session past Thanksgiving recess, I thought I'd better change my plans.

You see, I saw that movie, ``Home Alone'' -- [laughter] -- and I owe it to the American taxpayer

to make sure Congress never stays home alone. [Laughter] But that trip is going to be put back on because it's too important. You're not going to make me cancel a trip of that nature for pure politics. It's in the interest of the worker in this country. It's in our own selfish economic interest and our national security interest as well that we have good relations and improving relations with these countries.

Let me focus for just a second on one reason why an especially urgent piece of legislation should be passed. I'm talking about the extending the unemployment benefits. The Democratic leaders know that I've been ready since August to sign an extension, but to sign one as proposed by most of the Republicans in the Senate and House that lives within the budget agreement. We don't have to add to the ever-increasing deficit and still do what is compassionate and correct. They passed a bill. They wanted to embarrass me politically. I vetoed that bill. I said I'll sign one tomorrow if you'll live within the budget agreement like our proposal, but I think they want a political victory rather than trying to help the working men and women that are out of work and need extended unemployment benefits.

But I'm not going to change. We cannot knuckle under every time they come along with a new spending program that is going to mortgage every generation that comes and every person that is working. Ninety-four percent of the people are working and paying taxes, and some of those laid off are paying taxes. And I don't want to be the President that says to them, ``Hey, we're going to help these people," then raise the taxes to pay for it or add to this already obnoxious deficit. Unemployed workers deserve this kind of support, but we need a change in the Congress if we're going to do it in a way that lives within the budget agreement.

I honestly believe that the American people are ready to move in a new direction. We've got real problems. I think they're tired of a lot of political talk, maybe from the White House, certainly from the Congress. But they're tired of hearing a liberal litany, tired of people that get up and just keep saying what's wrong with our country. There are some good fundamentals out there. And sometimes I get this sinking feeling that the Democrats believe that they can win only if times are bad. They have a vested interest in seeing us fail. And what a tawdry, negative way to view this, the greatest country on the face of the Earth.

You see, that's not our America. And if I become a candidate for President of the United States -- giving serious thought to that right now, and I must say this fantastic turnout and this sendoff you might say is kind of moving me over there. [Laughter] But I look forward to taking this case to the American people. This isn't a country that needs a quick fix. We need some confidence. We don't have to think that we can just spend our way into getting votes. We've got some grounding fundamentals out there that are moving in the right direction.

It's not our America, this pessimistic one. We're the America that's envied the world over. I wish you could go with me as we travel to some of these places. The America we know is right and decent and good. And Americans want leadership. I think the families out there want somebody

that believes in family values and shares their faith and someone who will summon up the best in the American spirit to shape a new American century. I'd call it a new American destiny. This is a great time to be an American. It's a great time, as you look ahead, for the young people of this country, when you think of the big questions like world peace, questions of prosperity here at home.

And so that's our vision. Emphasize what's good. Put forward ideas that can change things for the better. Hold out your hand when people are hurting. But do not depart from the fundamentals to achieve short-term political gain. It starts right here, now, with all of you. And please stay involved in the political process. Because I am absolutely convinced that with your support we will succeed and make things better for the American people.

Thank you and may God bless the United States of America.

Note: The President spoke at 2:07 p.m. in the Grand Ballroom of The New York Hilton and Towers. In his remarks, the President referred to Louis Gerstner, principal chairman of the luncheon; Georgette Mosbacher, Wayne Calloway and Joy Silverman, co-chairmen; William Powers, chairman of the New York State Republican Party; Rabbi Milton Balkany, Dean of the Bais Yaakev of Brooklyn, NY; and Donald T. DiFrancesco, President of the New Jersey State Senate; Garabed ``Chuck'' Haytaian, Speaker of the New Jersey Assembly.

Remarks to The Asia Society in New York City

November 12, 1991

Thank you all very much. And John Whitehead, thank you, sir. John has served this country with great distinction over the years, and it's great to join him and Nancy here this evening, the other distinguished leaders here with me, and all of you -- so many ambassadors from countries in Asia, charges, United Nations contingents, Washington, DC contingents. And I'm just delighted to be here with all of you.

It's also a pleasure to see Asia Society President Robert Oxnam, and then vice chairman Peter Aaron. To you, and to the distinguished men and women in this audience, greetings, and my thank for this opportunity to speak with you on topics of great concern to us all. And I heard you were having broccoli so I asked to speak before the dinner. [Laughter] I hope this doesn't really foul things up, but I feel strongly about that. [Laughter] No, but seriously, we do have to go back. And I'm very pleased for this accommodation, and I hope you'll all understand.

But as you know, I have just returned from Rome, that NATO meeting, and The Hague for an EC meeting. There, I worked with other Western leaders to help build a post-cold-war world that's characterized by mutual security, democracy, individual liberty, free enterprise, and unfettered international trade. I want to talk tonight about those topics, but with the accent on Asia.

But first, for audiences here and in Asia, I think it's important to discuss once again why I will not travel to the region this month, later this month. As President, I must serve the entire nation in the domestic and foreign arenas. Sometimes those obligations clash. When we planned our trip a couple of months ago, worked out the schedule, Congress had planned to adjourn early in this month. I believe it was November 2d, possibly November 4th. Now the Members say that they will wrap-up by November 22, but who knows? We will reschedule the trip, but I will not leave while Congress is wrapping-up a session. It can commit too much mischief in times like that. [Laughter]

I saw ``Home Alone," that movie -- [laughter] -- and I just don't feel comfortable -- [laughter] -- leaving Congress home alone. But make no mistake, however, I will not turn my back on my responsibility to do the Nation's business here and abroad. And in times of economic pain, I certainly will not give up an opportunity to work with our allies to create new markets, new jobs, and new opportunities for American workers in agriculture, in manufacturing, and in service industries.

And I certainly will not permit us to retreat into a kind of Fortress America, which will doom us to irrelevance and poverty. The notion that we can separate domestic and foreign policy rests upon a stubborn fantasy that we can live as an isolated island surrounded by a changing and developing world. We tried isolationism, and we ended up fighting two bloody World Wars.

We tried economic isolationism, protectionism, and we helped set off a worldwide depression. I remain deeply committed to building closer ties with the Asia-Pacific region. Although much of our Nation's heritage comes from Europe, our future points equally, importantly, toward Asia.

Asia's transformed itself in the space of a generation into the most rapidly growing region on the face of the Earth. Asia-Pacific nations enjoyed staggering real economic growth in the decade of the eighties: The Australian economy grew 41 percent; Japan's nearly 52 percent; Malaysia almost 60 percent; Hong Kong -- there are many here from Hong Kong tonight -- 89 percent; Singapore 93 percent; Taiwan 116 percent, and South Korea 150 percent.

The Asia-Pacific region has become our largest and fastest growing trading partner. We conduct more than $300 billion worth of two-way trade annually. Together, we generate nearly half, listen to this one, together we generate nearly half of the world's gross national product. American firms have invested more than $61 billion in the region, and that figure will grow. Asians have invested more than $95 billion in the United States. In everything from automobiles to microchips, from baseball to Australian rules football, we grow closer each day.

A few years ago, it was fashionable to refer to the 20th century as the American century and the 21st as the Pacific century, as if we were engaged in some long-term competition with our Asian allies. I don't see it that way. The United States will remain large and powerful, but in years to come, we will deepen our partnership with our Asian friends in building democracy and freedom.

We'd be here forever if I tried to tick off our interests and activities, country by country. So, forgive me but instead, I will address three central issues in our relationships with the nations of the region: security, democracy, and trade.

In the area of security, Asia's variety has spawned a diverse pattern of political and strategic cooperation. Our custom-made agreements and relationships provide a strong foundation for future security.

Let me give you a few examples of how we seek to build the peace. The conflict in Indochina has preoccupied this Nation for years. Finally, we've entered into a period of healing and constructive cooperation. We will work step-by-step to resolve the painful issues left by that war. The ASEAN nations, Japan, Australia, and the U.N. Security Council's permanent members recently forged a Cambodian peace process that promises free elections in a nation previously rent by tyranny and genocide. Just yesterday, for the first time in 16 years, we sent an accredited diplomat to Cambodia to participate in the peacemaking arrangements.

We envision normal relations with Vietnam as the logical conclusion to a step-by-step process that begins by resolving the problems in Cambodia, and by addressing thoroughly, openly, and conclusively the status of American POW's - MIA's.

Today, I am announcing that we will upgrade our relations with Laos, and that we soon will place an ambassador in Vientiane.

The Republic of Korea has moved to build better ties with North Korea while boldly challenging the North to abandon its menacing nuclear weapons program, which is the greatest threat to regional peace.

We welcome recently organized efforts involving us, the Japanese, the Soviets, Chinese, and Koreans to bring North Korea's nuclear program under international supervision. Meanwhile, we will maintain our military presence in the South as long as the people want and need us.

In laying the foundation for peace through our global partnership, we have worked closely with Japan in the area of foreign aid. We are the world's two foremost providers of such aid. We also cooperate on development assistance, more and more on environmental protection, trade, arms control, refugees, and regional peace. We've urged the Soviet Union to take a progressive attitude toward the Northern Territories in its discussions with Japan.

The Japanese have joined us in trying to lead the Soviet Union and Eastern Europe toward free enterprise. They support more than 45,000 U.S. military forces in Japan with $3 billion in annual host nation contributions. Japan contributed nearly $13 billion to the multinational forces for the Gulf war, 10 billion of which went to the United States. This required new taxes, a very tough thing for any politician to ask of working people, but Japan deserves praise for choosing the right course.

To the South, Australia casts a presence far larger than its relatively small population would suggest. It takes justifiable pride in its long tradition of defending democracy, and its economic, political, and cultural presence helps unite the Asia-Pacific region with the rest of the world.

We can help ensure future peace in the region and defend our interests through a range of military arrangements. Bilateral alliances, access agreements, and structures such as the five-power defense arrangement give us the flexibility we need.

While we must adjust our force structure to reflect post cold war realities, we also must protect our interests and allies. In this light, we cannot afford to ignore the important sources of instability: in North Korea; in Burma, where socialist despotism holds sway, despite, I might say, I might add, despite the heroic efforts of freedom fighters like Nobel Laureate Aung San Suu Kyi; in China and other states that resist the worldwide movement toward political pluralism, and that contribute to the proliferation of dangerous weapons.

Let me mention just a few words regarding China. China is vitally important. It is our policy to remain engaged. We believe this is the way to effect positive change in the world's most populous nation. That's exactly what Secretary of State Jim Baker is doing there this week.

Fortunately, the key to future stability in the region lies not with arms, but with ballots. Democracy has swept across Asia with some notable exceptions, such as Burma, China, North Korea, and Vietnam. Yet we remain engaged in the region, and especially in China. If we retreat from the challenge of building democracy, we will have failed many who have worked hard, even died, for the cause.

The United States will support democracy wherever it can, understanding that nations adopt political freedom in their own ways, in manners consistent with their histories and cultures. After decades of uncertainty, the future really does seem full of hope, and even the intransigent few seem likely to join the rest of the world in building a commonwealth of freedom.

Then this brings us then to the third focal point, and a crucial ingredient in a stable, free society, and I'm talking, of course, about economic prosperity. No nation can ignore the incredible vitality of this region, or afford to. Yes, we disagree on some important trade issues, but we also recognize a more important fact: Our fates and values have become linked forever.

Contrary to the opinions of American protectionists, free trade requires efforts by all parties involved. Too often, trade disputes bring out the worst in people. Japan bashing -- you've heard that expression -- Japan bashing has become a minor sport in some places in the United States, and some in Japan have become equally scornful of the United States. Both our nations must reject those who would rather seek out scapegoats than tackle their own problems.

We made a good start. The Asia-Pacific Economic Cooperation Group encourages growth and trade. The Uruguay round of GATT talks remains the single most important vehicle for advancing the cause of free trade and fending off the scourge of protectionism. We call upon Japan and Korea to work with us in breaking down old barriers to trade, opening up markets in manufacturing, services, and agriculture. Our Structural Impediments Initiative, those talks have helped lower barriers to trade and investment. But we need to give those talks new life, give them a kick, and create a better climate in Japan for U.S. businesses.

The fact is that Japan, which nearly half a century ago became a focal point of American hatred, has become one of our closest and most treasured allies. I enjoyed a warm and constructive relationship working with Prime Minister Toshiki Kaifu. And I look forward to spending time with my old friend, Prime Minister Kiichi Miyazawa, significantly, a man steeped in Western and Eastern culture and superbly equipped to build bridges of culture and trade between our two great nations.

Together, we can build an even more prosperous and spectacular future -- but only if we take up the tough, rewarding task of promoting worldwide economic liberty. We seek a vibrant international economic system that unites markets on every continent.

We in the United States also must strengthen our economy. We level an unacceptably high effective tax rate on capital gains. Germany, no capital gains tax. The complicated Japanese tax averages about 1 percent. This puts our own business people, our own entrepreneurs, and venture capitalists at a huge and shameful disadvantage compared to our Asian trading partner.

We run an enormous and growing budget deficit, which inflames political divisions within our own country. We must take powerful action to reduce that deficit while nourishing economic growth. To compete internationally we must modernize our banking industry and make our industrial base more competitive. We must work with our allies to build a stable and sound monetary regime.

Perhaps most important, we must build human capital. We have an obligation to prepare future generations for life in the 21st century. The integrated global economy will demand more of us than ever before, and our schools must meet the challenge.

Technological change can do much more than make our lives more comfortable. It can sweep away totalitarianism and forge the foundation for lasting liberty. We live in an age of liberation technology, and no technology does more for the cause of freedom than the means of mass communication. No wall is high enough and no government sufficiently despotic to shut off what some call a revolution of electrons. As we compete with our allies in this area, we must remember that information feeds intellect, and good information fosters freedom.

Let me close by summarizing our general approach to relations with Asia. Our administration sees six keys to promoting lasting peace in the Asia-Pacific region: progressive trade liberalization, security cooperation, a shared commitment to democracy and human rights, educational and scientific innovation, respect for the environment, and an appreciation of our distinct cultural heritages.

Americans have always looked to the horizons for their destiny, even from our earliest days. And we've grown great because we've welcomed people from every continent and every country, and we've tried to make use of their distinct talents when they come here, while constructing a common culture.

Today, we celebrate that diversity, and celebrate the prospect that in years to come, we will develop with our Asian friends even greater ties of trade and culture.

I look forward to traveling soon to Asia, to advance these important principles, and to expand market opportunities for tens of thousands of American workers and businesses. As President, I will continue building ties with our allies because those ties mean peace at home and jobs for American men and women.

I want to thank the Asia Society for its vital contributions to the cause of peace, prosperity, and

understanding. I look forward to your help as I seek to build closer bonds of affection and interest with the peoples of the vast, marvelous, varied Asia-Pacific region.

Thank you all. And may God bless our Asian-Pacific friends and the United States of America. Thank you very very much.

Note: The President spoke at 7:20 p.m. at the Waldorf Astoria Hotel. In his remarks, he referred to John Whitehead, chairman of The Asia Society, and his wife, Nancy. Following these remarks, the President returned to Washington.

Proclamation 6374 -- National Red Ribbon Month, 1991

November 13, 1991

By the President of the United States

of America

A Proclamation

During the month of November, we Americans pause to count our many blessings -- including the love of family and friends, the joy of freedom and security, and, of course, the gift of life itself. Thus, the holiday season that traditionally begins on Thanksgiving is a very special time of celebration and renewal.

Tragically, however, this time of peace and joy will become a time of mourning for far too many American families as a result of alcohol-related traffic accidents. Countless hopes and dreams will be destroyed this holiday season when drinking turns deadly behind the wheel.

Drunk driving often makes headlines during the holidays, but we must remember that this scourge is a year-round public health problem. Indeed, the Department of Transportation reports that traffic accidents remain the single leading cause of death for Americans between the ages of 5 and 32, and that almost half of these fatalities involve alcohol. In 1990 alone, more than 22,000 people died in alcohol-related motor vehicle accidents -- an average of one person every 24 minutes. Each year, another 345,000 persons are injured in drunk driving incidents.

The toll that alcohol-related accidents takes on Americans between the ages of 16 and 20 is especially alarming. Although in most States it is illegal for minors to purchase alcoholic beverages in any form, nearly half of all traffic fatalities in this age group stem from alcohol-related accidents. In 1990 alone, the lives of some 3,361 young men and women -- potential scientists, physicians, teachers, and parents -- were violently cut short.

The news is not all bad, however. In recent years, we have made encouraging progress in our efforts to stop drunk and drugged driving. According to the National Highway Traffic Safety Administration (NHTSA), alcohol-related fatalities among all adults have declined approximately 13 percent since 1982. The NHTSA also reports that, since 1984, when the Congress called on all States to raise their minimum legal drinking age to 21, alcohol-related deaths among youth have likewise dropped. Indeed, the law has saved the lives of about 1,000 young Americans between the ages of 16 and 20 every year.

This progress has been made possible by a combination of tougher laws at the Federal, State, and local levels and by concerted public awareness campaigns in both the public and private sectors.

Nevertheless, we still have much work to do. Accordingly, our National Health Objectives for the year 2000 include targets for reducing the number of alcohol-related motor vehicle fatalities. We remain firmly resolved to reduce underage drinking, and we will continue to seek both the enactment and the enforcement of tougher laws against driving under the influence of alcohol or drugs.

Millions of concerned individuals across the United States have rallied in support of these and other measures against drunk driving. This month, the 3,000,000 members of Mothers Against Drunk Driving (MADD) will launch a major public awareness campaign by asking Americans to ``Tie One on for Safety'' during the upcoming holiday season. Members of MADD will distribute more than 90,000,000 red ribbons nationwide to remind all those who might get behind the wheel to think before they drink.

To help heighten public awareness of the dangers of drinking and driving, the Congress, by Senate Joint Resolution 188, has designated November 1991 as ``National Red Ribbon Month'' and has authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim November 1991 as National Red Ribbon Month. I urge all Americans to observe this month with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this thirteenth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:21 p.m., November 13, 1991]

Note: This proclamation was published in the Federal Register on November 15.

Statement on Extending Most-Favored-Nation Trading Status to Bulgaria

November 13, 1991

I am pleased to sign into law House Joint Resolution 282, which approves the extension of most-favored-nation (MFN) tariff treatment to products of Bulgaria pursuant to a bilateral trade agreement. This resolution is a milestone in our rapidly developing relations with Bulgaria. My signature on this resolution represents American support of the Bulgarian people's historic decision for democracy, a free market economy, and the rule of law.

We stand with the people of Bulgaria as they strive to reintegrate their country into the global economy, and we welcome Bulgaria as it joins the community of free nations.

George Bush

The White House,

November 13, 1991.

Message to the Senate Transmitting the Treaty on Mutual Legal Assistance in Criminal Matters Between Uruguay and the United States

November 13, 1991

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the Government of the United States of America and the Government of the Oriental Republic of Uruguay on Mutual Legal Assistance in Criminal Matters, signed at Montevideo on May 6, 1991. I transmit also, for the information of the Senate, the Report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. The Treaty should be an effective tool to assist in the prosecution of a wide variety of modern criminals, including members of drug cartels, ``white collar criminals," and terrorists. The Treaty is self-executing.

The Treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes: (1) the taking of testimony or statements of witnesses; (2) the provision of documents, records, and evidence; (3) the execution of requests for searches and seizures; (4) the serving of documents; and (5) the provision of assistance in locating, tracing, immobilizing, seizing and forfeiting proceeds of crime, and restitution to the victims of crime.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

George Bush

The White House,

November 13, 1991.

Memorandum Authorizing Assistance to Senegal

November 13, 1991

Presidential Determination No. 92 - 5

Memorandum for the Secretary of State, the Secretary of Defense

Subject: Determination to Authorize the Furnishing of Goods and Services to Senegal

Pursuant to the authority vested in me by section 552(c)(2) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2348a(c)(2), (the ``Act''), I hereby determine that:

(1) as a result of an unforeseen emergency, the provision of assistance under Chapter 6 of Part II of the Act in amounts in excess of funds otherwise available for such assistance is important to the national interest of the United States; and

(2) such unforeseen emergency requires the immediate provision of assistance under Chapter 6 of Part II of the Act.

I therefore direct the drawdown of commodities and services from the inventory and resources of the Department of Defense of an aggregate value not to exceed $10 million to support Senegal's deployment of peacekeeping forces to Liberia.

The Secretary of State is authorized and directed to report this determination to the Congress and to publish it in the Federal Register.

George Bush

Nomination of Arnold R. Tompkins To Be an Assistant Secretary of Health and Human Services

November 13, 1991

The President today announced his intention to nominate Arnold R. Tompkins, of Maryland, to be an Assistant Secretary of Health and Human Services for Management and Budget, succeeding Mary Sheila Gall, and to be Chief Financial Officer at the Department of Health and Human Services, a new position.

Since 1989, Mr. Tompkins has served as Counselor to the Deputy Secretary at the U.S. Department of Health and Human Services in Washington, DC. In addition, he has served as Acting Assistant Secretary for Planning and Evaluation at the U.S. Department of Health and Human Services, 1989 - 1990; and as Deputy Assistant Secretary for Social Services Policy, 1985 - 1989.

Mr. Tompkins graduated from Bowdoin College (B.A., 1972) and Howard University (J.D., 1975). He was born July 4, 1950, in Washington, DC. Mr. Tompkins is married, has one child, and resides in Clinton, MD.

Remarks to the Future Farmers of America in Kansas City, Missouri

November 13, 1991

Thank you, Mark, FFA's outstanding President. You know, when Mark and the other national officers came to the White House a year ago and again this summer, they asked me to come to Kansas City. And after a welcome like this, there's no place I'd rather be. And there is also no place better than sitting up here with Miss America, Carolyn Sapp. [Laughter] I'd like to be the one sitting right there, but it seems my friend and assistant Fred McClure switched the placecards. [Laughter] So I have a question for him. Fred, how did you used to like working at the White House? [Laughter]

And I heard Mark talking about leadership and commitment in that very generous introduction. And I will say that also here are Missouri's two great Senators, Jack Danforth and Kit Bond. And what a job they're doing for this country. And as for Fred McClure, I'm proud to have him with me, an Assistant for Legislative Affairs. That's the top person in the White House working with Kit, Jack Danforth, and all the other Senators and House Members. And Fred learned his leadership skills in the FFA, as the Texas State president and then the national FFA secretary.

It gives me a surge of hope to be with so many thousands of bright and motivated young people. And it's another reminder that America has the best young people in the world. And I want to salute the FFA for bringing so many of you together to exchange ideas and forge friendships that will brighten our country for many years to come.

I understand that your business session got off to a good start -- Danny telling me. And I also want to send my warmest greetings to members of the National Association of Farm Broadcasters, who also are meeting in Kansas City this week. American agriculture depends upon the free and robust flow of news and views that our broadcasters provide. And they do a first-class job of it.

Now, I know that some of you signed up to come here believing that one of the speakers would be Arnold Schwarzenegger. But if he didn't cancel an agreement now and then, I guess we wouldn't call him ``The Terminator.'' [Laughter] But I've worked out a deal with this guy, and he's agreed to fill in for me at the White House conference that I have next, the next news conference. [Laughter] You see I can't wait to see the kind and gentle way that he handles some of those tough questions. [Laughter] It's going to be wonderful. He couldn't be here because he's at work filming another movie. And next year, I myself might make an abbreviated sequel to ``Terminator 2.'' We're going to call it ``Term 2.'' [Laughter]

Let me just, because I want to tie it in, let me just say a word about Arnold Schwarzenegger as an athlete and actor. Yes, but he's also a very creative businessman and a citizen who I can tell you

firsthand, exemplifies what you talk about when you talk about leadership. He takes public service seriously. And he's doing an outstanding job for the country as Chairman of the President's Council on Physical Fitness.

And I won't lead you through the workout that Arnold had planned, but I do want to impress upon you the essence of his message and that is: Get going with good exercise and fitness habits now, while you're young, and don't ever give them up.

Each one of you is already a leader in your school, a leader in FFA or you probably would not be here, a leader among your peers. And I don't want any of you to fall short of a single thing you dream of. And that's why I hope you will equip yourself with the physical stamina that comes from exercise. Cultivating a sound mind in a sound body is a key to good health, long life, and performance at your best for the many responsibilities you will face in your families and your careers.

And speaking of that, your president looks very fit, and I would suggest to you that he got to be the great orator that he is -- you heard the introduction -- because he stays fit. And I might say, speaking of politics, I'm glad he's not running for President next year. He'd be very, very tough to beat. Mark, you keep doing your thing; I'll keep doing mine. [Laughter]

Look at it this way, your FFA experience is giving you powerful skills and drive to help this country compete in the decades ahead. And as you follow your dreams and lead others, as I know you're destined to do, I'd like your special help in pursuing two national goals, goals to help America be all that it should be.

First, I'd like you to work for excellence in American education. If you attend a school in a rural community, and many of you do, there's a good chance your school enjoys the strong involvement of parents, strong involvement of your community, and places a high value on responsibility and achievement.

There are success stories, of course, across the range of our communities, even in the tougher, poorer, inner-city neighborhoods. And some are public schools; others are private or parochial schools. But each has in common the intense involvement of parents, a commitment to discipline, a commitment to values, a rigorous curriculum, and a large degree of freedom from bureaucratic control.

Our America 2000 strategy shows communities how to develop schools that work. We want our schools held to high standards, world-class standards. We want parents to have real financial opportunity to choose schools, including parochial or private schools. We're inviting parents and educators and businessmen and civic leaders to reinvent, literally, reinvent American schools. To replace institutions that fail, fail to work, fail to get the job done, with new schools empowered with freedom and flexibility and innovative strategies.

Here's where you come in on all of this: It's up to you and your generation to make this happen. You will inherit this long-term mission as leaders in agriculture, business, or government in your counties, your cities, and your States. And I've put forward a strategy for reforming our schools, and I hope to see as much as possible accomplished during my Presidency. But before this vision can become a full reality, I foresee years of political trench warfare, pitting the reformers against dug-in interest groups.

The challenge of reforming American education will take plenty of patience, grit, and determination, exactly the types of virtues that FFA represents. And I am very pleased that the national FFA organization's plans for its future leadership in agricultural education mesh so well with our America 2000 philosophy. So, the first goal: education.

The second goal I'd like you to pursue is keeping America competitive. We could all take a lesson from the Kansas City Chiefs about competitiveness. They're having a great season. Of course, later this afternoon I'll be in St. Louis saying the same thing about the Cardinals -- [laughter] -- until I'm back home in the home of the Redskins. I had to apologize to the Redskins' coach, Joe Gibbs, the other day for rooting for my home team, the Houston Oilers. But I hope those big -- -- [applause]. Hey, I might have been right all along. [Laughter]

But look, your country is counting on you, and I'm counting on you, to find new uses for traditional and nontraditional crops, your field, things you know something about. We want you to outfox our competitors with your marketing skills. We expect you to draw on rural America's tradition of conservation and lead all Americans to use our natural resources, our precious natural resources, wisely. We're looking to you to create attractive new products, including clean fuels.

I really believe that if the Soviet Union had been blessed with an organization like the FFA that their problems in agriculture wouldn't be nearly as big, nearly as horrible as they are today. You are involved in important work.

We've got to keep opportunity alive in this country. Federal income tax rates are lower, flatter, and fairer than they were a decade ago, but they still seem to reward debt and punish saving and investment. And that's why we're long overdue for a capital gains tax cut, something I've asked Congress for every year since I became President. But Congress isn't getting the message. These Senators are, but most of the leaders up there are not. In the farming, ranching, and agriculture business, in those communities I'm sure you can appreciate how a capital gains tax cut would improve property values. But more than that, it would boost investment and jobs in every sector and every industry in this Nation. And I wish you'd help me get that message to the United States Congress.

You see, I know you guys have the clout. Seventy-seven Congressmen wrote letters asking me to come speak to this FFA convention. That's not bad, 77. So, it seems only fair you let 'em know what I said and ask them to consider it. [Laughter]

You know, we need to take the shackles off our banks and financial services companies. I've sent to Congress a comprehensive banking reform package, but again, Congress isn't getting that message. Would you want to start out in business with outmoded banking laws that won't allow American firms to compete on equal terms with the Japanese and Europeans?

We need to seize new opportunities and tackle new challenges in world trade. This is an important aspect of the FFA convention theme, ``Leadership for a Growing Planet.'' In the GATT talks, these Uruguay round GATT talks on trade that we're now engaged in, we're engaged in what I hope will be the final battle against agricultural protectionism around the world. As many of you know, I met face-to-face just last Saturday with the European Community leaders. That was in The Netherlands last week. And I made it plain that American agriculture and American agribusiness stand for free and fair trade. We want to complete a good GATT deal that opens more markets for American exports and launches a booming new generation of trade. American farmers can compete with anybody, anywhere in the world.

We're on our way toward achieving an excellent bargain for more trade and more jobs through our efforts with Mexico and Canada. The North American free trade area will present your generation some fantastic, some exciting opportunities. And so will the free-market transformation of the former Soviet empire. Economic growth and stability in the former Soviet Union and in Eastern Europe ultimately will make them better trading partners with the United States. And now that the good people of those lands have thrown off the chains of communism, we intend to help them in their economic transition.

Let me say something else about my efforts to promote our exports. I am not going to apologize for a single moment that I devote to promoting America's interests abroad. Some of my critics act as if the global marketplace is off somewhere in Asia or in Europe. But you and I know it is right here in Kansas City and in Birmingham and Bakersfield and the Silicon Valley.

Every additional billion dollars in new exports -- listen to this one -- every one means 20,000 new American jobs. And when I fight for free and fair trade in Latin America or East Asia or Europe, some will carp and claim that I'm pursuing foreign instead of domestic policy. Well, to borrow a word you all understand: that -- and I'll try to clean it up for you -- that is hogwash. The whole line of argument is misleading. But I don't think the American people are misled, and I don't believe you're misled. I'm sure you understand that what I'm working at is a real-world approach to creating more jobs and more wealth for Americans in America.

And it's a life of challenge ahead. It's a life of challenge ahead for you and your generation. We're looking to you for fresh ideals and energy to renew our schools, our businesses, and our government institutions. We're counting on you to become the Schwarzeneggers of a tough global marketplace. You'll need training, discipline, creativity, and alert minds to seize new ideas and opportunities.

Is this a tall order? Well, sure it is. But looking at you, I know that you'll achieve everything we expect of you: more.

As all of you know there's been some recent developments on the peace front that I think are terribly important to all of you. As we convened an historic conference in Madrid to get those talks started on a Middle East peace and when I worked with President Gorbachev and President Yeltsin or the leaders of Eastern Europe as they struggled to build societies founded upon freedom and the rule of law or when we move to repel a brutal dictator's invasion of Kuwait, in all of these ways we are assuring a more peaceful world for your generation and the next.

And so, let the isolationists turn their backs on the historic opportunities that are before us. I cannot give up on the quest for peace on Earth. I owe it to your generation and the next generation to continue to lead, to use America's moral leadership towards that end. And I will not change my ways. I'll continue to work for world peace, and that's good for everybody in this room and all across the United States.

Thank you very much for this opportunity to speak. And let me put it in perspective. What you're doing is important: your concept of leadership is important; your commitment to agricultural America is important. So, have some fun while you're here in Kansas City, but remember you are engaged in the future of the United States of America. And God bless you and may God bless our great country. Thank you very, very much.

Note: The President spoke at 2:10 p.m. to the national convention meeting in the Kansas City Municipal Auditorium. In his remarks, he referred to Mark Timm, President of the Future Farmers of America.

Interview With Don Marsh of KTVI - TV in St. Louis, Missouri

November 13, 1991

Unemployment Compensation Bill

Q. Mr. President, let's make some news. You've just talked to Mr. Dole, Senator Dole, you've got some news for us.

The President. Well, I talked to Senator Dole and Congressman Bob Michel, our leader in the House. I congratulated the Speaker, Speaker Foley, Chairman Rostenkowski of the Ways and Means Committee, both our leaders. And it looks like we now have at long last an unemployment compensation bill that will get money into the hands of those whose benefits have run out. And will do it without burdening every other taxpayer. By that I mean do it within the budget agreement.

So, it's good news. It's a compromise, but it's long overdue. And I now hope both the House and the Senate pass it promptly. And according to the leaders I talked to, and then their Democratic counterparts, they feel that it will pass.

Q. No doubt about the signature.

The President. No doubt about the signature if it stays the way this deal has been hammered out, absolutely.

The Economy

Q. I want to talk to you about the economy, as I'm sure all the people who follow me will. Mr. Bush, since you took office, 25,000 Missourians have lost their jobs. Ron Brown, on the radio yesterday, said the least amount of economic growth of any administration since Herbert Hoover during your administration. That's a lot of heavy baggage to carry to '92, isn't it?

The President. Yes, any time the recession is upon you, and it's not now, but any time the economy is slow it's a problem. But I'm disinclined to listen to much that Ron Brown says, but what we're trying to do is get some people in the Congress, like the two Senators we have from Missouri, who understand what it takes to get this economy growing and will not continue to bust the budget agreement that we struggled to get -- in other words, spending too much -- and will pass some of what I've called upon to stimulate the economy and kick this job base.

And I'm a little more optimistic now about that. And there's been some good news recently. The

credit card companies are apparently starting down on the interest rates. The interest rates are down to almost historic lows now. Inflation is still under control. But it needs a boost of confidence; that's what it needs.

Q. But interest rates are down, but nobody is buying anything. They're not buying houses. They're not buying cars. They're not buying anything.

The President. I know, and you could -- the rates would be very good for that. But I think it's strictly confidence. And I think that the fundamentals are getting better. They're not perfect yet. But it will kick in, and in the meantime, everybody's got to keep doing the best they can. But I can't go along -- and I mentioned this unemployment benefits bill -- and do it in a way that's going to make things worse. I want to make things better.

Q. Is the need for confidence the reason why you're so reluctant to use that ``R'' word?

The President. Which is the ``R'' word?

Q. The recession word.

The President. No, I'm reluctant to use recession because I don't think we're in recession. Some places are, and some people are hurting. But the definition of recession, or at least one of the technical definitions is, two quarters in a row of negative growth. We have positive growth in the third quarter, and I hope we will in the fourth quarter.

So I think it's -- tell somebody that you're not in a recession, and he's lost a job, and they don't believe you. And so what we've got to do is get them back to work. In this area some of the defense industries are getting clobbered. And part of the reason is we have prudently cut back on defense in some places. And we've been able to do it because of our enormous successes around the world. But any time you have a dislocation like this, we've got to be sensitive and try to help the workers.

'91 Elections

Q. Did the election in Pennsylvania resensitize you to anything? Can you tell me what the message to you was from that?

The President. Yes, it did, and so did the elections in New Jersey. New Jersey Governor Florio said, ``This is a referendum on the President.'' And we swept both houses of the New Jersey legislature and have control when we're minority status.

Pennsylvania, we had a very good man in Dick Thornburgh, and the guy that ran against him was an incumbent Senator, appointed. And he ran on the fact that Thornburgh was a part of the

problem but not him sitting in the Senate. And he did a very good job at that. And he said in his victory speech, ``I've sent a message to the White House and to the Congress." And the answer is, yes, he has.

Q. What is the message?

The President. Get the economy moving again and get more people back to work. And I'd like to say, get more people like the Senators from this State that want to do it in a way that is going to build the economy and not put further taxes on the people.

You had an education referendum the other day, and everybody said ahead of it people are willing to pay more for education. And yet the vote came out, they didn't want to raise taxes. And so, there's a good message in all of that. And my message is sound economics; try to get more people in Congress that will support the growth incentives that I have championed since the first day I was elected President. But it's pretty tough when you've got people who want to play politics with you.

AIDS

Q. Let me change direction, if I can, because our time is limited. Everyone is talking about the Magic Johnson situation, the AIDS -- --

The President. Oh.

Q. The FDA, of course, is changing its rules now to speed work on perhaps an AIDS cure. Is the Magic Johnson situation likely to accelerate any Government involvement in solving the AIDS dilemma?

The President. I think what it does is accelerate the awareness of this terrible disease for all Americans. Certainly it has an impact on me. Magic has been on our Fitness Council. I want him to join the AIDS Council. I don't know whether he'll be able to do that or not, but he knows we want him on there.

I think it says to a lot of people, ``Behavior is important." Magic, himself, said that. And I think that, because of the sensitive and forthright way in which he handled it, he offers great hope. I also think that the Government is doing a lot. We're spending a tremendous amount of money on research, and we should be. People aren't quite aware of that yet -- far more per disease, per individual affected than cancer or heart disease. So much so that some of those organizations are very concerned.

But we've got to keep doing it. We've got to educate people, and we've got to show compassion for the victims of this disease. That's a health problem.

Pearl Harbor

Q. I don't want to go too far in left field with this one, but our time is limited. We're doing something special soon on Pearl Harbor, of all things. A Navy veteran from the Pacific, can you reflect upon Pearl Harbor for a moment for us?

The President. I'll never forget the day it happened. I was walking across the school campus. And it just changed my life and the life of everybody then. The country pulled together like never before in our history, with the possible exception of World War I, but I'd say even like never before in our history.

There was an evil out there: totalitarianism. And we prevailed. And that spirit that existed in World War II was epitomized by Desert Storm. Different war, different scope, different duration, different body count, but that same spirit of the country coming together is what I remember about World War II.

U.S.-Japanese Relations

Q. Just a couple of seconds. It's unfair -- don't answer if you don't want to. A lot of the veterans I've talked to think that the Japanese won that war, at least economically.

The President. I don't agree with that. And it's very easy for somebody that fought in that war, as I did, to go through what's now known as Japanese bashing. But that's not the way you approach something like this. They're democratic. They've got to let us into their markets more. One of the reasons I'm determined to go on this trip is to do a better job of getting them to open markets.

But I don't think this is a time for recrimination and anger. And you're talking to one that got shot down by the Japanese. So, I've been there, and I can speak with some perspective. But I can understand when competition is there, but the last thing we ought to do is do what some are suggesting and pull into some Fortress America, because my memory also goes back to the depression in the thirties when we thought we were going to isolate ourselves by being protectionistic. And what happened, you shrunk the entire job market.

Thank God we are exporting now, or a lot more people in Missouri would be hurting.

Q. Thank you very much. Our time is up.

The President. Nice to see you.

Note: The interview began at 4:20 p.m. in the Radisson Hotel, St. Louis Airport. In his remarks, the President referred to Ronald Brown, chairman of the Democratic National Committee. A tape

was not available for the verification of the content of this interview.

Interview With Richard Ford of KSDK - TV in St. Louis, Missouri

November 13, 1991

The Economy

Q. Well, I guess you know everybody's anxious to talk about the economy.

The President. Yes.

Q. Well, it is the economy I want to talk about, too. And I might preface this, Mr. President, saying some of the questions I'm asking reflect some feedback that we get from our audience. And here in Missouri, for instance, the economy has been described as stagnant in the St. Louis area for a couple of years: Unemployment about 6.8 percent and not really changing very much; 25,000 manufacturing lost in the last year alone; people out of work who have never been out of work before and not the chronically unemployed. And I'm getting a sense of maybe frustration, maybe even anger on the part of these people. And I wonder, what can you tell them? What can you tell them about the future?

The President. I can tell them we've been through a tough time. We've been through a recession. And I say through because technically I don't believe this country is in a recession. In this area, we've had some economic dislocations because of our success, the success in beating down a military threat that still exists, incidentally, but has enabled us to make some substantial cutbacks on defense. And so, what we've got to do is to ``incent'' this economy in the ways I've been proposing to the Congress for 2 years. And I'm talking about capital gains, R&D, IRA's, enterprise zones; a transportation bill would kick the economy right now.

So, we've got some answers. I've got a big problem with the Congress. And apparently the people blame the Congress. I'll take my share of the blame. But we're going through a transitional period here, and we've got to help these people.

Q. One of your biggest critics in Congress, of course, is St. Louis Representative Richard Gephardt -- --

The President. Yes, he is.

Q. -- -- who says you have no sense of leadership. You're frozen by insensitivity to what people are thinking.

The President. I'm disinclined to respond to those kinds of personal attacks. I don't agree with

that, and the American people, fortunately, don't agree with that. I think the American people see Congress as a major stumbling block, and he happens to be the leader of the House over there. And if they would go forward and do some of the things I've asked, I think we'd be far further along in the economy.

But today, for example, we get a breakthrough on unemployment compensation, helping people whose benefits ran out. But we did it by beating back a lot of bad ideas that would bust the budget agreement and tax all the people that are working, the 94 percent of the people that are working. And I don't want to do that. And I have a big difference with the liberal ideology of the leadership in the Congress.

Unemployment

Q. Some cynics might say that you agreed to that unemployment benefit extension because the polls show you losing in popularity or losing in this rate of approval.

The President. Some cynics might say that, but they don't know the facts. The facts are, if the Democrats had done what they're willing to do now, we could have had a bill 2 months ago and should have. But they asked me to bust the budget agreement and further tax the 94 percent of the people that are working. And by standing up and saying, ``No, we're not going to do it that way. We're going to beat back the liberal idea that you can just keep on spending forever, that got us partially in the mix we're in now." And so, I had to stand up against it.

But now, apparently, we've got a deal. Haven't got it passed yet, but it's a good compromise. But I don't think somebody will charge that because they can see the evidence of the legislation.

Q. You're familiar with this Times-Mirror poll that was taken that showed this drop in popularity. There was another statistic in that poll that's disturbing to some, that 39 percent of those polled are afraid that some member of their family is going to lose their job. And isn't it very difficult for people to spend money to stimulate the economy when they live with this fear -- --

The President. Yes.

Q. -- -- that maybe they're going to be unemployed?

The President. Yes, yes, it is.

Q. What do we do about that?

The President. What we do about it is passing the incentive programs that I've got up before the Congress. I'm not sure that will happen now because Congress is going to go out, and I think they should go out. It's long overdue that they go out in my opinion. And then I will make some

proposals at the State of the Union message and take my case directly to the American people. And I think they'll support me. I hope things are better by then. But even if they're not, I'm going to have a program that I will say -- look the American people in the eye and say, ``Look, they've tried it their way. I've had to block some of the lousy ideas that the Democratic leadership has come up with. And here's what I think is best. Now, you back me, and let's try to get it done."

But you're right, confidence is a big, key thing. But there's some good news on that. Interest rates are down, and today yet there's -- another very important credit card company came down on their rates. At some point when those rates are, people see the rates are where they are, I believe you're going to see confidence start back in housing or in consumer buying. And that's what the economy needs.

Q. But people don't have jobs, sir. They don't have any income. They don't care what the interest rate is. They can't spend any money. They can't borrow any money.

The President. That's right, 6 percent.

Q. Their credit cards are maxed out already.

The President. There's 94 percent of the people that can stimulate the economy and help create jobs, however.

Transportation Bill

Q. Two Governors were in town here yesterday, both Republicans, Ashcroft and Edgar from Illinois. And they say we need a new bridge across the river, a very expensive bridge that has to be built. The rest of the infrastructure here could be helped. I was just wondering if you would approve or consider some sort of WPA kind of thing. If you will, that would stimulate the economy and also rebuild the infrastructure.

The President. Before we need a whole new WPA program, what we need is -- you're right, we need to do something about the infrastructure. And they ought to pass our transportation bill. You remember last March when I challenged the Congress to pass it in 100 days? Said, ``Hey, you guys are sitting around here. Can't you at least pass something that will help the infrastructure, help the highway system in 100 days?" It's now how many months later? We might still get it before the end of this session. But I'm a little bit skeptical.

But that's the kind of thing we ought to do rather than go out and try to think of some big new way to spend money. We've got a good transportation bill that would do exactly what you're talking about. Now, whether it takes care of that bridge or not, I don't know.

Sale of F - 15's to Saudi Arabia

Q. Not far from here, we have a McDonnell-Douglas plant, where you've already alluded there's a lot of unemployment because of defense cutbacks. Will you support the sale of F - 15's to Saudi Arabia that would keep employment there at a good level through the next several years?

The President. We have no requests, and I'll consider all these requests when they come to me. We have no requests yet.

Q. For the F - 15's sale -- --

The President. Yes.

Q. -- -- not formally been made yet?

The President. No.

Wage Levels

Q. There's an economist -- and this will be my last chat here -- who says that it's not high taxes and it's not high interest rates that are the problem, it's low wages, that people aren't making enough money in this country because all of our manufacturing jobs have gone someplace else. Do you think there's any truth in that?

The President. No, I don't think there's any truth in that.

Note: The interview began at 4:30 p.m. at the Radisson Hotel, St. Louis Airport. A tape was not available for the verification of the content of this interview.

Interview With Julius Hunter of KMOV - TV in St. Louis, Missouri

November 13, 1991

Linkage Between Domestic and Foreign Affairs

Q. Mr. President, you're being given worldwide acclaim for your foreign policy programs or foreign policy initiatives, but your critics are crying a lot. I mean, I'm sure you've heard that crying recently that you, during the last 3 years, have not looked homeward and have not taken care of business at home. How do you respond to that?

The President. I think they're not telling the truth. I think that in the first place, I see the world as one great big market. And I think every time we export, we're doing something good. So, when I go like the other day to an EC meeting in The Hague and try to expand our agricultural sales, that are very important in Missouri; try to expand those around the world, I think that's in the American interest.

Secondly, I think world peace is in the interest of your kids and mine and our grandchildren. And I'm going to continue to work on that.

Thirdly, I have a good domestic agenda program. But my problem is the liberal Democrats that control both Houses of the Congress want to try it some other way. So what I have to do is keep proposing and reproposing, make compromises as we did on child care and clean air and some of these bills that are important, and then keep fighting for my agenda: The crime bill, the transportation bill, and these other growth measures that I've talked about. But it isn't easy.

In foreign affairs, when we went to win a war I didn't have to ask the leadership of the Democratic Congress whether it's okay. ``Hey, is it all right if I move this division there? Is it okay if we send Schwarzkopf here or there?'' I didn't have to do that. I'm the President; made something happen. It's different on domestic affairs. You're always fighting some tired, in my view, tired, old ideas up there.

'91 Elections

Q. Speaking of tired, old ideas, do you detect a swing in voters' mood in the country? Witness the defeat of Buddy Roemer in Louisiana, the rise of David Duke and the defeat of Dick Thornburgh, your handpicked guy for the Senate in Pennsylvania.

The President. Well, in the first place, the Buddy Roemer was a terrible blow because it gave rise to a very tough choice in Louisiana. But I have said publicly, and I'll say again: I couldn't be

silent in the face of a man who is an ex-Nazi, who is a bigot, whose past is full of racism. So, I've spoken out on that. And the only worry I've got on that one is will that help Duke or hurt him, because Louisianians are proud. I used to work over there. They don't like people coming in from outside telling them what to do. But when you have a man that denies the Holocaust or is bigoted against minorities, I've got to speak out. I owe the country that kind of moral leadership.

On the Thornburgh matter, yes, I'm concerned, but I also was delighted when Governor Florio of New Jersey said, ``This is a referendum on President Bush, the elections here." And we swept both Houses. So, there was some good news for us and some not so good.

Q. Do you think you might have to take the unprecedented step of backing David Duke's opponent, the Democrat?

The President. Well, I've done that. Yes, I've said that, that if I were down there I'd vote for Edwards. But, again, the risk on that is that you are counterproductive. But I feel so strongly that we must speak up against racism and bigotry, that I was pleased to do that in the sense that it's the principled thing to do. But I'm not sure of the election effect.

The Economy

Q. You're in an area with extremely high unemployment, and there are a lot of people who are struggling to make ends meet right now. There are the homeless and the hungry in this country, those who are in despair. It might be difficult for them to believe that the recession is truly over. Might you be getting a picture painted for you by your chief economic advisers that is rosier than it actually is out there in the jungle, in the real world?

The President. I don't think that's the case, but I think there is a danger of when you say the recession is over that people who are out of work -- and it's 6.8 percent or something of that nature -- misunderstand that. We had a period of growth in the third quarter, and the definition of recession is two negative quarters in a row. Well, we had a positive quarter. But what's happening is the growth is slow. It's anemic. And what we ought to do is pass some of the growth measures that I've got before this Congress to stimulate growth and move forward on things like home-ownership and tenant management and a whole new approach. But I'm having difficulty with the leadership in the Congress, frankly. They're thinking old, tired thoughts.

And the American people see this. I'll take my share of the blame, but the American people are right when in survey after survey they blame Congress, as many as four times as much as the President. But this isn't a question of blame; it's a question of trying to help somebody. And I'll continue to reach out to Congress, but I can't accept bad legislation that's going to hurt everybody in the country.

Health Care

Q. There are 34 million Americans with no health care insurance. And the plan that's been recently offered by business and labor leaders, you're opposed to that plan. What would you say to those 34 million Americans who might seem to think that you're not interested in them getting health care?

The President. I'd say we're going to have a health care program. We've got some good programs under HHS Secretary Louis Sullivan. But there are 60 programs that have been put out. There's another one, maybe that's the one you're referring to today that came out, that Jimmy Carter and Gerald Ford were on. The price tag on some of these are enormous. And we've got to have a comprehensive program where we do something about the costs that have accelerated so much and try, at the same time, to provide health care for all.

The program, as I see it, that was proposed today looks very much like the one that they proposed in Massachusetts. And they put it in, and then the voters rebelled because it cost everybody way too much money. And we simply have got to be sure that when we get one, and we're going to have a proposal, that it is not going to bust the back of everybody else or put people out of work.

You're concerned; so am I, about jobs. And you don't want to say to every small business, ``You're going to be rendered uncompetitive because the Federal Government is going to impose mandates on you."

'92 Presidential Election

Q. I know you don't want to aid and abet the enemy, but is there any Democrat that you would be loathe to run against in the next election?

The President. If there was I probably wouldn't tell you about him. But, no, look, I've always said I'll have a tough race. I'm confident that I'll prevail. And I want very much, if I decide to be an official candidate, to prevail.

Q. If you decide?

The President. But I don't go along with the common wisdom as to who's the toughest or not. The media frenzy back in the East I expect -- I hope it's kind of been avoided out here in this very sensible part of the country -- but they have picked some that they think are the toughest. But let the American people decide this. And let the Democrats sort it out in their own primaries, and then I'll take on whatever they offer up.

Q. If you decide to run?

The President. If I decide to run. And I've said, though, and not being cute about it, that the only

reason that I can foresee would be if I had some health problem. That came up last year, but I feel like a million bucks right now -- before taxes. [Laughter]

Q. Thank you very much, Mr. President.

The President. Good to see you.

Note: The interview began at 4:40 p.m. in the Radisson Hotel, St. Louis Airport. A tape was not available for verification of the content of this interview.

Interview With Steve Schiff of KPLR - TV in St. Louis, Missouri

November 13, 1991

Linkage Between Domestic and Foreign Affairs

Q. Mr. Bush, you've been getting a lot of criticism from your detractors who say that you've been spending too much time abroad. Have you been spending too much time abroad?

The President. No.

Q. How do you respond to them?

The President. I responded -- when I go to The Hague on a GATT meeting, trade meeting, the purpose of which is to open up agricultural markets to American products, that that's good for the American farmer. It's good for the American agricultural worker. When I go to the peace conference in Madrid, I happen to think that it is in the national interest to try to help bring peace to that troubled corner of the world. When we stand up against Saddam Hussein's aggression and beat back that, I think it's in the American interest. When I go to the Soviet Union and work with Yeltsin and Gorbachev in turning over that whole system, helping them now move down democracy's road, that's in our pure economic interest. And when I'm going to go to Japan, it will be in the same thing. We've got to open up those markets.

So, I think there's a frustration on the part of the Democrats, some of them that make these silly charges because they don't put it in the perspective of a global economy. We're in a small world. And thank God we have the exports we've got, or you'd have much tougher economic times right here in this State that's hurting.

That's the way I'd respond to it.

'92 Presidential Election

Q. Mr. President, what is your domestic agenda with election right around the corner? Are there certain things that you want to address more than others?

The President. Well, definitely. The crime bill, it's been up there, challenged them in March to 100 days to pass, and it hasn't passed. A transportation bill that is job-concentrated that would help the economy immediately. I challenged them to 100 days. It's now, what, 265 days later or something like that. I want to see us do much better in terms of growth. I happen to believe -- and they dump on me, the Democrats on capital gains -- I think that would stimulate small business

and create new businesses and new jobs, and it would make us more competitive abroad. We've got IRA's that would kick off first-home buyers savings. We've got all kinds in growth programs; enterprise zones is another one that I think would help.

But we're up against the Democrats in the Congress who want to try to do it their way. I think I was elected to do the things I've told you I'm trying to do. But it makes it very difficult.

Unemployment

Q. What about this extension of the unemployment benefits? There seems to be some bickering today between Democrats and Republicans in Washington; some of the Democrats saying that it's going to lead to a tax increase.

The President. We just got a breakthrough on that a few minutes ago. And I talked to Bob Dole, Bob Michel, thanked them; thanked Speaker Foley, the leader of the Democrats in the House; Chairman Rostenkowski, the Democratic leader of the Ways and Means because we've come to agreement now in a way that operates within the budget agreement and, thus, won't raise people's taxes.

My argument with the unemployment bill that was passed before is they just wanted to bust the budget agreement, just added to the burden for the 94 percent of the people who are working. And so we finally prevailed on this, provided the Senate votes for it. So, I think there's good news there on the economic front, certainly on the front for those who should have been getting these checks long ago. We want to help people that are hurting, whose benefits have run out.

But it's the President that has to protect all the people. And that's what I think we've done now. So, I don't know that criticism is relevant anymore. I hope not.

AIDS

Q. Let's turn to the AIDS issue. Why don't we have a national AIDS bill?

The President. To do what? What would an AIDS bill do?

Q. Well, I don't know, I'm asking you.

The President. Well, if you're asking me, we're doing a good job on research. We're spending far more per victim on AIDS research than we are on heart disease or cancer, which are far greater killers. We've got to do more in the education front on AIDS. When I talked to the researchers at National Institutes of Health, I think they feel that they could use more money, but I don't think they feel a shortage of research funds is what's important.

We are trying to speed AIDS research drugs to market even though some are going to accuse us of getting them there before they've been fully tested. I think maybe we need to do more in terms of education. And that's one reason I'd like to see Magic Johnson on our National AIDS Commission, if he feels that it's something he's interested in doing.

But I don't think there's an AIDS bill. The reason I asked you is because I thought maybe there was some AIDS bill I'm not familiar with. And I think this approach to sensitize people on the health considerations is important. AIDS is a disease where behavior has a lot to do with whether you get the disease or not, unlike cancer or unlike some of these other diseases. So, maybe we need to do more in the education field here.

Q. Well, it just seems that the former Surgeon General, Mr. Koop, did a lot of talking until he was criticized about it -- too much talking about AIDS. And now Ms. Novello doesn't seem to be talking too much about it at all.

The President. Well, I don't know that that's a fair criticism because I think she's out there discussing it, trying to encourage people to look at it as a major national health problem, trying to dispel some of the myths about AIDS. I've tried to do that. My wife is wonderful at that. When you hold an AIDS baby in your arms to show that, look, this isn't something that's going to be passed just from casual touching like this.

But, look, if you asked me am I happy with my role; can I do more? Of course, I want to try to do more. But it's not a function of money, is the point I'm trying to make here, I don't believe. I think it's a function of education, getting people to stop doing things that put their own lives at risk, educate people to that end, and show a certain sense of compassion for the victims of AIDS.

Louisiana Gubernatorial Election

Q. One final question, Mr. President. A member of your party is running very strongly down in Louisiana. And you have been -- --

The President. You really know how to hurt a guy. [Laughter]

Q. And you have been quoted as saying that if you lived in Louisiana, you'd vote for Edwin Edwards. Do you feel that way?

The President. I haven't felt too happy about the choice; I'll be honest with you. But, look, here's a deal where normally a President, or this President, wouldn't get into a local race of this nature. Normally I'd been in there on the side of a Republican, if it's a Republican versus Democrat. But this one's a matter of conscience. This is a matter of saying to the Nation, in my judgment, we must not condone bigotry, anti-Semitism, racism, the ugliness that's coming out as a result of this man, Duke's, past.

And I'm sorry I -- what I hope I haven't done is to inadvertently let him use this to get sympathy inside the State. But here I have a responsibility in the Nation to say, ``Look, this is too much.'' A denial of the Holocaust, when I've been to some of those places and seen the grim tale with my own eyes. I mean, the white sheets, I'm sorry, it's too ugly to sit silent. And perhaps I've helped the opponent. Perhaps I've helped him. But I have to speak out when I see that.

Q. Mr. President, thank you very much for your time.

The President. Nice to see you. Thanks a lot for coming over.

Note: The interview began at 4:50 p.m. at the Radisson Hotel, St. Louis Airport. A tape was not available for verification of the content of this interview.

Remarks at the Fundraising Dinner for Senator Christopher S. Bond in St. Louis, Missouri

November 13, 1991

Thank you so much. And Kit, thank you. You're setting the tone. Thank all of you out there in this audience for supporting a great United States Senator, and for supporting this party -- 1992's a critical year. And what a tremendous sendoff this is.

May I salute Senator Danforth. And thank you for being a tower of strength. May I salute all our statewide officers that are here. I'm also told that hall of famers Bobby Bell and Buck Buchanan are here. The great Gatlin Brothers, great friends of Kit's and mine that we'll hear from in a little bit.

And I'm just delighted all of you could be here. My brother, I would like to single him out, my brother, Buck, finance chairman. You're tired of hearing from him, I know, but nevertheless I'm glad to see him. Talk about all in the family.

Governor Ashcroft, whom I forgive for declaring broccoli the State vegetable. [Laughter] I can't tell you how closely we work with this Governor and how much respect I have for his judgment. And most of all, though, we're to salute our now and future Senator Kit Bond and, of course, his lovely wife Carolyn. And it is nice to have a chance to spend a little time in this city where my own mother was born and raised. My favorite mystic, St. Louis', also New York's, Yogi Berra, once said of a restaurant, ``Nobody goes there anymore. It's too crowded.'' [Laughter] Get it? Nope. Okay. [Laughter]

Well, I'm pleased to see this capacity crowd. There's not a nobody in the room. And I know we have other entertainment, including, as I mentioned, one of our Bush family favorites, the Gatlin Brothers, who've been up with us at Camp David. And I really enjoy coming here, though, to honor this bright star of Missouri, a bright star of the Senate. And, of course, I mean Kit.

We first met in 1968. He came over to our house for hamburgers. The next year, he became Assistant Attorney General for the Consumer Protection Division.

[At this point there was a disruption in the audience.]

That's all right. This happens every place you go. They have their say here, and they'll be escorted quietly out. But let me just say something while they're taken care of. The Federal Government is doing a first-class job on research for AIDS. And we are going to keep on doing it until we can bring a compassionate end to this American tragedy. And I have no problem at all with their speaking their mind.

I don't want to get off the beaten text here. But I just thought Magic Johnson was fantastic the other day when he faced up to this. And I believe speaking out with compassion, doing what we're doing on research is the answer to this terrible problem that plagues not just the United States but many others. So, I have no anger in my heart when I hear people that are expressing their concerns.

I was talking about Kit -- right after he had hamburgers with us, he became the Assistant Attorney General for the Consumer Protection Division. No relationship between the two events, I don't believe. [Laughter] But then he went on, was elected State auditor; at 33, your Governor -- the youngest in Missouri history; and finally, junior Senator. And he impressed us all so much that we knew we had to have him to be the campaign chairman for Bush-Quayle in '88.

And there's an old saying, that what goes around, comes around. And in 1986, Kit Bond was elected to the United States Senate. And the time has now come to send him back. And he deserves it. He's earned the support of the people in Missouri. And he has a record to build on, not empty rhetoric to run around. We hear a lot of political demagoguery from the other party, but it won't sell in Missouri. The motto here is ``Show me," not ``Snow me." And that's why I believe he's going to win this race.

Kit and Jack Danforth and your great Governor, Governor Ashcroft and I have fundamental differences with the liberal Democrats who control both Houses of the United States Congress. Let me just try tonight to define some of these differences. They want mandates. This means they want to pass more and more bills dictating to the States how to solve problems: education programs, crime programs, health programs. Some subcommittee chairman that's been for 30 years telling the people of Missouri how they ought to solve the great social problems. And we want federalism. We want the power to be in the hands of the Governors and in the hands of the local authorities and, bless them, in the hands of the families of the United States by providing choice when it comes to education and child care.

The national Governors, and I'm talking Democrats and Republicans, tell me that the major problem they have is being saddled with more and more mandates by some of these empowered committee chairmen in Washington that pass legislation after legislation or attempt to pass it that just tells the States how to do everything. And we've got to stand up against that.

And the liberals just don't understand that Federal money, as they call it, is your money. It is the taxpayers' money. And I am determined to protect your interests.

We all saw Jack Danforth's, I'd say not just heroic, but, try to say this right, wonderful example of his character as he stood beside Clarence Thomas. And here's a little something that irked me, plenty did out of all of that. But did you know that with all the pious talk by some of those Democrats about sexual harassment, which is a concern and which we should do something about, but all the pious talk about sexual harassment, the Senate, as the debate went on, had

exempted itself from the same sexual harassment laws that everyone else in the land has to live by. And I don't think that's right. And if we had different leaders up in the United States Senate, that would be changed.

You see, we believe that it's time that people felt they had more control over their own lives when it comes to these Federal programs. And we want to enlarge personal dignity, push back this concept of impersonal government.

People matter to Kit. He cares deeply about them, just as they do to all of us here. And that's why we want to do more than complain about this economy that concerns us all. We want to give it a good boost. And as Senator, Kit has backed our growth initiatives: A cut in the capital gains tax; banking reform; personal savings incentives like IRA's to stimulate home buying; an R&D, a research and development tax credit; more investment in science and technology and infrastructure. We need a new transportation bill that he's working hard on that will give Americans jobs and do it soon. We need our America 2000 education program that all three up here are helping us on.

And I mentioned yesterday that credit card interest rates, in my view, should come down. This isn't a Government decision. But I believe those rates should come down. And I'm pleased to say that some banks yesterday lowered their rates, and then one of the large credit card companies today lowered its rates. And I believe that's right. And I think that's good for the American economy. Give it a kick. Let's get this thing moving.

Kit supports our Council on Competitiveness, headed by our Vice President, who I think is doing a superb job. You talk about unfair criticism. The way this man holds up to it, he's doing just fine, thank you. And what he's trying to do, and we've got to redouble our effort, is to free workers and businesses from redtape, regulations, and again, these mandates. And people have better things to do than fill out plenty of reports all the time, reporting, reporting to Uncle Sam. And I might add, the Council is doing a good job trying to get a recalcitrant Democratic leadership to move on much needed tort reform, liability reform. These outrageous damage settlements are finishing off a lot of the small businesses in this country. We need to place caps on some of these outrageous claims.

So, we've got a growth program. It's there. It is a sound agenda. But while the people seek action, the liberals in Congress go out and hold a lot of press conferences, sell their funny little T-shirts, and sabotage the initiatives that the American people want. And I'm getting sick and tired of it.

They even refused to permit a vote on our capital gains tax cut to propel the economy when we had majorities in both the House and the Senate for this a couple of years ago. Couldn't even get it to the floor by some fancy parliamentary procedure out there.

They talk about fairness, and what they're really talking about these days, you listen to the

proposals and listen to the load they're putting on me, they're talking about class warfare. And America grew out of that years ago. We're all in this together. And we cannot be divided by Democratic demagoguery.

We've got a good agenda, and they've got an agenda. Their agenda is to block our agenda. And so far I regret to report they're having some success because they've got our good troops here outnumbered. And worse, they try to lay the blame at my door, and I don't like that, and at yours, and I'm sure you don't like that either. Well, I think it's time to reject their propaganda and their excuses and demand some action. And frankly -- and I think the American people see this -- these guys that write these stories think I live and die by the polls. Well, I don't. I certainly don't want to die by them. [Laughter] But I see these polls out there. And I've got to confess every once in a while, I look at it. And the American people aren't dumb. You know who they blame for the dilemma that we're in today, that we're trying to fight our way out of? They blame the United States Congress, and that means the one-party control, the Democratic leadership in the United States Congress.

You want to talk a little domestic agenda? You want to talk a little more domestic agenda? Okay. On March 20th, I submitted a banking reform legislation to the Congress. That was 238 days ago. No legislation. And our banks should be able to compete with these domineering foreign banks. And they can't do it if we don't change the law. No action, 238 days. On March 11th, I sent Congress a crime bill. That was 247 days, and our policemen are out there and they need our support on the streets. And we need a crime bill that says we care a little more about the law enforcement and a little less about those who commit the crimes.

Domestic agenda? Okay. On March 4th, I sent energy legislation. We need a national energy strategy. It is my view we are too dependent on foreign oil. And the war over there ought to have taught us that. That was 254 days ago, no bill. On February 13th, up went our transportation legislation. That was 273 days ago, and you guessed it, no bill on my desk. And on May 22d, I sent Congress a national education strategy legislation. And 175 days later, surprise, surprise, no bill.

Look, I think the American people understand that from the very first day I took office I held out my hand to the Congress. And some of the Republican Party thought maybe I did it a little too much. Some thought that I was a little too willing to negotiate, to compromise. I tried. I have held out my hands to those leaders. I have caught their javelins. I have absorbed their blows because I've been trying to get something done for the good of the American people. And I've tried to work with that Democratic leadership. And I owe it to the American people to continue to try, because I do believe that our kids need a good chance at a good education, not just some dozen years of babysitting.

We've got a great education program. And I'm going to keep on trying. But I'll tell you this: When this election rolls around, if I decided to become a candidate, I'm getting warmed up here --

[laughter] -- but if I do, I'm going to take this case to the American people and say, ``Give me more men like Kit Bond. Give me some good women on our side like Nancy Kassebaum. Give me more Senators like Jack Danforth, and you watch this country move ahead."

Oh, there's so much to do. I mentioned America 2000, our education program. It's good. We've got a great man, a great friend of John Ashcroft's, Lamar Alexander is our Secretary, bringing this revolutionary new approach to the parents and the families, saying we've got to do better for our kids. Trying to restore peace in our streets, give people an opportunity to live free of fear. And we've got to have a new crime bill. The Senate passed a good crime bill, and I credit these Senators right here. But the Democrats in the House tried to undo much of it.

One area where we have gotten bipartisan cooperation, and this is important to every family, transcends party lines, is on our national drug strategy. And we launched a strategy to combat drugs; it is producing real results. Casual use of heroin in this country and cocaine, these things are going down. We're making progress. We have a long way to go, but at least there's some good signs out there for the American family on that front.

I believe we need this job-creating transportation legislation. Kit knows the condition of Missouri roads and bridges. And he told me he was surprised I could drive to this event and glad I don't have to cross the bridge to St. Charles to get here. [Laughter] Help me elect a Congress that knows that if we want to keep America on the rise, we've got to keep it on the move.

And let me just mention, before closing, some international aspects to this, international leadership, worldwide economic competition. Some in Congress, including some from Missouri, pretend that trade and security and international cooperation don't help the working men and women of this country. Well, just tell that to the more than 40 million Americans working in jobs that involve importing or exporting. Today, an estimated 75,000 to 100,000 Missouri jobs depend on exports. You know that military, economic, and political issues cross continents, and they cross borders. For instance, checking foreign protectionism means more American exports and more American jobs.

But some Democratic leaders in Congress just don't get it. They seem to be sounding again -- and yes, people are hurting -- they seem to be sounding again the siren call of protectionism. The worst thing we can do is to pull back into some protectionist cocoon. The job loss would be staggering. There are one or two of you old guys out here, old enough like I am to remember what happened when we went the protection route right there around the time of the Great Depression, and the whole world market shrank. And I am not going to be the President that shirks my responsibilities to expand our markets abroad.

There's a lot of change in the world, and we are the leaders, not just of the free world but of the emerging democracies around the world. And progress demands we accept that role and accept it eagerly, as a great people should. And we are a great Nation, a great people. And when a dictator

threatened American lives, yes, we helped the Panamanian people validate their own free elections by kicking him out, seeing that he's brought to trial.

When a brutal tyrant invaded Kuwait, we helped roll back aggression and liberate a land. Was that victory foreign, was that domestic; what was it? I think it was in the fundamental national interest of the United States that we led the world to say one country's not going to brutalize its neighbor. It's good for your kids and mine, and it's good for the entire world.

And as communism crumbled, we made it clear, typical American spirit, we made it clear that we will support those who promote democracy and free enterprise, and thank God we did. Is democracy, is that foreign or is that domestic? Is it right to work with Gorbachev and Yeltsin for exciting peaceful change? Can you imagine if all this new democracy and freedom and market economy works in the Soviet Union, what that means in terms of our own trade? Certainly I know what it means in terms of peace for generations to come. Is that neglecting my job to pay attention to these major problems of change that face the world?

Is it historic and wonderful, as I believe, to bring the warring parties together to talk peace in the Middle East as we did at Madrid, or am I neglecting something? I wish every one of you could have been in the room with me and felt the wonder of that moment when ancient enemies came under the same roof. We've a long way to go before we can say peace, but I am going to keep on working for peace around the world. It benefits your kids, again, and it benefits mine.

Today, we need more leaders like these two Senators up here and this Governor. They know what I'm talking about. Missouri is linked to trade in Singapore. Kit understands this. He helped draft the 1990 farm bill, which has made America more competitive overseas. Someone asked Kit how he got 23 provisions in the bill. ``Simple," he said, ``Missourians gave me the best ideas." He listens to the people and makes something happen in Washington, DC.

He understands that military aircraft built in St. Louis can help keep the peace. He led the successful fight to make the F - and A - 18 the Navy's carrier-based aircraft for the next decade. And he believes in exports that work, whether it is corn or soybeans or the sunshine of democracy, and so do I. And last year, I was in Cartagena, Colombia. Why? To help work with them to keep drugs out of our cities and out of our schools and away from our families. Was that foreign or was that domestic?

Last week, I was in Rome and The Hague. Why? To work for peace at home and abroad and to promote the cause of free and fair trade and to say to every farmer in the State of Missouri, we are going to keep hammering away on these GATT talks until the Europeans open their markets to the agricultural product of the United States of America. And it is in our interest that I do that, and I'm going to keep on doing it. I don't care what your Congressman from Missouri says about it.

As we approach the 21st century, let's remember, isolationism makes no sense; never did. It represents an old ignorance that was scorned by my predecessors Roosevelt, Truman, and Kennedy, and that all Presidents and the American people since have looked upon with disdain. I speak of the ignorance that inspires people to hide from the rest of the world, wishing our problems away instead of creating solutions. It urges them to blame others rather than to call forth the best in ourselves.

I want to do better. I will continue to work my heart out to see that this economy gets on the move. I just wish I had more Members of Congress to implement this program I've outlined for you here tonight. More Members like Kit and Jack, we could be moving sooner. But we're going to keep on. And I'm going to keep that hand of friendship and cooperation extended to the Congress of the United States. I think I owe that to the American people. But I am not going to do it their way. The only way you can make -- when you don't have a majority -- make something good happen, is to veto bad legislation. And I'm going to keep right on vetoing it until we can make something good happen for this country.

Kit Bond's work embodies his motto, I think there's some of the things I've talked about tonight, ``Values we believe in, experience we trust." So, my plea tonight is let's make the most of those values. And let's use them to celebrate America. Let's use them to reelect Kit Bond to be Senator from the great State of Missouri. Let's use them to enhance the standing of the United States of America at home and abroad. We are lucky to be Americans and God bless the United States of America.

Note: The President spoke at 6:38 p.m. at the Riverport Amphitheater. A tape was not available for verification of the content of these remarks.

Remarks at the Welcoming Ceremony for President Carlos Menem of Argentina

November 14, 1991

President Bush. Thank you all very much. And President Menem, it gives me great pleasure to welcome you to the White House. The ties between our countries have never been stronger, and a great deal of credit goes to you and your administration.

Nearly a year ago, a revolt by renegade soldiers faced you in your nation's capital. And you stood firm in defense of freedom and liberty and in defense of your people's right to a government of their choice.

In the end, freedom triumphed. It was an honor to join you, just a few days later, in beautiful Buenos Aires, the capital of a proud and free Argentina.

In your inaugural address you asked Argentina to ``arise and walk." When we met last year in the capital, we spoke about the challenges your country faces and the changes that have already been set in motion.

Today, Mr. President, Argentina is assuming its rightful place as a leader in the democratic community of nations. Nowhere in this hemisphere is the shape of the post-cold-war world more evident than in Argentina. Under your leadership, Argentina has become one of the hemisphere's strongest defenders of democracy, both at home and abroad.

When Saddam Hussein invaded Kuwait, you sent your Navy to join the international coalition which liberated that pillaged nation. And when tanks rumbled through the streets of Moscow, threatening the Soviet Union's forces of democratic reform, you were one of the very first in Latin America to speak out in defense of liberty. You have called for democratic reform in Cuba and made major contributions to the efforts of the Organization of American States to restore democratic government to Haiti.

At home, you have slashed government spending, privatized state-owned industries, and abolished harmful overregulation of the economy. You have brought once-rampant inflation under control. And last year, Argentina had a trade surplus of nearly $8 billion, and U.S. firms alone invested over $200 million in Argentina.

Despite facing many difficult challenges when you took office in 1989, your efforts have earned the respect of the international community. More importantly, they strengthened Argentina's competitive position in the global economy, by attracting new confidence and investment from around the world. I share that confidence in Argentina's future under your leadership.

In the rapidly evolving relationship among the nations of the Southern Cone, you have taken the lead in achieving regional economic integration and arms control.

For example, by the end of 1995, the Mercosur common market aims to eliminate tariffs between Argentina, Brazil, Paraguay, and Uruguay, linking your economies together in a way consistent with GATT to form one of the hemisphere's largest open markets. You're taking a giant step toward the goal I stated last year in announcing the Enterprise for the Americas Initiative: To make the Americas the world's largest partnership of free-trading nations.

We also welcome your efforts to set in place nuclear safeguards that will increase international security. And your decisions to forswear chemical weapons and halt missile proliferation do create a safer hemisphere, a safer world.

From Rivadavia to Rio Gallegos, from Zapala to Buenos Aires, your strong, committed leadership is bringing your people hope for change, faith in their countrymen, and the courage to ``arise and walk'' together.

On behalf of the people of the United States, it is my great pleasure to welcome you to the White House. And may God bless the Argentine Republic.

President Menem. My dear friend, Mr. President, distinguished Mrs. Bush, ladies and gentlemen, sisters and brothers of America. Thank you very much for your warm words of welcome. It is to me a source of deep satisfaction to be once again here in this great country whose institutions and values have been and still are an example of freedom and human dignity. Moreover, I come back with the satisfaction of having already traveled a long distance along the path of transformation my government has chosen.

There is still a lot to be done in Argentina. Many expectations are still unfulfilled. Many are the problems. However, with effort, firmness, and determination, we are conquering the slope of decadence. With civil freedom, with economic freedom, with an unprecedented freedom of the press, after 2 years of hard work to achieve change, most of the Argentine people have ratified recently their support during our last elections.

This means backing the government, backing the economic cause and also a new way of insertion in the world. Our determination is today firmer than ever before to continue implementing state reform, privatizations, open trade, stimulation of foreign investment, deregulation, and also the return to Argentina of assets that were sent abroad. Argentina has also decided to continue playing an active role in the defense of peace and international security, giving all possible support to United Nations initiatives.

When this year began, a distant region in the world was in crisis. In the Gulf, we faced, then, serious risks with possible consequences for the whole planet. Within the framework of what the

United Nations decided and as the result of the great effort of the United States and its allies, it was possible to end aggression and restore the full rule of international law. We participated in that joint action, and we are proud we did. Some months later, you, yourself, my friend, Mr. President, had the initiative to propose unilaterally a significant reduction of nuclear weaponry.

The Middle East had, for time immemorial, been a region where all expectations to obtain a just and lasting peace floundered and were thwarted. A few days ago, you inaugurated a conference that has renewed the hope of a constructive dialog in the region when calling to the same negotiating table antagonists who seemed only yesterday to be implacably hostile. This is a really formidable progress, I insist, a formidable and spectacular progress. A new international order is being generated on the basis of peace, of justice, of reason, and under the guidance of God, our only source of reason and justice.

This is the reason why we recognize today our vast coincidence with the United States. For instance, in the common aim of restoring the democratic government of the Republic of Haiti. That is why we rely on integration. We want to consolidate Mercosur with our regional brothers. And we also want to add our own efforts so that the ambitious Enterprise for the Americas Initiative that you, Mr. President, conceived and announced last year will bear fruit.

With Brazil, we have signed an agreement for the exclusively peaceful use of nuclear energy, and we are about to conclude an agreement on safeguards with the International Atomic Energy Agency. With Brazil, too, and Chile and Uruguay -- Paraguay and Bolivia will join us in the future -- we have made the commitment of not producing nor buying, storing, or transferring chemical or biological weapons; of course, banning any kind of use for them.

Furthermore, we have also joined the control system for missile technology, known by the acronym MTCR. Whitman's prophetical dreams are renewed, entwined with the illusions of having a single and great America as they were presaged Ruben Dario, Jose Marti, and Domingo Faustino Sarmiento.

To this end, it will be necessary to find in each and every country of our America a representative democracy with full respect for human rights and a free economy. I repeat, in all the countries of this continent with absolutely no exceptions.

To this end, it will be necessary, Mr. President, to bring a message of a nation that is looking inwards. The message is very simple: The Argentine nation faces with seriousness the need of having a place in the new international order. This we are sure to obtain since we have a representative democracy, we respect human rights, and we chose a free economy.

We trust that the European Economic Community and the developed world will not persist in applying old protectionist schemes that menace the hope of a better future.

We hope that we may be able to cooperate firmly so that, and I quote your own words, my dear President and friend, ``we may eliminate subsidies that distort trade." We hope we may be able to translate into concrete results some political statements allowing markets to exist whose transparency will reward efficient producers. We trust in the oldest constitutional democracy in the world, and that democracy is the one in the United States.

We place our trust in the United States and its leaders, who, in 1991, have faced up to their responsibilities towards the international community with maturity and imagination and commendable moderation.

Mr. President, I am really moved by this reception. I am sure that our stay here will not only be a pleasure but also very fruitful. I thank you for your warmth and your hospitality.

God bless you, Mr. President. God bless your country and God bless our America.

Note: President Bush spoke at 9:58 a.m. on the South Lawn at the White House where President Menem was accorded a formal welcome with full military honors. President Menem spoke in Spanish, and his remarks were translated by an interpreter.

Exchange With Reporters in the Cabinet Room

November 14, 1991

'92 Election

Q. Mr. President, is Buchanan doing the right thing thinking about running?

The President. I haven't paid much attention to that yet.

Libyan Indictments

Q. Mr. President, do you have any comment on the Lockerbie indictments?

The President. We will have, but I want all that to come out properly. And then I'll undoubtedly have something to say. That was a terrible event. And indictments -- we have a system of justice in this country. But I gather from briefings I've had that they're serious. I mean, this isn't some quick hit, quick fix on trying to find the answer; that this is very serious business that we're involved in. But I'll have more to say about that after I have had a chance to get briefed on the indictments themselves. I've been briefed on things that are leading up to all of this.

Q. Well, are you concerned that although, sir -- Mr. Barr said that it's believed that the two Libyans were operating as part of the intelligence operation.

The President. As I say, I'm not going to comment until I am briefed on the formal indictments. I've been briefed on events leading up to the indictments and the paper trail and a lot of things that go into all of this. This has been a serious search for a long time. And some have been unfairly condemned because of lack of information. So, I don't want to comment on that until I've gone into it in more detail.

But I've seen enough of it to know that there's been some very good work done on the part of the U.S., working in cooperation with others to get this far. But I just have to stop short of going further until I am thoroughly informed as to exactly what counts are in this indictment and all of that.

Legislative Initiatives

Q. Mr. President, have you now decided to wait until the State of the Union to put forward a growth package?

The President. Well, we are going to be, as I keep saying, we've got a growth package out there, and it's got some fine ingredients. In fact, one of the subjects we're talking about today has some

growth aspects to it, as a matter of fact. And we're talking energy here today. But I just wish that the Democratic leadership had moved on the initiatives that I've been talking about for a long, long time in terms of growth. But I'll get some advice here this afternoon on that and see what we've got.

But I'm glad we got together on this unemployment compensation bill, as a matter of fact. We've been saying all along we want a bill that is temporary, doesn't lock in more and more mandates. We want a signable bill that would not invoke the emergency escape from the budget agreement, from the fiscal -- and we've just insisted on that. We wanted a signable bill that is paid for and doesn't burden the 96 or 94 percent of the people, whatever it is, that are working. And we've gotten such a bill. And we could have had it last summer if certain leaders up there hadn't wanted to try to inflict a political defeat on me.

And the people that are hurt are those that need help, those whose benefits have run out. And so I had to insist on these fiscally sound measures. And to the credit of the Senate, Bob Dole particularly, who's taken a strong leadership position, we now have a bill that meets those three criteria. And we didn't have it before. And I find the only way you can get good legislation with some, the way it works up there on Capitol Hill, is to beat back bad legislation. And that's what's happened.

Q. But you're going to let the economy ride as it is for a few more months before you propose anything new?

The President. -- -- certain things that we may be doing. But I'll have a very strong State of the Union message that hopefully can mobilize the Democrats that control Congress, to do what they should have done some time ago. And we've got -- and I talked about it last night out there -- we've got several very strong growth initiatives out there. And as these Members of Congress know, you just don't get them through. But we will because that case will be taken strongly to the American people later on. So we'll see.

Q. Are interest rates about as low as they can go, sir?

Q. -- -- take a final shot on the Cuomo question?

The President. What is that, Laurie [Laurie Santos, United Press International]? Get out of here. We're talking energy. If you want to hear about energy, that's something else.

Note: The exchange began at 11:30 a.m. in the Cabinet Room at the White House following a photo session with Senate Republican leaders. Patrick Buchanan is a television commentator and journalist. A tape was not available for verification of the content of this exchange.

Remarks at a Meeting of the President's Commission on Educational Excellence for Hispanic Americans

November 14, 1991

Let me just make a brief comment. And what I really want to do is hear from our dynamic chairman about where we're going to go and how we're going to catch up, because I'm a little embarrassed that it's taken a long time to get -- longer than I would have liked to get this going. And I think they're together now, and we've got some priorities at stake. And the Hispanic community is of high priority.

Nobody at this table and nobody in the country can be happy about unacceptably-high dropout rates, sometimes lack of resources in the communities themselves across this country. And I just want to say that I'm very grateful to our chairman, Andres Bande, for undertaking this important role. And knowing him and of him, why, you better watch out because he'll put all of us to work. And I just wanted to pledge doing my part.

I'm proud of our Secretary of Education and his drive on bringing to the American public the program America 2000. It's good. It's new. It's revolutionary, and it can have a tremendously powerful effect in the area of Hispanic community education. And so, Lamar is fired up on this as well as I am. And I think that we've got a lot of things that can appeal.

I believe that the Hispanic Americans are the pivotal community in the economic growth that is going to come from the expanded trade with Mexico, for example. And I'm going to fight hard for that agreement when we get it hammered out; and I believe that it can help, not just in trade but also then for strengthening of families. In that sense, I think it's very helpful to education.

As I say, I'm pledged to doing my best to help, this isn't going to be done at the Federal level, but help eliminate the unacceptably-high dropout rate we've had. I think that one thing going in the Hispanic American communities that offers great hope is this concept of family and the involvement of family. I think we need more involvement, but that concept is strong still, very, very strong. And Barbara Bush is trying to work with Lamar and others to help respond -- have parents' involvement in the education of their kids. Perhaps that's one thing that the commission is going to want to take a look at, see how it can be strengthened.

But we've got some powerful experts around here in higher education. But the common ground is concern. The matrix is concern, commitment to improving the education in Hispanic American communities all across this country. And I just want you to know that I have been interested in this for a long time, and I want to help as much as I possibly can, help our Secretary, and, Chairman, help you in this work.

So, now we will hear from you all as to how you think it's going and what the priorities should be for the White House, for the Department, and, of course, I think even more fundamentally, for the communities themselves.

Note: The President spoke at 2:48 p.m. in the Roosevelt Room at the White House.

Statement by Press Secretary Fitzwater on the President's Meeting with President Levon Ter-Petrosian of Armenia

November 14, 1991

The President met in the Oval Office today for 45 minutes with Armenian President Levon Ter-Petrosian. The President congratulated President Ter-Petrosian for his recent victory in Armenia's first free and fair elections. He expressed U.S. support for the Armenian Government's political and economic reforms.

The President also said the U.S. intended to build a strong relationship with Armenia. The two leaders discussed possible U.S. assistance to improve food distribution within Armenia, to provide medical assistance, and to increase trade and investment through OPIC and the Export-Import Bank. In addition, the President told President Ter-Petrosian the U.S. planned to open a Consulate General in Yerevan in 1992 and was also willing to begin a Peace Corps program in Armenia.

Proclamation 6375 -- Dutch-American Heritage Day, 1991

November 14, 1991

By the President of the United States

of America

A Proclamation

On November 16, 1776, a small American warship, the ANDREW DORIA, sailed into the harbor of the tiny Dutch island of St. Eustatius in the West Indies. Only 4 months before, the United States had declared its independence from Great Britain. The American crew was delighted when the Governor of the island, Johannes de Graaf, ordered that his fort's cannons be fired in a friendly salute. The first ever given by a foreign power to the flag of the United States, it was a risky and courageous act. Indeed, angered by Dutch trading of contraband with the rebellious colonies, the British seized the island a few years later. De Graaf's welcoming salute was also a sign of respect, and today it continues to symbolize the deep ties of friendship that exist between the United States and The Netherlands.

After more than 200 years, the bonds between the United States and The Netherlands remain strong. Our diplomatic ties, in fact, constitute one of the longest unbroken diplomatic relationships with any foreign country.

Fifty years ago, during the Second World War, Dutch and American servicemen fought side by side to defend the universal cause of freedom and democracy. As NATO allies, we have continued to stand together to keep the transatlantic partnership strong and to maintain the peace and security of Europe. In the Persian Gulf, we joined as coalition partners to repel aggression and to uphold the rule of law.

While the ties between the United States and The Netherlands have been tested by time and by the crucible of armed conflict, the Dutch-American heritage is even older than our official relationship. Indeed, it dates back to the early 17th century, when the Dutch West India Company founded New Netherland and its main settlements, New Amsterdam and Fort Orange -- better known today as New York City and Albany.

From the earliest days of our Republic, men and women of Dutch ancestry have made important contributions to American history and culture. The influence of our Dutch ancestors can still be seen not only in New York's Hudson River Valley but also in Pennsylvania along the Schuylkill River and in communities like Holland, Michigan, where many people trace their roots to settlers

from The Netherlands. Generations of Dutch immigrants have enriched the United States with the unique customs and traditions of their ancestral homeland -- a country that has given the world great artists, celebrated philosophers, and leaders of international business.

On this occasion, we also remember many celebrated American leaders of Dutch descent. Three Presidents, Martin Van Buren, Theodore Roosevelt, and Franklin D. Roosevelt, came from Dutch stock. Arthur Vandenberg, who after World War II played a crucial role in the development of our bipartisan foreign policy, the strategy of containment, and the establishment of NATO, also traced his roots to The Netherlands.

Our Dutch heritage is seen not only in our people but also in our experience as a Nation. Our traditions of religious freedom and tolerance, for example, have spiritual and legal roots among such early settlers as the English Pilgrims and the French Huguenots, who first found refuge from persecution in Holland. The Dutch Republic was also among those systems of government that inspired our Nation's Founders as they shaped our Constitution.

In celebration of the long-standing friendship that exists between the United States and The Netherlands, and in recognition of the many contributions that Dutch-Americans have made to our country, the Congress, by House Joint Resolution 177, has designated November 16, 1991, as ``Dutch-American Heritage Day'' and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim November 16, 1991, as Dutch-American Heritage Day. I encourage all Americans to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this fourteenth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 1:57 p.m., November 15, 1991.]

Note: This proclamation was published in the Federal Register on November 19.

Statement on Signing the Continuing Appropriations Bill

November 15, 1991

Today I have signed into law H.J. Res. 374, making further continuing appropriations for the fiscal year 1992.

Providing for the operation of the Government through Continuing Resolutions is an undesirable practice. However, a third Continuing Resolution for FY 1992 is necessary at this time in order to keep certain activities of the Government functioning while the Congress completes the appropriations process.

I commend the Congress for presenting me with a simple, straightforward extension of funding that is not burdened with unrelated provisions. I urge the Congress to complete the ordinary appropriations process by November 26, which is the date this third Continuing Resolution expires.

George Bush

The White House,

November 15, 1991.

Teleconference Remarks With the Fortune 500 Forum

November 15, 1991

Thank you, Jim, very, very much. Thank you for that welcome. And I must say the miracle of technology, I heard every word of all of that. Glad to be with you, and my greetings to Marshall Loeb, and my thanks to all for this opportunity to address the people who produce a good chunk of the Gross National Product. I'm doing this electronically, and then this afternoon General Scowcroft will be with you in person.

Bringing all of you together is a real service and proves once again why Fortune is one of America's leading economic indicators. In the super-charged competitive atmosphere you call home, there is never room for complacency. The world doesn't care much about yesterday's track records, and it wants to find the restless man or woman with the next new idea.

This year, a new element overshadows the normal quest for excellence. Times have been tough. And as one looks ahead, plans for the future, there's worry about the economy, and I'm concerned. People out there are hurting, and I want to help. But I want to be sure that any actions taken by the Federal Government are fundamentally sound.

Let me just take a minute to share a few thoughts about how we can get this economy growing. As you might know, our long-term growth strategy is founded on several important elements. First, we know we've got to get that deficit down. Now, we've got a budget agreement that puts the squeeze on the controllable part of Federal spending. I say controllable because so much of the budget is uncontrollable. It's legislated, and we're talking about many of the social programs, the means, Social Security and many things like that, interest on the debt. We've got to abide by that budget agreement.

The other day, a massive tax-cutting scheme was proposed, and long-term interest rates shot up immediately because the markets felt that the deficit would again spiral. We've got to keep inflation under control, as it is right now. The Federal Government must conduct itself in a way that will keep interest rates at low levels. We've got to keep American business competitive, and we're trying. Slash red tape. Move more aggressively against regulations wherever possible. Draw the line against more and more Government mandates, mandates that handcuff the American entrepreneur.

Most of the legislation that comes down at me has got a wonderful title on it, but it inflicts new mandates on the American people. And I've had to veto quite a few wonderfully titled pieces of legislation.

I also think that competitiveness means real tort reform, capping these sky-is-the-limit liability awards. And as a nation, we've got to make good on our commitment to quality education and job

training to ensure a work force ready for the challenges that a new century will bring.

Finally, we've got to make certain that American business competes on an equal footing, and that means a government committed to the principles of free and fair trade. Let me just focus for one ``sec'' on this issue. You know firsthand that exports have become a driving force in our economy. Strong exports cushioned our economic downturn. Total gross exports last year accounted for virtually all of our growth. And I know that many of you, especially in the service sector and in agriculture, pay a price for being closed out of foreign markets. We're pushing hard in the Uruguay round to bring down trade barriers, to open more markets to American goods and services. Jim Baker took that free trade message to Japan just the other day. And a week ago tonight, I got to The Hague and delivered that same message to the European Community in The Hague.

Closer to home, we've won fast track authority for a North American free trade agreement linking the United States, Canada, and Mexico. And yesterday I met here at the White House with Argentina's great President, Carlos Menem. He's strong on our Enterprise for the Americas Initiative to transform this entire hemisphere into a free trade zone.

Now, these solid, forward-looking initiatives will pay dividends down the road in increased growth, new markets for American products, new jobs for American workers. I'm confident that our long-term strategy is on target, but there are steps that we've got to take right now; no more delay. And let's start with the overhaul of our antiquated bank system. Everyone of you knows how the problems in our banking system plague this economy. In March, I sent up to the Congress the first comprehensive bank reform since the 1930's: reforms that would bring American banks into the modern age. And even though the Congress is heading toward recess, we're going to keep pressing for these fundamental and important reforms. We can get them done within the next week.

The same goes for our other key proposals. For 3 years now, I have proposed a package of growth initiatives. Not just capital gains to which I remain committed, but incentives to encourage saving, like our family savings accounts, increased incentives for R&D to help keep American business competitive, measures to help first-time buyers tap into their IRAs to buy that new home, enterprise zones to unleash the urban entrepreneur. Each one of these initiatives would give a sluggish economy a needed boost.

So far I've spoken about ways we're trying to turn things around. Now let me tell you what we won't do. The first rule of economic policy puts me in mind of the Hippocratic oath, ``do no harm.'' We're going to draw the line against the budget-busters. We're going to resist the quick-fix solutions out there. You and I know that when things are down there's a lot of political quick fixes that are proposed. And a lot of them are very, very attractive politically. They'd be attractive for me if I could embrace them. But from the folks who would have you believe they can reach in, flip a lever here, turn a knob there, and fine-tune a $5 trillion economy, we're getting these

programs. We've got to resist them.

Pressure is building as we enter 1992. But let me say right now, we cannot and we won't sacrifice long-term economic health for short-term political gain. I don't expect it to be easy -- understatement of the year -- but I am determined to find a way to work with the opposition, to reach out, to deal in good faith, and to do our job so that you can keep doing yours.

And one last comment. Yesterday the House overwhelmingly passed unemployment benefits legislation and sent it to the Senate. My message to the Senate is simple and direct: People are hurting out there. And if they're to receive a check before Thanksgiving, the Senate must get this bill to me today. I want to see this legislation, legislation that meets the criteria that I've laid out on my desk today. This new bill does not bust the budget agreement. We could have had one like it 3 months ago. But in any event, by standing up against bad legislation, I can now say to the American people, we can help these people that need help. And the rest of the people, the taxpayer, the guy that does have a job, is not going to be further burdened because of this by higher taxes or higher deficit.

Now, once again, my thanks to all of you. And now, Jim and Marshall, I'll be pleased to take a couple of questions.

Economic Outlook

Q. Mr. President, as citizens, as voters, we certainly often advise you as to what we would like you to do. You may answer this question as generally or as specifically as you would like. But what would you like to see American business leaders do in 1992?

The President. Well, I think that our system works best when independent enterprises take their cue from the market, not from Washington. So in 1992, what I want to see is simply this: I'd like to see you do what you do best.

First, you can build on your enormous successes. You know, during the eighties, the manufacturing sector of our economy retooled, literally revolutionized the way American companies do business. And you know the results. Manufacturing productivity shot up more than 35 percent. You honed the competitive edge that enabled our companies to capture new markets abroad and keep customers satisfied here at home. Exports of goods and services have exploded.

In real terms, exports are up more than 70 percent in the past 5 years. And as I promised just a few minutes ago, we'll keep working in Washington to create a good climate for growth. There are some tough economic statistics out there. But right now, inflation is under control. That's one stealth tax that people don't have to worry about.

Interest rates are lower now than they've been in years. Earlier this week, I called for lower credit

card rates to take some of the sting out of consumer debt, and I'm pleased to see some banks responding. Frankly, I hope more will follow suit. Revive consumer confidence. Give this economy a little kick.

To improve the business climate, we'll keep working to drive down trade barriers abroad to pursue a sound fiscal policy at home. We'll do all we can to keep the playing field level. That means cutting through the red tape and needless regulations. You keep innovating, pioneering new products, setting new goals, and rising to the challenge. And then, if both of us do our jobs, 1992 will mark a new beginning for American business, and I really believe a new era of prosperity for the American people.

When you see the difficulties we're having now, it is clear to me that American business fundamentally is getting in good shape to be more competitive in the future, to be leaner, to be ready to fire on out there and compete with anybody around the world. And so I want to -- that's your goal. My goal is to see that the Government doesn't get in the way and where possible -- like hammering out trade agreements -- be helpful to you.

So, that's the way I see it. And some of that's gratuitous, but I am not pessimistic about where we're going. Yes, we've got some short-term problems here, and they're significant and the deficits have kind of added up here; interest rates were much higher. But we'll be coming out of this. The big debate amongst the economists is where we actually stand. But the third quarter had some growth to it, anemic and slow, now seems to be some kind of leveling off. But most of the hotshots are predicting growth, so I hope that's correct.

But at some point, if we do our job right and don't burden the economy with kind of bold, quick fixes that have appeal like enormous tax cuts that can't be paid for in any way, I think things will come around, and I think this economy will really move on out with the fundamentals in place for the best growth we've seen in years.

America 2000

Q. Mr. President, I have a question for you. I know that the troubles of our public school systems worry you greatly and they also cause the business community great concern: eroding standards, high dropout rates, declining math and science proficiency. It worries us as concerned Americans, but as business people, these realities give us grave doubts about the American work force.

The question is twofold. What immediate steps do you plan to take? Secondly, what kind of advice and direction would you give American business people, both large and small corporations, who would like to get involved and would like to make a difference?

The President. Well, in America 2000, we set national education strategies. And then our very able Secretary Alexander and then his Deputy, David Kearns, who you know so well and to

whom I'm deeply indebted, you've selected people to lead the effort. We want to do whatever we can here. I'm fortunate to have Lamar there. And I'm delighted that we managed to lure David Kearns from the upper reaches to come out of the highest level of corporate America to take on this fantastic new challenge in our classrooms.

We're serious, they are and I am, about igniting a revolution in American education. Business can do a great deal to help us along the road to America 2000, and they already are. We've got some great advisory groups formed from high-level business people, and they are pitching in, rolling up their sleeves, engaging. And that is important because Government alone isn't going to solve all this.

But look, first is consumers. You have what I would call a vested interest in the quality of American education. One element of America 2000 calls for bringing the corporate community into our classrooms. You can anchor our education reform in real world concerns. You can bring the needs of the market to our schools. Secondly, we need your help as reformers.

The business community volunteers millions of hours serving as mentors in our schools. I remember going to Rochester where Kodak has set a tremendous example in that community, doing just that: mentoring. You contribute billions of dollars supplying technology and supporting innovative ideas in education. Some of you are helping to fund a revolutionary experiment in education reform called ``The New American Schools Initiative'' -- met with many of the business leaders on that up at Camp David.

Education ought to learn a lesson from business. It's time we recognize competition and choice can be catalysts for real change. So let me extend, then, an open invitation to all of you: Bring your ideas to the table; help us break the mold. This is what we're talking about, reinvent American education to meet the needs of a new century.

And thirdly, we need your help as teachers. And I know I'm preaching to the choir on this one, because many of your companies are already leading the way. But I urge you all: Go into our schools; share your wisdom. Don't stop there. Bring the classroom into your companies. Help those workers who desperately want to learn how to read and write, master the basic tools of literacy. Help your employees learn new skills, better themselves for the good of their careers, and also, I think it's for the good of the companies.

If we made a mistake in the past, it's been leaving education to the professional bureaucracy, to the so-called ``experts,'' cutting off our schools from the outside community.

America 2000 breaks down those barriers. And I see the business community as an ally, a real agent for change. I salute all of you for what you're doing now. And then, of course, I want to challenge you to do more. And if you don't do that, I'll sic my wife, Barbara, on you. She's a bird dog on this education, and many of you there have helped enormously encourage her as she takes

this message of family involvement and reading around the country.

So again, we're grateful, not just the family, but the administration, those and our leaders in the Department of Education for all you have done. Thanks again to all of you for letting me join you in Charleston in this wonderful way. Thanks a lot. Nice to be with you. Thank you very much.

Note: The President spoke at 10:30 a.m. from Room 459 in the Old Executive Office Building. In his remarks, the President referred to Jim Hayes, publisher, and Marshall Loeb, managing editor of Fortune magazine.

Remarks on Presenting the National Endowment for the Humanities 1991 Charles Frankel Awards

November 15, 1991

Please be seated, and we'll get on with the show here. Welcome to all of you. Barbara and I are just delighted to have you here. I especially want to single out Lynne Cheney, the Chairman -- hey, you -- [laughter] -- the Chairman of the National Endowment for the Humanities; and then greet the members of the Council, the Endowments National Council. And, of course, a special greeting to the honorees.

Lynne and I and Barbara want you to know how deeply we value the achievements of the NEH, and especially how much -- let me say to you -- how much we appreciate your leadership, Lynne -- an exemplary scholar and an outstanding public servant. And she really is doing a first-class job over there.

As we single out these recipients for honor of the third annual Frankel Prize for the Humanities, let me just recall some words of Thomas Jefferson, ``If a nation expects to be ignorant and free in a state of civilization, it expects what never was and never will be. Enlighten the people generally, and tyranny and oppressions of body and mind will vanish like evil spirits at the dawn of the day."

Well, those words from Thomas Jefferson point to the vital connection between knowledge and freedom. And they remind us that citizens of all ages must strive for greater learning if society is to thrive. This prize honors men and women who are teachers-at-large; who share with the public their love for the humanities and for America as a civilization. With the Frankel Prize, we honor front-line defenders of our Nation's culture and values.

Charles Frankel was a university professor, writer, cultural affairs leader in our diplomatic service, and founder of the National Humanities Center. Our honorees exemplify the commitment to learning and civic responsibility that characterized Mr. Frankel's great life. Their achievements give resonance to the words of Henry Adams, ``A teacher affects eternity; he can never tell where his influence stops."

Winton Blount, Red Blount to me, my dear friend from Alabama, he's a man of many parts. He's poured equal portions of his tremendous talent and energy into business entrepreneurship, public service, and leadership in education and the humanities. For the Alabama Shakespeare Festival, he and his wife, Carolyn, generously donated an outstanding performing arts center. He's a patron and director of the Folger here, the Folger Shakespeare Library in Washington. He served more than three decades as a trustee of the University of Alabama, and he serves on the Alabama Foundation of Educational Excellence.

He also has helped support the written word in a way few of us ever will have the chance to do, namely, as U.S. Postmaster General. Think of all the latter-day Brownings and Brontes whose love verses and novel manuscripts reached their destinations thanks to this man right here. [Laughter]

With a passion for American history and culture, Ken Burns has taken this country's most defining experience and made it a documentary film masterpiece, ``The Civil War.'' Thirty-eight million television viewers, 38 million, have observed Ken Burns' artistry in recounting America's epic. Ken has also made acclaimed documentaries on Huey Long, Thomas Hart Benton, the Brooklyn Bridge, and the Statue of Liberty. And now I can't wait for him to complete his next project, a film about baseball.

Happy occasions are coming in bundles today. This is the birthday of Winton Blount's wife, Carolyn; and of Ken Burns' daughter, Lilly, who is 5 years old.

An insightful literacy critic and teacher, Louise Cowan, believes that appreciation of literature is essential in the formation of civic and business leaders. Over the years she's impressed thousands of students with the power of literature to form the conscience and consciousness of a people. She ranks among the great builders of education in Texas. As English department chairman and graduate school dean, she brought strength and distinction to the University of Dallas in its formative years.

As founder of the Dallas Institute of Humanities and Culture, she's brought community leaders together to discuss the impact of humanities on civic values. One of her new students happens to be my daughter-in-law. There's no nepotism involved in this award, I might point. [Laughter] But with pride, we point out that our daughter-in-law is there. As a remarkable teacher of teachers, Louise Cowan also founded the Dallas Teachers Academy, which helps deepen the learning and skills of teachers in the Dallas public schools.

Karl Haas has endeared himself to millions of radio listeners for his ``Adventures In Good Music'' program. Karl's program combines selections of classical music with his warm and informative commentaries. Karl's appeal reaches beyond the usual confines of classical music audiences. He likes to tell about the letters he gets from farmers who tune into his show on their transistor radios while driving their tractors. His large following also includes many who listen to the Armed Services Radio Network.

Karl Haas began his musical career as a concert pianist. He continues his concert tours and performed in 25 cities just last year. He also is author of the popular reference book, ``Inside Music.''

John Kuo Wei Tchen is a professional historian who has helped Americans discover the riches of immigrant culture through his prolific writings, lectures, media productions, and organizational

efforts. As cofounder of New York's Chinatown History Museum, he's won praise all across the Nation for his innovative approaches to presenting community history. He served 2 years as Chairman of the New York Council for the Humanities, and recently he was appointed to the Advisory Council of the Smithsonian. He wrote a prize-winning book on photographs of San Francisco's Chinatown.

And on behalf of all Americans, Barbara and I thank all of you for the commitment that you've shown to the humanities and to your fellow citizens. And may God bless you all.

And now, Chairman Cheney, if you will take over and instruct us as to how we present these well-deserved awards.

Chairman Cheney. I can do this, Mr. President, if you show me how the podium works. [Laughter]

The President. Yes. I don't want you to look like Queen Elizabeth. [Laughter]

[At this point, the President presented the awards.]

The President. Thank you all for coming. And congratulations once again to all the winners -- well-deserved. We're proud of you.

Note: The President spoke at 11:34 a.m. in the East Room at the White House. A tape was not available for verification of the content of these remarks.

Proclamation 6376 -- National Philanthropy Day, 1991

November 15, 1991

By the President of the United States

of America

A Proclamation

Public philanthropy has long been a hallmark of American life. The earliest settlers in this country were people of great faith and conviction, and they well understood the Biblical injunction to extend kindness and hospitality to others. Yet the spirit of voluntary association and giving was not only a virtue but also a practical necessity for those residing on the frontier.

Today, even with the best efforts of Federal, State, and local government, voluntary service remains essential to solving our Nation's most serious social problems. Accordingly, concerned and generous Americans are engaged in voluntary activities that range from providing job training and employment for the homeless to protecting the environment, preventing disease, assisting parents of needy families, and encouraging young people to stay in school.

Last year, Americans contributed more than $100 billion in support of charitable organizations and activities. However, public philanthropy is not just about money. Millions of Americans -- people of every age, race, and walk of life -- give of their time and their talents in voluntary community service. These ``Points of Light'' are helping to supply food and clothing for the needy; they are promoting important advances in biomedical research; and they are providing vital support to schools, churches, hospitals, museums, and a host of other institutions. These Americans are demonstrating that you don't have to be wealthy to be a philanthropist, you just have to care.

In grateful recognition of all those who conduct and support the work of our Nation's charitable organizations, the Congress, by Senate Joint Resolution 96, has designated November 19, 1991, as ``National Philanthropy Day'' and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim November 19, 1991, as National Philanthropy Day. I encourage the people of the United States to observe this day with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this fifteenth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 9:12 a.m., November, 18, 1991]

Note: This proclamation was published in the Federal Register on November 19.

Appointment of David J. Beightol as Special Assistant to the President for Intergovernmental Affairs

November 15, 1991

The President today announced the appointment of David J. Beightol as Special Assistant to the President for Intergovernmental Affairs at the White House. He would succeed G.O. Griffith.

Since 1987 Mr. Beightol has been the Director of Wisconsin Governor Tommy G. Thompson's Washington, DC office. In this capacity, he has represented Governor Thompson on several national and regional organizations serving as: chairman of the executive committee for the Council of Great Lakes Governors, chairman of the National Governors' Association's International Advisory Committee Staff Advisory Council, chairman of the U.S. Trade Representative's Intergovernmental Advisory Committee Working Group and chairman of the National Governor's Association ``After School Years'' task force staff advisory committee. From 1983 to 1987, Mr. Beightol served in several capacities such as legislative assistant and press secretary to Congressman F. James Sensenbrenner (R - WI); and later as a Republican technical consultant on the House Space, Science, and Technology Committee.

Mr. Beightol graduated from the University of Wisconsin receiving a bachelor of arts degree in history. He was born on September 21, 1958. Mr. Beightol has two children and resides in Chevy Chase, MD.

Remarks on Presenting the Presidential Medal of Freedom Awards

November 18, 1991

Welcome. Welcome, and please be seated. Let me first single out President Ford and say how pleased we are to have him here. And of course, members of our Cabinet over here. And especially today, the families and friends of the recipients.

It's a special honor to have the privilege of presenting the Nation's highest civilian award: the Presidential Medal of Freedom. Since the first Presidential Medal, since those first recipients were chosen by President John Kennedy in 1963, some of the world's most notable individuals have been honored. In this administration alone, the medal is awarded to war heroes like General Doolittle, Jimmy Doolittle; General Schwarzkopf; diplomats and public servants like Jim Baker and Margaret Chase Smith and Douglas Dillon; world-famous entertainers such as Lucille Ball; and just last year, a world leader of enormous consequence, former Prime Minister Margaret Thatcher.

And each of these extraordinary individuals were pioneers in their own right, each a monument to individual achievement. I'll never forget that November night 2 years ago when Lech Walesa accepted his medal right here in this room, saying that now one of the greatest dreams of his life had been fulfilled because this medal stood for the freedom of a nation and the freedom of mankind.

Today we recognize 10 men and women who have enriched our Nation, whether as leaders of popular movements, as friends of the common man, or as intellectual giants. Their achievement and dedication are unparalleled in America. And their standards of excellence are just as towering as their commitment to the ideal of freedom.

Author Bill Buckley is the celebrated founder of one of the largest journals of opinion in America, a preeminent intellectual in the American conservative movement and a distinguished author. Bill Buckley raised the level of political debate in this country, and our Nation is better for it. A true Renaissance man, we honor him today for a lifetime of achievement in American political and social thought.

Clergyman and civil rights leader Reverend Leon Sullivan. Leon has been a voice of reason throughout the latter half of this century. A vigorous proponent of equal rights for all, Reverend Sullivan founded OIC, Opportunities Industrialization Centers, one of the world's largest self-help and job training facilities. More recently, he has worked hard to develop closer ties between this country and Africa. Reverend, we salute your leadership in one of the great movements of our time, here and throughout the world: equal rights under law.

Conservationist Russell Train has devoted his life to the protection and conservation of our land and wildlife, serving both in private environmental groups and in the Federal Government. I've often referred to President Theodore Roosevelt's idea that we don't inherit the environment from our parents so much as borrow it from our children. For the legacy you are helping us leave to the children of America, sir, we thank you.

Baseball great Ted Williams whom I don't see sitting here -- oops, there he is over on the -- don't say anything -- [laughter] -- is an American legend, a remarkable figure in American sports and a twice-tested war hero. At the height of his athletic career, he answered the call of patriotism, serving his country in both World War II and the Korean war -- a true champion in the eyes of many Americans. An author wrote of his retirement from baseball, ``And now Boston knows how England felt when it lost India." [Laughter] Ted, congratulations.

Former First Lady Betty Ford, she first inspired our Nation when, fighting her own battle against breast cancer, she drew national attention to the importance of early detection. Later, as president of the Betty Ford Center, she restored hope and dignity to those lost in the desperation of drug and alcohol dependency. Mrs. Ford, your compassion and caring have shown millions the way to new lives of freedom.

Former Speaker of the House Tip O'Neill is a legendary figure in American politics, blessed with the common touch like few others. Over 50 years ago, Tip entered the rough-and-tumble of Massachusetts politics and soon became the Bay State's first Democratic speaker. Throughout 40 years as a Member of Congress and a decade as Speaker of the House, Tip O'Neill built one of the most remarkable political careers of this century. He is a tough partisan. Jerry, would you agree to that? [Laughter] But above all, far more important, a true patriot. Congratulations.

And to former Puerto Rico Governor Don Luis Ferre, an old friend. He's known as the grand old man of Puerto Rico. Beloved by his people as a patron of the arts, a savvy businessman, and a public servant of the first order, Don Luis is a lifelong advocate of statehood for Puerto Rico. And sir, we honor you today as an extraordinary leader in the life of Puerto Rico.

Historian and humanist Hanna Gray is a world-class educator, the first woman to serve as president of a major university, the University of Chicago. Throughout her career, Mrs. Gray has been widely regarded as an outstanding Renaissance scholar. An example for others in her profession, she continues to teach at least one class a semester. Mrs. Gray, for your pursuit of the highest ideals in your profession and your commitment to excellence in American education, we salute you.

Vernon Walters enlisted in the Army as a private in 1941 before the outbreak of World War II. Nearly half a century later, he was our Ambassador to Germany during the fall of the Berlin Wall. In the years between, he served six Presidents as a statesman, an ambassador, and a trusted aide. His brilliant mastery of the art of diplomacy is renowned, and his extraordinary linguistic skills

have frequently advanced our diplomatic efforts, often in the face of grave danger. It's been said that courage is the price that life exacts for granting peace. For your courageous service, sir, to the cause of peace and the American ideal, we thank you.

And finally, we honor Professor Friedrich von Hayek for a lifetime of looking beyond the horizon. At a time when many saw socialism as ordained by history, he foresaw freedom's triumph. Over 40 years ago, Professor von Hayek wrote that ``the road to serfdom'' was not the road to the future or to the political and economic freedom of man. A Nobel laureate, he is widely credited as one of the most influential economic writers of our century. Professor von Hayek is revered by the free people of Central and Eastern Europe as a true visionary, and recognized worldwide as a revolutionary in intellectual and political thought. How magnificent it must be for him to witness his ideas validated before the eyes of the world. We salute him.

The people of the United States are indeed indebted to each of our honorees. You have touched us. You have enriched us. You have shaped our Nation's destiny. And you've also shown us the strength and joy of a simple but powerful idea: the idea of freedom.

God bless each of you, and may God bless our country. And now Barbara and I have the honor to present these awards, and the aide will read the citations for us.

[At this point the President and Mrs. Bush presented the Medals of Freedom.]

That concludes the ceremony. And Barbara and I look forward to greeting all of you out here. And we'll see you in a minute.

Note: The President spoke at 11:30 a.m. on the State Floor at the White House.

Nomination of John Hubert Kelly To Be United States Ambassador to the Republic of Finland

November 18, 1991

The President today announced his intention to nominate John Hubert Kelly, of Georgia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Finland. He would succeed John Giffen Weinmann.

Since 1989, Ambassador Kelly has served as Assistant Secretary of State for Near Eastern and South Asian Affairs at the U.S. Department of State in Washington, DC. Prior to this, he served as Deputy Director of the Policy Planning Staff at the Department of State, 1988 - 1989; and U.S. Ambassador to Lebanon, 1986 - 1988. In addition, he served at the U.S. Department of State in several capacities: Short-Term Special Projects Officer in the Office of Management, 1985 - 1986; Principal Deputy Assistant Secretary for European Affairs, 1983 - 1985; Senior Deputy Assistant Secretary for Public Affairs, 1982 - 1983; and Deputy Executive Secretary for the Department of State, 1981.

Ambassador Kelly graduated from Emory University (B.A., 1961). He was born July 20, 1939, in Fond du Lac, Wisconsin. Mr. Kelly is married, has two children, and resides in Arlington, VA.

Statement by Press Secretary Fitzwater on the Release of American Hostage Thomas Sutherland and British Hostage Terry Waite

November 18, 1991

We are pleased with the release of Thomas Sutherland and Terry Waite. The release of these hostages after years of captivity in Lebanon is a time of joy for them and their families.

For their assistance in the release, we wish to thank the United Nations and the Governments of Iran, Syria, and Lebanon.

Our joy is mixed, however, with deep concern over those who remain in captivity. We call again for the release of all those in the region who are held hostage outside the process of law. All of them must be free. We support the initiative of the Secretary-General of the United Nations to secure their safe, immediate, and unconditional release. The three remaining American hostages and the other hostages being held in Lebanon must be reunited with their loved ones, and there must be a full accounting of all those who have died in captivity and the return of their remains.

Teleconference Remarks With the Southern Newspaper Publishers Association

November 19, 1991

The President. Thank you very much, all of you. And thank you, Ashton Phelps. And I'm glad to see that you survived yesterday's tennis tournament. And I'd like to now kind of arrogantly challenge you to bring your partner, if you had one there, and maybe we can play it off here on the White House court.

I might also say that I'm very pleased that you said you're pleased you could look me in the eye after the election. And I'm pleased that I can look you and everyone at that convention in the eye. I was reluctant to get involved in that election, but when it comes to fascism and it comes to bigotry and it comes to racism, I think a President should speak out. And I think I did the right thing, and I know that the voters of Louisiana did the right thing.

I know it may sound like a bit of a cliche, but this really is a challenging time for all of you in the newspaper business. You face competition from a growing variety of news media; advertisers have begun holding on to advertising dollars; readers, they're getting more sophisticated and demanding each day. And in the end, you must provide the living history that people find essential. You must do it quickly. You must do it fairly. And you must do it under extraordinary constraints. I once heard someone describe the newspaper business as the only multibillion-dollar industry that ultimately had to depend on 12-year-old kids with bicycles.

The atmosphere out there may have reached the point where some of you feel a certain trepidation before opening up your own newspapers. The news often reminds me of one of my favorite songs, a country song by Anne Murray. And it's called, ``A Little Good News." And one nice verse goes -- I won't sing it for you, you'll be happy to know -- ``I came home this evening. I bet that the news will be the same. Somebody takes a hostage. Somebody steals a plane. How I want to hear the anchorman talk about a county fair. How we cleaned the air. How everybody learned to care."

I think that's a great idea. But I also know that you couldn't survive a minute by printing nothing but county fair stories. You must print news that people can use. And along those lines I'd like to just spend a couple of minutes talking about our administration's domestic agenda. As you know, it takes two to play when it comes to doing the Nation's business. And it takes a White House with a program and a Congress determined to get the work done.

For nearly 3 years, my administration has tried to hold up its end of the bargain. I have tried to reach out. We have offered up a host of new programs and approaches in everything from clean air to crime in the streets. We've had a few victories, a few stirring victories, such as the Clean Air Act, our child care initiatives. And then I'd cite the Americans with Disabilities Act; and a

matter that may not fall strictly within the arena of domestic policy, but that did show just what Americans can do when they decide to move: the war in the Gulf.

But most of our important business remains undone. I sent Congress a comprehensive crime package nearly 3 years ago, and it still hasn't seen the light of day. Meanwhile, criminals continue to terrorize the public. Citizens become increasingly cynical about our legal system, and police lose faith that anyone really cares about restoring peace to the streets.

My administration has a good plan. I firmly believe that the American people support it. And Congress just wants to tinker around the edges with little pieces, rather than daring to fight right back at the criminals.

The same pattern shows up in education. We've tried for a couple of years to promote an excellence in education act. No parent of a schoolchild can argue with our goals: Better schools, disciplined schools, schools freed of violence and drugs, schools that produce students who can compete fully in our international marketplace. We've proposed an America 2000 education strategy that would toss off the old ideas that hamper education today and would restore competition to the schools.

We've called for a system of voluntary national exams so that we can measure our schools' performances and hold them accountable. We want to build a system of good schools, not one in which a vast gulf separates the best and the worst. And we want poor kids to have access to the same quality of education as everyone else. And we want our students to become the world's best: in math, science, English, history, and geography. Schools must stop babysitting our students, start challenging them to reach for the stars.

You can appreciate this: I heard some newspaper editors and publishers complain that they can't find young reporters who can write or who have enough basic knowledge to put stories in proper perspective. And when our educational system fails, you lose readers. It hurts your business more than most. You can do more than print stories and editorials, too. Our strategy calls for community involvement. In fact, it relies on the efforts of everyone.

More than 20 States have begun State 2000 efforts. Rather than waiting for Congress to act, they've started in themselves. And you can help.

In Greenville, North Carolina, the Daily Reflector has worked to bring a nationally-recognized literacy program, the National Literacy Volunteers of America, to Pitt County. Jordan Whichard led the way there. And his involvement shouldn't surprise anyone. Jordan's father, Dave, was instrumental in starting the SNPA's literacy program.

And so, my point is simple: You don't have to work in a school to make education happen. You can do it anywhere. I am delighted that I'm working with Secretary Lamar Alexander, his able

Deputy, David Kearns, who used to be chief executive officer of Xerox. They're doing a superb job. They have a superb team. And I really believe that in this area we're beginning to awaken the conscience of this Nation and make good things happen.

Finally, a few notes on our economy. First, I'm concerned. I'm concerned about the people that are hurting. And although we technically have pulled out of recession on a national basis, and although we enjoyed a very modest economic growth in the third quarter in recent months, many people still feel the pinch of an economy that isn't growing as it should. No honest observer can tell you that things are great. They're not. And when people are hurting, I worry about it, and I know you do too. And still, some fundamentals point to a good recovery. We ought to get it in perspective.

Inflation is down. Interest rates are way down. Personal debt is down. Inventories are down. Quality is up. Exports are up. But in spite of these very encouraging signs, very encouraging fundamentals, the economy remains sluggish. There are a number of steps we can take to get our economy booming again, and steps that, in my judgment, Congress should have taken long ago when I proposed them. These include -- and I know I sound like a broken record to some -- capital gains tax cuts, research and development tax credits, expanded IRA's, comprehensive banking reform legislation, international trade liberalization, and a job-intensive, sound transportation bill. This is just part of the litany.

But while Americans demand action, it remains business as usual up on Capitol Hill. And business as usual can only hurt people who want to work, who want to move on into better jobs. I'm going to continue to try to work with Congress because I truly believe the American people want less talk and more action. And I want to get our message out and build support for other initiatives that I mentioned here today.

Obviously, this won't be easy, for 1992 is just over the horizon, and politics will play an undue part in the debate. But in the end, politics should serve the people, and that's what I was elected to do, serve all of the people of the United States. And it's what I intend to do.

I hope you also will serve, as you always have, as critical observers of the scene. And I encourage you to cut through the politics and get at the real issues, such as safe streets, good schools, and an economy that gets all our people to work.

And again, Ashton, thank you and thank all of your associates there. I'm sorry, very sorry that I couldn't be in Boca with you. But now I'd be glad to take a couple of questions.

Thank you very much.

Newspaper Industry

Q. Thank you, Mr. President. Secretary Cheney was kind enough to be with us at our convention. And during a reception the other night, one of our major newspaper owners said to the Secretary: I hope the President realizes just how concerned the American people are about the economy. What can you tell us about the specific outlook of the economy for '92? You mentioned some of the uncertainties, and you've reiterated your concern, which I think we're all glad to hear about. What's really going to happen, as we newspaper publishers look at 1992?

The President. Well, the first key is that a business, newspaper business, whatever, can't look to Government for all the answers. I think if there's any group that understands that, it's the people right there in that room. I might start by recommending that you put Doonesbury in the obituary section; that might make a contribution. But as I -- [laughter] -- I really feel strongly about that one, I'll tell you.

But as I noted earlier, your industry faces a whole host of challenges including the increased competition from television and even computer data services. Most Americans make use of a wide variety of information services, and I think most educated Americans still prefer to read a daily newspaper. I know I do. And I look over five papers each morning before I get to work, and then I have that White House news summary; we get clips from the others.

Our newspaper industry reflects our nature as a people. American newspapers remain aggressive and feisty and informative, and they try to cover every aspect of our lives, from the entertainment we enjoy to world affairs far away. And so, that mission will never change.

For my part, our administration has tried to remain accessible to reporters. And I think I hold perhaps more press conferences than any President in recent history and perhaps any President ever.

On the business side of the ledger, I have promoted initiatives that encourage investment, research, and innovation. The keys to any successful business are those. High taxes, onerous mandates, and this propensity for stringent regulations make it very difficult for business, especially small businesses, to function.

Now, we have tried to address this competitiveness issue in a host of ways. One of them, and it's very important, we want to reform backward banking laws that deny entrepreneurs the support they need to create a business. Our banking laws are antiquated, and we've proposed bold reforms to the Congress. We're having trouble getting that kind of legislation through. We've got to make this economy of ours entrepreneurial-friendly again.

And we've tried to attack hidden taxes, and we've got to do more there, such as crime. Most of you probably spend a huge amount of money on security, both for your people and your machinery, and you still get pinched by everyone from the newspaper box wrecker or the person who tries to mess up multimillion-dollar printing presses. We have to crack down on crime, both

by punishing criminals and by encouraging decency.

Educational deficiencies, and I dwelled on that a little earlier, cost lots of money. And when you have to hire people just to educate your workers, you lose money. You lose time. And you lose part of the edge vital to your industry. And poor schools also deprive the economy of future workers and business leaders, the people who buy ads and keep your companies profitable.

Many newspapers, I believe, recognize this basic truth and contribute directly to reading programs in their cities. And those programs can make a huge difference in the quality of the work force that you see in the future. And others lend reporters and editors to schools as teachers; and with the same effect, I might add. Some have taken an active role in promoting educational reform that works for their communities.

And finally, the world continues changing at a rapid pace. And we see newspapers doing new things all the time with graphics, with business coverage, with consumer news, and other important kinds of information. The old ways just don't cut it any more, not in politics, not in manufacturing, and not in the news business. So, while you make ends meet, you also must innovate. And that's a tough challenge. But it's an exciting one, too. And I can't predict how you will build greater strength in the future. But I'm sure the visionaries among you will find a way to meet every challenge that confronts you.

In the meantime, when Congress adjourns, I want to take my case for the growth initiatives that I've mentioned to you to the American people to help instill a sense of confidence in the American people. And I think the fundamentals are there. Again, I hurt when other people are hurting. And I've got to convey that to the American people a little bit more, too.

Q. Mr. President, we have a question from our incoming president, Mr. Bern Mebane of Greenville, South Carolina.

Libya

Q. Mr. President, with the indictment of two Libyan operatives in the Pan Am 103 bombing, would you share with us some of the options you are considering to isolate Libya even further?

The President. First, I'd like to praise the Justice Department for all the hard work that went into securing these indictments. When you deal with something like an airliner bombing, good evidence is very hard to find. And our investigators found something even more obscure than a needle in a haystack.

Second, the indictments signal simply that we're doing our job. We have a process in place for investigating this act of disgusting cowardliness and viciousness. The Pan Am bombing, remember, killed 270 people, 189 of whom were American citizens. And as we've said before,

we've been looking at possible responses beyond seeking to bring the two accused to trial.

Third, we've not ruled out anything. We've not ruled any option in or out. We must keep our options open in responding to the incident. But I hope you can appreciate the importance of keeping our options secret as well. I don't want to telegraph what we might do. One thing I am doing is speaking with our allies on what steps to take against Libya and to stop such acts from taking place ever again. We're going to continue to work together to coordinate our efforts against international terrorism.

And more broadly, we remain committed to fighting terrorism all over the globe. As President, I have an obligation to look after American interests overseas and to protect American citizens. We hope that these indictments will demonstrate that we mean business. And I promise you we are not going to let ourselves become complacent about terrorist threats.

In the new world order, as I've called it, the United States will continue to have enemies. And many of them may think about using terrorism as a weapon against us. This episode also underscores the importance of a more comprehensive, effective intelligence capability in an era when threats will come from all quarters. I'd like to add, incidentally, that I appointed Bob Gates to head the CIA because he possesses the professional skill and the intellectual capacity necessary for reforming our intelligence operations and enabling us to assess threats to our interests. I met with Bob just this morning, and we went over some priorities that he has now established just in the last couple of days for the intelligence community.

So, with respect to your question, I hope you will forgive me if I don't show my hand, if I don't go into more detail on what options are available. I'm sure you've read about economic sanctions, and I'm sure you've read about retaliation. But beyond mentioning broad categories, I would simply emphasize that I will continue to consult with our allies, people whose citizens were also killed in this horrible act of terrorism, and then will make a prudent decision on behalf of the United States of America. And I'm confident that when that is done, the American people will be supportive of the President in this instance. This is one that gets way beyond partisan politics and the politics of '92 that I talked a little about a while ago.

Hey, listen, thank you all very, very much for having me as your guest via satellite communications. And I'm delighted to be with you, and I wish you well. And I have great respect for what you're about down there. Thank you very, very much.

Note: The President spoke at 11:32 a.m. from Room 459 of the Old Executive Office Building to the Assocation meeting in Boca Raton, FL. In his remarks, the President referred to Ashton Phelps, Association president.

Exchange With Reporters in the Oval Office

November 19, 1991

Soviet-U.S. Relations

Q. Mr. President, what do you think of Shevardnadze becoming the new Foreign Minister?

The President. We just began discussing that. And we know him well and have great respect for him. As I say, this is a matter for the Soviet Union to determine, but he has many friends in this country, one close one sitting right on this couch here, and all the rest of us have respect for him. So, we will work closely with him, and I'm just thrilled to see Mr. Yakovlev again. We just started talking about a conversation that he and I had in our Embassy there not so many months ago, and a lot of change, a lot of things happening.

Q. What kind of power Mr. Shevardnadze can have if the Republics are taking over?

The President. I defer all questions to our guest here. And we're going to be discussing with him a lot of things, including Soviet-U.S. relations. But I'd have to ask you to -- --

Q. Why do you think it came about?

The President. -- -- talk to him.

Q. Why did it come about? What do you think is the reason?

Mr. Yakovlev. About what?

Q. Shevardnadze becoming -- --

Mr. Yakovlev. I suppose it's good idea to, I would say, to say to the international community that we are returning step by step to the position of democracy and good foreign policy.

The President. Thank you all very much.

Stock Market

Q. Mr. President, the U.S. stock market's down 68 points. Are you worried about another fall?

The President. -- -- yesterday that it is inappropriate for a President to comment going up or going down on the stock market. So, I'm not going to change my view on that.

Q. Soviet aid package ready?

The President. Thank you very much.

Q. Lovely day.

The President. Yes, it is. Now we're talking, Helen [Helen Thomas, United Press International]. [Laughter]

Note: The exchange began at 3:05 p.m. in the Oval Office at the White House prior to a meeting with Aleksandr Yakovlev, a former Politburo member and Senior Adviser to President Gorbachev. Eduard Shevardnadze is the former Soviet Foreign Minister. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on the President's Meeting With Aleksandr Yakovlev

November 19, 1991

The President met with Aleksandr Yakovlev, Senior Adviser to President Gorbachev, for approximately 1 hour in the Oval Office. The President and Mr. Yakovlev reviewed the current situation in the Soviet Union. Mr. Yakovlev discussed the result of the last State Council meeting, which set the foundation for a political union of the Republics. Mr. Yakovlev also underscored the difficult food situation the Soviet Union faces this winter. The President stated his willingness to help and expressed his appreciation for the opportunity to be brought up to date on developments. Mr. Yakovlev presented the President with a letter from President Gorbachev.

Memorandum of Disapproval for the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1992

November 19, 1991

To the House of Representatives:

I am returning herewith without my approval H.R. 2707, the ``Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1992."

H.R. 2707 contains a provision that would prohibit implementation of rules related to the Title X family planning program and abortion. I am therefore compelled to disapprove H.R. 2707. I will sign a bill that does not include language that prohibits implementation of the abortion counseling and referral rule.

I have informed the Congress on numerous occasions that, consistent with the intent of the statute originally establishing Title X, I would veto any legislation that would entangle Title X with abortion. Accordingly, it is my intention to ensure that no Federal funds are used to support abortion except in cases where the life of the mother would be endangered if the fetus were carried to term.

Under the regulations upheld by the Supreme Court, pregnant women who seek services from projects funded by Title X are appropriately referred to qualified providers for prenatal care and other social services, including counseling. The Administration seeks to ensure the integrity of Title X as a prepregnancy family planning program and to ensure that women who are pregnant, or have a medical problem, are referred to providers who can ensure continuity of care. We do not seek to limit in any way the counseling pregnant women receive when they seek services from those providers.

In a memorandum to Secretary Sullivan on November 5, 1991, I reiterated my commitment to preserving the confidentiality of the doctor/patient relationship and seeing that the operation of the Title X family planning program is compatible with free speech and the highest standards of medical care. My memorandum makes clear that there is no ``gag rule" to interfere with the doctor/patient relationship. I have directed that in implementing these regulations, nothing prevent a woman from receiving complete medical information about her condition from a physician. There can be no doubt that my Administration is committed to the protection of free speech. The United States Supreme Court specifically found that the regulations in no way violate free speech rights.

H.R. 2707 contains several provisions that would delay the obligation of over $4.4 billion until

the last few weeks of FY 1992 and early FY 1993. The magnitude of the delays contained in H.R. 2707 would make it much more difficult to remain within the FY 1993 spending limits required by the Budget Enforcement Act.

I urge the Congress to pass promptly an acceptable bill, one without objectionable language relating to Title X, to provide needed funding for the many important programs contained in this legislation.

George Bush

The White House,

November 19, 1991.

Statement by Press Secretary Fitzwater on Family Planning Legislation

November 19, 1991

We are pleased that the House of Representatives has voted to sustain the President's veto of the Labor/HHS appropriations bill. We hope that the Congress will promptly send the President this legislation without the prohibition on implementing the regulations relating to the family planning program.

The President has reiterated his commitment to preserving the confidentiality of the doctor/patient relationship and ensuring that the Title X family planning program is compatible with free speech and the highest standards of medical care.

With respect to the regulations that were affirmed by today's vote, the President has made clear that there is no ``gag rule'' to interfere with the doctor/patient relationship. He has directed that in implementing these regulations, nothing prevents a woman from receiving complete medical information about her condition from a physician.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Former Hostage Thomas Sutherland

November 19, 1991

President Bush called Thomas Sutherland in Germany at about 1:15 this afternoon to wish him well following his release from captivity in Lebanon. President Bush said that he and Barbara share the joy of Mr. Sutherland's family in his release. ``I'm glad you appear to be in good health," the President said, ``and it's good to hear Terry Waite's comments about the other hostages." The President sent his regards to Mr. Sutherland's family and wished him a strong recovery.

Nomination of Jonathan T. Howe To Be Deputy Assistant to the President for National Security Affairs

November 19, 1991

The President today announced the appointment of Admiral Jonathan T. Howe, USN, to be Deputy Assistant to the President for National Security Affairs. Admiral Howe has served since May 1989 as the NATO commander of allied forces, southern Europe, based in Naples, Italy, and as commander of U.S. naval forces in Europe located in London, U.K.

Admiral Howe previously has served in a number of Washington positions associated with national security policy including: on the National Security Council staff as military assistant to the Assistant to the President for National Security Affairs, 1969 - 1974; as Assistant to the Vice President for National Security Affairs, 1975 - 1977; as senior military assistant to the Deputy Secretary of Defense, 1981 - 1982; as Director of the Bureau of Politico-Military Affairs, Department of State, 1982 - 1984; and as Assistant to the Chairman of the Joint Chiefs of Staff, 1987 - 1989.

Admiral Howe's early years in the Navy were spent in submarines. He subsequently commanded the guided missile destroyer U.S.S. Berkeley (DDG - 15), Destroyer Squadron 31, Cruiser-Destroyer Group 3 and aircraft carrier Battle Group Foxtrot. He also served as Chief of Staff, 7th Fleet; Director of the Navy's Politico-Military and Planning Division; and as Deputy Chairman of NATO's Military Committee in Brussels, Belgium.

Admiral Howe graduated with distinction from the U.S. Naval Academy in 1957 and earned M.A., M.A.L.D., and Ph.D. degrees from the Fletcher School of Law and Diplomacy, Tufts University, 1968 - 1969. He is author of the book ``Multi-Crises: Seapower and Global Politics in the Missile Age." He is married to the former Harriet Edith Mangrum, and they have six children.

Interviews With NBC Owned and Operated Television Stations

November 20, 1991

Interview With Doreen Gentzler, WRC - TV, Washington, DC

The Economy

Ms. Gentzler. Most of the local stories that we've been covering lately seem to be related to the troubled economy: State and local budget shortfalls and the big budget cuts that are resulting; unemployment; business bankruptcies; the stock market. Yet, you've indicated that you'll wait until January to talk about economic proposals. Why wait, Mr. President?

The President. I'm not waiting to talk about it. We've been trying to get through the Congress growth proposals that I think would or would have had a very good effect on the economy. I've got a package of about six or seven items, some of which are job-intensive, like the transportation bill. But, no, I'm not going to wait on that. What I think I will do, though, is at the time of the State of the Union, put it all together and challenge the Congress to do that which in my view they should have done some time ago.

I'm concerned about it. People are hurting. And I think we have to do something. But it's not a question of complacency. It's a question of not being able to get through the Congress the very things that I think would help the economy.

Legislative Initiatives

Ms. Gentzler. Some of your critics right now are charging that your administration doesn't really have a coherent economic policy. How do you respond to those critics?

The President. Well, that's true because we're getting into a political season, and it's true that the critics are saying that. But they don't look at the proposals that we have made: IRA's and capital gains reduction and a good transportation bill. We have several other things that make up for a good package.

But the problem is, we're caught in a political year. I'd love to see IRA's for first-time homebuyers. That would stimulate the housing business. But we haven't been able to get it through. So, I think we have to just guard against the political charge, look at the fact, and the fact is we've got good ideas that I've challenged the Congress to act on. They haven't done it.

So what we've got to do now is use this time to gather up our position on all of these things,

repackage, maybe add to it, be concerned about this economy. And then, with the whole Nation watching, when the Congress comes back, say, ``Now, look, here's what we must do. Now, you should support the President. Let's lay politics aside now for a little bit, even in an election year, and try to get something done that will help the people that are hurting."

So that's that approach. But I think you're right. I think you're accurately reflecting the attacks on me that come every single day. I'm used to that, but I think much more important than political attacks is: Can't we get something done to help people?

Statehood for the District of Columbia

Ms. Gentzler. Mr. President, you have said that you oppose statehood for the District of Columbia even though the District gets about 86 percent of its revenue from local residents and businesses. Why do you oppose statehood for the District?

The President. Because I think of Washington as a Federal city. I'm not going to change my view on it. I think it was set up as a Federal city. I think that's the way it should be -- disproportionate Federal Government participation here -- and I think the relationship we've got with the city government is good. You've got a good mayor. We're trying to work with her, and I don't think we need statehood for the city. And that's been a constant position.

Ms. Gentzler. The mayor is asking for statehood.

The President. Oh, I know she is, and so are many of the predictable Senators. But I don't think that was the way the whole system was designed. And if it ain't broke, don't fix it.

AIDS

Ms. Gentzler. All right. Mr. President, what is your administration doing about AIDS?

The President. We've got the best research program going on AIDS. I'm glad you asked it, because we are spending a tremendous amount of money on AIDS, much more per capita on AIDS than we are on cancer, on heart disease, the biggest killers. In fact, so much so that some of those illnesses, the people that are advocating more care are saying, ``Hey, you're disproportionately engaged here." So the one thing is, we've got a great research program right here, the National Institutes of Health, under Dr. Fauci and Dr. Broder and others. So that's very, very positive, and we're making pretty good strides if you heard Fauci the other day.

We also are going forward in an educational sense, trying to teach people that AIDS can be controlled -- sometimes, not always -- by behavior. It is one disease where a person's individual choice can make a difference whether that person gets the disease or not. That's not true in the inadvertent poisoning, say, from a blood contribution. But you're seeing efforts being made now

to be sure that that blood supply is clean as possible. So that's a helpful approach to be taking on AIDS.

So, I think we're on top of it. We're moving the drugs to market faster, and we're getting criticized by some on that. But I think that's a good approach. It's a tough one, and I think the President should -- and I'm trying to show the compassion I feel for the victims of this disease. But I think most people realize behavior is important. Stop doing those things that bring AIDS upon you. And I think that's a good message, too.

The Redskins

Ms. Gentzler. All right. Mr. President, before we say good-bye, anything you want to say to Redskin fans in Washington?

The President. I hope I've made amends for my indiscretion for rooting for the home team, which I consider -- I have to stay with that position. I'm not going to flip on that one. And who knows, maybe they'll meet again. Having said that, when I was doing my mea culpa with your associates there, I did it from the heart: One, respect for Joe Gibbs; and secondly, I'm caught up, as everybody else around here is, in the excitement of this undefeated team. It's good for the community. It's good for the country as a matter of fact. So put me down as a fan most of the time. [Laughter]

Ms. Gentzler. All right. Thank you very much, Mr. President.

The President. Good to see you back.

Interview With Chuck Scarborough, WNBC - TV, New York City

Mr. Scarborough. Good morning, Mr. President. Thank you for joining us today and taking some of your time out for us.

The President. Thank you, sir. Nice to see you.

'92 Presidential Election

Mr. Scarborough. Good to see you, too. Mr. President, I'd hoped to begin this interview by getting your reaction to whatever decision Mario Cuomo made about running for President, but he's still being coy. He is not, however, shy about blaming your administration for New York's economic mess. So perhaps there is some bit of wisdom you'd like to share with him to help him make his decision?

The President. No, I had better stay out of that one, Chuck. Nice try, though. [Laughter] But that's

a matter -- you know, there are all kinds of people running over there, and let them make that determination. And then I will confidently take on whoever wins what will be some hotly-contested primaries. But I had better stay out of fine-tuning the New York situation.

Mr. Scarborough. The Democrats though, both announced and unannounced, are apparently drawing a bit of blood in their sniping at you on the economy -- --

Mr. President. Yes.

Mr. Scarborough. -- -- and on domestic issues. And there are close associates of yours who are eager for you to get your campaign officially underway, to declare your candidacy, to get your team organized, and to attack aggressively the economic problems that seem to be making you vulnerable. Why haven't you organized your campaign yet and gotten it together?

The President. I think it's a little easy -- I'd make a distinction between having a total campaign organization in place and attacking aggressively on this economy that's sluggish and that's causing enormous hardship and concern to people. I'm going to keep pushing for the growth package that I have and that I've had before the Congress for a long time; and then, come to the State of the Union, add to it, and present to the Nation, eyeball to eyeball, what I think is best and say, ``Hey, let's set politics aside and let's get something done for the people.'' So there's one thing.

In terms of the reelection, I think you'll be seeing my coming out with some top people for the campaign quite soon: who to run it, who to support the person running it. And then the campaign organization will be fleshed out very quickly after that. So I make a distinction between the two, but I can see why people are linking them. And you're right, I'm under fire every day. You've got a lot of Democratic candidates, and they're trying to blame the President for everything and attack. Fortunately, the people know that, if you refer to these endless numbers of surveys, that the Congress has to share a little responsibility. In fact, the people say most of it.

So, I'm going to keep trying to help people with the economy, and then we'll have a vigorous, strong campaign. And that will help, Chuck, because I think it will deflect, the campaign organization in 50 States will help deflect some of this intensive criticism coming out of the Democratic National Committee and resonating through the candidates.

John Sununu

Mr. Scarborough. Are you getting good advice from your Chief of Staff, John Sununu?

The President. Yes, I'm getting good advice from him. Very good.

Mr. Scarborough. I ask that because there's a published report today in the New York Times

saying that those closest to you are getting ever more discontented with him, even your staff and your own family. Your children are derisively calling him Governor ``Nunu," according to the Times, and Barbara has turned against him.

The President. That's all crazy.

Mr. Scarborough. Is it?

The President. Yes, it is. It is not true. Do we call him ``Nunu"? Yes, I do. My boys do and do it with affection and have since 1988 when he had a large part in my being elected. But that's an affectionate thing. But I saw that piece. And, Chuck, where they get these mischievous inside-the-beltway things, I do not know. My wife has great affection for John, great confidence in him. And so, it's this time of year. And the guy that wrote that story, they love this inside stuff. I mean, they thrive on it. The country doesn't care about that. They say, ``What are you going to do to help me? I'm out of a job. I need help." And it's there that we're trying to do better. And it's there that I'd like people to concentrate on our suggestions. And maybe that would get the Congress to move on some of them.

Terrorism Investigation

Mr. Scarborough. Let me shift gears over to Pan Am 103, the terror bombing of Pan Am 103. Last week, two Libyans were indicted for the bombing of that plane that killed 188 Americans, in total 270 people. The families of those who were lost don't think the buck stops with Libya. They are persuaded that Iran and Syria were deeply involved in the bombing of that airplane, and they are suspicious that your administration is not blaming Iran and Syria because you don't want to interfere with the peace process in the Middle East.

The President. That's an erroneous assumption. A lot of people got way out front blaming Syria early on. And let me say that the intelligence community and the Justice Department have done a superb job of trying to get to the bottom of this. It was like searching for a needle in a haystack. And they found the needle in an enormous haystack.

Mr. Scarborough. So there's no evidence linking Iran or Syria to the bombing?

The President. No. And Iran is not involved in the peace process. You might remind the people that are saying that. Syria is. And a charge has been, as you properly state, by some of the families, well, there's some covering up to keep Syria, and that's not the case. We are going to get to the bottom of all of this. But I think most people that have looked at the indictments and looked at the evidence -- and I've looked at the evidence -- give great credit to those that have done this detective work. And it's not just here; it's in Scotland, and it's around the world.

So, I'm satisfied that we're on the right track. But if there's any further links to be examined, this

Justice Department will pursue them.

Mr. Scarborough. Mr. President, thank you very much for your time.

The President. It's very nice of you to do it this way.

Mr. Scarborough. It's been a pleasure.

Interview With Tom Randles, WTVJ - TV, Miami

The President. Hey, Tom. Can you see me?

Mr. Randles. Yes, I can. Good morning, Mr. President.

The President. Good morning, sir. I see you loud and clear. Hear you and see you.

Haitian Refugees

Mr. Randles. We here in South Florida have a very special interest in a story that continues to unfold as we speak, the flow of Haitian refugees from Haiti to the U.S. The State Department says it does not feel these people, who have risked their lives to come here, will be persecuted when they're sent back.

On the contrary, Mr. President, we're hearing stories from Haitians who fled Haiti that their lives are in jeopardy. In some cases, they've been beaten, they've been threatened, their homes burned -- all because they supported democratically elected Jean Bertrand Aristide.

How can your administration continue to stand by a policy that says it's okay to accept certain ethnic groups because of tyranny in their homeland, but not Haitians?

The President. I don't think that we would deny people who are genuinely politically prosecuted entry. The law provides for that. The law also provides that people fleeing economic chaos do not automatically get entry. And there's another side of it, Tom. And that is that when you see the boats heading out, two layers on a little sailboat like I saw, maybe on a channel that you represent -- I'm saying I don't want to have a policy that acts as a magnet to risk these peoples' lives. And those people that were turned back by the Coast Guard, in accordance with policy, diffused out into the countryside.

So we've got a policy. It is a fair policy. It does make a distinction between economic refugees and political refugees. But let me assure you, it is not based on some race or double standard. If the Cubans started out, a new Mariel boat lift started out, the same thing would happen. It is

consistent policy.

Mr. Randles. So in effect, you are saying that, in fact, if Fidel Castro should fall or things should drastically change in Cuba and we see a wave of Cubans, a huge wave of Cubans coming to our shores, that your administration will change its policy and the doors to the United States will be shut for these people as well?

The President. No, that we already have a policy that says we are not going to do what happened in Mariel, people were going to be sent back if they're economic refugees. Now, if somebody can prove -- and they have proper procedures for this -- that there's political persecution, that is something different.

Frankly, I think if Castro fell, you would see the exodus going the other way. I just think that he's swimming totally against the tide, whereas in Haiti they're at least trying to go the democratic route. And we're trying to work with the OAS to restore democracy, even though Aristide is -- there's a little controversy surrounding him. But he was elected. He ought to be restored. And we are supporting sanctions in the OAS to get him restored. But if Castro -- it probably would go the other way, Tom.

Mr. Randles. Mr. President, why not, at least temporarily, relax, perhaps, our country's emigration policy just temporarily until Mr. Aristide is restored and allow these people to come to our shores?

The President. Well, because we have yardsticks for whether it's political persecution or economic persecution. And those yardsticks should be followed.

What I'm confused about a little bit is, what's going to be the final determination on Aristide at home in Haiti? Our position is, he was elected, and he ought to go back. And we are working with the OAS to that end, and we have sanctions in place to that end.

But I don't think that there's any reason to change the policy because I do think if it's political persecution by some of these bullies that threw out Aristide, those people can seek asylum. But if you have just the whole country turning out for economic reasons, and the economy of Haiti is a disaster, we just can't handle that. So that's the moral underpinning of this policy.

Fidel Castro

Mr. Randles. We also have a great deal of interest in what happens in Cuba. We talked about it a little bit earlier, specifically the fall of Fidel Castro. What does your administration believe will actually happen to him? What is the most likely scenario, and what kind of time frame do you think we're talking about here?

The President. I believe in the fall of Fidel Castro because I don't think that that country can be the only country, not just in this hemisphere, but one of a handful around the world, to be staying with the totalitarian model, in this case Marxist model, when all of the other countries are going to the other way.

So, I have confidence in the will of the people in Cuba. And I can't tell you how it's going to happen, but Castro will not survive this. The people will take matters into their own hands at some time. Now, he runs a very cruel and intrusive security force against the people, not allowing elections, not allowing democracy, tough on human rights. So I'm not saying it's easy, but I just think the tide is so inexorable that he won't be around. And I can't give you a time frame on that, but I'm not going to change American policy. We are not going to lighten up. We are going to stay with it.

Mr. Randles. All right, Mr. President, thank you for joining us.

The President. Nice to see you, sir.

Interview With Linda Douglass, KNBC - TV, Los Angeles

Ms. Douglass. Mr. President, good morning.

The President. See you, hear you, loud and clear, Linda.

Ms. Douglass. It's much earlier here than it is there.

The President. Yes, what are you doing up so -- no, no, wait a minute -- it's 7:30 a.m. out there, isn't it?

Ms. Douglass. [Laughter] I understand you've completed a lot of your day by this hour back in Washington.

The President. 10:30 a.m. I get to the office at 7 a.m., walk in the door at 7 a.m.

The Economy

Ms. Douglass. Admirable commitment. Let me ask you off the top, sir, about the economy again. I want to go back to some of the earlier questions. Analysts from Wall Street were quoted all over the place yesterday as the market was fluctuating wildly, once again, quoted as saying that there was concern about a perceived lack of leadership on your part in solving the economic problems. How do you react to the ongoing criticism that one hears from Republicans and businesspeople in Wall Street who are obviously concerned about the instability in the economy?

The President. Well, I'm concerned about it, too. And I think it's sluggish. I think there are some reassuring signs, like unemployment and inflation. But these can change. So what I've been trying to do is to get a growth package through the Congress for the last 2 years. I've challenged them as recently as the State of the Union message to move forward on something like the highway bill that would really help. I believe capital gains would help. I believe IRA, changing the IRA laws for first-time homebuyers would help. But I'm up against a Congress that wants to do it some other way.

So when I hear the charge, I can understand because people are hurting. People need the Government to do what it can. It's not going to be totally done by Government. But Government has an important role, and I share the frustration that some feel about inactivity. I think they also see that the Congress is in this in a big way and unable to go forward. I'd like them to go forward on what I think is a sound growth package. I think it would really help. I think it would help in California. Because as we move back on defense spending, everybody, all the opposition, is saying we ought to, in fact, some of them wanting to go much faster than I do on that. There's going to be economic hardship. So we ought to have growth. We ought to have job creation. That's why I still come back to the, especially for your State, this concept of a lower capital gains rate. I think it would stimulate new business.

Ms. Douglass. Mr. President, today Democratic candidate, Arkansas Governor Bill Clinton, will blame part of the country's economic woes on greed on the part of corporate executives. He complains that CEO's make an average of 85 times more than their lowest-paid workers and would eliminate the possibility of deducting as a business expense any executive's salary that is more than 25 times that of the lowest-paid worker. Are high executive salaries a problem, in your estimation?

The President. I can't imagine anybody can deduct his salary as a business expense. I mean, you pay tax on the salary. But I think it sends a signal when they're way out of whack. I think it sends a signal to the family that's hurting, ``Wait a minute, what's going on here?'' But I don't know what he's proposing. I haven't heard the Clinton proposal, and I don't know what Government should do about setting salaries or setting labor rates or setting relations between the employer and the employee. I just, I don't believe that's the function of Government. I'm not sure that's what he's proposing. But, yes, when people see, when somebody is hurting and they see an extraordinarily high salary, I think it causes discontent.

Ms. Douglass. Do you blame any of the policies of the Reagan administration for today's economic problems?

The President. No, but I blame the increasing Federal deficit and increasing Federal spending on everybody in the past. I mean, I have my responsibility to bear for that; Congress has a responsibility. But I do think that these extraordinarily high deficits, which result from well-intentioned legislation passed in the sixties, some of it, is a problem that we have to address. And

we've tried to do that by a very unpopular budget agreement that put caps on spending. And now what I'm trying to do, Linda, is to hold the line on this spending. Because every time I turn around, in the side door, over the transom, comes new spending proposals by this Congress. And I have to sometimes say no to popular-sounding legislation.

'92 Presidential Election

Ms. Douglass. Mr. President, you know that the Democrats are going to have several televised prime time debates during the primary season which will give them an opportunity to complain about you at length on prime time TV. Would you welcome prime time primary debates on the Republican side if Pat Buchanan and David Duke challenge you for President?

The President. No.

Ms. Douglass. And would you participate?

The President. No. I have no plans to participate. I've got some responsibilities to run the country, and I'll keep doing that. And then we'll concentrate -- I assume there might be a couple of debates in the general election although we haven't addressed that yet. I don't want to run against other Republicans. I want to try to lead this country and try to straighten out some of the problems that exist. And so I don't have any plans to do that. And I don't know what the Democrats are doing, other than knocking me, which is standard fare, and we expect that. I mean, that's what -- they all gang up and see who can say the nastiest things and yell the loudest.

What the people want, I think, is something a little different. They know there's a political year, but I think they want to see some action by the Congress and a little less name calling. So, I'm going to continue to reach out to Congress and try to help people. Your State is hurting, and I think some of the proposals I have made can help. So, we'll keep trying to work for it.

Ms. Douglass. Thank you very much, sir.

The President. Nice to see you. Thanks.

Interview With Bill Stuart, KCNC - TV, Denver

Mr. Stuart. Good morning, Mr. President. This is Bill Stuart in Denver.

The President. How are you?

Mr. Stuart. I'm fine. How are you?

The President. Good, Bill.

The Economy

Mr. Stuart. Mr. President, at the end of the Gulf war your approval rating, your popularity was so high that some suggested, I think only half jokingly, that we forego the '92 election because you would win so easily; why spend all that money? But since the end of the war, your popularity has eroded somewhat. Our News 4-Denver Post poll shows that 54 percent of Coloradans now approve of your job, the job you're doing; down considerably. Why do you think your popularity has eroded since the end of the war?

The President. I think it's the economy. I think people are hurting in this country. I think they'd like to see more action out of Washington, DC, although the whole answer doesn't lie in Washington. But there's things Washington can do, and the President has to bear his share of responsibility for some of that; not all of it, because I think Congress is in this. And I think the same surveys you talk about seem to put more of a burden on the Congress.

So I think when people are hurting, and they are, they say, ``Hey, what's gone wrong? What's happening? Why isn't the President doing more?" I think it's some of that. So, I have to get out and make clear, here's a growth package that would have helped this economy if Congress had moved. Then, in the State of the Union, here's some new ideas and a package. Take my case not to Congress but over their heads to the American people and make clear that people understand I am engaged, that I'm concerned, and I've got good ideas for helping solve the problems.

I think I've got the latter right now, and I'm trying to stay totally engaged. But I think that's what it is, Bill.

Mr. Stuart. Fifty-one percent of the Coloradans surveyed in this latest poll say they'll spend less this Christmas season than last, indicating a real crisis in confidence. Is there anything you can do in the short run to turn that around?

The President. Well, it's difficult. Because if you talk too optimistically about the economy, you send an unrealistic signal. If you talk too gloomily, you get people discouraged. I tried to say the other day I think there are some interesting fundamentals out here: Inflation being way down and interest rates being way down, way down, are good in terms of what the consumer can go out and buy.

But I don't want to sound naive about it. I don't want to act like there are no problems there. The economy is sluggish, and we're trying, through the proposals I've made on growth, to get it moving. So, there's a delicate balance. And I think more than anyone else in the country, obviously, that if the President misspeaks or sounds euphorically optimistic or overly pessimistic, you send the wrong signals to a skittish market and to the people.

So, I'm trying to say, look, we're in tough times; they're going to get better. The fundamentals are pretty good, but I recognize that people are hurting, and here's what I want to do about it. Let's do something about the IRA's to stimulate homebuying. Capital gains that would stimulate new businesses and jobs. A transportation bill that would create jobs on the infrastructure and just get the message across better.

Public Opinion and Incumbents

Mr. Stuart. You mentioned Congress just a minute ago. Sixty-eight percent of the people we talk to say things are on the wrong track in Washington, going in the wrong direction. That doesn't seem to bode well for any incumbent, whether he's the President or a Senator or a Congressman, does it?

The President. Not particularly, no. I'd like to see them change control of the Congress, and then I think we could really get something done. And I'll be taking that case in the election to the American people. One party has controlled Congress for, you know, 40 out of the last 45 years or something, and I think it builds up an insensitive bureaucracy. And I think it just makes Congress less effective -- pass laws for everybody else but not for themselves -- and I think people are tired of that.

But I don't want to just sit here blaming Congress. I mean, we're in this together. I think most of the American people know I've tried to hold out my hand to Congress. I'm getting a little tired being the javelin catcher out there from the concerted attacks that are kind of orchestrated out of the Democratic National Committee for a lot of old, tired ideas that have been tried and failed.

So I've got the politics over the horizon, but more important is: How is that family doing out there? And they're hurting, and we've got to help them.

'92 Colorado Elections

Mr. Stuart. Let me follow up on that, talking about Congress. Do you plan to campaign in Colorado next year for the Republican candidate, whoever he or she may be, running against Senator Tim Wirth? How important is that Colorado seat to you?

The President. Well, I've always done that, and I expect I will. I can't make a pledge that I'll be in Colorado. I would expect it's such an important State, I would expect I would. And I'll be working hard for the Republican candidates and, undoubtedly, for myself and taking the case, the whole case, to the American people. And it'll get clearer then. It's fairly clear when you see these endless polls, you know, the President against whoever it is. But I'm not complacent about it, and I shouldn't be. As long as somebody is out there, Democrat or Republican, that needs help and we're not doing our part back here, whether it's Congress or the administration, we've got to do

better.

Mr. Stuart. Mr. President, our time has run out, I'm told. Thank you very much.

The President. Nice to be with you, Bill. Thank you, sir.

Interview With Warner Saunders, WMAQ - TV, Chicago

Mr. Saunders. Mr. President, good morning. I'm Warner Saunders, and welcome to Chicago.

The President. Glad to be with you, sir, this way.

Mr. Saunders. Well, I have tried to contact as many people as I possibly could since I found out that I had this assignment, and I asked them what they would ask you. And this represents, this line of questioning, of course, represents, hopefully, my best effort and theirs.

The President. Fire away.

AIDS

Mr. Saunders. What is your position on the use of condoms and the distribution of clean needles to IV drug users to help stop the spread of AIDS?

The President. I have not been in favor of a Federal clean needle program, and I am not in favor of a Federal condom distribution program.

Mr. Saunders. There are people, of course, who say that there's almost -- --

The President. I am in favor of helping -- --

Mr. Saunders. -- -- no way of stopping this.

The President. Well, I don't think I'd be that pessimistic. We're doing a fantastic amount of research on AIDS, and I think when you talk to the top researchers at NIH, you'll find they are somewhat optimistic. We can get the drugs to the market quicker. We can do better on education. Because you see, Warner, AIDS is one disease where a person can control, to some degree, whether you get it or not. And behavior has a lot to do with it. So, I think we can do a better job in that area, too. I noticed Magic Johnson had something to say about that the other day, and I was very interested because he's coming onto our National AIDS Commission.

Urban Legislative Programs

Mr. Saunders. And, of course, that's a big step forward in this whole health issue.

Let's move a little bit to the issue of the cities themselves. The ghettos of this country certainly are becoming a cancer to the society, and many people believe that here in Chicago the administration doesn't view the problems of the poor, the problems of the ghettos as important as international problems. What is your reaction to that criticism?

The President. Well, I think that's an erroneous observation. But look, I can understand when you have fantastic levels of street crime in some of these heavily impacted districts that people are saying, ``Help!'' Actually we've got a good national drug strategy. We've got a good crime bill, if I can ever get it out of the Congress. We're starting a brandnew education 2000 program that helps educate these kids: Give people a better shot in the schools and give them a chance to pull themselves out.

So, I think we've got good programs, but I think they hear this charge, we're more interested in world peace, but I think a President has a responsibility for both, frankly. Maybe -- --

Mr. Saunders. Is the Congress, Mr. President, the stumbling block in getting these kinds of programs to the people who are hurting inside of these poor communities of our great cities?

The President. I think, to some degree, I think the Congress should be blamed. In other words, Warner, we've got an unacceptably sluggish economy, and I've made some proposals that in my best bet would help them. And I can't get it through a Congress that is controlled, both Houses, by another party. I was elected to do certain things, and I've done some of them. But we need to change that a little bit, I think.

The Economy

Mr. Saunders. You know, I was just with a group of car dealers last night, and they are really hurting. And so I told them that I'd be speaking with you this morning. And after they stopped laughing, I said, ``No, really it's going to happen.'' [Laughter] And they said, ``Well, ask this guy why is he downplaying the seriousness of the economic downturn?'' Are you downplaying it?

The President. I don't think so. I'll tell you there's a delicate balance though. A President has a unique pulpit, not only in this country but in the world. And you don't want to talk the country into a deep recession. So when I point out that interest rates are low, historically low, or where inflation is low, acceptably low, these are good things preparing us for recovery.

I don't want to emphasize just the bad things to talk us into a depression. And I don't want to emphasize only the good things to make those car dealers think I'm out of touch. But I do think for car dealers, hey, look, interest rates are getting down there. This wouldn't be too bad a time for

a family, if it had the confidence that it would have a job tomorrow, to go out and purchase cars. So, I'm trying to find that right balance without being euphoric or without being pessimistic.

Civil Rights

Mr. Saunders. On the issue of civil rights, I talked with a number of civil rights leaders last night, both black and white. And one of the most conservative of them said something, and I quote here, ``It appears there is little difference between the platform of David Duke and the policies of George Bush, minus the -- minus KKK, Nazi history -- that Bush is against affirmative action, integration and the poor who are on welfare." What's your reaction, Mr. President?

The President. The guy's got it backwards. If it was a guy, maybe it was, I don't know who.

Mr. Saunders. It was a guy.

The President. Well, he's got to go back and do a little research. We're going to sign a bill, a civil rights bill. I can't imagine -- and I'm getting attacked from the Nazi down there for signing this bill. What I didn't want was a quota bill. I don't believe in quotas. I don't think most blacks or whites or Hispanics believe in quotas. And I fought back an attempt to ram a quota bill down the throats of the American people. Maybe that's what the person is thinking of.

But I'm the guy that's going to sign this one. I'm the guy that sponsored and worked hard for the best civil rights legislation in this century, and that's the Americans with Disabilities Act that helps others. So I think I would just refute the charge, coming from a frustrated leader who clearly is frustrated. But I think we've got a good record, working hard to support education, black colleges, many thing of that nature.

So you take a few shots in this business.

Mr. Saunders. Mr. President, thank you.

The President. It's nice to be with you, Warner. Thank you, sir. Good questions. Tell the people that you got it from you did fine. I don't know about the answers; the questions were good.

Mr. Saunders. Thank you again.

Note: The series of interviews conducted via satellite began at 10:17 a.m. The President spoke from Room 459 of the Old Executive Office Building. A tape was not available for verification of the content of these interviews.

Statement by Press Secretary Fitzwater on Food Assistance to the Soviet Union

November 20, 1991

The President decided today to make available an additional $1.5 billion in food assistance to help the Soviet Union, the Republics, and their people cope with immediate food shortages and aid in the longer-term restructuring of the country's food distribution system. With this announcement, total U.S. food assistance for the Union and Republics since January 1991 is $4 billion.

The President made this decision after having sent four separate experts' missions on food to the U.S.S.R. since May 1991, including the early October Presidential mission led by Secretary of Agriculture Edward Madigan.

The President is proud that America's abundance can help alleviate food shortages this winter. Extension of agricultural credit guarantees to the Union and Republics will not only assist them during this critical period, but will provide a needed boost to the U.S. food and agriculture community. Sales of this magnitude will stimulate economic activity through the entire chain, from fertilizer companies, to farmers, to transporters. Further, as increased demand raises the average price for grain, significantly lower deficiency payments will result in substantial budget savings. These credit guarantees will stimulate the U.S. economy and save near-term dollars in budget outlays for commodity programs.

The agreement was worked out in Moscow in meetings with representatives of Republics and the Inter-Republic Food Committee. The Union and the Republics agreed as part of the negotiations to share responsibility for the debt, and they agreed on both the value of U.S. food commodities to be purchased and the method of distribution. Continued responsibility for payments on existing CCC credit guarantees is also necessary for the disbursement of new credit guarantees.

The $1.5 billion will be provided in three different channels:

Credit Assistance: An additional $1.25 billion in credit guarantees under the Commodity Credit Corporation's GSM - 102 program will be made available to the Union and Republics in tranches over the next 6 months for the purchase of critical food and feed commodities. The initial tranche of $500 million will be immediately available with tranches of $250 million each made available on February 1, March 1, and April 1 of 1992. These credit guarantees will provide a flow of critical supplies during the winter and spring months when Soviet food supplies will be lowest.

Humanitarian Assistance: Up to $165 million in food aid will be provided to particularly hard-hit food deficit regions in the U.S.S.R. where shortages are likely to be most severe this winter.

Initial discussions have been held with Union and Republic officials in an attempt to identify regions most in need. We intend to deliver food shipments first to Armenia and the Urals region of the Russian Republic and will then target additional areas over the course of the winter. To the degree practicable this assistance will be provided through American and indigenous private voluntary organizations.

Technical Assistance: The President has decided to go forward with a package of five projects aimed at improving Soviet food production and, importantly, distribution. These are: (1) a model demonstration farm in the St. Petersburg region targeted toward new private farmers; (2) assistance in developing wholesale markets in Moscow and Kiev; (3) extension service projects in the Armenian, Kazak, and Uzbek Republics; and (4) a public/private sector initiative to have U.S. private sector executives work in processing plants and at distribution centers to improve the efficiency of key Soviet food distribution enterprises. Planning is underway on each of these projects and implementation will begin in January 1992; (5) credit guarantees for U.S./Soviet food processing and distribution on development projects.

Executive Order 12781 -- Delegation of Functions and Authorities, Development of Requirements and Regulations, and Correction of Title

November 20, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 3603 of the Financial Reports Act of 1988 (22 U.S.C. 5351 et seq.), section 274A(d) (2) and (4) of the Immigration and Nationality Act (``Act''), as amended (8 U.S.C. 1324a(d) (2) and (4)), sections 4561, 6082, and 9561 of title 10 of the United States Code, the Act of June 14, 1987, ch. 2, 30 Stat. 11, 36 (16 U.S.C. 473), section 301 of title 3 of the United States Code, and in order to: (1) delegate functions concerning discussions with foreign governments to improve access by U.S. banking and financial organizations; (2) delegate authority concerning a national employment verification system; (3) delegate authority concerning the development of requirements and regulations for a uniform military ration; and (4) correct the title of the Nez Perce National Forest, it is hereby ordered as follows:

Section 1. Functions Concerning Discussions with Foreign Governments to Improve Access by U.S. Banking and Financial Organizations. The functions vested in the President by section 3603 of the Financial Reports Act of 1988 (22 U.S.C. 5353) are hereby delegated to the Secretary of the Treasury. This delegation is not in derogation of, and shall not affect, the existing authorities of the United States Trade Representative.

Sec. 2. Authority Concerning the Employment Verification System. The authority conferred upon the President by section 274A(d)(4) of the Act, to undertake demonstration projects of different changes in the requirements of the employment verification system, is delegated to the Attorney General. Demonstration projects shall be conducted consistent with the restrictions in section 274A(d)(2) of the Act and shall not extend for a period longer than 3 years. This authority may be redelegated.

Sec. 3. Authority, Requirements, and Regulations Concerning a Uniform Military Ration. (a) Authority. The Secretary of Defense is hereby designated and empowered to exercise, without the approval, ratification, or other action by the President, the authority conferred upon the President by section 4561(a), sections 6082 (a) and (d), and section 9561(a) of title 10 of the United States Code. Under this authority the Secretary may prescribe a uniform military ration applicable to the Army, Navy, and Air Force.

(b) Requirements. (1) Components and Quantities. The components and the quantities of the uniform military ration shall reflect military member preferences and satisfy nutritional requirements. (2) Monetary Value. The monetary value of the uniform military ration shall be equal to the monetary value of the ration in effect on the day before the effective date of this

order. (3) Index. The Secretary of Defense shall establish, as of the effective date of this order, an index composed of a representative market basket of items equal in value to the ration value. Subsequent to the effective date of this order, and based upon the changing prices of food components in the index, the Secretaries of the military departments shall periodically redetermine the monetary value of the ration. The Secretary of Defense shall review the index periodically, but not less than once a year, to ensure that it reflects changes in food service technology, scientific advances in nutrition, the requirements of the Armed Forces of the United States, and the food preferences of the enlisted members. Increases or decreases in the monetary value of the ration that result from changes in the composition of the food items making up the index shall not exceed 2 percent of the ration value annually.

(c) Regulations. Under regulations of the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force are authorized, for their respective military departments, to prescribe the issue of special allowances and such special or supplemental rations, defined by component, quantity, or monetary value, as they may consider appropriate. Executive Order No. 11339 of March 28, 1967, is hereby revoked.

Sec. 4. Correction of Title of the Nez Perce National Forest. Executive Order No. 854 of June 26, 1908, is hereby amended by retitling the ``Nezperce National Forest'' the ``Nez Perce National Forest.''

Sec. 5. This order shall take effect immediately.

George Bush

The White House,

November 20, 1991.

[Filed with the Office of the Federal Register, 11:51 a.m., November 21, 1991.]

Note: This Executive order was published in the Federal Register on November 22.

Proclamation 6377 -- National Farm-City Week, 1991

November 20, 1991

By the President of the United States

of America

A Proclamation

Each Thanksgiving, when we Americans count our many blessings, among the first to come to mind is the abundance of high-quality foods that we enjoy. The quantity and variety of goods that fill our Nation's grocery stores are unparalleled -- a shining testament to the ingenuity and productivity of the American farmer. Yet while U.S. farmers are the most enterprising and efficient in the world, millions of other people in both urban and rural communities play important roles in the production and distribution of U.S. agricultural goods. During National Farm-City Week, we salute all of these hardworking Americans.

Our Nation's farmers are assisted in their efforts by millions of people, many of whom work in urban areas -- researchers who develop improved methods and tools for farming; meteorologists who chart climatic conditions and weather patterns; and the manufacturers and suppliers of equipment, seeds, and fertilizers. The miracle of American farming is also made possible by those who transport and process raw agricultural goods; by government inspectors who help ensure their quality; and by wholesalers who distribute and retailers who sell finished farm products to consumers. The concerted efforts of all of these Americans have enabled the United States to make the most of its God-given resources.

Today America's farms and cities are linked more closely than ever before, as more and more farmers supply not only food but also raw materials for industrial use. Advances in science and technology have enabled manufacturers to convert agricultural commodities into biodegradable plastics, alternative fuels, and fuel additives, as well as printing ink and newsprint. Industrial use of farm products is creating new opportunities for American agriculture to diversify and to enhance its productivity while boosting its competitive position in world commerce.

American agriculture has long been a source of strength and pride for the United States, and we owe a tremendous debt of gratitude to all those who help bring forth food and fiber from the rich, fertile land with which we have been blessed. Thus, it is fitting that our celebration of National Farm-City Week take place during the 7-day period that ends on Thanksgiving.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim the week of November 22 through November 28, 1991, as National Farm-City Week. I encourage all

Americans, in rural and urban communities alike, to join in recognizing the accomplishments of our farmers and all those hardworking individuals who cooperate in producing the abundance of agricultural goods that strengthen and enrich the United States.

In Witness Whereof, I have hereunto set my hand this twentieth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:38 a.m., November 21, 1991]

Note: This proclamation was published in the Federal Register on November 22.

Proclamation 6378 -- National Family Week, 1991 and 1992

November 20, 1991

By the President of the United States

of America

A Proclamation

When we count our blessings, most of us note with special gratitude the love and the support of our families. Thus, it is fitting that our celebration of National Family Week coincide with our traditional observance of Thanksgiving.

Family love brings light and warmth to our homes; it gives us strength when times are tough; and it makes good times even better by enabling us to share our joys with others. Through our experience as part of a family, we gain a sense of identity and purpose. Indeed, when we recall the generations who have gone before us, we are reminded of our personal links to the past and of our own place in history. When we think about generations to come, we are reminded of our obligation to help make this a better world.

Our ability to help make this a better world depends, in large part, on the kind of environment we create in our homes. Because a child's family life has such a powerful influence on the development of his or her personality and character, and because the family provides a model after which all other human relationships are fashioned, those of us who are parents and grandparents must ensure that the examples we set are positive ones. The daily course of our family lives should offer younger generations clear lessons about faith and duty, personal responsibility, and respect and concern for others.

By definition, a family is a group of individuals who are related by blood, marriage, or adoption and who are united by their love and their lifelong commitment to one another. The family is the basic unit of society, and its well-being is vital to the success of our communities and Nation. In recent years, however, problems such as crime, drug abuse, child abuse, and teenage pregnancy have signalled a breakdown in traditional family life and values. While parents have primary responsibility for the well-being of their children, and while no arm of the state can replicate the divinely ordained embrace of the family, government can and should help preserve and support this institution and do nothing to harm it. America's future depends on it.

This week, as we acknowledge the blessings of family life and the importance of stable, loving families to the life of our Nation, let us reaffirm our commitment to policies and programs that

affirm the rights of parents and protect the interests of children. Let us also resolve to ensure that our own families are communities in which each member is respected and cherished.

The Congress, by Public Law 102 - 112, has designated the weeks beginning November 24, 1991, and November 22, 1992, as ``National Family Week'' and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week of November 24 through November 30, 1991, and the week of November 22 through November 28, 1992, as National Family Week. I call upon all Americans to observe these weeks with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this twentieth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:39 a.m., November 21, 1991]

Note: This proclamation was published in the Federal Register on November 22.

Nomination of Robert Edward Grady To Be Deputy Director of the Office of Management and Budget

November 20, 1991

The President today announced his intention to nominate Robert Edward Grady, of New Jersey, to be Deputy Director of the Office of Management and Budget. He would succeed William M. Diefenderfer III.

Since 1989, Mr. Grady has served as Associate Director for Natural Resources, Energy and Science of the Office of Management and Budget in Washington, DC. Prior to this, he served as senior adviser for speechwriting and policy at Bush-Quayle '88 and as a speechwriter in the Office of the Vice President, 1986. In addition, Mr. Grady served as director of communications for Gov. Thomas H. Kean of New Jersey, 1983 - 1986; and in the office of Congresswoman Millicent Fenwick (R - NJ), 1979 - 1982.

Mr. Grady graduated from Harvard College (A.B., 1979) and Stanford University Graduate School of Business (M.B.A., 1988). He was born October 22, 1957, in Orange, NJ. Mr. Grady resides in Washington, DC.

Nomination of James Buchanan Busey IV To Be Deputy Secretary of Transportation

November 20, 1991

The President today announced his intention to nominate James Buchanan Busey IV, of Illinois, to be Deputy Secretary of Transportation. He would succeed Elaine L. Chao.

Since 1989, Admiral Busey has served as Administrator of the Federal Aviation Administration at the U.S. Department of Transportation in Washington, DC. Admiral Busey served in the U.S. Navy, 1952 - 1989. From 1987 to 1989, Admiral Busey served as commander in chief of the U.S. naval forces in Europe and commander in chief of the allied forces for the southern region.

Admiral Busey graduated from the Naval Postgraduate School (B.S. and M.S., 1964). He was born October 2, 1932, in Peoria, IL. Admiral Busey is married, has three children, and resides in Fairfax, VA.

Nomination of Henry Edward Hudson To Be Director of the United States Marshals Service

November 20, 1991

The President today announced his intention to nominate Henry Edward Hudson, of Virginia, to be Director of the U.S. Marshals Service at the U.S. Department of Justice. He would succeed Michael Moore.

Currently Mr. Hudson serves as Of Counsel, general litigation, with the law firm of Reed, Smith, Shaw & McClay in Alexandria, VA. Prior to this, he served as U.S. attorney for the Eastern District of Virginia, 1986 - 1991; Commonwealth's attorney of Arlington County, VA, 1980 - 1986 and assistant U.S. attorney for the Eastern District of Virginia, Alexandria Division, Criminal Section, 1978 - 1980.

Mr. Hudson graduated from American University (B.A., 1969; J.D., 1974). He was born July 24, 1947, in Washington, DC. Mr. Hudson is married, has one child, and resides in Alexandria, VA.

Remarks on the Civil Rights Act of 1991

November 21, 1991

Welcome to the White House. And may I salute the members of the Cabinet who are here today, Members of the Congress, many Members of Congress, distinguished guests.

Today we celebrate a law that will fight the evil of discrimination while also building bridges of harmony between Americans of all races, sexes, creeds, and backgrounds.

For the past few years, the issue of civil rights legislation has divided Americans. No more. From day one, I told the American people that I wanted a civil rights bill that advances the cause of equal opportunity. And I wanted a bill that advances the cause of racial harmony. And I wanted a bill that encourages people to work together. And today I am signing that bill, the Civil Rights Act of 1991.

Discrimination, whether on the basis of race, national origin, sex, religion, or disability, is worse than wrong. It's an evil that strikes at the very heart of the American ideal. This bill, building on current law, will help ensure that no American will discriminate against another.

For these reasons, this is a very good bill. Let me repeat: This is a very good bill. Last year, back in May of 1990 in the Rose Garden, right here with some of you present, I appealed for a bill I could sign. And I said that day that I cannot and will not sign a quota bill. Instead, I said that the American people deserved a civil rights bill that number one, insisted that employers focus on equal opportunity, not on developing strategies to avoid litigation. Number two, they deserved a bill that was based upon fundamental principles of fairness, that anyone who believes their rights have been violated is entitled to their day in court, and that the accused are innocent until proved guilty. And number three, they deserved a bill that provided adequate deterrent against harassment based upon race, sex, religion, or disability.

I also said that day back in 1990 that this administration is committed to action that is truly affirmative, positive action in every sense, to strike down all barriers to advancement of every kind for all people. And in that same spirit, I say again today, ``I support affirmative action. Nothing in this bill overturns the Government's affirmative action programs."

And unlike last year's bill, a bill I was forced to veto, this bill will not encourage quotas or racial preferences because this bill will not create lawsuits on the basis of numbers alone. I oppose quotas because they incite tensions between the races, between the sexes, between people who get trapped in a numbers game.

This bill contains several important innovations. For example, it contains strong new remedies for the victims of discrimination and harassment, along with provisions capping damages that are an

important model to be followed in tort reform. And it encourages mediation and arbitration between parties before the last resort of litigation. Our goal and our promise is harmony, a return to civility and brotherhood, as we build a better America for ourselves and our children.

We had to work hard for this agreement. This bill passed both Houses of Congress overwhelmingly with broad support on both sides of the aisle. A tip of the hat goes to Senator Kennedy and former Congressman Hawkins, who, way back in February of 1990, got the ball rolling. And I congratulate and thank particularly Senators Dole, Danforth, and Hatch, Congressmen Michel, Goodling, and Hyde for ensuring that today's legislation fulfills those principles that I outlined in the Rose Garden last year.

No one likes to oppose a bill containing the words ``civil rights," especially me. And no one in Congress likes to vote against one, either. I owe a debt of gratitude to those who stood with us against counterproductive legislation last year and again earlier this year, as well as to those who led the way toward the important agreement we've reached today. I'm talking about Democrats, I'm talking about Republicans, and those outside the Congress who played a constructive role. And to all of you, I am very, very grateful, because I believe this is in the best interest of the United States.

But to the Congress I also say this: The 1991 civil rights bill is only the first step. If we seek -- and I believe that every one of us does -- to build a new era of harmony and shared purpose, we must make it possible for all Americans to scale the ladder of opportunity. If we seek to ease racial tensions in America, civil rights legislation is, by itself, not enough. The elimination of discrimination in the workplace is a vital element of the American dream, but it is simply not enough.

I believe in an America free from racism, free from bigotry.

I believe in an America where anyone who wants to work has a job.

I believe in an America where every child receives a first-rate education, a place where our children have the same chance to achieve their goals as everyone else's kids do.

I believe in an America where all people enjoy equal protection under the law, where everyone can live and work in a climate free from fear and despair, where drugs and crime have been banished from our neighborhoods and from our schools.

And I believe in an America where everyone has a place to call his own, a stake in the community, the comfort of a home.

I believe in an America where we measure success not in dollars and lawsuits but in opportunity, prosperity, and harmony. I believe in the ideals we all share, ideals that made America great:

Decency, fairness, faith, hard work, generosity, vigor, and vision.

The American dream rests on the vision of life, liberty, and the pursuit of happiness. In our workplaces, in our schools, or on our streets, this dream begins with equality and opportunity. Our agenda for the next American century, whether it be guaranteeing equal protection under the law, promoting excellence in education, or creating jobs, will ensure for generations to come that America remains the beacon of opportunity in the world. Now, with great pride -- and thanks to so many people here in the Rose Garden today, especially the Members of Congress with us -- with great pride I will sign this good, sound legislation into law. Thank you very much.

[At this point the President signed the Civil Rights Act of 1991.]

Note: The President spoke at 1:18 p.m. in a signing ceremony in the Rose Garden at the White House. S. 1745, the Civil Rights Act of 1991, was assigned Public Law No. 102 - 166.

Statement on Signing the Civil Rights Act of 1991

November 21, 1991

Today I am pleased to sign into law S. 1745, the ``Civil Rights Act of 1991." This historic legislation strengthens the barriers and sanctions against employment discrimination.

Employment discrimination law should seek to prevent improper conduct and foster the speedy resolution of conflicts. This Act promotes the goals of ridding the workplace of discrimination on the basis of race, color, sex, religion, national origin, and disability; ensuring that employers can hire on the basis of merit and ability without the fear of unwarranted litigation; and ensuring that aggrieved parties have effective remedies. This law will not lead to quotas, which are inconsistent with equal opportunity and merit-based hiring; nor does it create incentives for needless litigation.

Most of this Act's major provisions have been the subject of a bipartisan consensus. Along with most Members of the Congress, for example, I have favored expanding the right to challenge discriminatory seniority systems; expansion of the statutory prohibition against racial discrimination in connection with employment contracts; and the creation of meaningful monetary remedies for all forms of workplace harassment outlawed under Title VII of the Civil Rights Act of 1964. Similarly, my Administration has concurred in proposed changes to authorize expert witness fees in Title VII cases; to extend the statute of limitations and authorize the award of interest against the U.S. Government; and to cure technical defects with respect to providing notice of the statute of limitations under the Age Discrimination in Employment Act of 1967. I am happy to note that every one of these issues is addressed in the Act that becomes law today.

It is regrettable that enactment of these worthwhile measures has been substantially delayed by controversies over other proposals. S. 1745 resolves the most significant of these controversies, involving the law of ``disparate impact," with provisions designed to avoid creating incentives for employers to adopt quotas or unfair preferences. It is extremely important that the statute be properly interpreted -- by executive branch officials, by the courts, and by America's employers -- so that no incentives to engage in such illegal conduct are created.

Until now, the law of disparate impact has been developed by the Supreme Court in a series of cases stretching from the Griggs decision in 1971 to the Watson and Wards Cove decisions in 1988 and 1989. Opinions by Justices Sandra Day O'Connor and Byron White have explained the safeguards against quotas and preferential treatment that have been included in the jurisprudence of disparate impact. S. 1745 codifies this theory of discrimination, while including a compromise provision that overturns Wards Cove by shifting to the employer the burden of persuasion on the ``business necessity" defense. This change in the burden of proof means it is especially important to ensure that all the legislation's other safeguards against unfair application of disparate impact law are carefully observed. These highly technical matters are addressed in detail in the analyses of S. 1745 introduced by Senator Dole on behalf of himself and several other Senators and of the

Administration (137 Cong. Rec. S15472 - S15478 (daily ed. Oct. 30, 1991); 137 Cong. Rec. S15953 (daily ed. Nov. 5, 1991)). These documents will be treated as authoritative interpretive guidance by all officials in the executive branch with respect to the law of disparate impact as well as the other matters covered in the documents.

Another important source of the controversy that delayed enactment of this legislation was a proposal to authorize jury trials and punitive damages in cases arising under Title VII. S. 1745 adopts a compromise under which ``caps" have been placed on the amount that juries may award in such cases. The adoption of these limits on jury awards sets an important precedent, and I hope to see this model followed as part of an initiative to reform the Nation's tort system.

In addition to the protections provided by the ``caps," section 118 of the Act encourages voluntary agreements between employers and employees to rely on alternative mechanisms such as mediation and arbitration. This provision is among the most valuable in the Act because of the important contribution that voluntary private arrangements can make in the effort to conserve the scarce resources of the Federal judiciary for those matters as to which no alternative forum would be possible or appropriate.

Finally, I note that certain provisions in Title III, involving particularly requirements that courts defer to the findings of fact of a congressional body, as well as some of the measures affecting individuals in the executive branch, raise serious constitutional questions.

Since the Civil Rights Act was enacted in 1964, our Nation has made great progress toward the elimination of employment discrimination. I hope and expect that this legislation will carry that progress further. Even if such discrimination were totally eliminated, however, we would not have done enough to advance the American dream of equal opportunity for all. Achieving that dream will require bold action to reform our educational system, reclaim our inner cities from violence and drugs, stimulate job creation and economic growth, and nurture the American genius for voluntary community service. My Administration is strongly committed to action in all these areas, and I look forward to continuing the effort we celebrate here today.

George Bush

The White House,

November 21, 1991.

Note: S. 1745, approved November 21, was assigned Public Law No. 102 - 166.

Executive Order 12782 -- Amending Executive Order No. 12594

November 21, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to amend Executive Order No. 12594, it is hereby ordered as follows:

Section 1. Section 1 of Executive Order No. 12594 is amended to read as follows: ``Awards shall be given for the purpose of recognizing outstanding voluntary contributions by individuals and organizations toward helping others in our society, and for the purpose of demonstrating to all Americans what can be accomplished through voluntary action. Awards shall be named, designed, and presented as determined by the President upon the recommendation of the White House Office of National Service."

Sec. 2. Section 2 of Executive Order No. 12594 is amended to read as follows: ``The awards may be presented by the President to recipients in categories to be determined by the President or the Director of the White House Office of National Service. The selection process shall be administered by the White House Office of National Service in coordination with the ACTION agency and other appropriate entities. The President may select for the awards any person recommended to the President or any person selected by the President upon his own initiative."

George Bush

The White House,

November 21, 1991.

[Filed with the Office of the Federal Register, 10:12 a.m., November 22, 1991.]

Note: This Executive order was published in the Federal Register on November 25.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

November 22, 1991

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (22 U.S.C. 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question. This report covers August, September, and the first part of October 1991. During this period the U.N. Secretary General's representatives made intense efforts to bring major points of difference on Cyprus within negotiating range. Although these efforts did not result in the high-level meeting in September envisioned in my August 2 statement on Cyprus, I believe that considerable progress was made toward an overall framework agreement, that the work done can provide the basis for a fair and permanent settlement of the Cyprus issue, and that, with a good faith effort by all the parties, a high-level meeting under U.N. auspices can still be held before the end of 1991.

As noted in my last report to you on this issue, at the end of July and into early August 1991, the U.N. Secretary General's representatives, Ambassador Oscar Camilion and Mr. Gustave Feissel, were in the Eastern Mediterranean discussing the key outstanding issues with all the parties to the Cyprus dispute. U.S. Special Cyprus Coordinator, Ambassador Nelson Ledsky, also went to the region in an effort to contribute to their efforts. On August 2 I announced that President Ozal of Turkey and Prime Minister Mitsotakis of Greece had agreed that their countries would attend a well-prepared, high-level meeting on Cyprus.

Mr. Feissel returned to New York on August 3 to report to the U.N. Secretary General. Ambassador Ledsky stayed in the Eastern Mediterranean until August 9. Ambassador Camilion and Mr. Feissel began another round of consultations in the Eastern Mediterranean with all the parties on August 17.

During the last week in August, the Secretary General informed the U.N. Security Council that he wished to delay the report, which he had promised to deliver before the end of August, until Ambassador Camilion and Mr. Feissel finished their consultations in the area.

Ambassador Camilion and Mr. Feissel held discussions in Cyprus on August 26 through 29 and returned again from September 7 through 14. In the course of these many meetings, they presented a full set of ideas on all key issues in the Cyprus dispute. Then, on September 11, Prime Minister Mitsotakis of Greece and Prime Minister Yilmaz of Turkey met in Paris. After the meeting both Prime Ministers publicly commented that differences between the two Cypriot sides still appeared to be broad and that, until those differences were eliminated, they could not attend a high-level meeting in September.

In the days immediately following, I communicated with Prime Minister Mitsotakis of Greece and Prime Minister Yilmaz and President Ozal of Turkey to ask them for assurances of their continued commitment to the settlement process. Within a few days I received positive responses from both Governments.

In mid-September the focus of activity shifted to New York as Greek and Turkish Cypriot representatives and those of the Governments of Greece and Turkey began to arrive for the U.N. General Assembly session. In the week prior to the opening of the session and continuing into the first and second week of the General Assembly, the U.N. Secretary General, Mr. Feissel, and the U.S. Special Cyprus Coordinator met separately with representatives of all the parties. During the second week of the General Assembly, Secretary of State Baker met with the Foreign Ministers of Greece and Turkey and with President Vassiliou of Cyprus.

On October 9 the U.N. Secretary General delivered to the Security Council the attached report on his mission of good offices in Cyprus. In the report, the Secretary General brings the Council members up to date on the state of negotiations for an overall framework agreement on Cyprus and outlines the work yet to be done. His concluding paragraphs urge the parties to preserve what has already been accomplished and to work toward a high-level meeting before the end of 1991. He also appeals to both sides to refrain from counterproductive statements and actions.

Security Council Resolution 716, also attached, which was sponsored by the United States, directs the U.N. Secretary General to continue his good offices mission, endorses the conclusions of his report and observations, and asks him to report again to the Security Council in November, including in that report, if conditions are not ripe for a meeting, the set of the ideas for a settlement as they have been developed by U.N. representatives by that time.

I would like to reemphasize that I believe that the work already done by the Secretary General and his representatives is substantial and extremely positive and can serve as the basis for a fair and lasting settlement to the Cyprus issue. With a good faith effort by all parties, a high-level meeting can be held under U.N. auspices and an overall framework agreement signed by the end of 1991. I urge all parties to continue their efforts toward this end. The United States, for its part, will continue to stay involved and active, serving, whenever possible, to stimulate and encourage the process.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, Chairman of the Senate Foreign Relations Committee.

Nomination of Scott M. Spangler To Be an Associate Administrator of the Agency for International Development

November 22, 1991

The President today announced his intention to nominate Scott M. Spangler, of Arizona, to be Associate Administrator of the Agency for International Development for Operations. He would succeed C. Anson Franklin.

Since 1990 Mr. Spangler has served as Assistant Administrator of the Bureau for Africa at the Agency for International Development in Washington, DC. Prior to this, he served as president of First Phoenix Capitol, Inc. in Scottsdale, AZ, 1984 - 1990; chief executive officer and director of AZL Resources, Inc., 1973 - 1984; president of Spangler and Co. in Houston, TX, 1970 - 1973; and vice president of finance for the Industrial Group at White Motor Co. in Houston, TX, 1968 - 1970.

Mr. Spangler graduated from the University of Cincinnati (B.S., 1961) and Harvard Business School (M.B.A., 1963). He was born August 4, 1938, in Toledo, OH. Mr. Spangler is married, has three children, and resides in Washington, DC.

Nomination of Jerry R. Curry To Be Administrator of the Federal Aviation Administration

November 22, 1991

The President today announced his intention to nominate Jerry Ralph Curry, of Virginia, to be Administrator of the Federal Aviation Administration. He would succeed James Buchanan Busey IV.

Currently Gen. Curry serves as Administrator of the National Highway Traffic Safety Administration at the U.S. Department of Transportation in Washington, DC. Prior to this, he served as vice president of Systems Management America Corp., 1987; and as president and publisher of the National Perspectives Institute, 1985 - 1986. From 1951 to 1984, Gen. Curry served in the United States Army.

Gen. Curry graduated from the University of Nebraska (B.G.E., 1960) and Boston University (M.A., 1970). He received a doctoral degree from Luther Rice Seminary in 1979. He was born September 7, 1932, in McKeesport, PA. Gen. Curry is married, has four children, and resides in Arlington, VA.

Proclamation 6379 -- National Military Families Recognition Day, 1991

November 22, 1991

By the President of the United States

of America

A Proclamation

We Americans take great pride in the vigilance, courage, and patriotism of the men and women who serve in our United States Armed Forces. Yet, in large part, the extraordinary spirit of our Nation's service members reflects that of the families who stand behind them. Thus, while we salute our troops for their outstanding efforts to preserve peace and to protect the vital interests of the United States, on this occasion we honor in a special way our Nation's military families. Each day, these Americans share in the hard work of freedom.

The military family is a very large and special one. It includes tens of thousands of wives, husbands, parents, siblings, and children. Located in every State and in countries around the globe, these families are the heart of the American defense community. They have stood together in times of trial and uncertainty; they have opened their arms to newcomers and to neighbors in need; and they have offered steady moral support to our forces stationed far from home. Brought together by the service of their loved ones, these families embody the love, faith, and devotion to freedom that have sustained our men and women in uniform, even through this Nation's darkest hours.

Whether they live on bases here at home or at posts in Europe, the Pacific, and elsewhere, military families are united by common experience -- including the experience of hardship and sacrifice. For example, reassignments often require service members and their dependents to move, leaving behind schools, friends, and jobs. Although such moves may consist of relocation to unfamiliar towns or even to foreign lands, military families weather the challenges with perseverance and pride.

Because they recognize the risks that their loved ones have accepted in the line of duty, and because a service member's assignments can entail lengthy absences from home, military families also cope with long hours of separation and worry. During the past year, our Nation was reminded of all that military families have endured over the years when more than 500,000 service personnel were activated, both here and abroad, to take part in Operations Desert Shield and Desert Storm, as well as during U.S. humanitarian efforts in Operations Provide Comfort in northern Iraq and Sea Angel in Bangladesh. The stoicism and the patriotism displayed by

America's military families during the conflict in the Persian Gulf uplifted and inspired our entire country. More recently, hundreds of American military families responded with exemplary courage and composure when they were evacuated from their homes in the Philippines following the eruption of Mount Pinatubo.

Throughout our Nation's history, military families have demonstrated their pride in service and their profound faith in the principles on which the United States is founded. Today we assure these Americans of our abiding gratitude, respect, and support.

The Congress, by House Joint Resolution 215, has designated November 25, 1991, as ``National Military Families Recognition Day'' and has authorized the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim November 25, 1991, as National Military Families Recognition Day. I urge all Americans to join in honoring America's military families on that day. Finally, I call up Federal, State, and local officials, as well as concerned private organizations, to observe the day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twenty-second day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:00 p.m., November 22, 1991]

Note: This proclamation was published in the Federal Register on November 26.

Editorial Note: The following remarks are being reprinted from the Weekly Compilation of Presidential Documents Issue of November 18, at page 1663. A serious error caused text to be misplaced. We regret any inconvenience to our readers.

Remarks on Signing the Thanksgiving Day Proclamation

November 25, 1991

Good morning. I want to thank Gary Ruka and Stuart Proctor for being here and salute our other guests from the National Turkey Federation.

I remember last year's turkey celebration before I went off to the Persian Gulf to share Thanksgiving dinner with our troops out there in the desert. And for many families, the memory of last Thanksgiving must seem very, very distant.

Thursday will be a great day, another great Thanksgiving Day, a sort of homecoming for many families this time, full of pride for our brave service men and women, happiness at having them at the table at home, some for the first time in 2 years. To each and every one of them, I say again what I said to them in the desert that day: Thank you. Thank you for standing for freedom, for our security, and for peace in the world.

To the families of those who gave their lives in the line of duty, we say thank you, too, for we will always be grateful to them and to you.

Thanksgiving is a uniquely American holiday. And as we thank the Lord for his blessings of freedom, security, and peace, we also remember those Americans who are out of work, in poor health, or just plain lonely. We seek solutions to the problems facing our Nation. Most of all, the repair of hope and an end to homelessness and hunger.

Parenthetically, let me point out that since the successful conclusion of Desert Storm, more than $161 million worth of surplus food from the war has been distributed to the homeless and other needy Americans. I want to thank Dick Austin of the GSA who is the brains behind Operation Desert Share.

And finally, let me say that I've granted the annual Presidential pardon to this particular turkey. So you can rest assured he will not be on anybody's dinner table on Thursday. Instead, he'll live out his days gobbling away at the children's petting farm.

And so with that said, I am very pleased to sign the Thanksgiving Proclamation for 1991. And I'll be glad to do that right now, and then, Gary, I understand maybe you'd say a word or two.

Note: The President spoke at 7:30 a.m. in the Rose Garden at the White House. In his remarks, the President referred to Gary Ruka, president, and Stuart Proctor, executive vice president, of the National Turkey Federation.

Proclamation 6380 -- Thanksgiving Day, 1991

November 25, 1991

By the President of the United States

of America

A Proclamation

From the moment it was ``conceived in liberty, and dedicated to the proposition that all men are created equal,'' our Nation has enjoyed the mercy and protection of Almighty God. Thus, when we join with family and friends on Thanksgiving, we celebrate not only the many blessings that we have received as individuals -- including the gift of life itself -- but also our great fortune as one Nation under God. On this occasion, Americans of every race, creed, and walk of life are united by a profound sense of gratitude and duty.

As we continue the Thanksgiving tradition, a tradition cherished by every generation of Americans, we reflect in a special way on the blessings of the past year. When this Nation and its coalition partners took up arms in a last-resort effort to repel aggression in the Persian Gulf, we were spared the terrible consequences of a long and protracted struggle. Indeed, the millions of people who prayed for a quick end to the fighting saw those prayers answered with a swiftness and certainty that exceeded all expectations. During the past year, we have also witnessed the demise of communism and welcomed millions of courageous people into the community of free nations.

Of course, as we give thanks for these and other developments, we also remember the less fortunate -- those who do not yet share in the promise of freedom; those who do not know the comfort of peace and security; and those whose tables do not reflect prosperity and plenty.

Time and again, Scripture describes our Creator's special love for the poor. As the Psalmist wrote, ``He pours contempt upon princes . . . yet sets the poor on high from affliction.'' In this great Nation, we have a special obligation to care for the ill and the destitute. Therefore, recalling that much will be asked of those to whom much has been given, let us resolve to make food drives and other forms of charity an increasingly important part of our Thanksgiving tradition.

On this occasion, as we count our blessings and reach out to help the less fortunate, we also do well to remember that, in many ways, the poorest nations are those who neither recognize nor revere what our Founders called ``the laws of Nature and of Nature's God.'' Indeed, we have seen totalitarian regimes impoverish entire peoples, not just economically, but spiritually, by denigrating religion and by denying the inherent dignity and worth of individuals. The moral bankruptcy of communism should remind every free nation of the dangers of cynicism and

materialism.

Similarly, can any individual be truly rich or truly satisfied if he or she has not discovered the rewards of service to one's fellowman? Since most of us first experience the love of God through the goodness and generosity of others, what better gift could we give our children than a positive example?

Finally, as we gather with family and friends on Thanksgiving, we know that our greatest blessings are not necessarily material ones. Indeed, perhaps the best thing about this occasion is that it reminds us that God loves each and every one of us. Like a faithful and loving parent, He always stands ready to comfort, guide, and forgive. That is our real cause for Thanksgiving, today and every day of our lives.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim Thursday, November 28, 1991, as a National Day of Thanksgiving. I urge all Americans to gather together in their homes and in places of worship on that day to offer thanks to Almighty God for the many blessings that He has bestowed upon us as individuals and as a Nation.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:01 a.m., November 25, 1991]

Note: This proclamation was published in the Federal Register on November 26.

Remarks to the Ohio Education Community

November 25, 1991

Thank you, Governor, for that warm Ohio welcome. And I'm just delighted to be here with George Voinovich, a friend of mine for many, many years. Because, you see, he is leading Ohio on a drive for better schools, clearly for a better future.

We've just heard from Lamar Alexander, who is working on an historic mission, nationally, to change American education, to help our country become all that it should be. And I'm delighted to be working with Secretary Alexander every single day there in Washington.

I want to salute Superintendent Middleton and thank him for his cordial reception. The band: You guys did pretty well on that music in there. It's not easy. And thank you very, very much for being with us here today. Well done.

I'm pleased that Lieutenant Governor Mike DeWine is with us; and of course, a pleasure to be with my old friend, Ted Sanders. As Lamar or George both acknowledged, he worked for our administration as Deputy Secretary of the Education Department until Ohio had the good fortune to hire him as State superintendent. And he helped back in Washington develop the America 2000 strategy to involve parents, educators, and communities in reinventing, literally reinventing, American education.

And I also want to greet the members of the Committee of 100 who I had a chance to say hello to a little earlier, and also the Governor's Education Management Council. They represent, you see, the community spirit for excellence that is the heart of America 2000.

And also it's great to be with so many young Americans, high school students from Fort Hayes where I've just visited, a couple of prejudiced ones right here, cheering for themselves. That's the way it ought to be. Others from the kindergarten through 12th grade, from every kind of institution, public schools, Christian schools, parochial, private schools. And I want to greet the many students and teachers and parents throughout Ohio who are viewing us on television.

You young people are part of something special. It doesn't happen with every generation. I've lived a long time, and I'm a grandfather with a lot of grandchildren in school. In all my life, there has never before been a movement like America 2000 to change our schools. We're working for change in education because the world is changing. Our schools -- you think back to your history -- our schools were designed for another era. Now they must catch up with the times. And we want you to have good jobs and a good life when you become adults.

To do this, our schools need to keep up with all of the exciting improvements around the world. Making your schools better will be a family affair. When I was your age, my mom and dad would

look in and make sure I did the best with my homework. And they'd visit my school and my teachers and the principal to show how much they cared.

With America 2000, we want to get the parents more involved in all of our schools. And that's one reason, if I might say with some pride, that Barbara, my wife, spends so much of her time encouraging parents to read to their kids. Read to a child at home and watch that child get the most out of school. We want our young people to grow up with all the love and encouragement for excellence that your parents received from their parents.

One young man here is Matthew Shepard, a 10th-grader at Tiffin Columbian High School. He finished first in the Ohio Citizen Bee. The entry form for the competition asked, ``If you could accomplish one thing in your life, what would it be?'' Matthew's answer was, ``Become President of the United States.'' I'd like to see Matthew after class. [Laughter] Don't want him peaking too early out there. [Laughter]

But today is a landmark on our drive for better education. Only 7 months ago, we launched America 2000. And now with Ohio's commitment, 25 States have enlisted in the revolution to reinvent American education by the dawn of the new century.

The Governors of all 50 States, Democrats and Republicans, adopted 6 goals for the year 2000. George clicked them off; the Governor clicked them off. These goals are to have all children start school ready to learn. Make the United States students first in the world in science and math and prove it in world-class competence as well in English and history and geography. Achieve at least a 90-percent high school graduation rate. Make all adults literate. And make our schools safe, disciplined, and drug-free. We not only need safe schools, but our citizens deserve safe streets and safe communities.

Two and a half years ago I sent to the Congress comprehensive crime legislation to strengthen and toughen our criminal justice system. The conference committee -- it's the way it works back in Washington -- last night reported a bill that is simply not acceptable. So let me be clear: I would have to veto this bill because it would weaken our criminal justice system. We need a stronger criminal justice system today. And I think all the communities and families across our country understand that.

The America 2000 movement is spreading like wildfire. Just since August, hundreds of communities have accepted our challenge to adopt the national goals and a strategy to reach them, to measure their progress, and to plan on creating at least one new American school.

Anyone can take the initiative. In Omaha, Nebraska, the head of the chamber of commerce got the ball rolling. He enlisted his Governor and a mayor and newspaper publisher, and now both his city and his State are America 2000 communities. In Detroit, the dynamic school board chairman and school superintendent took the lead. In September, I kicked off, helped -- Lamar and I kicked

off the Maine 2000 effort -- the State of Maine. And since then, 50 communities have signed on.

I cannot emphasize enough, it is communities, not legislatures, not bureaucratic agencies, not interest groups, but communities that drive the engine for America 2000. And sure, these other institutions can help. But most of America's education revolution will be conducted, as we've heard here today, community by community. And we're seeing just the beginning of a powerful movement that will change this country enduringly for the better.

Here in Ohio, I feel I'm preaching not just to the converted but to some of the people who started it all. Ohio's history is intertwined with our earliest decisions about what kind of Nation we would be. The first laws that charted Ohio's future, including the famous Northwest Ordinance, made education an American priority, a unifying national cause.

The Ohio Territory was an American community working to revolutionize education by the end of the 18th century. America's founders understood that public benefit did not always have to depend on government activity or government spending or government control. This was, and is, the proper basis for defining public education.

Whether a school is organized by privately financed educators or town councils or religious orders or denominations, any school that serves the public and is held accountable by the public authority provides public education.

A key tenet of America 2000 is real reform for parents to choose their children's schools. We won't have full confidence, full choice in education until the dollar follows the scholar. And that's how it works in Federal aid programs for college students. You know that. We don't exclude students who choose private schools, including religious schools.

By unleashing market forces, we can encourage creative competition among public, private, and parochial schools. This will improve education for everyone. I congratulate Ohio on the 1989 reform legislation that takes the first steps toward parental choice. This provides choice only among public schools, that is, government-operated schools. This will help, though we know we've got to go farther.

With new leaders like Governor Voinovich and Ted Sanders, I expect Ohio to go the full distance in giving choice to parents. Choice is crucial to our other goals of holding down costs and cutting back bureaucracy and spurring quality.

I've just had a wonderful experience touring the Fort Hayes Education Center where they're breaking the mold. They're showing us the future. The old bureaucratic ways of public education are giving way to flexible programs designed to produce results for tomorrow's world.

At Fort Hayes, companies such as Battelle and Ross Labs are sponsoring science and vocational

programs that result in good jobs immediately upon graduation. Fort Hayes also provides a superb 4-year high school for the fine arts.

Partnerships like these between schools and businesses make everyone a winner. Businesses can teach our schools to trim bureaucracy and replace antagonism with teamwork. They can help us meet world-class standards. We're moving ahead with those standards.

The Nation's math teachers have already led the way, and now the National Academy of Sciences and the National Endowment for the Humanities are at work on standards for science and history. States and local communities can, and will, put much of America 2000 into place without new Federal laws. And thank heaven for that because some of the powers that be in Congress are fighting tooth and nail against our most important reforms.

I sent Congress a package of fresh proposals for the future. Our bill offers choice for parents and a program for new American schools that will show each State and community new ways to excellence. We need to throw off past failures and fight for a future that works.

This isn't -- let me emphasize this -- this is not a liberal-versus-conservative fight. It's a revolution against business as usual. The American people want education that works. The Gallup survey shows overwhelming public support for the America 2000 goals and strategies. Parents support us. So do most teachers. The beltway types may be afraid of reform, but I believe they are out of touch with rank-and-file teachers who welcome reform.

After all, teachers don't want to be cogs in a bureaucratic machine. Teaching is an art, a noble profession. And thank God for the teachers of this country. I can assure you that teachers don't want to waste their time making their way through a maze of regulations, making their way through a maze of work rules. They don't like certification rules that keep good teachers out. They want to teach, and they want good teachers all around them.

With business and church and community leaders, with parents and teachers, we'll forge a coalition that simply cannot be stopped. Hundreds of American communities in every State are deciding where they want their children to be in the year 2000. And they're getting to work right now to make that happen. Just thinking about the potential of our movement has the old thinkers rattled. You've heard of Polly Williams in Milwaukee. She's a State representative whose constituents are mostly black and poor. And she's a Democrat, a liberal Democrat. Polly Williams watched the government pour more and more tax dollars into inner-city public schools that were producing less and less. And she said, ``Enough is enough."

She joined forces with Governor Tommy Thompson so that her constituents, poor working people, people on public assistance could gain power to choose where and how their children would be educated. Rich people already enjoy choice. They can afford both high taxes and private school tuition. Or they can move to a neighborhood with better schools. It's working

people, it's poor and middle-income people who have the most to gain from reform.

Somebody was telling me with well-deserved pride that Fort Hayes Center is one of a kind. I want you to know that I won't rest, we must not rest, until we have a thousand Fort Hayeses all across the country. Community by community, we must create new American schools and a whole new public attitude about education.

We need to empower teachers not to punch timeclocks, not to fend off thugs and drug leaders, but to teach. And we need to give parents real choice, and we need to give you young people out there all the knowledge, skills, and discipline that you'll need for your exciting and demanding future.

And now I would like to ask four of Ohio's young people to join me on stage: Matthew Shepard, whom I mentioned earlier, a sophomore at Tiffin Columbian High School; Sandra Oh, a junior from Fairfield High School in Fairfield; Louie Hendon, a senior at John Adams High School in Cleveland; and Melissa Bostrom, a senior from Princeton High School in Sharonville. Welcome.

Note: The President spoke at 11:58 a.m. in Veterans Memorial Auditorium in Columbus, Ohio. In his remarks, the President referred to John A. Middleton, superintendent of the Columbus City School District. The President's remarks were broadcast live on local television stations.

Interview With Bob Orr of WBNS - TV in Columbus, Ohio

November 25, 1991

The Economy

Q. Mr. President, thanks for seeing us today. I want to ask you about the economy, sir. Americans say, almost across-the-board, it's the one issue they care most about going into 1992. Yet, their perception is that you haven't paid much attention to it. Is that a fair criticism?

The President. No, it's not a fair criticism. But I recognize that's the perception of some. I think we're getting caught up a little in the political polemics for 1992. I think the political opposition is the game plan, that's to convince the American people that I haven't and I'm not concerned about that. I am. We put forward a really good growth package, again, in my State of the Union message. We've been plugging for certain parts of it. But it's difficult when you don't control the Congress, when you've got ideas different than those who control the Congress.

So I don't think it's a fair perception. But much more important than that perception is for me to identify to the American people with the concept: I do care. I am concerned about it. Some things are pretty fair; a lot of things are not right. And then make proposals, and try to get them enacted, that will help people. This is a people problem. Some people are hurting, and I want to try to help.

Q. Two-thirds of the Americans questioned in a new CBS-New York Times poll say they don't approve of the way you're handling the economy. What do you think that means? What do they want to hear from you?

The President. I think it means when times are tough on people that the President has to take some heat. I think it also shows that, quite a bigger percentage, they don't approve of what Congress is doing. My view of it, though, it isn't time for blame. It's a time to try to get things done. And we have been trying.

As I say, if Congress had enacted my growth proposal some time ago, I think we could have avoided if not all the grief that we're in, a lot of it. So I've got to now take the ideas I've got, add to them, take a look, a hard look, at this economy as soon as Congress -- just before Congress comes back, and we'll have a big event, the State of the Union message, and then propose: Here's what we must do now. Let's put politics aside, and let's get it done.

I think it's going to require that, because we've tried going up there with sound ideas and getting overwhelmed by the numbers of the opposition in the Congress.

Legislative Initiatives

Q. Could you give me an example, sir, of some of the ideas that you've put forth and they've turned down?

The President. Yes. IRA's, for example, that would help on first-time homebuyers; capital gains that I really believe would help get people to work and create new businesses. We've got a good transportation bill. Parts of that may pass today. But that's job-intensive. That's something that would really help.

I'll tell you another one that I feel strongly about that's just been stonewalled, and that is banking reform. You see, I think we need to make our banking institutions not only more sound but more competitive, so we can get out and loan more money. So there's four of the ideas that I think would be very helpful had the Congress enacted them.

Q. You mentioned the capital gains tax cut that you've been proposing for some time. Some people see that as a rich man's tax cut, and they're saying why doesn't the President do something for the middle class.

The President. You see, I think it would do something for the middle class. I think it would do in 1992, 1991, that which it did in '78 and '79: stimulate the creation of new businesses and new jobs. It's not these big companies that are the major employers. It's smaller business. And so I think it would help.

Incidentally, I notice that several of the Democratic challengers are now talking about capital gains. I wish they'd use their influence with those who control the Congress to get them in, but maybe they will during the campaign season. But see, I don't accept that it's a tax cut for the rich, divide class, divide American society into classes. I think it's good, sound tax policy for entrepreneurs, for those who want to take risks, good for homebuyers. I'll tell you what it would do, raise the value of homes, as a matter of fact.

So we'll keep plugging away on it. But maybe I have to do better in getting people to understand that the political charge, that it's a tax cut for the rich, is just wrong.

Q. You mentioned that in the State of the Union we'll hear some specifics about what you're going to do to get the economy going again. The guy who's unemployed and whose benefits might be running out says, ``That's going to be in January. What can he do for me now?'' What would you tell that person?

The President. I would tell him we may still be able to get things done now. Congress is still there. I'd like to say that in the last few days we might get a transportation bill that would help. It would be job-intensive. I think on a broader scale a lot of the things we're talking about longer

run, education and these things, will help. I think that the unemployment compensation benefits is of immediate help. And we did that one, incidentally, by not busting the budget and putting further tax burden on all the Americans that are working. We beat back a bad idea to get a good one. So, I think that's the most immediate to people that are out of work, would be these unemployment compensation benefits. I think that will help.

Public Opinion Polls

Q. You brought up the campaign. We haven't heard an official announcement from the Bush-Quayle team yet, but we know that's forthcoming. Your approval rating after the Persian Gulf war was an astronomical 88 to 90 percent. Yet, the new survey says it's down to 51 percent, and it's dropped something like 37 points in 8 months. Do you think you are politically vulnerable?

The President. No.

Q. Do you think the American public feels that you might be? Because fewer than 50 percent of the people in this survey asked, this is the New York Times-CBS poll, fewer than 50 percent believe that you will be reelected.

The President. I don't believe these polls. I didn't believe them when they were 86 percent, either. That was euphorically high and that was because people saw this Desert Storm reawakening the pride of America. I think you've got to look at the conditions at the time. I think people, when they are worried about the economy and then they got a lot of political record to add to those worries, of course, I think there's some concerns. I've learned, though, not to comment on individual polls. I didn't get into the euphoria of 86 percent. And I would simply cite that that is not too bad, given the economic problems we're facing.

Q. You would agree that the numbers would indicate that there are a number of people that are concerned about the direction of your domestic policy.

The President. Well, I'm concerned about the economy. You don't have to go any further than me. And I wish that many of the ideas we've put forward had been enacted. But I'm going to keep fighting for them.

National Drug Strategy

Q. I want to talk about crime for a minute. It's a big problem in our town. Columbus is on a record murder pace like many other cities. And the police tell us a lot of it can be traced right back to the prevalence of drugs in the community. Some people are hopeless about this, saying we cannot win this war on drugs and, therefore, the war on crime. What is your personal view of that?

The President. Mine is that we can't be hopeless about it. We've got a good national drug strategy that's beginning to work. I don't know if you've seen the numbers on use of narcotics. It's going down. The interdiction problem is better. But there's two things that we've got to do. One of them is continue on education. I'm talking in addition to rehabilitation. But education is very important. Then we've got to pass legislation that will be stronger in support of our police officers, tougher on the criminal, more sympathetic to the victim of crime.

And there's another area where we have been fighting diligently in the Congress trying to get that done. And the American people there want it overwhelmingly. But it doesn't seem to be happening. So I've got to keep pounding on the Congress, taking my case to the American people and saying, ``Don't despair. We're making some progress here." But we've got to win this war. And I'm not going to give up until we do win the war.

John Sununu

Q. And I want to ask you about your inner circle of advisers. There's been quite a bit of speculation over the weekend about the status of your Chief of Staff John Sununu. How does he stand with George Bush today?

The President. He stands fine. You know something, I've been in Columbus for a few hours, had a chance to visit with some people, the Committee of 100 and students and some teachers. This is the first question I've got on that. And I think people are more interested about the first of this: What can you do to help people that are hurting? What's your program on crime or transportation, rather than the inside, what I call the inside-the-beltway belief in going -- chase, running down all these rumors. But I think we've got a good team. What I want to do is see us make more headway with the Congress in getting our sound legislative proposals through.

Q. Let me just follow up quickly on the John Sununu question. Are you saying then when he stands fine that he is a firm member of the Bush-Quayle in '92?

The President. Sure. And I'm saying, look, how I organize the White House in terms of people, we'll sort that out. And I've got a lot of confidence in him. But we've been blessed actually, when you look over your shoulder at previous administrations, about not having too much what I call internecine warfare. And I've also learned when there's kind of a firestorm out there of the nature there may be swirling around, it's better just to calm things down, get on about the Nation's business -- how do you help them.

Columbus Anniversary Celebration

Q. And in the 15 seconds I have left, we're going to host an international floral festival in 1992 called Ameriflora. We have the Santa Maria downtown. Can we expect to see the President here as one of our guests?

The President. Is this a firm invitation? I mean, I don't know what -- --

Q. I guess I can put it out there as an invitation.

The President. Listen, I love this town. A lot of people don't -- they think of me as an Easterner or a Texan. My father was born in Columbus, Ohio, and grew up here. So we have some distant roots. And we'll just have to wait and see. But I wish the city well. I wish the State well. It's going to be marvelous, the celebration, 500-year celebration. Whether I come or not, it will be a great success because I know the spirit of Columbus.

Q. Mr. President, thank you.

The President. Thank you very much for coming.

Note: The interview began at 12:35 p.m. in the chorus room of the Veterans Memorial Auditorium. A tape was not available for verification of the content of this interview.

Interview With Doug Adair of WCMH - TV in Columbus, Ohio

November 25, 1991

Columbus Anniversary Celebration

Q. Mr. President, I wondered if you had a chance to see our replica of Columbus' ship, the Santa Maria.

The President. Not yet, I haven't, but I expect that that commemoration next year is going to be fantastic, knowing the spirit of this place.

Q. Have you been invited to come, and do you plan to come?

The President. Well, I'm not sure I've had a formal invitation. I'll have to check with the schedulers. But obviously, I'd like to come. I am going to be participating in many events, because this is American. This is Columbus, Ohio, but it's American. It's broad, and it's big. And it will be wonderfully exciting, the various events. So I hope I get a chance to come here.

AIDS

Q. We're right now planning a special program on AIDS aimed at teenagers. I know you were in Europe when Magic Johnson made his announcement. I wondered if there was anything more you wanted to say about him or that you would say to teenagers.

The President. Well, simply that Magic is coming onto the National AIDS Commission. And I believe from what I've heard him say that he'll be, because of his fame, he'll be a marvelous advocate for education, helping teenagers understand how to avoid getting AIDS. You can't do it in every instance, but AIDS is one disease where behavior has a lot to do, a lot to do, with whether you get it or not, shooting dope or promiscuous sex. Those are areas where we need more education to the teenagers. And I think that that commission and I think that that individual can be extraordinarily helpful, saying here's what I've learned, here's what I believe.

In the meantime, we're going forward with a vigorous and large funding in research. And we've got some great research that's hopeful research going on at NIH, National Institutes of Health, in Washington.

Saddam Hussein

Q. Headlines all across the country today are talking about ``President Bush Reviews Plans for

Saddam's Ouster" and ``Move Would Counter Democratic Critics", like Mario Cuomo, who says you waged the war well enough but lost the objective in that you did not get Saddam Hussein. Is there an effort now, an increased effort, to overthrow him?

The President. If I could, without being argumentative; that wasn't an objective. You remember the U.N. resolutions. It was to kick Saddam Hussein out of Kuwait and teach the aggressor a lesson. And that was a lesson that he got loud and clear. So we've got to be careful about redefining objectives for the American people. But if your question is would I like to see him out of there and would we like to help in some way or another, the answer is, yes. But I did see that story. It's a little speculative. We never comment on anything that we're doing of a clandestine or covert nature and never should, because people's lives -- if they were doing this, and I'm not confirming or denying anything -- could be put in danger by this. But I'd like to see him out.

I'll tell you what there is -- this is the first time I've said this -- there's some interesting information coming out of Iraq of increasing dissent. People are tired of this man. They're tired of seeing food and medicines go in only to have them ripped off and be sent to the Republican Guard or to the people in Tikrit. And so I think we're watching a situation with growing dissent, growing discouragement about this brutal dictator, regret at being isolated by the world community. And who knows what the dynamics inside Iraq will eventually be when that move that I mentioned now just becomes paramount, when everybody feels that way?

Public Opinion Polls

Q. Is it difficult having been such a hero of the Gulf war and to see the popularity polls reflecting that and then to see the popularity rating come down with the economy? Do people expect too much of a President that way?

The President. No, I think a President has to -- I think people, when they are frustrated on an economic sense, they'll blame Congress, they'll blame the President, they'll blame the Governor. They'll blame anybody. But people are hurting. And so I can understand it. I would like to say, without being rancorous about it, that if Congress has passed some of the economic growth package that I put forward in the State of the Union and the programs that I've put forward since then, I think we'd be much further along in terms of a boisterous recovery, a robust recovery.

But, look, I don't think the American people want blame. I'm going to try to constrain myself a little. I'll go to some political events, and I'll hammer away at the Democrats as they're doing on me right now. But more important is, what can we do to help people? And I am going to continue to fight for the programs that I think will help the American people. And we can take care of the politics later on. And you can't live or die by polls. I didn't live euphorically at 86 percent, nor am I wringing my hands now.

The Economy

Q. You try to assure everyone that the economy is doing well enough, and yet 69 percent of the people, according to the Associated Press, say that the economy is not doing well.

The President. It's not, and I don't try to assure them it's doing well enough. Please, that is not what I try to do. I try to put things in perspective. When people talk about Herbert Hoover depressions, they simply don't know what they're talking about. When you see interest rates where they are and you see inflation under control, these are good fundamentals. But still people are hurting.

So I think you need to -- I think a President owes the American people his judgment. And I don't think that we ought to try to talk ourselves, as seems to be happening by some, into worse times. You see, I have this funny feeling that some of the political opponents think that the only way they can propel themselves to victory is to make America think that everything is wrong. Things are wrong. They can be corrected.

I'm in Ohio talking about a revolutionary new education program, America 2000. That will help enormously. And it will help fairly short run. We moved forward on unemployment benefits. That's helping those now who are hurting. So, we've got some programs that can be short run and some much longer run.

Presidential Safety

Q. Interesting in ``Reader's Digest'' this month, a little quote that says you were asked one time what was your favorite Presidential speech, the one you admire the most. And you said it was one that Teddy Roosevelt had carried in his pocket that helped to deflect an assassin's bullet. And I wondered, is that something that concerns a President a great deal all the time, the concern about yourself or about your family being in a position like that?

The President. Not really. Not in terms of security. We have the best Secret Service and dedicated young men and women that really go the extra mile for protection. So I don't wake up worrying about that kind of threat. On the family side, I worry more about what you put your kids through, what you put your family through by just being in the arena. It's a little ugly out there, charge and countercharge. And what troubles me is it might get a little worse as the political season goes on. There's a certain ugliness, and I'd like to try to avoid that. But that's on the family side what concerns me, not personal security. I honestly don't think about that.

Interest Rates

Q. Your call for reducing credit card interest rates got part of the blame for the plunge 120 points on the stock market. Is that fair?

The President. I don't think so because I've also jawboned the Fed, saying wouldn't it be nice to have lower interest rates. And no Congressman went out and tried to pass usury laws and put them on the Fed. And, yes, I'd love to see all interest rates as low as possible. But here, where I differ with what Congress did, I don't think we can go in and legislate that kind of cap that they tried to do. Because I honestly would like to see these rates lower. And indeed, some have come down since I said that. But capping it and putting Federal legislation on, that was passed by overwhelming Democrat and Republican support, I don't think is the answer. So whether I should be accorded some of the blame, I don't know. I didn't get the blame when I urged that the Fed lower the interest rates, and indeed, they did lower.

Ohio State vs. Michigan

Q. I know you're a sports fan. I wonder if there's anything you want to say to Ohio State fans who are feeling badly about having lost to Michigan for the fourth straight time, and the coach gets a renewal on his contract. Anything that you -- --

The President. No, other than that I saw the game. It was a tough game. Michigan was tough. We all know that. I saw some of it, a lot of it. And I'm not a guy that bashes the coach. I knew Woody Hayes pretty well. Indeed, not only knew him as a political supporter but as a friend. And I learned from Woody, stay in there and drive, and so I wish the coach well. I don't know enough about it to get involved in Ohio State politics and all. But he's a good man. We have ups and downs in the world of politics like he does on the gridiron.

Federal Debt

Q. Finally, with interest rates coming down as they have, have you given any thought to refinancing the White House? [Laughter]

The President. I'd like to refinance -- actually, we're refinancing the Federal deficit, the Federal debt as these rates are lower. And that's not a bad thing. So I'm glad the rates are down. And at some point they'll kick in. Housing rates are down. And sometime when confidence gets restored, people will say, this is a good time to buy a house. In the meantime, we've got to help those people who don't have the money to buy a house and are trying to make ends meet.

Q. Mr. President, thank you very much. It was a privilege for me. Thank you.

The President. Thanks for coming over.

Note: The interview began at 12:45 p.m. in the chorus room at the Veterans Memorial Auditorium. A tape was not available for verification of the content of this interview.

Interview With Lou Forrest of WSYX - TV in Columbus, Ohio

November 25, 1991

America 2000

Q. Essentially, the America 2000 program, the criticisms that I've heard of -- and this comes from a sixth-grade teacher here in the central Ohio area here, Jerry Wilson -- who said that he thinks it relies really too much on testing, on memorizing things rather than teaching or learning.

The President. I don't think it does rely that heavily on it. I think parents and educators would like to see some yardstick. So, we're talking about voluntary testing to show people where they stand. Is your school measuring up to this school over here? Is this school better in math and science than this school? So to reach our national education goals -- one of which is, incidentally, math and science proficiency -- I think we need a testing program. I don't think all the emphasis ought to be on testing, however.

Q. But are you requiring the testing? Is that just by rote? Our students really -- --

The President. Well, I don't think it's been designed. I don't think that the tests have even been designed yet. I think they can be flexible, but what they've got to do is show how a school compares with another one in this city or another State. And the idea that this kind of naive view that you don't need any testing, I think is ridiculous. I think we kind of went through that approach a while back, kind of a goo-goo approach that we don't need tests; we don't need anybody to know where they stand; we'll just throw something out there at them. And I think you do need certain standards.

One of the things I'm excited about is trying to meet our national education standards -- first time we've ever had -- and it's not Republican or Democrat. It's all the Governors getting together. And Ohio now is getting out in the forefront of all of this.

Q. You like the Ohio 2000 program?

The President. I think it's off to a good start. Governor Voinovich has put together what they call a ``Team of 100," and they come from all walks of life, and they come from different parties. And I think what he wants to do is get down into the communities to reinvent the school. I don't know, some teachers might wonder about what this does to the status quo, but most of them, I think, feel inhibited by a lot of bureaucracy and certification and regulations. And I think most recognize, no matter how hard they're trying, that we're not as competitive in education for the future as we should be. So, we're getting good, broad support, not just from the business community and the

local communities, but from the education community as well. That's not to say we don't have any critics.

Q. Right. Well, let me ask you, then, about being inhibited by regulations. There also is a lot of criticism that the Federal Government has too many regulations.

The President. Yes.

Q. For example, there is one program that if you buy computers under this program you can't use those to teach disadvantaged students in the day and use it to teach adult literacy at night. Do you have any ideas on getting rid of some of these -- --

The President. Yes, I do. And I think a lot of the education 2000 strategy tries to address itself to that, fights against mandated programs from Washington, DC. A big argument that I have with many of the entrenched committee chairmen in Congress is, we've got to do it differently. Don't tell Columbus, Ohio that they've got to do a formula like you've just mentioned, the same as a formula from Brooklyn or Beeville, Texas. It's not that kind of -- it doesn't lend itself to this kind of rote or mandate.

So when a person expresses frustration like that, there's two things: One, we've got to avoid legislative mandates. Secondly, if the Federal Government, just by rulemaking and regulation, is burdening these communities, then I've got to do better in getting rid of those regulations that just tie the hands of innovative superintendents or teachers or shopworkers or whatever it is.

Q. California had a very good idea when they started reform in that State, was that any school district could apply for an exemption if they found a rule or a law that roadblocked them, and they would handle that.

The President. There are exemptions that can be applied for to the departments in Washington, and I think we've been able to handle some by exemption. But the big answer is to redo it, to start from scratch. And therein, we may run into problems at local levels, State levels. But so far, the receptivity is strong in the 25 States, Ohio being the 25th, that have adopted the America 2000 education strategy.

Funding for Education

Q. One of the things I did in preparation for this interview, Mr. President, was ask a number of teachers and principals, if you could ask the President any question, what would it be? And the very first answer I got from Carol Price, who is a principal at an elementary school, was: What about funding? Obviously the bulk of funding for education comes from the States, but how are you going to pay for America 2000?

The President. States and local. Let me put funding in a broad perspective. And don't hold me within a billion to the month. In the early eighties, we were spending $160 billion on education. Now it's $400 billion -- $400 billion. And we're still not of proficient rank internationally to say that in the future we can compete or say to a parent, ``Your kid's getting the very best.'' I don't think it is a question of funding. America 2000 is not trying to tell the States how much money they have to put into each program.

And our budget, of course, for the Department of Education is up. But I don't think that the Federal -- that the answer to education, if this is what Carol was saying, lies in vast increases in Federal funding. Federal funding is six percent, I believe, of the total education budget. She ought to look at how can we revolutionize this education to make ourselves be more efficient? How can we get the parents involved more? How can we stop getting too many mandates telling me, Carol Price, how I ought to run my classroom, for example?

So I don't think it's funding. I mean, in some areas I wish there was more money brought to bear on a specific problem. But I don't think we can say, well, we're failing because we're not getting enough money from the taxpayers.

Q. I think, she's operating on a day-to-day basis where she sees how much she has for supplies and how much she has to buy new textbooks and then the available Federal monies that she can get that -- that was her concern.

The President. Well, she may be right, because in this instance she may be speaking right there from the heart with fact on her side. Because in some areas, some States and some communities, as they assign priorities in tough economic times, have had to cut back on things. But I would be surprised if she's saying, ``Hey, they're not letting me get the diversity of classroom implements I need; Federal Government, please send it.'' I think she's probably saying, ``Look, we're getting hurt here. The economy is down. People are hurting. And some of it's coming out of education. And I'm a teacher, and I don't want to see it cut here. I want to see us go forward.'' So maybe it's something like that, that motivated her comment.

Adult Education

Q. One of the goals of America 2000 is a skilled, literate workforce. Are you proposing anything with vocational training?

The President. Yes. Adult education. Adult literacy. Adult literacy is a key, incidentally; the concept, nobody's too old to learn. I'm sitting down, as kind of admittedly with some show business, but now fascination, learning to do a computer. By doing that, I've started to do that to show nobody's too old to be taught. And now I find I'm using that thing for all the memos I send out -- they've taken my typewriter away from me -- and it works. And so we're talking here about more adult literacy programs, more adult education programs, but with flexible styling. Style

them so they suit the needs of the communities, not back again to mandates, to be mandated from some subcommittee chairman in Washington, DC.

Anti-Crime Legislation

Q. Let me switch gears here for just a moment. The crime bill. I get the impression from the reports that you do not like the crime bill.

The President. I'm very disappointed. We fought hard for anti-crime legislation that will support the police officer, a little less concern about the criminal himself. We've got good provisions in there for the victims of crime. And then it gets technical: habeas corpus reform, exclusionary rule reform. All of that's moved the wrong way in this midnight conference, or conference that broke up last night in the Senate and House. And looks like we're getting back to party politics. So I do worry that we're not going to be able to get for the American people the kind of tough anti-crime legislation they want. And I'll keep fighting Congress until I get it.

Q. And if it comes to you, you would veto it?

The President. Well, I have to know exactly what's in it. But from what I understand the conference did, I'd have to. I'd have to. And there are some things in there we want. But you know, that's a problem with divided Government. I have to stand up and beat back things that I think are against the interest for the American people in order to get good legislation. So, let's see how it actually comes down to the White House. It may not even get there. It may not even get there this session. They may turn it over until next session.

Q. Okay. Thank you, sir.

The President. Thank you very much.

Note: The interview began at 12:56 p.m. in the chorus room of the Veterans Memorial Auditorium. During the interview, Mr. Forrest referred to Jerry Wilson, a sixth-grade teacher at Wilson Hill Elementary School, and Carol Price, principal of Colonial Hill Elementary School, both located in Worthington, OH. A tape was not available for verification of the content of this interview.

Statement by Press Secretary Fitzwater on the Ratification of the Conventional Weapons Treaty

November 25, 1991

The President is extremely pleased by the Senate's resolution of advice and consent to ratification of the CFE Treaty.

This action could not be more timely. The CFE Treaty is the cornerstone of the new security structure we have been working to construct in Europe. Its full implementation will put in place a system of equipment limits and verification provisions that will help provide a stable and secure framework for future European political development.

We call upon all other signatories to ratify the treaty promptly so that it can be implemented as soon as possible.

Letter to Congressional Leaders on the Crime Bill

November 25, 1991

Dear Bob:

Since March, I have been calling on the Congress to pass a tough crime bill that will remove the handcuffs from law enforcement and end needless delays in the criminal justice system. For too long, the scales of justice have been tipped in favor of criminals instead of law-abiding Americans. The American people want a crime bill that will make the system tougher on criminals than it is on law enforcement and crime victims.

After months of delay, the Congress is now presented with a conference report drafted in the last hours of this session. Once again, just as they did last year, Democrat conferees from the Senate and House have demonstrated that they are willing to overlook the will of their colleagues and the American people. Clearly, the American people deserve better.

The crime bill produced by the Democrat-controlled conference is unacceptable. The bill rejects many of the primary goals the Administration set forth as necessary for an acceptable crime bill. One essential goal of our proposal is to end frivolous post-appeal challenges brought by convicted criminals, particularly death row inmates, through meaningful habeas corpus reform. By overturning critical Supreme Court decisions that have reduced the abuse of habeas corpus, the conference bill actually weakens current law by expanding a criminal's ability to frustrate the system.

Another goal of the Administration's bill is to ensure that criminals do not go free on legal technicalities when a police officer is acting in good faith. This conference report does just the opposite. Again, it retreats from current law by throwing out court decisions that recognize the legitimacy of such a good faith exception to the exclusionary rule.

Finally, although this bill purports to permit imposition of the death penalty for several new Federal offenses, it adopts procedures that virtually ensure the death penalty will never be imposed.

I will not accept any effort by the Congress to turn the clock back on the progress we have made in the courts on criminal justice reform. If this bill is presented to me, I will veto it and insist that Congress pass a crime bill that will strengthen our criminal justice system.

Sincerely,

George Bush

Note: Identical letters were sent to Robert H. Michel, House Republican Leader, and Robert Dole, Senate Republican Leader.

Message to the Senate Transmitting the Strategic Arms Reduction Talks Treaty

November 25, 1991

To the Senate of the United States:

I am transmitting herewith, for the advice and consent of the Senate to ratification, the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms (the START Treaty) signed at Moscow on July 31, 1991. The START Treaty includes the following documents, which are integral parts thereof:

-- the Annex on Agreed Statements (``Agreed Statements Annex");

-- the Annex on Terms and Their Definitions (``Definitions Annex");

-- the Protocol on Procedures Governing the Conversion or Elimination of the Items Subject to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms (``Conversion or Elimination Protocol");

-- the Protocol on Inspections and Continuous Monitoring Activities Related to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms, with 12 annexes (``Inspection Protocol");

-- the Protocol on Notifications Relating to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms (``Notification Protocol");

-- the Protocol on ICBM and SLBM Throw-weight Relating to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms (``Throw-weight Protocol");

-- the Protocol on Telemetric Information Relating to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms (``Telemetry Protocol");

-- the Protocol on the Joint Compliance and Inspection Commission Relating to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms (``Joint Compliance and Inspection

Commission Protocol"); and

-- the Memorandum of Understanding on the Establishment of the Data Base Relating to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms, with 10 annexes (``Memorandum of Understanding").

In addition, I transmit herewith, for the information of the Senate, the Report of the Department of State and documents associated with, but not integral parts of, the START Treaty. These documents are of four types: separate executive agreements related to the Treaty; letters embodying executive agreements on various aspects of the Treaty; declarations regarding specific systems that do not fall within the scope of the Treaty; and a variety of statements and correspondence concerning aspects of the negotiation of the Treaty. Although not submitted for the advice and consent of the Senate to ratification, these documents are relevant to the consideration of the Treaty by the Senate.

The START Treaty represents a nearly decade-long effort by the United States and the Soviet Union to address the nature and magnitude of the threat that strategic nuclear weapons pose to both countries and to the world in general. The fundamental premise of START is that, despite significant political differences, the United States and the Soviet Union have a common interest in reducing the risk of nuclear war and enhancing strategic stability.

The United States had several objectives in the START negotiations. First, we consistently held the view that the START Treaty must enhance stability in times of crisis. The strategic nuclear forces remaining after implementation of START -- as well as during the period when weapons are reduced -- should be such as to reduce Soviet incentives to provoke a crisis or to strike first during a crisis. Stability in times of crisis will remain important even in the post-Cold War era; no one can predict the future, and the purpose of this Treaty is to regulate the strategic threat for many years to come. Among the many measures we sought to fulfill this objective, the most important were the preferential treatment given to stabilizing systems, such as bombers and cruise missiles, the stringent limits on deployed ballistic missiles and their reentry vehicles, and the special, restrictive limits on heavy ICBM's, the most destabilizing weapons in existence.

Second, we sought an agreement that did not simply limit strategic arms, but that reduced them significantly below current levels. A successful combination of this objective with that of a stabilizing force structure can serve for many years as a linch-pin in shaping our strategic posture, and, if appropriate, can serve as a basis for future agreements that will lead to further reductions. Moreover, in order for the Treaty to work smoothly over many years, its terms must be as precise and unambiguous as possible. Neither Party should have any doubt as to the limitations and obligations that are imposed by the terms of the Treaty.

Third, we sought a Treaty that would allow equality of U.S. forces relative to those of the Soviet

Union. Again, the emphasis is to reach equality in order that the resulting levels will be stabilizing. Equality does not require identical force structures; rather, it demands limits that allow the Parties to have equivalent capabilities.

Fourth, we sought an agreement that is effectively verifiable. Effective verification is necessary to ensure that U.S. national security is not jeopardized under the Treaty. Effective verification also acts as an inducement to the Soviets to comply because they are aware that their behavior will be closely monitored.

Finally, the United States placed great emphasis during the negotiations in seeking an agreement that would be supported by the American and allied publics. This objective means that U.S. policies regarding strategic forces must not only sustain deterrence, but will also serve to assure the American people and allied publics that the risk of war and crisis instability is low and is being further reduced.

I am fully convinced that the START Treaty achieves these objectives.

START will be the first Treaty that actually reduces strategic offensive arms. START will lead to stabilizing changes to the composition of, and reductions in, the deployed strategic offensive nuclear forces of both countries. The overall strategic nuclear forces of both countries will be reduced by 30 - 40 percent, with a reduction of as much as 50 percent in the most threatening systems. The Treaty will have a 15-year duration, and can be extended for successive 5-year periods through the agreement of the Parties.

Force reductions under START will be asymmetrical due to currently higher Soviet levels, and will result in equal limits on deployed strategic offensive arms at the end of each of three phases over the first 7 years that the Treaty is in force. Moreover, I believe that the reduction of ICBMs should be accomplished even more rapidly than the Treaty would require. On September 27, as a part of my statement on the future of U.S. nuclear weapons, I said that those ICBMs that the United States would reduce pursuant to START would be eliminated more rapidly than required by the Treaty. Today, I reiterate that pledge.

More specifically, the central limits of START require reductions down to ceilings of 1600 on deployed strategic nuclear delivery systems (i.e., deployed ICBMs, deployed SLBMs, and deployed heavy bombers), 6000 accountable nuclear warheads that those missiles and bombers would carry, and 3600 metric tons of aggregate ballistic missile throw-weight. Aggregate throw-weight -- a measure of the total weight of weapons and related objects that a ballistic missile can deliver -- is limited to approximately 54 percent of the current aggregate Soviet throw-weight level.

Within these aggregate limits, the United States and Soviet Union have agreed to observe certain subceilings in specific weapon categories. Reductions and limitations on those weapon systems

that could most threaten crisis stability are emphasized in these subceilings. Under START, neither Party may have more than 4900 deployed ballistic missile warheads of which no more than 1100 warheads can be on deployed mobile ICBMs. Moreover, the Soviet Union is required to reduce by 50 percent their heavy ICBM force. The Soviet Union will eliminate no fewer than 22 SS - 18 launchers every year during the 7-year reduction period to a ceiling of 1540 warheads on 154 heavy ICBMs.

To assist in verifying compliance with these limits, START incorporates the most extensive verification regime in history, which includes the exchange of ballistic missile telemetry tapes, the permanent monitoring of mobile ICBM assembly facilities, 12 kinds of on-site inspections, special access visits, cooperative measures, and data exchanges to complement our national technical means of verification. Moreover, many of the Treaty provisions, such as its definitions, counting rules, conversion or elimination procedures, notifications, and numerous data exchanges, will help to verify whether the Soviet Union is in compliance with the central limitations. Thus, I am convinced START is effectively verifiable.

START represents a critical watershed in our long-term effort to stabilize the strategic balance through arms control. Stabilization of the strategic balance will help cement one of the most fundamental tenets of our preferred world order -- that conflict must not and shall not be resolved through the use of nuclear weapons. Moreover, recent events underscore the need to ensure stability and to broaden the dialogue between our countries. Implementation of START would reinforce these efforts.

In sum, the START Treaty is in the interest of the United States and represents an important step in the stabilization of the strategic nuclear balance. I therefore urge the Senate to give prompt and favorable consideration to the Treaty, including its Annexes, Protocols, and Memorandum of Understanding, and to give advice and consent to its ratification.

George Bush

The White House,

November 25, 1991.

Proclamation 6381 -- National Accessible Housing Month, 1991

November 25, 1991

By the President of the United States

of America

A Proclamation

We Americans cherish the many blessings that we enjoy in this land of freedom and opportunity -- including our ability to decide where we live and work. During much of our Nation's history, however, that prerogative has frequently been denied to persons with disabilities. For example, in the past, it has often been difficult for a person who uses a wheelchair to find a home where doorways, baths, and other structural features can accommodate his or her needs. Even now, when an elderly American can no longer climb stairs, he or she may face the emotionally and financially difficult task of finding a suitable single-story dwelling.

Fortunately, all that is changing. In recent years, we have taken important steps to promote equal opportunities for people with disabilities. The Fair Housing Amendments Act, which prohibits discrimination in housing, went into effect in 1989. This legislation provides Americans with disabilities the opportunity to choose their places of residence with the same degree of freedom as other citizens.

The enactment of the historic Americans with Disabilities Act of 1990 offered additional evidence of our commitment to removing the physical, attitudinal, and statutory barriers that have too often prevented these individuals from enjoying the same opportunities as other Americans. This legislation, the world's first comprehensive declaration of equality for persons with disabilities, prohibits discrimination in employment, transportation, and public accommodations.

Clearly, our Nation has recognized its obligation to become more conscious of, and responsive to, the environmental and structural obstacles that persons with disabilities face on a daily basis. However, we also have a practical interest in doing so: indeed, it is estimated that 70 percent of all Americans will, at some time in their lives, have a temporary or permanent disability.

While the Federal Government has been leading efforts to ensure equal opportunity for persons with disabilities, the public and private sectors share responsibility for promoting the full integration of these Americans into the social and economic mainstream. It is heartening to note that thousands of concerned individuals and organizations have been working together to meet that responsibility. For example, a number of private sector entities have designed a public

education campaign that answers questions about barrier-free home designs, which allow easy entry and movement throughout the house. On March 6, 1991, the Department of Housing and Urban Development published ``Fair Housing Accessibility Guidelines," which instruct builders and developers on how to comply with the accessibility requirements of the Fair Housing Amendments Act. Public and private sector efforts such as these are not only helping to create more accessible housing for persons with disabilities but also facilitating their full participation in the social and economic life of our country.

The Congress, by Senate Joint Resolution 184, has designated the month of November 1991 as ``National Accessible Housing Month" and has authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby designate November 1991 as National Accessible Housing Month. I call upon local and State governments, appropriate Federal agencies, and the people of the United States to observe this month with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:46 p.m., November 26, 1991]

Note: This proclamation was published in the Federal Register on November 29.

Proclamation 6382 -- National Family Caregivers Week, 1991 and 1992

November 25, 1991

By the President of the United States

of America

A Proclamation

Each day millions of Americans provide nursing care and other forms of assistance to relatives who are incapacitated by age, illness, or disability. These family caregivers not only help to support loved ones who might otherwise be forced to live in an institutional setting but also exemplify the kind of unconditional love and commitment that is the essence of family life.

Family caregivers perform their various tasks freely and without compensation -- and often at considerable sacrifice to themselves. Many of these individuals assist relatives in need while juggling the traditional demands of home, family, and career. The Department of Health and Human Services reports that nearly one-third of our Nation's family caregivers are older Americans -- the spouses and siblings of the frail elderly. Statistics, however, cannot fully measure the physical, emotional, and financial costs that are incurred by family caregivers as they help with nursing care, transportation, shopping, cooking, household maintenance, and a host of other needs.

As a Nation, we owe a great debt of gratitude to family caregivers. These unsung heroes and heroines deserve our respect and our support. This week, let us recognize the importance of respite and day care services to family caregivers, and let us reaffirm our commitment to the American tradition of neighbor helping neighbor. Let us also resolve to work together, throughout the public and private sectors, to ensure that this Nation's senior citizens have the opportunities and the services that they need to live with dignity and security in the comfort of their own homes.

The Congress, by House Joint Resolution 125, has designated the weeks of November 24 through November 30, 1991, and November 22 through November 28, 1992, as ``National Family Caregivers Week'' and has authorized and requested the President to issue a proclamation in observance of these weeks.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the weeks of November 24 through November 30, 1991, and November 22 through November 28, 1992, as National Family Caregivers Week. I urge all Americans to observe these weeks with

appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:47 p.m., November 26, 1991]

Note: This proclamation was released by the Office of the Press Secretary on November 26, and it was published in the Federal Register on November 29.

Exchange With Reporters in the Oval Office

November 26, 1991

Economic Growth Package

Q. Mr. President, what do you really think about the economic package that was presented to you yesterday?

The President. I'm for it.

Q. You're for it?

The President. Yes.

Q. How strongly?

The President. That's what I've said.

Q. Enough to keep Congress in session?

The President. Listen, Congress has been here all year long. If they want to pass this, let them pass it today.

Q. You're not going to ask them to stay in?

The President. I want the package passed, and I want to see it done fast. And I've wanted a lot of legislation that they've had all year to pass. And this kind of ploy at the end is just that; it's a ploy. We've got a good package up there. I've had one up there all year long. Now there's another good one. Let's see them vote on it. They can vote if they want to. This idea of dancing around, that's not good enough for the American people.

Q. The Republicans -- --

The President. Look, we've got to get on with our business here. Put me down as enthusiastically for it.

Q. You were misinterpreted, weren't you?

The President. Misinterpreted. If they just print what I say, what our statements say, then we would avoid some of this interpretation. I am for this, would like to see it voted on today. And

there's no point in Congress sticking around in my view.

Q. Sir, the economy-troubled ordinary Americans wonder, why not keep them in?

The President. Because they've been here all year long, and the economy's in trouble. That's the answer. Okay.

Q. Are you blaming them?

The President. You heard what I said. Just print it as I said it without interpretation.

Q. I promise you a verbatim report.

The President. That's good. It's all we can ask.

Soviet Union

Q. Mr. President, coming back to Soviet Union, I'm Pravda correspondent. Our country is living through very difficult times now. How can the United States help us to live through it?

The President. We're going to talk about it today. We're trying to help with our agricultural program. We're trying to help in many other ways. In fact, we just finished a long meeting. We're very interested in helping the people, particularly the people that are hurting right now, and then facilitating this move to a market economy which will eventually mean prosperity for all. So, that's what we're going to be discussing right now. Thank you.

Note: The exchange began at 11:35 a.m. in the Oval Office at the White House prior to a meeting with Foreign Minister Andrei Kozyrev of the Russian Republic. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on the House Republican Economic Growth Package

November 26, 1991

Congress has had many months to pass our economic growth package. The President regrets Congress' inaction. He is enthusiastic about the House Republicans' efforts to advance a responsible growth package. As we said last night, the President reviewed the package with Bob Michel and Newt Gingrich and told them unequivocally that he liked the package and supports their efforts to advance the growth agenda.

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Andrei Kozyrev of the Russian Republic

November 26, 1991

The President met with Russian Foreign Minister Andrei Kozyrev today. Today's Oval Office visit follows a series of meetings held yesterday between the Foreign Minister and Secretaries Baker, Cheney, and Mosbacher and the congressional leadership.

Today's meeting was very useful and provided the Foreign Minister and the President an opportunity to exchange views on developments in the Russian Republic.

The President stressed our continued interest in building strong political and economic ties to Russia and assisting the Republic in establishing a viable and flourishing market economy.

Following the Oval Office meeting, General Scowcroft held a brief follow-on meeting with the Foreign Minister in the National Security Adviser's office.

Remarks at the Swearing-In Ceremony for William Barr as Attorney General

November 26, 1991

Thank you all. And thank you, George and Mr. Attorney General, distinguished members of the Cabinet, Members of Congress who are with us here today. I spot Senator Thurmond, Senator Hatch, members of the White House staff, and Bishop Daily, to you, sir. Ladies and gentlemen: Let me offer congratulations to Bill Barr and a warm welcome and best wishes to his wife, Chris, and to these three wonderful daughters here, with whom I had the pleasure to visit just a few minutes ago. May I salute Mr. and Mrs. Barr, Bill's parents, here in the front row and many, many other family and friends that are here for this happy occasion. This is my kind of Barr association. [Laughter] I knew it. [Applause] I knew it. I debated -- and there's Senator Kennedy. Ted, I didn't see you earlier. Welcome, sir. I debated whether to try that one, I'd like to take it over. [Laughter] Like a replay. Time out.

Today America gives new responsibilities to a young man of outstanding character and achievement. As always, Shakespeare's words help us sum up the man, ``Young in limb, in judgments old.'' The newspapers report Bill Barr was giving Eisenhower for President speeches when he was in kindergarten. And his parents pass along the word that young Bill was discoursing about separation of powers before he gave up his pacifier. [Laughter]

So, I am proud to welcome Bill Barr to this Cabinet. And he will make our country proud of his work as Attorney General of the United States. He offers a model of thoughtfulness and hard work for all young Americans. And when I first met him, Bill was holding down a demanding job in the legislative affairs office at CIA, and at night he was going to law school. As a lawyer in private practice and in Government service, he has shown unstinting commitment to excellence and to fairness.

As the head of the Justice Department's Office of Legal Counsel and as a key participant in our National Security Council deliberations, he has never hesitated, Bill Barr has never hesitated to speak his mind and to offer honest, solid legal advice. As Deputy Attorney General and then Acting Attorney General, he has fostered a strong sense of teamwork that draws the best out of our professionals at the Justice Department. Bill's leadership has brought about recent successes in prosecuting savings and loan fraud, in resolving the Talladega hostage crisis, and indicting the terrorists who plotted the Pan Am bombing.

Under our new Attorney General, the Justice Department has four major priorities: First, keep on with the fight against drugs. We're winning some battles. There are some encouraging statistics out there. But we haven't won this war, not yet. We'll keep putting our best efforts into the fight for the lives and well-being of our young people. That's what's at stake here.

Second, we are continuing, and we'll intensify, our efforts against violent crime. In the Federal Government, we're determined to help State and local authorities combat violent criminals. Bill Barr's leadership in particular will help us with a new crackdown against career criminals who use firearms, and he'll redouble our efforts to help victims and witnesses.

Third, our administration will work vigorously to enforce civil rights laws. We will support our fellow Americans' efforts to promote fairness and harmony, and we will join forces to fight the cancer of discrimination.

And finally, Bill Barr and his team will roll up their sleeves to heighten the attack against white-collar crime. We're determined to strengthen the people's protections against fraud in financial institutions, insurance, and Government procurement. We'll turn the full force of the law against con artists who steal people's savings. And we'll do the same to anyone from abroad who tries to rob our inventors and our investors of what is rightfully theirs.

We won't relax until Congress gives us the tools we need to fight crime. I asked for an end to frivolous habeas corpus appeals that waste time prosecutors should be spending on new cases. Congress, in my view, has ignored that urgent need. I asked for legislation assuring that needless technicalities will not cause evidence to be thrown out when police officers act in good faith. And Congress has ignored us on this one, too.

I asked Congress to make it easier to prosecute rapists and child molesters, and again, failure to act. And I asked for meaningful Federal death penalty authority, and, once again, I am not satisfied. Congress has failed to deliver. The conference committee's bill that's up there now, in my view, is so weak and so soft on criminals that I'll have to veto it if it reaches my desk.

This isn't a partisan issue; it's a matter of common sense. And it's a question of who is in touch with our State and local law enforcement authorities out there on the front lines. And at last count, I've heard from 31 of our States' attorneys general, Democrats and Republicans, who say they will stand by me in the position I have taken.

Beyond the critical issues of crime and drugs and civil rights enforcement, we need civil justice reform. Bill Barr will help us straighten out a civil litigation system that has spun out of control. We've become the most litigious society in the world. And that causes a painful, costly drain on our economy, on our professions, and ultimately on the civility we need to hold society together. Bill has been, and will remain, a stalwart in our efforts for civil justice reform.

I am confident that Bill Barr possesses an abundance of every quality that makes a great Attorney General. He is tough; he is fairminded, a man of integrity, of intense dedication. It's true that I've ordered Bill to go all out in fighting crime. But I've left the details to him. It's altogether his idea to try to drive drug dealers out of our neighborhoods by playing his bagpipe. [Laughter] A constitutional question has been raised on that one, violating the eighth amendment, cruel and

unusual punishment. [Laughter]

But for 15 years, I've been honored to know this good man. And I've been deeply impressed by his ability, by his love of country and of his profession.

And now it is my honor to present Judge Laurence Silberman, who will administer the oath of office to the 77th Attorney General of the United States.

Note: The President spoke at 3:42 p.m. in the Great Hall at the Department of Justice. In his remarks, the President referred to: George J. Terwilliger III, Acting Deputy Attorney General; Bishop Thomas Daily, Roman Catholic Diocese of Brooklyn, NY; and Judge Laurence J. Silberman, U.S. Circuit Court for the District of Columbia.

Remarks on Signing the National Adoption Week Proclamation

November 27, 1991

Excuse the little slight delay here, but may I welcome Chris Smith and others, and certainly Lou Sullivan, who's doing a superb job for this country as Secretary of HHS; Assistant Secretary Barnhart; and I mentioned Representative Smith; and I would consider, looking around, this crowd as all distinguished guests. And welcome, especially, to those here who truly know the meaning of the holiday we celebrate tomorrow, for those of us whose lives have been touched by adoption realize, I think, quite profoundly, what Thanksgiving is all about.

It gives me particular pleasure to proclaim this our 28th National Adoption Week. Each year more than 50,000 children join new families here in America. Each year tens of thousands of lives are enriched by this act of faith, courage, and generosity. That means not only the lives of children who have finally found the security and belonging they desire, but also the lives of their families and friends, their new families and friends.

During this week we have the chance, the privilege to recognize those who have joined in the effort to find permanent homes for waiting children: The counselors, the social workers, the physicians, the attorneys, the legislators, the volunteers, the employers, media professionals, members of the clergy, and families. During National Adoption Week, perhaps most important of all, we also have the chance to express our admiration for the women who chose life for their unborn child.

Our family knows the value of that choice. Among our 12 grandchildren, as many of you know, are two very special little ones who were adopted. Whenever I see these miracles, if you will, I thank God for the joy that each of them brings to our family every single day.

We must make adoption a higher priority in this Nation. And every level of government and every part of society must promote policies that encourage adoption and make it easier for families who want children and who will give them loving homes.

Right now, over 30,000 children are waiting. They're legally available for adoption, just waiting for homes and hearts to welcome them. Many of them have special needs, but they all have special love to receive and to give.

This week, during the holiday season, and throughout the year, let everyone in this country remember those precious youngsters who wait. Let us renew our determination to help them, to help the American family, to help the strength of this Nation.

So thank you all very much for coming here today. Have a wonderful Thanksgiving with your families. And may God bless you all. And now I'm going to sign this proclamation.

Note: The President spoke at 11:57 a.m. in the Roosevelt Room at the White House. In his remarks, the President referred to Jo Anne B. Barnhart, Assistant Secretary, Administration for Children and Families, Department of Health and Human Services.

Proclamation 6383 -- National Adoption Week, 1991

November 27, 1991

By the President of the United States

of America

A Proclamation

Adoption is a wonderful act of love, generosity, and lifelong commitment -- virtues that have always gone hand in hand with building a family. This week, we acknowledge the many rewards that adoption holds for children, for parents, and for our Nation.

More than 50,000 American children are adopted each year. These youngsters are as eager to give love as they are to gain permanent homes and families of their own. Indeed, any adult who has been blessed with an adopted child or grandchild knows what tremendous affection and joy that youngster brings to the lives of others.

Although the actual process may include moments of anticipation, frustration, and worry, adoption benefits each of the parties involved -- including the biological mother who, for whatever reason, cannot keep her child and courageously decides to give him or her the chance to enjoy life in a secure, loving environment. Because strong, loving families are the foundation of stable, caring communities and nations, adoption also enriches our entire country.

Tragically, however, despite the many benefits of adoption, thousands of children continue to wait. Approximately 36,000 children in the United States who are legally available for adoption are living in foster care or in institutions. Many of these children are characterized as special needs children: older children and children with disabilities, children with siblings who need to be adopted by the same family, or members of a minority group. Regardless of the individual needs they may have, all of these children long for the kind of permanent homes and loving families that most of us have always been able to take for granted.

As a Nation, we have begun to dismantle legal, financial, and attitudinal barriers to adoption. This progress has been made possible, in large part, by the vigorous efforts of concerned public officials, parents, social workers, attorneys, counselors, members of the clergy, and others. However, because every child deserves the special love and support that only a family can provide, we still have much work to do. We must continue to promote public awareness of adoption and to find ways of bringing prospective parents together with the thousands of children who continue to wait. We must also continue to offer encouragement and assistance to those courageous women who, despite the pressures of a crisis pregnancy, reject abortion and choose life for their unborn children.

The Congress, by Senate Joint Resolution 207, has designated the week of November 24 through November 30, 1991, as ``National Adoption Week'' and has authorized and requested the President to issue a proclamation in observance of this occasion.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week of November 24 through November 30, 1991, as National Adoption Week. I urge all Americans to observe this week with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this 27 day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register 10:19 a.m., November 29, 1991]

Note: This proclamation was published in the Federal Register on December 2.

Statement Announcing Joint Declarations on the Libyan Indictments

November 27, 1991

Statement of the Government of the United States Regarding the Bombing of Pan Am 103

After the indictments were handed down on November 14 we conveyed them to the Libyan regime. We have also consulted closely with the governments of France and the United Kingdom and in concert with those two governments we have the following two declarations to present publicly today.

Joint Declaration of the United States and United Kingdom

The British and American governments today declare that the Government of Libya must:

-- surrender for trial all those charged with the crime; and accept responsibility for the actions of Libyan officials;

-- disclose all it knows of this crime, including the names of all those responsible, and allow full access to all witnesses, documents and other material evidence, including all the remaining timers;

-- pay appropriate compensation.

We expect Libya to comply promptly and in full.

Declaration of the United States, France, and the United Kingdom on Terrorism

The three states reaffirm their complete condemnation of terrorism in all its forms and denounce any complicity of states in terrorist acts. The three states reaffirm their commitment to put an end to terrorism.

They consider that the responsibility of states begins whenever they take part directly in terrorist actions or indirectly through harboring, training, providing facilities, arming, or providing financial support or any form of protection, and that they are responsible for their actions before individual states and the United Nations.

In this connection, following the investigations carried out into the bombings of Pan Am 103 and UTA 772, the three states have presented specific demands to Libyan authorities related to the judicial procedures that are underway. They require that Libya comply with all these demands,

and, in addition, that Libya commit itself concretely and definitively to cease all forms of terrorist action and all assistance to terrorist groups. Libya must promptly, by concrete actions, prove its renunciation of terrorism.

Note: The Office of the Press Secretary released the text of the joint declarations on November 27.

Message to the Congress on Reductions in Travel, Transportation, and Subsistence

November 27, 1991

To The Congress of The United States:

In accordance with section 523A of the Treasury, Postal Service and General Government Appropriations Act, 1992, I transmit herewith a report specifying my determination of the uniform percentage necessary to reduce outlays for travel, transportation, and subsistence by $15.7 million. As required by law, this reduction will be applied to all accounts within this appropriations act in FY 1992 with the exception of the Committee for Purchase from the Blind and Other Severely Handicapped. Federal agencies covered by this appropriations act have been instructed to make the required reductions.

George Bush

The White House,

November 27, 1991.

Statement by Press Secretary Fitzwater on the Adjournment of Congress

November 27, 1991

Congress has adjourned for the Thanksgiving holiday after making progress in several important areas, but much remains to be done. We still must be sensitive to the need for economic improvement in this country.

When the Congress returns next year, we will engage these issues. The American people deserve a Government that responds to the need for jobs and economic opportunities.

Text of the Thanksgiving Address to the Nation

November 27, 1991

From Camp David, Barbara and I would like to wish all Americans a joyous Thanksgiving. This holiday has always had a special meaning for the Bush family, as it does for most Americans. Thanksgiving captures our spirit as a people: Our determination, our generosity, our industry, and our faith.

Thanksgiving brings to mind the joys of plenty and the anguish of want. As Americans celebrated Thanksgiving in 1777, George Washington and his troops huddled along the banks of the Delaware River. Buffeted by the brutal cold, haunted by British troops massed over the horizon, they stopped to offer humble words of thanks and praise, and to dedicate themselves to the cause of building a land of prosperous liberty. That simple moment helped establish the American character. Our founders' faith and determination transformed this land from a patchwork of colonies into a republic of ideals.

This Thanksgiving, many of us join friends and family around the table; others share time by phoning loved ones far away; and all of us will think of others. In places of worship across the land, people contribute canned goods or turkeys or clothing. They share their blessings with people suffering through tough times. And that's as it should be. Americans always have expressed their thanks by serving others.

Many people wonder how a President understands what goes on outside Washington, especially to people struggling to make ends meet. Of course, statistics paint a sobering picture: Unemployment, tight credit, lower home values, sluggish job growth. But real life speaks far more eloquently than bare numbers. I have traveled to 48 States since becoming President: Talking, meeting people, listening, learning. I will continue traveling around our great country because that's one way a President stays in touch with people.

Recently, many Americans have written me, saying they want me to know and understand that hard times have hurt them. They don't pull any punches. One man, who lost his job in September, described how he and his wife struggle to support two children at home, pay the bills, and keep up their property while he seeks work. ``Mr. President," he wrote, ``now is the time to come to the aid of the American people. The American people need to know that you mean what you say." A woman, who typed beneath her signature the words, ``Average Middle American," was just as blunt. Her husband recently lost his job, and she wrote that ``it's pretty thorny out there."

Well, I do understand. I am concerned. And I want to help. I know that for a person out of a job, the unemployment rate is 100 percent.

As a Nation, we need to address today's problems and tomorrow's promise in a new world united

in economic competition, not frozen in nuclear conflict.

Over the years we have built a strong foundation for progress in this new, revitalized world. Inflation is down. Interest rates have fallen to the lowest level in years. This year we will export billions of dollars more in goods and services than ever before, and that means good jobs for American men and women.

This doesn't mean that we ought to sit back and hope for the best. We must take strong steps to move ahead. I have asked Congress to pass an important series of initiatives to boost our economy. These include tax incentives to unleash investment, reforms to help our banks do their job, proposals to set loose a revolution in American education, initiatives to keep health care costs down. Taken together, these proposals would let Americans do more, produce more, dream more, dare more. They would create more jobs, good jobs, for American workers.

Unfortunately, Congress did not send me a comprehensive package of economic growth measures. But we can't take ``no'' for an answer.

Now, I know we're about to enter an election year. And I know that both parties will spend a lot of time taking tough shots at one another. In our system of government, the opposition will attack the President aggressively. There is nothing new about this. But when people are hurting, a President cannot accept politics as usual.

Congress left town after a particularly bitter session. We now have a few weeks in which elected officials can cool off and hear from the people they serve. In this time we can build a foundation for greater prosperity. I will continue taking what independent steps I can to help the economy like fighting to create opportunities in foreign markets for American workers. I'll make sure that administration agencies do everything they can to help the people, from getting unemployment checks out to easing the credit crunch. And I will insist that we get the money in our transportation bill out right away to build roads, fix bridges, and create jobs.

When I give the State of the Union speech in January, I will ask Congress to lay aside election-year politics at least long enough to enact a commonsense series of economic growth measures. I will ask politicians to restrain their personal ambitions at least long enough to get the job done. Afterward, the normal election-year battling can resume.

Politicians should remember that hot rhetoric won't fill an empty stomach. It won't create a job. It won't get the people's business done. Americans don't care about finger pointing in Washington, and they certainly have no tolerance for politicians who use tough times for political advantage. So, I will continue to place top priority on the issues you care about: Building a growing economy, world-class schools, and what our founders called ``public tranquility,'' a kinder, gentler Nation rid of crime and united by bonds of brotherhood and service.

Every day, as I confront the tasks ahead of us, I think of the people we serve: The family struggling to make ends meet; police risking everything to keep peace on the streets. I thank God for our teachers, who must serve as psychologists, doctors, social workers, and peacekeepers before getting a chance to teach the three R's. And I do care about the people who write me letters, especially people in trouble, people out of work.

Finally, I also remember the American people I have seen in every State and on virtually every continent: People who will not take no for an answer, people with a zest for life, people who love their country.

Americans don't ignore tough realities; we tackle them. We don't wallow in self-pity or despair. We shove obstacles aside and make life better. Optimism, opportunity, realism, determination: These are oxygen to us; they let our society live and breathe. America grew strong with the help of the greatest resource on Earth, the American people. As we look ahead, we should be as realistic about our strengths as we are about our problems. Every time I talk with Americans, I see our strength, and I feel all the more determined to do what you elected me to do: Foster growth, keep the peace, and maintain our stature as the world's greatest Nation, the standard by which all other countries measure themselves.

Two years ago, I talked to the Nation on the eve of Thanksgiving about the challenges posed by the collapse of communism. We met those challenges.

One year ago today, Barbara and I stood in the sands of Saudi Arabia, looking into the eyes of the finest men and women this country has ever known. I wondered whether I would have to send those young people into battle. We were a Nation on edge, anxious about what lay ahead in the Persian Gulf. No one knew how it would work out.

But look at what they did, what we did. We pulled together. We fought for principle. We stood up to aggression. And when our men and women returned home, remember how we felt: Proud, excited, confident, even relieved, all because we knew that we did the right thing.

Today, democracy is on the march around the globe. Nations long enslaved have begun experimenting with liberty, exploring their own promise as free people. America led the way to this new world. We met the test of world leadership.

Just as we've met every challenge in the past, we will meet those that confront us today. As we do, let us remember who we are and what we've done. Let's give thanks for our blessings, for our families, and our faith. Let's dedicate ourselves to the hard work this moment demands. Let's pledge to join hands in common purpose.

That's the Thanksgiving spirit, and it has lifted us since the Pilgrims first celebrated it more than three centuries ago. Now let's call upon that spirit today to help those in need. Let's call upon that

spirit as we move toward a new year and look forward to a new century.

Thank you. May God bless all of you and our great land, the United States of America.

Note: The text of the address was issued by the Office of the Press Secretary on November 27, for release on November 28.

Proclamation 6386 -- National Pearl Harbor Remembrance Day, 1991

November 29, 1991

By The President of the United States

of America

A Proclamation

At 7:55 a.m. on December 7, 1941, air and naval forces of Imperial Japan launched a surprise attack against United States military installations at Pearl Harbor, Hawaii. More than 2,400 Americans were dead or missing after the attack, including 68 civilians. Another 1,178 people lay wounded. Two U.S. battleships were destroyed; another six were severely damaged. On the same day, attacks against U.S. installations in Guam, the Philippines, and elsewhere in the Pacific left a similar trail of death and destruction. Less than 24 hours later, after an impassioned address by President Franklin D. Roosevelt, the Congress declared that a state of war existed between the United States and the Empire of Japan. Thus, America became engaged in World War II, a conflict that would change the course of history, ending forever America's isolation from world events.

Across the United States, people rallied to the cry of ``Remember Pearl Harbor!" While millions of brave and selfless Americans took up arms in the struggle for freedom, countless others labored and sacrificed on the home front. On our Nation's farms and in its factories, millions of workers rushed to increase production. In homes, schools, and churches, citizens of every age and every walk of life prayed for victory while making every contribution they could to the war effort. Yet this tremendous display of patriotism and resolve was more than a response to the outrage of Pearl Harbor. As President Roosevelt said:

When we resort to force, as we now must, we are determined that this force shall be directed toward ultimate good, as well as against immediate evil . . . . We are now in the midst of a war, not for conquest, not for vengeance, but for a world in which this Nation, and all that this Nation represents, will be safe for our children.

Six years after World War II began, and four years after the attack on Pearl Harbor, the United States and its Allies secured the unconditional surrender of Nazi Germany and Imperial Japan. By the end of the war, there had been more than 1,000,000 American casualties. Some 400,000 Americans had died so that others might live in freedom. Our Nation will always be grateful for their courage and sacrifices.

When we remember those who served our country during World War II, we also recall President Truman's observation that the Allied victory was ``a victory of more than arms alone." Indeed, while our farms, factories, mines, and shipyards produced tons of raw materials and finished goods that were essential to the war effort, as President Truman said, ``back of it all were the will and spirit and determination of a free people -- who know what freedom is and who know that it is worth whatever price they had to pay to preserve it."

On this occasion, we reaffirm the solemn commitment that President Truman made when he declared, ``We shall not forget Pearl Harbor." During the past five decades, that commitment has gone hand in hand with the unending task that President Roosevelt had earlier described as winning the peace. America's determination to remember the lessons of World War II and our continuing vigilance and resolve in the defense of freedom have helped to bring about the triumph of democratic ideals around the globe. Today Japan stands second to none as our ally and friend.

As we mark the 50th anniversary of the attack on Pearl Harbor, let us remember in prayer all those who died on that day and throughout World War II. Let us also honor all those World War II veterans who are still living, especially the infirm and the hospitalized. Finally, let us give thanks for the great blessings of freedom our World War II veterans helped to secure.

The Congress, by Public Law 102 - 68, has designated December 7, 1991, as ``National Pearl Harbor Remembrance Day."

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim December 7, 1991, as National Pearl Harbor Remembrance Day. I call upon all Americans to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twenty-ninth day of November, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:59 a.m., December 3, 1991]

Note: This proclamation was released by the Office of the Press Secretary on December 2, and it was published in the Federal Register on December 4.

Statement by Press Secretary Fitzwater on the Release of American Hostage Joseph Cicippio

December 2, 1991

We join the family of Joseph Cicippio in their happiness for his release after these many years of unjust captivity in Lebanon.

For their assistance in the release, we wish to thank the United Nations and the Governments of Iran, Syria, and Lebanon.

Our joy is tempered, however, with deep concern for those who remain in captivity. We call once again for the immediate and unconditional release of all those who are held hostage outside the process of law. The two remaining American hostages and the other hostages held in Lebanon must be freed at once and reunited with their loved ones. We call also for a full accounting of those who have died in captivity and the return of their remains. We support the initiative of the Secretary-General of the United ÿ7Eÿ7Eÿ7ENationsÿ7Eÿ7Eÿ7E andÿ7Eÿ7Eÿ7E rejoiceÿ7Eÿ7Eÿ7E inÿ7Eÿ7Eÿ7E theÿ7Eÿ7Eÿ7E progressÿ7Eÿ7Eÿ7E thatÿ7Eÿ7Eÿ7E heÿ7Eÿ7Eÿ7E hasÿ7Eÿ7Eÿ7E madeÿ7Eÿ7Eÿ7E towardsÿ7Eÿ7Eÿ7E endingÿ7Eÿ7Eÿ7E thisÿ7Eÿ7Eÿ7E tragedy.

Proclamation 6384 -- Geography Awareness Week, 1991 and 1992

December 2, 1991

By the President of the United States

of America

A Proclamation

Coaches know that, before a winning team can prove itself on the field, each of its members must master the ``fundamentals." The same principle applies to education; thus, our efforts to restore excellence in our schools include renewed emphasis on the basics. One of the key aims of AMERICA 2000, our strategy to achieve our National Education Goals, is to ensure that this country's students demonstrate competence in five core subject areas: mathematics, science, English, history, and geography. The study of geography, which focuses on people and their physical surroundings, not only goes hand in hand with the study of history and science but also gives us a better understanding of current world events.

Geography has been a determining factor in the social, economic, and political development of every nation on Earth; indeed, it is impossible to understand history without taking into account the location, natural resources, and other geographic characteristics of nations. When we study the geography of our 50 States, as well as the relationship of America to the world as a whole, we gain a better understanding of our Nation's history and development -- and a deeper appreciation of its diversity and splendor.

While most geographic features of our Nation and the planet have taken shape over thousands of years, the study of geography gives us more than insight into the past; it also equips us with knowledge that we need to understand and to participate in the world of today. As advances in technology bring the world closer together, and as democratic reforms in many nations create new opportunities for international trade and travel, the mastery of geography becomes increasingly important. If the United States is to remain a leader in our rapidly changing world, then our citizens must be able to recognize the location and the significance of events abroad. If we are to continue to enjoy success in the complex realms of foreign policy and international commerce, then we must also be familiar with the languages, customs, and physical circumstances of our neighbors around the globe.

Despite the importance of geography, and despite the fact that it can be both fascinating and fun for students, too many Americans do not have basic knowledge in this field. Too many schoolchildren -- and too many adults -- are unable to locate major cities, countries, or even entire

continents on a globe. Many are unaware of the advantages of seaports and rivers to a nation's security and commerce, and some Americans are even unable to locate their own communities on a map.

By working together to achieve our National Education Goals, we can change this intolerable situation. During Geography Awareness Week, let us reaffirm our determination to make the United States a Nation of students. As parents and as teachers, let us help our children to recognize the importance of geography and other basic subjects, and by word, deed, and example, let us introduce them to the joys of lifelong learning.

In recognition of the importance of the study and mastery of geography, the Congress, by House Joint Resolution 201, has designated the week of December 1 through December 7, 1991, and the week of November 15 through November 21, 1992, each as ``Geography Awareness Week'' and has authorized and requested the President to issue a proclamation in observance of these occasions.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week beginning December 1, 1991, and the week beginning November 15, 1992, as Geography Awareness Week. I call upon all Americans to observe these occasions with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this second day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 1:43 p.m., December 2, 1991]

Note: This proclamation was published in the Federal Register on December 4.

Proclamation 6385 -- National Home Care Week, 1991 and 1992

December 2, 1991

By the President of the United States

of America

A Proclamation

Each day, thousands of hardworking men and women bring vital home health care services to Americans who are incapacitated by illness, age, or disability. Working in association with more than 12,000 home care agencies across the country, these dedicated professionals and volunteers play an important part in our Nation's total health care system. This week, we honor them for their many contributions.

The administrators and employees of home health care agencies work closely with government agencies and with concerned private organizations, including hospitals, to give patients a welcome alternative to institutionalized care. Home care not only emphasizes the dignity, comfort, and independence of patients but also affirms the importance of family love and support to their well-being. By enabling clients to prevent or to postpone costly hospital stays and other forms of inpatient care, home care has often proved to be economical, as well.

Thousands of nurses, therapists, social workers, and others provide our Nation's home care services, and each of them deserves our recognition and thanks. Their professionalism and compassion are making a real difference in the lives of Americans in need.

To increase public awareness of and support for our Nation's home care agencies, the Congress, by House Joint Resolution 175, has designated the weeks beginning December 1, 1991, and November 29, 1992, as ``National Home Care Week'' and has authorized and requested the President to issue a proclamation in observance of these weeks.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the weeks of December 1 through December 7, 1991, and November 29 through December 5, 1992, as National Home Care Week. I encourage all Americans -- as well as government officials, health and social service providers, insurance companies, and private voluntary organizations -- to observe these weeks with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this second day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America

the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 1:44 p.m., December 2, 1991]

Note: This proclamation was published in the Federal Register on December 4.

Message on the Observance of Hanukkah

December 2, 1991

I am delighted to send greetings to Jews in the United States and throughout the world as you celebrate Hanukkah.

This holiday of renewal and dedication is a tribute to the enduring values of faith and freedom. For more than 2,000 years, Jews have kindled the lights of the menorah to celebrate the victory of the Maccabees over religious tyranny. However, the real miracle of Hanukkah is much more profound. When Judah Maccabee and his followers prepared to rededicate the Temple in Jerusalem, they found only a small cruse of oil that had not been defiled, and it contained only enough oil to light the menorah for one night. Miraculously, it lasted for eight days and nights until more oil could be secured. Thus, Hanukkah is as much a festival of spiritual freedom as it is a commemoration of the Jewish people's struggle against political oppression.

As you gather with family and friends during Hanukkah, I know that you will be offering special prayers for a lasting peace for Israel, the Middle East and the world. Today, many people -- people of all faiths and all walks of life -- share in that great hope.

Barbara joins me in sending best wishes for a joyous Hanukkah.

George Bush

Remarks to Tropicana Employees in Bradenton, Florida

December 3, 1991

Thank you, Feng, and thank you, Alton, and all of you. I'm sure you all were dunned for your participation in that present. But it's a beauty. And I see the medical department RN's instructing me to say hello to Barbara Bush, which I will be happy -- and she will be thrilled to see this, I'll tell you. And thank you all for the warm welcome. And Barry Brinson, thanks for the introduction. And I'm just pleased to be with you all. I'm glad to see my old friend, Edgar Bronfman, who just spoke to you; William Pietersen, Tropicana's able president; and to be here with my good friends, Senator Connie Mack and then the two Congressmen from right in here, Andy Ireland and Porter Goss, both good men, too. And to all the men and women who work here at this exciting and productive facility, thank you for your warm hospitality.

And I wish that each of you could have been with me. You've seen it a thousand times, but I love that infectious enthusiasm of the men and women that were showing me parts of this wonderful operation. They made me feel right at home, and so do all of you. Thank you very, very much.

I promise you -- please be seated out there. No, I'm going to be brief. I came here really, I mean this, to look and to listen and to learn. I'm delighted with what I've seen, a successful American company with a great work force in a fiercely competitive industry. In our household, where we have grandchildren coming and going all the time, sometimes we feel as though we're keeping both the fruit juice industry and the soft drink industry in business all by ourselves. So, I'm glad to see where it's coming from.

American consumers are big winners because of the robust competition in this business. You and your competitors have taken up the challenge to create an appetizing array of new products. Here and on other travels to workplaces around the country, I see an accelerating commitment to quality, to world-class performance. I've seen firsthand the revolution in organization and management: Companies are getting the lead out and cutting the bureaucracy and making sustainable gains in productivity, gains that will be sustained, I might add.

American companies have made an unprecedented commitment to education, to training, an effort that fits well with our America 2000 education strategy to revolutionize American education by the dawn of the new century, so that your kids are going to be able to compete with any kids anywhere in the world in terms of brainpower, in terms of education.

And I wanted to especially single this country out because, you see, our businesses are taking tough, effective measures to fight drug abuse in the workplace. They know that a drug-free workplace is another essential requirement for a competitive industry. I have the highest praise for Tropicana's anti-drug program, and I'm deeply grateful to your former president, Bob Soran, and vice president, Martin Gutfreund, for their hard work with my Presidential Drug Advisory

Council.

Just a couple of weeks ago, Bob came up to Camp David, along with some other business and labor people, and came up there to Camp David to brief me on this comprehensive nationwide program to make the workplace drug-free. And you can be proud that your company is out front setting an example for companies around the world, especially in this country.

You know, American companies are expanding, working hard to expand exports. And we're succeeding. American firms are muscling their way into world markets with success and with skill and with drive. And with every billion dollars, a lot of Americans don't understand this, with every billion dollars of manufactured exports they're creating 20,000 more jobs for Americans.

In some cases the Government plays a vital role in helping companies export. The trade negotiators in our administration have worked intensely to open up, for example, Japan's consumer markets. Thanks to these free and fair trade policies and to the skills of our agriculture and trade officials, Japan will drop its prohibitive quota system on orange juice and throw its market wide open to American orange juice, effective next April. And we will be able to compete in that market. And believe me, it's going to mean more jobs right here.

I've just mentioned some of the top-priority economic business issues: The quality revolution, the educational excellence, the drug-free workplaces, successful positioning in foreign markets. And each of these does play a profoundly important role in our Nation's long-term economic well-being. Each of these stems not so much from Government machination as from private initiative, from Main Street America's sweat and muscle and brainpower and will, and from the excellence of the people that are out there on the lines doing the work.

In my younger years I was an entrepreneur. That's a big word for meaning a small business guy. And just out of college, my partners and I started a couple of really small companies, and we worked hard to help them survive and grow and create jobs in our community way out there in Odessa and Midland, Texas, in West Texas. That helped me a lot in life because I want to take my stand with the millions of entrepreneurs, small businessmen, working people who live in the real world and understand what makes this country work.

On fiscal and monetary policy, we have some good fundamentals in place. Interest rates, fortunately, are down. And I'm going to work hard to try to keep them down. Inflation seems to be under control right now, and that's good. But much more needs to be done. I'm talking now about the economy nationwide. We can't sit back and hope for the best. We all know that too many people are having a tough time right now.

And I'm hearing about it in conversations with working people. And I'm reading hardship stories in letters people write. I can't tell you I read every letter I get up there. It's a tremendous volume, but I got to see a lot of them. And I do understand. And I am concerned. And I really want to

help. And I know that for a person out of a job, for that person, the unemployment rate is a hurtful 100 percent.

So, we've got to do more to get this economy on the move. And I think you probably know, I hope you do at least, that I've been fighting since 1989 for a cut in the capital gains to stimulate investment which creates new jobs. And I'm going to keep on fighting for it. This is one of the most productive tax changes one could devise. And the beneficiaries of this will be the people that are out of work looking for jobs and these small business people. And, yes, a cut in that capital gains tax will also mean more money in the pocket for Americans who sell their homes.

So capital gains relief is only part of our program. This coming week, I believe it will be this coming week, I'm going to be signing a very important transportation bill that creates new jobs while helping to rebuild the infrastructure in our country. I'm working for a research tax credit to help these new technologies create more jobs. And I believe Mr. Pietersen could assert to the importance of our staying out front, whether it's in this industry or others, on research and development.

We're working for new IRA's. I imagine a lot of you have IRA's when you try to save. We're trying to get them -- that will help the first-time homebuyer -- and bank reform legislation to help America enjoy diversified financial services designed for the next century, help out there in the future as well as now. And I'm determined to leave no stone unturned in an effort to promote economic growth.

I have enjoyed this chance to see what you're doing. I admit it's just a bird's-eye view out there, if you'll excuse the expression. But I really believe that I've learned a lot from listening to the people working in this marvelous facility, getting their thoughts about where the country is headed. Quite frankly, being with you here today refreshes me. And I am proud of your hard work, of your management skill, of your commitment to fight the drug scourge. l like the hand that the previous speaker got in terms of this, fighting these drugs. This is, oh, it's so important to the families in this country that we succeed. And when I say we, I don't mean just Washington. I mean the communities, families, points of light all across our country. We have got to beat back this scourge of drugs that are poisoning the young people in this country.

And so I am proud of your hard work and your skills, as I say, and what I mentioned earlier on, the passion and the genius that I felt from the individual workers I met and all of you for getting ever-more attractive products into a demanding market.

This is an exciting, tough time but an exciting time to be President of the United States. We're moving towards a much more peaceful world. And I take some pride that we've got a good team that have been working for that. We set back aggression halfway around the world less than a year ago when we taught Saddam Hussein a real lesson.

Now what I want to take is this new-found credibility of the United States -- and believe me, it is strong around the world -- and use it to get into these foreign markets which means more jobs for American workers, more jobs for the people of Florida. So, I'm going to keep on trying my hardest. I've learned from you.

Thank you, and may God bless the United States of America, the greatest country on the face of the Earth. Thank you so much.

Note: The President spoke at 11 a.m. at Tropicana Products, Inc. In his remarks, the President referred to Edgar M. Bronfman, chairman and chief executive officer of the Seagrams Co., Inc.; and Tropicana employees Feng Woods, Alton Perkins, and Barry Brinson, who presented the President with a ship's wheel.

Remarks to Peavey Electronics Employees in Meridian, Mississippi

December 3, 1991

Thank you all very, very much for this welcome. I'll tell you, this is a great day for me, a wonderful day for me. And I just can't tell you how much I appreciate your warm welcome. I have only one regret, and that is that Barbara's not here to join in this. Frankly, I think she's doing a great job for our country, and this would be wonderful for her morale. But I'll tell you -- -- [applause].

The other day, we presented the Medal of Freedom to one of the great athletes of our time, Ted Williams, former slugger, you know, for the Boston Red Sox. And he did something he's never done before. He wore a necktie. And, Hartley -- [laughter] -- I understand that. Regardless of what you had to wear and how uncomfortable you might be, you and Melia have got this wonderful way of making me feel at home. And everybody that's worked on this visit and to all of those here who are responsible for the arrangements and the advance and the communications and all of that, I promise you we will leave on time and not hang out here so to burden you further. But for us it's been a wonderful visit, and all of our people have enjoyed working with you all.

I want to salute, of course, my closest friend in the United States Congress, Sonny Montgomery, who represents Meridian here, and just say how pleased I am to be with him. And I want to tell you how proud I am of your new Governor-elect, Kirk Fordice, who is with us today sitting right over here. You do a great job for our State. Mayor Jimmy Kemp, thank you, sir, for greeting us at the airport and being with us. And I want to thank Meridian's High School Marching Band, single out, of course, the Restless Heart. They're good anyway, but when you give them a good sound system, look what they can do. I mean, it's fantastic.

I also want to thank Reverend Followell for his invocation and Gil Carmichael, who is serving in Washington, DC, a longtime Meridian who flew down with me today on Air Force One, and all the rest of you.

I think best of all for me on this day, though, it is to see the people behind the power of Peavey. I sensed it when I walked in here, the feeling of this company, the pride in what you have accomplished. It is a true American story, and each and every one of you is a part of it.

Someone once told me that Hartley Peavey wanted to be a rock star but found out he was better at making amplifiers. That's okay. I always wanted to be number one at the White House, but you know Barbara. [Laughter] So, you all have got to do what you do, you know.

But it is great to be back in your Magnolia State, in the birthplace of so much great American

music. And it's great to meet the people who've made Peavey the largest amplifier manufacturer in the world. Looking around, I'm beginning to understand this motto, ``People Growing Together."

Whether it's employees like Sallie Weathers, still part of the Peavey family at 71; or like Susan Roddy, with achievements in lifelong learning; or people like Belinda Bates, David McCarty, and other Peavey heroes who helped win the Gulf war: We're grateful to them. I think you've really clearly demonstrated -- and I hope this visit amplifies this around the country -- that quality people do mean quality products.

Hartley once remarked that ``Fat cats don't hunt." Well, Peavey's been prowling the global marketplace with a hunger that won't quit. You export, I'm told, to 103 countries, accounting for more than 40 percent of your sales. Two amplifiers are top sellers in Japan. Peavey proves that more foreign exports means more American jobs. Ask the man, ask Hartley; by playing a critical role in our Secretary of Commerce's Japan Corporate Program, he knows what I'm talking about. Cracking foreign markets, that means creating more economic growth and more American jobs.

Some in the Congress have tried to set up a false division between foreign policy and domestic priorities. But I think they're wrong. Anyone who's on the front lines of foreign competition knows that fighting the battles against foreign protectionism means a winning war on the homefront. These things are related. And with a level playing field, I am absolutely convinced that American workers can outinnovate, outperform, and outproduce any competition on Earth.

You're doing your part, and I'm going to keep on trying to do mine. I'll soon be going over to Asia, where Hartley has just been, pushing to open the markets of South Korea and Japan to American products and services. Asia is one of the fastest growing export markets, and exports are the strongest sector, in tough times, the strongest sector of our economy. Right here in this great State, more than 43,000 jobs are export-driven, and overall, every billion dollars in manufacturers' exports means 20,000 jobs.

As a Nation, we must address today's problems and tomorrow's promise in a world united in strong economic competition, not frozen, thank God, anymore in nuclear conflict. Over the years we have built a foundation in this new, revitalized world. And there are some tough things out there but some encouraging things. Inflation is down. Interest rates have fallen to the lowest level in years. Our exports have skyrocketed, as I said, 80 percent in the last 5 years. And again, that does mean good jobs across the country for men and women.

But this is no time -- I'm not here to sing some Pollyanna-ish view -- this is no time to sit back and hope for the best. Too many Americans are having a tough time making ends meet. And many people wonder, and I can understand this, how a President in that magnificent White House that I'm honored to live in, wonder how a President understands what goes on outside Washington, living there. Especially the people that are struggling across our country to make

ends meet. Well, here's how, at least part of it: I've traveled to 48 States since I've been President, talking and meeting with people, and listening and learning. And then, of course, you do still get mail. I can't say I get it all. Don't write in necessarily, but -- [laughter] -- no, but do because we learn from that. And I see the mail and I'm concerned and I want to help. I do know that for a person out of a job, that for him or her, that unemployment rate is 100 percent.

So over in Bradenton today, I was over there, and earlier I received a letter from someone who lived there, Bradenton, Florida, who told me that he was concerned with what was happening in our country. And sadly, he told me about being out of work for almost 3 years. Well, you know, these are touching things; reading letters like this are disheartening. But a President needs to know that people out there are feeling the pinch of hard times, who aren't looking for just another handout, but who need a hand up. And I'm determined to leave no stone unturned in our efforts to get this national economy on the move.

I think, and I think Congressman Montgomery would agree with this, I think the Governor-elect would agree that this new transportation bill that has just passed is good. I intend to sign it soon. It means growth, and again, for those out of work, it does mean jobs, getting some of this construction underway. There's something the Federal Government has a responsibility for. Congress lived up to that responsibility. And I think that will help soon.

I've also asked Congress to pass an important series of initiatives that would help put Americans back to work and set us on a long-term economic growth track: Tax incentives, for example, to unleash investment; reforms to reform the banking system. It hasn't been reformed at all since the mid-thirties. So, we've got to compete: Our banks are uncompetitive; reforms to strengthen our educational system; initiatives to keep the health care costs that are driving families into real trouble, keep those down. And together, I believe that these measures would help the American economy.

I didn't come down here to talk politics, but unfortunately -- I will say this -- the Congress did not act on the economic growth program that I sent to the Hill 9 months ago, nor did they send me its own package of growth measures.

So I know, I'm well aware of this, and I expect everybody around here is, you've just been through an election cycle. And now we're fixin' to go into another, a national one, and I know we're about to enter that. And I know that both parties will spend a lot of time shooting at each other. That's already started. You can see it every night on television. And I haven't gotten warmed up yet, incidentally, on that. [Laughter] But this is where we are. And in our system of government, it's understandable that the opposition will attack the President aggressively. There's nothing new about this.

But when people are hurting -- here's the point I wanted to make to you all and, through you, by word of mouth to your neighbors and friends; maybe some who aren't lucky enough to have a job

here -- I think when people are hurting, a President has got to find ways to set this aside and to get the job done. And Congress now has left town. It was a tough and bitter session up there, as Sonny knows very well. And while many people, including me, would have liked to see some of the action taken, constructive action on the economy, we now have a few weeks, very few, in which elected officials can cool off, hear from their constituents, and hopefully come back in January ready to act on an effective plan of action that I'm going to send out there to the American people in the State of the Union Message.

And when I give that address, I'm going to ask Congress to do what I'm talking about here: Set aside briefly, and it can only be briefly because of the year, '92, set aside election-year politics at least long enough to enact a commonsense set of economic reforms. And then afterward, as the election season unfolds, let the partisan politics flair up again. But every once in a while, it is a President's responsibility to try to get the political climate set aside and get something done to help the American people. And I want you to know, I'm going to try to do just that.

Sonny and I had a colleague -- I don't think he ever voted with me when he was alive, side by side on some of the issues, but he was a good man -- Claude Pepper from Florida, a venerable Democrat, kind of a legend in his time. And he said, ``If more politicians in this country were thinking about the next generation instead of the next election, it might be better for the United States and the world." Well, the guy was talking some real truth there.

And if we can come together now as a country, as legislators and as the President -- I'll take my share -- long enough to put principle and programs before partisanship and pride, it is my belief that America, as Faulkner might have put it, ``will not merely endure; it will prevail."

And I will go back to Washington, reinvigorated by what I've seen here, this kind of ``can-do" spirit. I will go back with my renewed sense of pride. I wish some of you could have seen the wonderful reception at the airport, some of the kids that served us so admirably in Desert Storm out there to say hello when this marvelous Air Force One taxied up. And I might say to those here that were involved in it, it is my firm belief that what our young men and women did in Desert Storm has given the United States of America a new found respect and credibility all around the world. There is no question about that.

So, what I want to do as we work for peace and work to handle the changes that are happening in the Soviet Union and bring parties together for peace in the Middle East, what I also want to do is to take that new found credibility, use it to hammer our way into these markets of Europe, these markets of Asia, so we will have more access. We will have more ready access to those markets, and that means more products like the ones you make, other products being made for export across this country, going into these foreign markets.

The world is small. Foreign policy and domestic, they interact today. And this is an exciting and wonderful time to be President of the United States. I can't tell you how emotional and strong I

feel about what I've seen right here today. This is the American dream in action.

Thank you all and may God bless our country. Thank you very, very much.

Note: The President spoke at 2:45 p.m. In his remarks, the President referred to Hartley D. Peavey, chairman and chief executive officer, and Melia Peavey, president, Peavey Electronics; Restless Heart, a country and western group who performed the national anthem; Reverend Bob Followell, pastor of Carmel Baptist Church in Meridian; and Gilbert E. Carmichael, Federal Railroad Administrator.

Proclamation 6387 -- Federal Civilian Employees Remembrance Day, 1991

December 3, 1991

By The President of the United States

of America

A Proclamation

The fact that it shattered the stillness of a Sunday morning, a time when millions of Americans were preparing to attend church services or to enjoy the quiet of their homes, only compounded the shock, grief, and outrage of our Nation. At 7:55 a.m. on December 7, 1941, naval air forces of the Imperial Japanese Combined Fleet attacked United States military installations at Pearl Harbor, Hawaii. American forces in Guam, the Philippines, and elsewhere in the Pacific also suffered brutal assaults. By the end of the day, the U.S. Pacific Fleet was virtually devastated. Scores of American fighter planes were also destroyed. More than 2,400 Americans died at Pearl Harbor alone -- among them, 68 civilians listed as dead or missing.

As we mark the 50th anniversary of the attack on Pearl Harbor, we will honor, in a special way, all those military personnel who perished on that Day of Infamy and, indeed, throughout World War II. Yet we also do well to remember the service of Federal civilian employees. Immediately after the bombing of Pearl Harbor, Federal civilian employees responded to rescue and reconstruction missions with distinction and valor. Over the next 4 years, these dedicated men and women continued to make vital contributions to the Allied war effort, performing critical administrative and technical duties in support of military operations. These tasks included aircraft and ship maintenance and repair, medical services, supply operations, and civil engineering functions to support and maintain camps, posts, and stations. Federal civilian employees played an instrumental role in salvaging naval vessels damaged at Pearl Harbor, returning them to action before the end of World War II.

Our Federal civilian employees were joined in their efforts, of course, by millions of American workers in private industry. Half a century ago, every farm, factory, mine, and shipyard in the country bustled with activity directed toward the war effort.

In recognition of the patriotism, leadership, and exemplary performance of Federal civilian employees at Pearl Harbor and throughout World War II, the Congress, by Senate Joint Resolution 198, has designated December 4, 1991, as ``Federal Civilian Employees Remembrance Day'' and has authorized and requested the President to issue a proclamation in observance of this day. On December 4, the National Park Service will coordinate ceremonies in

Hawaii to honor the contributions of Federal civilian employees.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim December 4, 1991, as Federal Civilian Employees Remembrance Day. I call upon all Americans to observe this day with appropriate ceremonies and activities in honor of the Federal civilian employees who made tremendous sacrifices for our country during the attack on Pearl Harbor and throughout the course of World War II.

In Witness Whereof, I have hereunto set my hand this third day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:53 p.m., December 4, 1991]

Note: This proclamation was published in the Federal Register on December 6.

Statement by Press Secretary Fitzwater on the Release of American Hostage Alann Steen

December 3, 1991

With great pleasure we received the news of Alann Steen's release after nearly 5 years of unjust captivity in Lebanon. We join his friends and family in relief at his safe return.

We are grateful for the successful efforts of the Secretary-General of the United Nations in this endeavor and for their contributions, thank also the Governments of Iran, Syria, and Lebanon.

The task is not completed, however. We remember Terry Anderson and the other hostages still held outside the process of law in the region. Once again, we call for their immediate and unconditional release, for a full accounting of those who have died in captivity, and for a return of their remains. They must be returned to their loved ones, and this tragic practice of hostage taking must cease.

Letter Accepting the Resignation of John H. Sununu as Chief of Staff to the President

December 3, 1991

Dear John,

I now have your letter resigning as Chief of Staff effective December 15th. It is with reluctance, regret and a sense of personal loss that I accept your resignation as Chief of Staff.

I am very pleased, however, that you have agreed to remain as a Counsellor to the President, with Cabinet rank, through March 1, 1992.

During the period, December 15th to March 1, you will be an official member of my administration and I will continue to seek your counsel on the important issues facing our country.

John, I find it very difficult to write this letter both for professional reasons and for personal reasons.

On the professional side, thanks to your leadership we have made significant accomplishments for which you deserve great credit.

Working with others here in the White House, throughout the administration, and on Capitol Hill, you have played a major role in achieving some of our significant goals.

I will not attempt to list each legislative achievement for which you deserve an awful lot of personal credit. Having said that, your adherence to principle and your endless hours at the negotiating table were clearly instrumental in achieving good Clean Air Legislation; the ADA Bill and the Civil Rights Act of 91, both of which moved this country forward in a sensible way; groundbreaking Child Care legislation that strengthened the principle of family choice; and a budget agreement that for the first time in history put real enforceable caps on discretionary government spending. For all of this and much, much more, I am very grateful to you.

In your letter, you generously mention my family and our personal relationship. The longer I serve as President the more importance I place on true friendships -- friendships tested by fire and time. Ours is such a friendship. Barbara feels this way. Our four sons feel this way and so of course does Dorothy.

You have never wavered in your loyalty to us and more importantly, your loyalty to the principles and goals of this administration. You have indeed helped with the issues and you have intercepted

many of the ``arrows'' aimed my way.

Thank you from the bottom of my grateful heart for your distinguished service. I look forward to working with you in the future, first as Counsellor inside government and then as a trusted advisor outside government.

And, yes, from my vantage point and our families as well, the friendship we treasure is stronger than ever.

I hope you and Nancy, free of the enormous pressures of the office you have served so well, will enjoy life to its fullest. You deserve the best.

Most sincerely from this grateful President,

George Bush

Dear Mr. President,

A little over three years ago you asked me to be your Chief of Staff. I eagerly and appreciatively accepted.

Over these years it has been one of the most gratifying and satisfying experiences of my life to serve a President whom I admire, respect and will always consider a dear friend.

These have been amazing times for the world and the nation; they have been exciting and thrilling times for me. I am truly grateful for the opportunity to have been a part of it.

But most of all, from a purely personal perspective, I want to thank you for the fun we have had these last three years. In a way that will be very difficult for historians to capture, this White House was an unbelievably ``fun place'' to work. You, the Vice President, Scowcroft, Gates and I proved we could do very serious things well without taking the process or ourselves too seriously. I believe that chemistry, friendship, caring and irreverence was a singularly unique period for the Oval office, probably impossible ever to replicate. You were just great to let us do it that way.

I must also take this opportunity to tell you again how proud I am of the White House staff you allowed me to put together. They will eventually be recognized as the most talented, mutually supportive, cooperative team ever to serve a President. In fact, one of the challenges ahead of us will be to make very clear the significance of all you and they have accomplished in the domestic area as well as in foreign policy.

I have always said I wanted to serve as Chief of Staff as long as I could contribute to your success and help deal effectively with both the issues and the arrows. Until recently I was convinced that

even with the distorted perceptions being created, I could be a strong contributor to your efforts and success.

But in politics, especially during the seasons of a political campaign, perceptions that can be effectively dealt with at other times, can be -- and will be -- converted into real political negatives. And I would never want to not be contributing positively, much less be a drag on your success. Therefore, as we enter the contentious climate of a political campaign, I believe it is in your best interest for me to resign as Chief of Staff to the President of the United States effective December 15, 1991.

As much as I will truly miss the opportunity to continue to work in the West Wing with you and my other friends there, I want you to know how strong and positive and upbeat I feel about doing this. I think you know that the responsibility and authority (contrary to the legends out there) never meant as much to me as the chance to assist you to be (and to be recognized) a great President. I intend to continue that effort as an ordinary citizen, with all the benefits that accrue to man and family in the private sector of our magnificent system.

I assure you that in pit bull mode or pussey cat mode (your choice, as always) I am ready to help.

I also want to thank Barbara and all the Bush clan for being such wonderful friends and strong supporters even during the toughest of days. Nancy and I and our family will always remember and cherish that kindness and friendship. I hope we will all have a chance to share a few laughs over the holidays.

Thanks again for the privilege of serving you and this wonderful country. It really has been great!!!

Sincerely and respectfully,

John H. Sununu

Note: These letters were made available by the Office of the Press Secretary but were not issued as White House press releases.

Remarks to the American Enterprise Institute

December 4, 1991

Thank you all very, very much. And, Chris, thank you for that warm introduction. And let me also single out my tennis opponent the other day, Paul Orrefice, your chairman, and thank him for his service to this outstanding institution, which I was privileged to serve in a brief period of time back in the seventies. And I want to say how pleased I am that Nick Brady, our Secretary of the Treasury, is with us today.

And then finally, to salute Irving Kristol, honored by AEI with this year's Francis Boyer Award. He's out here somewhere, and it hasn't been actually handed to him. But I'm told I'm not blowing the cover by -- here he is over here. Irving, congratulations, sir. And our gratitude for the abundance of insight that you bring to the study of American politics, the American system, and indeed, American society. Irving has devoted so much of his effort the past three decades to making the world safe for democratic capitalism. That message now opens new worlds from Moscow to Warsaw. And I just wish we could say the same thing of Washington, DC. [Laughter]

Irving also runs one of America's most formidable one-man talent agencies. Not only his own son, Bill, who so ably serves this administration, but legions of proteges in every corner of the political and intellectual worlds open doors by saying, ``Irving sent me." [Laughter]

And I am pleased to, very pleased, when Chris invited me over here to have this chance to speak to all of you today. For me, AEI epitomizes something quintessentially American, the engaged intellectual. And Chris referred to this, but many of you have served in government and lived to tell about it. [Laughter]

AEI encourages the ideal of the citizen-scholar, a kind of modern-day Cincinnatus: ready to answer your country's call, and when your work is done, content to return to your word processors.

For the past 3 years you have been, and again, Chris alluded to this, very gracious in offering me advice on all manners of issues. And I thank you for your support and, yes, for what I'll call your constructive criticism.

In the short space of those 3 years, we've seen our world literally transformed: The collapse of communism, the cold war's end, the triumph of the democratic idea. Each epoch-making event swept away the challenges, the conflicts, that defined the world we knew. Each opened up a new era, a new world of possibilities.

And as I've said before, the cold war was, in its decisive aspect, a war of ideas, a clash between two systems speaking to the deepest dreams and desires of man. And that battle was won by

Western ideals. And the fact that in the nations of the old Warsaw Pact and even within the Soviet Union, free governments and free markets are now taking root, stands as a tribute to the ideas and ideals that guide this institution, guide AEI.

Our new era brings with it a need for new guideposts for solutions and approaches that keep pace with the times. The fact that at long last we celebrate a world transformed inevitably means change here at home.

Right now, the focus here in Washington and across our country is on the economy. Yesterday I was in Bradenton, Florida, and then we flew over to Meridian, Mississippi, meeting with working Americans, listening to what's on their minds, the same way I've tried to listen to people across America, 48 States, as a matter of fact. I've been to 48 States to be exact over the 3 years. And these are tough times we're in. And many Americans are worried. And they're looking for a sign from Washington that someone cares, understands what's happening. And I hope I've made clear that I do.

These people won't feel comforted by a weighty discourse on the difficulties of divided Government. They know that whatever the leading economic indicators might say, for a person who's lost the job, the unemployment rate is 100 percent. And they are impatient, tired of excuses. They want action, and they can't understand the political gridlock that too often paralyzes Washington, DC.

But Government and governing requires more than action for action's sake. You see, too many in Congress make the easy assumption that when polls tell us about dissatisfaction with Washington, it means they want Government to do more, take more power to itself. But that notion simply does not square with my sense of what people want. Yes, the American people want Government to act, but not to build new centralized bureaucracies or create more red tape. Across America, we see a demand for greater freedom of action. A public weary of mandates, regulations, and taxes, that public wants to reverse the flow of Government power, to restore authority to the people.

In the political and social sphere, this new demand for freedom of action means policies that enhance the power of the individual and strengthen the family. You can see those ideas translated into action in this administration's stand against quotas and for real equality of opportunity; in our child-care bill, a victory against the forces that saw this issue as a chance to build a brave new child-care bureaucracy. You can see it in our HOPE program's emphasis on turning tenants into homeowners -- and, indeed, in education where choice is an essential part of our America 2000 strategy.

Take a look at that strategy. What worries our critics, the defenders of the status quo in the education establishment, isn't that our plan won't work. They worry that it will work. They know that choice, competition, and community involvement are revolutionary concepts capable of literally reinventing the American school. But that's what we want to do. That's what we're trying

to do. That's what we must do.

In the economic sphere, the demand for freedom of action means policies that promote market-based solutions: The kind we fought for in the amendments to the Clean Air Act and built into our energy strategy.

Let me focus in more detail about what this means given our current economic situation. No one should be complacent about the sluggish economy or stubborn unemployment rates. But we must not discount the fundamentals, the underlying factors that propel our economy toward growth.

From the first, we've built out long-term growth strategy on several key elements: unleashing capital and reducing tax burdens; keeping inflation in check and interests rates down.

Second, we recognize the need to keep American business competitive: to slash red tape and regulations wherever possible, draw the line against Government mandates that handcuff the American entrepreneur.

Chris DeMuth and Irving's son Bill, Bill Kristol, with his involvement in the Competitiveness Council and Chris' past experience in doing a superb job on deregulation, they both can tell you stories that will make your hair curl. True competitiveness includes also real tort reform, capping these crippling sky's-the-limit liability awards which exert such a strong chilling effect on entrepreneurs ready to bring new products to market.

Third, as a Nation, we've got to make good on our commitment to quality education and job training, to ensure a work force ready for the challenges a new century will bring.

Fourth, we've got to control the deficit. The American people need to understand that right now we spend $286 billion a year, that's three-quarters of a billion dollars a day, just to pay interest on the national debt. We've got to try to hold spending down and avoid driving interest rates up again.

And finally, we've got to make certain American businesses compete on an equal footing, and that means a Government committed to the principles of free and fair trade. We've fought to advance those principles from the EC to East Asia, in the Uruguay round, and with our promising Enterprise for the Americas Initiatives.

We feel the benefits of foreign trade right here at home. Each additional billion dollars in manufactured goods and trade means another 20,000 American jobs. And yet in spite of the fact that, last year alone, total gross exports accounted for virtually all of this Nation's economic growth, a new breed of isolationists seem to think domestic policy ends at the water's edge.

Well, thank God they weren't around back in 1492. Imagine the hard time they'd have given

Columbus. Voices on the right and left are working right now to breathe life into those old flat-Earth theories of protectionism, of isolationism. But there is no going back. Our new world is far smaller, communications far more instant. Our horizons stretch much farther with each generation. This is 1991, not 1791; a horse-and-buggy attitude won't carry us into the next century.

On certain issues, many in the foreign policy sphere, the President possesses all the authority he needs to advance an ambitious agenda. But there are things no President can do unilaterally, times when the need for action finds the President and Congress pulling in different directions. I don't approach the problem of divided Government as a political scientist. The ideal solution, in my view, to divided Government remains a government united in pursuit of the public good. In other words, to be candid, my preferred solution to divided Government is a Republican Congress. In the meanwhile, I'm going to keep pushing Congress -- and I mean this; it is important because of what I told you I feel about this economy -- reaching out when I can, giving a kinder and gentler poke, now and again when necessary, to get up with Congress to work with me to get the job done.

I called on Congress to join me in responsible action -- I think history will show this to be an accurate statement -- long before our economy began to struggle. I said back in 1989, during the longest peacetime recovery on record, that America could not rest easy, that we needed to look to the long-term, put in place policies that would sustain growth and would create jobs. And I offered then the first of three economic growth packages. Three sessions of Congress have come and gone, and everyone knows the result: precious little action.

Every one of the economic proposals that I've sent up to Capitol Hill serves the single standard of generating growth, and that includes, yes, the capital gains tax cut that my opponents have labeled as controversial. My opponents like to treat capital gains as a code word for class warfare, even at the very same time they're learning to pay lip service to a concept called competitiveness. And I wonder seriously whether they realize the United States is saddled with capital gains tax rates far higher than our key international competitors? Germany, take a look at Germany: zero percent. No capital gains tax at all on assets held longer than 6 months. Or Japan: An entrepreneur who sells the company he's built from scratch pays a tax of one percent. And it's time we see and understand that higher costs for capital cripple competitiveness and cost American jobs.

When I deliver the next State of the Union Message, when I deliver my State of the Union Message in January, I will go to Congress with a new action program, and I'll call on Congress to set aside politics -- I know we're in an election year then -- and focus on the public interest. And I'll challenge them to enact a commonsense set of economic reforms. And if we do our work promptly -- and we can; Congress can act fast when they want to -- we'll still have plenty of time left in 1992 for partisan politics.

In the meantime, there is a great deal we can do in the executive branch to foster economic

growth without waiting for Congress to act. And we're going to continue doing all we can to drive down barriers to trade, open foreign markets to American goods. We will seek ways to lift the burden of Federal regulation without compromising public health or safety. And as I said Monday, we will move quickly to implement the job-intensive transportation bill that has just been passed. And I have ordered Federal agencies to review the effectiveness of a full range of programs, from small business loans to job placement, job training to the process for getting unemployment checks out to the workers and families waiting for them. None of these actions can substitute for effective congressional action, but each can help move the economy along.

So let me repeat. We have had a comprehensive economic growth strategy from the beginning, encompassing every aspect of policy: Deficit reduction to lower interest rates; tax incentives to spur saving and entrepreneurship; regulatory reform; increased and more efficient investment in our public infrastructure; education reform to enhance America's human capital; tort reform to ease the costly litigation that saps the very productivity of this country; and banking reform to make our financial system safer and more internationally competitive; and a trade policy aimed at opening the new markets that mean more American jobs.

I'm confident that we can act to advance America's interests, and I'm absolutely certain we must because our world demands it. I'm confident because I remain convinced America's fundamentals are sound, not just the economic indicators that I mentioned a few moments ago, but the broad fundamentals that sustain American society: Faith and family; the feeling of fellowship that leads millions of Americans to help neighbors in need, without looking to Washington for guidance; and of course, the cornerstone of our American idea, the bedrock belief in freedom that led us from Valley Forge to Desert Storm to the new world now unfolding around us.

Look out on the horizon to the America the entire world now looks to for leadership. It is our country. To the America that exalts enterprise and sweat, the hands that work and the unlimited power of the human mind; to the America whose very name means freedom for millions around the world. That America possesses a power that does not owe its strength to Government. Its power begins and ends in the living example of its people.

Once again, I thank all of you for this opportunity to speak before your most prestigious board, your wonderful organization, and may God bless the United States of America. Thank you very much.

Note: The President spoke at 12:53 p.m. the institute's annual policy conference meeting in the Willard Hotel. In his remarks, the President referred to Christopher C. DeMuth, president of the American Enterprise Institute, and Irving Kristol, a John M. Olin Distinguished Fellow at the institute.

Proclamation 6388 -- To Amend the Generalized System of Preferences

December 4, 1991

By the President of the United States

of America

A Proclamation

1. Pursuant to sections 501 and 502 of the Trade Act of 1974, as amended (the 1974 Act) (19 U.S.C. 2461 and 2462), and having due regard for the eligibility criteria set forth therein, I have determined that it is appropriate to designate Bulgaria as a beneficiary developing country for purposes of the Generalized System of Preferences (GSP).

2. Section 604 of the 1974 Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTS) the substance of the provisions of that Act, and of other Acts affecting import treatment, and the actions thereunder.

Now, Therefore, I, George Bush, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to Title V and section 604 of the 1974 Act, do proclaim that:

(1) General note 3(c)(ii)(A) to the HTS, listing those countries whose products are eligible for benefits of the GSP, is modified by inserting ``Bulgaria'' in alphabetical order in the enumeration of independent countries.

(2) Any provisions of previous proclamations and Executive orders inconsistent with the provisions of this proclamation are hereby superseded to the extent of such inconsistency.

(3) The amendment made by this proclamation shall be effective with respect to articles both: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after 15 days after the date of publication of this proclamation in the Federal Register.

In Witness Whereof, I have hereunto set my hand this fourth day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 4:18 p.m., December 4, 1991]

Note: This proclamation was published in the Federal Register on December 6.

Letter to Congressional Leaders on Extending Generalized System of Preferences Benefits to Bulgaria

December 4, 1991

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add Bulgaria to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market and is authorized by the Trade Act of 1974, as amended (``the 1974 Act'').

The Government of Bulgaria has requested designation as a GSP beneficiary country. The decision to extend GSP treatment to Bulgaria was made in light of the continuing changes in Eastern Europe, and in the spirit of the Trade Enhancement Initiative for Central and Eastern Europe. I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974, as amended. In light of these criteria, and particularly Bulgaria's ongoing political and economic reforms, I have determined that it is appropriate to extend GSP benefits to Bulgaria.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974, as amended.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement on Signing Legislation on Trade and Unemployment Benefits

December 4, 1991

Today I am pleased to sign into law H.R. 1724. This legislation authorizes the President to terminate the application of Title IV of the Trade Act of 1974 to the Republic of Hungary and the Czech and Slovak Federal Republic. It would permit the President to accord permanent most-favored-nation (MFN) status and to normalize our relations in the General Agreement on Tariffs and Trade with these countries. The passage of this legislation is a tribute to the enormous progress made in both countries toward building free markets and stable democracy on the ruins of Communist rule, and a further important step on their way to full integration into the global market. It also serves to reaffirm America's sustained commitment to Hungary and the Czech and Slovak Federal Republic as they continue their historic and unprecedented democratic transformations.

I am also gratified that this legislation removes Estonia, Latvia, and Lithuania from the provisions of Title IV of the Trade Act and grants MFN status to these countries. Title IV had only applied to the Baltic nations because of their forced incorporation into the Soviet Union. Now that they have regained their independence, it is appropriate to terminate application of Title IV. MFN status will help normalize our economic relations with these nations and assist them as they are integrated into the world economy.

H.R. 1724 includes the ``Andean Trade Preference Act of 1991," which implements an important initiative I requested last year. This legislation, which authorizes the President to provide duty-free treatment to products from Bolivia, Ecuador, Colombia, and Peru, will expand economic alternatives for these countries and help halt the production, processing, and shipment of illegal drugs. It also will help cement our trade relationship with these Andean nations and show our commitment to economic growth through trade liberalization. I note, however, that a provision of this Act purports to specify the effect of a recommendation to me by the Secretary of Agriculture. I will interpret this provision in a manner consistent with my constitutional authority to supervise the operation of the unitary executive branch.

H.R. 1724 repeals the statutory prohibition on imports of gold coins from the Soviet Union. The lifting of the ban on imports represents another important step in the normalization of our economic relationship with the Soviet Union and fulfills an obligation related to the U.S.-Soviet Trade Agreement that I signed on June 1, 1990. Resumption of Soviet gold coin exports to the United States should help the Soviet Union and the republics earn hard currency.

H.R. 1724 includes the ``Chemical and Biological Weapons Control and Warfare Elimination Act of 1991." This Act is virtually identical to Title V of Public Law 102 - 138, which I signed into law on October 28, 1991. The only significant difference is the addition of import sanctions to the

list of sanctions that are to be imposed and corresponding additions to the Presidential waiver provisions. Certain provisions of this legislation, however, raise concerns with respect to the President's control over negotiations with foreign governments and the possible disclosure of sensitive information. I will interpret these provisions in a manner consistent with my constitutional responsibility to conduct the foreign relations of the United States. The observations regarding Title V of Public Law 102 - 138 that I made upon signing that bill into law are equally applicable to the Act I am signing today.

The legislation contains modifications to the temporary extended unemployment benefits program that I signed into law on November 15. These modifications would extend this important assistance to an additional 200,000 jobless Americans while continuing to maintain the budget discipline that is essential to future economic and employment growth. It is my hope that the Congress will take additional action to ensure that the economy strengthens, thereby creating new employment opportunities.

George Bush

The White House,

December 4, 1991.

Note: H.R. 1724, approved December 4, was assigned Public Law No. 102 - 182.

Statement on Signing the Intelligence Authorization Act, Fiscal Year 1992

December 4, 1991

Today I have signed H.R. 2038, the ``Intelligence Authorization Act, Fiscal Year 1992." The Act authorizes appropriations for the intelligence and intelligence-related activities of the United States Government during fiscal year 1992. Because secrecy is indispensable if intelligence activities are to succeed, the funding levels authorized by this Act are classified and should remain so.

I am concerned that the authorizations for appropriations below my request do not adequately provide for today's intelligence challenges. I note that the Department of Defense Appropriations Act, 1992, does not include similar reductions, and the Administration will explore with the Congress means by which these appropriated funds may be utilized.

Insofar as H.R. 2038 could be construed to incorporate a provision conditioning my authority to expend appropriated funds on action by committees of the Congress, I shall consider that provision to be of no effect because it is unconstitutional under the Supreme Court decision in INS v. Chadha, 462 U.S. 919 (1983). I also note that Section 803(b)(7) of H.R. 2038 purports to limit my discretion in the selection of nominees to the National Security Education Board. I do not believe that the Congress may impose such limitations as a matter of law in light of the nomination power afforded to me by the Appointments Clause of the Constitution. Article II, Section 2, Clause 2. I shall regard the language of Section 803(b)(7) as advisory, but shall, however, endeavor to follow such advice in my selection of nominees.

Finally, this Act would require the Intelligence Community to maximize procurement of products in the United States, in a manner that is consistent with our national security concerns and that is fiscally sound. My interpretation of the Act will be guided by the fact that the procurement of products in the United States will be maximized by adherence to U.S. international obligations regarding Government procurement.

George Bush

The White House,

December 4, 1991.

Note: H.R. 2038, approved December 4, was assigned Public Law No. 102 - 183.

Statement on Signing the Tribal Self-Governance Demonstration Project Act

December 4, 1991

Today I am signing into law H.R. 3394, the ``Tribal Self-Governance Demonstration Project Act." This bill extends the duration of, and expands the number of tribes participating in, a demonstration project under which tribes plan, consolidate, conduct, and administer certain programs, services, and functions previously provided by the Department of the Interior. This demonstration project has been an important step in Indian self-determination, in improving the government-to-government relationship between tribes and the United States, and in helping Indian tribes develop independence.

I am signing H.R. 3394 notwithstanding those provisions that purport to require cabinet secretaries to report the results of certain studies together with their ``recommendations" to the Congress. Were these provisions construed to require executive branch officers to submit legislative recommendations to the Congress, they would be constitutionally objectionable. Because Article II, section 3 of the Constitution vests the President with exclusive authority to decide whether and when the executive branch should propose legislation, these provisions must and will be construed not to require any legislative proposals or recommendations.

George Bush

The White House,

December 4, 1991.

Note: H.R. 3394, approved December 4, was assigned Public Law No. 102 - 184.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Former Hostage Terry Anderson

December 4, 1991

President Bush called Terry Anderson at approximately 4:45 p.m. this afternoon in Damascus to express the love and admiration that all Americans have for Terry. The President told Terry that people from all over our country have great respect for him and have expressed that in many ways over the years. He welcomed Terry home and wished him well in the days ahead.

The President also said that he had just talked to Peggy Say, who has committed incredible time and energy to seeking Terry's safe return.

Terry had great praise for United Nations Secretary-General Perez de Cuellar and his personal representative, Mr. Picco. Terry was excited and upbeat about his return to freedom.

Note: Giandomenico Picco is Assistant to the Secretary-General of the United Nations for Special Assignments.

Statement on the Release of American Hostages in Lebanon

December 4, 1991

I join Terry Anderson's family and friends in their happiness for his return to freedom after six and a half years in captivity. Speaking to Peggy Say, Terry's sister, this afternoon, I felt the joy and the tears that marked this occasion for her. Peggy and the families of the other hostages have known the tragedy and the loneliness of the captives themselves over these many years. And similarly, all Americans have shared the emotional trauma associated with hostage taking, terrorist kidnapping, and the personal tragedies that each of these hostages has experienced.

I remember meeting some of the hostages personally upon their return to Germany in those difficult hours immediately after their release. And all Americans have joined in the happiness exhibited by the hostages when they have returned to America. Those feelings are etched in our consciousness forever.

While the American hostages have now been released, we cannot say the ordeal is over. We call for the immediate, safe, and unconditional release of all those held outside the legal system in the region, including the two remaining German hostages. There are also hostages who are believed to have died while in captivity. We call for a full accounting of all these individuals, including the return of their remains to their families and loved ones. Here I would single out Colonel Richard Higgins and Mr. William Buckley, two men who gave their lives for what they believed in.

We are grateful to those whose efforts are making possible releases such as that of Terry Anderson today, and we wish them well as they continue those efforts. We thank particularly United Nations Secretary-General Perez de Cuellar and his personal representative, Mr. Picco. In addition, we thank the Governments of Iran, Syria, and Lebanon, for the role that each has played in the safe and unconditional release of these hostages held in Lebanon. This is a positive development which we welcome.

We must dedicate ourselves to ensuring that hostage taking is not resumed. Indeed, the time has come to eradicate all forms of terrorism in the region and the world. Lebanon should once more become a place where people can travel and live their lives free of the fear of violence in all its forms.

Statement by Press Secretary Fitzwater on the President's Meeting With Nelson Mandela of South Africa

December 5, 1991

The President and Nelson Mandela, President of the African National Congress, met for approximately 30 minutes in the Oval Office. They had a very good meeting, during which they discussed recent developments in South Africa. The President said that the announcement that the Convention for a Democratic South Africa would begin on December 20 is very promising news. He noted that South Africa's political parties appear to be finding common ground and share many principles and objectives. The President also emphasized that the South African economy will be a key factor in a successful transition to democracy and that a growing economy that can attract investment will be crucial in the months ahead.

Remarks Prior to a Meeting With United Nations Secretary-General-Elect Boutros Ghali

December 5, 1991

The President. We certainly wish you well, and we're proud of the way you've been received by the General Assembly and the Security Council. And we wish you all the best in the future. And the U.N. is so much more relevant now given its leadership and whole peacekeeping and peacemaking field. And I just think you're coming in at a most interesting time. The U.N. is very fortunate you are there.

Secretary-General-Elect Ghali. Thank you, Mr. President.

Q. Mr. President, some of the figures out for the fourth quarter aren't looking so great.

The President. You missed what I said earlier. I know you did because I said we're having a press conference at 2 p.m. Nice try though. [Laughter]

Note: The President spoke at 1:02 p.m. in the Oval Office at the White House.

The President's News Conference

December 5, 1991

Appointments

The President. Good afternoon. I first want to introduce my new team of advisers that will help lead the White House and the Presidential campaign in the months ahead. First, my new Chief of Staff for the White House will be Sam Skinner. As a member of our Cabinet, he's demonstrated the leadership skills necessary to guide our staff, work with the Congress, coordinate my activities with the new campaign organization. And I know he'll do an outstanding job for me and the country.

The others with me today form the nucleus of a political advisory group that I have worked with in the past. They are people -- in my view, they're the best -- they are the people of talent and creativity and energy. And I expect to put every bit of that to use.

Bob Mosbacher, an old friend who's been at my side in campaigns for over 20 years, is best known here as the very able Secretary of Commerce. And he will be the general chairman of our campaign.

Bob Teeter, who's worked with me in the trenches for many years, will be the chairman and chief political strategist with the overall authority and responsibility for the day-to-day operational decisions.

Fred Malek, a very successful businessman and political associate, will direct administrative functions as the campaign manager.

Charlie Black, a friend and party spokesman, will serve as the senior adviser on all aspects of the campaign effort. And in the last year Charlie has picked up many of the, relating to me, many of the things that Lee Atwater used to do, my old friend whom we miss.

I've asked this team of campaign leaders to begin putting together an organization to begin the consultation process with the many supporters I've been privileged to have in the past and develop a campaign plan, an overall plan, that will guide my personal activities in the weeks and months ahead.

And they'll be working closely with the Vice President, Dan Quayle, several other close associates who will have key roles in the reelection effort, some of whom are here. Certain keys ones here with us today: Mary Matalin, over here; Rich Bond, back here; and my oldest son, George, who had a function in the last campaign. And of course, I will be looking to my old friend and the current chairman of the RNC, a former member of our Cabinet, Clayton Yeutter,

for advice.

And once -- there he is back here -- once this group has developed a plan for my review in January, I expect to make a formal announcement of my candidacy.

The Chief of Staff's position, back to that for a minute, is a very personal one. And again, I want to thank John Sununu for his service to this administration, to me, and to the country. I tried to express, right from the bottom of my heart, how strongly I feel about him in a letter that I gave a little while ago. He's a friend, and I'm glad that he's agreed to stay on as a counselor, participating in our Cabinet until March first.

Sam Skinner takes over as a firm right hand at a time when the Nation's economy presents a difficult challenge. Economic growth is sluggish at best. And yes, people are out of work, and we need to get this country back on its feet, people back on the job.

Right now we have a number of economic forces that are at work to bring about a recovery. And we've taken steps to help those in need as quickly as possible, and in fact we've been accelerating a number of Government payments that will accelerate the spending of $9.7 billion into the economy during the first and second quarters of the fiscal year. This shot in the arm includes Government programs in agriculture, in housing, defense, transportation, commerce, and general services.

These are programs for which funds have already been appropriated and where we can spend the money now instead of later while preserving the spirit and the integrity of the funding process. We're also considering additional spending accelerations that may be possible. We cannot be complacent about people's hardships. We have good proposals outstanding on which the Congress has yet to act. But clearly we must do more.

And so I intend to propose a new package of programs that will stimulate growth in the economy for both the short and the long terms. And we will announce them in the State of the Union Message. A good deal of my time and of our top advisers between now and then will be spent finalizing this, talking to people, and indeed, I am anxious to see what ideas come out of the hearings up on the Hill this week and next week.

So, thank you all very much. And to all of you, let me simply say I am getting fired up about all of this. I'm looking forward to it and looking forward to working with you.

American Hostages

Q. Mr. President, I'd like to ask you about the hostages. Now that all of the hostages are out, how will you redeem your pledge that good will begets good will? For example, is the United States any closer to restoring ties with Iran?

The President. Not closer at this moment. I don't consider the chapter closed because I think of Robin Higgins, a young Marine whose husband was apparently killed. And I'd like to see the remains of Colonel Higgins, who was serving under the U.N. banner, returned. I think of Mr. Buckley. I'd like to see his remains returned. And so the chapter, this ugly chapter, albeit nearly closed, is not closed. And so we'll wait and see when that is all finalized. However, yesterday we did thank various countries for their role in it. We certainly thank the United Nations Secretary-General Cuellar and Mr. Picco for their active roles. I think we thanked Syria and Iran as well.

Q. How about the hostage-takers, Mr. President? Do they get off scot-free or will the United States try to track them down as it has with other terrorists?

The President. Well, I think everybody who violates international law should feel that they'll eventually be brought to justice. But I want to see this chapter closed before we go further along those lines.

Reelection and the Economy

Q. Mr. President, why do you think the American public has lost so much confidence in you? And do you think -- we're assuming you're going to run for reelection, that's correct isn't it? And do you think you could -- -- [laughter].

The President. Why do you jump to conclusions all the time?

Q. Do you think you could get reelected unless this faith is restored and your polls go up again and the economy is turned around?

The President. The answer to your two questions are ``the economy" and ``yes." [Laughter]

Q. Can you amplify?

The President. No. No, look, when the economy goes down, the President takes the hits. There's no question about that. And this economy is not going to stay down forever. And we're going to do our level best to help people that are hurting. And I've not lived or died by polls. I said to Marlin and these guys in here before we came in, ``Thank heavens I said, when polls were sky high, that I don't believe in polls." And I'm not going to dwell on polls. The main thing is to help the American people and try to solve the problems.

But the answer to the first question is the economy.

The answer to the second, you said, ``If the economy is bad, can I get reelected?" And the answer is ``yes."

Q. Why do you think you can?

The President. Because I'm a good President.

John Sununu

Q. Mr. President, Governor Sununu, in a couple of valedictory interviews and comments, has indicated that not only did the policies and courses of action that he chose reflect your wishes, but also the manner in which he went about that, whether pit bull or pussycat mode. Is that in fact the case, sir?

The President. A Chief of Staff ends up absorbing a lot of the shots that are aimed at the President. I think everybody knows that, and certainly everybody in this room knows that. And we Bushes, and I say this as a family because I've talked to my kids about this, have been grateful to John for his willingness to stand in the face of fire that is aimed directly at the President. Was there another part to that?

Q. What I was really trying to get at, sir, is his indication that whatever he did both generally and specifically and the way he went about doing it, he did at your behest and with your knowledge and with your acceptance. Is that correct, sir?

The President. Well, all I know is that I've been very happy with him as Chief of Staff, and I think he's done an outstanding job. Everybody has his own style. I think he's conducted himself in a fine way; I really think that in an extraordinarily difficult circumstance, I might add. I will repeat what I said: I think he's demonstrated an awful lot of class in the way he's handled this matter.

The Economy

Q. Mr. President, you said the economy was the reason for your current political problems. What is your reading of it at this point? The GNP revised figures for the third quarter showed a decline. Are we sliding back into recession at this point?

The President. The GNP showed what?

Q. The third quarter GNP figures were revised downward from 2.4 percent -- --

The President. There's a whole complicated way of refiguring GNP. Please do not give me a quiz on it because it is an extraordinarily complex formulation. I won't do this to the Secretary of Commerce, but perhaps he could explain it. But nevertheless, there was growth: It was extraordinarily sluggish; it wasn't good enough. And so I think there are some reasonably good signs. And I cite inflation. And I cite the fact that interest rates are low enough so that when this

recovery starts it could be very, very good. The inventories are low, and we've been able to cap a lot of the otherwise wild discretionary spending that would have been inflicted upon the taxpayer.

So, there's some economic forces at work that are positive. Having said that, there's no question that this economy is sluggish at best. And we want to see it turn around. I hope these steps today might have some effect on it. I'm looking forward to signing the transportation bill, job-intensive. I will urge the Governors to get those funds out into the mix as soon as possible, out into the field.

And so we'll just have to see how we go from here. But there are certain economic factors in effect, certain things we're doing to try to help people that I think will make a difference.

Tax Cuts

Q. In the economic package that you will unveil in your State of the Union Address, what do you have in mind beyond the capital gains tax reduction and other steps you've proposed?

The President. I will not have anything to say about the specifics of that until I give the address.

Q. Without going into the specifics, sir, do you think the middle class deserves a tax cut?

The President. Listen, I think every American deserves to pay less taxes.

Q. Do you think, though, that the need is such that that is an area where you would consider breaking the budget agreement in order to provide middle-income tax relief?

The President. I don't want interest rates to go sky-high. I noticed that when one proposal was proposed, long-term interest rates, just on the proposal, went out through the roof. So, whatever we do has got to be economically sound. But if your answer is, do I think the middle class are paying a very heavy tax burden, the answer to the question is ``absolutely."

Q. It's a question of balancing the two -- --

The President. Yes, it is, exactly.

Q. So the question is -- --

The President. It is totally that.

Q. Is tax relief for the middle class less important than maintaining this budget agreement which hasn't kept the deficit down?

The President. I don't think it's that. I don't think that's the choice.

Timing of Action on the Economy

Q. Down in Mississippi the other day, you indicated you were going to hold off until you got the fourth quarter economic statistics to see just how bad things were before deciding on what to do. You probably won't get those statistics until you come back from Asia in January, right -- maybe the middle of January? Does that mean you really aren't going to make up your mind until, say, mid-January?

The President. No, we're going forward, John [John Cochran, NBC News], right now with some very active planning, active consultation with business groups, with labor, with others. I just had a good talk down there with some of the labor guys, as a matter of fact, at Tropicana, and workers in the plant. I can learn from that kind of thing. But we're not going to hold back awaiting a release of figures before we formulate a plan.

Now, whether it requires fine-tuning between that period of time and the time of the State of the Union, that's something I'll have to wait and see.

Q. But basically are you really saying you'll decide whether to take drastic action in the third or fourth week of January?

The President. No, I'm waiting -- I'm saying what we're doing is, we've got a lot of economic growth elements out there right now that make sense. And now we want to build on that, work with the economic leaders whose advice I respect and get a package which I will take directly to the American people, over the heads of the subcommittees in the Congress, and say, ``Please support us in helping this economy." For 3 straight years, I have had economic growth proposals put before the Congress. And for 3 straight years, the ideas we've put forward have not been enacted by Congress. Now, I think there is enough urgency out there that I think this could well be the catalytic event that leads to action. And so, that's the way we're approaching it. But many of the ingredients -- I know already what I want involved.

Conservative Presidential Candidates

Q. Mr. President, you face not only the Democrats next November but a challenge, particularly from the conservative right of your party -- Pat Buchanan, David Duke, and a lot of conservatives who seem to be unhappy with you. What do you and this team have to do in the weeks and months ahead to respond to that challenge?

The President. Get our message out. Help turn this economy around. Help people. And get our record through a very active campaign organization out to the American people. The playing field has had a handful of people out there who don't think, don't see things the way I do, this campaign

field. And they've been dominating because there has been nobody out there shooting back. Now we've got some people to say here's the way, here's what the truth is, and take this case in 50 States to the American people.

So I think that will help get the truth out there, and then I'll be doing my best to do the same.

Q. Why is it, do you think, that you've let the conservatives down?

The President. I don't think I have, to be very candid with you.

Q. Well, they seem to think -- --

The President. Well, maybe they do. Maybe they believe what some Democrats say, for example, on some of these issues. I don't agree with that. See, I don't -- I refer to some of the experts here. There is a handful of people out there that are critical, but that's -- you'd expect that. But I don't feel there is a major problem with conservatives. I think of myself as conservative. I think when we have family-oriented legislation, like our child care, it's good. I think it's sound, strong, forward-looking conservative legislation. I think the same thing is true in other areas. So choice in education is a good example. Our education 2000 doesn't rely on a big bureaucracy in Washington. This is sound, forward-looking, you might say in this instance, revolutionary conservative legislation that we're proposing and certainly a conservative approach to education because it will work.

And so I can go right down the fields. I think our approach to clean air had that same thing, getting the market forces involved.

So, I don't agree that because some people jump up on one side or another of the spectrum that this means there's an enormous problem out there. If there is, though, I want to work to correct it.

Health Care

Q. Mr. President, a question on another issue, health care. Let me put it to you this way, sir. Do you see any Federal role -- rather, any role for the Federal Government as a guarantor of last resort for health care?

The President. I think there is a role for the Federal Government in health care, and it's one of the largest spending items in the Federal budget. So, the answer to your question is yes.

Q. Could you be a little more specific, sir?

The President. No. We're going to be, though, later on.

'92 Presidential Election

Q. Mr. President, there is a lot said about the negativity and ugliness of the 1988 campaign. And now that you're facing challengers on the right as well as on the left with the Democrats, some of your own strategists have predicted that the '92 campaign will be by far uglier, especially with the racial issue. Is this what you're expecting, sir?

The President. I hope not. I've noticed a little ugliness coming our way already in the primaries out there, but this doesn't bother me too much.

Q. What about your own role in terms of how you plan to conduct your campaign?

The President. Well, we've got some good advisers here. Advisers are there to advise, so we'll wait and see what they recommend. It's a little early for that.

Q. Well, hasn't the race issue already come up, sir?

The President. Well, if you'd like me to elaborate, ask a question on that, and I'll try to be more specific for you.

David Duke

Q. Well, I'm just wondering since there's one candidate, Duke, who's already making race an issue and since he's positioned to take votes away from you, how you plan to handle this?

The President. In the first place, I'm not sure. I haven't analyzed it enough to know where David Duke takes votes away from. When you look across the spectrum in Louisiana and who voted for what candidates before and what parishes the votes came from, and, you know, we'll wait and see on that. But I think -- I don't care whether it's good politics or not, I condemn bigotry, and I condemn racism. And this man is a racist, and he is a bigot. I don't believe that costs votes anywhere for me to take that position in opposition to an extreme.

We've got a good record on civil rights, and yet it is not one that can be condemned by thoughtful-thinking conservatives because we avoided the trap, the pitfall of quotas, for examples, in our legislation. And yet I hear some on the left trying to make me a racist because I stand up against quotas. Well, that's absolutely ridiculous. So, just take the fact, take your case out there and make it factually, point to a record that I'm proud of in this area and then denounce bigotry and racism, and let the chips fall where they may.

Electoral Themes

Q. Mr. President, a number of Democrats and other critics are coming up with a charge about your administration being the status quo administration. President Reagan ran on the notion that you were ``the change'' some time ago. I wonder how that theme would work this time and how you would address the point of, say, you're a status quo President who's not interested in change anymore?

The President. I think you have to just look around the world and see that there's been an awful lot of change. And I think there's going to be a lot of change in this country, and I want to lead in the forefront for competitiveness through education. I don't know whether you consider it change or not, but we want to win this war against drugs. And we've made a good start. We've got a lot of social issues out there upon which I think the American people agree with me. And so I would like to, if we had gotten our programs through, I think we would see a lot more change right now. And we'll continue to work for that.

So I don't view this as status quo and I think you can start by looking around the world.

Government's Role in Economic Recovery

Q. Mr. President, Democrats have been criticizing you for not acting on the economy. I'd like to ask your core belief on this, leaving aside the question of whether or not you can help stimulate the economy by your growth package, whether or not you believe that Government intervention is necessary to help the economy recover at this -- --

The President. Some Government help is necessary. The passing of sound legislation is necessary; that's Government intervention. And the Government takes out from the taxpayers' wallet. And I'd like to see the Government now, through some fundamental reforms, create more, help create more jobs. That's done in the private sector -- but help create more jobs by lifting the burden from some of these people and by having forward-looking growth policies in effect.

Timing of Action on the Economy

Q. If you feel that way, sir, then why do you feel you can wait until the end of January to propose things that probably won't even be passed for several months after that?

The President. I don't think it's a question of proposing, I think it's a question of getting it done. Congress is not in session. We've tried very hard when Congress was in session. And I think the way to do it now is to go forward and get this package I'm talking about together and move forward. And that's exactly what we plan to do.

Q. The Democrats say they will come back.

The President. I know what the Democrats say, but they're not responsible for anything except

criticizing the President. They control both Houses of the Congress. If they felt so strongly why didn't they pass something over the past 3 years? I have had economic growth programs before Congress 3 years in a row, and they have not acted on them. And so that's my reply to this negative criticism from those who control the United States Congress.

But the people, I think, are getting less interested in that. I think they want something done. I don't think they care whether it's the President or the Congress. They say, look, enough of this Washington stuff, let's get something done. And that's why I say, all right, I'm going to try again. I'm going to put this all in a package, and it's going to be a very good one. And yes, some of the ingredients will be the same as ones we've proposed, and there will be new things in it. And take it right to the American people and say to Congress now, look, let's just get this done fast and then you can keep on attacking me, and you can bet your neck I'll be out there attacking you.

But the American people deserve this kind of approach. But if they hear every single night some Democratic leader up there just trying to assign blame, they get a little discouraged by the system itself.

Hispanic Voters

Q. Mr. President, the majority of the Hispanics are Democrats, and they have been beaten very badly by the economy. What is your message to them? How are you going to capture their votes?

The President. My message to them is better education. My message, and we've got a great program that will help minority education in this country. My message to them is let's pass the Mexican free trade agreement, North American Free Trade Agreement. That, I believe, would create jobs that would benefit these minorities and also instill a certain sense of cultural pride, because we are not going to forget our neighbors to the south, and help in many, many ways. And so I think they have been, a lot of the Hispanic voters in this country have been captured and taken for granted by a party that's done very little for them. And now I think the time has come to try the Republican side.

Personal Contacts with Unemployed Individuals

Q. Mr. President, you've been talking with people who are out of work, people whose stories you've read in the paper, people who have written you. Tell us what you told them. Is it true that you have found jobs for some? And what have you learned -- --

The President. No, Marlin handled that very well yesterday -- [laughter] -- I thought because I am not going to go into commenting -- it's one little vestige of privacy I have. And I don't want to take advantage of what people tell me. And if I decide to, I'll -- the letter will be released, and you'll all know the name. But I don't plan to do that.

Q. I ask not for their names, sir -- --

The President. Yes, I understand. But I've just -- --

Q. I ask what you've learned from them.

The President. Oh, what I've learned from them.

Q. And have you found jobs for some of them?

The President. Learned that a lot of people are hurting.

And I hope so. I hope so.

Q. You hope that you've found jobs -- --

Chief of Staff Skinner

Q. Can you tell us what orders you've given to Sam Skinner; what changes you want to see in the operation of the White House?

The President. No. I don't think -- well, Sam and I had a long talk last night. He's going to visit with John. He's going to talk to other Chiefs of Staff, and then before he actually takes over a week from Monday I'll have a chance to visit with him in more -- --

John Sununu

Q. And also, sir, can you explain what -- how John Sununu lost faith with you. What changed there -- that relationship?

The President. That's all been explained ad nauseam, and let's shift gears now and go forward. And once again, I compliment John Sununu for the way he's handled all this.

Q. Mr. President, would you encourage Republicans -- --

The President. Two more after this. Okay, is that a deal, Marlin? Is that fair?

Q. No.

The President. Will it be said that we've exhausted our welcome?

Q. Never.

The President. Cragg [Cragg Hines, Houston Chronicle], and Ellen [Ellen Warren, Knight Ridder], and then I've got to go.

David Duke

Q. Mr. President, would you encourage Republican Party officials around the country to work at keeping David Duke off the ballots in their States and out of the convention as a delegate?

The President. Yes, I'd encourage anything to help David Duke go away. His message of bigotry and his racism is bad. It's bad for this country -- transcends politics. And it's so thinly veiled as to be really deeply ugly. And so I don't know what -- individuals have their rights in this country. I guess we'd have to allege that he has a right to get out and speak as he does. But I have every right to condemn it, and, to the degree I have anything to say about the machinery of the Republican Party, I will see that it is fairly used to negate the influence of somebody who brings this kind of racial and bigotry, race prejudice and bigotry to the political scene.

Q. And would extend to keeping him from being a delegate?

The President. Well, I don't -- again, you know I want to be very careful. People have rights. I don't know how that all works in what individual State. But if you get the idea here I'm unenthusiastic about the man, why that's because it's bad. It's bad for our country. There's too much ugliness as it is. And I think that we've just got to denounce it at every turn.

Ellen and then Cragg Hines and then I really do have to run.

Campaign Issues

Q. Mr. President, one of your successors very effectively used the question in the campaign, ``Are you better off today than you were 4 years ago?'' Sir, are you willing to run on that question?

The President. I'm ready to run on a wide array of questions. And I hope that by the time this election is held, and I'm quite confident by the time this election is held, this economy will be much, much better. And in many ways I could answer that affirmatively right now because of world peace and because of a lot of things. But in terms of -- while this economy is down, we've got to all work to get it back, to get people back to work.

And for the person, I keep repeating it, for the person out of work, unemployment is 100 percent. So, we keep changing it. But I'm prepared to take my whole record to the American people. And I believe that the American people will support me. And I will work hard to earn their support. And

part of the way I will continue to work hard is to try to help those who are hurting out there. And in the meantime, we're going to try to push for these forward-looking programs on competitiveness, on education, on anti-narcotics and whatever else the field is.

Prospects for Reelection

Q. And so, sir, when your opponents ask that question, do you expect the American people to respond affirmatively?

The President. Yes.

Q. Even though polls show right now that the vast majority of people believe we're going in the wrong direction?

The President. Well, I think they do because of the economic situation. But I want -- by the time this campaign is through and by the time the economy improves when I get through some of the things I want -- and I'm confident I will -- not only will that be -- they'd be able to ask that, answer affirmatively there in that regard, but clearly they'll be able to answer affirmatively in that regard in terms of whether they wake up worrying about nuclear weapons and all of these kinds of things.

So one looks at the whole record. And right now, I can understand people saying that. But this campaign hasn't started. You listen, you turn on the television every night, and you get three minutes of gloom and doom out of people to open the news every single night. And that turns around, things are a little more cheerful, and people begin to get the feeling that things are moving in the economy, that's going to change. And I want to be sure it changes, and that means I'm going to continue to work to get the best kind of economic growth package I can based on sound economics through this Congress that up until now has been highly partisan.

But I don't think they will be. I think when they go home for a couple of weeks now, several weeks, I think they'll come back saying, ``Hey, we've got to do something.'' Less posturing. Let's get something done for this country.

Cragg, and then I do go.

Conservative Presidential Candidates

Q. Mr. President, two questions about your challengers in the Republican Party. Number one, do you want Pat Buchanan in the same bag with David Duke? And number two, even if they get delegates, will you work to deny them any role at the Republican National Convention, including television time?

The President. I don't put them in the same category at all.

Q. How do you separate them? [Laughter]

The President. I don't think Pat Buchanan is a bigot. And I don't think Pat Buchanan is a racist.

Q. But he still doesn't represent a strong challenge to you?

The President. Well, let's wait and let the voters decide all that, Cragg.

Q. And on the question on the national convention -- --

The President. What was that one?

Q. If they have delegates, either one of them have delegates, would you work to deny them a role, including, say, national television time?

The President. No. I think you've got to be fair. I believe in fair play, and that's too hypothetical because I don't want that to happen. I'd like to have all the delegates.

Q. You could envision David Duke appearing at the Republican National Convention?

The President. I envision even somebody as obnoxious as that having certain rights. And I'm determined that whatever, people have certain rights. He would not be well-received at the Republican convention, I can tell you that. And I don't know what the rules are, but we will play by the rules. And I hope there's something in the rules that would make his participation limited at best.

Q. So you would not rule out David Duke appearing at the Republican National Convention?

The President. I what?

Q. You would not rule out David Duke appearing at the Republican National Convention?

The President. Cragg, I don't know what the ground rules are. You're going to have all kinds of weird groups down there at the Republican convention -- [laughter] -- and they'll adjust then to the Democratic convention. [Laughter] They travel. They're convention-goers. [Laughter] I can't speak for all these crazy people that show up.

Q. Inside or outside?

The President. They'll be swarming all around the outside, I'll guarantee you. But you've got certain ground rules. You play by the ground rules. And we're not going to deny a person a fundamental right. I don't know what that right is, but there are rules that apply to delegates. And I can't frankly conceive of any Republican State -- any State Republican delegation at a convention wanting David Duke to have anything to do with the process. I just can't see it. So, I hope that's the way it will work out. Having said that, a person is entitled, no matter how obnoxious, to certain standing. And we'll just see how it goes. But I will now rush out and talk to Clayton Yeutter to see what the rules are on this.

The Soviet Union

Q. Foreign policy -- --

The President. Foreign policy? Wait a minute, I didn't come here to talk about foreign policy. Just a minute, I don't want to -- what is it?

Q. Does the Soviet Union still exist in your mind? And if so, in its current state, how do you deal with it?

The President. The Soviet Union certainly still exists, and this is all in the throes of evolution now. The process is evolving, and you see an overwhelming vote for independence on the part of Ukraine. You see the reforms going forward in Russia. You see Gorbachev in the center committed to reform. And we are working with who's there to facilitate the peaceful evolution here. And I say peaceful because you've got some big problems of weapons and destruction of nuclear weapons and things that are very, very important. So, we're going to stay engaged and deal with what's there.

So, it's changing, and nobody can predict with any degree of accuracy where it's all going to be the day after tomorrow.

Thank you all.

Note: The President's 112th news conference began at 2:02 p.m. in the Briefing Room at the White House. During the news conference, the following persons were referred to: Patrick J. Buchanan, columnist and television commentator; David Duke, newly declared candidate for the Republican Presidential nomination; Robin Higgins, whose husband, Col. William R. Higgins, died while held hostage in Beirut, Lebanon; and William Buckley, who also died as a hostage in Beirut.

Proclamation 6389 -- To Amend the Generalized System of Preferences

December 5, 1991

By the President of the United States

of America

A Proclamation

1. Pursuant to section 504(a)(1) of the Trade Act of 1974, as amended (the 1974 Act) (19 U.S.C. 2464(a)(1), and having considered the factors set forth in sections 501 and 502(c) of the 1974 Act, I have determined that it is appropriate to suspend the application of duty-free treatment accorded to articles of Yugoslavia under the Generalized System of Preferences (GSP).

2. Section 604 of the 1974 Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States (HTS) the substance of the provisions of that Act, and of other Acts affecting import treatment, and actions thereunder.

Now, Therefore, I, George Bush, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to Title V and section 604 of the 1974 Act, do proclaim that:

(1) General note 3(c)(ii)(A) to the HTS, listing those countries whose products are eligible for benefits of the GSP, is modified by deleting ``Yugoslavia'' in the enumeration of independent countries.

(2) Any provisions of previous proclamations and Executive orders inconsistent with the provisions of this proclamation are hereby superseded to the extent of such inconsistency.

(3) The amendment made by this proclamation shall be effective with respect to articles both: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after 15 days after the date of publication of this proclamation in the Federal Register.

In Witness Whereof, I have hereunto set my hand this fifth day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:05 a.m., December 6, 1991]

Note: This proclamation was released by the Office of the Press Secretary on December 6, and it was published in the Federal Register on December 9.

Statement on Signing the National Defense Authorization Act for Fiscal Years 1992 and 1993

December 5, 1991

Today I have signed into law H.R. 2100, the ``National Defense Authorization Act for Fiscal Years 1992 and 1993,'' notwithstanding the reservations that I have regarding certain of its provisions. H.R. 2100 authorizes appropriations that provide for a national defense sufficient to meet foreseeable threats to the national security. It conforms to the Bipartisan Budget Agreement and generally supports the Administration's major defense priorities, including key elements of the Strategic Defense Initiative.

Several provisions raise serious constitutional issues. I am particularly concerned about a provision that derogates from the President's authority under the Constitution to conduct U.S. foreign policy. Section 1046 purports to require the President to begin negotiations with specified foreign nations to enter into agreements regarding defense cost-sharing. Consistent with my responsibility under the Constitution for the conduct of such negotiations, I will construe that provision to be precatory rather than mandatory. Section 1046 also purports to require that I report to the Congress concerning any such negotiations. I sign this bill with the understanding that this provision does not require the reporting of the details of diplomatic negotiations with foreign nations or other privileged information or detract from my constitutional authority to protect sensitive national security information.

Section 153 purports to restrict deployment and redeployment of certain intercontinental ballistic missiles. Section 2851 undermines arrangements with our NATO allies to establish facilities and deploy forces at Crotone, Italy. Section 1042 purports to impose a limit on the number of military personnel stationed in Europe. While I will respect the intent of these and similar provisions as far as possible, I sign the bill with the understanding that such provisions do not constrain my constitutional authority to deploy military resources to safeguard the security of the Nation.

Section 213 purports to restrict the authority of the Secretary of Defense to classify certain information regarding the A - (X) aircraft, and various other provisions of the Act require that specified reports or information be provided to the Congress. I shall construe all these provisions consistent with my constitutional authority to protect information that is privileged or that bears on the national security.

Sections 921 and 922 could be construed to restrict the flexibility of the Secretary of Defense to direct the management of the Defense Intelligence Agency, to dictate how intelligence information is to be processed, and to require intra-government consultations prior to nomination of officials to head the Defense Intelligence Agency and the National Security Agency. These are unneeded and constitutionally questionable intrusions into the management of the executive branch. I will construe these provisions consistent with the Constitution.

George Bush

The White House,

December 5, 1991.

Note: This statement was released by the Office of the Press Secretary on December 6.

Exchange With Reporters on the South Lawn

December 6, 1991

Pearl Harbor

The President. I do want to say that I'm looking forward to going to Pearl Harbor. I think for me and a lot of other Americans of my generation this is a very emotional time. And this will be a very emotional day tomorrow. But I also approach it as a day of healing, appropriately honoring those who died at Pearl Harbor and those who were killed in World War II after Pearl Harbor.

But also what I want to do is put the focus on the fact that yesterday's enemies in Europe and in Asia are now our friends. And a lot of healing has taken place. I take great pride in the fact that the United States reached out the minute the war was over to both Japan and Germany.

So, in terms of my emphasis I'll be honoring those who made this era of peace possible. And it was that big of an event. But also trying to keep the country's focus on the fact that those former enemies are now friends. And we're working with them under a democratic system to make this world better. And really in terms of the economic side of things to work together for an increased global economy, a bigger global economy which will serve the needs of all people including workers in this country and in Japan and in Germany.

So it's an exciting time. As I say, in a sense for me it will be emotional because like a lot of those veterans out there I lost friends, my roommates, two roommates killed in action off our carrier. And yet, I go there with no rancor but with the wonderful feeling that things have moved dramatically forward in a very positive way. So, this is what this trip is about, and we'll be back here early Sunday morning.

Internment of Japanese-Americans

Q. Will you at Pearl Harbor be apologizing in any way for the U.S. internment of Japanese-American citizens who were -- --

The President. I will acknowledge that as an era of a tragic thing, loyal Americans put into camps because of race. Congress took appropriate action last year. But yes, I will point out that was one of, on our side, one of the tragic things that happened. And, of course, it will never happen again but it was a not a very -- it was a very shameful chapter in an otherwise glorious achievement, you might say. The total victory over imperialism and totalitarianism.

Q. Mr. President do you think Japan should apologize for -- --

Unemployment

Q. Mr. President, the unemployment figures are up again do you think something should be -- --

The President. No, I thought I saw that the unemployment numbers were about the same.

Q. Well, according to the morning shows the number of new people that signed up for unemployment -- --

The President. Yes, but what I'm talking about is what we always go by which is the unemployment total numbers. And the economy is far too slow, but a lot of news media yesterday were predicting an increase in unemployment. And to me it looked like it was 6.8 which is too high. And I think we ought to put the focus on that and try to at least, you know, report it as it is. I think that's what it said, and I'm glad because I think many were predicting -- --

Q. Seven.

The President. -- raising -- seven or something like that. So, please, don't go into these little details. Let's look at the big picture is what I'm trying to do.

Timing of Action on the Economy

Q. My question is whether or not you should, can we wait until the State of the Union for you to unveil your new economic plan?

The President. Well, we've already put into effect $9.7, accelerated $9.7 billion worth of spending yesterday. Nobody can wait in terms of the hardship of somebody that's unemployed. But you want to be able that when you do something, to get it done through Congress in a way that doesn't set things back and moves the employment figures up and the unemployment figures down. And I want to keep interest rates reasonably well.

So these hearings will help us. I talked to Rostenkowski this morning. I thought Darman, Brady and Boskin did a good job yesterday. There may be other things. We're looking all the time for things we can do before we get Congress back here to take a major step forward but I think we can do that.

Q. Can you absolutely rule out seeking to break the budget agreement?

The President. I would leave the testimony the way it was yesterday. It was handled beautifully by our people.

Thank you all very much.

Note: The President spoke at 8:41 a.m. prior to his departure for Ontario, CA. In his remarks, the President referred to Dan Rostenkowski, Chairman of the House Committee on Ways and Means; Richard Darman, Director of the Office of Management and Budget; Secretary of the Treasury Nicholas F. Brady; and Michael Boskin, Chairman of the President's Council of Economic Advisers.

Remarks to Mag Instrument Employees in Ontario, California

December 6, 1991

Well, thank you, Tony and Claire, and thank all of you for the tour we just went on. It's nice to see both Tony and Claire. I saw them a couple of weeks ago back in Washington. The Maglicas are doing a great job. And I also am pleased to see Senator Seymour, one of California's two Senators with us here today, sitting up here with me.

And we brought another person along, but I don't see her -- Pat Saiki over here, who is with me on our way out to Pearl Harbor. And she is the head of the Small Business Administration back in Washington. Pat, welcome.

There was a bit of confusion on the way in today. I arrived at the factory; one of my aides handed me a beer. And I said to them, ``Look, I said I wanted a Maglite." [Laughter]

I got to know Tony and Claire during the inauguration, when they sent 40,000 Points of Light, these mini-Maglites that you all make, as symbolic, what we call Points of Light, to demonstrate their faith in the power volunteers have to build a better America. And Mag Instrument represents the spirit of enterprise, the devotion to quality, the principle of hands-on leadership that will carry us into the next American century. Let me tell you why.

Tony Maglica's story, in essence, is the story of the American dream. A tale of opportunity that began in a Los Angeles garage in 1955. And later, in his job shop, he invented a superior quality flashlight for use by police and firemen whose lives might depend on the quality of the light. Let me add, in fact, Mag Instrument showed its ongoing commitment to these heroes with very generous support for the National Law Enforcement Memorial, which we dedicated in October.

Over the last 10 years, your company has led the way for American competitiveness and excellence, growing from that small shop I talked about, to one of the largest flashlight manufacturers in the entire world.

Mag Instrument products are made in America, made with American parts, and they're made by the best. They're made by American workers. And the commitment to American quality, from raw materials to design to production, has put your company, has put Mag Instrument right up at the top. And that's what will put our country right up at the top, too.

Tony is living proof, when the fight is fair, American manufacturers can outproduce, outsell and outcompete any other nation on Earth.

And that's why we're striving hard in the administration to open foreign markets to American goods and services, to continue solid, job-creating export growth. We want companies to follow Mag Instrument's lead in building export business. Their exports comprised over a quarter of their total sales this year. And that's good business, because last year alone total gross exports accounted for virtually all of this Nation's economic growth.

We want to keep inflation low, interest rates down, productivity high so that American business can stay competitive. And to do it we've proposed initiatives to cut senseless Government regulation, to improve education. And Barbara's working very hard in her way on helping people learn to read, improve education, improve job training. And here's one Tony will like: Reform our civil justice system so that employers can stay on the factory floors and out of the courtrooms. And we're going to continue to work on that one, too. I won't tell you the figure Tony told me that he had to spend in protecting patent rights of the products that you all develop here, but it is mind-boggling.

All of this is part of our strategy then for long-term economic growth in this country, particularly as it relates to exports, a strategy I laid out from day one of my Presidency. Since then, frankly, I've called on the Congress to act on our capital gains tax cut to stimulate investment. But more important, it would stimulate job creation all across the State of California. And we need more jobs in the State of California. I've called on Congress to act on our R&D tax credit, to create new technologies and new jobs; to act on IRA's, these retirement accounts, you know, for first-time homebuyers. That would stimulate the housing market. And to enact banking reform legislation to make our banks more competitive and to make that capital flow to entrepreneurs like Tony that have created so many jobs right here.

People are hurting. And I hear it from just plain everyday Americans, and the letters I read back in Washington, conversations on the shop floor in places like this and just before this, down in Florida and over in the State of Mississippi.

And while Congress is home for the holidays, I hope that they're getting the message, too. Then, when they come back in January, what I plan to do is to ask them to put politics aside -- it's going to be an election year -- but lay the politics aside just long enough to take some important steps to get this economy on the move again.

And I'm going to hold out my hand, extend it; I promise you that. And that's because I believe we can create more hope for the future. We can build greater prosperity. We can bring the American dream to life for all Americans. You give America the tools, and they'll get the job done. And you give me a Congress I can work with and more businessmen like Tony and Claire here, more companies like this one in America, and we all together will get the job done.

So I really wanted to come by and learn, and I have. I've watched how this all works in there. I've heard the enthusiasm of Tony Maglica. It's contagious. It's an infectious feeling. He says anybody

can get this job done, and I believe we can. I am absolutely confident that things are going to be better, and I'm going to keep right on working hard in Washington and then when Congress comes back, to do my part.

Thank you for a very inspiring day. And you might be interested in this. Barbara and I, when we leave here, we go to a lunch downtown, a Kiwanis lunch, and then we're heading out to Pearl Harbor for the commemoration of Pearl Harbor Day, which will be tomorrow -- turning point really in terms of peace and freedom in the world; certainly a memorable time in the history of our great country. But as I conclude, I think it's also a blessing that it looks like, because of the leadership of the United States of America, your kids and our grandkids can grow up in a much more peaceful world. And that's something to say our thanks to God for.

Thank you all and God bless our country.

Note: The President spoke at 11:51 a.m.

Remarks to the Kiwanis and Rotary Clubs in Ontario, California

December 6, 1991

Thank you, Nancy DeDeimar, and thank you for that introduction and thank you for indulgence of all the detail that has to go into a visit of this nature. But I am delighted to be with you all here.

I've been to several Kiwanis events over quite a few years, so as an outsider, let me start by saying: I'm George Bush, from Washington, DC, President of the United States of America.

And Nancy graciously introduced my friend, our Senator, Senator Seymour, who is with us today. And she also introduced Pat Saiki. Pat is now the head of the SBA, the Small Business Administration, was a Member of Congress and now the head of SBA. And she is doing a superb job in very difficult circumstances. And she and I and Barbara and a group of others are on our way out to her home State for what I know will be a very memorable salutation of history tomorrow. It's going to be a very emotional time out there, but I'm just privileged to represent the United States of America at Pearl Harbor Day at that wonderful place.

Let me just say that Jim Brulte, down here, who is your State rep, he and I have served together, and he was on the receiving end of one of these introductions a few minutes ago, the announcements. And he said, well, I think I'd rather be out there doing the advance work, which he did so ably and many other things for the White House. But anyway, you've got a very good man representing you in the assembly.

And I might say to the Kiwanians here that just a couple of days ago -- several days ago; I believe it was 3 -- I received a thorough briefing in the Oval Office from Gayle Beyers of Kiwanis International, who filled me in -- he's the international president -- filled me in on the inspiring worldwide efforts that you have undertaken. I also listened as the heads of Circle K and the Key Club, bright young people who were with him, told me about the next generation of Kiwanis. So it was good Kiwanis day there in the historic Oval Office 3 days ago.

As I mentioned, I go on to Pearl Harbor to take part in these commemorations tomorrow. And right now I want to salute a man who was there, Jay Holmes. I don't know if he's here today or not. Jay, right there. You know him as the former general manager of the Daily Report, but history knows him and says that 50 years ago he was a 19-year-old Marine aboard the U.S.S. West Virginia. And we know the history, and men like Jay know the human terms. What it meant to stand for a moment at the very center of history; what it meant to pick up and then battle back from that shattering moment on the morning of December 7th to victory, come back from that moment to victory 4 years later.

Let me just say to Jim Brulte, as a Rotarian who helped the Kiwanis Club put together today's event -- [laughter] -- Jim is going to be fined for fraternizing with the enemy, but nevertheless -- [laughter].

Surrounded by so many Points of Light, and your president referred to that, I can't let this opportunity go by without recognizing you for your good works. First, on behalf of Barbara, let me salute the Kiwanis Club for its leading role in that Reading Is Fundamental program. Going into that classroom, sharing a child's first experience learning how to read, is as simple as it is rewarding. If you're concerned about our future, then you care about our kids, and certainly Kiwanis does.

With the holidays fast upon us, I want to recognize Rotary Santa Claus Incorporated for its work repairing and recycling used toys. Thanks to you, children who far too often have to go without can look forward to finding something special under the Christmas tree. And then I also want to salute the Ontario Police Department -- led by Lowell Stark, the police chief here, but even more important, Rotarian -- for their award-winning gang control program. Your slogan says it all, ``Gangs plus dope equal no hope." Your success has won admirers not just statewide but wherever communities are plagued by gang violence.

We can help in Washington. I want to get our national drug-fighting program fully implemented. And they're going pretty well. There are some encouraging notes there. I want to get our crime bill passed by the Congress. And one of my big regrets was they didn't pass a strong crime bill that has a little more sympathy for the people out there on patrol and a little less for the victims [perpetrators] of crime. I want that passed. And we're going to keep working to get it done, but I just want to salute those who are going forward with this good work for fighting against these gangs and offering alternatives to the young people in this country.

To prove just how far Ontario has come in promoting peace among the warring factions we do, indeed, have the Kiwanians and the Rotarians sitting together in this room. [Laughter]

I thank you for inviting us here, giving me this opportunity to spend time in the community. And great things are happening -- today's guest, and giving me this opportunity to spend some time in your community. Great things are happening. I wish all -- maybe some of you have been there; I'm sure you have -- but just a few minutes ago I toured the Mag Instrument plant here in Ontario. Yes, I've seen the light. [Laughter] And I met the people who have turned a one-man, one-room operation into an industry leader, worldwide, 10 short years. And I came away proud, impressed once more with this American energy and American ingenuity.

I have visited since I've been President 48 States in 3 years, a little less than 3 years. And everyplace I visit gives you a chance to talk to people and to listen and, as was true of today, to learn.

And Ontario's a long way from Washington. You're not caught up in the beltway blame game that dominates so much of the coverage that I'm sure you see every night. You're not so much caught up in the finger-pointing and the posturing, the battle for the 9-second sound bite out there on the evening news that all of us politicians compete so vigorously for. What matters to you are real-world concerns: The quality of our schools, a good job with a future, safe streets, clean air, neighborhoods where people look out for one another. And all the squabbling in Washington is background noise as you pay the bills and raise your kids with a sense of right and wrong, and plan for the future.

Each community faces these real-world challenges in its own way. Take the way your community has coped with change. Not long ago, Ontario and the area around it was little more than a point on the map from Los Angeles to Las Vegas. And today, your city is part of California's Inland Empire, the fastest growing region in one of America's fastest growing States.

The Inland Empire stands alone in California as the only region to report uninterrupted job growth every month during the national economic downturn. And yet, because the population grew faster than the jobs, even here you've seen an increase in unemployment. And even your enviable growth record offers cold comfort to those people that are out there that are caught in the downturn. And I know this, that for a person out of a job, the unemployment rate is 100 percent.

Yes, times are tough across this country. The local construction industry lost 10,000 jobs in the past year alone. The manufacturing sector and aerospace industry have been hard hit. The pressure to sustain growth won't let up. According to projections, the population of San Bernardino County will more than double from 1980 just to the year 2000.

Today, the single largest export from the Inland Empire remains commuters: 300,000 to 400,000 make the trip each day to jobs in greater Los Angeles. And yet, increasingly, Ontario finds itself pulled into the global marketplace by virtue of its place on the Pacific Rim. Warehousing jobs are up nearly 20 percent in 2 years due to increased exports. UPS has made Ontario one of its three domestic airline hubs, well-positioned to serve the western United States and in the international markets across the Pacific. This new addition to Ontario's corporate community will pump $500,000 a year into this county's economy.

The people of the Inland Empire are building this future for themselves, and the growth that results will be the sweat of your hard work, not the gift of Government. And what you want from Government is the good sense to know when to step in and help, and then when to step out of the way.

But we can help, and we're going to help. Government can help by fighting to open new markets to American goods. When trade is free and fair, I am absolutely convinced that American workers can outthink, outproduce, and outdistance any foreign competitor. Our administration has made free trade a key element in our foreign policy, from Fast Track authority with Mexico -- and that

is going to mean more jobs here -- to the talks we're going to hold not long from now when I travel to Korea and Japan.

Here at home, we have pushed for the kind of economic growth initiatives that will encourage growth, that will create jobs. And from day one as President, I've argued that we can never stand pat and simply assume endless economic prosperity. In 1989, in the midst of the longest peacetime expansion in American history, I called on the Congress to pass a series of growth initiatives, 1989 incentives to spur saving and investment, to support aggressive R&D, research and development, to reduce the cost of capital. You all know the story: 3 years later, we're still waiting for Congress to lay aside the politics and pick up the challenge.

I am not about to let Congress off the hook. Next month, in my State of the Union Message, I'll challenge Congress to work with me at long last to get the job done, to take action to get this economy growing again, generating good jobs for working men and women all across this country.

For all the economic dislocations, for all the real hurt people are suffering through today, I am confident, confident that here in California and across this country our recovery will gain speed. And I look back to the early eighties, when the economy went through a tough period of wheel-spinning before it set out on the path of sustained growth. Back then I think unemployment reached up in the double-digit range, 10-point-something percent. A recovery now that, as we look back on it, meant better lives for millions of American families. Years from now, we may well look back on the early nineties the same way, as the moment the American economy moved forward toward a new century, confident, certain, and full of hope.

I will be glad to respond to questions on this subject or anything else. But I want to make another point. There has been some suggestion that you should lay aside interest in foreign affairs and concentrate solely on domestic. It's not easy. The world is small. Our future here in this -- in Ontario, California, is interacting with world markets abroad, and well it should. And so when I go to Japan, is that foreign or domestic? As I go there to try to get them to do more about opening up their markets to goods from California and my State of Texas and from the East and wherever, they interact.

When we do something that works for peace in the world, whether it's a Middle East peace conference or whether it's whipping aggression halfway around the world in Kuwait by a brutal dictator, Saddam Hussein, trying to take over another country by force, is that purely foreign policy or does it relate to the national security of the United States and the safety and tranquility of society here and the fact that your kids and my grandkids can grow up in a more peaceful world? It's interacting, is my point.

And so, I'm not going to let these political critics keep me from doing my job as President of the United States when it comes to the national security and the economic interests of the United

States of America.

It's a great pleasure to be with you today. And I don't know how this -- I'll turn to the boss here and see. Oh, here he is. [Laughter] Rotary takes over. [Laughter] And let him go. Let's proceed with a few questions.

Mr. Brulte. Thank you, Mr. President. Before we proceed with a few questions, to my Rotary brothers and sisters, I'm sorry this is a Kiwanis meeting, but I want you to notice the President is sitting on the Rotary side of the table. [Laughter]

In the interest of fairness, we decided that the first four questions would come from Rotary and the first four questions would come from Kiwanis. We would combine them, intersperse them, allowing the presidents and the leadership of the organizations to choose the method of selecting those questioners. The Kiwanis Club called all their members, invited them to ask questions. They then selected the names of those individuals, and we have those questions up here.

George Chalfant, the Rotary president, was a little more creative. He took a computer list of all the members of Rotary, pinned it to his wall, and threw his red felt pen at it -- [laughter] -- I think five times. The first one missed, and we have those. Those have been submitted. And if we get through those, we'll then take some that were written by the audience.

Education

Q. You have stated that education is a major priority in your administration, but it seems there's difficulty in funding it in light of many other priorities.

The President. Education, is that the question? I was listening to Marlin Fitzwater over here, the household word on television that you sometimes see.

Well, education is a major priority. Six percent of education money is Federal; 94 percent of it comes from other sources. Federal money has gone up for education in our administration and will probably do the same next year. I don't think it's a question of funding alone; certainly it's not a question of funding alone at the Federal level.

We have a new education program called America 2000. And what we did was, we went down and we met with the Governors, Republican and Democrat alike, in Charlottesville a couple of years ago, came together setting out six national education goals. Then we've got a Secretary of Education, Lamar Alexander, who is taking this America 2000 program all across the country.

It encompasses things like choice. It encompasses like revolutionizing schools where you go to the communities and have a contest or have rewards for who prevails on this to come out with a whole new concept of schools. Maybe some will want a longer school year; maybe some will

want to radically alter the curriculum. But instead of letting the bureaucracy in Washington mandate to the schools how Federal money -- that's yours, incidentally -- gets spent, this is a whole new approach that puts the control, the innovation, the revolution, right into the communities itself. And that isn't a function of money.

We're spending more per capita on kids than almost any other country in the world, and we still rank 13th in math and science. So our education goals that include things like ready to learn, that means more for Head Start, which we can help at the Federal level -- more in math and science. ``You're never too old to learn'' is one of the goals. And we're talking there, of course, about adult education. All of these goals can be implemented without seriously raising taxes, raising taxes at all, or seriously increasing spending for a specific program.

So my answer to you is we will continue. We will be able at the Federal level to continue to increase the Federal role. But I would say to the communities -- and if there ever was a group that understands this, that I'm singing to the choir about and that understands this, it is this one because you know. You serve on the school boards. You know how control should stay close to the community. We need more parental involvement.

And very candidly, and I say this not just because she's here, but the work that the Points of Light, one of the brightest one of which is a Barbara Bush function, has a lot to do with it. She spends almost all her time out there, extracurricular time, helping people, inspiring people to read, teaching parents to read to their kids. The Federal Government can't do that.

So we've got a good education program. Whoever sent the question up, Frank, you're right on target that we've got to do better. But I believe we can, and I believe this is one area that we're on the way to radical change, and it's change for the better for the American society.

Health Care

Q. The rapid increase in medical knowledge has been fantastic, but people are unhappy with the delivery of medical care. Redtape, bureaucracy, regulations, and costs are of great concern. Millions of people are unable to obtain even basic medical care. What studies or programs are you setting up to improve this?

The President. I will have a proposal in the State of the Union Message. There are about 31 programs on Capitol Hill for medical care. So far we've been concentrating on prevention, we've been concentrating with limited success, I would say, on cost control which is a part of Dr. Malone's question.

But I do think the time has come for the administration to come forward with a comprehensive program. I hope it's one, and I'm confident that it will be, at least the way it comes from us to the Congress, that does not call for increasing taxes on the working men and women of this country. I

think it will be a good program. We will capitalize on and learn from some of these programs that are floating around up there.

When I hear people say what we ought to do is put the Canadian system into effect, I think they're wrong. I think we've got the best quality health care in the world, and I don't want to see that diluted by going to socializing our medical treatment and diminishing the choice for individuals about going to their own doctor. We'll have a good program. I believe the country by then will be receptive. I will have the benefit of a study that Dr. Louis Sullivan, the head of HHS, will have completed before the end of this month, actually before Christmas. And I hope it's one that you can give your full support to.

The Grace Commission

Q. What's being done about the rest of the Grace commission reports? Can we not still eliminate much, much waste in Government?

The President. Fortunately, many of the Grace recommendations have been implemented. There is plenty more to do. The Vice President's Competitiveness Council has the ball on some of the major regulatory deficiencies that the Grace commission very properly put up. So I believe the answer is, we will continue to work on that problem. It is extraordinarily complicated.

Part of it is that you have Congress -- I don't say it to be bashing them -- but you have a tendency there to put a lot of mandates, a lot of detail on these programs, and that makes for much less efficiency. So we'll continue it. And I think the vehicle for that right now is the Vice President's Competitiveness Council, which does consider these efficiency recommendations, many of which, as I say, have been implemented; more of which must be.

Nuclear Weapons Proliferation

Q. Are you concerned about the independent Republics of the Soviet Union regarding their possession of nuclear weapons and conventional weapons and troops? And what steps are you taking to allay those concerns, if you have any?

The President. Well, I certainly do have concerns. One of the hallmarks of our administration in this whole area of foreign policy is to guard against nuclear proliferation. We don't need any more nuclear powers. And as the Soviet Union, as these independent Republics come forward -- and we salute those who decide on their own, exercising their right of self-determination to be free, to be independents -- this problem of nuclear proliferation must concern us.

For example, in the Ukraine the other day there was an overwhelming vote of support for Kravchuk and an even more overwhelming vote of support for independence. But the United States has a key role now in seeing that as that new state emerges, that it safely disposes of its

nuclear weapons. Here's a case where I talked to President Kravchuk right after he was elected, and we both agreed that this is a priority.

We've been in very close touch with Boris Yeltsin of the Russian Republic, and he shares our concern, the concern of everybody in this room, about nuclear proliferation. It's much more complicated now. You can't just work out an arms control agreement as we have done on START or CFE with the center. You have to also be sure that the Republics are involved. But it is a problem. It is not going to go away. And it's one more reason why we must use everything at our disposal to see that these weapons are not only accounted for but that they are also safely, and I use that word advisedly, destroyed.

There's a lot of high technology that goes into the destruction of nuclear weapons. So far, I can tell you, we're getting good soundings of support from Gorbachev, from Yeltsin, from Kravchuk, and from others as well. So it is a problem that we're going to stay on top of; it is one where I can assert with some optimism that we will succeed.

I worry more, in this field of nuclear proliferation, about renegade transfers of technology. And that's something that's very hard to guard against. It's something where intelligence is less than perfect. But again, we have as a major instruction to our new Director of Central Intelligence, Bob Gates, nuclear weapon proliferation. It would be a shame to win the peace, having beaten back aggression, and then have this insidious threat of nuclear weapons crop up in the hands of some renegade dictator around the world.

So, it again is one that you finger as a very, very important problem. It's one where we will stay fully and actively involved. And so far, though, with the Soviet Union and Republics, I'm a little optimistic, because they're saying and doing the right things.

And incidentally, when I made that sweeping proposal on nuclear weapons a while back that was so well-received around the world, that one, Gorbachev came back, accepted that fully, and is prepared to go further. And along with him, the Republics weigh in, Kravchuk in the Ukraine, Nazarbayev, Yeltsin. And so the mood in that part of the world now is for cooperating fully with us in this terribly important area of arms control, as well as guarding against nuclear proliferation.

Family Values

Q. I understand you and Barbara were married on the same date in 1945 that Helen and I were married. Will you join us in our backyard on our mutual anniversary? [Laughter] We'll fix shish kebab. [Laughter]

The President. Were you married January 2d? Well, if I can remember it. I'm the guy that couldn't remember when Pearl Harbor is. [Laughter] Jerry, that's a wonderful invitation, and I'll leave that one to Barbara. [Laughter] But thank you for the thought.

And you know, let me tell something to you newlyweds out there. And let me be sure I get the number of years right. [Laughter] It doesn't hurt a bit. I'll just make this one serious observation. Barbara and I do talk about this because we're blessed with a lot of grandkids and sons and a daughter. I've got to tell you I worry about the diminution of family in this country. And I know Barbara worries about it. I know everybody out here worries about it. I hope that while I'm President I will continue to be able to find ways to strengthen family, guard against legislation that might encourage families to live apart so they can get a little more Federal largesse out of the benefit system. And I worry about it. And yet when you get out around the country and away from some of the most troubled areas, I am inclined to feel that this concept of family values and faith and this kind of thing is still pretty darn strong in our country. And we want to do the best to help keep it that way.

Terrorism

Q. One of Rotary's main thrusts is world peace and understanding for all nations. With the release of the hostages are we now closer to that goal, or is that threat still with us?

The President. Well, I'm afraid the terrorist threat is still with us. We, of course, rejoice in the release of these hostages. Incidentally, I don't consider that chapter closed. Mr. Buckley, who allegedly was tortured until his death, his remains have not been returned. There are some rumors that that might be taken care of. I hope so. Colonel Higgins, you remember the Marine colonel that was serving in the southern part of Lebanon under the Blue Flag, under the United Nations flag, he was killed. He was murdered. And his remains have not been returned. So as far as this President is concerned, the chapter is not closed.

I rejoice in the release of the last hostage, Terry Anderson, and those that preceded him. And I'm proud that I can represent to the American people that our policy -- although certainly this release took far too long in terms of strains on family -- was implemented; that there was no quid pro quo. Because in staying with that policy it seems to me we diminish the chance that others, seeing rewards having been granted for taking people prisoner, would do the same thing.

But having said that, there are a lot of weird people around the world who think they can use terrorism or hostage holding as a way to implement their political agenda or to facilitate political change.

We are stepping up -- and have since I've been there, and certainly President Reagan was very concerned about that -- our intelligence, our counterintelligence, that would lead us to be able to abort some of these terrorist acts. But it is not an easy problem, and I wish I could tell you it was behind us. And while I rejoice in the release of these hostages, it is something that still concerns us very, very much. And we will be as alert as we possibly can to safeguard the lives of American citizens wherever they may be.

Financing of College Education

Q. As a parent of college-age children, how do you see families meeting the rising expense of a college education? Do you favor the use of IRA money for college expenses?

The President. We'll take a look at that in terms of change to policy. We have this scholarship program now, college savings program, that is in a sense an IRA program. It isn't as widely used as it might be. But Government scholarships are important; we have some of those. Private scholarships are far more important; we have many of those. And cost containment really lies -- the problem of cost containment to guard against further increases really is not in the hands of the Federal Government, except as it relates to the overall inflation rate in the country.

While I bemoan the slowness of the economy and worry about people that are out of work, I think it is fair to say that inflation that has been so devastating in terms of families -- you can't say it's under control, but it's far better. It's far less of a threat to people that are saving under these college programs to get their kids educated.

Incidentally, what this big secret message was from Marlin Fitzwater, I think you would be interested if you haven't seen it. And that is that the Federal Reserve took the constructive step of easing the Federal funds rate by a quarter of a point today, to 4.5 percent. And, you see, this is still going on. They're still lowering these rates. And lower rates are among the factors that eventually will be of strong help to the recovery. And even now, this percentage drop in the Fed funds rates, I think, will help the economy along.

So I can present this to you as pretty good news, and I hope that it will mean that we'll facilitate the lending that is so essential to get this part of the country moving and growing strongly again.

Small Business

Q. As small business people, what can we do to help this country regain economic and educational status in the world?

The President. Well, in the educational status, I would strongly urge you to take a look at what we're doing in terms of America 2000. There's a role for small businesses in there. There's a role for every community in there. I would urge that approach on the economy. I would urge you to contact the legislators in terms of less regulation. I think one thing that's inhibiting small business is too much regulation. I would urge small business people, if they agree with what I'm about to say, to weigh in strongly.

The Democrats, liberal Democrats, in the Congress -- not all of them, but the liberal ones -- accuse me in supporting capital gains as being a tax for the rich, a tax break for the rich. It is a jobs bill. It would immediately result in more investment and more jobs. So I'll take that political

heat from the demagogs on Capitol Hill, but help me get a capital gains cut so that entrepreneurs and small business people can profit by what they do and thus do more of it. We want a capital gains tax cut, and it's about time.

And I might add, though I don't spend a lot of time watching what's happening on the other side of the aisle in terms of Presidential hopefuls, that several Democrats are now embracing support for capital gains. So we'll take the support wherever we can get it. It's long overdue, and it will stimulate this economy, and it will get right to the crux of your question: What can small business people do? You can have a much better life, much more entrepreneurship, much more investment, many more job creation possibilities if we can lower the rates on capital gains.

You know what Japan's capital gains rate -- Japan and Germany -- one of them is one percent and the other is zero percent. And we're competing on what they call an unlevel playing field. So please help us on that one. And there are other things as well that I think in the tax proposals I've been making in terms of economic growth will benefit small business. But there are a couple of the areas where we could use your help, I'll tell you.

Peace and Freedom

Q. This will have to be the last question. The students at that school want to know what your wish is for the future of our children.

The President. Biggest wish would be that they grow up in a world at peace where they don't have to go to bed afraid of the threat of nuclear warfare and that they grow up in a country who retains its basic values and in a country where opportunity knows no limits.

And if I could look back over my shoulder and say what would I like to do while I'm President, I would like to make a contribution in both areas: One, in world peace; and the other, in terms of an America, whose freedom having been secured and guaranteed, knows no limits to its opportunities.

Thank you all very, very much.

Note: The President spoke at 12:40 p.m. at the Red Lion Inn in Ontario, CA. In his remarks, the President referred to Nancy DeDeimar, president of the Ontario Kiwanis, and Jay Holmes, a Rotarian and Pearl Harbor survivor. James Brulte served as emcee for the luncehon. A tape was not available for verification of the content of these remarks.

Memorandum on Trade With the Czech and Slovak Federal Republic

December 6, 1991

Presidential Determination No. 92 - 6

Memorandum for the Secretary of State

Subject: Eligibility of the Czech and Slovak Federal Republic to be Furnished Defense Articles and Services Under the Foreign Assistance Act and the Arms Export Control Act

Pursuant to the authority vested in me by section 503(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2311(a)), and section 3(a)(1) of the Arms Export Control Act, as amended (22 U.S.C. 2753(a)(1)), I hereby find that the furnishing of defense articles and services to the Government of the Czech and Slovak Federal Republic will strengthen the security of the United States and promote world peace.

You are authorized and directed to transmit this determination to the Congress and to publish it in the Federal Register.

George Bush

Memorandum on Trade With the Republic of Hungary

December 6, 1991

Presidential Determination No. 92 - 7

Memorandum for the Secretary of State

Subject: Eligibility of the Republic of Hungary to be Furnished Defense Articles and Services Under the Foreign Assistance Act and the Arms Export Control Act

Pursuant to the authority vested in me by section 503(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2311(a)), and section 3(a)(1) of the Arms Export Control Act, as amended (22 U.S.C. 2753(a)(1)), I hereby find that the furnishing of defense articles and services to the Government of the Republic of Hungary will strengthen the security of the United States and promote world peace.

You are authorized and directed to transmit this determination to the Congress and to publish it in the Federal Register.

George Bush

Memorandum on Trade With the Republic of Poland

December 6, 1991

Presidential Determination No. 92 - 8

Memorandum for the Secretary of State

Subject: Eligibility of the Republic of Poland to be Furnished Defense Articles and Services Under the Foreign Assistance Act and the Arms Export Control Act.

Pursuant to the authority vested in me by section 503(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2311(a)), and section 3(a)(1) of the Arms Export Control Act, as amended (22 U.S.C. 2753(a)(1)), I hereby find that the furnishing of defense articles and services to the Government of the Republic of Poland will strengthen the security of the United States and promote world peace.

You are authorized and directed to transmit this determination to the Congress and to publish it in the Federal Register.

George Bush

Remarks to the Pearl Harbor Survivors Association in Honolulu, Hawaii

December 7, 1991

The President. Please be seated, everybody. And, Jerry Glaubitz, thank you, sir. Thank you for your dedication. Thank you for your leadership to this wonderful organization.

May I salute Secretary Ed Derwinski, Reverend Morgan, and most of all, fellow veterans.

From this sacred ground near the waters of Pearl Harbor, we remember the moment when the Pacific Ocean erupted in a storm of fire and blood. We remember a morning when America, where some thought isolation meant security, awoke wounded, and reeling, plunged into a desperate fight for world freedom.

I remember the crackle of the radio and the voice of our President. ``We are going to win the war," FDR told us, ``and we are going to win the peace that follows." We won the war and secured the peace because American men and women responded bravely and instinctively to their Nation's call. Within hours after the cruel surprise attack began, many died, having done what came naturally: They fought for their family and friends, defending the land they loved. They did not set out to become heroes, but they did.

When torpedoes crippled the U.S.S. California's ammunition hoists, Warrant Officer Thomas Reeves stood in a smoke-filled passageway and organized a human supply chain to move the ammunition. He worked with all his might till the smoke overcame him. He died that day aboard California, and he rests today in this cemetery.

During the attack, Chief Boatswain Eddie Hill of the U.S.S. Nevada swam from the dock back out to his ship, ignoring the bombs falling all around him. He, too, died in the attack and rests here.

The Bible says, ``Love is strong as death." To die for country, for family: that is the truth whispered by these rows of markers.

I remember Ernie Pyle, and I'll bet everybody behind me and in front of me remembers Ernie Pyle, too. The greatest of war correspondents, he fell to the enemy machinegun fire on Ie Shima. He lies here in this cemetery among the GI's he loved and honored so well. His plain-spoken news dispatches from the front reminded us that behind the battle statistics were true-life stories of how boys became men and men became heroes.

He told us what was happening in the war, how our men were fighting. And by telling the stories

of our servicemen to their hometowns and neighborhoods, he helped us understand why we were fighting, how our men at arms defended with all their hearts America's deepest ideals.

Americans did not wage war against nations or races. We fought for freedom and human dignity against the nightmare of totalitarianism. The world must never forget that the dictatorships we fought, the Hitler and Tojo regimes, committed war crimes and atrocities. Our servicemen struggled and sacrificed not only in defense of our free way of life, but also in the hope that the blessings of liberty some day might extend to all peoples.

Our cause was just and honorable, but not every American action was fully fair. This ground embraces many American veterans whose love of country was put to the test unfairly by our own authorities. These and other natural-born American citizens faced wartime internment, and they committed no crime. They were sent to internment camps simply because their ancestors were Japanese. Other Asian-Americans suffered discrimination, and even violence, because they were mistaken for Japanese. And they, too, were innocent victims, who committed no offense.

Here lie valiant servicemen of the 442d Regimental Combat Team and of the Military Intelligence Service, Americans of Japanese ancestry who fought to defeat the Axis in Europe and in the Pacific. Among these, the late Senator Spark Matsunaga, a combat hero and survivor who went on to help lead postwar Hawaii to American statehood.

I remember sharing danger and friendship in these skies and on this ocean. Some of my closest friends, like many people here, your closest friends, never came home. Perhaps because of this experience, I can better understand what you survivors of Pearl Harbor are sensing and feeling here today. As all the veterans here know, when a friend or comrade in arms falls in battle, war grabs a part of your soul.

My roommate aboard the carrier San Jacinto, CVL - 30, was a guy named Jim Wykes. And as we were about to go into combat for the first time, a strike over Wake Island, Jim Wykes and his crew were sent out on a search mission from which they never returned.

Many more from our little torpedo squadron were to give their lives. And the names of many of these, and more than 18,000 other World War II servicemen lost in action in the Pacific, are engraved in the walls of this magnificent memorial.

During every passage of my life, I've often thought of those who never returned. Some left children behind, and today those children, like my own kids, are raising children of their own. And thank God, each surviving generation has honored the memory of our heroes of the Second World War. Each new generation has risen to meet the challenge of winning the peace.

After vanquishing the dictators of Japan and Germany and Italy, America's war generation helped those countries rebuild and grow strong in the exercise of democracy and free enterprise. They

affirmed again that our quarrel had not been with races or nations.

The American victors welcomed the new leaders of Japan and Germany and Italy into alliances that won the cold war and helped prevent the third world war. America and our wartime allies joined hands with the liberated peoples of our former foes to create and nurture international organizations aimed at protecting human rights, collective security, and economic growth.

Winning the peace, then as now, demands preparedness. The cause of harmony among nations is not a call for pacifism. We avoided a third world war because we were prepared to defend the free world against aggressors. The Pearl Harbor generation saw its younger brothers go to Korea, its sons to Vietnam to resist communism. Pearl Harbor's grandchildren answered the call to the Persian Gulf to reverse Saddam's aggression against Kuwait.

How fitting it is that this great cemetery holds so many who died for the cause of Korean and Vietnamese freedom. How honored we are to stand on this ground, consecrated with the remains of Marine Lance Corporal Frank Allen of Hawaii, who gave his life just 10 months ago in the battle to free Kuwait.

Every soldier and sailor and airman buried here offered his life so that others might be free. Not one of them died in vain. Our men and women who served in Korea and Vietnam, whose sacrifices too often have been forgotten or even reviled, are nearing their day of greatest vindication. For I have confidence that the tragedy of totalitarianism has entered its final scene everywhere on this Earth.

This morning's sun will course the Pacific skies and illuminate the lands of Asia. And just as certainly, the movement of human freedom will supplant dictatorships that now hold sway in Pyongyang and Rangoon and Hanoi, and yes, in China, too. For a billion yearning men and women, the future means freedom and democracy.

This fair December dawn breaks on a world ready for renewal. A high tide of hope swells for those that are committed to peace and freedom. The nations pushed by tyrants into war against us half a century ago join us today as free and constructive partners in the effort for peace. The Soviet Communists' designs for world domination have collapsed before the free world's resolve.

We've reached this morning because generation after generation of Americans kept faith with our founders and our heroes. From the snows of Valley Forge, to the fiery seas of Midway and Pearl Harbor, to the sands of Iraq and Kuwait, Americans lived and died true to their ideals. They have prepared the way for a world of unprecedented freedom and cooperation. And thank God you Pearl Harbor survivors are here today to see this come to pass.

Today, as we remember the sacrifices of our countrymen, I salute all of you, the survivors of Pearl Harbor. And I ask all Americans to join me in a prayer: Lord, give our rising generations

the wisdom to cherish their freedom and security as hard-won treasures. Lord, give them the same courage that pulsed in the blood of their fathers.

May God bless you all, and may God bless the United States of America. Thank you very much.

Note: The President spoke at 6:53 a.m. at the National Cemetery of the Pacific. In his remarks, he referred to Gerald Glaubitz, president of the Pearl Harbor Survivors Association; and Reverend Joseph Morgan, a member of the Pearl Harbor Survivors Association.

Remarks at a Ceremony Commemorating the 50th Anniversary of Pearl Harbor

December 7, 1991

Thank you, Captain Ross. Thank you, sir. To our Secretary of Defense and our Chairman of our Joint Chiefs; members of our Cabinet; distinguished Governors here; and so many Members of the United States Congress; Admiral Larson; members of our Armed Forces, then and now; family and friends of the Arizona and Utah; fellow veterans. Thank you very much for that introduction, Don, and thank you all for that welcome.

It was a bright Sunday morning. Thousands of troops slept soundly in their bunks. Some who were awake looked out and savored the still and tranquil harbor.

And on the stern of the U.S.S. Nevada, a brass band prepared to play ``The Star Spangled Banner." On other ships, sailors readied for the 8 a.m. flag raising. Ray Emory, who was on the Honolulu, read the morning newspaper. Aboard California, yeoman Durell Connor wrapped Christmas presents. On the West Virginia, a machinist's mate looked at the photos just received from his wife. And they were of his 8-month-old son whom he had never seen.

On the mainland, people listened to the football games on the radio, turned to songs like the ``Chattanooga Choo-Choo," comics like ``Terry and the Pirates," movies like ``Sergeant York." In New York, families went window-shopping. Out West, it was late morning, many families still at church.

At first, to the American sailors at Pearl, the hum of engines sounded routine, and why not? To them, the idea of war seemed palpable but remote. And then, in one horrible instant, they froze in disbelief. The abstract threat was suddenly real.

But these men did not panic. They raced to their stations, and some strapped pistols over pajamas, and fought and died. And what lived was the shock wave that soon swept across America, forever immortalizing December 7th, 1941. Ask anyone who endured that awful Sunday. Each felt like the writer who observed: ``Life is never again as it was before anyone you love has died; never so innocent, never so gentle, never so pliant to your will."

Today we honor those who gave their lives at this place, half a century ago. Their names were Bertie and Gomez and Dougherty and Granger. And they came from Idaho and Mississippi, the sweeping farmland of Ohio. And they were of all races and colors, native-born and foreign-born. And most of all, of course, they were Americans.

Think of how it was for these heroes of the Harbor, men who were also husbands, fathers,

brothers, sons. Imagine the chaos of guns and smoke, flaming water, and ghastly carnage. Two thousand, four hundred and three Americans gave their lives. But in this haunting place, they live forever in our memory, reminding us gently, selflessly, like chimes in the distant night.

Every 15 seconds a drop of oil still rises from the Arizona and drifts to the surface. As it spreads across the water, we recall the ancient poet: ``In our sleep, pain that cannot forget falls drop by drop upon the heart, and in our own despair against our will comes wisdom through the awful grace of God." With each drop, it is as though God Himself were crying. He cries, as we do, for the living and the dead: men like Commander Duncan Curry, firing a .45 at an attacking plane as tears streamed down his face.

We remember machinist's mate Robert Scott, who ran the air compressors powering the guns aboard California. And when the compartment flooded, the crew evacuated; Scott refused. ``This is my station," he said, ``I'm going to stay as long as the guns are going." And nearby, aboard New Orleans, the cruiser, Chaplain Forgy assured his troops it was all right to miss church that day. His words became legend: ``You can praise the Lord and pass the ammunition."

Captain Ross, right here, then a warrant officer or was it a chief, was awarded the Congressional Medal of Honor for his heroism aboard Nevada that day. I salute him, the other Congressional Medal winners with us today, wherever they may be also.

For the defenders of Pearl, heroism came as naturally as breath. They reacted instinctively by rushing to their posts. They knew as well that our Nation would be sustained by the nobility of its cause.

So did Americans of Japanese ancestry who came by the hundreds to give wounded Americans blood, and the thousands of their kinsmen all across America who took up arms for their country. Every American believed in the cause.

The men I speak of would be embarrassed to be called heroes. Instead, they would tell you, probably with defiance: ``Foes can sink American ships, but not the American spirit. They may kill us, but never the ideals that made us proud to serve."

Talk to those who survived to fight another day. They would repeat the Navy hymn that Barbara and I sing every Sunday in the lovely little chapel up at Camp David: ``Eternal Father, strong to save, Whose arm hath bound the restless wave . . . O hear us when we cry to Thee, For those in peril on the sea."

Back in 1942, June of '42, I remember how Henry Stimson, the Secretary of War, defined the American soldier, and how that soldier should be, and I quote: ``Brave without being brutal, self-confident without boasting, being part of an irresistible might without losing faith in individual liberty."

The heroes of the Harbor engraved that passage on every heart and soul. They fought for a world of peace, not war, where children's dreams speak more loudly than the brashest tyrant's guns. Because of them, this memorial lives to pass its lessons from one generation to the next, lessons as clear as this Pacific sky.

One of Pearl Harbor's lessons is that together we could ``summon lightness against the dark''; that was Dwight Eisenhower. Another, that when it comes to national defense, finishing second means finishing last.

World War II also taught us that isolationism is a bankrupt notion. The world does not stop at our water's edge. And perhaps above all, that real peace, real peace, the peace that lasts, means the triumph of freedom, not merely the absence of war.

And as we look down at -- Barbara and I just did -- at Arizona's sunken hull, tomb to more than 1,000 Americans, the beguiling calm comforts us, reminds us of the might of ideals that inspire boys to die as men. Everyone who aches at their sacrifice knows America must be forever vigilant. And Americans must always remember the brave and the innocent who gave their lives to keep us free.

Each Memorial Day, not far from this spot, the heroes of Pearl Harbor are honored. Two leis are placed upon each grave by Hawaiian Boy Scouts and Girl Scouts. We must never forget that it is for them, the future, that we must apply the lessons of the past.

In Pearl Harbor's wake, we won the war and, thus, the peace. In the cold war that followed, Americans also shed their blood, but we used other means as well. For nearly half a century, patience, foresight, personal diplomacy helped America stand fast and firm for democracy.

But we've never stood alone. Beside us stood nations committed to democracy and free markets and free expression and freedom of worship, nations that include our former enemies, Germany, Italy, and Japan. This year these same nations stood with us against aggression in the Persian Gulf.

You know, the war in the Gulf was so different: different enemy, different circumstances, the outcome never in doubt. It was short; thank God our casualties mercifully few. But I ask you veterans of Pearl Harbor and all Americans who remember the unity of purpose that followed that momentous December day 50 years ago: Didn't we see that same strength of national spirit when we launched Desert Storm?

The answer is a resounding ``yes.'' Once the war for Kuwait began, we pulled together. We were united, determined, and we were confident. And when it was over, we rejoiced in exactly the same way that we did in 1945 -- heads high, proud, and grateful. And what a feeling. Fifty years

had passed, but, let me tell you, the American spirit is as young and fresh as ever.

This unity of purpose continues to inspire us in the cause of peace among nations. In their own way, amidst the bedlam and the anguish of that awful day, the men of Pearl Harbor served that noble cause, honored it. They knew the things worth living for but also worth dying for: Principle, decency, fidelity, honor.

And so, look behind you at battleship row -- behind me, the gun turret still visible, and the flag flying proudly from a truly blessed shrine.

Look into your hearts and minds: You will see boys who this day became men and men who became heroes.

Look at the water here, clear and quiet, bidding us to sum up and remember. One day, in what now seems another lifetime, it wrapped its arms around the finest sons any nation could ever have, and it carried them to a better world.

May God bless them. And may God bless America, the most wondrous land on Earth.

Note: The President spoke at 8:10 a.m. from the U.S.S. Arizona Memorial at Pearl Harbor, Hawaii. He was introduced by Captain Donald K. Ross, retired U.S. Navy, a surviving crewmember of the U.S.S. Nevada and Congressional Medal of Honor recipient. During his remarks, the President referred to Admiral Charles Larson, Commander in Chief, U.S. Pacific Command. Following his remarks, the President met with survivors of the Pearl Harbor attack.

Remarks to World War II Veterans and Families in Honolulu, Hawaii

December 7, 1991

Mrs. Rickert, thank you for that wonderful tale of how it was at Hospital Point. Thank you for that warm and generous introduction. And now I have a favor to ask of you. I hope you and everyone else will take a deep breath for me too, please. [Laughter] You didn't need it, but I might; this is a very emotional day.

I would like to salute the members of my Cabinet that are here today, particularly Dick Cheney, our able Secretary of Defense who's done so much for the military, so much in terms of leadership for our Nation. I want to salute General Powell, the Chairman of our Joint Chiefs of Staff, and again take this opportunity on this historic day to thank him for his leadership, his inspirational leadership, for all the men and women that serve in the Armed Forces. I want to thank the commander in chief of the Pacific Fleet, Admiral Larson. And I especially want to single out all the fellow veterans here, particularly those who are the survivors, the survivors of this historic day.

I expect if we went around the room, all of us would remember. I remember exactly when I first heard the news about Pearl Harbor. I was 17 years old, walking across the green at school. And my thoughts in those days didn't turn to world events, but mainly to simpler things, more mundane things, like making the basketball team or entering college. And that walk across the campus marked an end of innocence for me.

When Americans heard the news, they froze in shock. But just as quickly we came together. Like all American kids back then, I was swept up in it. I decided that very day to go into the Navy to become a Navy pilot. And so on my 18th birthday, June 12th, 1942, I was sworn into the Navy as a seaman second class.

And I was shocked, I was shocked at my first sight of Pearl Harbor several months later, April of '44. We came into port on the CVL - 30, on the carrier San Jacinto. Nearby, the Utah was still on her side; parts of the Arizona still stood silent in the water. Everywhere the skeletons of ships reached out as if to demand remembrance and warn us of our own mortality.

Over 2,000 men died in a matter of minutes on this site, a half a century ago. Many more died that same day as Japanese forces assaulted the Philippines and Guam and Wake Island, Midway, Malaya, Thailand, Singapore, Hong Kong. On that day of infamy, Pearl Harbor propelled each of us into a titanic contest for mankind's future. It galvanized the American spirit as never, ever before into a single-minded resolve that could produce only one thing: victory.

Churchill knew it as soon as he heard the news. He'd faced the Nazi conquest of Europe, the blitz of London, the terror of the U-boats. But when America was attacked, he declared there was ``no more doubt about the end." He knew then that the American spirit would not fail the cause of freedom. The enemy mistook our diversity, our Nation's diversity, for weakness. But Pearl Harbor became a rallying cry for men and women from all walks of life, all colors and creeds. And in the end, this unity of purpose made us invincible in war and now makes us secure in peace.

The next day, President Roosevelt proclaimed the singular American objective: ``With confidence in our Armed Forces, with the unbounding determination of our people, we will gain the inevitable triumph, so help us, God." It was the steadfastness of the American people that would ``win the war" and ``win the peace that follows."

We triumphed in both, despite the fact that the American people did not want to be drawn into the conflict; ``the unsought war," it's been called. Ironically, isolationists gathered together at what was known in those days as an ``American First" rally in Pittsburgh at precisely the moment the first Americans met early, violent deaths right here at Pearl Harbor. The isolationists failed to see that the seeds of Pearl Harbor were sown back in 1919, when a victorious America decided that in the absence of a threatening enemy abroad, we should turn all of our energies inward. That notion of isolationism flew escort for the very bombers that attacked our men 50 years ago.

Again, in 1945, some called for America's return to isolationism, as if abandoning world leadership was the prerequisite for dealing with pressing matters back home. And they were rudely awakened by the brutal reality of the Iron Curtain, the Soviet blockade of Berlin, and the Communist invasion of South Korea.

And now we stand triumphant, for the third time this century, this time in the wake of the cold war. As in 1919 and 1945, we face no enemy menacing our security. And yet we stand here today on the site of a tragedy spawned by isolationism. And we must learn, and this time avoid, the dangers of today's isolationism and its economic accomplice, protectionism. To do otherwise, to believe that turning our backs on the world would improve our lot here at home, is to ignore the tragic lessons of the 20th century.

The fact is, this country has enjoyed its most lasting growth and security when we rejected isolationism, both political and economic, in favor of engagement and leadership. We're a Pacific nation. And next month in Asia, I'll discuss with our Pacific friends and allies their responsibility to share with us the challenges and burdens of leadership in the post-cold war world.

The time has come for America's trading partners, in Europe, Asia, and around the world, to resolve that economic isolationism is wrong. To the leaders of Japan in particular, I say: This solemn occasion should reinforce our determination to join together in a future energized by free markets and free people. And so I'll continue to speak out against the voices of isolationism and

protectionism, both at home and abroad.

Fifty years ago, we paid a heavy price for complacency and overconfidence. That too is a lesson we shall never forget. To those who have defended our country, from the shores of Guadalcanal to the hills of Korea, from the jungles of Vietnam to the sands of Kuwait, I say this: We will always remember; we will always be prepared, prepared to take on aggression, prepared to step forward in reconciliation, and prepared to secure the peace.

In remembering, it is important to come to grips with the past. No nation can fully understand itself or find its place in the world if it does not look with clear eyes at all the glories and disgraces, too, of the past. We in the United States acknowledge such an injustice in our own history: The internment of Americans of Japanese ancestry was a great injustice, and it will never be repeated.

Today, all Americans should acknowledge Japan's Prime Minister Miyazawa's national statement of deep remorse concerning the attack on Pearl Harbor. It was a thoughtful, it was a difficult expression much appreciated by the people of the United States of America.

The values we hold dear as a Nation -- equality of opportunity, freedom of religion and speech and assembly, free and vigorous elections -- are now revered by many nations. Our greatest victory in World War II took place not on the field of battle, but in nations we once counted as foes. The ideals of democracy and liberty have triumphed in a world once threatened with conquest by tyranny and despotism.

Today as we celebrate the world's evolution toward freedom, we commemorate democracy's fallen heroes, the defenders of freedom as well as the victims of dictatorship who never saw the light of liberty. Earlier this year, when former adversaries joined us in the stand against aggression in the Persian Gulf, we affirmed the values cherished by the heroes of the Harbor.

The friends I lost, that all of us lost, upheld a great and noble cause. Because of their sacrifice, the world now lives in greater freedom and peace than ever before. It is right that all of us are here today. And it is right that we go on from here.

As you know, I just paid my respects at the Arizona, where it all began. And behind us stands the Missouri, where it came to an end. But the Missouri was also a beginning. Soon after that, Emperor Hirohito went to call on General MacArthur, who later noted that the Emperor ``played a major role in the spiritual regeneration of Japan." Their meeting made history, and a hopeful future for a democratic Japan began to take shape.

I thought of that meeting with MacArthur when I attended the Emperor's funeral in 1989. I thought of it this morning, too, at the National Cemetery of the Pacific and then at the Arizona Memorial.

As you look back on life and retrace the steps that made you the person you are, you pick out the turning points, the defining moments. Over the years, Pearl Harbor still defines a part of who I am. To every veteran here, and indeed to all Americans, Pearl Harbor defines a part of who you are.

Recently a letter arrived from the son of a Pearl Harbor survivor, a Navy man named Bill Leu, who is with us here today. His son writes from his home, now in Tokyo, saying: ``A half century ago, my father's thoughts were on surviving the attack and winning the war. He could not have envisioned a future where his son would study and work in Japan. But he recognizes that the world has changed, that America's challenges are different. My father's attitude represents that of the United States: Do your duty, and raise the next generation to do its."

I can understand Bill's feelings. I wondered how I'd feel being with you, the veterans of Pearl Harbor, the survivors, on this very special day. And I wondered if I would feel that intense hatred that all of us felt for the enemy 50 years ago. As I thought back to that day of infamy and the loss of friends, I wondered: What will my reaction be when I go back to Pearl Harbor? What will their reaction be, the other old veterans, especially those who survived that terrible day right here?

Well, let me tell you how I feel. I have no rancor in my heart towards Germany or Japan, none at all. And I hope, in spite of the loss, that you have none in yours. This is no time for recrimination.

World War II is over. It is history. We won. We crushed totalitarianism. And when that was done, we helped our enemies give birth to democracies. We reached out, both in Europe and in Asia. We made our enemies our friends, and we healed their wounds. And in the process, we lifted ourselves up.

The lessons of the war itself will live on, and well they should: Preparedness; strength; decency and honor; courage; sacrifice; the willingness to fight, even die, for one's country -- America, the land of the free and the brave.

No, just speaking for one guy, I have no rancor in my heart. I can still see the faces of the fallen comrades, and I'll bet you can see the faces of your fallen comrades too, or family members. But don't you think they're saying, ``Fifty years have passed; our country is the undisputed leader of the free world, and we are at peace."? Don't you think each one is saying, ``I did not die in vain."?

May God bless each of you who sacrificed and served. And may God grant His loving protection to this, the greatest country on the face of the Earth, the United States of America.

Thank you all, and God bless you. Thank you very much.

Note: The President spoke at 9:20 a.m. from Kilo 8 Pier in Honolulu, Hawaii. He was introduced

by Lenore Rickert, retired U.S. Navy nurse and a survivor of the Pearl Harbor attack.

Remarks at Half-Time During the Army-Navy Football Game

December 7, 1991

Well, first let me salute all that are there at that wonderful Army-Navy contest. I understand you have a great ballgame underway.

Over my shoulder, perhaps you can see the picture of Arizona where the war started, World War II, on December 7th, 50 years ago. And now I'm talking to you also from the deck of the Missouri where the war ended on September 2d, 1945. And I must tell you this has been a very emotional day for the survivors of Pearl Harbor. It's an emotional day for those of us who served in World War II, and it's an emotional day for our entire country.

I think it is not a day for hatred. I think it is not a day for rancor. I think it is a day for healing and looking forward. And because of the sacrifice of the people here at Pearl Harbor and others that followed, yesterday's enemies are now our friends. Yesterday's hatred has now given way to feelings of goodwill, partnership, friendly competition. And so it has been a moving day at Pearl Harbor. And I, as Commander in Chief of the forces, have been very proud to be here.

Let me wish all of you at that wonderful football game now the very best. And may I say to the men and women of the U.S. Naval Academy and the Army of the West Point, thank you for your service to this, the greatest country on the face of the Earth. May God bless each and every one of you who served the United States of America. It is a special day, and all of you helped make it a special day.

Thank you so much.

Note: The President spoke at 10:17 a.m. aboard the U.S.S. Missouri in Pearl Harbor, Hawaii. His remarks were broadcast live by the American Broadcasting Company during half-time of the Army-Navy football game. Keith Jackson of ABC-Sports introduced the President. A tape was not available for verification of the content of these remarks.

Interview With Charles Bierbauer of CNN at Pearl Harbor, Hawaii

December 7, 1991

Pearl Harbor

Q. This is Charles Bierbauer with President Bush on board the deck of the U.S.S. Missouri.

Mr. President, thank you for joining us with the Arizona Memorial behind us. As you were there this morning, a day which you've described as a very emotional one, the sense of an apology from Japan for the events at Pearl Harbor, how necessary is that?

The President. I don't think it's necessary. The Prime Minister very forthrightly expressed either regrets or remorse. I can't remember the word that was used. But this is a time for healing. This is a time for looking forward.

We won the war. We made a tremendous contribution to freedom by winning the war -- war ending right on the decks of this very vessel. And this is not a time for recrimination or rancor. And so my message is one of healing, of going forward -- tough competitors, being tough in competition for business and markets, but not looking back in the sense of bitterness and hatred.

Q. And yet you've heard from many of the survivors a sense that they still -- --

The President. Yes.

Q. -- -- perhaps have that rancor. Can this be a demarcation at this point?

The President. It should be a demarcation. It should be a turning forward. And I can understand the bitterness. What is it, a thousand sailors still there in that tomb? And dealing with those families today and meeting them was for me very, very emotional. But I really think this is a time to look forward. And I can say to them, I understand part of what you're going through. I lost a lot of fallen comrades, two roommates, many others. But this isn't the time for recrimination. And I don't think most of them feel that way. I think most of them say, look, my husband, my son, my grandfather did not die in vain.

Anti-Japanese Sentiment

Q. A few months ago when you met with then-Prime Minister Kaifu, he complained about Japan bashing, about feeling unappreciated over there. Why do you think that persists?

The President. Well, I complained a little bit about saying, ``Hey, wait a minute, there's some Europe bashing in Japan." And I don't think it should exist in either country. And there's some nationalists there that feel bitter about the United States. And there's people in our country that feel bitter about Japan and bash Japan -- in other words, instead of trying to compete better, try to take it out on Japan.

I don't know why it is. I hope it is not based on bigotry or some racial concept on either side of the Pacific.

Q. Do you think it could be?

The President. I hope not, and I don't want to say that. But we all know that back in the days of World War II there was such a feeling. I was there. I was a young man then, and I remember it. But that's not the case today. And I'm not saying there's no residues of that nature, but if it is, we ought to speak out against it. This is the time for fair competition, and I'm going to take that message to Japan. Fair, free markets, but they've got to be fair. And let's do business on that basis with respect. Let's recognize that we've come together since the war.

They're democratic now. They were totalitarians and imperialists back then. And so we shouldn't be recriminatory.

Trade With Japan

Q. You will be in Japan in the beginning of January.

The President. Yes.

Q. Does the message go beyond that? Are you at a point where you can break this logjam on trade?

The President. I hope so. I'm not sure where the logjam -- there are some things that are moving; there are some things that we feel we've been stonewalled on, to be very candid. And I'm going to take a good, tough message out there. And I expect they will level with me where they feel we have been discriminatory or being two-sided, say one thing and do something else.

But that's the way we ought to do business, look them in the eye and say, ``Now, wait a minute, you can't have a one-way street. We want access to your markets." But it shouldn't be based on what happened here 50 years ago with some vestiges of discrimination or recrimination.

Relations With Asian Nations

Q. Mr. President, a lot of people seem to think that our relations with the Asian countries, Japan

among them, have been based for the last several decades on a circling of the Soviet Union, a containment of the Soviet Union. You don't have a Soviet Union to contain anymore in the same sense. How does that change your relationship with Asia?

The President. I don't really feel that our relationship with the Asian countries or Japan is based on this concept of encirclement. I feel that it should be based on expanding markets, and expanding markets means more jobs for the people in the United States. So Pacific countries are our biggest trading partners. So I don't think it's based, that we ever based our relationship with those countries on trying to encircle the Soviet Union. They might have felt that way -- the old Soviet Union.

But I don't think today anybody feels that our reaching out to Japan or our being with Japan or Japan standing with us in the war against Japan is because of encircling the Soviet Union. I think it's much more sophisticated than that, much more forward-looking than that, and much more positive in terms of the benefits to the American people, provided we can do better in getting the access to the markets that I think we must have.

Q. Mr. President, thank you very much for joining us here on the U.S.S. Missouri.

The President. Some beautiful day out here.

Q. It's a very beautiful day. Thank you.

The President. Thank you, sir.

Note: The interview began at 10:26 a.m. aboard the U.S.S. Missouri. A tape was not available for verification of the content of this interview.

Remarks at a Briefing by the National Commission on AIDS

December 9, 1991

Lou, thank you. And let me just thank Dr. Rogers and Dr. Osborn and, of course, all the members of the AIDS Commission. And let me tell them that I have great confidence in the professionals in this Government, from Dr. Sullivan on, the people out at NIH, Dr. Roper, and so many others that are working these problems.

And when you have something as devastating and as scary as AIDS, I'm not sure that our people that are working with such compassion and such caring get the proper credit. They're not in it for credit; they're in it for trying to do something for humanity. And if I've ever seen a dedicated group of professionals, I think they're sitting right around this table.

Lou, I want to thank you for assembling the team. Dr. Mason, of course, we're going to hear from him; Tony Fauci, we know how inspirational he's been; our Surgeon General; head of NIH, Dr. Healy; and I don't want to leave out my former White House associate who's now branched off into a new setting down there in Atlanta.

But no, we've got good people working it. I think nobody ever has the total amount of resource to bring to bear on a problem, and yet I noted with interest what you said in terms of the levels of funding. And I'm very anxious to hear from everybody. I, too, would like to pay my respects to Belinda Mason and also Kimberly.

But this is a tragic disease, and it is something that I'd like to find ways to be helpful as President. In addition to the professional aspects of all of this, I'd like to think that there are some suggestions coming out of this as to what we might be able to do to be of more help from the White House. I'd like to do it. Barbara, of course, feels the same way. When she hugs those children, I think it sends the proper message around the country. And I'll never forget visits that Tony and others out there arranged for me quite a few months ago now, but it was terribly moving. And some have suggested that in some way it might have been helpful.

But all I'm saying here to you who are giving so much of your lives and your love and care to this, we do want to do what we can to help. And I think we've got a good program going, but I'd like to have the critique of that now from any -- I don't know whether you've got this all set up in an orderly Sullivan manner, or are we just dealer's choice here?

Note: The President spoke at 11:42 a.m. at the Department of Health and Human Services in Washington, DC. In his remarks, he referred to Dr. June E. Osborne, Chair, and Dr. David E. Rogers, Vice Chair of the Commission; Dr. William L. Roper, Director of the Centers for Disease

Control; Dr. James O. Mason, Assistant Secretary for Health, Public Health Service; and Dr. Anthony S. Fauci, Associate Director for AIDS Research at the National Institutes of Health. The President also mentioned AIDS victims Kimberly Bergalis and Belinda Mason, a former member of the Commission.

Remarks on Signing the High-Performance Computing Act of 1991

December 9, 1991

Let me just thank you all for coming today. And I'm pleased to sign into law the High-Performance Computing Act of 1991. This will implement the far-reaching initiatives on information technologies proposed to Congress in my fiscal year 1992 budget earlier this year.

I'd like to thank Director Darman; my science advisor Dr. Bromley; Secretary Watkins and Secretary Mosbacher; Chairman Boskin and Dick Truly, Administrator Truly; Roger Porter; Director Massey, who are with us today. And I'd like also to thank Secretaries Cheney and Alexander who couldn't be with us today, and Bill Reilly, also missing, but all of them playing an instrumental part in all of this. And then all of the other members of the administration that helped develop this initiative and secure enactment of this historic bill.

The development of high-performance computing and communications technology offers the potential to transform radically the way in which all Americans will work, learn, and communicate in the future. It holds the promise of changing society as much as the other great inventions of the 20th century, including the telephone, air travel, and radio and TV.

This program will help researchers meet the grand challenges in science: To unlock the secrets of DNA, to forecast severe weather events, and to discover new superconducting materials.

It is no surprise that America holds the lead in high-performance information technology. Our greatest technological strides have been made possible by the unique qualities of American society: Freedom, innovation, entrepreneurial spirit, a combination found nowhere else in the world. And this program will sustain and extend that leadership position.

The high-performance computing initiative is part of an overall strategy, advanced by this administration to enhance our competitiveness. My $76 billion R&D budget proposal for this year included increased investment in both basic research and in additional key areas of applied research, such as material science, advance manufacturing, biotechnology, and energy-related R&D.

In addition to these critical investments in R&D, we've been working to prepare America to compete in the next century by opening up foreign markets to U.S. export through a new GATT round and a North American free-trade agreement, proposing tax policies, such as making permanent R&D tax credit, and reducing taxes on capital gains to promote long-term investment, and preparing our work force to compete through sharp increases in funding for math and science education and through our America 2000 broad reform initiative.

The initiative involves eight Federal agencies, all of which would contribute to development of this new technology, and would share in its benefits. Private industry will work closely with Federal agencies and labs in the planning, funding, and management of this initiative to ensure that the fruits of this research program will be brought into the educational and commercial marketplaces just as soon as possible.

The high-performance computing initiative is an excellent example of the philosophy of this administration: To invest in the future, to create new jobs and new opportunities for sustained economic growth. It is also an excellent example of how Government, industry, and academia can work together to develop new and important technologies.

And so, once again, welcome. And with that, it gives me great pleasure now to sign this legislation which will benefit Americans today and on into the next century.

Note: The President spoke at 1:31 p.m. in the Roosevelt Room at the White House. S. 272, approved December 9, was assigned Public Law No. 102 - 194.

Statement on Signing Legislation To Study the Feasibility of Establishing a Native American Cultural Center

December 9, 1991

Today I am signing into law H.R. 3370, an Act to direct the Secretary of the Interior to carry out a study and make recommendations to the Congress regarding the feasibility of establishing a Native American cultural center in Oklahoma City, Oklahoma.

I am signing this bill notwithstanding a provision that purports to require the Secretary of the Interior to report the results of a certain study together with his ``recommendations'' to the Congress. Were this provision construed to require an executive branch officer to submit legislative recommendations to the Congress, it would be constitutionally objectionable. Because Article II, section 3 of the Constitution vests the President with exclusive authority to decide whether and when the executive branch should propose legislation, this provision will be construed as only advisory and not requiring legislative recommendations.

George Bush

The White House,

December 9, 1991.

Note: H.R. 3370, approved December 9, was assigned Public Law No. 102 - 196.

Proclamation 6390 -- Human Rights Day, Bill of Rights Day, and Human Rights Week, 1991

December 9, 1991

By the President of the United States

of America

A Proclamation

When the Federal Convention ended in September 1787 and our Constitution was presented to the States for ratification, it was hailed by many as a triumph for liberty and self-government. ``The Constitution," wrote Thomas Jefferson, ``is unquestionably the wisest ever yet presented to men." Still, he and others voiced concern that it did not contain a declaration enumerating the rights of individuals. To Jefferson such a declaration was ``what no just government should refuse or rest on inferences."

Opponents to the idea argued that a bill of rights would be unnecessary and perhaps even harmful, should it invite disregard for any rights that were not expressly stated. In their view, the Constitution that began with the words ``We the People" clearly affirmed the sovereignty of the American public. But Jefferson and others persisted, noting that a declaration of rights would serve ``as a supplement to the Constitution where that is silent." James Madison conceded that such a declaration might prove valuable because ``political truths declared in that solemn manner acquire by degrees the character of fundamental maxims of free government." Today his words seem prophetic.

Our Bill of Rights guarantees, among other basic liberties, freedom of speech and of the press, as well as freedom of religion and association; it recognizes the right to keep and bear arms; and it prohibits unreasonable search and seizure of a person's home, papers, or possessions. The Bill of Rights also states that no person shall be deprived of life, liberty, or property without due process of law and establishes fundamental rules of fairness in judicial proceedings, including the right to trial by jury. Since it was ratified on December 15, 1791, the principles enshrined in this great document have not only served as the guiding tenets of American government but also inspired the advance of freedom around the globe.

When it adopted the Universal Declaration of Human Rights on December 10, 1948, the General Assembly of the United Nations affirmed for all humankind the ideals enshrined in our Bill of Rights. Noting that ``human rights should be protected by the rule of law," and describing the Declaration as ``a common standard of achievement for all peoples and all nations," signatories agreed to respect freedom of thought, freedom of conscience, as well as freedom of religion and

belief. They declared that ``everyone has the right to life, liberty, and the security of person,'' and they recognized that all human beings are entitled to equal protection of the law. Signatories to the Declaration also recognized an individual's right to participate in the government of his or her country, either directly or through freely chosen representatives.

The Universal Declaration of Human Rights reasserted what we Americans have always believed: that recognition of these rights ``is the foundation of freedom, justice, and peace in the world.'' This ideal was reaffirmed and strengthened in the 1975 Helsinki Final Act of the Conference on Security and Cooperation in Europe and more recently in the 1990 Charter of Paris.

Today we stand closer than ever to achieving universal compliance with the letter and spirit of international human rights agreements. Two hundred years after the ratification of our Bill of Rights, the principles it enshrines continue to take root around the world.

Having triumphed over communism, many peoples and nations now confront the challenge of improving respect for human rights among various ethnic and religious groups, as well as members of national minorities. The United States will continue to urge these and all nations to abide by international human rights agreements and to act in the spirit of political pluralism and tolerance -- traditions that have made America's diversity a source of pride and strength.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim December 10, 1991, as Human Rights Day and December 15, 1991, as Bill of Rights Day and call upon all Americans to observe the week beginning December 10, 1991, as Human Rights Week.

In Witness Whereof, I have hereunto set my hand this ninth day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 5:01 p.m., December 9, 1991]

Note: This proclamation was published in the Federal Register on December 11.

Remarks to the Chicago Board of Trade in Chicago, Illinois

December 10, 1991

Thank you, Billy and thank you, Tom. Listen, it's a great pleasure to be with all of you. And standing next to me is a guy who most of you know, son of Illinois, Ed Madigan, the Secretary of Agriculture, doing a great job.

Listen, we wanted to come by and see this great market. And all of you ought to know that, around the world, people are trying as they come out from behind that Iron Curtain to emulate the market here, free trading in a very, very important area. And you are doing more for agriculture and for business, and we are very, very grateful to you.

Let me just say a word. I am not happy, and nor is anybody, with the state of the economy. We want to see it moving. We want to see it growing. And I will gather up the best ideas I can between now and the time that the Congress comes back, try to lay partisan politics aside, and get this country moving by a strong growth package that was long overdue.

The current performance of this economy is unacceptable; growth is too slow. But there are some encouraging signs: Interest rates are down, mortgage interest rates, inflation seems to be holding down. And now, we've just got to give it a kick and get it started up again. And I'm grateful to all of you for the example you've set. And now I guess we have about 6 minutes, but I want to see this place spring into action. Maybe I can learn a few new hand gestures.

Thank you all. God bless you, and God bless the United States.

Note: The President spoke at 10:23 a.m. from the soybean pit of the Chicago Board of Trade. In his remarks, he referred to William F. O'Connor, chairman, and Thomas F. Donovan, president and chief executive officer of the Chicago Board of Trade.

Remarks to the Chicago Mercantile Exchange in Chicago, Illinois

December 10, 1991

Thank you all very much. And Jack, thank you, sir, for that more-than-generous introduction. To Bill Brodsky, my thanks to you, sir, for arranging all of this, coming from Wall Street to Chicago, as you have. I'm delighted to be with you. To Leo, Leo Melamed, the Babe Ruth of the exchange, I want to thank him. And, of course, salute two others with me, your great Governor, my friend Jim Edgar, and Ed Madigan, who is our new -- former Illinois Congressman, and now our able Secretary of Agriculture, who is up to his eyeballs in working with us to try to make a successful conclusion to this GATT round. And he's knocking himself out, crossing the Atlantic Ocean back and forth, but we couldn't have a better Secretary of Agriculture trying to open up these foreign markets to our agricultural products. Ed, thank you.

And I thought Jim Thompson was going to be with us, but maybe he's not that brave, a member of the Board of Trade and a lawyer. [Laughter] But he was here, and I salute him, a longtime friend.

Jack mentioned the visit to the trading floor, and I do want to thank everyone involved in that trip through that melee for their warmth of the reception and the -- I thought it would be pretty hard to match the emotion of last weekend out there in Pearl Harbor, but I'll tell you, this was a little different. Younger kids, all -- there were a few old guys down there -- [laughter] -- but I'm talking about enthusiasm and the future. And it was a wonderfully inspiring trip through that floor, and I want to thank those of you who were here that participated in that and everybody else responsible for that visit. Thank you very, very much.

It's great to be back here and to have a chance to visit briefly with the leaders of the business community and leaders of this exchange. As you know, we've had a staff change at the White House, a new Chief of Staff coming there. And when John Sununu resigned, I looked to Chicago, I looked to the Windy City for help, for another sound manager, communicator, and consummate politician. Well, Mike Ditka was busy with other responsibilities -- [laughter] -- and Sam Skinner, though, rose to the fore. And I think we're going to have a very good operation with your friend and mine, Sam, who did a great job as Secretary of Transportation, now in this new, key place as we move into a new year.

I've really enjoyed my visits here to both exchanges today, the board and then here. I've seen the future. It uses hand signals, at least for now. [Laughter] But then, I've also glimpsed at the fact that that's also changing. Speaking of hand signals, I saw a few riding in here. [Laughter] They have a nice way here of making one feel at home. [Laughter] No, actually it's been very, very friendly.

But I really enjoyed the tour downstairs, and I also have been looking forward to this part of the program, here on the upper floor, the futures market of the future, I think we really can peek into the next century. Soon, probably sooner than you expect, this area will be as packed and busy as the trading pits below.

The Merc has become a bellwether of the future because it never, ever lost the inventive spirit of its founders. You defied the doomsayers when you pioneered that risk-pool management through the Exchange Trust. You established the first financial futures market, the International Monetary Market. You saw an international marketplace and established overseas offices before most exchanges even thought of setting up domestic branches. And you created Eurodollar Futures a decade ago, and I know you celebrated its 10th anniversary yesterday. And you should be very, very proud of this world leadership.

In challenging times, you've thrived. And this year, you trimmed expenses to improve efficiency, and your business grew by more than 4 percent, I'm told. Through the ups and downs of the business cycle, you've operated without requiring a dime's worth of assistance from the American taxpayer. And you've taken care of your own without losing your momentum for a single minute.

It's great to be here -- I mentioned him earlier -- with Leo Melamed whom, I suppose, you call the father of the future. And now, you all know of his professional accomplishments, but he never left his imagination at the office. As many of you know, he has also written prodigiously. His greatest triumph was the science fiction thriller ``The Tenth Planet." It's not about Capitol Hill; it is another science fiction thriller.

Sometimes, though, debates on Capitol Hill about the economy sound as if they were about life on another planet. And you know, an economy does not run just on money. An economy lives and breathes on ideas and information.

Entrepreneurs like the men and women who trade in the Merc's pits, the farmers who work the fields by day and the computers by night, arbitrageurs in London, and investors the world over, these people swap ideas, information, dreams, and dares, and they fire an economy. Their energy drives our Nation forward. They chart the course through the international marketplace.

A government that does not understand the gritty fundamentals of business cannot understand how to help an economy grow. Ten years ago, many of you stood with us as the Reagan-Bush administration took on the old wisdom that government could solve everything and that business could flourish regardless of what burdens Washington heaped upon it. We cut the taxes and peeled away regulations, restrained spending, promoted free trade. And out of that came the longest peacetime economic expansion in the history of this country. While others may have sat back to enjoy their new prosperity, you were a driving dynamic here. You moved forward.

You've stood with my administration as we work to create the conditions for a more vibrant

economy. I've asked Congress for 3 years to pass a series of growth initiatives, job-creating initiatives. And the economy has turned sluggish. People want action. And I want action, action to help people, action to make things better now and in the future.

And our administration believes as you do that the solution lies in free markets for free people. We've promoted straightforward measures to invigorate the economy, such as cuts in the capital gains tax; banking reform, inclusive banking reform legislation; letting first-time homebuyers use these IRA's for purchasing homes; a permanent tax credit for R&D, for research and development, and so on.

We pushed other initiatives to make the most of our human capital now and in the future: A revolution, for example, in American education; a tough crime package to back up the police officers that we are supported by every single day of our lives; a tort reform bill up there that will put some caps on some of these mindlessly high settlements that are driving much of the industry to its knees; and recently, a transportation bill that will create jobs and provide much needed repair for our roads and bridges and infrastructure.

And, again, I salute Sam Skinner for his leadership as our Secretary of Transportation on this important job-creating legislation.

Although both political parties will feel tempted to engage in partisan warfare when Congress comes back in January, reconvenes, I will be calling upon the Democrats and the Republicans to lay partisanship aside long enough to pass a clear, strong growth package. We owe it to the taxpayer; we owe it to those who have jobs, and we owe it to those who don't have jobs to get that done regardless of politics. And I'm going to do that, no matter that 1992 is a Presidential election year.

And I might say, being in his hometown, I can work with Dan Rostenkowski, your friend and mine, who is chairman of the Ways and Means Committee. And if we had more like him I believe we could have gotten these problems solved long, long ago.

In the post-cold war world -- and you've set the example on this one -- we must thrive in the international marketplace. I am going to be meeting this weekend with President Salinas. And I know he was up visiting you all earlier this year. And the two of us are going to discuss trade matters in detail. And later this month I will promote free and fair trade -- read that, jobs -- with our allies in Japan and South Korea and Singapore, and also going down to Australia. Free and fair trade means more jobs for Americans.

And we must not pull back into some isolationistic sphere listening to the siren's call of ``America first.'' I learned that lesson as a young kid just at the beginning of World War II, and I don't want to see this country go back to ``America first'' and protection. That will shrink markets and throw people out of work. And we need to stand together against that call from the left and

against that call from the right to stay within ourselves. We owe the world leadership, and they're going to get it from this President.

You know, the allegation is that I spend a lot of time on foreign affairs. I take great pride in some of the accomplishments we've made. I think America came together at Desert Storm, and we found a new sense of confidence, a new spirit as a Nation. And I'm not going to back away from that. I am proud that we're bringing parties that have stood at each other's throats for years, bringing them together in the Middle East to talk some peace. I'm proud of the way we've handled the evolution in the Soviet Union. And right today it is extraordinarily complicated.

But my point is, we cannot withdraw, we can't pull back. You can't do it. You're engaged in the markets, and well you should be, because that offers prosperity to the American people as well as to others. And I don't think a President should pull back in the face of domestic criticism by some partisans suggesting that we don't have to worry about our national security and that we don't see that jobs stem from being engaged with foreign countries, instead of being pulled back from engagement with foreign countries.

So, I can do both. We can stay involved, work for world peace, enhance our national security, and now drive forward to get this economy moving by bipartisan action for growth, economic growth that means jobs for the American people.

Years ago, Carl Sandburg described this city as ``the hog butcher for the world." That was the Chicago of another era, another world. And today, Chicago serves the pork belly's future, the currency's future, the future, period, of an international marketplace. And the one message I'd like to come out of this meeting here today and the other meetings I've had is that we are the hub of the international market. And countries that are emerging into democracy are looking to us for leadership in terms of making world markets. And nobody does it any better than the people right here in this room.

Thank you very, very much. And now get back to work and help us shape another American century. Thank you all. I'm glad to be with you.

Note: The President spoke at 12:05 p.m. following a tour of the trading floor. In his remarks, he referred to John F. Sandner, chairman of the board of governors of the Chicago Mercantile Exchange; William J. Brodsky, president and chief executive officer of the exchange; and Leo Melamed, chairman emeritus of the exchange and chairman of the Globex Corp. A tape was not available for verification of the content of these remarks.

Remarks to the Illinois Farm Bureau in Chicago, Illinois

December 10, 1991

Thank you, John, and to all the members, thank you. Thank you, John White, Governor Edgar, and to Secretary Madigan, son of Illinois, who is doing a superb job as our Secretary of Agriculture. I'm glad he flew out here with us. To Congressman Ewing, who will be flying back with us, I understand, on Air Force One back to Washington. We've welcomed him to the Congress and proud he's there. To Enid Schlipf, who has been at my side today, and I'm grateful for that, his counsel. We had a session, a listening session, getting counsel from business people, and it was most appropriate that Messrs. White and Schlipf were there.

And to all of you ladies and gentlemen of the Illinois Farm Bureau, thank you for that warm reception and for your hospitality. I feel that I've come to the right place. My top priority is to get this country moving faster and more confidently on the path of economic progress.

I've had excellent visits this morning on the trading floors at the Merc and at the Board of Trade. I lost 3 pounds in the process just kind of working my way through those hand signals. And it was wonderful. And I had the privilege to have both John and Enid, who are leaders of the Farm Bureau, at my side during those sessions and also, at Billy Goat's -- [laughter] -- I think you guys were up there. It's a marvelous burger place here. But speaking of farming, let me give you a little bit of historical trivia that will not send you into euphoria, but I always try to claim kinship with various States. And my great-grandfather, David Walker, grew up on a farm near Bloomington, Illinois. How about that one? Nobody's ever heard that before.

But anyway, meeting with so many Illinois farmers and agribusiness leaders, I've had a chance to talk face to face with some men and women who are leading the way. You see, agriculture is a perennial export leader, and recently exports have been a tremendous factor, a big factor in our overall economic growth. And here's how important that is: Every billion dollars in agricultural exports means approximately 25,000 American jobs.

American farmers understand how the world works. You know that taking a stand for peace and stability abroad, supporting emerging democracies, developing free and fair international markets, will make our national economy much stronger. You know what a determined American involvement in global trade represents to the bottom line. It means higher net farm income.

So first, I really wanted to thank, enthusiastically give thanks for the Farm Bureau's efforts to keep America a leader in world commerce and world security. I know I speak for several hundred thousand young service men and women in saying thank you for all your support during Desert Shield and thank you for all your support during Desert Storm. We are very, very grateful.

The Farm Bureau's leadership is vital to our progress for free and fair trade, no mistake about it.

You made a big contribution to getting the North American free trade talks off and running. You've helped launch our Enterprise for the Americas Initiative for trade and investment throughout the Western Hemisphere. I can assure you, because of your foresight, we can look forward to unprecedented prosperity and economic security for hundreds of millions of North and South Americans from the Illinois prairies to the pampas of the Argentine.

Secretary Madigan and Ambassador Carla Hills are working to secure a solid agreement for global trade at the Uruguay round of the GATT negotiations. A successful GATT negotiation will literally revolutionize world agriculture trade, opening markets and leveling the playing field for American exports. When we achieve this, we will owe an incalculable debt to the Farm Bureau who has always looked ahead and never looked back on this important question of international trade.

And I might say, John, you're quite a contrast, this marvelous organization, to the noisy voices that want to withdraw us into isolationism and protectionism. They say they want to put ``America first.'' You have the common sense to recognize that America is first and will remain first only if we stay engaged in world markets and involved in world security. And as long as I am President, that's exactly what I intend to do.

American agriculture is productive and competitive because of its strong orientation to free markets. Our agriculture owes much to such fundamentals as advancing productivity, embracing new technologies, moving forward to new frontiers in scientific research.

Rural America is a model of strength on social issues that are vital to our future. Thank God that family and family values remain so important to agricultural America. Farm communities, let's face it, they face many hardships. But they always involve parents in the schools, and that always produces better students. With programs such as 4 - H and FFA, Future Farmers of America, rural America takes a leading role in our America 2000 strategy to revolutionize, literally revolutionize our education.

I can't tell you how impressed I am also at how much most farmers know about computers, not speaking for all of you, I understand, but some of you. But I've had enough trouble just finding the ``on'' switch on my computer, say nothing of getting the cursor to move where and when I want it to. But the point is this, anyone who doesn't appreciate the sophistication of the modern farmer doesn't understand the modern farmer.

Last month, by the way -- maybe some of you all were out there -- but I spoke to 18,000 of our best and brightest kids at the Future Farmers of America convention in Kansas City. And let me tell you, I can't contain my excitement thinking about the day when those young men and women become the leaders of our country. They were bright and alert and patriotic and forward-looking. And somebody, parents in this room and across agricultural America are doing a wonderful job with these young men and women.

The guy that introduced me was so good, I thought he was getting ready to run against me. [Laughter] But anyway, you should have heard him. He's a real articulate dude.

Another concern I know you share with me is the drug problem. The stakes here involve not just the economy but our deepest social and moral well-being. Wherever I go in this country, I call attention to those who fight the drug war on the front lines. I praise the businessmen and women who keep drugs out of their companies and the neighborhood youth centers that keep teenagers off the streets. So, let me take this opportunity right now to thank hundreds and thousands of Americans who don't get mentioned often enough for their devotion in running the strongest kind of drug-free workplaces. And I'm referring, again, to the moms and the dads and the grandparents who run America's family farms.

Now, I know that sometimes times are tough for America's farmer. And that's why we stand by our commitment to help ease the pain caused by natural disasters. This week I will be signing legislation to provide drought and disaster relief. Many farmers in Illinois and other States suffered unusually severe losses this year and last year. And this legislation will provide much-needed assistance for hard-hit farmers. And I will be delighted to sign it.

Now, I know that the economic downturn is hurting a lot of people in virtually every sector. And I've heard from some tough, optimistic people on my visit just today, but they didn't sugarcoat their message about the pain and the problems the country is going through right now.

You and I know that we've got to do more to get the economy on the move, to get confidence back. And I'm prepared to fight harder than ever for a series of growth initiatives. And when Members of Congress go back to work in January, after Christmas, they'll hear from me in no uncertain terms. My growth initiatives will give Americans the freedom and incentive to get higher yields from their efforts. A top priority, and John referred to this, is to cut capital gains taxes. I know it's a top priority of the Farm Bureau, too, and I want to express my deep thanks for your outstanding support on this initiative.

Our high taxes, then, on capital gains are way out of line with the policies in other successful economies. Germany has no capital gains, no tax on capital gains on assets held longer than 6 months. In Japan, an entrepreneur who sells the company that he's built from scratch pays a tax of 1 percent. A capital gains tax cut will free up the capital that we need for growth. And it will increase the value of land, of labor and capital all at once by reducing the tax on success. And I am going to keep on fighting until we get that done.

Right now, we place entrepreneurs in a lose-lose situation. When they risk money and effort on something that fails, they lose. And when they risk money on a winner, we tax the capital gain, and they lose again. We have to put an end to this lose-lose approach to the economy. A capital gains cut will stimulate investment and create jobs in every sector. And quite frankly, it will restore some fundamental fairness to the way we treat farmers and the way we treat homeowners.

Capital gains tax relief is but a part of our program. Thanks to leadership from Illinois' own Sam Skinner, our soon-to-be Chief of Staff, I expect soon to sign a transportation bill that creates new jobs while rebuilding our roads and bridges. And I'm working for a research tax credit to help new technologies create more jobs; working for new IRA's to help the first-time homebuyer, stimulate that homebuilding market; and for bank reform. We desperately need comprehensive bank reform to help America compete in the 21st century and to help free up capital right now.

We want our children's future to be worthy of the dreams and sacrifices that built and sustained America as a great Nation. Back in 1862, in spite of his preoccupation with the Civil War, our President established back then the U.S. Department of Agriculture. Abraham Lincoln revered the American farmer. He believed deeply and stated eloquently that a strong American agriculture was the key to preserving our Nation's independence.

A century and a quarter later, the men and women of Illinois ag are worthy heirs to Lincoln's vision. You and this organization form a vital force for keeping America strong and free. And I am looking forward to seeing some of you, many of you maybe, next month at the American Farm Bureau national convention out in Kansas City. And I am delighted to be with you today. And I am proud to work with you to help keep this great country of ours growing and thriving. I pledge to you I will do my level best to lead this country to new growth and new opportunity.

May God bless you and may God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 1:45 p.m. at the Palmer House Hotel. In his remarks, he referred to John White, Jr., and Enid Schlipf, president and former vice president, respectively, of the Illinois Farm Bureau.

Exchange With Reporters in the Cabinet Room

December 11, 1991

Soviet Union

Q. Mr. President, who is in charge in the Soviet Union at this point?

The President. Well, we're following that situation very closely in the Soviet Union. And of course, our main interest is in democratic and market reform, the continuation of that. They are going to sort these matters out themselves. We will support democrat and -- reformers wherever they are there. And that means at all levels, incidentally.

So, we are watching it very closely. And as these dramatic changes take place or proposals come forward, that's a matter for the Republics and the center to sort out. I think the answer to that question, you've just got to look at where you're talking about. So, we'll let that evolve.

I'll be meeting this afternoon with the Secretary and our Ambassador and be talking about Jim's upcoming trip, the reasons that are clearly of vital interest to us. One, we want this humanitarian question, humanitarian aid, to go forward in order to promote peaceful reform. That's a question -- besides that, we've got just a plain interest in seeing that people are fed. Ed Madigan and I were talking about this yesterday on the way to Chicago.

And then, of course, we have a keen interest, the whole world does, in the nuclear questions there. And frankly, assurances have been pretty good there. I see no reason to alarm the American people, but it's something that we're following extraordinarily closely, and we are in touch. And I feel that the thing to do now is just to go forward with the plan of the Secretary and see where it comes out.

But we can't make any predictions on the evolution of all of this. That's their business. Our interests are as I stated in here: Democracy, market reform, humanitarian assistance, the nuclear question, and peace, peaceful evolution of all of this.

Capital Gains Tax Cut

Q. Mr. President, you made clear yesterday you're going to keep fighting for a capital gains tax cut -- --

The President. Yes. I will keep on fighting -- --

Q. Are you going to, have you got any other -- --

The President. -- -- for that. But now we've got to get to work in the Cabinet, so thank you.

Q. But, sir, do you have any other ideas to jumpstart the economy?

The President. We'll be talking about that, as I said yesterday -- at the time I said yesterday, too. So, we'll just keep working on it.

Note: The President spoke at 10:35 a.m. In his remarks, he referred to Secretary of State James A. Baker III and Robert S. Strauss, U.S. Ambassador to the Soviet Union. A tape was not available for verification of the content of this exchange.

Remarks at a Fundraising Luncheon for Senator Frank H. Murkowski

December 11, 1991

Frank, thank you, and good luck. Thank you for that very nice welcome. To you all assembled, my thanks to you. And, Nancy, Barbara and I send our very best wishes, not just for the holiday season but for what's over the horizon for you and that wonderful family. And let me just say good morning, early morning, or breakfast time, to our supporters joining us through the magic of television, all Frank's friends up there in Anchorage with Senator Ted Stevens, our great leader up there who is doing a wonderful job side by side with Frank in Fairbanks; Mr. Richard Wien, who I understand is connected to this, and so I salute you, sir, and all assembled. And thank you for your work on this.

And good afternoon, of course, to our friends here in Washington. I'm told that Ed Derwinski was to be here. I saw Senator Strom Thurmond; Kit Bond is to be here, Senator from Missouri; Larry Craig, another great Senator; and, of course, standing at my left, and chairman of this event, the indefatigable and wonderful Lod Cook, to whom we are all very, very grateful.

I had a chance to greet some of you all, and I know that many of you have traveled from all corners of America -- New York and California well represented and, of course, Alaska -- just to be here. And to anyone here that I've missed, warm greetings to you. Let me salute the marvelous music we had earlier on, and I just wish you all the greatest for Christmas.

May I say to all of you that your support means an awful lot. It means a great deal to Frank. He's touched, and I'm sure you've been touched, too. [Laughter] But it is very important that this man be reelected. And I'm here today saluting what I think is one of our essential key members of the team up there on Capitol Hill. He is a public servant -- and Lod put it well -- dedicated to the people of his State. He never forgot how he got sent here to Washington, DC, and he is a leader that is constantly looking forward, helping us try to find ways to build a better America. So, the people of Alaska are fortunate, and the people of this country are fortunate to have Senator Frank Murkowski in the United States Senate, and please keep him there.

We need him. We need him in the Senate. And we need more people in Congress like Frank, men and women who believe in growth and opportunity for all Americans, elected leaders who are committed to excellence at home and then are fighting for this competitiveness abroad. And I need more Republicans in Congress, and we need to keep the good ones there that we've already got.

He just came back, as he mentioned in his opening remarks, from Taiwan, Korea, Japan, where he did reach agreement to end this driftnet fishing. Took a leadership role there, took on what was considered an extraordinarily tough problem, and of enormous help in getting it resolved.

As vice chairman of the Senate Intelligence Committee and as ranking member of the East Asian and Pacific Foreign Relations Subcommittee, he understands, he understands far better than most, that we are a Pacific Nation. Alaska is a Pacific State. We have all these other events unfolding all around the world, in Eastern Europe, in the Middle East, in South America, all of them positive, I might add. But we must never forget that we are a Pacific power. Our largest trading partners, in total, are in the Pacific area, the Pacific Rim.

Last week -- and it was emotional -- I went out to Pearl Harbor to commemorate that ``Day of Infamy'' in 1941. And sadly, Pearl Harbor was a tragedy brought about by the folly of isolationism. Today's neoisolationism and then its economic accomplice, protectionism, are just as dangerous today as they were some 50 years ago.

The fact is, this country has enjoyed its most lasting growth and economic opportunity and security, I might add, when we rejected isolationism, both political and economic, in favor of engagement and leadership. We are, then, a Pacific Nation. Next month in Asia, and I'm looking forward to this, I'll discuss with some of our Pacific friends and allies their responsibility to share with us the challenges and burden of leadership in the post-cold war world.

In today's world, American lives and American jobs, our prosperity, our security, depend on our ability to compete and to lead. That's why I am looking forward to this trip, and we are determined to go there, do what Frank has been doing as your Alaskan Senator: To help open up new markets for American products and create new opportunities for American workers. The answer isn't to turn inward, it's to extend our opportunities outward.

We feel the benefits of foreign trade here at home, particularly in Alaska with its exports of timber and fish and coal. It is important to acknowledge that last year alone, the total gross exports accounted for virtually all of the economic growth in the country. So with a sluggish economy, we will continue to do all we can to reach out and expand our overseas markets.

Speaking of our economy, certainly we all know that some people are having a rough go of it, a tough time. I see that message in letters, and I hear it in conversations in the communities I visit. While Congress is home for the holidays, they'll be hearing that same message. And I hope they listen closely. Because when I give the State of the Union Address before Congress in January, I will ask them to put politics aside and come together and take some very important steps for growth and opportunity. We've sent up three different economic growth packages in the last 3 years, but I intend now to propose a new economic growth package to get this economy moving. I believe Congress will act. I know leaders like Frank Murkowski will be at my side on this, but I believe Congress will act. I think the American people want us to get the job done. They don't care who gets credit. They're tired of the bickering. Let's get on with it.

Among the most important elements of what we've tried to get acted upon these last 3 years is our

plan to boost American competitiveness through initiatives like our America 2000 initiative for excellence in education, it's a wonderful program to revolutionize our schools; our job-creating transportation strategy to efficiently move goods and services between markets, and I'm looking forward to signing that bill; our civil justice reform plan to keep employers in the factories and out of the courtrooms; and our national energy strategy to cut our dependence on foreign oil.

Let me say a word about this, about our energy strategy, and say this: that Frank is committed -- and let me just assure you I remain committed -- to environmentally responsible access to ANWR. It is absolutely essential.

You know, the critics said years ago when the debate was on on the pipeline up there, the Alaska pipeline, that caribou would be extinct because of this. Well, there's so many caribou they're rubbing up against the pipeline, they're breeding like mad. They're having a great time. And it is a sound environment up there. So don't listen to the arguments from the same people that gave us the same arguments before and were proved wrong. Listen to the President who says we, our national security, our own national interest depends upon our having an energy program that makes us less dependent on foreign oil. And I'm never going to change my view on that. If caribou could vote, Murkowski would be in by a landslide. [Laughter]

Let me just close this way: I am determined to get this economy moving again. We've got to make the American dream come alive for all Americans. And we've got to keep this good American, this fine servant of Alaska and our country, in the United States Senate. And with your help, I am absolutely confident that that will be done.

Frank, keep up the good work. Take a little time off for Christmas and possibly New Year. And to all in Alaska who are plugged in, my greetings to you, and may you have a wonderful holiday season. And God bless the United States of America. Thank you very, very much.

Note: The President spoke at 12:32 p.m. at the Willard Hotel. His remarks were broadcast via satellite to fundraising breakfasts in Anchorage and Fairbanks, AK. In his remarks, he referred to Richard Wien, chairman of the Fairbanks breakfast.

Teleconference Remarks on the Kick-Off of Montana 2000 and Billings 2000

December 11, 1991

The President. Well, I'm just delighted to be with you in this marvelous way. And I really wanted to call up, though, to just offer my strongest congratulations to you and then to that marvelous team that I understand you've assembled there.

You know, this Montana 2000-Billings 2000 really are right in keeping with this new spirit of revolutionizing our schools. And they're going to make terrific contributions to what I think is clearly now a national momentum on education reform.

So I really want to ask you, how's it going?

Governor Stephens. It's going very well, Mr. President. And, of course, we're delighted to have your distinguished Secretary of Education Lamar Alexander with us. He'll be speaking right after this phone call. And we have a great group of Montanans who extend to you and Mrs. Bush the compliments of the season.

The President. Well, that's terrific. And I was told on my briefing paper, and you can confirm whether it's true, that not only is your superintendent of public instruction there, Nancy Kennan, but also the Billings school superintendent, which is good. If that's true, and I expect you have others, it symbolizes what we're trying to do to get the communities involved and the local levels involved. So are they all there now? Who else you got?

Governor Stephens. They are all here, Mr. President, and they send you greetings. We also have the publisher of The Billings Gazette and the president of the Chamber, Mr. Wayne Schile. And we've just heard some very complimentary remarks by Senator Conrad Burns, who is a strong right hand of yours, and a lady named Karen Morrison, who is one of our outstanding teachers. So we've got an all-star cast on the stage.

The President. Well, I'm glad they're there. Conrad was here with me in the White House last night. I imagine he made a quick exit to get that far out there. But look, also be sure to give my best to Lamar, and do me a favor; give him a little homework and tell him that I am so anxious to get a report on Montana 2000 as we go along here. I want to try as best I can personally to keep up with the progress in these States. He's filling me in on a lot of them. And I agree with you as to the job he's doing for us. But tell Lamar to be sure to keep me informed on how all that's going.

Governor Stephens. I certainly will, Mr. President. And I know he's enjoying his stay here in Montana, and we're waiting for his remarks following your phone call. And we deeply appreciate,

Mr. President, you would take time from your schedule to call Montana and visit with us about this important subject.

The President. Well, listen, it's good. And my respects to the Senator; my respects to our great Secretary. And I know that this is the right program for our country. And so far, I'll say this, with Nancy Kennan there especially, and others, we've kept this out of the shrill arena of partisan politics. It is too important to our country, too important to our States. And I just commend Lamar for the way he's brought in people and interests from all over the spectrum. I mean, everyone should feel included in this approach, and I'm sure it's going to work that way in your great State too.

Governor Stephens. Indeed it is, Mr. President. And thank you again for the courtesy of your call.

The President. May I wish all your folks there a merry Christmas. We're beginning, just beginning to get into the Christmas spirit.

Governor Stephens. All right. And we have a message for you from Montana, and here it is, Mr. President.

The President. All right.

[At this point, the group wished the President a ``Merry Christmas.''']

The President. Hey, listen, I beat you to the draw, though. [Laughter] That's good. Have a good one, Stan. How's the tree doing out there?

Governor Stephens. It's doing just great. It looks marvelous.

The President. I'll see you. Well, invite me back out.

Governor Stephens. We shall. Thank you, Mr. President. Thanks for your call.

The President. Good talking to you. Merry Christmas.

Governor Stephens. Merry Christmas.

Note: The President spoke at 2:30 p.m. from the Oval Office at the White House to participants meeting at Arrowhead Elementary School in Billings, MT. Dr. Peter Carparelli is superintendent of schools for the Billings public school system, and Karen J. Morrison is a teacher at Garfield Elementary School in Billings.

Message on the Observance of Christmas

December 11, 1991

At Christmas, we celebrate the promise of salvation that God gave to mankind almost 2,000 years ago. The birth of Christ changed the course of history, and His life changed the soul of man. Christ taught that giving is the greatest of all aspirations and that the redemptive power of love and sacrifice is stronger than any force of arms. It is testimony to the wisdom and the truth of these teachings that they have not only endured but also flourished over two millennia.

Blessed with an unparalleled degree of freedom and security, generations of Americans have been able to celebrate Christmas with open joy. Tragically, that has not always been the case in other nations, but we look to the future with optimism, and we celebrate the holidays with special gladness as courageous peoples around the world continue to claim the civil and religious liberty to which all people are heirs. The triumph of democratic ideals and the lessening of global tensions give us added reason for celebration this Christmas season, and as the world community draws closer together, the wisdom of Christ's counsel to ``love thy neighbor as thyself'' grows clearer.

By His words and by His example, Christ has called us to share our many blessings with others. As individuals and as a Nation, in our homes and in our communities, there are countless ways that we can extend to others the same love and mercy that God showed humankind when He gave us His only Son. During this holy season and throughout the year, let us look to the selfless spirit of giving that Jesus embodied as inspiration in our own lives -- giving thanks for what God has done for us and abiding by Christ's teaching to do for others as we would do for ourselves.

Barbara joins me in wishing all of our fellow Americans a Merry Christmas. God bless you.

George Bush

Statement on the European Community Summit

December 11, 1991

We welcome the historic steps toward economic and political union agreed to by the leaders of the European Community in The Netherlands. Four and a half decades after the destruction of World War II, Western Europe stands prosperous and free: a model of what cooperation, democracy, and the free market can yield, and a beacon to those in the East struggling to secure their liberty and well-being.

The results of the EC summit in Maastricht represent a milestone which we celebrate along with our European partners. The United States has long supported European unity because of our strong conviction that it was good for Europe, good for the Atlantic partnership, and good for the world. I have made clear from the outset of this administration my view that a strong, united Europe is very much in America's interest. A more united Europe offers the United States a more effective partner, prepared for larger responsibilities.

Europe's steps toward unity will strengthen our renewed Atlantic Alliance. NATO's endorsement at the Rome summit of a ``European pillar'' underscores the additional responsibility which the European allies are assuming in the protection of shared vital interests and values. At Maastricht, the EC requested the Western European Union, whose members are in both NATO and the EC, to serve as the vehicle for increased European responsibility on defense matters. We are pleased that our allies in the Western European Union in turn decided to strengthen that institution as both NATO's European pillar and the defense component of the European Union. NATO will remain the essential forum for consultation among its members and the venue for agreement on policies bearing on the security and defense commitments of the Allies under the Washington Treaty.

A strengthened EC has a vital role to play in assuring a stable and prosperous Europe and a humane world order. Already today, the European Community and its member states are taking a major role, working with us, to help the citizens of Central and Eastern Europe transform their societies. Our Atlantic partnership is equally essential in supporting the movement toward freedom and democracy in what we have known as the Soviet Union. But our cooperation with the new Europe goes farther. The European Community stands with us as a partner in the search for peace in the Middle East, and against difficult odds, it continues to labor with our support for a peaceful solution to the war in Yugoslavia.

The evolving monetary unity and single market of the EC promises new economic vitality for Europe. With this comes new investment possibilities and markets for American business as well as new competition. We welcome these developments, but we also expect that the new Europe will assume new responsibilities for maintaining and strengthening the world economic system. This means working with us to bridge our bilateral differences, to expand an open global trading system by successfully concluding the Uruguay round, and to avoid the dangers of protectionism.

America can take pride in its contributions to Europe's success. The U.S. engagement on that continent has yielded many benefits for the Europeans and for us. Those benefits remind us that our interests do not stop at our shores. We are intimately connected to what happens in Europe and beyond. Now, we are getting an even stronger European partner. I therefore speak for all of America when I send best wishes to the members of the European Community for their new steps toward integration.

Memorandum on the Intermodal Surface Transportation Efficiency Act

December 11, 1991

Memorandum for the Secretary of Transportation

I have just received, and will soon sign, H.R. 2950, the Intermodal Surface Transportation Efficiency Act. I direct you to mobilize immediately the Department to expedite release of highway, highway safety, and mass transit funds. Further, you should assist State and local transportation officials in the expeditious implementation of this Act. Timely action is essential to provide construction industry jobs and to stimulate our overall economy as well as to begin renewing our investment in the soundness and safety of the Nation's surface transportation system.

George Bush

Exchange With Reporters Prior to a Meeting With Prime Minister Constantinos Mitsotakis of Greece

December 12, 1991

The President. We've got a few things, odds and ends to talk about. But Greek-U.S., as far as we're concerned, is strong as they can be, Greek-U.S. relations, and we're very pleased about that.

The Prime Minister. I am also very pleased. And we made progress.

Soviet Union

Q. Mr. President, do you think Gorbachev -- --

The President. I have nothing really to add to the discussion on that right now. We're following it very carefully, as you know, and in touch. So we'll just leave it right there.

Cyprus

Q. Are you hopeful that the Cyprus talks will start early next year?

The President. Well, we want to talk about that. That's one of the issues where I have great respect for Prime Minister Mitsotakis' judgment. We've gone into it at length on several occasions. And I would just want to assure him that if the U.S. can help move things forward, we are determined to try. We thought we'd moved a little bit before the process had moved. And now we want to, out of this visit, see what he has to suggest and maybe we can be more helpful. I'd like to think so. I think he knows we've tried.

And, of course, the Secretary-General will be down here this afternoon, so we can talk with him about it. So, this subject will be very much on our minds.

The Prime Minister. We will discuss this subject. It's a very important subject -- matter -- for us.

Q. Are you optimistic that talks will come soon, though?

The Prime Minister. I am always optimistic.

The President. That's why he's such a good Prime Minister. He's always looking ahead.

Jay Leno

Q. How did you like Jay Leno, Mr. President?

The President. He was all right. He was great.

Q. Did he have any good jokes?

The President. He had a couple about me, but I can't tell you what they were. No, he's funny and very good. I wished him well, and I had a chance to show him the decorations and see Barbara. You talked to him. Thanks a lot.

Q. Did you ask him to ease up, Mr. Vice President? [Laughter]

The Vice President. I told him to ease up, you're right. [Laughter]

The President. He hasn't been on your case.

All right, gang, this has been a great pleasure, but we've got a lot of business to do here.

May I just say how pleased we are to have the Prime Minister here. I will just repeat here what I said to the earlier wave of journalists, and that is that from our standpoint, the U.S. standpoint, U.S.-Greece relations are on strong footing. They are in good shape. And we are working very closely with this Government, and will continue to, to try to help solve the outside problems as well as the few remaining, I would say, rather small items that exists between Greece and the United States.

So, on the U.S. side, we are just pleased to welcome the Prime Minister here and look forward to having a wide array of talks on problems in the area. Cyprus, obviously, will come up. I'm most anxious to get his views on the Balkans, and a lot of other subjects to discuss. But the main point is he's welcome. And it gives me a chance in a small way to say thank you to the Prime Minister and the people of Greece for a trip that Barbara and I will never forget. It was wonderful.

The Prime Minister. It was a pleasure for us.

The Balkans

Q. -- -- in the Balkans?

The President. Well, we want to talk about that. I'm anxious to hear from the Prime Minister on his priorities; where he thinks we could help; the role of the EC; and, of course, the role you asked about. But I'd like to hear it from him rather than give my views. After that I'll be glad to give them.

Listen, we've got to go to work, guys. Last one.

Q. How would you describe your role with the Prime Minister?

The President. Close, strong, personal, and respectful. We've got it all. And that's not diplomatic language, that's right from here. We've got all this diplomacy, you know. We can say ``cordial and friendly." He's a friend.

Cyprus

Q. Are you prepared to show the same determination on the Cyprus issue as you have shown in the Middle East?

The President. We're going to try. We're going to try. I want to do what's helpful. We tried when we came back from Greece and Turkey, and we still support the Secretary-General's initiative. He'll be here today, incidentally. But the United States can't dictate. We can try to help, and that's what I want to hear about.

Now, you guys are out of here because we've got to get to work. We've got a lot to do here. Thanks a lot.

Note: The exchange began at 11:02 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

Remarks Following Discussions With Prime Minister Constantinos Mitsotakis of Greece

December 12, 1991

The President. Mr. Prime Minister and distinguished members of the Greek Government, 5 months ago, I visited Athens, the first visit by an American President to Greece in more than a generation. Today, in welcoming Prime Minister Mitsotakis to the White House, our two countries reaffirm the value of close contact to address common concern.

Mr. Prime Minister, in the past 3 years, we've witnessed a world transformed, and your continent has been right at the center of change. America sees Greece as a partner in meeting many of the challenges that cross borders and threaten the peace: terrorism, international drug trade, ethnic conflict.

In the Balkans, in the new Europe, in Cyprus, Greece remains a factor for stability, a champion of human rights, a partner in the quest to forge a new world order: peaceful, prosperous, and free.

The U.S. continues to be as concerned as we have been in the past with Greece's security and the sanctity of its borders. We continue to help Greece strengthen its defenses. And we support the progress your nation has made toward economic reform, liberalizing trade and investment.

Opening Greek markets to investment from the United States and other nations will mean jobs and better living standards for Greeks and Americans alike.

Our meetings today also focused on challenges that stand as obstacles to lasting peace in your corner of the world: The longstanding conflict in Cyprus, and Yugoslavia's fratricidal civil war.

Let me start with Yugoslavia. Who can fail to be moved by these heartrending images, carnage and suffering on a scale that recalls the horrors of the Second World War rather than the hopes of the new era we've now entered. The U.S. supports the European Community's efforts, the EC's efforts, including economic sanctions, to stop the fighting.

We remain convinced that a negotiated settlement, helped along by the United Nations and the interested international community, is possible, necessary, and certainly long overdue.

In the case of Cyprus, I again offer the good offices of the United States to overcome a source of bitter conflict between two of our valued allies. We continue to hope for an international high-level meeting on Cyprus as early as possible in 1992.

With good-faith negotiations, and the continued efforts of the United Nations Secretary-General,

we can make progress in producing a settlement acceptable to all parties.

Mr. Prime Minister, let me just close by simply saying that Greece holds great meaning for Americans: Not only the millions who trace their own ancestry to your country, but, as relative newcomers now in our third century of democracy, as a people who revere Greece as the birthplace of democracy more than two millennia ago.

It's been a very special pleasure having this opportunity to meet with you again, to have you and your able team here in Washington, DC today, and to wish Greece on behalf of all Americans every blessings for the new year.

All yours.

The Prime Minister. I would like first to express my heartfelt thanks to President Bush for inviting me to Washington and receiving me at the White House so warmly. At this moment in history when democracy's flourishing throughout the world, it is a great honor for me as Prime Minister of Greece, where democracy was born 2,500 years ago, to come for an official visit to the United States, the champion of democracy in our times.

The love of freedom and faith in democracy are two of the important ties that form a unique bond between Greece and the United States. And I welcome the opportunity this visit has given me to reinforce our special relationship in this season of hope and renewal.

I am especially pleased that this visit allowed me to continue my private talks with President Bush and with our delegations to expand on the substantial and fruitful discussions we had in Greece last summer.

As might be expected, we exchanged views on world developments and focused closely on what is happening in our region, the Balkans, where, as you know, Greece is playing an essential role in promoting peace and stability.

We had a lengthy discussion on the Cyprus question, and I thanked President Bush for his personal commitment to help bring about a fair settlement that will end the long agony of the Cypriot people.

I am certain that with the strong support of the President, the new Secretary-General of the United Nations, building on the achievements of his worthy predecessor, will be able to lead the efforts of all of us to a speedy and successful conclusion on Cyprus.

I want to stress that our talks marked one more milestone in the improving relations between our two countries, which, as you know, have made spectacular progress in the past 2 years.

The ties between Greece and the United States are strong and special. We fought in two World Wars together and waged a joint struggle to stop the spread of totalitarianism. But what makes it such a profound pleasure for all Greeks who come to the United States is that we recognize the highest ideals of this Nation as native to our own. I am very confident that the special relationship between Greece and the United States, which reflects the common values of our two peoples and the strong friendship they have fostered will grow even stronger in the years ahead.

Let me conclude by wishing everyone in the United States a very happy holiday season.

Note: The President spoke at 1:19 p.m. on the South Lawn of the White House. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on Assistance to the Soviet Union and the Republics

December 12, 1991

We are witnessing dramatic and historic events in the Soviet Union and the Republics. The collapse of communism there is of global importance and gives the Republics the opportunity to move rapidly toward democracy and market economies. These developments pave the way for the integration of the Soviet Union and the Republics into the community of democratic nations and the strengthening of a more peaceful and stable international order.

The world has a vital interest in the success of this transition. The United States is especially well-positioned because of its heritage and traditions to make a substantial contribution by building on its existing technical cooperation efforts as well as medical and food assistance programs. The United States strongly supports reform at all levels of government and will focus its assistance efforts on those who stand for fundamental political and economic reform, including the establishment of democratic systems based on principles of the rule of law and individual freedoms, respect for internationally recognized human rights, economic reform based on market principles, respect for international law and obligations, and adherence to responsible security policies.

To be effective, programs of all U.S. Government agencies must be carefully coordinated internally, and with the programs of other countries and international institutions. It is also critically important to ensure that the energy and resources of individual Americans, private voluntary organizations, and businesses be fully integrated into our efforts, wherever possible.

Accordingly, the President has appointed Deputy Secretary of State Lawrence S. Eagleburger to be the Coordinator of United States assistance to the Soviet Union and the Republics. In that position, Secretary Eagleburger will be responsible for overseeing and coordinating all assistance programs and activities which pertain to the Soviet Union and the Republics.

The President has also named Michael J. Boskin, Chairman of the Council of Economic Advisers, Donald Atwood, Deputy Secretary of Defense, John E. Robson, Deputy Secretary of the Treasury, Ann M. Veneman, Deputy Secretary of Agriculture and Ronald W. Roskens, Administrator of the Agency for International Development, as Deputy Coordinators.

The United States will focus its assistance to the Soviet Union and the Republics on several priority areas: food distribution and marketing, energy and environment, financial and economic institution building, democratic institution building, and defense conversion. U.S. assistance also will be aimed at promoting increased trade and investment through programs designed to encourage the involvement of U.S. businesses in the emerging private sector of the Soviet Union and the Republics.

Teleconference Remarks on the Kick-Off of Arizona 2000

December 12, 1991

The President. Governor, how are you, Fife?

Governor Symington. Fine, Mr. President, how are you?

The President. Well, I don't know how our communication is working, but I wanted to just check in and call with congratulations to you and to that great team that Lamar tells me you've put together. And I understand some of them are there.

Governor Symington. Yes, we have everybody assembled at the Trevor Browne High School. And we've got 1,200 people in the audience.

The President. Well, that is terrific. And I know that Jim Kolbe's there, and Jon Kyl; at least they were scheduled to be.

Governor Symington. They're here.

The President. Well, let me salute them, and also Diane Bishop, your State superintendent. And I say this because I want to emphasize something that I'm sure you know, and that is that we don't view this marvelous program that you all are engaged in as a partisan effort at all. I mean, this is national. It flies over politics. And I think it's catching on around the country. And I wanted to just congratulate you on getting it kicked off here.

And I didn't know you had 1,200 people. I heard there was 800 Bruins sitting out there in the auditorium. They said 900. It sounds like you've got a bunch there.

But that's just great. And I hope that they all realize that Arizona is involved in something fundamental, something revolutionary, and something wonderful for our country.

But tell me, how's the day been going?

Governor Symington. It's going extremely well. But we're obviously thrilled to have your call. And we just want to thank you for your tremendous leadership on the education front, Mr. President. And we're happy to be an America 2000 State.

The President. Well, I know it'll go well. And I think the point here is that you're showing that education reform can happen right there at the local level, on a school-by-school or community-

by-community basis. And we're -- the Federal Government obviously wants to do its part. Educational spending is higher than it's ever been. But this isn't a question of simply money; it's a question of ideas and revolutionizing our approach, the Nation's approach to education.

So, good luck on it. And I think it is a way that the whole community can pull together to help all the students learn. And I'm impressed with what you're doing. So, give Lamar a homework assignment if you will. The poor guy's killing himself going all around the country and doing a superb job. But tell him when he gets back -- is he sitting right there?

Governor Symington. He's right here.

The President. Oh, well, let me ask him then. Lamar, when you get back, give me a report on how this thing shapes up, how Arizona 2000 is doing, how it fits into our national program. And come on over to the White House, and we'll get an update on this big trip of yours.

Governor Symington. He's coming right to the phone, Mr. President.

The President. Okay.

Secretary Alexander. Yes, sir. [Laughter]

The President. How's it looking out there?

Secretary Alexander. Thank you, Mr. President. I'll see you next week.

The President. Well, I look forward to it. And may I say to everyone there: Diane Bishop, Lela Alston, who is, I understand, the chairman of the senate education committee from the State Senate; Bev Herman was supposed to be there, who is the chairman of the house education committee in the Arizona State House.

I'm just delighted that you all are participating in this. And I wish you all the best.

Is Peter Rios out there, the president of the house?

Governor Symington. Yes, Mr. President, I was about to mention him. He's here as well.

The President. Well, you've got them all. I've just had a partial list here, but I was told that the leadership would be there, both Democrats and Republicans. So that's great.

Well, listen, I won't keep you, but let me wish all those Bruins a very merry Christmas, a happy New Year. And let me give them a little lecture. Do everything that your Governor and your State

superintendent and these people are telling you to do in terms of this education. We need you. You're the future, and we need you bad. So, have a good Christmas and then back to work. And I'll do my part here.

And bless you all. And, Fife, keep up the great work of leadership.

Governor Symington. Thank you, Mr. President.

The President. Over and out.

Note: The President spoke at 3:47 p.m. from the Oval Office in the White House. In his remarks, he referred to Congressmen Jim Kolbe and Jon Kyl of Arizona.

Exchange With Reporters Prior to a Meeting With United Nations Secretary-General Javier Perez de Cuellar

December 12, 1991

Gratitude for the Release of American Hostages

Q. What are your thoughts this afternoon, Mr. President?

The President. My thoughts? My thoughts are gratitude to the Secretary-General and to Mr. Picco. My thoughts are of courage and heroism of the five people standing in front of us. My thoughts are for their families. My thoughts are of the joy that the Nation feels at the release of these five and others preceeding them. And I think this says that we have a lot to be grateful for in America. It's a wonderful, wonderful occasion at the White House, having them here.

Now, we're going to go over into the White House itself to honor the Secretary-General, Mr. Picco, his courage, his heroism really, helped free these people. And best of all for Barbara and me, to say hello to their loving families and welcome them home.

The Yellow Ribbon

Q. Is it time to take the yellow ribbon down, sir?

The President. Not for me. Not for me until the cases are all closed. There's two Germans held against their will. There are remains of two beloved Americans who have not been accounted for. And we are grateful for what's happened, very grateful that they're all here. I just couldn't be more pleased.

Q. Can you -- --

The President. Not any louder, no, I can't. [Laughter]

Timing of the Release

Q. Do you think this could have happened sooner?

The President. I'm just grateful that it's happened. And, of course, I wish that it happened sooner. For them to spend those precious years in their lives held against their will, of course, every American wishes that it had been sooner.

In any event, why, they're home and that's what matters. And it's Christmas and that also matters.

Unresolved Hostage Issues

Q. Mr. Secretary-General, did you bring any good news about the return of the remains of Americans and about the release of the two Germans?

The Secretary-General. Well, as you know, I am extremely concerned about the fate, of course, of Mr. Higgins, Colonel Higgins and Mr. Buckley. And I hope to get some news in the next few days.

And then, as far as the Germans are concerned, we keep working and we are hopeful; as well as for the Israeli missing persons and some others who are the detainees in Lebanon as well, are a matter of concern to me. Because for us in the United Nations we see too many problems. It is not a political problem as you very well know.

The President. Thank you all very much. We've got to go over and greet the families now.

Note: The exchange began at 4:35 p.m. in the Rose Garden at the White House, prior to a meeting with the U.N. Secretary-General; Giandomenico Picco, Assistant to the Secretary-General for Special Assignments; and the former five American hostages.

Remarks on Presenting the Medal of Freedom and the Presidential Award for Exceptional Service to United Nations Officials

December 12, 1991

The President. We are so happy, Barbara and I are so happy to be here for this very special pre-Christmas family occasion at the White House. The Vice President is here, and I salute him. Members of our Cabinet: Secretary of State; Secretary Mosbacher; Secretary of Labor; Tom Pickering, our able Ambassador at the U.N. And we all were just dying to come.

We're joined also by two gentlemen who represent the highest in humanitarian ideals. And I'm talking, of course, about Javier Perez de Cuellar, the Secretary-General of the United Nations; and the Assistant Secretary-General Gianni Picco, who is right here. Let me also welcome to the White House the friends and the families of five special men returned to freedom. Finally, to Thomas Sutherland, Alann Steen, Jesse Turner, Joseph Cicippio, and Terry Anderson, let me simply say on behalf of our entire country, welcome home.

All over America people waited for the day your long ordeal would end. And all over America we share your joy, and we thank God that you are free.

Nothing says it better than, I think, the sign in Norristown, Pennsylvania, in Thomas Cicippio's front yard. For 5 long years that sign served as a constant reminder, with the name of each hostage and a number counting each cruel day of captivity. And then, one by one, the numbers gave way to a sign marked ``Freed." And finally, just 9 days ago, came the moment the Cicippio family prayed for. And over Joseph's name, they nailed not another number but a sign that read, ``Free at last." And that said a lot for all of us.

And all of you have survived an act of unspeakable, uncivilized cruelty. Hostage-taking is hell on a human scale, not just for the innocents held captive, but for the families, for the families that they left behind. And no power on Earth can give back the years that you've lost. And yet no one can take from you the strength of the spirit that sustained you.

The world is now learning the horrors that you endured. But we're learning as well, and this is the good news, the story of your survival, the miracle that you fashioned from the hope your captors could not take away.

We know now you used the language of the deaf to communicate from cell to cell to speak to one another in silence, how you managed to learn from one another, laugh with one another, help each other sustain a stubborn indignity. And you demonstrated each day in captivity a defiant faith. You believed in your country and your families and your colleagues and yourself. And you

knew that one day you would go free.

Your triumph shines new light on a simple truth: The days and years apart burn away the trivial things we once thought had value to reveal what truly matters in life, family, faith, hope, and love. And seeing freedom through your eyes, even for a moment, frees us from the petty concerns that so often hold us hostage and distract us from life's larger joys, larger meaning.

The families here today are whole again. But for others the ordeal is not over, for two German citizens and their families, for the families of two courageous Americans whose duty sent them to Lebanon and who died at the hands of their captors. In the name of the civilized values that we hold dear, I call on those responsible for these crimes: Free Heinrich Struebig and Thomas Kemptner, and return the remains of Rich Higgins and William Buckley. And let the families of these innocent men find peace.

The truth is clear. Hostage-taking has failed. From the beginning in Tehran in 1979, hostage-takers sought to exploit our system's reverence for the individual. They sought to exploit that as a weakness. And your captors believed hostage-taking would tie our hands, and they were wrong. We remained determined to defend American interests in international principles in the Middle East. Through Desert Shield and Desert Storm we stood fast against aggression, and we showed the world that terrorism in all its forms can't succeed. And in the end, the hostage-takers did more damage to their cause than they did to America's resolve, certainly than they did to your resolve. And in the end, each hostage-taking, each heartless act against innocence announced to the world the inhumanity of the captors.

Tom Sutherland and Terry Anderson, you were right when you said no to negotiating with hostage-takers. This administration has followed a no-negotiation policy since the beginning. Bargaining serves only to make a currency of human lives and leads to more of the evil that it seeks to end. I am convinced that this course remains the world's best hope that no more innocent men and women will meet your fate, that no family will ever again be forced to endure your years in agony.

This policy was not without risk. Sticking with it wasn't easy, especially for a country that cares so deeply about every American held against his will. We've learned that it works. It helped end the agony, and I like to feel that it helped bring you home.

Yes, America did its part. Many men and women in this country and around the world, most of whom you'll never meet, worked to secure your freedom. And today, we want to go on. So many of the family members sitting behind you all and aside of you did their part, and boy, did they do it well. And it wasn't just spouses; it was sisters and brothers and plenty of others I might single out here.

But there are others as well. And today we want to recognize the selfless efforts of one man who,

at great personal risk, helped bring you to freedom. And I might say parenthetically that one of the first words I heard from Terry Anderson was the suggestion that we honor the man we're about to honor, and the other one as well.

In his years as Special Envoy at the United Nations, Assistant Secretary-General Gianni Picco has sought always to serve peace and to resolve conflict. Today for his efforts in winning the freedom of our hostages, we honor Mr. Picco with the Presidential Award for Exceptional Service.

Would you come up here, please, sir? Very proud to have you here.

I will ask the Major to read the citation please. Please be seated.

The Major. ``The United States honors Mr. Picco in recognition of his distinguished role in facilitating the release of hostages held in Lebanon. His skillful diplomacy with Middle Eastern governments and officials and representatives of the hostage holders has resulted in freedom for many individuals held in the region outside the due process of law, including six Americans.

``His personal courage in the face of danger and his dedication to the mission represent the best tradition of international civil service."

The President. We also honor the man who made your release his personal responsibility, a man whose life work in service to humanitarian ideals has won him honor the world over, Javier Perez de Cuellar.

Before asking the Major to read the citation let me just say this: He made peace among all nations his mission. He's taken the principles of the United Nations Charter as a personal code.

He was present at the creation as a delegate to the first General Assembly of the United Nations back in 1946. And we first met in 1971 when each of us received the singular honor of serving our countries as Permanent Representative to the United Nations.

My distinguished colleague went on to represent Peru in the Security Council, and then, of course, as we all know, for the past 10 years he has served the cause of world peace as Secretary-General.

His tenure has marked the rebirth, literally, the rebirth of the United Nations, its emergence as a force for peace. Cooperation now replaces cold war conflict. And across the globe the U.N. now leads the international effort to resolve conflicts that have caused so much suffering. Peacekeeping missions have proliferated. Eleven are underway right now; five begun in the past year alone.

And, Mr. Secretary-General, I am personally grateful to you for your strong stand against Iraq's

assault on Kuwait, your tireless work to sustain the coalition. In large part because of your leadership, the United Nations now stands closer to its founding ideal than at any time in history.

And today then we honor this architect of peace, a man we are all proud to call friend, that Barbara and I especially treasure the friendship for the Perez de Cuellars. Mr. Secretary-General, with great pride I now present to you the highest civilian honor this country can bestow, the Medal of Freedom. And I will ask the Major to read the citation.

The Major. ``Javier Perez de Cuellar. For 10 years of exceptionally distinguished service as Secretary-General of the United Nations, Javier Perez de Cuellar presided over the rebirth of that institution. With wisdom, vision, diplomacy, and skill, he forged a U.N. where cooperation in reaching common goals is replacing rhetoric and division.

``His tireless dedication to conflict resolution, and economic and social concerns has contributed to a better world and ensured a strengthened U.N. more capable than ever of fulfilling its Charter.

``His service has been marked by a singular devotion to humanitarian interests, including the life, security, and safety of individual people throughout the world.

``The United States honors a servant of humankind who has advanced the cause of freedom and hope."

The President. Congratulations.

The Secretary-General. Mr. President, Mrs. Bush, Excellencies, ladies and gentlemen, it is a tremendous honor for me to receive the Medal of Freedom, an award that I shall value all the more highly because it has been given to me by my old and very dear friend, President Bush.

In my view, it is really more appropriate that this tribute should be paid to the United Nations as a whole rather than to me personally. Today, as never before, the organization is being called upon to fulfill the responsibility entrusted to it by its founding fathers nearly half a century ago. The circumstances in the international arena that have made it possible for the United Nations to carry out this role are deeply gratifying. And much credit is due to President Bush himself, who has a profound understanding of the organization and its goals.

Mr. President, it gives me special pleasure to attend this ceremony after having been greeted by a group of brave and wonderful men who, at this moment, understand more fully than we possibly can the true meaning of freedom. That these former American hostages have, at long last, been reunited with their loved ones and especially during this holiday season makes the efforts that I and my efficient and loyal assistant, Mr. Giandomenico Picco, have undertaken these many months all the more worthwhile.

At the same time, Mr. President, I cannot but mention with sorrow an American who was kidnaped while serving the United Nations, namely, Colonel William R. Higgins, who was, at the time of his abduction, chief of a peacekeeping observer group in south Lebanon. It is tragic that the life of this innocent man was lost. I am doing everything possible to see to it that his body is returned promptly to his family.

As I prepare to leave office, I would like, once again, to thank President Bush for the cooperation and support he has extended to me as Secretary-General, and to the organization more widely; and particularly in helping to ensure that the United Nations may fulfill the enormous expectations that today exist for greater peace, stability, and respect for human rights to all the world. Thank you, Mr. President.

The President. I know some of us are going over to light America's Christmas tree across the way, but Barbara and I just have to say hello to the families. So what we'll suggest is, we'll go out here in the hall, and you all come wandering out. You've got to do that; that's mandatory. You have to say hello to us. And then, please take your families and browse through this winter wonderland. The work on all these decorations was done by volunteers from all over this country, and I think you'll feel, as we do, that the White House is blessed by this wonderful dedication, and the gift from the American people.

So, it's a fitting time that you all are here. And I think we'll just wander on out now and ask you to come, and please, all of you just come by and say hello. We'd love that.

Note: The President spoke at 5:03 p.m. in the East Room at the White House. Maj. John Wissler, USMC, military aide to the President, read the citations. A tape was not available for verification of the content of this exchange.

Remarks on Lighting the National Christmas Tree

December 12, 1991

Welcome to this wonderful Washington tradition. And I am particularly proud tonight to have some very special friends here with us to help light our Nation's Christmas tree. America's prayers were answered when these men came home to us; so a special welcome to Terry Anderson and Madeleine Bassil. Here they are: Alann and Virginia Steen; and Thomas and Jean Sutherland; Joseph and Elham Cicippio; and Jesse and Badr Turner.

Have a great evening.

[At this point, the Christmas Pageant of Peace entertainment began.]

Well, thank you, Joe. Please be seated all of you, and it's good to see the Secretary of the Interior, so many other special guests here. And, of course, a warm thank you to Marilyn Horne; this marvelous Tucson Boys Chorus; the Navy Band; Joe Williams; our favorites, the Gatlin Brothers over here. And all the performers who brought the Christmas spirit to Washington tonight.

And thanks to Santa. His big night is coming up. And we don't have to ask this particular Santa, Willard Scott, what the weather's going to be like on Christmas Eve. He's predicting it. And he is right every once in a while. [Laughter]

This is a very special night. And I look over my shoulder here at the very special guests, the brave men who are with us here tonight. And on behalf of our loving country I say, finally, to Terry Anderson, to Tom Sutherland, Joseph Cicippio, and Alann Steen and Jesse Turner, and the others not here: Welcome home.

Welcome home, to this, the most generous and proud and free Nation on the face of the Earth. It is more than just appropriate, it is almost miraculous that we can celebrate with these five the lighting of our Nation's Christmas tree. The idea is so moving because these men have come out of darkness into the bright light of liberty. And as you hear these remarkable men talk, you realize they were never lost in that darkness of sorrow, anguish, and despair. Even at the worst moments, they were guided by a stubborn spark that cruelty could not extinguish, the spark of the human spirit.

Their precious gift to us is to rekindle our Nation's belief in the light of faith and our belief in ourselves. And when Terry and Tom and Joseph and Alann and Jesse light our Nation's tree tonight, that act will be a reminder of what they and their companions, living and gone, have already done to light our Nation's soul.

There have been special guests at these ceremonies before. Even Winston Churchill helped to

light the tree during World War II, but this Nation has never been honored by the presence of men whose spirit meant more to all of us. Your fortitude, your humor, and generosity tell us the true meaning of this season. And at this time of year especially, these men remind us that the glitz and glamour of material things don't matter; the courage, the faith, and the love of these men embody, that they embody, are all we need to recognize what's really important.

The way they've returned to their families and to us proves they live by the challenge of that beautiful prayer of St. Francis, ``Grant that I may not so much seek to be consoled as to console; to be understood as to understand; to be loved as to love. Where there is despair, let us sow hope; where there is hatred, love; and where there is darkness, ever light."

When history remembers Christmas 1991, let it remember that tonight we gathered with men who show us that this is a season of spirit, not a celebration of plenty.

Let history remember that tonight we stood with these two heroes and asked for God's blessing on this world. And finally, in the words of the carol we'll sing in a few minutes, let history remember that at Christmas 1991, this Nation united to give thanks to God and to ask God for peace on earth, goodwill to all.

God bless these five men, this wonderful country, and now I'd like to ask them to join me as we light the Nation's Christmas tree.

Note: The President spoke at 5:42 p.m. on the Ellipse during the annual Christmas Pageant of Peace. In his remarks, he referred to Joe Riley, president of the Christmas Pageant of Peace; Marilyn Horne, mezzo-soprano with the Metropolitan Opera; jazz singer Joe Williams; and country and western entertainers, the Gatlin Brothers. Television weatherman Willard Scott was dressed as Santa Claus. A tape was not available for verification of the content of these remarks.

Proclamation 6391 -- Wright Brothers Day, 1991

December 12, 1991

By the President of the United States

of America

A Proclamation

They were quiet men of modest means, but in an extraordinary display of talent, imagination, and teamwork, Orville and Wilbur Wright changed the world. Less than a century ago, on December 17, 1903, these enterprising brothers launched the age of aviation with the first controlled, manned flight in a heavier-than-air, mechanically propelled airplane. Although their handcrafted ``Flyer'' covered just 120 feet on its maiden voyage over the windswept beach near Kitty Hawk, North Carolina, the Wright brothers helped lead mankind on a great journey of discovery and progress that continues to this day.

Given the routine nature of air travel today -- as well as the increasing frequency of shuttle missions and other forms of spaceflight -- it can be difficult for us to fathom just how remarkable the work of the Wright brothers was. When they began to experiment with airplane models and wind tunnels at their small workshop in Dayton, Ohio, many people believed that human flight would never be possible. At that time, even the automobile had not yet appeared on the American scene. Defying the skeptics, Orville and Wilbur Wright persevered through months of careful study, calculation, and design.

Indeed, long before they began constructing their first flying machine, the Wrights immersed themselves in the study of existing texts and papers on fundamental aerodynamics. They also conducted exhaustive research, moving far beyond previously accepted data and theories, many of which had proved to be unreliable. The Wrights' achievement of three-axis control in flight, inspired by watching birds of the air, laid the foundation for their success at Kitty Hawk and for the future development of all aviation.

More than a tribute to their mechanical acumen and collective genius, the Wright brothers' triumph at Kitty Hawk stands as a shining example of the power of intellect and determination over seemingly insurmountable odds. It is an example we do well to remember. Today many frontiers still stand before us. Every problem and question we face, both as individuals and as a Nation, represents new challenges and opportunities. Like Orville and Wilbur Wright and like all those Americans who have used their freedom, resources and skill to reach high goals, we, too, can rise on the wings of industry and learning.

The Congress, by a joint resolution approved December 17, 1963 (77 Stat. 402; 36 U.S.C. 169),

has designated the 17th day of December of each year as ``Wright Brothers Day'' and requested the President to issue annually a proclamation commemorating this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim December 17, 1991, as Wright Brothers Day. I invite all Americans to observe that day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twelfth day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 10:10 a.m. December 13, 1991]

Note: This proclamation was published in the Federal Register on December 16.

Statement on Signing the Conventional Forces in Europe Treaty Implementation Act of 1991

December 12, 1991

Today I have signed into law H.R. 3807, the ``Conventional Forces in Europe Treaty Implementation Act of 1991." The Act supports the United States Government's program to transfer Conventional Forces in Europe treaty-limited equipment within the NATO Alliance. Implementation serves U.S. security interests and achieves Administration objectives.

However, I have concerns over two provisions of the Act. Section 401(c) requires that the Inspector General of the United States Arms Control and Disarmament Agency submit a report on certain matters to the President, the Speaker of the House, and the Chairman of the Senate Foreign Relations Committee. Because prior review of executive branch reports is integral to the President's constitutional authority to supervise and control decision-making within the executive branch, H.R. 3807 shall not be interpreted to encroach upon that authority.

Section 402 requires additional congressional oversight of On-Site Inspection Agency (OSIA) activities. The existing review by the House and Senate Armed Services and Appropriations Committees provides sufficient congressional oversight of OSIA activities. Expanding the review to include other committees of the House and Senate will unnecessarily burden the budget review and oversight process. The requested report and budget documentation for the Committees on Foreign Affairs and Foreign Relations will be submitted merely to provide notice.

George Bush

The White House,

December 12, 1991.

Note: H.R. 3807, approved December 12, was assigned Public Law No. 102 - 228.

Statement on Signing the Dire Emergency Appropriations and Disaster Assistance Legislation

December 12, 1991

Today I have signed into law H.J. Res. 157, the ``Dire Emergency Supplemental Appropriations and Transfers for Relief From the Effects of Natural Disasters, for Other Urgent Needs, and for Incremental Cost of `Operation Desert Shield/Desert Storm' Act of 1992."

I am pleased that the Congress was able to approve, prior to its adjournment, a bill that provides urgently needed funding for programs that address the effects of natural disasters in the United States and its territories. I am likewise pleased that H.J. Res. 157 provides these needed funds in a way that does not violate the statutory spending limits mandated by the Budget Enforcement Act (BEA) or the concept of what constitutes an emergency under the BEA.

The Act provides $800 million for the Federal Emergency Management Agency's disaster relief program to cover costs associated with the unusually high level of disasters that have occurred during 1991. These include Hurricane Bob; the devastating fires in Oakland, California, and the State of Washington; and the northeastern storm that ravaged New England on October 31. In addition, the Act provides $995 million in assistance to producers of agricultural crops who have suffered losses during 1990 or 1991. Pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, I designate these amounts as emergency requirements. These designated amounts include the amount I designated as an emergency requirement on June 28, 1991, in my supplemental and amendment requests for FEMA.

The Act also includes funds for the incremental costs of Operation Desert Shield/Storm. Such expenditures continue to be financed by foreign contributions to the Defense Cooperation Account.

I am appreciative of the fact that the Congress deleted or significantly limited the availability of over $2.5 billion in funding that I have not designated as ``emergency requirements."

George Bush

The White House,

December 12, 1991.

Note: H.J. Res. 157, approved December 12, was assigned Public Law No. 102 - 229.

Statement on Signing the Resolution Trust Corporation Refinancing, Restructuring, and Improvement Act of 1991

December 12, 1991

Today I have signed into law H.R. 3435, the ``Resolution Trust Corporation Refinancing, Restructuring, and Improvement Act of 1991." This Act reorganizes the Resolution Trust Corporation (RTC) while providing only stopgap funding to allow the RTC to resume the resolution of failed thrifts.

H.R. 3435 provides only a part of the funds requested by the Administration which are urgently needed to protect depositors' accounts. This manner of funding risks a repeat of the start-and-stop process that has already cost American taxpayers millions of dollars.

The Administration requested $80 billion to allow the RTC to fulfill the Federal Government's deposit insurance commitments and complete the job of closing insolvent thrifts.

I am approving this legislation in view of the RTC's critical need to receive funding immediately so that we can make good on our Government's deposit insurance obligations. I urge the Congress, upon its return, to move quickly to provide the remaining necessary funds to allow the RTC to complete its mission without increasing the burden on America's taxpayers.

George Bush

The White House,

December 12, 1991.

Note: H.R. 3435, approved December 12, was assigned Public Law No. 102 - 233.

Exchange With Reporters on the Situation in the Soviet Union

December 13, 1991

Q. Mr. President, now that it appears that Gorbachev is on his way out, what are your feelings?

The President. Well, we're watching that situation very closely. Secretary Baker made a very good speech, talking about administration policy. We're looking forward to his trip. And this is not a helpful time to editorialize on personalities inside the Soviet Union.

We're supporting those who are reformed. We're supporting those who are for democracy, whoever they are, wherever they are, in whatever Republic they are and in the center. And that's been our policy, and we will continue to watch this question of self-determination evolve in the Soviet Union. And that's exactly what's happening. And we have some interests, interests in the peaceful reconciliation. We've got fundamental interests in responsibility to the whole world for the nuclear weapons question. So we want to see that that is handled with the ultimate, maximum amount of safety, and the assurances from the center and from the Republics has been very good on that, incidentally.

So we're watching it very, very closely, and I think the leaders there understand our position as to let them sort these matters out. It's not for the United States to dictate these matters, but we do have interests, some of which I've mentioned here.

Thank you all very much.

Q. Have you been in contact with Yeltsin or Gorbachev?

The President. We'll let you know when we reveal the personal contacts I've had. But we're in close contact with the different factions.

Thank you.

Note: The exchange began at 9:18 a.m. in the Roosevelt Room at the White House.

Exchange with Reporters in the Cabinet Room

December 13, 1991

The President. Listen, this meeting is on our drug strategy, and I'm very grateful to so many, members of the Cabinet and other leaders who are here today. I have great confidence in the work that Bob is involved in. And, indeed, there is some very good news on the drug front. That doesn't mean we've won the battle by a long shot, but I'm sure he'll be reporting to us in just a minute on the problems that remain and on the progress that's been made.

This has got to be, as we turn the corner, remain as one of our key priorities. And when you talk to some that he's enlisted in the private sector, I'm encouraged. I mean, I've talked to quite a few of them, Jim Burke and many others, and they are very, very positive as to how we're doing here. When I look at the international situation that Bob's been engaged in, in the interdiction, working with Justice and many others, Don Atwood's department, why, there's reason to be optimistic there.

So, it's a good message, but we've got to do better, and we've got to continue to fight. So thank you all very much. And now -- --

Q. Mr. President, can I just ask you to follow up on something you said in the other session?

The President. No, we've got to get going, honestly. We really do. We've been in there, interrupted, you know, when we did a meeting, that I deviated from the rules. So thanks.

Q. Could you just explain -- I mean, why are you satisfied with assurances that there's no nuclear threat because of the Soviet -- --

The President. We will explain all that in time. I can't do it at a photo opportunity. It's very complicated.

Q. Are you satisfied there's no problem?

The President. I can certify to the American people that the assurances we've been given are very positive. And we are continuing to stay engaged in it. So, please let us have this time. I only have a little bit, limited -- --

Note: The exchange began at 10:03 a.m. prior to a meeting with the Domestic Policy Council. In his remarks, the President referred to Bob Martinez, Director of the Office of Drug Control Policy; Deputy Secretary of Defense Donald J. Atwood, Jr.; and Jim Burke, Chairman of the President's Drug Advisory Council. A tape was not available for verification of the content of this exchange.

Teleconference Remarks to the 1991 Congress of Cities

December 13, 1991

The President. Thank you, Commissioner Hood. And I understand you're the incoming president of the wonderful organization, the National League of Cities. Thank you for inviting me to be with you. To President Sidney Barthelemy, the Mayor of one of my favorite cities, New Orleans, welcome to you, sir. I look forward to your help, most of all, officials who have enriched our cities and helped our cities enrich America; I greet all of you.

I am very pleased that Lamar Alexander was able to address you this morning. A former Governor, a great Secretary of Education; he's doing a great job. And we are on to something with this America 2000. And I hope when he finished that you had a feel for this marvelous program.

Our mayors are doing a great job in helping make American education number one. I was hoping today to be with you in person, but at least I can say America has produced two Presidents in a row who have made it to the big screen. This is a good way to do it if you can't be there in person.

It's an honor to join this year's NLC Annual Congress of Cities, even if it is by video hookup, and to salute you soldiers on the front lines. You man the front lines of our assault on falling scores and failing grades in education, our war on drugs, our defense of the American family, and our battle against crime. And you know why we've got to crusade to protect American principles and work to solve America's problems.

As the elected officials out there hearing the needs of day-to-day, ordinary people, you understand those problems. And you know them not from a bureaucrat's safe distance but from the hot seat of an elected official whose neighbors call to complain about roads and taxes and the police. You know. You name it.

Many people wonder how a President can know what goes on outside Washington, especially for families struggling to make ends meet. Well, I have read the letters of people feeling the pinch of a tough economy. As a matter of fact, I've traveled to 48 States since becoming President, talking and meeting people and listening and, yes, learning at every stop. And I've listened to the guidance and advice of leaders, many of whom are right there in that room.

And when I deliver my State of the Union Address in a few weeks, I'm going to ask the Congress to lay aside partisan interest just long enough to focus on America's interest and to enact a commonsense series of economic growth measures. Also, because each additional billion dollars in manufactured goods and trade means another 20,000 American jobs, I'm going to continue fighting to crack open foreign markets to create domestic jobs. And that's the message I'm going to be taking with me on my upcoming trip to Asia. We go down to Australia, Singapore, Korea,

and Japan.

In the meantime, I will make sure that our agencies do everything they can to help the people, from getting those unemployment checks out to easing the credit crunch. Already, we've taken steps to help those in need, speeding up a number of Government payments that will put $9.7 billion into the economy that wouldn't have been there during the first and second quarters of the fiscal year.

And I'm especially proud of the transportation bill which I'll be signing in just a few days that will keep our traffic on the move and our economy on the rise, building roads and fixing bridges and creating jobs.

And still, it isn't enough. We have to build on these beginnings. So I hope our other initiatives are also helping you. For example, our administration has boosted State and local law enforcement funding to $495 million. That's in addition to the $250 million in cash and property seized last year from drug dealers through what we call the Asset Forfeiture program. Overall, Federal aid to States and localities to fight drugs has grown under this administration to nearly $3 billion a year. I think the total spending I jotted down here is $11.7 billion.

Our Healthy Start program to cut infant mortality got a big boost this year, from $21 million to $65 million. And that's also true for AIDS research and treatment. Under the Ryan White Act, $200 million in AIDS prevention in fiscal '92 goes directly to cities. And I also ask your support of something which can help every city, enterprise zones to unleash a new generation of entrepreneurs to attract new business to those areas.

President Kennedy once said, ``We will neglect our cities at our peril, for in neglecting them we neglect the Nation.'' I do not intend to neglect our cities, nor do I intend to burden them with Washington's version of help: Taxes, rules, regulations, and no money. We've learned the wisdom of keeping government closest to the people. My administration wants to give local power and local responsibility to local officials. We want to free you to do what you do best.

I do want to do my part. To do so, I need your counsel and your wisdom. So let's work together to find new solutions to old problems. Only then can we prepare our cities and our country for the new American century ahead.

It is great to be with you all. I'd be glad to take a couple of questions. But thank you for what you've done. Thank you for what you are doing. And at this special time of year, God bless you all. I just wish that each and every one of you could have been at the White House yesterday as we welcomed home those five hostages. I can only say that Barbara and I count our blessings for family every day of the year. And this was a most-moving occasion. And then we took them out to light the Nation's Christmas tree -- we modestly call it -- across from the White House. And I flipped the electric switch and nothing happened. [Laughter]

But in any event, it was a great and wonderful, moving day for our whole country. And I wish each of you leaders could have been with us in the White House.

And now I'll be glad, Commissioner, to take any questions.

War on Drugs

Q. Mr. President, more than 20 years ago, former President Richard Nixon declared a Federal war on drugs. Three years ago, you announced a similar war. Yet today the problem of drugs and drug-related violence on our streets is just as pervasive as ever. In fact, murders are at record levels. Mr. President, we have a very enthusiastic audience here -- [laughter] -- I wish you were here to see how wonderful this audience is and how concerned this audience is. However, over the last 20-year period, the Federal Government has been unwilling to spend one single dime and send it directly to those of us who are on the front lines that you mentioned.

In the Gulf war you went to the front lines to meet with the troops to ensure that they had the necessary tools and support in order to win. Can we count on you, Mr. President, in your new budget and legislative agenda to provide for direct assistance to cities and towns?

The President. Well, let me simply say that from an overall standpoint, fighting the Nation's drug war from an overall standpoint, Federal funding is up by 80 percent since I've become President, 80 percent, to $11.7 billion. I think it is $11.7 billion. And nearly $3 billion will go to State and local governments. I am familiar with the age-old argument as to whether the Governors get it or whether the mayors get it. And I've been around the political track long enough to be aware of it. In our program, we are trying to recognize this and trying to get the job done.

Let me just say, though, you had a very pessimistic assessment of where the matter stands. And there's plenty of reason to be pessimistic, but there's also some reason to be somewhat optimistic. Drug use amongst the young people have gone off -- this awful cocaine amongst young people is down over the last 2 years by something like 11 percent. The war isn't won, but progress is being made.

We're working with a media campaign, all private, they're spending $1 million a day on advertising which gets right into your communities, trying to educate people against the use of drugs. So in addition to the Government money, that means the taxpayers' money, in addition to the Government money, there is a lot going on. And, frankly, if you canvassed that hall, though everyone could use more funds for fighting drugs, I think that you'd find that a lot of people out there in what we call the volunteer sector are doing an awful lot. We've honored a lot of them here at the White House, and I am terribly impressed by how community action is making an enormous contribution to the fight against drugs.

But yes, in our budget I think you'll see the amount of money I said for State, for local governments, and I also think that you'll see what I would think is pretty full funding, in tough financial times I might add, for the fight against drugs.

Let me give you another side of it that I think is important. We're doing better on the interdiction side as well. Much better on that. And then you mentioned the crime problem. I would like to enlist the support of everybody in that room. You are on the front line. You are on the cutting edge, and I'd like to enlist your support for a tough, a meaningful, tough anti-crime bill. We've been trying to get that through Congress for a long, long time. And again, let's put the politics aside and let's give the support that we need to the police officers that are out there on the beat.

But thank you. It was a good question.

Q. Thank you for taking time to be with us, and thank you for the tree you planted 2 years ago in memory of Ryan White. It's still standing in downtown Indianapolis.

The President. Is it growing, though? [Laughter]

Block Grant Program for Cities

Q. There's a strong feeling here, Mr. President, that when the cities hurt, America hurts, and when the cities are healthy, America is healthy. Many central cities and small towns are facing severe fiscal distress today. Their tax bases have eroded while poverty, crime, and health care needs and demands have accelerated.

We believe the idea of direct assistance to cities and towns from the Federal Government has merit. And the question I would ask you, sir, is: Can we prevail upon you to consider a proposal this year to put together a package of Federal relief for unfunded mandates and targeted fiscal assistance to cities and towns, and would you be willing to meet with a group of local officials to discuss this subject?

The President. That was two questions. Bill, you know, and I don't know whether you helped formulate the general idea of an enormous block grant proposal that we have; it's about finished. What we've tried to do on this block grant proposal -- I believe it's in the $15-billion range -- was to work it out in a way that it will get support in the Congress. And we've tried to take into consideration some of the congressional concerns without making this block grant into some other mandated program by having a lot of strings attached.

So, we are finalizing now -- and it will be ready in time to send up as soon as Congress goes back -- a substantial block grant program that will go out there without strings attached, and I believe it will get passed. So, I'm very interested in this. It's taken a long time to get the legislation drafted in a way to answer some of the -- well, I'd put it this way -- understandable concerns in the

Congress. But we're going to be pushing it, and it's going to be a part of our overall economic package.

Inasmuch as you made the request -- and I never say no to Hudnut, that's my motto -- I think it would be useful to sit down with you and a handful of others that you might bring into the White House to talk about these problems.

I wasn't just, as we say, ``blowing smoke'' when I made my remarks. We are in touch with mayors. We had the mayor of New York City down here just the other day. Wasn't heralded as a great public relations event, but I learned from that. A long talk with other mayors as we go along. But bring them in here. We may have to wait until after the first because we're going off, as you know, coming into this marvelous Christmas season, and we might all need a little bit of rest. But I'd like to do it, and you can consider this a formal acceptance of what I thought was a relatively formalized request.

Q. Mr. President, and we accept that, and we will be there to visit with you. And we appreciate the time that you have given us this morning. We want to work with you. We're counting on you, as you're counting on us, and let me, on behalf of all of the delegates here this morning, not only once again thank you, but wish you and Mrs. Bush a very happy holiday.

The President. Well, same to all of you. And let me end by making one additional comment. These are tough times, and there's a lot of people at work and there's an unsatisfactory number of people out of work. A lot of people are worried. Their confidence is not there. And they worry about tomorrow, even though they have a job today. And I understand all that, and we're going to try in the State of the Union Message to make a proposal that won't make matters worse out of good intentions but will make them better and come forward with a strong program there. I believe we'll have that. I hope it will have the support, enthusiastic support across party lines, not only in the Congress but out there.

But let me just say this at the end of this year, inasmuch as you were gracious and really kind enough to wish Barbara and me a merry Christmas. You know, we have a lot to be grateful for in this wonderful country of ours. I touched on the hostage matter. This morning, I had a long conversation with Boris Yeltsin over in Moscow, and there's great and interesting change going on there.

But the underpinning of that change is freedom, and it is democracy, and it is reform. And you look around at the fact that in this very day in Washington Arabs are talking to Israelis, something that might not have happened. You look abroad and you see the newfound credibility of the United States as a result of what your sons and daughters did in Desert Storm. The United States can use that credibility now to get into these foreign markets and create jobs and our voice is more credible around the world.

So, I cannot neglect my responsibilities for world peace, for managing on behalf of the only superpower in the world that other countries look to not just for that but because of our values. I'm not going to forsake those responsibilities. But I am going to do what is necessary and stay involved with you at that level that I know so well, in order to try to help alleviate the concerns that I mentioned in the very beginning that the American people have.

Having said that, we have a lot to be grateful for in the United States of America. And thank you for your greetings, and Barbara will appreciate it. And I hope that you and all your families have the best Christmas ever and a wonderfully prosperous, exciting, forward-moving 1992. Good luck to each and every one of you. And thank you for letting me come in this way.

Note: The President spoke at 1:17 p.m. from Room 459 of the Old Executive Office Building to the annual Congress of Cities, sponsored by the National League of Cities, meeting in Las Vegas, NV. In his remarks, he referred to Glenda E. Hood, first vice president of the National League of Cities; Ryan White, a teenager who died of AIDS in 1990; and Thomas Hudnut, mayor of Indianapolis. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on a Comprehensive Safeguard Agreement Between Argentina, Brazil, and the International Atomic Energy Agency

December 13, 1991

The President has congratulated Presidents Menem and Collor for their statesmanship in signing a comprehensive safeguards agreement with the International Atomic Energy Agency (IAEA). Presidents Collor and Menem have shown great energy and leadership in fulfilling the commitments they undertook in the November 1990 declaration in Foz do Iguacu to devote their nuclear programs exclusively to peaceful purposes and to submit all their nuclear activities to IAEA safeguards.

This action will contribute greatly to peace and stability in the Western Hemisphere and throughout the world. We wish Presidents Menem and Collor continued success as they work toward the final objective of the Iguacu declaration: The full entry into force of the Treaty of Tlatelolco in their national territories. We call on all nations that need to take steps for the Treaty to enter into force throughout Latin America to do so at an early date, freeing the continent from the dangers of a nuclear arms race.

Note: The statement referred to President Carlos Saul Menem of Argentina and President Fernando Collor de Mello of Brazil.

Proclamation 6392 -- Bicentennial of the District of Columbia Month, 1991

December 13, 1991

By the President of the United States

of America

A Proclamation

Although it encompasses just 10 square miles, the District of Columbia contains a vast wealth of history and culture -- a legacy that befits our Nation's Capital. This year, we celebrate the 200th anniversary of our remarkable Federal city.

Conceived by the Framers of our Constitution, who provided for the establishment of a special district to serve ``as the Seat of the Government of the United States,'' our Nation's Capital began to take shape in 1791. In January of that year, a site was selected for the city under the direction of President George Washington. The following month Andrew Ellicot and Benjamin Banneker, a successful black farmer who was self-taught in engineering, mathematics, and other fields, began to survey the terrain.

Plans for the actual layout of the city reflected the exuberance, pride, and optimism of our young Republic. When he submitted his design to the Congress in December 1791, Major Pierre L'Enfant included numerous provisions for parks, fountains, and wide, sweeping avenues -- all reflecting a vision as grand and as ambitious as the American experiment itself.

Over the years, a number of our Nation's leaders took great personal interest in the development of the Federal city. Thomas Jefferson offered advice and sketches for its design, and it was has idea to build a large mall extending from the foot of the hill on which our magnificent United States Capitol now stands. Today the Mall in Washington is surrounded by monuments and museums that honor the brilliant thinkers and brave heroes who have defined and defended the American ideals of liberty and self-government. Many of the museums in our Nation's Capital also contain vast collections of American art and folklore, as well as fascinating displays of U.S. achievements in science, industry, and aviation.

As the seat of government of the United States for 200 years, our Nation's Capital has become a center of American culture and a world-renowned symbol of freedom and democracy. Here is where President John Adams and his successors continued the work that President George Washington and the First Congress had begun in New York. Here is where President Abraham Lincoln labored to preserve our Union; and here is where the Reverend Dr. Martin Luther King,

Jr., led the historic march that energized the civil rights movement and reminded America of its promise of liberty and justice for all. Much of our Nation's history has marched through Washington, D.C., and today that journey continues as we engage in the day-to-day process of democratic government.

While our Nation's Capital belongs to all Americans, this occasion is a very special one for the residents of the District of Columbia. Many families have lived in the city for generations, and this bicentennial is also a celebration of their roots.

At the end of the Civil War, thousands of African Americans came to Washington, making the city a virtual symbol of emancipation and progress. Their accomplishments, reflected in the growth of institutions such as Howard University, helped pave the way for countless others. Today residents of the District of Columbia continue to make outstanding contributions in education, business, science, and the arts. On this occasion, all Americans join them in celebrating 200 years of history and achievement.

The Congress, by House Joint Resolution 356, has designated December 1991 as ``Bicentennial of the District of Columbia Month'' and has authorized and requested the President to issue a proclamation in observance of this month.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim December 1991 as Bicentennial of the District of Columbia Month. I invite all Americans to observe this month with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this thirteenth day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:31 a.m., December 16, 1991]

Note: This proclamation was published in the Federal Register on December 17.

Proclamation 6393 -- Year of Clean Water, 1992, and Clean Water Month, 1992

December 13, 1991

By the President of the United States

of America

A Proclamation

Water is essential to every form of life on Earth. Indeed, this vital substance unites our planet's ecosystems, the miraculous yet fragile relationships in nature that sustain each other as well as all human activity. Recognizing the importance of our precious water resources, the United States has made a firm commitment to protecting their physical, chemical, and biological integrity. This year, the 20th anniversary of the Clean Water Act reminds us that we are all stewards of our water resources, and, as such, we are responsible for their preservation and wise use.

Since the enactment of the Clean Water Act in 1972, we have achieved remarkable improvements in many of our Nation's water resources. Twenty years ago, less than half of America's rivers supported fish and shellfish or provided wildlife habitat. Fishing and swimming were restricted in many areas, and drinking water supplies were threatened. Today, however, nearly three-fourths of the Nation's waters support these uses, and many others have significantly improved in quality. Fish and waterfowl have returned to many of our rivers, lakes, and coastal waters.

We have taken great strides during the past two decades, primarily by controlling pollution from sewage treatment plants and industrial facilities. Recent advances in science and technology have enabled us to engage in more effective studies of water pollution -- its causes and its effects. These studies, which have often revealed the magnitude of previously underestimated problems, have led to more vigorous and innovative antipollution measures. At the same time, public awareness of the importance of clean water has also increased; now there is more support than ever for protecting and enhancing water quality.

While we can take pride in this progress, many challenges remain. Urban and industrial growth are creating additional sources of pollution while placing increased demands on limited water resources. Contaminated runoff from farmlands as well as city streets is, all too often, degrading our waters and damaging ecosystems. Scientists continue to detect unacceptable levels of pollutants in many bodies of water and in the tissues of finfish and shellfish. All Americans must continue to work together to protect our water resources and the wildlife that depends on them.

We have already discerned the need for new and innovative solutions. Indeed, today we know

that the health of aquatic ecosystems must be examined holistically, to determine how various forms of human activity affect water quality. We know that we must protect entire watersheds that feed into our rivers, lakes, and coastal waters. We also recognize that, by preventing pollution at the source, we can protect watersheds and avoid the high economic and environmental costs of treating wastes and restoring ecosystems after pollution has already occurred. Moreover, experience has shown us that our actions must be based on sound science.

The 20th anniversary of the Clean Water Act marks an important milestone in the history of American environmental protection. However, just as water links each of our planet's ecosystems, water pollution recognizes no boundaries. All Americans and their representatives in all levels of government must work together to promote wise stewardship of this, our ``water planet." We must also foster greater cooperation in the international community.

As an expression of our national commitment to these goals, the Congress, by Public Law 101 - 424, has designated 1992 as the ``Year of Clean Water" and October 1992 as ``Clean Water Month."

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim 1992 as the Year of Clean Water and October 1992 as Clean Water Month. I call upon all Americans to observe this year and month with appropriate programs, ceremonies, and activities. I also ask my fellow Americans to join in setting examples of environmental stewardship in our daily lives.

In Witness Whereof, I have hereunto set my hand this thirteenth day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:34 a.m., December 16, 1991]

Note: This proclamation was published in the Federal Register on December 17.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Gorbachev

December 13, 1991

President Bush spoke by telephone this afternoon with President Gorbachev concerning events in the Soviet Union and the Republics. The nearly 30-minute conversation ranged over several issues including the economy, the status of the Commonwealth effort, the safety of nuclear weapons, and other issues. President Gorbachev assured President Bush that the command and control system for nuclear weapons remains secure. President Bush had received similar assurances from President Yeltsin in a telephone call at 10:50 a.m. this morning.

President Bush assured both Presidents of support for humanitarian and medical needs. He summarized the United States program of support, including the loan guarantees, direct aid, and financial assistance in the elimination of nuclear weapons. President Bush emphasized once again our general support for democratic and economic reforms.

Letter to Congressional Leaders on Naming Don E. Newquist as Chairman-Designate of the U.S. International Trade Commission

December 13, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to the provisions of 19 U.S.C. 1330(c)(1), this is to notify the Congress that I have designated Don E. Newquist as Chairman of the United States International Trade Commission, effective December 13, 1991.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter Accepting the Resignation of Samuel K. Skinner as Secretary of Transportation

December 13, 1991

Dear Sam:

I regret that the Department of Transportation will no longer have the benefit of your dynamic leadership, but I am delighted that you have agreed to continue to serve in my Administration as Chief of Staff.

Your hard work as Secretary of Transportation has produced a long list of remarkable accomplishments. You developed a comprehensive statement of National Transportation Policy, which set the Department's priorities and strategies for years to come. You took vigorous steps to ensure that America's commercial aviation system will remain safe and competitive. You shepherded landmark aviation and surface transportation legislation through the halls of Congress. You persuaded the legislature to act swiftly to end the April 1991 national railroad strike -- a strike which, had it persisted, might have brought the Nation's economy to a virtual standstill. And you masterfully managed every crisis that came your way: the Eastern Airlines strike; the mammoth oil spill in Prince William Sound; Hurricane Hugo; the Loma Prieta earthquake in California; and the transportation requirements of Operations Desert Shield and Desert Storm.

These marvelous accomplishments are, however, only part of your legacy. Your well-known personal commitment to the 106,000 employees of the Department of Transportation has improved the morale and efficiency of its dedicated work force. Years after you have left the Department, that commitment will continue to pay dividends.

Barbara and I deeply appreciate all you have done for my Administration and look forward to having you at our side in the months and years to come.

Sincerely,

George Bush

B

Dear Mr. President:

I respectfully submit my resignation as Secretary of Transportation, effective December 16, 1991. It has been a great honor to serve in your Cabinet, and I look forward to working even more

closely with you as your Chief of Staff.

These have been challenging times at the Department of Transportation, and the Department has accomplished a great deal under your leadership. During our first year we developed your statement of National Transportation Policy, which emphasized increased investment in transportation infrastructure and greater reliance on market principles. In the second year we passed the most comprehensive aviation legislation since the deregulation of the airline industry. In our third year we successfully guided through Congress landmark surface transportation legislation -- legislation that will restructure the Nation's Federal surface transportation programs for the post-Interstate era and improve America's productivity and competitiveness well into the 21st century.

At the same time, the Department has, at your request, successfully responded to several unforeseen challenges. We put in place measures to improve the security of civil aviation in the wake of the tragic bombing of Pan American flight 103. When Eastern Airlines' employees went on strike, we sought to minimize the impact on the traveling public and to ensure that safety was not adversely affected. We managed the massive cleanup of the oil spill in Prince William Sound. We provided emergency assistance and began the process of rebuilding after Hurricane Hugo and the Loma Prieta earthquake. We successfully marshalled the resources of the aviation and maritime sectors in support of Operations Desert Shield and Desert Storm. And we worked with Congress to pass legislation ending a national railroad strike just 18 hours after it commenced.

I will be forever grateful that you asked me to lead the dedicated men and women of the Department of Transportation through one of the most demanding periods in its history. Your firm commitment to our Nation's transportation system made all our successes possible.

Mr. President, it has been an honor and a privilege to serve you.

Sincerely,

Samuel K. Skinner

Note: These letters were made available by the Office of the Press Secretary on December 16 but were not issued as White House press releases.

Remarks on Signing the Year of Thanksgiving for the Blessings of Liberty. Proclamation in Orange County, Virginia

December 16, 1991

Thank you all very, very much. And it is a pleasure to be with you on this beautiful Virginia day. Let me first thank Mr. Robert Bass and Mr. Jack Walter of the National Trust for Historic Preservation for hosting this event. And we are fortunate to have the Secretary of the Interior with us, Manuel Lujan. I understand Virginia's two great Senators are here: John Warner, Chuck Robb; Congressman George Allen, and other members of Congress. I am delighted to be with you on this special day.

It's an honor to be here with the people of Orange County, for this is the community that nurtured the father of our Constitution, James Madison. Citizens of this county launched Madison's political career, sending him to the Virginia House of Delegates when he was just 25 years old. In 1789, Orange County, almost by itself, provided Madison's margin of victory in gaining a seat in the First Congress of the United States.

Here is the home where Madison developed and sustained his deep love of liberty, of religious freedom, economic freedom, intellectual freedom. Here at Montpelier, Madison immersed himself in the historical and philosophic study that shaped our Constitution. And here, he promised his constituents he would work to enact a Bill of Rights. I am especially pleased to announce that our fiscal year '93 budget will seek $1 million in Federal support for the restoration of Montpelier.

Two hundred years ago this week, the Virginia General Assembly ratified the Bill of Rights. And with this action, three-fourths of the States had approved the Bill of Rights, thus making it a part of our Constitution. Americans have celebrated all of 1991 as the bicentennial year of the Bill of Rights. And thanks to efforts by schools and foundations and corporations, government bodies, active individuals, we've marked the year with many outstanding educational programs, including a national tour exhibiting Virginia's own original copy of the Bill of Rights. Next year, an exhibit on the Bill of Rights, organized by the U.S. Information Agency, will be the centerpiece of the United States Pavilion at the Expo in Seville.

Congress has resolved that we observe the Bill of Rights bicentennial with a Year of Thanksgiving for the Blessings of Liberty. As a gesture of my esteem for James Madison and his home community, I am signing here at Montpelier the Presidential proclamation of this bicentennial celebration.

May God bless all of you, and may He always keep the American people free and dedicated to

Madison's ideals of a just society.

Thank you all very much, and now I will sign this proclamation.

Note: The President spoke at 11:48 a.m. In his remarks, he referred to Robert Bass, chairman, and Jack Walter, president, National Trust for Historic Preservation.

Proclamation 6394 -- Year of Thanksgiving for the Blessings of Liberty, 1991

December 16, 1991

By the President of the United States

of America

A Proclamation

Thomas Jefferson once noted that the only firm basis of a nation's liberties is the ``conviction in the minds of the people that these liberties are . . . the gift of God." By observing the bicentennial of our Bill of Rights as a Year of Thanksgiving for the Blessings of Liberty, we not only give honor where it is due but also reaffirm the moral and spiritual foundation on which this great Republic rests.

Our Nation's Founders were men of faith and conviction, and it was a biblically inspired view of man that led them to declare ``that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness." The ratification of our Bill of Rights in December 1791 signalled their determination to uphold in law these timeless words from our Declaration of Independence.

Our Bill of Rights guarantees, among other basic liberties, freedom of speech and of the press, as well as freedom of religion and association; it recognizes the right to keep and bear arms; and it prohibits unreasonable search and seizure of a person's home, papers, or possessions. The Bill of Rights also states that no person shall be deprived of life, liberty, or property without due process of law, and it establishes fundamental rules of fairness in judicial proceedings, including the right to trial by jury. Two hundred years after its ratification, this extraordinary document is recognized around the world as the great charter of American liberty and democracy. Indeed, as James Madison predicted, the principles enshrined in our Bill of Rights have become for all peoples ``fundamental maxims of free government."

Our ancestors fully recognized the value of freedom, and on September 26, 1789, just one day after they agreed on a draft Bill of Rights to be presented to the States for ratification, members of the First Congress requested that President Washington ``recommend to the people of the United States a day of public thanksgiving and prayer, to be observed by acknowledging with grateful hearts the many signal favors of Almighty God." Washington, who had favored and even encouraged the observance of such a day, readily issued a proclamation calling upon all Americans to unite in thanksgiving ``for the civil and religious liberty with which we are blessed . . . ."

President Washington's call for a national day of Thanksgiving came less than two decades after our Declaration of Independence -- and two years before the ratification of our Bill of Rights. How much greater reason do we have now, more than 200 years later, to give thanks! The fledgling republic led by George Washington has not only endured but prospered. Today we can be thankful for the very fact that we have maintained our Constitution and Bill of Rights throughout our Nation's history and for the expansion of freedom and democratic ideals around the world. Today we are also grateful for those brave Americans, past and present, who have been willing to put themselves in harm's way to defend the lives and liberty of others.

On this wonderful occasion, recalling the words of our first President, let us give thanks for the blessings of liberty, and let us strive -- both as individuals and as a Nation -- to remain worthy of them, always using our freedom in accordance with the will of that ``great and glorious Being'' who has so graciously granted and preserved it.

The Congress, by Public Law 101 - 570, has designated 1991 as a ``Year of Thanksgiving for the Blessings of Liberty'' and has authorized and requested the President to issue a proclamation in observance of this year.

Now, Therefore, I, George Bush, President of the United States of America, do hereby urge all Americans to join in observing 1991 as a Year of Thanksgiving for the Blessings of Liberty. Let us show through word and deed -- including public and private prayer -- that we are grateful for our God-given freedom and for the many other blessings that He has bestowed on us as individuals and as a Nation.

In Witness Whereof, I have hereunto set my hand this sixteenth day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:56 p.m., December 17, 1991]

Note: This proclamation was published in the Federal Register on December 19.

Remarks at the Bicentennial of the Bill of Rights Luncheon at Montpelier in Orange County, Virginia

December 16, 1991

Thank you, Senator Warner, for those very kind words. And let me thank Robert Bass and Jack Walter of the National Trust for Historic Preservation for hosting this event, indeed, a historic event and a wonderful one to attend. We're fortunate to have the Secretary of the Interior with us, Manuel Lujan over here. Virginia is fortunate, I think, to have two great Senators, both friends of the Bush family, and I mentioned John and Chuck Robb sitting over here. Senator Strom Thurmond is with us, and also the new Congressman, George Allen from Virginia, and my old friend and classmate in the House of Representatives -- we didn't like that remark about it, John -- [laughter] -- John Paul Hammerschmidt over here. And other Members that might be with us today.

And may I single out my luncheon partner, Mrs. Smith, whose commitment to Montpelier is contagious. It didn't keep me from eating that excessively high-calorie dessert -- [laughter] -- nor push away from the chicken, but I learned a lot about Montpelier, and I go away even more enthused than I thought I possibly could be when I came down here today.

I hesitate to give a serious speech about the Bill of Rights, looking around the room with all the lawyers and experts, people who understandably have great pride in Virginia's contribution to the history of this Nation. But I'll try anyway.

We are here in the pastoral beauty of Virginia's Piedmont to celebrate 200 years since the Virginia Assembly ratified the first 10 amendments to the Constitution. This action brought into force our Bill of Rights.

It is fitting that we meet at the home of James Madison, framer of the Constitution, architect of the Bill of Rights. In Madison we honor a learned man with a scholar's appreciation for political philosophy. We remember also a practical politician whose skill and leadership helped persuade the free people of America to embrace the Constitution and the Bill of Rights as our basis for government.

I want to thank the National Trust and others who have worked to organize this fitting commemoration. The Trust, which administers this beautiful estate, deserves the highest praise for its innovative plan to make Montpelier a living center for constitutional studies. And I will repeat what I said out here: I am pleased that our fiscal year 1993 budget requests $1 million in Federal support for the restoration of Montpelier.

I am honored to welcome some very special guests, legal scholars and statesmen from Eastern

and Central European nations which have won new freedom. I want to take this occasion also to say that an exhibit on the Bill of Rights will be the centerpiece of the U.S. pavilion at next year's Expo in Seville.

The ideas and action of the American founders were rooted deeply in human nature and experience. Though 200 years have passed, the understandings on which our Constitution and Bill of Rights are based still make a reliable guide. Whether the issue is health care or protection of the environment, the proper roles of parents and the State in educating our young, or the rise of interest groups and their power in lawmaking and litigation, we can make sound decisions today if we heed the wise counsel imparted by our founders.

Two centuries ago, our new Republic was free and dynamic and hopeful and growing. Our founders were determined to preserve those qualities. But as Madison observed, ``men are not angels." The framers of our Constitution confronted problems not unlike those that the Central and Eastern European constitution writers face today. The framers had to grapple with ethnic and religious differences, regional interests, issues of where power should lie and of how to contain conflict. Madison saw such problems of faction, problems of faction as the greatest threat to our national survival.

The men who gathered to write the Constitution were businessmen, farmers, and lawyers, mostly in their thirties and forties. And they had a passion for learning. They mastered the state of the art in engineering and agricultural sciences. And they steeped themselves in the wisdom of the Greek and Roman classics, in the faith and philosophy of the Judeo-Christian tradition. Neither cynical nor naive, they held a hopeful and pragmatic vision. Having seen human nature in the public square, they experienced both its frailty and its aspirations.

The framers sought to strengthen civil society by encouraging public habits of freedom, justice, and cooperation. And they worked to give us a charter that would serve, as Madison put it, ``not only to guard the society against the oppression of its rulers, but to guard one part of the society against the injustice of the other part."

The framers had the humble genius to recognize that manmade laws and government are not a panacea for human problems. They believed law and government, like good medicine, should seek first and foremost to do no harm. Taxation, public works, civil litigation, law enforcement activity are part of the framework of a just and civil society. They do give health to the social organization when provided in small, measured, and necessary doses. But when taken needlessly or to excess, such medicine could sicken or kill a society.

The Constitution, therefore, became primarily a plan for uniting the Nation while preventing concentration of power and preserving the inalienable rights and liberties of individuals. The framers were so committed to this ideal that they decided after signing the Constitution to add a Bill of Rights, to impose clear and stark limits on the exercise of Government power.

The Federal system seeks to keep government close to the people whenever practical, in the States and not in the Nation's Capital. Within the National Government we have our system of checks and balances, with powers shared among the executive, legislative, and judicial branches. The judiciary's independence is vital to any country's governance by the rule of law.

The founders believed freedom was the key to economic as well as social well-being. They made the Constitution a powerful legal instrument for economic opportunity and growth. I do not believe our Republic could have survived, much less could it have prospered, without the commerce clause preventing the States from setting up trade barriers one against the other. Through the takings clause and the due process clause, the Bill of Rights protects people's earnings and property.

The genius of the Bill of Rights is that it limits its attention to truly important things and to things over which a just and limited government can exercise some actual control. Two centuries ago, just as now, politics tempted some to take flight from moderation and realism. Edmund Burke complained at the time of those who ``are so taken up with their theories about the rights of man that they have totally forgotten his nature."

The framers, however, were practical men. They gave us not a declaration of rights but a Bill of Rights, not a piece of propaganda but a set of legally enforceable constraints on government. Most important, they drafted a Bill of Rights that reflected the higher nature and the aspirations of the American people, a bill that grew out of the American character, not one grafted onto it for the sake of some abstract theory.

There's a lesson in this for today's writers of national constitutions and international treaties, some of whom are with us today. Today, one often hears the concept of rights attached to specific social services or material standards of living. The framers, however, did not elevate acquisition of even the most vital goods and services to the status of rights. They trusted people to make the most of their liberty and to respond to the challenge of assuming responsibility for themselves, their families, their communities, and their government. And they understood that paternalism is just a sugar-coated tyranny.

Madison was his era's greatest champion of freedom of conscience. It is appropriate, therefore, that the very first article of the Bill of Rights guarantees Americans' freedom to worship, to assemble, to speak, and to publish. Today, respect for the founders' ideals of freedom of conscience still drives us as we seek to restore the freedom of voluntary prayer in the public schools. It still guides us in such efforts as protecting the rights of parents to choose schools and facilities for child care.

The Bill of Rights offers a highly-developed system of protection for persons facing criminal charges. The Bill protects suspects from arbitrary search and seizure. The Bill respects the human dignity of criminals convicted of even the most heinous offenses by banning cruel and unusual

punishment. The protections of personal rights, the safeguards against arbitrary actions of the military against private property, and the guarantee of the right to keep and bear arms have enhanced the public's respect for our law enforcement and military authorities. They protected our people from government abuses that were common in the 18th century and that persist in some countries today.

The final articles of the Bill of Rights asserts that the central Government should have no powers other than those explicitly given it by the Constitution. All other powers belong to the people or, where government is necessary, to States. It is this principle that leads us today to look first not to big government but to the incentives and efficiency of free markets in addressing such problems as protecting the environment.

For all the pride we should take in our Constitution and Bill of Rights, this must not be an occasion simply for self-congratulation. Indeed, if Madison could speak to us today, I think I have a good idea of what he would ask. He would ask: Are American citizens and their leaders still living true to the framers' legacy of limited government and ordered freedom? Are Americans still fighting to expand the frontiers of liberty?

As we begin our third century under the protections of the Bill of Rights, I urge my fellow Americans to focus on our Madisonian legacies in need of renewal.

The first is limited government. In many quarters, various groups have tried to replace our founders' vision with a vision of pervasive government. I simply cannot believe that the framers envisioned that the central Government would spend a quarter of the gross national product of this country.

Second is protection of property rights. The takings clause in the fifth amendment is based on a liberating political insight: A person's property serves as a bulwark of individual liberty and that government must pay a fair price whenever it takes private property for public use. By protecting a worker's earnings and savings, a family's home, or a small businessman's stake from unfair confiscation or ruinous overregulation, this principle seeks to protect the whole of society from gluttonous government.

Third is equal application of the laws. It was alien to Madison's ideals that legislators would exempt themselves from laws they impose on everyone else. He made this explicit in the famous Federalist Paper Number 57. Laws that do not apply equally to everyone offend the fundamental sense of American justice and fairness, and they threaten the public trust upon which free government depends.

And finally, we must renew our protection against the destructive forces of what Madison called factions. Factions, not the States or regions but what we today call special interest groups. That is why I urge sweeping reform of our campaign finance laws. And that's why I urge profound

reform of Congress's cumbersome committee system and its vast and powerful staffs. Unreformed, these systems support selfish lobbying and pressure groups at the expense of true popular sovereignty. And that's why I also seek comprehensive reform of our tort law system, to rein in the excessive litigation that is draining our economy and straining our national civility.

If we fail to heed Madison's warning against faction, we will reap a whirlwind of social conflict, litigiousness, and coercive Government action. It's up to us to choose: Do we want to live in freedom and harmony, or will we become slaves to factional feuds pitting women against men, race against race, every sort of fevered single-issue activist against the common good?

The Constitution and the Bill of Rights have endured for 200 years, far longer than most nations' charters for government. And they've enabled us, 10 generations of Americans, to govern ourselves and keep ourselves free. Their greatness is that they harmonize our national law with American civic virtues: hard work, commitment to family, commitment to community, postponement of gratification for the sake of larger and longer term good. They are not simply dry ink markings on a brittle, old parchment; they are the spirit that animates the American Nation. This spirit will keep America alive for new generations only if each of us renews the habits of liberty and justice. The Republic that Madison gave us will live for years to come only if we keep our culture committed to the civic virtues that he cherished.

Thank you very much for permitting me to join you on this historic occasion. And may God bless you in this important work of cultural preservation. And may God bless our country at this very special time of the year. Thank you all very much.

Note: The President spoke at 1:30 p.m. In his remarks, he referred to Robert Bass, chairman, and Jack Walter, president of the National Trust for Historic Preservation and Joan Smith, a member of the board of trustees of the National Trust.

Statement by Press Secretary Fitzwater on the Revocation of Resolution 3379 by the United Nations General Assembly

December 16, 1991

We welcome today's vote in the United Nations General Assembly to revoke the 1975 determination that equated Zionism with racism. The United States rejected this determination from the day it was passed because it branded as illegitimate the national aspirations of the Jewish people and the national existence of Israel. This action also worked to undermine the UN's moral standing and its ability to contribute to peace in the Middle East.

The President is gratified that his call for repeal in his speech to the UNGA in September has now received the overwhelming support of the international community. We commend those governments that co-sponsored or supported this resolution, and we salute the United Nations. Today's vote has enhanced the UN's credibility and serves the interests of peace that have been advanced significantly by the Madrid Conference and subsequent bilateral negotiations.

Prime Minister Shamir called the President to express his gratitude for the President's efforts to revoke the determination. The Prime Minister said the Jewish people are grateful for the President's leadership and rejoice in the outcome of the UN vote.

Last Friday and again today, the President spoke with Dutch Prime Minister and EC Council President Ruud Lubbers. On Saturday, he spoke with Chancellor Kohl and today with Prime Minister Major. These conversations centered on GATT and the Uruguay round. All the leaders agreed on the need to achieve a successful conclusion to the round and reaffirmed their countries' efforts in this direction.

In addition, the President spoke with President Mitterrand on Sunday concerning GATT and the Uruguay round. They also discussed the situation in the Soviet Union and the Republics and the United States' call for an international conference. The President noted that the United States will continue working with and consulting with all its allies on humanitarian needs for the Soviet Union and the Republics. The two also discussed the situation in Yugoslavia and the need to work urgently for an end to the violence.

Exchange With Reporters Prior to Meeting With Foreign Minister David Levi of Israel

December 17, 1991

Repeal of U.N. Resolution 3379

The President. It was very significant. It was an action that I think will make the United Nations much more effective. And it is long overdue. And that resolution shouldn't have been passed in the first place, but I think we all heralded the repeal of it, and I know it was a great day for Israel as well as for the United States and many, many other countries. So, we're very pleased.

And I had a lovely call from Prime Minister Shamir about it yesterday afternoon.

Middle East Peace Talks

Q. What are you doing to prod the peace talks, Mr. President? They seem to be on dead center.

The President. We're going to talk about that in a minute, so I won't take any questions. We, unfortunately, have a short amount of time here. But I've been looking forward to -- --

The Economy

Q. Could you comment on the polls and the economy, sir?

The President. Oh, you know me, I don't comment on polls. But on the economy, we've got to get it straightened out. Everybody has to pitch in and get that going. But no polling. We're not going to live or die by polls.

Q. What about the fact that -- --

The President. No, I said no more, hey, you didn't hear what I said, Rita [Rita Beamish, Associated Press]? I'm not going to take any more.

Q. What about the fact that -- --

The President. No, you didn't hear what I told Rita. [Laughter]

Thank you very much, though. Welcome, everybody. It's a great day, and we're very pleased to see you.

Q. It sounds like you're giving the polls a new -- you've taken a new look.

Q. None of the Arab countries in the peace process, however, joined with the United States in fighting the resolution. Do you have a reaction to that?

The President. Some have a little difficulty hearing.

Note: The exchange began at 11:04 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

Remarks on Welcoming Prime Minister Anan Panyarachun of Thailand

December 17, 1991

May I simply say to the journalists from Thailand, particularly, what a joy it is for me to receive this Prime Minister, a friend of long-standing. The friendship goes back some 15 years. He was a most respected figure back then in the United Nations, and he's now a most respected figure on the world scene. So this is a joy today for us. Thank you all very much for coming.

Note: The President spoke at 11:45 a.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of these remarks.

Teleconference Remarks on New Hampshire 2000

December 17, 1991

The President. Hello.

Governor Gregg. Mr. President.

The President. Judd, can you hear me?

Governor Gregg. Absolutely. Very well.

The President. Well, you sound like you're right next door here.

Governor Gregg. Well, the wonders of communication.

The President. The wonders. But, listen, I just wanted to check in with you to congratulate you on what I understand from Lamar's people is a fantastic team that you've put together there in terms of New Hampshire 2000. This educational, national education program, but with your putting proper emphasis on it for State and local and all of that. And I just really wanted to first hear how it's going because I understand you've got your commissioners there and the local superintendent and the local assistant superintendent and a principal, plus some other friends, all of which, which I think puts the proper emphasis on this whole program.

But from your standpoint, how is it going?

Governor Gregg. Mr. President, first I'd like to have all these kids here -- we've got a big crowd of kids here -- all the Derry kids say hello to you.

Can you folks say, ``Hello, Mr. President''?

[At this point, the group greeted the President.]

The President. Go, Derry. Go, Derry. [Laughter]

Governor Gregg. I don't think we even needed a telephone line for you to hear that down -- --

The President. No, I heard it outside as well as in.

Governor Gregg. We're doing very well up here. Derry's got an extremely energized program for going to a year-round school proposal with some extraordinarily interesting ideas. And we're very

excited about that initiative. We've got a lot of other initiatives going on in this State in the area of trying to increase awareness and activity in education. We recognize as a region, and especially New Hampshire recognizes, that education and well-educated kids and adults, quite honestly, are absolutely critical for our ability to be competitive in the world.

And so, we just want to thank you and certainly Secretary Alexander for taking the personal interest that you've taken in New Hampshire by making this call and having Secretary Alexander come up here to talk to us about your 2000 program.

The President. I'm delighted he's there. And I don't have to say this to make his ears burn, but he is doing a superb job across the whole country. First place, he's assembled a great team here. But I think even more important, with the help of the Governors, yourself included, I think with our education goals and now this America 2000 program, we're doing something positive. We're doing something new. It gets all across party lines. It's not Democrat or Republican, as you know. And I'm just delighted that you are taking this -- not surprised, but delighted that you are taking this leadership role up there on this important work.

And let me say this: This is a time when the country is hurting, and I know your State is in terms of the economy. And when people are hurting, why, we want to do everything we possibly can do. And this education program, though it is not of what you call short-term benefit, it is a wonderful guarantor for the future that every kid in New Hampshire is going to have the best opportunity to compete in a very difficult world.

In the meantime, we've got to do what we can here to stimulate the economy, get it going. But I look at education as a key to the entire future of this country. And that's why I feel as enthusiastic as I do about this program.

I might ask you to do me a favor and lean over -- is Lamar sitting right there?

Governor Gregg. No, unfortunately, he's not.

The President. Well, if you see him -- --

Governor Gregg. Oh, here he is, right here. I'm sorry. You snuck in on me. [Laughter] Here he is.

The President. Well, I'd like just to ask you to ask him, to give him a little homework there, and tell him that I really want to personally keep up with your progress. You and I, I'm sure, will continue to be in touch, but I just would like to hear from our education experts the innovation that New Hampshire brings to this, the local expertise that you're going to bring to bear on all of these problems and to keep us informed here in the White House of your progress. I know it will be good. But Lamar, if you're listening, please take that on as a personal request from the President.

Governor Gregg. He says he will dutifully do that, and we expect to be able to submit a straight-A report card from New Hampshire, hopefully. And I couldn't agree with you more that your emphasis on education as being one of the keys to getting our economy to turn around and, in the long run, is absolutely essential for us to be competitive as a State, certainly as a Nation.

The President. Well, you mentioned long run, but we're working to bring around shortrun decisive action that will identify with the people out there that are hurting. Your State is suffering, and I know it. I can feel it. In a sense, I'm a neighbor there. But I believe we just have to stay involved in the shortest run possible to help people who are hurting. But I also feel that this education initiative can be very, very stimulative, as you point out, and so please keep up the good work.

I understand that our man, Bill Zeliff, a great Congressman, is with you. Is that true?

Governor Gregg. Absolutely. He's sitting right with us.

The President. How's he behaving?

Governor Gregg. He says hello to you, too, Mr. President.

The President. And Jack Dowd, give him my best. And I understand, Representative Pat Skinner is there, and we know each other. So I really want to wish you well and just say thanks for what you're doing and please keep up your leadership.

And to those wonderful kids in Derry, you do absolutely everything that your teachers and principals tell you to do. And you're working in a great State there with a great Governor, and we're going to help. We are going to be a part of the answer in terms of educational reform in this country.

So, God bless you all. And may I say as I'm looking at the Christmas tree in the Oval Office with the cookies on it and presents already under the tree, I hope each and every one of you kids in Derry have a wonderful, Merry Christmas.

Governor Gregg. Thank you, Mr. President. I think they want to say good-bye to you.

Can everybody say, ``Bye, Mr. President''?

[At this point, the group said goodbye to the President.]

The President. Over and out.

Governor Gregg. Thank you very much.

The President. Good-bye.

Note: The President spoke at 12:05 p.m. from the Oval Office at the White House. In his remarks, he referred to Mayor Jack Dowd of Derry, NH, and Pat Skinner, chairperson of the education committee in the New Hampshire House of Representatives.

Interview With Bill Beutel of WABC - TV in New York City

December 17, 1991

The Economy

Q. Mr. President, I know you don't address polls, but you are aware of the one that came out today saying that your popularity, your approval rating, is lower than it has been since you've been President. It blames the low approval rating on the recession which the White House admits now is continuing. As you probably know, in New York City nothing is more important than the economy right now. Has the time come, sir, for the administration to jump-start, to try at least to jump-start the economy?

The President. Absolutely. And we've been trying, but the time has come to try again. And the economy is in trouble. It's sluggish. It has not responded the way all the experts felt it would, all the economists last summer. And so the answer is to try again, and I would call it try again for our growth package plus additions.

So one of the things we've done already is to free up some $9.7 billion worth of spending that would have come later in the year, try to use that to jump-start it. We'll have some other new ideas for the State of the Union Message. But absolutely, people are hurting, and I am trying to help. What I'm going to try to do, Bill, is to get up and over the heads of the Congress, if you will, and take my case to the American people in the State of the Union. And I think there's some things we can do before that. But we are trying very, very hard.

Q. Mr. President, you talk about the State of the Union. Here in New York City there is a feeling of greater urgency. The State of the Union does not come for something on the order of a month. People have asked me what would the President say to a man here in New York City who is out of a job, who has been out of a job, maybe a middle income job, maybe making $50,000 or $60,000 a year, and he's been out of work for many months. Christmastime is coming, and he is told by the experts that his job has disappeared. This is not a temporary layoff, but a permanent layoff, a restructuring of the economy. What do you say to a man like that?

The President. I say we've got to do better in job training. We've got some very good programs so you can retrain people who get into other lines of work. But the big thing is we've got to get growth restored. I have been pushing for certain growth incentives: IRA's, for example, to stimulate the homebuying industry; capital gains to stimulate new jobs. Some call it a break for the rich. It is a jobs bill. And so, what I've got to do is redouble my efforts to try to get these things through the Congress; that will help stimulate the economy and give that man a job in a new business.

And we're not going to do it by just kind of propping up old businesses. We've got to go for new businesses. And we've got to continue to try to expand our markets abroad. Fortunately, exports have had a big, had a salvation effect on the economy. But we need more exports. So, there's a wide array of things we can do to show that individual we care.

U.S. Manufacturing

Q. Mr. President, the other night, Sunday night, the Democrats, one of whom may be your opponent next year, Paul Tsongas, said that the only way that we will get the economy going is if the engine of the manufacturing sector gets going again. And we do not have a manufacturing sector, do we, anymore?

The President. Yes, we do. We've got a good one. But he's right in some ways. I mean, we want to stimulate the manufacturing sector of the economy. And some of the proposals that I've just made here, that we're for, I think would do that. No, but I believe we've got to do better in manufacturing. Frankly, we've got some good manufacturing. And one of the reasons for not pulling back into some isolationistic sphere is our manufacturing goods can compete with foreign manufacturers if we get free and fair access to their markets. So, we've got to do better in that regard.

But look, I'm not arguing with his point. We've got to do better in manufacturing.

The Homeless

Q. Mr. President, that same man who sits in New York out of a job, and many other people who look at the homeless on our streets and the situation here, ask why is it, how is it that the administration can be so concerned about giving money to the Soviet Union, or what was the Soviet Union, when so many things are wrong in our society?

The President. Well, take the homeless, for example. This administration is spending more money on the homeless than any previous administration. We have fully funded what's known as the McKinney Act. This is not simply a Federal problem, however, Bill. As you know, this is a problem that normally is handled by the cities. But the Federal Government is trying to help, and we've done better. I don't think we get much credit for it.

Incidentally, on the question of the homeless, we're also working hard to see if we don't have a better way to help those people who are mentally sick, estimated to be at about a third of the homeless nationally. And, as you know, the law was changed several years ago where you couldn't compel medical treatment for some of these people, and they were turned loose. And I think that's one that's plagued people in New York, and it's one that needs more compassionate handling. So, we're looking carefully to see if we can't do a little better job on getting treatment and compelling treatment for those who are homeless because of mental illness.

President's Dog

Q. Mr. President, a very young person in our newsroom wants to know how Millie is.

The President. Millie's doing pretty good. She's got a little lupus disease, but when her medicine is right you wouldn't -- she's in a kind of a remission, and she can hunt and run and jump around. But she's doing fine, and at this time of year it's kind of nice.

Q. Thank you, Mr. President, very much. Happy Christmas to you and your family.

The President. Well same to you and yours. And thank you for this opportunity.

Q. Thank you, sir.

Note: The interview began at 1:47 p.m. The President spoke via satellite from Room 459 in the Old Executive Office Building.

Interview With Jim Gardner of WPVI - TV in Philadelphia, Pennsylvania

December 17, 1991

Q. Mr. President, this is Jim Gardner from Philadelphia.

The President. Loud and clear. See you, Jim.

Q. How are you, sir?

The President. On a scale of one to ten? About a seven today.

Q. Well, that's not so great.

The President. It's pretty good.

Q. Well, it's not so bad.

The President. No, it's not bad.

The Economy

Q. Mr. President, I'm sorry -- Mr. President, we were interested to hear your spokesman, Marlin Fitzwater, this morning proclaim today that the country is, in fact, still in a recession. Until now you have said again and again that the country was technically not in a recession. What changed your mind?

The President. Well, I don't know about technically, but I think what we're trying to put the emphasis on is people are hurting. And some people can define it. Some areas will say, ``Hey, we're not in recession; we've got a certain amount of growth." Others will say, ``Tell us about it. We're in a serious recession."

So, rather than try to define or not define terms, what we're saying is: We are trying to help. And we've got to get this country doing better, to bring pressure on all of us, the administration and Congress, to do what we can to help. And we've done certain things that I think will. We've freed up $9.6 or $9.7 billion worth of Government spending. We're signing a jobs-intensive transportation bill that will kick it. And then, as you know, we're going to have some new initiatives at the State of the Union.

So, I'm less interested in what the technical definition is. You might argue technically, are we in

recession or not? But when there is this kind of sluggishness and concern, definitions, heck with it; let's get on with the business at hand.

Q. Mr. President, many thousands of Philadelphians have been suffering at the hands of the economy for far too long, and many of them would feel that they have been abandoned by your administration and specifically by you. I would assume that you don't see it that way.

The President. No, I don't. But I can understand their frustration. For a person that's out of work the unemployment rate is not 6.9 percent or 6.8 percent nationally; it is 100 percent. So, I can understand the frustration and, you know, you've got to take the heat in this job. I don't think there's any quick and easy answers to this economy. There are certain things we can do and that I've tried to do in three separate State of the Union Messages.

But for somebody that's hurting out there, Jim, I can understand their saying, ``Hey, the President isn't doing enough. Congress isn't doing enough." And I have to take the heat on that. I've got to take the responsibility. But what I'm trying to do is to lead this country out of this sluggishness to the best of my ability. And, as I say, we've got some proposals, and we're going to have more.

Public Opinion Polls

Q. The new ABC News/Washington Post poll, out this morning, says that 58 percent of the public think that you care more about serving the wealthy than you do about the middle class. I wonder, does this point to a failure of your economic policy or an inability of the administration to convey how it does feel?

The President. I think it's the latter and possibly the former, because people look at it and say, ``Hey, why can't you get Congress to do what you want it to do? You did it in Desert Storm." The difference is I didn't need Congress to move on Desert Storm, as you may well remember. So I think it's a combination of things. And I can understand when people are hurting that they feel that way, and a good thing happened on this polling, though. I vowed when the polls were sky-high not to live by the polls and saying I didn't believe them. And I'm not going to start now, trying to analyze where I stand. What we're trying to do is help people and get on with this trying to do what the Federal Government can do to help the recovery. It isn't just Federal Government, I might say, but we've got a large role in it, and I want to see us be more effective.

Soviet Nuclear Weapons

Q. The issue about nuclear weapons. Russian President Yeltsin is saying that Ukraine and Byelorussia have agreed to destroy their nuclear weapons. But the Presidents of those two Republics are reportedly saying that they won't get rid of their nuclear weapons or the nuclear weapons on their soil unless Boris Yeltsin gets rid of his. And the President of the Islamic Republic of Kazakhstan is now saying that he wants to keep his nuclear arms. Secretary of State

Baker is saying he has no more concern than normal. But aren't Americans right to be concerned about nuclear stability in that part of the world?

The President. One of the things that we are trying to do in handling this peaceful evolution in the Soviet Union, in the Republics, is to be sure that the nuclear question is handled well. And one of the reasons I spend a fair amount of time on this question is because I think I owe it to the American people to use the best of our ability to see that this nuclear question is handled correctly.

I hadn't heard the latest that you've just given me on one Republic, but I can tell the American people this through you: We are getting proper assurances from all about the safe disposal of and accounting for and control of nuclear weapons. And that is a key. That's one reason why, when I hear this criticism, ``Hey, you shouldn't spend time on foreign affairs,'' by some of these turning-inward people -- we must do it. We owe it to the kids there in the State of Pennsylvania and everyplace else. And I am not going to forswear my responsibilities for leadership in this area.

AIDS

Q. Mr. President, here in Philadelphia, this morning marked the start of a program to make condoms available to juniors and seniors in the city's public schools. How do you feel about that?

The President. I'm not enthusiastic about that. I certainly would like to see more in the hands of families; more in the hands of education. And I have expressed myself, and you know, let the local jurisdictions do what they want. I mean, they have rights. States have rights. Local communities have rights. Local school boards have rights. But you ask me, I would much prefer to see this matter handled through better education, through behavior, getting people to understand that in the case of AIDS this is a disease that can be controlled, for the most part, by individual behavior. And I don't think passing out condoms is the way you affect individual behavior, very candidly.

So I'm less enthusiastic about that approach than I am about doing a better job with family, with education, with getting forward with the whole behavioral side of the equation.

Q. Mr. President, I appreciate you sharing your thoughts with us today.

The President. Nice to be with you. Have a good Christmas.

Q. You, too, sir.

Note: The interview began at 1:53 p.m. The President spoke via satellite from Room 459 in the Old Executive Office Building.

Interview With Linda Yu of WLS - TV in Chicago, Illinois

December 17, 1991

The Economy

Q. My name's Linda Yu. You've acknowledged that as President you've got to take the heat for this economy, and people are blaming you for not doing something about it. Besides speeding up the spending of $1.9 billion in Federal money for programs, what specifically are you going to suggest can be done for the economy, that the President can do without concurrence by the Congress?

The President. Well, $9.7 billion is the figure and I think that will help certainly in some areas. I'll be signing a transportation bill tomorrow that's going to free up a bunch of money for construction projects. And then we may have one or two other things that are of significant size before the State of the Union. But a lot of what can be done in Washington relies on congressional action. And so, what I'm going to be doing is taking a package -- some new elements, some sound old elements that we have not gotten Congress to pass, and say to the American people, ``Look, I need your help now. I want to lay aside partisan politics and pass this job-creating package to help the economy". So, that's the game plan, Linda.

Q. A lot of people are going to say: We hear about all those old elements all the time; they don't seem to be working. What are some of the new elements you're going to propose?

The President. I wouldn't tell you about that because we're still formulating the package. But stay tuned for the State of the Union and, as I say, possibly before then. But they shouldn't say old elements that haven't worked. They should say old elements that have not been enacted. Because some of the things we're proposing, such as IRA's that would help the first-time home-buyer, and stimulate the home industry, or capital gains that would stimulate and create jobs: these things are good ideas that we simply haven't gotten Congress to enact yet. But we're going to keep on trying. We've got to help the economy and help the people that are hurting.

Q. I talked to four Chicagoans who wanted to pose questions to you, and I'm going to tell you about them and tell you their questions.

One is a man from the Chicago suburbs. A veteran of Desert Storm, served in Saudi Arabia and Kuwait, laid off when he got back from the Persian Gulf. And he says, ``It was almost better when I was in the Persian Gulf. At least I knew where the next check was coming from. My wife and son would receive some money every month. I wonder what the next year's going to hold for me. Mr. President, is it going to be better for me?"

The President. I think it is going to be better. I certainly hope so. And I can say that because I really believe that we'll come out of this sluggish economy, some places clearly are in real decline. And so, to him I'd say, ``One, we're grateful for the service. Two, the country hasn't forgotten that service because of the urgency of the economy here. And three, yes, I think times will be better, and I can guarantee you they'll be better if I am effective in getting through the Congress the proposals that I will pose to them at the State of the Union."

We've had some. We've not been able to get them through the Congress. Three straight years I've proposed growth packages. But I've got to do better. I have got to get the Congress to see that we must help these people you're talking about.

Education

Q. Another woman from Chicago who gave up a career for her children. She's a volunteer in the Chicago public schools for the last 10 years. She says, ``President Bush, I'm one of your Points of Light. I'm wondering, though, how can we improve math and science in our schools when we don't even have the money in Chicago to buy toilet paper and soap for schools, for our children. Why do you feel money for our children is less important than bailing out the savings and loan industry?"

The President. I don't think money for the children is less important. Federal spending for education is up. But I would remind her, tactfully because she does sound like she's an unselfish person who is out there trying to help as a volunteer and that is an enormous part of the success in education, I would remind her that the Federal Government spends 6 to 7 percent of the total money on education. Educational spending in the last 10 years is up from, oh, by a couple of hundred billion dollars from $115 billion, or something like this, to well over up around $300 billion.

So, it isn't always a function of money. Our America 2000 education program offers the best hope from the Federal level. It's not going to replace the State level or the level she's talking about, or what the communities can do for the toilet paper or for the classrooms, but it offers the best hope from the Federal level of getting our kids better educated. I'm excited about it. I believe America 2000 can really fulfill the Federal Government's responsibility.

Q. We also have a woman, a mother, who raises her children in the housing projects of Chicago. One's been accused of gang murder. Her children have been shot at. And she says, ``Mr. Bush, my family's really no different from your family. I have the same struggles trying to raise my children that you faced raising yours, but my community is very unsafe. I go outside there are drug dealers on every corner. I look around, the drug dealers have a lot of resources, but I don't have any. What are you going to do about it?"

The President. What I think she ought to do is support our anticrime legislation that's hung up in

Congress. It's awful hard to ask a person who's struggling at that level. But if more Americans will get in and say we want a tough crime bill, one that supports the police officers more and tougher on the criminals, I believe that would help her. In addition, we've got a National Drug Strategy that is doing better in terms of the interdiction of narcotics. But I really believe the short-term answer is more support for the law enforcement officials. the local police there in Chicago, they do a first-class job, and they need more support through Federal law, and I think sometimes through State and local law enforcement.

So, that's the advice I would give.

Chicago's Billy Goat Restaurant

Q. You were here in Chicago last week, and everybody wants to know when you went to Billy Goat's, did you really like the ``cheezboygers, cheezboygers''? [Laughter]

The President. It's your pronunciation I like. Yes, I did. I did. And I got a bum rap. Somebody said I asked for french fries; I didn't. That was the guy that owns the place sitting next to me saying, ``chips only," before I even got my mouth open. But, boy, I loved it. I had two ``cheezboygers."

Q. Cheezboygers.

The President. Oh, yes. They were great. And the people, the people were nice that I sat with. And, you know, let me tell you something, Linda, when you do something like that, everybody says show business. It isn't. A couple of those guys were sheet metal workers that had just gotten to work. One was an unemployed writer, a woman who told me of what it felt like to not have a job. Another had a job at a company called Hill and Knolton. Another was a guy struggling but doing, I think, reasonably well in the computer business.

So, I talked to them. And although they had those mics, that you people love, looking over my shoulder, at least I learned something. And I could tell them, hey, we care and we want to help. And I think they know it. I think they know that's what I feel in my heart. So, it was a great visit. A great visit.

Q. We hope so, Mr. President. We were glad you visited here. And thanks for talking to us today. Merry Christmas.

The President. Thank you, Linda Yu. And have a Merry Christmas to you and your family and all in the area.

Q. Thanks.

Note: The interview began at 2 p.m. The President spoke via satellite from Room 459 of the Old Executive Office Building.

Interview With Richard Brown of KGO - TV in San Francisco, California

December 17, 1991

The President. Richard, can you hear me?

Q. Yes I can, Mr. President. Richard Brown in San Francisco.

The President. I see you and hear you, loud and clear, sir. Go ahead.

Q. I don't know whether being fourth or fifth would be better in this round of interviews, but -- --

The President. In baseball it's considered the best. Clean-up, clean-up hitter.

AIDS

Q. Let's begin by talking about AIDS. Mr. President, drug users now represent the number one risk group for AIDS. Now, if we want to save lives, why not support the distribution of clean needles to drug addicts to prevent the spread of AIDS?

The President. Because I think, in a sense, that would encourage the drug habit. And so, I don't approve of that. I don't think that's the answer. I think education is the answer. I think the research that we are doing here at NIH and all across the country will prove to have the eventual real answer. Just as they discovered an antidote through the Salk vaccine to polio, I am confident that we'll get one on AIDS. It's a little ways down the road. I worry that that would encourage drug use when we are trying to educate people off of drug use and treat those who have the addiction so that they won't use drugs. That's the reason I feel that it's not a good idea.

Q. What about condoms to teenagers now?

The President. Look, it's dealer's choice. Let them try it out there. You asked me my opinion, and I can add to it: Would I want this as a national program, something at the Federal level? No. Excuse me.

Q. What about condoms to teenagers, Mr. President?

The President. Well, again, dealer's choice, but not for me, and not for the Federal Government. What I want to see is education. I don't think that just passing out condoms, giving up on lifestyle, giving up on family and fundamental values is correct.

Indeed, I must tell you, I'm worried about it. I'm worried about so much filth and indecent material coming in through the airways and through these trials into people's homes. I think the American people have a right to be protected against some of these excesses. While people have a right to a fair trial, I think the American people have an overriding right to let those matters be decided behind closed doors.

In terms of just national passing out condoms to people, I am not in favor of that. But I am in favor of teaching values that normally were taught in history by the family, by others pitching in, in schools and other places, to instruct and to encourage people to lifestyles that can prevent AIDS or can prevent pregnancy. That's what we need.

Q. Mr. President, do you think that Magic Johnson's admission that he's HIV-positive is going to encourage you and the administration to kick in more money for AIDS research?

The President. I don't think it's a question particularly of more money. Federal funding for research is up under our administration, and I'm very proud of that. But we have a very good research team, headed by Dr. Tony Fauci and others out at NIH, and though they could use more money, and I'll take a look at that in the Budget, they are not saying to me our research is starved out because of lack of funds.

So, it's a question of doing as much as the Federal Government can, and taking pride in the fact that we've done more than anyone in the past, but we've got to find the answer to this question. And again, I'm somewhat optimistic about that, having had a thorough briefing the other day.

I'll tell you what Magic's willingness to engage himself in this national commission will do: It will teach people that wayward lifestyles or just kind of unsafe sex at random is not the way it ought to work. And I think he'll be witnessing to that, and I think that can have a great influence on young people in this country. I think it already has, as a matter of fact.

The Economy

Q. Let's talk about the economy for a couple of minutes, Mr. President. Big corporations are now saying that they're restructuring, that these layoffs that they're going through are permanent. If that is the case, and The New York Times suggests that it is, what is the Federal Government going to do to adjust to this and to get people working again?

The President. New jobs. New jobs and new industries. And, you know, I keep coming back to it, and I think some of the people in your area understand it better than others do across this country: One thing that would help -- not entirely solve the problem -- is a capital gains tax reduction. Japan taxes it at 1 percent, Germany at zero. And we are asking our people that start up businesses to create new jobs, to go into the ball game with their hands tied behind their back.

So, let the Democrats and the liberals tell me that this is a tax cut for the rich. I think it would do just exactly what needs to be done for those people whose businesses are shifting and whose businesses are changing and who lose a job because of changes in industry.

That's one area. We've got some proposals for IRA's to stimulate the economy that we've had to the Congress, and I'll try again on those. We've got a new highway bill tomorrow that won't solve the problem that you're talking about, the white-collar worker thrown out of work, but will help stimulate this economy by substantial amounts of Federal spending for construction projects.

So, there's a lot of things working. I've accelerated $9.7 billion in Federal spending that would have been spent way back in the end of the year, and that will have an effect. But the answer is for those people that you talk about, is job retraining and new opportunities, which means economic growth.

Education

Q. Mr. President, one final question. How about a Marshall plan for education, to get education moving?

The President. Please define what you mean by that.

Q. What we basically are trying to do in education is to try to move it along, to try and get it going again. And people are saying, ``Well, we need some help from the Federal Government." And the Federal Government seems to be encouraging it, but yet doesn't seem to be indicating there's any money available for it.

The President. Well, in the first place, Federal spending for education is way up. In the second place, Federal spending for education represents about 6 or 7 percent of the total money. Historically, and properly in my view, education spending is closest to the people. It's at the local school board level, the community level, and indeed, the State level. The Federal percentage is something like 6 or 7 percent, and it has gone up.

Overall spending for education has gone from something like $115 billion 10 years ago to about $300 billion or over. I believe it's over that now.

So, to those who say the answer is spending, they ought to take a look at our America 2000 education program which simply says this: Working cooperatively with Democrats, Republicans, Governors, we've defined six national education goals. And now what we're doing is saying the way to get those goals implemented is through a program called America 2000 that literally reorganizes and revolutionizes American education. And it is a good program. It is getting tremendous support in all of these States, including the State of California.

So, I think the Federal Government is out front and leading. I don't think we ought to preempt the San Francisco schools. I don't think we ought to come in and say, ``Okay, here's your curriculum, here's your mandatory test, here's exactly how you ought to run your business."

I think we've got the role defined properly, and I think it's adequately funded, though I wish we had more for it, and I know it's going to be a success.

Q. Thank you, Mr. President. Merry Christmas to you, Mr. President.

The President. Same to you and your family, and thanks a lot, and to all the people that listen to your program. Thank you very, very much.

Q. Thank you, Mr. President.

Note: The interview began at 2:06 p.m. The President spoke via satellite from Room 459 of the Old Executive Office Building.

Interview With Harold Green of KABC - TV in Los Angeles, California

December 17, 1991

Economic Growth

Q. Mr. President, I was at the Punch Bowl Cemetery a week ago, covering your speech there. And I was struck, sir, as you talked to the veterans about how America got behind the Gulf war effort as we did the World War II effort. Is it possible in this day and age, sir, to get behind this economic problem we're having in this country? Is there any way you can fire up the troops in this country, so to speak, so that that same sort of enthusiasm moves into that area?

The President. I hope so, and I am certainly going to keep on trying. We're going to have a renewed focal point of an effort at the State of the Union Message.

Without sounding defensive, Harold, 3 straight years we've sent growth programs to the Congress in the State of the Union Message. And very candidly, I've not been able to get a partisan Congress to move on these initiatives. They have other ideas.

But I think it is time to set aside, as your question implies, these partisan differences and say, ``Look, people are hurting out there in this economy. Let's get this country moving again."

The war and domestic are different. I didn't have to get permission from the Democrats to move troops, to say, ``We're going into battle tonight. We're going to give the command to General so-and-so." I didn't have to do that; I have that authority as President. To enact programs, I do have to do that. But your answer is, I've got to succeed in this. I have got to get this country moving again as best we can from the Federal level. And we have good programs, and I think I can do it.

Q. President Bush, you have called, of course, for a cut in the capital gains tax. Can you be more specific? What other ideas do you have to jump-start the economy?

The President. Well, when you use the word ``jump-start," let me say that the signing of the transportation bill tomorrow, which will be one of the successes for jump-starting, will be effective. In addition, we've accelerated $9.7 billion worth of Federal spending. Now, we've got a several-trillion-dollar economy, but $9.7 billion that would have been spent later is going to be spent sooner because of this trying to jump-start the economy.

There may be a couple of other things of substance that I'll be able to do before the State of the Union. But the big one is to say to the country, ``Look, let's set politics aside. Let's get together and now go forward on a growth package." And some of it will have a short-term benefit. For

example, IRA's, you know, these IRA's, these savings accounts to stimulate first-time homebuyers, I think once we pass something like that, that will have a psychological effect on the home-buying business.

So, there are other things we can do. We're trying hard to eliminate the excess of regulation. That doesn't require legislation, and we're making some progress there. Financial reform would help enormously. But we didn't get it through Congress. I'm going to try again.

So, these are some of the ideas that I think can have enormous benefit to those people that are really hurting because they don't have a job.

Q. Mr. President, there was a statistic that was released last month by the Government that said that the number of people who have given up looking for jobs has risen. People who have given up looking for a job, sir, I don't know many people here in southern California who fit that description. What do you say to these people? They haven't given up looking for a job, they've just perhaps given up hope that there are no jobs available.

The President. I'd say let's get the economy stimulated. You know, Californians seem to understand the capital gains argument better than most. Japan pays 1 percent, when you sell out of a business, of capital gains. Germany pays no capital gains. And we are up in the astrosphere, whatever, stratosphere with capital gains.

So, the Democrats, mainly the liberal ones, accuse this of being a tax cut for the rich. Those businesses in California that started with incentive when -- know that capital gains differential is important. And so, there is one area that I think would have a stimulation on new jobs.

The guys get thrown out of work because we're cutting back on defense spending. Now, he's entitled to job retraining, and we've got good programs for that. But he also is entitled to the hope, not the hopelessness of the guy that gives up; he's entitled to the hope that new jobs will be created. And we ought to move all these barriers to creating jobs out of the way, and that's what I'm trying to do.

Foreign vs. Domestic Policy

So, I would tell them, ``Don't give up. Don't despair."

Q. Mr. President, you've heard the criticism: You're more interested in international problems than domestic problems, more interested in what's happening in the Soviet Union than you are here in southern California. How do you respond to that, sir?

The President. I say it's not true. And I touched on that one out at Pearl Harbor. In the first place, it is the growth in exports that have saved a struggling economy. And if you pull back into some

isolationistic sphere and neglect foreign markets, why, you're crazy. So, I've spent a lot of time on trying to get a trade agreement through in the GATT round with Europe, and a lot of time recently on that.

I also believe that -- I don't know if you have kids, but I know about my grandkids, and I think they've got a chance now to grow up in a lot safer world. I think there is less chance of nuclear confrontation than there was before we started trying to handle things with the Soviet Union and Eastern Europe and the Middle East the way we're handling them.

I guess my bottom line on this thing, Harold, is you can't separate foreign policy from domestic. We have a stake in whether these nuclear weapons are handled safely in the Soviet Union. So, I'm not going to neglect that responsibility, but I believe I can do both and should do both: be fully engaged in trying to help this economy and, secondly, not neglect my responsibilities for world peace. This goes with the territory. This is my pay grade.

America 2000

Q. I do have children, sir. I'm concerned about their education, as you are concerned about education. Another criticism, sir, that you'll bail out the S&L's, but you won't take money and bail out our educational systems.

The President. Well, let me address myself to that one. We have the best Federal approach to education that the country has ever seen. It's called America 2000. We started with Democratic and Republican Governors at Charlottesville. It was a couple of years ago. We adopted for the first time six national goals. And now what we've done is enlist the help in States, not just at the Governor level but in the State commissioners of education, in the teacher level, in the district superintendent level, in the principal level, to literally revolutionize our schools.

On the defensive side of the equation, Federal spending for education is up. But the Federal part of education is 6 or 7 percent of the total education bill. Why? Because it is correct that the local communities and the States do what has historically been done. American parents want their kids' education control closest to them. But we're doing a good job on education. And I can understand the frustration of some: ``Please give us more money. Please give us money.'' That is not the way we're going to revolutionize these schools and give our kids a better chance in math or science or history, or whatever it is.

President's Approval Rating

Q. Mr. President, I would like to say Merry Christmas to you and your family, and I hope you won't let the polls that were released today, those figures, spoil your holiday season, sir. You deserve -- --

The President. They don't help any, but I don't live and die by polls.

You know one thing, Harold? When they were sky-high, thank God I said, hey, don't worry about these polls. And I've learned to take it. And it's not a good time for our country. And of course the President should share his part of the responsibility. And all I can say is we are going to whip this sluggishness in this economy and make things better. I don't care what it means I have to do, but we're going to do it. So I go into Christmas feeling pretty good. But thank you for your thoughts.

Q. Thank you, sir.

Note: The interview began at 2:12 p.m. The President spoke via satellite from Room 459 of the Old Executive Office Building.

Statement on Signing the Act Amending Public Health Service and Controlled Substances Acts

December 17, 1991

Today I have signed into law S. 1891, an Act that amends the Public Health Service and Controlled Substances Acts.

The Act has two provisions. Section 1 would broaden the authority of the Secretary of Health and Human Services to waive the recovery of Federal funds used in the remodeling, construction, and expansion of community mental health centers. Section 2 of S. 1891 would permit the Attorney General to transfer to States real property that has been forfeited under the Controlled Substances Act. States would have to use the property for recreational or historic purposes or for the preservation of natural conditions.

It is my intent that transfers of property under section 2 will be limited to situations in which the transfer will not breach the obligations of the United States to any State or local law enforcement agencies entitled by law to a share of the proceeds from the sale of such property. Moreover, I intend that State and local agencies receiving transfers pursuant to section 2 will assume responsibility for the payment of claims by innocent lienholders and for out-of-pocket expenses incurred by the United States in the seizure, management, or forfeiture of the property.

George Bush

The White House,

December 17, 1991.

Note: S. 1891, approved December 17, was assigned Public Law No. 102 - 239.

Executive Order 12783 -- Extending the President's Council on Rural America

December 17, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to extend the President's Council on Rural America, it is hereby ordered that Executive Order No. 12720 is amended by deleting the text of section 3(e) and inserting in lieu thereof ``The Council shall terminate on January 16, 1993."

George Bush

The White House,

December 17, 1991.

[Filed with the Office of the Federal Register, 11:06 a.m., December 18, 1991]

Note: This Executive order was published in the Federal Register on December 19.

Proclamation 6395 -- Basketball Centennial Day, 1991

December 17, 1991

By the President of the United States

of America

A Proclamation

When Dr. James Naismith invented basketball a century ago, he could not have envisioned what would become of the simple game he had devised to entertain his students between the fall football and spring baseball seasons. Today the uniquely American game of basketball is one of the fastest paced and most widely popular team sports in the world.

Dr. Naismith's brainchild has changed dramatically since a janitor helped him hang peach baskets at each end of the gymnasium at the International Young Men's Christian Association Training School in Springfield, Massachusetts. Once played primarily at YMCA facilities, basketball now boasts players and fans around the globe. Breakaway rims and gravity-defying jump shots have replaced the one-handed set shot into wooden receptacles; three-point goals now reward players who can shoot accurately from long range; and more and more women are taking up the game at all levels of competition.

Each of these changes has made basketball more exciting to watch, expanding its appeal to people of all ages and all walks of life. Indeed, few sporting events generate more spirited rivalries than a high school state basketball championship, the NCAA 64-team tournament, or the NBA Finals. Since 1904, when it was introduced as a demonstration sport, basketball has also been a thrilling part of the Olympics. The United States is proud of the many Olympic titles that have been brought home by our American teams, including the 1984 Women's Gold Medal.

In every city and town across the United States, playgrounds and gymnasiums are filled with youngsters who dream of success on the hardwood. However, whether one aspires to play professional ball or simply hopes to win a friendly pickup game, anyone who spends time on the court knows the importance of mastering the fundamentals: dribbling, passing, shooting, and rebounding. Once these skills are developed, an athlete must then learn to coordinate his or her game with the other four players on a squad. This combination of individual achievement and teamwork is what makes the game of basketball both fascinating and rewarding. The great college coach, John Wooden, may have said it best when he explained:

In basketball, we meet adversity head on. It's so much like life itself: the ups and downs, the obstacles -- they make you strong. A coach is a teacher, and like any good teacher, I'm trying to build men.

Like all sports, basketball not only promotes physical health and fitness but also fosters virtues that serve players well on and off the court. On this occasion, we proudly celebrate the 100th anniversary of this uniquely American game.

The Congress, by Public Law 102 - 210, has designated December 21, 1991, as ``Basketball Centennial Day'' and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim December 21, 1991, as Basketball Centennial Day. I invite all Americans to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this seventeenth day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:05 a.m., December 18, 1991]

Note: This proclamation was published in the Federal Register on December 19.

Memorandum on Migration and Refugee Assistance for Yugoslav Refugees

December 17, 1991

Presidential Determination

No. 92 - 9

Memorandum for the Secretary of State

Subject: Migration and Refugee Assistance for Yugoslav Refugees

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I determine that it is important to the national interest that up to $7,000,000 be made available from the U.S. Emergency Refugee and Migration Assistance Fund (the Fund) to meet unexpected urgent needs of refugees and other displaced persons resulting from the civil conflict in Yugoslavia. These funds may be used to provide U.S. contributions to the United Nations High Commissioner for Refugees, the International Committee of the Red Cross, other international organizations, governments and governmental organizations, and private voluntary organizations, as required.

You are authorized and directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority and to publish this memorandum in the Federal Register.

George Bush

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister David Levi of Israel

December 17, 1991

The President met today for approximately 20 minutes in the Oval Office with Israeli Foreign Minister David Levi. Their discussion centered mainly on the United Nations General Assembly's revocation of the ``Zionism is racism'' determination and on the Middle East peace process. The President expressed his satisfaction with the repeal, calling it a responsible action on the part of the U.N. The President emphasized the importance of not allowing procedural concerns to dominate the peace talks and of seizing this historic opportunity for peace.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Anan Panyarachun of Thailand

December 17, 1991

The President met with Thai Prime Minister Anan Panyarachun in the Oval Office and then hosted a working lunch. They discussed bilateral trade issues, developments in the fight against narcotics trafficking, and key regional issues including implementation of the Cambodia settlement agreement and Burma. The President stated his expectation that U.S. concerns on patents would be addressed. Discussions also centered on democracy and human rights and steps toward elections next March in Thailand. The President reiterated the U.S. commitment to regional security. The President described his forthcoming visit to Asia and heard the Prime Minister's views on developments in the region.

Remarks on Signing the Intermodal Surface Transportation Efficiency Act of 1991

December 18, 1991

Thank you all very, very much. Arnold, thank you. You did just great. Thank you all. Please be seated, and thank you so much. Angela Dominguez, over here, thank you so much for being with us. And Dr. Friend, thank you, sir, for your remarks, especially the kind reference to my dad. I know how deeply he believed in one of Eisenhower's greatest legacies, that Interstate Highway System.

To Acting Secretary of Transportation Busey and, of course, I would like to single out my new Chief of Staff Sam Skinner, who deserves great credit for what we're about to sign here today. He's with us.

Let me single out the Members of Congress, the ones sitting on the dais here. This bill required some very heavy lifting. And I'm particularly grateful to all those Members that are here today, but let me just particularly welcome Senator Moynihan; Senator Reid; Senator Lloyd Bentsen, our own Senator from Texas; Congressman Bud Shuster; Chairman Roe, from the House side who did such a superb job on this; Norm Mineta, another Member of Congress; and then my old friend and colleague, Congressman John Paul Hammerschmidt from Arkansas.

But there are many more Members here today. And the point I want to make is this wasn't a Republican effort, a Democrat effort, a liberal or conservative. It was bipartisan, and it was all-American. And I think it's going to be a great thing for this country.

I also want to salute Steve Bartlett, a former Member of Congress who has long been interested in this, the new Mayor of Dallas. We have other leaders here from Fort Worth as well. I'm told that Charlotte Mays, the newly elected city councilwoman from Dallas, came over with us. But in any event, we have a great turnout of local and State officials which I think bodes well or speaks well of the kind of legislation we have.

We also have with us the Federal Highway Administrator Tom Larson; Urban Mass Transit Administrator Brian Clymer; the Federal Railroad Administrator Gil Carmichael. Arnold Oliver is the executive director of the Texas DOT. James Morris, chairman of Mothers Against Drunk Driving is here, and that's important. Other representatives of MADD are with us here today.

Honored guests and fellow Texans and fellow Americans, welcome to all of you, particularly those working in this construction project.

That great observer of democracy, de Tocqueville, once called America ``a land of wonders in

which everything is in constant motion and every change seems an improvement." Well, today we celebrate an improvement that can keep America in motion: The most important transportation bill, as Dr. Friend said, since President Eisenhower started the Interstate System 35 years ago.

This bill will launch the postinterstate era of America's surface transportation system. It will enable us to build and repair roads, fix bridges, and improve mass transit; keeps Americans on the move, and help the economy in the process. But really, it is summed up by three words: jobs, jobs, jobs. And that's the priority.

Yes, these are tough times, and yes, there are layoffs. And many families are having a rough go of it. And the American people want action. And action is what they'll get. And I want every American to know that getting the economy back on track is my number one priority, and I expect I speak for the Members of Congress here from both sides of the aisle. It is their number one priority as well.

Today we're taking action: $11 billion pumped into the economy, supporting 600,000 jobs. Tomorrow I'll meet with the trade mission that I'm leading to Japan to help open the giant markets there to more American exports. And that means the same three words: jobs and jobs and jobs.

We Americans are inspired by the idea that tomorrow can be better than today. And shortly I will sign a bill that puts that idea into action. It's full name is the Intermodal Surface Transportation Efficiency Act. And that's shorthand for progress. Progress for our infrastructure, for the economy, and I'm proud to stand here and say this bill is progress for working Americans all across this great country.

This act will pump $11 billion into the economy immediately, supporting more than 600,000 jobs in fiscal 1992; in Texas alone, more than 41,000 jobs. Many of those workers will develop sites like these, demonstrating the combination of transportation planning, high-tech, and teamwork that America needs to prevail in the world marketplace.

Today's event confirms that America will prevail. As a result of this bill, on this site alone, it means 150 jobs and $31 million in spending. And the benefits won't stop at this site. Not far from here, over in Plano, Texas, a company called Luminator Mark Four makes products for mass transit systems. I understand that Luminator hopes to use funds provided by this act to expand its work force by 35 percent. That would be another 150 jobs, jobs right here in our State of Texas.

Across America, the transportation act will help companies put people back to work. And it's in addition to the Government programs I've ordered speeded up, putting a $9.7 billion extra into the economy during the first two quarters of the fiscal year.

And this bill also means investment in America's economic future, for an efficient transportation system is absolutely essential for a productive and efficient economy. Give Americans the tools

to compete, and I'm confident that we can outthink, outperform, outproduce anybody, anywhere.

Our bill gives the private sector new incentives to support our road system. For instance, this land has been donated by local business, and I'm especially proud that Congress accepted our proposal to help private firms build and operate new private toll roads. Private toll roads can pay their way, creating higher State and local revenues, better services, more investment, and once again, more jobs.

Here's another part of the bill I like: It authorizes a new incentive program to improve occupant safety and to prevent drunk driving. Especially in the holiday season, it just breaks my heart to see needless tragedy on our Nation's roads. It's time we got the drunk drivers off the roads once and for all. And I know the people of MADD, Mothers Against Drunk Driving, agree with that. And on behalf of a grateful Nation, this is a good time to thank them for what they're doing for everybody all across this country.

As much as anything, by improving our transportation system, today's signing will helpÿ7Eÿ7Eÿ7E Americaÿ7Eÿ7Eÿ7E competeÿ7Eÿ7Eÿ7E inÿ7Eÿ7Eÿ7E theÿ7Eÿ7Eÿ7E globalÿ7Eÿ7Eÿ7E marketplace.ÿ7Eÿ7Eÿ7E Whenÿ7Eÿ7Eÿ7E weÿ7Eÿ7Eÿ7E moveÿ7Eÿ7Eÿ7E America,ÿ7Eÿ7Eÿ7E Americaÿ7Eÿ7Eÿ7E movesÿ7Eÿ7Eÿ7E theÿ7Eÿ7Eÿ7E world.

And it doesn't require genius to know that in an international marketplace, a nation moves no more rapidly than its infrastructure permits. And yet, too often, goods are held up or workers are late to their jobs because our surface transportation system simply isn't up to the job. I'm glad to say this bill is going to start changing that.

Each year, 8 billion hours, it's estimated, are wasted in traffic delays. This act, in combination with State and local efforts, will help curb congestion through projects that link highways like SH 360 and mass transit like the light rail and high-speed systems between Dallas, Fort Worth, and the DFWÿ7Eÿ7E Airport.ÿ7Eÿ7E Weÿ7Eÿ7E haveÿ7Eÿ7E toÿ7Eÿ7E helpÿ7Eÿ7E theÿ7Eÿ7E employeeÿ7Eÿ7E who'sÿ7Eÿ7E stuckÿ7Eÿ7E inÿ7Eÿ7E trafficÿ7Eÿ7E soÿ7Eÿ7E thatÿ7Eÿ7E heÿ7Eÿ7E orÿ7Eÿ7E sheÿ7Eÿ7E canÿ7Eÿ7E getÿ7Eÿ7E toÿ7Eÿ7E workÿ7Eÿ7E andÿ7Eÿ7E helpÿ7Eÿ7E theÿ7Eÿ7E economy.ÿ7Eÿ7E Andÿ7Eÿ7E theÿ7Eÿ7E placeÿ7Eÿ7E toÿ7Eÿ7E startÿ7Eÿ7E thatÿ7Eÿ7E oneÿ7Eÿ7E isÿ7Eÿ7E rightÿ7Eÿ7E here.ÿ7Eÿ7E Theÿ7Eÿ7E timeÿ7Eÿ7E toÿ7Eÿ7E begin,ÿ7Eÿ7E rightÿ7Eÿ7E now.

All of us know the state of some of our highways. And I'm reminded of them when I read the Isaiah verse of the admonition that ``The crooked shall be made straight, and the rough places plain." I'm not sure Isaiah had that in mind, thinking about the shape of our Interstate System. But nevertheless, this transportation act will smooth out and streamline our Nation's highways. And it will enhance our transportation efficiency by investing in our 155,000-mile National Highway System.

I'm pleased that the increased funding will improve road conditions, ease traffic congestion, and reduce delays for the trucking industry, thus letting them move those consumer goods more quickly and at lower cost, and reducing our dependence on foreign oil. The new National System will represent only 4 percent of all public roads but will carry 75 percent of intercity truck traffic and 40 percent of all travel. This system will increase access to American products and services and then, ultimately, prosperity. And that's good for Dallas, good for Texas, good for Fort Worth, good for Tarrant County, good for Dallas, good for America, and I'm proud, very proud, that the bill will make that happen.

Transportation is an $800-billion-a-year business. And as the world trade grows larger, and as our planet, because of communications, becomes smaller, an efficient transportation system will become even more important than it is today.

So, I want to congratulate Secretary Skinner. I want to single out and congratulate all of the congressional leaders who got the job done on this legislation. And to the rest of you here, our many partners in this process, my appreciation for the tireless effort, the long hours and determination that all of you invested in supporting this forward-looking legislation.

I also want to thank the State highway and transportation administrators, indeed, every American. You knew that transportation can help keep America ``a land of wonders,'' and you made your voices heard.

The future of American transportation begins today. And so when we look back years from now to this landmark day for America's transportation, we'll be able to say, ``Mission defined. Mission accomplished.''

So to all of you, may God bless you at this very special time of year. And now let me sign this bill so we can get some projects under way and get people back to work.

And thank you for being with us, all of you.

Note: The President spoke at 10:07 a.m. at a construction site on State Highway 360 in Euless, TX. In his remarks, he referred to Arnold W. Oliver, executive director of the Texas Department of Transportation; Angela Dominguez of the Austin Bridge Construction Company; and Dr. Theodore W. Friend III, president of the Eisenhower Exchange Fellowships, Inc. H.R. 2950, approved December 18, was assigned Public Law No. 102 - 240.

Remarks to American Association of State Highway and Transportation Officials in Dallas, Texas

December 18, 1991

Ray, thank you very much for that introduction. It's nice to see the former AASHTO Presidents Hal Rives and Kermit Justice; AASHTO Vice President Wayne Muri; Frank Francois, the director. And I really must acknowledge somebody that's very special to this occasion, and to thank the new Chief of Staff in the White House, but the Secretary of Transportation just gone out of office, Sam Skinner, who is with me here someplace. Over here: Sam. I know that everyone realizes what he's had to do with all of this. Acting Secretary of Transportation Busey is with us, the admiral. And, out in the audience, of course, I want to single out our good friends from the Mothers Against Drunk Driving.

It is great to see so many familiar faces here, including many, as Ray mentioned, who were with us in Washington this summer. I can't help but remember Yogi Berra's great words, you've all heard it, ``Deja vu all over again." Here we are.

I also want to single out the Members of the Congress that are with us today because, as I said out at the site, this isn't a Republican bill or a Democrat bill, or a liberal or conservative; it is an American achievement. And the Members of Congress that are with us today deserve special credit from the American people for their leadership, for their stick-to-it-iveness in getting this legislation passed. So I salute them, the ones I see over here, and I'm sure there may be others scattered through the audience.

Yogi Berra, he always had a way with words, as I told you. But since you and I met in the Rose Garden last June a lot of things really have happened, the most important for you, the first stirrings of a real revolution in transportation.

Earlier today, as I mentioned, not far from here, I signed the Intermodal Surface Transportation Efficiency Act. We've got to get a better name for this thing -- [laughter] -- but that's a law that will bring our transportation policy into the 21st century and will let us build, literally, a road to the future.

This law culminates more than 2 years of hard work by our administration, and it illustrates my strategy for getting things done: First, define a mission and accomplish it. Early on, we defined our mission: To lay the foundation for the most significant revolution in American transportation history. We understood from day one that America can't move ahead in the international marketplace any more rapidly than its infrastructure will allow. Ideas fly around the globe at the speed of light because the infrastructure can handle the traffic. We need that kind of competitiveness in surface transportation. After all, mobility is the lifeblood of the modern economy.

Second point: Don't define your missions in isolation. We pursued this law because it moves us closer to our three top domestic priorities: jobs, jobs, and jobs.

Our national transportation policy begins with a big dose of common sense. It acknowledges that you don't get anywhere in a traffic jam. A worker can't do much for the economy, the family, or for the community by sitting on a highway listening to the radio. A vital piece of equipment trapped on a truck, trapped in traffic, won't do much for the factory that needs it. And a loved one rushing for an airport can't rejoin the family if the backups on the expressway or the mass transit system put everything in gridlock.

You have to move to improve. And let's face it, we're not moving as fast as we should.

Last week, we had a distinguished visitor at the White House, Jay Leno. [Laughter] And he did a little comedy performance there with Marlin Fitzwater in the press room, and then he was over at the National Press Club. And I know that the press does a good enough job with political comedy on its own, but nevertheless. At any rate, he was making fun of a proposal to put microwave ovens in cars. That's right, microwave ovens so drivers can feed themselves while they wait. [Laughter] I think we better dedicate ourselves, as everybody here has, to a microwave-free future for our highways. [Laughter]

The reason's simple. Every hour wasted on overburdened transportation systems costs us a piece of our future. Congestion, congestion caused more than 8 billion hours of delay on our roads. And that's the amount of time 4 million workers spend on the job each year.

In other words, Americans nationwide waste more time each year in traffic delays than workers spend on the job at all our auto companies, all our electronic companies, all our textile companies, all our lumber companies, and all our furniture manufacturers combined. And people wonder why the AASHTO members get so worked up about the importance of their work.

The waiting exacts other costs, too. You're familiar with them: $34 billion in wasted fuel expenses in our 39 largest metropolitan areas. And the point is simple: We cannot afford, or put it this way, we can't afford not to invest in transportation. No matter how much people might want to ignore the rest of the world, we must make a choice: Take the lead, or let others pass us by.

Well, I prefer to lead, and I demanded a national transportation strategy that builds a foundation for the future. And I wanted a transportation law that would address road and bridge needs around the country; a law that would complete important mass transit projects; a law that would encourage innovation in every aspect of our transportation network, from road construction to high- tech rail systems.

This law accomplishes that mission. It will establish a 155,000-mile National Highway System.

Roads that will comprise only 4 percent of our total public road mileage, but that will carry 75 percent of our intercity truck traffic and 40 percent of our highway traffic. That is efficiency.

Our law accomplishes that mission. It will establish a 155,000-mile National Highway System. Roads that will comprise, as I say, 4 percent. This law also encourages States to build the roads they need, not the roads that some faraway central planner thinks that they ought to have. And that's just plain common sense.

The Highway System created by Dwight Eisenhower in '56, 1956, revolutionized American life forever. It spawned suburbs, cultivated more than 200 new centers of commerce and culture, edge cities, as they're called in the new book. Where bare fields stood 30 years ago, American enterprise now thrives, with office space and shopping centers, entertainment areas; regions that function as workplaces by day and then recreational hubs by night.

Our new transportation law will pump new life into these newest cities and support their further evolution. It will enhance great centers like this Dallas/Fort Worth area, where roads and rails have paved the way to more than 500,000 new jobs in the past decade alone.

This law encourages local governments to invest in innovations such as privately built toll roads. Construction on such a road will begin soon just outside of Washington, and that's just a beginning. Wall Street, they've begun to develop a brand-new market for financing privately built and operated infrastructure. Investors know a winner when they see it.

These roads will pay for themselves and, in addition, they can support other projects. Operators of the Dulles Toll Road will pay taxes, which can leverage even more transportation financing. In short, private projects get the most bang for the buck and give us a better shot at meeting our vast transportation needs. And that is innovation. And that is good government.

Consider other items, if you will, in our new transportation law:

It authorizes funds for an incentive program to prevent drunk driving and improve occupant safety, two very worthy goals, especially during the holiday season. And it provides $38 billion to improve our new National Highway System.

It sets aside $24 billion to fund a variety of highway and transit projects.

It simplifies the means by which truckers register their vehicles: Liability insurance, Interstate Commerce Commission operation authority, and mileage for State fuel tax payments. In so doing, it could save trucking companies $1 billion this year.

Our law will help States meet their environmental responsibilities without stopping the wheels of progress. Our law will encourage exploration into new transportation technologies such as these

high-speed rail systems.

And last, but certainly not least, our law will create good American jobs today and good American jobs tomorrow. And it will build a foundation for creating more good American jobs in the future.

The funding in the law will support more than 600,000 jobs in this fiscal year. But that's just the start. Private projects funded with this money will generate even more work for Americans. And as I've said all along, a good transportation network will support jobs that wouldn't exist otherwise. And that's the biggest benefit of this new law. It sets in motion projects that will give America the ability to move forward as never before.

I've instructed the Department of Transportation to get the money moving now. We will make available the vast majority of State money from the Highway Trust Fund. And we'll accelerate the release of $300 million for mass transit projects. I encourage you to do your part in making sure this money gets to its destination swiftly, gets used wisely, and helps Americans build the foundations for the next American century. And moreover, I'd like to challenge you all to look past the old ways of doing business and dare to innovate, to create new means of moving America forward.

Earlier today, out at that construction site not far from here, I stood there, and I thought of the incredible vigor of this region, all fueled by transportation infrastructure. A new kind of exploration and vigor assails the senses, the hustle and the bustle, the tornado of activity. And today I saw a domestic vision in sweat and toil, concrete and steel, not some abstract proposal but a program that will produce real results now.

This law -- and you all know this -- this law will not solve all our transportation challenges. It's not going to fill every pothole, build every road we require, mend every bridge, create all the new technologies we want to see. Let's face it, it would take billions and billions more to take care of every need. But this law puts us on the move. It commits real resources now. And it encourages the kind of innovation that we will need in the future.

This law will make a huge difference for all of us. It will help young fathers rush their wives to a delivery room. It will enable buses to ferry children safely and swiftly to school. It will help just-in-time manufacturers receive the parts they need when they need them. It will keep America where it belongs, in the passing lane.

Every American understands transportation's importance. Just think about the way we talk. When we talk about progress, we talk about getting things moving. When we talk about roads and rails, we call them arteries. Well, enough talk. Today, we act. We start improving our roads and bridges and railways, our equal opportunity escorts to the future. And so when we look back years from now to this landmark day for America's transportation, we'll be able to say: ``Mission defined.

Mission accomplished."

Thank you. And may God bless you in your work, and may God bless our great country, especially at this time of year. Thank you all very, very much.

Note: The President spoke at 12:15 p.m. at the Hyatt Regency Hotel. In his remarks, he referred to A. Ray Chamberlain, president, and Francis B. Francois, executive director of AASHTO.

Statement on Signing the Intermodal Surface Transportation Efficiency Act of 1991

December 18, 1991

Today I am pleased to sign into law H.R. 2950, the ``Intermodal Surface Transportation Efficiency Act of 1991." This law provides a new structure for our Federal surface transportation programs -- highway, highway safety, and transit -- and authorizes funds for those programs for the next 6 years.

H.R. 2950 is landmark legislation. It will carry the Nation into the post-Interstate era and help provide the transportation infrastructure for improved economic productivity and enhanced international competitiveness. In the short term, this bill means jobs for working Americans. It provides more than $11 billion that can be used this fiscal year to build highway projects. During the coming year, those funds will provide jobs for over 600,000 Americans. The law will continue to support jobs in the highway and transit construction industries over the next 6 years.

When we submitted to the Congress our proposal for reauthorization of Federal surface transportation programs earlier this year, all those involved with the Nation's surface transportation system recognized that it was time to redesign these programs. The Interstate System -- the largest public works project in history -- is very near completion, and this law provides the final funds to finish it. The Interstate System has fundamentally changed transportation in America. It has become easier and cheaper to move goods, and virtually all Americans benefit from the speed and efficiency with which they can move from place to place on our interstate highways. But our focus must now shift from major highway construction to better maintenance, management, and use of our existing highway and transit facilities.

A key element of our proposal was the National Highway System. Ours was not a call for a major new construction program, but rather for identification of those key highways throughout the country that are the arteries for interstate and interregional travel or roads that link those routes to major ports, airports, and other critical transportation facilities. It was a call for dedication of sufficient funds to the National Highway System to ensure that projected traffic increases on those highways can be accommodated without deterioration in their physical condition or ability to move traffic. This new law establishes the National Highway System and provides the funds necessary to keep it performing efficiently.

Another major element of our proposal was to provide State and local officials unprecedented flexibility. We proposed to give those officials the discretion to use a major portion of their Federal surface transportation funds on the improvements that would best meet local needs, whether highway projects or public transit projects. State and local officials have played an ever more important role in project monitoring as the Federal programs have matured. The day has clearly come for the Federal Government to step back and let its partners play the lead role, as

this law provides.

We all also recognized the need for a larger role for the private sector in helping to meet surface transportation needs. This legislation establishes that new private sector role. It is historic because of the changes it makes to encourage privatization of our transportation infrastructure. It removes a number of Federal barriers to private sector involvement. It lifts the current general prohibition against financing highway improvements with a combination of Federal funds and private investment to be repaid with toll revenue. Federal funds will be available to help entrepreneurs who, under contract with appropriate public authorities, are willing to build or improve roads that motorists want and are willing to pay to use. The Act will leverage more dollars into the transportation infrastructure and create even more jobs.

The new law extends the current Federal highway traffic safety program, which has proven to be so successful: the fatality rate on our Nation's highways was lower in 1990 than in any year since records have been kept. In addition to extending our current efforts, the law establishes new incentive grant programs to encourage the States to fight drunk driving and promote the safety of vehicle occupants.

Title VII of the bill is intended to resolve the current inability of the Metropolitan Washington Airports Authority to pursue its program of long-term improvements at National and Dulles Airports. The Supreme Court declared a congressional oversight mechanism in the 1986 legislation creating the Airports Authority to be a violation of the separation of powers principles of the Constitution. During congressional consideration of amendments intended to cure the defects found by the Supreme Court, the Administration expressed the view that the new Board of Review created by Title VII would violate the Appointments Clause of the Constitution. We adhere to this view, noting that the matter will now be resolved in court. I strongly support the shift of these former Federal facilities to regional control, and my Administration stands ready to assist in developing legislative amendments that will not be subject to constitutional challenge.

This new law gives us the means to improve our surface transportation system in the years to come, but it also promotes research into what surely will be revolutionary changes in the next century. Intelligent vehicle-highway systems, magnetically levitated high-speed ground transportation systems, and a new transit research partnership with State and local governments are given new impetus in this law. Further, this law provides new tools to ensure that transportation improvements address the Nation's environmental needs. For example, it provides funds for wetlands mitigation banks and for transportation projects that will improve our air quality.

Any legislation this comprehensive and involving this much change is sure to raise serious policy issues about which reasonable people will disagree, and this new law has been no exception. I commend the major sponsors of this legislation, however, for staying the course, striking compromises among the many conflicting views over the shape of these new programs, and

producing this much-needed bill.

George Bush

The White House,

December 18, 1991.

Note: H.R. 2950, approved December 18, was assigned Public Law No. 102 - 240.

Statement by Press Secretary Fitzwater on the Resignation of Frederick D. McClure as Assistant to the President for Legislative Affairs

December 19, 1991

President Bush today accepted with regret the resignation of Frederick D. McClure, 37, who has served as Assistant to the President for Legislative Affairs since the beginning of the administration. Fred is resigning to become a director and member of the management committee of First Southwest Co. in Dallas, TX. First Southwest is a diversified investment banking firm. His resignation is effective February 1, 1992.

``Fred McClure has served with dedication and creativity," President Bush said when accepting his resignation. ``Fred has directed enormous victories in legislative efforts ranging from the Americans with Disabilities Act, the Clean Air Act, the Persian Gulf resolution, the civil rights bill, extending fast track negotiating authority for the North American free trade agreement, and the recently signed highway legislation. He also has been a crucial member of my team in ensuring that none of my 24 vetoes have been overridden when I have been forced to use this tool to ensure the passage of sound legislation. I am enormously grateful for his advice and support throughout this administration."

Executive Order 12784 -- Delegation of Authority Regarding the Naval Petroleum and Oil Shale Reserves

December 19, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3 and sections 7427 and 7428 of title 10 of the United States Code, and in order to meet the goals and requirements of the Naval Petroleum and Oil Shale Reserves, it is hereby ordered as follows:

Section 1. The functions vested in the President by sections 7427 and 7428 of title 10 of the United States Code are delegated to the Secretary of Energy.

Sec. 2. On or before June 30, 1994, the Secretary of Energy shall prepare and submit to the President a comprehensive report of the agreements and programs executed under the authority granted under this order. The authority delegated herein expires on October 2, 1994.

George Bush

The White House,

December 19, 1991.

[Filed with the Office of the Federal Register, 4:25 p.m., December 19, 1991]

Note: This Executive order was published in the Federal Register on December 23.

Letter to Congressional Leaders Reporting Budget Deferrals

December 19, 1991

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report three new and two revised deferrals of budget authority for FY 1992 now totaling $3,944,898,210.

These deferrals affect International Security Assistance programs as well as programs of the Agency for International Development and the Departments of Agriculture and State. The details of these deferrals are contained in the attached report.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

The President's News Conference With Foreign Correspondents

December 19, 1991

Trade Relations With Asian Nations

The President. Today I sat across the table from a number of America's toughest competitors. They weren't the Japanese or Koreans or the Germans; they were, in fact, the leaders of some of America's finest businesses. And they were here with me today because they care about American jobs. And they were coming with me to Asia 10 days from now for the same reason, American jobs.

The meeting we had today and the mission that we will embark upon soon demonstrates that we will relentlessly pursue our mission to create jobs and restore prosperity for all Americans.

Now, every one of these business leaders knows that right now during tough times exports are our strong suit. They know that the Asian market is growing and largely untapped. They also know better than anyone that American goods and services are higher quality and more competitive than ever before. New exports mean new jobs, good jobs: 20,000 new jobs for every billion in new manufactured exports.

When the playing field is level, when our trading partners provide U.S. companies the same kind of opportunities that their firms enjoy here, our workers can compete with anybody, anytime, anywhere. And that's not just free trade, that's fair trade. And I will continue to insist upon that kind of relationship with the nations that I visit in January.

The changes around the world these last 2 years present a tremendous challenge to all of us. And they also present an extraordinary opportunity to promote democracy, peace, and yes, prosperity. America is a Pacific nation. We have a broad range of interests throughout the region, including important security arrangements and political relationships.

During this upcoming trip, we will not neglect those security and political relationships. I know every American cares deeply about the prospects of a freer and safer world. And I also know that America benefits when our citizens and our companies play an active role in world markets. Engagement in the global marketplace affects the prices we pay for goods and services as well as the strength of a vibrant and growing economy, the kind where everyone who wants to work has a good job at a good wage. And that's why we must stay engaged overseas, because it matters so much right here at home.

We want markets that are fully open to American goods and services. And I will stress that we're

looking for a true economic partnership on this trip, one of shared responsibilities for promoting open markets and financial services. And then I'll urge them to join us in redoubling their efforts to help all the world's economies, help them grow, by achieving a successful conclusion to the Uruguay round of trade negotiations.

The U.S. is by far the largest open market in the entire world, and that's been good for the United States, no question about that. But our friends and allies have benefited greatly from this and must share the responsibility for an open trading system. This trip alone obviously will not solve all the trade frictions between our countries. It will not create a new American export boom overnight. What it will do is demonstrate that trade is a two-way street; that our relationships around the world are important to us; and that in a world more hopeful of a peaceful future than ever before, the United States will continue to lead.

This will be the first trip by me to Asia since the end of the cold war. And so, the security concerns will be discussed. But what I've talked about here will be leading the agenda.

Now, we'll begin to start right here with Helen [Helen Thomas, United Press International], and then we'll move over here.

Japan

Q. Mr. President, what makes you think you'll succeed with Japan on the trade question where all of your predecessors have failed? What is your leverage? What are your goals? What has changed?

The President. I was talking to these businessmen today, and each of them appears, maybe not every one of them, but most of them have been contacted by those with whom they do business in Japan. And all of them that spoke at the meeting indicated they felt the time was right to move forward in terms of open markets. So, there's a climate that I think might be helpful. I'm concentrating here on Japan. It's not only Japan where we have problems. But I think Mr. Miyazawa, the very able Prime Minister of Japan, understands this, understands the need to move forward. So, when you talk to the outside experts, I think they're telling me, anyway, that there is a much better climate. And so, we'll see when we get there whether that works. But I am determined.

Q. Do you have a pressure point -- --

The President. What's that mean?

Q. -- -- in any way in terms of retaliation?

The President. Well, we're going over there to try to get some things done. And I don't need to go

into exactly -- --

We'll go to the AP, and then we'll start over here because this is a press conference primarily for journalists from other countries that are here.

Free and Fair Trade

Q. You're talking about a much better climate. But just today, the Japanese Prime Minister, Miyazawa, closed out the possibility of improving or changing their ban on rice imports. And yesterday the Korean Ambassador said that you shouldn't be pressing Korea at this time on trade disputes because they have their own internal economic problems. It sounds like a lot of intransigence there. How do you expect to accomplish anything with these kinds of attitudes?

The President. What I expect to do is try to be assisting the American -- making clear what's at stake in terms of the American market, what's at stake in terms of jobs for the American people. And I wouldn't judge from those two examples that everything is going to be intransigent. But I would say that the trip is to break down intransigence where we find it and have freer and fairer trade. And that message I will carry very, very forcefully. We have shown a lot of forbearance, and I want to see fairplay.

Auto Parts Exports

Q. Mr. President, you have just emphasized the economic partnership. And how much would you be looking for in Tokyo, with regard to auto parts issues, while in Tokyo to discuss with the Japanese leadership?

The President. I'm not sure I would quantify it for you, but there's an area where we should be doing much, much more business. We are good. We are efficient. We have quality. And we should do better in terms of auto parts. So without setting numbers for you, that is a subject that is going to be on the table. That's a subject where the Japanese had some forthcoming statements, as a matter of fact. So now let's see exactly how it's going to work out in practice. We want action in that area.

Q. Are you satisfied with the statements by the Japanese auto industry about reaching out to the American auto parts makers in terms of what you just described as economic partnership?

The President. Well, I think the tone of the comments was extraordinarily good. Now, I want to see what exactly that means. But yes, let's give credit where credit is due. There's been some forthcoming statements. But what does it mean? I'm going to be talking about what does this mean in terms of American product that has fair and equal access. We've got quality products in this field. But I think, in fairness, there have been representations that we can make more progress in that area.

Yeah, back here, we'll just start right with this row; three in a row: one, two, three.

Q. Thank you very much.

The President. No, you've got it: one, two, three. Here we go.

The Uruguay Round

Q. Thank you, Mr. President. We -- today that you announced today that you sent a letter to Prime Minister Miyazawa -- --

The President. Yes.

Q. -- -- December 7th. And what was the purpose of this letter? And have you received a response yet from Prime Minister Miyazawa?

The President. In the first place, the letter related to Japanese help in finalizing the Uruguay round. All the big trading nations must be involved right up to the hilt in getting a successful conclusion to the Uruguay round of trade. And I can't tell you. I personally haven't seen the response if there is one. Knowing him, I'm sure there will be a very thorough and forthcoming response. But I haven't seen it through our system yet.

Federal Role in International Trade

Q. The fact that you are taking a business delegation with you on this trip will clearly demonstrate the closer cooperation that he has tried to forge with the American industry for promoting export. But ironically in the past, however, this is precisely what the Japanese Government and industry have been accused of by many American observers as somewhat unfair government assistance. So, I wonder if philosophically you feel uncomfortable about what could look like a Government intervention into the affairs of the private industry.

The President. Good question. The answer is, no, I don't feel uncomfortable at all. I think this is long overdue. And we're going there in a constructive spirit. Many of the people that are going with me have done a considerable amount of business in Japan. They know the Japanese market. They have affection and respect for the Japanese people. And so, I feel nothing but pride that these successful and strong people will be there to help me make the points that I've made in the opening statement here.

Middle East Peace Conference

Q. Mr. President, do you still take the position that the Soviet Union will sponsor for the Middle

East peace process? And as relates to the first question, what role will the United States take in the next round of talks, especially as we are seeing now their latest talks didn't achieve any progress?

The President. The answer is yes. We still view it that the Soviets will sponsor the talks. Mr. Yeltsin reiterated to Jim Baker, I believe, that they wanted to. That was an agreement. They were very useful, forthcoming, and helpful in bringing about the original conference in Madrid.

And then what was the second part, sir?

Q. What role will the United States play?

The President. The United States will continue to have the same role, a catalyst, not attempting to dictate solutions. We want to be an honest broker, and I think the parties see us in that role. And that's the role that we will continue to play at this point.

Q. And do you think the talks which ended yesterday -- --

The President. I was disappointed. Yes. Well, I'm told some progress was made. Don't quiz me on what. But I felt that a lot of time was spent talking about modalities and locations, and obviously, we would have liked to see more progress. And we have shared those observations with the various participants.

Russia and the Commonwealth

Q. Mr. President, what is your opinion about the creation of the Commonwealth of Independent States on the U.S.S.R. territory? Are you going to give full recognition to this community and to the Republics of which it's comprised? And will you agree that Russia should become a successor of the Soviet Union for international agreements and take its place in the United Nations Security Council?

The President. Well, first, on the Commonwealth itself, that is a matter for the various Republics to work out. That isn't a matter for the United States to attempt to dictate. We couldn't do it anyway. But what our view has been: Engage with democratic reformers, those two key words. Those who favor democracy and those who favor reform. And Jim Baker, on his trip, has been doing that. I have been doing that over the months.

And so, they will sort all this out. He has talked to them. They've talked to him about recognition. He has made clear that certain steps have to be taken particularly in this nuclear question, which is vital, and where the United States is uniquely qualified to lead in my view.

So, that one has to be done. Peaceful borders is another one. The CSCE principles, which

includes human rights and respect for minorities in each of these Republics, that's another one. So, they're sorting all this out now. It's in the process of being worked out. And then we will treat, as Jim has told them, with this whole question of what the role of the United States is when whatever evolves has evolved.

That would include, then on Russia again, they have some sorting out between the Republics. As you know, the Soviet Union today has three seats, one in the Security Council and then two, in addition, at the United Nations. Now, they've got a lot of sorting out to do as this new Commonwealth is born. And we are not fixing to get into the middle of that until they've gone further with the process.

Way back there, and then I am coming over here. I'm looking for those who I might recognize as coming from some of the countries we're visiting, which is hard to do, I'll tell you.

Middle East Peace Conference

Q. Mr. President, I would like to ask about the Middle East also, Mr. President. In spite of the good relations the United States has with Israel and the potential leverage it has, it hasn't been able to convince Israel to stop the settlements activities. Now, the Arabs claim that without a halt to the settlements there cannot be peace. Now, can the United States do anything more than to say that they are an obstacle to peace and to ask of Israel to stop them in order to promote the idea of peace more energetically, so to speak?

The President. What we would like to do is see those matters discussed in substance. That's one of the reasons I expressed frustration about talks that talk only about where the next meeting is going to be. But we have problems that everyone in this room knows, and I think around the world knows, about the settlements, feeling they are an obstacle to peace. And we have made that clear to our Israeli friends. We have problems with some of the Arab positions, the boycott for example. We have made that clear to some of our friends in that part of the world.

So, we cannot wave a wand and dictate. We can make suggestions as to what would facilitate the peace process, and we have tried to do that.

Now, where's this voice from Australia? We can't have too many voices speaking from Australia. It's two against one. Go ahead, and then we'll get this one on the aisle.

Australia

Q. President Bush, could I ask you how you feel about Bob Hawke's demise as Australian Prime Minister after several years in office? Are you aware that the new Prime Minister, Paul Keating, doesn't play golf? So might that affect your plans while you're in Australia? And do you think you'll still see Hawke while you're there?

The President. Well look, I think everybody knows of my friendship and affection for Bob Hawke. And I'm not one who turns my back on friends. Now, having said that, the process is working. The party has selected a new leader. The foreign policy of the United States has not been and will not be set on individuals; it's set, in this instance, a historic, good relationship between countries. And so I look forward to dealing with the Government. I have met Mr. Keating. I know him, respect him. And that's their problem. They'll sort that out. So, I would leave it right there, and say I'm looking forward very much to the trip.

Q. Will you still see Hawke, though?

The President. Well, I certainly hope so, and I'm sure I will. I might say to the Japanese journalists here, I had a good and friendly relationship with Mr. Kaifu. The process moves on. You have another very able man as Prime Minister. I will be dealing primarily with him. But I would just say to any of you guys setting the schedule, I'd like very much to see former Prime Minister Kaifu, and I'm sure I will.

Q. Are you aware of the Australian wheat farmers' anger regarding the export enhancement programs?

The President. Yes.

Q. And are you going to meet with them while you're in Australia as they have requested?

The President. I don't know about the schedule. I am aware of it. I think they know that the export program, enhancement program, passed by the Congress is not a -- it is part of our law -- is not aimed at Australia. Indeed, I am prepared to tell them what's happened to our own markets in terms of total world market percentage. And I look forward to talking to whoever it is I talk to. I just don't know about the schedule. I don't set the schedule, and I don't know what's going to happen.

Korea, right here.

Q. Mr. President, could you say simply yes or no -- [laughter] --

The President. I could, but I seldom do that because I get in trouble when I do that. Could I have your question?

Q. Do you have a nuclear -- in the Korean peninsula at the moment? And my followup is that, what is your future nuclear policy to that area? Regardless, you have or you have not nuclear presence?

The President. Well, as you know, we never confirm or deny it. I'm glad I said before you asked me the question, ``Do I answer yes or no." I made a statement, I believe it was in September, about removal of U.S. tactical nukes and nukes from surface vessels. And I'll just leave it right there. I also heard what the Prime Minister said, and I'm not about to argue with him. So, those statements speak for themselves.

Q. Thank you, sir.

The President. I'm looking for some Singaporians around here. [Laughter.] You're next.

ANZUS

Q. This is still Pacific.

The President. I understand.

Q. How important, sir, is the ANZUS relationship in this evolving nonnuclear world? And is the U.S. closer to a rapprochement with New Zealand, or do you still want New Zealand to change their antinuclear law first?

The President. Well, in the first place, it troubles me because we have had a strong relationship with New Zealand. And I really honestly believe there is great affection in this country for New Zealanders, and I think there is in New Zealand for the United States. I've been there. And you can sense it, and you can feel it. The difficulty we have had hopefully is well on its way to resolution because of the position that I just mentioned to this journalist from Korea. And let's hope now that the people of New Zealand see this, appreciate that step and that we can get back to normal.

ASEAN

Q. On the ANZUS relationship and also -- --

The President. That requires more than just the U.S., doesn't it? So, that will be a good subject for discussion when I am talking to our friends in Australia. No, but I think the groundwork is there because of the forward position that we took.

Q. [Inaudible] from Indonesia. My question is -- --

The President. False colors. I thought you were from Singapore. Go ahead. [Laughter] Close enough, close enough. [Laughter]

Q. Is it true, correct to say that your visit to Singapore, which is a sounding board to ASEAN, is primarily on trade issues, or is it also related to security and human rights issues? And the second is, whether now with the demise of the cold war whether you are now supporting the idea of ZOPFAN, zone of peace, freedom, and neutrality. Thank you.

The President. Good question. And you're right, it does affect the ASEAN area. I wish I could go to all those ASEAN countries. I couldn't. I've been to most. But in this case I can tell you that the visit will be on a wide array of subjects. We are not neglecting -- and this is a point I will make to our friends in Singapore and hopefully to the rest of Asia -- we're not neglecting our security responsibilities. I think there's been some concern about what position the United States will be in when we come out of the Philippines.

And I would use this trip to reassure the Singaporian leaders as well as those around that we are not going to pull back. I also think, and this is a broad subject, but I think it is one that should resonate at home. We are not neglecting the Pacific. As we have coped, and I hope with some degree of world leadership, with the Middle East, with the changes in the Republics, with the unification of Germany, with the evolution in Eastern Europe, I think there has been some feeling in Asia -- and you all are the experts on it -- that perhaps we are neglecting. And so, one of the things about this trip is that we are not, we don't intend to, nor will we neglect our role as one who's blessed by having the largest trading partners being the Pacific Rim.

And so, it's partially that. We will have discussions, we always do, of all these other questions that you raise.

Indonesia

Q. What will be your course of action, sir, toward Indonesia now that, through the witness of two American journalists, it has become apparent that there are problems with the human rights in East Timor? And what would be your advice, sir, to the Government of Portugal as the administrating power and the future chairman of the EC to actually rectify the situation in East Timor, sir?

The President. Well, a lot of discussion is going on, on the tragedy in East Timor. We have expressed ourself in terms of the pure human rights part of it. And I don't know that on this trip we will be directly involved in any way in that particular question. We pride ourselves, and I think properly so, on standing up for human rights, and I think we've made clear to the parties that are interested there the U.S. position. I don't know how it will come out, frankly, at forthcoming meetings. I just can't help you on that.

Recognition of Soviet Republics

Q. Mr. President, today the Swedish Government recognized Russia, Byelorussia, and Ukraine.

When will the U.S. do the same?

The President. We are taking these things under advisement. We don't know, can't give you an exact date. I have said what our responsibilities as a -- I think I feel a certain custodial responsibility on this whole question of nuclear weapons, nonproliferation. I think we have a disproportionate responsibility for that. And so we want to see these questions that I mentioned to you, mentioned to the gentleman back here, resolved, or moved well on the way to resolution. Then, we, at our time, will make the determination that you ask about, the official stamp of recognition.

I've already indicated that as these people self-determine, we are very flexible and open about the question of recognition. But we also want to see adherence to these principles that I've outlined. So, I can't give you an exact date. But that's going to be right on the front line of the agenda to discuss with Secretary Baker, whom I talked to just a few minutes ago. And he filled me in a little on this question of his talks on all of these different Republics. But I need to sit down with him, with General Scowcroft and others, and then we will be talking more about timing.

Q. But there will be a recognition sooner or later?

The President. Well, as I've indicated, there will be, I mentioned this about the Ukraine, but there are certain things that have to be resolved. We're not trying to determine with finality how that area is going to look. These people are elected. These people are elected. Now, they sit down with each other and sort it out. They don't need the United States to intervene in the internal affairs of a Republic or in relations between the Republics themselves. So, it's just going to take a little bit of time.

But the Baker trip is very useful. I am in touch, as you know, with Gorbachev, with Yeltsin. We receive visitors all the time here, and we're watching it very, very closely, and hopefully, in terms of humanitarian aid and medicines, playing a very constructive role.

This gentleman was on his feet, and I had recognized two at once.

North American Free Trade Agreement

Q. Thank you, Mr. President. Talking about jobs, how soon do you want the free trade agreement with Mexico and Canada to be completed, and are you going to talk with the Asian leaders about the construction of trading blocs, like the North America trade bloc, or -- --

The President. Well, I'm sure they'll be interested in our view on that. And yes, I'm perfectly prepared to discuss it with them. I believe this agreement should move -- this getting a fair trade agreement with Mexico, what we call the NAFTA, the North American fair trade agreement, should be reached as soon as possible. And with the able President of Mexico, Carlos Salinas, I

agreed this week, just a few days ago, that we would try to get a bracketed text to present and to work with by the end of January or sometime in January.

There was a wild bunch of stories around here that did not reflect my views, saying that we didn't want to get this trade agreement finished. And this gives me my first press conference opportunity, although I think I've responded to questions on it, to say that that is not true. We want an agreement, a good agreement, as soon as possible. I am not going to send an agreement to the Congress that can't be passed. I'm not going to send, in other words, a bad agreement. We're in close touch with Congress, but I want to get it done. And do you know why? I'm all for more trade with Mexico, but I want to help the American economy, and one way to do it is to create the additional jobs that will come from expanding our own markets abroad. And I also think that it's in Mexico's interest.

So, put me down as still very enthusiastic and pressing forward just as fast as we can on this matter for a good agreement. And I cite that because we're not going to just kind of get an agreement for agreement's sake.

Does that answer it?

Q. Yes. What is your strategy to deal with the Democrat leadership in Congress, to deal with the Democrat leadership in terms of the NAFTA negotiations or the NAFTA agreement?

The President. As you know, many of the Democrats in the Congress strongly supported this Fast Track authority which at least gave some visibility to the fact that they agree with me that a fair trade agreement would be in our benefit. And I think they also know that Mexico has come a long, long way. They're doing a first-class job down there, that administration. And so, I don't immediately start from the assumption that Congress doesn't want an agreement. I think they're like I am on this question. They want an agreement, but they want to be sure it's fair.

Now, there are some forces, I would cite organized labor, who are opposed to the very concept of a fair trade agreement. But we have to take that on. And the way to take it on is to get a good agreement and get Congress to understand, which I'm convinced they will if we get a good one, that this is in the interest of the American worker as well as better environment and many other things that I think will come from a fair trade agreement.

Q. Mr. President, I'd like to ask you a question about Haiti and then one about Cuba.

The President. Isn't that what they call a follow-on?

Q. Yes, sir.

The President. Neighborhood follow-on. [Laughter]

Q. Neighborhood call. May I thank you for giving a press conference for the foreign press. We appreciate it. Thank you, sir.

The President. Well, I thank you, sir. Well, let me put it this way then, I'll get to your two questions. It's very helpful for me to have this opportunity to at least spell out why we are doing this, to have the peoples to whom we'll be visiting, particularly understand. And then for the rest of the press corps that come from other countries, I'm glad to have this opportunity to express the broad foreign policy objectives. So, as far as I'm concerned it's a plus, but thank you for your kind words, and shoot. Haiti and then Cuba.

Haiti

Q. On Haiti, will we see a solution, sir? The problem is the Haitian refugees are not being sent back. But is there a solution to the problem?

The President. Well, the solution to the problem, and it is one that I personally have been working on. I spent I don't know how many minutes on the telephone yesterday, but closer to an hour than a half, with Carlos Andres Perez of Venezuela. Talked at length to Brian Mulroney in the last few days; Canada trying to be helpful in this regard. And the answer is to have the duly-elected leader of Haiti returned to Haiti. Our interest is not in trying to say who's going to run Haiti. Our interest is this: There was a democratic process. A man was elected. He was overthrown. The hemisphere's moving towards democracy, and Haiti started moving back towards totalitarian dictatorship. We have a keen interest in that. So does Carlos Andres Perez, a great leader, democratic leader, to our south.

And so what I'm talking to him about is: How do we facilitate Aristide's return? Now that boils down also to another, there's another part of that, and that is who is the government going to be, who will be the Prime Minister? And therein we have some difficulties; I say ``we do," therein Haiti has some difficulties. And that is something that's being talked about right now. We are backing the OAS. We backed them in sanctions. We've backed them in their diplomacy, and we will continue to thank them and back them in that regard.

The United States, once again, and again, I don't want to sound chauvinistic, we have a disproportionately important role here for a lot of reasons, trade being one of them. And we are trying to use that influence, if you will, working with the democratic leaders for the return of Aristide. Therein lies the answer, and our policy on immigration is well known. Those who flee for political persecution should be granted haven. Those who leave for purely economic reasons are not entitled to harbor under our laws.

But the answer to it is not that. The answer is this solution that I've just told you about: The return of Aristide under conditions that democracy has a chance to continue and to strengthen.

Cuba

Q. The Russian empire is collapsing, we don't know what will come out of it. Fidel Castro has lost his patrons definitely. He has no petroleum. They are importing bicycles -- difficult. Doesn't this present the United States, as it does for Cuba, an opening for a new dialog or new relations or new solutions, whatever?

The President. You say you don't know what will come out of it? At the risk of sounding pretentious, I think I do know what will come out of it. What will come out of it is democracy and freedom for the people of Cuba. And you just have to look at the neighborhood, look at the countries to the south that have moved towards democracy away from totalitarianism. Fidel Castro is swimming against the tide. There is no way that you can oppress people forever and keep down their aspirations for freedom.

And the beautiful thing about Cuba is because of the industry of those people and because of the affection that a lot of Americans have for the people of Cuba, Cuba, once free and once under democracy, will have a real shot at forward movement in terms of helping their people through at a reinvigorated economy. There's no question about that. It could be the success story of the nineties, if Castro would permit the freedom and democracy that the people want.

And in the meantime, dialog, there's no point in my talking to Castro about that. I mean he knows the United States' position. He knows the pressures he faces all over the world to permit his people the very freedom that others have died for around the world. So, what's the point of my talking to him? All I'd tell him is what I'm telling you, to give the people the freedom that they want.

And then you'll see the United States do exactly what we should. Go down and lift those people up and say we want to help you. And it wouldn't be just the Government, you'd have all kinds of private investment move into Cuba that would offer those people an increased standard of living, great hope for their families, freedom of religion, freedom of elections, all these things.

So, it's not all bleak. The man cannot sustain swimming against the tide. He'll get tired. Something will happen. And then these people will be free.

Restructuring U.S. Corporations

Q. A question on GM, sir?

The President. What country do you represent? [Laughter] One American. Shoot.

Q. As you know, Mr. President, General Motors announced yesterday that they were closing 21

plants and eliminating 74,000 jobs. A similar restructuring was announced a couple of weeks ago by IBM. Do you expect this trend towards downsizing among major corporations to continue? And if so, where will the jobs that are being eliminated come from?

The President. Well, one thing it'll come from is creating new businesses. Probably more small businesses. And that's why we do need to put more incentive into our own economy. I don't know what individual businesses are planning to do. I did notice that Mr. Stemple talked about attrition, a downsizing due to attrition, which I think is -- I hope it works out that way, because it is the compassionate approach and the correct approach. But I can only tell you that we can create an awful lot of jobs, more jobs, just through what I am talking about here today. And therein lies the answer, job retraining, but then creation of new jobs.

Now I'm going to take two more questions and then leave.

Middle East Peace Conference

Q. Mr. President, your administration has linked before the progress of the peace process to the flexibility of Israel in these negotiations and to the freezing of building settlements on the West Bank. What is your assessment, Mr. President, to the Israeli flexibility in these talks, and are you going to approve the $10-billion loan guarantee next January, especially now that Prime Minister Shamir continued to build settlements on the West Bank?

The President. Well, no decision has been taken on the last matter, no final decision at all. What was the first part of it? I'm sorry, I missed the first part of the question. I know it related to settlements, but -- --

Q. That the administration has linked the progress in the peace process and the flexibility of Israel to the $10-billion loan guarantee.

The President. Well no, we haven't made such linkage, but we've stated very clearly what our position is on settlements. I don't think I'll reiterate it because I tried to spell it out to this gentleman back here. We have said the settlements are counterproductive to peace. And some in Israel happen to agree with us on that, as a matter of fact. But having said that, there are things that the Arab countries should do on their own to move forward towards getting the climate ready for a successful conclusion of the peace talks.

Q. Mr. President, you talked of the democracy the Republics and the Soviet Union are entitled to. And you talked about the freedom the people of Cuba are entitled to. What about the Palestinians who are 2 million living under Israeli occupation?

The President. One of the reasons we brought the parties together in a historic meeting in Madrid with Palestinians present was to have that question addressed and resolved in a peaceful manner.

And so I would simply refer you to those talks wherein and therein lies the real answer. It isn't going to be done by acts of violence on one side or another. It isn't going to be done by the enormous frustration that leads to terrorism or whatever. It is going to be done at the negotiating table, and thank God it has started. And our role: Keep the parties there and have them discuss the final resolution of the question that has now been asked of me three times, and it has been asked of me three times because it really gets to the heart, one of the subjects that gets to the heart of the peace process. So, our role will be to try to continue to be the catalyst for peace.

And now we've run over by several minutes, but this is the final question.

U.S. Policy on China

Q. Mr. President, I'm going to ask you a question about the most populated country in Asia, China. There's an election going on in Taiwan right now. The core of the debate is independence of Taiwan. If such a thing became a reality do you think the United States would change its China policy, ``one China'' policy?

The President. That question is too hypothetical. Everyone here that keeps up with these matters is familiar with our obligations under the Shanghai Communique. I also believe when you take a look at -- well, we'll wait and see what happens in the elections. But that question will be resolved, it seems to me, hopefully, by these differing parties talking, and we'll just see what happens. But I'm not going to guess what might or might not take place in an election. That's for them to decide over there and then we will see.

The big thing is we want peace in that area. We don't need any more tensions in that area. And I know that there's strong feeling on Taiwan, continues to be, that it is, as they have said all along, a part of China. They've maintained they were China for a long time, as you know. So, that has to be sorted out over there, not here in the United States.

May I say this to all of you, whatever -- no, no, too late, too late. Sorry. This is a happy, merry Christmas or a happy holiday send-off to you all. But really, I mean it.

You know we are -- you follow the debate in this country and you know that the United States has got some tough economic times, and you know the problems that exist out there with some of the countries whose journalists are here today, thank heavens.

But it is a very special time in the United States, and I just wanted to wish all of you a very merry Christmas, very happy new year, very happy holidays. Whatever your religion, I hope you feel when you are in this country the spirit of peace on Earth and good will that we Americans think come about no matter what our problems are. So thank you and have a great holiday. And I've enjoyed this opportunity very much. Thank you.

Note: The President's 113th news conference began at 1:38 p.m. in Room 450 of the Old Executive Office Building.

Statement on Signing the Coast Guard Authorization Act of 1991

December 19, 1991

Today I have signed into law H.R. 1776, the ``Coast Guard Authorization Act of 1991," notwithstanding reservations about several of its provisions.

Section 37 purports to require the Secretaries of Transportation and State to undertake discussions with the Canadian Government regarding alternatives to improve commercial vessel traffic safety. The Constitution vests the authority to conduct U.S. foreign policy, including negotiations with other nations, in the President. Consistent with my responsibility under the Constitution for the conduct of negotiations, I will construe that provision to be precatory rather than mandatory.

Section 33 authorizes the Coast Guard to investigate casualties involving foreign vessels in international waters under certain circumstances. Customary international law would preclude assertion of jurisdiction by any but the flag state of the vessel involved in the casualty. I can envision virtually no circumstances under which it would be necessary for the Coast Guard to conduct a unilateral investigation contrary to customary international law.

Section 2(b)(2) prevents the Department of Transportation from procuring certain items from foreign sources where it is to the Government's advantage to do so. Such provisions are counter to the Administration's trade policy. They not only constrain the Federal Government in its efforts to best utilize its resources, but encourage foreign governments to erect or retain similar barriers against American goods.

Finally, several provisions mandate that surplus Federal property be transferred to specific entities. The General Services Administration has issued regulations under the Federal Property and Administrative Services Act of 1949 designed to assure that all competing uses are fairly considered in disposing of surplus Federal property. Allowing these regulations to work would be more likely to assure that surplus Federal property is disposed of in a manner that best serves the interests of the Government and the public.

George Bush

The White House,

December 19, 1991.

Note: H.R. 1776, approved December 19, was assigned Public Law No. 102 - 241.

Statement on Signing the Federal Deposit Insurance Corporation Improvement Act of 1991

December 19, 1991

Today I have signed into law S. 543, the ``Federal Deposit Insurance Corporation Improvement Act of 1991." This legislation falls far short of the truly comprehensive reform proposal that my Administration sent to the Congress early this year. Our proposal squarely addressed the fundamental problems of the banking industry -- the need to recapitalize the Bank Insurance Fund; the need to make banks safer, stronger, and more competitive; the need to attract private capital into the industry; and the need to protect the taxpayer from a costly deposit insurance bailout.

Unfortunately, the narrow legislation produced by the Congress does little more than provide critical funding to the Bank Insurance Fund. While it includes some of the regulatory reforms we proposed last February, it does nothing to restore the competitiveness of the banking industry. While it demands that banks increase capital and pay higher deposit insurance premiums, it gives no additional tools to banks to meet these demands. This shortsighted congressional response to the problems we face increases taxpayer exposure to bank losses. The Congress must shoulder its responsibility for not adopting proposals to make banks stronger and more competitive. The Congress must also assume responsibility for exacerbating the ``credit crunch" that has restrained banks from lending to even their best customers.

Certain provisions of S. 543 present constitutional difficulties. Two provisions could be construed to infringe upon my constitutional responsibility to supervise my subordinates and to ensure that the executive branch speaks with one voice. Sections 215(b) and 421(c) contemplate that certain executive agencies may present views differing from those of the Administration in reports to the Congress. I shall interpret these provisions in a manner consistent with my constitutional authority, as head of a unitary executive branch, to resolve disputes among my subordinates before their views are presented to the Congress.

Section 305(b)(2) could be construed to require certain Federal banking agencies to discuss revisions of capital standards for insured depository institutions with the Bank for International Settlements, based in Switzerland. I will construe section 305(b)(2) in a manner consistent with my constitutional authority to conduct the international relations of the United States.

I have decided to sign this legislation today because of the critical need to replenish the Bank Insurance Fund. But I call on the Congress to ignore the pleadings of special interests that have stalled truly comprehensive banking reform. The Congress still has our legislative proposal, and we stand ready, willing, and able to work for comprehensive reform. It is now up to the Congress to address squarely next year the problems that it could not come to grips with in the legislation before me today. The taxpayers deserve no less.

George Bush

The White House,

December 19, 1991.

Note: S. 543, approved December 19, was assigned Public Law No. 102 - 242.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Mulroney of Canada and President Perez of Venezuela

December 19, 1991

On Tuesday, December 17, the President was called by Prime Minister Mulroney and Venezuelan President Carlos Andres Perez. The President and the two leaders discussed the situation in Haiti, including the OAS efforts at restoring democracy. They reaffirmed their support of the OAS efforts at restoring democracy and stressed the need to continue to work with all partners to accomplish this goal.

Statement on the Federal Reserve Interest Rate Reduction

December 20, 1991

Today's lowering of the Federal Reserve discount rate from 4.5 percent to 3.5 percent is a significant step. It is clear that the economy in the last quarter has been flat and sluggish. Too many people are out of work. Lower interest rates are important to spurring economic growth and creating jobs and investments.

We have pointed out on several occasions in recent months the important role of interest rate reductions in creating new jobs. The discount rate cut will help when it is passed on to consumers and businesses. These rates are the lowest in more than 25 years. But inflation is low and under control. I commend this latest Federal Reserve Board action which will significantly help our efforts to turn the economy around and get America back to work.

Proclamation 6396 -- National Law Enforcement Training Week, 1992

December 20, 1991

By the President of the United States

of America

A Proclamation

High-quality training is an essential component of effective law enforcement. The dedicated men and women who serve in this field have sworn to uphold the constitutional rights of individuals while promoting and defending the public safety. Meeting that challenge requires that every officer -- from the rookie on the street to the most experienced chief or investigator -- be equipped with certain knowledge and skills.

Today law enforcement training is as rigorous and as wide-ranging in scope as the day-to-day demands of an officer's job. First, every man and woman behind the badge must have knowledge of the law itself, including the rules of proper conduct and procedure. Because their work places them on the front lines in the war against drugs and crime, law enforcement officers also devote many hours of study and practice to self-defense techniques and to the safe use of firearms. Basic law enforcement training also includes physical conditioning, as well as lessons and exercises in the administration of first aid. Whether they are called to the scene of an accident or to the site of a violent domestic dispute, law enforcement officers know that lives depend on their preparedness and skill.

While the fundamentals have remained the same, recent advances in science and technology have changed many aspects of law enforcement and law enforcement training. To fight back against increasingly sophisticated crimes, police officers and other law enforcement agents are employing increasingly sophisticated tools and methods, from computers and toxicology to genetic ``fingerprinting'' and psychological profiling. Thus, those individuals who provide law enforcement training -- including continuing education for veteran personnel -- are part of a large, multidisciplinary team of professionals.

This week, as we gratefully salute all those who conduct and participate in law enforcement training, we also acknowledge the many rewarding career opportunities that it offers through its related disciplines. Young Americans who aspire to serve in our Nation's law enforcement and criminal justice system are encouraged to learn more about them.

To heighten public awareness of the importance of law enforcement training and its related fields,

the Congress, by Public Law 102 - 206, has designated the week of January 5 through January 11, 1992, as ``National Law Enforcement Training Week'' and has authorized and requested the President to issue a proclamation in observance of this week.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim the week beginning January 5, 1992, as National Law Enforcement Training Week. I invite all Americans to observe this week with appropriate programs and activities.

In Witness Whereof, I have hereunto set my hand this twentieth day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:01 a.m., December 23, 1991]

Note: This proclamation was published in the Federal Register on December 24.

Proclamation 6397 -- National Sanctity of Human Life Day, 1992

December 20, 1991

By the President of the United States

of America

A Proclamation

Throughout our Nation's history, Americans have treasured these timeless words from our Declaration of Independence: ``We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness." These stirring words summarize the fundamental moral vision of the United States, a vision that affirms the inestimable dignity and worth of every human being, each of whom is made in the image of God. They were not words uttered lightly. Signers of the Declaration pledged to uphold them with their lives, their fortunes, and their sacred honor. On this occasion, we reflect on the first and most fundamental right enumerated by our Nation's founders: the right to life.

Thomas Jefferson noted that ``the God who gave us life gave us liberty at the same time," and much of his writing reflects his belief that ``the care of human life and happiness, and not their destruction, is the first and only legitimate object of good government." Thus, respect for the sanctity of human life is deeply rooted in the American tradition. Today we Americans are rightfully proud of our physicians and scientists, who have helped lead the way in the fight against disability and disease; proud of the thousands of American service members and volunteers who have responded to calls for help around the world; and grateful to the many fire fighters and law enforcement officers who work to protect the public safety. These are just a few of the millions of Americans who demonstrate, through their daily labors, our Nation's traditional reverence for human life.

While the United States boasts a long and honorable tradition of respect for human life and the rights of individuals, one key issued related to the sanctity of life is a divisive one in America today: the issue of abortion.

Fewer than 20 years after the 1973 Supreme Court ruling in Roe v. Wade, the prevalence of abortion on demand in the United States stands in stark contrast to our Nation's most deeply held values and beliefs. While sincere persons may disagree, my position is that the lives of both mother and child must be cherished and protected.

Advances in science and technology continue to provide evidence that the child developing in the mother's womb is a distinct, living individual who bears all the basic attributes of human personality. How terribly ironic that an unborn child in one medical facility may be carefully treated as a patient while at another facility -- perhaps just a few blocks away -- another unborn child will become the innocent victim of abortion.

Women and men who operate crisis pregnancy centers across the country recognize the fear and desperation that compel some women to consider abortion. Yet they also know that, in a Nation as prosperous as ours, where people are known for their open hearts and their unfailing generosity, this tragic choice is unnecessary.

On this occasion, we acknowledge the selflessness and compassion of all those volunteers who offer emotional, physical, and financial support to women facing crisis pregnancies. We also salute those courageous women who choose life for their unborn children and thank the dedicated counselors, social workers, and other professionals who, where needed, offer assistance in adoption. As a Nation, we must continue to dismantle legal, financial, and attitudinal barriers to adoption, to make adopting easier for families who want children and who will give them loving homes -- particularly children with special needs.

On this ninth National Sanctity of Human Life Day, let us renew our determination to ensure that all, born and unborn, receive the protection and care they deserve. Together, let us choose life, so that America might always be known as a good and giving Nation, a Nation where the stranger is welcomed and the needy are served with dignity and kindness. That is the sure and noble path chosen at our Nation's founding and the path to which we must always return.

Now, Therefore, I, George Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim Sunday, January 19, 1992, as National Sanctity of Human Life Day. I call on all Americans to reflect on the sanctity of human life in all its stages and to gather in homes and places of worship to give thanks for the gift of life and to reaffirm our commitment to respect the life and dignity of every human being.

In Witness Whereof, I have hereunto set my hand this twentieth day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 11:02 a.m., December 23, 1991]

Note: This proclamation was published in the Federal Register on December 24.

Memorandum of Disapproval for the Morris K. Udall Scholarship and Excellence in National Environmental Policy Act

December 20, 1991

With great regret, I am withholding my approval of S. 1176, the ``Morris K. Udall Scholarship and Excellence in National Environmental Policy Act." Although the bill has a worthy goal and attempts to honor a respected public servant, it would violate the Constitution.

Under this bill, determinations about eligibility for Federal funds would be made by the Board of Trustees of a Foundation created by the bill. Of the Board's nine voting members, four would be appointed by the leadership of the Congress, and one would be appointed by the President of the University of Arizona. Under the Appointments Clause of the Constitution, however, the Congress may not reserve to itself the power to appoint those who execute the laws, nor may it vest such power in a person outside the Federal Government.

In addition, the legislative history indicates that the members of the Board to be appointed by the congressional leadership might themselves be Members of Congress. Such appointments would raise serious problems under the Incompatibility and Ineligibility Clauses of the Constitution.

Accordingly, I have decided not to sign the bill within 10 days after presentment. Because the Congress is adjourned, this means that the bill will not become a law. I stress that I am withholding my signature for constitutional reasons alone and not because of any objection to the substantive goals of this bill or any lack of regard for Mo Udall. Representative Udall has had a long and distinguished public career. He has brought humor, intelligence, and dedication to the discharge of his duties and earned the esteem of his colleagues on both sides of the aisle.

Since funds appropriated to the Foundation will not be available until September 30, 1992, sufficient time remains for the Congress to present me a bill without constitutional defects. My Administration will work with the Congress to enact such a bill promptly.

I hope to sign legislation, early in the next session of the Congress, to honor Representative Udall in a constitutionally permissible fashion.

George Bush

The White House,

December 20, 1991.

Statement on Signing the Telephone Consumer Protection Act of 1991

December 20, 1991

Today I have signed into law S. 1462, the ``Telephone Consumer Protection Act of 1991." This legislation is designed for the laudable purpose of protecting the privacy rights of telephone users. However, the Act could also lead to unnecessary regulation or curtailment of legitimate business activities. That is why the Administration opposed it when it was pending before the Congress. Indeed, the Administration is firmly opposed to current congressional efforts to re-regulate the telecommunications industry.

I have signed the bill because it gives the Federal Communications Commission ample authority to preserve legitimate business practices. These include automated calls to consumers with whom a business has preexisting business relationships, such as calls to notify consumers of the arrival of merchandise ordered from a catalog. I also understand that the Act gives the Commission flexibility to adapt its rules to changing market conditions. I fully expect that the Commission will use these authorities to ensure that the requirements of the Act are met at the least possible cost to the economy.

George Bush

The White House,

December 20, 1991.

Note: S. 1462, approved December 20, was assigned Public Law No. 102 - 243.

Proclamation 6398 -- National Ellis Island Day, 1992

December 23, 1991

By the President of the United States

of America

A Proclamation

The ethnic diversity that we so proudly celebrate in the United States mirrors our rich heritage as a Nation of immigrants. ``Here is not merely a Nation," wrote Walt Whitman, ``but a teeming nation of nations. . . . Here is the hospitality which forever indicates heroes." One of the greatest symbols of American hospitality stands at Ellis Island in Upper New York Bay.

A century ago, on January 1, 1892, the immigrant station on Ellis Island was opened as a gateway to America. Between 1892 and 1954, nearly 17 million immigrants entered the United States through this portal. Many sought refuge from tyranny and persecution. All sought new lives in this great land of freedom and opportunity.

At Ellis Island, millions of immigrants from around the world were able to look across the Bay toward our magnificent Statue of Liberty, the famed ``Mother of Exiles" who lifts her lamp ``beside the golden door." During the mass wave of immigration that spanned from 1900 to 1914, they came, especially immigrants from throughout Southern and Eastern Europe. Indeed, 100 million Americans, some 40 percent of our population, can trace their ancestry through Ellis Island.

The course of immigration to this country has fluctuated throughout the history of the United States. Recent years, for example, have seen increased numbers of immigrants of Hispanic and Asian origin. But whatever their place of origin or point of entry, each generation of immigrants has bettered America.

Indeed, it is fitting that the restoration of Ellis Island has constituted the largest historic renovation project in the history of the United States. After all, immigration has been one of the largest single factors in our Nation's social, cultural, and economic development. Walt Whitman aptly noted that, in the eyes of the poet, ``the other continents arrive as contributions . . . he gives them reception for their sake and for his own sake." That has always been true, for immigrants have enriched the United States beyond measure, bringing many contributions to our society along with the unique customs and traditions of their ancestral homeland. Most important, they have shared eagerly in the hard work of freedom, helping to defend the ideals of liberty and self-government and helping to build our churches, schools, factories, farms, and railroads.

Visiting Ellis Island today or seeing pictures of this place evokes strong chords in our national memory -- the relief immigrants felt upon landing, the strangeness of new surroundings, the babble of languages, the pain of separation from family and friends remaining in the Old World, the despair felt by those few who were not admitted and forced to return to their countries. Whatever our personal histories, who does not recall the pictures -- a woman in a head scarf holding a wide-eyed child, a man burdened with his belongings and tools of his trade, a 45-star flag perched above a full waiting room of anxious people -- and not felt a breath of recognition; a twinge of silent pain; or, most of all, a feeling of gratitude that our ancestors chose to live or remain in this, the freest, greatest country on Earth?

America's history has long been a story of immigrants, and today Ellis Island stands as a glorious reminder that new chapters are being added to that narrative each day. Thus, as we celebrate the 100th anniversary of this historic place, evocative symbol of so much of our Nation's heritage, let us not only salute the many generous contributors who made its renovation possible but also offer a warm welcome to the immigrants of today -- our fellow Americans of tomorrow.

The Congress, by Public Law 102 - 177, has designated January 1, 1992, as ``National Ellis Island Day'' and has authorized and requested the President to issue a proclamation in observance of this day.

Now, Therefore, I, George Bush, President of the United States of America, do hereby proclaim January 1, 1992, as National Ellis Island Day. I invite all Americans to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this twenty-third day of December, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

George Bush

[Filed with the Office of the Federal Register, 2:16 p.m., December 23, 1991]

Note: This proclamation was published in the Federal Register on December 26.

Christmas Address to the Nation

December 23, 1991

Merry Christmas!

I'd like to offer a special greeting to the men who were held hostage so long, and to their families who never surrendered hope through the long years of isolation and hardship.

These valiant people sustained themselves through faith and friendship, character and courage. They demonstrated the strength of American ideals, character and determination, a strength that inspired the entire world in 1991.

Nineteen ninety-one has been a year of dramatic change and challenge. It was about 1 year ago, in the interest of world peace, that I decided Saddam Hussein's aggression would not stand even if force had to be used. We tried diplomacy and economic embargoes, and then we moved against the brutal dictator and liberated Kuwait.

When our troops returned home, we felt whole, proud of their courage, confident in ourselves. And that was just the beginning of a momentous year.

Who would have thought 12 months ago, that the Soviet Union as we have known it would no longer exist. Who would have thought that Arabs and Israelis in the Middle East would sit down to discuss ways of forging a permanent peace. And who would have thought that we would see democracy and freedom sweep the globe so dramatically. Who would have thought that American ideals would triumph with such startling suddenness.

In 1991, the impossible became history. And now we must capture that same spirit of belief in ourselves as we overcome hard times at home and build a foundation for lasting prosperity and peace.

And we've already started. Just last week I signed a transportation bill that will put hundreds of thousands of Americans back in good jobs. This year, we unleashed a revolution in education. And I can tell you by the end of this decade, we will have the world's best schools. And our children will lead the next generation to a better future.

And next week I'll travel to Asia to fight for open markets and more opportunities for American workers because exports abroad mean more jobs right here at home. Let there be no mistake, my number one priority is jobs and economic growth. And I'm confident that we will succeed.

Let us remember that American ideals, faith, fellowship, family, freedom, are the values that will shape the world dawning before us. Already, Americans have banded together to help those in

need, and that's appropriate for this season of faith. It's also the way Americans are: decent, helpful, full of ambition and hope, united in their devotion to community and family. Thank God for our families.

When I lit our National Christmas Tree in Washington nearly 2 weeks ago, thousands of lights illuminated the towering spruce, thousands of warm beacons transformed the night. Each day we can light the darkness by helping someone in need, working to see that no elderly person goes to bed hungry; that no homeless person spends another night shivering on the streets; that no child sits alone, unloved, unknown.

Americans have the talent and power to do anything. And so when history remembers Christmas, 1991, let it remember that we promise to bring God's light to our brothers and sisters in need. Let it record that on Christmas, 1991, this Nation united to ask God for peace on Earth, goodwill to all. And let it record that a new age of goodness and hope began here and now.

God bless you, and may your Christmas be bright with love.

Note: The President recorded this address at 11:45 a.m. in the Blue Room at the White House for broadcast at 2:30 p.m. A tape was not available for verification of the content of this address.

Statement on the Resignation of Mikhail Gorbachev as President of the Soviet Union

December 25, 1991

Mikhail Gorbachev's resignation as President of the Soviet Union culminates a remarkable era in the history of his country and in its long and often difficult relationship with the United States. As he leaves office, I would like to express publicly and on behalf of the American people my gratitude to him for years of sustained commitment to world peace, and my personal respect for his intellect, vision, and courage.

President Gorbachev is responsible for one of the most important developments of this century, the revolutionary transformation of a totalitarian dictatorship and the liberation of his people from its smothering embrace. His personal commitment to democratic and economic reform through perestroika and glasnost, a commitment which demanded the highest degree of political and personal ingenuity and courage, permitted the peoples of Russia and other Republics to cast aside decades of dark oppression and put in place the foundations of freedom.

Working with President Reagan, myself, and other allied leaders, President Gorbachev acted boldly and decisively to end the bitter divisions of the cold war and contributed to the remaking of a Europe whole and free. His and Foreign Minister Eduard Shevardnadze's ``New Thinking'' in foreign affairs permitted the United States and the Soviet Union to move from confrontation to partnership in the search for peace across the globe. Together we negotiated historic reductions in chemical, nuclear, and conventional forces and reduced the risk of a nuclear conflict.

Working together, we helped the people of Eastern Europe win their liberty and the German people their goal of unity in peace and freedom. Our partnership led to unprecedented cooperation in repelling Iraqi aggression in Kuwait, in bringing peace to Nicaragua and Cambodia, and independence to Namibia. And our work continues as we seek a lasting and just peace between Israelis and Arabs in the Middle East and an end to the conflict in Afghanistan.

President Gorbachev's participation in these historic events is his legacy to his country and to the world. This record assures him an honored place in history and, most importantly for the future, establishes a solid basis from which the United States and the West can work in equally constructive ways with his successors.

Address to the Nation on the Commonwealth of Independent States

December 25, 1991

Good evening, and Merry Christmas to all Americans across our great country.

During these last few months, you and I have witnessed one of the greatest dramas of the 20th century, the historic and revolutionary transformation of a totalitarian dictatorship, the Soviet Union, and the liberation of its peoples. As we celebrate Christmas, this day of peace and hope, I thought we should take a few minutes to reflect on what these events mean for us as Americans.

For over 40 years, the United States led the West in the struggle against communism and the threat it posed to our most precious values. This struggle shaped the lives of all Americans. It forced all nations to live under the specter of nuclear destruction.

That confrontation is now over. The nuclear threat, while far from gone, is receding. Eastern Europe is free. The Soviet Union itself is no more. This is a victory for democracy and freedom. It's a victory for the moral force of our values. Every American can take pride in this victory, from the millions of men and women who have served our country in uniform, to millions of Americans who supported their country and a strong defense under nine Presidents.

New, independent nations have emerged out of the wreckage of the Soviet empire. Last weekend, these former Republics formed a Commonwealth of Independent States. This act marks the end of the old Soviet Union, signified today by Mikhail Gorbachev's decision to resign as President.

I'd like to express, on behalf of the American people, my gratitude to Mikhail Gorbachev for years of sustained commitment to world peace, and for his intellect, vision, and courage. I spoke with Mikhail Gorbachev this morning. We reviewed the many accomplishments of the past few years and spoke of hope for the future.

Mikhail Gorbachev's revolutionary policies transformed the Soviet Union. His policies permitted the peoples of Russia and the other Republics to cast aside decades of oppression and establish the foundations of freedom. His legacy guarantees him an honored place in history and provides a solid basis for the United States to work in equally constructive ways with his successors.

The United States applauds and supports the historic choice for freedom by the new States of the Commonwealth. We congratulate them on the peaceful and democratic path they have chosen, and for their careful attention to nuclear control and safety during this transition. Despite a potential for instability and chaos, these events clearly serve our national interest.

We stand tonight before a new world of hope and possibilities for our children, a world we could not have contemplated a few years ago. The challenge for us now is to engage these new States in sustaining the peace and building a more prosperous future.

And so today, based on commitments and assurances given to us by some of these States, concerning nuclear safety, democracy, and free markets, I am announcing some important steps designed to begin this process.

First, the United States recognizes and welcomes the emergence of a free, independent, and democratic Russia, led by its courageous President, Boris Yeltsin. Our Embassy in Moscow will remain there as our Embassy to Russia. We will support Russia's assumption of the U.S.S.R.'s seat as a permanent Member of the United Nations Security Council. I look forward to working closely with President Yeltsin in support of his efforts to bring democratic and market reform to Russia.

Second, the United States also recognizes the independence of Ukraine, Armenia, Kazakhstan, Belarus, and Kyrgyzstan, all States that have made specific commitments to us. We will move quickly to establish diplomatic relations with these States and build new ties to them. We will sponsor membership in the United Nations for those not already members.

Third, the United States also recognizes today as independent States the remaining six former Soviet Republics: Moldova, Turkmenistan, Azerbaijan, Tadjikistan, Georgia, and Uzbekistan. We will establish diplomatic relations with them when we are satisfied that they have made commitments to responsible security policies and democratic principles, as have the other States we recognize today.

These dramatic events come at a time when Americans are also facing challenges here at home. I know that for many of you these are difficult times. And I want all Americans to know that I am committed to attacking our economic problems at home with the same determination we brought to winning the cold war.

I am confident we will meet this challenge as we have so many times before. But we cannot if we retreat into isolationism. We will only succeed in this interconnected world by continuing to lead the fight for free people and free and fair trade. A free and prosperous global economy is essential for America's prosperity. That means jobs and economic growth right here at home.

This is a day of great hope for all Americans. Our enemies have become our partners, committed to building democratic and civil societies. They ask for our support, and we will give it to them. We will do it because as Americans we can do no less.

For our children, we must offer them the guarantee of a peaceful and prosperous future, a future grounded in a world built on strong democratic principles, free from the specter of global conflict.

May God bless the people of the new nations in the Commonwealth of Independent States. And on this special day of peace on Earth, good will toward men, may God continue to bless the United States of America. Good night.

Note: The President spoke at 9 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television.

The President's News Conference

December 26, 1991

Secretary-Designate of Commerce

The President. Good afternoon, the day after Christmas. Let me just say I am very pleased to announce my intention to nominate Barbara Hackman Franklin as the next Secretary of Commerce. I've known Barbara for many years, and I am confident that her outstanding record of achievement in both the public and private sector will serve her well as she tackles this tough and important assignment.

Barbara has dealt with a broad range of domestic and international issues. She's a recognized leader in her field. She served on the board of directors of seven major industrial companies, manufacturing and service, providing advice and guidance on how to successfully innovate, manage efficiently, and stimulate economic growth. In fact, in 1990, the American Management Association named her one of our Nation's 50 most influential corporate directors.

Currently in her fourth term as a member of the President's Advisory Committee on Trade Negotiations, she understands firsthand the challenge America faces in the international trade arena. She knows that, currently, exports are our strong suit and that we must continue to press hard to open more markets to quality American goods and services.

And that's why she's been a determined advocate of free and fair trade, keenly aware that when the playing field is level, American workers can compete with anyone anywhere.

Her first priority is the same as mine: jobs and economic growth. And she's shown a deep commitment to public service, from serving on the Consumer Product Safety Commission to working as an alternate public delegate to the United Nations.

In addition to her corporate and international trade experience, Barbara is an entrepreneur, founder and owner of her own management consulting firm. As one of the first women to earn an MBA from Harvard University, she's also been a leader and role model for many women in business. As we address the tough economic issues before us, I look forward to Barbara Franklin's sound, experienced counsel. And she will undoubtedly be a valued member of our economic team.

Let me just add that I am grateful for Bob Mosbacher's service at the Department of Commerce. I mentioned it here the other day, but as I name Barbara Franklin to this new position, I again want to express to Bob Mosbacher my sincere appreciation for a job so well done. And I have every confidence that Barbara will continue that fine tradition of exemplary public service.

And now, Madam Secretary-Designate, if you would like to say a word or two, and then we'll be -- either both of us be glad to take some questions.

Ms. Franklin. Thank you very much, Mr. President. I am deeply honored, almost beyond putting that into words, but I am absolutely thrilled to be a new part of your team. And I'm particularly honored that you have chosen me to follow my friend, Secretary Bob Mosbacher, who really has done a wonderful job. And I admire very much what you and he have done to forge a partnership between Government and business and to promote exports. And I look forward to working with everyone on your team in the administration to continuing that momentum.

As Secretary of Commerce, when confirmed by the Senate, of course, I look forward to and will be very proud to be an advocate for American business, small business, big business, medium-sized business, start-up business, manufacturing service, whatever kind of business we have in this country, because it is the economic backbone of America and really the envy of the world.

I believe today that American business is more competitive, more innovative, and more responsible than a lot of people realize. And we have a great story, and I'm thrilled to have this opportunity to begin to tell it.

I appreciate your confidence in me, Mr. President. Thank you.

The President. Well, both of us, either of us, will take questions. Tom [Tom Raum, Associated Press], I believe, has the first one.

Russian Nuclear Weapons

Q. Thank you, Mr. President. Despite the assurances that you've gotten from Boris Yeltsin that he'll do what he can to not ever use the nuclear button, how satisfied are you that he can control the vast arsenal that's now spread out over four independent Republics, particularly given the continued economic instability there?

The President. Well, we have had proper assurances from all the Republics, the ones that I have said last night we were going to recognize, those that have nuclear weapons. And our experts that have been in touch at the expert level see no reason to be concerned about this. I had proper assurances, obviously, from Boris Yeltsin on this on several occasions.

Similarly, in my conversation with Mikhail Gorbachev, he raised the subject and expressed his satisfaction at the way this process or this -- well, this process is going. And so I have no reason to be anything but satisfied at this point.

Future Arms Negotiations

Q. Mr. President, a followup, if I may. In the past it's been hard enough to negotiate arms control agreements with the one central power. What does this say, now that there will be as many as 12 different voices speaking, what does this say for enacting new arms control agreements and enforcing the old ones?

The President. I think it's going to be very easy, much easier. And the reason I say that -- let me say much easier -- because we don't have the concept on their part of viewing the United States as an enemy, as happened over all the years of the cold war.

From the representations that have been made by the various presidents of the Republics, I think it will be far easier now to hammer out whatever additional arms control agreements are in the world's interest, and certainly in the interest of the United States, than it was before. So, I think this whole change towards commonwealth will facilitate further progress in arms reductions.

The Economy

Q. Mr. President, speaking of trust, why do you trust your economic advisers when they've been so wrong? And I have a -- --

The President. That's a very good question, Helen [Helen Thomas, United Press International]. [Laughter] I was kind of hoping you would bring that up. [Laughter]

Q. I have another part, another related question.

The President. Well look, you go back and look at not just my economic advisers, but the blue chip prognosticators, and I think many, including this noneconomist you're talking to, have been wrong. And so, I'm not recriminatory about it, but I think that everybody would recognize, given the way the economy failed to recover, as was widely predicted 3 months ago, that this science of economics is inexact at best. But I have no recrimination on it, but I simply think that it is very hard to -- what I've learned from this is that economists can be wrong. It's very hard to predict accurately events on a complicated thing like this economy.

Salaries of Corporate Executives

Q. Mr. President, you're taking with you a delegation, many of whom pulled down multimillion-dollar salaries while their companies have fired hundreds, perhaps thousands of workers. What is your feeling about that? Do you think they should make that kind of money when they're firing everybody?

The President. I don't think the Federal Government has a role in all of this, but I do think that it's good that these business people are going along, regardless of what their salaries are. They represent large companies in various fields, including the automotive business, and there are a lot

of workers who would like to see what I'd like to see: more access to Japanese markets. So, on the whole, I'm very, very pleased that that's taking place.

Q. You have no feeling about these salaries that go through the roof?

The President. I think when times are tough there's more focus on that, and everybody ought to be dealing from their conscience. And these boards of directors should be looking very carefully at these matters. But I stop short of saying this is where the Government ought to get in. I've seen pieces of legislation that somehow hook things into the Government mandating what compensation should be, and I'm strongly opposed to that.

Commonwealth of Independent States

Q. Mr. President, last night in your speech you warned that there was still a potential for instability and chaos in the Commonwealth of these Republics. Just what is it precisely that you're concerned about? And, given the economic constraints here in the United States, what specific steps are you ready to take today to see that doesn't happen?

The President. Well, I'm concerned about economic deprivation; that's one thing. Secondly, I'm concerned that when you put into effect bold, new free market economic systems that there will be dislocations. The managed economies have failed, but as you have a transition to market economies, there could be consumer woes out there. And I think Boris Yeltsin himself has mentioned his concerns about that in the Russian Republic. You already hear concerns being expressed in the other Republics. And so, it isn't easy when you make the shift from a highly centralized economy, even though it's in the failing state, to something as bold and innovative as a market economy. And it's going to take a while to attract the investment they want.

So, what I think we ought to be doing is helping where we can with food, helping where we can with medicine, and helping where we can with private investment. And of course, that's one of the categories that will -- that's one of the headings that will be addressed by our new Secretary of Commerce.

We're just beginning now in all of this. And it's very important we succeed. I'm not predicting disaster; I am just saying we've got to be alert to the pressures that are going to be brought to bear on the Republics.

I saw a report today of oil shortages in the Baltic States, for example. And there's no easy answer to all of this. But I just hope that they will continue to solve these problems, for the most part, in a very, very peaceful way. We've seen some areas where it hasn't been so peaceful.

Q. But can the United States do anything more specific to head off this kind of instability and turmoil?

The President. I think, in something this complex, I don't think there's one easy formulation, if that's what you mean. We are going to stay involved in those areas that I mentioned. I think that will guard against the real worst-case scenario.

I've been criticized for not getting to the back of the room. So, we'll do these two, and then we'll go way back there somewhere although I do not hear from my fellow Texan back there. [Laughter]

Initiatives on the Economy

Q. In your Christmas address you did promise that you would use the same determination on the economic problems at home that you used on ending the cold war. What will you do between now and your State of the Union Address?

The President. I'm going on a foreign trip to Japan, Singapore, Australia, and Korea. And one of the things that sustained us in difficult economic times is our exports, and I want to be sure during this period of time that we do everything we can to set the ground work for expanded exports. So, that's one thing I'll be doing.

The other things we'll be doing is working out the final phases of a highly complex Federal budget. And the third thing will be putting the final touches on a State of the Union that will include some suggestions that I've already made and some new suggestions as to what to do in a stimulatory sense for this economy.

Q. And you've ruled out any unilateral administration action between now and the State of the Union?

The President. Well, there may be other steps we can take. I've mentioned three things we will be doing, but in terms of other steps there may be. We're going to be talking today, as a matter of fact, on some things here.

Budget Agreement

Q. Mr. President, one of the issues that your economic advisers have stuck by closely is maintaining the budget agreement. Are you at this point ready to ditch that agreement if it suggests that you might be able to get the economy underway?

The President. Well, by the budget agreement, what I think of when I think of it is keeping caps on discretionary spending. And one of the things that has kept the long-term interest rates from going out through the roof is the fact that discretionary spending is capped. And I have no desire to change that at all. I am not going to do that. And I think the markets will receive what I've just

told you right now with great feeling of satisfaction.

Q. But if it's not discretionary, you are willing to entertain some changes?

The President. The nondiscretionary spending is going at leaps and bounds. And I don't know of many Americans who say, ``Spend more money please from Washington.'' But, you know, when you take a look at some of the entitlement programs, therein lies the real expansion of Government spending. What can be done about them? We're talking about that right now.

Q. Possibly some cuts, sir?

The President. We're just talking about a wide array of things.

Cuba

Q. Mr. President, now that the Soviet Union is dead and that communism seems to be dead or is dead already, what do you foresee in Cuba? What is your forecast or your outlook?

The President. I've got a pretty pessimistic prospect there for Fidel Castro down there in Cuba, very pessimistic for him, because it is so hard to be the only one that still thinks communism is a good idea. And that's what he thinks. And he's hurting his own people. And the Soviets -- the Republics will be, if not cutting him off entirely, cutting him back considerably.

So, what he ought to do is brighten the future for Cuba and brighten the future for the Cuban people by permitting them to have the same kinds of freedoms that the Republics now enjoy, the Republics in the former Soviet Union. And that's what Fidel Castro ought to do. So, Castro, in its existing model, no hope for him. It's a dead end. He's swimming against an inexorable tide.

Latin America

Q. For the future of Latin America, now that there are so many countries that need aid -- --

The President. Very optimistic about the future of Latin America. I want to hammer out a fair trade agreement with Mexico that will create more jobs in the United States and will be of enormous benefit to Mexico. Then I want to go beyond that for more opening of trade with Central and South America. And I want to help those countries every way we can strengthen their fledgling democracies and strengthen those democracies that have been in effect for a long time.

So, Latin America, South America presents at year's end a very exciting prospect. And the United States is fully engaged. We will continue to be engaged. Haiti remains a problem, but if you ask me if I'm pessimistic or optimistic about the lives of the people south of our border being better this coming year, I would say because of the political change down there they have every

opportunity for much better lives.

Lack of Confidence in the Economy

Q. Mr. President, I wanted to ask you about public anxieties about the economy. On paper, if you compare the economy now with the '82 recession, for instance, it doesn't look that bad. Unemployment isn't as high; interest rates are relatively low. Yet, the public anxiety seems to be very high, and Alan Greenspan last week said there is a deep-seated concern out there that he hasn't seen in his lifetime.

Now, you've said that if you're unemployed the unemployment rate for you is 100 percent. But beyond that, there must be something out there that is causing this anxiety. How would you explain it?

The President. I think it's somewhat the nature of this sluggish economy. I think there's a lot more white-collar unemployment and concern. It's hard for me, beyond that, to explain it because you are correct in what you say about these statistics, and yet you're also correct in what you say about confidence being far lower than it was during the depths of the '81 - '82 recession, when, as you point out, conditions in some areas were a heck of a lot worse.

So, I don't really -- I haven't really been able to sort out exactly why there has been this degree of pessimism. But I will say this: I believe that's going to change. And I think what the Fed did last week was a good step. I think it will work its way through to the job creation part of this, which is most fundamental. But it's hard for me to explain exactly -- I mean, to have it explained the way that I can understand it exactly why there is the degree of pessimism. But there certainly has been, and I want to do my level-best to turn that around.

Tax Cuts

Q. Mr. President, as you put your economic package together for next year, the Fed has lowered the interest rates, and some economists say that that has pretty much erased the need for a tax cut for the middle class that the Democrats are clamoring for. What's your current thinking on whether that package will indeed contain a tax cut for the middle class?

The President. I will not say to you what is going to be in our proposals. I have read some speculation of that nature, but what I want to do is find the answers that will really help the economy without doing long-run damage to the economy. And beyond that, I simply would respectfully ask that I just address myself to that when I go into it with the State of the Union.

Q. Republicans joined the Democrats in ridiculing the idea of a tax rebate -- that it really wouldn't do that much good. Are you playing around with some idea in that way?

The President. Well, we've got some ideas that I think will be stimulative, and I think that is what is necessary. We've had some that I felt would be stimulative, and we haven't been particularly successful in getting them through Congress, but we are going to try some more. I think we owe that to the American people, and I think Congress owes it to the American people.

Visit to Asian and Pacific Nations

Q. Mr. President, why are you taking corporate CEO's on your trip to Asia and not working people, representatives of working people, union leaders?

The President. I think the major problem we're trying to do is to -- the problems we're trying to solve is to have the counterparts, the people that run the business enterprises in the various countries we are going to, understand how difficult things are for the American worker, for the job-holder in this country, union or nonunion, and how important it is to gain access, further access to these foreign markets. So, I think it is the people that are actually running these various businesses who are in the best position to discuss it in that level.

I hope they understand from studying this country as much as they do that the workers you're talking about are hurting and are concerned. And so, I hope that this approach will benefit our common objectives. That is why I want them to be with us.

I might say, there are other things we are going to be talking about on this trip. We're going to be talking about the U.S. role in the Pacific. Some have felt that the United States was pulling back from its responsibilities in the Pacific, given what has happened, for example, in the Philippines. I will reassure the leaders of the four countries that I am visiting that that isn't the case, that we remain a Pacific power.

We've got some other things we'll be talking about with these various countries, the need to work in global partnership with them in terms of helping South and Central America, or seeing what we can do to help alleviate the suffering that might take place in these Republics. So, there's a wide array of subjects, but right up in the forefront will clearly be the economic questions.

Q. Does it trouble you, sir, though, that a lot of these executives have protectionist views that are quite at odds with your own?

The President. They know my views, and I am not going to change my views to become a protectionist. But I think we have a common view that we ought to have more access to these foreign markets, and I think therein there is a total common view. But I am not going to turn protectionist. I just believe that we need to expand markets, not contract them. This country went through a disastrous experience with protectionism years ago, and we're not going to do it again.

Karen [Karen Hostler, Baltimore Sun], the last one I am told.

Q. On the trip, you've raised expectations pretty high with all this talk of jobs, jobs, jobs, and going to Japan. What do you realistically expect to accomplish? Are you hopeful of getting some concessions from the Japanese on trade barriers or changing some of the unfair trade practices?

The President. Well, one thing we will get is that they will have a much clearer feel for the state of the U.S. economy and what the President and some business leaders think need to be done to improve the state of the U.S. economy to help create jobs in this country. We've been talking to world leaders for many years about this, but I think they'll understand when this trip is over that, to the degree there are barriers that make this trade less than fair, that they'd better do something about it.

So, I would leave it general. There are some things that I could cite for you that we might get, but I'm not going to do that, set up goals for this trip. I notice some of the political leaders up on the opposition in this country have already done that for me, so we'll just leave it there. But that doesn't bother me. We're going to stay on this free trade approach, but we're also going to try to do our best to be sure the trade is fair and fairer and continuing to get fairer. That is what's essential here at this turn of events. We must not go back into this isolationistic sphere that inevitably will shrink markets and throw more people out of work.

So, we're going to be taking a broad message on this subject of jobs and a strong message in terms of the need for the United States to stay involved in the Pacific area. It's an important trip in that regard.

Listen, thank you all very much, and have a great new year. And I hope you had half as good a Christmas as the Bush family did; then you'd be very, very happy.

Q. What did you get for Christmas?

The President. What did I get for Christmas? I can't tell you.

Meeting With Russian President Yeltsin

Q. Mr. President, would you like to meet with Boris Yeltsin soon?

The President. We talked about that, as a matter of fact, and he's -- I think it's important. I think he thinks it's important. No date was set. But clearly, as the leader of the largest Republic, one who I said last night we wanted to help get the -- who we'd like to see sit in that Security Council permanent member seat, it is important we stay in a very, very close touch.

And as you know, President Yeltsin and I have been in close touch and will continue to be. But I would say that a meeting before too long is important, and I think he agrees with that.

Q. Sir, would you consider inviting here to Washington for -- --

The President. Sure, sure -- well, for what?

Q. In January?

The President. I don't think that would fit, but I think it's important that he come here or that I meet him somewhere, because we want to handle this relationship as best we can to see that it's peaceful, to see that all the things they've represented to us in terms of Helsinki principles and nuclear weapons and all of those things are handled well. I'm confident they will, but it doesn't hurt to have that personal contact.

Thank you all very much.

Note: The President's 114th news conference began at 2:07 p.m. in the Briefing Room at the White House.

Letter to Congressional Leaders on the Continuation of the National Emergency With Respect to Libya

December 26, 1991

Dear Mr. Speaker: (Dear Mr. President:)

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Libyan emergency is to continue in effect beyond January 7, 1992, to the Federal Register for publication.

The crisis between the United States and Libya that led to the declaration on January 7, 1986, of a national emergency has not been resolved. The Government of Libya continues to use and support international terrorism as evidenced by its involvement in the destruction of Pan Am Flight 103, in violation of international law and minimum standards of human behavior. Such Libyan actions and policies pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Libya to reduce its ability to support international terrorism.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Notice of the Continuation of the National Emergency With Respect to Libya

December 26, 1991

On January 7, 1986, by Executive Order No. 12543, President Reagan declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Libya. On January 8, 1986, by Executive Order No. 12544, the President took additional measures to block Libyan assets in the United States. The President has transmitted a notice continuing this emergency to the Congress and the Federal Register every year since 1986. Because the Government of Libya has continued its actions and policies in support of international terrorism as evidenced by its involvement in the destruction of Pan Am Flight 103, the national emergency declared on January 7, 1986, and the measures adopted on January 7 and January 8, 1986, to deal with that emergency, must continue in effect beyond January 7, 1992. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Libya. This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

December 26, 1991.

[Filed with the Office of the Federal Register, 5:03 p.m., December 26, 1991]

Note: This notice was published in the Federal Register on December 30.

Executive Order 12785 -- Extending the President's Education Policy Advisory Committee

December 26, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App.), and in order to extend the President's Education Policy Advisory Committee, it is hereby ordered that section 4(b) of Executive Order No. 12687, as amended, is further amended by deleting the date ``December 31, 1991" and inserting in lieu thereof the date ``December 31, 1992".

George Bush

The White House.

December 26, 1991.

[Filed with the Office of the Federal Register, 5:01 p.m., December 26, 1991]

Note: This Executive order was published in the Federal Register on December 30.

Executive Order 12786 -- Adjustments of Certain Rates of Pay and Allowances

December 26, 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 704 of Public Law 101 - 194; section 302 of the Federal Employees Pay Comparability Act of 1990, as incorporated in section 529 of Public Law 101 - 509; section 633 of Public Law 101 - 509; section 301(a) of Public Law 102 - 40; section 305 of Public Law 102 - 140; section 601 of Public Law 102 - 190; section 31 of title 2, United States Code; section 104 of title 3, United States Code; sections 5303, 5318, and 5382 of title 5, United States Code; and section 461(a) of title 28, United States Code, it is hereby ordered as follows:

Section 1. Statutory pay systems. The rates of basic pay or salaries of the following statutory pay systems are set forth on the schedules attached hereto and made a part hereof:

(a) The General Schedule (5 U.S.C. 5303, 5332(a)) at Schedule 1;

(b) The Foreign Service Schedule (5 U.S.C. 5303; 22 U.S.C. 3963) at Schedule 2; and

(c) The schedules for the Veterans Health Administration of the Department of Veterans Affairs (5 U.S.C. 5303; 38 U.S.C. 7404; section 301(a) of Public Law 102 - 40) at Schedule 3.

Sec. 2. Senior Executive Service. Pursuant to section 5382 of title 5, United States Code, the rates of basic pay for members of the Senior Executive Service are set forth on Schedule 4 attached hereto and made a part hereof.

Sec. 3. Executive salaries. The rates of pay or salaries for the following offices and positions are set forth on the schedules attached hereto and made a part hereof:

(a) The Executive Schedule (5 U.S.C. 5312 - 5316, 5318) at Schedule 5;

(b) The Vice President (3 U.S.C. 104) and the Congress (2 U.S.C. 31) at Schedule 6; and

(c) Justices and judges (28 U.S.C. 5, 44(d), 135, 252, and 461(a)) at Schedule 7.

Sec. 4. Uniformed services. Pursuant to section 601 of Public Law 102 - 190, the rates of monthly basic pay (37 U.S.C. 203(a)), the rates of basic allowances for subsistence (37 U.S.C. 402), and the rates of basic allowances for quarters (37 U.S.C. 403(a)) for members of the uniformed services are set forth at Schedule 8 attached hereto and made a part hereof.

Sec. 5. Interim geographic adjustments. (a) Pursuant to section 302 of the Federal Employees Pay Comparability Act of 1990, as incorporated in section 529 of Public Law 101 - 509, employees under the statutory pay systems covered under section 1 of this order, and members of the United States Park Police, who are assigned to a duty station located in one of the geographical areas listed in Schedule 9 shall be entitled, except as may be provided under subsection (b) of this section, to receive an interim geographic adjustment at the rate shown on Schedule 9, which schedule is attached hereto and made a part hereof.

(b)(1) The Office of Personnel Management shall prescribe regulations governing the application of interim geographic adjustments to General Schedule employees, including the determination of what, if any, geographic adjustment shall be payable in the case of employees receiving special pay rates.

(2) The Secretary of State shall prescribe regulations governing the application of interim geographic adjustments to employees under the Foreign Service Schedule, consistent with the regulations and determinations prescribed under paragraph (1) of this subsection.

(3) The Secretary of Veterans Affairs shall prescribe regulations governing the application of interim geographic adjustments to employees under the schedules for the Veterans Health Administration of the Department of Veterans Affairs, consistent with the regulations and determinations prescribed under paragraph (1) of this subsection.

(4) The Secretary of the Interior shall prescribe regulations governing the application of interim geographic adjustments to members of the United States Park Police, consistent with the regulations and determinations prescribed under paragraph (1) of this subsection.

(c) The Office of Personnel Management is hereby designated and empowered to exercise the authority of the President under section 302(c)(1)(D) of the Federal Employees Pay Comparability Act of 1990, as incorporated in section 529 of Public Law 101 - 509, to extend the application of interim geographic adjustments shown on Schedule 9, upon the request of an agency head, to employees who would not otherwise be covered.

Sec. 6. Effective dates. The rates of monthly basic pay and allowances for subsistence and quarters for members of the uniformed services provided for at Schedule 8 are effective on January 1, 1992. The other schedules provided for herein are effective on the first day of the first applicable pay period beginning on or after January 1, 1992.

Sec. 7. Executive Order No. 12736 of December 12, 1990, is superseded.

George Bush

The White House,

December 26, 1991.

[Filed with the Office of the Federal Register, 5:02 p.m., December 26, 1991]

Note: This Executive order and the attached schedules were published in the Federal Register on December 30.

Statement on Foreign Direct Investment Policy

December 26, 1991

I am today reaffirming the unequivocal and long-standing support of the United States for a policy of free and open foreign direct investment among all nations.

The United States open investment policy is based on the principle of national treatment: Foreign investors should not be treated differently from domestic investors. This policy provides the means for economies to grow and to prosper. All countries, both sources and recipients, benefit from foreign direct investment. The United States, the world's largest source and recipient of direct investment, has a major interest in fostering open investment climates. We are committed to our open investment policy in the United States, and we are aggressively seeking to open markets abroad.

Like domestic investment, foreign direct investment stimulates growth, creates jobs, fosters competition, and facilitates the creation and exchange of goods, services, and innovative techniques. It helps our economy maintain investment, which is vital to our economic performance and international competitiveness.

Since 1983, the last time the United States issued an investment policy statement, the world has witnessed enormous changes in the treatment of foreign investment. Many countries are dismantling inefficient economic systems and are actively seeking investment from abroad.

As other nations around the globe join us in embracing the concept of free markets, it is important to reaffirm our commitment to an open investment policy. It is an essential element of our Nation's effort to compete fully in the global economy and is a constant contributor to worldwide growth and the prosperity of nations.

White House Statement Announcing United States Foreign Direct Investment Policy

December 26, 1991

1. Foreign Direct Investment in the United States

The United States welcomes foreign direct investment. Foreign direct investment is beneficial to the U.S. economy. Like domestic investment, foreign investment creates jobs, promotes innovation, generates increases in productivity, and thereby raises U.S. living standards. It strengthens U.S. firms and makes them more competitive in the global economy.

The United States provides foreign investors fair, equitable, and nondiscriminatory treatment as a matter of both law and practice. While there are exceptions, generally related to national security, such exceptions are few; they limit foreign investment only in certain sectors, such as atomic energy, air and water transport, and telecommunications. These exceptions are consistent with our international obligations.

Consistent with this policy, the Exon-Florio Amendment to the Defense Production Act provides the President with authority to suspend or prohibit foreign mergers, acquisitions, and takeovers, where there is credible evidence of a threat to the national security.

2. U.S. Direct Investment Abroad

The United States believes that U.S. investment abroad should also receive fair, equitable, and nondiscriminatory treatment. The basic tenet of our policy is that U.S. investors should be accorded the better of national or most-favored-nation treatment. U.S. investors should receive the most favorable treatment offered by the host country to any investor, foreign or domestic, at the time of establishment and thereafter.

Accordingly, the United States continues to seek the reduction and elimination of practices by governments which restrict, distort, discriminate against, prohibit, or place unreasonable burdens on foreign direct investment.

Foreign direct investment can help ease the adjustment problems facing countries moving from centrally administered to market-oriented economies. For developing countries, particularly those that have embraced free market principles, foreign direct investment is vital to increase growth and reduce debt service burdens.

The adoption by all countries of open foreign direct investment policies would contribute significantly to improved worldwide economic health and would diminish distortions in an

increasingly integrated world economy.

3. U.S. Initiatives

The United States has a number of initiatives underway to enhance the free flow of foreign direct investment in accordance with market forces.

-- In the Uruguay round, the United States is negotiating key multilateral agreements to eliminate trade-related investment measures; to protect trade-related intellectual property; and to promote trade in services, an area where many investment rules have prohibited highly competitive U.S. service industries from doing business abroad.

-- The United States, Canada, and Mexico are negotiating the North American free trade agreement, in which we are seeking to liberalize investment principles consistent with U.S. bilateral investment treaties.

-- In the Enterprise for the Americas Initiative, the United States and its partners are working with the Inter-American Development Bank to help nations of Latin America and the Caribbean to liberalize their investment regimes. To assist in carrying out these reforms, the United States has spearheaded the formation of a multilateral investment fund for Latin America and the Caribbean, which will be administered by the Inter-American Development Bank. Japan, Canada, Spain, Portugal, and several of the largest Latin American countries have agreed to join the United States in contributing to this fund. Others are actively considering joining.

-- The United States has signed bilateral investment treaties with 16 countries in Eastern Europe, Latin America, the Caribbean, Africa, and Asia and is negotiating such agreements with a number of other countries. These treaties represent important commitments to investment reform. They incorporate the principle of nondiscriminatory treatment; affirm international law standards for expropriation, including the principle of prompt, adequate, and effective compensation; provide for freedom of financial flows; and permit investors to take investment disputes to international arbitration.

-- The United States is also vigorously promoting the adequate and effective protection of intellectual property rights. Such protection is essential for the flow of investment into both developed and developing countries.

-- At the initiative of the United States, member countries of the Organization for Economic Cooperation and Development are studying ways to strengthen multilateral commitment to open, nondiscriminatory treatment of investment.

-- The United States will continue to encourage Japan to remove its investment barriers as an important goal of the Structural Impediments Initiative talks.

4. Conclusion

Throughout our Nation's history, foreign direct investment has played an important role in increasing economic growth and raising living standards. In order to meet the economic challenges of the 1990's, the United States will continue to implement its open, nondiscriminatory investment policy at home, and its policy of opening markets abroad.

Remarks on Disaster Relief Efforts in Beeville, Texas

December 27, 1991

Let me just say first, I'm pleased to be back here in Beeville. But last night I signed a statement declaring a major disaster in the State of Texas, due to the severe thunderstorms and flooding that began last week.

This declaration will allow Federal funding to be made available to affected individuals and local governments in a five-county area, which includes Bastrop, Bosque, Brown, Dallas, and Travis counties.

Grant Peterson, with me here today, the Associate Director of FEMA, of the Federal Emergency Management Agency. And he's here to ensure that all aspects of the declaration are promptly implemented. He'll also make sure that the Federal funds are rapidly put into the hands of the families and individuals who need them.

These funds will help to provide shelter, temporary housing, and transportation to individuals and families whose lives have been disrupted by this disaster. The funds will also help to recover the cost of damaged personal property and allow the victims of the storms and floods to begin rebuilding their lives.

I know that this disaster has been a source of great personal tragedy to many here in Texas, a particularly bitter calamity during this holiday season. And to those who have lost loved ones as a result of this catastrophe, Barbara and I send our deepest sympathies.

We had a chance to see some of the flood damage. We went over Austin and flew by some flooding in Travis County, Bosque County, and it is severe.

So anyway, we wish those families all the best as we approach the new year.

Thank you very much.

Note: The President spoke at 9:40 a.m. at Chase Field Naval Air Station in Beeville, TX. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on Extension of the Voluntary Restraint Agreements With Japan and Taiwan

December 27, 1991

The President has directed that the U.S. Trade Representative negotiate a limited extension of the voluntary restraint agreements (VRA's) with Japan and Taiwan on machine tools. These VRA's were negotiated in 1986 for national security reasons and were scheduled to expire on December 31, 1991.

Import restrictions on machining centers, computer-controlled lathes, computer-controlled punching and shearing machine tools, and computer-controlled milling machine tools will be removed progressively over a 2-year period, beginning in January 1992.

To allow sufficient time for negotiations with concerned countries over the phase-out schedule, we are requesting that Japan and Taiwan extend the existing VRA restrictions on machining centers, computer-controlled lathes, computer-controlled punching and shearing machine tools, and computer-controlled milling machine tools, scheduled to expire on December 31, 1991, for an additional 30 days.

VRA restrictions on noncomputer-controlled lathes, noncomputer-controlled punching and shearing machine tools, and noncomputer-controlled milling machine tools will expire as scheduled on December 31, 1991.

The President also has directed that the following steps be taken to assist the U.S. machine tool industry's ongoing efforts to regain international competitiveness:

-- The Secretary of Commerce, as chairman of the Cabinet-level Trade Promotion Coordinating Committee, will give special focus to ways to promote machine tools exports.

-- U.S. export control regulations will be reviewed to ensure that restrictions on machine tools are kept to the minimum consistent with national security.

-- The Secretaries of Defense, Commerce, and Labor will designate officials at the Assistant Secretary level to work together to monitor the industry's performance and to consult regularly with industry's representatives.

-- The Secretary of Labor will help the machine tool industry improve technical training, human resource management, and the utilization of new and emerging technologies.

-- The Secretaries of Commerce and Energy will examine which research and development efforts in the national laboratories could benefit the domestic machine tool industry and will recommend appropriate investment and technology transfer to realize such benefit.

-- The Secretaries of Commerce and Defense will continue to implement the domestic action plan of programs to support the revitalization of the U.S. machine tool industry. Key elements of the domestic action plan are as follows:

-- Support for the National Center for Manufacturing Sciences (amounting to $50 million during fiscal years 1988 - 91);

-- Support by the Defense Department's Manufacturing Technology (MANTECH) R&D program. More than $33 million has been spent for research on machine tools and related technologies over the past 3 years. Funding for related technologies is estimated at $82 million over the FY 1991 - 95 period.

-- The Secretary of Commerce will continue efforts under the U.S.-Japan Cooperation Plan, which was begun in May 1990 to help promote U.S. products to Japanese machine tool users and their subsidiaries in the United States.

The President's decision recognizes the importance to U.S. national security of a viable domestic machine tool industry. However, the main responsibility for achieving international competitiveness rests with the industry itself. We expect the industry to continue its efforts to improve quality and product lines.

Remarks to the Bee County Community, Beeville, Texas

December 27, 1991

Thank you for that warm welcome. And let me start off by thanking the A.C. Jones High School Band, well-represented back there with their families; the Taylor Brothers Band; and the Knight-Rider Band who are here with us. And also, I want to pay my special thanks to Holly Dunn, who is with us, came all the way over from Nashville, one of the great country stars. And I don't know; has she been on yet? She's fixin' to be on, and you're in for a real treat, believe me.

And it's also -- let me just single out a couple of other people with us from Washington, your Congressman, my friend of many, many years, Kika de la Garza, sitting right here in the front row. We refer to him as Mr. Chairman. And, of course, a special guest that my friend, Will Farish, is entertaining for the weekend and who is entertaining us, my dear friend, the Senator from Wyoming, Al Simpson, sitting right down here.

And I understand that Judge Hayden Head is with us, one of the great Federal judges. I'm going to be in trouble if I mention friends, but I've got a friend from Hebbronville, Tony Salinas, who's up here. Been at my side in politics for a long, long time. And, of course, there's no way that I can begin to thank Dan and Jay, Dan Ouellette and Jay Kimbrough, for putting on this magnificent event. I am very, very grateful to them. I am grateful to the leaders of Beeville. And I'm grateful to each and every one of you who are here tonight to, in a sense, welcome me back to South Texas. Thank you very, very much.

And I will have a little presentation to make to your outstanding mayor of one year, Mayor Carlos Salazar, who's with us up here. But we'll have a little to do later on in this sense.

Of course, I'm grateful to my old friend, Will Farish up at Berclair, who brings us down here from time to time.

Barbara is not with me. She's looking after Millie for the weekend and getting ready for a long trip that we're about to go on. But if I might say this about Barbara Bush, because I know I'm amongst friends here -- if you will excuse this familial pride -- with all she does in helping families with reading, reading to kids, hugging those kids that are not well, if you might permit this, I think she's an outstanding First Lady of this country, and I -- -- [applause].

I was asked out at the airport today to say something about Chase, because I know it's the integral part of the lifeblood -- has been here in Bee County. And I remember when I learned to fly, got my wings at Corpus. Of course, Chase Field then was active and one of the satellites, it was in those days, to Corpus Naval Air Station. So, let me just say a few words about it. And I want to put it in a global context, the context that those lovely words of our reverend touched on here this evening.

In the past 3 years, the entire world has changed. The cold war ended, and because we stood firm over the years, we won the cold war. Communism collapsed. The ideals that we defended so long conquered the empty promises and the grinding dogmas of socialism. And so, let there be no question about it anywhere: Freedom works and tyranny does not work, and the whole world understands that today.

And to the kids here -- I know there are many from the schools around here -- let me just say, keep in mind this particular week. Write it down. Put it in your diary. What a week it's been. On Wednesday, Christmas Day, Soviet communism and the Soviet State died. President Gorbachev, who deserves great credit for reform, perestroika and openness, glasnost, stepped aside. And Russians pulled down the hammer and sickle, that flag that has flown over the Kremlin for so many years, more than 70 years, and ran up the tricolor flag of a free Russia.

Thursday, and some of you may have seen the speech, I went down from Camp David to the White House and gave a speech in which I recognized 12 new States on behalf of the United States, recognized 12 new States and took steps to establish diplomatic relations with Russia and five other new democracies: Entire new, independent, sovereign countries recognized now by the United States of America.

And this was a dramatic week. I talked at length to President Gorbachev, former President of the Soviet Union, to President Yeltsin of Russia. And I can tell you that the mood for cooperation now between the Russian Republic, and I also believe between these other sovereign Republics, is good. It's strong. And I think we can then ensure the peace that has escaped us for so long.

And here I am at the end of this marvelous week in world history, back in a place I love very much, back in Beeville, Texas, right here in South Texas. And I'm thrilled to be back with you.

So, let's just think for a minute about where we've been in the last year. And again, our reverend spoke to this a little bit in his beautiful prayer. Last Christmas, if you'll think back -- season -- to this very day, I was weighing sending American troops into battle against Saddam Hussein, that brutal dictator, that outrageous aggressor.

And many people wanted us to stay here, stay home, play it safe, ignore our duties as the undisputed leader of the free world, ignore the aggression. But I decided, and you the American people, certainly the people of this part of Texas, agreed that Saddam Hussein's aggression should not, must not stand. And we tried everything in our power to free Kuwait peacefully: diplomacy, no avail; economic embargoes, no avail.

And finally, a little less than a year ago, I had to make the tough choice of sending Americans into battle. And they, those magnificent kids, did better than anyone could have possibly imagined. I was proud of them, and I know every American was proud of the job they did, the way they did it, the time it took, and what they stood for around the world.

And we said we'd liberate Kuwait. And with the help of this multinational coalition, we did it. And in the process, the spirits of this country were lifted.

And that set the tone in international affairs for 1991 all around the world. All year long dramatic changes shook the world, most of them, if you'll look back over your shoulder, very, very positive. Freedom and democracy, on the march. Ancient enemies talking to each other for the first time across the table, one from the other, in the Middle East.

And now, we must wrestle with the victory of our ideals. With this cold war over, our military needs have changed. And the bipartisan -- this brings me right home to Chase -- that bipartisan base closing commission decided that Chase should be shut down. I know that the civic leaders did what they should. They fought hard, fought the decision, long and hard because this base has provided a foundation for life in Beeville for decades.

But I said early on I would support the commission, Chairman of the Joint Chiefs, the Secretary of Defense, and I did that. And I know that other local institutions have suffered in the wake of closing of Chase, just as they have in the other areas where bases have been closed.

And now we've got to rebuild. And Washington can and will help. The Pentagon's Office of Economic Adjustment -- that's the fancy name for the department that has to deal with these, the hardship and the ache of the base closings -- has provided a grant of more than $100,000 for community planning assistance. And that money is going to support efforts to find new opportunities for development right here in Beeville.

That investment can produce huge rewards. The Department of Commerce's EDA, the Economic Development Administration, has $50 million dollars in funding to assist communities across the country with base closings. And it offers an average of $1 million for development efforts after the communities go forward and produce sound ideas for creating new businesses and new jobs.

An Assistant Secretary of Labor, Bob Jones, leads a program with $150 million in defense funds to assist this country's dislocated defense workers in job counseling and training, relocation aid, job placement, and so on. And that could be about $3 to 4 million for business efforts in Beeville.

And I'm told that the Pentagon will turn the base over to you sometime late in 1993. And that deadline, I think and hope, will help everybody get moving.

And then there's still some more: The SBA, the Small Business Administration, will conduct business seminars here, just as it did over at Fort Hood, when deployments and realignments hurt families over there.

In all, we've got in the Federal Government 23 departments and agencies ready to help, right now.

And we'll do everything that we possibly can to help Beeville make the tough transition into this post-cold war world that we're living in.

There are many blessings to count. But yes, there are hardships. I'm not singling out here tonight special treatment. I am simply saying to the civic leaders here what is available at the Federal level. And that's how we deal with all base closings around this country.

And still, whatever the Federal Government does, whatever its role, your defense future really depends on you, depends on the heartbeat of Beeville, Texas.

I know Beeville's going to turn things around. When I arrived here in this motorcade, Jay showed me the headlines from the Corpus paper today. I'd like to show it to some of the people that have been reporting the news lately because it did have a nice positive ring about it at the end of the year. And I hope the predictions therein prove to be accurate, because they were predicting rather substantial improvements in this economy that's been sick and sluggish in many places in this country.

But Beeville's going to work. It's going to turn things around. Texas towns like Harlingen and Laredo, Mineral Wells, Waco have been through what you've been through. And they've recovered. And they've expanded their employment bases. And they did it because they were determined to make things better for themselves and for their kids. And I know you're going to do it here. I know you can do it here, too.

Before yielding the floor and getting on to the main event, which is eating the good barbecue and listening to some good country music, I'd like to cover just a couple of other important topics.

First, you have learned, and you might say the hard way, that foreign policy and domestic policy do go hand-in-hand. And anyone who says that you can divorce foreign and domestic policy is living in a dream world, or more accurately, living in a nightmare world.

Twice this century, we tried to pull back to retreat into isolationism, and we got two world wars as a result. We tried economic isolationism, protectionism, once. And we got -- some of you older folks here will remember -- the Great Depression.

People these days must make a choice: Join the rest of the world or get passed by it. And I say that the destiny of the United States of America is to lead. And as long as I am President of the United States, I will not neglect my responsibilities for the national security of this country. And I will do all I can to see that these kids back here have a chance to grow up in a world where they don't have to worry about nuclear conflict or going to war themselves. And I will not be deterred from those responsibilities.

I'm leaving Monday, Barbara and I leave Monday morning early, for a trip to Asia. And while I'm

there, I'm going to be talking with leaders of four countries about international security, defending our vital interests in the Pacific. We are a Pacific power as well as a power that looks to our own south and looks to the east across the Atlantic. Talking about our vital interests there, cultural exchanges; talking about overall world economics, talking about getting those countries, those that are doing well in that part of the world, to help us as we try to reinforce and strengthen the fledgling democracies to our south.

And most important, though, on this trip, we're going to be talking about breaking open markets that shut out American products, American business, and in the process deny us the opportunity to create more good American jobs. Those countries must open their markets to American products. So the most important priority is then, if you look at it, is good jobs for Americans. And I am going to Asia to help create those kinds of jobs.

I want a world of free trade where the best of each nation, the best, can compete in free and fair trade, free and fair markets. And that world offers everybody the best goods at the lowest prices. And the exports have saved America as we've gone through a sluggish economy. And one way to shut those exports off is to resort to protection ourselves.

Trade's got to be fair. I believe this: I believe that we can compete with anyone in the world if we get a fair chance. And that's what we've got to see happens in these world markets.

So, the sum of it is this: Free trade means jobs. Now, this is an agricultural community, listen to this one: Every billion dollars' worth of agricultural exports creates more than 25,000 new jobs here in the United States of America. Every billion dollars' worth of manufactured exports created more than 20,000 good jobs.

Incredible things have taken place all around us. The cold war is over, the Gulf war won. Relations with Mexico and other neighbors to the south have never ever been better. And I want to see them even stronger because that means jobs and better opportunity for all Americans, North Americans and South.

And if you want to put it all in wonderful year-end perspective, if your family is like ours, from Christmas and then again at New Year's, we count our blessings. And believe me, we have many, many things to be thankful for. There's a lot of things aren't going the way I'd like to see them in this country, but Barbara and I have an inclination with our kids around us, as we had them there at Camp David, to count our blessings, to thank God for the blessings that we have as a family and that we see in this great country of ours.

So, we have a lot to be grateful for. American leadership, American ideals have literally reshaped the world that we are living in.

And so, I think it is time then that we further seize our destiny. We've got so much to do at home.

We're doing not bad in some aspects. In fact, we're doing quite well in some aspects of the drug fight. We've got to continue. We've got to continue it until every family knows that their kids won't be plagued by narcotics.

We've got to make our schools the best in the world. And with this America 2000 program, which is Democrats and Republicans and liberals and conservatives working together, I'm optimistic that we can do just that: Revolutionize these schools and give our kids the best opportunity for an education that any generation has ever had.

Light a fire under our best inventors, innovators, and workers and liberate the working people from taxes, regulation, and red tape. And then do that, and the rest of the world is going to watch in awe. And we'll create the kind of society we want.

Yes, I still want a kinder and gentler, fast-growing, always improving America. And yes, I will continue to fight against the excesses of Government spending. I believe deficits matter. And I believe we've got to do a better job in Washington in controlling the excesses of Federal spending.

So, in about a month, about a month from now, I will deliver a State of the Union Message that's going to outline a new strategy for building on our international success. We're moving into a partisan year. Everybody here knows that. Certainly, I know it. We're moving into a partisan year. But what I will challenge the Congress to do in this State of the Union Message is to find a window where we just put politics aside and say, ``Look, there's some Americans that are hurting out here, far too many all across our country. So now let's set aside the politics, only for a short period of time." That's the only realistic thing that can happen. Set it aside, reach out my hand to the other side, and say, ``Let's get some things done that will make this economy grow, that will put America back to work, and will still guarantee that we are the leader of the entire free world. I am convinced we can do it." And that's the approach I'm going to take in the State of the Union Message.

I'm going to outline a new strategy for building on our international success. And it will be about unleashing the creativity, the ambition, and the drive of the American people, about really getting again this sluggish economy on the move. And I'm absolutely confident, I am absolutely confident that we will do just exactly that. We are Americans. We will not fail.

I just want you to know, in the first place, just a couple of comments to friends, and then we'll eat. I like my job as President. Al Simpson was coming down on the plane, he said, ``Hey, you're getting clobbered out there by the media these days." And I said, ``Yes, that goes with the territory. It takes one to know one." You talk about Simpson telling me about getting clobbered by the press, why -- -- [laughter].

But we reminisced about it. And we both concluded just as friends, no politics, that it is well

worth it. I cannot think of a more exciting period in this century to be President of the United States. I'm working hard. I'm doing my level best. I'm absolutely confident that this country's going to turn around and this economy will be back on track. And I am absolutely confident that you, the American people, want me to continue to lead, to have America be the leader around the world.

So, there's some slings and arrows out there. But don't feel sorry for the Bushes. We love it. We feel privileged every single day that we live in the White House. And I feel honored; I feel the same sense of emotion that Dan Ouellette told me that he had when he walked into the Oval Office maybe for the second or third time. I go there every day, and I still get a little choked up and think, God, what a wonderful country we are living in.

God bless the United States of America. And thank you for this fantastic South Texas hospitality. I will never forget it. Thank you very much.

[At this point, Mayor Salazar presented gifts to the President.]

And now, under the theory that some practice that it is better to give than to receive, let me hand this token to Mayor Salazar. And it is simply a certificate from the President of the United States, a certificate of appreciation to Beeville, Texas, in recognition of the kindness and the hospitality shown during this Presidential visit to your wonderful area. And again, thank you all so very, very much.

Note: The President spoke at 5:54 p.m. in the Bee County Rodeo Arena. In his remarks, he referred to Hayden W. Head, Jr., U.S. District Judge for the Southern District of Texas; Will Farish and Tony Salinas, long-time friends of the President; and cochairmen of the barbeque, Dan Ouellette, former county Republican Party chairman, and Jay Kimbrough, an attorney in Beeville. A tape was not available for verification of the content of these remarks.

Appendix A -- Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this book.

January 1

In the afternoon, the President and Mrs. Bush returned to the White House from a holiday stay at Camp David, MD.

In the evening, the President met with the Vice President; Secretary of State James A. Baker III; Secretary of Defense Dick Cheney; Colin L. Powell, Chairman of the Joint Chiefs of Staff; and John H. Sununu, Chief of Staff to the President, to discuss the situation in the Persian Gulf.

January 2

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- John H. Sununu.

The President appointed the following individuals to the Board of Directors of the Legal Services Corporation, who will serve at the pleasure of the President but no longer than the end of the next session of the Senate:

Howard H. Dana, Jr., of Maine, for a term expiring July 13, 1993. This is a reappointment.

Luis Guinot, Jr., of Puerto Rico, for a term expiring July 13, 1993. This is a reappointment.

Guy Vincent Molinari, of New York, for a term expiring July 13, 1992. This is a reappointment.

Penny L. Pullen, of Illinois, for a term expiring July 13, 1993. This is a reappointment.

Thomas D. Rath, of New Hampshire, for a term expiring July 13, 1993. He would succeed John N. Erlenborn.

George W. Wittgraf, of Iowa, for a term expiring July 13, 1993. This is a reappointment.

J. Blakeley Hall, of Texas, for a term expiring July 13, 1992. This is a reappointment.

William Lee Kirk, Jr., of Florida, for a term expiring July 13, 1992. He would succeed John F. Collins.

Jo Betts Love, of Mississippi, for a term expiring July 13, 1992. This is a reappointment.

Basile J. Uddo, of Louisiana, for a term expiring July 13, 1993. He would succeed Xavier L. Suarez.

Jeanine E. Wolbeck, of Minnesota, for a term expiring July 13, 1992. This is a reappointment.

January 3

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leadership, to discuss the situation in the Persian Gulf;

-- John H. Sununu.

The President declared that a major disaster existed in Carroll, Humphreys, Leflore, Lowndes, Madison, and Warren Counties, MS, because of severe storms, tornadoes, and flooding that began December 19. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

January 4

The President met at the White House with:

-- Sharon Pratt Dixon, mayor of Washington, DC;

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant

to the President for National Security Affairs; and members of the CIA briefing staff;

-- House Republican leadership;

-- John H. Sununu;

-- Secretary of State James A. Baker III.

The President announced his intention to appoint Michael Deland, of Massachusetts, to be a member and Chairman of the Acid Precipitation Task Force. This is a new position.

The President declared that a major disaster existed in Alabama as a result of severe storms and flooding that began December 21. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President declared that a major disaster existed in Tennessee as a result of severe storms and flooding that began December 19. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the afternoon, the President went to Camp David, MD, for the weekend.

January 5

In the morning, the President met with United Nations Secretary-General Javier Perez de Cuellar de la Guerra at Camp David, MD, to discuss the Persian Gulf crisis.

The President declared that a major disaster existed in Indiana as a result of severe storms and flooding that began December 28. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

January 6

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

January 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Dick Cheney.

January 8

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

The President designated Sean C. O'Keefe, Comptroller of the Department of Defense, to be the Chief Financial Officer of the Department of Defense, pursuant to the provisions of the Chief Financial Officers Act of 1990 (P.L. 101 - 576).

The President announced that William R. Barton will continue to serve as Inspector General of the General Services Administration.

January 9

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Cabinet;

-- John H. Sununu.

January 10

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the crew of the space shuttle Columbia;

-- Senator John Seymour of California;

-- the Vice President, for lunch;

-- John H. Sununu.

January 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of Congress, for breakfast;

-- Veronica Khilchevski, a Soviet citizen whom he first met in 1971 while serving as U.S. Representative to the United Nations;

-- John H. Sununu.

The President selected the following individuals to represent him at the inauguration of Jorge Serrano Elias as President of Guatemala, January 15:

Delegation Chairman:

Richard L. Thornburgh, Attorney General of the United States

Delegates:

Bernard Aronson, Assistant Secretary of State for Inter-American Affairs

Charles Bartlett, syndicated columnist, Washington, DC

James L. Bush, insurance agent, Hingham, MA

Thomas F. Stroock, U.S. Ambassador to Guatemala

The President announced his intention to appoint Frank J. Donatelli as a member of the Christopher Columbus Quincentenary Jubilee Commission.

In the evening, the President went to Camp David, MD.

January 12

In the morning, the President called Prime Minister Felipe Gonzalez Marquez of Spain and President Turgut Ozal of Turkey to discuss the Persian Gulf crisis.

January 13

In the evening, the President met with national security advisers to discuss the Persian Gulf crisis.

January 14

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Joseph Wilson, Charge d'Affaires at the U.S. Embassy in Baghdad, Iraq;

-- congressional leaders;

-- John H. Sununu.

The President announced his intention to nominate the following individuals:

Lawrence B. Lindsey, of Virginia, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1986. He would succeed Manuel H. Johnson. Currently Dr. Lindsey serves as Special Assistant to the President for Policy Development at the White House in Washington, DC.

David W. Mullins, Jr., of Arkansas, to be Vice Chairman of the Board of Governors of the Federal Reserve System for a term of 4 years. He would succeed Manuel H. Johnson. Since May 1990 Dr. Mullins has served as a member of the Board of Governors of the Federal Reserve System in Washington, DC.

The President announced his intention to appoint Clifton R. Wharton, Jr., of New York, to be a member of the Advisory Committee for Trade Policy and Negotiations for a term of 2 years. He would succeed John N. Palmer, Sr. Currently Dr. Wharton serves as chairman and chief executive officer of the Teachers Insurance and Annuity Association of America in New York, NY.

The President announced his intention to appoint Esther H. Levens, of Kansas, to be a member of the U.S. Holocaust Memorial Council for a term expiring January 15, 1995. She would succeed Kalman Sultanik. Currently Ms. Levens serves on the board of directors for several organizations

including the National Jewish Coalition, the American Israel Public Affairs Committee, and the American Jewish Committee.

The President announced his intention to appoint Richard M. DeVos, Jr., of Michigan, to be a member of the Commission on Presidential Scholars. He would succeed Dennis V. Alfieri. Currently Mr. DeVos serves as president and chief executive officer of the Windquest Group, Inc., in Grand Rapids, MI.

The President announced his intention to appoint the following individuals to be members of the Credit Standards Advisory Committee. These are new positions, and members serve for the life of the Committee:

Donald C. Danielson, of Indiana. Currently Mr. Danielson serves as vice chairman of the board of directors for the City Securities Corp. in Indianapolis, IN.

Gary A. Glaser, of Ohio. Currently Mr. Glaser serves as president and chief executive officer of the BancOhio National Bank in Columbus, OH.

Robert L. McCormick, Jr., of Oklahoma. Currently Mr. McCormick serves as president of the Stillwater National Bank and Trust Co. in Stillwater, OK.

The President announced his intention to nominate Mikiso Hane, of Illinois, to be a member of the National Council on the Humanities for a term expiring January 26, 1996. He would succeed Leon Richard Kass. Currently Dr. Hane serves as a professor of history at Knox College in Galesburg, IL.

The President announced his intention to nominate William E. Strickland, Jr., of Pennsylvania, to be a member of the National Council on the Arts for a term expiring September 3, 1996. He would succeed Phyllis P. Berney. Currently Mr. Strickland serves as executive director of the Bidwell Training Center, Inc., in Pittsburgh, PA.

The President announced his intention to appoint Marvin Sadik, of Maine, to be a member of the President's Committee on the Arts and the Humanities. He would succeed David W. Belin. Currently Mr. Sadik serves as an art consultant in Falmouth, ME. Prior to this Mr. Sadik served as director of the National Portrait Gallery in Washington, DC, 1969 - 1981.

January 15

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System; Secretary of the Treasury Nicholas F. Brady; Robert L. Clarke, Comptroller of the Currency; Michael J. Boskin, Chairman of the Council of Economic Advisers; and John H. Sununu, to discuss the economy;

-- national security advisers, to discuss the Persian Gulf crisis;

-- John H. Sununu.

In the morning, the President called Edmund Browning, presiding bishop of the Episcopal Church, and Richard C. Halverson, Chaplain of the Senate. Both clergymen offered prayers on behalf of the President and the country.

Later in the morning, the President signed a national security directive committing the U.S. military to conflict with Iraq.

The President announced his intention to appoint Albert Stauffer, of Ohio, to be a Commissioner representing the United States Government on the Ohio River Valley Water Sanitation Commission. He would succeed Kathleen E. Burgoon. Currently Mr. Stauffer serves as plant manager of Ashland Oil in Marietta, OH.

The President announced his intention to appoint the following individuals to be members of the National Cancer Advisory Board for the terms indicated:

Frederick Fenimore Becker, of Texas, for a term expiring March 9, 1996. He would succeed Roswell K. Boutwell. Currently Dr. Becker serves as vice president for research and scientific director of the Tumor Institute at the University of Texas M.D. Anderson Cancer Center in Houston, TX.

Paul Calabresi, of Rhode Island, for a term expiring March 9, 1996. He would succeed David Korn. Upon appointment, he will be designated Chairman. Currently Dr. Calabresi serves as professor and chairman of the department of medicine at Brown University, and physician-in-chief and vice president for academic affairs at Roger Williams General Hospital in Providence, RI.

Kenneth K. Chan, of California, for a term expiring March 9, 1996. He would succeed Louise Connally Strong. Currently, Dr. Chan serves as director of the pharmacoanalytic core laboratory at the University of Southern California Comprehensive Cancer Center; associate professor of pharmacy for the School of Pharmacy at the University of Southern California; and as a science

adviser at the U.S. Food and Drug Administration in Los Angeles, CA.

Marlene A. Malek, of Virginia, for a term expiring March 9, 1996. She would succeed Helen G. Brown. Ms. Malek is a member of the Vincent T. Lombardi Cancer Research Center of Georgetown University Hospital, and has served as a registered nurse at Georgetown University Hospital in Washington, DC.

Kenneth Olden, of Maryland, for the remainder of the term expiring March 9, 1992. He would succeed Louis W. Sullivan. Currently Dr. Olden serves as director of the Howard University Cancer Center, and professor and chairman of the department of oncology at the Howard University Medical School in Washington, DC.

Sydney E. Salmon, of Arizona, for a term expiring March 9, 1996. He would succeed Enrico Mihich. Currently Dr. Salmon serves as a professor of medicine and director of the Arizona Cancer Center at the University of Arizona College of Medicine in Tucson, AZ.

January 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- the Education Policy Advisory Committee;

-- John H. Sununu.

The President announced the appointment of Rose M. Zamaria, of Florida, to be Deputy Assistant to the President and Director of White House Operations. She has been Special Assistant to the President and Director of White House Operations since January 1989.

Throughout the evening, the President was in contact with the congressional leadership and world leaders to discuss allied military action in the Persian Gulf.

January 17

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant

to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- the Vice President and Rev. Billy Graham, for lunch;

-- the Cabinet

-- John H. Sununu.

The President declared that a major disaster existed in Micronesia as a result of a typhoon that began December 16. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the morning, the President attended a nondenominational church service at Memorial Chapel in Fort Myer, VA.

Throughout the day, the President received updated reports on the military action in the Persian Gulf.

The President announced his intention to nominate Paul Edward Sussman, of Illinois, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring October 6, 1992. He would succeed John C. Duncan. Currently Mr. Sussman serves as chairman and chief executive officer of the Hancock Securities Corp. in Chicago, IL.

The President announced his intention to nominate Kenneth Y. Tomlinson, of New York, to be a member of the Board for International Broadcasting for a term expiring April 28, 1993. This is a reappointment. Currently Mr. Tomlinson serves as executive editor and vice president of Reader's Digest in Pleasantville, NY.

The President announced his intention to nominate the following individuals to be members of the Peace Corps National Advisory Council for the terms indicated:

John J. McCarthy, of California, for a term expiring October 6, 1992. He would succeed John Bigelow. Currently Dr. McCarthy serves as assistant to the Governor and director of the office of planning and research for the Governor's office in Sacramento, CA.

Craig R. Stapleton, of Connecticut, for a term expiring October 6, 1991. He would succeed Creighton E. Mershon, Sr. Currently Mr. Stapleton serves as president of Marsh and McLennan Real Estate Advisors, Inc., in New York, NY.

January 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- the Vice President, for lunch.

In the morning, President Bush called President Mikhail Gorbachev of the Soviet Union to discuss the Persian Gulf conflict and the situation in Lithuania.

In the afternoon, the President called Prime Minister Yitzhak Shamir of Israel to discuss the Persian Gulf conflict. Later, the President attended a military briefing at the Pentagon with Secretary of Defense Dick Cheney and Colin L. Powell, Chairman of the Joint Chiefs of Staff. After the briefing, the President went to Camp David, MD, for the weekend.

January 19

In the morning, the President met with national security advisers to discuss the Persian Gulf conflict.

January 21

In the evening, the President met with former Prime Minister Lee Kuan Yew of Singapore.

January 22

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

In the afternoon, the President met with national security advisers to discuss the Persian Gulf conflict.

January 23

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III.

In the evening, the President called Prime Minister Yitzhak Shamir to discuss the latest Iraqi missile attack against Israel.

January 24

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs;

-- congressional leaders;

-- the Vice President, for lunch.

The President announced his intention to nominate the following individuals to be members of the Defense Base Closure and Realignment Commission for terms expiring at the end of the first session of the 102d Congress. These are new positions:

James A. Courter, of New Jersey. Upon confirmation, he will be appointed Chairman. Currently, Congressman Courter serves as a partner with Courter, Kobert, Laufer, Percell and Cohen in Hackettstown, NJ.

James C. Smith II, of South Carolina. Currently, Dr. Smith serves as vice president of Brown and Root in Houston, TX.

Howard H. Callaway, of Colorado. Mr. Callaway serves as chief executive officer of the Crested Butte Mountain Resort in Mount Crested Butte, CO. Mr. Callaway has served as Secretary of the Army, 1973 - 1975.

January 25

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu.

In the morning, the President visited the Norwegian Embassy to express his sympathy on the death of King Olav V.

In the afternoon, the President went to Camp David, MD, for the weekend.

January 27

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

January 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Foreign Minister Aleksandr Bessmertnykh of the Soviet Union;

-- Secretary of Defense Dick Cheney;

-- John H. Sununu.

January 29

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Cabinet;

-- Foreign Minister Ahmed Esmat Abdel Meguid of Egypt;

-- Foreign Minister Hans Van den Broek of The Netherlands;

-- John H. Sununu.

The President announced his intention to appoint the following individuals to be members of the President's Export Council:

John M. Hennessy, of New York. He would succeed David S. Tappan, Jr. Currently Dr. Hennessy serves as president and chief executive officer of C.S. First Boston, Inc., in New York, NY.

Joseph A. Sullivan, of New Jersey. He would succeed T. Marshall Hahn, Jr. Currently Mr. Sullivan serves as president and chief executive officer of Bomont Industries in Totowa, NJ.

January 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Foreign Minister Antonios Samaras of Greece;

-- Secretary of State James A. Baker III;

-- John H. Sununu.

The President announced his intention to appoint the following individuals to be members of the President's Council on Rural America. These are new positions:

Albert H. Quie, of Minnesota. Currently Governor Quie serves as a consultant with Prison Fellowship Ministries in Reston, VA. He served as Governor of the State of Minnesota, 1979 - 1983; and as a United States Congressman for the First District of Minnesota, 1958 - 1978.

Steven K. Sydness, of North Dakota. Currently Mr. Sydness serves as director of international market development for Great Plains Software, Inc., and as a member of the Board of City Commissioners in Fargo, ND.

The President announced his intention to nominate Jack Warren Lentfer, of Alaska, to be a member of the Marine Mammal Commission for a term expiring May 13, 1991, to succeed Francis H. Fay, and a term expiring May 13, 1994. Since 1982 Mr. Lentfer has served as a self-employed wildlife consultant in Homer, AK.

The President announced his intention to appoint Charles A. Camalier, Jr., of Maryland, to be a member of the Advisory Committee on the Arts, John F. Kennedy Center for the Performing Arts. This is a reappointment. Currently Mr. Camalier is a real estate developer and investor in Washington, DC.

The President announced his intention to appoint the following individual to be a member of the Commission on Presidential Scholars:

Anne Jones, of Virginia. She would succeed Larry D. Swann. Ms. Jones has served in the Office of Presidential Personnel for the Office of the President-elect in Washington, DC, 1988 - 1989.

The President announced that the following individuals will continue to serve as members of the Commission on Presidential Scholars:

Richard Herbert Pierce, of Maine. Currently Mr. Pierce is president of Maine Education Services in Augusta, ME.

Francis Thornton West, of Virginia. Currently Mr. West is a consultant for the West Window Corp. in Martinsville, VA.

The President announced his intention to appoint Charles Wythe Dunn, of South Carolina, to be a member of the J. William Fulbright Foreign Scholarship Board for a term expiring September 22, 1993. This is a reappointment. Currently Dr. Dunn serves as professor and department head for the department of political science at Clemson University in Clemson, SC.

The President announced his intention to appoint D. John Stavropoulos, of Illinois, to be a member of the Credit Standards Advisory Board. This is a new position. Currently, Mr. Stavropoulos serves as a consultant for the First Chicago Corp. in Chicago, IL.

The President announced his intention to nominate Donald Hall, of New Hampshire, to be a member of the National Council on the Arts for a term expiring September 3, 1996. He would succeed Jacob Nuesner. Currently Mr. Hall writes prose and poems in Danbury, NH. Mr. Hall graduated from Harvard University (B.A., 1951) and Oxford University (B. Litt., 1953).

The President announced his intention to appoint the following individuals to be members of the President's Commission on Executive Exchange for a term of 2 years:

Claude S. Brinegar, of California. He would succeed John Fellows Akers. Currently Dr. Brinegar serves as vice chairman of the board, executive vice president, and chief financial officer of Unocal Corp. in Los Angeles, CA. In addition Dr. Brinegar served as U.S. Secretary of Transportation, 1973 - 1975.

Russell L. Hanlin, of California. He would succeed James E. Burke. Since 1978 Mr. Hanlin has served as president of Sunkist Growers, Inc., in Van Nuys, CA.

The President announced his intention to appoint the following individuals to be members of the President's Commission on White House Fellowships:

Jacquelin Bullard Allen, of Texas. She would succeed Bruce H. Hasenkamp. Ms. Allen is an active community service volunteer in Wichita Falls, TX.

Elinor Clapp, of Rhode Island. She would succeed Betty H. Brake. Currently Ms. Clapp serves as a Republican national committeewoman for Rhode Island.

The President declared that a major disaster existed in Kentucky as a result of severe storms and flooding that began December 6. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

January 31

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Jewish-American leaders;

-- John H. Sununu.

The President today announced his intention to nominate Myron A. Wick III, of California, to be a member of the Peace Corps National Advisory Council for a term expiring October 6, 1992. He would succeed Maureen O'Hara. Currently Mr. Wick serves as managing director of McGettigan, Wick and Co., Inc., in San Francisco, CA.

The President announced his intention to nominate J.J. Simmons III, of Oklahoma, to be a member of the Interstate Commerce Commission for a term expiring December 31, 1995. This is a reappointment. Since 1984 Mr. Simmons has served as Commissioner and Vice Chairman at the Interstate Commerce Commission in Washington, DC.

February 1

In the morning, the President traveled to Cherry Point Marine Corps Air Station in North Carolina, where he attended a reception with spouses of deployed personnel.

February 3

Over the weekend, the President had telephone conversations with Prime Minister Nawaz Sharif of Pakistan, Amir Khalifa bin Hamad Al Thani of Qatar, President Mohammed Hosni Mubarak of Egypt, and Prime Minister John Major of the United Kingdom to discuss the Persian Gulf conflict and ongoing coalition operations.

In the afternoon, the President returned from a weekend stay at Camp David, MD.

In the evening, the President hosted a dinner for the Nation's Governors on the State Floor.

February 4

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Secretary of the Treasury Nicholas F. Brady.

February 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- the Vice President, for lunch.

In the afternoon, President Bush had telephone conversations with Presidents Francois Mitterrand of France and Turgut Ozal of Turkey to discuss the Persian Gulf conflict.

The President announced his intention to nominate Hans M. Mark, of Texas, to be a member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term expiring April 17, 1996. This is a reappointment. Since 1984 Dr. Mark has served as chancellor of the University of Texas System in Austin, TX, and he served as the

Secretary of the Air Force, 1979 - 1981.

The President announced his intention to nominate Sandra Mills, of Wisconsin, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1993. She would succeed William G. Goetz. Currently Ms. Mills serves with the Mills Supply Co. in Appleton, WI.

The President announced that the following individuals will represent him at the inauguration of Jean Bertrand Aristede as President of Haiti, February 7:

Personal Representative of the President to head the Delegation:

Louis Sullivan, M.D., Secretary of Health and Human Services

Representatives of the President, with the rank of Special Ambassador:

Mrs. E. Ginger Sullivan

Alvin P. Adams, Jr., U.S. Ambassador to the Republic of Haiti

Bernard Aronson, Assistant Secretary of State for Inter-American Affairs

Larry Pressler, Senator from the State of South Dakota

Maurice Turner

Monsignor William F. Murphy

February 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Secretary of State James A. Baker III.

In the afternoon, President Bush had a telephone conversation with President Hafiz al-Assad of Syria to discuss the Persian Gulf conflict.

The President designated the following individuals as members of the Board of Directors of the Rural Telephone Bank. These are new positions:

Richard Thomas Crowder, of Minnesota. Currently Dr. Crowder serves as Under Secretary of Agriculture for International Affairs and Commodity Programs at the Department of Agriculture in Washington, DC.

James R. Moseley, of Indiana. Currently Mr. Moseley serves as Assistant Secretary of Agriculture for Natural Resources and the Environment at the Department of Agriculture in Washington, DC.

The President transmitted to the Congress the 1988 and 1989 annual reports of the Federal Prevailing Rate Advisory Committee, and the 1989 annual report on the administration of the Federal Railroad Safety Act of 1970.

February 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Fife Symington, Republican candidate for Governor of Arizona;

-- selected Republican Members of Congress.

In the morning, the President had a telephone conversation with Prime Minister Robert Hawke of Australia to discuss the Persian Gulf conflict.

In an Oval Office ceremony, the President signed the proclamation designating February as American Heart Month.

In the evening, the President and Mrs. Bush attended a fundraising reception at the Madison Hotel for Fife Symington, Republican candidate for Governor of Arizona.

February 8

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- Foreign Minister Guido Di Tella of Argentina.

In the morning, the President had a telephone conversation with Prime Minister John Major of the United Kingdom to discuss the Irish Republican Army's attack on the Prime Minister's residence.

The President announced his intention to nominate the following individuals to be members of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation:

Donald J. Sutherland, of New York, for a term expiring August 11, 1996. He would succeed R. James Woolsey. Currently Mr. Sutherland serves as president of Quincy Partners in Glen Head, NY.

Timothy W. Tong, of Arizona, for the remainder of the term expiring August 11, 1992. He would succeed Sam E. Keith, Jr. Currently Dr. Tong serves as a professor for the department of mechanical and aerospace engineering at Arizona State University in Tempe, AZ.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

February 10

In the afternoon, the President returned from a weekend stay at Camp David, MD.

February 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

The President declared that a major disaster existed in California as a result of a severe winter freeze that began December 19. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The White House announced that President Cesar Gaviria of Colombia will visit Washington on February 26.

February 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Defense Minister Pierre Joxe of France;

-- John H. Sununu.

The President announced his intention to appoint James Thompson, of Kentucky, to be a Member of the Advisory Board of the National Air and Space Museum. He would succeed Bernard E. Smith, Jr. He served on the President's Advisory Committee of the Kennedy Center for the Arts, 1982 - 1988.

The President designated Ann Windham Wallace, Director of the Office of Consumer Affairs, to be Chairperson of the Federal Consumer Affairs Council.

The President announced his intention to appoint Robert N. Broadbent, of Nevada, to be the nonvoting representative of the United States to the Governing Board of the Tahoe Regional Planning Agency. He would succeed Rex Stewart Hime. Since 1986 Mr. Broadbent has served as director of aviation for the McCarran International Airport in Las Vegas, NV.

The President announced his intention to appoint the following individuals to be members of the President's Export Council:

Donna Fujimoto Cole, of Texas. She would succeed William C. Lickle. Since 1980 Ms. Cole has served as founder and chief executive officer for Cole Chemical and Distributing, Inc., in Houston, TX.

Richard Douglas, of California. He would succeed Joseph A. Boyd. Dr. Douglas currently serves as senior vice president of corporate affairs for the Sun-Diamond Growers of California in Pleasanton, CA.

The President today announced his intention to nominate the following individuals to be members of the National Council on Disability for the terms indicated:

Linda Allison, of Texas, for a term expiring September 17, 1993. She would succeed Marian North Koonce. Ms. Allison currently serves as a board member of the National Paralysis Association in Dallas, TX.

Anne C. Seggerman, of Connecticut, for a term expiring September 17, 1993. She would succeed Leslie Lenkowsky. Since 1977 Ms. Seggerman has been president and founder of Fourth World Foundation, Inc., in Fairfield, CT.

The President announced his intention to appoint George A. Wade, of Washington, to be a United States Commissioner on the International Pacific Halibut Commission for a term expiring December 12, 1991. This is a reappointment. Since 1983 Dr. Wade has served as a member of the International Pacific Halibut Commission.

The President announced his intention to nominate Rickey Dale James, of Missouri, to be a member of the Mississippi River Commission for a term of 9 years. This is a reappointment.

February 13

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu.

February 14

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs;

-- the Vice President, for lunch;

-- John H. Sununu.

February 15

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III.

The President announced the following individuals will represent the United States at the 35th session of the United Nations Commission on the Status of Women, February 27 - March 8, in Vienna.

Head of Delegation:

Juliette Clagett McLennan. Ms. McLennan will serve as the Representative of the United States to the United Nations Commission on the Status of Women, with the rank of Ambassador. Since 1989, Ms. McLennan has served as the United States Representative on the Commission on the Status of Women of the Economic and Social Council of the United Nations.

Alternates:

Anita King. Currently Ms. King serves as the State chairman of the California Black Republican Council.

Guadalupe Quintanilla. Mrs. Quintanilla has served as the assistant vice president for the University of Houston in Houston, TX, and as a United States Representative to the United Nations Commission on the Treatment and Prevention of Crime.

Elsie Vartanian. Currently Ms. Vartanian serves as Director of the Women's Bureau at the Department of Labor.

In the morning, the President traveled to Andover, MA.

February 16

The White House announced that over the past several days, President Bush had telephone conversations with the following world leaders to discuss the situation in the Persian Gulf: King Hassan II of Morocco, Prime Minister John Major of the United Kingdom, Sultan Qaboos bin Sa`id Al Said of Oman, President Zayid bin Sultan Al Nuhayyan of the United Arab Emirates, Amir Jabir al-Ahmad al-Jabir al-Sabah of Kuwait, President Turgut Ozal of Turkey, and President Francois Mitterrand of France.

At his home in Kennebunkport, ME, the President received a national security briefing from Robert M. Gates, Assistant to the President and Deputy for National Security Affairs.

February 18

In the afternoon, the President returned to the White House from a weekend stay at his home in Kennebunkport, ME. Later, he met with his national security advisers at the White House.

February 19

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- congressional leaders.

The President announced his intention to appoint the following individuals to be members of the J. William Fulbright Foreign Scholarship Board for terms expiring September 22, 1993:

Michael D. Antonovich, of California. He would succeed M. Lester O'Shea. Since 1980 Mr. Antonovich has served as a member of the board of supervisors for the Fifth District of California in Los Angeles, CA.

Shu Park Chan, of California. He would succeed Richard Anderson Ware. Currently Dr. Chan serves as acting dean and Nicholson family chair professor at the School of Engineering and professor in the department of electrical engineering and computer science at Santa Clara University in Santa Clara, CA.

The President appointed the following individuals to be members of the Advisory Committee to the Pension Benefit Guaranty Corporation:

W. Gordon Binns, Jr., of New York, for a term expiring February 19, 1992. He would succeed Ralph J. Wood, Jr. Since 1954 Mr. Binns has served in several capacities for the General Motors Corp. and currently serves as vice president and chief investment funds officer in New York, NY.

Kenneth Keene, of Connecticut, for a term expiring February 19, 1992. He would succeed Murray Hayutin. From 1971 to 1987 Mr. Keene served in several capacities with Johnson & Higgins in New York, NY: vice president, chairman of the personnel and compensation committee, chairman of the pension and profit sharing committee, and a member of the board of directors and the finance committee.

M.J. Mintz, of Virginia, for a term expiring February 19, 1993. This is a reappointment. Since 1973 Mr. Mintz has served as senior partner and chairman of the tax department for Dickstein, Shapiro & Morin in Washington, DC.

Richard M. Prosten, of the District of Columbia, for a term expiring February 19, 1993. This is a reappointment. Since 1970 Mr. Prosten has served as director of bargaining and research for the industrial union department of the AFL - CIO in Washington, DC.

Dallas L. Salisbury, of the District of Columbia, for a term expiring February 19, 1994. He would succeed Eugene Burroughs. Currently Mr. Salisbury serves as president of the Employee Benefit Research Institute in Washington, DC.

The President announced his intention to appoint the following individuals to be members of the Board of Directors of the Pennsylvania Avenue Development Corporation for the terms indicated:

Catherine M. Boucree, of the District of Columbia, for a term expiring October 26, 1996. She would succeed Marion Brown Oglesby, Jr. Currently Ms. Boucree serves as president and chief executive officer of Boucree Enterprises in Washington, DC.

Eleanor Williams, of the District of Columbia, for a term expiring October 26, 1996. She would succeed Carl L. Shipley. Ms. Williams has served as vice president of Environmental Energy Systems, Inc., 1983 - 1990.

The President announced his intention to appoint Helen W. Fitch, of Wyoming, to be a member of the National Council on Vocational Education for a term expiring January 17, 1993. She would succeed Mary S. Pyle. Currently Ms. Fitch volunteers as a leadership development trainer for the AARP in Washington, DC. In addition, for 33 years she served as a teacher in public education.

The President announced his intention to appoint Connie Peters, of Illinois, to be a member of the Commission on Presidential Scholars. She would succeed Don W. Adams. Currently Ms. Peters is an active community volunteer in Arlington Heights, IL.

February 20

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Secretary of State James A. Baker III.

President Bush had telephone conversations with President Francois Mitterrand of France, President Turgut Ozal of Turkey, President Mohammed Hosni Mubarak of Egypt, and Prime Minister Brian Mulroney of Canada to discuss the situation in the Persian Gulf and the Soviet peace plan for the conflict.

February 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- the Vice President, for lunch.

In the evening, President Mikhail Gorbachev of the Soviet Union called President Bush to discuss his conversation with Foreign Minister Tariq `Aziz of Iraq. President Gorbachev outlined all of the major points of a Soviet peace initiative developed by himself and the Foreign Minister.

Later, the President attended a performance of ``Black Eagles'' at Ford's Theatre.

February 22

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Foreign Minister Kurtcebe Alptemocin of Turkey;

-- Secretary of State James A. Baker III.

The President announced his intention to nominate John A. Gannon, of Ohio, to be a member of the National Council on Disability for a term expiring September 17, 1992. This is a reappointment. Since 1988 Mr. Gannon has served with John A. Gannon & Associates, consultants in Washington, DC. In addition Mr. Gannon has served as international president of

the International Association of Fire Fighters.

The President announced his intention to appoint Donald K. Weilmunster, of Idaho, to be a member of the President's Council on Rural America. This is a new position. Since 1977 Mr. Weilmunster has served on the board of directors of the Idaho Foundation for Parks and Lands.

The President transmitted to the Congress a request for supplemental defense appropriations in support of Operation Desert Shield/Desert Storm for the period of October 1, 1990, through March 31, 1991.

The President transmitted to the Congress requests for emergency fiscal year 1991 supplemental appropriations totaling $77,635,000 for various civilian executive branch agencies. These are in addition to the requests transmitted in the President's fiscal year 1992 budget on February 4. These requests are separate and distinct from the defense supplemental which was transmitted separately to Congress.

In the afternoon, the President went to Camp David, MD.

February 23

President Bush had telephone conversations with President Mikhail Gorbachev of the Soviet Union, President Turgut Ozal of Turkey, and Prime Minister Toshiki Kaifu of Japan to discuss the Persian Gulf conflict and ongoing coalition operations.

In the afternoon, the President returned to the White House from an overnight stay at Camp David, MD.

February 25

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu.

The President announced his intention to appoint Theodore C. Barreaux, of the District of Columbia, to be a member of the Advisory Board of the National Air and Space Museum, Smithsonian Institution. He would succeed Jacqueline A. Ponder. Since 1989 Mr. Barreaux has

served as the supervisor of detailed evaluation in the Office of Presidential Personnel at the White House in Washington, DC.

February 26

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders, to discuss the procedures for congressional review of international agreements;

-- freshman Republican Representatives, for lunch;

-- John H. Sununu.

The President designated Edward Marks, of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Deputy Representative of the United States of America on the Economic and Social Council of the United Nations in New York, NY. He succeeds Harry Amory Cahill.

The White House announced that President Lech Walesa of Poland will visit Washington, DC, on March 20.

February 27

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- John H. Sununu.

February 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant

to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Foreign Minister Roland Dumas of France;

-- John H. Sununu.

The President transmitted to the Congress the 1991 trade policy agenda and 1990 annual report on the trade agreements program.

March 1

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Foreign Minister Hans-Dietrich Genscher of Germany.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

March 3

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

March 4

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Secretary of State James A. Baker III.

The White House announced that President Bush will meet with Prime Minister Brian Mulroney of Canada in Ottawa on March 13 and 14. From Ottawa, President Bush will fly directly to Martinique to meet with President Francois Mitterrand of France.

The President announced his intention to appoint the following individuals to be members of the Board of Trustees of the John F. Kennedy Center for the Performing Arts for the terms indicated:

Lionel Hampton, of New York, for a term expiring September 1, 2000. He would succeed Henry Strong. Currently Mr. Hampton serves with the Lionel Hampton Enterprises as composer, conductor, and entertainer in New York City.

Jerry Weintraub, of California, for a term expiring September 1, 2000. He would succeed Lew R. Wasserman. Currently Mr. Weintraub is a producer, entrepreneur, and philanthropist.

The President announced his intention to appoint John W. Sears, of Massachusetts, to be a member of the J. William Fulbright Foreign Scholarship Board for a term expiring September 22, 1992. He would succeed Harvey C. Mansfield, Jr. Currently Mr. Sears serves as a lawyer in Boston, MA.

March 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- the Republican congressional leadership.

The President announced his intention to appoint J. Burchenal Ault, of Arizona, to be a member of the Board of Trustees of the Woodrow Wilson International Center for Scholars for the remainder of the term expiring October 23, 1992. He would succeed J. Willard Marriott, Jr. Currently Mr. Ault serves as the director of development at the Saint Phillips Church in Tucson, AZ.

The President announced his intention to appoint the following individuals to be members of the Board of Trustees of the Woodrow Wilson International Center for Scholars for terms expiring October 23, 1996:

Eli Jacobs, of Maryland. This is a new position. Currently Mr. Jacobs serves as a private investor.

William Saltonstall, of Massachusetts. He would succeed Max M. Kampelman. Since 1979 Mr. Saltonstall has served as a partner with Saltonstall and Co. in Boston, MA.

March 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Secretary of State James A. Baker III.

The President declared that a major disaster existed in Mississippi as a result of severe storms and flooding that began February 17. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President announced his intention to appoint Ewell E. Murphy, Jr., of Texas, to be a member of the J. William Fulbright Foreign Scholarship Board for a term expiring September 22, 1992. He would succeed Jack Allen Kinder. Since 1980 Mr. Murphy has served as a senior partner with the law firm of Baker & Botts in Houston, TX.

The President announced his intention to appoint Kay R. Whitmore, of New York, to be a member of the Advisory Committee for Trade Policy and Negotiations for a term of 2 years. He would succeed Richard G. Quick. Currently Mr. Whitmore serves as chairman, president, and chief executive officer with the Eastman Kodak Co. in Rochester, NY.

March 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- the Vice President, for lunch;

-- ecumenical leaders.

March 8

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

The President announced that the following individuals will represent him as observers of the local elections being held in El Salvador on March 10:

Head of Delegation:

William J. Janklow, former Governor of South Dakota, and his son Arthur Russell Janklow. William Janklow is currently with the law firm of Woods, Fuller, Shultz and Smith.

Delegates:

Sarah Flores, assistant chief deputy to Michael Antonovich at the Los Angeles County Board of Supervisors. Mrs. Flores was the Republican candidate for the 1991 run-off election of the Los Angeles County Board of Supervisors.

Tony Garza, Cameron County judge in Brownsville, TX.

William Perry, senior associate with the Center for Strategic and International Studies for the Latin American studies program.

Gloria Gonzales Roemer, Republican candidate for the First Congressional District of Colorado, 1990 election. She also serves as vice president and co-owner of Roemer Oil Co. in Colorado.

Jerry R. Rucker, Republican candidate for the United States Congress, Fifth District of Texas, 1990 election. Mr. Rucker is a partner with Dooley, Rucker, Maris & Foxman. He has also served as a Dallas city councilman.

Bernard Aronson, Assistant Secretary of State for Inter-American Affairs.

William G. Walker, U.S. Ambassador to El Salvador.

The President declared that a major disaster existed in Washington as a result of high tides and strong winds that began December 20. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

March 10

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

March 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Prime Minister Michel Rocard of France;

-- the Vice President, for lunch;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu.

March 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Republican congressional leadership;

-- the Cabinet;

-- John H. Sununu.

March 13

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In an Oval Office ceremony in the morning, the President received St. Patrick's Day shamrocks from Foreign Affairs Minister Gerard Collins of Ireland.

In the afternoon, the President traveled to Ottawa, Canada.

In the evening, the President attended a working dinner at Prime Minister Brian Mulroney's residence. Following the dinner, he returned to the U.S. Ambassador's residence, where he spent the night.

The President announced his intention to appoint the following individuals to be members of the President's National Security Telecommunications Advisory Committee:

Robert C. Brown III, of Texas. He would succeed Dean C. Swanson. Since 1979 Mr. Brown has served as president and chief executive officer of Sugar Land Telephone Communications, Inc., in Sugarland, TX.

Arthur E. Hitsman, of Washington. He would succeed Mark K. Miller, Jr. Currently Mr. Hitsman serves as president of Boeing Computer Services in Seattle, WA.

Richard D. McCormick, of Colorado. He would succeed Ruben F. Mettler. Since 1986 Mr. McCormick has served as president and chief operating officer of US WEST, Inc. in Englewood, CO.

The President announced his intention to appoint the following individuals to be members of the Intergovernmental Advisory Council on Education for terms expiring July 27, 1994:

Arthur Gaines, of Texas. He would succeed Lana Bethune. Currently Mr. Gaines serves as a visiting professor of education at Texas Southern University in Houston, TX.

Marynell D. Reece, of Kansas. She would succeed Donald J. Devine. Currently Ms. Reece serves as treasurer for the Reece Construction Co. in Scandia, KS.

March 14

In the morning, the President traveled to Martinique, French West Indies.

March 15

The President declared that a major disaster existed in Georgia as a result of severe storms and flooding that began March 1. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

March 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Governor Buddy Roemer of Louisiana;

-- Secretary of Defense Dick Cheney;

-- John H. Sununu.

March 19

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- Eberhard Diepgen, mayor of Berlin, Germany.

The President transmitted to the Congress the 25th annual report of the Department of Housing and Urban Development for calendar year 1989.

March 20

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III.

The President announced his intention to appoint the following individuals to be members of the President's Council on Rural America:

Otis Floyd, Jr., of Tennessee. This is a new position. Currently Dr. Floyd serves as chancellor for the board of regents at Tennessee State University in Nashville, TN.

Reynaldo U. Ortiz, of Washington. This is a new position. Currently Mr. Ortiz serves as president and chief operating officer for US West NewVector Group in Bellevue, WA.

The President announced his intention to nominate the following individuals to be members of the Advisory Committee on the Arts, John F. Kennedy Center for the Performing Arts:

Joan H. Budd, of New Jersey. She would succeed Virginia McCann. Currently Ms. Budd serves as an active community service volunteer in New Jersey.

Dawn L. Coleman, of Florida. Currently Ms. Coleman serves as a director of the Bath & Tennis Club and as a member of the Women's Advisory Board for the First National Bank in Palm Beach, FL.

Rena Rebecca Donatelli, of Virginia. Since 1985, Ms. Donatelli has served as the founding partner of WJD Associates in Alexandria, VA.

The President announced his intention to appoint the following individuals to be members of the President's Committee on the Arts and the Humanities:

Arturo G. Ortega, of New Mexico. He would succeed Lloyd Cotsen. Currently Mr. Ortega serves as a senior partner with the law firm of Ortega and Snead, P.A., in Albuquerque, NM.

Emily Malino, of the District of Columbia. She would succeed Susan L. Davis. Since 1987 Ms. Malino has served as president of Malino & Metcalf, Inc., in Washington, DC.

The President announced his intention to appoint Gertrude Himmelfarb, of the District of Columbia, to be a member of the Board of Trustees of the Woodrow Wilson International Center for Scholars for a term expiring October 23, 1996. This is a reappointment. Currently Dr. Himmelfarb serves as professor emeritus of history at the Graduate School of the City University of New York.

March 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Victor S. McCoy and Richard Hoover, president and executive director of the Paralyzed Veterans of America;

-- the Vice President, for lunch;

-- Attorney General Dick Thornburgh;

-- John H. Sununu.

The President declared that a major disaster existed in New York as a result of severe winter storms that began March 3. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President today announced his intention to appoint Ann Klinger, of California, to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. She would succeed Harvey Ruvin. Currently Ms. Klinger serves as president of the National Association of Counties in Washington, DC.

The President announced his intention to appoint Joyce C. Young, of Ohio, to be a member of the Committee for Purchase from the Blind and Other Severely Handicapped for a term expiring December 21, 1995. This is a reappointment. Currently Ms. Young serves as manager of Child Care Clearinghouse in Dayton, OH.

The President announced his intention to appoint D. Michael Stewart, of Utah, to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. He would succeed Sandra R. Smoley. Mr. Stewart currently serves as Salt Lake County commissioner and as the president of the National Association of Counties in Salt Lake City, UT.

The President announced his intention to appoint Edward E. Allison, of Nevada, to be a member of the Board of Directors of the Pennsylvania Avenue Development Corporation for a term expiring October 26, 1996. This is a reappointment. Currently Mr. Allison is Vice Chairman of the Board of Directors of the Pennsylvania Avenue Development Corporation. Most recently Mr. Allison has served as a consultant with McAuliffe, Kelly, and Raffaelli in Washington, DC.

March 22

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

March 23

President Bush met with President Turgut Ozal of Turkey at Camp David, MD.

In the afternoon, Presidents Bush and Ozal traveled to the White House from Camp David.

March 24

In the evening, the President met with Prime Minister Giulio Andreotti of Italy at the White House.

March 25

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- the McDonald's Capital Classic U.S. all-star basketball team;

-- Secretary of the Treasury Nicholas F. Brady.

The White House announced that President Bush will meet with President Carlos Salinas de Gortari of Mexico in Houston, TX, on April 7.

The President announced his intention to appoint Gloria S. Hom, of California, to be a member of the Board of Directors of the Student Loan Marketing Association. She would succeed Judith M. Chambers. Currently Dr. Hom serves as chairman of the department of economics at Mission College in Santa Clara, CA.

March 26

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Secretary of the Treasury Nicholas F. Brady.

March 27

The President met at the White House with John H. Sununu, Chief of Staff to the President, and Secretary of State James A. Baker III.

March 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Presidential appointees;

-- former President Ronald Reagan.

In an Oval Office ceremony, the President participated in the presentation of the Cancer Courage Award to Robert Polhill, former hostage held in the Middle East.

In the morning, the President had a telephone conversation with Gen. H. Norman Schwarzkopf, commander of the U.S. forces in the Persian Gulf.

March 29

President Bush met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

The President declared that a major disaster existed in Indiana as a result of a severe ice storm that began March 12. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

March 31

In the afternoon, the President traveled to Islamorada, FL, for a 4-day vacation.

April 1

The White House announced that President Bush will meet with President Hassan Gouled Aptidon of Djibouti on April 24.

April 2

The President announced that the following individuals will be members of the Advisory Committee of the White House Conference on Indian Education, which will conduct its first meeting April 17 - 18 in Washington, DC:

Ross O. Swimmer, of Oklahoma. Mr. Swimmer is currently counsel to the firm of Hall, Estill, Hardwick, Gable, Golden & Nelson, P.C., in Tulsa, OK.

Sandra Gjelde, of Oregon. Since 1987 Ms. Gjelde has served as a consultant to Native Americans in the areas of health and education.

Frank Ryan, of Maryland. Mr. Ryan is currently vice president of Systems Resource Management, Inc., and has served as Deputy Assistant Secretary of Trust and Economic Development for the Bureau of Indian Affairs.

Jay O. Stovall, of Montana. Mr. Stovall is currently self-employed as an owner and operator of a ranch on the Crow Indian Reservation in Billings, MT.

Rosa Revels Winfree, of North Carolina. Ms. Winfree is currently an Indian education coordinator, Title V, for the Charlotte-Mecklenburg Schools and Education Center in Charlotte, NC.

Floyd R. Correa, of New Mexico. Mr. Correa is currently president of Correa Enterprises, Inc., in Albuquerque, NM.

Sandi Cornelius, of Wisconsin. Ms. Cornelius is currently an elementary school teacher and lecturer on Indian issues in Milwaukee, WI.

Manning Osceola, of Florida. Mr. Osceola is currently a lieutenant with the law and order program for the Miccosukee Indian Tribe in Miami, FL.

Laraine L. Glenn, of Alaska. Ms. Glenn is currently director of business services for the Juneau School District in Juneau, AK.

The President announced his intention to appoint Guy Millner, of Georgia, to be a member of the Commission on Presidential Scholars. He would succeed Mary Stivers. Currently, Mr. Millner serves as the chairman and chief executive officer of the Norrell Corp. in Atlanta, GA.

The President announced his intention to nominate David Alan Heslop, of California, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1992. This is a reappointment. Currently Dr. Heslop serves as Rose professor of politics and the director of the Rose Institute of State and Local Government at Claremont McKenna College in Claremont, CA.

The President announced his intention to nominate A.E. Dick Howard, of Virginia, to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term of 2 years. This is a new position. Currently Mr. Howard serves as a professor of law at the University of Virginia School of Law in Charlottesville, VA.

The President announced his intention to appoint Fred A. Booth, of Montana, to be a member of the President's Council on Rural America. This is a new position. Since 1958 Mr. Booth has served as president of the Spring Coulee Ranch in Highwood, MT.

The President announced his intention to appoint Mark David Weinberg, of Virginia, to be a member of the President's Commission on White House Fellowships. He would succeed Bruce L. Bower. Currently Mr. Weinberg serves as a partner with Weinberg Grace Communications.

April 3

In the morning, the President traveled to Hobe Sound, FL, where he visited his mother.

In the evening, the President returned to Washington, DC.

April 4

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Archbishop Pio Laghi and Papal Nuncio Agostino Cacciavillan.

In the morning, the President attended a memorial service for H. Lee Atwater at Washington National Cathedral.

Later, the President traveled to Los Angeles, CA.

The President announced his intention to appoint the following individuals to be members of the Architectural and Transportation Barriers Compliance Board for the terms indicated:

Stephen B. Bull, of the District of Columbia, for a term expiring December 3, 1993. This is a reappointment. Since 1989 Mr. Bull has served as director of the business and political action programs division at the National Republican Senatorial Committee in Washington, DC.

William H. McCabe, of Connecticut, for a term expiring December 3, 1993. This is a reappointment. Currently Mr. McCabe serves as a partner and certified public accountant with the international public accounting firm Deloitte & Touche in City Place, CT.

S. Craig Kiser, of Florida, for a term expiring December 3, 1992. He would succeed Howard Adams. Since 1985 Mr. Kiser has served as an attorney in private practice in Tallahassee, FL.

Kathleen Parker, of Illinois, for a term expiring December 3, 1993. She would succeed Eugene C. Johnson. Currently Ms. Parker serves as commissioner of the Northeastern Illinois Planning Council and a board member of the Regional Transportation Authority in Chicago, IL.

Glen R. Stotler, of West Virginia, for a term expiring December 3, 1993. This is a reappointment. Currently Mr. Stotler serves as an attorney and as president of the Morgan County Commission in Berkeley Springs, WV.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee on the Arts, John F. Kennedy Center for the Performing Arts:

J.J. Cafaro, of Ohio. He would succeed Lindsay J. Morgenthaler. Currently Mr. Cafaro serves as president and chief executive officer of Cafaro International in Brookfield, OH.

Diana J. Firestone, of Virginia. This is an initial appointment. Currently Ms. Firestone is a thoroughbred horse breeder in Waterford, VA.

Ninfa R. Laurenzo, of Texas. She would succeed Dorothy Vannerson. Since 1973 Mrs. Laurenzo has served as chairman of the board and founder of Biostar, Inc., in Houston, TX.

The President announced his intention to appoint Alice Mary Calabrese, of Illinois, to be a member of the Advisory Committee of the White House Conference on Library and Information Services. This is a new position. Currently Ms. Calabrese serves as executive director of the

DuPage Library System in Geneva, IL.

April 5

In the afternoon, the President participated in a roundtable discussion with Hispanic business leaders at the Four Seasons Hotel in Newport, CA.

Later, the President attended the USO fundraising luncheon and 50th anniversary observance in Universal City, CA. In the evening, the President traveled to Houston, TX.

The President announced his intention to appoint Melanie J. Mitchell, of Ohio, to be a member of the National Commission for Employment Policy for a term expiring September 30, 1992. She would succeed Virginia S. Milner. Currently Ms. Mitchell serves as deputy director of the Ohio Department of Transportation in Columbus, OH.

April 7

In the morning, President Bush met with President Carlos Salinas de Gortari of Mexico in the Crew Ready Room at Ellington Airfield in Houston, TX.

April 8

In the evening, the President attended the opening day of the 1991 baseball season at Arlington Stadium in Arlington, TX. He threw out the first pitch of the game between the Texas Rangers and the Milwaukee Brewers and watched seven innings before returning to the White House.

April 9

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Republican Congressional leaders;

-- John H. Sununu.

The President announced his intention to appoint the following individuals to be members of the President's Cancer Panel for the terms indicated:

Nancy G. Brinker, of Texas, for a term expiring February 20, 1993. She would succeed Armand

Hammer. Since 1982 Ms. Brinker has served as founding chairman of the board for the Komen Foundation in Dallas, TX.

Harold P. Freeman, of New York, for a term expiring February 20, 1994. He would succeed William Longmire, Jr. Upon appointment, he will be designated Chairman. Currently Dr. Freeman serves as director of surgery for the Harlem Hospital and professor of clinical surgery at Columbia University in New York, NY. Dr. Freeman has also served as the national president of the American Cancer Society, 1988 - 1989.

Geza J. Jako, of Massachusetts, for a term expiring February 20, 1992. He would succeed John A. Montgomery. Currently Dr. Jako serves as a physician, professor, and scientist at the Boston University School of Medicine in Melrose, MA.

The President announced his intention to nominate the following individuals to be members of the Defense Base Closure and Realignment Commission for terms expiring at the end of the first session of the 102d Congress. These are new positions:

Arthur Levitt, Jr., of New York. Currently Mr. Levitt serves as chairman of the Levitt Media Co. in New York, NY. From 1978 to 1990, Mr. Levitt served as chairman and chief executive officer of the American Stock Exchange.

Robert D. Stuart, Jr., of Illinois. Currently Mr. Stuart serves as president of Conway Farms in Chicago, IL.

Alexander B. Trowbridge, of the District of Columbia. Currently Mr. Trowbridge serves as president of Trowbridge Partners in Washington, DC.

The President announced his intention to appoint Ted L. Strickland, of Colorado, to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. This is a reappointment. Currently Mr. Strickland serves as president of the Colorado State Senate.

The President transmitted to the Congress the seventh annual report of the National Endowment for Democracy for fiscal year 1990 and the annual report of the ACTION Agency for fiscal year 1990.

April 10

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

The President announced his intention to appoint Paula H. Cholmondeley, of Maryland, to be a member of the President's Commission on White House Fellowships. She would succeed Steven R. Hill. Currently, Ms. Cholmondeley serves as vice president of the international division of the Faxon Co. in Herndon, VA.

April 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

In a ceremony on the State Floor, the President received diplomatic credentials from Ambassadors Hipolito Pereira Zozimo Patricio of Mozambique, Harry Heinz Schwarz of South Africa, Ismail Khelil of Tunisia, Denis McLean of New Zealand, Roberto Guillermo Mac Lean Ugarteche of Peru, Hong-Choo Hyun of the Republic of Korea, and Ortiz de Rozas of Argentina.

April 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Vernon Walters, Ambassador to Germany;

-- John H. Sununu.

In the morning, the President attended a memorial service for Senator John Heinz at Washington National Cathedral.

The President announced his intention to nominate the following individuals to be members of the Board of Directors of the Corporation for Public Broadcasting:

Martha Buchanan, of Texas, for a term expiring March 26, 1996. She would succeed Daniel L. Brenner. Ms. Buchanan has served in a variety of positions in the field of journalism, media, and public relations.

Sheila Tate, of Virginia, for a term expiring March 26, 1996. This is a reappointment. Currently Ms. Tate serves as vice chairman of communications with Cassidy and Associates in Washington, DC.

The President announced that he has asked Congressman Dan Rostenkowski to be his representative to the Poznan International Trade Fair in Poznan, Poland, June 9 - 16.

April 13

In the morning, the President participated in the Eagle Angling Bass Fishing Tournament in Pintlala, AL.

In the afternoon, the President traveled to Camp David, MD, for the weekend.

April 14

In the evening, the President returned to the White House from a weekend stay at Camp David, MD.

April 15

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- the National Fishing Week steering committee;

-- Secretary of Defense Dick Cheney.

The White House announced that a White House Conference on Indian Education will be held on January 22 - 24, 1992.

The President announced his intention to appoint James J. Snyder, of New York, to be a member of the Advisory Commission on Intergovernmental Relations, for a term of 2 years. This is a reappointment. Since 1988 Mr. Snyder has served as president of the National Association of Counties in Washington, DC.

April 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Senate Republicans, to discuss Fast Track legislation;

-- John H. Sununu.

In the morning, the President participated in the Great American Read-Aloud Day event in the Diplomatic Reception Room in the Residence.

In the evening, the President met with the Dalai Lama, the Tibetan religious leader, in the Residence.

The President announced that he has designated Patricia Saiki, of Hawaii, to be Chairperson of the National Women's Business Council. She would succeed Susan Engeleiter. Currently Ms. Saiki serves as Administrator of the Small Business Administration in Washington, DC.

The President announced his intention to appoint the following individuals to be members of the Christopher Columbus Quincentenary Jubilee Commission:

Gaddi Vasquez, of California. He would succeed Herbert Cameron Haight. Since 1987 Mr. Vasquez has served as county supervisor for the third district of Orange County, CA.

Frank D. Stella, of Michigan. He would succeed Frederick William Mario Guardabassi. Since 1946 Mr. Stella has served as president and founder of the F.D. Stella Products Co. in Detroit, MI.

The President transmitted to the Congress the 19th annual report of the Federal Advisory Committees for fiscal year 1990.

April 17

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- the Cabinet.

The President declared that a major disaster existed in California as a result of a severe winter freeze that began in December 1990. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

April 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Jack F. Matlock, U.S. Ambassador to the Soviet Union;

-- Members of Congress.

In the afternoon, the President and Mrs. Bush hosted an education luncheon in the State Dining Room.

April 19

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- the leadership of the International Association of Chiefs of Police;

-- the Desert Storm Homecoming Foundation.

In the afternoon, the President presented the Commander in Chief's trophy to the Air Force Academy football team.

The President declared that a major disaster existed in Maine as a result of severe ice jams and flooding that began in early April. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

Later in the afternoon, the President went to Camp David, MD, for the weekend.

April 21

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

April 22

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu.

The President announced his intention to appoint Winthrop P. Rockefeller, of Arkansas, to be designated Chairman of the President's Council on Rural America. He would succeed Ralph E. Bodine. Currently, Mr. Rockefeller serves as chairman of the board and chief executive officer of Winrock Farms, Inc., in Little Rock, AR.

April 23

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President transmitted to the Congress the 25th annual report of the National Endowment for the Humanities for fiscal year 1990.

April 24

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant

to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Trade Association Liaison Council;

-- the Defense Advisory Committee on Women in the Services;

-- John H. Sununu.

The President announced his intention to appoint Henry R. Kravis to be a member of the President's Export Council. He would succeed George J. Stathakis. Since 1976 Mr. Kravis has served as a partner with the merchant banking firm of Kohlberg Kravis Roberts & Co. in New York, NY.

The President announced his intention to appoint David K. Karnes, of Nebraska, to be a Member of the Advisory Committee for Trade Policy and Negotiations for a term of 2 years. This is a reappointment. Currently Mr. Karnes serves as president and chief executive officer of the Fairmont Group, Inc., a merchant banking joint venture with principal offices in Omaha, NE, Washington, DC, and San Francisco, CA.

The President announced his intention to appoint Arthur Schneier, of New York, to be a member of the Commission for the Preservation of America's Heritage Abroad for a term expiring February 27, 1992. Currently Rabbi Schneier serves as rabbi for the Park East Synagogue and as president of the Appeal of Conscience Foundation in New York, NY.

The President announced his intention to appoint Henry Yee, of California, to be a member of the Credit Standards Advisory Committee. This is a new position. Currently Mr. Yee serves as a certified public accountant with the accountancy of Yee, So and Co. in Huntington Beach, CA.

The President announced his intention to appoint Candace Somerville, of the District of Columbia, to be a member of the National Council on Vocational Education for a term expiring January 17, 1993. She would succeed Christine Valmy. Currently Ms. Somerville serves as a consultant in Washington, DC.

The President announced his intention to appoint Stuart A. Bernstein, of the District of Columbia, to be a member of the International Cultural and Trade Center Commission for a term expiring August 20, 1995. He would succeed Judah C. Sommer. Since 1958 Mr. Bernstein has served as president of the Bernstein Companies in Washington, DC.

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee on the Arts, John F. Kennedy Center for the Performing Arts:

Craig L. Berkman, of Oregon. He would succeed Carl M. Halvorson. Currently, Mr. Berkman

serves as chairman of the Synektron Corp. in Portland, OR.

Richard L. Duchossois, of Illinois. This is an initial appointment. Currently Mr. Duchossois serves as founder and chief executive officer of Duchossois Industries, Inc., in Elmhurst, IL.

Robert M. Mumma II, of Pennsylvania. He would succeed Diane Ushinski. Since 1973 Mr. Mumma has served as owner of Kimbob, Inc., in Harrisburg, PA.

The President announced his intention to appoint the following individuals to be members of the National Commission for Employment Policy for terms expiring March 20, 1994:

J. Michael Levesque, of Rhode Island. This is a reappointment. Since 1988, Mayor Levesque has served as mayor of West Warwick, RI.

Donald W. Jones, of Missouri. This is a reappointment. Since 1984 Mr. Jones has served as a partner with the law firm of Hulston, Jones & Sullivan in Springfield, MO.

The President transmitted to the Congress the first biennial report of the National Critical Technologies Panel.

The President declared that a major disaster existed in Louisiana because of severe storms and flooding that began April 12. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

April 25

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- former Prime Minister Noboru Takeshita of Japan;

-- the Vice President, for lunch;

-- John H. Sununu.

In the morning, the President met in the Oval Office with Mark Bucknam and Nellie Barringer, the 1991 National Big Brother and Big Sister. Later, he signed the National Day of Prayer proclamation and received the first annual report of the National Space Council in the Oval Office.

April 26

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Court Appointed Special Advocate Association.

In the afternoon, the President hosted a luncheon for Volunteer Action Award winners in the State Dining Room.

The President announced his intention to appoint the following individuals to be members of the President's Committee on Mental Retardation:

Albert L. Anderson, of California, for a term expiring May 11, 1993. This is a reappointment. For over 25 years, Dr. Anderson has provided dental service for the handicapped.

Donald Wayne Sapaugh, of Texas, for a term expiring May 11, 1994. He would succeed B. Dean Owens. Since 1987, Mr. Sapaugh has served as chief executive officer of USA Rapha, Inc., in Houston, TX.

April 27

In the evening, the President attended the White House Correspondents Association dinner at the Washington Hilton Hotel.

April 29

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Dick Cheney;

-- John H. Sununu.

The President announced his intention to designate Carol Pavilack Getty as Chairman of the United States Parole Commission. She would succeed Benjamin F. Baer. Ms. Getty will serve temporarily as Chairman until a permanent Chairman is designated. Since 1983 Ms. Getty has

served as Commissioner on the United States Parole Commission in Kansas City, MO.

The President has designated Senator Malcolm Wallop (R-WY) to be his representative to the Paris Air Show, June 13 - 23, in Paris, France.

The President declared that a major disaster existed in Kansas as a result of severe storms and tornadoes which struck the area April 26 - 27. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

April 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- bipartisan House Members;

-- John H. Sununu.

The President announced his intention to appoint Melvyn Levitsky, of Maryland, to be Representative of the United States of America on the Commission on Narcotic Drugs of the Economic and Social Council of the United Nations. He would succeed Ann Barbara Wrobleski. Currently Mr. Levitsky serves as Assistant Secretary of State for International Narcotics Matters at the Department of State in Washington, DC.

The President announced his intention to nominate Velma Montoya, of California, to be a member of the Occupational Safety and Health Review Commission for a term expiring April 27, 1997. This is a reappointment. Currently, Dr. Montoya serves as associate professor of finance in the School of Business Administration at California State Polytechnic University in Pomona, CA.

May 1

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III;

-- Foreign Minister Lee Sang-Ock of South Korea;

-- John H. Sununu.

The White House announced that the President will meet with United Nations Secretary-General Javier Perez de Cuellar de la Guerra on May 9.

May 2

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Sonia Khurana, Better Hearing and Speech Month poster child;

-- Marian Anderson;

-- the Vice President, for lunch;

-- Ed Koch, former mayor of New York;

-- John H. Sununu;

-- Republican members of the House Rules Committee.

In the morning, the President hosted the National Day of Prayer reception on the State Floor.

In the afternoon, the President attended a briefing for agriculture commodities groups in the Roosevelt Room.

The President announced his intention to appoint Jay I. Kislak, of Florida, to be a member of the Credit Standards Advisory Committee. This is a new position. Currently Mr. Kislak serves as chairman and president of J.I. Kislak, Inc., in Miami Lakes, FL.

The President announced his intention to appoint Dov S. Zakheim, of Maryland, to be a member of the Commission for the Preservation of America's Heritage Abroad for a term expiring February 27, 1992. This is a new position. Since 1988 Mr. Zakheim has served as chief executive officer of SPC International, Inc., in Arlington, VA.

The President announced his intention to nominate Carolyn R. Bacon, of Texas, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1996. She would succeed Archie C. Purvis. Since 1981 Ms. Bacon has served as executive director of the O'Donnell Foundation in Dallas, TX.

The President announced his intention to appoint Deborah Mayer, of Massachusetts, to be a member of the National Cancer Advisory Board for a term expiring March 9, 1996. She would succeed Gertrude Elion. Currently Ms. Mayer serves as a lecturer for the graduate nursing program of MGH Institute of Health Professions in Boston, MA.

The President announced his intention to nominate Christopher D. Coursen, of Maryland, to be a member of the Advisory Board for Cuba Broadcasting for a term expiring October 27, 1993. He would succeed Jose A. Costa, Jr. Since 1990 Mr. Coursen has served as president of the Coursen Group in Washington, DC.

The President announced his intention to nominate Harvey C. Mansfield, Jr., of Massachusetts, to be a member of the National Council on the Humanities for the remainder of the term expiring January 26, 1994. He would succeed Jeanne J. Smoot. Since 1969 Dr. Mansfield has served as a professor of government at Harvard University in Cambridge, MA.

The President announced his intention to appoint Peter Dawkins, of New Jersey, to be a member of the President's Commission on White House Fellowships. He would succeed Richard Michael Larry. Currently Mr. Dawkins serves as chairman and chief executive officer of Primerica Financial Services in Duluth, GA.

The President announced his intention to appoint the following individuals to be members of the President's Committee on Mental Retardation for the term indicated:

Norma Guzman Bordelon, of California, for a term expiring May 11, 1994. She would succeed Ruth Govorchin. Currently Ms. Bordelon serves as chairman of the Camarillo State Hospital Advisory Board in Camarillo, CA, and chairman of the Organization of State Hospitals Advisory Boards for the State of California.

Dorothy Corbin Clark, of Utah, for a term expiring May 11, 1994. This is a reappointment. Currently Ms. Clark serves as Secretary of the Executive Committee for the President's Committee on Mental Retardation.

Patricia C. Foss, of New Hampshire, for a term expiring May 11, 1994. She would succeed George M. Wilson. Currently Ms. Foss serves as vice president, secretary, and partner of Tate & Foss, Inc., in Rye, NH.

Karen Moffitt, of Florida, for a term expiring May 11, 1994. She would succeed Matthew J.

Guglielmo. Currently Dr. Moffitt serves as the director of the Florida Diagnostic and Learning Resource System at the University of South Florida in Tampa, FL.

The President announced his intention to appoint the following individuals to be members of the President's Committee on the National Medal of Science for the terms indicated:

France Anne-Dominic Cordova, of Pennsylvania, for a term expiring December 31, 1993. She would succeed Samuel F. Conti. Currently Dr. Cordova serves as head of the department of astronomy & astrophysics at Pennsylvania State University in University Park, PA.

Mildred Dresselhaus, of Massachusetts, for a term expiring December 31, 1992. She would succeed Willie J. Nunnery. Currently Dr. Dresselhaus serves as a professor in the department of electrical engineering and computer science and the department of physics at the Massachusetts Institute of Technology in Cambridge, MA.

Rita Ricardo-Campbell, of California, for a term expiring December 31, 1993. This is a reappointment. Since 1968 Dr. Ricardo-Campbell serves as a senior fellow at the Hoover Institution in Stanford, CA.

Herbert H. Woodson, of Texas, for a term expiring December 31, 1992. He would succeed Roger D. Hartman. Since 1988 Dr. Woodson has served as dean of the College of Engineering at the University of Texas at Austin in Austin, TX.

May 3

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III.

In the afternoon, the President traveled to the Cochran Gardens Community Center in St. Louis, MO, where he attended a national tenant management briefing and visited tenant units and the children's playground. In the evening, the President returned to the White House.

The White House announced that President Bush will meet with President George Vassiliou of Cyprus on May 28.

The President declared that a major disaster existed in Louisiana as a result of severe storms, tornadoes, and flooding that began April 27. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

May 6

The President met at the White House with:

-- retail and consumer groups;

-- former Soviet Foreign Minister Eduard A. Shevardnadze;

-- President Paul Biya of Cameroon.

In an Oval Office ceremony in the morning, the President signed the Asian/Pacific Heritage Month proclamation.

May 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Members of Congress.

The President transmitted to the Congress the annual report of the National Endowment for the Arts for fiscal year 1990.

May 8

In the morning, the President traveled to the Naval Hospital in Bethesda, MD, for testing and evaluation.

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Members of Congress;

-- environmental groups;

-- the crew of the space shuttle Atlantis;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III.

In the evening, the President and Mrs. Bush hosted a reception on the State Floor for the Republican National Committee Eagles.

The President declared that a major disaster existed in Oklahoma as a result of severe storms and tornadoes that began April 26. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President announced his intention to appoint the following individuals to be members of the National Commission on Financial Institution Reform, Recovery, and Enforcement. These are new positions:

Dan Crippen, of Maryland. Since 1989, Dr. Crippen has served as vice president and director of research for the Duberstein Group in Washington, DC.

Michael Raoul-Duval, of New York. Currently, Mr. Duval serves as chairman of the Duval Group in New York, NY.

May 9

In the morning, the President traveled to the Naval Hospital in Bethesda, MD, for testing and evaluation. He was diagnosed as having Graves' disease.

The President met at the White House with:

-- the U.S. Air Force Thunderbirds crew;

-- John H. Sununu, Chief of Staff to the President;

-- Christopher Mark Dulman, the Asthma and Allergy Foundation poster child;

-- the Kansas State University national championship debate team;

-- Members of the Senate.

In the evening, the President and Mrs. Bush hosted a reception on the State Floor for the Republican National Committee Eagles.

May 10

In the morning, the President had breakfast with Secretary of Defense Dick Cheney.

Later in the morning, the President and Mrs. Bush traveled to Princeton, NJ.

In the early afternoon, the President and Mrs. Bush traveled to Camp David, MD, for the weekend.

May 13

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

The President announced his intention to appoint the following individuals to be members of the Board of Directors of the Federal National Mortgage Association for terms ending on the date of the annual meeting of the stockholders in 1992. These are reappointments:

George L. Clark, Jr., of New York. Currently Mr. Clark serves as president of George L. Clark, Inc., in Brooklyn, NY.

J. Brian Gaffney, of Connecticut. Currently Mr. Gaffney serves as a partner with the law firm of Gaffney, Pease & DiFabio in New Britain, CT.

Christine D. Reed, of California. Currently Ms. Reed serves as executive director of the Building Industry Association of Southern California, Orange County Region, in Santa Ana, CA.

The President announced his intention to nominate Michael J. Malbin, of New York, to be a member of the National Council on the Humanities for the remainder of the term expiring January 26, 1994. He would succeed Gary L. McDowell. Currently Dr. Malbin serves as a professor of political science and as director of the center for legislative studies at the Rockefeller Institute of Government for the State University of New York at Albany in Albany, NY.

May 14

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to

the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

May 15

The President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the evening, the President and Queen Elizabeth II of the United Kingdom attended a Baltimore Orioles baseball game at Memorial Stadium in Baltimore, MD.

The President accorded the personal rank of Ambassador to John Houston Hawes, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, in his capacity as Special Negotiator for U.S.-Portuguese Defense Corporation. Currently Mr. Hawes serves as U.S. Representative to the Open Skies Negotiations in Washington, DC.

The President announced his intention to nominate Roy L. Shafer, of Ohio, to be a member of the National Museum Services Board for a term expiring December 6, 1994. He would succeed James S. Rosebush. Currently Dr. Shafer serves as president and chief executive officer of Ohio's Center Science and Industry in Columbus, OH.

The President announced his intention to appoint Frances Cloud-Hawkins, of South Dakota, to be a member of the Advisory Committee on the Arts, John F. Kennedy Center for the Performing Arts. She would succeed James S. Nelson. Currently Ms. Hawkins serves as a sales representative for the Lakota Times in Rapid City, SD.

The President announced his intention to appoint Clinton B. Townsend, of Maine, to be a U.S. Commissioner on the Council and Commissions of the North Atlantic Salmon Conservation Organization. He would succeed Richard A. Buck. Currently Mr. Townsend serves as president of the law firm of Perkins, Townsend, Shay & Brown, P.A., in Skowhegan, ME.

May 16

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of the House of Representatives;

-- the Vice President, for lunch;

-- John H. Sununu.

In the evening, the President attended a dinner hosted by Queen Elizabeth II of the United Kingdom at the British Embassy.

May 17

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III.

The President announced his intention to appoint the following individuals to be members of the Arctic Research Commission:

Ben C. Gerwick, Jr., of California, for a term expiring February 26, 1993. This is a reappointment. Currently Mr. Gerwick serves as chairman of Ben C. Gerwick, Inc., in Oakland, CA.

Donald O'Dowd, of California, for a term expiring February 26, 1995. He would succeed Juan G. Roederer. Upon appointment, he will be designated Chairperson. From 1984 to 1990, Dr. O'Dowd served as president and chief executive officer for the University of Alaska Statewide System.

The President announced his intention to appoint the following individuals to be members of the United States Holocaust Memorial Council for terms expiring January 15, 1996:

Ruth B. Mandel, of New Jersey. She would succeed Sylvia Hassenfeld. Currently Dr. Mandel serves as a professor at the Eagleton Institute of Politics and director of the Center for the American Woman and Politics at Rutgers University in New Brunswick, NJ.

Harvey M. Meyerhoff, of Maryland. This is a reappointment. Currently Mr. Meyerhoff serves as chairman of the board of Magna Properties in Baltimore, MD.

Sheila Johnson Robbins, of New York. This is a reappointment. Since 1975 Ms. Robbins has served as vice president of the Robbins Agency in Union, NJ.

Nathan Shapell, of California. He would succeed Jack Abramoff. Currently Mr. Shapell serves as

chairman of the board and chief executive officer of Shapell Industries Co. in Beverly Hills, CA.

The President announced his intention to appoint the following individuals to be members of the President's Export Council:

Gerald L. Parsky, of California. He would succeed Richard Donald Wood. Mr. Parsky serves as cofounder of the merchant bank WSGP International, Inc., 1986 - present; and a senior partner with the law firm Gibson, Dunn & Crutcher.

J. Lawrence Wilson, of Pennsylvania. He would succeed Douglas D. Danforth. Since 1988 Mr. Wilson has served as chairman and chief executive officer of the Rohm and Haas Co. in Philadelphia, PA.

The President appointed John A. Knauss, of Rhode Island, to be United States Commissioner on the International Whaling Commission. He would succeed William E. Evans. Currently Dr. Knauss serves as Under Secretary of Commerce for Oceans and Atmosphere at the Department of Commerce.

The President announced the appointment of Robert D. Rowe, of Indiana, to be a member of the National Commission for Employment Policy for a term expiring March 20, 1994. He would succeed John O. Koehler. Currently Mr. Rowe serves as State Director of the Office of the Vice President in Indianapolis, IN.

The President announced his intention to appoint James M. Cannon, of New York, to be a member of the Board of Visitors to the United States Naval Academy for a term expiring December 30, 1993. This is a reappointment. Currently Mr. Cannon is a writer in Washington, DC.

The President announced his intention to nominate William Happer, of New Jersey, to be Director of the Office of Energy Research at the Department of Energy. Since 1980 Dr. Happer has served as a professor of physics at Princeton University in Princeton, NJ.

In the afternoon, the President went to Camp David, MD, for the weekend.

May 19

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

May 20

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Cuban political dissidents;

-- Secretary of Defense Dick Cheney.

The President announced his intention to appoint the following individuals to be members of the National Cancer Advisory Board:

Zora Kramer Brown, of the District of Columbia, for the remainder of the term expiring March 9, 1992. She would succeed Nancy Goodman Brinker. Currently Ms. Brown serves as director of administration and public relations for Broadcast Capital Fund, Inc., in Washington, DC.

Brenda L. Johnson, of New York, for the remainder of the term expiring March 9, 1994. She would succeed Louis V. Gerstner, Jr. Since 1977 Ms. Johnson has served as a partner with BrenMer Industries in New York, NY.

May 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Members of the House of Representatives, to discuss Fast Track legislation;

-- Secretary of State James A. Baker III.

May 22

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

May 23

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- business chief executive officers;

-- former Representative Guy Molinari.

In a traditional ceremony in the Oval Office, the President received the first adult salmon of the season caught in the Bangor Pool section of Maine's Penobscot River.

In the evening, the President hosted a reception on the State Floor for the Republican Congressional Leadership Council.

The President appointed Susan S. Engeleiter, of Wisconsin, to be a member of the President's Export Council. She would succeed Lee L. Morgan. Currently Ms. Engeleiter serves as vice president and staff executive for Honeywell, Inc., in Minneapolis, MN.

The President appointed the following persons as members of an official U.S. observer mission to the national election in Suriname on May 25:

Head of Delegation:

Michael Castle, Governor of Delaware

Delegates:

Osborne Day, of Washington, DC, consultant to not-for-profit organizations and member of the Bush/Quayle transition team

R. Bruce McColm, of New Jersey, executive director of Freedom House

Douglas W. Payne, of New York, director of hemispheric studies at Freedom House

Roland Kenneth Towery, Sr., of Texas, former press secretary and administrative assistant to Senator John Tower

John P. Leonard, U.S. Ambassador to Suriname

May 24

In the morning, the President met at the White House with the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later, the President traveled to Boston, MA, where he met with the President's Export Council.

In the afternoon, the President traveled to his home in Kennebunkport, ME, for the Memorial Day weekend.

May 28

The President declared that a major disaster existed in Nebraska as a result of severe storms and flooding that began May 10. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President announced his intention to appoint the following individuals to be members of the Special Board specified by Public Law 102 - 29 of April 18, 1991, to give further review to issues arising from the labor dispute involving the Nation's major freight railroads:

Robert O. Harris, of the District of Columbia. He will serve as Chairman. Currently Mr. Harris serves as a labor arbitrator in Washington, DC.

Margery F. Gootnick, of New York. Currently Ms. Gootnick serves as an attorney and labor arbitrator in Rochester, NY.

George S. Ives, of Florida. Currently Mr. Ives serves as a part-time arbitrator in Sarasota, FL.

The President appointed Sylvia A. Earle, of California, to be Deputy United States Commissioner on the International Whaling Commission. She would succeed Norman Clinton Roberts. Currently Dr. Earle serves as Chief Scientist at the National Oceanic and Atmospheric Administration at the Department of Commerce in Washington, DC.

The President today announced his intention to designate Myron J. Mintz, of Virginia, to be Chairman of the Advisory Committee to the Pension Benefit Guaranty Corporation. Since 1973

Mr. Mintz has served as a senior partner and chairman of the tax department at the law firm of Dickstein, Shapiro & Morin in Washington, DC.

May 29

In the morning, the President and Mrs. Bush traveled to Colorado Springs, CO, from a Memorial Day vacation stay at their home in Kennebunkport, ME.

May 30

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- President George Vassiliou of Cyprus;

-- Katherine Shirley, Ambassador to Senegal;

-- the Vice President, for lunch;

-- John H. Sununu.

In the morning, in the Oval Office, the President participated in presentation ceremonies for the U.S. Mint's official President Bush Medal and books for the White House Library.

The President announced his intention to nominate James H. Quello, of Virginia, to be a member of the Federal Communications Commission for a term of 5 years from July 1, 1991. This is a reappointment. Currently, Commissioner Quello serves as a member of the Federal Communications Commission in Washington, DC.

The President declared that a major disaster existed in Alaska as a result of heavy snow, flooding, and ice jams that began April 30. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

The President declared that a major disaster existed in Arkansas as a result of severe storms and flooding that began April 12. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

In the evening, the President hosted a dinner on the State Floor for Team 100, a group of supporters from the 1988 Presidential campaign.

May 31

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Special Envoy Yevgeniy Primakov of the Soviet Union;

-- Kendall Semf, National Epilepsy Foundation poster child;

-- Joanne Lagatta, winner of the national spelling bee;

-- NCAA champion University of Texas men's and women's swim teams;

-- Secretary of the Treasury Nicholas F. Brady;

-- members of the President's agriculture mission to the Soviet Union;

-- John H. Sununu.

The President announced his intention to appoint the following individuals to be members of the U.S. Holocaust Memorial Council:

For terms expiring January 15, 1996:

Erna I. Gans, of Illinois. This is a reappointment. Since 1970 Ms. Gans has served as president of the International Label and Printing Co., Inc., in Wood Dale, IL.

Elie Wiesel, of New York. This is a reappointment. Currently Mr. Wiesel serves as an author and as an Andrew Mellon professor in humanities at Boston University.

Sam Halpern, of New Jersey. He would succeed Isaac Neuman. Currently Mr. Halpern serves as president of the Atlantic Realty Development Corp. in Woodbridge, NJ.

For a term expiring January 15, 1995:

William Alexander Scott III, of Georgia. He would succeed Abram Sachar. Currently Mr. Scott serves as advertising manager for the Atlanta World newspaper in Atlanta, GA.

The President announced his intention to appoint the following individuals to be members of the Board of Visitors of the United States Military Academy for terms expiring December 30, 1993:

Hector M. Hyacinthe, of New York. He would succeed Clyde H. Slease. Currently Mr. Hyacinthe serves as president of Packard Frank Business and Corporate Interiors, Inc., in Ardsley, NY.

John G. Rowland, of Connecticut. He would succeed Michael W. Grebe. Currently Congressman Rowland serves as owner of Rowland Associates in Waterbury, CT. From 1984 to 1990, he served as a Member of Congress representing the Fifth District in Connecticut.

The President announced his intention to appoint Allen C. Kolstad, of Montana, to be Commissioner on the part of the United States on the International Boundary Commission, United States and Canada. He would succeed David C. Fischer. Currently Mr. Kolstad serves as Lieutenant Governor for the State of Montana in Helena; and as a rancher/farmer with Kolstad Farms in Toole and Liberty Counties, MT.

The President announced his intention to appoint Holland H. Coors, of Colorado, to be a member of the President's Commission on White House Fellowships. She would succeed John A. Love. Currently Ms. Coors serves as the founder of Women of Our Hemisphere Achieving Together in Washington, DC.

June 3

In the morning, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Members of the House of Representatives, to discuss civil rights legislation.

On the State Floor in the late afternoon, President Bush attended a lecture on President Andrew Jackson presented as part of the Presidential Lecture Series.

The White House announced that President Bush has invited President Roh Tae Woo of the Republic of Korea to make a state visit to the United States. President Roh has accepted the invitation and will meet with President Bush at the White House on July 2.

The President announced his intention to call a White House Conference on Aging, to be held in 1993. Nancy Mohr Kennedy, Assistant Secretary of Education for Legislation, has been selected to serve as the Conference's Executive Director.

June 4

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of the Senate, to discuss China-U.S. relations;

-- members of the Cabinet, to discuss the Middle East peace talks and legislation on civil rights and crime;

-- John H. Sununu.

The President had a telephone conversation with Prime Minister John Major of the United Kingdom to discuss the upcoming London economic summit.

The President announced his intention to nominate Jane E. Becker, of the District of Columbia, to be U.S. Representative to the Vienna Office of the United Nations and U.S. Deputy Representative to the International Atomic Energy Agency with the rank of Ambassador. She would succeed Michael H. Newlin. Since 1989 Ms. Becker has served as Deputy Assistant Secretary of State for International Organization Affairs.

June 5

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs, and members of the CIA briefing staff;

-- John H. Sununu;

-- the leadership of the Orthodox Union of America.

In the evening, the President hosted a barbecue for Members of Congress on the South Lawn.

The President announced his intention to appoint the following individuals to be Representatives

of the United States of America on the Joint Commission on the Environment for terms of 3 years:

Arthur H. Davis, Jr., of Virginia. He would succeed Paul D. Guth. Ambassador Davis served as Ambassador to Panama, 1986 - 1990. Currently he serves as a consultant in Miami, FL.

Gary S. Hartshorn, of the District of Columbia. He would succeed Mary Rose Hughes. Currently Dr. Hartshorn serves as vice president for conservation science for the World Wildlife Fund in Washington, DC.

The President has designated Arthur Schneier, of New York, to be Chairman of the Commission for the Preservation of America's Heritage Abroad. Since 1962 Rabbi Schneier has served as rabbi at the Park East Synagogue in New York, NY, and as founder and president of the Appeal of Conscience Foundation.

June 6

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

The White House announced that President Bush has invited President Alfredo Cristiani Buckard of El Salvador to make an official working visit to the United States. President Cristiani has accepted the invitation and will meet with President Bush at the White House on June 12.

June 7

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Members of the House of Representatives, to discuss China;

-- John H. Sununu.

In the morning, the President toured a display of Operation Desert Storm equipment on The Mall.

In the afternoon, the President hosted a tournament at the White House horseshoe pit for the horseshoe champions from the troops involved in Operation Desert Storm.

The President announced his intention to nominate E. Gail de Planque, of New Jersey, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1995. She would succeed Thomas Morgan Roberts. Currently Ms. de Planque serves as Director of the Department of Energy Environmental Measurements Laboratory in New York, NY.

June 8

In the morning, the President participated in a wreath-laying ceremony and memorial service at Arlington National Cemetery with the families of the 147 Americans who died in the Persian Gulf conflict. After briefly returning to the White House, the President watched the Persian Gulf victory parade from a reviewing stand on Constitution Avenue.

In the afternoon, the President went to Camp David, MD, for the remainder of the weekend.

June 10

In the morning, the President returned to the White House from a weekend stay at Camp David, MD.

The President met at the White House with:

-- William K. Reilly, Administrator of the Environmental Protection Agency, for lunch;

-- Secretary of the Treasury Nicholas F. Brady;

-- John H. Sununu, Chief of Staff to the President;

-- Secretary of Defense Richard B. Cheney.

In the afternoon, the President hosted a reception for selected Members of Congress on the State Floor.

June 11

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- bipartisan Members of the House of Representatives, to discuss banking reform legislation.

In a ceremony on the State Floor, the President received diplomatic credentials from Ambassadors Viktor Komplektov of the Soviet Union, Alexandre Sambat of Gabon, Richard Leighton Bernal of Jamaica, Birabhongse Kasemsri of Thailand, Jaime Ford Boyd of Panama, Zabair Mahmud Kazaure of Nigeria, and Jose del Carmen Ariza Gomez of the Dominican Republic.

June 12

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Republican Senators;

-- Secretary of State James A. Baker III.

June 13

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Jeanne Thompson and Joel Kahn, Multiple Sclerosis Mother and Father of the Year;

-- Drew Johnson, muscular dystrophy poster child;

-- John H. Sununu.

June 14

In the evening, the President attended the Los Angeles Dodgers-St. Louis Cardinals baseball game at Dodger Stadium in Los Angeles, CA.

June 15

In the morning, President Bush traveled to the Sherwood Country Club in Thousand Oaks, CA, where he taped a public service announcement for the Commerce Department and played a round of golf with President Ronald Reagan.

In the evening, the President and Mrs. Bush attended a private dinner at the home of producer Jerry Weintraub in Malibu, CA.

June 18

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

June 19

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Presidential appointees;

-- the Vice President, for lunch;

-- the crew of the space shuttle Discovery;

-- John H. Sununu;

-- Senators, to discuss trade with China.

The President announced his intention to designate Tom C. Korologos, of Virginia, as Chairman of the U.S. Advisory Commission on Public Diplomacy. He has been a member since 1981. Since 1976 Mr. Korologos served as president of Timmons and Co., Inc., in Washington, DC.

The President announced his intention to nominate Joyce Elaine Tucker, of Illinois, to be a member of the Equal Employment Opportunity Commission for a term expiring July 1, 1996. This is a reappointment.

June 20

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Domestic Policy Council, to discuss the opportunity growth agenda;

-- the Reverend Leon Sullivan, pastor emeritus of the Zion Baptist Church in Philadelphia, PA, to discuss the situation in South Africa;

-- John H. Sununu.

In the afternoon, President Bush had a telephone conversation with President Cesar Gaviria Trujillo of Colombia to discuss the surrender of drug trafficker Pablo Escobar Gaviria to Colombian officials.

In the evening, the President and Mrs. Bush attended a performance of the Houston Ballet at the John F. Kennedy Center for the Performing Arts.

The President announced his intention to nominate Karl C. Rove, of Texas, to be a member of the Board for International Broadcasting for a term expiring April 28, 1994. He would succeed Edward Noonan Ney. Since 1981 Mr. Rove has served as president of Karl Rove & Co., in Austin, TX.

June 21

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu;

-- Gallaudet University's national oratorical contest winners.

In an Oval Office ceremony in the morning, the President signed the Saguaro National Monument Expansion Act of 1991.

In the early afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

The President declared that a major disaster existed in Tennessee as a result of severe storms and flooding that began May 24. He directed the Federal Emergency Management Agency to provide assistance to supplement State and local recovery efforts.

June 23

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

June 24

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Defense Richard B. Cheney;

-- John H. Sununu.

June 25

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- selected Democratic Members of the House of Representatives, to discuss striker replacement legislation;

-- Manfred Woerner, Secretary General of the North Atlantic Treaty Organization;

-- John H. Sununu.

The White House announced that the President will attend the Major League Baseball All-Star game in Toronto on July 9 with Prime Minister Brian Mulroney of Canada.

June 26

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- bipartisan Senators;

-- Secretary of State James A. Baker III;

-- selected Republican Members of the House of Representatives;

-- John H. Sununu.

June 27

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- John H. Sununu.

June 28

The President met at the White House with:

-- the Vice President; John H. Sununu, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Carl E. Mundy, Jr., Commandant of the Marine Corps;

-- Secretary of State James A. Baker III.

The President announced his intention to appoint John C. Flanigan, of California, to be a member of the President's Commission on White House Fellowships. He would succeed Jack Waltuch. Currently Mr. Flanigan serves as vice president for government relations at the Irvine Co. in Newport Beach, CA.

The President announced his intention to appoint Steven Jobs, of California, to be a member of the President's Export Council. He would succeed Charles Parry Tyson. Currently Mr. Jobs serves as president of Next, Inc., in Redwood City, CA.

The President announced his intention to appoint Shirley D. Peterson, of Maryland, to be a

member of the Board of Directors, Federal Prison Industries, Inc. She would succeed Richard B. Abell. Since 1989 Ms. Peterson has served as an Assistant Attorney General for the Tax Division at the Department of Justice.

The President has nominated Patrick J. Cleary, of Virginia, to be a member of the National Mediation Board, for the term expiring July 1, 1994. This is a reappointment.

Appendix B -- Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted January 4

Wendell P. Gardner, Jr.,

of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of 15 years, vice Annice McBryde Wagner.

Arthur J. Hill,

of Florida, to be an Assistant Secretary of Housing and Urban Development, vice C. Austin Fitts, resigned.

James F. Hoobler,

of New York, to be Inspector General, Small Business Administration, vice Charles R. Gillum, resigned.

Donald A. Henderson,

of Maryland, to be an Associate Director of the Office of Science and Technology Policy, vice James B. Wyngaarden, resigned.

Edward Johnson,

of Michigan, to be a member of the Board of Directors of the African Development Foundation for a term expiring September 22, 1995, vice William F. Pickard, term expired.

Edson G. Case,

of Maryland, to be a member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 1995 (reappointment).

Susannah Simpson Kent,

of Pennsylvania, to be Director of the Institute of Museum Services, vice Daphne Wood Murray,

resigned.

Eunice N. Sato,

of California, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1991, vice Noreen C. Thomas, term expired.

Charles M. House,

of California, to be Director of the Office for Victims of Crime (new position).

John Michael Mercanti,

of Pennsylvania, to be Engraver in the Mint of the United States at Philadelphia, PA, vice Elizabeth Jones, resigned.

Charles L. Cragin,

of Maine, to be Chairman of the Board of Veterans' Appeals for a term of 6 years (new position -- P.L. 100 - 687).

Cecil B. Thompson,

of Virginia, to be a member of the Board of Directors of the Export-Import Bank of the United States for the remainder of the term expiring January 20, 1991, vice Simon C. Fireman, resigned.

Cecil B. Thompson,

of Virginia, to be a member of the Board of Directors of the Export-Import Bank of the United States for a term expiring January 20, 1995 (reappointment).

Ford Barney Ford,

of Virginia, to be a member of the Federal Mine Safety and Health Review Commission for a term of 6 years expiring August 30, 1996 (reappointment).

Walter E. Massey,

of Illinois, to be Director of the National Science Foundation for a term of 6 years, vice Erich Bloch, term expired.

Robert William Gambino,

of Virginia, to be Director of Selective Service, vice Samuel K. Lessey, Jr., resigned.

William H. Kennoy,

of Kentucky, to be a member of the Board of Directors of the Tennessee Valley Authority for the term expiring May 18, 1999, vice Charles H. Dean, Jr., term expired.

John Ashcroft,

of Missouri, to be a member of the Board of Trustees of the Harry S Truman Scholarship Foundation for a term expiring December 10, 1993, vice Terry Edward Branstad, term expired.

William A. Geoghegan,

of Maryland, to be a member of the Advisory Board for Cuba Broadcasting for a term expiring October 27, 1992, vice Midge Decter, term expired.

John Elliott Reynolds III,

of Florida, to be a member of the Marine Mammal Commission for the term expiring May 13, 1993, vice Robert Elsner, term expired.

Karl C. Rove,

of Texas, to be a member of the Board for International Broadcasting for a term expiring April 28, 1991, vice Edward Noonan Ney, term expired.

James R. Whelan,

of Virginia, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 1994, vice Harold K. Phillips, term expired.

The following named persons to be members of the National Advisory Council on Educational Research and Improvement for the terms indicated:

Eugene L. Madeira, of Pennsylvania, for the remainder of the term expiring September 30, 1991, vice Donald M. Clark.

Dale P. Gold, of Virginia, for a term expiring September 30, 1992, vice Ruth Reeve Jenson, term

expired.

A. Pierre Guillermin, of Virginia, for a term expiring September 30, 1993, vice Robert Lee McElrath, term expired.

Jack Raymond Reed, of Mississippi, for a term expiring September 30, 1993, vice Frances Mathews, term expired.

June Scobee Rodgers, of Arizona, for a term expiring September 30, 1993, vice Carol Pendas Whitten, term expired.

The following named persons to be members of the National Council on Disability for the terms indicated:

John Leopold, of Maryland, for a term expiring September 17, 1991, vice Brenda Premo, term expired.

Mary Ann Mobley-Collins, of California, for a term expiring September 17, 1991, vice Joni Tada, term expired.

George H. Oberle, Jr., of Oklahoma, for a term expiring September 17, 1992 (reappointment).

Submitted January 8

Oliver W. Wanger,

of California, to be United States District Judge for the Eastern District of California, vice Milton Lewis Schwartz, retired.

Kenneth L. Ryskamp,

of Florida, to be United States Circuit Judge for the Eleventh Circuit, vice Paul H. Roney, retired.

James R. McGregor,

of Pennsylvania, to be United States District Judge for the Western District of Pennsylvania, vice Gerald J. Weber, retired.

Richard W. Goldberg,

of North Dakota, to be a Judge of the United States Court of International Trade, vice Paul P.

Rao, deceased.

George H. Pfau, Jr.,

of California, to be a Director of the Securities Investor Protection Corporation for a term expiring December 31, 1993, vice Frederick N. Khedouri.

Submitted January 11

Jon David Glassman,

of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Paraguay.

Donna M. Owens,

of Ohio, to be Director of the Bureau of Justice Assistance (new position).

Submitted January 14

James Edward Denny,

of Maryland, to be an Assistant Commissioner of Patents and Trademarks, vice Rene Desloge Tegtmeyer, resigned.

Jim E. Tarro,

of New Mexico, to be an Assistant Secretary of Housing and Urban Development, vice Claire E. Freeman, resigned.

Mikiso Hane,

of Illinois, to be a member of the National Council on the Humanities for a term expiring January 26, 1996, vice Leon Richard Kass, term expired.

William E. Strickland, Jr.,

of Pennsylvania, to be a member of the National Council on the Arts for a term expiring September 3, 1996, vice Phyllis P. Berney, term expired.

Submitted January 23

Melissa Foelsch Wells,

of Connecticut, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zaire.

Robert Logan Clarke,

of Texas, to be Comptroller of the Currency for a term of 5 years (reappointment).

Carol T. Crawford,

of Virginia, to be a member of the United States International Trade Commission for the term expiring June 16, 1999, vice Alfred E. Eckes, Jr., term expired.

The following named persons to be members of the Peace Corps National Advisory Council for the terms indicated:

John J. McCarthy, of California, for a term expiring October 6, 1992, vice John Bigelow.

Craig R. Stapleton, of Connecticut, for a term expiring October 6, 1991, vice Creighton E. Mershon, Sr.

Paul Edward Sussman,

of Illinois, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring October 6, 1992, vice John C. Duncan.

Kenneth Y. Tomlinson,

of New York, to be a member of the Board for International Broadcasting for a term expiring April 28, 1993 (reappointment).

Lewis W. Douglas, Jr.,

of California, to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1993, vice Hershey Gold, term expired.

Marye Anne Fox,

of Texas, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1996, vice Karen J. Lindstedt-Siva, term expired.

Carol Iannone,

of New York, to be a member of the National Council on the Humanities for a term expiring January 26, 1996, vice Mary Josephine Conrad Cresimore, term expired.

Carl W. Vogt,

of Maryland, to be a member of the Board of Directors of the National Railroad Passenger Corporation for a term of 4 years, vice Darrell M. Trent, term expired.

Submitted January 24

Renato Beghe,

of New York, to be a Judge of the United States Tax Court for a term expiring 15 years after he takes office, vice B. John Williams, Jr., resigned.

The following named persons to be members of the Defense Base Closure and Realignment Commission for terms expiring at the end of the first session of the 102d Congress:

James C. Smith II, of South Carolina

Howard H. Callaway, of Colorado

James A. Courter, of New Jersey

James A. Courter,

of New Jersey, to be Chairman of the Defense Base Closure and Realignment Commission.

Submitted January 31

Katherine Shirley,

of Illinois, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Senegal.

Jack Warren Lentfer,

of Alaska, to be a member of the Marine Mammal Commission for a term expiring May 13, 1991, vice Francis H. Fay, term expired.

Jack Warren Lentfer,

of Alaska, to be a member of the Marine Mammal Commission for a term expiring May 13, 1994 (reappointment).

Donald Hall,

of New Hampshire, to be a member of the National Council on the Arts for a term expiring September 3, 1996, vice Jacob Nuesner, term expired.

Submitted February 6

Rockwell Anthony Schnabel,

of California, to be Deputy Secretary of Commerce, vice Thomas Joseph Murrin, resigned.

Hans M. Mark,

of Texas, to be a member of the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation for a term expiring April 17, 1996 (reappointment).

Sandra Mills,

of Wisconsin, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1993, vice William G. Goetz.

Submitted February 7

Robin J. Cauthron,

of Oklahoma, to be U.S. District Judge for the Western District of Oklahoma, a new position created by P.L. 101 - 650, approved December 1, 1990.

Richard D. Bennett,

of Maryland, to be U.S. Attorney for the District of Maryland for the term of 4 years, vice

Breckenridge L. Willcox, term expired.

Maurice Owens Ellsworth,

of Idaho, to be U.S. Attorney for the District of Idaho for the term of 4 years (reappointment).

Harry A. Rosenberg,

of Louisiana, to be U.S. Attorney for the Eastern District of Louisiana for the term of 4 years, vice John P. Volz, term expired.

E. Montgomery Tucker,

of Virginia, to be U.S. Attorney for the Western District of Virginia for the term of 4 years, vice John P. Alderman, resigned.

Ronald G. Woods,

of Texas, to be U.S. Attorney for the Southern District of Texas for the term of 4 years, vice Henry K. Oncken, resigned.

Stanford E. Parris,

of Virginia, to be Administrator of the Saint Lawrence Seaway Development Corporation for a term of 7 years, vice James L. Emery, term expired.

The following named persons to be Directors of the Federal Housing Finance Board for the terms indicated, to which positions they were appointed during the last recess of the Senate:

William C. Perkins, of Wisconsin, for a term of 1 year.

Lawrence U. Costigilo, of New York, for a term of 3 years.

Marilyn R. Seymann, of Arizona, for a term of 5 years.

Daniel F. Evans, Jr., of Indiana, for a term of 7 years.

The following named persons to be members of the Board of Directors of the Legal Services Corporation for the terms indicated, to which positions they were appointed during the last recess of the Senate:

For terms expiring July 13, 1992:

J. Blakeley Hall, of Texas

William Lee Kirk, Jr., of Florida

Jo Betts Love, of Mississippi

Guy V. Molinari, of New York

Jeanine E. Wolbeck, of Minnesota

For terms expiring July 13, 1993:

Howard H. Dana, Jr., of Maine

Luis Guinot, Jr., of Puerto Rico

Penny L. Pullen, of Illinois

Thomas D. Rath, of New Hampshire

Basile J. Uddo, of Louisiana

George W. Wittgraf, of Iowa

Submitted February 19

Edward R. Madigan,

of Illinois, to be Secretary of Agriculture, vice Clayton Yeutter, resigned.

Submitted February 21

David Floyd Lambertson,

of Kansas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Thailand.

Michael T.F. Pistor,

of Arizona, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malawi.

Jennifer C. Ward,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Niger.

Marta Istomin,

of the District of Columbia, to be a member of the National Council on the Arts for a term expiring September 3, 1996, vice Carlos Moseley, term expired.

Submitted February 26

Dennis A. Yao,

of Pennsylvania, to be a Federal Trade Commissioner for the term of 7 years from September 26, 1989, vice Andrew John Strenio, Jr., term expired.

John A. Gannon,

of Ohio, to be a member of the National Council on Disability for a term expiring September 17, 1992 (reappointment).

Pedro Roig,

of Florida, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1992, vice James L. Usry, term expired.

Withdrawn February 26

Donna M. Owens,

of Ohio, to be Director of the Bureau of Justice Assistance (new position).

Submitted February 27

Lawrence B. Lindsey,

of Virginia, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1986, vice Manuel H. Johnson, resigned.

Submitted March 5

Donald Jay Yockey,

of California, to be Under Secretary of Defense for Acquisition, vice John A. Betti, resigned.

Submitted March 6

Robert B. Zoellick,

of the District of Columbia, to be Under Secretary of State for Economic and Agricultural Affairs, vice Richard Thomas McCormack.

Robert B. Zoellick,

of the District of Columbia, to be U.S. Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; U.S. Alternate Governor of the Inter-American Development Bank for a term of 5 years; U.S. Alternate Governor of the African Development Bank for a term of 5 years; U.S. Alternate Governor of the African Development Fund; and U.S. Alternate Governor of the Asian Development Bank, vice Richard Thomas McCormack; and to be U.S. Alternate Governor of the European Bank for Reconstruction and Development (new position).

James Thomas Grady,

of Massachusetts, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1991, vice Henry F. Schickling, term expired.

Duane H. Cassidy,

of Virginia, to be a member of the Defense Base Closure and Realignment Commission for a term expiring at the end of the first session of the 102d Congress (new position).

Submitted March 7

Tom G. Kessinger,

of Pennsylvania, to be a member of the Peace Corps National Advisory Council for a term expiring October 6, 1991, vice Robert W. Hazlett.

Peter deCourcy Hero,

of California, to be a member of the National Council on the Arts for the remainder of the term expiring September 3, 1994, vice Kevin Roche.

Submitted March 11

William Harold Albritton III,

of Alabama, to be U.S. District Judge for the Middle District of Alabama, vice Joel F. Dubina, elevated.

Submitted March 12

Patricia F. Saiki,

of Hawaii, to be Administrator of the Small Business Administration, vice Susan S. Engeleiter, resigned.

Marilyn L. Huff,

of California, to be U.S. District Judge for the Southern District of California, vice William B. Enright, retired.

Weldon W. Case,

of Florida, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1993, vice Clarence J. Brown.

Submitted March 13

Janet A. Nuzum,

of Virginia, to be a member of the U.S. International Trade Commission for the remainder of the term expiring June 15, 1996, vice Ronald A. Cass, resigned.

Raoul Lord Carroll,

of the District of Columbia, to be President of the Government National Mortgage Association, vice Arthur J. Hill, resigned.

Submitted March 19

William G. Curran,

of New York, to be United States Director of the European Bank for Reconstruction and Development (new position).

William L. Ball III,

of Georgia, to be a member of the Defense Base Closure and Realignment Commission for a term expiring at the end of the first session of the 102d Congress (new position).

Submitted March 20

Lane Kirkland,

of the District of Columbia, to be a member of the Board for International Broadcasting for a term expiring April 28, 1993 (reappointment).

Robert W. Naylor,

of California, to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term of 4 years, vice Delba Winthrop.

Ann Brownell Sloane,

of New York, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring October 6, 1996, vice Lynda Anne Barness, term expired.

Niara Sudarkasa,

of Pennsylvania, to be a member of the Peace Corps National Advisory Council for a term expiring October 6, 1991, vice John J. Petillo.

Wm. Fremming Nielsen,

of Washington, to be United States District Judge for the Eastern District of Washington, vice Robert J. McNichols, retired.

Frederick L. Van Sickle,

of Washington, to be United States District Judge for the Eastern District of Washington, vice a new position created by P.L. 101 - 650, approved December 1, 1990.

J. William Roberts,

of Illinois, to be United States Attorney for the Central District of Illinois for the term of 4 years (reappointment).

Edward G. Bryant,

of Tennessee, to be United States Attorney for the Western District of Tennessee for the term of 4 years, vice William H. Ewing, Jr., term expired.

Submitted March 21

Nicholas F. Brady,

of New Jersey, to be United States Governor of the European Bank for Reconstruction and Development (new position).

Alixe Reed Glen,

of the District of Columbia, to be an Assistant Secretary of Health and Human Services, vice Kay Coles James.

Dexter W. Lehtinen,

of Florida, to be United States Attorney for the Southern District of Florida for the term of 4 years, vice Leon B. Kellner, resigned.

Larry J. Joiner,

of Missouri, to be United States Marshal for the Western District of Missouri, vice Lee Koury, term expired.

Raymond George Hardenbergh Seitz,

of Texas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be

Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Kingdom of Great Britain and Northern Ireland.

Willie Greason, Jr.,

of Missouri, to be United States Marshal for the Eastern District of Missouri, vice William S. Vaughn, retired.

Jose R. Mariano,

of Guam, to be United States Marshal for the District of Guam and concurrently United States Marshal for the District of the Northern Mariana Islands for the term of 4 years, vice Edward M. Camacho, term expired.

Submitted April 11

Preston Moore,

of Texas, to be Chief Financial Officer, Department of Commerce (new position).

John E. Bennett,

of Washington, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Equatorial Guinea.

Emilio M. Garza,

of Texas, to be U.S. Circuit Judge for the Fifth Circuit, vice Thomas M. Reavley, retired.

Sharon Lovelace Blackburn,

of Alabama, to be U.S. District Judge for the Northern District of Alabama, a new position created by Public Law No. 101 - 650, approved December 1, 1990.

Richard T. Haik, Sr.,

of Louisiana, to be U.S. District Judge for the Western District of Louisiana, vice John M. Duhe, Jr., elevated.

Submitted April 16

Charles R. Bowers,

of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bolivia.

The following named persons to be members of the Board of Directors of the Corporation for Public Broadcasting for terms expiring March 26, 1996:

Martha Buchanan, of Texas, vice Daniel L. Brenner, term expired.

Sheila Tate, of Virginia (reappointment).

Michael Chertoff,

of New Jersey, to be U.S. Attorney for the District of New Jersey for the term of 4 years, vice Samuel A. Alito, Jr., resigned.

Robert T. Guiney,

of Massachusetts, to be U.S. Marshal for the District of Massachusetts for the term of 4 years, vice James B. Roche III, term expired.

Kay W. Riddle,

of Colorado, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1995, vice Lee Edwards, term expired.

Louise M. McClure,

of Idaho, to be a member of the National Council on the Arts for a term expiring September 3, 1996, vice Margaret Eleanor Hillis, term expired.

Submitted April 17

Daphne Wood Murray,

of California, to be a member of the National Museum Services Board for a term expiring December 6, 1995, vice Beverly Fisher White, term expired.

Submitted April 18

Mary Ann Casey,

of Colorado, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic and Popular Republic of Algeria.

Submitted April 23

J. Michael Luttig,

of Virginia, to be U.S. Circuit Judge for the Fourth Circuit, vice a new position created by Public Law 101 - 650, approved December 1, 1990.

David T. Kearns,

of Connecticut, to be Deputy Secretary of Education, vice John Theodore Sanders.

Sheila C. Bair,

of Kansas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1994, vice Robert R. Davis, resigned.

Joseph B. Dial,

of Texas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring June 19, 1996, vice Kalo A. Hineman, term expiring.

Eugene Peters,

of Pennsylvania, to be a member of the Board of Directors of the National Corporation for Housing Partnerships for the term expiring October 27, 1992, vice William F. Sullivan, term expired.

William Harrison Courtney,

of West Virginia, a career member of the Senior Foreign Service, Class of Counselor, for the rank of Ambassador during his tenure of service as U.S. Commissioner for the Bilateral Consultative Commission and the Joint Consultative Commission established by the Threshold Test Ban Treaty (TTBT) and the Peaceful Nuclear Explosions Treaty (PNET).

Constance Bastine Harriman,

of California, to be a member of the Board of Directors of the Export-Import Bank of the United States for a term expiring January 20, 1995, vice Richard C. Houseworth, term expired.

John A. Hammerschmidt,

of Arkansas, to be a member of the National Transportation Safety Board for the term expiring December 31, 1995, vice James Eugene Burnett, Jr., term expired.

Ivan Selin,

of the District of Columbia, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1996, vice Kenneth M. Carr, term expiring.

Donald R. Brookshier,

of Illinois, to be U.S. Marshal for the Southern District of Illinois for the term of 4 years (reappointment).

John H. Robinson,

of Nevada, to be U.S. Marshal for the District of Nevada for the term of 4 years, vice Denny L. Sampson, retired.

Submitted April 25

William L. Osteen, Sr.,

of North Carolina, to be U.S. District Judge for the Middle District of North Carolina, a new position created by Public Law 101 - 650, approved December 1, 1990.

Saundra Brown Armstrong,

of California, to be U.S. District Judge for the Northern District of California, vice William A. Ingram, retired.

Timothy K. Lewis,

of Pennsylvania, to be U.S. District Judge for the Western District of Pennsylvania, vice Paul A.

Simmons, retired.

Nancy Patricia Dorn,

of Texas, to be an Assistant Secretary of the Army, vice Robert W. Page, Sr., resigned.

W. Bruce Beaty,

of Texas, to be U.S. Marshal for the Northern District of Texas for the term of 4 years, vice David E. Baldelli, resigned.

Submitted May 6

Sally G. Cowal,

of Massachusetts, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Trinidad and Tobago.

John Thomas McCarthy,

of New York, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

Nicholas Platt,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Pakistan.

Gordon S. Brown,

of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Mauritania.

Carolyn R. Bacon,

of Texas, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1996, vice Archie C. Purvis, term expired.

Christopher D. Coursen,

of Maryland, to be a member of the Advisory Board for Cuba Broadcasting for a term expiring October 27, 1993, vice Jose A. Costa, Jr., term expired.

Velma Montoya,

of California, to be a member of the Occupational Safety and Health Review Commission for a term expiring April 27, 1997 (reappointment).

Submitted May 8

David W. Mullins, Jr.,

of Arkansas, to be Vice Chairman of the Board of Governors of the Federal Reserve System for a term of 4 years, vice Manuel H. Johnson, resigned.

Submitted May 14

Robert H. Pelletreau, Jr.,

of Connecticut, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Arab Republic of Egypt.

Mary Catherine Sophos,

of California, to be a Deputy Under Secretary of the Treasury, vice Bryce L. Harlow, resigned.

Quincy Mellon Krosby,

of New York, to be U.S. Alternate Executive Director of the International Monetary Fund for a term of 2 years, vice Charles S. Warner, resigned.

Michael J. Malbin,

of New York, to be a member of the National Council on the Humanities for the remainder of the term expiring January 26, 1994, vice Gary L. McDowell.

Harvey C. Mansfield, Jr.,

of Massachusetts, to be a member of the National Council on the Humanities for the remainder of the term expiring January 26, 1994, vice Jeanne J. Smoot.

Submitted May 15

J. Stapleton Roy,

of Pennsylvania, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China.

Benson Everett Legg,

of Maryland, to be U.S. District Judge for the District of Maryland, vice Paul V. Niemeyer, elevated.

Morris D. Busby,

of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Colombia.

Johnnie Carson,

of Illinois, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Uganda.

Harvey Bartle III,

of Pennsylvania, to be U.S. District Judge for the Eastern District of Pennsylvania, vice Joseph L. McGlynn, Jr., retired.

Roy L. Shafer,

of Ohio, to be a member of the National Museum Services Board for a term expiring December 6, 1994, vice James S. Rosebush, term expired.

Submitted May 16

Jane R. Roth,

of Delaware, to be U.S. Circuit Judge for the Third Circuit, vice Collins J. Seitz, retired.

Dee V. Benson,

of Utah, to be U.S. District Judge for the District of Utah, a new position created by Public Law 101 - 650, approved December 1, 1990.

Fernando J. Gaitan, Jr.,

of Missouri, to be U.S. District Judge for the Western District of Missouri, vice Russell G. Clark, retired.

Submitted May 17

Warren Roger King,

of the District of Columbia, to be an Associate Judge of the District of Columbia Court of Appeals for the term of 15 years, vice Theodore R. Newman, Jr., retired.

Sterling Johnson, Jr.,

of New York, to be United States District Judge for the Eastern District of New York, vice Joseph M. McLaughlin, elevated.

Submitted May 20

Robert Michael Guttman,

of the District of Columbia, to be an Assistant Secretary of Labor, vice Mary Sterling.

William Happer,

of New Jersey, to be Director of the Office of Energy Research, vice Robert O. Hunter, Jr., resigned.

Submitted May 23

Andrew J. Kleinfeld,

of Alaska, to be U.S. Circuit Judge for the Ninth Circuit, vice Alfred T. Goodwin, retired.

Harvey E. Schlesinger,

of Florida, to be U.S. District Judge for the Middle District of Florida, vice Howell W. Melton, retired.

Ralph W. Nimmons, Jr.,

of Florida, to be U.S. District Judge for the Middle District of Florida, vice a new position created by Public Law 101 - 650, approved December 1, 1990.

Submitted May 24

Ann M. Veneman,

of California, to be Deputy Secretary of Agriculture, vice Jack Callihan Parnell, resigned.

Ann M. Veneman,

of California, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Jack Callihan Parnell, resigned.

Submitted June 3

Luis Guinot, Jr.,

of Puerto Rico, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Costa Rica.

Lynn Marvin Hansen,

of Colorado, for the rank of Ambassador during his tenure of service as U.S. Representative on the Conventional Armed Forces in Europe (CFE) Joint Consultative Group and to the Negotiations on Conventional Armed Forces in Europe (CFE).

James H. Quello,

of Virginia, to be a member of the Federal Communications Commission for a term of 5 years from July 1, 1991 (reappointment).

Submitted June 5

Jane E. Becker,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Counselor, to be Representative of the United States of America to the Vienna Office of the United Nations and Deputy Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

Submitted June 6

Steven I. Hofman,

of Maryland, to be an Assistant Secretary of Labor, vice Dale Triber Tate.

Frances Curtin McNaught,

of Virginia, to be an Assistant Secretary of Labor, vice Kathleen Harrington.

Desiree Tucker-Sorini,

of Colorado, to be an Assistant Secretary of the Treasury, vice Roger Bolton, resigned.

Submitted June 10

Richard W. Carlson,

of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

E. Gail de Planque,

of New Jersey, to be a member of the Nuclear Regulatory Commission for the term of 5 years, expiring June 30, 1995, vice Thomas Morgan Roberts, term expired.

Submitted June 12

Alice M. Batchelder,

of Ohio, to be U.S. Circuit Judge for the Sixth Circuit, vice Frederick Pierce Lively, retired.

Arthur Hayden Hughes,

of Nebraska, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Yemen.

Clyde H. Hamilton,

of South Carolina, to be U.S. Circuit Judge for the Fourth Circuit, a new position created by Public Law 101 - 650, approved December 1, 1990.

Christopher W.S. Ross,

of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic.

Jeffrey C. Martin,

of Tennessee, to be General Counsel, Department of Education, vice Edward C. Stringer, resigned.

Submitted June 14

William G. Bassler,

of New Jersey, to be U.S. District Judge for the District of New Jersey, vice Stanley S. Brotman, retired.

Morton A. Brody,

of Maine, to be U.S. District Judge for the District of Maine, a new position created by Public Law 101 - 650, approved December 1, 1990.

William H. Yohn, Jr.,

of Pennsylvania, to be U.S. District Judge for the Eastern District of Pennsylvania, vice John P. Fullam, retired.

Submitted June 17

Donald L. Graham,

of Florida, to be U.S. District Judge for the Southern District of Florida, vice Sidney M. Aronovitz, retired.

Submitted June 19

Eugene E. Siler, Jr.,

of Kentucky, to be U.S. Circuit Judge for the Sixth Circuit, vice Harry W. Wellford, retired.

Jorge A. Solis,

of Texas, to be U.S. District Judge for the Northern District of Texas, vice Robert W. Porter, retired.

Karen K. Caldwell,

of Kentucky, to be U.S. Attorney for the Eastern District of Kentucky for the term of 4 years, vice Louis G. DeFalaise, term expired.

John F. Hoehner,

of Indiana, to be U.S. Attorney for the Northern District of Indiana for the term of 4 years, vice James G. Richmond, resigned.

Submitted June 20

Charles Graves Untermeyer,

of Texas, to be an Associate Director of the U.S. Information Agency, vice Richard W. Carlson.

Joyce Elaine Tucker,

of Illinois, to be a member of the Equal Employment Opportunity Commission for a term expiring July 1, 1996 (reappointment).

Thomas B. Heffelfinger,

of Minnesota, to be U.S. Attorney for the District of Minnesota for the term of 4 years, vice Jerome G. Arnold, term expired.

Submitted June 24

Robert M. Gates,

of Virginia, to be Director of Central Intelligence, vice William H. Webster.

Frank G. Wisner,

of the District of Columbia, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

Eric I. Garfinkel,

of Maryland, to be Under Secretary of Commerce for Export Administration, vice Dennis Edward Kloske, resigned.

Karl C. Rove,

of Texas, to be a member of the Board for International Broadcasting for a term expiring April 28, 1994, vice Edward Noonan Ney, term expired.

Submitted June 25

Diane S. Ravitch,

of New York, to be Assistant Secretary for Educational Research and Improvement, Department of Education, vice Christopher T. Cross, resigned.

Submitted June 27

Rebecca F. Doherty,

of Louisiana, to be U.S. District Judge for the Western District of Louisiana (new position -- Public Law 101 - 650).

Michael R. Hogan,

of Oregon, to be U.S. District Judge for the District of Oregon (new position -- Public Law 101 - 650).

James T. Trimble, Jr.,

of Louisiana, to be U.S. District Judge for the Western District of Louisiana vice Earl E. Veron, retired.

Harold R. DeMoss, Jr.,

of Texas, to be U.S. Circuit Judge for the Fifth Circuit vice Jerre S. Williams, retired.

Barbara A. Caulfield,

of California, to be U.S. District Judge for the Northern District of California vice William W. Schwarzer, retired.

Patrick J. Cleary,

of Virginia, to be a member of the National Mediation Board for the term expiring July 1, 1994 (reappointment).

Cari M. Dominguez,

of Maryland, to be an Assistant Secretary of Labor, vice William C. Brooks, resigned.

Nancy Risque Rohrbach,

of Virginia, to be an Assistant Secretary of Labor, vice Jennifer Lynn Dorn, resigned.

Olin L. Wethington,

of Virginia, to be a Deputy Under Secretary of the Treasury, vice Charles H. Dallara, resigned.

Shelby Highsmith,

of Florida, to be U.S. District Judge for the Southern District of Florida, vice Thomas E. Scott, resigned.

Denis R. Hurley,

of New York, to be U.S. District Judge for the Eastern District of New York (new position -- Public Law 101 - 650).

Paul R. Matia,

of Ohio, to be U.S. District Judge for the Northern District of Ohio (new position -- Public Law 101 - 650).

Robert Michael Kimmitt,

of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Germany.

Appendix C -- Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary which are not included in this book.

Released January 23

Announcement:

Nomination of Renato Beghe to be a Judge of the U.S. Tax Court

Released January 29

Fact sheet:

The President's State of the Union Address

Released January 30

Fact sheet:

National drug control strategy

Released February 6

Announcement:

Nomination of Richard D. Bennett to be U.S. Attorney for the District of Maryland

Announcement:

Nomination of Robin J. Cauthron to be U.S. District Judge for the Western District of Oklahoma

Announcement:

Nomination of Maurice Owens Ellsworth to be U.S. Attorney for the District of Idaho

Announcement:

Nomination of E. Montgomery Tucker to be U.S. Attorney for the Western District of Virginia

Announcement:

Nomination of Harry A. Rosenberg to be U.S. Attorney for the Eastern District of Louisiana

Announcement:

Nomination of Ronald G. Woods to be U.S. Attorney for the Southern District of Texas

Advance text:

Remarks to the Economic Club in New York, New York

Released February 12

Transcript:

Press briefing on the 1991 Economic Report of the President -- by Michael J. Boskin, Chairman of the Council of Economic Advisers, and Council members Richard L. Schmalensee and John B. Taylor

Fact sheet:

U.S. commercial space policy guidelines

Announcement:

Nomination of Susan J. Crawford to be a Judge of the U.S. Court of Military Appeals

Released February 13

Transcript:

Press briefing on proposed transportation legislation -- by Secretary of Transportation Samuel K. Skinner

Fact sheet:

The Surface Transportation Assistance Act of 1991

Fact sheet:

Desert Shield: 1990 foreign commitments to the United States

Released February 15

Advance text:

Remarks to the American Association for the Advancement of Science

Advance text:

Remarks to Raytheon Missile Systems plant employees in Andover, MA

Released February 19

Announcement:

Nomination of Marta Istomin to be a member of the National Council on the Arts

Released February 20

Transcript:

Press briefing on the national energy strategy -- by Secretary of Energy James Watkins

Fact sheet:

The national energy strategy

Released February 22

Transcript:

Press briefing on the supplemental defense appropriation request -- by Richard G. Darman, Director of the Office of Management and Budget

Released February 25

Announcement:

Nomination of Pedro Roig to be a member of the National Advisory Council on Educational

Research and Improvement

Released February 26

Fact sheet:

President Bush's proposed Enterprise for the Americas Initiative Act of 1991

Transcript:

Press briefing on the meeting with President Cesar Gaviria Trujillo of Colombia -- by Bernard Aronson, Assistant Secretary of State for Inter-American Affairs, and Thomas McNamara, U.S. Ambassador to Colombia

Released February 27

Fact sheet:

Expanding choice and opportunity for individuals, families, and communities

Released March 4

Advance text:

Remarks at the Westinghouse Science Talent Search 50th anniversary banquet

Released March 5

Advance text:

Remarks at the Attorney General's crime summit

Announcement:

Nomination of James Thomas Grady to be a member of the Board of Directors of the Overseas Private Investment Corporation

Released March 6

Announcement:

Nomination of Duane H. Cassidy to be a member of the Defense Base Closure and Realignment Commission

Announcement:

Nomination of Peter deCourcy Hero to be a member of the National Council on the Arts

Announcement:

Nomination of Tom G. Kessinger to be a member of the Peace Corps National Advisory Council

Advance text:

Address before a joint session of Congress on the cessation of the Persian Gulf conflict

Released March 7

Fact sheet:

New nonproliferation regulations

Announcement:

Presidential Medal of Freedom citation for former Prime Minister Margaret Thatcher of the United Kingdom

Released March 8

Announcement:

Nomination of William Harold Albritton III to be U.S. District Judge for the Middle District of Alabama

Released March 11

Fact sheet:

Combating violent crime

Fact sheet:

The 400th daily Point of Light: Henderson Hall/Barcroft Elementary School Adopt-A-School program

Announcement:

Nomination of Weldon W. Case to be a member of the Board of Directors of the Overseas Private Investment Corporation.

Announcement:

Nomination of Marilyn L. Huff to be United States District Judge for the Southern District of California

Released March 13

Advance text:

Remarks at the air quality agreement signing ceremony in Ottawa, Canada

Fact sheet:

Canada-U.S. air quality agreement

Transcript:

Press briefing on the Canada-U.S. air quality agreement -- by William K. Reilly, Administrator of the Environmental Protection Agency, and Roger B. Porter, Assistant to the President for Economic and Domestic Policy

Announcement:

Nomination of Janet A. Nuzum to be a member of the United States International Trade Commission

Released March 19

Fact sheet:

Extension of Fast Track authority

Announcement:

Nomination of Robert W. Naylor to be a member of the Board of Trustees of the James Madison Memorial Fellowship Foundation

Announcement:

Nomination of Ann Brownell Sloane to be a member of the Board of Directors of the Inter-American Foundation

Announcement:

Nomination of Niara Sudarkasa to be a member of the Peace Corps National Advisory Council

Announcement:

Nomination of Lane Kirkland to be a member of the Board for International Broadcasting

Released March 20

Fact sheet:

United States assistance to Poland

Fact sheet:

The reduction of Poland's debt

Fact sheet:

American business and private sector development initiative for Central and Eastern Europe

Fact sheet:

Trade enhancement initiative for Central and Eastern Europe

Transcript:

Press briefing on the state visit of President Lech Walesa of Poland -- by James Dobbins, Deputy Assistant Secretary of State for European and Canadian Affairs, and Ambassador Robert Barry, State Department special adviser on Eastern European assistance

Released March 21

Announcement:

Nomination of Edward G. Bryant to be U.S. Attorney for the Western District of Tennessee

Announcement:

Nomination of Wm. Fremming Nielsen to be U.S. District Judge for the Eastern District of Washington

Announcement:

Nomination of J. William Roberts to be U.S. Attorney for the Central District of Illinois

Announcement:

Nomination of Frederick L. Van Sickle to be U.S. District Judge for the Eastern District of Washington

Released March 22

Announcement:

Nomination of Larry J. Joiner to be U.S. Marshal for the Western District of Missouri

Announcement:

Nomination of Jose R. Mariano to be U.S. Marshal for the District of Guam

Announcement:

Nomination of Willie Greason, Jr., to be U.S. Marshal for the Eastern District of Missouri

Released March 28

Announcement:

Nomination of Louis J. Freeh to be U.S. District Judge for the Southern District of New York

Announcement:

Nomination of Henry M. Herlong, Jr., to be U.S. District Judge for the District of South Carolina

Released March 29

Statement:

Death of Lee Atwater -- by John H. Sununu, Chief of Staff to the President

Released April 5

Announcement:

Medal of Honor presentation to the family of Cpl. Freddie Stowers, USA

Released April 8

Advance text:

Remarks at a meeting with Hispanic business leaders in Houston, TX

Released April 9

Advance text:

Remarks at a meeting of the American Business Conference

Fact sheet:

The President's economic growth agenda

Announcement:

Nomination of Sharon Lovelace Blackburn to be U.S. District Judge for the Northern District of Alabama

Released April 10

Announcement:

Nomination of Emilio M. Garza to be U.S. Circuit Judge for the Fifth Circuit

Announcement:

Nomination of Richard T. Haik, Jr., to be U.S. District Judge for the Western District of Louisiana

Released April 11

Fact sheet:

Aid to Iraqi refugees

Released April 15

Fact sheet:

Points of Light National Celebration of Community Service

Announcement:

Nomination of Robert R. Guiney to be U.S. Marshal for the District of Massachusetts

Announcement:

Nomination of Michael Chertoff to be U.S. Attorney for the District of New Jersey

Announcement:

Nomination of Kay W. Riddle to be a member of the National Commission on Libraries and Information Science

Announcement:

Nomination of Louise M. McClure to be a member of the National Council on the Arts

Released April 16

Fact sheet:

Aid to Iraqi refugees

Announcement

Nomination of Daphne Wood Murray to be a member of the National Museum Services Board

Released April 17

Transcript:

Press briefing on the state visit of President Violeta Chamorro of Nicaragua -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Fact sheet:

Executive order on Federal energy management

Released April 18

Advance text:

Address to the Nation on the national education strategy

Transcript:

Press briefing on education -- by Secretary of Education Lamar Alexander; Paul O'Neill, Chairman of the President's Education Policy Advisory Committee; Gov. Roy Romer of Colorado; and Gov. Carroll Campbell of South Carolina

Released April 19

Announcement:

Camp David chapel dedication service

Announcement:

1991 President's Volunteer Action Award winners

Announcement:

Nomination of Donald R. Brookshier to be U.S. Marshal for the Southern District of Illinois

Announcement:

Nomination of John H. Robinson to be U.S. Marshal for the District of Nevada

Released April 22

Advance text:

Remarks at a White House ceremony for the observance of National Crime Victims' Rights Week

Announcement:

Nomination of Ivan Selin to be a member of the Nuclear Regulatory Commission

Announcement:

Nomination of John A. Hammerschmidt to be a member of the National Transportation Safety Board

Released April 23

Announcement:

Nomination of J. Michael Luttig to be U.S. Circuit Judge for the Fourth Circuit

Announcement:

Nomination of two Commissioners of the Commodity Futures Trading Commission

Announcement:

Nomination of Eugene Peters to be a member of the Board of Directors of the National Corporation for Housing Partnerships

Released April 24

Announcement:

Nomination of Saundra Brown Armstrong to be U.S. District Judge for the Northern District of California

Announcement:

Nomination of Timothy K. Lewis to be U.S. District Judge for the Western District of Pennsylvania

Announcement:

Nomination of W. Bruce Beaty to be U.S. Marshal for the Northern District of Texas

Released April 25

Announcement:

Nomination of William L. Osteen, Sr., to be U.S. District Judge for the Middle District of North Carolina

Released April 26

Fact sheet:

The ``Point of Light'' song

Released May 1

Advance text:

Remarks at a meeting of the Society of Business Editors and Writers

Fact sheet:

The administration's action plan: a response to issues raised in connection with the negotiation of a North American free trade agreement

Released May 3

Fact sheet:

Promoting jobs, homeownership, and opportunity

Released May 4

Advance text:

Remarks at the University of Michigan commencement ceremony in Ann Arbor, MI

Released May 6

Transcript:

Press briefing on the President's health -- by Burton J. Lee III, Physician to the President; Bruce Lloyd, chief of cardiology at Bethesda Naval Hospital; and Allan Ross, chief of cardiology at the George Washington University

Released May 7

Transcript:

Press briefing on the visit of United Nations Secretary-General Javier Perez de Cuellar de la Guerra -- by James Dobbins, Acting Assistant Secretary of State for European and Canadian Affairs

Transcript:

Press briefing on the President's health -- by Burton J. Lee III, Physician to the President; Bruce Lloyd, chief of cardiology at Bethesda Naval Hospital; Allan Ross, chief of cardiology at the George Washington University; and Kenneth Burman, head of endocrine and thyroid studies at Walter Reed Hospital

Released May 9

Transcript:

Press briefing on the visit of United Nations Secretary-General Javier Perez de Cuellar de la Guerra -- by John Bolton, Assistant Secretary of State for International Organization Affairs

Statement:

White House Counsel's review of Chief of Staff's travel records -- by John H. Sununu, Chief of Staff to the President

Transcript:

Press briefing on the President's health -- by Burton J. Lee III, Physician to the President; Bruce Lloyd, chief of cardiology at Bethesda Naval Hospital; Allan Ross, chief of cardiology at the George Washington University; Kenneth Burman, head of endocrine and thyroid studies at Walter Reed Hospital; and Colum Gorman, chief of the division of endocrinology at the Mayo Clinic

Released May 13

Fact sheet:

Chemical weapons initiative

Fact sheet:

Improving health for infants and children

Released May 14

Announcement:

Nomination of Benson Everett Legg to be U.S. District Judge for the District of Maryland

Released May 15

Fact sheet:

Health care liability reform

Announcement:

Nomination of Harvey Bartle III to be U.S. District Judge for the Eastern District of Pennsylvania

Released May 16

Announcement:

Nomination of Dee V. Benson to be U.S. District Judge for the District of Utah

Announcement:

Nomination of Fernando J. Gaitan, Jr., to be U.S. District Judge for the Western District of Missouri

Announcement:

Nomination of Jane R. Roth to be U.S. Circuit Judge for the Third Circuit

Released May 17

Announcement:

Nomination of Sterling Johnson, Jr., to be U.S. District Judge for the Eastern District of New York

Announcement:

Nomination of Warren Roger King to be an Associate Judge for the District of Columbia

Released May 20

Fact sheet:

RIAS Foundation

Released May 21

Fact sheet:

The President's Environment and Conservation Challenge Awards

Released May 22

Advance text:

Remarks to students and faculty of the Saturn School of Tomorrow in St. Paul, MN

Fact sheet:

AMERICA 2000 Excellence in Education Act

Released May 23

Fact sheet:

United States assistance to Hungary

Announcement:

Nomination of Andrew J. Kleinfeld to be U.S. Circuit Judge for the Ninth Circuit

Announcement:

Nomination of Harvey E. Schlesinger to be U.S. District Judge for the Middle District of Florida

Announcement:

Nomination of Ralph W. Nimmons, Jr., to be U.S. District Judge for the Middle District of Florida

Released May 24

Fact sheet:

Coordinating Committee for Multilateral Export Controls core list

Released May 27

Advance text:

Remarks at the Yale University commencement ceremony in New Haven, CT

Released May 29

Advance text:

Remarks at the United States Air Force Academy commencement ceremony in Colorado Springs, CO

Released May 31

Statement:

Meeting with members of the President's agriculture mission to the Soviet Union -- by Marlin Fitzwater, Press Secretary to the President

Released June 3

Advance text:

Remarks to the National Education Goals Panel

Released June 5

Announcement:

Presentation of the Presidential Citizen's Medal and the Special Award for Exceptional Service

Announcement:

Iraqi diversion of World Food Program food shipments

Released June 6

Advance text:

Remarks at the annual Southern Baptist convention in Atlanta, GA

Released June 7

Fact sheet:

Supercomputer export controls

Released June 11

Announcement:

Nomination of Alice M. Batchelder to be U.S. Circuit Judge for the Sixth Circuit

Advance text:

Remarks at the James H. Groves Adult High School commencement ceremony in Seaford, DE

Released June 12

Announcement:

Nomination of Clyde H. Hamilton to be U.S. Circuit Judge for the Fourth District

Advance text:

Remarks on the administration's domestic policy

Transcript:

Press briefing on the visit of President Alfredo Cristiani Buckard of El Salvador -- by Bernard Aronson, Assistant Secretary of State for Inter-American Affairs

Released June 13

Announcement:

Nomination of William G. Bassler to be U.S. District Judge for the District of New Jersey

Announcement:

Nomination of Morton A. Brody to be U.S. District Judge for the District of Maine

Announcement:

Nomination of William H. Yohn, Jr., to be U.S. District Judge for the Eastern District of Pennsylvania

Transcript:

Press briefing on the administration's immunization initiative -- by William L. Roper, Director of the Centers for Disease Control

Released June 14

Announcement:

Nomination of Donald L. Graham to be U.S. District Judge for the Southern District of Florida

Released June 16

Advance text:

Remarks to the Asian-Pacific community in Fountain Valley, CA

Advance text:

Remarks at the Simon Wiesenthal Center dinner in Los Angeles, CA

Fact sheet:

Trade with China

Released June 17

Advance text:

Remarks to community members in Grand Junction, CO

Released June 18

Announcement:

Nomination of Eugene E. Siler, Jr., to be U.S. Circuit Judge for the Sixth Circuit

Transcript:

Press briefing on the visit of President Fernando Collor de Mello of Brazil -- by Bernard Aronson, Assistant Secretary of State for Inter-American Affairs

Released June 19

Announcement:

Nomination of Karen K. Caldwell to be U.S. Attorney for the Eastern District of Kentucky

Announcement:

Nomination of Thomas B. Heffelfinger to be U.S. Attorney for the District of Minnesota

Announcement:

Nomination of John F. Hoehner to be U.S. Attorney for the Northern District of Indiana

Announcement:

Nomination of Jorge A. Solis to be U.S. District Judge for the Northern District of Texas

Fact sheet:

Trade and investment agreement with Argentina, Brazil, Paraguay, and Uruguay

Released June 20

Transcript:

Press briefing on the visits of former Prime Minister Margaret Thatcher of the United Kingdom; Mangosuthu Gatsha Buthelezi, Chief Minister of South Africa's KwaZulu Homeland and leader of the Inkatha Freedom Party; Reverend Leon Sullivan, pastor emeritus of the Zion Baptist Church in Philadelphia, PA; and President Boris N. Yeltsin of the Republic of Russia -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Released June 26

Announcement:

Nomination of James T. Trimble, Jr., to be U.S. District Judge for the Western District of Louisiana

Announcement:

Nomination of Rebecca F. Doherty to be U.S. District Judge for the Western District of Louisiana

Announcement:

Nomination of Michael R. Hogan to be U.S. District Judge for the District of Oregon

Released June 27

Announcement:

Nomination of Barbara A. Caulfield to be U.S. District Judge for the Northern District of California

Announcement:

Nomination of Harold R. DeMoss, Jr., to be U.S. Circuit Judge for the Fifth Circuit

Announcement:

Nomination of Shelby Highsmith to be U.S. District Judge for the Southern District of Florida

Announcement:

Nomination of Denis R. Hurley to be U.S. District Judge for the Eastern District of New York

Announcement:

Nomination of Paul R. Matia to be U.S. District Judge for the Northern District of Ohio

Fact sheet:

Advancing the Enterprise for the Americas Initiative: a year of accomplishments

Fact sheet:

The reduction of Chile's debt

Fact sheet:

Trade and investment agreement with Nicaragua and Panama

Advance text:

Remarks commemorating the first anniversary of the Enterprise for the Americas Initiative

Transcript:

Statement by John H. Sununu, Chief of Staff to the President

Released June 28

Announcement:

Presidential Medal of Freedom recipients

Appendix D -- Acts Approved by the President

Approved January 14

H.J. Res. 77 / Public Law 102 - 1

Authorization for Use of Military Force Against Iraq Resolution

Approved January 30

H.R. 4 / Public Law 102 - 2

To extend the time for performing certain acts under the internal revenue laws for individuals performing services as part of the Desert Shield Operation

Approved February 6

H.R. 3 / Public Law 102 - 3

Veterans' Compensation Amendments of 1991

H.R. 556 / Public Law 102 - 4

Agent Orange Act of 1991

Approved February 15

H.J. Res. 30 / Public Law 102 - 5

To designate February 7, 1991, as ``National Girls and Women in Sports Day''

Approved March 1

S.J. Res. 76 / Public Law 102 - 6

Commending the Peace Corps and the current and former Peace Corps volunteers on the thirtieth anniversary of the establishment of the Peace Corps

Approved March 5

S.J. Res. 51 / Public Law 102 - 7

To designate the week beginning March 4, 1991, as ``Federal Employees Recognition Week''

Approved March 8

S.J. Res. 55 / Public Law 102 - 8

Commemorating the two hundredth anniversary of United States-Portuguese diplomatic relations

Approved March 11

S.J. Res. 58 / Public Law 102 - 9

To designate March 4, 1991, as ``Vermont Bicentennial Day''

Approved March 12

S. 379 / Public Law 102 - 10

National and Community Service Technical Amendments Act of 1991

S.J. Res. 84 / Public Law 102 - 11

Disapproving the action of the District of Columbia Council in approving the Schedule of Heights Amendment Act of 1990

Approved March 18

H.R. 555 / Public Law 102 - 12

Soldiers' and Sailors' Civil Relief Act Amendments of 1991

H.J. Res. 98 / Public Law 102 - 13

Designating March 4 through 10, 1991, as ``National School Breakfast Week''

Approved March 20

H.J. Res. 104 / Public Law 102 - 14

To designate March 26, 1991, as ``Education Day, U.S.A.''

Approved March 21

H.J. Res. 133 / Public Law 102 - 15

Authorizing and requesting the President to designate the second full week in March 1991 as ``National Employ the Older Worker Week"

Approved March 22

H.R. 180 / Public Law 102 - 16

To amend title 38, United States Code, with respect to veterans education and employment programs, and for other purposes

H.J. Res. 167 / Public Law 102 - 17

Designating June 14, 1991, and June 14, 1992, each as ``Baltic Freedom Day"

Approved March 23

S. 419 / Public Law 102 - 18

Resolution Trust Corporation Funding Act of 1991

Approved March 25

S.J. Res. 59 / Public Law 102 - 19

Designating March 25, 1991, as ``Greek Independence Day: A National Day of Celebration of Greek and American Democracy"

Approved March 27

H.R. 1176 / Public Law 102 - 20

Foreign Relations Persian Gulf Conflict Emergency Supplemental Authorization Act, Fiscal Year, 1991

Approved March 28

H.R. 1284 / Public Law 102 - 21

Emergency Supplemental Assistance for Israel Act of 1991

H.R. 1316 / Public Law 102 - 22

Performance Management and Recognition System Amendments of 1991

S.J. Res. 53 / Public Law 102 - 23

To designate April 9, 1991 and April 9, 1992, as ``National Former Prisoner of War Recognition Day"

S.J. Res. 83 / Public Law 102 - 24

Entitled ``National Day of Prayer and Thanksgiving"

Approved April 6

S. 725 / Public Law 102 - 25

Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991

Approved April 9

H.R. 1285 / Public Law 102 - 26

Higher Education Technical Amendments of 1991

Approved April 10

H.R. 1281 / Public Law 102 - 27

Dire Emergency Supplemental Appropriations for Consequences of Operation Desert Shield/Desert Storm, Food Stamps, Unemployment Compensation Administration, Veterans Compensation and Pensions, and Other Urgent Needs Act of 1991

H.R. 1282 / Public Law 102 - 28

Operation Desert Shield/Desert Storm Supplemental Appropriations Act, 1991

Approved April 18

H.J. Res. 222 / Public Law 102 - 29

To provide for a settlement of the railroad labor-management disputes between certain railroads represented by the National Carriers' Conference Committee of the National Railway Labor Conference and certain of their employees

H.J. Res. 134 / Public Law 102 - 30

To designate the weeks of April 14 through 21, 1991, and May 3 through 10, 1992, as ``Jewish Heritage Week''

H.J. Res. 197 / Public Law 102 - 31

To designate the week of April 15 through 21, 1991, as ``National Education First Week''

Approved April 23

S. 534 / Public Law 102 - 32

To authorize the President to award a gold medal on behalf of the Congress to General H. Norman Schwarzkopf, and to provide for the production of bronze duplicates of such medal for sale to the public

S. 565 / Public Law 102 - 33

To authorize the President to award a gold medal on behalf of the Congress to General Colin L. Powell, and to provide for the production of bronze duplicates of such medal for sale to the public

S.J. Res. 119 / Public Law 102 - 34

To designate April 22, 1991, as ``Earth Day'' to promote the preservation of the global environment

Approved April 24

S.J. Res. 16 / Public Law 102 - 35

Designating the Week of April 21 - 27, 1991, as ``National Crime Victims' Rights Week''

Approved April 26

H.J. Res. 218 / Public Law 102 - 36

To designate the week beginning April 21, 1991, and the week beginning April 19, 1992, each as ``National Organ and Tissue Donor Awareness Week''

S.J. Res. 64 / Public Law 102 - 37

To authorize the President to proclaim the last Friday of April 1991, as ``National Arbor Day''

Approved May 3

S.J. Res. 98 / Public Law 102 - 38

To express appreciation for the benefit brought to the Nation by Amtrak during its twenty years of existence

S.J. Res. 102 / Public Law 102 - 39

Designating the second week in May 1991 as ``National Tourism Week''

Approved May 7

H.R. 598 / Public Law 102 - 40

Department of Veterans Affairs Health-Care Personnel Act of 1991

Approved May 8

H.J. Res. 214 / Public Law 102 - 41

Recognizing the Astronauts Memorial at the John F. Kennedy Space Center as the national memorial to astronauts who die in the line of duty

Approved May 14

H.J. Res. 173 / Public Law 102 - 42

To designate May 1991 and May 1992 as ``Asian/Pacific American Heritage Month''

H.J. Res. 194 / Public Law 102 - 43

Designating May 12, 1991, as ``Infant Mortality Awareness Day''

Approved May 15

H.J. Res. 109 / Public Law 102 - 44

Designating each of the weeks beginning May 12, 1991, and May 10, 1992, as ``Emergency Medical Services Week''

Approved May 17

H.R. 2122 / Public Law 102 - 45

Emergency Supplemental Persian Gulf Refugee Assistance Act of 1991

S. 258 / Public Law 102 - 46

To correct an error in the Solar, Wind, Waste, and Geothermal Power Production Incentives Law of 1990

Approved May 20

H.J. Res. 154 / Public Law 102 - 47

Designating the month of May 1991, as ``National Foster Care Month''

Approved May 21

S.J. Res. 134 / Public Law 102 - 48

Designating May 22, 1991, as ``National Desert Storm Reservists Day''

Approved May 22

S.J. Res. 127 /Public Law 102 - 49

To designate the month of May 1991, as ``National Huntington's Disease Awareness Month''

Approved May 24

S. 248 / Public Law 102 - 50

Niobrara Scenic River Designation Act of 1991

Approved May 29

H.J. Res. 141 / Public Law 102 - 51

Designating the week beginning May 13, 1991, as ``National Senior Nutrition Week"

Approved June 6

H.R. 2127 / Public Law 102 - 52

Rehabilitation Act Amendments of 1991

Approved June 10

H.R. 831 / Public Law 102 - 53

To designate the Owens Finance Station of the United States Postal Service in Cleveland, Ohio, as the ``Jesse Owens Building of the United States Postal Service"

Approved June 13

H.R. 232 / Public Law 102 - 54

To amend title 38, United States Code, with respect to veterans programs for housing and memorial affairs, and for other purposes

H.R. 2251 / Public Law 102 - 55

Dire Emergency Supplemental Appropriations From Contributions of Foreign Governments And/Or Interest for Humanitarian Assistance to Refugees and Displaced Persons In and Around Iraq as a Result of the Recent Invasion of Kuwait and for Peacekeeping Activities and Other Urgent Needs Act of 1991

H.J. Res. 219 / Public Law 102 - 56

To designate the week beginning June 9, 1991, as ``National Scleroderma Awareness Week"

Approved June 18

H.J. Res. 91 / Public Law 102 - 57

Designating June 10 through 16, 1991, as ``Pediatric AIDS Awareness Week''

H.R. 971 / Public Law 102 - 58

To designate the facility of the United States Postal Service located at 630 East 105th Street, Cleveland, Ohio, as the ``Luke Easter Post Office''

S. 483 / Public Law 102 - 59

Entitled the ``Taconic Mountains Protection Act of 1991''

S.J. Res. 111 / Public Law 102 - 60

Marking the seventy-fifth anniversary of chartering by Act of Congress of the Boy Scouts of America

Approved June 19

S. 292 / Public Law 102 - 61

Saguaro National Monument Expansion Act of 1991

Approved June 27

S. 64 / Public Law 102 - 62

Education Council Act of 1991

Approved June 28

S.J. Res. 159 / Public Law 102 - 63

To designate the month of June 1991, as ``National Forest System Month''

S. 909 / Public Law 102 - 64

Semiconductor International Protection Extension Act of 1991

Appendix E -- Proclamations and Executive Orders

The texts of the proclamations and Executive orders are printed in the Federal Register (F.R.) at the citations listed below. The documents are also printed in title 3 of the Code of Federal Regulations and in the Weekly Compilation of Presidential Documents.

PROCLAMATIONS

Proc.

Date

Subject

56 F.R.

No.

1991

page

6241

Jan.

11

National Sanctity of Human Life Day, 1991 1559

6242

Jan.

14

Martin Luther King, Jr., Federal Holiday, 1991 1719

6243

Feb.

For a National Day of Prayer, February 3, 1991 4703

6244

Feb.

To Amend the Generalized System of Preferences 4707

6245

Feb.

To Amend the Generalized System of Preferences 4921

6246

Feb.

National Visiting Nurse Associations Week, 1991 4927

6247

Feb.

American Heart Month, 1991 5305

6248

Feb.

National Women and Girls in Sports Day, 1991 5645

6249

Feb.

11

Save Your Vision Week, 1991 5739

6250

Feb.

14

Lithuanian Independence Day, 1991 6783

6251

Feb.

21

National Parents and Teachers Association Week, 1991 7551

6252

Feb.

21

Commemoration of the Bicentennial of U.S.-Portugal Relations 7779

6253

Feb.

21

National Doctors Day, 1991 7781

6254

Mar.

In Commemoration of the 30th Anniversary of the United States Peace Corps 9121

6255

Mar.

Federal Employees Recognition Week, 1991 9269

6256

Mar.

Vermont Bicentennial Day, 1991 9579

6257

Mar.

For National Days of Thanksgiving, April 5 - 7, 1991 10353

6258

Mar.

National School Breakfast Week, 1991 10357

6259

Mar.

12

Irish-American Heritage Month, 1991 11053

6260

Mar.

15

National Employ the Older Worker Week, 1991 11649

6261

Mar.

19

National County Government Week, 1991 12105

6262

Mar.

20

Education Day, U.S.A., 1991 12329

6263

Mar.

21

National Medal of Honor Day, 1991 12333

6264

Mar.

25

Greek Independence Day: A National Day of Celebration of Greek and American Democracy, 1991 12643

6265

Mar.

25

Women's History Month, 1991 12831

6266

Mar.

29

National Safe Boating Week, 1991 13391

6267

Apr.

National Former Prisoner of War Recognition Day, 1991 and 1992 14185

6268

Apr.

12

Cancer Control Month, 1991 15271

6269

Apr.

12

Points of Light National Celebration of Community Service 15481

6270

Apr.

15

National Farm Safety Week, 1991 15799

6271

Apr.

17

Pan American Day and Pan American Week, 1991 16253

6272

Apr.

17

Jewish Heritage Week, 1991 and 1992 16255

6273

Apr.

18

National Education First Week, 1991 18493

6274

Apr.

22

Earth Day, 1991 18667

6275

Apr.

22

National Crime Victims' Rights Week, 1991 18669

6276

Apr.

22

National Arbor Day, 1991 18671

6277

Apr.

22

National Trauma Awareness Month, 1991 18673

6278

Apr.

22

Loyalty Day, 1991 18675

6279

Apr.

23

Mother's Day, 1991 19251

6280

Apr.

25

National Day of Prayer, 1991 19521

6281

Apr.

25

National Organ and Tissue Donor Awareness Week, 1991 and 1992 19523

6282

Apr.

25

To Modify Duty-Free Treatment Under the Generalized System of Preferences 19525

6283

Apr.

29

Law Day, U.S.A., 1991 19917

6284

Apr.

30

Older Americans Month, 1991 20327

6285

Apr.

30

National Physical Fitness and Sports Month, 1991 20329

6286

May

National Day To Commemorate the 200th Anniversary of the Polish Constitution of May 3, 1791 20515

6287

May

National Tourism Week, 1991 21253

6288

May

Asian/Pacific American Heritage Month, 1991 and 1992 21255

6289

May

Small Business Week, 1991 21579

6290

May

10

Infant Mortality Awareness Day, 1991 22293

6291

May

13

World Trade Week, 1991 22627

6292

May

14

Prayer for Peace, Memorial Day, 1991 22819

6293

May

15

Emergency Medical Services Week, 1991 and 1992 23187

6294

May

17

National Maritime Day, 1991 23189

6295

May

17

National Huntington's Disease Awareness Month, 1991 23191

6296

May

17

National Defense Transportation Day and National Transportation Week, 1991 23193

6297

May

20

National Foster Care Month, 1991 23489

6298

May

21

National Desert Storm Reservists Day, 1991 23643

6299

May

23

Week for the National Observance of the 50th Anniversary of World War II 24127

6300

June

Flag Day and National Flag Week, 1991 25609

6301

June

Establishment of Programs for Special Import Quotas on Upland Cotton and Modification of the Tariff-Rate Quota on Imported Sugars, Syrups, and Molasses 26887

6302

June

10

Father's Day, 1991 27189

6303

June

11

National Scleroderma Awareness Week, 1991 27397

6304

June

11

Independence Day, 1991 27399

6305

June

12

Pediatric AIDS Awareness Week, 1991 27685

6306

June

13

Baltic Freedom Day, 1991 and 1992 27887

6307

June

24

Agreement on Trade Relations Between the United States of America and the Republic of Bulgaria 29787

6308

June

24

Agreement on Trade Relations Between the United States of America and the Mongolian People's Republic 29834

6309

June

26

To Modify Duty-Free Treatment Under the Generalized System of Preferences 29883

6310

June

28

To Make Changes to the Harmonized Tariff Schedule of the United States 30303

6311

June

28

National Forest System Month, 1991 30307

EXECUTIVE ORDERS

E.O.

Date

Subject

56 F.R.

No.

1991

page

12742

Jan.

National Security Industrial Responsiveness 1079

12743

Jan.

18

Ordering the Ready Reserve of the Armed Forces to Active Duty 2661

12744

Jan.

21

Designation of Arabian Peninsula Areas, Airspace, and Adjacent Waters as a Combat Zone 2663

12745

Jan.

22

Waiver Under the Trade Act of 1974 With Respect to Bulgaria 2835

12746

Jan.

23

Waiver Under the Trade Act of 1974 With Respect to Mongolia 2837

12747

Jan.

25

National Nutrition Monitoring Advisory Council 3391

12748

Feb.

Providing for Federal Pay Administration 4521

12749

Feb.

Additions to Level IV of the Executive Schedule 4711

12750

Feb.

14

Designation of Arabian Peninsula Areas, Airspace, and Adjacent Waters as the Persian Gulf Desert Shield Area 6785

12751

Feb.

14

Health Care Services for Operation Desert Storm 6787

12752

Feb.

25

Implementation of the Agricultural Trade Development and Assistance Act of 1954, as Amended, and the Food for Progress Act of 1985, as Amended 8255

12753

Mar.

Nuclear Cooperation with EURATOM 10501

12754

Mar.

12

Establishing the Southwest Asia Service Medal 11055

12755

Mar.

12

Administration of Export Controls 11057

12756

Mar.

18

Continuance of the President's Drug Advisory Council 11903

12757

Mar.

19

Implementation of the Enterprise for the Americas Initiative 12107

12758

Apr.

Addition to Level IV of the Executive Schedule 14631

12759

Apr.

17

Federal Energy Management 16257

12760

May

President's Commission on Executive Exchange 21062

12761

May

21

Establishment of the President's Environment and Conservation Challenge Awards 23645

12762

June

Amendment Relating to Basic Allowance for Quarters 25993

12763

June

Facilitating the Operation of the Advisory Commission on Conferences in Ocean Shipping 25994

12764

June

Federal Salary Council 26587

12765

June

11

Delegation of Certain Defense Related Authorities of the President to the Secretary of Defense 27401

12766

June

18

European Bank for Reconstruction and Development and European Space Agency 28463

12767

June

27

Amendments to the Manual for Courts-Martial, United States, 1984 30284

12768

June

Extension of the President's Council of Advisors on Science and Technology 30302

Appendix F -- Points of Light Recognition Program

The President named the following individuals and institutions as exemplars of his commitment to making community service central to the life and work of every American. The daily recognition program, which began on November 22, 1989, was a national tribute to voluntarism. The recipients for the period covered by this volume are listed in chronological order.

Colonial Club Senior Center, of Sun Prairie, WI

Chicago Christian Industrial League, of Chicago, IL

Seattle-King County American Red Cross Language Bank, of Seattle, WA

Special Education Parent Advocacy Network, of Athens, OH

Step Forward Activities, of Baker City, OR

Dr. M. Carolyn Thomas, of Montgomery, AL

Baker Industries, of Paoli, PA

Interfaith Shelter Network, of San Diego, CA

Parent and Child Enrichment Center, of Dothan, AL

Lou Ann Freas, of San Antonio, TX

Boston University/Lewis Middle School Partners in Learning, of Boston, MA

Working People Helping Working People, of St. Paul, MN

Santa Ana Volunteer Youth, of Santa Ana, CA

Arbor House Day Program, of Albany, NY

Free the Children, of Memphis, TN

V.I.S.A., of El Paso, TX

St. Anthony Hospice and Life Enrichment Program, of Amarillo, TX

Dorothy Perry, of Miami, FL

``My Place'' Drop-In Center, of Omaha, NE

North Carolina Center for Creative Retirement, of Ashville, NC

Georgetown Afterschool Program, of Dallas, TX

MAGIC ME, of Baltimore, MD

Lafayette Adult Reading Academy, of Lafayette, IN

Youth Volunteer Corps of the Pikes Peak Region, of Colorado Springs, CO

Pamela Miller, of Fort Collins, CO

Way Station, of Frederick, MD

United Methodist Urban Ministries, of Clarksville, TN

Erick Sutherland, of Bradenton, FL

Neighborhood Improvement Foundation of Toledo, Inc., of Toledo, OH

Hadassah's Infant Play Program, of Indianapolis, IN

Marykaren Harward, of Provo, UT

Sexual and Physical Abuse Resource Center (SPARC), of Gainesville, FL

W.A.R.M. (Westerly Area Rest and Meals) Shelter, of Westerly, RI

Lauderdale County Volunteer Literacy Program, of Meridian, MS

Seacoast Area Widowed Persons Services, of Dover, NH

Pontiac Area Lighthouse, of Pontiac, MI

Jillene Rich, of Tucson, AZ

Case Western Reserve University's Project STEP-UP (Student Tutoring Effort to Promote Utilization of Potential), of Cleveland, OH

Su Salad, of Stockton, CA

Angela Giuffre, of Rochester, NY

Community of Readers, of Greensboro, NC

St. Joseph Multi-Ethnic Cultural Arts, of Houston, TX

Milwaukee AIDS Project, of Milwaukee, WI

Wright State Engineering Preparation Program, of Dayton, OH

Community and Economic Development of Cook County, of Chicago, IL

Camillus House, of Miami, FL

Milton L. Cambre, of Norco, LA

Albert Tonner, of Woodmere, NY

Gregory and Gayla Holley, of Bloomington, IL

Volunteers in Service to Others, of St. Joseph, MN

The Elephant Men, of Memphis, TN

William Nagle, of Northampton, MA

Benedict House, of Buffalo, NY

Sister Florita Springer, of Pendleton, OR

Regional Youth Substance Abuse Project, of Bridgeport, CT

James Caldwell, of Louisville, KY

Alice Betzner, of Wausau, WI

Kansas City Ad Hoc Group Against Crime, of Kansas City, MO

Margaret Conway, of Branchdale, PA

Henderson Hall/Barcroft Elementary School Adopt-A-School program, of Arlington, VA

Larry Dawson, of Indianapolis, IN

Literacy Volunteers of America-Albany, of Albany, GA

Mobile Medical and Dental Caring Unit, of Portland, OR

I Have A Future program, of Nashville, TN

Upsilon Eta Theta Chapter of the Phi Beta Kappa Honor Society, of Jacksonville, FL

Salt Lake Community Shelter and Resource Center, of Salt Lake City, UT

Love Yourself Foundation, of Santa Barbara, CA

Alison M. DeMarco, of Rochester, NY

Volunteers for Adult Literacy, of Bozeman, MT

Melissa A. Rohrbach, of Cincinnati, OH

Kevin Johnson, of Sacramento, CA

Dorothea and Edwin Mills, of Springfield, OH

Alissa Stephen, of Lincoln, NE

Heart and Hand Foundation, of Cleveland, OH

Thursday Crew, of Louisville, KY

Growing With Grandparents Through Reading, of Milford, MA

Volunteer East Tennessee State University, of Johnson City, TN

Life Crisis Services, of St. Louis, MO

Courtney and Brian Guerrieri and Trent and Todd Gyory, of Herminie, PA

New Canaan Country School 8th Grade Students and Teachers, of New Canaan, CT

Anderson Y Center, of Stockton, CA

Volunteers of Rockford Neighborhood Redevelopment Corp., of Rockford, IL

James Shannon, of Williamsport, PA

Voice of Hope Ministries, of Dallas, TX

Spring of Tampa Bay, Inc., of Tampa Bay, FL

Pope John Paul II Center for Health Care, of Danbury, CT

Big Brothers and Sisters of Sedwick County, of Wichita, KS

Casa Teresa, Inc., of Orange, CA

Virginia Fickel, of Carlisle, PA

Jere Munro, of Framingham, MA

Above and Beyond, of Grand Forks, ND

Red Mountain High School's Club RIF (Reading Is Fundamental), of Mesa, AZ

Kalamazoo Area Mathematics and Science Center, of Kalamazoo, MI

Barnyard Community Center, of Miami, FL

Effective Parenting Information for Children (EPIC), of Buffalo, NY

People's Emergency Center, of Philadelphia, PA

U.S. Naval Academy/Benjamin Banneker Honors Mathematics and Science Society Partnership,

of Silver Spring, MD

Dr. Floyd Seager, of Ogden, UT

Crossroads of Wilmington, Inc., of Wilmington, NC

TreePeople, of Beverly Hills, CA

Tom Green Adult Literacy Council, of San Angelo, TX

Mary Clough and Deane Behrens, of Menomonee Falls and Colgate, WI

Caring Friends of Wayne County, Inc., of Clyde, NY

University of South Carolina School of Law Pro Bono Program, of Columbia, SC

Youth Haven, of Naples, FL

Terwilliger Nature Education Center, of Corte Madera, CA

Project Read, of Macon, GA

Annie Howard, of Louisville, KY

Gary VanScoy, of Swoyersville, PA

Valerie Chapman Gale and Roger Gale, of Tuscon, AZ

Walda Sylvester, of Elkhart, IN

Saint Xavier High School's Community Action Program, of Cincinnati, OH

Hospice of Southwest Missouri, Inc., of Springfield, MO

First United Methodist Church/Washington Elementary School Partnership, of Vancouver, WA

Advanced Resources for Foster Kids, of Orange, CA

Tracy Koziara, of South Lyon, MI

Thursday Volunteer Group, of Baltimore, MD

Hawaii Youth at Risk, of Honolulu, HI

NOVA Project, Inc., of Toledo, OH

Arizona Women's Education and Employment, Inc., of Phoenix, AZ

Michael Ponn, of Ridley Park, PA

Sharon Lawrence, of Roswell, NM

Georgia Veterans Leadership Program, of Marietta, GA

Corey Elementary School's Adopt-A-Grandfriend program, of Arlington, TX

The Samaritans of Rhode Island, of Providence, RI

Dam Neck Personal Excellence Partnership at the United States Navy Fleet Training Combat Unit-Atlantic, of Virginia Beach, VA

Dudley Products Inc./James B. Dudley High School Business Partnership, of Greensboro, NC

COMPASS, of Houston, TX

Student to Student Mentoring Program, of Erie, PA

St. Clare's Home for Children, of Newark, NJ

Victory in the Valley, Inc., of Wichita, KS

Gregory Browne, of Austin, TX

Union Planters National Bank's IMPACT, of Memphis, TN

Chemical Awareness Network, of Indio, CA

Stuart Levin, of New York, NY

Shipleys Choice Elementary School's BUDDY-BUDDY program, of Millersville, MD

Edward Deeb, of Detroit, MI

California Spinal Cord Injury Network, of Santa Rosa, CA

Helpline, of Winfield, IL

Central Arizona Shelter Services, of Phoenix, AZ

World Awareness Youth Service (W.A.Y.S.), of Gig Harbor, WA

Poverello House, of Fresno, CA

Brazos Maternal and Child Health Clinic, of Bryan, TX

Donald Stone, of Jonesboro, AR

Project Safe Place, of Louisville, KY

New England Mentors Program, of Boston, MA

Dr. Owen Woodward, of Atlanta, GA

UPLIFT, Inc., of Greensboro, NC

Madisonville Emergency Assistance Center, of Cincinnati, OH

Center for Child Protection at the Children's Hospital and Health Center, of San Francisco, CA

Nassau County Police Activity League, of Mineoli, NY

Carl Schaffer, of Palm Coast, FL

Volunteer Clearing House/Opportunity Center, of Fort Collins, CO

Faye Turner, of Spring, TX

Services for Independent Living, Inc., of Euclid, OH

John Sullivan, James Jolley, and Joseph Dolan, of Fairfield and Bridgeport, CT

Exchange With Reporters in Sydney, Australia

January 1, 1992

The President. I wish all the people of Australia, too, a very happy New Year.

Australia-U.S. Relations

Q. Mr. President, do you think you will be able to get some kind of concession on wheat? The Australians are upset about that.

The President. I don't think it's a question of concession. What we do is tell them our problems, and they are very frank with us. That's how you can tell a good friend; that's how you can tell an ally, when they lay it right out on the table. They have some difficulties with what we call the EEP. I understand those. I hope they understand that legislation was not aimed at Australia. But if they don't, they will by the time I get through.

Q. No change, then?

The President. So what we're going to do is talk to them openly, as friends do with each other, and move this relationship forward, although it's pretty far forward now. It's strong.

You all are too young, except for one or two gray heads around here, but I remember the Battle of the Coral Sea. I wasn't quite in it. I was almost 18; I think the following month I went into the service. But the emotion that Americans with the memory have is the same as Australians with the memory have.

There's a guy had an American flag up, out on the point, and there was a neat story about him in today's paper. So I called him up this morning. I did not detect any hangover from New Year's Eve -- [laughter] -- being a doctor, he is. And I asked him to come over to the hotel, which he'll do, Dr. Marsden. I don't know the man. But I can tell you, I think I speak for all Americans when I say how wonderful it was to see the Stars and Stripes flying along the shore as we were here to celebrate New Year's.

And I say that, I cite it only as one manifestation of a friendship that I know exists. You drive along the street and see these guys tearing out of the pubs, offering up a Foster's, and wishing you well -- you know it's real. So, that's what I'm going to concentrate on today.

Trade Issues

Q. Mr. President, will there be no concessions then, sir, on foreign subsidies?

The President. We're not talking concessions; we're talking about eliminating differences where possible.

Q. Can't the Japanese tell you the same things then, if you tell the Australians, though, it's not possible?

The President. We're in -- wait until we get to Japan, and we'll talk about that.

Q. Isn't there a little irony in that, sir?

New Year's Resolutions

Q. Did you make any New Year's resolutions?

The President. New Year's resolution? Always for peace; certainly this year, with Americans hurting, our economy sluggish, for prosperity at home. I think of the people that don't have it so good back there. But I also am confident that they will. I believe that with what we're going to be proposing, plus what this economy will do anyway, it's going to be all right. But while people are hurting like that, I mean, my first resolution has to be for the well-being of the American people.

Q. Any personal New Year's resolutions?

The President. Oh, yes.

Q. More jogging, more -- --

The President. Well, a little speedier. I'm not going to increase it. Two miles; I want to do it a little faster so the secret branch, the Secret Service here in Australia, will report into their bosses a little more proficiency. I'd like to catch a few more fish, and I don't get a chance to do it here although this is a sportsman's paradise. Keep up with sports. Our family does it; I believe in it.

I'll tell you something. You're from here; I think these people know it. We are blessed with family, with kids that come home, and with the loyalty and strength that one gets when one is in public life from sons and a daughter. And so, I don't have to ask for any more there. But if I were, I would simply say, ``Keep it strong, Lord, because we're going into a hell of a year over there.'' It's politics; it's politics from tomorrow on. And it isn't very pleasant.

Q. Welcome to Australia.

Q. What about getting reelected? Is that one of your resolutions?

The President. I'm very confident about that because we've got a lot to do. But I'm confident of it, and I'm confident that if I do my job right the American people will support me.

President's Schedule

Q. Will you play golf with Bob Hawke?

The President. Well, I think that's unfortunately been wiped out. I've got my sticks, but I don't think I'm going to get a chance to play. He's an avid golfer, an avid sportsman, but I'm not sure it's on the schedule. I don't think we'll be able to do that because this is the holiday. We're taking a rather restful day here today; go down to Canberra and have some fun there. But then I think it's work, work, work. So I'll have to save it. But I was looking forward to getting a little of that Australian money.

Well, we'll see you guys.

Note: The President spoke at 8:20 a.m. while jogging through Scots College in Sydney, Australia, where he arrived on December 31, 1991. In his remarks, he referred to the U.S. Department of Agriculture Export Enhancement Program (EEP) and Robert Hawke, former Prime Minister of Australia.

Remarks at the Australian National Maritime Museum in Sydney

January 1, 1992

Thank you, Mr. Prime Minister. Well, it is a pleasure for Barbara and me to be here, and I will speak to her afterward about her frankness here. [Laughter] I'm sure I can work it out. We've been married 47 years, and I haven't been able to work it out yet, but I will try. [Laughter]

Now, Prime Minister, to you and Anita, thank you for your hospitality. To the Premier, Nick Greiner, and Kathryn, thank you for yours, sir. To Minister Fatin, the Minister for Arts and Tourism in the Territories, we are grateful to you for your leadership in this field.

I want to salute our own Ambassador, Mel Sembler, who came up from Canberra here, and Betty, who are with us; thank chairman Peter Doyle for his comments. I have to tell you, though, you can tell he's an avid sportsman, and he loves fishing. And inside he said to me, ``The only time I see pictures of you, you are fishing. You must love fishing." Please don't repeat that for the people back in the United States. I think sometimes they think the only thing I like to do is go fishing. [Laughter] But nevertheless, I'm sorry we missed the opportunity on this particular trip. But I love it.

And may I salute Dr. Fewster, the director who is going to, I understand, show us around; say to your Ambassador to the United States how proud we are that he is with us, Ambassador Michael Cook and his wife, Catriona. They have many, many friends in the United States, and they are doing a first-class job for your country in the United States. And then, of course, I want to salute Dr. Hewson and his wife, Carolyn, who came up to be with us today, too.

I am really thrilled to take part in this dedication, a gift from the people of the United States to the people of Australia, the U.S.A. Gallery of the Australian National Maritime Museum. President Reagan announced this gift in 1988 in honor of Australia's bicentennial. And now as we dedicate the new gallery, we mark another bicentennial, the Prime Minister referred to it, and that is the 200th anniversary of the arrival of the first foreign trading ship in Sydney, an American vessel named for the City of Brotherly Love in our country, Philadelphia.

Never was a ship more aptly named. Brotherhood has linked the Australian and American people now for two centuries. And if anybody at home, if anyone in the States doubt it, I just wish they could have been with me and with Barbara when we came in from the airport or when we rode across to the bridge over here or wherever we have gone in this short period of time. You can just feel it. And I hope that they can feel that it is reciprocated because it certainly is. Our common ancestors endowed us with language and culture, the rule of law, a spirit of enterprise, and a passion for freedom that we still share today.

Australians and Americans have been together for many a maritime adventure, in peace and, yes, in war; in commerce and in sporting competition. And visitors to this gallery may see historical displays of the three Americans who were among the crew of Captain Cook's Endeavor on its voyage to Australia in 1770. Visitors will get a unique glimpse into life aboard a 19th-century trading ship. Other displays commemorate the common courage Australian and American naval forces showed half a century ago in the fateful battles of World War II.

Fraternal ties of culture and commerce between our two nations literally have never, ever been stronger. And I am proud that the United States and Australia are committed to open and robust world trade, trade that creates jobs and lifts the standards of living in both our countries.

And in this spirit and in this anniversary year, I am very honored to have been asked to take part in opening the U.S.A. Gallery of Australia's National Maritime Museum. Thank you. May God bless you all, and may you have a wonderful New Year. Thank you very, very much.

Note: The President spoke at 12:25 p.m. at the dedication ceremony for the U.S.A. Gallery of the Australian National Maritime Museum. In his remarks, he referred to Australian Prime Minister Paul J. Keating and his wife, Anita; Nick Greiner, Premier of New South Wales, and his wife, Kathryn; Peter Doyle and Kevin Fewster, chairman and director of the museum; and Liberal Party leader John Hewson, head of the Federal Opposition Coalition.

Remarks During a Luncheon Cruise in Sydney Harbor, Australia

January 1, 1992

Mr. Premier, thank you, sir. I prepared rather extensive remarks I'd hoped to give, but the Premier said we're making short remarks here at lunch. So, I tore up this. I will forego these, but simply to say that Barbara and I first want to thank everyone involved for this extraordinary hospitality.

There is no way that I can tell you what it feels like to travel with so little hostility on the street. And I'm starting right at home, you know. [Laughter] I'm a man that knows every hand gesture you've ever seen -- [laughter] -- and I haven't learned a new one since I've been here, so something is terribly wrong. [Laughter] Because we just feel a genuine warmth from the people along the way, right from the airport into town. And then this morning I went running, and early birds, those that were sober enough to get up, were out there waving away. And so, it has been a really heartwarming experience for us to be back.

I will note that this relationship is of fundamental importance to the United States. I also know that there's some apprehension in this part of the world -- here, then north to the ASEAN countries, maybe even in Japan, possibly in Korea -- about the United States role in the world. And I understand that because people look at the evolution of change in the Soviet Union; they see the freedom of the Baltic States; they see the interest that we all had, and thank God for Australia's early support, steadfast support, in the war against Iraq; they see us working very hard to bring parties together in this Middle East, people that have never even spoken to each other. And they're saying to themselves, ``I wonder if the U.S. cares? I wonder if the United States really wants to remain involved?"

They see us working on a trade agreement with Mexico in which Canada would participate. And some in commerce in this part of the world are understandably saying, ``Where are we going to fit in? Does this mean we're going to have one trading bloc in Europe and one trading bloc in America, and then somebody else look to some different kind of trading bloc in Asia and Australia?" And the answer to that is no. And the only thing I want to say here, having been denied my full speech which would have taken 45 minutes, is -- [laughter] -- that we will be involved. We're going to stay totally involved in this part of the world.

That's the first point. And the second point is, we know friends when we see them. And the longer I am in this job, the more important true friends are. And we have a couple of differences, and we'll talk about those in Canberra. We talked about them here today privately. But the differences are so overwhelmed by the common purpose and the genuine friendship that they're not even registering on the radar screen.

So, we are blessed. We Americans are blessed by having this long and tremendously important relationship with this wonderful country in which you all live. And we're grateful to you. We won't let you down. And we will stay involved right up until the very end of eternity because we know it's fundamentally in our own interests. And we hope like hell it's in yours.

But I just want to wish each and every one of you a wonderful new year. And yes, sir, Mr. Premier, you have started the year off in a glorious and grand way not just for the Bushes but for all of those Americans that are privileged to be with us here today. Thank you for your hospitality. And may God bless Australia. Thank you.

Note: The President spoke at 2:16 p.m. aboard the ``John Cadman III'' in Sydney Harbor. In his remarks, he referred to Nick Greiner, Premier of New South Wales.

Remarks to the Australian Parliament in Canberra

January 2, 1992

Thank you, Mr. Speaker and Mr. President, Mr. Prime Minister, and the leader of the opposition, Mr. Leader, Members, and Senators. It is a deep and wonderful honor for me to be here, and I am very, very grateful for the honor of appearing before this House of the Australian Parliament. I know that the Members have gone to extraordinary lengths to arrange this special session. And I think the people in our country will appreciate this very, very much.

I want to offer special greetings and thanks to the members of the Australian-U.S.A. parliamentary group who have done so much to deepen the friendship between our countries.

Let me just make an initial observation if I might. You have a wonderfully vigorous political climate. [Laughter] That has got to be the classic understatement of the year. [Laughter] And I see this rough and tumble that goes forth like this, and I thank God for the Presidential system at home. But nevertheless -- [laughter]. Let me make this observation, though. I feel very fortunate to have known several of your Members from both sides of the aisle over the years. And amidst all the intensity and emotion brought forth in these Chambers, I've always been impressed by the united message that your leaders have sent to my country. Even when out of office or in the opposition, they have always placed Australia's interests ahead of personal interests. That says something very positive, very important about your great country.

That's certainly one reason that any visitor from the United States cannot help but feel a warm kinship with Australia. Both of our young nations were seen by explorers and pioneers and immigrants as destinations of freedom and opportunity. Our cultures reflect an extraordinary diversity, from British and Irish, to Italian and Polish, to Vietnamese and Cambodian.

This Parliament building displays an original copy of the Magna Carta, I'm told, one of only four such manuscripts to have survived to this day. The U.S. National Archives is home to another of those original manuscripts. I can think of no more powerful symbol of our shared commitments to the rights of the individual, to the rule of law, and to the government of consent, by consent of the people.

With our common ancestries and shared ideals, Americans and Australians also find other similarities. Each of our countries spans a continent rich in agricultural and mineral resources. Spectacular natural beauty abounds in fantastic variety in both our nations as well. To be frank, our people think big. And their biggest ideas are the ones we share: The belief in the indivisibility of human freedom and the willingness to struggle and sacrifice for the peace and security of other nations.

This year marks the 50th anniversary of the fateful Battle of the Coral Sea. We remember the

courage and fighting skill of the Australian and American naval forces. Their valor spared Australia from invasion and stemmed the tide of totalitarianism.

In Korea and Vietnam, Australians and Americans again joined forces. Their sacrifices were not in vain. Korea is a democracy, setting a standard for free market development worldwide. Long-suffering Cambodia now has the hope of a durable peace and free elections. Even Vietnam is opening to the world, seeking reintegration with the dynamic market economies of the region.

In the Persian Gulf, we stood together against Saddam Hussein's aggression. Indeed, the first two coalition partners in a joint boarding exercise to enforce the United Nations resolutions were Australians from the H.M.A.S. Darwin and Americans from the U.S.S. Brewerton. During the war, the joint defense facilities here in Australia played an invaluable role in detecting launches of Iraqi Scud missiles. And today, two of the three navies represented in operations enforcing the embargo against Iraq are those of Australia and of the United States of America.

But even as we recall our struggles and successes, we must now look forward to the opportunity to shape our shared destiny.

First, we face together the challenge of economic opportunity and growth, creating jobs for our people and for their families. Second, we face new but no less exacting challenges to our security, the threats of regional conflicts and proliferation of the weapons of mass destruction. Third, we face the exciting task of fostering the remarkable momentum for democracy and freedom that swept the world these past few years. A strong America has been central to the triumph of free markets and free people. I am confident that the United States will continue to have the conviction and the capacity to be a force for good and that a new era of economic opportunity will unfold with enhanced opportunities for peace.

The coming era promises unparalleled potential for economic growth in the nations of the Pacific. In 1990, the Asia-Pacific region accounted for a total of $300 billion in two-way commerce with the United States, a total nearly one-third larger than America's volume of trade across the Atlantic. This region is the fastest growing market in the world. And still, there are voices on both sides of the Pacific calling for economic isolationism. And while for some nations, including Australia and the United States, these are tough, hard economic times, we both know protectionism is a fundamentally bankrupt notion. Make no mistake, America will continue to stand for open trade and open markets.

And trade means jobs; it means good jobs, at home and abroad. And I'm sure it comes as no surprise that my highest priority as President of the United States is to promote economic growth and jobs for our people. That goal is fully consistent with economic growth and jobs for Australians. You and I know that open markets generate growth, that international trade is not simply a zero-sum game.

And you also know that the nations who share the rewards of a vibrant and growing international trading system must also share the responsibilities. Australia has stood as a true leader in efforts to achieve success in the Uruguay round of the GATT negotiations. And you brought great skill and energy in seeking deep cuts in trade-distorting agricultural subsidies. Progress on agriculture is the key to the success of the GATT talks. Your farmers are not alone in feeling the pain caused by the heavy subsidies of the European Community. Our wheat production dropped by almost 30 percent last year. But I'm also aware of the concern such United States trade programs as this Export Enhancement Program can cause Australian farmers.

Our EEP program has one and only one objective, and that is to force the EC to stop its avalanche of subsidized exports. And the fact is that the EC subsidizes over 10 times the amount of farm exports that we do. Moreover, our program seeks to minimize the effects on Australia and other nonsubsidizing nations. While I don't like having to use these remedies, I will safeguard the interests of American farmers. And without EEP, the European Community would absorb additional markets, forcing out those who can compete fairly, farmers in countries like Australia and the United States.

We both know, all of us know, that the real answer is what our two governments are doing, working hard for an historic new GATT arrangement that cuts back subsidies, especially for exports. That's why the U.S. is committed to working with GATT Director Dunkel's new text. We believe his draft moves us closer to finally concluding an agreement. While not perfect, it makes an important contribution, and the international trading system is too important to pass up this opportunity. I trust and hope that Australia and other Pacific nations will join us to instill additional momentum in the Uruguay round negotiations when they resume later this month. This is the best comprehensive approach that we can offer to our hard-working farmers and ranchers.

We also see the potential for using regional organizations to expand and liberalize trade around the globe. We are especially encouraged by Australia's leadership in the APEC, in the Asia-Pacific Economic Cooperation process. The success of the November APEC ministerial in Seoul was proof that APEC is emerging as the economic forum in the Pacific and is increasingly fostering a sense of community around the Pacific Rim. North America -- Mexico, the United States, and Canada -- is part of this community. And so, let me just assure you, every one of you, both sides of this aisle, that the North America free trade agreement will not become an exclusive trading bloc. It will lower internal barriers without raising external barriers. Our growth will help stimulate yours, just as growth in Asia will spur our exports.

We also can do more bilaterally to expand trade. That's why I am proposing a United States-Australia trade and investment framework agreement, one way to enhance our already strong economic engagement. That's our agenda to expand exports and growth through reducing trade barriers, whether globally, regionally, or bilaterally.

Clearly, with the dramatic changes in the world we must adapt to new security realities as well. But let me simply pledge to you, our friends: No matter what changes may come about in the defense expenditures in the United States or in the nature of the threats to international peace, the U.S.-Australian alliance is fundamental to the stability of the Asia-Pacific region.

I understand that there is some concern in Asia about America's commitment given our imminent departure from Subic Bay in the Philippines. Let me put it plainly: I've served in Asia, personally, in time of war and in time of peace, and with changing times, our posture is going to change to suit different needs. But our role and our purpose as a Pacific power will remain constant. It is important that the people of Australia understand this. We intend to remain engaged no matter whatever the changing security arrangements of our time.

And yes, we've talked about it here today with the Prime Minister, with the leader of the opposition, with others. The cold war is over. But the threat of communism which for so many decades occupied our energies is now replaced by the instabilities of ethnic rivalries and regional conflicts. And yes, the Soviet Union, as we have known it, is history. It's a new era. But like Australia, the United States has fought three wars in Asia over the past 50 years. We know that our security is inextricably linked to stability across the Pacific, and we will not put that security and stability at risk. I can assure you that the United States intends to retain the appropriate military presence to protect its allies and to counter threats to peace.

Just recently in the Persian Gulf we witnessed that the dangerous combination of volatile regional conflicts and weapons of mass destruction requires our constant attention. And so, I salute Australia's leadership in stemming the threat of chemical, biological, and nuclear weapons. It's your children and the children of the entire world who will grow up in a safer world thanks to such efforts.

Australia and the United States are also working to end another long-standing and tragic regional conflict. Our combined initiatives in the United Nations have been major factors in the progress toward peace and free elections in Cambodia. Both of us have now reestablished official representation in Phnom Penh in order to move the peace process forward. Australia is making an additional contribution by sending a senior military officer to head the U.N. peacekeeping force in Cambodia. And I am proud of our collective efforts to end the nightmare in Cambodia and usher in a new era of hope and rebuilding.

And finally, American and Australian aspirations for the future are evident in our increasing cooperation on such matters as environmental protection, educational, and social issues. We can take pride in our Governments' joint actions toward conservation of the tropical forests, protecting endangered species, and promoting technologies for clean-burning coal.

Australia also plays a leading role in the international fight against illicit drugs. And I know I speak for millions of American parents in expressing thanks for your efforts to fight drug abuse,

to fight drug trafficking.

I believe the next generations of Australians and Americans will grow even closer. I see no threat to that at all. And I foresee a steady expansion of travel and cultural exchanges in years to come. Australia's natural beauty, of which I've seen regrettably little this trip, is really sensational, a powerful magnet for American tourists. But more than this, it is the spirit of your country that earns Australia so much admiration in our country, in America, and indeed around the world. Your artists' contributions to film and dance and music have whetted our appetites for more and more things Australian. U.S. television carries Australian-rules football, and many Americans enjoy the rough and tumble of hard hitting with reckless abandon. We have something similar; we call it politics in the United States. [Laughter]

But I credit the clear air of Australia for its effect on one of the freshest minds now working in Washington. I'm speaking about our Secretary of Education, Lamar Alexander. In 1987, after completing 8 years as Governor of Tennessee, Lamar took his wife and children to spend half a year in this beautiful country. And now that he's joined my Cabinet as Secretary of Education, Lamar Alexander is working for revolutionary changes to improve our schools.

And this, too, is part of our program to make America competitive and strong and to help it grow. Secretary Alexander is promoting innovative ideas that he saw in practice right here in Australia, for instance the large measure of freedom that Australians have in choosing among private and religious or state-operated schools. And when we succeed with some of these reforms, we'll thank pathfinders such as Australians for their example.

Of course, we've always shared fraternal ties and a spirit of freedom ever since an American vessel named Philadelphia became the first trading ship to call at Sydney's Port Jackson in 1792. Almost a century later, Mark Twain visited Australia and spoke for all Americans when he said, ``You have a spirit of independence here which cannot be overpraised."

And 50 years ago in the Coral Sea, Australians and Americans paid a high price for freedom, but they proved to the world that the future belongs to the brave and the bold. For the half century since, we have deepened our friendship, our economic interdependence, and our collaboration on mutual defense. And now, more clearly than ever, we can see a hopeful future for the farflung kinsmen of Australia and America and for all who share those fundamental ideals that we hold dear. We're prepared to work as partners in the next century to break new ground for freedom, cooperation, and economic progress.

For me, this has been a great honor. For Barbara and me, it has been a sheer pleasure to be with you all here for these short 2\1/2\ days. But this hospitality of the Australian people is indescribable. I couldn't possibly tell you how emotional I feel about it. So, let me simply say thank you again for the extraordinary honor of allowing me to address this distinguished Parliament. May your debates be lively and full of friendship and affection, as they once in a

while are. And may God bless you all. And may the Lord smile on the kinship and friendship of Australia and the United States of America. Thank you very, very much.

Note: The President spoke at 1:45 p.m. at Parliament House.

Remarks Announcing Funding for the Australian Center for American Studies in Canberra

January 2, 1992

Thank you, sir, for those kind words. And let me just say how pleased I am to be here helping to launch this Australian Center for American Studies. We share a lot in common. You touched on that, sir, culturally, historically, even linguistically. But differences do exist. And we can and should do much more to foster greater understanding.

There's much that we can learn from each other, education and the sciences, certainly in trade, economics. Study and exchange in these areas will not only benefit our two nations but enrich the lives of those involved and increase the productive capacities of the participants in our two countries' economies.

Mutual understanding is not only enriching but also is a vital prerequisite to peace and prosperity. The Fulbright program has brought about the exchange of thousands of Australians and Americans. And among the many distinguished alumni of that program are my host in Sydney yesterday, Nick Greiner, and U.S. Ambassador, our U.N. Ambassador, Tom Pickering, who received his master's degree from Melborne University.

The benefits of educational interchange come in many, many ways. The late Gordon Samstag, an American artist who taught at the South Australia School of Fine Arts, endowed that school with a scholarship fund of $6 million to support Australian students studying abroad. And in 1988, former Prime Minister Bob Hawke helped to launch this Center for Australian Studies at the U.T., at the University of Texas at Austin, contributing $50,000 Australian dollars to the Center.

Today I'm pleased to announce that the U.S. Information Agency is similarly contributing $50,000 to the Australian Center for American Studies. I hope this center will lead to an expansion of American studies in Australia. More broadly, I have spoken today about our intention to host an education ministerial under APEC auspices. And our Secretary of Education will invite APEC education ministers to Washington next summer. And I'm very enthusiastic about this addition to APEC's agenda. It seems only right that it not all be about politics and war and peace. We're talking here about an educational agenda.

The challenge the future holds is to find new ways to increase mutual understanding. And I am confident that the Australian Center will open many new paths for Americans and Australians to deepen these ties, deepen our ties and help ensure prosperity for our citizens.

So, this is a good day, a happy day. And I know I speak for Barbara when I say that we are both

proud to have a part in it.

And to those Australians here, let me just tell you what I told our joint meeting in here. We've really had a good time here. And your hospitality has been absolutely fantastic. And I think it says something about how this center can prosper. People just get that feeling of mutual camaraderie, et cetera. That in itself, I think, will help in these troubled times.

So, thank you all very much for being a part of this.

Note: The President spoke at 2:20 p.m. in Mural Hall at Parliament House. In his remarks, he referred to Nick Greiner, Premier of New South Wales.

The President's News Conference With Prime Minister Paul J. Keating of Australia in Canberra

January 2, 1992

The Prime Minister. Good day. Thank you for coming. And just before I invite the President to say a few words, just to outline, first of all, the structure of the press conference so we can operate smoothly, our program will be to take, first of all, some general remarks from the President first and then from me and then permit time for about seven or eight questions. And I hope we'll be able to take a roughly even amount from both the Australian and visiting press. I presume you are delineated here somewhere and that we can point to you.

In the interest of maintaining order, I'll nominate the questioner, who should state their name and organization that they represent before directing the question to either myself or to the President.

Could I now invite the President just to make some introductory remarks, and then I'll follow him.

The President. My remarks, Mr. Prime Minister, will be very brief. And I simply want to, once again, thank you, thank all of our official hosts, and thank the people of Australia for the warmth of the reception on this visit. We've enjoyed it. It's been a busy time. I hope that we've made progress on the issues where we may have differences. I should say ``issue'' because I think there's only one area of difficulty, and we've talked about that very frankly with you, sir, with the opposition, with agricultural leaders. And I feel it's been very fruitful in terms of the U.S. on all of this.

But otherwise, I would simply say to you we're very pleased to be here, and thank you for your hospitality. And I'll be glad to take my share of the questions.

The Prime Minister. Mr. President, I thank you for those remarks and say what an honor it has been for me to represent the Government and people of Australia in welcoming you and Mrs. Bush to Australia and having you here. You've had a warm reception from the Australian public, which I think has been evident to everybody, and we've been most, most pleased about that.

And it is true, we've had broad discussions which I think have increased the bonds of friendship between our two countries and certainly given me as Prime Minister a chance, an opportunity to get to know the President and his views and to also make a couple of important, what we think are important points to him. And that was the importance that Australia places on having the United States engaged in a political and economic framework in the Asia-Pacific and the importance of having won the cold war, setting up an institutional framework of a Breton Woods style but in trade.

And we see this best being accommodated with the GATT, a successful conclusion of the GATT round, as a framework for the reentry of countries reentering the world economy for the first time in either half a century or most of a century.

So, on those very broad fronts we've had extensive discussions, as the President said. On the other issues, we've dealt with them in a working-like way. And he has very kindly met our farm representatives, and I think we have a reasonable understanding of our positions on those issues.

So, could I now invite questions.

U.S. Export Enhancement Program

Q. My question is in relation to the EEP. I understand, following your discussions with the farmers, you've agreed to have some sort of consultative process operate in the future before decisions are made. How exactly do you envisage that consultative mechanism will work? And do you envisage that it will have the effect in future of stopping the areas that have in the past affected Australia?

The President. Well, we discussed having some consultative arrangement, and I suggested it would be very useful to the farm leaders if they'd come -- they've been to the States, I think, several of them -- they come again and consult on this EEP.

There were some factual differences presented at the meeting by our expert and by them. And so, I think we ought to just try to eliminate differences where possible. And I made very clear to them, and I'd like to say it once more, that the EEP legislation was not aimed at Australia. It was aimed to try to get the EC, who are subsidizing 10 times as much as the United States, to come into line and to get on board on a sound GATT agreement.

So, we'll see how that works out. But we didn't set up any procedures in any exact, you know, three-point program for eliminating differences that we might have. The answer, though, that they do agree with me on, and I'm sure the Prime Minister does, is to get a successful conclusion of the GATT round. And I told them that we are pledged to that end. And I know they've tried. These farm leaders have traveled to Europe, and they've been to England and, I believe, France and Germany. And so, they are fully engaged, private sector.

I think now it's important, given the Dunkel report, that I as President and the Prime Minister as Prime Minister engage to the fullest to try to get the one answer to EEP that's going to make the most sense. And that is a successful conclusion to the GATT round on agriculture.

Japan-U.S. Trade

Q. Mr. President, last weekend your Commerce Secretary, Bob Mosbacher, said that Japan was partly responsible for the recession in the United States. Was he reflecting official policy in saying that?

The President. Well, Mr. Mosbacher always reflects official views except when I disagree with him. [Laughter] And that is very, very seldom. And on this one I haven't heard his statement, so I would only want to see it in full context.

But look, we've got a tremendous imbalance with Japan, tremendous. And one of the reasons we're going there is to see if we can't find ways to sort that matter out. But we're enjoying sluggish times, and not enjoying them very much. And the Prime Minister has impressed on me that Australia is having difficult economic times. And the answer to all of this, whether it's in Japan-U.S. or Australia-U.S., is to get these economies going through expanded trade.

And so, I'd want to know in context what Bob said, but anytime you have an extraordinarily big trade imbalance, I think you would say that that would be contributing to a lack of economic growth. And so, if that's what he said, I certainly couldn't find a way to differ with him.

Q. Could I cheat a little and ask a very closely related double-hitter?

The President. Sure.

Multilateral Trade Negotiations

Q. Mr. Bush, are you able to give a commitment, irrespective of what might happen in other sectors of the Uruguay round, the United States Government will accept nothing less in agricultural trade than has been proposed by Arthur Dunkel? And I was wondering if I could ask you, Mr. Keating, your report of how satisfied you are with Mr. Bush's response both to our EEP submissions and to our concerns that NAFTA could, under some circumstances, develop into an inward-looking trading bloc.

The President. Let me answer. We see some very positive elements in the Dunkel paper. I can't say -- we certainly don't want to accept less, if that was your question, and there's some things there that we would like to see improved. But I do think that there's a lot of good work being done there. And we will be working closely with the Europeans to try to get agreement. And I'd leave it right there because I don't want to indicate that we think that we've gotten everything that the United States wants, nor do we think that the Cairns group has gotten everything the Cairns group wants out of the Dunkel paper. All we're saying is it's a good position from which to finalize the agricultural part of trade and the rest of it, too. We've got some difficulties with some parts. Agriculture, we see, has moved fairly well.

The Prime Minister. Could I add to that? I think that the thing which is most comforting to

Australia -- I think in answering the question, I'll make three points: The first is, it's a matter of great comfort to us that we have an internationalist as President of the United States, someone who has committed himself to an open trading system, multilateral trading system, that resisted protectionist pressures and is committed to seeing the GATT round successfully concluded. And as the President has said, there are elements of the GATT round that can't be -- it's a package. Some parts all countries would be more satisfied with than others, but it is a package, and it's a package about round which we believe discussions can take place.

If there is a successful conclusion of the GATT round, many other things will change, and including in that would be, of course, mandatory windbacks under EEP which you asked me about. And the President has agreed this morning that we will have an information exchange on EEP; that is, at least we will know more about the operation of EEP. And as well as that, we've asked him that where the U.S. is not engaged in sales in markets where the European Commission is engaged in sales, that is, in non-EC markets, would he examine those markets with a view to keeping the subsidization of EEP from them. He can't, obviously, at this point, give a clear commitment on the markets, but he has agreed to look and examine them. And we're very happy about that.

So on the general point, we believe the GATT offers the best opportunity on trade generally, that the Dunkel package is just that, a package, and if adopted would lead to significant improvements in the trade and agriculture, and including the impact on EEP.

Q. Mr. Bush, what do you see as the consequences if Europe does not buy into Dunkel's proposal?

The President. I see that it would be very, very bad if we don't get a successful conclusion to the GATT round. And we have not discussed here in Australia fallback positions. We are not prepared to give up on the successful conclusion of the GATT round. But without trying to predict disaster, I can simply say I think it would be a very bad thing because I think you'd see more protection, more selfishness in the trading system that would inevitably shrink markets and cost countries jobs. And so, we must go forward, and we must try to get a successful conclusion.

I feel more strongly about that since I've had the benefit of several long conversations with this Prime Minister. He's very knowledgeable on these international financial matters and also with the agricultural sector in this country. I really had my -- I'm more highly attuned even than I was to the importance of getting this done. So, I don't want to worst-case it, but I can just say that it would be totally unsatisfactory to see that GATT round fail to come to a satisfactory conclusion.

Trading Blocs

Q. Any possibility, sir, of three world trading blocs, as the Prime Minister has discussed?

The President. Well, we don't want any trading blocs that do not include Australia. And I went out of my way to say that as we're negotiating for a free trade agreement with Mexico and Canada, for example, I want our Australian friends to know that that would not be detrimental to our free trade with them.

And one of the things the Prime Minister and I discussed, and I'll clearly defer to him on this, is the fact that we don't want to see Asia and Australia kind of pushed aside into some separate bloc. So, you might have a European trading bloc; an American trading bloc, North, South, and Caribbean; and an Asian bloc. That is not the way you get more jobs. The way you do that is to have broad expanded trade between them. So, I don't want to predict and suggest that this would be an outcome, but it would be an outcome that we certainly would not find satisfactory.

Cambodian Peace Plan

Q. The United Nations appears to be dragging its feet a little bit on the Cambodian peace plan. There's no concrete plan in place, no budget being put forward. Have you been asked or do you intend to urge in the United Nations that more speed be taken on these matters? Certainly, Mr. Hun Sen, the Prime Minister of Cambodia, is extremely concerned about this matter.

The President. Well, I wasn't asked to accelerate anything on this visit. I was told by the Australian leadership of the importance of this. We feel that way. Secretary Baker, as you know, has been involved in it, and we strongly support this concept of the U.N. acting in this peacekeeping role. But I wasn't asked to take on a specific assignment in that regard. But it is important, with agreement having come this far, that it be followed up on now, that it not be allowed to fall apart.

Domestic Politics and Trade Policy

Q. Mr. President, Democratic leaders in Congress last week said the success or failure of your trade mission will depend on whether you obtain any major concessions from Japan. Do you agree, and at this point are you at all hopeful that you will be able to obtain any major concessions?

The President. Well, in the first place, I don't take much stock in what the Democratic leaders in the Congress say, setting up goals for a trip or knocking them down. I'm just not inclined to run the foreign policy of the United States in that regard. It's been happening for 3 years, and they're entitled to their opinion. But it won't influence how I conduct myself on this trip, and I certainly am not going to accept their standards for success or failure of a mission.

Having said all that, I want to see us get more jobs created in the United States eventually by concessions made or by positions taken in Japan. I think it is very important. And we need more access to their markets. We need to have more content in autos that are made in the United

States, have U.S. content there, have a fair shot at it. But I don't think that I should let the agenda be set by some political challenge in an election year. That is not the way one conducts sound foreign policy.

I saw all kinds of crazy, ``Well, if he doesn't get this or that, we're going to throw in the legislation." We know political posturing when we see it. And I know what's good policy. And it is to stay involved internationally, and it is to create more jobs at home, not by trying to protect and pull back into some isolationistic sphere but by expanding markets. And that is what this trip is about.

Q. Mr. President, if the Japanese are offered concessions that they consider inadequate, are you prepared -- --

The President. It's too hypothetical a question; let me just cut it off right there. I cannot go into hypothetical -- we haven't even gotten to Japan yet. We're still in Australia, remember?

The Economy

Q. Mr. President, you referred earlier to the sluggishness of the U.S. economy. Do you feel the recent cut in discount rate to 3.5 percent is sufficient to stimulate your economy? And if you think extra measures are needed, when would you expect to announce these?

The President. No question that it will have a stimulatory effect. It takes a while for that to get through something as complex as the U.S. economy, but it has been very, very well received at home.

And I think that it is well-known at home that I plan additional stimulatory measures to be announced in the State of the Union Message which comes at the end of this month. And they will not be counterproductive; they will not be on-the-cheap politically, something that has a nice political ring to it but then would be counterproductive in terms of interest rates. But I do think that the U.S. economy could use a sound fiscal stimulation, and I will be proposing that kind of a program in our State of the Union Message.

But yes, this was very, very important.

Free and Fair Trade

Q. President Bush, doesn't this whole flap here in Australia about agriculture subsidies in the United States, which you indicated you were not in a position at this time to abolish, undermine your credibility, sir, when you get to Japan wearing the mantle of a free-trader asking for concessions there?

The President. No, because nobody's pure. We have differences with Australia on this; I won't unnecessarily bring them up in front of my very genial host here. But I had a chance to tell them of things that I'd like to see Australia do where we might feel there could be a little less protection. He was very clear and very forceful in telling me his.

I don't consider it a flap, incidentally, when you discuss an issue where you have differences. I think it's very important that the American people and the President understand how the agriculturalists in this country look at this Export Enhancement Program.

And so, I don't think it's contradictory at all. We've never said we're totally pure. We are working for freer and fairer trade. And certainly the Japanese should be working for freer and fairer trade. And if one country could hold up its hand and say, ``We have never had any protection of any kind or subsidization of any kind,'' that country then should be -- holier than thou -- be able to make the point.

We are going there into Japan and asking for equity, fairness, fairplay. And so, I don't think a discussion, a healthy discussion of an export program that is causing great concern in this country is either a flap or diminishes my credibility as I go into a market where we are getting real problems in terms of access.

Q. We, of course, welcome you, perhaps with the observation that it only took 25 years for the White House to find the map of where we live since the last time a President visited. Sir, following on from that question, isn't there just -- --

The President. I'm not sure I get that point. [Laughter]

Q. Twenty-five years since we last saw an American President here.

The President. Oh, President. I'm sorry, I misunderstood.

Q. Wondered if you lost the map, perhaps?

The President. Oh, I see, yes. [Laughter]

Q. Sir, following on from the last question, is there not just the faintest whiff of hypocrisy here that you are demanding of the Japanese that they lower their barriers so that you can sell more motor vehicles to them, yet you impose and extend the barriers on our meat and sugar in particular?

The President. No, I don't think so. We were extraordinarily helpful in opening the Japanese markets on meat. And indeed, the agricultural leaders that I met with today thanked me for that, similarly for citrus. So, besides that, I love coming to Australia. So, I take your point, but if

somebody takes that as to be a matter of neglect, why, that's too bad because this relationship is very, very strong.

But I'm glad to be here now. I was glad to be here as Vice President, glad to be here earlier on as a private citizen, and undoubtedly will come back.

Japan-U.S. Trade

Q. Mr. President, President Miyazawa, in honor of your trip, a few days in advance of your trip anyway, is urging his automakers to buy more U.S. auto parts and encouraging consumers to buy more American cars. Do you consider that already a success for your mission, or do you think that the Japanese still need to do more?

The President. Well, I want to find out exactly what all this means, how it's going to be translated, but clearly, we welcome statements of that nature. I think that's very, very good, very heartening. But I have not had a chance to sit down with Mr. Miyazawa and talk about that in some detail.

The Prime Minister. Perhaps a couple more questions. One on this side.

Consultation on Agricultural Subsidies

Q. President Bush, could you just clarify this mention of consultations for us? The farmers seemed very convinced you have given an undertaking to have consultations before subsidized sales. That doesn't seem to square with what you said earlier in this press conference. If that's not right, you haven't gone as far as that, how does your undertaking about consultations differ from those given by your predecessor?

The President. I'm not sure I understand; I don't know what they've said publicly. What they said is they, the farmers, would like to come over and consult. And I said, ``Come on, let's go.'' This would be good, and I'd like to have some American farmers there, as well as Government officials. It wasn't tied in, as far as I know, to any specific pending action under the export program.

Q. And not in relation to any future action?

The President. Well, they asked that there be consultation on a whole array of things. But I think we're getting it mixed up a little bit with what the -- --

The Prime Minister. I think it's a mix-up between information -- --

The President. -- -- the Government and also with this private sector group. These farmers were

there not as Government officials but wanting to come over and talk to our agricultural experts and to our farmers themselves about this whole program. And I said, ``Come on, we would welcome you." But that was where that one was left. Now, the other one, I have not been able to make -- I think the Prime Minister -- let me put it this way, I subscribe to the way he phrased it.

``JFK"

Q. A change of pace, if I may, sir. There's a new movie called ``JFK," which has not wafted its way down here yet, but it casts some aspersions on the findings of the Warren Commission's reports. And also it raises some questions about possibly the CIA's role in this. You're a past CIA Director. I wonder, knowing you possibly haven't seen the movie, are you concerned about movies like this which may trouble people who weren't even born at the time of John Kennedy's assassination?

The President. Well, I don't know much about the movie. I haven't seen it. And there's all kinds of conspiratorial theories floating around on everything. Elvis Presley is rumored to be alive and well someplace -- [laughter] -- and I can't say that somebody won't go out and make a movie about that. I have seen no evidence that gives me any reason to believe that the Warren Commission was wrong, none whatsoever. And so, if it's helpful to reassure the American people in this way by saying that, fine. But it wouldn't lead me to suggesting that Mr. Stone be censured or something of that nature.

Q. As a former CIA Director, did you ever go back and see the CIA's findings during that period to satisfy any of your curiosity?

The President. About this subject?

Q. Yes.

The President. No, I didn't have any curiosity because I believed that the Warren Commission, which acted -- when was that finding? When was the Warren Commission finding? Was it -- --

Q. It was in '63 or '64.

The President. Which was about 12 years before I was out at the Agency. I saw no reason to question it, still see no reason to question it.

U.S. Role in the Pacific

Q. President Bush, you said today that you promised again today to maintain a military presence in the region at an appropriate level. People in the region are not so sure. What does appropriate mean and, for instance, is the ANZUS treaty, in effect, dead?

The President. Well, the appropriate level of security depends on conditions at the time. What I was addressing myself to was the fact that some felt with the closing of Subic that we would withdraw and pull way back from any possible security commitments. And I think one has to know -- I can't tell you what that means in terms of keeping our security interests alive here or keeping a military presence here. It depends on events. It depends obviously on deployments of various naval groups. But all I wanted to do was reassure the people of this area that we are not, because of the closing of Subic, we are not pulling back from future security considerations. We are a Pacific power, we think. We know we're a Pacific trading power. And we are going to stay involved with the security concerns of our friends.

I can't tell you exactly what that means in terms of troops, where they'll be; vessels, where they'll be. That depends on the situation that might exist at the time. We had a very different security deployment in the Middle East a year ago than we have today. And so, things can change dramatically.

But all I'm just doing is giving proper assurances that our military as well as our economic interests are still housed in the Pacific to a large degree.

ANZUS

Q. -- -- the ANZUS treaty with the countries of the region?

The President. Do I what?

Q. Do you still need the ANZUS treaty?

The President. Well, we still need the treaty that exists, that we refer to as ANZUS. As you know, there's been some difficulties with that that it's no point going into now, as much as this is the last question. But nevertheless, the concept of the ANZUS is very, very important to us.

The Prime Minister. Important to both of us here.

That will do it. Thank you, ladies and gentlemen. Thank you, Mr. President.

The President. Thank you very much. Thank you, Prime Minister.

Domestic Politics and Trade Policy

Q. Mr. President, you were talking with some glee about engaging the Democrats, knocking some Democratic heads. In the last 2 days you've said -- --

The President. -- -- in the last couple of days. That could change. That could change.

Q. The status -- --

The President. No, not totally. I think it's ridiculous to start throwing in special legislation just before a trip to kind of look like the macho trying to dictate the foreign policy of this country. It's crazy. But they have their own constituents, and I've got mine. But it's all good-spirited, and we'll do our thing, keep it on broad international principles, and then take my case to the American people.

And the American people do not want to go back into isolation, cutting off foreign markets. They want to expand them. And they remember, some of them are old enough to remember the thirties with decreasing world trade. And some of them are not old enough, but they've studied enough about it to know that protectionism begets shrunk markets and further unemployment. And so, I can understand it when a Congressman gets up and, ``Well, if you don't get x commitment here in this district, why, I'll introduce legislation." That's fine. They don't have the responsibility for conducting the policy, and I do.

Q. Does Europe show signs of understanding that, though, Mr. Bush?

The President. They will before we're through.

Note: The President's 115th news conference began at 2:50 p.m. in the Main Committee Room at Parliament House. In his remarks, he referred to Arthur Dunkel, Chairman of the Trade Negotiation Committee and Director General of the General Agreement on Tariffs and Trade, and Prime Minister Kiichi Miyazawa of Japan.

Remarks at a Dinner Hosted by Prime Minister Keating of Australia in Canberra

January 2, 1992

This is an impossible situation, following two such articulate, young, and vibrant leaders of this country. But first, let me simply say thank you to the Prime Minister for his hospitality and to all of you for making Barbara and me feel so very much at home.

It feels odd to hear myself referred to as the leader of the free world. I told Barbara, somebody in Sydney said I was the leader of the free world. She says, ``Hurry up and get out of the bathroom; we're late. Run." [Laughter]

I won't try to put you in what we call double jeopardy. You heard me over there, here next door in this beautiful building. And I'm also reminded of two sayings. One in our Congress is, ``The speech you don't give is the one that helps you get reelected." [Laughter] And I'm about to be running, I think, for President. And secondly, I love the one about the kid that went to church with his grandfather, and he said, ``Granddad, what are all the flags along the side of the church for?" The grandfather said, ``Well, that, son, is for those who died in service." And the kid said, ``Oh, really? The 9 o'clock or the 11 o'clock service?" [Laughter] And I'm reminded that I went on for about 25 minutes today, so you don't need another full load.

I was reminded of something, though, today perhaps of some significance, international significance, that it is likely that I will be the last President of the United States who served in the World War II. And I heard very generous assessments by the Prime Minister and by the leader of the opposition about my service. And yes, I was shot down off the shores of Chichi-Jima. And I had only wished that I had met Dawn Fraser before because I tried to set the record for swimming away from the island. And if I'd known her I might have done a better job of it -- [laughter] -- and not been so scared.

But anyway, why, I think of the Coral Sea experience and what it means to the United States and, of course, what it means to Australia. And I think back to my own little history: I was 17, about to reach my 18th birthday a month later, when the Battle of the Coral Sea took place. And I think those of us in that vintage, and there are not many in the room I'm pleased to say, but those of us in that vintage will always remember that and therefore will always have this very special feeling about Australia.

But one of the things that interests me on this visit is hearing some educators talking about the need to be sure that the younger generations remember this, not necessarily the smoke and the gunfire and all of that, but the significance of these two great countries standing together. And this visit for us has simply reminded me, and then I think through me as President, the American

people, of the importance of this relationship. It is clear. It is unambiguous. There is great friendship.

And yes, we have some differences. And we faced up to them. They thrust me into the arena with three of the biggest farmers I've ever seen in my life. [Laughter] I won't single them out, but when I shook hands with one I made the mistake of giving him that kind of political embrace when you put your hand on his arm; it's all muscle, sheer iron. And I said, ``I'd better listen to what this guy has to say." [Laughter]

And so, it's been a good, frank visit. We haven't held back. We discussed our differences. But I think they have been overwhelmed by the common interests that the United States and Australia have.

So, it has been for us an enormous privilege. We'll never forget it on a personal basis. And I happen to believe that it will simply reinforce this feeling of friendship and alliance and strength that is indeed the relationship between Australia and the United States of America.

So, thank you from a grateful heart for a fantastic visit.

Note: The President spoke at 9:32 p.m. in the House of Representatives Chamber at Parliament House. In his remarks, he referred to Olympic gold medalist Dawn Fraser. A tape was not available for verification of the content of these remarks.

Remarks to Business and Community Leaders in Melbourne

January 3, 1992

Premier, thank you for that wonderfully warm introduction; and to all of the people of Victoria, this wonderful city, for the warmth of your reception. I'd like to salute the Deputy Premier, Jim Kennan, and his wife, Janet; Governor McCaughey and his wife, Jean; our Ambassador, Mel Sembler, and his wife, Betty. I'd like to single out and identify, for those of you who have not met him, our very able Secretary of Commerce who's traveling with me on this trip, Secretary Bob Mosbacher, over here; and thank our hosts for a wonderful day here, two of whom I think are also with us at this luncheon, Dick Warburton, who's president of the American Chamber of Commerce, and Brian Loton, the president of the Business Council of Australia.

Australia's national anthem speaks of a land abounding in nature's gifts, of beauty rich and rare. Well, Barbara and I feel richer for the rare privilege of being with you today. And Joan, tell your friend that the only button that I have my finger on these days is the one where I try to set the clock on my VCR. [Laughter] And I hope it always stays that way.

And I'm also glad to visit this country where much of your beautiful land is known as bush country. [Laughter] And now, if I can just get that description to apply to 50 States back home, all will be well. [Laughter]

Ten years ago this May, I first visited Australia to mark the 40th anniversary of the Battle of Coral Sea. And since then, we have toiled together to advance what I call the hard work of freedom. I'm here to talk of how Australia and America can use that work to help build a better world. And we will build it through liberty and opportunity and through trade that is both free and fair. And we will build it by using our common culture and principles to promote prosperity at home and democracy abroad, especially the jobs and economic growth that is my highest priority.

This morning, Barbara and I visited the Australian War Memorial, where our alliance reminded me of General Patton's words: ``Wars may be fought with weapons, but they are won by men." The memorial stirs the memory of heroes who stood with our troops in combat, heroes who fought together to defend our common ideals. And our task now is to join together to create a world where the force of law outlasts the use of force.

The successful end of the cold war brings the promise of a world of peace and dignity. Its triumph is inevitable, but only if democracies are resolute. Globally, Australia has encouraged this concept by supporting a more engaged United Nations. And regionally, you helped shape the framework for the Cambodian peace settlement agreed to by warring factions. And I assure

you, here too, we, America, are your partners. We will not abandon the special responsibility we have to help further stability in this region.

More than 150 years ago, President Andrew Jackson appointed J.H. Williams as the first American consul here. Arriving from Boston, Williams was greeted by a newspaper article. ``We welcome his arrival," read the Australian paper, ``as a pledge of increasing intimacy between the two countries from which mutual advantages may be expected to flow." One hundred and fifty years ago.

In the Persian Gulf conflict, those advantages served the cause of peace. And you were quick to condemn the Iraqi invasion, to endorse economic sanctions, to send ships to participate in the multinational coalition. And I thank you also for sending medical teams and humanitarian relief to Kurds and Iraqis fleeing Saddam's oppression. On Iraq, it is my hope that the Iraqi people now will rid themselves of that brutal dictator, Saddam Hussein, so that our countries can start over with Iraq. You see, we have no argument with the people of Iraq or even with the military in Iraq. Our difference is with the bully, Saddam Hussein.

Australia has stood fast for principles of decency and peace. In 1984 you helped create the Australia Group, which today includes 22 member nations, each dedicated to preventing the use and spread of chemical and biological weapons. Australia believes that multilateral solutions can solve global problems. And so do I. Through two World Wars and other international conflicts, Americans have learned that they cannot divorce their destinies from the destinies of Europe and Asia.

History teaches that peace is indivisible; political isolationism doesn't work. As a new century beckons, we will use that lesson in support of peace and in hopes of preventing future wars. The Australian statesman Alfred Deakin once said, ``Next to our own nation we place our kindred in America." He knew that we are all members of the world community. And so, we need to strengthen our already steadfast commitment to Asia and to the Pacific region, increasing democracy, free expression, and yes, free markets.

In 1990, the two-way trade between this region and the United States totaled $300 billion. And I say that we can, we must, and we will expand our ties of trade. In America, one-third of our growth between 1986 and 1990 flowed from merchandise exports. To increase that growth, which means more jobs, Australia and America need the cooperation that must be a cornerstone of the post-cold-war world. That cooperation will increase trade, open markets, and ensure jobs.

On the other hand, economic isolationism is a bankrupt notion. Protectionism, it closes markets, it ensures poverty, and it costs jobs. America cannot and must not go down that dead-end street, and we won't as long as I am President of the United States.

You know that America is enduring tough economic times, and I know that Australia is facing

hard times as well. American companies exported $8.5 billion in merchandise to Australia in 1990, $200 million more than in 1989. And we both need the new jobs that increased exports provide. Competition has compelled American companies to produce better goods and services than ever before. And I have full confidence that on a level playing field our workers can compete with anybody, anywhere.

And speaking of success in a free and fair trade environment, I have with me a delegation of American business leaders, including some that do business very successfully right here in Australia. Their success is a tribute not only to their commitment to quality but also to the basic openness and fairness of Australia's markets.

I had an outstanding chance to visit today with businesses doing business right here in Victoria, some American, some others, but all doing business and pleading for more open and fair access to markets. The business delegation is with me to help our efforts to open markets and spur economic growth all around the Pacific Rim. We ask no more and no less than you do: A playing field where partners treat each other fairly.

And like us, you understand that free trade must be fair trade. I applaud your policies to foster greater openness and competitiveness in the economy, especially erasing most import quotas and cutting domestic subsidies and tariffs. And I commend your efforts to strengthen the international economic system, spurring a regional effort to promote freer trade by erasing trade barriers.

Now, none of this has come easily, but thanks to you, we have made steady progress. And I am grateful that several years ago Australia led the way to create Asia-Pacific Economic Cooperation, APEC, the premier economic forum in the Pacific. Since APEC's first ministerial meeting in Canberra 2 years ago, it has mobilized the support of all 15 participants to push for progress in the GATT Uruguay round.

And like the United States, other APEC members want to find ways to achieve sustainable growth, increase employment, and preserve the environment. And so do we. We want the jobs that stem from economic cooperation among Pacific Rim market economies, including the United States.

And just as we need your help, I want to pledge you our help. It is true that with so much in common, our two nations generally agree on goals. And let's face it, it is also true that occasionally we differ on means. I've heard a good deal about one: One difference is our use of this Export Enhancement Program, the EEP, it is known as, to counter the agriculture subsidies of the European Community.

And let me be clear, Australia is not the target of the program. As I said before the Parliament yesterday, the EEP has one and only one objective, to force the EC to stop its avalanche of

subsidized exports. The EC subsidizes 10 times the exports as do we in the United States of America.

I know discussions on this issue are difficult and that Australia's position is based on the fact that Australian farmers are enduring hardship. I've learned that firsthand on this trip. I met with representatives of Australia's farmers just yesterday. And I heard firsthand their deep concerns, and I shared with them the depth of sentiment among America's farmers. Our farmers are hurting, too. I told them we weren't looking for sympathy, but I pointed out that our wheat production dropped by 30 percent last year.

Both of us want progress. Back in Washington, an Australian delegation recently visited our Department of Agriculture. We heard your perspective on the current world market situation and your appeal for sensitivity to Australian trade. Australian officials have expressed interest in holding followup talks early this year. That too is very encouraging.

Both our Governments are working hard on the real solution to this difficult problem. We can regain the momentum for progress by using what's called the Dunkel draft as a basis for achieving a successful conclusion to the GATT round of trade talks. It is essential, believe me, it is absolutely essential, not just for agriculture but for world trade, that those talks succeed and that we make real progress in a wide array of areas, but particularly on agriculture.

I have agreed to greater bilateral dialog on this and other economic issues. Let us show how the ``Waltzing Matilda'' can meet the ``Texas Two-Step.'' It can be done. And we will seek understanding in the future as in the past. We can be proud of working together over the last five decades. And so, together let's build upon that record.

We must expand our bilateral relationship in new ways that help our people. We both breathe the same air. So last April, we agreed to pursue energy policies that will increase exports while preserving our environment.

We both believe in the importance of education. So we launched the Australian Center for American Studies. This new center will expand bilateral links by developing programs of value to business and education and the universities. We hope this center will cause future generations to say of America and Australia, in the words of the great hymn, ``Blest be the ties that bind.''

These ties are economic, military, social, and cultural. This trip I'm on is about broad principles that draw our two great nations together. It's about the security of the Pacific. And it's about our global partnership. And it's about our prospects for economic growth.

Our relationship rests upon the shared values of our people: love of family, faith in God, pride in country, desire to conquer the unknown. The first pictures of Neil Armstrong's adventure on the Moon were beamed from Australia's radio telescope at Parkes to a waiting world. Later, Apollo

XV was named Endeavor after Captain Cook's ship, in the hope of many future endeavors between our two nations.

So this new year, 1992, let's look forward to our next century together. Let's do the hard work of freedom for ourselves and especially for our children. Let's help them meet the challenges of their time, as we've met ours: Building the peace, creating opportunity, increasing the benefit of God's bounty for all.

Thank you all very much, and may God bless the people of this great land, Australia.

Note: The President spoke at 12:40 p.m. at the World Congress Centre. In his remarks, he referred to Joan Kirner, Premier of Victoria.

The President's News Conference With Prime Minister Goh Chok Tong in Singapore

January 4, 1992

The Prime Minister. Good morning, ladies and gentlemen. The President and I have had discussions on many wide-ranging topics. I will not go into details. I would invite the President to say a few words, and then you can ask the questions from there.

Mr. President.

The President. Well, thank you, Mr. Prime Minister. And let me just say that it is an honor and a privilege to be the first American President to visit Singapore. I've been moved by your hospitality, the openness of our conversations, and indeed, by the welcome that Barbara and I have received here.

Today I met with President Wee and had two very positive sessions, make that three, with Prime Minister Goh because we just met with the business group that was here, his ministers, our businessmen, and the Prime Minister and myself. We focused on three areas: Expanded growth and opportunity, security engagement, and the development of democracy and freedom in the region.

On trade, I'm pleased to announce that we have agreed in principle to a bilateral investment agreement. This will build on the work we've begun under the trade and investment framework agreement or the TIFA that we concluded last October.

In the security area, the Prime Minister and I discussed America's continuing role in the area. Our security arrangements in this region will take a new form. The access agreement that we have with Singapore is an excellent example of the types of arrangements we would hope to develop to meet the challenges of the post-cold-war world. We've agreed in principle to look at headquartering an element of the 7th Fleet in Singapore, CTF - 73. It's a logistics command for surface ships. And it's symbolic of our commitment to the region and the fact that we intend to stay as long as we are welcome.

Singapore increasingly illustrates the characteristics of a truly successful nation in the modern era and a well-educated electorate, increasingly free to make its political choices felt, with access to information to make informed choices. I recognize that democracy underlies prosperity, and I also recognize that no nation has a monopoly on defining how to put it into effect. But there are universal values of civil, political, human rights that we all can share.

And I'm proud of the progress Singapore and the U.S. have made together, proud of the

friendship its people and leaders have shown over the past many years, and proud to know that we have a very bright and prosperous future together.

So, thank you. And now, Mr. Prime Minister, I'm delighted to follow your lead and take whatever questions come my way.

The Prime Minister. Will I be the chairman?

The President. Unless we want to appoint someone else to do it.

The Prime Minister. I'll do it.

Japan-U.S. Relations

Q. Mr. President, there have been reports that East Asia nations want you to moderate your demands for trade liberalization by Japan, fearing that if you don't you may inflame anti-American sentiment and actually endanger U.S. security ties in the region. Have you heard such concerns, and are you worried about a possible backlash that already seems to be building in Japan?

The President. I don't think there's a backlash building. I've read certain reports that address themselves to the question you raise. It is not my intention to do anything other than to improve and foster a relationship with Japan that we view as very, very important. And I've been very encouraged by statements by Mr. Miyazawa and others in anticipation of this trip.

I might add, we're going there to talk about economic opportunity and jobs; there's no question about that. But we also have other broad areas to discuss. And I would say the security concerns that we talked about today with Prime Minister Goh will be high on the agenda. We'll talk about the world trading system. We'll talk about our need to work together, Japan and the United States, to help countries as they are emerging into the democratic world.

So, we're not going there in a kind of a aggressive mode, and I'm encouraged by the statements that I see coming out of Japan.

Federal Budget

Q. Mr. President, you've been mentioning along on this trip how things are bad economically at home. And we understand now that you're prepared in your State of the Union to call for renegotiation of the budget agreement to pay for various tax breaks and antirecession measures, such as tax breaks for first-time homebuyers. Is that the case, sir? And do you think things have now gotten bad enough where it's time to renegotiate the budget agreement?

The President. I don't think the time has come, and nor will it come as long as I'm President, to try to do anything other than to hold the line on Federal spending. The American people are very, very clear that the Federal Government spends too much. And the only good thing about the budget agreement is that it does have overall caps on Federal spending. So, it is not my view that we need to break those spending caps.

Q. So, you're not considering in any way renegotiating the budget agreement?

The President. Well, I'm not thinking of renegotiating it in the sense of spending more money or getting out from under the only constraints, the only assurance that the American people have that the Federal Government isn't going to take more out of their pockets. And the budget agreement puts caps on spending, and I am for constraining the growth of Federal spending.

And it gets to deficits. And one way to be sure that you don't have a recovery, and I think we will have one, one way to be sure you don't is to indicate that you're going to send Government spending through the roof. And that would put long-term interest rates through the roof. And that would be bad for the whole world trading system, and it would be bad for the taxpayers in our country.

Relocation of Command Task Force

Q. Mr. President, a question for both of you, please: Yesterday U.S. officials left the impression that the transfer of CTF - 73 to Singapore was a done deal. Is it a done deal this morning?

The Prime Minister. Is it already a done deal?

Q. Yes. I mean did you sign on the transfer?

The Prime Minister. No. The President and I discussed the possibility of their transferring the Command Task Force from Subic Bay to Singapore. We have agreed in principle. We welcome the presence of America in terms of security in this area. And so long as the access of Singapore is within the memorandum of understanding which we have signed some time ago, the presence will be welcome. So, the details will be looked into by our Secretary of Ministry's departments.

The President. I'm referring to the Prime Minister here to orchestrate this, but go ahead.

Myanmar and Vietnam

Q. There has been information that the United States is about to lift the trade embargo on Cambodia. Will the United States also consider similar moves to other Southeast Asian countries, especially Myanmar and Vietnam? Thank you.

The President. Well, we want to see more progress in Burma, Myanmar, before -- I think it's a little premature to talk about that. Vietnam, similarly, the United States has a overriding, compelling desire to have total assurance that we know the fate of every American involved in the conflict with Vietnam. So, it is a little premature to answer in the affirmative regarding Vietnam here and way premature in terms of Burma, Myanmar.

Trading Blocs

Q. Mr. President, the United States has consistently opposed the East Asia economic caucus proposed by Malaysia. What will it take to change your mind?

The President. Well, we've had an opportunity to discuss that here. We understand Singapore's position fully. What we want to do is be sure that we don't look like we are in favor of dividing the world up into mutually exclusive trading blocs. And thus, I took a lot of time in Australia and had an opportunity here to give our view to the Prime Minister and his colleagues on NAFTA, the North American free trade agreement, to make sure, to the best of my ability, that our friends in Asia understand that we are not trying to divide the world up into trading blocs.

Our view has been, possibly the answer better lies in using APEC, an expanded role for that, perhaps. So, we are listening in terms of the Singapore view on this one, but I think the overriding point is we don't want to do something that perhaps accidentally does that which Singapore doesn't want, what the United States doesn't want, and divide the world into mutually exclusive trading blocs.

Myanmar

Q. Mr. President, there is a clear difference of view between the United States and ASEAN towards the approach to be taken towards Myanmar. Have you discussed this subject at all with the Prime Minister?

The President. This didn't come up today, and we'll have some more time if the Prime Minister wants to raise it. Our view is quite well-known.

Asia-U.S. Trade

Q. Some Asian businessmen and some Asian politicians, too, have criticized American businessmen for not being aggressive enough. They say Americans complain so much about trade barriers, unfair trade practices, but they say that the old American can-do, the old American good salesman, for example, that's just not true any more. How do you feel about that? Is some of this criticism justified, and will you be talking to these businessmen who are with you?

The President. Well, perhaps some is, but I'll tell you something, we have a bunch of business leaders with us who represent not just their own companies and the successes that they've had, nor do they only represent those who have successfully dealt in Asia, but they also represent some of the largest trade organizations, Chamber of Commerce, NMA, National Manufacturers; the smaller business outfits, NFIB, the National Federation of Independent Business; and others, too, President's Export Council. We've had vigorous discussions, they have, and the Prime Minister made this possible, with the top commercial ministers here and others about just that point. The Prime Minister says to me, ``Hey, come on over, but you've got to be aware of what the market's like here. You've got to do better."

And everybody in our country would say that. But we say, ``Yes, we'll do better, and yes, we think there's opportunity, and let's work together to make these." But also we want access and cutting down of barriers so we can be here.

But I think there's some fairness to that in some areas. Singapore, it's been pretty vigorous, I think, in a two-way street.

Is that responsive?

Q. Yes. I was thinking about Korea. They've often criticized Americans, and the Japanese too, for not being aggressive enough.

The President. Yes. Well, I think most American businessmen would say we've got to do better in trying to adapt to foreign markets. So, that's part of it. The other part of it is, hey, we want full access to markets. And so, it's not mutually exclusive. But our message is: The more access we have, the more we can invest, the more that means, eventually means, for jobs in our country. So, I think it's a two-way street.

But our message is going to be listening to where we're not doing it right. These business people are smart. They'll take the message back to their colleagues through these vast organizations and say, ``Here's what we need to do now to get smaller and other businesses doing better in the United States by having investment and trade abroad." So, that's the approach we've been taking.

U.S. Military Presence in the Pacific

Q. Mr. President, I'd like to ask you one question. Do you see any political reasons to keep the strong military presence of the U.S.A. in this part of the world after the breakup of the Soviet Union?

The President. We see less -- because of the hostility that existed, cold war hostility -- we see less imminent threat. But who knows in this changing world where the security threats will come to the freedom of small ASEAN countries, for example. And what we will do is preserve a

certain security presence.

But I think it's fair to say that as the world has changed dramatically, as the cold war is over, the threat that existed between the Soviet Union and the United States is certainly way, way, way down. And I think our friends in Asia see it that way. But I think everyone recognizes that there can be untoward happenings. We saw one just a year ago in the Persian Gulf that required a mobility and a presence eventually in the Gulf by the United States.

So, we are not in a war frame of mind. We're in a peace frame of mind, but we're keeping our eyes open. And there are certain security considerations that ASEAN countries agree with us exists, and we'll just act accordingly.

Q. Mr. Prime Minister, if I could bring you back to an earlier question.

The President. He's got one for the Prime Minister. Then let me come over there, sir, if you would.

Relocation of Command Task Force

Q. I'd like to bring you back to the earlier question about the bases here in Singapore since there had been this expectation of agreement and there now seems to be more to talk about. Do you have specific reservations about more American troops coming into this country?

And if I could, Mr. President, bring you back to an earlier question as well, which was the question about defense spending in the U.S. Even though you don't want to break the budget, are you now going to cut deeper into defense spending?

The Prime Minister. There was no reservation. What I said was, we have agreed in principle. Of course, the details are not available to us, and the details would have to be discussed between the two sides. And only when you know the details can we then sign an agreement. But this will be within the framework of the memorandum of understanding which we have with the United States. So in principle, I've told the President that there's no problem.

U.S. Military Spending

The President. And my answer to that question is, we are examining all these questions right now. And if, given the changes in the world, there are ways we can save further on defense that has absorbed quite a few cuts, I'd like to be able to recommend that to the American people. But all that, we're working right now with the Secretary of Defense on these questions. But I would hope that the answer would be in the affirmative. But again, I'd like to have the available time left between now and when I finalize all of this to stay a little loose on it. But we're looking for saving taxpayers' money everyplace we can.

Q. Well, if I may, sir, Secretary Cheney says he and Dick Darman have already agreed on a figure.

The President. Well, I don't know that he said that. I haven't been told that he's agreed with Dick Darman. So, I'll let you know as soon as I hear, maybe.

U.S. Military Presence in the Pacific

Q. Mr. President, a few minutes ago you mentioned the Gulf crisis. Is it one of the objectives of the United States in devising these new, more flexible regional security arrangements to ensure that, if there is in future some kind of regional crisis, that the United States and its friends and allies in this region can cooperate together more effectively to damp down or contain such a problem? And can you give us an idea of the kinds of crises you see emerging in the future?

The President. No, but I think the first answer to your question is, yes, I think there should be an ability to respond flexibly. And that is what any security arrangements would be about. They would be very sensitive to the desires, indeed, demands of any host country. But the point I`m trying to make is, as we move out of Subic because the Filipinos want us to, the Philippine Government wanted us to, that does not mean that we're withdrawing, pulling back, and saying we have no responsibilities to our friends in the area.

I'd rather not try to hypothecate as to what kinds of conflicts might emerge in the future. I gave you an ex post facto example of one that was very much on the minds of everybody from just a year ago. And that happens to be over in the Persian Gulf. And I might say I'm very grateful for Singapore's understanding of that; their willingness to, as they did, send medical teams to the area. But I just think it would not be productive to try to foresee a specific flare-up that would require the presence, the kind of presence I'm talking about. I just think that would be -- I don't want any prophecy of that nature to be self-fulfilling. We're talking about a much more peaceful world today and an American security presence helping keep it more peaceful. So, I would just not like to go into the second part of your question.

Yes, Jessica [Jessica Lee, USA Today].

Job Creation

Q. Mr. President, you said that the focus of this trip now is jobs, jobs, jobs. When you were campaigning for President in 1988 you promised that you were going to try to create 30 million jobs. I'd like to know how many jobs you estimate you could create between now, let's say, and the fall to help people who are hurting right now in the United States, over the next 6 to 8 months?

The President. I don't know that there's any number that I could put on something of that nature. The question is to numbers of jobs. All I know is the world and certainly the United States, much of the world has gone through some sluggish, difficult economic times. And therefore, what we want to do is to do everything we can through this international trip, through things we can do at home to create jobs in this country. But I don't think I can set a exact number for you. Some of what we're going to be doing is setting in motion, hopefully, machinery that will result in more American jobs. Just the discussions we had on investment here today could do that.

So, I can't help you on exact numbers, but I can say, yes, I am determined to do everything I can, internationally and domestically, to try to create more jobs. Our unemployment rates there are not satisfactory, 6.9 or whatever the last figure is. Some say, ``Well, that's 3 or 4 points lower than the depth of the recession in '82." That doesn't matter to me, because I will repeat what I've said: ``For the person out of work, the unemployment is 100 percent." So, we're going to just keep on trying.

Budget Agreement

Q. Back to the budget agreement, sir. Separate from the caps issue is the question of categories and the fact that, as it stands now, you cannot take savings from one category and put it in another. Are you ready to change that part of the agreement so that you could take savings from the defense and put it into domestic issues?

The President. Let me say, frankly, I'd like to put it into the pockets of the American taxpayer if I possibly could because I think that's what is needed. Maybe it would be nice to do something about the deficit, and maybe it would be nice to do certain things that can stimulate our economy, and that could call for alterations in the tax system. But I would just leave it right there because I think it is important that we have the overall restraining effect of the budget agreement.

Now, what that means in terms of juggling it around from one account to another, we have to wait and see what the recommendations are out of defense and other areas. Because as you know, if you do change, touch defense, why, that could require some kind of adjustment. But it's a little premature to go beyond that which I said in an interview that has triggered an awful lot of this interest on December 23d, and I don't intend to go beyond that.

But I will simply reiterate my determination not to do anything that is going to reverse the economy and make it worse. And one thing that would make it worse is if I came out of here, talking about, okay, Katie, bar the door, let's let spending go back out through the roof and remove all the restraints on it. And I'm not going to do that. The American people still feel the deficit is too high. They still feel that they're taxed too much, and they're right.

So, one way to work in good faith with the American people is say I'm going to do my level-best

to stand up against these crazy spending schemes that want to go further and make the deficit worse. And I'm not going to do that.

U.S. Role in the Pacific

Q. There's been a lot of talk about how power in this region, particularly, in the future will not be military; it will be economic. And that there is a perception among Asian nations that the United States is a declining economic power and that you have put too much emphasis on this tour as a panacea to America's economic ills. How do you answer that?

The President. I answer it by referring to able leaders of ASEAN countries who tell me what it is they'd like to see us do to be more active in Asian markets. I answer it by saying we are a Pacific power, and we're going to stay involved in the Pacific. We have disproportionate responsibilities for security around the world. And I think the Prime Minister would probably agree with that, and we are going to keep those commitments. And I'd leave it on a very broad basis like that.

Note: The President's 116th news conference began at 11:40 a.m. in the courtyard at Istana Palace. In the news conference, the following persons were referred to: Prime Minister Kiichi Miyazawa of Japan and Richard G. Darman, Director of the Office of Management and Budget.

Remarks and a Question-and-Answer Session With the Singapore Lecture Group

January 4, 1992

The President. Thank you, Mr. Minister. To Prime Minister Goh, Senior Minister Lee. I'm delighted to be here, and thank you, sir, for that very kind introduction. Let me take this opportunity to say a few words about these two gentlemen I've just referred to.

Minister Lee, a quarter of a century ago, you led this small island of cultural and ethnic diversity, of limited physical resources, to independence. And then, through your vision and your force of intellect and will, you forged Singapore's nationhood. You stood courageously in a life-and-death struggle against the Communists, and you prevailed. You led your nation and your region in the quest for peace and prosperity. It is my convinced view that future generations will honor the name of Lee Kuan Yew. And as you know well from your visits in my own home in Kennebunkport, Barbara's and mine, I am pleased to know you as a friend.

Prime Minister Goh, I salute you, sir, for your wisdom, for your vigor in carrying Singapore forward now on its path to the future. I am grateful for the wonderful talks we had this morning, and I pledge America's steadfast friendship as you lead Singapore in facing the challenges of the coming generation. And I'm also pleased that you, like many of your countrymen, came to the United States of America for part of your education. These too are ties that bind us together.

Now, on to the business at hand. It's an honor to deliver this lecture, following such leaders as Brian Mulroney and Helmut Schmidt and Ruud Lubbers, Bob Hawke, Mahathir bin Mohamad, and Valery Giscard d'Estaing, and such distinguished thinkers as Henry Kissinger and Milton Friedman. Let me acknowledge Professor K.L. Sandhu, director, Institute of Southeast Asian Studies; A.V. Liventals, the chairman, Mobil Oil Singapore; Lee Hee Seng, deputy chairman and board of trustees, ISEAS; and Dr. Richard Hu, chairman of the Monetary Authority of Singapore and the Finance Minister.

Let me also salute the members of the U.S. - ASEAN Business Council, with whom I just met, who are here with us in this auditorium today.

The addresses in this series reflect the changes in our world. Your first lecturers focused on the ideological and military struggle between socialism and democratic capitalism, and especially between the United States and what we used to call the Soviet Union.

Think of that phrase for just a moment, ``what we used to call the Soviet Union." When citizens pulled down the hammer and sickle 10 days ago and hauled up a new tricolor of freedom over the Kremlin, the Soviet Union ceased to exist, and the prospect of a new world opened before us.

That act culminated a decade of liberation, a time in which we witnessed the death throes of totalitarianism and the triumph of systems of government devoted to individual liberty, democratic pluralism, free markets, and international engagement.

As this struggle has drawn to a close, these lectures have shifted their focus from military confrontation to matters of economic cooperation. Our new world has little use for old ways of thinking about the roles and relations of nation-states. The cold war categories, North-South, East-West, capitalist-communist, no longer apply. The future simply belongs to nations that can remain on the cutting edge of innovation and information, nations that can develop the genius and harness the aspirations of their own people.

Individuals wield power as never before. An innovator, equipped with ideas and the freedom to turn them into inventions, can change the way we live and think. Governments that strive only to maintain a monopoly of power, rather than to strengthen the freedom of the individual, will fall by the wayside, swept away by the tides of innovation and entrepreneurship.

Liberating technologies -- telephones, computers, facsimile machines, satellite dishes, and other devices that transmit news, information, and culture in ever greater volumes and at ever greater speeds -- have disabled the weapons of tyranny. The old world of splintered regions and ideologies has begun to give way to a global village universally committed to the values of individual liberty, democracy, and free trade and universally opposed, I might add, to tyranny and aggression.

If we are to realize the opportunities of this new era, we must address three intertwined challenges: The new requirements of peace and security, the challenge of promoting democracy, and the challenge of generating greater economic growth and prosperity around the world.

Consider first the challenge of peace and security. The world has learned, through two World Wars and most recently, as Senior Minister Lee talked about, through Saddam Hussein's naked aggression, that the dogs of war can be unleashed anytime would-be aggressors doubt the commitment of the powerful to the security of the powerless.

As a nation that straddles two great oceans, a nation tempered by painful wartime experience, the United States remains committed to engagement in the Atlantic community and the Asia-Pacific region, and we are unalterably opposed to isolationism. That's my vow to you, as long as I am President of the United States of America.

A quarter century ago, many feared that free nations would fall like dominoes, remember the domino theory, fall like dominoes to the subversion of communism. Now, we can say with pride and a robust sense of irony that the totalitarian powers, the powers that fomented conflict the world over, have indeed become the dominoes of the 1990's.

This end to the cold war gives the United States an opportunity to restructure its military. Having said that, I want to assure you and all of our many friends in this part of the world that the closing of bases in the Philippines will not spell an end to American engagement. We will maintain a visible, credible presence in the Asia-Pacific region with our forward-deployed forces and through bilateral defense arrangements with nations of the region.

That is why I'm pleased to announce that this morning we've reached agreement with the Government of Singapore to explore in detail how we can transfer a naval logistics facility from Subic Bay in the Philippines to Singapore in the next year. We appreciate Singapore's far-sighted approach to the security requirements of a new era.

The United States does not maintain our security presence as some act of charity. Your security and your prosperity serve our interests because you can better help build a more stable, more prosperous world. An unstable Asia burdened with repression does not serve our interests, nor does an Asia mired in poverty and despair. We need you as free and productive as you can be, and we understand that our security presence can provide a foundation for our mutual prosperity and shared defense.

But we also need your support in addressing the new threats of this new era, regional conflicts, weapons proliferation. And so, I'm pleased that the ASEAN nations are working with us to craft new and flexible arrangements to ensure the common defense. Access agreements and increased ASEAN - U.S. dialog can help us work cooperatively to promote stability in the whole region. By working cooperatively, we better share the security responsibilities of the post-cold-war era.

Strong, credible security arrangements enabled us to meet the second challenge, the challenge of democracy, a challenge of shared interests and shared ideals. Again, ASEAN is helping to spread positive political change in ways that reflect the values, aspiration, and cultures of the nations in this region. ASEAN is trying to help the former Communist states in Indochina reintegrate themselves in a world that respects free markets and free people. Those efforts are starting to produce very hopeful results.

Just a few weeks ago American diplomats arrived in Phnom Penh for the first time in 16 years. We owe that breakthrough to years of effort by many nations. But the Cambodian peace accord signed by Secretary Baker in Paris last October could not have existed without the help and the cooperation of ASEAN. This historic agreement offers the very real hope of national reconciliation to the long-suffering people of Cambodia.

And additionally, when the Paris conference agreed on a peace settlement for Cambodia, my Government offered to remove our trade embargo as the United Nations advance mission began to implement the settlement. And today I am pleased to announce the lifting of that embargo. Working with others, we need to turn attention to the economic reconstruction of that deeply wounded land, and so its new political reconciliation has a home from which to grow.

We are now normalizing our ties with Laos and have begun to move with Vietnam along a path marked by implementation of the Paris accords, and for the sake of many, many American families, the satisfactory resolution of our concerns, our deep concerns about POW's and MIA's.

The key point is this: After being strong, determined, and patient, we finally can entertain realistic hopes of building lasting ties of interest and affection with Indochina. Organizations such as ASEAN which promote security, more open political systems, and open markets form the building blocks for what I've called the new world order.

This movement toward democracy leads us to the third challenge for the future, the challenge of economic growth and building a world of open and fair trade.

Everyone agrees that political rivalry and military adventurism threaten international stability. But no one should doubt that economic isolationism, protectionism, can be at least as threatening to world order. The protectionist wars of the twenties and the thirties deepened the Great Depression and set in motion conflicts that hastened the Second World War.

On the other hand, during the past half century, engagement and trade have produced unprecedented peace and prosperity here in Singapore, throughout free Asia, in Europe, and in the United States. This prosperity also has led naturally to democracy, a fact that illustrates the indivisible relationship between security, democracy, and individual liberty.

The United States will remain engaged economically, especially in this part of the world. The Asian-Pacific region has become the world's economic dynamo. Our trade with Singapore, it's increased tenfold during the past 16 years. We now export more to Singapore than to Italy or Spain, more to Indonesia than to the whole of Eastern Europe. The economies here continue to grow at an astonishing rate while enjoying impressive income equality and general prosperity.

The ASEAN countries, along with other nations in the region, helped initiate the Asia-Pacific Economic Cooperation process 2 years ago, APEC. APEC offers a powerful vehicle for sustaining free, market-based trade, for advancing the cause of regional and global trade liberalization, and for strengthening the cohesion and interdependence of the whole Asia-Pacific region.

Now this is important to us. Most of America's recent economic growth has come from export industries. Each billion dollars' worth of U.S. exports support many thousands of good American jobs.

A delegation of executives from major American businesses, from the automobile industry to computer and electronics firms, to food and energy companies, has joined me in order to express our national commitment to free and fair trade. Our executives will learn more about opportunities here, and they will also work to help other firms compete fairly throughout the

world. With us today also are the American Ambassadors to the ASEAN countries. They will be returning to the United States soon to tell American businesses there about the opportunities that exist in ASEAN.

The United States is trying to establish an economic operating framework to facilitate and to encourage these ties. This past October we agreed to a new trade and investment framework agreement with Singapore. And I propose that we complement that agreement by negotiating a bilateral investment treaty. When combined with our global efforts through GATT and our regional initiatives through APEC, this comprehensive approach can enable us to meet the economic challenges of the post-cold-war era.

Americans believe in free and open trade. Nations can achieve astonishing levels of prosperity when they embrace the challenge of the marketplace. The General Agreement on Tariffs and Trade can play an especially crucial role in expanding freedom's economic frontiers. And that's why on each stop of this important trip I'm calling for urgent action on behalf of the international trading system. I am urging the world's trading nations to join with us in making GATT Director Dunkel's proposed draft agreement the basis for the successful conclusion of the Uruguay round.

While all of us have problems with portions of that draft, none of us can afford to let the progress it represents slip away into the past. Now is the moment for a strong collective response. And I particularly urge the dynamic trading nations of this region to help us to convince all GATT participants to build the momentum to achieve this agreement. A successful conclusion to this Uruguay round can prepare the way for even greater trade liberalization in years to come and greater prosperity for everyone.

GATT ensures that the world will continue moving toward broad economic integration and not toward trade blocs. I don't have to point out to an audience in Singapore, especially an informed audience like this, that there's a huge difference between a free trade zone, an oasis of free trade, and a trade bloc that attempts to hold the rest of the world at bay. We resolutely oppose efforts to create economic fortresses anywhere.

On the other hand, we wholeheartedly endorse free trade agreements. Let me be clear on something. Our North American free trade agreement will beckon all nations to make the best of the resources and opportunities that the United States, Canada, and Mexico have to offer. NAFTA, that North American free trade agreement, is not a threat to Asia. It would not encourage the division of the world into trading blocs. Instead, our increased growth can stimulate more trade with Asia. And we support efforts to build free trade agreements elsewhere, including among the ASEAN nations.

Consider your own experience. A regime of free trade has enabled Singapore to become one of the Four Tigers of Asia and one of the fastest developing nations on Earth. When other nations' economies falter, you suffer. The worldwide economic slowdown has slowed your rate of

economic growth this year, although most nations would be overjoyed to settle for 6-percent growth. I can speak for one. [Laughter] Singapore has one of the most open economies on Earth, and I appreciate Singapore's leadership on pressing for even greater market freedom around the world.

But we also need to consider the full import of economic development. An economy is the aggregate of work, ingenuity, and optimism of a nation. The term ``economy'' encompasses what millions of people do with their lives. And therefore, when we talk about strengthening economies, about growth, about opportunity, we mean much more than signing trade pacts. We mean building better lives for our people.

Americans understand that no nation will prosper long without a first-rate educational system. And I've encouraged Americans to mount a revolution in education. We call it the America 2000 education strategy. America 2000 challenges our citizens to set high standards for their schools. It encourages all Americans to join forces in creating world-class schools. And meanwhile, we will continue to strengthen our university system, we think the world's finest and the host today to over 200,000 students from Asia. Perhaps one may be a future Prime Minister. I am certain she'll be a good one. [Laughter] And our APEC educational partnership initiative is seeking to link these educational ties to our mutual economic interests.

Once we have given students basic skills, we must give them the freedom to make the most of the knowledge they have acquired. Tax cuts and deregulation in the 1980's helped unleash the greatest peacetime economic recovery in American history. And while in my country reducing the tax on capital gains is somewhat controversial politically, most of our competitors impose very low taxes on capital gains. Some, like Singapore, don't tax capital gains at all. We can learn from you. We can create a climate even more conducive to risk, to innovation, to the bold exploration of new technologies and ideas, and I'm confident we will.

Beyond that, the nations of the world want to enjoy the blessings of growth without destroying the environment. And we need to achieve environmental protection without denying developing nations the opportunity to develop. The United States has environmental expertise and state-of-the-art environmental technology. The Asian nations have environmental challenges.

I am pleased to announce today that AID, the U.S. Trade Development Program, the Overseas Private Insurance [Investment] Corporation, OPIC, and our Ex-Im Bank have developed a creative approach in partnership with this region to better address the challenge of balancing the environmental protection with development. We hope we can coordinate our effort with those of other developed nations through various types of support, including U.S. equipment and technology. This will be good, be good for Asia's environment, good for American jobs.

In conclusion, the nations committed to democracy and free markets have brought the world to a new era, one that promises unprecedented freedom from violence and deprivation. But this

world will not simply happen. It will require hard work, tough negotiation, sacrifice, and the courage of our convictions. And if we cast our lot with the forces of enlightenment and freedom over the counsels of defeatism and ignorance, we will build a better world, a world bound by common interests and goals.

Like you, Americans desperately want a world at peace, one in which no blood must be shed for the ideals we all share. So, we will maintain a vigorous security presence in order to prevent despots and tyrants from undermining the triumphs of freedom and democracy.

Like you, Americans want to live in a world enriched and enlivened by international trade in goods, in ideas, in cultures, and in dreams for the future. We want the opportunity to compete aggressively in the international marketplace. And at the same time our consumers want access to the best goods and services that your economies have to offer. We want to live in a world made better by the genius and achievement of every culture. So, we will advance the prospects for more open trade.

And like you, Americans want a world united and enlightened by freedom and justice, by political pluralism, by the universal commitment to individual liberty and prosperity. So, we will stand fast by our principles and remain confident, strong, and vigilant.

Since 1784, when an American trading ship, the Empress of China, sailed for Canton from New York, the United States has tried to build strong ties of commerce with Asia. We remain committed to that vision. And together, the United States and its Asian-Pacific allies can indeed build a world filled with economic tigers, nations growing rapidly, pioneering new intellectual, commercial, and cultural terrain, spreading the blessings of free markets, democracy, and peace. My trip through Asia this week marks a new start. The next step is up to all of us.

Thank you again. And may God bless you, the people of Singapore, people of the United States of America. Thank you all very, very much.

Q. Ladies and gentlemen, we have a tight schedule, threaten to squeeze out the question-and-answer session. We have a very few questions that the President has offered to meet. So, can I ask the questioners to be brief, to the point. State your name, and get to the point quickly, please.

Free and Fair Trade

Q. Mr. President, the trend in closer economic interaction within region, with Europe forging a single market and the U.S., Canada, and Mexico moving towards a North American free trade area, will grow in momentum in the 1990's. How, in your opinion, can we ensure that these trends do not result in inward-looking economic blocs? How can APEC as a body promote greater economic openness and counter these inward-looking trends? Thank you.

The President. One, help us reach a successful conclusion to the GATT round. Therein lies the most important single step that can guarantee against trading blocs. Secondly, accept my word that nothing in the North American free trade agreement wants to contribute to dividing the world into trading blocs, into blocs that shut out other people's goods. That is not what it's about. If we are successful in the NAFTA, that will increase markets for Asian goods in South America which has been an area that needs economic help.

So, the first answer is, help with GATT, successful conclusion of the Uruguay round. And the second answer is, please understand that NAFTA, and I can only speak for American participation therein, and I'm sure it's true of President Salinas of Mexico and of Brian Mulroney of Canada, have no intention of having that free trade between ourselves be a block to ASEAN goods. Stop worrying about it. That isn't going to happen.

If I could think of a third reason, I'd tell you. [Laughter] But those are the two I've got.

U.S. Role in the Pacific

Q. Mr. President, I believe that most countries in the Asia-Pacific region want to see the U.S. continue to play a major economic and security role in the western Pacific. But many are worried that Japan may become the leader in the economic competition, especially in trade and investments, in the Asia-Pacific region. Will the U.S. respond to this Japanese economic challenge and stay in the competition? However, if Japan eventually becomes the preeminent investor and trader in the region, will the U.S. remain engaged in the economies and the security of the region?

The President. Good question, and the answer is yes. Regardless of what happens, we are going to continue our cooperation in terms of security. That's a given. That's important. It's important, I think, to ASEAN. And I think it's very, very important to my country, to the United States of America.

I'm not as gloomy as the question implied in terms of Japan dominating ASEAN. I would be worried about it if I thought that we would all acquiesce, including Singapore, in a bloc to offset Canada or to offset a perceived trading bloc in Europe. Then I would be concerned about that. But I don't think that is going to be the reality because we are going to forcefully, with our best we can offer in terms of economics and investment and in two-way trade, stay involved in the area.

If you predicated it by saying, the world will divide into three blocs, do we have any concern about domination from an economic superpower, which is Japan, I'd say you could have some concerns there. But that's not what I see as the reality. And I hope that in some way this trip contributes to the idea that we want to avoid blocs that shut people out and we want to open markets that cause people to come in.

And so, that is the way I look at it right now. But we will stay engaged. I'm looking forward to the part of my trip that takes me to Japan. We have trade problems there. They're aware of it; we're going to talk to them. But it's not going to be exclusively on that. I'm interested, as you know, in creating jobs for Americans through fair trade, through access to markets, through matters of this nature. But we also have a wide array of other considerations that I will be discussing with the very able leaders of Japan. And it might well be that we will talk about the idea that we ought not to see this world divided up into regional blocs.

So, I'll do my best in that regard.

Europe

Q. It was with some irony that I read recently in the observation of Li Peng, Chinese Prime Minister, China's Prime Minister, that in fact, with events surrounding the dissolution of the ex-Soviet empire, events in Yugoslavia, that in fact the single source of threat to your new world order is no longer security in Asia-Pacific but in fact Europe. Your comments, please.

The President. Mike, please elaborate. I didn't see the comment by Li Peng, and I need a little more of what he was talking about. Threat to Europe, in what sense?

Q. In the sense of the threat to the new world order that you referred to earlier, the theater of threat from a sort of geopolitical and military sense is no longer question marks over Asia-Pacific but more question marks over the European theater.

The President. Well, see, I wouldn't agree with the premise that in the past the concern wasn't about the Soviet Union, if that's what he was talking about. The major so-called ``superpower confrontation'' has been between the United States and the Soviet Union, Soviet Union with its satellites and the United States with its friends and allies. And now, with the dissolution of the Soviet Union, we see that this doesn't exist. That major cold war security threat, if we handle things properly with the emergence of the republics or this Commonwealth, should no longer concern us.

We're going to stay engaged with the republics. We're going to stay engaged with the Commonwealth, helping in every way we can these now-fledgling democracies as they emerge and strengthen their independence. We want to see that there isn't a security threat from that part of the world.

I may be missing what he's getting at, but I just think we have to guard against unpredictability, and thus the security presence will remain in Asia. It may be different than it's been in the past. The whole makeup of the U.S. defenses has been changing, as you know, but we are going to retain, because of unforeseen circumstances and with the welcome of our friends in this area, a

security presence here.

So, if the distinguished leader of China was implying that wasn't necessary anymore, fine. That's a good -- and I'm confident that China is not seeking external hegemony. There was a time when everybody was much, much more concerned about that. But we'll be here. We'll be around as a stabilizing, reassuring security presence where wanted.

By that, I can't say that we think the only threats to worldwide security might emerge in this area; we don't. But we've had a Pacific presence, and we're going to continue to have a Pacific presence.

Still not sure I got to the point, but anyway, that's the answer.

Note: The President spoke at 12:50 p.m. at the Westin Stamford Hotel in Singapore. A portion of these remarks could not be verified because the tape was incomplete.

Remarks at a Breakfast With Korean and American Business Groups in Seoul

January 6, 1992

First, let me just thank our Korean business guests for taking time away from fantastically busy schedules to be with us today. I view this as an important meeting. I view this as a meeting where I undoubtedly will learn.

Secondly, I'd like to comment overall on our trip. A lot of this trip is about business and how we can do more, thus creating opportunities in the United States, job opportunities; and similarly, if you believe as we do, and I'm sure everyone here does, in free trade, job opportunities here in Korea.

But in saying that, I wanted to also emphasize that I am not neglecting, because of this emphasis, my sincere concerns about security considerations that bind us together, the cultural aspects, the scientific aspects that bind Korea and the United States together. So the trip's about a lot of things. But this breakfast, obviously and properly, the focus is on business.

We watch in admiration the success of the companies that you all represent around here. We have with us a distinguished group of American businessmen who have taken a lot of time from their own busy lives to go with me. And I wondered at the beginning how all of this would be received by our foreign hosts. But in Australia and Singapore and then just a preliminary feeling here, I think it's been a wonderful idea. And I think they've learned, and I hope you've learned from the interchange with these business leaders from the States. And they are not only representative of their companies, but many of them, as you know, are heads of our leading business groups, large and small. So, they'll go back and take back the message of how we further business opportunity.

I will say that I'm determined as President of the United States to fight the waves of protection that are almost inevitable when one's own economy is not doing well. But one way to make things do less well is to resort to protectionism. And I am not going to do that. But we're in an election year, and I'm sure some of you all wonder what the heck does this mean in terms of the U.S. commitment to free and fair, open trade. And I just want to assure you that we will remain committed. I think the American people want that in spite of the siren's call of protection.

I would like to urge that every business person here from the United States and Korea use whatever influence you have with your trading partners in Europe and elsewhere to get a successful conclusion of the GATT round. The one thing that I think is vitally important now, the thing that should most be targeted is the successful conclusion of that trading round. And it really is important.

And the last point I'll make is, I know that some look at the North American free trade agreement in Asia and wonder, is the United States -- worried about perhaps the GATT round not finishing properly, successfully -- planning on forming a trading bloc in North America and South America, that would spill on down past Mexico into South America?

Let me tell all of you here, our Korean friends, that we will not be trying to acquiesce in dividing up the world into trading blocs. And the NAFTA in our view, when successfully concluded, will open up markets for Korean businessmen in a more prosperous Central and South America. We're convinced in the United States, I am, and I think the businessmen here are, that a successful conclusion of that round means more jobs for Americans. But it also means broader trading markets for our friends in Asia.

And I've stated this to the leaders in Australia, to the leaders in Singapore, and I just wanted you to hear from me directly that we aren't having some fallback position of a North American trading bout that in any way would detrimentally affect the private business interests here in Korea. You're doing too much, you're moving out in exactly the way we respect.

And I am grateful, as I walked around the room, hearing about the American and the Korean partnerships and about the investments that some of your companies have made in the United States. That means jobs to us. It means opportunity for Americans. So we don't view that with alarm; we view that as something that is very, very good. And the only thing I'd like to ask is that all of us do our level-best after the successful conclusion of this GATT round to be sure that all the markets are open and free and fair. Trade is the goal. And I think that will ensure the prosperity of the people not only in my country but the people, the average man on the street in Korea.

So, thank you all very much for coming. And now, I came to listen. I talked too long already. But I want to hear what you all have, and please don't hold back. If there's some criticism or suggestions as to how the U.S. Government can do things better, I want you to let me know, because this is a good opportunity.

Note: The President spoke at 8:17 a.m. at the Hotel Shilla.

The President's News Conference With President Roh Tae Woo of South Korea in Seoul

January 6, 1992

President Roh. Good morning, ladies and gentlemen. I am especially delighted to meet again with the journalists traveling with President Bush. Today I have had very useful talks with President Bush for more than one hour and a half. We have exchanged wide-ranging views about the ongoing changes in the world and the shifting situation in the Asia-Pacific region.

President Bush and I have earnestly discussed the roles of our two countries in promoting durable peace and security on the Korean Peninsula, as well as ways to advance our bilateral cooperation. We have also exchanged frank and candid views on how to strengthen the free international trade system and how to expand economic and trade ties between our two countries.

At the outset I expressed my deep appreciation for the outstanding leadership of President Bush in dismantling the cold war structure and in freeing all mankind from nuclear terror. I emphasized that the roles of our two countries in promoting lasting peace and prosperity in the Asia-Pacific region and the bilateral cooperation are growing even more important.

In the quest for those common goals, all nations in this region, including Korea, ought to fulfill their responsibilities commensurate with their capabilities. President Bush made clear that as a Pacific power the U.S. will continue to play a constructive role in promoting peace and common prosperity in this region.

I explained to him the initiatives and endeavors that we have put forth to ease tension and secure peace on the Korean Peninsula and the consequent progress in relations between South and North Korea. President Bush reaffirmed the principle that the problems of the Korean Peninsula should be settled directly by the South and North themselves and fully supported the accords that have recently been reached between the two areas of Korea.

President Bush and I jointly reaffirmed the unshakable position that North Korea must sign and ratify a nuclear safeguard agreement and that the recently initiated joint declaration for a nonnuclear peninsula must be put into force at the earliest possible date.

We discussed ways for the U.S. to regular expand contacts with North Korea in close consultation between our two countries, in tune with progress on the North Korean nuclear issue and in inter-Korean relations.

President Bush once again stressed that the U.S. security commitment to Korea remains

unchanged and will continue to be honored. We agreed that our two nations should further strengthen bilateral ties in the diplomatic, security, economic, scientific, technological, and all other fields and further develop enduring partnership so that both will be able to prosper together in the Pacific era anticipated in the 21st century. Once again affirming that common prosperity must be sought through free trade, we pledged our two nations to closely cooperate to that end.

I emphasized that my government is taking positive approaches to all areas for helping to bring the Uruguay round of trade negotiations to a successful conclusion. As for negotiations in the agricultural sector, I explained that because of our peculiar situation it will be exceedingly difficult to fully open our market in the immediate future and asked for America's understanding and cooperation in resolving the issue.

I also stressed that our trade balance with the U.S. dipped into the red last year and explained our current economic realities, emphasizing that a healthier development of the Korean economy will be beneficial to America also.

President Bush and I agreed to have the Governments of both countries mutually support and promote Korean business activities in the U.S. and U.S. business activities in Korea. To that end, we agreed to initiate Korea-U.S. subcabinet economic consultations to develop ways to promote economic partnership between our two countries.

We also agreed on the need to further expand bilateral cooperation in the fields of science and technology, and thus a new science and technology agreement and a patent secrecy agreement were signed between our two countries this morning.

Ladies and gentlemen, let me ask you now to give President Bush, our guest of honor, an opportunity to speak.

President Bush. First, Mr. President, may I thank you for your hospitality. And of course, Barbara and I are very pleased to be in Korea again at this historic time.

We have had good, productive discussions with the President, with members of his Cabinet on security, economic, and political issues. And I reaffirmed the commitment of the United States to the security of Korea. And let there be no misunderstanding: The United States will remain in Korea as long as there is a need and that we are welcome.

I told President Roh that he deserves tremendous credit for the progress that has been made toward reunification on the peninsula. His November 8th announcement set the standard for a nonnuclear peninsula which I fully endorse. While rapid progress is being made between the North and the South, I expressed my concern that the North fully implement its IAEA obligations under the Nuclear Non-Proliferation Treaty. And moreover, the North and South should implement the historic bilateral inspection arrangements under the joint nonnuclear

declaration of December 31st, 1991. If North Korea fulfills its obligation and takes steps to implement the inspection agreements, then President Roh and I are prepared to forgo the Team Spirit exercise for this year.

On economic and trade issues, I stressed the need for Korean support to bring the Uruguay round to a successful conclusion, a subject he just addressed himself to. I congratulated the President on Korea's superb job of hosting the last APEC ministerial meeting, and we agreed to support and strengthen APEC which I believe is one of the keys to continued regional growth.

Bilaterally, I am pleased to announce that we have agreed to an economic action plan which will establish a framework to resolve bilateral trade and economic issues between us.

And on one final note, I think that the science and technology agreement that we signed today is a serious framework for concrete cooperation.

So, thank you again, Mr. President. I'm delighted to be here.

South and North Korean Negotiations

Q. South and North Korea have recently agreed on a South-North basic accord and the nuclear-free Korean Peninsula. But North Korea's sincerity in carrying out this accord is questioned. Therefore, with regard to the building of a structure for peace on the Korean Peninsula, what discussions have been taken at the summit meeting?

President Roh. There are a lot of worries about North Korea's compliance with the nuclear inspection. And when South and North Korea agreed on the declaration of nuclear-free Korean Peninsula, the precondition was that North Korea will sign the nuclear safeguards treaty with the IAEA and submit its facilities to international inspection. And that has been promised by the North Korean side. And in my view, they will faithfully follow through with their commitment.

Now, if and when North Korea balks at these commitments, then I believe North Korea clearly understands what international sanctions are awaiting for their faults. And in light of North Korea's current situation and realities, I do not believe North Korea could forfeit their promises regarding these commitments.

And the United States and the Republic of Korea will continue our cooperation and our efforts to eliminate North Korea's nuclear weapons development, as well as to have North Korea abandon their nuclear reprocessing plants as well as the enrichment facilities to the extent they exist. And we will expect support and cooperation of the international society. And along with this support, I am quite certain that our efforts will succeed.

As far as South-North Korean summit talks, we did not go into any specifics, but President Bush

has expressed his support of these talks to the extent that these talks will be conducive for the reduction of tension on the Korean Peninsula and for the long-term unification of the Korean people.

Japan and the U.N. Security Council

Q. Mr. President, the U.S. has called for Japan to take a broader role on the world stage, to go beyond checkbook diplomacy. In line with that expectation, is the U.S. prepared to accept Japan's request for a seat on the permanent U.N. Security Council? And if not, why not?

President Bush. Japan is a very important country. They are an economic power to be respected and to be reckoned with. But your question relates to changing the Charter of the United Nations Security Council, something that is extraordinarily difficult to do. And in addition to Japan, there are other claimants to seats on what clearly would have to be an expanded Security Council. So, we are in the position of hearing from, as the world has changed, from various friends, Japan being one of them, others in Europe being among them, as to their aspirations to be on the Security Council.

But before there could be any change in the Charter, there would have to be extensive consultation. It simply is not going to just happen. And so, we haven't tried to stand in the way of it, nor have we advocated Japan over other seriously interested people.

I think President Nixon back in '72 indicated a willingness to support Japan if the Charter ever came open for change. But my experience at the U.N. tells me changing the Charter is extraordinarily difficult. But we'll be open-minded, and we will be prepared to consult.

Visit to Japan

Q. Mr. President, tomorrow you head for Japan, which has been characterized sort of as the Super Bowl of this Asian trip of yours. Politically, sir, what is the bottom line for you? What do you have to achieve in Japan and take home to the United States to make that a successful trip?

President Bush. I don't know, but the political opponents are already kind of raising the bar on the high jump. And we will be discussing in Japan economic issues, not exclusively economic. We're going to be talking about the very important security considerations that Japan has. Indeed, we've talked about them here in Korea. And so, I have no set list that must be achieved to declare this visit a success. I've heard very positive statements coming from a very respected leader, Mr. Miyazawa. And that is all very encouraging. Indeed, they've already taken some steps on the economic front, the monetary front, that I think are important in terms of lowering interest rates.

So, I just can't help you in what makes a success or what makes a failure. I can guarantee you

political opponents, no matter what is achieved, will be saying, ``Hey, you didn't jump quite high enough. You need to get over the bar. We've just raised it another foot." But that's politics. That's what's to be expected.

What is important is that we handle this relationship with a broad global sense; that we make progress on the economic front, the bilateral trade front; and that we make clear to the Japanese leaders that we are interested in their views on security and on a wide array of other topics.

So, I can't define for you exactly what makes a success or what doesn't. I am encouraged by the forthcoming statements, as I say, on the monetary policy as well as some that have been forthcoming in terms of the trade formula. But I just can't give it to you, Ellen [Ellen Warren, Knight-Ridder].

North Korea

Q. The question was to President Roh, that North Korea has indicated that they will sign the nuclear safeguards treaty and submit to inspections. But the question was, will the United States and North Korean relations be upgraded later in the year once North Korea carries out these promises? And to President Bush, what would be the conditions on the part of the United States to upgrade U.S. relations with North Korea?

And again, back to President Bush, the United States is reportedly putting pressure on the Republic of Korea to open the markets, Korean markets, to U.S. products. But one thing we can point out is, we are recording already a $.7 billion trade deficit vis-a-vis United States. And at what point would these pressures be let off?

President Roh. The question was about North Korea's signing of the safeguards treaty and the inspections and whether U.S.-North Korean relations will improve upon these events. I have consistently maintained the position since my July 7th declaration of inter-Korean exchanges that North Korea should stop being the threat to international society, not only in this area but across the world. And they should come out to the open world and cooperate with the nations around the world.

And since North Korea has indicated that they will renounce the development of nuclear weapons, if North Korea's nuclear development ceases to be a threat to us and to the area and if South and North Korean relations improve, we would not only not oppose U.S.-North Korean contacts upgraded, we would rather encourage the upgrading of contacts between North Korea and the United States.

And President Bush fully agreed with my recommendations and views, and he also indicated that as far as North Korea is concerned, the U.S. position is that United States will pursue in full consultation with the Republic of Korea, and Korea will never be passed up in the U.S. efforts to

maintain contacts with North Korea. And we have confirmed our positions.

President Bush. May I say with admiration that this reporter has perfected the art of the follow-on question, getting one to you and two to me. It's a magnificent performance.

Let me try to remember mine. One of them was what conditions to upgrade. And I would just follow on to what President Roh Tae Woo said: Nuclear question; peaceful intentions; I would add some respect, in their case because of the miserable record, for individual rights, human rights, before there would be an upgrading with the United States. But let me just reassure the people here. We are not going to get out in front of the Korean Government here, and we are not going to permit North Korea to make an end run to start in talking to us about upgrading before these fundamental problems that President Roh has talked about have been solved.

Free and Fair Trade

Mr. President, I have to finish the other; he had another one. Very well done. And the question, as I recall it, was when do you let up on the pressure about getting into the other guy's market because we have a central trade balance.

And the answer to that is, it's not a question of balance or imbalance. It's a question of fair trade. And we will continue to work with Korea where we think that trade is less than fair. Their businessmen pointed out to me some things this morning that they think we can do better in this.

But it's not a question of a trade figure. It's a question of access to markets. It's a question of fair treatment. And this thing we signed today is very good, copyright and patents; that's all very good.

So, just because there's a balance, that doesn't mean that either side should refrain from trying to get full and fair access to the other guy's market.

Thank you very much.

Q. -- -- to open the markets of Korea anytime soon. Are you satisfied with that, and how does that square with your promise to the American people you're going to open markets for jobs, jobs, jobs?

President Bush. Open markets where?

Q. For jobs, jobs, jobs.

President Bush. Yes. Are you talking about North Korea?

Q. No, I'm talking about what the President said. He said it's not anytime in the near future. Because of their austerity program here, you won't be able to open the markets.

President Bush. I don't think he said that. I don't think that's what he said. That's not what we've been talking about.

Q. Well, I think that's what the translation was.

Q. Have you even discussed rice, for example?

President Bush. We talked about that and the global -- yes, absolutely, but in the global sense of let's get a satisfactory conclusion to the Uruguay round. I should have added that to that last guy's question, as a matter of fact. That is the key to a lot of what that last Korean questioner was asking about.

North Korea

Q. Mr. President, we understand North Korea -- --

President Bush. Hey, listen, it just ended here, the press conference. You weren't listening when the thing ended. You're still jet-lagged out.

Q. We understand North Korea said no to a dialog with the United States, that they've said no to the United States about -- --

President Bush. That's fine. Our policy is not going to shift. We're not going to start having dialog with North Korea. We're dealing as we have in the past, and progress is being made. We salute the President for that progress. And we're not about to take some end run around our staunch ally in order to accommodate Kim Il-song. And if he doesn't want it, so much the better. That just suits the heck out of us.

Note: The President's 117th news conference began at 12:01 p.m. at the Blue House. President Roh spoke in Korean, and his remarks were translated by an interpreter. In the news conference, the following were referred to: President Kim Il-song of North Korea; the Agreement on Reconciliation, Non-Aggression, and Exchanges in Cooperation Between the South and the North, signed December 13, 1991; and the Joint Declaration for a Non-Nuclear Korean Peninsula, initialed December 31, 1991. A portion of this news conference could not be verified because the tape was incomplete.

Remarks at the American and Korean Chambers of Commerce Luncheon in Seoul

January 6, 1992

Well, thank you all very much, and good afternoon. And let me first say thank you to our master of ceremonies, my old friend and our very able Ambassador here, Don Gregg. Thank you for that introduction.

And I'd like to also acknowledge Minister Han Pong Su, the Minister of Trade, and of course our able Secretary of Commerce, Bob Mosbacher. He is heading up, as I think everyone here knows, our delegation of top American business leaders as they come here to explore new opportunities for American goods and services, not just here but all around the world.

I also want to single out and thank our hosts, Don Myers of the AmCham and Kim Sang Ha of the Korean Chamber of Commerce, for bringing together some of the top business leaders from both countries this afternoon. This American Chamber of Commerce in Seoul is leading the way toward free and open trade throughout Asia. And it's playing what I am told is a vital role in expanding business ties between the United States and Korea, ties which are growing into a true economic partnership.

Let me begin by telling you why I'm here. As you might expect, with tough times at home in the United States, my highest priority is stimulating economic growth and jobs for Americans. And one way to get our economy growing is to increase trade between our two nations. Opening more markets here in Korea for quality American goods and services clearly means more exports and more good jobs in America. And as you all know, that also holds true for Korea as well.

And so, I've come to the capital of one of the world's leading economic success stories, success based on hard work, market orientation, and access to international capital and markets. Your 9-percent growth rate may seem mediocre to you compared to some previous years, but back home, I'd settle for that, like that. [Laughter]

With a generation, Korea has transformed itself from one of the world's poorest states into the world's 13th largest economy, on the cutting edge of high-tech growth. The generation that created that success knows that enduring security comes not through aggression but through hard work and effort by free people working through free markets. And if we are to secure the opportunities of the post-cold-war era, we must rise to the call of three daunting demands: The new requirements of peace and security, the challenge of fostering democracy, and the summons to generating greater economic growth and prosperity for the peoples of the world.

First, the challenge of ensuring peace and security. The world has learned that weakness tempts the warlike. We saw, with Saddam Hussein's naked aggression, that the misery of war results when tyrants doubt the commitment of the powerful to defend the security of the powerless. And that's why, as long as I'm President, the United States will remain absolutely opposed to isolationism. As a nation straddling two great oceans, the U.S. remains committed to engagement in both the Atlantic community and the emerging community of the Asia-Pacific region.

The emerging post-cold-war era that we face presents the United States with an opportunity to restructure its defenses. Now, I know there's been some concern about how we'll proceed with that complex and difficult task. But let me assure you and your Asia-Pacific neighbors that our restructuring, such as the closing of bases in Subic there in the Philippines, does not mean the end of American engagement in the Pacific area. We will remain a visible, credible security presence in the Asia-Pacific area with our forward-deployed forces and through bilateral defense arrangements with our friends.

And let me be clear, maintaining our security presence is not some kind of a charitable exercise. Your security and your economic growth are in our interests because together we will thrive in a stable, developing world. An unstable Asia does not serve our interests, and nor does a poverty-stricken or repression-ridden Asia. We need an Asia-Pacific region that is free and productive. And our security presence provides a foundation for mutual prosperity and for shared defense.

Strong, stable security arrangements enable us to meet the second challenge, and that is the call to democracy. The tyranny of totalitarianism is dead, and freedom is being born and reborn in nations from Latin America to Eastern Europe to Cambodia and to Mongolia. The Soviet Union as we've known it has vanished, and with it the delusions of communism.

The Republic of Korea has stood strong for democracy, particularly since the momentous events of 1987. This year, Korea will put this renewed faith in democratic institutions to the test in several elections. And I am confident that again this year the Korean people will demonstrate that freedom's way is the way of the future in Asia. Nations which build their prosperity on the freedom of their people know that there is no alternative.

This worldwide movement toward democracy leads us to the third challenge that's awaiting us, that of promoting economic growth and building a world of free and open markets.

Korea and the United States have a tremendous amount at stake in their economic relations. The U.S. is Korea's largest export market, and Korea is our sixth largest export market. The business executives with this wonderful team that we brought out with us today believe in building stronger economic ties with you. They stand ready to work side by side with Korean businessmen. And like you, they seek to build even more growth, opportunity, and stability for our two nations.

In building this world of free enterprise and economic growth, we know we have much to do. The United States is taking steps to boost our own competitiveness in foreign markets: Improving education, working to bring down our budget deficit, and enhancing productivity. We're working overtime to produce quality products at affordable prices, products that win in the marketplace.

And while Korea has made great progress in removing visible trade barriers to foreign business over the last 5 years, doing business in Korea is still more difficult than it should be for such a proud and successful country. Korea must address fundamental problems that stifle the ability of foreign firms to compete in your great country, problems like certain unjustified standards and regulations, or cumbersome customs procedures, delays in scheduled reductions of duties, and these financing restrictions.

Attitude towards imports must change. And while the notion of frugality isn't inherently bad, import restrictions hurt your own consumers and weaken the competitiveness of your firms. And while numerous restrictions in foreign trade have been lifted, such as certain performance requirements and sectoral restrictions, we look to Korea to remove all nontariff barriers to free trade.

Free trade has propelled Korea into a position of economic prominence and leadership. And because of this, Korea has a growing responsibility to lead in strengthening the whole world trade and financial system. The General Agreement on Tariffs and Trade, GATT, can play an especially crucial role in expanding economic frontiers. On each stop of this trip, I've called for urgent action on behalf of the international trading system. And I am urging the world's trading nations to join with us in working towards a successful conclusion of that all-important Uruguay round with GATT Director Dunkel's proposed draft agreement, incidentally, as its basis.

And while every one of us has problems with some portions of that draft, none of us can afford to let the progress that it symbolizes slip through our fingers. The time has come for a strong collective response. A successful conclusion to the Uruguay round will pave the way for even greater trade liberalization in the coming years, with greater prosperity for absolutely everyone.

In order for Korea to build upon its own spectacular growth, it will need a more open financial system. I know that American businesses are particularly concerned with restrictions in the financial system here which prevent them from trading and investing in the Korean economy. But the bottom line is that broader access for foreign financial firms is in your best interest; it is in Korea's best interest because a more open economy will benefit Korean businesses and their customers.

But there's more to it than that. During the last 50 years, engagement and free trade have produced peace and prosperity. Here, in Korea it's been remarkable, throughout the Asia-Pacific region, in Europe, and indeed, in the United States. This prosperity has gone hand-in-hand with

the growth of democracy, a fact that illustrates the indivisibility of security and political and economic liberty.

In the emerging post-cold-war era, economic engagement and expanded markets will ensure prosperity and stability for the people of the world. And that's why we've come here today. We want to build hope for a better life for our people. We want to create opportunity for all men and women. And we want to leave as our legacy peace for our children. And so, it is in that spirit of hopeful anticipation that I say thank you to all of you. What a remarkable, what a great job you have done. And yet what tremendous work lies ahead for us all.

May God bless your wonderful country. May God bless the relationship between our countries. And thank you for this opportunity to speak to such a distinguished group of business leaders. Thank you very, very much.

Note: The President spoke at 1:24 p.m. at the Hotel Shilla.

Remarks to the Korean National Assembly in Seoul

January 6, 1992

Mr. Speaker, Mr. Secretary General, Assemblyman Park, and distinguished members of this National Assembly: Believe me, it is a great honor to return once more to this house, the symbolic center of Korean democracy. As the Speaker said, I first came to this chamber in February of 1989, just one month after taking office, and Barbara and I still recall the warm welcome we received then from the people of Korea. And here we are, celebrating our 47th wedding anniversary with all you young people. And you make us feel very much at home, and I'm grateful to each and every one of you. Thank you very much.

February of '89, that was nearly 3 years ago. In the short time since then, we have seen our world transformed. The epic cold war struggle between the forces of freedom and the Communist world came to an abrupt end; with God's mercy, a peaceful end. Gone is the Berlin Wall, the Warsaw Pact, not simply the Soviet empire but even the Soviet Union itself. Everywhere we see the new birth of democratic nations, a new world of freedom bright with the promise of peace and prosperity.

During my visits these last few days to Australia, to Singapore, and now to your wonderful country, Korea, I have stressed that this new world of freedom presents us with fresh and demanding challenges: Meeting new requirements for global security and stability, promoting democracy, and enhancing world economic growth and prosperity.

Korea, too, is a part, an important part, of this changing world. Indeed, you are at the center of these challenges. At home your country is developing its own democratic and free market traditions, and in the world Korea is helping to shape a changing security and geopolitical landscape. Your influence in world affairs is enhanced by the fact that at long last Korea is assuming its place as a full member of the United Nations. Mr. Speaker, as President of a nation that fought under the U.N. flag to keep Korea free and to establish the conditions for growth and prosperity, we share your pride in what you have justifiably achieved.

Yes, change transforming our world, a revolution is on our hands. And yet, the cold war continues to cast its shadow over Korea. Just 25 miles north of this capital city, the Korean Peninsula is still cleaved by that DMZ, the ribbon of land that separates one people yearning to live in peace. Who can calculate the human cost: 10 million Koreans separated now from family members for 4 decades.

For 40 years, the people of Korea have prayed for an end to this unnatural division. For 40 years, you have kept alive the dream of one Korea. The winds of change are with us now. My friends, the day will inevitably come when this last wound of the cold war struggle will heal. Korea will be whole again. I am absolutely convinced of it.

For our part, I'll repeat what I said here 3 years ago: The American people share your goal of peaceful reunification on terms acceptable to the Korean people. This is clear. This is simple. This is our policy.

Recently, North and South made progress in easing tensions, in exploring opportunity for peace and understanding through direct talks at the prime ministerial level. This search has produced positive results: First, December's historic nonaggression agreement, and then, on the eve of this new year, an agreement to forever ban nuclear weapons from the Korean Peninsula. These positive developments come at a critical time of rising concern, at a time when North Korea's pursuit of nuclear arms stands as the single greatest source of danger to peace in all of northeast Asia.

This progress is a tribute to the policies of President Roh and the Government of this Republic. South Korea has systematically eliminated any possible action that could justify the North's pursuit of such deadly weapons. This Republic has rejected all weapons of mass destruction, and to give further meaning to this pledge, South Korea renounced all nuclear reprocessing and enrichment activities. On December 18th, President Roh announced that there were no nuclear weapons on South Korean soil. To any who doubted that declaration, South Korea, with the full support of the United States, has offered to open to inspection all of its civilian and military installations, including United States facilities.

At every point, South Korea's approach was open, sincere, and fair. Each good-faith action increased the call for the North to make a positive response. Today the prospects for real peace on this peninsula are brighter than at any point in the past four decades.

And yet, paper promises won't keep the peace. I call on North Korea to demonstrate its sincerity, to meet the obligations it undertook when it signed the Non-Proliferation Treaty 6 years ago. North Korea must implement in full all IAEA safeguards for its nuclear facilities without exception, and I might add, without delay. Moreover, North Korea, together with the Republic of Korea, should proceed to implement the inspection and verification portions of their unprecedented joint declaration on nonnuclearization, signed one week ago. Prompt action by the North will mark a new milestone on the path toward peace.

But let this be clear: The United States has and will support the security aspirations of its ally in the South in the cause of peace.

We are pleased that our September announcement about nuclear weapons helped lend momentum to the effort to make Korea safe from nuclear proliferation. And we've worked with others in the region to send a multilateral message to North Korea. And we've been willing to open our facilities to Korea to challenge North Korea to do the same.

We've also left no doubt that we'll back these overtures for peace with a demonstration of our

military resolve. As you know, we've postponed our plan to reduce the number of American troops stationed here in Korea. Let there be no doubt: The people of this republic should know that the United States commitment to Korea's security remains steady and strong.

I renew that pledge as an ally, as President of a nation that shares your devotion to democracy and self-determination. Down through the decades, from Korea to Kuwait, from the American soldiers who gave their lives at Inchon, Pork Chop Hill, to the Korean forces who stood with us in Desert Storm, our two nations have upheld the international ideal that between nations and not just within them, common interests call for common action.

Today, in many quarters, that ideal is being questioned, even criticized. There are those who see the many changes in our world and say, ``Well, our work is done.'' They urge us to declare victory, celebrate the collapse of our common enemy, and then come on home. They fail to recognize a fundamental fact: The cold war era changed our world forever. We did far more than hold a common enemy at bay. Together, we built a new world: A system of collective security to keep the peace, a system of free trade that fueled a generation of prosperity the likes of which the world has never seen, and a common commitment to political openness and liberty that now sustains a worldwide movement toward democracy.

The passing of the cold war must not mark the beginning of a new age of isolationism. The nations of the free world share more than a common history; they share a common destiny. There is no going back, only forward.

The developments of the past 40 years, the dramatic expansion of democracy, the geometric increase in global trade has created a system of common interests. To turn our backs now, to walk away after this great victory for freedom, or to retreat behind high trade walls into regional blocs would turn triumph to tragedy.

America is a Pacific nation. We will remain engaged in Asia, as we are in the other regions of the world. But just as the world itself stands on the threshold of a new era, so too we now enter a new era in U.S.-Korean relations. What began in the heat of the war as a military alliance has grown into a broader relationship, a partnership anchored in shared economic interests and common political ideals.

Korea's new role will, yes, mean new responsibilities, a new partnership based upon Korea's growing capabilities and increased ability to contribute to peace and prosperity in the Pacific and beyond.

The world now recognizes Korea as an economic powerhouse. We are pleased that over the past few years that we've narrowed our current account imbalance from about $9 billion to about $1 billion and that U.S. exports to Korea have increased at a pace of more than 7 percent over the last 2 years.

We must acknowledge the equally important strides that you have made in strengthening the institutions of democracy. Even in the 3 years since my last visit, the change is clear for all to see. With the encouragement of President Roh, this National Assembly now plays a greater role in Korean politics. I understand you have some very avid debates in this chamber. Well, join the club. That's what we do at home all the time. That's democracy in action.

In 1992 alone, South Korea will hold at least three elections at the local and national levels. Across the country, democracy is giving voice to new ideas and opinions, and since 1990 alone, 10 new daily newspapers and nearly 1,000 other new publications.

Free speech, free elections, private property: these are the cornerstones of the new world order, fundamental freedoms that secure peace and prosperity.

Consider your own history, a case study in contrasts between North and South. More than four decades ago, the South, with less land, fewer resources, and more people than in the North, set its course for free enterprise and free government. North Korea, well, they traveled a different path. Blessed with rich resources and a stronger industrial base, the regime that ruled the North marched its people down the dead-end path of totalitarianism and international isolation. Its economy stalled. Its society suffocated. Its cohorts went their own way.

Today, the South is a dynamic participant in the community of democratic and market-oriented societies. The South is at peace, free, and prosperous, with an average annual income four times higher than in the North and a history of double-digit growth that has propelled it into the front ranks of the world's economies.

And now, you must build on your success. You must sustain the conditions that fueled your phenomenal growth. Korea did not raise the living standard of its people by closing itself off from the outside world. Today, Korea stands as America's seventh largest trading partner. With me on my trip are executives from some of America's leading companies, many with interests in expanding business with Korean companies and Korean consumers. America is not only your largest market, Korea's largest market, but a leading source of the technology and capital that helps fuel your economic growth. This nation owes much of its economic miracle to open markets abroad. Korea must see clearly that prosperity in the new century lies in open markets.

Trade is one activity where the interests of all nations intersect. Let me repeat here what I've said in Australia and in Singapore: At home in the United States, especially during tough economic times, my highest priority must be jobs and economic growth. But my allegiance to the American worker is not at odds with the interests of the Korean consumer. Trade is not a zero-sum game enriching some nations at the expense of the others. Growing trade provides the people of both our nations with higher standards of living and better lives.

Pressures for protectionism are building. We see it in my country with the new breed of economic isolationists who urge us to build barriers to expanding trade and opportunity. We see it here in Korea in a frugality campaign that's been used by too many to discourage imports. But wherever this impulse shows itself, we must fight back for trade that is free, fair, and open.

We must heed the lessons of history. For the first half of this century, great nations sought refuge in isolationism and in its economic accomplice, protectionism, and the world succumbed to the ravages of war, and think back, to depression. Since the Second World War, free nations large and small pursued a common course, forging alliances and fostering trade, and the world as a consequence has enjoyed an era of unprecedented peace and prosperity.

The history of this century is not lost on Korea. As a founding member of APEC, the forum for Asia-Pacific Economic Cooperation, you have worked with your economic partners in the region to bring down barriers to trade. But the key test, the key test now is before us in this Uruguay round. As an emerging economic power, Korea has shared greatly in the bounty of an open and growing world trading system. That reward carries with it profound responsibilities. Korea must now shoulder with other trading nations the burden of leadership on behalf of the multilateral trade regime.

As I mentioned before the business leaders of our two nations earlier today, I am urging at each stop of my trip that we use the Dunkel draft text as the basis for successfully concluding the GATT round of trade talks. Korea has the opportunity to help fight the forces of protectionism, to help tip the balance in favor of free and fair trade policies that remain the world's one path to prosperity.

Our two nations share a history written in the blood of our people. The bonds forged in the cold war, at the brink of Korea's mortal danger, have grown stronger through the years. Forty years ago, the free world made your struggle their own struggle. Our forces fought here for a future free from tyranny. And you did far more than survive. In the shadow of the cold war, you showed what we can achieve so long as we are free.

For four long decades, Korea has stood at the frontier of freedom, vigilant, determined, never wavering in its commitment to the great cause of independence and liberty. So today, as we enter a new world, the world we fought for 40 years ago, Korea stands with us: a steadfast friend, ally, and partner; proud, prosperous, and free.

I salute you. I congratulate you. And may I thank you for this warm welcome. And may God bless the wonderful people of Korea. Thank you all very, very much.

Note: The President spoke at 2:40 p.m. at the National Assembly Hall. In his remarks, he referred to Park Jyun Kyu, Speaker of the National Assembly; Park Sang Moon, Secretary General of the National Assembly; and Park Chung Soo, chairman of the Foreign Affairs and

National Unification Committee.

Text of Remarks at Camp Casey in Yongsan, South Korea

January 6, 1992

I understand you've come to Yongsan from far and wide. It's a great privilege to meet with all of you today. Let me salute the proud men and women of the 2d Infantry Division. You are truly ``second to none."

You serve at a time when Korea is reaching new world status, when we can build on the progress and the promise of a new year. More than a military alliance, our countries are moving toward a political, economic, and security partnership.

We stand here just a few miles from the DMZ, a relic of the cold war, tragically separating one people. History's verdict is in: On freedom's side stands one of the fastest developing countries in history. On the other side, a failed regime that produces only misery and want.

For more than 40 years, the United States commitment to the Republic of Korea's security has been firm and unwavering. Nothing will change that. Korea is where America made a clear commitment to liberty. Korea is where we first stopped the spread of communism in Asia and fought to defend the international ideal of freedom.

In recognition of this republic's great achievements, we will gradually shift to a supporting role as the Korean military takes the lead in defense of their nation. But North Korea must know that we will resist any aggression and will keep our forces strong enough to do so for as long as the Korean people want our support.

Here at Camp Casey, you're a long way from home, and that's especially tough during the holiday season. With much of the world's attention on events in Eastern Europe, Moscow, and the Middle East, you may sometimes feel forgotten, just like Korean war veterans sometimes feel forgotten. So, I want you to hear this from the top. You have not been forgotten. The veterans of Korea won a mighty victory in the fight against communism. You honor them with your presence here on the frontier of freedom. America never forgets those who serve. For the sake of the families of the 8,000 MIA's of the Korean war we will continue to seek the fullest possible accounting from North Korea.

You've got a tough assignment here. Our able Chairman of the Joint Chiefs of Staff, General Colin Powell, served here himself and was back for a visit in November. He agrees with me: Your professionalism, your courage, and your vigilance are the keys to our success here.

I will not forget this day. I am inspired and invigorated just looking at you. The time is coming

when the Korean people will be united and free. Each one of you should be proud of your contribution to that inevitable triumph.

Note: The text of this address was issued by the Office of the Press Secretary on January 6.

Remarks at a State Dinner Hosted by President Roh Tae Woo of South Korea in Seoul

January 6, 1992

Mr. President, Mrs. Roh, distinguished guests, tonight we have much to celebrate, first and foremost our solid alliance. Many think that our partnership was born that moment 40 years ago when we joined forces against aggression. But it dates back over a century. When your nation looked outward for diplomatic and commercial opportunity, it looked then first to the United States. Today, our alliance has grown into a political, economic, and security partnership. I assure you, our commitment will continue well into the 21st century.

As you said, Mr. President, during your visit to the White House, ``Democracy in Korea is on course and is moving inexorably forward." Through hard work and commitment, the Republic of Korea has moved from a war-ravaged past to a prosperous present and an enviable future.

This republic's progress in resolving differences with your brothers in the North is a great step in the journey toward the day when all of Korea is free. I admire your steadfastness and commitment to a peaceful resolution. The many successes of your Nordpolitik policy, your enhanced relations with Russia and China, your active dialog with North Korea, move us closer to that day. If North Korea can truly abandon not only its nuclear weapons program but its belligerence as well, that ribbon of land at the 38th parallel will no longer divide this nation.

Mr. President, we know each other well; I know you are a modest man. Your leadership of the Republic of Korea during this period of incredible change has earned you an honorable place in the wonderful history of this nation. You've knocked down trade barriers, opened markets, and your nation's economy has prospered. With each election your country holds, at least three this year, free ideas and opinions flourish. Under your leadership, at long last South Korea took its rightful place in the United Nations.

So, Mr. President, with many thanks for a visit that we will long cherish and long remember, I raise my glass and ask all of you to join me, a glass to peace and unification for Korea, to your leadership of the Republic of Korea, to peace and prosperity, to the wonderful people of this land that we treasure as true friends. To you, sir, Mrs. Roh. And thank you all for a magnificent time. To your health, sir.

Note: The President spoke at 7:30 p.m. at the Blue House.

Remarks to Japanese and American Students in Kyoto, Japan

January 7, 1992

Thank you all very much. Why don't you all please be seated? [Laughter] Let me just say what a pleasure it is to be here with our very able Ambassador in Tokyo, Mike Armacost, who is doing a superb job. He's one of the great career Ambassadors of our service, and he's in a difficult and an important post, and he is doing an outstanding job. And I'm very pleased that he's here with us today.

I want to also say how pleased I am to be here with the former Prime Minister, Toshiki Kaifu. When he was Prime Minister and I was President, we worked very closely together on a lot of matters relating to world peace, better understanding between Japan and the United States. He was frank; he was straightforward; he was friendly to our great country. And I can tell you, I will never forget his many courtesies to me, and I will never forget what he did to strengthen the relationship between these two great countries, Japan and the United States. So Toshiki, thank you, sir, for all you've done.

And it's a great pleasure to have this first day of our trip to visit these ancient centers and shrines of really the Japanese soul and the Japanese nation, Kyoto and, later this afternoon, Kashihara in Nara Prefecture. But I come as a friend. I come with some ideas that we're going to be discussing with the Government in Tokyo starting tomorrow, and I also bring an open interest in learning a lot more about this great country.

I want to take note of the achievements of three mayors, Mayor Kumakura, Mayor Aoki, and Mayor Kudo, over here. These guys, they're from small towns in rural Japan, and these mayors have been instrumental in the establishment of branch campuses of American universities. And I really firmly believe, and you all are better equipped to speak to it than I, that these grassroots exchanges pay important benefits to both our countries. So, thank you very, very much, sir, all three of you, for what you're doing.

Let me just say to the students, this is kind of what we call in the trade a cameo appearance; you're in here and you're out of here in a hurry. But to the students of the Stanford Center, well, one or two here -- [laughter] -- and the Kyoto program students at Doshisha University -- [laughter] -- how many are there? When I click all these things off, it would be fun to see. University of Michigan, how many there? [Applause] All right. And how about the Aggies, Texas A&M? [Applause] Small but vocal contingent over here.

Incidentally, what the former Prime Minister was referring to is that each President, as you all know, Americans know, when he gets out of office, has a library, archive for the papers. And

mine is going to be in my home State, but at Texas A&M. And I'm looking forward to that very, very much; not too soon. [Laughter]

Let me just click off, for some of the journalists with us today, some things that I know you all know. About 2,000 American students now attend undergraduate and graduate programs in Japan. Many more Japanese students take part in comparable programs back in the U.S. And more than 1,000 Americans now teach in Japanese schools. And I hope that we will continue to do everything that we can to promote greater and greater participation in these important exchanges in the years to come.

They open up, in my view, new intellectual and cultural horizons, and these experiences really, I think, turn an awful lot of participants into the great leaders of our country, and both countries I might say. Look at today's Prime Minister of Japan, Prime Minister Miyazawa. When he was a university student, some may not know this, he took part in the sixth Japan-America student conference at the University of Southern California.

I also want to single out once again Prime Minister Kaifu. Toshiki's first travel to the United States was through the U.S. Information Agency's International Visitors Program. And then as Minister of Education and later as Prime Minister, he made great efforts to promote educational and executive exchanges that really do foster understanding between our two countries. Another leader who recognized the value of exchanges was my friend the late Minister Abe, Foreign Minister of Japan, who passed away. But the Global Partnership Fund, which he was so instrumental in organizing, carries on his good work today in supporting these student exchanges.

So in all, they are an aspect of the major purpose of this visit to Japan, namely to open and expand opportunities for interchange between our countries. And I want the people of our countries to have a far better understanding of one another. We need more Americans who can speak Japanese and who understand the workings of the Japanese marketplace.

I want to increase access for American goods and services in these Japanese markets. Open markets, like student exchanges, yield a bounty for all who participate. They help each other better understand. Open markets lift the technical progress to new heights. And they raise everybody's standards and benefit consumers, as a matter of fact, through the expanse of the global marketplace.

I've been saying this as I've traveled on this trip through Asia, but I am strongly convinced -- I'm sure there are some economic majors out here -- I am strongly convinced that free and open commerce is not a zero-sum game. Free trade on a level playing field creates jobs and lifts standards in both of our countries. So, the challenge of global competition can be driving our efforts for educational reform.

I don't know whether it's caught up with you all here, but we have a nationwide program called America 2000, has people from both sides of the aisle, Democrats and Republicans, from Governors in all States, helped me set the six major educational goals. American educational leaders and experts look to Japan for some examples as to how we can improve our schools.

David Kearns, I don't know if that name rings a bell. He's our number two at the Department of Education. But he visited Japan many, many times to examine Japanese quality products, first when he was the chairman and chief executive officer of one of our great companies, Xerox. He came back with a lot of ideas that he's now trying to help us implement there at the Department. American education experts attach importance to the fact that Japanese parents, more than in our country, are active in the children's schools and demand better performance. So, we're trying to find ways to increase parental interest.

And if I might say a pleasant word of my bride of 47 years as of yesterday, newlyweds we are, I think what Barbara is trying to do in terms of getting kids and getting families to read to their kids and kids to read to one another and adult education all adds into this program which we call America 2000.

Next spring, actually, we're going to hold a meeting of the education ministers of the APEC, the Asia Pacific Economic Cooperation group. And it's going to bring together the total experiences of 15 member societies to raise our common educational standards and to draw the most from our precious resource, the imagination and the energy of our people.

So, student exchanges reach beyond the technical and the expert level. They enrich the individual spirit, and they nourish the cultures of communities and nations. So, we need them. And while we need them to promote efficiency in markets and institutions, we simply must not neglect exchanges in the humanities, in history, fine arts, philosophy, the study of religion, languages, and literature.

Octavio Paz, the 1990 Nobel laureate for literature, put it well when he wrote, ``If human beings forget poetry, they will forget themselves." So, those of you all involved in the liberal arts, you have nothing to do but be proud of the work you're engaged in. And if you don't believe it, just ask old Octavio Paz, winner of the Nobel Prize. [Laughter]

But look, I do honor you, salute you for your spirit of scholarship and adventure. And if you get a little lonely from time to time, keep it in the big perspective. As I see it, with the crying need for better education, the crying need for peoples to understand each other better, you are doing something important just being here, just working, just understanding the culture of this great country. In my view, you're really doing something important.

I will simply conclude by this broad comment on my job opportunities, my own, that is. I can't think of a more exciting time in the history of this country, in the recent history of this country,

to be President of the United States. Now, you go back to where things were just a couple of years ago as you look at Eastern Europe; you look at parties in the Middle East that weren't even willing to talk to each other; you look at the Soviet Union that we lived in fear of when you all were two or three years younger. You wondered whether we were going to evolve into some kind of a nuclear holocaust, little kids going to bed scared in our country and in other countries all around the world. And that's changing, and it's changing for the better.

And so, it is a very exciting time to represent the only, I guess in terms of both military and economic, the only remaining, what they call superpower. But what we want to do is use our ingenuity and use our energies, well-represented by this group here today, to help people around the world; to assure the peace; to raise the standards of living of our own people by, as I said earlier on, opening markets and having our economy much more vibrant.

So, it's a wonderful time to be fighting these battles and accepting these challenges that will always be with whoever is President of the United States. This, as I say, is a cameo appearance; it's a quick drop-by. But looking around here, I can get a little sense of enthusiasm that occupies this crowd. And I really wanted to wish you a very, very happy new year. And may God bless you in your important work.

Thank you all very, very much.

Note: The President spoke at 2:29 p.m. in the Cosmos Ballroom at the Miyako Hotel.

Remarks at the Opening of Toys-R-Us in Kashihara, Japan

January 7, 1992

Thank you all very, very much, all of you. And may I first thank Governor Kakimoto and Mayor Miura for their gracious hospitality and say to all of you that it really is, for Barbara and me, a deep honor to visit this ancient and venerable city of Kashihara right here in Japan. And may I thank Minister Watanabe for being here. His ministry did so much to change the great retail store law, and I am personally very grateful to him for taking the time to be with us today.

And Mr. Charles Lazarus, thank you, sir, for your introduction. It's a pleasure being at your side and sharing your joy in the successful opening of Toys-R-Us. When our grandchildren heard about this trip to the Far East, they figured the highlight would be today, stopping at Toys-R-Us. And I'll just have to tell them I couldn't buy them anything because Barbara has cut my kozukai, my allowance, that is. [Laughter]

What we see here today is success for Japanese consumers as well as for ourselves in the effort to eliminate a major barrier in the Japanese distribution system. For years, American retailers have sought to compete in the Japanese market. And after all, Japan has the second largest economy in the world, and its consumers are increasingly demanding wider choices for themselves and their families, lower prices, and certainly uncompromising quality.

But American companies before weren't making any headway because the regulations, particularly the large retail store law, made opening new foreign retail stores virtually impossible. From the beginning of our administration we've had a key trade policy objective, and that was to break down the barriers to the sales of U.S. goods and services.

And in 1990, we launched the Structural Impediments Initiative, or what we call SII, those talks to remove the underlying economic barriers to trade and balance of payment adjustment and to promote open markets. SII has indeed enabled us to take aim at the rules that prevent our companies from competing in Japanese markets.

And when Japan changed its large store law, it lowered a key barrier to open trade. And Japanese consumers, your buyers here in this country, and our workers stand to reap the benefits. Japanese consumers will get stores with wider selections, more competitive prices, and quality goods from around the world. And U.S. companies will be able to operate businesses and sell their products in this huge and promising market.

And I think we're all here today because Toys-R-Us was ready to take up the challenge of SII, and it literally lived up to the old Japanese saying, ``Three years on top of a stone." We have

much to learn from the 3-year battle that Toys-R-Us waged to pry open the $6 billion Japanese toy market. After all, this is the first time that a large U.S. discount store has opened here, and it's blazed a trail. And now all kinds of companies can come on in, from toy stores to high-tech outlets.

And I hope that Toys-R-Us is but the first in a long line of American retailers to locate in this great country. Greater access is an exciting idea, and it will help create more jobs in America. And the opening of the Japanese retail market gives our manufacturers, particularly the small manufacturers, a conduit into markets they otherwise couldn't have touched and brings the Japanese consumer a wide choice of world-class goods.

The relationship between the United States and Japan is one of the world's most vital economic relationships. Our two nations produce over 40 percent, 40 percent of the world's gross national product, and therefore, our actions, taken separately or together, affect many countries.

We've worked together in close cooperation, for instance, at the economic summit, in the G - 7 framework, and in international financial institutions to promote global growth and shared prosperity, Japan and the U.S. working for those common goals.

But we still face many challenges. And each partner must realize that it benefits from free trade and open markets. Our economic relationship is not a zero-sum game for either side. And though we're pleased at the success so far, we're not satisfied with just reaching these piecemeal trade agreements. In the cause of free and open trade, we want agreements that produce permanent improvement in access and in U.S. sales to Japanese markets and permanent improvement in the lives of Japanese consumers.

And what makes me so happy here today is that we see here the beginning of a dynamic new economic relationship, one of greater balance. There is much that we can do for the world based on a forward-looking global partnership between two great nations, two powerful economies, and two resourceful, innovative peoples. And together we will go far.

Just two last points. I will do my level-best as President of the United States to preserve and strengthen the important relationship between Japan and my great country. It has a lot to do with world peace. It has a lot to do with world economic stability. It has a lot to do with two great economic and democratic countries working together, setting an example for other countries around the world. So, I want to say to the Minister and to the Prime Minister, I will do my part to keep this relationship on track.

And lastly, and this is the end, you'll be happy to know, I just want to thank all of the people in this wonderful city who have given Barbara Bush, over here, and me such a warm welcome. When we got off that helicopter here and came by those wonderfully warm, smiling faces, extending to us a warm, Japanese welcome, we felt very, very grateful and very emotional. And

that said an awful lot about the friendship between Japan and the United States of America.

Thank you. And may God bless each and every one of you.

Note: The President spoke at 4:10 p.m. In his remarks, he referred to Yoshiya Kakimoto, Governor of Nara; Taro Miura, Mayor of Kashihara; Michio Watanabe, Japanese Minister of Foreign Affairs; and Charles Lazarus, chairman and chief executive officer of Toys-R-Us. A tape was not available for verification of the content of these remarks.

Remarks With Prime Minister Kiichi Miyazawa of Japan to the Presidential Business Delegation in Tokyo

January 8, 1992

The President. Let me just say to those on the American side and this very distinguished delegation of American business people that are here, led by our able Secretary of Commerce, how pleased we are to be in Japan and, Mr. Prime Minister, how much we appreciate your hospitality.

Are we going to have a translation or do we -- --

The Prime Minister. Go ahead. I think we understand.

The President. And to the Japanese here, let me say how important we view this part of our trip. The trip is not simply about jobs and business. This is a terribly important part of it. But given the breadth of understanding of this Prime Minister, we've been able to talk about world security problems, about a global partnership, about the big picture. To guarantee that this big picture continues to unfold in a positive way, we must make dramatic progress on the business side. And indeed, Prime Minister Miyazawa and I have had a real opportunity now to begin once again our discussions of this.

But I would say to you, my friend, these are good people, our business people. They are people that not only represent individual American companies, but in a sense we've brought a delegation that is widely connected with chambers of commerce, Federation of Independent Business, the heartbeat of our country in jobs in small business, independent business. And so, the head of the Independent Business Association is here, the National Association of Manufacturing. And in these discussions, your friends and colleagues are talking to our organizations as well as to these business executives and individuals in whom I have so much personal confidence.

But we're grateful to you. And I would just like to turn the floor over to you, sir, for any comments that you'd care to make.

The Prime Minister. Thank you, Mr. President. If I may, a few words.

Secretary Mosbacher, distinguished U.S. business executives, I hope you are having a productive meeting. It must be quite rare, even in the United States, for such an outstanding group of business executives to get together in one room, particularly from such a broad spectrum of industries ranging from potato chips to computer chips. [Laughter] I should be delighted if you take full advantage of this special occasion for the benefit of both economies.

President Bush and I are working hard to advance our bilateral relationship including its economic aspect, not only for the sake of our two countries but also for the rest of the world. In so doing, both the President and I have great expectations for the input from the private sectors.

Now, 18 people are enough to form 2 baseball teams. I hope you will be throwing balls of imaginative and creative ideas back and forth with the Trade Minister here today, as well as with Japanese business representatives tomorrow morning, so as to further utilize market-access opportunities here in Japan.

You are welcome. Thank you very much.

The President. May I correct an omission? Yesterday, far beyond the call of duty, Mr. Watanabe, the Minister, met with our people and came down and couldn't have been more hospitable to Mrs. Bush and me. And I'm very sorry I did not mention that in the beginning of my remarks.

We note these things. We Americans note these courtesies. And that one, I think, was wonderful. And your asking the former Prime Minister to come down there to greet us also was noted with great appreciation and got this visit off, I think, Mr. Watanabe, to a good start yesterday.

But now we've got to follow through. We've got to be specific. We've got to get to as much as we can, set tables, times -- ``Let's do it by then." And I think we can do it. I really believe that we can move this process forward. And it is in our interests; it is in your interests. And I like to think that because of the progress Japan has made and the enormous potential that we both have, that world leadership is at stake.

We've got something here with the world that's changing. These people have heard me give this speech, but I'll be very short. But Kiichi, when you look at where we were a year ago or 2 years ago in terms of world peace, your little kids in this country or kids in our country growing up worried about nuclear holocaust, and now we see a tremendous opportunity -- --

The Prime Minister. This is really a new wind in the world.

The President. It is. So, we've got to lead it. And we've got to work; we've got to iron out these differences between us so that we can go forward without tensions mounting and dividing up the world into trading blocs. And I am really excited about the potential. But here's a man that's demonstrated his interest.

The Prime Minister. You have done a great deal to bring this new world of peace, really, after the Gulf thing.

The President. I might use this opportunity to say here in front of our leaders in Japan that there

had been some rumors around that in the United States, that I have addressed myself to in the United States, of a disappointment on the part of me as President about Japan's part in Desert Storm. With the press here, let me just repeat what I've said at home: Japan stepped up and did what Japan was asked to do.

And I have been very grateful for that. And to the degree that anyone here might be asked about whether we were disappointed in Japan's role, the answer, as I've said back then, is no. Japan did what was asked of Japan. And Japan was there in several important ways, and they were not asked to send troops into Desert Storm. We understand, and we didn't ask for that. And so let me just take this opportunity to tell you that's not an irritant between us.

The Prime Minister. I, Mr. President, greatly appreciate your saying so. I think we did our utmost, and I do appreciate your saying that. There perhaps had some misunderstanding on your part, on our part, both sides of the Pacific. But I do appreciate your saying that.

The President. Yes. Well, there's none on mine, but there may have been on our side of the Pacific. There's a lot of misunderstanding over there. But I want you to know that because we thought you responded very positively. You shouldn't have a burden of people saying you didn't.

The Prime Minister. Should we get down to our discussions again?

The President. Okay. Thank you all.

Note: The President spoke at 12:26 p.m. to Japanese and American business leaders meeting in Akasaka Palace. In his remarks, he referred to Michio Watanabe, Japanese Minister of Foreign Affairs.

Joint Statement by the President and Prime Minister Kiichi Miyazawa of Japan: A Strategy for World Growth

January 8, 1992

President Bush and Prime Minister Miyazawa today announced A Strategy for World Growth designed to strengthen the world economy.

The President and Prime Minister expressed concern that growth of the world economy in 1991 slowed to the lowest level in nearly a decade. They recognized that the outlook for growth of the world economy this year is weaker than previously expected. This situation could adversely affect the prospects for income and jobs, undermine the efforts of newly emerging democracies and the developing countries to implement sound market-oriented economic reforms, and raises the spectre of renewed protectionism.

The United States and Japan are the two largest countries in the world economy, together accounting for nearly 40 percent of total global production and more than 20 percent of world trade. The President and Prime Minister, aware of a special responsibility placed on their countries by their position, recognize that each country needs to pursue responsible economic policies that strengthen the international economy and global trading system. They have decided to undertake domestic policies to improve growth prospects, as a part of a cooperative effort which contributes to the attainment of sustainable growth with price stability and the promotion of global economic recovery.

Prime Minister Miyazawa, with these considerations in mind, stated that the Government of Japan will submit to the Diet the fiscal 1992 budget and the Fiscal Investment and Loan Program aimed at strengthening domestic demand by increased public investment through the central government and local governments, and contributing to the world through its official development assistance (ODA) and other measures, despite tight fiscal conditions. Prime Minister Miyazawa stated that the Government of Japan will monitor the progress of the above measures so as to assure that the expected effects are realized. The recent decision by the Bank of Japan to reduce interest rates is also intended to maintain sustainable growth with price stability.

Toward the same end, President Bush also stated that he would be submitting to the Congress a comprehensive program to strengthen U.S. growth and competitiveness. The details of the program will be contained in the President's State of the Union message and his budget proposals for fiscal 1993 to be announced later this month. The President noted that the recent reduction in interest rates reflected the determination by the Federal Reserve to facilitate U.S. economic recovery and growth. The President also reaffirmed his commitment to achieve a

substantial reduction of the U.S. budget deficit over the medium term.

The President and Prime Minister reviewed developments in financial markets and agreed that recent exchange rate movements were consistent with current economic developments. They expressed confidence that the above measures and developments will contribute to correction of external imbalances.

President Bush and Prime Minister Miyazawa expressed their continued support for ongoing economic policy coordination among G - 7 countries as essential for achieving their common objectives as expressed in this statement. They stressed the importance of continued cooperative efforts and called on other industrial countries to join with them.

Text of Remarks at the State Dinner Hosted by Prime Minister Kiichi Miyazawa of Japan in Tokyo

January 8, 1992

Mrs. Bush. Mr. Prime Minister and Mrs. Miyazawa, I rarely get to speak for George Bush. But tonight I know he would want me to thank you, on behalf of the members of his administration and the American businessmen who are here, for a wonderful visit and for a great friendship, in my part, for a lovely day, and I think for a wonderful day for all of you.

You know, I can't explain what happened to George because it never happened before. But I'm beginning to think it's the Ambassador's fault. [Laughter] He and George played the Emperor and the Crown Prince in tennis today, and they were badly beaten. And we Bushes aren't used to that. [Laughter] So, he felt much worse than I thought. [Laughter]

But General Scowcroft is going to speak for the President. And thank you very much for a wonderful visit.

Mr. Scowcroft. Ladies and gentlemen, it's my great honor on behalf of the President, and without his assured elegance, to deliver the remarks he was going to make. May I first, Mr. Prime Minister, on his behalf, thank you for your very kind words, your expressions of solidarity, hope, and friendship.

Prime Minister Miyazawa, Deputy Prime Minister Watanabe, distinguished ministers, distinguished former Prime Ministers, ladies and gentlemen. Mr. Prime Minister, it is already clear from our discussions that we share much in common. Most important, we both want stronger ties, better trade, and a closer friendship between our two countries.

Barbara and I are honored to be here. I am proud to join you in welcoming the season of the new year and to look ahead with honesty and understanding to the era of a new century.

Mr. Prime Minister, let me offer my very warmest congratulation on your election. I sincerely look forward to the work that lies together before us. As you remarked earlier this year, the United States and Japan share the same values and bear a heavy responsibility for world order. It is my conviction that the United States and Japan must move forward together as partners. We share a common vision for the post-cold-war world, a world knitted together by a global trading system with common rules making possible free and equitable competition.

Kiichi, I know our people share a love of baseball, so perhaps we should think of this new world in this spirit. You've called your country a team player, a description I would also apply to America. So let's compete in the arena of free and open trade. Open competition and close

cooperation will make both our countries winners. Working together, no two nations can do more to realize a new era of peace and prosperity than Japan and the United States.

You once spoke of the need to create an economy for the benefit of mankind and to challenge the unknown. So now, let us join together. Let us forge a global partnership as we confront the challenges of the coming century. For the sake of our children, for the sake of their children, we must not let these opportunities slip through our fingers.

Mr. Prime Minister, I hear you are fond of the phrase ``large trees with deep roots." Let us guard the growing tree of our friendship so that it may shelter all the generations to come.

To this friendship, I raise my glass.

Note: The dinner was held in the Small Dining Room at the Prime Minister's residence in Tokyo. The President became ill at the dinner before the scheduled remarks, and he returned to the Akasaka Palace. Mrs. Bush spoke at 8:55 p.m. Gen. Brent Scowcroft, Assistant to the President for National Security Affairs, delivered the President's remarks.

Text of Remarks at the Japanese Welcoming Committee Luncheon in Tokyo

January 9, 1992

Thank you, Prime Minister Kaifu. Of course, I want to start my remarks by extending to all of you the President's apologies for not being present at lunch today. This meeting was to be a high point of his trip. I'm sure you all know as well of his great respect and warm feelings for former Prime Minister Kaifu. And it is with real regret that he was not able to be here at lunchtime today.

As Prime Minister Kaifu said, the President is fine. I talked to his doctor just an hour ago. The doctor is a former classmate of mine at college. I know him very well, so I can assure you the information is correct. The doctor has told the President in very strict terms to rest this morning. He will be resuming his schedule later today and, I'm sure, will express to all of you his deep regret at not being able to join you at this wonderful gathering.

Mr. Prime Minister, members of the Diet, distinguished guests, it is a deep honor to be here today. President Bush has asked me to make his remarks to you this afternoon. Although there have been minor grammatical changes in pronouns, this is the President's speech. These are his words.

We come to Japan at the culmination of a long and productive journey. Today we stand at a turning point in history. The cold war is over. The Soviet Union has vanished and with it the delusions of communism. Centuries-old enemies in the Middle East are tempering ancient hatreds in pursuit of peace. Freedom's phoenix is rising from the ashes of tyranny in nations from Latin America to Eastern Europe and from Cambodia to Mongolia.

Freedom's rebirth was painful, its triumphs inscribed in blood, its truce seared by the fires of war and sacrifice. This century has taught us two crucial lessons: First, that isolationism and protectionism lead to war and deprivation; and second, that political engagement and open trade lead to peace and prosperity.

These last few years we again learned of the power of ideas. Technologies that transmit ideas in the blink of an eye carry the human spirit over barricades and through barbed wire. They hurdle walls designed to hold back the truth. We live in a world transformed, shrunken by swift travel and instant communication, drawn closer by common interests and ambitions, propelled forward by people's imaginations and dreams.

As leaders of this transforming world, the United States and Japan must help build a new international order based on the rule of law, respect for human rights, and political and economic

liberty. We must shape a world enriched by open trade and robust competition, a world that will create a better life for people of all nations.

The United States lies between two great oceans, the Atlantic and the Pacific. We are a nation of the Atlantic by birth, but our ties to the Asia-Pacific region deepen daily. Our two-way trade is now $310 billion annually, one-third larger than that with Europe. Our prosperity and yours are indivisible. American businesses cannot flourish in Asia unless the economies of Asia thrive and grow.

At the same time, Japan's growth needs American markets open and growing. Since 1975, the number of Americans of Asian origin has nearly quadrupled. What happens here is very important to us. And at the core of our continuing Asian engagement stands our alliance with Japan.

At each stop during his visit to the region, the President has stressed the challenges we must face, addressing the new security requirements of our transforming world, promoting democracy, and generating world economic growth and prosperity. Let me expand upon that by focusing on the special relationship that the United States enjoys with Japan. Rarely in history have two nations with such different and differing historic cultural roots developed such an extraordinary relationship. Our people are bound by shared security, by democracy, and by our deep economic ties.

There are those who doubt the future of this relationship. There are reasons for tension. Here in Japan you have a saying, ``Some rain must fall to prepare the ground for building.'' We can all see that without progress we may be in for some rough weather. And I must be frank in saying that there are problems in our economic relationship. Speaking not only for the United States but for many developed countries, Japan's trade surplus is too high, and its market access too restricted.

President Bush has come to Japan as a friend, seeking solutions to these concerns, believing that the expansion of free and fair trade will do nothing but strengthen our relationship. We in the United States are confident about our capacity for partnership. Our areas of common interest are too important. Consider the four key areas of our joint relationship.

First, the U.S.-Japan security alliance. We enjoy a strong security bond with Japan. Japan's generous host-nation support for U.S. forces stationed here is an important demonstration of shared responsibilities. Let us make the most efficient use of our defense resources by building greater coordination of our military forces and by promoting the two-way flow of defense technology. Such cooperation enhances our security and builds even stronger political ties between us.

The Gulf crisis sparked spirited debate here about Japan's global role. That makes it all the more

profound that no nation outside the Gulf region provided more generous financial support than did Japan. The American people and peace-loving people everywhere appreciate deeply your contribution, Japan's contribution, to the United Nations coalition in the Gulf.

Even before the Gulf war, but especially in its aftermath, Japan has continued to define its growing role in world affairs. An increasingly active, engaged, and responsible Japan is critical to a forward-looking post-cold-war community. That community will not exist unless its leading powers lead.

This brings us to the second area of our relationship, our foreign policy cooperation. We must fulfill the bright promise of our global partnership. Together, we produce 40 percent of the world's gross national product. We contribute together 40 percent of all bilateral aid. We have the ability to marshal unrivaled resources to build a better future if our foreign policies are well coordinated.

America has a responsibility here, but it is a responsibility we share with Japan. The upcoming conference on assistance to the nations of the former U.S.S.R., now the Commonwealth of Independent States, is a timely example of such foreign policy coordination.

The collapse of the Soviet Union has also spurred questions within Japan about the durability of U.S.-Japan alliance. For decades, this alliance has stood as the bulwark of American-Japanese international cooperation. It is today every bit the linchpin of regional stability and bilateral cooperation that wise men foresaw years ago.

The demise of the Soviet Union may confront us both with ominous dangers, but it also presents us an historic opportunity. The leadership Japan and other Asian nations can provide to help transform a once-totalitarian empire into market-oriented and democratic states helps guarantee the future peace and stability of our world.

Let me add that with the changes in the former Soviet Union, the United States sees no reason why Japan should not regain the Northern Territories. We share this goal, and in whatever way we can, we will help you attain it.

We cannot imagine meeting the foreign policy challenges of our time without Japan as a partner. That is why today Prime Minister Miyazawa and President Bush will issue a document called the Tokyo Declaration, setting out the basic principles and major challenges of our global partnership. By putting into words the fundamentals of the two great partners, we hope to guide the way through the turbulent waters ahead. We must be clear about our responsibilities and our requirements, for our renewed alliance will do much to define the shape of the post-cold-war world.

Third, we must deepen our understanding of each other. For all of our interaction politically and

economically, our peoples know too little of the other's history, traditions, and language. We welcome the work of the Center for Global Partnership in expanding exchanges and interactions, intellectual, scientific, and cultural. Thanks to such programs, our two nations will have an ever-increasing number of people who have lived in each other's country, speak each other's language, and understand more fully how important we are to each other.

Although more than 200,000 Asian students now study in American colleges and universities, more Americans must immerse themselves in Asian societies and cultures.

As the exchange of free people and ideas flows between our nations and as the cold war ends in victory for our cause, our economic relations have taken center stage. This brings me to the fourth and most important point.

If we are to expand our economic ties, we must face up to the economic tensions that threaten our relations. We must reduce those tensions now by opening markets and by eliminating barriers to trade and investment. We are now each other's largest overseas trading partner. Japan will sell about $90 billion worth of goods and services to the United States this year. We will sell nearly $50 billion to Japan.

Our economies, the world's two largest and most technologically advanced, have become irreversibly intertwined. Closing markets and restricting trade have previously brought the world to the brink of economic disorder. Isolation and protectionism must remain the sleeping ghosts of the past, not the waking nightmares of the future. We must reject these failed notions in the sure knowledge that expanding markets mean expanding jobs and increasing prosperity for both our countries.

We must ensure a continued strong two-way economic relationship between Japan and the United States, with markets more open to new goods and services, manufacturers more open to new competitive ideas, the financial services industry competing on a fair basis, and an equitable flow of technology on both sides.

Our two countries share a special responsibility to strengthen the world economy. Yesterday the President and the Prime Minister announced a strategy for world growth which commits both our countries to domestic policies to stimulate growth. Expanded domestic demand in Japan translates into additional exports to Japan for American products and jobs at home. And we are seeking broad support for growth policies among other industrialized countries as well.

Many American businesses learned during the past decade that the old ways no longer work in our changing international marketplace. Our companies have cut costs, improved quality, and championed innovation. As a result, our products sell in markets everywhere they have access. And candidly, such access is still limited in Japan.

We must reduce the trade imbalance between us, not through managed trade, through gimmicks or artificial devices, but simply by gaining true and welcome access to your markets. We want to create fair opportunities for traders and investors, both buyers and sellers, by removing the barriers both seen and unseen to open and equitable trade.

American business doesn't need a handout and doesn't want one. Some say that perhaps it is time to help the United States out of a sense of pity or compassion. Let me tell you, we are looking for no such help. What the United States wants from Japan is for Japan to recognize its international economic responsibility for its own sake and for the sake of the global marketplace upon which Japan depends. When we express appreciation to those who seek to open Japanese markets, it is not because we need a handout but because we know an open Japan is good for us all.

Our companies simply expect the chance to compete fairly in markets around the world. Our Government remains committed to open markets, and we will further reduce our own trade barriers as our friends dismantle their own.

Our two countries have embarked on a unique experiment in economic independence called the Structural Impediments Initiative. In this effort, each side pinpoints the other's barriers to competitiveness, and each commits to reduce them. We both must reinvigorate this commitment to market access, whether for high quality American products or quality American services. The beneficiaries will be the workers and consumers on both sides of the Pacific.

Improving our economic relations includes further opening your markets. It means greater openness in many sectors of the Japanese economy still biased against outside investment. These practices hurt American companies, but they also hurt Japanese consumers.

Americans want the same things you want, a better quality of life for themselves and their families. Americans never say, ``Please raise our prices." And I'll bet the Japanese don't either. Every worker is also a consumer, and economic competition brings them great choices and lower prices. In fact, the Toys-R-Us store that the President visited in Kyoto offers prices up to 30 percent lower than its Japanese competition. The stunning success of the consumers' response to its sister store north of Tokyo tells the same story. That's good for us, and it's good for you.

U.S. export business is stronger than ever. We sold more exports last year than ever before. We enjoy a trade surplus with Europe. About one-third of our economic growth between 1985 and 1990 was attributable to merchandise exports. To Japan, our manufactured exports are up 70 percent since 1987, a $20 billion increase that represents almost half a million jobs.

Still the overall trade deficit with Japan remains large. And I might add, its persistence is truly the exception among our trading partners. Let me say this: We have waited a long time, but now the time has come for equal access. Fairplay is in both our interests.

As you know, the United States and Japan also face the urgent challenge of leading the way to a successful conclusion of the Uruguay round. Because of the benefits we each derive from free trade, Japan and the United States bear a special responsibility for tackling the remaining difficult issues quickly and decisively. The success of the round depends on bold, farsighted leadership. We must lift our gaze to the glimmering horizon of broader prosperity and not worry over the stones in our immediate path.

Yes, all of us have problems with portions of the so-called Dunkel draft, but we cannot let the progress it represents slip through our fingers. If we allow that draft to be picked apart by special interests, who wins? Not our people, not yours, not the less developed nations. No one. The GATT round is the world's best hope for expanding trade for all countries.

Men and women from all walks of life and all parts of America constantly tell the President this: They believe very, very strongly in creating a level playing field for everyone. We want all our trading partners to give the United States companies the same kind of opportunities that their firms enjoy in the United States. That's not just free trade; that's fair trade. And it creates a basis for even greater freedom and greater prosperity for all.

Many of our Japanese friends argue that the United States must improve its competitiveness, and they're right. We recognize that some of our bilateral trade imbalance stems from causes other than restricted market access. One reason for Japan's competitiveness is because Japan has saved and invested at a rate double that of the United States. You have focused on applied research and development and new manufacturing technologies. Your companies have established fine quality control systems. You have developed a highly educated labor force and have taken the long view to develop markets abroad.

There is much for us to learn from you. We are taking steps to boost our competitiveness. We can and will increase our rate of savings and investment. We will continue to boost our manufacturing's excellence. We will reduce the budget deficit. To stimulate innovation, risk, and longer term business outlook, the President is pushing for investment incentives, R&D credits, and capital gains tax cuts. In America, cutting capital gains is politically extremely difficult. It would be easier if our politicians saw the positive effect on Japan's competitiveness due to low capital gains rates.

And America must raise its educational standards. Our America 2000 education strategy will fuel a revolution for better quality schools. This is another path to competitiveness. The education achievements of Japan and others in the Asia-Pacific region inspire us. That is why President Bush has invited the countries of the Pacific Rim to send their education ministers to Washington for a conference this spring to seek new ways to cooperate and to learn from each other's accomplishments.

With the President today, traveling with him, is a delegation of America's top business leaders.

They've come to explore new business opportunities in all the nations the President has visited. Every one of them can tell you that despite the fact that our economy is facing some new tough times right now, America still draws upon tremendous strengths. Our basic research is the best anywhere. We have many of the world's finest universities. American technology remains on the cutting edge in many advanced fields such as computers and biotechnology. Our society is energetic, creative, and talented. It has the added advantage of drawing upon the strengths and insights of many cultures, including Japan's.

The chief executive officers accompanying the President will also tell you that they care about American jobs. They care about American exports. Obviously, so does the President. We know that the Asian-Pacific market offers enormous potential to those American businesses that will accept the challenge of competition. That same competition has propelled Japan toward world leadership. Open markets around the world has provided Japan with economic prominence. Japan must now join the ranks of world leadership in strengthening free markets and freedom.

Finally, let me leave with you a message that the President wished to give directly to the people of Japan. And I quote:

The American people are your friends. Friendship must be built upon three pillars: fairness, trust, and respect. We expect nothing less, and we ask for nothing more. Today marks a turning point for us in many ways. Together, we face the next millennium, a new order for the ages, a new world of freedom and democracy. We stand as the world's powers with the future presenting us with a decision. The United States has made its choice against isolationism and in favor of engagement, against protectionism and for expanding trade. Today we bid Japan to do the same because engagement and open trade are in your best interest.

Together, let us shape a new and open world, a world of vigorous competition and dazzling innovation. Let us build a world of greater prosperity and peace than ever before, if not for the sake of ourselves, then for the sake of our children. This is the finest legacy that we could bequeath to them.

Thank you very much.

Note: Secretary of the Treasury Nicholas F. Brady delivered the President's remarks at 12:45 p.m. at the Akasaka Prince Hotel.

Exchange With Reporters Prior to Discussions With Prime Minister Kiichi Miyazawa of Japan in Tokyo

January 9, 1992

President's Health

Q. Mr. President, what can you say to reassure people that you're all right, sir?

The President. Tell them to talk to my doctor. I feel pretty good. Coming back strong. I've got a 24-hour flu. But I feel pretty good. I had a fair sleep, slept this morning. Still mainly on fluids. But I think it was just one of those bounces that come along. But I'm feeling all right.

Try to pace it for this afternoon, go over a little business here with -- and I apologize to the Prime Minister for such a shabby performance.

But you know one thing, Mr. Prime Minister, it was wonderful, the flowers and cards from your associates. It was very touching. And it is not that serious, but it was so sweet to do that.

Q. Are you back to normal, sir, or are you still a little under the weather?

The President. Well, I don't think I'll go running this afternoon. But I'm, I'd say, close to back to normal. This is a 24-hour thing, and apparently I got it over the evening. But I really do feel pretty good, Rita [Rita Beamish, Associated Press]. Not as strong as I'd like to be, but strong enough to continue on now.

Q. Are you going to slow down the pace a little bit, sir?

The President. Nope.

Q. Why not?

The President. Well, because everybody gets the flu. Some of you guys have had it. You can't change your pace because of that. This is just a 24-hour bug. I've been very lucky, lucky, knock on wood, for the last 3 years, and I've been relatively spared of the flu. I've had a flu shot, so I hoped that that would guard against it. But all the signs -- Burt Lee can tell you -- but the heart and all, the EKG, all the things they do just to doublecheck are perfect, absolutely perfect.

Trade With Japan

Q. Sir, are you going to get the sweeping changes on trade that you wanted instead of the

piecemeal changes that you talked about and said you didn't want?

The President. Well, we're going to talk about that today. But the Prime Minister has been extraordinarily cooperative, and we're going to have some good discussions. But I'd rather wait until we get a full package to be discussed. But put it this way, I don't want to put words in his mouth, but I'm quite encouraged. And as you know, from day one, even before we got here, Prime Minister Miyazawa's approach has been one that I've appreciated very, very much. The things he has said and now the way he is driving his team to do what I'm doing, driving our team to come to agreement.

So, did you want to add to that?

The Prime Minister. I'm so glad, President, that I think everything is all right. We will shortly announce our joint resolve this afternoon. And I'm glad the President is in such good shape that he can now enjoy the rest of his stay here, and he's having dinner this evening.

President's Health

The President. So anyway, why, it all worked out well. A little alarmed there. I felt so embarrassed.

The Prime Minister. No, no, that happens to everybody.

The President. I got a preview in the receiving line. And I turned to the Prime Minister, and I said, ``Would you please excuse me?'' And I rushed into the men's room there, and then I thought that had taken care of it. But back I came, and it happened, and oh, it was just the beginning.

Q. Are you going to tell him to take it easy on you today in the trade talks because you've been ill? [Laughter]

Q. Mr. President, did you see the TV pictures of what happened last night, sir?

The President. I'm not sure I want to, but I heard it was pretty dramatic.

The Prime Minister. I did.

The President. Did you see it?

The Prime Minister. Just normal, kind of, nothing out of the ordinary.

Q. When did you start feeling ill? Early in the day or earlier?

The President. Really sick, you mean? Well, late in the afternoon I had a little indication, then at the reception, and then, of course, at the dinner.

Thank you all.

Q. Feel better, sir. Feel better.

The President. Thanks a lot. I really do.

Note: The exchange began at 1:38 p.m. prior to an expanded bilateral meeting at the Akasaka Palace. In his remarks, the President referred to Dr. Burton J. Lee III, Physician to the President.

The President's News Conference With Prime Minister Kiichi Miyazawa of Japan in Tokyo

January 9, 1992

The President. The Prime Minister has suggested I go first. So let me just say that we've had a highly productive and extremely enjoyable visit to Japan. Last night's coverage might not have looked like I was enjoying myself, but all in all it's been great. And for those who have been so nice to inquire, I really do feel almost back to the way I felt before I got hit by this flu.

But in any event, I want to first express my deepest appreciation to the Emperor and the Empress and to Prime Minister and Mrs. Miyazawa. I just can't imagine anything more hospitable than their kindnesses to us. We appreciate the warm and gracious welcome that they've extended to us, and I also want to thank the many other Japanese leaders and people that Barbara and I have met in the last few days for their kindnesses and for the wonderful cards and the flowers that came in when I had that little flu bug.

We feel we have a much better understanding of your great country, sir, and the great promise of what truly is a global partnership.

The substantive focus of my visit has been the three very productive sessions that I had with Prime Minister Miyazawa, an old and respected friend. As leaders of the two largest economies in the world with a wide range of security and political, as well as economic interest, we had an awful lot to talk about. And on the basis of these discussions, I can make three fundamental observations about U.S.-Japan relations.

First, our security alliance is sound. The U.S.-Japan security treaty remains the core of stability in East Asia, a region still beset with the uncertainties of a world in profound change. Japan's generous host-nation support agreement has helped ensure our continuing ability to retain a forward-deployed presence in Japan, a presence that is essential to American, Japanese, and regional interests.

Second, as we enter the post-cold-war era with its many challenges and opportunities, increased cooperation between the United States and Japan on global issues and regional problems is absolutely essential to achieve the foreign policy objectives of both countries. In this visit, we've dedicated ourselves to building a more prosperous and peaceful world. And for this purpose, the Prime Minister and I have stressed the common purposes of our global partnership, and we've set forth the principles for this partnership in a Tokyo Declaration.

And third, we made progress in our all-important economic relationship. Over the past few years we've worked with some success to open markets here so both our countries can benefit from

increased trade, lower prices, better goods, and more jobs. And indeed, we've increased our exports to Japan some 70 percent since 1987 and cut our trade deficit with Japan by about 30 percent.

My administration has negotiated some 11 arrangements to increase our exports in specific sectors. This trip adds another significant but interim step to that progress, and, of course, we will keep pressing ahead and monitoring progress. I believe the U.S. Government and our business leaders have sent a strong message about the importance of fair access to markets.

The detail in the Action Plan, including the voluntary import proposals involving many billions of dollars and increased U.S. content for Japanese cars made in the United States, make it clear that the message has been received.

Our agreement on government computer procurement will open up additional opportunities in a large leading-edge industry for the United States. We've worked out specific commitments in other sectors representing increased opportunities for U.S. exports including auto parts, paper, and glass and resolved over 50 standards problems, this is the key, 50 standards problems that have impeded American businesses. And we've agreed to expand our Structural Impediments Initiative by adding new commitments that will help us follow up on this trip. And I'm pleased that we have worked out together the announcement from a day ago, a strategy for world growth. That one will be helpful to both economies.

I'm also particularly pleased that Japan and the U.S. could agree on a strong joint statement about the Dunkel draft for the Uruguay round negotiations. We're sending a joint message that I hope will build momentum to drive the GATT negotiations to a successful finish.

There is no doubt that we have much more work to do, abroad and at home, to increase U.S. exports and the jobs they create. Yet, we've made headway. There's no question about that. And I'm committed to accomplishing more in the future, using all available measures.

In conclusion, this visit has been a success. It has reaffirmed our vital political, security, and economic relationship. It has advanced our goal of leveling the playing field in U.S.-Japan competition, of further opening Japan's markets to our exports.

So, this progress translates into jobs and economic growth in America because I know the American worker can compete with anyone around the world if given a fair chance. And that's exactly what we intend to do. And the accomplishments I've mentioned here aim us directly in that direction. Thank you, Mr. Prime Minister.

The Prime Minister. Well, those of you who watched the television last evening must have been concerned very much. But as you can see, the President is very well today. And I think people around the world feel assured now. And I sincerely pray for his continued good health.

This is the first time in 8 years that we welcome the U.S. President here. And we had three meetings with him. We were able to have a very candid exchange of views. And I'm also very glad and satisfied that we have been able to strike very close personal relations.

As shown by the dismemberment of the Soviet Union at the end of last year, the world in the post-cold-war era doubtless are developing new moves and trends towards the building of peace and democracy. And in creating such historic developments, I should like to express once again my deep respect to President Bush for his outstanding foresight and leadership as shown in the START agreement as well as the nuclear disarmament proposal.

Japan and the United States have steadfastly maintained freedom, democracy, and basic human rights, and market economies; together account for 40 percent of the global GNP, establishing unprecedented prosperity together. And I think it's important that we together work to further promote the building of the new world order, the new world. And it is important that the United States continues to exercise leadership. And Japan wishes to actively support those efforts by the United States. I believe that the meetings that I had with the President would mark a concrete first step towards the building of a Japan-U.S. global partnership.

I had a candid exchange of views on various trade and economic issues as well. And in addition to steadily implementing our economic policies as reflected in the joint statement issued yesterday, I believe we were able to engage in substantive discussions on various measures related to the automobiles and automotive parts and components, the central area of Japan-U.S. trade issue today.

Now, in view of the closeness of the economic ties between our two countries, frictions would be inevitable from time to time, and, of course, our agreement this time would not necessarily resolve all the problems. But I believe that the discussions I had with the President have been very useful, and I'm satisfied with the meetings.

Furthermore, on the basis of the discussions that I have had with the President this time, we have come up with the Tokyo Declaration and the attached document called the Action Plan. These documents are indeed very dramatic and epoch-making in that they spell out how our bilateral relations ought to be, bearing in mind the 21st century, and also spells out our responsibilities and roles that our two countries respectively should play and the issues we together ought to address. And we are determined to further strengthen global partnership between our two countries on visa fees and documents.

I believe it is quite unprecedented that countries in terms of human history, countries with so strikingly different cultures and history have established a deep interdependence and cooperation. It is unprecedented that countries with such different cultural and historic backgrounds share the future together and together would work for the world. And I believe that we are attracting a lot of attention from around the world, and I intend to do my best, together

with the President, to respond to these adaptations.

I should like to give the first opportunity to the Japanese press. And when asking a question, please state your name and affiliation and also to whom you are directing the question.

Japan-U.S. Relations

Q. First of all, I'm quite relieved to see you fit and well. My question is for President Bush. Before coming to Japan, Mr. President, you stated that there are two objectives to your visit. One is, this is a job-creating trip; you are going to increase jobs for the Americans. I think that was the first objective that you've stated. The second objective, and I think this was stated during the press conference in Singapore, you referred to the sense of dislike for the United States in Japan, and one of your objectives is to overcome such sentiment in Japan. In your statement just now you mentioned that you believe your visit has been successful for the first objective, that is, for growth. So, I should like to ask a question with regard to the second objective.

A U.S. high official said in Seoul, ``Even if the political strength of Prime Minister Miyazawa is weak, there is the Liberal Democratic Party in Japan." That was a statement that came out on the 5th of this month, and then on the 6th -- well, I think he was referring to remarks that were made by Prime Minister Miyazawa at the Ise Shrine that since Japan enjoyed favor of the United States after the war, it is time for Japan to return that friendship. And that high official said the United States is not seeking charity.

You've come with business leaders this time and I think the -- --

The President. What's the question?

Q. -- -- Japanese people feel that is somewhat strange. So, with regard to the second objective, I wonder if your visit this time really has been helpful in overcoming the sense of dislike for the United States.

The President. I'm embarrassed to say I didn't follow all the hypothesis. But I think I got the two points that you asked. One is jobs. I think we have created jobs. We get back there, and we'll have to see. We've got the growth agenda. We have entrance to certain markets, computers and other things. We've got auto parts; they'll be discussed with you later on by the people that have worked out the details. So, I think we can say this has been productive in that account.

In terms of -- you only said dislike for U.S. in Japan. I have been troubled about anti-Japanese feeling in the United States and anti-U.S. feeling in Japan. And I think, because of the hospitality of Prime Minister Miyazawa, because of the schedule that had been worked out, because of the personal attention to us by Their Majesties the Emperor and Empress, and hopefully by the way our business people have moved out and talked to a lot of different folks, and Barbara's visit to

the schools, I hope that that has helped in this second category that you properly ask about.

I think time will tell. But I'll tell you from our standpoint, I think that the signals going back to the United States of this kind of hospitality, this kind of genuine friendship, this kind of caring when I have a little tiny bout of flu sends a good signal. And sometimes we forget the big picture. And as I tried in my statement to say, this U.S.-Japan relationship is vital to world security and to many other things.

So, I hope the visit has helped in that second account, sir.

The President's Health

Q. Mr. President, people all around the world yesterday saw some very disturbing video of you collapsing in apparently very severe distress that many of us are not accustomed to when we see people with the flu. Can you describe what you were experiencing there? And also, can you say that your doctors have conclusively ruled out anything other than the flu, or will there be further tests?

The President. No further tests. Totally ruled out anything other than the 24-hour flu. I've had an EKG, perfectly normal. I've had blood pressure taken and probing around in all kinds of ways. And it's all going very well, indeed. And I got a call from Bill Webster today, former head of CIA. I didn't take it, but somebody passed it along, and he told me of exactly the same thing happening to him where he went in and totally collapsed.

So, this is the flu. I'm very fortunate that in all the years that I've been President, I don't think I've had much of it. And so, let me just take this question and then reassure the American people and others that have expressed so much interest that that's all there is to it. Nothing else to it.

And somebody asked me earlier, am I going to slow down my schedule? I don't think it has anything to do with speed or slowness of the schedule. One of the businessmen, who is young and aggressive and eager, this morning -- a young guy on this trip -- got it. I understand some of the journalists have had flu. And people in our country have had it, so why isn't the President entitled to 24 hours? [Laughter]

But really, I'm glad to get the question because they've done all the checking in the world. The heart is normal, the thyroid, or whatever is left of it, is going fine, and -- [laughter] -- I really have no hesitancy or worry at all.

Q. Are you at all concerned that now that you've had two quite, sort of public health episodes, that some of the Democratic political opponents who are a lot younger than you might make a subtle issue out of the fact that you're somewhat older and perhaps you, because of your hectic schedule -- --

The President. Do you think only old people get the flu, Rita [Rita Beamish, Associated Press]? Do you think only old people get the flu? I think Democrats get the flu from time to time. [Laughter] So, I wouldn't worry about that. I think it would backfire if somebody tried to make an issue. I've been blessed by a good, strong physical condition. I played tennis yesterday and then, wham, got hit with the flu. But that's perfectly normal. So, I don't think there's any political downside.

I have always said that if I felt I couldn't do my job for some physical reason, I wouldn't run for President. But all signals are still go.

Multilateral Trade Negotiations

Q. I've got a question for Mr. Miyazawa. I think you referred to giving impetus to the Uruguay round talks, to the Dunkel document. I wonder what sort of momentum you're talking about. What sort of momentum does Japan intend to add?

The Prime Minister. This document refers to this moment which could be a stimulus or whatever you call it. Now, at these final stages of the Uruguay round talks, the talks would be boiled down, and in this Dunkel text, which is not a final text, the issues have been clarified. So, the range of issues are becoming narrower. That is what we are referring to.

'92 Presidential Election

Q. Mr. President, I read an interview, a transcript of an interview with Mrs. Bush in which she stated that if there should come a defeat in November for you, that she wouldn't be extremely disappointed at the possibility of doing some other things. I'm wondering, sir, are you mentally prepared for the possibility of not winning in November, and if you have given any thought to her view of doing something else other than going all over the world and living 18-hour days?

The President. The answer to your question is no and no. [Laughter] I think I'm going to win. I have not thought of any alternative. I believe I've been a good President. Everybody talks about ``dogged by sagging polls'' -- any time the country is facing problems and people are hurting, the President must and should pay a certain price for that. But I'm also confident that our economy will recover, and I think that we'll have a strong case to take to the American people.

So literally, I've never thought about it. I don't think ``defeat'' when I'm fixing to go into a campaign, and I don't think of alternatives. So, it never has come up. Now, I won't give her equal time. I don't know what she's thinking about, but I literally have not thought about it at all. I believe I'm going to win.

Japan-U.S. Trade

Q. I'd like to ask a question of Prime Minister Miyazawa. I wonder if you've been able to establish the results -- it seems that this has been unilateral concessions made by Japan depending on how you look at it. And I wonder how the Japanese should read the results.

The Prime Minister. The issues to be resolved between Japan and the United States, of course, in resolving these problems, the good will and friendship between our two countries would be very important. But in the midst of such new and major changes in the world, I think it is very important that the United States, the world leader, remains firm and steady. And it would not be good for us for the United States to be encumbered with such difficulties and headaches. Now, in welcoming the President, we had engaged in a long period of preparations, and we've come up with these results. There are various issues which we've been thinking about for a long time and we hadn't acted on, problems of our own.

More specifically, there have been some actions we thought it would be better, specifically, to better the trade balance between Japan and the United States. So there were areas of betterment of the Japanese economic structure itself and also betterment of the Japan-U.S. trade balance as well. And I think as a result of the measures we have agreed on, we will be able to respond to both issues.

Auto Industry

Q. American leaders since Nixon have been engaging in trade talks with Japan and emerging claiming great success, and nothing seems to change too much. Some of that, in a more specific sense, has been related to the American auto industry, relief from competition from Japan. And yet they continue to lose market share. Some Americans feel it's because of bloated salaries in Detroit, because of lack of responsiveness to consumers, and the fact or the claim that they make cars that are not competitive. What's different from this round of trade talks than previous ones?

The President. Gene [Gene Gibbons, Reuters], let me simply say that when this is over I believe there are going to be some briefings from our experts to give you the specifics of what has been worked out on auto parts or access to the Japanese market with autos. And so, it's come a long way. There's some specificity here that I think will answer that question that I understand will be provided when this broader scale briefing is over.

So, I think when you look at the agreements, you're going to see that both sides have agreed to more in the way of auto parts, more in the way of autos coming into this country from the United States, and in a couple of other areas as well. So, I think there's some specificity to go with the hope in this case.

Economic Growth Package

Q. Do you feel that the American auto industry has to do more to -- --

The President. Yes, I think we've got to do more as well, and not just on autos, in both the public and the private sector. One of the things that we haven't focused on here today is this economic growth agenda, and there the United States must do something. Japan is growing more than we are. So, they should say, ``Well, hey, how about yourselves?'' And we're saying: ``We're going to submit a growth package. We're going to fight for it. We're going to try to get our interest rates down.'' And we've got to do a better job in all industries on building quality, improving competitiveness, knowledge and understanding of the Japanese market so we can be vigorous competitors based on more cultural understanding and background.

So, it isn't a one-way street. And I'm very unreluctant to say that right here.

Japan-U.S. Relations

Q. In your press conference on New Year's Day, you said you were thinking of America as -- [at this point, the reporter spoke in Japanese] -- and my dictionary says it means ``with a feeling of sympathy, a feeling of compassion.'' Why do you feel sympathy for America?

The Prime Minister. Well, you use the words ``sympathy'' or ``compassion,'' and I would not claim that these are inaccurate. What I really tried to say was that we have to understand the other person's position. When you say ``favored,'' and there is the antonym ``disfavor,'' well, what I'm trying to say is that we have to try and understand the other's position. And it is with that in mind that I've tried to address these series of issues.

And at the very base of all that is the longstanding relations, friendship between our two countries. But for various reasons, U.S. society -- and I might say I believe U.S. society is a great society, but there are homeless people; there is the problem of AIDS and so on. And for various reasons, education is not as high as in the past. And U.S. industries are not as competitive as in the past for various reasons.

Americans are pointing to these problems. And since Americans themselves are aware of these problems, I am convinced they will overcome these problems because I believe that United States is a great country. But until those problems are cured, those problems will continue to exist. And we have to understand the position of United States, and with that understanding we have to address the issues between our two countries because these problems appear in the form of trade imbalance between our two countries as well. So, it is with that sort of understanding I think we ought to approach the problems.

I wonder if there is a Japanese press reporter who wishes to ask a question. If not, then we'll move over to the foreign press.

The Economy

Q. Since you are talking about your State of the Union in which you're going to propose some things that you hope from the U.S. side will help stimulate the economy, I imagine you might have heard something about that from some of the CEO's on this trip. Can you tell us if a payroll tax cut that would be an instant increase for businesses' bottom line and in individual taxpayers' pockets is on the short list of any possible tax changes under consideration?

The President. No, I can't tell you that because I'm not prepared to say what's on the short list of what we are considering. We will have a sound growth package that is sound enough that it will not adversely affect the long-term interest rates that will get to investment and job creation at home.

And that's what's needed in our economy right now. And I will be working with the Congress to try to get that done. I will try to avoid some of the ideas that I've seen out there that would shoot the interest rates right through the roof, would take too long to do anything, and would in the long run be counterproductive. But I just do not want to go into detailing what's on a possible short list, although we are narrowing down now to, just since I've been on this trip, to what our final proposal will include.

Japan-U.S. Relations

Q. Mr. President, in your summit meeting yesterday, Mr. President, you have said now that the cold war is over, the Japan-U.S. relations are at a turning point or a crossroads. And I think instead of confrontation, what do you think we must do for cooperation?

A question for the Prime Minister. You mentioned that we were very much touched by the President's speech in Pearl Harbor. Now, bearing that in mind, I wonder how you would respond to the question raised by the President yesterday, Mr. Prime Minister?

The President. Well, I would say cooperation, the successful conclusion of the GATT round, although that's multilateral. I would say that Japan and the United States continue to be in such close touch that when it comes to helping other countries, be it in South America as democracy starts moving there or be it in Eastern Europe or, indeed, in the Commonwealth, that it's the U.S. and Japan that stay in very close touch on those things. I had a chance today, with Prime Minister Miyazawa, to take a tour d'horizon around the world.

I would also say that it includes cooperation in trading in Asia itself, outside of Japan. Neither he nor I want to see the world divided up into trading blocs. And so, as I was assuring him that the NAFTA, the North American free trade agreement which will affect Canada and Mexico, is not a trading bloc, I had an opportunity to glean from him that Japan would lose if, say, there was an Asian trading bloc. I think in terms of cooperation, as your question asked, we will cooperate to

be sure that we don't inadvertently fall into trading blocs that will narrow trade rather than increase it.

But Japan is a respected world power, and we must cooperate. I've supported publicly the return of the Northern Islands to Japan. And there's an area where perhaps cooperation between the two parties can be helpful. We had long talks about Mr. Yeltsin's coming out and trying to bring democracy and free markets to Russia. And I think that there's an area where we can have cooperation.

So, as I look around the world, I believe cooperation is called for in almost every instance. I can't think of one where it's not. United Nations, working in the U.N. now with Japan on the Security Council for 2 years, close cooperation as we try to use international law to solve some of these problems as we did in the Gulf.

The Prime Minister. In the speech delivered by the President in Honolulu, he said he held no rancor against Japan or Germany. These former enemies have become best friends for democracy, is what basically he said. There are quite a few warships that are sunk in Pearl Harbor with the dead bodies of the soldiers and with veterans in front of him. So, I believe it was not easy for the President to say all those things. And that is why I was especially moved by the friendship shown by the President, the sense of trust expressed by the President.

Japan was able to grow this much, thanks to the continued support and help by the United States. This again we should not forget. And this friendship was at the very foundation of the meetings that I had with the President this time.

The President in Honolulu also mentioned that we must fight against or fight off isolationism and protectionism. And I think these words were uttered with Japan in mind. Now, in discussing economic issues this time, there was concern expressed that the entire world might fall into protectionism, and what can we do in order to prevent that? Trade imbalance has persisted for 20 years or so, and if nothing is done then one of the parties concerned may well fall into protectionism. So, something ought to be done about it.

Q. Both the President and the Prime Minister have very busy schedules, and I'd like to say they have to adjourn the meeting today. Thank you very much, President and Prime Minister.

Note: The President's 118th news conference began at 2:50 p.m. at the Akasaka Palace. The Prime Minister spoke in Japanese, and his remarks were translated by an interpreter.

Remarks at a State Dinner Hosted by Emperor Akihito of Japan in Tokyo

January 9, 1992

Your Imperial Majesties and honored guests, on behalf of the American people, we wish to thank you for the warmth of this reception and for your tireless efforts in support of the relationship between our two great nations.

The United States and Japan today stand on the threshold of a new era of cooperation in which our nations seek to build a new world of freedom and democracy. The task before us is daunting, one which will require vision and courage. But it is one from which we cannot shrink. Too much depends on us.

As leaders of this new world, we face several challenges together, addressing the new security requirements of a changed world, promoting freedom and democracy, and generating world economic growth and prosperity.

Tonight, we celebrate the essence of this new world order and the opportunity to be true partners in its construction. We see how former enemies can become close allies and friends, real friends, each supporting, competing, growing, dreaming. Each understands that we must resolve our differences fairly and constructively.

Our people both believe in work, community, faith, and family. We know how democracy supports the cause of peace among nations. We realize that although half a world may separate us, great ties unite us, ties that are economic and military, moral, and intellectual.

Your Majesty, the name you have chosen for your reign can be translated as ``achieving peace." That choice signifies your deep personal commitment to this noble aspiration and your resolve not to revisit the tragedies of the past. We are now closer to achieving the blessings of peace than we have been at any time in this century.

When the great Japanese novelist Kawabata received the Nobel Prize in literature, the citation praised him for ``building a spiritual bridge spanning East and West." In this changing world where the walls that once divided whole nations from each other are crumbling, we all must become both bridges to and partners in a new world order.

In that spirit and with heartfelt thanks, Your Majesty, for your wonderful hospitality, I ask all of your guests to raise their glasses. To your health, sir, and to the bridge of friendship and common purpose uniting our countries, to those who built it and cross it still, and to the prosperity of our two great peoples.

Note: The President spoke at 8:10 p.m. at the Imperial Palace.

Remarks and an Exchange With Reporters on Arrival From the Trip to Asian/Pacific Nations

January 10, 1992

The President. Let me first say that it is great to be home, and Barbara and I want to thank all those who made this important trip a success. Secretary Brady is with us here, Secretary Mosbacher, and then our first-ever Presidential delegation of business leaders. I want to thank also in addition to them our ambassadors, their dedicated staffs, and so many others. And I really want to offer my heartfelt thanks to countless people at home and abroad who so kindly offered prayers and good wishes when I had that very brief but dramatic bout with the flu.

Our mission was uniquely American. America is a world leader not just because of our military or economic might but because we've always held the conviction that we're part of something larger than ourselves. We now live in an entirely different economic world than a generation ago and in a completely different political and security environment than just a year ago. Foreign relations have never before been so important to our well-being at home. When we foster democracy abroad, when we strengthen our security engagements with our allies and friends, when we work to open markets and expand trade, we make a priceless investment in our own children's future.

The Tokyo meeting I concluded yesterday with Prime Minister Miyazawa caps a successful series of talks with four of America's most important friends in the Asia-Pacific region. With each of these countries, Australia, Singapore, Korea, and Japan, we're forging ever-stronger bonds of democratic values, of mutual security, and of economic growth through expanding trade. Each of four nations that I visited are robust democracies. With each we confirmed the necessity of providing nourishment for the blossoming of democracy throughout the region.

At each stop on our journey I reaffirmed America's interest and fundamental commitment to Pacific security. We and our Pacific partners are determined to maintain strong defenses to protect our hard-won peace and stability during this new era and to provide a security umbrella under which political pluralism and market economies can flourish.

In each country on this mission we made progress on a top priority of this trip, renewing the strength of the American economy and generating world economic growth. Now, while I'm disappointed that the unemployment numbers went up in December here, our work over the last few days will help open markets for American companies and provide more jobs for our workers. Make no mistake about it, our progress this week will translate into progress on jobs and economic growth in America. The results will be clear and measurable.

Everywhere we've been I've sought urgent action on the successful conclusion to the Uruguay

round of the GATT talks. The best achievement we can offer our farmers, our manufacturers, and indeed our service industries is a GATT breakthrough in unprecedented new accords for open trade.

With Australia, we reaffirmed our alliance and announced plans to conclude a new trade and investment framework agreement. With Singapore, we announced an agreement to conclude a new bilateral investment treaty as well. Everywhere I found support for strengthening APEC, that's the new Asia Pacific Economic Cooperation group, as it promotes trade and economic cooperation around the Pacific Rim. And I've carried our enthusiasm for our North America free trade agreement across the Pacific and shown how it, too, can add to everyone's prosperity by reducing the barriers to trade.

Our summit meeting in Tokyo was a turning point in our relationship with Japan. And it highlighted the progress we've made these last few years with that nation. Japan is our largest market for agricultural exports, our largest, now some $8 billion a year. Since 1987, the U.S. merchandise exports to Japan have increased more than 70 percent, and they now account for 64 percent of our total exports to Japan, up nearly 10 percent since 1985. We reinvigorated our commitment to the bilateral Structural Impediments Initiative talks, and we garnered new support for a successful conclusion to the GATT round.

A substantial portion of our trade deficit with Japan is in the auto sector. That is not going to change overnight. But here, too, we made significant progress, not only in terms of selling American cars and automobile parts in Japan but also in raising the percentage of American parts in Japanese-brand cars built in the United States by U.S. workers. Japanese automakers agreed over the next 3 years to increase their purchase of American-made parts from $9 billion to $19 billion.

Our summit meeting this week accelerated the opening of more Japanese markets to our exports. In addition to the Japanese car manufacturers, 23 companies in the Japanese electronics, automobile, and machinery industries announced plans to increase American imports into Japan by a total of $10 billion over the next 3 years. Some of this will be to the automakers, and taken together represents a welcome increase in exports made in the U.S.A.

This week we breached the wall that kept American exports of computer products and services out of the $3 billion Japanese Government market. Our agreement will expand Japanese public sector procurements of our quality computer goods and services. Our leading-edge computer industry employs millions of technologically savvy Americans, and we can expect dramatic gains in this market.

We made breakthroughs for access to Japan's huge markets for our glass and paper products, virtually untapped markets that are billions of dollars in size. We reaffirmed goals for our higher market shares for semiconductors and then resolved standards problems -- these are the invisible

barriers to free trade -- in 49 different sectors of American industry, from processed foods and cosmetics to industrial equipment and machinery.

Anybody who thinks that Americans can't compete with the Japanese hasn't talked with these business executives who joined me in Japan, some of whom made the trip all the way. And they haven't seen the recent studies that show overall U.S. productivity is the highest in the world, far exceeding Japan's. We must work hard to keep that productivity growing. I know and these business leaders know that as long as the playing field is level, American workers can outcompete and outproduce anybody, anyplace, anytime.

Yes, we faced a turning point with Japan, and when the time came, we took a major step forward. But it was only a step, one in a long process to achieve markets as open as our own. We will build on these results. We will monitor the progress, and I will keep pressing for jobs and market access when Prime Minister Miyazawa comes to the United States, hopefully in a few months.

That ongoing effort includes the strategy for world growth which the Prime Minister and I developed and which we are coordinating with the other industrialized nations. America and Japan are the two largest economies in the world. Together we comprise 40 percent of the total world economy. And global growth is a top priority for both of us. Already our two countries have made deep progrowth cuts in interest rates. Japan cut their discount rate to 4.5 percent, and as you know, our Federal Reserve has just lowered interest rates a full percentage point, both of which are keys to stimulating long-term growth here and abroad.

But clearly, with December's unemployment figures, our economy is not growing fast enough. In my State of the Union Message later this month, I'll present to the American people my action plan to get it growing faster. And I am looking forward to spelling out our ambitious agenda for economic growth clearly and repeatedly to the American people in this vigorous and exciting political year. I am absolutely confident that the American people will join me in this vision for a new era of expanded markets, of peace, and prosperity.

So, thank you all very much, and thank you for being with us on that trip. I appreciate it enormously.

Unemployment

Q. Does the unemployment increase mean that the Federal Reserve System's interest rate cuts aren't working?

The President. No, I think it takes a while to work. But certainly the Federal Reserve cuts will work their way through, and they are very, very important to economic growth. But I think it is a little too soon to expect them to have taken hold and turned around the December unemployment

figures.

Japan-U.S. Trade

Q. Sir, what else can you do to put the pressure on Japan to open up its markets?

The President. Well, in the first place, we're going to monitor the agreements we've made, and then we'll see. I will resist protectionist legislation, however; I don't view that as pressure.

Q. Mr. President, why are you optimistic about the auto agreement, and the auto makers so pessimistic?

The President. Well, I think that we might have achieved more. I am proud of what we did achieve. And I think there is nobody suggesting anyone here is totally satisfied. What I am saying is, we made dramatic progress, and it will result in jobs for the American workers.

Q. Cuomo says it's inadequate.

The President. Well, he is entitled to his opinion. And I can't say that we've gotten everything we want, so maybe we're not very far apart. Who knows?

Q. What are the short-term -- --

Q. Why isn't the managed trade -- --

The President. Will you make up your mind? I'll go with either one of you. You're both wonderful people. Jim [Jim Miklaszewski, NBC News], go ahead. Men first, maybe. Whoops, Michel [Michel McQueen, Wall Street Journal], sorry about that. [Laughter]

Results of President's Trip

Q. In the short term, was this trip a political bust for you personally?

The President. I don't think collapsing with the flu helped, but I think I can handle that one, Jim. I feel fine, my health is good, and I don't think it's a bust at all. And I'll be glad to debate any of the -- eventually; maybe I'd better phrase this properly -- be glad to take on those ideas that I hear that the way to handle this economy is through protection, shrinking world markets. That is the wrong answer. And I think we made progress. And so, I think it was a successful trip.

Yes, Michel, sorry.

Free and Fair Trade

Q. Let me ask you, why isn't this managed trade, something you say you're very much against, when you're pressuring another government to force its companies to buy that which they would not otherwise buy?

The President. Well, I don't think we're forcing them to buy something that is noncompetitive, and I don't think we're forcing anybody to buy something that is inadequate. What we're trying to do is get free and fair access to markets, and indeed, as I mentioned, we broke down a lot of barriers. We changed the standards procedures over there to some degree. We still have a lot of work to do. So, I don't view that as managed trade where you set a number. I remember back when I was in China, the people would come over, and they'd say, ``All right, we're going to buy x, and you're going to buy y." That's managed trade. That's not what we've done here at all. What we've done is expand markets and get more access for American workers to have their products go into the Japanese market and others.

New Hampshire Primary

Q. Mr. President, with regard to New Hampshire, do you think you're in trouble there?

The President. No, I think I'm going to win in New Hampshire. And I think New Hampshire has some serious economic problems, and I can identify with the hurt of those people. I can't tell you how many times I've been in New Hampshire in the last, well, since I was Vice President and including being President. So, I have some feel for the hardship they're going through. And I think I can identify with it, and I think I can rally support for what I will be proposing. I know that they, if they have it in focus, would be supporting what I have been proposing. So, I think we'll do fine there.

Multilateral Trade Negotiations

Q. Mr. President, your own briefers and senior administration officials in Tokyo asked three times whether Japan was on board on the GATT negotiations. You refused to say that they were. Are they?

The President. Well, what do you mean by ``on board" on them?

Q. My question is, does Japan support your position regarding the Dunkel letter?

The President. Well, I think they agree to use the Dunkel draft as a significant document from which to work. And they also agree we need to get that round solved. I think they've probably got problems with the Dunkel draft, and so do we. What we're trying to do is use that as the basis now for hammering out differences. I think that's about the way we left it with them.

Two more, and then I've got to go. This nice gentleman over here.

China-U.S. Relations

Q. Did anything you heard from Mr. Miyazawa on his talks with Li Peng encourage you to respond in any way, or could you tell us what you heard?

The President. Talks with Li Peng on what?

Q. Mr. Miyazawa talked to you about his trip to China and his talks there. Did he tell you anything that caused you to respond or give you any message?

The President. I believe it was Watanabe, wasn't it, the Foreign Minister? No, he had a good trip to China. He talked a little to them about the problems that we're having with China. He gave me some suggestions in terms of the problem of the people that are held because of Tiananmen Square. But beyond that, I can't say much. There wasn't too much specific as it relates to the U.S.-China relations.

Q. Nothing to cause you to respond?

The President. Nothing at this juncture that cause us to respond. We will keep pressing for fair treatment of people there, and I will try to keep that important relationship on track also. It is a big one and very important.

One more, and then I've got to run.

The Economy

Q. Mr. President, don't the unemployment figures show you that the economy is in fact getting worse?

The President. No, I don't think that. But they are certainly unsatisfactory. And what they show is, we need growth. And we need to stimulate growth in a sound, fiscally sound way and not through some way that will set the economy back by shooting interest rates, long-term rates, up through the roof. And by that I mean things that are going to recklessly break this budget agreement. They show that the economy has been sluggish. They show that people are hurting. And they show that we need to get going now with a growth agenda that will do short-term that which it can do; a lot of the suggestions are more long-term. And I think they show that, I hope they show that wherever we can make progress on expanding markets abroad, we ought to do it. And that's one reason I'm satisfied that we have made real progress on this trip. I think it will help in that situation.

Thank you all very much.

Note: The President spoke at 9:15 a.m. upon arrival at Andrews Air Force Base in Camp Springs, MD, from his trip to Asian/Pacific nations. In his remarks, he referred to Gov. Mario Cuomo of New York and Premier Li Peng of China.

Remarks to the President's Drug Advisory Council

January 10, 1992

Thank you all very much for that welcome, and thank you, Bill Moss, especially, and thank you for the job you did as Chairman in launching the Drug Advisory Council.

I'm delighted to be home. And you've got to admit, when I get the flu, I do it in a very dramatic -- [laughter] -- way. But it was so embarrassing. [Laughter] But I do feel well, a little bit jet-lagged. We just flew 12 straight hours from Tokyo. In fact, we got here before we took off, if you look at the international dateline. So, you will excuse me if I'm a little bit tired. But my health is good, and I am so grateful to so many across our wonderful country and then also in Japan who, I think, thinking I was a little more seriously sick than I was, expressed their concerns. And I just want to say thanks to everybody who did that.

I am delighted to be here. I did not want to go off to Camp David without stopping by this very, very important meeting. And I'm glad to be here with so many hard workers. I want to single out, of course, Bob Martinez, the former Governor of Florida, who is in charge of the fiercely committed fighters in our battle to lead America away from drugs. You heard from one of these earlier when David Kearns, representing Lamar Alexander -- David, our outstanding executive there at the Department of Education. And in addition, we are very fortunate in a Government sense to have the leadership of Attorney General Bill Barr, who is working closely with Bob Martinez, with Lou Sullivan, our very able Secretary of HHS, intimately involved in all of this. And we are trying as a Government to meet this scourge head-on.

But I believe that the answer lies right here. I know it lies with the leadership from Jim Burke who is sitting here at my left. As many of you are aware, Jim's done an outstanding job unleashing the power of the media through this Partnership for a Drug-Free America. There is no way that Government itself could do what this individual has done in getting the message, antidrug message, out across this country. We are very, very grateful to him.

I also am sitting next to another tireless worker, very successful man, Alvah Chapman, who just took this on to organize this meeting, organize this crusade all across the country, providing all of us with the vision and leadership this whole coalition movement represents. So, my thanks to him.

I was told by Jim, coming in here, of the many successful efforts going in the communities represented here and then some that aren't even represented. And so, I want to thank all who have come from all across this land to explore this idea of community coalitions gathering momentum. And if you needed any inspiration -- I didn't get to hear her; maybe she hadn't sung yet. But I've heard her many times. She's been our guest up at Camp David. If you need a little momentum-gathering, try Sandy Patti on for size because she is magnificent.

Well, let me just say, it is a pleasure to be back, and it was a great trip. Ten fascinating days in the Far East talking and listening and learning, working hard for the objectives that we all share of trying to get this country moving through expanding our exports markets, assuring our friends also that we are going to stay actively involved in the Pacific. You know, given all the changes in Eastern Europe and the hope that is about now because of people that had hated each other over the years, been ancient enemies, now talking in the Middle East, some in the Pacific area thought that we've just forgone our interests in that part of the world. So, I wanted to convince those leaders there that we will fulfill our security responsibilities to that critical area, and we will stay actively involved with that area, our largest trading partner incidentally.

But I came here today because I really believe that what you do is vitally important to the well-being of our country. And I wanted to just say this to you: Your Nation recognizes the critically important work of your community antidrug coalitions, and your Nation is very, very grateful to each and every one of you.

We are working hard, all of us, all of you, to blast the curse of drugs off the face of our map. Our antidrug effort is one of the highest priorities of any domestic initiative in the Federal Budget. In 1992, our budget proposal called for $11.7 billion for the drug war, an increase of 82 percent since the beginning of our administration and an 11-percent increase since the previous year, one of the largest in the entire overall budget.

In our war, you know the answer, and I understand and think I know the answer, we are seeing results. I'm not sure the entire country understands this yet, Jim and Alvah, but I believe we are seeing results. For 1990, we exceeded our goal for reducing overall drug use. We'd hoped for a decrease of 10 percent between '88 and '90, and it fell by more than that. I believe the figure was 11 percent. Occasional cocaine use went down 29 percent when we'd set a goal -- I think again, trying to just think positively, I think the goal we had set in our minds was 10 percent.

For 1991, figures show we've even more dramatically exceeded many of our goals, particularly in areas like adolescent cocaine use. You know and I know there's a problem. It's a horrible thing to think about, adolescent cocaine use. But it's out there, and it's tough. And we are making headway. We'd hoped to reduce that by 30 percent since 1988, and it's fallen more than 60 percent. So, what you're doing is working. What you're doing is having an effect and saving the lives of children.

But let's face it, much remains to be done. More than 12.5 million, 12.5 million Americans currently still use drugs; 1.9 million of them currently use cocaine. And adolescent drug use has fallen, but still more than 1.3 million of our kids currently abuse drugs.

We're also committed to toughening the drug laws. We devote more effort to fighting drugs than to any other single area of crime. But we cannot do it alone. We need Federal drug laws that are on the side of the people. We need a bipartisan effort to help law enforcement protect our

present and ensure our children's future. As I said 2 years ago when we announced the drug strategy, with this drug problem we face the toughest challenge in decades. We face the challenge not as partisans but as a Nation.

As we've said time and time again, we cannot win the drug war through law enforcement alone. I'm convinced we can do better on law enforcement, and I salute those who are out there enforcing our laws. But we can't win it through law enforcement alone. We've got to have effective treatment programs, and we need national action.

More than 2 years ago we established this President's Drug Advisory Council. America was lucky, very, very fortunate to gain the wisdom and vision of these distinguished American leaders who share our goal of ridding this Nation of the devastation caused by illegal drugs. I want to give very special thanks today to our Council members who work tirelessly to mobilize the enormous power the private sector can wield in the war against drugs. Look at this head table, look around, look at the names of the people, the men and women who are serving, and you'll see we've got very busy, successful people giving of themselves to help others.

In addition, every one of you here today are frontline soldiers in our war. You lead this country's local efforts to reduce drug use in the workplace, schools, and neighborhoods. We've got a good program. I was briefed by Al Casey and others not so long ago, and Jim was up there, in Camp David on this drug-free workplace concept. And we're making headway. Still a ways to go, but a very fundamental and important part of our work.

You organize your communities into coalitions. The key to healing this Nation is found at the grassroots level, being what I call a Point of Light, holding your hand out to a neighbor. And this audience today certainly exemplifies in the finest sense the willingness of one American to reach out and help another.

As Americans hear your stories, they realize that there is an alternative to drugs, and its name is hope. They hear stories of people like Brad Gates, the sheriff in Orange County. So concerned was he about drug deaths that he created the ``Drug Use is Life Abuse'' program. With the business community, he launched a massive drug education effort targeted at area youth. And the program works because it changes people's attitudes, gets to the fundamental attitude change towards drugs.

And so does Tad Foote's. When he saw how drugs were destroying his community, he gathered top business leaders like Alvah Chapman and others, the busiest, the most successful, and they formed the Miami Coalition, a broad-based community organization. And it was dedicated to tackling every aspect of the drug program, divided it into eight task forces. They've convinced over one-third of all Miami businesses to adopt drug-free workplace policies and employee assistance programs, and they have closed down 1500 crack houses. Now, that is success, and that is due to the voluntary effort all the way.

The point is simple: No community, none at all, has to accept drug abuse. Americans don't have to live in fear. Drugs and so many other social problems can be driven from every community, if every community cares enough to reach out and try.

Americans deserve a lot of credit for their individual and collective efforts. But we still have much to do. There are casualties in this war. We live in an age when tens of thousands of drug-affected babies are born each year. Therein is the real tragedy. Hold in your arms one of those babies, and you just can't help but have a broken heart. We live in an age when one out of every 4,000 American teens dies by his own hand or at someone else's, and too often drugs play a part, a fundamental part, in these tragedies. We live in an age when the scourge of drugs has cheapened life and threatens to erode the moral fabric of this great Nation of ours.

Well, you've set an example, summed up by the antidrug banners created by citizens in Albuquerque that read, ``It's easier to build a child than repair an adult.'' With that kind of tough-minded dedication, we will win. We will make a difference. Each and every one of you is making a difference, and may God bless you all for that.

Thank you very, very much. And thanks for that warm welcome.

Note: The President spoke at 11:41 a.m. at the J.W. Marriott Hotel. In his remarks, he referred to Jim Burke, chairman of the Partnership for a Drug-Free America; Alvah Chapman, Chairman of the National Coalition Committee of the President's Drug Advisory Council; and Albert V. Casey, Council member.

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Venezuela and Vanuatu

January 10, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to the provisions of subsection (b) of the Pelly Amendment to the Fishermen's Protective Act of 1967, as amended (22 U.S.C. 1978), I am reporting to you that the Secretary of Commerce reported to me that the countries of Venezuela and Vanuatu have been under a court-ordered embargo since March 26, 1991. No yellowfin tuna or products derived from yellowfin tuna harvested in the eastern tropical Pacific Ocean (ETP) by purse seine vessels of Venezuela and Vanuatu may be imported into the United States.

The Secretary's letter to me is deemed to be a certification for the purposes of subsection (a) of the Pelly Amendment. Subsection (a) requires that I consider and, at my discretion, order the prohibition of imports into the United States of fish and fish products from Venezuela and Vanuatu to the extent that such prohibition is consistent with the General Agreement on Tariffs and Trade. Subsection (b) requires me to report to the Congress within 60 days following certification on the actions taken pursuant to the certification; if all fish imports have not been prohibited, the report must state the reasons for doing so.

After thorough review, I have determined that, given that an embargo is currently in effect and given the negotiations toward an international dolphin conservation program in the ETP, sanctions will not be imposed at this time. Venezuela and Vanuatu will continue to be certified, and we will review their marine mammal incidental mortality under the Marine Mammal Protection Act if findings are requested for 1992. I will make further reports to you as developments warrant.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Certain Countries

January 10, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to the provisions of subsection (b) of the Pelly Amendment to the Fishermen's Protective Act of 1967, as amended (22 U.S.C. 1978), I am reporting to you that the Secretary of Commerce has reported to me that the countries of Costa Rica, France, Italy, Japan, and Panama have been under an embargo since May 24, 1991. No yellowfin tuna or products derived from yellowfin tuna harvested in the eastern tropical Pacific Ocean (ETP) by purse seine vessels of Mexico, Venezuela, or Vanuatu may be imported into the United States from these nations.

The Secretary's letter to me is deemed to be a certification for the purposes of subsection (a) of the Pelly Amendment. Subsection (a) requires that I consider and, at my discretion, order the prohibition of imports into the United States of fish and fish products from Costa Rica, France, Italy, Japan, and Panama, to the extent that such prohibition is consistent with the General Agreement on Tariffs and Trade. Subsection (b) requires me to report to the Congress within 60 days following certification on the actions taken pursuant to the certification; if fish and wildlife imports have not been prohibited, the report must state the reasons for the lack of a prohibition.

After thorough review, I have determined that, given that an embargo is currently in effect and given the negotiations towards an international dolphin conservation program in the ETP, sanctions will not be imposed against intermediary nations at this time. Costa Rica, France, Italy, Japan, and Panama will continue to be certified, and we will review their status as intermediary nations under the Marine Mammal Protection Act, if requested for 1992. I will make further reports to you as developments warrant.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Libya

January 10, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on the developments since my last report of July 9, 1991, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (``IEEPA"), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c).

1. Since my last report on July 9, 1991, the Libyan Sanctions Regulations (the ``Regulations"), 31 C.F.R. Part 550, administered by the Office of Foreign Assets Control (``FAC") of the Department of the Treasury, have been amended. One amendment, published on August 5, 1991, 56 Fed. Reg. 37156, added the names of 12 companies to Appendix A of the Regulations, which contains a list of organizations determined to be within the definition of the term ``Government of Libya" (Specially Designated Nationals of Libya). This amendment also added a new Appendix B, ``Individuals Determined to be Specially Designated Nationals of Libya," containing the names of persons determined to be acting, or purporting to act, directly or indirectly on behalf of the Government of Libya. An amendment removing one name from Appendix B was published on December 20, 1991, 56 Fed. Reg. 65993. A further amendment of the Regulations, effective December 19, 1991, 56 Fed. Reg. 66334 (Dec. 20, 1991), with a correction published on January 7, 1992, 57 Fed. Reg. 525, revoked the authorization set forth in Section 550.514 that permitted transfers between two non-Libyan foreign banks located outside the United States to clear through accounts located in the United States when the money is being sent to or from the Government of Libya. This action was taken as a partial response to evidence of the Government of Libya's role in the bombing of Pan Am Flight 103. Copies of these amendments and correction are enclosed.

2. During the current 6-month period, FAC made numerous decisions with respect to applications for licenses to engage in transactions under the Regulations, issuing three new licenses and amending three previously issued licenses. The new licenses typically permit, for the benefit of U.S. persons, minor transactions of little or no economic benefit to Libya. The license amendments permit several U.S. firms with substantial pre-embargo investments in their Libyan oil concessions to renew standstill agreements preserving their interests despite nonperformance of concession agreements due to the U.S. sanctions.

3. Various enforcement actions mentioned in previous reports continue to be pursued, and several new investigations of possibly significant violations of the Libyan sanctions were

initiated. During the current reporting period, substantial monetary penalties were assessed against U.S. firms for engaging in prohibited transactions with Libya. In one such case, a penalty of $137,500 was collected from a major U.S. manufacturer, after an investigation developed evidence that it had exported services to Libya and engaged in contracts in support of projects in Libya.

Due to aggressive enforcement efforts and increased public awareness, FAC has received numerous voluntary disclosures from U.S. firms concerning their sanctions violations. Many of these reports were triggered by the recent amendment to the Regulations listing additional organizations and individuals determined to be Specially Designated Nationals (``SDNs'') of Libya. For purposes of the Regulations, all dealings with the organizations and individuals listed will be considered dealings with the Government of Libya. All unlicensed transactions with these persons, or in property in which they have an interest, are prohibited. The initial listing of Libyan SDNs is not a static list and will be augmented from time to time as additional organizations or individuals owned or controlled by, or acting on behalf of, the Government of Libya are identified.

4. The expenses incurred by the Federal Government in the 6-month period from June 15, 1991, through December 14, 1991, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at $487,815. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

5. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effectively, as long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks to the American Farm Bureau Federation in Kansas City, Missouri

January 13, 1992

Thank you, Dean Kleckner. It's a great pleasure to be up here with so many supporters of agriculture. First, let me single out Secretary Madigan, who is doing a superb job as our Secretary of Agriculture. A former Illinois Congressman, he knows the farm business inside out, and believe me, agriculture has a good friend in these GATT negotiations with Ed Madigan. I also salute my friend, the Governor of your host State, Governor Ashcroft is with us; plus two great Senators, Jack Danforth and Kit Bond; and then also Congressman Tom Coleman. All three of these Senators plus this Governor are well-steeped in agriculture. They know the problems. They have been friends to agriculture. And farmers have voiced their support of all three of them plus the Governor over and over again.

I just had a chance just a few minutes ago to meet with the board, your board. It's good to see John White again. I spent the day with him in Chicago last month when I spoke to the Illinois Farm Bureau.

I won't lead you in the singing, but if you see Ed Madigan later on personally, you might want to wish him a happy birthday.

That great voice of rural America, Will Rogers, once observed, ``A man in the country does his own thinking, but you get him into town and he will soon be thinking second-handed." Today I want to give you my firsthand report on my trip to Australia, Singapore, Korea, and Japan and to talk agriculture.

All of you know my real reason for going to Asia: prosperity, ours and theirs. That requires security; it requires stability, democracy, and certainly trade. Twenty-five percent of our farm product is exported, 25 percent. Free trade can give the American farmer new opportunities to save, invest, create, and dream.

The cold war has ended. What a miraculous year it's been. We stand on the verge of a new age of competition. Our ideals triumphed in the cold war, and the new wave of democracy represents nothing less than the political restructuring of the entire world. That was a tough fight, a long fight, but it was worth it.

Just one year ago today, one year ago, think back, we closed the American Embassy in Iraq, and American troops stood prepared to answer the call to duty, the call to liberate Kuwait from Iraqi oppression. That victory that ensued not only lifted the spirits of our Nation but clearly established the United States of America as the undisputed world leader, standing for what is

right and decent, for democracy, for freedom against bullying and aggression. Go anywhere in the world, and you will see the respect in which we are held. Do not listen to those prophets of doom we hear every night, those frantic politicians who say we are a second-class power. We are the undisputed, respected leader of the world. We are the United States of America.

One wonderful dimension of this dramatic world change is that our children no longer have the same worries about nuclear war that their parents had just a few years ago. It was the leadership of the United States of America that brought this about. Now, make no mistake about it, now we must stay involved overseas to lead in economic restructuring for free and fair trade, open markets all over the world.

Open markets are the key to our economic future, both for American agriculture and business. That fight is going to take time, and lots of people will want immediate results. This new world of opportunity isn't going to happen overnight. But I can tell you this: Empty-headed rhetoric won't get us there. Hard work, savvy, experienced negotiation, and confidence in ourselves will get us there, proud and strong. We won the cold war, and we will win the competitive wars. We will do it on the merits, and we're going to do it the American way, through grit, through determination, and through quality.

My trip to Asia was an important and successful step toward building that new world, not with just Japan but with the whole world. We reached dozens of new agreements on market openings, from computers to paper to glass to automotive products. In Japan alone our negotiators reached 49 standards agreements in nonautomotive industries and hammered out marketing opening agreements in a variety of industrial sectors. And that was just a start. Japanese Prime Minister Miyazawa has agreed to visit Washington later this year as a followup to the trip, and both sides have pledged to advance the cause of open, free, and fair trade.

Some political critics say that I shouldn't have taken the trip at all. They're wrong. I will continue to fight for American jobs everywhere. In these tough times, a President should do no less.

Some of these critics say that I wanted to promote managed trade. Wrong. I oppose managed trade. What I want to get is more fair access to the other guys' markets, and that's exactly what we got. Not everything we wanted, but we made progress. We cannot ask foreign markets to buy inferior goods, but we can insist that our quality goods must have fair access to overseas markets.

Our Asian allies understand that we don't want handouts or a home-field trade advantage. We just want a level playing field. Give us a fair shot, and American workers will outthink, outwork, and outproduce anyone in the world. American farmers -- and I saw this and heard it loud and clear on this trip -- already do that.

Our farmers and ranchers thrive in the international marketplace despite the barriers that other

governments throw in their way. As I said earlier, a full 25 percent of our agricultural production gets sold abroad. You don't complain; you get the job done.

Look, we all know that protectionism boils down to defeatism. If you don't trust your product, you try to keep others from sampling the competition. But if you trust your handiwork, you see foreign markets as a great opportunity.

And here's another point that I've made over the years: A capital gains tax cut would reduce the cost of capital and increase investment in business. Traveling in Asia, I was once again reminded of how we put ourselves at a competitive disadvantage with this high capital gains tax rate. Now more than ever, a capital gains tax cut will help our economy back on track. It will put more real value on America's farms and homes. It is good for everyone in our economy and especially for you, the American farmer. And I need your help to make the Congress understand this once and for all.

Consider the payoff. Every $1 billion of American agricultural exports means 25,000 American jobs. Farm exports should exceed $40 billion in 1992. In this time of trade deficits, that's a farm trade surplus of $17 billion, and 1 million good American jobs.

Now we hear it again, we hear some politicians want to set quotas, want to legislate balance of trade. Do you know who would get hurt the most by this? The American farmer.

Don Shawcroft knows what I'm talking about. Japan imports $1.7 billion in beef, and 53 percent of that beef comes from America. This helps cattle ranchers like Don, who runs a 600-head beef herd with his dad in Alamosa, Colorado.

Five hundred miles away lives Arlene Wessel, who produces farrow-to-finish hogs, dryland wheat, corn, on her family's farm near Huron, South Dakota. Arlene also knows how to keep America's standard of living number one in the world: not by building a fence around America but by convincing other countries to tear their fences down. I want to give all farmers, the grain farmers, the rice farmers, those who grow the best produce in the world, a fair shot at selling their goods everywhere.

To achieve this, of course, will require diligence and patience. I recall an old Quaker farmer who would never take the name of the Lord in vain. Perhaps you have heard of him. But one day his mule, who was hitched to a hay wagon, wouldn't budge an inch. The farmer tried every bit of coaxing. No success. Finally, he reached the end of the rope. ``Mule," he said, ``I cannot beat thee or curse thee or abuse thee in any way. But mule, what thou doesn't know is that I can sell thee to an Episcopalian." [Laughter]

In that context, and as an Episcopalian, let me say a few words about export subsidies. Ultimately, they stifle growth, burden the taxpayer, cost consumers, and make industry less

competitive. I also know that I must and will safeguard the interests of American farming. I will not let American agriculture disarm unilaterally.

Today, the trade practices of the European Community hurt American farmers. Our agricultural Export Enhancement Program, the EEP, is specifically designed to counter the EC's massive export subsidies. Without this effort, which is less than one-tenth the size, I might say, of the EC subsidy, American farmers would lose even greater market shares to the EC.

Yes, we want to end export subsidies; we must do that. But we will not do it until other nations do the same thing. I am not going to put our farmers at an unfair disadvantage. Sooner or later, the EC must stop hiding behind its own iron curtain of protectionism. Meanwhile, we will remain leaner, tougher, and more competitive.

The world's future progress and prosperity really depend upon free trade. I am working to conclude the Uruguay round of the GATT negotiations successfully. I especially appreciate, and I've told Dean Kleckner this, the Farm Bureau's steadfast support for free and fair trade. GATT will help the world move toward broader economic integration, not trading blocs.

Our administration will settle for nothing less than a GATT agreement that expands markets and increases opportunities for our exporters. We want free trade, and we want fair trade. And we want abundant trade. And GATT, believe me, really holds the key. I know the EC's behavior threatens progress, but I am optimistic there will be an agreement. And I will not be a part of an agreement unless it's a good agreement for America.

While my administration supports American business abroad, we're also doing our best to help at home. In that spirit, I recall something written about people who grow up close to the soil: ``There's something about getting up at 5 o'clock, 5 a.m., feeding the stock and chickens and milking a couple of cows before breakfast that gives you a respect for the price of butter and eggs." That writer knew that when it comes to farming, Washington does not know best. American farmers do.

In 1990, I worked hard with the legislative leaders, two of whom are here today, in the Senate and one of whom is in the House, here today with us, to get congressional approval of a farm bill that is even-handed and level-headed. That bill helped reduce interest rates, slash inflation, and increase flexibility for farmers to decide what to grow.

I've promoted firsthand thinking in farm policy from day one. We set out to reduce farm debt and increase farmers' independence, and there have been good results. Farmers' equity has grown $45 billion in 3 years. Meanwhile, agricultural sales, gross cash receipts, have risen $17 billion since I took office, to $168 billion. Again, real results.

We are committed to common sense in a wetlands policy. My direction to Vice President

Quayle's Council on Competitiveness was to protect environmentally sensitive wetlands and protect the property rights of landowners. I've asked the board here to send in specific recommendations during this hearing period. Our new guidelines will distinguish between genuine wetlands, which deserve to be protected, and other kinds of land, including your farmlands.

Also, last month I signed a bill making nearly $1 billion in disaster relief available to producers for 1990 and '91 crop losses.

Put these initiatives together, and you get a farm policy that lets farmers do what they do best: farm and compete all over the world. Our policies reflect the values that we all cherish: self-reliance, generosity, family, community. They draw upon your strengths, your intelligence, diligence, determination, and faith.

Today we meet in a city that testifies to all these virtues. Kansas City has braved three major floods this century and risen to new greatness each time. Ninety-two years ago, the Convention Hall burned to the ground. Proud men and women rebuilt it in 90 days. ``In Kansas City," someone explained, ``we don't know what `impossible' means." My friends, I am still convinced that in America we don't know what ``impossible" means.

The American dream isn't an impossible dream. Don't listen to all those gloom-sayers around this country saying that we are a nation in decline. We are, once again, the respected leader of the entire world. And working together, we are going to make the lot of every single American better.

Thank you very much. Thank you very, very much. And I am proud to lead an America that leads the world towards new freedom and prosperity. Thank you. And may God bless you all. Thank you.

Note: The President spoke at 10:46 a.m. at the Municipal Auditorium. In his remarks, he referred to Dean Kleckner, national president of the American Farm Bureau Federation, and John White, Jr., president of the Illinois Farm Bureau.

Statement on the Death of Meade Alcorn

January 13, 1992

Barbara and I are deeply saddened by the death of our longtime family friend and leader of the Republican Party, Meade Alcorn. Meade was chairman of the Republican Party in the late 1950's and was an inspiration to all who were formulating political careers during the time of his leadership. He was a practitioner and a believer who gave the party ideals and strength through its national organization.

Meade was a personal friend of my father and our entire family. He gave us support and advice at many points in our lives. I spoke with his wonderful wife, Marcia, this afternoon to offer our sympathy and condolences. Barbara and I offer our prayers for Meade Alcorn.

White House Statement on the President's Meeting With President Mario Soares of Portugal

January 13, 1992

The President met with Portuguese President Mario Soares for approximately a half hour in the Oval Office. President Soares is in town on a private visit during which he attended an exhibition at the National Gallery. The President expressed his strong desire to cooperate closely with Portugal as the EC President, an office which Portugal took over in January. The President stressed the importance of concluding the Uruguay round. The two Presidents discussed Asian developments and the former Soviet Union, as well as issues relevant to southern Africa. The President and President Soares reaffirmed our strong bilateral relationship and committed each side to continued cooperation.

Remarks to the America 2000 Community Leadership Conference

January 14, 1992

Lamar, thank you so much and all of you. When I walked in here, Ed told me there's an electricity in that room, a real commitment. Well, you can feel it just coming here. And I want to thank all of you for being here, coming from all across our great country to participate in something that is fundamentally important to our future.

I want to thank Lamar, who has taken this leadership role, taken it across the country, taken it out there in the best nonpartisan spirit that one could possibly conceive, and making dramatic progress, I might add. He's too modest. He set out some of the examples, building his examples around those who are here and have taken leadership roles in the community. But he himself has been to countless numbers of States and gotten this program really rolling. And I think the country is grateful to him for that leadership.

And he's put together a first-class team over at the Department of Education, I might add. David Kearns, giving up a fantastically large corporate assignment, as Pete Silas and all of you know, to take on this key role simply because he is committed, as is Lamar, to helping the children of this country. And so we're fortunate to have this program in good hands.

I want to thank Ed Donley. I want to thank Dick Lesher, the able head of this organization, day-to-day head of it; Bill Lurton and all in this organization here in Washington who are providing the leadership, the catalytic leadership, to mobilize these communities.

And as you know, Pete Silas, a very busy man, is sacrificing and giving an awful lot of time to the Chamber nationally, not just on this issue but on a wide array of issues. He and I just returned from what we both agree was a productive trip to Asia with one terrible downside: Neither of us can sleep. [Laughter]

I talked to him about it, and we've determined that it'll take a couple of more days, but I am very grateful to Pete for going all that way into these various capitals to take the American message across the world. It reminded us, that trip, that we're entering an unparalleled new century of the high-tech global, and I emphasize that word, marketplace.

It's going to be a tough, extraordinarily competitive world. And the key to success is going to be education. It's simple: Nations that take the responsibility to invest in the minds of their citizens, all their citizens, are going to move ahead. And nations that don't, even great nations, are going to be left behind.

And America 2000 will help us succeed in a new age of competition. It's going to liberate the best minds and brightest thinkers of this land and will teach us that learning is a lifelong endeavor. And we're in the midst of a revolution, a revolution to free us from the past and open every sort of thrilling new gate of opportunity in the future.

But I think everyone here knows at the community level that it is going to be a tough battle. Everyone knows that at present our schools will not pass the test of the 21st century. And who knows it best? Who know that best? Parents. Parents know it. Business community leaders know it. And our kids, I'm afraid our own kids know it.

But we also know how to meet this challenge, and that is by achieving these six national education goals that Lamar referred to. These are those goals:

By the end of this decade, our children will start school ready to learn. On the Federal side that means Head Start, but it means a lot more than that.

Our children will achieve at least a 90-percent high school graduation rate. It's an achievable goal.

Our children will demonstrate competence in five core subjects measured against world-class standards.

Our children will be first in the world in science and math.

Our adults will be literate and able to compete, therefore, in the work force.

And then the sixth, our schools will be disciplined, safe, and drug-free.

Those are the six education goals. They were set, as Lamar said, not in a partisan way but in a convening of the Governors at Charlottesville was the first step and then working together with partisanship aside to come up with these education goals which have been universally endorsed.

And I'm so pleased that you and the Chamber are committed to this crusade and that more than 600 individual chambers have pledged to make their communities America 2000 communities. The tie between this organization and the America 2000 program is a natural. America 2000 arises out of the understanding that educational excellence is everyone's business. Everyone must take part in creating a climate in which the schools and the communities of the future can flourish.

Our national goals, as I mentioned, were born out of a bipartisan conference of all our Governors, Democrats and Republicans, working not for parties but for the Nation. And let me say I'm sorry to have missed the Governor of Georgia, who was up here in just that spirit -- Dick

filling me in on his contribution to this organizational gathering. Now, with America 2000, every person of every party in this Nation can take part in what is a populist revolution.

America 2000, believe me, it is spreading like a prairie fire. Since April, 30 States and 1,000 communities have joined up, embracing our challenge to adopt and achieve these national goals, these national education goals.

But not everyone's ready for the future. As the train pulls out of the station, many Members of Congress have not yet climbed on board. The House has taken some important steps towards the American achievement tests. Its bill, I think you'd agree, shows some promise. But while Americans across this Nation are working to spark a revolution for the future, the Senate regrettably remains riveted on the past. Its bill, S. 2, is sponsored by Senator Kennedy, and it falls far short, tragically short, of any of our goals. And when the American people want transformation, we are being offered business-as-usual up there.

We want a half-billion dollars to create break-the-mold, new American schools. We want school choice to provide middle- and low-income families the same control over their children's education that wealthier people have, school choice. We want to give communities and teachers flexibility in spending $9 billion in Federal education money. And we want to give the Secretary of Education more discretion in sweeping away burdensome regulations. We want these exciting and essential innovations for the good of our country, and to all of this, regrettably, S. 2, the Kennedy bill, says no.

The train's gathering steam, and that bill is literally standing in the way. And we have to tell Congress of our priorities. We want school choice for parents. We want to return power to the local schools, not mandate everything from Washington but return that power to the local schools. We want American achievement tests. And they'll be fair; they can be voluntary. But we want those American achievement tests. We want new, and by new I'm talking revolutionarily new, American schools. We want America 2000 communities. And we want our kids to excel.

Americans do not want to live in the past. Things move too quickly, and we have to prepare ourselves for the future. Our schools must lead the way, not follow. We need schools for the 21st century, not museums to the failed experiments of the past. And you have to get this message to the people in your communities. You are the leaders. You can do it. You are in the process of doing just that.

America 2000 is a national partnership that requires the involvement of students, teachers, parents, principals, and certainly business and community leaders because this battle for educational excellence will be won home by home, school by school, community by community all across our Nation. You can be a catalyst for change right in your own hometown.

When you return home from this landmark conference, first make sure your schools have adopted those six national goals. Make sure they raise standards for educational performance and hold schools and teachers accountable. That is the key word: accountability.

And second, encourage your employees to take an active role in their children's education, help them with their homework, read to them every day. Parents must pass on to their own kids the drive for educational excellence.

Third, reinforce the message to students that hard work today pays off for the future. Not only does this mean a good job for them, it means a good, strong future for our country.

And when you get home, you, your neighbors, and your friends really must send Congress a message: Start building tomorrow's schools today. Give parents the choice they want and children the education they deserve. And remind them that anyone who says they understand America must understand that we want the best schools for our children.

America 2000 restores the natural relationship between the family and the school. And as I look at the educational problems facing our country, that is a tremendously important relationship. It's been weakened. We've got to strengthen it. It closes the gap between the living room and the classroom. It invites everyone to help break the mold, to build schools for the future, and to lay the foundations for a new American century.

I can assure you, and Lamar has followed up beautifully on this, that every Department in our Government, Defense included, are on board in terms of this America 2000 program. I'm delighted that Pat Saiki, the head of the SBA, is here. She and her organization are enormously important in furthering the objectives of America 2000.

So, it's not just the Congress I'm appealing to. It is the administration that is now on board. It is this Chamber that is in a leadership role for the future. The entire Nation, if you look at it broadly, has really embraced America 2000. And now, we just need to get the message to the people up there on the Congress who work at the Hill and who have a lot to say about the funding that is necessary to see this program successfully concluded.

Not all of it depends, thank heavens, on Federal funding. You're where the action is, right at the community level. But we've got to get the message to 535 people who work down the street to think anew, to work with you in creating these brand-new, revolutionarily new schools. Together, I really believe that we're onto something here, that we will make our future proud and bright.

And so thank you all very, very much for your commitment, for your leadership role, for laying aside the politics to think of the future of the kids in this greatest, freest nation on the face of the Earth.

Thank you, and may God bless you all.

Note: The President spoke at 8:55 a.m. at the U.S. Chamber of Commerce. In his remarks, he referred to Edward Donley, chairman, Center for Workforce Preparation and Quality Education; David T. Kearns, Deputy Secretary of Education; C.J. (Pete) Silas, chairman, Richard L. Lesher, president, and William H. Lurton, vice-chairman, U.S. Chamber of Commerce; and Gov. Zell Miller of Georgia.

Exchange With Reporters Prior to a Meeting With Earvin (Magic) Johnson

January 14, 1992

Johnson's Role on AIDS Commission

Q. Mr. President, what kind of contribution do you think Magic Johnson can make in the AIDS battle?

The President. Well, it is my view that he can make an enormous contribution. He already has when you read the interviews and the reaction that he's having on the young people of this country for this very honest, compassionate, and sensitive view he's taken. It makes an impression on you. And he'll make a contribution on the Commission.

I wrote him a letter, a personal letter, some time ago and said that I recognize there are all kinds of opportunities now to serve mankind and that I'd love to have him on this Commission but he should feel free to say no if there were other priorities. And if he accepted that there would be no pressure, not that you could pressure a guy this size anyway -- [laughter] -- but no pressure to do anything other than do what the umpire does: Call them as they see them. And he's doing that. And he's out on his own around this country.

I think it's a wonderful thing, and I think he's already having an effect on lifestyle, for one hand, and, on the other hand, this whole question of compassion and understanding for people that are afflicted by this. So, it's a two-way street as I see it. One is the education process, and the other is just because of who he is, his character. The way people look up to him in this country, he can probably make a better appeal for compassion and understanding for victims of this than any American. It's that simple.

AIDS Funding

Q. Mr. President, have you committed in your new budget to spend more on AIDS treatment and research?

The President. In anticipation of getting that question, I will point out the fact that we are spending $4.25 billion total now. We are spending on research $1.8 billion, which is more than we do on cancer, more than we do on heart disease. And we will do the utmost possible.

I have been in close touch with the people at NIH, and I expect, Magic, you'll be if you haven't: Dr. Fauci and Dr. Broder and some out there. And we will try to get the maximum research funding level possible. They are not in the mode to tell me that the Federal Government has not

come forward with a good level of funding. I mean, they've been quite positive about that. But if there's some place where you can put a little more money to get this problem solved, of course, we want to be sensitive to that.

Johnson's Role on AIDS Commission

Q. Mr. President, what sort of impression did Earvin's announcement have on you personally?

The President. Emotional. And of course, the Bush family are sports fans, and we've followed Magic. We've done it with great respect and admiration. But it's been not just that, not just a great athlete hit, but it's been the way he's handled it. It's been that that's had the real emotional effect. And people see this around the country. They really do. I'm not just saying it because I'm sitting next to this big guy; I'm just telling you that's the way they see it. They see it as here's a man that's got hit, and he's standing up and doing something about it and helping others. That's what this country's about.

Q. Did you have any hesitation yourself in joining this Commission?

Mr. Johnson. No. After I received President Bush's letter, I mean, first of all I felt honored, and I just wanted to learn a little bit about the Commission, what were my duties, what my responsibilities were before I accepted. Once I found out what the Commission was all about, I was ready to jump in right away. You always want to help in any way you can, and this can only help the battle that I had already taken before that, my stand to try to help people.

Q. Do you have any suggestions for what the President might do to further help to fight AIDS?

Mr. Johnson. Well, the President and I are going to sit and talk.

The President. Talk about that.

Mr. Johnson. Maybe we'll let you know later. [Laughter]

Presidential Campaign

Q. Mr. President, what about the New Hampshire poll that showed a closer contest than before?

The President. I'm not going to talk about polls here today. I'll take care of that when the election rolls around. This is a nonpolitical event with a nonpolitical guy who's out there doing the Lord's work. So, I'd rather defer that until some more appropriate time. But thank you for inquiring.

Note: The exchange began at 1:50 p.m. prior to a meeting in the Oval Office. In his remarks, the

President referred to Anthony S. Fauci, Associate Director for AIDS Research, and Samuel Broder, Director of the National Cancer Institute, at the National Institutes of Health. Professional basketball player Earvin (Magic) Johnson was a member of the National Commission on AIDS.

Remarks on the Presentation of a Natural Gas Powered Van and an Exchange With Reporters

January 14, 1992

The President. Let me just make a couple of brief statements. Last April, as part of the national energy strategy, I signed an Executive order that established goals for greater energy efficiency in the Federal Government, and that included the use of alternative fuel vehicles in the Federal fleet.

This van, driven over here and delivered by Secretaries Lujan and Watkins and then the able head of the GSA, Mr. Austin, uses compressed natural gas. And yesterday GSA announced that this year it will purchase from U.S. automakers 3,125 alternative fuel vehicles for use in the Federal fleet. This program demonstrates our continuing commitment to implementing the national energy strategy, which promotes energy conservation and environmentally sound energy initiatives.

I am also pleased to announce that in our '93 budget, fiscal '93 budget, I will include $15 million for the Department of Energy to assist other Government Agencies in purchasing alternative fuel vehicles. This should allow us to purchase over 5,000 alternative fuel vehicles next year.

These actions will put us ahead of schedule for the purchases of alternative fuel vehicles as required by the Clean Air Act. And I was so pleased to learn about the delivery of this van over to the Department of the Interior that we used a slight Presidential prerogative and invite Secretary Lujan and Secretary Watkins and Administrator Austin to drive the van here for use in the White House fleet. So, we preempted one. But natural gas is a clean burning fuel. It's got a great future in this country, and here's but one more manifestation of that.

Q. You're going to drive it, Mr. President?

The President. What?

Q. Are you going to drive it?

The President. Yes, I've got my license. [Laughter]

Q. You haven't driven in years.

The President. It doesn't matter, I have my license. I would like you to be witness before I get in there.

Mr. Skinner. Looks good to me.

President's Health

Q. How come you can't sleep these nights?

The President. What?

Q. Jet lag?

The President. Doing fine, Helen [Helen Thomas, United Press International]. Please don't worry about that.

Q. I'm really worried.

The President. You wake up at night. I'll tell you, it's crazy.

Q. We're all worried.

The President. All right, here we go.

[At this point, the President took the van for a test drive.]

Meeting With Earvin (Magic) Johnson

Q. Mr. President, was Magic Johnson critical of your performance on AIDS?

The President. What?

Q. Was Magic Johnson critical of what you've done so far?

The President. Good, constructive suggestions, but very, very constructive. We had a very positive meeting. If he was, why, he didn't tell me that. But he left me some suggestions that we'll try to work on.

Note: The exchange began at 2:35 p.m. on the South Lawn at the White House.

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

January 14, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1), and as part of my continuing effort to keep the Congress fully informed, I am again reporting on the status of efforts to obtain compliance by Iraq with the resolutions adopted by the U.N. Security Council.

Since I last reported on November 15, 1991, the International Atomic Energy Agency (IAEA) and the Special Commission created under U.N. Security Council Resolution 687 have continued to conduct inspections and other activities related to Iraqi weapons of mass destruction and ballistic missiles. Iraq has not impeded these efforts insofar as they concern sites and activities declared by Iraq and Iraq's participation in the destruction of identified chemical weapons. In the main, however, Iraq continues to be uncooperative and obstructive with respect to inspection of sites identified by the Special Commission and the IAEA (based on their own sources of information) as potentially involving clandestine, proscribed activities.

Since obtaining extensive and detailed documentation of Iraq's nuclear weapons program in September 1991, two additional inspections have been conducted of facilities judged to be directly associated with the testing and development of high-explosive components of the implosion system of a nuclear weapon, contrary to Iraq's explanation of their purpose. Iraq maintains that it conducted studies but had no program to develop nuclear weapons. This position is inconsistent with the documents obtained in September and the characteristics observed in subsequent visits to Iraqi facilities. These documents and facilities reveal a well-funded and broadly based nuclear weapons development program involving sophisticated facilities. Additional analysis and investigation in this area are required.

The Special Commission has continued to compile a detailed and comprehensive picture of Iraq's chemical and biological weapons program. From November 17 to November 30, 1991, the Special Commission conducted a chemical and biological weapons inspection and visited, at short notice, 13 sites designated by the Special Commission as potentially having chemical weapons or biological weapons. Initial reporting indicates no chemical or biological weapons activities at these sites. In addition, a Special Commission team visited Iraq in mid-November to discuss issues related to Iraq's destruction of identified chemical weapons and agents, with particular emphasis on safety issues. The Special Commission has made recommendations to Iraq regarding an Iraqi design for a mustard agent incinerator, the destruction of nerve agents

caused by caustic hydrolysis, and the breaching and draining of munitions. It is estimated that destruction of such munitions can commence early in 1992.

Two ballistic missile inspections have been completed since my last report. To date, Special Commission inspection teams have supervised the destruction of 62 ballistic missiles, 18 fixed missile launch pads, 33 ballistic missile warheads, 127 missile storage support racks, substantial amounts of rocket fuel, an assembled 350mm supergun, components of two 350 and two 1,000mm superguns, and one ton of supergun propellant. The United States believes, however, that Iraq continues to possess large numbers of undeclared ballistic missiles. Questions also remain about whether all aspects of Iraq's attempts to produce the Scud missile indigenously and to develop a more capable solid-propellant missile have been discovered.

The United States continues to assist the United Nations in its activities, including by conducting U - 2 surveillance flights and providing intelligence. Although the Special Commission has received important monetary contributions from other nations, including Kuwait and Saudi Arabia, the shortage of funds readily available to the Special Commission has become acute, particularly because the Special Commission and the IAEA are now beginning to remove spent irradiated fuel from Iraq.

Since my last report, additional important progress has been made in implementing the Security Council resolution on compensating the victims of the unlawful invasion and occupation of Kuwait. The Governing Council of the U.N. Compensation Commission held its third formal session in Geneva, November 25 - 29, 1991, and continued to make rapid progress in establishing the framework for processing claims. The Governing Council adopted criteria for the remaining categories of claims of individuals, claims of corporations, and claims of governments and international organizations (including claims for environmental damage and natural resource depletion). In addition, the Governing Council set July 1, 1993, as the deadline for filing claims of individuals under $100,000, with expedited consideration to be given to claims filed by July 1, 1992. The Governing Council has scheduled meetings in January, March, and June 1992 to address additional issues concerning the compensation program.

In accordance with paragraph 20 of U.N. Security Council Resolution 687, the Sanctions Committee continues to receive notice of shipments of foodstuffs to Iraq. The Sanctions Committee continues to consider and, when appropriate, approve requests to send to Iraq materials and supplies for essential civilian needs. To date, Iraq has declined to use U.N. Security Council Resolutions 706 and 712 to sell $1.6 billion in oil to generate revenues for the purchase of foodstuffs for Iraqi citizens.

On November 24, 1991, the Secretary General's representative for the U.N. humanitarian program in Iraq entered into a Memorandum of Understanding with Iraq covering the period January 1, 1992, to June 30, 1992. This Understanding establishes the framework for U.N. humanitarian activities (primarily the provision of food, medical care, and shelter) in Iraq, which

are conducted through centers staffed by U.N. and personnel not affiliated with governments. The Understanding contemplates the use of up to 500 U.N. armed guards to protect U.N. personnel, assets, and operations. On January 2, 1992, the Government of Turkey extended for 6 months the authority for U.S. Armed Forces to operate in Turkey in furtherance of Operation Provide Comfort.

Through the International Committee of the Red Cross (ICRC), the United States, Kuwait, and our allies continue to press the Government of Iraq to comply with its obligations under Security Council resolutions to return all detained Kuwaiti and third-country nationals. Likewise, the United States and its allies continue to press the Government of Iraq to return to Kuwait all property and equipment removed from Kuwait by Iraq. Iraq continues not to cooperate fully on these issues and to resist unqualified ICRC access to detention facilities in Iraq.

I remain grateful for the support of the Congress for our efforts to achieve Iraq's full compliance with relevant U.N. Security Council resolutions, and I look forward to continued cooperation toward achieving our mutual objectives.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate.

Statement on the Death of WUSA - TV Sportscaster Glenn Brenner

January 14, 1992

Barbara and I are greatly saddened by the untimely death of Glenn Brenner, a man whose wit and ability has endeared him to so many Washingtonians. The suddenness of his death and the warmth of his personality leave all of us with a painful emptiness. Sometimes we think we know television personalities better than we really do. But Glenn Brenner's life and his many friends demonstrate that the man we saw was real, a man who loved his work, his family, and the community he served. We will remember him for those qualities that made him so special. Barbara and I offer our prayers and sympathy to his family and friends.

Appointment of Timothy J. McBride as an Assistant to the President for Management and Administration

January 14, 1992

The President today announced the appointment of Timothy J. McBride, currently Deputy Assistant to the President, to be an Assistant to the President for Management and Administration.

Most recently Mr. McBride served as Deputy Assistant to the President and Executive Assistant to the Chief of Staff, October 1991 to December 1991. Prior to this Mr. McBride served as Assistant Secretary of Commerce for Trade Development, 1990 - 91; Special Assistant to the President, 1989 - 90; personal aide to the Vice President, 1985 - 89; Deputy Director of the Vice Presidential Advance Office, 1985; consultant to the Republican National Convention arrangements committee in Dallas, TX, 1984; and a small business management consultant in Coral Springs, FL, 1982 - 84.

Mr. McBride graduated from Eastern Michigan University (B.B.A., 1982). He was born October 10, 1958, and is a native of Michigan. Mr. McBride resides in Alexandria, VA.

Appointment of Nicholas E. Calio as Assistant to the President for Legislative Affairs

January 14, 1992

The President today announced the appointment of Nicholas E. Calio, of Ohio, to be Assistant to the President for Legislative Affairs. He would succeed Frederick D. McClure.

Since 1991 Mr. Calio has served as vice president of the Duberstein Group, Inc., a Washington-based consulting firm. From 1989 to 1991, Mr. Calio served as Deputy Assistant to the President for Legislative Affairs. He served with the National Association of Wholesaler-Distributors as senior vice president for government relations and executive director of the wholesaler-distributor political action committee from 1984 to 1989. Mr. Calio served as litigation counsel for the Washington Legal Foundation, 1981 - 84; Of Counsel with the law firm of Santarelli & Bond, 1981 - 84; and as an associate with the law firm of Santarelli & Gimer, 1978 - 81.

Mr. Calio graduated from Ohio Wesleyan University (B.A., 1975) and Case Western Reserve University School of Law (J.D., 1978). He was born January 10, 1953, in Cleveland, OH. Mr. Calio is married to the former Lydia Keller, has three children, and resides in Washington, DC.

Statement by Press Secretary Fitzwater on the Resignation of Richard J. Kerr as Deputy Director of Central Intelligence

January 14, 1992

President Bush accepted with regret today the resignation of Richard J. Kerr, who has served as Deputy Director of Central Intelligence since March 1989. Mr. Kerr will return to private life after serving 32 years as a professional intelligence officer. His resignation will become effective March 2, 1992.

Mr. Kerr has served the country and CIA with dedication and creativity for more than three decades. He played a critical role in the recent transition at CIA, serving with distinction as the Acting DCI, and he provided critical leadership at a time when CIA and the intelligence community were confronted with profound changes in the world. He was an important member of the intelligence team during Desert Shield and Desert Storm, for which he was awarded the Presidential Citizen's Medal. He also made an extraordinary contribution to the NSC Deputies Committee during his tenure as DDCI. The President has great respect for Dick and is grateful for his counsel and support throughout this administration.

Excerpted Remarks With Community Leaders in Portsmouth, New Hampshire

January 15, 1992

The President. First, let me just say thanks to the Governor for providing this cold weather -- [laughter] -- but warm welcome. And I will make a couple of comments at the end, but I do want to do what Judd said, to listen.

I want to single out, of course, Senator Bob Smith, who came up on the plane with us, and Bill Zeliff, your able Congressman, who came with us. I don't think Warren is here, Warren Rudman. But Judd Gregg -- and thank them for their support and being with us in this campaign. I also see Bonnie Newman over here, who is well-known to every businessperson in this State and who's been a great addition to our administration, now back in the private sector.

The only point I want to make at the beginning is, look, I have not just discovered New Hampshire. When a storm hits the seacoast here, it hits me. [Laughter] And I can give you some vivid examples of that. And we've been here over and over again, not only New Hampshire but 48 States. And I care. And I hope I understand, but I know I'll understand better after I hear the depth of concerns that the people in this group have to offer me.

So, I will listen, and I'll be glad to take any questions. I'll be glad to tell you what I think would help the economy of this State. And what helps the economy of the whole Nation clearly will help, so I'll give you a little preview of coming attractions for the State of the Union because we've got to do something there.

Incidentally, I omitted a former Senator sitting over here, Gordon Humphrey. And I'm just thrilled to have his leadership and his support involved. And if I start clicking it off and leaving out people sitting next to me -- I'm already in trouble with Ruth. [Laughter] But I really am very pleased. I feel nothing but warmth here. I know I've got big problems, but we're going to take care of those by demonstrating what I feel in my heart and answering some of the outrageous allegations that we hear at this time of year, every 4 years, from political opponents. But that's the way life is.

I've done my part for the economy. We've brought 300 press up here. [Laughter] My answer to you is, if you can take it, so can I. [Laughter] So go ahead. I don't know what the order is, but Judd, fire away.

[At this point, remarks were made by participants.]

The President. Let me just comment on these, and then I want to hear from as many people as

possible. First, on Doug, one of the things this trip was about was trying to expand markets abroad. And I get hit by some saying this is managed trade. I am for free and fair trade, not managed trade. And what we did was go over there and get access, not everything I wanted, but get access to markets.

Doug mentioned high-tech. One of the things we did do, and we've been supported 100 percent by the computer industry, is get access to the Government computer industry. Forty percent of the computers in Japan are American; in the Government, .04 percent are. Now we've broken that barrier down.

We can help the Governor on his trade missions by this kind of initiative. And I am not going to stop trying to open these markets because somebody said I ought to stay home. We've got a global economy. And he put his hands on it when he talked about the high-tech factor. We are good in this area; we need to do better.

You mentioned financing and venture capital. Please help me and Bob Smith and Bill Zeliff and Warren Rudman get a capital gains tax cut. This is not a tax break for the rich; it is a creation of small jobs.

We are in a demagogic year. A lot of people that have discovered New Hampshire for the first time, they've never been to this State before, never heard of it, don't know the heartbeat of the State. I think I do. Went to school across the line here, have a house down the road here, can see it almost, what's left of it, when we landed at Pease -- [laughter] -- and come in here all the time. And I think I understand.

And I think that this State would prosper by getting the kind of capital gains reduction -- and let me take the heat on whether it's a tax cut for the rich or not. But help me when I come out with this yet again in the State of the Union.

Deborah, you talked about ``hope that the light at the end of the tunnel is not a train." I would remind you of another country-western song by the Nitty Gritty Dirt Band, ``If you want to see a rainbow, you've got to stand a little rain." And New Hampshire has stood more than a little rain. It's had a flood of bad news. And again, I understand it, but I think the answer: less in the regulations.

We're trying to do better on regulations. I do believe that the Fed interest rates that are down now -- and interest rates are at a wonderful level, I'd like to see them down further frankly, but at a wonderful level -- will kick in and will stimulate investment. There is no other side to that coin. It will help. And it will help the real estate business.

Frankly, I think that the talks we've had with the regulators, so that the good loans are not marked up, is going to help. I hope it will. I think we have had some excesses of regulation. Yet

some of the people running around this State are the very ones in their hearings that are trying to say that forbearance, they call it, forbearance is bad. By that they mean you need more regulation. We need less regulation. And I think the Vice President is trying very hard on this Competitive Council. We've got a better job to do there, but I just wanted you to know I think you're on to something on that.

And I won't comment on all the others, but in terms of bank funding and bank -- the only good news out of all this dreary news in terms of the financial institutions is that the depositor, thank heavens, and again, I salute the Members of the Senate and Congress that are here today, has not lost a dime. The depositors haven't. But the financial institutions -- I still feel good banks should make good loans. And as this interest rate goes down, I think, inevitably, that is going to happen.

But real estate has been hurt. And I will have proposals in the State of the Union Message that I think will put value back, and capital gains is a part of this, in the asset people care about the most; that's their homes. Part of the fear that I think exists is because people wonder, ``Hey, what's happened to my home, my house?''

Again, I might say that I haven't diverged one inch from my commitment to what I think are New Hampshire values; I know they're Bush family values, in terms of family and neighborhood and community and child care that can be done at the local level and all of this.

Last point, Dan, yes, I remember talks long ago here. And this helps me. I think I've known, look, this economy is in free-fall. I hope I've known it. Maybe I haven't conveyed it as well as I should have, but I do understand it. And your comments make that even clearer. But I do think that on high-tech, which does offer a partial and hopefully optimistic part of the answer to the problem, R&D, capital gains, a new education program that literally revolutionizes schools, but one of which's goals is proficiency in math and science for young people. Little longer range, incidentally, but it is absolutely fundamental to the innate well-being of a State like New Hampshire. And in the meantime, we can go forward with job training to take the work force you're talking about and try to equip them for jobs that will be there as this economy turns around.

I've got a couple of other specific things, the R&D that you mentioned and Doug mentioned also. Somebody mentioned mandated benefits. We are going to continue to fight against the mandated benefits, telling the communities that if they want, quote, Federal money, they've got to do it by some Federal formula. I think that has been a problem on health care containment and a lot of other things. So, I'll stop there, but R&D, we will continue to press for the R&D credits that I do think will have a big difference in creating the kind of job opportunities that you appropriately mentioned. There are many more. But again, these comments were helpful, and I welcome any more. Or comments.

Q. Would you like to comment on the depreciation or investment tax credits?

The President. Yes, I would, because we're getting to a funny season here politically where everybody's running around saying, what's going to have the most populist appeal? What is the thing that's going to help the most? There was a proposal made by one of Bob Smith's colleagues a while back, last fall, of a massive tax cut, and the long-term interest rates shot up the very next day. I will not go for a quick fix.

What we will be proposing and have proposed and have been stiffed by a Democratic Congress are things that would do what you're talking about. Capital gains is part of it; IRA's that affect the first-time homebuyers is another part of it; extension of the R&D tax credit is another part of it. And these are aimed at what you're talking about, real growth. And to those I would add an education and retraining program that is absolutely fundamental to be able to compete. I would add a necessity for this President and for Governors to do what we're trying to do, and that is to get access, fair access, to others' markets.

I would avoid the siren's call of protection that suggests the way for us to get strong is to put quotas on and to start managing trade. We'd be right back where we were in the Smoot-Hawley days of the thirties, and there are one or two other people around here that are old enough to remember what it was like when we shrunk the foreign markets.

So, I agree with what you say. I hope this is what we've been trying to do. And I know this is a political trip because the campaign has to pay for it, so give me more Congressmen like Senator Smith and Bill Zeliff and Gordon Humphrey and this Governor, and I believe we can get the kind of investment-oriented programs through the Congress. I am going to try again. And I would like to save one or two additions to what I've told you for the State of the Union, but I hope you'll agree that what we're proposing is not a quick political fix that will get you votes through a series of southern primaries after the New Hampshire primary, but something that will take the Government role and use it in partnership with private industry and State governments to get this sick economy moving.

I don't want to try to be up here to assert blame; I'll take my share of it. But when you look at what we have tried to do in terms of growth incentives and the way we've been stiffed by a hostile Congress for pure political reasons, I need the help of the people in this State. That's one reason I'm just delighted to be here. But again, when it rains before you see that rainbow, the President has to take his share of the blame. And I'm here to do just exactly that. But we will stay involved internationally, and I will press for those kinds of sound investment -- you mentioned depreciation schedules or ITC, that's sound.

And please stay tuned for the State of the Union.

[At this point, remarks were made by a participant.]

The President. That might well be, the double declining balance of the depreciation and some of

these things taken out so that there could be an overall tax cut. It worked for a while, but I think now anything we do with the Tax Code should be to stimulate real investment, some degree real savings, because we're not saving enough as a nation and thus the banks don't have enough of the capital that they would have otherwise to loan out, and through education and R&D and all of this keep our technological edge. We've still got it, but we need to keep it and build it and strengthen it.

So, that's the approach we're going to be taking in terms of real investment. And I am going to resist, I don't care what it costs in terms of votes, some of these siren's calls that go out to simply take across-the-board tax cuts that have a good sound to them but do not do what you're talking about. The way to create jobs is through what you're talking about, and that's what I have tried to do. And I'm going to be more effective doing it in the future because I'm going to take my case right to the American people and say, ``Look, here's what I've tried to do; now I need your help." New Hampshire's hurting, these other States are hurting. And this is the approach we're going to take. And I hope it makes sense.

Q. During the Persian Gulf war, one thing that I thought was very obvious was the fact that we had daily updates on where the war was going. People knew what was going on on a daily basis. It created a lot of interest, and it created a lot of support for what you were doing over there. In my lifetime, whenever I've watched the State of the Union Address I've agreed with a lot of things any administration has said, but as the weeks go on it loses some of its interest, some of its impact. I would suggest to you that during your State of the Union Address you tell the American public that once a week, for the next 4, 6, 8, 10 weeks, you're going to come on prime time and update us on the status of your proposals that you make in the State of the Union Address.

The President. It's an interesting suggestion. Here are the people you want to talk to about giving me the prime time out here because we're in an election year and you'll have every jackleg jumping up demanding equal time with some screwy scheme. [Laughter]

But I believe that you've got something. I have to keep it before the American people. I have not done a good job in getting people to understand we've had a growth agenda. I have proposed in three State of the Union Messages some of the various things I'm hearing around here we should do. And I don't believe there's a working guy in New Hampshire that understands that. That's my fault. We've got to do better on it, and I think you've got a pretty good idea.

I'd like to take the same kind of energy and leadership that we had in Desert Storm and use it to help the working men and women in the State of New Hampshire and across this country. There is one significant difference. When I moved 500,000 troops about 14 months ago, I didn't have to ask permission from a Democratically controlled Congress. When I said, a year ago to this very day, we may have to go into battle, and I don't like sending any mother's son into battle, or daughter either, but we did it. Didn't have to get permission. Didn't have to go to subcommittee

chairmen that Bill Zeliff has to wrestle with, or Bob Smith, every day to have a debate on what's going to happen the minute I finish this State of the Union. They've already prepared their response. We just did it.

I'm the Commander in Chief. I have the responsibility for the national security of this country. We led, and we lifted the American spirit. And now you see some of these magazines coming out with the revision of all that, trying to take it away from the American people. I talked to one of our leading generals about it yesterday, and he's just sick about that kind of revisionistic reporting. The American people know what they saw. They saw leadership. They took pride in their young men and women. And we can do the same thing domestically, I believe.

I'm not arguing about your suggestion. I'm simply arguing about the modalities because, one, political year; two, getting access to the airwaves for the kind of update is pretty complicated and quite expensive.

We will try very, very hard again. And I think I can be more effective, and I'm going to say, ``Look, let's do it this way. Let's lay aside the politics. Let's do it this way." And then if they don't like it, fine. Keep hammering that away to the American people. So, I realize that we need a followup, but I just argue whether we can get that nice, crisp, clean air time that I'd like to have.

And it was available, in a sense, to our national purpose. Remember on Desert Storm, though, the criticism of the President, it goes with my job, didn't sell it, American people don't understand what we're doing, American people don't know, let's wait, let's wait, this man will get out, these sanctions will take care of it, body bags. It wasn't all as clear on the international front as it seemed after these young men and women did that job.

But we can do it here. And again, this meeting helps sensitize me to the fact that we must do it.

Q. You can't mention this, but I can, and I do recall there was some criticism. In fact, there were some people that openly opposed the idea of standing up to Saddam Hussein in Kuwait, and one of them is running for President in the Republican Party. [Laughter]

Q. As a corollary to Desert Storm, I'm not at all certain that you might not have been in a worse position than we are in trying to stimulate new business if you had to justify some of the actions with the OSHA's and the EPA's. And I think that one of the things that is very important is to put some type of a stop to the burgeoning and, in some cases, very much overrated types of bias that come out from someone that does not get elected.

The President. Dave mentioned that, and sometimes you're caught between a rock and a hard place. I think we've got a good environmental record. I think it's important we've got a good environmental record. But I think, in some cases, we should be erring on the side of jobs and

employment.

And I look out on -- I'll give you a problem out on the Northwest. All across the country we have a spotted owl problem. And yes, we want to see that little furry, feathery guy protected and all of that. But I don't want to see 40,000 loggers thrown out of work. And so, we have to work it out properly. Bill Zeliff and Bob were telling me that they've had good cooperation from Bill Reilly on some of these very difficult environmental matters.

I think of this State as, you know, good conservation. You've got a lot to conserve. You've got beauty. But we've got to find the proper balance between the excesses of the regulatory movement, which is the conservation movement, and the excesses on, the rape, pillage, and plunder on the business side.

The State has always been able to sort that out pretty well. So I take your criticism. And we will endeavor to bring home to the regional bureaucrats the need for the balance that -- I think you're calling for balance in this. And I think we can do better there.

[At this point, remarks were made by a participant.]

The President. The national figures on manufacturing are not all discouraging even in rough economic times. What I think we were talking about here probably would have the most stimulative effect, short and long run, if you add R&D and education into it, of manufacturing. But the concept that we need a strong manufacturing base is very, very important. And I hope I can emphasize that.

You get into a political debate; you get into a political kind of pledging debate: Who is going to cut the taxes the most to get the most votes? I think I have to resist that. I have the responsibility now, accept the responsibility for good things and the bad things, and I have to propose what I think will create the most jobs and bring the economy back the quickest. And a strong manufacturing base is part of it.

But again, let me make this pitch to you all because I do think of New Hampshire as resisting from the left or from the extreme right the siren's call of protection. We are in a global economy now. You can't separate it out. It is exports that have saved the national economy to the degree it's even been saved, and it hasn't been saved, but I mean, put it this way, it would be a lot worse if we weren't exporting to these foreign countries.

And we can compete in a manufacturing way with these foreign countries if we get the proper access, fair access to markets, and if we protect our competitiveness through the kinds of taxing that we've heard here today that I think you probably favor. So, I'll try to keep that in focus as we go forward here.

[At this point, remarks were made by a participant.]

The President. What you ask for is, as I thought at the opening of your remarks, an opportunity to take some specifics and to take this New Hampshire view and be heard on it. And that is easily arranged. I mean, I'd be delighted to have set up at whatever level you want to take these specifics and make clear to the regulators, or higher if you want to go, as to what the mechanics are that are holding back this recovery.

So, I accept your offer, and we'll be glad to set it up. But be specific, bring the specifics because there is some feeling that some of these problems have been resolved. And to the degree that they are still out there, and it's something other than the judgment of the lending institution who got burned for loaning in ways they shouldn't have loaned before and are saying, ``Hey, I've got to protect my stockholders,'' we can do something about it. If it's the judgment of a financial man, lending officer, then I don't know that the Government has a role. But if it's the Government regulator that's putting this dampener on the lending community in a small New Hampshire town, I'd like to have our people listen to that and try to be sensitive to it and try to change it. To some degree we've made progress, but obviously we haven't made enough.

[At this point, remarks were made by a participant.]

The President. And after you get through talking to us, and I hope that we can help as an administration, save a little time to talk to some of those who don't think we've got enough regulation on Congress and will hold up the name of a very good man for the OCC because they think he's been too lenient on regulation. And he gets stiffed in these Senate politics. Bob Smith knows this very well, indeed. We've got to sell the other side that you've got a point here, and you do have a point here.

I don't want to sound like an expert, because I've been out of meeting a payroll for a long time. When I was in the drilling business, if I went into loan on a drilling rig, I had to have a contract from a major oil company or some good credit, or they wouldn't loan me a dime. They wouldn't loan unless I had that to pay it out.

In the go-go years that followed, there got to be a lot of competition for loans for drilling platforms, and you didn't have to have a contract. And the lending institutions started making loans that they wouldn't have made in more normal times or more conservative times.

In real estate, you had to have a contract to pay out x percent of your building, if not the entire building. And then in the go-go days, through the S&L's and some degree the banks trying to compete, understandably so, thinking there will be no tomorrow, and the consumer and the loaners thinking the same thing, they made loans that now are bad, shouldn't have made in the first place. We got carried away by the excesses.

Now, I know that from personal experience, not from some textbook, not from listening to some handler in the campaign just discovering New Hampshire. So, we have been recovering from some of the excesses. It is my point that in some of this regulation we've gone too far, that we've swung too far back. And the lender is saying to himself, ``Wait a minute. I've been through all that once. Don't ask me to make the same mistake twice."

A lot of what you're talking about is psychological between the lender and the borrower. But to the degree the Government is being inhibiting, not for sound economic reason but just kind of reaction to the excesses of the past, we can help, and we should help. And we should try to lighten up on the regulations, and I know Judd feels that way at the State level.

So, I think something good can come of this, and we will set it up at whatever level you want.

Q. Thank you, Mr. President. We've got a very busy day planned for you, so I guess we've got to sort of wrap this up. I didn't know if you wanted to make any additional comments, or we can move on and say hello to some of the folks out there.

The President. Well, I'd rather say hello, but I -- for busy people, working hard in a struggling economy, to take the time to come here has been extraordinarily helpful to me.

And I just want to end where I started. I don't know what I have to do to convince people here that I really care about this; I do. I probably have made mistakes in assessing the fact that the economy would recover. Last year at this time, 49 out of the 50 blue-chip economists thought that by now we'd be in recovery. They were wrong; I was wrong. Maybe one or two of you around the table would admit he or even she was wrong. Sorry, Bonnie. I don't know.

So, it's not a question of blame; I will accept that. But what I want to do is convince the people here, one, that I understand the problem -- I think I do; two, that I need help in solving the problem, and that means support for the growth initiatives, some of which I've tried and failed on because of a stiff by a partisan Congress, and some of which we will try again, and add to that additional ones that I've been listening to around this table. So, we're going to go, and go forth in this State of the Union.

Then I also took on board this comment about needing to follow that up. And what we can get done in an election year, I don't know. But I'll conclude this way: Without having it sound like Mrs. Rose Scenario, this is New Hampshire. You've done a lot; you've accomplished a lot. And this State is going to pull out of this. This national economy is going to pull out of this. You look back in history of this country; it always has, and it will.

So, my message without, as I say, just being euphorically optimistic, is that in place there are some fundamentals that we haven't talked about today. Somebody ought to -- the market's seeing them, incidentally. What are they? They are: Interest rates are down. Inflation, the cruelest tax of

all, is down. Unfortunately, part of the reason is economic growth is so slow. But nevertheless, that is down. Inventories are in fair shape. And I think most people here understand that. We are making progress on access to foreign markets. The exports are vibrant.

Couple those with the bad news, and we all know what that is, of unemployment and, somebody put their finger on it, confidence, the confidence factor. I mean, we had national unemployment at 10.7 percent in about 1981 or 1982, and confidence was higher then than it is now. People were saying, ``Hey, tomorrow is going to be better."

So, I don't want to be the cheerleader saying tomorrow is going to be better. I do think the economy is going to come out of it. But I need the help of sound-thinking people to resist the siren call of protection, to resist some of these quick political appeal taxing schemes that may get you a vote or two, but will do nothing to stimulate jobs, investment, and economic growth.

And so, I came here to ask for support in this very important field, as well as to listen to the heartbeat of this State that I do feel Barbara and I both know. Somebody mentioned her, and I am very proud of what she is doing, not just because she knows how to handle her husband when he throws up -- [laughter] -- but she is expressing something that I think the people of New Hampshire understand. And that is love of family, faith, determination, helping kids -- taking an AIDS baby and holding it in her arms and say, ``Hey, we need a little compassion and understanding on all this." And I have a very comfortable feeling that people here know that we do feel a part of this State.

In any event, that's what I'd say in conclusion. And thank you all very, very much. I've learned a lot.

Note: The President spoke at 8:52 a.m. at the Pease Air National Guard Base. In his remarks, he referred to J. Bonnie Newman, former Assistant to the President for Management and Administration, and Ruth L. Griffin, member of the Governor's Council.

Remarks and a Question-and-Answer Session at a Town Hall Meeting in Exeter, New Hampshire

January 15, 1992

The President. I am very, very pleased to be back. Mike, how are you? This guy meets me at Pease every time I come in there. [Laughter] Exeter rose-grower.

Let me just say how really pleased I am to be here and to thank you for turning out. I want to make a couple of comments, and then it's mainly questions. Isn't it, Judd? First, I want to thank the Governor for being at my side. You know my and Barbara's affection for Governor Judd Gregg and for Hugh and Kay, old longtime friends who stay in touch and who have kept me informed of this State -- both of them, both Greggs -- of the problems that we face in this State. And I'm not talking political; I'm talking about hardship for people that are hurting.

One of the things I'm pleased to be able to do here is to at least let the people of this State know that even though I am President and do have two or three other responsibilities, that when people are hurting, we care. We get the message there. We read the mail. We can understand. And I just wanted to get that out loud and clear because we're in a political year, and you hear a lot of people that have discovered New Hampshire for the first time running around trying to say something different. Of course, we care.

Secondly, I am very grateful not only to the Governor but to Senator Bob Smith, Senator Rudman, who couldn't be with us -- Bob Smith here today -- who are doing a superb job, and then your Congressman, another dear friend, a man I respect, Bill Zeliff. These are leaders in the Congress. And they talk about pledges and all of this. Let me tell you something. I took a pledge when I was sworn in, the oath of office, and what I need a pledge about is to get more Congressmen and Senators like Senator Smith and Gordon Humphrey, who was in the Senate and is supporting me, and your Congressman here, Bill Zeliff, and Warren Rudman. Then we would be able to control this Federal spending better. Then we would be able to see that we get these tax improvements that I've been asking for. So that's the pledge I want, is the pledge from the people to give us more. And you're going to have to use your influence out of the State because you've done pretty darn well in the State in the United States Congress.

So, that was one point I wanted to make. The other one is that people say, ``Well, you're in trouble in New Hampshire." Well, that may be. But I'm here to listen. I'm here to take the questions. I'm here to say, hey, there's a lot to do in partnership, the Federal Government, the State government where you've got superb leadership, and the people themselves.

And of course, we care. And somebody gave me the analogy of a country-western song about a train, hoping they'd see the light at the end of the tunnel is not a train coming through. And I

trumped it with saying, well, remember the Nitty Gritty Dirt Band one, if you've got any country music people here, ``If you're going to see a rainbow, you've got to stand a little rain."

Well, New Hampshire has stood more than its share of rain, job -- hurting and the families wondering how they're going to make their ends meet. But there is going to be a rainbow out there. There's some fundamentals that are pretty darn good. And yet, we've got to do better.

And the last point I want to make is I hope that you will listen to the State of the Union Message. I have proposed, 3 straight years, growth agenda programs. Not some fancy quick fix that's going to have broad appeal in an election time, but things that would stimulate this economy. Now we're putting this all together again with new additions to it to take these proposals to the American people. And then what I hope we can do is rally the American people and get the economy moving by sound investment-oriented treatment of the Tax Code.

That is what's needed, and still hold the line on spending. One of the few benefits of that budget agreement was that we have caps on the excesses of Federal spending, those things that can be controlled. And I want to keep them there. I do not want to bust the one restraint that is on the spenders in the United States Congress.

So having said that, I hope you'll ask the questions. We'll have a good health program that I think will have appeal to the voters here because it's family; it keeps things close to the people themselves rather than having a lot of mandated benefits out of Washington.

And this is the last point. I'm just back from a rather spectacular trip to Asia. I say spectacular -- you try getting the flu at a dinner. [Laughter] I have a feeling the people in New England, and certainly having been a neighbor of this State for so long, understand that even Presidents get the flu. I said over there, even Democrats get it from time to time. [Laughter] But you've got to admit I did it in a dramatic way.

Having said that, exports account for a tremendous amount of the growth in this country. A lot of the jobs, I think it's estimated -- I was talking to Bob and Bill coming over here -- 35,000 to 40,000 jobs in New Hampshire related to exports. So please don't buy this protection legislation that the Democrats and some others are putting out, this idea that we can shrink back inside. I want to put America first in the sense of the values, in the sense of getting this economy to be first, but not in the sense of some kind of protection legislation that is going to shrink markets and throw the working people of New Hampshire further out of work. Let's expand these markets.

Now, fire away. Shoot. Any questions, even if they're tough ones. I know we've got a few fans in here for someone else. Bring them up.

You're second. Got the first guy, and we'll be right over.

The Economy

Q. Mr. President, first let me say the conditions in the country today, with our Government in deficit, most every State in the Union in deficit, and most every municipality in the country in deficit, never mind the households, what do we have to do -- and I'm glad you brought a few -- to get the Congressmen and the Senators in this country to realize when we have millions of people without jobs, homeless, without health care, and these fellows have the gall to vote themselves a raise, what can we do other than vote out every incumbent? I hate to see that, but I mean, what do we have to do to get the message across to these people in Washington?

The President. Well, I think this kind of meeting helps. Fortunately, you have congressional delegations, the ones I mentioned from this State, that understand that. They fight against the excesses of Congress.

One of the things that I proposed or seconded the motion on were these proposals that are there, and they're bipartisan, I might add, for Congress to reform itself in terms of proliferation of committees and needing reforms, Congress to adhere to the same laws that the American people have to adhere to. One of the comments that I've made after the Clarence Thomas hearings was that that needed to be done. They ought not to exempt themselves from the laws you and I have to honor. And this congressional delegation understands that; these people here do. So, you've got to spill over and use your influence across the border, two ways I might add, Maine and Massachusetts, good places to start. So, try that one.

But no, you've got a good point. Look, I'm not up here to assign blame. I'll take my share of the blame. I don't take it for not caring or not understanding. I do. Barbara does. I hope we have projected the family concerns that we feel. We've tried to do that in this job. But I'm not here to blame.

But I am here to remind the voters up here that in two previous State of the Unions I have proposed growth initiatives that would have stimulated the economy. Now I'm going to do it again, and this time I'm going to look the American people in the eye, as I did in the past, and say, ``All right, people are hurting more now. I've just come back from the State of New Hampshire, and a lot of people are out of work. And if you really care, pass this package. Then we can put it back into politics and debate it for the rest of this political year. But get something done that's going to get the people of this State and of this country back to work.'' That's the approach I'm going to take.

Now, we had one here, and then I'll come over there.

AIDS

Q. We had a wonderful Surgeon General who led us in health care in the man of Dr. Chick Koop.

The President. Yes.

Q. Can he help us with some of our health problems in the future?

The President. Yes, he can. He's a good man. I think he wants to, too. I saw him the other day. And one of the things that Dr. Koop, who came into office and people said, ``Well, this guy's a little conservative for the national agenda." He wasn't; very sensitive guy. One of the things that he has done -- and this is a sensitive subject; it's on my mind again because yesterday I met with Earvin ``Magic" Johnson -- is to project the idea that treating AIDS is a health problem.

We are concerned about it. We care about it. When Barbara holds an AIDS baby in her arms, she's trying to express the compassion that both of us feel. When I go out to NIH and meet with those people that are afflicted with it -- we have to do it on a health problem: Prevention, research and development, caring, making people understand this now is a national health problem.

And Magic, who's on that Commission, following in the footsteps of the education that Chick Koop has put forward to the beginning, is saying, ``Look, lifestyle's important." He said, ``I've made some mistakes." And he did. He made some big ones. But now I want to help, get this thing out for open debate, compassionate treatment as a disease, and see what we can do. Then use our office, the bully pulpit of the White House and Chick Koop and others, our new Surgeon General, to educate people. We've got to treat with the health aspect through prevention and research. I think he will have -- we'd love to have him involved.

Health Care

Q. On the national health plan, what do you have planned as a help for the 35 million people who don't have health insurance?

The President. The question in the back is a very important question. What are you going to do about the 35 million who don't have health insurance? What we've done so far is emphasizing prevention, emphasizing inoculations and this kind of thing. Now at the State of the Union, I will have what I think is the proper, if you'll permit me to hold back some of the details, but a comprehensive health care program that does not increase the Federal mandates but does bring protection to the numbers of people that are uninsured. Therein lies the big problem.

So, we will have a comprehensive -- it's only 2 weeks away, so stay tuned, and I think it will be done with the values I think of as New Hampshire values in mind, without busting the budget. I ask you, when you hear all these people who have just discovered New Hampshire on the road

map coming up here with these health plans, ask them what that is going to do to the people that pay the taxes, as well as those who need the health care.

So, I think we've got a good program, and I hope we can get the support from everybody in this room.

Yes, in the back in the middle.

Q. If I can just comment, I think we have time for about two more questions. We'd like to have everybody come up and have a chance to shake hands with the President.

The President. Anybody got a real controversial one or want to make a statement? I want some guy that really wants to be tough, some tough guy. Who is it? This guy in the middle? Yes. Who are you for, first, and then let's hear the question. [Laughter]

Q. I don't think you want to know.

The President. No, but really, they shouldn't be soft balls. Call it as you see it, and you'll get it back.

Q. I'm a registered Democrat.

The President. All right, sir.

Education

Q. I haven't made up my mind yet.

Four years ago you proclaimed yourself the education President.

The President. Yes.

Q. Well, I'm a student at the University of New Hampshire, and to the best of my knowledge New Hampshire is 51st out of 50 States. We're behind Puerto Rico as well, as far as State funding for education. And I just haven't seen very much evidence of your being the education President.

The President. The man asked a very important and very fair question. In the first place, Federal spending, and I can understand why you might not sense this, is up significantly in the Department of Education. As you know, Federal spending is 6 or 7 percent of the total education budget for the country. Educational spending, leave out Federal, is also up substantially.

Here's the good news: We do have a good program. I went to the 50 Governors. We put politics aside on this one, believe me. We've got the national education goals, six goals now. They were agreed by Democrats and Republicans alike. They are now encompassed in a program called America 2000, which is a national education strategy. It literally calls for revolutionizing the schools.

Yes, it requires some more Federal spending, but we're budgeting that. It requires much more participation of parents and of communities. I addressed a national Chamber meeting yesterday on it. Democrats, Republicans, liberals, conservatives coming together to say we've got to do it differently.

Please take a look at that program. It is sensible. I'm determined to keep it out of the political crosscurrent. I don't care about my personal label; I am committed to education. This program, under the able leadership of Lamar Alexander, is one of the things that is beginning to get to the American consciousness.

You and I might differ on this one; I still like the idea of parents being able to choose. When I came out of the military to the GI bill a thousand years ago nobody said, ``Hey, you've got to go to school A or school B, university A or B, or high school extension program A, B, or C." The person could choose. And choice in the State of Minnesota, formerly run by a Democratic Governor, has resulted in educational excellence.

And so, one of the concepts of this is choice. Another one is doing better in math and science. Another is to continue the increases that we've already started on Head Start, ready to learn. Another one is, you're never too old to learn. Even I, and it's not just show business, have a little computer there, and I'm trying to learn it. I'm doing something, and I hope it's an example that you're never too old to learn, although I'm having a few difficulties with the cursor. [Laughter]

The thing that troubles me is I don't think that we've gotten that across. It is a good, sensible program. It's really just starting, but it holds the answer because we are not going to be as competitive in this world if we don't do better in math or science.

Another part of it is voluntary testing at the 4th, 8th, and high school level. And it's voluntary. But there's nothing wrong with testing. There's nothing wrong with standards so a school knows whether it's keeping up with other schools. We've gotten away from that sense of discipline. Then I want the schools to be drug-free so a kid can go and learn in a safe environment.

So, those are some of the ingredients of our program called America 2000.

War on Drugs

Q. Mr. President, it seems that as the economy gets worse and worse, that more and more people are turning to the sales of drugs and more and more people are using drugs as they see the economy toughen and their families suffering. What do you propose to do about this problem because it seems to keep getting worse?

The President. Let me repeat the question because I want to argue with the premise a little bit, not totally. The premise is, it seems to be getting worse on narcotics, drugs, amongst young people, and what do you propose to do about it?

We have a national drug strategy. We are making significant if not dramatic progress amongst young people, for example, in the use of cocaine, down by 10 percent. Where we're hurting as a society is the 35 and older, kind of the addicted crowd is not shaking it.

Education is a part of it. Treatment is a part of it. Interdiction, a much more successful interdiction effort, is a part of it. But the national drug strategy is working. And then there's another ingredient to this. It's the private partnership under the leadership of a guy named Jim Burke. We're spending $1 million -- they are, not Government -- $1 million a day with, I don't know whether you've seen them, with advertisements, pro bono advertisements trying to help educate children and parents that drugs are -- you know, turn off of drugs.

We are making progress. We've made big progress in marijuana, made big progress in cocaine use. And yet, we've still got a long way to go. So, we'll keep fighting the problem, but I just want to give a little hope out there that these figures are fairly encouraging in terms of the age group that you asked about.

Last pitch is this on it: I still think that the people of New Hampshire, in spite of the economic problems and being out of work, still really epitomize for a lot of the rest of the country what Barbara and I talk about as family values. I worry about the decimation of the American family. Everything we do, like child care, we try to make it that the family has a choice, or education, that the family does.

Barbara is out there trying to get people -- ``Read to the kids." So, I do think that family involvement is vital to the success. The Federal Government cannot get this drug thing done by itself. We've got a program. We've got to keep the families together and the families involved in solving this. That isn't a vote-getter, and that isn't going to outpromise some Democrat halfway across the State. But it is something I feel very, very strongly about and will continue to try to help the American people understand.

You've got to read to your kids. You've got to hug them. You've got to lift them up and dust them off and put them back into the game. And if you don't do that, they drift off into some of this mire. In the inner city they need help on it, too.

[At this point, County Commissioner Maureen Barrows presented a book on the history of Exeter to the President.]

The President. Listen, I apologize, but we're really almost just getting started. This is not show business. I mean, when a guy asked a very good question on education it gave me a chance to say what I think, but also it shows what concerns people. So I hope you don't feel this -- whoops, even the guy at the end of the table here feels that it's just some kind of a useless exercise.

But message: I care. We're trying. We need help. We have had and will continue to have, I think, sound and sensible programs.

And let's not forget this: It was one year ago that I had to make a very fateful decision that affected the lives of a lot of Americans. And we saw instantly the return of American pride. It doesn't matter about how you feel about when we should have gone to war, the country came together. I want to use that same kind of leadership to bring the country together now on the social problems that affect us and on getting this economy going and getting New Hampshire back to work. And I need your help.

Thank you very, very much.

Note: The President spoke at 10:50 a.m. at the Exeter Town Hall. In his remarks, he referred to Michael Dagostino, a retired rose-grower in Exeter, and Hugh and Kay Gregg, parents of Gov. Judd Gregg.

Remarks to Davidson Interior Trim Employees in Dover, New Hampshire

January 15, 1992

First, let me just say thanks for the warmth of this reception. And your chairman is just back from a trip with me abroad, and the thing got a little caught up in some of the politics of the moment, which is hard to avoid. But the concept was: Look, this isn't any time to pull back; this is a time to try to expand American markets. I am not in favor of protection in the sense of pulling away from our export markets.

So, we went over there and tried to hammer away in getting our export market extended. And one of the things that saved us in the extraordinarily difficult times that, well, this State faces and the neighboring State of Maine, Massachusetts, and New England, and also some of the rest of the country, is our exports. So, one pitch I'd make is, no matter what your politics are, is please resist this siren's call, this wonderful call, ``Well, we're going to protect." Because when you protect, you shrink the markets abroad, and you throw people at home out of work.

So that's the theme that I -- take you up on your chance to say something. [Laughter] And the other thing, and I guess, is that I expect it's difficult for somebody working in a plant here in New Hampshire to wonder, to know if the President really cares about what's happening in the economy. And I think I know this State. Went to school a thousand years ago across the border, and go up every summer of my life except 1944 to Maine, spending a fair amount of time, almost you can see it, practically, coming in on the plane. So when you get clobbered on the seacoast by a storm, I get clobbered on the seacoast by a storm. It goes further than that. When you get hurting because you worry whether you're going to have a job or you get thrown out, I do care about it. And I just wanted to say that.

What we're trying to do from the Federal level is to stimulate the economic growth of this country. And I hope you'll stay tuned at the State of the Union. I've made some proposals. I'm having difficulty, I think we all know, getting them through the Congress. But I'm going to try again, look the American people in the eye, and say, ``Now look, here's what it's going to take to take a sick economy and make it a well economy."

Having said that, I'm convinced this economy is going to turn around. I've been wrong about how fast it would be, and I think a lot of other people, smarter than I, have been wrong about how fast it would be, the economists and all that. But we are the United States. We don't need to fear anything at all. We can turn this thing around, and we're going to do it.

And the last point is simply this, because I want to eat this chili before it gets cold -- [laughter] -- and some of you guys have got to go to work. But the last part of it is that a year ago, almost to

the day -- and maybe some of you all were involved; I know you were with your emotions, your hearts, and everything -- but we, almost a year ago to this very minute, went into battle halfway around the world. And the country demonstrated something in support of the young men and women that fought there that we'd really lost since World War II. We came together, came together in anticipation, came together in war, and came together in victory. And it lifted the country up; the country came together.

Well, even though we're in an election year -- and I'm a realist, I've been in politics one hell of a long time, if you'll excuse the expression -- some things transcend the politics. One of them is that what I want to do, even though we're in an election year, is take the same spirit of leadership and the same spirit that affected this country then, can-do spirit, and say, ``All right, now let's see if we can't do the same thing with our economy," through getting the incentives built back into the system or keeping the lid on the Federal spending or whatever it is.

And I just wanted you to know: One, I know you're hurting; two, I care about it; three, I've been wrong about how fast this recovery would take; but, four, I am determined to use the role as leader of the free world, leader of the United States, to make things better. And I think we'll have a window in here, even though it's political, right after the State of the Union to have something happen in terms of stimulating the growth of this economy.

So please, vote any way you want to -- that's your right and privilege -- and say what you feel, but please avoid the quick fix that might sound good. One of the charges: The President doesn't know where New Hampshire is. Look, I know where New Hampshire is, and I know the heartbeat of this State. And I know the people, and I care about them, and so does Barbara Bush.

You can argue with me on the politics or on what we might have done sooner, but I just wanted you to know we do care desperately. We have tried in the White House to project a certain commitment to family, which, if you look at your kids and you worry, as Bar and I do, about the decline of the American family, it is important. So when she hugs a baby that's sick with AIDS or when she reads to a child, what we're trying to do is say we think the parents of this country -- leave out the politics for a minute -- have to stay involved, whether it's on child care, and our child care gives the parents a choice, whether it's on health care, don't mandate it all, get a system. And we're going to be proposing a good program that keeps the strong families of this country strong.

I say I know this State; I do. I know it enough to know that regardless of the politics, family is important. Pride in the country is important. And I want to try to do my job in such a way to identify with that and to lead this country.

Somebody reminded me of a country-western song over here at Pease. Incidentally, I want to see how the Federal Government can help in the economic redevelopment of that area. It's a tremendous asset. And yes, I'm having to cut back on defenses, and yes, thank God, your kids

and my grandkids are growing up in a world where they don't need to worry quite as much about nuclear weapons. I mean, that's a very important thing. But with it comes some big problems for jobs. So, we want to help on the economic development.

This highway bill is going to help; it's going to help New Hampshire a lot. Small business moves we've made are going to help. The new visa center is going to help. So I want to try to do the best we can. Somebody says, ``Hey, Bush is bragging about the highway bill helping New Hampshire." I've got to brag about something, and you're darn right I'm going to brag about the highway bill and all the jobs that go with it.

So, we'll keep slugging it out on that basis. In spite of the problems, I think this is probably the most challenging and, in a sense, rewarding time since, well, in this whole century, to be President of the United States. Who would have thought that the changes around the world that make the world more peaceful would have happened so fast and happened, thank God, on my watch? So, I'll take the hit for the bad stuff, and give me just a little bit of the credit for the fact that your kids and mine may have a chance for a more peaceful world.

But anyway, good luck to you. I didn't mean to -- he invited me, so it's his -- [laughter] Thanks, and bless you all. Thanks a lot.

[At this point, Frank Biehl, manager of human resources, Davidson Interior Trim, presented a gift to the President.]

Let me just say this: Your chairman was tough over there and took that case dramatically. You can compete. If we can get the markets open, you can sell. You workers are better than they are. The competence you see out there is better than the next guy.

I get criticized on this trip, saying Bush is trying to manage trade -- all the liberal columnists on this one. Normally get hit from the other side saying protect. But this one is saying, ``Well, he's now giving away his one commitment to free trade." It's not doing that at all. It is simply saying I am for free trade, but we need fair access to the other guy's market.

And that's what Bev was trying to do, and that's what I was trying to do. And we made some progress. Not as much as we wanted, but we're going to keep on. And for those that say, ``Stay home," I know what they're getting at. They're thinking, ``Well, the President is over there talking to Gorbachev or Yeltsin or Middle East. I wonder if he really knows that we're hurting in Dover, New Hampshire?" I've got to say to the people, yes, I know that. But the world is such you've got to stay involved. And it means jobs in Dover, New Hampshire, if we stay involved and do it effectively.

So we'll keep on trying. And now that's the second speech, and thanks for my sneakers. I'm glad to have them.

Note: The President spoke at 12:48 p.m. In his remarks, he referred to Beverly F. Dolan, chairman of Textron, parent company of Davidson Interior Trim.

Remarks to Liberty Mutual Insurance Employees in Dover

January 15, 1992

Let me first thank, of course, Governor Gregg, who's heading up our campaign in this State. And let me also single out Senator Bob Smith -- I don't know whether you all have been introduced -- Senator Bob Smith over here, Congressman Bill Zeliff, both extraordinarily good friends, tremendous supporters for the values that you and I share; and then also a former Senator, Gordon Humphrey, who is also in my corner and working hard. And I'm so proud to have these leaders and others, Warren Rudman and others who couldn't be here today, at my side.

Somebody said, ``Well, why do you want to go to Liberty?'' And I was thinking back, coming over, the last time I was here in an earlier campaign effort, somebody in a parking lot ran over Governor Hugh Gregg's foot. [Laughter] And I wanted to come back and try to do better this time -- [laughter] -- and thank everybody here for this welcome, Mr. Laszewski, Mr. Countryman, and just say it is a pleasure to be back in this State.

Let me deny a vicious rumor that's circulating here. I have not come back to New Hampshire to personally renew my subscription to the Union Leader. [Laughter] I did come back to talk about jobs. But I wanted to start with something. I was just over at a cafeteria at Davidson, and this guy -- I don't know what his politics were, really is indifferent -- and he asked me what for some might be an easy question. And he said, ``If you had to name one thing, what would your message be today; why are you here?'' We were sitting with our sleeves rolled up at the table.

My thought process went this way: I think I know this State. I know I know the problems of this State. We live near this State. I went to school across the border, to Massachusetts, and have a feel for this New England where I grew up. I think I understand it. I understand the heartbeat; I understand the hardship. And I said to this guy, we've got all of these issues: health care, which I'll mention; we've got world peace; we have economic stimulation to get the economy. One message: I want the people of this State to know that I care. I care very much about the people that are hurting in this State, and I am determined to turn this State around. And that is the message.

And I have not simply just discovered New Hampshire. You ask some of these characters running around there with these scatterbrained ideas and these quick fixes to something as tough as this economy, ``When were you last in New Hampshire?'' And you'll find they've never been here at all. They wouldn't know how to get here.

I know the heartbeat of this State. I know the values, the family values of this State. Barbara and I try to live those values in our lives as President and First Lady of this country. And I can

identify with those who are hurting in this State. Please give me credit for that, and do not listen to these guys that want to take political opportunity, come up with a quick fix to something as complicated as this economy, and then be gone and never to return. I've been here, been here a lot. And I will return, as President, and when I get through being President, as neighbor. So, you've got my pledge on that one.

I know times are tough. This State has gone through hell, gone through an extraordinarily difficult time, coming off of a pinnacle, you might say, of low unemployment. Now you're at about the national level. And yes, people are hurting. And I am determined to turn it around.

I told some of them over there, there's a big difference, you know, people say to me, difference between domestic and foreign policy. ``How could you lead the world'' -- and they gave me some credit for that in Desert Storm, that the American people still feel very, very strongly about -- ``how can you do that and then have such difficulties with this economy?'' Well, let me tell you something. When I moved those forces I didn't have to ask Senator Kennedy or some liberal Democrat how, whether we were going to do it. We did it. I didn't have to ask some smart-aleck columnist who was saying, ``Bush hasn't explained this to the American people.'' We did it.

The young men and women, the best fighting force we've ever had, stood up and lifted the spirits of this country. And now I want to take that same leadership, bring this country together after the State of the Union, and solve the domestic economic problems, and do it in a sound, sensible New Hampshire way. And that is why I'm here.

It's a weird year here. You've got crazy people running all over, thinking that the way to put this country back to work is to stop exports. In other words, they call it this, they call it protection. I'm going to protect an American job. Do not listen to the siren's call of protection if it comes out of the far right or the far left. What that means is shrinking jobs, getting into trade wars and retaliation.

What we're trying to do is to expand exports by making that playing field level and getting access to foreign markets. So, when someone says to me, some politician out of some State that never heard of New Hampshire before, comes up here and says, ``The President ought not to worry about world peace or the global economy,'' I'm going to say, ``Let me run my business the way I think is best.'' I am going to continue to work to open markets, to take this question of equal opportunity -- that's all the American worker needs -- equal opportunity in the global marketplace.

Those workers I saw at Davidson and you in this business are the most efficient there is, and you can compete with anybody. And don't try to do it by shrinking world markets and going into some siren call of protection that threw this country into a depression back in the thirties. I'm talking 25 percent unemployment back in those days. Let's not set the clock back. Let's continue to exercise world leadership. We are the United States of America. And I am not about to give

up on world leadership.

And to those cynics out there, these political newcomers hitting this State for the first time, let me say this: I won't apologize one minute for the fact that your kids and my grandkids might just have an opportunity, because of the way we've conducted the foreign affairs of this country, to grow up in a world with a little less worry about nuclear war. There has been dramatic change. And I'll take the hit. I'll take my share of the blame for the economy, and I'll dish out plenty to Congress on that, I might add. [Laughter] But just give us a little credit for the fact that we now have a tremendous change in the world, old totalitarian systems now democracies, people in the south of our border now working for free markets. And that means more jobs for the people of New Hampshire.

And so, it isn't all gloom and doom. And what I want to do is this. We've had growth agendas. They've been stymied by a Democratic Congress. And you ask these guys that come, where were you when the President proposed a capital gains cut to stimulate jobs? Where were you when he proposed IRA's to help the first-time homebuyer? He's got a growth agenda.

They didn't do it. So now I'm going to take my message on the State of the Union to the American people, look them right in the eye and say, ``All right, let's do this. Let's lay aside these election-year politics for about 2 weeks or 3, and let's pass this package." And it's going to have in it not quick fixes. It's going to resist some of the short-term quick political briefs. But it's going to have the stimulation of jobs and investment and savings to get this country moving again. And that's what we need.

We don't need a quick political promise out in a parking lot somewhere only to be forgotten when the southern tier of primaries roll around. We need sound economics, and this time I'm going to succeed because I believe I can get the American people for me, in spite of the fact that we've got some congressional leaders down there that are opposed every step of the way.

I might say, Bill Zeliff is up for election, all the Congressmen are; Bob Smith, not. But if we had more Senators like Bob Smith and Warren Rudman and Congressmen like Bill Zeliff, we would not be facing the spending out of control and the problem that we're having in stimulating the growth of this economy. So, my prayer for Christmas was give me a Republican Congress while you're at it, and then watch what we can do. [Laughter]

Let me just give you some standards if you do watch that State of the Union, what we need. A real growth package must stimulate investment that's needed to create jobs. We've got to encourage risk-taking. We've got to encourage business people to take risks.

The second one: It's got to stop the slide in real estate values. For most Americans, their home is a large part of what they own, a large part of their assets. And if those real estate values go down, people have lack of confidence in the economy. We've got to find things, and I'll make

some proposals in the State of the Union, that's put underpinning under that and says to a person: The investment you made in your home is sacrosanct, and we want to keep that value so you and your kids will have that value for the rest of your lives.

Thirdly, it's got to give people the confidence that the costs of health care -- and here's a specialty where your company has been absolutely superb, leading in the health care field -- that the costs of health care, the costs of education, the costs of raising a family are affordable.

And then the last point: It's got to make America more competitive. And that leads you, of course, to a sensible and sound education program, and we've got a very good one in a program we call America 2000. And then I also think it's about time that the Congress get its house in order, that they live by the same laws that you and me and other Americans are asked to live by. And I'm going to be challenging them to do a little reorganization in Congress itself.

So I want to restore the faith of this country in the future. As I say, we lifted up the spirits of this country with your help. And some of you all probably served in the Storm. And don't let the revisionists, don't let these smart alecks that opposed it from day one come back a year later and try to take it away from you, the American people. It was a clear, solid victory. It reversed the Vietnam syndrome; it gave us pride. And now I want to take that same sense of leadership and, again, solve the problems that have been plaguing this Nation and the economy. I believe I can do it.

We've got a lot of other programs out there: antidrugs, proeducation, anticrime legislation that's hung up. We need a good, new financial -- we didn't get a chance to talk about this -- but financial reform legislation that's going to modernize our banking system and make it far more competitive, which means more loans, more affordability for people that are borrowing. There's a wide, tremendous agenda. But the underlying theme here in this State is get this country back to work again.

And some guy over here at the first stop at Pease -- and I'm interested in this economic development for Pease Air Force Base. You can take a hit that comes from the results of -- actually, having to peel back at Pease is the fact that we're succeeding in terms of world peace and less defense spending and all of that. But there's hardship with it. So, I want to see the success of the economic development program at Pease, and I want to be a part of it. I understand the people around there. I know a lot of people around there. And we should help that area, and this gets close to it, help them in economic redevelopment.

The guy over there at Pease -- a woman, actually -- she said something about a country-western song about the train, a light at the end of the tunnel. I only hope it's not a train coming the other way. [Laughter] Well, I said to her, ``Well, I'm a country music fan. I love it, always have." Doesn't fit the mold of some of the columnists, I might add, but nevertheless -- [laughter] -- of what they think I ought to fit in, but I love it. You should have been with me at the CMA awards

at Nashville. But nevertheless, I said to them, you know, there's another one that the Nitty Ditty, Nitty City Great -- [laughter] -- that they did, and it says, ``If you want to see a rainbow, you've got to stand a little rain." We've had a little rain. New Hampshire has had too much rain. A lot of families are hurting.

The answer -- Barbara cares, and I care -- the answer is we've got proposals that will help. They're not quick fixes; they're not things that are going to garner a political vote only to fall on your face a couple of weeks later. Stay tuned to the State of the Union, and if you agree with me, spread the word.

Lastly, I need your help. I am here to ask for your vote. I will take, as I say, my share of the blame for things that have gotten off track in this country. But I understand. And I want to get them back on track. I'd like a little credit for the things that have gone right. I think of New Hampshire as a State that understands what we Bushes mean when we talk about family and faith and family values. I think people understand when Barbara hugs an AIDS baby or reads to a child. I think they understand what we're saying, and that is: Family is important.

Everything I do in legislation I ask our people, ``Is this going to strengthen or is this going to diminish family?" Our child care bill, I fought back the mandated benefits from the liberals, and I fought it back because it would weaken the family's chance to take care of the child care situation in the way they think back. I want our school program to emphasize community and family. I worry about these families that are broken up, ache for them, worry about them and want to do what we can, Barbara and I, as leaders in this country, to help strengthen family.

And so I do understand New Hampshire because I have this wonderfully warm feeling that New Hampshire feels exactly the way we do on these questions of family values and faith. Somebody said to me, ``We prayed for you over there." That was not just because I threw up on the Prime Minister of Japan, either. [Laughter] Where was he when I needed him? [Laughter] I said, let me tell you something. And I say this -- I don't know whether any ministers from the Episcopal Church are here; I hope so. But I said to him this: ``You're on to something here. You cannot be President of the United States if you don't have faith." Remember Lincoln, going to his knees in times of trial in the Civil War and all that stuff. You can't be.

And we are blessed. So don't feel sorry for -- don't cry for me, Argentina. We've got problems out there, and I am blessed by good health, strong health. Geez, you get the flu, and they make it into a Federal case. [Laughter] Anyway, that goes with the territory. I'm not asking for sympathy, I just wanted you to know that I never felt more up for the charge.

I wish I could tuck each one of you for 10 minutes into that car as you ride along and see the reception that Judd Gregg talked about that we're getting as I return to this State that I do understand. And it's been great. I'll go back to Washington all fired up for tomorrow and tackle the President or the Prime Minister of this or the Governor of that coming in. But I'll have this

heartbeat, vigorous and strong, because of what I've sensed here today.

So now, listen, here's the final word: Vote for me. And listen, go listen politely. These guys, these executives, they've got to do their thing here and have fairplay for all. But don't vote for them. Vote for me, okay?

Thanks a lot.

Note: The President spoke at 2:11 p.m. in the cafeteria of the Liberty Mutual Insurance Building. In his remarks, he referred to Robert L. Laszewski, executive vice president of group markets, and Gary L. Countryman, chairman of the board, Liberty Mutual Insurance Group.

Remarks to Cabletron Systems Employees in Rochester, New Hampshire

January 15, 1992

You guys are fired up. Thank you very much. What is it about the water around this place? You guys just standing out here for 2 hours and being so darn nice. But thanks for the welcome. I appreciate it. To Craig and Bob, let me phrase it this way: Who would have thought that I would be standing shoulder-to-shoulder with two guys who but a handful of years ago had a dream and who together, with some very able men and women I want to mention in just a minute, made this happen.

I mean, this is America, and it's strong, and it's wonderful. And I am all fired up and pleased with the reception here but, more important, pleased to see the quality of the work and the pride in the work. It just reinforces my view that we've got to resist this siren's call of protection and continue to send our quality goods wherever the market is, domestic or foreign. And I'm going to keep on trying to open these foreign markets to fairplay. And if we succeed in that, these goods are going to compete. They are quality goods. And I'll tell you, that's the strong lesson I'd take back to Washington, DC.

I had a chance to chat with some of you all's associates in there. And I will single out but two because I wrote down their names. But Dominique MacDonald and Frank McWilliams -- I don't know whether you have to have a ``Mc'' to work in the quality end of this thing, but I don't think they were programmed by one of these machines out here -- both of them telling me about how their fellow workers took pride in what they were doing. And then you hear Craig and Bob reflect this, too, the Tom Selleck and the Arnold Schwarzenegger of the high-tech world up here.

I was briefed on this visit by my longtime friend and the able Governor of this State, Judd Gregg, who I'm proud to say is running our campaign in this very important State, who's with us here. I'm also pleased that we have Bob Smith, one of the two great Senators from New Hampshire, and also Bill Zeliff, the Congressman here, and then Ed DuPont, the State Senate leader.

Let me just say this. I'm not up here to assign blame. Look, I know some people aren't doing as well here as the people at Cabletron. I'm sure people here have friends and family that they wonder whether they're going to have a job. So, I will accept my share of the responsibility as President of the United States. And I will state to you my determination to do everything I can to turn this economy around. But let me put it in stark political terms. If the growth initiatives that I have been proposing for the last three State of the Union Messages had been supported by more people like Senator Smith and Congressman Zeliff and Senator Rudman, we would have this economy on the move.

We can stimulate the growth through sensible tax policy in this country, and that's what I will be proposing in the State of the Union once again. Then I'm going to look to the American people, including everybody here: Help me. Help me get a sensible program through this Congress that's still back in the dark ages of Government intervention, liberal spending, and more taxes. That's not what's needed.

I'm impressed with the spirit here, the creation of more jobs. And believe me, the rest of the State can succeed if we give them the proper support in Washington, DC, in terms of stimulation of the economy. I'm going to have to resist the siren's call, obviously, for protection. It's coming at me from the right, way out on the right, coming at me from the left. But you guys -- I forget what the export figures are here. They're strong, 28 percent in something like 5 years. That's a tremendous growth. That means jobs. And it isn't just Cabletronics, other countries. And if we go back the protection route, why, we are simply going to dry up markets and invite retaliation from other countries.

I got criticized for this trip to Japan, not just for throwing up on the Prime Minister. [Laughter] You've got to admit when I get sick for 24 hours I do it with a certain flair, you know. [Laughter] But all that aside, some people -- ``Well, the President shouldn't do this, hat in hand." My eye. What I was doing was saying to these foreign leaders, look, give us a shot at these markets. We're not asking for protection. We're not asking for quotas like some of this silly Democrat legislation that I'm going to have to knock on its -- knock down when I get back to Washington, DC. [Laughter] What we're asking for is access to the other guy's market.

And let me tell you something. I will bring the same kind of leadership, world leadership, we brought to Desert Storm to these economic questions around the world. We will expand our markets abroad. And I will not listen to the protectionists.

You did it the old-fashioned way: You took risks. You took pride. You built quality into what you're doing. And you can hold your heads up, and you can compete with anyone in the world. We've got to get that spirit going across the rest of this country. And I really believe we can do it. Yes, times are tough. And yes, unemployment is unacceptably high. But interest rates are down. Inflation is down, so you're not being wiped out by the cruelest tax of all. And we are poised now for a real recovery.

I will repeat it for the third time today, but the first visit was over at Pease, and I want to see how we can assist in the economic development of Pease. We can make something positive. We have to cut back because we're doing better in terms of world peace. And because the way our soldiers performed in Desert Storm has now led to a more peaceful world, we're able to cut back. That's something that's being demanded, and I think properly so. And we will have more to say about that in the State of the Union.

But I want to help and take something that is a difficult situation and turn it around and make it

positive for the people of New Hampshire. And I believe we can do it. It's happened in other parts of the world. Waco, Texas, is a good place to look, and other places that had great big installations. They were turned to civilian use, and they made real progress. So, we want to go forward and help on that.

But we need to keep this spirit alive. And over there at Pease this woman said to me, also a country music fan like I am, and she said, ``Well, do you remember the song about the light at the end of the tunnel," and the song goes, ``I just hope it's not a train coming down through the tunnel." Well, good warning. But there is light at the end of the tunnel. And I told her my song that many of you have heard, ``If you want to see a rainbow, you've got to stand a little rain."

New Hampshire stood a lot of rain. And there is going to be a rainbow, because we are America. We can compete. And I'll take this case in the State of the Union, and I'll spell out the incentives that I think are smart. I'm going to have to resist some of these instant fixes that takes this so-called Federal money -- that's yours, incidentally, if you're paying taxes -- and kind of spreads it around out there in some giveaway fashion that sounds good and has appeal but does not stimulate the economy. So, we're going to do what we can to have sound fiscal policy.

And as I say, I sure would like to have your help. Spill it over into Maine, or spill it over into Massachusetts, so we can get some more people in the Congress like those that are supporting me here and get the job done in Washington. I'm sick and tired of a Congress that thinks old thoughts and can do nothing but try to tear down the President of the United States. We need some changes in the Congress, and I'm going to fight for them.

We made some progress on our Japanese trip there. We got 49 nonauto standards, these are standards just for access to market, cleared up. That was good. We signed dozens of literal market-opening agreements in these four countries that I visited. And I think that the business leaders who spoke out and said, in the computer business, that we at least -- we get them to keep the agreements, but that we'd broken into the Government computer market. Here's a figure. We sell 40 percent of computers used in Japan -- are American because they're good -- and Government, Japanese Government, .04 percent. And what we think we've done now, and the computer industry agrees, is to break into that market and insist on fairplay. No tariffs, no subsidies needed, just the ability to let you guys that know what you're doing compete. That was what this trip was about. And as I say, I'm going to stay engaged, stay engaged in this all the way.

We've got some other blessings in this country. You won't hear them in a primary. One thing, I'm a little tired of people telling me that I've just found New Hampshire. My God, I was growing up around here before some of you guys were born and certainly before some of these people that are now campaigning for President knew where New Hampshire was on a map. They've never been here before. They don't know the heartbeat of it. When a hurricane hits Portsmouth, it hits my house up there, not so far away from here. And when I was going to

school, we used to compete into New Hampshire. And my daughter-in-law is from here.

And one thing that really -- I will clean this up for this marvelous audience -- burns me up, put it that way, is this charge that I don't care. And I can understand it. Some people think you get to live in the White House, and you're dealing with all kinds of world figures. But we do care.

At lunch this fellow asked me, he said, ``If you could get one message over to the people in New Hampshire, what would it like to be?" And I thought that you can help me with the fiscal program or open up these markets or help us with crime or help us with our wonderful education program. But I said to him, ``Listen, I guess the one message would be, both Barbara and I care. We think we understand your heartbeat. When somebody hurts, we think we know enough about family to identify with that. And we care." And then we can build from there in terms of where this country ought to go.

It was one year ago, one year ago that Desert Storm was fixin' to begin, as they say in another of my home States, Texas, one year ago. And you think back to the criticism -- that goes with the job -- from the media, the columnists, ``The President hasn't prepared the American people." Look back at the very people, some of whom are running today for President, criticizing me for moving forces. Look back at them telling me what I could not do as Commander in Chief. And we did it. You and I and those brilliant young men and women did it. And we lifted the spirits of America.

I want to take that same leadership and lift the spirits of America in the economy. And we can do it if I can get some help in the United States Congress. That was the difference. They ask me what's the difference. Well, let me tell you guys. Let me tell you 250 mournful pundits what the difference was. I didn't have to go ask Senator Kennedy if I could declare war or go on and move these troops. I didn't have to. Listen, if I'd have listened to the leader of the United States Senate, George Mitchell, Saddam Hussein would be in Saudi Arabia, and you'd be paying 20 bucks a gallon for gasoline. Now, try that one on for size.

I'm getting sick and tired, I am, every single night hearing one of these carping little liberal Democrats jumping all over my you-know-what. [Laughter] And I can't wait for this campaign. And if I decide to become a candidate for President of the United States -- [laughter] -- why, I'm going to come right back up here and ask for your help.

Look, there's a lot of problems out here, a lot of things wrong with our country. But there's an awful lot of things that are right about our country. Some people around here that may have been old enough to remember the conflict of the Vietnam war. There are some people around here that may have kids, parents -- maybe in the 10th, 12th grade -- who wonder, ``Hey, is my kid going to have to go off and do combat in a superpower war?"; who go to bed at night saying their prayers, as most families do, wondering about the fear of nuclear war. That's been diminished. I'll take the blame for some things, but please give us a little bit of credit for the fact

that your kids and my grandkids have a chance to grow up now in a world that's much more peaceful. And that is fundamental.

And the second thing I'd say is this: This ain't the easiest job in the world. But I didn't expect it would be. But I love it, every single minute, the challenge of trying to work for and hopefully improve the lot of the American people.

And the longer I'm in this job, the more important I think are the values that I think of as New Hampshire values, your family values, I hope they're mine, of family, involvement of parents in the lives of these kids, the need to do better in education, the need for all of us to come together at the community level or family level to knock out this scourge of drugs. And there's some good news on that in terms of the teenager use of cocaine. There's some good things happening out there.

But it's family and, yes, faith. Somebody reminded me of Abraham Lincoln's comments about, during the Civil War, praying. Of course, you feel that way. These are fundamental values. And we have tried to live them. We have tried to emulate them. We have tried to advocate them. Thank God, Barbara Bush is out there hugging those kids and teaching people to read and serving, as she should, as an example to a lot of people in this country of a caring person. No political agenda, she just gives a darn.

And so, I'll roll up my sleeves and get into the arena when they decide who they want to have as their nominee. But in the meantime, let me tell you this: I know how I got there. I know how I got this opportunity to serve as President of the United States. And I've tried to be a good President.

Now, things aren't so good in some parts of this country. And we do care about it. But I believe there is a rainbow out there. And I need your help to prove it. So, I would appreciate your support. But whatever you decide, keep up this work. This is the America's spirit, alive and well and flourishing. May God bless our great country. And don't ever apologize for it.

Thank you very much.

[At this point, Cabletron Systems officers presented a jacket to the President.]

All right. Thank you all very much. That's great. Thank you.

Thank you all very, very much. Good to be with you. I hope we can -- how long have you been standing out there? An hour? Two? Oh, no! A thousand apologies. But really, it's been a great day for the spirit. And I meant what I said. I am terribly impressed. And please keep doing this. People are learning; people understand. We've got some problems, but you're showing we also got some wonderful answers. Thanks a lot.

Note: The President spoke at 3:41 p.m. at Cabletron Systems, Inc. In his remarks, he referred to company officers Craig R. Benson, chairman of the board of directors, chief operating officer, and treasurer; S. Robert Levine, president and chief executive officer; Dominique R. MacDonald, sales trainer; and Frank McWilliams, test manager.

Remarks and a Question-and-Answer Session at a Rotary Club Dinner in Portsmouth, New Hampshire

January 15, 1992

The President. Thank you all very much for that welcome back. Thank you, Cliff. Thanks to you and Bill and Don Reeves and so many others. Captain Mark, thank you, sir, for that lovely blessing. And you have a wonderful way here of making a person feel at home. I can't pronounce the name of the river; I've been crossing it for 66 years. But nevertheless -- [laughter] -- I would like to remind people that it's been many, many times they've gone across that river. And there's something about the air here. A hurricane that is designed to hit Portsmouth knocks the hell out of my house in Kennebunkport -- [laughter] -- and I would like to speak to the Rotarian meteorologist as soon as this is over.

But thanks for the warm welcome. Hugh Gregg asked me to deliver his speech tonight. [Laughter] For those of you who will remember 4 years ago, he delivered my speech 4 years ago. But you've heard once again the story of my last visit here, and you wondered, well, was it the broccoli that did it? And I appreciate Harry out here working it out, and it is great to see so many friendly and familiar faces, neighbors and friends that I've gotten to know over the years.

Captain Mark, you were very nice to mention Barbara Bush, who believes in your work very much, has taken a leadership role in that cause, that wonderful cause that she do the Lord's work. I'm very sorry that she's not here. And if you really want to make my day, please don't ask why she didn't come. Everybody is talking about, ``Where's Barbara? We miss her very, very much." I told her I didn't need her, I was not going to throw up. [Laughter]

You guys, you talk about -- hey, look, it was the 24-hour flu. How many people here have had the flu? And I bet none of you have done it quite so dramatically. And I'd like a loan because it cost a lot to dryclean a suit over there in Japan. And the Prime Minister had a nice expensive one, used to have a nice expensive one. [Laughter] Sorry.

No, it's been a great day and an exciting day. One horrible disappointment, I was not able to stop by and see Evelyn Marconi at Geno's Coffee Shop. She is a longtime supporter of flag and country, and I'm sorry we missed her there. Glad that she's all decked out and here with us tonight. Bill, thank you again, sir, for arranging all this, and I'd say to you and the committee, on relatively short notice, given -- I think you heard about it probably the day before Christmas. Then that period between then and New Year's, obviously, there's other pursuits. Then this thing has just been a wonderful, warm response here.

May I salute the Governor, of course, Judd Gregg, my campaign manager here, my friend of long standing, a quality Governor, a decent guy. I am so proud to have his support and the

support, of course, of my dear friend Hugh Gregg as well.

I'm glad that Bob Smith is at my side. He came in and took over for another friend and supporter, Gordon Humphrey, who is with us tonight. He is doing a superb job for you all, for this great State. Regardless of party, he's in there strong for the principles you believe in, in the United States Senate. I'm glad he's here. And of course, Bill Zeliff, with whom I campaigned when he was first elected, doing a superb job in the Congress. So, you have a great delegation. I might also mention two other New Hampshirites not with us, both leaders, one in the Senate now, Warren Rudman, a strong supporter, and of course, my friend Governor John Sununu, who served this country with great distinction and this State with great distinction. So, I'm proud to have the support of these leaders.

I think you've got to hand it to Yoken's and the incomparable Harry MacLeod. Who would have held a reservation for 4 years? [Laughter] Hey, listen, I hope with this crowd I don't have to tell you that I haven't just today discovered New Hampshire. This is, Judd reminds me, the fourth time that I've had a meal at Yoken's. And that ain't discovery time. I mean, that's good eating time. And I know it when I see it, and I like it. And I'm glad to be back on the seacoast.

Cliff Taylor pointed it out, and he said, well, a lot has happened in those intervening 4 years between the time I stood you up and the time I got invited back. Let me just put it in a rather broad, ideological perspective. Our world was locked back then, less than 4 years ago, in an enormous struggle, in an ideological struggle, in what you might call a nuclear standoff between superpowers. And I think about the problems we face in this State, the problems we face in the Nation about the economy.

But let's not lose sight of our blessings. I happen to think that it's a good thing that my grandchildren and this little guy over here can grow up in a world with less fear of nuclear weapons. And I am very, very proud of my predecessors in this great office for President who have brought this about, and I'm proud of the record of our administration in help bringing about the changes that we enjoy in this world today. We have a lot to be grateful for. And world peace is one of them.

You know, 4 years ago the world was literally under siege. And today, look anywhere; look to our south; look over in Eastern Europe; look at the Commonwealth, meaning what used to be the Soviet Union, and you'll see that freedom is on the march. The Berlin Wall and the Warsaw Pact and the Soviet Union itself, all vanquished, not by force, not by force but by history's most powerful idea: the love of freedom.

Today, the cold war is over, and a great victory for this Nation, our principled United States of America, the Nation we cherish, and a triumph to people everywhere who look to us and will continue to look to us as the land of liberty, the land of the free. And believe me, everywhere you go in the world they see that it is only the United States that is the leader for freedom and

democracy and market economies and, indeed, for peace.

I can't help but note on this evening that one year ago, one year ago today, our commitment to liberty, our commitment to international law was put to the test. Saddam Hussein, who never in my view felt that we would use force -- I think he thought that the Vietnam syndrome was with us forever -- he miscalculated twice. One, he didn't think we'd use force, and secondly, he felt if we did use force, he could have some kind of a standoff with the men and women of the U.S. military. And he was wrong on both counts. He mistook a voice of protest and a handful of editorials and a couple of speeches in the Congress for the United States lacking the will. And he was dead wrong. Aggression was set back, and our country came together with a pride that we hadn't had since the end of World War II. And I am very grateful for that.

I don't know a single American, regardless of party or philosophy, liberal or conservative, who doesn't in his heart of hearts or her heart of hearts celebrate the changes that have taken place and, really, the hope, the hope they bring to the entire world.

But I also know that it is very tough to focus on what's happening thousands of miles away when things are tough here at home, and when the company work force shut down. Bill and I were talking about this today, about the hardship for some of the families in this State. Something else, the fear that some have, some that have jobs, they lack the confidence they'll have them tomorrow; the worry that families have on the economic front. It's very hard when you have these concerns and these worries to take a look at the big picture and say, ``Well, we ought to be very thankful for a world at peace." And I understand that.

Hard times have come to this State. A guy at a luncheon today -- I sat next to some of the workers at one of the plants, and he asked me a question that you might expect would be an easy one. It wasn't; it was a tough one really. But he said, ``If you could leave one message from your visits here in New Hampshire today, what would it be?" And I thought about it. Should I tell him it's for fighting crime, or should I tell him about world peace, or should I tell him about our education program? And what I told him, and what I hope has happened today, is that I told him we care. We care. Privileged as I am to be President, Barbara and I are not isolated from the feelings of people in this State that are hurting. And that, I think, is an important message. Friends have to know, and I think it's important to the people that are hurting that their President knows and the President cares. And in this case the President is going to do something about it.

Now, we're getting back into the swing of the political season. And you're hearing a lot of people jumping all over me. I know where New Hampshire is. I know what the values of the families are in New Hampshire, and I hope we're practicing them in the White House as a family. I understand what joins the people of this State together.

And you're going to hear all kinds of cheap promises coming out of deep left field, past the running track, up against the fence in the left field, offering a quick fix to a troubled economy.

And my appeal to you today is: Resist it. Do not listen to those that want to enlarge the deficit and in the name of that try to make this economy recover.

I have offered growth incentives, growth proposals for 3 straight years. Now we're going to take those, build on them, look into that lens, and tell the American people 2 weeks from now this is what it's going to take to get this economy going, how we're going to stimulate investment, how we are going to stimulate savings, how we are going to keep this Federal deficit under control as best we can, and how we can do it without this tax-and-spend philosophy you're hearing about every single day in this State.

I vowed I would come over here tonight and be calm, but I'll tell you something, I'm a little sick and tired of being the punching bag for a lot of lightweights around this country yelling at me day in and day out. And I'm sick of it. If they want a fight, they're going to have one. I mean it.

If they want to do something for the middle class, rich against poor and all that, pass the incentives that I'm talking about. It will get this country and this State back to work. That's my challenge to them, and that's going to be the challenge to the entire Nation. I'm going to try and work my heart out to do my level-best. And I hope I've dispelled with the idea that we don't care, because we certainly do.

You hear a lot about the talk of the domestic agenda. We've got a good one. We've got a child care bill, and it passed finally, that says hey, let the parents choose. Let's keep the families strong. Let's not mandate all these benefits from Washington, DC, whether it's a health program or a child care program. Let's strengthen the family by giving them the opportunity to decide what's the best way to deal with these kids.

We have a new education program, transcends party lines. We got together with the Democratic and Republican Governors; we adopted the strategy, six education goals, not to be dictated from Washington, six education goals. Starts from be ready to learn -- that means Head Start, and that was one Washington can help -- ends up with you're never too old to learn. That means old guys like me learning to use a computer, and some of you other old guys around here going over to the library maybe and reading a book. It wouldn't hurt any of us. [Laughter]

But it means you got math and science, volunteer tests to let your kids know how they're doing. It's a wonderful new program, and it revolutionizes the schools. And it does it without setting a lot of mandates from these subcommittee, tired subcommittee chairmen in Washington, DC, that haven't had a new thought in the 50 years they've been sitting there.

I'm getting a little tired of this. I hate to unload on you again. Last time. I heard two of the Democrats get up the other day and they said, ``Heck with holding the line on the budget deficit. Forget about it. We're going to propose spending $50 billion more Federal money." If you haven't discovered it, that's your money. Comes right out of your pocket whether you're working

or not around here. Federal money, $50 billion. Forget the one constraint we have and that is the caps on spending that are in that budget agreement, just forget it, and then we'll spend our way back to prosperity. That is not going to solve the economic problems of this country.

What is? Carefully defined incentives to increase investment, to increase research and development, to build so we can be competitive in the educational field so that people can save, use some incentives to save, use incentives to build some strength under a person's home. A home is one's castle, and one of the reasons there's lack of confidence, families see the value of their homes going down. I saw mine blown away up here, but nevertheless -- [laughter]. No, they see the values going down, and there are things we can do on that. And so, let's do what will help, not do what sounds good for garnering votes in a hotly contested primary on the Democratic side of the agenda.

Then there's another point. Sorry I came to this one because I will get wound up. I'm talking about protection. I'm talking about the siren's call from the extreme right and the extreme left in the political spectrum saying, ``Look, people are hurting, and what we're going to do about it is go back to isolation and protection." You want a recipe for disaster? That is it. We will shrink this economy. We will throw 35,000 more people out of work in New Hampshire, and we will be cutting off our nose to spite our face.

The answer is to expand markets. And what our trip to Asia was about was not managing trade. You get a lot of egghead academicians writing, ``This guy's deserted the free trade." That's not the case. All I'm saying is, look -- and I saw it today in the workers I saw -- we can compete with anyone, but we need fair access to the other guy's market. And I am not going to stay home and keep from fighting to open these markets. I'm going to keep on doing it until we are successful.

And for those that want us to pull back into some isolationism a la the 1930's, take a look at world history. You don't have to be a rocket scientist to see what that led to. The United States, as long as I am President, is going to stay involved and continue to lead around the world.

What I really want to do is try to take the leadership that I think and hope we demonstrated in Desert Storm, that lifted the spirits of this country and brought this country together unlike any time since the end of World War II, brought it together, and take that now and apply that to the domestic economy to get the support from the American people for incentives that will give us that vibrance and that feeling of optimism that we, the American people, pride ourselves on.

And I believe we can do it. And one of the reasons I do is I think there are some sound things in place now. Yes, there are some people hurting; unemployment is too high. Inflation is pretty good. Interest rates are down. Inventory is not bad. The market is saying, hey, things are going to be looking better. And I'm always one who likes to see the glass half full and not so pessimistic and half empty. And that's the way I am.

No, I've listened to what the people of this State have to say one way and another. And today it was an excellent visit back to this State that I believe I understand, whose heartbeat I feel. And I would just encourage you all to avoid the quick-fix bumpersticker slogan that tells you there is some easy way. There isn't an easy way, but there is a sound, sensible, economic approach. And I believe that what I have suggested and will continue to work for is the answer.

You've got to stimulate investment to create jobs. You've got to stop that slide on real estate values so that you increase home sales. You've got to give Americans confidence that the cost of health care, providing for the kids' education, and raising a family are affordable. And I will be unveiling a national health care program, but believe me, it is not going to have a lot of mandates or turn to some foreign country for an example. We have the best quality health care in the world, and I don't want to diminish that. What I want to do is make it more affordable for everybody.

And then we've got to be able to compete. Whatever it is, whatever the fix is, it must make us more competitive in the global economy. And fifth and finally, and maybe the most important, you've got to control the most unproductive end of our society, and that is Government spending. We have got to keep the caps on and enforce them on wasteful Government spending. And I need more people like these Congressmen to help me do just exactly that.

And in conclusion, let me say this, just a couple of confessions to friends. And this will go to the Democrats who may have been smart enough to join Rotary, too. [Laughter] No, but I really mean this one from the heart in the sense that some things, at least the way I look at this -- and again, I'm concerned in this country about the decline in family. And I don't want to be preachy or lecturing, but Barbara and I talk about this a great deal.

In the first place, I'm pretty proud of her. When she hugs a baby or teaches somebody to read, why she's saying something. But what I will continue to try to do as President is to look at the legislation and say, does this help or does this diminish family? The longer I'm in this job, and I say this to you as a friend, the more convinced I am, Cap, maybe you understand this, that family and faith are terribly important ingredients for being President of the United States. I believe it. I feel it very strongly.

Obviously, I believe in the separation of church and State, but I understand from having been tested by a little fire what Lincoln meant when he talked about spending some time on his knees. We are one Nation, under God. We are a strong, free Nation that believes in certain principles. Barbara and I have tried very hard to live up to those kinds of principles and those kinds of values.

Now I need your help to continue in that effort to help make things better for the people of New Hampshire and the people all the way across this State. And whether you vote for me or not, may I thank you for this unforgettably warm reception. I'll never, never forget it.

May God bless you all. Thank you very much.

Q. Mr. President, I know you're a little pressed for time, but we normally end with a couple of questions.

The President. Does that mean two?

Q. If I limit it to two.

The President. Sure.

Q. A couple of questions?

The President. Yes.

Q. We have a microphone set up somewhere up front here. Yes, right there. Step right up to the microphone, Bob.

The Economy

Q. Mr. President, welcome to the southside of the Piscataqua River. This question, we are in a political year and a recession year. How can we get both parties together to solve the recession problem?

The President. In the State of the Union Message -- frankly, it's tough. You put your finger on why. We're in a competitive political year, all kind of weird dances going on out there. And that's the way it always has been and probably always will be.

But I think the economic problems are serious enough, and I think the answers are clear enough, that what I will try to do as President is say in the State of the Union Message: Look, here's what I think it will take. Now, let's lay it aside for just long enough to pass a program. And then if you guys got one you think is better, come on we'll talk about that and debate it and negotiate it. And if I've got some additions that I think would help but can't put into this first go-round and get done, why, we'll debate all that. We'll go back to our political posturing and yelling at each other and making outrageous claims about each other.

But the American people deserve that politics be put aside right after that State of the Union Message to get something done that's going to stimulate this economy and help the families in this country. And I'm going to try it. And I'll give it my level-best shot, and I hope you'll find that there will be some cooperation. Things can happen in the Congress if they make up their mind they want to move. I know Bob Smith will tell you that. And I know Warren would. And I

know Bill Zeliff would tell you that.

So, this idea that you have to have endless subcommittee hearings and have to defer and bow to some other committee that has jurisdiction, the American people are a little bit tired of that. They want congressional action, and I will do my level-best to see that they get it.

Who's got the last one?

Q. Mr. President, lower interest rates are great to get the economy going again. If I could refinance my home at 8 percent it would save me almost $300 a month. Unfortunately, like many New Hampshire homeowners our property values have dropped, and because of that banks won't approve our refinancing because we don't have the 20 percent equity that we need.

Now, as a country we've given loan guarantees to Israel, Russia, and other countries around the world. What do you think about the possibility of giving loan guarantees to middle class Americans like myself so that banks could then approve our loans, we could refinance at a lower rate, and then put that mortgage money back into the economy at little or no cost to the Government?

The President. We have Government financed loans that I hope are of some help. I will be making proposals in this State of the Union, again, that I hope will do what you're talking about, put some value under the person's largest asset, and that is the home. And there are ways to do that. One of them is through the IRA system, for example. So, listen carefully and see if what I propose won't be a long step.

Whether we can do what you're asking or not, I've said I want to hold the line on spending and keep it within the caps. I'd have to, to be honest with you, know exactly what the total cost that would be if that was applied nationwide. I think we're talking about jillions of dollars. But I think there are ways to put value under a person's major asset. And you're right, the decline and the pessimism has come because real estate has been so slow.

Now, if we're honest with each other, I think you'd admit and I certainly will, that some of the lenders in the real estate business, whether it's S&L's or banks, made loans that they might not ought to have made under more prudent, cautious times. And we got away from our standards. So, I think that there's plenty of blame to go around on all this, and one result of that has been some excesses in the regulatory field.

And some of the bankers and some of those savings and loan people are saying, ``Wait a minute. These regulators come in and scare the heck out of me and my loans," and they pull back. So, we're trying to do a better job on the regulation front, not to be reckless, not to be accused of going back into some S&L crisis again but try to have reasonable balance. On the one hand protecting the financial institutions, seeing that they're safely and prudently run, and secondly,

on protecting the rights or the well-being of the borrower, the guy that needs to do what you're talking about, to refinance or whatever it is.

So, we're making a little progress. I'm not satisfied we've gone far enough. But where I agree with you is, let's get some value under a man and woman's major asset. And that major asset is a person's home. You talk about strengthening the family, homeownership, that's one of the things we're working hard to get through instead of these massive Government projects, homeownership. That's a good way to strengthen it, and what you're suggesting makes a good deal of sense in terms of strengthening the family and in strengthening the assets.

So listen, that's two. I'm heading back to DC to see my dog and my wife. Thank you all very, very much.

[At this point, Don Reeves presented a gift to the President.]

The President. Thanks so much. May I make one correction here? First, thank you very much for this picture of the Harbor Light and Nubble Light, and that means a lot. And I, as you know, love this coastline. But I said, I was going home to see my dog and my wife. [Laughter] May I, with your permission, may I change the order. I just don't want to have any misunderstanding. [Laughter]

Thank you very, very much.

Note: The President spoke at 7:37 p.m. at Yoken's Restaurant. In his remarks, he referred to Portsmouth Rotary Club president William Holt and members Clifford Taylor and Don Reeves; Capt. Mark Weaver of the Salvation Army, who led the dinner prayer; Harry MacLeod, owner of Yoken's Restaurant; Evelyn Marconi, owner of Geno's Coffee Shop; and former Senator Gordon Humphrey of New Hampshire. A tape was not available for verification of the content of these remarks.

Appointment of D. Cameron Findlay as Deputy Assistant to the President and Counselor to the Chief of Staff

January 15, 1992

The President today announced the appointment of D. Cameron Findlay, of Indiana, as Deputy Assistant to the President and Counselor to the Chief of Staff.

Since 1989, Mr. Findlay has served at the Department of Transportation, first as Special Assistant to the Secretary and then as Counselor to the Secretary. From 1988 to 1989, he was a law clerk to Associate Justice Antonin Scalia of the U.S. Supreme Court. From 1987 to 1988, Mr. Findlay served as a law clerk to Judge Stephen F. Williams of the U.S. Court of Appeals for the District of Columbia Circuit.

Mr. Findlay received a bachelor's degree from Northwestern University and a master's degree in philosophy, politics, and economics from Oxford University, which he attended as a Marshall scholar. He returned to the United States to study law at Harvard University, where he received his J.D. Mr. Findlay was born September 7, 1959, in Chicago, IL. He is married to a law school classmate, Amy S. Findlay, and they have one child. They reside in Alexandria, VA.

Statement on the Anniversary of Operation Desert Storm

January 16, 1992

One year ago tonight I spoke to the American people at the moment an international coalition acting under United Nations authority went to war to end Saddam Hussein's brutal occupation of Kuwait. We can all take pride in the results of that effort: Kuwait is liberated, and the legitimate government restored; the fires set by Saddam's retreating army are extinguished; the flow of oil from the Gulf is secure from political and economic blackmail; much of Iraq's arsenal is destroyed, and what remains is now under international supervision; and the United Nations has been greatly strengthened.

The determination and strength demonstrated by the United States and its coalition partners has had lasting dividends throughout the region. A critical region of the world, vital to its economic well-being, is secure. Thanks in large part to our efforts, direct peace talks between Arabs and Israelis are underway for the first time, multilateral negotiations on regional arms control have begun, and America's hostages in Lebanon are home.

The coalition fought a limited war for a limited but vitally important purpose. It prevailed. Saddam's Iraq is weak and isolated, unable to impose its extremist policies on the region or the peace process. Nevertheless, the American people and I remain determined to keep the pressure on Saddam until a new leadership comes to power in Iraq. As was the case from the outset, our quarrel is not with the people of Iraq but with the dictator whose misrule has caused terrible suffering throughout the Middle East. We will maintain U.N. sanctions and keep Saddam's regime isolated, a pariah among nations. We will work to ensure adequate food and medicine reach the Iraqi people under international supervision, while denying Saddam the means to rebuild his weapons of mass destruction.

We salute the efforts of thousands of brave Iraqis who are resisting Saddam's rule, both inside and outside of Iraq. The United States reiterates its pledge to the Iraqi people and the Iraqi military that we stand ready to work with a new regime. A new leadership in Baghdad that accepts the U.N. resolutions and is ready to live at peace with its neighbors and its own people will find a partner in the United States, one willing to seek to lift economic sanctions and help restore Iraq to its rightful place in the family of nations.

Remarks on Signing the Martin Luther King, Jr., Federal Holiday Proclamation in Atlanta, Georgia

January 17, 1992

Thank you for that warm welcome, and thank you, Mr. Hill. And let me just tell you, sir, how pleased I am to be a part of this program today. It's, of course, a pleasure to have flown down here and to be at the side of Coretta Scott King and all this wonderful King family, sitting here and here. It takes me back to a couple of other visits to this historic center that I've been privileged to make.

With me also today is one well-known to the Atlanta community, now well-known to the Nation, our Secretary of HHS, Dr. Lou Sullivan. He is doing a superb job for our Nation. And after he heard the successful, wonderful rendition of the Morehouse Glee Club, these guys that came and swept into Washington at the Kennedy Center Honors and carried the day in a magnificent national performance, after Lou heard them here today he now is claiming that he, too, was a member of the Morehouse Glee Club. [Laughter]

And when Maynard Jackson, the distinguished Mayor and my friend, heard them, he also claims to have been a member of the Morehouse Glee Club. It's the first time I've heard this. But nevertheless -- [laughter] -- I salute both of them, and both, one here in the city of Atlanta, one in Washington, and thus across the Nation, doing a wonderful job for our country.

Let me just say, flying down here with my dear friend Newt Gingrich, who is with us, a Member of the United States Congress, we talked about the center, and we talked about a lot of things of national interest. And then I said, ``Well, Newt, how's it going in Georgia?'' And he said, and I don't want to get him in trouble because this is a nonpartisan event, but he said, ``Governor Miller is doing an outstanding job for this State.'' And Zell, I'm very pleased to see you here, sir.

And Reverend Roberts, I appreciate those words. I do believe that you can't hold this job if you don't look to God for guidance. I feel strongly about that, and I appreciate those kind words of guidance in your invocation.

It is for me an honor to stand here at this living memorial in Martin Luther King's hometown, steps from his birthplace and his pulpit, to talk about the promise of his life. We all know of his eloquence: the letter from the Birmingham jail, and then no one will ever forget the ``I Have A Dream'' speech. They moved us with their hope and love and with the abiding faith that Dr. King had in the American people. What you have done, Coretta, if I may, with this glorious living memorial, serves to remind us of the courage with which Martin Luther King overcame hatred and mistrust. It's too easy for us, almost a quarter of a century after his death, to forget the loneliness of that struggle.

Think of the early days of the movement when organizers of the Montgomery bus boycott called him to be their leader. In his book, ``Stride Toward Freedom," he wrote of sitting alone at the kitchen table one night during the lonely time and saying aloud, ``I've come to the point where I can't face it alone." But almost at once his fear and his uncertainty began to melt away. An inner voice, as he called it, an inner voice spoke to him, and it told him to continue to do what he knew to be right. And because he could express what he knew with such passion and such eloquence, the American people awakened to the promise of civil rights for all.

And today, thanks in large part to Martin Luther King, Jr.'s work, we have a battery of laws dedicated to a colorblind America. We have a renewed commitment from Government to enforce the basic rights of its citizens. And I'm proud that two significant civil rights bills have become law since I was President: the ADA, the Americans with Disability Act, and the civil rights bill of '91. Perhaps most marvelous of all, there's been a sea change, there's been a change in the hearts of many Americans who set aside old stereotypes and old prejudices to embrace the values that Dr. Martin Luther King, Jr. beseeched us to embrace, the values of tolerance and decency and mutual respect.

At the heart of these values, as Dr. King knew, is the family. And I am struck, Mrs. King, by how often in our conversations together you have stressed the importance of family life. Barbara and I feel it in our own lives. And think of the problems that afflict so many American communities today, homelessness and crime and drugs. Yet, these are not so much isolated problems as symptoms of one great problem, and that's the decline of the family. For far too many of our children pass through life without the goals larger than themselves, without a sense of their own worth or the worth of others, without the values that only the love of a parent or a grandparent can instill.

Yesterday, purely coincidentally, I met with the mayors who lead the National League of Cities. And some were from great big cities like Los Angeles; Trenton, New Jersey. Some were from hamlets and tiny cities, Plano, Texas, a city of 3,000; another one in North Carolina. And some were Democrats, and some were Republicans. But every single one of them agreed -- they'd met before I met with them -- that the urban problems stem in large part from the weakening of the family. And this problem, this terrible weakening of family, is not just somebody else's problem. It demands something from each of us.

Martin Luther King taught us that each of us is called to serve, regardless of personal circumstances. And each of us can serve. On the last night of his life, before that terrible day in Memphis, Dr. King told a story that I do think of often -- visiting the Holy Land when he was a young man, with you, Coretta. Happened to travel the road from Jerusalem to Jericho, the same road where the Good Samaritan stopped, the Bible teaches, to help a stranger. The road was rocky and full of blind curves. And as he traveled, Dr. King realized that the reason others failed to stop to help the stranger was that they were afraid. Others had asked themselves, ``If I stop to help this man, what will happen to me?" But the Good Samaritan asked himself, ``If I don't stop

to help this man, what will happen to him?" The joy of personal service is that it is open to all.

The other day I met with Magic Johnson in the Oval Office, and I was impressed with the way that he has now dedicated his life to others, not only to those with HIV but in educating those who are at risk. And he's been very honest, been very forthright about this tragic issue. He's out there right now teaching kids that lifestyle matters, lifestyle is important. He's admitting, ``Well, I made some terrible mistakes." Now he wants to get the message out.

I want to help. I want to use the bully pulpit of the White House, continue to use it for that same purpose, to speak out for strong research, to help people better understand the disease, and to speak out for a change of behavior.

Anyone who visits AIDS clinics, incidentally, as Barbara and I have done, can't help but be struck by the dedication, the selfless dedication, and Lou knows what I'm talking about, Dr. Sullivan does, of the countless doctors and the nurses and the researchers and the volunteers who understand the human face of AIDS.

When Barbara holds an AIDS baby in her arms, she's trying to express that same message, a message of compassion and service. There are so many ways to serve. With her interest in literacy, she's tried to impress upon people the importance of reading to kids, broadening their horizons, expanding their young minds. And it's important to remember that one of the first goals of the civil rights movement was as basic as can be: quality education for all. We've made enormous progress, thanks in large part to Martin Luther King, in removing the legal barriers that blocked progress for minority Americans.

But let's face it. Regrettably, other kinds of barriers remain. For instance, the dream of quality education remains an unfulfilled promise for too many of our children. And now, our America 2000 education program will help lift up those kids who have been left behind.

I want to stop here also to salute two great leaders in American education, Dr. Keith of Morehouse and Dr. Cole of Spelman. With leaders like this, we are, in a sense, inspiring new generations. And I also want to salute and honor Dr. Gloster, who was previously the head of this great institution represented here today not only by Dr. Sullivan but by these magnificent young people.

Yes, too much prejudice, racism and anti-Semitism, and blind hatred still exist in our land. Martin preached something different, but they still exist in our land. And as President, I'm trying and all of us must try and must pledge to root out bigotry wherever we find it. Speak out in whatever community you are. Every day, Mrs. King, you and your colleagues here at this center train young people that the way to counter hatred and ignorance and prejudice is peacefully, with nonviolence, with compassion, with love and service to others.

That is the honorable, noble continuation of your husband's work. He taught us the difference one man can make in a country dedicated to the ideals of brotherhood. He saw an America that was like the welcome table the spiritual speaks of, where all Americans can eat and never be hungry, drink and never be thirsty. With your continuing commitment and help, we will meet these great challenges and make real the dream of Martin Luther King.

Thank you all very much. Now it is my honor for the United States of America to sign this proclamation. Thank you.

Note: The President spoke at 10:29 a.m. in Freedom Hall at the Dr. Martin Luther King, Jr. Center. In his remarks, he referred to Jesse Hill, Jr., chairman of the board, Dr. Martin Luther King, Jr. Center; Rev. Joseph L. Roberts, Jr., senior pastor, Ebenezer Baptist Church; Leroy Keith, Jr., and Hugh M. Gloster, president and former president, Morehouse College; and Johnetta B. Cole, president, Spelman College. The proclamation is listed in Appendix E at the end of this volume.

Remarks Announcing the Job Training 2000 Initiative in Atlanta

January 17, 1992

Let me say it's been a joy to be back in Atlanta. I was privileged to be over at the Martin Luther King Center, pay fitting and appropriate tribute to that great leader, and now have an opportunity to be here.

I want to single out again, to those who weren't over there, Secretary Sullivan. Dr. Sullivan is the Secretary of HHS, the largest Department in the Federal Government, and doing a superb job. And for you kids, he's from Morehouse Medical right here and went to Morehouse. So, we've got an Atlanta man running this enormous part of the Federal Government and doing a superb job at it.

I was so pleased to have been greeted by the Mayor, who I don't think's here right now, and the Governor, both of whom gave me a warm welcome, one to Georgia and one to Atlanta. I want to salute the Private Industry Council of Atlanta members who have taken the time to be with us. Pleased to be joined by Alvin Darden, members of this effective CATALYST team, now on their coffee break. [Laughter]

I've come here to Morris Brown College in the center, the Atlanta University center, to see this wonderful work in progress and to announce a pioneering new approach to job training, a program that I call Job Training 2000. Programs like the CATALYST project highlight just how critical job training is to the American economy, to American competitiveness, and yes, to the American dream.

As a Nation, America's ability to prosper in the century coming up rests on our collective capacity to learn new skills and test the limits of our potential. On an individual level, what we learn defines who we are. No one, young, old, or in between, can hope to reach their dreams without sharpening their skills and mastering the tools of thought. That's the idea behind our overall national education strategy, America 2000. And it's the impulse behind the initiative that I'm announcing today, Job Training 2000.

Job training must be more than merely make-work. It's got to suit the needs of the workplace and the marketplace. And the private sector will always bear primary responsibility for training the workers it needs to get the job done, the unions here taking a very active and critical role in all of this. But government at all levels can and must play a role, to use a word that's well-known, as catalysts in this process.

And we are. Right now, the Federal Government's commitment to worker training spans more

than 60 programs, 7 Federal Agencies, resources totaling some $18 billion a year. Well, we've got to make certain that these funds are spent to maximum effect, and that's where Job Training 2000 comes in. It's the product of hard work of our Vice President and of Secretary of Labor Lynn Martin, of our Education Secretary, all these working together trying to express a commitment to this country's future.

Job Training 2000 rests on four cornerstones: First, the creation of a 21st-century training system. Job Training 2000 creates a one-stop shopping center for job training, coordinated by private industry councils all across the country. It will move us away from the heavy hand of bureaucratic overkill to a system that allows greater freedom for the private sector and local governments to shape programs that work. I've been asking that question, ``Does this work?'' And each person I've asked said, ``This one works. It's effective.''

Second, this program will help ease the transition from welfare to work, from dependence to independence. Under Job Training 2000, we'll dedicate more than $20 million to demonstration projects to place welfare recipients in permanent jobs. And then we'll enlist market forces to break the welfare dependency. A substantial portion of the money government saves as each new worker leaves welfare behind will be shared with the company that helped that person get a job.

And thirdly, this program will ease the transition from school to work. Job Training 2000 will encourage voluntary apprentice programs for high school students, combining quality education, on-the-job training, and mentoring. This approach will help these apprentices keep their options open to pursue their education or, alternatively, to enter the work force as they wish.

Fourth and finally, Job Training 2000 promotes lifelong learning. Job Training 2000 establishes lifetime training and education accounts, enabling the Federal Government to provide the average American tens of thousands of dollars' worth of education and training over the course of his lifetime. Job Training 2000 will create a kind of passport to continuing education, making it easier for people of all ages to receive grants and loans that they need to keep pace with the challenges of the 21st-century workplace. This program is our plan to capture the spirit of programs like the ones that I've been privileged to see today and bring that innovative Atlanta approach, if you will, to every American community.

Let me say to the young men and women that I've met today: Not long from now, these four walls will house the new Project CATALYST Center. But what you're building here is far more than a work of bricks and mortar or plaster or paint. This renovation is a symbol of the larger commitment of this community to generate opportunity for the people who call it home.

So once again, my congratulations on the future that you're building here, on the opportunity you're giving the young people here. And my thanks to the CATALYST team for showing me around this site. And thanks to all of you, whether you're in city government, State government,

marketplace, business, labor unions, whatever, for the fine work you are doing, the example you're setting.

And now, back to work. [Laughter] Hammer time. Thank you all very much. Thank you all very, very much.

Note: The President spoke at 11:52 a.m. at the Ventures in Community Improvement classroom on the campus of Morris Brown College. In his remarks, he referred to Alvin Darden, coordinator of Project CATALYST.

Nomination of William O. Studeman To Be Deputy Director of Central Intelligence

January 17, 1992

The President today announced his intention to nominate Vice Adm. William O. Studeman, USN, to be Deputy Director of Central Intelligence. He would succeed Richard J. Kerr.

Currently Vice Admiral Studeman serves as Director of the National Security Agency in Fort Meade, MD. Prior to this, he served as Director of Naval Intelligence, 1985 - 1988, and as Director of the Long Range Planning Group at the Department of the Navy, 1984 - 1985. In addition, Vice Admiral Studeman served as commanding officer of the Navy Operational Intelligence Center, 1982 - 1984, and executive assistant to the Vice Chief Naval Operations, 1981 - 1982.

Vice Admiral Studeman graduated from the University of the South (B.A., 1962); George Washington University (M.S., 1973); Naval War College (1973); and National War College (1981). He was born January 16, 1940, in Brownsville, TX. Since 1962, Vice Admiral Studeman has served in the U.S. Navy. He is married, has three children, and resides in Fort Meade, MD.

Remarks at a Head Start Center in Catonsville, Maryland

January 21, 1992

Maryanne Anderson, thank you so very much, not just you but everybody that has given us this very warm welcome. May I salute our Secretary of Education, who is with us. Were you introduced before I walked in here? Stand up, come on: Lamar Alexander, the Secretary of Education for the United States. Lou Sullivan, right here, is the Secretary of HHS. And most of you know him by his works, but Lou, I guess you were greeted.

And may I single out Congressman Helen Bentley, who flew over with us on Marine One. Here she is, over here. And I would be remiss if I didn't especially single out my friend, your Governor, Don Schaefer.

We have these national education goals, and then we have a group of Governors, nonpartisan, come together, all of them as a matter of fact, to endorse them. And to implement these goals we have a program that Lamar is working so hard on -- Lou helping, I'm trying to help -- called America 2000. And I think you and Maryland can take pride that your Governor was the first one on and has been an early advocate of goal one, or the whole program, first one on board, and secondly, a very early advocate of Head Start and this early learning concept. So I appreciate, Governor, your taking the time to come here in that spirit.

And I salute the parents without whom this program cannot work to its fulfillment, parents, parental involvement, and we saw that. And I salute the parents, not only here but out there, who are doing so much to get these kids ready to learn.

Last Friday, I had the privilege of visiting the living memorial to Dr. Martin Luther King in Atlanta, went down there with Coretta Scott King. And contemplating the legacy that Dr. King left for us all, I was struck once again by the immense importance that he placed on quality education. He called it ``the passport to a better life.'' And he was right.

We face a great challenge today in making America a country that will lead not only in the 1990's but in the 21st century, lead, the leadership in education. This mission involves many things. And next week when I deliver a State of the Union Message, you'll see that we've been doing some hard thinking about how to fulfill this uniquely American destiny. And one of the keys is to make sure that this generation of young Americans, like these young people here today, are prepared to lead.

And in a word, that demands educational excellence. As many of you know, we've launched a comprehensive strategy to radically transform, radically transform America's schools. And yes,

we've set high goals. And the first goal is this, and I mentioned it earlier: By the year 2000, every American child must start school ready to learn.

Many children need a head start, and we're going to make sure they get it. Today I'm pleased to announce that we're taking a large step toward meeting that first crucial goal. In the budget that I'll submit later this month, I will ask Congress for a $600 million increase in Head Start, the largest increase ever. And we've fought for increases the last 3 years, but this one is the largest ever. It's the third straight one, as a matter of fact. Increasing funding for Head Start has been a priority with me, with Dr. Sullivan, with Secretary Alexander and others for a long, long time, certainly for the teachers, the dedicated teachers that we've seen here today.

And in 1989, just a little review here, we increased funding over 1988 levels, as well as in 1990 and then again in 1991. And these funds will allow every eligible 4-year-old child whose parents want them to participate to have the Head Start experience before starting school, every eligible 4-year-old. And when Congress approves my request, and I'm confident they will go along, we will have more than doubled the program's funding over the past 3 years.

Of course, in education as in other fields, Government is just one part of the larger solution. Real progress in America comes from strong families and communities, from committed individuals binding together in common purpose, whether it's a church congregation opening a day care center in its neighborhood or parents taking a little extra time to read to their children.

No Government program alone can guarantee that children start school ready to learn. No Government program can take the place of parents and of communities that nurture the children who otherwise might have been left far behind. But in Head Start we found a Government program that works, that works to strengthen communities and families for the future.

Time has proved that Head Start brings out the best in us. And last year, more than 800,000 Americans gave of themselves by volunteering in a Head Start program. That is an amazing figure. You can see it right here at the Emily Harris Head Start Program where the entire staff, including volunteers, make sure their young pupils get the skills that will stand them in good stead for the rest of their lives. They learn about getting along; they learn about sharing with others, about independence, about self-confidence.

Every parent here knows that Head Start is really more than education. It provides hot meals, ensures that children receive immunizations and access to needed social services, health and dental care. Dr. Sullivan, whose Department does such a splendid job in administering Head Start, knows from personal experience the importance of nurturing the body as well as mind.

And most of all, Head Start is about family. Head Start couldn't be the success it's been without the direct involvement of parents. Governing councils give parents the opportunity to set the program's direction. Head Start brings parents right into the classroom and into the learning

process. And they attend child care workshops, and they learn how to prepare well-balanced meals. And all of these serve to reinvigorate those family values that are the true key to a happy, wholesome, and productive life.

Head Start works. It's not perfect. We're committed to making a good program better. Over the past 3 years we've made sure these increased funds best serve the needs of families. We've made family service centers part of Head Start to provide substance abuse counseling, job training for parents who need them. And we've encouraged every Head Start program to offer adult literacy classes for Head Start parents.

But our greatest challenge lies in ensuring that when children leave Head Start ready to learn, they enter an educational system where they can learn. We're helping with the head start; let's make sure that they cross the finish line too, prepared to be the leaders of the next century.

I really was very pleased to be here today. And I'm honored that I've had a chance to see firsthand the work that the teachers, the parents, the community is doing to support this worthwhile program. It is an example for the rest of our Nation. So, thank all of you.

And let me say in conclusion, thanks for the kids. I learned an awful lot about bathtub toys; about how to work the telephone -- several of them know their own phone numbers; preparation to go to the dentist; and a lot of things that I'd forgotten. [Laughter] So, it's been a good day.

Thank you all very, very much.

Note: The President spoke at 10:05 a.m. at the Emily Harris Head Start Center. In his remarks, he referred to Maryanne Anderson, Baltimore County Head Start director.

Statement by Press Secretary Fitzwater on the Death of Rose Bowen

January 21, 1992

The President and Mrs. Bush extend their sympathies to former Secretary of Health and Human Services Otis Bowen upon the death of his wife, Rose. As a member of the Cabinet in the Reagan administration, Secretary and Mrs. Bowen became close friends of the Bush family. President Bush spoke with Secretary Bowen today to express his sympathies.

Memorandum on Transportation of Humanitarian Assistance to the Former Soviet Union

January 21, 1992

Memorandum for the Secretary of Defense

Subject: Transportation of Humanitarian Assistance to the Former Soviet Union

Pursuant to the laws of the United States, including section 109 of the ``Dire Emergency Supplemental Appropriations and Transfers for Relief From the Effects of Natural Disasters, for Other Urgent Needs, and for Incremental Cost of `Operation Desert Shield/Desert Storm' Act of 1992" (Public Law 102 - 229):

1. I designate as emergency requirements, pursuant to the terms of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, the full amount for which section 109 provides.

2. Effective upon satisfaction of applicable congressional notification requirements, I direct the Secretary of Defense to transfer funds under section 109 as it incorporates by reference section 301(b) of H.R. 3807 as passed the Senate on November 25, 1991.

3. The authorities and duties of the President under section 301 of H.R. 3807 as passed the Senate on November 25, 1991, and referred to in section 109 (except the designation of emergency relating to funding addressed in paragraph 1 and the direction addressed in paragraph 2) are hereby delegated to the Secretary of Defense.

You are directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:26 p.m., January 24, 1992]

Note: This memorandum was released by the Office of the Press Secretary on January 22.

The President's News Conference

January 22, 1992

Secretary of Transportation Nominee

The President. Let me just say that I am nominating Andy Card, Andrew H. Card, Jr., to be the Secretary of Transportation. His distinguished career in government service at both the State and the national level give him the unique background for serving the Nation's transportation interests. He's a friend of many years who started his career as a legislator in the Massachusetts House of Representatives. I have valued that experience often in the last 3 years here in Washington.

As Deputy Chief of Staff, he has offered wise and loyal counsel on legislation, on management of Federal programs, and on intergovernmental relations. Scores of people from all walks of life know him as the White House manager who will listen to their concerns and get things done. That's true here. That's true on Capitol Hill.

And I also want to express my appreciation once again to Sam Skinner for his expert and dedicated stewardship over at that Department, culminating in the landmark Transportation Act. He was known over there for his foresight and innovation, and he's brought that same energy, distinctive energy, to the White House.

Our Nation's transportation system faces many important challenges in the years ahead. And a vast new highway system is taking shape under the Surface Transportation Act that was just signed into law. Whether it be in aviation, railroads, mass transit, shipping, or the Coast Guard, I know that Andy Card's leadership will be an important ingredient in providing the most effective transportation system possible.

I look forward to having him in this important position on the administration team, look forward to having him as a valued counselor and member of the President's Cabinet. And he will do a first-rate job at Transportation, just as his predecessor did.

Thank you very much. Andy, do you want equal time here?

Mr. Card. I'm honored and quite privileged to be part of the President's team, and I'm flattered that he would choose me to be part of his Cabinet. I look forward to working with the other members of the Cabinet, with the rest of the Bush administration, and I want to carry on the fine tradition that Secretary Skinner brought to the Department of Transportation.

Mr. President, I'm proud to be part of your team. Thank you.

The President. We're scooting over to the State Department for an event. But maybe I should take a question or two. I know you're all interested in this appointment.

State of the Union Message

Q. Mr. President, are you going to go for a middle-income tax cut? And are you going to cut the Pentagon budget by $50 billion? And are you going to break the budget agreement?

The President. Helen [Helen Thomas, United Press International], you have 6 days to wait for answers to all those questions. So, I'm not going to now start taking specifics on the State of the Union. I'm confident that what we suggest will be widely received, well-received by the American people. I think we're transcending politics. So, I'm confident what I propose will have strong support from all elements on the Republican side -- --

Q. How about the conservatives?

The President. -- -- strong support there. And I think we're going to have a very good package. But we're going to eschew some of the pure political approaches. We're going to try to do something that will stimulate the economy and avoid these things that may have strong primary political appeal but would hurt the economy in the long run by shooting interest rates up. So, just stay tuned, and I'll give you all the answers to that one.

Q. Can I follow that on a nonspecific -- --

The President. Yes, you can.

Q. Do you agree with those who say, even from among your own party, that you really don't have a message that you've presented so far?

The President. No, I don't agree with them.

Q. Why not?

The President. But I think the State of the Union will give us a strong opportunity to get it across. Because we're in a political season, Ann [Ann Compton, ABC News]. And I point out what we've done in various areas, the benefits of a transportation bill, what we're doing in terms of a brand new education program. And it's pretty hard when you're out there getting hammered by the -- the only way for the opposition to win in the political season is to tear down the President. The American people see that.

So, what I've got to do is get out and above all that by this State of the Union and then following up vigorously, which we will do.

Japan-U.S. Trade Agreements

Q. Mr. President, there's concerns from comments from Prime Minister Miyazawa and other industrialists in Tokyo that there may be some backsliding in Japan on agreements they made during your trip. What is your reaction?

The President. I was pleased with the correction or the comments coming out of Japan yesterday. I was not pleased with the statements that challenged the ability of American workers. I have full confidence in the American workers' competence, their ability. I do think that our products have to be competitive, and there's no question about that. But we've got the best workers in the world. So, when I saw a statement challenging that, I was upset.

But I was also pleased when I saw a reaffirmation of these goals that were established, and we'll have more to say on that, on a computer agreement that has had strong support, and I've seen very little coverage on that. It's a very good agreement. And the Japanese have every intention of fulfilling that agreement.

So, you know, I hope they don't judge American policy by some of the outrageous statements I've seen against them. And I won't judge Japanese policy by some of the outrageous statements I've seen against us. You need a steady hand here. You need to build on the progress we've made.

Economic Growth Initiatives

Q. Mr. President, you used much the same words that you used this morning, eschewing a political approach, avoiding something that would send interest rates shooting up -- --

The President. Right.

Q. -- -- earlier this, or last year, in saying you would oppose a broad, general tax cut. Can we construe from your comments today that you will oppose a middle class -- --

The President. You just have to wait and see. But I'll stay with what I've said here in terms of definition of our approach. And I think it will be well-received. And what it will do is to target growth of jobs in this economy. And I saw last year one program, I forget which it was, on the Democratic side that was just kind of a broadly -- do away with the constraints on spending. People are tired of all this Government spending. They want to see the caps on the spending held. That program would have done away with the caps, give everybody a tax cut. And interest rates shot up the very next day.

So, our proposal will try to avoid that kind of politically popular approach, but will focus on

those things that will encourage jobs, investment, savings, whatever.

Q. Mr. President, you talked a few minutes ago about political opponents tearing apart the Presidency.

The President. The President.

Q. The President.

The President. To some degree the Presidency, the President.

Q. But Republican conservatives are tearing apart your economic advisers. They're saying they haven't been bold enough. There are reports that you're considering some kind of staff shakeup. First of all, have the proposals not been bold enough? Are you going to become more bold in that approach? And do you have a shakeup in the works?

The President. One, I feel confident that we'll have strong support in our party. There's some, one or two out on a real fringe running around up there, that might find it difficult to support me for political reasons. I mean, we all know we're in a political season. But I think the broad numbers of Republicans in the House and in the Senate will be supportive when they see what this package is.

What was the second part?

White House Staff

Q. Staff shakeup.

The President. Well, anytime you have a new Chief of Staff, I tell him, ``Hey, take a look at the structure here; see what we can do to do a better job." We're moving into a very complicated and difficult year. And I have full confidence in the people around us, but whether there will be some structural changes that will facilitate one end or another of our responsibilities, let's wait and see.

Aid to the Commonwealth of Independent States

Q. Mr. President, on the C.I.S. conference you're about to host, a number of European countries are complaining that the U.S. is not in a good position to lead this because this country lags behind the rest of the world in aid for the Soviet Union. The French, in particular, have been outspoken. Do you feel they have a point, and do you anticipate adding more to the U.S. contribution?

The President. Look, it's always been a hallmark of U.S. foreign policy, and I think of the heartbeat of this country, that if people are hurting, health reasons, famine, food reasons, that the United States is willing to help. So, I would anticipate our stepping up and trying to do as much as we possibly can. We have already made significant contributions. And I'm very proud that we have. That's the heartbeat of our country, trying to help people, home and abroad.

And so I would expect that we'll do some more. But what we're doing now over at State is making sure everybody understands what really has been done. And yes, I've seen some comments out of the EC, for example, that they've done more. I don't think it's a question of who's doing the most. It's a question of each country in there doing its best. And I'm very proud that there's such fine attendance for this coordinating conference here. And we will do our level-best to help.

We've got enormous problems here that need attention, but we're not going to change the view that when people are hurting the United States ought not to help. And we do have a big stake in this, in the success of the democracies in the Commonwealth. We've got an enormous stake.

And isn't it better to send some money to help people who are hungry or perhaps need medical attention than it is to be ever increasing your nuclear weapons, one against the other? We're living in an exciting age where this country has much less to fear from nuclear weapons. And I am very proud that we have made a real contribution to that.

So, we'll do what we can. But we have and I think everyone around the world has restricted funds on all of this. So, I think we'll have a good answer over there.

Q. Do you feel Americans don't understand the need?

The President. No, I think Americans do understand the need, particularly, I hope, the way I've explained it here. And I think in Congress most people seem to. They understand we have a big stake in the peaceful, democratic evolution of the Commonwealth. I think it's an enormous stake. And whether it's popular politically or not, I mean, we've got to continue to conduct ourself as the United States of America and not knuckle under to every political charge from right or left. I mean, it's in a funny time now, as we all know. And I'm going to keep a steady hand on this and do our very best. And we've got a good program.

The last one.

Q. Mr. Burbulis, who's the Deputy Prime Minister, this morning in an op-ed piece in the Washington Post is asking for significantly more money, specifically 6 billion for a type of stabilization program and another 6 billion for food and medicine. What is your reaction to that?

The President. I've just given my answer to it here. I can't comment. One, I didn't see his

comment. And secondly, we are in touch with the Soviet, the Russian leadership, the leadership of the republics at the highest level. And I'll take a look at what he says, but I can't comment on a story I haven't seen. But I gave the answers to what we want to try to do here.

Economic Growth Initiatives

Q. You've promised a dramatic economic growth plan in your State of the Union, but the Democrats are already planning their own growth plan. The Democratic candidates have already planned a press conference the night of your speech. How likely do you think it is that you'll actually get cooperation from Congress?

The President. I think the American people want action. I think they'd like to think that even in an election year we can lay politics aside long enough to get something done to help the American people. And yes, the Democrats control both Houses of the Congress. And I think the American people see that there's blame to be shared all around on all of this.

But I will make the strong view that, ``Hey, this is a tough one, but let's try to get something done that's going to get this country back to work, that's going to create jobs." And we'll see. That's the approach I'll take. And I will resist and fight against things that won't do that, that will make the situation worse. And I'll fight very hard for things that I think will make it better.

And indeed, looking back over my shoulder, I just wish that the growth initiatives that I've been proposing for 3 years had been passed by the Congress. And so, I will now challenge the Congress and ask the American people's support for a sound package. It won't have everything I'd like to see get done, I'm sure, but I think in that spirit, maybe we can get something accomplished.

Q. You'll set a deadline, sir?`

The President. You wait now and see about this message.

Note: The President's 119th news conference began at 8:40 a.m. in the Briefing Room at the White House. Gennadiy Burbulis was First Deputy Prime Minister of the Russian Federation.

Remarks at the International Conference on Humanitarian Assistance to the Former U.S.S.R.

January 22, 1992

I would first start off by saying I got bawled out by the Secretary of State for being late. And my position is: I'm not late; you guys are early.

But I just want to give a warm welcome to the United States and to Washington, our Capital, to the many distinguished guests in this room today who include foreign ministers and senior officials from 47 countries, the United Nations, major international financial institutions, and other major international organizations.

We come together this morning as partners at a historic time, a turning point in our century and, I think, in modern history. Our mission is to respond together to the dramatic revolution that swept away Soviet communism and left in its place 12 new nations moving to establish their place in the world and struggling with the critical task of feeding, clothing, and housing their peoples this winter, this spring, and beyond.

Before you discuss these issues in depth over the next 2 days, I wanted to take a moment to reflect on the meaning of these events in the former Soviet Union for those of us in North America, in Europe, the Middle East, Africa, Latin America, Asia, the Pacific, in all corners of the globe.

For nearly 50 years, throughout most of the adult lives of almost everyone in this room, mankind endured a dangerous global conflict, the cold war. It divided continents and peoples and held all countries hostage to the possibility of nuclear annihilation. The free world rose up against that threat posed by Soviet expansionism in the decades after the Second World War. We spent hundreds of billions of dollars and sacrificed precious lives and national resources in that great struggle.

With the revolution in Eastern Europe in 1989 and in the Soviet Union in 1991, that mortal threat has withered. And with the dissolution of the Soviet Union itself just last month, we find ourselves at the entryway to a new world, a world of hope for a lasting peace and growing prosperity.

Led by a courageous President, Boris Yeltsin, reformers have come to power in the enormous Russian Federation. Ukraine has won independence, and the government of President Leonid Kravchuk holds out the promise of a new political and economic order. In Armenia, a former prisoner of conscience, President Ter-Petrosyan, has led an extraordinary national effort to transform his country's economic system and liberate its people from political oppression. And

in Central Asia the same stories, as President Nazarbayev, President Akayev are leading the fight for reform there. A new day has dawned throughout the Commonwealth of Independent States, with hope for a fundamental transformation in the way people live and work and think.

As we begin a new year and chart our course for the rest of this decade, let us bring equal commitment to the challenge of helping to build and sustain democracy and economic freedom in the former U.S.S.R., just as we did to winning the cold war. Let us help the people throughout the Independent States to make the leap from communism to democracy, from command economies to free markets, from authoritarianism to liberty. And then let us pull together to win the peace in this post-cold-war era.

We should not underestimate the enormity of this challenge and the difficulty of unraveling economic dislocations resulting from over 70 years of Communist economics. Ultimate success or failure rests squarely with the efforts and wisdom of the peoples of Russia and the Ukraine and the Caucasus in Central Asia. The battle is really theirs to win. But they cannot win it alone. These 12 new countries will need the hard work, creativity, and good will of all of our countries from every continent.

And that is why we meet today, to assure that our commitment and assistance will be up to the task, well-conceived and efficiently executed. And we meet to demonstrate to the peoples in these new States that the international community cares about them and supports their hard struggle to build new societies on the ruins of communism.

So, let us join together to give these people a reason to hope. Let us commit ourselves this morning to work in full partnership as we proceed.

First, we must continue to act resolutely this winter, this spring, and then throughout 1992 to meet the critical emergency needs of these States, food and medical supplies and energy and shelter. The shortages now evident throughout the 12 States will not soon disappear and will require sustained attention, our sustained attention.

Second, we must also meet the challenge of promoting economic growth and development of new free-market institutions through a collective international effort to provide technical assistance. Our work will be critically important to help the new States construct banking and taxation systems, to provide a healthier environment, to promote the rule of law and, yes, nuclear safety.

In short, we must support those who are standing up for reform and freedom. We should stimulate concrete investments and expanded trade. President Boris Yeltsin's courageous economic reforms deserve our support, as do efforts in the other States to introduce economic change.

Our success or failure will hinge on our ability to work effectively together on this common cause. The challenge is too great for any one nation or group of nations. It is a global challenge requiring the efforts and commitment of nations from all over the world. And your presence here, a truly remarkable presence, is vivid testimony that this is and must be a global coalition. Nothing else can work.

As we come together during these 2 days and then certainly in the months ahead, let us do so constructively, in the spirit of partnership, avoiding sterile debates over which one of us has done the most or the least and which should lead our response to this historic challenge. All of us have a role and obligation to fulfill. And many of us have already undertaken concrete actions to help.

The European Community has shouldered a major and generous share of the burden. Its prompt actions over several years to provide humanitarian support were vitally important, and its commitment to a vigorous technical assistance program is far-reaching and most welcomed. Germany alone has assumed enormous responsibility in providing military housing and in channeling credits to the former U.S.S.R. and now to the Federation, to the Russian Federation. Other EC governments have made important contributions. The Atlantic alliance stands ready to help with the knowledge that the peoples of the former U.S.S.R. are moving toward the same values that have sustained NATO since its birth.

It is especially satisfying to see here today our friends from Central and Eastern Europe as the pioneers in discarding communism and embracing democracy. You are here as symbols of success. And though you still face problems yourselves, the world applauds your willingness to help freedom elsewhere.

The challenges before us require efforts not just from Europe but from other regions and countries as well. Japan has made important contributions, commitments and will be critical to this effort. And now other nations in the Far East and the Middle East and Latin America should commit their expertise, their resources to assure the success of reform.

And I can assure you today that the United States, which for so long has led the struggle to contain communism, is also contributing its share so that democracy is its permanent replacement. For over 40 years, we have led in the reconstruction and defense of the free world. And now that the torch of liberty has sparked freedom among our former adversaries, the greatest good of our long labor is at last visible.

The U.S. cannot and will not falter at the moment that these new States are struggling to embrace the very ideals that America was founded to foster and preserve. Accordingly, as a further U.S. contribution to this urgent worldwide effort, I am proposing that the Congress approve over $600 million for new technical assistance and humanitarian efforts. In addition to the assistance already announced, this will bring to over $5 billion the level of various forms of

U.S. assistance to these people in their time of need.

In closing, I would like to reiterate the importance of seizing this moment to commit ourselves individually and collectively to an opportunity that may not come our way again in our lifetimes. The prospect that our former adversaries may become our friends and our partners, this is in the national interest of every country represented around this table and those countries that are not represented around this table.

By coordinating our efforts toward common goals, we have a chance to reshape the world for our children and for generations to come. And if we do not, we risk the reversal of the historic leap to freedom made by the Russian, Ukrainian, Armenian, and other peoples during these last months.

So, let us work together over the next 2 days to promote our national and collective security, continued global economic growth, and to do what is right for the ordinary people who yearn for a better, free life in these new Independent States.

Thank you all very, very much for being here. I know it is not easy to make the long trek. It is desperately important. Thank you for this opportunity to speak with you today. And may God bless the peoples of all the countries represented here and the peoples of these new, struggling Independent States. We have such confidence that we can succeed, all of us working together.

Thank you all very much.

Note: The President spoke at 9 a.m. at the Department of State. In his remarks, he referred to President Nursultan Nazarbayev of Kazakhstan and President Askar Akayev of Kyrgyzstan.

Remarks to the Citizens Democracy Corps Conference

January 22, 1992

This is strictly a cameo appearance, a drop-by. I would ask these distinguished panelists to excuse the interruption and let you return to your regular program in just a few minutes. But I'm delighted to see Ambassador Hartman here, who served his country with such distinction; most recent post, unless I missed one, was to what used to be the Soviet Union, and did a great job. Then, of course, Ambassador Polansky, the CDC's Executive Director.

In less than 2 years, this Corps, this Citizens Democracy Corps, has proved to be an idea ahead of its time. The first mission was to reach out to the newly independent nations of Eastern and Central Europe. And today, the CDC's mandate extends not only to the nations in the old Soviet bloc but to the Baltic States and then even to the former Soviet Union itself.

Let me also welcome a couple of others: Cooper Evans, that worked long and hard in this building after he served with such distinction in the Congress, a good friend of long standing; Diane Butterfield, who I know is doing a lot of efficient work with the staff, modestly standing over here. And I'm told, but I don't see him right here, that Max Kampelman was here. Was he, or not? Well, he's supposed to be here -- [laughter] -- and tell him he's got three demerits for not being here -- [laughter] -- because I was going to say something very -- where is he? Hey, Max. Anytime they can put Max Kampelman in the back of the room in the shadows, there's something wrong with the way this thing is set up. But let me just say I'm grateful for his participation. And like Art Hartman and others here, he really worked hard for human rights and for peace and for all the values that all of us believe in so strongly. George Soros is here, the president of the Soros Fund management. My thanks to all of you, all of you, for coming to Washington to take part in an effort that really can, literally, shape the history.

You meet at a critical moment. Right now in the lands of the former Soviet Union, a new revolution is unfolding right before our very eyes. Millions of people have shed the dead weight of the Communist past to reclaim their heritage and their history, to revive the powerful hope all people share of living in freedom.

This moment of great hope is also a time of terrible hardship, tremendous hardship. Seventy years of the Soviet experience and the implosion of the socialist economy have taken their toll, the harsh winter, empty shelves fueling discontent and threatening democracy's great gains. The challenge now for the newly independent States of the old Soviet Union is to create a breathing space for free-market reform and democratic institutions to take root and grow.

Earlier this morning I went over to the State Department, meeting with representatives of over 47 nations. I think 40 of them are at the foreign minister level. They're all now focusing on the urgent question of humanitarian aid for the former Soviet Union. Look, our country has always

helped when people need food or medical attention. We've always tried to do our level-best to help people in need around the world, and this should be no exception.

And today I proposed that Congress now approve an additional assistance, $600 million in technical assistance, in humanitarian aid to help the people of the Commonwealth of Independent States. At the urging of many in this room, we have stepped up, and we have tried to do our part with several billion dollars of food aid arrangements. We have a tremendous stake in the success of Russia and, indeed, of the other members of the CIS, of this Commonwealth of Independent States.

But I came here to make the point that obviously you all understand, and that is that Government to Government is only part of the overall equation. Bringing the former Soviet Republics into the community of free nations is a task that can never be accomplished by Government alone, particularly now, particularly with this experience that's taking place before our eyes. The move to market economy, the need to remake, totally remake the financial institutions, whatever it is, it cannot be done by Government alone.

So, we've got to build the human contacts that give free government its real meaning. The countless exchanges that take place every day among private individuals, they help; and between businesses and labor, terribly important; the academic exchanges or just contacts by our academicians making contacts with theirs, wherever that may be, terribly important.

All the groups and organizations that give life to a free society ought to be trying in one way or another to interact. And that's where each one of your organizations come in. That's why I proposed the Citizens Democracy Corps. As I said back in the spring of '90 when it was announced, the real strength of democracy is its citizens, the collective strength of individual Americans.

So, let me single out the work of one group here today as a proof of the kind of difference that all of you can make. It's a project called Dakota Cares, sponsored by the North Dakota Grain Growers Association. It started with one of the traditions of the American heartland, pitching in to help someone in need, and transported that idea to people in need thousands of miles away.

Right now, Dakota Cares is moving 100 tons of flour to the people of St. Petersburg, each bag stamped as a gift from the State of North Dakota. Its ability to move that flour across the country, across an ocean, and off the docks and into the homes of people who need it is testament to our spirit, to the American spirit at its very best.

That same spirit animates all the people gathered in this room because you do represent a cross section of American society, people with the expertise and the energy to help an old adversary make the transition to free markets and free government, people who show the world the true meaning of democracy in action. And I am very, very pleased to see so many American

organizations, so many individuals so active in strengthening the forces of freedom and democracy.

Let me just say on the Government's part, we are going to stay involved. We're in a funny kind of tough year now in terms of priorities. But I must not and I will not neglect my responsibilities to do what I can do as the President of this great country in mobilizing others to do the good work of government, to help where governments can. I'm looking forward to seeing President Yeltsin, for example, when he comes here, talking about the problems that I'm sure many of you are talking about today. We will stay actively and fully involved.

Everyone is looking to the United States of America, to our leadership, since the crumbling of the Soviet Union, not just in how we treat with the Commonwealth but how we treat with other problems from the Middle East to South America to wherever in the world. So we've got to stay involved as a Government, and I just wanted you all to know that I will do my level-best to keep the Government-to-Government programs on the right footing. But the Government simply can't do it, can't do it all. We need your help, and we need your active involvement.

And it is an enormously exciting period. It's a time of trouble, a time of great grief and worry for the people over there, human suffering. But we've got to look at it like it's a time of great promise, not just for democracy and freedom and free markets in these things but for a whole new relationship between our country and these former -- the one former adversary, parts of which we are trying to help now to the best of our ability.

So thank you very, very much for your concern and your interest. And believe me, you are engaged in something that is fundamental, fundamental to world peace. Thank you.

Note: The President spoke at 11:17 a.m. in Room 450 of the Old Executive Office Building to the Conference on Private Sector Assistance to the Commonwealth of Independent States, sponsored by the Citizens Democracy Corps. In his remarks, he referred to Cooper Evans, member of the board of directors of Volunteers in Overseas Cooperative Assistance; Diane Butterfield, director of finance and administration for the CDC; and Max M. Kampelman, member of the board of the International Media Fund and member of the Executive Committee of the American Bar Association's Special Committee on the Central and Eastern European Law Initiative.

Teleconference Remarks to the March for Life Rally

January 22, 1992

I admire your conviction and dedication as you watch out for the most helpless members of our human family.

The most compelling legacy of this Nation is Jefferson's concept that all are created equal. It doesn't say ``born equal.'' He says ``created.'' From the moment the miracle of life occurs, human beings must cherish that life, must hold it in awe, must preserve, protect, and defend it. It's there in our Declaration of Independence that we are created equal and endowed with certain inalienable rights to life, to liberty, and to the pursuit of happiness.

I want to reaffirm my dedication and commitment to the simple recognition that all life is a precious gift, that each human being has intrinsic dignity and worth. We are making progress towards this recognition, and I will continue to oppose and fight back attempts by Congress to expand Federal funding for abortions.

Much remains to be done as we reflect upon the gift of life. So, let us redouble our efforts, both in public and private sector, to encourage alternatives such as adoption.

And on a personal note, I find the figures on the numbers of pregnancies that are terminated by abortion simply unconscionable.

So, thank you for what you're doing, for your heartfelt, selfless work. For 19 years you've been tirelessly committed to a righteous cause. And I am out there with you in spirit. And may God bless you all.

Thank you very much.

Note: The President spoke at 12:13 p.m. from the Oval Office at the White House to rally participants gathered on The Mall.

Remarks at the Signing Ceremony for the Computer Trade Agreement With Japan

January 22, 1992

The President. First, let me welcome Foreign Minister Watanabe of Japan and Japan's able Ambassador to the United States, Ambassador Murata. And of course, well-known to all in this audience is our distinguished USTR, Ambassador Carla Hills.

I want to welcome the CSPP, the Computer Systems Policy Project member companies which are represented here by this distinguished group. And in particular, I want to acknowledge James Unruh from Unisys; Ronald Skates of Data General; Dick Iverson, the president of the American Electronics Association; and a special thanks to CSPP Chairman John Scully, who regrettably is not with us today.

And I'm proud to be here as we sign this path-breaking agreement for Japanese public sector procurement of American computers. It's just one of the highlights of our Asia trip. It illustrates the success that we had fighting for America, for American jobs, and for our own future, for America's future. This agreement also highlights why foreign relations have never been as important to our well-being at home than they are now. When we foster democracy abroad, when we strengthen our security engagements with our allies and friends, when we work to open markets and to expand trade, we make a priceless investment in our own children's future.

The promise contained in this agreement is great. For example, in one segment of the computer market, mainframes, foreign companies have 41 percent of the overall Japanese private sector market, but only .4 percent of the Japanese central government market. Ten years ago, Japan's markets were much more closed than they are now. And 10 years down the road, they'll be much more open than they are today as a result of constructive agreements like this one.

In Tokyo, we were determined to ensure that U.S. computer companies be allowed to compete fairly for the total Japanese government computer market, estimated as a $9 billion market. Since our own highly competitive electronics industry employs 2.4 million American workers, this would mean dramatic gains in exports and therefore in quality American jobs. So, we set as a top priority working with the Japanese Government to continue the process to open Japan's markets to free and fair trade.

Ambassador Hills and our negotiators worked with stunning speed, and I am tremendously proud of our team's steadfast commitment to open markets and fair competition. And as a result of their concerned effort and the hard work and cooperation of our Japanese friends, especially by my good friend Minister Watanabe here, this remarkable agreement will help propel our nations together into the next century of global marketplace.

High-tech trade benefits our consumers, strengthens our industries. And we have representatives from America's computer industry here today. They know how important our successful negotiations will be to their future, and they've said so publicly in commending this achievement.

We're entering an entirely different economic world than the one we grew up in, a new age of American competition in a fiercely challenging global marketplace. Agreements like these are only the first step; the next step will come as American businesses meet worldwide challenges. And they will succeed because as long as that playing field is level, American workers, I think, can outcompete and outproduce anyone, anywhere, anytime. I know we all have that confidence in our workers.

In the State of the Union Address, I'm going to present my action plan to move our economy into the 21st century. It's an ambitious agenda for growth, and I'm absolutely confident that the American people will join me in this vision for a new era of expanded markets, growing opportunities, peace, and prosperity.

And overlooked to some degree is, with full cooperation from Japan's Prime Minister and their Foreign Minister, we signed a very important growth agenda with the Japanese. It has broad economic implications for the entire world. And again, sir, I thank you for your personal role in that.

We salute the hard work and determination between our two Governments that brought about this landmark agreement. More than 150 years ago, a British politician, Lord Macaulay, made an observation that could still guide us today. He said that free trade is ``one of the greatest blessings which a government can confer on a people." And I think with the signing of today's agreement, Japan and the United States both give their people a gift for the future. This relationship between Japan and the United States is very, very important, and I plan to keep it with very, very high priority.

And now, Minister Watanabe, with thanks to you, sir, for taking time from your other busy schedule here, welcome, and we're just delighted to have you here.

Note: The President spoke at 2:10 p.m. in the Roosevelt Room at the White House. Ambassador Ryohei Murata of Japan and U.S. Trade Representative Carla A. Hills signed the agreement.

Message to the Senate Transmitting the Spain-United States Legal Assistance Treaty

January 22, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty on Mutual Legal Assistance in Criminal Matters between the United States of America and the Kingdom of Spain, signed at Washington on November 20, 1990. I transmit also, for the information of the Senate, the Report of the Department of State with respect to the Treaty.

The Treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. The Treaty should be an effective tool to assist in the prosecution of a wide variety of modern criminals, including members of drug cartels, ``white collar criminals," and terrorists. The Treaty is self-executing.

The Treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the Treaty includes: (1) the taking of testimony or statements of witnesses; (2) the provision of documents, records, and evidence; (3) the execution of requests for searches and seizures; (4) the serving of documents; and (5) the provision of assistance in proceedings relating to the forfeiture of the proceeds of crime and restitution to the victims of crime.

I recommend that the Senate give early and favorable consideration to the Treaty and give its advice and consent to ratification.

George Bush

The White House,

January 22, 1992.

Letter to Congressional Leaders Transmitting a Report on the U.S.-U.S.S.R. Standing Consultative Commission

January 22, 1992

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with section 38 of the Arms Control and Disarmament Act as amended by section 3(b) of the Arms Control and Disarmament Amendments Act of 1987 (22 U.S.C. 2578), attached is a classified report prepared by the United States Commissioner to the U.S.-U.S.S.R. Standing Consultative Commission (SCC) concerning the activities of the SCC during calendar year 1991. The report includes detailed information on all substantive issues raised by either party to the Treaty on the Limitation of Anti-Ballistic Missile Systems and the responses to the other party to those issues.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee.

Statement by Press Secretary Fitzwater Announcing the Drug Summit in San Antonio, Texas

January 22, 1992

The President, after consultations with other participating governments, is announcing today that the second regional drug summit will be held in San Antonio, TX, February 26 and 27. This meeting, 2 years after the Cartagena summit, represents another important milestone in the war on drugs. The purpose of this meeting will be to discuss and coordinate our expanding counternarcotics cooperation with the Presidents of Colombia, Bolivia, Peru, Venezuela, Ecuador, and Mexico.

Remarks to the National Association of Wholesaler-Distributors

January 23, 1992

Thank you very much, and welcome to all of you. Thanks to Alan Kranowitz for all his fine work and, of course, to my friend Dirk VanDongen, over here. History, a little history, I understand that he's celebrating his 25th anniversary with the NAW this year. And I might say to those who haven't worked with him closely, as I have, that he does a superb job for sound economic principles, most of which affect the NAW but some of which don't. But he's in there for these solid principles day in and day out. And I am very grateful to him for that.

I want to welcome Jay Church and Jimmy Taylor, who just welcomed me. Thank our Chief of Staff, Sam Skinner, who's come into a tough job, taken the ball, running with it and doing a first-class job. I understand you also heard from Lou Sullivan, a great Secretary of HHS, and then, of course, the Chairman of the Joint Chiefs, Colin Powell. So I hope, through these two avenues and then Sam, you've gotten some feel in a little more detail as to what it is we're trying to do. I'm delighted to have this chance to speak to the certain key and most influential people of NAW.

The last time we got together I could hardly speak at all. [Laughter] I know it's good to leave them speechless, but I don't think the speaker is the one they have in mind. But look at it this way, I could have thrown up on the front row here and -- [laughter] -- you've got to admit when I get the flu it's really dramatic. I don't want to dwell on that subject, but one, it was embarrassing, and two, in 24 hours I just felt like a million bucks again. So, I have a funny feeling that a lot of people in this country maybe understood getting the flu. But nevertheless, that's history, and I'm just delighted to be here and see you all today.

You probably read a lot about it: We are working hard on a State of the Union Message for next week. I believe that people that think as you do will be pleased with the results. I'm going to use that occasion to continue to push for the things we stand for, and that means jobs. It means a strong and growing economy and a marketplace that's free of needless interference. It means telling Congress that we've got to hold the line on Government spending. And yes, there's a lot of pressures for more and more Federal money. That means taxpayers' money, incidentally. I still understand that point. [Laughter] And yet I think it is my responsibility to recognize that the deficit is outrageously large and that we have got to say no from time to time to these fantastically good-sounding but horribly detrimental spending plans. And I plan to bring that point up. We have got to hold the line on spending.

You here at NAW have been a tremendous help through the years in working for a commonsense approach to the economy. In fact, I count on the NAW's expertise in more ways than you realize, having just asked Nick Calio, an alumnus, to return to help us work on Capitol

Hill. Many of you may not have met him, but he was here and then went over to NAW and will be returning to head up a very important part of our White House organization.

Let's face it, this is an election year. And so you're going to hear all kinds of proposals out there promoting a lot of gimmicks. Given the fact this country is hurting, people are hurting, you're going to see a lot of quick fixes that will supposedly turn the economy around. I don't believe we need them. I think we've got to set commonsense goals, stick with them, and then, as I say, in the State of the Union Message I'll be making specific proposals as to how to help more rapidly achieve those goals.

Any plan that truly prepares our economy for the future has got to meet five tests. One, it must stimulate investment that's necessary to create jobs. Secondly, it's got to bolster the real estate values and increase home sales. One of the disturbing things in these slow times has been the diminution of a family's fundamental balance sheet that comes from the marking down of homes and real estate. And so we've got to bolster real estate values, increase home sales. That's number two. Number three, it must give Americans confidence that they will be able to afford the cost of raising a family. That means education; we've got some bold educational reforms. It means obtaining health care. And fourth, it must increase America's capacity to compete in a global economy. And finally, number five, it must control this wasteful Government spending and got to work to bringing this deficit down.

And taken all together, these tests, I think, will separate serious proposals from the quick-fix proposals, the gimmicks. Some of my critics say they want to create jobs, and then they call for raising taxes and imposing even more mandates, centrally controlled mandates to hamstring businesses with Government redtape. Or they say they want to make the U.S. economy competitive, and then they call for building a fence around the United States of America, the old-fashioned siren's call of protection.

These gimmicks are about politics. They are not about prosperity for the United States of America. And prosperity lies in opening markets, not closing them. And I'm pleased that recently, with our trip to Asia, we've been able to make progress in that regard without resorting to protectionism.

Yesterday, for example, we signed a path-breaking agreement ensuring the U.S. computer companies will be able to compete and compete fairly for the Japanese Government, not the private sector there. We're already selling -- 40 percent of computers into Japan's private sector are U.S. But .4 percent, to give you an example, .4 percent of the Government-bought computers are U.S. So, it can't be a question of quality. So, yesterday we signed this path-breaking agreement that ensures the U.S. computer companies will be allowed to compete fairly for Japanese Government, for the computer market of the Government. And that's what we should be doing, beating down the barriers to our exports.

I mentioned health care. We must and will be doing something about that. I think I'll have sound proposals. But you'll also hear a lot of loose talk in an election year about health care. And I'm going to discuss this issue in depth and quite positively in my address next week. But we ought to be clear about a couple of health care principles at the start.

First, Government efforts to centrally manage or mandate benefits produce more problems than they solve. And secondly, we must forgo approaches to the problem that cost jobs. Now this is a time to concentrate on creating jobs, not driving small businesses out of business. And that means don't overburden the small businesses with a lot of Federal mandates.

I salute the NAW for its leadership in creating HEAL, the Health Care Early [Equity] Action League, a major coalition that promotes market-based solutions to the problems in our health care system. And I look forward to working with HEAL after I announce my health care plan.

As each of you knows, what American businesses want is a fair shake from our trading partners and certainly from the Government. And let them go head-on-head in a world marketplace, and I am absolutely convinced the American companies can outthink, outwork, outcompete anyone in the world. The companies and the workers, the work force, they can do just that. And I share your faith, your undiminished faith in American business because, like you, I understand the values that have made American business the model for the whole world: Hard work, creativity, and certainly a willingness to take risks, to believe in your dreams and then make good on them.

If we build on those values and if we use them as our guiding light, this economy is going to turn around. I am not a gloom-and-doom person about the American economy. We've been through an awful lot, but this economy will turn around, particularly if we take the approach to these economic issues that I've outlined here today. We're going to lead the world. We are the undisputed leader of the world. We ought not to forget that.

There are some people in this room that are young enough to have children, young children that is. [Laughter] And I don't happen to fit into that category about young children, but I've got grandchildren. Some of you all have got little kids. And there's something rather nice that they're going to school, coming home, going to sleep at night, and not worrying about a nuclear conflict erupting and engulfing the whole world.

We've got a lot to be grateful for in this country. We've got a lot of problems, but we're the leader of the world, and I intend to keep it just exactly that way. We're going to whip this economic problem we're facing. We are going to continue to lead the world. We are going to stay involved at home and certainly abroad, now and well into the next century.

So, don't let the continuous pounding of what's wrong with this country obscure your fundamental confidence, your fundamental conviction, which is mine, that we are the greatest, freest country on the face of the Earth, and we're going to prevail.

Thank you all very, very much.

Note: The President spoke at 9:20 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to the following association officers: Dirk VanDongen, president; Jay Church, chairman of the board; Jimmy Taylor, chairman-elect; and Alan Kranowitz, vice president for government relations.

Remarks on the Presentation of the Senior Executive Service Awards

January 23, 1992

Connie, thank you. And at the outset of these remarks, let me just pay my respects to Connie Newman and say what a first-class job I know she's doing at OPM. And I know that you take a lot of pride in this event, since you rose through the ranks yourself, starting, as I understand it, if my history is correct, 30 years ago as a GS - 3 -- [laughter] -- I've still got you beat on the age now -- [laughter] -- GS - 3 clerk-typist at Interior. And look at you now. And we are very, very proud of you.

I also want to welcome Ed Derwinski, Secretary Derwinski; Acting Secretary Busey; Secretary Stone; Pat Saiki, the Administrator at SBA; Director Sessions; and so many other distinguished guests. I think I see Admiral Truly out there.

I hear that when one of the recipients was told that the speaker today would be the most important man in Washington, he said, ``I thought Joe Gibbs had already left for Minneapolis." [Laughter] We are caught up in a frenzy here. but that should not detract from the importance of this event.

And it is a privilege for me to be over here today to congratulate some extraordinary people, you might say unsung heroes. You don't always get at the head table, don't always have your name flashing out there in lights. You may be lucky on that one. [Laughter] But really extraordinary people.

Vince Lombardi, you remember, he gave some pretty good advice off the field as well as on. He put it this way; he said, ``The quality of a person's life is in direct proportion to their commitment to excellence."

Well, today what we're doing is honoring the lives of great quality. I am told that only one percent of our SES can receive the Distinguished Executive Award. And that means that out of more than 3 million public servants, you few here today embody the very finest qualities of leadership, dedication, personal integrity, and public service.

I reminisce that when I was growing up, my parents, particularly my dad, instilled in me a tremendous respect for the duty and obligation of public service. And I know that you share my belief that Government service is a public trust, that the highest honor we can have is to serve our country and in so doing serve our countrymen.

Good government cannot work without you, committed men and women who devote yourselves

to making certain that our Government truly serves the people. Look at the contributions that you've made in this past year alone. Some of you were instrumental in one way or another in Operation Desert Storm. You share in the triumph we won for freedom abroad and, of some noted significance, of unity at home.

Some devoted your efforts to stirring economic growth here at home, creating opportunity for businesses and farmers and workers. Others dedicated your career to establishing ties abroad, bringing security and jobs to the people of this country in the process. You worked on child nutrition programs, directed the census, planned water resource projects, managed scientific research, oversaw economic analysis, helped reform the Federal pay system, managed aeronautical research, formulated human rights programs, managed veterans care, led drug investigations. The list goes on and on. In other words, through putting into practice administration programs, you touched the daily lives and shaped the future of all Americans.

And so, I am proud to participate in this program. I wanted to extend my congratulations to all for living by the words of Abraham Lincoln, who said, ``I do the very best I know how, the very best I can; and I mean to keep on doing so until the end." Your country is grateful. And we thank you for your service.

And now, Connie, let's get on with the main business at hand. Thank you, and congratulations to each and every one of you.

[At this point, the awards were presented.]

Thank you all very much, and to all of you, congratulations. This is special, and it sends a wonderful message about the quality of our public service across the whole country. So keep it up.

Note: The President spoke at 10:35 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to James B. Busey IV, Acting Secretary of Transportation; William S. Sessions, Director of the Federal Bureau of Investigation; and Richard B. Truly, Administrator of the National Aeronautics and Space Administration.

Remarks on Environmental Policy

January 23, 1992

The President. Let me just say that I've had an upbeat and very impressive briefing from Administrator Bill Reilly, from Secretary Watkins, and from Chairman Mike Deland on some of our ongoing efforts to protect America's precious environment. The budget that I will release next week I think demonstrates our continuing commitment to the environment in a way that is consistent with efforts to create economic growth and to preserve and create jobs.

In EPA's budget we're providing significant increases for Superfund; implementing the Clean Air Act; for enforcing our environmental laws, and that's critical; and protecting important resources like the Great Lakes, the Gulf of Mexico, and the Chesapeake Bay: a strong program. Our budget includes specific grants to help clean up the water in some of our major coastal cities: Boston and New York on the east coast; Los Angeles, San Diego, Seattle on the west coast; and then back to Baltimore on the east coast.

This budget is going to include $200 million, double the amount enacted last year, for pollution control in the border area -- Bill's just back from there, I understand -- along from California across to Texas.

Secretary Jim Watkins and I have tried hard making a major effort to clean up the Federal facilities at which his Department, the Department of Energy, has manufactured nuclear weapons materials. That's been going on now for 3 years. And next week's budget will reflect a major step forward in that commitment, a $1.1 billion increase, 25 percent above last year's level. The 5.5 billion that I'll put in my budget for cleaning up Federal facilities is more than triple the amount included in the '89 budget when Secretary Watkins and I arrived.

And finally, our budget is going to increase funding in our commitment to the program known as America the Beautiful, expanding and improving our national parks, our forests, our wildlife refuges, and our recreation land. The budget is going to increase the program to about $1.9 billion, more than double the amount devoted to parks and the outdoors in 1989.

Now, included in that amount is a major expansion, from 23 million to 60 million, for our partnership with the States for the creation of State parks. Now, this is an innovative partnership approach, one that leverages the Federal dollars to get the most for every dollar. And I think you'll see this as a wave of the future in terms of guaranteeing the precious environment that means so much to our country.

So, I really want to thank Bill Reilly, thank the Secretary, thank the Chairman, Michael Deland, for coming over and to say I look forward to working with them and the other members of the Cabinet to win support for this budget on Capitol Hill and for continuing to be responsible

stewards of the environment. I think we've got a positive record. We've certainly got able, committed individuals, three of whom are with me right here, working this problem. And I think this preview of coming attractions on the budget will be good news for all of us who share our concern about America's environment.

So, I think Bill, as I understand the plan, is going to go in and take some questions in the press room on this expansion of this, what I've announced here today. And I think this will be well received.

Domestic Initiatives

Q. Mr. President, in recent days you've been busy on many different fronts, education, trade, now the environment -- --

The President. Recent years, yes.

Q. Well, recent days also, sir, and recent years, but is this at all reflective of the, perhaps, concern about dropping polls? And are you concerned about falling polls?

The President. No. What I think it does is show a continuing interest in domestic affairs. I've cited some history here, what's been accomplished over 3 years. But we're in an election year, and you get all kinds of charges and countercharges. And I think people realize there's been this commitment. Some of this commitment to the domestic side has been overshadowed by the fantastic changes that have taken place around the world. But I think if you take a look at my schedules and my own use of personal time, you'll see that this isn't anything new, just a continued commitment. We've made great progress. And I keep getting reassured by Bill Reilly and by Mike Deland and in his field by Jim Watkins. But we're just going to keep on. And polls go up one day and down the next.

Unemployment Benefits

Q. Mr. President, 5 months ago you vetoed one unemployment extension, and you blocked the second. Now we're told that you're going to back an extension on your extension. Isn't this an election-year conversion?

The President. What we did before is to guarantee that the extensions were within the Federal budget because, you see, I think the American people are also concerned about the Federal Government spending too much. And what I did was stand for a program that would alleviate the suffering and would get the checks to individuals, but did it inside the budget agreement. So, it wasn't a conversion; it was fighting for what was right, the taxpayer as well as those who were hurting. And we prevailed. We prevailed in both instances. But you stay tuned for the next chapter. It will be coming up.

Disarmament

Q. How about the disarmament, Mr. President? Can you tell us anything about that?

The President. Maybe I'll have something to say about that in the State of the Union Message.

Note: The President spoke at 11:17 a.m. in the Oval Office at the White House.

Remarks Honoring the Women's World Cup Soccer Champions

January 23, 1992

Well, a thousand apologies for keeping such a distinguished group waiting. And thank all of you for coming here to the White House. First, may I single out the Acting Secretary of Commerce, Rock Schnabel, down here, and John Keller, the Under Secretary for Travel and Tourism. Coach Dorrance, the coach is over here, the guiding light of the women's national soccer team, and congratulations.

J.B. Marine, the U.S. Youth Soccer Association champions, are they out there? Way back there. All right. Hold up your hands. Let's see you. How about the Potomac School Panthers; I want these champs to look you over and see the competition coming up. [Laughter] They're the Independent School League division champs. Georgetown Visitation's team, anybody here from them? Right back there. They are DC's Independent Schools League champs. The Special Olympics Virginia champs, right over here.

Let me just say that it's great to join you in honoring a group of women who reflect a favorite American pastime; it's known as winning. [Laughter] Leave it to an American team to win the first FIFA world championship -- world championship, I emphasize. And leave it to an American women's team to win our first world soccer championship ever. And that is a marvelous accomplishment. And someone once said that ``sport was the first great separator of the sexes." For the sake of the male ego, I hope the men start catching up. [Laughter]

I've done a little bit of research on this gang, and it may take a while to describe the terrific lineup. But I'm told of your exploits. Of Michelle Akers-Stahl -- where's Michelle? Right down there -- winner of the Golden Boot Award. That has all kind of connotations for those of us in politics -- [laughter] -- but having been a former soccer player, I imagine it says something about her excellence and her commitment. She scored the winning goal, showing what Hemingway so clearly described as ``grace under pressure." And then there's Carla Werden and Debbie Belkin and Lori Henry and Joy Biefeld -- where are they now? There are some of them. They gave a new meaning to the term ``U.S. defense." Next, ``Crazy Legs" -- [laughter] -- I hope she owns up to it. Does she? There is such a person -- [laughter] -- ``Crazy Legs" Karen Jennings on offense. Julie Foudy, right here, who was found studying biology before the winning game, frogs' legs and all that kind of thing, but what a game. And finally, here's to Tracey Bates. Where's Tracey? I think she's the real reason why Arnold Schwarzenegger said he couldn't make it today. The coach calls her the ``tiny terminator."

But look, for each of you, winning this cup capped a long road of sweat and sacrifice and determination. First the qualifying tournament in Haiti, where I hear you ran circles around the competition, 49 goals in 5 games. Then you trekked to China for that grueling championship

tournament. I was told that many of you weren't used to some of those more exotic Chinese delicacies that Barbara and I encountered when we lived there for a year and a half -- [laughter] -- duck feet, snakes, all of this kind of thing. These wise guys invented their own slogan, ``Come to China; we take off weight." [Laughter]

But then for the matches in the championship, you took on tough opposition: Edging Sweden, 3 to 2; upsetting Germany -- maybe you didn't think it was an upset; sportswriters played it as that -- 5 to 2. You beat the injuries; you beat the odds. And then on November 30th, you proved yourselves again, ousting Norway for the World Cup. No wonder Michelle Akers-Stahl said, ``This team never gives up." You showed how America can outscore, outfight, and outcompete any nation we're up against.

That kind of spirit made you champions. The American spirit is proud, not arrogant, confident, determined, and victorious. I remember the day when America's athletic excellence was limited to perhaps baseball and football in the eyes of the world. Well, today, Americans are taking over everywhere from sumo to soccer. And as proof of just how far soccer has come in this country, the U.S. will proudly host the 1994 World Cup championship.

So, let me just say to today's champions, world champions: Your victory is an inspiration, no matter what sport. Your victory is an inspiration to all our athletes, male and female, young and old. And thank you for winning one for America. You've made us all very, very proud.

I get accused in my job of having perhaps too keen an interest in sports. Well, too bad. [Laughter] I think it does a lot for the real spirit of this country. And certainly this team has made a contribution to the real spirit of this country. You've made us very, very proud. So, bless you all, and thanks for being with us today.

Note: The President spoke at 2:42 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Anson Dorrance, coach of the U.S. National Women's Soccer Team, and the Federation Internationale de Football Association (FIFA).

Remarks to the Young Astronaut Council and a Teleconference With the Crew of Space Shuttle Discovery

January 24, 1992

The President. Thank you all very much. Please be seated, and thanks for that warm welcome. The Vice President and I are just delighted to be with you. And of course, I might say I'm so proud of the leadership that the Vice President is giving in this all-out effort to support the space program, strengthen it, build on it. And this is a great day.

Let me say to Wendell Butler, the CEO of Young Astronauts, that we appreciate all your good work. I am also so proud that Dick Truly is here, Admiral Dick Truly, the first astronaut to serve as Administrator of NASA. All told, well, you've seen them, there are 23 veteran astronauts here today. And I'm told this is one of the largest gatherings of space explorers ever at the White House.

Our thoughts also are with seven other astronauts who right now are orbiting the Earth in a space shuttle mission. We're proud of all these men and women. They take risks; they do it with great courage, and they do it with great determination and dedication.

I'm also glad to see so many boys and girls here, from kindergarten through ninth, in this Young Astronauts program. And as President, I've set a goal that involves you young people, and my goal is for young Americans like you who are in grade school right now to travel to Mars someday. New travels in space will give us answers to some of the things that children wonder about. I might add, many adults who contemplate our great universe wonder about these same things, too.

The other day I heard what one 5-year-old wonders about. One of my staff members asked his 5-year-old kid if we should build new spaceships and send people to the Moon again. And the kid said, ``Yes, of course, we should." His father said, ``Well, why? Why should we send them to the Moon?" He said, ``That's easy," the kid said. ``It's to see if there's any Martians there." [Laughter]

Well, we can chuckle about that, but the kid got it about right. As most of you young astronauts know, we've challenged America to go back to the Moon to stay, and then onward to Mars. And sending people back to the Moon for more experience in an environment different from ours is the first step on the journey to explore the gigantic rift valleys and mountains of Mars.

When we break through barriers of the unknown we not only help ourselves, we learn a lot more about ourselves. And when we reach our goal of sending men and women to Mars, we can find

out the answer to that little 5-year-old's wondering about life on other planets. We can learn whether we can extract air and water from materials on Mars to sustain life. We can look for clues on Mars not only to teach us how the Earth developed but also about the wellspring of life itself.

And pushing forward into space already is helping us here and now. More and more, the new jobs for people of your parents' generation are being provided by our space programs. Revenues from American commercial space programs alone grew by 14 percent in 1991, and this year they're projected to grow by 20 percent. The commercial space business has grown so far and so fast that it now takes in about as much money each year as all the receipts at the movie theaters all over the United States. If this trend continues, the celestial stars will be getting more attention than the Hollywood stars, and that might be all right. [Laughter]

America now exports $1 billion a year in commercial space goods and services. Those exports alone translate into jobs for 20,000 Americans. Real progress is happening almost faster than we can imagine. Navigation satellites that helped guide our troops in Desert Storm just a year ago now help hikers and fishermen and surveyors and motorists find their way. Personal navigation receivers now help us manage our forests and wetlands, speed the shipment of goods on our own highways.

Ten years from now the older kids here will be finished with college, some of you maybe even finished with graduate school. And when that day comes, when you're ready to start careers and families, I hope many of you will be prepared to become the movers and shakers in our space program. It's up to your parents and grandparents and the Congressmen they elect to keep us on track for this promising future of space exploration and commercial space enterprises.

To stress how important this is, a few weeks from now I will formally direct the establishment of a new national space exploration office led by NASA and including scientific talent from our Defense and Energy Departments and other agencies as well. Space exploration should be and will be a national effort. And I should again state that Dan Quayle's leadership as Chairman of the National Space Council has been absolutely vital to the renewed focus and momentum of our space programs.

When I send my annual budget up to Congress next week, it is going to mark the third straight year that I've called for a real increase in spending on our civil space program. And this includes full funding for Space Station Freedom, $2.25 billion, an increase of 11 percent. Space Station is back on track and on schedule. Last year we had an honest debate with those in the Congress who wanted to kill Space Station. We won because the American people agree that Space Station Freedom is not only a very valuable scientific program but it is essential to our destiny as a pioneering Nation, a pioneering Nation in space.

And I know many are concerned about the balance between science and exploration in our space

program, and the budget that I will propose next week will not short-change science. Space science will remain more than 23 percent of NASA's program, will increase by 10 percent over the current year. But America's destiny must include manned exploration. So my budget increases funding for technologies we need to send man beyond Earth's orbit. And that includes propulsion technologies, life support technologies, two new missions to complete the mapping of the Moon. And finally the budget will include a dramatic expansion of two exciting new programs: $250 million to triple funding for our new launch system, to develop a new family of rockets for the 21st century, and 80 million for the National Aerospace Plane which may one day enable direct flights from Earth to orbit.

For you to fulfill your dreams of space exploration when you become adults, we must make a new public investment in our space program now. And I'm asking Americans to make a farsighted commitment, one that looks dozens of years and millions of miles beyond the recession and the other things that tend to preoccupy us today.

And I'm challenging you young people, too: Start your preparations for tomorrow's new age of space exploration right now. Keep that pledge you've made in joining the Young Astronauts Council. Make yourselves better and better students of math and science. Make the U.S.A. the leading country in the world in early education for math and science. Make your families proud. Make your teachers proud. Give your very best, and America will be better for it.

In doing this, you not only help our space program, you'll also help us meet one of the most demanding goals that I've set for our schools. It aims to involve parents more with our schools, to revolutionize our schools with higher standards and better performance by the start of the new century.

Among the goals of America 2000 is to make America the world leader in math and science education. If we want to reach the Moon and Mars, we've got to aim high. And if you share my aim of making America's students and teachers the best in the world and if you share my goal of sending American men and women to explore Mars and if you share my dream of discovering the unknown to make our lives better, you'll see it will require time and effort and study and money.

And it's going to take teamwork across the years. That includes parents, your parents and then my generation's. Most of all, for a long time to come, it will call for your own best efforts. And I applaud this Council for making a positive difference with America's children. The Council is committed to our America 2000 education goals and is playing a true leadership role in our observance of 1992 to celebrate exploration, not only as the 500th anniversary of Christopher Columbus' voyage but also as International Space Year.

Barbara and I are very proud to serve as honorary cochairmen of the Young Astronauts Council. And it's a pleasure to recognize three dedicated Americans who have been honored as 1992

Young Astronaut Teachers of the Year: Glenda Parker of Denver, North Carolina, right here; Arthur Perschino, Arthur, from Norwalk, Connecticut; and Karyn Sotero from right here in Washington, DC.

And now I understand that three young astronauts, Russell Frisby, Rachel Heckmann, and Conner Sabatino, have something they're going to give to me. See, this is a very nice ending to this thing. So, you guys come on up here.

[At this point, the young people presented a gift to the President. Following the presentation and announcement of the NASA/Young Astronauts Council poster contest to commemorate International Space Year, the President began a teleconference with the ``Discovery'' crew.]

The President. Are we on the air, I mean, way out there on the air? Colonel Grabe, can you hear me?

Commander Grabe. Yes, sir, Mr. President, we hear you loud and clear.

The President. What happened? Can you guys hear me up there all right?

Commander Grabe. We hear you loud and clear, Mr. President.

The President. Loud and clear. Well, let me just say to Commander Grabe and all the rest of you all, I'm here with a lot of the young astronauts and some of the older astronauts, as a matter of fact -- [laughter] -- four of the crews, here in the White House complex. And we just called up to wish you well. The Vice President is with me. Admiral Truly is with me. And we just want to get from you all how it's doing down there.

A lot of these kids want to get going and get out to Mars. Have you got any advice, first of all, for these young guys here, young kids, boys and girls?

Commander Grabe. Well, certainly, Mr. President. For any Young Astronauts that want to pursue a career as an astronaut, they ought to be emphasizing math and science in their studies and just doing as well as they can. It's a long, hard road to get there, and it takes a little luck along the way as well. But it's certainly worth the effort.

The President. We've been talking a little bit about the contribution that these journeys make to science. Can you tell us a little bit, in layman's terms, please, about the experiments that you all are conducting?

Commander Grabe. Let me turn that over to Bob Thagard. He's our payload commander here on my right.

Commander Thagard. Well, Mr. President, taking the experiments to orbit is an excellent way to do experiments in some areas of science, and it makes this whole journey well worthwhile. The two principal things or areas that come to mind are physiology, both plant and animal, and crystal growing and other material science experiments. And we have some 55 experiments, I think, in the IML complement. Most of those are working even as we speak. And it is our plan to do some more TV, some more explanation later on about some more details of that science.

The President. Well, that is very interesting. Now, if you guys have a couple more minutes, we don't want to detract you from all this experimentation, but it might be fun if one of these young astronauts, or maybe a couple, would like to -- here comes my man. [Laughter] He's back. This guy just gave a great speech here. Tell them your name, and see if you've got a question for them.

Q. My name is Russell Frisby, and here's my question: What's it like in zero gravity?

The President. Did you get that? He wanted to know what it's like in zero gravity.

Commander Grabe. Yes, sir, we understood the question, what's it like in zero gravity. And I'll turn that over to Bill Readdy, who's on Bob's left.

Astronaut Readdy. It's great, just floating around and everything. And a lot of things it just makes a whole lot easier, besides from putting your pants on both legs at the same time. [Laughter] It's easy to translate back and forth. It makes it a whole lot easier to do a lot of the science because any particular orientation you choose works the same as any other.

The President. That makes it all very clear. [Laughter] Thank you.

Any other? Come on, you come up and ask one. This is a rare opportunity. Fire away.

Q. I wanted to know what was your favorite experiment you've taken up so far?

Commander Grabe. That sounds like a good question for Steve Oswald, our pilot, to answer. Steve's over here on Bill's left.

Astronaut Oswald. Actually, I guess I'm not sure that, being in the front of the bus, we're working the experiments all that hard. But we've got the I - 90 camera aboard. And Bill and Ron and I have been having a great time taking those movies that you see on the big screen. And we're taking pictures right now for a movie that will be coming out here within a year or two.

Q. I would like to know, which one do you like better -- --

Astronaut Oswald. -- -- the camera up -- [inaudible] -- I can just show that to you, how big it is.

Astronaut Readdy. You're asking about what's great about zero G. Well, this camera on Earth probably weighs about, oh, 110, 120 pounds. Even a big moose like Os has trouble hefting it. But you can see you can quite easily do it with just fingers.

Astronaut Oswald. The camera probably weighs as much as Roberta, who's manipulating it right now, and you can see she has no trouble at all with it.

The President. That's great. Do you have one?

Commander Grabe. Mr. President, the one crew member -- --

Q. Which one do you like better, being in space or being on Earth?

Commander Grabe. I'd like to introduce our Canadian payload specialist, Roberta Bondar, who will be glad to answer that one.

Dr. Bondar. Actually, living both in space and on the Earth really makes you appreciate the good and the bad of both. I think right now we're enjoying very much the limited opportunity we've had so far with being up here. We've certainly enjoyed looking back at the Earth during our brief moments when we're not in the lab working the sciences. And we're really looking forward to our return to Earth to bring back all the scientific information and all the enthusiasm and experience that we've gained in this flight.

So, for all of us, I think right now we're just enjoying where we are, and we're going to be enjoying where we're going to be when we come back. And I think it's just great to have had this opportunity to be assigned with this great crew.

The President. Dr. Bondar, this is not a young astronaut, this is the President speaking now. But I just want to say how pleased we are that you, representing Canada, are a part, a fundamental part of this. I think it's a wonderful thing, and I think in a wonderful way it shows the strength of ties between our two great countries.

So, I understand the Prime Minister, my friend Brian Mulroney, called. Did he actually get through the other day?

Dr. Bondar. That was right about the time we were having our briefing just near launch time. And instead, I had a lovely telegram from him, and he wished us all well and Godspeed.

The President. Well, keep up the good work. Now, have you got time for one more question? We've got a real eager one right here. Front of the line. Here we go.

Q. I wonder how you feel in space.

The President. They're trying to decide here.

Commander Grabe. The question was, how do we feel in space?

The President. Yes.

Commander Grabe. Well, in space, it takes a little bit of time to get used to it. When you first get up, you might feel just the slightest bit queasy or so. But by about today -- this is our third day in space -- we're beginning to adapt pretty well. I think you can see we all feel pretty comfortable up here. So after you get over the initial adjustment, you can live in space quite well and do things that you do on Earth.

The President. I have a rather technical question. What happens if you get the flu in space? [Laughter]

Commander Grabe. Some of the older astronauts -- [inaudible] -- anything that can give you the enthusiasm a kid has, has got to be a great experience. And I feel like I'm about 12.

Q. What planets have you seen?

The President. What planets have you seen?

Commander Grabe. Well, of course, we've got the world's greatest view of our world. But on some of our night passes we can see Saturn and Jupiter and Mars and Venus. It's really spectacular up here. Hope we can go to Mars here one of these days.

The President. Well, we're going to keep trying to get this program geared up to do just that. And maybe, just maybe, Colonel, one of these kids here today will be a part of that. Maybe sooner, maybe later. But I'll bet one of them will be a part of that mission.

But listen, I'm told we've got to run on. I've got a lot of eager questioners, but unfortunately, I guess we don't have the time. But we certainly want to wish you well. Your fellow astronauts are standing here quietly in the shadows, and I know that they are wishing you well for a successful conclusion of this productive journey.

You have our blessings and our support, and keep up the fine work. You're on the cutting edge, and you're setting a great example for the rest of our country, the rest of the world. Congratulations, and thanks for taking the time out.

Note: The President spoke at 3 p.m. in Room 450 of the Old Executive Office Building.

Teleconference Remarks to the National Association of Home Builders

January 24, 1992

The President. Thank you so much. And Mark, thank you for those very kind words. And I wish I were there in person, but from a distance, hello to Roger Glunt and Tommy Thompson and Martin Perlman and Kent Colton; Jay Buchert, your incoming president; and to all of you celebrating the golden anniversary of the National Association of Home Builders.

I heard via the grapevine that we were promised a daytime fireworks display. So I will give this my very best shot, and after Mark's enthusiastic endorsement there, welcome there, I must say I've got a tough job to fulfill here.

First, though, Barbara and I wanted to remind you that we're doing our part for homebuilding and remodeling, thanks to a little rough weather back in Kennebunkport, Maine. So we want to be a part of this rebuilding. But there's been more than a little rough weather in your industry. I heard what you said there, Mark, and I've heard it for a long time. Back in December, I met with Mark and Kent at the White House. And to you members there, let me just say we talked about the tough times you've experienced. These men were both very articulate. We agreed on the need for strong action to get this economy moving again.

The housing industry has been hit hard. And you've been pinched by the credit crunch, hurt by first-time homebuyers forced by economic circumstances to defer their shot at the American dream and homeowners who have watched their equity erode.

On the credit front, we've been working hard to get the message out to lending institutions and the regulatory community that sound banks make sound loans. And I am also pleased to see interest rates down, lower than they've been since the late seventies.

There's a pent-up demand for new housing that promises a strong comeback, one that will bring homebuyers back into the market and have homebuilders working overtime. But no issue right now matters more than the state of our economy. Next Tuesday, I'm going to take my economic action plan to the American people in the State of the Union Message. And without tipping my hand today, I can say that some of the reforms that I want to see are geared specifically to get the housing market back on its feet.

I pledged as President that we'd see an increase of one million in the number of new American homeowners, and I'm proud to say we've reached that goal. And I'm convinced our housing initiatives will help even more Americans reach their dream.

One way we'll succeed is by breaking down the barriers to affordable housing. Jay and Roger served on my Advisory Commission on Regulatory Barriers. Many of the recommendations in what the Commission called the NIMBY report, Not In My Backyard, have been built into the 1993 budget. I'll be calling for prompt action by the Congress because it's even more urgent we get these critical reforms through Congress now. So count on it. I'm going to hit the line again, push hard to turn solid proposals into policy. And I hope I can count on your strong support to help me get the job done.

As for the rest of my progrowth plan, you've got to stay tuned for Tuesday. But I can say right now, by way of a coming attraction, that any growth package worth the name should pass the following five tests: First, it must stimulate the investment necessary to create jobs. Second -- and this points up the vital importance of your industry -- it must bolster real estate values and increase home sales. And third, it must give Americans confidence that the costs of health care, providing for their kids' education, and raising a family will be affordable. And fourth, it must increase America's capacity to compete in the global economy. And then fifth and finally, it must control wasteful Government spending and bring the Federal deficit under control.

So, please listen, and please hear me out in the State of the Union. I will avoid, and I'll be frank about this one, the quick political fixes that cause the deficit to skyrocket and cause long-term interest rates to go right through the roof. I'm confident that we have a sound plan, the best plan, to get this economy growing again. And I am absolutely certain that we will get this economy turned around. I plan to do what Mark says: Take that same leadership we used in Desert Storm, bring this country together, and get the job done. And I am sure that once again it is your industry, it is the housing industry, that will lead the way to a strong and steady recovery.

So, good luck to you all. We've listened to your leaders. We appreciate the support from so many people there. And I am going to do my level-best to lead this country to a vigorous recovery.

Now, I guess I'd better stop there and be glad to take some questions. And thanks for your hospitality.

Q. Thank you, Mr. President. You are a ``take charge'' kind of President, and you have been a tremendous asset to this country and the world. We, the homebuilders, support you continuously. Your remarks are excellent, and we are ready for you to take charge in this State of the Union. And we're going to go hand-in-hand down the path with you to try to get your programs implemented. We think it very, very important that housing leads this economy back to the great state that it was before. And we think that together we can do this.

The question I have, Mr. President, is: NAHB has suggested a number of proposals to stimulate housing-led economic recovery, including a tax credit and use of IRA's for first-time homebuyers and reinstatement of passive losses and capital gains tax. Is there any hope that any

of these will be included in your State of the Union?

The President. Hey, listen, I will not be betraying any secrets to say that the answer to that question is a resounding affirmative. I hope you'll let me off the hook if I don't respond to each and every one of those points, but I think you're going to be happy with the message in that regard.

You have known, and I don't say this as targeting what I'm going to say, but you've known of my commitment to capital gains. I've been hit, as you know, for a capital gains tax cut as a tax cut for the rich. It isn't any such thing. And families benefit. I'm worried, Barbara's worried about the decline in the American family. One thing that strengthened it is owning their own home. One thing that puts some value under a person's home is a capital gains differential. And so I am committed on that one, and you can bet that that's going to be there.

The others, I think you'll be happy; I'd like to stop right there. But the reason I give you encouragement, without going into which I will accept and can propose and won't propose, is that these initiatives that you've talked about here, it's not a quick fix; it's not something that's going to just spread money around in a political year. They will stimulate investment. And that's what -- there's a crying need for investment and savings in this country. And let me just say philosophically, I feel very comfortable with those initiatives that you have outlined there. But you'll have to excuse me if I don't give away absolutely everything that's going to be in this message.

Q. Mr. President, you talked just a moment ago about the credit crunch, and we truly appreciate your personal work on behalf of the credit crunch and all of the work that has been done in that area.

In the meetings I've attended in the last couple of days here with all of the builders that have gathered, we're now confident that the economic stimulus package will contain provisions to let housing lead this economy forward.

I think the big concern here is: Will the credit be available for the builders to then build those homes? And the feedback we're getting from the builders here today, Mr. President, is that despite our combined efforts, you working hard, your administration working hard, and us working hard, the banks and examiners still aren't getting the message out according to the builders.

Is there anything that can be done more, Mr. President? Is there anything else we can do to get this message out? Our fear is that without it, we're not going to see an economic recovery. And as you said so well, sound banks should make sound loans now.

The President. I would welcome suggestions from you all after your meetings finish as to what

in addition we might do.

Let me say this. First place, I think the regulators do have some responsibility. I think everyone would agree that we got into kind of a go-go period of excess over the past few years and some loans were made that should have been questioned at the time and that weren't. And we're paying an enormous price. I might say that I take some pride that not one single depositor has lost money, but it's taken an awful lot of money to bail out some questionable loans.

What I'm about to say, I am not suggesting that the Government does not have some obligation in our regulatory authorities for the soundness of the banking system and the S&L system. I frankly think that there has been an overreaction. And we have gotten the Treasury to bring into Baltimore the other day well in excess of 500 regulators and tell them that what we're looking for is balance. What we're looking for is certainly not to go down the path that we went down before but to stop impeding progress and kind of putting a damper on this concept that good banks should make good loans.

We have sent out bulletin after bulletin to the regulating community out there. I have convened meetings with the Chairman of the Fed, Bill Taylor; others from the various Agencies; the Office of Thrift Supervision, saying, let's find a reasoned approach.

Frankly, I think the pendulum has swung at times too far over in terms of dampening the enthusiasm that these lending institutions sometimes should have, and that they're almost afraid in some areas to make loans. So, I hope that the programs we have in effect of trying to work for the balance is good.

I'll be honest with you, we are encountering some resistance. The Office of the Comptroller head was held up, because they thought he was lightening up on the regulatory burden, by a couple of Senators who leaned over too far the other way in favor of labeling what we were doing as forbearance. In their view, that meant too little regulation. I've got to do a better job with Congress, getting them to understand that the excesses of regulation are bad.

On a fundamental point, I am firmly -- I am of the conviction that the lower interest rates have things ready now for a good recovery. At some point those interest rates definitely will translate into a much better situation for the homebuyer, for the developer. And some of that hasn't taken place because of what you're talking about. I think banks have taken the difference now and tried to strengthen their balance sheets. They're getting stronger, and I think that's probably a good thing.

So, we will continue to struggle against this concept of overregulation. Some report to me arrogance on the part of some regulators, and we're trying very hard to sensitize these people. We will continue to work hard for a financial reform package that is long overdue. We've got to bring these banks and lending institutions, through a change in the law, back up now to 1992 and

not have it back in the 1930's somewhere. We got stiffed by Congress on trying to get that banking reform bill through. And I'm going to try again on that one. I think that will help your industry very much.

And again, the third point, less regulation, banking reform, financial reform, and then, of course, this whole concept of interest rates and inflation being down, setting the base for a sound recovery for this country.

And I don't want to be accused of being too optimistic because there are still some very, very troubling signs around. But I believe that these things I've mentioned here will inevitably contribute to an upturn in this economy and an upturn in this industry that is absolutely essential. I believe that homebuilding will lead the recovery. It's not going to be a lagging industry. It will be a lead industry. I believe the ingredients are there. And I hope that the proposals I make in the State of the Union will guarantee, if I can get them through Congress, will guarantee the recovery will be right around the corner and not way down the road.

Thank you again. And if there's another one, fine. Otherwise, I'll let you go back to work. But send the suggestions; if you have specifics, send them along, Jay.

Q. Thank you, Mr. President, for taking time out of your busy schedule. Ladies and gentlemen, let's give the President of the United States a great thank you.

The President. Good luck to you all.

Note: The President spoke at 3:34 p.m. via satellite from Room 459 of the Old Executive Office Building to the National Association of Home Builders annual convention and exposition in Las Vegas, NV. In his remarks, he referred to the following association officers: Mark E. Tipton, immediate past president; Roger Glunt, first vice president; Tommy Thompson, vice president and treasurer; Martin Perlman, a past president; Kent Colton, executive vice president; and Jay Buchert, president.

Letter to Congressional Leaders Transmitting a Report on International Action to Curtail Exports to Iraq

January 24, 1992

Dear Mr. Chairman:

Enclosed is the second semiannual report on the steps taken by other nations to curtail the export of goods, services, and technologies to Iraq which might contribute to, or enhance, Iraq's nuclear, biological, chemical, and ballistic missile capability. This report is submitted pursuant to section 586J(c) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513).

Sincerely,

George Bush

Note: Identical letters were sent to Robert C. Byrd, chairman of the Senate Appropriations Committee; Claiborne Pell, chairman of the Senate Foreign Relations Committee; Jamie L. Whitten, chairman of the House Appropriations Committee; and Dante B. Fascell, chairman of the House Foreign Affairs Committee.

Statement by Press Secretary Fitzwater on the Appointment of W. Henson Moore as Deputy Chief of Staff to the President

January 24, 1992

The President intends to appoint W. Henson Moore, of Louisiana, as Deputy Chief of Staff to the President. Mr. Moore, 52, currently serves as Deputy Secretary of Energy, a position he has held since 1989. As Deputy Chief of Staff in the White House, Mr. Moore will assist Chief of Staff Samuel Skinner in directing the day-to-day operations of the White House staff.

Mr. Moore has served as a Member of the U.S. House of Representatives from the Sixth Congressional District in Louisiana, 1975 - 1987. He has served on the Energy and Commerce Committee, Ways and Means Committee, and the Budget Committee and has worked extensively in both energy and tax policy. Mr. Moore has also been a partner with the law firm of Sutherland, Asbill and Brennan, an Atlanta/Washington-based firm, since January 1987. He was also a Republican candidate for U.S. Senate in 1986. Between 1987 and 1988, he also served as one of three American Commissioners of a Panama Canal Consultative Committee created by the Panama Canal Treaty.

Mr. Moore graduated from Louisiana State University (B.A., 1961; M.A., 1973) and Louisiana State University Law School (J.D., 1965). He served in the U.S. Army, 1965 - 1967. He was born October 4, 1939, in Lake Charles, LA. He is married to the former Carolyn Ann Cherry of Franklin, LA, and has three children.

Appointment of Sherrie S. Rollins as Assistant to the President for Public Liaison and Intergovernmental Affairs

January 24, 1992

The President today announced his intention to appoint Sherrie S. Rollins to be Assistant to the President for Public Liaison and Intergovernmental Affairs.

Since 1990, Ms. Rollins has served as director of news information for ABC News in New York. Prior to this, she was Assistant Secretary for Public Affairs at the Department of Housing and Urban Development, 1989 - 1990. She has also served as vice president of communications for the Oliver Carr Co. in Washington, DC, 1985 - 1989. Ms. Rollins was assistant press secretary for the 1984 Reagan-Bush campaign and director of media support for the 1984 and 1988 Republican National Conventions. In addition, she has served as executive director of the Business and Professional Association of Georgetown, 1981 - 1984.

Ms. Rollins graduated from the University of Virginia, receiving a bachelor of arts degree in communications. She was born June 11, 1958, in Roanoke, VA. She is married and resides in Alexandria, VA.

Nomination of Fred T. Goldberg, Jr., To Be Assistant Secretary of the Treasury for Tax Policy

January 24, 1992

The President today announced his intention to nominate Fred T. Goldberg, Jr., of Missouri, to be an Assistant Secretary of the Treasury for Tax Policy. He would succeed Kenneth W. Gideon.

Since 1989 Mr. Goldberg has served as Commissioner of the Internal Revenue Service at the Department of the Treasury in Washington, DC. Prior to this, Mr. Goldberg served as a partner with the law firm of Skadden, Arps, Slate, Meagher & Flom, 1986 - 1989; Chief Counsel for the Internal Revenue Service, 1984 - 1986; and a partner with the law firm of Latham, Watkins & Hills, 1982 - 1984. From 1981 to 1982, Mr. Goldberg served as Assistant to the Commissioner of the Internal Revenue Service.

Mr. Goldberg graduated from Yale University (B.A., 1969; J.D., 1973). He was born October 15, 1947, in St. Louis, MO. Mr. Goldberg is married, has five children, and resides in Potomac, MD.

Nomination of Shirley D. Peterson To Be Commissioner of Internal Revenue

January 24, 1992

The President today announced his intention to nominate Shirley D. Peterson, of Maryland, to be Commissioner of Internal Revenue, Department of the Treasury. She would succeed Fred T. Goldberg, Jr.

Currently Ms. Peterson serves as Assistant Attorney General for the Tax Division at the Department of Justice. From 1969 to 1989, she served as a partner with the law firm of Steptoe & Johnson in Washington, DC.

Ms. Peterson graduated from Bryn Mawr College (A.B., 1963) and New York University School of Law (LL.B., 1967). She was born September 3, 1941, in Holly, CO. Ms. Peterson is married, has two children, and resides in Bethesda, MD.

Remarks at the Annual Convention of the National Religious Broadcasters

January 27, 1992

Thank you for that wonderfully warm welcome. And to President Dave Clark, may I thank you, sir; Brandt Gustavson, the executive director. And let me salute your leadership of the NRB. I understand that former Secretary Dole was to be here; I don't know that she is. I know FCC Chairman Sykes is. And I see, of course, two good, respected friends, Jim Dobson and Billy Graham.

Ladies and gentlemen, this marks the fifth time that I've had the honor of addressing the annual convention of the National Religious Broadcasters. A year ago we met in the first week of a struggle to protect what is right and true. And I came before you to talk of what was not a Christian or Jewish war, not a Moslem war. It was a just war. And in the Persian Gulf we fought for good versus evil. It was that clear to me: right versus wrong, dignity against oppression. And America stood fast so that liberty could stand tall.

Today I want to thank you for helping America, as Christ ordained, to be ``a light unto the world." Your support honored the finest soldiers, the finest sailors, marines, airmen, and coastguardsmen that any nation has ever known. And what they did in war, let us now do in peace. Just as our forces fought to defend all of what is best about America, we need you to help instill the traditional values that make life and liberty worth defending.

Let me begin with some good news for modern man. According to Gallup, the Gallup surveys, no society is more religious than the United States of America. Seven in ten Americans believe in life after death; 8 in 10, that God works miracles. Nine in ten Americans pray. And more than 90 percent believe in God, to which I say, thank God. I wish it were 100 percent.

Now, I know this is an election year. And I don't know about Damascus, but this primary season we're seeing a lot of conversions on the road to New Hampshire. [Laughter] But I don't want this to be a partisan speech, and I appreciated so much what David Clark said about values. I want to speak of the values that I know you all believe in, values which sustain America, values that are always in fashion.

The first value is not simply American but universal. And I refer to the sanctity of life. I will stand on the side of choosing life.

Next comes a value which gives each life meaning: the self-reliance central to the dignity of work. Go to the barrios of San Antonio or the suburbs of St. Paul, and there you will find people who ask for only what our forefathers had, the same opportunity which helped us brave

independence, push back the wilderness, win two World Wars, and create the highest standard of living in the history of man. The Bible reminds us, ``By thy works shall ye know them." What we must do is give working Americans that level playing field to keep us as rich in goods as we have been blessed in spirit.

Tomorrow I'm giving a speech. [Laughter] The State of the Union Address will detail how we can nurture creativity as old as 1776, harness it to the needs of a new American century. Remember, to this day the only footsteps on the Moon are American footsteps. The only flag on the Moon is the Stars and Stripes. The knowledge that put it there is stamped ``Made in the U.S.A." Yes, the world looks to us to lead, and lead we will. Americans can outwork, outproduce, outcompete any nation in the world. And we must do all we can to further that end. And I will do my level-best. And I need your help.

The next value I speak of must be forever cast in stone. I speak of decency, the moral courage to say what is right and condemn what is wrong. And we need a Nation closer to ``The Waltons" than ``The Simpsons" -- [laughter] -- an America that rejects the incivility, the tide of incivility, and the tide of intolerance. We see this tide in the naked epithet and in the code words that play to our worst prejudices. We see it when people ridicule religion and religious leaders, like the group which desecrated communion hosts on the steps of St. Patrick's Cathedral. We see this tide of incivility and intolerance in bigotry, in discrimination, and anti-Semitism.

Have they no decency? Have they no honor? Have they no respect for the rights of others? I will continue to speak out against these apostles of hate who poison our kids' minds and debase their souls. There is no place, whatever our views, there is no place in America for religious prejudice, for anti-Semitism, or racial prejudice.

This, then, brings me to a fourth value crucial to America: the belief in the family, the foundation of our strength. Take my kids, for example. Having helped put them through college, I remember receiving letters from them. Barbara does, too. And there would always be a P.S. at the bottom. It was those three words that said so much about the bond between parents at home and kids at school, ``Please send money." [Laughter]

But this one is true. The other day I was visited by the leaders of the National League of Cities, mayors from big cities and small, liberal and conservative, Republican and Democrat. And they were unanimous in their view that the major underlying problem in our cities is the decline of the American family. And they are right; too often, family is under siege. Each one of us, parents, preachers, politicians, and teachers, must do our part to defend it. I do not want one single action that I take as President to weaken the American family. And I want to strengthen it in every way that I can. Every law that is passed should guard against weakening the family.

And that is why I insisted that the child care bill that I signed in 1990 allow parents, not bureaucrats, to decide how to care for their children. I refused to see the option of a religious-

based child care restricted or eliminated.

Our national education strategy -- we call it America 2000, and it is an exciting program -- helps the family by enhancing parental involvement in education, insisting that choice include both private and public schools. I do not believe it is unconstitutional for schoolkids to have the same choice that I got under the GI bill or that college kids now get under the Pell grant or that ex-servicemen now get under the Montgomery bill.

Last week, I announced another policy to strengthen the family, expanding the preschool program to serve all those 4-year-olds who are eligible, the largest funding increase in the history of project Head Start. And when this is enacted, we will be much closer to achieving one of our six national educational goals, that every schoolchild should start school ready to learn.

And finally, families will stay together only if drugs do not drive them apart. Winning the war on drugs means waging war on crime. Now, we've made the commitment. And altogether, the new Federal budget that I'll introduce 2 days from now will increase spending to combat crime by $1.2 billion, to a total of almost $16 billion. Now that's nearly 60 percent higher than when I took office in 1989.

My new budget will provide a half a billion dollars for an initiative that we call ``Weed and Seed." Not enthralled with the name, but listen to what it does. [Laughter] Today our very able Attorney General, Bill Barr, point man in this new operation, is spelling out all its details. But let me say this much right now. ``Weed and Seed" works this way. First, we join Federal, State, and local forces to weed out the gang leaders, the violent criminals, the drug dealers who plague our neighborhoods. And when we break their deadly grip, we follow up with part two: We seed those neighborhoods with expanded educational opportunities, job training, health care, and other social services. But the key to the ``seed" concept will be jobs-generating initiatives such as enterprise zones to give people who call these neighborhoods home something to hope for.

There is more to do to win the final victory in our war on drugs. We are making progress. We are winning. Over the past 4 years, marijuana, crack, and cocaine use has definitively declined. And what's more, today kids aged 9 to 12 are the most antidrug group in America. The highest at-risk group remains 13- to 17-year-olds. But last year, for the first time, 13-year-olds mirrored the behavior of preteenagers.

Drugs affect a multitude of issues. They contribute to AIDS; they contribute to homelessness, shattering families and futures, hopes and dreams. And that's why, literally, we should thank God for the drug use decline. The drop in use doesn't just prove we were right in our assault on substance use, it shows how we can achieve drugs' unconditional surrender. We will triumph through tough enforcement and through education, increasing awareness of the damage drugs do.

And in that spirit, let us resolve to treat the victims of AIDS and drug abuse with compassion and caring. Let us redouble our efforts to help with treatment and with education. That will help eliminate the risks involved.

Over the last 4 years, more kids talked about drugs with their parents and teachers. Another reason for drug use decline has been America's print and electronic media, the major source of drug information and the primary influencer on drug use, especially among the young. Together, they have helped reawaken America's conscience which, in turn, inspires America's greatness.

Later today I will unveil our fourth national drug control strategy to build on these beginnings. It will say no to drugs. It will say yes to life. But it cannot just be done by the Government. To stop drug use will require caring and community, above all, abundant love.

Let me tell you, remind you, for some of you, tell you others a story. Once, a great First Lady, Pat Nixon, toured a medical center. And she stopped to embrace a little girl that was blinded by rubella. And for a few minutes, she talked to the girl and held her close. And then later, someone told her that the child was deaf as well as blind. And Pat answered that she had known that. ``But she knows what love is," Mrs. Nixon said. ``She can feel love."

America's love is conveyed in many ways: in what we oppose, injustice and tyranny; in what we support, the inalienable rights that include the freedom to think and dream and worship and, yes, vote as we please. To preserve our liberty, America once deposed a king, fought a great Civil War, and five times in this century sent Americans into major battle.

And yet, freedom is not ours alone; it is our most treasured export. If you doubt freedom's victory, look to the Persian Gulf. Look to the former Soviet Union, where those once oppressed crowd reopened churches and synagogues. Look to Eastern Europe, where Christmas carols warm the bright winter chill. It is written, ``In the beginning was the Word." Here is the word for 1992: Today, the times are on the side of peace because the world, increasingly, is on the side of God.

I remember an early trip to the Soviet Union by our friend Billy Graham. He came back, and he reported that faith in God was very much alive in Russia. And some hard-liners ridiculed him. Some even thought he shouldn't go. Today, we see that he clearly was right.

This brings me, then, to the ultimate value that sustains America and the values I have already cited: a belief in prayer. Obviously, no country can claim a special place in God's heart. Yet we are better as a people because He has a special place in ours.

I once asked one of my grandkids how he felt about prayer. And he said, ``Just try getting through a math test without it." [Laughter] In Sunday school children learn that God is everywhere, but in public school they find that He's absent from class. And I continue to believe,

as do the overwhelming majority of Americans, in the right to nondenominational voluntary school prayer.

The values I have spoken of remind us of the truth that comes on one's knees. And I believe with all my heart that one cannot have this job, cannot be America's President, without a belief in God, without a belief in prayer.

The poet Walt Whitman once asked what made America America, and he replied simply, ``Its religion. Otherwise there is no real and permanent grandeur." Let that be our essence as a people and our message as a Nation.

Thank you for this occasion. And may God bless this most wondrous land on Earth, the United States of America. Thank you very, very much.

Note: The President spoke at 11:59 a.m. at the Sheraton Washington Hotel. In his remarks, he referred to James Dobson, clinical psychologist and president of Focus on the Family, and evangelist Billy Graham.

Appointment of Les T. Csorba as a Special Assistant to the President and Associate Director of Presidential Personnel for National Security Affairs

January 27, 1992

The President has announced his intention to appoint Les T. Csorba to be Special Assistant to the President and Associate Director of Presidential Personnel for National Security Affairs. He would succeed Jose E. Martinez.

Since 1989, Mr. Csorba has served as Acting Associate Director of Boards and Commissions in the Office of Presidential Personnel, the National Security Deputy Associate Director of Boards and Commissions, and Special Assistant in the Office of Special Placement and Administration in the Office of Presidential Personnel. In 1989, he served as deputy to the Special Assistant to the President for Public Liaison. In addition, he served on the transition staff in the Office of the President-Elect in 1988; on the national voter coalitions staff during George Bush for President, 1988; and as a member of the Bush/Quayle '88 National Youth Steering Committee, 1988.

The son of 1956 Hungarian refugees, Mr. Csorba is a naturalized United States citizen. Mr. Csorba graduated from the University of California, Davis (B.A., 1985). A Sunday school teacher at the First Baptist Church of Alexandria, he is married, has one child, and resides in Alexandria, VA.

Remarks at a Drug Control Strategy Meeting

January 27, 1992

Thank you all very much. And let me single out those gentlemen with me: Governor Bob Martinez; Attorney General, Mr. Barr; Secretary Sullivan; and Secretary of Education Alexander. It's a pleasure to be with all of you, and I'm especially happy to welcome the Ambassadors of Bolivia, Colombia, Ecuador, Mexico, Peru, and Venezuela, neighbors with whom we're intensifying our cooperation in the fight against drugs. And ladies and gentlemen all, thank you.

I've been briefed on what kind of a prestigious audience, an important group we have here with us today. All of us are here today to give you an update on America's war against drug abuse.

First, let me say it is a real war. This isn't a headline writer's hype of some sort. The poison of drug abuse and the violence it breeds have left a trail of death and destruction in our cities. And anyone who lives in a big city knows of places close to home that look like war zones, with the neighborhoods burned and scarred, tyrannized by gangs, by drug gangs. Gang violence is claiming the lives of kids who get caught up in drugs, and the drug gangs' gun battles are even stealing the lives of innocent bystanders.

We haven't won this war yet, but I'm determined that we will. Everybody that is working the problem is determined that we will win this war. It is imperative that we put more resources into our fight. Accordingly, I'm asking the Congress for fiscal '93 to provide $12.7 billion to wage this war on drugs. If Congress approves my request, funding for the war against drugs will have increased by 93 percent to nearly double the level of just 3 years ago when I took office.

We start by taking our Federal dollars to the front lines. More than one-quarter of our proposed Federal budget for drug control, more money than ever before, will go to assist State and local government in their drug control programs. Treatment and prevention programs, working to reduce the demand for drugs, would receive over $4.1 billion in 1993. We will expand programs to help high-risk groups like adolescents and pregnant women. We'll increase emergency grants for drug-free schools and communities by 100 percent. And we'll increase by 15 percent the Federal funding for community partnership grants in the fight against drugs. Community partnership grants help good neighbors like the volunteers who brought about the demolition of more than 800 crack houses in Miami. And we're continuing the excellent HUD drug elimination program where we've increased annual funding from $8.2 million to 165 million since '89. This HUD program has helped such citizens as the men and women of Chicago's Cabrini-Green housing project in their efforts to get those drug gangs out of their buildings.

As President, I am determined that our Federal authorities offer all the support that they possibly can to the communities that make this full commitment. You have my word: I will demand an

equal commitment from the Congress. No American, young or old or in-between, should have to live in fear.

We've made real progress in this fight against drug abuse, drug use. Between '88 and '91, current overall drug use dropped by 13 percent, while among adolescents drug use dropped by 27 percent. Cocaine use tells the same story. While current use of this deadly drug among the general population decreased by 35 percent, 35, among teenagers it dropped by 63 percent.

Now, think about that last one, that last statistic. Compared with 4 years ago, almost two-thirds fewer of our kids are falling for the temptation of cocaine. Our young people are getting the message. Millions and millions more of our kids are listening to good advice and saving themselves from the lives of addiction and misery. Of course, one life sacrificed to the demons of drugs or drug abuse violence is one too many. Saving those lives has got to be everyone's mission, from Federal officials to county prosecutors and cops on the beat.

We cannot gain total victory without the strength and the resolve and the dedication of countless volunteers. Every time an individual parent or teacher or clergyman motivates a young person to say no to drug abuse, we as a nation move much closer to our goal. So let me say as clearly as I possibly can: Success in the drug war depends crucially on our churches and synagogues; our schools; our service clubs and young people's organizations; and most important, American families, strengthened by the virtues and bonds of love and honor and just plain strength. American families, that's the key.

Before I turn the program over to Governor Martinez, who's doing a superb job in this field, let me mention again something that we announced last week, namely that he and I will be meeting next month with the Presidents of Colombia, Bolivia, Peru, Venezuela, and Ecuador and Mexico. This will be the second regional drug summit. We must work more effectively than ever with these nations in fighting the spread of drugs. And I'll drive home the message that there are no half measures.

I will also convince those world leaders, leaders of those countries that we are tackling the demand side of the equation. I remember Cartagena, and I remember there was some doubt on the parts of those Presidents as to what we were doing at home on the demand side. I think now we have a good record with real progress to report to them. It makes a difference to how they can go about using their resources in their countries.

Now I'd like to turn the podium over to Bob Martinez and the other briefers who are working so hard to win this drug war. And I really do thank each of you for your commitment and for your effort. I will single out just one group here, the Partnership against drugs, where we have this marvelous media effort going on now. It's about $1 million a day being spent on pro bono advertising to get the message to the young people. And that is not Government; that is volunteers taking that message to the people of this country.

And there are so many wonderful stories of that nature, and I know many of the programs that work are represented by people right here. So I do thank you for your commitment and your effort, and let's continue this fight until we can say, each one of us, that we have conquered the scourge of drug abuse.

Thank you very much for letting me pop in.

Note: The President spoke at 2:05 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Bob Martinez, Director of the Office of National Drug Control Policy, and to the Partnership for a Drug-Free America.

Presidential Determination No. 92 - 11 -- Memorandum on Export-Import Bank Services for Latvia, Lithuania, and Estonia

January 28, 1992

Memorandum for the Secretary of State

Subject: Presidential Determination under Subsection 2(b)(2)(D)(i) of the Export-Import Bank Act of 1945, as Amended -- Latvia, Lithuania, and Estonia

Pursuant to subsection 2(b)(2)(D)(i) of the Export-Import Bank Act of 1945, as amended (12 U.S.C. 635(b)(2)(D)(i)), I determine that it is in the national interest for the Export-Import Bank of the United States to guarantee, insure, extend credit, and participate in the extension of credit in connection with the purchase or lease of any product by, for use in, or for sale or lease to Latvia, Lithuania, and Estonia.

You are authorized and directed to report this determination to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:35 p.m., February 13, 1992]

Address Before a Joint Session of the Congress on the State of the Union

January 28, 1992

Mr. Speaker and Mr. President, distinguished Members of Congress, honored guests, and fellow citizens:

Thank you very much for that warm reception. You know, with the big buildup this address has had, I wanted to make sure it would be a big hit, but I couldn't convince Barbara to deliver it for me. [Laughter]

I see the Speaker and the Vice President are laughing. They saw what I did in Japan, and they're just happy they're sitting behind me. [Laughter]

I mean to speak tonight of big things, of big changes and the promises they hold, and of some big problems and how, together, we can solve them and move our country forward as the undisputed leader of the age.

We gather tonight at a dramatic and deeply promising time in our history and in the history of man on Earth. For in the past 12 months, the world has known changes of almost Biblical proportions. And even now, months after the failed coup that doomed a failed system, I'm not sure we've absorbed the full impact, the full import of what happened. But communism died this year.

Even as President, with the most fascinating possible vantage point, there were times when I was so busy managing progress and helping to lead change that I didn't always show the joy that was in my heart. But the biggest thing that has happened in the world in my life, in our lives, is this: By the grace of God, America won the cold war.

I mean to speak this evening of the changes that can take place in our country, now that we can stop making the sacrifices we had to make when we had an avowed enemy that was a superpower. Now we can look homeward even more and move to set right what needs to be set right.

I will speak of those things. But let me tell you something I've been thinking these past few months. It's a kind of rollcall of honor. For the cold war didn't end; it was won. And I think of those who won it, in places like Korea and Vietnam. And some of them didn't come back. Back then they were heroes, but this year they were victors.

The long rollcall, all the G.I. Joes and Janes, all the ones who fought faithfully for freedom, who

hit the ground and sucked the dust and knew their share of horror. This may seem frivolous, and I don't mean it so, but it's moving to me how the world saw them. The world saw not only their special valor but their special style: their rambunctious, optimistic bravery, their do-or-die unity unhampered by class or race or region. What a group we've put forth, for generations now, from the ones who wrote ``Kilroy was here'' on the walls of the German stalags to those who left signs in the Iraqi desert that said, ``I saw Elvis.'' What a group of kids we've sent out into the world.

And there's another to be singled out, though it may seem inelegant, and I mean a mass of people called the American taxpayer. No one ever thinks to thank the people who pay a country's bill or an alliance's bill. But for half a century now, the American people have shouldered the burden and paid taxes that were higher than they would have been to support a defense that was bigger than it would have been if imperial communism had never existed. But it did; doesn't anymore. And here's a fact I wouldn't mind the world acknowledging: The American taxpayer bore the brunt of the burden and deserves a hunk of the glory.

So now, for the first time in 35 years, our strategic bombers stand down. No longer are they on 'round-the-clock alert. Tomorrow our children will go to school and study history and how plants grow. And they won't have, as my children did, air raid drills in which they crawl under their desks and cover their heads in case of nuclear war. My grandchildren don't have to do that and won't have the bad dreams children had once, in decades past. There are still threats. But the long, drawn-out dread is over.

A year ago tonight, I spoke to you at a moment of high peril. American forces had just unleashed Operation Desert Storm. And after 40 days in the desert skies and 4 days on the ground, the men and women of America's Armed Forces and our allies accomplished the goals that I declared and that you endorsed: We liberated Kuwait. Soon after, the Arab world and Israel sat down to talk seriously and comprehensively about peace, an historic first. And soon after that, at Christmas, the last American hostages came home. Our policies were vindicated.

Much good can come from the prudent use of power. And much good can come of this: A world once divided into two armed camps now recognizes one sole and preeminent power, the United States of America. And they regard this with no dread. For the world trusts us with power, and the world is right. They trust us to be fair and restrained. They trust us to be on the side of decency. They trust us to do what's right.

I use those words advisedly. A few days after the war began, I received a telegram from Joanne Speicher, the wife of the first pilot killed in the Gulf, Lieutenant Commander Scott Speicher. Even in her grief, she wanted me to know that some day when her children were old enough, she would tell them ``that their father went away to war because it was the right thing to do.'' And she said it all: It was the right thing to do.

And we did it together. There were honest differences right here in this Chamber. But when the

war began, you put partisanship aside, and we supported our troops. This is still a time for pride, but this is no time to boast. For problems face us, and we must stand together once again and solve them and not let our country down.

Two years ago, I began planning cuts in military spending that reflected the changes of the new era. But now, this year, with imperial communism gone, that process can be accelerated. Tonight I can tell you of dramatic changes in our strategic nuclear force. These are actions we are taking on our own because they are the right thing to do. After completing 20 planes for which we have begun procurement, we will shut down further production of the B - 2 bombers. We will cancel the small ICBM program. We will cease production of new warheads for our sea-based ballistic missiles. We will stop all new production of the Peacekeeper missile. And we will not purchase any more advanced cruise missiles.

This weekend I will meet at Camp David with Boris Yeltsin of the Russian Federation. I've informed President Yeltsin that if the Commonwealth, the former Soviet Union, will eliminate all land-based multiple-warhead ballistic missiles, I will do the following: We will eliminate all Peacekeeper missiles. We will reduce the number of warheads on Minuteman missiles to one and reduce the number of warheads on our sea-based missiles by about one-third. And we will convert a substantial portion of our strategic bombers to primarily conventional use. President Yeltsin's early response has been very positive, and I expect our talks at Camp David to be fruitful.

I want you to know that for half a century, American Presidents have longed to make such decisions and say such words. But even in the midst of celebration, we must keep caution as a friend. For the world is still a dangerous place. Only the dead have seen the end of conflict. And though yesterday's challenges are behind us, tomorrow's are being born.

The Secretary of Defense recommended these cuts after consultation with the Joint Chiefs of Staff. And I make them with confidence. But do not misunderstand me. The reductions I have approved will save us an additional $50 billion over the next 5 years. By 1997, we will have cut defense by 30 percent since I took office. These cuts are deep, and you must know my resolve: This deep, and no deeper. To do less would be insensible to progress, but to do more would be ignorant of history. We must not go back to the days of ``the hollow army.'' We cannot repeat the mistakes made twice in this century when armistice was followed by recklessness and defense was purged as if the world were permanently safe.

I remind you this evening that I have asked for your support in funding a program to protect our country from limited nuclear missile attack. We must have this protection because too many people in too many countries have access to nuclear arms. And I urge you again to pass the Strategic Defense Initiative, SDI.

There are those who say that now we can turn away from the world, that we have no special role,

no special place. But we are the United States of America, the leader of the West that has become the leader of the world. And as long as I am President, I will continue to lead in support of freedom everywhere, not out of arrogance, not out of altruism, but for the safety and security of our children. This is a fact: Strength in the pursuit of peace is no vice; isolationism in the pursuit of security is no virtue.

And now to our troubles at home. They're not all economic; the primary problem is our economy. There are some good signs. Inflation, that thief, is down. And interest rates are down. But unemployment is too high, some industries are in trouble, and growth is not what it should be. Let me tell you right from the start and right from the heart, I know we're in hard times. But I know something else: This will not stand.

In this Chamber, in this Chamber we can bring the same courage and sense of common purpose to the economy that we brought to Desert Storm. And we can defeat hard times together. I believe you'll help. One reason is that you're patriots, and you want the best for your country. And I believe that in your hearts you want to put partisanship aside and get the job done because it's the right thing to do.

The power of America rests in a stirring but simple idea, that people will do great things if only you set them free. Well, we're going to set the economy free. For if this age of miracles and wonders has taught us anything, it's that if we can change the world we can change America. We must encourage investment. We must make it easier for people to invest money and create new products, new industries, and new jobs. We must clear away the obstacles to growth: high taxes, high regulation, redtape, and yes, wasteful Government spending.

None of this will happen with a snap of the fingers, but it will happen. And the test of a plan isn't whether it's called new or dazzling. The American people aren't impressed by gimmicks; they're smarter on this score than all of us in this room. The only test of a plan is: Is it sound, and will it work?

We must have a short-term plan to address our immediate needs and heat up the economy. And then we need a longer term plan to keep combustion going and to guarantee our place in the world economy. There are certain things that a President can do without Congress, and I'm going to do them.

I have, this evening, asked major Cabinet departments and Federal agencies to institute a 90-day moratorium on any new Federal regulations that could hinder growth. In those 90 days, major departments and agencies will carry out a top-to-bottom review of all regulations, old and new, to stop the ones that will hurt growth and speed up those that will help growth.

Further, for the untold number of hard-working, responsible American workers and business men and women who've been forced to go without needed bank loans, the banking credit crunch

must end. I won't neglect my responsibility for sound regulations that serve the public good, but regulatory overkill must be stopped. And I've instructed our Government regulators to stop it.

I have directed Cabinet departments and Federal agencies to speed up progrowth expenditures as quickly as possible. This should put an extra $10 billion into the economy in the next 6 months. And our new transportation bill provides more than $150 billion for construction and maintenance projects that are vital to our growth and well-being. And that means jobs building roads, jobs building bridges, and jobs building railways.

And I have, this evening, directed the Secretary of the Treasury to change the Federal tax withholding tables. With this change, millions of Americans from whom the Government withholds more than necessary can now choose to have the Government withhold less from their paychecks. Something tells me a number of taxpayers may take us up on this one. This initiative could return about $25 billion back into our economy over the next 12 months, money people can use to help pay for clothing, college, or to get a new car. Finally, working with the Federal Reserve, we will continue to support monetary policy that keeps both interest rates and inflation down.

Now, these are the things I can do. And now, Members of Congress, let me tell you what you can do for your country. You must pass the other elements of my plan to meet our economic needs. Everyone knows that investment spurs recovery. I am proposing this evening a change in the alternative minimum tax and the creation of a new 15-percent investment tax allowance. This will encourage businesses to accelerate investment and bring people back to work.

Real estate has led our economy out of almost all the tough times we've ever had. Once building starts, carpenters and plumbers work; people buy homes and take out mortgages. My plan would modify the passive loss rule for active real estate developers. And it would make it easier for pension plans to purchase real estate. For those Americans who dream of buying a first home but who can't quite afford it, my plan would allow first-time homebuyers to withdraw savings from IRA's without penalty and provide a $5,000 tax credit for the first purchase of that home.

And finally, my immediate plan calls on Congress to give crucial help to people who own a home, to everyone who has a business or a farm or a single investment. This time, at this hour, I cannot take no for an answer. You must cut the capital gains tax on the people of our country. Never has an issue been more demagogued by its opponents. But the demagogs are wrong. They are wrong, and they know it. Sixty percent of the people who benefit from lower capital gains have incomes under $50,000. A cut in the capital gains tax increases jobs and helps just about everyone in our country. And so, I'm asking you to cut the capital gains tax to a maximum of 15.4 percent.

I'll tell you, those of you who say, ``Oh, no, someone who's comfortable may benefit from that,'' you kind of remind me of the old definition of the Puritan who couldn't sleep at night, worrying

that somehow, someone somewhere was out having a good time. [Laughter] The opponents of this measure and those who have authored various so-called soak-the-rich bills that are floating around this Chamber should be reminded of something: When they aim at the big guy, they usually hit the little guy. And maybe it's time that stopped.

This, then, is my short-term plan. Your part, Members of Congress, requires enactment of these commonsense proposals that will have a strong effect on the economy without breaking the budget agreement and without raising tax rates.

While my plan is being passed and kicking in, we've got to care for those in trouble today. I have provided for up to $4.4 billion in my budget to extend Federal unemployment benefits. And I ask for congressional action right away. And I thank the committee. [Applause] Well, at last.

Let's be frank. Let's be frank. Let me level with you. I know and you know that my plan is unveiled in a political season. [Laughter] I know and you know that everything I propose will be viewed by some in merely partisan terms. But I ask you to know what is in my heart. And my aim is to increase our Nation's good. I'm doing what I think is right, and I am proposing what I know will help.

I pride myself that I'm a prudent man, and I believe that patience is a virtue. But I understand that politics is, for some, a game and that sometimes the game is to stop all progress and then decry the lack of improvement. [Laughter] But let me tell you: Far more important than my political future and far more important than yours is the well-being of our country. Members of this Chamber are practical people, and I know you won't resent some practical advice. When people put their party's fortunes, whatever the party, whatever side of this aisle, before the public good, they court defeat not only for their country but for themselves. And they will certainly deserve it.

I submit my plan tomorrow, and I'm asking you to pass it by March 20th. And I ask the American people to let you know they want this action by March 20th. From the day after that, if it must be, the battle is joined. And you know, when principle is at stake I relish a good, fair fight.

I said my plan has two parts, and it does. And it's the second part that is the heart of the matter. For it's not enough to get an immediate burst. We need long-term improvement in our economic position. We all know that the key to our economic future is to ensure that America continues as an economic leader of the world. We have that in our power. Here, then, is my long-term plan to guarantee our future.

First, trade: We will work to break down the walls that stop world trade. We will work to open markets everywhere. And in our major trade negotiations, I will continue pushing to eliminate tariffs and subsidies that damage America's farmers and workers. And we'll get more good

American jobs within our own hemisphere through the North American free trade agreement and through the Enterprise for the Americas Initiative.

But changes are here, and more are coming. The workplace of the future will demand more highly skilled workers than ever, more people who are computer-literate, highly educated. We must be the world's leader in education. And we must revolutionize America's schools. My America 2000 strategy will help us reach that goal. My plan will give parents more choice, give teachers more flexibility, and help communities create new American schools. Thirty States across the Nation have established America 2000 programs. Hundreds of cities and towns have joined in. Now Congress must join this great movement: Pass my proposals for new American schools.

That was my second long-term proposal, and here's my third: We must make commonsense investments that will help us compete, long-term, in the marketplace. We must encourage research and development. My plan is to make the R&D tax credit permanent and to provide record levels of support, over $76 billion this year alone, for people who will explore the promise of emerging technologies.

Fourth, we must do something about crime and drugs. It is time for a major, renewed investment in fighting violent street crime. It saps our strength and hurts our faith in our society and in our future together. Surely a tired woman on her way to work at 6 in the morning on a subway deserves the right to get there safely. And surely it's true that everyone who changes his or her life because of crime, from those afraid to go out at night to those afraid to walk in the parks they pay for, surely these people have been denied a basic civil right. It is time to restore it. Congress, pass my comprehensive crime bill. It is tough on criminals and supportive of police, and it has been languishing in these hallowed halls for years now. Pass it. Help your country.

Fifth, I ask you tonight to fund our HOPE housing proposal and to pass my enterprise zone legislation which will get businesses into the inner city. We must empower the poor with the pride that comes from owning a home, getting a job, becoming a part of things. My plan would encourage real estate construction by extending tax incentives for mortgage revenue bonds and low-income housing. And I ask tonight for record expenditures for the program that helps children born into want move into excellence, Head Start.

Step six, we must reform our health care system. For this, too, bears on whether or not we can compete in the world. American health costs have been exploding. This year America will spend over $800 billion on health, and that is expected to grow to 1.6 trillion by the end of the decade. We simply cannot afford this. The cost of health care shows up not only in your family budget but in the price of everything we buy and everything we sell. When health coverage for a fellow on an assembly line costs thousands of dollars, the cost goes into the products he makes, and you pay the bill.

We must make a choice. Now, some pretend we can have it both ways. They call it ``play or pay," but that expensive approach is unstable. It will mean higher taxes, fewer jobs, and eventually a system under complete Government control.

Really, there are only two options. And we can move toward a nationalized system, a system which will restrict patient choice in picking a doctor and force the Government to ration services arbitrarily. And what we'll get is patients in long lines, indifferent service, and a huge new tax burden. Or we can reform our own private health care system, which still gives us, for all its flaws, the best quality health care in the world.

Well, let's build on our strengths. My plan provides insurance security for all Americans while preserving and increasing the idea of choice. We make basic health insurance affordable for all low-income people not now covered, and we do it by providing a health insurance tax credit of up to $3,750 for each low-income family. And the middle class gets help, too. And by reforming the health insurance market, my plan assures that Americans will have access to basic health insurance even if they change jobs or develop serious health problems. We must bring costs under control, preserve quality, preserve choice, and reduce the people's nagging daily worry about health insurance. My plan, the details of which I'll announce very shortly, does just that.

Seventh, we must get the Federal deficit under control. We now have, in law, enforceable spending caps and a requirement that we pay for the programs we create. There are those in Congress who would ease that discipline now. But I cannot let them do it, and I won't.

My plan would freeze all domestic discretionary budget authority, which means no more next year than this year. I will not tamper with Social Security, but I would put real caps on the growth of uncontrolled spending. And I would also freeze Federal domestic Government employment. And with the help of Congress, my plan will get rid of 246 programs that don't deserve Federal funding. Some of them have noble titles, but none of them is indispensable. We can get rid of each and every one of them.

You know, it's time we rediscovered a home truth the American people have never forgotten: This Government is too big and spends too much. And I call upon Congress to adopt a measure that will help put an end to the annual ritual of filling the budget with pork barrel appropriations. Every year, the press has a field day making fun of outrageous examples: a Lawrence Welk museum, research grants for Belgian endive. We all know how these things get into the budget, and maybe you need someone to help you say no. I know how to say it, and I know what I need to make it stick. Give me the same thing 43 Governors have, the line-item veto, and let me help you control spending.

We must put an end to unfinanced Federal Government mandates. These are the requirements Congress puts on our cities, counties, and States without supplying the money. If Congress passes a mandate, it should be forced to pay for it and balance the cost with savings elsewhere.

After all, a mandate just increases someone else's burden, and that means higher taxes at the State and local level.

Step eight, Congress should enact the bold reform proposals that are still awaiting congressional action: bank reform, civil justice reform, tort reform, and my national energy strategy.

And finally, we must strengthen the family because it is the family that has the greatest bearing on our future. When Barbara holds an AIDS baby in her arms and reads to children, she's saying to every person in this country: Family matters.

And I am announcing tonight a new Commission on America's Urban Families. I've asked Missouri's Governor John Ashcroft to be Chairman, former Dallas Mayor Annette Strauss to be Cochair. You know, I had mayors, the leading mayors from the League of Cities, in the other day at the White House, and they told me something striking. They said that every one of them, Republican or Democrat, agreed on one thing, that the major cause of the problems of the cities is the dissolution of the family. They asked for this Commission, and they were right to ask because it's time to determine what we can do to keep families together, strong and sound.

There's one thing we can do right away: Ease the burden of rearing a child. I ask you tonight to raise the personal exemption by $500 per child for every family. For a family with four kids, that's an increase of $2,000. This is a good start in the right direction, and it's what we can afford.

It's time to allow families to deduct the interest they pay on student loans. I am asking you to do just that. And I'm asking you to allow people to use money from their IRA's to pay medical and education expenses, all without penalties.

And I'm asking for more. Ask American parents what they dislike about how things are going in our country, and chances are good that pretty soon they'll get to welfare. Americans are the most generous people on Earth. But we have to go back to the insight of Franklin Roosevelt who, when he spoke of what became the welfare program, warned that it must not become ``a narcotic'' and a ``subtle destroyer'' of the spirit. Welfare was never meant to be a lifestyle. It was never meant to be a habit. It was never supposed to be passed from generation to generation like a legacy. It's time to replace the assumptions of the welfare state and help reform the welfare system.

States throughout the country are beginning to operate with new assumptions that when able-bodied people receive Government assistance, they have responsibilities to the taxpayer: A responsibility to seek work, education, or job training; a responsibility to get their lives in order; a responsibility to hold their families together and refrain from having children out of wedlock; and a responsibility to obey the law. We are going to help this movement. Often, State reform requires waiving certain Federal regulations. I will act to make that process easier and quicker

for every State that asks for our help.

I want to add, as we make these changes, we work together to improve this system, that our intention is not scapegoating or finger-pointing. If you read the papers and watch TV, you know there's been a rise these days in a certain kind of ugliness: racist comments, anti-Semitism, an increased sense of division. Really, this is not us. This is not who we are. And this is not acceptable.

And so, you have my plan for America. And I'm asking for big things, but I believe in my heart you'll do what's right.

You know, it's kind of an American tradition to show a certain skepticism toward our democratic institutions. I myself have sometimes thought the aging process could be delayed if it had to make its way through Congress. [Laughter] You will deliberate, and you will discuss, and that is fine. But, my friends, the people cannot wait. They need help now.

There's a mood among us. People are worried. There's been talk of decline. Someone even said our workers are lazy and uninspired. And I thought: Really? You go tell Neil Armstrong standing on the moon. Tell the men and women who put him there. Tell the American farmer who feeds his country and the world. Tell the men and women of Desert Storm.

Moods come and go, but greatness endures. Ours does. And maybe for a moment it's good to remember what, in the dailiness of our lives, we forget: We are still and ever the freest nation on Earth, the kindest nation on Earth, the strongest nation on Earth. And we have always risen to the occasion. And we are going to lift this Nation out of hard times inch by inch and day by day, and those who would stop us had better step aside. Because I look at hard times, and I make this vow: This will not stand.

And so, we move on together, a rising nation, the once and future miracle that is still, this night, the hope of the world. Thank you. God bless you, and God bless our beloved country. Thank you very, very much.

Note: The President spoke at 9:07 p.m. in the House Chamber of the Capitol. The address was broadcast live on nationwide radio and television. The Executive order of March 12 establishing the National Commission on America's Urban Families is listed in Appendix E at the end of this volume.

Memorandum on Regulatory Coordination

January 28, 1992

Memorandum for the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Securities and Exchange Commission, the Chairman of the Federal Deposit Insurance Corporation, the Chairman of the Commodity Futures Trading Commission

Subject: Regulatory Coordination

As you know, the Congress has failed to enact important growth-oriented legislation that we have proposed. Although we will continue to work with the Congress to enact these proposals, we must also redouble our efforts to create jobs and achieve economic growth within existing statutory constraints.

For such efforts to succeed, we must prevent the fragmentation of policy-making and better coordinate existing programs within the executive branch. I recognize that you have already made considerable efforts to coordinate your activities, and ask only that you intensify these efforts over the next three months to ensure that we have done all that we can to eliminate unnecessary regulatory burdens.

I look forward to your reports on this important undertaking. Although the Congress has created the regulatory schemes within which we must operate, I am confident that, with your help, the executive branch can do much to create conditions conducive to a healthy and robust economy.

George Bush

Note: This memorandum was released by the Office of the Press Secretary on January 30.

Memorandum on Regulatory Coordination

January 28, 1992

Memorandum for the Secretary of Transportation, the Secretary of Energy, the Chairman of the Interstate Commerce Commission, the Chairman of the Federal Maritime Commission

Subject: Regulatory Coordination

As you know, the Congress has failed to enact important growth-oriented legislation that we have proposed. Although we will continue to work with the Congress to enact these proposals, we must also redouble our efforts to create jobs and achieve economic growth within existing statutory constraints.

For such efforts to succeed, we must prevent the fragmentation of policy-making and better coordinate existing programs within the executive branch. We have made great strides in this area, but more remains to be done. Because your agencies share responsibility for regulating the transportation sector of our economy, it is essential that you work together to streamline the regulatory process and ensure that the regulated community is not subject to duplicative or inconsistent regulation.

I hope that improved coordination will be one especially valuable outcome of the 90-day moratorium and review period described in the attached memorandum. I look forward to your reports on this important undertaking. Although the Congress has created the regulatory schemes within which we must operate, I am confident that, with your help, the executive branch can do much to create conditions conducive to a healthy and robust economy.

George Bush

Note: This memorandum was released by the Office of the Press Secretary on January 30.

Memorandum on Regulatory Coordination

January 28, 1992

Memorandum for the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Energy, the Administrator of the Environmental Protection Agency, the Chairman of the Federal Energy Regulatory Commission, the Chairman of the Nuclear Regulatory Commission

Subject: Regulatory Coordination

As you know, the Congress has failed to enact important growth-oriented legislation that we have proposed. Although we will continue to work with the Congress to enact these proposals, we must also redouble our efforts to create jobs and achieve economic growth within existing statutory constraints.

For such efforts to succeed, we must prevent the fragmentation of policy-making and better coordinate existing programs within the executive branch. We have made great strides in this area, but more remains to be done. Your agencies share responsibility for promoting safe and efficient energy production while at the same time protecting the environment. It is therefore essential that you work together to streamline the regulatory process and ensure that the regulated community is not subject to duplicative or inconsistent regulation.

I hope that improved coordination will be one especially valuable outcome of the 90-day moratorium and review period described in the attached memorandum. I look forward to your reports on this important undertaking. Although the Congress has created the regulatory schemes within which we must operate, I am confident that, with your help, the executive branch can do much to create conditions conducive to a healthy and robust economy.

George Bush

Note: This memorandum was released by the Office of the Press Secretary on January 30.

Memorandum on Reducing the Burden of Government Regulation

January 28, 1992

Memorandum for Certain Department and Agency Heads

Subject: Reducing the Burden of Government Regulation

As you know, excessive regulation and red tape have imposed an enormous burden on our economy -- a hidden tax on the average American household in the form of higher prices for goods and services. Just as Americans have the right to expect their government to spend tax dollars wisely, they have the right to expect cost-effective and minimally burdensome regulation. Although the Congress has thus far failed to pass most of the Administration's regulatory reform proposals, there is much the Administration can and should do on its own to reduce the burden of regulation.

A major part of this undertaking must be to weed out unnecessary and burdensome government regulations, which impose needless costs on consumers and substantially impede economic growth. We must be constantly vigilant to avoid unnecessary regulation and red tape.

We must also remember that even those regulatory programs that may have been justified when adopted often fail to keep pace with important innovations. New technologies and markets can quickly make existing rules obsolete. By the same token, existing regulations often impose unnecessary constraints on emerging technologies and markets that could not have been foreseen at the time the regulations were promulgated. Existing regulatory programs also need to be revised to take advantage of regulatory innovations, such as the flexible, market-based approaches to regulation that many of your agencies have developed over the past few years.

I am concerned that, because of the constant pressure to develop new programs, we are not doing nearly enough to review and revise existing programs. For that reason, I ask that each of your agencies set aside a 90-day period, beginning today, to evaluate existing regulations and programs and to identify and accelerate action on initiatives that will eliminate any unnecessary regulatory burden or otherwise promote economic growth. During this period, agency resources should, to the maximum extent possible, be devoted to these efforts. Specifically, I request that you take the following steps:

1. During the 90-day review period, your agency should work with the public, other interested agencies, the Office of Information and Regulatory Affairs, and the Council on Competitiveness to (i) identify each of your agency's regulations and programs that impose a substantial cost on the economy and (ii) determine whether each such regulation or program adheres to the

following standards:

(a) The expected benefits to society of any regulation should clearly outweigh the expected costs it imposes on society.

(b) Regulations should be fashioned to maximize net benefits to society.

(c) To the maximum extent possible, regulatory agencies should set performance standards instead of prescriptive command-and-control requirements, thereby allowing the regulated community to achieve regulatory goals at the lowest possible cost.

(d) Regulations should incorporate market mechanisms to the maximum extent possible.

(e) Regulations should provide clarity and certainty to the regulated community and should be designed to avoid needless litigation.

2. To the maximum extent permitted by law, and as soon as possible, your agency should propose administrative changes (including repeal, where appropriate) that will bring each regulation and program into conformity with the standards set forth above. As you implement these proposals, you should carefully order your agency's regulatory priorities to ensure that programs imposing the largest unnecessary burden are the first to be revised or eliminated.

3. You should designate, in consultation with the Council on Competitiveness, a senior official to serve as your agency's permanent regulatory oversight official. This person will be responsible for conducting the review, for implementing the resulting proposals, and for ensuring that future regulatory actions conform to the standards set forth in this memorandum and in applicable Executive orders.

4. To the maximum extent permitted by law, and subject to the exceptions listed below, your agency should refrain from issuing any proposed or final rule during the 90-day review period. This moratorium on new regulations will ensure that, to the maximum extent possible, agency resources are devoted to reducing the regulatory burden on the economy. Of course, you should not postpone any regulation that is subject to a statutory or judicial deadline that falls during the review period. This moratorium does not apply to:

(a) regulations that you determine, after consultation with the working group of the Council on Competitiveness described below, will foster economic growth;

(b) regulations that respond to emergencies such as situations that pose an imminent danger to human health or safety;

(c) regulations that you determine, after consultation with the working group of the Council on

Competitiveness described below, are essential to a criminal law enforcement function of the United States;

(d) regulations issued with respect to a military or foreign affairs function of the United States;

(e) regulations related solely to agency organization, management, or personnel; and

(f) formal regulations required by statute to be made on the record after opportunity for an agency hearing.

5. At the end of the review period, each agency should submit a written report to me. Each report should indicate the regulatory changes recommended or made during the review period and the potential savings to the economy of those changes, including an estimate of the number of jobs that will be created. It should also include a summary of any regulatory programs that are left unchanged and an explanation of how such programs are consistent with the regulatory standards set forth in paragraph 1 above.

The 90-day review, and the preparation of the reports described in paragraph 5 above, will be coordinated by a working group of the Council on Competitiveness, chaired by the Chairman of the Council of Economic Advisers and the Counsel to the President.

I look forward to your reports on this important undertaking. I am confident that, with your help, the executive branch can do much to create conditions conducive to a healthy and robust economy.

George Bush

The Secretary of the Treasury, the Secretary of Defense, the Attorney General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Secretary of Energy, the Secretary of Education, the Chairman of the Interstate Commerce Commission, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Federal Trade Commission, the Chairperson of the Federal Deposit Insurance Corporation, the Chairman of the Securities and Exchange Commission, the Chairman of the Federal Communications Commission, the Chairman of the Federal Maritime Commission, the Chairman of the Equal Employment Opportunity Commission, the Administrator of the Environmental Protection Agency, the Chairman of the Nuclear Regulatory Commission, the Chairman of the Commodity Futures Trading Commission, the Chairman of the Federal Energy Regulatory Commission

Note: This memorandum was released by the Office of the Press Secretary on January 30.

Message on the Observance of National African-American (Black) History Month, February 1992

January 29, 1992

``When I found I had crossed that line, I looked at my hands to see if I was the same person. There was such a glory over everything." With these words, Harriet Tubman described her escape from slavery during the mid-19th century. The glory of which she spoke was nothing less than freedom -- and the promise of better days to come.

Although African-American history begins long before the days of Harriet Tubman, who helped to lead thousands of her fellow Blacks out of slavery during the Civil War, it is filled with similar accounts of faith, courage, and triumph in the epic struggle for liberty and justice. This month, through special programs and activities across the country, we honor the many African Americans who have helped to uphold our Nation's declaration ``that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness." Just as all Americans should study the words and deeds of our Founding Fathers, so should all Americans learn about the Black leaders who have helped to make the promise of freedom a reality.

The men and women whom we remember this month will long inspire others. In addition to honoring individuals such as Rosa Parks and other heroes of the civil rights movement, we also recall pioneers like George Washington Carver, who made important discoveries in agriculture, and Benjamin Banneker, who served as one of the architects of Washington, D.C., our Nation's Capital. We remember outstanding Black American artists, including legendary singers and musicians such as Marian Anderson, Charlie Parker, and Dizzy Gillespie. Others, we remember for their devoted service to our country: from military heroes such as the Tuskegee Airmen to remarkable international civil servants like Ralph Bunche. The stories of these individuals, together with many other accounts, make up the rich fabric of African-American history.

That history, of course, continues to unfold each day, and I am heartened to know that many parents and teachers will be using this occasion to challenge and to inspire young people. With the past as their guide, Black youth can make their future bright, as they weave their own strands in theÿ7Eÿ7E richÿ7Eÿ7E tapestryÿ7Eÿ7E ofÿ7Eÿ7E African-American history.

George Bush

Message to the Congress Transmitting the 1992 National Drug Control Strategy

January 29, 1992

To the Congress of the United States:

I am pleased to transmit today for the consideration of the Congress and the American people the 1992 National Drug Control Strategy, in accordance with section 1005 of the Anti-Drug Abuse Act of 1988 (Public Law 100 - 690; 21 U.S.C. 1504).

This is the Fourth National Drug Control Strategy, and it lays out a comprehensive plan for Federal drug control activities for Fiscal Year 1993 and beyond. The principal goal remains unchanged from the previous three strategies: to reduce the level of illegal drug use in America.

We are fighting a two-front war against drugs. The first front is against casual drug use, and I am pleased to report that significant progress is being made here, particularly among our Nation's youth. Casual drug use is still too high, however, and this Strategy rightly continues to stress efforts to reduce it. The second front, against hard-core drug use, poses a more difficult challenge. Progress here is slower. There are still too many neighborhoods, families, and individuals who suffer the consequences of drug use and drug-related crime. To address this problem, the Strategy proposes a variety of carefully targeted and intensified efforts. I urge the Congress to expedite their enactment.

The war on drugs is vital to our country's economy, international competitiveness, and security. Previous Strategies have enjoyed bipartisan political and funding support in the Congress. I ask for your continued support in this critical endeavor.

George Bush

The White House,

January 29, 1992.

Appointment of Daniel B. McGroarty as Special Assistant to the President and Deputy Director of Speechwriting

January 29, 1992

The President today announced the appointment of Daniel B. McGroarty as Special Assistant to the President and Deputy Director of Speechwriting.

Mr. McGroarty has served as speechwriter to the President since 1989 and Deputy Director of Speechwriting since 1991. Prior to coming to the White House, he held the positions of senior speechwriter to Secretary of Defense Frank C. Carlucci III, speechwriter to Secretary of Defense Caspar W. Weinberger, and editorial writer at the Voice of America.

Mr. McGroarty graduated from Kenyon College (B.A., 1979) and is currently a Ph.D. candidate at Boston College. He was born August 23, 1957, in Cleveland, OH. He resides with his wife and two children in Annandale, VA.

Remarks at the National Prayer Breakfast

January 30, 1992

Thank you, Senator Heflin, for such a lovely introduction. To Dan and Marilyn, the Vice President and Mrs. Quayle; to the members of my Cabinet here; to the Members of Congress, all, so many here in faith; to General Powell; especially to our host, Ted Stevens; to our dear friend Billy Graham; and to all gathered.

Let me first just say a special greeting to Prime Minister Ratu Mara of Fiji. This is not his first time here; I'm sure it won't be his last. But he's an inspiration to all of us that know him and consider him a friend, as I do. May I salute our other guests from overseas. And though sometimes you might feel like it, we don't consider you overseas, those who serve in the State legislatures, and we're glad you all are here. [Laughter]

Four principles, four ideas really, inspire America. And I think they're all here this morning reflected in one way or another: Freedom, family, and faith, that Dan Quayle talked about, and to that I would add fellowship. So many people brought together by a shared spirit, the simple joy of praying to God.

Slava, that was a tremendously moving story and one of the most dramatic moments in recent history. You referred to sound. If sound has anything to do with entry into heaven, I believe you can choose the fluffiest, most generous cloud in the firmament up there when you get there. [Laughter] And thank you for your inspiring message.

But I think you reminded us all of the powerful role that prayer has played in the unprecedented events of the past year. Since we last met, nations have been reshaped, and the lives have been restored throughout the land and throughout the entire world. And the force that unites them, as we've heard here today from the Vice President to General Powell, is faith in God. The link they share is prayer.

When I last stood here, as Colin reminded us, we were at war. Compelled by a deep need for God's wisdom, we began to pray. And we prayed for God's protection in what we undertook, for God's love to fill hearts, and for God's peace to be the moral North Star that guided us. Abraham Lincoln said, and we remember it, everyone in this room would remember it, ``I've been driven many times to my knees by the overwhelming conviction that I have nowhere else to go." And in his example, we came together for a special National Day of Prayer. And Americans of every creed turned to our greatest power to bring us peace, ``peace . . . which passeth all understanding." And at the end of the war, we prayed as one during our National Days of Thanksgiving.

Let us pray that as a people we will continue to bring the power of prayer to bear on all the

challenges we confront. And let us pray that we will strengthen the values that this great land was founded on, that we will reverse any threat of moral decline, and that we will dedicate ourselves to the ethic of service, being what I call a Point of Light to someone else, someone in need.

In this work, we are not without inspiration. We need look no further than the handful of men who became heroes by their courage, their strength, and above all their faith -- last of whom returned in December. I'm talking about our hostages. And in brutalizing conditions, as we've heard this morning, they prayed together daily in what they called the ``church of the locked door." They unwove floor mats in order to make rosaries. These men, who every day lived the story of Job, treasured their first book, the Bible. When Terry Anderson was released, one of the first things he did was to thank strangers across the world who had prayed that he be set free. ``Your prayers made a big difference," said this man who, imprisoned, had rediscovered the faith that sets and keeps men free.

There's another story from last year's news that tells of the transformation of faith. While it's a story familiar to all of you, it's intensely personal to Barbara and me and to others in this room. We lost a dear friend last March, Lee Atwater, a restless, fiercely driven, fun-loving good ol' boy from South Carolina who rode life as hard and fast as he could. But he also lived a kind of miracle because his illness reintroduced him to something he'd put aside, his own faith. And in his last months, he worked intensely to come to grips with his faith. And through reading the Bible and through prayer, he learned that, as he put it, ``What was missing in society was what was missing in me, a little heart and a lot of brotherhood."

He was so right. Prayer has a place not only in the life of every American but also in the life of our Nation, for we are truly one Nation under God.

May God bless this very special gathering. For those of you who have come from overseas, for those of you from across our land, for those of you right here in the Nation's Capital, thank you for participating in this celebration of faith.

Thank you very much.

Note: The President spoke at 9:10 a.m. at the Washington Hilton Hotel. In his remarks, he referred to Senator Ted Stevens, evangelist Billy Graham, Prime Minister Kamisese Mara of Fiji, and National Symphony Orchestra director Mstislav Rostropovich.

Remarks to the Greater Philadelphia Chamber of Commerce

January 30, 1992

Thank you all very, very much for that welcome back. Please be seated, and thank you. Please be seated. I don't want to keep Boris Yeltsin waiting later on. [Laughter] Thank you, Joe. Senator Specter and Joan, laboring in the vineyards of the city council here, we're delighted to be with you. And coming up with us from Washington were two of our great Congressmen from this area, Larry Coughlin and Kurt Weldon, over here.

May I, too, salute the Mayor. I asked Joe earlier on how was it going, realizing that, as in Washington, things have been tough, and across the country in many ways. But I said, knowing a little bit about history in Philadelphia, I asked this question, ÿ7E``How's the Mayor doing?" And Joe and everybody else I've spoken to has said he's really hit the ground in a wonderful way, going forward, bringing out the best in this city. So, I want to salute Ed Rendell and his wife, Midge.

Joe Paquette, who introduced me, is the chairman of the Greater Philadelphia Chamber. That was a very enthusiastic presentation he made about how things were going. So much so that maybe he can make a little loan to those of us in Washington, DC, who cannot have quite that optimistic a report. [Laughter] But I like that can-do spirit of this chamber, and I'm grateful to Charlie, to Charlie Pizzi, and to Joe and all the rest of you that have put together this opportunity for me, all of you at the chamber.

And so, thank you very much. I am happy to be here in Philadelphia. As you can imagine, these last few weeks in Washington have been pretty high pressure, high pressure time for me, what with all the experts and the instant analysis and the columnists giving unsolicited advice. Thank goodness the Super Bowl is over. [Laughter]

I am very pleased to be here, particularly pleased to be here today because American businesses, as represented by this group gathered here, have a unique perspective on the tough times we've been going through recently. And as businessmen and businesswomen, you can separate the sensational from the sensible, the sweet-sounding quick fixes from real solutions. When it comes to America's economy, we can't accept empty symbols and slogans. We need to work together -- that's what I like, what Joe was saying about the way the Mayor and you all are approaching it in this city -- we've got to work together nationally and turn this economy around.

Tuesday night, I came before the American people to outline a program for doing just that. And we all know this is an election year. The air back in Washington has been thick with feel-good gimmicks that have nothing to do with true prosperity and everything to do with politics. We

need to get down to business, literally. In the critical weeks ahead, common sense must replace partisanship. And I came here to ask for your help.

The plan that I put before Congress and the American people contained several action steps. And one of the most critical was this, to free up American businesses by clearing away the obstacles to growth: high taxes, overregulation, and Government deficits. And I've offered the only comprehensive plan that doesn't raise taxes, doesn't throw away the spending discipline now in place on the Congress, these spending caps, and doesn't cut defense beyond what's necessary for this country's security. But let me tell you the three words that really separate my plan from what I think of the rest of them: It will work. Those three: It will work.

Each of us has a role to play, so I am moving forward with steps I can take right now. You may remember I divided that State of the Union Message into steps I can take, short-term areas where we need legislation and then a longer term program. Right now, I have instructed every Cabinet Department to speed up progrowth expenditures. And we estimate that will be as much as $10 billion worth in the next 6 months. We don't have to go to Congress to get them to do that; we just accelerate the spending plans to try to give this economy an extra kick.

I directed the Secretary of the Treasury to change the Federal tax tables so that millions of Americans can choose to have the Government withhold less from their paychecks. Now, that's a large number. That could pump as much as $25 billion into the economy this year alone. That is money in the pockets of working men and women to help pay for clothing or to help save for college or to help buy a new car. And after all, it is their money. And there has been this schedule where really there has been overwithholding. And this I think will give, for those who elect to do it -- if everyone elected to do it, it would be $25 billion, and I think that will give the economy a jolt.

I have asked Cabinet Departments and Federal Agencies to institute a 90-day moratorium on new Federal regulations that could hinder growth. We'll undertake a top-to-bottom review in the fields of energy, the environment, transportation, exports, financial services, and communications, among others. Here's the test: We will accelerate any regulations that encourage growth and the creation of jobs. And whenever possible, we will scrap those that tie the hands of business and impede growth. I know that I have regulatory responsibilities affecting safety in the workplace, for example, health, environmental protection. And I will not neglect those responsibilities.

But you know as well as anyone how Government, sometimes with the best of intentions, can hobble innovation and risk-taking, the lifeblood of a successful business. Government naturally tends to expand ever outward, its redtape oblivious to anything standing in its path. It touches everyone. Every regulation that reduces efficiency slaps a hidden tax on the consumer as well. From the tab on a bag of groceries at the checkout line to the sticker price on the showroom floor, every American takes a hit when the Government overregulates.

American business men and women need this freedom to experiment, to compete without looking over their shoulders for Washington's approval. Small businesses and those just starting up feel the sting of overregulation most of all. Yet these businesses drive America forward. They create most of our new jobs. They reinvigorate our communities. They embody the power of the American dream. I make this pledge: We will set America's dreamers and doers free and put an end to this regulatory overkill.

In some of this area I will need the help of the Congress, and I promise I will take the message as strongly as I can to the Congress in this regard. Even now, an untold number of hard-working, responsible men and women go without needed bank loans for starting up a new business or for investing more in an existing one. We've got to ease the credit crunch and give these people a chance. That's why we've given the bank regulators more than 30 policy changes and clarifications to restore common sense and balance to the regulatory system.

I've mentioned this before, but in regulation, again, we have a responsibility. We don't want to go back to what is known as forbearance, where we neglect the soundness that is required. But there is regulatory overkill. The people are afraid, I think, in some instances in the financial community because of the excesses of regulation. And we're going to try very hard to achieve a better balance.

Now, I've mentioned some of the things that I can do, and there's a few more. But Tuesday night I told Congress, directly challenged it, told it directly what it must do. And I started with the obvious: No investment, no new jobs. Congress must reward investment and stop punishing success.

For 3 years now, I have asked the Congress to lower the capital gains tax. And for 3 years, that essential growth measure has been pilloried and parodied as a windfall for the rich. Now, you and I know that claim for what it is. It's nonsense. Sixty percent, sixty percent of the people who benefit from lower capital gains have incomes under $50,000. A windfall for the rich? By freeing up investment, a cut in the capital gains tax creates new jobs for those looking for work and better jobs for those who want to move up. A lower capital gains tax helps anyone who owns a small business or a farm, anyone who owns a home, anyone who has a single investment. We're talking about helping every working man and woman and every retired person in this country.

We don't have time now for any more of this demagoguery on this question. Let me remind you, in Japan the effective capital gains tax rate comes to about one percent. Germany doesn't tax long-term capital gains at all. To create jobs, to restore a vibrant economy for all Americans, Congress must lower the capital gains tax, and it must lower the capital gains tax now, 15.4 percent.

With a few simple steps, taken right now, Congress can help get the housing industry, builders,

investors, buyers, and sellers, back on its feet. To those young families who want to buy their first home but can't quite afford it, I say this: We can help put your dream within reach, and we will. I have offered a plan to allow first-time homebuyers to withdraw savings from IRA's without penalty and to provide a $5,000 tax credit for the first purchase of a home.

I might say parenthetically that Senator Specter, your Senator, has been in the forefront of fighting for the change on how IRA's are treated. He understands what this can mean in terms of stimulating the economy and helping the homeowner.

I have asked Congress to mark the calendar. They must put this recovery plan in place by March 20. Yesterday, right after -- the State of the Union was the night before, and yesterday morning I went up to the Congress. And I met with the leaders of both the House and the Senate up on Capitol Hill, and I urged them to meet this timetable. I set the deadline because of a simple fact: The American people want action. They deserve action. Our States are working overtime; so are thousands of communities across the country. They're tightening their belts, aggressively facing the future. And every day, individual Americans are working hard to get this economy back on its feet, and it's time for Congress to do the same thing. It can be done in that timeframe.

What troubles me is if we let it drag on, it's going to get really caught up in the rough-and-tumble of 1992 national politics. People are crying out for help now, and the Congress can move. We've seen them do it on a wide array of legislative initiatives, and they can do it on these stimulative tax changes. So, I ask every Member of Congress -- and please tell them the same thing -- to set aside now partisanship for just 51 days and give this plan a chance. Get the plan; put it to work.

Immediate growth, as I mentioned at the outset, is just one part of the picture, one part of our program. We've got to look even further ahead to ensure that when the American economy regains its strength, and inevitably it will, it stays strong.

We start by opening markets to American goods. In our trade negotiations, we will continue to push for open trade, pulling down the barriers that stand in the way of international competition.

To guarantee that American goods and services are the world's finest, we must guarantee America's preeminence in another field, in the field of education. Our America 2000 strategy will revolutionize education in this country, will create new American schools, places where our kids will learn the lessons they need for a new century. And it will allow parents to choose their children's schools. Choice means competition, and you understand as well as anyone what comes from competition. Competition inspires innovation and creativity. It inspires excellence. And that's why we are going to push for our program; we're going to push for school choice.

As I look at education and the fact that we are not where we should be in world standing, it isn't a question of a change here and there. It isn't a question of adding to programs that have failed,

programs mandated in Washington. It is a question, literally, of revolutionizing. And that's what we tried to do when we set the education goals, working with Republican and Democrat Governors. That's what we're trying to do with Lamar Alexander in the lead for us, our Secretary of Education, as we take this America 2000 program all across the country. We need your help. It is the best possible investment for the future of this country.

Now, we need a healthy America, and that means reforming health care. I think everyone would agree we cannot afford our present system. But we've reached a fork in the road. We can either go the way of greater Government mandates, leading inevitably to a state system of nationalized care, with the long lines and indifferent service that such a system creates. Or we can reform our private system, preserving the greatest possible patient choice, maintaining the quality of care which, for all its faults, is still the best in the entire world. That's the approach I outlined in a rather broad detail Tuesday night, and that's the approach that I will take when we announce the full detail of our plan next week.

We've proposed another reform, one that is crucial to creating jobs. America has become the most litigious society on Earth. Frivolous lawsuits are exhausting our ability to compete. If we were as good at rewarding success as we are at suing each other, we would be a century ahead of the rest of the world. Lawsuit madness gums everything up. Needed new products never reach the marketplace because of concerns over liability. In many areas, businesses are forced either to drive prices into the stratosphere or literally close shop.

My Competitiveness Council that's chaired by the Vice President, Vice President Quayle, has offered 50 concrete recommendations to restore sanity to our civil justice system. I've enacted some of these recommendations by Executive order. Others, however, require Congress to act. And with all respect, there are 62 lawyers in the United States Senate, a lot of lawyers up there on Capitol Hill. I realize that might present a problem, but it also presents an opportunity. And I'd like to see them move forward now with these changes to cap some of these outrageous areas of unlimited liability. It's driving our small businesses right flat into the ground and costing American workers jobs.

And finally, I can use Congress' help in another all-important area. We must get the Federal deficit under control. Now, let's face the facts: The Government in Washington is too big, and it spends too much. I have proposed a freeze on all domestic discretionary budget authority as well as a freeze on Federal domestic Government employment. And I have asked Congress to get rid of 246 federally funded programs. Now, some of them have very noble titles. But in these times, none of them is indispensable, and I'm going to call on Congress to get rid of them. I think we're talking about something like $4 billion in this regard.

For too long, Congress has been violating an important principle of good government: Do no harm. It's been imposing its own habits on State and local governments, and the taxpayer ends up, as you may all know, by footing the bill. These unfinanced Federal Government mandates,

as they're called, require the cities, require the States to provide new services or institute new programs, but the Congress doesn't provide the money to pay for them. That means the local governments must pass along Congress' wish list to the taxpayer in the form of higher taxes at the local level.

Now, the National Governors' Association, made up, obviously, of Republicans and Democrats, continually urge the Congress to stop these mandates which are killing innovation, killing savings at the State and local level. From now on, if Congress passes a mandate, it shouldn't pass the buck. Congress must pay for the mandates it imposes without heaping on new taxes.

I've spared you some of the detail. But taken together, these and other steps that I've outlined will, in my view, reinvigorate our economy, give it the boost that it needs now, and ensure that it continues to provide opportunity and create jobs for all who want to partake. That is the promise America makes to her citizens. They have a right to expect no less.

Almost two centuries ago, Philadelphia's merchants gathered together at the city tavern to form this Chamber of Commerce. They looked out on a Nation almost limitless in possibility. A special kind of faith brought them here, that if they worked hard and worked together, their young country would allow them to fulfill their dreams.

America has changed dramatically in those 200 years. And yet, the essentials remain. The pessimists are wrong; the pessimists are wrong. We are going to pull out of these tough times. Inflation is down; inventories are down. The market has been expressing optimism in the future. Interest rates are down. This is no time for gloom and doom. It is time for action in Washington to restore confidence and get this economy moving again.

And here's where you come in. We need your help. You can affect the way Congress approaches this program that I have outlined in some detail. We need your help. And with your help, we'll get that action, and we will reaffirm our country's rightful place as the world's leader for this decade and for the next century.

Thank you all very, very much for this opportunity. Thank you.

Note: The President spoke at 12:11 p.m. at the Wyndham Franklin Plaza Hotel in Philadelphia, PA. In his remarks, he referred to Joan Specter, Philadelphia city councilwoman, and Charles P. Pizzi, president of the Greater Philadelphia Chamber of Commerce.

Remarks During Discussions With Prime Minister Kiichi Miyazawa of Japan in New York City

January 30, 1992

The President. This gives me a chance, with our friends from the press here, to tell you how much I appreciated your hospitality.

The Prime Minister. Let me tell, Mr. President, to all the audience that we will deliver all we promised to you.

The President. I never doubted -- --

The Prime Minister. I make it very, very clear to the audience.

The President. I never doubted it.

The Prime Minister. There will be no misunderstanding about it.

The President. Let me make clear that that was never a doubt in my mind. And secondly, I'm very grateful for the many manifestations of friendship and hospitality. And you, yourself, just went out of your way on a very personal basis to be considerate to me.

The Prime Minister. Oh, yes.

The President. So, it's most appropriate that we see you when you first get off this airplane. But I don't want to take too much time.

The Prime Minister. This is very kind of you, very kind.

The President. They'll be leaving us very soon now -- [laughter] -- and we can talk.

[At this point, another group of journalists entered the room.]

The President. I might say, with the Japanese journalists here, that I had a chance to tell the Prime Minister when he arrived here how grateful the United States is for the progress that we made on this visit and how grateful I am personally to this Prime Minister and to everybody in Japan for their hospitality. The concern when I had that very, very brief illness, but the concern from the people there and the members of your Government, Members of the Diet, I will never forget it. It was very, very thoughtful. And I want to take this opportunity to thank the people of Japan because, on the business side and the personal side, we could not have been treated with

more dignity and more care and more friendship.

The Prime Minister. I am very much honored to hear it from you, Mr. President. And the Japanese people were really delighted to have you and Mrs. Bush in Tokyo. And unfortunately, just a slight illness, but that perhaps brought you and Mrs. Bush closer to the Japanese mind, naturally.

This reminded me, when President Ford came to Japan and he was inspecting the parade, his pants were all too short. [Laughter] And it was on the TV, and that really made him very familiar to Japanese TV watchers.

The President. I remember that. And please tell His Majesty how much we appreciate the hospitality for me.

The Prime Minister. I will, sir.

The President. But here you are, and thank you for what you said here. This got all out of proportion, and I think we're in good shape. And I mean it.

Note: The President spoke at 6:50 p.m. at the Waldorf Astoria Hotel.

Remarks to the United Nations Security Council in New York City

January 31, 1992

Thank you, Mr. President, for your key role in convening this first-ever summit of the United Nations Security Council.

Fellow members and Mr. Secretary-General, congratulations to you, sir, as you take office at this time of tremendous challenge and opportunity. And for the United States, it's a high honor to participate, to speak at this history-making event.

We meet at a moment of new beginnings for this institution and, really, for every member nation. And for most of its history, the United Nations was caught in a cold-war crossfire. And I think back to my days here in the early seventies as a Permanent Representative, of the way then polemics displaced peacekeeping. And long before I came on the scene and long after I left, the U.N. was all too often paralyzed by cruel ideological divisions and the struggle to contain Soviet expansion. And today, all that's changed. And the collapse of imperial communism and the end of the cold war breathe new life into the United Nations.

It was just one year ago that the world saw this new, invigorated United Nations in action as this Council stood fast against aggression and stood for the sacred principles enshrined in the U.N. Charter. And now it's time to step forward again, make the internal reforms, accelerate the revitalization, accept the responsibilities necessary for a vigorous and effective United Nations. I want to assure the members of this Council and the Secretary-General, the United Nations can count on our full support in this task.

Today, for these brief remarks, I'll talk not on the economic and social agenda so eloquently addressed by President Borja, but rather I'll mention the proliferation of mass destruction, regional conflicts, destabilizing renegade regimes that are on the horizon, terrorism, human rights. They all require our immediate attention.

The world also challenges us to strengthen and sustain positive change. And we must advance the momentous movement toward democracy and freedom -- democratization, I believe Boutros-Ghali called this, our distinguished Secretary-General -- and expand the circle of nations committed to human rights and the rule of law. It's an exciting opportunity for our United Nations, and we must not allow it to slip away.

Right now, across the globe, the U.N. is working night and day in the cause of peace. And never before in its four decades has the U.N.'s Blue Helmets and Blue Berets been so engaged in the noble work of peacekeeping, even to the extent of building the foundation for free elections. And

never before has the United Nations been so ready and so compelled to step up to the task of peacemaking, both to resolve hot wars and to conduct that forward-looking mission known as preventive diplomacy.

We must be practical as well as principled as we seek to free people from the specter of conflict. We recognize every nation's obligation to invest in peace. As conflicts are resolved and violence subsides, then the institutions of free societies can take hold. And as they do, they become our strongest safeguards against aggression and tyranny.

Democracy, human rights, the rule of law, these are the building blocks of peace and freedom. And in the lives of millions of men and women around the world its import is simple. It can mean the difference between war and peace, healing and hatred, and where there is fear and despair, it really can mean hope.

We look to the Secretary-General to present to this Council his recommendations to ensure effective and efficient peacekeeping, peacemaking, and preventive diplomacy. And we look forward to exploring these ideas together.

We have witnessed change of enormous breadth and scope, all in but a few short years. A remarkable revolution has swept away the old regimes from Managua to Moscow. But everywhere, free government and the institutions that give it form will take time to flourish and mature.

Free elections give democracy a foothold, but true democracy means more than simply the rule of the majority. It means an irrevocable commitment to democratic principles. It means equal rights for minorities. And above all, it means the sanctity of even a single individual against the unjust power of the state.

The will of the majority must never degenerate into the whim of majority. This fundamental principle transcends all borders. Human dignity, the inalienable rights of man, these are not the possessions of the state. They're universal. In Asia, in Africa, in Europe, in the Americas, the United Nations must stand with those who seek greater freedom and democracy. And that is my deep belief; that is the belief of the American people. And it's the belief that breathes life into the great principle of the universal declaration of human rights.

Our changed world is a more hopeful world, indeed, but it is not absent those who would turn back the clock to the darker days of threats and bullying. And our world is still a dangerous world, rife with far too many terrible weapons.

In my first address here to the United Nations as President, I challenged the Soviet Union to eliminate chemical weapons and called on every nation to join us in this crusade, His Majesty King Hassan of Morocco making this point so well right here today. What greater cause for this

great body: to make certain the world has seen the last of these terrible weapons. And so, let us vow to make this year the year all nations at long last join to ban this scourge.

There is much more to do regarding weapons of mass destruction. Just 3 days ago, in my State of the Union Message here, I announced the steps, far-reaching, unilateral steps, that we will take to reduce our nuclear arsenal. And these steps affect each element in our strategic triad, the land, the sea, and the air.

In addition to these unilateral steps, we are prepared to move forward on mutual arms reduction. I noted his constructive comments here today, and tomorrow, in my meeting with President Yeltsin, we will continue the search for common ground on this vitally important issue. He responded with some very serious proposals just the other day.

We welcome, the world welcomes statements by several of the new States that won independence after the collapse of the U.S.S.R. that they will abide by the Nuclear Non-Proliferation Treaty. And yet, realism requires us to remain vigilant in this time of transition.

The danger of proliferation remains. And again, let me single out the earlier remarks by the President of the French Republic, President Mitterrand, on this subject, the clarion call to do something about it. We must act together so that from this time forward, people involved in sophisticated weapons programs redirect their energies to peaceful endeavors.

We'll do more in cooperation with our allies to ensure that dangerous materials and technology don't fall into the hands of terrorists or others. And we will continue to work with these new States to ensure a strong commitment in word and deed to all global nonproliferation standards.

Today, the threat of global nuclear war is more distant than at any time in the nuclear era. Drawing down the old cold war arsenals will further ease that dread. But the specter of mass destruction remains all too real, especially as some nations continue to push to acquire weapons of mass destruction and the means to deliver them.

Our triumph in the Gulf is testament to the U.N.'s mission. Its security is a shared responsibility. Today, this institution spearheads a quarantine against the outlaw regime of Saddam Hussein. It is the strong belief of my country that we must keep sanctions in place and take the following steps to preserve our common security: We must continue to focus on Iraq's capability to build or maintain weapons of mass destruction. And we must make clear to the world and, most important, to the people of Iraq that no normalization is possible so long as Saddam Hussein remains there, remains in power.

As on all of the urgent issues I've mentioned today, progress comes from acting in concert, and we must deal resolutely with these renegade regimes, if necessary, by sanctions or stronger measures, to compel them to observe international standards of behavior. We will not be blind to

the dangers we still face. Terrorists and their state sponsors must know there will be serious consequences if they violate international law.

Two weeks ago, this Council, in unity, sent a very strong message to Libya. And let me repeat today Resolution 731, passed unanimously by this body, by the Security Council, calls on Libya to comply fully with the requests of three states on this Council. And I would just like to use this meeting today to call on Libya to heed the call of the Security Council of the United Nations.

Last year in the Gulf, in concert, we responded to an attack on the sovereignty of one nation as an assault on the security of all. So, let us make it our mission to give this principle the greatest practical meaning in the conduct of nations.

Today, we stand at another crossroads. Perhaps the first time since that hopeful moment in San Francisco, we can look at our Charter as a living, breathing document. And yes, after so many years, it still may be in its infancy, requiring a careful and vigilant nurturing of its parents, but I believe in my heart that it is alive and well.

Our mission is to make it strong and sturdy through increased dedication and cooperation, and I know that we are up to the challenge. The nations represented here, like the larger community of the U.N. represented by so many Perm Reps here today, have it in their power to act for peace and freedom.

So, may God bless the United Nations as it pursues its noble goal. Thank you, Mr. President.

Note: The President spoke at 12:18 p.m. in the Security Council Chamber at the United Nations. In his remarks, he referred to Prime Minister John Major of the United Kingdom, Acting President of the United Nations Security Council, and President Rodrigo Borja of Ecuador.

The President's News Conference With President Boris Yeltsin of Russia

February 1, 1992

President Bush. Today, for the first time, an American President and the democratically elected President of an independent Russia have met, and we did so not as adversaries but as friends. This historic meeting is yet another confirmation of the end of the cold war and the dawn of a new era. Russia and the United States are charting a new relationship. And it's based on trust; it's based on a commitment to economic and political freedom; it's based on a strong hope for true partnership. So, we agreed here that we're going to pull closer together economically and politically.

I invited President Yeltsin to come to the States for a state visit; he accepted. He, in turn, asked me to come to the Soviet Union, and I accepted. That will be later in the year. And he will be coming in the first half of the year, the date to be determined later on.

We agreed to cooperate in the safe handling of nuclear weapons, arms reductions, and a wide array of other subjects. So, from my standpoint and the standpoint of the United States, our first team here, we felt it was a very good visit. The only problem was, it was very short. But we'll have a chance to follow up at the state visit.

And Mr. President, the floor is yours. And welcome once again, even though you're heading off now down to the Hill to meet some of the Members of Congress.

President Yeltsin. Mr. President Bush, ladies and gentlemen, I am very grateful to my friend George for the words which he has just spoken, in terms of our meeting and aimed at Russia and towards me. I feel that the meeting was exceptionally positive, necessary, and historic.

We discussed a whole range of issues, as a matter of fact, those kinds of issues that have never been exposed and opened many, many years and many, many decades: issues of economic reform in Russia, as well as cooperation and assistance so that this reform not die on the vine, and issues having to do with the Commonwealth of Independent Nations, economic issues having to do with the military condition now, the condition of the military.

And on the initiative of President Bush and Russia also, we talked about reduction of strategic and tactical arsenals down to the minimal of, say, two and a half thousand warheads for either side. And in this issue we will now begin very specific and concrete negotiations, the issue of arms sales, of nonproliferation of nuclear weapons, issues of the so-called brain drain, and a whole series of others. Now maybe some very specific and personal issues, but I think having to do with a relationship which really has a great importance. I'm very satisfied that today one

might say that there has been written and drawn a new line, and crossed out all of the things that have been associated with the cold war.

Today we are going to sign a statement or declaration on a new nature or character of the relationship between the United States of America and Russia. From now on we do not consider ourselves to be potential enemies as it had been previously in our military doctrine. This is the historic value of this meeting.

And another very important factor in our relationship, right away today it's already been pointed out, that in the future there will be full frankness, full openness, full honesty in our relationship both of us value very, very much.

Thank you so much.

President Bush. Now I'll be glad to take a few questions before the President has to leave.

Nuclear Weapons

Q. Mr. Bush, Mr. Yeltsin seems to have gone a long way towards meeting you halfway on land-based MIRV's. Are you prepared to deal your half of the deck on sea-based missiles?

President Bush. He has gone a long way. We agreed that all these subjects would be discussed in more detail when Secretary Baker goes back to Moscow. I think he'll be there within the next 2 weeks. We didn't go into any agreements on categories or numbers, but we decided that we would let the experts talk about this in much more detail. But we saluted his very broad proposals.

Q. We see in the declaration that Russia and the United States do not regard each other as potential adversaries. Does it mean you followed Mr. Yeltsin's, President Yeltsin's example so that retargeting of American nuclear weapons are not targeted on Russian targets anymore?

President Bush. We agreed that all these matters will be discussed in Moscow. But certainly I agree with his objectives, and that is to turn former enemies not only into friends but allies. And it's that that we're starting down that road, and I'm quite optimistic about it. We both realize that there is some negotiation that has to take place in terms of the specifics.

Q. President Yeltsin, if both sides are now friends, then why not call for a total elimination of nuclear weapons?

President Yeltsin. The thing is that there are still adventurers, terrorists, and irresponsible politicians in some countries of the world against whom we have to have a certain arsenal of nuclear weapons for restraining them.

Q. Have you discussed with the President some sort of overall initiative which would defend?

President Yeltsin. Yes, we did discuss this issue of a global shield, if you would. We consider that it's a very interesting topic, and George Bush confirmed that, yes, this is an exceptionally necessary topic. It would be interesting to utilize these systems on a mutual basis maybe even with the participation of some other nuclear-club countries, nuclear countries. But this requires a very careful, very detailed study at the level of specialists.

Q. President Bush, your thoughts on President Yeltsin's proposal for a global shield. Is this something that -- we're working together on this -- is that something that you would philosophically be inclined towards?

President Bush. It's something that we talked about at lunch with Secretary Cheney. As I said, we reached no decision on these matters. The Soviet Union has a lot of expertise in space, for example. Perhaps one area of real cooperation can be in future space adventure; another could be in this area of defense. But we reached no conclusion except to say that we felt it was worth discussing it in much more detail.

Russian Reforms

Q. Mr. President, I'm going to ask you a question. This morning you said that the United States are willing to participate in the process that is going on in Russia. What parts of economic assistance were discussed today, I mean assistance for economic reform, rather?

President Bush. Well, largely, today President Yeltsin had a chance to expand on the reforms he has undertaken. His finance expert, Mr. Gaydar, is meeting right now with our Secretary of the Treasury, and we agreed that they would talk about the details of the reform. So, I would leave any substance to hear from those two.

But there are many areas where we already are beginning to work with the Soviet Union, not only in these private delegations. We feel it would be very important that they be full members in these international financial organizations. I pledged the United States' full efforts in support for early entry into the IMF and into the World Bank. We expanded a little bit on the programs we already have working. In terms of additional support for the Soviet Union, financial and food, Jim Baker had an opportunity to discuss to some degree the follow-on from the conference that we had, the cooperation conference that was held in Washington last week.

We didn't get into too many specifics on that, but I was very interested in hearing from him about the reforms in place. And I did, in a general sense, say that the United States would like to assist in any way possible.

Q. President Yeltsin, in your opinion, do you consider that you are getting sufficient assistance from the United States, economic assistance? You heard a lot about it today.

President Yeltsin. Well, I would somewhat differently approach this question. After all, what's important here is not just aid. We were looking at the question of support for the reform, cooperation in a lot of different areas, a lot of directions, accomplishing a whole series of programs in order to be supportive of reform.

I didn't come here just to stretch out my hand and ask for help, no. We're calling for cooperation, cooperation for the whole world. Because if the reform in Russia goes under, that means there will be a cold war. The cold war is going to turn into a hot war. This is again going to be an arms race. Again, this will be the same regime that we have just recently rid ourselves. We cannot allow this to happen because in this reform the whole world community has to participate, not just the United States, and not just some sort of financial help but political support, cooperation, and the accomplishment of overall programs by everybody in order to help.

Also, humanitarian aid, we have agreed on this. From February 10th there will be a massive assistance on the part of the United States and others, and I'm very appreciative to George Bush for this.

Nuclear Technology

Q. You said that during the negotiations you were talking about nonproliferation of nuclear technology outside of the former Soviet Union. Is there a possibility of leaking of this technology?

President Yeltsin. Yes. First is the moving of tactical weapons out of Kazakhstan, Ukraine, and Byelorussia onto the territory of Russia. All of the tactical weapons have been taken out of Kazakhstan, from Byelorussia. We are now finishing up that process. And in the Ukraine we will be done on July 1.

Now, as far as strategic weapons, this is a more difficult question. But there will be a transport, first of all, to Russia of those MIRV's warheads onto the territory of Russia so that they can be eliminated or so they can be turned to fuel for power plants, atomic power plants, and peaceful purposes. That's the one direction.

Secondly, how to take that 2,000 nuclear specialists who were working many decades, what to do with them and how to give them jobs. I looked at this issue in Moscow and took the decision to help them in a social sense, in a big way, to give them material support and radically change up to 5,000 rubles per month to give them a pay raise so that they would not flee to the West. Secondly, today we agreed on a whole series of joint programs where the scientists will be brought in and so that they can participate and work. And there was a proposal by President

Bush to create a center, a research center where they could work together fruitfully, and that will attract them.

Negotiation Timetable

Q. I just wondered, did you all agree on any sort of timetable for your arms negotiations, for example, to be coinciding with President Yeltsin's visit in the springtime and your visit, I guess, to Moscow later in the year?

President Bush. We agreed that the very next step will be a much more detailed discussion of this matter when Secretary Baker goes, in but 2 weeks, back to Russia.

Do you want to add to that, Mr. President, Boris?

Q. Do you have a goal for finishing these negotiations?

President Yeltsin. Yes, namely, in 2 weeks this schedule will be prepared by Mr. Baker together with our representatives. They'll put it together.

Q. The whole thing will be done in 2 weeks?

President Bush. No, no, just the beginning of the negotiations -- --

President Yeltsin. No, no, no. The schedule will be put together, the schedule.

Russian Reforms

Q. Mr. President, are you convinced that President Yeltsin is committed to democratic and economic reform? And do you believe he will succeed?

President Bush. I am convinced that he is totally committed to democratic reform. And I'm convinced that the problems he faces are enormous, but I am also convinced that he will succeed if he gets the proper support from around the world for these worthy objectives. And we are pledging him support from the United States, but I think he himself recognizes the problems they face are enormous.

He put into effect economic reforms. Before he did it, he told me. But much more important, he told the people of Russia he was going to do it. He told them it would not be easy. He told them what he was going to have to do in terms of raising prices, which is not a popular thing to do. And he's done that.

And I think it's very hard to predict how this will go. I would leave that for him to comment on. But I will say this, that the experts that give me advice feel that because of the way in which he handled it and the commitment that is so obvious to democratic reform, that it is going, in spite of hardship, better than they would have predicted.

So, there is no question that this President, President Yeltsin, is committed to democratic reform. He laid his life on the line on top of a tank to make that message loud and clear, and the whole world rejoiced in it when they saw his courage. He's applying that same courage, and I'm not saying that just because he's standing here, he's applying that same courage now to this concept of economic reform. One certainly cannot doubt his full commitment to this subject.

Commonwealth of Independent States

Q. Would either of you care to tell us about the personal relationship you've developed?

Q. Is the federation, Commonwealth working the way you wanted it to work? And how long is it going to exist?

President Yeltsin. [Inaudible]

Q. No, the Commonwealth. How is it working, and how long do you think it's going to exist?

President Yeltsin. Today I explained to Mr. Bush about our relationship with the other States within our Commonwealth. Yes, we have difficulties, especially in terms of the armed forces issues. We're going to be discussing that on 14 February in Minsk, where all the heads of the independent States will gather.

There are difficulties. Nonetheless, after all, for every time we meet, and we meet once every month, there is each time a step forward. You can't forget that the Commonwealth is only 2 months old. This is still a baby in diapers. You've got to take care of it; you've got to handle it carefully so you don't drop it. That's why we're trying together, all of us, to sit and have a dialog. We have good relations with all the heads of states of all these countries; we do. I believe that this Commonwealth will be stronger and stronger.

President Bush. Marlin tells me we've got time but for one more question because President Yeltsin has an appointment with the leaders from Congress at the Russian Embassy, and so we really do have to go.

Relationship With President Yeltsin

Q. I'm just wondering if you gentlemen would care to share the personal relationship that you've developed. You've worked closely, certainly, with Mr. Gorbachev.

President Bush. Well, it's well-known that I had a very close relationship with Mr. Gorbachev. It was built on respect. It became friendship. And I can only speak for myself, one half of the equation, but the visits that I have had with President Yeltsin before this have always been very pleasant. I think that we have a good understanding. I have a very warm feeling in my heart about what he has done and is trying to do. And I consider him my friend.

President Yeltsin. I consider that I was very lucky in life, both as a political person and just as a man, to have met George Bush. We have contacted each other, have been in contact, oh, now about 2 years at least. And even in the days when I was in the opposition, we used to meet. And then, even then, I already felt his wide-ranging talent, his mind, and his qualities as a person. I'm just tremendously impressed by his wisdom. I think he has incredible qualities not only as a political person but also as a person, as a really great political figure of the United States.

Today our relations have now been formed up as friends, and we talk quite frequently to each other. We call each other on the telephone. We say ``Boris''; we say ``George.'' And already this says a lot.

President Bush. That's the last question. I'm awful sorry; Marlin is really looking nervous. [Laughter] Thank you very much.

Note: The President's 120th news conference began at 1:37 p.m. at Camp David, MD. President Yeltsin spoke in Russian, and his remarks were translated by an interpreter.

Remarks and a Question-and-Answer Session With the National Governors' Association

February 3, 1992

The President. I hate to interrupt your former colleague and now mine, Bob Martinez. I heard a little of that, and I think there is some room for optimism. But I also think, as John said, well, we've got a long way to go.

I want to just make some opening comments about the overall policies I spoke about the other night. And then I understand we'll have a Q&A session which I hope will be statements and positions from you as well as inquiry of me. I've learned from these sessions. But let me just make some remarks on where we are in our overall economy.

I salute the members of the Cabinet that are here, but especially our visiting Governors. It seems that everyone in this country agrees on two things: First, that we need to get the economy moving, and second, that our people are up to the challenge of remaining number one in the world. I do not believe for a minute this is a country in decline. If you doubt it, go talk to any single world leader.

Last Tuesday, I really made a challenge to the Congress to pass what I feel is a commonsense growth package and do it by March 20th, and pass a long-term series of growth initiatives without delay. So, we had it divided short term and long term. The package relies on some commonsense objectives. It encourages investment. It protects the value of basic investments, like a home. And it does not raise Federal taxes. It does not increase the Federal deficit. And it doesn't employ short-term gimmicks that create long-term trouble.

Now, we all know the political process, particularly people sitting around this table. And you know that in an election year of this magnitude, bipartisan good will is in basic short supply. But we really cannot afford politics as usual. I think we have a realistic window here of opportunity, a chance to make real progress and to do it now. And maybe I'm a little optimistic on this one, but I do sense that Members on both sides of the aisle on Capitol Hill want action now. I've watched it and listened to the debate in the last few days, and that's my feeling.

Inflation and long-term interest rates are at their lowest level in two decades. That's good in terms of the recovery that inevitably is going to ensue. And I think more and more we're beginning to hear people say this sluggish economy is turning around. And certainly the American people are ready for action.

John Kennedy once wrote, ``Any system of government will work when everything is going well. It's the system that functions in the pinches that survives." Well, it's pinch time. And I have

proposed a way in which all of us can rise to the occasion.

In the State of the Union Address, I outlined a short-term growth package that does take care of the essentials. And it encourages investment which allows us to expand businesses and create new ones. And I'm talking here mainly about creation of new small business. It strengthens the real estate industry which historically has led us out of recessions in troubled times. And it encourages risk-taking and investment by cutting the tax on long-term capital gains and by some other stimulative procedures. It also reforms Government. We're going after a bunch of pork barrel projects. It holds the line on spending while moving money out of unnecessary programs and into vital ones.

And here's what I think it means for you: A 13-percent increase in money available for highway funding; a 158-percent increase from last year in land and water conservation fund grants; record amounts for education, a 15-percent increase from last year; and a 27-percent increase in Head Start. These proposals will make every 4-year-old eligible for Head Start, every one.

I believe the budget puts the money where it does the most good. Now, some complain, clearly, that it doesn't do much. I am proud of what it does. It lays out a blueprint for growth. And some of the things it doesn't do deserve some credit. It does not violate the budget agreement which is the only constraint in existence on discretionary Federal spending. And it doesn't raise taxes. And I think the program will work. And so while you're here, my pitch would be to visit the congressional delegations and urge them to move by March 20th. I really believe that deadline should be met.

Just a word about the long-term proposals. If you think of this moment in history, after the cold war, right in the middle of the information revolution where we are, something becomes crystal clear: We've got to retool America to meet the challenges of a new age, and that's an age of international competition. Cold war policies just simply are not going to get the job done.

Now, businesses have begun retooling for competition in the world economy. State governments have adopted innovations that let them provide better services for less money. And I believe that it's time the Federal Government becomes part of that solution, too. So, let's start with one long-term goal that will make a huge difference in your lives. For years and years we in Washington have talked about cutting the deficit. And I really believe we must get that deficit under control. The Federal Government is too big, and it spends too much. And what that leads you to then is real budget discipline, and the long-term plan and the short-term plan provide that discipline. And I simply cannot let the Congress bust the spending caps that now exist.

I want the Congress to do what I believe you want, transcending party lines, and that is to stop showering the States with these mandates, unfunded mandates. For businesses or for States, mandated programs and benefits too often mean mandated deficits. And I've told Congress: If you pass mandates onto the States, pay for them. And don't do it by raising taxes on all the

Americans, on the American people.

I want Congress to give me something that you have. I'm not naive about this, but I'd like to have that line-item veto. And I understand the Legislature's urge to please a constituent by putting something in the budget. I was there. I was a Member of a Congress. And I also know that that practice of bending to the constituents' will on every project enrages taxpayers across the country, as well it should. So, I will keep repeating that a line-item veto lets a President or a Governor say something that's very hard to say, and that is, no.

I want the Congress to let the States apply their own resources to important social programs, apply their imaginations. And too often we have this one-size-fits-all blueprint that just doesn't fit outside of here, outside of this beltway. Jefferson called the States laboratories. We referred to that at the summit, educational summit. Well, it's time we let the States do this R&D, get going on innovation. And I want to give State and local governments greater flexibility in administering services. And that's why we propose a revised $14.6 billion block grant. And that grant will provide the States with needed flexibility to administer education and health and social services and the drug program, some of which I guess Bob Martinez was talking about.

I want to focus the Federal policy on crucial issues like welfare reform. And the key to that lies in one real simple word, and that is ``responsibility." Now, many States are in the innovation business, beginning to reform welfare with that responsibility. And they believe that when healthy adults receive Government assistance, they have responsibilities to the American taxpayers who fund them: seeking work, education, job training. I see Tommy Thompson; I had a long talk with him not just about the experience in Wisconsin but about what other States are doing in these areas. And we support that innovation. Clearly, we have responsibility to those in the social safety net. And we have a responsibility to ensure that welfare is a temporary net, not a guaranteed lifestyle. So, we're going to do what we can to help reform the systems. That leads us to waivers. If you need a waiver of Federal regulations to reform, we'll get you a waiver as quickly as we can.

And I want the Federal Government at another point to redouble our efforts for the most fundamental building block of a home, a school, a neighborhood, a city, our Nation, and I'm talking about the family. Several weeks ago -- I mentioned this in making the State of the Union -- a group came in from the National League of Cities, Democrats, Republicans, large cities, small cities, urging me to appoint this Commission on the Urban Family. The decline and disintegration of the family was at the very heart of the problems that they spelled out. And it was without exception; they agreed on this unanimously. And of course, I'm very grateful to Governor Ashcroft and the former mayor of Dallas, Annette Strauss, who agreed to lead this Commission.

I believe our plan looks at the fundamentals. It gives much-needed support to those raising families by increasing that personal exemption on the Federal income tax by $500 per child. I

wish it could be more, but that's all that can fit into this budget that will not bust the ceilings. That's all we can afford right now. We give families a greater stake in health care and education. And it proposes IRA reforms and tax changes that help people pay for these basics.

A final issue, and one where you all have literally starred in an exemplary bipartisan manner, and that's education. The Governors have helped unleash a long-overdue and much-needed revolution in education. And I want to commend the works of Governor Romer and Governor Campbell on that report of the National Council on the Standards and Testing. The Senate has indicated unanimous support for the recommendations, and our new budget injects new funds for research, statistics, and assessment funding that would be used to help implement these recommendations. So now, we must take the work that we began together and take it further. And we must revolutionize these American schools. I don't know if Lamar has had a chance to bring you up to date, but clearly, I hope you will ask him where it stands if he hasn't.

I'd like to urge you to help me send this message to Congress to literally join in this revolutionary crusade for American education and to pass the strategy, pass the American 2000 strategy. We have got to give every child full and fair opportunity to learn. We believe educational choice is the way, the clear way to help do that. Choice serves as a cornerstone in our America 2000 program. Thirty States have already embraced America 2000. And we can ensure just around this table that every State joins the march, that every community becomes an America 2000 community, that every kid is prepared for the competitive world of the 21st century.

So, our education revolution, and I use the term ``our'' advisedly. Governor Nelson chided me last night because I said ``my'' educational program. I was taking that up to Congress because, very candidly, they have a different approach there. But I accept that because it is ``our'' educational program. And that revolution is ours. It started in Charlottesville more than 2 years ago. It shows what can be done when we lay down our partisan swords in service to a higher cause. And I hope that you all will serve as an example, an inspiration for all of us in Washington during the next 6 weeks.

In sum, I don't want a partisan fight over our education program or, indeed, over this growth package. And I really want us to do what's right. And my eyes are open in terms of the partisan political year. But again, we have this timeframe now in which we can lay aside our partisan ambitions and get something done for this country, both in the educational field and in terms of growth.

So I guess the bottom line is, I need your help. I'd like to ask for your help to talk to the Congress about these initiatives. And certainly I would solicit, earnestly solicit your help to see us move this country forward to try to revolutionize education for the generations coming.

Thank you all very much. In just a second we will be alone and able to hear a few suggestions or

answer a few questions. Who's next?

Governor Ashcroft. Mr. President, let me just begin by thanking you for your firm and steadfast leadership in the world during this time of rapid change. We're grateful for your budget initiatives to stimulate economic growth. And your partnership with Governors is a significant one in Federal-State relations. Especially in a city that is covetous of power, we appreciate the fact that you think of us as partners. Especially we've appreciated the opportunity of working with you on national education goals, child care legislation, on increased funding for Head Start -- --

Governor Romer. Could I ask the press not to leave yet? Go ahead. I'm sorry.

Governor Ashcroft. -- -- for clean air legislation, the U.S.-Canada trade treaty, and national transportation legislation, all of those things. We're here today to say to you that we appreciate your cooperation and pledge our cooperation with you as we share this opportunity to bring America into the 21st century.

Governor Romer. Excuse me, we need a new format here. I come as a part of a nonpartisan organization, NGA. I'm the incoming chairman, and I think there are a lot of things that we need to discuss with the administration. And unfortunately, this format is not a good one; it's kind of structured. They're assigned questions.

The President. Ask me anything you want.

Budget Proposals

Governor Romer. But I think that there are things that we do have a bipartisan program on, and there are some things that we honestly differ, Mr. President. And I, before the press left, wanted to say that on the main issue that is on your mind, and that is the economic recovery program and the budget, I think that there are some very strong feelings about that issue from Governors. And I think that we, hopefully, can arrive at a bipartisan answer to it. However, there are a couple of points that you made that I think have partisan implications, and I just frankly want to answer them before the press leaves the room.

It is in reference to your budget proposal. I also want to get gimmicks out of that budget. I don't think they're out yet. I think there's a $12 billion gimmick, which is an asterisk which is not yet identified as to where the money is going to come from. And I think there is a $28 billion gimmick in there in terms of accrual accounting, of anticipating things in the future.

Now, I want this to be settled, if we can, by honestly working through the options. But I honestly believe that we ought not pose this meeting with the Governors of how can we as Governors help you go to Congress and convince them that your approach alone is the only approach. I

think there are other approaches, and we ought to, as Governors, recognize that and to say together that we need to take these differences and work at them positively. I just hope that whatever solution we come by, that we do not, in the short-term solutions, dig ourselves holes where we do not have long-term economic growth available to us.

I just wanted to lay out that issue because it was an honest issue among some Democratic Governors that we want to communicate to you, that we're concerned about the budget that you've laid out. We're concerned that it does not provide the revenue to do what is anticipated there, and we're concerned that some of those may end up on our backs, particularly the $12 billion undesignated source.

The President. But if it doesn't provide the revenue, are you all suggesting a tax increase now at the Federal level?

Governor Romer. I think that the approach that many Democratic Governors are taking is the following: That we ought to take the peace dividend, whatever size it is, $50 billion to $100 billion over 5 years, and have it directed toward economic stimulation of the country. Secondly, that we ought to take the issue of tax fairness and adjust it between the middle class and those in the upper brackets as Congress and you may jointly decide. I'm worried about trying to take the peace dividend and to make the economic tax adjustments that you suggested with figures in the budget that I do not yet believe balance.

The President. Well, let me get to the defense budget. The Democratic Governor has taken a position that it ought to be a $100 billion defense cut? I have said to the Nation I think it ought to be $50 billion, and the Joint Chiefs of Staff think it ought to be $50 billion. And I have a responsibility for the national security and the foreign policy. And in my view, $50 billion, based on recommendations from the Joint Chiefs and from the Secretary of Defense, is right.

Now, are we saying -- we're getting to specifics here. Do you want it to be $100 billion, and if so, what bases do you want to close? What areas do you want to shut down? What weapon systems do you want to knock off right now? Where do you want to lay off the people? We've got a program. We're testifying on it every day. Now, I'd like to know what your suggestion is specifically, while we have the press here.

Governor Romer. Let me answer it. The reason I got into this is that I recognized in your presentation -- and before the press was to leave -- was an identification of these Governors to go to Congress and argue for the budget message that you made. And I simply am trying to say there is an alternate point of view that ought to be put on the table. And that alternate point of view is, first of all, in the size of the military peace dividend -- --

The President. Right.

Governor Romer. -- -- there is a debate whether it's $50 billion or $100 billion. And I don't know the answer to that because I don't sit in the Halls of Congress. But I think that debate ought to go forward. Secondly, there is a debate as to whether or not the tax structure is fair, and that debate ought to go forward. And I think that the Governors ought to be able to participate in both parties in that debate and -- --

The President. Well, let's discuss it. What do you think we ought to do? What level do we have of defense spending? We're testifying every single day for the details of this program. But if you've met and you want to say something in front of the press, I ask you to be specific with me. I think that's the way we ought to approach it.

Governor Romer. Well, the specific that I'm really concerned about, about the budget, and I'll be detailed about it, is there's a $12 billion asterisk that I think hangs over the head of Governors because it may be State programs that are cut. There is accounting, accrual accounting of future receipts that concern me. There are implications of tax revenue loss in the IRA treatment in years ahead that may produce additional deficit. And in the course of the 2 days that I have been in town, I find that there is a considerable point of view, at least among some Democratic Governors, as to what that's going to mean in terms of how we settle on the economic recovery package.

Now, Mr. President, I'm frankly trying not to make this any more partisan. I'm just saying that I want to have an opportunity that we can come to the table, we as Governors on both parties, have this discussion in detail so that whatever this economic package is, it's going to fit with the States when we get it passed.

The President. I think you will recall, at the opening of my remarks, I invited that kind of suggestion. Now, inasmuch as you raised a couple of specifics, I think you're entitled to an answer. And I'd like Dick Darman, who has testified, to respond to those two points.

Director Darman. Thank you, Mr. President.

The accrual accounting point is really quite arcane. But for those who are aware of the issue to which the Governor referred, let me clarify a couple of things. First of all, the budget numbers that we published and the deficit numbers we published do not, do not include the effect of the accrual reforms. In other words, the number that is an unattractive number for fiscal year '92, which we published, $399.4 billion estimated deficit with our program, does not include the effect of the accrual accounting reform we recommend, point one. In other words, the premise is wrong.

Second, the accrual reforms which we proposed, we proposed in June of last year before the growth package. They are independently desirable. We were asked by the Congress to make a recommendation. We made that recommendation. The Congressional Budget Office was also

asked. They made the same recommendation, that insurance programs should be subject to accrual accounting. The two different independent accounting organizations, outside CPA's, made the identical recommendation. And in fact, many States followed the same approach and are ahead of the Federal Government. Some have argued that had we had accrual accounting in the past, we would have seen the adverse effect of the S&L crisis in advance, and it would have taken the appropriate preventive action in advance.

So, I think that that point is not quite apt as a criticism. In fact, it's a useful reform we're recommending, but it is not used in the deficit numbers that we published at the lead of the budget.

On the IRA scoring issue, again I'm afraid there's a little bit of confusion. We actually scored the IRA proposal as losing money. But we nonetheless propose it because we think it has a favorable long-term effect on growth. There are some in Congress who have proposed IRA reforms which they score positively. We did not adopt those. We adopted and explicitly over 5 years showed revenue losses: small gain in the first 2 years, substantial decline in the 3d, 4th, and 5th year, with the declines increasing in exactly the manner you suggested, Governor Romer. But we did it above board, and we financed it.

On the point about the asterisk -- sorry for going on so long, Mr. President, this is all rather arcane. This one is extremely technical. I believe what you're referring to shows up in fiscal year '94 and '95. And it's the only thing that I can think of that would qualify as related to the number you've mentioned.

What we have done is we have proposed a budget authority freeze, fiscal year '93 relative to '92, with every single program cut fully identified above board, with every program termination fully identified, and with all the increases identified. That's what the law asks us to do. That's all we have to do in the Federal appropriations process, one year.

For the outyears, we extended the budget authority freeze forward, '94, '5, '6, '7. The outlays that are associated with that you can't know at this stage; you don't know until the Congress has made the decisions on fiscal year '93. And you have to assume an outlay ratio. We did, but they've hit the cap. So, we made an allowance adjustment to make it consistent with the law on the outyears at the same time as we proposed to amend the caps to make it conform correctly.

But none of that has effect on the actual appropriations process. For the appropriations process for this year every single line, every project, every proposal is specified in detail. There is no magic asterisk.

Thank you, Mr. President.

The President. While the press is here, did the Democratic Governors meet, and is there any

feeling that we shouldn't press to try to get something done by March 20th? Is there a spokesman on that point? Because what I would like to suggest, not that you have to sign every ``t'' and ``i'' but that we all urge Congress to move by that date. If that date isn't good, what date? Is there feeling on that one?

Governor Richards. I don't believe, Mr. President, that there was any question that the Democratic Governors as well as the Republican Governors are anxious to have Congress move expeditiously. There was no discussion of a magic date, but I suspect that the Congress is going to move very quickly, not only because we're going to urge them to do that because it's the right thing to do, but because we are very cognizant that it is an election year. It is time for Congress to get its budget proposals out there.

The President. That's good because I think most agree, people in the country agree that it can move. It moved very fast on, and properly so, on these extended benefits, and I think it can. And I just hope that that's an area that we can have common, make common ground here because it's important.

While the press are here, are there any other -- Jim, yes.

Medicaid and Welfare Waivers

Governor Florio. Mr. President, I'm authorized to ask a question that I think is on the minds of many of the Governors. As we try to put together our budget problems, there are two areas that sort of jump out that are extremely difficult for us to deal with: One is health care in general, Medicaid in particular, and the other is the welfare situation that you've talked about.

We are all trying to, in the best federalistic tradition, frame our own packages to be able to be cost-effective. And we are doing it, at least some of us are doing it, in ways that are not, policywise, universally applauded. It is tough. I was pleased to hear in your State of the Union Message the discussion about waivers, and today again I was very pleased.

I guess what I would urge, and I think I urge it on behalf of everyone, is that the Departments, particularly Health and Human Services and of course OMB, which gray eminence always plays a particular role here, look at these waiver requests with the -- I'm hesitant to use the word -- the most liberal interpretation capable in order to let us put these programs into play in the way that we think our localities will be able to deal with them.

And then, and most importantly, expeditious. There has to be some review of these things quickly as opposed to -- and I was talking with the Governor of Massachusetts who was lamenting the fact that it took a year for something that he has an interest in. So that if there's a way that you can, in accordance with what you've expressed already, communicate directly with some of your folks that this is a high priority, it would help us. I suspect it would help the

Nation. And I just want to lay that out as a very important initiative that the administration can take.

The President. I think we've got agreement on that one. And I can assure you that's what we will be trying to do. I hope it doesn't require -- we were just talking about this when I was talking to the Director before coming over here, as to whether legislative changes are essential in any of this waiving of authority and control. And I gather we can do a lot without that.

But Dick, do you want to address yourself to that one? Some of it, again, is technical.

Director Darman. Only to say, Mr. President, that this is one where I do think we are in complete agreement and are anxious to make sure that the waiver process moves more quickly and also that in applying it we're more flexible than we have been in the past, both of which I think have been subjects of legitimate complaint by the Governors. That is, that we've been too slow and that we've been too, if you'll pardon the word, illiberal. So, I would think under the President's direction you'll see a visible and discernible and prompt change on this subject.

Governor Miller. I'd just like to ask a more particular followup question, after the President, of the Office of Management and Budget, and that is: Can that be interpreted to go into the provider payment in which the OMB had a contrary position that was more limiting on States just several months ago and that was worked out, a temporary compromise, I believe, with the Congress? Can we interpret, then, that with that type of philosophy that we will be able to utilize that in the future? And that's something that affects our budget of potentially $25 million; some other States, a couple of hundred million. And that's the type of interpretation, I think, that has caused us some concern.

Director Darman. Are you referring to the Medicaid agreements we reached -- excuse me, Mr. President, may I?

The President. No, please.

Director Darman. The Medicaid agreement we reached at the tail end of the Congress and then legislated? We propose to honor that 100 percent, notwithstanding the interest in reforming the health system. And some have advocated going back at disproportionate share and other things and reopening that agreement. We propose to stick with that agreement, honor it, and live within it. It, I think, is a stable and mutually agreeable place to move forward, isn't it?

Trade Initiatives

The President. Any others? Tommy.

Governor Thompson. Mr. President, let me compliment you on your leadership as trying to get

through GATT and the NAFTA. If we're going to get our economy moving, it's got to be done with a lot of exports. I was wondering if you could give us an update as to how the GATT is proceeding as well as NAFTA, which is very important to States like Wisconsin and Texas. And I want to compliment you on your leadership in that regard.

The President. Well, NAFTA, as you know, is getting a little caught up in politics. We are not going to take a bad agreement to the Congress. We are going to push for a North American free trade agreement. I talked to the Prime Minister of Canada yesterday on it. I've been in touch with Salinas of Mexico, who's doing a superb job down there. And I told them we are not going to pull back one inch, politics or no politics.

This expands job opportunity for Americans. And the argument that it takes American jobs away is just not true. Just in recent history, the exports to Mexico have dramatically gone up, and that's very, very good for American jobs. So on that one, we're pressing forward. I'm going to try to set aside any political timetable on it but move it to completion.

We are being fought by the unions, strong. They are wrong. And those of us who believe in expanding markets and a more prosperous Mexico is good for the United States, whether it's their ability to do something about their environment, or whether it's their ability to buy more American goods, that's sensible trade policy. So, we're going to press for it. Whether we'll get it, Governor Thompson, in time or not, I don't know.

The GATT, which in a sense is broader because it gives us problems in Europe, is extraordinarily difficult. The major stumbling block is still agriculture. It is not the only stumbling block. I had a chance to visit with President Mitterrand up at the United Nations on Friday. We've agreed to talk again in a bilateral meeting on this subject. The Germans are involved, and they tell me they're trying to be helpful. But I don't want to misrepresent it to the Governors; we still have some big problems on bringing this one to conclusion.

And it is essential that it get done because if it doesn't get done, what we're going to do is see the world start dividing up into trading blocs. There's one out in Asia that makes some sense, the ASEAN bloc. But if you add to that Japan and try to make a Pacific trading bloc, that would not be good for free trade worldwide. I similarly went to great ends to tell them that the NAFTA, the free trade agreement, was not an effort on the part of this hemisphere to divide into a trading bloc. And I think I've made that point, I hope convincingly, to the EC and to Europe.

But it is important we get that deal done, and get it done so the Congress can approve it. We're not going to take a bad deal up there. It isn't simply agriculture: We've got intellectual property rights; we have market access; we have some other ingredients. But we've got good people working this problem. There's Ed Madigan here today. He's handling the agriculture end and can expand on that. But Carla Hills, doing a superb job. It isn't easy right now because I think it's much more European politics than it is U.S. at this time. Because the common agricultural

policy there is one of high subsidization.

And the last thing I'd say, for those who are doubtful about it or unclear, the best way to help countries that need help the most is through a successful conclusion of the GATT round. The Third World countries would benefit there more than any others.

But Ed, do you want to add a word to that? Because I know a lot of people around this table are vitally interested in the agricultural component of this.

Secretary Madigan. Mr. President, the Director General of GATT, Arthur Dunkel, has made a proposal for the solution to the round, and that proposal is regarded by the United States as being a very acceptable framework for bringing the negotiations to a close. And as you point out, the Europeans will not accept it. So, Mr. Dunkel has begun meeting unilaterally with the Europeans this week to see if he can work out something with them that he would then propose to the rest of us. We don't know the status of those talks at this point.

The President. Pete, Governor Wilson.

Congressional Mandates and State Priorities

Governor Wilson. This is really coming back on Jim Florio's point. I think that there should not have been a Governor listening to your State of the Union who didn't cheer when you made the point that you did and that you repeated this morning about waivers. If there should be bipartisanship on anything, at least among the Governors, it's on that point. I can't think of a Governor here who has not at some point or another given voice to the complaint that we are being compelled to spend State tax money in accordance not with our own priorities but really with the agenda of the congressional committee chair. And it does distort priorities. It does distort our spending, not just at the State level, but I would suggest that most of the distortion is linked to Federal spending.

And so, I would say that we have reason to be not only grateful but also, as we seek the waivers, I think we're all well aware that the waiver is temporary relief. God knows we're grateful for it, and we are very grateful for the speedy action that you're bringing about. The real answer is that Congress passed these laws, and Congress should repeal them. And I think we ought to help one another. I think, frankly, that those of us who have complained so loud and long have an obligation to ourselves as well as to you, not only to Federal taxpayers but to those common constituents who are State taxpayers as well, to go up there and really start changing the laws. Now, that's going to be hard to do because committee chairmen enjoy the power of the purse. They love that generalized prescription.

But this may not be the perfect season in which to do it. But after your reelection, to venture a partisan comment, we ought to go up there, bipartisan, and say to these committee chairmen,

``We've had enough. You are distorting the whole process."

The President. Would it be possible to get agreement amongst Democrat and Republican Governors as what legislative changes would be enacted, whether we could get together on that, whether the Governors' Association might get together and suggest legislative changes? Because if that came up there in a bipartisan way, I believe it would make a tremendous impact on Congress, far better than, say, the administration taking it up with the backing of some Governors.

Governor Romer. I think that there is the possibility for us to do some bipartisan work in that area, and I think it would be very helpful for us to sort that out. And Mr. President, I appreciate this conversation. This is what I was hoping that we could do, is to identify those things where we bipartisanly really can go together, but also to identify that there are some times and some places in an election year that we do have differences. And I appreciate your giving us the opportunity to raise these differences this morning. And the reason I did it in an abrupt way, I just did not want us to be in the posture of endorsing only the one economic approach which was in your State of the Union Message. There is more than one, and I appreciate you giving us the opportunity to expound that this morning.

The President. All I was doing was appealing for an endorsement, not suggesting you endorse it. [Laughter] I've known you too long.

Who's next? Terry.

Agricultural Trade

Governor Branstad. Mr. President, first of all, I want to thank you for your assistance in trying to open some markets for us. Something that was done a few years ago, opening the market for beef in Japan, is really making a difference in my State. And I heard David Gergen say recently that 80 percent of the new jobs created last year were as a result of exports. We can't afford to go into protectionism. We have to continue to fight for access to those markets. And I just want to encourage you to continue to lead that effort for access.

We're being discriminated against in the European Community because of the hormone issue, which is a false issue, doesn't have anything to do with health. And we need to continue that. And I know that's a stickler; that's an issue in the GATT negotiations. But I just want to encourage you to continue to take a strong stand on that. It's very important to us, especially in agriculture. Given an opportunity to compete in a fair playing field, we can compete in the world.

The President. You want to respond, Ed?

Secretary Madigan. I think, Mr. President, in the Dunkel text, the standards on sanitary and biosanitary issues have been well-regarded by the wheat producers in the United States because they would deal with that hormone issue in Europe. That's one of the things that all of our producers seem to like about the Dunkel text.

The President. Governor Sinner had his hand up.

Energy Policy

Governor Sinner. In this whole area of trade I get very nervous about us putting ourselves in a continual vulnerable position on energy. I can see why other countries have the same feeling about food. You and I had a long talk about energy when you were Vice President, and you had been over to the Middle East. And I remember then that you shared my concerns that we sit here totally vulnerable to a Middle East tyranny. And I want the free trade. But I think when you get into the area of energy and food, we have to understand that the people of Europe have been hungry, and they aren't going to forget that. And we have been through a horrible war, $100 billion we spent, a couple hundred thousand people dead to protect our energy resources. I want to say that I think we have to be extremely careful and not euphemize free trade as though there weren't some other considerations because it is not magic. It's not in the Constitution. What we are bound to do here is protect the people's needs.

The second thing, you asked a while ago if any of us were for tax increases. And I don't speak for anybody but myself. But my children and your children and the children of all the people around here are going to pay one hell of a debt. And I, for one, say my answer to your question: Yes, I would favor that. I think it's time we go back and tax some of the wealthy people. I'm not super-wealthy, but what I pay in income taxes isn't very much, really, compared to what people in low-income brackets pay. I think you could tax the wealthy a lot more.

And the fact is if we continue into this sewer of debt, our children and the families that are suffering today, that's nothing compared to what the families of tomorrow will suffer. So, I just want you to know that I, for one, would stand and say yes, I do think we should raise them.

The President. My problem on that is that the percentage of the GDP, GNP taken by taxes is inching up and is too high. But anyway, we have a difference on that one.

I don't think we've got a difference on energy. One, you and I do agree, I think, that there is a risk in becoming ever more dependent on foreign oil in this country. And one of the reasons I strongly support the ANWR is because, one, I think it's environmentally compatible, and secondly, most importantly, I think that offers us a chance to at least turn around this increasing dependence on foreign oil. And I think it's about time that we make that case. For those of us, Democrat or Republican, who believes in our national energy strategy as outlined, we ought to fight for it. So, I don't think we have a difference.

What I'm getting at, though, is I don't think that there's anything in these free trade agreements that is going to adversely affect development of domestic energy. I just don't believe that there's anything, if we've got a good NAFTA or we get a good GATT agreement, that either one of those would make us more dependent on foreign oil at all. I don't see the connection on that one. Maybe I've missed it. But I certainly don't want to see us become more dependent on it, and I don't think we have to.

Governor Sinner. [Inaudible] -- that free trade will somehow or other obliterate the dangers that befall society if we become totally dependent on something called free trade in energy. That's the point I wanted to make.

The President. Yes, unfortunately we're becoming, because of failure to move forward with safe nuclear power, which I think we can do -- we'll get a lively debate on that one around this table, I'm sure -- or getting more technology going, I think we've got a problem on energy dependence. And I'd like to see it reverse. And that's what we've tried to do in our national energy strategy which we have not gotten through the Congress. Again, I'd make an appeal for you people that are interested in the energy side of things to take a look at it and support it where you can.

I see Jim over there, who's done a superb job on our overall energy requirements, trying to make us less dependent. I cannot certify that our program -- and, Jim, correct me -- will make us independent of foreign sources of all energy. It won't. But it will move us in the right direction. Is that about right?

Secretary Watkins. Yes, that's right, Mr. President. The bill stripped down will come to the floor this afternoon at 2 p.m. It will then go through a debating period and come up for a motion to proceed. Whether there's going to be a filibuster, I don't know. That should happen on Wednesday, but we should be underway on the debate. Unfortunately, it does take out the Arctic National Wildlife Refuge. It takes out the CAFE standards which we we've been against all the way along. Nevertheless, the Arctic National Wildlife Refuge, as you mentioned properly, is part of the growth package. It is worth about 500,000 jobs over the next 10 years. It's worth about $200 billion in reduction of our trade deficit. Those monies always go offshore.

The movement of that particular refuge will not only be worth that 8.5 billion barrels but will also carry along, with the residue of the Prudhoe Bay will add another billion barrels. Now, that's good for the economy of the United States. And so that's why you include it as part of your growth package and encourage them to pass this bill, which is filled with natural gas expedition movements to the private sector, to industry, to business. It's good; it's clean. You've got a very balanced program there, and I'm hopeful that the 14 titles that remain, that we will see an expeditious address by the Congress.

And I hope that we can continue the fight for bringing back the Arctic National Wildlife Refuge as part of your growth package, if nothing else. You can't get it in the energy bill; keep it in the

growth package. It is real growth.

We need revenues to find the alternatives to oil which is the very thing we're trying to do in getting alternative fuels. You have the most powerful alternative fuel package that's ever been put together in this country, to go in all directions. It will help many Governors around this table with the ethanols; the methanols; the electric car, the opportunity to drive those electric cars with the off-peak loads in our industrial plant today. We have plenty of electrical power for 120 million of those vehicles. We can get off this oil in our transportation sector.

And we still need the oil, our own oil. And so, we can move in the direction that stabilizes that increase in imports. And I think your bill not only does that, but your bill is a very powerful growth package for both jobs and revenue for the country.

Low Income Home Energy Assistance Program

The President. Governor Dean.

Governor Dean. We've been tossing around huge numbers. I want to talk about a much smaller number, just about $500 million. In your budget last year, you recommended the cutting of the low-income human assistance program. It's a small program. It's $1.5 billion this year. It's principally used in the northern States to help people get through the winter with fuel assistance. We had to put some State money up. Of course, we had to level-fund our State budget this year, so that meant we had to take the money from somewhere else.

In your budget this year, Mr. President, it's recommended that you cut the program again by 33 percent. And we could barely handle last year's cuts. I would ask that you might reconsider and possibly levelly fund that, which I think would be consistent with your own budget goals. It would mean a great deal particularly to those over 65, living alone, and who really depend on this program in the northern States for keeping themselves warm throughout the winter.

The President. Has anybody got available the figures on home heating oil price, say, 2 years ago compared to what it is now?

Governor Dean. Well, this year, Mr. President, you're correct. This year we were able to -- --

The President. It's less, isn't it now?

Governor Dean. It's much less now, and that's one of the reasons we were not hurt as badly by the cuts this year. But I don't expect the home heating oil price to go down another 33 percent next year. And also, of course, there are a great many, at least in Vermont, that heat with other fuels such as wood or natural gas, and the price has not dropped commensurately.

I'm not so much complaining about last year's cut, which we did deal with, but if we were to lose 33 percent of that program, small program though it is, we would be devastated.

The President. Dick, do you want to comment on it? I can't remember the exact numbers. Go ahead.

Director Darman. The Governors will perhaps remember, Mr. President -- it's all a question of perspective, I suppose. The standard proposal for this program, which is known colloquially as LIHEAP, the standard proposal has been zero in the past from the administration. And this year, we're at a billion. So, we look at it as a billion more than some might have recommended and proposed, and you look at it as half a billion less.

The way the appropriations process works, as you know, these things are still subject to adjustment within the caps. And so if this goes up 500, something else has to go down 500. This is not one that we would, I think it's fair to say, fight and die over. We thought a billion was a lot more than zero. I can understand why you think it's less than 1.5 billion.

Medicaid Waivers

Governor Romer. I want to thank the President for his willingness to exchange these views with us on such a candid level. And I appreciate his welcome to the White House that he has consistently extended to us as Governors.

And even more importantly, I appreciate the fact that we've been able to work together in a true federalism partnership which has made it possible for us to be more productive.

Some of the questions today even reflected the way in which we've been able to work out differences. The one about the Medicaid settlement was a very serious problem to a number of us. We worked together through the months of October and November in a fashion which included they-said-it-couldn't-be-done type activity. And the Congress, because the President had worked so arduously with us toward reconciling those differences, agreed. And we were able to stabilize the situation which was highly volatile for our own budgets and for the Federal budgeting process as well.

So, Mr. President, thank you very much for your special welcome to us, and your kindness to us, your cooperation with us, and your willingness to exchange these views with us. We're deeply grateful to you.

The President. Listen, I enjoyed having you. I see John Sununu. I think those of you, as we tried to get through that Medicaid problem, you had an inside voice here. [Laughter] And I really think he deserves credit for the fact we were able to reach agreement that brought some relief and, I wouldn't say joy, but at least less concern to the Governors around the table. I'm very

grateful to him and Dick also. But it required some skill up on the Hill, too, which he demonstrated.

But in any event, thank you all very much. And I appreciate the spirit of this visit, and look forward to doing this again. Thank you very much.

Note: The President spoke at 11:15 a.m. in the East Room at the White House.

Exchange With Reporters Prior to Discussions With President Ronald Venetiaan of Suriname

February 3, 1992

Japan-U.S. Relations

Q. Any defense of American workers in response to what Mr. Miyazawa said?

The President. Just go by what Marlin Fitzwater told you guys when you asked the same question about 6 hours ago. [Laughter]

Q. Have you seen the -- --

The President. Strong support. I just heard what Marlin said, and I back it 100 percent. I also saw the correction by Mr. Miyazawa, I'm pleased to say. So, that was fine.

Q. Do you accept that, sir, as an apology?

The President. I accept it for what it was, a very clear statement from a good man, a man who has said clearly that they're going to live up to their commitments, and I support him for that. And we had a very good visit. So, you know, he's gone out of his way to make clear that he was not denouncing all American workers. And I strongly support them and continue to say so. We can compete with anybody in the world if we're given access. Marlin summed up our position very well.

Note: The exchange began at 4:31 p.m. in the Oval Office. In his remarks, the President referred to Prime Minister Kiichi Miyazawa of Japan.

Statement by Press Secretary Fitzwater on the President's Meeting With President Ronald Venetiaan of Suriname

February 3, 1992

The President met today with President Ronald Venetiaan of the Republic of Suriname.

The President expressed his satisfaction at the success of Suriname's elections and orderly transition to democratic civilian government following the military coup in December of 1990. He stressed the United States deep commitment to fostering democratic civilian rule throughout the hemisphere and emphasized that President Venetiaan enjoys our full support for his efforts to strengthen democratic institutions, undertake economic reform, and curb narcotics trafficking.

The two Presidents discussed the Surinamese Government's plans for economic reform and adjustment. The President pointed out that effective action in this area will enhance Suriname's ability to stimulate private investment and trade, which are the key to long-term growth.

The two Presidents also discussed the threat to Suriname of increased narcotics trafficking, and the President pledged our support for Suriname's counternarcotics efforts.

President Venetiaan is making his first visit to the United States since his inauguration in September 1991. He entered office as a result of elections held in May 1991 with the participation of observers from the Organization of American States.

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

February 3, 1992

To the Congress of the United States:

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies during the calendar year 1990, the second year of my Administration. The report is required by the United Nations Participation Act (Public Law 264, 79th Congress; 22 U.S.C. 287b).

George Bush

The White House,

February 3, 1992.

Message to the Congress Transmitting the Report of the Federal Labor Relations Authority

February 3, 1992

To the Congress of the United States:

In accordance with section 701 of the Civil Service Reform Act of 1978 (Public Law 95 - 454; 5 U.S.C. 7104(e)), I have the pleasure of transmitting to you the Twelfth Annual Report of the Federal Labor Relations Authority for Fiscal Year 1990.

The report includes information on the cases heard and decisions rendered by the Federal Labor Relations Authority, the General Counsel of the Authority, and the Federal Service Impasses Panel.

George Bush

The White House,

February 3, 1992.

Remarks to the National Grocers Association in Orlando, Florida

February 4, 1992

Thank you for that warm welcome, and please be seated. And Tom, thank you for that wonderful introduction. Thanks also to Bill Confer, your chairman. And before we get started, I don't know where they are, but I'd like to recognize two outstanding Congressmen from this area, Bill McCollum and Cliff Stearns, and also a former Congressman who is actively involved with me, Bill Grant, of Florida. You have three of the best right here with you today.

And it's a great pleasure, and I really mean that, to be here with this enthusiastic group. I originally had planned to be at your dinner last night. But then I found out it was called the Asparagus Club Banquet. [Laughter] Thought I'd better not take a chance. And you know why, dangerously close. [Laughter] Okay, Barbara won the broccoli war. I said what I thought, and she got out and received all these broccoli growers. And sales shot up about 500 percent. [Laughter]

You all know, I think, of my love for sports. And this being an election year, my competitive juices are flowing more than ever. And so, today I'm making an announcement that many of you have been expecting for a long time. I'm officially declaring my entry into your best bagger contest. Just one question: Paper or plastic? [Laughter]

I'll always remember, and Tom referred to it, but from a personal standpoint I'll always remember that warm reception that you all, the NGA, gave me when I addressed that 1985 convention. It was in New Orleans. You gave me a good education about your industry then, and I remember it still. A typical NGA member is a family-run business. Many of you carry on legacies built through the vision and sacrifice of a grandmother or a grandfather. Just met one of your directors. She was a third generation in the grocery business, perhaps an immigrant to this country; some were. You work on the thinnest of profit margins. You challenge one another with bracing competition that clearly benefits our consumers like no others in the world. And today as always, your success as community grocers depends not just on the bottom line but on the old-fashioned virtues of being a good neighbor.

Since I last met you all in 1985, the world has changed. We've got a lot to be grateful for. We won the cold war. We led a coalition in the Gulf to crush Saddam Hussein's aggression in Kuwait. We've created a world with the prospects of unprecedented prosperity and peace. But we've also run into some hard times here. Our economy has slowed down. We must get it fired up again.

The professional pessimists tell us America has become weak and disabled, that our economy

has fallen and it can't get up. Well, that's just plain bunk. It's not true. And I'm going to tell you what we can do about it. Day by day and step by step, we're going to get ourselves moving, and we'll do it as Americans always have. We'll combine our common sense, our work ethic, and our determination with progrowth policies. With these, we'll carry the entire world into the next American century. You can bet on it.

You don't have to be some rocket scientist to understand how. You stick with the basics. And I proposed a commonsense comprehensive action plan last week in my State of the Union Address. It gets investment going, because you can't build new businesses and create new jobs without new investment. It strengthens the industries that historically have led us into recoveries, especially real estate and housing. It hacks away obstacles to growth. It cuts the Federal deficit by holding back spending. Government is far too big, and it spends too much. And I am going to keep it within its limits of this budget agreement that is in place right now.

Ask yourselves the question: How free are we, really, when the Government gobbles up 25 percent of our GNP? I'm demanding, I need your support, that Congress get serious about this. One thing, I've listed 246 programs that I want cut out this year, 246. Each one has a protector; each one has a noble title. None of them is essential to the well-being of the United States of America. And I want something else. I want that line-item veto so I can enforce real spending disciplines. Forty-three Governors have it.

We've got to get Washington back to common sense. To do that, I really mean this, I need your help. I know you can deliver. You know your neighbors; they know you. The grocery business grows when your neighborhood grows, when the Nation's economy grows. I've asked Congress to enact some laws that will create jobs by getting our economy growing again. And I've set a deadline, March 20th. I ask you to circle that Friday on your calendar. Remember this deadline. Congress needs to take a few simple steps to create good American jobs, now.

The Capitol Hill hearings on my program begin today. But I must say, too often when I send progrowth proposals to Congress, all the public hears is sloganeering about fairness. This twists a good concept into a weapon of envy and divisiveness, desire to divide America along class lines. I don't look at it that way. Here's what fairness means to me: It means if you want to work, you can get a job. It means if you have a good idea, you'll get a chance to test it, or if you build a business, you don't lose your earnings to excessive taxes or overregulation. That's what fairness means to me. Above all, the most important test of fairness for my plan is that it will work for all Americans. It will create jobs.

And now, here's what I want by March 20th. And I set that date because I do believe we have a window in which we get something done, even though this is going to be a very controversial and difficult national election year. Here's what I want: First, incentives to make productive investments. These involve a 15-percent investment tax allowance and needed changes to the alternative minimum tax. Now, these will encourage business to invest in equipment and become

more productive. I just took a tour through the exhibits here, amazed by some of the technology. These proposals will stimulate that kind of investment and will help individuals invest in high technology or in whatever machinery is needed.

Second, we need incentives to build and to buy real estate: a change in the passive-loss rules for active real estate developers. We need penalty-free withdrawals from IRA's for first-time homebuyers and a $5,000 tax credit for the first purchase of a home. Housing economists predict that my plan will mean an extra 200,000 homes built and 415,000 new construction jobs to build them. Real estate and housing, with this stimulus, will lead our way into active recovery.

And third, incentives to succeed: Cut the capital gains tax. This tax hurts anyone who has made a sensible investment in a home, a business, or a farm. None of our key competitors taxes gains at high rates, world global competitors. Let's stop penalizing savings and investment. Let's stop punishing excellence. And yes, let's talk about fairness. Lower capital gains mean more investment, and more investment means more jobs. So, let's get that capital gains tax cut, now.

Three measures, three pieces of common sense, three things Congress should do by March 20th. I know that Congress will listen to you; you come right from the grassroots. And I'm counting on your help. In the meantime, I've initiated some reforms that will get the economy moving without having to wait for Congress to act. I've imposed a 90-day freeze on Federal regulations that could hinder economic growth. And during that period, all Departments and Agencies will review regulations, old and new, and when possible, stop the ones that will hurt growth and speed up those that will help growth.

I see from your convention schedule that you have a workshop entitled ``The Regulators Are Back." No wonder. You can't get through a day without having to worry about what some regulator is going to do to you through some thoughtless regulation. Regulations may have stated aims as wholesome as Mom and the apple pie. But you know better than anyone that when regulators carry that regulation too far, there won't be any apple pie for Mom to buy.

I ran a council on deregulation for 8 years as Vice President. And I'm here to assure you, we've not lost the spirit of deregulation. I want you to be able to spend your time working on what you can do for your customers rather than fretting about what some regulator might do to you.

And I'm also fighting hard against this epidemic of lawsuits. The costs and the delays in our legal system are a hidden tax on every single American consumer, on every business transaction in America. And that's why I'm sending to Congress today a reform bill, the ``Access to Justice Act of 1992." My reform proposal will give Americans cheaper and easier alternatives to trial. And my plan will halt needless lawsuits by making changes in the way some attorney's fees are awarded. Let's stop America's love affair with the lawsuit. If we're as good at rewarding success as we are at suing each other, we'd be way ahead of the rest of the world. I might say parenthetically, health care costs would be an awful lot lower if we didn't have a lot of frivolous

lawsuits going after these doctors for malpractice.

One of the great lessons of our times is this: Freedom and cooperation work; big Government doesn't. And after 70 years, the new leaders in Moscow recognize that total Government regulation produces only one thing: total failure. And now, the Russians -- I had a fascinating visit with Boris Yeltsin up at Camp David on Saturday -- the Russians want to try something different, like grocery stores with groceries on the shelves. [Laughter] This man's put into some tough reforms there. Got to stay with him. Got to help him make them work.

Isn't it ironic, at the exact moment the world is turning to our values of more economic freedom and competition, some in the United States Congress want to go just the opposite way. And here's an example of the trouble brewing in Congress: That's the so-called FDA enforcement bill. I'm sure those of you who sell your own private-label groceries aren't exactly thrilled by the prospect of more legal and accounting and paperwork burdens. But that's just what some in the Congress want to do. Well, let me tell you in no uncertain terms: The time for overregulation is over. And if they send me any more legislation with excessive regulation in it, I'm going to veto it and send it back. It's going right back up there.

Again, the Congress can help get the economy moving if it will just do the right thing. Last week one Member of Congress, a Democrat, said it might be smart politics for the Democrats to meet the deadline and pass my plan intact. I can't say what their motives may be, but I know one thing, my plan will help the American people. So let me take the heat. I know that my program will get the economy moving again. And again, urge the Congress to pass it intact by March 20th.

March 20 isn't a moment too soon to enact this short-term program. But we also must take a longer look, look to longer horizons. And I proposed a long-term plan in my State of the Union Address. Let me just give you a couple of the highlights here, some of the highlights.

First, let's create more American jobs by opening up and expanding markets all over the world. A new GATT agreement, we're working hard to get one, will make the world trading system come to grips with the damaging tariffs and export subsidies in agriculture. And by tearing down economic barriers with Mexico and Canada, a new North American free trade agreement can lift us to new heights of prosperity. And make no mistake about this: A sound free trade agreement will mean more American jobs, not less, more American jobs.

Second, let free choice and free markets reform this health care system of ours. This week I'm going to ask for a new credit to help those without health insurance, employed or not, to buy such coverage. My plan will assure that both American workers and the unemployed will have access to basic health insurance even if they change jobs or develop serious health problems. We can't improve health care by threatening the health of job-intensive businesses. The last thing we want is for companies to cut costs by cutting workers. And I am wholeheartedly opposed, as I

believe you are, to schemes that cost jobs by mandating benefits that an employer must pay.

And thirdly, let's strengthen the family, the cornerstone of the American dream. Let's ease the burden of child-rearing. The personal tax exemption has not kept up with inflation. I'm asking Congress, immediately, to increase the exemption for each child by $500. It's a significant move in the right direction, and for our kids' sake, we must do no less.

Look at my economic proposals and you will find straightforward, plain solutions to our problems. Some may complain that they lack the flash of an expensive new program or that they don't have quite the right political ring for this political year. But I'm not seeking spending for spending's sake. I don't want a fancy title on a bill that will shoot interest rates right up through the roof. I want results. My plan is sound, and it will work.

If you hear people in Congress gripe that they can't get the job done by March 20th, remind them we won the Gulf war in 44 days. Surely Congress can pass my urgent domestic program in 52 days. Remember, Congress can act with lightning speed when it wants to. So, accept no excuses. Accept no delays. And accept no substitutes.

Please don't leave this message behind when you leave this convention hall. Take it home to your families, to your customers, to your neighbors. From February 8th till February 17th, your Congressmen will be home for the President's Day recess. That's a great time for you to go to their hometown offices and tell them to meet the deadline and to pass this plan. With an effort like this, I know we'll get their attention, and we'll get America moving again.

Thank you very, very much for this reception. And may God bless the United States of America. Thank you.

Note: The President spoke at 11:35 a.m. at the Orange County Convention/Civic Center. In his remarks, he referred to Tom Zaucha, president of the National Grocers Association.

Message to the Congress Transmitting Proposed Legislation on Access to Justice

February 4, 1992

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the ``Access to Justice Act of 1992''. The purpose of this proposal is to reduce the tremendous growth in civil litigation that has burdened the American court system and imposed high costs on our citizens, small businesses, industries, professionals, and government at all levels.

A thorough study of the current civil justice system has been conducted by a special working group, chaired by the Solicitor General, Kenneth W. Starr. The working group's recommendations, which were unanimously accepted by my Council on Competitiveness, are reflected in the bill. The legislation seeks to reduce wasteful and counterproductive litigation practices by encouraging voluntary dispute resolution, the improved use of litigation resources, and, where appropriate, modified, market-based fee arrangements. Additional reforms would permit the judicial system to operate more effectively.

The Access to Justice Act would accomplish reforms in significant areas of litigation:

a prerequisite for Federal jurisdiction over certain types of lawsuits (the amount in controversy requirement) would be redefined to exclude vague, subjective claims;

prevailing parties could be entitled to award of attorney's fees in certain lawsuits brought in Federal court;

the Equal Access to Justice Act would be amended to clarify and limit litigation over the amount of attorney's fees;

innovative ``multi-door courthouses'' would be established to encourage utilization of alternative dispute resolution mechanisms;

award of reasonable attorney's fees in disputes involving the United States would be permitted in appropriate instances;

prior notice would be required, subject to reasonable limits, as a prerequisite to bringing suit in any United States District Court;

flexible assignment of district court judges would be authorized;

immunity of State judicial officers would be clarified and protected;

the Civil Rights of Institutionalized Persons Act would be amended to encourage resolution of claims administratively; and

improvements in case management in Federal courts would be effected.

I believe this proposed legislation would greatly reduce the burden of excessive, needless litigation while protecting and enhancing every American's ability to vindicate legal rights through our legal system. I recommend prompt and favorable consideration of the enclosed bill.

George Bush

The White House,

February 4, 1992.

Presidential Determination No. 92 - 13 -- Memorandum on Emergency Funding for the Organization of American States Mission to Haiti

February 4, 1992

Memorandum for the Secretary of State

Subject: Emergency Funding for OAS Mission to Haiti

Pursuant to the authority vested in me by section 614(a)(1) of the Foreign Assistance Act of 1961, as amended, I hereby determine that it is important to the security interests of the United States to furnish assistance to the Organization of American States (OAS) for its activities in Haiti notwithstanding section 513 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513) and any other provision of law within the scope of section 614, and authorize the furnishing of up to $2 million of funds made available to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 for that purpose.

You are authorized and directed to transmit this determination to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate and to arrange for its publication in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:23 p.m., February 13, 1992]

Appointment of Antonio Benedi as Special Assistant to the President and Deputy Director of Presidential Appointments and Scheduling

February 4, 1992

The President has announced his intention to appoint Antonio Benedi to be Special Assistant to the President and Deputy Director of Presidential Appointments and Scheduling.

From 1989 to the present, Mr. Benedi has served as the Deputy Director of the Office of Presidential Appointments and Scheduling. Prior to this, he served as Coordinator and then Director of Special Projects and Initiatives in the Office of the Vice President, Office of Advance, 1985 - 89. He also served as Special Assistant to the Assistant Secretary for Elementary and Secondary Education at the Department of Education, 1983 - 85. Mr. Benedi was the Special Assistant to the Director of ACTION, the Federal domestic volunteer agency, 1981 - 83. In 1980, he worked on the National Reagan-Bush Campaign Committee.

Mr. Benedi graduated from George Mason University in Fairfax, VA, receiving a bachelor of arts degree in psychology. He was born August 5, 1955, in Havana, Cuba. He left Cuba in 1960 for Honduras and moved with his family to Virginia in 1962. He is married to the former Maria T. Fernandez, has two sons, Tony and Jamie, and resides in Springfield, VA.

Appointment of Linda Eischeid Tarplin as Special Assistant to the President for Legislative Affairs for the Senate

February 4, 1992

The President announced the appointment of Linda Eischeid Tarplin to be Special Assistant to the President for Legislative Affairs for the Senate.

Since 1990 Mrs. Tarplin has served as Deputy Assistant Secretary for Legislation at the Department of Health and Human Services. Prior to this she was the Director of Policy, Planning and Legislation for the Office of Human Development Services, 1989 - 90; Special Assistant to the Deputy Assistant Secretary for Legislation, 1986 - 89; and legislative assistant to Representative Bill Frenzel, 1985 - 86.

Mrs. Tarplin graduated from the University of Minnesota. She was born January 23, 1961, in Carroll, IA. She is married to Richard Tarplin and resides in Arlington, VA.

Appointment of Leigh Ann Metzger as Deputy Assistant to the President for Public Liaison

February 4, 1992

The President today announced the appointment of Leigh Ann Metzger as Deputy Assistant to the President for Public Liaison.

Since 1990 Ms. Metzger has served as Special Assistant to the President for Public Liaison. Prior to this she was coalitions and organization director at the National Republican Congressional Committee and legislative director for Phyllis Schlafly's Eagle Forum in Washington, DC. In 1987, Ms. Metzger also served as the Director of the Pornography Commission Report Project, an effort designed to highlight the release of the Attorney General's Commission report. Ms. Metzger has worked on Capitol Hill for then-freshman Congressman Patrick L. Swindall. In addition, she was the Atlanta office manager for the Georgia Reagan-Bush '84 campaign.

Ms. Metzger is a graduate of Samford University in Birmingham, AL, receiving a bachelor of arts degree in 1984. She was born in Decatur, GA, and currently resides in Alexandria, VA.

Remarks to the Small Business Legislative Council

February 5, 1992

Thank you all very much. And Phil, thank you for the welcome, the kind introduction. Bob Banister, congratulations on being named chairman-elect of the SBLC. John Satagaj, thanks for your hard work in putting this wonderfully successful meeting together. And greetings, also, to Ted Olsen and John Kemp, who has done wonderful work in helping small business implement the ADA, the Americans with Disabilities Act. It was great a minute ago -- I don't see him this second -- to see my friend, Josh Smith, the Chairman, sitting over here, of the President's Council on Minority Business, a successful businessman himself.

Today, what I wanted to do is to follow up on some of the things that I discussed in the State of the Union Address. I really do enjoy going up to the Hill to deliver the State of the Union. It's the only time all year that you can get so many politicians so polite and understanding for so long. [Laughter] It's a wonderful feeling.

As you know, we've had a hectic week, from the State of the Union Address to releasing the budget to meeting with Boris Yeltsin. During this Presidency, I think it's fair to point out that the cold war has drawn to an end. We led the coalition that shoved Saddam Hussein out of Kuwait. Peace talks between ancient enemies have begun in the Middle East. The Soviet Union has collapsed, and we've begun working with its successor States. The whole world has changed. And still, some people say, ``Hey, is that all? What have you done for us lately?" [Laughter] I'd say, no, but it's a good start, and we recognize that we've got many other things to be working on, as I've been trying to do.

And now that we can look past the burdens of the cold war, we can do what we do best: create, innovate, build, produce, and lead. This afternoon, I'm going to be signing the Economic Report to the President. And it will not only describe and explain the causes of our current economic difficulties, it will also explain why virtually all economic analysts expect this economy to improve. More importantly, it will explain why if Congress enacts my progrowth policies, the improvement in the economy will be quicker, stronger, and much more certain.

In the State of the Union, I presented a comprehensive action plan for our economy. Today I want to discuss what that means for you. Think of this as my ``small business State of the Union." My plan starts with what I can do as President without any congressional action required. We've taken a whole series of actions -- I won't mention them all -- but a series of actions to stimulate investment and get the economy moving. These, as I say, don't need congressional approval.

A couple of initiatives have earned kudos from this crowd. First, I have ordered major Departments and Agencies to put a 90-day hold on implementing new regulations. Regulations

ought to foster economic growth, not crush it. And we're going to make sure that the days of overregulation are over once and for all. So, we're going to take a fresh look at the rules and regulations Washington hurls your way. We'll get rid of those that do nothing more than destroy jobs and weigh down businesses. And in this, we will pick some that will speed up and foster growth and support jobs. We're going to emphasize those regulations.

But that's not all. We also declared war on nuisance lawsuits. Yesterday I announced the ``Access to Justice Act of 1992." That bill will give Americans less expensive and easier alternatives to trial. Let them solve problems out of court. And we've got to stop America's long liaison with the lawsuit. If we were as good at rewarding success as we are at suing each other, this country would be a lot better off. And that goes for health care, too. With those outrageous, sky-high malpractice awards, we've got to get those under control, and we are going to try hard.

And now the American people know better than to think that anyone, including a President, can wave a magic wand and revive something as complicated as our economy. Congress needs to do its job. And that means -- and we were talking with your leaders about this earlier -- that they should pass the short-term compact economic growth package that I put before the Congress, and pass it by March 20th.

You know, we're all realistic that we're going into a political year. And I'm fairly realistic that we're going into a political year -- [laughter] -- but I would simply point out that we have time now. There's a period of time that we can lower that political controversy and get something done, a rifleshot approach to stimulate this economy. And that's where I'm going to need your help. So here we go.

The plan starts with the basics. It stimulates investment by improving the alternative minimum tax and creating a new 15-percent investment tax allowance. L.W. Locke of North Carolina, and I'm told he's in the audience today, understands. He appreciates these changes. He's delayed building a convenience store/gasoline station because he just can't do it under our present system. The investment tax allowance would let him buy fixtures and gas pumps and fuel storage tanks, a $1 million commitment. So don't tell me -- here's a practical example -- don't tell me, or don't listen to the voices that say this plan is a gimmick. And don't try to tell that to L.W., either, because he's right out there trying to move forward with investment.

I also want to fire up the engine that traditionally pulls us out of tough times, and that's the real estate industry. My plan helps builders. Ask Jay Buchert, a Cincinnati homebuilder, also here with us today. He's thrown his support behind this plan. The National Association of Home Builders predicts that my bill will create at least 415,000 construction industry jobs and set off $20 billion in economic activity associated with homebuilding. Now, that's no gimmick. That is no gimmick. That means jobs, good, solid American jobs.

And I also want to reward everyone who believes in the American dream, trying to make it

work. I want Congress to cut the long-term tax on capital gains. And I want it cut to a maximum rate of 15.4 percent. The world's fastest growing economies and our major competitors, including Germany and Japan, have one thing in common: They tax capital gains at much lower rates than we do. And in many cases, capital gains isn't taxed at all.

It's ironic. Many politicians who oppose the capital gains tax cut also complain that we're not competitive. Well, they can't have it both ways. And if they really want us to be competitive, then they'll slash the capital gains rate and do it now in this comprehensive short-term package. The capital gains rate cut will help families who own homes, help people who own farms, help business owners, and will help everyone who invests in our future by purchasing stock.

Now, you've heard some people claim that a capital gains cut serves only the rich. Well, maybe those people should get out of Washington and talk to people around our country. Retirees say they can't sell their homes because capital gains rates punish them too much. Business owners say they can't expand their businesses; capital gains rates punish their success. A man from Florida, a retiree who built his own business, invested, saved, put it perfectly: He worked hard for years, and now he can't afford to cash in on his success. He said, ``We are being penalized for having foresight." Well, I'm tired of people getting slammed because they risked their money and effort and succeeded. And it's about time the Congress realizes we should reward these people, not turn them into targets of envy. And that, of course, creates jobs. More people that take risks and start businesses; that means jobs.

So, let's get to the heart of this thing. The people in this room, small businessmen, investors from the National Venture Capital Association, you understand the gritty fundamentals of business. And you are the real experts. Well, America really needs your help now. So, don't accept no for an answer anymore. I'll take the heat on whether it's a tax cut for the rich or not, but you make the case as to what it can do to stimulate jobs and new businesses in this country and demand that the Congress cut the capital gains rate now.

And I might remind you when you do this work, remember that there were majorities in both Houses of Congress for what I'm proposing right now not so many months ago. The field is there for fertile reaping. And I tell you, I really hope that you can get up and help us do this job.

I'd also like to ask you that you demand action on my short-term plan without delay. You know, when I hear someone complain that this short-term plan won't do much, I wonder myself: Hadn't any of these guys ever run a business? Do they appreciate the difficulties of getting a loan, finding an investor, purchasing what you need, filling out all that Government paperwork? It's about time somebody understands that you need just a few minutes to concentrate on the customer. That's what some of this is going to do.

You may have detected this, but I'm tired of the term ``fairness" being corrupted by political demagogs. You want fairness? Here's something fair: My plan will work for all Americans, and

it will create jobs. How's that for fairness?

Congress has the legislation. It has a March deadline, March 20th deadline. And I ask you to circle the date on the calendar. Much beyond that, politics takes over. We've got a chance now to get something done. So while you're in Washington, visit those congressional delegations. Let them know that you want this package passed. You are at the center of this plan, and you create, small business, you create the vast majority of jobs in this country. And I am determined to support you to create more jobs. I believe it is in your power to help lift this country and help get it moving again. I really am confident that you will do just that. Since Members of Congress will be home on break next week, drop by their offices, let them know how you feel. Send this message: No more delays, no excuses, no substitutes. And don't delay. Decision day is 6 weeks from Friday.

I didn't mention all the ingredients, but that's the rifleshot, short-term, incentive-building, job-creating part of this package. Now, for the longer term, I've also proposed an ambitious long-term agenda to ensure that our economy will continue leading the world for decades to come.

And let me discuss a critical issue in that plan, health care. I know health care has become a problem for many of you and your employees. And tomorrow I'm going to be announcing in detail my comprehensive health care plan. And I know you'll like it. I believe you'll like it a lot. People today worry about health care, yes. It costs too much, great concern. It's tough to find good comprehensive coverage. And you can't make choices like you used to. And you can't count on coverage if you move and change jobs or fall victim to a debilitating condition or disease.

I believe our plan solves these problems. And my plan ensures that people can find health care, choose health care, afford health care, and keep health care. I know that everyone with a plan promises the same thing, and that's why you have to use your common sense in evaluating the various proposals. And when you get right down to it, there are two fundamental health care choices. We can adopt a system that's been a proven failure all over the world, nationalized health care. Or we can reform our present system, which has its faults, certainly, but which also provides the highest quality care on Earth. People come from all over the world to participate in our health care. And if you want the freedom to choose your own doctor, to hold the line on costs, and to improve access to health insurance coverage, push for my plan. Look it over carefully. We're going to need your support. It gives everyone, and I emphasize everyone, access to the world's best health care, and it doesn't exclude anybody. So, take a look at this and support us if you can.

And finally, I'd like your help on one other item. The Federal Government is too big, and it spends too much. And it's just that simple. Now, my budget holds the line on new spending. It does not violate the only protection the taxpayer has, that's the spending caps that are now in the law. These caps are the only protection the taxpayer has against more spending by Congress.

And it pulls the trapdoor on a host of federally funded programs, all with noble titles -- 246 programs to be exact -- that we simply do not need. And you shouldn't have to pay for them. And it's that simple. Each one has a protector, but I think the time has come, and the times demand that we take action on these.

And also, get Congress to give me an important weapon to control spending. This one may be a little difficult, but get them to give me that line-item veto and give me a shot at it. Forty-three Governors have it; give the President a shot.

We must stop imposing mandates on others without paying for those mandates. Too often mandates, these mandated benefits dictated out of some subcommittee, mean mandated deficits. And that just isn't right. It's not fair to the States. It's not fair to the localities and the communities. And it's got to stop.

The bottom line is we've got a lot of work to do. And we can't let anyone stall us this time. Americans can't wait to get this economy moving. We want to throw off cynicism and fear. We want to shake away the gloom and the doubt. And I am, frankly, very tired of the professional pessimists who don't have any fresh ideas for the future and who literally feast on bad times and hard feelings and who talk as if our best days have passed by. They just don't understand.

Wouldn't you hate to go through life thinking, ``The only way I can get a step up the ladder is if somebody else is hurting''? They just ought to get out of the way, these gloom-sayers and these pessimists. We can start a new economic revolution in America, one that builds on our innate optimism, our ambition, our determination, our willing to take risks, and our pride. And we're going to do just that. And that revolution will start a lot sooner if 535 people in Washington meet by March 20th deadline that I've proposed up there.

So let them know in no uncertain terms: Business as usual won't get this job done; election year politics as usual won't do. Tell them we need action by March 20th. And with your help, I believe we can get it.

Thank you all very, very much. And may God bless the United States.

Note: The President spoke at 10:38 a.m. at the J.W. Marriott Hotel. In his remarks, he referred to SBLC officers Phil Chisholm, chairman, John Satagaj, president, and Ted Olsen, treasurer; John Kemp, executive vice president of the United Cerebral Palsy Association; L.W. Locke of Eastern Petroleum Corp., in Enfield, NC; and Robert Buchert of American Heritage Construction and Development Corp., Cincinnati, OH.

Letter to Congressional Leaders on Beneficiary Trade Status for Estonia, Latvia, and Lithuania

February 5, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add Estonia, Latvia, and Lithuania to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market and is authorized by the Trade Act of 1974.

In extending nondiscriminatory, most-favored-nation treatment to Estonia, Latvia, and Lithuania, the Congress provided that I should take prompt action to grant GSP benefits to the Baltic States, provided they each satisfied the eligibility requirements. I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, and particularly the Baltic nations' ongoing political and economic reforms, I have determined that it is appropriate to extend GSP benefits to Estonia, Latvia, and Lithuania.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The related proclamation is listed in Appendix E at the end of this volume.

Remarks to the Greater Cleveland Growth Association in Cleveland, Ohio

February 6, 1992

Thank you very much for that welcome back to Cleveland. And first let me thank Dick Pogue, the chairman of the Greater Cleveland Growth Association, and all who help make this wonderful forum possible. I'm pleased to be back here in Cleveland, the capital city of the north coast. Hello to Bob Horton, who I understand not only warmed up the crowd but made it very difficult for me to come on as the next speaker. I salute what he and so many other business leaders in this community have done and are doing.

You always get this feeling of cooperation between the business community and the government of Cleveland, the city government. I had that when I first came here and Mayor Ralph Perk was in office, and particularly did I get that feeling when George Voinovich came in as your mayor and energized this place to a fare-thee-well. And business pitched right in. And you have this wonderful community spirit that this organization really epitomizes, Dick. And I am grateful to be here. And so let me get on with just saying I'm very pleased to have been introduced by George Voinovich, the great Governor of this State now. And may I salute Mike DeWine, who is over here, the Lieutenant Governor.

We've got some other friends with us, too. I know that Bob Taft is out here, the secretary of state. Three distinguished Members of the United States Congress came with us, Ralph Regula, Mike Oxley, and Dave Hobson. And I'm sure I'll forget somebody, but nevertheless I see our State senate president, Stan Aronoff, sitting over here. So that takes care of it. We've got good representation from Ohio's government; we've got representation from the wonderful congressional delegation; and we have outstanding representation here from the medical community and, of course, from the business community at large.

Good things are happening here for the Cleveland Cavs. [Laughter] In fact, I told the Governor I was going to be speaking today about the number one health issue on every Clevelander's mind. He said, ``Mr. President, Mark Price's left knee is just fine." [Laughter]

People who know northern Ohio know that this region's on the move. In addition to the world-renowned Cleveland Clinic, now the city's number one employer, northern Ohio is also home to some of the most innovative approaches to health care. COSE and Cleveland Health Quality Choice are pioneers. Communities across the country can follow your lead to create workable solutions to health care challenges. And I had a briefing in Washington from the leaders of these organizations, and that really is why I've chosen to come to Cleveland this morning to address the health care crisis in our country and lay out my four-point program for comprehensive health care reform.

Reform is urgent for more reasons than one. Right now, far too many Americans are uninsured, and those who are insured pay too much for health care. And we're going to do something about that.

The one thing this crisis isn't about, and I was reminded of this in my visit to the hospital just now, the one thing it is not about is the quality of care. American health care is first-rate. It is the best in the entire world. And right now, the vast majority of Americans have access to that health care system. But the cost has skyrocketed from $74 billion in 1970 to $800 billion today. And if we keep going at the same rate, that $800 billion will double to $1.6 trillion by the year 2000.

These numbers alone would make the case for reform. They tell us there's a connection we simply can't ignore between what we pay for health care and the long-term health of our economy. But cold statistics don't show us the worry that people feel, the all-too-familiar fear about what happens to their health care if they change jobs or, worse still, if they lose their jobs. And in these hard times, we simply cannot accept the fact that one in every seven Americans is uninsured.

There's a better way. And my plan puts the emphasis on expanding access while preserving the choice people now have over the type of health care coverage and health care they receive. My plan will give Americans a greater sense of security, help ease the fears that so many Americans have that changing jobs will cost them their health coverage. And the key here is portability, changing the system to ensure people that they will always have access to health insurance no matter where they work. And finally, my plan will cut costs. It helps us make health insurance more affordable, and more affordable means more accessible. My plan will preserve what works and reform what doesn't. Above all, it will ensure every American universal access to affordable health insurance.

We stand at a crossroads. We can move forward dramatically to reform our market-based system, or we can force ourselves to swallow a cure worse than the disease. Some people have scribbled out a prescription for disaster. They want to nationalize our health system, put the Government in control of the system: Well, you let Government control the prices, let Government ration the kind of health care people get, let Government tell people looking for care how much they'll get, what kind, and when.

Nationalized systems cover everyone. But keep in mind the drawbacks that come with a nationalized system: Long waiting lists for surgery, shortages of high-tech equipment responsible for so many of the miracles of modern medicine. Let me cite just one example for you. The Cleveland Clinic performs 10 coronary bypass surgeries a day, I'm told, high-tech, high quality surgery without any wait. But if you live in British Columbia, the wait for coronary bypass surgery is 6 months. It's no wonder so many people from abroad come to American hospitals for surgery.

When you nationalize health care, you push costs higher, far higher. Some studies estimate that nationalized health care would cost the average American family a huge new tax burden; for the Nation, a staggering $250 billion to $500 billion a year in new taxes. Such a massive tax increase is simply unacceptable, and the American people should not be asked to accept it. And for that price, you get the worst of both worlds: No one has an incentive to control costs, and everyone pays.

But there are other proposals out there that sound simple but are every bit as harmful. One's called ``play or pay.'' Each employer must play, provide insurance for employees, or pay a payroll tax to finance Government health coverage. Business men and women tell me horror stories about health care costs spiraling out of control. Well, ``play or pay'' will leave a lot of small businesses, businesses struggling on the edge of survival right now, with a tough choice. They can cut workers' wages to pay for mandated health care; they can fire some workers to cover the workers they keep; or they can raise prices and pass along the cost to the consumer. Some studies put the cost in jobs lost under ``play or pay'' as high as half a million or more. Lower wages, lost jobs, higher costs: Any way you look at it, that's the wrong choice for America.

Step away from the rhetoric, strip it out of there, and ``play or pay'' just creates a back-door route to nationalized health care. And it encourages employers to stop offering benefits, throw the problem in the Government's lap, and dump millions of fully insured workers into a public plan like Medicaid. And because the new employer taxes in ``play or pay'' don't pay for the program, the American taxpayer will obviously foot the bill. And I am not about to let that happen. You won't hear this from the people pushing ``play or pay.'' Ask them about the side effects of their proposal, and they'll say, ``Take two aspirin, and call me after the election.''

I don't believe people want to be shoveled into some new health care bureaucracy. They want good health. A large part of the answer is prevention. And every one of us can make changes in our behavior to reduce the risk of disease and illness. And pardon me for being just a little bit old-fashioned, but what we're talking about is behavior: drugs, alcohol abuse, risky sexual behavior. You know what I'm talking about. And there's nothing wrong discussing that, trying to do better in this field. Tomorrow, in San Diego, I'll focus in more detail on the ways prevention can help people live healthier lives and help keep our economy healthy, too.

But today I want to focus on the health care system, on this comprehensive, market-based reform plan I have. The fact is, we do not have to create a new Government bureaucracy to give Americans access to affordable, quality health care. We need a system that delivers, a system that works for America, a system that puts quality care within reach of every American family.

Our system should be built on choice, not central control. It should keep costs down and open up access. But above all, it should allow all Americans to rest secure when it comes to health care, to ease their worry that if they change jobs, if they or their kids develop serious health problems,

they'll still be able to count on the coverage they need. Now, my comprehensive four-point plan meets every one of these commonsense tests. And here's how it works.

Point one, we will make health care more accessible by making health insurance more affordable. For low-income individuals and families, I propose a health insurance credit, up to $3,750 a year to guarantee people, even people too poor to file taxes, the ability to purchase private health insurance. That will give these families a certificate or voucher, to be used strictly for health care, worth more than $300 a month. They can use it to buy into the plan their employers offer but they could never afford, or they can shop for whatever private plan suits them best. That's the American commitment to choice at its best.

For middle-income individuals and families, I propose a health insurance tax deduction of $3,750. American families with incomes under $80,000 will receive new help from either the credit or the tax deduction. Let me tell you what that means: new help to purchase health insurance for 95 million Americans. And once again, this insurance will be portable. People who change jobs would have insurance regardless of their health, and this is important, or regardless of their family's health. But best of all, my plan will bring health care coverage to almost 30 million uninsured Americans, security to people who for far too long have had to do without. That's the first point in this four-point plan, access.

Point two, we will cut the runaway costs of health care by making the system more efficient. Today, I'm asking you to learn a new acronym, HIN, health insurance networks. Insurance costs obey the law of large numbers. The larger the group being insured, the lower the cost per individual. Pooling lowers insurance costs and significantly cuts administrative costs. HIN's will provide incentives for small companies to do what Cleveland's COSE group has done when it brought 10,000 small businesses together to make a joint purchase of health care. The Nation should listen and follow.

Another way to drive costs down: Make everyone a better health care consumer. Right now, most people pay more attention to the price of toothpaste then the comparative costs of health care. People don't waste much time thinking about the costs of their care, but in the end we all pay the price. We need to follow the lead of initiatives like Cleveland Health Quality Choice, programs that give people shopping for health care a kind of blue book for medical costs. Innovations like these will help all of us keep the costs of quality health care as low as possible.

Point three, we will wring out waste and excess in the present system. We've targeted medical malpractice for reform. It is time to put an end to these astronomical, sky's-the-limit lawsuits. You shouldn't have to pay a lawyer when you go to the doctor. And our doctors, the most able and dedicated in the world, shouldn't be living in fear of these outrageous lawsuits. And high malpractice premiums mean higher doctors' bills, higher hospital costs, costs passed along not only to the patient but to every American taxpayer.

Now, I have challenged the health insurance industry to cut redtape, to share common forms, to simplify and speed up claims processing. And here's a challenge for the next 4 years: There is no reason almost all health insurance claims can't be processed electronically. That single step would eliminate a mountain of health care paperwork and pare back costs.

We've got to attack the excesses of mandated benefits. When States now order health insurers to cover 1,000 different types of treatment, something's gone wrong. Next thing they'll be covering manicures for Millie. [Laughter] It's gone too far. And I think everybody knows it. And we should challenge the States to do something about the excessive mandates that shoot these costs right up through the roof.

Fourth and finally, we will get the growth in Government health programs under control. Right now, Government health care programs can claim a dubious distinction: They are the fastest growing parts in the Federal budget. For those of you interested in history, go back and listen to what was said about these programs at their inception. Go back and hear the rhetoric on the floor of the United States Congress. And now compare that to what actually has happened in these costs. This year alone, this year alone, let me repeat that, Medicaid costs will increase by 38 percent. We will not, repeat, not cut benefits. We can make real savings simply by reducing this huge rate of increase. We must bring runaway costs under control. Smart, sensible efficiencies will help our reform plan pay for itself.

The Federal Government should also give States flexibility to design these new universal access programs for the poor, programs that will provide quality services to all their citizens. I've just met with Governor Voinovich and the rest of the Governors. Regardless of party, Democrat or Republican, it doesn't matter, they want flexibility. And we must give it to them. Right here in Ohio, your Governor has proposed health care reforms that will do for this State what we want to do on the Federal level. States should be able to use new Federal resources to design programs that work, not some one-size-fits-all solution imposed by Washington, DC.

Providing affordable care, efficient care, wringing out excess and waste, and controlling Federal growth. These four points will create the kind of market-based reform plan that will give Americans the kind of health care they want and deserve and put an end to the worry that keeps them awake at night.

Remember what people want. People want quality care, care they can afford, and care they can count on, care they can rely on. I keep coming back to what works for this country. Think about the challenges that we face as a Nation. Anyone who is concerned about competitiveness has to see controlling health care costs as key to a healthy economy. We've got to make certain our reform corrects our weaknesses without destroying our strengths. When we talk about health care, we're talking about matters of the most personal nature, in some cases literally life and death and decisions that go with it. We don't need to put Government between patients and their doctors. We don't need to create another wasteful Federal bureaucracy. As President I simply

will not let that happen.

We need commonsense, comprehensive health care reform, and we need it now. And my plan I really believe is the right plan, a plan that meets our obligation to all Americans by putting hope and health within their reach.

Cleveland has led the way. Your hospitals, COSE, citizens in this community are way out front for these principles. And it's most appropriate that I give this speech to the Nation on health care reform right here in this city that is leading the way.

Once again, my thanks for this warm Cleveland welcome. May God bless you all and the United States of America. Thank you very, very much.

Note: The President spoke at 12:36 p.m. at the Stouffer Tower City Plaza Hotel. In his remarks, he referred to Robert B. Horton, chairman of British Petroleum, and Mark Price, a member of the Cleveland Cavaliers basketball team. He also referred to the association's Council of Small Enterprises (COSE).

Remarks to the Staff of the University Medical Center of Southern Nevada in Las Vegas, Nevada

February 6, 1992

Thank you all very much. And again, I apologize if we've kept this distinguished group, busy people, waiting. But we're delighted to be here. It's kind of a hit-and-run day. It started in Cleveland where I announced the fundamentals of a new national approach for health care which I intend to work very hard for. But I want to thank Dr. Brandness and single out the Governor of the State, who has been most hospitable to me since we've been here. Also Barbara Vucanovich, who is a Congressman here, a great friend of mine of long standing, and simply say that I'm very pleased to be here to thank all of you for this afternoon's tour.

You can't help but when you walk through these halls and see the incredible work and dedication of the people, as we saw both at the neonatal care and the burn care center, you can't help but count your blessings for those who are devoting their lives to helping others. When you see somebody treating babies like that, tiny preemies, or those ravaged by burns, it just, at least in my heart, evokes tremendous gratitude and admiration for what you do. So, I hope you know that people outside the medical profession are extraordinarily grateful to those who give of themselves as you all do.

I did release this comprehensive health care program earlier today. And let me just, without giving you the full load, summarize a little bit. I know you're used to extended debates about health care. You probably get a lot of requests for free advice on this subject and many others. But I think everyone understands, all of you do, something that politicians sometimes forget, and that is that America's medical system offers the best care in the world.

It's not simply that we start with the scientific and research end, with far more Nobel Prize winners in medicine than any other country, but it's just generally the quality of care. And when people from other countries seek the best possible care, you just have to look, where do they go? Well, they come to the United States of America.

And with all the problems and all the breathless press reports about health care, I think of the guy who got in a car accident. And when he got to the hospital, the doctor set his broken bones, examined him carefully, and assured him that he could go home the next day. The next day came, and the doctor rushed to the patient's room with a look of great anxiety and concern. ``Is something wrong?" the patient said. The doctor replied, ``I'm not sure. Just to be safe, I'd like you to stay another day. You see, I didn't know how badly you were injured until I read about your accident in the newspaper." [Laughter]

Well, there's a parallel here. Reports of the demise of American medicine in my view are greatly

exaggerated. I will repeat, American medicine is the best in the entire world. My comprehensive health care plan builds on the strengths, on these strengths of our medical care system. I will not endorse nor go with a nationalized -- they used to say socialized medicine -- a nationalized plan that will guarantee only long lines, indifferent service, and very high taxes.

And I've worked hard to come up with a plan that will work. And that's the plan that we are proposing. It addresses Americans' basic concerns about health care: that too many people don't have access to care, I think we could all agree on that; that it costs too much; and that you can't be sure of keeping coverage if you change your job or if you or someone in your family has an illness or an injury. This plan ensures that every worker, regardless of health status, can get health care coverage, can choose providers, can afford care, and can keep it.

Let me just outline the plan in brief for you. It's got four points. One, we make health care affordable by offering a health insurance tax credit, a voucher, to low-income individuals and families, and then a health insurance tax deduction to middle-income individuals and families. Poor people who pay no taxes at all are covered, and they'll get insurance for free. These measures will help 95 million Americans purchase the health insurance that they need.

Two, we improve the efficiency of our system by reforming the insurance system and developing what we call health insurance networks. You probably refer to it as pooling. These networks will improve efficiency, and they literally will help drive insurance costs down. We make consumers of health care better able to compare costs, keep competition in the health care system.

Three, we're going to work hard to wring out the waste and excess. And we start by putting a lid on these outrageous medical malpractice lawsuits. Over the past decade malpractice insurance, the premiums, have risen by an average of more than 15 percent per year. This national epidemic of lawsuits has persuaded some doctors to avoid such vital specialties as surgery or obstetrics. America's love for the lawsuit has just got to stop. And we've got legislation up there trying to do something about it. And it really is important in cost control, as everyone here knows. It's very, very fundamentally important in how we pay for the whole program.

Fourth, we're going to get the growth of Federal health programs under control. This isn't easy politically, but we've got to do it. Medicaid went up 38 percent this year alone. And we'll encourage major innovation at the State and local levels, and we'll do this without cutting benefits. And I believe it can be done without raising taxes.

America has been blessed by the world's best doctors, the best hospitals. I heard today how this hospital had been able to battle down the costs, eliminating some of the deficit that has been around. We've got the finest training institutions in this country; really, we have the finest. And this plan will not undermine this base of quality and excellence. You don't need your hands bound by redtape either, and you don't need these stethoscopes replaced by Federal millstones.

Having been around hospitals and blessed by seeing loving care for our kids, I am absolutely convinced that the medical profession is dedicated to the concept of service. This debate must not diminish that, must not take that away from the medical community at all. And I think you need our support. Everyone has got to play a part. I'm prepared to play mine in building a healthier Nation.

Every hospital depends also, as we all know, not just on professionals but also on volunteers. And you know this better than anyone, all of you do. Hundreds of thousands of people across this country, in literally hundreds of thousands of groups and organizations give their time to make medical care accessible to others. And every community relies not just on professionals, not just on physicians but also on teachers, on counselors, on nurses, people giving of themselves to help others along the path to good health. Our Secretary of HHS, Dr. Lou Sullivan, has talked eloquently about the rule of character in health. He's mounted an effective campaign to encourage preventive care. He teaches people about good habits, decent behavior, promotes the cause of immunization.

Celebrities, including my friend Arnold Schwarzenegger, promote active, healthy lifestyles. I might say a word about him. He's head of our Commission on Fitness, and he's taken it very seriously. He's gone to 28 States, all pro bono, and taken a message out there that the young people of this country are responding to. So, lifestyle is important. And I don't know about you, but when Arnold says exercise, I exercise. [Laughter] The point I'm trying to make is that everyone has a role. And this plan really encourages people to work together.

And so, I just again want to thank the doctors across this country, using all of you as the audience here today, but others not just here but around the country, for the careers that you've embarked on and are ennobling, on the challenge that you've chosen. And I am determined to push for a health care plan that will work. I think we've got it, and I think we can do it without diminishing and losing the wonder of individual initiative and excellence. That's the hallmark, that's the underpinning of this plan. And needless to say, I don't want to see this many influential people assembled without putting in a pitch for it. So, please help us if you can, if you agree with us.

And thank you for what's been a wonderful few minutes for me in a busy day, started in Cleveland where we went to a hospital in Cleveland and then talked about a little more detail about this plan, then here today, and to San Diego tomorrow, going in there this evening. But it's been a joyous day for me. And thank you for what you do in helping other people across this country. Thank you so much.

Note: The President spoke at 5:25 p.m. at University Medical Center. In his remarks, he referred to Dr. David Brandness, chief executive officer of the center.

Remarks to the San Diego Rotary Club in San Diego, California

February 7, 1992

Thank you all very, very much for that welcome. And Governor Wilson, Pete, thank you for that introduction, for being at my side in so many battles that I think affect this country. May I also salute Secretary Lou Sullivan, our distinguished Secretary of HHS who is sitting here, who came with me today; the Surgeon General, Surgeon General Novello is here somewhere out in the audience, sitting right over here; and next to her, Bill Roper, who is the head of the CDC, the Center for Disease Control, in Atlanta; and Dr. James Mason, who is our Assistant Secretary of HHS for Public Health.

So, you are surrounded, literally surrounded by health experts, our very best. And they are awful good, and I'm proud to be working at their side as we come to grips with some of these problems facing our Nation in health care.

May I also salute the Members of Congress who are here: Representative Duke Cunningham, over here; Duncan Hunter I believe is with us, too; Bill Lowery and Ron Packard, somewhere modestly in the crowd. We've got a wonderful representation from this broad area in Washington, DC.

And may I thank Craig Evanco, the president of this Rotary Club, for assembling such a distinguished group at an awkward time, I'm sure, for some. But in any event, I'm just delighted to be here. And let me salute all, ladies and gentlemen.

It's a pleasure to be in San Diego. I've always loved it, been here many, many times. This is where I set sail for overseas way back in 1944, and this is where I returned to from overseas. And ever since then I've been coming here a great deal. It's a truly American jewel. And thank you for the privilege of visiting this beautiful city on the Pacific once again.

I know that the eyes of the sailing enthusiasts are again on San Diego this year with the America's Cup competition. And if you run low on wind -- [laughter] -- no, we've got a surplus back in Washington, and we'd be glad to help out. [Laughter] But good luck on all of that.

Earlier today -- and I apologize for keeping you all waiting by some 15 minutes, I'm afraid -- but I visited a catalyst of caring, something that I'm sure everyone in this Rotary Club that believes in service is proud of, the Logan Heights Family Health Center, founded by one Laura Rodriguez, what we call a Point of Light, one of San Diego's true Points of Light. And I saw the families and the children and watched one little guy get immunized there. Later, I had a chance to talk with the parents and community leaders about how greater immunization can increase

illness prevention.

This morning, like immunization, I will try to be brief, and also like immunization, I will try to keep the pain to a minimum. I was so moved by that warm response to just being here that I'm sorely tempted to give a flamboyant political speech here today. [Laughter.] But I'm going to resist that because I think we've got a lot to get done for the country in health care, and I want to talk to you about that subject and discuss how prevention can achieve a priceless gift, good health in America. So let me begin, then, with an equation: Good health equals a change in the health care system plus a change in the way we act.

This country has the best health care system in the world, the best. The quality of health care in America is unrivaled. You couldn't tell it from some of the political criticism, but it is unrivaled. So, that's not the problem. Rather, the problem is, first, that too many Americans are excluded, leaving one-seventh of our people without health insurance coverage. And second, millions of Americans fear losing access to coverage when they change jobs or develop illness. This is absolutely unacceptable for the United States of America, and it's got to stop. Finally, health care costs too much. And this year, listen to this number now, this year Americans will pay more than $800 billion for health care, one-tenth of all we spend. The health of our economy and the health of our Nation cannot afford it. We've got to do something about it. And now is the time to start.

Imagine: Let's say you're making do, just getting by in your current job that offers health care for your disabled child. Let's say you get offered a better job with a higher salary. You want to take it. You need to take it. But you can't take the chance that it won't cover your child. That is not the American way. I know we can do better, and my plan does. We've got to roll up our sleeves and meet this challenge head on.

Affordability, access, portability: These are the issues we've got to address. So yesterday in Cleveland, I announced a pioneering plan to do just that, to stabilize costs, ensure access, and free workers from the fear of losing coverage. My plan will preserve what works and reform what doesn't work. It consists of four points, and I ask you to support this plan and help me make the best system in the world even better.

First, our plan will make health insurance more accessible by making it more affordable for millions of low- to middle-income families. For low-income families, I want a health insurance credit of up to $3,750 a year to help them buy insurance; for middle-income, a tax deduction up to the same amount.

Second, we will cut health care costs by making it more efficient. Studies show that the larger the group being insured, the lower the cost per individual. So, we will create what we call health insurance networks that help companies band together and cut administrative costs.

And the third point will also lower costs. We must reform medical malpractice litigation. Today

we have too many malpractice suits driving up costs for a doctor, a nurse, or a hospital stay. And I might say parenthetically, this malpractice suit is just a symptom of what's happening all across the business spectrum in this country and in the eleemosynary area, like in a Little League. We've got too darn many lawsuits out there, very candidly. A recent study found that, listen to this one, that in 1989 the cost of defensive medicine, just for physicians' expenditures, to be over $20 billion, or nearly 18 percent of their total costs.

I don't want to get into trouble with the Bar Association -- [laughter] -- but I once quoted to someone that line, ``An apple a day keeps the doctor away." He says, ``What works for lawyers?" [Laughter] But this is a very serious point, and here's what will work for America: Let's spend as much time building a better health system as we do wrestling with our legal system. We'd do better caring for each other if we stop solving problems by suing each other.

And that brings me to point four. We will cut the outrageous growth of Federal health programs. Listen carefully to what I've said: We will cut the growth of health programs like Medicare so that we can protect the benefits. Our reform program will cut costs, ensure choice, and give everyone, rich or poor, sick or healthy, access to health care.

And yet there are those who, like an old dog, refuse to learn new tricks. Instead of a better health care system, they demand a nationalized health system. Very candidly, you want to call it what it is, that means a socialized system. Let me tell you straight, I will not allow those people to give America a prescription for failure. I am going to fight against a nationalized, socialized medicine approach for this country.

Folks who want national health care are the same people who said that Tony Gwynn would never amount to much of a hitter. [Laughter] Now, they can't see the future. They think socialized medicine -- everything provided by the Government, totally Government-controlled medical care -- is just the ticket for health care in America. And what they're not saying is it's also the ticket for treatment waiting lines.

Anyone who's spent months checking the mail for that income tax refund, or tried to track down a missing Social Security check, or wasted a day in line at the department of motor vehicles is going to think long and hard before they let the Government play doctor. Some say nationalized health care would serve everyone. Sure it would, yes, just like a restaurant that serves bad food but in very generous proportions. [Laughter]

Look at countries where socialized medicine violates the number one rule of the medical profession, ``Do no harm." They can tell you, nationalized health care is a nationalized disaster. And it's true, socialized medicine plans have increased exports to our country. But what are the exports? I'll tell you: Patients coming here for prompt surgery and the finest care in the world, doctors coming here for better working conditions.

As long as I am President, we are not -- again, I want to repeat it -- we are not going to go down the road of nationalized health care. And nor will we jump from the frying pan into the fire. I oppose the other Government-takeover plan. They call it ``pay or play," where employers are forced either to accept a health insurance plan or pay a payroll tax and join the Government plan.

The ``play or pay" choice costs jobs and money. And it reminds me of the guy with the gun in your back, who says, ``Your money or your life." Jack Benny used to respond by saying, ``I'm thinking. I'm thinking." [Laughter] Well, we'd better think long and hard about a ``pay or play" plan that would make us pay and pay and pay and drive a lot of small businesses out of work, out of business in the first place. And I'm not going to let Congress try to cure America's health and care ailments by binding wounds in redtape.

I have proposed a plan that is sensible, and really it will work. And I ask you to help, too. One of the best ways is keeping people healthy, keeping them healthy. So, let me talk just a minute about how we must also change the way we act. And in this field I again salute Dr. Sullivan, our Secretary of HHS, who's been way out in front of the power curve on this concept. If you'll forgive me for altering an old saying, Pete used it a minute ago, ``A pound of prevention is worth a ton of cure."

My good friend Lou, Dr. Sullivan, has said better control of fewer than 10 risk factors could prevent up to 70 percent of premature deaths, one-third of all cases of acute disability and two-thirds of all cases of long-lasting disability, and yes, many, many AIDS cases. If you exercise and eat right and don't smoke or abuse drugs and drink less and avoid risky sexual behavior, you'll live longer. And America will live better. Let's change the behavior that costs society tens of billions, this is no exaggeration, tens of billions of dollars in lost earnings and productivity, treatment related programs, accidents, and certainly crime. Maybe I am a little old-fashioned, but I believe personal responsibility has a lot to do with making America a better country.

And now, let's also act through another prevention measure, immunization. With health care costs stretched to the limit, we can't afford not to immunize our youngest children. And last June, Secretary Sullivan and I announced our administration's immunization initiative. And our goal was simple, to bring immunization to every American child. This effort pays huge dividends. Every $1 spent for immunization now for measles, mumps, and rubella saves an estimated $14 later on.

Consider two facts. Two years ago, measle cases soared to a high of 27,000. In 1989 to '90 alone, measles caused 130 deaths, 60 percent of which were children under 5 years of age. Because of our immunization initiative we now have a national blueprint to bring this needless and tragic story to a speedier end. But we're also working on immunization's equivalent of putting a man on the moon, the one-time, all-in-one vaccine that immunizes a child against all vaccine-preventable childhood diseases.

You know, since September of 1991 there's not been a single reported polio case in the Americas. Now, that's an extraordinary immunization accomplishment. But we've got to do better. And that's why we've more than tripled the dollars for Federal immunization efforts since I took office in 1988 -- '89, January -- [laughter] -- from $98 million to $297 million for 1992. And our work will only be complete when we eradicate these terrible diseases not only from our neighborhoods but from the world's as well.

Let me tell you a story about a family right here in San Diego. Michael and Barbara Baines had always watched closely over the health of their children. And last year they were preparing for the holidays, but they were not prepared for the news, their two littlest stricken by whooping cough. Thank God, 2\1/2\-year-old Kensington has now left the hospital, and little 18-month-old Colleen has stabilized. And as Michael and Barbara prayed, they asked that other parents would not make the same mistake. And said Michael, ``You can't fight something you can't see. You've got to have them immunized; give them as much protection as you can as early as you can."

It's because of families like the Baineses that I put forth this message: We need improved immunization. We also need earlier immunization not merely of school-age kids, where immunization approaches 100 percent, but of our smallest victims, where a year of wait can be a year too long. Kids need to be completely vaccinated in the first and second years of life. Yet immunization rates at 2 years of age are only 50 percent in many States and often as low as 10 percent in some of the inner cities. We have to change that, and I am determined that we will.

It won't be easy to immunize every child. And yet the Government will do its part. And the private sector needs to do its part as well. We need to help it try creative ideas like one-stop shopping for health care and escorted referral for express lane immunization at the clinics. And finally I ask each of you, mothers, fathers, spouses, friends: Call your health official or physician. Join groups which encourage childhood immunization. Please, please, make sure your child is immunized.

I have outlined today a reform program to make health care accessible and affordable. It's a program which rejects outright the dead end of Government-controlled, of socialized medicine, a program which will be good medicine for the American economy and the American people. And so, please help me take this message to the Congress: ``He who has health has hope, and he who has hope has everything." I need your support. I need you to be involved. And let's bring quality health care to every American.

You know, when I was little, I read a quote by Saint Francis of Asissi. ``Give me a child until he is 7," he wrote, ``and you may have him afterward." Through a better system and better behavior, we can ensure that the future will have our children afterward, hoping, building, dreaming, as Americans always have and as Americans always will.

Thank you very, very much. And may God bless the United States of America. Thank you.

Note: The President spoke at 10:20 a.m. at the Sheraton Harbor Island Hotel.

Statement by Press Secretary Fitzwater on the Appointment of Robert L. Gallucci as Senior Coordinator for the Office of the Deputy Secretary of State

February 7, 1992

The President has announced the appointment of Dr. Robert L. Gallucci as Senior Coordinator reporting to the Deputy Secretary of State, with responsibility for coordinating the Administration's cooperation with the States of the former Soviet Union to reduce the risk that their scientists and know-how would contribute to the proliferation of special weapons. For this purpose, he will also assist in the coordination of assistance to the Commonwealth of Independent States in the areas of conversion of the state-run defense establishment to peaceful or commercial enterprises, and humanitarian and educational needs. Dr. Gallucci will carry the personal rank of Ambassador.

In order to assume these new responsibilities, Dr. Gallucci has resigned his position as Deputy Executive Chairman of the U.N. Special Commission charged with the destruction or removal from Iraq of weapons of mass destruction and ballistic missiles. Ambassador Michael Newlin has been nominated to succeed Dr. Gallucci in that position.

Statement on Signing the Emergency Unemployment Compensation Bill

February 7, 1992

Today I am pleased to sign into law H.R. 4095 to extend and increase the benefits available under the Emergency Unemployment Compensation program. These benefits are financed in a manner consistent with the discipline of the budget agreement and long-term economic growth.

The 13 additional weeks of unemployment benefits provided by this legislation means real help to unemployed workers and their families during these tough times. It means getting checks into the hands of men and women to help pay the mortgage or the grocery bill, make the car payment or meet the daily expense of raising a family -- at the same time they're seeking new employment.

As Americans who watched my State of the Union Address last week might remember, I called for swift enactment of this legislation. The bill I am signing today demonstrates clearly that when the Congress wants to act expeditiously it can. When the Congress and the Administration work in common cause, we can accomplish great things.

The greatest challenge we have before us now is getting the economy moving again. I have offered an immediate action plan to the Congress. The best thing the Congress can do for the American people is pass this action plan -- and pass it by March 20, the deadline I announced in the State of the Union.

Yes, it's a political year. But we are in a window of opportunity right now -- we can put partisanship aside -- we've got 42 more days. The American people deserve action now, and it's time for the Congress to enact the plan we have put forward.

George Bush

The White House,

February 7, 1992.

Note: H.R. 4095, approved February 7, was assigned Public Law No. 102 - 244.

Remarks on Receiving the Boy Scouts of America Report to the Nation

February 10, 1992

Let me just first welcome everybody here, those up here and everybody out in the audience. I am pleased to be here because the goals of the Boy Scouts and the concerns of the young of our Nation are very important to me, important to our administration, and most of all, fundamentally important to our whole country. I want to recognize Ronald Moranville, the deputy chief Scout executive, seated here, right here in the front; and those members of the administration who are with us, our Chief of Staff, Sam Skinner, the future Secretary of Transportation here, Andy Card, and others with us who are all very interested in this.

Since 1910 with President Taft, every President, I think Ben referred to this, but every President has received the Boy Scouts report to the Nation. And I am again proud to receive it this year. The Scout slogan is ``Do a good turn daily.'' This report represents the great and heroic deeds done by our Nation's future, from feeding the hungry to helping kids stay drug-free. I listened to those five goals, and clearly we should all be working to achieve those goals.

Boy Scouts and Scout initiative have been recognized as what we call daily Points of Light for serving others and making positive differences, for example, the members of Boy Scout Troop 4 of Ann Arbor, Michigan. These Scouts made community service central to their mission, providing companionship to our elderly, beautifying the grounds of the elderly homes, as well as working with the hungry and those afflicted by drugs.

So I just mentioned one example; there are many, many more that I could point to. I want to thank all of you for the good turns done by the Scouts throughout the United States; thank each of you, those who have been singled out for personal heroism. It sets a wonderful example to young and old alike.

So for me, this is a very nice interlude, and I'm just delighted to see you all back here. I remember that marvelous encampment in Virginia. I hope someday I'll get to come back. It's good to see you guys. Thanks for coming.

Note: The President spoke at 11:55 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Ben H. Love, chief Scout executive.

Remarks to the Conference on Healthy Children Ready To Learn

February 10, 1992

The President. Thank you, Dr. Sullivan. And might I just say at the beginning of these brief remarks that I am very proud of Lou Sullivan and what he's doing as Secretary of HHS. He's doing a superb job, and we all are grateful to him. And when Dr. Novello and Lou suggested I could be here, let me just say it's a pleasure to be here today to help launch this historic conference.

I particularly want to thank our Surgeon General, Antonia Novello. I see she brought most of her family with her. [Laughter] No, but let me just say this: As an observer with a pretty good observation post, she's inspired people all across the country with her example and her message. And she sums it up this way, she sums up the message better than anyone: ``All children have a right to be healthy." Then she says, ``We need to speak for those who cannot speak for themselves."

And that's why you've gathered here this week, and you've come to lead a great movement of parents and doctors and teachers and public programs and private enterprise, a movement destined to transform America. And here's our goal -- what's that guy got going? [Laughter] I think it's wonderful these kids are here, I really do. Makes me feel right at home.

Here's our goal: By the year 2000, every American child will start school healthy and ready to learn. Our success will provide a lifetime of opportunity for our children. And it will guarantee the health and safety of our families and neighborhoods, and it will ensure that America remains the undisputed leader of the world. Now, I am proud that our administration is part of this movement. In this administration, families come first.

We're proud to join hands with people like Trish Solomon Thomas, who's come from New Mexico to be here this afternoon. A little history: She has two children, both of them with special health needs. And she perfectly expressed the spirit of our movement when she said, ``I used to be shy, but I had to learn to stand up for my kids." And that's why we're here, to stand up for our kids. And we will not let them down.

Our movement draws its strength from Trish and the millions of parents like her. The title of this conference says it all, ``Healthy Children Ready To Learn: The Critical Role of Parents." Now, parents are a child's first teachers, offering the love and spiritual nourishment that no Government program can ever hope to provide.

And if I can brag for just a minute here today, you may know of Barbara's work promoting

literacy. And I'm very proud of her. She wants to help parents understand just how important it is to read to their kids. And when parents read aloud to their young ones, they open their children to the joy of a larger world; they teach the self-assurance and curiosity that comes from learning. Barbara asked me to extend her best wishes. She's down on a learning program, an education program, right this minute in the State of Mississippi. [Applause] Don't know whether you're clapping because she's there or because she's interested in education, but nevertheless -- -- [laughter]

Audience member. Mississippi.

The President. Oh, a little Mississippi delegation here.

But anyway, our movement instills the habits of good health, wholesome nutrition, sound hygiene, and protective measures like early immunization. Parents know learning and health are two sides, really, of the same coin.

And again, parents, families, communities are the key. But Government can help, must help. Last June, for example, Dr. Sullivan and I, with able advice from Dr. Novello, took steps to ensure that no American child is at risk from deadly diseases like polio, diphtheria, and measles. And we launched an initiative to support childhood immunizations, especially immunizations for kids in the early years of life. Now, that's a crucial step toward meeting our goal. And I'm proud we've been able to help. Since 1988, we've more than tripled the dollars for Federal immunization efforts, from $98 million to $297 million for 1992.

On Friday, Dr. Sullivan and the Surgeon General and I, we were just talking about it outside, were out in San Diego, and we had the privilege of visiting Logan Heights Family Health Center to see firsthand the benefits of this initiative. We spoke with parents and community leaders, and every one of them stressed the importance of early immunization in preventing illness.

Logan Heights, one of many, I'm sure, but it's a perfect example of what can be done if concerned individuals set their minds to it. The center was founded by a wonderful woman named Laura Rodriguez, who's become one of our administration's what we call Points of Light, helping others, setting an example in the process. Laura saw a need, and with hard work and dedication, she rolled up her sleeves and did something about it. Logan Heights now serves 75,000 patients a year. So, I say thank God for people like Laura. She's an example for all of us. And there are many, many other examples right here in this room.

And for those kids who need a head start in preparing for school, we've made sure that they'll get it. In the last 3 years, we have almost doubled the funding for Head Start programs, and this year I have proposed the largest single increase in Head Start's history, $600 million. This year's increase will ensure that 157,000 more kids will be able to start school ready to learn.

Head Start brings children and parents into the classroom, into the learning process. Head Start works because parents take the lead. You may not know this, but volunteers in Head Start outnumber paid staff by eight to one. Head Start works because people care. And we're making sure it continues to work. If it's good for America's kids, it's good for America.

These are important steps. But there's more to do. And we must address the larger issues of American health care. And last week, I proposed a four-point plan to do just that. Every American family must have access to affordable, high-quality care.

I don't need to tell you that the American health care system has problems. The crisis has probably touched many of you right here in this room. Right now, more than 8 million children go without health insurance because skyrocketing costs have placed coverage beyond the reach of their parents. And even parents who are covered worry about losing their family's insurance if they move on to a different job or, worse still, lose the job they have. You shouldn't have to live with this kind of uncertainty. No American family should. And my proposal will put an end to that.

And yet, I think we should keep one thing in mind. It's important to remember: For all its problems the system, our health care system, still provides the best health care in the world. And that's why people from all over the world come here seeking better care. Most often they're trying to escape health care systems in which the government dictates how much care you'll get and what kind you'll get and when you'll get it. In America, that's unacceptable.

Our great challenge, then, is to keep what works in our system and then reform what doesn't work. We must maintain a maximum freedom of choice and the highest quality care. And at the same time, we must make sure that our children have access to health care their parents can afford, sick or healthy, rich or poor. That's what this four-point plan does, and let me just briefly spell it out for you.

First, to make health care more affordable and accessible, I want a $3,750 tax credit for low-income families to help them buy health insurance. For middle-income families, I've proposed a tax deduction for the same amount. Poor people, those who don't file taxes, would be covered under this plan.

Second, to cut costs, we will make health care more efficient. The math is simple; the larger the group being covered, the lower the cost per individual. So what we've done is this: We've proposed health insurance networks that bring companies together to cut administrative costs and make insurance affordable for working parents.

And third, we must cut out the waste and abuse. We can start with medical malpractice lawsuits that drive up the cost of care for everyone. A doctor pestered with frivolous litigation ends up passing his legal costs right along to you, the American people, and right along to the patient.

And when you go to the doctor, I don't want you to have to pay a lawyer, too. Just pay the doctor.

And finally, we must slow the spiraling costs of Federal health programs. These costs are rising far beyond the rate of inflation, which only endangers important benefits while making less money available for other pressing needs.

There it is, a commonsense reform that will maintain high-quality care, cut costs, ensure maximum freedom of choice, and give every family, rich or poor, sick or healthy, access to health care. I know how important this is, particularly for parents who have children with special needs. And my plan will assure that you can change jobs without endangering the health insurance your child depends on. We're building on our system's strengths. And we're avoiding the pitfalls of nationalized care, the kind that people from all over the world come to America to escape.

All these approaches for meeting our goal of ``Healthy Children Ready To Learn'' must build on a basic truth: In this country families come first. Government programs that overtake the rightful role of families and communities, that deny them the freedom of choice or bind them up in redtape, are simply unacceptable. Our movement is about strengthening families.

And over the next few days I'm told you will continue a great national dialog, share information, explore new ideas, and then return to your communities to lead the good fight. Your commitment is an inspiration, and I thank you for inviting me by to get a feeling of it firsthand. And may God bless all of you.

And now this little guy, I've got to tell you, those in the back, when I walked in and was sitting here looking very serious waiting for the doctor to introduce me, this guy in the blue, he goes like this to me. [Laughter] And I had to tell him, ``No, I have to stay up here.'' You know, I tried to communicate with him, but now I'm going to invite him to come up here and say hello to me.

But thank you all, and may God bless America. Thank you very, very much.

Note: The President spoke at 2:07 p.m. at the Ramada Renaissance Hotel.

Memorandum on Payments to the United Nations

February 10, 1992

Memorandum for the Secretary of State

Subject: Delegation of Functions Related to Payment to the United Nations and Its Specialized Agencies of United States Assessments and Arrears

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3 of the United States Code and sections 102 and 162 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102 - 138) (the Act), I hereby delegate to you the functions vested in me by sections 102(a)(3) and 162 (b) and (d) of the Act, relating to payment to the United Nations and its specialized agencies of United States assessments and arrears. These functions may be further redelegated within the Department of State.

The functions delegated by this memorandum shall be exercised in coordination with the Director of the Office of Management and Budget and the Assistant to the President for National Security Affairs.

You are authorized and directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:26 p.m., February 12, 1992]

Memorandum on Social Security Card Changes

February 10, 1992

Memorandum for the Secretary of Health and Human Services

Subject: Delegation of Authority to Report to the Congress and to Publish in the Federal Register Proposed Changes in the Social Security Number Card

Section 205(c)(2)(F) of the Social Security Act (section 405(c)(2)(F) of title 42 of the United States Code) directs the Secretary of Health and Human Services to issue Social Security number cards to individuals who are assigned Social Security numbers.

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 274A(d)(3)(A) of the Immigration and Nationality Act (the ``Act") (section 1324a(d)(3)(A) of title 8 of the United States Code) and section 301 of title 3 of the United States Code, and in order to provide for the delegation of certain functions under the Act, I hereby:

(1) Authorize you to prepare and transmit, to the Committee on the Judiciary and the Committee on Ways and Means of the House of Representatives and to the Committee on the Judiciary and the Committee on Finance of the Senate, a written report regarding the substance of any proposed change in Social Security number cards, to the extent required by section 274A(d)(3)(A) of the Act, and

(2) Authorize you to cause to have printed in the Federal Register the substance of any change in the Social Security number card so proposed and reported to the designated congressional committees, to the extent required by section 274A(d)(3)(A) of the Act.

The authority delegated by this memorandum may be further redelegated within the Department of Health and Human Services.

You are hereby authorized and directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 1:14 p.m., June 5, 1992]

Statement on the Death of Alex Haley

February 10, 1992

Barbara and I extend our heartfelt sympathies to the family of Alex Haley upon his passing. Alex Haley was an extraordinary individual and a literary giant who served his country for 20 years in the U.S. Coast Guard.

He went on to produce many works, including the ``Autobiography of Malcolm X'' and ``Roots.'' ``Roots'' in particular has been woven into the cultural patchwork that is America. Haley's own roots, nourished in the small town values of Henning, Tennessee, were central to his writings and his life. He taught us that every community needs to strengthen and renew itself. I am particularly grateful for the encouragement that he continued to provide to thousands of Americans who work to make their communities places where education is nourished. Alex Haley understood that it was important to know where you come from -- so that you could set a course for where you want to go. He will be an inspiration for generations to come. His talent and spirit will be greatly missed.

Statement by Press Secretary Fitzwater on the Export Enhancement Program

February 10, 1992

The President met on February 10 with his key advisers to review the U.S. Export Enhancement Program (EEP). Secretaries Brady and Madigan, Richard Darman, Chief of Staff Samuel Skinner, Michael Boskin, General Scowcroft, Roger Porter, Michael Moskow, Robert Zoellick, and Timothy Deal participated in the meeting.

EEP was established in 1985 to help U.S. agricultural producers meet subsidized competition in foreign markets.

The group reviewed the existing criteria for approval of EEP sales with particular reference to several outstanding applications from potential foreign purchasers. There was general agreement that in considering whether to approve specific EEP proposals U.S. agencies must weigh the nature of the competition in the foreign market (i.e. subsidized v. nonsubsidized competition), U.S. historic presence in the market, and the budgetary impact of such sales.

U.S. agencies will apply these and other criteria in deciding on the merits of existing and future EEP proposals.

Nomination of Robert C. Frasure To Be United States Ambassador to Estonia

February 10, 1992

The President has announced his intention to nominate Robert C. Frasure, of West Virginia, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Estonia.

Currently Dr. Frasure serves as the Charge d'Affaires at the U.S. Embassy in Tallinn, Estonia. Prior to this, Dr. Frasure served as the Africa Director of the National Security Council at the White House, 1990 - 1991; Deputy Chief of Mission at the U.S. Embassy in Addis Ababa, Ethiopia, 1988 - 1990; Political Counselor at the U.S. Embassy in Pretoria, South Africa, 1986 - 1988; and Political Officer at the U.S. Embassy in London, England, 1982 - 1986. From 1980 to 1982, he served in the Southern Africa Office of the State Department.

Dr. Frasure graduated from West Virginia University (B.A., 1964; M.A., 1965) and Duke University (Ph.D., 1971). He was born April 20, 1942, in Morgantown, WV. Dr. Frasure is married, has two children, and resides in Falls Church, VA.

Nomination of Ints M. Silins To Be United States Ambassador to Latvia

February 10, 1992

The President has announced his intention to nominate Ints M. Silins, of Virginia, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Latvia.

Currently Mr. Silins serves as Charge d'Affaires at the U.S. Embassy in Riga, Latvia. Prior to this, he served as U.S. consul general in Strasbourg, France, 1989 - 1991; Deputy Director for Bilateral Political Relations for the Office of Soviet Affairs at the U.S. Department of State, 1987 - 1989; a fellow at the Center for International Affairs at Harvard University, 1986 - 1987; Counselor for Political Affairs at the U.S. Embassy in Stockholm, Sweden, 1983 - 1986; and Deputy Principal Officer for the U.S. consulate general in Leningrad, U.S.S.R., 1981 - 1983.

Mr. Silins graduated from Princeton University (A.B., 1965). He was born March 25, 1942, in Riga, Latvia. Mr. Silins served in the U.S. Army Reserve, 1966 - 1972. He is married, has four children, and resides in Alexandria, VA.

Nomination of Darryl Norman Johnson To Be United States Ambassador to Lithuania

February 10, 1992

The President has announced his intention to nominate Darryl Norman Johnson, of Washington, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Lithuania.

Currently Mr. Johnson serves as Charge d'Affaires at the U.S. Embassy in Lithuania. Prior to this, Mr. Johnson served as Deputy Chief of Mission for the U.S. Embassy in Warsaw, Poland, 1988 - 1991; Political Counselor at the U.S. Embassy in Beijing, China, 1984 - 1987; Special Assistant to the Under Secretary for Political Affairs at the U.S. Department of State, 1982 - 1984; and as a Pearson fellow on the staff of Senator Claiborne Pell, 1981 - 1982. From 1979 to 1981, Mr. Johnson served as the Officer-in-Charge of the People's Republic of China Affairs at the U.S. Department of State.

Mr. Johnson graduated from the University of Washington (B.A., 1960). He was born June 7, 1938, in Chicago, IL. Mr. Johnson has three children and resides in Washington, DC.

Presidential Determination No. 92 - 14 -- Memorandum on Redesignation of Ethiopia Under the Export-Import Bank Act

February 10, 1992

Memorandum for the Secretary of State

Subject: Determination under Section 2(b)(2) of the Export-Import Bank Act of 1945, as amended: Ethiopia

Pursuant to the authority vested in me by section 2(b)(2)(C) of the Export-Import Bank Act of 1945, as amended (the Act), 12 U.S.C. 635(b)(2)(C), I hereby determine that Ethiopia (designated ``Socialist Ethiopia'' in section 2(b)(2)(B)(ii) of the Act) has ceased to be a Marxist-Leninist country within the definition of such term in subparagraph (B)(i) of such section.

You are directed to report this determination to the Congress and publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 5:07 p.m., February 26, 1992]

Note: This memorandum was released by the Office of the Press Secretary on February 11.

Exchange With Reporters Prior to Discussions With Prime Minister Suleyman Demirel of Turkey

February 11, 1992

Turkey-U.S. Relations

The President. I have been looking forward to this visit to set the right tone of this important U.S.-Turkish relationship. And I should tell you that we were just delighted, and we will work closely with you in every way. And we're pleased to see you here.

The Prime Minister. I do appreciate your invitation, Mr. President. I think we have something to talk about.

The President. We've got a lot to talk about. The U.S.-Turkish -- --

Q. Mr. President, are you plotting the demise of Saddam?

The President. The U.S.-Turkish relationship is a very, very important one.

Q. How much do you intend to discuss the situation in Iraq? Will that be a big focus of your talks?

The President. Well, we're going to have a lot of discussion on a wide array of subjects. I'd let the Prime Minister set the agenda, of course. But I will be reiterating how important the U.S.-Turkish relationship is, how much confidence we have in this Prime Minister, and how closely I personally want to work with him. And I think out of that then, we'll discuss a wide array of issues. But we've got so many issues to talk about that I don't know where we're going to begin.

Presidential Primaries

Q. Mr. Bush, Buchanan started running a spot in New Hampshire yesterday saying that he cares more than you do. Do you think you've settled that issue?

The President. Why don't we just let the voters settle that one on next Tuesday and keep our sights set on what we've got to do here.

Trade Negotiations and NATO

Q. Mr. President, there are people in Europe wondering if the American Government is linking the GATT issue to the troops level.

The President. The GATT to troops? No, there is no linkage at all. I will be telling the Prime Minister, and he'll probably say the same to me, that it is important that we get a GATT agreement. Secondly, without setting priorities, it is important that we retain a strong presence in NATO in Europe. And so, there is no linkage between them. The Vice President made that very clear.

And so I'm glad you raised that one because there's been some confusion about it, and this is important. I want a successful conclusion to this GATT round, and we're going to press hard to get that. And I want a strong U.S. commitment to NATO. And I think that's important to Turkey, and I think it's important to freedom around the world.

Q. You're not going to get GATT, are you?

Q. But is GATT a security issue?

The President. No.

Q. Not at all?

The President. No. They're separate. These two questions are separate. One relates to world trade, and it is very important we get a successful conclusion to the GATT round. And you have a whole question of security. And NATO is very important to the security of Europe, indeed. And I think what it projects is important to worldwide peace and stability.

Q. Well, isn't it time they took care of themselves?

The President. So there is no linkage. There is no linkage.

Q. Isn't it about time after 45 years? We have 150,000 troops there. Aren't 75,000 enough?

The President. We've set the proper level, and we're going to stay with the level that we have set. And so we're not going to be driven by people that now think there is no threat in the world and that the U.S. has no responsibility. We have a disproportionate responsibility for world peace. We are very grateful and lucky that we have come as far as we have in terms of world peace. And we are not going to let this be set by a lot of politicians. We're going to do what's right for the national security, whether it's good politics or bad.

And we've set an appropriate level. And I will be guided not by political challenge but by the Joint Chiefs of Staff and by the leaders of the military in Europe with whom we work in close cooperation, Manfred Woerner to many others. So that's the way it is, and that's the way it's

going to be.

Q. But sir, some in Europe are saying that you use the Senators to -- --

The President. This isn't a press conference. I've got a lot to learn here from the Prime Minister.

Q. Did you use the Senators to give Europe any warning?

The President. On what?

Q. On the GATT issue, that the GATT has to be resolved?

The President. Absolutely not. There is no linkage. No, I'm glad you raised that one. That's the last question. I am glad you -- there is no linkage. What some Senator says over there, that's his business. I'm selling what the policy of the United States Government is. And there is no linkage, and we will have a strong presence in NATO. Those are the two givens.

And that's it. Thank you very much, Helen [Helen Thomas, United Press International]. Thank you very much.

[At this point, one group of journalists left the room, and another group entered.]

Turkey-U.S. Relations

The President. May I say to the visiting journalists from Turkey what an honor and, really, privilege it is to have the Prime Minister here. I respect him. I watched his victory with admiration. I have congratulated him on that. And I'm going to assure him today that the relationship between Turkey and the United States is vitally important to us -- I think it's important to Turkey, too -- and that I will give him my full, unqualified cooperation. He's a good man, and he's there. He's the Prime Minister of Turkey, and I'm going to be working as closely with him as I possibly can.

And welcome to the United States, those of you who are not based here.

Q. Mr. President, your guest was an opposition leader when you met him last in Istanbul. Now he's a Prime Minister. How does this signify the strength of Turkish democracy?

The President. It signifies pretty good strength. It also shows he's a pretty good prognosticator or predictor because he sat there in great confidence and told me without any arrogance, with confidence in his own ability, ``I will be the next Prime Minister." And I reminded him of that a few minutes ago. And yes, sure enough, he was just correct.

But it says a lot about the viability of Turkish democracy because we work closely with the government in Turkey. I'm not knocking the previous government. I'm simply saying this good man has been elected, and he has my full cooperation and the cooperation of the United States Government. And that's U.S.-Turkish relationship at its best.

Thank you all very much.

Note: The exchange began at 11:02 a.m. in the Oval Office at the White House. During the exchange, the President referred to Manfred Woerner, Secretary General of NATO.

Remarks at the Departure Ceremony for Prime Minister Suleyman Demirel of Turkey

February 11, 1992

The President. Mr. Prime Minister, it's been a great pleasure to meet with a man whose career embodies a devotion to democracy and human rights. And seven times the people of Turkey have sent you to serve as Prime Minister, an office that you've served often with daring, always with dignity. And you've been a great European statesman. And you remain a spokesman for change.

No wonder you said when we met last summer, ``I'm going to be Prime Minister." And your devotion to your people has been returned by their confidence in you. And for me, it was a pleasure to welcome you back to the Oval Office that you first visited 37 -- --

The Prime Minister. -- -- years ago.

The President. Thirty-seven or -- --

The Prime Minister. Yes, 37.

The President. Thirty-seven years ago when President Eisenhower was in that very special office.

Barbara and I will never forget our trip to Turkey last year. And I recall especially the magic of Istanbul, the minarets of the Blue Mosque, the splendor of the beautiful palace, the boats that graced the Straits of the Bosporus, the lights that lit up the Asian and European parts of the city, their skyline a lovely silhouette against the night. And I marveled at this country which spans two continents, just as the friendship between our countries spans two centuries.

Today, as the Prime Minister and I mapped our path toward the future, we spoke of friendship and how it nurtures the ties between our peoples. Perhaps Kemal Ataturk said it best: ``Nations are bound more by sentiments than by treaties."

Turkey is indeed a friend, a partner of the United States. And it's also a model to others, especially those newly independent Republics of Central Asia. In a region of changing tides, it endures as a beacon of stability. And so, I repeat what I told the Prime Minister: The United States will support its friend in its territorial integrity, its sovereignty and stability, particularly in its war against terrorism.

And we're going to work together to fortify the enhanced partnership which both links and lifts

our nations. The pillars included trade, diplomacy, NATO and CSCE membership, and a shared commitment to justice and human rights. And last year in the Gulf, in the Persian Gulf, we joined to face aggression and then faced aggression down. We're going to continue to work through the United Nations to see that all Iraqi citizens get the food and medicine they need and the peace and liberty they deserve in an Iraq free of Saddam's tyranny.

Today we spoke of a world reborn through the cold war's death, of the plight of the new Republics emerging from the old Soviet Union. Already, Turkey and the United States have joined hands to feed mouths, rushing goods through Project Hope to needy friends in the Caucasus and Central Asia. I wish to announce that our Governments will expand that cooperation in these new Republics. We will seek new ways to help our new friends secure their independence and move quickly and peacefully to establish ties with the West.

Mr. Prime Minister, you once said, ``Every question will be answered; discussion will be open and free." And in that spirit, we spoke of Turkey's importance to Europe, and I applauded your Government's commitment to improve relations with Greece. The Prime Minister and I did talk about the Cyprus problem. We share the objective of early negotiated settlement which will be both just and lasting. And we agreed to give full support to the good offices mission of the United Nations Secretary-General and to work with the other parties toward an agreement.

In closing, we've agreed to stay in touch personally and officially at many levels of our Governments. And we leave with the faith that our talks have covered much ground, charted new horizons.

The road toward progress may at times be difficult. It need not be lonely. An old Turkish proverb reminds us, ``A long journey is shortened by good companions." So Mr. Prime Minister, let us make that journey together, as we have before and as we will again. And may God bless the peoples of Turkey and the United States of America.

Note: The President spoke at 1:30 p.m. on the South Lawn at the White House. In his remarks, he referred to Kemal Ataturk, founder and first President of the Republic of Turkey.

Remarks at the Multilateral Investment Fund Agreement Signing Ceremony

February 11, 1992

Welcome, especially, excellencies. And may I single out President Iglesias of the IDB, thank him for being here; and of course, Secretary Brady, who has been so instrumental from the U.S. side in all of this.

Today marks another milestone along the path of mutual progress for the United States and its friends and neighbors. And we move another step closer to fulfilling the vision of a free, peaceful, and prospering Western Hemisphere.

As we sign the charter for the new Multilateral Investment Fund, we advance the far-sighted aims of Enterprise for the Americas Initiative. Our new fund is an exciting innovation. It will provide targeted support for Latin American countries as they transform lumbering, state-run industries into efficient private enterprises.

This fund assures our neighbors that together we share a stake in a better future and that we will stand by them and help them as they carry out some very difficult reforms. In a neighborhood of free and growing economies, investment helps everyone. Our effort today will lift the tide of hope and freedom, and it will free up new resources so that the men and women throughout the Americas can carry their dreams and achievements as far as their God-given talents will take them.

Make no mistake: The future growth of the United States economy depends on expanding mutual investment and trade with our neighbors in the Americas. Flourishing trade and investment throughout the hemisphere will create new jobs and raise the quality of life for people in Syracuse and St. Louis as well as Sao Paolo and Santiago.

Right now, we earn $62 billion, one in every seven of our worldwide export dollars, from Latin America. Well over half of our foreign investment in developing countries goes to Latin America. And we're moving forward to create in this hemisphere a new free trade area of 360 million consumers and $6 trillion in annual output, the North American free trade area of Mexico, Canada, and the United States.

This commitment will endure because we're in this to stay. And I know the people of the United States. And I can assure you that we will say no to the gloomy spirits that want to make pessimism a self-fulfilling prophecy. We embrace a future founded upon freedom, opportunity, and growth.

Working Americans and those looking for work have common sense. And they know that when other countries develop their economies, that results in more sales for America's airplanes and computers and other capital goods. The world is buying U.S. products at a record pace. Over the past 5 years, nearly half of America's real economic growth has been in exports. During those same 5 years, U.S. exports to Latin America and the Caribbean increased by 12 percent annually, much faster than the exports to the rest of the world.

Exports will carry us to rewarding new destinations in our future. And remember what exports do right here at home. Every billion dollar increase in exports generates 20,000 new jobs in the United States. And so, the long and short of it is, the prophets of American decline simply don't grasp the facts.

The 21 countries represented here already have pledged more than $1.2 billion to this important fund for our future. The U.S. pledge alone is $500 million, one-third of the $1.5 billion goal; Japan pledging an equal amount. I urge the United States Congress to act without delay to provide the funds to fulfill our pledge. And I also urge Congress to support debt reduction under the broader Enterprise for the Americas Initiative which will provide further support for U.S. exports, investment, and jobs.

Let me salute all of the representatives of the nations participating in this promising new effort. I want to commend the Inter-American Development Bank, its president, Enrique Iglesias, who will administer the new fund. And I am confident, sir, that you will do an outstanding job with your new responsibility.

This is a moment not so much for us but for future generations, really. It's they who will benefit from what's beginning here today. And it is for them that we invest in a new age of discovery and opportunity from Hudson Bay to the Straits of Magellan.

And now I would like to invite all the signatories who are here today with us, those that have signed this agreement already, to come up here, and we can muster behind the two remaining, two final signatures.

But thank you all for being here and for your constructive work on this wonderful project. Thank you.

Note: The President spoke at 2:33 p.m. in the Roosevelt Room at the White House. Following the President's remarks, Secretary of the Treasury Nicholas F. Brady and Enrique V. Iglesias, President of the Inter-American Development Bank, signed the agreement.

Remarks and an Exchange With Reporters at a Meeting With Republican Members of the House Ways and Means Committee

February 11, 1992

The President. Let me just open with some comments here, and then what I want to do is throw this meeting open to discussion. But first, thanks for coming down. I know that many of you were just on your way back to town. I appreciate your being here.

With the markup starting in your committee, in Ways and Means tomorrow, I just wanted to discuss the prospects for a true economic growth package. And as you all know -- and I appreciate your support -- I sent up a comprehensive 49-title bill to Congress the week before last. It included both a short-term and a long-term growth agenda. And last week, through our leader, Bob Michel, and our leader on Ways and Means, Bill Archer, we introduced H.R. 4200, a streamlined package of the seven short-term growth items with budgetary offsets. And I've asked the Congress to act on that short-term package by March 20th.

And that package is fully paid for without raising taxes. And I don't believe we have to raise tax rates, should raise tax rates. Instead we ought to cut wasteful Government spending, and that's what our plan does. And we shouldn't ask any American, particularly in these economic times, to give more of their money to a system that doesn't spend wisely. And I can't understand how people can talk about stimulating the economy and then raising taxes in the same breath, just totally counterproductive. Raising taxes is not the way to create jobs and to foster growth.

And so once we're alone here, I want to hear from you, Bill, and the other able members of your committee the state of play. But what the Congress must do is go forward on the seven concise growth measures that will get this country back to work, stimulate real estate, and do things that are totally productive and will lead this recovery.

So thank you all very much for coming down here. I appreciate it. Now we will have a chance to discuss these items.

Economic Plan

Q. Mr. President, would you accept half a loaf, four of these measures or five of these measures?

The President. Well, I want the whole loaf in this case, and I think the country does, too. We've been very pleased with the support from groups all across it. But I want to hear a little more from our able Members here, the leaders on the tax side for the Republicans, tax committee side,

Ways and Means side, and hear what they have to suggest. But I'm grateful for their support on the floor. They've been magnificent. I hope we can get these goals accomplished.

Q. How do you feel going into this reelection campaign, Mr. President, with your announcement tomorrow?

The President. Hey look, Terry [Terrence Hunt, Associated Press], I want to get this economic growth package passed. What I really feel like is we want to try and help the country and get some people back to work here and stimulate this economy. And that's exactly what this proposal is about. And that's the best thing for all people involved in politics, no matter what side of the aisle they're on right now. Put America's interests first, and that's what I'm trying to do here. And then we'll have plenty of time for politics after that.

But I want to get this done by March 20th. And Congress can move if they want to. They moved fast on the unemployment compensation extension and with the strong support from everybody at this table. And I think they ought to move fast on this. There is no reason it can't be done by March 20th.

And these are narrow. And then if they want to add in a lot of tax increases or anything else, we'll debate it. And if we have additional suggestions, our long-term package, we'll get that debated. But we've got a short-term set of proposals that would be the best medicine for this economy, and they ought to move on it now. Give it a try, and then go into the political dance later on. And that's what I'm going to be urging. And again, we're grateful to our members on Ways and Means.

That's about it because we've got to get to work now.

Health Care Reforms

Q. Mr. President, are you going to offer any ideas on how to pay for your health program, sir?

The President. We've got some good ones on there. There's 38 pages of how to do that. So it takes a lot of reading to get through them all, but they're very good suggestions. But the main one I want to see is to get rid of all of these frivolous malpractice lawsuits. And you're talking about megabucks there. So there's a big one for starters.

Now, I've got to go.

Q. How will it pay for it, sir?

The President. How will it pay for it? Because you won't be putting -- you'll be reducing health care costs by $20 billion to $40 billion, depending on whose estimates you believe. So it's a very

-- --

Q. -- -- the bill now, right?

The President. No, not if you don't have to spend. It's a big saving. Here we go. Those costs are passed along, you see, to the system.

Note: The President spoke at 3:25 p.m. in the Cabinet Room at the White House.

Message to the Congress Reporting on the National Emergency With Respect to Iraq

February 11, 1992

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of July 26, 1991, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act (``IEEPA"), 50 U.S.C. 1703(c).

Executive Order No. 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a U.S. person. In that order, I also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. I prohibited travel-related transactions and transportation transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724 that I issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution 661 of August 6, 1990.

1. Since my last report, important and rapid progress has been made in establishing the framework for processing U.S. and other nations' claims against Iraq for damages arising from its unlawful invasion and occupation of Kuwait. The Governing Council of the U.N. Compensation Commission has adopted criteria for various categories of claims, including small and large claims of individuals, claims of corporations, and claims of government and international organizations (including environmental damage and natural resource depletion claims). In addition, the Governing Council agreed to begin expedited consideration of claims of individuals for up to $100,000 as of July 1, 1992, and set July 1, 1993, as the deadline for filing this category of claims with the Commission.

In a claims census conducted by the Treasury Department's Office of Foreign Assets Control (FAC) during the first quarter of 1991 pursuant to section 575.605 of the Iraqi Sanctions Regulations, 31 CFR Part 575 (``ISR"), reports of claims from approximately 1,100 U.S.

nationals were received. Included were claims for items such as personal property looted or destroyed in Kuwait, loans or other obligations on which Iraq has defaulted, and lost future business or concession rights. Inasmuch as these claims have not been submitted to a formal claims resolution body, much less adjudicated, their actual aggregate value is not known.

2. FAC has issued 199 specific licenses (51 since my last report) regarding transactions pertaining to Iraq or Iraqi assets. Specific licenses were issued for payment to U.S. or third-country creditors of Iraq, under certain narrowly defined circumstances, for pre-embargo import and export transactions. Additionally, licenses were issued for conducting procedural transactions such as the filing of legal actions and for legal representation. Pursuant to United Nations Security Council Resolutions 661, 666, and 687, specific licenses were also issued to authorize the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes.

To ensure compliance with the terms of the licenses that have been issued, stringent reporting requirements have been imposed that are closely monitored. Licensed accounts are regularly audited by FAC compliance personnel and by deputized auditors from other regulatory agencies. FAC compliance personnel have also worked closely with both State and Federal bank regulatory and law enforcement agencies in conducting special audits of Iraqi accounts subject to the ISR.

3. Various enforcement actions discussed in previous reports continue to be pursued, and additional investigations of possible violations of the Iraqi sanctions have been initiated. These are intended to deter future activities in violation of the sanctions. Additional civil penalty notices were issued during the reporting period for violations of the IEEPA and ISR with respect to attempted transactions involving Iraq, and substantial penalties were collected.

After investigation by FAC and the U.S. Customs Service, a Virginia corporation and its export director were convicted in U.S. District Court for conspiracy and violations of the ISR. Investigation revealed that the corporation and its export director continued to engage in activities that were in violation of the Executive orders and the ISR after August 2, 1990. The corporation and its export director performed contracts in support of a government industrial project in Iraq, and engaged in prohibited transactions relating to travel by a U.S. person to Iraq. After conviction, the corporation was fined $50,000 and the export director sentenced to 5 months' incarceration, 5 months' supervised work release, and 2 years of supervised release administered by the Department of Justice.

4. The various firms and individuals outside of Iraq in Saddam Hussein's procurement network continue to be investigated for possible inclusion in the FAC listing of individuals and organizations determined to be Specially Designated Nationals (``SDN's'') of the Government of Iraq. In practice, an Iraqi SDN is a representative, agent, intermediary, or front (whether open or covert) of the Iraqi Government that is located outside of Iraq. Iraqi SDN's are Saddam Hussein's

principal instruments for doing business in third countries, and doing business with them is the same as doing business with Saddam Hussein himself.

Since the Iraqi government tends to operate its international fronts as interlocking networks of third-world countries and key individuals, the SDN program is an important tool in disrupting Saddam Hussein's nuclear, military, and technological acquisitions efforts. The impact is considerable: all assets with U.S. jurisdiction of parties found to be Iraqi SDN's are blocked; all economic transactions with SDN's by U.S. persons are prohibited; and the SDN individual or organization is exposed.

5. The expenses incurred by the Federal Government in the 6-month period from August 2, 1991, through February 1, 1992, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are estimated at $2,992,210, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State (particularly in the Bureau of Economic and Business Affairs and the Office of the Legal Adviser), and the Department of Commerce (particularly in the Bureau of Export Administration and the Office of the General Counsel).

6. The United States imposed economic sanctions on Iraq in response to Iraq's invasion and illegal occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime has failed to comply fully with binding United Nations Security Council resolutions calling for the elimination of Iraqi weapons of mass destruction, an end to the repression of the Iraqi civilian population, the release of Kuwaiti and other prisoners, and the return of Kuwaiti assets stolen during its illegal occupation of Kuwait. The U.N. sanctions remain in place; the United States will continue to enforce those sanctions.

The Saddam Hussein regime continues to violate basic human rights by repressing the Iraqi civilian population and depriving it of humanitarian assistance. The United Nations Security Council passed resolutions that permit Iraq to sell $1.6 billion of oil under U.N. auspices to fund the provision of food, medicine, and other humanitarian supplies to the people of Iraq. Under the U.N. resolutions, the equitable distribution within Iraq of this assistance would be supervised and monitored by the United Nations and other international organizations. The Iraqi regime has refused to accept these resolutions and has thereby continued to perpetuate the suffering of its civilian population.

The regime of Saddam Hussein continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. The United States will therefore continue to apply economic sanctions to deter Iraq

from threatening peace and stability in the region, and I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

George Bush

The White House,

February 11, 1992.

Letter to Congressional Leaders Transmitting the Report on Iraq's Offensive Military Capability

February 11, 1992

Dear Mr. Chairman:

Under cover of this letter I am transmitting to the Senate and House Committees on Appropriations, the Senate Committee on Foreign Relations, and the House Committee on Foreign Affairs the report on Iraq's Offensive Military Capability required by section 586J(b) of the Foreign Operations Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513).

This interim assessment of Iraq's offensive military capability and its effect on the Middle East balance of power includes an assessment of Iraq's power projection capability, the prospects for another sustained conflict with Iran, joint Iraqi-Jordanian cooperation, the threat Iraq's arms transfer activities pose to U.S. allies in the Middle East, and the potential extension of Iraq's political-military influence into Africa and Latin America.

The report unfortunately cannot be produced in an unclassified form. I recommend to your attention, however, the January 22, 1992, testimony on Iraqi unconventional weapons capabilities by Robert Gates before the Senate Armed Services Committee.

Sincerely,

George Bush

Note: Identical letters were sent to Robert C. Byrd, chairman of the Senate Committee on Appropriations; Jamie L. Whitten, chairman of the House Committee on Appropriations; Claiborne Pell, chairman of the Senate Committee on Foreign Relations; and Dante B. Fascell, chairman of the House Committee on Foreign Affairs.

Appointment of Edward D. Murnane as Deputy Assistant to the President and Director of Presidential Advance

February 11, 1992

The President has announced his intention to appoint Edward D. Murnane to be Deputy Assistant to the President and Director of Presidential Advance. He would succeed Jake L. Parmer as Director of Presidential Advance.

Since 1989 Mr. Murnane has served as Regional Administrator for the Small Business Administration in Chicago, IL. Prior to this, he served as executive director of the George Bush for President campaign in Illinois, 1988; as public affairs director for the Regional Transportation Authority in Chicago, 1984 - 1988; and in a senior management position in the Reagan-Bush '84 reelection campaign. From 1976 to 1984, Mr. Murnane operated his own political and public relations consulting firm in Chicago. From 1971 to 1976, he served on the Washington, DC, staff of Congressman Philip M. Crane, first as press secretary and later as administrative assistant and chief of staff. He has also served on the White House volunteer advance staff since 1981 and has assisted on many domestic and international trips for President Bush as President and Vice President, as well as President Reagan and Vice President Quayle.

Mr. Murnane graduated from Northern Illinois University in 1966 with a degree in journalism and political science. He was born on March 2, 1944, in Chicago, IL. He and his wife, Laurel, have three children and reside in Arlington Heights, IL.

Statement by Press Secretary Fitzwater on the Phaseout of Ozone-Depleting Substances

February 11, 1992

President Bush today announced that the United States will unilaterally accelerate the phaseout of substances that deplete the Earth's ozone layer and called on other nations to agree to an accelerated phaseout schedule. Current U.S. production is already more than 40 percent below the levels allowed by the Montreal Protocol and more than 20 percent ahead of Europe's nonaerosol production phasedown.

Recent scientific findings indicate that emissions of these substances, major CFC's, halons, methyl chloroform, and carbon tetrachloride, are depleting the stratospheric ozone layer more quickly than previously had been believed. The President announced that, with limited exceptions for essential uses and for servicing certain existing equipment, all production of these substances in the United States will be eliminated by December 31, 1995. To accelerate progress in the near term, the President called upon U.S. producers to reduce production of these substances to 50 percent of 1986 levels by the end of this year.

Under the terms of the Clean Air Act of 1990, which President Bush signed into law in November of 1990, the administration has authority to accelerate the phaseout of these substances without new legislation. The President also announced that the U.S. will re-examine the phaseout schedule of HCFC's, and will consider recent evidence suggesting the possible need to phase out methyl bromide.

The President noted that due in large part to the use of innovative, market-based mechanisms such as production fees and tradable allowances, the U.S. has already reduced CFC production 42 percent below 1986 levels, a reduction beyond that required by either the Clean Air Act or the amended Montreal Protocol. The President pointed out that the U.S. has been a leader in reducing CFC's, agreeing to a full phaseout of these gases in February 1989, enacting a fee on their production in November of 1989, legislating the full phaseout in November of 1990, and making the first contribution to a multilateral fund established to assist developing countries in phasing out CFC's.

The President called upon those nations which have not yet signed and ratified the Montreal Protocol to do so, and urged other nations to join the U.S. in accelerating the phaseout of CFC's and other ozone-depleting gases even faster than required by the Protocol.

Remarks Announcing the Bush-Quayle Candidacies for Reelection

February 12, 1992

The President. Thank you all very much. And Barbara, thank you for those kind remarks. And may I salute our Vice President, Dan Quayle, just back from overseas, and Marilyn. And my respects to the members of our great Cabinet, and friends all. Thanks to all of you for this wonderful, warm reception.

I have an announcement to make. [Laughter] I want to continue serving as your President, 4 more years. So from this moment on, I'm a candidate for President of the United States, officially.

Let me tell you why I'm running. I came here to do important work, and I finish what I start. In 1980 I came to Washington as a part of a team. We started a revolution to free America from, you remember, the politics of malaise and to set sail toward America's destiny. Then in 1988, Dan Quayle and I began our own partnership built on the same principles.

My message then and my message now is simple: I believe Government is too big, and it costs too much. I believe in a strong defense for this country and good schools, safe streets, a Government really worthy of the people. I believe that parents, not Government, should make the important decisions about health, child care, and education. I believe in personal responsibility. I believe in opportunity for all. We should throw open wide the doors of possibility to anyone who has been locked out. And I believe in a piece of wisdom passed on by my favorite political philosopher, Barbara Bush: What happens in your house is more important than what happens in the White House.

You see, America's future doesn't take shape in small rooms with heavy, polished wooden desks. It takes place in homes, where parents read to their children, talk about responsibility, teach them values, show them how to love one another, respect one another, and work hard, and live good lives. We must encourage families to remain strong and whole. We must extend our hearts and hands to children who have no one to hold them or call them by their names. Our future rides on the important things, the big things: Family, home, school, church, community, and country.

We're gathered here because the American people wanted leadership, and we answered the call. We didn't do the easy things. We did the right things. From day one, I fought for strong and effective national defense. I stuck to my principles, and we kept strong, and we won the cold war. And we stayed strong, and that enabled us to win a battle called Desert Storm.

But we did far more than that. We liberated the entire world from old fears, fears of tense, endless confrontation, fears of nuclear holocaust. Now our children grow up freed from the looming specter of nuclear war.

But having won the cold war, we did more. We led nations away from ancient hatreds and toward a table of peace. And we did still more than that. We forged a new world order, an order shaped by the sweat and sacrifice of our families, the sweat and sacrifice of generation upon generation of American men and women.

Think of it: Two years ago, the Berlin Wall came tumbling down. And last year, the Soviet Union collapsed. Imperial communism became a four-letter word: D-E-A-D, dead. And today, because we stood firm, because we did the right things, America stands alone, the undisputed leader of the world. We put an end to the decades of cold war and reaped a springtime harvest of peace. The American people should be proud of what together we have achieved. Now, together, we will transform the arsenal of democracy into the engine of growth.

I understand the world. That's crucial. But that's not enough. I understand America. And I know that American workers are the most productive in the world, bar none. And I know, to succeed economically at home, we need to lead economically abroad. If you want to lead in the world, you've got to know the neighborhood. Economic leadership means markets for American products, jobs for American workers, and growing room for the American dream. The American people do not believe in isolationism because they believe in themselves. We Americans don't hide from a good test of our abilities. We rise to the challenge. And after all, our national bird is the eagle, not the ostrich.

In 1992, the American people will decide what kind of leadership they want. They'll decide which team has the character, the experience, and the toughness to make the important decisions. They could cast their lot with a lot of fresh faces who tout stale ideas. But they won't. Voters know the difference between a sound bite and sound policy.

Let's not kid ourselves. We're in a tough fight. But you know me: I don't seek unnecessary conflict, but when principle is at stake, I fight to win. And I am determined to win. And I will win. This will be a long campaign. That's all right. Our campaign will focus on the future, the only subject that counts. We'll fight hard. We'll fight fair. And we will win.

Abraham Lincoln, whose birth we celebrate today, once told fellow Republicans, ``We will make converts day by day, and unless truth be a mockery and justice a hollow lie, we will be in the majority after a while. The battle of freedom is to be fought out on principle."

And so be it. That's the way it will be. For 3 years an entrenched opposition in Washington has clung to the old failed ways, not out of principle but out of sheer politics. They blocked our comprehensive efforts to fight crime and drugs. They refused to join the revolution in American

education. They stalled our efforts to cut taxes and slash regulation and encourage economic growth. And then they complained that nothing got done.

This year we say: No more. To those who want to obstruct progress, we say: Get moving, or get out of the way. We've got an agenda.

Audience members. Four more years! Four more years! Four more years!

The President. We've got an agenda, and here's what we will do: Together, we'll get our economy up and running at full speed. We'll restore decency to the American way of life. We will silence the voices of hatred and gloom. And we will attack programs that lock people in bleak dependency as we work to reform our dismal welfare program. And we will, in the process, provide the best kind of a welfare system imaginable, good jobs for Americans able to work. And we will build the America of our dreams.

In my life, I've seen miracles, and I've learned that no dream is too big for the American heart. When I was a little boy, the world moved at an easy pace. Then came the Depression; then came a World War. And in the fires of battle, I learned freedom's painful price. And I've seen wondrous changes, new ideas and new technologies, tempered by the humanity that makes us what we are. Amid the swells of change, gentle fundamentals anchor us still. Decency, honor, hard work, caring: That's the America I know.

And I have been blessed in my life, blessed by Barbara and by a family that fills me with wonder and joy and love. And I'm blessed with so many friends, friends like you. And I have been especially blessed because I have been given the opportunity to serve as your President, the President of the United States.

The glory of this century is America. And history will call this the American century because we fought the battle of freedom, and we won. And history will tell of a second American century when we led the world to new heights of achievement and liberty. This is our legacy. This is our challenge. And this is our destiny. And together, we will win. I am certain of that.

Thank you very, very much. And may God bless you. May God bless each and every one of you and our great country, the United States of America. Thank you very, very much.

Note: The President spoke at 10:10 a.m. at the J.W. Marriott Hotel.

Remarks to the State Legislature in Concord, New Hampshire

February 12, 1992

Mr. Speaker, thank you, sir, and Ellie. Delighted to be with you. And Mr. President, Ed Dupont, and Andrea; and Mr. Chief Justice; members of the executive council; and of course, my special friend Governor Gregg. I am just delighted to be back here. And I want to single out three visitors that have been introduced here just a minute ago, Senator Rudman, Governor Sununu, and Congressman Zeliff. I'm just delighted that they're back here with us today. And my respects to a former United States Senator who has gone straight, one of your own, Gordon Humphrey, back here now.

And ladies and gentlemen of the New Hampshire State Legislature, first, my thanks for that warm welcome back. I decided to come here today because I figured it's been a while since the people of New Hampshire have heard a political speech. [Laughter]

New Hampshire's legislature is really the living legacy of Lincoln's words, of, by, and for the people. I look out at all the remarkable men and women who balance the responsibilities of work and home with this public trust. What leads you to serve? It can't be the salary. That's not enough to cover two tickets to the Celtics games. But what sustains this State is a tradition as old as America itself, a commitment to self-government that stretches from Pittsburg to Pelham, from Claremont to Conway, to every corner of this State. New Hampshire looks to government as a last resort, not as the first answer to each and every problem. It doesn't see people's paychecks as potential revenue. Its rule is right: Limit government, not freedom.

This body governs itself the way we as citizens want to be governed, by the rules of common sense and fairplay. Up here, you manage to avoid being enlightened by liberal economists. New Hampshire lawmakers operate on the radical notion that a legislature should spend no more than it takes in. New Hampshire lawmakers guarantee every bill a public hearing and every bill a vote. It's time for the United States Congress to follow your lead.

Twelve years ago, under the national leadership of my friend and yours, my supporter, President Ronald Reagan, this State helped spark a new American revolution, a revolution that marked the end of a weary era and a new birth for freedom. Together we made America proud. Together we made America strong. Together we made America respected in the eyes of all the world.

We fought great battles. We stood fast against imperial communism, and we watched walls the world over come tumbling down. For 45 years, we fought in the trenches of the cold war, and we won. And let me tip my hat to every man and woman who ever served and to the American taxpayer, because communism didn't just fall. It was pushed.

Finally, just one year ago, we drew a line in the sand and helped defend a small nation and a grand ideal. We said international law would be upheld, and aggression would not stand. And with our coalition partners, we kicked Saddam Hussein out of Kuwait.

One thing more about Desert Storm. There are those who didn't support us then, and there are those who second-guess us now. Not New Hampshire. As Commander in Chief, let me thank this legislature for its resolution in support of Desert Storm. Half a world away, to the men and women who carried the battle, your support gave them the strength to succeed, knowing that the people were behind them. In those difficult days, when our troops laid it on the line, New Hampshire did not hesitate.

We did these things because we had the courage to lead. And because we led, America is free. America is safe. America is at peace.

Yes, dangers remain, dark corners of the world not yet blessed by freedom. No, our work in the world is not yet over. But the great struggles we've won, the great changes we've seen do more than open new worlds. They open new opportunities for us at home. And this we know: If we can change the world, we can change America. But for us to move forward, for us to lead the world, we've got to get America's economy moving again.

Last month, I spoke to the American people and spelled out my plan to pull this country out of recession and into recovery. I know all of you have heard plenty about plans that promise the Moon. But let me say to the citizens of New Hampshire, judge my plan by its first principle: Government is too big, and it spends too much.

We put a stop order on new Federal regulation. We've begun a 90-day review, 90 days to take a hard look at regulations that hurt more than they help. The day of overregulation is just that, over.

We declared war on frivolous lawsuits. If this country rewarded success as easily as we slap on a lawsuit, our economy would be well on its way.

We've worked to control spending. I've called on Congress to eliminate, cut out altogether, 246 Federal programs. One thing would make it a little easier. Give me the tools, and I will finish the job. Give me that line-item veto, and watch what can be done.

I took action with the authority that I have as President, and then I challenged the Congress to act. I set out a two-plan part to ensure economic growth: an immediate action plan to spark recovery and then a long-term plan for the future.

The people of New Hampshire have a right to ask: We've been hit hard; too many of us have lost our jobs, even lost our homes; what will this plan do for us? Fair question.

First, my plan will bolster the real estate market. In New Hampshire and across the country, real estate will lead the way to economic recovery. My plan helps New Hampshire homebuyers. It provides a $5,000 tax credit to first-time buyers: $2,500 this year, $2,500 next. And it lets them draw on their IRA accounts to make that purchase, penalty-free. For the average New Hampshire family buying the average New Hampshire house, my plan means tax breaks worth 6 months of mortgage payments. For families all over this State, that's an American dream come true.

And what's good for the families who want to buy that first-time home is good for the people who build them. Nationwide, experts in the housing industry predict that my plan will create a boom in homebuilding. In this State alone, the plan will generate 1,000 new housing starts and pump $120 million into the State economy. And that then, best of all, will put more than 2,000 New Hampshire construction workers back on the job.

My plan will also help the pioneering high-tech firms that call New Hampshire home. Pass this plan and give companies an investment tax allowance, helping growing firms accelerate investment. Make the R&E tax, that tax credit, a permanent part of the Federal Tax Code. Pass my plan and get investment flowing again. Cut the capital gains rate to 15 percent. That is what is needed. Pass my plan and give American companies a competitive edge. No games. No gimmicks. Just a plan that works. Pass my plan and get New Hampshire moving again.

Now, that's a summary of my short-term part of it, the short-term action plan. For the long term, we've got work to do as well, steps we can take right now to guarantee progress and prosperity into the next American century. We get there by investing in the technologies of tomorrow -- you're good at that here in New Hampshire -- tomorrow, with Federal support of R&D at record levels; it will help. We need to share the results, get the great ideas generated by public funds out into the private sector, off the drawing board and onto store shelves. Our national technology initiative will do just that. And right now at M.I.T., the first regional meeting is underway.

We get to the future by letting the States do what they do best. Far too often, States have their hands tied by Washington. Congress passes a mandate, and they pass you the buck. You get stuck raising taxes. New Hampshire's constitution, I'm told, prevents this body from burdening communities with unfunded mandates. Well, if it's good enough for New Hampshire, why not for the rest of the country?

Look at the problems that plague us today, crime, drugs, the erosion of moral values. Trace each one to its root, its root causes, and you'll see one common factor, the decline of the American family. This country must reaffirm a simple truth: When the family comes first, America is first.

We get to the future by strengthening the family. Look at our approach, for example, to child care. Our opponents backed a scheme that would have created a brave new child care

bureaucracy. We preserved choice, and we put parents first. My plan puts the family first, this new one, and provides an extra $500 exemption for every child.

And just last week I announced a comprehensive health care reform, reforms that will keep costs down and open up access to affordable health care for all Americans, providing new coverage to almost 30 million uninsured Americans. And we'll do it through choice, not through central control. We've got -- and I think every American would admit this or claim it -- we've the best quality health care in the world, the best. And the last thing the American people want is a system that puts the Government between you and your doctor. And we're not going to do that.

Every parent knows our children are our future. That's why our health plan focuses on the children, increasing support for immunization, the early prevention that gives each kid a healthy start. And that's why we are funding Head Start at an all-time high, and it's the reason we're asking more of our schools. We must challenge ourselves to revolutionize, to literally reinvent American education. New Hampshire has joined the nonpartisan America 2000 revolution. Governor, we're grateful to you for your leadership. And let common sense be our guide, and let common sense begin by letting parents choose which school is best for their child.

Finally, we meet America's destiny by expanding trade, opening new markets for American goods. I'm proud of the progress we've made, working to open markets from Asia to Europe to the Americas. Just this week, I signed a new investment accord, just yesterday, with the nations of Latin America. Last month, the agreement we reached with Japan will help computer companies right here in this State, help them get into that government-owned -- the government computer market in Japan. That's a solid record in 3 years' time, a good start that we'll make even better.

But free trade has come under attack these days. The drumbeat mounts for some new isolationism; this one, an economic retreat from reality. The simple truth is, protectionism isn't a prescription for prosperity. Boil away all the tough talk, all the swagger, and all the patriotic posturing, and protectionism amounts to nothing more than a smokescreen for a country that's running scared. And that's not the America you and I know.

The America we know is a country ready to take on the world and ready to rise to new levels, not run for cover. Our national symbol isn't the ostrich; it's the eagle. And that's the way it should be. Never in this Nation's long history has America turned its back on a challenge, and we are not going to start now. A proud America will never be protectionist. It will never be protectionist.

Bring it close to home, make no mistake about it, no State would be hurt more by economic isolationism than New Hampshire. Right now, New Hampshire businesses reap more than $1.2 billion a year from exports. Across this State, that's 35,000 jobs tied directly to foreign trade. And even in these hard times, New Hampshire's manufacturing exports increased 80 percent in

the past 5 years alone.

It's an economic fact of life: If we close our markets, other countries will close theirs. And when the walls go up, who gets hurt? That's an easy one. You do. You get hurt. And I cannot, and I will not, let that happen to New Hampshire or to any of the rest of the States in this country. We are not going to have protectionism. We're going to compete, not cut and run. And let the world know, we're in this to win.

Two weeks ago, I urged the Congress to work with me to do the will of the American people. I laid out the action plan I've sketched, that I've outlined here, and yes, I set a deadline to help move the Congress along the way. Today, back in Washington, maybe at this very minute, the House Ways and Means Committee is at work; they started work this morning. And I challenge them once again to pass this short-term action plan, seven specific actions to stimulate, immediately stimulate the economy. They say they are taking up my plan, but they are not.

So I'll say again: Don't relabel my plan. Don't change it. Don't use it as a way to raise tax rates. Just pass this plan, and give the American people a chance to see whether it's going to work, as I'm confident it will. And look, later on -- get this passed -- later on we can all debate it, put it out there in the political arena, add to it, detract from it. We can all have a big, strong debate.

It must sound strange to the people in this chamber, strange for you legislators who meet for only 45 days a year to hear Congress complain that 52 days isn't enough time to get this done. They say the deadline is arbitrary. They say the deadline is too early. They say the deadline is unfair.

And I say: The deadline is March 20, and we're going to hold their feet to the fire. By March 20th, I want to be able to report to the American people that the liberation of America's economy has begun. I ask the people in this chamber, I ask the good people of New Hampshire to give me your strong support and send a message to the Congress. Tell them the time has come to act.

Today is a special day for me, for Barbara, for my family as well. I think back across the years to the lesson I learned long ago, and I look ahead in wonder to what can be. And I know there is no higher honor than serving this great Nation.

I want to thank you. I want to thank you, New Hampshire, for this warm welcome. And may God bless this land we share. We have much to be grateful for in these troubled times, and I want to be your leader for 4 more years. Thank you very much, and may God bless the United States of America. Thank you.

Note: The President spoke at 2:10 p.m. at the statehouse. In his remarks, he referred to Harold W. Burns, speaker of the New Hampshire House, and his wife, Ellie; Edward C. Dupont, Jr., president of the New Hampshire Senate, and his wife, Andrea; and David A. Brock, State chief

justice.

Remarks to Law Enforcement Officers and Firefighters in Concord

February 12, 1992

Thanks for that welcome back. And Dick, thank you so very much, and may I salute you, sir; the Governor, of course. And we've got our officials here, Senator Rudman, Congressman Zeliff, and former Governor John Sununu. And I'm just delighted to be here.

Before I say anything else, I see some new faces in law enforcement here and firefighting. And I see some older faces in law enforcement and, sorry, firefighting here. [Laughter] But I just want to say that Barbara and I are grateful to those of you with whom we've interacted over the last 12 years in one way or another, mainly over on the eastern part of the State, over on the seacoast. So many of you have had these odd hours, and I'm sure we've inconvenienced your families, but we are very grateful to each and every one of you. And of course, we're grateful for your service to your State, and we're grateful for your line of service. I hope that our administration will stay with this position of backing the firefighters and backing those out in law enforcement all the way.

I want to just mention a couple of things today in terms of the changes in the world. I won't give you the full load on foreign policy or the changes that have happened. But you know, we're having some tough times here. And I think it's good that we sometimes keep things in full perspective.

We've seen an awful lot of change in the world in the last few years. We've seen communism crumble in Eastern Europe. Many of you are young enough to have remembered when you climbed under the desks as schoolchildren for the antinuclear drills that we had in those days. And thank God that the world has changed enough so that your kids and my grandkids don't have quite as much to worry about on that front.

I, of course, was proud of the way New Hampshire responded, starting with the legislature's endorsement but really beginning with the service of the men and women from this State that served in Desert Storm. It was a superb operation. And there was a pride across this State, I'm sure, that still exists, pride in the way this country and this State came together in support of those young men and women. And they served us well, and they set a great example.

And you know, these are cynical days now because we're in this crazy political season. And it's a dance that we go through every 4 years. But I can tell you from a good deal of experience dealing with other countries that we are the envy of the world. And we are clearly the leader of the world. And as long as I'm President, I'm going to do my level-best to see that we remain the leader of the free world.

I do not want to make this a partisan political appearance. It's hard not to these days, but I don't want to do it. But I did make a pitch to the legislature today for support for an economic program that avoids the quick fixes, that would stimulate the economy, particularly the homebuying business and homebuilding business in this country. We've put forward some incentives, laserlike incentives that, in my view and in the view of most economists that have looked at it, would really stimulate that area of the economy that has normally led this country out of recession. I'm talking about the real estate business generally, and I'm talking about homebuying and homebuilding. And so, take a look at that. I hope that it's something that will have the broad support, transcending party, all across this country.

Actually, I've set a deadline for the United States Congress, saying, look, we can get this thing done. So I set a deadline in that State of the Union Message for March 20th. I said, ``Let's move by then. We can do it." And we can do it. And then we can have all of the political debate and the political arguments afterward. But let's pass these seven points. And I've been challenging the Congress today to do that, and I hope those of you that agree with me will weigh in, although our Members of Congress here are very well in tune with this and way out front in support of it. So, the deadline is March 20th, and we're going to go after them in every way possible.

We've all heard the saying, and you all have lived it, really, ``Take a bite out of crime." Well, Congress got a little backwards; they took a bite out of our crime bill. What we're trying to do there is to pass a strong anticrime bill that will support the law enforcement officers of this country. There's one that does transcend party, and it should transcend ideology, liberal or conservative. It is just sound common sense. I hope that you all will take a look at it because it backs the police officers. It backs those that are out there in DEA or wherever else they are in this antinarcotics fight, and it puts in tough provisions. There are some 60 tough provisions that have been avoided by the Congress that need to be passed.

I know that some of these prosecutors want the bill that's before the Congress to be vetoed or not to be passed. I want to see a strong bill. We've still got a chance now with the new Congress to get a strong bill that will back you in your work. We do not need loopholes for violent criminals, and I will fight against that. And I will fight to toughen the law and have the law that's a little kinder and gentler to the victim of crime and a little less so to the criminal. And that's our philosophy, and we're going to work on it.

So, the last thing I would say to you all is that these are tough times, I know. But I will say this, that I am very privileged and proud to be the President of the United States. All these kids come up and, ``Can I have a question?" ``What is it?" ``What's it like to be President?" And they ask this all the time. It's not an easy question to answer because it's a great big country, and we have enormous responsibilities around the world. But the more I think about that and the more I look at my own personal life and try to figure things out for the future, the more grateful I am for family and the more grateful I am for friends.

You might think when you got to be President that some other things would transcend all of this, but they don't. And I think of people in this room -- and I won't embarrass anyone by singling them out -- whether they're firefighters or whether they're police officers or in the State or local police or whether they're superintendents or whether they're bosses, like some standing up here. But we Bushes count our blessings for friends. And we are very, very grateful to all of you for this warm reception, and we won't let you down. Thank you very, very much.

Note: The President spoke at 2:52 p.m. at the Department of Safety in the James H. Hayes Building. In his remarks, he referred to Richard M. Flynn, commissioner, New Hampshire Department of Safety.

Remarks to U.S. FIRST in Manchester, New Hampshire

February 12, 1992

Let me just say first, thanks to Dean Kamen, the brains behind this effort. There were a lot of support brains working with it, too. And a little education right here and I've done a little homework on all the work, the marvelous work that's been done here. And I wish I could be at the inaugural of the FIRST Encounters contest.

By creating this imaginative new partnership between industry and education you all are taking a first step, a big step forward in meeting our goal of making America the number one in science education. Math and science, that's the key to the future, to our being competitive.

And I want to thank the various officials that are with us: Dr. Schmitt, the president of RPI; Jerry Fisher, Baxter Health Care; Ray Price, the president of the Economic Club of New York; Richard Osborne, the president of U.S. FIRST, and Donald Reed, the chairman.

In the 21st century we're going to face a technology race the likes of which we've never seen. But competition makes us strong. And American workers in my view can outthink, outproduce, outcompete anybody, anywhere. And competition made us number one, and competition is going to keep us there. And it compels us to do our best. And it stimulates the desire to win.

How America does at the technology race finish line depends on how we prepare the next generation for the starting line. And to teach this new generation, our administration has put the Federal Government's scientific brainpower and labs to work, teaching high school students about real-life science. Our national technology initiative will create new partnership to move technology out of the labs and into the marketplace.

And this America 2000 that I'm so enthusiastic about, our national education approach, strategy, is revolutionizing, literally, our Nation's schools. And you add it all up, and new technology means new products and new jobs and new economic growth.

When I put forth as one of our six national education goals making America's students the first in science and math, I knew it was a tough challenge. But I knew that challenge would bring out the best in all of us, our teachers, our students, our industries, and our parents. And I'm sure the competition here in Manchester is going to be fierce, but I also know that, no matter who wins, no one is going to lose. And how you play the game is what matters here. And you learn about engineering, but you'll also experience the joy of learning.

And I talk about competition: It's going to be active here, and it's going to be active abroad. But let me just say to the young people: Please do not listen to the siren's call that says, we can't compete, and we've got to turn inward, and we have to resort to isolationism or protectionism. I

am confident that the young people here today are going to be able to compete with anyone around the world at any time.

And so we're looking outward. We're looking for more exports and more proficiency in math and science. And I believe, thanks to Mr. Kamen and others who are committed here, we can get the job done.

Thank you, sir, for having me here today.

Note: The President spoke at 5:45 p.m. at the Technology Center, the headquarters of U.S. FIRST (For Inspiration and Recognition of Science and Technology). In his remarks, he referred to Dean L. Kamen, founder of U.S. FIRST, and Roland Schmitt, president of Rensselaer Polytechnic Institute. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the National Technology Initiative

February 12, 1992

The President today endorsed a February 12, 1992, conference at the Massachusetts Institute of Technology to launch the national technology initiative.

The President today in New Hampshire said, ``Look to the long-term, and we've got work to do . . . steps we can take right now to guarantee progress and prosperity into the next American century. We get there by investing in the technologies of tomorrow . . . with Federal support of R&D at record levels . . . . We need to share the results, get the great ideas generated by public funds out into the private sector, off the drawing board and onto store shelves. Our national technology initiative will do just that. . . . at M.I.T., the first regional meeting is underway."

The conference is the first of a series of regional meetings intended to spur U.S. economic competitiveness by promoting a better understanding of the opportunities for industry to commercialize new technology advances. The program will highlight the Federal Government's investment in advanced technologies, much of which may have commercial potential. It also will stress recent changes in Federal policies designed to foster private sector cooperation in commercializing technology.

Secretary of Energy James D. Watkins, Acting Commerce Secretary Rockwell A. Schnabel, Acting Transportation Secretary James B. Busey, and NASA Administrator Richard Truly described the joint initiative as a way to address one of the key challenges facing industry: the need to translate new technologies into marketplace goods and services. Encouraging closer cooperation among U.S. companies and better links with Federal laboratories is a central element of the initiative.

The M.I.T. conference and subsequent meetings around the country will provide an opportunity for a discussion among Government, industry, and universities and increase awareness of Federal science and technology programs that can benefit U.S. firms. In recent years, Congress and the Bush administration have taken steps to better enable the private sector to commercialize federally supported research.

Statement on the Resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration

February 12, 1992

I have today regretfully accepted the resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration.

It was almost 3 years ago that I nominated Dick to become Administrator of NASA. As a result of his leadership, NASA is better prepared for the 1990's and beyond. He has established a balanced space program, and he has worked closely with the Vice President in developing our space exploration initiative that begins with Space Station Freedom.

Admiral Truly has now spent 37 years of dedicated public service with lasting and fundamental contributions to the Nation's space program. He has had many significant and historic milestones in his career, but one of the most notable was the way he took over NASA's Office of Space Flight soon after the Challenger tragedy. It was under Dick Truly's able leadership and steady hand that NASA was able to rebuild the space shuttle program and return it to safe operation in 1988.

The Nation owes Admiral Truly a great debt of gratitude, and Barbara joins me at this time in extending to Dick and his family our heartfelt thanks and the admiration and appreciation of our Nation.

Admiral Truly has agreed to remain with NASA until April 1, and the search for a new NASA Administrator has begun. Because of Dick's work, I am confident that we will continue to press forward with an aggressive and innovative civil space program.

Letter Accepting the Resignation of Richard H. Truly as Administrator of the National Aeronautics and Space Administration

February 12, 1992

Dear Dick:

It is with deep regret that I accept your resignation from the position of Administrator of the National Aeronautics and Space Administration.

Almost three years ago, I nominated you to become Administrator of NASA. As a result of your leadership, NASA is better prepared for the 1990s and beyond. You have established a balanced NASA program including aeronautics, space science, manned Space Shuttle operations -- including the upcoming addition of the Endeavour -- and robotic space exploration. Working with the Vice President, you developed our Space Exploration Initiative that begins with Space Station Freedom.

Some of the significant and historic milestones in your career include piloting the second flight of the Space Shuttle in 1981 and commanding the first night launch and landing of the Shuttle in 1983. But one of the most notable was the way you took over NASA's Office of Space Flight soon after the Challenger tragedy. Under your leadership, NASA was able to rebuild the Space Shuttle program and return it to safe operation in 1988.

You have served in many important positions throughout your career and have received numerous awards. The Nation owes you a great debt of gratitude for your 37 years of dedicated public service and the significant contributions you have made to America's flight and aerospace achievements.

Barbara joins me in extending to you and your family our heartfelt thanks and the admiration and appreciation of our Nation.

Best wishes.

Sincerely,

George Bush

Dear Mr. President:

It is with the deepest regret that I submit this letter of resignation as the Administrator of NASA. As we discussed when we met today, and because NASA is without a Deputy, I will remain until April 1.

This action will conclude almost 37 years of continuous military and government service for me. I have been unbelievably privileged to have had so many challenging assignments in aviation, space flight, military command and public administration over these years. In our nation's space business, I have enjoyed jobs in every corner of it; civilian and military, highly classified and open, flight and management.

In the last six years since I arrived to join the NASA leadership just after the Challenger tragedy, I have watched the talented men and women of this elite agency turn heartbreak and disarray into the impressive achievements and superb organization of today. With 20 safe and successful Shuttle flights in the last 40 months, scientific discoveries pouring in, Space Station Freedom on track, and our wind tunnels testing the airframes and spacecraft of tomorrow, they deserve to be very, very proud. With your support, their opportunities to inspire America's people and drive our country's competitiveness are boundless. Their achievements result from working daily in a fishbowl world of difficult and exacting tasks, tough judgments and carefully balanced risks; not an endeavor which some would have you think has quick, brilliant and easy solutions.

I think that the job of leading these people is the best one in Washington, and I am proud to have had that privilege. Cody and I particularly want to thank you and Barbara for the personal times you have shared with us over the years.

Sincerely,

Richard H. Truly

Note: These letters were made available by the Office of the Press Secretary on February 13 but were not issued as White House press releases.

Memorandum on the Conventional Forces in Europe Treaty Implementation Act

February 13, 1992

Memorandum for the Secretary of State, the Secretary of Defense

Subject: Delegation of Authority with Respect to the Conventional Forces in Europe Treaty Implementation Act

By virtue of the authority vested in me by the Constitution and laws of the United States of America, including section 301 of title 3 of the United States Code, I hereby delegate to the Secretary of Defense the functions vested in me by section 93(a) and section 94 of the Arms Export Control Act, as amended (the ``Act''), and to the Secretary of State the functions vested in me by section 93(f) of the Act. Consistent with section 2 of the Act, transfers of defense articles under section 93(a) shall be subject to the policy direction of the Secretary of State, including the determination of whether such transfers shall occur.

The Secretary of State is authorized and directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:23 p.m., February 25, 1992]

Message to Congress Transmitting a Report on Science and Engineering Indicators

February 14, 1992

To The Congress of the United States:

Pursuant to 42 U.S.C. 1863(j)(1), I am submitting to the Congress a report of the National Science Board entitled Science & Engineering Indicators -- 1991. This report is the 10th in a continuing series examining key aspects of the status of American science and engineering.

The importance of scientific and engineering research to the well-being of our Nation is widely recognized. Science and engineering play a vital role in maintaining our Nation's defense, improving its health, and increasing its economic productivity.

George Bush

The White House,

February 14, 1992.

Message to the Senate Transmitting the Antarctic Treaty Protocol on Environmental Protection

February 14, 1992

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Protocol on Environmental Protection to the Antarctic Treaty, with Annexes, which was done at Madrid October 4, 1991, and an additional Annex, done at Bonn October 17, 1991. I also transmit for the information of the Senate the report of the Department of State with respect to the Protocol.

The Protocol designates Antarctica as a natural reserve, devoted to peace and science, and provides for an indefinite ban on mineral resource activities there. It specifically prohibits all activities relating to Antarctic mineral resources, except for scientific research, with the proviso that this prohibition cannot be amended by less than unanimous agreement of the Antarctic Treaty Consultative Parties for at least 50 years after entry into force of the Protocol.

The Protocol requires Parties to protect Antarctic fauna and flora and imposes strict limitations on disposal of wastes in Antarctica and discharge of pollutants into Antarctic waters. It also requires application of environmental impact assessment procedures to activities undertaken in Antarctica, including nongovernmental activities, for which advance notice is required under the Antarctic Treaty. Parties are further required to provide for response to environmental emergencies, including the development of joint contingency plans.

Detailed mandatory rules for environmental protection pursuant to these requirements are incorporated in a system of annexes, forming an integral part of the Protocol. Specific annexes on environmental impact assessment, conservation of Antarctic fauna and flora, waste disposal and waste management, and the prevention of marine pollution were adopted with the Protocol. A fifth annex on area protection and management was adopted October 17, 1991, by the Antarctic Treaty Consultative Parties at the Sixteenth Antarctic Treaty Consultative Meeting. Provision is also made for additional annexes to be developed following entry into force of the Protocol. The Protocol establishes a Committee on Environmental Protection to provide advice and recommendations to the Antarctic Treaty Consultative Meetings on the implementation of the Protocol.

The Protocol incorporates provisions to ensure effective compliance with its requirements, including compulsory and binding procedures for settlement of disputes relating to mineral resource activities, environmental impact assessment and emergency response action, as well as over the detailed rules included in the annexes.

I believe the Protocol, with its Annexes, to be fully in the U.S. interest. Its provisions advance basic U.S. goals of protecting the environment of Antarctica, preserving the unique opportunities Antarctica offers for scientific research of global significance, and maintaining Antarctica as a zone of peace. Its conclusion represents an important step in strengthening the Antarctic Treaty and the unique form of international cooperation it has fostered.

I recommend that the Senate give early and favorable consideration to the Protocol on Environmental Protection to the Antarctic Treaty, with Annexes, and give its advice and consent to ratification.

George Bush

The White House,

February 14, 1992.

The President's News Conference in Belcamp, Maryland

February 14, 1992

The President. Let me just make a quick statement here. Today many families all across America share the same hope of owning their own home. But hard times have put a hold on the dream. And to these young families I made a pledge, and that is that we will help you get your dream within reach.

And I submitted to Congress an action plan to help the economy, not hurt the taxpayer. And I sent this plan to the House and the Senate. Brought it along, great big thing here. It includes a $5,000 tax credit for first-time homebuyers and a tax break for middle-class families. It's all there.

And we do not need to raise taxes in order to get this economy moving again. We need to cut the taxes and cut spending. And I've asked Congress for nothing flashy, just common sense, good common sense. And as I told these people I've been working with, construction workers and would-be homebuyers, I want that $5,000 tax credit for first-time homebuyers and penalty-free withdrawals from IRA's for the purchase of a first home. I want a modification in the tax rules that currently discourage real estate investors; it's known as the passive loss rule. And furthermore, I want a cut in the capital gains tax to boost real estate values and heat up the housing market, especially with interest rates at such low levels.

And I told them that my plan will work. They're the experts here, but some representatives of the National Association of Home Builders are with us today also. And that organization, and I'll let them speak for themselves, but that organization estimates that if Congress passes my plan by March 20th, we will create 415,000 new construction industry jobs and generate $20 billion in new economic activity, these figures from the experts.

And so I would ask you to ask one expert right here standing with me here, John Colvin, and he tells me that if Congress passes my plan by March 20th, he expects to add an additional 90 homes to the 256 he already plans to sell and build in 1992. Now, that's 355 new homes here at Arborview, homes within reach of the middle-class buyers.

Two days after the State of the Union I sent a plan to Congress to get our economy moving this spring. Now, let me tell you what happened to the plan this week. Wednesday, the majority, the Democrats on the Ways and Means Committee in the House voted against my plan twice. And just yesterday in a closed meeting the Democrats surfaced a scheme that raises taxes and, more importantly for you, everyone here, I think, kills my plan to help these first-time homebuyers.

Many firms in the housing industry have reached the make-or-break point. And so I've set a deadline for the Congress to act, you heard it in the State of the Union, March 20th, 35 days from today. Make a note of that date.

But remember, anyone who wants to buy a home like this, under my plan, would get a $5,000 tax credit. And under the Democrats' current package, they would get zero. And I've asked these good people here today to tell Congress not to send me a package that I have to veto on carrying a tax increase. The Democrats refuse to pass my plan out of the committee, and instead they are considering a package that would raise these taxes. And because it's not paid for, it would trigger cuts in the Medicare benefits.

The American people, I really believe, want action. And they will not stand for this maneuver there in the committee. I'm hoping the whole House of Representatives -- Helen will do a better job on this, and Wayne, our other Congressman with me here today -- they need to pass this plan and to quit playing kind of partisan, election-year politics.

So I'm glad to take this opportunity to encourage the Congress to move. And on this bill, this rifleshot approach that we have, it can be done almost overnight. It literally -- it is not that complicated. There are seven stimulative tax provisions in here, and it will get the job done. It will really move this economy.

And so, I hope that everybody, regardless of political affiliation, will weigh in with the Congress and help us get this done.

So that is it. And thank you all very, very much.

Everybody read this, and I'm going to give you a quiz now on this. [Laughter]

Economic Plan

Q. Mr. President, the Democrats say your March 20 plan is too front-end loaded for the rich.

The President. That doesn't look like it to me, a $5,000 tax credit for first-time homeowner. That doesn't seem to me to be helping the rich. It seems to me to be helping people own a home. It seems to me to be stimulating the housing business.

So that's the charge, I understand, but I wish they'd get out here and talk to some people that are working in these buildings and maybe talk to some that aspire to own a home. You know, there's plenty of time for politics later on, after March 20th. We ought to pass this one. Ask the head of the Home Builders, Jay down here. I mean, this is their business, and they'll tell you that that alone will have an enormously stimulative effect.

So, I'm asking them to say, let's set aside the politics as usual, get this part done, and then I'll go to battle stations with them on how I think the rest of this program should be enacted. But it's too urgent now. The economy's getting ready to move. Interest rates are down. Inflation is down. Everything's not all gloomy. But what it needs is a stimulative push right now. And it's good for the homebuyer. It's good for the homebuilder. It's good for the community.

Each one of these jobs, I was told in here, each one of these houses stimulates a lot of other jobs, whether it's in landscaping business or finishing these units out or all kinds of things, highway construction, whatever it might be. So that's what I would say.

Q. Mr. President, what's wrong with a tax increase on the wealthy as part of that?

The President. We don't need any tax increases. What we need to do is stimulate the economy. And every time they aim at the wealthy, you hit these guys. That's just the way it works. And so why divide, kind of keep trying to divide America class against class? Why not get on with stimulating this economy so everybody's going to have a piece of a bigger pie? That's the way I look at it.

Q. Are you trying to compromise with them, though, Mr. President, to sit down and -- --

The President. I don't want to compromise. I want them to pass this, and then we'll get into a negotiation on this big baby here. And there's a lot of things in there that are very important. I'm all for the provision on the child care credit, for example. But what I think is most important to the country now is to stimulate the economy where it will begin to move forward on jobs.

This will restore confidence. One of the problems we've had in this economy is the lack of confidence. And a couple of guys standing over here near this truck said, ``Well, I'm beginning to get a little better feel for it. This will give it a boost.'' And I really think that's the approach we ought to take. Get this done, and then let's have the debate wherever it may be, on taxing the rich or taxing somebody else.

Marlin predicted yesterday to you all, they're going to come out with a tax increase. It was 12 hours later that I read in the paper a great big bill that was going to do just exactly that. And so, I'm just going to keep urging and trying to get the support of the American people to go for this stimulative package. I really think that's what's needed.

Q. Mr. President, did you just say that you're open to negotiating a tax increase once -- --

The President. No. No. I'm glad you put that -- I said I'm glad to be talking about this whole package later on, but not negotiating a tax increase. Thank you for letting me clear that up.

Q. But you appeared to leave the door open, sir.

The President. Well, let me close it right here: Wham! [Laughter] We don't need it.

Thank you. Thank you, Jim [Jim Miklaszewski, NBC News]. No, I'm glad he raised it because sometimes they think I'm a little less than clear in what I say.

Q. Do you agree with Marlin's characterization of the Democrats on the tax and Ways and Means Committee as weasels?

The President. Well, I thought -- I can't remember exactly what he -- I thought it was eloquent, but I don't want to agree with him until I go back and review exactly what he said.

Q. Are they weasels?

Q. Are you confirmed that a tax cut now will do long-term damage to the economy?

The President. No, I don't think so. I think this kind of stimulative effect, which is paid for under our plan, is a good thing to do. And I also think that if the economy does what I think it will when stimulated, it will just create more and more jobs, and that, of course, would mean more and more revenues.

Robert Goodwin

Q. James Cheek sees a hostile environment following the dismissal of Robert Goodwin who heads your office, your initiative on black colleges and universities. Do you know why Robert Goodwin was fired?

The President. No, but I certainly have a lot of respect for Dr. Cheek and would like to talk to him about that. But I don't.

New Hampshire Primary

Q. Mr. President, Pat Buchanan says your proposal is a cynical betrayal of the middle class.

The President. Well, I'd vowed to try to get through this election without responding to him, and I think I've got a good chance because the election is Tuesday up there. And I'm going to keep on doing that, keep my sights focused on what's going to help this economy, country; what's going to help, in this instance, stimulate the housing industry. And then I'll be prepared to engage. But this is too important. And I really mean it.

So, I've been able to absorb these shots in New Hampshire from all sides. It's not just him.

They're all having a field day. But what I'm trying to do is get the country moving, and then I'll come out with my dukes up and ready to do battle. But this is too important to get it caught up in charge and countercharge; it really is.

And I'm a competitor, and I don't like being the javelin catcher. But I really believe this, I really believe that if we can somehow -- if I can preserve the climate in which to get this done, that's the best politics, and I know it's the best approach for our country. So, I'm going to stay with this.

Q. How competitive are you going to be in New Hampshire, Mr. President?

Mr. Fitzwater. Final question, please.

The President. How what?

Q. How competitive will you be in New Hampshire? How will you do?

The President. Well, I think I've got a good chance to win. Is that what you mean? [Laughter]

Q. Well, how well do you think you'll do? Will Pat Buchanan get 42 percent of the vote?

The President. Oh, I'm going to stay out of the prediction business. A guy asked me the other day, he said, ``What do you have to have to win?'' I said, ``Help me will you. What does it take to win the Super Bowl? I can't remember.'' The guy said ``One point.'' Thank you very much, thank you very much. [Laughter]

Note: The President's 121st news conference began at 2:35 p.m. at the Arborview at Riverside construction site, Belcamp, MD. In the news conference, the following persons were referred to: John Colvin, president of Questar Builders; Representatives Helen Delich Bentley and Wayne T. Gilchrest; Jay Buchert, president of the National Association of Home Builders; James E. Cheek, chairman of the President's Board of Advisors on Historically Black Colleges and Universities; and Robert K. Goodwin, executive director of the White House initiative on historically black colleges and universities. Following the news conference, the President returned to Washington, DC.

Nomination of George J. Terwilliger III To Be Deputy Attorney General

February 14, 1992

The President today announced his intention to nominate George J. Terwilliger III, of Vermont, to be Deputy Attorney General at the Department of Justice. He would succeed William Pelham Barr.

Currently Mr. Terwilliger serves as Principal Associate Deputy Attorney General at the U.S. Department of Justice in Washington, DC. Prior to this, he served as U.S. Attorney for the District of Vermont, 1986 - 1990; First Assistant U.S. Attorney for Vermont, 1986; and Assistant U.S. Attorney in Vermont, 1981 - 1986. From 1978 to 1981, Mr. Terwilliger served as Assistant U.S. Attorney for the District of Columbia.

Mr. Terwilliger graduated from Seton Hall University (B.A., 1973) and Antioch School of Law (J.D., 1978). He was born June 5, 1950, in New Brunswick, NJ. Mr. Terwilliger is married, has three children, and resides in Oakton, VA.

Nomination of Marc Allen Baas To Be United States Ambassador to Ethiopia

February 14, 1992

The President today announced his intention to nominate Marc Allen Baas, of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia. He would succeed Frederick L. Chapin.

Currently Mr. Baas serves as Charge d'Affaires for the U.S. Embassy in Addis Ababa, Ethiopia. Prior to this, he served as Deputy Chief of Mission in the U.S. Embassy in Kinshasa, Zaire, 1987 - 1991; Deputy Chief of Mission at the U.S. Embassy in Lome, Togo, 1985 - 1987; and a student at the Naval War College in Newport, RI, 1984 - 1985. From 1980 to 1984, Mr. Baas served as Deputy Economic Counselor and Resource Officer at the U.S. Embassy in Tokyo, Japan.

Mr. Baas graduated from American University (B.A., 1970). He was born June 23, 1948, in Grand Rapids, MI. Mr. Baas served in the District of Columbia National Guard, 1970. He is married and resides in Washington, DC.

Remarks at the Door-to-Door Kickoff Rally in Nashua, New Hampshire

February 15, 1992

The President. Thank you so much. And first, let me thank our great campaign manager, our leader up here, our chairman, Judd Gregg, the Governor of this State. What a job he's done. And from the neighboring State, Governor Bill Weld, doing a superb job for the principles we believe in, and also Paul Cellucci, my longtime friend who is a great Lieutenant Governor of Massachusetts, here with us today. Speaking of Governors, I'm proud to be with the former Governor of this State, John Sununu. And there's another former Governor who's helped me so much, Hugh Gregg, who's around here someplace. And also, may I thank Senator Warren Rudman, the great Senator from New Hampshire; Congressman Bill Zeliff with us today; the distinguished Members of Congress, my friends from Washington and other States that are with us, three of them here today; and then John Stabile, our finance chairman. We've got a first-class team, and I'm glad to see all of you as a part of it. Thank you.

Let me be very clear as to why I'm here. I want to lead this country for another 4 years. And I ask for your support.

Audience members. Four more years! Four more years! Four more years!

The President. Having watched this, sometimes close in and sometimes from afar, I really honestly believe that the people of New Hampshire are a little bit tired of all the negative advertisements and all the attack-dog tactics coming from the left and coming from the right. What they want to do is see progress for the State of New Hampshire, not listen to a lot of political carping.

I will continue with a positive campaign. I will continue to lead this country. And first, on the economy, I have sent a comprehensive plan to the United States Congress. And it was so heavy I asked Barbara if she would carry it. Here it is. Here it is. Everybody read it, and we're going to have a quiz afterward here. [Laughter]

The reason I held that up is this: Yesterday, I'm told, New Hampshire voters were subjected to flat, outright lies about this plan. This plan includes many things, including deductions for student loans and, perhaps most important, a tax relief provision for families with children. It's there. It's in this bill. And I want the Congress to move on this just as soon as possible. And it must be done in this session of Congress. Keep the pressure on the Congress.

And in addition, in addition, I've broken out seven of my proposals that would have the greatest immediate effect on stimulating this economy. These should be the least controversial

provisions. I've asked Congress to put politics aside now, take a look at each one of them, and to move now. Interest rates are low. Inflation is low. The gloom-and-doom candidates are wrong. The way to help the people in this State who desperately need help is to get Congress to set aside politics long enough to pass the seven incentives in this bill. And they ought to do it.

The key provisions -- you know this State -- the key provision, a $5,000 tax credit to help people buy their first home. And for New Hampshire this year, 1,000 new housing starts and 2,000 construction jobs if Congress will only get going and pass this bill.

And in these incentives there's also an investment tax allowance, stimulate the purchase of capital equipment; capital gains cut so that businesses can invest and hire more people. That's money to buy equipment, to upgrade the plants, to create new jobs now. And this plan can help New Hampshire homebuyers and homebuilders literally as early as this spring. And it can help business buy new equipment and hire more people as early as this spring.

Now, I've sent forward this solid action plan. But it can only help the people of New Hampshire now if the Congress moves now. And you know, the New Hampshire Legislature is in session, I'm told, 45 days a year. Now, I gave Congress a deadline, to March 20th. That's 52 days to pass this little -- 52 days to pass this straightforward, commonsense, compact program. It is an action plan, nothing fancy. And I say give them that, give the people of this State this legislation, and you watch this economy move forward. And you watch the pain and suffering be relieved.

But Warren Rudman knows this, and Bill Zeliff, our great Congressman, knows this. Wednesday, the Ways and Means Committee's Democrats, every one of them, voted against this plan twice. And Thursday, in a closed meeting, they surfaced a scheme that, you guessed it, raises taxes and kills this plan for first-time homebuyers. And this campaign, you hear a lot about sending messages. Well, my request to the people of this State is, send the Congress a message: Pass this plan by March 20th. It can be done, and it must be done.

Lastly, you've probably heard around this State, from the left, from other places as well, the call for economic isolation. Some would build a protective wall around this country. And that's wrong. That's head in the sand. That's not the America that you and I know. That is an America running scared. And our vision is an America up and running strong, the leader of the free world. And they're not going to do it by pulling back.

I think the voters in New Hampshire are pretty smart. They know that there are 35,000 jobs here that depend on exports. And I will not let those candidates or this Congress put walls of protection around that are going to throw those people out of work in New Hampshire.

And so in just a handful of days, New Hampshire is going to decide what kind of leadership is right for the nineties. And that's what makes the decision here on Tuesday so important for our country. Voters here will decide which candidate has the experience and the leadership to do

right for you and to do right for your kids. And ladies and gentlemen, I'm in a tough race, but I've been in tough races before. And the stakes are high, not just for me but for you and for this country. I need your help, and I am asking for your support.

You know, I've been around the track some, and these campaigns are rough, perhaps roughest on the voters. But this year the New Hampshire voters have been subjected to literally millions of dollars of negative attacks, the kind that tear people down, don't offer any solutions, but tear down the other guy. And I am confident, very confident, that the people of New Hampshire understand what this election is really about. It's not about who can trash another's candidacy in some 30-second spot. What it's about is the very serious business of electing a President of the United States of America. And it's about somebody that has the toughness and the experience to lead this country. I believe I am that man, and I want your support. Now let's go out and get to work.

Thank you, and may God bless the United States of America.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you all very much. Now let's go out and do a little canvassing.

Note: The President spoke at 10:10 a.m. at the Davidson Flight Service hangar at Nashua Airport.

Remarks at a Community Welcome in New Boston, New Hampshire

February 15, 1992

Thank you for that warm welcome to New Boston. I was talking to Darlene a minute ago, and we were reminiscing. And it does seem like old times. I've been here several times before. And let me just get right to the point. I came here to thank you, but I also came here to ask for your vote so I will be President of the United States for 4 more years.

Let me not only thank Darlene Goodin, our chairman here, who is doing a superb job day in and day out, but also Governor Gregg, the Governor of this State, who is my campaign leader; Governor Weld, next-door neighbor down in Massachusetts, a new Governor doing a superb job for that State where I was born, I'll tell you. And may I salute former Governor John Sununu, my friend with us here today, and also Senator Humphrey. He served with distinction in Washington, and now he's serving in the senate here. He believes in a government close to the people. I salute him; delighted to have this support.

And I heard a little bit of music, and I want to thank the principal of this school, Rick Matthews, I believe he's here with us today, for arranging all of this and also thank Dr. Jamrog and the fifth and sixth graders who did that marvelous work with the band back there. Thank you all.

I want to talk to you briefly about the economy. But before that I want to know if Jeremy Forest is here. Jeremy, where are you? Right over there; right here in the front row. Now, you guys can't see him in the back, but let me tell you a little about this guy. Jeremy Forest is one of, I believe it's 11 junior high students from all across New England who has been put into this Initiative For Understanding Between American and Soviet Youth. This is an ambassador of good will to the new Commonwealth of Independent States in Russia over there. And we're delighted, I'm delighted he's here. I single him out because it is, I think, interesting to know.

And these Congressmen that are up here from Washington, these distinguished Representatives who are my dear friends, who you were introduced to earlier on, they know what I'm about to say is true. We have moved a long way. We have won the cold war. We have beaten down the aggressor in Kuwait, that was Mr. Saddam Hussein. And now guys like Jeremy can go over there and interact with the young people in the Commonwealth of Independent States, and we can talk about friendship instead of nuclear war. And I think that is a blessing for the United States of America.

Well, I'm glad to be here on a positive, upbeat note. And let me just say I think the people here might be getting just a little bit tired of all the negative campaigns, all the attack-dog advertisements coming at them from left and right. The people of New Hampshire are positive.

They don't like always trying to tear down the other guy. And so, I'm going to continue to keep on a positive note.

I must say as a competitor, you know, I get kicked around too much. But that's all right. They're coming at me from deep left field and deep right field. And I've been out there to Fenway Park; I know what it's like. Stay the course. Stand up and say what you are for.

And let me tell you what I am for. I'm going to continue with a positive campaign. And first, on the economy, we've got to get this economy moving again. And I have sent a comprehensive plan to the United States Congress. Now, I asked John Sununu to carry it for me. Here it is. I won't ask everybody to read one. Look at the size of this thing. This is a comprehensive plan. It is now before the House; it is now before the Senate. It is a message that we need. We need this passed. And it is all here.

And yesterday, I'm told that we got shot at from a couple of quarters up here. People and the New Hampshire voters were subjected to flat, let me call them outright lies about this plan. This plan includes many things, including deductions for student loans. But the one I want to mention, perhaps most important to every family here, is a tax relief provision for families with children. We need it. We've got it paid for in that plan, and we ought to pass it.

And so, don't listen to those negative ads that say it's not there; it is. And I want this whole program passed by the end of this session of Congress. And I think if we had more people like Bill Zeliff and Warren Rudman and Bob Smith in the Congress, we could get it passed. But please keep the pressure on the United States Congress.

Then, in addition to this major overall plan, I've broken out seven of my proposals that would have the greatest immediate effect on stimulating the economy. And these are important in a State where real estate has been on its back, homebuilding has been sluggish if not almost imperceptible.

And here's what it does, here's the background. Interest rates are now low. Inflation is now low. The economy is poised for recovery. And the way to help the people in the State who desperately need help is to get Congress to set aside politics just long enough to pass this part of this plan, the incentives, the seven incentives in the plan.

Now, let me give you one key provision. Young people ought to be interested in this, a $5,000 tax credit to help people buy their first home. It would get the homebuilding industry moving. And it is here. The head of the National Home Builders was up here saying if there was any single proposal that would help turn homebuilding around, it is this proposal of the President of the United States. And in New Hampshire it would mean 1,000 new housing starts, 2,000 construction jobs.

I also have in this plan, we have in this plan an investment tax allowance. We have in it a much-needed capital gains tax cut so that businesses can hire more people, get more people put to work.

But here's the key point: This is not campaign rhetoric. What this thing is -- let me just tell you, New Hampshire homebuyers and homebuilders can be on the move as early as this spring. And it can help business get new equipment, hire more people as early as this spring. This is a solid action plan. It can only help the people of New Hampshire now if Congress acts now. And you know your legislature, the State legislature, what, meets for 45 days a year? Well, I gave Congress a deadline of March 20th. That's 52 days to pass these seven little incentives that would really help this economy. There's nothing flashy here. All we need is action.

And we gave them the legislation. I've showed you the bill. And let me tell you what the Democrats back in Washington did just this week. On Wednesday, the Ways and Means Committee Democrats voted against this plan twice, and then Thursday, in a closed-session meeting, they surfaced a scheme that raises taxes. They say, tax the rich. That hits the little guy over and over again. And we do not need to raise taxes; we need to put incentives into this economy.

So my plea is, don't vote for some gimmick. Don't vote for some shadowy promise. Here's a plan that is before the Congress right now, and it can start moving this economy out of the doldrums faster than any other answer. So I ask for your support.

Now, lastly, you've probably heard the call around here for economic isolation. Some would build a wall around America. That's wrong-headed. That's head in the sand, not the America that you and I know. Theirs is an America, those that would do that, whether they're on the Democrat side or the Republican side, those who would say protection and isolation are running scared. America is not a country to run scared. We are the leader of the free world. We need to stay involved in international trade, not get protection going again in this country.

Let me tell you what this means to your neighbors in New Boston. Thirty-five thousand jobs in this State depend on exports, selling abroad. We start to put up walls of protection, other people do the same thing, and those 35,000 jobs go down the drain. We cannot go back to the failed days of isolation and protection. And as long as I'm President we will not go back. Our exports are moving, and they have helped the New Hampshire economy. And with our plan in effect, they'll help it even more. Help me fight against protection and isolation.

And so, on Tuesday New Hampshire is going to have a lot to say about who is the next President of the United States. You're going to be asked to make a serious vote. Who has the experience? Who has the demonstrated leadership to stand up and do right? And I believe that I am the person that has the leadership. I hope I demonstrated that when we kicked Saddam Hussein out of Kuwait. And he'd still have been there if you had listened to some of my opponents, still been

there.

So, I know I'm in a tough race, but I've been in tough races before, many of you at my side in those battles. And the stakes are high not just for me, but they are high for our country. And I need your help. And I am up here to proudly say I want to be your President and to humbly say I ask for your support. Give me that support so we can get this country moving on the economic front and keep us the leader of the world on the international front.

I'm told that, Judd was telling me and others today, that we've been subjected here to a lot of negative advertisements. The voters have been subjected to millions of dollars of these negative attacks, the kind that just tear people down by name and turn people off, I think. But I am confident that the people of New Hampshire understand what this election is about. It's not about who can trash another person's candidacy in some 30-second spot. It's about who can lead this country, who can continue to lead the free world. And what it's really about is setting a direction of this country for the next 4 years.

And again, I need your support to continue this job. Thank you all. And may God bless our great country, the United States of America. Thank you very much.

Note: The President spoke at 11:58 a.m. at New Boston Central Elementary School.

Remarks and a Question-and-Answer Session in Goffstown, New Hampshire

February 15, 1992

The President. Thank you for that warm welcome back. Before we get started, let me just thank Dr. Conway, the superintendent, and to thank Ms. Colby, who is the assistant principal here, and Vivian Blondeau, the chairman of the school board, and say how pleased I am to be here and pleased that we have this opportunity to meet in this wonderful school.

What we are going to do today is just, in the 20 minutes allocated, take questions. So, I think the way to do it is just let me say one word: I'm up here to ask the support of the people of New Hampshire to be President of the United States for 4 more years.

And we've made a lot of progress in the world. The cold war is over. International imperial communism, the aggressive part that's reaching out and trying to do in others, that's finished; it's dead. Aggression has been pushed back and international law established by the international defeat, you might say, of Saddam Hussein when we kicked him out of Kuwait.

So, a lot of good things have happened. And we are clearly the leaders of the world. And I do not want to see us pull back into isolation in fear because the economy of this State and other States is hurting. And so, what I'm asking the American people to do is say please help me get through Congress the economic growth package that I have sitting down there now. It would move the housing industry, the real estate industry, would lift the spirits of this State. So, we've got a plan. It isn't a campaign plan. It's enshrined, enrolled in two big pieces of legislation. And I need your help leaning on the United States Congress.

Let me thank the man who introduced me, who is our leader here, Governor Gregg of this State. I'm very fortunate to have him as my campaign chairman and delighted he's here and has just introduced me.

Now, with no further ado, I'd be glad to take any questions. Yes, sir.

Banking Industry

Q. Mr. President, my question is, the banking industry in this State is very, very, very tight. I would like to know, what can our Government do to relieve the rules and the pressures of the Fannie Mae, which is from a one-family to a four-family home, and to stop the foreclosures that are going on with people that should not have their home foreclosed on? And then also, in the business sector, relieve the pressures from the banks so they can loan us money so we can put people back to work? They will not loan money to any business. Thank you.

The President. Well, it's a very important question. And one thing we are trying to do is to relieve this credit crunch by doing a better job on regulation. We've called in all the regulators. We can't go back to forgiving bad practices; we're not going to do that. But they've gone too far the other way. And I think the best answer to freeing up credit is trying to get these regulators to go forward and take a hard look at the existing regulations, as we've done, and say, ``Look, good banks should make good loans; don't discourage them."

Interest rates are down. We are poised, because of where interest rates are and inflation is, to make a real recovery in this country. And so, I'm optimistic that these banks will begin to start making loans. Their balance sheets are in much better shape nationally. The regulation load is being lightened, although I'm having a big fight with Congress on some of that right now in the Senate Banking Committee. And I think it's going to move in the right direction.

On Fannie Mae, it's tough because those are independent, and we can't snap our fingers and control them.

But credit crunch, it's hurt us. My appeal is to the good, sound institutions to make sound banking loans, and I think that's the kind you're talking about. I don't think anyone wants to go back to the excesses of the eighties in terms of savings and loan excess or financial excess. One thing that's cost us and has hurt the deficit is the money that the Government has had to put in to cover the depositors. One good thing is not one single depositor has lost money. And I'm determined to keep it that way. But I think this change in regulations is going to help. Thank you.

Who's over -- yes?

Capital Gains Tax

Q. Welcome, President Bush, thank you. I'm a student of business right now, and I have a business question for you. You proposed a capital gains cut which, it seems to me, is going to benefit people who are investing in art, in jewelry, and other things, instead of an investment tax credit which would invest in business and make it more competitive and more productive. Why is that?

The President. We have proposed, maybe you missed it, in our proposal we have before the Congress right now an investment tax allowance. The ITC, itself, what you call investment tax, is terribly expensive. I think the revenue loss estimates were something like $250 billion. So, we couldn't do that and fit it into our budget plan without a tax increase, which I would like to firmly avoid and I'm determined to avoid.

Investment tax allowance is what you might more appropriately call more rapid depreciation

which will stimulate the kind of investment you're talking about. The capital gains cut, I am absolutely convinced, will stimulate jobs and stimulate investment, too. It worked under the Steiger amendment in 1978. I think it would have a very salutary effect. And it isn't what some of the opponents call it, a tax break for the rich. It's going to create jobs. It's going to create people taking more risks. So, look at how it worked in '78. And I think you'll find that this combination of these two things really will stimulate the economy.

And what's happened, I send this seven-point -- they're all stimulatory tax provisions -- say to the Congress, ``Pass it by March 20th." They go in behind closed doors, beat it on a straight party-line vote, including this investment tax allowance, ITC type of thing, and come out and say, ``Well, what we've got to do is redistribute the wealth by increasing taxes."

I do not think that's what the American people want, and I'm going to fight for this growth package. I'm not going to give up on it. I think we can make some headway in the Senate and in the House floor. But I'm not sure; we may not agree on a capital gains. You take a look at this ITA, this tax allowance, this stimulation; I think you'll find it's good.

Yes, sir?

Federal Budget

Q. Thank you for coming here. My question to you, I've heard your speech recently, is reducing the size of the Government. We've gotten so big and so out of control. Can you speak to us, Federal level, what can be done to lower the cost and the size of the Government?

The President. Lowering the cost of it, it's a good point. It is too big and takes too much out in the gross national product in taxes.

The only good thing about the budget agreement that was passed in 1990 is that it put caps on the Federal spending. It put caps on discretionary spending. Now, I hear some candidates running around here, around this State, saying they're going to freeze all spending. That sounds attractive, but I don't think that's fair to the senior citizen, for example. I don't think that he should be denied, he or she denied the cost of living increase, for example. So it's easy to say that. And I think we've got to control the growth of the entitlements, but I don't think the freeze is the answer.

I do believe that this proposal of holding the caps on Federal discretionary spending is important. And right now, you listen to the Congress, Democrat Congress, they're talking about getting rid of those caps or shifting the caps. The best protection for the taxpayer is to hold those caps on Federal spending. And I believe, I think we can be able to do that. That's the key.

Who's next? Way in the back, Father.

Education

Q. Thank you, Mr. President. First of all, I commend you on your courageous position regarding the life of the unborn in our country. As president of a college, I'd like to ask a question on higher education and ask if you'd comment, please, on your plans to help low- and middle-income families have access to colleges of their choice and particularly independent colleges in terms of Federal aid.

The President. Father, let me say this: I believe in school choice. We have an excellent education program. It is called America 2000. It is not Republican. It's not Democrat. It's not conservative. It's not liberal. It works to implement the six national education goals that were passed by the Governors, Democrat and Republican alike. One of the provisions of our America 2000 program is choice.

When I got out of college, I was a recipient of the GI bill. I fought for my country, and one of the things that veterans got way back then was a GI bill. And they didn't say what kind of school you could go to. They simply said, ``Take your choice.'' I believe that choice is one of the best ways to increase the quality of education from all schools, and I'm going to continue to fight for it. And that, I think, gets to your question. That is the fundamental part of America 2000. It is a fundamental part of how we improve education.

And you do it through vouchers, but different private schools ought not to be denied. One of the allegations is, well, people will leave a bad school to go to a good school. Where that's happened, the bad schools have improved. Take a look at Rochester, New York, as a good example.

So, the answer to the question you're raising is choice. And back it up so that the parents will have the main say. I had the mayors, I mentioned this in the State of the Union, I had the mayors from the National League of Cities in. And they were Mayor Bradley of Los Angeles, great big, complex metropolitan area, a Democrat; a tiny town in North Carolina with a Republican mayor, 3,000. And they said, ``The one thing that concerns us is that the fundamental cause of a lot of these problems is the demise of the family.'' And what we're trying to do there is strengthen the family. And choice, I think, is one of the best ways to go about it.

Way in the back. Yes, ma'am. We can hear you. Go ahead.

Energy Policy

Q. This is something I don't hear a lot about. I would like to know what plans are in the works for the further development of solar energy, particularly where it appears we may have a lot more sun than we know what to do with soon? [Laughter]

The President. I'm very proud of our administration for first having taken the lead on phasing out CFC's and then speeding it up when new scientific information came in. We moved very fast on that. And I believe that set a good example for other countries around the world, and I confidently expect that the EC and other countries will follow the lead of this country in phasing out these CFC's that do damage to the ozone layer.

Our energy program puts a good deal of emphasis on alternate sources of energy, not simply solar, incidentally. It is all sources of energy other than hydrocarbons. And we are not going to be independent so that we can get rid of all burning hydrocarbons; that simply can't be done. It's unrealistic. I want to see this country less dependent on foreign oil. And if our energy program gets passed, it will do that, alternate sources, conservation, and certainly not neglecting the domestic side of the hydrocarbon industry. So, it's in our energy bill, and I think we can move relatively fast. But to say to the country, as I've heard some people up here do, we can solve all these problems by going to solar energy today, that simply is not technologically feasible. We just don't have the delivery system of that kind of energy source.

Also, and I know this one might be controversial, and I don't know where you come down on this one, but I also happen to believe that safe utilization of nuclear power is in our interests. It burns clean, and technology is good. I know you get a lively debate on it, but as I look at the energy requirements, we ought to do that.

U.N. Conference on Environment

Q. I was wondering if you could let us know whether or not you're planning to attend the United Nations Conference on the Environment and Development?

The President. Her question was whether I plan to attend the United Nations conference which will be held in Brazil on the environment. We're talking about that right now. The problem is it comes at a time when we've got a relatively hot political year here. But the United States must lead, and I have not told President Collor of Brazil yet whether I can do it. I'm talking to other world leaders as to whether they're attending. Bill Reilly, who is doing a superb job as head of the EPA, is back; we're going to have a meeting with him next week.

So, the answer is, a decision has not been made on that. I just don't know. But whether I'm there or not, they're certainly going to have full cooperation and, I'd say, leadership from the United States. It's an important conference.

Way in the back.

Student Loans

Q. Yes, Mr. President, I am an ex-student from the New England area, and I'm sure you know that probably a good portion of the schools in the United States are located in the East. As of this year I'm not able to deduct the interest on my student loans anymore. That really hurts because I owe about $25,000 for school. So where do you stand on that?

The President. I stand on asking your support for the bill that I referred to that's before the Ways and Means Committee right now, before the Senate Finance Committee, because it does permit the deduction of interest on student loans. And I think you're absolutely right; it should be done. So, we need your help getting it passed. But we've got that in this legislation. I hope we can succeed.

The Economy

Q. Mr. President, in tough times what can Americans do by pulling their own bootstraps?

The President. Well, I think what Americans can do is what we've always done, work hard, et cetera. But I think the economy needs some assistance now, like a tax credit for the first-time homebuyer. I have proposed that, $5,000. The National Association of Home Builders tell us that that would really stimulate this economy and do it fast. So, I think what we must do in Government is to try to give incentive, but it cannot be Government make-work programs. It has to be freeing up this economy to do a better job for the citizens.

See, I'm not as discouraged as some people are. I know people have had a tough time in this State. But I've seen what we can do when we come together. I saw what we've done around the world in establishing our leadership. We're still the number one country in terms of our gross national product, by far. So, what we've got to do is jump-start this economy and then get the Government out of the way as much as possible and let this ingenuity that you're talking about come to the fore more.

So, let's not be so discouraged that we cannot see any hope out there. I know people are hurting, but you've got interest rates at an all-time low; you've got inflation down; the economy is poised to come back. And I'm saying, give me the support I need in the Congress to get this one package passed, and then this ingenuity you're talking about really can flourish. I think you've got it in perspective.

How about this guy right over here?

Q. May I have your autograph? [Laughter]

The President. Come on. The answer to that question is yes. Here you go. I signed that for you.

All right, who's got -- right here in the front.

Q. Thank you.

The President. You're welcome. That's a tough question. [Laughter]

Health Care

Q. Mr. President, can you please assure us that you will not push through a national health plan? We would like to keep health care private.

The President. I have a strong health proposal, health care plan. It's printed; it's out there. It does not nationalize health care. We've got a lot of criticism about our health care. We still have the best quality health care in the entire world, the best. Otherwise, why do people come here from other countries to get it? And you hear some of these people -- somebody told them a few months ago, health care's an issue. So they'll come out trying to emulate some foreign plan.

We're not going to have that. We are going to have the kind of plan that I put forward that will keep the quality and still make health care affordable to all through insurance. And people say, ``Well, poor guy doesn't have money to pay for the insurance." Then we have the voucher system, where he goes to a central location, name is on there, they have access to privately held, competitive insurance coverage. And that is the answer, not what you've asked about, this national health care plan. And you've got to take a look at the cost, too. And ours is much easier to pay for.

Now, I'm getting a signal that we have time -- let's say two more. Then I've got a special treat for you. Way back here in the red shirt, yes, sir.

Congressional Term Limitations

Q. My question is very simple, Mr. President, is: Understanding we have many career politicians in Congress, how do you feel about term limitations?

The President. I am in favor of term limitations. I'm in favor of that, and if it's good enough for the President it ought to be good enough for some of these Congressmen.

All right. Yes, sir, right here.

Government Decentralization

Q. Mr. President, with the high degree of communications technology that exists today, when can we look forward to decentralizing the large, expensive Washington-based form of Government?

The President. I'm not sure. I wouldn't hold my breath on that one. [Laughter] I think your point is well-taken. There can be a more diffused Government, Government closer to the people through technology. Computer networks are doing that. I don't honestly see, though, that it is going to be so decentralized that one agency will be in one place and one agency in another place. With the kind of Government we have where the action of Congress is very, very important, I don't see a really diffused transfer of these departments around the country. It has certain appeal, but I don't want to be unrealistic. It ain't going to happen.

All right. Now, let me tell you, we've got a special treat here, a good friend of mine. And this man is doing an awful lot on fitness. Somebody mentions health care; one of the reasons you do it is you prevent bad health by keeping fit. And so let me introduce to you a supporter and a great friend of mine, Arnold Schwarzenegger.

Give them the fitness test.

Mr. Schwarzenegger. Thank you very much, Mr. President. Thank you.

The President. He's part of our health plan, see.

[At this point, Mr. Schwarzenegger spoke.]

The President. Thanks so much. I guess we're out of here. Good to see you all. Thanks for coming. Glad to see you. Thanks for taking the time.

Note: The President spoke at 1:04 p.m. at Mountain View Middle School. Arnold Schwarzenegger was Chairman of the President's Council on Physical Fitness and Sports.

Remarks at the Bush-Quayle Campaign Welcome in Derry, New Hampshire

February 15, 1992

The President. It is great to be here. Thank you all very much. And Governor, first may I thank Governor Gregg and Kathy for their leadership and terrific support. I'm just delighted to have him as the head of this campaign in New Hampshire. We're very, very lucky. And may I salute Governor Jock McKernan of Maine and his marvelous wife, Congresswoman Olympia Snowe, who are with us tonight. He's doing a great job for that State. And then from Massachusetts, our new and great Governor, Bill Weld, and Paul Cellucci, first-class job as Lieutenant Governor.

And of course, the man so well-known not just for his leadership in New Hampshire but for his leadership, sound, sensible leadership in Washington, Warren Rudman. I'm just delighted to be at his side. And may I salute Congressman Bill Zeliff and thank him for his support. And also, Mayor Dowd, the mayor of this wonderful town, he and his wife doing a superb job in the political leadership. And you met the visiting friends, those Congressmen that were with me, Congressmen Regula and Hobson and Dick Shulze from Pennsylvania. They've had to move on.

But now, first of all, thanks to the parents, the students, and the staff of Pinkerton Academy for opening the gym for tonight's event. And thanks to the Shaw Brothers for sending a little music our way. And of course, my thanks to Arnold, Arnold Schwarzenegger. You know, he and I have been out on the campaign trail before several years ago, now again today. But he's working on a new film about Congress; he calls it ``The Procrastinator." [Laughter] You know, I might just take a tip from ``Kindergarten Cop." When Congress doesn't behave, take away their recess, and let's get something done for the country.

But thanks to all of you here for coming from four corners of the State of New Hampshire to Derry on this Saturday night. And we've come here for one reason: Together we are going to win an election on Tuesday.

Audience members. Four more years! Four more years! Four more years!

The President. And in about 9 months from now, with your help, we're going to win an election in November. Make no mistake about that.

We've got much to be proud of and many challenges still ahead of us. But the remarkable changes of these last 3 years have shown without a doubt the United States of America is the undisputed leader of the world. And from the fall of the Berlin Wall to the last gasp of imperial communism, from the four decades of the cold war to the 40 days of Desert Storm, America has led the way. And America has changed the world.

And now the change and the challenge, as it has before, it's come home. And time after time, we've lifted ourselves up. And time after time, we've asked more of ourselves, more of each other. And each time, America met the challenge. And this time, America will do it again.

Next Tuesday, New Hampshire makes its choice. You take part in this State's proud tradition as first in the Nation. And you know this is serious business. You understand the importance of your vote. You go to the polls not to send a signal, not to register a protest; you go to the polls to elect the President of the United States of America.

The first order of business in our country and in this election is the economy. And count on this: We are getting this economy moving again, and we will get New Hampshire back on the road to recovery. Three weeks ago I laid out a two-part plan to New Hampshire and to the Nation: a short-term to jump start our economy, long-term to keep us competitive and strong into the next century. And I want, and the country needs, both parts of this program enacted by the Congress this year. It is just that important.

My plan boosts investment, and it gives incentives to businesses to buy equipment and upgrade their plants and hire more workers. And it helps restore the value of real estate, gets the housing market going again, gives a $5,000 tax credit to first-time homebuyers. And our plan takes an ax to 246 Government programs because Government is too big and it spends too much. And I need Congress to pass it.

The Democrats have a different idea, as you saw coming out of the Ways and Means Committee the other day. But there's one thing my plan doesn't do: It won't raise taxes on the American families who are overtaxed as it is.

And you know what I think, my plan is just what the economy ordered. When it comes down to me and the other candidates, from the left or from the right, here's the only difference that counts: I have a plan, and they don't have a clue.

Everyone knows we've got to work fast -- --

Audience members. Four more years! Four more years! Four more years!

The President. Everyone knows we've got to work fast to get the economy on its feet, but some are pushing protectionism, escape from economic reality. And they say they're going to play defense, they're going to fight back. Sounds tough, until you think about it. It's not the schoolyard bully; it's the boy who wants to take his ball and go home and get off the playing field. America is not that kind of country. And our national symbol is not the ostrich; it's the eagle.

Never in this Nation's history, never in this Nation's long history has America turned its back on a challenge. To succeed economically at home, you've got to lead economically abroad. You see, I believe in the American worker. We'll go head to head with anyone. The American worker can outthink, outproduce, outperform the competition anywhere, anytime.

Audience members. Four more years! Four more years! Four more years!

The President. These are the things that Tuesday is about, the course we set for our country and the future we build for our kids -- --

[At this point, AIDS activists interrupted the President's remarks.]

May I just make a comment because these people, understandably, are concerned about AIDS. But unfortunately, because of their tactics, they sometimes hurt their own cause. But let me just give you a figure here. It's a very serious problem. When I came into office the first year, an increase, we spent $2.3 billion; this year, $4.9 billion. We are going to whip that disease. We're doing everything we can. And we're going to keep on until we succeed.

Sure, this is a tough race -- --

Audience members. We want Bush! We want Bush! We want Bush!

The President. Sure, this is a tough race, but I've been in tough races before. And yes, the stakes are high, not just for me but for you and our country as well. And I know the voters of New Hampshire. And you've been subjected to a lot of this negative campaigning that Senator Rudman talked about. You've seen the ads, the kind that only tear people down and, I believe, turn people off. Well, I am confident that you understand that this election isn't about who can trash another's candidacy in a 30-second spot.

New Hampshire voters have even been told some flat-out lies about the plan I sent to Congress. Here it is. Here's the bill I sent to the United States Congress immediately after the State of the Union. And in it are provisions for student loans deductions and, perhaps most importantly, tax relief for America's families with children. It's in this plan. It's before the Congress. And it's all right here. It gives me another opportunity to say to the Congress: Pass this plan; pass the whole plan. We need action by Congress.

Next Tuesday matters because you don't just choose a candidate, you choose a future. You set the course this country will follow for the next 5 years. And here's what I know about this country's future. No matter how tough times are now, America's best day always lies ahead. I believe that now. I believe it every day I live because that's the great glory of the United States of America.

And I felt it today from Nashua to New Boston. The people of New Hampshire, like citizens all across this country, are ready to move ahead, ready to move forward to meet a new American destiny. Everyone sees the need for change. Everyone feels the excitement. Everyone is impatient to begin. Everyone, that is, except the crowd that controls the Congress, the liberal Democrats who still control both Houses of the United States Congress.

So, you won't be surprised to hear what's happening to this action plan, the part to jump-start this economy. And here it is here, seven key points. The Democrats who control the Ways and Means Committee pulled a back-room stunt and tried to make this plan disappear. Thank goodness I kept a copy.

I'm a patient man. I know Congress can't pass my plan overnight, and that's why I gave them 52 days. And I know they say the deadline is arbitrary; they say the deadline is too early; they say the deadline is unfair. You know what I say? The deadline is March 20th, and the American people want action.

I cannot get this job done without your help. And so, Tuesday my request is this: Send this President, who's done his very best, who's turned this world around, who's working for economic recovery all across our country, send this President back to Washington for 4 more years.

Thank you, New Hampshire, for your trust and your support. And may God bless the United States of America. Thank you very much.

Note: The President spoke at 6:46 p.m. at Pinkerton Academy. A tape was not available for verification of the content of these remarks.

Remarks at a Breakfast in Nashua, New Hampshire

February 16, 1992

Rhona, I'm glad to see you here, our able chairman of our party, friend to all, and Alice. This takes me back a year or two, I'll tell you. And thank you all very much for being here. In addition to thanking Alice Record, I want to thank Harold Acres, our Nashua chairman, and Valerie Walsh, who is handling the volunteers; and say to Alice Record, with whom I go back a long time, Barbara and I do, we are just delighted and pleased to be here at this wonderful breakfast.

What you don't need, I think, on this Sunday morning is a long political speech, so you're not going to get one. I think that deserves a round of applause, too, after what this State has been through. [Applause] But I will just say a quick word about it because we're getting to a crossroads now, getting to a very important point.

Really, you make serious choices here, and you don't elect the loudest or the biggest protester. I think you take these elections seriously. And New Hampshire has a record of being a pretty good predictor on who should be bearing the responsibilities for President of the United States. We're not in this for messages. We're in here to see who should be chosen to be President and accept the full responsibilities of that job.

I have tried to stay above the fray in terms of all the negative campaigning that this State has been subjected to, much of it aimed towards me. But I think, in spite of the problems that exist here, people want to get a little bit of a positive idea as to where this country is going and what we stand for. And so I've tried to keep it on a good plane. I don't think this election is about trashing the candidacy of somebody else in some 30-second spot.

The issue, the one that counts the most here, is the economy. And this year there are two different kinds of choices: one who can tell you what he's doing right now, and then we have others from both extremes, it seems to me, who just don't have a clue as to where this country should be going or what to do about the problems that exist.

I've spelled out a two-part plan. And it's not political rhetoric. I have a responsibility as President of the United States to send a plan to the Congress each year. And regrettably, for the last 2 years, they have not acted on things that would have stimulated the growth in the New Hampshire economy. But I'm trying again now with very comprehensive programs, one short-term, one comprehensive and longer-term, both of which should be passed by the Congress this year to help the people of this State.

Though you hear the carping and the complaining up here in the campaign, but I haven't seen what I think of as a sensible action plan, one that fits in under these budget caps, one that will

stimulate immediately. You hear some things that sound attractive to people, and there's great division amongst the candidates as what they should be. But our plan, I believe, really would move the country forward. It includes the student loan deductions. It includes tax relief for America's families with children. It is a good plan, and it will work. And it will stay under these budget limits. We've got to control the growth of Federal spending. And you ought to ask everybody that has one of these things, what does it cost? Ours, I have to account for it. It is before the Congress now. It will not increase these awful deficits we're facing.

Another subject that's come up is the one of protectionism and isolationism. And you talk about a sorry, negative approach. Those candidates on both sides who are promoting isolationism and protectionism, that is a clear blueprint for failure in my view, based on considerable experience. We can't go that way. The truth of the matter is we're not going to succeed economically at home unless we lead economically abroad. So when you vote, you've got to understand the new world, the world after the cold war.

And I think I might say, parenthetically, we ought to look at the whole record when we decide to elect, who a President of the United States is. And I'll claim to be second to none in terms of working for world peace and making it better for these kids to grow up in a world free of nuclear war.

I do believe that housing and real estate are going to lead this economy, lead the recovery, lead us out of recession. And that's one reason we have a proposal that will create 1,000 new homes and more than 2,000 new construction jobs in New York -- I mean in New Hampshire, starting this spring. I hope it will do some for New York, too. [Laughter] But Congress has got to pass it on time. And it will create 415,000 jobs nationwide; you had the head of the Home Builders up here the other day confirming this, nationwide; generate $20 billion in new economic activity. It's based on investment incentives in our plan, and they're going to help business grow, buy new equipment, and hire new workers.

Because of the economy, you haven't heard about the successes we're having in fighting drugs. You haven't heard about the comprehensive energy plan. You haven't heard enough about our America 2000 education plan that would actually rejuvenate and revolutionize American education. We've got to do better. But the debate here is, for understandable reasons, on the economy. We've got a good health care plan that I put forward in detail, not a campaign plan but one that's right up there at the Congress right now. And I hope you'll pay some attention to that one.

But as I listen to the debate, sometimes from close in, sometimes from afar, I just hear the old thinking of let the Government do it all; or an isolationistic trend I mentioned; or bigger Government; or don't worry about the cost, pass this national health plan that's going to cost $250 billion more. And we just can't do that.

I've spent a lot of my life in this region of the country, as many of you know, spent a lot of my time in this State. I haven't just discovered it. We are, in a sense, neighbors; certainly not strangers. So, I want to ask you something. I'd like to ask you now to help me persuade the Democratic leaders in the Congress to get moving on our action plan. We've got to move it through the Congress, and we've got to do it now. Frankly, if we had more people like Judd Gregg, when he was on the Ways and Means Committee, and Bill Zeliff, who is there now, and Warren Rudman and Bob Smith in the Congress, that thing would be moving through. If we had control of the Congress, it would be moving right on through.

So the election is more than campaign slogans. It's more than who can get the 30-second bite by criticizing the President the most. The election is who do you want to be President of the United States. And I believe that when it comes Tuesday, I will carry this State, I hope substantially. I believe I will go on to have another 4 years as President. But I need your help. Send them a strong message, if you want to send a message that is positive, that is upbeat, that expresses confidence that the United States is the number one country in the entire world. And we're going to make it even better.

Thank you all very much. And I'm so pleased to be with you.

Note: The President spoke at 9:11 a.m. at Pennichuck Junior High School. In his remarks, he referred to Rhona Charbonneau, chairman of the New Hampshire Republican Party, and Alice Record, State legislator. A tape was not available for verification of the content of these remarks.

Remarks and a Question-and-Answer Session in Hollis, New Hampshire

February 16, 1992

The President. Thank you all very, very much. Thank you so much, all of you. It's great to be back. It is great to be back, really. Nice to see all of you. Okay, let's get going. But first let me say how pleased I am to have been introduced by a hometown boy here and, I think, one of the greatest leaders that New Hampshire has ever produced, Senator Warren Rudman. I am very proud to have his support. With us also, also overdressed for the occasion since we've just been in church, and I didn't see all of you there -- [laughter] -- Governor Gregg, our campaign leader here, Judd Gregg, and Kathy and uno kid, dos kids right here. Judd, good to see you.

And let me also thank Hugh Gregg, predecessor in the Governor's office, but who's been so active once again for me and to whom I'm always grateful. Bill Zeliff is here, the Congressman, although I don't see him right this minute. Where is he? Bill, you here? Right over there, doing a first-class job in the United States Congress.

And I want to thank Katy Wienslaw. I want to thank Denis Joy, the principal, for letting us use his great school, this great facility. And, of course, a friend of long standing who asked that I not mention her name, but heck with that, Shirley Cohen, and we go back a long, long time. There she is.

I was reminiscing with Shirley about days gone by, but here we are. And what I wanted to do now, other than urge you to vote for me on Tuesday, which I'm up here for, is to simply say that I want to be President for 4 more years. I believe in this country. I am not a pessimist about the future of this country. When you look around the world and you see these kids, I hope that my Presidency has made a difference. These kids are going to grow up in a world with a lot less fear of nuclear weapons. And I think we can all take pride in the foreign policy of this country and what we've accomplished.

We got those energies turned now to try to turn this economy around. We've got a good program. It's not a campaign plan. It is a bill, two comprehensive bills, put it that way, before the Congress right now that would get this economy moving, not some campaign pledge. So, I need your help to lean on the Congress, not on Bill Zeliff, not on Warren Rudman or Bob Smith because they're doing the right thing, but lean on those that control the Congress to say, ``Let's leave the politics aside now and pass the President's plan by March 20th.'' Then we can all roll up our sleeves and fight on the political turf. But too many people up here are hurting to have politics as normal. So, my challenge to the Congress is: Move by March 20th, and give the people of this State and across this country what they need.

And now I'll be glad to take some questions. These guys have the mikes right here. Yes, shoot. I'll repeat it if they don't get the mike to you fast enough, but go ahead.

War on Drugs

Q. Mr. President, if elected, what steps would you take towards drug prevention in the United States?

The President. Drug prevention? What steps if elected? Follow-on on the steps we're taking now. And there is some good news with our national drug strategy; it is working. The use by teenagers of cocaine is down by 11 percent in this country, and that's encouraging news. We're doing better on the interdiction of narcotics coming in here. The budget is up at about $11 billion for fighting the drug scourge.

One thing where you can help me, anybody here can help me, once again, is with the Congress because we have some strong anticrime legislation that would also help in the fight against drugs.

So, the answer to your program is, build on the national drug strategy that we already have in effect and that is working, both internationally and domestic. We've got to fight that scourge and whip it. And one of our national six education goals is schools and workplaces, but schools that are free of drugs. And again, support our America 2000 education program. It's good for this country.

Now, who's next? Here we are, right back there.

Education Reform

Q. Maria Gray. I'm a second-grade schoolteacher. And on behalf of the teachers I work with and my students, thank you for all that you do; Mrs. Bush, for all that you do, for your reading incentive programs. And would you give an encouraging word to those people who may be thinking about teaching as a profession?

The President. I'd be glad to give that encouraging word, and God bless the teachers. We'll start with that. I was hoping I would get a question on education. I only have one of these with me. But we have a good program called America 2000, and it gives parents choice. It says we can do better in math and science, so we'll be more competitive around the world.

And incidentally, this one started as a result of what the Governors, Democrat and Republicans, did at Charlottesville. They came together, put these six education goals before the Nation. And now we've got a program called America 2000. Judd Gregg, as your Governor, is out front for that program. And again, it transcends politics. And it really says this: We've got some good

buildings, maybe need some better ones; we've got bricks and mortar, but we must revolutionize our schools. And that means strengthening the teachers, giving choice to the parents. And it is a good, sound program, and I hope you all will take a look at it. Not much of it needs legislation. Most of it is being done at the community and the State level, thank heavens, or it would take a longer time to get it through.

But as to the teachers, plenty of encouragement here. We have great respect for those who give their lives to the young of this country.

Now, how about this section? Well, all right. Is that for me? Oh, how nice. Here let me -- you got a question to go with it?

Q. This is from a Democrat. [Laughter]

The President. All right. That's great. Can I read your slogan? ``Willing and still able.'' Right here. Okay. Thank you all. Thank you very much.

Now, who's got the next question? Right in the back. Yes, sir.

Environmental Policy

Q. I'm from Brookfield, Connecticut. And I wanted to ask you, will you support the environmentalists in Rio de Janeiro that want to reduce the use of fluorocarbons and eventually stop them in the United States?

The President. We've already been in the lead of that. There was some new ozone information available the other day. It was the United States of America that took an early step to eliminate these CFC's that cause this terrible problem. Faced with this new information just last week, we sped up the timetable for the elimination. And I confidently expect Europe and the other countries to follow our lead. And the gentleman's pointing to an important conference, a U.N. conference that's going to be held in Brazil in June. And the United States will be in a leadership role there, not simply on the ozone layer but on the forests and everything else.

We've got a good, sound environmental record. We cannot keep some of the extremes in the environmental movement happy because I believe that sound environment can go hand-in-hand with reasonable growth. And in some corners of this country, particularly in the Northwest, there's some problems there where as many as 40,000 people can be thrown out of work by the excess of the environmental protection. So, we've got to find the balance, but I think we've got a very good record. And you put your finger on an important conference that will have the leadership and support from the United States.

Yes, sir, right back here.

Federal Budget Deficit

Q. I was just wondering what you could do in your second term to eliminate the budget deficit, and in 1996, when you leave office, if it would be possible to have a balanced budget.

The President. I don't think it will be balanced by 1996. I do think a lot depends on what happens in the congressional elections next year. As Senator Rudman knows, we have fought -- he's been way out front on trying to get the Federal deficit under control and keep spending under control. And remember, Congress appropriates every single dollar and instructs us how to spend every single dollar.

We're going to keep what we call the caps on spending. That 1990 budget deal was very controversial because there was a tax increase in it. People forget, however, there was spending caps put on what they call discretionary spending. A lot of spending the President has no control over, for example, Social Security and Social Security increases. And I don't want to fool with Social Security. I think people are entitled to receive those checks and have them on schedule.

But we will fight to keep those caps on. I have in my proposal a program to eliminate about 250 programs, just get rid of them altogether, and that's $4 billion right there. And the answer, and I'll be taking this to the country in the fall, is send us more people to the Congress like Bill Zeliff here, Senators like Rudman and Smith. And then I believe we can get the Congress to spend less and to get on with getting the deficit down.

As I look at the schedule ahead, I cannot pledge that it will be in balance by then. And if anybody does, ask them to show you how they're going to do it, given the entitlement programs that are on the books and need to be there, Medicare, Medicaid, Social Security. We're not going to be able to eliminate those. Change the health care, put in our health care plan; I think that will help. Keep the caps on; I think that will help.

Yes, ma'am.

Domestic Policy

Q. It's a privilege to be in the same company with you and Mrs. Bush. Can you tell me, what is your response to those in your constituency who feel that you are too willing to compromise, especially when you know you have our support? And I don't mean any disrespect.

The President. No, that's a good question because I've heard a lot of flailing around up here in New Hampshire. Let me say something about -- I've been in politics quite a while, as you know. I don't remember a campaign ever with quite this much negative campaigning. Maybe it's because most of it's aimed my way, coming out of a jillion Democrats over on one side and then

a little out of the other side of the Republican spectrum.

I don't think I've been willing to compromise too much. I have had to veto 23 pieces of legislation, and the veto has been upheld every single time. I'll give you an example. I favored getting unemployment benefits extended for people, but the Democrats wanted to go ahead and just extend the benefits, forget the deficit, this guy's question. I said, ``Look, I want to extend the benefits, but we're going to do it within the budget caps. If we're going to extend those benefits, let's find some offsets so we don't add to the mortgage of the future of these kids." And so, we have fought back bad legislation through the veto to get something good.

I'll give you another piece, and this is, I hear a little voice coming out of right field on this one. I'm for human rights. I'm for civil rights. I'm against discrimination. I am for civil rights. I did not want a quota bill. And we fought against it. I don't believe that quotas is the answer. We fought against it, beat it down, and finally got a progressive, forward-looking civil rights bill that gives equal opportunity in the workplace without setting up quotas. And then I hear lonely voices running around New Hampshire saying I'm compromising too much. That's the only way you can lead when you don't control the Congress. And I'm going to keep on fighting for a United States that is free of discrimination, free of anti-Semitism, and free to move forward in the workplace without going to quotas. There's a good example for it.

Right on the end. She's been very patient here.

President's Family

Q. Is it hard being a grandfather and a President at the same time?

The President. There's one of the toughest questions. You can see the seams on that one coming across at Fenway Park, you know; you can read every seam. It's a good question, though, because I'll tell you something, it isn't as easy as you might think. We have four of our grandchildren live there, and one of the parents, my son Marvin, doesn't like public life. He wants his kids to grow up without having the cameras, all these things on them when they come out and play on the White House lawn. And when they shed a tear, he wants to wipe it away in private, you know, so everybody doesn't see them crying.

Barbara and I try very hard to be good grandparents, and we stay in touch. And she's on the phone a lot. But I think you can do both. I think you can keep your family together. Of course, I salute Barbara Bush for what she does in there, encouraging them all the time. But you know you asked a very good question because there's a lot of times when you just wish you could do what everybody else does. But I wouldn't trade it because I've got a job to do, got a mission to fulfill, and I'm going to finish that. But then, I don't fear the future because after all that, I think we'll be better grandparents.

Right here in the middle. Yes, sir.

Defense Budget Cuts

Q. I've got a two-part question. With the tremendous cuts in the defense budget, whether it's you or the Democratic candidates, there are going to be a lot of people displaced from employment. It's just the natural thing. One, how do you deal with that? I don't disagree with the cuts, but I'm concerned that they go too quick.

Secondly, there are some of us who aren't in the beginning of our career but in the second half of our career. And retraining isn't a quick solution. And if you're in the last 10, 15 years of your career, it can be devastating. How do you deal with that?

The President. Well, you asked a very important question. First, on the defense cuts. I am very pleased that the way we have conducted the foreign policy of this country permits us now to make sound defense cuts. We have won the cold war. Imperial communism, that's aggressive communism, wants to take over a neighbor that's on the ropes, is out of business. We've got people talking about peace in the Middle East. And we have different security responsibilities.

I have proposed a budget that has $50 billion of defense cuts over the next 5 years. I ask you, though, to listen to this gentleman because we cannot make reckless cuts in our defense. Last year at this time I was faced with a terribly important decision: Do we send your sons and your daughters into combat halfway around the world on the ground? One of the reasons I made the decision the way I did is, I knew that when we made that decision, these young men and women would have the best possible equipment, the best possible support, the best logistics behind them, the fastest transport, and the best way to move them.

And we did it, and they performed with magnificence. And that was Desert Storm that sent a message all across the world: The credibility of the United States means something. You see, Saddam Hussein never believed we'd do it. He was thinking back to Vietnam. He was thinking back to mixed signals out of the White House -- wouldn't quite dare do it.

And I'd say to those who remember Desert Storm, it wasn't quite as simple as it seems today. Go back and look at the debate a year ago about whether you commit the sons and daughters of New Hampshire to war. And I did it, took the full responsibility, and it worked out. But one of the reasons I made the decision with confidence was because of the levels of defense spending and knowing that we'd be able to move anyplace, go quicker, have the best equipment, and see them succeed. That still must be the hallmark of our defense.

And my defense budget has the support of General Powell. It has the support of the Joint Chiefs of Staff. It isn't a political document. You listen to the raging debate around here from the extreme right and the extreme left, and all of them say, ``We don't need to keep up our defenses.

We don't need to keep NATO strong. We can cut another $50 billion or $100 billion." And one of them was up as high as $150 billion. That is crazy. And they can do the campaign rhetoric, but I have the responsibility as the President of the United States to keep this country strong. And I'm going to do it.

Now, the second one is much more complicated. The Defense Department does have some retraining programs. They've got some investment programs for, say, a Pease Air Force Base or whatever may happen in other installations around here. But I am troubled because I have no easy answer to it, frankly, for the guy that's this far along in his career, maybe he has 10 more to go, maybe he's been an aeronautical engineer who was laid off because we're not going to be able to keep the same level of spending.

All I know is, obviously, for those who are out of work, we've got to keep the benefits going until they find work, and that's a given. But you're talking about higher levels. You're talking about something more sophisticated. So, I would say job training and have it as responsive as possible to the kind of changing technology that we've got. And that, of course, means adult education. It means things of this nature. But it is not an easy question, and I don't want to oversimplify it. It's a heartbreaking one, too, but we've got to cope with it.

Yes, right back there.

Discrimination

Q. What are you going to do about the Ku Klux Klan?

The President. Ku Klux Klan? Can it. Speak out against it. And if anybody raises the specter of the Ku Klux Klan, you speak out against that ugly hatred. We're not a country of hating. We're not a country of bigots. We're not a country where we discriminate against people because of their religion or because of their race.

And they need the help of every kid here. If you see some guy in your class make some joke about somebody that might be of a different color or of a different religion, just turn on them. That's not us. That's not the United States.

And so, what the President can do about it, when you need legislation, why, you work for that. But in this one it's broader than that. You just stand up and say, ``Look, we're against that." That's always been the hallmark of our country, particularly something as vicious as the Ku Klux Klan. I don't think it's on the rise at all.

I'll tell you something, though, this is a serious point on economics. As people start working and get thrown out of work, sometimes they might turn on or resort to bigotry or discrimination if another guy has a job. And we've got to guard against that. We've got some differences with

Japan in terms of trade, but we don't need to resort on bashing each other. We need to work, as I'm trying to do, to open the markets but not try to discriminate or make some ugly recollection of discrimination. And so, stand up against it every chance you get.

Capital Gains Tax

Q. Hi, President Bush. Joe Birch. I haven't talked to you in about 4 years. You probably don't remember me, but I gave you some pretty hard questions last time when you were -- --

The President. Go ahead.

Q. I told you then I was thinking about voting for Kemp because I wasn't sure how conservative you are and whether or not you're going to defend the conservative principles that I believe in. And you convinced me then, and I did vote for you. And I wanted to tell you that I'm pretty much in the same position right now, except that now I'm thinking of Buchanan. Okay, there's a couple of things I don't like about him, about his views, I should say. One thing is, I don't like the isolationism, and I don't like what I consider to be the trade war implications that I don't like. I'm with you on that.

The President. Protection, you mean?

Q. Yes. But the thing I have a problem with is -- it's got to do with education, but not in the sense you think. I don't think you're educating the rest of the people in this country as to the need for promoting business interest. Because business, as you know, has a lot to do with jobs.

Now, the capital gains issue is an issue that you're getting creamed on, left, right, and center, and it hurts the rest of us Republicans in a sense. Let me finish what I'm going to say, please. The capital gains issue, we're getting creamed, as a Republican, every time we turn around. I'm a Republican, and I don't have a capital gains problem because I don't make any money; that's not my problem. But my 10-year-old son here understands it better than 95 percent of the Democrats. I told him, ``Hey, look, 35 years ago a farmer could have bought a farm for $50,000, sold it for $500,000 now." I said, ``When I was your age a candy bar was a nickel; it's 10 times that now." And he said to me, he says, ``Yeah, a comic book was a dime, and now it's a buck and a half, $2.50." So the farmer that made a $450,000 gain, he didn't even keep up with inflation, and yet the people are calling him the one percent of the rich in the country. And they're killing us on that issue because they're making it like the Republicans are taking care of the rich, and we don't give a damn about the working of the business.

So, Buchanan's coming across with this. And I'm right on the fence with a half-a-dozen other voters, and I want to hear what you've got to say.

The President. I don't know. I'm a little unclear whether you favor a capital gains reduction. I do,

and I've been fighting for it for a long time. And the answer is, get me more people in the Congress that will support it. I can't do any more. I'm getting creamed by the liberals saying, ``You want a tax cut for the rich." A capital gains reduction will encourage investment. It will put ground under a person's home or their farm.

And so, I don't know where you're at. I am for it, and I'm going to continue to fight for it. And getting it done is a lot different than political, you know.

Q. I'm with that position. I'm with that position 100 percent. And the idea that Germany has none and Japan has none, it's understood. But the people aren't -- they don't understand it. When you say capital gains, they say you're trying to help the rich.

The President. I agree with that. And I need help from the people to make them understand it and to get the Congress to pass it. We've had those bills before the Congress for 3 years; ask Warren Rudman, ask Bill Zeliff. So, we need the help there.

It's one thing to make campaign rhetoric, and it's another thing to get your sleeves rolled up and trying to support the President in getting it done. And that's my point to the voters in New Hampshire. We're not electing the guy who can make the most money out there or can demonstrate the quickest wit. We need somebody that can lead for these things and get them accomplished. And that brings me to say, help me with the United States Congress. That's where the problem is on getting this economy turned around with our budget package right now, with capital gains, with other things like this homeowners tax credit.

You know, a family trying to buy a first home, our proposal says, $5,000 tax credit. Congress must pass that by March 20th. Now if you feel upset about it, roll up your sleeves and get on the horn to the Congress or go down there and talk to them. I think you can do it; you look tough. [Laughter]

All right. Right over here. Good to see you again.

Education Reform

Q. Four years ago you promised to be our education President. And the America 2000 is a great set of goals. But can you think of one thing you've actually done to move us toward that goal here in Hollis, New Hampshire?

The President. Yes, I've gotten my wife to demonstrate her concern by reading to the children. And if you think that's not important, you're wrong. Because I had the mayors from the National League of Cities come into the White House, and you know what their main concern was? Urban problems. The mayor of Los Angeles, no flaming Republican, I might add, and a good man, and then a mayor from a small North Carolina town, a Republican, all came together, and

they said the biggest problem is the dissolution of the American family.

And Barbara's out there, and I'm trying to help as best I can, saying, ``You've got to hold the family together. You've got to participate. You've got to read."

We have passed for the first time, gotten the country together on six major national education goals. That's never been done before. That would not dictate to Hollis. That wouldn't tell them what the curriculum has to be. But these are the six goals, and let me just recite them because I do think it's a very strong program. And I do think we're making progress on it.

We need to go forward now and have every kid ready to learn. That means more Head Start. I have increased the levels for Head Start exponentially. We have it now budgeted so that every 4-year-old will get Head Start. You may not think that's progress on education; I think it is superb progress on education.

I think the high school graduation rate should increase to at least 90 percent. And we're making headway on that one.

The third one, American students will be competent in core subjects. You'd have to ask the teachers how they're doing on that one, but I think it's one where we've got to make better progress; I'll concede that.

U.S. students will be first in the world in science and math. And we're moving on that direction, the highest level of research that this country has ever had. And I believe that will help us achieve that education goal.

Every American adult will be literate. I'm trying to show the way there by learning to work a computer. And that's not just show business; it is suggesting to the American people we must have adult literacy. And that can help in this question of transferability over here.

And then the last one, every school in America will be free and safe from drugs and crime. Made progress; not near enough.

So, I would argue that we're making headway, but I would certainly agree with you that we haven't made enough headway. But I'm going to keep on fighting because I believe this record is a good one on education. And it's far better than what I hear coming out of left field out there, saying, ``Hey, the answer is for the Federal Government to set the curriculum and the Federal Government to come in and control these programs." That is not going to get to the educational excellence that these six goals demand.

Way in the middle.

Education Funding

Q. I am on the school board here for the Hollis/Brookline high school and junior high schools. We are a small town, and special ed costs right now are escalating all over, including in our small town. And we have to be concerned about the fact that although the costs are escalating, the Federal funding is going away. And it's hurting us because our tax bill is the only thing that's supporting it. Think about Federal funding sometime.

The President. I will. Federal funding, incidentally, for the Department of Education is up. It's up considerably from where I came into office. But you know what a problem is? A problem is that Congress still wants to quote, mandate, unquote, the benefits. Hollis may have a problem where, better have more adult education. Hollis may -- which is the one you mentioned?

Q. Special ed.

The President. Special ed. Hollis may need more on special ed. It is my feeling that block grants should be used instead of these mandates out of some subcommittee in Washington, DC. And if you need more for special ed, it ought to be here in a block grant for the people of Hollis and the Governor of New Hampshire to decide, rather than some subcommittee chairman that's been there 30 years on the Democratic side in Washington.

So, we're going to fight for the block grant approach and continue to try to do it, and that, I believe, will answer some of this problem, not all.

Yes, right here. Yes, sir.

The Economy

Q. President Bush, with all due respect to your opposition on the Republican side, personally I like Pat Buchanan on television, and I like George Bush in the Oval Office. Just a question I have. I know you have a package before Congress now, but beyond that, however long it takes to get through, beyond that, what type of things are you doing or do you plan to do to try to help the economy with jobs? I'm a senior manager, and I'm facing laying off many people at the company that I work at.

The President. The investment bill we've got before the Congress I believe really will work. We fought -- and I can understand Joe's frustration -- we fought for some of these incentives, changes in the IRA's, capital gains, for 2 years and have just not gotten them through Congress. Now there's enough awareness there that I believe the package we have that includes those two things, also includes the first-time tax break for homeowners, plus several others -- there's seven points in it -- will help stimulate the economy immediately.

We have a family tax credit that's in the overall bill. It's a longer term; it has to be done by this year, but it's not in those seven ``incentivizations", you might say.

The National Home Builders came up here to New Hampshire the other day and announced how many jobs they think this would create, just the adoption of the homeowners credit would create, and then get real estate leading the way out of this recession. So, I think we've got a good, sound economic program, but Congress has the votes. And I've got to change the Congress.

And I understand there are a lot of people out there a lot more charismatic than I am, but a lot of them don't have to make the tough decisions either. Heck, if that were the case, Phil Donahue might be President of the United States if you needed somebody to be out there on television -- [laughter] -- or some of the others, reporters we've got around here who are very good in their field, but I'm not sure we want them for President.

So, I'll keep doing my best. You know, I'll say to these kids here -- and this may sound a little gratuitous or silly, but it's not -- you go back to think what your parents are telling you, and they're saying: Do your best. Try your hardest. Don't let the critics get you down if somebody disagrees with you in your class. Work your hardest for what you believe in. And that's what I'm trying to do. And I'm going to keep on trying to do it.

And I've had to make tough decisions. Good God, a year ago, I was. I thought about that in church today. It wasn't an easy decision to commit some of your neighbors here to war. But you've got to do your best, and you've got to take the shots that come your way and say, ``Hey, that goes with the territory."

But I believe in this country. I believe that we are good and decent and honorable. I believe we are the leaders of the free world. I believe that our workers can compete with anybody. And now we've got to get the programs to free that up and get them going. So don't let the pessimists get you down. We are the United States of America, and we got something moving. And now we've got to get this through so the people in New Hampshire are lifted up. That's the way I approach it.

We can hear you. I'll repeat it.

Health Care

Q. Can you tell us a little bit about the health insurance plan?

The President. The health insurance plan. And again, it's not a campaign plan; it is up there for congressional consideration. It is built on this basis, building on this basis: We have the best quality health care in the world, the best. If not, why would neighbors from far and wide come to this country for specialized, strong health care? So, I want to change it in the sense that I want

everybody to have access, everybody, rich or poor, to have access to insurance. And our program is built on that.

A person that doesn't have a job or is impoverished gets this insurance, they get the insurance. Middle-income people, they get deductions to permit them to put less money in the Government and more to get the insurance with. It is built on access, and that will keep us from turning to a state-run system.

I hear a lot of campaign rhetoric in New Hampshire about let's have a nationalized plan. What they mean there is a plan where the Government makes all the decisions. And that is wrong. And our plan will cost about $100 billion. We've sent up page after page of how to pay for it. But one of the ways is to cut down on these frivolous lawsuits that compel our doctors to go to all kinds of duplication in their care. Too many lawsuits, and too much liability for these people.

So the answer is to keep what works and build on what works and make insurance available and have access to all. And that's where the program -- --

Which one of you two want to ask this, reluctantly, but go ahead.

Abortion

Q. What do you have to say to the women of America who feel that they're being reduced to breeders by your antichoice stand?

The President. Being introduced to what? I didn't hear the question.

Q. Breeders by your antichoice stand.

The President. Breeders?

Q. Yes.

The President. I've never looked at love between a man and a woman as a breeding proposition. I recognize there are differences on this question, but I happen to favor life. And I am appalled at the numbers of abortions that are going on. They are exponentially rising, and it's a tragedy. Some people use it as a birth control device. So, I just have a difference, an honest difference of opinion on that one. I'm not going to change my views.

But I certainly think the way you phrase it -- I don't think people should look at affection between a man and a woman as that kind of ugly thing. When you have a relationship, I hope it's based on something that has more affection. Maybe love, we ought to try that one on for size; maybe a little more education than we've had in trying to teach people that indiscriminate sex is

not good. And we're having an awful lot of disease because of indiscriminate sex. And we have a lot of broken families, kids that nobody knows their name. And we've got to find ways to strengthen the family.

All these things I think we could agree on, whether we agree on that question or not, of whether you want abortion or whether you happen to favor life and adoption, as I do.

Line-Item Veto

Q. Mr. President, could you comment on how you might motivate Congress to adopt the line-item veto? One of the concerns clearly is that the budget needs to be controlled, and that might be a message.

The President. Well, the question is, for those who didn't hear it here, how do you motivate the Congress to go for the line-item veto?

One, I strongly support it. Forty-three Governors have it. I don't think you've got it in New Hampshire, but 43 Governors across the State have it, across the country. And it gives the executives the chance to make the tough decision. So again it goes back to Joe's question: How do you get it done? And the only way I know to get it done is to keep advocating it and to get the kind of people in Washington that would support it.

And I'm going to keep on doing that because -- I don't believe it would solve this guy's question, or lady's question, whoever asked it originally, about the balanced budget. I'm not suggesting that there are enough items you could hack out of there unilaterally to do that overnight. But it would make a tremendous job.

I'm all for Lawrence Welk. Lawrence Welk is a wonderful man -- he used to be, or was, or wherever he is now, bless him. [Laughter] But we don't need $700,000 for a Lawrence Welk Museum when we've got tough times and people in New Hampshire are hurting. And there's the kind of thing that could be line-itemed out of the budget, and I think we need it. We really do need it.

Right over there in the middle. Yes, sir.

Accessibility of the President

Q. -- -- I was wondering if you ever considered meeting groups of people one-on-one -- [inaudible] -- with this problem of the different groups. I know you have a staff and can't do everything, but local people -- [inaudible] -- will help you win the election.

The President. Interesting suggestion. His point is, he said not a lot of people would want to

have my job, but a lot of people would know exactly how to run it. I think that was the premise. But have you considered, he says, meeting one-on-one with individual people? And the Cabinet, he says, can do their job, but that may not be as representative as you get it down closer to the grassroots. Is that a fair repetition?

Not bad, not a bad question at all. Good observation. I do get a ton of mail. And people say, ``Well, you don't understand the heartbreak out there." I really believe I do. I don't think you have to have an experience yourself to understand it. Do you want me to put this on a real personal basis for you? Barbara and I lost a child. Some people here haven't done that. I wouldn't suggest that if that experience hadn't come to your family, that you would be less concerned about a neighbor who went through that. We care about it. We are in touch. I read the mail. I hear a lot of cries from the heart from people -- many, many ways. Friends reporting of neighbors out of work, whatever it may be.

I don't know how to implement what you've suggested. We've done some homework since we've been privileged to live in the White House. When Abraham Lincoln was President he lived right on the second floor of the White House, and he had his bedroom down at one end of the hall, same place where Barbara and I have the bedroom now. And the people could come up and wander into the White House and say, ``Hey, we want to see Abe," and give him their view. It was pretty good. I mean, it was a good system in a sense.

Now you've got some problems from that, most of them of a security nature. You've got a lot of nuts out there. You've got a lot of crazy people wandering around that you can't take a chance with.

Let me think about it. I don't know whether there's a better way to kind of just pluck a name out of the phone book or get some guy that was thrown out of work, for example, to come there as an individual with no staff and no preparation. Maybe there is because I'm not going to shoot it down as a lousy idea.

Go ahead.

Q. [Inaudible]

The President. I'll tell you how we do a lot of that is through the different groups that represent these people. But that's not maybe as good as what you're suggesting here. There may be a way we can do more of that. You go to these hospitals and talk to an AIDS family, or something, you get a better feel. And we do a fair amount of that. But maybe there's more. I mean, I think it's a good suggestion.

They tell me we've got to go, all nervous-looking people over here, because we're heading on. But listen, thank you very much. And may I ask you to vote for me on Tuesday. We need your

support. Thank you very, very much.

Note: The President spoke at 11:45 a.m. at Hollis/Brookline High School. In his remarks, he referred to Kathryn M. Wienslaw, cochairman of the Bush-Quayle campaign in New Hampshire.

Statement by Press Secretary Fitzwater on the President's Meeting With President Mircea Snegur of Moldova

February 18, 1992

The President and Moldovan President Mircea Snegur met for 20 minutes today in the Oval Office. It was the first meeting between the two leaders. The President reiterated U.S. recognition of Moldovan independence and the two Presidents agreed that the U.S. and Moldova will establish diplomatic relations and exchange Ambassadors in the near future. The President also expressed our commitment to continue U.S. humanitarian and technical assistance to Moldova.

Statement on the New Hampshire Presidential Primary Victory

February 18, 1992

I am delighted tonight to have won the New Hampshire primary.

Mindful of New Hampshire's proud history in selecting Presidents, I am indebted to all those in the State who voted for me, and my special thanks go to our able campaign leaders and to the volunteers who worked so hard.

This election was far closer than many had predicted. I think the opponents on both sides reaped the harvest of discontent with the pace of New Hampshire's economy. I understand the message of dissatisfaction. My most immediate task has been to get Congress to enact some very sensible, sound proposals that will help get this Nation's economy going forward.

The message of tonight is that Americans are concerned about the future. I have the right answers, and I will take my case to the voters in the next 8\1/2\ months. The goal of my campaign is to win reelection in November. I will campaign vigorously in those States whose primaries lie ahead. I am confident of winning our party's nomination and the election.

I want to thank the voters of New Hampshire, as well as Governor Gregg, Senators Rudman and Smith, Congressman Zeliff, Hugh Gregg, Gordon Humphrey, and the rest of my leadership team.

Once again, I am pleased to have finished first in New Hampshire. Now, on to the South.

Presidential Determination No. 92 - 15 -- Memorandum on Export-Import Bank Services for South Africa

February 18, 1992

Memorandum for the Secretary of State

Subject: Determination to Permit Export-Import Bank Financing for Exports to the Government of South Africa or Its Agencies

Pursuant to the authority vested in me by section 2(b)(9) of the Export-Import Bank Act of 1945, as amended (12 U.S.C. 635(b)(9)) (the ``Act''), I hereby:

1) determine that significant progress toward the elimination of apartheid has been made in South Africa;

2) authorize and direct you to transmit to the Congress a statement describing and explaining this determination.

You are further authorized and directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:43 p.m., February 27, 1992]

Note: This memorandum was released by the Office of the Press Secretary on February 19.

Presidential Determination No. 92 - 16 -- Memorandum on Assistance for Angola

February 18, 1992

Memorandum for the Secretary of State

Subject: Foreign Assistance for Angola

Pursuant to the authority vested in me by section 614(a)(1) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2364(a)(1), I hereby:

(1) determine that it is important to the security interests of the United States to furnish assistance described in paragraphs (2) and (3) below notwithstanding section 512 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513); section 512 as applied to fiscal year 1992 pursuant to the Joint Resolution making continuing appropriations for fiscal year 1992, and for other purposes (Public Law 102 - 145); other acts making appropriations for foreign operations, export financing, and related programs for fiscal year 1992; and any other provision of law within the scope of section 614(a)(1);

(2) authorize the furnishing of up to $1.5 million of Economic Support Funds made available for fiscal year 1991 for support for democratization in Angola; and

(3) authorize the furnishing of up to $13 million from funds made available for the Development Fund for Africa for fiscal year 1992 for support for democratization in Angola and to address other pressing needs in Angola in the period until elections are completed.

You are hereby directed to transmit this determination to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:44 p.m., February 27, 1992]

Note: This memorandum was released by the Office of the Press Secretary on February 19.

Memorandum Delegating Authority to Report on the Rebuilding of Kuwait

February 18, 1992

Memorandum for the Secretary of Commerce

Subject: Delegation Reporting Obligations Pursuant to Section 606(f) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3 of the United States Code, I hereby delegate to you the functions vested in me by section 606(f) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102 - 25, 105 Stat. 111) relating to periodic reports to the Congress with respect to contracting for the rebuilding of Kuwait.

The functions delegated by this memorandum shall be exercised in coordination with the Secretary of State, the Army Corps of Engineers, and such other executive departments and agencies as you may deem appropriate.

You are authorized and directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:43 p.m., February 28, 1992]

Note: This memorandum was released by the Office of the Press Secretary on February 19.

Exchange With Reporters in Knoxville, Tennessee

February 19, 1992

The President. Well, I'm sure people would like to ask questions about the election, so fire away.

New Hampshire Primary Results

Q. Mr. President, did you feel that the voters in New Hampshire, with the message of dissatisfaction, were expressing dissatisfaction with you? And what are you going to change?

The President. Well, I'm not sure of that. I think there was a lot of pounding on me, five Democrats, one Republican, and a certain editorial policy up there that for 9 weeks did nothing but hit me, with no defense on my part. Some of these Congressmen with me today said, ``Hey, since when has an 18-point victory been considered anything other than a landslide?"

Now, I'm not saying that I wouldn't have liked to do better. But I'm satisfied with the results. And now we're down here, and we're going to take this guy on in every single State. I'd have to do a little definition of who it is because all I did was lay back and get hammered by these Democrats and to some degree by Pat. And so, it's a new ball game, and we're coming out strong.

I must say that I feel good today. I thought I might be a little down because of the earliest reports that some of you all put on the air and some of your interpretations. Now, with an 18-point win, most people say, ``Hey, that's not bad." Try to sell some guy over here that an 18-point victory in a political race isn't anything other than a good victory.

So, we're going to go forward now. The other thing I've got to do, though, I do think I have to do better, is get this message to the country and particularly these southern States, if you want an election contest, about what we're trying to do to help people that are hurting, what we're trying to do in the Congress to enlist support to get our sound proposals through and beat back the Democratic proposals.

And the last point is, it's a little ironic that the Democratic frontrunner, and could well be the party standard bearer, opposes what the Democrats in the House of Representatives are doing. I mean, they're out of step with their own leader at this point. So, there are mixed signals. But look, I've been in tough fights before, Rita [Rita Beamish, Associated Press], and I'm looking forward to this one.

Q. Do you admire Tsongas, Mr. President?

The President. I'm not admiring him. He's knocking my socks off, and so are the other four, and

so is the other candidate. But we're in a new territory now. If you don't believe me, ask these guys.

Q. Was this the result, in part, of waiting for the State of the Union Address to outline what you wanted to do to help the economy? Do you think you might have done better in New Hampshire if you had started fighting with the Democrats on these issues last year, as some urged you to do?

The President. Well, I don't know. That's a good question, Brit [Brit Hume, ABC News]. But it didn't lighten up after I did have the State of the Union Message, and so I didn't notice a change there. I noticed them trying to be very critical of that. I can't say no to that, but I don't know enough about it, how it would have worked the other way.

The Economy

Q. Is this a sign that having a plan, however plausible, is simply not going to be enough this year, that you're going to have to have not a plan for a recovery but an actual recovery?

The President. Well, I think there's good signs about recovery. I mean, I kept pointing out the interest rates are down; inflation is down. Today, housing starts -- I don't know if you've seen it -- took a rather dramatic kick up. I think people feel that the economy is poised for recovery.

And let's remember, New Hampshire people were hurting. New Hampshire was disproportionately affected by recession. Now, you talk to the people in Tennessee and yes, some people here have problems, but generally the State is upbeat. They feel we can whip these problems.

And so, I've got to get this -- what I really want to do is get something done in terms of stimulating the economy. That first-time homebuyers credit is very important, and the whole rest of our incentives, capital gains. It's interesting, again, to note that the Democratic frontrunner is talking about capital gains also.

So, we've got to do better getting it through Congress. And I'm going to just keep fighting. I'll tell you another thing I'm going to do. I'm not taking anything for granted. I'm going to stay out here across this country -- I've been in tough fights before -- roll up my sleeves and go after them.

Presidential Primaries

Q. Are you going to emphasize your conservative credentials now?

The President. I think I've got them, and I think, yes, they're clearly there. And I think most

people understand that. But we might have to define the opponent. I've been very kind and gentle. I'll still be kind, and I'm now debating how gentle to be -- --

Q. What do you think the people should know about Buchanan?

The President. -- -- because I'm a little bit tired -- well, I'll give you an example. I'll give you an example. This State of Tennessee had 6,700 reservists and guardsmen volunteer. One community of 1,000 had 18 people. This is the Volunteer State. People are still very proud of the fact that this -- of Desert Storm. And there's a national pride there; there's a pride in having a strong America. That's my position: a strong America and having led a very triumphant and very important war over there. So, I'll be taking that message, along with the message of economic change, economic hope. Mine's not going to be a pessimistic message, and it's for certain things.

Q. Sir, was it a political mistake -- --

The President. I'll be with you in just one second. You're the next in line. Get this one, and then right there.

Tax Cut

Q. Was it a political mistake to hold back on the $500 personal exemption increase, to put that in your long-term package? Whether it made economic sense or not, was it a political blunder?

The President. Well, I don't think it's a political blunder. It was grossly misinterpreted. The question was whether -- the opposition was saying it wasn't in there at all. And I want that whole package passed, and I'd like it passed now. But what I have said, and said in the State of the Union, here's some short-term things; let's get those passed now. And here's the bigger package; let's pass that this year. But I don't think it's a blunder. I think there was gross misrepresentation.

Charles [Charles Bierbauer, CNN]. Randall [Randall Pinkston, CBS News], you're next in line right after him.

Presidential Primaries

Q. Mr. President, you say you need to define Pat Buchanan. How do you define him?

The President. Well, we're debating that. You just tell the truth. You just tell the truth.

Q. What would that be?

The President. Well, I don't think Social Security ought to be voluntary. That's the Bush

position.

Q. How does that define Pat Buchanan?

The President. Well, people go ask him what he thinks about it.

Q. Don't you risk having a divided party in the fall if you attack him hard?

The President. That's a danger, but he doesn't worry about that. I've been attacked hard. I think I've seen that in -- but it's much better to stay on the positive plane. I'll point out what I'm for. I was for what Tennessee did in supporting Desert Storm. I am for protecting those on Social Security. And there's a wide array of things that we can point out that are positive. And then you all can make the interpretation.

That's the kind side. It might not be as gentle as just forgetting about it altogether. But I was a little sick and tired of getting pounded by five Democrats day-in and day-out, not responding, and similarly, by the Republican challenger whom I beat by 18 points. And I'm going to stay, you know, taking a positive message across the country.

Mr. Fitzwater. We're running a little bit behind, Mr. President.

The Economy

Q. -- -- yesterday's results, Mr. President, do you believe that it is still possible to meet that March 20th deadline, or are all the bets off now, and Congress is just going to dig in and make sure that you don't get any kind of economic growth package?

The President. When their standard bearer, the guy up front, has the same program in terms of what he thinks needs to be done for the economy, really essentially a Republican program, I would think they'd take a look at that. The voters up there on their side seemed to give some endorsement to that economic plan that called for a capital gains reduction and stood out against this 25-cents-a-day tax cut that's going to raise everybody's taxes over the years.

And so, I'm not going to give up on trying to get the Congress to move. We're going to stay in there and fight to get the Congress to do what they should have done a long time ago. And I think people in this State know that the Democrats that control the Congress are out of step with the American people. So, I've got to get that message across a little more clearly.

One more, and then I've got to go.

Q. It sounds like you're endorsing the Tsongas economic plan.

The President. No, he's endorsed our plan.

Presidential Primaries

Q. Do you think Buchanan will be finished after Super Tuesday?

The President. I'm not making any predictions. That's the kinder side; I'm going to stay out of that. I'm going to just focus on what I think is best for this country and proclaiming, hey, 58 - 40, a lot different than I heard some of you guys talking about earlier last evening when, I admit, I was a little tense. Little tense, John [John Cochran, NBC News], with a couple of reports I heard there. But now when the results are in, people across the country are saying, ``You mean somebody is going to say that 58 - 40 is not a good victory?" And you've got a lot of talking heads out there that don't agree with that, but let's see how they try that one on in Tennessee. I think they're going to say that's pretty good.

Q. Are the gloves off, Mr. Bush?

The President. No, no, the gloves are still on. Gloves are still on. Gloves are still on.

Q. -- -- running against an incumbent President?

The President. Do you remember the Reagan-Ford race?

Q. And what did Ford do in November?

The President. No, don't worry about November.

Note: The exchange began at 9:50 a.m. on the President's arrival at McGhee-Tyson Airfield.

Remarks at a Cooperative Research and Development Agreement Signing Ceremony in Oak Ridge, Tennessee

February 19, 1992

Thank you for that welcome. Well, thank you so much. What a beautiful day in Tennessee. Thank you all. Let me just first start off by recognizing two who have been introduced, two members of my Cabinet, both should be familiar to you all. First, the Secretary of Energy, Jim Watkins, who's doing an outstanding job not just in the field of energy but in education and so many other things, standing here next to me. And I heard that nice reception for the hometown kid -- [laughter] -- but we refer to him as the Secretary of Education, the distinguished former Governor Lamar Alexander. And you talk about a man who's doing a great job for his country.

I know that this is the district of a very distinguished Congresswoman, Marilyn Lloyd, who couldn't be with us. But I want to re-present three with whom I work very closely in the Congress, Congressmen Jimmy Quillen and Don Sundquist and Jimmy Duncan, who are also right down here on the end. And my thanks to Al Trivelpiece, the Director of Oak Ridge, and to Joe Coors, who's been introduced, of Coors structural ceramics. He just handed me a ceramic putter. [Laughter] And he said if this fails, and it will, I'll use it as a hammer. [Laughter] You know what that's all about.

But this agreement today is one that I hope to see repeated across the Nation. This agreement, that I'm going to witness, combines in one place the resources of Government with the energy and inventiveness of private enterprise. And you're pointing our country toward the next American century.

In the old era, now ending, many of America's best scientists were engaged in winning the cold war. Well, the new era will free up those priceless talents to concentrate on the technologies of tomorrow, improving productivity and guaranteeing our long-term prosperity. We will transform the arsenal of democracy into the engine of economic growth. It's going to take the right kind of investments, the kind we've been making for 3 years. And our future economic competitiveness demands that we invest in an area in which we've always led the world, and I'm talking about something you all know a lot about, research and development.

Our challenge now is to put more of these incredible technologies to work for the America of this decade and beyond. We've been busy sweeping away the obstacles that inhibit the transfer of technology from the Government over to the private enterprise sector. Two years ago, I signed a bill that allows private industry to take advantage of Government research. And there are 675 public-private agreements that are active today, 675.

And today, we witness another one. Coors Ceramics Company and the Oak Ridge National Lab

are going to attack one of the obstacles to wider use of durable, efficient, and lightweight ceramic parts: machining ceramics without destroying their desirable qualities. Oak Ridge's high temperature materials lab, a world-class advanced materials testing facility, will be working with American industry to take the world lead in making precision ceramic parts. Ceramic parts will be vital to the longer lasting and more efficient engines of the future. And we're in a race with other nations for this multibillion dollar market, and we will get there first with the best products, thanks to the hard work of people right here, the imagination of these scientists.

And let me make this clear to the rest of the country, something that you all know: Getting there first, in this regard, means jobs, American jobs. Now, Coors moved here 2 years ago precisely to take advantage of the expertise and high-tech facilities here at Oak Ridge. And that means 85 new jobs here because of this partnership. And this is just one of the 25 cooperative agreements at this lab alone.

One of the reasons I'm here is to help get the message out. Our national technology initiative, which Admiral Watkins is spearheading and helping us spearhead, is bringing Government officials together with private businesses to let them know what Government can offer in technology. We must move these developments out of the laboratory and into the marketplace and create more American jobs. And that's what this is about.

I'm very, very pleased to be here with you all today. So without further ado, I'll be pleased to witness the signing of the agreement. I believe that's going to take place. Here it is. Thank you all very much.

Note: The President spoke at 10:52 a.m. at the Oak Ridge National Laboratory. Alvin Trivelpiece, Director of the Laboratory, and Joe Coors, Jr., president and chairman of Coors Ceramics Co., signed the agreement.

Remarks to Community and Business Leaders in Knoxville, Tennessee

February 19, 1992

Thank you for such a warm welcome back. And thank you, Senator Baker, my esteemed friend, for that overly generous introduction.

May I extend my greetings to another longtime friend, Mayor Victor Ashe, who is doing a great job here in this community, and to thank all of the other Knoxville community leaders here today. And I'm not sure that that description includes the marvelous music we've had, but my thanks to those from the Vols over here who provided some upbeat sounds. And I also want to single out with great pride two Cabinet members who are with me here today: First, our Secretary of Energy, Jim Watkins, doing a superb job, with us over here, Jim; and then, of course, one that you all know so well, Lamar Alexander, our Secretary of Education.

You may know that Lamar, as part of his mission to promote lifetime learning in keeping with one of our education goals, one is never too old to learn, convinced me to learn how to use a computer. It's really paid off. I can now make typographical errors twice as fast as I used to on the typewriter.

And may I also single out three Members of the Tennessee congressional delegation, Jimmy Duncan, Jimmy Quillen, and Don Sundquist, all three doing a fantastic job for us in Washington. And a very heartfelt thanks, quick thanks, to the people at the Knoxville Chamber of Commerce who helped pull this magnificent event together, Larry Martin and Jack Hammontree and Susan Shay. And I'm pleased that John Waters of the TVA could join us here today.

I feel very much at home, and I'm delighted to be here. Tennessee is a State with a special significance for me. After all, it's the Volunteer State. And during Operation Desert Storm you proved it all over again. So let me take this opportunity, thinking back a year just almost from this minute, when the ground war started, let me take this opportunity to thank the 6,700 Tennessee reservists and National Guard who were called up for Desert Storm and who served this State and served this country with such distinction.

It's a pleasure to be here in Knoxville, for what you've done here is a model for the Nation. This city combines in one place the enthusiasm of cutting-edge research, the resources of Government, and then the energy, the dynamic energy of the private enterprise. You are pointing our country toward the next American century.

We stand today at what I think most people would agree is a pivot point in history, at the end of one era and the beginning of another. As imperial communism died and as the clouds of the cold

war part, America stands alone, the undisputed leader of the world. The old era demanded great sacrifices of our country; we met them, each and every one of them. But the new era opens up to us limitless possibilities, fresh challenges of the kind that have always brought out the best in America.

For the short term, of course, our challenge is to fire up the economy. I've put together a two-part plan, starting with a short-term package, seven commonsense steps to spur investment and create jobs. With inflation down and interest rates lower than they've been in 20 years, our plan offers incentives to business to buy equipment, upgrade their plants, and start hiring again. It offers a real boost to the housing market, often at the forefront of economic recovery, with a $5,000 tax credit for first-time homebuyers.

I have asked the Congress to pass this plan by March 20th. You may have heard about other tax plans floated up on Capitol Hill. The House Democrats are offering 25 cents a day, literally, in income tax relief in exchange for cuts in Medicare, student loans, farm payments, and true to form, a large permanent tax increase. That plan will deepen the deficit by $30 billion and cost jobs as well. That is a lose-lose proposition if ever there was one. Here in Knoxville, let me again remind the United States Congress: We are a month and a day away from the deadline. Help your country. Put politics aside for just those 31 days that it takes. No more games. Pass our plan and get this economy moving again all across the country.

But then we must look forward, beyond the short-term into the next century. Believe it or not, looking forward has become a more radical notion than it sounds. For some quarters, we hear the dim voice of defeatism, that tin trumpet sounding retreat. We're told that our future lies in turning away from the world, pulling down the shades, and hoping that the rest of the world just goes away. Well, don't be fooled by the tough talk and the patriotic bluster. Protectionism comes from fear, fear that American workers can't compete, fear that American ingenuity is spent, fear that we must turn away from the world because we can no longer lead the world. That's not the future that I see for the United States of America. The America of the future must embrace challenges, not cut and run. It must put back the frontiers of knowledge and technology and use our great strengths of individual initiative and determination. If we do, the America of the future will compete, and it will win.

This century has taught us many lessons. But above them all stands an overarching truth: If America is to succeed economically at home, we must lead economically abroad. Now, our leadership ensures markets for American products and jobs for American workers. And it gives us room to spread our wings and show the world what we can do. Let us never forget: Our national symbol is the eagle; it is not the ostrich.

Each generation of Americans makes an implicit compact with the generations that follow. We pledge that their opportunities will be greater than ours. Our generation will make good on that pledge but only if we continue to lead the world.

So for the last 3 years, my administration has been laying the foundation for America's continued leadership. We've approached this pivot point in history, this moment of unparalleled opportunity, with a positive strategy to build on the enduring strengths of the American people, our capacity for hard work, our cutting-edge technology, our willingness to take risks. To continue as the world's economic leader we must excel in two vital areas: education and technology. That's where our future lies. Our strategy must target both, and it does.

American science is the best in the world. We've got to make sure that the same is true of American science education. Tomorrow's marketplace will demand workers highly skilled in math and science. Tennesseans know the importance of that, and I thank you for lending me your Governor and U.T. president, Lamar Alexander. He's on the cutting edge. He's out front in trying to revolutionize the schools in this country. Through our America 2000 education strategy, we're getting that education message to the rest of the country.

Working with the Nation's Governors, Secretary Alexander and I set six ambitious education goals, done on a bipartisan basis, wasn't Republican, Democrat, liberal, conservative. The Governors came together under Lamar's leadership, and we came up with these goals. And one of the most important ones was this: By the year 2000, American students will be first in the world in math and science. The budget that I've recently submitted to Congress calls for more than $2 billion in math and science education programs. That's more than a 120-percent increase over the past 3 years for programs at the precollege level.

Just 2 years ago, when I was last here in your wonderful city, I mentioned that our Energy Secretary, Jim Watkins, had joined up with U.T. and Oak Ridge to start a new math and science academy for America's teachers. Once again, Tennessee set the pace for our country. To better train teachers, we plan to double the number of math and science instructors receiving federally assisted in-depth instruction in their field. This year, almost half the Nation's precollege math and science teachers will receive some federally funded training.

In the old era now ending, many of our best scientists helped America win the cold war. The new era will free up those priceless talents to transform the arsenal of democracy into the engine of economic growth. That is the mission, that is the challenge of the nineties.

It will take the right kind of investments, the kind we've been making for years, for 3 years. And these have been tough decisions. This year, I've asked for a freeze on discretionary domestic spending -- got to do that for the overall budget -- which means that any increases have to be the result of hard thinking about priorities. Well, we've done the hard thinking, and we've made a fundamental decision. Our future economic competitiveness demands that we invest today in one of our greatest strengths, research and development. And I've asked for a record investment in R&D, $76 billion next year alone.

Now, let me give you just a few examples of what this means. This year we're investing $803

million to assist private enterprise in the development of a high-performance computing system 1,000 times more powerful than today's computer. And such a system will forecast droughts and hurricanes, design better aircraft, unlock the riddle of the genome.

We're investing more than $1 billion for research in energy technologies to improve energy efficiency, nuclear fusion, clean coal technologies, and alternatives to petroleum.

We're investing almost $1.5 billion in transportation R&D. To relieve our overburdened highways and airports, we're stimulating research in new transportation technologies such as intelligent vehicle-highway systems and high-speed rail. Some of you unintelligent drivers beware; you may be replaced.

We're increasing investment in biotechnology research for a total of more than $4 billion, so that we continue to lead the world in conquering disease and relieving world hunger. Now, this research can pay dividends undreamed of just a few years ago, not only in health care but in manufacturing, energy, and in environmental protection. One recent development: microorganisms that emit light signals when they encounter pollution in the environment.

And there's much more, substantial increases for the superconducting super collider, agricultural research, and the development of advanced materials. We will double the budget for the National Science Foundation, home to some of our most fantastic scientific and technological advances.

And for a generation, when Americans have looked to the future, they have looked to the stars. Well, we're intensifying our efforts to explore the Moon and the planets, a quest that not only lifts our spirits but brings tangible benefits in new technology and economic growth.

These incredible technologies can't just sit in the science books; they need to work for America. And so, we're moving them out of the laboratory and into the marketplace. We've been busy sweeping away the obstacles that block the transfer of technology from the Government to private enterprise. And just over, I think it was 2 years ago, I signed a bill that allows private industry to take competitive advantage of Government research.

There are 675 public-private agreements active today. In fact, I had a great morning. I just witnessed another one out at Oak Ridge this morning. The Coors Structural Ceramics Company and Oak Ridge will be perfecting a new ceramic material that's tougher than steel. In fact, Coors has decided to locate in this area to be near the scientists and facilities at Oak Ridge. And in doing that, Coors joins more than 20 other companies that have moved to your area for the same reason. And that's the bottom line of these agreements: jobs for Knoxville, jobs for America.

Our national technology initiative brings Government officials together with private businesses to let them know what Government can offer in new technology. This initiative will take

advantage of the irreplaceable resources at our national labs, including Oak Ridge, to foster technological excellence.

But make no mistake, Government has no business setting what's known as an industrial policy, where you pick winners and losers and protect favorite industries from market forces, no business doing that. The lightning pace of today's economy is too quick. It's too vital for the deadening hand of the bureaucrat. We will continue to lead only if we give the marketplace full play. A competitive market cuts fat, it encourages efficiency, and it rewards innovation.

That's why for 3 years we've tried to encourage private venture capital. You know, America taxes capital gains at a rate higher than any of our world competitors. And yet the same pessimists who complain we can't compete still stand in the way of lower capital gains taxes. So, let's put an end to that self-defeating nonsense. Congress must lower that capital gains tax to create jobs, and the time to lower it is right now.

Finally, we've asked Congress to make the R&E tax credit a permanent part of the Tax Code. For private companies, this credit reduces the cost of research and development by as much as 20 percent. American businesses must be able to plan for the future knowing those savings are secure.

Each one of these measures has world-shaping implications. There is a strategy for a competitive, vigorous America, and it springs from a vision of what our future should be. The great blessing of our country is that we Americans have the power to create our own future. We have that extraordinary opportunity, once again, to guarantee that when our children attend school, they receive the best education in the world and that when they leave school, they enter a growing economy with good jobs of their choosing. Let us never forget, the future we plan for today belongs to them.

I am fortunate, very, very fortunate to be President of the United States at an exciting time in our country's marvelous history. The world still looks to this great country for leadership. And we have so much to be grateful for, and I am proud to serve as your President.

May God bless you, and God bless the United States of America. Thank you very, very much.

Note: The President spoke at 12:06 p.m. at the Knoxville Auditorium-Coliseum. In his remarks, he referred to former Senator Howard Baker; Jack Hammontree, president, Larry Martin, chairman, and Susan Shay, member of the board of directors, Knoxville Chamber of Commerce; and John B. Waters, member of the Board of Directors, Tennessee Valley Authority.

Remarks on the Observance of African-American History Month

February 19, 1992

Welcome to the White House, and thank you all very, very much for coming. The finalists and the semifinalists of the McDonald's Black History Makers of Tomorrow are here, and I want to salute them right off hand, over here. Welcome to the White House. And next let me single out, as a fan, the representatives of the Negro League Baseball Players Association, over here, very famous, all. Welcome.

And to Mr. Justice White and members of our Cabinet, Chairman Powell, and others, let me just say that I am honored to join you in celebrating African-American History Month. I'm especially proud to introduce two special guests that we're going to hear from in a minute, Maya Angelou and Shirley Caesar, right here.

Dr. Angelou, an author, editor, dancer, producer, now the Reynolds professor of American studies at Wake Forest University, she built a career exploring the promise of freedom. And her book ``I Know Why the Caged Bird Sings'' has thrilled readers and students by making the case for decency and courage and hope and determination.

And our other guest is, of course, one of America's greatest gospel singers. Grammy award-winning -- brought some family along to celebrate, I see, but never mind, that's fine even in the White House, Shirley -- Grammy award-winning Shirley Caesar has long lifted her voice to sing the bittersweet song of gospel. And her message, like the words of the well-known anthem, is ``full of the faith that the dark past has taught us and the hope that the present has brought us.''

African-American History Month lets us reflect on our past, its triumphs and its tragedies, and it bids us to celebrate and to remember. But while we may use this time to stop and take stock of race relations, we must guard against the trap of viewing black experience solely against the backdrop of race.

Too often the book of black history is defined only by the chapters, important though they may be, of slavery and emancipation and civil rights. African-American History Month puts on view a whole world of African-American experience, experience that has often pushed back the boundaries of race relations, but that is not always and only defined by them.

This month explores another chapter, Africans' roots explore new worlds. It celebrates the black pathfinders and trailblazers who pushed back the bounds of the unknown and expanded the boundaries of knowledge. Explorers like Pedro Nino, who followed the stars to a new world; pioneers like Guion Bluford, Jr., who parted the stars toward the unknown; or Arctic explorer

Matthew Henson, who braved the edge of creation at the newfound North Pole.

And then, of course, we salute other black pioneers, pioneers whose compass was courage, whose map, moral vision. These are people like Dr. Martin Luther King, Jr., who realized ``that the time is always ripe to do right." And we think of Alex Haley; a writer described him as a man who ``turned loss into pride, history into heritage, and helped make black America a family again." I'll never forget ``Roots." You'll never forget Alex Haley. And then we think of A. Philip Randolph, the labor leader who fought to desegregate the military. Jesse Owens, whose triumph humiliated Hitler, before the entire world, I might add. George Washington Carver, Rosa Parks, Dr. Charles Drew, Benjamin Banneker, the legacy of the Tuskegee airmen. We think of Mr. Justice, right here in the front row, our dear friend Clarence Thomas. And we think, of course, of Colin Powell.

These pioneers and many like them peered over the rim of the possible and dared to walk where others had only dreamed. We, too, stand at the edge of a frontier, the frontier of brotherhood, the frontier of a better tomorrow. It's up to us to see beyond old divides and set our sights on new common ground. And as we continue our efforts to create prosperity for all, we must also create new trust, a new tolerance, a new opportunity. And we will.

There is not, and there will never be, a place in America for hatred, for prejudice, for intolerance. And this is not America; this is not us. And let's push back the small crowds who preach hatred. Let's create room for the American dream, for a land where all God's children sing in the joyous songs of freedom. And so, that's our challenge. And I hope it will form the next chapter of our national history.

And so, thank you all very, very much. And now for what we all came to hear. First, I've introduced you to Dr. Angelou, but I believe, Shirley, you are the lead-off hitter. And these guys would know exactly what that means. So come on up, Shirley Caesar.

Note: The President spoke at 5 p.m. in the East Room at the White House.

Message to the Senate Transmitting the Protocol Amending the Australia-U.S. Extradition Treaty

February 19, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol Amending the Treaty on Extradition between the United States of America and Australia, signed at Seoul on September 4, 1990. I also transmit for the information of the Senate the report of the Department of State with respect to the Protocol.

The Protocol supplements and amends the Treaty on Extradition between the United States of America and Australia, signed at Washington on May 14, 1974. It is designed to update and standardize the conditions and procedures for extradition between the United States and Australia. Most significant, it removes an outdated list of extraditable offenses from the 1974 Treaty and expands upon the dual criminality approach contained in that Treaty. The Protocol also provides a legal basis for temporarily surrendering prisoners to stand trial for crimes against the laws of the requesting State. The provisions in this Protocol follow generally the form and content of extradition treaties recently concluded by the United States.

This Protocol will make a significant contribution to international cooperation in law enforcement. I recommend that the Senate give early and favorable consideration to the Protocol and give its advice and consent to ratification.

George Bush

The White House,

February 19, 1992.

Message to the Congress Reporting Budget Rescissions and Deferrals

February 19, 1992

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one rescission proposal, totaling $16.7 million, one revised deferral, and one new deferral of budget authority. Including the revised and the new deferrals, funds withheld in FY 1992 now total $5.6 billion.

The proposed rescission affects the Department of Housing and Urban Development. The deferrals affect the Agency for International Development and the Department of Agriculture.

The details of the proposed rescission and deferrals are contained in the attached report.

George Bush

The White House,

February 19, 1992.

Note: The attachment detailing the proposals was published in the Federal Register on February 26.

Statement by Press Secretary Fitzwater on Establishment of Diplomatic Relations With Azerbaijan, Tajikistan, Turkmenistan, and Uzbekistan

February 19, 1992

The President has decided that the United States will take immediate steps to establish diplomatic relations with Azerbaijan, Tajikistan, Turkmenistan, and Uzbekistan. The United States had recognized their independence on December 25, 1991. Following Secretary Baker's recent visit to these countries, the President believes U.S. interests will be best served by having diplomatic ties to their Governments. Secretary Baker conducted detailed discussions with the leaders of the four countries on the political, economic, and security principles of most importance to the United States. The depth, extent, and richness of U.S. relations with each of these countries will depend on their commitment to these principles.

With this step, and yesterday's establishment of diplomatic relations with Moldova, the United States now has diplomatic relations with 11 of the 12 former Soviet Republics. The United States does not intend or seek to isolate the people of Georgia, as Secretary Baker said in Moscow. But, at this time, the United States is not in a position to establish diplomatic relations with Georgia.

The United States will open embassies in these countries by March 15. In addition, the U.S. will support their membership in relevant international organizations, including the International Monetary Fund and World Bank.

Statement by Press Secretary Fitzwater on the President's Meeting With President Frederick Chiluba of Zambia

February 19, 1992

The President and President Frederick Chiluba of Zambia met for approximately 30 minutes in the Oval Office. They had an excellent meeting, during which they discussed the political and economic developments in Zambia. The President congratulated President Chiluba on moving Zambia into a democratic era. President Bush was also supportive of President Chiluba's economic policies, particularly the privatization program.

Exchange With Reporters Prior to Discussions With Prime Minister Carl Bildt of Sweden

February 20, 1992

The President. Well, look who's here. You're not going to need this, I don't think.

Q. Mr. President, why have you not condemned the latest Israeli invasion into Lebanon, sir?

The President. We're not going to take any questions at this photo opportunity. We're going to be discussing very important relations between Sweden and the United States and also get into a lot of multilateral questions. But that's it.

Q. Will that issue come up in your talks, sir?

The President. Any issues he wants to talk about will be coming up.

Q. Do you think the invasion might hamper the current Mideast peace talks?

The President. You missed it. I'm not going to take any questions. Thanks.

Q. Thank you.

[At this point, one group of journalists left the Oval Office, and a second group entered.]

Q. Are relations with Sweden different since Carl Bildt took over?

The President. Put it this way: I don't think they could be much better. And we're very happy with the relations with Sweden. We view it, incidentally, as a very important bilateral relationship. And I have great respect for what this gentleman on my right is doing and what he has already accomplished. And he's already had a very good, thorough discussion with the Secretary of State, and now I look forward to having one with him. But I welcome Prime Minister Bildt here, and just to say he comes to a fertile territory because there's an awful lot of respect for what he's doing, right here in this Oval Office, the State Department, all across our Government.

Q. Do you really have time with Sweden after the setback in New Hampshire?

The President. Yes, I've got time for it.

Q. Shouldn't you put America first, to quote the famous -- --

The President. I'd like to think America is first. But that's the way I look at it. But I don't think any President would look at it differently. But we are going to stay engaged around the world. We've got a leadership role, and we're working closely with leaders from different countries. And clearly, Sweden is a very important country. I can learn a lot from him -- --

Q. What can you learn?

The President. -- -- about what's happening in Eastern Europe, for example, what's happening in the Baltics, what's happening in Europe itself. And I can tell him that we plan to stay engaged. And no domestic politics is going to dissuade us from that.

Q. What specific roles do you see Sweden -- --

The President. Listen guys, this isn't a press conference. This is what we call a photo op. But I just really wanted to say, with the Swedish journalists here, a warm welcome to this very able Prime Minister. We're just so pleased he's here.

Thank you all very much.

Note: The exchange began at 11:03 a.m. in the Oval Office at the White House.

Remarks at the Departure Ceremony for Prime Minister Carl Bildt of Sweden

February 20, 1992

Mr. Prime Minister, I am delighted to have welcomed you on your first official visit to Washington and to have shared very profitable, congenial talks.

Prime Minister Bildt comes here at a time when Europe is being transformed and when Sweden itself is beginning a new chapter in its history. As the Prime Minister remarked on his election night last September, the winds of political change blowing through Europe have finally reached Sweden.

Well, he understands well his nation's past. Just more than 100 years ago, his great-great-grandfather was Prime Minister. But even more, Prime Minister Bildt represents a rising generation of leadership for a people seeking a new role in Europe and a new birth of freedom and initiative in Swedish domestic policy.

We welcome Sweden's desire to play a more active part in the emerging global community. The Prime Minister is committed to democracy, to free markets. And I know that as active partners in the common endeavor to create a free, open, and prosperous world, the United States and Sweden will make a real difference.

Sweden and the U.S. share a deep and unswerving commitment to peace, and Sweden is a vital partner in our global nonproliferation efforts. A model peacekeeper, Sweden has shown its commitment to this function of collective security many times, with distinction, in the United Nations system. Sweden has taken a firm stand against terrorism, supporting our efforts to bring to justice those who sabotaged Pan Am Flight 103. And during the Gulf war, Sweden provided humanitarian and economic assistance.

Our partnership in the service of freedom and democracy is not a new one. Americans and Swedes share more than 350 years of friendship, dating back to 1638 when the Kingdom of Sweden established a colony along the Christina River in Delaware. American patriots of Swedish origin fought in our Revolutionary War and signed the Declaration of Independence. Sweden was one of the first nations to sign a treaty of friendship and commerce with a newly independent United States.

That legacy of partnership continues today on contemporary issues, for example, through the new investor visa arrangements our Government agreed upon today. And after today's talks I am confident that this friendship will continue to flourish.

Mr. Prime Minister, let me explain to you our sincere thanks for this new spirit of cooperation and friendship. It strengthens our relations. And your visit has clearly helped build the basis for a solid partnership as we face together the challenges that lie ahead.

Thank you for coming our way. And the best of luck to you, sir.

Note: The President spoke at 1:19 p.m. on the South Lawn at the White House.

Statement by Press Secretary Fitzwater on Senate Action on Energy Legislation

February 20, 1992

Last night the Senate passed S. 2166, the National Energy Security Act of 1992, which marks a substantial milestone in implementing the President's national energy strategy issued one year ago today. This legislation will lead to the creation of hundreds of thousands of jobs and keep billions of dollars from flowing overseas for the purchase of foreign oil between now and the year 2010. The bill includes increased conservation, promotes the use of alternative fuels for motor vehicles, and permits greater use of natural gas. We are extremely pleased that the Senate passed the President's legislation, and we urge the House to also act soon on this vital administration program.

Remarks to the American Legislative Exchange Council

February 21, 1992

Thank you for the welcome. May I thank Fred Noye and Sam Brunelli and all the others assembled here. This has become an annual ritual, one that I look forward to very, very much. I don't know whether Jack Kemp is here -- he was going to be; been here. And Sam spoke. I have great confidence in both of them. But I really wanted just to come over and say a few words, express my greetings to all of you.

Thinking of ALEC, I wanted to talk here about how you get things done, the key to good government. And Americans, I think, sensible ones, know that the Federal Government simply cannot do everything and shouldn't even try. It could get the job done and then let everybody else do his or her job. At ALEC, you get things done. And I want to help you do what you do best, and that is to lead and to innovate.

So, we want to take $14.7 billion, maybe Sam talked to you about this, in Federal program funds and turn them over to the States as a block grant. And that way people who run the programs can do what works rather than following some distant bureaucrat's notion of what works. We tried it last year, didn't get it; we're trying it again this year. I hope we can make some headway, even though it is an election year.

Another one, welfare reform. Our system too often promotes dependency and not independence. And so we've asked the departments to go back and the agencies to go back and make it easier to obtain the waivers that are necessary to institute welfare reform. Workfare's a good example. Learnfare, like they're doing in Wisconsin, is a good example. And the States are innovating. It is their responsibility, and we are trying to give them the support through waivers. So I would suggest where you see hangups on it, let us know because we are trying to see that there is not bureaucratic opposition to moving forward with these flexible approaches that require waivers. These reforms create, actually, the most important ingredients for success, and that is personal power and personal responsibility.

We're getting more money to States for the important things, programs that work. We've increased spending on education, on Head Start, conservation fund grants, and I'm sure Sam mentioned this, transportation. And don't think for a minute that we measure progress simply in terms of dollars; we do not. We measure it by results, and we fund these programs because they work. Head Start helps us achieve our six educational goals. Kids starting school ready to learn -- this year we funded it so that every 4-year-old will have that opportunity.

So, we're moving forward on what we feel works. Jack's program, that I'm supporting him on and have been trying to get through Congress, the HOPE program, H - O - P - E, enabling low-income families to own homes. And I like HOPE for a simple reason: It is a sensible program,

and it makes good sense. And when you own a home, I think we all understand, you own a piece of the community. And you have a dignity and a self-respect that simply cannot be equaled in any other way. You all look at the world differently. You have an interest in improving your assets, and you have an interest in safer, cleaner, better communities. And let me simply say, HOPE works.

This pork barrel spending -- there was an amazing article on that in the paper today -- doesn't, and we've asked Congress to eliminate, totally eliminate, 246 programs. All of them have noble titles. All of them have wonderful titles, and all of them have sponsors in Congress. But they are not needed. And we are in tough financial times, and so we're trying to get rid of 246 of them and put the money where it gets results.

And at the same time, we've asked Congress to take a few steps to bolster confidence in Government and to strengthen the economy. We need real tools to cut spending. And I want that line-item veto. We're going to keep on pressing for it. In signing statements, I have said that we'll refute, we just are not going to accept some of the language, and so far that's gone on through in the bills that I have signed. But we want a line-item veto, and again, I'm going to take the case to the people for this in the fall.

I want a balanced budget amendment. We couldn't do it overnight, obviously. But if we got it, it would discipline not just the executive branch, but it would discipline the United States Congress which appropriates every dime and tells us how to spend every single dime. We've got to cut the deficit without raising taxes, and if that takes an amendment, let's get the amendment and get the job done.

Secondly, I want Congress to stop passing these unfunded mandates. If there is one thing we hear the most about from States, from Governors or State reps or State senators, it is unfunded mandates. And a Federal mandate is a promise that's made up there on Capitol Hill and then paid for back on Main Street. But the subcommittee chairmen up there have not changed their thinking at all. One program after another is mandated, and thus a big burden placed on the States. And so we say to Congress: Stop passing the buck back. If you pass a mandate, pay for it, and don't go and raise taxes.

Third, I want to put a lid on nuisance lawsuits. You know, the law should foster progress, not hinder it. When fathers stop coaching Little League because they fear lawsuits, there's something wrong. And we've gone way too far. When doctors stop delivering babies because they fear lawsuits, something's wrong. And when people stop volunteering to help other people because they fear ambulance-chasing lawyers, something is wrong. And the madness must stop.

We have legislation up there in the Congress sitting dormant. And here's one where we can take the case to the American people in the fall. It transcends party lines. It transcends ideology, liberal, conservative. It just does not make sense to have so many of these lawsuits settled in

such an outrageous fashion. So, we are going to take that case clearly and loudly to the American people this fall. The madness has got to stop.

We've drafted a model act to help people engage in voluntary service without fear of unfair suits. And I hope your States will use this model to draft your own tort reform laws. Alabama, as Perry was telling me and reminding me because I've known it, put together such a statute, got it passed in less than 4 months. Perry Hooper -- where is he, he was here right a minute ago -- right over here, sponsored the legislation, and we're very proud of what he's done. It's a model for other States, and it makes me redouble our efforts here to get something done on the Federal level.

I've asked Congress to act upon our ``Access to Justice Act'' which encourages people to seek alternatives to court. And it used to be a joke; you'd get upset and someone would say, ``Don't make a Federal case out of it.'' Now the joke's on us, and we've got to turn that around. People still turn small squabbles into lawsuits, and they sit in courtrooms listening to lawyers bicker about problems that should have been solved some way, over a cup of coffee at home maybe.

The ``Access to Justice Act,'' and I urge you to take a look at it, provides alternatives and puts an end to this madness. And I'd like to challenge you to pass your own ``access to justice'' reforms. Lead the way. And then I think that will send a powerful message to the United States Congress.

The Council on Competitiveness here, under the able leadership of Vice President Dan Quayle, has prepared two model State statutes which are outlined for you in the packets that I am told you were given today. Take it home, and think it over, and craft your own antilitigation laws. Wouldn't it be nice to create a law that results in fewer lawsuits?

And I don't like to have this many influential people gathered here without soliciting your support, for you to ask Congress to do its part to help the economy. We've got a good plan. It is good. There's a lot of special interests don't like parts of it, but it is a good, sound, stimulative plan. It will protect today's jobs, and it will create new jobs for tomorrow.

Congressional leadership also has a plan. And it will protect today's congressional seats, and it'll promise action tomorrow. So, we are locked in a real fight up there. We're short on numbers, but we've got the facts and we've got the merits on our side.

So I've given Congress a long-term plan, longer -- I'd like to see it pass this year -- to build the foundations for the next American century, an America that is healthy and well-educated and confident and free and better in research and technology, all of these things.

The health care plan, incidentally, that I came out with fits perfectly with yours. It improves our health care system, which provides the highest quality care on Earth. We've got health care problems, but one of them is not the quality of American health care. It is the best in the entire world.

And so, our program doesn't knock that aside to pass some mandated nationalized program. It gives everybody access to health insurance. And it lets people choose where to get treatment, which doctors they like. And when people make these choices, they feel more comfortable; they get treatments sooner, much sooner than under these nationalized programs. And our plan provides something better than socialized medicine's false promises: health care itself. So I urge you to take a look at this one. I think philosophically it will be right in tune with what we all believe.

My administration also understands that we've got to meet the challenges that lie over the horizon, the challenges of the 21st century. And our America 2000 education strategy encourages revolution, a new generation, literally, a new generation of American schools. It stresses excellence. It stresses accountability. It stresses involvement. It stresses choice. And choice closes the gap between the kitchen table and the teacher's desk. It gets families involved in education. And it gives parents power over their children's schooling. And I urge you to take a look at that program again. A lot of it does not have to be enacted in Federal legislation. A lot of it can be done simply through innovation at the State and certainly at the local level.

The family really, when you look at the problems, is the key to our future. The mayors of cities in the National League of Cities, their executive board came in to see me. I mentioned this in the State of the Union. And all of them -- Mayor Bradley of Los Angeles, a great big city; the Republican Mayor of a small town in North Carolina of about 2,000; and in between, Mayor of Plano, Texas, and cities of that size -- all came together, and they said, ``The biggest worry we've got that clearly works against these problems in the cities is the decline of the American family."

And family is a key to our future. It's been said that the best Department of Health and Human Services is the family. And it is. And it's also been said that what happens in your house -- this was a quote by the famous Silver Fox that lives with me over in the White House, Barbara Bush -- it's also been said that what happens in your house -- and this is the way she put it, and I think it's very relevant -- is more important than what happens in the White House.

And it's true. It is very, very true. And so I've asked this Commission that these mayors suggest we set up, this Commission on Urban Families, to find family policies that work, to ferret out Federal legislation that works against the family, to suggest Federal legislation that might bring the family together and might make an errant parent more responsible. Our laws shouldn't encourage a single-parent household or fail to punish men who abandon their children and the mothers. They should promote whole and healthy families.

That's what the purpose of that Commission is. And then when we get its suggestions, I really want to share them with ALEC and other groups because I believe you'll find some real merit in what this Commission will come up with. I'm confident I know the direction they're going to take.

So, these are in the longer term proposal. But I've also submitted a short-term economic plan. And that provides two essentials for families in our Nation, jobs and security. And this plan -- I've challenged the Congress to move on it by March 20 -- stimulates investment. It energizes the real estate industry, and it cuts taxes that inhibit growth. And I've asked Congress, as I say, to pass it by March 20th, 4 weeks from today.

Now, very candidly, we're caught up in a political season here. And I have not been happy with what's come out of the Ways and Means Committee so far. The Democratic leaders have come up with a sorry plan. They want higher taxes, and they want higher spending. And they hope to buy off the people with a tiny temporary tax cut. If you belong to an average family of four, their scheme will give you about a quarter a day. And even the tooth fairy pays more than that in there. [Laughter]

And we Americans, we want a large and expanding economy that offers new options and challenges and that holds the promise of job security and employment opportunity. And frankly, I think the country has a reason to join me in being tired of the games being played. For 3 straight years we've tried to get a capital gains tax reduction. It would stimulate jobs. And all the people that control Congress do is say, ``Well, it's a tax sop for the rich. This is a break for the rich." It isn't. When the Steiger amendment was passed in '78, new businesses were created; new jobs were created. And it would have the same effect now.

And we're competing in this world. And Japan has a capital gains tax, an effective tax of about one percent; Germany, I think it's zero. And we're asked to compete then with two hands tied behind our back in this important world competitive market which we cannot turn our back on.

And so, we're going to keep fighting for these things that stimulate this economy and get it moving. It is my conviction that if our first-time homebuyer credit is passed, and if our incentive through rapid depreciation is passed, and if our capital gains cut is passed -- these are three of our seven points in this short-time program -- it would send a signal of confidence to this economy. You don't have to see the effect of it when tax time rolls around. It will give a stimulation of confidence to the small-business guy that might just say, ``I'm going to take a chance. I'm going to open a business here."

And so, we really need help now trying to encourage the Congress to pass this program by March 20th. And out of the budget agreement of 1990, which had things in there I didn't like, there was one good thing in it. There were a couple of things that were pretty good. But there was one good thing in it: For the first time in history, we put caps, meaningful caps, on discretionary Federal spending. The critics forget that. Those caps are in place. They can work. Federal spending's up because you have S&L's, you've had bank problems, enormous problems outside of this. You've had the entitlements going up; they're outside of the caps. But the caps are the only protection the taxpayer has against the growth of discretionary Federal spending.

And now, as the election approaches, you hear a lot of talk by the Democrats, ``We want to change it. We want to change the caps, knock down the walls." Please help me keep those caps in place. I will veto any attempt to change it, but we're going to need help to keep those caps in place, to protect the taxpayer as best we can until we can get some Members of Congress on both sides of the aisle to share the values that you certainly epitomize and advocate.

So we're in a fight here. And I am going to take this one all the way. After March 20th they say, ``Well, what are you going to do?" I say, ``Well, I don't know," because I'm not going to give up until March 20th on trying to get this sensible, short-term, stimulative program through the Congress. But I guarantee you, if we fail, the message is going to be loud and clear. And we'll put it in very clear focus so the voters next fall are going to be able to make their determination as to what should have been done and those who stood against it.

So again, I would solicit your help in the time that remains between now and March 20. Help us on the short-term program. Advocate the things you agree with us on on the longer term program, all the things I've mentioned on education and research and family credits. These things are very, very helpful for the future.

So, thank you for what you're doing. I'm glad you came by. I wish we had a little more time, but I'm heading off to the South. You guess why.

Thank you all very much.

Note: The President spoke at 11:42 a.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Fred Noye, chairman, and Sam Brunelli, executive director of the council, and Perry Hooper, a council member from Alabama.

Letter Accepting the Resignation of John E. Frohnmayer as Chairman of the National Endowment for the Arts

February 21, 1992

Dear John:

I received your letter of resignation today and, with sincere thanks and appreciation for your service, I accept your resignation effective May 1.

I recall your coming to talk to me about this on October 24. At that time you told me you wanted to step aside. I told you then that I certainly understood your reasons for desiring to return to private life.

Your job is one of the most difficult in government. You have worked hard for freedom of expression; and yet, at times, as you have ruled against certain grants that you felt were beyond the bounds of common decency, you have been criticized.

I thank you for the integrity and commitment that you have brought to the National Endowment for the Arts.

No two people can agree in every instance on every grant or indeed on what is good art; in fact some of the art funded by the NEA does not have my enthusiastic approval. I expect some did not have yours, but this should not obscure the overall work of the NEA nor your contribution to it.

I thank you and wish you and your family well for a very bright future.

Sincerely,

George Bush

Mr. President:

Last October I told you of my desire to return to private life. Accordingly, I submit my resignation effective May 1, 1992.

I have appreciated the opportunity to serve you and the arts; you know how much your personal support has meant to me during these difficult times. You and your administration have

accomplished a great deal and I'm sure the best is yet to come.

Sincerely,

John E. Frohnmayer

Note: These letters were made available by the Office of the Press Secretary on February 21 but were not issued as White House press releases.

Nomination of Sigmund A. Rogich To Be United States Ambassador to Iceland

February 21, 1992

The President today announced his intention to nominate Sigmund A. Rogich, of Nevada, to be Ambassador to the Republic of Iceland. He would succeed Charles E. Cobb, Jr.

Currently Mr. Rogich serves as an Assistant to the President for Public Events and Initiatives at the White House in Washington, DC. Prior to this, he founded and served as the president of R&R Advertising in Las Vegas and Reno, NV, and Salt Lake City, UT, 1973 - 89.

Mr. Rogich graduated from the University of Nevada-Reno (B.A., 1967). He was born May 17, 1944, in Iceland. Mr. Rogich has two children and resides in Washington, DC.

Statement by Press Secretary Fitzwater on the Confirmation of Andrew H. Card, Jr., as Secretary of Transportation

February 21, 1992

The President is delighted that the United States Senate unanimously voted to confirm Andrew Card to be Transportation Secretary. As Transportation Secretary, Andrew Card will be a leader in the administration's drive to create jobs, increase economic growth, and prepare America for a bright future.

I am sure that Transportation Secretary Card will ensure that America continues to travel safely home and abroad and that the Nation's transportation systems are ready to move into the 21st century.

Remarks to the Southern Republican Leadership Conference in Charleston, South Carolina

February 21, 1992

The President. Thank you, thank you. It is great to be here in Charleston, I'll tell you. I'm delighted to be back in the South. And may I say to our Governor, my dear friend Carroll Campbell, we're grateful for your hospitality and even more for your leadership as one of the finest Governors in the entire country, a real leader, Carroll Campbell. And I might say how pleased I am that Governor Campbell will serve as our national cochairman of the campaign and once again as southern regional chairman. I couldn't be in better hands, and thank you very much.

May I thank the Citadel Bulldog Band over there for some fine music. I appreciate it very much. And this is a real star-studded event. And I want to salute the Governors here today, past and present. I know Governor Jim Martin's here from North Carolina. And Members of the United States Congress, I think four or five Congressmen with us here today, a couple of them with us right here: Congressman Ravenel, hometown boy, and others. And other distinguished guests. And may I say that an early supporter and friend of mine is running for the Senate here, Tommy Hartnett. And I want to see him elected to the United States Senate -- former Member of Congress. And I also want to acknowledge key members of our political team: Rich Bond is with us, our new chairman, and Jeanie Austin, doing a superb job. And of course, the conference chairman Martha Edens' superb work here. Keep up the good work, and thank you very much, Martha.

And it's great to be here in South Carolina, host for the first time, but I'm sure not the last time, of this prestigious Southern Republican Leadership Conference. Four years ago, the South led our party to a great victory across the entire country. And this year, the South will lead us to victory in November 1992.

And just to be perfectly clear about it, I am confident of winning the Presidency for 4 more years. I come here fired up and confident. But I'll need your support. We have much to do these next few months because we have much to do these next few years. Together, we can finish what we've started and move this country forward.

Let me open with a true story from my own past about the old days, Midland, Texas, 1956, trying to organize -- I hear Ernie Angelo over there -- [laughter] -- trying to organize a Republican Party. And this is the gospel truth. I was a precinct judge, a poll judge, polling judge at primary election time, the first time the Republican Party had ever held a primary in Midland County. And Barbara and I were there alternating at the polls, poll watchers. She and I voted Republican, and we represented two-thirds of the Republican vote that year, gospel truth. The only other guy that voted was a slightly inebriated Democrat. He thought he was voting in the --

[laughter] -- and you can go back and look up the records.

But some of you all are old enough to remember those days. And sometimes if you tried to register Republican, they'd tell you not to bother because there was no Republicans to vote for in the primary. Or times, out and out, there was intimidation, sometimes violence. And we went through a lot back then. And in fact, I'm sure many of you can share similar experiences.

And you say, well, why did we do it? Why did we build a Republican Party in the South when some said it was impossible? We did it because we wanted change, and we did it because we believed in some fundamental values: faith and family, responsibility and respect, community and of course country, the United States of America. And we did it because we saw the Government getting too big and getting into our pockets, into every corner of our lives. And we did it because we worried about our families and our schools and our neighborhoods. And we did it because our taxes always seem to go up at the same time America's problems got worse. And each of us in our own small way finally said, ``Enough is enough."

We were upstarts and mavericks. And we challenged the status quo. We challenged the old, what was known as the courthouse crowd, the closed-door, one-party rule of the Democrats. And we did it because we knew Republican principles were right. And they fought us every step of the way. But we fought hard, and we fought fair. And we took our message, smaller Government, better Government, to the people of the Carolinas and Virginia and Mississippi and Florida and the rest of this great region of America.

And we started winning, at first a House seat here and a Senate race there. But our momentum grew. Momentum grew, and it grew. And we owe a great debt of gratitude to our standard bearer in those early days, those that were out front: Howard Baker, the late John Tower, the Bo Calloways and Bill Brocks, Drake Edens and Clark Reeds, and Bill Dickinson and John Paul Hammerschmidt and of course, the phenomenal favorite son of South Carolina, right behind me, Strom Thurmond. When I think back to one year ago almost to this very day, the tough decision that had to be made about committing your sons and daughters into a war, Strom Thurmond was of more support to me than any single Senator in the United States Senate. And we should be grateful for him.

Well, these leaders paved the way, and they inspired a generation of talent that transformed the Nation's political landscape. And I'm thinking now of another South Carolinian, a good man and a good friend, Lee Atwater. We miss him. We miss him still. And it was great to have Sally Atwater flying down with us this afternoon on Air Force One. Sally, we're so pleased to be with you.

Well, today the Republican Party is the force for positive change in the New South, and I'm proud to have played a modest role in that success. Our message then and our message now is simple. Carroll said a lot of it. We believe Government is too big and spends too much. We

believe in good schools and safe streets and a Government worthy of the people's respect. And so, we believe in less Government, low taxes. Surely we believe in a strong defense. And we believe that we put America first when we put America's families first.

And so, we believe that parents, not the Government, should make the big decisions. Parents, not Government, should choose their children's schools. Parents, not the Government, should decide the family's health care. And parents should choose who cares for their children, not some bureaucrat in Washington, DC, telling us how to do it. And yes, we believe it ought to be okay to have a voluntary prayer for children in the classroom, and I'm not going to change my view on that ever.

Those are our beliefs. And those are why we built a party in the South and why we continue, with your help, to build it today. Those beliefs don't change from one election to the next. They still guide each and every one of us each and every day.

And now we're at the beginning of a new era in the history of our country. The cold war is over, and America won. The Soviet Union, as we remember it, has collapsed, gone. Imperial communism is finished for good. American leadership changed the world. Republican leadership will change America.

I know we've got tough times, but I am totally confident about our future. But we've got a lot of work ahead of us. There are some things that are simply on the wrong track in our country. Take our courts, for example. When fathers stop coaching Little League because they're afraid of liability lawsuits, something is wrong. And when doctors stop delivering babies because they fear a malpractice lawsuit, something's wrong. Or when people stop volunteering to help each other because they fear ambulance-chasing lawyers, something is terribly wrong. These days a sharp lawyer would tell the Good Samaritan, ``Keep on walking."

We've proposed reforms to our court system -- they've got them sitting up there in the United States Senate now -- to address the questions of frivolous lawsuits, and that's a good step. But the real answer for solving problems is to be more concerned with helping each other than suing each other.

And then I think about our Nation's health care system. Our health care system provides, and let's not forget this, the highest quality care anywhere in the world. But it's not perfect. We all know that. And too many people do not have access to health insurance. Too many people worry that they're going to lose their coverage if they change jobs or, worse still, if they lose their job. And anybody who's had even minor surgery knows that health care costs are going through the roof.

The answer is not to go down the road of socialized medicine with its long lines and faceless, impersonal service. If that's what we wanted, we'd put our doctors and nurses to work for the

department of motor vehicles. Our plan, my approach, written out in detail, is to reform our health system, make insurance available to all, keep the quality high, the bureaucracy low, and preserve choice. And that is vital. And the last thing we want is the Government standing between you and your doctor.

And then there's the sorry welfare system. It's pretty obvious that the system now too often perpetuates dependency when it should promote independence, promote initiative. We need to encourage individual success through personal responsibility, the dignity of a job. And so, I've asked the departments and agencies to make it easier -- and this is upon the advice of Jim Martin and Carroll Campbell and others -- to make it easier for State and local government to reform the system, reform policies that promote broken families. We need to get people to work, go after the deadbeat fathers who run out on those little kids, or as they do in Wisconsin, to make recipients work or study and to keep families together.

But we all know what the number one issue on the minds of Americans is, and it is the economy. And it's people worried about their jobs, providing for their families, meeting the everyday challenges of paying the bills and providing a home and teaching the kids and putting aside for our retirement.

The American people, your neighbors, want this economy fired up again, and so do I. And in my State of the Union Address, I put forward a two-part plan. And the first part gets business growing again right now, instantly upgrading plant and equipment again, hiring workers again. It uses incentives like an investment tax allowance. And yes, it is clearly time for the Congress to wake up and cut that tax on capital gains.

And to get housing back on its feet, I put forth several commonsense proposals -- they're sitting right there in House now -- to get people buying and building homes. And perhaps the most easily understood proposal is a $5,000 tax credit for first-time homebuyers. With our plan, young people almost able to buy that first home could do it with the extra $5,000 in their pocket. And the plan we're fighting against in the Congress this very day gives them absolutely nothing, nothing to that first-time homebuyer.

You're worried about the Democrats' current plan. I don't want to say too much about it. It's a nice evening here, and I don't want to ruin it. Current plan, I say current because it seems to change just about every hour as they change it to garner in some votes from the special interests, to buy votes. And that's why it's really not a plan. It is simply a bad deal. It smacks of, and you've heard it before, class warfare. And listen to the tradeoff in their deal: 25 cents a day in temporary tax relief for 2 years, paid for, true to form for the Democrats, by a large permanent tax increase.

Now, some Democrats in the Senate have other ideas. They want to get a bidding war going. But to pay for that they'd have to hike tax rates for the middle class, people making $35,000, you

know, people like teachers and factory workers and everyday Americans. And they won't tell you that about their sorry plan. But that's the estimate I've been given by our experts. Any economist will tell you the last thing our economy needs now is a tax increase by that Democratic Congress. And their plan adds almost $30 billion to this deficit. And the jobs it creates are more likely to be for more tax collectors.

I believe the American people have about had it with this tax-and-spend thinking. And we drew a line in the sand in the Persian Gulf and kept our word, and I'll draw another line in the sand right here today. If the Democrats send me this nonsense they're talking about now, I will send it right back. I will veto it the minute it hits my desk.

I sent them a plan, a good one. And that's what they ought to work on, not some phony partisan maneuver that they know won't fly. And I'll say it again to the Congress: Here's the deadline, March 20th. And if we act by then, we can see some results this spring. No more games, no more empty gestures, just pass this plan and get the economy going again, and then we can have all the political fights we want. But let's set it aside now and do something for the American people that are hurting out there.

I said the plan had two parts; you may remember that from the State of the Union. The second part is a long-term plan to keep this country competitive, keep us vigorous. And it's a road map for competing and leading America in this fast-changing world of the 21st century.

Our plan revolutionizes America's educational system. Our plan gets the billions of dollars' worth of cutting-edge Government research and development into the hands of our private sector businesses and the workers faster than ever before. And that helps us get a real return on your tax dollars, investment helping to create new jobs and products.

Our plan provides tax relief to strengthen the family. We raised the tax deduction for children by $500. Make no mistake, I want this plan passed in this session of Congress. Keep the heat on the Congress, and we can get that done.

But a central idea behind our approach is that to succeed economically at home, we have to lead economically abroad. Carroll touched on this very eloquently. What he means and what I mean is jobs right here in America by opening markets for our exports all over the world. And I'm going to fight hard in every foreign market to do just exactly that. We've made headway. We have made dramatic headway with this increase in exports, but we are going to do even better.

Some people wish the rest of the world would just go away. That is naive, and that is defeatist. They're saying that a level playing field isn't level enough, that American ingenuity, American know-how, and the American can-do spirit are simply a bunch of hackneyed phrases. I don't believe it. I don't believe that for one minute, and neither do you. America is not going to cut and run, ever. We're going to stay involved, and we are going to continue to lead the entire world.

Before I finish now, I have something to say about this primary campaign. Of course, this campaign is important, not just to me but to you and to our country. And for the sake of our country, we must not turn over the Nation's leadership to the Democrats. Republican leadership must continue.

For 8 years, Ronald Reagan, I was at his side, led this country. For the last 3 years, I've stood on our principles and against a Democratic Congress that would undermine them. And with the help of our Republican leadership on Capitol Hill, 25 times our principles were upheld, vetoes of bad legislation sustained.

And the next 5 years of American history are just too important to entrust to the inexperienced. I believe the American people want to hear about how we're going to address our country's challenges, how we can unite our people, create more opportunity and hope for all Americans. And I believe the American people want to hear solutions, not just a lot of name-calling and running this country down.

And frankly, I also believe that sometimes somebody's got to stand up and say what's right about the United States of America. And you can't hear it from this campaign going on out there. We are number one, and make no mistake about it, and we're going to stay that way.

And another thing, maybe this is just my personal prejudice talking, let's not listen to the gloom and doom from all those intense talking heads who are happy only when they say something negative. We are the United States of America, and we don't have to put up with all that.

Audience members. Four more years! Four more years! Four more years!

The President. Let me just say, you and I believe in America, and we are optimistic about its future. And we believe in our party. And I am tremendously fortunate to serve as your President at this most exciting time in our Nation's history. Barbara and I count our blessings every day for the good fortune that we have to live in that majestic White House and to do our level-best to serve the people of this great country.

These next primaries are critical. I need your help. I need your help to keep our party strong and united so that we can win this fall. And yes, we have much to do. But I guarantee you, we will get the job done. And yes, we have many challenges before us. I guarantee you, we will meet them, each and every one of them. And yes, there's an election in November. And I guarantee you this: We will win it. I want to be your President for another 4 years.

Thank you very much. Thank you very, very much. Now let's go out and beat the Democrats in the fall. And may God bless the United States of America. Thank you.

Note: The President spoke at 4:40 p.m. at the Omni Hotel. In his remarks, he referred to Richard N. Brown, chairman, and Jeanie Austin, cochairman, Republican National Committee; Martha Edens, chairman, Southern Republican Leadership Conference; and Ernie Angelo, Republican national committeeman from Tennessee.

Radio Address to the Nation on the Economy

February 22, 1992

Today I want to talk to you about getting our economy moving. I know there's a lot of debate about how to create jobs and build economic strength, but in the end it all boils down to common sense. To strengthen an economy, you encourage investment. You support industries that pull nations out of recessions. You encourage success.

In my State of the Union Address, I proposed a short-term economic plan that does these things. I challenged Congress to set aside partisan politics for just a few weeks and pass my plan by March 20.

Unfortunately, Democratic leaders refused to submit my plan for a quick, clean vote. They chose politics over duty. They huddled behind closed doors and played games with the Tax Code. They put out one plan one day, another plan the next. Finally, they settled on a scheme that makes no economic sense.

Their proposal won't help homebuyers. Their proposal will increase the deficit. It borrows $30 billion to pay for a tiny temporary tax cut. For each person in the average family of four, it hands out about a quarter a day, but only for 2 years. This turns out to be a very costly quarter. After the temporary cut expires, Americans would shoulder the burden of a huge permanent tax increase. In other words, these congressional leaders want to give you 2 years of pocket change in exchange for a lifetime of higher taxes. And that is a very bad deal for us and for our children who must pay the bill.

And now my plan: My plan will create jobs. The real estate incentives alone will generate 415,000 new jobs this year. My plan offers the hope of homeownership to first-time homebuyers. Some people have begun buying homes already, expecting Congress to pass a plan that encourages real estate investment, my plan. Congress shouldn't let those people down.

My plan will not increase the deficit. It makes some tough choices on Federal spending because I refuse to mortgage our children's future for short-term political gain. My plan will not raise tax rates. I want to raise the child deduction on Federal income taxes by $500, and I want Congress to pass this permanent, long-term, profamily tax cut this year.

Put the plans side by side, and here's the bottom line: My plan works; theirs doesn't.

So today, join me in telling Congress: Stop fooling around with our future. Tell them to pass my plan now. If politicians hem and haw and offer up excuses, remind them your job is more important than any politician's job. Our recovery will get a huge boost the moment Congress passes my plan. But I need your help.

Thank you. And may God bless you and the United States of America.

Note: This address was recorded on February 21 in the Oval Office at the White House and was broadcast at 9 a.m. on February 22.

Remarks to the United States Chamber of Commerce National Action Rally

February 24, 1992

May I, at the outset of these remarks, thank the colonel and this wonderful Marine band. They are sensational. And I think I speak for all when we say we've enjoyed the music. Thank you.

And I want to salute your incoming chairman, Bill Lurton, and your president, Dick Lesher, so well-known to everyone and doing a superb job for the chamber, and of course, your outgoing chairman, my friend Pete Silas.

Let me tell you something, just a little word about Pete. Last week there was a newspaper report that more and more American business leaders are hailing this recent and somewhat controversial mission I took to Asia, they're hailing it as a success for opening markets, for creating more American jobs. But let me say this to all of you in the chamber, no one did more to make that mission a success than Pete Silas. He gave the trip the same leadership he's given this organization, a forceful and effective presentation, taking our case for open markets to Japan and Korea. And I am very, very grateful to him. And I can see why you entrusted your leadership to him. Pete, thank you very, very much for that leadership that makes us so proud.

Well, today we're noting an anniversary of sorts. One year ago, almost to the hour, our troops began punching through Iraqi lines to liberate Kuwait. We mobilized our strength and won that war with an all-volunteer force including tens of thousands of reservists. Many of you had to do without key personnel during the Reserve callup. Some of you answered the call yourselves. And as your Commander in Chief, I want to express deep thanks to our business men and women for playing a proud role in America's world leadership. I think it is fitting a year later to take note of those historic events.

But I came here now to ask support on another matter. I need your help to meet yet another challenge, renewing the freedom and strength of our economy.

Four weeks ago, I spoke to the Congress and the American people. In my State of the Union Message, I announced a set of urgent measures that I would take to unshackle our economy. And I asked Congress of the United States to do its part and to meet a deadline. Most important, I asked Congress to cut the high taxes on job creation and investment and to do this by March 20th. Well, my plan will get our economy moving again. And we need to liberate private enterprise from a Government that's grown too big and spends too much. And we need to do it without raising taxes.

In my State of the Union Address, I instituted a 90-day freeze on Federal regulations that affect

economic growth, and I asked major departments and agencies to carry out an unprecedented top-to-bottom review of all existing and proposed regulations. Within those 90 days, we will accelerate new rules that promote business growth and, whenever possible, halt those that would impede growth. Already, we've seen results.

Today, for example, I am announcing major new ground rules for regulation of biotechnology. Bill Reilly, the EPA Administrator, I understand is with you all today. He'll have a major responsibility for making our new rules work to foster economic growth. This is a $4 billion industry. And it should grow to $50 billion by the end of the decade, if we let it. The rewards we will reap include new medicines and safer ways to clean up hazardous waste and a revolution in agriculture. The United States leads the world in biotechnology. And I intend, through sensible regulation and, in some instances, deregulation, to keep it just exactly that way.

We've taken new actions to ease the credit crunch. For example, for healthy banks, we've changed overly strict definitions of bank capital, creating more access to capital. We're cutting redtape for healthy banks and thrifts. In these tough real estate markets, we've issued commonsense, realistic valuation guidelines.

We're making it easier for small businesses to get capital from securities markets. We're increasing the maximum for small public offerings that get simplified handling by the SEC from $1.5 million, raising that to $5 million. We're cutting paperwork, and we're simplifying securities registration for small businesses. We've also cut the cost of compliance with the payroll tax system. We've cut paperwork and increased access for small business to electronic payment systems. Instead of heavy-handed enforcement, we're helping small firms meet their obligations.

The few steps that I've just outlined, I know they're technical, but these few steps will provide billions of dollars in additional capital to the Nation's economy. But we won't stop after 90 days. We'll turn up the heat against overregulation, rule by rule and industry by industry.

We'll take the case to Capitol Hill. For every unreasonable regulation we can't change through executive action, we will introduce reform legislation, and we will push the Congress to do its job and put an end to overregulation. I want the regulators and the Congress to remember one thing: If it doesn't make sense, if it hurts the economy, don't do it.

One of my prime responsibilities as President is to open up world markets, that's what this trip was about, open up world markets, unlocking new opportunities for American workers and businesses. Free trade has come under attack these days, and that makes no sense whatsoever. Our exports are at record levels, guaranteeing millions of American jobs. With your help, we're going to open up the tremendous market opportunities of Mexico sooner, not later. With your help, we'll win global trade reforms for agriculture, services, and intellectual property.

By protecting our freedoms, by opening markets here and abroad, and by pushing the envelope of excellence, I want to improve the quality of life for every man, woman, and child in this country. And I mean everyone. Some politicians want to divide us, divide us into economic classes. They're keen on defining people as poor or rich or middle class. They don't bother to ask you how you see yourselves or what your aspirations are. The Capitol Hill liberals have already made up their minds where everyone fits in some politically correct caste system. Well, that's not the way I see America. I don't apply a means test to the American dream. I want to increase opportunity for everyone. That's what fairness means.

And once again, I could not have had better allies in my fight than the U.S. Chamber of Commerce. Chamber members share a sense of responsibility to your families and your firms and your communities and your Nation. You take your responsibilities personally, in your homes, among your families. You know it's not so important what happens in the White House, it's what happens in your house.

My administration's strategies for fighting drugs and improving our schools are sound because they join Government's efforts to the responsibilities of parents and families. We know we'll win the battle against drugs through the moral grounding that begins and ends in the family. We'll renew education by giving parents more freedom and responsibility to choose their children's schools, to get involved in their kids' education.

You carry these values into managing your business, the kind of values that say when the company's losing money, the boss doesn't take home a seven-figure bonus. Your companies get involved in the community because you're good neighbors. Big Government didn't make this country great. You did it. Our Nation's strength and generosity flow from private enterprise and voluntary initiative. It comes from seeing a problem, taking charge, getting involved, and not taking no for an answer.

The Partnership for a Drug-Free America is a brilliant example of this. This business group, many of you may participate in it, voluntarily produces a million dollars a day in pro bono advertising to warn our kids about drugs. And we're making progress in that front. I am very pleased that the drug use for these teenagers is substantially down.

Freely undertaken, corporate responsibility is one of the strongest fibers in our social fabric. So it's only natural that you should expect Government to serve the people responsibly, not to behave as an arrogant ruler. On this I faced a big fight. Time and again I fought to get Members of Congress to apply to themselves the same laws they impose on everyone else, laws on ethics, on equal pay, on civil rights for women and minorities. Each time, Congress drags its feet. They're slow learners up there on Capitol Hill, but you and I can make them learn. And that's just what we must do.

As you know, and here's where I need you, I've sent the Congress a short-term plan to get our

economy moving, as well as a longer term program for economic growth. I've given Congress a deadline of March 20th to act on our most urgent needs, to pass this short-term plan. We need to lower those sky-high taxes on new jobs and investment, and that means that we must cut the tax on capital gains. And we ought to do it now.

We need changes in the alternative minimum tax and a 15-percent investment tax allowance to encourage businesses to buy equipment, upgrade their plants, and start hiring again. We need new incentives to build and buy real estate, through changes in the passive loss rules for real estate developers. And we need a $5,000 tax credit for first-time homebuyers and penalty-free IRA withdrawals for first-time homebuyers. This is not all that controversial. I want to sign these reforms on March 20th. And I do need your help working with the United States Congress.

We all know that this is a political year. We know Congress hates to make real decisions in election years. But that's why I see this March 20th deadline as fair and realistic. It gives us a window in which to get this plan passed and put it into action, and most economists tell you it will stimulate immediately. And it still leaves everyone then more than 7 months for this traditional partisan politicking before election time.

Today is the 27th day, the halfway mark of my 52-day deadline for action on that economic growth plan. So, it is time for a midterm report card. The stark and sorry fact is Congress so far deserves an F; they deserve a failing grade.

The Ways and Means Democrats considered my plan for 2 hours, a hefty 2 hours. And then, on a straight party line vote, they said no to these seven progrowth proposals. They said no to first-time homebuyers. They said no to letting people keep more of their capital gains earnings. They said no to helping new businesses write off their investment. They said no to each one of these vital proposals to create jobs now and get this economy moving.

They said yes, though, to politics as usual. They went behind closed doors -- you ask your people here in Washington -- they went behind closed doors to design what they think is clever politics. Now the door is opening. And they have proposed a bill that raises taxes and, just as incredibly, breaks the budget agreement of a year ago. They not only want to take away your income, they want to dream up new ways to spend it, to take the restraints off Government spending. Take off those caps. Take off the brakes. Take off the spending controls that are so essential.

They want to saddle Americans with a permanent tax hike, all to pay for a temporary tax cut of 25 cents per person per day. What's worse, some of them have a bidding war in mind. To pay for that, they'd have to raise tax rates on people making more than $35,000 a year. Any economist will tell you that the last thing this economy needs is a tax increase.

The contrast between my economic growth plan and the Democrats' new tax-increase scheme

could not be more plain. Our plan will cut taxes on investment and job creation for all investors, for all homeowners, for all entrepreneurs. And it will do it without increasing the deficit.

So, to the Congress at this halfway point before the deadline, I'll say it again: Pass my plan. Let's get America moving again.

Come March 20th, if the Democrats send me the message they're talking about now, I will send it right back. I will veto it and send it back. And I don't want to veto a bad bill; I want to sign a good bill. And Congress has a responsibility to give the American people a growth bill right now.

As Pete Silas knows, and a handful of you others old enough to remember, my path to office as a Chief Executive of the United States began in the world of small business. Fresh out of college, I joined a couple of partners and started a little business out in Midland, out in west Texas. It was there that I saw firsthand what the chamber does to translate business efforts into community achievements. As businessmen we knew freedom's benefits would be stronger if we joined hands to meet our responsibilities as citizens.

Those days, Government wasn't quite as big or rapacious. But even back then we learned that we had to work together to keep Government growth and interference with free enterprise in check. That's what I'm asking that we do today, to do it urgently. I have a solid plan to get America moving again and keep it strong for the long haul.

So when you go up to Capitol Hill, give your Congressmen and Senators a message from me: Get moving, or get out of the way. Let me tell you something, and I say this not out of flattery, but you, you men and women in this room, really can make a difference. There's never been a more urgent moment to win a victory for jobs for all Americans. We've won battles before, and we'll win this one, too. Together we can get our country moving swiftly and surely to a better future.

Thank you all for what you are doing. And may God bless the United States of America. Thank you.

Note: The President spoke at 10:55 a.m. at DAR Constitution Hall.

Statement on Signing the Omnibus Insular Areas Act of 1992

February 24, 1992

It is with great pleasure that I sign into law H.R. 2927, the ``Omnibus Insular Areas Act of 1992." This Act creates a new unit of the National Park System known as the Salt River Bay National Historical Park and Ecological Preserve.

By signing this bill into law today, we make a significant contribution to the commemoration of the 500th anniversary of Christopher Columbus' voyages to the New World. We also protect an environment that is important to all citizens of the United States.

Located on the island of St. Croix, U.S. Virgin Islands, this new park is important for several reasons:

-- It is the only known site where, 500 years ago, members of a Columbus party set foot on what is now territory of the United States.

-- It presents an outstanding opportunity to preserve and interpret Caribbean history and culture, including the impact of European exploration and settlement.

-- It contains a wealth of natural features ranging from wooded hillsides and mangrove forests to tropical reefs and a biologically rich submarine canyon.

-- It is a refuge for migratory birds and a vital nursery for many of the marine animals that inhabit the beautiful waters of St. Croix.

-- It will be planned and managed in full partnership with the Government of the U.S. Virgin Islands.

It is indeed exciting to take this major step toward preserving the natural and cultural heritage of the Virgin Islands, a heritage that has meaning for all Americans. I want to thank all of those who played a part in fashioning this innovative partnership between the Federal Government and the Virgin Islands Government.

My action here today is but one example of my Administration's commitment to protect the environment and America's heritage. This is the sixth time I have signed legislation creating a new unit of the National Park System. In the past 3 years, we have acquired 57,000 acres of environmentally sensitive and historically significant lands for the National Park System.

Finally, I note that H.R. 2927 authorizes new technical assistance for insular areas after major storms. To ensure that hazard mitigation measures truly reduce future loss of life and property, all projects must be cost-effective, cooperative ventures between the Federal Government and the insular areas. The Act will not change this policy, diminish any existing matching share requirements, or change procedures for Presidential disaster declarations.

George Bush

The White House,

February 24, 1992.

Note: H.R. 2927, approved February 24, was assigned Public Law No. 102 - 247.

Nomination of Edward Joseph Perkins To Be United States Representative to the United Nations

February 24, 1992

The President today announced his intention to nominate Edward Joseph Perkins, of the District of Columbia, to be the Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations. He would succeed Thomas R. Pickering.

Since 1989 Mr. Perkins has served as Director General of the Foreign Service and Director of Personnel at the U.S. Department of State in Washington, DC. Prior to this, Mr. Perkins served as U.S. Ambassador to the Republic of South Africa, 1986 - 1989; U.S. Ambassador to the Republic of Liberia, 1985 - 1986; and Director of the Office of West African Affairs in the Bureau of African Affairs at the U.S. Department of State, 1983 - 1985. From 1981 to 1983, Mr. Perkins served as Deputy Chief of Mission at the U.S. Embassy in Monrovia, Liberia. In addition, he served as Counselor for Political Affairs at the U.S. Embassy in Accra, Ghana, 1978 - 1981.

Mr. Perkins graduated from the University of Maryland (B.A., 1967) and the University of Southern California (M.P.A., 1972; D.P.A., 1978). He was born June 8, 1928, in Sterlington, LA. Mr. Perkins served in the U.S. Army and the U.S. Marine Corps. He is married, has two children, and resides in Washington, DC.

Nomination of Thomas R. Pickering To Be United States Ambassador to India

February 24, 1992

The President today announced his intention to nominate Thomas R. Pickering, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India. He would succeed William Clark, Jr.

Currently Ambassador Pickering serves as the U.S. Representative to the United Nations and the Representative of the United States of America to the Security Council of the United Nations. Prior to this, Ambassador Pickering served as U.S. Ambassador to several countries, including Israel, 1985 - 1988; El Salvador, 1983 - 1985; the Federal Republic of Nigeria, 1981 - 1983; and the Hashemite Kingdom of Jordan, 1974 - 1978. In addition, he served at the U.S. Department of State as Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, 1978 - 1981; Special Assistant to the Secretary of State and Executive Secretary, 1973 - 1974; and Deputy Director of the Bureau of Political-Military Affairs, 1969 - 1973.

Ambassador Pickering graduated from Bowdoin College (A.B., 1953); Fletcher School of Law and Diplomacy (M.A., 1954); and the University of Melbourne (Australia) (M.A., 1956). He was born November 5, 1931, in Orange, NJ. Ambassador Pickering served in the U.S. Navy, 1956 - 1959. He is married, has two children, and resides in New York, NY.

Appointment of Gail R. Wilensky as Deputy Assistant to the President for Policy Development

February 24, 1992

The President today announced his intention to appoint Gail R. Wilensky, of the District of Columbia, as Deputy Assistant to the President for Policy Development.

Since 1990 Ms. Wilensky has served as Administrator of the Health Care Financing Administration, the Agency that administers the Medicare and Medicaid programs. Prior to this, she was the vice president of health affairs at Project HOPE, an international health foundation. She has taught economics and public policy at the University of Michigan and George Washington University and has held several appointments in the Public Health Service and at the Urban Institute.

Ms. Wilensky received an A.B. in psychology (1964), an M.A. in economics (1965), and a Ph.D. in economics (1968), all from the University of Michigan. She was born in Detroit, MI. She is married to Robert J. Wilensky, has two children, Peter and Sara, and currently resides in Washington, DC.

Appointment of John A. Gaughan as Deputy Assistant to the President and Director of the White House Military Office

February 24, 1992

The President today announced the appointment of John A. Gaughan, of Maryland, to be Deputy Assistant to the President and Director of the White House Military Office. He will succeed LTG Richard G. Trefry, USA (Ret.).

Since 1989 Mr. Gaughan has served as Chief of Staff to the Secretary of Transportation. Prior to this, he served as the Administrator of the Maritime Administration from 1985 to 1989; as Deputy Assistant Secretary of Governmental Affairs, Department of Transportation, in 1985; as Director of the Office of External Affairs in the Maritime Administration in 1984; and as a congressional liaison officer for the Department of Transportation from 1981 to 1984. From 1970 to 1980, Mr. Gaughan served on active duty in the U.S. Coast Guard and held various positions including command of the Coast Guard Cutter Point Martin.

Mr. Gaughan graduated from the U.S. Coast Guard Academy with a bachelor of science in 1970 and from the University of Maryland School of Law in 1977. He was born March 29, 1947, in Washington, DC. He and his wife, Janelle, reside in Bethesda, MD.

Statement by Press Secretary Fitzwater on the President's Meeting with President Alfredo Cristiani of El Salvador

February 24, 1992

President Bush held a half-hour private meeting today with President Alfredo Cristiani of El Salvador. President Bush congratulated President Cristiani for his great personal leadership and courage in bringing peace to his country. He also praised the progress President Cristiani has made toward implementing the peace agreements signed earlier this month in Mexico City and achieving true national reconciliation. The President gave his assurance that the United States would do everything possible to support full implementation of the peace accord and to help El Salvador consolidate democracy and peace and expand economic opportunity. In this regard, the President mentioned that the United States Government was working with other governments to assure international support for the national reconstruction of El Salvador. The President also promised to work with Congress on a bipartisan basis for continued United States assistance to El Salvador in the future, through both direct aid programs and debt reduction under the Enterprise for the Americas Initiative (EAI). United States assistance and international support will be vital to the continued success of the peace process and national reconciliation in El Salvador.

Remarks at the Bush-Quayle Campaign Kickoff in Bethesda, Maryland

February 24, 1992

Thank you, Connie Morella. What a great Congressman you have in Connie Morella. She's doing a superb job. And thank you very much. Let me salute our State chairman, two words come to mind, strong and decent, Helen Bentley, Representative Helen Bentley, who's leading our campaign in this State. And another of our great delegation from Maryland who is not here, Wayne Gilchrest, he was unable to join us, but doing a great job for us in Congress. And greetings to your State Republican chairman, Joyce Terhes, and to Republican national committeeman Dick Taylor.

My thanks to the Maryland Bush-Quayle leadership who are here and to Howie Dennis for performing the master of ceremonies duties tonight, first-class job. I don't know where the Barons band is, but they are doing a great job. And thank you, Barons, right there. I'm very happy to see three who served us so well in Congress, Charles ``Mac'' Mathias and Larry Hogan, my classmate Gilbert Gude. And I notice several fine Republicans here seeking your votes for delegates to the national convention. Well, I'm pleased to have their support, and I'm sure they'll have yours come March 3d. We need to elect them as delegates to our convention.

I'm delighted to be back with Connie here in Montgomery County and especially on the home court of the victorious battling Barons.

A week from Tuesday, hard to believe, but that's the day, Marylanders are going to make a big decision. And I know what the outcome will be. Together on March 3d, we're going to take a giant step closer to a great victory on November 3d. This vote carries a special meaning for Maryland and America. We've come to an exciting moment in our country's history, a crossroads, a place where one era ends and another begins.

From the fall of the Berlin Wall to the last gasp of imperial communism, from the four decades of the cold war to the 40 days of Desert Storm, America has led the way. We won the cold war -- history will show this -- we won the cold war because we Americans never shirked responsibility. We had a job to do, and we did it. That's why today, as the cold war ends, America stands alone the undisputed leader of the world.

Now the challenge has come home, as it has before. Time after time, we lifted ourselves up, we asked more of ourselves, more of each other. And each time, America met the challenge. And this time, America will do it again.

Our first order of business is to get this economy moving. I know how to do it, and so do you.

It's just plain common sense.

A month ago, I sent the Congress an action plan to jump-start the economy. We start by encouraging investment, to create jobs. We cut taxes that punish success, discourage saving, and stunt the growth of business. We boost real estate values by making it easier for young families to buy their first home.

The bottom line is this: My plan will work because it puts Americans to work. And I ask for your support. According to housing experts, my incentives for the housing industry alone will create 415,000 jobs this year. That's what this plan will do.

But just as important is what it doesn't do. It doesn't increase the deficit. It doesn't cloud the real issues with feel-good political gimmicks. And it doesn't raise tax rates on the American people. Maybe that's why the opposition in Congress are digging in against the plan.

When I presented this plan, I gave Congress a deadline to pass it: March 20, 25 days from now. But instead of putting this plan to a quick, clean vote, the Democrats in Congress went behind locked doors with the special interests and patched together a deal of their own. It's a bad deal for the American people.

True to form for the Democrats in Congress, their scheme will raise tax rates on the American people, permanently. In fact, Senate Democrats want to jack up the rates of people making $35,000 a year. That's right, $35,000. I've said it before, when they say they're aiming at the big guy, they end up hitting everybody else. And we can't let them do that. In return for this massive tax increase, the Democrats offer a temporary tax cut, amounting to about a quarter a day. Twenty-five cents a day, even a tooth fairy can do a little better than that one. [Laughter] Then after 2 years, the 25-cent tax cut vanishes. But the tax increase stays forever.

Well, you don't have to be an economist to figure it out. The last thing the American people need right now is a tax increase. And to pay for their plan, the Democrats want to borrow $26 billion from our children, pass on an IOU in the form of an enormous increase in the deficit. Raising taxes and deepening the deficit: That's their idea of speeding up the economy.

If the Democrats really want to send me this kind of nonsense, I will veto it. The American people have had enough of that old game of tax and spend. To the Democrats on Capitol Hill, I'll say it again and again and again: Meet this deadline, pass this plan, and get this economy moving. Do something good for the American people.

That's an example of what this election is going to be about, a clash between two views of America. The differences couldn't be clearer. Our view, the Republican view, is based on a fundamental principle: Government is too big, and it spends too much. Believe it or not, some people still don't understand that. You'll see some of them over the next week asking for your

vote. When they do, ask them a few questions. Their answers will tell you all you need to know about how they see America's future. Ask them who should choose a family's medical care, parents or the Government? I say the parents. The last thing we need is the Government -- --

I think this young lady has a question. It's about AIDS. Let me say this because it's a matter of real concern. Under our administration, spending to fight AIDS is way, way up. And it's going to continue to stay up until we beat that disease. It is way up. And it's going to stay up until we whip that disease. And right here in this area in the National Institutes of Health, they're doing a superb job fighting to find an answer to that dreaded disease. And we're going to keep on doing it.

The last thing we need is the Government standing between you and your doctor. I have a sound health plan that makes insurance available to all. And we need to pass it as soon as we possibly can.

Connie and Helen have championed child care. And ask them -- but better still, let's ask the Democrats who should control a child's day care, parents or the Government? I say the parents, not some bureaucrat down there in Washington.

And ask the Democrats who should choose a child's school, the parents or the Government? And I say the parents must have the right to choose their children's school.

We Republicans have always understood the way to keep America first is to put America's families first. And those are just some of the issues we face. In 1992, the first election of the post-cold-war era, you'll decide what kind of medical care your family receives, what kind of schools your children will go to, what kind of jobs you'll have.

And it will be a tough fight. And I know that. And I don't go seeking unnecessary conflict. But when principle is at stake, I fight to win. And make no mistake about it: We are going to win the primary, and we are going to win the general election. And we win by setting the pace. We win by leading.

This American century has taught us many lessons. Above them all is this: When it comes to jobs and economic growth, if America is to succeed at home, it must lead abroad. This year, America is exporting more than ever before. And over the past 5 years, nearly half of America's real income growth has been in exports. And that means jobs for American workers, markets for American goods.

No one said it was easy. Leadership demands character and experience. But right now we hear that America has no business leading the world, that we should just lock the doors and pull down the blinds and hope the world goes away. Well, America is not that kind of country. Never before in this Nation's proud history have we turned our back on a challenge. And we are not

going to start now by becoming an isolationistic country.

Americans don't cut and run; we compete. You see, I believe in the American worker. And let's not build walls. Let's open markets, let our workers go head-to-head. When they do, the world will see Americans can outthink, outproduce, and outperform anyone in the world, anywhere, anytime.

And so, in summary, let me just put it this way: I want you on March 3d to send a message to those doomsayers and the pessimists. They say our economy has fallen into an abyss. They say America is a weakened giant. I say, ``Bunk.'' We are the United States of America, and we can compete with anybody. I've heard these doomsayers all my life; so have you. Think back a year ago, one year to this very day. While American men and women risked their lives halfway around the world, what did we hear from those professional pessimists? They spoke of defeat and humiliation. They spoke of a long and bloody war, another Vietnam, a quagmire. Well, they were wrong then, and they are wrong now.

Here in this county, here in your home county and all across the country, Americans are ready to move, ready to face the challenge and meet a new American destiny. So, I ask you on March 3d to cast your ballots for George Bush. The fight for our future has just begun, and it will continue for 4 more years.

Thank you for your trust.

Note: The President spoke at 6:18 p.m. at Bethesda-Chevy Chase High School.

Exchange With Reporters Aboard Air Force One

February 25, 1992

The President. Good morning, traveling squad.

President Reagan

Q. What's this about President Reagan says you don't seem to stand for anything?

The President. I don't believe that.

Q. Are you going to have trouble in California?

The President. Well, we're taking it time by time. I think we'll be all right in California. It's a little early to be into that one. We've got some earlier hurdles which I feel good about.

Q. Do you expect Mr. Reagan to campaign for you actively?

The President. Well, I don't know. He's been very good about that, but I haven't even discussed it with him. It's way premature for that. But he's been quite supportive, as you know, already endorsed me enthusiastically.

Q. Are you disappointed at all that he won't be at the fundraiser?

The President. No. I've known him for a long time. I'm going to go see him, I think. I don't know if it's going to work out or not.

The Economy

Q. Why do you think your poll numbers are so much lower in California than -- --

The President. I think the economy. I think they're hurting there. And I think anytime a person has -- as President, you take the heat on the economy. It's happening worldwide.

Loan Guarantees for Israel

Q. Any reaction from the Israelis to Secretary Baker's -- --

The President. I haven't seen it this morning, saw some yesterday but hadn't seen anything new to add to that. I thought the Secretary expressed the policy of the U.S. Government very clearly,

very forcefully, and very correctly.

General Motors Plant Closings

Q. Any reaction to the shutdown of GM?

The President. No, only regret for the hardship that it causes families, but just keep plugging away to try to get this economy moving and stimulated. That's what's needed. So, I'll keep challenging the Congress to do just that.

Iraq

Q. How about Iraq?

Q. -- -- your help to Iraq? What was behind that to help them get loans?

The President. I haven't read all the charges about Iraq. But as you may remember in history, there was a lot of support at a time for Iraq as a balance to a much more aggressive Iran under Khomeini. So that was a part of the policy of the Reagan administration, and I was very proud to support it.

Loan Guarantees for Israel

Q. If Congress were to pass the loan guarantees without the settlements freeze, would you veto any such legislation?

The President. That's too hypothetical. We spelled out our policy, and there it is. And it's the proper policy. We haven't changed. That's been the policy of the U.S. Government for a long, long time.

Q. Is it politically risky for you to now take this position?

The President. It might be, but I'm not going to shift the foreign policy of this country because of political expediency. I can't do that and have any credibility worldwide. And we have credibility worldwide. Otherwise we wouldn't have been able to facilitate the peace talks in the first place. So, we just have certain policy positions, and they're sound.

Presidential Primaries

Q. Do you expect to be making a lot more trips to California? How are you going to try and turn around your situation there?

The President. Just go about our game plan, which is to take our message out there. I understand there's two extraordinarily successful fundraisers in place out there, so that should say something. Maybe that will get people thinking positively.

Q. Mr. President, do you think you'll be able to win California, sir? Do you think you'll be able to win?

The President. Oh, sure. Yes.

Q. Oh, sure?

The President. Yes.

Q. Pretty confident?

The President. Yes, I am.

Q. Patrick Buchanan -- fire Bush immediately -- do you think he's getting a little personal in his attacks and his charges?

The President. I haven't seen that, John [John Cochran, NBC News]. I wouldn't worry too much about that.

Q. Those FBI -- --

The President. Yes. I think we're going to do all right down South. I feel good about it. We've got good people working, and I think the people down there understand my message. And I think as people compare the two candidates, why, we'll be fine.

Q. Will you be mentioning Buchanan by name? Last week you said you were going to take the gloves off. Do you intend to do so, sir?

The President. Well, I'm still sorting all that out. You heard me last night. I'd rather define it on the issues. There are plenty of surrogates that are willing to make it more specific. I think that's a good way to leave it.

Q. Ads starting up in Georgia against Buchanan?

The President. I think that there will be ads that define the differences in position, yes. And I expect that people will understand that, after the ads from the Democrats in New Hampshire against me and from him against me. But I'll try to keep it on a high plane -- together and go on

and win.

Q. You seem kind of subdued today, Mr. President. Are you feeling okay?

The President. Yes, I feel good, Rita [Rita Beamish, Associated Press].

Q. How come you're so subdued? It's early.

The President. Do you remember Lesley Stahl [CBS News] asking when the Berlin Wall came down why I wasn't jumping with joy? I said, ``We're taking care of this." It's a little early. We're going on a long trip, and it's kind of a calm but determined approach.

Q. Have you added any additional stops on this trip? We heard you might add some on the end, Saturday or Sunday, additional stops.

The President. I haven't heard it yet, but I might be the last to know. [Laughter]

Q. We probably would.

The President. Have a nice trip to California, everybody.

Note: The exchange began at approximately 8:30 a.m. prior to the President's departure from Andrews Air Force Base in Camp Springs, MD, for San Francisco, CA.

Remarks at a Bush-Quayle Fundraising Luncheon in San Francisco, California

February 25, 1992

Thank you so much for that welcome back. Pete mentioned this was my 15th visit. But you have a wonderful way of making people feel at home in this State. Thank you very much. And may I just say from halfway across the world, or at least in the east coast, watching with wonder, what a superb job, fighting difficult conditions, your Governor is doing. It's an inspiration to all of us in politics, I'll tell you. And Gayle, our greetings to you.

May I thank the Skyline College Musicians over there and pay my respects to Eric Stratman, who got up and gave us that wonderful rendition of the Star-Spangled Banner. No pitch pipe, no nothing, just the beautiful music, and we were all so moved by that. And though he didn't confess to this, your bishop or our bishop -- my bishop, put it that way, and Barbara's -- he used to be our pastor in Washington, DC, before he was elevated to being bishop here in San Francisco. And Bill, thank you, sir, for being with us today and for those inspiring words.

And of course, let me single out the master of ceremonies. I've seen him in all kinds of roles in terms of dealing with world leaders. I've never seen him, I don't believe, as master of ceremonies. But George Shultz is one of the truly great public servants. And I'm delighted to see he and Obie again.

And I want to salute our former Cabinet member Bob Mosbacher; and Bobby Holt here is our national campaign finance chairman; Jim Dignan, the California State chair; Katie Boyd and Howard Leach, who have done a superb job on this overflow luncheon. And also, Gretchen is out here who graciously met us at the airport. Thank you for all the work on the luncheon. And to all the other national vice chairs -- Alex Spanos and Don Bren and Craig Berkman and Flo Crichton of the finance team. And a special thanks to Mr. Yong Kim over here, and to my old friend, Johnny Tsu over there, who have done a great job on this. Thank you all.

To paraphrase John Kennedy, I'm touched by that warm response, but not half as touched as all of you have been.

Before I begin, let me just share and express my concern for all the Californians who, after seemingly endless years of drought, have been ravaged by record floods. I am pleased to announce that today, as I came out on Air Force One, I signed a declaration to provide that much-needed disaster relief to these flood victims. They're hurting, and the Federal Government ought to do its part.

I want to talk to you today about some of the challenges that we face, Pete mentioned some of

them, about the decisions we're going to make in this election year that are going to really chart the course of this country's future for the next 5 years. And let me lay it out straight: What Government can do and what it can't do, and what I will do as President, and where I will need your help.

Start, if you will, with the number one issue on everybody's mind, and that is the economy, the Nation's economy. One month ago, as the Governor said, in my State of the Union I laid out a two-part economic plan: for the short term, a plan to get the economy moving as early as this spring, seven points to stimulate investment; and a longer-term plan to keep America competitive in the new century ahead. I asked the Democrats who control all the committees in the Congress, both Houses of the Congress, to act for the good of the country. And I gave Congress 52 days to pass the plan.

Since then, some Democrats have been wrestling with their consciences. It is too early to predict who will win. But instead of working on my plan, the House Democrats surfaced their own, a tiny tax cut across the board, written in invisible ink, in exchange for a huge tax increase chiseled into stone. Ask the people out there, your neighbors, is it really worth borrowing from our children to give families an extra 25 cents a day? That two-bit tax cut would make even the tooth fairy blush. It is not good legislation.

When the cameras are on, the Democrats say all the right things, especially in a political year, talk about a blueprint for an economic recovery. But then the doors close, and the backroom brokering begins. And in the end, it is the same old Democratic deal, another ``jobs bill," but this one for the tax collectors.

Now, if the Senate Democrats want to make their temporary tax cut permanent, and this is a fact, they would have to jack up the income tax rate for every American making more than $35,000. You heard that right, $35,000, for a plan that's supposed to help the middle class. And that's going to come as real news to a lot of factory workers and school teachers and everyday Americans that are just struggling to make ends meet. So they are going to tax the middle class for the same reason that Willie Sutton robbed the banks, because that's where the money is.

If you want to give American companies reason to expand, then give them what we are calling for, an investment tax allowance. Speed up the rates of depreciation. If you want to boost the sagging housing market and if you want to give American families a real shot at the American dream, then don't look to the liberal leadership in the Congress. Give first-time homebuyers what our plan does, a $5,000 tax credit toward that first home. Finally, let me just say to the Congress here: If you're serious about competitiveness, if you're serious about creating jobs, then cut the tax on capital gains. These points I've listed, and four more, will stimulate the economy right away.

Now, let's switch over to the defense side of the equation. I'm sure you're reading a great deal

about defense cuts. For decades we faced a very dangerous enemy abroad. And we fought the Democrats, those liberal ones at home, who would have stripped this Nation of the strength that it needed to defend itself and to defend freedom. Republicans fought hard on both fronts. Pete Wilson was a leader in this fight when he was a United States Senator. And winning the defense battle on Capitol Hill, as George Shultz will tell you, helped us win the cold war. No one understood that better than my predecessor, Ronald Reagan. He understood it from day one and fought for a strong defense.

Now, given the changes in the world -- and they're dramatic and they are wonderful in terms of the future of our kids -- given the collapse of the Soviet Union, we know now we can reduce defense spending substantially. So I went to the Joint Chiefs and to Dick Cheney, and based on the recommendation of the Joint Chiefs and the Secretary of Defense, I've proposed a substantial but a sensible defense build-down, one that will recognize post-cold-war realities but still leave this country with the muscle that we need to meet whatever danger comes our way or help defend those whose freedom are at stake.

And we have a number of Federal programs aimed at helping defense industry workers as they seek new careers now because of our defense cuts. We're taking steps to ease the transition that many firms will face as they shift from defense-related work to the commercial economy. That's what this technology transfer initiative is all about that I've proposed, getting research done in Government labs out into the private economy. And in May we're going to bring that message to Cal Tech through our national technology initiative. And that's good news for the high-tech firms right here in the Silicon Valley and all across this State. Our approach is the sensible way to go, the right way to keep the economy sound, and our Nation safe.

But there are political problems. There are Democrats with a different plan in mind in the United States Congress. They want to use the end of the cold war to open a bidding war to see who can gut the Defense Department the fastest. One plan would cut defense by an additional $200 billion over 5 years. Nationwide, cuts on that scale would wipe out hundreds of thousands of jobs, say nothing about rendering us incapable of responding to aggression overseas.

You might think about that. Right now, $1 out of every $5 spent on defense is spent right here in California. Think of the shock waves that would touch off in the construction and electronics and aerospace industries and the aftershock for the real estate markets. Think of the workers, the welders to the engineers, thrown out of work and onto welfare. You can call it a double play, a Democratic double play, cripple our defenses and the same for the economy, all at the same time.

For the sake of national security -- and I still view that as my most fundamental responsibility, the national security of this country; I think that is the prime responsibility of the President -- for the sake of just plain economic common sense as well, and for the sake of California and the country, I ask you to draw the line and say no to those Democrats who want to recklessly cut the

muscle out of the national defense of this country.

We can turn this economy around, provided we deal in economic reality. It all comes down to this: To succeed economically at home, we've got to lead economically abroad. There is no better case in point than this wonderful State of California, none. This State accounts for $1 in every $7 of American exports. In 1990 alone, two-way trade reached nearly $166 billion. For the past 5 years that's an average annual increase of 20 percent. And statewide, I think Pete would agree, it means something like three-quarters of a million, I believe the figure is 725,000 jobs, close to three-quarters of a million, tied into trade.

It is more true than ever before: America's future lies in open markets. It does not lie in this negative view of protection. But the people we are battling in the Congress today aren't about to let the fact intrude on the fantasy. Their prescription for the nineties is really to pull back -- not all of them but some of them -- to pull back and sound an economic retreat, and then to raise up trade barriers, all in the name of fair trade, but to raise up trade barriers, build new barricades to keep imports out, and take this country back to a dangerous pre-World War II isolationism. As long as I am President, that will not happen to the United States of America.

That's not the American way, certainly not the California way. We don't cut and run. We compete. And we work hard. And I've got a lot of faith in the American worker because our workers have a lot of faith in themselves. If we can do better and make more progress in clearing away the trade barriers and go head-to-head, the American worker will outthink and outperform and outproduce anybody, anyplace, anytime. It's that direction that we've got to take this country.

There's a new reality now in the way people live and work and look at Government. People really don't buy that old ``big Government'' rhetoric. The American people have seen enough of what we call social engineering. They know the limits of Government. They know that our greatness doesn't spring from Government. America's strengths are in her people, in our families, in our communities. Government can't raise your kids to know right from wrong. It can't legislate happy endings. Government isn't why people work hard, raise a family, save for retirement. And people know, as Government tries to do more and more, it delivers less and less.

And year after year, the main opposition on the Hill, the liberal Democrats who control the Congress, have pushed spending higher and higher. In 1993, the Federal Government will spend $1.5 trillion of taxpayers' money. People are entitled to ask, ``Am I getting my 1.5 trillion's worth?''

We need to get back to the basics that Government is too big, and it spends too much. And that leads me to ask you to urge your Congress to give me the line-item veto -- 43 Governors have it -- and give the President, the executive branch, a chance. We need for Government to do less but do better, to focus on what people want and deserve: safe streets, good schools, strong economy,

and certainly a strong country.

Today we see the return of responsibility, an old idea that never really went out of style. People have had it with the no-fault lifestyle. In their private lives, they know actions have consequences. What they want is a Government whose policies and programs recognize that people are responsible for their actions and that Government is responsible to the people. Now, if you think about it, that's nothing more than a working definition of freedom.

Because we believe in responsibility, we believe in education reform, fundamental reform. We've laid out a strategy called America 2000, to literally revolutionize our schools. It's not Democrat; it's not Republican. It's not liberal; it's not conservative. It is American, supported by the 50 Governors to meet our six education goals.

We need to hold our kids and our teachers to a higher standard; that's part of it. And here's a radical notion: Let's test these kids at the 4th and the 8th and the 12th grade, see what we're doing, where we're doing it well, and where we need to do more work. Our schools need a good dose of competition with each other. Right now, kids are a captive audience. You give the parents a chance to choose their children's schools, and you'll see our schools start doing their homework. And the bad schools will be picked up by the competition. School choice is working where it's in effect, and it will work nationwide.

Because we believe in responsibility, we back legal reform. Here's the fact: America's become the land of the lawsuit. We've put forward a plan, it's up on the Hill, to cut down a number of frivolous lawsuits. They sap our economy. They strain our patience. When a father can't coach Little League because he's worried about getting sued, something's wrong. When your neighbor becomes a plaintiff, something's wrong. Our country would be a lot better off if we spent as much time helping each other as we do suing each other.

Because we believe in responsibility, we take a hard line on drugs and crime. Tomorrow I go to San Antonio, Barbara and I go down there, and will meet with five or six Latin American Presidents, working with them to sharpen our strategy to beat the scourge. Yes, we're waging a war to cut the supply lines that bring drugs into this country. Interdictions are at an all-time high. But we're battling on the demand side as well. We set a goal to drive down the current adolescent cocaine use by 30 percent. That was our national goal. And we've seen a dramatic 60-percent decrease. Now, that's good news. That's good news for families across this country.

But we all know that we can't begin to claim total victory yet. We must show that here, too, actions have consequences. And that's why we need stiffer sentences for these drug dealers, courts that punish criminals, not honest cops trying to do their job out there, and laws that make life tougher on the criminals than on the victims of crime.

Because we believe in responsibility, I believe as Pete does, we believe as your Governor does

in welfare reform. People are willing to support benefits. They've always been willing to give a hand up. Americans care. But they want to see some connection between welfare and work. They want to see governments at every level work together to track down the dead-beat fathers, the ones who can't be bothered to pay child support. And I think most of all they want to see us break this cycle of dependency, a cycle of dependency that destroys dignity and says to a little guy when he's just starting up, ``You really don't have much of a chance,'' passes down poverty from one generation to another. That's wrong. We're going to do something to change it.

Right here in California, Governor Wilson's got a plan that will encourage people on welfare to take work when they can find it; for pregnant teens or parents to stay in school, get the education they'll need to make a better future, a future where they won't need that next welfare check.

What can we do to help California? What can we in Washington do? Simple: We can start by getting our bureaucracy out of the way. And we'll do all we can, Pete, to remove those Federal regulations, to help you cut through that web of redtape to real reform.

These reforms -- changes we make now to boost the economy and to transform our schools and our legal and our welfare systems -- can really spark a revolution, a revolution to bring this country home to the bedrock beliefs that have made us great. And they are fundamental: Family and faith, responsibility and respect, community and country. Simple words, certain truths that hold a world of meaning, I still believe, for every single American.

Here's what I know about this country's future: No matter how tough times are now, no matter what trials we face, America's best day always lies ahead. I believed that when I was a little kid. I believe it now. I am totally confident about the recovery of this country. And I'll believe it every day I live because that, in essence, is the great glory of our wondrous country.

Thank you all, and may God bless the United States of America.

Note: The President spoke at 1:13 p.m. at the Westin St. Francis Hotel. In his remarks, he referred to Gov. Pete Wilson's wife, Gayle; Rt. Rev. William E. Swing, Episcopal Bishop of California; George P. Shultz, former Secretary of the Treasury, and his wife, Obie; Katie Boyd, luncheon cochairman and California Bush-Quayle campaign vice chairman; Howard Leach, luncheon cochairman and regional campaign vice chairman, and his wife, Gretchen; and Yong Kim and Johnny Tsu, national campaign vice chairmen.

Statement by Press Secretary Fitzwater on General Motors Plant Closings

February 25, 1992

The White House made no attempt whatsoever to influence General Motors' decision over which plants to close and which plants to keep open. The White House considers such matters to be internal corporate decisions.

The President is very much aware of the human costs associated with these tough economic times. This recent plant closing announcement underscores the critical importance of the Congress acting promptly on the President's economic growth package before the March 20 deadline set down in the President's State of the Union Address.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

February 25, 1992

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (22 U.S.C. 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question. This report covers the second half of October and all of November and December 1991. During this period there was a pause in the Cyprus negotiating process, in large part associated with national elections in Turkey and the process of government formation that followed. However, during this period, important contacts between the U.N. Secretary General and the Greek and Turkish Governments and the leaders of the two Cypriot communities continued, as did contacts of U.S. representatives with all parties.

The U.N. Secretary General's report on his good offices mission of October 8 and U.N. Security Council Resolution 716 of October 12 (both attached to my last report to the Congress) were widely discussed in Cyprus, Greece, and Turkey. On November 30, 1991, the U.N. Secretary General issued his semiannual report on U.N. Operations in Cyprus covering the period from June 1, 1991, through November 30, 1991 (copy attached). This was a prelude to the renewal, on December 12, by the U.N. Security Council of the mandate of UNFICYP, the U.N. Force in Cyprus, for an additional 6 months to start on December 15. (There had been informal discussion of changing the method of financing UNFICYP, but no changes were made although it was agreed to consider again, during the current mandate period, moving toward assessed rather than voluntary contributions.)

On December 3 President Vassiliou of Cyprus visited New York to meet with outgoing U.N. Secretary General Perez de Cuellar to review the Cyprus negotiations. He also had an informal conversation with Secretary General Designate Boutros Ghali about how the settlement process might be moved forward in 1992. President Vassiliou also met in New York with the U.S. Special Cyprus Coordinator, Ambassador Nelson Ledsky, and with the U.S. Permanent Representative to the United Nations, Ambassador Thomas Pickering.

On December 12 I met with Prime Minister Mitsotakis of Greece, who was visiting Washington. We discussed Cyprus along with other matters of mutual interest. During our meeting and, in a public statement after the meeting, I assured Prime Minister Mitsotakis that Cyprus remains an important issue on the U.S. agenda. I told Prime Minister Mitsotakis that I would send U.S. Special Cyprus Coordinator Ledsky to the Eastern Mediterranean early in 1992.

On December 19 Secretary of State Baker met with Foreign Minister Hikmet Cetin of Turkey

while both were attending the North Atlantic Council meeting in Brussels. Among other subjects they discussed Cyprus, and Secretary Baker told Mr. Cetin of our continued strong interest in the U.N. Cyprus settlement process.

Also on December 19 U.N. Secretary General Perez de Cuellar distributed to the Security Council his final report (copy attached) on his Cyprus ``good offices" mission. Although the Secretary General expressed his disappointment that the Cyprus question had not been resolved during his 10-year tenure, he noted the progress that had been made and laid out the areas where work still needs to be done to narrow differences. He then asked the leaders of the two Cypriot communities and of Greece and Turkey to devote their full energies to pursuit of a solution of the Cyprus question.

On December 23 the U.N. Security Council President issued a statement on behalf of the Council (copy attached) that noted the progress already made through the efforts of the Secretary General, endorsed his December 19 report, reaffirmed the Council's position that a high-level international meeting chaired by the U.N. Secretary General and attended by the two Cypriot communities, Greece, and Turkey represented an effective mechanism for concluding an overall framework agreement, requested full cooperation of all parties in completing on an urgent basis the U.N. set of ideas on an overall framework agreement, and called on the new Secretary General to report on progress by April 1992.

At the end of December 1991 Ambassador Ledsky prepared for his new consultation mission to the Eastern Mediterranean. His mission began on January 7, 1992, and will be the initial item in my next bimonthly report.

Like U.N. Secretary General Perez de Cuellar, I am disappointed that circumstances did not allow the Cyprus issue to be resolved in 1991. I would like to take this opportunity to add my personal thanks to Secretary General Perez de Cuellar for his tireless efforts over many years and share with him the sentiment he expressed in the final line of his final report on Cyprus: ``. . . the long overdue solution can be reached and the two communities can live together in Cyprus in harmony, security, and prosperity."

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Committee on Foreign Relations.

Letter to Congressional Leaders Transmitting a Report on International Agreements

February 25, 1992

Dear Mr. Speaker: (Dear Mr. Chairman:)

Pursuant to subsection (b) of the Case-Zablocki Act (1 U.S.C. section 112(b)), I transmit herewith a report prepared by the Department of State concerning international agreements.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Committee on Foreign Relations.

Message to the Congress Transmitting the Report on Alaskan Mineral Resources

February 25, 1992

To the Congress of the United States:

I transmit herewith the 1991 Annual Report on Alaska's Mineral Resources, pursuant to section 1011 of the Alaska National Interest Lands Conservation Act (Public Law 96 - 487; 16 U.S.C. 3151). This report, containing pertinent public information relating to minerals in Alaska, as gathered by the U.S. Geological Survey, the Bureau of Mines, and other Federal agencies. This report is significant because of the importance of the mineral and energy resources of Alaska to the future well-being of the Nation.

George Bush

The White House,

February 25, 1992.

Remarks at a Bush-Quayle Fundraising Dinner in Los Angeles, California

February 25, 1992

Thank you all very, very much. And what a pleasure it is to be here with Pete Wilson, to be introduced by this man who is doing so much for the State. And thank you for heading our campaign and being at our side today. It is a pleasure to see you and Gayle. May I thank our master of ceremonies, Johnny Grant; say to the next team, Rabbi Greenbaum and Cheryl Ladd, who did a great job on the pledge without missing a beat; and Bobby Britt who did the national anthem. And thanks to everyone who has organized this extraordinary gathering. What did you do? Tell these folks that they had moved the Academy Awards to tonight, I think, when we look around back here. And I'm very grateful.

And let me just say it's also a great pleasure to see Don Bren, who is one of our national cochairmen, and Lod Cook, another one. And thanks to both of you for making this a highly successful event. Greetings also to Bobby Holt, who is our national finance chairman; former Secretary Bob Mosbacher, who did a superb job as our Secretary of Commerce, who is the chairman of our campaign; and all the other Bush-Quayle vice chairmen here tonight.

What an amazing crowd and what enthusiasm. And you all make me feel so young, especially Bob Hope. [Laughter] You know, Bob told you only half the story. That story he told was true about Desert Storm. He went over there, but what he forgot to tell you because of his modesty is, I got more reports back from Norm Schwarzkopf and from Powell and from all of them about the lift that gave to those kids, many of whom had been months sitting out in the desert. And we're very, very grateful to him.

And I'm touched, to paraphrase John Kennedy, I'm touched by your warm response, but not half as touched as all of you have been. This has been a big success.

Let me start tonight by sharing my concern for all the many southern Californians who have been ravaged by the record floods here. And I'm pleased to say that today, on Air Force One, I signed a declaration to provide much-needed disaster relief to flood victims. You're hurting, and we'll get you help. And the Governor promptly moved on that for the State.

I want to talk tonight about some of the challenges that we face, about the decisions that will make this election year, that really are going to chart this country's history for the next 5 years. And let me say it straight: What Government can do and what it can't do, and what I will do as President, and then where I'll need your help.

Let's start with the number one issue on everyone's mind, and that is the economy. One month

ago, as Pete said, in that State of the Union, I laid out a two-part economic action plan: for the short term, a plan to get this economy moving as early as this spring, and then a longer term plan to keep America competitive in the next century. And I asked the Democrats who control the Congress to act for the good of the country, to lay politics aside. And I gave Congress those 52 days to pass my plan.

And since then, some Democrats have been wrestling with their consciences. It's still too early to predict who will win. But instead of working on my plan, the House Democrats surfaced their own. And true to form, it is a temporary tax cut in exchange for a permanent tax hike. And that tax cut works out to 25 cents per person. Sounds big in a package for the consumption in the political arena, but that's what it makes, 25 cents per person. And to make it permanent the Democrats would have to jack up the income tax rate for every American making more than $35,000 a year, $35,000. For a plan that is supposed to help the middle class, that's going to come as real news to a lot of factory workers and schoolteachers and everyday Americans struggling to make ends meet.

So let's face it, the Democrats are going to tax the middle class for the same reason that Willie Sutton robbed banks, because that's where the money is. They say they're going to hit the rich, and they end up hitting the small guy.

Now, my economic plan is built on seven specific proposals to stimulate this tired economy. And if you want to give American companies a reason to expand, then give them -- and this can be done in the remaining days -- my investment tax allowance. Speed up depreciation. And if you really want to do something about boosting the sagging housing market and if you want to give American families a shot at the American dream, then give those first-time homebuyers what my plan does, a $5,000 tax credit toward that first home. Give those young families a chance.

And finally, let me say this to the Congress: If you are serious about competitiveness and if you are serious about creating the jobs, then cut the tax on capital gains and stimulate investment.

That's not the only fight I've got with the Capitol Hill crowd. Take a look at national defense. And it is important to remind ourselves that 365 days ago to this very minute we were starting that flanking movement around the Iraqi army in the sands. And a few months before that, nobody dreamed we'd be faced with that kind of aggression. For decades, we faced a dangerous enemy abroad. And we fought those at home who would have stripped this Nation of the strength that it needed to defend itself, those that always wanted to cut defense. Republicans fought hard on both fronts. And winning the defense battle on Capitol Hill helped us win the cold war. And no one understood that better than my predecessor, Ronald Reagan. He stood for a strong defense and stood up for our principles.

And now, with the collapse of the Soviet Union, imperial communism as we know it gone, we

can reduce defense spending substantially. I sat down with the Joint Chiefs and Chairman Powell and the Secretary of Defense, and we worked out a sensible defense build-down. We're talking about $50 billion more cut, one that will recognize post-cold-war realities, but still leave this country with the muscle that we need to meet whatever danger comes our way.

I know that's a concern here in southern California, with its proud tradition of pushing the frontier in aerospace and producing weapon systems that redefined state-of-the-art. We have a number of Federal programs aimed now, as we cut down on defense spending, at helping those workers, those good workers, those defense industry workers as they seek new careers. And we're taking steps to ease the transition that many firms will face as they shift from defense-related work to the commercial economy. And that's what my technology transfer initiative is all about, getting research done in Government labs out into the private economy. And in May we're going to bring that message to Cal Tech through our national technology initiative. Our approach is the sensible way to go, the right way to keep the economy sound and at the same time keep our Nation strong and safe.

But there are Democrats with a very different plan in mind. And they want to use the end of the cold war to open a bidding war to see who can gut defense the fastest. And one scheme would cut defense by an additional $200 billion. And nationwide, cuts on that scale would wipe out hundreds of thousands of jobs, to say nothing about rendering us incapable of responding to aggression overseas.

Right now, $1 out of every $5 spent on defense is spent right here in California. And think of the shockwaves that reckless defense cuts would touch off in the construction and in the electronics and aerospace industries and the aftershock for the real estate markets. Think of the workers, the welders to the engineers, thrown out of work and onto welfare. For the sake of national security and for the sake of just plain economic common sense and for the sake of this State and the country, I ask you to draw the line and say no to those who want to recklessly gut the national defense of this country.

We can turn this economy around provided we deal in economic reality. And it all comes down to this: To succeed economically at home, we've got to lead economically abroad. And there's no better case in point than California. This State accounts for $1 in every $7 of American exports. In 1990 alone, two-way trade reached nearly $166 billion. Statewide, that means 725,000 jobs, close to three-quarters of a million jobs tied to trade.

And it's more true than ever before today that America's future lies in opening markets. But our opponents aren't about to let fact intrude on fantasy. Their prescription for the nineties is to sound an economic retreat and raise the trade barriers and build new barricades to keep imports out and take this country back to the dangerous pre-World War II isolationism. I am not going to let that happen as long as I am President of the United States. We are going to stay engaged and lead the world.

That is not the American way. We don't cut and run; we compete. And I'll put my faith in the American worker. So clear away the trade barriers, go head-to-head, and the American worker will outthink and outperform and outproduce anybody, anyplace, anytime.

People here want to know that increased trade doesn't mean a tradeoff when it comes to concerns about our environment. And earlier this afternoon we had a wonderful meeting. I announced the new initiative to ensure that the promise of free trade includes protection for the environment. And we're working with the Government of Mexico. And we will commit well over $1 billion in new resources over the next 3 years to protect drinking water, pay for cleanups, and enforce hazardous waste laws along the U.S.-Mexican border. And I can say to the people of this great State: Here's proof that we can sustain a strong economy and a sound environment.

Whether it's the environment, the economy, or any other issue, there's a new reality now in the way people live and work and look at Government. People don't really buy the old ``big Government'' rhetoric. They've seen enough social engineering. And they know America's greatness doesn't spring from Government. Our strengths are in our people, in our families, in our communities. And Government can't raise your kids to know right from wrong. It can't legislate happy endings. Government isn't why people work hard, raise a family, save for retirement.

Year after year, the folks who control the Congress have pushed spending higher and higher. In 1993, the Federal Government will spend $1.5 trillion of taxpayers' money. And people are entitled to ask, ``Am I getting my $1.5 trillion's worth?'' We need to get back to the basics. Government is too big, and it spends too much. So give me the line-item veto, and let the executive branch try to cut some of the fat out of the budget. Forty-three Governors have it, and 43 Governors do a good job utilizing it. We need for Government to do less but do better and to focus on what people want and deserve: safe streets, good schools, a strong economy, and a strong country.

And today we see the return of responsibility, an old idea that never really went out of style. People have had it with the no-fault lifestyle. In their private lives they know actions have consequences. And what they want is a Government whose policies and programs recognize that people are responsible for their actions and that Government is responsible to the people. And if you think about it, that's nothing more than a working definition of freedom.

Because we believe in responsibility, we believe in education reform. And we've laid out a strategy called America 2000. It literally revolutionizes our schools. Doing it the old way isn't good enough anymore. And we need to hold our kids and our teachers to a higher standard. And here's a radical notion, as our national education plan calls for: Let's test our kids to see where we're doing well and where we need more work. And our schools need a dose of competition with each other. Right now in public schools in Los Angeles and across the country, kids are a captive audience. Now, give parents a chance to choose their children's schools, and you'll see

our schools start doing their homework. School choice is right, and it is working in many States. School choice will work across this Nation.

And because we believe in responsibility, we back legal reform. Sorry to say this in ``L.A. Law'' country, but here's the plain fact: America has become the land of the lawsuit. And we put forward a plan to cut down the number of frivolous suits. They sap our economy, and they strain our patience. And when a father can't coach Little League because he's worried about getting sued, something's wrong. And when your neighbor becomes a plaintiff, something's wrong. Our country would be a lot better off if we spent as much time helping each other as we do suing each other. And so I will challenge the Congress again and again to do something about the reforms that we have pending up there on Capitol Hill right now.

Because we believe in responsibility, we take a hard line on crime and drugs. Tomorrow Barbara and I fly down to San Antonio, and there I'll meet with five Presidents of Latin American countries, Latin American leaders, work with them to sharpen our strategy to beat this scourge. And yes, we're waging a war to cut the supply lines that funnel drugs into the crack houses that plague good neighborhoods across L.A. County. Interception of drugs coming in is way, way up. But we're battling, also, on the demand side. And we set a goal to drive down current adolescent cocaine use by 30 percent. And we've seen a dramatic 60-percent decrease. Now, that's good news.

But we all know we can't claim victory yet. We must show that here, too, actions have consequences. And that's why we need stiffer sentences for drug dealers. We need courts that punish criminals, not honest cops out there trying to do their jobs. We need laws that make life tougher on the criminals than on the victims of crime. And we need to get that House of Representatives to pass my crime bill and pass it now.

Because we believe in responsibility, we believe in welfare reform. And people are willing to support benefits. Look, we care. We're Americans. We care about the other guy. But Americans want to see some connection between welfare and work. They want to see governments at every level work together to track down the deadbeat fathers, those who can't be bothered to pay child support. And they want to see us break the cycle of dependency that destroys dignity and passes down poverty from one generation to the next. That's wrong to do that, and we're going to do something to change it.

Right here in California, your able Governor Pete Wilson's got a plan that will encourage people on welfare to take work when they can find it; for pregnant teens or parents to stay in school, get the education they'll need to make a better future, a future where they won't need that next welfare check. And we support him. You say, what can we do to help California? Simple, we can start by getting Washington out of the way. And I'll tell you, we will do all that we can to remove the burdensome Federal regulations, to help you cut through the web of redtape to real reform.

The reforms I've spoken about tonight can spark a revolution to bring this country home to the bedrock beliefs that have made us great: Faith and family, responsibility and respect, community and country. Simple words, certain truths that hold a world of meaning for every American.

And I might say parenthetically, if I could be prideful in my comment, I am very, very proud of what Barbara does to demonstrate strength of family and the caring that we all feel in our hearts.

But here's what I know about this country's future: No matter how tough times are right now, no matter what trials we face, America's best day always lies ahead. And I believed that when I was a little boy. I believe it now. I believe it every day I live because that is the great glory of the United States of America.

Thank you all, and may God bless our great country.

Note: The President spoke at 8:58 p.m. at the Century Plaza Hotel. A tape was not available for verification of the content of these remarks.

Exchange With Reporters Prior to Discussions With President Alberto Kenyo Fujimori of Peru in San Antonio, Texas

February 26, 1992

Drug Summit

Q. Mr. President, what do you hope to accomplish at the drug summit, sir?

President Bush. Well, I think we've already -- we're going to build on the first meeting, the Cartagena meeting, and we're going to get maximum cooperation. We're going to redouble our efforts on the demand side and on the supply side. So, it's the big picture with very able leaders from south of our border that continue to address themselves to this problem. And there's been marvelous cooperation between the countries.

Q. The Ecuadorean President said today that his country needs more U.S. dollars. What's your response to him, sir?

President Bush. Well, I'll be discussing it with him when I see him.

Q. President Fujimori, will cutbacks in U.S. aid hamper your drug-fighting efforts?

President Fujimori. From the supply side, we can, we think we can do a lot on this side, but also we need the better comprehension and coordination.

President Bush. And that's all the things we'll be talking about.

Q. Do you need more U.S. money?

President Fujimori. Also. [Laughter]

President Bush. Everybody does, including us.

President Fujimori. That's the answer they want? [Laughter]

Q. President Bush, do you believe this summit is going to be of any value?

President Bush. I think there's a lot of value. I think the first one was -- President Fujimori was not at it, but I believe that it set the ground rules, it set some objectives. I think this one will do

the same thing. We have a broader number of countries here; cooperation is good. And we've got to talk about how we can do more on the supply and certainly on the demand side, something that we in the United States are very concerned about also.

So, I view this as a very special opportunity to meet with leaders, men who are doing a good job in their countries and who are determined to whip this narcotics threat just as we are. So I'm looking forward to it.

Note: The exchange began at 3 p.m. at the Marriott Rivercenter Hotel. A tape was not available for verification of the content of this exchange.

Exchange With Reporters Prior to Discussions With President Cesar Gaviria of Colombia in San Antonio

February 26, 1992

[A question was asked and answered in Spanish.]

Q. How about you, sir? Do you have anything to -- --

The President. Yes.

Q. Same thing?

The President. Yes, now that I understand what he is saying.

Q. You're improving your Spanish. [Laughter]

The President. I've got Stephanie over here. [Laughter] No, but I agree that it's positive, it will be positive. I will say this to the journalists from Colombia who are here: The respect that we have for what this President is doing and has already done is very, very high. And this is a multilateral meeting; we're meeting with other countries as well, building on the Cartagena summit, which was the first one. But I'm confident that we will come out with more determination to do better on the demand side, which is largely a United States problem, and to redouble our efforts for coordination on the supply side, drawing largely on the experience and the success of this President that's sitting next to me.

And so, we can't take any more questions because we only have a few minutes to talk here. We're glad you guys are here.

Note: The exchange began at 3:40 p.m. at the Marriott Rivercenter Hotel. In his remarks, the President referred to Stephanie Van Reigersberg, Director of Language Services.

Exchange With Reporters Prior to Discussions With President Jaime Paz Zamora of Bolivia in San Antonio

February 26, 1992

Q. Mr. President, what do you say to Members of Congress who say your drug war has been a failure?

The President. I tell them they don't know what they're talking about. That's what I say. The record is good.

[At this point, one group of journalists left the room, and a second group entered.]

The President. I might say with your countrymen here that we are very respectful of the job you're doing and cooperation, not only in the antinarcotics field but in so many other areas. I'm just delighted to see you again.

Q. Mr. Bush, is the Government of the United States going to support the private industry helping other programs in Bolivia?

The President. Well, we think we need every facet of our society helping, the Government, private, everybody getting involved to help as best we can. And it's a two-way street. I think Bolivia has been very cooperative with the United States. We've got a couple of sticking points here that we'll talk about. But I think generally speaking it's going quite well, and we salute the President for his efforts. He is a dedicated leader who is trying to whip a tough problem. And we know that, and we respect that. So he's welcome here, and we're glad to have the whole team with us.

Thank you all very much.

Note: The exchange began at 5:05 p.m. at the Marriott Rivercenter Hotel. Part of this exchange could not be verified because the tape was incomplete.

Remarks at the State Dinner for Drug Summit Participants in San Antonio

February 26, 1992

Excellencies, ladies and gentlemen: Barbara and I are honored to have you join us here tonight. It is a particular pleasure to welcome to the United States our good friends and our neighbors from Mexico, Colombia, Peru, Ecuador, Bolivia, and Venezuela. I am delighted that we've gathered in my home State, Secretary Baker's home State of Texas, with our Governor here, the Mayor of this city here, in this gracious city of San Antonio. For centuries, San Antonio has stood as an important cultural crossroads of the Americas.

We meet at a time of great hope for all the people of the Americas. In almost every nation in the hemisphere, people enjoy self-government and respect for human rights. We're making steady progress to improve our people's quality of life through more open trade and investment, by creating more jobs. That's why I am committed more strongly than ever to completing the North American free trade agreement linking the economies of Mexico, Canada, and the United States. And building upon that, we will realize the vision I call the Enterprise for the Americas Initiative for robust trade and investment from the Arctic Ocean to the Straits of Magellan.

During our meetings this week in San Antonio, we will refine and intensify our common efforts against the menace of drugs. Each of our nations is making progress. Bolivia has successfully intensified its law enforcement efforts against cocaine traffickers. Peru has taken important steps to control airstrips used by traffickers to move cocaine to Colombia. Ecuador is moving against money launderers and traffickers on its territory. Colombia has jailed some of its most violent drug traffickers and is seizing record quantities of drugs. Venezuela is clamping down on those attempting to use its territory to ship drugs to Europe and America. Mexico has reduced cultivation of both opium poppies and marijuana by unprecedented amounts while seizing record amounts of cocaine through Operation Halcion.

For each of our nations, the battle against drugs is truly a war. The ultimate stakes are the same: the minds, bodies, and the souls of our young people, so many of whom have been hurt or destroyed by the violent world of the drug dealers. In the United States, we're stepping up treatment, prevention, and research programs, and we're toughening our prosecution and punishment of drug kingpins.

We're seeing results on the demand side as well. In the United States over the past 6 years, we've reduced the number of regular users of cocaine by two-thirds. Adolescent use of all types of illegal drugs is down. The number of high school seniors using illegal drugs is the lowest since we began measuring their drug use.

We must do more. Drug abuse and drug violence, particularly in our inner cities, threaten to destroy our children and everything else we hold dear. At risk is the civilization we share, our common inheritance, and our common future.

So, let us renew our resolve. Let us strengthen our commitment to guarantee all people drug-free communities. And as we work to advance the quality of life in our own hemisphere in so many ways, let us win a lasting victory in the war against drugs.

And once again, a warm welcome to San Antonio, Texas. And may God bless you and all the peoples of the Americas. And may I raise a glass in honor of our distinguished guests and the important mission that all of us share.

Note: The President spoke at 8:01 p.m. at the Majestic Theater.

Nomination of Joseph Gerard Sullivan To Be United States Ambassador to Nicaragua

February 26, 1992

The President today announced his intention to nominate Joseph Gerard Sullivan, of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nicaragua. He would succeed Harry W. Shlaudeman.

Mr. Sullivan has served as Deputy Assistant Secretary of State for Inter-American Affairs at the U.S. Department of State in Washington, DC, 1989 - 1991. Prior to this, he served as Director of the Office of Central American Affairs at the U.S. Department of State, 1988 - 1989. Mr. Sullivan served at the U.S. Embassy in Tel Aviv, Israel, as Political Counselor, 1987 - 1988; and as a political officer, 1984 - 1987.

Mr. Sullivan graduated from Tufts University (B.A., 1966) and Georgetown University (M.A., 1969). He was born August 9, 1944, in Boston, MA. Mr. Sullivan resides in Oakton, VA.

Presidential Determination No. 92 - 17 -- Memorandum on Counternarcotics Assistance for Mexico

February 26, 1992

Memorandum for the Secretary of State, the Secretary of Defense

Subject: Drawdown from Department of Defense Stocks for Counternarcotics Assistance for Mexico

Pursuant to the authority vested in me by section 506(a)(2) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2318(a)(2) (the ``Act''), I hereby determine that it is in the national interest of the United States to draw down defense articles from the stocks of the Department of Defense and defense services of the Department of Defense for the purpose of providing counternarcotics assistance to Mexico.

Therefore, I hereby direct the drawdown of up to $26 million of such defense articles from the stocks of the Department of Defense and defense services of the Department of Defense, for the purposes and under the authorities of Chapter 8 of Part I of the Act.

The Secretary of State is authorized and directed to report this determination to the Congress and to arrange for its publication in the Federal Register.

George Bush

Note: This memorandum was released by the Office of the Press Secretary on February 27.

Exchange With Reporters in San Antonio

February 27, 1992

North American Free Trade Agreement

Q. Mr. President, did you make any breakthroughs on free trade this morning?

The President. No. We had good discussions on that with the President of Mexico. And we just reassured him that we want an agreement, a good agreement as soon as possible. No politics, no nothing is going to stand in the way of our doing what is right and what is best for the American people. And what's best is to get a fair trade -- free trade agreement through as soon as possible.

Q. Do you think there will be one this year, Mr. President?

The President. Well, we're hoping so, yes.

Note: The exchange began at 8:42 a.m. at the Marriott Rivercenter Hotel. A tape was not available for verification of the content of this exchange.

Text of Remarks at the Opening Session of the Drug Summit in San Antonio

February 27, 1992

It is a great honor and pleasure to call to order an historic meeting, in a historic city, in a historic State, my home State of Texas. We are all here to make this San Antonio drug summit as successful as the first summit called by President Barco 2 years ago in beautiful, heroic Cartagena. It is fitting to begin this meeting with a warm tribute to the great, visionary man who first brought us together on this issue, Virgilio Barco.

In Cartagena, as President Paz Zamora, who is also here today, will recall, we faced a daunting, unprecedented, some thought hopeless challenge: How to unite against the scourge of drugs, violence, and corruption that was undermining our democratic societies, our institutions, our economies, and our environment.

That meeting gave birth to a new alliance to strengthen our democracies by attacking the drug trafficking and consumption with greater resolve than ever before. Cartagena was when we stopped the finger-pointing and committed ourselves to cooperation, when we recognized that drugs are an international plague caused by both consumer and supplier.

Two years later the situation has markedly improved. We are facing the challenge. We are united. We are resolute. We are prevailing. We are now seven, not four. We welcome to this group Mexico, Venezuela, and Ecuador, all of whom have shown firm leadership and courage in this struggle. Others in the Americas and Europe are with us, seeing the threat more clearly. Progress is being made. We have courageously faced those who would subvert our societies, break our laws, and kill thousands of innocents. Top traffickers are dead or jailed. Record levels of cocaine and other drugs have been seized. Cultivation has leveled off. Interdiction is up worldwide. We have cracked down on drug users. Consumption is declining as our people increasingly reject drugs, especially our youth. Our judicial institutions are stronger, better able to meet the challenge. Our efforts against money laundering, chemical diversion, and illegal arms exports are improving.

But we are here today because the job is not yet done. We have not yet won this fight. It is time to assess our accomplishments and our plans, to learn from the past and look to the future. Let me mention what seems to me to be some priority areas.

First and foremost, we must reduce demand. All else will fail if we do not do that. I know that task falls heaviest on the United States, and we have made a good beginning. Since I came to office, there has been a 35-percent decrease in current cocaine users, and 27 percent fewer young people are using drugs.

Second, we must continue the economic reform, economic assistance, debt, trade, and investment measures which are so important to our antinarcotics programs. The United States wants alternative development to succeed. I am sure Peruvian and Bolivian peasants will stop growing illegal coca if there is an alternative besides starvation. The stick of law enforcement must have a carrot, an offer of viable economic alternatives for poor peasants.

Third, we must continue and enhance our effectiveness in eradication, interdiction, and law enforcement that have been so critical to our success thus far. Just as demand reduction will lower supply, so also supply reduction will lessen demand. We have laid this out in the ``Strategy for Action'' that is part of our declaration. We must make it happen.

Fourth, we must look carefully and imaginatively at what might be called nonviolent law enforcement measures. We must strengthen and harmonize our laws on money laundering, arms, exports, chemical controls, asset seizure, and in other areas. It is here that the long arm of the law can fracture the power of the traffickers. The antiracketeering laws in the United States have proven to be one of the strongest measures we have developed in recent years.

Fifth, our judicial systems need our attention. Many of us have underway legal reforms so that we can handle criminal cases faster, more securely, and more effectively. These are important and should proceed. We must also cooperate by sharing information about traffickers and their crimes so they can be brought to justice.

Sixth, our cooperation has developed in the past 2 years, and I welcome that. We need to keep in close touch so that we can coordinate strategy and understand each others' perspectives and needs. That makes the high-level follow-on meeting very important. It will be the first review of how our ``Strategies for Action'' are progressing. We also must enlist the cooperation of the Europeans and Asians. To do that we should send a delegation to those countries to talk to their leaders.

Seventh, heroin production is a worrisome problem which Mexico and Colombia are moving against with some success. This is a sign the traffickers believe the cocaine trade is declining. We cannot ignore this new threat, or we risk a surprise in the future.

Eighth, we must do a better job educating our press and our publics about our progress. In the United States, for example, we are seeing a downturn in demand that was purchased at great cost in money and effort. Another example is the story of the drop in cultivation in the Chapare in Bolivia.

Ninth, as we take up the struggle within our own countries with renewed vigor, we must bear in mind that our efforts transcend borders. We must respect sovereignty, or our cooperation will not be sustained. But as sovereign states, we can agree to cooperate against the traffickers who trample on the sovereignty. If we do not work together, the traffickers will destroy us separately.

Finally, one more note of great importance. Everything we do must conform to our democratic principles. None of us wants a drug-free dictatorship. We must protect the human and civil rights of our citizens. We are all committed to defending democracy and its principles as we defeat the scourge of drugs.

Note: This text was issued by the Office of the Press Secretary. Virgilio Barco was former President of Colombia.

The President's News Conference With the Drug Summit Participants in San Antonio

February 27, 1992

President Bush. As the President of the host country, I will give a brief statement, and then we will respond under the plan for responding to questions.

First, let me just say that it has been a privilege and a pleasure to welcome six strong democratic leaders to San Antonio: President Gaviria of Colombia, President Fujimori of Peru, President Paz Zamora of Bolivia, President Borja of Ecuador, President Salinas of Mexico, and then Foreign Minister Duran of Venezuela.

The United States is indeed fortunate to have these leaders as allies in a cooperative fight against drugs. And this cooperative venture is reflected as well in the cooperation that permeates our bilateral relationships, for example, the recent agreement between Peru and Bolivia on access to the sea, a wonderful agreement; growing rapport between Ecuador and Peru, another good sign.

Drug traffickers corrupt our young people. They bring violence to our democracies and destroy our hemisphere's natural environment. This is a new kind of transnational enemy, well-financed, ruthless, well-organized, and well-armed, a foe who respects no nation's sovereignty or borders. The struggle to defeat the narco-traffickers requires cooperation, commitment, and it will not be won overnight. But make no mistake, defeat the traffickers we will.

Two years ago at Cartagena we formed a regional alliance with Peru, Bolivia, and Colombia to confront the narco-trafficking cartels. Today three new allies joined us, Mexico, Ecuador, and Venezuela. In the past 2 years we've made significant progress. First and most importantly, today in the United States there are one million fewer cocaine users and two million fewer marijuana users today than in 1988. Drug use among our young people is down 25 percent, a very good sign for the future.

And second, the so-called kings of cocaine, the leaders of the Medellin cartel, are now in prison or in their graves. And also, last year, 203 tons of cocaine were seized in Latin America, a dramatic increase. We've shown law enforcement can work in the drug fight.

Third, we are making progress in creating economic alternatives to the coca trade. Farmers who once grew coca in Bolivia are exporting pineapples and bananas. Peru's economy is beginning to grow again, and the Andean States will expand trade with the United States under this new Andean trade preference initiative that I signed into law last December. We will expand our economic development efforts so that people in the coca growing regions can earn a livelihood growing legal crops. And I hope the U.S. Congress will do its part by fully funding my

Enterprise for the Americas Initiative.

Let me highlight the most important elements of this joint declaration that is about to be issued, if it hasn't already been passed out. One, drug control and strengthening the administration of justice, includes programs to interdict trafficker aircraft in the air and on the ground, to control essential chemicals and money laundering, and to increase judicial cooperation.

Number two, economic and financial areas, focuses on investment, trade, debt, alternative development, and for the first time, the environmental destruction that is caused by drug trafficking.

And three, prevention and demand reduction, a critical area, involves programs for prevention, treatment, and rehabilitation, scientific research and training.

We agree that the laws of all signatory countries will criminalize all activities that permit the laundering of drug money. And we will exchange more financial information to investigate and to prosecute money launderers and seize their illegal profits. We will negotiate agreements that allow our countries to share the assets that we seize from the drug traffickers. And finally, we will deny traffickers the chemicals they need to produce their deadly drugs. We will regulate sales of chemicals. We will press producing nations to adopt strong controls. And we will increase our own enforcement.

We call upon other nations in the Americas, in Europe, and in Asia, as well as international organizations and financial institutions, to cooperate and to participate. To continue our efforts, we're going to hold a high-level follow-on meeting annually to review progress and plan for the future.

The declaration of San Antonio, building on the declaration of Cartagena, establishes an aggressive agenda for the rest of the century. We believe it will be an important milestone in the struggle against drug use and drug trafficking. We believe it will contribute to democracy and economic stability in the Americas.

It's been a great pleasure to have these leaders here. And may I take this opportunity to thank our hosts in San Antonio, in the museum, in the theater, and all across this great city; the mayor and the other leaders of this community that have made all of us feel so at home in wonderful San Antonio.

And now I understand that Marlin has indicated, so I guess we just go. Chris [Chris Connell, Associated Press], do you want to go first, sir?

Tax Legislation

Q. Mr. President, while you attending the summit, the House voted down your recovery program, passed the Democrats' tax bill with Republican support. You've lost a third of the GOP votes in the first two primaries. How do you plan to resurrect your recovery plan, and how will you shore up your standing with American voters?

President Bush. Well, let's hope that the Senate is a little more -- a little wiser than the House. The American people want stimulation to our economy. They're unhappy with the economy, and that affects all politicians. I have won all three efforts so far, Maine and New Hampshire and South Dakota, and I will win this nomination.

But this is an international drug meeting; it has very little to do with the primary system. But I think something that does have something to do with what we are able to do is the American economy. And I would just ask the United States Senate now to correct the tax-and-spend policies of the House of Representatives that went in almost on straight party lines. It was a predictable, sad, sorry performance, when I said, ``Let's set politics aside, go for these specific growth initiatives, and then get on with all of this politics later on." But the House decided not to do that, and so I will just go forward and urge the Senate to take better action. But I am not going to sign a bill like the one that came out of the House. It won't become law. I won't sign it. But secondly, the next hurdle is the Senate, and I don't believe the Senate will go for the same kind of legislation.

War on Drugs

Q. Mr. President, following up on the drug summit, you say that occasional drug use of cocaine is down by a million. Hardcore use hasn't changed at all, and drugs are still pouring into this country.

President Bush. I think the progress -- we've said -- --

Q. If I can just say, how will this summit make any difference to that?

President Bush. Well, the summit will make a difference to that because we talked about, at lunch, the difference between the spirit of Cartagena and the spirit of San Antonio. One, we have more countries involved; secondly, there is a new optimism. A lot of the talk was about the progress made by Colombia in jailing some of these criminal elements. The spirit of cooperation in terms of judicial reform and in terms of the approaches that I mentioned in this declaration was outstanding.

You don't solve it overnight. When I say young people in this country are using drugs substantially less, down by 60 percent, that is very encouraging to every family in this country. But yes, problems still remain here, and the demand in this country has inflicted serious problems on the economies of the countries represented by these Presidents here.

So the purpose of this meeting is to maximize cooperation, and I think each leader -- and they can speak to it themselves -- will agree that that's exactly what happened as a result of our discussions here. Now we go on to the next challenge, and that is making more headway on interdiction, making more headway on reduction of demand.

Now, I believe from Ecuador, the second -- he's plugged into a different star there.

Andean Economic Development

Q. Television Bolivia. This is a question for the President of the United States. We have the impression that the U.S. position is much more emphatic in the sense of interdiction than for alternative development. In the case of Bolivia and Peru, this is a very delicate subject. And the Peruvian position indicated that Peru produces 60 percent of the coca used for producing cocaine later, whereas the United States only invests 5 percent of the antidrug budget in programs for these countries, in this case, Peru. Why is it that the United States continues to insist so strongly on the case of interdiction, and it has to be the pressure of the Andean countries that attempt to balance this situation through alternative development?

President Bush. One of the themes that I heard here today was trade, the importance of trade. And one of the things we've tried to do in the United States is facilitate trade with these Andean countries. Therein lies a lot of the answer.

We did have a good discussion here about interdiction, and we did have a good discussion about alternative crops. And I think it is for us to assign our own budgetary priorities, but I'll tell you one thing that I learned out of this is the need to work more cooperatively in alternative cropping.

So I'll just leave it very generally there, but we are doing our level-best. And everybody knows that these are not easy financial times for the United States. Spending is up tremendously in terms of our efforts, and I think there's more we can do to be of assistance on alternative cropping. And we had some good suggestions here today from the leaders.

So we will do our level-best, and we will continue to listen to those who say the best answer to the economies down there and to giving hope to the peasants who are locked into the coca growing is expanded trade in other areas. And so, we'll keep trying.

Mexico-U.S. Relations and NAFTA

Q. Mr. President, I am from Mexico, from the Herald in Mexico.

President Bush. I know, but who do you want to ask the question to? I'm over my quota already,

but go ahead.

Q. I wanted to ask this of the President of the United States and of the President of Mexico. Mr. President, don't you think that the certification statement made by the United States is a way of having intervention in another country, because nobody is carrying out certification of consumption in the U.S.? Secondly, what guarantee do we have that the sovereignty of Mexico will not be impinged upon in the fight against drugs, as in the case we had in -- [inaudible]. And third, I would like to have your impressions of this morning's breakfast. How about the NAFTA and your commitment made last night to get NAFTA, to bring forward the North American free trade agreement and sending it on to Congress?

President Bush. Is the last question for me or for President Salinas?

Q. The question is for you and President Salinas.

President Bush. I just wanted to be sure.

The guarantee about our overstepping the bounds of the sovereignty of Mexico is twofold: One, I wouldn't permit that to happen; and secondly, Mexico has a very strong, respected President who would not permit that to happen. So there is no danger. The relationship between Mexico and the United States has never been better. And it is built on mutual respect and respect for each other's sovereignty.

What was the first part of your question? I'm sorry, I wrote down interdiction, but I'm not sure that -- --

Q. Certification that the United States carries out annually on the progress made, because nobody is doing the same thing to the United States.

President Bush. Well, we try to level with our partners here on the progress or lack of progress we're making in every area. We presented to the leaders here today a thorough presentation as to the progress that we're making on the demand. It is very important that these leaders know that we are trying on the demand side.

I don't know that it has a meat stamp of certification, but these figures will be looked at and reviewed by the United States Congress. And I would be open for any suggestions that President Salinas would make if he feels he needs more information. But the relationship is so cooperative now in this field that I haven't heard any requests for more certification from the United States.

In terms of the free trade agreement, I will simply say what I said this morning: We want it done. We are not going to be dissuaded by political pressures in the United States. I remain convinced that a good NAFTA agreement is in the interest of the worker and of everybody in my country.

And I believe President Salinas is convinced it is in the interest of the Mexican people as well. And already the very negotiations that we're having are leading to agreements, such as our recent environmental agreement on the border. So there's nothing but cooperation here. There's some problems that remain in bringing this to conclusion, but we both agreed today that we would press our able negotiators to get this agreement closed as quickly as possible.

And to those in Mexico who listened to some of the peculiar reporting that flows across the border on politics, please let me reassure them that we will press for an agreement. If we get an agreement, we're not going to hang back because of some special interest that may be making a lot of noise as to whether this is in the interest of the United States or not. It is in the United States'. We won't take to the Congress a bad agreement. And when we get a good one, I'm confident that it will be ratified. So, we will push forward on that.

Now, please, Mr. President.

President Salinas. The responsibility of the fight against drugs in Mexico will be left exclusively in the hands of Mexicans. It is our responsibility. Therefore, there will be no hot pursuit and no other modality that will go against what I have just stated. We are going to strengthen and reinforce our fight against drugs because it is in our own interest. It is in the interest and for the benefit of all Mexicans to fight decisively, frankly, and openly drug traffickers because they go against the health of our families. They affect the health of our families, of our relatives. And they also have the money to corrupt anywhere and in any country. Therefore, we are going to continue waging this war against drug traffickers.

And you have there the results and the evidence. Last year we increased seizure of cocaine, 50 tons of pure cocaine seized in one single year with an equivalent value, street value, of twice as much the total external debt of Mexico. And at the same time we had the highest rates of eradication, the highest levels of eradication in the world in 1990 and 1991 to destroy marijuana and poppy crops. We are going to strengthen this because even though a lot of progress has been made, we have to continue waging a war energetically.

And at the same time we are convinced in Mexico that no country on its own is going to defeat drug traffickers. Therefore international cooperation is ever more important. Since we're going to intensify our domestic action, we are also going to strengthen international cooperation with dialog, through communication, through the level of communication and dialog that was attained at this meeting.

And finally, on the free trade agreement, negotiations are going well, very well.

President Bush. I think we'll finish this, and then we'll try to get you in the next round, sir, if that's agreeable.

Money Laundering

Q. My question is, are any possibilities that the United States, within the framework of this agreement, will lift the bank reserve to investigate drug traffickers at the request of Latin American countries which may ask for that in order to investigate cases of money laundering?

President Bush. I'm embarrassed to say I don't quite know how to answer your question. We did have a good discussion of money laundering and pledged total cooperation. But beyond that, I'm just not sure of the technical aspects of that question.

Q. Within the strategies put forth at this meeting, did any initiative arise to lift that bank security act?

President Bush. There was no discussion of that. There was a lot of discussion of maximizing cooperation on money laundering. But the technical part was not raised with me. Now, maybe it came up in the working groups.

Andean Economic Development

Q. I am from Peru, and my question is for President George Bush. The optimistic tone that you express when speaking of the reduction of consumption of various drugs in the U.S., up to 25 percent. Unfortunately I think that this is not shared by the producing countries, and they cannot say the same thing as far as results are concerned because there is a very wide gap.

While the United States invests billions of dollars on the drug war within the United States, it only devotes a small amount to Peru for alternative development to combat drugs, et cetera. How can you explain this, Mr. President? Can't you offer anything better now? Do you plan to do something in the future? If you have the security of being reelected, what will economic cooperation be like, and what assistance are you going to give to Peru and Bolivia who need help in alternative development?

President Bush. I think it's fair to say that the responsibility of the President of the United States first is the people in the United States. I mean, I don't want to be here under any false colors. We are spending a considerable amount of money. Drug spending overall, antinarcotic spending in one way or another, is up tremendously, I think, close to 100 percent, 60-some percent since I've been President. So, I would say I have to look at it that way. I hope it's not overly selfish.

We do have very strong aid programs and, hopefully, antinarcotics programs that are effective with Peru. We are dealing, and I think most people here that know our economy would tell you, at a time of rather sparse resources. We are operating at enormous deficits that concern the American people enormously. I mean, they are really concerned about the size of the deficit. So we don't have all the money to spend on all the programs that we think are worthwhile and that

we would like to spend it on.

I am determined to do everything I can in terms of setting priorities to help Peru, to help Bolivia with this alternate cropping and also with their own economies. And I think we've got a fairly, maybe some there wouldn't think generous, but a fairly generous allocation of funds in terms of our overall expenditures to these countries. And I expect that others wish there were more.

I've had a very frank discussion with the President of Peru, who was working hard and has made some wonderful financial changes in that country. Progress has been rather dramatic. And there's no question that he could use more funds, and we respect that. But I have to tell him, I have to set the priorities, and I have to say, this is what we think we can do right now. So that's the way I'd explain it.

Having said that, I don't want to end on a negative note because I think the general feeling at this meeting was one of great cooperation and understanding and frankness -- say, ``Lay it out there; what do you think you ought to have? You tell us whether we're cooperating with your judicial system." And they'd tell us. And that's the way it's got to be. It is a two-way street. And I think that, you can't put a price tag on it, but that was one of the things that I found the most productive out of this summit.

Does anybody want to ask anybody else a question, because this -- I'll take this row, and then everybody else has to ask someone else a question. I thought each one was to get two. Go ahead. I don't want to censor the press, though. I've learned -- -- [laughter]

Venezuela-U.S. Relations

Q. My question is for President Bush. Venezuela has been unfairly excluded from tariff benefits which have been granted to other countries. What specific economic measures is your Government planning to take to correct this?

President Bush. Well, we did not discuss today bilateral difficulties, for the most part. That subject was not raised by the Venezuelan Foreign Minister who was here. And I just can't give you an answer to it as to how we're going to treat it in the future.

Having said that, let me just simply express my determination to give full support to Venezuela. We think of Carlos Andres Perez, frankly, as one of the great democrats in this hemisphere, a man who has stood for democracy. And they are having some difficult economic times. And so in a very general sense I say I would like the United States to be as cooperative as possible with Venezuela. It is essential that this relationship, which I consider good, grow and be even better. But I want to keep it on a very general basis.

Now -- oh, you've got one for -- you're not from the foreign press corps. You don't look -- --

Q. We get two questions.

President Bush. Oh, you do? You're the second American? All right, we're working down this row. This gentleman, and then you're next, okay? Is that fair?

Where's Marlin to do all this? [Laughter]

Peru

Q. My question is for the President of Peru. Yesterday you, Mr. Fujimori, were very clear in indicating that U.S. aid in the fight against drugs, especially in Peru, has not been sufficient. Peru is not asking for money to solve its problem, but rather to solve the problem of drugs which affects the population of the entire world.

You said that you will not accept a timetable as long as there is no financing for that schedule. We cannot speak of objectives unless we speak of financing first. Are you satisfied with the results of the summit meeting? Are you satisfied with the figures? Are you willing to accept a schedule or a timetable?

President Fujimori. Precisely I have made comments to this effect regarding the drug traffic in Peru. And that is how -- regarding financing for the reduction of this activity in Peru, there have been serious problems, perhaps not so much regarding the amounts which the U.S. Government has generously allocated to us but above all because of the long time it has taken and the cuts there have been for reasons set forth by congressional committees to the effect that there are violations of human rights in my country, according to them, or because of the activity of the armed forces.

Therefore, that long time that it has taken to make these disbursements has led to the problems. Although these disbursements cannot cover all the areas of the fight against drug trafficking, when there is a reduction, when there are cutbacks, this generates even more problems.

Today we did not speak of timetables, specific schedules establishing dates and deadlines. But I think that in that sense there is agreement among all the countries and among the Presidents for this reduction in drug traffic to be carried out as soon as possible. But obviously, we all understand that this is related to the size of financial support in every sense and the tools that every country has within its sphere of problems. That is why this is the position reflected in the declaration which has been signed today.

Up to now there has been great emphasis made on the subject of interdiction, and this is one of the concerns for producing countries, above all for those which, like Peru, have a high number of farmers and peasants working in the drug traffic.

But today, too, similar emphasis has been placed on alternative development. International cooperation and specifically that of the United States and President Bush particularly, I think, is extremely important. Alternative development which will allow us to have the support of 250,000 farmer peasants as allies, not as enemies, and this will allow us to fight much more intensively.

The bilateral agreement that we have signed with the United States precisely points in that direction. And that agreement now stands, and fortunately, we have the full support of President Bush. And I am sure that along the path of such development we will be able to achieve important results.

President Bush. May I say to Marlin -- desperately signing ``two questions'' -- but four of the leaders have not had questions. So I would like to address questions, one each, to the remaining four leaders here. And then, since the departures are scheduled very tightly, we're going to have to conclude this press conference.

Local question to one of these four. Yes, do you have a question to the Colombian President?

Colombia

Q. There is a very controversial issue that has been talked about very loudly during the San Antonio summit, and that is your government has been very lenient and has come up with treaties with the narco-traffickers. If they give themselves up, they get a very lenient sentence. What kind of example are you setting for these people that are involved in this business?

President Gaviria. You can be sure the men who have submitted to justice, which were the leaders of the Medellin cartel, are going to have stiff sentences. I mean, there are some worries in the media about the sentences they will get, but we have the commitment with the international community. We have a new judicial system. We have transformed the judicial system, fortified, and we have received a lot of judicial cooperation from many countries, including the United States. And we are building strong cases against the narco-traffickers, and we can be sure that these men will get sentences that are proportionate to the kind of criminal activity they developed before they were submitted to the Colombian judicial system.

President Bush. This is for one of the three remainders, please.

Q. Actually, it's to you, President Bush. The question I have to ask is, over the last -- --

President Bush. Well thank you, I'm not going to take any more questions. I just told you. You didn't understand it.

Q. Well, over the last few days -- --

President Bush. Yes, this lady over here. Yes, please. I'm very sorry. You're dealing with somebody who has made up his mind. And we're trying to be courteous to everybody here. Now, if you have a question for one of the other three, ask it. Otherwise, sit down.

Q. I'll be happy to ask it to one of the other three; I would like for you to answer it as well. I'll ask it of the President of Mexico.

President Bush. He's already had a question. Sorry.

Q. Well, he's only had one.

President Bush. Okay, you go ahead. We're not used to this, but anyway, go ahead.

Mexico

Q. Since the Harrison Narcotics Act was passed in the United States, God knows at the beginning of this century, and since the United States and Mexico have cooperated on drug interdiction efforts for countless times since then, I spent some time with narcotics agents over the last few days who made busts who tell us that they're tired. They don't believe the war on drugs can be won. They consider this summit a joke, and they consider the Presidents cooperating in this summit to be a joke as well. What do you tell your people in the trenches, the people that are fighting it every day, what do you give them as a morale booster to tell them it's not a joke?

President Salinas. The most important thing is not to have impunity, for those who are acting as drug traffickers to know that in Mexico we are going to punish them with all the energy as is provided for in our law; and also with the conviction that by punishing them we are protecting our families; and also by acknowledging and being very much aware of the risk they're involved, how much their lives are at stake. Our action is completely determined, and we will completely maintain it with full energy. This is a true war in times of peace that we have decided to win against drug traffickers.

Bolivia

Q. I want to ask the President of Bolivia what are his impressions about the summit and what are they expecting for the country.

President Paz Zamora. What I take with me from this summit? I think that what part of the press felt that the summit might be before coming here, in the sense that from here we would have a multinational interventionist force going out, moving into our countries, impinging on our

sovereignty, I think has been fully cast aside by fact, by what has happened here. And rather, what we find here is a fraternal multinational effort of cooperation among brethren to combat the same evil in a fully independent way, respecting our rights and respecting our revindications, both individual as well as national.

In that sense, I want to tell you that it's a summit meeting in which I was satisfied, for example, to hear the report that I needed to hear as far as reduction in consumption in the United States is concerned. It's a summit that has satisfied me in the sense that I have been able to statistically witness that there has been a reduction in the crops of excess coca leaf in the area, a decrease which, by the way, coincides with what Bolivia has been able to obtain in the last 2 years, which is precisely 12,000 hectares.

Moreover, I believe that in this summit, the ideas put forth in Cartagena are better defined. And today, we see more clearly how one thing is the cocaine-drug traffic duo, and the other is the coca leaf-farmer peasant duo, and we must never, ever confuse the two in our strategies.

And finally, one impression that I want to give you: As always, President Bush has impressed us with his profound understanding of the problem. At this summit, too, I believe we have included concrete, practical elements, mechanisms that did not exist at Cartagena. And we have specifically insisted on what investment should play, what role it should have, both public and private, but noting that here we are not trying to place a drain on the U.S. taxpayers' pocket. We want to tell U.S. businessmen and industrialized countries' businessmen that we can contribute to this fight by investing money in producing countries and investing and establishing alternative development thus for the farmer peasants. I think this is a very important step for this summit meeting.

And something specific to conclude: We have all taken on the commitment, along with President Bush, to make an international offensive, an offensive we will carry out in Europe, in Japan, in Canada. And we've appointed a special group that will travel to get in touch with all of these countries so that they will also become involved in the efforts of Cartagena, one, and San Antonio, two, so that our efforts are truly global.

Peru

Q. President Fujimori, you yesterday suggested that you're concerned that the drug war may be headed towards a total failure, and also noted that since Cartagena, the amount of drugs, the supply of drugs, has not been diminished at all. As a result of the agreements reached today, are you at all confident or at all assured that the drug war may turn around towards victory? And do you believe in 2 years from now that the supply of drugs in the world will reduce, or do you think it will stay the same or even increase? Thank you. And if the President of Ecuador could comment, too, I'd appreciate it.

President Fujimori. Today's meeting has been characterized by the total honesty with which we have faced the various subjects. And thus, when we spoke about reduction, this was studied based on statistical charts, for example, the subject of demand and how that demand in the United States had been reduced significantly.

As far as supply is concerned, the production of coca leaf, as far as the amount of hectares is concerned, we see a reduction of approximately 5 percent to 8 percent from 1989 to 1991. Carrying out an even clearer analysis, this reduction is due basically to what has been obtained in Bolivia, 6,000 hectares. In other words, in Peru there has not been any reduction as far as the amount of hectares devoted to the cultivation of coca leaf. Therefore, if we speak honestly, this program has not been as successful in reducing the production of coca leaf.

Therefore, last year Peru presented a project which finally was turned into a bilateral agreement to carry this out in a different way. Unfortunately, the resources available are scarce. I have stated and I insist that this is a global problem. It involves not only the countries that produce the coca leaf, the commercializing countries, the consuming countries; it involves absolutely the whole world. And what our financing is devoted is not simply for Peru. Therefore, too, we must point out the need for more allocations. For example, in the case of Peru, I'm not talking about allocations for the Peruvian Government, no. This is an allocation for the struggle against drugs which would be applied in the battlefield which happens to be Peru. This is a global war. Part of that war is being waged in Peru.

Therefore, we require greater resources, which I am sure that the U.S. Government and also the governments of the international community will consider in its appropriate dimension. I insist and I repeat that we have had serious difficulties in this past year because we have had those cutbacks and those delays in the disbursements. We hope that such obstacles will not be repeated.

Likewise, we should say that on the supply side, Peru specifically, as the producer of 60 percent of coca leaf in the world and with the participation of 250,000 coca-producing farmer peasants are willing to change lifestyle. And they can do much more. Their contribution can be extremely noteworthy. And that is the potential that every government of the international community must take full advantage of.

Therefore, I was also concerned by the allocations made to the producing countries. I repeat, hopefully this can be improved. And it is also necessary, and I must say this also very honestly, for the good of the struggle against the drug war, that cases such as Peru's will not be slanted exclusively towards interdiction, that this will not be the bias, that we study the problem in an integral fashion, as we are doing it with aid from the United States, for example, in our air control, and at the same time development.

I have criticized the activities that have been carried out in the last 10 years because this

reduction has not come about. In other words, what we want is more integral treatment, less police treatment. I think that this is basic. And I think that in that we are in full agreement as well.

Ecuador

Q. President Borja, yesterday your spokesman told us that you and Ecuador do not have sufficient resources from the United States to fight drugs. Since now there are no specific timetables as far as money is concerned, what do you take back to your country in concrete terms?

President Borja. I think that it should be made very clear that, fortunately, Ecuador -- I repeat, it should be made very clear that Ecuador is an underdeveloped country as far as drug trafficking is concerned. We do not have coca cultivation. We do not refine cocaine. Drugs are not part of our exports, nor is it part of our economy. But naturally, that does not excuse us from our responsibility of agreeing to efforts with other countries in fighting in a united way against this modern scourge of drug trafficking and drug consumption, behind which there is enormous economic power. It is a plague that goes beyond any national borders. And therefore, as a response, it must receive concerted bilateral and multilateral action for that struggle to be successful.

I have spoken to President Bush bilaterally with regard to the need to finance certain defensive actions, now that we have the time to do it, to keep my country from becoming a drug producer. Up to now, all our struggles against the drug traffic basically have been financed with Ecuadorean capital. But this financing is not sufficient. The task to be carried out is very large. In fact, people have spoken of a war on the drug traffic. That implies a multiplicity of battles that must be won in order to win the war. That requires a lot of money. It requires great efforts. That is why we are here.

As President Salinas was saying, we are here to defend the things necessary for our countries in this battle against drugs. We must concert our battle against the drug traffic. And that struggle must be the result of an international response to a crime of international nature.

President Bush. May I apologize for any violation of the Fitzwater ground rules. I wasn't able to control it quite the way I would like to. And I apologize to the fellow Presidents here because we had a little divergence there where it got a little out of the plan that we agreed upon. But I hope you understand. And I hope those journalists from abroad who were denied a question or two would understand, too.

Thank you very, very much.

Note: The President's 122d news conference began at 3 p.m. on the lawn of the McNay Art

Museum. The other Presidents and foreign journalists spoke in Spanish, and their remarks were translated by an interpreter.

Exchange With Reporters Following the News Conference in San Antonio

February 27, 1992

Tax Legislation

Q. Do you think the tooth fairy is watching over that tax package?

The President. What? Something about a -- --

Q. Tooth fairy. Watched over the Democrats' tax package.

Secretary Baker. Taxes? State. Treasury is taxes. [Laughter]

Q. A great line, but never gotten it on the air. This is intense. [Laughter] But it's really unsatisfactory?

The President. Put me down as dissatisfied, yes. Terrible. It's so political and so disappointing to the American people, I think. But the Senate, there's still some hope there, I think. But it's better to keep trying, keep working, keep pressing for something that will help, not something that has a good political ring to it, necessarily.

Q. There's been no attempt by them at bipartisanship?

The President. I haven't sensed it at all. I think they voted in the very first minute to try to go politically one up. But I think the American people need some action.

Drug Summit News Conference

Q. You like to answer questions?

The President. No, I don't like to. She made me. [Laughter] The Devil made me do it. The Devil made me do it. [Laughter]

Q. Are you thinking about visiting South America?

The President. I hope I can get down there again. I know I will sometime.

Q. -- -- visit Ecuador.

The President. I've been there. As V.P., I was down there. I've been to Colombia several times.

Q. -- -- apologize to him?

The President. I apologized for getting the whole thing messed up. I don't know what happened. I told them all -- I mean, I'm afraid I know what happened. It wasn't very nice, but that's the way it is.

Q. Mr. President, was Mr. Fujimori too frank?

The President. I think you heard what he said in answer to his first question. Be sure you take a look at the text because it was very -- quite supportive.

Q. I need a question, please. One question.

The President. I may not have the answer.

War on Drugs

Q. Do you have proof about the narco-traffic leaders? Did President Gaviria have proof about -- --

The President. Proof?

Q. Yes, proof against the narco-traffic leaders.

The President. Oh, well, we will give full cooperation to the Government of Colombia to see that these people are brought to justice. And I think he feels he's getting the full cooperation. But it's very important. Intelligence exchange, exchange of information is something where the United States must work closely with this courageous President who is working very hard to bring tranquility to his country and working very hard to break up these narcotic rings. And we salute him for what he's done. And yes, the United States must provide whatever evidence we can to support his cases. And the whole judicial system in the United States, our Justice Department, must work cooperatively with the Government. And we are. I believe he's satisfied.

I really better run.

Note: The exchange began at 3:50 p.m. on the lawn of the McNay Art Museum. A tape was not available for verification of the content of this exchange.

Declaration of San Antonio

February 27, 1992

San Antonio Drug Summit 1992

We, the Presidents of Bolivia, Colombia, Ecuador, Mexico, Peru, and the United States of America, and the Minister of Foreign Relations of Venezuela, met in San Antonio, Texas, on the 26th and 27th of February, one thousand nine hundred and ninety-two and issued the following

Declaration of San Antonio

We recognize that the Cartagena Declaration, issued on February 15, 1990, by the Presidents of Bolivia, Colombia, Peru, and the United States of America, laid the foundation for the development of a comprehensive and multilateral strategy to address the problem of illegal drugs. Those of us who represent the countries that met in Cartagena strongly reaffirm the commitments assumed at that time. Meeting now as representatives of seven governments, we express our determination to move beyond the achievements of Cartagena, build upon the progress attained, and adapt international cooperation to the new challenges arising from worldwide changes in the drug problem.

We recognize that the overall problem of illegal drugs and related crimes represents a direct threat to the health and well-being of our peoples, to their economies, the national security of our countries, and to harmony in international relations. Drugs lead to violence and addiction, threaten democratic institutions, and waste economic and human resources that could be used for the benefit of our societies.

We applaud the progress achieved over the past two years in reducing cocaine production, in lowering demand, in reducing cultivation for illicit purposes, in carrying out alternative development programs, and in dismantling and disrupting transnational drug trafficking organizations and their financial support networks. The close cooperation among our governments and their political will have led to an encouraging increasing in drug seizures and in the effectiveness of law enforcement actions. Also as a result of this cooperation and political will, a number of the principal drug lords who were actively engaged in the drug trade two years ago are in prison in several countries. Alternative development programs have proven to be an effective strategy for replacing coca cultivation in producer countries.

Although we are encouraged by these achievements, we recognize that mutual cooperative efforts must be expanded and strengthened in all areas. We call on all sectors of society, notably the media, to increase their efforts in the anti-drug struggle. The role of the media is very important, and we urge them to intensify their valuable efforts. We undertake to promote, through the media, the values essential to a healthy society.

In addition to the cocaine problem, we recognize the need to remain alert to the expansion of the production, trafficking, and consumption of heroin, marijuana, and other drugs. We emphasize the need to exert greater control over substances used in the production of these drugs, and to broaden consultations on the eradication of these illegal crops.

We are convinced that our anti-drug efforts must be conducted on the basis of the principle of shared responsibility and in a balanced manner. It is essential to confront the drug problem through an integrated approach, addressing demand, cultivation for illicit purposes, production, trafficking, and illegal distribution networks, as well as related crimes, such as traffic in firearms and in essential and precursor chemicals, and money laundering. In addition, our governments will continue to perfect strategies that include alternative development, eradication, control and interdiction, the strengthening of judicial systems, and the prevention of illicit drug use.

We recognize the fundamental importance of strengthening judicial systems to ensure that effective institutions exist to bring criminals to justice. We assume responsibility for strengthening judicial cooperation among our countries to attain these objectives. We reaffirm our intention to carry out these efforts in full compliance with the international legal framework for the protection of human rights.

We reaffirm that cooperation among us must be carried out in accordance with our national laws, with full respect for the sovereignty and territorial integrity of our nations, and in strict observance of international law.

We recognize that the problem of illicit drugs is international. All countries directly or indirectly affected by the drug problem should take upon themselves clear responsibilities and actions in the anti-drug effort. We call on the countries of the region to strengthen national and international cooperative efforts and to participate actively in regional programs. We recognize that in the case of Peru, complicity between narco-trafficking and terrorism greatly complicates the anti-drug effort, threatens democratic institutions, and undermines the viability of the Peruvian economy.

We express our support for the anti-drug struggle being carried out by our sister nations of the Western Hemisphere, we call on them to increase their efforts, and we offer to strengthen our governments' cooperation with them through specific agreements they may wish to sign. We value and encourage regional unity in this effort.

We note with concern the opening and expansion of markets for illicit drugs, particularly cocaine, in Europe and Asia. We call upon the nations of those continents and on other member countries of the international community to strengthen, through bilateral or multilateral agreements, cooperation in the anti-drug effort in which the nations of the Western Hemisphere are engaged. To this end, we have agreed to form a high-level group with representatives designated by the signatory countries of this Declaration, to visit other countries of this

Hemisphere, Europe, and Japan, with the purpose of inviting them to participate actively in the efforts and cooperative strategies described in this Declaration.

We reaffirm our solid commitment to the anti-drug efforts of international organizations, notably the United Nations and the Organization of American States. Inspired by the mandate of the Inter-American Commission on the Control of Drug Abuse, we express our full support for its programs.

We recognize the fundamental importance of strong economies and innovative economic initiatives to the successful conduct of the anti-drug effort. Further progress in the areas of trade and investment will be essential. We support the Enterprise for the Americas Initiative as a means of improving economic conditions in the Hemisphere, and we are encouraged by the progress the countries of the region have made in restructuring their economies.

We reaffirm the importance of alternative development in the anti-drug effort. We note that the victims of narco-trafficking in the region include those sectors of society that live in extreme poverty and that are attracted to illicit drug production and trafficking as a means of livelihood. We consider that if our efforts to reduce illegal drug trafficking are to be successful, it will be essential to offer legitimate options that generate employment and income.

We propose to achieve the objectives and goals defined above in this Declaration and in its attached Strategies for Action.

Recognizing the need to ensure cohesion and progress in our anti-drug efforts, our governments intend to hold a high-level meeting on an annual basis.

In order to broaden international anti-drug efforts still further, we invite additional countries or representatives of groups of countries to associate themselves with this Declaration.

Done at San Antonio, Texas, on this, the 27th day of February, 1992, in the English and Spanish languages.

[At this point, the representatives of the seven nations signed the declaration.]

Strategies for Drug Control and the Strengthening of the Administration of Justice

The Countries intend to strengthen unilateral, bilateral, and multilateral enforcement efforts and strengthen judicial systems to attack illicit trafficking in narcotic drugs, psychotropic substances, and precursor and essential chemicals. The Countries are determined to combat drug trafficking organizations through the arrest, prosecution, sentencing, and imprisonment of their leaders, lieutenants, members, accomplices, and accessories through the seizure and forfeiture of their assets, pursuant to the Countries' respective domestic legal systems and laws in force. To attain

these objectives, the Countries intend to carry out coordinated cooperative actions through their national institutions.

Enforcement efforts cannot be carried out without economic programs such as alternative development.

The Countries request financial support from the international community in order to obtain funds for alternative development programs in nations that require assistance.

1. Training Centers

The Countries intend to provide training for the personnel who are responsible for or support the counter-drug battle in the signatory Countries at national training centers already in existence in the region. Emphasis will be given to the specialties of each of these centers in which personnel from governments of the other Countries may be enrolled as appropriate, in accordance with their respective legal systems. The signatory Countries, other governments, and international organizations are encouraged to provide financial and technical support for this training.

2. Regional Information Sharing

The Countries intend to expand reciprocal information sharing concerning the activities of organizations, groups, and persons engaged in illicit drug trafficking. The Countries will establish channels of communication to ensure the rapid dissemination of information for purposes of effective enforcement. This information sharing will be consistent with the security procedures, laws, and regulations of each country.

3. Control of Sovereign Air Space

The Countries recognize that drug traffickers move illicit drugs via identified air corridors and without regard to international borders or national airspace. The Countries also recognize that monitoring of airspace is an important factor in the apprehension of aircraft and crews involved in illicit drug traffic.

The Countries recognize that there is a need to exchange timely information on potential drug traffickers in and around each country's sovereign air space.

The Countries also agree to exchange information on their experiences and to provide one another with technical assistance in detecting, monitoring, and controlling aerial drug trafficking, when such assistance is requested in accordance with the domestic laws of each country and international laws in force.

4. Aircraft, Airfield and Landing Strip Control

The Countries, recognizing that private and commercial aircraft are being utilized with increasing frequency in illicit trafficking of narcotic drugs and psychotropic substances, intend to establish and increase the necessary enforcement actions to prevent the utilization of such aircraft, pursuant to the domestic laws of each country and international regulations in force.

The Countries also intend, if necessary, to examine their domestic regulations pertaining to civil aviation in order to prevent the illicit use of aircraft and airports. They will also take the enforcement measures necessary to prevent the establishment of clandestine landing strips and eliminate those already in existence.

The Countries will cooperate closely with each other in providing mutual assistance when requested in order to investigate aircraft suspected of illicit drug trafficking. The Countries, pursuant to their domestic legal systems, also intend to seize and confiscate private aircraft when it has been proven that they have been used in the illicit traffic of narcotic drugs and psychotropic substances.

5. Maritime Control Actions

As called for in Article 17 of the 1988 United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, the Countries intend to strengthen cooperation to eliminate to the extent possible illicit trafficking by sea. To this end, they will endeavor to establish mechanisms to determine the most expeditious means to verify the registry and ownership of vessels suspected of illicit trafficking that are operating seaward of the territorial sea of any nation. The Countries further intend to punish illicit traffic in narcotic drugs and psychotropic substances by sea under their national laws.

6. Chemical Control Regimes

The Countries recognize that progress has been made in international efforts to eliminate the diversion of chemicals used in the illicit production of narcotic drugs and psychotropic substances. They specifically support the ``Model Regulations to Control Chemical Precursors and Chemical Substances, Machines and Materials'' of the Organization of American States, the chemical control measures adopted at the April 1991 International Drug Enforcement Conference (IDEC) meeting, and the recommendations in the Final Report of the Group of Seven Chemical Action Task Force, published in June 1991. The Countries call on all nations, and in particular, chemical exporting countries, to adopt the recommendations of the Group of Seven Chemical Action Task Force. They welcome the work of the above-mentioned Task Force and await with interest its report to the 1992 Economic Summit, in which it will make recommendations for the proper organization of worldwide control of those chemical products.

The Countries express their support for including ten additional chemicals in the United Nations

Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, as proposed by the United States on behalf of the Chemical Action Task Force in the U.S. notification to the Secretary General.

The Countries call on the International Narcotics Control Board to strengthen its actions aimed at controlling essential and precursor chemicals.

The Countries intend to investigate, in their respective countries, the legitimacy of significant commercial transactions in controlled chemical products. The Countries call on the chemical producing nations to establish an effective system for certification of end uses and end users.

The Countries will take appropriate legal action against companies violating chemical control regulations.

Studies will be conducted in the countries where narcotic drugs and psychotropic substances are produced in order to quantify the demand for chemicals for legitimate purposes in order to assist in the control of these products. The United States intends to provide financial and technical assistance for conducting the aforementioned studies and for setting up national data banks.

The Countries urge all nations and international organizations to cooperate effectively with programs aimed at strengthening border control in order to prevent the illegal entry of chemicals.

7. Port and Free Trade Zone Control

The Countries intend to implement measures to suppress illicit drug trafficking in free trade zones and ports, as called for in Article 18 of the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances and in accordance with the recommendations of the Ninth International Drug Enforcement Conference. A group of experts may be required to conduct a specialized study in order to identify the ports and free trade zones and identify the vulnerable points in the ports and free trade zones in the region that could be utilized for illicit traffic in drugs and chemicals. This study and subsequent reviews will serve as the basis for adopting measures to prevent illicit traffic in drugs and controlled substances in ports and free trade zones.

8. Carrier Cooperation Agreement

The Countries are concerned about the difficulties inherent in the identification of suspicious shipments included in the great volume of legitimate commerce. In order to improve the effectiveness of border controls and also facilitate the transit of legitimate merchandise, the Countries intend to enlist the cooperation of air, land, and maritime transport companies. The Countries agree, in principle, to implement common standards and practices in order to include carriers in measure to improve anti-drug security.

9. Money Laundering

The 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances establishes a series of measures related to the control of financial assets to which the Countries intend to conform their domestic laws. The Countries support full implementation of this Convention, which requires, inter alia, the criminalization of all money laundering operations related to illicit drug traffic.

The Countries recognize and support the efforts of the Group of Seven Financial Action Task Force. The Countries call upon the Eleventh Meeting of senior-level OAS/CICAD officials to approve the Model Regulations on Money Laundering related to illicit drug traffic.

The Countries intend to make recommendations regarding the following:

-- The elements of a comprehensive financial enforcement and money laundering control program;

-- Exchange of financial information among governments in accordance with bilateral understandings.

10. Strengthening the Administration of Justice

The Countries recognize and support efforts designed to improve their judicial systems, in those cases in which this may be necessary, in order to ensure the effectiveness of those systems in establishing the culpability and penalties applicable to traffickers in illicit drugs. They recognize the need for adequate protection for the persons responsible for administering justice in this area inasmuch as effective legal systems are essential for democracy and economic progress.

The Countries call on all nations to strengthen the United Nations Drug Control Program.

11. Strengthening Judicial Cooperation

The Countries support the provisions of the 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances related to increased cooperation and mutual legal assistance in the battle against illicit drug trafficking, money laundering, and investigations and proceedings involving seizure and forfeiture. The Countries must consider approval of the projects of the OAS Inter-American Judicial Committee on mutual legal assistance in criminal matters and on precautionary measures.

The Countries will encourage the expeditious exchange of information and evidence needed for legal proceedings involving illicit drug trafficking, pursuant to their domestic laws and bilateral

and multilateral agreements.

12. Sharing of Assets and Property

The Countries shall seek to conclude bilateral or multilateral agreements on the sharing of property seized and forfeited in the struggle against drug trafficking in accordance with the laws in force and the practices in each country. The Countries also consider that asset sharing would encourage international cooperation among law enforcement officials, and that confiscated property would be a valuable source of funds and equipment for combatting drug production and trafficking and for preventing drug consumption and treating addicts.

13. Firearms Control

The Countries recommend that measures to control firearms, ammunition, and explosives be strengthened in order to avoid their diversion to drug traffickers. The Countries also call for an enhanced exchange of detailed and complete information regarding seized weapons in order to facilitate the identification and determination of origin of such weapons, as well as the prosecution of those responsible for their illegal export.

To this end, the United States intends to tighten its export controls and to cooperate with the Governments of the other Countries to verify the legitimacy of end users.

The Countries consider that close cooperation with the OAS/CICAD is essential in such firearms, ammunition, and explosives control efforts.

14. Other Cooperative Arrangements

The Countries recognize that cooperative operations have been a useful tool in the war against drug traffickers in the past. The Countries intend to continue and expand such cooperative measures through their national organizations responsible for the struggle against illegal drug trafficking.

Strategies in the Economic and Financial Areas

The Countries propose to strengthen unilateral, bilateral, and multilateral efforts aimed at improving economic conditions in the countries involved in the cycle of illegal drug production and trafficking. Extreme poverty and the growth of the drug problem are the main reasons that peasants become involved in illegal coca leaf production. The Countries reaffirm the principles in the Declaration of Cartagena, which accept that alternative economic development is an essential part of the comprehensive plan to reduce illegal trade in narcotic drugs and psychotropic substances. Alternative development cannot succeed in the absence of enforcement and interdiction efforts that effectively reduce this illegal drug trafficking.

The Countries recognize and approve of the structural changes that have taken place in the economies of the Andean countries and Mexico. These changes strengthen stability and increase prospects for economic growth. The Countries recognize that these reforms merit full support. Efforts to attract an increased flow of private investment will provide opportunities for sustained economic growth.

1. Economic Issues

The Countries recognize that the Enterprise for the Americas Initiative (EAI) with its three pillars -- investment, trade, and debt -- offers important means of improving economic conditions in the Hemisphere.

All of the Countries have signed bilateral trade and investment framework agreements with the United States. The Countries recognize that these agreements are important to encourage investment and trade liberalization, and they intend to move ahead with the three pillars of the EAI as follows:

a. Investment

The Countries recognize the critical importance of enacting laws and taking steps that encourage private investment and economic development. In this regard, the Countries have expressed their willingness to negotiate parallel bilateral agreements to protect intellectual property rights, as well as bilateral investment agreements, and others that promote trade liberalization. For this purpose, the Enterprise for the Americas Initiative includes trade and investment framework agreements.

The Countries express their satisfaction with the establishment of the Multilateral Investment Fund under the aegis of the Inter-American Development Bank. The Countries consider this Fund important to provide technical assistance and to encourage private investment.

The Countries note that the move towards a market economy in Latin America is a good vehicle for generating sustained economic growth, with benefits throughout society. They therefore view with interest experiences in privatizing services and industries that can serve to attract a significant flow of direct foreign investment. The initiation of operations by the Multilateral Investment Fund and technical assistance in support of privatization efforts will aid in the development of market economies. Some Andean countries plan to proceed with privatization programs and reforms of financial systems to the degree and depth possible in each country.

The Andean countries state that facilitating access to the 936 funds would have a catalytic effect in attracting private investment to that subregion.

The profound structural changes in the region make the active participation of financial entities in funding private projects more important than ever before. The Countries urge entities such as the International Finance Corporation (IFC) and the Inter-American Investment Corporation (IIC) to continue working with the Andean region. The countries of the Andean region are pleased by Mexico's participation as a stockholder in the Andean Development Corporation (ADC), which is a suitable channel for development activity in the subregion, particularly for the private sector, within a framework of productive integration. These countries express their interest in also being able to count on active participation by the United States Government in the ADC. The United States takes note of that interest.

b. Trade

The Countries express their satisfaction regarding enactment of the Andean Trade Preference Act which allows the countries of the Andean region to export a wide variety of products to the United States for a ten-year period without paying duties. Those eligible countries that wish to benefit from this law will take the required steps. The United States, furthermore, plans to implement the provisions of this law as rapidly as possible in order to extend its benefits to the countries determined to fulfill the criteria in the Law. The Andean countries also express their interest in having these preferences extended to Venezuela.

The Countries recognize that the proposed North American Free Trade Agreement will be an important step in the process of creating a hemispheric free trade agreement in accordance with the Enterprise for the Americas Initiative. The Countries stress the importance of continued economic integration and trade liberalization efforts.

c. Debt

The Countries express their satisfaction with the progress achieved by some Andean countries and Mexico in renegotiating their debt with the private international banking system and intend, when appropriate, to continue to support reduction of this debt. The Countries point out that the economic reforms implemented by Bolivia have already made it possible for that country to benefit from the reduction of a large part of its bilateral debt with the United States under the auspices and in the spirit of the Enterprise for the Americas Initiative, which will make it possible to implement environmental projects in Bolivia. The Government of the United States will continue to take the necessary steps to obtain the legislative approval required for the debt categories that still do not have this authorization.

2. Alternative Development

The Countries acknowledge that the goals of the Cartagena Declaration regarding the substitution of other agricultural products for coca and other plants that feed the drug cycle, and the creation of new sources of licit income, have not yet been fully achieved. The Countries note

that in a major new initiative, the United States -- in consultation with Bolivia, Colombia, Ecuador and Peru -- is engaged in a program to provide training and technical assistance in agricultural marketing that will stress participation by the private sector as well as assistance for animal and plant health. The Countries applaud this program and intend to facilitate its implementation to the maximum extent possible.

Notwithstanding assistance already pledged by the United States and the United Nations, the Countries recognize the need to establish a broad basis of funding for alternative development. For this reason, and given the worldwide range of illicit narcotics, the Countries intend to strive for increased participation of countries such as Japan and others as well as international financial agencies and institutions such as the World Bank, the Inter-American Development Bank the European Community, the OAS, the OECD and others. The Andean nations believe, and the United States takes note, that such actions should also include the establishment of a facility for alternative development in an international financial institution. The Countries are determined to enlist the support of the international community in their fight against drugs.

The Countries support the work of the OAS/CICAD Group of Experts charged with reviewing the alternative development approach and recommending ways to enhance it.

Under the alternative development program, the Countries recognize the importance of implementing short-term projects such as emergency food programs, food for work, and income and employment generation. The Countries recognize that these efforts must simultaneously accompany eradication efforts in order to reduce the economic impact on coca leaf producers. These short-term actions must be aimed at producing jobs and temporary income until such time as the alternative development projects are fully developed.

The Countries underscore the need for alternative development programs to be strengthened in coca leaf producing countries, or in those countries with areas that have potential for producing plants from which elements utilizable in the production of narcotics and psychotropic drugs can be extracted, so as to reduce the supply of raw material that feeds the narco-trafficking cycle. These programs will help farmers have different economic alternatives, which will allow them to move away from illegal coca production.

The Countries acknowledge the progress achieved in alternative development in Bolivia and the beginning of alternative development activities in Peru. In this context, the Countries note the bilateral agreements with the United States signed by Peru and by Bolivia to implement alternative economic development and drug control programs, as useful experiences applicable to other countries. These two most salient examples are summarized as follows:

Bolivia

In Bolivia, with the firm support of the United States, efforts undertaken to develop other crops

in coca producing zones, as well as in those areas from which people have been expelled, are having some success, starting with the production of genetic material with a proven biological viability, acceptable rate of return and a potential for export. Technical assistance and credit, as well as continued training of farmers, permits the achievement of a good level of technology transfer.

Actions taken in the infrastructure area have made it possible to improve the means of transporting agricultural products to consumer markets and processing them.

Aggressive marketing is slowly allowing the opening of internal markets to the first items of this production, in accordance with phytosanitary and quality control requirements. The support being given to the social dimension by providing infrastructure in the health and education sectors is making it possible to improve the quality of life of the rural population.

A new five-year project, which will start in early June of 1992, will provide continuity and strengthen key activities, such as marketing and private investment.

Multilateral cooperation through the United Nations Drug Control Program (UNDCP) has also assisted in the alternative development process, especially in basic sanitation, roads, energy and agroindustry.

Nevertheless, based on the above-mentioned Bolivian experiences it is recommended that:

1. Recognition be given to the fact that implementation of coca reduction policy has to be adapted to the pace of alternative development in order to reduce the gap between the loss of income and its replacement. It is evident that the success in alternative development will discourage farmers from growing coca.

2. Recognition be given to the importance of full and active participation by the farmers in alternative development processes.

3. Bilateral and multilateral cooperation in alternative development be considered with regard to its specificity. It should include comprehensive, multisectoral and long-term program guidance and should also be sufficiently flexible, broad and timely to be able to promote qualitative changes beyond the short term.

Peru

In the case of Peru, progress can be summarized by the following points:

-- The participation of the United States Government and Japan in the support group for the reentry of Peru into the international financial community. This allows the IDB and other

bilateral donors to provide funds.

-- The carrying out of massive food aid programs, promotion of a favorable economic policy framework for the development of the private sector and the liberalization of two-way trade.

-- The existence of projects, especially in the Upper Huallaga Valley where 14,000 farmers have received technical assistance in seed research, production, and marketing. The project provided credit and land titles and made it possible to resurface 1,200 kilometers of roads and to set up potable water systems, health posts and latrines.

-- The massive support received by President Fujimori from the rural population in coca producing areas.

-- Plans for 1992 that call for the resurfacing of the road linking the Upper Huallaga Valley to the coast, a program for recognizing and awarding property rights, and the participation of multinational firms interested in investing in alternative development projects.

-- All this has been achieved in spite of insidious narco-trafficking, terrorism and the alliance between the two. Under the Agreement on Narcotics Control and Alternative Development signed on May 14, 1991, which includes aspects relating to interdiction and security, an autonomous Peruvian institution will be responsible for distributing the necessary resources. This institution and its U.S. counterpart will hold meetings to implement the shared strategy, immediately after the Presidential Summit in San Antonio.

-- With respect to respect to human rights, the importance of conducting the anti-drug struggle within the framework of international standards is stressed.

-- With respect to the citizens' commitment to the anti-drug effort, emphasis is placed on the need for them to have access to information and for efficient legal and administrative systems to exist.

-- In order to have adequate farmer participation, consideration should be given, among other requirements, to:

(a) Creating the democratic tools that make it possible to involve the people directly in the decision-making process;

(b) Recognizing, awarding, and registering property rights;

(c) Concluding crop substitution agreements with farmers;

(d) Ensuring that eradication programs take into account the safeguarding of human health and

preservation of the ecosystem;

(e) Fostering new economic opportunities, such as alternative development and crop substitution programs, that will help to dissuade growers from initiating or expanding illegal cultivation;

(f) Implementing reforestation programs in those areas where coca has been eradicated but where the land is not suitable for farming;

(g) Substantially facilitating access to business activity and to credit;

(h) Abolishing bureaucratic obstacles and mechanisms, particularly those that limit the production, marketing, and exportation of alternative goods;

(i) Promoting the participation of all countries interested in providing technical solutions and conducting specific alternative development projects with the peasants and/or their organizations.

3. The Environment

The Countries express their concern regarding the severe damage that coca cultivation and illegal processing of coca derivatives are causing to the environment of the Andean region. The slash-and-burn method employed by coca and opium poppy growers causes severe erosion of the soil, and indiscriminate disposal of the toxic chemicals used to produce coca derivatives is poisoning the rivers and the water table. These activities enrich a small group of traffickers and cause harm to thousands of people.

The United States Government notes that it is helping the Andean governments address the serious environmental problems caused by illegal coca and opium production. The United States is providing technical assistance and training under comprehensive environmental management programs that are important components of alternative development projects. The United States is providing assistance for watershed management, farm-level and community forestry, reforestation and environmental restoration, education on environmental problems, and environmental monitoring programs. These efforts are designed to prevent damage to -- and to restore -- the soil, water, and forest resources, thereby improving the quality of life and expanding opportunities for those who abandon, or never initiate, coca production in favor of alternative crops. The Countries agree that such technical assistance and training services must be designed to strengthen the capacity of Andean governments to protect their countries' natural environment.

The Countries agree to design and implement suitable programs to reduce the negative ecological impact of coca production and ensure that security, interdiction, and substitution activities take the protection of the ecosystem into account.

Strategies for Prevention and Demand Reduction

The Countries recognize that consumption of, and illicit traffic in, drugs and psychotropic substances are a comprehensive problem, and that it can therefore be resolved only if control, interdiction, and supply reduction measures are accompanied by vigorous and effective action in demand reduction.

It is also necessary for society, including its members who consume illegal drugs and those who are involved in illicit drug traffic or the cultivation of plants intended for conversion into illicit drugs, to be made aware of the harmful consequences of the production, traffic, and consumption of illicit drugs. It is imperative to provide warnings about the dangers of violence, crime, corruption, environmental damage, addiction, and the dissolution of society and the family resulting from the drug problem.

The Countries are convinced that raising awareness regarding the harmful impact of drug-related offenses will motivate society to develop a culture that rejects drug use and to support vigorously efforts to combat supply and demand. In order to support this awareness campaign, the Countries agree to assume the responsibility, either individually or jointly, to conduct long-term programs to inform the public through the appropriate mass media and other information resources.

The Countries also call on their respective private sectors to combine efforts to create a culture that rejects drugs.

In this regard, the Countries are aware that demand can be controlled and reduced and that the basis can be laid for increasing awareness by means of continuous, systematic actions that include:

1. Prevention

The Countries consider that prevention must be a priority aspect of national strategies to reduce the demand for drugs.

In order to prevent consumption of drugs and dissuade occasional users, the Countries must include in their national and drug control strategies comprehensive prevention programs that include, among other things:

a. Education

The Countries recognize that education is fundamental in the upbringing of the individual and the creation of positive values and attitudes toward life, and that the educational system at all

levels and in all its forms is a suitable tool to reach most of the people. Consequently, the Countries undertake to engage in additional educational efforts for comprehensive prevention of drug use from pre-school through higher education, by means of scientific research, in order to create an attitude and a culture that rejects drugs and in which the family and the community play a fundamental role.

b. Community Mobilization

The Countries wish to emphasize the importance mobilizing all sectors of society against drugs as a fundamental part of national prevention efforts. This mobilization includes carrying out actions at the individual, family, and social levels by means of activities that include recreation, sports, and cultural events that make it possible to achieve a total rejection of drug consumption.

2. Treatment and Rehabilitation

In order for drug addicts to receive suitable assistance, the Countries consider that it is necessary to increase their capacity with regard to treatment and rehabilitation, in addition to improving the quality of services. The Countries consider that these programs must be designed not only to rehabilitate drug addicts but also to help them reenter society.

The Countries believe that treatment and rehabilitation are basic in reducing the consequences arising from drug use, including AIDS transmission, societal violence, and the destruction of the family and social structure.

3. Scientific Research

The Countries recognize that it is necessary to establish programs for basic and social research, including epidemiology, in their national strategies. Epidemiological programs must be conducted using a methodology that makes it possible to compare findings at the regional and international levels. These findings will also be useful in evaluating prevention programs. The Countries undertake to exchange information on drug abuse through a regional information network and to support initiatives to establish a data bank on this subject, especially within the framework of CICAD.

4. Training

The Countries undertake to cooperate by providing appropriate technical assistance for the education and training of human resources in these areas.

The Countries will also endeavor to consult with one another and exchange information on the prevention of illicit drug use, treatment, rehabilitation, and scientific research. In this regard, they agree to cooperate in order to determine the most effective ways to utilize the research

findings in implementing the various programs.

5. National Councils

The Countries are convinced that the creation of national councils to coordinate efforts to develop strategies against illicit drugs has made an important contribution to the development of prevention, treatment, and rehabilitation programs in all the countries.

6. Follow-Up

The Countries undertake to engage in ongoing follow-up of the actions described above. To that end, they will assign responsibility to their national councils in line with OAS/CICAD programs.

Note: The declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

Remarks at a Points of Light Recognition Ceremony for the San Antonio Spurs Drug-Free Youth Basketball League in San Antonio

February 27, 1992

Let me thank David, David Robinson, for the introduction, what he does for you kids, what these other guys do for you guys; Mayor Nelson Wolf; and it's great to see all of you here. Gregg Popovich and Frank Martin, thanks for the great work you do for the league. I'm also glad to see some of the Spurs here and, of course, an old friend of mine, owner Red McCombs, and players. Thanks for letting Barbara and me take part in all of this.

I'm glad to see so many of the parents here today because the future of every community depends on the strong families. And that was the firm belief of our Founding Fathers, and it's just as true today.

And as for the San Antonio Spurs, well, I've often said that from now on in America, any definition of a successful life must include serving others. And we call helping others being one of a Thousand Points of Light. And it's great to see athletes who succeed off the court as well as on and are willing to help the young people in this country. They set a great example for all of us, and thank you, guys.

You know, many sports celebrities have volunteered their time and effort in the fight against drugs. But think of what could be accomplished if every basketball, baseball, football, soccer, hockey team, from major league to college, followed your example and became Points of Light in this struggle. And then, from San Antonio to Minneapolis, San Diego to Miami, a network of athletes would show our kids there is an alternative to drugs and crime. And think of what would be accomplished if leaders of every institution here committed themselves to helping the Spurs and other organizations solve social problems through voluntary service. San Antonio, the whole city, would become a community of light, something your Mayor over here is working for every single day.

And you kids are learning something more than just how to make a layup, although I saw some real pros out there doing that, put on a full-court press. You're learning about what really makes adults click, responsibility, conscience, and goals. And you're helping this wonderful community become a decent, drug-free, safe place to live. And by staying drug-free, and I just heard a group of these kids take the pledge in there, staying drug-free, you're helping the country set up a chance for everybody keeping away from the deadly grip of drugs.

We're seeing results. This year we've dramatically exceeded many of the goals that we'd hoped to reach, particularly in the area affecting kids like you. The national goal was to reduce casual

drug use by 30 percent. It's actually fallen 63 percent. And that's something that we've all done together and something that everyone here, the adults who are working with these kids, should be particularly proud of.

And so, I came here today to meet with Latin American leaders for coordinating our nations' efforts to combat drugs. We are going to win that fight. We had a very good meeting with all these Presidents, who were thrilled to be in San Antonio.

We want to make life better for the kids in this country. And as a Nation, we have to celebrate the success stories. Showing the good that's being done inspires others to get out there and do good as well. And so, we're here to honor something special, your determination and your spirit. And you kids, and the 2,300 like you across this city, are learning very important lessons here: Staying drug-free can help you make your dreams come true.

Today, in order to highlight for others the good work that you are doing here, all of you, young and old, I recognize the San Antonio Spurs Drug-Free Youth Basketball League as our Nation's 705th daily Point of Light. You see, you prove that no community has to accept things as they are. Drugs and other problems can be driven from our backyards if leaders in every community are like these guys, if leaders in every community care enough to urge people to become Points of Light.

So congratulations to all of you who show us that it's better to build children than repair adults. Keep making those hoops against all odds. And may God bless each and every one of you.

And now I would like to ask Pop, Gregg Popovich, to come up here and let me present him with the symbol honoring his efforts, your efforts, the team's efforts as the 705th daily Point of Light for our whole country. You're going to set an example for many others in cities all across America.

Congratulations.

Note: The President spoke at 5:02 p.m. at the West End Community Center. In his remarks, he referred to center David Robinson and assistant coach Gregg Popovich of the San Antonio Spurs and Frank Martin, director of the youth basketball league.

Statement on the Death of Former Senator S.I. Hayakawa

February 27, 1992

Barbara and I are saddened to hear about the death of former Senator S. I. Hayakawa. Senator Hayakawa was a leading voice on behalf of the people of California and the Nation. His counsel was always sound and welcome, and his legacy will be well remembered.

Barbara and I extend our sympathy to the family and friends of Senator Hayakawa.

Statement on House of Representatives Action on Tax Legislation

February 27, 1992

Democrats in the House of Representatives today took a turn down a familiar path; they voted to raise taxes. They voted against creating jobs and stimulating the economy. Instead of voting to provide greater opportunities for all Americans, they voted to saddle the economy with a $100 billion tax increase.

In my State of the Union Address I asked Congress to put politics aside and pass my economic growth plan by March 20th. It's a plan that will create jobs and put Americans back to work immediately.

Economists, Democrats and Republicans alike, agree that the Democrat package that passed today does not create jobs or stimulate the economy. The Democrat package gives typical Americans only about 25 cents a day for 2 years. But it increases taxes permanently. I believe a Congress that has consistently shown it spends too much of hardworking Americans' tax dollars should not be allowed to tax and spend any more.

I will not accept the Democrat tax increases. The American people would want me to veto this latest Democratic tax increase. And let there be no question, I will.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Leonid Kravchuk of Ukraine

February 27, 1992

The President spoke by phone with President Kravchuk of Ukraine this morning for approximately 20 minutes. The two Presidents discussed the situation in Ukraine and Ukraine's international debt situation. President Kravchuk stated that Ukraine will meet its goal for withdrawing all tactical nuclear weapons from its territory. In addition, he emphasized Ukraine's intention to support ratification of the START and CFE treaties.

Both Presidents welcomed the excellent state of bilateral relations, and President Kravchuk accepted the President's invitation to make an official working visit to Washington on May 6.

Statement by Press Secretary Fitzwater on the Confirmation of Barbara Franklin as Secretary of Commerce

February 27, 1992

The President is delighted that the United States Senate voted overwhelmingly to confirm Barbara Franklin as Secretary of Commerce. As Secretary of Commerce, Barbara Franklin will be a leader in the administration's drive to create jobs, increase economic growth, and keep America at her competitive best in the global market place.

Secretary of Commerce Franklin will work closely with Congress, business leaders, and organizations to ensure that the Nation's business and commerce needs are served in the most productive manner as we move into the 21st century.

Nomination of Wayne A. Budd To Be Associate Attorney General

February 27, 1992

The President today announced his intention to nominate Wayne A. Budd, of Massachusetts, to be Associate Attorney General. He would succeed Francis Anthony Keating II.

Currently Mr. Budd serves as a U.S. Attorney for the District of Massachusetts in Boston, MA. From 1969 to 1989, he served with the law firm of Budd, Wiley & Richlin in Boston, MA, most recently as the senior partner.

Mr. Budd graduated from Boston College (B.A., 1963) and Wayne State University School of Law (J.D., 1967). He was born November 18, 1941, in Springfield, MA. He is married, has three children, and resides in Saugus, MA.

Remarks at the Houston Livestock Show and Rodeo Dinner in Houston, Texas

February 28, 1992

Thank you very much, Don. Let me just say how pleased Barbara and I are to be back here. You have a wonderful way of making people feel at home, those involved in the Houston Livestock Show and Rodeo. Let me first salute last year's winners of the Scramble, of the Houston Calf Scramble, now celebrating its 50th year, and also the 1991 livestock and dairy judging contests. Congratulations on using your $800 certificate to help buy a heifer; what's more, to help pay for a year-long animal project.

To Tom Glazier and Bill Ruckelshaus and his wife, Jill, over here, and Judge Lindsay and our great new commissioner of agriculture, Rick Perry, and fellow Houstonians and Texans. As I say, it is a joy to be back here for a lot of reasons. It's a joy to be out of there; that's in Washington.

But first let me just thank Dick Graves. The first thing when we arrived here that was on our table was a beautiful book commemorating 60 years of the rodeo. And typical of him, his thoughtfulness, there it was awaiting us when we arrived. I want to thank him, and obviously thank him for these two very special commemorative belt buckles. In this tough political season I can't think of a more pleasant way to get belted. And once again, it is a pleasure to be with you.

I went to the first, I think, my first show when Bar and I just moved down here from Midland in 1960. And there we got the feeling of what was going on, seeing the whole community coming together to back these young would-be ranchers and farmers. And I've been back to the show many times.

The spirit of this show has obviously not changed since then or really since it started. Nor has the courage and the heroism of the cowboys, nor the titanic size of the cattle. Seven years ago, as I think Don mentioned, I first attended, a first for me, the Houston Calf Scramble banquet -- steak and eggs was what I thought it was when I got going, ``calf scramble'' -- [laughter] -- but here we are once again 7 years later, and I see that Barbara and I are holding up the meal.

I want to tell you why we were a couple of seconds late walking in here. We were presented a replica of this magnificent bronze that I understand you can see it from the freeway, Dan Gattis and Joe Ainsworth showing us a model of this. And I just can't wait to see the real thing, time and a half as big as the real horses and just a fabulous bronze. So if any of you haven't seen it, I expect most everyone here has, why, you're in for a treat. From what we've seen, it is really spectacular.

In 1988, I was the grand marshal of the rodeo parade. I would like everybody to know that; that was a great honor. It was only equalled by being the grand marshal a year before of the Daytona 500. I think I was going up, though, when I got to be the grand marshal of this one. And I just wish we were going to be able to be with you for one of the shows. But again, many, many thanks.

A couple of things pleased me. First, I liked the show's timing. Maybe I can pick up some tips on how to herd Congress my way. And if that doesn't work, there's always roping and tying. I'm looking forward to being back in this Astrodome, I might say, this summer very much. We're going to bring a lot of people with us, and I hope that's good for Houston. But I think they're in for a treat as well.

The reason I'm most glad to be with you, though, is a feeling that eclipses time and place. It's the feeling that we share as Americans, a feeling we share as Texans, and the feeling when you see the bluebonnets or spot the cattle grazing in the distance or see a landscape that causes a catch in the throat or a tear in the eye. Ours is a great State, and we don't like limits of any kind.

Ricky Clunn is one of the great bass fishermen. He's a Texan, young guy, and he's a very competitive fisherman. He talked about learning to fish wading in the creeks behind his dad; he in his underwear, wading in the creeks behind his father. And he said, as a fisherman he said, ``It's great to grow up in a country with no limits." And I've always remembered that wonderful statement by this young kid who has gone on to be one of the champion fishermen in our country and a proud son of Texas.

We don't like limits of any kind. And we know that sustained by the big things like family, home, school -- and thank you, Reverend Payne -- church, community, and country, we can remake a lot of our country in this image that I think of as Texas: generous, self-reliant, enterprising, proud, patriotic.

Here's a story that I think shows what I'm talking about here. It's a favorite of Phil Gramm's. Phil tells of a friend of his named Dickey Flatt who owns his own printing press, lives in Mexia, Texas, population of about, what, 7,000. And he's Phil's barometer of what is right and what is true. He says whether Dickey works 12 hours a day, 6 days a week, whether he's at church on Sunday or a Boy Scout meeting or the chamber of commerce, he can never quite get the blue ink off his fingers. So when a bill comes up in Congress, Phil asks, ``Is it worth taking money out of the pocket of Dickey Flatt to spend on this program? And let me tell you, there are a lot of programs," he says, ``that don't stand up to that test." And to that, I would simply say Amen. That's the kind of way I think we ought to look at some of the things that are going on in Washington.

Ask yourself or your neighbor: Wouldn't we all be better off if all of us, executive branch and the Congress, thought a little more about people like Dickey Flatt who is out there working his

heart out? And wouldn't our lives be better, our Nation greater if, instead of Government, we put the individual first?

This guy Dickey Flatt is like a lot of Texans. We do believe in good schools and good streets. We believe in less Government and keeping taxes down. And we still believe, I think, in a strong defense.

I am very proud that since I've become President, the Berlin Wall has come down and the Soviet Union isn't anymore. Imperial communism, the aggressive communism that wanted to take over the world, doesn't exist anymore. And I think these young kids here today probably go to sleep at night without the fear of nuclear weapons and nuclear war that maybe their mothers and dads did, not so many years ago. So, we have a lot to be grateful for in terms of the changes that are taking place around the world.

Having said that, I have proposed substantial defense cuts based on the recommendation of the Joint Chiefs of Staff and of our very able Secretary of Defense. But people say to me, ``What is the enemy?" And the enemy is unpredictability. The enemy is surprise. And I am determined as long as I am President to keep the muscle of our defense intact so that we can guarantee the national security for these young kids that are here today. And that's an awesome responsibility and one that I hope I can fulfill.

We believe that trapping people in dependency is wrong. There's an awful lot of people that need help. They need help from community, as our able judge knows, my friend Jon Lindsay. They need help from Government. And the Government should be compassioned and try to help. But when we have a system that assigns people, because of its inadequacy, to generation after generation of welfare, there's something wrong. And we're trying to change it, and we ought to change it because we need people to have a little more dignity and a little less dependence on a system that regrettably has let them down.

We believe that America is divinely blessed. I still feel this, and I still think that we ought to have voluntary prayer in our schools. I don't think anybody is hurt by that. And I think our Nation was weakened when that was removed from the classrooms of this country.

And so I've tried to highlight some of the values. You know, we had -- I mentioned this in my State of the Union Message -- several of the leading mayors, I think it was the executive committee from the National League of Cities, came to the White House. And they made a real impression on me -- Mayor Tom Bradley of the sprawling city of Los Angeles and others from large cities; one Republican mayor from a tiny town in North Carolina; the Mayor of Plano, a woman from up in Plano, Texas -- and all of them said, ``We have met, and we believe that the major problems in the cities stem from the decline of the American family."

And so that night in the State of the Union Message, I appointed a commission to be headed by

Governor Ashcroft and by Mayor Strauss, former Mayor Strauss, Annette Strauss of Dallas, to take a look at every single piece of legislation to see if in some devious way it weakens family and then to make proposals for legislation that can help keep our families together. The more I think about the problem, the more I think those mayors are right. And I hope as President we can demonstrate not only love for our own personal family but the fact that we think family is very, very important to the heartbeat and to the strength of our great country.

This is America. This is what we are and why we live. And these things are worth fighting for, as Texans have shown that from San Jacinto until just a year ago today, I believe it was, when that war in the Persian Gulf wrapped up with many volunteers, many reserves, many regulars coming from our great State in that war as they have in so many in the past.

There are also things which don't change from one year to the next in our neighborhoods, in our churches, in our families, and in ourselves. And I think these values show why the American way of life is the greatest way of all.

We're in some tough times now. I happen to think there's a little too much pessimism around because we are Americans, all of us here, we are Texans, and we're not going to be defeated. We're going to prevail as this economy comes back. And as we once -- we will keep the position we have in the world as number one. I hear people talk about, `Well, we want to be first." Well, we are first. You have to go to some foreign country, and there's never been more credibility or respect for the United States of America around the world than there is today.

So I think we've been a little too apologetic and a little too pessimistic in these tough economic times. And I hope I'm the one to lead us out of that pessimism into the kind of days that this State knows and knows well.

We are delighted to have been here today. And I might -- listen, can I make one other family observation? I am very proud -- Barbara's -- I'm having difficulty living with her because this morning they named a school for her right here in -- Barbara Bush School, and she's been on Cloud Nine since she got back. But I think she's doing a superb job in emulating and speaking for these values that I've talked with you a little bit about today.

I don't know why I've inflicted such a philosophical lecture on you at such an upbeat time as this. But maybe it's just because we feel we're among friends.

Thank you all very, very much.

Note: The President spoke at 4:07 p.m. at the Sheraton Astrodome Hotel. In his remarks, he referred to Don Jordan, master of ceremonies, Tom Glazier, vice president, Dick Graves, president, Dan A. Gattis, general manager, and Joseph T. Ainsworth, M.D., executive committee member, Houston Livestock Show and Rodeo; William D. Ruckelshaus, former Environmental

Protection Agency Administrator, and his wife, Jill; Jon Lindsay, county judge, Harris County, TX; Senator Phil Gramm; and Claude Payne, rector of St. Martin's Episcopal Parish, Houston, TX, who gave the invocation.

Exchange With Reporters in Houston

February 28, 1992

Presidential Campaign

Q. Mr. President, Marlin Fitzwater says Buchanan is a town bully.

The President. Hey, I don't want to take any questions. We're here talking rodeo.

Q. They're Fitzwater's words, not ours.

The President. I have great confidence in Marlin. [Laughter]

We've got to see the big guy here.

A little jackass coming up here. Get him over.

Q. I'm afraid to ask a question after that remark. [Laughter]

The President. That's right -- [laughter]. I wasn't speaking about anybody in the traveling -- --

Q. Look out -- --

The President. Look out for that jackass there, guys -- miniature mule, watch out for the miniature mule over here. These things can kick you.

Q. Are you getting tired of getting beat up by Pat Buchanan, Mr. President?

The President. No -- --

Q. [Inaudible]

The President. That's not what these guys thought.

Q. This is the symbol of the Democratic Party. [Laughter]

Q. Are you embracing this animal? [Laughter]

Q. -- -- gloves off, Mr. President?

The President. Well, some people are suggesting that, but I feel comfortable with where we are. I don't think a President should get down there in that level. I think just keep trying to do my job and try to say what I believe, as I did over here. And I was very pleased with the response here, incidentally. You can ask these guys -- --

Q. [Inaudible]

The President. Well, I feel comfortable with where we are.

Q. Do you think that voter discontent will remain so long as the economy -- --

The President. I think the economy has a lot to do with it. I think there's a little too much negative about it, but yes, I do think it will. I have to bear my share of responsibility. What I want to do is put the emphasis on the good things about this country and about the fact that things are beginning to move and about the fact that we've got some fine programs. But when you get into a campaign year, why, things are a little distorted.

The American people are a little tired of all the attack; I think they're a little tired of that. You know, five Democrats out there and then one other guy. So, I'm just trying to do my job and stay calm and say what I'm for and continue to lead this country. I think people -- --

Q. Are you resigned to losing the 20 - 30 percent in the primary?

The President. No, I'm resigned to winning the nomination and winning the Presidency. And I really feel very confident about both. I hope that confidence is justified, but I feel confident about it. And I can't be dissuaded by a lot of political attacks. I've just got to keep -- you know, this drug summit yesterday happened to be important if you believe in the lives of our children, if you believe in trying to strengthen families by getting rid of some of this narcotics. So, I have to do certain things that the attackers don't have to do. One of them is be President. And I think I'll be there for another 4 or 5 years.

Agriculture

Q. Mr. President, in the campaign, agricultural issues haven't been at the fore -- --

The President. No. Part of that is because the early States haven't been as -- [applause] -- hey, wait a minute. Where's the response? Where's my response, hey. [Applause] Some of that I think is because Iowa normally is a battleground, and normally we get our ag policies out there. And I think that's one of the reasons you haven't heard quite as much about it, but a very important issue. But I think we've had good agricultural programs.

One of the main things to do -- and this gets into whether you get into the attack business in the primaries -- what we're trying to do is conclude a Uruguay round of the GATT that will expand markets for agriculture and avoid some of the terrible Democratic policies of the past like agricultural boycotts. And I've been a President that understands that. And I think farmers, I hope they'll understand it. But I think the reason I gave you is why you're not hearing quite as much about ag issues.

School Named for President

Q. How many schools are named after you, Mr. President?

The President. One, and the vote was 3 to 2. [Laughter] But I won it, and the school is in Midland, Texas.

Q. So it's tied now.

The President. Yes, but she got a unanimous school board -- --

Mrs. Bush. Now, wait a minute.

Note: The exchange began at 4:26 p.m. at the Houston Astrodome. A tape was not available for verification of the content of this exchange.

Presidential Determination No. 92 - 18 -- Memorandum on Certification for Major Narcotics Producing and Transit Countries

February 28, 1992

Memorandum for the Secretary of State

Subject: Certifications for Major Narcotics Producing and Transit Countries

By virtue of the authority vested in me by Section 481(h)(2)(A)(i) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2291(h)(2)(A)(i) (``the Act''), I hereby determine and certify that the following major narcotics producing and/or major narcotics transit countries/dependent territory have cooperated fully with the United States, or taken adequate steps on their own, to control narcotics production, trafficking and money laundering:

The Bahamas, Belize, Bolivia, Brazil, China, Colombia, Ecuador, Guatemala, Hong Kong, India, Jamaica, Laos, Malaysia, Mexico, Morocco, Nigeria, Pakistan, Panama, Paraguay, Peru, Thailand, Venezuela.

By virtue of the authority vested in me by Section 481(h)(2)(A)(ii) of the Act, 22 U.S.C. 2291(h)(2)(A)(ii), I hereby determine that it is in the vital national interests of the United States to certify the following country:

Lebanon.

Information on this country as required under Section 481(h)(2)(D), 22 U.S.C. 2291(h)(2)(D), of the Act is enclosed.

I have determined that the following major producing and/or major transit countries do not meet the standards set forth in Section 481(h)(2)(A) of the Act, 22 U.S.C. 2291(h)(2)(A):

Afghanistan, Burma, Iran and Syria.

In making these determinations, I have considered the factors set forth in Section 481(h)(3) of the Act, 22 U.S.C. 2291(h)(3), based on the information contained in the International Narcotics Control Strategy Report of 1992. Because the performance of these countries varies, I have attached an explanatory statement in each case.

You are hereby directed to report this determination to the Congress immediately and to publish

it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:42 p.m., March 9, 1992]

Remarks to the Associated General Contractors of America in Dallas, Texas

February 29, 1992

Thank you all. Pleased be seated. And Marvin, thank you, sir, for your warm welcome, for your wonderful support, for being an outstanding leader of the AGC. And may I salute -- although you are not officially in the lame duck status yet -- [laughter] -- several more months to go -- may I also salute Robins Jackson over here, who will be your successor and I'm sure will do a good job as well. I am delighted to be here with Kirk Fordice, the new and outstanding Governor of the State of Mississippi, one of your own. He's served this outfit well as president. And let me also single out a man I've known for years, the Mayor of your host city, my old friend, a former Member of Congress, Steve Bartlett. What a job he is doing for this great city. Steve, where the heck is he? Right over here. And I'm proud to stand with you today, the men and women who work in construction in this great country. You are one gutsy group of Americans, and I believe the whole country knows it.

We mark an anniversary this week. One year ago, American and allied forces liberated Kuwait. In only 100 hours of ground combat, those troops achieved a magnificent victory. When we drew our line in the sand, I faced resistance from two corners. On one side was the latest wave of out-of-touch liberals who argued that we shouldn't fight for what was right. I also had to contend with another group of skeptics, folks who harbor a strange nostalgia for the 1930's, when America isolated itself from the world security challenges and from trade opportunities.

But standing steadfast with me were millions of commonsense Americans like yourselves, and right where you've been in good times and in bad. People in our construction trades have never, never, ever been confused about our national symbol. You know it's not the ostrich; it's the eagle. And I am grateful for your support. We agree on the big issues that shape our world and on the values, the values close to home. And I'm talking about jobs, about family, about peace, for ourselves and for, as Marvin said, for our kids.

Today, our top concern is getting the economy moving and growing again. And I couldn't have a better set of partners in this project than the Associated General Contractors of America. We've been together in earlier battles for this cause, and together we've won. And we've stuck to principles, and we've helped make this country strong. I'll always remember where you stood back in 1982, when times were as tough as they get. The economy then was still in a rather deep recession, reeling from the malaise days of the late seventies. Unemployment, you remember, in '82 was 10.7 percent. President Reagan and I knew that the only effective remedy wasn't more Government control; it was greater freedom. And you shared our long view of things, and you stood with us solidly.

In 1990, when the business cycle turned down, you stood with your President once again and

helped me light a fire under the do-nothing Congress of the United States. And because you flexed your muscle, we got one good piece of economic legislation in 1991, one specially good piece: the $150 billion Surface Transportation Act. It took longer than we wanted, but we got the job done.

As you know, I've speeded up the flow of funds from this measure to modernize our bridges and highways. All across America, we're helping companies put people back to work. In fiscal '92 alone, Federal highway funding will support more than 900,000 jobs.

And I have good news for the American economy as we mark the first anniversary of the liberation of Kuwait. As President, I've placed a top priority on helping Kuwait recover from the ravages of that terrible war, from the environmental disaster, from so many things. And as Kuwait rebuilds, I'm pleased to report that American companies have won more than half of all the reconstruction contracts. In '91 and '92 alone, those contracts will pump an additional $5 billion into the American economy, and merchandise exports alone will create 60,000 new American jobs. Now, this good news proves that our long-range program to create jobs by pushing exports is working. In the past 5 years, exports have generated almost half of America's growth. And we're going to keep putting Americans to work by opening new markets for American goods around the world.

There's a lot more that we've got to do to build on our achievements. And in my State of the Union Message, I sent a comprehensive economic action plan to the Congress, and I set a deadline: March 20th. You and I know the major cause of the drag on our economy. It is that Government is too big and that it spends too much.

And that's why I was sorry to see what the Democrats in the House of Representatives did just this past Thursday. To play election-year politics as usual -- let me step back. I urged the Congress in the State of the Union to put politics aside and to pass an incentive program, telling them I'll be glad to engage with them politically after the 20th of March and they should lay politics aside until then. I asked them to put politics aside as usual, but playing politics, they passed up a chance to stimulate the economy.

The plan they passed will raise the deficit, will raise taxes, will ruin the fledgling economic recovery, and worst of all, it will not create jobs. So let me right here, before the AGC, end any suspense: If that plan reaches my desk, I will veto it fast and send it back to the United States Congress.

On March 20th, I want to sign into law reforms to get our economy moving. I really think that's good. And we need to get business growing again right now, upgrading plant and equipment again, hiring workers again. We need incentives, incentives like an investment tax allowance. Consider how that would help Williams Brothers Construction Company, just for example. If my 15-percent investment tax allowance is passed by Congress, it will mean an additional

$300,000 in working capital this year for this equipment-intensive contractor.

And yes, it is clearly time for Congress to cut that tax on job creation and investment. It is time to cut the tax on capital gains.

To get housing back on its feet, I've put forward what I think most people across this country see as commonsense proposals to get people buying and building homes. For instance -- we talk about family -- but for instance, I'm asking for a $5,000 tax credit for first-time homebuyers. The Democrats in the House offer these young people nothing. But with our plan, young people almost able to buy that first home could do it with the extra $5,000 in their pocket.

Just the other day I met with your industry partners, the National Association of Home Builders. Their economists predict that this year alone, this year alone, my plan would mean an extra 200,000 homes built and 415,000 new jobs in the homebuilding side of the construction business. Since you clear the tracts and pave the new streets and build the shopping and office centers that go with new neighborhoods, I know that growth in housing would be welcome on your side of the business, too.

Your powers of persuasion are legendary. You've got a lot of respect, power in the corridors of power. And so, I'm counting on you to get my message to the Congress: Pass this incentive plan, and meet the deadline. Tell your Members of Congress, March 20th is when the rubber meets the road. And March 20th is when the Congress has to make a choice: Put America back to work, or go with the old tax-and-spend politics as usual. I believe March 20th is the time to do something good for the American people. Please get that message to Congress.

While Congress chafes under that deadline, and while Senate Democrats now float tax plans that would end up raising tax rates for people who make $35,000 a year, I have taken actions on my own to get the economy moving. For example, we've begun an unprecedented, top-to-bottom reform of business regulation.

During the weeks since the State of the Union Address, we've changed key banking rules to ease the credit crunch. For healthy banks, we've changed overly strict definitions of bank capital, creating more access to capital. We've also cut redtape to make it easier for small businesses to get capital from the securities markets. And we've accomplished important reforms to the burdensome payroll tax system.

But that's not all. On January 28th, I instituted a 90-day freeze on new Federal regulations that could hinder economic growth. And we're also reviewing all existing rules, and we will propose legislation wherever needed to reform burdensome regulation. And let me tell you, we will take every action we can to stop regulations that hurt growth and speed up rules that will help get this economy growing. We are overregulated, and I need your help with Congress on that point as well.

Marvin and others have been in touch. And I know that the construction industry is hard-hit by Federal regulation. That's why we've acted to allow Federal contractors more flexibility in the use of less-skilled workers. We recently began implementing an important rule that allows such cost-saving measures. Not only will the rule make it easier for construction firms to do business, it will also save taxpayers an estimated $600 million a year.

Many times there's a noble idea behind a regulation, but many times regulators go to unreasonable extremes. My message to Congress, and yes, to the regulators in the executive branch is this: Overregulation is just that, it's over. And let me say this: If there are exceptions -- and some regulators have not gotten the word -- tell your leadership, tell Marvin here, let us know. And I will do my level best to clear out any unfair obstacles to growth.

I'm also fighting hard against another epidemic that's stricken America, against the epidemic of lawsuits, 18 million last year alone. I think you got it but lest you didn't, 18 million last year alone. The costs and delays in our legal system are a hidden tax on every construction operator, on every consumer, on every business transaction in this country.

And it's not just the cost of doing business that's being affected. Frivolous lawsuits are tearing apart our social fabric in this country. Some of you probably coach Little League. You're aware, as well as I am, that all around this country fathers are quitting as Little League coaches because they're afraid of liability lawsuits. That's a sign that something's wrong. Or when people stop volunteering in their communities because they fear some ambulance-chasing lawyer, something is terribly wrong. And I've even heard that communities have had to cancel Fourth of July fireworks displays because they can't get liability insurance.

Well, I am determined to change that. And I've sent a reform bill to Congress to halt needless lawsuits and to give Americans easier alternatives for settling disputes. I see that you in the AGC have your own industry initiative to achieve more partnership and fewer lawsuits among contractors and subcontractors. And I applaud you for doing this. The real answer to solving problems is to be more concerned with helping each other than suing each other. And I want to fight for the reforms that will back up that principle. So, let's work together. Let's keep working together to break up America's love affair with the lawsuit.

Since the first settlers came to our shores, Americans have been a restless people. We're forever on the move building, inventing, expanding, renewing. And I share that spirit, and I've never been more restless than now about the state of affairs in Washington. The rest of the world looks to us as a beacon -- don't listen to the naysayers on this point -- the rest of the world looks to us as a beacon, as the strongest, bravest, freest, most generous nation on Earth. But in our Nation's Capital, the tired old liberal leadership of Congress is mired in cynicism and defeatism.

For 3 years, I've wrestled with a Congress too often paralyzed, tangled up by a 30,000-person bureaucracy and a $1.5 billion budget, a Congress too caught up in protecting their special perks

and privileges to perform the public's business. No wonder term limits for Congress are picking up support. And I agree. If we have term limits on the President, term limits for Congress is a good idea, too. And let's work for it.

The old ways have to change. People want change. Each one of you is a proven leader in a trade that wrote the book about getting top-quality projects done, and done within deadlines. So, I'm counting on you to make Congress learn how to meet a deadline.

My opponents have cornered the market for slick rhetoric. But when it comes to delivering results, I have a plan that will stimulate economic growth. And they don't.

I need your help. Help me get a message to Capitol Hill. Tell them what hard-hat America thinks about Congress and its politics-as-usual. Tell them the construction trades support this plan to get our economy moving. And tell them I'm dead serious about that deadline and that you're dead serious about the deadline. And tell them my plan sets down a solid foundation for lifting this country to new heights.

This convention hall holds very special memories for me. It was here in 1984 that Ronald Reagan and I accepted our party's nomination for a second term as President and Vice President of the United States. And I was very proud to serve with Ronald Reagan, and he's a man of vision and courage and achievement. And remember the recession of 1982? It was tough then. Remember the criticism? Remember the noise on Capitol Hill? Unemployment got up to 10.7 percent. But we stayed tough, kept the Congress from doing crazy things, renewed our commitment to keep this country moving forward for the long haul. We pulled out of the doldrums, and we kept moving America forward because we had your support and the support of millions like you who share our values.

And yes, times are tough now, but we will stick to principle. And we will again come through these sluggish economic times. This is no time for despair. This is time for determination. And this is time for action.

The American people are getting a little tired, frankly, of the gloom and doom they hear every single night on television. And I'm glad my frank wife, Barbara, is not here or she'd tell you what she thought about that. [Laughter]

Our side will prevail again. With your mind and your muscle, we'll prove the pessimists wrong again. People know we're in a battle for the future -- about jobs; it's about family; it's about world peace; it's about the kind of legacy we're going to leave the young ones here today. And we will renew this country, and I guarantee you we will keep it strong. And we will build a better America.

Thank you. Good luck to each and every one of you. And may God bless the United States of

America. Thank you very, very much.

Note: The President spoke at 9:44 a.m. at the Dallas Convention Center. In his remarks, he referred to Marvin Black, president of the Associated General Contractors of America.

Remarks to the Georgia Republican Party in Atlanta, Georgia

February 29, 1992

Audience members. Four more years! Four more years! Four more years!

The President. Thank you, Alec. Thank you, Newt. And thank all of you. Let me single out our chairman, Alec Poitevint, and thank him for his leadership of this obviously activated, insurgent, and wonderful Georgia Republican Party. Get to Newt in a minute, but may I salute the members of the Georgia General Assembly that are here, my old friend Senator Mack Mattingly, who is sorely missed in the United States Senate, I might add.

And I understand that Savannah's Mayor is here, and I look forward to being with Susan Weiner tomorrow as well. And I thank our national committeewoman, Carolyn Meadows, and our Georgia campaign chairman, my old friend Fred Cooper, who is over here somewhere but doing a great job.

And as for Newt, there is no one quite like him. Let me simply say he is, as you know, clearly one of the very, very top leaders of the Republican Party nationally. And I am very grateful to him for the steadfast support and leadership that we get on Capitol Hill. Every single day that I work with him and with Bob Michel, I'm saying to myself: We have got to take the message to the people in the fall to get more Republicans in the Senate and get more Republicans in the House of Representatives. If you want change, that's the kind of change we need.

And my thanks to all of you for coming to Atlanta from all over, Macon to Marietta, from the four corners of this great State. This gathering marks a great triumph. You look around this room, and I think it's just clear how far we've come. It must be something about the Republican Party and red clay. [Laughter] In this State and all across the South, the Republican Party is here to stay. And that is what this meeting is about. And that's what the votes in this State are all about.

And with this rise comes a new generation of Georgia Republicans, the reformers, who are trying to teach Washington, DC, the wisdom of their ways. And I'm talking, of course, about Newt Gingrich and Mack, and about Bo Callaway and thinking back; thinking about Lou Sullivan now. And when we call the roll, let's not forget Pinpoint's favorite son, Supreme Court Justice of the United States Clarence Thomas. And I'm proud I named him to that Court.

Our party prospers here because the great strengths of the Republican Party are the great strengths of the South: bedrock belief in family and in faith, community and country; the virtues of hard work and humble worship; the willingness to sacrifice for country in times of war and to

help others in times of peace. These are the beliefs that sustain us. It's our commitment to family, to jobs, to peace that inspires us. And all across America, these values are growing stronger, coming back by popular demand. And as a Nation, we've begun to see in these values a solution to so many of the crises that plague our cities and our schools and our streets.

People are coming home to the values that never left their hearts. We believe that parents, not the Government, should make the decisions that truly matter in life. Parents, not Government, should choose their children's schools. Parents, not Government, should choose who cares for their children. Parents know better than some bureaucrat in Washington, DC. And yes, we believe there's a place for voluntary prayer in our children's classroom.

And we believe America's first so long as we put family first. And these bedrock beliefs, they don't fade with age. They don't change from one election to the next. They are the home truths that call this Nation forward to greatness. And if America holds fast to these truths, we'll never lose our bearings.

Still, right now there's no denying it, in too many ways we're going down the wrong track. We've got to reform our legal system. The home of the free has become the land of the lawsuit. And we've got to end that. And that's why we sent up a bill to the Congress to stop these frivolous lawsuits. Nuisance suits sap our economy and tear its social fabric of our society. And when you're as likely to serve your neighbor a subpoena as a cup of coffee, something's gone wrong. And when doctors won't deliver babies and dads won't coach Little League for fear of lawsuits, something's wrong. America won't find its way out of this mess until we spend more time helping one another than we do suing one another. We need more people like Newt Gingrich in the Congress to support reform legislation in terms of these vicious and outrageous lawsuits.

We've got to reform this Nation's health care system. Right now, the quality of American health care is the best in the entire world, make no mistake about it. The problem is access. Too many Americans with families do not have health insurance coverage. And you know how even a short stay in the hospital can rip a hole right through the family's budget. Well, all Americans deserve quality health care and a sense of well-being. But socialized medicine is not the answer, and I will fight against those plans. We have a good, specific plan. And my plan focuses on opening up access to health insurance for all Americans, rich and poor. And if we wanted long lines and revolving-door health care, we'd put our doctors to work at the department of motor vehicles. The last thing we want is the Government playing doctor. And you listen to the campaign plans on the other side, and you'll know exactly what I mean. I will continue to fight for health care for all, and I will fight against those astronomically expensive schemes to socialize American health care.

We've got to reform our welfare system. People are willing to support benefits for families in need; of course they are. And yes, Americans care. We always have; we always will. But they

want to see some connection between welfare and work. And they want to see government at every level work together to track down the deadbeat dads, the ones who can't be bothered to pay child support. And they want to see us break the cycle, that dreadful cycle of dependency that destroys dignity and passes down poverty from one generation to the next. Think about it. Think about a young child born into that. It's wrong. It's cruel. We've got to do something to change it.

A number one issue today, though, is the economy. I think we all know that. It's jobs. And that's what's keeping people up late at night, worrying about how they're going to pay the bills and put food on the table, care for their kids, and still manage to put away something for their own retirement. We've got to get this economy moving. And Americans want to work. They want the opportunity to earn more money. And that's why in my State of the Union Address, I laid out a two-part plan to spark economic recovery, to create jobs: a seven-point short-term plan to stimulate the economy as early as this spring and then a longer term plan to keep America growing tomorrow and into the next century.

And because I knew I couldn't wait for Congress to act, I set a deadline to help them along the way. And that's why I was sorry to see what the House Democrats did this past Thursday. Instead of working on my plan, liberal Democrats pushed through one of their own. And true to its form, it's a tiny temporary tax cut in exchange for a huge permanent tax hike. And to play election-year politics as usual, they passed up a chance to stimulate the economy. And the plan they passed will raise the deficit, raise taxes a whopping $100 billion, and ruin our economic recovery. And worst of all, it will not create jobs at all. And so, let me end the suspense. If that plan reaches my desk, I will veto it instantly and send it right back up to Capitol Hill.

And frankly, there's even greater danger here. If the liberal Democrats ever decide to make that two-bit tax cut permanent, they'd have to jack up -- and I think Newt expressed this on the floor; certainly I've heard him speak about it -- they'd have to jack up the tax rate for every American making more than $35,000 a year. You heard it right, $35,000, for a plan that's supposed to help the middle class. And that's going to come as real news to a lot of factory workers and hard-working schoolteachers, people you know, everyday Americans struggling to make ends meet.

Let's face it, when that tax-and-spend crowd talks about taking aim at the champagne-and-caviar set, it's middle America that always takes the hit. And the liberals are going to tax that middle class for the same reason that Willie Sutton robbed banks, because that's where the money is. So, do not listen to this silly campaign rhetoric out there. Ask any economist, and they'll tell you the quickest way to cut this recovery off at its knees is to raise taxes.

If they're serious about this recovery, Congress must pass my plan. My plan contains an investment tax allowance to create incentives for American businesses to buy new equipment and then hire more workers. To bolster sagging real estate markets, this plan will give the first-time homebuyer a $5,000 tax credit to help them with that down payment. For families here in

the Atlanta area, that credit is worth 6 months' mortgage payments on the average Atlanta home.

And let me say to these opponents of mine: No one is fooled by your paying lip service to competitiveness and practicing class warfare. Quit punishing the people who create jobs, and pass my plan and cut the capital gains tax, cut it down so we can get America back to work.

My plan really, if you look at it, you'll see that it's shaped to meet the new economic realities, realities that have helped make Atlanta the South's great international city. And come 1996, Atlanta comes of age as America's very own Olympic city. And that's going to be just great. There's a popular saying: When I pass into the hereafter, I don't know if I'll be going up or down, but wherever I go, I'll change planes in Atlanta. [Laughter] They're going to see that one in 1996.

You know, Georgia's unemployment rate is low. But I'm sure Georgians know the actions we take now affect our economic health for the long term. We're working to expand trade. We're working to open markets all over the world to American products. That was my mission when I went to Asia. It's what our trade teams push for every time they sit down at the negotiating table. And if we want to ensure good jobs for the future, we've got to work for free trade now.

The truth is, if we want to succeed economically at home, we have got to lead economically abroad. Right here in Georgia, in the past 3 years, manufacturing exports have almost doubled. Today, an estimated 165,000 Georgia jobs are tied to trade.

So, get past all the tough talk out there, all the patriotic posturing about fighting back by shutting out foreign goods. If this country starts closing its markets, other countries will close theirs. And when that happened, who gets hurt? Easy, we do. Our economy does. The workers in the State of Georgia do.

But my opponents aren't about to let fact intrude on fantasy. They're peddling protectionism, a retreat from economic reality into a dangerous pre-World War II isolationism. Look closely, that's not the American flag they're waving; it's the white flag of surrender. And that's not the America you and I know. I will veto any protection legislation that comes to the White House from this protectionist Congress.

The bottom line is, we do not run, and we do not cut out; we compete. And never in this Nation's long history have we turned our backs on a challenge, and we're not going to start now. I put my faith in the American worker. Level the playing field, and the American worker will outthink, outproduce, outperform anyone, anywhere, anytime.

And I say let the world know we are in it to win. Don't listen to those talking heads out there, the folks who can't seem to feel good unless they've got something bad to say about our great country. If you think I feel strongly about this one, you ought to hear Barbara Bush, the Silver Fox, speak about it. [Laughter.] She wouldn't even let me listen to the TV news last night.

There's a lot of gloom and doom out there.

America isn't a nation that gets ahead by tearing down others. Time after time, America's been called upon. And time after time, America has met the challenge. And this time America will do it again.

Think back to one year ago today, to the calm after Desert Storm. Ask any one of the proud sons and daughters of Georgia who became a liberator of Kuwait, and they'll tell you military strength is nothing without moral support right here at home.

I won't ever forget my visit during those difficult times to Fort Stewart, Georgia, the wives and parents that I talked to, the people who, their loved ones in harm's way, still told me this: America must do what is right. And their quiet courage and their patriotism said it all to me. It was an emotional time, I'll tell you. And never would this country tuck tail and let aggression stand. America would do what was right and good and just, and America would prevail.

And there were those who didn't support us then, and there are those who second-guess us now. But not the good people of Georgia. In those difficult days when our kids laid it all on the line, this State, its young men and women never wavered because, you see, Georgia kept the faith. And we're bringing that same spirit to the fight we face today.

From next Tuesday through the first Tuesday in November, we are going to take our message all across the country. You don't have to be a negative message. You don't have to always be saying something bad about somebody else. We've got lots to be proud of, lots to advocate, lots to be for.

So if you want to send a message to Washington, send this President back for 4 more years and send -- --

Audience members. Four more years! Four more years! Four more years!

The President. Send more good Georgia Republicans to Congress to help out this leader right here.

Let me close with just a couple of words right from the heart. Barbara and I are blessed. We are blessed to serve at this moment in time when so many of the old fears have been driven away, when so many new hopes stand within our reach. And since the day I took the oath of office, I made it my duty always to try to do what is right for this country. I have given it my best. I have done my level-best, and I'm not done yet.

And I ask the good people of Georgia -- together we've got a lot to be proud of. I take particular pride that the young people in this country go to bed at night not worrying about nuclear

holocaust. I think that's something good and something strong and says something wonderful about what's happened in the last few years. But my pitch to you, the leaders of this great State, is unashamedly this: Together we have made a great beginning; now, you give me 4 more years to finish the job.

Thank you all for this warm welcome. And may God bless the United States of America. And be sure to get to the polls next Tuesday. Many, many thanks.

Audience member. Amen. Georgia's Bush country.

The President. Thank you all very, very much.

Note: The President spoke at 2:25 p.m. at the Marriott Marquis Hotel. In his remarks, he referred to former Representative Howard H. (Bo) Callaway.

Remarks at the Bush-Quayle Campaign Welcome in Savannah, Georgia

March 1, 1992

Thank you very much, Mayor. And may I be bold enough to say I think Savannah has a first-class new Mayor, and I'm glad to have her here at my side today. And thank you all for this warm welcome. It's great to see so many friends. Standing next to me over here is one of the great Governors across our country, Governor Carroll Campbell of South Carolina. And I am very much indebted to him for his support. Alec Poitevint is the chairman of the party here, doing a first-class job. Fred Cooper is our statewide chairman for Bush-Quayle. And of course, Newt Gingrich, doing a superb job for this State and for our country in Washington, DC.

May I thank the band over there from Bradwell. And somewhere out here is Vidalia, right over there, thank them. And may I single out all the veterans of Desert Storm here today and to every one of you who have come down to the Riverfront to show your support. I'm glad to see all this activity. You'll notice I brought along my newest mode of transportation, ``Riverboat One'' right back here. [Laughter]

Well, we're here today because we believe on big issues and we believe that we're on the right side of these big issues, on the issues that shape the world and on the values that are close to home. I'm talking about jobs. I am talking about family. I am talking about world peace, for ourselves and for all of our kids. Jobs, family, and world peace.

And I believe all the people of Savannah and all the people of this great State believe that parents, not the Government, ought to make the decisions that matter in life. Parents, not Government, should choose the children's schools. And when it comes to child care, parents, not the Government, should choose who cares for the children. And I also think on this Sunday, and my views will never change on this, I believe there is a place for voluntary prayer in our children's classrooms. And I think, on this gorgeous family day, on this beautiful Sunday here in Savannah, I think we should put it this way: America is first as long as we put the family first.

Let me just say a word about the number one issue facing our country today: It's the economy; it's jobs. And that's what's keeping people up late at night, worrying about how they're going to pay the bills and put food on the table and care for their kids and still manage to put away something for their retirement. We've got to get this Nation's economy moving. That's why in that State of the Union Message I gave, I laid out a two-part plan to spark economic recovery, to create jobs: a seven-point short-term plan to stimulate the economy as early as this spring and then a longer term plan to keep America growing tomorrow and into the next century.

And because I know Congress tends to drag its feet, I set a deadline to help them along the way.

But regrettably, the liberals that control the Congress had other ideas. Instead of passing my plan, they pushed through one of their own. Here's what's in it: a tiny tax cut, 25 cents a day for every person, but in exchange for $100 billion in taxes. If you feel the way I do, tell the Congress, ``Keep the change, and keep your hands off the taxpayer's wallet."

If the liberal Democrats decided to make their two-bit tax cut permanent, they'd have to jump up the tax rate for every American making more than $35,000 a year. You've heard that right, $35,000. Now, go tell that to some schoolteacher that's working her or his heart out for our kids. That is not fair, and I am not going to let it happen. They're going to tax the middle class for the same reason Willie Sutton robbed banks, because that's where the money is. And I'm not going to let them do that to you the taxpayers of Savannah. But listen, you saw that bill the other day, so let me make it very clear, with one of our great leaders standing next to me, if that tax-and-spend plan reaches my desk, I am going to send it right back. I will veto it fast; it will make your head spin. They want to raise the taxes, and I want get this country back to work.

And there's one critical part of our economic future that I want to talk to you about today, and that's really the kind of legacy we leave these young ones, our children. The world our kids call home will be far different than the world that we grew up in. The competition now comes from around the world, not just down the street. In that new world, there's a new economic reality. If we want to succeed economically at home, we've got to lead economically abroad.

And if this Nation needed any proof of what I just said, it's right here in Savannah. Statewide, Georgia's export business is booming, nearly $14 billion in 1991 for manufactured exports alone. Look around the Riverfront. More and more ships pass in and out of this harbor, saluting the Waving Girl. Today and every day this bustling hub of international trade puts jobs in your communities, money in your pockets, and dinner on your tables. Nearly 13 million tons of goods, billions of dollars in international trade, flow through your wonderful port. And in the port of Savannah alone, all that trade traffic adds up to 58,000 jobs for Georgia.

The world is at Savannah's doorstep. We've got to keep the door open, and I'm confident that we will. And that's why I've fought every day of my administration to open foreign markets and to guard against the siren's call of isolation and protection. Georgians are reaching out; they are not pulling back. Give you a little detail that I think is good for the rest of the country. Right here, we're creating additional opportunities for U.S. exports, companies like Savannah Foods and Fort Howard Paper and Union Camp -- the V.P. is with us, Sid Nutting is with us here today. And their people are working hard to compete, and we're behind them all the way.

But the opponents are not about to let that fact intrude on fantasy. They are peddling protectionism; they are peddling a retreat from economic reality. Now, you cut through all the patriotic posturing, all the tough talk about fighting back by closing out foreign goods, and look closely: That is not the American flag they're waving; it is the white flag of surrender. And that is not the America that you and I know. We don't cut and run in this country; we compete. Never

in this Nation's long history have we turned our back on challenge, and we are not about to start right now. So I put my faith in the American worker. I say: Level out that playing field, and the American worker will outthink, outproduce, outperform anyone, anywhere, anytime. And let me add this: America is in it to win.

Think back one year, one year ago today, to the calm after Desert Storm. Ask any one of the proud sons and daughters of Georgia who became a liberator of Kuwait, and they'll tell you: Military strength doesn't mean a thing without moral support right here at home. Georgia did its part and more. This port handled over 200,000 tons of cargo for Desert Storm. Nearly 10,000 sons and daughters of Georgia were called up through the Reserves and the National Guard, and thousands more answered the call from Fort Stewart or from Hunter Army Airfield.

And I'll never forget my visit to Fort Stewart during those difficult days, the wives and the parents that I talked to, people with their loved one in harm's way, many of them gone for months. Their quiet courage said it all: Never would this country tuck tail and let aggression stand. America would do what was right and good and just. And America would prevail.

There were those who did not support us then, and there are those who second-guess us now. But not the good people of Georgia. In those difficult days, when our kids laid it all on the line, Georgia never wavered. Georgia kept its faith in freedom. Georgia said with me: Aggression will not stand. And I say thank you to the people of this great State.

And now we're locked in a political struggle, and I'm going to try to keep it above the fray. I've got to continue to be the President of this great country; honored to be that President. And I've been trying to keep things on a positive plane. But let me just say this to you: From next Tuesday through the first Tuesday in November, we're going to take our message all across this country. And my view is, if you want to send a message to Washington, send this President back for 4 more years, and send more good Georgia Republicans to the Congress.

People know that we're in a battle for the future. It's about jobs. It's about family. It's about world peace and about the kind of legacy we're going to leave our kids. And so, let some opponents sign the retreat, run from the new realities, seek refuge in a world of protectionism or high taxes or even bigger Government. That's not the future we want for our kids. And we believe in our country. And we believe we will move forward with open markets and low taxes and less Government, all focused on creating and preserving jobs. So we need your support.

Let me just close today with a few words from the heart. Barbara and I are blessed, blessed to serve this great Nation of ours at a moment in history when so many of the old fears have been driven away, when so many new hopes stand within our reach. Old fears: When I see these young kids, I think we're fortunate that they go to bed now worrying less about a nuclear holocaust than happened 5 or 10 years ago. We are blessed that we brought peace to this world. And because we've stood strong, we've beaten back aggression.

But since the day I took the oath of office, I've made it my duty to work for what's right for America. I go back, I guess we all do, to what our families say. I go back to what my mother says: Try your hardest. Do your best. Well, let me tell you something, I'm not done yet. I say to the good people of Georgia: Together we are going to make a great new beginning. I'm going to take this message to the United States Congress for change. Change that Congress, and give the values that you believe in a real chance come November.

Thank you for this very warm welcome back. And may God bless the people of Georgia and the people of the United States of America. Let us count our blessings on this gorgeous day. Thank you, and God bless you all.

Note: The President spoke at 1:20 p.m. at the Savannah Riverfront. In his remarks, he referred to Susan Weiner, Mayor of Savannah.

Message to the Congress Transmitting the Finland-United States Social Security Agreement

March 2, 1992

To the Congress of the United States:

Pursuant to section 233(e)(1) of the Social Security Act, as amended by the Social Security Amendments of 1977 (Public Law 95 - 216; 42 U.S.C. 433(e)(1)), I transmit herewith the Agreement between the United States of America and the Republic of Finland on Social Security, which consists of two separate instruments -- a principal agreement and an administrative arrangement. The agreement was signed at Helsinki on June 3, 1991.

The United States-Finland agreement is similar in objective to the social security agreements already in force with Austria, Belgium, Canada, France, Germany, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to eliminate dual social security coverage and taxation, and to help prevent the loss of benefit protection that can occur when workers divide their careers between two countries.

I also transmit for the information of the Congress a report prepared by the Department of Health and Human Services, providing explanation of the key points of the agreement, along with a paragraph-by-paragraph explanation of the provisions of the principal agreement and the related administrative arrangement. In addition, as required by section 433(e)(1) of the Social Security Act, a report on the effect of the agreement on income and expenditures of the U.S. Social Security program and the number of individuals affected by the agreement is also enclosed. I note that the Department of State and the Department of Health and Human Services have recommended the agreement and related documents to me.

I commend the Agreement between the United States of America and the Republic of Finland on Social Security and related documents.

George Bush

The White House,

March 2, 1992.

Message to the House of Representatives Returning Without Approval the United States-China Act of 1991

March 2, 1992

To the House of Representatives:

I am returning herewith without my approval H.R. 2212, the ``United States-China Act of 1991," which places additional conditions on renewal of China's most-favored-nation (MFN) trade status.

The sponsors of H.R. 2212 believe they can promote broad economic and foreign policy objectives in China by placing conditions on the renewal of China's MFN status. They expect that the Chinese will improve respect for human rights, cooperate in arms control, and drop barriers to trade, given a choice between losing MFN and addressing these concerns.

Let me state at the outset that my Administration shares the goals and objectives of H.R. 2212. Upholding the sanctity of human rights, controlling the spread of weapons of mass destruction, and free and fair trade are issues of vital concern. My objection lies strictly with the methods proposed to achieve these aims.

There is no doubt in my mind that if we present China's leaders with an ultimatum on MFN, the result will be weakened ties to the West and further repression. The end result will not be progress on human rights, arms control, or trade. Anyone familiar with recent Chinese history can attest that the most brutal and protracted periods of repression took place precisely when China turned inward, against the world.

Recent agreements by the Chinese to protect U.S. intellectual property rights, to abide by the Missile Technology Control Regime Guidelines, to accede to the Nuclear Non-Proliferation Treaty by April, and to discuss our human rights concerns -- after years of stonewalling -- are the clear achievements of my Administration's policy of comprehensive engagement.

We have the policy tools at hand to deal with our concerns effectively and with realistic chances for success. The Administration's comprehensive policy of engagement on several separate fronts invites China's leadership to act responsibly without leaving any doubts about the consequences of Chinese misdeeds. Our approach is one of targeting specific areas of concern with the appropriate policy instruments to produce the required results. H.R. 2212 would severely handicap U.S. business in China, penalizing American workers and eliminating jobs in this country. Conditional MFN status would severely damage the Western-oriented, modernizing elements in China, weaken Hong Kong, and strengthen opposition to democracy and economic reform.

We are making a difference in China by remaining engaged. Because the Congress has attached conditions to China's MFN renewal that will jeopardize this policy, I am returning H.R. 2212 to the House of Representatives without my approval. Such action is needed to protect the economic and foreign policy interests of the United States.

George Bush

The White House,

March 2, 1992.

Message to the Congress Transmitting the Annual Report on Hazardous Materials Transportation

March 2, 1992

To the Congress of the United States:

In accordance with the requirements of section 109(e) of the Hazardous Materials Transportation Act (Public Law 96 - 633; 49 U.S.C. 1808(e)), I transmit herewith the Annual Report on Hazardous Materials Transportation for calendar year 1990.

George Bush

The White House,

March 2, 1992.

Statement on the Death of Albert Bel Fay

March 2, 1992

Barbara and I are greatly saddened by the death of Albert Bel Fay. Albert was a close personal friend, and we will miss him greatly.

He was a Texan through and through. He was a leader in building the Republican Party in Houston, starting in the early 1960's. Albert was a mentor who helped guide me in my early years in Texas politics, when getting Republicans elected was next to impossible. His service to the Republican Party has been invaluable.

Barbara and I send our deepest condolences and offer our prayers to his three children.

Exchange With Reporters

March 3, 1992

The President. I just have a couple of brief statements here. But President Yeltsin, Boris Yeltsin of the Russian Federation, has accepted my invitation to pay a state visit to Washington, June 16th and 17th. I view this as an excellent opportunity to follow up on that historic February 1st meeting at Camp David. We're going to review progress on a wide range of issues including the ever-strengthening relationship between the two countries. We'll get into the nuclear and military questions and then the joint efforts in support of reform in Russia. It will give me yet another opportunity, this in a very formal visit, to pay my respects to Boris Yeltsin who is really doing a superb job there.

The other news, and I don't want to put too much on it, is I was very pleased that this morning at 8:30 a.m., the leading indicators came out and they rose substantially, or rose by .9 percent in January. And I think it's a little better than had been expected. So, it's nice to have some encouraging news. And then our advisers, economic advisers, are a little more optimistic on the housing front as well. So, there we are, and just wanted to get those announcements out.

Taxes

Q. Sir, do you feel that going along with taxes was the biggest mistake of your Presidency?

The President. Well, I don't know about the biggest, but yes, I -- you see, I'm very disappointed with Congress. I thought this one compromise, and it was a compromise, would result in no more tax increases. I thought it would result in total control of domestic discretionary spending. And now we see Congress talking about raising taxes again. And some in Congress are talking about trying to break down the spending caps. And so, I'm disappointed. And given all of that, yes, a mistake.

Q. Is it a little late, Mr. President, to voice regret about this?

Q. Why the change of heart now? All through New Hampshire you defended the 1990 budget -- --

The President. Well, I explained why I did it. I don't know whether it was defending it.

Q. But Pat Buchanan kept saying all through New Hampshire, ``Read my lips. Read my lips." And when you were campaigning up there you said, ``I never signed that pledge that you wanted to -- -- "

The President. Well, we're talking about two different things. But what I'm saying is, on this

deal when you see Congress now going for more taxes, my whole view is that that one compromise probably wasn't worth it, although I'm going to still stay very firmly on these spending caps.

Q. Mr. President, though, the day before the primary, to say that you now regret having done this, isn't that a little bit late to do that, sir? And can it be seen as a little bit disingenuous?

The President. I don't know whether it's late or not, it's just the way I feel given what's going on on Capitol Hill. It's getting intense. As you know, the House passed a tax bill which I'll veto. And now, much to my consternation, you see the Senate going about the same old business. So, this just gangs up on you, plus the political flak out there.

Economic Plan

Q. With respect to your short-term growth package, many prominent economists, and including Federal Reserve Board Chairman Alan Greenspan, have said that given the economic realities it would be better not to tinker with the Tax Code at all, whether it's for tax incentives or for tax increases. How do you respond to that?

The President. I don't know that Greenspan was addressing himself to our growth package, but clearly a lot of economists are opposing what's happening in terms of these broad across-the-board handouts. And our incentive program, I think, would have instant stimulation on the economy, instant. And it would restore confidence very quickly. It's getting increasingly difficult, given the votes up there, and that's one of the reasons that I'm as frustrated as I am.

Q. If I may follow up, though. I think he was speaking in broad terms about any sort of short-term fiscal stimulus, whether it's your package or a Democrat's.

The President. Well, you'll have to ask Greenspan what he's speaking about. I think short-term stimulus, such as I mentioned, would stimulate the economy and would be very good for housing. I think housing would lead this recovery much quicker. You know my view on capital gains. So, ask him about his view, and I've just given you mine.

Yes? And I've got to get going.

Federal Government Personnel Reductions

Q. You've been saying that Government has grown too big, spends too much. Have you looked at your Agriculture Department where the numbers of employees has grown?

The President. Haven't had a chance to look at that lately, but I'll take a look at it. Is it getting -- I mean, what we're doing is, total Government personnel, I believe you'll see, is down, a lot of

that obviously coming from reductions in the Defense Department. But I haven't looked at the Ag Department.

Presidential Primaries

Q. How do you think you'll do today, sir?

Q. You say you were misled by the Democrats 2 years ago?

The President. Huh?

Q. How do you think you'll do in today's primaries?

The President. I think I'll win them. I think I'll win them.

Taxes

Q. Were you misled by the Democrats?

The President. Well, I had the distinct feeling that that one deal would be the one-time compromise. And as far as I'm concerned, it is. I'm going to veto their tax bill. So, we'll just leave it there. But I'd like to see them move forward on these incentives that we're talking about.

Q. Was it the biggest mistake, too, politically?

The President. Well, I don't know. I don't know. We'll see.

Note: The exchange began at 9:53 a.m. on the South Lawn at the White House prior to the President's departure for Chicago, IL.

Remarks to the National Association of Evangelicals in Chicago, Illinois

March 3, 1992

Thank you for that welcome. And to Dr. Johnson, Dr. Billy Melvin, Don Argue, Dave Rambo, Bob Dugan, my sincere thanks, not just to you all, to everyone up here, but to all of you for that very warm welcome.

And I'd like to open, if I may, on a personal note, to thank you for the help that you've given me over the years. And I'm not really referring to the fine work that your team in Washington has been doing, although they've been of great help to our administration, advancing the values we share. Nor am I thinking only of the wonderful work you do in world relief and in helping people around this world, which is superb work. But my thanks are really more personal than that, and Barbara and I particularly want to thank you for your prayers.

As I said many times before, prayer always has been important in our lives. And without it, I really am convinced, more and more convinced, that no man or no woman who has the privilege of serving in the Presidency could carry out their duties without prayer. I think of Lincoln's famous remark, ``I've been driven many times to my knees by the overwhelming conviction that I had nowhere else to go." The intercessionary prayers that so many Americans make on behalf of the President of the United States, in this instance on behalf of me and also of my family, they inspire us, and they give us strength. And I just wanted you to know that, and Barbara and I are very, very grateful to you.

I am delighted to have this opportunity to speak to this most prestigious meeting, to speak with you today on the occasion of your 50th anniversary. Your theme: Forward in faith. And that says as much about your movement, much about what evangelicals have brought to America over its lifetime. Evangelicals point our country toward the future, and with the diligence and hard work and confidence that only a firm faith can provide. In so many crucial ways, your concerns are the concerns of your countrymen.

We agree on the big issues that shape the world and on the values, on the values so close to home. I'm talking about jobs, obviously; about family; about world peace, for ourselves and, I guess even more important, for our kids, for the generations coming along.

And we agree that we must speak out against racial bigotry and against anti-Semitism. And as I stressed in my State of the Union Address, it's especially critical in these days of economic difficulty to point out that racial bigotry and anti-Semitism simply have no place in America.

You want, as all Americans do, safe streets for your children. You want schools where your

children can receive the finest possible education to prepare them for a life of industry and good citizenship and faith in God. And I believe that means that you are entitled to choose your children's schools.

You want a Government that understands the limited role that it must play in a Nation of free men and women; a Government that promotes economic growth and opportunity; a Government that spends your tax money for the common good, and for the common good alone.

And you want for yourselves and your country that most precious of gifts, peace on Earth. You understand that peace comes not from vacillation and weakness but from clarity of purpose and from strength. The last time a President came before you, I note that it is almost 8 years to the day, our country was nearing the climax of a titanic struggle, the cold war. President Reagan spoke to you then of what America must do to win this hard and bitter peace.

Like you, President Reagan and I understood that the cold war wasn't simply some mundane competition between rival world powers. It was a struggle for the mind of man. On one side was a system dedicated to denying the life of the spirit and celebrating the omnipotence of the state. On the other was a system founded on a profound truth, that our Creator has endowed his children with inalienable rights that no government can deny.

And now, 8 years later, we can say confidently, Americans won the cold war. We won it by standing for what's right. Tonight our children and grandchildren -- and I take great joy in this -- tonight our children and our grandchildren will go to their beds untroubled by the fears of nuclear holocaust that haunted two generations of Americans. In our prayers we asked for God's help. I know our family did, and I expect all of you did. We asked for God's help. And now in this shining outcome, in this magnificent triumph of good over evil, we should thank God. We should give thanks.

By the way, I notice from your Washington newsletter that recently even Time magazine called the old Soviet Union an evil empire. Now they tell us. [Laughter] I think you will recall only a few years ago when -- many of you know this -- about the time when Bill Graham went to the Soviet Union. And he came back and told a lot of people, told us of the people's hunger for religion. And some did not believe him then. Nobody here doubted that, but some across our country simply could not believe that. But now, no one doubts him. I know evangelicals understood this all along.

Our victory in the cold war came from the kind of work performed by people here in this room. Many of you, many of you bravely brought Bibles behind the Iron Curtain, sharing the Word of God with people who longed for it. And through your World Relief Corporation and other enterprises, you helped resettle thousands who were fleeing oppression. Many evangelicals risked their lives to bring theological training where such training was forbidden.

And now in the free countries of the former Communist bloc, your work continues to ensure that the vacuum left by communism's demise is filled by faith. You and I both know there is more to do in the cause of religious freedom, and you have my full support in that effort. Rest assured, our country, indeed the world, will be forever grateful for what you have done.

Americans are the most religious people on Earth. And we have always instinctively sensed that God's purpose was bound up with the cause of liberty. The Founders understood this. As Jefferson put it, ``Can the liberties of a nation be thought secure when we have removed their only firm basis, a conviction in the minds of the people that these liberties are the gift of God?" That conviction is enshrined in our Declaration of Independence and in our Constitution. And it's no accident that in drafting our Bill of Rights, the Founders dedicated the first portion of our first amendment to religious liberty. We rightly emphasize the opening clause of that amendment, which forbids government from establishing religion. In fact, I believe the establishment clause has been a great boon to our country's religious life. One reason religion flourishes in America is that worship can never be controlled by the state.

But in recent times we have too often ignored the clause that follows, which forbids government from prohibiting the free exercise of religion. This myopia has in some places resulted in an aggressive campaign against religious belief itself. Some people seem to believe that freedom of religion requires government to keep our lives free from religion. Well, I believe they're just plain wrong. Our government was founded on faith. Government must never promote a religion, of course, but it is duty bound to promote religious liberty. And it must never put the believer at a disadvantage because of his belief. That is the challenge that our administration has undertaken. To be succinct, it is my conviction that children have a right to voluntary prayer in the public schools.

And we must hold the line on state intervention in other areas as well. Two years ago, for example, we were in a tough fight on Capitol Hill over child care legislation. But with the invaluable help of your group and of other pro-family organizations, we kept choice of child care out of the hands of the Government bureaucrats and kept it where it belongs, in the hands of the parents. And you remember the fight, but we were determined to help families get the kind of child care they want. And that included church-based care. And that's the way the law is now, and that's the way it should be.

And we will continue to fight for the parents' right to choose their children's schools. School choice is at the heart of America 2000, our strategy to literally revolutionize American education. All parents, rich or poor, must have the right to choose the kind of education their children will receive. And as I've said many times, that must include religious-based schools.

For many years Americans saw another disturbing trend. Judges legislating from the bench steadily expanded the power of government over the lives of ordinary Americans. Today, I am happy to report to you that that trend is over. Over the past 3 years I have appointed more than

160 judges who understand the limits of government and the rights of parents; judges who punish criminals, not honest cops out trying to do their jobs. And I am very proud of the two fine men who have taken their place on the Supreme Court since I've been President, Justice David Souter and Justice Clarence Thomas.

We must do everything in our power to preserve the institution that nurtures faith, the family. And I am firmly convinced that our greatest problems today, from drugs and welfare dependency to crime and moral breakdown, spring from the deterioration of the American family. And too often, overweening government has aided the tragedy.

Recently I announced a new Commission to isolate the causes of the family's decline. And I did that after meeting with Democratic mayors and Republican mayors from the National League of Cities, some from big cities, some from small, all saying what I've just said. The fundamental problem is the decline of the family, when you look at these urban problems. I think you'll agree that I found the right man to lead the Commission, your layman of the year last year, Governor John Ashcroft of the State of Missouri. John knows the importance that we place on strengthening the families. Families must come first in America.

We must always guard against laws that weaken the family, weaken traditional values. And at the same time, we can take positive steps to strengthen them. Here's an example that will begin to address the real costs of childrearing. I have asked Congress to increase the child tax exemption by $500 per child, and I want the Congress to do it now.

We're also waging war against the forces that would tear the family apart. In 1990 alone, our agents from the FBI and Customs and Postal Inspection Service won 245 convictions against the smut merchants who deal in child pornography. These creatures have been put on notice. There is no place in America for this horrifying exploitation of children.

Faith, family: these are the values that sustain the greatest Nation on Earth. And to these values we must add the infinitely precious value of life itself. Let me be clear: I support the right to life. Six times the Congress has sent me legislation permitting Federal funding of abortion, and six times I've told them no and vetoed these bills.

Now we've got another fight. The Democratic Congress has opened up yet another front in this battle. Tomorrow they will begin hearings on new legislation, and they call it the freedom of choice act. And it would impose on all 50 States an unprecedented regime of abortion on demand going well beyond even Roe versus Wade. It would block many State laws requiring that parents be told about abortions being performed on their young daughters, even though the Supreme Court has upheld such laws five times. It would override State laws restricting sex-selection abortions. And it would severely limit the States' ability to impose meaningful restrictions on abortions performed in the 8th or even the 9th month of pregnancy. This is not right. And it will not become law as long as I am President of the United States of America.

Lincoln once said, ``My concern is not whether God is on our side, but whether we are on God's side." As President I have often spoken of service, not simply public service but personal service, one human being coming to the aid of another. And I'm always reminded of a phrase from the Book of Common Prayer: ``Oh, God . . . whose service is freedom." We must be sustained by the confidence that in serving others, in promoting the values of faith and family and life, we serve Him as well. It is this confidence that will enable us to move our country forward in faith, and remember, one Nation under God.

Thank you, and may God bless you and your wonderful work. And thank you for having me with you.

Note: The President spoke at 11:57 a.m. at the Hyatt Regency O'Hare Hotel. In his remarks, he referred to association officers B. Edgar Johnson, president; Billy Melvin, executive director; Don Argue, first vice president; David Rambo, second director; and Robert Dugan, director of the office of public affairs in Washington, DC. The President also referred to evangelist Billy Graham.

Message to the Congress on the Determination Not To Prohibit Fish Imports From Certain Countries

March 3, 1992

To the Congress of the United States:

Pursuant to the provisions of subsection (b) of the Pelly Amendment to the Fishermen's Protective Act of 1967, as amended (22 U.S.C. 1978(b)), I am reporting to you that the Secretary of Commerce reported to me that shipments of yellowfin tuna or products derived from yellowfin tuna harvested by Venezuela in the eastern tropical Pacific Ocean (ETP) have been prohibited from the countries of Costa Rica, France, and Italy since June 25, 1991.

The Secretary's letter to me is deemed to be a certification for the purposes of subsection (a) of the Pelly Amendment. Subsection (a) requires that I consider and, at my discretion, order the prohibition of imports into the United States of fish and fish products from Costa Rica, France, and Italy to the extent that such prohibition is consistent with the General Agreement on Tariffs and Trade. Subsection (b) requires me to report to the Congress within 60 days following certification on the actions taken pursuant to the certification; if all fish imports have not been prohibited, the report must state the reasons for so doing.

After thorough review, I have determined that sanctions against Costa Rica, France, and Italy will not be imposed at this time while we continue to work toward an international dolphin conservation program in the ETP. Costa Rica, France, and Italy will continue to be certified. I will make further reports to you as developments warrant.

George Bush

The White House,

March 3, 1992.

Message to the Senate Transmitting the Spain-United States Second Supplementary Treaty on Extradition

March 3, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Second Supplementary Treaty on Extradition between the United States of America and the Kingdom of Spain, signed at Madrid on February 9, 1988. I also transmit for the information of the Senate the report of the Department of State with respect to this Supplementary Treaty.

The Second Supplementary Treaty supplements and amends the Treaty on Extradition between the United States of America and Spain, signed at Madrid on May 29, 1970, as amended by the Supplementary Treaty on Extradition, signed at Madrid on January 25, 1975 and is designed to update and standardize the conditions and procedures for extradition between the United States and Spain. Most significant, it substitutes a dual criminality clause for a current list of extraditable offenses so that, inter alia, certain additional narcotics offenses will be covered by the Treaty. The Second Supplementary Treaty also provides a legal basis for temporarily surrendering prisoners to stand trial for crimes against the laws of the Requesting State.

This Supplementary Treaty further represents an important step in combatting terrorism by excluding from the scope of the political offense exception serious offenses typically committed by terrorists, e.g., murder; voluntary manslaughter; voluntary assault and battery inflicting serious bodily harm; kidnapping; abduction; hostage-taking; illegal detention; the illegal use of explosives, automatic weapons, and incendiary or destructive devices or substances; attempt or participation in such offenses, as well as conspiracy or illicit association to commit such offenses. It also excludes from the reach of the political offense exception a murder or other willful crime against the person of a Head of State or a member of the first family of a Contracting Party, as well as any offense for which both Contracting Parties have a multilateral treaty obligation to extradite the person or submit the case to prosecution.

The provisions in this Supplementary Treaty follow generally the form and content of extradition treaties recently concluded by the United States. Upon entry into force, it will supplement and amend the existing Extradition Treaty and Supplementary Extradition Treaty between the United States and Spain.

The Supplementary Treaty will make a significant contribution to international cooperation in law enforcement. I recommend that the Senate give early and favorable consideration to the Supplementary Treaty and give its advice and consent to ratification.

George Bush

The White House,

March 3, 1992.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Filip Dimitrov of Bulgaria

March 3, 1992

The President met for approximately 30 minutes this afternoon with Bulgarian Prime Minister Filip Dimitrov. He welcomed the Prime Minister as the first popularly-elected Bulgarian leader ever to visit the United States and congratulated him on Bulgaria's national day of independence, celebrated today.

The President expressed admiration for the determination shown by President Zhelev and Prime Minister Dimitrov in advancing democracy and human rights, including minority rights, in Bulgaria and in pursuing a bold program of market economic reform. He expressed America's firm support for Bulgaria as it undertakes this difficult transformation and proposed that both countries work to promote foreign trade and investment, which can bring the capital, know-how, and new jobs Bulgaria needs.

The two leaders also discussed the situation in the Balkans. They reaffirmed their strong support for U.N. peacekeeping efforts in Yugoslavia and agreed that all countries should act with restraint so as to promote confidence and stability in the region.

Statement on the Georgia Presidential Primary Victory

March 3, 1992

Thanks to the Republican voters of Georgia, we are another step closer to our goal of winning every primary and caucus. After the votes are counted in Maryland and Colorado, I'm confident our campaign will be seven-for-seven in this election season. We are well on our way to the nomination and look forward to taking the battle to the Democrats. Barbara and I deeply appreciate the support we received today for our message of jobs, family, and peace.

To those who have been with me in the past but did not vote for me today, I hear your concerns and understand your frustration with Washington. I am committed to regaining your support. To get the economy moving, I will continue pushing the Democratic majority in Congress to enact my growth initiatives by the March 20th deadline.

Exchange With Reporters on the Presidential Primaries

March 4, 1992

The President. The communications czar has told me that we must be moving onward. And I can tell your lack of interest, or you would be going with us on to the Super Tuesday States. Why are you not there?

Q. Are you afraid of Buchanan?

Q. Do you think you'll consistently lose this 30-percent protest vote?

The President. We're doing well. We won everything, and we're going to keep on winning everything. Tough times out there, and I think people are beginning to understand that what counts is who wins these primaries. So I feel good about it, and I'm not going to keep raising the high bar. I'm just going to go one at a time and win them all and win the election in the fall.

So, I'm very grateful to the people that worked hard; they're working in a tough economic environment. I know that. But I'm very, very pleased.

Q. Do you feel good about repenting on taxes?

The President. Yes, very good about that.

Q. Do you accept the votes for Buchanan as votes against you?

The President. It seems to be that way, yes. I think that's a good way to analyze it. But that will turn around. The economy will turn around. We'll make some headway with Congress eventually, keep trying. And people will see that I'm the person to lead this country now, as I was in the past.

Q. -- -- margin in 30 percent?

The President. This is a high jump. I'm not going to raise the bar, nor lower it. Just leave it where it is.

Note: The exchange began at 7:46 a.m. on the South Lawn at the White House prior to the President's departure for Tampa, FL.

Remarks at a Bush-Quayle Fundraising Luncheon in Tampa, Florida

March 4, 1992

Thank you, General. Thank you all very, very much. Thank you so much. I will have a word more to say about the introducer in just a minute. But thank you all so much for that warm welcome back. Well, I want to thank a lot of people, everybody in this audience. But I think of Alec Courtelis, our campaign's national finance cochairman; Zach Zachariah, who has done a great job as our chairman here in this wonderful State. I don't think it's out of order to salute my Florida chairman, Jeb Bush. [Laughter] And of course, our Florida State chairman, Van Poole, a friend of long, long standing. Mike Bilirakis is not with us, the Congressman; but he and I and Evelyn, his wife, I think she is here, we were at the strawberry festival. I've eaten my second high-calorie dessert in 3 hours. But that was a wonderful occasion. And Senator Hawkins, Paula Hawkins, former Senator, is with us; and of course, Al Austin, who has been at my side in his most unselfish, productive way over and over again. Al, I'm very grateful to you, sir.

Now a quick word about the introducer, Tampa's favorite son, America's hero. Last year, when General Scowcroft -- General Scowcroft, sorry; Brent will be thrilled -- [laughter] -- when General Schwarzkopf commanded the largest allied fighting force since World War II, he earned a lasting place of greatness in the history of our time. There is no question of that place in greatness. It is going to be there. The revisionists can look and figure and debate, but it was a clear, wonderful victory led by an outstanding soldier.

This general led a group of fighting men and women. He has told me, Colin Powell has told me about the merits of these young fighters. They included, incidentally, almost 8,000 Florida reservists and 1,500 Florida guardsmen and thousands more sailors and airmen from the bases around Florida; and of course, the mighty force of Tampa's own central command.

And I am so proud of General Schwarzkopf and all the men and women that he commanded. And they all said, all of us who looked at them say: With your sacrifice, with your courage, with your selfless service, you told the world that the United States of America will never tuck tail and let aggression stand. And you showed that we will do what is right and just, and in so doing we will prevail.

When you and those troops laid it all on the line, the people of this State never wavered. And for this, I want to express to all the people, heck with party, heck with political ideology, all of the people in this State, my profound thanks for this steadfast and loyal support in troubled times. Thank you, Florida, and thank you to the people of Florida. And thank you, most of all, General Schwarzkopf.

Now to the politics at hand. We had a good day yesterday. You may have trouble reading that, but we had a very good day yesterday. [Laughter] Somebody asked me, what does it take to win? And I say to them, I can't remember, what did it take to win the Super Bowl? Or maybe Steinbrenner, my friend George, will tell us what it takes for the Yanks to win: one run. But I went to the strawberry festival this morning and ate a piece of shortcake over there. Able to enjoy it right away. And once I completed it, it didn't have to be approved by Congress, so I just went ahead and ate it. [Laughter] That leads me to what I want to talk to you about today.

We've got a lot to do in these next few months because really we've got a lot to do in the next few years. And I am convinced that together, and I am so grateful for your support, that we can finish what we've started and move this country forward. And to do that, I need your support. Help me win the Presidency for 4 more years. And I ask for your support for the simplest of reasons: I think we believe in the same things, in the same values, the same important things. We know that taxes are too high because our Government is too big and it spends too much.

And we believe in a strong defense. And you listen to the proposals in Washington today. They all have these big, spendthrift political programs. And how are they going to take it? They're going to take it right out of the muscle of the defense of this country, and I am not going to permit that as President of the United States.

We believe in faith and family, responsibility and respect. We believe in community and, of course, country. And we believe there's a place for getting these values back. I happen to believe there's a place for voluntary prayer in our children's classrooms, and I'd like to see it back.

I'm firmly convinced of this, that we put America first when we put America's families first. So often today, politicians can do the easy thing, the popular thing. But it's the tough decisions that tell you something about character and principle. For I believe in things that don't change from one election to the next, things that guide each and every one of us each day of the year. And I believe in things that have led us to a new era in America's history, the important, fundamentally important things. I mentioned family but certainly world peace, certainly jobs.

The cold war is over. And if you want to count your blessings, there's one: The cold war is over, and America won, and the Soviet Union collapsed. The Soviet Union collapsed, and the imperial communism, the communism with outreach, is finished. It's dead all around the world. So, make no mistake about it.

As a result of this tremendous victory in Desert Storm, our credibility as a country has never ever been higher around the world. And it was our leadership that changed the world. And now what I want to do is see us come together, men and women of this great city, all across our country, come together and use that same spirit, that same leadership to change America.

We are changing it by setting right what is simply on the wrong track in our country. Take our

courts, for example. When the rights of the criminal are more important than the rights of the victim, that's wrong. And I'm proud of our tough stand on crime, and I'm proud of our judicial appointments, judges who interpret and do not legislate from the Federal bench. And when fathers stop coaching Little League because they're afraid of liability lawsuits, that too is wrong. And so, we've proposed reforms to our court system to reduce the number of frivolous lawsuits. I don't want to get into any trouble with the bar association around here, but I once quoted to someone that line, ``An apple a day keeps the doctor away." And he said, ``Yeah, well, what works for lawyers?" [Laughter]

Legal reform will help our legal process work. But, you know the real answer for solving problems is to be more concerned with helping each other than suing each other. That seems to me a fundamental American principle.

Well look, we can't stop there. More than our court system needs reform, like our health care system. This is one of great concern to the people of Florida, not because it doesn't offer the world's best quality health care; it does. I think we'd all agree we are blessed by the best quality health care in the world. We must reform the system because too many people do not have access to insurance. And all Americans deserve quality health care and the sense of well-being that it brings. And too many people worry that they'll lose their insurance if they change jobs or, worse still, if they lose their job. And anybody who's had even minor surgery knows that health care costs are going right through the roof.

Well, you know the problem, but what's the solution? I can tell you what it's not first. It is not to go down the road of nationalized or socialized expensive programs that we hear from the Democratic side. All that means -- you look at those other programs over there -- all that means is long lines and impersonal service. Well, look, you can go down to the department of motor vehicles for that, you don't have to go change the medical system. [Laughter]

So, our approach: Make insurance available to all; keep the quality high, the bureaucracy low; and preserve choice for the patient. The last thing we want and need in this country is for the Government telling you who your doctor is going to be. Health care reform means improving the system, and that is what I'm attempting to do with this new comprehensive health care program that we have now.

There's another system where reform means changing the system, and I'm talking about the welfare system. Let's face it, too often that system perpetuates dependency instead of personal responsibility and the dignity of a job. Too often kids are born into yet another generation of despair; no hope, no dignity, simply another generation of welfare recipients. And we've got to change that. I've asked the Departments and Agencies to make it easier for the State and local governments to promote policies that protect and strengthen families. And we do that through what we call a much more flexible waiver system.

We need to help make families whole, help bring dignity back into their lives, and go after the deadbeat fathers who run out on their kids. That's what we need to be doing in reforming and strengthening the welfare system in this country.

We all know when it gets down to -- certainly it's true now, Al and I were talking about it at lunch, and you can read it in these primary elections across the country -- we all know that the number one issue on the minds of all Americans is the economy and jobs: people worried about providing for their families, meeting the everyday challenges of paying their bills, providing a home, teaching their kids, and setting aside for retirement. People are worried. Those that have a job, white-collar job perhaps, wonder whether they'll have it tomorrow.

The American people want this economy to work. They want it to create, preserve jobs. So in my State of the Union Address, I put forward a two-part plan. And the first part will get business stimulated right now. It would bring confidence back now, upgrading plant and equipment again, hiring workers again. And it uses incentives like the investment tax allowance, rapid depreciation. It calls for Congress to wake up and understand how the real world works and create jobs by cutting the tax on capital gains.

To get housing back on its feet, I unveiled several commonsense proposals to get people buying and building homes. And these proposals will create, in Florida alone, an estimated 26,500 additional housing starts and 51,000 new construction jobs. Perhaps the most easily understood proposal along those lines is a $5,000 tax credit for first-time homebuyers. And with our plan, young people almost able to buy that first home could do it with that extra $5,000 in their pockets. This is good. This is stimulative. This will work. This will restore confidence.

I hate to be critical at a wonderfully nonpartisan lunch like this. But a word about the Democrats' plan: It's a rip-off. I've studied it. I've considered it carefully. It's a rip-off. Listen to the deal: 25 cents a day in temporary tax relief for 2 years for individuals, paid for, typically, by a large permanent tax increase. And over in the Senate, the bill the Democrats are working on is not much better than the one in the House. Its centerpiece is a huge tax increase. And the last thing our economy needs now is a $100 billion tax hike.

And we drew a line in the sand in the Persian Gulf and kept our word. And I'll draw another line in the sand right now. If the Democrats send me a monstrosity like the bill that passed through the House, I will send it right back, vetoing it the day that I get it. We are not going to let that happen to the taxpayer in this country.

And they ought to pass this plan, and pass it soon, to make our country more competitive. And here's the deadline: March 20th, the first day of spring. What a glorious day for some action out of the United States Congress. Just pass the plan, and get this economy moving again. That's my charge to them, and if they don't do it, then we'll have to see what happens after the 20th. But I'll tell you, I think the American people want to say, ``Set politics aside for a minute; pass the

President's plan." And then they and I can go to general quarters and fight each other all the way to the fall, playing politics. Right now, the American people need action that will stimulate this economy.

There's a broader gauge, the second part of the plan, roadmap to make America competitive in this fast-changing world of ours. Our plan revolutionizes the American education system, none too soon. We've got a brilliant program called America 2000. Doesn't fine-tune, it just revolutionizes the education system in this country. Broad support from the Democratic Governors, Republican Governors alike. I was reading that the average eighth-grader spends 4 times as much time watching TV as doing homework. And that is wrong. And we can help change that by making our education system demand responsibility and demand results.

Our plan will also get the billions of dollars' worth of Government R&D, research and development, more quickly into the hands of our private sector businesses and workers. That's the second part of this longer term plan: Get spectacular technological advances off the shelf and into the marketplace. We're turning to the Federal labs now and working partnerships with business to get that genius, that inventive genius in those labs, applied to U.S. commercial technology. Get those advances off the shelf and into the marketplace. And that's going to produce a real return on your tax dollars investment, helping to create new products, helping to create new jobs.

The plan provides tax relief to strengthen the family. We raise the tax deduction for children by $500. And make no mistake about it, I want all of this plan passed now. I want it passed as soon as possible.

Behind all of this is a very important decision for America. To succeed economically at home, we have to lead economically abroad. Some don't want us to lead. Some don't think we can compete. They want us to shut out the rest of the world. Well, those people could not be more wrong. Look over you shoulders to the thirties, to the days of protection and isolation and America first, in that sense. Look what happened to this country. Markets shrunk, and we ended up in the worst depression the world has seen, certainly in modern times.

They couldn't be more wrong. More than 200,000 workers in Florida owe their jobs to manufactured exports. Last year alone, more than $5 billion in exports went out through the Tampa customs district. The way to create jobs here isn't to cut and run. We're not going to do that, ever. The way to create jobs is by opening markets, opening markets for exports everywhere in the world. And I'm going to fight hard in every foreign market to do that, and I'm going to resist -- I don't care about the politics -- I am going to resist the siren's call for protection. It is not good for America. We are the leaders of the world, not in retreat.

And I'm going to fight hard, lastly, in every primary, not for my sake but for America's. I believe fundamentally we're an optimistic people. We saw it after Desert Storm. We saw the country

come together, and we were lifted up. And now we're subjected to some tough economic times, and there's some icing on that cake with a lot of gloom and doom over and over again coming out of the political process itself. I believe the American people want to hear about how we're going to address our country's challenges. They want to hear solutions, not just a lot of name-calling and running this country down.

And I might say parenthetically, again without any regard to the primaries, I think we've got to come together as a country to resist the politics of ugliness and hate, racial bigotry and discrimination. We've got to stand against that wherever we are.

So the bottom line is, I need your help. I need your help to keep our party strong, keep it united so we can win this fall. And yes, there are many challenges before us, and I guarantee you we're going to meet them. We are the United States of America. We're going to come out of these rough economic times. We are going to continue to lead the world. And I, as President, am going to continue to see that our national security is second to none around the world.

We're going to meet these challenges, meet them all across the State of Florida from the Panhandle down to the Florida Keys. And yes, there's an important election next week, and then there's another one in November. And I say this, I hope without arrogance: I am confident I am going to win this nomination. And I am confident I am going to win this election because I believe that the values I've touched on here today are the fundamental values of the American people. And I will do my level-best. I will continue to try my hardest in tough times, and I will continue to lead the greatest, freest Nation on the face of the Earth. But I need your support on Tuesday, and I'll need it again in November.

Thank you all, and may God bless our great country.

Note: The President spoke at 1:30 p.m. at the Omni Westshore Hotel. In his remarks, he referred to Zach Zachariah, Bush-Quayle financial cochairman for Florida; Jeb Bush, Bush-Quayle chairman for Florida; Van Poole, Florida Republican Party chairman; and Al Austin, chairman of the luncheon.

Remarks at the Bush-Quayle South Florida Rally in Hialeah, Florida

March 4, 1992

The President. Thank you very, very much. What a wonderful turnout. Thank you. Thank you, Jeb. And may I first salute your great Congresswoman, Ileana Ros-Lehtinen, doing a superb job in Washington, DC; Mayor Julio Martinez, also working at this important local level. And it's great to be back in south Florida. I believe I am the first President to visit Hialeah, but I am sure proud to be here. I want to mention three other State leaders who can't be with us today, Senator Casas and Representatives Garcia and Rojas. They'd planned on being here; they were called to Tallahassee for action in the legislature. And I just pay them my respects because they, too, are serving you all very, very well.

I wish we had a little more time here today. It would be great to have a Cafe Cubano at Chico Two's, but time won't permit it. And may I thank the people from south Miami here who are providing us with this cheering. And right over here, there they are, Hialeah.

I'm going to keep this speech short. When you've got to face the voters, you can't afford to give a 4-hour stemwinder, Castro-style. So I'll keep it shorter. Let me get right to the point of this visit. I want to be your President for 4 more years. We can and we will win elections up and down the line, in Congress, in the statehouses, and in local communities, for people that share our values, who are working for jobs, family, peace. And together, we can win a great victory on primary day and then another one on November 3d, 1992.

You see, I think we agree on the big issues that shape the world, on the values that guide us at home. And I'm speaking of world peace, the importance of family, the need to create and sustain good jobs in a productive society.

We have big plans for this year. Here's what we need to accomplish together. First, we are going to get that economy growing and thriving. Help me with the Congress. And with Ileana's help, I will try to keep rolling back a Government that's too big and spending too much. We'll try to keep working on that one, Ileana. And we're holding Congress' feet to the fire, to meet this March 20th deadline for tax cuts to create jobs and incentives to get the housing market back on its feet.

Right now, the tired old liberal leadership in the Congress is moving in the wrong direction. You know, the House passed a bill that would raise taxes $100 billion, and if it comes to my desk, I am going to veto it so fast it'll make your head swim.

And let me say also, we've got to break this stranglehold of government monopoly on the

schools. You see, we say don't let the bureaucrats decide. Let the parents decide. Let the parents choose where the children go to school, and let them have the freedom to choose among private and parochial schools as well as public schools.

Another point, and Jeb touched on it, we've got to take back our neighborhoods from the thugs and the drug dealers. Part of the answer is a tough crime bill in Washington, DC. Give me your support to get that passed. Our bill gives new protection to women and children, those that are victimized by sex criminals. It stops endless appeals. And for the worst kind of crimes, it provides the death penalty for the cop-killers and those narcotic kings. I support our police, and I think we need to show more compassion for the victims of crime and be a little tougher on the criminals.

And let me shift a little bit, to a little bit to do with foreign affairs. I am looking forward to the day when democracy has triumphed and the Castro dictatorship nearby is no more. And let me say to those people outside who are concerned about their country: I want to see democracy restored to Haiti, and we will continue to work for the return of President Aristide.

I want to honor the Cuban brave human-rights activists and its martyrs for freedom and those who died resisting the dictatorship of Castro. And I'm looking forward to being the first President of the United States to set foot on the free soil of post-Castro Cuba.

Audience members. Four more years! Four more years! Four more years!

The President. Let's look at the real situation in the world. Look around the world. Fidel Castro is now hopelessly isolated. And let me be very clear about this: We cannot and we will not have a normal dialog with Cuba as long as that dictatorship remains in power. And we do not and we will not help Castro police that prison state. We're going to keep heavy pressure on the outlaw regime, and we are going to strictly maintain our embargo.

Now let me say, as I look at this situation as your President, Castro is showing signs of desperation. Over the past year, he has intensified his persecution of people who attempt free expression, of people who try to form independent organizations. And the secret police have carried out more arrests. The Government-controlled mobs are increasing their violence against brave individuals who stand up for the basic rights and liberties that we take for granted in this country. And so, Castro is trying to crush the Cuban spirit and the Cuban society in a manner like Stalin.

The world has run out of patience with Fidel Castro. Let me give you a profound example of what I have just said. Yesterday, at the Human Rights Commission in the United Nations in Geneva, they voted for the strongest action ever against Castro's human rights abuses. And listen to this one: A new democracy, a brandnew democracy, joined the world's condemnation of Castro's crimes, and that democratic was Russia. Imagine the change: Russia condemning Fidel

Castro. And the vote of that important Commission was overwhelming. The ex-Communist states of Bulgaria and Hungary and Czechoslovakia cosponsored that anti-Castro resolution. But not a single Latin American country voted to defend Castro. It's changing. It's changing all around the world. And this man is isolated in his dictatorship.

But let me say this more positively. Let me say this more positively: When Castro falls, and inevitably he will, we are going to be instantly prepared to renew our friendship and then help instantly in the rebuilding of a free and democratic Cuba. And I'm talking about a lot of trade.

And while I'm on that subject, let me mention in a broad sense that the people I am running against for President of the United States, or who are running against me, do not share this vision of free and fair trade. They want to barricade our borders against job-creating trade. And they're the same kind of people that said to Columbus, ``The Earth is flat, don't go." And as for me, I'm going to keep working to increase the flow of foreign trade and investment which is the lifeblood of modern Miami. We will not go back to the sorry, sad, pessimistic days of protectionism. We're not going to do that as long as I am President.

My son Jeb told me that there were many people right here in the Guards and in the Reserve and in the regulars that served in Desert Storm. And they served with great patriotism. And let me say to them: You did a first-class job.

And now you're seeing in this political year many people that are saying, cut the heart out of defense. Cut it all up. Cut it away. Don't have a defense. Let me tell you something. I am going to keep this country strong and ready for the challenges ahead, whatever they may be. Yes, we can make cutbacks. Because these people fought so well, our credibility is high, communism is on the run, democracy is going forward. We can make cuts in defense. But true to form, the liberals want to cut it to the bone. And we must not let that happen. I am for prudent cuts. We have suggested some. They're on the recommendation of the Joint Chiefs and of Colin Powell and of Dick Cheney. But I am not going to permit these people to gut defense so they can run off and spend your money in a reckless way.

When I think of Hialeah, I think of patriotism and service to country. And the Florida reservists and guardsmen answered that call for Desert Storm, and airmen and sailors from Florida's bases, and of course, the soldiers of General Schwarzkopf, central command all responded. And I am so proud of those of you here who served. And with your service and with your courage you said, ``Never will we tuck our tail and let aggression stand." And we fought. And we won. And you that served deserve the credit.

And there were those who didn't support us then, and there are those who second-guess us now. But not the good people of Hialeah, not the people of Florida. And when our kids laid it on the line, you never wavered. And for this, I want to thank the people of this great State.

And every 4 years we have this political dance. And now we are in the battle for the future of the United States of America. And we are determined to leave our kids the best legacy possible. We want to lead the world in good jobs with productive work. We want to remain a powerful force, the single world leader for world peace and freedom. And we're fighting to protect our most basic institution, the one that means so much to the people of Hialeah, and I'm talking about the family.

And on primary day and in November, you are going to have the future of this country in your hands. And you can prove your faith in self-government. You can prove that this epitomizes success in America, people that come here halfway around the world and then make a success of their lives. You can prove your success, and we can prove the pessimists wrong. So stand up and vote for what you believe in. Show Florida your strength. Show America the power that you represent. And give me 4 more years as President of the United States of America.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you all. Thank you all, and may God bless the greatest country on the face of the Earth. Thank you very much.

Note: The President spoke at 6:08 p.m. at Milander Park Stadium.

Remarks at a Bush-Quayle Fundraising Dinner in Miami, Florida

March 4, 1992

Thank you all. Please be seated. And Zach, Dr. Zachariah, thank you, sir, for that wonderful introduction, for all you do, and I am very, very grateful to you. I want to thank Father Murphy for his thoughtful invocation; the national finance chairman, you met Bobby Holt; but the national finance cochairman, my old friend Alec Courtelis; and another good longtime friend, Jack Laughery; to our campaign manager in Florida, no nepotism involved, I just chose the best, Jeb Bush. And may I salute one who gives us so much support, gives me so much support in Washington, Congresswoman Ileana Ros-Lehtinen. Where is she? Right here. And State senator Lincoln Diaz-Balart who we just met over here. Thank you, sir. And Van Poole, our State chairman, where's Van? He's right down here somewhere at the end. I salute him. And, of course, our Dade County chairman, our masterful master of ceremonies, Armando Codina. Thank you, Armando.

It is a pleasure to be here tonight. And we have much to do these next few months because we've much to do in these next few years. Together we can finish what we've started, and we can move this country forward. And to do that, I need your support. Help me win the Presidency for 4 more years. I ask your support for the simplest reason: We believe in the same things, jobs, family, peace, the fundamentally important things. And Zach, thank you for your very kind words about my grasp of and leadership in the field of foreign affairs.

We know that taxes are too high in this country because the Government is too big and it spends too much. And we believe in a strong defense. We believe in family and faith, responsibility and respect, community and country. And we know that we put America first when we put America's families first. The National League of Cities' mayors came to me, and they said the major problem in the cities is the dissolution, the diminution of the American family. And we've got to do something about that.

So often today's politicians do the easy thing, the popular thing. But it's the tough decisions that tell you something important about character and principle. For I believe in things that don't change from one election to the next, things that guide each one of us every single day of the year.

During my Presidency I've been blessed to take part in a new era in America's history. And let's face it, my friends, the cold war is over, and America won. And we are the leader of the entire world. And the Soviet Union collapsed, and imperial communism is dead.

Last week marked a special birthday, the battle of Grito de Baire in Cuba's war of independence.

We support independence. We want freedom and prosperity for the Cuban people and an end to Castro's totalitarian regime. But look around the world. Castro has become an outcast even among the dictators. And his beaches are not borders, they're the confines of freedom. For years, the Cuban community -- and I salute Jorge Mas and so many others here tonight -- the Cuban community has energized Miami. And someday freedom-loving people will change that island for the better, just like America has changed the world. It's going to happen. You can bet on it. It is inevitable.

And now tonight, I want to talk about how Republican leadership is changing America. We're changing it by setting right what is simply on the wrong track in our country.

Take our courts, for example. There's something wrong when the rights of the criminal are more important than the rights of the victim. And I am proud of our tough stand on crime, although if Congress passed my crime bill, we could be doing a lot better. We could be a lot tougher. And I'm proud of our judicial appointments, judges who interpret and do not legislate from the Federal bench.

And there are other things that are wrong. When kids can't say a voluntary prayer in school or when fathers stop coaching Little League because they're afraid of liability suits, that too is wrong, and the same when people stop volunteering to help each other because they fear ambulance-chasers. This isn't the America we want. This isn't the way it's supposed to be, all these lawsuits out there. These days a sharp lawyer would tell the Good Samaritan, ``Keep on walking." I want to change that, so I've proposed reforms to our system to reduce the number of frivolous lawsuits.

Now, I don't want to get in trouble with the Bar Association, but I once quoted to someone that line, ``An apple a day keeps the doctor away." And he said, ``What works for lawyers?" [Laughter] Legal reform will help our legal process work. But, you know, the real answer for solving problems is to be more concerned with helping each other than suing each other. We're going to try to correct that from this legal reform bill I have before the Congress.

Can't stop there though, not until we reform our health care system. Not because it doesn't offer the world's highest quality of health care; it does. I think everybody would agree on that. But we've got to reform it because too many people simply don't have access to health insurance. Too many people worry that they'll lose their insurance if they change jobs, or, worse still, if they lose their job. And anybody who's had even minor surgery knows that health care costs are going through the roof.

What's the solution? Not to go down the road of socialized medicine. All that means is long lines and impersonal service. And as I said at lunch, we can get that, long lines, impersonal service, at the department of motor vehicles. [Laughter] My idea, and we've got a good plan to do this, is to make insurance available to all, rich and poor alike, availability, keep the quality high, the

bureaucracy low, and preserve choice. The last thing we want is the Government assigning you a doctor.

And I want you to know I'd written this before I knew there were going to be 200 doctors here tonight. [Laughter] But since I have your attention, I have an ache in my shoulder and a small headache, and I'd like to know what to do about it. [Laughter]

Health care reform means improving the system. And there's another area where reform means changing the system. And I'm talking about welfare. Let's face it: Too often welfare encourages dependency instead of personal responsibility and the dignity of a job. And so we've asked all the Departments and Agencies to make it easier through the waiver process for State and local government to reform policies and help broken families. We need to help make families whole, help bring dignity back into their lives. And yes, that means going after the deadbeat fathers who run out on their children and leave some struggling mother to take care of the responsibility.

There are so many issues out here. But this leads me, then, to the number one issue on the minds of all Americans: the economy, jobs. People out of jobs are looking for jobs, people who have jobs are worried they might lose it tomorrow, worried about their jobs, providing for their families, meeting the challenges of paying the bills, buying a home, setting aside for retirement.

The American people want this economy to grow, to create and preserve jobs. So in January, some of you may remember it in the State of the Union, I unveiled a two-part plan. The first part gets business moving again, upgrading plant and equipment, hiring workers again. It uses incentives like an investment tax allowance that speeds up the depreciation, calls for Congress to wake up and understand how jobs are created and to cut the tax on capital gains which will create a lot of new small business jobs.

Housing and real estate have led us out of recessions in slow times before. So to get housing back on its feet I unveiled several commonsense proposals to get people buying and building homes. These proposals will create in Florida alone an estimated 26,500 additional housing starts and 51,000 new construction jobs. Now, perhaps the most easily understood proposal is a $5,000 tax credit for first-time homebuyers, that young family together that needs just a little more to own their first home. People almost able to buy that first home could do it with that extra $5,000 in their pocket.

Two hundred and three years ago on this very date the United States Congress met for the first time, this very date 203 years ago. I wonder what they would think today about the House Democrats' so-called plan. Here's the deal: 25 cents a day in temporary tax relief for 2 years, paid for, typical of them, by a large permanent tax increase. Now, over in the Senate, the bill the Democrats are working on is not much better than the one that's in the House. And its centerpiece is a huge tax increase. The last thing our economy needs now is a $100 billion tax hike, and they are not going to get it.

Zach alluded to this, we drew a line in the sand in the Persian Gulf, and we kept our word. So I'll draw another line in the sand right now. If the Democrats send me nonsense like the bill passed through the House, I will send it right back. I will veto it the minute it hits my desk. We are not going to inflict this on the American people. Instead of their crazy political maneuvers, Congress ought to pass my plan to make America more competitive. Here's the deadline: March 20th, the first day of spring. Here's the challenge: Give American workers a spring break. No more games. No more empty gestures. Just pass my plan, and get this economy moving.

Some question the need to act now. Well, let me repeat the story of a little boy who asked why his friend's grandmother read the Bible so much. ``I'm not sure," said his friend, ``but I think it's because she's cramming for her finals." Urgency counts in any world. And so I'm asking Congress to also pass the second part of my plan this year. It's a roadmap to make us competitive.

Our plan revolutionizes America's education system. I was reading that the average eighth grader spends 4 times as much of his time watching TV as doing homework. TV should not be America's babysitter. We can change that by making our schools accountable and demand excellence. Our plan will get the billions of dollars of Government research and development more quickly to private sector businesses and workers. Good education, and then use our know-how to move our technology from the Government labs out into the competitive world.

We have a commitment to children and strong families, and our plan provides tax relief to strengthen the family. We want to raise the tax deduction for children by $500. Make no mistake, I want this entire plan passed this year. I want it passed now.

Behind all of this is an idea vital to America: To succeed economically at home, we have to lead economically abroad. Zach put his finger on the importance of America's leadership around the world. Some don't want us to lead. They think we ought to just shut out the rest of the world. And they're dead wrong. More than 200,000 jobs in Florida stem from manufactured exports. And last year, more than $13 billion in exports went out through the Miami customs district.

You know that the way to create jobs is not to cut and run, not to pull back in some isolationistic sphere of protection; rather to open markets for our exports everywhere in the world. And I am going to fight hard in every foreign market to do just that. It is exports that have saved us in these rough times, and it is exports that will lead us into the most prosperous decade that lies ahead. And it's working. Our overall trade imbalance is down. Look at the figures. In 1988 the trade deficit stood at $119 billion. Today it's dropped to $66 billion, a 44-percent drop in that relatively short period of time.

Now, I believe the American people want to hear about how we're going to address all these challenges, our country's challenges. And they want to hear solutions, not just a lot of tearing this country down and telling America how bad everything is. We have an awful lot to be

grateful for in this country. They want to hear about the solutions that will keep inflation low, get our confidence high, protect the savings of our elderly. Solutions that will win the war on drugs, and we are making great headway. And I salute Miami's heroic efforts in this battle against narcotics. We are winning. Witness the massive seizure of drugs in south Florida over the past several months. Witness the fact that drug use amongst teenagers is down by 60 percent in the last couple of years.

We've got a lot to do in this country, and a lot to do. But I am absolutely confident that we will get the job done. And I'm going to fight hard in the Florida primary for these people, fight for what is right and good. I saw, in the 8 years my friend Ronald Reagan led America, how leadership matters. Last year, as Zach mentioned, we saw America stand tall again in the Persian Gulf. And I believe the next 5 years are just too important to entrust to the inexperienced. So I ask for your help to keep our party strong, united so that we can win this fall.

And yes, we have many challenges before us. But when haven't we? We're America. We're on the move. We're a country of change. And I guarantee you, we will meet every single challenge, each and every one of them, and meet them from the great Panhandle to the tip of the Florida Keys.

And yes, there's an important primary next Tuesday, and then there's another election in November. And I guarantee you, I have never felt more confident about winning the primary and winning the general election. I've got to be a little careful; my mother's living up the coast here in Florida, so I've got to be careful. But I think I've been a good President, and I want to be your President for another 4 years. And I will give you my level-best and work my heart out for the greatest, freest country on the face of the Earth.

Thank you, and may God bless America. Thank you all very, very much. What a great evening and a great day in Florida.

Note: The President spoke at 8:30 p.m. in the East Hall of the Radisson Mart Plaza Hotel. In his remarks, he referred to Zach Zachariah, Bush-Quayle financial cochairman for Florida, and Van Poole, Florida Republican Party chairman. A tape was not available for verification of the content of these remarks.

Remarks to the Home Builders Association of Greater Columbia in Columbia, South Carolina

March 5, 1992

Thank you very, very much, Carroll. Thank you all so much. What a nice welcome back to South Carolina. Thank you very, very much. It's great to be here. To Richard Sendler, congratulations on you and Carolyn's 26th wedding anniversary. The man knows timing. Timing is everything in life. And Governor Campbell, my dear friend Carroll, thank you for that generous introduction. We are grateful for your hospitality, for your leadership as one of America's greatest Governors.

Carroll mentioned the Governors' conference where we set these national education goals, a first. Wasn't just Republican Governors, wasn't just Democrats, all coming together to set national education goals that led to a program that will revolutionize our education. What he didn't tell you is he and only two or three others, maybe it was three, were the true leaders in designing this brandnew approach to revolutionizing education in America and bringing us into a competitive scheme for the next century. We are going to again be the leaders in education, and your Governor has been in the forefront of that change. And I am very, very proud that Carroll Campbell will serve as the national cochairman of my campaign, and once again, he's handling a lot of duties as the southern regional chairman.

Good morning to the other members on the dais here, Chuck Newman, Mike McMichael, and Dottie Lafitte-Woolston. America still remembers your strength, the strength and resilience shown by South Carolina during Hurricane Hugo. I promise not to be quite that windy today. [Laughter] It's great to be back in this State where political victory is in the air. And then it'll be on to the fall where already there's a battle shaping up. Both sides will go on the offensive and all out. And in the end, there will only be one winner. And I don't know if it'll be the Gamecocks or the Tigers, but you can bet there's a battle. [Laughter]

We were riding in from the airport here, I saw a guy with a Tigers T-shirt on. So I picked up the loudspeaker from the car there and said, ``Go Clemson!" Carroll said, ``Say Gamecocks! Say Gamecocks!" [Laughter] And so never forgets the politics.

And I'm going to ask everybody what today I ask of you: Help me -- what we've started -- help me move our country forward. Help me win the Presidency for 4 more years. And I ask your support for the simplest reason. I believe we believe in the same things: jobs, family, peace, world peace, the important things. And we know that taxes are too high because our Government is too big and spends too much. And we believe in faith and family, responsibility and respect, community and country, a strong defense and a strong economy. And we know that we put America first when we put America's families first.

So often politicians do the easy things, the popular things. But it is the tough things that tell you something about character and honor and leadership. Anyone can demagog, but the Presidents must make decisions. And so, let me tell you what has guided me as I've tried to do for America what is right and true.

I learned, and I expect we all did, I learned a great deal when I was young from the greatest teachers I ever had, and that was my parents. And at church and in dinner and in political talks with my mom and my dad, I learned that life means nothing without fidelity to principles. It's what I believed as a Navy pilot in World War II, as a businessman, and now as your President. It's why, for example, I've vetoed 26 bills, standing up against the Democratic Congress. And I'm proud to say not one single one of them was overridden. Sometimes you have to make the tough call.

Some of them were popular, but all, in my view, were ill-advised. And the Presidency is not a popularity contest. I think you elect a President to say what America needs to hear, even when it's not what people want to hear. In the campaign you hear all kinds of quick fixes, all kinds of political rhetoric, but a President must make decisions and lead.

And Carroll Campbell knows exactly what I'm talking about. And so does that great favorite son of South Carolina, Strom Thurmond. Like me, they believe in these eternal truths that don't change. And so did another South Carolinian, a good man from Columbia, Lee Atwater, my dear friend.

All of us know how values guide each of us every day of every year. It's true in your families; it's true in mine. It's these things that have helped bring America to a new world, a new era in our history. Carroll touched on it.

We've got a lot to be grateful for. The cold war is over, and America won. The Soviet Union collapsed, and imperial communism is a four-letter word, D-E-A-D, dead. I salute my predecessor, Ronald Reagan. American leadership changed the world. Republican leadership will change America.

We believe that parents, not the Government, should make the decisions that matter in life. Parents, not Government, should choose their children's schools. I believe in school choice. And parents, not the Government, should choose who cares for their children. Parents know better than some bureaucrat in Washington, DC, and that's why we fought for a child care bill that has choice as its fundamental practice. And yes, I still believe that there is a place for voluntary prayer in our children's classrooms. And when things aren't right, we've got to change them.

We've got to reform America's health care system. And right now the quality, the quality of American health care, is the best in the entire world, bar none. And the problem? The problem is access to care. Too many Americans, many with families, do not have health insurance

coverage. And you know how even a short stay in the hospital can rip a hole right through a family's budget.

But socialized medicine is not the answer. If we wanted long lines and revolving-door health care, we'd put doctors to work down at the department of motor vehicles. You can go there every single day and get those long lines and revolving people coming in and out of there. Nationalized health care would be a national disaster, it really would. And the last thing we want is the Government playing doctor. We've got to reform, and so our program says make insurance accessible to all, rich and poor alike. And that's the program that we need to bring health care to those who don't have it adequately now in our country.

And we've got to reform our country's legal system. The home of the free has become the land of the lawsuit. When you're as likely to serve your neighbor a subpoena as a cup of coffee, something is wrong. Medical malpractice suits, they've become an epidemic worse than many of the diseases. And we've got to turn this mess around, and we need to spend more time helping one another than suing one another. And that's why we've sent up there to the Capitol Hill a reform bill, a major reform bill to curtail needless lawsuits and give people easier ways to solve disputes out of court. Your industry depends on partnership. And if you'll join hands with me to pass legal reform, we can get this country moving in the right direction.

And we've got to reform our welfare system, make a connection between welfare and work. And yes, we're a compassionate country. We care. Americans care. And they will support welfare for families in need. But Americans want to see government at every level work together to track down the deadbeat dads, the ones who can't be bothered to pay child support. They want to see us somehow break this cycle, this pessimistic cycle of dependency that destroys dignity and passes down poverty from one generation to another generation and then to another generation. That's wrong. That's cruel. And we're working to change it right now. We're encouraging the States to innovate with workfare, with plans that help people break welfare dependency and begin learning, begin learning work skills.

This brings me, then, to what I'm sure we would all agree is the number one issue: the economy and how we change it. We must help people worried about providing for their families, meeting the challenges of paying the bills and providing a home and setting aside for retirement.

So, let me take a page from Richard Sendler's book and tell it like it is. My program will put America back to work. My State of the Union Message put forth a two-part plan that will get our economy running the way Richard Petty likes to move. My plan says: U.S. economy, start your engines. And when we carry out this plan, it's going to carry our competitive American workers and businesses all the way to the victory lane.

The first part of the plan, some of you are familiar with it, aims to get business growing right now. I want an investment tax allowance, speed up depreciation. I want Congress to quit

punishing people who create jobs, and thus, I want to see a cut on the capital gains tax and get this country back to work.

And then there's the proposal that can help get the housing market going again. I'm feeling better about it, but it needs this: a $5,000 tax credit for first-time homebuyers, money that will help people buy a first home. And here's what that credit, that $5,000 credit will mean to South Carolina: 3,400 housing starts, 6,600 jobs. And if Congress passes my plan, the National Association of Home Builders predicts 415,000 new construction industry jobs and $20 billion, $20 billion in new economy activity across America.

My plan will help people like the Greater Columbia Home Builders sell and build homes. And for the family looking to buy that first home, that $5,000 credit means 8 months of mortgage payments on the average South Carolina home. I wish Congress, if they don't do anything else, I wish they would lay aside the politics of tax-and-spend and give that one break to the American economy and watch homebuilding lead out of this slow economic time.

Sadly, the liberal crowd that controls Congress doesn't seem to understand the things that matter to you: your home, your business, taking care of your kids. And otherwise last week's House Democrats wouldn't have passed a bill which reminds me of the old joke: It'll make builders sleep like babies. They'll wake up every hour and cry. [Laughter]

Listen to the deal: 25 cents a day in temporary tax relief for 2 years, paid for by a large permanent tax increase. Over in the Senate, the bill the Democrats are working on is not much better than the one in the House. And its centerpiece is, yes, you guessed it, a huge tax increase. And the last thing our economy needs now is a $100 billion tax hike.

We drew a line in the sand in the Persian Gulf, and we kept our words. And I'm going to draw another line in the sand right now. If the Democrats send me a monstrosity like the House bill, I will veto that bill the minute it hits my desk and send it right back to those people on Capitol Hill.

Our plan has two parts. And I also call on Congress to pass the second part of our economic plan, now. I stressed this in the State of the Union: short-term, quick, done by March 20th; and a longer term, but I want it passed now, things like education reform, support for enhanced research and development so we'll be competitive in the years ahead, a $500 tax deduction to strengthen the family for each child.

We must make America more competitive in the 21st century, helping us lead economically abroad so that we can succeed economically at home. And some, of course, don't want us to lead. They want to build a fence around America. Tell that to South Carolina. Here are an estimated 125,000 trade-related jobs. And by closing our borders as my opponents would, we'd put those people out of work. And the U.S. trying to build prosperity by turning its back on the

world is like your trying to build prosperity without hammers and nails. Call it protectionism or isolationism, both mean surrender. And look closely. That is not the American flag they're waving; it's the white flag of surrender. And that is not the America that you or I know. We are going to stay engaged. We are going to sell abroad.

And of course, the playing field has to be level. Fair trade is the priority. My fight to open trade markets is paying off for America's farmers and manufacturers. Our overall trade imbalance is down. Still got a ways to go. Still need more access to foreign markets. But look at these figures. In 1988, the trade deficit stood at $119 billion. Today, it's dropped to $66 billion, a 44-percent drop. And I will continue to fight hard to open up markets for our exports all around the world. And that's the way to fight for South Carolina jobs and for South Carolina families.

Recently, Barbara and I saw a movie based on a book in South Carolina. I'm sure many of you saw it, ``The Prince of Tides," where the author writes, ``the southern way of the spirit." The southern way of the spirit, to me, the southern spirit is optimistic. It is confident. It is so clearly patriotic. And you never run this country down. You don't believe in the politics of hate, either. And I think you'd agree that sometimes it's important to talk a little about what is right in America, and there is plenty to talk about.

Let's talk for just a minute about the bravest and best young men and women in America, the volunteer guardsmen and reservists, the volunteer soldiers, sailors, and airmen who answered the call in Desert Storm. South Carolina's young men and women answered that call by the thousands. Their service told America and the world: Never will America tuck tail and let aggression stand. And we'll do what's right and good. And when we do so, we will prevail.

Now, of course, there were those who didn't support us then, and there are those who second-guess us now. But not you. When our kids laid it all on the line, those brave young men and women laid it all on the line, the people of South Carolina never wavered. And again, I want to thank South Carolinians for showing America at its best. The country came together in victory. And that spirit of optimism, that can-do spirit, must be our spirit as we lead this country out of the economic doldrums and into a prosperity, the likes of which we never would have seen.

And now in our fight to change America, we still have much to do. But I am absolutely confident we'll get the job done. And yes, we have challenges before us. But I guarantee you we'll meet them head on, each and every one. And yes, there's a big election here on Saturday. And I don't like to see this many people gathered together without mentioning it. [Laughter] And there's another one in November. And I don't want to come across as arrogant, but I believe I'm going to win. I believe I'm going to win the election on Saturday. I believe I'm going to win the election in the fall.

And I ask for your support to help keep our party strong and united. I want to be your President for 4 more years. I will try my level-best to continue to lead this country with honor, with

decency, with respect for the principles that all of us hold dear.

Barbara and I are very, very privileged, and we know it. Every single day we live in that White House, we know that we are amongst the most privileged in the world to be able to serve in this way. I'm going to continue to try my hardest. I'm going to continue to do my level-best for the people of this country. I ask for your support.

Thank you, and may God bless the greatest country on the face of the Earth. Thank you very much.

[At this point, Richard Sendler presented the President with an oversized hammer.]

Thank you all very, very much. I'll take this and flee and bring it to bear next week on the Congress. Thanks a lot.

Note: The President spoke at 10:37 a.m. at the South Carolina State Fair Grounds. In his remarks, he referred to Richard Sendler, president of the South Carolina Home Builders Association; Charles Newman, first vice president of the Home Builders Association of Greater Columbia; Mike McMichael, president of the Home Builders Association of South Carolina; and Dottie Lafitte-Woolston, BUILD-PAC trustee.

Remarks on Departure From Columbia, South Carolina

March 5, 1992

Hey, listen, let me just ask you now to go out and be sure to vote on Saturday and send the rest of the Super Tuesday States a strong message. I want to be your President for 4 more years, so give me that vote. And thanks for your fantastic support, and don't let all the doomsayers get you down. I love this South Carolina optimism, the South Carolina pride, the South Carolina patriotism.

So thanks for this warm welcome. Now we're off to Tennessee, Oklahoma, Mississippi, Louisiana, and then we're going to get back for a great big Super Tuesday. But show them what we can do on Saturday. And thank you for this great Governor at my side. Thank you all.

Note: The President spoke at 1:10 p.m. at Columbia Metropolitan Airport. In his remarks, he referred to Gov. Carroll Campbell.

Remarks to Federal Express Employees in Memphis, Tennessee

March 5, 1992

Thank you so very much. Thank you so much for that enthusiastic welcome. And thank you to my friend Howard Baker, one of the great leaders in the United States Senate in all of its history. Thank you for the introduction, Howard. And may I salute Congressman Don Sundquist, who has been at my side in the political wars, a good friend, a great Congressman. And I'm delighted to be here at Federal Express, 1990 Malcolm Baldrige Quality Award winner, a national winner.

My staff told me they weren't sure they could fit this stop in our schedule. But when I said it was a ``Fred said,'' I knew we had to do it and fast. Fred, thank you. You know, Fred Smith has always been very, very generous. And Fred, it's good to know that if Air Force One ever has a problem, I can always ride in the jump seat. And I hope I don't forget the cookies. And you know what that means.

The people of Memphis, indeed, all Americans, face a momentous decision this year. And I would never presume to tell you how to vote; it must be between you and your conscience: Which Elvis should be on the postage stamp? I noticed the sign.

And really, it is a delight to be in this State because the people of Tennessee believe in big things, and we agree on the values that are closest to our hearts. And I'm talking about job security. I'm talking about family. I'm talking about world peace for us and our children and for our families for generations to come.

I'm here today because the people in Memphis, as well as people at Federal Express, embody the values that have made America number one in the world. And I know that with leaders like you, America will stay number one. Don't listen to the gloom-and-doom pessimists on that evening news every night. You don't shrink from a challenge, whether in the marketplace or in the world at large. Think back to a year ago. Think back to Operation Desert Storm. America faced a great challenge then, and Tennessee met it proudly. More than 6,000 Tennesseans served their country as reservists or members of the National Guard. And Fed Ex flew more missions than any other single civilian carrier. And believe me, that is not a contribution that America will ever forget. Thank you all very much and all of you that helped make that possible.

What makes this city, this State, and this company so successful? It's not hard to figure out. Look closely at what happens right here at Federal Express. You seek out new technologies; you make them work. You see job training not as a one-shot deal but as an ongoing process. And you set high standards, constantly asking more of yourselves and your coworkers, and you're satisfied with nothing short of excellence. Innovation, that's what being competitive is all about.

The key to success, to our success as a Nation is competitiveness. And for some, that word, competitiveness, is just this year's political buzzword. Here in Memphis it's a reality. Competitiveness is your key to leadership. And companies like this one here, Fed Ex, understand a central truth about America: If we are to succeed economically at home, we must lead economically abroad. And that's what you are doing.

And here at Fed Ex that's just common sense. More than 1.5 million packages pass through here everyday en route to all parts of the globe. And Memphis, therefore, is already America's distribution center, and now you're becoming the world's. And that means economic opportunity, and it means jobs for the American people.

You know, in this political year, this political year some people can't seem to understand that. They see the challenges of a global economy, and they say, ``Let's draw the blinds; bolt the doors. Maybe the world will go away." And they push protectionism, an ugly word that really means surrender. Don't be fooled by the tough talk and the patriotic political bluster out there. Protectionism comes from fear, fear that Americans can't compete, fear that Americans have no ideas and no foresight, fear that America can no longer lead. And let those skeptics come to Memphis, Tennessee, and let them come to Federal Express and see what it really is about. And maybe then they'll understand what you and I already know: Americans here and across our country can outthink, outperform, outproduce anybody in the world.

Never in this country's history have Americans turned their back on a challenge. And we don't run and hide. We compete. As long as I am President, we will continue to compete, and we will continue to compete. I don't believe in protectionism, and I don't believe in isolationism.

Yes, we've got a lot of work to do to keep America on top. And of course, you know and I know that our biggest challenge, my first priority, is to get this economy moving, to create and preserve American jobs. And in my State of the Union Address in January, I laid out a two-part plan for the economic recovery. First, a short-term plan to strengthen the economy right now. And then, second, a longer term plan to keep America growing strong for years to come. And my plan gets business moving again, hiring again. It gets the housing market back on its feet with a $5,000 tax credit for that first-time homebuyer. Give those young families a chance to own their own home, commonsense proposals to get people buying homes and then building homes.

Fortunately, Congress can't tie my hands on everything. I've been able to take some steps on my own. For example, I put a 90-day freeze on new Government regulations so that all major Cabinet Departments and Agencies can conduct a top-to-bottom review. And I've given them some advice: Wherever possible, they must speed up any regulations that encourage economic growth and scrap regulations that restrict economic growth in this country.

Overregulation robs the inventiveness and risk-taking the economy needs to grow. And you all

understand that better than anybody. For the first year, Fed Ex ran its business with 32 small planes. Any further expansion was inhibited by air cargo regulations. And deregulation allowed Fed Ex to buy more planes, larger planes for transport. And literally, Federal Express took off when the regulatory burden was lifted from their backs. And so, we're going to energize our economy nationally the same way. The days of overregulation are just that, they are over.

And also there's another thing on the minds of the people in this great area, and that means reforming our legal system. When parents won't coach Little League for fear of being slapped with a liability lawsuit and doctors stop delivering babies for fear of a malpractice suit, there is something wrong. And that's why I've sent a bill to the Congress, supported by Don Sundquist, to stop the frivolous lawsuits that drain our wallets and tear apart our society. And here's the bottom line: America won't find its way out of this mess until we spend more time helping each other than we do suing each other.

We've got to also reform our health care system. Anyone who's had even a checkup knows that medical costs are going right through the roof. And I believe all Americans deserve quality health care. However, too many families go without health care coverage. And our plan focuses on opening up access to health care to all Americans, rich or poor. And some want to take us down the road of nationalized health care, and I think you and I both know that nationalized health care where Government makes all the decisions would be a national disaster. And so I say to the Congress, the Congress of the United States: The American people need your help, and now is not the time for the Government to play doctor. Give us an improved health care program for this country.

I'd like them to do it now. But see, I know Congress can be a little slow doing things. [Laughter] That's like the guy that takes an hour and a half to watch ``60 Minutes." [Laughter] So I gave them a deadline, March 20th, to enact this short-term plan. And unfortunately for the American people, the Democrats, the liberals that control the Congress, had other ideas. Last week they passed a plan of their own. And here's what it does: In exchange for a two-bit tax cut, literally about 25 cents a day per taxpayer, they will raise another $100 billion in taxes. And they call that $100 billion new revenues. And I have another word for it: your money. [Laughter]

No matter how the the Democrats try to dress it up, any economist can tell you the last thing we need right now is a $100 billion tax hike. So if the Democrats in Congress want to send that bill to me, I've got a message for them: I will veto it, absolutely, positively, overnight.

No, the American people have had enough of the old tax-and-spend, and they want to get our economy back on track. And every day each one of you hears Federal Express airplanes flying overhead. To some people that might sound like noise, but it is music to my ears. It is the sound of an economy on the move, an economy that is worldwide. It is the sound of American ingenuity taking off.

Since I took office, it has been my responsibility to work for what is right for America. And I often go back, I expect we all do as families -- and I wish Barbara Bush were with me to see this marvelous crowd today -- we often go back to the simple ideal that in our case, that my parents taught me: Try your hardest. Be honest. Do your best. And let me tell you something: I'm not finished yet. I want your support for 4 more years to finish this job. And I say to the people of Tennessee, together we're going to make a change, a change that for once Congress will believe in you and give you values you believe in, give those values a real chance to work.

Thank you for your hard work. Thank you all for this enthusiastic welcome and your continued support. And may God bless the greatest, freest country on the face of the Earth, the United States of America. Thank you so much.

Note: The President spoke at 2:35 p.m. at Memphis International Airport. In his remarks, he referred to Frederick W. Smith, chairman and chief executive officer of Federal Express.

Statement on Signing the Reclamation States Emergency Drought Relief Act of 1991

March 5, 1992

Today I am signing into law H.R. 355, the ``Reclamation States Emergency Drought Relief Act of 1991." This bill provides, for a period of 10 years, general authority for the Secretary of the Interior to take action in the Western States to protect and preserve fish and wildlife habitat and assist farmers and urban dwellers in overcoming drought conditions. In addition, the bill provides permanent authority for the Secretary to prepare drought contingency plans in consultation with States, Indian tribes, and other entities for the prevention or mitigation of the adverse effects of drought conditions.

As I sign this bill, some areas in our Western States, notably in California, are facing their 6th consecutive year of drought conditions. The authorities granted by this bill will allow the Federal Government greater flexibility in utilizing the facilities of the Federal reclamation program and the resources of the Department of the Interior to assist the States and other non-Federal entities fighting the ravages of drought. This bill allows us to be the good neighbors that we should be in time of common need. It is in the American tradition that neighbor helps neighbor in times of burden. We will not stand by and see either our local economies and jobs literally ``dried up" by drought or our valuable refuges and wetlands parched by lack of water.

We are fortunate that, in the last few weeks, the water supply situation in California has improved. So I am pleased to announce that today Secretary Lujan will make available additional allocations of more than 1 million acre feet of water. This will enable us to deliver project water to agriculture in the Central Valley -- without sacrificing any allocations provided for other uses. This is only a first step -- but a very positive one for California agriculture. I have asked Secretary Lujan to continue to assess the water supply situation and to keep me informed of any opportunity to provide additional Federal water where it is needed.

I note, however, that section 204(a) purports to require that the Secretary of the Interior submit certain drought contingency plans to the Congress, together with the Secretary's recommendations for legislation. The Constitution grants to the President the power to recommend to the Congress such measures as he judges necessary and expedient. Thus, provisions such as the one contained in this bill have been treated as advisory and not mandatory. I will therefore interpret section 204(a) accordingly.

Section 204(b), which purports to allow the Secretary of the Interior to approve certain drought contingency plans only at the request of the Governor of the affected State, could be construed to permit the exercise of Executive power by Governors, who are not appointed pursuant to the Appointments Clause of the Constitution. In order to avoid constitutional questions that might otherwise arise, I will interpret the role of Governors under this provision to be an advisory one.

I also note that the Department of Agriculture conducts drought contingency planning and administers drought assistance programs in agricultural areas. New planning and technical assistance activities initiated by the Department of the Interior will of course be coordinated with the Department of Agriculture and other affected departments and agencies.

George Bush

The White House,

March 5, 1992.

Note: H.R. 355, approved March 5, was assigned Public Law No. 102 - 250.

Statement by Press Secretary Fitzwater on the Kissimmee Basin Restoration Project

March 5, 1992

The President is pleased to announce that the Federal Government has reached in principle agreement with the State of Florida to restore a major portion of the lower Kissimmee Basin. The project envisioned would restore 66 miles of river and 29,000 acres of wetlands. It will help benefit over 300 species and create jobs in the process. We are prepared to agree to a plan which will implement this project in partnership with the State, with many of the costs shared fifty-fifty. Tomorrow, Assistant Secretary of the Army Nancy P. Dorn will meet with Governor Chiles to iron out the details. But we are ready to move forward with a project that is good for Florida's environment and good for its economy, too.

Nomination of I. Lewis Libby, Jr., To Be Deputy Under Secretary of Defense for Policy

March 5, 1992

The President today announced his intention to nominate I. Lewis Libby, Jr., of the District of Columbia, to be Deputy Under Secretary of Defense for Policy. This is a new position.

Currently Mr. Libby serves as Principal Deputy Under Secretary for Strategy and Resources at the U.S. Department of Defense in Washington, DC. Prior to this Mr. Libby served as a partner with the law firm of Dickstein, Shapiro & Morin in Washington, DC, 1985 - 1989. In addition, he served at the U.S. Department of State as Director of Special Projects at the Bureau of East Asian & Pacific Affairs, 1982 - 1985, and on the Policy Planning Staff in the Office of the Secretary, 1981 - 1982.

Mr. Libby graduated from Yale College (B.A., 1972) and Columbia University School of Law (J.D., 1975). He was born August 22, 1950, in New Haven, CT. Mr. Libby is married and resides in Washington, DC.

Remarks at a Bush-Quayle Rally in Oklahoma City, Oklahoma

March 6, 1992

The President. Thank you, Senator Nickles, for that kind introduction. May I salute our State chairman, Clinton Key, and finance chairman, Ed Lawson. And I'm pleased to share this stage this morning with some of this State's finest: State Representative Larry Ferguson, Mayor Norick of Oklahoma City, Mayor Randal Shannon of Edmond, and Commissioners Watts and Bob Anthony. Welcome to all of them and, last but not least, Treasurer Claudette Henry. And I also want to express my deep appreciation to your hometown Congressman, Mickey Edwards, who couldn't be here today because he's back in Washington participating in the budget debate and helping me hold the line on Federal spending.

And may I also salute two friends of long standing, Ed and Thelma Gaylord. This square is a fitting tribute to Thelma, and I think we're all very grateful to them. And finally, let me note what a great host Terry Johnson has been today. And a special thanks to George Wesley, who we just heard doing a superb job singing the national anthem. But most of all, thanks to every one of you who got up at all hours this morning to come to Edmond, from Elk City to Enid and towns all across Oklahoma, to show your support. And a special welcome to all the students here from Oklahoma Christian. One question. One question, just one question: Is it too late to audition for the spring sing?

Well, let's talk about our country. We are in a battle for our future, and I am determined that America should leave young people like you the best possible legacy. And we want America to lead the world in good jobs with productive work. And we want to remain a force for world peace and freedom. And we are fighting -- and we will continue to -- to protect our most basic institution, which is the family. And that's why this year of decision is so important for America.

In next Tuesday's primary election and November's general election, you will hold this future of this country, your future, in your own hands. And I'm asking you to get out to vote and create a resounding mandate for transforming America. Let's nominate and elect men and women who share our values. We've got much more to do to get America on the right track. So, I'm asking you for 4 more years as your President of this great country.

Audience members. Four more years! Four more years! Four more years!

The President. This country was built on faith, family, and freedom, and we must renew those sources of our strength. And we must allow common sense to prevail.

For example, in our welfare system, restore the connection between welfare and work.

Americans are not cold-hearted. We're a caring people. Americans support welfare and families in need. But we want to see government at every level work together to track down the deadbeat fathers, the ones who can't be bothered to pay their child support. And most important, we've got to break the cycle of dependency that destroys dignity and passes down poverty from one generation to the next. That's wrong. That's cruel. And we're working to change it. The way we're doing that is to encourage States to innovate with workfare and plans that help people break that dependency, begin learning work skills. Let's help those families.

And we will continue to fight for the parents' right to choose their children's schools, school choice. We've got a great education program, and school choice is at the heart of America 2000, our strategy to literally revolutionize American education.

Today, March 6th, is a World Day of Prayer. And I think it says something that the World Day of Prayer is observed a lot more frequently here in this community than it is in Washington, DC. You know there's something wrong when our kids cannot participate in voluntary prayer in the classrooms across this country. The Senate and the House, and they need it, I'll admit, open their sessions every day with prayer. Why can't we have a voluntary prayer in the classroom?

And let me be clear: Parents, parents, not some bureaucrat in Washington, DC, knows what is best for the kids. And that's why we worked hard to win a child care bill that provides parents the right to choose who provides the care. We know America is first as long as we put the family first.

Now, back to Congress, regrettably. For 3 years I've had to fight the liberal leadership of the Congress, one party having controlled that Congress for most of the last 50 years. And I will continue to stand for principle no matter how daunting the odds. We have fought; we've put judges on the bench who know their rule is to interpret the law, not to legislate from the Federal bench. And I'm going to keep on doing that.

And let me be clear to those here and those that are not here but might be listening: I will use the veto when I have to, to stand for principle, to stand up for family values. Sometimes even my friends said I was flirting with defeat by casting a veto instead of cutting out a deal. But we've never lost a veto fight, and I will never hesitate to use the veto when principle is at stake.

And so, here we go again. The liberal leadership of the Congress is once again on a collision course with my veto. You remember when I asked Congress to pass tax cuts and incentives to really stimulate this economy, to get it moving, to get real estate up and running, to reward risk takers who create good jobs. It's time to quit punishing people who create jobs. We ought to cut the tax on the capital gains.

But as Don Nickles knows because he's fighting against them every day, instead of passing my plan, the big spenders who control the Congress had other ideas, and they pushed through one of

their own. And here's what's in it for you: a tiny temporary tax cut, 25 cents, a quarter a day for each man, woman, and child. And here's the catch: You can keep that quarter in exchange for $100 billion in new taxes. The Democrats call that new revenue, and I call it your money. And we are not going to let that happen.

If you feel the way I do, write your Congress, and then tell him to keep the change and keep your hands off of the taxpayers' wallets. Unless I haven't been clear. If they send me the bill, anything like the one that came out of the House, I'm going to veto it faster than an Oklahoma twister and send it right back.

And remember, I have set a deadline to the Congress: March 20th. And I have said to the Congress: Pass our plan, get our economy moving, set the politics aside for just a minute -- and then we can fight about it politically from now on -- and do something for the American people.

You've probably got some Will Rogers students around here, but I know Will Rogers once said it was better to have termites in your house than the legislature in session. [Laughter] But this time there's no way around it. Congress has got work, its work to do to get this country moving.

And I know full well how difficult times have been in the past few years in this State for the people in the oil and gas business, for example. And our domestic oil and gas industry is important to our national economy. It's important; it is vital to our national security. And all of us share an interest in a national energy strategy that will keep America strong and keep us competitive. And it's a commonsense plan, ours is, that will help both consumers and producers. Congress has been slow to act on our energy strategy, but finally it's beginning to move. And so, I'd like to ask all of the people of Oklahoma to join me and Don Nickles and Mickey and help us put the heat on Congress to get our energy initiatives in place.

Without getting too technical, I also want action on an issue absolutely vital to Oklahoma energy producers. This is technical, but it's important. The alternative minimum tax as applied to the energy industry is hurting our economy and helping no one. It is unfair to the independent producers. And it's costing us jobs. And Don Nickles understands this problem, and he's been in the lead to get it solved. And so, let me assure you, I will work with Don to get the Congress to reform this tax provision and restore fair treatment to our energy producers. It is in the national security interest of the United States to do this.

I am not going to sit around waiting for the congressional leadership to help the economy, though. Our administration has been reviewing what we can do under existing laws to help. And in the natural gas industry -- help that get moving again as well. And so, today we're going to announce several new actions that will eliminate some of the regulatory barriers that have hampered the gas industry. And these actions will provide significant relief to industry, but they are no substitute for prompt action by Congress to pass my energy legislation.

We're going to fight as we must, and we will win. And in the world today, if we want to succeed economically right here at home, we've got to lead economically abroad. Each day, more and more American jobs are tied to trade, to international trade. And that's the case here in Oklahoma. In the past 4 years, Oklahoma's exports have jumped by 75 percent.

And today, 75,000 Oklahoma jobs are tied to trade. And remember, every billion dollars more in manufactured exports means 20,000 new jobs here. And each extra billion dollars in agricultural exports means thousands more jobs on Oklahoma ranches and farms and in the Oklahoma agribusiness.

And so, some of my opponents are out there peddling protectionism, a retreat from economic reality. And you cut through all the patriotic posturing and the political promising and all the tough talk about fighting back by shutting out foreign goods. Well, look closely. That is not the American flag they are waving; it is the white flag of surrender. And we must not have it. That is not the America that you and I know. We don't cut and run; we compete. And never in this Nation's long history have we turned our backs on a challenge. And we are not going to let them start doing it to us now.

I put my faith in the American worker. Level the playing field, and the American worker will outthink, outproduce, and outperform anyone, anywhere, anytime. So, let's back those workers with free and fair trade.

We're strong. We're strong because we value faith, family, and freedom. We are the world's greatest power because whenever our values are threatened, we fight to defend them. And we need to keep our defenses strong. In my State of the Union Message, I proposed far-reaching but still responsible cuts to bring our Armed Forces into line with the new realities of the world. These cuts were based on recommendations from the Joint Chiefs of Staff, from Colin Powell, from Secretary Cheney, all who have performed superbly. But now the liberals, true to form, want to put down this scalpel on that kind of cut and pick up a meat ax. And I am not going to let that happen. We are going to keep America strong. And you can count on it.

You see, as President, and I'm sure all of you all know this, I have a constitutional responsibility for the national security of this country. And as long as I am President, I guarantee you we will have defenses strong enough to meet our responsibilities. We were ready last year, and an unforeseen situation arose when Iraq's brutal dictator invaded Kuwait. And we will be ready when we face the next crisis. Do not let them cut the heart out of our defenses.

We must let the world know this: Whatever the challenge, America will stay strong. We are in it to win. And make no mistake about this, don't listen to these politicians on the other side who tell you we're in decline. You travel anywhere around the world, and you will find we are the undisputed, respected leader of the free world. And we're going to stay that way.

Think back to a year ago, the calm after Desert Storm. Ask any one of the proud sons and daughters of this great State of Oklahoma, ask any of the young people from this campus who became liberators of Kuwait. And they'll tell you military strength doesn't mean a thing without moral support right here at home. And let me say America is proud of the Oklahoma 45th, the 45th Brigade, and proud of the decision this week to keep that brigade in service.

Of course, there are those who didn't support us then; I can understand that. There are those who second-guess us now. But not here, not in Oklahoma. When I drew that line in the sand, you stood with me. And never would this country tuck tail and let aggression stand. And America did what was right and just and good, and America prevailed.

And we're bringing that same spirit to the fight that we face today. And so, let my opponents go out there and tell us everything that's wrong about our country. Let them try to win by tearing down our great fabric. My opponents sound the retreat, run from realities, seek refuge in a world of protectionism and high taxes and big Government. Let them drone on about what's wrong in America. We know what is right about the United States of America.

Once again, I'm proud to be on this campus. And let me close with just a couple of words right from the heart. In the first place, I think my wife is a fantastic First Lady of the United States. But we are blessed. She and I are blessed to serve this great Nation of ours at a moment when so many of the old fears have been driven away, when so many new hopes stand within our reach. And since the day I took the oath of office, I made it my duty always to try to do what is right for this country. And I've given it my level-best. And I am not done yet.

You and I have more work ahead before we've finished our mission. And it's a battle for our future. It's about jobs for your future. It's about the family. It is about world peace.

And together, I think we've made a great beginning to renew the miracle of American enterprise and to strengthen our values of family, faith, and freedom. And I am counting on Oklahomans, you young people especially, to reject the ugly politics of hate that's rearing its head again: anti-Semitism, bigotry. They have no place in the United States of America.

And now we're approaching an hour of decision next week. Don't wait until November. I'm asking you to vote on Tuesday in the Republican primary. Give me your vote in this important election next Tuesday, and help me win 4 more years to lead the fight for the values we share.

Thank you, and may God bless the United States of America, the freest and fairest and strongest country on the face of the Earth.

Thank you very, very much.

Note: The President spoke at 9:13 a.m. at Oklahoma Christian University. In his remarks, he

referred to Edward L. Gaylord, president of Oklahoma Publishing Co., and his wife, Thelma; and J. Terry Johnson, president of Oklahoma Christian University of Science and Arts.

Remarks at Louisiana State University in Baton Rouge, Louisiana

March 6, 1992

Thank you very much. So pleased to be introduced by your Congressman and my chairman, Richard Baker, doing a great job up there in Washington. And I want to salute two other great Congressmen, Bob Livingston and Jim McCrery. What a job they're doing for the people of Louisiana. And we brought back to Louisiana with us another of Louisiana's sons, Jim McCrery, and secretary of state Fox McKeithen right here, whose dad used to be Governor, and also Henson Moore, my Deputy Chief of Staff, who represented Baton Rouge in the Congress. He now serves as our Deputy Chief of Staff there in the White House. And Chancellor Davis, thank you, sir, for letting us come to this beautiful campus, and thank all of you for the warm welcome.

Let me just say, when I saw the Tiger descending, it is great to be back in Tiger territory. And let me be very clear why I am here: Four more years. That's what we want. And I'm so pleased to see two that were in the White House not so long ago, Coach Brown and Shaquille, the ``Shaq Attack'' O'Neal. Shaq didn't think I'd come down for his birthday, did he? [Laughter] Right?

And I wonder if I have any Deke fraternity brothers out here. As I was driving -- now, wait just a minute -- as I was driving past the fraternity house, I heard him shouting: Four more years! And that's brotherhood for you, I thought. And then, Barbara said what they were really saying was: Four more beers! [Laughter] I think my fraternity, I think the Dekes get a bad rap. Some would compare to them to ``Animal House,'' you know. They ought to take a look at what happens up on Capitol Hill.

Let me just comment about what we're doing. We're in a battle for our future. I'm determined that America should leave young people like you the best possible legacy. We want America to lead the world in good jobs with productive work. And we want to remain a force for world peace and freedom. And we are fighting to protect our most basic institution, the American family.

And that's why, really, I would say to all of you, no matter who you are for in this process, that's why this year of decision is so important for our country. In next Tuesday's primary election and November's general election, you will hold the future of this country, your future, in your hands. And I'm asking you to get out the vote and create a resounding mandate for transforming America. Let us nominate men and women, and elect men and women, who share our fundamental values. And we've got much more to do to get America on the right track. And so, I'm asking you for 4 more years as your President to finish the job.

Somehow I think Louisianians understand this, but this country was built on faith and family and freedom. And we must renew those sources of our strength. And we must allow common sense to prevail.

For example, in our welfare system, restore the connection between welfare and work. Americans aren't cold hearted. We are a caring people, and we support help for those families in need. But we want to see government at every level work together, for example, to track down the deadbeat fathers, the ones who cannot be bothered to pay child support. But more important, we've got to break the cycle of dependency that destroys dignity and passes down poverty from one generation to the next. That's wrong. That's cruel. And we've got to keep working to change it. And so we're encouraging States to innovate with workfare and with plans that help people break welfare dependency and begin learning and work skills.

So anyway, we're going to continue to fight for the parents' rights. We're going to fight for the parents' rights to choose their children's schools, school choice. We've got a great education program to help revolutionize the schools. School choice is at the heart of America 2000, our strategy to literally revolutionize American education.

And let's get our priorities right. There's something wrong. Our kids cannot participate in voluntary prayer in the classroom, and we need to change that. I will admit that they need it, but both the House of Representatives and the Senate open their sessions with a prayer. And Congress needs it, I will admit, but I think it ought to be true for voluntary prayer in the classrooms.

Parents, not some bureaucrat in Washington, really know what is best for their children. And that's why I worked to win a child care bill that provides parents the right to choose who provides the care. We know America is first as long as we put the family first. So everything I do is going to be shaped at strengthening the American family.

As Bob and Jim and Richard know, for 3 years I've had to fight the liberal leadership of the Congress. And I will continue to stand for principle no matter how daunting the odds. We've fought, and we've put judges, for example, on the Federal bench who know their rule is to interpret the law, not to legislate from the Federal bench. And I'll use the veto when I have to, to stand for principle, to stand up for these values. Sometimes even my friends said I was flirting with defeat by casting a veto instead of cutting a deal. But we've never lost a veto fight, and I'll never hesitate to use the veto when principle is at stake. That's the only way we can change the direction of the Congress.

The liberal leadership of the Congress is once again on a collision course with my veto. You remember I asked the Congress to pass tax cuts and incentives to get this stagnant economy moving, to get real estate up and running, to reward those that go out and take the risks, the risk-takers who create good jobs. And it's time to quit punishing people who create jobs. And so I say

cut the tax on capital gains and start a lot of new businesses.

But instead of passing my plan, the spenders who control the Congress had other ideas. And they pushed through one of their own. And here's what's in it for people who work for a living: a tiny temporary tax cut, 25 cents a day, a quarter a day for each man, woman, and child in America. But here's the catch. You can keep that quarter in exchange for $100 billion in new taxes. Now, they call that new revenue. I call it your money.

And if you feel the way I do, tell the Congress to keep the change and keep their hands off the taxpayers' wallets. And just so I am clear with the Congress on this, let me say right here in Louisiana, but beamed to Washington, DC: If the liberals send me their scheme, I'll send it back the minute it reaches my desk. I will veto it. I will slam dunk it faster than L.S.U. can say ``cha-ching."

Remember, I've set a deadline, March 20th. And I've said to the Congress: Pass our plan. Get our economy moving. Do something now for the American people. And let me say this: It's tough this time of year, right before a primary election, but let's set the politics aside long enough to take these few selective steps to stimulate the economy, and then we can put the politics in place for the fall. But let's stimulate the American economy and get people back to work.

But we will fight. I like a good fight. And we will fight as we must, and we will win. And in the world today, if we want to succeed economically at home -- we must -- we have got to lead economically abroad. Each day, more and more American jobs are tied to trade. Remember this one: Every billion dollars more in manufactured exports means 20,000 new jobs, and each extra billion dollars in agricultural exports means thousands more jobs on Louisiana farms and in Louisiana agribusiness.

But my opponents are peddling protectionism, a retreat from economic reality. And you can cut through all the patriotic posturing, all the tough talk about fighting back and bashing somebody by shutting out foreign goods, but look closely. That's not the American flag they are waving; it is the white flag of surrender. And that is not the America that you and I know. And clearly, when you look around the world, it is not the way of the future for young Americans. America doesn't cut and run. We compete. And never in our long history have we turned our backs on a challenge, and we simply are not going to start that now.

I put my faith in your talent to compete: Level the playing field, and Americans will outthink, outproduce, and outperform anyone, anywhere, anytime.

As I said earlier, we're strong because we value faith, family, and freedom. We're the world's greatest power, the world's greatest power because whenever our values are threatened, we fight to defend them. We need to keep our defenses strong. In my State of the Union Message, I proposed some far-reaching but still very responsible cuts to bring our Armed Forces into line

with the new realities of the world. I based my recommendations to Congress on the unanimous opinion of the Joint Chiefs of Staff; of their able Chairman, Colin Powell; of our Defense Secretary. And we sent this program up that will keep our defense strong but still make cuts in defense; because of what's happened around the world, we can do that. But the liberals, true to form, want to put down the scalpel and pick up a meat ax. We cannot let that happen. We must keep America strong. I'll do that, and you can count on it. Who knows where the next threat comes from?

For those of you studying government, you know this: As President, I have a constitutional responsibility for the national security of this country. And as long as I am President of the United States, I guarantee you we are going to have defenses strong enough to meet our responsibilities. We were ready when Iraq's brutal dictator invaded Kuwait, and we will be ready when we face the next crisis. We must not cut into the muscle of our defense.

We must let the world know this: Whatever the challenge -- and we're facing some right now if you look around the world -- whatever the challenge, America will stay strong. America is in it to win.

Think back to just about one year ago today, the calm after Desert Storm. Ask any one of the proud sons and daughters of Louisiana, more than 250 from right here at L.S.U., ask any one of those young people from this campus who became the liberators of Kuwait, and they'll tell you: Military strength doesn't mean a thing without the moral support right here at home.

And yes, there are some revisionists out there trying to rewrite history now. And of course, there were those who didn't support us back then. There are those who second-guess us now. But not here, not across this State of Louisiana. When I drew that line in the sand, you stood with me. And never would this country tuck tail and let aggression stand. America did what was right and good and just, and we prevailed. And we are today the envy of the world, people looking to us to defend freedom and democracy wherever it may be.

And now we've got to bring that same victorious spirit, that same ``America together'' spirit to fight the problems we face today. And so let my opponents sound retreat, run from the new realities, seek refuge in a world of protectionism, high taxes, big Government. Let them drone on about what's wrong in America. We know what is right about this country.

The spirit of Desert Storm brought us together, Americans of every color and creed. And I'm asking you young people to do all you can to keep this country united, make it a land of harmony for years to come. And that means right now, every one of us, I don't care, South, North, East, or West, every one of us must stand up and say no to the politics of prejudice and hate and anti-Semitism and bigotry. They have no place in America.

Let me close with just a few words from the heart. Barbara and I are blessed, we are blessed to --

and I might say I think the First Lady is doing a first-class job, if that's all right. No, but I know she feels this way, and I do. We are blessed to serve this great Nation of ours at a moment when so many of the old fears have been driven away, when so many new hopes stand within our reach. Every day, and this is the gospel truth, we still say our prayers. But every day I thank God that young people like you will be able to follow your dreams without the nightmare of nuclear holocaust hanging over us as it did just a few years ago. And since the day I took the oath of office, I made it my duty to try, to try hard always to do what is right for this country. And I've given it my level-best, and I am not done yet.

You and I have more work ahead before we've finished our mission. It's a battle for our future. It's about jobs for your future. It's about the family. It's about world peace. Together, I believe we have made a great beginning to renew the miracle of the American enterprise and to strengthen our values of family and faith and freedom. Now we're approaching an hour of decision. Now it gets into the political trenches, next week. So don't wait until November, I'm asking you to vote in Tuesday on the Republican primary. And give me your vote in this important election next Tuesday. Help me win 4 more years to lead the fight for the values we share.

Thank you, and may God bless the United States of America, the freest, the fairest, the most decent country on the face of the Earth. Thank you all.

Note: The President spoke at 12:55 p.m. in Pete Maravich Arena. In his remarks, he referred to William E. Davis, chancellor of the university, and head coach Dale Brown and center Shaquille O'Neal of the L.S.U. Tigers basketball team.

Remarks at a Bush-Quayle Rally in Jackson, Mississippi

March 6, 1992

Thank you all. Thank you, Governor. And may I pay my respects to Governor Fordice, thank him for that introduction, and tell him how glad I am to be working with him to help solve the many problems of our Nation. And it's great to be with you, Kirk, and of course with the First Lady, Pat. You both are off to a wonderful start for this State. And to the Lieutenant Governor, Lieutenant Governor Briggs, and to Mayor Charles Evers, it's an honor to share the stage. And then I see some of our Mississippi Bush-Quayle team, my dear friend Clarke Reed and Evelyn McPhail and Ann Wilson. And thank you, Reverend Felder, for the invocation; to Anna McDonald for her beautiful singing; Jerry Clower, who had you all in stitches, doing a great emceeing job. And may I thank the Mississippi Valley State band and also Pearl High School. Thank you all for the great music.

I know of the interest in agriculture here, and I have an announcement of interest to Mississippians. I will nominate Jim Huff of Taylorsville to join my administration in Washington as head of the Rural Electrification Administration. His farming, his ranching, his manufacturing, and Government experience make him the perfect choice to lead the REA. Insured loans and loan guarantees have helped provide service to 600,000 customers in Mississippi, so it is fitting that a native son of Mississippi takes on this important job.

Now, about the business at hand, it's refreshing to be here. And it's always refreshing to get away from Washington. I share your pride in your new Governor, Kirk Fordice. You see, he's a commonsense leader who shares our values and visions for America's future. And these values, if you do your history, these values have changed the world. And we need them now to change America.

We're in a battle for our future. We're determined to leave our kids the best possible legacy. And we want America to lead the world in good jobs with productive work. And we want to remain a force for world peace and freedom. And we're fighting to protect our most basic institution, the American family. And that's why this year of decision is so important for America. And that's why next Tuesday's election, the primary election, and then the November general election are vital to our future. And I'm asking you to get out the vote and create a resounding mandate for transforming America. Let's nominate and elect men and women who share our values. We've got much more to do to get America on the right track. And so I'm asking you for 4 more years as President of the United States.

This country was built on faith and family and freedom, and we must renew those sources of our strength. We must allow common sense to prevail in our welfare system, restore the connection between welfare and work. Americans aren't coldhearted; we're a caring people. We support those families that need help. But we want to see government at every level work together to

track down those deadbeat dads, the ones who can't be bothered to pay the child support. And we've got to break the cycle of dependency that destroys dignity and passes down poverty from one generation to the next. That's wrong. It is cruel. And we've got to work together, coming together to change it. We're encouraging States -- full cooperation from the Governor -- to innovate with workfare, with plans that help people break that dependency and begin learning work skills.

And we will continue also in another front to fight for parents' right to choose their schools, school choice. School choice is at the heart of America 2000, our strategy to literally revolutionize American education. And my wife, Barbara, recently joined Governor Fordice and your lovely First Lady, Pat, in the town of Winona to kick off Mississippi 2000, your own State's commitment to fundamental reform. We're going to stay the course and help every single kid in America have the best possible education. That means you.

Today, March 6th, is a World Day of Prayer. And I think it's quite a commentary on things that the World Day of Prayer is observed a lot more fervently in Mississippi and in our State of Texas than it is in Washington, DC. And speaking of Washington, the House there and the Senate both open their daily sessions with a prayer. But there's something wrong when our kids cannot participate in voluntary prayer in the classrooms of the United States of America. And we need to change that.

You see, parents, not some bureaucrat in Washington, know what is best for their children. And that's why I worked to win a child care bill, a good one, that provides parents the rights to choose who provides the care. And we know America is first as long as we put the family first.

For 3 years I've had to fight the liberal leadership of Congress. And I'm going to continue to stand for the principle, no matter how daunting the odds. We fought, and we put judges on the bench who know the rule is to interpret the law, not to legislate from the Federal bench. I'm delighted that David Souter and Clarence Thomas are now members of the Supreme Court.

And also another point: I'll use the veto when I have to, to stand for principle, to stand up for family values. And sometimes even my friends said I was flirting with defeat by casting a veto instead of cutting a deal. But we've never lost a veto fight, and I will never hesitate to use the veto when principle is at stake.

Now, I'm sure you all have been reading in the papers, once again the liberal leadership of the Congress is on a collision course with my veto. You remember I asked Congress to pass tax cuts and incentives, investment incentives to get this economy moving again, and that means pass a new investment tax allowance. To get real estate up and running, that means pass incentives like a $5,000 tax credit for those first-time homebuyers, those young marrieds that want to buy their home for the first time. It means rewarding risk to those who create jobs, and that means cut the tax on capital gains so we can get more businesses going.

But instead of passing my plan, the big spenders who control the United States Congress had other ideas. They pushed through one of their own. And here's what's in it for you: a tiny temporary tax cut, 25 cents, a quarter a day for each man, woman, and child in America. And here's the catch: You can keep that quarter in exchange for $100 billion in new taxes. Now, the Democrats call that new revenue. And I call it your money. If you feel the way I do, tell the Congress, ``Keep the change, and keep your hands off the taxpayers' wallets."

Now, right here in Mississippi, you don't take storm warnings lightly. Hurricanes and tornadoes, nothing to trifle with. Well, Congress better not mistake my veto warning. The storm flags are flying. And if the liberals send me that tax bill, I'll send it back faster than a Mississippi whirlwind. And I will veto it the very day that I receive it.

And let me say to the Congressmen that might be listening up there in Washington: Remember, I've set a deadline, March 20th. And I've said to you all: Pass our plan. Get our economy moving. Do something for the American people. Set politics aside and stimulate this economy so the men and women of Mississippi and across our country will have more jobs.

I like a good fight. And we'll fight if we must, and we will win. And we'll keep to our course of leadership in the world economy, and that's absolutely a must if we're going to succeed economically at home. Trade with our neighbors, trade with the world is vital. It is absolutely essential here in Mississippi.

A couple of months ago, I visited Peavey Electronics in Meridian. And they told me 40 percent of their sales are exports. Across the State, 45,000 jobs now depend on exports. And remember, every billion dollars more in manufactured exports means 20,000 new jobs, and each extra billion dollars in agricultural exports means thousands more jobs on Mississippi farms and in Mississippi agribusiness.

But my opponents are peddling protectionism, a retreat from economic reality. And you cut through all the campaign statements and the patriotic posturing and all the tough talk about fighting back by shutting out foreign goods. Look closely. That is not the American flag they're waving; it is the white flag of surrender. And that is not the America that you and I know. We do not cut and run; we compete. Never in this Nation's long history have we turned our backs on a challenge, and we are not going to start doing that now.

And I put my faith in the American worker. Level the playing field, and the American worker will outthink, outproduce, and outperform anyone, anywhere, anytime. And you know what Dizzy Dean said, ``It ain't bragging if you can back it up."

No, we're America. We're in the State of Mississippi. And because we're strong, because we value faith and family and freedom, we're the world's greatest power. Because whenever our values are threatened, we fight to defend them. We need to keep our defenses strong. In my State

of the Union Message, I proposed far-reaching but still responsible cuts to bring our Armed Forces into line with the new realities of the world. But the liberals, true to form, want to put down the scalpel and pick up a meat ax, and we cannot let that happen to the defenses of this country. I will keep America strong, and you can count on it.

As President, I have a constitutional responsibility for the national security of this country. And as long as I am President, I guarantee you we will have defenses strong enough to meet our responsibilities. We were ready when Iraq's brutal dictator invaded Kuwait, and we will be ready when we face the next crisis; make no mistake about it. We must let the world know this: Whatever the challenge, America will stay strong. We are the undisputed, trusted leader of the world. And as President, I will keep it that way.

Think back a year ago, think back just a year ago to the calm after Desert Storm. Ask any one of the proud sons and daughters of Mississippi who became the liberators of Kuwait, and they will tell you military strength doesn't mean a thing without moral support right here at home.

And yes, we all know there were those who didn't support us then. There are those who second-guess us now. But not here, not in the State of Mississippi. And when I drew that line in the sand, you stood with me. And never would this country tuck tail and let aggression stand. America did what was right and good and just, and America prevailed.

And we're bringing that same spirit to the fight we face today. I want you to join me. Bring that same Desert Storm spirit to solving these problems at home, and let our opponents sound the retreat, run from the realities, seek refuge in a world of protectionism and high taxes and big Government. And let them drone on about what's wrong in America. We know what is right about our country.

And that brings me to another point, and I want to say it right here in front of the capitol of this great State: Desert Storm brought us together, Americans of every color and creed. And I am counting on the good people of this State and all across our country, the other 49 States, to build on that harmony. And let's stand up and reject the ugly politics of hatred that is rearing its head again. Racism and anti-Semitism and bigotry have no place in the United States of America.

Let me close with just a couple of words from the heart. Barbara and I are blessed. Let me say parenthetically -- it's a little husbandly pride -- I happen to think this First Lady is doing a pretty fine job for the United States of America and for these kids here. But we view it this way: We're blessed to serve this great Nation of ours at a moment when so many of the old fears have been driven away, when so many new hopes stand within our reach. Maybe you do the same thing, but every day, every day I thank God that our young people will be able to follow their dreams without the nightmare of nuclear holocaust hanging over us as it did just a few years ago. And since the day I took the oath of office I made it my duty always to try to do my best, try to do what is right for this country. I've given it my level-best, and I am not done yet.

And you and I have more work ahead before we've finished our mission. It's a battle for our future: It's about jobs; it is about family; it is about world peace, the kind of legacy we will leave these young kids sitting here in front of me today. Together, we've made a great beginning to renew the miracle of American enterprise and to strengthen those fundamental values of family, faith, and freedom. And now we're approaching an hour of decision, next week. Don't wait until November. I'm asking you to vote on Tuesday in the Republican primary. Give me your vote in this important election next Tuesday. Help me win 4 more years to lead the fight for the values we share.

Thank you, and may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 4:52 p.m. at the State Capitol Building. In his remarks, he referred to Clarke Reed, State chairman for the Bush-Quayle campaign; Evelyn McPhail, chairman of the Republican Party of Mississippi; Ann Wilson, Republican national committeewoman; and Rev. Bert Felder, senior minister of Galloway Memorial United Methodist Church, Jackson, MS.

Message to the Congress Transmitting the Report of the White House Conference on Library and Information Services

March 6, 1992

To the Congress of the United States:

I am pleased to transmit to you the Summary Report of the 1991 White House Conference on Library and Information Services and my recommendations on its contents as mandated by the Congress in Public Law 100 - 382, section 4.

The world has changed dramatically since the last White House Conference on Library and Information Services. The thirst for freedom has swept aside the acceptance of tyranny. New and amazing technologies have made ideas accessible to everyone. Books, faxes, computer disks, and television and news broadcasts have ended the reign of ignorance and helped create a whole new world of enterprise, competition and, with it, intellectual growth.

Library and information services are vital because they help ensure a free citizenry and a democratic society. It was appropriate that the 1991 Conference addressed three major themes of great concern to our own society: literacy, productivity, and democracy. These three issues are now more important than ever as we work to raise our Nation's educational level, to make the American work force preeminent in the world, and to serve as an example to the rest of the world regarding the benefits of a democratic society. We live in exciting times with our world changing daily. Not only are we on the verge of revolutions in educational practice and workplace improvements, but technology is helping to change the very way in which we learn and work. Library and information services are at the center of this change with new sophisticated technologies that not only improve the quality of information but actually make it more accessible to the people who need it. It was the realization that library and information services are in a period of rapid change that prompted the establishment of the 1991 White House Conference on Library and Information Services.

Participants at the White House Conference considered the themes of literacy, productivity, and democracy, and how library and information services can contribute significantly to the achievement of those goals. The 984 delegates to the Conference included librarians, information specialists, and community leaders. They represented all the States and territories and the Federal library community. Prior to the Conference, there had been innumerable pre-Conference forums involving more than 100,000 Americans. These meetings produced 2,500 initial proposals regarding library and information services. The Conference delegates deliberated on 95 consolidated proposals before making their final recommendations. I wish to commend the National Commission on Libraries and Information Science for its key role in

making the Conference a success. The recommendations, thoughtfully considered by the delegates to the Conference, are intended to help frame national library and information service policies for the 1990s.

The Importance of Library and Information Services

Library and information services have always played a significant role in our society. From colonial times forward, our libraries have acquired, preserved, and disseminated information to Americans. Today libraries and information services are expanding their roles and, with the advent of new technology, changing the ways in which we use and share information. As we move toward the new century, we should acknowledge the contributions that libraries have made and will continue to make in the years ahead.

A particular strength of our libraries and information services is that they are locally controlled. Whether in the public or private sector, these services are best maintained at the local level where they can be most responsive to citizens and where they can adapt to new local needs. Likewise, the States have a long tradition of fostering the development and expansion of library services to all citizens. In combination, both local and State governments are the primary supporters of our Nation's libraries and information services. The Federal role in library and information services has been one of encouraging and leveraging State and local support to expand the availability of library services to all Americans.

Literacy

The quest for the future begins with literacy. Literacy is a goal that we must make every effort to achieve. It has been estimated that 23 million adult Americans are functionally illiterate, lacking skills beyond the fourth-grade level, with another 35 million semiliterate, lacking skills beyond the eighth-grade level. The effects of illiteracy in this Nation are staggering as people find themselves shut out of opportunities and as our governments struggle to find ways to assist these disadvantaged individuals.

My Administration is committed to improving education for all Americans. With broad bipartisan support, we are moving rapidly to implement strategies to achieve our six National Education Goals. These Goals, developed cooperatively with the Nation's Governors, address critical education issues ranging from ensuring our children start school ready to learn and attaining a 90 percent high school graduation rate, to being first in the world in math and science, demonstrating competency in core subject areas, and ensuring safe, disciplined, and drug-free schools. Goal five states that by the year 2000, ``Every adult in America will be literate and will possess the skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship." As we pursue education reform across America, one of our emphases must be on a literate America. To that end, I have consistently worked for an increase in Federal efforts for literacy programs. Our national education strategy, AMERICA

2000, is designed to help achieve all of the goals, and libraries, serving as community centers, can therefore play a major role in helping communities and schools across the country reach the goals.

The Conference recommendations include several statements that also address the literacy issue. I would urge the Members of Congress to review these suggestions carefully and to consider them in any future deliberations regarding literacy and library and information services.

Productivity

Today's workplace demands a new definition of the term productivity. Rather than a traditional perspective that measures the production of items, we must recognize that we now live in an Information Age. In today's Information Age, many of our workers are knowledge workers who create and use information in totally new environments and in totally new ways. What we must do is to ensure that these workers achieve maximum productivity in their efforts.

The White House Conference recommendations regarding productivity are varied and far-reaching. Of perhaps greatest significance is the support shown for a national network for information sharing. The recent passage of the High-Performance Computing Act of 1991 responds directly to this recommendation and is a major step in the direction of increased productivity for American workers. Other recommendations address copyright statutes and business information centers, both of which would have a positive impact upon the efforts of American business and employees.

My Administration is committed to the full employment and increased productivity of the American work force. We can, and we must, become the most skilled work force in the world if we are to remain preeminent in today's global economy. Throughout the Federal Government, efforts are being made to bring to Americans the kinds of resources that they need to improve their on-the-job effectiveness. For example, within the Department of Education, an information resource for teachers, parents, and communities is being developed. To be known as SMARTLine, this data base will contain the best of education research and practice. This resource will be available locally -- through schools and community libraries -- to educators and parents who want to improve classroom instruction methods and to raise the education levels of our children.

Democracy

An informed populace is a great guarantee that our democratic way of life will continue and flourish. Recent events have shown us that people in other countries are struggling to emulate what we have known for the past two centuries. The free flow of information in countries all over the world and especially in Eastern Europe has played a strategic role in releasing people from the bondage of ignorance.

Library and information services provide an infrastructure by which we can obtain information and can contribute to our democratic way of life. In our country, there are more than 30,000 public, academic, and special libraries, and there are an estimated 74,000 school libraries and media centers. These library and information centers are the links between our citizens and the information that they need. These libraries provide the kind of ongoing education that each man, woman, and child will need in order to remain a fully productive and fully participating citizen.

The 1991 White House Conference on Library and Information Services has generated many worthwhile recommendations. Clearly these ideas illustrate not only the changing role of libraries, but also the revolutionary changes affecting our own society. As our culture changes, so must the institutions that serve it. The Conference Report makes it clear that library and information services are changing rapidly in response to an increasingly complex and global society. As we strive for a more literate citizenry, increased productivity, and stronger democracy, we must make certain that our libraries and information services will be there to assist us as we lead the revolution for education reform. As I stated in my speech at the White House Conference, ``Libraries and information services stand at the center of this revolution."

George Bush

The White House,

March 6, 1992.

Nomination of James B. Huff, Sr., To Be Rural Electrification Administrator

March 6, 1992

The President today announced his intention to nominate James B. Huff, Sr., of Mississippi, to be Administrator of the Rural Electrification Administration, Department of Agriculture, for a term of 10 years. He would succeed Gary C. Byrne.

Currently Mr. Huff serves as State Director of the Farmers Home Administration for the U.S. Department of Agriculture in Jackson, MS. From 1957 to 1989, Mr. Huff was director of operations for the Masonite Corp. in Laurel, MS.

Mr. Huff graduated from Mississippi State University (B.S., 1954). He was born August 4, 1932, in Jones County, MS. He is married, has two children, and resides in Taylorsville, MS.

Exchange With Reporters in Pensacola, Florida

March 7, 1992

The President. That is amazing. He said, and this man's entitled to his opinion, that we set the course record for going down there and back, 2 miles.

Q. Do you believe it? [Laughter]

Q. They tell that to all the Commanders in Chief.

The President. Do you believe I'm going to win the primaries?

Arms Shipments in Persian Gulf

Q. Are you worried about the Scuds, sir?

The President. Scuds? Yes. But the man who ought to be worried about it is Saddam Hussein.

Q. Have you ordered boarding of those ships, of the Marine ships, sir?

Q. Are you contemplating some options?

The President. We're always contemplating options, yes.

Can you turn those cameras around because I want to take my shirt off, privacy. How many are honoring this?

Q. Everybody.

The President. Promise? No reporting on the body? [Laughter]

Q. Is it okay if we hoot a little bit?

The President. Yes, you can go like that. But no, I'm serious. Otherwise, I'll do it. Come on, Larry [Larry Downing, Newsweek], promise. Word of honor.

Presidential Primaries

Q. How are you going to do in the primaries, Mr. President?

The President. We're going to win them all and then keep on going and winning every one of them. All across the national campaign, I'm going to conduct myself with a certain amount of dignity and making very clear I'm not a candidate of hatred and trying to appeal broadly to this country.

When I look at the Democrats' side, I give them credit for working hard and doing their number out there, and I'm not about to intervene in the primaries. But I've got to tell you, I feel confident about winning in the fall. And I feel good about today and Tuesday. And so, it's not been easy out here, as you know, but we're going very well, indeed, making clear I understand the problems of this country. We've got good answers for it. And when we get into the fall campaign I'm ready to put my values, my programs on the line against some of these other things I hear out there.

Today is a nonpolitical day in terms of the visit itself, but I'll be talking about the defense of this country and the need to keep strong and the need to guard against any contingency. Sorry, but when I listen to the debate on the other side, I don't hear that concern for the national security. I am the President. I have a constitutional responsibility to keep this country strong, and I'm going to do it. So it's those issues, though, you see, are not in focus at all; they're not even being discussed.

So, we'll wait until the fall. But you caught me on a good day. I really feel pretty good. Marlin feels good. Marlin feels very good today.

Q. Why do you feel you can afford not to campaign tomorrow or Monday?

The President. Well, I think we're in good shape. I think we're in very good shape in the primary States. I don't know how you all felt, but I've felt that the response we've been having is very enthusiastic. The crowds have been superb, and so I'm just coming at it from a position of real confidence. But not enough confidence that I didn't get on the phone this morning and talk to the Governor of South Carolina, the Senator from South Carolina, both of whom reiterated their confidence. Talked to our campaign manager in Florida, my boy Jeb. Talked to our son George who was campaigning in Mississippi yesterday and been going, crisscrossing Texas. And all of them are very upbeat. So, the voters will decide this on Tuesday and somewhat today.

Q. Mr. President, do you think the voters are getting the message from you, though it's thinly veiled, against Buchanan, that he is insensitive to -- --

The President. The message there I get is what George Bush stands for. And I've tried to stand for this every day of my Presidency. And I hope our Presidency has been one of decency, a sense of honor, a sense of fairplay, and I'm just going to continue to emphasize these themes.

I mean, I think Americans like a political battle, but I think they expect their President to express

some of these fundamental values. And when I speak out against hatred, bigotry, anti-Semitism, racism, it's not aimed at anybody; it's aimed at values that this country really has, whatever side of the aisle you're on. And so, it's something that I just feel I must do. And it just didn't start with this campaign, if you'll go back and look at my speeches over the last few years.

So, it's really appealing to the better nature of the American people, and the American people are well-intentioned on these matters of fairplay. And so, I'll keep speaking out on it.

Q. How long do you think Buchanan will stick it out?

The President. Have no idea.

We'll see you guys. Thank you for the run.

Note: The exchange began at 7 a.m. at Pensacola Naval Air Station. A tape was not available for verification of the content of this exchange.

Statement on the Death of Menachem Begin of Israel and an Exchange With Reporters

March 9, 1992

The President. We're going to have just a little statement here. Thanks for helping with the logistics here. But what I want to do now is to send our most sincere condolences to the people of Israel and to the family of Menachem Begin, former Prime Minister. His historic role in the peace conference, peace process, will never be forgotten; particular emphasis, of course, will always be on his historic and I would say very courageous and foresighted role at Camp David. And now people are talking peace, but people will remember Menachem Begin as the man that made a significant, courageous breakthrough, just as they will remember Sadat for the same thing. So, we send our most sincere condolences to the people there.

Middle East Peace Process

Q. How do you think the peace talks are going now?

The President. Well, it's hard to tell. They're talking, though. A year ago nobody would have thought that possible. And it's very important that they keep talking. And that's what our whole policy is about; that's a lot of what post-Desert Storm was about. And I think there's a real chance just as long as people keep talking at the peace table.

Arms Shipments in Persian Gulf

Q. What's the latest, sir, on this Korean ship that -- --

The President. I have no recent information. I talked to General Scowcroft this morning, but nothing to say publicly on that.

Loan Guarantees for Israel

Q. Do you think Israel will drop its press for the loan guarantees?

The President. I have no idea.

Q. Do you wish they would agree to -- --

The President. We're perfectly prepared to, in accordance with U.S. policy, to go forward.

Presidential Primaries

Q. Why do you think Pat Buchanan would stay in -- --

The President. Look, I -- --

Q. -- -- even when it's numerically impossible for him to take the nomination?

The President. I haven't been trying to analyze that up until now, and I don't think I'll start now, if you'll excuse me. We're waging a pretty good campaign. It's high-level. It's keeping my sights on the major issues. A lot of them, such as world peace, seem to be obscured by the hue and cry of the campaign trail. But that's still a very important issue and -- --

Q. You're not going to attack anybody?

The President. Not now, Helen [Helen Thomas, United Press International]. I might get on your case if you -- [laughter] -- no, I would never -- well, it doesn't matter. [Laughter]

Health Care Reform

Q. The Democrats are saying that your health plan is simply a theory that you're not getting, any way that it's paid for. How do you respond to those charges?

The President. I'd say that that's crazy. They haven't looked at it. What most of them want to do is have a nationalized health care. And that would result in far less quality health care. We have a plan that makes insurance accessible to all; that's the key to it. And there's 30 pages of how it's being paid for. I'm surprised to hear -- not surprised really because I think most of them are committed to plans that have failed in other places.

Q. Basically, how does it get paid for?

The President. It gets paid for through a lot of things. I'll tell you one main way it gets paid for is by cutting down on these frivolous malpractice suits. Somebody estimated that would be $40 billion. And we're having great difficulty getting it through the trial lawyers' lobby on Capitol Hill. The American people want action on this kind of proposal so -- --

Q. This is going to take care of 90 million people without health care?

The President. It will take care of $40 billion. No, our plan takes care of the 90 million by giving -- 90 million? Come on, that's too high a figure.

Q. That's what they're saying.

The President. No, no. That's way high. It will take care of it through giving everybody access to health care.

Presidential Primaries

Q. Mr. President, the Democrats are now down to three. You've got two or three on your side. How do you feel about how it's shaping up?

The President. Let the process work. I thought Saturday was fantastic, and I think we'll have a good day tomorrow. Just keep your sights set on the ball; don't get irritated, be pleasant. I've been through the other side of that drill over a period of years, so I don't intend to react. Act, not react.

Q. So you're changing your modus operandi?

The President. Well, I have over the last 3 or 4 years, yes. [Laughter] My modus operandi is to be pleasant with you people when you ask me irritating questions. And that isn't always easy. But I think you'll have to give me good marks for having done that, and I don't plan changing now.

Q. Well, you say you're willing to do anything you have to do to win.

The President. But I think being pleasant is the way to do it and keeping your sights set on the major issues facing this country, challenging the Congress to move.

And incidentally, I get credit for a full press conference here because I was only going to make one statement. Making the 231st since I've been President. Ready access.

Q. But you haven't had any lately.

The President. No, I know it. Ask Marlin why.

Q. Mr. President, Michael Dukakis didn't respond, and look what happened to him.

The President. Well, look at the results of the election so far. Anytime you beat somebody by 40 points, that used to be considered a landslide. Now we've changed the -- I don't know what different ground rules are being used, but I think it's fair in my own defense to say 40 points, 40-point victory over the nearest competitor is a pretty good size win. I will settle for that in the fall over the Democratic candidate.

Q. Buchanan is hoping to upset you in Michigan, Mr. President, a week from now.

Q. Is Pat Buchanan upsetting your agenda, Mr. President?

The President. No way. What?

Q. Michigan is where Buchanan wants to beat you.

Q. Is Pat Buchanan upsetting your agenda?

The President. We've spelled out our agenda over the last 3 years. What we want to do is get this country's economy moving and preserve and strengthen world peace. And I think we'll do it, plus better education, fighting against crime by trying to get some reasonable crime bill passed, winning the fight against drugs where we've made a good start. There are so many issues, but they're all obscured by the noise of the campaign. But that will be in focus in the fall; you watch.

Note: The President spoke at 7:58 a.m. on the South Lawn at the White House. A tape was not available for verification of the content of this exchange.

Remarks to the National League of Cities

March 9, 1992

Thank you very much. Glenda, thank you so much for that kind introduction, and to all of you. And may I salute the Members of Congress that have been with us here. Let me say good morning to them, and please do what's right up on Capitol Hill. My greetings to all the special guests here at the head table; to Don Borut and Wallace Stickney, who is with us.

Let me just say that I'm very pleased to join you today. I enjoyed, Glenda referred to it, I enjoyed speaking to you over the television hookup in December. It's much better face to face. And I hear that you have had a very energetic, very well attended series of meetings. And I salute your leadership, present leadership; and then, of course, an old former colleague of mine, or put it this way, a still young but former colleague of mine in the House of Representatives who will be your leader -- what, starting next November, is it -- Don Fraser.

In January, as Glenda said, I had a followup meeting with 10 of your members. And like your organization as a whole, they represented a broad cross section of urban America's leadership: Republicans and Democrats, liberals, conservatives, officials from large and small and midsize cities.

And of course, we're all concerned, all of us here, about the big issues, jobs and family and world peace. And even so, I was struck at this meeting by the unanimity of the message that your members wanted to deliver. It can't be repeated often enough in Washington or any State capitol or any city hall. Your message was simply this: The enormous problems facing cities today, from infant mortality to high dropout rates to runaway crime, are partly, at least, symptoms of one larger problem, the deterioration of the American family.

Now, I understand the breadth of the issues that you deal with daily, poverty to potholes to property taxes. And in addressing myself to this one subject, I don't want you to think that we are less concerned about these enormous problems you face every day. But this morning, I would like to discuss that same serious issue that you all raised with me, the family. The restoration of the American family is at the heart of much of what we have done these last 3 years. Leaving aside for a moment the enormous costs, the wasted human resources or the billions spent to repair the damage of broken homes, family breakdown ultimately endangers our position in a world increasingly driven by economic competition.

Certainly, the integrity of family is critical on its own merit. As Barbara Bush, my favorite philosopher, says, ``What goes on at the White House is not nearly as important as what goes on in your house." And there's a lot of truth in that. But particularly at a time when our efforts must focus on economic growth, the family's disintegration endangers, for all of us, our ability to create and to preserve jobs, and to create an economy open to participation by all our citizens.

So we must start with a clear-eyed look at what is really happening to the family in American communities today, not just in poor urban neighborhoods but all across America. And then we've got to look inside ourselves, to establish the principles that will shape our approach. And then we must act.

The urgency is clear. We all know the statistics, perhaps you know them better than most Americans, the dreary drumbeat that tells of family breakdown. Today, one out of every four American children is born out of wedlock; in some areas the illegitimacy rate tops 80 percent. A quarter of our children grow up in households headed by a single parent. More than 2 million are called latch-key kids, who come home from school each afternoon to an empty house. And a large number of our children grow up without the love of parents at all, with nobody knowing their name.

We know from experience the consequences of family decline. Neglected children are more susceptible to the lure of crime and drugs; they're more likely to have poor health, drop out of school early, more likely to lead a life without hope. Each of you is in a position to know the human costs that these statistics can only dimly sketch. You know, as I do, that for every blip on a chart or dot on a graph, there is a human story to tell, and too often the story is a tragedy.

About 10 days ago, I was in Bexar County, Texas, in San Antonio, meeting with Latin American leaders to intensify our war on drugs. And while there, I saw a front-page story in the San Antonio Light. A cabdriver had been murdered last September, another act of random, selfless violence, and his murderer had just been found guilty. But what was truly horrifying, what would horrify any American, was this: The murderer was a 12-year-old boy. And as the deputies took the boy from the courtroom, according to the newspaper story, they had trouble fitting him with shackles and handcuffs, so slender were his wrists. This youngster was 4 feet tall, not yet a teenager but now a convicted murderer.

The drumbeat continues: two teenagers shot dead in a New York public school, an LSD ring busted up in an affluent northern Virginia suburb, or the harrowing stories of runaway kids and the horrors that befall them.

I know that almost all of you could tell stories equally distressing, stories from your neighborhoods and your cities where the unthinkable has become the commonplace. I am sure that many of you here took office with high confidence in the power to solve these problems, only to discover, sooner rather than later, I suspect, that they were far more stubborn than we could imagine. Let's not forget that the trials our citizens face each and every day were generations in the making. We can't expect change overnight. But make no mistake: Change will come because change simply must come.

Let's face it. We can only change things if we work in common purpose. We must call a cease-fire in the war of words that too often consumes us. Casting blame brings no solutions, nor will

questioning each other's motives. We have got to focus every ounce of our energy to turn back this assault upon the American family and act as one Nation to defend and strengthen it. As public servants, we must never forget that the best department of HHS, of health and human services, is, indeed, the family. In restoring the family, we restore to coming generations the values, the sense of right and wrong, the will and confidence to succeed that only a family can provide a child. And in doing this, we will reinvigorate our cities and our communities as well.

We needn't look far for principles to guide us. There are old home truths: Rely on what works; discard what doesn't. Never be afraid to innovate. Remember that Government closest to the people responds best to the needs of the people. And let's not forget this as a guiding principle: If people are to be responsible, they must be given responsibility.

The Government's first duty is like that of the physician: Do no harm. But the fact is, with the best of intentions, many past Government policies have worked against the institution of the family, undermined young people's desire to marry and stay married, to provide for their children, to plan for their future. As a practical matter, doing no harm means in part that we ensure parents retain the authority to make the big decisions for their families. This doesn't absolve parents of responsibility; it's just the opposite.

For example, even if we're able to reform our education system -- and I am determined that the Federal Government assist all of you in every way in revolutionizing the education system -- but even if we are, parents must still read to their children. The point is that Government harms the family when it restricts its autonomy or usurps the authority of responsible parents.

Let me give you another example. Those of us in Government can never plausibly claim to fight for families if we insist that Government, not parents, must choose who cares for their children. So 2 years ago our administration waged a fight in Congress over this very issue, and we won. We kept choice of child care out of the hands of Government and put it where it belongs, in the hands of parents.

And now we're engaged in a similar fight over whether parents should have the right to choose their children's schools. We know the benefits of competition; it is the linchpin of American prosperity. And competition among schools will be the linchpin of educational excellence, too. From Minnesota to Milwaukee to east Harlem, school choice works.

But you see, it's important for other reasons: It restores authority and responsibility to parents. Just as it makes our schools accountable, it also makes parents accountable for the decisions they make. Not only in child care and school choice but in other areas as well, a key to healing the American family will be restoring parental authority and accountability.

Another example, the initiative that we call HOPE, H - O - P - E. It took more than a year to get that program through Congress and another year to get even partial funding for it. But HOPE

will be crucial to our success by offering low-income families a greater opportunity to own their own homes. HOPE is based on a simple principle: To survive, people need the intangible values of dignity and self-respect. Government can't provide those, but homeownership can, an education can, a job can, and being part of a family can.

The Federal Government has a positive role in preserving the family, and we welcome that role. It's guided the decisions that we make every single day. Since 1989, for example, we have more than doubled the funding for the program that I bet everybody in this room supports, Head Start, a program that brings children and parents into the classroom, strengthens family ties, and reinforces parental responsibility. For the first time in the program's history, we can support now Head Start for all eligible 4-year-old children whose parents choose to have them participate.

There are many other examples. We've increased the earned income tax credit for low-income families. And since '89, we've increased the funding for WIC, the supplementary food program for women, infants, and children, by 47 percent to $2.8 billion next year. We've increased other nutritional programs by similar percentages. And this year Federal support for childhood immunization grants will top $340 million, an increase of 18 percent over last year's level. So all told, funding for children's programs, from nutrition and education to foster care and child immunization, has increased 66 percent since we took office.

But look, we will never measure, and I think you all would be the first to agree with this, we would never measure our compassion simply in dollars spent. We will measure it by results. The test will be the health and happiness of our children and, most important of all, the sense of well-being and self-reliance instilled by our families. Our administration has targeted funding to programs that efficiently fulfill Government's role in supporting families and keeping them together, programs that work for the family.

Yet, at the same time, we must face another fact. Government can sometimes be a burden as well as a boon. Over the past 40 years, the child tax exemption has lagged far behind the soaring costs of childrearing. And I have asked Congress to increase the exemption by $500 per child. For a family with four children, that's an increase of $2,000. And it's a crucial first step toward redressing the imbalance, and it's what we can afford to do right now.

And now I come to perhaps the most crucial matter of all, one that concerns you all. We must reform our Nation's welfare system. Americans are the most generous people on Earth, but they want to see and they are entitled to see some relationship between welfare and work. Welfare must never be what Franklin Delano Roosevelt warned it might become, ``a subtle destroyer of the spirit.'' It is not meant to be a way of life or a family legacy passed from one generation to the next. Welfare can eat away at the ties that bind a family together.

And State and local governments are undertaking the brave work of reform: Learnfare in Wisconsin; REACH, Realizing Economic Achievement in New Jersey; Washington State's FIP,

Family Independence Program. These are all demonstration projects that we support. And my administration is committed to reform, and we are acting now on waivers, to loosen up on waivers, to waive unnecessary redtape that impedes reform.

There's no hidden agenda here. This administration, the mayors, the State leaders who press for drastic reform of welfare aren't modern-day Scrooges chiseling one more dime out of some poor family. Democrat or Republican, California, New Jersey, Federal or State: In our heart of hearts, we really believe reforming the welfare system is the best way to serve people. Break this sorry cycle of despair. Give people real hope. And we're going to keep on trying to do just that because every single American deserves to believe in the American dream.

Today, with family as the center, I've highlighted the role of government, both positive and negative, because we're men and women of government. But let's never forget the work of private Americans dedicating themselves to the voluntary service of others, who create an environment where families can flourish. Each is a Point of Light, offering service with no thought of reward, though the reward will be reaped by every single American.

And let me be very clear. When I talk about Points of Light, they are not a substitute for the good that government can do, but it's more this: We will simply not solve our most pressing problems without the dedication of those Points of Light, of those volunteers. And I urge all of you, when you return to your cities, to do all in your power to encourage these caring men and women, to make yours a community of light.

In my State of the Union Address, I announced that we would soon institute a commission on America's urban families. Your executive board or directors or whatever group it was -- I've never been sure with whom I was dealing, but they were all big shots, believe me -- [laughter] -- came together. And their work will be one result of my meeting in January with some of your leaders.

And I have asked Governor Ashcroft of Missouri, a caring man, Annette Strauss, the former Mayor of Dallas, a very able woman who also cares deeply, to lead the commission and fulfill its mandate: To identify those government programs, at all levels, that weaken or strengthen urban families; to analyze ways to improve private efforts to strengthen families; and to recommend new policies to help families in our cities.

I am convinced that we can correct our mistakes, that we can learn from our failures and build on our successes. I do not exaggerate when I say that the future of America depends on our efforts. The family is the irreducible unit of comfort and love. And from families radiate neighborhoods, from neighborhoods come towns and cities, and their health determines the health of our country, for better or for worse. And like you, I am committed to making our health whole and to ensuring that our cities, as Theodore Parker said, ``remain the fireplaces of America, radiating warmth and light against the darkness."

Thank you all very much for giving me this opportunity to visit with you today. And may God bless our great country. Thank you so much.

Note: The President spoke at 11:36 a.m. at the Washington Hilton Hotel. In his remarks, he referred to Glenda E. Hood and Donald J. Borut, president and executive director of the National League of Cities; and Wallace E. Stickney, Director of the Federal Emergency Management Agency. The Executive order of March 12 establishing the National Commission on America's Urban Families is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on Nuclear Cooperation With EURATOM

March 9, 1992

Dear Mr. Speaker: (Dear Mr. President:)

The United States has been engaged in nuclear cooperation with the European Community for many years. This cooperation was initiated under agreements that were concluded over 3 decades ago between the United States and the European Atomic Energy Community (EURATOM) and that extend until December 31, 1995. Since the inception of this cooperation, the Community has adhered to all its obligations under those agreements.

The Nuclear Non-Proliferation Act of 1978 amended the Atomic Energy Act of 1954 to establish new nuclear export criteria, including a requirement that the United States has the right to consent to the reprocessing of fuel exported from the United States. Our present agreements for cooperation with EURATOM do not contain such a right. To avoid disrupting cooperation with EURATOM, a proviso was included in the law to enable continued cooperation until March 10, 1980, if EURATOM agreed to negotiations concerning our cooperation agreements. EURATOM agreed in 1978 to such negotiations.

The law also provides that nuclear cooperation with EURATOM can be extended on an annual basis after March 10, 1980, upon determination by the President that failure to cooperate would be seriously prejudicial to the achievement of U.S. non-proliferation objectives or otherwise jeopardize the common defense and security and after notification to the Congress. President Carter made such a determination 12 years ago and signed Executive Order No. 12193, permitting nuclear cooperation with EURATOM to continue until March 10, 1981. President Reagan made such determinations in 1981, 1982, 1983, 1984, 1985, 1986, 1987, and 1988, and signed Executive Orders Nos. 12295, 12351, 12409, 12463, 12506, 12554, 12587, and 12629, permitting nuclear cooperation to continue through March 10, 1989. I made such determinations in 1989, 1990, and 1991, and signed Executive Orders Nos. 12670, 12706, and 12753, permitting nuclear cooperation to continue through March 10, 1992.

In addition to numerous informal contacts, the United States has engaged in frequent talks with EURATOM regarding the renegotiation of the U.S.-EURATOM agreements for cooperation. Talks were conducted in November 1978, September 1979, April 1980, January 1982, November 1983, March 1984, May, September, and November 1985, April and July 1986, September 1987, September and November 1988, July and December 1989, February, April, October, and December 1990, and September 1991. Further talks are anticipated this year.

I believe it is essential that cooperation between the United States and the Community continue

and, likewise, that we work closely with our allies to counter the threat of proliferation of nuclear explosives. Not only would a disruption of nuclear cooperation with EURATOM eliminate any chance of progress in our talks with that organization related to our agreements, it would also cause serious problems in our overall relationships. Accordingly, I have determined that failure to continue peaceful nuclear cooperation with EURATOM would be seriously prejudicial to the achievement of U.S. non-proliferation objectives and would jeopardize the common defense and security of the United States. I therefore intend to sign an Executive order to extend the waiver of the application of the relevant export criterion of the Nuclear Non-Proliferation Act for an additional 12 months from March 10, 1992.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order is listed in Appendix E at the end of this volume.

Remarks at a Meeting With Republican Congressional Leaders and an Exchange With Reporters

March 10, 1992

The President. May I thank everybody for coming down here. And I want to thank the Republican Members of both the Senate and House.

There are two very important legislative matters on the schedule for this week that I want to discuss with you all and get your advice. First, I appreciate your leadership on both of them, but it looks to us like the Senate is once again poised to follow the lead of their House colleagues and raise taxes again. And the centerpiece of both these bills is a huge tax increase that will kill job creation, particularly by small businesses. And so, there has got to be no mistake about this: Raising taxes on the American people, given the situation, is simply not acceptable. And I'm going to veto that tax increase bill as soon as it's sent to me.

It's hard to believe that they're trying to not only raise the taxes but eliminate one of the best, perhaps the only real fiscal discipline tool that we have, and I'm talking about the caps that came out of the '90 agreement. And they're talking now about getting rid of that, and that latest end-run on controlling Government spending is also destined to be sent right back once it hits this desk in there. I mean, I cannot accept busting the caps on discretionary domestic spending. And I am very grateful for your support, and I look forward to talking about these matters and many others in just a few minutes.

Presidential Primaries and Aid to Former Soviet Union

Q. How do you think you're going to do on Super Tuesday? And is President Nixon correct in saying that you are only giving a penny-ante support to Russia?

The President. Well, on the Super Tuesday, let's just wait. We don't have long to wait for the answer on that one, so I'm going to try to stay out of the prediction business. And I've done it relatively successfully so far, staying out of the prediction business. I was just thanking Senator Thurmond for his wonderful support and leadership that made South Carolina so successful. Phil Gramm here, who's been campaigning like mad, tells me he thinks we'll do well in Texas. I was happy, very happy, with the Georgia results, and I thank Newt here. I'll leave out people because a lot have been working hard, but I think we'll do all right. I think we'll do well.

And secondly, I will be talking to the leadership about how we can be as supportive as possible of Boris Yeltsin. I don't think President Nixon and I have any difference on this. I talked to him yesterday. There are certain fiscal, financial constraints on what we can do, but we have a huge stake in the success of democracy in Russia and in the other C.I.S. countries. And so, we will be

working in every way possible to support the forces of democracy. Certainly, we've done a lot in terms of supporting the people that are afflicted by starvation, real hunger, and similarly, on medicine.

So there's a lot of taxpayer money going into this already; most, a lot of it, in terms of guarantees for agricultural products, which are emergency requirements. And we will do what's right, and I'm looking forward to going over this with Mr. Yeltsin when he's here.

Q. Well, do you think his criticism is valid? His seemed to be very personal.

The President. Well, I didn't read it as criticism, Helen [Helen Thomas, United Press International], because I talked with the man. And I learned to go to the source; I did it before I even saw the story in the paper. But I also had seen his paper itself, and I didn't take it as personally critical. And I think he would reiterate that it wasn't. So, I think it's just useless to react to all these press stories that try to interpret these remarks of a very constructive paper by Richard Nixon. You know, he's got very good ideas on this subject, and we're in very close touch on it.

Note: The President spoke at 9:35 a.m. in the Cabinet Room at the White House. In his remarks he referred to Representative Newt Gingrich. A tape was not available for verification of the content of these remarks.

Message to the Congress Reporting Budget Rescissions

March 10, 1992

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report 30 rescission proposals, totaling $2.1 billion in budgetary resources.

The proposed rescissions affect the Departments of Commerce, Defense, Health and Human Services, Housing and Urban Development, the Interior, and Transportation. The details of these rescission proposals are contained in the attached report.

George Bush

The White House,

March 10, 1992.

Note: The attachment detailing the proposed rescissions was published in the Federal Register on April 1.

Nomination of Gregori Lebedev To Be Inspector General of the Department of Defense

March 10, 1992

The President today announced his intention to nominate Gregori Lebedev, of Virginia, to be Inspector General at the U.S. Department of Defense. He would succeed Susan J. Crawford.

Currently Mr. Lebedev serves as president of the consulting firm of New American Ventures Group, Ltd., in Washington, DC. Prior to this, he served as a senior partner and member of the U.S. executive committee of the Hay Group in Washington, DC, 1978 - 1991; Assistant Inspector General for Foreign Assistance at the Department of State, 1976 - 1977; and Deputy Assistant Secretary of State for Security and Consular Affairs, 1975 - 1976. In addition, he served as Deputy Special Assistant to the President at the White House, 1973 - 1975.

Mr. Lebedev graduated from the University of South Dakota (B.A., 1966; J.D., 1969). He was born April 1, 1943, in New Brunswick, NJ. Mr. Lebedev is married and resides in Washington, DC.

Remarks at the United Negro College Fund Dinner

March 10, 1992

Well, welcome. Barbara and I are just thrilled to welcome all of you to the White House. And this will be short because I remember Billy Graham's famous story he tells at the crusade about the speaker that went on and on. The guy sitting next to him picked up the gavel, threw it at the speaker, missed, hit the woman next to him. And the woman said, ``Hit me again; I can still hear him." [Laughter] We're not here for all of this. Also, you'll forgive me if I'm a little nervous; it's a big election night out there. So, if you see these little slips of paper coming in, forgive me.

Now, first let me thank Bill Gray and Andrea. And I've tried it both ways, of being on the opposite side from this guy when he was in the Congress and being on the same side with him now that he's running the United Negro College Fund. And I like it better this way. He was tough, strong, and able.

To those of you who have benefited the United Negro College Fund and you don't know Bill Gray, you've got a wonderful leader. You've got a man of principle, a man of faith. And we are very fortunate to have him. I say ``we" because I consider myself a part of this family, and so does Barbara.

I will say a word about Walter Annenberg in a minute because he has a very special role in all of this. I want to salute members of the Cabinet that are here: Dick Cheney, Lou Sullivan, Jack Kemp, and our newest member, the Secretary of Transportation, Andy Card. And I also want to thank Joe Williams, the outgoing chairman, for what he's done for this organization. And unless it smacks of a little too much family, I'd like to single out the incoming chairman, my brother John. I think having the United Negro College Fund to a dinner in the White House is perhaps long overdue. And my arm is just twisted out of the sockets, but now it's back and all is well.

Let me just mention some good news for the UNCF. Together, a goal was set for Campaign 2000 of $250 million. And to get this campaign off to a fast start -- and now I get to Walter Annenberg, who does so much for so many -- the Annenberg foundation made a $50 million challenge grant. And since the kickoff, donations large and small have poured in. And I'm delighted to note this evening that we're about halfway there, $125 million raised so far.

I look around this room, and I see so many from corporate America, Points of Light all, who were asked day in and day out to support worthy causes, who respond overwhelmingly but have come through for the United Negro College Fund in a profound and wonderful way. And many of America's most successful corporations and business leaders are in this room with us tonight.

I've known many of you for more years than many of us care to count. And let me say to all of you what I've said to many in private conversations: Barbara and I really believe in the United

Negro College Fund, and we want to help in any way we can. And that goes for two that aren't with us tonight: the Secretary of Education, Lamar Alexander, and his able assistant, so well-known to many here, David Kearns, who is the Deputy at the Department of Education. They believe in this. They want to support it. And so, we've got a good team who believe in the work here.

The guiding mission of the fund has not changed since the days when Barbara and I first came to the cause in '47, under the leadership then of a guy named Bill Trent that some of you may know, now living in retirement in Greenville, North Carolina, I believe. But when so many despair about a bleak future, this organization gives tomorrow's great minds room to grow. And when so many repeat the all-too-familiar litany of crime and drugs and violence that does concern us all, the UNCF answers with education and opportunity and freedom for all.

So let me say tonight, may the noble aims of this organization guide this Nation always. And once again, may I thank all of you for your support and for joining us here this special evening. And now may I ask Bill Gray, the only other and the final speaker, to come up and just say a word in his defense.

Thank you all very, very much.

Note: The President spoke at 7:30 p.m. on the State Floor at the White House. In his remarks, he referred to William H. Gray III, president and chief executive officer of the United Negro College Fund; publisher Walter H. Annenberg, president of the M.L. Annenberg Foundation; and William J. Trent, Jr., the first executive director of the fund. A tape was not available for verification of the content of these remarks.

Statement on Presidential Primary Victories

March 10, 1992

To the voters who gave us their overwhelming support today, Barbara and I say thank you. We are especially grateful to those who have given so much of their time and energy to our cause. Because of your efforts, we are winners again tonight.

As a party and a Nation, let us turn our attention to our future. We must focus on the complex task of job creation in this country. Congress must act on my economic stimulus plan. We need action on housing, crime, health care, education, and a host of other issues. The voters of eight States have declared their support for my proposals on behalf of jobs, family, and peace. I pledge to them my best efforts to focus the Presidency on these challenges and to provide a more secure future for all Americans.

Remarks at the Swearing-In Ceremony for Andrew H. Card, Jr., as Secretary of Transportation

March 11, 1992

Thank you, Admiral, and all of you. And I feel just as excited as you do about this occasion. May I thank Reverend Keller for those stirring words, as well as the Coast Guard band and the Hine Junior High chorus. And I'm pleased that so many members of the Cabinet and the Congress and the White House staff could be with us this morning. We have a nice contingent from Massachusetts led by our Lieutenant Governor, whom I don't see this minute but who is with us, over here, Paul Cellucci, and our State treasurer up there, Joe Malone; longtime friends of Andy Card's.

A special welcome to the former Secretaries who are with us; I've seen Sam Skinner and Alan Boyd, perhaps others. But it's just a great pleasure to have you all here. I know that Sam, now Chief of Staff, who served this Department -- oh, I see Bill Coleman sitting over here. Who am I missing? Let's get the former Secretaries out there. Well, I think we got it, Alan and Bill and Sam Skinner.

And as I say, I know that Sam shares my great pride for Andy Card and this wonderful family of his on this very special day. And since this is a real family affair, I think I could speak for all of us when I singled out Tabetha for singing the national anthem so beautifully. That was first-class work.

And to those of you who know our new Secretary, you know he doesn't seek the spotlight. And I promised I'd keep the pomp and circumstance to a minimum, but Andy, I should warn you, it will be necessary to spend the next few minutes saying some nice things about you. Andy is one of this town's best kept secrets, one of the best liked, most well-respected members of the team. You know the saying, ``Nice guys finish last''? Well, Leo Durocher never met Andy Card. [Laughter]

And this newest member of my Cabinet can claim a distinguished career in public service at both the national and State level. He served three tours in the White House, five terms in the Mass House of Representatives, with 6 years as a member of the house leadership there.

Transportation was one of the issues Andy gave great attention to during his time in the State legislature. Before he came to public service, he was trained and worked as a design engineer. He was talking about multimodalism or intermodalism long before it was fashionable. In fact, my first meetings with him were usually intermodal campaign experiences. [Laughter] He would pick me up at Logan Airport -- I'm not going to criticize his car, it was a Chevy Chevette -- [laughter] -- and drive me around the State. One paper called him the ``commuter's friend."

Well, the commuter's friend has found an apt home at the Department of Transportation. And I am just totally confident that his service will prove as loyal as our friendship, as our enduring friendship.

I know Andy to be a proven leader and a talented manager, experienced, efficient, energetic, a public servant of the first order, and above all, a man who gets things done. And that's important. For this job it's not enough to know your way around inside the beltway, at DOT, or working with the people who built the beltway.

So, you've got a good leader. And Andy takes his new position at a very critical time. This Department bears primary responsibility for putting the landmark Surface Transportation Act of 1991 into action, the act that Sam, his predecessor, worked so hard on. This act is creating jobs today, jobs to upgrade our Nation's highway system, jobs to provide for mass transit and meet this country's transportation needs.

And when I signed the new Surface Act last December, it made available some $11 billion to the States. And we directed this Department and urged the States to put those dollars to work right away. In the nearly 3 months since I signed the act, we've delivered 20 percent more highway money than during the same period a year ago.

DOT continues to play a pivotal role helping the airline industry adapt to the changes brought on by deregulation, changes which are producing economic benefits through more efficient service. DOT also has been a faithful supporter of our military and their own transportation needs. And with your energy and ability, Andy, I know that this Department will continue to ensure that the United States remains a world leader in providing safe and efficient transportation.

To meet each of these challenges, and they are big, Andy will be able to call on a really dedicated team of transportation officials in the Department. And to each and every one of you who serve over there, we are grateful to you. You exemplify the very, very best in public service. And I want to salute you along with your new Secretary.

And now, with all of that said, it is with great pleasure that I turn the podium over to Mr. Justice Thomas for the swearing-in of our new Secretary of Transportation, Andrew H. Card, Jr. Thank you.

Note: The President spoke at 9:04 a.m. at the National Air and Space Museum. In his remarks, he referred to Admiral James B. Busey IV, Deputy Secretary of Transportation, and Tabetha Card Mueller, daughter of Secretary Card. Supreme Court Justice Clarence Thomas administered the oath of office.

The President's News Conference

March 11, 1992

The President. Good morning. And first, on the politics, I think yesterday was a great day, and I am extremely grateful to the many people who worked so hard in these various States. We've been victorious in 15 States, and I'll continue to seek the endorsement of the party in every primary.

I've tried to let the people of this country know that we will turn this country around, and our great Nation should be a world-class leader in every category of economic and social activity. We need jobs for everyone, medical care that is available to everyone. We need to build an education system that prepares kids for the competitive challenges of tomorrow. We need housing that is affordable and plentiful. We need safer neighborhoods and job security. We need to compete internationally for world markets and increase our exports. And there are many problems and opportunities that face the Presidency.

And the voters of these eight States have given me their support. I think they feel I have the experience and leadership to take America in new directions, to reach out for the complex solutions that we must undertake.

As we renew ourselves at home, we simply cannot relinquish our leadership abroad, either. The world is a vastly changed place from even a year ago. Democracy is won, the cold war is over, and now we have an opportunity to secure peace. We cannot let this opportunity pass. And Americans must not heed the lone trumpets of retreat. We must successfully meet every challenge, domestic or foreign.

And one of these important challenges is space. And our civil space program has had remarkable technological success over the last 30 years. America's taken great pride in the achievements of astronauts and our space scientists. And now the genius of that program must focus on new initiatives for the nineties. We intend to deploy a space station by the end of this decade. We must develop a new launch system that augments the space shuttle, a new system that can carry payloads which will give America superiority and flexibility in commercial as well as in scientific fields.

And I want to acknowledge the work of Admiral Dick Truly in providing valued leadership in the space program as an astronaut and as the Administrator of NASA. He deserves great credit for so many of the successes of our space efforts. And as we consider new directions in space, I intend to nominate Daniel S. Goldin, the senior vice president of TRW, Inc., to head NASA. He's a leader; Dan is a leader in America's aerospace industry and a man of extraordinary energy and vitality. And working with the Vice President as Chairman of the Space Council, Dan Goldin will ensure America's leadership in space as we enter the 21st century.

Thank you very much. Now, I have a meeting with some Members of Congress here in a little bit. But I'd be delighted to take some questions. Helen [Helen Thomas, United Press International].

Defense Budget

Q. Mr. President, what do you say to critics in your own party who say you stand for nothing and that you really have no basic goals leading us toward the 21st century? And also, in your opening statement, you seem to be affirming a Pentagon report that we should be a military superpower, the superpower in the world, world-class. Did I misinterpret?

The President. Well, to the critics I say, please listen to the statement I just gave and to the many initiatives we've taken. And I don't think there are that many critics in our own party.

Q. A lot of protest votes.

The President. Well, yes, and I think a lot of that stems from the economy. I'm absolutely certain of that. And I believe those people will be with me in the fall. I'll conduct myself in a way that they will be with me in the fall.

In terms of defense, yes, I feel a keen responsibility to keep this country strong. I have made recommendations to cut defense. Those recommendations came to me from Colin Powell and the Joint Chiefs, the Secretary of Defense. And now what you're seeing is a lot of political promising on Capitol Hill, and to pay for it, they want to cut into the muscle of defense. And I'm not going to do that. I have an obligation for the national security of this country, and I'm going to fulfill it by having a strong defense.

So I don't know what you're referring to out of the Pentagon, but that is my view. And I'm sure it is shared by the Secretary of Defense.

Presidential Primaries

Q. Mr. President?

The President. Yes, Terry [Terence Hunt, Associated Press].

Q. Many Republicans are calling on Pat Buchanan to get out of the race, saying that he's delivered his message and that all he's doing now is weakening you. Do you think that Mr. Buchanan is hurting you, and if you had your druthers, would you rather see him out of the race?

The President. I guess anybody that runs for office would rather have no opposition. I mean, you

don't have to be a TRW rocket scientist to gather that one in. And I've tried to avoid entanglement there, taking my case to the voters. And it's been very, very strong, and I'm very happy with it. So I would just let each person on both sides sort out their own fate.

Q. What's the point of him staying in any longer?

The President. You're asking the wrong guy.

Federal Government Size

Q. Mr. President, both you and the Vice President have interpreted the votes for your opponent as being a sign that people out there feel that the Government is too big; as you said, that it costs too much, that it overregulates and overtaxes, all circumstances which either have developed or persisted under your 3 years in office. Why are those interpretations reasons to vote for you again?

The President. Because I think we've got good programs to do something about it. I think the Government is too big and does spend too much. And we have sent up budgets that would constrain the growth of spending, and we're having difficulty with the Congress, again, on that question. So we've got to stand for that, and I think we've got to make clear to the American people that we're trying to do something about it.

Taxes

Q. Well, now, sir, that you have indicated you feel that the budget deal and the breaking of the tax pledge that went with it was a mistake, are you prepared now to renew that pledge for the rest of your administration?

The President. Let me say this: The whole thing, given the way it's worked out now, is a mistake. But the thing that is good about that budget agreement is the spending caps. And right now, we are seeing Congress trying to remove the only constraint on domestic spending that exists, domestic discretionary spending, and that's the spending caps. So I want to fight to keep those in place.

Q. What about taxes, sir?

The President. Well, I don't want to raise taxes. I'm going to veto this tax bill.

Q. Mr. President, if I can revisit -- --

The President. You've got too many. This would be the worst time to raise taxes. No time is good, but this would be the worst.

Yes?

Q. Is the pledge on again?

The President. I'll leave it sit right there. I'm going to veto this tax bill.

Yes?

U.S. Defense Role

Q. If I can revisit Helen Thomas's question, a planning paper leaked out from the Pentagon last week which implied that in the future the United States should be the world policeman rather than place our emphasis on collective security. Do you share the Pentagon's feeling about -- --

The President. If this was an official Pentagon position, I expect the Secretary of Defense would come talk to the President about it. So please do not put too much emphasis on leaked reports, particularly ones that I haven't seen, because I can't comment on it. I just don't know; I'm sorry. I even missed the story on it.

Q. What is your own philosophy, sir? Do you feel we should be moving more toward collective security, or should the United States bear most of the burden for policing the world?

The President. Well, I think the United States has a burden to bear. But we have worked effectively through multilateral organizations. The clearest example of that is what happened in the Gulf war. You see the United Nations trying to stay involved in the resolution of the Yugoslavian question. We have peacekeeping set up in Cambodia and other places that relieves some of the unilateral burden from the United States.

But we are the leaders, and we must continue to lead. We must continue to stay engaged. So, it isn't a clear-cut choice of either-or. For people that challenge our leadership around the world, they simply do not understand how the world looks to us for leadership. Now, that does not preclude working closely with multilateral organizations.

Iraq

Q. The Deputy Prime Minister of Iraq is at the U.N. today asking to ease the sanctions. Is there any room for compromise?

The President. I would just simply stay with the views that have been so clearly expressed in a unanimous fashion by the Security Council itself. And there will be no compromise on the part

of the United States with full compliance with the U.N. resolutions. Iraq is concealing, and they've got to stop doing that.

Q. In an electoral year, sir, how far are you going to go to have them comply with the resolutions? You are going through an election. Are you ready to have an attack against Iraq to demonstrate -- --

The President. Let's simply say I'd like to see them comply with the resolutions. It is in their clear interest to comply with the resolutions. And if they don't comply with the resolutions, then we'll contemplate all alternatives.

Taxes

Q. Mr. President, back on taxes for a minute. In one of the interviews before the Georgia primary, where you talked about your view that the budget deal was a mistake, you also said that you thought a surtax on millionaires might be the only way to get the capital gains tax cut that you want. Is that something you'd consider? Is there any room -- --

The President. No, I'm against that.

Q. You're against the surtax in any circumstances?

The President. Yes.

Susan [Susan Spencer, CBS News], and then John [John Cochran, NBC News].

Q. Why?

The President. Because I don't want to raise taxes.

Q. Even on millionaires?

The President. I don't want to raise taxes.

Q. Now I'll get to my question.

The President. You've already had it. You've got now what they call a followup.

Q. That was her question.

The President. No, no. Now, wait a minute.

Q. I yield my followup.

Q. Thank you.

The President. You can have her -- wait a minute. You've assigned your followup to her? Okay. So you have a question and a followup?

Q. No, I don't. Well, I might.

The President. Go on, Susan.

Assistance to Former Soviet Union

Q. Thank you. President Nixon was fairly scathing in a memo that's been circulated, referring to the U.S. response in the crisis in the Soviet Union as ``pathetically inadequate.'' He also implied that a truly courageous leader would go before the American public and explain why, even when foreign aid is so unpopular, we have to pursue this more vigorously than we are. Do you have any plans to do that?

The President. Well, I think the American people know of my commitment to U.S. leadership around the world. In the first place, I read that Nixon paper, and I didn't consider it scathing. But there's a good opportunity to ask him about it because he'll be in town tonight. I'll be attending a dinner there. And maybe there will be a chance for him to clarify what he means by all of this. I stay in close touch with President Nixon; I have great respect for his views on foreign policy. And when I look at the six points or whatever it was in that letter, I think we're in very close agreement.

Now, where we might have a difference is, we're living in a time of constrained resources. There isn't a lot of money around. We are spending too much as it already is. So to do the things I would really like to do, I don't have a blank check for all of that. And so, in that area there may be a slight difference, but I think the question should be addressed to President Nixon because fundamentally we're in agreement on how we ought to approach Russia and the other independent countries there.

Q. The next item to come up is likely to be a request for about a billion dollars for the United States to support the ruble. Will you go to Congress and ask for that money?

The President. Well, we're talking now about a stabilization fund.

Q. Will you support that?

The President. I will wait to make a prudent decision based on the recommendation of top advisers. But Treasury is considering it. The Secretary of State is considering it. This isn't a decision you just sit and click your fingers on. But we're talking to the Soviets about this, or the Russians about this, I should say. Boris Yeltsin will be coming here, and they know there are certain things that they have to do before the international community will put the monies in there that they would like to have in a stabilization fund.

So all this is evolving. But in principle, do I think it's a good idea? Yes.

Presidential Primaries

Q. You said last week you'd be willing to bury the hatchet with Pat Buchanan. How far would you be willing to go? If he gets out of the race long before the California primary, doesn't divide the party, which is already divided out there, would you be willing to sit down, discuss issues with him? Would you be willing to give him his 15 minutes at the Republican Convention with a speech?

The President. Why don't we just wait and see how all that evolves, John? He has said today he wants to stay in there. That's his choice. And I'm clearly staying in there. And I think we're doing pretty well. I think there's a little more recognition now that this challenge is sending the President a message, and I feel very good about where things stand. I think I've detected a slight change in the way it's being presented to the public, too.

So we'll just keep on and let him make these decisions. I really have tried very hard not to engage. Even a reply to your question would be more engagement than I want to go forward with.

British Election

Q. If you won't talk about Pat Buchanan, let me ask you about another election, the British election. There was a time when policymakers in this country worried when there was a Labor Prime Minister in power. Hasn't that changed over the years? Now we've had the end of the cold war, nuclear disarmament isn't the big issue. Does it really matter that much to the fate of the United States who's in power in Britain?

The President. I expect the worst thing an American President could do would be to try to intervene in an election in another country. Having said all that, the respect I have for the Prime Minister knows no bounds. John Major is a superb leader, and I work very, very closely with him, through very difficult times, I might add. But I think it would be most inappropriate if I got into picking winners and losers in a British election or a French election or German election or any other. And I don't -- I've got to be careful how I word things.

You know, it's different, if I might just put your question, very sound question, in a political context. It's easy for a candidate to go out and give an opinion on all that, but it's not so easy for a President. I have certain responsibilities as President. I am watching this evolution over there with great interest. I think it's perfectly appropriate to express my respect for John Major, but I don't want to go beyond that by looking like we're trying to shape a foreign election, whether it's here or whether it's anyplace.

Q. But isn't it true the Labor Party's platform, its foreign policy platform, is no longer antithetical to your foreign policy?

The President. I have to study before I can tell.

The Economy and Presidential Primaries

Q. Mr. President, if the economy does turn around, do you believe that that protest vote of roughly 30 percent will automatically disappear and people will -- --

The President. I believe it's going to come home anyway, Judy [Judy Wiessler, Houston Chronicle]. I don't know whether any of you heard my Florida campaign manager on television the other night with ``Larry King Live." And this man is very able, this Florida campaign manager, my son Jeb. He was superb. And he pointed out that he saw some exit polls that said some of the Democratic primary voters were going to vote for me in the fall. Now, my boy is never wrong on a statistic like that.

And I would just point out that we're reading a lot about the other side, but let's take a look at some of the ones going into the Democratic election. We're going to do well, and I really believe they'll come home to roost. And we want them. I'm trying to conduct myself in such a way as to say, look, I understand your feeling on this issue or that, but we need your support, and we want you. And P.S., take a look at the alternatives over there. That's not even in focus yet. That's not even in focus yet, what the general election's going to be like, because we don't know who's there yet. But it's going to be fun, I'll tell you.

Yes, Ellen [Ellen Warren, Knight-Ridder Newspapers].

Q. Mr. President, you seem to be brushing off this 30-to-40-percent consistent voting for Pat Buchanan as a frustration with the economy. Sir, doesn't the buck stop here? Don't you take any responsibility -- and your predecessor, Ronald Reagan -- for the state of the economy, sir?

The President. Absolutely.

Q. Well, so why should people vote for you if it's your fault?

The President. Because they know I'm trying to change it, and they know that I've been a good leader. And they're going to be talking about leadership, not campaign promises. And it isn't easy. And I think when we get through defining clearly my objectives for this country, it will all come out when we get into the general election that these people will be voting for me. But when a family's hurting and they want to send a message, they don't want to go over and vote in the Democratic side because they see them as much worse. What do they do? They come and vote and try to express themselves in the manner they have. I really believe that that's the situation.

Back of the room.

Q. What's to prevent them from saying, sir, well, the President himself says it's his fault and the Republican Party's fault; I'm going to go the other way?

The President. Oh, you see, I only gave you half the equation. Everybody can accept blame. The Congress can accept its share of the blame. All of us seem to live and die by polls these days, but if I might be able to quote one, look at the ones that blame the Congress much more than the President. And please get that out there because I need the help. I'll be spelling that out.

Helen, in the back? Yes, sir, over here.

Q. Mr. President, you said you didn't want to talk specifically about Patrick Buchanan, but your surrogates have called him everything from a fascist to racist to possibly anti-Semitic. Do you endorse what your surrogates are saying? Do you want to rein them in? And what do you think Mr. Buchanan wants if he can't win the nomination?

The President. I don't know the answer to the second part and probably wouldn't respond if I did. I think most fair-minded viewers would feel that I've come under attack from my opponent, so I'm delighted when people defend me.

Helen. I mean Sarah [Sarah McClendon, McClendon News Service].

Q. I was talking about the attacks -- --

The President. Yes, excuse me. Go ahead, yes. Please, help me.

Q. I was talking about the attacks your surrogates were making on Mr. Buchanan, not to the defense of yourself. Do you endorse the attacks they're making on Mr. Buchanan?

The President. I endorse the strong defenders I have out there and am very pleased that they're out there getting the message out loud and clear.

Yes, Jess [Jessie Stearns, Stearns News Bureau].

Economic Plan

Q. Mr. President, some of your advisers have pressed you to fight Congress with everything you have, and if Congress won't pass a growth package that you want to sign by March 20th, that you should take the bull by the horns and do everything you can: start vetoing line items in their budget, index capital gains by regulation, go and have the Beck decision enforced, all these kinds of things. Have you decided to do any of that?

The President. No, I haven't decided it. I do think that in the fall the case is going to be taken to the American people regarding Congress. But I think at this juncture people are less anxious to hear their President blaming somebody than they are seeing him try to get something done. And so that will guide me. But I can't be under unilateral fire and not at least help put the congressional part of this into perspective. But I think people -- look, Ellen asked me, do I accept my share of responsibility? Sure. But I want to be sure Congress accepts its, and see what we can do.

What I've been trying to do is get a stimulative economic package through, lay the broad politics aside, and just take seven simple points that most economists think would turn around confidence and stimulate the economy. And I'm going to keep working on that. I'm going to have to veto a broad kind of handout, tax-and-spend bill, and then I'm still going to keep trying to get it through. And then later on, we'll have all the debate out there as to the responsibility of Congress or changing Congress which, of course, I feel very strongly about. But I think the people are less interested in hearing somebody going around blaming somebody, even though they're getting a lot of that from the Democratic side, than they are on, now, what are you going to do about it? How are you going to help us? How are you going to get this economy moving? And we've got good programs to do just that.

Presidential Advisers

Q. And that's where the advisers, if I may, sir, that's what the advisers, your advisers, tell us they're telling -- --

The President. Well, I've got to read the papers before I know what the advisers are doing.

Q. They're asking that you define your Presidency. That's what they keep saying. And you seem to be saying that people want you to define the Presidency. So, what do you think that means at this point?

The President. You know one of the things I like least about this job is commenting on what advisers say, handlers say in campaigns. They're normally referred to as handlers in the

campaign season and advisers -- has a nicer tone -- in the noncampaign season. And I read all the time about some anonymous source who is known to feel strongly about the very questions you asked about, Jess. I read about ideas that I'm considering I haven't even heard of yet. I don't know. What I'd say to the American people is, please ask for a name to be placed next to the source so I can get mad at the guy who's doing this.

It's strange out there. It's strange. No, really, I wish people would, in the White House or elsewhere, say, ``My name is Joe Jones; I think the President needs to do this," or ``I'm Sally Smith, and I think he ought to consider these three options." Instead of that, I pick up the paper every day and read some insider known to be close to the President or a person high up in the party not currently with the White House but having served there a long time, and it's confusing to me. And I think the American people don't like it. I don't think they like it very much. I'd like to see some sources put next to -- yes?

Free Trade and Job Creation

Q. Mr. President, you have often said that you were going to get more jobs, bring back jobs. And it's -- --

The President. Sarah -- --

Q. -- -- the figures have shown that the jobs have -- --

The President. We have another San Antonio incident.

Q. -- -- gone overseas. So with the jobs having gone overseas and we've lost our manufacturing base, and a poll of many of these highfalutin, very big firms say they are not going to build another plant in the United States when they can go to Mexico and pay a dollar an hour and not have to bother with environmental regulations and safety regulations. So, how are you going to get these jobs increased?

The President. Because we're going to pass the NAFTA; the North American free trade agreement is going to increase jobs dramatically. And the more exports you have, the more domestic jobs you have.

Now, some labor unions disagree with that. Some politicians disagree with that. Some are sounding the siren's call of protection: Pull back and don't engage in foreign trade. And I disapprove of that. I'm going to keep fighting for open markets, more access to the markets of others, conclusion of the GATT round, a conclusion of the North American free trade agreement. And that's what I'll keep doing, and that will create jobs. It's exports that have saved this economy as it goes through these tough times, and it is exports that will lead an extraordinary growth in the future.

Q. Can't we put a limit on the technology that we have taken overseas?

The President. No, we're not going to limit. We're going to encourage. I'd like to see our cooperation with Russia, for example, result in a modernization over there. It will open up vast new markets for the United States. The potential is limitless. So we can't look inward like we did in the thirties where we threw the whole world into depression by a failed policy of isolation and pure protection. I'm not going to do that.

House Bank Controversy

Q. Mr. President, the Vice President has called the check bouncing scandal at the House bank a good reason for term limitations, for Democrats, presumably. Do you feel he's right on that issue and should there be full disclosure of all of the Members who have -- --

The President. I'm strongly for term limitations. And secondly, I think there should be full disclosure. I hate to recite history here, but when I was in the Congress way back in the sixties with a group of newly elected Congressmen in what we called the 90th Club then, 90th Congress, I kind of took the lead in urging full disclosure of assets and liabilities. I did not endear myself to some of my colleagues, but I think that full disclosure of that, of one's own personal finances, is important. I think full disclosure of something of this nature is important, too, on a financial disclosure of that nature. So I agree that it's the way to go, and I think, inevitably, it will happen.

Economic Plan

Q. One more on the economy, sir, if I could. The Democrats, even though their program includes a tax increase, the Senate package, say that it includes elements of all seven components of your economic revitalization program. Since, as you've said, the priority here is the economy and not politics, why not attempt to compromise instead of threatening to veto or rejecting it out of hand?

The President. Because I think they're so locked into a tax increase, that I was asked about earlier, that it would be very hard to get that done now. We've tried. Our leaders up in the Congress have tried very hard to get the focus on these investment incentives. And I'm afraid I'm going to have to just end up vetoing the tax-and-spend bill. And I'm not giving up hope, though, on going forward then and saying, let's try this, let's try to get this through, but not do it in a way that is totally unacceptable.

Q. But you said -- --

The President. Ann [Ann Devroy, Washington Post], you had your hand up. Do you still have a

question?

Q. Yes, Mr. President, I do.

The President. What is it?

1990 Budget Agreement

Q. When you said last week that you regretted the decision on the budget deal, was that budget deal a policy mistake or a political mistake?

The President. Total mistake. Policy, political, everything else.

Q. What was wrong with the policy?

The President. Policy, because it simply did not do what I thought, hoped it would do: control this, get this economy moving. There were some good things about it. So I can't say, shouldn't say, total mistake. But the spending caps was good; getting the spending caps was good. Keeping the Government going as opposed to shutting down for whatever number of days it would have taken, that was good. But when you have to weigh a decision in retrospect, have the benefit of hindsight, I would say both policy and politically, I think we can all agree that it has drawn a lot of fire.

Last question.

RNC Chairman

Q. Mr. Buchanan. Revisit him one more time. He -- --

The President. I'll give you another question because I don't want to take any -- go ahead, try it.

Q. He said as a condition for him coming back that he would have to get rid of Rich Bond as chairman of the campaign committee, or the Republican National Committee. Do you care if Buchanan himself comes back to roost?

The President. Do I what?

Q. Do you care if Buchanan himself comes back to roost?

The President. Listen, I want everybody. I want everybody to vote for me. But Rich Bond has my full confidence. He's doing a superb job up at the Republican National Committee. So that's

the way I'd answer it.

All right, this is the last one.

Interest Rates

Q. On the economy -- --

The President. Got any other subject?

Q. In your economic plan, the Fed can affect short-term interest rates, but it seems to be that long-term interest rates may be impeding growth. Do you think it's time for the Treasury and the Fed to come up with a strategy on pushing long-term interest rates down?

The President. Well, I don't. I am much more concerned about stimulating the economy today than I am about the long-term rates. They are manageable at this juncture. What would exacerbate the long-term rate problem would be to pass the Democratic tax legislation, for example, or some of the spending bills I've seen up there.

One thing that would shoot the long-term rates through the roof, and I'll guarantee you this, would be to get rid of the firewall or get rid of the spending caps that were a part of the 1990 budget agreement. In my view, that would send a totally counterproductive signal to the markets. In fact, when a very able Senator proposed kind of a tax plan that looked like the deficit would be exacerbated, the long-term shot up just on the proposal.

So, I think now the answer is to keep working with the Fed. I think what the Fed has done is good. If you were to ask me the question, would I like to see interest rates still lower, I would, I would, real rates. But I think the main worry now is not the long-term rate problem or certainly inflation. It is economic growth and stimulation.

I really do have to go because I don't want to -- do I have time for one more?

Mr. Fitzwater. Okay.

The President. All right. I really have an 11 a.m. Yes.

Campaign Travel

Q. Mr. President, it appears whenever you leave the White House and hit the campaign trail, your approval ratings seem to drop.

The President. So now stay here, huh?

Q. I'm wondering if you now think the answer is to stay here more and campaign out there less.

The President. I've not seen a correlation, actually. But no, I don't feel that. But you know, I can understand the debate that has gone on: Should the President be out campaigning, or should he be here? And what I tried to do is achieve a reasonable balance. If you don't go to these States -- you had an enormously important election day yesterday where we did very, very well, very well. And if I had not, if I'd have showed disdain by not even showing up in these States, I think that could have been counterproductive.

On the other hand, I recognize that I have responsibilities that no other candidate has for leading this country and for being the President. And there are plenty of problems to face here and plenty of initiatives to take that could keep you here the whole time. So, what we did is try to achieve a balance. I think we're going to go to Michigan for one day, part of a day. And we have a primary coming up there. But I think the way the vote is working out, the overwhelming endorsement in terms of these delegations and everything, I think that you'll be seeing me here a lot, but not to the exclusion of going out.

Another side about going out: You do get to talk to people. You do get to hear firsthand about the problems the country faces. So I think the answer is: Achieve a proper balance. I hope I'm doing that. And I'm going to keep on trying to do it because it is very important that when you're elected President, you be President. But I also determined that I'm the best one to lead the next 4 years, and so you've got to do some of the politics. And that's how we've reached the formula that we use.

I've got to go. Pat [Patrick McGrath, Fox Television]?

RNC Chairman

Q. Prime-time address after March 20th? You used to stand up for Al Haig when you were head of the Republican National Committee; you used to stand up to Al Haig and say you didn't work for the President and you didn't go along with a lot of what Richard Nixon wanted you to do. Rich Bond now is favoring your candidacy, calling Pat Buchanan, accusing him of race-baiting. Is that fair?

Q. Could you do this at the mike, sir?

Q. We can't hear you.

The President. Well, good, because I'm not going to answer it. [Laughter] I think the President is seen to be the titular head of the party. It's always been that way. And just like I support

incumbent Senators and Congressmen, I think it would be appropriate that the national committee support the President. And I supported -- what?

Q. You stood up to Al Haig. Al Haig asked you to do things at the RNC that you didn't want to do.

The President. That's quite different than endorsing the President. I worked very hard for President Nixon when he was President, as chairman of the national committee.

Note: The President's 123d news conference began at 10:34 a.m. in the Briefing Room at the White House. A tape was not available for verification of the content of this news conference.

Remarks to the American Society of Association Executives

March 11, 1992

Chairman Fondren, fellow Texan, thank you for that introduction. May I salute President Taylor and all the award winners here today. I heard a story about how when Lyndon Baines Johnson moved from the House to the Senate, Jake Pickle and Gene Fondren, then Texas State legislators, flipped a coin to decide who'd run for office and go to Washington. Well, Congressman Pickle's been calling for a rematch ever since. [Laughter] And this organization is very fortunate to have as its chairman a man of this strength and a man of this conviction.

Robert Frost once wrote that an idea is a feat of association. Well, association is an idea as old as the American dream itself. Actually, de Tocqueville 150 years ago, more than that, had much to say about you. He said, ``At the head of some new undertaking in the United States you will be sure to find an association." Well, since that time, associations have played a vital role in our country's progress, and they continue that mission today, defining new frontiers and exploring new territory.

Before I spoke, President Taylor handed out the Associations Advance America Awards to salute those who've found a way to help, to be, in fact, Points of Light. We hear too often about what's wrong in America. Well, this is what's right about America, and I salute you for what you are doing to help your communities. And again, I single out the awardees here who have starred in all of this.

Of course, it's an election year. Independent of the current preoccupation with the hype and spin of the campaigns, there will remain the issues, the big things, the core concerns of every American that transcend political party or philosophical ideology: jobs, family, peace. They hold us together as a society. They are more than issues we bring to the next election; they are the legacy we must give to the next generation.

And really, that's what I want to talk to you about today, not just the issues but our mood as a Nation and how we must act now if we're to change America for the better. Today, weighing most heavily in the hearts and on the minds of Americans is the state of our economy: jobs, preserving jobs, creating jobs. You in this room know best, virtually every industry and every profession in America. I don't have to tell you that people are worried about the future.

Frankly, we've had tough economic times before, with higher unemployment but less national alarm. There's something different about today's times, something that touches a nerve. It strikes at the heart of what drives this country forward, our very confidence. It challenges our belief in ourselves.

Let me give it to you straight: Unemployment is, what, 7.3 percent, about 9 million people out of a total work force of 126 million. During the 1982 recession, 10 years ago, unemployment hit almost 11 percent, a level not experienced since the Great Depression. So we ask ourselves, why is confidence today lower than at the depth of the 1982 recession? I've heard a lot of theories. Some say those TV analysts are the problem, rejoicing in bad news. Others say, ``Well, it's the politicians." I myself have noted that in a political year candidates often shower the voters with a message so bleak and hopeless, and at the same time they promise the rainbow if they're elected. That steady drizzle on the people's shoulders can wear away confidence and can wash away hope. So, it's easy to suppose that the constant drumbeat about what's wrong in America is a self-fulfilling prophecy.

There may be some truth to that. But I think there are other reasons for our country's mood. People are feeling the way they do because America's got some real problems. They're serious, stubborn, national problems. But I think it would be unfair and certainly untrue to suggest to the American people that we can't overcome these problems, to imply that the United States of America is a country in decline. So today I want to talk about what we must do to meet the economic challenge that is before us, how we can build economic vitality into our communities, how we must ensure that our children see a future that is an improvement over the present.

Sometimes it helps to take some of these enormous issues and bring them down to the personal level. So, when I talk about America's economic problems, this is what I mean: They are the worries of parents who have worked all their lives to get their kids through college, and those kids can't find work. They are found in discouraged families who can't afford to pay off anything but the interest on their credit cards month after month after month. They are the doubts of young people who believe that times will never be as good for them as they were for their parents. Now, these are the things that dim our hope and drain our confidence.

American workers can see that technology and competition are changing the workplace faster than ever before. They can feel the heat, both at home and abroad. They know American industry is being challenged to keep up or step aside. I'm going to talk further about that later in the week out in Detroit, Michigan. We live in a competitive world, and people worry about our ability to compete.

American homeowners -- that's almost 70 million people -- worry that the biggest asset they will ever have, their home, will lose its worth because real estate values have declined. The same is true of any business, of association, or charitable organization that owns property; they're concerned, too.

Finally, as I discussed earlier this week with the League of Cities -- and this one is fundamental -- the deterioration of the American family is very, very serious, a root problem with tremendous ramifications for our economic well-being as a Nation.

These are the problems, but the picture is not all gloom and doom. America, we're now the only superpower in the world. Millions of immigrants still look to us as the land of opportunity because we are. We're the undisputed leader of the world that has a propensity for much more peace. And our economy is poised for recovery. Inflation is down; interest rates, low. Inventories are low; exports, at record highs. But this recovery will come sooner and stronger only if we in Government can come together and act now.

In January, as most of you know, I sent a message to the Congress, a plan of action. I felt it was a straightforward set of initiatives based upon tried and true economic realities. I proposed incentives for business to buy equipment, upgrade their plants, and start hiring again. I proposed a shot in the arm to get the housing industry back on its feet, lead us into economic recovery this spring. I proposed a cut on the capital gains.

And then I offered a broader plan of action to keep us strong and economically vigorous in the years ahead. And that included, as some of you all may remember, education reform, we call it America 2000, to bring the skills of our future workers up to a standard of excellence. It included a clampdown on excessive regulations that hurt our competitiveness and reform of our legal system, so that Americans can spend more time innovating and less time litigating. And I proposed record Federal support, research and development support, to keep our Nation on the cutting edge of new technologies, new incentives for business investment. I proposed a forward-looking trade policy that demands foreign markets open up to high-quality American goods and services. And I reiterated our determination to hold the line on Government spending and oppose new taxes.

Well, big issues, big challenges. This is the plan I proposed, and I set a deadline for the Congress to act. And while the Congress didn't have a comprehensive plan of its own, it didn't like the notion of a deadline. Instead, with great and earnest deliberation, the Congress fixated on how much more to tax the American people. And they would hike taxes by $100 billion. And that plan, in my view, destroys jobs, whereas the plan, the incentives I've outlined here create jobs. The last thing that this economy needs now is a massive tax increase. Any economist worth his salt will tell you that. But this is not new. Congress refuses routinely to take action to stimulate the economy, but insists on these job-destroying increases in taxes.

Everyone knows that Government is too big and spends too much. Everyone knows that. And there's something else everyone knows, too: Too often Congress spends the money of its customer, the taxpayer, the wrong way, inefficiently, ineffectively, without accountability, and frankly, without compassion. So again, I would like to call on the Congress to pass my plan by March 20 for the good of this economy and the good of the American people. Now, I realize this all may sound like simply an election year blast at the Congress controlled by the opposition party. But it is not. We really need a new way of looking at things.

And I have made proposals to bring back responsibility and accountability to a system

answerable to no one but itself. They are based on some fundamental principles: Rely on what works. And when possible, decentralize. Institute choice to force competition into the system. Give people more power to make the big decisions in their lives. Make the system accountable. And understand the new realities of America's global position, that we must become more competitive. We are not going to retreat into the failed policies of uninvolvement, disengagement, isolation, protectionism. We cannot do that. That would shrink markets and throw people out of work in this country. Staying involved, then, is the fundamental answer on international trade. These are the important ways to reform and change our country.

Chairman Fondren once said that ``Leadership requires forthrightness. Hidden agendas rarely, if ever, lead to progress and very often succeed in spoiling the brew." Well, I've never been very good at hiding an agenda, and I'm not about to try to start that now.

The agenda has really been to create jobs, protect the family, and promote world peace. Too many times I run up against a stone wall, a partisan guard more determined to take sides than to move the country forward. So, March 20th will be an important date. And if the Congress enacts my action plan on the economy by then, the real beneficiaries will be the American people. If the Congress cannot act, or if it sends to me a bill that it knows today that I cannot and will not sign, I will take this case to the American people and say: The problem is the Congress. Send a new Congress to Washington next November. But before that, I want to see us move something forward. I want to see us get something done.

And it's tough in an election year. I know that; I'm involved right up to my neck, just recovering from eight of these darn things yesterday. So, I'm not being unrealistic, but I think we still have time to set aside the politics and try to pass something that most economists agree -- I think all economists agree -- would stimulate this economy and get this country back to work again. In the meantime, I will act on my own in the interests of the American people.

I drew a line in the sand, Gene referred to it, a little over a year ago in the Gulf. When you look back, that wasn't an easy decision. But we kept our word, and we liberated a tiny country. And in the process, we sent the world, the whole world, a message. And the message was: Aggression will not stand. And that message is clearly understood. And because that message is so clearly understood, we have a newfound credibility all around, all around the world. Travel abroad, and find out that we are the United States, second to none.

And so now, in a figurative stance, I've drawn a line in the sand again, right here in our own backyard. And I will keep my word again, and if we all do our part, we can ensure that our economy and our country get back on the right track.

In the meantime, keep up the wonderful work that these associations do. Government can do a lot. I know I've got to do it better. I know that Congress has to do its work better. But it can never replace that thing that de Tocqueville found so amazing about this country, association,

the propensity of one American to help another.

And when I talk about Points of Light, sometimes my critics say, ``Well, he's simply forgoing his responsibility. He's simply trying to lay off on the back of private citizens the responsibility of a Government." That's the farthest thing from my mind when I commend you and thank you for being Points of Light. Government can help. Government must help. Government must reach out a hand to those that are hurting. But it is the Points of Lights, it is the private sector, it is the associations that are going to make a difference in the lives of the men and women and, especially, the children of this country.

So, may God bless you for your work. And thank you for letting me come back.

Note: The President spoke at 1:10 p.m. at the Washington Convention Center. In his remarks, he referred to Gene Fondren and R. William Taylor, chairman and president of the American Society of Association Executives.

Remarks at the Richard Nixon Library Dinner

March 11, 1992

Mr. President, thank you, sir, for that wonderfully warm introduction. I, like I think everybody across our country, was once again so impressed when we saw what you did today in outlining foreign policy objectives of this country. And it's a wonderful privilege for me to be introduced by you.

If you will excuse me a little reminiscence, why, in '64, I ran with a spectacular lack of success for the United States Senate. In 1966, I started off to run for the Congress in Houston, Harris County. And it was then Richard Nixon, former Vice President, President-to-be, who came down there to kick off my little campaign. And I thought I was right on top of the world. And what he did in endorsing and supporting me and many others like me that year resulted in our picking up some 49 seats, I think it was, in the Congress and propelling me into a life that has been full and fascinating, sometimes frustrating but always rewarding. And I am very, very grateful to him then; I was grateful to him when I served while he was President, while I was head of the Republican National Committee. And I value his advice today. I get it. I appreciate it. And I'm very grateful to him for his continued leadership in this area that is so vital to the United States of America. So, Mr. President, my sincere thanks. And it's a great privilege to be here tonight.

And of course, I want to thank our friend, all of our friend, Jim Schlesinger, for his leadership on this; and Walter and Lee Annenberg for their fantastic support; of course, Julie and David Eisenhower over there. I agree with everything Jim Schlesinger said about Julie, first-class and wonderful. To Gavin and Ninetta Herbert and our friend George Argyros from California; John Taylor; Brian, over here; distinguished guests all; ladies and gentlemen. It is a pleasure to be here among friends and to renew old ties.

A writer once said of Richard Nixon, his life ``somehow was central to the experience of being an American in the second half of this century." I am proud tonight to salute a President who made a difference, not because he wished it but because he willed it.

As our 37th President, he placed crime and drugs on the national agenda; he created a pioneering cancer initiative; he ended the draft; and he created the EPA. And we've been fighting over the spotted owl ever since he created the EPA. But nevertheless -- [laughter].

As I said when his library opened, Richard Nixon will be remembered for another reason: dedicating his life to the noblest cause offered any President, the cause of peace among nations. A cause told in his books, now nine of them, each written out in longhand on those famous yellow pages, yellow legal pads.

So, I could not be more pleased, and I know I speak for Barbara on this, both of us, to be here this evening. And I'm pleased to be able to speak before this gathering devoted to exploring ``America's Role in the Emerging World.'' The subject could not be more timely. The auspices couldn't be more appropriate. The Richard Nixon Library, and I was privileged to be there at the opening, stands as a monument to a President and to an administration devoted to an active, thoughtful, and above all, realistic approach to the world.

The challenge faced by President Nixon could hardly have been more daunting: How to maintain domestic support for a foreign policy mandated by a growing Soviet threat at a time that an overburdened America was fighting an unpopular war in Vietnam. What emerged, the policies of detente and the doctrine that bears the name of the 37th President, provided a balance between confrontation and cooperation. President Nixon managed this and more, extricating us from a war, negotiating the first comprehensive U.S.-Soviet arms control agreement, opening up relations with China, mediating disengagement pacts in the Middle East, all while preserving a consensus at home favoring continued engagement in world affairs.

To be sure, today's challenge is fundamentally different. Yet I think we'd all agree it does bear some resemblance. Once again we've got to find a way to square the responsibilities of world leadership with the requirements of domestic renewal. What we must do is find a way to maintain popular support for an active foreign policy and a strong defense in the absence of an overriding single external threat to our Nation's security and in the face of severe budgetary problems. In this post-cold-war world, ours is the wonderful, yet no less real or difficult challenge, really, of coping with success.

This challenge is by no means unprecedented. Think back to the era after World War I or the years in the immediate wake of World War II. In both instances, the American people were anxious to bring their victorious troops home, to focus their energies on making the American dream a reality.

Perhaps more instructive, though, are the differences between our reactions following this century's two great wars. After World War I, the United States retreated behind its oceans. We refused to support the League of Nations. We allowed our military forces to shrink and grow obsolete. We helped international trade plummet, the victim of beggar-thy-neighbor protectionism. And we stood by and watched as Germany's struggling democracy, the Weimar Republic, failed under the weight of reparations, protectionism, and depression and gave way to the horror that we all know as the Third Reich.

Likewise, our initial reaction to victory in World War II showed little learning. But galvanized by an emerging Communist threat spearheaded by an imperialist Soviet Union, the United States acted. NATO, the IMF, the World Bank, the Marshall plan, these and other institutions prove that Americans grasped the nature of the challenge and the need to respond. Our military was modernized, free trade nourished, U.S. support for former adversaries Germany and Japan made

generous. It was fitting that Dean Acheson titled his memoirs ``Present at the Creation'' for these years were truly creative.

The result, as they say, is history. We kept the peace. We won the cold war. Democracy is on the march. Now, for the third time this century, we've emerged on the winning side of a war, the cold war, involving the great powers. And so, the question before us is the same: We have won the war, but are we prepared to secure the peace?

That is the challenge that we must face. Yet already, there are voices across the political spectrum calling, in some cases shouting, for America to ``come home, gut defense, spend the peace dividend, shut out foreign goods, slash foreign aid.''

You all know the slogans. You all know the so-called solutions, protectionism, isolationism. But now we have the obligation, the responsibility to our children to reject the false answers of isolation and protection, to heed history's lessons. Turning our back on the world is simply no answer; I don't care how difficult our economic problems are at home. To the contrary, the futures of the United States and the world are inextricably linked.

Just why this is so could not be more clear. Yesterday we saw conflict, and today, yes, the world is a safer place. Yes, the Soviet Union -- aggressive, looking outward -- that we feared is no longer. But the successor Republics are still struggling to establish themselves as democracies, still struggling to make the transition to capitalism. We invested so much to win the cold war. We must invest what is necessary to win the peace. If we fail, we will create new and profound problems for our security and that of Europe and Asia. If we succeed, we strengthen democracy, we build new market economies, and in the process we create huge new markets for America. We must support reform, not only in Russia but throughout the former Soviet Union and Eastern Europe.

As a former President, Richard Nixon is a prolific author. As President, he wrote a chapter that previewed the new world order. Today we are building on RN's roots planted in Tel Aviv and Cairo and Moscow and Beijing. Look at the lands of the former Soviet Union, reaching out toward Western ways. Look at the fledgling democracies here in our own hemisphere. You talk about an exciting story, look what's happening south of the Rio Grande, all moving towards democracy except one. Look at Cambodia and its neighbors in Southeast Asia, yearning for an end to decades of violence, or at the historic peace process in the Middle East, one that holds out the hope of reconciling Israel and her Arab neighbors. Long way to go, but they're talking. Look at a U.N. that may at long last be in a position to fulfill the vision of its founders. Look at Africa, the changes in South Africa. Look at the exciting changes in Angola or what happened in Zambia. The success of each depends on U.S. support and leadership.

Look, too, at the threats that know no boundaries, these insidious threats like drugs and terrorism and disease and pollution and above all, the one that concerns me perhaps the most, the spread of

weapons of mass destruction and the means to deliver them. They, too, will yield only to an America that is vigilant and that is strong.

In the Nixon Library in Yorba Linda -- I hope all of you have seen it; if you haven't, you ought to do that -- there's a world leaders room, a room of giants who provided such leadership, Churchill and Chou En-Lai and Charles de Gaulle. President Nixon not only knew the greatest statesmen of the 20th century, he became one of them; like them, judged by disasters averted and dreams achieved.

A former aide once told of how President Nixon asked about a foreign policy speech. The aide shook his head. ``Frankly," he said, ``it's not going to set the world on fire." President Nixon shook his head. ``That's the whole object of our foreign policy," he said almost to himself, ``not to set the world on fire." [Laughter]

Yes, carrying out a leadership role in determining the course of the emerging world is going to cost money. But like any insurance policy, the premium is modest compared to the potential cost of living in a warring and hostile world. Many in Congress today, perhaps for understandable reasons, domestic policy considerations, are calling for a peace dividend. They would have us slash defense spending far below the reduced levels that we have calculated would be prudent. This must be resisted. The United States must remain ready and able to keep the peace; a well-trained, well-equipped military cannot simply be created overnight if and when the need arises. Anyone who has ever gone to war knows that peace is its own dividend.

Those who would have us do less ignore the intimate interrelationship between overseas developments and those here at home. If we had not resisted aggression in the Gulf a year ago, if we had not liberated Kuwait and defeated Iraq's invading army, we would now be facing the economic consequences not of a mild recession but of a deep depression brought on by Saddam Hussein's control over the majority of the world's oil. And I am absolutely certain -- I expect we could get a good lively debate in this room of enormously intellectual people -- but I am absolutely certain in my mind that if we had not moved against Saddam, he would be in Saudi Arabia today. The coalition would have fallen apart. He would be in Saudi Arabia, and we would be facing agony like we've never faced before in the history of our country.

It is a pipedream to believe that we can somehow insulate our society or our economy or our lives from the world beyond our borders. This is not meant to suggest that we should not do more here at home. Of course we should. But foreign policy, too, is a powerful determinant of the quality of life here at home.

Isolationism is not the only temptation we need to avoid. Protectionism is another siren song which will be difficult to resist. There are, indeed, many examples of unfair trade practices where U.S. firms get shut out of foreign government markets owing to trade barriers of one sort or another or owing to foreign government subsidies. But the way to bring down barriers abroad

is not to raise them at home. In trade wars there are no winners, only losers.

Export growth is a proven economic engine. We estimate every billion dollars in manufactured exports creates 20,000 jobs for Americans. And we should have no doubts about the ability of our workers and farmers to thrive in a competitive world. Our goal must be to increase, not restrict, trade. Opting out, be it under the banner of protection or isolation, is nothing more than a recipe for weakness and, ultimately, for disaster. And that's why I am so determined to do all I can to successfully conclude the Uruguay round, GATT, and to get a fair trade agreement with Mexico, the North American free trade agreement with Mexico and Canada. It is important to us; it creates jobs in the United States.

Now, if I can choose a theme for you to take away from what I have to say tonight, it is this: There is no distinction between how we fare abroad and how we live at home. Foreign and domestic policy are but two sides of the same coin. True, we will not be able to lead abroad if we are not united and strong at home. But it is no less true that we will be unable to build the society we seek here at home in a world where military and economic warfare is the norm.

Ladies and gentlemen, the responsibility for supporting an active foreign policy is one for every American. But this task, in some ways, falls especially upon those in this room tonight. We are entering a world that promises to be more rather than less complicated. I thought when we were facing an imperial Soviet communism that that was the most complicated of times. I don't see it that way; more rather than less difficult to lead in this world. And again you have a special responsibility to help show the way, all of you.

Mr. President, there have been literally millions of words written about you. As President Reagan said, some even have been true. But let me close with words that you used 33 years ago in the kitchen in Moscow in that famous meeting with Khrushchev, former Premier Khrushchev.

You describe the scene memorably in your last book, ``Seize the Moment." When Khrushchev bragged that ``Your grandchildren will live under communism," you responded that his grandchildren would live in freedom. He was wrong, but at the time you weren't sure you were right. Today, we know you were, just as you were right in helping build a safer, more peaceful world.

As we look toward the future, the only thing that is certain is that it will bring a new world. Our task, our opportunity is to make it orderly, to build a new world order of peace, democracy, and prosperity. Let's dedicate ourselves to making the most of this precious opportunity, of this privilege.

Thank you all very much. Mr. President, thank you, sir. It's a joy being with you. And may God bless the United States.

Note: The President spoke at 9:35 p.m. at the Four Seasons Hotel. In his remarks, he referred to James Schlesinger, chairman of the conference on ``America's Role in the Emerging World'' sponsored by the Richard Nixon Library & Birthplace; Walter H. Annenberg, Gavin Herbert, and George Argyros, members of the library's board of directors; Mr. Annenberg's wife, Lee; Mr. Herbert's wife, Ninetta; John H. Taylor, director of the library; and Brian Crozier, British biographer of Charles de Gaulle. A tape was not available for verification of the content of these remarks.

Remarks Prior to Discussions With King Hussein of Jordan

March 12, 1992

Q. Mr. President, may we ask King Hussein whose side he's on in the latest confrontation with Iraq?

The President. We agreed that we weren't going to take any questions, just because we want to get into the business side. I just want to say here, though, I will say this, that I am just delighted to see His Majesty again. For years we've had strong relations with Jordan. We know there were difficulties. He is my friend, and I welcome him back here.

And I might point out in a positive way that Jordan has taken a very courageous and forthright position on the peace talks, recognizing we should talk for peace. And now we want to develop more on that and talk more about that. So, we're looking to the future. And I'm very pleased he's here. And I hope that will -- it didn't exactly answer your question, but we're not going to take questions. And I just want to make sure that people know across this country how pleased I am to see His Majesty again.

Thank you all very much.

Note: The President spoke at 11:05 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the President's Meeting With King Hussein of Jordan

March 12, 1992

The President and King Hussein met for approximately one hour in the Oval Office. Also attending the meeting were Secretary Baker, General Scowcroft, and Jordanian Prime Minister Bin Shakir. Following the meeting, the President and the King, and their respective staffs, had a working lunch in the Residence.

There was considerable discussion of the peace process. The President stressed the importance of all parties continuing to participate in the Madrid process. The two agreed to continue to consult closely, both about ways to solve remaining procedural issues affecting both the bilateral and multilateral talks and on how best to advance the peace process more generally.

On the question of Iraq, the two leaders agreed on the importance of full Iraqi compliance with all Security Council resolutions. King Hussein said that Jordan would continue to do its part. President Bush and King Hussein also agreed that the United States and Jordan would continue to consult closely on questions relating to Iraq and the Gulf war aftermath.

King Hussein also raised the matter of Jordan's economic situation, which has been made more difficult by the more than 300,000 men, women, and children who have entered Jordan from the Gulf. The President told the King that the United States would continue to do what it could to help Jordan, both directly and via international financial institutions.

Remarks to Recipients of the Presidential Awards for Excellence in Science and Mathematics Teaching

March 12, 1992

Welcome to the chilly Rose Garden. I don't know whose idea this was, but -- [laughter]. In any event, we are just delighted to have you all here. And it's great to see Lynn Martin, our Secretary of Labor; Dr. Massey; Dr. Wong; and most of all, let me welcome 108 very special men and women chosen from over one-quarter of a million secondary teachers in their fields. And congratulations to all of you in receiving this Nation's highest honor for math and science teachers.

As teachers, you know firsthand what the spirit of innovation has brought to this country, though we're not always ready for change. Sometimes I think that if Edison were to invent the light bulb today, newspapers would headline the story ``Candle Industry Threatened." [Laughter] The one I like best, though, is one Lyndon Johnson used to tell about. Pointing down to the Potomac, he said, ``If I walked across the Potomac, the press would say `LBJ can't swim.'" [Laughter]

You have shown the kind of excellence that will help this country meet the ambitious goals that we've set for our Nation in this America 2000 education strategy, goals worthy of the talent you have and of the potential of these wonderful young kids that you teach. We know we've got to be competitive in math and science in a changing world. Our economic health, our economic strength, our survival, depend on how we educate ourselves to face the challenges of the next century. We've called on our kids to be number one in the world in your subjects by the turn of the century. And it's teachers like you who will help us reach our goal, set an example, and help America to excel.

As you know, we're helping to develop world-class standards for national assessment in five core areas, including math and science. And we've set a deadline for the first phase of the American Achievement Test, the start of the 1993 - 94 school year.

All told, we have requested more than $2 billion in Federal spending on math and science education for next year's budget. And if my math is correct -- and with this crowd it better be -- [laughter] -- $768 million of that is for pre-college. That's an increase of 123 percent in the last 3 years.

But I believe that the single most important thing we in the Federal Government can do is to simply help you do your jobs. For instance, also in next year's budget, I have proposed an expanded program of federally assisted training for math and science teachers, in part using Federal labs, Federal laboratories and Federal personnel. Innovations like this will help us create a world-class corps of teachers.

We also want to bring new technology into the classroom, so that kids can interact with astronauts and explorers and scientists; so rural schools can have access to state-of-the-art resources; and so all American kids can be exposed to the cutting edge technologies and ideas that will shape their future.

The Federal Government can do a lot. We can do an awful lot, but we cannot do it all. Real excellence demands commitment from everyone in every community as we work to create a new generation of American schools. And together, we are literally going to reinvent the American school community by community, neighborhood by neighborhood, all across this country. You're showing us the way. You're leading. You're showing how we can break the mold, take our bearings by what works. And you're here today because you're not afraid to reach for excellence. And that's why I salute you all.

I salute winners like Julie Csongor, of Philadelphia -- where's Julie? Somewhere, right there -- who fled the persecution of her native Hungary, unable to speak English. And now she gives of herself to a generation of American kids. And listen to this; she says, ``I have my cake in my classroom every day. This award is the icing." Welcome and congratulations. Well, I salute you, and I envy you. And you share in our kids' sheer joy of learning, of making something work, of understanding the world.

Think of the scientist or engineer who will one day discover the cure for cancer or who will use technology to push back the frontiers of space, maybe wipe out hunger. Today that man or woman is a student, maybe in your classroom. A kid who will catch a spark from you, a spark that will change his life, change her world. That's your gift. A teacher affects a lifetime.

I'm proud to be with you all here today because you demonstrate what it will take to make our students the best in the world. You encourage students by giving them direct hands-on experience. You foster curiosity not just in your students but also in their parents and in your colleagues. You still have the joy of discovery, the excitement of optimism. And you still ask questions and try new ways. Above all, you believe in your students and in the future of this country. And that is the spirit we all need.

We all know the real rewards of teaching aren't their certificates that you received here, but they are something much more important. Sir Thomas More described it in the play ``A Man For All Seasons." At one point, he suggests to a young man that he would make a fine teacher. ``And if I was," the boy asks, ``well, who would know about it?" And Sir Thomas replies, ``You, your pupils, your friends, God; not a bad public, that."

Well, thank you all so much for what you do for the young people of this country. Thank you for your excellence. And on behalf of a very grateful country, let me just extend my personal thanks also. Keep up the good work and the good works. And may God bless you all. And now get out of this cold so you can thaw out. Thank you all for being here.

Note: The President spoke at 2:33 p.m. in the Rose Garden at the White House. In his remarks, he referred to Dr. Walter E. Massey, Director of the National Science Foundation; Dr. Eugene Wong, Associate Director for Physical Science and Engineering in the Office of Science and Technology Policy in the Executive Office of the President; and Julie Csongor, a geometry and calculus teacher at St. Maria Goretti High School in Philadelphia, PA.

Remarks to the National Conference of State Legislatures

March 12, 1992

Let me salute those who preceded me. I guess Dick -- has Dick Cheney been over here yet? And Sam Skinner, our Chief of Staff. And then the piece de resistance, our fabulous Secretary of HHS, Lou Sullivan, who is, I mean that, he's just doing a superb job for the country. But I'm pleased to be here. I remember last year being unable to show up. I think it was the aftermath of the storm, of Desert Storm. But I'm glad to be here, glad to see Bud Burke and Bill Pound and Bob Connor and Terry Anderson, just greeting us. And last year, I think I owe you an apology for that.

That Desert Storm, I think, was a triumph for our country. And I still believe that it holds an enduring lesson for how we in Government can get things done. It's different, but there's some lessons that apply. We saw a challenge; we met it with resolve. The subject, as you will recall, was debated vigorously. And our duty as Americans -- I think the country came together, seeing that our duty demanded nothing less than the action. But when the time came to act, partisanship was laid aside, and we put an end to the squabbling. And the job got done, and Kuwait was liberated.

Incidentally, it is my judgment that that action, and I salute the people that participated in it, really restored credibility to the United States all around the world. I see it every single day that I interact with these foreign leaders.

So now I don't have to tell you all who are on the firing lines in your various States that we face a great challenge again today. We're in tough economic times. We owe it to our country to do all in our power to get the economy moving. I am not gloomy about that, incidentally. Retail sales figures today were good. We've got some fundamentals that are getting in place, such as interest rates and inflation, that could be the forerunners of a very good recovery. But we've got to do something. So I take this getting the economy moving very seriously.

I don't believe there's any one single magic wand that can be waved to accelerate recovery. But I also know that by taking just a few commonsense steps and taking them now, we can stimulate investment, help struggling businesses back to their feet, and put Americans to work.

And what will happen if we can do what I'm about to suggest to you, I think you're going to see a rapid restoration of confidence. One of the great problems we have in this country today is, even though unemployment, for example, is statistically far lower than it was 10 years ago in the recession of '82, the confidence isn't there. And I think that what I'm about to suggest would restore confidence if they saw that these things were going to be put into effect.

To free up investment capital, we've asked for a new investment tax credit. It's a tax allowance, really. And what it does is speed up depreciation on the front end and would encourage, therefore, the purchase of new capital equipment, which obviously means jobs. I still favor, strongly favor, a cut in the capital gains tax. I think that would create jobs. And I also think that would restore confidence. We remember that both Houses had a majority for that, Democrats and Republicans supporting it a couple of years ago. We could never get it to a vote.

On the housing industry, and I'm sure many are familiar with this one, we've asked for a $5,000 tax credit and that would be for the first-time homebuyers, and penalty-free withdrawals from IRA's for the first-time homebuyers. The homebuilders have enormously high estimates as to what the credit itself would do for the homebuying business. So I think these would have a stimulative effect.

When I submitted this plan to the Congress, I asked them, as you remember, to put aside the partisanship and try to get some action, pass it in 52 days. We set a deadline, March 20th. And so now we're back in the political wars, and they're fixing to send me a package that I simply cannot and will not sign. And there is a massive increase in taxes on that package. And I fully believe that a tax increase here would be a disaster for the economy. I think it would hurt our future competitiveness.

And I think that Congress -- I don't think they will, but they ought not to doubt my resolve on this particular veto because if they send that tax-and-spend plan down here, I have to veto it, send it back. And then possibly in the Senate we can get action because some of the -- I know we've got a bipartisan group here -- but some of the Democrat incentives are very close to what we're suggesting here. And if we can narrow this package down and just go for the incentives, then when we get into all this campaign stuff, we can debate whether you need a middle-income tax or a tax break on the rich or a tax increase on the rich or whatever it is. So, I'm going to keep trying very hard to keep the focus on these incentives.

I know that you feel, and I know I feel, that people are tired of the business-as-usual from Washington. And I know it's burdening some of your State capitols, too. In that area, business-as-usual, I'm talking about these unfunded mandates.

Every time I meet with the Governors or legislators, they say, ``Please help us keep Congress from inflicting mandates on us. Give us the flexibility. We might have a better answer in Mobile than they do in Moline, so let us try it our way." And I understand what happens when an unfunded mandate drops in on you from Washington. You've got to find the money if you want to participate in it to pay for somebody else's wish list, either by cutting out programs that you have on the books that you feel might be better or raising taxes at the local level. In other words, Washington takes the credit, and you end up taking the heat.

And this message has been drilled home to me over and over again. And I think these mandates

are irresponsible, and they cut right to the heart of the Federal system. So I've told the Congress if they pass a mandate, they just simply cannot pass the buck. They've got to pay for it without a tax increase.

Then there's one other front in our fight to restore federalism. More than a year ago -- and I know you all have been helpful working with us on this, and we're very grateful -- we proposed a $15 billion block grant for the States because I believe that States are the laboratories of democracy. And you need and your constituents need the flexibility and the freedom to experiment, the freedom and flexibility that this grant would permit.

And the conference has been invaluable, your conference, in helping get this proposal in shape. We introduced it last year, but we're going to be introducing to Congress soon, again. And I call on them to give it swift consideration.

The key, we all know this, is working together: Republicans and Democrats, the Federal and State governments, the legislative and executive branches. And I would be the first to confess that I understand the pressures of an election year. But we know what we can do in those moments when we can set partisanship aside. And I think that's what the American people are calling out for right now. And we must not let them down.

So, again, my thanks to you all for your support, for those of you who are supporting this block grant concept, helping us fend off more and more mandates from the Congress, and those who are with us in the idea that what we need for this economy now is something that will in a laserlike way stimulate an economy that is really ready to move and really ready to recover.

I really do thank you. And I hope this hasn't been too inconvenient, off and on again on the schedule. But I'm off early in the morning. And I just looked forward to having a chance to at least drop in and say hello. So thank you all very, very much.

Note: The President spoke at 5:12 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to the following officers of the National Conference of State Legislatures: Paul (Bud) Burke, president; Robert Connor, vice president; William Pound, executive director; and Terry C. Anderson, staff chairman.

Message on the Observance of St. Patrick's Day

March 12, 1992

It gives me great pleasure to send greetings to all those who are celebrating St. Patrick's Day.

When we reflect on the extraordinary life and lasting influence of St. Patrick, it is easy to understand why the observance of this day has become a cherished annual tradition, in the Emerald Isle and wherever the sons and daughters of Erin have made their home.

Although St. Patrick originally came to Ireland as a captive of pirates and spent six years in slavery before his daring escape by sea, he later returned and became one of the greatest figures in the history of the Celtic peoples. The man who once described himself as ``the least of all the faithful'' bravely made his way back to Ireland to bring Christianity to the island's inhabitants. Through St. Patrick's influence, the Celtic people added to their ancient history and culture a new and even richer legacy of spiritual faith and human values.

Today, the Irish heritage is as grand as the many stories and legends that have been inspired by the life of St. Patrick. That is why, on March 17th, we not only remember a beloved saint but also celebrate the many contributions that Irish Americans have made to this country, through their unique traditions and folklore and through their many accomplishments in civic and political life. These have been evident from the earliest days of our Republic, when nine men of Irish origin joined in signing the Declaration of Independence. This is a fitting time to salute them and all who have followed them in carrying forward the hard work of freedom.

Barbara joins me in wishing all Irish Americans, actual and honorary, a very happy St. Patrick's Day. God bless you.

George Bush

Statement on Signing the Torture Victim Protection Act of 1991

March 12, 1992

Today I am signing into law H.R. 2092, the ``Torture Victim Protection Act of 1991," because of my strong and continuing commitment to advancing respect for and protection of human rights throughout the world. The United States must continue its vigorous efforts to bring the practice of torture and other gross abuses of human rights to an end wherever they occur.

I regret that the legislation proposed by the Administration to implement the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment has not yet been enacted. This proposed implementing legislation would provide a tougher and more effective response to the problem, putting in place for torturers the same international ``extradite or prosecute" regime we have for terrorists. The Senate gave its advice and consent to the Torture Convention on October 27, 1990, but the United States cannot proceed to become a party until the necessary implementing legislation is in place. I again call upon the Congress to take prompt action to approve the Torture Convention implementing legislation.

I note that H.R. 2092 does not help to implement the Torture Convention and does present a number of potential problems about which the Administration has expressed concern in the past. This legislation concerns acts of torture and extrajudicial killing committed overseas by foreign individuals. With rare exceptions, the victims of these acts will be foreign citizens. There is thus a danger that U.S. courts may become embroiled in difficult and sensitive disputes in other countries, and possibly ill-founded or politically motivated suits, which have nothing to do with the United States and which offer little prospect of successful recovery.

Such potential abuse of this statute undoubtedly would give rise to serious frictions in international relations and would also be a waste of our own limited and already overburdened judicial resources. As I have noted in connection with my own Civil Justice Reform Initiative, there is too much litigation at present even by Americans against Americans. The expansion of litigation by aliens against aliens is a matter that must be approached with prudence and restraint. It is to be hoped that U.S. courts will be able to avoid these dangers by sound construction of the statute and the wise application of relevant legal procedures and principles.

These potential dangers, however, do not concern the fundamental goals that this legislation seeks to advance. In this new era, in which countries throughout the world are turning to democratic institutions and the rule of law, we must maintain and strengthen our commitment to ensuring that human rights are respected everywhere. I again call upon the Congress to make a real contribution to the fight against torture by enacting the implementing legislation for the Torture Convention so that we can finally ratify that important treaty.

Finally, I must note that I am signing the bill based on my understanding that the Act does not permit suits for alleged human rights violations in the context of United States military operations abroad or law enforcement actions. Because the Act permits suits based only on actions ``under actual or apparent authority, or color of law, of any foreign nation,'' I do not believe it is the Congress' intent that H.R. 2092 should apply to United States Armed Forces or law enforcement operations, which are always carried out under the authority of United States law.

George Bush

The White House,

March 12, 1992.

Note: H.R. 2092, approved March 12, was assigned Public Law No. 102 - 256.

Nomination of Vicki Ann O'Meara To Be an Assistant Attorney General

March 12, 1992

The President today announced his intention to nominate Vicki Ann O'Meara, of Illinois, to be an Assistant Attorney General for Land and Natural Resources at the U.S. Department of Justice. She would succeed Richard Burleson Stewart.

Since 1988, Ms. O'Meara has served as a partner with the law firm of Jones, Day, Reavis & Pogue in Chicago, IL. Prior to this, she served as Deputy General Counsel for Litigation and Regional Operations at the U.S. Environmental Protection Agency in Washington, DC, 1987 - 1988; and as a Special Assistant to the White House Counsel, 1986 - 1987.

Ms. O'Meara graduated from Cornell University (B.A., 1979); Northwestern University Law School (J.D. 1982); and George Washington University (M.A., 1987). She was born May 13, 1957, in Minneapolis, MN. Ms. O'Meara served in the U.S. Army, 1982 - 1986. She has one child and resides in Evanston, IL.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Suleyman Demirel of Turkey

March 12, 1992

The President spoke with Prime Minister Demirel of Turkey today on the escalating crisis between Armenia and Azerbaijan. The President is concerned about the situation in Nagorno-Karabakh and calls on the parties to declare an immediate cease-fire so that they can attempt to resolve their differences peacefully.

The involvement of the CSCE in the crisis in Nagorno-Karabakh reflects the deep concern of the international community about the violence that threatens to scar this region for generations to come. The parties must not seek to gain a temporary military advantage during a time of great uncertainty and heightened tensions. We call on them to exercise restraint even in the face of apparent provocation. The bloodshed must end.

The United States joins Turkey, Russia, and other countries in calling for an immediate cease-fire and for Armenia and Azerbaijan to cooperate with the CSCE to put a peaceful end to this growing tragedy.

Remarks on Arrival in Battle Creek, Michigan

March 13, 1992

Thank you for the warm welcome on a cold, cold day. And I am delighted to be here, very pleased to be back in this State at the side of our great friend and Governor, John Engler, longtime supporter. And thank you very, very much for this welcome on this cold day.

My request is to go to those polls on Tuesday and give me 4 more years to lead this country out of this problem and keep our number one leadership in the world. We are the best. And now we've got to bring this economy in Michigan around and continue to lead the whole world.

Thank you all very, very much.

Note: The President spoke at 9 a.m. at W.K. Kellogg Regional Airport. A tape was not available for verification of the content of these remarks.

Remarks to Stryker Corporation Employees in Kalamazoo, Michigan

March 13, 1992

Thank you, John Brown, for those kind words and that warm welcome. And may I just say to you how inspirational my little tour through this plant has been for me, seeing not only the spirit of this wonderful work force but getting to kick the tires on some of the most advanced technology in the health care field and to begin to understand it better. And so, I would like to take this opportunity to thank each of the people along the line that were so hospitable, welcoming me and our associates here today.

May I single out the Mayor who is graciously here today, Mayor Beverly Moore, and thank her for being here; and thank John, of course, and David Simpson and Si Johnson, Harry Carmitchel for the tour. And I'm pleased to, of course, be with my old friend John Engler, the Governor of this great State, and another man doing a fine job, and that's Congressman Fred Upton, all here with us today. And may I salute also the CEO council, who I understand has been introduced. And I said, ``Who do I thank for the music?'' And they said, ``Don't, it's played on tape.'' So, nevertheless, here I am.

But really what we wanted to do was to come here today and salute an outstanding group of competitors in one of our leading-edge industries. Stryker is celebrated across the Nation and around the world for the quality of your work and the excellence of the management, the way it's handled. You're leaders in an innovative industry that makes our country proud.

And so let me offer a personal note. I'm a grandfather, yes, and time after time in recent years I've seen modern medical devices work miracles for other grandparents. I've seen grandparents who had been hobbled for years with arthritis. Now they're running and playing again, and those miracles are results of advances that your industry has made with these artificial joints.

I'm proud of how you at Stryker have gone abroad and captured new markets, John referred to this, but you've captured new markets for these high-quality American products. Exports as a portion of your sales, as the Governor mentioned, have risen steadily. They now account for almost one-third of your total sales. You have increased numbers of customers in Canada and Mexico and Europe, and you are the number one seller, I am told, the number one seller of artificial hips in Japan. Don't tell me the American worker can't compete with the Japanese.

And the bottom line is this industry is growing and creating good jobs for Americans because you give as good as you get. The health care technology industry, which is made up mostly of smaller companies like Stryker, invests an average of 6.3 percent of revenues in R&D, in research and development. That is nearly double, nearly double the national manufacturing

average.

Your industry alone provides our great country with a favorable balance of foreign trade of almost $3 billion. You're solid proof that when that playing field is level, when you have access to the other guy's market, American workers can outthink, outperform, and outproduce anyone, anyplace in the world.

Some people simply don't get it. They see the challenges of the global economy and they say, ``Let's draw the blinds, bolt the doors; maybe the whole world will go away.'' They push protectionism, which really means surrendering, surrendering our growth and surrendering our excellence.

The defeatists may carp, but over time they're going to become irrelevant. The future belongs to those who have the will to compete. And for my part, I will continue working with you to open up new markets wherever they are, Mexico, South America, all around the globe.

I'm also working urgently for a climate more favorable for prosperity at home. I know that people are hurting out there. People that have jobs are worried about them. But later today I'm going to be talking to the Economic Club there at Detroit, and I'll go into greater detail about an economic growth plan that I've challenged Congress to pass by March 20th, one week from now. We need new incentives; we need new incentives to get this economy moving. And I'm talking about an investment tax allowance. It sounds complicated, but what that means is speeding up depreciation on new equipment so people can go out and buy new capital items for their plants.

We need to get real estate up and running, and that means Congress should pass my $5,000 tax credit for those first-time homebuyers, the young family that wants to buy a home. Five thousand dollars would help, and it would stimulate the homebuilding industry. And they ought to pass that. That's not a political thing. It's something that will help the economy right now.

We need to reward the risktakers, those who create new jobs. And I still feel the way to create new jobs is to cut the tax on capital gains and stimulate new investment. And you're seeing this. We're competing with Japan; Japan taxes capital gains at 1 percent. Germany, I believe, is zero. And we're up there in the stratosphere. It's simply not right to people out there thinking, ``How do I start a new business?''

I'd like to spend the rest of this brief time here today talking about another battle, and that's the battle against excessive regulation. A level playing field, I mentioned, outside the United States, that's fine; that's well and good. But you'll never reach it if you have to run yourselves to exhaustion right here at home on an uphill treadmill of overzealous regulators.

In my State of the Union, we put on a 90-day freeze on all proposed and existing Federal regulations, the ones that can affect economic growth. As much as possible, we're now speeding

up rules that will help growth and halting rules that would harm the economy, set back this fragile economy.

I'm very concerned about the health technology business, the well-being of that business. Our whole future, as I look at it and what it's going to take to move briskly into the next century, is the high innovative tech industries like yours. The Commerce Department recently reported that America's health technology industry is the strongest in the entire world, but that if current political and economic trends continue, it would slip behind European and Asian competitors by the end of this decade. And need I say what one of those negative trends is? That is Government regulation.

Overregulation here in the United States can give foreign corporations an advantage over American firms. It also can drive U.S. businesses to move factories and jobs overseas. Recently, because of heavy regulation, the number of approvals of new medical devices has dropped dramatically.

Let me assure you: I am determined to roll back the tide of overregulation. After the 90-day freeze, I'm going to introduce what legislation it takes to change this, reform legislation to correct unreasonable rules we can't change simply through Executive action. And I will have to go to that Congress and challenge them to undo some of this regulatory knot that they've tied across the American economy. And I'll fight those liberals in the Congress who try to impose new and unreasonable burdens on America's livelihood. You know, if Congress sends me any more legislation with excessive regulation in it, I am going to have to veto it, and I will veto it as soon as it hits my desk. We need to free up businesses like this, not tie their hands anymore.

As long as I'm the President, I'm going to work to cut needless redtape. We've got to get the lifesaving drugs and devices to those who need them. Regulation of the healing arts and health technologies have got to respond to patients' needs and must be based on sound science, not on ideological politics or scare tactics.

And we need to heal something else, a legal system that is emptying our wallets and tearing our society apart. That's why I'd love to have your support for proposals to reform the liability system and the civil justice system. You know how the epidemic of lawsuits has become, neighbor suing neighbor, guys coaching Little League afraid to coach because of a lawsuit being filed at them: ``You don't put the kid at first base, I'm going to sue you.'' I mean, it's not right; it's not fair. And we've overdone it, saying nothing of doctors who are pulling back because of malpractice suits filed against them. I want to be the President of a country where people spend more time helping each other than they do suing each other.

And the very last point: Our economy is going to be strong as long as it's free. That's the lesson that I've taken away from this, that I'll be taking away from this plant here at Stryker. You have learned that in the markets at home and around the world. It's a principle that we've got to

redouble the efforts in fighting for. In my go-rounds with Congress and as Chief Executive of the Departments and Agencies that regulate American business, I'm going to try to do just that.

Let me say in conclusion, it's a joy to be here, not just simply a joy to be outside of what we call the beltway, Washington, DC. It really is. And when I come to a place like this and I see what you all are doing, I have a reaffirmation in my heart that this country is still the freest, the greatest, the fairest country on the face of the Earth.

We are the leader of the free world. We are the leader. Your kids and my grandkids don't go to bed today worrying as much as they used to about nuclear weapons. They have a feeling that we've done something big, and we've done it by leading, standing up to aggression and leading the world. And now let's take that same talent, bring it to bear on this economy, get it moving again, and reestablish our economy as the number one in the world.

Thank you all very, very much. Thank you.

Note: The President spoke at 10:24 a.m. in the medical division of Stryker Corp. In his remarks, he referred to the following corporation officers: John W. Brown, chairman, president, and chief executive officer; David J. Simpson, vice president and chief financial officer; Stephen (Si) Johnson, executive vice president; and Harry E. Carmitchel, president of the medical division.

Remarks to the Economic Club of Detroit in Detroit, Michigan

March 13, 1992

The President. Thank you for that warm Michigan welcome. Governor Engler, my friend, thank you, sir, for that kind introduction, and my congratulations to you for trying to bring fiscal sanity to this wonderful State. And it's a great pleasure to be met by your Texas wife, Michelle, who's with us today. And also it's a great pleasure to see another old friend, a great leader of the State of Michigan, Lieutenant Governor Connie Binsfeld, who was out there at the airport, too. Thank you for being there. Mike Guido, the Mayor, is with us; I salute him. And one last thank-you to Jerry Warren, a former banker and now the miracle worker that can produce such a fantastic crowd on such short notice. Now, Jerry, if you want to go into the banking business again -- [laughter] -- there may be an opening in Washington, DC, on Capitol Hill. I think this guy could do it.

It's a pleasure to be back before this outstanding group. Four short days from now, Michigan faces a choice, and you'll make a decision that will really shape the way this country copes with the big issues, the issues that shape the world and the values close to home. And I am talking about jobs. I'm talking about family. And I'm talking about world peace for ourselves and also for our children.

Right now, the most important issue facing Michigan and this country is clearly the economy. It's my number one priority, jobs. Manufacturing -- you know it perhaps better than most -- has been the greatest generator of good jobs in American history. Take a look at the auto industry. I'm speaking not simply about the jobs created in the industry itself but the thousands upon thousands of jobs in supplier and spinoff businesses. Manufacturing is and always will be a basic strength of this country's economy. No nation will ever lead the world without a strong manufacturing base.

Fifty years ago, this great State of Michigan earned the proud title of Arsenal of Democracy. Industries centered here had no peers and practically no competitors anywhere on the planet. And yes, today things are different. Michigan's manufacturers are not just competing with a few outgunned adversaries. They are up against tough, hard-nosed competitors in practically every developed country. Today, the new reality is simply this: If we want to succeed economically at home, we have got to compete economically abroad.

All we seem to hear on the news is gloom and doom. But let's not overlook some of the fundamentals that prove that we are poised, not there yet, but poised for a national recovery. Interest rates are lower now than at any point in the past 10 years. The prime rate is now 6.5 percent. Inflation, most would agree, is under control. Monthly retail sales are up 1.3 percent in February, on top of a 2.1-percent rise in January. And then you know the story on housing starts;

they're up 5.5 percent since December.

And for all our troubles, America is still the world's dominant economy, the one market other countries want to crack, the economy producing goods in demand in every country, every corner of the world.

Right now, nationwide, we're in the midst of a record export boom, one that's driven the trade deficit down 35 percent in the past year alone. And American exports have doubled, doubled since 1985. Not only do we export more than any other country, but we've been gaining ground, not losing it to our competitors. And I fully realize this has not always been true for our auto industry, but these are fundamentals that we can build on, the raw material, if you will, to manufacture the solid, strong recovery that I am confident we will see.

It looks different here in Detroit. Michigan's been through some extraordinarily tough times. And there's no sense pretending that things are better than they are. But there's also no sense underestimating our strengths and exaggerating our weaknesses. The simple fact is, we face a future with both challenges and opportunities.

In the past years, the United States has helped bring about change that has reshaped our world for the better. We're the country that won the cold war, that drew a line on the sand and drove a dictator out of Kuwait. And we are the country that made sacrifices for freedom in four corners of the world. And because we did, right here at home our children are less fearful of the threat of nuclear war, and they sleep much more safely.

And yes, American leadership has changed the world, and now what I want to do is use that same leadership to change America. I don't think there's anyone in this room who doesn't believe that the key to America's economic future is our ability to lead, to succeed in the world economically as we have politically. And that's what my economic plan is all about.

Back in January, 45 days ago today, I sent Congress a specific short-term action plan to stimulate this economy, to spark a recovery as early as this spring, a recovery that would increase auto sales and create jobs. And when I sent that plan to Capitol Hill, I set a deadline: one short week from now, March 20th, almost 2 months from the day I challenged the Congress.

And you know the story. Congress barely gave my plan a glance before they got busy on their own agenda: 90 billion dollar tax increase that will threaten our recovery and cost us jobs. Any economist worth his salt will tell you the last thing this economy needs is a massive tax increase. And you can count on this: If the Democrats send me that plan, they can get ready for a veto the minute it hits my desk. I am not going to accept it.

I believe that my plan -- I'm convinced of it, and I've talked to lots of business people and lots of economists -- I am convinced my plan will make America more competitive. It includes seven

things that we've got to accomplish to ensure a strong market for America and for the automotive industry.

We've got to reduce Government spending and draw the line against new taxes. Deficit spending dries up sources of savings the private sector must have to invest, to grow, and to create new jobs. And there's only one protection the taxpayer has against uncontrolled, what we call discretionary spending in Washington: those spending caps that we got enacted a year and a half ago. That's the only protection the taxpayer has.

And guess what? You're right. The Congress wants to get rid of those spending caps now and go back to the days of unchecked spending. And I am not going to let that happen. We've got enough votes to sustain a veto to see that that does not happen to the American taxpayer.

We've got to put an end to excessive Government regulation. Our companies can't compete if the Government chokes them off in redtape. And we've got to stop counterproductive regulations that cripple your freedom of action and cost this country jobs. So I've ordered a 90-day review of all new regulations with this aim in mind: Whatever contributes to economic growth goes forward, and whatever stifles growth gets scrapped.

We're at midpoint in that review. But even now, you can see results. The sheer volume of new rules and regulations is down to 25 a week, from 6 times that amount just a year ago. That's progress. Already we've announced regulatory relief to benefit sectors of our economy from biotech to energy. And we're looking now for creative new ways to use regulations to clean up our environment, using market forces where possible.

Times have changed since the day nearly two decades ago when CAFE standards came into existence. And we now know that CAFE can cost a lot of jobs and even lives on the highway. And right now, through my Department of Transportation, I've been working with the auto industry and the UAW to fight irresponsible legislation. And I will not sign CAFE legislation that will destroy the auto industry and cost American jobs.

We will take several regulatory steps affecting the auto industry in the near future. There is one that I want to announce today. For some time, the EPA has been considering a requirement to order that all new cars be equipped with these onboard canisters to catch and contain fumes coming from the gas pump. As a result of our regulatory review, we have decided against such a rule. The Department of Transportation determined that onboard canisters pose a real risk to safety, a risk we simply cannot impose on American drivers.

If we want to make America more competitive, we've got to move forward on civil justice reform as well. Too many businesses can't start up or keep going because too many lawyers and too many lawsuits get in the way, 18 million lawsuits every year alone. Right here in Detroit, there are business men and women ready to expand, ready to hire new workers, stopped cold by

the fear of litigation. All told, when you add in indirect expenses, lawsuits cost this economy $300 billion a year. And it's time for reform, time to replace the explosion of mindless litigation with a little common sense.

I have called on the Congress to pass reform in this area. It's a crime when you have people that don't dare coach Little League baseball because they're afraid they're going to get sued or doctors unwilling to deliver babies because they're afraid they're going to get some malicious malpractice suit filed against them.

I know the business people here would agree with this one, but we've got to keep our Nation on the cutting edge of new technologies. That's why I've proposed record Federal funding for R&D, research and development. It's why we back initiatives like one I signed at the White House last October to create a battery consortium to pioneer a new generation of electric cars. And in the global competition, it's going to come down to this: The best way to master new markets is to make them.

And if we want to be more competitive, we have got to encourage investment. That's why I've called on Congress to pass my investment tax allowance, speed up the front-end depreciation so people can buy capital equipment and write it off faster. And additionally, Congress ought to cut the tax on capital gains so we can compete with foreign interest. But political demagogs call that a tax break for the rich. Let me tell you something, you know what it is in Japan and Germany? Zero percent and one percent. And we're up there in the stratosphere somewhere.

We have got to provide our children, in addition, with a 21st-century education, today. And we won't have a first-class economy with second-rate schools. To have the best economy, you have to have the best educated work force. And that's the idea behind our wonderful program known as America 2000, America 2000 strategy, our plan to revolutionize, to literally reinvent America's schools.

And finally, we've got to work to open markets around the world to American goods. Earlier this year, some of the people here today went with me to Japan. And we all took a little grief, a little flak in the press for that trip. But the fact is, that trip laid down a marker. The business community is beginning to understand this. It signaled to our trade partners that I am very serious about free and fair trade. Level the playing field, and American workers and American business can compete with anyone. And we'll keep pushing to open markets that for too long have been closed to quality American goods.

We've already seen a payoff: new markets for America in Japan's computer, glass, and paper market, all as a direct result of that trip. And American access to the Japanese Government mainframe computer market alone could mean an additional $5.5 billion in computer sales.

And we've seen positive steps in the automotive industry as well; not everything we want, but

we've seen positive steps. Japan's auto industry intends to purchase an additional $10 billion worth of U.S. auto parts by 1994. And the benefits won't simply flow to the Big Three. Detroit Center Tool reports that its sales in Japan will jump 500 percent this year alone to $30 million.

And that trip was the beginning of an important process that we are going to continue, opening markets around the world. And that also means, in my view, a successful conclusion to the Uruguay round, GATT round. It's absolutely essential that we open markets, reduce these barriers.

So far today, I've talked about my plan, my plan to get the economy growing again and to get this country ready for the challenges of a new century. So let me repeat, here's what I'll do, and give it to you straight: I will veto mandates that pass the buck to business and hurt competitiveness. I will veto job-destroying tax increases and fight for job-creating incentives. And I will fight to open markets around the world to American products. And I will fight against the forces of isolationism who want us to turn our back and run away from the future.

That's some of what I can do. And here's what you in the business community must do. But if we're going to work together to make America more competitive, you've got to continue your commitment to train and retrain your workers, give them the skills they'll need to cope with a changing workplace. And to help workers adjust to new economic conditions, Government can help, too. For example, last week a Department of Labor task force was here with the representatives of the UAW and GM on just that issue. Also, you've got to continue to build on recent progress that has labor and management working as allies, not adversaries. No company can compete when it is a war within itself. And you've got to fight for foreign markets, make the commitment for the long haul.

I, a long time ago -- and I hate to bring it up in a room of successful business people, like the one that's here today -- but was in a business, started the small business. And I think I know what it's like. I do know what it's like to sweat to make a payroll, to run risks, to succeed, and to overcome setbacks, too. And we all know how to measure performance. Performance is measured by performance improved: people back at work, assembly lines up and running, putting out a superior product, and bringing in a profit.

I want to close today, before taking a couple of questions here, by saying I know when I decided to come here I was going to a great city -- been here many times; I've been privileged to be your guest at the Economic Club several times -- going to a State that's experienced hard times. But I came here for that very reason: to look you in the eye, and to tell you what we are going to do to turn this economy around. And I have too much respect for the people in this room, too much respect for the men and women who work the assembly lines, to expect you to settle for anything short of the truth.

And yes, we're in an election year. We're in a highly partisan, shrill, not overly pleasant election

year. And when the rhetoric heats up, it gets tough separating the fact from the fiction. Well, I can tell you this: All the quick-fix schemes in the world will not get us where we want to go. Some of them have wonderful political appeal, but they're not going to get us where we want to go. And the plan that I've laid out today will help America take on the toughest competition and win.

And so, let's not wring our hands, try to run away from a challenge. We've never done that. Let's do what America always does when challenge comes our way: Let's change America for the better. If we can install ourselves through action and principle as the undisputed leader of the free world, a leader with newfound credibility around the world, we can do the same thing here at home.

So I ask you to join me in this challenge. Join me in supporting these objectives I have spelled out, and we can and will change America and help the lives of every single American worker and business person in this country.

Thank you very much. And may God bless our wonderful country. Thank you.

Governor Engler. Thank you very much, Mr. President, for that wonderful address and that economic plan for our country. And now we have some specific questions that have been submitted by members of the Detroit Economic Club and some special guests. The first one actually -- I'm sure that Chris McAllister from J.R. King Elementary School, who says ``grade six'' at the bottom of the card, is not a member but may be a guest here today. And he asks a question that's on the minds of a lot of people: President Bush, why did you choose a Texas plant over Willow Run?

The President. Let me take that question very seriously because -- and I am reluctant to make it this definitive. I was told today, I hadn't seen it because I don't read too much of what Senator Riegle says, but -- [laughter] -- I was told today -- I'm very serious about this because this a challenge to my integrity as President of the United States, and when it gets on that basis I take it seriously. And I was told by the Governor and I was told by a Congressman that I was accused by that Senator of intervening in the GM process, the private sector process. And I'm standing here to tell you with everything I can muster that I made no such intervention. And I take it as a direct attack on my character to have a United States Senator say that. It is a bald-faced lie. And Bob Stempel is right when he said it is.

That sixth grader is on to something. [Laughter]

Governor Engler. The UAW, AFL-CIO is actively working against your reelection. With times as tough as they are right now, what chance do you see of winning the rank-and-file worker in a State like Michigan?

The President. Well, I saw the UAW seems to be supporting Jerry Brown. That may not be accurate; I don't know. Look, one, there's time for politics; two, there's time for trying to lead this country. These are good people. Their families are hurting. Some have a job today, not sure they'll have it tomorrow. And so my answer to them is, I want to change this economy.

And I tried to spell out here today, and I hope some of them heard it, a program, a seven-point incentive program plus a broader program that will, indeed, get this economy moving now and stimulate it, and then we'll also be sure that we are competitive into the future.

So I would like to address myself -- I know that the unions early on decided they were going to support somebody else for President. But for me, this transcends a political endorsement or political opposition. We have got to get the economy moving. There's a lot of families that are hurting out there, and I think what I've proposed here today is the answer.

Governor Engler. As a businessman running a 60-employee family company, I must run a tight ship in order to survive in a difficult economy. What can be done to see that our Federal Government begins now to reduce America's $2 trillion debt so we can enjoy a prosperous economy in the coming years? That's from David Keller, and related to that is another card that has a question: What is the status of the line-item veto?

The President. The debt is an enormous worry. And for those who live and die by polls, really for the first time, the deficit and debt is about number one, I believe it is number one in the polls. I'll give you an example of what we're trying to do with it. One, I'm going to try to keep the caps on discretionary domestic spending. Government is too big, and it spends too much.

And right now I'm in a big fight in the Congress. The 1990 budget agreement did place caps on all discretionary spending. It did not touch the part of the budget that's growing the fastest, the entitlements, but it did put a cap on domestic spending. And now the Democrats in Congress -- not all of them, thank heavens -- are trying to remove the caps. They're saying this: ``We can take defense cuts now." And I've proposed $50 billion, and some of them are saying, ``Oh, we can do more. We'll take $150 billion." And that would cut right into the muscle of our defense and make us unable to respond to any eventuality around the world. But they're trying now to say, we're going to take that defense spending and spend it, defense money and spending it.

And I'm saying no, we're going to keep up what they call the firewalls, the different -- the caps on defense and the caps on other domestic spending. And when we cut defense by the $50 billion I recommend, we will use that to reduce the Federal deficit.

And I'm in a whale of a fight in the Congress to do just that. And that is small compared to the overall size of the deficit, but it is a beginning. And again, I need your help because we are outnumbered in a fight like this. It is too easy in an election year to promise some new Government spending program. And I have got to fight it. I have got to keep the caps on, and

I've got to apply the reductions in defense spending to this deficit to show the American people that we are concerned and we don't want to continue mortgaging the future of our young people.

Governor Engler. We have time for about three more questions according to the watch I was given. So President Bush -- this is sort of like the old ``Ask George Bush'' program that I remember from the Vice President's days -- President Bush, do you have any plans for changing antitrust laws to enable a closer relationship between Government, business, and labor?

The President. There's a review going on, and I don't know how it's going to come out. We have tried to lighten up on this concept that was overly restrictive on antitrust, where businesses couldn't even talk to each other for fear of antitrust attacks on them when they were trying to improve things generally in the community, for example.

I can't give you a definitive answer as to how that comes out. I do think we've got a ways to go before we can certify that the antitrust laws are not excessively burdensome. They are excessively burdensome. And I think by still protecting against monopoly and against conspiracies so prices go up, there's a way that we can go to lighten up on antitrust and to be sure that these laws do not set us back from competition abroad.

You know and I know that many people in foreign competition target industries. They get together. They have what you call financial centralized planning. We don't do that in this country, but I think we've leaned too far the other way when it comes to the tightness of antitrust. So we're taking a hard look on it, and I hope we can still protect against monopolistic practice and still lighten up so that we can be much more competitive around the world.

Governor Engler. Fearing the loss of jobs, big labor opposes the proposed free trade agreement with Mexico. Why do you feel the agreement will be beneficial to the United States?

The President. In the first place, I am absolutely convinced, absolutely convinced that in passing the NAFTA, the free trade agreement with Mexico, we call it the North American free trade agreement, it will create more jobs. I'm convinced that it's good for the environment. I believe a more prosperous Mexico, and there's going to be prosperity on both sides if we can get the proper kind of agreement, will be able to address itself to these environmental problems. I believe a more prosperous Mexico will be an even better market for U.S. goods.

And so, I do not accept the wisdom of some that says that a free trade agreement is going to result simply in an export of jobs. It is not going to do that. And I believe that we ought to keep pressing for it. I don't care what the politics of it are; I think it is best.

And I want to do exactly the same thing this NAFTA, this North American free trade agreement -- I want to do exactly the same thing with the successful conclusion of the Uruguay round. And Michigan has a lot of agriculture. And I believe that if we are successful, we will be opening up

all kinds of markets abroad for agriculture. I think we can do better in property rights.

And so we have two major initiatives in international trade. One is the NAFTA, which is mainly with Mexico and Canada, of course, and then I want to follow it with opening trade south of there. And secondly is the Uruguay round.

And the other point I want to make on this hemisphere is this. We look at the changes that have taken place in the former Soviet Union. And we look at the changes that are taking place in Africa, for example, South Africa and Zambia. But sometimes we don't look into our own front yard, the exciting markets of Latin America. And there, take a look at what's happened: Military dictatorships have given away to democracies. Communist regimes, a la Nicaragua, have given away to democracies. And there's only one holdout against democracy in this hemisphere really, except for the problems in Haiti. It's Cuba. It is Cuba. And democracy is on the move.

And what I want to do is help find ways to strengthen those economies so they can be not only perfecting their democracies but be better markets for American goods and services. And it is an exciting message down there. We are doing a first-class job on working with these Latin American, South American countries. And we ought not to neglect it.

And while saying neglect, let me add this point -- too long an answer to a very simple question -- but it has been suggested that I turn my attention away from national security matters and foreign affairs. I don't think a President should do that. I think it's important to find the right balance between doing something for the domestic economy but recognizing that it's only the United States of America that can lead this free world. And I am not going to neglect my responsibilities overseas, but I darn sure am going to pay as much attention as it requires to get this economy moving.

Governor Engler. This is another question from a youngster, Calvin Paines, I believe the name is, from J.R. King School in Detroit: Will there be jobs for black children in the future?

The President. I hope there will, and I think there will. And one of the reasons I'm so excited about America 2000, in which many of the business people I see sitting in this room are already assisting, is that our education program will result in just that kind of opportunity.

I met with some people from the National League of Cities, and one of the things that concerned this -- this is a little addition to this guy's question -- they told me, the mayors from big cities, small cities, Democrats, Republicans, liberal, conservative, ``The thing that concerns us the most about the urban problems is the decline in the American family."

We have appointed a Commission led by Governor Ashcroft and former Mayor Strauss of Dallas to figure out what we can do, what legislation is diminishing the family. And underlying it all is the need for more education. And so I would say to this sixth grader, I think you've got a

whale of an opportunity.

And let me say this also: I have been disturbed by kind of an ugliness out there. When things get tough, one person loses his job to another, people are uncertain about the future. They've lost confidence in the country, maybe in the President, certainly in the Congress, I think, too. But nevertheless, when that happens, somehow an ugliness crops up. And let me say this, let's leave this politics aside: Bigotry and discrimination and anti-Semitism have absolutely no place in America. And I'm going to continue to stand up for that principle.

Governor Engler. I have in my hands the last question. I was going to ask this one first, but it's unsigned. It starts out, Governor John Engler has done a heroic job -- [laughter] -- and it goes on. It could stop there but, no, Governor John Engler's done a heroic job working to stimulate growth in Michigan's economy by sponsoring the cut and cap plan for property tax relief. What can be done at the Federal level that would have similar impact to Michigan's cut and cap? And that will be the last question, Mr. President.

The President. Well, give me another one because I think I answered it, I hope I answered it, in my remarks. And so it's not fair to take you over that turf again, so I'll take one more.

I believe the best thing we can do is to incentivize this economy. Control the Government spending as best one can; that means sometimes vetoing legislation. Lighten up on the regulatory front; and then, in a longer vein, more, better education. And I think that's the answer to this economy.

But give me one more because that's not fair. Maybe it's not.

Governor Engler. I just like the question a lot. [Laughter] We'll get to one more here.

The President. What about the one that says Engler's screwing it up, we're not going to -- -- [laughter].

Governor Engler. Passed over that one right away. [Laughter]

We'll end on a political question here. Assuming you will be nominated, overall, do you think Pat Buchanan's campaign efforts will hurt the Republican Party chances in November?

The President. My answer to that question is no. I am going to continue to try to run what I hope has been a high-level campaign. And I'm going to try to keep focusing on the issues. I'll say this, because it's not easy to find a balance in a competitive election year between how much time you devote to the campaign trail, how much time you spend in the Oval Office trying to help people and trying to solve the problems of this country.

Last week on Super Tuesday, we had eight States. And I felt I should at least make an appearance in each of the eight States so it didn't look like I was taking something for granted, turning my back on the people whose votes were very, very important in those States. And so I went to one, and I think some drew the conclusion from that, that was a little frenetic.

Super Tuesday was very, very good to me. And we will now have our primary here and in Illinois on Tuesday. I think that we've found the right balance. I think in terms of a primary challenge, the thing I must do is not get after the opponent. Let him chart his course, make up his decision on what to do. And let me now spend much more time -- Super Tuesday out of the way; Michigan and Illinois by Tuesday -- in trying to get these things done that I have outlined here.

And then we're going to be interacting overseas. Of course, Yeltsin's coming here; Helmut Kohl, I think, will be here next weekend. And there's a lot of things of this nature that I must attend to.

And so I can't fault somebody for challenging me. I feel very, very confident about winning this primary. But I think now I've got the proper balance as to how much -- and it wouldn't help a bit to try to assess for you the opposition. That's what the elections are about.

But I know these are nonpolitical gatherings, but if you're Republican, please vote for me on Tuesday.

Thank you very much.

Note: The President spoke at 12:50 p.m. in the Grand Manor Ballroom at Fairlane Manor. In his remarks, he referred to Jerry Warren, president of the Economic Club of Detroit, and Robert C. Stempel, president and chief operating officer of General Motors Corp.

Exchange With Reporters Aboard Air Force One

March 16, 1992

Iraq

Q. Mr. President, exactly what is your approach towards Iraq at this point? There are constant stories about desires to take action, to put carriers -- [inaudible]. Where do you stand now?

The President. We stand that we are just insisting in every way we can that Iraq comply with the United Nations resolutions. And I'm not discussing options. All options are open. And we're consulting our allies, as we have in various phases of the Iraq situation. So I wouldn't read too much into the movement of a carrier, inasmuch as we have carrier elements up in the Gulf from time to time. But on the other hand, I think it's fair to say we are determined that they follow through on what they said they'd do; serious business here. And the United Nations is saying firm -- our Ambassador up there put it very well. And so we're watching and hoping they will fully comply.

Q. Does that mean that action is not imminent? That you are willing to give them time?

The President. I just would leave it where I stated it, Charles [Charles Bierbauer, Cable News Network].

Q. What did you think about Tariq `Aziz's appearance at the United Nations? Did he seem to be foot-dragging?

The President. Yes, bobbing and weaving.

House Bank Controversy

Q. How much do you think this check scandal's going to hurt the House? Do you think people should vote based on whether or not a Member bounced a bunch of checks?

The President. No, I think you've got to look at the whole situation. But people are outraged by it. And I think each individual case has to be viewed as to its content. But I'm waiting and watching it unfold. I think it's an institutional thing. I think people are very concerned, but I'm not jumping on any individual. I mean, I think everyone has his own case, his or her own case to make to their constituents or to the people.

Q. Will you support Congressman Gingrich's call for a special prosecutor?

The President. Well, I haven't even talked to our attorneys about that.

Illinois and Michigan Primaries

Q. What do you look for in Michigan and Illinois?

The President. Victory.

Q. What kind of victory? How big?

The President. No, no, no. Never try to say how high the high bar should be on these primaries. I haven't done it. I've been very pleased. They seem to be getting better and better. But I'm just -- keep working to try to, one, get the message out on the primaries, but two, try to address myself to the problems facing this country. And I am doing that. And I'm just going to keep on doing that.

Q. Are you going to offer any goodies to the people of Illinois and Wisconsin today, any Federal aid, Federal -- --

The President. Well, got a good program for them in terms of this economy. I just hope that they can use their influence with a recalcitrant Senate and House.

Well, welcome aboard. It's just a pleasure having you fellows here. It's a little long trip, but it will be a good one.

Presidential Medal of Freedom

Q. An early one tomorrow, too.

The President. What?

Q. An early one tomorrow.

The President. Look, I'm very much looking forward to that tomorrow. I have a very high regard for Sam Walton and what he's done and the way in which he's done it. And so to me, that one, I know some will say it's political. It is purely nonpolitical. It is to honor a great American. And that one I'm glad you asked about because I really feel viscerally and emotionally connected with tomorrow's visit.

Q. Don't you give them a speech there tomorrow?

The President. Down there?

Q. Yes.

The President. Well, I don't know. It depends on what they work out on the actual presentation.

Legislative Action

Q. What are your plans for March 20th, sir?

The President. I just hope the Congress does what I've asked. And it's not impossible. But it's -- they're coming along with a great big tax increase. And I just -- this one, I think, Tsongas is on to something. He says this is purely political. I think he's right about that, what the Senate and House appear to be doing.

Q. Would you look to veto one of those bills, or veto that bill this week?

The President. Oh yes, definitely will veto if it comes down close to what they did in the House.

Q. Do you think you'll get it this week though, sir?

The President. I don't know. I just don't know. Nobody seemed too sure of it when I left this morning.

I better get going.

Q. You don't really expect them to do it, do you?

The President. Don't expect it, but it would be nice, though, if they'd do something for the American people instead of raising taxes and spending the money.

Note: The exchange took place in the morning while the President was en route from Washington, DC, to Milwaukee, WI.

Remarks to Steeltech Employees in Milwaukee, Wisconsin

March 16, 1992

Well, this is an exciting day. And Janet, thank you for the introduction. And of course, to the Guerrero family who greeted us here, some of them milling around with cameras, the boss up here, many, many thanks for this warm welcome to this exciting venture. And David, let me just say, from what I've seen, you have an awful lot to be proud of, not just in things, not just in what's happening but in the people that make up this organization of yours. Good morning also to Chuck Wallace. And it's good to, obviously great to be back with two dear friends of mine, Governor Tommy Thompson and Senator Bob Kasten, each in his own way doing a superb job for our country. May I also salute Mayor Norquist, modestly standing on the side, and thank him for attending today. Thank you, sir. And with him, the county executive is with us today, Mr. Schultz. Thank you, sir, for being with us. And I was looking because back out of the limelight is one of America's great heroes, a winner of the Congressional Medal of Honor, Gary Wetzel, but he's -- he was there, but anyway -- here he is right over here. Proud to have him with us today.

You know, Tommy -- to me, Governor Thompson is fond of saying there are only two seasons in Wisconsin, winter and road construction. So I guess I'm glad to say that spring is just around the corner.

And I am proud to be with you today. And I want the media here to carry your message into every living room in this Nation because we're waging a battle today in America, a battle for jobs and for our economic future. And Steeltech is the kind of success story that points the way to victory. It was a dream that its supporters refuse to call impossible, a dream of startup, minority-owned firm, but committed to excellence. And Steeltech grew out of extraordinary bipartisan public-private cooperation, combining government action with economic initiative and the strong support of the community. And that is essential.

Governor Thompson on the State level, a great believer; Mayor Norquist, I'm told, on the city level, a great believer; and then Jack Kemp, our Secretary of HUD, who helped win a HUD grant; Pat Saiki, back in Washington, who is head of the SBA, and she helped qualify this company as a small disadvantaged business concern, that gave it another kick.

And I've heard about the private sector's involvement from Fred Luber, especially about Roger Peirce and the great folks at Super Steel who have held out a hand of hospitality. So, what I've glimpsed, what I've just seen, seen the periscope of, really, is a precedent-setting teamwork that brought about what I'm told, and I believe this is true, David, is the largest manufacturing minority business enterprise in the Nation's history.

One of the most impressive things about Steeltech, and I referred to this earlier, is its vision of its workers. David Guerrero and Jan Crosby and others go to the hardest hit parts of minority communities here for their recruits. And some have been imprisoned; some are longtime unemployed. And I like what David says about these new beginnings. Here's his quote: ``Forget about the past. Look to the future." And after intensive training with partner schools, these men and women become part of the high-quality, self-confident, drug-free Steeltech team.

And what a great team it is. Let me mention just a couple: players like Chester Gandy, who learned to weld at 47; Larry Holliman, who was honored by Mayor Norquist for perfect attendance; and father and son workers Gilbert Buenrostro II and III, two of them starting a family tradition. And they're all part of this Steeltech team that last year produced $1.8 million in sales and that this year expects to top $10 million. Remarkable, and it's not even the second anniversary of this firm yet.

And soon, you're going to move into what David described to me as a neighborhood factory, your new state-of-the-art plant with the largest automated E-coat painting line in the United States. And there you'll help contribute to the national defense of this country, working with Gene Goodson of Oshkosh, making high-quality steel components for the PLS, the new military cargo truck. And we're proud to have you working for America under a Federal Government contract. And I am proud, very proud, to be here to salute each and every one of you.

You should know, I hope you know that I'm trying very hard to fight for a better economic climate not just for people here but all across our country. And you've heard me talk about the economic growth plan that I've asked Congress to pass by March 20th. That's this coming Friday. And the plan offers new incentives to stimulate the economy in certain ways, incentives like an investment tax allowance that will help these kinds of dynamic companies to expand, speed up the depreciation rate so business can invest and get that payback sooner. It's critical to get congressional approval immediately.

Let me just mention today another battle for the health of the economy. And I don't know how badly you've been impacted by it, David, but I'm talking about the struggle against excessive regulation. American workers have shown to foreign competitors that given a level playing field, given equal rules, we can outthink, outperform, outproduce anyone, anytime, and anyplace. Well, a level playing field outside the United States is well and good, but you'll never reach it if you have to run yourselves to exhaustion here at home on a treadmill of overzealous regulation. Yes, we all have obligations for the safety, for example, of workers in the workplace. But we can't be overzealous; we can't go too far.

And so, in my recent State of the Union Message, I instituted a 90-day freeze on proposed and existing Federal regs that would hinder economic growth. And now we're speeding up rules that help growth and halting rules that would harm the economy. Overregulation here in the U.S. can give foreign corporations an advantage over us. And it can also drive businesses to move their

factories overseas. And let me assure you, we are going to continue this fight until we roll back all of the overregulation.

During and after this 90-day freeze, our administration is going to do everything it can to roll this tide back and then to go forward with reform legislation. Some of it to win the battle against excessive regulations requires legislation itself. And we're going to fight against those in Congress who try to impose new and unacceptable regulatory burdens on Americans' livelihood. And if Congress sends me any legislation with excessive regulation in it, I will have to veto it and send it back. We simply cannot tie the hands of our workers, tie the hands of our businesses.

And so, I'm tremendously impressed, in summary, by just what I've seen here today, by you. And as I travel across the country now I've got a wonderful story to take with me. And I will tell other Americans about a place where people still believe in hope, where they work together for their neighbors, where they succeed. And I'll tell the story of Steeltech, and I'll end by saying these men and women prove that the American dream can still come true. I just wish each and every one of you that might not be intimately familiar with this firm could have heard the spirit of the workers that I was privileged to talk to, albeit briefly, when I first came into this plant.

So thank you, David. And thank all of you for what you're doing in this wonderful, I would say, experience; let me call it instead a success story. I will take this message out and bring it home to America: We can succeed. We will succeed. And we will get this economy moving dynamically in the future.

Thank you all very, very much.

Note: The President spoke at 11:05 a.m. at Steeltech Manufacturing, Inc. In his remarks, he referred to Steeltech officers G. David Guerrero, president and chief executive officer, Charles L. Wallace, chairman of the board, and Janet E. Crosby, human resources manager; Super Steel Products Corp. officers Fred G. Luber, chairman and chief executive officer, and Roger D. Peirce, president and chief operating officer; and R. Eugene Goodson, chief executive officer of Oshkosh Truck Corp.

Remarks at a Bush-Quayle Fundraising Luncheon in Milwaukee

March 16, 1992

Thank you, Governor Thompson, and thank all of you for that warm welcome. Sue Ann, it is such a treat to see you again. May I second the motion on Bob Kasten; it is absolutely essential that he be reelected. And I'm glad to be here with him today.

And earlier this morning, we were out at a very dynamic steel company. And I want to thank Fred Luber for his sponsorship and leadership in seeing this minority business out there have a real shot at the American dream. But with us out there was Lieutenant Governor Scott McCallum and his wife, Laurie, both with us here today. I salute them. And may I single out former Secretary of Commerce Bob Mosbacher, who is now a cochairman of our campaign, sitting down here. And Bobby Holt's with us somewhere, our national finance chairman. And I am very, very grateful to both of them. And Bob did a superb job for commerce in this country. Thank you, Mr. Mosbacher.

And I could not possibly come back to Wisconsin without saluting my longtime friend -- picked me up, dusted me off in the dark ages when we were really down and been at my side ever since, same for Tommy -- and I'm talking about John MacIver, our Bush-Quayle chairman over here. And again, our thanks to Fred Luber for cochairing this and his wife, Ann; and also for Wisconsin's chairman, David Opitz; and Mike Grebe over here, a longtime friend and now our national committeeman. You have a wonderful team.

Someone asked me what I think of the challenger who has no leadership experience whatsoever but thinks he's qualified to assume high office. Frankly, I think Phil Garner will do a fine job with the Brewers, outstanding. [Laughter] And it is good to get out of Washington. And I'll tell you, what's going on on Capitol Hill right now gives new meaning to the phrase, ``The check's in the mail." [Laughter]

You know, too many people in Washington are fixated on the next election, and too few are focused on the next generation. And we are in a battle for our future. And we want America to lead the world in good jobs with productive work. And we want to and we will remain a force for world peace and freedom. And we're for fighting to protect our most basic institution, the family.

That's why this year of decision is so vital for America. And that's why April's primary election and November's general election are vital to our future. I'm asking you to get out to vote and create a resounding mandate to transform America. Let's nominate and elect men and women who share our values. We've got more to do to get America on the right track. And so I am

asking you today for 4 more years as President of the United States of America.

America was built on faith, family, and freedom. And these form the foundation of our great country. And we must now renew those sources of our strength. We must allow common sense to prevail, for example, in our welfare system, forge a new connection between welfare and work. And as I've said, I am encouraging States to seek waivers to reform the Nation's welfare programs. And today, standing right here, Governor Thompson is submitting such a waiver request, and I look forward to receiving it.

You're on the right track right here in Wisconsin with learnfare, Bob referred to this, with workfare, and the proposed Parental Responsibility Act. Those are just a few of the reasons why more and more people are beginning to say, ``Watch Wisconsin because Wisconsin works."

The people of the country, like the people of the State, are not stingy. Americans are a caring people. If somebody else is hurting, we feel it. And we support welfare for families in need. But Americans want to see government at every level, for example, work together to track down the deadbeat dads, the ones who can't be bothered to pay child support. And they want to see us break this cycle, this ugly and deplorable cycle of dependency that destroys dignity and then passes down poverty from one generation to the next. It's wrong. It's cruel. And we're working to change it. And we're encouraging States to follow Governor Thompson's lead, to follow Wisconsin's lead, with plans that help people break welfare dependency and begin learning work skills.

And we will continue to fight for the parents' right to choose their children's schools. School choice is at the heart of our wonderfully exciting America 2000, our strategy to revolutionize, literally revolutionize, American education.

And Wisconsin knows what I mean. Think of the groundbreaking efforts of Polly Williams, whom I talked to from Air Force One this morning. This State pioneered the frontier of school choice, because, as Tommy said, the Governor said, ``It was the right thing to do." And I'm grateful to say it looks like your State supreme court would agree. And there are those who find change difficult. And some say, ``Slow down." And we say to them, ``Get out of the way." Choice works in Wisconsin, and we're going to take this crusade to every State in the Union.

Incidentally and perhaps parenthetically, here's another choice I deeply support. I really believe, because I talk about family and faith, I really believe our children have the right to choose voluntary prayer in school. And I'd like to see something done about it.

Parents, not some bureaucrat in Washington, know what is best for the kids. And that's why I worked to win this child care bill, with Bob Kasten's support, a bill that gives parents the right to choose who provides the care. And we know America is first as long as we put the family first.

And for 3 years I've had to struggle fighting the liberal leadership of the Congress on these issues. And I'm going to continue to stand and fight for principle even when Congress stands in the way. And thank God again for Bob Kasten and his cohorts on our side in the Senate.

We've put judges on the bench, on the Federal bench, who know their role is to interpret the law, not legislate from the Federal bench. And I will use the veto when I have to -- another point -- to stand for principle, to stand up for family values. And if I had the kind of line-item power that your Governor has, I would prove once and for all, that the pen is mightier than the sword. As it is, even my friends have said that at times I was courting defeat by casting a veto out there instead of compromising. But we've never lost a veto fight. And I'll never hesitate to use it when principle is at stake.

You remember, I asked Congress to pass tax cuts and incentives to get the economy moving, to get real estate up and running, to reward the risktakers who create good jobs. And one reason Wisconsin has weathered the recession better than most of the other States is that Wisconsin kept the cut on capital gains and Wisconsin business taxes are among the lowest in the Nation. And Wisconsin works, and it's time Washington woke up to why. And I am again calling on the Congress to cut the tax on capital gains. It is a job creator, not a break for the rich.

But instead of passing my plan, the big spenders that control the Congress had other ideas. And here they are: In the House of Representatives, a temporary cut for more people, tax cut; in the Senate, a permanent cut for less people. How much? Twenty-five cents a day, a quarter a day for each man, woman, and child in America. Fine, but what's the catch? Ninety billion dollars in new permanent taxes. And the Democrats call that, as Bob knows, new revenue. And I call it your money.

And remember, we set a deadline, March 20th, and that's just 4 days away. And I said to Congress, ``Pass our plan. Help get our economy moving. Do something good and right now for the American people." And we'll fight, and we'll win. We may have to veto -- I will veto the tax bills if they come out of the House and Senate anything like they are today. Make no mistake about it.

And we're going to keep to our leadership course in the world economy. Because if we want to succeed economically at home, and Tommy touched on this one, we've got to lead economically abroad. Trade with our neighbors, trade with the world is important here in Wisconsin. And this State exports $15.4 billion in manufactured goods in a single year, that's billion dollars. And almost 200,000, I believe the figure is, Wisconsin jobs -- somewhere in there -- depend on exports, direct and indirect.

But my opponents are peddling protectionism, a retreat from economic reality. You cut through all the patriotic posturing and all the tough talk about ``fighting back" by closing shop, and look closely. That is not the American flag they're waving. It is the white flag of surrender. And that's

not the America that you and I know. America does not cut and run, and we compete. And never in this Nation's long history have we turned our backs on a challenge, and we simply are not going to start that now.

I put my faith in the American worker. I mentioned this out there at the steel plant: Level the playing field and our worker, the American worker, will outthink, outproduce, and outperform anyone, anywhere, anytime. So we've got to let the world know this: Whatever the challenge, America will meet it. We are in it to win.

Think back. Think back to just about a year ago, to the calm after Desert Storm. And ask any one of the proud sons and daughters of Wisconsin who became liberators of Kuwait, and they'll tell you that military strength doesn't mean a thing without moral support right here at home.

And yes, there were some who didn't support us then, and there are those who second-guess us now. But not here, not in Wisconsin. When I drew that line in the sand, you stood with me. And never would this country tuck tail and let aggression stand. And America did what was good and just, and we did what was right.

And there are those who act as if America's work in the world is over -- ``Come back; come home.'' And to them I say: We will never neglect America's vital national interests. And as far as our national defense goes, I am going to continue to keep this country strong so that our worldwide credibility, now at an all-time high, will help us strengthen democracy, freedom, and peace around the entire world. Look around the world. It is only our country, it is only the United States of America that can lead the world. And as long as I am President, I am going to stay engaged and do just exactly that.

Let my opponents, both sides, sound the retreat, run from the new realities, seek refuge in a world of protectionism or high taxes or big Government. And let the analysts on the tube tick off everything that's wrong in America. We know what's right. And let me say, too, I am counting on the good people of Wisconsin to reject the ugly politics of hate that is rearing its head. Racism, anti-Semitism, and bigotry have no place in the United States of America. And we must continue to stand for that principle.

Let me close by saying that, in the first place, I'm very proud of our First Lady. She's not here, but I can say it with great pride in what Barbara Bush has done, raising the standards for literacy in this country and just being a wonderfully decent family person. And I know this sounds maybe a little too prideful, but I think she's been a superb First Lady. And we are very blessed, if you will, blessed to serve this great Nation of ours at a moment when so many of the old fears have been driven away and when so many new opportunities stand within our reach. Since the day I took the oath of office I made it my responsibility, my duty to try to do what is right for this wonderful country that's been so good to us. I've given it my level-best, and I'm not done yet. I am not finished.

You and I have much more work before we've finished our mission. It's a battle for our future: It's about jobs; its about family; it's about something big, world peace, the kind of legacy we're going to leave our kids. Together, we've made a great beginning. I take great pride that the young people in this country go to sleep today without quite the fear of nuclear war that perhaps their parents had not so many years ago. We want to renew the miracle of American enterprise. We want to strengthen the underpinnings of our society, the values of family and faith and freedom.

And now we're approaching an hour of decision -- and next month, right here in this State. Don't wait until November. I'm asking you to vote on April 7th in the Republican primary. Give me your vote in this important election next month. Help me win 4 more years to lead the fight for these fundamental values we share.

Thank you all so very, very much. And may God bless the United States of America. Thank you.

Note: The President spoke at 12:18 p.m. at the Pfister Hotel. In his remarks, he referred to Sue Ann Thompson, wife of Gov. Tommy Thompson; John K. MacIver, chairman, and Fred G. Luber, finance cochairman, Wisconsin Bush-Quayle campaign; David W. Opitz, Wisconsin Republican Party chairman; Phil Garner, manager of the Milwaukee Brewers baseball team; and State legislator Polly Williams.

Remarks to the Polish National Alliance in Chicago, Illinois

March 16, 1992

Well, thank you, Ed Moskal, very, very much, and all of you for this welcome. May I salute our great Governor, Jim Edgar, with me here today. I think I heard you greet him. My respects to Ed Dykla, to the bishop, to Father Phillips, and of course to one of your own, a great friend of ours who has helped so much in this administration, as he did in Congress; I'm talking about Secretary Ed Derwinski, known to all of you here. And may I pay my respects to Poland's consul general, Michal Grocholski, who is here behind us. Delighted to have you here, sir. And again, thank you for that warm Chicago welcome.

Somebody suggested that this visit has something to do with a primary election. True, I'm working to win that election. But if anyone thinks we've got political headaches here, they're nothing compared with the problems that free Poland is facing today, particularly Lech Walesa is facing. We have two major parties here in this country. But look at all the parties he has to contend with, close to 20, 20 at the last count. Even the Polish Beer Drinkers' Party -- [laughter] -- true, they've split into two factions. Now, I know you follow Poland, but I don't know whether it's the light beer faction or whatever it is.

But I salute their President. I salute him for what he's doing. And he stood there when things weren't free, and there he is now, leading that country. And I really want to pay my respects here, surrounded by his many friends and admirers.

Whenever I come here, I remember other occasions that I've had to get together with the community. Back in 1988 at the wake for Al Mazewski, who was head of this marvelous alliance, I remember that well. At the inaugural celebration for my dear friend over here, Ed Moskal, I remember that one well, upbeat, enthusiastic. And then, of course, at a very beautiful special service, a Sunday Mass at St. Hyacinth's Church, which reminded me of a church that I visited outside Warsaw not so many months ago. But at St. Hyacinth's I had the privilege to join with many of you in prayers for peace and freedom and to lay a wreath at the memorial for the martyr of Solidarity, Father Popieluszko.

How our prayers have been answered in those short years. It is unbelievable. Since '88, the whole world has been transformed. And that change really, if you look at your history, began in Poland. Poland overthrew that cruel tyranny that Stalin imposed after Yalta. Now imperial communism, the communism that always wanted to take over someone else, is dead. The Soviet Union has ceased to exist. The threat of nuclear war has diminished dramatically. These are the blessings that millions of us have worked and prayed to attain.

For decades we faced a mortal danger. The Communists fought to dominate the world. The Soviet Union threatened the very existence of free Europe and the United States, too, with its massive armies and its nuclear arsenals. The Communists persecuted believers and demolished the houses of worship. They imprisoned the Cardinal, Cardinal Wyszynski, and murdered Father Popieluszko.

But all the while, believers, believers kept on believing: Stubborn believers, who suffered every sort of torment in prisons and labor camps; patient believers, who thought they'd never live to see the answer to their prayers; simple believers, who grasped little of geopolitical facts and circumstances and theories but knew they held the power to change their world in their folded hands. Inspired by heroic leaders like Lech Walesa and Pope John Paul, good people on both sides of the Iron Curtain worked as though everything depended on themselves, and they prayed as though everything depended on God.

And I remember how moving it was in 1987 when I, as Vice President, I stood with now-President Walesa on the balcony of Father Popieluszko's church that I'm sure many of you have visited in Warsaw, flashing the victory sign to thousands of supporters below; that when the Communists were still in power, I stood at his side, and we both did that. And once again, the church was central to the Polish people's yearning for freedom.

And then when I had the privilege in 1989 as President to stand with Lech Walesa and thousands of those freedom-loving Poles at the Gdansk Shipyard, when I saw the faith and courage of those people, you just knew, I knew in my heart what you've known for a long time as true believers, that freedom would prevail.

Even in the darkest days, we stood steadfast for Poland's right to be free. We kept the alliances strong. We gave humanitarian aid to Solidarity when it was needed the most. Today, as Ed mentioned, we continue to give assistance, helping Poland build a stable democracy, a prospering economy. In addition to the substantial financial aid, I understand the 1,000th cargo container of American humanitarian supplies was just sent on its way to Poland. And it's a wonderful thing. And I've just written Poland's President to offer further help in bringing more American investment to Poland.

Just as important has been the voluntary help from the church, from organized labor, from the Polish-American community. History will honor the role of Polonia, the worldwide Polish community, for giving birth to a new age of freedom. And to symbolize this, this year we will fulfill the dying wish of Mr. Paderewski and send his remains for burial in the sacred soil of a free Poland.

And yes, the world is safer and freer now, but we must not forget those who still have not won full freedom. I think especially of those brave people of those Republics of a disintegrating Yugoslavia who are seeking to establish their sovereign independence. As we told our European

allies last week, we are giving positive consideration to the recognition of Slovenia and Croatia. We're also considering the most appropriate ways to meet the desire for peaceful transition to independence on the part of the other republics.

Our leadership for freedom must continue. You know that. No one knows better; no one knows that better than Polish-Americans. No one knows better the rewards of staying strong and engaged in the world. No one knows better than you the tragic harm that can come from weakness and isolation. We are going to keep working together. We're going to secure the peace and win new prosperity for Poland and all the free world.

So we've got to continue changing the world, and we must redouble our efforts to change America for the better. We've got to get this economy moving and create good jobs and strengthen our families and put limits on big Government. When I think of family values, I think of the times that I've been in the Polish-American community. And it's family that gives the communities their strength. And we must hope that that can be extended all across the United States of America. In essence, we are going to keep working together. We're going to secure the peace and win new prosperity. And we're going to keep on doing everything we can to create good jobs, to strengthen the families, as I say, and put limits on the big Government.

Let me close with a fable about liberal social planners that reminds me of Lech Walesa's down-to-earth humor. It's a story Russians used to tell during the last days of communism. A farmer's chickens were dying. So for help he went to the Communist Party hack who was the local agricultural commissar. And the commissar said, ``Give them aspirin." And over the next few days, 50 chickens dropped dead. The commissar then said, ``Give them penicillin." And in a few days, 100 more chickens died. So the commissar advised castor oil. After the castor oil therapy, the farmer went to the commissar and announced that all the remaining chickens had died. ``What a pity. What a pity," the commissar said. ``I had so many other ideas I wanted to try." [Laughter]

Well let me tell you this: As long as I am President, American families will not be guinea pigs for social planners. And we are going to keep family, dignity, work, and responsibility first, and we are going to make this country better. And this country was built on family, faith, and freedom, and we must renew those sources of our strength.

As Barbara and I count our many blessings, and we have a lot to be grateful for, we know that we can count on Polish-Americans to move this country forward to new glories.

And let me say this: When the economy is tough, and it has been, some suggest we turn inward. Some suggest that we forget what's going on across the oceans. As long as I am President of the United States, recognizing that it is only the United States of America, it's only our country that can lead for freedom and democracy, I will stay involved. I am not going to pull back into some fortress America. We are not going to forget our responsibilities to lead around the world.

And Poland deserves our support, and as long as I am President, they will have it. And I want to end by thanking every person in this room because not one single person here ever gave up hope for this glorious time that we see: a free Poland moving to strengthen its democracy, strengthen its hold on freedom.

Thank you for what you've done. You set a great example for the rest of the country. Many, many thanks. God bless America.

Note: The President spoke at 3:35 p.m. at the headquarters of the Polish National Alliance. In his remarks, he referred to Edward J. Moskal and Aloysius Mazewski, president and former president of the alliance; Edward Dykla, president of the Polish Roman Catholic Union of America; Bishop Joseph Zawistowski of the Polish National Church; Reverend Frank Phillips, pastor of St. John Cantius Church in Chicago; and Stefan Cardinal Wyszynski, former Primate of Poland.

Remarks at a Bush-Quayle Fundraising Dinner in Chicago

March 16, 1992

Thank you very much, Jim Edgar. And Brenda, thank you for being here. And may I say how very lucky I am to have Jim Edgar heading my campaign here in this so important State. He's doing a superb job as your Governor, and I'm lucky to have him as our chairman.

And there are a lot of Members of Congress here, I think. Bob Dornan, I'm very pleased that Congressman Dornan could be here, winning the long-distance award. Bob Mosbacher, our former Secretary of Commerce, was to be here. I haven't seen him, but he's doing a superb job as the cochairman of our national campaign. You met Bobby Holt, who is our national finance chairman. And let me quickly thank Andrea Parish for her beautiful rendition of ``The Star-Spangled Banner'' and my old friend, my dear friend Henry Hyde for participating in the program and the invocation, great Illinois Congressman. And of course, Pat Ryan, who just outdid himself, bossing everybody around and raising all this money. What a superb job he's done putting together this event. Thank you very, very much.

And let me also salute one that Pat singled out, my good friend Rich Williamson. Believe me, Illinois needs this man in the United States Senate. And so please vote for him. And I noticed the fitting hand you gave Bob Michel, and I want to salute him as our leader in the House and the other Republican Members of the Illinois congressional delegation with us today. And a special thanks to our Bush-Quayle finance chairman, Bill Cellini, from downstate; and Jim Kenny -- Bill, I see the Cellini family is here -- and of course, another old friend, a regional chairman, Bill Ylvisaker here. I am very, very grateful to all of these people.

And as a bit of a name dropper, I too would like to salute the Chicago Bears who are with us tonight and say how very pleased I am they're here. And I often say when I'm away from Washington, I worry that I've left Congress ``Home Alone.'' [Laughter] Well, Barbara and I got a kick out of meeting Macaulay Culkin there who is with us tonight. Where are you, Macaulay? Here he is, this guy; he's wonderful. And thanks for being with us. That's it. I recognize him. He goes like that.

But anyway, it's a great evening, and it's great to be back in Chicago. And I might point out with great pride that I've imported my own Illinois army to Washington. And you've heard their names, but the Secretary of Agriculture, Ed Madigan, doing a superb job trying to bring this GATT round to a successful conclusion; Ed Derwinski, working well in the Veterans Administration and helping us through all the great ethnic communities of Illinois. Ed's the Secretary of Veterans Affairs. And of course, you know and I know Lynn Martin so well, former Congresswoman, now Secretary of Labor, and also doing a great job. And when I was looking to hire a Chief of Staff, once again we turned to Illinois, and Sam Skinner rose to the challenge.

And I think he's doing an outstanding job, and I'm glad he's here.

Someone once wrote that ``Chicago does not lie there, waiting for things to happen. Chicago moves, making things happen." This year, the people of Chicago and the people of this great State are going to make things happen again. The choices we make will affect not only the next election, they will really affect the next generation as well. We are now in a battle for our future. We want America to lead the world in good jobs with productive work. We want to remain a force for world peace and freedom. And we're fighting to protect our most basic institution, and that is the American family.

That's why this year of decision is so important for America. That's why tomorrow's primary election and November's general election are vital to our future. I'm asking you to get out the vote and create a resounding mandate to literally transform America. Let's nominate and elect men and women who share our values. We've got more to do to get America on the right track. We've got more to do. So I'm asking you for 4 more years as your President to get this job done.

America was built on family and faith and freedom. These form the foundation of our great country. And we must now renew those sources of our strength. We must, for example, allow common sense to prevail in our welfare system. We've got to forge a new connection between welfare and work. When Chicago, the ``City That Works," finds that 17 percent of its population dependent on welfare, something's wrong.

Americans aren't cold-hearted. We're a caring people. Americans support welfare for families in need. But Americans want to see government at every level work together to track down the deadbeat dads, the ones who can't be bothered to pay child support. They want to see us break this cycle of dependency that destroys dignity and passes down poverty from one generation to the next. That's wrong. That's cruel. And I'll tell you this: We are working hard to change it. My administration will continue to encourage the States to innovate with plans that help people break welfare dependency and begin learning work skills.

Here's another way that we can fight for the family: We can give parents the right to choose their children's schools. Our students learn and grow by competing in school, and our schools will improve by competing for students. School choice is one of the things at the heart of America 2000; that's our new education strategy to literally revolutionize American education.

You hear a lot of people on the other side in these campaigns complaining and talking about what they're going to do. We have an outstanding program right now to revolutionize education in this country. And it's based on this: We believe that parents, not some bureaucrat in Washington, know what is best for their children. That's why we also worked in the same vein to win a child care bill that gives parents the right to choose who provides the care. We know America is first as long as we put the family first.

For 3 years I've had to fight -- Bob Michel knows this, and Henry and the others here, John Porter -- we've had to fight the liberal leadership of Congress on these issues. And I will continue to stand and fight for principle even when Congress stands in the way. And I will use the veto when I have to, to stand for principle, to stand up for these family values. As it is, some say, some of my friends have said that at times I was courting defeat by casting a veto instead of cutting a deal. But we've never lost a veto fight. And I will never hesitate to use the power of the pen when principle is at stake.

One more thing, and it's important: I am going to continue to put judges on the bench who know that their role is to interpret, to interpret the law, not legislate from the Federal bench. And we are making dramatic moves in that direction.

You remember I've asked Congress to pass tax cuts and incentives to get the economy moving, back in the State of the Union Message, to get real estate up and running, to reward the risk-takers who create jobs. It's about time Congress does what it should have done long ago, get more American jobs by cutting the tax on capital gains.

But instead of passing my plan, the big spenders that control the Congress have other ideas. In the House, a temporary tax cut for more people. In the Senate, a permanent cut for less people. How much? Twenty-five cents, a quarter a day for each man, woman, and child. And you say, ``What's the catch?'' A permanent tax increase of $90 billion. Temporary cut, 25 cents a day, and a permanent increase of $90 billion. The Democrats call that new revenue. I call it your money. If the liberal leadership sends me their scheme, I am going to veto it the minute it hits my desk. And there's going to be no fooling around, compromising with that.

Remember, I set a deadline, March 20th. That's just 4 days away. This deadline was set back in January, moons ago. Four days away, and I said to Congress, ``Pass our plan. Do something that will really move this economy. Get it moving. Do something now for the American people.''

Well, we'll fight, and we will win. And we'll keep to our course of leadership in the world economy because if we want to succeed economically at home, we have got to lead economically abroad. I spoke about this in December when I visited the Merc over here, the Mercantile Exchange. And those folks are out there on the front line, on the frontier of the global marketplace, and they know what I mean. So do your exporters in this great State. Illinois exports about $35 billion a year in manufactured goods. Over 400,000 Illinois jobs depend on exports. Think of it: This is the city that gave the world Sears and Wrigley and Motorola and McDonald's hamburgers. That's free markets. That's free trade. That's my idea of how America competes and how America succeeds.

But what are we hearing now, because economic times are hard? We hear the opponents peddling protectionism, a retreat from economic reality. You cut through all the patriotic posturing, all the tough talk about fighting back by closing shop, and look closely. That is not

the American flag they're waving. It's the white flag of surrender. And that is not the America that you and I know. We do not cut and run; we compete. Never in this Nation's long history have we turned our backs on a challenge, and we simply are not going to start doing that now.

I put my faith in the American worker. And I'm not about to sell our workers short. So what we're trying to do is open more markets, level the playing field. And you watch, the American worker will outthink, outproduce, outperform anyone, anywhere, anytime. The answer is not protection. It is more competition.

We must let the world know this: Whatever the challenge, America will meet it because we are in it to win. Think back, if you will, to a year ago, to the calm after Desert Storm. Ask any one of the proud sons and daughters of Illinois who became liberators of Kuwait, and they'll tell you military strength doesn't mean a thing without moral support right here at home.

Yes, I understand it, there were some who didn't support us then. There are those who second-guess us now. But not here, not in this State. When I drew that line in the sand, you stood with me. Never would this country tuck tail and let aggression stand. And we did what was good, and we did what was just, and we did what was right.

There are those who act as if America's work in the world is over now. To them I say this: We will never neglect America's vital national interests. We are never going to pull back. And as far as our national defense goes, I will continue to keep this country strong. Our worldwide credibility -- ask anyone here that's traveled abroad -- our worldwide credibility is now at an all-time high. And it will help us strengthen democracy, freedom, and peace around the world. And only the United States of America can lead the world. And as long as I am President I will stay involved and do just exactly that. We are not going to pull back.

So, let these opponents sound the retreat and run away from the new realities and seek refuge in a world of protectionism or gut our defense so we couldn't guarantee anybody security. Let them talk about the high taxes and provide us with more big Government. Let those analysts on TV tick off everything that's wrong in America. And I think it's time that somebody stood up and said what is right about this great country. And that's what I plan to do right now, on into the end of the year.

And one more thing: I'm counting on the good people of Illinois to reject the ugly politics of hate that is rearing its head lately. Remember, America is great because America is good. And racism and anti-Semitism and bigotry have no place in the United States of America at all, a campaign or in life, any other way. And we ought to denounce it for what it is.

Now let me just close by just saying that Barbara and I are blessed. We talk about it. I don't know that she will be pleasant to live with after that warm ovation you gave here -- [laughter] -- but I do think it's deserved. I think she's doing a first-class job out there for the -- [applause]. But

we talk about this, just as other families talk about things. And we are very, very blessed, blessed to serve this wonderful country of ours at a time when so many of the old fears have been driven away, when so many new opportunities stand within our reach.

And since the day I took the oath of office, I made it my duty always to try to do what's right for the country. I've given it my level-best, and I'm not done yet. I'm not finished. You and I have much more work ahead before we've finished our mission. I think we've done a lot. I think it's a wonderful thing that little Andrea there or our ``Home Alone'' guy might go to sleep at night with not having the fear about nuclear weapons that the generation before them had. I think that's a wonderful thing. And I'm proud to have had a little part in that.

But there's so much more to do. And what it is, is a battle for our future, and it is about jobs and family and peace and the kind of legacy we're going to leave our kids or our grandkids. And I am absolutely convinced of this, believing in the goodness of our country, believing that this economy that's been so troublesome is fixin' to turn and move, I am convinced that together we can renew the miracle of American enterprise. We can strengthen our values, the underlying values of our family, faith, and freedom.

And now we're approaching an hour of decision tomorrow. And please don't wait until November. I'm asking you to vote on March 17th in the Republican primary. And give me your vote in this important election tomorrow. And help me win the greatest opportunity an American can have, 4 more years to fight, to lead the fight for the value we share.

And thank you, and may God bless the United States of America. Thank you very, very much. Thank you all.

Note: The President spoke at 8:10 p.m. at the Hyatt Regency Chicago Hotel. In his remarks, he referred to Brenda Edgar, wife of Gov. Jim Edgar; Patrick G. Ryan, dinner chairman; James Kenny, Illinois Bush-Quayle campaign cochairman; and Representative John Porter.

Letter to Congressional Leaders on Iraq's Compliance With United Nations Security Council Resolutions

March 16, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1), and as part of my continuing effort to keep the Congress fully informed, I am again reporting on the status of efforts to obtain compliance by Iraq with the resolutions adopted by the U.N. Security Council.

Since I last reported on January 14, 1992, Iraq has continued its noncompliance with the relevant Security Council resolutions. As a result, United Nations Special Commission (UNSCOM) Chairman Rolf Ekeus was dispatched by the Secretary General of the United Nations to Iraq, where he met Iraqi Minister of State Sahaf, Foreign Minister Hussein, and Deputy Prime Minister Aziz. Iraqi cooperation has not improved. The U.N. Security Council released a statement on February 28 demanding Iraq's appearance in the Council no later than the week of March 9, 1992. Iraq has agreed and has sent a delegation to New York.

Nevertheless, the International Atomic Energy Agency (IAEA) and UNSCOM have continued to conduct inspections and other activities related to Iraqi weapons of mass destruction and ballistic missiles. Two nuclear inspections have been conducted since my last report. With the help of the German Government, UNSCOM/IAEA inspectors uncovered equipment in Iraq sufficient to support thousands of production centrifuges for enriching uranium.

The first chemical weapons destruction team is now in Iraq and has begun exploding Iraqi chemical-filled rockets. It is estimated that destruction will take approximately 18 months. In an example of Iraqi noncompliance, members of a chemical weapons inspection team recently were jostled at the entrance of their Baghdad hotel and pinned against the wall by a group of demonstrators as a larger group trapped the rest of the team on its bus for over 20 minutes. The Iraqi police simply observed.

The most recent example of Iraqi noncompliance came in the one ballistic missile inspection completed since my last report. This team was to begin the destruction of UNSCOM-designated Iraqi facilities and equipment used in the production of ballistic missiles. Because Iraq refused to comply, the team was withdrawn on February 29, 1992, pending the visit of a high-level Iraqi mission to the United Nations Security Council.

The Special Commission reported Iraq's noncompliance to the U.N. Security Council on February 28, 1992. Despite UNSCOM's observation of the destruction of 62 missiles and other

equipment months ago, the United States believes that Iraq still possesses large numbers of undeclared ballistic missiles.

The United States continues to assist the United Nations in its activities, through U - 2 surveillance flights, the provision of intelligence, and expert inspectors. The shortage of readily available funds to UNSCOM remains critical, in spite of our additional infusion of $2 million last month. The United Nations and the United States have agreed on the transfer of a $10 million U.S. arrearage payment to UNSCOM, pending completion of the funds' reprogramming.

Since my last report, there has been additional progress in implementing the resolution of the Security Council concerning compensation of the victims of the unlawful invasion and occupation of Kuwait. The Governing Council of the United Nations Compensation Commission held its fourth formal session in Geneva January 20 - 24, 1992, and continued to make progress in establishing the framework for processing claims. The Governing Council adopted ceiling amounts for compensation of nonmonetary losses for mental pain and anguish on the part of persons who, for example, were held hostage or forced into hiding, received serious personal injury, or suffered the death of an immediate family member. The Governing Council also considered additional guidance on compensation for business losses. Meanwhile, the Department of State has begun collecting from U.S. individuals claims under $100,000, in preparation for filing them with the United Nations Compensation Commission by July 1, 1992, for expedited processing. The Governing Council has scheduled meetings in March and June to address further issues concerning the compensation program.

In accordance with paragraph 20 of Resolution 687, the Sanctions Committee continues to receive notice of shipments of foodstuffs to Iraq. From March to December 1991, 5.4 million metric tons of foodstuffs were notified. The Sanctions Committee also continues to consider and, when appropriate, approve requests to send to Iraq materials and supplies for essential civilian needs. Iraq to date has refused, however, to utilize the opportunity under Resolutions 706 and 712 to sell $1.6 billion in oil for use in purchasing foodstuffs, medicines, materials, and supplies for essential civilian needs of its civilian population. Saddam bears full responsibility for the resulting suffering in Iraq.

Attention to possible illegal exports to Iraq has been focused on company names compiled during inspections in Iraq. We have received from UNSCOM a preliminary list of U.S. company names whose equipment has been seen in Iraq by U.N. inspectors. We provided this list, on a confidential basis, to investigative agencies and appropriate congressional committees.

Through the International Committee of the Red Cross (ICRC), the United States, Kuwait, and our allies continue to press the Government of Iraq to comply with its obligations under Security Council resolutions to return all detained Kuwaiti and third-country nationals. Likewise, the United States and its allies continue to press the Government of Iraq to return to Kuwait all property and equipment removed from Kuwait by Iraq. Iraq continues to resist full cooperation

on these issues and to resist unqualified ICRC access to detention facilities in Iraq.

As I stated in previous reports, in concert with our Coalition partners, we will continue to monitor carefully the treatment of Iraq's citizens, and together we remain prepared to take appropriate steps if the situation requires. To this end, we will continue to maintain an appropriate level of forces in the region for as long as required by the situation in Iraq.

I remain grateful for the support of the Congress for these efforts, and I look forward to continued cooperation toward achieving our mutual objectives.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate.

Nomination of Betty Jo Nelsen To Be an Assistant Secretary of Agriculture

March 16, 1992

The President today announced his intention to nominate Betty Jo Nelsen, of Wisconsin, to be an Assistant Secretary of Agriculture for Food and Consumer Services and a member of the Board of Directors of the Commodity Credit Corporation. She would succeed Catherine Ann Bertini.

Currently Ms. Nelsen serves as Administrator of the Food and Nutrition Service at the U.S. Department of Agriculture in Washington, DC. Prior to this, she served as a State representative for the Wisconsin Assembly, 1979 - 1990; chairman of the Republican assembly campaign committee, 1987 - 1988; and area coordinator for the Milwaukee voluntary action center involvement corps, 1976 - 1978.

Ms. Nelsen graduated from Massachusetts State College (B.S., 1957). She was born October 11, 1935, in Boston, MA. Ms. Nelsen is married, has three children, and resides in Arlington, VA.

Presidential Determination No. 92 - 19 -- Memorandum on Emergency Assistance for Cambodian and Burmese Refugees

March 16, 1992

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that it is important to the national interest that $18,000,000 be made available from the U.S. Emergency Refugee and Migration Assistance Fund (the Fund) to meet the unexpected and urgent refugee and migration needs of Cambodians and Burmese. Of this amount up to $15,000,000 will be used to support the repatriation of Cambodian refugees and displaced persons; $3,000,000 will be contributed to assist Burmese refugees. These funds may be contributed on a multilateral or bilateral basis as appropriate to international organizations, private voluntary organizations, and other governmental and nongovernmental humanitarian organizations.

You are authorized and directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:53 p.m., April 2, 1992]

Note: This memorandum was released by the Office of the Press Secretary on March 20.

Message on the Observance of the Iranian New Year

March 16, 1992

I am delighted to extend greetings to all Iranian Americans as you celebrate Nowruz, the Iranian New Year.

This occasion provides a welcome opportunity to recognize the many outstanding contributions that Iranian immigrants and their descendants have made to the United States. Through your unique customs and traditions, you have greatly enriched American culture, while at the same time giving your fellow citizens a deeper understanding of your ancestral homeland. Through your myriad achievements in academia and in the workplace and through your increasing participation in government, you have also demonstrated your belief in freedom and in equal opportunity for all -- ideals that make this Nation's diversity a source of strength and pride.

On this occasion, as you gather with family and friends to forgive old grievances and to celebrate the arrival of spring, you fill your communities with a sense of reconciliation and renewal. What better way to begin a new year.

Barbara joins me in wishing you a memorable celebration.

George Bush

Note: This message was released by the Office of the Press Secretary on March 23.

Remarks on Presenting the Presidential Medal of Freedom to Samuel M. Walton in Bentonville, Arkansas

March 17, 1992

Thank you all. Mr. Sam, now, you sit down. And thank you, David. Good morning to all. And it is a true pleasure to be in America's heartland. And it is most appropriate that I should come to Arkansas to participate in this ceremony.

First, I will apologize to every single person with whom our advance squad, security people, communications people have come into contact -- [laughter] -- because I know your lives -- but we pledge to those who have made these wonderful arrangements that we will leave right on schedule. [Laughter] And we will leave with a heart full of gratitude to all who handled, on very short notice, the arrangements that go with a visit of this nature.

You know, I got a letter last year from a young eighth grader, John Quinton Bagley, in Nashville, Arkansas. And he wrote, ``You and Mrs. Bush could stay with me and my family. We do not have many reporters." [Laughter] Smart kids in Arkansas. No wonder I feel so at home here.

But first, of course, my respects to Sam Walton and to Helen Walton, one of God's truly special people. And also, my respects to Bud Walton. Also to the one you've just heard from, ahead of David Glass, John Paul Hammerschmidt. This, I think he and I figured, was my fifth district -- not to the State but just to his part of it, his congressional district, first one as President. And I must say, I have been so pleased and so has Barbara as we rode in from Fayetteville and were warmly received by the people who just seemed glad to see the President of the United States. But in any event, you just have this wonderful way of making someone feel at home.

And also I salute David Pryor. And this is trivia that I'm sure no one is interested in, but I'll tell it to you anyway. He and John Paul and I were all elected to the Congress on the same day many moons ago, November 1966. And I am very pleased that both David, of course, and John Paul are here to join us as we fittingly honor Mr. Walton. In addition, I brought along our own grandson Sam. I wanted him to meet another Sam. He's standing over here, ripped off my Wal-Mart hat. But there he is, so -- [laughter].

But anyway, we come here to honor a man who shows that through hard work and vision and treating people right, many good things can happen.

This visit is not about Sam Walton's wealth. He has earned his money, and that's his business. He's been generous with his fortune, and that is in the great tradition of America's commitment to this concept that I call a Thousand Points of Light.

It's not about money. It's not even about philanthropy. This visit is about what is fundamentally good and right about our country. And it's about determination. It's about leadership. It's about decency. His Nation honors him today as the outstanding example of American initiative and achievement. And at the same time, we take note that as he became more and more successful he never turned his back on his roots. His success never altered his lifestyle, a lifestyle that kept him close to his family, his friends, and his community.

I read somewhere that at one time Mr. Sam thought he wanted to be President of the United States. I have two thoughts on that one: One, I'm glad he's not running this year. [Laughter] And two, I've said he's a smart guy; not running proves it. [Laughter]

His story is known to everyone here, but let me just mention for the Nation a few of the highlights, if I might. After college at the University of Missouri, Sam Walton began a career in retailing. He started as a trainee for the J.C. Penney Company in Des Moines, Iowa. And after a stint in the Army during World War II, it was on to Newport, Arkansas, with a Ben Franklin store back in 1945. And over the years, he became the largest franchisee of Ben Franklin variety stores, operating 15 of them under the name of Walton's Five and Dime.

You see -- you know this, but many around the country might not -- you see, he had hit upon a combination that was to form the basis of the strategy of today's Wal-Mart Stores, smalltown markets for name-brand merchandise sold at a discount. When the folks at Ben Franklin's Chicago headquarters didn't jump at the vision that Mr. Sam put before them, he decided to go his own way. And that was back in 1962 when he started with one Wal-Mart store in Rogers, Arkansas, just 6 miles from here.

And I did hear a story about the opening of his second Wal-Mart over in Harrison, John Paul's hometown. [Laughter] Obviously you've heard it, but I'm going to repeat it. For those of you in Washington, I will repeat it. The way my esteemed friend David Glass tells it, Sam had watermelons for sale on the sidewalk; he offered donkey rides in the parking lot. The only problem was the heat, 110 degrees, 110. Well, the watermelons popped, and the watermelon juice was everywhere. The donkeys did what donkeys do in a situation like that, tracking the stuff all over the place. And according to David, who had a nice successful business of his own, Sam's turned into the worst looking store he'd ever seen. Dave went so far as to suggest to Sam that he ought to find some other line of work. [Laughter]

Now more people work for Sam's company than live in Tulsa, Oklahoma, 380,000 at the last count. This includes the man with that sound career advice, David Glass. [Laughter]

You know, some always think I see the glass as half full or maybe that I'm always emphasizing good news. Well, maybe that's right. But I think it's important that all Americans understand that some things are going very, very well in the United States of America. And one of those things is Wal-Mart. And who would have thought that when Sam Walton bought that first Ben Franklin

store that his little venture would grow into a top-rated stock on Wall Street, racking up $44 billion in sales last year. Wal-Mart is the largest and the most profitable retailer in America, now with over 1,700 stores, enhancing the lives of millions.

And to Sam, or Mr. Sam, as he is known throughout his company, people don't just punch a time clock and draw a paycheck. As the people here know, his employees are known as associates. And no wonder they all think of him as a partner. When he's asked about the secret of his success, he credits his people. And he says, ``The attitude of our employees, our associates, is that things are different in our company, and they deserve the credit." And it's not hard to see why they believe in the company. And it's just plain easy to see why they believe in its unpretentious leader.

There are also the quiet things about Sam Walton, the things beyond the bottom line, if you will. There's nothing corny about calling them what they are: They're good deeds. They are the relief funds set up when tragedy strikes an associate's family; scholarships in every community where there's a Wal-Mart store; benefactor of the University of the Ozarks in Clarksville; the Walton National Literacy Center in Bolivar over in Missouri; education grants for South American students to study in America and then return so they can better help their own countries.

These are the things that enhance the spirit of the community. And yes, of course Mr. Sam's a great businessman. But along with making a good profit, he helps make good citizens of his people by encouraging them to help one another.

And when you ask about Sam Walton, much of what you hear is from friends of many years. Some are wonderful stories that tell you something important about Sam's energy and competitive spirit; like George Billingsley, who used to fly with Mr. Sam in the early days. They'd be in a little Piper Cub heading out to check out one of his stores, and Mr. Sam would decide to check out the competition as well. He'd fly low over a Sears or a K-Mart, you see, tip one wing, and make a wide-eyed George count the cars in the parking lot, scaring him half to death in the process. [Laughter]

I could go on and on about his love of the outdoors. Bud took me into the illustrious quail room just a few minutes ago before we came in here: Talk about his sharp eye for quail, his love for riding around with his gone-but-not-forgotten closest adviser, his dog Roy, in that old red pickup truck, or perhaps his legendary driving record. [Laughter] Since 1988 things have gone better; he's had a white pickup, but I hear the driving is about the same. [Laughter]

I could also talk about his love of family, such a mainstay of his life. You talk about Helen Walton who, as Senator Pryor told me on the way down, is the soul of Wal-Mart. Her love of the arts inspires so many. Her faith, her deep faith in God, comes shining through.

The story of Sam Walton is an illustration of the American dream. His success is our success,

America's success. And when Sam's grandchildren read about what makes America great, they'll read about people who have grand ideas and great dreams, resourceful people who make imagination come alive with accomplishment. And they'll read about adventurous people who have the drive, ambition, and talent to take big risks and to achieve great things; people who bring prosperity to their community and to their country. Sam's grandkids, like my own little guy over here, his down here, will read about people like Sam Walton.

And sir, you are generous and genuine, tireless and tenacious. You took risks and helped our country grow vigorous and strong. You brought out the best in people. You and Helen have honored the important things in life: friendship, faith, and family. And at a time when young Americans look for role models, those are noble virtues. And your life is going to help them appreciate that ours is the freest, most blessed country on the face of the Earth. I salute you, sir, for your vision, and I am proud to give you your Nation's highest civilian honor.

And now, may I ask you all to be seated as we honor a man who loves his country, who loves his family, given far more than he's gotten.

And now if Major Cancilla of the United States Army will read the citation, I will present to Sam Walton the Medal of Freedom.

Note: The President spoke at 11:08 a.m. at Wal-Mart Headquarters. In his remarks, he referred to Helen Walton, Mr. Walton's wife; James L. (Bud) Walton, Mr. Walton's brother and cofounder of Wal-Mart; David Glass, president and chief executive officer of Wal-Mart Stores, Inc.; Representative John Paul Hammerschmidt; Senator David Pryor; George Billingsley, Bentonville businessman and longtime friend of the Walton family; and Maj. Russell J. Cancilla, Army Aide to the President.

Remarks at a St. Patrick's Day Ceremony and an Exchange With Reporters

March 17, 1992

The President. May I just say to Minister Andrews how delighted I am to be here. I missed the traditional lunch on Capitol Hill, a lunch of genuine friendship between not only the parties here, but normally Ireland is so well-represented, as they were today. And as I think everyone knows, I was down in Arkansas for a Medal of Freedom ceremony. But may I say to our friends from Ireland, particularly the Minister, how sorry I am to miss the luncheon but how pleased I am to receive you here.

It gives me an opportunity to express, once again, the feeling I have and the feeling the American people have about the Irish-American relationship. It is strong. It is good. And it is very, very important to us. And this ceremonial occasion gives me a chance to extend through the Minister to the people in Ireland our respects, our love, and our affection on this very special day.

So Mr. Minister, I'm glad you came our way, sir. And I'm delighted to have had this short visit.

[At this point, Foreign Minister David Andrews of Ireland spoke and presented the President with a crystal bowl filled with Irish shamrocks.]

The President. Thank you very, very much.

Q. Mr. President, will the luck of the Irish be with Pat Buchanan on this day?

Foreign Minister Andrews. Yes and no, he asked me to say.

The President. I've got to put a little shamrock in here.

Foreign Minister Andrews. Did you want to say something in response?

The President. No.

House Bank Controversy

Q. How about Secretary Cheney, Martin, and Madigan bouncing checks, Mr. President?

The President. No, I have no comment on all that. I just got home and am looking about it. I heard that Secretary Cheney, as would be expected, did an outstanding job. I haven't seen the

testimony, but needless to say I have great confidence in him, total confidence in his integrity. And I just haven't heard anything about any of the others.

What I've decided to do is let this matter unfold. It's a matter of considerable agony for good people on the Hill. And let's get the facts out, and then I think the American people are very smart. They will be able to make a determination as to what was wrongdoing and who were simply victims of a system that obviously has failed everybody. And so we'll just wait and see how that works out. But I have no further comment on that subject at all, so spare yourselves the agony of asking because I simply will not take any more questions on it on this marvelous St. Patrick's Day.

Foreign Minister Andrews. Irish journalist here.

The President. Sure.

Northern Ireland

Q. Mr. President, what role can the United States play in bringing forward the progress for peace in Northern Ireland?

The President. Well, I'm not sure. I think heretofore we've tried to be a catalytic role, tried to support, as the Minister generally said, certain funds. But we've got to be in close touch with the Government. But it is not a problem that we ourselves can work out. It is a problem that because of the many Americans of Irish heritage we are vitally interested in and because of Ireland's own substantial role in the EC that we're vitally interested in, and as Ireland-U.S. relations that we're vitally interested in. But we simply are not in a position to dictate a solution, to in any way be the sole arbiter of this difficult situation. But I've told the Minister we would like to help in any way he deems possible. But again, it isn't easy, as he and I both know.

Loan Guarantees for Israel

Q. Mr. President, the Israeli loan guarantees, are they dead?

The President. What did you say?

Q. The Israeli loan guarantees, are they dead now?

The President. Well, I don't think they're dead. We have always wanted to go forward with loan guarantees. Our administration has been in the forefront of bringing and encouraging people to go home to Israel, whether it be from the Soviet Union or Ethiopia. We have a longstanding policy that feels that settlements are counterproductive to peace. This is not a new policy. This is a longstanding policy. And I am determined to see that that policy not be altered.

However, if there's room within that policy to do what we'd like to do, which is to support the people coming home, why, we'd like to do that. But settlements are counterproductive to peace, and everybody knows that. So we'll just have to wait and see. I have made my position very, very clear to the Congress, and Secretary Baker has done the same thing. And we have close historic relations with Israel, and they will always be that way. But we have a difference now, it appears, in terms of these settlements. But I have said over and over again that we want to help, we want to help in a humanitarian way, but that we simply are not going to shift and change the foreign policy of this country.

Yes, Brit [Brit Hume, ABC News]? And then I've got to go because I don't want to be rude to our guests. I want to say hello to our other friends here.

Q. What is your view, sir, of the compromise that was discussed yesterday on the Hill that's been offered there? I understand you're about to meet with Senator Leahy.

The President. Well, I'm not sure which one you're talking about.

Q. Well, do you have something to say to Senator Leahy that might -- --

The President. No, I'm listening. They asked for a meeting with me, and I'm very glad to have a meeting with him. Secretary Baker has had many meetings with Senator Leahy. I talked to him over the weekend, and I look forward to the meeting. But we'll see what it is that he has on his mind. But our policy is very, very clear, Brit, and I just hope everybody understands that. It's not that we're shifting ground. And it's not that we are being -- in my view, I don't think we're being difficult. We're being consistent.

Yes? Then I've got to go. I really do.

House Bank Controversy

Q. Why are you confident that you yourself did not bounce any checks? Were you able to go through your own records during your time?

The President. Well, I'll tell you, I went through whatever I've got. I was in Congress 1967 to 1970. You were about 4 at the time. And I can't find checks back that long; most people in America don't save them. I did find a ledger sheet that shows I have positive balances at the beginning -- for 4 years, my own bookkeeping -- have positive balances at beginning of every month, at the end. And I take great pride in the fact I don't bounce checks. But heavens knows, with the way the operation went up there, whether there's anything to it or not. I don't believe so. I'd like to be able to say I didn't do it. But I just don't know yet.

Q. Do you sympathize though with some Members of Congress who say the same things you did? They don't bounce checks either; they didn't bounce checks -- --

The President. Yes, I do. I -- --

Q. -- -- and then they found out that they did.

The President. Yes, I can understand it. If, in other words, somebody writes a check and then he puts a stop order on it, and they go ahead and cash the check, and he's overdrawn -- absolutely. Of course, I sympathize with that. And I think there's a major institutional problem. The bank's been closed now. But I'll have more to say about that when the facts are out there. But I will, in the meantime, grunge through every file I can find stored away in little cubbyholes here or in Houston, Texas, and try to find checks from 1967 to 1970. And I challenge everybody out here to try to do the same thing so his conscience or hers will be clear when they're asking these questions. And all you young ones can't go back that far. But for us, please, all my vintage, go back and see if you can find those checks from 25 years ago.

Q. Does that mean there's some question in your mind then, sir, that -- --

The President. What?

Q. Does that suggest there's some question in your mind whether you did bounce a check?

The President. No, I have no question, but when I hear the fact that checks were stopped and then they went ahead and didn't stop them, why, who knows? But I don't think I ever did that. I really do feel very -- my conscience is very clear on this. And I hope I can satisfy this understandable inquiry to go back that far.

Presidential Primaries

Q. What about Pat Buchanan, sir? When and how do you make peace with him, or does he have to talk to you?

The President. Well, I just keep my sights on these elections. And I think we'll do well today. It's a little early to tell. But what I've got to do is lead this country and then, in the meantime, take care of these primaries that crop up every Tuesday. And so far I'm very, very pleased with the results. And I'm going to keep plodding ahead and not criticize the opponent, just keep shooting for victory.

And I hope that we achieve that today in Michigan. I hope I achieve that today in Illinois. I felt good when I was in those two States, but it's a strange year. So we're taking nothing for granted. And yet, I cannot be out there campaigning. I was in each State one day. And I can't spend any

more time doing that because I have responsibilities here and duties here, one of which is most pleasurable today, I might add, that I'm determined to fulfill.

Q. Can you and Pat make peace after all that's gone on?

The President. Well, I have a -- I think so, yes; I really do.

Q. If Buchanan loses, should he get out?

The President. Let's go down and say hello.

Note: The President spoke at 4:13 p.m. in the Rose Garden at the White House.

Message to the Congress Transmitting the Poland-United States Nuclear Energy Cooperation Agreement

March 17, 1992

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to sections 123 b. and 123 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153(b), (d)), the text of a proposed Agreement for Cooperation Between the United States of America and the Republic of Poland Concerning Peaceful Uses of Nuclear Energy with accompanying annex and agreed minute. I am also pleased to transmit my written approval, authorization, and determination concerning the agreement, and the memorandum of the Director of the United States Arms Control and Disarmament Agency with the Nuclear Proliferation Assessment Statement concerning the agreement. The joint memorandum submitted to me by the Secretary of State and the Secretary of Energy, which includes a summary of the provisions of the agreement and various other attachments, including agency views, is also enclosed.

The proposed agreement with the Republic of Poland has been negotiated in accordance with the Atomic Energy Act of 1954, as amended by the Nuclear Non-Proliferation Act of 1978 and as otherwise amended. In my judgment, the proposed agreement meets all statutory requirements and will advance the non-proliferation and other foreign policy interests of the United States. It provides a comprehensive framework for peaceful nuclear cooperation between the United States and Poland under appropriate conditions and controls reflecting our strong common commitment to nuclear non-proliferation goals.

Poland has consistently supported international efforts to prevent the spread of nuclear weapons. It was an original signatory of the Non-Proliferation Treaty (NPT) and has strongly supported the Treaty. It is committed to implementing a responsible nuclear export policy, and declared in January 1978 that it intended to apply a full-scope safeguards nuclear export requirement. Poland supports the work of the NPT Exporters (``Zangger'') Committee and adheres to the Nuclear Supplier Guidelines. It is a member of the International Atomic Energy Agency (IAEA) and has played a positive role in the Agency's safeguards and technical cooperation activities. It has also cooperated with the United States and other like-minded members in working to prevent the politicization of the Agency. Poland is a party to the Convention on the Physical Protection of Nuclear Material.

I believe that peaceful nuclear cooperation with Poland under the proposed agreement will be fully consistent with, and supportive of, our policy of responding positively and constructively to the process of democratization and economic reform in Eastern Europe. Cooperation under the agreement will also provide opportunities for U.S. business on terms that fully protect vital U.S. national security interests.

I have considered the views and recommendations of the interested agencies in reviewing the proposed agreement and have determined that its performance will promote, and will not constitute an unreasonable risk to, the common defense and security. Accordingly, I have approved the agreement and authorized its execution and urge that the Congress give it favorable consideration.

Because this agreement meets all applicable requirements of the Atomic Energy Act, as amended, for agreements for peaceful nuclear cooperation, I am transmitting it to the Congress without exempting it from any requirement contained in section 123 a. of that Act. This transmission shall constitute a submittal for purposes of both sections 123 b. and 123 d. of the Atomic Energy Act. The Administration is prepared to begin immediately the consultations with the Senate Foreign Relations and House Foreign Affairs Committees as provided in section 123 b. Upon completion of the 30-day continuous session period provided for in section 123 b., the 60-day continuous session period provided for in section 123 d. shall commence.

George Bush

The White House,

March 17, 1992.

Statement on the Illinois and Michigan Presidential Primary Victories

March 17, 1992

Tonight the people of Illinois and Michigan have added their voices to the Nation's call for congressional action on our plan to get this economy moving. The March 20th deadline is Friday. To the Democrats on Capitol Hill, I say it again: Pass my plan to get the economy growing and Americans working. Do something good for the American people.

We must reinvent our schools, transform welfare and health care. We need housing that is affordable and plentiful. We need safer neighborhoods and job security. We need to compete internationally for world markets.

The voters of Michigan and Illinois have endorsed my approach to change in America. They have pushed the delegate count to a level where my nomination is virtually assured. As the nominee of the Republican Party, I will seek the support of everyone who believes that we can change America as we changed the world.

Barbara and I thank the voters of Michigan and Illinois for placing their confidence in me. We appreciate the hard work of Governor Edgar in Illinois and Governor Engler in Michigan in making this win possible.

Statement on Air Pollution Regulatory Relief

March 18, 1992

I am today announcing a series of steps that will help clean up air pollution in this country and, at the same time, will promote jobs by reducing regulatory costs to automobile companies and other major transportation industries.

One of these steps, our ``cash for clunkers'' program, will allow States and industries to buy old, high-polluting cars, take them off the road, and use the resulting pollutant reductions to satisfy Federal clean air standards. This is just one example of the innovative, market-based approaches to pollution reduction that have been pioneered by our Environmental Protection Agency. The result is a cleaner, healthier environment and a more competitive economy.

These and other regulatory changes being announced today should provide major benefits to the economy.

Memorandum on the Federal Savings Bond Campaign

March 18, 1992

Memorandum for the Heads of Departments and Agencies

As a Nation we need to promote thrift, increase personal savings, save to educate our children, and reduce the cost of Government financing. By supporting the Savings Bonds program, we help meet these needs. The 1992 Federal Savings Bond Campaign will soon begin. It has my full support.

In 1991, 32 percent of Federal employees and members of the Armed Services purchased Savings Bonds through payroll allotments. This year, I hope to see that participation increase significantly.

To this end I challenge you to charge your managers to accept and achieve the following goals in 1992:

1. To increase your department's/agency's participation level by 10 percent; and

2. To raise your department's/agency's participation rate from its current level to a minimum level of 40 percent; and

3. To have 20 percent of current bond buyers increase their allotments.

These goals are achievable. Currently, many departments and agencies have already achieved what I am asking of you.

I have appointed Manuel Lujan, Jr., Secretary of the Interior, to chair the 1992 Federal Savings Bond Campaign. Please appoint one of your top officers as your Vice Chair to work with Secretary Lujan and his team.

Your personal commitment will insure the success of this Campaign. I look forward to receiving your Campaign results.

George Bush

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President F.W. de Klerk of South Africa

March 18, 1992

The President telephoned President F.W. de Klerk of South Africa today to congratulate him on his victory in Tuesday's referendum. The two Presidents discussed the continuation of the negotiating process in the light of the results of the referendum. President Bush reiterated the United States support for the reform process now underway in South Africa.

Appointment of Joshua B. Bolten as Deputy Assistant to the President and Director of the Office of Legislative Affairs

March 18, 1992

The President today announced his intention to appoint Joshua B. Bolten, of the District of Columbia, to be Deputy Assistant to the President and Director of the Office of Legislative Affairs. He would succeed Stephen T. Hart, who will be joining the Department of Transportation as a Deputy Assistant Secretary for Industry Liaison.

Since 1989, Mr. Bolten has served as General Counsel at the Office of the U.S. Trade Representative. Previously he served as international trade counsel to the U.S. Senate Committee on Finance. In 1984 - 85, prior to joining the finance committee, Mr. Bolten was in private practice in international trade law with the Washington, DC, office of O'Melveny & Myers. From 1981 to 1984, he worked in the Office of the Legal Adviser at the Department of State, providing legal counsel primarily to the Bureau of Inter-American Affairs. He also served as executive assistant to the Director, Kissinger Commission on Central America. During 1980 - 81, Mr. Bolten served as a law clerk at the U.S. District Court in San Francisco.

Mr. Bolten received his undergraduate degree in 1976 from Princeton University. He graduated in 1980 from Stanford Law School, where he was an editor of the Stanford Law Review.

Appointment of Kim Fogal McKernan as Special Assistant to the President for Legislative Affairs

March 18, 1992

The President today announced his intention to appoint Kim Fogal McKernan, of Pennsylvania, to be Special Assistant to the President for Legislative Affairs (House). She would succeed Frances M. Norris.

Since October 1990, Ms. McKernan has served as executive assistant to the Deputy Secretary of Defense. Prior to this assignment, she served as Principal Deputy Assistant Secretary of Defense for Force Management and Personnel. Ms. McKernan came to the Pentagon as part of Secretary Cheney's transition team in March 1989. She was then appointed assistant to the Secretary of Defense for political and intergovernmental affairs. Prior to her appointment at the Pentagon, Ms. McKernan served as associate director in the House Republican whip and House Republican conference organizations. From 1985 to 1987, she was the administrative assistant to Congressman Beau Boulter (R - TX). She began her career in the U.S. House of Representatives with Congressman Robert S. Walker (R - PA) in 1979, where she served as senior legislative assistant.

Ms. McKernan graduated from Shippensburg University (B.S., 1978). She and her husband, Robert T. McKernan, reside in Washington, DC.

Statement on Signing the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992

March 19, 1992

Today I am pleased to sign into law S. 2184, the ``Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992."

S. 2184 is a tribute to Mo Udall's long and admirable service to the Nation. He was a thoughtful and creative Member of Congress for 30 years. I respect him greatly and count him among my friends. This bill honors Mo by creating a foundation that will support programs involving the environment and issues related to Native Americans and Alaska Natives.

Regrettably, I must note a serious deficiency in the bill. S. 2184 purports to set qualifications, including requirements as to political party affiliation, for the trustees who will administer the foundation created by the bill. Under the Appointments Clause of the Constitution, article II, section 2, clause 2, congressional participation in such appointments may be exercised only through the Senate's advice and consent with respect to Presidential nominees. Accordingly, I will treat these provisions as precatory.

One other point deserves mention. S. 2184 purports to ``repeal" S. 1176, passed in the last session of the Congress and presented to me in December. Because the bill came to me during an adjournment of the Congress and I withheld my signature, S. 1176 never became law. Therefore, the section of S. 2184 purporting to repeal S. 1176 can have no effect.

George Bush

The White House,

March 19, 1992.

Note: S. 2184, approved March 19, was assigned Public Law No. 102 - 259.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Begum Khaleda Zia of Bangladesh

March 19, 1992

The President and Prime Minister Zia of Bangladesh met for approximately one hour in the Oval Office and the Cabinet Room.

The President reaffirmed our strong commitment to strengthening democracy and promoting economic development in Bangladesh. The two leaders recalled Bangladesh's contribution to the successful fight against Iraqi aggression. The President said we will continue to provide economic assistance and food aid to Bangladesh.

The President and Prime Minister Zia also deplored the actions of the Government of Myanmar (Burma) that have led to the massive recent influx of Burmese refugees into Bangladesh. The President announced that the United States will provide $3 million in funding from the Emergency Refugee and Migration Assistance Funds to help Bangladesh with the refugees.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Boris Yeltsin of Russia

March 19, 1992

The President spoke with Russian President Boris Yeltsin for nearly one-half hour this morning. The two leaders discussed developments in Russia and the reform effort launched by President Yeltsin. The President expressed strong U.S. support for Russia's application for membership in the International Monetary Fund and for the reform effort in general. They also exchanged views on the situation in Nagorno-Karabakh and agreed that both Russia and the U.S. would work toward a peaceful resolution of that conflict.

Appointment of Robert Anthony Snow as Deputy Assistant to the President for Media Affairs

March 19, 1992

The President today announced the appointment of Robert Anthony Snow as Deputy Assistant to the President for Media Affairs.

Since 1991, Mr. Snow has served as Deputy Assistant to the President for Communications and Director of Speechwriting. Prior to this, Mr. Snow served as editorial page editor of the Washington Times. The page received numerous local, regional, and national awards. Mr. Snow also served as deputy editorial page editor of the Detroit News, 1984 - 87; as editorial page editor of the Daily Press in Newport News, VA, 1982 - 84; and as an editorial writer for the Virginia Pilot, 1981 - 82. Mr. Snow began his journalism career as an editorial writer at the Greensboro Record in Greensboro, NC, in 1979.

Mr. Snow graduated from Davidson College in Davidson, NC, in 1977, receiving a bachelor of arts degree in philosophy. He was born in Berea, KY. He and his wife, Jill Snow, live in Alexandria, VA.

Remarks Congratulating the Undefeated National Collegiate Athletic Association Division I Football Teams

March 20, 1992

Mr. Speaker, and distinguished Members of the Congress, Senate and House. We've got some other guests here, too, and let me single them out. The members of those championship teams from Jabbo Kenner Youth Football League, where are those guys? Over here, all right, there they are, looking good. Emiliano Salinas is here with us. Where is he? This man is the son of the President of Mexico, one of our strongest, staunchest allies. Emiliano, welcome, welcome. And did we get Wilson High School? Wilson, here they are back here, another championship ball team. And may I especially single out Coach James and Coach Erickson, who have the respect of anybody interested in sports in this country. It's great to have both of you here, Dennis, Don. And also to the players, the staffs, the friends, and the football fans here and across the country, Barbara and I just wanted to welcome you here to 1600 Pennsylvania Avenue.

For exactly 200 years this has been the people's house, and today we welcome the people's choice, the Hurricanes and the Huskies, two great teams, both national champions. And some thought I should take the ball and go outside and try to settle this thing right now. [Laughter] No, no, my black-and-white shirt is at the cleaners. We're not going to do that. I don't need this. I've got enough problems without getting in the middle of you guys.

Let me begin with what we have in common. You guys play football, and in an election year I sometimes feel like a football. But it's then that I recall what you did this year. Flanked by you household names, maybe I should be around getting autographs because this is a star-studded occasion.

First alphabetically -- and I don't want to get into trouble -- comes Miami, number one in the Associated Press. Two years ago we met to celebrate a national title. Today we salute the Nation's current longest home winning streak, 45 games, and the longest regular season winning streak; 4 national titles in the past 9 years including 1991; only the third undefeated team in Miami history.

And what memories you've given us. Of a college known as Quarterback U, Gino Toretta, take a bow. Where is the man? All right. Leon Searcy's not here, but I wanted to single him out. He's an offensive tackle, for those amateurs around here, who wears a 17EEE shoe; they call them battleships. [Laughter] And this year we are retiring the U.S.S. Missouri, and I think we ought to commission him instead. [Laughter] But I'm sorry he's not with us.

Next we come to Kevin Williams. Kevin promised Brent Musburger that he'd return a punt for a

touchdown, and sure enough, he did it. And dealing with politicians, it's always a pleasure to meet a man of his word.

And defensive end Rusty Medearis is not with us. The Sack Man, the Hurricane receivers, the Ruthless Posse, all, they'd feel right at home in Washington. And this brings me to Carlos Huerta, called the Ice Man. Carlos, where is he? Right here. All right. Ask the children he helps, in addition to the sick he comforts, and they call him simply the nice man.

And finally, Coach Erickson, who spurned ``Miami Vice'' for virtue: Witness the drills that are so self-disciplined that one player said, ``The games are easy. They're a cinch compared to our practices.''

Out west then we'll shift. No game was easy for the opponents of the '91's other co-champion in the USA Today-CNN poll, the amazing Washington Huskies. And in a way you foretold the success of that other Washington team, the Redskins, halfway across the world, making Don James' 17th season as Huskie coach his finest. His fourth Rose Bowl victory; the Huskies' first undefeated and untied club since 1915; a team which made each opponent, yes, bow down to Washington.

And in one sense, you remind me of the way we were. Thirty-eight years ago Don James graduated from Miami. Applying equal time, Dennis Erickson hails from Washington. And it's today, though, that we're here to focus on, on how the Purple and Gold turned opponents black and blue. And I think of the Purple Haze of Dave Hoffman and Lincoln Kennedy, nicknamed the ``Oval Office.'' Now, where are these two guys? I've got to see them. I can see why. And at 6 7 and 325 pounds, the Pentagon would be more like it. [Laughter] Incidentally, I want to salute your dad, a career Navy man who served in the Gulf.

And then there's Outland Trophy and Lombardi Trophy winner, all-American, Heisman Trophy finalist, Steve Emtman. Steve. You've got them all hiding in the back here. [Laughter] All right. Welcome to the White House.

And Mario Bailey. Mario, where are you? Right here next to me: 4 years, Rose Bowl heroics, six school records including receiving yards and touchdowns. And Washington's quarterback who made 1991 an ``Ode to Billy Joe.'' Passing to the 3 Smurfs, throwing a school record 22 touchdowns, Billy Joe Hobert became the second straight Huskie sophomore quarterback to be named the Rose Bowl's most valued player.

And so today I salute the only two division I college football teams to finish undefeated and untied in the same season since 1976. Teams which showed, as quarterback Joe Kapp once said, ``The greatest game in America is called opportunity. Football is a great expression of it.''

The American political system has a playoff to decide a winner. It's called an election,

Presidential election this year. And as of now the NCAA does not. And yet, in the truest sense, each of you are winners: undefeated, untied, unbowed.

And so, Barbara and I wanted to welcome you here to extend our most sincere congratulations not just for winning but for the example you and especially these two coaches set for the rest of the country, to our country, the greatest, freest land on the face of the Earth. Welcome to the White House. Congratulations. And may God bless all of you.

Note: The President spoke at 1:40 p.m. in the East Room at the White House. In his remarks, he referred to University of Washington football coach Don James, University of Miami football coach Dennis Erickson, ABC sportscaster Brent Musburger, and former Minnesota Vikings quarterback Joe Kapp.

Message to the House of Representatives Returning Without Approval the Tax Fairness and Economic Growth Acceleration Act of 1992

March 20, 1992

To the House of Representatives:

I am returning herewith without my approval H.R. 4210, the ``Tax Fairness and Economic Growth Acceleration Act of 1992." In my State of the Union Message, I proposed a responsible, balanced economic growth program. I challenged the Congress to pass incentives for growth by March 20. The Congress failed to meet that challenge. The Congress' response, H.R. 4210, is a formula for economic stagnation, not economic expansion.

My Administration's economic growth program would create jobs, generate long-term economic growth, and promote health, education, savings, and home ownership. My plan would encourage investment and enhance real estate values -- without tax increases.

Tax increases would undermine the emerging recovery and act as a barrier to long-term growth. I call on the Congress to pass the seven commonsense measures that I asked for by this date, without tax increases, and to join me in pursuing a long-term agenda for growth.

I am disappointed that after 52 days the Congress has produced partisan, flawed legislation. Rather than work in a constructive manner to strengthen the economy and to create jobs, congressional leaders chose the path of partisanship. H.R. 4210 would jeopardize the recovery. It would not create jobs. It would not create incentives for long-term investment and growth, it does not contain a tax credit for first-time homebuyers, and it contains wholly inappropriate special interest provisions.

H.R. 4210 would increase taxes by more than $100 billion. More than two-thirds of all taxpayers facing tax increases as a result of this bill would be owners of small businesses and entrepreneurs. Small businesses are the primary source of new job creation.

H.R. 4210 would raise income tax rates substantially for some individuals, in some cases increasing marginal rates by more than 30 percent.

This is the wrong time to raise taxes, to increase the deficit, or to send a message of fiscal irresponsibility to financial markets.

I am therefore returning H.R. 4210, and I ask the Congress again to pass my economic growth

program, without raising taxes.

George Bush

The White House,

March 20, 1992.

Remarks to Republican Members of Congress and Presidential Appointees

March 20, 1992

Welcome to the White House. Fifty-two days ago in my State of the Union Address, I asked Congress to act on my agenda for economic growth. And I asked for immediate action by March 20th on a series of proposals to help rekindle the economic recovery. And I asked the Democratic leadership to put partisanship aside, pledging to do the same, in order to enact seven sensible steps to increase investment, strengthen the value of American homes, and create jobs. Well, March 20th has arrived, and no recovery bill of any kind has come to the White House as of now.

This morning the congressional conferees finished work on a tax bill. It would increase taxes and harm the economy. And so, today I am doing three things. First, I have just signed the veto message to stop the Democrats' tax increase. And second, I am taking several additional steps on my own to help the recovery with or without action by Congress. And third, while the Democratic leadership in Congress is in disarray, I am proposing action on the real challenges facing America, on my long-term plans to help America compete in the global economy of the future.

Now is the time for real, significant change. And I am disappointed in Congress. In fairness, some Democrats did not want to put a tax increase in the bill. And I salute them for courageously standing up against more taxes. But politics prevailed. A slim majority passed the bill in the face of a certain veto. But they aren't blocking my economic recovery plan because they're afraid it won't work; they're blocking it because they're afraid it will work.

I do not take this step lightly. No President has vetoed a major tax bill since Harry Truman did it in 1948. But I submitted an economic growth plan to Congress for a reason: to promote a recovery in which every American has an interest. The package I proposed was carefully tailored. It was paid for without raising taxes. It was designed to encourage and strengthen the positive economic signs we're beginning to see: home sales and housing starts up as interest rates stay down; retail sales improving; 164,000 new jobs last month alone.

In response, the Democratic Congress has returned to form. It's produced a bill that will not strengthen the economy; it will weaken it. It's produced a bill that will not stimulate growth; it will stifle it. As if by reflex, the Democrats in Congress could not resist their natural impulse to raise taxes. But I assure you of this: I simply will not let them do it.

So, moments ago I signed the veto message for the Democrats' tax increase because raising taxes will not help create jobs. And the bill is not yet here, but the conference report tells me all I need

to know. And when the bill is sent down tonight, this signed message will be waiting for it, and my veto will go back to the Hill the minute the bill arrives. And needless to say, I will not send it back via the House post office. [Laughter] The message is clear: My veto, and a block of votes ready to sustain it, stands ready to stop any tax increase on the American people.

With that clear, I ask the Democratic leadership to put aside once and for all the idea of a tax increase. And I ask the Congress again: Pass the seven commonsense measures that I have proposed to help the economy now. Do so without raising taxes, and I'll sign it. And then let's get on to the long-term agenda. But stop holding the American economy hostage in a partisan game.

Passing a tax increase is bad enough, but here's what really troubles me. The irresponsibility of Congress on this plan, it's a part of a pattern. It reflects a more serious problem, a deeper, systemic problem that is gnawing at the strength of our Nation. It is no wonder that Americans are angry. Today, looking at the accumulated evidence of several years, it must be said: Our congressional system is broken.

We have a long tradition in this country of pulling together when national need demands that we do so. And over the years, many accomplishments, large and small, have been truly bipartisan. But Congress today is different. It's more partisan. Its campaigns are financed by special interests. It's grown out of control. It's lost the ability to police itself. And perhaps most importantly, it is no longer accountable to individual American citizens and voters. And this must change.

One party has controlled the House of Representatives for almost four decades. Staff has become institutionalized. In 1950, there were about 2,000 personal staff in Congress. Today, there are almost 12,000 staff for Members of Congress themselves and almost 40,000 if you include the entire legislative branch. The number of committees and subcommittees has quadrupled.

And for this, we get a Congress incapable of passing the simple plan that I presented almost 2 months ago, a Congress controlled by the Democratic caucus which cannot manage a tiny bank or a tiny post office.

In the 1990 elections, special interest political action committees, PAC's, gave almost $117 million to incumbent Congressmen and Senators. Only about $15 million were donated to challengers. With this eight-to-one spending advantage, obvious voter discontent was buried in a wave of PAC-financed television advertising. And so, nearly every incumbent won.

The time has come for change because when the system is broken, you do have to fix it. And I have proposed to eliminate the PAC's which are poisoning our system. The time has come to eliminate these political action committees in their entirety.

I propose also to increase accountability. I'm ordering several steps to implement promptly the Supreme Court's Beck decision. No worker should be forced to have money taken out of his or her paycheck to fund politicians that he or she disagrees with. We should apply to Congress the same laws, from employment practices to civil rights to the Freedom of Information Act, which it imposes on everyone else.

And I believe the time has come to limit the terms of Congressmen. The terms of Presidents are limited. It's time for the terms of Congressmen to be limited.

The bottom line is that we all need a new Congress, one that can and will work with me for constructive change. And in the meantime, I will take additional actions on my own with every legal means at my disposal to keep the economy moving up. And I will do so in spite of the hopelessly tangled congressional web of PAC's, perks, privileges, partnership, and paralysis. There is, of course, a serious limit on what a President can do without Congress. But I am determined to do all I can to effect change.

First, I want to underline a fundamental point: Government is too big, and it spends too much. I have already proposed to freeze domestic discretionary spending in Federal employment next year. And I've also proposed to curb the growth of mandatory programs without touching Social Security. Mandatory spending, spending on programs that need no annual congressional action to keep growing, consumes almost two-thirds of the entire Federal budget. Over the next decade, this spending, if left unchecked, will grow by $2 trillion more than is needed for inflation and new beneficiaries. Currently, most of these programs grow automatically without congressional review or even a chance for a Presidential veto.

My proposal, which is before Congress now, would permit these programs to grow for inflation and new beneficiaries and, where necessary, some amount above that. But we need some ceiling to keep their growth within reasonable bounds. Uncontrollable spending is a major cause of the Federal deficit that I'm working to contain, and it must be addressed.

Today I am sending to Capitol Hill the first of a series of additional measures to cut Federal spending now, this year. I have also directed all Agency heads to look for further areas where spending cuts can be made now. The line-item rescissions identified so far, in total, will cancel out about $4 billion in unnecessary spending: funds for local parking garages, $100,000 for asparagus yield declines, mink research, prickly pear research. The examples would be funny if the effect weren't so serious. And this kind of wasteful spending destroys public confidence in the integrity of the Government. And Americans have every right to be outraged and disgusted. It's their money.

I will work with the Republicans in the House to bring these items to a vote individually. Forcing the Democratic leadership to allow line-by-line votes on items of pork will bring us a step closer to the accountability and the power that 43 Governors have, the line-item veto.

Some argue that the President already has that authority, the line-item veto authority, but our able Attorney General, in whom I have full confidence, and my trusted White House Counsel, backed up by legal opinions from most of the legal scholars, feel that I do not have that line-item veto authority. And this opinion was shared by the Attorney General in the previous administration.

I ask the American people, then, to demand that a President be given line-item veto authority legislatively or, if necessary, by changing the Constitution. The line-item veto is essential, and I need it now.

Secondly, I've directed the Vice President to step up the assault on unnecessary regulation and paperwork. Let me give you a progress report that he gave to me, and he's doing a superb job on this. Though some in Congress oppose regulatory relief, I've already taken specific steps to remove the regulatory roadblocks to growth. We've implemented plans to promote biotechnology, to lower construction costs, help small business, ease the credit crunch, help clean up the air, reduce costs in transportation, and cut through the morass of regulation and agriculture.

And today, we're launching a new public-private partnership to promote research and development by bringing the good ideas from our Federal labs into the marketplace. Over the coming months, we will be announcing many more such steps to chop away at needless regulation and paperwork wherever we can. Too much regulation smothers innovation, eliminates jobs, and makes America less competitive.

I realize that these are only modest steps, but they reflect a fundamental attitude. And if the Democratic leadership that runs the status quo Congress will not help us change America, we have to change it without them. And if the Democratic leadership that runs the status quo Congress will not help us reform Government, we must reform it without them.

You see, change is nothing to fear. For more than two centuries, America has been a force for change. Our restlessness is legendary. Our energy is boundless. Because of this, today America, even given our economic problems, is the most productive Nation on the face of the Earth, with the highest standard of living. We have only one-twentieth of the world's population. But we produce one-fourth of the world's output, twice that of Japan, 4 times that of Germany.

Today America's credibility and prestige in the world, not to mention our strength, have never been greater. But we didn't get where we are by standing still. We got where we are by always striving to do better. And that's why the current paralysis of the Congress, controlled over and over again by that liberal Democratic majority, is so troubling. It's caused too many Americans, at the exact moment of triumph for American values around the world, to lose confidence.

Americans are understandably worried about their future, not only about the economy right now,

although that is a key problem, but about the economic competition of the future, about the central question that lies at the heart of the American dream: Will our children have a better life than we do?

Make no mistake: We will compete and win in the global economy. In the last 10 years we've become more productive. Our exports have more than doubled. Manufacturing productivity has increased. And we are capturing new markets around the world from Europe to Africa to Latin America. But in order to keep succeeding in this global economic competition we've got to change America in five key ways. We need a strategy that is confident, forward-looking, future-oriented, and we need to be willing to change.

First, we must expand markets for American products. So, I will continue to pursue a GATT agreement to open markets further. I will push for a North American free trade agreement to unlock the potential of markets in Mexico and Canada. And I will work for bilateral agreements to knock down barriers to American exports.

To win these markets we must guarantee that America will lead the world in knowledge, in new ideas, in making products of the highest quality. And that requires specific investments today. I've proposed to invest more in basic R&D, research and development, and in key technologies like high-performance computing, new and advanced materials in biotechnology. Congress should approve these investments. And not only the Government must invest more in the future. To maintain our edge by increasing private sector investment, Congress should pass the capital gains tax cut and make the R&D tax credit permanent.

And second, we must prepare our work force to compete, through better education, better training. And I've proposed a set of dramatic reforms in education called America 2000 and a new approach to job training, Job Training 2000. The idea of America 2000 is simple, to revolutionize American education. And that means creating new kinds of schools with new technology and new ways of learning. It means measuring progress and holding schools accountable for their performance. And it means giving all families, including low- and middle-income families, choice in picking their children's schools.

We've put the resources behind our efforts. Although budget dollars are very tight, education is so important to me that I've increased funding, funding for education, by 42 percent just since 1989 and gave it the biggest increase this year. I put in place a new program to help train teachers in math and science and increased funding for math and science education by over 69 percent. But more money alone won't do it. We need reform.

And thirdly, we must reform health care. America has provided the best quality health care in the entire world. But we are plagued by two problems: Too many Americans are not covered by health insurance, and health care costs too much. And I have proposed a comprehensive plan to make health care more affordable, more available, more sensible. It guarantees access for

affordable health care, affordable health insurance for all Americans. Congress should pass it, and that will help our competitiveness all around the world.

Fourth, we've got to fix our legal system. America is drowning in a sea of litigation. Too many lawsuits means higher prices for consumers and reduced competitiveness for all America. It is estimated that fear of medical practice alone generates up to about $20 billion per year in increased health costs. This must change. In some cases we should require the loser to pay the winner's legal fees, and that would stop some of these frivolous lawsuits. You know the problem. When parents won't coach Little League teams, when obstetricians won't deliver babies, and when community pools are closed in the summertime, all because of the fear of liability, we know that something is wrong. And now is the time for Congress to pass my legislation to fix it.

And fifth, we must tackle each of these challenges without higher taxes or more Government spending. America doesn't need bigger Government; it needs better Government. On every one of these issues the Democrats in Congress are standing in the way of reform. They've cut my budgets for R&D and investing in the future and then voted instead for pork.

They've stripped choice and accountability out of the education bill. They are working on a Government takeover as a solution to our health care program, to be financed by a massive tax increase. And the special interests have made them afraid of legal reform. Well, it is time for Congress to either lead, to follow, or simply get out of the way.

On every one of these challenges there are two very different ways of looking at the world, one is reformist and the other protects the status quo. And that difference is driven by values. The special interests and the foot-draggers do not believe in the kind of change that we seek, change which respects markets more than Government dictates, which recognizes fundamental American values and the difference between right and wrong, which rewards excellence and punishes wrong-doing.

They do not believe that actions should have consequences. Well, one set of actions should have consequences. The failure of Congress to move on our program of change means only one thing: It is time for a new Congress. Give others a chance to control the United States Congress. You give me the right lawmakers, and I'll give you the right laws.

Over the coming weeks I'll be speaking more about these changes, and I'll be laying out further specific plans that I have for each. And I ask the American people to compare those plans to the response of the Democratic-led status quo Congress and the do-nothing caucus that has dominated that Democratic Party for too long.

Patrick Henry said, ``I like the dreams of the future better than the history of the past.'' Well, Patrick Henry was right. Imagine the irony, as the world is beating a path to freedom's door, if

we, ourselves, were to turn back now. If we carry the change forward, we can have a nation of productive workers and competitive companies, of healthy and secure communities, of schools that are the best in the entire world. And America can remain a nation whose exuberant confidence and commitment to freedom are admired worldwide.

I am ready to build such an America. Because if we can change the world, we can change America.

Thank you all. And may God bless the United States of America. Thank you very much.

Note: The President spoke at 4:04 p.m. in the East Room at the White House.

Statement on Signing Legislation Waiving Printing Requirements for the Tax Bill

March 20, 1992

Today I approve H.J. Res. 446, which waives the printing requirements of sections 106 and 107 of Title 1 of the United States Code with respect to H.R. 4210. I do so to avoid any confusion as to my ability to act on any form of that legislation presented to me after certification by the Committee on House Administration of the House of Representatives that the form is a true enrollment. In signing the resolution, I express no view as to whether it is necessary to waive the provisions of Title 1 before I exercise my prerogatives under Article I, section 7 of the Constitution where the Congress has presented to me any form of bill it considers to be a true enrollment.

George Bush

The White House,

March 20, 1992.

Note: H.J. Res. 446, approved March 20, was assigned Public Law No. 102 - 260.

Statement by Press Secretary Fitzwater on the Russia-United States Commission on Prisoners of War and Missing in Action

March 20, 1992

The United States and Russia have established a joint commission to investigate unresolved cases of prisoners of war and missing in action dating from the Second World War, including the Korean and Vietnam conflicts. The creation of this commission underscores the commitment of both the United States and Russia to work together in a spirit of friendship to uncover the fate of missing servicemen on both sides. This effort symbolizes the determination of the administration to resolve outstanding issues from the cold war period and is another step in developing our new cooperative relationship with Russia.

Former Ambassador to the Soviet Union Malcolm Toon has been designated the President's representative and Chairman of the U.S. delegation to this commission. The commission also will include Senators John Kerry and Robert Smith and Congressmen Pete Peterson and John Miller. The Russian delegation will be chaired by Gen. Dmitri Volkogonov, a senior adviser to President Yeltsin. The first meeting of the joint commission will be held March 26 - 28 in Moscow.

Nomination of Bruno Victor Manno To Be an Assistant Secretary of Education

March 20, 1992

The President today announced his intention to nominate Bruno Victor Manno, of Ohio, to be an Assistant Secretary of Education for Policy and Planning. He would succeed Charles E. M. Kolb.

Currently Dr. Manno serves as Acting Assistant Secretary for Policy and Planning at the U.S. Department of Education. Prior to this, Dr. Manno served at the Department of Education in the Office of Educational Research and Improvement as Deputy Assistant Secretary for Policy and Planning; Acting Assistant Secretary and Chief of Staff; and as Director of Planning.

Dr. Manno graduated from the University of Dayton (B.A., 1970; M.A., 1972) and Boston College (Ph.D., 1975). He was born May 2, 1947, in Cleveland, OH. He is married and resides in Washington, DC.

Nomination of David Spears Addington To Be General Counsel of the Department of Defense

March 20, 1992

The President today announced his intention to nominate David Spears Addington, of Virginia, to be General Counsel of the Department of Defense. He would succeed Terrence O'Donnell.

Currently Mr. Addington serves as Special Assistant to the Secretary and the Deputy Secretary of Defense. Prior to this, he served as Deputy Assistant to the President for Legislative Affairs at the White House, 1988 - 1989, and as a Special Assistant to the President for Legislative Affairs, 1987 - 1988. From 1986 to 1987, he served as the Republican Chief Counsel of the Committee on Foreign Affairs of the House of Representatives.

Mr. Addington graduated from Georgetown University (B.A., 1978) and Duke University (J.D., 1981). He was born January 22, 1957, in Washington, DC. Mr. Addington resides in Arlington, VA.

Nomination of Duane Acker To Be an Assistant Secretary of Agriculture

March 20, 1992

The President today announced his intention to nominate Duane Acker, of Virginia, to be an Assistant Secretary of Agriculture for Science and Education. He would succeed Charles E. Hess.

Currently Dr. Acker serves as Administrator of the Foreign Agricultural Service and Administrator for International Cooperation and Development at the U.S. Department of Agriculture. Prior to this, he served as Assistant to the Administrator for Food and Agriculture at the U.S. Agency for International Development in Washington, DC. From 1975 to 1986, Dr. Acker served as president of Kansas State University.

Dr. Acker graduated from Iowa State University (B.S., 1952; M.S., 1953) and Oklahoma State University (Ph.D., 1957). He was born March 13, 1931, in Atlantic, IA. Dr. Acker is married, has two children, and resides in Arlington, VA.

Memorandum Delegating Authority Regarding Weapons Destruction in the Former Soviet Union

March 20, 1992

Memorandum for the Secretary of State, the Secretary of Defense, the Director of the Office of Management and Budget

Subject: Delegation of Responsibilities under Public Law 102 - 229

By the authority vested in me by the Constitution and the laws of the United States of America, including section 301 of title 3 of the United States Code, I hereby delegate:

1. to the Secretary of State the authority and duty vested in the President under section 211(b) of H.R. 3807 as passed the Senate on November 25, 1991, and referred to in section 108 of the Dire Emergency Supplemental Appropriations and Transfers for Relief From the Effects of Natural Disasters, for Other Urgent Needs, and for Incremental Cost of `Operation Desert Shield/Desert Storm' Act of 1992 (Public Law 102 - 229) (the Act); and

2. to the Secretary of Defense the authorities and duties vested in the President under sections 212, 221, 231, and 232 of H.R. 3807 as passed the Senate on November 25, 1991, and referred to in section 108 of the Act.

The Secretary of Defense shall not exercise authority delegated by paragraph 2 hereof with respect to any former Soviet republic unless the Secretary of State has exercised the authority and performed the duty delegated by paragraph 1 hereof with respect to that former Soviet republic. The Secretary of Defense shall not obligate funds in the exercise of authority delegated by paragraph 2 hereof unless the Director of the Office of Management and Budget has made the determination required by section 221(e) of H.R. 3807 as passed the Senate on November 25, 1991, and referred to in section 108 of the Act.

The Secretary of State is directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:10 p.m., April 2, 1992]

Note: This memorandum was released by the Office of the Press Secretary on March 23.

The President's News Conference With Chancellor Helmut Kohl of Germany

March 22, 1992

The President. Chancellor Kohl and I had a very productive discussion on a wide range of the issues that face us in the new era; among them, the American role in Europe, support for the democratic revolutions in Russia and Eastern Europe, and world trade talks.

We agreed that NATO remains the bedrock of European peace and there is no substitute for our Atlantic link, anchored by a strong American military presence in Europe which the Chancellor and I both agreed must be maintained.

In our review of the Uruguay round negotiations, the Chancellor and I reaffirmed our determination to reach an early agreement that expands the world trading system. This would be a victory for U.S.-European partnership in promoting free trade, spurring economic growth, and creating jobs in the U.S., Germany, and all developing countries.

We also discussed how we can best support democracy in the East. We agreed that as Russia and other new democracies adopt reform programs, we and the rest of the G - 7 countries should take the lead in expanding financial support through the international financial institutions.

Our talks have shown that the Atlantic partnership is as vital and healthy as ever. And I'm especially pleased to see the United States and Germany are working as closely now as we did during the period of German unification.

And finally, on a very personal side, Barbara and I were just delighted to have this time together with Chancellor Kohl, with his wife, and it was also a great pleasure to have their son up there at Camp David. It was a good visit.

Mr. Chancellor, the floor is yours, sir.

The Chancellor. Mr. President, Mrs. Bush, ladies and gentlemen, I would like to take up where you left off, Mr. President, and thank you and Mrs. Bush for the very warm hospitality with which you received my wife, my son, and the members of my delegation at Camp David. It was a very, very friendly meeting, a very personal meeting, a very nice coda for these discussions on problems of interest to both of us and which will be of interest for the very near future.

One of these issues which we consider to be a very important one was the issue of GATT. Obviously, I did not come here as an official negotiator but as a member or as a representative of an EC member country. I explained our position on this question once again. The negotiations

obviously are being weighed by the EC Commission, and the EC Commission enjoys the full confidence of the EC member countries.

President Bush and I are in agreement that it is of paramount importance for world economy to come to a successful conclusion of the GATT negotiations now. And we are in agreement that we have to prevent at all costs a fallback into a policy of protectionism. We know that it is, particularly at this juncture, a very important thing that we maintain free world trade, that this is very important for a good development of the world economy. And this is, indeed, one of the main reasons why we intend to strengthen GATT.

And we are also, both of us, very well-aware of the fact that the successful conclusion of the GATT round is also of paramount importance for the countries of the Third World. And this is why we want to put all our efforts into these negotiations in the coming weeks and why we want to come to a successful conclusion of the GATT round at the very latest by the end of April.

In our talks, we talked, obviously, also about the preparations leading up to the world economic summit meeting in Munich in July. And the President supported me in the endeavor that these talks should focus more intensively on informal talks and that we should give room to the discussions on global issues that are of interest to all of us.

Very important issues for the summit meeting in Munich will be, first of all, the world economic developments. We want this summit to strengthen the trust and confidence in all countries in the world economy.

Another important subject for Munich will be the situation in the Commonwealth of Independent States and in the countries of Central and Eastern Europe. We will talk in Munich particularly about an overall package of so-called ``help for self-help'' where we want to draw up a sort of framework for cooperation of the West with the C.I.S.

And a third very important subject which we talked about is the improvement of cooperation of Western industrialized countries with the countries of the Third World now after the end of the cold war.

Another important subject we talked about in view of the very dramatic changes in the successor republics of the former Soviet Union and the Commonwealth of Independent States was the overall situation there, but also the relief activities that our two countries have already initiated. We just initiated the second of these assistance activities, and it is the second of the kind. But obviously, we cannot go on doing this kind of thing indefinitely.

What is important now is to give them a sort of a solid program of help or self-help where we focus on individual areas, where we focus, for example, on agriculture, on improvement of infrastructure, on the improvement of transport and communication links, and where we also

concentrate on improving, for example, the safety standards of nuclear power plants in the former Soviet Union.

These were just some of the subjects that we dealt with during our very long and intensive discussions during these past 2 days. But I would like to mention the most important subject at the end of my remarks here: that once again, during these 2 days, it became apparent that the United States of America and reunified Germany are linked by very strong bonds of friendship and partnership. No matter what will happen in the world, this friendship, this partnership is of existential importance for us Germans. In future, too, freedom and security of Europe and also, therefore, of Germany can be safeguarded by this transatlantic alliance, which is why I would like to underline here in Washington, in the White House, that for us it is a matter of course that this includes also a substantial presence of American troops in Europe.

But it is our joint desire that our relationship will be deepened and widened beyond the mere scope of security and military issues, that we come to even closer relations in the cultural field, in the scientific field, in research and development, which is why I'm very pleased to be able to announce -- and we have agreed on this -- that this year we will inaugurate a German-American Academy of Sciences. This has never existed, to my knowledge, in the United States of America, and we have never had this sort of link with the United States before or with any other country across the Atlantic, for that matter. I think that an instrument such as this one is of utmost importance, particularly for the young generation, for fostering a mutual understanding of each other. And I would now like to issue an invitation to all our American friends to participate as guests in the German cultural festival that will take place here soon and to understand this as a sign of sympathy and friendship with the American people.

Mr. President, allow me to thank you once again for these days where you once again demonstrated your friendship to us, which made it possible to meet in this very warm and hospitable atmosphere.

The President. Now, we'll take questions, and it would be nice to alternate between the Chancellor and me. And so, can we start off in a spirit of hospitality for a question for the Chancellor? Helen [Helen Thomas, United Press International].

Multilateral Trade Negotiations

Q. Yes, for both of you. It is well-known that you both want a GATT agreement. Was anything done? Were any ideas presented to make the breakthrough?

The Chancellor. Obviously, we talked about where we are already in agreement and where we still have some questions to solve before we can reach agreement. When I get back to Bonn, I will call on my European colleagues, and I will call also Jacques Delors, as representative of the EC Commission. And once again, I will give a full report of these 2 days of talks, and we will

once again try to find out where there is further room for negotiations in order to come, then, at the end to a compromise.

And obviously, we're not going to talk about the content of these negotiations because this is, after all, what negotiations are about. You first of all negotiate, and then you come to some form of content.

Q. Do you have solid reason for your optimism?

The Chancellor. Obviously when we talk about compromise, it means that both sides have to move.

Presidential Campaign

Q. Mr. President, in this room on Friday you spoke a great deal about change and spoke of yourself as a person who wants to press for change. You have been President and Vice President for 11 years now; before that you had a long record as a Washington insider. This being the case, how can you convincingly present yourself as a candidate of change?

The President. I thought I spelled out the other day exactly what I mean by change: far better system of education, vast improvement in many domestic problems, including the economy. I made suggestions that I have made before, and I'll keep making them to try to get the economy moving. And so, I do represent that, and I would like to get more cooperation to make the changes possible. But I will be prepared to take my case to the people in the fall about the future.

Iraq

Q. Mr. President, did you and the Chancellor have an opportunity to discuss what to do with, and to, Saddam Hussein?

The President. No, we didn't. We discussed about the fact that the United Nations resolutions must be implemented in their entirety. But I don't think it went beyond that. I thanked the Chancellor for their support back during the war; I thanked him for his total understanding and his cooperation. But we did not go into any details about what steps might next be taken. Is that -- --

The Chancellor. Yes.

United Nations Environmental Conference

Q. Both of you did not mention the summit in Brazil on the environment. Did you talk about it, and did you bridge any differences which might have existed?

The Chancellor. Yes, we talked about this subject, too. Obviously, my time here was limited, so I didn't mention all the subjects we raised during these 2 days of talks. We agreed that we would -- obviously also with other governments -- but first of all we would, namely the Government of the Federal Republic of Germany and the Government of the United States of America, work very closely together in preparing this conference.

We know how important this conference is for many, many countries in the world. And obviously, this importance is increased by the fact that this conference takes place only a few days or weeks before the G - 7 summit meeting in Munich. And we all know, I think, about the difficulty of having to reconcile here the expectations of the countries of the Third World and, on the other hand, the determined effort of the industrialized countries to indeed come here to program proposals that will preserve what is important for all of us, namely Creation.

[A question was asked in German, and a translation was not provided.]

The Chancellor. There are no differences. There are certain areas where we have to exchange views and deepen our knowledge about each other's position a little more, but we are in agreement.

South Africa

Q. To both gentlemen. I know among your many responsibilities you both followed what happened in South Africa this week. I wonder if either country has any plans to help South Africa further now? And are you confident that foreign investments will be protected?

The President. Let me just say we did talk about South Africa a little bit. I think we both are very pleased at the changes that have taken place there. I didn't tell Chancellor Kohl this, but I did call Mr. de Klerk the day after the election to salute him for his courageous leadership. And all I can think of is that we want to move forward bilaterally, the United States and South Africa, just as fast as we can.

There are some technicalities remaining, but our relationships have improved dramatically. And they will improve more under his leadership. The job isn't finished, but he has made a courageous start. So, we talked about it, and I think we both agreed the progress is dramatic.

Do you want to add?

The Chancellor. I would like to underline here what the President just said. I think many people have not quite fully understood what a wise political course President de Klerk steered here and how courageous he was at the same time and how much he risked. And I think if we think back to only 5 years ago, then it becomes apparent what a substantial step forward this is. And he

deserves every support we can give him. And we are in agreement that we want to give him this support, each in his own way.

And at our next summit meeting in Lisbon, among the member countries of the EC, we will certainly discuss this subject very thoroughly. Let me say that a failure of de Klerk at the ballot box would have been indeed a catastrophe.

Nuclear Weapons

[The following question was asked in German.]

Q. The question related to the dispute between Ukraine and Russia as regards the nuclear weapons and other weapons and the distribution of them.

The Chancellor. This indeed is one of the most pressing issues that we have to deal with in our contacts with the Commonwealth of Independent States because obviously a number of these republics have an enormous amount, an enormous arsenal of weapons, both nuclear and conventional. And I should also mention chemical weapons, which unfortunately are fairly often forgotten but which also can be used to devastating effect. And I think that it must be now in our joint interests to come to some form of settlement here of this issue. Russia and the Ukraine have to come to some form of arrangement between each other so that we achieve a lasting and durable safe situation for all of us.

And I would like to say here for the Federal Government, without wanting to create the impression that we want to interfere into the internal affairs or infringe on the sovereignty of any state, that this subject will indeed play a role when we discuss aid to these former Soviet republics, the republics which now form the C.I.S., and that we will think of that when we discuss ``help for self-help."

The President. May I only add one thing on that, that I did talk to President Kravchuk of Ukraine yesterday. And he, knowing I was going to meet with Chancellor Kohl, asked me to assure the Chancellor that he was going to do everything he could to satisfy the requirements of the whole world on this question of safe disposal of nuclear weapons.

John [John Cochran, NBC News]?

Presidential Campaign

Q. A question to both of you about foreign policy during an American political year. Mr. President, your interest in foreign policy has almost become a political albatross around your neck. If, for example, there were to be a GATT agreement, would you use that to say, ``Listen, this will prevent a worldwide depression, a worldwide trade war; it shows that foreign policy is

important"? Would you be able to use this as a campaign issue?

And are you concerned about the level of debate among Democratic candidates when they talk about foreign policy? Do you think it's being ignored so far?

And Chancellor Kohl, are you concerned about the level of debate and the quality of debate so far in this election year? Mr. Bush's Republican challenger, for example, has shown isolationist trends. Does that concern you?

The President. May I start? Well, in the first place, John, that's a very broad question. I am convinced that foreign policy and world peace is going to be a major issue in the fall. I was asked the question here about change. I think all America rejoices in the fact that Germany is unified. I think they rejoice in the fact that our children go to sleep at night with a little less fear of nuclear weapons. You talk about change, this is significant. I think they rejoice in the fact that Eastern Europe is free and democratic. And I think they rejoice in the fact, if they think about it, that there is significant change in the Middle East, where people that were never willing to talk before are talking. This is significant change, and it is in the interest of the United States.

Now, it has not been on the front burner. But clearly, anybody aspiring to the Presidency is going to have to discuss these matters of world peace, national security, and the domestic policy as well.

So, I think you raise an interesting question, and I think the American people would agree that that subject of foreign policy and of world peace and of change that has happened in the last 3 years and, indeed, over the last 12 years has been significant. It's been dramatic; the world has dramatically changed for the better. And if we're going to be talking about problems in one area or another, we're going to be talking about them worldwide.

So, I think the debate has not been joined on that. I think it isn't in focus. To some degree, I can understand it. When people are hurting at home, the Chancellor and I talked about this, most of the concentration is on the domestic economy. But any Presidential debate is going to be about change in foreign policy as well as domestic. And we are very proud of the changes that have taken place around the world because of what we've done, what other Presidents before me have done in keeping this country strong, restoring credibility to the United States.

So, I think it is an issue. And ironically, the Chancellor and I did discuss it in very generic terms, in the sense of what were going to be the issues in the fall. And I told him I thought foreign policy was going to be one. Is that -- --

Multilateral Trade Negotiations

Q. Also, will the GATT agreement help you?

The President. Well, the GATT agreement will help the world. And clearly it will help the United States, and clearly it will help agricultural America. And it will help the Third World. Far better than aid programs is open trade. And so, it will help everybody.

But it shouldn't be viewed in a partisan mode. I know we still have some isolationists, some protectionists that don't want to go forward with these international agreements. They are wrong. It is in the interest of our country to conclude the GATT agreement. It is in the interest of our country to conclude a North American free trade agreement. You talk about change, there's something dramatic.

So, these things are in our interest, and I will keep pressing for them, good politics or not. They are in the best interest of the United States.

Chancellor?

The Chancellor. George, I would like to add a comment to your response to this question which I consider to be of utmost importance for us in Germany and in Europe as a whole. Obviously, in an election campaign there are a lot of issues that loom large, and a lot of them being domestic issues. And I certainly don't want to interfere into your internal affairs or into the election campaign. But if an American asked my opinion on this, I would give him the following answer: I would tell him that a destiny of peoples is being decided on the foreign policy front and that each people that does not understand and follow this lesson of history, that it will have to pay very dearly for this.

And for a people such as the American people, that whether it wants it or not has this role, this decisive role in world politics to play and will have to play this role, this is even more valid. Had President George Bush not proved to be such a strong leader over these past years, obviously these dramatic changes would not have taken place in the world.

It is true that he was not the only one to bring about these changes; there were many others who influenced events. But he played a decisive role. I would just like to illustrate this by giving you a small example: When I was here 3 years ago and we gave a press conference here in the White House, one of the main topics on the agenda was the followup to Lance. Now, if you ask anybody what is Lance, what is the followup to Lance, they probably wouldn't be able to answer because the world has changed so dramatically. What we're talking about now are Russia, the Ukraine, building up democracy, promoting market economy there, building up free political systems in these countries.

We invested enormous sums of money in the past in the arms race, in building up huge arms arsenals, in trying to meet the Communist challenge everywhere. And now we are making a huge investment in peace, in freedom. There is no longer any Communist dictatorship in Europe.

And I don't think that you have to be a prophet to be able to say that in the foreseeable future there won't be any Communist dictatorship in the world anymore. And I think that this is a fantastic fact.

The President. I think we have time, Marlin says, for one over here, sir, and then Frank [Frank Murray, Washington Times], and that's it.

Nuclear Weapons

Q. Mr. President, may I come back to that nuclear problem in the Soviet Union, or ex-Soviet Union? What can you tell us about ongoing productions of nuclear weapons in the former Soviet Union, and why are they doing that?

The President. Why are they not starting to get rid of them?

Q. They are producing.

The President. I can't answer that question for you, but I can say that they as recently as yesterday reiterated, the Ukrainians anyway, their conviction to get rid of nuclear weapons. They're having a dispute, as you know, or had one inside there with the Russians as to how to go about that. But I am confident that they are on the right track, that we are going to see substantial reductions.

And so, it's moving in the right direction, I can't answer your question on why they are producing any at all, unless it would be under the question of modernization. But we have numbers we're working towards. And indeed, in terms of destruction of tactical nukes and all, why, I think it's generally moving in the right direction. We still have to be sure that it's done safely, that it's done in accordance with the safest possible procedures. But I can't answer your question specifically, but I can say on a broader sense it's moving in the right direction.

Yes, Frank. This is the last one.

Economic and Tax Legislation

Q. Mr. President, you discussed here today the need for compromise to win a GATT agreement. And yet, your Chief of Staff today said that on the major domestic issue right now, the taxes and economic legislation, that there will be no compromise. He referred to Senator Bentsen and Mr. Rostenkowski as being out of touch with reality. And I'm wondering how, with that kind of rhetoric and no compromise, you expect to achieve a settlement? Could you tell us what you're going to do about that?

The President. Just keep pressing for what's right. And I'm confident that at some point the

pressure from the country will compel those that have resisted us to move forward in the right direction.

But I think most people in this country know that I held out my hand to this Congress in an effort to compromise. I've said that, worked with them in the past, prepared to work with them in the future. But there are certain principles that I can't give in on. And I would also say that we're moving into this election year, and I think most people recognize that there's going to be a lot more political posturing out there. I'm President. I've got to try to keep moving the country forward. And I'm going to do that. And most of my time now will be spent in doing exactly that, with Super Tuesday and the high concentration of primaries behind us.

But I'm perfectly prepared to work with the Congress. But we've got to be realistic about politics. And I might add that far better than doing something bad to this economy is doing nothing at all. The best thing would be to do something that would stimulate investment. But if that can't happen then the next choice would be do nothing, and the worst choice would be to pass a tax-and-spend bill. So, we're coming into a political year when each side is going to be expressing its own political positions. And that might mean that we don't move things forward as fast as I would like. But I'm going to keep on trying.

Q. Does that mean that you subscribe to the premise of no compromise on taxes? And how long does that -- --

The President. Well, I think they will, at some point in here, will give up on trying to raise taxes on people. But in terms of sitting and talking about what we can do to move investment incentives forward, which does have to do with taxation, I think we ought to try to get something moving on that front.

So, it's in that area -- I didn't hear the comments; I was busily engaged in a very fruitful and constructive discussion with the Chancellor, so I was spared the agony of listening to these talking shows that come on every Saturday and Sunday. [Laughter] So I didn't hear it, so I just can't comment on the byplay. I can tell you that I'm going to continue to take my case to the people for change, for change.

Q. Will you not extend your no-taxes pledge, and how far -- --

The President. I thought I expressed it pretty clearly here, just standing here in this room; it seems like ages ago, but it was only 48 hours ago.

Now, the Chancellor has to take a plane. He's got to be at work in the morning. What time is it back there in Germany? Eleven o'clock or something like that. So, we better let him go.

Thank you, Helmut.

Note: The President's 124th news conference began at 4:15 p.m. in the East Room at the White House. The Chancellor spoke in German, and his remarks were translated by an interpreter. In his remarks, the Chancellor referred to NATO's Lance short-range nuclear missile.

Remarks at the Swearing-In Ceremony for Barbara H. Franklin as Secretary of Commerce

March 23, 1992

May I thank Ambassador Schnabel for presiding here, but much more important, for the job he has done in an interim period. It's not easy. And he's done an outstanding job. And this gives me an opportunity also to thank those who work for this wonderful Department, the Department of Commerce. We're grateful to each and every one of you. Justice O'Connor and Senator Danforth, thank you for your participation in this ceremony. I thought Eli, Eli Barnes, the guy that gave the Pledge of Allegiance, did a first-class job, too. And Master Gunnery Sergeant Ryan, an old friend, thank you for leading us in the anthem. My respects to the marines here.

Then to our various Cabinet members with us today, it's most appropriate that you join your fellow Cabinet member at this special occasion. May I salute the former Secretary of Commerce Elliot Richardson. I know Pete Peterson was to be here, but I don't think he was able to make it. But Secretary Richardson is with us. And then we have other Cabinet secretaries, Bill Brock and Frank Carlucci and Jim Lynn and Margaret Heckler, all with us today. Members of Congress too numerous to acknowledge, but all vitally interested in Barbara's success as Secretary of Commerce.

And of course, a special salute to the one we honor today, Barbara Franklin, who is about to become the current Secretary of one of our Government's great Agencies.

For me, today is sentimental. I remember a couple of months ago I was telling an aide that I had decided to nominate Barbara to this difficult post. And he replied, ``Don't you think she's got enough to do already?", referring to Barbara Bush. [Laughter] But that brings me to the one, the Barbara that we are here to celebrate and to honor, the newest member of my Cabinet, a woman who claims a long and distinguished career in both public and private service.

Barbara's been a member of the Product Safety Commission, a member of the Advisory Committee for Trade Policy Negotiations, president and CEO of her own consulting firm, and also director of seven of America's most successful largest corporations. And always she's been a woman of courage, integrity, vision, and found plenty of time for service to her country.

And let it never be said that someone from Yale doesn't recognize talent from Harvard when he sees it. Hard to do. But her talent was spotted a lot earlier than that. Here's what her high school yearbook in Lancaster -- this may prove embarrassing to her, but here's what her high school yearbook in Lancaster, Pennsylvania, said: ``Versatile Barb is seen in all departments of Hempfield High School." But then it goes on: ``A-student, honor society member, tennis team captain, high school cheerleader, student council president." And now, today, she is leading for a

growing and prosperous American economy.

And may I salute her husband, Wally Barnes, who has been an outstanding success in business. When she needs consultation about free enterprise, she doesn't have far to go.

And let me repeat what she said in January upon accepting the Commerce post. She remarked that she would be ``very proud to be an advocate for American business and jobs, manufacturing, service, every kind of business in this country. American business is the envy of the world."

Well, now that I have the benefit of her considerable talents, I am the envy of her former colleagues in American business. And I say that because she is energetic and experienced, extremely smart. And she can help us compete in the new world economy and create a new American century.

She knows how we must write new pages in the story of business and jobs, the story of American excellence. And I speak of the Pittsburgh mechanic, the Seattle computer specialist, the Des Moines mother who also holds down a job. And their tale is as old as the cotton gin and as young as magnetic tape. Work is noble in itself. No one has a right to look down at any American.

And Barbara Franklin of course, likes to lift things up. And some of you may know that in addition to her other talent she's an accomplished weight lifter. Arnold Schwarzenegger, eat your heart out. [Laughter] Now it's her time to lift people: people whose jobs and income depend on commerce and trade. And she won't help them through protectionism and isolationism either. Instead, she will be an evangelist for a strong economy, driven by competition, fueled by growth. And she will help protect jobs against those who would cost jobs by curtailing trade, by curbing trade.

I've known Barbara now for two decades, dating back to the early seventies. And at that time, she was at the White House in the early seventies, I was up at the United Nations. And we agree the way to create jobs is not to build a wall around America but to persuade other nations to tear their walls down. And I want a world of open markets, open competition, open hearts, open minds. And so does Barbara Franklin. And her record of dedication and integrity has transformed my admiration into confidence and my friendship into trust.

And at a time when competition in a global economy is changing the way we live, my friend takes her post to help change the way we lead. I know she will be able to count on a very able team of Commerce officials. She has big shoes to fill, coming in to take over from Secretary Robert Mosbacher, but she can do the job.

And to each and every one of you, again, who serve with her and who have helped her from the

very first day she came over here in transition and now as Secretary, my profound thanks to you, not just for that but for the way you take the message of American business across this country and around the world.

In that spirit, it is with great pleasure that I turn the proceedings over to Justice O'Connor for the swearing-in of a woman who will help our economy thrive, our new Secretary of Commerce, Barbara Hackman Franklin. Thank you very much.

Note: The President spoke at 9:36 a.m. at the Department of Commerce. In his remarks, he referred to Deputy Secretary of Commerce Rockwell A. Schnabel and former Secretary of Commerce Peter G. Peterson. Supreme Court Justice Sandra Day O'Connor administered the oath of office.

Letter to Congressional Leaders Transmitting the Report on Foreign Intelligence Activities in the United States

March 23, 1992

Dear Mr. Chairman:

Enclosed is the classified 1991 ``Leahy-Huddleston Report'' on the official representation in the United States of foreign governments that engage in intelligence activities within the United States that are harmful to our national security. The report is submitted in compliance with section 601(b) of the Intelligence Authorization Act for fiscal year 1985 (Public Law 98 - 618; 22 U.S.C. 254c - 1(b)).

The report is based on information provided by the Department of State. The Department of State is prepared to respond to any questions that you may have.

Sincerely,

George Bush

Note: Identical letters were sent to David L. Boren, chairman of the Senate Select Committee on Intelligence; Dave McCurdy, chairman of the House Permanent Select Committee on Intelligence; Claiborne Pell, chairman of the Senate Committee on Foreign Relations; and Dante B. Fascell, chairman of the House Committee on Foreign Affairs.

Statement on the Strategic Defense Initiative

March 23, 1992

Today marks the ninth anniversary of the beginning of the Strategic Defense Initiative. The men and women of the SDI program have accomplished a great deal. They have proven repeatedly that we can intercept warheads in space. They have made great advances in smaller, cheaper, more sophisticated interceptors. In short, they have pushed back the frontiers of science and engineering.

Moreover, the events of the past several years have proven the critical importance of missile defenses. Last year in the Gulf war, our Patriot system defended our troops and allies from Saddam Hussein's Scud missiles. Today, the Russians join us in recognizing the value of missile defenses and have expressed interest in a global ballistic missile defense system. With the development of the GPALS missile defense system, the United States will be able to confront successfully the growing dangers of instability and missile proliferation.

With the passage of the Missile Defense Act in 1991, the Congress joined the administration commitment to fielding ballistic missile defenses. With continuing support from Congress we can achieve our goal and remove the threat of limited ballistic missile strikes for the American people and our friends and allies.

Statement on the Death of Friedrich August von Hayek

March 23, 1992

Barbara and I are saddened by the death of Friedrich August von Hayek. I presented him the Presidential Medal of Freedom in 1991 because he was one of the great thinkers of our age who explored the promise and contours of liberty.

Professor von Hayek revolutionized the world's intellectual and political life. Future generations will read and benefit from his works.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Boris Yeltsin of Russia

March 23, 1992

The President and President Yeltsin spoke for 20 minutes today. The President called to brief President Yeltsin on his meetings with Chancellor Kohl and said both the U.S. and Germany agreed on the need to support Russia's courageous economic reforms and would work with their G - 7 partners to promote strong international support for the reforms. The President reaffirmed U.S. commitment to continued humanitarian and technical assistance efforts.

President Yeltsin briefed the President on the results of the C.I.S. heads of state meeting in Kiev, particularly on military and nuclear issues. He also reported C.I.S. willingness to actively work for a peaceful resolution of the conflict in Nagorno-Karabakh.

Nomination of Thomas P. Kerester To Be Chief Counsel for Advocacy at the Small Business Administration

March 23, 1992

The President today announced his intention to nominate Thomas P. Kerester, of Virginia, to be Chief Counsel for Advocacy at the Small Business Administration. He would succeed Frank S. Swain.

Since 1985 Mr. Kerester has served as executive director of the Tax Executives Institute, Inc., in Washington, DC. Prior to this, he served as principal with the firm of Coopers & Lybrand in Washington, DC, 1974 - 85.

Mr. Kerester graduated from Ohio State University (B.S., 1951; J.D., 1953). He was born April 12, 1929, in Youngstown, OH. Mr. Kerester served in the U.S. Air Force, 1955 - 57, and the U.S. Air Force Reserves, 1957 - 66. He is married, has two children, and resides in Alexandria, VA.

Remarks to the National American Wholesale Grocers Association

March 24, 1992

Boyd, thank you very much for the good news and for the introduction. And let me just say I am very pleased to be here. And I want to salute your leaders: first, Boyd, who did the honors here; Bill Eacho, who's with me; Richard Niemann; and T.C. Godwin. And also, before I get going here, I want to single out a former Cabinet member, Agricultural Secretary Jack Block, who's doing an outstanding job for the common interest so well represented here today.

And I am here to follow up on what I said Friday, but mainly to ask you to help me change this country, to make it stronger and make it better. And as Boyd so generously said, we have changed the world. We've won a great victory for world peace and freedom. And as President, believe me, I will stay fully engaged with the world. We have won the cold war. And I salute previous Presidents for their role in keeping our defenses strong; my predecessor, Ronald Reagan, for his foresight in doing what he could to bring about the collapse of international communism.

But now is no time to pull back from engagement in international affairs. So now let's put to work the same leadership that we used to change the world to change America. And let me tell you what that means: We'll leave a legacy of productive jobs for our citizens, with strong families secure in a more peaceful world.

And I have a strategy to renew America and to keep our country strong in the next century. I proposed a plan to stimulate the economy without raising taxes and without increasing the Federal deficit, action to strengthen real estate, action to help young families buy that first home now. Get it done now. And I asked for action to create good jobs. One of those actions was to cut the tax on capital gains. It's not a break for the rich. It is a job-creation incentive.

But the majority in Congress simply couldn't break their tax-and-spend habits. And I asked for action to stimulate this economy, not stifle it. And I asked for a jobs bill. And they passed a bill to increase income taxes by $100 billion. And they turned their backs on that first-time homebuyer by failing to enact this $5,000 tax credit. They watered down the investment tax allowance that we had, an allowance that would have sped up depreciation and encouraged people to buy new capital equipment, given them incentives to do that. They stifled other reforms to help businesses modernize and compete. And then they tinkered with the capital gains tax. But if their plan were adopted, that tax would still be among the highest in the developed world.

You people know this, but a lot of Americans don't. Japan and Germany tax capital gains at zero

and at one percent. They don't even have -- in essence don't have taxes on capital gains in one country and tax it at one percent in another. And we're to compete with all that in this highly competitive world.

And yes, I was disappointed in the Congress. But frankly, I was not surprised. And so last Friday that tax bill came down, and I vetoed the tax increase. And that veto is going to be sustained. But not just to carp, then I announced actions that I would take on my own to do what I could to get the fat out of the Government, to cut the redtape that chokes our competitive spirit, and to get this country up to speed for the long haul.

You and I have business experience. We know what the tax increase would really do. About 80 percent of the revenue increase resulting from the higher rates would come from, you guessed it, small businesses. More than a million small businesses would be affected, many of them crippled by that Democratic-leadership tax increase. Thousands of family-run grocery and convenience stores are in this category. Small family farms also could face financial ruin from such a tax increase.

The bill I've just vetoed tried to raise the marginal rate for small family businesses and farms by about 18 percent. Now, just think about the impact of this on your own businesses. The grocery business, wholesale and retail, is fiercely competitive. I know you're being nice to the guy next to you here today, but when you go home, why, we'll understand if you go at each other. And why is it so competitive? You operate on the thinnest of profit margins; for wholesalers it's often less than a penny on the dollar. And if you had to face a big increase in the bracket where you pay most of your taxes, how would you cope? You'd feel pressure to cut back on the quality of your service. Competition would press you to hold out as long as possible before passing costs along to your customers. So you might have to eliminate jobs. Eventually everyone in the business would have to pass the costs along, and that would fuel inflation.

Those are simple facts of life for people trying to make a living. But even as millions of American families were huddling over their kitchen tables to work on their tax returns, the liberal Congress tried to raise their taxes by $100 billion.

Last Friday, as I say, I vetoed their massive tax increase. And I sent Congress my first line-item rescissions, cutting $3.6 billion in unneeded wasteful spending. These rescissions will serve notice to Congress that the days of wasteful spending are over. And it is a step symbolic of the power that 43 Governors have, the line-item veto. Incidentally, at their recent national meeting, the Nation's Governors, Democrat and Republican, went on record calling for line-item veto authority for the President. And I need that authority.

I'm also fighting for economic growth through actions that don't need to be passed by the Congress. Some things I need Congress to do; other things we can do without. Take a look at Government regulation. Day by day, rule by rule, and industry by industry, we are winning

battles against overregulation. We're winning victories for common sense and freedom.

Just last Thursday, for example, our administration announced reforms on nutrition labeling for meat and poultry. Our reforms will keep our food supply every bit as safe, and I have responsibility for that, but we will reduce the burden and expense of regulation on American consumers and on our hard-working food producers and grocers. If Congress sends me any legislation that would overregulate economy, I'm going to veto it as soon as it reaches my desk.

Now, if we Americans are going to hone our skills and really compete in the years ahead, we've got a lot more to do. And I want to have us keep our sights on the next American century. And when I think of America in the year 2000, I think of five strategic concerns mentioned in my address to the Nation last Friday.

First, we must change and renew our schools. We must become a Nation of students, educating ourselves throughout our lifetimes in the best system of schools, colleges, and universities in the entire world. And this is going to take revolutionary change. Most of our States and hundreds of local communities are committed to change. They have joined me already in a crusade that we call America 2000, an exciting program to revolutionize education.

Business-as-usual is not going to help us reach our national education goals. We need to get behind world-class standards, new curriculum frameworks, break-the-mold schools, voluntary national testing. And a centerpiece of our plan is the belief that schools will do their best when parents enjoy real freedom and real responsibility to choose their children's schools, public, private, and religious. School choice for parents is an idea whose time has come.

Second, we need to make our excellent health care system more affordable and more available to Americans. We've got the highest quality health care in the entire world, but everyone should have access to it. And we all know the problems: Too many people don't have health insurance, and health care costs are going right through the roof. And we also know that the answer doesn't lie in costly and coercive plans like the scheme to make employers ``play or pay." And the answer certainly isn't these nationalized, these socialized medicine plans. Nationalized health care would be a national disaster.

The way I propose that we help our society deal with this is based on markets and choice. Just as in education, vouchers are a key part of my strategy for giving Americans a fairer and more affordable health care system. And our answer is to change our health care system for the better, not ruin it. And we're going to keep fighting for this sensible plan.

Third -- and I know you're going to agree with this one -- we need fundamental legal reform to stop the epidemic of lawsuits. You all know the litany. You hear it in your communities. You hear it in your businesses. Things are so out of hand that some parents refuse to coach Little League for fear of liability lawsuits. Some doctors won't deliver babies anymore because of

malpractice suits. Well, just imagine what we could achieve if we spent as much time helping each other as we do suing each other.

And the costs of litigation and liability on small business are absolutely staggering, horrendous. You know, in 1989 there were 18 million lawsuits filed in America, 18 million. And that's why I've again asked Congress to pass my civil justice reform bill which will help people resolve problems through means other than the courtroom. And it will help put a stop to frivolous lawsuits and reduce the drag on our economy caused by excessive litigation. And I need your help. I need your help with the Congress to pass this sensible approach.

And fourth, we must reform Government in line with one of America's most important founding principles: strict limits on the size and power of Government. With a Federal Government that gobbles up a quarter of GNP, we can't really say we're as free as we should be. One quarter of all we produce as a Nation, as a people, goes to pay for the central Government. Now, that's just not right. And right now, the system is not accountable, effective, efficient, or even compassionate. And we need Government that knows its limits. But more important, we need a Government that works.

We have got to fix a congressional system that's gone out of control. Congress, as an institution controlled by one party, the Democrats, for most of the past four decades, desperately needs reform. And I'm going to have more to say, constructively, about reforming Congress in not so many days from now, at a later date. But we can start by compelling Congress to be governed by the laws that they impose on people like you, such as civil rights law, wage and hour laws, fair labor standards. We must totally eliminate the special interest PAC's that give unfair advantage to incumbents in Congress and say yes to the people's call for term limits on Congress. My term is limited; the President's term is limited. And I believe theirs should be now if we want true reform.

Fifth, we must work to expand our markets. Of all the legacies that I want to help create as your President, few could be more important than open and fair trade opportunities for our manufacturers and our service industries and also for our farmers and our food industries. Food and agriculture trade is the critical problem of world trade. The European Community spends more than 10 times, 10 times as much as we do on agricultural export subsidies. This cannot and must not go on.

And I made that point in a very vigorous way to a very receptive Chancellor Kohl of Germany when he visited Camp David last weekend. His leadership will be vital if we are to break the deadlock in GATT and concluding the Uruguay round successfully. And I know from my talks that he wants to see a successful conclusion to the Uruguay round. So let me assure you, we'll be working as hard as possible the next few weeks to make a breakthrough in GATT. But as we see it, if there's no fair deal for agriculture, there simply cannot be a good GATT agreement. Agriculture is the key to getting this worked out.

And I'm also working to open up the exciting market opportunities in Mexico. With nearly 100 million people next door, Mexico is already one of our best customers. And they'll buy a lot more American goods as soon as these negotiations are concluded. It is one of our fastest growing markets anywhere in the world. And the bottom line is: A good agreement with Mexico means more U.S. jobs.

Last year, our exports around the world reached record levels. So the more trade barriers we can knock down the better. On a level playing field, I am absolutely convinced that Americans can outproduce, outperform anyone, anytime, anywhere. I have that kind of confidence in the American worker.

On each of these challenges, there are two roads to take: One is reform; the other protects the status quo. You and I are gathered on Capitol Hill today because we share a common purpose. We're here in the neighborhood of a Congress that fails to heed calls for reform, that so far has failed to pass a simple but effective plan to help create jobs and build confidence. We're not simply going to complain about the Congress; we're going to try to change it.

And there are hundreds of you here, hometown business leaders, who are the backbone of your community. And just after this speech, I understand that all of you are headed up the Hill to visit your Senators and Representatives. I hope you'll pass along my warmest thanks to those who have stood with us and urge all Members of Congress to support our long-term economic growth package, the five points I mentioned here today. It is just that important.

This will be, for me, my final campaign. And I plan to fight as never before. I have had the privilege of being your President at the great turning point when freedom prevailed over imperial communism, when the Berlin Wall came down, when Iraq's aggression was defeated, ancient enemies talking peace in the Middle East, when democracy really got on the move in this, our own hemisphere. We are helping solidify a legacy of peace. But I cannot rest and you cannot rest until we help this country win another legacy: productive jobs for our citizens, with strong families secure in a more peaceful world. Working together, we changed the world. And now we can change America.

Thank you all very, very much. And may God bless you in your important work.

Note: The President spoke at 11:04 a.m. at the Hyatt Regency Hotel. In his remarks, he referred to Boyd L. George, chairman of the board of governors, and John R. Block, president, National American Wholesale Grocers Association; William C. Eacho III, chairman of the board of directors, International Foodservice Distributors Association; Richard Niemann, vice chairman of the board of directors, Food Marketing Institute; and T.C. Godwin, Jr., chairman of the board, National Association of Convenience Stores.

Message to the Congress on Environmental Goals

March 24, 1992

To the Congress of the United States:

In 1991 two events set the stage for a new era in history: the West won the Cold War and the United States led a U.N. coalition to roll back aggression in the Middle East. Both watershed events demonstrated the power of sustained international cooperation in pursuit of just and moral causes. They underscored the need for U.S. leadership in a complex, interdependent world.

Historic changes are also occurring in the relationship between humanity and the environment. We increasingly recognize that environmental improvement promotes peace and prosperity, while environmental degradation can cause political conflict and economic stagnation. We see that environmental protection requires international commitment and strategic American leadership in yet another just and moral cause.

Merging Economic and Environmental Goals

As I often have stated, we can have both economic growth and a cleaner, safer environment. Indeed, the two can be mutually supportive. Sound policies provide both.

My environmental strategy seeks to merge economic and environmental goals. For example, boosting two engines of economic growth -- technological change and international trade -- can also provide benefits for the environment. Likewise, regulatory approaches that emphasize economic efficiency can help lower the costs of securing greater environmental quality. The following examples are illustrative:

Investments in Technology: My Administration has invested aggressively in key areas of research and development that will boost productivity and economic performance. Several technologies heralded primarily for their benefit to economic growth and competitiveness, such as advanced materials, high performance computing, electric batteries, and biotechnology, also have valuable environmental applications. Increasing investments in basic environmental research will enable policymakers to devise more informed, effective, and efficient policies.

International Trade: In negotiations on the General Agreement on Tariffs and Trade (GATT), the United States calls on other nations to reduce farm subsidies, which harm competitive farm exports and contribute to environmental degradation. In parallel with negotiations toward a North American Free Trade Agreement (NAFTA), the United States and Mexico are expanding environmental cooperation. A free trade agreement would lead to stronger growth in both countries and provide increased financial resources for environmental protection.

Economically Efficient Regulations: Our Clean Air Act initiatives spur utility energy efficiency through innovative tradable sulfur emission allowances and an overall cap on emissions. Restraining electricity demand cuts emissions of carbon dioxide and acid rain precursors, lowers energy bills for homeowners and businesses, and limits the need for new powerplant construction.

The Global Environment and Development

Robust economic growth is needed to meet the needs and aspirations of the world's peoples. At the same time, the nations of the world must ensure that economic development does not place untenable burdens on the Earth's environment.

My Administration has been working with business leaders, environmentalists, scientists, and the governments of other countries to develop more effective, efficient, and comprehensive approaches to global economic and environmental issues. Preparations for the United Nations Conference on Environment and Development (UNCED or Earth Summit), which convenes this June in Rio de Janeiro, Brazil, have accelerated this process.

My priorities for this historic conference are as follows:

Sign a satisfactory global framework convention on climate change;

Agree on initial steps leading to a global framework convention on the conservation and management of all the world's forests;

Improve U.N. environmental and developmental agencies as well as the Global Environment Facility (GEF), which provides financial assistance to developing nations in meeting the costs of gaining global environmental benefits;

Launch an action program to conserve biodiversity and, if possible, sign a satisfactory global framework convention on biodiversity;

Agree on a strategy and expand efforts to improve the condition of oceans and seas; and

Adopt a strategy and initiatives to promote technology cooperation in a free market context.

Climate Change: On behalf of the United States, I hope to sign by June 1992 a global framework convention that will commit as many nations as possible to the timely development of comprehensive national climate action plans. Such plans would commit nations to a process of continuous improvement, addressing sources and reservoirs of all greenhouse gases as well as adaptation measures. Parties to the convention would compare their action programs on a regular basis and revise them as necessary.

By producing specific, comprehensive environmental commitments that fit each nation's particular circumstances, this approach is preferable on environmental and economic grounds to the carbon-dioxide-only proposals that others have espoused. The United States will continue to restrain or reduce its net carbon dioxide emissions by improving energy efficiency, developing cleaner energy sources, and planting billions of trees in this decade. But an exclusive focus on targets and timetables for carbon dioxide emissions is inadequate to address the complex dynamics of climate change.

Forests and Biodiversity: The nations of the world need to do a better job of studying and conserving the diversity of life on Earth. Nations also need to work together to improve the management and protection of all the world's forests. For these reasons, I am renewing my call for a global framework convention on the management and conservation of forests and restating the U.S. hope that UNCED will be the occasion for making progress toward such a convention. I am also hopeful that a convention on the conservation of biodiversity may be signed at UNCED.

Institutional Reform and Funding: Member nations need to coordinate U.N. structures and make them more efficient and effective in meeting UNCED goals. A related priority is to continue development of the World Bank's Global Environment Facility (GEF). The GEF should become the principal vehicle for assisting developing nations with the incremental costs of gaining global environmental benefits under new international agreements.

Oceans: Coastal and estuarine areas include some of the most diverse and productive ecosystems on Earth. Increasing population and development are stressing these areas, particularly in nations that lack effective programs to protect and manage marine resources. The United States urges UNCED parties to adopt a set of principles and an action plan to address such issues as the status of living marine resources, coastal zone management, ocean monitoring, and land-based sources of marine pollution.

Technology: The UNCED participants should adopt a strategy and initiatives to promote market-based environmental technology cooperation with developing nations. In some cases, the transfer of environmentally preferable technologies results from official foreign assistance. However, in the vast majority of cases it occurs as the result of private sector activities such as direct foreign investment, joint ventures, licensing, exports, and professional training. Thus the role of governments and international institutions should be to foster the market conditions that accelerate private sector activity in the growing global market for environmental goods and services.

The Domestic Environment

In the midst of increased attention to global environmental issues, the United States in the last 3 years has enacted and begun to implement sweeping environmental reforms. We will continue to

take action predicated on sound science and efficient solutions. State and local governments, businesses, community groups, and individual citizens must also play a part.

A number of items on the environmental agenda, including reauthorization of the Clean Water Act, the Resource Conservation and Recovery Act, and the Endangered Species Act, require a thorough, judicious review with an eye toward the long term. Wherever possible, such legislation should encourage economically sensible, market-based mechanisms. Quick-fix actions will not be in the best interest of the environment or of our economy.

The Congress should make a significant contribution to economic growth and the environment by taking the following steps during this session:

Enact balanced national energy legislation, providing equal measures of new conservation and production;

As requested in my budget, provide increased funds to a number of key environmental and natural resources programs; and

Establish a U.S. Department of the Environment.

National Energy Legislation: In the year that has passed since I proposed a National Energy Strategy (NES) providing equal measures of new energy conservation and production, the Administration has moved to implement more than 90 NES initiatives that do not require legislative action. The Congress has followed through by increasing funding for an array of research and development initiatives. Now, in addition to these measures, the Congress needs to complete action on comprehensive national energy legislation.

Environmental and Natural Resources Budget: Within the context of initiatives to tighten Federal budget discipline, my proposed budget for fiscal 1993 reflects my continuing belief that we should increase national investments in key environmental and natural resources programs. Among my priorities are the following:

$1.85 billion (a 17-percent increase over fiscal 1992) for the America the Beautiful program, including acquisition of key park, forest, refuge, and other public lands; my program to encourage public participation in the planting of one billion trees per year; a partnership with the States to create state parks and recreation facilities; and projects to improve environmental infrastructure and recreational opportunities on the public lands;

A record $5.5 billion (a 26-percent increase over fiscal 1992) for the cleanup of Department of Energy facilities involved in nuclear weapons manufacture;

$201 million (almost double the fiscal 1992 level) for U.S.-Mexico border region cleanup,

consistent with the Environmental Action Plan I presented to the Congress last year in support of the proposed North American Free Trade Agreement;

Almost $1 billion for energy research and development, including over $350 million for conservation research and development (more than double the fiscal 1989 level) and $162.4 million (a 47-percent increase over fiscal 1992) for transportation programs such as development of electric automotive batteries and the purchase of 5,000 alternative-fuel vehicles;

$812 million (a 35-percent increase over fiscal 1992) for wetlands research, acquisition, restoration, and enhancement, achieving a 175-percent increase over fiscal 1989 levels;

For the second year in a row, $340 million for accelerated construction of sewage treatment facilities in six coastal cities that currently have inadequate treatment facilities;

$7 million (a 46-percent increase over fiscal 1992) for the designation and management of National Marine Sanctuaries;

$229 million (a 22-percent increase over fiscal 1992) for implementation of the 1990 Clean Air Act;

$1.75 billion (an 8-percent increase over fiscal 1992) for cleanup of Superfund toxic waste sites; and

$1.37 billion (a 24-percent increase over fiscal 1992) for further expansion of the world's largest global climate change research program.

U.S. Department of the Environment: Considering the scope and importance of responsibilities conferred upon the Environmental Protection Agency (EPA), I announced my support in 1990 for legislative efforts to elevate EPA to Cabinet status. The Congressional leadership has responded with controversial, extraneous amendments and parliamentary delays. This legislation should not be held hostage any longer. Once again, I call on the Congress to elevate EPA to Cabinet status and make it the U.S. Department of the Environment.

A National Commitment

There is a growing commitment from all segments of society to improve the environment. A key element of my environmental strategy is encouraging private companies and organizations to work with each other and with government to deliver conservation benefits that go far beyond what government acting alone could provide.

In July 1991 I named leaders of business, environmental, recreational, educational, and philanthropic organizations to serve as members of the President's Commission on

Environmental Quality (PCEQ). I have challenged this Commission to develop and implement an action agenda to improve the environment through voluntary private sector activities that meet the test of economic efficiency.

I also established a Presidential medal for environment and conservation achievement and had the honor of presenting medals to an outstanding group of Americans last October. This program rewards private initiative in service to the environment in a manner equivalent to long-standing Presidential recognition of excellence in the arts, humanities, sciences, and world affairs.

We have encouraged additional private sector initiatives through such ground-breaking efforts as the ``Green Lights" energy efficiency project, the ``33 - 50" toxic emission reduction program, the U.S. Advanced Battery Consortium to support development of electric vehicles, and land management partnerships between conservation groups and the Departments of Defense, Agriculture, and the Interior.

Freedom's Full Meaning

As more people around the world join the democratic family and reach for their God-given rights and aspirations, we Americans who have led the way for over 200 years will continue to bear a responsibility to give freedom its full meaning, including freedom from want and freedom from an unsafe environment.

The Cold War was a stark test of the global community's faith in these ideals. We passed that test.

The deadlock in negotiations for improved international trade rules is another challenge to the principles that have drawn the world closer together in the last half century. We must not fail that test.

These struggles for national security and economic growth are now joined by environmental concerns such as deforestation and potential climate change, which also have profound long-term implications. The year ahead will test our ability to redefine the relationship between humanity and the environment -- and in so doing, to secure a greater peace and prosperity for generations to come. We must not fail that test.

George Bush

The White House,

March 24, 1992.

Statement by Press Secretary Fitzwater on the Open Skies Treaty

March 24, 1992

Today the United States, along with Canada and 22 European nations, signed the Treaty on Open Skies in Helsinki, Finland.

In May of 1989, at a time when the immense changes seen in Europe over the past 3 years were just beginning, President Bush proposed that the nations of the North Atlantic Treaty Organization (NATO) and the former Warsaw Pact agree to open their territories to frequent overflights by observation aircraft from the other side. The United States believes that the greater transparency in military activities brought about by such an agreement will help reduce the chances of military confrontation and build confidence in the peaceful intentions of the participating States.

The Open Skies Treaty is the most wide-ranging international confidence-building regime ever developed, covering the entire territory of North America and nearly all of Europe and the former Soviet Union. Its arrangements for observation flights using photographic, radar, and infrared sensors and its provisions for sharing among participants the information gathered are innovative means to help promote openness and stability in Europe in these uncertain times. Open Skies could also serve as a basis for similar arrangements in other regions of the world where there is a need to build confidence.

The treaty establishes an Open Skies Consultative Commission. In early April it will convene in Vienna, Austria, to complete work on outstanding technical and cost issues regarding treaty implementation. The treaty will be submitted to the United States Senate for its advice and consent to ratification once this work is finished to the satisfaction of all participants.

Statement by Press Secretary Fitzwater on Diplomatic Relations With the Republic of Georgia

March 24, 1992

The President has decided that the United States will take immediate steps to establish diplomatic relations with Georgia. The United States had recognized Georgian independence on December 25, 1991. In recent weeks, the new Georgian Government has taken steps to restore civilian rule, begin a dialog on national reconciliation, and committed itself to holding parliamentary elections this year. On the basis of these actions and following communications between the leader of the Georgian State Council, Eduard Shevardnadze, and Secretary of State James Baker on the political, economic, and security principles of most importance to the United States, the President believes that U.S. interests will be best served by having diplomatic ties with the Georgian Government. The depth, extent, and richness of U.S. relations with Georgia will depend on the Georgian Government's commitment to these principles.

With this action, the United States now has diplomatic relations with all 12 of the new States of the former Soviet Union.

The United States will open an Embassy in Tbilisi as soon as possible. In addition, the United States will support Georgia's membership in relevant international organizations, including the International Monetary Fund and World Bank.

Statement on the Connecticut Presidential Primary Victory

March 24, 1992

I want to thank the voters of Connecticut who made it clear today: The answer is less Government spending, not more taxes. As I announced on March 20, the line-item spending cuts I am sending to Congress will eliminate some unneeded weapons systems made in Connecticut. Cutting spending is a tough call, especially in a State where the economy is hurting. In spite of this, we won an impressive victory today from people who understand that being President of the United States sometimes means making difficult decisions.

Remarks and an Exchange With Reporters Prior to a Meeting With Republican Congressional Leaders

March 25, 1992

The President. Let me just say I want to thank you all, Republican Members of the House and the Senate, for coming in here; and first, to thank you all for your help last week in trying to stop the tax increase bill. And it was a heroic effort, but we were outnumbered. They passed the bill, only narrowly, and I vetoed it. And thanks to you all, we have the votes now to sustain that veto. And I just would urge that we go the extra mile to have a strong show of support against this tax-and-spend legislation.

So the other point I want to mention is there is an effort, as we all know, to knock down the firewalls, in other words, to remove the spending caps. And I am convinced the American people think that we are spending too much. One safeguard we've got, thanks to many people around this table, are those caps. We just must keep those in place, the one discipline that helps you in your fight against excessive spending there.

So, I want to win that vote for controlling spending. If we can't do that, again, the only power I have to stand up against the excessive spending is the veto. And you all should know, I've told some, told the leadership personally that that certainly would be -- and my intention would be to veto that kind of removal of the lid on spending. So we're going to keep doing it. I appreciate the support for the rescission approach. And we are going to make a change in attitude. This isn't just kind of a posturing for politics. I think the American people want to see significant change in the spending patterns and habits. You all have been magnificent in your leadership, and I just would urge you now as we go down to the crunch period here to do all you can to sustain this veto and to see that they don't take those caps off.

So thank you very much, and we can talk a little bit more about it as we go along here.

Federal Budget

Q. Mr. President, since you're talking to us, I wonder if I could ask you how, sir, you can -- --

The President. I was really talking to these guys.

Q. -- -- how you can boast of your economic plan's not increasing the deficit when your budget, sir, would result in the largest deficit in history?

The President. Well, I think I can boast of it because if we can get done what we want to do, we will begin to really put some checks on this deficit. There are some difficult things in my

approach. For the first time, we're trying to control the growth, not cut but control the growth of these mandated spending programs. And that isn't easy, but it's a very important addition to the debate. And I'd like to see it done. So the program speaks for itself. And if we had more people like those around this table, we'd be able to make progress. It's just that clear.

Connecticut Primary

Q. Mr. President, are you disappointed by the rather sizable protest vote in your native State yesterday?

The President. No, I was very glad about the size of the win. You know, if I would win a general election by 65 to 20, or whatever it was, I would salute that as a magnificent victory. And I am very pleased the way it's going and grateful to many here that have been out on the stump helping with it.

Q. Are you pleased with how the Democratic race is shaping up?

The President. Let them sort out their business. Let them sort their business out. They don't need me to tell them who they ought to vote for over there, but I see nothing to be unhappy about.

Thank you all very much.

Cooperation With Congress

Q. Mr. President, why have you refused to negotiate with the Democrats at all on your economic program?

The President. Listen, the American people know that from day one I held out my hand in trying to get something done. And now the time has come to take the case to the American people. The hand is still out there. But it's not going to be out there on the tax-and-spend plan. And that ought to be very, very clear. And if that's not clear now, it'll sure be clear when the debate really gets public out there in this election process. It goes on and on and on.

But that's the answer to it, and I don't think there's a single American that feels I haven't at least tried with the Congress. These people have tried. And every time they turn around, they have something jammed down their throat by majorities that simply are also aware of politics and want to put into play things that would not help this economy. We're trying to help it. We're trying to stimulate it. We're trying to increase investment. And we're not interested in more taxes, and we're not interested in ever-increasing levels of Federal spending. And that's the case that's getting in focus now.

Thank you all very much.

Note: The exchange began at 10:08 a.m. in the Cabinet Room at the White House.

Remarks on Signing the Greek Independence Day Proclamation

March 25, 1992

Welcome to the Rose Garden on this beautiful day. We're so pleased to have you all here. Thank you for the welcome for His Eminence and me. It's a pleasure to welcome you, many of you, most of you, back to the White House.

First, may I pay my most sincere respects to Archbishop Iakovos, a true spiritual leader for whom we have enormous respect. And I'm just delighted that he's here with us today. And I want to thank our Cabinet Minister Ed Derwinski, who is so well-known in Greece, and Ambassador Zacharakis, who is here. And also our congressional contingent: Mike Bilirakis, over here; George Gekas was to be here, but he may have been kept away by work. And of course, Senator Arlen Specter is with us today. I would like to welcome Mr. Angelopoulos from Athens, who presented me this commemorative medal in the Oval Office just a minute ago. We are delighted you are here, sir.

This Greek-American -- this Greek Independence Day -- I say Greek-American day because Americans of Greek heritage celebrate it -- it's a wonderful day for the Greek-American community and for all of us who cherish freedom. Greece can never be just another country to the United States. And the U.S. and Greece are the firmest of friends, the strongest of allies. And I might take this opportunity to salute Prime Minister Mitsotakis, with whom I have a very cordial relationship, most cooperative relationship. I talked to him just the other day on the phone.

We are committed to maintaining the close cooperation that has developed with his government, and we will continue to serve as a catalyst in the U.N. Secretary-General's effort to negotiate a fair and a permanent settlement to the Cyprus issue. In our view, there is one Cyprus, and we are going to continue to heal the division that scars this lovely island. Now, we have consistently made clear our view that the time has come to settle this question, and I am going to continue to give it my personal attention. We're also sensitive to Greek concerns about the breakup of Yugoslavia. And I've been in touch again, I mentioned, with my dear friend Prime Minister Mitsotakis about this highly sensitive issue. And as his Government works towards a solution to this, it can be assured of our support.

Neither Greece nor America is a stranger to the struggle for freedom. And as allies in NATO we've worked in common cause to preserve the peace. Today we remember that our ideals and values have been preserved at high cost, the valor and sacrifice of our nations' finest young men and women. Greek heritage is, in so many respects, American heritage. And I'm deeply moved to realize how important it is to interpret for future generations the significance of our independence days. We must not forget, and we cannot let our children forget, lest the struggle

be repeated. And so we celebrate these anniversaries of freedom, and we tell the old stories in order to preserve that which we value so highly.

This morning I want to commend the Greek-American community for the way you've preserved your traditions. The Greek-American culture continues to provide a model for greatness. I can cite many examples, but I want to particularly commend the value that this wonderful community places on family and on tradition. Through your commitment to strong families, those great traditions have endured, and your culture has thrived in this new land. These values, the ones that we pass along from one generation to the next, are the greatest of all legacies. But these are not just a comfortable luxury. They are a vital part of the social capital that a nation must possess if it's to be great, but more significantly, if it's to be good.

Today as we join with you to commemorate the 171st anniversary of Greek independence, we also celebrate Archbishop Iakovos' 33d year as Archbishop of the Americas. As His Eminence was at the forefront of the march for civil rights, now the Greek-American family is at the forefront in the modeling for today's generation those enduring personal and family values that are the necessary underpinning for continued democracy and freedom.

I still remember Archbishop Iakovos' benediction at our convention in 1988, and he prayed in a nonpartisan way, I want to say. But he prayed that we would, and here was the words, ``Carry, renew, and redefine the legacy and mandate to keep this Nation under God in an unending quest for unity, justice, moral integrity, and spiritual alertness and readiness." On this Greek Independence Day, let that be the prayer and the challenge to us all.

And now it is my real pleasure to put pen to paper and proclaim Greek Independence Day: A National Day of Celebration of Greek and American Democracy.

Note: The President spoke at 11:18 a.m. in the Rose Garden at the White House. In his remarks, he referred to Christos Zacharakis, Greek Ambassador to the United States, and Panayiopis Angelopoulos, Greek industrialist. The proclamation is listed in Appendix E at the end of this volume.

Statement on House of Representatives Action To Sustain the Tax Bill Veto

March 25, 1992

I am pleased that the House of Representatives has voted to sustain my veto of the Democratic tax increase. This 215 - 211 vote indicates broad support for my position in both parties. We don't need a tax increase. We do need an economic growth package that will spur savings and investments in this country and create new jobs. I am hopeful that the many Democrats who gave us majority strength on the veto vote might join us on proposals to speed the economic recovery.

Statements by Press Secretary Fitzwater on the President's Physical Examination

March 26, 1992

The President is in great shape. He completed a routine physical examination today at Bethesda Naval Hospital and is in excellent health. The President's examination lasted approximately 4 hours. The physical was conducted under the direction of Dr. Burton Lee, the President's personal physician. ``The President remains in excellent health," Dr. Lee said. ``He will continue his normal busy work schedule and physical activity."

Ophthalmologists continue to test the President for the raised pressure in his left eye, but his condition remains stable and there is no evidence of any development of glaucoma signs or symptoms. No treatment is indicated at the present time.

Among his test results are: chest x-ray, normal; x-rays of hips and neck, mild degenerative osteoarthritis; electrocardiogram (EKG), normal; urinalysis, no abnormalities; normal urologic exam; blood tests completely normal including cholesterol, triglyceride, and lipoprotein levels; and dermatology, no significant problem or change. There is no evidence of any heart disease. His thyroid function remains completely normal, on Synthroid .15 milligrams a day.

[Later in the day, Press Secretary Fitzwater issued the following additional statement on the President's physical examination.]

The President's physical checkup this morning showed no evidence of skin cancer. However, the doctors did ``freeze" with liquid nitrogen four very minute keratoses on the President's face. These will appear as small dark spots on the President's face and will disappear within a few days. The President has had keratoses removed on previous occasions over the years.

Remarks to the Coalition for the Restoration of the Black Family and Society

March 26, 1992

Welcome, everybody. Please be seated now and relax here. First, let me just say how pleased I am -- and I know you'll be, to hear from Lamar Alexander -- but pleased I am that he's here. And you talk about something important for our Nation: What he is doing in working for a program that I'll just touch on today but that I think about every single day, our program America 2000, this chance to revolutionize, literally revolutionize American schools to give these kids a break, make them competitive in the future, it's just wonderful. So I know you're going to enjoy hearing from this former Governor who is now working so hard as a Cabinet member to do something for the kids and also, I might say for the teachers, those of you who teach. And so he's here, and you'll be hearing from him.

This, for me, is a very wonderful occasion. I'm looking forward to it. It's not just that I passed my physical a few minutes ago with flying colors. But you know, you always wonder about those things, you know, when you go out to get all this probing and checking, et cetera. But in any event, I feel blessed in that sense.

And let me just -- a few serious comments. I have tried as President to preserve and strengthen three significant legacies: world peace, productive jobs for all here in this country, and then strong families. And when it comes to family, I think maybe Barbara said it the best. She said, ``What goes on at the White House is not nearly as important as what goes on in your house." And what she was saying was emphasizing the importance of family, the importance of parents reading to kids, families staying together in these troubled times.

And I don't have to remind this group of committed leaders of the disturbing trends that we are bucking. You're fighting them in your neighborhoods, in your churches, and in your communities every single day, with broken hearts. And your hearts have already been stirred by the forces that threaten the American family and society.

And so let me put it this way: In too many cases, if our Government had set out determined to destroy the family, it couldn't have done greater damage than some of what we see today. Too often these programs, well-intentioned, welfare programs for example, which were meant to provide for temporary support, have undermined responsibility. They've robbed people of control of their lives, destroyed their dignity, in some cases -- and we've tried hard to change this -- encouraged people, man and wife, to live apart because they might just get a little bit more to put in their pockets.

We've got to do better. I know we've got a lot of reverends here, and I know I'm preaching to the

choir -- [laughter] -- but let me just say this: No group is more aware of the necessity for character-based solutions in communitywide efforts than this coalition. And I want to assure you of our commitment to those same guiding principles, the principles that you try to inculcate into your parishes, into your schools, into your neighborhoods. No one cares more about it than we do. And I just want you to know we are committed. And I want to assure you of my confidence in this partnership, my support for your leadership out there, as I say, on the front lines of the battle for our Nation's families.

I have appointed a commission. You sometimes hear, ``Oh, there he goes, one more commission." The mayors came to see me from the League of Cities, large cities like Los Angeles, small cities like a small community out in North Carolina, Plano, Texas, a wide variety of mayors. And they said, ``The one thing that we think really gets to the fundamentals of the deterioration in the cities is the deterioration of the American family." So we put together this Commission to take a hard look at how do you strengthen the family, what legislation do you take away that may be dividing families, what legislation can we encourage to help the families and those that are trying to educate their kids and keep things together. And that Commission I look forward to hearing from. The Chairman of it is Governor Ashcroft out there in Missouri. Mayor Strauss, Annette Strauss, former Mayor of Dallas, is Cochair. And we've got a good Commission who share your views on family. I think the Commission will help a lot.

We've got to create new incentives for excellence. And Lamar will talk to you about that as how it fits into our education program. One incentive: school choice. We have to give all parents, not just the wealthy, the power to choose. And the schools that aren't chosen, as Lamar will explain, then improve themselves. There's a great record of that. And so we need your help there, the power to choose which schools serve the kids the best. And that means public; it means private; it means religious. And I don't believe that's against the Constitution.

We have shown that when we work together we can get the job done. And I want to thank everybody here that helped on the nomination of Clarence Thomas to the Supreme Court. He will be an outstanding Justice.

I know you can't do it alone, and I can't do it alone. But I want you to know I am going to continue to do what I can to bring down the walls of intolerance and prejudice in this country. I spoke out about it, will continue to speak out about it. I got a great joy in standing on the steps of the Mississippi capitol and saying in front of, whatever it was, 5,000 - 10,000 people, that there is no place for anti-Semitism or for racial bigotry or prejudice in this country. It is not regional. This is a national thing. And there's just as much tolerance or intolerance in States in the North or South or East or West. This is a national problem. And we've got to do what we can to make things better, to make things a little less ugly.

When economic conditions are tough, then we find people resorting to prejudice. We find neighbor looking at neighbor suspiciously. And we've got to try to change this. And so I will -- I

just wanted you all to know not only am I aware of the problem, but I want to do my level-best to be a constructive influence for change.

One thing that's vital to the family is a strong economy. And we're working to improve it. And I need your help on another issue, an issue that points out the urgent need for economic revival and Government reform.

Last week the Congress tried to put through a massive tax increase, the kind that would have stopped, in my view, stopped our economic recovery that's starting dead in the tracks. And I told Congress I'd veto that bill, and I did it. And yesterday the House leadership, Democrats, tried to override my veto. You may not have seen much on this, but what was meant to be a show of strength simply put a spotlight on disarray up there. Not only did the Democrats fail to muster enough votes to override that veto, but they failed to sustain the simple majority that passed the bill last Friday in the first place. And that is almost unheard of. I'm told this is the third time that's happened this century, first time since 1972, twice in the last 60 years. So I want to thank those Members of Congress from both parties who had the courage of their convictions to say no to more taxes on the American family.

That is a beginning. It is not enough. And if Congress really wants to help get this economy moving now, now that we've gotten this underbrush out of the way, to help me create jobs and revive hope, then I say pass this incentive plan that I have up there and to put America back to work.

We know we can't wait for Congress to see the light. And so, beginning today, I've asked a couple of Congressmen, Senator McCain of Arizona, Congressman Harris Fawell of Illinois, to formally introduce our request for rescissions. There are 68 Federal projects that we don't need. They are not related to jobs, and we simply cannot ask the taxpayers, given the needs that you all are aware of, to pay for things that aren't necessary in these troubled times.

So under the rules, what I've proposed now gives Congress 25 days to act, to uphold the cuts that we want to make, or they have to then stand up in broad daylight in front of you, their constituents, to go ahead with a vote, up or down, on spending that we simply don't need. We may see Congress resort to a lot of political gimmickry to get away from having to cast such a vote in the sunlight, but I think we owe it to the American family and everyone who works hard and struggles to make ends meet to hold the line on spending that is unnecessary. And we're going to keep doing that.

Also this week, the leaders who control Capitol Hill did something else: They began a new effort to remove the spending caps. That's the only protection the taxpayer has, the only defense he has against the excesses of Government spending, these enormous deficits that add to the mortgage on the future of my grandchildren and your children -- you're all younger. [Laughter] So the Democratic leadership wants to kill those caps so Congress can then go ahead and spend more.

And we simply cannot let that happen.

What we're seeing today is the beginning of a battle between those who want to change things up there and those who want to stick with the status quo. And I say, let the status quo people be warned: We are going to be making these changes, taking the case to the American people.

You see, I am very confident about this country. I know we've been through an awful lot. But America will be restored not just through Government, not Government meddling, empty slogans, symbolic gestures, but by strong, clear voices of reason and then consistent acts of responsibility. And we are going to be restored not by outsiders coming in with a better idea but by people who are passionate about, and this is where you all fit in, passionate about reclaiming your streets, rescuing the kids from the forces that literally would destroy them. And we will be restored. We've got to see our drug program succeed. We've got to see Lamar's program and mine, America 2000, be a success. And there's the challenge.

I thank you for what you've done, teachers, pastors, neighbors, friends. We are not about to give up on the United States. And you know, we've got a lot of blessings out there. Your kids and mine go to sleep at night with a little less fear of nuclear war. That's good. That's a good thing. Now, let's take what we did to change the world and use it working with you all to constructively change America.

Thank you very, very much for what you're doing. Good luck.

Note: The President spoke at 3:11 p.m. in Room 450 of the Old Executive Office Building.

Nomination of Karl A. Erb To Be an Associate Director of the Office of Science and Technology Policy

March 26, 1992

The President today announced his intention to nominate Karl A. Erb, of Virginia, to be an Associate Director of the Office of Science and Technology Policy. He would succeed William D. Phillips.

Currently Dr. Erb serves as Acting Associate Director of Physical Sciences and Engineering in the Office of Science and Technology Policy, Executive Office of the President. Prior to this he served as Assistant Director of Physical Sciences and Engineering in the Office of Science and Technology Policy, 1989 - 91. In addition, Dr. Erb served with the National Science Foundation as Deputy Director of the Physics Division, 1991 - present, and Program Director of Nuclear Physics, 1986 - 91.

Dr. Erb graduated from New York University (B.A., 1965) and the University of Michigan (M.S., 1966; Ph.D., 1970). He was born June 30, 1942, in Chicago, IL. Dr. Erb is married, has two children, and resides in Arlington, VA.

Remarks to the Medal-Winning Teams of the National Science Olympiad

March 27, 1992

Everybody please be seated, and welcome, welcome. Well, I'm glad our previous meeting didn't run late, or I'd have had to bring a note from Barbara. [Laughter] But it is so great to see all of you and to be here with two of our very, very best: Secretary Watkins, Secretary of Energy, also has this compelling and overriding interest in things educational; and also Lamar Alexander, our Secretary of Education, who is leading from that Department for what we call America 2000, that I'll touch on in a minute. I'd like to greet the two up here also, Mr. Cairns and Mr. Putz, our leaders, your leaders, and thank them for their vision and for all they're doing. Their successful State competition has really inspired the Olympiad program. And most of all, though, let me welcome all of you, the very special young men and women here representing the 10,000 schools and the 1.5 million students who take part in the special Olympiad. Congratulations on your victory in America's olympics of the mind.

I know a lot of you are not only looking back with pride on last year's victory, but you're looking ahead to May 16th at Auburn, especially the teams from Grandville and Jenison Junior Highs. And you should be up for awards in the juggling event, too, because the way you can be in Washington with me today and then home in Michigan at your State olympics competition tomorrow is pretty good.

I am tremendously impressed by all of the students and, of course, all the teachers and by the incredible scope of activities in which you participate. You're really like decathlon athletes, good at so many varied skills like problem solving and test taking, device building.

I've looked over some of the things you've had to do to win in the Olympiad, and I'd never be able to build a musical instrument out of nonmusical materials or identify the age of reptiles. Mesozoic, I'm told is the correct one there for you amateur paleontologists. That's also around the time that dinosaurs started eating broccoli, your history books will tell you. [Laughter] I don't want to get off of this subject, but did you notice the other day they said broccoli is good for your health? I've felt it was a medicine all along. [Laughter]

So anyway, you've worked all year to get where you are, competing in 32 individual and team events in subjects like biology and chemistry, physics, Earth science, and computers.

You know, I might just be able to compete after all. Last year, at the urging, the insistence of Secretary Alexander, who is a very persistent fellow, I started to learn how to work a computer. And it's taken me a while, but a couple of months ago I wrote my first program. I called it ``Michelangelo." [Laughter] And I wonder -- I'm never quite sure what ever happened to it.

[Laughter]

No, but seriously, you know, Lamar makes the point that nobody is too old to learn. And so he said, ``You've got to do something.'' So I know I could learn from everybody in this room about it, but I'm really enjoying it, sending out memos and trying to master what you all know so much about. You're more than smart, and you're more than hard-working teams, I've heard. You're the best ambassadors that this country has. You show who we can be and what we can do if we just put our minds and our great American genius to work. And I am proud to honor you today because your Nation is proud to claim you, proud to recognize your achievement.

You've shown the kind of excellence that will help us meet the ambitious goals that we've set for our Nation in this America 2000 education strategy that I mentioned. We know we've got to be competitive all across the board, but we especially have to be competitive in math and science in this changing world. Our economic health, our economic survival depend on how we educate ourselves to face the challenges out there. We've called on our kids to be number one in the world in math and science by the turn of the century. And you are visible proof that we can do it.

I'm sure you've heard the results of the most recent science study of American students. And those scores simply reinforce the fact that science must be made a priority. We're serious about science and math. We've requested over $2 billion in Federal spending on math and science education in next year's budget. If my math is correct, and with this crowd out here it had better be, that's an increase of 123 percent in the last 3 years.

We also want to bring new technology into the classroom so kids can interact with astronauts and explorers and scientists, so rural schools can have access to state-of-the-art resources, and so all American kids can be exposed to the cutting-edge technologies and ideas that will shape their future.

Each one of you has learned for yourselves the true meaning of math and science. Before the numbers and the charts and tables, there is the question and the quest. And we've got to harness that same spirit of innovation, that same sense of discovery to reinvent American education, to turn our backs on the status quo, break the mold, and build a new generation of American schools. We've got to create new incentives for excellence like school choice, by giving parents the power to choose which schools serve their children best, public, private, religious.

And if we're really serious about excellence in education, we've got to recognize that renaissance begins with revolution. Real excellence demands commitment, not just from government but from everyone in every community, as we move this Nation towards achieving those six national education goals. It demands talented men and women giving their time to become tutors, mentors, and classroom assistants. I call them Points of Light. It demands businesses, churches and synagogues, civic groups forming partnerships to support local schools, working together towards what we call America 2000 communities, places where education doesn't just happen in

the classroom, places where education means lifelong learning. Together, we really will reinvent the American school, community by community, neighborhood by neighborhood, all across the United States.

The Science Olympiad program shows us the way, lights the way. It brings together 3,000 volunteers, teachers, parents, business people, each one working to strengthen excellence in his or her own community. Folks like the neighbors of Pierce School, who ran car washes, sold candy, collected contributions to raise $12,000 so their team could go to the nationals. I hear even the fourth graders in the nearby Exton School raised $10, and when you're trying to get by on an allowance, $10 is a small fortune.

And you're all here today because of volunteers like these across this country. And you're here because you're not afraid to reach out for excellence. And that's why I was determined to come over here to salute you. We think of the scientist who one day will discover the cure for cancer, find the formula to guarantee against AIDS, or use technology to wipe out hunger. And we realize that today that man or woman is a student in a science class somewhere. Maybe it's a kid who will catch a spark from this program, a spark that will change his life, her life, and in the process literally change the world. The Science Olympiad has that kind of power.

So, congratulations on your achievements, on bringing to academic competition the pride and enthusiasm usually known in sports contests, and on making learning exciting. So good luck in everything you do. And when one of you kids can prove who started the Michelangelo virus, just remember: My name is Dana Carvey. [Laughter].

Now, thank you all for coming.

Note: The President spoke at 12:50 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to John Cairns, science supervisor, Delaware Department of Public Instruction; Gerard J. Putz, science consultant, Macomb Intermediate School District, Macomb County, MI; and comedian Dana Carvey.

Statement by Press Secretary Fitzwater on Trade With the Former Soviet Union

March 27, 1992

The remarkable changes occurring in Russia and the other new States of the former Soviet Union offer the United States Government and the private sector unique opportunities to expand trade with these countries, especially in high-technology areas that have not before been readily available to us.

The administration's policy is to actively seek opportunities to acquire goods, services, and technologies from the new republics that benefit our economic and other security interests and to encourage private business to expand their search for new opportunities. We are particularly interested in access to new technologies that can be acquired economically. To facilitate this process we are moving to eliminate restrictions that prevented normal trade during the cold war. We are therefore announcing today several steps to promote greater levels of trade with these countries consistent with our firm support for democratic and market economic reforms.

First, the administration will promote a greater exchange of technology between our countries in an area once closed by both sides. Specifically:

We will authorize the procurement by the Department of Defense of the Russian Topaz space power unit that will give us access to new technology at a significantly lower cost than if we were to try to develop it ourselves.

We will also authorize the purchase by the Department of Defense of four Hall thrusters which have possible applications for efficient orbital transfers of satellites, and we have approved a license application for a private U.S. firm to proceed towards the purchase of these devices.

We will authorize a purchase of plutonium-238 from Russia, an isotope of plutonium not used in nuclear explosives. This purchase will allow us to meet NASA schedules for needed space power supplies economically and without the need to restart a nuclear reactor to do so.

Second, we are also working to remove remaining barriers to commercial imports of nonmilitary items involving the private sector. In those few instances where import licenses may be required, we will review such licenses expeditiously.

Third, I would also note that the United States and our allies have reduced COCOM controls by over two-thirds and will continue to work to ensure that we maintain only those controls on high-technology trade that are needed to protect our most vital security interests. In that regard, the American business community should be assured that export licenses for civilian transactions

will be processed expeditiously.

These transactions clearly signal our desire to normalize trade with the new States.

Additional details are available in a separate fact sheet.

Nomination of Roman Popadiuk To Be United States Ambassador to Ukraine

March 27, 1992

The President today announced his nomination of Roman Popadiuk, of New York, a career member of the Foreign Service, to be Ambassador to Ukraine.

In January 1989, the President appointed Mr. Popadiuk to be Deputy Assistant to the President and Deputy Press Secretary for Foreign Affairs, a position he holds to date. In President Reagan's administration, Mr. Popadiuk served as an Assistant Press Secretary from July 1986 until March 1988, when he became Special Assistant to the President and Deputy Press Secretary for Foreign Affairs. In October of that year, the President appointed him a Deputy Assistant.

Mr. Popadiuk has been a career Foreign Service officer since 1981. He served in Mexico City from 1982 to 1984, where he did consular and political work and was special assistant to the Ambassador. From 1984 to 1986, he had a tour with the Department of State and the National Security Council. Prior to joining the Foreign Service, he was an adjunct lecturer in political science at Brooklyn College in New York City. Mr. Popadiuk was awarded the Meritorious Honor Award in 1987 and the Superior Honor Award in 1992 by the U.S. Department of State. In 1991, Mr. Popadiuk received the ``Ukrainian of the Year'' annual achievement award from the Ukrainian Institute of America, Inc.

Mr. Popadiuk was born in Austria on May 30, 1950. He graduated from Hunter College (B.A., 1973) and City University of New York (Ph.D., 1980). He is married to the former Judith Ann Fedkiw. They have four children and reside in Bethesda, MD.

Radio Address to the Nation on Domestic Reforms

March 28, 1992

Good morning.

Many have called the 20th century the American Century. The question before us today is about the next century, looking just a few years ahead.

Let me tell you a story that will help shape that century, a story you probably haven't heard about. It's about a battle between those who want to change things and those who want to protect the status quo. And in this battle those who support change are telling those who want to stand pat: Lead, follow, or get out of the way.

Wednesday, those words were heard loud and clear. I'm talking about how the Democratic Congress couldn't muster a two-thirds majority -- incredibly, couldn't even get a majority -- to override my veto of the liberals' latest tax increase. This story you haven't heard about is also unheard of. Only twice before in the last 60 years has the House failed to muster a simple majority to override a veto.

Congressional liberals suffered this defeat for a simple reason: Americans measure progress in people helped, not dollars spent. And that's why I'm going to continue the fight to keep a lid on Federal spending. It's also why I asked Senator McCain of Arizona and Congressman Harris Fawell of Illinois to formally introduce legislation to endorse the 68 rescissions I announced last week to cut nearly $4 billion in waste from a bloated Federal budget.

Unlike liberal Democrats, given our big deficit, I don't think the Federal Government can afford to fund prickly pear research or study asparagus yield declines. Those who reject these pork barrel projects will stand with me and the American taxpayer. Those who support them will have to explain in November why the public interest has been denied.

If enough Members demand it, Congress must vote on each of these bills, yes or no, up or down. I'm going to work with those who want the Congress to be accountable and fight those who will try to block our initiatives through parliamentary gimmicks. I know that Government is too big and spends too much. And now let's see where Congress stands. Stay tuned, keep listening. We'll find out who really wants to cut spending and who just wants to keep the pork.

In a world more driven by economic competition than ever before, the challenge I am referring to is crucial to our future. I mean reform of the American Government. During the last decade, one institution after another has looked within itself, decided on improvements, and acted to fix its problems and reflect its principles. Our task now is to bring that process of reform to the United States Government. All of us know Government's problem: Too often it is not

accountable, not effective, not efficient. It's not even compassionate. Only by changing it can we protect America's general interest against selfish special interests.

My rescissions will help knock out one part of the special interest problem at work in Congress today, but the changes I want are even bigger. I want to end the PAC contributions which are corrupting our system. I want to place term limits on Congress, and I want to lead the American people in making changes that will make the 21st century another American century.

One challenge is to make our people educated, literate, and motivated to keep learning. And that's why I'm trying to reform our education system from top to bottom.

Our people must have a sense of well-being about their health and that of their children and families. My health care reform plan will guarantee them access to the finest health care system in the world and make that care affordable.

And next, help me return our civil justice system to its original purpose: dispense justice with civility. Eighteen million lawsuits a year are choking us, costing individuals and businesses billions, a tremendous drag on our morale as well as our economy.

And in the next century, as we look at the likely economic competition as well as the likely opportunities, they will be beyond our borders. That means we must open up more foreign markets to sell our goods and our services and to sustain and create jobs for our people.

Reform of Government, education, health care, our legal system, opening markets abroad: addressing these issues is fundamental to America's future. Already America has changed the world. Today I'm asking you to help me change America. If Congress won't change, we'll have to change the Congress. The battle has been joined, and it's your future that we're fighting for.

Thank you for your support. And may God bless the United States of America.

Note: This address was recorded at 10:30 a.m. on March 27 in the Oval Office at the White House for broadcast after 9 a.m. on March 28.

Remarks to State Attorneys General

March 30, 1992

Well, may I salute Ken Eikenberry and Jeff Amestoy and all the State attorney generals, and salute also -- whoops, there he is down there -- our own Bill Barr, who I think is doing an outstanding job. And I know he's working closely with everybody in this room.

Bill has his forces moving out on several fronts, from tort reform to relief of prison overcrowding. We've also started what we call the ``Weed and Seed'' initiative, our plan to get the roots, rip them out, of the inner-city violence, and then plant seeds of hope with more educational opportunity, with more job training, with a new approach to health care. And then we are going to keep hammering away on the need for enterprise zones. This plan joins Federal, State, and local forces to go after and to take back our hardest hit neighborhoods. They're crucial missions, and I am determined to see them achieved and let nothing stand in the way.

The efforts of the Justice Department help shape the kind of legacy that we leave for future generations. And our children must inherit a society that is safe, is sane and just. And I've also spoken of other meaningful legacies like jobs and a world at peace and certainly strong families. The American heritage which I describe is one where children can sit on their porch without the fear of getting caught in an ugly crossfire, where decent people don't have to hide behind locked doors while gangs roam the streets, where the message is clear: When it comes to the law, if you're going to take liberties, you're going to lose your own; you're going to pay.

We cannot pass this legacy onto our children tomorrow unless we start going after tough crime legislation today. And for 3 years running, we have called on the Congress to pass a tough crime bill. We've pushed hard. Many of you have been at our side in trying to get something done. I want a bill that won't tie the hands of the honest cops in trying to get their jobs done, one that shows less sympathy for the criminals and certainly more for the victims of crime. And most of all, I want to get a crime bill that I can sign.

But law and order mean more than just safe streets and bigger prisons. Reforming the system also means going after public corruption in our cities and our States, the rot that eats away at our institutions and at our trust. Over the past 3 years, this administration has moved aggressively to hunt down corruption and stop it dead in its tracks.

For the record, in '89 and '90 alone the Department secured over 2,200 convictions, 2,200, in public corruption cases. Judges, legislators, and law enforcement officials, part-time crooks, full-time fakes: Nobody is immune. And this kind of crime does society real harm because these swindlers aren't satisfied merely with making crime pay; they stick the taxpayer with the tab. And millions and millions of hard-earned tax dollars are disappearing from public treasuries every single year and showing up in corruption's back pocket. And this is money that could be

building roads or balancing budgets. I am preaching to the choir on this subject because you all are out there on the cutting edge, on the front line all the time, trying to do something about the problem.

But the problem is greater than a few individuals who stopped caring. The problem is a system that has stopped working. And the old bureaucratic system of big Government has ground to a halt. And it's not accountable; it is not effective; and it is not efficient. It's not even compassionate. And the chronic problems we see today are sad proof that the old approaches are producing new failures.

So in this election year, it's understandable, I'm sure, that we hear a lot of talk about change. You all have been fighting for change. I think I have. And yes, the time has come for change, far-reaching, fundamental reform. That's the kind of change that this country needs in the fighting-crime field; not just in fighting crime, incidentally, and not just in Government but all across the board.

And that's why I've -- proposing school choice reform -- just finished almost an hour meeting with our Secretary of Education on that one -- so that choices about education can be made from the kitchen table, not from the halls of bureaucracy. Where it's been tried, it has been effective in improving the schools that are not chosen as well as those that are.

And I've proposed a health care reform to improve access for those who need it the most.

Legal reform, we need your help on. We've got good proposals up there on Capitol Hill. Our legal reform is shaped so that Americans can start solving their problems face to face instead of lawyer to lawyer. I'm amazed at the number, the great increase in lawsuits that is really putting a damper on so many aspects in our society.

The kind of change that I'm describing is hard. It has its enemies, and the battle lines have been drawn: the allies of change versus the defenders of the status quo. So, I want to make it very clear which side I'm on; I know which side many of you are on.

So, let the cynics say that this is only a fight for the next election. We know it's a battle for the next generation. And I'm very glad you all are here. And what we'll do is go over here, and I'd love to have suggestions from you as to how we might be doing our job better down here. And of course, I'd be glad to take questions. If they're technical, I'll kick them off to perhaps the most able Attorney General a guy could hope to have with him.

Thank you all very much.

Note: The President spoke at 10:36 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Kenneth O. Eikenberry, attorney general of Washington, and Jeffrey L.

Amestoy, attorney general of Vermont.

Exchange With Reporters Prior to Discussions With President George Vassiliou of Cyprus

March 30, 1992

Cyprus

Q. President Vassiliou, are you going to ask the United States to pressure Mr. Denktash to make some progress?

President Vassiliou. Well, I am grateful to the President for his support for a solution of the Cyprus problem, and I'm sure that the fact that he's meeting here, with him in an election campaign period, is the best proof of his interest. And I'm grateful.

President Bush. I am interested, and I just hope we can help. Our Ambassador's been wonderful and tried, a Special Ambassador, but now he's going on to greater pursuits. But we can't let him get too far away because he's very interested in all of that. No, but we'll talk about it, and I think your visit up there in New York probably is very important. I hope the new Secretary-General is energized. He told me he wants to be.

President Vassiliou. He's very interested. He wants to do it, and he needs your support.

President Bush. Well, you can -- --

Q. Mr. Denktash said he would like to meet you someplace.

President Vassiliou. Meetings are always easy to arrange; what is important is to have willingness to solve the problem.

Aid to Former Soviet Union

Q. Mr. President, sir, are you going to send your Soviet aid package up to the Hill tomorrow?

President Bush. Listen, I can't tell you that right now. But we've been working on one for a long, long time, as you know. As I indicated Sunday, we'll have something to say on that very soon. I can't say about tomorrow, any package going up.

I don't think people know how long it takes. This is the Soviet -- we've been working on this for 6 months, and we get a lot of people telling us, well, you've got to -- I mean, it's very complicated when you're trying to get the whole world to come together on it.

[At this point, one group of reporters left the room, and another group came in.]

Cyprus

Q. Mr. President, is Turkey to blame for the current impasse in the Cyprus talks?

President Bush. We're going to have a good talk about Cyprus. Anytime I see my friend, the very able President here, we have good, fruitful discussions. And I'm anxious for him to bring me up to date not only as to how things were at home when he left but how his talks in the United Nations went. As you know, the United States has felt that the United Nations has had and will continue to have a key role in all of this. So secondly, I hope the President knows that we have tried, with various interested parties, to be helpful. Sometimes you think you take a step forward, and you end up sliding back a little bit.

President Vassiliou. Yes.

President Bush. And I want to see what we can do to be sure that now, at this critical time, we don't take a step backwards. But I'm available. The United States is interested in trying to help solve this problem, and I need to hear from President Vassiliou what he thinks now I should be doing as President. We're going to stay right involved with him. It is very important.

Q. Mr. President, how much can one expect in this election year in the United States?

President Bush. The election will have no adverse effect on our efforts, either in terms of my commitment of time, whatever is necessary for me to commit. If that's what it takes, I'll make such a commitment right here.

Secondly, there is no political division on this. The American people are not off in 25 different camps like we are on a lot of other issues. We want to see if we can be helpful to the solution of this problem. So there's nothing in the political arena that would keep an administration at this election time from staying involved and trying to be constructive on a policy question.

Q. Mr. President, do you expect that the problems possibly could be solved this year?

President Bush. Listen, I thought it was possible to solve last year, and we tried, as you remember. I paid a visit to Greece, a visit to Turkey, and there was where we thought we might have helped take a step forward. But we'll keep working on it, and again I'm interested in hearing what the President has to say about this.

Q. Mr. President, how do you address the Greek -- [inaudible] -- on the Macedonian issue?

President Bush. Carefully. [Laughter]

Thank you all, and welcome.

Note: The exchange began at 4 p.m. in the Oval Office at the White House. Rauf Denktash was the leader of the Turkish community in Cyprus, and Ambassador Nelson Ledsky was U.S. Special Cyprus Coordinator.

Statement by Deputy Press Secretary Smith on the President's Meeting With President George Vassiliou of Cyprus

March 30, 1992

The President met today with President George Vassiliou of Cyprus. The two leaders discussed the current status of the United Nations-led effort to negotiate a fair and permanent settlement to the Cyprus dispute. The President pledged continued U.S. support for the U.N. process and discussed with President Vassiliou ways in which the parties might work to generate greater progress in the talks in the coming months.

Remarks at a Meeting With Health Care Representatives

March 31, 1992

One, we want change; everybody knows we need it. We want more accessibility; everyone knows we need that. Two, we want to retain the quality of health care that has singled out the United States. And under our plan I believe we not only retain the quality, but we will be able to provide the access. And you're right, market -- let that work on this. And let's not turn to a socialized medicine scheme that sounds good and that's going to cost the taxpayers an arm and a leg. So, we'll keep on it.

But I want to just find out in a little more detail what more we should be doing here because we are very grateful to HEAL for this support. And when you see a coalition of this magnitude working for this common end, it gives me great confidence we can get something done. That's the main thing: Help those people that need help, and do it in a sensible and sound way.

So, we'll see how we go.

Note: The President spoke at 11:17 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to the Health Care Equity Action League (HEAL).

Message to the Congress Reporting on the National Emergency With Respect to Export Controls

March 31, 1992

To the Congress of the United States:

1. On September 30, 1990, in Executive Order No. 12730, I declared a national emergency under the International Emergency Economic Powers Act (``IEEPA") (50 U.S.C. 1701, et seq.) to deal with the threat to the national security and foreign policy of the United States caused by the lapse of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401, et seq.), and the system of controls maintained under that Act. In that order I continued in effect, to the extent permitted by law, the provisions of the Export Administration Act of 1979, as amended, the Export Administration Regulations (15 C.F.R. 768, et seq. (1991)), and the delegations of authority set forth in Executive Order No. 12002 of July 7, 1977, Executive Order No. 12214 of May 2, 1980, and Executive Order No. 12131 of May 4, 1979, as amended by Executive Order No. 12551 of February 21, 1986.

2. I issued Executive Order No. 12730 pursuant to the authority vested in me as President by the Constitution and laws of the United States, including IEEPA, the National Emergencies Act (``NEA") (50 U.S.C. 1601, et seq.), and section 301 of title 3 of the United States Code. At that time, I also submitted a report to the Congress pursuant to section 204(b) of IEEPA (50 U.S.C 1703(b)). Section 204 of IEEPA requires follow-up reports, with respect to actions or changes, to be submitted every 6 months. Additionally, section 401(c) of the NEA requires that the President, within 90 days after the end of each 6-month period following a declaration of a national emergency, report to the Congress on the total expenditures directly attributable to that declaration. This report, covering the 6-month period from October 1, 1991, to March 31, 1992, is submitted in compliance with these requirements.

3. Since the issuance of Executive Order No. 12730, the Department of Commerce has continued to administer the system of export controls, including antiboycott provisions, contained in the Export Administration Regulations. In administering these controls, the Department has acted under a policy of conforming actions under Executive Order No. 12730 to those required under the Export Administration Act, insofar as appropriate.

4. Since my last report to the Congress, there have been several significant developments in the area of export controls:

-- In light of the ongoing changes occurring in Eastern Europe and the former Soviet Union, the Department of Commerce has been working with officials of Bulgaria, Czechoslovakia, Hungary, Poland, and republics of the former Soviet Union to implement and strengthen their

export control systems, including pre-license inspections and post-shipment verifications. We are also engaged in activities with these countries to assist in the prevention of proliferation of weapons of mass destruction and corresponding technology. These developments will allow for enhanced and much-needed trade in high technology items and other commodities in the region, while helping to prevent unauthorized shipments or uses of such items.

-- In my last report I noted that, following negotiations with our Coordinating Committee (COCOM) partners that produced a streamlined Core List of truly strategic items subject to multilateral national security controls, the Department of Commerce implemented a new Commerce Control List (CCL), effective September 1, 1991 (56 F.R. 42824, August 29, 1991). During the current reporting period, the Department issued a conforming regulation, effective January 7, 1992, to bring the CCL into line with special country- and commodity-based controls. In this action, foreign policy provisions in the Export Administration Regulations (EAR) were revised to adjust and expand controls on Iran and Syria. Controls affecting countries designated by the Secretary of State as supporting international terrorism were also revised, with Iraq added and Yemen deleted from the list. Additionally, the transfer from the Department of State to the Department of Commerce of licensing jurisdiction over certain civil aircraft inertial navigation equipment was implemented (57 F.R. 4553, February 6, 1992).

-- Our efforts to address the threat to the national security and foreign policy interests of the United States posed by the spread of weapons of mass destruction and missile delivery systems remain ongoing. In this vein, we continue to work with our major trading partners to strengthen export controls over goods, technology, and other forms of assistance that can contribute to the spread of nuclear, chemical, and biological weapons and missile systems:

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The United States has been working with its partners in the 22-nation Australia Group (AG) to harmonize export controls related to the proliferation of chemical and biological weapons (CBW). At the December 1991 meeting, the participants agreed to control the export of certain biological organisms and CBW-related equipment. The list considered for possible adoption by the AG in this effort is nearly identical to the draft submitted by the United States.

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Additionally, the 27-nation Nuclear Suppliers Group, in which the United States participates, is expected formally to establish a multilateral regime to control nuclear-related, dual-use items along the lines of the nuclear referral list currently administered by the Department of Commerce.

d

In the area of supercomputers, we have agreed on a supercomputer safeguard regime with Japan and will be negotiating with our European trading partners to expand this regime. Supercomputer exports involve sensitive national security and foreign policy interests such as cryptology, strategic defense, and submarine warfare; the multilateral safeguard regime is therefore intended to establish uniform and effective international policies and procedures to protect supercomputers from unauthorized end-uses and end-users.

Developments in the Missile Technology Control Regime (MTCR) include revision of the MTCR control list or ``Annex," and the inclusion of missiles capable of delivering all weapons of mass destruction within the scope of the MTCR, not just those capable of delivering nuclear weapons, which were originally designated as the focus of the regime.

-- In response to commitments made by the People's Republic of China (PRC) to adhere to the MTCR nonproliferation guidelines, on February 21, 1992, the Department of State announced my decision to remove special missile sanctions imposed upon the PRC for the activities of Chinese entities involved in missile technology proliferation. As a result, certain sanctions, including restrictions on the export of high-performance computers, are being removed. Other controls affecting the PRC, such as those implemented following Tiananmen Square, remain in place.

-- Finally, our enforcement efforts have continued unabated:

During this 6-month reporting period, record civil penalties, totalling in excess of $3.5 million, were assessed in export control enforcement cases. The companies against which the penalties were imposed include the Digital Equipment Corporation; Ecosphere International; Everex Systems, Inc., and its subsidiary Everex Systems (Far East); and Kobe Argentina, the Argentine subsidiary of a U.S. company that was involved in the first case in which both export control and antiboycott violations were alleged.

On December 19, 1991, special agents from the Department of Commerce's Bureau of Export Administration arrested a French businessman in New York on charges of diverting two shipments of aviation oil valued at over $2 million to Cuba. A German company and two of its executives were also indicted in connection with the diversion scheme. In addition, an American company and two of its executives were indicted and charged with falsifying shipping documents, having knowledge of the diversion, and failing to report the diversion to authorities.

On February 18, 1992, the Department of Commerce charged L.A. Gear, Inc., an athletic footwear manufacturer, with 46 violations of the antiboycott provisions of the Export Administration Act and Regulations. The Department alleged that, in July 1987 and January 1990, the company complied with boycott requests from a Middle Eastern customer, resulting in antiboycott violations including knowingly agreeing to refuse to do business with other persons in response to a boycott-based requirement, furnishing prohibited boycott-related information,

and failure to report receipt of boycott-related requests.

5. The expenses incurred by the Federal Government in the 6-month period from October 1, 1991, to March 31, 1992, that are directly attributable to the exercise of authorities conferred by the declaration of a national emergency with respect to export controls were largely centered in the Department of Commerce, Bureau of Export Administration. Expenditures by the Department of Commerce are anticipated to be $20,254,000, most of which represents wage and salary costs for Federal personnel.

6. The unrestricted access of foreign parties to U.S. goods, technology, and technical data, and the existence of certain boycott practices of foreign nations, in light of the expiration of the Export Administration Act of 1979, continue to constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. I shall continue to exercise the powers at my disposal to retain the export control system, including the antiboycott provisions, and will continue to report periodically to the Congress.

George Bush

The White House,

March 31, 1992.

Message to the Congress Transmitting Occupational Safety and Health Reports

March 31, 1992

To the Congress of the United States:

In accordance with section 26 of the Occupational Safety and Health Act of 1970 (Public Law 91 - 596; 29 U.S.C. 675), I transmit herewith the 1989 annual reports on activities of the Department of Labor, the Department of Health and Human Services, and the Occupational Safety and Health Review Commission.

George Bush

The White House,

March 31, 1992.

Nomination of Thomas C. Richards To Be Federal Aviation Administrator

March 31, 1992

The President today announced his intention to nominate Thomas C. Richards, of Texas, to be Administrator of the Federal Aviation Administration. He would succeed James B. Busey IV.

Since retiring from the Air Force in 1990, General Richards has served as a corporate consultant in Bryan, TX. In June 1990, General Richards was appointed by President Bush to serve as a member of the Commission on Aviation Safety and Security. Prior to this, General Richards, a four-star general in the U.S. Air Force, served as Deputy Commander in Chief for the Headquarters of the U.S. European Command in West Germany, 1986 - 1990. He was Commander of Air University, Maxwell Air Force Base in Montgomery, AL; Vice Commander of the 8th Air Force, 1984 - 1985; Commander of Keesler Technical Training Center in Biloxi, MS, 1982 - 1984; Chairman of the U.S. Air Force Recruiting Service, Randolph Air Force Base, TX, 1981 - 1982; and Commandant of Cadets of the U.S. Air Force Academy in Colorado Springs, CO, 1978 - 1981.

General Richards graduated from Virginia Polytechnic Institute (B.S., 1956) and Shippensburg State College (M.A., 1973). He served in the U.S. Air Force, 1956 - 1990. General Richards was born February 13, 1930, in San Diego, CA. He is married, has three children, and resides in Bryan, TX.

Nomination of Wade F. Horn To Be a Deputy Director of the Office of National Drug Control Policy

March 31, 1992

The President today announced his intention to nominate Wade F. Horn, of Maryland, to be Deputy Director for Demand Reduction for the Office of National Drug Control Policy. He would succeed Herbert D. Kleber.

Dr. Horn is currently Commissioner of the Administration for Children, Youth and Families and Chief of the Children's Bureau at the Department of Health and Human Services in Washington, DC. He has also served as a member of the National Commission on Children. From 1988 to 1989, he was a member of the Presidential transition team in the office of the President-elect; and a member of the health care advisory/research group for George Bush for President campaign, 1987 - 1988. From 1986 to 1989, he served in various capacities: director of outpatient psychological services for the department of psychiatry at the Children's Hospital National Medical Center; vice chairperson for the department of pediatric psychology at the Children's Hospital National Medical Center; and an associate professor of psychiatry and behavioral sciences and of child health and development at the George Washington University School of Medicine. He has also served as assistant professor of the department of psychology at Michigan State University, 1982 - 1986; and associate director of Michigan State University's psychological clinic and director of the pediatric psychology specialty clinic, 1984 - 1986.

Dr. Horn graduated from the American University (B.A., 1975) and Southern Illinois University (M.A., 1978; Ph.D., 1981). He was born December 3, 1954, in Coral Gables, FL. He is married, has two children, and resides in Gaithersburg, MD.

Message to the Congress on Trade With Hungary and Czechoslovakia

March 31, 1992

To the Congress of the United States:

In June 1991 I determined and reported to the Congress that Hungary continues to meet the emigration criteria of the Jackson-Vanik amendment to, and section 409 of, the Trade Act of 1974 (19 U.S.C. 2432 and 2439). In October 1991 I determined and reported to the Congress that Czechoslovakia also meets the emigration criteria contained in title IV of the Trade Act of 1974. These determinations allowed for the continuation of most favored nation (MFN) status for Hungary and Czechoslovakia without the requirement of an annual waiver.

As required by law, I am submitting an updated formal report to the Congress concerning emigration laws and policies of the Republic of Hungary and the Czech and Slovak Federal Republic. You will find that the report indicates continued Hungarian and Czechoslovak compliance with U.S. and international standards in the areas of emigration and human rights policy.

The Administration is taking steps to exercise the authority provided me in section 2 of Public Law 102 - 182 to terminate the application of title IV of the Trade Act of 1974 to Czechoslovakia and Hungary.

George Bush

The White House,

March 31, 1992.

Note: This message was released by the Office of the Press Secretary on April 1.

The President's News Conference on Aid to the States of the Former Soviet Union

April 1, 1992

The President. I have a statement that is a little longer than the normal, but let me just say that I have just met with the congressional leadership to request their bipartisan backing for a new, comprehensive, and integrated program to support the struggle of freedom underway in Russia, Ukraine, and the other new States that have replaced the Soviet Union.

The revolution in these States is a defining moment in history with profound consequences for America's own national interests. The stakes are as high for us now as any that we have faced in this century. And our adversary for 45 years, the one nation that posed a worldwide threat to freedom and peace, is now seeking to join the community of democratic nations. A victory for democracy and freedom in the former U.S.S.R. creates the possibility of a new world of peace for our children and grandchildren. But if this democratic revolution is defeated, it could plunge us into a world more dangerous in some respects than the dark years of the cold war.

America must meet this challenge, joining with those who stood beside us in the battle against imperial communism: Germany, the United Kingdom, Japan, France, Canada, Italy, and other allies. Together we won the cold war, and today we must win the peace.

This effort will require new resources from the industrial democracies, but nothing like the price we would pay if democracy and reform failed in Russia and Ukraine and Byelarus and Armenia and the States of Central Asia. It will require the commitment of a united America, strengthened by a consensus that transcends even the heated partisanship of a Presidential election campaign. And today I call upon Congress, Republicans and Democrats alike, and the American people to stand behind this united effort.

Our national effort must be part of a global effort. I've been in contact with Chancellor Kohl, Prime Minister Major, President Mitterrand, other key allies to discuss our plans and to assure them of the high priority I place on the success of this endeavor. To this end, I would like to announce today a plan to support democracy in the States of the former Soviet Union.

This is a complex set of issues which took months to sort out, working within the administration, working with our major allies and with the leaders of the new independent States of the former Soviet Union. A number of things had to come together to make sure we got it right.

Let me give you a little bit of the history. I asked Secretary Baker to outline our fundamental approach in his December 12th speech at Princeton. I spoke again on the need to embrace Russia and the other new States of the former Soviet Union in my January 22d speech at the

Washington conference to coordinate the humanitarian assistance. On February 1st, Boris Yeltsin and I discussed these issues at Camp David. And that same day, Secretary Brady met with Boris Yeltsin's key economic adviser, Yegor Gaydar, to discuss how we could support Russian reforms. A week later, Jim Baker followed up during his meeting with Kozyrev, Foreign Minister Kozyrev, and Boris Yeltsin in Moscow. And just yesterday, the IMF reached tentative agreement with Russia on its market reform program. After weeks of intensive consultations in the G - 7, Chancellor Kohl, currently serving as Chairman of the G - 7, has announced today G - 7 support for an IMF program for Russia.

The program that I'm announcing today builds on this progress and includes three major components. First, the United States has been working with its Western allies and the international financial institutions on an unprecedented multilateral program to support reform in the newly independent States. The success of this program will depend upon their commitment to reform and their willingness to work with the international community.

Russia is exhibiting that commitment. And I'm announcing today that the U.S. is prepared to join in a substantial multilateral financial assistance package in support of Russia's reforms. We're working to develop, with our allies and the IMF, a $6 billion currency stabilization fund to help maintain confidence in the Russian ruble. The U.S. will also join in a multilateral effort to marshal roughly $18 billion in financial support in 1992 to assist Russian efforts to stabilize and restructure their economy. We've been working with the Russian Government for 3 months to help it develop an economic reform plan to permit the major industrialized countries to provide support. We will work to complete action on this approximately $24 billion package by the end of April. And I pledge the full cooperation of the United States in this effort.

Secondly, the United States will also act to broaden its own capacity to extend assistance to the new States. I'm transmitting to Congress a comprehensive bill, the ``FREEDOM Support Act," to mobilize the executive branch, the Congress, and indeed, our private sector around a comprehensive and integrated package of support for the new States. Now, this package will:

Authorize a U.S. quota increase of $12 billion for the IMF, which is critical to supporting Russia and the other new States. The IMF and World Bank will be the primary source of funding for the major financial assistance needs of the new governments. The U.S. quota increase for the IMF was specifically assumed in the budget agreement and does not require a budget outlay;

Support my existing authority to work with the G - 7 and the IMF to put together the stabilization program for Russia and support possible subsequent programs for other States of the former Soviet Union as they embarked on landmark reforms, including up to $3 billion for stabilization funds.

It would also repeal restrictive cold war legislation so that American business can compete on an even footing in these new markets. And I'm determined that American business be given the

chance to invest and trade with the new States. And to that end, I've also directed that the United States negotiate trade and bilateral investment and tax treaties with these countries just as soon as possible. Significant new trade relationships can create jobs right here in this country.

The package will broaden the use of $500 million appropriated by Congress last year to encompass not only the safe dismantling and destruction of nuclear weapons but also the broader goals of nuclear plant safety, demilitarization, and defense conversion.

It will also establish a major people-to-people program between the United States and the States of the former Soviet Union to create the type of lasting personal bonds among our peoples and Russian understanding of democratic institutions so critical to long-term peace. This effort will complement our existing programs to bring hundreds of businessmen to the United States from the Commonwealth and then send hundreds of Peace Corps volunteers to the new States.

In sending this authorization legislation to Congress, I call upon the Congress to act concurrently to provide the appropriations necessary to make these authorizations a reality.

Third, in addition to the 3.75 billion already extended by the U.S. since January 1991, I'm announcing today 1.1 billion in new Commodity Credit Corporation credit guarantees for the purchase of American agricultural products. Six hundred million of that will go for U.S. sales to Russia and an additional 500 million for U.S. sales to the Ukraine and other States.

Now, let me close on a personal note. I think every day about the challenge of securing a peaceful future for the American people. And I believe very strongly that President Yeltsin's reform program holds the greatest hope for the future of the Russian people and for the security of the American people as we define a new relationship with that great country. President Yeltsin has taken some very courageous steps for democracy and free markets. And I am convinced that it is in our own national interest to support him strongly.

For more than 45 years, the highest responsibility of nine American Presidents, Democrats and Republicans, was to wage and win the cold war. It was my privilege to work with Ronald Reagan on these broad programs and now to lead the American people in winning the peace by embracing the people so recently freed from tyranny to welcome them into the community of democratic nations.

I know there are those who say we should pull back, concentrate our energies, our interests, and our resources on our pressing domestic problems. And they are very important. But I ask them to think of the consequences here at home of peace in the world. We've got to act now. And if we turn away, if we do not do what we can to help democracy succeed in the lands of the old Soviet Union, our failure to act will carry a far higher price. And if we face up to the challenge, matching the courage of President Yeltsin, of Ukrainian President Kravchuk, of Armenian President Ter-Petrosyan, many other future generations of Americans will thank us for having

had the foresight and the conviction to stand up for democracy and work for peace in this decade and into the next century.

That's the end of this statement. I'll be glad to take just a handful of questions, and then Jim Baker and Secretary Brady -- I think Secretary Baker will go into more detail on the legislation, and Secretary Brady and others will be available. I think Ed Madigan will talk to you about the agricultural sect of it.

Terry [Terence Hunt, Associated Press]?

Q. Mr. President, you mentioned several figures in your statement. Overall, what's the cost of this to taxpayers, and where's the money going to come from?

The President. Most of it will come from the IFI's, from the international financial institutions. About a fifth of the total is assigned to the -- about a fifth of it, 20 percent of it, is our share. And there's not a lot of new money. It's our feeling and the feeling of the partners that we ought to go use these international financial organizations who were set up to do this very job. Now, we have a significant commitment to these organizations. But that's the fact as to how this breaks out.

Q. Was there any kind of figure that you could provide? You say there's not much new money. What -- --

The President. I'll let Jim Baker give you the details on it, but yes, we can. There is some new money in it. There's some new credits in it, you know, agricultural credits. But let him give you the details on what's going to be in the bill. It's not a tremendous amount of money. Our commitment is very, very substantial.

Yes, Helen [Helen Thomas, United Press International].

Q. Mr. President, not in the either-or sense, you've acknowledged the pressing domestic problems. What are you going to do to help the American people, the financially strapped States, the decaying cities? Is there a post-cold-war Marshall plan for America in view of its problems? And why do we have to have 150,000 troops in Europe when the enemy has disappeared from the screen?

The President. We are working on programs that will help the cities, including trying to get through a significant block grant that would help, including a crime bill, including a brand-new revolutionary approach to education that, longer run, is terribly significant. And yes, it is very important we do these things.

But my point to the American people is we have a major stake in the success of democracy in

Russia and in these other States. And the cost of risking doing nothing, the cost of doing nothing could be exorbitant, could far transcend the money that we have spent in the past. And I just don't want to risk that.

In terms of the troops, it is important that the United States stay involved in guaranteeing against any unforeseen action. We saw the need to be involved a year ago in Desert Storm. And if we had listened to the critics that would have suggested that we disarm and unilaterally pull back, we would be in terrible shape today. And we're not in terrible shape today. We have a vital stake in European security. Our allies and ourselves agree that the United States should remain there with troops, and we will stay there with troops.

Q. Mr. President, if the risks are so great, the stakes so high, why did you wait until 3 months into an election year to outline this program and begin the push for it, especially when, as you say, there's little new money involved?

The President. Because -- we haven't waited. If you listen to what I said earlier, we spelled out our determination to do this in December. We have been working with our allies constructively to bring about agreement on this international financial institution approach. That was hammered out this weekend by Secretary Brady's people overseas. The formulation of the bill has just been completed. And we've just gotten agreement from -- this morning I talked to Kravchuk and to Yeltsin, once again, both of them on this. I might say that they both sounded quite enthusiastic about it.

A lot of work has been going into it. And rather than kind of posturing out there, we wanted to have a sound program that will have strong international support. And that is exactly, thanks to the cooperation of the allies, what we have. So this isn't any Johnny-come-lately thing, and this isn't driven by election year pressures. It's what's right for the United States.

And I must say, without committing anybody to anything, that the reception from the joint leadership seemed quite positive, Brit [Brit Hume, ABC News]. I was very pleased, but we'll let them speak for themselves, but most of them saying we should be doing this.

Q. Well, sir, whether you are posturing or not, have you not waited a while before beginning this sales pitch -- --

The President. I don't know that -- --

Q. -- -- in the knowledge that you were going to have to do something along these lines?

The President. I said something about it in January. Jim Baker mentioned it in December. I've been talking about it. The question, though, is not a lot of political rhetoric; the question is getting something done that's positive. And when you're dealing with a whole bunch of allies

and you're dealing with many new countries, you want to be sure that you do it in a sensible way. And the fact that it's coming out now is because we now have, with great cooperation from the allies, working with them, come up with this approach that we think makes sense. And it's not something that's new.

Q. Sir, the reason there is this skepticism is, back when Pat Buchanan was beating you about the head in New Hampshire, you weren't out there in New Hampshire, you weren't in New Hampshire saying, ``We've got to help Boris Yeltsin. We've got to help Kravchuk." You weren't talking about that at all. You weren't preparing American public opinion. Today Bill Clinton's out there talking about his plan for Russia and the republics. That's why it looks a little weird.

The President. Well, that I've explained to you, John [John Cochran, NBC News], that there's a great deal of diplomacy. I remember when one of the people that used to sit proudly in this room accused me of not being emotional about Germany, about trying to get a reunited Germany when the wall came down. I said -- what I was saying to myself: Much less interested in emotion, much more interested in getting something positively done; use the power of the Presidency of the United States to see if you can't have that be accomplished in a very peaceful way.

And we have been doing the diplomacy that is necessary to come forward with a program that I hope will have the support of the American people, that I am proud to take to the American people, even though some people are going to be saying, ``Well, you shouldn't be doing this in an election year." You've got to be, you know -- along the lines of Helen's question, people will be suggesting that. But I'm going to fight for this because I believe in it.

Yeah, and then I'm getting out of here.

Q. Our recent poll showed that 55 percent of the public thinks that foreign aid should, in fact, be cut, and another 40 percent thinks that it shouldn't be increased at all. How are you going to persuade the public that this, in fact, is worthwhile when they look around and see roads deteriorating and schools in trouble and so forth?

The President. Simply make the case that to do nothing would be irresponsible, that the United States must continue to lead, and that we have an enormous stake, personal stake, for every American in the success of these democracies, and to risk their failure by doing nothing is very short-sighted. And so that's the case I'm going to make.

And I will also be saying we have a lot of blessings in this country, and one of them today is peace. Your kids and mine don't go to sleep at night as worried about nuclear weapons as some of the preceding generations here. And I want to be sure that I can certify to the American people I've done everything I can as President to see that that continues, that democracies are strengthened, that freedom is on the march and continues to stay on the march. And this

approach we're taking is the way to do what we can to guarantee that.

Q. Well, then to flip the question around a little bit, what do you say to those who are also going to say that this really isn't that much, that in fact Germany has already contributed $45 billion to this effort, and that compared to what we could do we aren't doing enough, if so much in fact is at stake?

The President. I will say that I think it is enough and that it's what we ought to do right now and fight like heck for what we believe in here. And I think it is. And I must say I was very pleased with the response by President Yeltsin, the response by President Kravchuk this morning. And I would cite that as evidence of their enthusiasm for what we're doing.

But I guess you're right, some people will attack you for doing too much, and some for not doing enough. I think this is right. I believe Congress will give it the proper support. And I want the American people to support it because I know that it is in the best interest of world peace. And the failure of world peace has a staggering price tag on it that I don't want to even contemplate. So I'll continue to work for this.

Now, let me turn it over to Jim.

Note: The President's 125th news conference began at 11:04 a.m. in the Briefing Room at the White House. Following the President's remarks, the news conference continued with Secretary of State James A. Baker III, Secretary of the Treasury Nicholas F. Brady, and Secretary of Agriculture Edward A. Madigan.

Message to the Senate Transmitting the Nigeria-United States Legal Assistance Treaty

April 1, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the Government of the United States of America and the Federal Republic of Nigeria on Mutual Legal Assistance in Criminal Matters, signed at Washington on September 13, 1989. I transmit also, for the information of the Senate, the report of the Department of State with respect to the treaty.

The treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. The treaty should be an effective tool to assist in the prosecution of a wide variety of modern criminals, including members of drug cartels, ``white collar criminals," and terrorists. The treaty is self-executing.

The treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the treaty includes: (1) the taking of testimony or statements of witnesses; (2) the provision of documents, records, and evidence; (3) the execution of requests for searches and seizures; (4) the serving of documents; and (5) the provision of assistance in proceedings relating to the forfeiture of the proceeds of crime, restitution to the victims of crime, and the collection of fines imposed as a sentence in a criminal prosecution.

I recommend that the Senate give early and favorable consideration to the treaty and give its advice and consent to ratification.

George Bush

The White House,

April 1, 1992.

Statement on Signing a Resolution Making Continuing Appropriations for the Fiscal Year 1992

April 1, 1992

I have today approved H.J. Res. 456. This resolution provides funding for economic and democratic development assistance to the republics of the former Soviet Union, funding for the remainder of fiscal year 1992 for certain international agencies, and emergency funding for loans to U.S. small businesses that have been adversely affected by natural disasters. The resolution also provides $270 million to finance special United Nations peacekeeping activities in Cambodia, El Salvador, Yugoslavia, and other countries.

George Bush

The White House,

April 1, 1992.

Note: H.J. Res. 456, approved April 1, was assigned Public Law No. 102 - 266.

Statement by Press Secretary Fitzwater on Organizational Changes in the Intelligence Community

April 1, 1992

The President has approved major program and organization changes in the intelligence community. This action results from a comprehensive review of the intelligence requirements and a critical assessment of intelligence capabilities needed, and not needed, to meet the new requirements.

Looking to the demands of a changing world over the next 15 years, the President approved a new formulation of policy requirements for intelligence support that adds emphasis in a number of areas and decreases it in others. As a result of these shifts, the President approved significant reallocations of resources in the FY 1993 - 1997 national foreign intelligence program. DCI [Director of Central Intelligence] Gates will present these changes to Congress in the next few days. In addition, DCI Gates will continue to assess intelligence resources with an eye toward greater efficiencies and additional reallocations.

The President also approved major changes in the structure and management of the intelligence community including:

-- abolition of the intelligence community staff, establishment of a DCI community management staff headed by an Executive Director for Intelligence Community Affairs, and measures to strengthen community management of resources and requirements;

-- improved coordination and management of intelligence collection activities and major disciplines;

-- strengthening the National Intelligence Council and the national intelligence officers;

-- initiatives to enhance support to the military, including establishment of an Assistant Deputy Director for Operations/Military Affairs in CIA and an Office of Military Affairs in CIA, and increased resources to enhance intelligence community support to military contingencies.

These measures together represent a significant reconfiguration of the intelligence community affecting structure, process, programs, and management.

Remarks at the Departure Ceremony for Prime Minister Felipe Gonzalez of Spain

April 2, 1992

President Gonzalez, it's been an honor to meet with you again and a special pleasure to celebrate this anniversary of the greatest mission ever undertaken beneath the royal banner of Spain, Christopher Columbus' voyage of discovery.

Now, we've had a very good conversation today. I thanked President Gonzalez for his leadership on so many questions, questions involving this hemisphere, questions involving our quest for a successful trade agreement. We thanked him and the rest of the Government of Spain and His Majesty for their foresight in hosting that historic Madrid conference that brought factions together, parties together that had never sat down and talked in the same room before. History will remember that as very farsighted on the part of Spain.

And so it's been a good visit. I told the Prime Minister coming out here that I just wish we had had more time because, in my view, the relations between Spain and the United States have never been better. And we turn to him for advice on many issues. We turn to him with respect for his leadership on many issues.

And so it's been a very friendly visit, an upbeat visit. And I'll let him speak for himself, but I think in terms of the big issues, the big problems facing the world, that President Gonzalez and I, Spain and the United States, see eye to eye on almost every single question.

And so thank you, sir, for coming. And I hope you have a pleasant trip back, and I hope that our paths cross soon again.

Note: The President spoke at 1:25 p.m. on the South Lawn at the White House. The Prime Minister was also President of the Government of Spain.

Statement on Antitrust Enforcement Policy

April 2, 1992

I am pleased to announce today a unified antitrust enforcement policy for mergers and acquisitions, by the Department of Justice and the Federal Trade Commission.

This new enforcement policy is an important part of the administration's ongoing efforts to improve the competitiveness of American business and to provide jobs for our people. A common policy will provide the business community with greater certainty about the standards to be applied in enforcing the antitrust laws. And where stiff international competition already exists, the new guidelines will make it easier for American companies to achieve the economic clout to compete effectively in the global marketplace.

I commend Attorney General Bill Barr and FTC Chairman Janet Steiger for this important contribution to American competitiveness.

Message to the Senate Transmitting the 1985 Partial Revision of the Radio Regulations

April 2, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Partial Revision of the Radio Regulations (Geneva, 1979), signed on behalf of the United States at Geneva on September 15, 1985, and the United States reservation and statements as contained in the Final Protocol. I transmit also, for the information of the Senate, the report of the Department of State with respect to the 1985 Partial Revision.

The 1985 Revision constitutes a partial revision of the Radio Regulations (Geneva, 1979), to which the United States is a party. The primary purpose of the revision is to incorporate into the Radio Regulations the decisions of the Regional Administrative Radio Conference for the Planning of the Broadcasting-Satellite Service in Region 2 (essentially the Western Hemisphere). The Broadcasting-Satellite Service is a radiocommunication service in which signals transmitted or retransmitted by satellites are intended for direct reception by the general public. The Partial Revision is broadly consistent with the proposals of and positions taken by the United States at the First Session of the World Administrative Radio Conference on the use of the Geostationary-Satellite Orbit and the Planning of Space Services Utilizing It (ORB - 85).

At the time of signature, the United States submitted a reservation concerning technical matters included in the Revision; a statement in response to statements by Indonesia, Colombia, and Ecuador concerning claims of sovereign rights of segments of the geostationary-satellite orbit; and a statement in response to Cuba's characterization of Radio Marti as ``the use . . . by the Government of the United States, of the radio spectrum as a means of aggression . . ." The specific reservation and statements, with reasons, are given in the report of the Department of State.

The 1985 Partial Revision of the Radio Regulations entered into force on October 30, 1986, for governments which, by that date, had notified the Secretary General of the International Telecommunication Union of their approval thereof.

I believe the United States should become a party to the Partial Revision, which will facilitate the development of a broadcasting-satellite service in the United States. It is my hope that the Senate will take early action on this matter and give its advice and consent to ratification.

George Bush

The White House,

April 2, 1992.

Message to the Senate Transmitting the 1988 Partial Revision of the Radio Regulations

April 2, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the 1988 Partial Revision of the Radio Regulations (Geneva, 1979), signed on behalf of the United States at Geneva on October 6, 1988, and the United States statement as contained in the Final Protocol. I transmit also, for the information of the Senate, the report of the Department of State with respect to the 1988 Partial Revision.

The 1988 Revision constitutes a partial revision of the Radio Regulations, to which the United States is a party. The primary purpose of this revision is to update the existing Regulations to guarantee for all countries equitable access to the geostationary-satellite orbit and the frequency bands allocated to space services. The revised Regulations are consistent with the proposals of and positions taken by the United States at the Second Session of the World Administrative Radio Conference on the Use of the Geostationary-Satellite Orbit and the Planning of the Space Services Utilizing It (ORB - 88).

At the time of signature, the United States joined 20 countries in submitting a statement in response to a statement by Colombia and Ecuador concerning claims of sovereign rights over segments of the geostationary-satellite orbit. The specific statement, with reasons, is given in the report of the Department of State.

The 1988 Partial Revision entered into force on March 16, 1990, for governments which, by that date, had notified the Secretary General of the International Telecommunication Union of their approval thereof.

I believe the United States should become a party to the 1988 Partial Revision, which provides new means and greater flexibility in securing access to the geostationary-satellite orbit and the frequency spectrum allocated to space services. It is my hope that the Senate will take early action on this matter and give its advice and consent to ratification.

George Bush

The White House,

April 2, 1992.

Nomination of Lauralee M. Peters To Be United States Ambassador to Sierra Leone

April 2, 1992

The President today announced his intention to nominate Lauralee M. Peters, of Virginia, to be Ambassador to the Republic of Sierra Leone. She would succeed Johnny Young.

Currently Ms. Peters serves as a member of the Senior Seminar of the Foreign Service Institute in Washington, DC. Prior to this, she served at the U.S. Department of State as Deputy Assistant Secretary of State for Personnel at the Bureau of Personnel, 1989 - 91; Personnel Counselor in the Office of Foreign Service Career Development and Assignments Bureau of Personnel, 1988 - 89; and Director of the Office of Monetary Affairs in the Bureau of Economic and Business Affairs, 1984 - 86. From 1986 to 1988, Ms. Peters served as Economic Counselor for the U.S. Embassy in Islamabad, Pakistan.

Ms. Peters graduated from the University of Kansas (B.A., 1964). She was born January 28, 1943, in Monroe, NC. Ms. Peters is married, has four children, and resides in McLean, VA.

Nomination of Joan M. McEntee To Be an Under Secretary of Commerce

April 2, 1992

The President today announced his intention to nominate Joan M. McEntee, of New York, to be Under Secretary of Commerce for Export Administration. She would succeed Dennis Edward Kloske.

Currently Ms. McEntee serves as Acting Under Secretary of the Bureau of Export Administration at the U.S. Commerce Department. Prior to this, she served as Deputy Under Secretary for Export Administration, 1989 - 91; and Deputy Under Secretary for Trade Development at the International Trade Administration, U.S. Department of Commerce, 1988 - 89.

Ms. McEntee graduated from Marymount College (B.A., 1969) and the American University (M.A., 1972; J.D., 1981). She was born June 3, 1948, in New York, NY. Ms. McEntee is married, has one child, and resides in Washington, DC.

Nomination of Marvin H. Kosters To Be Commissioner of Labor Statistics

April 2, 1992

The President today announced his intention to nominate Marvin H. Kosters, of Virginia, to be Commissioner of Labor Statistics at the U.S. Department of Labor, for a term of 4 years. He would succeed Janet L. Norwood.

Dr. Kosters has served at the American Enterprise Institute as a resident scholar and director for economic policy studies, 1987 - present; director of the Center for the Study of Government Regulation, 1976 - 86; and a resident scholar, 1974. Prior to this, he served in the Office of the Assistant to the President for Economic Affairs at the White House, 1974 - 75; and as an Associate Director for Economic Policy at the U.S. Cost of Living Council, 1971 - 1974.

Dr. Kosters graduated from Calvin College (B.A., 1960) and the University of Chicago (Ph.D., 1966). He was born August 4, 1933, in Corsica, SD. Dr. Kosters served in the U.S. Army, 1953 - 1955. He is married, has three children, and resides in Arlington, VA.

Remarks to the Federalist Society of Philadelphia in Philadelphia, Pennsylvania

April 3, 1992

May I start by thanking Ms. Aikens for her hospitality, and the hospitality of all those to whom so much history is entrusted here. And what a superb job they do in preserving this lovely, lovely historic place. We're grateful, grateful to you that you are permitting us to have this event here today. May I thank Brian Guthrie, the president of the Federalist Society of Philadelphia, for his introduction, for hosting this. I see Joe Cicippio.

I want to say that Old Congress Hall is home to great ideas and great debate. In this very room, pivotal and profound discussions occurred, setting in motion a grand experiment in man's ability to chart his own future. The vision of the Founding Fathers may be hard for us to fully comprehend. But if you really think about it, their goals were not much different than ours. They wanted their new country to prosper, and they knew intuitively that the road to prosperity was freedom. They believed in the fundamentals, in the inherent strength of family, faith, and they were determined to preserve them. They wanted the citizens of our young Nation to live in peace, safe and secure from threats at home and abroad. It took a revolution to achieve their vision, and it is our duty to preserve it.

They say when British General Cornwallis surrendered to Washington at Yorktown in 1781, his troops marched to the tune ``The World Turned Upside Down.'' It was a profoundly simple recognition that an old world order was ending and a new one beginning.

Now, more than 200 years later, we are again in the midst of great change. Democracy and freedom once again have turned the world upside down. America once again championed a great worldwide movement. We stood firm for our principles through some very difficult times. We did indeed change the world. Now, as you may have heard me say, if we could change the world, we can change America.

Henry Luce called the 20th century the American Century. In a world more driven by economic competition than ever before, we must now meet five great challenges to ensure that the next century is also the American century.

First, our children must develop good character, must develop values so they can be educated adults, literate, drug-free, motivated to make learning a lifelong pursuit. We must dramatically change our education system, literally revolutionize it. Our America 2000 education initiative means top-to-bottom educational reform.

Second, our people must have a sense of well-being about their physical health. And our health

care proposal guarantees access to the finest health care system in the world and keeps that care affordable for all our citizens.

Next, our civil justice system: it must do what it was designed to do, dispense justice for all. Eighteen million lawsuits a year are choking us, costing us billions of dollars, and putting a tremendous drag on our civility and our economy. If Congress passes my ``Access to Justice Act," this, too, can change.

And in the next century, economic competition, as well as economic opportunity, will come from beyond our borders. That's why we have aggressive progrowth trade policy. It demands more open foreign markets for quality American goods and services to sustain and create American jobs.

Finally, if we're to change America we must change the way Government works. That's what I will address today. G.K. Chesterton said, ``We cannot discuss reform without reference to form." This has been amply demonstrated in just the last decade as one institution after another has been challenged, forced to take a hard look within itself, make needed improvements, and act to make the institution live up to its principles. That is the process called reform.

To ensure their competitive edge, businesses launch reforms that are geared to quality. Then, by measuring performance, they improve performance. Often it's not flashy, the return to old values and standards like ``built to last a lifetime," or ``service with a smile." Competition works. The proof? Today, look around this great country: American products are quantifiably better than just a few years ago.

Reform has improved performance in our military. In the face of tighter budgets we've cut the fat; we've gotten leaner and smarter. And Desert Storm proved it. The drive for excellence has influenced almost every other institution, from State and local government to trade associations and unions.

Yet, the Federal Government is a glaring holdout. It resists reform and protects a failed status quo, even in the face of an unambiguous need for change. I'm not talking here about barber shops or perks or calligraphers or parking spaces. It's about the governmental process, its potential to help or hinder the public good. It is about big things, important things, major changes to make Government more responsive. It's about the changes that are sweeping the rest of the country but are not being made in Washington.

The most recent proof that we have a major problem was the inability of Congress to rise to the challenge of helping our economy. Instead it reverted to form, trying to raise taxes, increase Government spending. If it cannot address a straightforward short-term proposal to stimulate the economy, how can it possibly deal with the more complex issues like the badly needed reforms of education, health care, legal systems. I would still like to see Congress put politics aside and

give me an up-and-down vote on the seven incentives to stimulate this economy that I have pending before the Congress right now. But if we are to reform education and health care and our legal system and if we are to reduce redtape and regulation, make our country competitive, get this horrendous deficit down, we must reform the congressional process itself. We've got to make it responsive to our country's real needs.

The growth of big Government has diminished the role of Congress from policy making to program making. Promulgating and protecting more programs sets in motion a perpetual cycle of congressional support for more unnecessary spending, creating bigger and even less responsive bureaucracies. Then, by servicing the needs of program recipients, congressional staffs help to ensure Members' reelection and a continuation of business as usual. Beyond that, Congress routinely exempts itself from the laws that it imposes on the rest of the Nation, laws like the landmark Civil Rights Act of 1964.

Prophetically, the Founding Fathers warned us about these dangers. Federalist Paper 57 asserts that -- and I've just been given this beautiful volume by your president -- asserts that elected officials ``can make no law which will not have its full operation on themselves and their friends" and then it goes on, ``as well as on the great mass of the society." Federalist Paper 52 argued that permanent majorities are dangerously undemocratic. James Madison would be appalled to hear that 98 percent of the Congressmen who seek reelection are, in fact, reelected; that one party, the Democrats, has controlled the House of Representatives for 56 out of the last 60 years.

And that means self-perpetuating staffs. It means a bureaucracy, an inbred bureaucracy, beholden to only one set of leaders. The bank and the post office scandals that have outraged the American people are the results of one-party control: one party's lack of supervision, lack of new blood, lack of change. There isn't the competition to make these institutions in the Congress more efficient.

One-party rule is a big part of the problem but certainly by no means all of it. We've had divided Government before, sometimes during periods of great crisis. And each time we have worked together in good faith to meet those challenges.

The larger issue is the systemic problem of Congress: the sticky web of 284 congressional committees and subcommittees, the almost 40,000 legislative branch employees and staff, $2.5 billion of taxpayer financing, overlaid with a $117 million in a reelection war chest for incumbents in these special-interest campaign contributions. None of this promotes reform and change. Rather, it aggressively protects the status quo.

Conscientious Members of Congress understand this. And that's why the Republican leader in the House, Bob Michel, has proposed congressional reform legislation. There's some good ideas there, great ideas for improving Congress and its procedures, like legislative calendar process

reform, reduction in the number of congressional staff, reduction of the number of congressional committees.

There are good people in Congress, many on both sides of the aisle, and two of them are up here with me today. I think of your own Arlen Specter, who came up with us, and we talked about these reforms. Talk to him; he enthusiastically supports changing our congressional system because he believes in changing the status quo. Larry Coughlin, who's leaving the Congress -- no special ax to grind -- had a very good suggestion coming up here about changing the numbers on the rules committee so the minority programs would at least have a chance to be voted on from time to time in the United States Congress.

There's a lot of ideas, good ones, from Democrats and Republicans alike. And then talk to retiring Members, other retiring Members, many of them dedicated people like Warren Rudman of New Hampshire. I'm sure you heard what he had to say. Talk to him, and you'll hear this frustration. And when asked about the prospect of endless budget deficits, he issued this indictment of the system: ``The fact is that we are unable, institutionally, to do what has to be done. We are literally not watching the fiddler fiddle when Rome burns; we are watching the entire orchestra."

Now, Senator Rudman knows the biggest threat to future job creation is deficit spending, and the current congressional structure is not capable of addressing that threat. He knows that Americans are generous, generous people willing to do what's necessary to make this country better. But there's a mismatch between their willingness to help and their skepticism about the United States Congress. They just don't trust Congress to use their hard-earned tax dollars wisely.

Today, Government is a $1.5 trillion enterprise. But people in Washington frequently forget that the taxpayer is the original investor, customer, shareholder, board member all rolled into one. And when folks in Government forget that, they issue nettlesome regulations. Now, those regulations increase the cost of doing business, but worse, they don't really solve the problems they were designed to solve.

The executive branch is involved. As President, I'm going to keep trying to change the regulatory process. But I will need, because of the legislation, I will need help of Congress.

When Government forgets who is really the boss, the American taxpayer, it becomes insulated, and it becomes unresponsive. But unresponsive Government doesn't just happen. Congress creates these giant, centralized bureaucracies, then lays down the mandates, funds the programs. And then it is the Congress that protects them or investigates them or micromanages them and ultimately perpetuates them. Programs that have outlived their function rarely outlive their funding. With a congressional subcommittee as godparent, some chairman there as the godparent, they become stepchildren of one of the committees of the Congress.

Some 107 different congressional committees and subcommittees claim some degree of oversight responsibility for the Department of Defense. Seventy-four compete for jurisdiction over the war on drugs, 74 separate entities. Just this week, after being reported from one committee in the House, our energy bill, one to make us more energy-efficient, energy-independent, was referred to no less than eight additional House committees. It should be no surprise that it takes so long to get anything done.

Another example: When the Secretary of Agriculture and his top staff have to testify in 14 hearings in one day, think of the time and resources that takes. Think of the thousands of hours spent by the executive branch to fulfill the thousands of congressional demands for testimony and Government reports. Here's a man sitting right here that used to have to deal with this, Ken Cribb, and he knows what I'm talking about.

Democratic Senator David Boren, committed to reform, summed it up by saying, ``No one doubts that the Congress is in trouble as an institution.'' And that's why I support, as President, his efforts, Senator Boren's efforts, to trim the overgrown thicket of committees and subcommittees which now paralyzes the Congress.

Congress has legitimate oversight responsibilities. We know that. I respect that. We all know it. And I know that the Federal Government cannot be run like IBM or the local convenience store. But we can improve its performance, and we must. What merely hampered us in the past could well paralyze us in the future.

Our ability to compete demands that we make these reforms not just of Congress, not just of the Congress but of the Federal bureaucracy, the executive branch bureaucracy as well. And it means emphasizing the building blocks of a more responsive Government by relying on what works: Choice, it works; competition works; decentralization. But let me be clear, we cannot reform the executive branch without first reforming the Congress. Taken together, the following actions will help make Government work for the people.

First, the Congress must govern itself by the laws that it imposes on others -- no more special treatment -- like age, race, sex, and disability discrimination laws. Congress should submit to the laws that it imposes on the executive branch, like the conflict of interest laws or the independent counsel law. And I will propose legislation to end such special treatment for Congress next week. And further, I will veto any future legislation that extends such special treatment to the Congress.

Second, Congress should reform its operation and procedures. I support the Boren-Domenici bill. It's a reform bill in the Senate. And over on the House side, Lee Hamilton, a Democrat, and Bill Gradison, a Republican, have that bill in the House which sets up a bipartisan group to evaluate congressional operations and make recommendations. It's a good beginning. But real reform, like that contained in the Michel bill, I think is essential right now. Change is still on the

back burner. The American people have got to turn up the heat.

Third, sweeping campaign finance reform. Full disclosure of assets, liabilities, and compensation is a key element of real reform. Now, let me be subjective a minute. I am not required to disclose my income tax returns. And in a sense, I guess I feel like every other American, that it is an invasion of my privacy. But for 12 years I have made public in full detail those tax returns. And I believe that all people aspiring to the office I now hold should do exactly that. On Congress, perhaps Congress doesn't need to go that far. But they should make their existing disclosure rules much more thorough, much more rigorous. The way to solve a lot of the problem is to have the constituent know as much as possible. So I favor that kind of disclosure. Now, beyond that, we must totally eliminate the special-interest political action committees and then put limits on so-called leadership PAC's.

Now, I've proposed ways to increase the legitimate role of our political parties, reduce the influence of the special interests, and decrease the time candidates and incumbents spend fundraising. And let me say it straight out: Federal funding, now pending, Federal funding of congressional elections would only make the problem worse. Real campaign finance reform is stalled on Capitol Hill. But the time for action is long past, and we must clean up our election system.

The fourth one, spending reform: I have already proposed to freeze domestic discretionary spending and Federal nondefense employment next year. And I've proposed 2-year budgets. And I have proposed, as well, to curb the growth of mandatory programs without touching the Social Security System.

Now, if mandatory spending were allowed to grow for inflation and eligible population only, we could save about $2 trillion over the next decade. That's where the big expense is. The American people should demand that Congress pass the same measure that 43 Governors have, the line-item veto. And they should demand a balanced budget amendment to the Constitution. Obviously, given the financial problems we're facing, budgetary problems, a balanced budget requirement would have to be phased in. But such an amendment is needed now. It will discipline the executive branch; it will discipline the legislative branch.

In the absence of those important measures, I will continue to use whatever means are legally at my disposal, including what I called for just a few days ago, use of the line-item rescission to protect the taxpayer from the spending excesses of the Congress. And I will continue to vigorously oppose any attempt by the Congress to dismantle the only defense that the taxpayer has against congressional overspending. And I'm talking obviously about the budget caps, the caps that were implemented in the 1990 act.

Fifth, regulatory reform: We put a 90-day moratorium on new Government regulations. We are revising and eliminating regulations that impede our ability to compete, and we are accelerating

regulations that enhance our competitive edge. Now, since I announced the moratorium on January 28th, the growth of burdensome regulations has already been reversed. And as our review continues we will announce further steps to reduce the burden of unnecessary regulations. But it cannot be done alone; I can't do it alone. Congress, in passing legislation, must be committed to cutting down the regulatory burden as well.

Sixth, we must limit congressional terms. We must address the Congress of the future. The cycle of virtually guaranteed reelection, particularly in the House of Representatives, through the built-in advantages of incumbency have got to be broken. And our Founding Fathers never considered elected Government service to be a career. And I believe Senators should be limited to two terms and Representatives limited to six terms. As President my terms are limited; the same rule should apply to Members of the Congress. Our first concern should be the country, not the lifetime political career.

Now, this brings me to my final point. Certainly, governing today is far more complex and time-consuming. We have to give that; that's the fact. But not so many years ago, representing the people back home was a part-time Washington job. Somehow Members managed to finish their work and adjourn just before the hot, humid Washington, DC, summers. Air conditioning changed all this. [Laughter] And now, thanks to modern technology, Congress sits almost all year round. Many Members of the House and Senate are now permanent Washingtonians. And we do not need a career Congress. We need a citizen Congress. To borrow a line from former Senate Majority Leader Howard Baker, ``They ought to be living in America and visiting Washington." I think Senator Baker was right in a serious way. He knew that the overwhelming majority of State legislatures are able to do their work each year in sessions lasting less than 6 months, some of them very short; some of them are about 3 months every 2 years.

With a streamlined committee structure, a leaner staff, Members' time organized around legislation rather than reelection, and better discipline on how they spend money, Congress could return to what the Founders envisioned as a Government truly close to the people. And I suggest that in the future, Congress and the administration work together to achieve a legislative schedule that allows Members to spend more continuous time at home so that they can truly stay in touch with the people.

Change is sweeping America, just as it is sweeping the world. It's exciting what's happening. As in the first days of our new Nation, we must change an unresponsive Government. The reforms that I've outlined today can help renew our faith in Government, confidence in Government. We cannot stop with congressional process. We must reform the Federal bureaucracy as well, as I am going to have more to say on that in the near future. But today, our mission is to begin restoring the principles of our Founding Fathers and guaranteeing for our children a new American century.

The choice is clear. On one side stand the defenders of the status quo; on the other, the forces of

change. And we must make the choice worthy of the men who met here in this room and began the world's only permanent revolution. And now that we've changed the world -- we have -- we must make the choice to change America.

Thank you all very, very much. And may God bless the United States.

Note: The President spoke at 10:28 a.m. in Congress Hall at Independence National Historical Park. In his remarks, he referred to Martha Aikens, Superintendent of the park; former hostage Joseph Cicippio; and T. Kenneth Cribb, Jr., former Assistant Counselor to the President and former member of the Council of the Administrative Conference of the United States.

Message to the Congress Transmitting the FREEDOM Support Act Proposed Legislation

April 3, 1992

To the Congress of the United States:

I am pleased to transmit a legislative proposal entitled the ``Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992" (the FREEDOM Support Act of 1992). Also transmitted is a section-by-section analysis of the proposed legislation.

I am sending this proposal to the Congress now for one urgent reason: With the collapse of the Soviet Union, we face unprecedented historical opportunity to help freedom flourish in the new, independent states that have replaced the old Soviet Union. The success of democracy and open markets in these states is one of our highest foreign policy priorities. It can help ensure our security for years to come. And the growth of political and economic freedom in these states can also provide markets for our investors and businesses and great opportunities for friendship between our peoples.

While this is an election year, this is an issue that transcends any election. I have consulted with the congressional leadership and have heard the expressions of support from both sides of the aisle for active American leadership. I urge all Members of Congress to set aside partisan and parochial interests.

Just as Democrats and Republicans united together for over 40 years to advance the cause of freedom during the Cold War, now we need to unite together to win the peace, a democratic peace built on the solid foundations of political and economic freedom in Russia and the other independent states.

This proposal gives me the tools I need to work with the international community to help secure the post-Cold War peace. It provides a flexible framework to cope with the fast-changing and unpredictable events transforming Russia, Ukraine, Armenia, and the other states. This proposal will allow us to:

Mobilize fully the executive branch, the Congress, and the private sector to support democracy and free markets in Russia and the other independent states of the former Soviet Union;

Address comprehensively the military, political, and economic opportunities created by the collapse of the Soviet Union, targeting our efforts and sharing responsibilities with others in the international community; and

Remove decisively the Cold War legislative restrictions that hamstring the Government in providing assistance and impede American companies and businesses from competing fairly in developing trade and investment with the new independent states.

Passage of this proposal will enable the United States to maintain its leadership role as we seek to integrate Russia and the other new independent states into the democratic family of nations. Without the tools this proposal provides, our policy of collective engagement will be constrained, our leadership jeopardized.

This proposal has 10 key elements:

First, this proposal provides the necessary flexibility for the United States to extend emergency humanitarian assistance to Russia and the other new independent states.

Emergency humanitarian assistance will help the peoples of the former Soviet Union to avoid disaster and to reduce the danger of a grave humanitarian emergency next winter. In this endeavor, the United States will not go it alone but will continue to work closely with the international community, a process we initiated at the Washington Coordinating Conference in January and will continue in the months ahead in regular conferences with our allies. By dividing our labors and sharing our responsibilities, we will maximize the effects of our efforts and minimize the costs.

Second, this proposal will make it easier for us to work with the Russians and others in dealing with issues of nuclear power safety and demilitarization. This proposal broadens the authority for Department of Defense monies appropriated last fall for weapons destruction and humanitarian transportation to make these funds, as well as foreign military financing funds, available for nonproliferation efforts, nuclear power safety, and demilitarization and defense conversion.

Third, technical assistance can help the Russians and others to help themselves as they build free markets. Seventy years of totalitarianism and command economics prevented the knowledge of free markets from taking a firm hold in the lands of Russia and Eurasia. By providing know-how, we can help the peoples and governments of the new independent states to build their own free market systems open to our trade and investment. It will also allow agencies authorized to conduct activities in Eastern Europe under the ``Support for East European Democracy (SEED) Act of 1989'' to conduct comparable but separate activities in the independent states of the former Soviet Union. Through organizations such as a Eurasia Foundation, we will be able to support a wide range of technical assistance efforts.

Fourth, this proposal will allow us to significantly expand our technical assistance programs that facilitate democratization in the new states, including our expanding rule of law program. It will authorize support for programs such as ``America Houses.'' It also provides support for

expanded military-to-military programs with Russia and the other new independent states to cultivate a proper role for the military in a democratic society.

Fifth, this proposal provides a clear expression of bipartisan support to continue to extend Commodity Credit Corporation credit guarantees to Russia and the other new independent states in light of the progress they are making toward free markets. As they overcome their financial difficulties, we should take into account their commitment to economic freedom in providing credit guarantees that will help feed their peoples while helping American farmers.

Sixth, for American business, this proposal expands authority for credit and investment guarantee programs such as those conducted by the Overseas Private Investment Corporation (OPIC) and the Export-Import Bank. It will allow us to waive statutory ceilings on credit guarantee programs of the Export-Import Bank Act and other agencies that applied to the Soviet Union and the restrictions of the Johnson Debt Default Act on private lending. In this way, it will expand U.S. exports to and investment in Russia and the other new independent states.

Seventh, this bill will facilitate the development of the private sector in the former Soviet Union. This bill removes Cold War impediments while promoting outside investment and enhanced trade. It will also allow waiver of restrictions on imports from the independent states of the former Soviet Union beyond those applied to other friendly countries. It will support efforts to further ease Coordinating Committee (COCOM) restrictions on high technology. The bill will also allow the establishment of Enterprise Funds and a capital increase for the International Financial Corporation.

Eighth, this proposal will allow the United States to work multilaterally with other nations and the international financial institutions toward macroeconomic stabilization. At the end of World War II, the United States stood alone in helping the nations of Western Europe recover from the devastation of the war. Now, after the Cold War, we have the institutions in place -- the International Monetary Fund (IMF) and the World Bank -- that can play a leading role in supporting economic reform in Russia and Eurasia.

Therefore, this proposal endorses an increase in the IMF quota for the United States. This will help position the IMF to support fully a program of macroeconomic stabilization. I request the Congress to pass both the authorization and appropriations necessary for this purpose.

Ninth, this proposal endorses a significant U.S. contribution to a multilateral currency stabilization fund. Working with the international financial institutions and the other members of the G - 7, we are putting together a stabilization fund that will support economic reform in Russia and the other independent states.

Tenth, this proposal provides for an expanded American presence in Russia and the other new independent states, facilitating both government-to-government relations and opportunities for

American business. Through organizations such as the Peace Corps and the Citizens Democracy Corps, we will be able to put a large number of American advisors on the ground in the former Soviet Union.

In sending this authorization legislation to the Congress, I also request concurrent action to provide the appropriations necessary to make these authorizations a reality. In order to support fully multilateral efforts at macroeconomic stabilization, I urge the Congress to move quickly to fulfill the commitment of the United States to the IMF quota increase. And I urge prompt enactment of the appropriations requests for the former Soviet Union contained in the Fiscal Years 1992 and 1993 Budget requests presently before the Congress.

I call upon the Congress to show the American people that in our democratic system, both parties can set aside their political differences to meet this historic challenge and to join together to do what is right.

On this occasion, there should be only one interest that drives us forward: America's national interest.

George Bush

The White House,

April 3, 1992.

Presidential Determination No. 92 - 20 -- Memorandum on Trade With Armenia, Belarus, Kyrgyzstan, and Russia

April 3, 1992

Memorandum for the Secretary of State

Subject: Determination under Section 402(c)(2)(A) of the Trade Act of 1974, as amended -- Armenia, Belarus, Kyrgyzstan, and Russia

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2432(c)(2)(A)), as amended, (the ``Act''), I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to Armenia, Belarus, Kyrgyzstan, and Russia will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:50 p.m., April 15, 1992]

Note: The Executive orders of April 6 on Armenia and April 16 on Belarus, Kyrgyzstan, and Russia are listed in Appendix E at the end of this volume.

Message to the Congress on Trade With Armenia, Belarus, Kyrgyzstan, and Russia

April 3, 1992

To the Congress of the United States:

Pursuant to subsection 402(c)(2)(A) of the Trade Act of 1974 (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 with respect to Armenia, Belarus, Kyrgyzstan, and Russia will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received assurances with respect to the emigration practices of Armenia, Belarus, Kyrgyzstan, and Russia required by subsection 402(c)(2)(B) of the Act. This letter constitutes the report to the Congress required by subsection 402(c)(2).

Pursuant to subsection 402(c)(2), I shall waive by Executive order the application of subsections (a) and (b) of section 402 of the Act with respect to Armenia, Belarus, Kyrgyzstan, and Russia.

George Bush

The White House,

April 3, 1992.

Note: The Executive orders of April 6 on Armenia and April 16 on Belarus, Kyrgyzstan, and Russia are listed in Appendix E at the end of this volume.

Statement by Deputy Press Secretary Smith on the President's Telephone Conversation With President Vaclav Havel of Czechoslovakia

April 3, 1992

The President spoke by telephone for 15 minutes this morning with Czechoslovak President Vaclav Havel, who had just returned from a state visit to Russia. They concurred on the critical need to galvanize international support for President Yeltsin and the Government of the Russian Federation.

Specifically, they agreed that the success of the Russian Government's landmark economic reform program was vitally important for peace and stability in Europe. Pointing to the package of economic measures he announced on April 1, the President assured President Havel of the firm U.S. resolve to assist the Russian Government and other reform-minded States in the former U.S.S.R.

Radio Address to the Nation on Governmental Reform

April 4, 1992

American democracy was launched from great ideas which grew out of great debate. Our Founding Fathers believed in the fundamentals: faith, family, and freedom. And they were determined to build prosperity. More than 200 years later, by holding firmly to our principles, America has changed the world.

Henry Luce called the 20th century the American Century. If we are to ensure that the next century is also the American century, we must meet five great challenges: education reform, legal reform, health care reform, international competitiveness and market expansion, and Governmental reform.

The latest unemployment figures were released Friday. They held steady at 7.3 percent. But unemployment is still too high. Too many Americans are out of work. To get this economy rolling again, faster and stronger, Congress should have passed our economic action plan. But they reverted to form, tried to raise taxes and increase Government spending. We can no longer afford this kind of business-as-usual. We need to reform Congress. And that is my focus today.

G.K. Chesterton said, ``We cannot discuss reform without reference to form." In the face of overwhelming evidence that change is necessary, Congress has kept reform on the back burner. It is up to us to turn up the heat. If we are to improve education, health care, our legal system, if we are to reduce redtape and regulation, if we are to make our country competitive and get this horrendous deficit down, we must reform the congressional process itself.

It is true that one-party rule in Congress is a big part of the problem. But the larger issue is a systemic problem: the 284 congressional committees and subcommittees, the almost 40,000 legislative branch employees and staff, the $2.5 billion of taxpayer financing, overlaid with $117 million reelection war chest and special interest campaign contributions for incumbents. Such a system cannot promote reform and change; instead, it aggressively protects the status quo.

I know that the Federal Government cannot be run just like IBM or the local convenience store. But Government today is a $1.5 trillion enterprise, and programs that have outlived their function have not outlived their funding. We can and we must improve Government's responsiveness. What merely hampered us in the past will gridlock us in the future. Our ability to compete demands that Congress enact the reforms I have proposed. The set of actions I have proposed, when taken together, will help make Government respond to the people; Government for the people, as our founders envisioned.

First, Congress should govern itself by the laws it imposes on everyone else. No more special treatment.

Second, Congress should reform its operations and procedures.

Third, we must make sweeping campaign finance reforms.

Fourth, we need to change how Congress spends the people's money.

Fifth, we must revise and eliminate Government regulations that impede our ability to compete, and we must accelerate regulations that enhance our competitive edge.

Sixth, we must limit congressional terms. The cycle of virtually guaranteed reelection through the built-in advantages of incumbency must be broken.

And finally, the Congress of the future should be a citizen Congress, not a career Congress.

These reforms, taken together, can renew our faith in Government, restore the principles of our founders, and help guarantee for our children a new American century.

The choice is clear: On the one side stand the defenders of the status quo; on the other, the forces of change. And now that we've changed the world, we must make the choice to change America.

Thank you, and may God bless the United States of America.

Note: This address was recorded at 8:04 a.m. on April 3 in the Oval Office at the White House for broadcast after 9 a.m. on April 4.

Statement on the Death of Stan Scott

April 6, 1992

Stan Scott was a close, personal friend. Barbara and I will miss him greatly. He was a man who dedicated his life to service of family, country, and the betterment of his fellow man.

Stan was universally admired. He was equally at home in the worlds of government, business, sports, and education. He used his friendships to improve the quality of life of all Americans. In particular, his lifelong commitment to the United Negro College Fund helped improve education for generations of Afro-American men and women.

Those who knew Stan felt a part of his extended family. To his wife, Bettye, and three children, Stan, Susan, and Kenneth, I send my deepest condolences and prayers.

Statement on the Death of Samuel M. Walton

April 6, 1992

Barbara and I are deeply saddened by the death of our friend Sam Walton. It was my honor and privilege to award Sam with the Presidential Medal of Freedom just a month ago. Sam Walton was an American original who embodied the entrepreneurial spirit and epitomized the American dream. His commitment to family and selfless giving to others is an example to us all. Sam Walton will be greatly missed, and our prayers and sincere condolences go out to his wife, Helen, the other members of the Walton family, and the entire Wal-Mart community.

Statement by Deputy Press Secretary Smith on the Peruvian Government Crisis

April 6, 1992

The President was very disappointed to learn of the action taken by President Fujimori in suspending the Peruvian Constitution and dissolving the Congress and the judiciary. This is a regrettable step backwards for the cause of democracy in the hemisphere. We will be consulting with other countries in the hemisphere and are currently reviewing our assistance programs to Peru. We urge a rapid return to constitutional rule.

Appointment of Cecile B. Kremer as Deputy Assistant to the President and Director of the Office of Public Liaison

April 6, 1992

The President today announced the appointment of Cecile B. Kremer as Deputy Assistant to the President and Director of the Office of Public Liaison.

Since January 1989, Ms. Kremer has been Assistant to the Vice President and Director of the Office of Scheduling. In April of 1991, she assumed the additional duties of Director of the Office of Public Liaison. Prior to this, Ms. Kremer was director of scheduling and advance for Vice President-elect Quayle and from August to November 1988 served as the Bush-Quayle '88 deputy tour director for Senator Quayle. From 1985 to 1988, Ms. Kremer served as Deputy Assistant Secretary for Public Liaison at the U.S. Department of the Treasury. From 1981 until 1985, she was a staff assistant to President Reagan, serving as an advance representative in the Office of Presidential Advance.

Ms. Kremer is a graduate of the University of Maryland. She is married to Gene Goldenberg, has one son, Joshua, and resides in Chevy Chase, MD.

Appointment of Bobbie Greene Kilberg as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs

April 6, 1992

The President today announced the appointment of Bobbie Greene Kilberg as Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs at the White House.

Since January 1989, Mrs. Kilberg has served as Deputy Assistant to the President for Public Liaison. In 1988, Mrs. Kilberg served as special projects coordinator for the Bush campaign at the Republican National Convention. In 1987, she was the Republican State senate candidate for the 32d District of Virginia. From 1982 to 1983, Mrs. Kilberg was general counsel and vice president of the Roosevelt Center for American Policy Studies. She also served as Associate Counsel to President Ford, 1975 - 77; and as vice president for academic affairs at Mount Vernon College, 1973 - 75. Mrs. Kilberg was an associate in the Washington, DC, law firm of Arnold & Porter, 1971 - 73. Upon graduation from law school in 1969, she was selected as a White House fellow and served on the White House Domestic Council policy staff in that capacity from 1969 to 1971.

Mrs. Kilberg received a bachelor of arts degree in political science from Vassar College (magna cum laude and Phi Beta Kappa), a master of arts degree in public affairs and government from Columbia University (university fellow), and a law degree from Yale University. She resides in McLean, VA, with her husband, Bill, and their five children.

Remarks at the Presentation Ceremony for the National Teacher of the Year Award

April 7, 1992

Thank you, Lamar, and welcome, everybody, to the Rose Garden. In addition to our outstanding Secretary Lamar Alexander, we have with us Gordon Ambach of the Council of Chief State School Officers; Superintendent Schiller and Michael Emlaw from Michigan; the kids here from Jefferson Junior High and St. Rita's School; and of course, the folks that I just had the pleasure of meeting in the Oval Office, Tom, Diane, and Malcolm Fleming and Diane's mother, Josephine Rosinski. Why don't you all just stand up so they can officially welcome you. Thank you.

Well, we're all here today to salute and thank the thousands of outstanding men and women who educate this Nation's children. There's no calling greater than a teacher's because there is nothing more precious than what they touch: the minds of our youth. The Talmud says teachers are our protectors, and that's true. By teaching our kids what we've learned and by teaching them to dream, teachers protect the treasures of our past and the promise of our future.

Today I want to share a story about a Detroit kid brought up by his grandparents, Gordon and Carrie Bell Starks. He struggled in school, was labeled a slow learner, and when he dropped out of high school, he couldn't read or write or spell. He didn't think that mattered, but one day it did. His faith became tremendously important to him. And he wanted to read the Bible, but he couldn't, didn't know how. From that moment, he thought about what it would really mean to take charge of his life. And that moment changed his life. And 5 years later, after he dropped out, he enrolled in night school to learn how to read his Bible and earn his high school diploma. He went on to Bible college while working as a minister to kids like himself in northwest Detroit. And here he found he had the power to touch and to change lives.

He decided to become a teacher and worked with forgotten kids at a State institution for juvenile offenders. And there's an old saying, ``Whoever would be a teacher of men, let him begin by teaching himself before teaching others, and let him set an example before teaching by word." And that's exactly what the young man of this story did. And we're here today to honor him as the 1992 Teacher of the Year, Thomas Fleming.

He's a hero, a man of great strength, of courage and great heart. And for the last 20 years, as lead teacher in the Washtenaw County Juvenile Detention Program, he's taught history, government, and also geography to kids in the 12-to-16 age bracket. But he teaches much, much more. To kids who've had hope drained out of them by a vicious cycle of abuse, neglect, failure, drugs, crime, he gives life training. And here's what he says to them, ``Knowledge is power. The more you know, the more you're worth." In these throwaway kids he installs pride.

Tom doesn't want the moon for his kids; he wants something more important, a future. And in his classroom it will be a future forged out of new personal responsibility, enthusiasm, and learning, and yes, hope.

Some of his kids have gone on to respected civic and religious positions. One even rebuilt Tom's original youth club as a ministry of his own. And one of his kids, ``Saturday Night Live'' comedian A. Whitney Brown, is here with us today. Whitney, please stand up, and welcome. And I'm glad you didn't bring Dana Carvey. [Laughter]

No, but this guy spoke for many of Tom's kids when, more than 20 years after being taught in his classroom, he dedicated his book, ``The Big Picture,'' to Tom and to his colleague Anne Klein, who is also here today. And he called them ``two teachers who made a difference.''

Well, I have a feeling this crystal apple over here isn't as important to Tom as his other rewards: seeing the first spark of light in a kid's eye or even just having a kid who never before had been able to read ask him for a book from the public library. But the apple does symbolize the respect with which Tom's country views him. And the apple reminds us of Tom's message: Education is important because every life can be redeemed, every life counts.

Whether you're concerned about the big issues that shape our world or about the values close to home, education is a fundamental part of the three precious legacies Americans take to heart: strong families, good jobs, a world at peace. Every day on the most intense and personal level, Tom Fleming sees the heart of the problems we face: the breakdown of families, the loss of traditional values, the lure of crime and substance abuse, the dead end of unemployment, and hopelessness. But he knows that good teachers will help us find a solution. For with every student you teach, you shape a future and you touch a lifetime.

But teachers cannot exist in isolation. Our tremendous respect for them and our utter conviction that education is the key to our country's future led us to develop America 2000, a revolutionary blueprint for educational reform. It will lead us to achieve our six national education goals, adopted, as you may remember, more than 2 years ago in an extraordinary nonpartisan Federal-State partnership by the Nation's Governors and by this administration. And let me remind you just briefly of these six goals which will propel this Nation forward into excellence:

By the year 2000 our children will start school ready to learn. America's students will achieve at least a 90-percent high school graduation rate. They will demonstrate competence in five core subjects measured against world-class standards. And by the year 2000 our children will be the first in science and math. Our adults will be literate and able to compete in the work force. And sixth, finally, our schools will be safe, disciplined, and drug-free.

We'll achieve these goals by advancing four transforming ideas at the heart of America 2000:

First, flexibility for teachers and principals, freedom from the web of Federal regulations that impose a one-size-fits-all solution to our schools;

Second, a generation of new American schools. Teachers are critical to this exciting break-the-mold experiment in what education can be;

Third, world-class standards and voluntary national exams. Again, teachers are leading the way in defining standards, creating curriculum frameworks, developing exams to help us raise our sights and measure our performance;

And fourth and finally, parental choice of schools, public, private, religious.

Now, our plan is innovative. It is exciting. It is uniting this country. And it will work. Changing our schools is too important to wait or to waste a generation. And that's why education is one of the five urgent reform challenges that I've been talking about. We know we've got to be competitive in a changing world. We can't go on sending our children into the working world undereducated and ill-equipped and expect the business community to spend billions teaching new workers what they should have learned in school. Status quo schools simply will not carry us into the next century.

We set our goals for the year 2000 because we know our economic health, our economic survival depend on how we educate ourselves to face the challenges a new century will bring. Tom and the thousands of men and women like him will help us meet those challenges.

Teachers know that real excellence demands commitment from everyone in every community as we work to create communities where learning can happen. It demands that talented men and women give time to become tutors and mentors. It demands that businesses, churches and synagogues, and civic groups join together to support local schools. It demands that every citizen help his community develop a plan of action based on America 2000 and help the Nation reach these national education goals. Together, we literally will reinvent the American school, community by community, neighborhood by neighborhood, all across this country. And at the heart of this shining new school will be, as always, the teacher.

Last week at the Oscars, George Lucas, filmmaker, might have captured it best when he thanked the teachers of his childhood. And he said, ``All of us are teachers, teachers with very loud voices. But we will never match the power of the teacher who is able to whisper in a student's ear."

And so, Tom, on behalf of all Americans who have had the rare and priceless privilege of having a fine teacher whisper in their ear, congratulations. You teach the one lesson that matters the most. There's no distinction between who you are and what you do. You've woven the values of your life into your work. And thank you, sir. And may God bless you.

And now I have something special for you. This apple is the traditional symbol of teaching, and crystal represents the clarity of vision and commitment that the great teachers possess. And so, on behalf of a grateful Nation, an admiring Nation, with great pride in you, sir, congratulations. Now, may I hand you this apple.

Note: The President spoke at 11:22 a.m. in the Rose Garden at the White House. In his remarks, he referred to Robert Schiller, superintendent of public instruction for the Michigan Department of Education, and Michael O. Emlaw, superintendent of Washtenaw Intermediate School District, MI.

Remarks to the American Business Conference

April 7, 1992

Thank you, Jim, very, very much. Thank you all, and I'm just delighted to be back with you. And Jim Jones, thank you, sir, for the introduction, for your leadership not just of this wonderful organization but of the exchange and for everything else you do for this economy.

Some people think I've been traveling a little too much so today, as an example of my new policy, no trips further than one block away from the White House. [Laughter]

It is a pleasure to be with you. I'm delighted to have been accompanied by Barbara Franklin, who many of you saw coming in, I think, our new Secretary of Commerce in whom I have great confidence, Barbara. And she and I both agree that she has large shoes to fill over there at Commerce with one of your originators, one of your founders, my dear, close friend Bob Mosbacher, sitting in the back, back here. What a job he did for his country as Secretary.

But let me just say it is always a pleasure to speak with the members of the ABC, the American Business Conference, because it's a pleasure to speak with the best, people that get things done. And I'd like to talk to you today about the future, the future of our country generally, and more particularly, the future of our country's business environment. In fact, we cannot separate the two. The America of the 21st century -- Jim talked about some of the aspects of this, what ABC's about, its ability to make peace in the world, but to foster strong families, to create rewarding jobs -- will be shaped today, in large part, by how hospitable we make America for business.

We can learn from your achievement. The key to the success of any high-growth company is the wise deployment of resources. The successful company channels labor and investment into those areas with the potential for the greatest expansion, for the highest return. And you take the risk; you reap the reward; everyone, meanwhile, benefits from the wealth you create. And that, in brief, is the genius of entrepreneurial capitalism, a system that has made America the envy of the world.

For 200 years our prosperity has sprung from our ability to innovate, to create, to change as the world changes. But America's world leadership is not automatic; it's not a birthright. We must continue to earn it day by day, quarter by quarter, year by year. And the world now is changing at a pace that no one could have dreamed of just a generation ago. And America, which has led the world's transformation, simply must change with it.

Over the last several years, deadweights have begun to slow the engine of growth, inefficiencies a competitive economy simply cannot tolerate. And today I want to discuss five areas of reform, five critical ways in which America must change if we are to continue to lead the world. You

understand the urgency, for each of these problems presents itself to American companies not as an abstraction but in the most immediate way, as a cost of doing business, a cost you can't control, an expenditure with no possible return.

When our legal system becomes incapable of resolving disputes in a timely and civil manner, business loses the incentive to innovate and take risks. Secondly, when health care costs escalate, business picks up much of the tab. When Government imposes barriers to trade, business pays the price in opportunities lost. When our children leave school without rudimentary skills, business bears the burden in lowered productivity. And when Government freezes in gridlock, business can no longer plan rationally for the future.

Let me begin with the crying need to reform our country's civil justice system. Every American has heard stories of bizarre or frivolous lawsuits. But most of you have lived with them, tales that could have been torn from the pages of Kafka. Consider one example related by one of your members, Roger Coleman, president of Rykoff-Sexton, a food manufacturer and distributor.

After record earnings in 1989, Mr. Coleman publicly expressed his confidence that 1990 would be even better. And when earnings fell short, his hopeful statement became the cause of a shareholder class-action lawsuit. First, in a meeting with plaintiffs' contingency-fee lawyers, at which the merits of the case were never even discussed, the issue, says Mr. Coleman, was ``the depths of our pockets." And next came the nightmare of discovery, endlessly expensive and invasive. The company's managers, instead of managing, spent their time preparing for depositions. The lawsuit, he says, ``brought everything to a stop." In the end, rather than permit the total exhaustion of company resources, Mr. Coleman decided to settle. And the tab for this exercise in futility, $8.7 million. And as he says, ``That's over $8.7 million that was diverted from new investments in jobs and facilities."

The scenario is repeated daily throughout American business. And it is not repeated, let me stress, among our world competitors. Only the United States has seen the number of lawyers double over a 20-year period. And only the United States spends more than $80 billion annually in direct litigation costs, perhaps 4 times that in indirect costs. According to a recent survey, 40 percent of companies that had been the target of product liability suits have discontinued certain types of product research.

We must remove this ball and chain from our ability to produce, our ability to compete worldwide. And my Competitiveness Council, led by the Vice President, has offered 50 recommendations for legal reform. They would limit discovery to reasonable proportions, discourage some frivolous suits through a ``loser pay" rule, and offer alternative means of resolving disputes.

This broad legal reform will not be easy. Just look at the fight that we've had on product liability reform. We introduced a reform bill in 1990 and again in 1991. And the Senate opposition, the

majority in the Senate refused to bring it to a vote. And in the House it's stuck in two committees. The special interests are lining up against legal reform, and we could certainly use your help in moving it forward. We must reform the legal system of this country.

If we are successful, the effects will be far-reaching, extending into another area critically in need of change. Medical malpractice premiums almost doubled in the second half of the eighties. Doctors are practicing defensive medicine, ordering an estimated $20 billion a year in unnecessary tests and procedures to protect against frivolous lawsuits.

The trends in health care costs are simply unsustainable. From less than 6 percent 30 years ago, total health care expenditures are today about 13 percent of GDP. Some midrange estimates put that figure at 30 percent by the year 2030. That's 30 cents of every dollar of national income spent on health care. Right now, according to one Federal study, American corporations already spend more on health care each year than they earn in aftertax profits.

We must reform the system, but we face a crossroad. Some have advocated nationalized care; others propose the so-called ``pay or play'' approach, which I am convinced is merely a step on the road to nationalized care. Neither is acceptable. Neither will preserve the quality of our country's health care, which remains the best in the entire world. And I will not let that high quality be taken away from the American people through some scheme of Government control.

Nationalized care means rationed care. Its promise of cost containment is a mirage. ``Pay or play'' would dump still more mandates on business. For employers, a 9-percent payroll tax would mean a 34-percent increase in health insurance costs. And that money has got to come from somewhere. And for a company unable to pass along the added costs through higher prices, that means decreased investment; it means lower wages; it means fewer jobs.

There is an alternative, a good one. And my proposed health care reform will build on the strengths of the existing system, preserving the quality of American care. We will increase consumer choice. And through transferable credits, we will assure access to basic health insurance for the uninsured and control costs through market incentives. And we will not have to raise taxes in the process, raise taxes on the employers.

I've targeted a third area for attention, like the others, absolutely critical to our success in the coming decades. You understand that for America to succeed economically at home we must succeed economically abroad. The fastest growing companies among your group, the ones creating the greatest number of jobs here at home, are those with far-reaching involvement in foreign markets.

I am committed to opening markets to American goods and services, removing the Government-imposed barriers that act as a hidden tax on American business. Each market shut off by protection is a lost opportunity to sell your products. A successful conclusion to the current

Uruguay round of trade negotiations, for instance, could increase world output by $5 trillion over the next decade. More than $1 trillion of that boom will go to the United States, creating a higher standard of living and, yes, more jobs for Americans.

And then, even closer to home, an area where Bob Mosbacher did so much and now Barbara Franklin has taken up the cause: exports to Mexico. They have more than doubled over the last years, creating more than 300,000 American jobs. Now, our North American free trade agreement, Mexico, Canada, and the U.S., will lock in and even multiply these gains, creating a $6 trillion market for American products in Canada, Mexico, and the U.S.A.

As world trade expands, the need for a sophisticated, well-educated work force will intensify. And yet the fact is grim and undeniable, and Jim referred to this one in introducing me, our current educational system is unable to produce the workers the highly competitive world market demands.

Our educational failures have hit American employees hard. English is now the language of international business, and yet only 20 percent of 17-year-olds can write a simple two-paragraph letter applying for a job. The situation in geography, math, science is equally dire. Too many businesses are forced to pay twice for the education of prospective employees, once through taxes that support our schools and again through job training to remedy the failures of those schools in educating our young.

Communities have begun taking matters into their own hands, with local businesses often acting as catalysts. ABC's Vital Link, which works with local schools to establish learning incentives for students, is a perfect example of the community-based efforts that our children need.

And still, there is much for the Government to do. This year seven different Federal agencies will spend $18 billion on a patchwork of 60 mandated vocational training programs. Is it any wonder that so many Americans who seek training don't know how to get it? Now, working with State and local governments, we've got a new program: our Job Training 2000 initiative, we call it. And that will bring coherence to these programs and try to offer ``one-stop shopping'' to aspiring workers. Job Training 2000 perfectly complements the revolution now taking place in American education as a whole.

And through this, I hope you've heard of it, our America 2000 initiative, we will reinvent, literally reinvent our schools. Your chairman, Jim Jones, is a leader in what we call the New American Schools Development Corporation. It's a private group created at my request to launch an entire generation of break-the-mold new American schools.

This revolution is essential to creating a world-class work force. Now to do that, we need to set world-class standards for students and create a system of voluntary national tests to measure their progress. We've got to redouble our efforts to rid our schools of drugs and violence, to

cleanse America of this scourge that wastes so many young lives. And we must make schools more accountable by forcing them to compete. And that means giving parents the opportunity to choose their children's schools, public, private, or religious.

I am convinced that each of these major reforms, restoring sanity to our legal system, ensuring quality health care for all, expanding world trade, reinventing American education, is essential to this country's productivity. But each faces powerful opposition from special interests who profit from the status quo. And so, I've targeted a final reform, no less important than the others. If America is to change, our Government must change.

And last week in Philadelphia I presented seven specific programs, proposals really, to deal with the paralysis that grips the Congress. And the results of this gridlock are dismally plain. Congress was incapable even of passing a short-term stimulative economic growth package. But they must understand I am going to continue to fight for measures essential to economic growth, and that includes something you know something about, a lot about, including a cut in the tax on capital gains.

And you have sitting here today a leader that knows something about the success of a capital gains cut, Jim Jones. Because if my memory serves me correctly, it was the Jones-Stieger initiative in '78 that showed what can happen in the way of new investment, entrepreneurship, when a capital gains tax cut was enacted.

The American people, and I can understand this, are rightly fed up with business as usual, a deficit that is a fiscal and a moral outrage, a permanent governing class oblivious to the national interest, and hundreds of self-perpetuating programs that don't even aid the people they were designed to help. Now, I refuse to believe that this is the legacy we'll leave our kids. But it will be if we don't reform. I'm talking here about perks. I'm talking about the gymnasium. I'm talking about fundamental reform of the United States Congress.

The reforms that I've outlined here today are grounded in basic principles, a way of looking at the world. As Jefferson said, ``The pillars of our prosperity are the most thriving when left most free to individual enterprise." In practice, that means Government must trust the wisdom of the markets more than the whims of the bureaucrats. The freely made decisions of business men and women must take precedence over the engineering schemes of Government. And all of our institutions, from the Congress to the local school board, must be accountable to those that they serve.

Over the last decade, America has changed the world. Given what's happening out there in this election year, we sometimes fail to count our blessings. There have been fundamental changes in this world, changes for world peace. And today we are blessed with those changes, and we are also blessed with the opportunity now to change America. With these principles that I've outlined here as our guide, I am absolutely convinced we will meet the challenges and exploit

the opportunities of the world that is now being born.

Thank you all very much for what you do. And may God bless our country. Thank you all.

Note: The President spoke at 2:11 p.m. at the Willard Hotel. In his remarks, he referred to James R. Jones, chairman of the American Business Conference and chairman of the American Stock Exchange.

Message to the Congress on the Release of Funds for Peacekeeping Purposes in El Salvador

April 7, 1992

To the Congress of the United States:

Section 531 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513), provides that amounts in the Demobilization and Transition Fund established for peacekeeping purposes by that Act shall be made available for obligation and expenditure only upon notification by the President to the Congress that the Government of El Salvador and representatives of the Farabundo Marti Liberation Front (FMLN) have reached a permanent settlement of the conflict, including a final agreement on a cease-fire. On January 16, 1992, the Government of El Salvador and the FMLN signed such an agreement, bringing an end to the civil conflict.

Consistent with section 531, I hereby provide notification that the Government of El Salvador and representatives of the FMLN have reached a permanent settlement of the conflict, including a final agreement on a cease-fire.

This notification allows the amounts in the Demobilization and Transition Fund (Fund) to be made available for obligation and expenditure. The Secretary of State will have responsibility for administering the Fund.

It is extremely important for the United States to support the implementation of this historic peace agreement, and I look forward to your continued cooperation toward achieving our mutual objectives in this endeavor.

George Bush

The White House,

April 7, 1992.

Message to the Congress Reporting on Economic Sanctions Against Haiti

April 7, 1992

To the Congress of the United States:

1. On October 4, 1991, in Executive Order No. 12775, I declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States caused by events that had occurred in Haiti to disrupt the legitimate exercise of power by the democratically elected government of that country (56 FR 50641). In that order, I ordered the immediate blocking of all property and interests in property of the Government of Haiti (including the Banque de la Republique d'Haiti) then or thereafter located in the United States or within the possession or control of a U.S. person, including its overseas branches. I also prohibited any direct or indirect payments or transfers to the de facto regime in Haiti of funds or other financial or investment assets or credits by any U.S. person or any entity organized under the laws of Haiti and owned or controlled by a U.S. person.

Subsequently, on October 28, 1991, I issued Executive Order No. 12779 adding trade sanctions against Haiti to the sanctions imposed on October 4 (56 FR 55975). Under this order, I prohibited exportation from the United States of goods, technology, and services, and importation into the United States of Haitian-origin goods and services, after November 5, 1991, with certain limited exceptions. The order exempts trade in publications and other informational materials from the import, export, and payment prohibitions and permits the exportation to Haiti of donations to relieve human suffering as well as commercial sales of five food commodities: rice, beans, sugar, wheat flour, and cooking oil. In order to permit the return to the United States of goods being prepared for U.S. customers by Haiti's substantial ``assembly sector,'' the order also permitted, through December 5, 1991, the importation into the United States of goods assembled or processed in Haiti that contained parts or materials previously exported to Haiti from the United States.

2. The declaration of the national emergency on October 4, 1991, was made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq.), the National Emergencies Act (50 U.S.C. 1601, et seq.), and section 301 of title 3 of the United States Code. I reported the emergency declaration to the Congress on October 4, 1991, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)). The additional sanctions set forth in my order of October 28 were imposed pursuant to the authority vested in me by the Constitution and laws of the United States, including the statutes cited above, and implement in the United States Resolution MRE/RES. 2/91, adopted by the Ad Hoc Meeting of Ministers of Foreign Affairs of the Organization of American States (``OAS'') on October 8, 1991, which called on Member States to impose a trade embargo on Haiti and to

freeze Government of Haiti assets. The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c) and discusses Administration actions and expenses directly related to the national emergency with respect to Haiti declared in Executive Order No. 12775, as implemented pursuant to that order and Executive Order No. 12779.

3. On March 31, 1992, the Office of Foreign Assets Control of the Department of the Treasury (``FAC''), after consultation with other Federal agencies, issued the Haitian Transactions Regulations, 31 C.F.R. Part 580 (57 FR 10820, March 31, 1992), to implement the prohibitions set forth in Executive Orders Nos. 12775 and 12779.

Prior to the issuance of the final regulations, FAC issued a number of general licenses to address urgent situations requiring an interpretation of U.S. sanctions policy in advance of the final regulations. These general licenses provided agency policy regarding the articles (baggage, personal effects, etc.) that could be exported or imported by travellers to and from Haiti; the treatment of amounts owed to the de facto regime by U.S. persons for certain telecommunications services; the movement of diplomatic pouches; the obligation of banks and other financial institutions with respect to Government of Haiti funds in their possession or control; authorization of commercial shipments to Haiti of medicines and medical supplies; and the circumstances under which certain exportations to, or importations from, the ``assembly sector'' in Haiti would be permitted. These general licenses have been incorporated into the Haitian Transactions Regulations.

4. The ouster of Jean-Bertrand Aristide, the democratically elected President of Haiti, in an illegal coup by elements of the Haitian military on September 30, 1991, was immediately repudiated and vigorously condemned by the OAS. The convening on September 30 of an emergency meeting of the OAS Permanent Council to address this crisis reflected an important first use of a mechanism approved at the 1991 OAS General Assembly in Santiago, Chile, requiring the OAS to respond to a sudden or irregular interruption of the functioning of a democratic government anywhere in the Western Hemisphere. As an OAS Member State, the United States has participated actively in OAS diplomatic efforts to restore democracy in Haiti and has supported fully the OAS resolutions adopted in response to the crisis, including Resolution MRE/RES. 2/91.

5. In these initial months of the Haitian sanctions program, FAC has made extensive use of its authority to specifically license transactions with respect to Haiti in an effort to mitigate the effects of the sanctions on the legitimate Government of Haiti and on U.S. firms having established relationships with Haiti's ``assembly sector,'' and to ensure the availability of necessary medicines and medical supplies and the undisrupted flow of humanitarian donations to Haiti's poor. For example, specific licenses have been issued (1) permitting expenditures from blocked assets for the operations of the legitimate Government of Haiti, (2) permitting U.S. firms wishing to terminate assembly operations in Haiti to return equipment, machinery, and parts and materials inventories to the United States and, beginning February 5, 1992, permitting firms wishing to resume assembly operations in Haiti to do so provided the prohibition on

payments to the de facto regime is complied with, and (3) permitting the continued material support of U.S. and international religious, charitable, public health, and other humanitarian organizations and projects operating in Haiti.

6. Since the issuance of Executive Order No. 12779, FAC has worked closely with the U.S. Customs Service to ensure both that prohibited imports and exports (including those in which the Government of Haiti has an interest) are identified and interdicted and that permitted imports and exports move to their intended destination without undue delay. Violations and suspected violations of the embargo are being investigated, and appropriate enforcement actions will be taken.

7. The expenses incurred by the Federal Government in the 6-month period from October 4, 1991, through April 3, 1992, that are directly attributable to the authorities conferred by the declaration of a national emergency with respect to Haiti are estimated at $323,000, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, and the Office of the General Counsel), the Department of State, the Department of Commerce, and the Federal Reserve Bank of New York.

8. The assault on Haiti's democracy represented by the military's forced exile of President Aristide continues to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. The United States remains committed to a multilateral resolution of this crisis through its actions implementing the resolutions of the OAS with respect to Haiti. I shall continue to exercise the powers at my disposal to apply economic sanctions against Haiti as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

George Bush

The White House,

April 7, 1992.

Message to the Congress Reporting on Panamanian Government Assets Held by the United States

April 7, 1992

To the Congress of the United States:

1. I hereby report to the Congress on developments since the last Presidential report on October 3, 1991, concerning the continued blocking of Panamanian government assets. This report is submitted pursuant to section 207(d) of the International Emergency Economic Powers Act, 50 U.S.C. 1706(d).

2. On April 5, 1990, I issued Executive Order No. 12710, terminating the national emergency declared on April 8, 1988, with respect to Panama. While this order terminated the sanctions imposed pursuant to that declaration, the blocking of Panamanian government assets in the United States was continued in order to permit completion of the orderly unblocking and transfer of funds that I directed on December 20, 1989, and to foster the resolution of claims of U.S. creditors involving Panama, pursuant to 50 U.S.C. 1706(a). The termination of the national emergency did not affect the continuation of compliance audits and enforcement actions with respect to activities taking place during the sanctions period, pursuant to 50 U.S.C. 1622(a).

3. The Office of Foreign Assets Control of the Department of the Treasury (``FAC") has released to the control of the Government of Panama approximately $134 million of the approximately $137.3 million that remained blocked at the time of my last report. The amount released represents blocked financial accounts that the Government of Panama requested be unblocked.

Of the approximately $6.1 million remaining blocked at this time (which includes approximately $2.8 million in interest credited to the accounts since my last report), some $5.5 million is held in escrow by the Federal Reserve Bank of New York at the request of the Government of Panama. Additionally, approximately $600,000 is held in commercial bank accounts for which the Government of Panama has not requested unblocking. A small residual in blocked reserve accounts established under section 565.509 of the Panamanian Transactions Regulations, 31 CFR 565.509, remains on the books of U.S. firms pending the final reconciliation of accounting records involving claims and counterclaims between the firms and the Government of Panama.

4. I will continue to report periodically to the Congress on the exercise of authorities to prohibit transactions involving property in which the Government of Panama has an interest, pursuant to 50 U.S.C. 1706(d).

George Bush

The White House,

April 7, 1992.

Statement on United States Recognition of the Former Yugoslav Republics

April 7, 1992

The United States recognizes Bosnia-Hercegovina, Croatia, and Slovenia as sovereign and independent states and will begin immediate consultations to establish full diplomatic relations. The United States accepts the pre-crisis Republic borders as the legitimate international borders of Bosnia-Hercegovina, Croatia, and Slovenia.

We take this step because we are satisfied that these states meet the requisite criteria for recognition. We acknowledge the peaceful and democratic expression of the will of citizens of these states for sovereignty.

We will continue to work intensively with the European Community and its member states to resolve expeditiously the outstanding issues between Greece and the Republic of Macedonia, thus enabling the U.S. to recognize formally the independence of that Republic as well. The United States will also discuss with the Governments of Serbia and Montenegro their interest in remaining in a common state known as Yugoslavia.

In light of our decisions on recognition, the U.S. will lift economic sanctions from Bosnia-Hercegovina, Croatia, Macedonia, and Slovenia. Sanctions were applied to Yugoslavia on December 6, 1991. We will lift sanctions against Serbia and Montenegro contingent on Belgrade's lifting the economic blockades directed against Bosnia-Hercegovina and Macedonia. The U.N. arms embargo remains in effect.

It has been U.S. policy throughout the Yugoslav crisis to accept any resolution arrived at peacefully, democratically, and by negotiation. The United States strongly supports the U.N. peacekeeping plan, as worked out by Cyrus Vance, and the full deployment of the U.N. peacekeeping force. We continue to support the EC Peace Conference as the indispensable forum for the parties to reach a peaceful settlement of their dispute and to establish the basis for future relations. U.S. recognition is without prejudice to any future association Yugoslav successor states might agree to establish.

The United States views the demonstrated commitment of the emerging states to respect borders and to protect all Yugoslav nationalities as an essential element in establishing full diplomatic relations. Equally, we view such a commitment by Serbia and Montenegro as essential to proceed in discussions on their future status.

The deployment of the U.N. peacekeeping force, the continuation of the EC Peace Conference, and the process of international recognition offer all of the former Yugoslav Republics an

historic opportunity to reject decisively the tragic violence which has marked this crisis. Continued commitment to peaceful dialog should lead toward reconciliation, toward integration within Europe, and toward cordial and productive relations with the United States. The United States will continue to work to achieve these goals.

Statement by Deputy Press Secretary Smith on the President's Meeting With President Francesco Cossiga of Italy

April 7, 1992

Italian President Cossiga today called on President Bush to bid farewell in anticipation of the end of Cossiga's 7-year Presidential term in July. He and President Bush discussed a range of bilateral and international issues. President Cossiga also shared his perspectives on the just-completed Italian elections. Among the other topics discussed were GATT, the Atlantic alliance, and Yugoslavia. Both Presidents reaffirmed their commitment to the closest possible cooperation between Italy and the United States and to ensuring the vitality of the transatlantic partnership.

Nomination of William Dean Hansen To Be Chief Financial Officer at the Department of Education

April 7, 1992

The President today announced his intention to nominate William Dean Hansen, of Idaho, to be Chief Financial Officer at the Department of Education. He would succeed John Theodore Sanders.

Currently Mr. Hansen serves as Acting Assistant Secretary for Management and Budget at the U.S. Department of Education in Washington, DC. Prior to this, he served at the U.S. Department of Education as: Acting Assistant Secretary for Legislation and Congressional Affairs, 1991; Acting Deputy Under Secretary for Planning, Budget, and Evaluation, 1990 - 91; Deputy Assistant Secretary for Legislation and Congressional Affairs, 1989 - 90; senior research associate in the Office of the Secretary, 1989; and Deputy Assistant Secretary for Elementary and Secondary Education, 1988. He was Executive Assistant for Legislative Affairs in the Office of Legislation, 1984 - 88; and a legislative assistant in the Office of Legislation and Public Affairs, 1981 - 84.

Mr. Hansen graduated from George Mason University (B.S., 1988). He was born May 13, 1959, in Pocatello, ID. Mr. Hansen is married, has four children, and resides in Arlington, VA.

Statement on Presidential Primary Victories

April 7, 1992

Today's results are another endorsement of our proposals for fundamental reform. While the Democrats offer only confusion, we are earning a mandate to change America as we changed the world.

This is the message I will continue to take to the American people. We must have schools where students can learn. We must restore reason to our legal system. Quality health care should be available to all. A productive America must be free to compete in world markets. And finally, a Congress frozen in gridlock must be made to work.

Exchange With Reporters While Viewing the Cherry Blossoms at the Tidal Basin

April 8, 1992

The President. Look, we're out here to enjoy the flowers, thank you very much. We don't discuss those kinds of things anyway.

Q. Good morning.

Mrs. Bush. Good morning.

The President. Good morning, everybody. Bright and early. Wait until the sun comes up.

Q. And then you'll tell us about that satellite and Arafat?

The President. The satellite.

Q. Are you going to buy our breakfast? I know a good bagel factory.

The President. Enjoy. Careful, careful, don't fall in.

Q. Don't fall down.

The President. This is beautiful. Isn't this beautiful? It's a little early. We're trying to avoid holding people up in the traffic.

Q. Did you see that Tsongas is back in the race?

The President. We're not commenting on the Democratic -- all three of them are Democrats.

Q. What do you think about your latest -- --

The President. Outstanding. Excellent.

Q. Mr. President, you could see the colors better in the daytime.

The President. I know it, but you get -- --

Q. Brilliant.

The President. It will be daylight at 6:20 a.m., but we just wanted to get out here before we held up too much traffic. As I speak the sun is starting to rise somewhere.

Q. You think you're going to be running against Clinton?

The President. I don't know. I'm not going to comment on the Democratic side. I've got a good record of not doing that so far, and I'm going to stay with it.

Q. Well, he's the candidate for change.

The President. He's running against me. I'm not running against anybody right now. Let's see what they come up with.

Q. Is this your favorite monument?

The President. Helen [Helen Thomas, United Press International].

Q. You got me up this morning; I've got to work. Last time I came here was 3 a.m. in the morning with Nixon.

Q. You see things have gotten better. You don't have to come out quite so early.

Q. Oh, yes. In '71.

The President. How did he do in the primary? [Laughter]

Q. It was a Vietnam protest.

Term Limitations

The President. Helen, this might interest you. This might interest you all. Here's Thomas Jefferson's belief in term limitations.

Q. My favorite.

The President. This one. This is Jefferson's appeal for term limits. Read carefully, Helen.

Q. -- -- not an advocate.

The President. ``Frequent changes . . . laws and institutions must go hand-in-hand with the

progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truth discovered, and matters of opinions change . . . change is certain . . . institutions must advance also to keep pace with times." If I've ever heard an eloquent plea for term limits, that's it.

Q. Doesn't sound like that to me.

The President. It does to me. ``We might as well require men to wear -- [inaudible]" -- in other words, things have to change. Congress must change.

Q. I don't think Bob Michel would like that.

The President. Well, I think he probably would. But I really think this is a very important statement here. Let's see what he says over here.

Q. You're misinterpreting Jefferson.

The President. No, I'm not.

Q. You ought to send this statement to Peru.

The President. Perot?

Q. Peru.

The President. Oh, sorry, I heard you.

Q. Perot, right? Is he on your mind?

The President. No, I think he's on yours.

Q. Not at all.

The President. This is a lovely memorial.

Q. Do you care one way or the other if Perot gets in it, Mr. President?

The President. No.

Q. Tell Strom Thurmond about it. How many terms has he had?

Q. Do you have a favorite memorial?

Mrs. Bush. This may well be it. It's a nice one.

The President. This one is?

Q. You can see this from your balcony.

U.S. Supreme Court

Q. Maybe he's talking about liberal interpretation of the Constitution vis-a-vis the U.S. Supreme Court and its need to interpret law in light of ever-changing circumstances?

The President. That's exactly what the Supreme Court does. They interpret the Constitution. They do not legislate from the Bench. One of the things I'm most proud of is my appointments to the Supreme Court. And it's a good court, and it does not legislate from the Bench as much as in the past. And that's good. And maybe that's what he's talking about. But I don't see that in that particular message there. What I think he's talking about there is change, and we are trying to get some change.

Q. What did you think of the march on Sunday?

The President. The march?

Q. Yes, the march.

The President. I think Jefferson would have approved of that. Everybody has a right to petition his Government, or her Government, Helen; his in the generic sense.

Q. But where does it fall on your ears?

The President. Everybody has that right.

President's Schedule

Q. Mr. President, we've noticed that you've been taking some leisurely weekends. Is this, taking the advice of your doctor, as much of a vacation as you're going to -- --

The President. Well, I think probably yes. I don't think we're going to be able to get a 2-week vacation, nor do I feel need of that, although I was delighted when the doctor recommended it. Took a little pressure off so we could get a good long weekend. But I feel good. I think the

health is strong. This weekend was good, and I got a lot of rest up there.

So, I think that I'm more apt to do that than I am to try to get a week off in a row, something like that.

Legislative Agenda

Q. Are you anxious to return to full-fledged campaigning?

The President. Not particularly. Full-term governing, trying to move this Congress to do things that I've been trying to get done. For example, an education program that will change education and change it for the better; an anticrime bill that will give support to the people in the cities, the people in the rural areas that need it. So there's a lot of things we're still trying to get done with Congress. This period gives me time to concentrate on that. I'll keep going.

I'd like to see this legislation passed that will put some limits on liability. If there was ever anything people unanimously want in this country, it's to do something about the frivolous lawsuits, those that are just running up the cost of everything and frivolously driving people out of public service, out of helping their neighbor, out of medical practice. And yet it sits there in a Congress unwilling to even take it up for a vote.

So, there's plenty of things to be doing without having to concentrate on the primaries at this point or the elections at this point. And I'm trying very hard to do just exactly that.

Now, we're going to go up and see the sun come up and watch the -- --

Q. You're not even sending health financing up?

The President. We've got a wonderful health -- --

Q. Your health care program stands in limbo.

The President. Well, then blame the Congress because we've got the best health care plan there is. And it does not socialize medicine in this country. It preserves the quality of care. It gives health care access to all, and it does it without reducing the quality of American education. And I just hope the Congress will move on it instead of sitting there and griping for the status quo.

And that's it. When I'm talking about change, that's what I'm talking about, a whole array of issues. And I think the American people understand it, and I think as the campaign gets in focus in the fall they'll understand it more clearly. So this is what it is. It isn't about who's been President for 3 years, it's the question of who has the program for change that really will help this country. And it's about time the Congress moves on some of these items. And I've listed

three or four here, and there's plenty more.

So, that's what we'll be talking about. I do have a period in here where I don't have to concentrate on the primaries, and that's good. Nor will I comment on the primaries on the Democratic side. They don't need me getting in fine-tuning it. I hear what they say about me. There will be plenty of time to respond, do it in a civil way and not take questions on who's up or who's down in New York or anything like that.

Q. Well, you were kind of scared of Buchanan's threat, weren't you? Weren't you a little bit frightened about Buchanan?

The President. No.

President's Staff

Q. What do you think about the criticism of your Chief of Staff, Sam Skinner, and this alleged disarray?

The President. I think it's ridiculous. You know and I know that there's periodic stories of this nature. I've seen it in every single administration, Democrat and Republican. I discount it. I think we've got an outstanding staff. We've got good coordination between the campaign and the staff. And there's a hiatus in here, as I mentioned, where we can be sure the cooperation is the best. So it's coming along, and I don't -- --

Q. Is Marlin quitting?

The President. There's one of the most ridiculous -- --

Mrs. Bush. What?

The President. She said, ``Is Marlin quitting?'' That is so absurd. It's just absolutely absurd. And you know it. But you have to ask the question because somebody beat you to a story that's untrue. [Laughter] So you have to ask it, but it's silly. It's silly.

Q. The best defense is offense. I could campaign -- --

The President. Exactly. You're darn right you can.

Mrs. Bush. You can't see in our bedroom window; that's good news.

The President. You can see George sleeping over there. See, on the far right window. That's my

son George; that's our son George's room. And when he got the word that the Texas Rangers won 4 to nothing at 5:45 a.m., he went back to sleep for another hour and refused to come out to see the cherry blossoms. That's my boy for you.

Q. A chip off the old block. [Laughter]

President's Opening Day Pitch

The President. Yes, rooting for his ball team. There's a beautiful view there. And I've gotten so many compliments on that first pitch, I'm surprised you don't ask about that. A lot of people -- I thought there would be some criticism. They could visualize the left-handed hitter standing there and the pitcher on the first pitch saying, outside and away, do not bring it in over the strike zone, and bring it in a little slower than normal because he's looking for the heat. And so, as one reporter pointed out, you give him the chill or the freeze.

And it was wonderful because it was a great comparison with my grandson who had to get out there and arrogantly throw it right over the middle of the plate fast. So, I've been surprised at the reaction from the people. It's very understanding on that pitch.

Q. That's why you want to run for reelection, so you can throw out the first ball, right?

The President. Well, I think the American people seem to be sensitive. They see what the man is trying to do, keep it outside on the opening left-handed hitter. [Laughter] You notice how the third baseman came in on the very first pitch of the leadoff hitter. He was in for the bunt. Now, with my pitch, nobody could have bunted that thing. [Laughter]

Q. You're the ultimate outsider.

Tidal Basin Visit

The President. I think we can go without fouling up the traffic there.

Q. Breakfast in the mess. We do know a good bagel factory.

Q. How's the Kennebunkport house?

Mrs. Bush. We're going to see in a couple of weeks.

Q. Habitable?

Mrs. Bush. Yes, we'll be up there Easter. No furniture, though.

The President. Valdez [David Valdez, President's Photographer], can you create a original ``Valdez'' out of this? A man of your ability ought to be able to make a real creation. I'll send this to my mother. This ``Valdez'' will live in history.

Q. Are these the campaign photos?

The President. No.

Mrs. Bush. Oh, you bet. [Laughter]

The President. This is an annual event for us. It's very nice.

Mrs. Bush. Next year we're going to go at 5 a.m.

Q. How long have you been doing this?

The President. Maybe three, I don't remember exactly.

Q. Not as Vice President?

The President. Well, we didn't have to worry about you in the daytime then. [Laughter] This is pretty.

Mrs. Bush. Beautiful.

Q. You're not saying that Vice President Quayle has an easier life than you?

The President. No. I'm just saying it's a little different between what you can do as President and what you can do as Vice President.

Term Limitations

Q. If you're so much for term limitations, why don't you seek one term?

The President. Because we're limited to two terms. I think that's about right for a President. I didn't always feel that way either.

Q. Really? What caused your conversion?

The President. I think that's the kind of change that Thomas Jefferson is talking about. That's

what caused it.

Q. I didn't read the same thing in his words. [Laughter]

The President. I did. Let's go. I think we better head on back before the traffic starts hitting the bridge.

Tidal Basin Visit

Q. Walk. We have to run.

The President. No, you're right here.

Here, Ranger, get in. They want you, I know. I know everyone wants you in the picture.

Mrs. Bush. Sit down, Millie.

The President. Big guys in the middle. Here, Ranger; here, boy. Sit, sit. Good boy. Stay, stay.

Q. What perks are you giving up, Mr. President?

The President. He's like Helen Thomas. You tell him to do something, he doesn't write it -- [inaudible].

Thank you all very much.

Q. Giving up any perks?

The President. Ranger, come here, boy. Sic her! [Laughter]

Q. That's all right. Ranger's okay.

Q. Any comment on the GAO report, Mr. President?

The President. Randall [Randall Pinkston, CBS News], nice to see you there.

You've got to admit the timing was perfect on this, right? It's so beautiful. It really is.

Q. Did you know it was going to be a perfect day?

The President. Well, we talked about either today or tomorrow. Here's the way the

decisionmaking process works: Barbara got home at about 11 p.m., so I made the command decision to go either this morning or tomorrow morning. So we went this morning.

Q. The later the better.

The President. No, we wanted to do it so we wouldn't foul up traffic. But it's great to do. I thought she might be a little tired, but she wasn't, so off we go. We wake up at 5 a.m. every morning. Got that? It's true.

Q. I believe it.

The President. It's true. So it's routine. Good to see you all. Got to go to work.

Note: The exchange began at 5:55 a.m. during a walk from the White House to the Jefferson Memorial and back. In his remarks, the President referred to Ross Perot, businessman and prospective Presidential candidate.

Remarks Congratulating United States Olympic Athletes

April 8, 1992

Well, please be seated. Mr. Vice President and Marilyn -- I've been jealous of them ever since they got to go to see a little bit of Albertville, not as much as they would have liked, but we were just delighted they could represent our country, albeit briefly, at this marvelous event.

And may I salute an old friend, Bill Hybl, from Colorado, who is the president of the U.S. Olympic Committee and who stepped into a difficult job and has done a superb job for our athletes and for our country. I see next to him Oss Day, who was also on our delegation that represented us over there. Welcome, sir. And may I just salute all that are here today, fellow Americans, and most of all, the very special athletes who did our country so proud. And a special hello to another athlete in his own right, a former coach of Notre Dame's Fighting Irish, who has just come, as Dizzy Dean would say, from ``commemertating'' on the NCAA basketball tournament, Digger Phelps.

Now, a parenthetical note and one of great importance and, I think, benefit to our country. Today we're announcing that Digger Phelps will be a Special Assistant to the Director at the Office of National Drug Control Policy. Next to Digger is Governor Bob Martinez, who is doing a superb job heading up that Office. And now, Digger will be at his side, the side of the Attorney General Bill Barr. And he's joining our efforts to take back the streets from crime and drugs, working on our new ``Weed and Seed'' program, which is terribly important to every community in our country. Digger, welcome, officially, and please stand up.

Well, I'm so glad to see all of you here helping salute the Olympians. And let me say that it's an honor to have this team here, though I almost didn't recognize you all without the interruptions for commercials. [Laughter]

The Olympics -- sorry about that one -- [laughter] -- the Olympics have been described as ``going for the gold.'' Well, whether you took home a gold, silver, bronze, or simply just gave it your best, in my book and the book of your countrymen, you're all winners, indeed, heroes. And I think that's true for all Americans, look at it that way.

A book once proclaimed, ``Let us now praise famous men.'' The 1992 Winter Olympics praised famous women. And did they do it well? I speak of champions like Kristi Yamaguchi over here, of Fremont, California. And I know Kristi's got her own cereal now, but we know she's the real Special K. [Laughter]

With us today, of course, is a champion whose specialty is speed skating. Bonnie Blair was

supported in her early days by her hometown Champaign, Illinois, fire department. Now, after becoming the first American woman to take a gold medal in two straight Olympics, she's set the speed skating world on fire. Congratulations.

So did Cathy, Cathy Turner of Rochester, whose story even Ripley would disbelieve. A briefly retired speed skater, Cathy gave up her job as a nightclub singer to return to her sport and win the gold in short track, a silver in the relay event. And I congratulate her. Well done, well done. That brings me to other members of what's been called the Golden Girls, people like Donna Weinbrecht of New Milford, New Jersey, winning the first-ever gold medal in moguls skiing, or Juneau's Hilary Lindh, winning the silver in the women's downhill, the first Alaskan athlete to win an Olympic medal. Hilary, you've made Alaska almost forget about the Iditarod. Where are you?

I think, too, of Diann Roffe, Nancy Kerrigan, Amy Peterson, Darcie Dohnal, and Nikki Ziegelmeyer, each of them winning bronze or silver. And also three-time Olympian Bonny Warner, who has now traded the luge for her new career as an airplane pilot. Bonny, you made the entire Olympics friendly skies for America. Now, where is Bonny? Way up high. There she is.

And then, members of the men's hockey team, of course, have now all spread out, returned to a variety of careers. And I know they'll be as successful as they were at Albertville, fourth in the Winter Games, best since the Miracle Team of '80, 1980. Team U.S.A. was led by Ray LeBlanc from Fitchburg, Mass., who did a superb job in goal. As an expert at taking a lot of shots, I know exactly how he felt. [Laughter] We can all learn from him. No wonder they call Ray ``America's choice," just as Nelson Carmichael, winning a bronze in moguls freestyle skiing, is the choice of his hometown, Steamboat Springs, Colorado.

Then, Paul Wylie, a figure skater from Somerville, Mass., who won a silver medal when some said he was over the hill at age 27. Don't worry, Paul. Barbara and I know you'll get used to it. [Laughter] Had to rope her in on it. At the end of this year's games, Paul Wylie received the Olympic Spirit Award.

Let me add, that spirit owes much to this year's demonstration sport competitors, the men's curling team of Bud and Tim Somerville and Bill and Mike Strum, Jeff Hamilton in speed skiing, and Lane Spina and Sharon Petzold in freestyle ballet skiing, all here someplace. Hold up your hands now so we can get a little idea. There they are. Welcome, welcome.

But in the broad and in the truest sense, all of you here today mirror America's Olympic spirit: the work ethic, the desire to give of yourself and of your heart, the love of victory and, above all, competition. Each quality makes the Olympics great. Each, in turn, makes our country great.

In 1954, Dwight Eisenhower called the Olympics the means and methods by which some

understanding of fairplay and justice can be developed among nations. Here is what we call it: human beings vying peacefully, athletes asking more of themselves, excellence, achievement, the boundless energy of the human spirit.

Each of you showed how the Olympics race can ennoble the human race, that cooperation and competition can produce a better world. And you led the way to America's best showing in the Winter Games since 1980, 11 medals, the most we've won on foreign soil.

And you pointed the way to Lillehammer in 1994. And you gave the world a taste of what we'll do when America holds the Summer Olympics in Atlanta in July of 1996. White House to the world: I can't wait. And I know all Americans agree with me.

More than two millennia ago, a Greek statesman asked, ``Which would you rather be, a victor in the Olympic Games or the announcer of the victor?" Today I am privileged to be the announcer of you victors, Americans who showed what we mean by competition, decency, self-reliance, self-discipline, proving that the Olympics, like America, are truly number one.

For that I thank you, for coming to the White House. We just welcome you once again. And may God bless you all, and the Nation that you made so proud, the United States of America. Thank you, and welcome.

Note: The President spoke at 2:47 p.m. on the South Lawn at the White House.

Message to the Congress Transmitting the Report of the National Endowment for Democracy

April 8, 1992

To the Congress of the United States:

Pursuant to the provisions of section 504(h) of Public Law 98 - 164, as amended (22 U.S.C. 4413(i)), I transmit herewith the Eighth Annual Report of the National Endowment for Democracy, which covers fiscal year 1991.

George Bush

The White House,

April 8, 1992.

Message to the Congress Reporting a Budget Rescission

April 8, 1992

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one rescission proposal, totaling $145 thousand in budgetary resources.

The proposed rescission affects the Department of Energy. The details of this rescission proposal are contained in the attached report.

George Bush

The White House,

April 8, 1992.

Note: The attachment detailing the proposed rescission was published in the Federal Register on April 15.

Statement on Reforming Federal Regulation of Natural Gas Pipelines

April 8, 1992

I am pleased to announce comprehensive action taken today by the Federal Energy Regulatory Commission to reform Federal regulation of natural gas pipelines. The entire natural gas industry plays a critical role in the economic and environmental health of our Nation.

These reforms are part of the administration's national energy strategy as well as our continuing efforts to remove unnecessary regulatory barriers to jobs and economic growth. They also build upon prior reforms, such as the key legislation I signed in 1989 abolishing price controls on producers of natural gas.

By reforming Federal regulation of the pipelines that transport natural gas, FERC's so-called restructuring rule continues this trend away from heavy-handed Government regulation. Like the decontrol legislation I signed in 1989, FERC's action today will help to create a competitive, nationwide gas market, a market that will provide ample supplies of clean-burning natural gas for heating homes, running factories, and powering cars and trucks.

I commend Chairman Martin Allday and his colleagues on the Commission for their success in bringing reform to this vital American industry.

I call upon Congress, particularly the House of Representatives, to help us continue this reform effort by quickly enacting my national energy strategy legislation.

Nomination of Kenton Wesley Keith To Be United States Ambassador to Qatar

April 8, 1992

The President today announced his intention to nominate Kenton Wesley Keith, of Missouri, to be Ambassador to the State of Qatar. He would succeed Mark Gregory Hambley.

Since 1988 Mr. Keith has served as the Public Affairs Counselor at the U.S. Embassy in Cairo, Egypt. Prior to this, he served as a Senior Cultural Affairs Officer at the U.S. Embassy in Paris, France, 1985 - 88; Deputy Director of Near East and South Asia Area Office for the U.S. Information Agency in Washington, DC, 1983 - 85; and Deputy Public Affairs Officer at the U.S. Embassy in Brasilia, Brazil, 1980 - 83. From 1977 to 1980, he served as Special Assistant to the Deputy Director of the U.S. Information Agency.

Mr. Keith received a bachelor of arts degree from the University of Kansas. He was born November 12, 1939, in Kansas City, MO. Mr. Keith served in the U.S. Navy for 4 years. He is married, has two children, and resides in Cairo, Egypt.

Nomination of Donald K. Petterson To Be United States Ambassador to Sudan

April 8, 1992

The President today announced his intention to nominate Donald K. Petterson, of California, to be Ambassador to the Republic of the Sudan. He would succeed James Richard Cheek.

Currently Ambassador Petterson is studying at the Foreign Service Institute in Arlington, VA. Prior to this, Ambassador Petterson has served as Charge d'Affaires at the U.S. Embassy in Harare, Zimbabwe, 1990 - 91; Director of the Liberia Task Force at the U.S. Department of State, 1990; and as Acting Deputy Assistant Secretary of State for the Bureau of African Affairs, 1990. He served as the U.S. Ambassador to Tanzania, 1986 - 89; and the U.S. Ambassador to Somalia, 1978 - 82.

Ambassador Petterson graduated from the University of California at Santa Barbara (B.A., 1956; M.A., 1960). He was born November 17, 1930, in Huntington Park, CA. Ambassador Petterson served in the U.S. Navy, 1948 - 52. He is married, has four children, and resides in Washington, DC.

Nomination of Hume Alexander Horan To Be United States Ambassador to Cote d'Ivoire

April 8, 1992

The President today announced his intention to nominate Hume Alexander Horan, of the District of Columbia, to be Ambassador to the Republic of Cote d'Ivoire. He would succeed Kenneth L. Brown.

Currently Mr. Horan serves as the president of the American Foreign Service Association in Washington, DC. From 1989 to 1991, he served as Special Assistant to the Director General of the Foreign Service at the U.S. Department of State. Mr. Horan has served as the U.S. Ambassador to Saudi Arabia, 1987 - 88; Sudan, 1983 - 86; Equatorial Guinea, 1980 - 82; and Cameroon, 1980 - 83.

Mr. Horan graduated from Harvard College (A.B., 1958) and Harvard University (A.M., 1963). He was born August 13, 1934, in Washington, DC. Mr. Horan served in the U.S. Army, 1954 - 56. He is married, has three children, and resides in Washington, DC.

Appointment of Richard F. Phelps as Special Assistant to the Director of the Office of National Drug Control Policy

April 8, 1992

The President today announced the appointment of Richard F. ``Digger'' Phelps as Special Assistant to Gov. Bob Martinez, Director of the Office of National Drug Control Policy (ONDCP). In his role as Special Assistant, Mr. Phelps will serve as liaison between ONDCP and the Department of Justice in coordinating the newly expanded Operation ``Weed and Seed'' program, a Presidential initiative focusing on violent crime and neighborhood revitalization. This is a newly created position.

For 20 years Mr. Phelps headed the University of Notre Dame basketball program. Prior to joining Notre Dame, Mr. Phelps was head basketball coach at Fordham University for one year. He also served as an assistant coach at Rider College and the University of Pennsylvania. He has coauthored two books, ``A Coach's World'' and ``Digger Phelps and Notre Dame Basketball,'' and most recently served as a commentator for CBS Sports. He serves on the Board of Directors of the Commission on National and Community Service; the U.S. Postal Service Citizen Stamp Advisory Committee; the Logan Protective Service Board for the Mentally Retarded and Developmentally Disabled of South Bend, IN; and as a volunteer with the Special Olympics.

Mr. Phelps graduated from Rider College in 1963 and was awarded an honorary doctorate of the arts degree by his alma mater in 1981. He was born July 4, 1941, in Beacon, NY. He is married, has three children, and resides in South Bend, IN.

Nomination of Daniel A. Sumner To Be an Assistant Secretary of Agriculture

April 8, 1992

The President today announced his intention to nominate Daniel A. Sumner, of North Carolina, to be an Assistant Secretary of Agriculture for Economics and a member of the Board of Directors of the Commodity Credit Corporation, succeeding Bruce L. Gardner. Upon appointment as Assistant Secretary of Agriculture, he will be appointed a member of the Board of Directors of the Rural Telephone Bank.

Currently Dr. Sumner serves as Acting Assistant Secretary for Economics and Deputy Assistant Secretary for Economics at the U.S. Department of Agriculture in Washington, DC. Prior to this, he served as a professor of agricultural economics in the department of economics and business at North Carolina State University, 1979 - 90.

Dr. Sumner graduated from California State Polytechnic University (B.S., 1971); Michigan State University (M.A., 1973); and the University of Chicago (M.A., 1977; Ph.D., 1978). He was born December 5, 1950, in Fairfield, CA. Dr. Sumner has two children and resides in Alexandria, VA.

Nomination of Christian R. Holmes IV To Be an Assistant Administrator of the Environmental Protection Agency

April 8, 1992

The President today announced his intention to nominate Christian R. Holmes IV, of California, to be Assistant Administrator for Administration and Resource Management at the Environmental Protection Agency, succeeding Charlie L. Grizzle; and Chief Financial Officer for the Environmental Protection Agency, a new position.

Currently Mr. Holmes serves as Acting Assistant Administrator in the Office of Administration and Resource Management at the Environmental Protection Agency in Washington, DC. Prior to this, Mr. Holmes served as Deputy Assistant Administrator for Federal Facilities Enforcement, 1990 - 91. From 1989 to 1990, Mr. Holmes served as Principal Deputy Assistant Administrator in the Office of Solid Waste and Emergency Response at the Environmental Protection Agency in Washington, DC.

Mr. Holmes graduated from Wesleyan University (B.A., 1968). He was born February 1, 1946, in Syracuse, NY. Mr. Holmes served in the U.S. Army Reserve, 1968 - 74. He is married, has two children, and resides in Washington, DC.

Remarks to the American Society of Newspaper Editors

April 9, 1992

The President. Thank you, Dave. And may I start by thanking the members of the board and say to all the members of ASNE I'm grateful for this return engagement, glad to participate in an annual event that Washington looks forward to, this annual conference.

Even in the age of VCR's and CNN, people who want to understand the times we live in still, as Dave indicated in that sweet and short introduction, turn to the printed word.

And today I want to share some serious observations with you on events around the world. Look around the world today. Think of the page-one stories of the past few years and our victory in the cold war, the collapse of imperial communism, the liberation of Kuwait. Think of the great revolutions of '89 that brought down the Berlin Wall and broke the chains of communism and brought a new world of freedom to Eastern Europe. And think of the role this Nation played in every one of these great triumphs, the sacrifices we made, the sense of mission that carried us through.

Each day brings new changes, new realities, new hopes, new horizons. In the past 6 months alone we've recognized 18, in 6 months, 18 brandnew nations. The bulk of those nations, of course, are born of one momentous event, the collapse of Soviet communism.

And today I want to talk to you all about the most important foreign policy opportunity of our time, an opportunity that will affect the security and the future of every American, young and old, throughout this entire decade. The democratic revolutions underway in Russia, in Armenia, Ukraine, and the other new nations of the old Soviet empire represent the best hope for real peace in my lifetime.

Shortly after taking office, I outlined a new American strategy in response to the changes underway in the Soviet Union and East and Central Europe. It was to move beyond containment, to encourage reform, to always support freedom for the captive nations of the East. And now, after dramatic revolutions in Poland and Hungary and Czechoslovakia, revolutions that spread then to Romania and Bulgaria and even Albania; after the unification of Germany in NATO; after the demise of the one power, the U.S.S.R., that threatened our way of life, that mission has been fulfilled. The cold war is over. The specter of nuclear armageddon has receded, and Soviet communism has collapsed. And in its wake we find ourselves on the threshold of a new world of opportunity and peace.

But with the passing of the cold war, a new order has yet to take its place. The opportunities, tremendous; they're great. But so, too, are the dangers. And so, we stand at history's hinge point. A new world beckons while the ghost of history stands in the shadows.

I want to outline today a new mission for American policy toward Russia and the other new nations of the old U.S.S.R. It's a mission that can advance our economic and security interests while upholding the primacy of American values, values which, as Lincoln said, are the ``last, best hope of Earth."

Americans have always responded best when a new frontier beckoned. And I believe that the next frontier for us, and for the generation that follows, is to secure a democratic peace in Europe and the former U.S.S.R. that will ensure a lasting peace for the United States of America.

The democratic peace must be founded on twin pillars of political and economic freedom. The success of reform in Russia and Ukraine, Armenia and Kazakhstan, Byelarus and the Baltics will be the single best guarantee of our security, our prosperity, and our values.

After the long cold war, this much is clear: Democrats in the Kremlin can assure our security in a way nuclear missiles never could. Much of my administration's foreign policy has been dedicated to winning the cold war peacefully. And the next 4 years must be dedicated to building a democratic peace, not simply for those of us who lived through the cold war and won it but for generations to come.

From the first moments of the cold war, our mission was containment, to use the combined resources of the West to check the expansion, the expansionist aims of the Soviet empire. It's been my policy as President to move beyond containment, to use the power of America and the West to end the cold war with freedom's victory. And today, we have reached a turning point. We have defeated imperial communism.

We've not yet won the victory for democracy, though. This democratic peace will not be easily won. The weight of history, 74 years of Communist misrule in the former U.S.S.R., tells us that democracy and economic freedom will be years in the building. America must, therefore, resolve that our commitment be equally firm and lasting. With this commitment, we have the chance to build a very different world, a world built on the common values of political and economic freedom between Russia and America, between East and West and at long last, a peace built on mutual trust, not on mutual terror.

And today, we find ourselves in an almost unimaginable world where democrats, not Communists, hold power in Moscow and Kiev and Yerevan; a new world where a new breed of leaders, Boris Yeltsin, Levon Ter-Petrosyan, Leonid Kravchuk, Askar Akayev, among others, are pushing forward to reform.

They seek to replace the rule of force with the rule of law. And they seek, for the first time in their countries' histories, not to impose rule in the name of the people but to build governments of, by, and for the people. And they seek a future of free and open markets where economic

rights rest in the hands of individuals, not on the whims of the central planners. They seek partnerships. They seek alliances with us. And they also seek an end to competition and conflict. Our values are their values. And in this time of transition, they are reaching out to us. They seek our help. And if we're to act, we must see clearly what is at stake.

Forty years ago, Americans had the vision and the good sense to help defeated enemies back to their feet as democracies. Well, what a wise investment that proved to be. Those we helped became close allies and major trading partners. Our choice today, just as clear: With our help, Russia, Ukraine, other new States can become democratic friends and partners. And let me say here, they will have our help.

What difference can this make for America, you might ask. We can put behind us, for good, the nuclear confrontation that has held our very civilization hostage for over four decades. The threat of a major ground war in Western Europe has disappeared with the demise of the Warsaw Pact. A democratic Russia is the best guarantee against a renewed danger of competition and the threat of nuclear rivalry.

The failure of the democratic experiment could bring a dark future, a return to authoritarianism or a descent into anarchy. In either case, the outcome would threaten our peace, our prosperity, and our security for years to come. But we should focus not on the dangers of failure but on the dividends of success.

First, we can reap a genuine peace dividend this year and then year after year, in the form of permanently reduced defense budgets. Already we've proposed $50 billion worth of defense spending reductions between now and 1997. Now, that cut comes on top of savings totaling $267 billion, more than a quarter of a trillion dollars in projected defense expenditures since the fall of the Berlin Wall. Make no mistake: I am not going to make reckless defense cuts that impair our own fundamental national security.

Second, working with our Russian partners and our allies, we can create a new international landscape, a landscape where emerging threats are contained and undone, where we work in concert to confront common threats to our environment, where terrorists find no safe haven, and where genuine coalitions of like-minded countries respond to dangers and opportunities together.

And finally, third, the triumph of free governments and free markets in the old Soviet Union will mean extensive opportunities for global trade and economic growth. A democratic Russia, one dedicated to free market economies, will provide an impetus for a major increase in global trade and investment. The people of the former Soviet Union are well-schooled and highly skilled. They seek for their families the same better future each of us wishes for our own. And together, they form a potentially vast market that crosses 11 time zones and comprises nearly 300 million people.

No economist can pinpoint the value of trade opportunities we hope to have. It's impossible to compute, but the potential for prosperity is great. Increased trade means vast new markets for American goods, new opportunities for American entrepreneurs, new jobs for American workers. And I'm committed to giving American business every possible opportunity to compete fairly and equally in these new markets.

For example, last week I asked the Congress to repeal the Stevenson and Byrd amendments that limit Export-Import Bank's ability to help promote American exports to the former U.S.S.R. And I'm pleased that Congress has acted. I'm also seeking to conclude trade, bilateral investment, and tax treaties with each of the new Commonwealth States. The first agreement between the U.S. and Armenia was signed last week, and we expect a lot more to follow.

Russian democracy is in America's interest. It's also in keeping with this Nation's guiding ideals. Across the boundaries of language and culture, across the cold war chasm of mistrust, we feel the pull of common values. And in the ordeal of long-suffering peoples of the Soviet empire, we see glimpses of this Nation's past. In their hopes and dreams, we see our own.

This is an article of the American creed: Freedom is not the special preserve of one nation; it is the birthright of men and women everywhere. And we have always dreamed of the day democracy and freedom will triumph in every corner of the world, in every captive nation and closed society. And this may never happen in our lifetime, but it can happen now for the millions of people who for so long suffered under that totalitarian Soviet rule.

Some may say this view of the future is a little unrealistic. Let me remind you that three of our leading partners in helping democracy succeed in Russia are none other than Germany, Japan, and Italy. And if we can now bring Russia into the community of free nations who share American ideals, we will have redeemed hope in a century that has known so much suffering. It is not inevitable, as de Tocqueville wrote, that America and Russia were destined to struggle for global supremacy. De Tocqueville only knew a despotic Russia, but we see and can help secure a democratic Russia.

One of America's greatest achievements in this century has been our leadership of a remarkable community of nations, the free world. This community is democratic; it is stable; it's prosperous, cooperative; it is independent. In America all of us are the better for that. And we have strong allies. We have enormous trade, and we are safer as a result of our commitment to this free world. And now, we must expand this most successful of communities to include our former adversaries.

Now, this is good for America. A world that trades with us brings greater prosperity. A world that shares our values strengthens the peace. This is the world that lies out there before us. This is the world that can be achieved if we have the vision to reach for it. And this is the peace that we must not lose.

And this is what we're doing right now to win this peace. Strategically, we're moving with the Russians to reach historic nuclear reductions. We've urged speedy ratification of START and CFE. And we're working with all the new States to prevent the spread of weapons of mass destruction. We are offering our help in safety, in nuclear weapons safety, in security, and yes, in the dismantlement. And we're engaged in an intensive program of military-to-military exchanges to strengthen the ties between our two militaries, indeed, to build unprecedented defense cooperation, cooperation that would have simply been unthinkable a few short months ago.

Politically, we're reaching out so America and American values will be well represented in these new lands. We are the only country with embassies in all of the former republics. We're planning to bring American houses and American expertise to the former U.S.S.R., to send hundreds of Peace Corps volunteers to help create small businesses, to launch major exchanges of students, professionals, and scientists, so that our people can establish the bonds so important to permanent peace.

Economically, working with the European Community and many other countries, we organized a global coalition to provide urgently needed emergency food and medical supplies this past winter. And now we will send Americans to help promote improvements in food distribution, energy, defense conversion, and democratization.

I have sent Congress the ``FREEDOM Support Act," a comprehensive and integrated legislative package that will provide new opportunities to support freedom and repeal all cold-war legislation. In its key features this bill asks Congress to meet my request for $620 million to fund technical assistance projects in the former U.S.S.R. It urges Congress to increase the U.S. quota in the IMF, International Monetary Fund, by $12 billion. And I pledge to work with the Congress on a bipartisan basis to pass this act. And I want to sign this bill into law before my June summit with President Yeltsin here in Washington, DC.

Just as the rewards of this new world will belong to no one nation, so too the burden does not fall to America alone. Together with our allies, we've developed a $24 billion package of financial assistance. Its aim: to provide urgently needed support for President Yeltsin's reforms.

And ours is a policy of collective engagement and shared responsibility. Working with the G - 7, the IMF, and the World Bank, we are seeking to help promote the economic transformation so central to an enduring democratic peace. Forty-five years after their founding, the Bretton Woods institutions we created after World War II are now serving their original purpose. By working with others we're sharing the burden responsibly and acting in the best interests of the American taxpayer.

I know that broad public support will be critical to our effort to get this program passed. And so, let me say something to those who say, ``Yes, the people of Russia, and all across the old Soviet

empire, are struggling; yes, we want to see them succeed, to join the democratic community. But what about us? What about the challenges and demands we must meet right here in America? Isn't it time we took care of our own?" And to them I would say this: Peace and prosperity are in the interest of every American, each one of us alive today and all the generations that will follow. As a Nation, we spent more than $4 trillion to wage and win the cold war. Compared to such monumental sacrifice, the costs of promoting democracy will be a fraction and the consequences for our peace and prosperity beyond measure. America must take the lead in creating this new world of peace.

Three times this century, America has been called on to help construct a lasting peace in Europe. Seventy-five years ago this month, the United States entered World War I to tip the balance against aggression. And yet, with the battle won, America withdrew across the ocean, and the ``war to end all wars'' produced a peace that did not last even a generation. Indeed, by the time I was born in 1924, the peace was already unraveling. Germany's economic chaos soon led to what, to Fascist dictatorship. The seeds of another, more terrible war were sown.

And still, the isolationist impulse remained strong. Years later, as the Nazis began their march across the Continent, I can still remember the editorials here in the United States talking about ``Europe's war,'' as if America could close itself off, as if we could isolate ourselves from the world beyond our shores. As a consequence, you know the answer, we fought the most costly war in the history of man, a war that claimed the lives of countless millions. At war's end, once again we saw the prospect of a new world on the horizon. But the great victory over fascism quickly gave way to the grim reality of a new Communist threat.

We are fortunate that our postwar leaders, Democrats and Republicans alike, did not forget the lessons of the past in building the peace of the next four decades. They shaped a coalition that kept America engaged, that kept the peace through the long twilight struggle against Soviet communism. And they taught the lesson that we simply must heed today, that the noblest mission of the victor is to turn an enemy into a friend.

And now America faces a third opportunity to provide the kind of lasting peace that for so long eluded us. At this defining moment, I know where I stand. I stand for American engagement in support of a democratic peace, a peace that can secure for the next generation a world free from war, free from conflict.

After a half-century of fear and mistrust, America, Russia, and the new nations of the former U.S.S.R. must become partners in peace. After a half-century of cold war and harsh words, we must speak and act on common values. After a half-century of armed and uneasy peace, we must move forward toward a new world of freedom, cooperation, reconciliation, and hope.

Thank you all very much for inviting me here today. And may God bless the free peoples of the former Soviet empire, and may God bless the United States of America. Thank you very, very

much.

[At this point, the President answered questions from audience members.]

Persian Gulf

Q. [Inaudible]

The President. [Inaudible] -- of the Gulf area. At that time not only the United States but the United States and many of the Gulf countries, the GCC countries, felt that the major threat to stability in the Gulf was from Iran. We did not want an Iran that would take over Iraq and then inexorably move south. So, there was a real logic for that.

Shelby [C. Shelby Coffey III, Los Angeles Times], I'm not going to, by my silence, acquiesce in all the charges that the question included, but some of this was true. We did some business with Iraq, but I just don't want to sign off on each one of the allegations that some of these stories have contained. But this was our policy.

And then we saw what Saddam Hussein did after this war ended. We tried to bring him into the family of nations through commerce, and we failed. And when he reached out to crush a neighboring country, we mobilized the best and most effective coalition, I think, that's been seen in modern times. And the objective was to set back aggression.

The U.N. resolutions never called for the elimination of Saddam Hussein. It never called for taking the battle into downtown Baghdad. And we have a lot of revisionists who opposed me on the war now saying, ``How come you didn't go into downtown Baghdad and find Saddam Hussein and do him in?" We put together a coalition. We worked effectively with the coalition to fulfill the aims of the United Nations resolutions. And we fulfilled those aims. We set back aggression. And as any one of our respected military leaders will tell you, we have all but removed the threat of Saddam Hussein to his neighbors.

Now, we are still concerned about him. There's no question about that. And I am very much concerned, as he goes north of the 36th parallel the other day with airplanes, as to what that means to the safety of the Kurds. I am concerned about the Shiites in the south and to the southeast. I was also concerned when I saw an Iranian incursion of the Iraq borders to go after those Shiites. We can't condone that, as much as we detest the regime of Saddam Hussein.

So we will -- do I have regrets, was your question? I guess if I had 90 - 90 hindsight and any action that we might have taken beforehand would guarantee that Saddam Hussein did not move down into Kuwait, which he did, I'd certainly rethink our position. But I can't certify that by not helping Iraq in the modest way we did, that that would have guaranteed that he would stay within his confines, the confines of his own border. And I can't say to you what would have

happened in terms of Iran's aggression.

We are dealing with the facts as they came down the pike. And one of them was that he committed an aggression that mobilized the whole world against him. And he is going to remain isolated as long as I am President. He is going to live by those U.N. resolutions, and we are going to see that he complies with each and every one of them, including the most dangerous area of all, the one where he is doing things he ought not to be doing in terms of missiles and in terms of a nuclear capability.

So we're not going to lighten up on it. I think -- oh, there's one other point since you've given me such a wonderful opening, Shelby. I read that General Norm Schwarzkopf wanted to keep going after I stopped the war. I will tell you unequivocally that that is simply totally untrue.

I sat in the Oval Office that fateful day -- when you remember the turkey shoot along the highway going north -- and Colin Powell came to me, our respected Chairman of the Joint Chiefs, and said, ``Mr. President, it's our considered opinion that the war is over. We have achieved our objectives, and we should stop." And I said, ``Do our commanders in the field feel that way?" And he said, ``Yes." And I said, ``Well, let's doublecheck," something to that effect. He walked over to my desk -- I was sitting on this end near the Stewart picture in the Oval Office -- picked up the secure phone, dialed a number, and talked to Norm Schwarzkopf out in the desert and said, ``What do you think? The President has asked me to doublecheck. We have achieved our objectives. We ought to stop." We agreed that we would stop at, I think it was midnight that night, 100 hours after the battle began.

And now we're caught up in a real peculiar election year. And you hear all kinds of people, some of whom supported what I did, many of whom oppose it, now going after this administration and our military for stopping too soon. I don't think that's right. Am I happy Saddam Hussein is still there? Absolutely not. Am I determined he's going to live with these resolutions? Absolutely. But we did the right thing. We did the honorable thing. And I have absolutely no regrets about that part of it at all.

Presidential Campaign

Q. Mr. President, as you know, another Texan is thinking about running for President in 1992. He'll be joining us tomorrow morning. As a matter of fact -- --

The President. Are you speaking about Lloyd Bentsen? [Laughter]

Q. Let's say two other Texans.

The President. Oh, I see.

Q. Some might even think that Ross Perot sounds a little more Texan than you do. My question would be, why do you think he's been as successful as he has in the early going in gaining support? What impact do you think he might have in the general election, particularly his possible ability to carry the State of Texas? And finally, do you feel part of his appeal is based on his ability to connect with the average American who wants to lift himself economically? Is he better able to do that than you are?

The President. You know, I'm going to give you another question because I am not going to do something now I've assiduously avoided all during the primary, going after anybody else, or quantify it in any way, that might run or is running. And I'm going to stay with that ground rule right now. When the battle is joined and the conventions are over and the nominees are out there, I will happily answer your question for you. But let him, Ross, make his determination. Let him do what the rest of us do, take our case to the American people. Let him enjoy the same scrutiny that I've had for, what, 12 years at this relatively high level of Government, Vice President and President.

But there's no point in me trying to define his candidacy nor the candidacy of the Democrats that are left in the race on the other side. What I'm trying to do, having gone into some of these primaries and emerged, I think, as the nominee of our party, is to lead this country, to talk about these serious issues.

You know, they say to me, as they say, ``How can you be the candidate of change? You've been in Washington all this time." I say we're the ones that are trying to change things, whether it's education, whether it's tort reform, whether it's in matters of this nature that have to do with life and death and peace and war.

And so I'm going to keep on doing that now. And then, when the battle is joined and we get past the convention stage, I'll have plenty of comment to help you along in assessing the opposition. But I really am going to stay out of it now. And this isn't a new position. Just because I'm standing before a lot of editors, I think these traveling White House press will tell you that's the way it's been.

So, if you want another one that I can answer, shoot.

Abortion

Q. Let me ask one other one then, Mr. President. Abortion certainly continues to be one of the hottest issues not only in the United States but in the Republican Party. Is it your preference that the GOP platform in 1992 stay silent on that issue, come out flatly against abortion, or support those abortion rights activists who are inside the GOP?

The President. My position has not changed. I am pro-life. And I'm going to stay with that

position. In terms of the platform, we have a platform committee that's going to debate that. You mentioned inside the Republican Party, take a look at the State of Pennsylvania. This isn't an issue that divides just Republicans; this is an issue that divides Democrats as well, if you look at the laws in the books and the position of the Governor of that State and other States as well.

So each of us should say what we feel, fight for our views, and then we've got a party platform process that will resolve that.

Multilateral Trade Negotiations

Q. Mr. President, you have attended three economic summits since taking office in which a very high priority was assigned to a new world trade agreement under GATT. Each time these deadlines have been broken; on Easter I think we're going to have another deadline broken. And you just spoke about a world in which we would trade with the Soviet Union or the former Soviet Union. How can the Soviet Union really survive unless we get a world trade agreement?

The President. Well, I think they could survive, but they would survive much less well. And we are going to keep on working for a successful conclusion of this Uruguay round of GATT. The major stumbling block has been agriculture. And we cannot have a satisfactory conclusion to the GATT round unless agriculture is addressed. That has been a particularly difficult problem for France and a particularly difficult problem for Germany.

And we, as you know from following this, have said we will work with the Dunkel text. This is highly technical, but it spells out some broad ground rules on agriculture. And we still have some problems other than agriculture.

I am told that the EC leader, Delors, now feels that we are very, very close on agriculture. He's coming here soon with Cavaco Silva of Portugal, and we're going to be sitting down in one of each -- we have meetings twice a year. I will then be talking to him -- I won't be doing the negotiating -- but with our top negotiators and try to hammer out that agreement.

We still have some other problems, property rights and, you know, trademarks and all this kind of thing. But I am more optimistic now. I asked Brent the other day, my trusted and able National Security Adviser, where do each of these deadlines that you referred to come from? They keep coming. Well, we'd have a deadline, and you're right, somebody throws up a deadline and says we've got to meet it by February, we've got to do it by June. I don't know where the deadline comes from. But I do know that it is in the interest of the free world, say nothing of the now-freeing world, the Soviet Union, the former Soviet Union, that we achieve this agreement.

And one last point on the trade agreement. Far better, far better than a foreign aid program for the emerging democracies of the Third World, Africa particularly, is a trade agreement. Far better than aid is trade. And so we will keep on playing, I think, a very constructive role to

achieve a conclusion of this.

And parenthetically, we are going to work for the North American free trade agreement. You know, we're in a political year, some of you may know, and we're getting shot at by various predictable organizations on the Mexican agreement. The Mexican agreement, in my view, will create jobs in the United States, will help the environment. A country that's doing better economically can do a lot more for its environment than one that is kept down on the ropes because we don't have fair and free trade.

So we're going to work to that end to get a Mexican agreement along with the Uruguay round. And yes, all of that will benefit the emerging republics that I've been talking about here today. But I'm not despairing about it. The point is, if we come to some new deadline, we're going to keep on pushing. But right now, it looks like we may have a better chance than we've had in the last years of negotiation.

Q. Your office says one more question.

The President. Do they? Okay.

Foreign Aid and Trade

Q. Mr. President, oddly enough part of your reply there dealt with my question. You've given a good vision of our obligations to help redeem the emergent nations of the former Soviet empire. But I wonder if anyone's paying much attention to our obligations to the truly hungry, starving nations of the world. Patrick Buchanan wants to do away with all foreign aid as part of his, I guess, Judeo-Christian tradition platform, forgetting the admonition that we bear one another's burdens. Our foreign aid appropriation has been about $18 billion a year. Almost half went to Middle East countries. And our spending seems to me to be a disgraceful pittance in relation to the hunger and the deprivation of the really deprived nations of the Third World. I wonder if you think we should spend more to help the countries that have no influence, like Somalia and Ethiopia and even Haiti, closer, where there are millions of children with swollen stomachs crying for aid still. Do you think we are spending enough for actual food and aid for the hungry countries of the Earth?

The President. Not included in the figures you gave are other activities, such as the Peace Corps, such as some agricultural programs; and such is clearly the most important -- the benefit of trade that you referred to in the first part.

Let me tell you something, it is going to be impossible to get anything through the Congress this year, in terms of foreign aid, beyond what we have suggested. We would be unrealistic to think that there might be more. I'm not suggesting, though, that the answer is to spend more money on it. I think the trade initiative is important. I think the position that our administration has taken in

debt forgiveness has been tremendously important to many of these emerging democracies in Africa and, indeed, in this hemisphere.

Look at the basket case that was Argentina just a while back. And working with us, they are now on the move. They've come in, they've taken a very constructive approach to their economy. They are in the debt forgiveness. We've worked out a deal, they have, with the private financial institutions just very recently to lower their debt burden. The Enterprise for the Americas Initiative and the Brady plan are meaningful. And the impoverished people in that country and in other countries in our hemisphere are beginning to get a little break here.

So we're in a realistic time. I will continue to push for the trade agreements. I will continue to do what I can in these debt-reduction initiatives. And we'll continue to support foreign aid. And I think everybody here who writes, understands that that is not necessarily a popular position in an election year or any other time.

But we are dealing also with a time when we must address ourselves, and are trying so to do, to our own problems at home. And we are operating at enormous deficits in a sluggish economy, it isn't easy. And yet I want to not end here because we can take a couple more.

But I'm a little more optimistic on the economy. And I was very pleased today when the Fed lowered its rates by another quarter. That was instantly pretty well received in the market. Far be it for me to mention what levels markets should be at; I learned that long ago by mistake, saying something that triggered -- I don't remember how it worked -- triggered a market reaction. But I think the lowering of the rate by the Fed is a good thing, and I hope that it will guarantee that this fledgling recovery that we're seeing will now be a little more robust.

Q. Mr. President, over here, sir.

The President. Got you.

Federal Budget

Q. The Government's going in the hole about a billion dollars a day right now. And what reason can you give the American people for voting for 4 more years of the same kind of deficit spending?

The President. I certainly don't want them to vote for 4 more years of deficit spending. And I would like to get some changes in the United States Congress to guarantee against that. I would like to see them enact our budget that takes a major step towards the containment of an area that is the main area that's causing the deficit, and that is the entitlement area. And what are we proposing? We're proposing that the entitlements not grow beyond inflation and population growth. That in itself will save literally billions, billions, many billions of dollars.

So we've got to go forward with a sensible budget approach. Right now I'm battling against a Congress that wants to knock off the one guarantee that the American taxpayer has on spending, and that is the caps out of the nefarious 1990 budget agreement, the caps on discretionary spending. We're getting into an election year so we're trying to hold the line on those caps. And I'm determined to do it, and I think we will prevail.

But what I'll be doing is taking my case to the American people and say, yes, we've had some tough things. We've had banking problems that have cost the taxpayer enormously. We've had savings and loan problems that have cost the taxpayers enormously as we protect every single depositor. But we've got to try to exert some fiscal discipline on the system. And I'll be ready for the debate that will follow come fall because I think we're on the right track with what I've just told you here.

Dave says I'm out of here. We'll do one more, and then I'm gone.

Q. It's your staff, Mr. President, who says you're out of here. You can stay as long as you want.

The President. I don't want to be in trouble with them. [Laughter] Let's see what we've got here.

Presidential Campaign

Q. Mr. President, as you've astutely noted for us today, we are in an election year.

The President. Thank you. [Laughter]

Q. And in 7 months, much to the chagrin of this group, many Americans will be deciding their vote on the basis of television advertising. In 1988, many voters, most of us, were bombarded with what we would probably consider very negative television advertising that attacked the reputation of your opponent and seemed to pander to some of the fears of our society. I guess my question to you as you look into this election year, do you plan to direct, encourage, or discourage your consultants from pursuing a similar negative ad campaign in 1992?

The President. Well, you asked me at a time when this is in the heightened attention of the American people, isn't it? I look across at the Democratic primary, and anything that happened in 1988 is pale in comparison to what's going on there. We've tried to have most of ours positive.

You may recall an ad we ran in Michigan that triggered the famous line I used at the Gridiron Club, ``Ich bin ein Mercedes owner." [Laughter] But that is a negative ad. Now, I don't know whether you consider that a turnoff or not, but just by the genesis of that ad came about that the opponent in this case was talking about protection and jobs and American jobs and American workers and all of this, and he was driving a Mercedes. Nobody was pointing it out. A lot of

editors here -- and I don't remember a brutal revelation of this terribly important fact. So we brought it out.

Now, I don't know if you consider that -- I don't want to get into a debate since you might clearly win it -- [laughter] -- but is that a negative ad or is that fair in the way -- everybody now that puts on the television at least have a thing -- and the newspapers, too -- here's why the ad was fair or unfair. I can't remember what they said about that one. I think when you define a person on issues, that's very, very important. I think some would consider it negative. But just seriously on that one. Then I can maybe answer your question a little better.

Q. I think what it does is set the tone. I guess people maybe care whether the opponent drives a Mercedes. But I guess we get into discussions of other character issues. I think that's really where the -- --

The President. Well, as I've said, I would like to see it on the issues and not on some of the sleaze questions. I've said that before, and I'll keep repeating that. I know that we will try hard, but I also know that this is about the ugliest political year I've ever seen already. And I don't know what it's going to hold, but I will try to keep my head up and try to do my job as President, and try to do it with a certain sense of decency and honor.

But we've seen it start off that way in the early primaries, and then something else evolved for reasons I'm not quite sure I fully understand. But I don't want to make you a firm statement because I don't know what's negative and what's not these days. If it's just ripping down somebody's character or tearing them apart, I don't want to do that. If it's factual and brings out something that hasn't been brought out, I think that's fair. And so we have to just use your judgment, I guess is the answer to that one.

Well, I guess I really do have to go. but thank you all very, very much. I appreciate it.

Note: The President spoke at 1:53 p.m. at the J.W. Marriott Hotel. In his remarks, he referred to David Lawrence, Jr., president of the society.

Exchange With Reporters Prior to Discussions With President Violeta Chamorro of Nicaragua

April 9, 1992

President Chamorro. It's a wonderful visit. It always is, but I think we feel even more united now than ever.

President Bush. Well, I think so.

President Chamorro. We always come to the United States feeling at home, just as we are awaiting your visit in Nicaragua.

President Bush. We weren't sure our Assistant Secretary, Bernie Aronson, was going to make it. He was down in Peru. He can tell us. He can tell us, yes. He's coming over. He's going to wait for these cameras.

Manuel Noriega Verdict

Q. Mr. President, your reaction to the Noriega verdict?

President Bush. Noriega was convicted, I think, on 8 out of 10 counts. Well, I think it's a major victory against the drug lords. We're going to continue the fight against drugs in every way possible. But I think it's significant that he was accorded a free and fair trial, and he was found guilty. And I hope it sends a lesson to drug lords here and around the world that they'll pay a price if they continue to poison the lives of our kids in this country or anywhere else. And so, in my view, the case was a solid case. And I've not commented on it since it began in the court, but now that he has been convicted I think it's proper to say that justice has been served.

Q. Was it worth invading Panama to get this verdict?

President Bush. It was certainly worth bringing him to justice. It's certainly always worth it when you protect the lives of American citizens. And when a part of the result of that is democracy in a country, it makes it doubly worth it. But yes, I'm glad he's out.

Q. Are you sorry things are not better for the Panamanians these days?

President Bush. I wish things were better for the Americans, for the Panamanians, for the Nicaraguans, and for everybody. But we're going to continue to work to see that that is true.

Q. Mr. President, are you surprised by the verdict, given the fact that it almost ended in a

mistrial?

President Bush. No, because I've felt that from what I understood that the case was very solid. But I think it's a good thing, and I think the main thing is it sends a message to the drug lords that they are going to be brought to justice. And I salute those countries that are waging a good fight against narcotics in their countries, and many in this hemisphere are doing just exactly that.

British Elections

Q. Mr. President, have you heard from John Major?

President Bush. No, I haven't. Any exit polls here? They don't start -- we talked to the -- --

Mr. Scowcroft. They don't cast anything about exit polls until the polls close, which is 5 p.m. our time.

President Bush. Ten p.m. their time, yes. They stay open late over there. Big British election, as you know.

Okay, you guys, you're out of here.

Note: The exchange began at 3:13 p.m. in the Oval Office at the White House. President Chamorro spoke in Spanish, and her remarks were translated by an interpreter.

Statement by Deputy Press Secretary Smith on the President's Meeting With President Violeta Chamorro of Nicaragua

April 9, 1992

The President met this afternoon with President Violeta Chamorro of Nicaragua. President Bush congratulated her on the success of her economic reform program and her efforts to bring all Nicaraguans together in national reconciliation. The President reiterated his full support for President Chamorro's efforts to strengthen democracy in her country.

President Chamorro thanked the President for the generous assistance to her country from the United States, including substantial debt relief. She indicated that Nicaragua is committed to a strong economic stabilization program that will set the stage for economic growth. She also outlined her plans for reforming the police and resolving the problems surrounding property rights in her country.

Statement on Reform of the Drug Approval Process

April 9, 1992

I am pleased to announce that, as part of the administration's ongoing efforts to reduce unnecessary regulatory burdens, the Food and Drug Administration is today implementing important reforms to the drug approval process.

The reforms announced today could ultimately save millions of lives by giving patients, including those suffering from such debilitating diseases as cancer, AIDS, and Alzheimer's, earlier access to promising new drugs. The reforms will also make American pharmaceutical companies more competitive by allowing them to cut years off the drug development process.

These are the first steps toward achieving the administration's goal of reducing by about 40 percent the average amount of time it takes to bring new drugs to market.

Today's announcement is the outgrowth of an initiative I began in 1988 as Chairman of President Reagan's Task Force on Regulatory Relief. I commend the Council on Competitiveness and the Department of Health and Human Services for bringing this initiative to fruition.

Letter to Congressional Leaders Transmitting the Report on Soviet Noncompliance With Arms Control Agreements

April 9, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Enclosed are classified and unclassified copies of the annual Report on Soviet Noncompliance with Arms Control Agreements.

Last year the Soviet Union ended and we have every reason to hope that this will lead to a new era of compliance with arms control agreements. The report I am forwarding covers actions taken in 1991 by the former Soviet Union, not the newly independent states which have succeeded it. We have already seen an improvement in the willingness of these new governments to adhere to arms control obligations.

For our part, the United States will continue to expect scrupulous compliance with all arms control obligations. Such compliance is especially important as we build new and better relations and as conventional and nuclear forces are dismantled.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Message to the Congress Transmitting the Report on Federal Advisory Committees

April 9, 1992

To the Congress of the United States:

In accordance with the requirements of section 6(c) of the Federal Advisory Committee Act, as amended (Public Law 92 - 463; 5 U.S.C. App. 2, sec. 6(c)), I hereby transmit the Twentieth Annual Report on Federal Advisory Committees for fiscal year 1991.

George Bush

The White House,

April 9, 1992.

Message to the Congress Transmitting Proposed Legislation on Accountability in Government

April 9, 1992

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the ``Accountability in Government Act of 1992."

The legislation would extend to the Congress and the White House the relevant portions of five laws that apply to the private sector. The laws in question are the Fair Labor Standards Act of 1938 (minimum wage law), the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Rehabilitation Act of 1973, and the damages remedy created by the Civil Rights Act of 1991. The proposal also makes available the remedies currently available to other employees for violations of these laws, rather than special remedial schemes based entirely or in large part on internal congressional grievance mechanisms.

The legislation would also extend to the analogous portions of Congress five laws that presently apply to various portions of the executive branch. The laws in question are Title VI of the Ethics in Government Act, conflicts of interest laws, the Hatch Act, the Freedom of Information Act, and the Privacy Act. The scope of this proposal has been carefully tailored to take into account the unique characteristics of the Congress and its Members. Moreover, none of the provisions of this legislation except those implicating criminal penalties calls for executive branch enforcement. Rather, all are to be enforced either by private suit, entities within the General Accounting Office (an instrumentality of the legislative branch), or both. This legislation therefore does not present the constitutional separation-of-powers questions that might be presented by general executive branch administration of laws applied to the legislative branch.

I urge the Congress to give this legislation prompt and favorable consideration.

George Bush

The White House,

April 9, 1992.

Nomination of Jerome H. Powell To Be an Under Secretary of the Treasury

April 9, 1992

The President today announced his intention to nominate Jerome H. Powell, of New York, to be an Under Secretary of the Treasury. He would succeed Robert R. Glauber.

Currently Mr. Powell serves as Assistant Secretary of the Treasury for Domestic Finance at the U.S. Department of the Treasury in Washington, DC. Prior to this, he served as senior vice president with Dillon, Read & Company, Inc., 1984 - 90; and as an attorney with the firm of Werbel & McMillen, 1983 - 84; and as an attorney with the firm of Davis Polk & Wardwell, 1981 - 83.

Mr. Powell graduated from Princeton University (B.A., 1975) and Georgetown University Law Center (J.D., 1979). He was born February 4, 1953, in Washington, DC. Mr. Powell is married, has two children, and resides in Chevy Chase, MD.

Nomination of Timothy E. Flanigan To Be an Assistant Attorney General

April 9, 1992

The President today announced his intention to nominate Timothy E. Flanigan, of Virginia, to be an Assistant Attorney General in the Office of Legal Counsel. He would succeed J. Michael Luttig.

Currently Mr. Flanigan serves as Acting Assistant Attorney General in the Office of Legal Counsel at the Department of Justice. Prior to this, he served as Principal Deputy Assistant Attorney General in the Office of Legal Counsel at the Department of Justice, 1990 - 91. He served with the law firm of Milbank, Tweed, Hadley & McCloy in Washington, DC, 1988 - 90; and the law firm of Shearman & Sterling, 1986 - 88.

Mr. Flanigan graduated from Brigham Young University (B.A., 1976) and the University of Virginia (J.D., 1981). He was born May 16, 1953, in Fort Belvoir, VA. Mr. Flanigan is married, has 12 children, and resides in Great Falls, VA.

Nomination of John Cunningham Dugan To Be an Assistant Secretary of the Treasury

April 9, 1992

The President today announced his intention to nominate John Cunningham Dugan, of the District of Columbia, to be an Assistant Secretary of the Treasury for Domestic Finance. He would succeed Jerome H. Powell.

Currently Mr. Dugan serves as Deputy Assistant Secretary for Financial Institutions at the U.S. Department of Treasury in Washington, DC. From 1987 to 1989, Mr. Dugan served as Minority General Counsel to the Senate Committee on Banking, Housing, and Urban Affairs.

Mr. Dugan graduated from the University of Michigan (B.A., 1977) and Harvard Law School (J.D., 1981). He was born June 3, 1955, in Washington, DC. Mr. Dugan is married, has one child, and resides in Washington, DC.

Exchange With Reporters Prior to a Meeting on Welfare Reform

April 10, 1992

Welfare Reform

The President. Photo opportunity here on welfare reform. We're delighted to have the Governor here -- the leadership that he displays in reform and welfare. And we are glad that this administration is also taking a leadership role and making it easier, Tommy, for States like yours to innovate and help people get off the dependency of welfare. And we respect you for what you're doing, and I'm glad that this action we're taking will facilitate the implementation of your plan. It'll be a good example for the rest of the country. We can all learn from that; all the States can learn from it. So we're glad you're here.

Q. Do you expect to have a Federal plan, Mr. President, changes?

The President. Well, I think the main thing here which we're doing at this juncture is to facilitate innovation by the States. In a sense, they're laboratories, but they're also on the firing line. This Governor has been way out front in innovation with Learnfare, Workfare, encouraging education to break the cycle of dependency. So we will have more to say on the Federal role later, but the thing for the moment is, speed up the relief that's necessary so these States can put into effect the kind of programs they think will work. These States aren't all the same. Welfare problems in Milwaukee are quite different than those in Juneau, Alaska, for example, or in California someplace. So this is a good step, and I'm very proud of Governor Thompson for his leadership.

Q. The Wisconsin plan penalizes women who have more than one child out of wedlock. Is that the kind of concept, Mr. President, that you would support?

The President. I'm very interested in the innovation of the Wisconsin plan. I want to see how it works. The Governor can defend or criticize any aspect of his own plan he wants. The Federal role is to encourage these Governors to do exactly what this Governor has done.

Q. But do you endorse that? Is that why you're giving -- --

The President. I'm not going into it point by point. I'm sure I have great confidence in him. If he thinks it's smart, that would be very persuasive with me. I can't say I know every detail of his plan.

British Elections

Q. Were you pleased with Mr. Major's victory?

The President. It was substantial, and it was wonderful. And I'll have more to say to you all later about that. I plan to meet with you a little more formally in something other than a photo op.

Q. Any parallel -- --

The President. So get your questions ready. [Laughter]

Q. Today?

Q. Before you leave? Is that when we're going to have something?

The President. No. We'll do something, I think, in the press room.

Q. What time?

The President. Well, we're working on that now. We have a lot to discuss.

Note: The exchange began at 9:40 a.m. in the Oval Office at the White House, prior to a meeting with Secretary of Health and Human Services Louis W. Sullivan and Gov. Tommy Thompson of Wisconsin.

Statement on Wisconsin Welfare Reform

April 10, 1992

Last week in Philadelphia, I called for sweeping reform of how Government works. Nowhere is this need more apparent than in our Nation's welfare system. Our current system allows welfare to be a way of life. We must try new ways to get welfare to yield to work.

In our Federal system, States often act as laboratories for innovation. Welfare reform is an example. I am renewing my call to States to come forward with reforms which, like Wisconsin's, replace the assumptions of our current welfare system. We need to explore new incentives for welfare recipients to work and act responsibly in the best interest of their families. That is what underlies Wisconsin's ``Parental and Family Responsibility Project."

I am committed to facilitating welfare reform by accelerating the approval process for every State with a worthy proposal that asks our help. Today, I am pleased to make good on my promise. Wisconsin's ``Parental and Family Responsibility Project" has been approved 4 weeks after it was submitted.

Wisconsin is at the forefront of the welfare reform movement. Governor Tommy Thompson is a leader in the process of reform that will make welfare work.

The President's News Conference

April 10, 1992

The President. We were able to take several steps this week towards my efforts to address the challenges facing this country, towards the kind of fundamental reform that the people of America want and deserve.

Last Friday I spoke in Philadelphia about critical reforms that will help get the Government reformed and moving. And last night I transmitted to Congress the ``Accountability in Government Act of 1992,'' legislation that would extend to the Congress and the White House relevant portions of laws that now apply to the private sector. And it will also extend to appropriate portions of Congress certain laws that presently apply only to the executive branch.

This morning I met with Secretary Sullivan of HHS and Wisconsin's Governor Tommy Thompson. Twenty-four days ago, Governor Thompson requested a Federal waiver to go forward with genuine welfare reform. And today, I granted the waiver relief that will allow Wisconsin to move ahead on its bold new strategy to reform that State's welfare system.

Along with reform of the Government, I'll continue to push for the changes necessary to fight for American jobs at home by expanding markets abroad, to better educate our children, fighting for America 2000, to reform a legal system that is drowning us in a sea of litigation, and to provide all Americans with access to quality health care. As you know, yesterday the Vice President announced regulatory reforms to speed up the availability of new drugs for long-term illnesses such as cancer and AIDS and Alzheimer's.

Also yesterday I was very pleased to see the Fed's action in lowering the key short-term interest rate by a quarter of a point. And I applauded the action of the Fed, and I believe the economy has been improving and that this action should help that improvement along.

This has also been a very busy week on the international front. My speech yesterday described our commitment to a democratic peace in the new nations of the old Soviet Union. Along with our allies, we are committed to assisting the C.I.S. States during this time of transition. And we're pleased with the bipartisan support that we have been receiving for our plan. Let me say to the American people: Peace and prosperity are in the interest of every American, and democracy inside the Kremlin is the best way to assure our security in the decades to come.

I talked this morning with President Kravchuk of Ukraine. And we discussed a number of issues that I had focused on in yesterday's speech, and I reiterated our support for Ukraine's efforts towards economic reform and building a lasting democracy. He told me that he had had good talks as recently as today with President Yeltsin as it related to the nuclear question and the fleet question and other questions we've been reading about.

I just now concluded a meeting with Prime Minister Calfa of Czechoslovakia, had an opportunity to assure him that what we are trying to do in the C.I.S. in no way diminishes our interest in Eastern Europe and in Czechoslovakia particularly.

Also yesterday, Manuel Noriega was found guilty of drug trafficking. The Operation Just Cause enabled justice to be served, American lives were protected, and it helped Panama set out on a new democratic course. Panama is on the mend with encouraging economic growth rates, a reduction in drug-trafficking, and a new commitment to democracy.

In Great Britain, John Major won a parliamentary election. I spoke with him earlier today, not so long ago, and I look forward to a continued close working relationship with a good friend and ally. John Major has been a key partner in our efforts to encourage democratic reform in the former Soviet Union and to ensure global economic growth. I congratulate him on a sterling win. And I will be seeing him and the other G - 7 leaders in Munich in July.

Finally, we welcome signs of progress in Afghanistan. The U.N. Secretary-General, Boutros-Ghali, has announced an impartial transition that will lead to an interim government. We've long supported a political settlement in Afghanistan, and we view this negotiating process as a result of our sustained support to end more than a decade of war by securing Afghans' self-determination.

So we've had a busy week. It's been a good week. Progress, I think, has been made on both the domestic and the foreign front. And I might say that I do not want to just add to this -- that on the foreign front we had a good visit yesterday with President Violeta Chamorro of Nicaragua. And I've had talks this week with Carlos Andres Perez of Venezuela, seeing what we can do, working together, to address ourselves to other problems in this hemisphere.

So now, on with the questions and, Helen [Helen Thomas, United Press International].

Health Care

Q. Mr. President, you got a wake-up call from some 36 million people several months ago who are deprived of health insurance. Now we understand that you have ruled out any comprehensive health care legislation this year because of the congressional session ending and the fact that you don't want to make any mistakes and you have not presented a way to finance it. What does this say about your leadership and your really caring about these people?

The President. It says we are on the right track. The question, if you couldn't hear it, relates to health insurance. We've got a good health insurance proposal. We are putting the finishing touches to it. And if I had reason to believe it would sail through this contentious Congress, I'd like to see it done.

The problem we've got is, you have two other plans out there. One is, in my view, for pure nationalized health care, which I will strongly oppose, and the other is this so-called ``pay or play'' that would break what remains in the bank. And so we've got to work this through the system. But in the meantime, we have a proposal that I think is a very good one. It will retain the quality of U.S. health care, but it will not nationalize or socialize the medical system in this country. And we have proposals before the Congress in my budget right now that would contain the growth of some of the expenses of Medicare and Medicaid. So we'll see how that goes as it's considered by the Congress.

But if you're asking me, do I believe a health care program, given the political nature of this year, can get through this year, I'd have to agree with many of the Democratic leaders that it's unlikely.

Q. I'm asking you why you have not pinpointed a way to finance it.

The President. I think we have pinpointed it. And I would refer you to the OMB Director. One of the ways to do it would be to help by $20 billion by passing our reform of liability. And everybody knows the liability claims are extravagant, and it raised the cost exponentially. And so we've got to do something about that. And I also know that our budget calls for capping the growth, adding for population and new people, of the mandated spending. Therein lies a lot of the financing. So it's up there, not entirely, I'll admit that, but quite a bit of it.

Social Security

Q. Mr. President, the House has passed a Social Security bill that would double the amount of income recipients could earn before their benefits are cut back. It's estimated that this will cost about $7 billion over 5 years. Some Republicans think that this is a pandering to voters. What's your view of this bill, and would you sign it?

The President. We've long favored an increase in the Social Security earnings test. And we proposed, Dick Darman reminded me, a modest increase in the budget that I submitted to the Congress in January. That proposal also, though, did meet the terms of the Budget Enforcement Act.

Unfortunately, the House action violates the Budget Act and does increase the deficit. So the matter is not settled yet in Congress. The House has one approach, the Senate another. And we are going to be working to increase the earnings test while also protecting the integrity of the Social Security Trust Fund and avoiding a massive increase in the deficit. And so we are committed to the higher earnings test, but we are also committed to trying to hold the line on the deficit. So we've got to see, Terry [Terence Hunt, Associated Press], what comes out of the negotiations between House and Senate on this, working for those two ends.

Q. Well, the Senate bill would do away with the earnings test entirely. So that goes a lot further than the House -- --

The President. A lot further.

Q. Yes. So if you have to choose between those two -- --

The President. So we'll have to see what we can do, and then I'll make up my mind. But we'll be presenting our views with these two premises in mind. We'll just have to see how it works.

Domestic Policy Goals

Q. Mr. President, in a second term, what single domestic policy goal would you most want to achieve?

The President. Single goal? Oh, there are several goals, and I've been spelling them all out. I think education reform certainly would be right up at the top of that, achieving our goals for education by the year 2000. Because that would render us much more competitive internationally, which gets you over into the economic side of things, and it will lift a lot of kids out of this impoverished area, the impoverished state they're in, give them an opportunity at the American dream.

It is awfully hard to single out one area, however. I'd like to be also in the same mode of trying to be sure this economy keeps moving and keeps strong, and you can't do that if we continue to add to the deficit. We're spending too much, and Government's too big. So we're going to try to do something about that. But if you had to single out one, education covers so many of these fields; and our goals, to achieve those goals, cover more because I'm talking about -- one of them is being ready to learn, and that's Head Start. Another one is a place where you can learn; that means drug-free schools. So when I talk about education, I'm talking about all of these things.

Q. You've now articulated or begun to articulate a kind of a welter of programs to achieve various reforms. Which of those do you most want?

The President. Education, I think would be it.

Q. Well, I'm talking about the newer ones you've begun to lay out in the last week.

The President. Well, I've been talking about a bunch of them, but there are so many of them. You know, I'm for all of them. I'm for reform in the Congress. I'm for reform of the crime -- I'd like to get our crime bill through, which would help enormously with civil tranquility. It's hard to separate them out.

One of the other goals is international trade. That means opening other markets and concluding successfully the NAFTA agreement and the GATT round. I cannot single them out for you or put numbers on each one. They're all very, very important.

Reform of the Congress, reform of the system, I think it's time to take a real hard look. And I'm for term limitations, for example. I'd like to see Congress much more responsive. People say, ``Hey, how come the Presidency is limited and nobody else, none of the terms of the Congress?'' Well, let's take a look at that.

Peru

Q. Mr. President, just how concerned are you by developments in Peru, and would you favor some outside pressure to try to restore democracy?

The President. The answer is, very concerned. And yes, I'd favor some outside pressure. And we are looking with interest to the OAS meeting that's coming up next week. I've been talking to leaders. I mentioned Carlos Andres Perez, and I did not mention Carlos Menem of Argentina to whom I talked at length yesterday on this very question.

We cannot sit by without registering our strong disapproval about the aborting of democracy in Peru. And so we want it restored. And yes, outside pressure will be mobilized in the OAS, plus maybe a follow-on mission from the OAS would be a clear and productive step.

Q. Sir, would you consider sanctions, then, as one form?

The President. As I say, we're going to be talking to others about that. But yes, we considered sanctions in our efforts to try to restore democracy to Haiti when their process was frustrated, and certainly we'd consider.

Media Coverage

Q. Sir, we understand that you're unhappy with some of the news coverage you're getting. You're unhappy about the stories about George W. Bush contacting White House aides, Mr. Skinner and others, and urging them perhaps to do a better job, to be more coordinated. We also understand, however, that you're unhappy yourself with the support you're getting. You're unhappy with the stories about the disarray, but isn't there some disarray? We understand you're complaining about disarray yourself.

The President. No. And I'm not unhappy about stories that are true. I read one today about my son George that isn't true. And so I'm glad to have that out there. It simply is not true. To suggest that Jim Baker and I were working to get George up here for a week is ridiculous. When George

comes here, of course he goes to the campaign and talks to people here. But this isn't some manifestation of dissatisfaction. And if I were dissatisfied, you'd know about it loud and clear. I'm happy about it, and I know that many have to make a living by making these inside stories -- inside, day-in, who's up, who's down, who's winning, who's losing. And it's ridiculous.

But the trouble is, nobody cares about it out around the country, although we thrive on it inside the beltway. But John [John Cochran, NBC News], you've asked about it. If you'd tell me the name of the author and which story you're referring to, I'll tell you whether it's true or not. If, by chance, you're talking about one that was on the front page of the New York Times today, regrettably, it was not true.

Q. Can I just follow up on that?

The President. You can follow it.

Q. Are you saying that Jim Baker is entirely happy with the way your campaign's being run?

The President. I have no idea whether he's entirely happy. What I'm saying is the allegations in that story are not true.

Next question.

Q. You haven't discussed this? The two of you never discussed this?

The President. Next question.

Q. I don't want to step on my colleague's -- --

The President. He's finished. [Laughter] Not forever, but just for this followup. Not John.

Q. I may be finished, too.

The President. Yes.

Welfare Reform

Q. Why, sir, why has it taken 3 years for you to get interested in welfare reform or at least to make it a priority? I had not heard you speak of welfare reform until -- --

The President. We probably should have been speaking of it sooner. I think we've been encouraging the States to come forward with their programs. But it is a matter that's come to a

head. It's a matter where I've become convinced that speeding up the waiver process is very important. These waivers, this waiver was received from Wisconsin 24 days ago. And it's now been approved in record time.

Q. Is that your idea of leadership, though, to simply say the States should go ahead and do their thing?

The President. My idea of leadership is to, yes, to have the States be the laboratories for innovation. And you see, there's where I differ with some up in the Congress who think the only way to do it is to have the Federal Government put mandates on the States. I am not in favor of mandates. I'm in favor of encouraging the States to innovate, to be creative, whether it's in education, whether it's in welfare reform. And that has been our philosophy since I've been President, and I believe it was President Reagan's philosophy. But do we need to do more in encouraging this kind of innovation in welfare? Yes, and I'll be doing more about it.

Q. Could you answer the concern about the Wisconsin plan that by eliminating the increase in benefits when women have more children, that in fact this might encourage abortions?

The President. I haven't heard that allegation about the Wisconsin plan. My -- saying is to let them try it. The Wisconsin Legislature has passed a plan. Let them try it and see if it works to strengthen families and to break the cycle of dependency on welfare. And we sit here in Washington, DC, some with the view that we've got all the answers back here, particularly in the Congress. And that's not true. So I support the Governor in his, and the legislature there, Democrat and Republican, in their efforts to reform their welfare system.

Presidential Campaign

Q. Mr. President, 47 Members of the House have decided to retire, about 8 Senators, including your friend in New Hampshire, Warren Rudman, who said Washington has become a place increasingly partisan where fundamental issues are not being addressed. Many of the things that you talked about in your answer to Brit's [Brit Hume, ABC News] questions are goals of the first administration that aren't going to get through Congress. My question to you is, why do you want to be President again? And what possibility do you see of changing the gridlock that is in Washington today?

The President. I'm very optimistic about change now. Why do I want to be President again? I want to enhance world peace and democracy around the world. And I want to improve the lives of people here at home through making our cities safer by doing better in the fight against crime, by a better education program. And I am optimistic about getting it through once I take my case in the fall to the American people.

Susan [Susan Spencer, CBS News] asked about now -- obviously elections bring forward issues,

put them right out there on the front burner for much more lively debate than even between the Executive and the Congress during off years. And so I think people want change. They recognize that one party has controlled the Congress most of the last 55 years; one body of Congress for, I think, the last 52, whatever it is. And they want fundamental change. And I think I know the direction that they want to see things change.

So I am optimistic. I'm not discouraged when the Congress is going through this trauma up there. I think we can then say, ``Now look, give us a shot. Bring some of our legislation up for a vote."

Brit asked me about reform, liability reform. You go to any community in this country and ask the doctors or the Little League people or people in the community, ``What's bothering you?" And they'll tell you, ``These outrageous lawsuits." And I haven't been able to get the liability reform legislation even considered. So I'm going to take my case to the American people, and let the Democratic nominee say whether he's for it or not. And if he's for it, that'll help encourage the Congress, Democrat or Republican. But right now it's locked in a trial lawyers benefit program up there, and we can't get anything done. That's the good thing about the election year. And that's one of the changes I want to see that will make life better for people. And that's another reason I'd like to be here. There's plenty of reasons.

Education

Q. If I could follow up. You wanted to be the education President. That was one of your campaign themes in your first election.

The President. Yes.

Q. That hasn't happened. In many cases throughout the last 3 years, you've offered the argument, ``Give our program a shot." That hasn't happened. What can you do differently in 4 more years?

The President. Get more Republicans in there and more sensible Democrats that will vote for what we want. And I'll beg to differ with you, a lot has happened in education. For the first time we have national education goals, arrived at in a bipartisan or nonpartisan fashion. That is good. That is progress. And we're making progress out in the communities where we don't need legislation. I will differ with you on your question. There are 43 States that have become America 2000 States, where they embrace not only the goals of our program but have started implementing it where you don't need legislation from Washington to do it. Now that is progress in education. And we're going to keep on until we get a much better educated populace.

Q. Does that mean you feel you have to work around Congress now?

The President. It means I've got to get some changes in Congress. That's why I'm talking about

change. But, for the people that aren't in the Congress, we're making some real progress under Democratic Governors, Republican Governors, communities. Take a look at what is happening out there, and please don't judge it all just by the turmoil in Washington on the Hill.

Q. Mr. President, I'm sure you know the computer term ``garbage in, garbage out." You have suggested more testing of America's schoolchildren, testing the product coming out. Would you, like Governor Clinton, support testing the teaching force?

The President. I don't know anything about that one, but I'd certainly be open to consider it. Governor Clinton has supported the America 2000 objectives. Testing teachers isn't a part of it, but -- --

Q. Well, it was in Arkansas, sir. It was in an education bill in Arkansas.

The President. I didn't realize that.

Q. And you might see that as something -- --

The President. Well, I'll take a look at it. I'll talk to Lamar Alexander, our Secretary of Education. It's not one of our six education goals worked out in a bipartisan fashion with the Governors, but we'll take a look.

Media Coverage

Q. Mr. President, I know you had some comments about what your son might or might not have done, but there are many people who are very loyal to you in this White House who feel that you're not getting the best break in organization and structure and that there's a lot of planning going on and not a whole lot of action. I wonder if you feel that way -- --

The President. No.

Q. -- -- and why there is such a communication gap that they are worried for you.

The President. I don't know who they are. If you sometimes would write a story and put a name next to the source, it would help me answer a question like that. But most of the time, Frank [Frank Murray, Washington Times], what I see is that the stories say ``a high-ranking Washington official," ``an insider in the administration," ``a man known to be loyal to President Bush who doesn't do this or that." And you can't help me answer some of the charges that John asked about or that you've asked about.

But my answer is, if I were unhappy about it, you'd know about it. I think our new team is doing a good job. But every day, I pick up the paper and read it, telling the American people how they

think I feel about something. I wish you could help me with putting a name next to the sources in a few more of your stories. I don't want to go into this at every press conference, but you ask me to respond to questions, and yet you don't help me by telling me where it's coming from. So look, I am not unhappy about all of this.

Please believe me, what I get upset about is when I read something that I know factually is not true. That troubles me a little bit.

Presidential Campaign

Q. The Democratic race is settling down now and you mentioned Governor Clinton a few moments ago. At this point, what's your assessment of him?

The President. I'm not going to assess it for you.

Q. Is he going to be as easy -- --

The President. Give you another question, and I'll tell you what: I am not going to comment until I get ready on the opposition -- the independents, the Republican, or the Democrats -- until the nominating process is entirely over.

I think you'll have to concede I've been reasonably good about that so far. I got a question at the newspaper editors yesterday, and I said, ``Please take another question because I am not going to start doing that now, which I just don't feel comfortable doing." I've spelled out here what we're trying to do. I'm very pleased about some of the progress we're making, and to go off and start kind of assessing polls or talking about some opponent, we'll have plenty of time for that.

Abuse of Privileges

Q. Mr. President, on March 20th you made some serious charges about the failings of Congress, and you said that congressional perks are ``part of the hopelessly tangled web up there on Capitol Hill." Could you give us some examples of what you feel are the perks that are being abused, and will you tell us what perks that you have and your staff have that you're willing to eliminate?

The President. I think that they're addressing that very well indeed, and I don't see any need to single any out. You saw Dick Darman's testimony. We'll take a hard look at the executive branch. Congress is doing that with theirs. So I think it's moving in the right direction.

Budget Deficit

Q. But Mr. President, over the past 11 years, with you as Vice President and now President, the Federal budget deficit has nearly quadrupled.

The President. Yes.

Q. How much of that is your responsibility?

The President. I don't know how to evaluate that. It is difficult. You've had things like the savings and loan problem, the banking problem, and it's very hard to assign, quantify out the blame on these matters.

Presidential Campaign

Q. Mr. President, you may not be talking about Bill Clinton, but Bill Clinton is talking about you.

The President. Yes.

Q. And in particular, people in the Clinton camp, including Mrs. Clinton, have charged that it's the Republican Party who has engineered the charges that Governor Clinton has had to face on some of the character questions. Do you think there is any truth to that assertion?

The President. I hope not. I think not, and I have made specific instructions in writing to our people to stay out of the sleaze business.

Q. Mr. President, do you think these so-called character issues are fair game in a Presidential race?

The President. I'd like to stay on the hard issues and not on the kind of issues you're talking about.

U.N. Conference on Environment

Q. Mr. President, have you made a decision yet as to whether to go to Rio to the Earth summit? And if not, what will it take? What are you waiting for?

The President. No, I've made no decision. We are talking about it. I'm giving a lot of attention in various Departments of our Government, here in the White House and other places as well -- talking up in New York and I've talked to some world leaders about it, including Collor of Brazil. But no decision has been made.

Q. Wouldn't it be difficult for you, having sold yourself as an environmental President, not to go meet with so many other world leaders who are trying to gather?

The President. I think it could work out either way. I'm sure if I went there, there would be some differences. We've got a good, sound environmental record. The United States has done an awful lot to fight against pollution, and I would be proud to take that record, not just of what we've done but of previous administrations, to Rio or anywhere else. But what I want to do is see if we can't hammer out consensus so you have a meeting that's viewed as positive instead of a major harangue down there.

The Economy

Q. Mr. President, you were talking earlier about things that are bothering people. But when we talk to those people about what's bothering them, they tend to talk about the economy of late. Now, it was one of your campaign promises that there would be 30 million new jobs in the next 8 years. In the current recession we've lost 2 million. So when do you envision being able to deliver on that promise of yours? When do you anticipate real economic recovery?

The President. Well, you know, I made a mistake last year, and I don't want to repeat it. Last year at this time, I think it was 49 out of the 50 leading economists felt that the economy would be in rather robust recovery by the third quarter. It started up and then leveled off. And I told the American people I thought that's what would happen. But now I'm not going to go into that again because I just am uncertain.

I can tell you that most economists are now feeling that we're in recovery and that it's going to be reasonably good. Not knowing exactly what percentages it's going to be, it's very hard to lay it down against job creation right now.

Q. Do you regret having made this promise to create 30 million new jobs?

The President. I regret the fact the economy has been so sluggish and so slow.

Interest Rates

Q. Mr. President, you've mentioned about the economy, and you said that you applauded the interest rate reduction by the Federal Reserve this week. In view of the large 0.5 percent increase in inflation during March, do you think that future interest rate declines should be left to the marketplace to create or the Federal Reserve? Or is there still room to do more?

The President. Well, there might be room to do more. You've got to take a look at that CPI figure. The PPI figure was pretty good yesterday, or in the last couple of days, the Producer Price Index. It was constrained and showed that inflation is under control. So I wouldn't take one

statistic and try to urge the Fed on one course or another. But I think the Fed having dropped this rate a quarter, it was well received in the markets. I think it will be well received across the country. And let's see, and then I'm sure that Chairman Greenspan will be sensitive to further action if that's what's required.

Q. But to follow on that, would you be urging banks to reduce their prime lending rates or pass on the rates to the consumers?

The President. You remember me and the credit cards? The lower the rates, the better. The lower the rates, the more it stimulates business and activity and thus jobs. But that's a matter for the marketplace, it seems to me.

Education

Q. Mr. President, you've suggested that education is your top goal as President. And yet, your own Secretary of Education has suggested this week that there really is not much difference between your proposals on education and those of the Democratic heir apparent -- --

The President. Careful.

Q. -- -- Mr. Clinton. And my question is, how could it be different? What can you offer that the Democrats cannot offer on education?

The President. Well, I'm offering something quite different than what the Congress is willing to do. And if, indeed, Governor Clinton and I are close on that and the nominating process disgorges him as the nominee, why, then we'll have common ground to take to the American people, so much the better. And all Democrats that agree with us on this ought to start working on the Congress to get them to come forward with the funding for our new schools approach and whatever else it is. In the meantime, to his credit, Arkansas has joined the America 2000 program, and they're moving forward.

I'll have to say, Bill Clinton, early on, was a part of the Governors' inside circle that helped us adopt the national education goals, goals that proudly happened, that I might say I take great pride in having seen enacted since I've been President.

But look, if there are areas of agreement, we ought not to be restless about that. We ought to say, ``Good, let's get on with it." And let's get this program through the United States Congress and have it implemented by the people.

Environmental Policy

Q. Mr. President, in following Ann's [Ann McDaniel, Newsweek] question about the

environment -- --

The President. I've lost it here. Yes, Karen [Karen Hosler, Baltimore Sun].

Q. Well, we all lose it from time to time.

The President. True.

Q. The environment -- the Clean Air Act is considered one of your primary achievements in the domestic front of your first term, but it's something that we don't hear you talking about. You rarely talk about the environment at all. When you talk about your reform agenda and so forth, we don't hear the word ``environment.'' I'm wondering, do you feel that you've done enough in this area, or are there no new challenges that you want to put before the voters this fall, or is this just not as important an issue because people are worried about the economy and the cost of jobs and so forth?

The President. I think you're on to -- the last point is a valid point. I think what has dominated the debate so far in the election process has been the economy. In fact, it's almost the only thing that has been discussed up until very, very recently. The reason for that is when the American people are hurting, when they are discouraged, when the economy is slow, people should address themselves to that.

We have a good environmental record, and I'll be proud to take it to the American people, and we'll see where we go. We've got some very difficult environmental problems that we're facing right now. I think of the problems facing the work force in the Northwest over the spotted owl. This isn't easy. I think of what's happening with the salmon question out in the western areas, and there are some very important environmental questions. But I am determined to see that our environmental record results in protection of our national resources as we tried to do in the offshore drilling, have done in the offshore drilling area, things of that nature, and still not throw people out of work.

Every time I say that, I see some of the fringe groups in the environmental movement say I don't quite get it. Well, they don't quite get it if they are not concerned about the working man and the working woman in this country. And I will continue to try to achieve that balance.

Q. Mr. President, how can -- --

The President. Please, Sarah [Sarah McClendon, McClendon News Service]. You're third. You're third.

Federal Budget

Q. With respect to unemployment and jobs, a few days ago your Labor Secretary said that you are in favor of extending unemployment benefits. However, she did not explain how you would finance this, nor did she attend the hearing yesterday on that issue. Could you explain why, if you're committed to extending jobless benefits, you have no financing mechanism and why no one from the administration attended -- --

The President. No, I can't. I can't explain that, but I know that Dick Darman is working with the Congress and others around here. I think it's been put off now until after the recess. But we will be addressing it in a timely fashion.

Q. And also, there does seem to be a pattern here with respect to some of your proposals, whether it's health care reform, or even a few moments ago when you mentioned Social Security earnings limits. You do say you're in favor of these goals as well as extending unemployment benefits, but you've never committed yourself to one specific financing mechanism. Why is that?

The President. I think if you look at our budget proposal, as I said, it went up there with that in it, and the financing is included in the overall budget. So I just would respectfully disagree with you.

Q. Mr. President, a question -- --

The President. Take a look at the budget agreement and see if I'm not correct. I mean, the budget that we submitted.

Iraq

Q. Let's switch to foreign policy, sir. What, if anything, does the administration -- --

The President. Foreign policy?

Q. Yes, sir. What, if anything, does the administration plan to do to put Iraq on notice, to warn it or take more stringent actions about the movement of those antiaircraft missiles, the renewed flying of combat missions, and the attacks on the Kurds?

The President. We are particularly concerned about Iraq's flying missions above the 36th parallel. We have made clear to Iraq that we will be carefully monitoring these flights, both above and below the 36th parallel. We take a very dim view of the deployment of any missiles.

But the bottom line is compliance not just with the U.N. resolution but with the cease-fire provisions. Iraq knows that we would take a very, very dim view of blatant violations of those. And so without going into it in much more detail, I will say that I notice that they are now participating in the dismantlement of one of their suspected nuclear facilities, something they

said they'd never do. And I think that was brought about by firmness on the part of the United Nations people, Mr. Ekeus and others, and certainly on firmness on the part of the United States. I don't want to go beyond that.

Q. To follow up, sir, after all these months since the war, have you come to the conclusion that your nemesis, Saddam Hussein, is definitely there to stay?

The President. No, I've not come to that conclusion at all.

Q. Why?

The President. Because I just don't think that a totalitarian of that nature, a man that brutalizes his own people, a man that is continuing to cause them hardship and that is an outcast in that part of the world, can survive. Take a look at Eastern Europe. Take a look at other dictators. They just have a way of not being around forever. And I think that this will be the case here.

National Security and Federal Budget

Q. How can you talk about progress being made here today when we have a $400 billion deficit and a $1 trillion debt and you're spending so much money around the world on the CIA, selling arms around the world and doing covert action and not even giving any accounting to the Congress of how many billions they spend. How come you let them still do that, and how do you let the Defense Department put all these contracts overseas that take our jobs overseas and our technology so that we can't have jobs over here? That's the reason why we're in such a terrible economic situation, isn't it?

The President. Isn't what?

Q. The reason why you're spending billions of dollars with the CIA all around the world selling arms and doing other things that they don't account for, that we don't know about, secret moves that stir trouble in the world. And why do you let the Defense Department put these billions and billions of dollars of contracts overseas with firms over there rather than here? How can you expect to get jobs back here if you continue to do that? And why do you talk of progress when you're still doing something like that with all the debt we have?

The President. Well, Sarah, I don't blame the CIA for the economy. Maybe that's the simplest way to answer your question.

Q. You don't, but other people do.

The President. Well, we'll have to debate that with the Democrats in the fall, then, because I don't -- --

Q. No, I'm not talking about that. But why do you justify this when people in this country are hungry and need clothes and need food and children go hungry every night -- spending those billions of dollars overseas? Do we need to do that? I don't believe we do, do we?

The President. Well, we've made a proposal to reduce defense spending by $50 billion. And that's a significant reduction. And I am determined to keep -- may I please finish, Sarah? And I am determined to keep the national security of this country foremost in mind. Who can tell what's going to happen? We've made tremendous progress toward world peace. We've made tremendous progress toward reducing tensions. We are the undisputed leader of the world. And we've got to bear the responsibilities that go with that.

But we are not spending money in a profligate way. I don't think it hurts to try to help guarantee against instability by helping the C.I.S., for example, Russia, Ukraine and other countries. I think that is in the interest of the United States of America. And, of course, we've got to try to help at home. And spending at home is at an all-time high. And you say $1 trillion, yes, that concerns me very much. Thank God we have a $5 trillion economy, or we'd really be in the soup.

Welfare Reform

Q. Mr. President, you've always prided yourself on your opposition to bigotry. But as you may know, some who work in the welfare field and some Democrats on the Hill have charged that you're bringing up this issue in an election year in order to play to racial divisions in the public. How do you respond to that?

The President. On which issue is that?

Q. The welfare issue.

The President. I don't think there's any validity to that charge at all. All you have to do is look at the hopelessness of people that have been, you know, third generation welfare people and say we've got to help these people. It's a matter of compassion, not anger. It's a matter of trying to help. And I think what we did today here with the Governor of Wisconsin, I hope it's just a manifestation of that.

I haven't heard that ugly charge, but I don't know of anybody who is suggesting that the welfare system is just great. If the charge is that anyone who wants to change the welfare system is a bigot, I would totally reject that. It's just not right.

Q. If I could follow up, sir, if you are so concerned with this issue, why haven't you been closely involved with it for the last 3 years?

The President. Well, that was a good question. And I think the politics drives some things. I think we've tried to move forward in terms of helping people in these cities. I don't think we've done absolutely nothing. But now we're moving forward at the request of this first State for a waiver to speed it up. And 24 days is pretty good.

My philosophy has always been to have flexibility at the State and local level. And so we've been encouraging that for a long, long time.

Q. What do you mean when you say politics drives some of those things?

The President. Well, I think, a lot of the issues we're talking about -- some were asking about the environment, some were asking about these other issues. They get much more clearly in focus every 4 years, and then you go ahead and try to follow through and do something about them.

Caterpillar Labor Dispute

Q. Mr. President, the Caterpillar Company is trying to replace striking workers. How do you feel about the issue of replacing strikers?

The President. Well, I feel that I'm in favor of collective bargaining. I think everybody must live within the law, and if they are permitted to do things under the law, they should feel that they're able to go ahead under the law. I believe that this matter should be resolved between labor and business, and I see no reason at this juncture to have the Federal Government in the big middle of this.

Q. So it's okay if Caterpillar decides to hire strikers, then you feel that's all right?

The President. I think labor should do what's legal, and I think management should do what people think are legal here -- what is legal, not what they think is legal but what is legal. And I just feel that free collective bargaining under the law is the proper approach, not intervention by the Federal Government the minute a strike takes place. I don't think it's good for labor, and I don't think it's good for business.

Congressional Investigation of White House Expenses

Q. Mr. President, when you came to Congress back in the sixties, you came out for full disclosure of financial information. You have often told us that you try to stand for high ethical standards -- --

The President. A little louder, Jessica [Jessica Lee, USA Today], I can't -- --

Q. You've often told us that you try to stand for high ethical standards in public service, and you came out for full disclosure of financial information when you first came to Washington to represent Houston. I wonder if you would now say that you are for full disclosure of the financial information on what it takes to run the White House, to run the Presidency, to do your job as President, to travel around on Air Force One, and to provide for the ceremonial, political and other functions of the Presidency as you conduct them here?

The President. I do favor full disclosure. Next week I'll be disclosing once again my full income tax returns. As I'll tell you next week, I think that's a little bit of an imposition on an American citizen's privacy; but I think this is the 12th year that I will have done that, assets and liabilities spelled out, full disclosure. And yes, you're correct. I took a leadership role in the 90th Congress, as just a freshman there, for more disclosure. And I believe that's what elected people should do. I think at the Presidential level it's got to be even fuller, challengers and incumbents. And I think we need full disclosure.

Now, in terms of Congress' investigation, I hope that we have fully cooperated with the various committees of inquiry on disclosing the costs of running the White House. This is the people's house. It is a magnificent house. I don't know how many people, hundreds of thousands of people, go through this house every year. It's almost like a museum. And much of what goes on there is to show the people their house in a good and sensible way.

However, those matters are looked at in full detail as our budget goes up from various different Departments that it takes to run this place. Some of it can be security, various security accounts. Some of it can be the Park Service's accounts. And don't ask me to say all of the accounts under this complicated congressional system that look at it.

But I have asked our people to go to the various committees that have jurisdiction and to cooperate fully. And that's what we're trying to do, Jessie. And we're going to keep on trying to do that.

Q. If I may followup with a specific incident, Mr. President. In the budget that you submitted in January or February, the statement is that White House travel, your travel, cost the taxpayers $29,000 last year. Now, Mr. President, with all the trips that you go on -- --

The President. Twenty-nine thousand dollars an hour, isn't it?

Q. No, no.

The President. Oh, Jess, you're wrong. I think the Air Force One costs $25,000 an hour.

Q. That was Air Force One. But -- --

The President. I think when the Congress appropriated the money for it, I think it was estimated to be $41,000 an hour. Now it's being operated at -- for some reason, don't ask me to explain it -- at $25,000 an hour, which is a tremendous amount of money. So it's not a year, it's an hour.

Q. But what your budget said is that you spent $29,000 on Presidential travel last year. It didn't deal with Air Force One. There's a category -- --

The President. But now -- --

Q. There's a category that talked about your travel. And that's what it said, and that they give you $100,000 to spend, and you only spent $29,000. Can you explain that?

The President. No, I just can't possibly explain that.

Q. Do you think that that figure is correct?

The President. We'll try to get the information for you because we're trying to disclose -- and we'll do it to the Congress -- --

Q. Yes.

Q. It sounds unlikely.

The President. Yes, it sounds very unlikely when it costs $25,000 an hour, that it only costs $25,000 a year, $29,000 in a year.

Q. And the Congress has asked that question, and they have been unable to get -- --

The President. Well, the Congress will be satisfied.

Q. -- -- the satisfactory response. Are you going to tell them what it costs, what your travel last year costs? That's the question.

The President. We're going to answer every question they have to the best of our ability, and I think we're going to continue. You know, a lot of the cost of Air Force One and my travel was considered at the time these new airplanes were ordered. And I hope that we have prudently lived within whatever it was that was budgeted to encompass that travel. And we're going to keep on trying.

One thing I think that would be a shame is if we got into talks about gardeners and perks and calligraphers and lost sight of the need for real congressional reform, fundamental reform of the

institution that has led to the scandals that we've seen all over the newspapers. So we will address ourselves to this disclosure; some of it, it seems to me to be coming up by Congress that seems a little defensive about the problems on Capitol Hill. But as head of the executive branch, we should cooperate with the committees of Congress, and I have instructed our people to do just that.

But as I end this press conference, I would make this nonobjective note, take this note: It seems to me very funny that, all of a sudden, faced with the outrage of the American people, not on cars, not on how much a hamburger costs in the Senate restaurant but on fundamental problems with an institution that was manifested in so many ways recently, the Congress now starts saying, ``Well, what's it cost, how many calligraphers do you have making out cards for a state dinner in the White House?"

And we want to respond to these questions, but I want to keep the focus where fundamentally it belongs, on the need for genuine reform, reform that is necessary because of the laxity of one party control of the House of Representatives for, what, 48 out of the last 52 years. And that's the thing that concerns the American people. They are very concerned about it. And we have made suggestions, and I've mentioned some of them today, that Congress ought to live by the same laws they make you and me live by. And we've put forward legislation to do that. I happen to think the time has come for term limitations as well. I'd like to see changes along the lines suggested by Senator Boren, a Democrat, Congressman Lee Hamilton, a Democrat, in the procedures of the Senate and the House. I'd like to see that taken care of.

And so we're talking about fundamental change and reform that is clearly needed. And some up there -- not all the Congressmen, because I think some are addressing themselves seriously to reform -- and some are saying, ``We'll get them. They're talking about the trip I took to some Timbuktu on a jet; let's go find out how many calligraphers there, or guys mowing the grass at the White House." And we'll try to respond as fully as we can. But let's keep the sights set on what is fundamentally -- needs reform and change. The institution needs fundamental change and reform up there.

Now, with no further ado and with the regret at having to not answer every question -- come on -- I really do have to go.

Judy [Judy Smith, Deputy Press Secretary], now let me say this if you'll turn off all cameras and turn off the CNN, you guys. In my view, Marlin -- who will return in great spirits, I might add -- [laughter] -- on Monday and who, as we all know, has my full confidence -- has had a stand-in for a couple of weeks. And in my view, Judy, to whom you have not been altogether kind, although she does not complain, has done a superb job, and I thank her. And if I don't do what she tells me now, which is to get out of here, I'm in serious trouble. Thank you all. And, Judy, thank you. Thank you.

Note: The President's 126th news conference began at 2:38 p.m. in the Rose Garden at the White House. In his remarks, he referred to Rolf Ekeus, executive chairman of the United Nations Special Commission on Iraq.

Nomination of Edward Ernest Kubasiewicz To Be an Assistant Commissioner of Patents and Trademarks

April 10, 1992

The President today announced his intention to nominate Edward Ernest Kubasiewicz, of Virginia, to be an Assistant Commissioner of Patents and Trademarks, Department of Commerce. He would succeed James Edward Denny.

Since 1985, Mr. Kubasiewicz has served as Group Director of the U.S. Patent and Trademark Office at the U.S. Department of Commerce in Washington, DC. Prior to this, he served as Patents Programs Administrator for the U.S. Patent and Trademark Office in Washington, DC, 1983 - 85.

Mr. Kubasiewicz graduated from the University of Detroit (B.S.E.E., 1961) and the Washington College of Law (J.D., 1967). He was born October 14, 1936, in Hamtramck, MI. Mr. Kubasiewicz served in the U.S. Army Reserves, 1962 - 69. He is married, has two children, and resides in Alexandria, VA.

Nomination of Stephen Greene To Be Deputy Administrator of the Drug Enforcement Administration

April 10, 1992

The President today announced his intention to nominate Stephen Greene, of Maryland, to be Deputy Administrator of Drug Enforcement, Department of Justice. He would succeed Thomas C. Kelly.

Currently Mr. Greene serves as Acting Deputy Administrator at the Drug Enforcement Administration in Arlington, VA. Prior to this, he served at the Drug Enforcement Administration as: Assistant Administrator for Operations, 1990 - 91; Deputy Assistant Administrator for Operations, 1989 - 90; and Deputy Assistant Administrator for International Programs, 1987 - 89.

Mr. Greene graduated from the University of Maryland (B.S., 1982). He was born January 5, 1943, in Plattsburg, NY. From 1966 to 1968, Mr. Greene served in the U.S. Marine Corps. He is married and resides in Annapolis, MD.

Radio Address to the Nation on Welfare Reform

April 11, 1992

The American people have always been a people constantly searching for improvement, impatient for change when things need changing. Last week I spoke about the need for a change here in Washington, for Government reform, especially congressional reform. Today I want to focus on reforming our welfare system, especially on our Government's role in that reform process.

After years of trying to help those who are in need, we have found that too often our assistance does not help people out of poverty; it traps them there. It's not that people stopped caring; it's that the system stopped working. We want a welfare system that breaks the cycle of dependency before dignity is destroyed and before poverty becomes a family legacy. But today we must face this fact: Our system has failed.

I have repeatedly called for the forging of Federal-State partnerships that would make welfare reform a powerful, effective reality. Yesterday, at my direction, the Federal Government waived outdated rules to allow Wisconsin to try a new kind of welfare reform. The Wisconsin plan replaces some of the old assumptions of the welfare state and recognizes the importance of personal responsibility, self-respect, independence, and self-sufficiency.

In my State of the Union Address, I made a commitment to make it quicker and easier for States with welfare reform ideas to get the Federal waivers they need. By approving Wisconsin's waivers 24 days after we received their request, that commitment now has the force of action. I want to commend Wisconsin Governor Tommy Thompson, and I want to challenge other States to propose their own reforms.

We must balance America's generous heart with our responsibility to the taxpayers who underwrite governmental assistance. Our assistance should in no way encourage dependency or undermine our Nation's economic competitiveness. We pay twice for those who make welfare a way of life: once for the initial benefits, but even more because the Nation loses their contribution to the Nation's economic well-being.

Those who receive Government assistance have certain responsibilities: the responsibility to seek work or get education and training that will help them get a job, and the responsibility to get their lives in order. That means establishing lifestyles that will enable them to fulfill their potential, not destroy it.

We have responsibilities, too. We must structure our welfare programs so that they reverse policies which lock in a lifestyle of dependency and subtly destroy self-esteem. We must encourage family formation and family stability. Too often our welfare programs have

encouraged exactly the opposite.

We must incorporate incentives for recipients to stay in school. For instance, in Wisconsin, teen parents are required by the Learnfare program to stay in school to obtain full benefits. They recognize that in many respects opportunity is equated with education. And I'll have more to say about the urgent need for educational reform next week as we mark the first anniversary of the crusade that I call America 2000.

My approach to welfare reform should not only open the doors of opportunity for our citizens who are on public assistance but also prepare them to walk proudly and competently through those doors. Our goal is to build a system of welfare that will encourage self-respect, build strength of character, and develop to the fullest each individual's potential for a productive, meaningful life.

Thank you for listening. And may God bless the United States of America.

Note: This address was recorded at 8:15 a.m. on April 10 in the Oval Office at the White House for broadcast after 9 a.m. on April 11.

Remarks on Signing the Executive Order on Employee Rights Concerning Union Dues

April 13, 1992

Please be seated. And may I just say that we are delighted to see all of you here on this crisp, cool day in the Rose Garden. Before I begin, I'd like to recognize two members of the Cabinet here: Secretary Lynn Martin over here, Secretary of Labor, and then Attorney General Bill Barr, sitting over here in the front. I also want to single out two Congressmen with us today, Bob Walker and Tom DeLay, thank them for being here; Mr. James Stephens, the Chairman of the National Labor Relations Board. And also a very special welcome to Harry Beck and his wife, Karan. And fresh from parting the Red Sea yet again on TV last night -- [laughter] -- our old friend Charlton Heston. And I'll have more to say about him in a minute. But thank you for coming all this way.

Today happens to be a very special anniversary. Two hundred and forty-nine years ago today, Thomas Jefferson was born. And there is a renewed spirit of Jeffersonian reform sweeping through this Nation today. It is therefore a fitting occasion for putting into effect new reforms that will protect Americans' fundamental rights against political abuse by special interest groups.

For brilliance, for courage, for passion in the cause of freedom and democracy, no one has ever surpassed Thomas Jefferson. He eloquently stated a principle of fundamental fairness in 1779 when he declared, ``To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors is sinful and tyrannical."

Now, not long ago in Philadelphia, I spoke of the wisdom of the Founders on the subject of Government reform. It is this Jeffersonian insight that we reaffirm today with reforms to strengthen the political rights of American workers.

In the Executive order I will sign in just a few minutes, I am directing that companies performing Federal contract work must inform their employees in the clearest possible terms of their legal rights as affirmed in the Supreme Court's landmark Beck decision. This placard displayed here today represents the exact words of the notice that will be placed in workplaces around the Nation. And while this order will directly affect American workers employed by Federal contractors, I want to emphasize that the principles affirmed by the Beck decision are precious to all Americans.

The Beck decision is one of a series of cases protecting American workers from being compelled against their will to pay union or agency dues in excess of what is actually used for collective bargaining purposes and contract administration. Full implementation of this principle will guarantee that no American will have his job or livelihood threatened for refusing to contribute

to political activities against his will. The Executive order that I sign today will make it easier for employees of Federal contractors to understand and then exercise their political rights.

The Secretary of Labor is separately proposing a rule clarifying and then bringing up to date requirements for labor organizations to account for how workers' dues are spent. This rule aims to foster union democracy, and it also will have the effect of helping employees protect their Beck rights.

The trial court in the Beck case found, for instance, that in plaintiff Beck's workplace, Harry Beck's workplace, 79 percent of the compulsory dues collected went to purposes unrelated to collective bargaining and contract administration. Our new rule will assist union members in discovering how their dues are being spent. And perhaps most important of all, I expect the NLRB, the National Labor Relations Board, to carry out its responsibilities to enforce the principles of the Beck decision.

One of America's most intrepid fighters for individual rights is Charlton Heston. He's been a member of four different labor organizations and, like my predecessor, President Reagan, a president of the Screen Actors Guild. He's given much of himself to put collective bargaining rights into practice. And he's been equally committed to seeing that no company or organization may infringe a worker's individual freedom of conscience. And we are very honored, sir, that you came here today, traveled all across the country as a crusader for individual rights. You are most welcome.

Our new actions to protect individual liberties are important efforts in a larger crusade that I'm waging to reform our system of politics in Government. Institutions of public life, whether the Government, corporations, or unions, should be accountable to their constituents to produce results and then respond to their needs. Working Americans should have the right to decide whether contributing to political parties or candidates, at odds with their beliefs, fulfill that principle and represent the institutional responsibility that we rightfully expect.

In pursuit of the very same principles, accountability and responsibility, I am asking Congress to enact a sweeping reform of campaign financing. And I'm fighting to eliminate, not restrict but eliminate the special interest PAC's, which will stop the millions of dollars in administrative subsidies that corporations and labor organizations now are allowed to channel into their own PAC's.

Time and time again over our constitutional history, protecting universal rights has demanded the lonely courage of individual citizens standing up against powerful organized interests. And I'm especially honored that we have here today such an individual. It took this man 12 years of patient effort to carry his case to vindication in the highest Court of the land. And it is his crusade that brings us together today. So, Harry Beck, thank you, sir, for all that you have done. And I am proud to have you stand with me as I sign this Executive order. Welcome, and well

done.

Note: The President spoke at 11 a.m. in the Rose Garden at the White House. The Executive order is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Jan Olszewski of Poland

April 13, 1992

The President met for approximately 45 minutes this afternoon with Prime Minister Jan Olszewski of Poland, who is in the United States on a private visit. The President reaffirmed his strong support for the pioneering transformation to democracy and a free market economy in Poland, whose success is all the more important in light of the revolutionary changes farther East.

The two leaders discussed economic and political developments in Poland as well as the larger European security situation. Prime Minister Olszewski outlined his government's economic policies and its commitment to working with the IMF on an agreed reform program. He thanked the President for U.S. support and discussed ways the U.S. could be helpful during the present difficult economic situation in Poland, particularly through encouraging greater trade and investment.

In that context, the Prime Minister welcomed the President's offer, made in a recent letter to President Walesa, to send a mission of U.S. business leaders to Poland with the aim of facilitating some of the many U.S. private investment projects now under negotiation. The President has asked former Deputy Secretary of State John Whitehead to lead the mission and to select a long-term U.S. adviser who would remain in Warsaw to follow up on the mission's recommendations and assist U.S. enterprises in their efforts to find joint venture partners and other investment opportunities.

Remarks to Giddings & Lewis Employees and Local Chambers of Commerce in Fraser, Michigan

April 14, 1992

Thank you very much. And Governor Engler, thank you; I'm proud to be introduced by our great Governor here. I want to salute our Secretary of Labor, Lynn Martin. You met her when she came in. She is doing a lot, an awful lot in terms of job retraining, in terms of hope and opportunity for America's workers. I want to thank the CEO of Giddings & Lewis, Bill Fife here, who greeted us and has given us a short tour. Thanks to some of the workers here in this wonderful plant and then to Barbara Hollett and Linda Walling and Geary Maiuri and James Williams, Warren and to all the others from the six chambers of commerce. May I thank you for being here. I just want you to know I'm delighted to be with you today.

I'm sorry that Barbara Bush is not here. She's out in the State of Oregon today. But I take great pride in the fact that she's doing her part. I see these kids here trying to hit a blow for literacy in this country. And she asked me to extend her very best wishes.

Now, I want to talk to you today about the things that we really must do together, Government and business, public servants, private citizens, to leave our children a legacy worthy of this great country of ours. You see, I am not one who is so pessimistic about America. We are the leaders of the world, the undisputed leaders of the world, and now we've got great things to do here at home. I think that we've got to agree on what that legacy is going to be. Clearly, we want a world at peace. People say to the American people, ``Well, how are things going?'' And I take great pride in the fact that, see these little kids here, they won't go to sleep at night worrying about nuclear warfare the way the generations preceding had done. We want a world at peace. We want strong, wholesome families, and we want an economy that provides rewarding jobs for all.

More than any country on Earth, America has afforded each generation the opportunity to leave such a legacy. Today, we have that opportunity once again. The world is changing at a pace undreamed of a generation ago. And now America, which has led the world's transformation, must change as well. This afternoon I want to discuss five areas which I believe are overdue for reform, five key ways in which America must change if we are to honor coming generations with the legacy that they deserve.

As business men and women and as Giddings & Lewis employees, you understand the urgency. For each of these five problems presents itself to you not as some abstraction but in the most immediate way, as a cost, a cost of doing business. Too often these costs are beyond your control, drawing resources away from your primary goals of expanding your companies and creating good jobs for your communities.

When our legal system, and the Governor touched on this, becomes incapable of resolving disputes in a civil and timely manner, business loses the incentive to innovate, loses the incentive to take risks. And when health care costs escalate, business picks up much of the tab. And when Government imposes barriers to trade, business pays the cost in lost markets. And then when our kids, our children, leave school without rudimentary skills, business bears in the lost productivity. And when Government freezes in gridlock, business can no longer plan rationally for the future.

So, let me start with Washington, and again, the Governor referred to that: If America is going to change, the Government must change. Ten days ago I presented seven specific proposals to cure the paralysis that grips the United States Congress. My proposals range from an elimination of these special-interest political action committees, these PAC's, elimination, not reduction but elimination; extends to a line-item veto, which will allow us at last to get a handle on this deficit that is mortgaging the future of these children here today. And I think it's high time that we limited the number of terms that Members of Congress may serve.

My aim is simple: We must create a flexible Government, responsive to the common good. And I have tried, I have tried over the past 3 years to invest my administration with this sort of flexibility. Now, let me give you a few examples of special concern right here to Macomb County.

A reformed Government knows its limits, refusing to impose undue burdens on business and consumers alike. For that reason, I've made it clear to Congress: This is no time to legislate an increase in the CAFE standards that would cost Americans jobs in the automotive industry. And I will not accept such legislation.

A reformed Government encourages innovation. Last October, by way of example, my administration joined with the Big Three, the automobile companies, to develop a new generation of batteries. And our goal: To make American car companies first in the world in producing competitive, electric cars by the year 2000.

A reformed Government finds flexible means to reach its goals. Our approach to the 1990 Clean Air Act, which requires deep reductions in air pollution, is a good example. To help communities and industries meet the objectives of that act, we've initiated a ``cash for clunkers'' program, allowing States and companies to buy the high-polluting old cars, get them off the road, and use the reduction in pollution to satisfy our clean air standards.

Flexibility, accountability, a willingness to innovate, Americans have a right to expect each of these from their Government and particularly from the United States Congress. Yet instead we get business-as-usual. I'll give you another example, dealing with a second area urgently in need of reform, the Nation's legal system. Our country -- and this isn't true just of business, this is true of neighborhoods, true of towns and city government -- our country is swamped in frivolous

lawsuits. We tried to make a good start at reform in 1990 when I introduced a bill to reform product liability laws. Congress wouldn't budge. So we reintroduced the reform again in 1991. And the Senate Democrats refuse even to bring that bill to a vote. In the House it's stuck in two, that's right, two separate committees.

This inaction is inexcusable. America, regrettably, has become the most litigious society on Earth, and American companies pay the price, not only in dollars wasted but in lower productivity and a business environment hostile even to ordinary competitive practices. According to a recent survey, 40 percent of companies that had been the target of product liability suits have discontinued certain types of product research.

None of our competitors is afflicted with this lawsuit madness. We must remove this ball and chain from our ability to compete worldwide. And our Competitiveness Council, led by the Vice President, has offered 50 recommendations for legal reform, including reasonable limits to the discovery process, alternative means of resolving disputes, and a ``loser pay'' rule that would discourage the frivolous lawsuits. I urge you to urge the Congress to help stop this lawsuit madness.

We must help each other more and sue each other less. I'll give you an example. A lot of the people here in this plant, I'm sure, have kids in Little League. Some of you may coach Little League, like I did a thousand years ago. And some people are refusing to coach Little League because they're afraid of some frivolous lawsuit; doctors, afraid of delivering babies because of a frivolous lawsuit. We really have to change this litigious society into a more gentle and a more friendly society.

Our comprehensive legal reform will be far-reaching, extending then into a third area critically in need of change, our Nation's health system. Everybody here, I'm sure, is concerned about the health care system. The litigation explosion has hit Michigan's health care hard. Every year your physicians and hospitals pay almost $500 million for medical liability coverage, $500 million. For the patient, that translates into an extra $300 added on to the average hospital bill.

The trends are simply unsustainable. Some estimates say that by 2030, the year 2030, that's only, what, 38 years away, we will spend 30 cents of every dollar of national income on health care. Again, much of the burden falls on business. Right now, American corporations spend more on health care each year than they earn in after-tax profits. Now, we've got to stop this drain on our productivity.

My proposed health care reform will build on our system's assets, especially in preserving the quality of care. We've still got the world's finest quality health care. We will reform the private insurance market and increase consumer choice. Through transferable tax credits we will bring coverage to those who are uninsured and control costs through market incentives. And we will avoid the pitfalls of what I would see as a nationalized care, with the rationing and the long

waiting lines and the mediocre quality that comes with it. Health care reform must hew to this principle: Government has no business dictating what kind of health care you want to choose, dictating what kind of health care you receive.

I target then a fourth area for attention, like the others, absolutely critical for our success in the coming decades. With its global reach, this great company, Giddings & Lewis, exemplifies an indisputable truth about our future: If America is to succeed economically at home, we must succeed economically abroad. And in the postwar period, trade-related jobs have grown three times faster than the overall job creation. Exports have accounted for 70 percent of our economy's growth over the past 3 years. We will build on this success by continuing to open foreign markets to American goods and services, including the world's second largest market economy, Japan. And since I took office, our exports to Japan have grown 10 times faster than our imports from Japan, and our manufactured products are leading this expansion. That boom has already created an additional 200,000 jobs here at home.

And that's why we made this now-famous trip to Japan. I heard some criticism of that trip, but let's get the facts straight about what we accomplished. Of special interest to many of you, for example, was the pledge by private Japanese companies to increase the purchase of U.S.-made auto parts from $9 billion to $19 billion by 1994. And we didn't stop there. As a result of our trip, we've opened up Japan's $4 billion glass market, its $9 billion public-sector computer market, and its $27 billion paper market, offering American business enormous opportunities to sell American goods; and that, of course, means to create American jobs. And if we are to take advantage of the opportunities, we must stay abroad.

We must have a world-class work force. And yet the grim fact is undeniable: Our current education system is unable to produce the workers the highly competitive world market demands. The only solution left to us is radical change. That means we must literally reinvent American education. And on Thursday, I'm going to discuss the progress we've made in the year since we launched our America 2000 education initiative, a revolutionary movement that challenges every community to create what we call break-the-mold schools. We know how to do it. We set world-class standards for students. We redouble our efforts to rid our schools of drugs and violence, to cleanse Americans of this scourge that wastes so many young lives. And we make schools more accountable by forcing them to compete. And that means letting parents choose their children's schools, public, private, or religious. We must have that kind of choice to bring real competition into the classroom.

And we need to take the same bold approach to job training, to provide Americans with the skills that this age of intense international competition demands. And I have developed such an approach, working with the Secretary here, and when Congress returns from recess, we will submit the ``Job Training 2000 Act."

Our current job training system is merely -- it's kind of a crazy quilt of good intentions. Over the

years Congress has put in place scores of training programs, but they are uncoordinated, sometimes redundant, and too often unaccountable. This year, seven different Federal Agencies will administer some 60 training programs at a cost of $18 billion.

And with this jumble, is it any wonder that an 18-year-old, fresh from high school, doesn't know where to go for career guidance; or that an unemployed older worker, eager to learn a new trade, is confused about how to find training; or that a young parent on welfare, in search of a rewarding job, can't find advice on which trade school to attend or which career to pursue? Unscrupulous operators, these fly-by-night trade schools prey on this confusion, and they take advantage of the system's lack of accountability. And they recruit the naive or somebody that's so desperate even though they know it's bad, they're willing to take a chance, signing them up for thousands of dollars in grants or loans, offer a few weeks training, and then leave the people burdened with debt.

A truly competitive America can't afford this waste of talent and energy. And it's not fair to the American worker. Job Training 2000 will disentangle that knot of Federal programs and make them serve the people who need them. And here are the key elements of this plan. First, it will create one-stop shopping for vocational training in every community. Second, it will certify programs so that they meet the needs of the local labor markets. And third, it will offer vouchers so aspiring workers can choose the training they want.

Along with Job Training 2000, I'm going to submit to Congress an important new initiative. It's called the ``Youth Apprenticeship Act of 1992." Apprenticeship is one of the surest routes into the world of work, and we need to make it more widely available to our young people. And at the same time, we've got to encourage them to complete a sound high school education that prepares them for a lifetime of learning. The act accomplishes both these goals, making it easier for kids in the 11th and 12th grades to combine on-the-job training with their regular studies at school. And when they graduate from school, they will have not only a certificate that attests to their job skills but a diploma that represents a substantial and varied education.

Now, to get that ``Apprenticeship Act" up and running, we will be offering demonstration grants to six States, California, Iowa, Maine, Oregon, Wisconsin, and right here in Michigan, as well as a series of local areas. We owe our young people, we owe every American who seeks to climb the ladder of economic advantage the finest job, the finest job training system the world can produce, and I mean to see that they get it.

Therefore I want to challenge the United States Congress to pass both of these initiatives, Job Training 2000 and the ``Youth Apprenticeship Act," this session, before the Congress adjourns for the year. But as you know, I'm the first to admit that I can't always count on Congress to act, no matter how great the urgency. For real education reform I enlisted the help of the Nation's Governors. You may remember this a couple of years ago, we got together at Charlottesville, Virginia. So far 43 Governors have responded by enrolling their States in this program we call

America 2000.

And now I ask their help again. I call on the Governors here today, all of the Governors around the country, to initiate Job Training 2000 strategies in their own States; several are already hard at work. And I ask every Governor to bring together labor and business leaders with local officials to consolidate their own job training programs. And wherever possible, my administration will grant waivers to accelerate these efforts. And we will provide incentive grants to help them get started.

Each of the reforms that I've outlined here today -- making Government accountable and flexible, restoring sanity to our legal system, ensuring quality health care for all, expanding world trade, and reinventing American education and job training for tomorrow's work force -- each shares a single goal, to ensure that America remains the undisputed leader of the world, the freest, most prosperous and competitive Nation on Earth.

And each of these reforms grows from a fundamental, uniquely American principle. Thomas Jefferson said it best: ``The pillars of our prosperity are the most thriving when left most free to individual enterprise." And in practice that means Government must trust the wisdom of markets more than the whims of bureaucrats. And the freely made decisions of the people must take precedence over the engineering schemes of Government. And all our institutions, from Congress to the local trade school, must be accountable to those that they serve.

Over the last decade, America has changed the world. Today, we're blessed with the opportunity to change America. I couldn't help thinking about that sentence, ``Over the last decade, America has changed the world," as I was walking along the line here and reading the computer screen in English and then in what the man running the screen told me was Russian. I had to take his word for that. But here was a shipment going off, a machine going off to Russia. We have a tremendous opportunity, and I intend to see that we continue to lead the world. And in so doing, we will be offering enormous job opportunities, expanded job markets for the American worker. We cannot pull back. We cannot withdraw into some sphere of isolation.

And so, as your President, I take great pride in the fact we've helped change the world. And now I can tell you we are going to make these changes at home that will enable us to remain the undisputed, the undisputed, admired leader of this changing world in which we live.

Thank you all very much. And may God bless each and every one of you and your families. And may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 2:50 p.m. at the Giddings & Lewis, Inc., plant. In his remarks, he referred to William Fife, Jr., chairman and chief executive officer, Giddings & Lewis; Barbara Hollett, executive director, Metro East Chamber of Commerce; Linda Walling, director, Sterling Heights Chamber of Commerce; Gary Maiuri, chairman, Central Macomb County Chamber of

Commerce; and James Williams, chairman, Warren, Center Line, and Sterling Heights Chamber of Commerce.

Remarks at a Bush-Quayle Fundraising Dinner in Dearborn, Michigan

April 14, 1992

Thank you very, very much. And John Engler, thank you, sir, Governor, for that kind introduction. John Engler and I have been side by side in politics for a long time, and I'll tell you, I am mighty proud of the job he is doing as Governor of this great State. You're lucky, and you ought to know it. I might salute your lovely wife, Michelle. He had to go to Texas to find her, but here she is, and we're all for her, too.

And let me thank Mike Timmis for the thoughtful invocation and Randy Agley for the superb job as master of ceremonies and for so many other things as well. Also, of course, our special thanks to our esteemed friend Max Fisher, whom we heard from tonight, always at my side, always with sound counsel and advice, a great friend of every Republican and a great leader of this State and, indeed, of our country. Max, thank you, sir.

And of course, if you want to get the job done, get Heinz Prechter involved; he'll twist the arm right out of your socket. But he did a first-class job. And I also want to thank Dave Doyle and Chuck Yob and Tim Leuliette. And let me also acknowledge Bob Mosbacher, our former Secretary of Commerce, now one of the great leaders of our campaign; Bobby Holt, the national finance chairman, whom you met; and Michigan natives Spence Abraham, who used to be the State party chairman, now doing a superb job for the NRCC in Washington, and then our special friend Bob Teeter, who is calling a lot of the shots at our campaign. We've got a great team, and I'm grateful to each and every one of them, all here tonight.

And there's two others I was privileged to sit between, Andrea Fischer and Yosef Chafari. These are the two leading ticket sellers. And I had a fairly relaxed evening, sitting between these two leading ticket sellers. They're trying to sell me tickets to the next event. [Laughter] But I'm telling you, this thing was put together in quite a short period of time, relatively short period of time, and we are very, very grateful. I understand that there's even an overflow room. And after we finish these remarks, I want to go in there.

I will repeat for the benefit of the people in the overflow room: You are safe. By that, I'm referring to a joke that Billy Graham used to tell about the speaker that went on and on and on. And finally, the chairman picked up the gavel, heaved it at the speaker, missed him, and hit the woman in the front row. And she said, ``Hit me again; I can still hear him." [Laughter] So, to the people in the overflow room, you are safe.

Let me say that it's a pleasure to visit the Detroit area. On our final approach on Air Force One, we had to climb a little higher over Tiger Stadium. Cecil Fielder's turn at bat, at the batting cage

there, and we wanted to be out of his range. [Laughter]

Let me thank all of you who had contributed so generously to this reelection campaign. With help like yours and the efforts of millions of people like you at the grassroots level, our team is going to win 4 more years to lead this country. I'm absolutely confident of that.

And as John said, we have been trying since 1989, working for reform and change. And I've often had to buck a Congress that, frankly, is resistant to change. But now, this year, in the election year, we can put it in focus, the things we've been trying to get done, and let the American people say whether they want change or not.

We must accelerate reform, reforms to strengthen the bulwark of our Nation's character, and I mean the American family. A major mayors group came into my office, and the thing that they say is the most common problem in the great urban areas of America is the dissolution of the American family. And we've got to find ways to strengthen it.

We've got to find reforms to preserve half a century's hard-won gains for world freedom and peace, reforms to provide Americans with first-rate jobs in this whole new global, the new world economy. And that's why it's so important that you're here tonight. We have much to do if we're to prepare our Nation to compete in this exciting new century ahead.

None of us can do it alone. But together we are up to any challenge that lies ahead. And frankly, I'm a little sick and tired of some of the gloomy news out there every single night, telling us what's wrong with the United States of America. There's a lot right about it, and I'm going to take that message to the American people.

But your support is key if we're truly going to change this country. And it's key if we're to revolutionize our schools, make health care accessible and affordable. It's key to the frivolous court cases that drain our economy; reform the way our Government works, especially up there on Capitol Hill. And finally, your support is key if we're to open markets the world over for American goods and services, to sustain and to create jobs for Americans, jobs right here in Michigan.

Each one of you tonight is making a difference on these five important challenges because they're all part of my mission as President of the United States. And with your support, I aim to complete that mission. We've got to get this job done.

Take education, for example. Our America 2000 education strategy thrives on local initiatives. Polly Williams in Milwaukee and Patrick Rooney in Indianapolis have captured national attention for their new programs to give inner-city parents what wealthier families have right now, a real choice for schools for their children.

And right here in Detroit there's an exciting new effort in the inner city, Cornerstone Schools. And one of the leaders is Eddie Edwards, a Protestant pastor in the black community, whom I have been pleased to recognize as one of our daily Points of Light for our Nation. A key partner with the Reverend Edwards in this project is Archbishop Maida of the Catholic Church. And they've won generous support from business leaders as they break down barriers and reinvent, literally reinvent excellent schools for children who need them most. And they didn't wait for bureaucrats in Washington, DC, to mandate them or to give them direction. They rejected business-as-usual. And I salute them for reform. And our America 2000 education strategy will change America by encouraging that kind of innovation.

And meanwhile, grassroots Republicans in the Michigan Legislature are working with our great Governor on Michigan 2000, this State's plan to give parents more freedom and responsibility in their children's education. And there's a powerful reform spirit in Michigan to ease the strictures of teacher tenure and certification, to establish solid core curricula, and to measure results, and to give individual principals new incentives to innovate through charter schools and school empowerment.

I can assure you, the Republican reformers in Michigan's Legislature are light years ahead of the liberal Democratic leadership in the United States Congress. And I can't wait to elect a new Congress that will work for true reform of our Nation's schools. And I might add, a centerpiece for our strategy for reform is choice for parents for public, private, and religious schools. And then you watch the schools that are not chosen bring themselves up through competition. Parental choice is an important key to our reform program.

You know, Michigan is also a leader in making quality health care available and affordable to absolutely everyone. And Michigan soon hopes to become the first State in the Nation to enroll its entire Medicaid caseload, one million people, in managed care. Managed care improves quality while cutting costs. And it's an important part of our national health care reform package. We have the best quality health care in the entire world here in the United States, but too many people lack basic health insurance coverage. And the Capitol Hill liberals' ideas of health care are expensive and coercive.

And some Democratic leaders promote a plan they call ``play or pay.'' It's a mandated benefit scheme whose costs would be virtually unmanageable. And then there's another favorite Democratic plan: It's to make the Federal Government the monopoly provider of national health insurance. And if you think socialized medicine is a good idea, ask a Canadian for a second opinion. Because central planners ration their health care, Canadians often must wait weeks or months for treatments readily available to Americans.

And like my agenda for literally revolutionizing our schools, my health care reform package emphasizes consumer choice. It promotes private sector competition. It promotes innovation. Transferable credits and tax deductions would enable virtually every American to purchase basic

health insurance. We would change the law to assure that no one is denied coverage for a preexisting condition or because of a job change. And in many cases, providing basic health insurance will help us drive down costs. And right now, for instance, poor people who lack insurance often go to emergency rooms for nonemergency treatment. Well, with health insurance, these kind of cases would be handled in family doctors' offices more effectively and for much less cost. New efficiencies such as this would enable us to reform our health care system without having to raise taxes on the overtaxed American people.

Another institution that we've been trying to change -- and now that we've taken the case to the American people maybe we'll have a chance to get it changed -- one that's ripe for reform, is our legal system. We have become the most litigious society on Earth. We have 3 times as many lawyers per capita as Great Britain, 5 times as many as France. And I'm often asked, if an apple a day keeps the doctor away, what works for lawyers? [Laughter] Litigation costs, liability insurance costs, and other costs associated with litigation or the avoidance of litigation are estimated to run as high as $300 billion a year. And that is an indirect tax on every business transaction in America, and it siphons off more than 2.5 percent of our gross national product. And that's 5 times as high as the average in other nations.

And it's high time, then, we spent more time reaching out our hand and helping each other and less time suing each other. And that is why I have asked the Congress to pass my ``Access to Justice Act," a reform bill to encourage people to resolve problems out of court and to crack down on frivolous lawsuits by making losers in certain cases, not all, but in certain cases, pay more court costs. And it's time for action to stop the epidemic of lawsuits. And we need some changes in Congress to get an up-or-down vote on this important reform program.

And now, if we're to reform education and health care and our legal system and if we're to reduce redtape and regulation and get our horrendous Federal deficit down, we must reform the United States Congress. And our congressional system is simply not working. And over the years we've all seen the symptoms: gridlock on important legislation; unconscionable delays on nominations; failure to modernize our banking laws, to reform our system, financial system; failure to strengthen our anticrime laws that would support the police, have a little more compassion for the victims of crime and a little less for the criminals themselves; failure to pass fair and simple proposals to stimulate our economy. I still have seven laserlike proposals that would stimulate the economy without increasing this deficit.

Major reforms are in order. And it's time for the Congress to govern itself by the laws it imposes on others. And I am going to fight to make them now pass laws that will put them under the same laws that you and I have to live by, laws they've exempted themselves from. No more special treatment. And it's time for sweeping reform of campaign financing, time to eliminate the special interest PAC's. It's time for real spending reform; time for the President to have what 43 Governors have, the line-item veto. And I'm going to take that case to the American people this fall.

And it's time to make Congress a citizen assembly, not a club for careerists. And it's time to limit the terms of Congress. My term is limited to two terms, and I want to serve both of them -- [laughter] -- but nevertheless, it's limited to two terms, and I don't see that it would hurt to have Congress limited to six terms for a Member of the House and two terms for a Senator. I think it would be good. I think it would keep Government more active and vital and closer to the people.

In my second and final term as President, I want to lead America in adopting each of these historic reforms, these changes. I'm also working to lead America to new success in the global economy. We're working to open markets to American products, to create new jobs for the great American worker. And if we succeed with the current round of world trade talks, the GATT talks, world output could increase by $5 trillion over the next decade, and more than $1 trillion of that boom will go to the United States of America. Now, this applies no less to Michigan than to the rest of the Nation. With the open markets and the level playing field that I'm fighting to achieve, I am confident that American workers can outperform, outproduce, outcompete anyone, anywhere in the world.

I was commenting to John Engler as we flew in here this afternoon that Detroit will always be a special place for me. It was here 12 years ago that Ronald Reagan and I accepted our nomination for President and Vice President. And it was here that Ronald Reagan reminded us of Tom Paine's revolutionary words: ``We have it in our power to begin the world over again."

Think how much we have accomplished since then. Think of our blessings. With God's help and with hard work to support our convictions, we've helped change the world. We've helped the peoples of Eastern Europe and the old Soviet empire peacefully throw off the yoke of communism. And today we're aiding their transition to free markets, helping them reduce their nuclear arsenals. And we stood up against dictators and exporters of totalitarian revolution in Latin America, and we've helped democracy take root in nearly every country of our hemisphere.

When a ruthless tyrant overran Kuwait and threatened to engulf the Middle East in its worst conflagration, we protected the people of Israel and Turkey and Saudi Arabia. And we organized an unprecedented world coalition, and we liberated Kuwait from the aggressor. And in the process we accomplished a breakthrough sought by every President from Truman to Reagan. We brought Arab neighbors face to face with Israel for the first time at the peace table.

And we won the cold war and we stopped Saddam's aggression because, 12 years ago, we renewed our faith in our values and we strengthened our defenses. The United States is now the undisputed leader of the entire world. And we will keep ourselves strong. And we will stay engaged in world politics. This is no time to pull back and to retreat and to be afraid of the changes in the world. In world security and in world markets, we will remain engaged.

And we have a mission together to carry on the American dream for new generations. And with

your help and with grassroots action, we can win a mandate to lead this country for 4 more years. And we can keep our country open to the contributions of immigrants, of trade, of ideas. And we can work together and win our plans to reform our schools, our health care system, our very system of Government. And we can assure that when we reach the new century, America still will be the strongest, the bravest, the freest Nation on the face of the Earth.

Thank you all. And may God bless each and every one of you and our great country, the United States of America. Thank you very much.

Note: The President spoke at 7:55 p.m. at the Ritz-Carlton Hotel. In his remarks, he referred to Max Fisher, Bush-Quayle '92 honorary dinner chairman; Heinz Prechter, national finance cochairman; Dave Doyle, Michigan Republican Party chairman; Chuck Yob, Michigan Republican national committeeman; Tim Leuliette, Bush-Quayle Michigan finance chairman; and Robert Teeter, Bush-Quayle campaign chairman.

Remarks Congratulating the National Collegiate Athletic Association Men's and Women's Basketball Champions

April 15, 1992

Well, we're just delighted to have you all here in the Rose Garden. And may I salute our basketball-playing, basketball-loving Vice President. We didn't ask him about the Indiana game, but -- [laughter]. And may I welcome Coach Mike Krzyzewski, Coach K we call him, the Blue Devils players and staff. And of course, Coach Tara VanDerveer over here, the Cardinal and all the members; and single out our Cabinet mate, mine, Carla Hills, who's here. She was on Stanford's tennis team. Little short for basketball but -- [laughter] -- plenty tough in trade negotiations. So, we're glad she's here. And then of course, a new addition to our administration who is working in the antidrug program, this new and, I think, very exciting ``Weed and Seed" program, Digger Phelps, who some of you may remember. Digger, welcome back.

And also we have here, and I saw some of you all signing autographs and meeting them, the champions from H.D. Woodson and from Forestville High Schools. Where are you guys? All right, there they go. These guys all look forward to the visits of the champions to the Rose Garden. But we have the Boys and Girls Clubs of Washington. Now, where are you all? Well, maybe we don't have them -- there they are. There are some of the guys there. Good to see you.

Well, last year Duke was here, and then Stanford in 1990. We have to stop meeting like this. [Laughter] People are getting concerned that there's a monopoly going out here in our country. But thank you for joining us to celebrate, once more, that championship season.

A sports figure noted for malapropisms once said of a losing streak, ``Those games were beyond my apprehension." [Laughter] Well, today we've got two teams whose winning streak tested the comprehension of basketball fans everywhere. Take, for example, Stanford University, again the NCAA women's champions. This year the Cardinal won 30 games and their fourth straight PAC - 10 title. Then they upset Virginia and then beat Western Kentucky to win the championship. No wonder Tara and I are becoming old friends. She may be the best court strategist since Perry Mason. [Laughter]

Now, consider first, as evidence, Stanford's all-everything center, Val Whiting. Now, where's Val? Way down on the -- there she is. And some of you may not know this, she's studying to be a doctor. She scored 28 points in the Cardinal's thrilling semifinal victory, grabbed 13 rebounds in the final, made the All-Tournament Team.

Her teammate Molly Goodenbour, over here, number 4, right there, majoring in psychology, and why not? [Laughter] All season she made opponents shake their heads. Her ``Molly rules"

helped set an NCAA tourney record for the most 3-point field goals, with 18, and a single-game record for the most 3-point field goals with 6. There's always enthusiasm here in Washington for someone with a good three-point program -- [laughter] -- especially in an election year.

Now, this season Academic Third Team All-American Chris MacMurdo scored points on the court and in the classroom, setting a great example. I want to note Ann Adkins, the only senior on the team; Christy Hedgpeth, excelling outside; and Rachel Hemmer, the PAC - 10 Freshman of the Year, prevailing under the boards. Then there's Kelly Dougherty, right here, always at her best in March; and walk-on Kate Paye, way down at the end; and Anita Kaplan, in the middle, perhaps Stanford's top reserve; and Angela Taylor, way, way down there someplace, Angela. I won't say what kind of reputation Angela has for her skills on defense, but they want to talk to her, Cheney does -- [laughter] -- over at the Pentagon.

This brings me to today's other guests. As my predecessor might have said, ``There you go again." [Laughter] A year ago I said you showed that nice guys can finish first. This season you struck again: Atlantic Coast Conference record, 14 - 2, the overall record, 34 - 2, champions of the ACC regular season and tournament; then, the first team since UCLA in 1973 and first ACC team to win back-to-back NCAA titles. Duke and I have something in common. Both of us like the word ``repeat." [Laughter]

Here's what we'll recall about their 1992 ``stairway to heaven." First, one Christian that the lions would be afraid to take on. [Laughter] Listen to this box score: a record 23d tournament game, the first player ever to start in four straight Final Fours. His perfect game against Kentucky, including that amazing last-second shot that everybody that watched TV will remember all the rest of their lives. We salute Christian Laettner, a true Player of the Year. Welcome back.

And then of course, we'll remember Bobby Hurley's wizardry on the court. You know, to Bobby, basketball is a family affair. His dad coached him in high school. He guarded his brother in this year's regional semifinals. And this year Bobby made America Duke's family. Think of how he became Duke's career assist leader and NCAA Final Four MVP; or Bobby's amazing record in NCAA tournament play, 17 - 1. It's players like Bobby who helped Coach K, a graduate of West Point, do to opponents on the court which General Schwarzkopf did to his on the field of battle. Welcome back, Bobby.

Finally there are other players who helped the Blue Devils slam-dunk the opponents: Brian Davis, of nearby Capitol Heights, Maryland, he didn't have far to go; Grant Hill, another near-in guy from Reston, Virginia, who threw the pass against Kentucky; Thomas Hill, Duke's superb second-leading scorer; Ron Burt and Marty Clark, who grew up with six basketball-playing sisters. Marty, sounds like a typical weekend with my grandkids around this place. [Laughter] And all the Devils who helped Coach K, Duke's Special K, make basketball history.

This year, Duke became only the fourth school to gain its third straight NCAA championship

game. Stanford's in the same league, three straight appearances in the Final Four. There's a word for that: consistency. And there's another word for that: excellence. They are words which embody you as student athletes.

Both of these champions -- and this is a very important point for the kids from the high schools here and the Boys and Girls Clubs here today -- both of these champions have high academic standards. Each recruits aggressively, but honestly because neither bends the rules, because both play within the rules. A prediction: You players will make an even greater difference after graduation than before.

A Chinese scholar once wrote of ``the great end of learning." Well, learning is a great end with either a book or basketball. That's why over the past decade more than 90 percent of Duke and Stanford players got their diplomas, rivaling the general graduation rates of their outstanding institutions.

Already, you've been missionaries for educational excellence. You've shown how a nation that is physically fit and educationally fit is fit to take on the world. So today, I ask you to carry that zeal to our educational systems at all levels, to your careers, and to the dream we call America. You stand here as examples of how will and heart can stir the human spirit.

So again, I am delighted to be out here. The Vice President's delighted to be with me to congratulate as fans, to thank you for showing how education is our most enduring legacy, vital to all that we are and all we can become.

So good luck. And may God bless you all. And now here's the drill. Last year we had a shoot-out by these, and another substitute team was here last year but -- [laughter]. So after you all have a chance to visit a little bit and say hello, I'm going to invite the players down, and we will have a shoot-out, a White House shoot-out to see who wins our little trophy this year. The trophy is very modest, but we need these guys back. And we welcome the Cardinal to the White House court for a very, very brief appearance down there.

Now, thank you all very much.

Note: The President spoke at 10:19 a.m. in the Rose Garden at the White House.

Message on the Observance of Passover

April 15, 1992

Beginning on the evening of April 17, Jews around the Nation and throughout the world will observe Passover, the traditional celebration of the Israelites' Exodus from Egypt. In the Jewish calendar, this holiday is also known as the Feast of the Unleavened Bread and the Festival of Spring. During Passover, a people who have all too often known oppression and persecution will reaffirm their faith in the Divine Judge, who brought them out of Egypt and delivered them from slavery. Passover is, in the words of the kiddush which Jews recite as they drink each of the four cups of Passover wine, ``a time of freedom." This Passover comes at an especially precious moment in Jewish history. Since Jewish families and friends last gathered around the seder table a year ago, we have all rejoiced at the modern exodus of Jews from Ethiopia and the former Soviet Union to Israel. We have also triumphed in the repeal of United Nations General Assembly Resolution 3379, that infamous declaration, which wrongly equated Zionism with racism. We celebrated together the defeat of Iraqi aggression, a modern day threat to Israel and the entire Middle East. Finally, we began a process that for the first time in history brought together Israel and all of her neighbors to make peace.

The most well known portion of the Passover Hagaddah is the ``Ma Nish'tana" -- the four questions asked by the youngest child in the family about why this night is different from all others. This year the answers are especially vivid. Today, more people live in freedom than ever before. In the last few years, we have witnessed the liberation of millions of people from the political and ideological oppression under which they lived. As we stand united today in freedom, we have an unprecedented opportunity to move forward toward our goal of a more humane and peaceful world.

Barbara and I extend our best wishes to members of the Jewish community for a joyous Passover.

George Bush

Statement by Press Secretary Fitzwater on the President's Federal Income Tax Return

April 15, 1992

The President and Mrs. Bush paid $204,841 in Federal income taxes in 1991.

They donated $789,176 in income (minus taxes) from ``Millie's Book'' to the Barbara Bush Literary Foundation. The total royalty income (including taxes paid) was $889,176, bringing their adjusted gross income to $1,324,456.

In addition to the President's salary of $200,000, the Bushes reported $197,047 in income from their blind trust, $1,151 in interest income, and $1,359 from other sources. A net long-term capital gain of $49,669 was reported from the blind trust, less a short-term capital loss carryover from the prior year of $8,822. The blind trust is managed by Bessemer Trust Co., N.A., New York City.

The President and Mrs. Bush made total charitable contributions in 1991 of $818,803. Of this amount, $818,126 was given by them individually to 48 charities and $677 was given to charities through the blind trust. Because Federal tax law allows a deduction of up to 50 percent of adjusted gross income, their charitable deduction was limited to $662,228. This produced a contribution carryover of $156,575, which will be available for use in their 1992 tax return. A list of the 48 charities is included in the tax return.

The President's and Mrs. Bush's tax return has been reviewed by the Office of Government Ethics and will be filed in the Philadelphia Regional Office of the Internal Revenue Service.

Nomination of G. Kim Wincup To Be an Assistant Secretary of the Air Force

April 15, 1992

The President today announced his intention to nominate G. Kim Wincup, of Maryland, to be an Assistant Secretary of the Air Force for Acquisition, Research, and Development. He would succeed John J. Welch, Jr.

Since 1989, Mr. Wincup has served as Assistant Secretary of the Army for Manpower and Reserve Affairs at the U.S. Department of Defense. From 1984 to 1989, he served as staff director of the House Armed Services Committee in Washington, DC.

Mr. Wincup graduated from DePauw University (B.A., 1966) and the University of Illinois (J.D., 1969). He was born September 6, 1944, in St. Louis, MO. Mr. Wincup served in the U.S. Air Force, 1970 - 73. He is married, has three children, and resides in Bethesda, MD.

Nomination of James P. Covey To Be an Assistant Secretary of State

April 15, 1992

The President today announced his intention to nominate James P. Covey, of the District of Columbia, to be Assistant Secretary of State for South Asian Affairs. This is a new position.

Since 1989, Mr. Covey has served as Principal Deputy Assistant Secretary for Near Eastern and South Asian Affairs at the U.S. Department of State in Washington, DC. Prior to this, he served as Deputy Chief of Mission at the U.S. Embassy in Cairo, Egypt, 1986 - 89; as Special Assistant to the President and Senior Director for Near Eastern and South Asian Affairs for the National Security Council in Washington, DC, 1985 - 86; as Deputy Executive Secretary at the U.S. Department of State, 1983 - 85; and as Deputy Principal Officer at the U.S. Consulate General in Jerusalem, Israel, 1980 - 83.

Mr. Covey graduated from St. Lawrence University (B.A., 1965). He was born March 7, 1944, in Middletown, CT. Mr. Covey served in the U.S. Army, 1965 - 69. He is married, has children, and resides in Washington, DC.

Statement by Press Secretary Fitzwater on Restrictions on Air Traffic To or From Libya

April 15, 1992

The President has signed an Executive order taking effect at 11:59 p.m. today to implement U.N. Security Council Resolution 748 by imposing additional sanctions on Libya. The Executive order bars any aircraft from landing in, taking off from, or overflying the United States as part of or a continuation of a flight to or from Libya. This prohibition covers legs or continuations of flights as well as direct flights. The Secretary of the Treasury, in consultation with the Secretary of Transportation and other Cabinet and senior administration officials, has primary responsibility for implementing this new ban.

This prohibition is in addition to the comprehensive embargo on U.S. exports to and imports from Libya adopted pursuant to Executive Order No. 12543, January 7, 1986. Taken together with the preexisting embargo, today's Executive order puts the United States in full compliance with U.N. Security Council Resolution 748.

Note: The Executive order is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders Reporting on Restrictions on Air Traffic To or From Libya

April 16, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I have issued an Executive order (copy enclosed) entitled ``Barring Overflight, Takeoff, and Landing of Aircraft Flying to or from Libya," pursuant to my authority under the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act, as amended (50 U.S.C. 1701, et seq.), the National Emergencies Act (50 U.S.C. 1601, et seq.), section 1114 of the Federal Aviation Act of 1958, as amended (49 U.S.C. App. 1514), section 5 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287c), and section 301 of title 3 of the United States Code. I am taking this action in implementation of United Nations Security Council Resolution No. 748 of March 31, 1992, and in order to take additional steps pursuant to the national emergency declared in Executive Order No. 12543 of January 7, 1986, in consequence of Libya's refusal to hand over the two men indicted in the explosion of Pan Am Flight 103 over Lockerbie, Scotland, and Libya's continued support for international terrorism. This report is being provided pursuant to section 401(b) of the National Emergencies Act (50 U.S.C. 1641(b)).

Security Council Resolution No. 748 imposes mandatory, multilateral sanctions by member states against Libya, effective April 15, 1992, if certain conditions are not met. Because the United States already maintains a comprehensive embargo against Libya pursuant to Executive Orders Nos. 12543 and 12544, implemented in the Libyan Sanctions Regulations, 31 C.F.R. Part 550, the only provision in Resolution No. 748 requiring implementation in the United States is that containing restrictions on aircraft en route to or from Libya. The Executive order provides that no aircraft may ``take off from, land in, or overfly the United States, if the aircraft, as part of the same flight or as a continuation of that flight, is destined to land in or has taken off from the territory of Libya."

U.S. sanctions already cover other measures called for in Resolution No. 748, including its prohibitions on the supply of aircraft and aircraft components; the engineering or maintenance servicing of Libyan aircraft or aircraft components; the certification of airworthiness for Libyan aircraft; the insuring of, or payment of new insurance claims relating to Libyan aircraft; the provision of arms and related materials; the granting of licensing arrangements for the manufacture, maintenance, or production of, or maintenance technology for, arms and related material; and the furnishing of military advisory services. Resolution No. 748 also calls on governments to reduce the number and level of Libyan diplomats in their territory; prevent the operation of Libyan Arab Airlines offices; and deny entry to or expel Libyan nationals who have been denied entry to or expelled from other countries for involvement in terrorist activities.

I have sent the enclosed order fully implementing Resolution No. 748 to the Federal Register for publication.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order is listed in Appendix E at the end of this volume.

Remarks to the Lehigh Valley 2000 Community in Allentown, Pennsylvania

April 16, 1992

My fellow president, thank you very, very much. [Laughter] This is a nonpolitical appearance, if there is any such thing in a strange political year. But let me just say this: I'm very glad that Hilda is not running for President this year. [Laughter] And thank you for your introduction.

And may I congratulate all six of these guys that spelled out the six educational goals, reminding us of what our national goals are. And I asked one of them if he was nervous. He shook me off, said no. I don't believe him, but -- [laughter] -- they did a first-class job, all of them, every one of them.

And may I pay my respects to our very able Secretary of Education, Lamar Alexander, former Governor, now challenging this country with America 2000 and doing a superb job for all the American people; and at my side in the United States Congress, caring deeply about education, telling me over and over again about the changes and the wonder that's taking place right here in the valley, Don Ritter, your Congressman. He's doing a first-class job in Washington.

May I salute Mayors Daddona and Smith, the Mayor of Allentown and the Mayor of Bethlehem, and of course, pay my respect to Ed Donley, a driving force behind Lehigh Valley 2000 and cochair of Pennsylvania 2000. And my respect also to she who led us in the pledge, Ann Snyder, the valedictorian of the class of '92. Ann, thank you; our guests who did such a great job with the goals; Mike Meilinger, the principal, and I thank him for calling this special assembly today and getting a lot of you out of class. You ought to be grateful to him. My special thanks to the parents and the teachers and the staff. Thanks also to all the folks here from Allentown and Easton and Bethlehem, the leading lights of Lehigh Valley. Last but not least, let me say hello to the students of Dieruff High, with special thanks to the band. It was first-class music. Thank you all very, very much.

I don't know who is in charge of signs around this place, but they did a first-class job, all through the building and everyplace else. And it's astonishing to be here with the class of '92 as a graduate of the class of '42. I realize the world I thought of as new, for you, well, it's history. But look now at the world you'll soon call your own, at the pace of change that we've come to expect. Each day we see history played out in the headlines, literally. Old empires expire; new worlds are born. In the past 6 months alone, 6 months, we've seen the birth of 18 new nations. Who knows how many there will be by the time you take your big geography final a few weeks from now.

But the challenges we face, the sheer complexity of our world, cannot obscure the basic values

that guide this Nation. Times change; but truths, fundamental truths, endure. I'm talking about the big issues that shape our world, about the values close to home. Everything I've tried to do and done to preserve and advance three precious legacies: strong families, good jobs, and a world at peace. These are my goals. They should be all of ours. Securing those legacies has been my mission as President, and it's going to be my mission today and every day as long as I am President of the United States.

You know, right now here in Allentown and across America, the number one concern is the economy. Turning this economy around, creating jobs is the mission that matters most. Listen to what people say about the economy. Get beneath the cold statistics; get down to the real heart of this issue. People want to know whether they can keep the job they've got and whether they're on track for a better one. For their kids, for each one of the students here today, parents have got grander visions, great hopes: Not just a job, a career; work that means more than simply making ends meet; work that gives real meaning to your life.

People have a right to ask, ``What is Government's role in all of this?'' No, we can't legislate the American dream. But Government can serve as a catalyst for change, clearing away the obstacles to economic growth and the unnecessary costs of doing business, expanding the opportunities for aggressive businesses, for enterprising individuals to create new jobs, training and educating our children, giving you the tools of thought you'll need to compete in this new, exciting world economy.

The fate of America's economic future rests on five key reforms:

Free and fair trade, our ability to break down barriers, open new markets to American goods;

Our future rests on legal reform, on ending the explosion of litigation that strains our patience and saps our economy. We're suing each other too much. We ought to be helping each other more;

On health care reform, opening up access to all Americans, controlling the runaway cost of health care without sacrificing choice and without sacrificing the best quality health care in the entire world;

And then on Government reform, because only if we reverse a generation of creeping bureaucracy and only if we restore limits to Government can we restore public trust;

Finally, the reason I've come here to the valley today: Our future depends on education reform, on our ability to revolutionize, literally reinvent our schools, to take that revolution beyond the four walls of the classroom, transform our attitudes and ideas, the way we think about education.

And I wish every adult and every kid could have been with me a few minutes ago as some of the

leaders, business and education leaders assembled, civic leaders, to tell me about this exciting change taking place right here in Lehigh Valley.

Education, it represents a perfect community of interest between the individual and society, between one generation and the next, between the proud history we must pass on and the path-breaking future we must create. And in terms of America's economic future, education is nothing less than a matter of economic survival. It's just this simple: Better schools mean better jobs.

You've seen the news stories. You've heard the statistics. Anyone who worries about slack productivity or a bad balance of trade ought to be alarmed about the test scores. Millions of students work hard; millions of dedicated teachers, doing their very best; and still, in one test after another, America's children score at or near the bottom ranks of international achievement. We don't need another test to tell us something is wrong with the state of American education. For the sake of every student here today, we've got to shake off any sense of complacency; we've got to shake up the status quo.

Now, in a sense, I'm preaching to the choir because here in Lehigh Valley that's a lesson you learned long ago, years ago. But you didn't wait for word from Washington, DC. You didn't stand back and watch another generation of kids get less education than they deserved. This community took a direct interest in what was going on in the classroom. This community came together. This community took action.

I took office determined to put the power of the Presidency behind change. More than 2 years ago, we took a strong first step. Working together with the Nation's Governors, Democrat and Republican alike, we set six ambitious goals for the year 2000. It never had been done before. Every American child must start school ready to learn. We must raise the high school graduation rate to 90 percent. We must put in place a system of world-class standards and tests to measure students' progress. We must be first in the world in math and science. By the year 2000, every American adult must be literate, and every American school must be free of drugs, free from the violence that today too often follows our kids into the classroom. Let me sum up the six goals this way: Together, by the year 2000, we must create the best schools in the world for our children.

Let me share a story that our Secretary, Lamar, told me about a little girl, a fourth grader named Ariane Williams. At the kickoff for New Orleans 2000 down in Louisiana, she stood up, and here's what she said, ``These goals are not just the President's goals. They're not just the Governor's goals. They are the Nation's goals." That little girl got the message, and so do you here in this valley. Goals define the mission. They tell us where we want to go, not how to get there.

That's why, as I was reminded at this meeting I told you about, nearly one year ago today, I mapped out a strategy I call America 2000, a plan to revolutionize American education. Then I

heard the progress that had been made before that even began, to break the mold and, for the sake of our children, put an end to business-as-usual. Two days from now, we're going to mark the first anniversary of America 2000. Let me share with you today a kind of report card, if you will, on what we've accomplished. In one year's time, we've seen America 2000 literally catch fire all across this country. Already, 43 States and more than 1,000 communities, from Grand Junction, Colorado, to Lewiston, Maine, have joined the America 2000 crusade. Everywhere, people like you are working to break down the barriers between the classroom and the community, to spark a grassroots revolution to reinvent, not just rework but to literally reinvent the American school. But you know that story because, once again, Lehigh Valley has led the way.

I want to share with you an old African proverb that's the motto of Minnesota 2000, ``It takes an entire village to educate one child." And that is what it takes because education doesn't just happen in the classroom. It doesn't start at 8:20 each morning and end at 5 of 3. All of us lead busy lives, but we must never be too busy to read to our kids. And if I might ad lib something in here, I am very, very proud of Barbara Bush for setting an example about how families ought to stay together and how families ought to read to their kids. Parents ought to read to their kids.

And we must never be too busy to teach them right from wrong, to take an interest in the things that they worry about and wonder at, and to listen, really listen to what they say. We owe it to our children and to ourselves to see that we live in communities that care about education, communities where learning can happen.

You've got every right to ask, ``What can Washington do to help?" Well, here's one way we can. Today, I want to announce a new legislative initiative that I call the ``lifetime education and training account," a package of grants and line of credit worth $25,000 to every eligible American to further their education or acquire new job skills to make the most of their abilities. I've said before if we want to compete in the 21st century, we've got to become a Nation of students. To do that, we've got to take a new approach to the old notions of student aid. Think of the working mother, balancing her responsibility for her family and her job against her own hopes for the future. She'd take one college course at a time, but she doesn't qualify right now for the grant or loan that would help pay tuition. Our ``lifetime education and training account" would help her get back into the classroom. Here's the message for the students here today and for their parents: Education doesn't end with graduation; learning has got to be a lifelong pursuit.

I came to Lehigh, to one of the first communities to join the America 2000 crusade, to set the agenda for the second year of America 2000. Our next step forward depends on our success in building a consensus for change around four core ideas, four ways to build on what we've begun, to transform the Federal Government into a catalyst for real education reform. First, if we're serious about reaching our goals, we must set world-class standards in five core subjects and establish a series of voluntary American achievement tests to measure our children's progress.

Second, we've got to grant States and local school districts relief from Federal rules and regulations that limit their ability to improve educational achievement and do nothing to help us meet our national education goals. And parenthetically, I'm told by the leaders I met with today that the Governor of this State has granted such regulatory flexibility and regulatory relief to this community effort here. Our teachers and our principals deserve flexibility, freedom to use their frontline experience on what works best in their schools to meet these national goals. Has anyone asked the teachers here today, ``How can we ask you to teach and then tie your hands?''

Third, we've got to launch a wide-open effort to create thousands of new American schools, starting with at least one in every congressional district all across the United States. Right here in Lehigh Valley, you're hard at work on your plan to make this community home to its own new American school. I heard the exciting proposals on that today. These break-the-mold schools won't conform to any one blueprint. Some may make a quantum leap forward into tomorrow's technologies. Others might seek to reach the future by restoring older traditions, the discipline and disciplines of an earlier era. Each one of these schools would be a living example of how we can reinvent American education. All we need now from Congress is the seed money to help people like you translate ideas into action.

Fourth, we must create an incentive to improve education by promoting school choice. For far too long, we've shielded our schools from competition, allowed the system a damaging monopoly power over students. Well, just as monopolies are bad for the economy, they're bad for our kids. Every parent should have the power to choose which school is best for his child, public, private, or religious.

Look at our colleges; look at America's colleges; look at the students. Our university system is the envy of the world. Each year, we make over $20 billion in Federal grants and loans directly to students, one of every two students enrolled in college right now, to use at the university of their choice. No one asks whether they enroll at Penn State or Pennsylvania University or Villanova or Lehigh or Lafayette. It's time we make the same choice available to all parents from the moment their children go to school. Whether it's the public school on your street or the one across town, whether it's private, parochial, yeshiva, or Bible school, let parents, not the Government, make that choice.

And let's be clear. If we deny parents school choice, if we deny that choice, let's recognize who's hurt worst by the status quo. It's not the well-to-do. It's not the rich guy. It's not the upper-middle class. It's not any one of us who ever went house-hunting with a map of the good school districts. Deny people school choice, and the ones you hurt most are the middle class and lower and especially the poor.

That's why choice is catching on in some of the hardest hit neighborhoods in this Nation. Talk to parents that are spearheading the school choice crusade, people like now-famous Polly Williams in Milwaukee. They'll tell you how the lack of choice left them powerless to force change and

how a public school bureaucracy turned students into statistics and parents into pawns. Look at Milwaukee today, pioneering school choice, giving poor parents control and poor children a sense of pride. Look at the schools closer to home, East Harlem, where teachers put their names on waiting lists to get a chance to teach in a choice school. They can't wait to stand in front of a classroom of children who want to be there, who want to learn.

Choice works, and here's why. When our students are a captive audience, our schools have no incentive to improve. Say what you want about reforming our schools, if you're for change, you are for school choice. These four ideas are generating interest and enthusiasm among Governors and mayors, Democrats, Republicans, liberals, conservatives; among business leaders, Ed Donley right here and the Allentown-Lehigh County Chamber of Commerce to the Fortune 500; among teachers and students and parents and principals, everyone at every level who understands the need for change.

Everyone, that is, except the leaders of the United States Congress. At a moment when the consensus for change seems to be reaching critical mass, on Capitol Hill you can watch the last stand of the status quo. Forces there are waging a last-ditch effort to put the brakes on change, to preserve the business-as-usual approach that brought us the present crisis in education. The mindset up on Capitol Hill reminds me of a letter I got the other day from an elementary school student, a little girl named Haruka Abe. ``I like," she says, ``when my teacher reads my class some books because everybody gets sleepy." [Laughter] Well, it reminds me of Capitol Hill and the way they're approaching change. Take a look at the bill that's now winding its way through the Congress, the tired old ideas, tried and failed, that it wants to substitute for the four path-breaking ideas I mentioned a moment ago.

As part of America 2000, we asked Congress for authority to help develop world-class standards and American achievement tests, tools that would help us measure our students' progress, help families understand where their kids might stand, and assess the return we're getting for our education dollars. And the status quo crowd up there on Capitol Hill said ``slow down" to testing and standards. I asked Congress for funds for this new American schools. Congress said no, no to even funding one percent, 535 of 50,000 new American schools that this Nation needs. They want to funnel more Federal dollars into these existing mandated business-as-usual State bureaucracies, the very same bureaucracies that put us where we are today. And we asked the Congress for flexibility for teachers, flexibility for principals. And Congress said, ``No, let's stick to the status quo." And finally, we asked the Congress to fund pilot programs to promote school choice, programs to help poor families in six American cities. And Congress said no to school choice.

So today, let me just serve notice on the lobby, on the education lobby and their friends back on Capitol Hill: One year ago, I asked you to join with me in a revolution, a revolution to be part of America 2000. The time has come to get on board or get out of the way and stay behind. No more business as usual. Congress can drag its feet, but it cannot stop change.

Lehigh Valley is living proof of the words of the great Abraham Lincoln, ``Revolutions do not go backward.'' There's a time early in every revolution when the status quo looks steady and strong and the forces that challenge it weak and without effect. And there's the moment when the forces of change carry the day; the bankruptcy of the status quo stands revealed, and the whole hollow house of cards collapses.

The revolution in American education is already underway. In Lehigh Valley and in communities all across America, the old ways are being pushed aside. They're being abandoned; new ideas, advanced. This revolution will triumph for the simplest and the strongest of reasons, because American parents want the best for their children and also because there isn't a single child anywhere in the United States of America who doesn't deserve the best education possible.

From our schools to our courts, from our hospitals to the halls of Government, from the neighborhoods outside our door to the realities of the new world economy, the need for reform won't wait. The only acceptable response is the American response. We must rekindle a revolution, a revolution to bring change to the country that's changed the world. The American people have made their choice. The American people want change. And you here in Lehigh Valley can proudly say, ``We are out front for fundamental, constructive change.''

Thank you all for this wonderful day of learning, this warm welcome. Any may God bless the United States of America. Thank you very much.

Note: The President spoke at 12:35 p.m. at Dieruff High School. In his remarks, he referred to Hilda Rivas, the school's senior class president.

Nomination of Roger A. McGuire To Be United States Ambassador to Guinea-Bissau

April 16, 1992

The President today announced his intention to nominate Roger A. McGuire, of Ohio, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea-Bissau. He would succeed William H. Jacobsen, Jr.

Currently Mr. McGuire serves as Principal Officer at the American Consulate in Porto Alegre, Brazil. Prior to this, he served as Charge d'Affaires at the American Embassy in Windhoek, Namibia, 1990; Director of the U.S. Liaison Office in Windhoek, Namibia, 1989 - 90; and Deputy Examiner of the Board of Examiners of the Foreign Service, 1988 - 90. In addition, he served as Deputy Director of the Office of West African Affairs at the U.S. Department of State, 1986 - 88; and Political Officer at the American Embassy in Lusaka, Zambia, 1983 - 86.

Mr. McGuire graduated from Beloit College (B.A., 1965) and the University of Wisconsin (M.A., 1967). He was born July 1, 1943, in Troy, OH. Mr. McGuire is married, has two children, and resides in Brazil.

Radio Address to the Nation on Job Training 2000

April 18, 1992

This past week I spent some time in the town of Fraser, Michigan. I met with workers at a major machine tool factory and talked with them and local business leaders about a program I call Job Training 2000. Thursday, I was in Allentown, Pennsylvania, in the Lehigh Valley, one of the first communities to take up our America 2000 crusade to revolutionize this Nation's schools.

In Michigan and in Pennsylvania, I announced specific proposals, legislative initiatives aimed at helping people with two of the real building blocks of opportunity: advancing their education and sharpening their job skills. If acted on by Congress, these initiatives will make a real impact on the way people live, not just in Fraser and in Allentown but all across America.

Let me start with a concept I call the ``lifetime education and training account," a package of grants and a line of credit worth $25,000 to every eligible American to use to further their education or acquire new job skills to make the most of their abilities. It's a new way of thinking about an old idea known as student aid. And it's based on this simple fact: Education does not end with graduation.

How will this lifetime education account help real families? Think of a single mother struggling to balance her responsibility for her family and for her job against her own hopes for the future. Her dream is to set aside one night a week and take one college course at a time. But money's tight, and under present Federal rules as a part-time student she doesn't qualify for the grant or loan that would help pay tuition. That just doesn't make sense. Here's a woman willing to work hard to better herself, stopped short by a program that works against her. With our lifetime line of credit, all that would change. The woman would be able to go to school, bring that distant dream another day closer. When Government can help people help themselves, that's the kind of Government we need.

And the other proposal I announced was a new apprenticeship initiative, a companion program to our Job Training 2000. To see what kind of difference this initiative can make, take that same family, the working mother I mentioned earlier, this time with a 17-year-old son, a senior in high school. He's made the decision that it's time for him to enter the working world, to help out by bringing home a paycheck. Right now, he faces a tough choice, juggling school and a job. He's trying to do both, and both are suffering. He doesn't want to close the door on college, but he's feeling pressure to drop out.

Our ``Youth Apprentice Act" can help that young man stay in school, keep his job, and keep his options open. It will let him sit down with his school and his employer, put together a course of study and a job schedule that will keep him on track for graduation. And later on, if that young man wants to change careers or go to college, he's got a skill certificate to show future

employers and a diploma that really means something.

Each one of these initiatives begins with the same question: What can Government do to open the doors of opportunity to every American? As the President, I've made it my mission to preserve and advance three legacies close to all our hearts: a world at peace, an economy with good jobs, a Nation of strong families. The initiatives I've talked about today can help Americans make those legacies their own.

Thank you for listening today. And as so many of you celebrate Passover or prepare for Easter Sunday, may God bless the United States of America.

Note: This address was recorded at 8 a.m. on April 16 in the Cabinet Room at the White House for broadcast after 9 a.m. on April 18.

Statement on Actions to Support Democracy in Cuba

April 18, 1992

I am strongly committed to actions that will bring rapid, peaceful, democratic change to Cuba. My administration has pursued an effective policy of economic and political isolation of the Castro regime. We urge all democratic governments to join us. No nation should help bankroll this dictatorship. Aid to the Castro regime will prolong Castro's hold on Cuba and prolong the misery and suffering of the Cuban people.

Today we are closer than ever to our goal of returning freedom to Cuba. The Russian Government has announced that economic relations with Cuba will be on a hard currency basis. Also, Russia is withdrawing the former Soviet brigade and announced that as of January 1, 1992, it was ending all subsidies to Cuba. Castro is on his own. Cuba has lost a source of economic and military aid that has totaled as much as $5 billion annually in some years. Cuban trade with the new Independent States amounts to a mere fraction of its trade with the former Soviet Union.

For the first time, the Russian Republic voted with countries from Latin America, Africa, and Asia to condemn Cuba's human rights abuses at the United Nations Human Rights Commission meeting in Geneva. Our Latin American allies rejected Cuban requests to purchase oil at less than fair market prices and have called for a democratic opening in Cuba. My administration will support free trade arrangements that benefit our sister democracies but will not accept loopholes that aid the Castro regime. The benefits of these agreements are for governments committed to freedom and democracy.

The ``Cuban Democracy Act of 1992'' seeks to build on the strong prodemocracy policy of my administration. I applaud such efforts and endorse the objectives of this legislation to isolate Cuba until democratic change comes to that embattled island.

I believe in and I am committed to work with the Congress this session to pass a stronger, more effective ``Cuban Democracy Act,'' which tightens the embargo and closes any unintentional loopholes that could benefit the Castro regime while preserving the proper constitutional prerogatives of the Congress and the President.

However, as currently written, the ``Cuban Democracy Act'' could, without intending to do so, weaken the embargo. It could result in the transfer of millions of dollars to the Castro regime from earnings on telecommunication services between the United States and Cuba. Current regulations allow balanced and even improved phone services but restrict hard currency transfers to Cuba.

Additionally, we should continue to license donations of food and medicines to nongovernmental organizations in Cuba for the benefit of the Cuban people. But we cannot

permit either the sale of medicines or the donation of food to the Castro regime itself. To do so, as the bill proposes, could directly aid the security forces of the Castro dictatorship and could contribute to the building of a biotechnology industry.

Finally, consistent with my proposal of 3 years ago, the legislation should strengthen the provision providing for civil penalty authority for the Department of the Treasury as a weapon against embargo violators.

With the appropriate changes, I expect to be able to sign this legislation. I intend to work with the Congress to pass a strong ``Cuban Democracy Act'' this year.

In this spirit, I am today instructing the Treasury Department to restrict further shipping to Cuba by issuing regulations that will prohibit entry into U.S. ports of vessels that are engaged in trade with Cuba. Additionally, I am instructing Treasury to begin the process of issuing licenses to permit shipment of humanitarian package mail on the Miami/Havana air charter services. This measure will further limit Cuba's hard currency earnings.

My administration will continue to press governments around the world on the need to isolate economically the Castro regime. Together we will bring to Cuba a new era of freedom and democracy.

Remarks at the Opening Ceremony of the AmeriFlora '92 Exposition in Columbus, Ohio

April 20, 1992

Well, Bob, thank you very much. Barbara and I are just delighted to be here and, of course, delighted to be with our admired and respected friend Bob Hope. May I salute our Governor, George Voinovich; the Lieutenant Governor, Mike DeWine; Senator Glenn; Mayor Lashutka of Columbus; Dorothy and Bob Teater; Dick and Pam Frank; and of course, the one you heard from earlier, Mr. John Wolfe and his wife, Ann, John having done so much for this city.

And thank you all for the privilege of attending this marvelous AmeriFlora '92, America's celebration of discovery. It's great to be back in Columbus, this wonderful city, where my dad was born and grew up.

First, I appreciate the brevity of the Bob Hope introduction. [Laughter] Bob was telling me about Columbus' discovery of America; we were talking a little history. He was saying that one result of Columbus' voyage was the trade that first introduced broccoli to the Europeans. They've been our friends ever since, anyway. [Laughter] They remain friends, for more than ever we believe in the same ideals like liberty, free trade, and democracy. We know ours is one world, an interdependent world.

The American spirit enriches the human spirit, brave, unafraid, and above all, free. That spirit, the spirit of discovery, forged America, for Christopher Columbus believed the mariner must, in his words, ``probe the secrets of the world.'' So, the son of a Genoese weaver took that first step in a trek that ultimately produced the United States of America.

In saluting his quincentennial, we salute how freedom's ship has sailed to every corner of the Earth. We Americans celebrate discovery because we're never satisfied, because we are ever romancing the next horizon. That is why this beautiful sculpture here in front of us reminds us of the sails of the Nina, Pinta, and the Santa Maria, and why, too, a full-size replica of the Santa Maria graces the Scioto River.

Here in the largest city in the world bearing the explorer's name, we honor Columbus for the same reason as people in Peoria or Prague. We believe that the individual can make a difference and that human dignity can, indeed, change the world. Most of all, we know that dignity stems from values like hard work and self-reliance and faith. In 1492, those values sustained Columbus' voyage. In 1992, they must sustain our voyage to do right and thus achieve good.

Today, our world is smaller, faster than in Columbus' time, our fates at home linked to those abroad. Yet we need to keep these values in our hearts and in our minds. Columbus sought a

new world. The values I refer to can help create a new world order.

Already, we see the outlines of a new world economy. Over the next week I'm going to be talking about this economy and how it can grow in the decades ahead. We need, as President Nixon once said, ``an open world, open cities, open hearts, open minds." Only then can we not merely trade with other nations but profit from other nations, profit economically, intellectually, culturally, and spiritually.

In Columbus' day, commerce meant gold and trinkets. In our day, commerce means the exchange of goods and ideas that foster free markets, free governments, and ultimately, freedom itself. And that is why America must always be ready to compete by investing more in research and development, investing more in new technology, investing more in education. We're Americans. Performance is our name. So, as we concede what's changed in the world, let's prove what has not changed: America can still outwork and outproduce and outcompete any nation anywhere.

I thought of our country yesterday as Barbara and I attended our little church, little Easter service there in a little tiny church in Maine. As I looked around our church, we gave thanks for all that has truly blessed America. Now, it is my pleasure to introduce someone who has blessed my life, the life of the Bush family. For 2 years she has been your honorary patron of this marvelous fair, honorary patron of AmeriFlora. She's sure been around the world, continuing Columbus' grand tradition. You might remember how Columbus arrived in America and his luggage wound up in China. [Laughter] But anyway, for 47 years, she's been my wife. Ladies and gentlemen, your honorary chairman, my wife, our First Lady, Barbara Bush.

Note: The President spoke at 11:05 a.m. In his remarks, he referred to Dorothy Teater, Franklin County commissioner, and her husband, Robert; Richard M. Franks, chairman of the AmeriFlora '92 management committee, and his wife, Pamela; and John F. Wolfe, chairman of the board of trustees of AmeriFlora '92, and his wife, Ann.

Nomination of Dennis P. Barrett To Be United States Ambassador to Madagascar

April 20, 1992

The President today announced his intention to nominate Dennis P. Barrett, of Washington, to be Ambassador to the Democratic Republic of Madagascar. He would succeed Howard K. Walker.

Since 1988, Mr. Barrett has served as Mission Director with the U.S. Agency for International Development in Pretoria, South Africa. Prior to this, he served with the U.S. Department of State with the Agency for International Development in the Bureau for Africa, 1988; Asia Liaison for the Bureau of External Affairs, 1984 - 87; and Office Director for East Asian Affairs, 1982 - 84.

Mr. Barrett graduated from the University of Portland (B.A., 1959) and the University of Southern California (M.P.A., 1966). He was born July 21, 1936, in St. Paul, MN. Mr. Barrett is married, has two children, and resides in Pretoria, South Africa.

Nomination of William Lacy Swing To Be United States Ambassador to Nigeria

April 20, 1992

The President today announced his intention to nominate William Lacy Swing, of North Carolina, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Nigeria. He would succeed Lannon Walker.

Since 1989, Ambassador Swing has served as U.S. Ambassador to the Republic of South Africa. Prior to this, he served at the U.S. Department of State as Deputy Assistant Secretary of State for Personnel, 1987 - 89, and as Director of the Office of Foreign Service Career Development and Assignments, 1985 - 87. In addition, Ambassador Swing has served as U.S. Ambassador to the Republic of Liberia, 1981 - 85, and the People's Republic of the Congo, 1979 - 81.

Ambassador Swing graduated from Catawba College (B.A., 1956) and Yale University (M. Div., 1960). He was born September 11, 1934, in Lexington, NC. Ambassador Swing has one child and resides in Pretoria, South Africa.

Nomination of Linda Gillespie Stuntz To Be Deputy Secretary of Energy

April 20, 1992

The President today announced his intention to nominate Linda Gillespie Stuntz, of Virginia, to be Deputy Secretary of Energy. She would succeed W. Henson Moore.

Currently Ms. Stuntz serves as Acting Deputy Secretary and Acting Assistant Secretary for Domestic and International Energy Policy at the U.S. Department of Energy. Ms. Stuntz has served with the U.S. Department of Energy as Deputy Under Secretary for Policy, Planning, and Analysis, 1989 - 92, and as Acting Assistant Secretary for Fossil Energy, 1991.

Ms. Stuntz graduated from Wittenberg University (A.B., 1976) and Harvard Law School (J.D., 1979). She was born September 11, 1954, in Bellefontaine, OH. Ms. Stuntz is married, has two children, and resides in Alexandria, VA.

Remarks Prior to a Meeting With Business Leaders

April 21, 1992

I am very pleased to welcome to the White House this morning 16 senior American business leaders to discuss how the American private sector can help to meet the most important foreign policy challenge that faces us, the transformation of the new States in the former U.S.S.R. from command to market economies and from authoritarian to democratic governments. We are determined to expand the volume of our trade and investment with them. And I would like to announce today a series of measures to meet these important objectives.

First, I have asked that current negotiations with all the new States on trade, bilateral investment, and tax treaties be expedited and completed as soon as possible. These agreements will provide greater access for our companies, and they will lay a new foundation for our future commercial relationships.

Second, I have also asked OPIC, the Overseas Private Investment Corporation, and the Ex-Im Bank, the Export-Import Bank, to negotiate new agreements and expand their operations in the former U.S.S.R., another critical step so that American firms can compete equally and fairly for a share of the new markets there.

And third, I would like to reiterate my call to the Congress in a spirit of bipartisanship to pass, in time for my summit meeting with President Yeltsin in June, the ``FREEDOM Support Act," the landmark legislation that I announced on April 1st. We hope the business leaders here today and the larger American business community will support this bill which will lift cold war restrictions on trade and investment.

And finally, I have requested that our Secretary of Commerce, Barbara Franklin, create new business development committees with Russia, Ukraine, and other countries to eliminate the barriers that currently discourage trade with them.

All these issues will be high on my agenda when I meet with Presidents Kravchuk and Yeltsin. And I'm absolutely committed to giving American companies every opportunity to compete in these markets. The American private sector should seize this opportunity to do business with these countries. It's a vast and rich market, and expanding our business ties will benefit the American people.

Increased trade means new markets for American goods, greater opportunities for American investors, and more jobs for American workers. The U.S. increased its exports of manufactured goods to the U.S.S.R. by nearly 40 percent in 1991. We should aim to do even better this year and the next.

This is a defining moment in this century. And indeed, the private sector's role is absolutely critical. The need for capital, advanced technology, and human expertise in these countries during this decade and into the next century will be far too great for governments alone to meet. A great economic transformation to liberate the peoples of the former Soviet Union and benefit our own people will only occur if our private firms invest and trade to show them the way.

I thank those business leaders that are with us here today, many of them already involved in trying to do business in the C.I.S. countries. And I pledge my commitment to this partnership with the American private sector. And now we will go inside and discuss in detail the agenda that I've just outlined. Thank you all very much for being here.

Note: The President spoke at 9:33 a.m. in the Rose Garden at the White House.

Remarks to the Young Presidents' Organization

April 21, 1992

Thank you all. Please be seated. I am delighted to be here, and it's delightful to have this distinguished group of executives here. I want to single out Doug Glant, the international president of YPO, and thank him for honcho-ing this outfit and getting everybody together. Some of you look a little old to be YPO's, but nevertheless -- [laughter] -- far be it from me to be throwing darts in this way.

But I'd like to briefly talk about some of the issues of concern, certainly of concern to this group but I think of concern to all Americans, but with particular emphasis for the business community. Your creativity and the know-how that I think of when I think of YPO really are the fuel that creates this country's wealth and provides rewarding and fulfilling jobs for our communities. And the role of Government in free enterprise is to allow this creativity to flourish. And that means growth.

I know we've had a very difficult time here, a far longer slowdown, indeed recession in some corners, than we would have liked. But for the past 3 years we have been trying to promote sensible policies that will help expand businesses and help create jobs. And we're going to continue to fight for a growth agenda. I had to veto some tax legislation recently, but we were pressing at the same time for seven bullet-point pieces of legislation that would have stimulated the economy. I am still hopeful that we can get some of them through this Congress, and I'll mention a couple of them in a minute.

We face a decision here in the White House now on another subject, and that's the participation in the U.N. Conference on the Environment and Development in Rio. The attendance of the U.S. President at the Rio conference would add a major political impetus to that undertaking; there's no question about that at all. The world looks to us for leadership in this field. But it could also commit the United States to a course of action that could dramatically impede long-term economic growth in this country. I am committed to international cooperation to preserve the world's environment. I want to be very clear on that. And that's why I would like to go to the conference. But I am not going to go to the Rio conference and make a bad deal or be a party to a bad deal. I am not going to sign an agreement that does not protect the environment and the economy of this country.

And this is a very important decision. It's an important decision for our environment, and it's a very important decision for our economy. And to play politics with the Rio conference severely undercuts the U.S. position as we try now to assure a world view that will protect the environment and the economy. Negotiations are going on right now to try to accomplish both before I make a decision as to whether or not I will go to Rio. We are going to consider intensely this matter in the days ahead. And I'm going to let you know soon, let the country know soon of

our final decision on my attendance in Rio.

Here at home last week, we had some more heartening news about the United States economy. All around the world, consumers and companies buy American goods and services in ever-greater amounts, despite the sluggish performance of some of their own economies. U.S. exports -- I look around this room and I see many who are participating in this -- U.S. exports are experiencing a surge, rising 7 percent in February to a one-month record high of almost $38 billion. And once again, I think in a good sense, American exports, manufacturing exports, are leading the way.

This good news underscores a fundamental truth about our own competitiveness: If we're to succeed economically at home, we must succeed economically abroad. And the evidence is indisputable. Open markets and free trade mean new jobs for American workers and certainly growth for American companies. Over the past four decades, trade-related jobs in our country have grown 3 times faster than overall American job creation.

We must build on this astounding success. And already, over the past 4 years, our exports to Mexico have more than doubled, creating more than 300,000 export-related jobs here at home. And I remember attending a YPO meeting in Mexico about 12 years ago, maybe 14 I think it was, when we were really way behind the power curve in terms of doing business with that country. And they were way behind the power curve in terms of a political situation that would permit the kind of vigorous business that I've just talked about here.

But what we're trying to do now is take that improvement and lock in the gains with what is known as the NAFTA, the North American free trade agreement. With Canada and Mexico, the North American free trade agreement will establish one of the world's largest trading areas, a $6 trillion market from the Yukon to Yucatan. And that's going to mean hundreds of thousands of new jobs for U.S. workers. Those that are fighting me or fighting us on this concept are saying it will cost jobs. We are absolutely convinced that a successful conclusion to that trade agreement will create jobs, and I mean good jobs.

Tomorrow, on another field, I'm going to be meeting with Jacques Delors, the President of the EC Commission. And with him will be President Cavaco Silva, an old friend, President of the European Council. He is the Prime Minister of Portugal, as you know. And we're going to be discussing the Uruguay round of the GATT, the world trade negotiations that are so essential to expanding trade for everybody.

Over the next decade, a successful conclusion of that Uruguay round could pump $5 trillion into the global economy. And the U.S. share of this growth would top $1 trillion. And no one should doubt our resolve to preserve and expand the worldwide regime of open trade. GATT must be preserved for this reason: American workers and American companies deserve the jobs and opportunities that those open markets offer.

I think these negotiations are going to be tough. They are going to be difficult. But we're approaching them, as we have earlier negotiations, with a positive spirit. We will do our part, but the United States must not be asked to bear the entire burden of compromise when it comes to hammering out a successful conclusion to this GATT round.

There's still much we can do to make America more competitive. And one of our serious economic problems right now -- and I won't tell you too much about this, lest you tell me about it -- that is the cost of capital. And it's too high. We know that. And that's why we're going to continue to fight for a cut in the capital gains rate, capital gains tax rate. A high cap-gains rate discourages investment and thus business expansion and thus job creation. And it is very clear to most business people that this would be a helpful thing.

Ironically, 2 years ago, in both Houses we had a majority for reducing the capital gains tax. And it was beaten down purely by the political leadership in the United States Senate, keeping us from giving this incentive to American businesses, large and small. I am continuing to fight for this. Some call it a tax break for the rich. I never believed that in the first place, and I don't believe it now. And we're going to keep fighting to get that stimulative cut in capital gains.

None of our industrial competitors, major industrial competitors, tax capital gains at rates comparable to ours. Germany, as some of you know, Germany doesn't tax them at all. And in Japan, an entrepreneur who sells the company that he's built from scratch pays a tax of one percent. And we are supposed to compete with those vigorous economies with a much higher capital gains rate.

And yet, the very people who complain about America's ability to compete block our effort, every effort to lower the capital gains tax. A lower rate will benefit virtually everyone in America, not only those who run a business but anyone who owns a house or share of stock, seeks a better job. It will help a lot in the agricultural area of this great country of ours, too. So, it's time to stop punishing the pursuit of excellence. And it's time, I think, to cut the tax on capital gains.

We're also working to lighten up the regulatory burden that Washington imposes on every American business. Last January we announced a 90-day moratorium on Federal regulations. Wherever possible, we blocked those regulations that discourage growth and we're accelerating those that encourage growth. So far, the preliminary estimates show that we've saved American business $10 billion to $20 billion in regulatory costs.

When new legislation is passed, clearly new regulations are required. I'm thinking of the civil rights legislation that I'm very proud of, the Americans for the Disabilities Act. And yes, it imposed a burden on some, but it was overdue. It's sound legislation. It encourages people to get into the mainstream. And yet, there's been some cost with that one. We renegotiated the Clean Air Act, and that was long overdue. And I think it's good. We tried to use market forces,

incidentally, in letting people meet the clean air standards, but nevertheless, that imposed a regulatory burden.

So, now we're trying to move forward and fulfill our responsibilities for safety and all of that but eliminate this movement towards overregulation. And as I say, these preliminary estimates have been pretty encouraging in terms of the savings in regulatory costs. I'm going to soon be making an announcement about our battle against these excessive regulations, but for now I simply want to say the days of overregulation are just that, they are over. And we are going to stay in there to be sure that independent agencies, whatever they are, people, whoever come in with these excessive regulations are going to have them blocked, if at all possible.

We're pursuing comprehensive reforms in other areas that directly relate to America's long-term competitiveness. We've proposed, for example, market-based health care reform to control the skyrocketing costs and to bring coverage to the uninsured. I do not want to see us lose the quality of health care that we have in this country by going to the ``pay or play'' plan that's going to break a lot of small businesses, or even worse, to the so-called nationalized plans that have many of our neighbors sending their people over here for care. We are not going to go to that centralized or socialized approach to medicine. And the proposals that we have made, that give people access to insurance and show much greater flexibility in the insurance pool, I believe is the answer to this health care problem.

In another way, another field, through our America 2000 initiative, we are intensifying our efforts to literally revolutionize, reinvent American education. It isn't good enough anymore to simply throw more money at the mandated programs that have failed the young people of this country. And we're not going to do that. And we've gotten the Governors together, set six national education goals, very sensible goals, no partisanship involved in that coming together of the Governors, and now we're moving forward, trying to get this program underway.

Some legislation is required. Fortunately, a lot of legislation is not required, and we can go right to the communities to reinvent the American school. And it's a good program, and I urge you to take a hard look at it because I know that you know that we are going to have to do a better job of education, particularly in math and science, if we're going to be competitive in the year 2000. I think we've got a good program, and I strongly urge you to give it your support.

Another area that I know is of concern to people here -- it is to me -- and that is the area of legal reform. We have introduced important steps to reform our legal system, to put an end to the frivolous lawsuits that mire so many businesses and individuals and community activities in a bottomless swamp of litigation. We've got to sue each other less and start helping each other more. And I will continue to fight to get this Congress, hostile Congress in this area, I might say, to at least give an up-or-down vote on reform of the liability system. We haven't even been able to get that. We haven't even been able to get it out of committee, blocked by powerful lobbies up there.

So, here's an area where I know your interests are at stake and an area where I would earnestly solicit your support because we must start capping some of these outrageous settlements that run the cost of business right off the chart, run doctors out of business, and say to Little League coaches, ``Hey, you better not take a chance by coaching the Little League or this guy over on third base is going to sue you.'' And so, we're going to fight this one. But again, it's an area where we need your help.

And the last point is this: The fact is that none of these pressing social problems are going to be solved without the voluntary involvement of individuals and communities. And when I think of YPO and the success that this epitomizes, this organization epitomizes, I think of a thousand Points of Light, and I think of people who, in spite of spending an awful lot of time building and creating jobs for people, they find time to do something in the communities. From the very first day of this administration, we have called on every American to be a Point of Light, to bring hope to the helpless and to help the homeless and to love and care for those who are in need. And it is working. And it isn't a Government program; it is simply encouraging the sense of voluntarism that is in everybody.

Right here in your own organizations are plenty of examples of what I'm talking about. Gay Mayer, who works with a drug rehabilitation program in his area, has helped more than 100 young adults recover from the ravages of drug abuse to lead productive lives. What one individual has been able to do just by giving of himself. Joe Lobozzo, who spends his Wednesday nights counseling children of alcoholics.

I would like today to challenge all of you to join these men in a movement that is literally transforming our country. It is much more effective than having a mandated specialized program coming out of some subcommittee in the United States House of Representatives. And it is working. It is the best in ourselves. And I urge you to really, really pitch in.

First, I ask you to make your company a Point of Light by personally devoting as much time as you possibly can to community service, encouraging the employees to do the same. This whole concept of mentoring, where businesses reach out and help in this Education 2000 program, is really working around the country. Secondly, you can encourage other leaders to make voluntary service part of their missions as well. And finally, you can work among your vast memberships to help America itself become a Nation with Communities of Light, the concept where an entire community comes together figuring how to solve its own enormous social problems.

I spoke earlier with some of your leaders, Doug and others, and I know that there is support among your members to assume this leadership role. And I know Doug has asked David Weaver, an old friend, to work with each of you to decide how you can all best respond to this challenge.

I am convinced the results will be profound. And urging this, we're not trying to escape the

responsibility of the Federal Government. It's something entirely different. It's the concept that Thoreau noticed years ago about the propensity of one American to help another. And we're simply trying to revitalize this, especially in these days of scarce resources and failed centralized mandates.

So, we've got a lot at stake here, including the legacy that we leave our children. We all want a world at peace; strong, wholesome families; rewarding jobs for all who seek them.

You know, in these days, you hear and I hear mostly about the problems. We've got a lot to be grateful for in this country. Our kids, grandkids in some cases, go to bed at night with far less fear of nuclear war. The world has changed dramatically in the last 3 years, unprecedented changes that nobody would have believed possible.

In the Middle East, ancient enemies are at least talking about peace. South of our border you see the emergence of democracies that none of us would have predicted just 3 or 4 years ago, the solidifying of the democratic way. And you see countries coming to grips with their economic problems. Argentina comes to mind; Mexico, a sterling example of this dramatic change that is taking place around the world.

I spent this morning talking to a group of business people on working with them on what we can do to help democracy along in the C.I.S., the Commonwealth of these Independent States over there, led by Russia and then the Ukraine, with Kravchuk coming here next month and Yeltsin the next. And so, there's an awful lot of change in this world that is good and strong and positive.

And now what we've got to do is take these ideas, and maybe some that you have that I haven't mentioned, bring them to bear on the economic problems so we can regain the growth that is absolutely essential if the United States is going to continue to be the leader in these very important areas.

But you've caught me on an upbeat day, a day that I am confident about the United States leadership. It is only -- I might tell you this, and some of you can confirm this from your trips abroad -- it is only our country that the others look to now as the undisputed leader of the entire world. So, we've got to fulfill those responsibilities while still trying to do what we can to assist those that are hurting right here at home. And I am confident with your help, with your continued imaginative leadership, that we can do just exactly that.

So, thank you very, very much for coming to the White House. I didn't intend to give you this much of a lecture, but I'm just -- I don't normally have such a high-talented, captive audience. Thank you all very, very much.

Note: The President spoke at 2:04 p.m. in Room 450 of the Old Executive Office Building.

Statement on Earth Day

April 22, 1992

Earth Day, April 22, is an opportunity to rededicate ourselves to leaving a better quality of life for future generations. But I believe we must make every day Earth Day. A clean environment requires action from both Government and citizens. I believe that we can have both economic growth and a cleaner, safer environment. Sound policies do not force us to choose between the two.

In just 3 years, this administration has:

d

Proposed, negotiated, and signed into law a new Clean Air Act that will cut sulfur dioxide emissions in half, reduce toxic air emissions by 90 percent, and clean up smog in cities across America;

d

Established a moratorium until at least the next century on oil and gas drilling off the coasts of California, south Florida, Washington, Oregon, and New England;

d

Led the world by proposing to phase out CFC's and other ozone-depleting substances by the end of 1995, and taken legislative action to put the U.S. 42 percent ahead of the internationally required phaseout schedule;

d

Proposed to add over $1 billion in new lands to America's parks, forests, wildlife refuges, and recreation lands;

d

Won international agreements to prevent hazardous waste from being illegally dumped in developing countries, to ban ivory imports, to ban large-scale driftnet fishing, and to protect Antarctica;

d

Increased funding sharply for implementing and enforcing environmental laws (including a 53-percent increase in EPA's operating budget), for Superfund, for cleaning up Federal facilities, for protecting wetlands habitat, and for parks and recreation;

d

Signed an Executive order requiring Federal Agencies, which generate 20 percent of the Nation's solid waste, to recycle paper, plastic, metals, glass, used oil, lead acid batteries, and tires;

d

Made polluters pay the cost of cleanup. The Justice Department and EPA have collected more fines and penalties in the first 3 years of this administration than during the previous 18-year history of the EPA.

But our work is not finished. I have called on Congress to take the following actions this year:

d

Enact balanced national energy legislation providing for increased energy conservation and environmentally responsible energy production, transmission, and use;

d

Establish a U.S. Department of the Environment; and

d

Increase budgets for environmental and natural resource programs, as requested in my budget. Last year, Congress cut my budget requests for Superfund and for America the Beautiful, which includes funding for parks, forests, wildlife refuges, outdoor recreation, and our program to plant one billion trees a year across the country.

These measures would build upon our recent progress and provide continuing momentum to achieve what Americans want in the months and years ahead, environmental improvement and economic growth.

Remarks at the Departure Ceremony for European Community Leaders Anibal Cavaco Silva and Jacques Delors

April 22, 1992

Mr. Prime Minister, this year my country celebrates the Iberian spirit of discovery. Half a millennium ago, Portugal and Spain helped chart a course towards a new world. Five hundred years later, European unity guides the way towards a new world order. Those early pioneers believed their mission was to probe the secrets of the world. Now we must explore the frontiers of common interest and common ground. The next horizon: a strengthened partnership between the United States and the European Community.

Prime Minister Cavaco Silva, EC President Delors, and I and our top officials have discussed areas where we may deepen cooperation: peace efforts in the Middle East, coordination of aid to Central and Eastern Europe, the struggle of the emergent C.I.S. and international assistance, the agenda of next month's EC conference in Lisbon. We also talked about Yugoslavia, where, tragically, old hatreds are opening new wounds. The U.S.-EC partnership is working tirelessly to create conditions for a lasting democratic peace.

No topic on our agenda is more crucial than the Uruguay round of trade negotiations. We are committed to achieving an early agreement, one that will spur economic growth not just in America but in Europe and all around the world. It will create jobs not just for our generation but for generations to come. For Americans, agreement will mean more than free trade abroad; it will mean for Americans good jobs here at home and a better standard of living at home.

We had an extensive exchange of views on the outstanding issues, and some new ideas on how to conclude this Uruguay round were advanced by both sides. We are convinced, absolutely convinced, that the EC leaders are committed to an early agreement. And I hope they know that I am committed to such an early conclusion. We agreed to continue this process. We had some serious discussions, and the process will go on.

Forty-one years ago almost to the day, the countries of Europe began their quest for unity. Over the ruins of war they laid a blueprint for peace and began building the foundations for economic and political cooperation. They sought unity not out of convenience but out of conviction, a vision of economic interdependence that would inflate the costs of war and expand the dividends of peace. The wisdom of their actions has brought us today to a new Europe where peace has paid off.

Now, this new Europe has now joined its strength with the United States to support the spread of political and economic freedom in the lands only recently liberated from Soviet communism.

Those that we helped four decades ago are now able to shoulder a larger part of these new challenges.

Jean Monnet, the grandfather of European unity, once asked: ``If you are in a dark tunnel and see a small light at the end, should you turn your back on that light and go back into darkness, or should you continue walking toward it even though you know it's far away?" Five hundred years ago, a European mariner followed the light of his imagination to illuminate a new world. For almost 50 years, the West carried freedom's torch to protect the free world. Today, we stand at the shores of a new world order where diverse nations are drawn together in common cause to achieve the universal aspirations of mankind: peace and security, freedom and prosperity. A strong and united Europe offers the best hope for this united purpose and the best alliance for the United States.

I salute our two distinguished guests today, and now would like to ask Prime Minister Cavaco Silva to say a word.

Note: The President spoke at 1:33 p.m. on the South Lawn at the White House. In his remarks, he referred to French diplomat Jean Monnet, a founder of the European Community. Prime Minister Anibal Cavaco Silva of Portugal was President of the European Council, and Jacques Delors was President of the European Commission.

Remarks Congratulating the 1992 Super Bowl Champion Washington Redskins

April 22, 1992

Please be seated, and welcome to the Rose Garden. May I first salute, of course, Joe Gibbs and Charlie Casserly, and the players, the coaches, the official family, and the friends of the Redskins. Welcome to the White House at last. We're delighted to have you here.

And you can imagine how much I've looked forward to the event. Today we honor the flagship franchise of the NFL since 1937, a team which this year earned the best mark in club history, 17 and 2. We're proud to salute the 1992 Super Bowl champions.

I think first of all of Mark Rypien: nearly 3,600 passing yards in the regular season, two touchdowns, the MVP award in the Super Bowl. Someone mentioned to me that Mark was born in Canada. It looks like the U.S.-Canada Free Trade Agreement is paying off already, at least from our standpoint. [Laughter]

And often Mark threw to the beloved number 81. And when the NFL decided last month to scrap instant replay, I thought I heard a big cheer go up. Barbara said, ``What was that?'' I said, ``I'm not sure. Sounds like Art Monk.'' An instant replay cost him one touchdown in the Super Bowl, but not 60 others and a glorious career. And all Washington is proud of a future Hall-of-Famer.

Now, this brings me to the other members of the Super Bowl champions. Perhaps the NFL's best offensive line, the ``Hogs,'' allowing a club record low, nine sacks. Next, with Art, members of the ``Posse,'' wide receivers Ricky Sanders and Gary Clark. We salute, too, running backs like Gerald Riggs and Earnest Byner; Chip Lohmiller -- Cole Porter must have seen the future when he wrote, ``I get a kick out of you.'' [Laughter] And plus, of course, another future Hall-of-Famer, Joe Gibbs, now with three Super Bowl victories, second only to Chuck Noll. Let's hear it for the coach. [Applause]

And yet, it's the ``National Defense'' that would make even the Pentagon proud. That great defense that still has Jim Kelly ducking tacklers in his sleep -- Jim, nothing personal, the Skins k.o.'d opponents all year. Think of linemen like Fred Stokes and Jumpy Geathers, Tim Johnson; or linebackers Andre Collins and Wilbur Marshall, 11 tackles against Buffalo; or the secondary, featuring A.J. Johnson and all-pro speed demon Darrell Green. And each showed why coach Richie Pettibon said, ``It's a case of the whole being even better than the parts.''

Go to Bethesda or Anacostia, travel to Alexandria or Falls Church, and they'll talk about this team molded by Joe and Charlie. They'll talk, too, about things other than the won-and-lost

record, impressive though that is. Things like Mark's support for the Cystic Fibrosis Foundation, Art Monk's and Earnest Byner's work on behalf of the Food for Families Program at Thanksgiving, Darrell Green's youth foundation, or the Joe Gibbs Youth for Tomorrow Home.

These things explain a lot. They explain why the Skins have become a barometer of whether Monday is good or bad for Washingtonians. And they're also an economic barometer. And I was glad, for example, to learn that whenever the Redskins have won the Super Bowl, the U.S. economy has improved that year. [Laughter] Other teams get covered in the sports section; this crowd gets covered in the ``Wall Street Week." Whether it's Wall Street or Main Street, though, America loves the Redskins.

And so, I just want to welcome you all here. We're proud to have you here, your friends, your wives, dates, and whoever else. And so now let's get on to what's important, a little chow. But let me tell you that we've got a triathlon event out here. We have the horseshoe pit rigged up, and if I might spell out the ground rules here: Women and men welcome, just the players and their dates and friends, however, because we've got a time thing. And he who gets or she who gets the most ringers out of 10 tosses wins a fantastic prize. On the putting green, he or she who gets the lowest nine-hole score wins yet another fantastic prize. And then we move to the third event -- you can do this in any order you want, but try to do it before dinner -- and the last one is the basketball, 10 shots from the foul line, another fantastic prize. So you don't have to go, and this isn't mandatory, but I want to stand around and laugh. [Laughter]

Thank you very much.

Note: The President spoke at 6:02 p.m. in the Rose Garden at the White House. In his remarks, he referred to Chuck Noll, former head coach of the Pittsburgh Steelers.

Appointment of Walter H. Kansteiner III as Special Assistant to the President and Deputy Press Secretary for Foreign Affairs

April 22, 1992

The President today announced the appointment of Walter H. Kansteiner III, of Illinois, to be Special Assistant to the President and Deputy Press Secretary for Foreign Affairs.

Mr. Kansteiner is currently Director for African Affairs at the National Security Council, 1991-present. Mr. Kansteiner was a member of the State Department's policy planning staff from May 1989 to June 1991. He is a former vice president of W.H. Kansteiner, Inc., in Chicago, IL. He is the author of ``South Africa: Revolution or Reconciliation'' (1988).

Mr. Kansteiner graduated from Washington & Lee University (B.A., 1977), the School of International Service at American University (M.A., 1981), and Virginia Theology Seminary (M.T.S., 1985). He was born November 11, 1955, in Evanston, IL. Mr. Kansteiner is married, has two children, and resides in Lincoln, VA.

Nomination of James D. Jameson To Be an Assistant Secretary of Commerce

April 22, 1992

The President today announced his intention to nominate James D. Jameson, of California, to be an Assistant Secretary of Commerce for Trade Development. He would succeed Timothy John McBride. Upon confirmation, he will be designated a member of the Board of Directors of the Overseas Private Investment Corporation.

Since 1975, Mr. Jameson has served as president and owner of LIDCO, Inc., in Brawley, CA. He has also served as chairman of the board of Glenair International, Ltd., in Mansfield, England, 1975-present, and international director and controlling shareholder of Glenair, Inc., in Glendale, CA.

Mr. Jameson graduated from Stanford University (B.A., 1971; M.B.A., 1974). He was born May 26, 1949, in Glendale, CA. Mr. Jameson is married, has two children, and resides in Rancho Santa Fe, CA.

Remarks to the United States Academic Decathlon Winners

April 23, 1992

Welcome all. And first, may I greet our distinguished number two over at the Energy Department, David Kearns, coming down here from a fantastic leadership role in American business to help us in this important America 2000 education program. So I'm delighted he's with us here today.

I want to salute the president and the board of directors of the U.S. Academic Decathlon, all of them; thank particularly all of the corporate sponsors who make so much of this possible; and also single out Danny Ramirez, Chris Roorda, and Greg Rudnick, standing up here with me today; salute the coaches and the friends. And most of all, a warm Rose Garden welcome to our newest American champs, newest American heroes if you will, the 1992 Academic Decathlon champs, the team from J. Frank Dobie High in, yes, you guessed it, Houston, Texas. Now, where are they? Stand up. And they've got a good front-row seat, too. Thank you, guys, and welcome. It's a great feat for my hometown, the highest score, I'm told, in the history of the competition. And I'm very proud to welcome you all here. I hear that you wore ``Rose Garden or Bust'' pins. They work. And I'm wondering if you have an extra one for the fall. [Laughter]

Congratulations also to our silver and bronze medalists from Mountain View High in Mesa, Arizona, Whitney Young Magnet High in Chicago; our regional winners from New Jersey, Alabama, Ohio, Nebraska, and California; our small school winner from Wisconsin; and our 10 individual student scholarship winners, 9 from our top 3 winning schools, and then Mit Robertson here from Tupelo, Mississippi. Welcome all.

I want to send special good-luck wishes to those who will represent us at the International Decathlon in a couple of weeks, the Academic Decathlon, that is. And since you're the star decathletes, tell me who is going to win at Barcelona, Dan or Dave? [Laughter]

You've all done something remarkable. And this year's contest began with 30,000, more than 30,000 students at 3,500 schools coast to coast. And now it's just you. And not only did you work all year to conquer environmental science in a range of 10 categories, you also survived the blizzard of 25,000 pieces of test paper out in Boise. And I was impressed by your Habitat Earth Super Quiz questions like this one: ``In a molecule of methane, the carbon atom is at the center of what?'' For you out there in the press -- [laughter] -- the answer is ``a tetrahedron with four S-P-3 bonds.'' Did you get that one down? I'll be glad to repeat the question. Got it? Never mind.

That was easy -- not! Actually, pretty tough. But I know a category I could enter: computers. I was just in there with Secretary Kearns talking about it. I've been learning how to work one

because one of our education goals is that nobody is too old to learn. I wrote my first program a while ago. I'm not sure what happened to it. It was called ``Michelangelo." [Laughter]

Now, you kids here today represent every team member from across the country. And I want to tell you and them what all of you have done for America. You've shown that great things can be achieved by commitment, perseverance, hard work, and yes, teamwork. And I salute you, and I envy you. And you've found the sheer joy of learning, beginning to understand the world.

One day a scientist will discover the cure for cancer, the cure for AIDS. Other people will find new ways to feed the hungry. And there will be writers whose wisdom will touch lives. And right now, those men and women are kids in our classrooms or maybe even sitting right here in the Rose Garden.

Remember, study hard, and one day one of you might grow up to be President. But let's face it, even then you'll never make as much money as your dog. [Laughter] Millie, who normally comes to events like this, but she used to just roll over on the grass, and now all she rolls over is her money market account with -- in the street.

But look, you've shown your peers that it is as exciting to root for an academic team as an athletic one. And that's a point I wanted to make for our entire country. You've shown that it takes skill, stamina, and intensity to achieve in the classroom as well as in the stadium. And you've given them a priceless gift -- your peers -- the belief in their ability to reach out and shape their own lives.

There is a new century coming, one with absolutely unlimited horizons. And we must make sure all our children enter this new world equipped with the skills that will let them dream dreams and know they can make them come true.

One of the things that impresses me most about this decathlon is that each team is made up of A, B, and C students. And there's a great lesson there. What matters is simply that each kid be the best that he or she can be. As George Patton said, ``If a man has done his best, what else is there?" We don't want the moon for our kids. We want something more important, a future.

And so one year ago, I unveiled America 2000, our long-range strategy to achieve our six national education goals. And it's a challenge posed to each of us in communities throughout America to literally reinvent American education. It urges us to reach deep within ourselves to find answers so that our kids can reach for the stars.

Changing our attitudes about education is too important to wait or waste a generation. To be competitive in this changing world, we must realize that we succeed economically at home; if we're to do that, we must lead economically abroad. Open markets, free trade, they mean jobs for American workers and economic growth for American companies. But we must be prepared

to compete, ready to take advantage of these high-tech opportunities in the global marketplace. We know our economic health, our economic survival depend on how we educate ourselves to face the challenges of a new century. So we've set these six education goals to reach by the year 2000, when today's third and fourth graders will be taking part in this event, this Academic Decathlon, by then.

And you all know these goals. One of them, the first one: Our kids will start school ready to learn. That's more than Head Start; Head Start's a part of that. Our high school graduation rate must be 90 percent. The third one: Our students will be achieving world-class standards. And then fourth: We'll be first in the world in science and math, a particularly important one. And then the fifth one: Every adult will be literate; no one is too old to learn. And sixth: Every American school must be safe, must be disciplined, must be drug-free, in other words, an environment where people can learn.

You will help us meet those challenges. Real excellence demands commitment from everyone as we create a new generation of American schools that demands more of the same choices of schools, public, private, or religious, for middle class and poor Americans that wealthier families already have. Give them a chance to choose.

It demands new creative partnership among parents, teachers, businesses, and kids like the community involvement that encourages this decathlon and the local and national corporate partnerships that fund it. And by the way, I want to give a special note to the corporate sponsors with us today, whose leadership and vision make this decathlon possible. This bond really, I referred to it earlier, but this bond between industry and the individual is the keystone of the American spirit. The country needs to follow this decathlon's example in all these areas because for our future every citizen must now help every community develop a plan of action.

Already 43 States and over 1,000 communities across this country have answered the call and have joined America 2000. This isn't Democrat or Republican or liberal or conservative. It is literally a move to revolutionize education. And together we are reinventing American education, neighborhood by neighborhood, community by community all across this country. And at the heart of it are you students, you kids, a new kind of campus hero with the good values you learn from disciplined determination, from a sharp mind that is not wasted on drugs, and from the confidence and pride that comes from proving yourselves. And you will help this America 2000 dream come true.

For a great example of this we don't have to look further than a woman who is not with us today, DC's Rhondee Johnson, a junior at Benjamin Banneker High who just won the National Academic Decathlon's Kristen Caperton Award for Inspiration and Courage. She takes her school responsibilities so seriously that she's helping her team at a track meet right now instead of joining us. And we all hope she wins the blue ribbon, but she's certainly winning it in life with her example. Rhondee's lived with the tragedy of violence. When her aunt was killed, her four

children came to live with Rhondee's family, making 8-year-old Rhondee the oldest of nine kids in a single-parent household. She takes on a parent's duties, and she still manages a 4.0 average. She is an inspiration, accepting responsibilities and challenges and still striving to excel.

She and all of you give a 1990's example of how Abraham Lincoln defined his own life when he said, ``I do the very best I know how, the very best I can; and I mean to keep on doing so until the end." I am proud of the message all of you winning decathletes send, that personal dedication, effort, and teamwork lead to success.

And when one of you bright young people solves the problem of who created ``Michelangelo," just remember, my name is Dana Carvey.

Thank you all very much for coming. Congratulations, and may God bless you all.

Note: The President spoke at 11:18 a.m. in the Rose Garden at the White House. In his remarks, he referred to Deputy Secretary of Education David T. Kearns; winning team captains Daniel Bruno Ramirez, Christine L. Roorda, and Gregory Rudnick; and comedian Dana Carvey.

Remarks at the Signing Ceremony for the Paper Market Access Agreement With Japan

April 23, 1992

The President. May I thank Ambassador Kuriyama for being here with us today, Japan's Ambassador to the United States, and also Mike Moskow up here. Everybody knows him, and we're grateful to him for his participation in all of this.

Today does mark a milestone for both the United States and Japan, a ceremony representing another step toward our two countries becoming equal partners in trade. The agreement I sign today is an important, positive development stemming from our January trip to Japan.

And I am pleased that since January, American companies have begun to enjoy a more positive atmosphere for doing business in Japan. The broader commitment which Prime Minister Miyazawa and I made during my visit was the Tokyo Declaration, and an important part that was the Global Partnership Plan of Action, an agreement to strengthen trade between our two countries, all part of our efforts to make the relationship between us a true partnership. This is a very important relationship. And that all will ensure that U.S. firms have the same degree of access to the Japanese market that Japanese firms enjoy in the United States.

The Paper Market Access Agreement will increase opportunities and sales for foreign firms exporting paper products into Japan. And hereafter, the Government of Japan will encourage its paper distributors, converters, printers, and major corporate users to increase imports of competitive foreign paper products. That official encouragement will open the way for America's paper industry to export its products into Japan's $27 billion market.

Today's action is good for all concerned: good for the Japanese consumer, good for American industry, and good for the American worker. And it is also an important step forward in our large global trading system. As William McKinley said back in 1897, ``Good trade ensures good will." And the partnership between the United States of America and Japan ensures that the hallmark of the new globalization of trade will be world-class quality, competitive pricing, and of course, excellent service.

This alliance also recognizes that interactive partnerships like this one strengthen each of us and fire up the engine of economic growth. At the same time, it strengthens the relationship between us and makes the world a better, friendlier place for our children and our grandchildren.

So I am delighted to be here. And I welcome all of you from industry and from the diplomatic corridors. And let me just say in conclusion, I view this relationship between the U.S. and Japan as very, very important. And I will do my level-best as President of the United States to keep it

on a stable, forward-looking basis. It is essential, and it is in our best interest that it remain strong.

So, Mr. Ambassador, you are entitled to equal time, or should we -- why don't you go ahead, and then -- --

Ambassador Kuriyama. Well, thank you very much, Mr. President.

The President. Thank you for being with us, sir.

[At this point, Ambassador Kuriyama spoke.]

The President. Thank you, sir, very much. Now I will witness, if you all do the signing.

Note: The President spoke at 11:49 a.m. in the Roosevelt Room at the White House. Ambassador Takakazu Kuriyama of Japan and Deputy U.S. Trade Representative Michael H. Moskow signed the agreement.

Remarks at the Unveiling Ceremony for the White House Commemorative Stamp

April 23, 1992

Thank you, Mike, very much, and greetings to all of you. May I greet Edward Horgan and Kenneth Hunter, Associate Postmasters General; Mike, thank you, sir, for the introduction and those remarks; old friend George Haley here, the Chairman of the Postal Rate Commission.

And welcome to Peerce Farm, or as we call it nowadays, the White House. George Washington selected this site for the President's house more than 200 years ago amid apple orchards owned by a colonial farmer named Peerce. Being a surveyor by trade, Washington knew what he was doing. Abigail Adams, the first lady to live here, wrote, ``This is a beautiful spot. And the more I view it, the more I am delighted with it."

It was Thomas Jefferson who suggested a national competition to design the President's house. Washington himself chose the design of the winner, James Hoban, an Irish immigrant then living in Charleston. Hoban's plan won out over grander designs, some of which included vast central courts, rotundas, and -- here's an intriguing idea -- a draped throne for the President. [Laughter] His design was plainer than the others, more befitting the house of a democratic leader, but it was still stately and dignified, as Washington wanted.

Incidentally, when he won the contest, Hoban began another Capital tradition. He promptly leaked the news to his hometown papers in Charleston. And after many revisions to the original design and after some unfortunate redecorating by British troops in 1814, the President's house assumed the graceful form that we celebrate today.

And 1992 marks the 200th anniversary of this magnificent building. The cornerstone was laid in October of 1792, just a few yards from here, though the stone itself, I'm told by the historians and the custodians, has never been found. You'll notice we're restoring the exterior stone walls of the Residence as part of the anniversary, a celebration that includes commemorative books and museum exhibitions and symposiums. The far side of the house has been stripped down and painted. And I'm told again by the historians that this is the first time that the building has been taken down to its original stone.

The celebration also includes a commemorative postage stamp, which is what brings us here this afternoon. And I thank everyone who worked so hard to make this stamp possible, particularly the former Postmaster General Anthony Frank, who authorized it; Jack Ruther, who we just met, who did the superb design. And I hope the stamp serves as a reminder to every American that this place is truly the people's house.

One of the things I enjoy the most is taking our foreign visitors over here when the tours are on. And I'll never forget the reaction when I introduced a monarch to the visiting tourists coming through here. And one of the kids started yelling, ``It's a real live king, Dad. It's a real live king." [Laughter] And it was a good experience for the real live king to see how the people consider this properly their house.

One of the great blessings of the Presidency, obviously, is to live within the walls of this house, to roam its hallways, to absorb its history, and to be reminded at every turn of the noble men who have lived here and of their families. But a President can never, obviously, be more than a caretaker or a tenant in this house, for the White House belongs, as it has for 200 years, to every American.

And we are very grateful, Barbara and I both. And we pray that God continues to bless this house as He blesses the United States of America. Thank you all very much for coming. And now, Mike, do the honors.

[At this point the stamp was unveiled.]

That concludes our brief ceremony, but thank you all very much for coming.

Note: The President spoke at 3:30 p.m. in the Rose Garden at the White House. In his remarks, he referred to Acting Postmaster General Michael S. Coughlin.

Remarks to the Forum of the Americas

April 23, 1992

Please be seated. And David, thank you, sir. And thank you for your really vital work in rallying the private sector and congressional support for the North American free trade agreement, for the Enterprise for the Americas Initiative. And let me say to his many friends here that David's personal involvement has been a major factor in the success we've enjoyed so far with both of these significant initiatives. And I also want to pay my respects to another old friend, Ambassador George Landau of the Americas Society, and Antonio Del Valle of the Business Council of Latin America, and Tom d'Aquino of the Business Council on National Issues. And I am grateful for all your leadership.

I understand also -- and I can't see too well out here with these bright lights -- that somewhere out there sits an old friend, a former colleague at the United Nations who went on to greater heights than being an ambassador there, an old friend, Javier Perez de Cuellar, is with us. And I am just delighted that he could be here. And I just wish I could see him. Javier? There he is.

And may I particularly welcome all of our guests from south of the Rio Grande, leaders from both the public and the private sectors. I see several ambassadors here and many others that are in the Government sector but so many from the private sector. And we salute you for your leadership. And let me just say this: Public or private, from the United States, we are glad to be your partners.

And I can't think, really, of a more important moment than now to convene again this Forum of the Americas. Over the last 3 years, we've seen our world literally transformed: the Berlin Wall torn down and Germany peacefully unified, the people of Eastern Europe and the Soviet Union liberated from communism, and South Africa's historic vote to reject apartheid. And we've seen Arab neighbors negotiating for the first time face to face with Israel, and a worldwide coalition under the banner of the United Nations stand up and turn back Iraqi aggression against Kuwait. And there's been a profound change with meaning for every man, woman, and child on the face of the Earth. And we have drastically reduced -- and this is one I take great pleasure in having been a small part of -- we have drastically reduced the threat of nuclear war.

And just today, the United States took steps to facilitate trade in high technology goods, an initiative made possible by the changed strategic environment and the peaceful rebirth of freedom in the formerly Communist lands. We relaxed trade restrictions on exports that served us well during the cold war era but are no longer necessary in our new world. And our actions today will eliminate requirements for thousands of export licenses, including many that affected computers, one of our strongest export earners. Trade covered today by today's deregulation amounts to about $2.5 billion.

Here in our own hemisphere, the Americas have launched an era of far-reaching and hopeful change. We've made history, all of us. We're well on our way to creating something mankind has never seen, a hemisphere wholly free and democratic, with prosperity flowing from open trade.

From Mexico City to Buenos Aires, that vision is becoming a reality. For the first time in many years, more private capital is flowing into the Americas for new investments than is flowing out. In country after country, the hyperinflation that literally devastated the region's economies, particularly its poor, has been halted. In nearly every nation, real growth has returned. A growing number of nations are taking advantage of the Brady plan, an important initiative of our administration designed to reduce the debt burden on our neighbors and set the stage for the renewal of growth. Barriers to trade and investment are coming down. Go to the financial centers of the world, and you'll get the same message: One of the most exciting regions for investment is Latin America.

Alongside this economic revolution, we have witnessed and played a vital role to shape a political revolution just as powerful. Two years after we initiated Operation Just Cause, Panama has replaced the repression of the Noriega era with freedom and democracy. In El Salvador, after 12 years of civil war, our consistent efforts have brought peace. In Nicaragua, we succeeded in our goal of restoring peace and democracy through free elections. And throughout Central America, civilian presidents hold office, and the principle of consent of the governed is now firmly established. And in South America, Chile and Paraguay have rejoined the community of democracies.

This peaceful revolution throughout the Americas did not happen by accident. It is the work of a new generation of courageous and committed democratic leaders with whom we have worked closely in pursuit of common goals, those leaders supported by this dynamic private sector that is so beautifully represented here tonight.

The new spirit was demonstrated in June of last year, when the OAS General Assembly passed a resolution designed to strengthen the international response to threats to democracy. Consolidating this revolution will not be easy; we understand that. Millions of people in our hemisphere are still mired in poverty and political alienation. Recent events in Haiti, Venezuela, and Peru remind us that democracy is still fragile and faces continued dangers. In all our nations, powerful special interests cling to old ideas and privileges, promote protectionism. They resist expanded trade.

For the diehards, for Castro's totalitarian regime, for those in the hemisphere who would turn the clock back to military dictatorship, for the stubborn holdouts for economic isolation, I want to make one point clear: Hundreds of millions of Latin Americans share a faith in human freedom and opportunity. And I stand with them. And as long as I am President of this great country, the United States will devote its energies to the true and lasting liberation of the people of the Western Hemisphere.

Sharing the democratic spirit makes a difference on every issue we care about. Democracy's rebirth led Argentina and Brazil to join hands to halt the spread of nuclear arms. Democracy energized Brazil to slow deforestation of the Amazon rain forest. Democracy gave Argentina the will to stop the Condor ballistic missile program financed by Libya and Iraq. Colombia's democracy is leading the fight against the drug trade and working to restore its economic vitality. The restored democracy in Panama has passed tough new laws to combat money laundering, and it's working to renew its importance as an East-West trade corridor.

Make no mistake: Political and economic freedom are linked; they are inseparable. And just as people have a God-given right to choose who will govern them, they also must be free to make their own economic choices. When we lift barriers to economic freedom within and among our countries, we unleash powerful forces of growth and creativity.

Before I leave office I want manufacturers in Cleveland to enjoy virtually the same access to markets in Monterrey as they now have in Minneapolis. And with new technologies, creators of services in Denver may be able to tap markets in Santiago as readily as those in Chicago. I'll work to assure that Government protection and excessive regulation don't stand in their way. To do this, we'll have to overcome the stunted vision of some special interests. And I am determined that we can and will do exactly that.

I've made it a top priority to conclude a free trade agreement designed to remove all tariffs on trade between the United States, Canada, and Mexico. This agreement will build on our historic free trade agreement with Canada. The success of the agreement with Canada demonstrates how free trade can benefit all concerned.

We cannot achieve this breakthrough by equivocating between the status quo protectionists and the movement for freedom and change. Some suggest that we can hide in a cocoon of protection and pretend still to benefit from the fresh air of competition. Well, if there's ever an audience that understands this, you and I know that is simply wrong-headed. Our economic future must not depend on those who pay lip service to free trade but full service to powerful special interests. We cannot have it both ways.

In our own War for Independence, those who took this kind of stand were known as the ``summer soldiers.'' And they wanted the glory of the revolution without showing the gumption to stand for freedom even in tough times. Our stand is clear; my stand is clear: Open trade is vital to this country, to the United States, and every bit as vital as domestic reforms to renew our system of education, health care, Government, and administration of justice.

A free trade area comprising the United States, Mexico, and Canada would be the largest market in the entire world: 360 million consumers in a $6 trillion, $6 trillion economy. Mexico -- and I salute its President, its business people here tonight -- Mexico is among the fastest growing national markets for U.S. exports today. And over the last 3 years alone, American merchandise

exports to Mexico have increased by two-thirds, two-thirds. Our exports of autos, auto parts, telecommunications equipment to Mexico have doubled. And while members of this audience may be aware of this, I doubt it is widely known in the United States that two-thirds of all imports into Mexico come from the United States.

It's not just the border States that profit from this growth. During my Presidency, 45 of our 50 States have increased their exports to Mexico. Our top 10 exporters to Mexico today include Michigan, Illinois, New York, Louisiana, Pennsylvania, Florida, and Ohio, as well as Texas, California, and Arizona, those border States.

Trade with Mexico already supports hundreds of thousands of U.S. jobs. And just as an example: Thousands of good jobs in Warren, Ohio, and Rochester, New York, depend on sister plants in Mexico to keep their products competitive. A North American free trade agreement would create thousands more. It would create competitive efficiencies and economies of scale that will help American companies compete in world markets.

Free trade with Canada and Mexico will make all of us winners in economic endeavor, but our relationship goes well beyond trade. We share borders that span the continent. We're linked by centuries-old ties of family and culture. I share a warm friendship with Prime Minister Brian Mulroney of Canada, whom I consult frequently. I count President Carlos Salinas also as a dear friend. And he and I have been promoting the ``spirit of Houston'' ever since our summit meeting just after both of us were elected in 1988. And both President Salinas and Prime Minister Mulroney are bold and imaginative leaders, and I am committed to working with them to forge enduring friendship among our countries based on open trade, cooperation, and mutual respect.

Now, you may have heard some suggest that politics will dictate delaying the North American free trade agreement until after the election. Well, let me say this: These voices are not speaking for me. The time of opportunity is now. I have instructed our negotiators to accelerate their work. I believe we can conclude a sound, sensible deal before the election. I want to sign a good agreement as soon as it is ready. And there will be no delay because of American politics.

Now, to other friends here let me say this: The North American free trade agreement is only a beginning. Our Enterprise for the Americas Initiative already has made noteworthy progress to open markets, expand investment flows, reduce official debt, and strengthen the environment throughout the hemisphere.

The Enterprise for the Americas Initiative reflects a revolution in thinking. Through this initiative, the United States is not seeking to impose our ideas on our neighbors. Rather, our program is designed to empower them to succeed with free market economic reforms they've chosen on their own, ideas developed in Latin America for Latin Americans.

The courageous Latin American leaders who are reforming their economies and breaking down barriers to trade and investment need our support. And they are the true liberators of our era. True success will mean opening up statist systems formerly rigged to protect wealthy elites and closed to working people and the poor. Free market reforms will banish burdensome regulations that now prevent the urban poor from starting new businesses or campesinos from gaining access to credit and title to their land. Economic reform must also include honest government. Corruption is the enemy of both growth and democracy. New investment will flow only where the rule of law is secure, the courts are fair, and bidding processes are open to all.

To support reformers, to realize the hopeful new vision in Latin America, the United States Congress must meet its responsibility. I asked Congress to take long overdue action, to invest $310 million in this fiscal year under the Enterprise for the Americas Initiative. With this, we could write off more than $1 billion in the hemisphere's official debts and generate millions of dollars to preserve the environment. But regrettably, Congress has refused to approve any funds for this purpose. Congress apparently doesn't believe in return on investment, but I do. And our truckers and railroad people do. And our auto and electronics makers do, as do our environmental engineers and many, many more.

I have helped persuade our allies in Europe and Japan to contribute nearly two-thirds of a $1.5 billion fund to help Latin American reformers. This fund, administered by the Inter-American Development Bank, would help people privatize old state enterprises at the grass roots, with job retraining and small business loans. But Congress has refused to vote a penny for the U.S. share. I will keep on fighting for these vital programs of the Enterprise for the Americas Initiative until Congress demonstrates the vision and fortitude to provide the support they deserve. And if we can invest in the transformation of Eastern Europe and the old Soviet Union, and we must do so, then we can and must invest in the efforts of our closest neighbors on their peaceful road to true liberation and prosperity.

The United States' economic destiny is linked to Latin America's. No army of protectionists can change that. When Latin America suffered its debt crisis of the early eighties, 1980's, we suffered through a corresponding drop in trade. We did. If you don't believe me, ask Caterpillar workers from Illinois or employees from Cessna in Kansas. Ask them if they suffered when our best customers in Latin America were in crisis.

With the rise of democracy and economic reform, U.S. exports to Latin America have surged by nearly one-third in just 2 years, from $49 billion in 1989 to $63 billion in 1991. This is a much faster rate of growth than for our exports to Asia or Europe. It points to the fact that a stable, prosperous Latin America is a natural market for United States goods and services. Strengthening our neighbors' economies will result in more exports and more good jobs for people in the United States.

When any of us speak with our friends outside the Western Hemisphere, we need to assure them

as clearly as possible there is nothing exclusionary in our vision of open trade and economic integration in our hemisphere. Our aim is simply to lower barriers to economic freedom within and among the nations of the Western Hemisphere, not, I repeat, not to create any barriers between ourselves and the nations of Africa, Europe, and Asia. All of our aims are consistent with the global policies of GATT.

And I would just like to commend the superb leadership of Arthur Dunkel, GATT's Director General, who spoke to you earlier today. And I want to assure you I urgently want to open up global markets through success with the Uruguay round. We all, all of us from whatever country in the Western Hemisphere, have a stake, a big stake, in a successful conclusion of the Uruguay round of the GATT.

And if the equivocators and the protectionists and the pleaders for the special interests want to debate this, bring them on. I will take the case for increased trade to the people in every corner of the United States of America. And I will make this abundantly clear: Free trade means more exports, more investment, more choices, more jobs for Americans. Our great country is the number one exporter in the world, over $422 billion last year. Imagine that, $422 billion. And we intend to pursue trade policies to keep that growth up now and in the future. And we will knock down barriers wherever we find them to open markets, for instance, for our computer software, movies, books, and pharmaceuticals. We will fight hard against protectionism both at home and abroad.

And five centuries ago, a man of courage and vision set sail from Europe searching for new trade routes and opportunities. And he defied the timid counsel of those who said the Earth was flat. Christopher Columbus' voyage to the Americas transformed human history. Columbus was an entrepreneur, and the risk he took 500 years ago continues to pay off abundantly today. And today, we still have to combat the flat-Earth mentality, the mind-set that urges us to barricade our borders against competition, to shut off the free exchange of food and machinery and skills and ideas.

But the future does not belong to the status quo. It is the legacy of people like yourselves, people with far-sighted vision and then a spirit of enterprise. The future awaiting the Americas is a time of rediscovery, a time for empowering the poor through new investment, trade, and growth, a time for cultural renewal. Our efforts and the efforts of millions of citizens of the Americas can achieve new gains for honest, democratic, limited government. And together, we can usher in a new order of peace, a new time of prosperity, both animated by personal freedom.

Thank you all very much for what you are doing to strengthen free trade in this hemisphere. And let me say again how grateful I am to David and the other leaders of this wonderful organization for vitalizing and getting that private sector involved in all of these decisions. It is an absolutely essential ingredient if we are going to succeed in a course that is mutually beneficial.

Now, I heard you were having broccoli for dinner, so I'm out of here. Many, many thanks. And may God bless you all.

Note: The President spoke at 8 p.m. at the Sheraton-Washington Hotel. In his remarks, he referred to David Rockefeller, chairman of the Americas Society.

Nomination of Richard Goodwin Capen, Jr., To Be United States Ambassador to Spain

April 23, 1992

The President today announced his intention to nominate Richard Goodwin Capen, Jr., of Florida, to be Ambassador to Spain. He would succeed Joseph Zappala.

Currently Mr. Capen serves as a consultant for Knight-Ridder, Inc. Prior to this, he served as vice chairman and director for Knight-Ridder, Inc., in Miami, FL, 1989 - 91; as director of Knight-Ridder, Inc., 1987 - 91; and as chairman and publisher of the Miami Herald, 1983 - 89. From 1979 to 1982, Mr. Capen served as senior vice president for operations of Knight-Ridder, Inc.

Mr. Capen graduated from Columbia College (B.A., 1956). He was born July 16, 1934, in Hartford, CT. Mr. Capen served in the U.S. Navy, 1956 - 59. He is married, has three children, and resides in Miami, FL.

Nomination of Clarence H. Albright, Jr., To Be General Counsel of the Department of Housing and Urban Development

April 23, 1992

The President today announced his intention to nominate Clarence H. Albright, Jr., of Virginia, to be General Counsel of the Department of Housing and Urban Development. He would succeed Francis Anthony Keating II.

Since 1990, Mr. Albright has served as Principal Deputy General Counsel in the Office of the General Counsel at the U.S. Department of Housing and Urban Development in Washington, DC, and as Deputy General Counsel, 1989 - 90. Prior to this, he served as Deputy Associate Attorney General at the Department of Justice, 1988 - 89, and senior special assistant to the Assistant Attorney General at the U.S. Department of Justice, 1987 - 88.

Mr. Albright graduated from Presbyterian College in South Carolina (B.A., 1974) and George Mason University School of Law (J.D., 1980). He was born January 2, 1950, in Rock Hill, SC. Mr. Albright resides in Alexandria, VA.

Remarks at the Presentation Ceremony for the National Crime Victims' Rights Awards

April 24, 1992

Please be seated, and welcome. Welcome to the Rose Garden on this beautiful Friday. We're here to commemorate National Crime Victims' Rights Week. I first salute the Attorney General, who is doing a superb job for our country in the whole area of law enforcement, Bill Barr, standing here. May I also single out Director Sessions, the head of the FBI, with us today. Bill, welcome, sir.

And to others, may I just say that the people seated in this garden are representatives of one of this country's strongest traits, compassion. And this compassion is the driving force behind the improvements that are balancing the scales of justice, strengthening the rights of the crime victims. For far too long, the agonizing experiences each victim must endure have been overlooked. The seldom-realized truth is that the crime is just the beginning of a process that will last months, if not years or lifetimes.

The award winners we honor today realize this fact. They've set out to improve, protect, and strengthen the rights of crime victims. As Attorney General Barr will explain shortly, each and every one of them is a hero worthy of saluting in this war on crime. But before the Attorney General begins the presentations, I would like to take this opportunity to reinforce our administration's commitment to the rights of crime victims. This administration, in particular the Department of Justice, has fought hard to make strides on behalf of the victims in the courtroom.

In 1991, we gained a landmark Supreme Court decision for crime victims in the case known as Payne versus Tennessee, a case which authorizes, against a constitutional challenge, the admission of victim impact evidence during the sentencing phase of capital cases. In the Payne versus Tennessee case, the Supreme Court recognized that the jury should be allowed to know the tragic impact that homicide crimes have on a survivor. In this case, the jury was allowed to know not only about the murderer's brutality toward his victims, but toward the survivors. The jury was allowed to know the pain and suffering caused 3-year-old Nicholas, the survivor of homicide victims, who missed his mother, Charisse, and his 2-year-old sister, Lacie. This decision rings of plain common sense, and it rings of fundamental fairness: A jury should know the victim, as well as the defendant.

I want to continue to see strides made in the courtroom. I've said it once, and let me just say it again: None of us should rest until all of our laws duly reflect the sympathy we should have for victims of crime. A key part of our program to make our cities safe again has been the appointment of judges who interpret the law and do not legislate from the bench. And that is exactly what I have done in naming these people to the bench.

This is a step in the right direction. And as we continue down the path of equal justice for accusers and the accused alike, we've encountered an uphill climb, frankly, one that is making our work more difficult and slowing the pace of progress considerably. As you know, that hill that I'm talking about is Capitol Hill with all of its special interest groups.

Here is just one typical example of what we are up against. In 1990, the Congress created 11 new circuit and 74 new district judgeships to help us wage the war on crime. And yet, two and a half weeks ago, special interest groups managed to postpone a vote on my nominee to the 11th Circuit Court of Appeals, Ed Carnes. Ed Carnes' nomination has been before the Senate since January 27th. He has first-rate credentials, strong support through his home State of Alabama. In addition, no Senator has yet indicated opposition. However, some interest groups, not the Senate but the interest groups, oppose his nomination. Their reason? As a prosecutor, Ed Carnes has actively campaigned against procedural technicalities designed to prevent imposition of the death penalty. Their course of action? To obtain a one-month postponement on the vote. And the justification? The nomination needed -- you've heard it before -- ``further study."

Personally, I do not understand the priorities of those special interest groups. Why so little concern for the victims and so much for criminals? It is my hope that the Democratic leadership of the Senate agrees with this. And if so, they will not allow Mr. Carnes' nomination to be held hostage any longer and will vote on it immediately as scheduled upon their return. It is also my hope that they will resist future efforts to play politics with the courts and will not yield to any more requests for delay on this or other judicial nominations. [Applause] I see one person agrees. Those of you here today play an important role in stopping this practice by special interest groups. You must make your voices heard. Let Congress know that these interest groups do not speak for you. Believe me, it will make a real difference if you check in on this point.

I am proud of what this administration has accomplished on behalf of crime victims and their survivors. But I am even more proud of this Nation's compassionate citizens who identified a fault in the system and then, through citizen action, set out to correct it.

I thank you for your dedication, for your hard work, and applaud your successes. And I will now turn the meeting over to Attorney General Barr, asking him to do the honors. And may God bless you all. Thank you.

Note: The President spoke at 10:02 a.m. in the Rose Garden at the White House. Following the President's remarks, Attorney General William P. Barr presented the awards to eight individuals for exemplary service on behalf of crime victims and their families and for achievements in defending the rights of crime victims.

Remarks Prior to a Briefing on Banking and Finance Regulatory Reform

April 24, 1992

I announced in the State of the Union Message a 90-day regulatory moratorium, and today another step is being taken to reduce the regulatory burdens. The 90-day moratorium has been a tremendous success. And I applaud the good work by the Council on Competitiveness, headed by Vice President Quayle.

As you know, excessive regulations add billions of dollars of costs to the American economy each year. We've got to do something about these costs. And during the moratorium we've made more than 70 deregulatory changes that will save tens of billions of dollars for American consumers and taxpayers. Many of these changes will also help create jobs for American workers.

We will have more announcements next week, and I'll have more to say on this subject on Wednesday. Today's announcement concerns financial service regulations, and we're announcing a package of banking initiatives designed to streamline financial regulation. Our new regulatory uniformity policy will reduce or eliminate unnecessary compliance costs by financial service institutions. We're also announcing measures to strengthen financial health and to reduce unnecessary regulatory barriers to new lending. These reforms will increase access to capital for individuals and businesses, thereby contributing to economic growth.

The Deputy Secretary of the Treasury, John Robson, and Boyden Gray, our General Counsel, and Michael Boskin will provide you with all the details.

Thank you very much.

Note: The President spoke at 11:55 a.m. in the Briefing Room at the White House.

Teleconference Remarks to the National Association of Hispanic Journalists

April 24, 1992

The President. Thank you very much, Monica. And first, let me thank your President, Don Flores, for this opportunity to speak with you. May I salute the hundreds of Hispanic women and men who inform and enliven our great country through the press and through the broadcast media. I look forward to answering your questions.

A top priority of my Presidency is to consolidate the peaceful revolution that's taken place in Latin America over the past decade, the movement towards democracy and free markets. And yesterday I heard a solid endorsement of those goals in a meeting with hundreds of business and civic leaders and government leaders from around our hemisphere. Democratic neighbors are peaceful neighbors. Experience teaches us that. And I am determined to keep working to promote and protect democracy in Latin America.

Recently, we've been working closely with our partners in the hemisphere to defend democracy under attack in Venezuela, Haiti, and Peru. In Cuba we envision a new birth of freedom and democracy, and that day cannot be far off. I expect one day soon, after the inevitable fall of the Castro dictatorship, to be the first President of the United States to visit the free soil of Cuba.

Also vital is liberating the markets of the Western Hemisphere. I want to create a North American free trade area to increase the levels of trade, investment, and jobs in Mexico, Canada, and the United States of America. And I am thankful for the support from the Hispanic community that helped us win our great victory for fast track authority.

Some politicians don't share our views on the value of free trade. They want to address this issue from both sides of their mouths, and they suggest that we can hide in a cocoon of protection and still benefit from the fresh air of competition. Well, that is simply not possible. And you can pander to the protectionists, or you can promote free trade; you cannot have it both ways. I will fight to tear down economic barriers with Mexico and throughout the hemisphere, and I'll oppose any special interest that tries to stand in our way.

And one other thing: We must not let election year politics delay for one minute our getting a good free trade agreement and getting it approved. The North American free trade agreement will increase our trade with Mexico and create thousands more jobs right here in the United States of America. And I'll keep working with my good friend President Carlos Salinas, who is a bold and imaginative leader. Already, in just 3 years, I believe we've made U.S.-Mexican relations the best that they have ever been in history. And we're going to keep working to forge a new relationship between our nations, based on free trade, open markets, and mutual respect.

And we will not stop with Mexico. My Enterprise for the Americas Initiative will encourage open trade and job-creating investment from Alaska to Argentina.

The interests we share do not end with free trade. I'm committed to action on a full range of key reforms, and I want to mention just two of urgent interest to the Hispanic community. On health care, I have put forward a comprehensive plan to open to all Americans access, access to quality health care. And I'm also proud of my administration as part of the public-private initiative called ``Growing Up Hispanic'' to improve the quality of health in your communities. And on the vital matter of education, Hispanic support for America 2000 has been steady and strong. And I want to see every American family win the right to choose which school is best for their children, public, private, and religious.

But even the most ambitious reform effort here at home must go hand-in-hand with economic growth through open trade. And I've asked Congress repeatedly for funds to assist the brave reformers who are now leading many of the Latin American nations. But Congress has done nothing. We must not stand for this lack of foresight. And if we can aid the transformation of the former Soviet Union -- and in my view, we must do that -- we can and we must also help our closest neighbors who are trying to consolidate their own revolution for freedom and prosperity.

And there are many, many other issues. But let me just say to you today before taking your questions, as I think of the Hispanic community in this country, I think of family. I think of family values. And Barbara and I are, I hope you know by now, dedicated to that concept. And every piece of legislation that comes my way, we're looking at it to see that it does nothing but strengthen the American family. That's one of the reasons I feel so strongly about choice that I just mentioned for education. We must strengthen the family values. And I will do my level-best to do just that.

And now on to the questions. Fire away. And thank you so much for letting me drop in on you.

Statehood for Puerto Rico

Q. Why did your pro-statehood for Puerto Rico effort fail in Congress last year? What will you do about it if reelected?

The President. I have remained strongly in favor of pro-statehood. And the first step on that is a referendum. And we are having great difficulty getting that approved by the United States Congress, the part that has to be approved by Congress.

As you know, there's great divisions. It's divided in Puerto Rico by those who favor statehood, those who favor commonwealth, and then a tiny group of those who favor independence. That group has heretofore been considered one of the most radical groups.

My choice is for statehood. But I also say that the matter should be left up to the people of Puerto Rico. And so we will continue to push in a reluctant Congress to get them to come along and support Bob Lagomarsino's approach, to support a referendum that will make the determination. And then we'd have to follow on with whatever is required after that.

But I have not changed my position. And I wish, Monica, I could tell you that this is the only area where I'm having difficulty with the Congress, but it's not. But I haven't lessened my intentions at all in favor of statehood for Puerto Rico.

I know you could get in a lively debate right out there at your meeting. But I think it's best. I think it's right. And I believe it's in the best interest of all Americans, all the people in the United States right now, citizens herein. So, we'll keep trying.

Federal Court Appointments

Q. Judges appointed by you and Ronald Reagan are more and more limiting access to fair treatment of U.S. Hispanics in such areas as voting rights, employment, housing, and education. If reelected, would you change your emphasis on conservative philosophy and appoint more persons to the bench who understand the realities of inequality faced by poor people of color?

The President. I think that people that I've appointed to the bench, both the district bench, the circuit bench, and the Supreme Court, understand that. But I don't want people to legislate from the bench. Now if the person that asked this question feels that we need judges that are going to set social policy from the bench, then we just have a philosophical difference. I have appointed people that care. And I have appointed people that I think are compassionate. And I have appointed people that I am confident will interpret the Constitution and not legislate from the bench. So I do not plead guilty to the charges in that question at all.

I think the way that you better the lot of all people is to have them have equal access, fair access to the law. And the people that I've appointed certainly agree with that concept. So we'll continue to do this. We've got some fine Hispanic appointments, and others, to the various levels of the Federal bench. But I am not going to change my view that what we need are people that know the Constitution and interpret it and do not go into a bunch of social legislation from the Federal bench. That is not what is required, in my view, of an independent judiciary.

Freedom of the Press

Q. Many people feel the first amendment was violated with severe press restrictions imposed during the war. In subsequent conflicts will your administration continue with the limitations imposed on the media during Desert Storm, or will we be allowed to do our jobs?

The President. Well, you're allowed to do your job. After Desert Storm a review was taken. I do

not believe that the constitutional rights of the press were violated in Desert Storm. And if you remember, one journalist who didn't play by the rules was kidnaped and taken prisoner, and we spent a great deal of time and an awful lot of anxiety in trying to help get that person released from jail because he didn't follow the guidelines of the military. And when you're in a war, every correspondent should not have the freedom to go anyplace they want at any time. And that example proved it.

But I do think you're on to something because I think as each incident of this nature takes place -- and let's hope there won't be another one for a long time -- we ought to review it. We ought to see if there's ways that we can guarantee more access for journalists to the front lines or more access of journalists to the briefers or whatever it is. So, I don't think rights were violated. I do think we can learn from the desert war pooling experience and from the Desert Storm coverage and see if we can't do a better job on access for journalists.

Q. President Bush, on behalf of the National Association of Hispanic Journalists, we thank you for your time today.

The President. Monica, thank you very, very much. And good luck to you out there. I am one who, as you may know from my own family, is doubly blessed in a sense because of having three Hispanic-American grandchildren. And so, I hope I've been sensitive to your needs and to the things that bring you together. But I can guarantee you this, I'm going to keep on trying.

And when I think about patriotism and service to country, I know what I'm talking about when I say Hispanics have been in the forefront of that. And when I think about family values, I know what I'm talking about when I say the Hispanic-American families epitomize, more than most, the family values that Barbara and I, at least, hold so dear.

So I'll keep on trying, trying to do my best. And I might say in conclusion -- you don't need to hear me twice now -- but I might say in conclusion that the economic news is a little better. And as that turns around, and I'm confident it will, I think we'll see this country coming together; I think we'll see a return to a little more optimism. And certainly, I will keep dedicated and rededicating our administration to fairplay for our Hispanic-American citizens.

So thank you, and thanks for letting me drop in. And good luck to each and every one of you. Thank you.

Note: The President spoke at 2:34 p.m. via satellite from Room 459 of the Old Executive Office Building to the National Association of Hispanic Journalists meeting in Albuquerque, NM. In his remarks, he referred to Monica Armenta, moderator of the teleconference.

Radio Address to the Nation on Trade Reform

April 25, 1992

A lot of the reports we Americans hear on TV or the radio seem to follow the maxim ``Good news is no news." Well, today I'm going to break a few rules and talk about some good news. The story is jobs, jobs created and jobs sustained because of our ability to sell our product and services abroad.

Last week, we received the latest from the economic front. All around the world, more and more people are buying American. Our exports shot up 7 percent in February to a one-month record high of almost $38 billion, closing the deficit gap by 16 percent. If there's any moral to this story, it's a reminder that if Americans want to succeed economically at home, we've got to lead economically abroad. In the past couple of weeks, I've been talking to groups around the country and to leaders from around the world. The message is simple: Expanding free trade abroad means expanding opportunity at home.

America's trade story is good news, not just for our coastal States and port towns but all across America. Here's a sampling: Colorado, about 90,000 jobs supported by trade; about 90,000 in Iowa; Arizona, 120,000 jobs; Tennessee, 150,000 jobs. America's manufacturing exports are more competitive than 10 years ago, our labor more productive. The Chicken Little hysterics of an America under siege may make better copy, but they leave out one little fact: The United States is the leading exporter in the world, bar none.

I don't mean to discount the competition. Our competitors are tough. More and more, America competes in an international marketplace where standing still means falling behind. Some want us to respond to these challenges as if they were a bad dream, just hide under the covers and hope it goes away. They may be talking tough, but they're really running scared. The problem is, they're running the wrong way. The answer isn't to build up our barriers; it's to get other countries to tear down theirs.

Two days ago, I met with the heads of Europe's Common Market. And we talked long and hard about how to bring the Uruguay round of GATT, the world trade negotiations, to a successful conclusion. Such an agreement could pump $5 trillion into the global economy over the next 10 years. The U.S. share would top $1 trillion. That's hundreds of thousands of new American jobs.

I don't plan to stop there. We're also negotiating an historic free trade agreement with Mexico and Canada. Listen to these facts: During my Presidency, 45 out of our 50 States have increased their exports with Mexico. Already over the 4 years, exports to Mexico have more than doubled, creating hundreds of thousands of jobs here at home. Clearly, with a successful agreement, we'd export more than ever before, increasing trade with Mexico by $10 billion and creating over 360,000 American jobs. And that's why a North American free trade agreement is in our interest,

because it means more jobs right here.

Just this week, the United States took steps to facilitate trade in high-technology goods, an initiative made possible by the rebirth of freedom in formerly Communist lands. We relaxed trade restrictions that served us well during the cold war but no longer serve their purpose. We will eliminate requirements for thousands of export licenses, including many that affected computers, one of our strongest export earners. Trade covered by this deregulation amounts to about $2.5 billion.

The choice is simple. We can either promote protectionism or promote free trade. To my reckoning, no one ever beat the competition by cringing behind a trade barrier. You see, I have faith in free trade because I have faith in the American worker. When trade is free and fair, Americans can beat the competition fair and square.

Thank you for listening. And may God bless the United States of America.

Note: This address was recorded at 7:56 a.m. on April 24 in the Oval Office at the White House for broadcast after 9 a.m. on April 25.

Remarks on Legislative Goals and an Exchange With Reporters

April 27, 1992

The President. With Congress coming back tomorrow, I want to just emphasize those things that I hope we can accomplish in the next couple of months by actively seeking areas of consensus. What I'm about to list does not include everything I'd like to see done, but some main areas.

First, while the economy is recovering, we still need an economic boost to ensure the strength and length of this rise in economic activity. The growth package that I sent to Congress in my State of the Union is still before Congress, and it contains key elements of a plan to create jobs and stimulate investment and growth. And I ask the Congress to continue consideration of these proposals.

Secondly, there's the energy bill, an energy bill that will further our national energy needs and goals. The Senate produced a good bipartisan bill, and the bipartisan process appears to be breaking down in the House. That should not be allowed to happen. A comprehensive energy strategy is long overdue, and we need bills that make sense, not a veto.

The third is health care reform. Comprehensive reform is made up of many elements, and I believe there is relative consensus on some of the elements. And I'd like to act quickly in those areas where we can achieve consensus. There are 30 million people in this country without adequate health care insurance, and we must offer them the benefits of our health care system.

The fourth one is education. Our kids must be able to compete to get jobs, to create jobs, to participate in the global economy. And we must help spur fundamental reform by encouraging this new American schools concept, flexibility, world-class standards, and parental choice, including private, public, and parochial schools. A business-as-usual education bill simply will not take us where we need to go.

And finally, as I've repeatedly called for in the past, I'd like to see this constitutional amendment requiring a balanced budget. The Democratic leadership is changing their view on the issue, and I think there's a feeling they may be willing to help us move an amendment forward. So now is the time to pass that balanced budget amendment.

So, those are the five I'd like to see passed just as soon as possible by Congress. And then, of course, we'll be pushing for other legislative goals as well, liability reform and things like that.

Fundraising Ethics

Q. Mr. President, what do you think of allegations that some of your supporters are intimidating and coercing their employees to kick into Republican -- --

The President. I don't like that at all.

Q. -- -- fundraising?

The President. I disapprove of -- --

Q. Have you ever heard of it? I mean, have you ever seen it?

The President. Seen it?

Q. Yes, in action, in any of your fundraising?

The President. No, I've never seen that. No. And I've read some allegations that concern me very much because there ought not, there should not be coercion in fundraising. It's outrageous. And I pride myself on a good, clean record in this regard.

Downing of U.S. Aircraft in Peru

Q. Mr. President, is there anything new on the Peru incident?

The President. Nothing new on it. There's still some uncertainty. But to his credit, President Fujimori did the right thing in expressing regrets and apologies. But there's still some uncertainties exactly what happened. The plane was marked. It was clearly on a predictable course. But we still don't know all the answers to it.

Q. Are you afraid of Ross Perot?

World Economic Growth

Q. Would you like to see Japan and Germany do more to stimulate world economic growth?

The President. Well, I'd like to see everybody involved in economic growth. And I'll be prepared to talk about that further to Helmut Kohl. I've discussed it. As you know, we had an economic growth deal with Japan on our trip. One of the things we both agreed on was a growth agenda. So I think all countries want that, but each one has to find his own way achieving economic growth. I'm hopeful that we are on the path. They have every reason to have been critical of us in the past. But I don't think the way to do it is to criticize the Chancellor of Germany, which I'm not about to do, nor the Prime Minister of Japan, Mr. Miyazawa. I think we all want growth.

And the question is how to achieve it.

Health Care

Q. What are the areas of health care where you think there is consensus? Is it just insurance?

The President. Well, I think there's some talk now about accessibility to insurance, which would be good. I'd love to see a move forward on our malpractice legislation, legislation to put some caps on these outrageous liability claims. We're suing each other too much, and we ought to be taking care of each other more. So I think there's some areas like that where we can do some good.

Thank you.

Note: The President spoke at 10:05 a.m. on the South Lawn at the White House prior to his departure for Miami, FL.

Remarks at the Florida International University Commencement Ceremony in Miami Beach, Florida

April 27, 1992

Thank you all very much. Thank you, Dr. Maidique, for that wonderful citation, those very kind words. May I salute Elsie Augenblick for the alma mater, Sister Flood for that very moving invocation, Provost Mau for opening the ceremony and presiding over this madhouse. I'm pleased to be here with so many leaders of the State, State legislators, members of the Florida Legislature, so many distinguished leaders in the Miami community. I want to salute Chairman Alvah Chapman, who does so much for this community, and the other members of the board of trustees; Regent Alec Courtelis; your own Congresswoman, or one of the Congresswomen from this area, Ileana Ros-Lehtinen, who came down with us. Today she's not known as a Congresswoman; she's known as a graduate of F.I.U. And we're very proud of that. I told Ileana coming down on the plane that the real reason that I'm here today, Andy Garcia made me an offer I couldn't refuse. [Laughter]

May I also salute my fellow honorees: Celia Cruz, ``Queen of the Latin American Music," ``Doctor of Salsa." [Laughter] She's captured the soul of a culture in her music. She asked me where Barbara was. I said Barbara is up there trying to get an agent for our rich dog. But I know that if she were here -- she's a great Celia admirer -- she would give her a grande abraso like the rest of us do. Celia, congratulations.

And to our other honoree, a longtime friend, respected friend, Abe Foxman. You heard it in the citation, but he is a lifelong fighter for fairplay and equity. His voice is strong against racism and against anti-Semitism. And all of us in public life can take an example from the man you honor here today. He's a great fighter for human rights and dignity. Abe, congratulations.

And may I salute honorees Bell and Weiser and Rosenberg and your teachers Smith and Jones. Very good going for both of them. They disappeared over here somewhere. But I loved those citations because it says so much about the commitment of our teachers to helping kids all across this country. And may I, too, salute the F.I.U. faculty, the students, the families. Thank you, Panthers, all, for this wonderful welcome to this coliseum.

I know today's commencement is one of the hottest tickets in town. President Maidique told me about one graduate, Yanira Bermudez, who needed a dozen tickets for family members who came all the way from Canada. You can't imagine how pleased I am to receive this degree, knowing, therefore, that I'd be guaranteed a seat at this tremendous turnout. [Laughter] It is spectacular.

And I really am, I mean this, I'm very honored to be a part of this special occasion. Today's

ceremony marks more than a graduation. This commencement is a coming of age. Twenty years ago, Miami didn't have a public university. Today, under the leadership of President Maidique, Florida International is not simply a fixture in the intellectual and economic life of this thriving city; it is one of the 50 largest universities in the United States of America, and a quality one at that. I can tell you this: They won't be asking, ``F.I. who?'' anymore. Never again. You've come a long way from those early days 20 years ago, holding class in the air traffic control tower out at Tamiami Airport. And the progress that you've made stands as testimony to the power of a dream and also of your determination to make that dream real.

Let me speak for a moment about the secret of your success. Florida International has blazed its own path. Many of your students are a little older, a little more experienced. You're a little more likely to combine work and study, family life with college life. And because of that, you're a little less likely to treat your university years as some ivory tower exercise and more an extension of the everyday world around you. All of those factors keep this university close to the community it serves. And all of those factors make F.I.U. a force in shaping south Florida's fortunes in the new century ahead.

Even now, each day brings new changes, new nations, new realities, new hopes, new horizons. And it's not so much technology and science that we marvel at but the startling pace of political change. The democratic renaissance in Central and Eastern Europe, the blossoming of democracy here in our precious hemisphere, the end of the cold war, and the collapse of imperial communism, all would be unimaginable in a world where America turned inward, away from the challenges of a new world.

The changes in the world beyond our shores have real impact right here at home. In the new world you'll call your own, your children won't wake to the nuclear nightmare that played in the corners of your mind. We have made real, dramatic progress toward eliminating the threat of nuclear weapons and in turning our old adversary in the Soviet Union into new partners of peace. And I take great pride that U.S. leadership helped make that dramatic change possible.

But change brings new challenges. We've put an end to a long era of military confrontation and entered a new age of economic competition. And yes, dictators have given way to democracy, and yet, clearly, dangers still remain. Here in Miami, I know the great gains for democracy we've seen in the world have a bittersweet edge. Each triumph for freedom, each victory for the people from Moscow to Managua calls attention to the one island where communism continues to hold sway. And I cannot pretend to imagine the anguish that so many of you or your parents or your other family members must have felt at a cruel choice, the cruel choice between the land of your birth and the love of freedom. I share the dreams that you have for a democratic Cuba.

I have thought a great deal about this and anguished about it. And I am absolutely convinced that that day will come. And with the collapse of Soviet communism, Cuba now stands isolated and alone, and we continue to keep the pressure on to tighten the trade embargo, to champion the

cause of human rights. The fact that dictators cling to power is a fact that will soon become a footnote. We are witnessing the collapse of the Communist idea, the demise of the crippling concept of the all-powerful state.

There are many reasons for this collapse. But in the end, one fact alone explains what we see today. Its advocates saw the triumph of communism written in the laws of history, and they failed to see the love of freedom written in the human heart. I know there's a Spanish saying about the Castro regime that is true in any language: En las noventas, se revienta. I guarantee you, freedom will come to Cuba. Make no mistake about it. And none of you professors give me a grade on my accent, either.

But the change we see doesn't stop at America's doorstep. Here at home we've got to ask: How can we open the doors of opportunity for every American? Our challenge, our new American destiny is to give the American dream room to grow. And to make that destiny our own, we must advance American ideals, help communism's old captive nations take their place among the world's democracies. We must advance America's economic interests, meet the competitive challenge of a new world economy.

Here in Miami, we see this new American economy in microcosm. This city is the hub, the economic gateway to the Americas. Here's the figure: Forty-five percent, nearly half, of all U.S. trade with Latin America passes through the Miami area. And that translates into 35,000 jobs in the Miami area alone tied to trade. And here's what that means for the graduates that are here today. Your standard of living, your opportunities, your future are certain to be influenced by the world beyond our shores.

Now, I know that there are some who see a different future, people who want to sound retreat, run from the new realities, seek refuge in a dream world of economic isolationism or protectionism. Those voices have nothing to say to this Nation. There is no turning back. There is no hiding from the new reality. We have no choice but to compete. The new reality of our new world economy is simply this: To succeed economically at home, we must lead economically abroad.

And finally, if we want to make a new American destiny our own, we've got to bridge the gap between the American people and the Government that's meant to serve it. I know there's a discontent. Travel around the country; you can't help but feel it, a deepening cynicism about the way things work or fail to work in Washington, a doubt about one person's ability to change, really change the system. To them, Government has grown more distant. Too often, the Government we get is not accountable. It is not effective. It is not efficient. And regrettably, it's not compassionate.

It's not that people are apathetic. It's that people are angry with Government. Many of you recycle empty cans and plastic bottles because when it comes to the environment, you believe

that one individual's actions can make a difference. But when it comes to self-government, cynicism kicks in, and too many people have come to doubt the power of a single vote.

This didn't happen just overnight. It's the legacy of a theory of government grown too used to promising what government will do for the people. And this theory fails to see that people don't want government to make their decisions for them; they want government that gives them the freedom to choose. And they want a Government that spends within its means in the way families do. And they want welfare programs that provide opportunity, not the dead-end street of dependency. And they want to be free to choose the school that is best for their children, public, private, or religious.

And that message is getting through. Because in spite of the cynicism, we see positive signs, a new ethic of responsibility alive in America. The days of the no-fault lifestyle are coming to an end. We see it all around us: individuals taking responsibility, individuals taking action. In their private lives, people know actions have consequences. And what they want from government are policies and programs that hold people responsible for their actions. And that government is responsible to the people. And if you think about it, that's nothing more than a working definition of the word ``democracy."

We've got to bring the ethic of responsibility back into government. And when we do, we'll see the sense of public trust return to politics. And we'll see a Government that reflects the real values of this great Nation, proud, confident, caring, and strong. That's my mission as President. It's our challenge as a Nation. And the way we do it is through reform.

I've already mentioned one of the areas where we need urgent action: expanding trade, to open new markets the world over to American goods. Beyond trade, there are four other key issues that together form the core of our reform agenda.

We've got to fight for legal reform to end the explosion of litigation that strains our patience and saps our economy. America would be better off it we spent less time suing each other and more time helping one another.

And we've got to reform this country's health care system, open up access to all Americans, and control the runaway cost without sacrificing the quality education that separates us from every other country in the world: choice and quality.

We've sparked a revolution in American education, community by community, to help our children get the world-class education that our new world demands. And I know the need for education dollars is great, and that's why at the Federal level we've increased our education budget by 41 percent since I took office. And I saw those stickers out there, and believe me, I came prepared with those statistics, 41 percent increase.

And finally, we've got to push forward on Government reform because only if we reverse a generation of creeping bureaucracy, only if we restore limits to Government, can we restore public trust.

Each reform is essential. And I've called on Congress to take action in each of these areas -- legislation on Capitol Hill right now in most of it. Each reform will succeed so long as we draw on the strengths that got each of you here in this room today. As a society, as a Nation, we stand to gain from your skills and your training, your insight and your energy. But the most precious resource of all is this: It's that sense of optimism, your optimism. And there is still plenty of optimism in the American character.

Let me take someone many of you will know, a senior named Sylvia Daniels. She took her first class at F.I.U. 15 years ago, and she graduates today at the age of 77. And I've saved the best for last: This summer, Sylvia, they tell me, starts graduate classes in Cambridge, England. Good luck. And Sylvia, if you're looking for a new challenge to take on until school starts, there's always the national windsurfing championship. Good luck. [Laughter]

We see the power of optimism in Jose Marrero, who today becomes the first in his family to graduate from college. And he's done it at the age of 19. And we see it in Michael Yelovich. Ten years ago, at the age of 15, Michael was paralyzed, the result of an accidental shooting. And Michael's mother wrote me at the White House about that difficult time when, in her words, ``Life to Michael and the rest of our family seemed unbearable." Michael's battled back against the odds and the obstacles to get here today. And his mother wrote that ``When he graduates, the whole world should know." And it seems to her now that the whole world does know. And what a great story that is.

And so, when I hear that in America you can't get ahead, I say, ``Tell that one to Michael Yelovich. Try that one on." And when I hear that in America our kids are in crisis, I say, ``Tell that to Jose Marrero." And when I hear that in America our best days are behind us, I say, ``Tell that to Sylvia Daniels." Here's what I know: America's best days always lie ahead. In the next century, as in this one, America will be the strongest, the bravest, the freest Nation on the face of the Earth.

As President, I have made it my mission to preserve and advance three legacies close to all our hearts: a world at peace; an economy with good jobs, real opportunity for all Americans; a Nation of strong families, sturdy values of character and culture. To make this destiny our own, we've got to be part of a larger movement. As parents, as citizens, as members of the communities we call home, we must rekindle a revolution to bring change to the country that, indeed, has changed the world.

Thank you, once again, for this warm welcome and this high honor and for inviting me to share this special day with you and your families. And may God bless the United States of America.

Thank you very, very much.

Note: The President spoke at 2:50 p.m. at the Miami Beach Convention Center. In his remarks, he referred to Andy Garcia, actor and F.I.U. alumnus; Robert Bell, Sherwood M. (Woody) Weiser, and Mark B. Rosenberg, F.I.U. Distinguished Service Award recipients; Mary Ann Smith, Broward County Teacher of the Year; and Angel Stanford Jones, Dade County Teacher of the Year.

Statement by Press Secretary Fitzwater on Syria's Lifting of Restrictions on Syrian Jews

April 27, 1992

We are pleased to have obtained official confirmation from the Syrian Government on Saturday of the lifting of restrictions on travel and disposition of property for the Syrian Jewish community.

The Syrian Government has now informed us that, in the aftermath of President Assad's recent meeting with the leaders of Syria's Jewish community, all members of the Syrian Jewish community will be accorded the same rights as those enjoyed by all other Syrian citizens. We have been told that Syrian Jews will be allowed to travel abroad as families, on business, and for vacations. Further, the Syrian Government has removed difficulties encountered by its Jewish citizens with regard to the sale and purchase of property. The Syrian Government has also released the Soued brothers, who had been imprisoned for violating Syrian travel laws.

We welcome these decisions by President Assad and his Government. This administration has maintained a productive dialog with Syria's leadership on a number of important issues, including the peace process. The subject of Syrian Jewry has constituted an integral part of this dialog and has been raised by both President Bush and Secretary Baker with President Assad and other senior Syrian officials. We look forward to the full implementation of these decisions affecting Syrian Jews.

Statement by Press Secretary Fitzwater on the Beer Market Access Agreement With Canada

April 27, 1992

The President welcomes the agreement in principle reached Saturday between the U.S. Trade Representative and Canadian officials to resolve longstanding bilateral differences over access for American beer to the Canadian market. The agreement is an indication of the importance of our bilateral trading relationship and the willingness of the U.S. and Canada to work cooperatively to resolve trade differences.

Nomination of William Clark, Jr., To Be an Assistant Secretary of State

April 27, 1992

The President today announced his intention to nominate William Clark, Jr., of the District of Columbia, a member of the Senior Foreign Service, class of Career Minister, to be an Assistant Secretary of State for East Asian and Pacific Affairs. He would succeed Richard H. Solomon.

Since 1989, Ambassador Clark has served as United States Ambassador to India. Prior to this, he served as Principal Deputy Assistant Secretary of State for Asian and Pacific Affairs at the U.S. Department of State, 1987 - 89; and as Deputy Assistant Secretary of State for East Asian and Pacific Affairs, 1986 - 87. In addition, Ambassador Clark served as Charge d'Affaires at the U.S. Embassy in Cairo, Egypt, 1986, and as Deputy Chief of Mission, 1985 - 86.

Ambassador Clark graduated from San Jose State College (B.A., 1954). He was born October 12, 1930, in Oakland, CA. Ambassador Clark served in the U.S. Navy, 1949 - 53. He is married, has one child, and resides in Washington, DC.

Remarks at a Bush-Quayle Fundraising Dinner in Charlotte, North Carolina

April 27, 1992

Thank you so much for the warm welcome. Thank you, Jim Martin, Dottie -- and Jim, for those kind words and for heading up our effort in this great and important State. Dr. Ford, thank you for your lovely words of invocation. Let me single out the Bravo Singers, did a superb job of harmony there on the anthem. And the Lees-McRae College Clodhoppers out there, the cloggers, first-class from what I could see. I only saw one end of it down there, but it looked pretty good.

And my respects to your neighbor to the south, the incomparable, outstanding Senator Strom Thurmond. My heavens, what a great joy it is to have him and work with him in the United States Senate. He is a superb leader. And he's very proud of the Cat Band of Lexington, South Carolina, that's with us tonight.

And may I salute the three Congressmen introduced, Congressmen McMillan and Taylor and Ballenger, and thank them for being with us. Thank our finance team that's done so much for me already, Bobby Holt, our national chairman, and Jack Laughery, our regional -- he's got five States, and he's twisting arms in every single one of them, doing a first-class job. And Mayo, thank you, sir, for leading the pack here. May I also thank Bob Bradshaw, our dinner chairman; salute an old friend, colleague -- he and I were elected to Congress on the same day -- Jim Gardner, now the Lieutenant Governor, with big plans ahead for him.

And Mayor Vinroot, you lead a wonderful city indeed. You know, coming into Charlotte is no longer a small-city experience. I can't believe your airport is now the eighth busiest in the country. The old saw used to be that you had to go through Atlanta to get to heaven; now they say it is much more fun to go through Charlotte. [Laughter]

But it's wonderful to see so many friends here. And Jim Martin and I have a lot in common. We both have to deal with a house full of Democrats. We don't need his Ph.D. to realize that that's bad chemistry. You know, I listened very carefully to what Jesse said, outstanding Senator Jesse Helms, and heard what he had to say about the spending habits of the Congress and then coupled that with what Strom had to say. And there's very little left for me. But they hit the main points. It is the Congress that appropriates every dime. It is the Congress that tells the Executive how to spend every dime.

People say they think that Jim Martin -- back to him -- will have a hard time making the transition from politics to medicine. I don't think so at all. I'll bet it won't take him any time at all before he's out playing golf on Wednesday afternoons. [Laughter]

There's a good reason for Charlotte to be a proud city. I especially admire the way you support two concerns that are very close to my heart: education, that Jim touched on, and service to others. Your Foundation for the Carolinas shows the priority you place on these community efforts. And yes, this is National Volunteer Week. And I'm reminded that Charlotte is the home to some remarkable, what we call Points of Light, including the Cities in Schools volunteers, Charlotte Habitat for Humanity, and the employees of the Duke Power Company that go out and do so much to help others get educated.

But now let me thank each of you who contribute so generously to this reelection campaign. This support is important for the future of our country. Let me say it right up front: I want to be your President for 4 more years, and I believe I'm going to be.

I know that many here are understandably concerned about the economy. That is my number one concern as well. But this month we had some heartening news about the United States economy, almost across the board, incidentally. It's turning around; it's beginning to move again. The leading indicator has been trade. U.S. exports are surging, rising 7 percent in February to a record one-month high of almost $38 billion. And once again, American manufacturing exports are leading the way.

The evidence is indisputable: Open markets and free trade mean new hires and new buyers, jobs for American workers from sales of American goods and services. Jobs in the trade sector have grown 3 times faster than overall American job creation. This good news underscores a fundamental truth about our own competitiveness: If we're to succeed economically at home, we must lead economically abroad.

There's still much more that we've got to do to make America more competitive. The Congress could get this recovery moving quicker and stronger if we would pass the economic package that Strom mentioned, the package that I sent up to Congress in January. One of our problems right now is the cost of capital; it is too high. But it's a problem we can do something about. A high capital gains tax rate deters investment, thus business expansion, and thus job creation. None of our major industrial competitors tax capital gains at rates that are comparable to ours. Germany doesn't tax them at all, zero. And in Japan, a businessman, entrepreneur who sells the company that he's built from scratch pays a tax of one percent. These are America's toughest competitors. But we disadvantage our own workers and then ask them to beat the competition. That's just plain dumb.

Yet, the very people who every year complain about America's ability to compete are the same people who every year block our efforts to lower the cost of capital. Once and for all they need to get the message: It is time to cut the tax on capital gains. And it is time that Congress gives us this investment tax allowance that we also put forward as one of our seven investment points. We need that, and we need that one now. And I wish, Strom, that the Congress would get moving on that.

For us to compete we also must lighten up the regulatory burden that Washington imposes on every American business. Just last January we placed a 90-day moratorium on Federal regulations. Wherever possible, we've blocked those regulations that impede growth and accelerated those that encourage growth. So far, we've saved American consumers and businesses many billions in regulatory costs. Wednesday, we'll announce our next step in our battle against these excessive regulations. But for now I simply want to say the days of overregulation are just that, they are over. And we must all work to keep it that way.

I've talked often about the need for reform and the need for change. And I've acted, made specific and far-reaching proposals. I've called for reform of our education system, our health care system, our courts, and our election campaigns. I have fought for free and fair trade to sustain and create good jobs. These are five key issues at the forefront of the national agenda. Beyond that, right down the line, from crime that Strom talks about, in a field in which he's been such a leader, all the way to the Congress itself, our administration has proposed fundamental changes to help us solve pressing national problems.

We've had some successes in our efforts to change things, but more often than not Congress stands in the way. They are supported by an army of special interests. Neither are interested in change. They stand squarely behind the status quo. They may be powerful. They may be influential. They may be very well-connected. But let me tell you this: They are absolutely wrong in their approach to the economy of the United States of America.

Let me tell you why. It used to be that a doctor's first concern was the care of the patient, not the chance of a malpractice suit. Lawsuit mania, you know what I'm talking about: Obstetricians not delivering babies, parents literally being driven away from coaching Little League, volunteers not helping the elderly, all because of the fear of lawsuits. That is wrong. That is not the America we want. People should spend more time helping each other and a little less time suing each other.

And you can help me by calling on the Congress to pass our ``Access to Justice Act.'' It is languishing on Capitol Hill, blocked by special interest groups getting rich off these outrageous settlements. Our legal system is complicated. And people's rights certainly must be protected. But the system desperately needs reform, and no lawyers lobby should stand in the way. And we must fight to put some limits on these liability claims.

It used to be that we were confident that when we sent our kids to school they would get a first-class education, learn how to read and write, understand something about the world. We believed in building character, so education included teaching values and responsibility, simple right from wrong. We believed parents shared this responsibility for education. Parents are a child's first teachers, and the home is a child's first school. I believe that's still the way it ought to be.

But educational achievement has been stagnant for years. And now we thank our lucky stars that our child's school isn't the one where they find a gun in someone's locker or drug dealing out there in the playground, for heaven's sakes. And our teachers, they often double as counselors, mentors, social workers, and surrogate parents all rolled up into one. God bless our teachers for the work they do. They deserve our best effort, they deserve our best effort to make the system better.

And right here, Charlotte and the State of North Carolina are leading the way. We've set national goals, six national goals in a bipartisan fashion, and a strategy to achieve them. In every State in the Nation and over 1,200 communities across the country, our America 2000 reforms are gaining steam with innovation, these break-the-mold schools, world-class standards, voluntary national testing, more flexibility for teachers and principals. And whether it's among public schools or private or religious, all parents, rich or poor, deserve the right to choose their children's schools. And I challenge Congress to pass legislation to that end.

It's a giant undertaking to create the best schools in the world for our kids, to literally, in a country this big, to revolutionize the Nation's education system. But we are going to do it, with or without permission from the powerful NEA union or the United States Congress.

Charlotte is very fortunate. You've got a great Congressman in Alex McMillan. He's an expert on another urgent reform issue, health care. It used to be that going to the hospital didn't conjure up images of financial ruin. And while our health care still is the finest quality care in the world, too many people don't qualify for health insurance, or they simply cannot afford it. And the cost of even minor surgery has gone sky-high, right out through the roof. Many poor people would prefer going to a family doctor but end up waiting for hours in hospital emergency rooms for routine medical attention. This, too, is wrong, and it's got to change.

Our health care proposal is comprehensive. It makes health insurance accessible and affordable for all Americans without destroying the finest quality health care in the world. We must not go the way of these nationalized health care plans with long lines, impersonal service, and fewer options for consumers. If that's what we wanted, we'd put health care under the department of motor vehicles, and we'd all stand in line all day long. We don't need another big bureaucracy.

Look what happened to Medicaid. It started as a $1 billion program, $1 billion. It is now $150 billion and growing at a rate of 17 percent a year, 38 percent last year alone. Yes, there are those whose first resort is a big new Government program with all the self-perpetuating features of the old big Government programs. But make no mistake, nationalized health care would be a national disaster. And I will fight any nationalized or socialized medicine plans for the United States of America.

In these and so many areas that demand our reform, our Government can play a pivotal and positive role in addressing many of our Nation's most critical problems. One half of my adult

life, my own, has been in the private sector, and one half in government service. And I've seen this country change, sometimes for the better, sometimes for the worse. And you need to know what needs change. Change for change sake is meaningless and empty. It takes more than happy talk, more than lip service to reform or get service to special interest.

But that's what the Democrats are still offering if you look at these mandated programs they're proposing day in and day out. Our party stands for change. But the national Democratic Party will always revert to form, solve a problem by creating a program; more power to the bureaucracy, less to the individual. They do not understand that people are yearning for a return to responsibility and accountability, values that refuse to go out of style.

That is why major reforms of our Government are absolutely essential. The American people know that as Government tries to do more and more, it delivers less and less. Next year, the Federal Government will spend $1.5 trillion of your money. There is just no question about it: The Federal Government is too big and spends too much. So, we should start with real spending reform. It's time for the President -- and I will not parrot Strom -- to have what 43 Governors have, that line-item veto.

Next, I've sent up legislation to end the special treatment for Congress. It is time for the Congress to govern itself by the laws that it imposes on others. The laws that you and I have to abide by, the Congress ought to abide by. And it's time for sweeping reform of campaign financing, but let's not do it by making the taxpayer fund all these congressional elections. It's bad enough to have them put it in for the President's race. Finally, it's time to make Congress a citizen assembly, not a club for career politicians. And so, I think the time has come to limit the terms of Members of Congress. I favor six terms for a Member of the House and two for a Senator that precisely has limited terms -- the Presidency has it limited. You might say, then, why should not the Congress?

These last few years have seen our world turned absolutely upside down. Think how much we have accomplished. We think of our problems, but think of our blessings for a minute. With God's help and with hard work to support the convictions we have, we've helped change the world. We literally have changed the world. We've helped the peoples of Eastern Europe and the old Soviet empire peacefully throw off the yoke of communism. Now we're helping their transition to free markets and helping them reduce their nuclear arsenals.

And if you ask me what gives you the most pride or pleasure out of having been President, I take great pride that it was the leadership of the United States that has diminished for our children the threat of nuclear war. We stood up against dictators and exporters of totalitarian revolution in Latin America; we've helped make democracy take root in nearly every country of our own hemisphere. Look south of the Rio Grande.

When a ruthless tyrant overran Kuwait and threatened to engulf the entire Middle East in its

worst conflagration, we protected the people of Israel and Turkey and Saudi Arabia. And we organized an unprecedented world coalition, and we liberated Kuwait from the aggressor. In the process, we accomplished a breakthrough sought by every President from Truman to Reagan: We brought Arab neighbors face to face with Israel for the first time at the peace table. This is big. And this is historic. And we can all take pride in this as Americans.

We won the cold war and we stopped Saddam's aggression because 12 years ago we renewed our faith in our values and, as Strom pointed out again, we strengthened our defenses. And now, if any of you have traveled around the world I believe you'd agree with this one, the United States is the undisputed leader of the entire world. This is no time to pull back. This is no time to retreat, no time to be afraid of the changes in the world. We will keep ourselves strong. And in world markets, security, and politics, we are going to stay engaged, and we are going to continue to lead the entire world.

And so, in sum, we have a mission together to carry on the American dream for new generations. With your help we can win a mandate to lead this country for 4 more years. We can keep our country a champion of ideas and opportunity and justice. We can reform our schools and our courts and our health care system, our very system of government. And we can assure that when we reach the new century, America will still be the strongest, the bravest, and the freest Nation on the face of the Earth.

Thank you all. And may God bless each and every one of you. And may God bless our great country, the United States of America. Thank you very much.

Note: The President spoke at 8:05 p.m. at the Adam's Mark Hotel. In his remarks, he referred to Gov. James Martin of North Carolina and his wife, Dorothy; Leighton Ford, president of Leighton Ford Ministries; and Mayo Boddie, a dinner fundraiser.

Remarks at Bush-Quayle Campaign Headquarters

April 28, 1992

The President. Good to see all of you.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you so much. I've just had a wonderful tour of the headquarters. And now for the best part, to thank the volunteers who have done so much already. And we haven't really begun to fight yet. And this is good. I am grateful to each and every one of you. I had a chance to thank many on the professional staff here, but I just would never be able to adequately thank you who do so much in the way of volunteering. So I wanted to start with that.

Bob referred to the fact -- Bob Teeter, who is doing a superb job -- referred to the fact that if things go about the way we expect tonight, we'll have that magic number of 1105, and that is a very good one. I know it seemed like forever, but it's been a long, long election year. What I've decided to do is to concentrate on leading this country, to concentrate on bringing about the same kind of change domestically that we brought about in foreign affairs.

You know, when I look back to when I started and became President back in January of 1989, one of the great concerns that the young people of this country had was about nuclear war. I think because of the leadership that our administration has been able to bring to this area of foreign affairs, because we stood up against aggression when a lot of our critics in the Congress would not have us do so, we set an example. We proved that the United States is the only true leader of the entire world, and in the process, we bought significant change.

We're trying to implement and fulfill that promise of change in what used to be the Soviet Union. In the Middle East, ancient enemies are talking for the first time in history. And that is something very, very significant and very important. We look south of our own border and we see dramatic moves for democracy and freedom. We look all around the world, and you see things moving much, much better. These are big things when you're talking about war and peace and saying to a whole generation of Americans you don't have near as much to worry about because of the fear of nuclear weapons. That's big, and that's important, and we did it. Now what we want to do is to take that leadership that you all have been a part of, take that leadership and bring it to bear on the key domestic problems in this country.

This is an important election. We're talking about who is going to lead this country for 4 more years and who is going to be President. This isn't some kind of a charge and countercharge event. We're talking about significant change. And some of the cynics say, ``Well, you've been President. What about it?" And I'm saying, ``Well, let me tell you about it."

We have the best, most innovative education program that's ever been designed to raise the education standards in this country. And I'll be saying to the American people: Give us that kind of change. We've got it; it's out there; it's spelled out. And now help us, help us in the election. Help us with the Congress to bring to these kids what they need, quality education that's going to make the United States competitive into the next generation. So we're going to fight for that one.

I believe that we sue each other too much and aren't kind enough to each other. And so we are fighting for liability reform. So you let the status quo people say that we've been standing still. We have programs up there 3 years in a row to do something about limiting the liability that says to a Little League coach, ``You know, you had better not coach because somebody is going to sue you," or to an obstetrician, ``You had better not deliver this baby because you've got to be worried about some outrageous lawsuit." We are the party of change. I am the leader that's trying to change it. And with your help and the help of the American people, we're going to get that change brought to the American political scene. So that's another one.

The same thing is true in health care. We are trying to change the health care system. Not by socializing medicine, like these nationalized plans would have you do, that some of the Democrats support. Not by these ``pay or play" plans that would break every small business in the country but by our plan that makes insurance coverage available to every American, rich or poor alike. Some pay, obviously, but those at the lower end of the spectrum don't. We are going to revolutionize and change our health care system, but we need the support now of the American people. We've got to keep the high quality of American care, but make access available to all. That's what we're trying to do on our health care program.

We're talking also about Government reform. I've got an old-fashioned idea. I think Congress ought to live by the same laws that they make us live by. And so we need to reform the Congress itself or our whole method of Government. I happen to think that term limitations are good. They've got them on the President. Why shouldn't they be on the Congress of the United States? I happen to think that a President ought to have the same thing that 43 Governors have, a line-item veto. Let's take that one to the American people and see how it would work. I'm glad to hear the Democrats now getting on board for a balanced budget amendment, something I've been talking for, a change I've been trying to bring about for the last 3 years. So we've got these wonderful changes that we are working for. And now, all we need to do is change the Congress so we can get these changes through to benefit the American people.

The last of these five points relates to free and fair trade. We are not going to pull back into some isolationistic sphere or some protectionist sphere because of some outrageous promises by Democratic Congressmen that, if you only pull back, we can protect American jobs. I want to increase American jobs. And that's why I'm fighting hard for a successful conclusion of the GATT round, and that's why I want that North American free trade agreement with Mexico. It will create new jobs and expand our markets abroad. And we ought to be looking with optimism to the future instead of pulling back in some pessimistic scared mode. We're the United States of America. We are the undisputed leader of the free world, and we ought not to retreat. We ought

to go forward. And give me 4 more years and give me a few changes in that Congress, and you watch us move this country forward.

Audience members. Four more years! Four more years! Four more years!

The President. Let me tell you this. This enthusiasm makes me want to change our game plan, but I don't think I will. The game plan is simply -- might get killed by Teeter and Malek and Mosbacher, all of whom are doing a great job -- but our game plan is this: Run this country; spell out these priorities; get these programs up to the Hill and try again to reach out and get these things passed to benefit the American people.

But the other part of it is, I have not been attacking any opponent. I hope you know that. I haven't done it. We've had able surrogates trying to put these people into proper perspective, but I have not been engaged in that. [Laughter] I have not been engaged in that because I believe it is important to be President of the United States. But let me tell you something. This enthusiasm here today gets my adrenaline flowing. I can't wait to get the proper signal at the proper time to get into that arena, not in a negative sense but to point out the positive things I've talked about today, to take on these opponents head on, whoever they prove to be, after the Republican Convention, because I am convinced that our values, our emphasis on family values is something that's stronger, not weaker, today than it was before. I think we need to perform for the American people, and I have suggestions as to how we can strengthen the American family. That's one example.

There are many other questions of values that I think our constituency is just as strong as it's ever been. I believe that when the campaign rolls around and we get the gloves off and we get into the arena with these people, we can conduct ourselves with a certain sense of honor, a certain sense of decency, a certain compassion, and a certain caring. But I'll be damned if I'm going to roll over for a lot of these outrageous charges that are coming out of the opposition day-in and day-out. We don't have to take that. So, since the air conditioning man didn't make it today, I will now finish my speech.

Audience member. He's a Democrat.

The President. He's a Democrat. That's all right; maybe he is. [Laughter]

But listen, really, let me end where I began. I've been in politics a long time. I figured it out the other day because this one actually has some political significance: Half of my adult life has been in public life and half of it in the private sector. I think that's a pretty good mix, so you don't lose track of what the fundamental problems are in this country or how to go about solving them. But I have always felt that there is no way, even for a President, to adequately express his appreciation for what you do.

In a few days, Barbara Bush -- who I happen to think is doing a superb job as First Lady of the United States -- she'll be coming over here to say thanks. I don't know whether George minded his manners the way he should have; he was in here. Somebody told me he went on for about 15 minutes, but nevertheless, I hope he said thank you. All of our kids who are in this ugliness of this campaign, they are very, very grateful. And there is no way to say thanks. So you keep up the work. I will keep up the work. We are going to win, and I think we're going to win big, come November.

Thank you very, very much. Thank you.

Note: The President spoke at 1:44 p.m. In his remarks, he referred to Bush-Quayle '92 officers Robert Teeter, campaign chairman, Fred Malek, campaign manager, and Robert Mosbacher, general chairman, and to his son George W. Bush.

Statement on Signing the Act Approving the Location of the George Mason Memorial

April 28, 1992

Today I have signed into law H.J. Res. 402, which approves the location of a memorial to George Mason in the District of Columbia and its environs. Pursuant to the Commemorative Works Act, 40 U.S.C. 1001, et seq., the Congress authorized the establishment of this memorial in 1990 (Public Law 101 - 358, 104 Stat. 419, August 10, 1990). On October 10, 1991, and again on April 22, 1992, the Secretary of the Interior notified the Congress of his determination that the memorial should be located in Area I, the central monumental core of the District of Columbia. It is my understanding that, upon enactment of this joint resolution, a memorial to George Mason may be established in Area I without further legislation.

George Bush

The White House,

April 28, 1992.

Note: H.J. Res. 402, approved April 28, was assigned Public Law No. 102 - 277.

Message to the Congress Transmitting Proposed Legislation on Job Training 2000

April 28, 1992

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the ``Job Training 2000 Act." This legislation would reform the Federal vocational training system to meet the Nation's work force needs into the 21st century by establishing: (1) a network of local skill centers to serve as a common point of entry to vocational training; (2) a certification system to ensure that only high quality vocational training programs receive Federal funds; and (3) a voucher system for vocational training to enhance participant choice.

Currently, a myriad of programs administered by a number of Federal agencies offer vocational education and job training at a cost of billions of dollars each year. This investment in the federally supported education and training system should provide opportunities to acquire the vital skills to succeed in a changing economy. Unfortunately, the current reality is that services are disjointed, and administration is inefficient. Few individuals -- especially young, low-income, unskilled people -- are able to obtain crucial information on the quality of training programs and the job opportunities and skill requirements in the fields for which training is available.

The Job Training 2000 Act transforms this maze of programs into a vocational training system responsive to the needs of individuals, business, and the national economy.

Four key principles underlie the Job Training 2000 Act. First, the proposal is designed to simplify and coordinate services for individuals seeking vocational training or information relating to such training. Second, it would decentralize decision-making and create a flexible service delivery structure for public programs that reflects local labor market conditions. Third, it would ensure high standards of quality and accountability for federally funded vocational training programs. Fourth, it would encourage greater and more effective private sector involvement in the vocational training programs.

The Job Training 2000 initiative would be coordinated through the Private Industry Councils (PICs) formed under the Job Training Partnership Act (JTPA). PICs are the public/private governing boards that oversee local job training programs in nearly 650 JTPA service delivery areas. A majority of PIC members are private sector representatives. Other members are from educational agencies, labor, community-based organizations, the public Employment Service, and economic development agencies.

Under the Job Training 2000 Act, the benefits of business community input, now available only to JTPA, would enhance other Federal vocational training programs. PICs would form the ``management core'' of the Job Training 2000 system and would oversee skill centers, certify (in conjunction with State agencies) federally funded vocational training programs, and manage the vocational training voucher system. Under this system, PICs would be accountable to Governors for their activities, who in turn would report on performance to a Federal Vocational Training Council.

The skill centers would be established under this Act as a one-stop entry point to provide workers and employers with easy access to information about vocational training, labor markets, and other services available throughout the community. The skill centers would be designated by the local PICs after consultations within the local community. These centers would replace the dozens of entry points now in each community. Centers would present a coherent menu of options and services to individuals seeking assistance: assessment of skill levels and service needs, information on occupations and earnings, career counseling and planning, employability development, information on federally funded vocational training programs, and referrals to agencies and programs providing a wide range of services.

The skill centers would enter into written agreements regarding their operation with participating Federal vocational training programs. The programs would agree to provide certain core services only through the skill centers and would transfer sufficient resources to the skill centers to provide such services. These provisions would ensure improved client access, minimize duplication, and enhance the effectiveness of vocational training programs.

The Job Training 2000 Act also would establish a certification system for Federal vocational training that is based on performance. To be eligible to receive Federal vocational training funds, a program would have to provide effective training as measured by outcomes, including job placement, retention, and earnings. The PIC, in conjunction with the designated State agency, would certify programs that meet these standards. This system would increase the availability of information to clients regarding the performance of vocational training programs and ensure that Federal funds are only used for quality programs.

For the most part, vocational training provided under JTPA, the Carl D. Perkins Vocational Education Act (postsecondary only), and the Food Stamp Employment and Training program would be provided through a voucher system. The voucher system would be operated under a local agreement between the PIC and covered programs. The system would provide participants with the opportunity to choose from among certified service providers. The vouchers would also contain financial incentives for successful training outcomes. By promoting choice and competition among service providers, the establishment of this system would enhance the quality of vocational training.

This legislation provides an important opportunity to improve services to youths and adults

needing to raise their skills for the labor market by focusing on the ``consumer's'' needs rather than preserving outmoded and disjointed traditional approaches. Enactment of this legislation would make significant contributions to the country's competitiveness by enhancing the opportunities available to our current and future workers and increasing the skills and productivity of our work force.

I urge the Congress to give this legislation prompt and favorable consideration.

George Bush

The White House,

April 28, 1992.

Message to the Congress Transmitting the Report of the Federal Council on the Aging

April 28, 1992

To the Congress of the United States:

In accordance with section 204(f) of the Older Americans Act of 1965, as amended (42 U.S.C. 3015(f)), I hereby transmit the Annual Report for 1991 of the Federal Council on the Aging. The report reflects the Council's views in its role of examining programs serving older Americans.

George Bush

The White House,

April 28, 1992.

Message to the Congress Transmitting the Report of the National Endowment for the Humanities

April 28, 1992

To the Congress of the United States:

In accordance with the provisions of the National Foundation on the Arts and Humanities Act of 1965, as amended (20 U.S.C. 959(b)), I am pleased to transmit herewith the 25th Annual Report of the National Endowment for the Humanities for fiscal year 1991.

George Bush

The White House,

April 28, 1992.

Letter to Congressional Leaders Transmitting a Report on Nuclear Weapons Matters

April 28, 1992

Dear Mr. Chairman:

Enclosed, pursuant to section 3142 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102 - 190; 105 Stat. 1581), is a Report on Nuclear Weapons Matters. The report is unclassified, with a classified appendix.

Sincerely,

George Bush

Note: Identical letters were sent to Les Aspin, chairman of the House Armed Services Committee, and Sam Nunn, chairman of the Senate Armed Services Committee.

Statement by Press Secretary Fitzwater on the President's Meeting With First Deputy Prime Minister Yegor Gaydar of Russia

April 28, 1992

The President met for approximately 20 minutes this afternoon in the Oval Office with the First Deputy Prime Minister of Russia, Yegor Gaydar, who was in Washington to attend the annual meeting of the International Monetary Fund (IMF). The discussion focused mainly on the reform process in Russia. The President congratulated Mr. Gaydar on the outcome of the recent sessions of the Congress of People's Deputies and expressed the United States support for President Yeltsin and his program of reforms. The President stressed the importance of creating a favorable climate in Russia for private investment which will be vital to the success of the reform program. He also stated that it was important that Russia reach an agreement with the IMF on a standby program in order to activate the aid program that he had announced on April 1.

Statement by Press Secretary Fitzwater on the President's Meeting With President Turgut Ozal of Turkey

April 28, 1992

The President met with President Turgut Ozal of Turkey today for 30 minutes in the Oval Office. The discussions included a number of regional issues, including the situation in Cyprus, Iraq, the Central Asian Republics, and the conflict in Bosnia. The President continues to urge all parties, Serb, Croat, and Muslim, to lay down their arms and negotiate their future in peace. President Bush and President Ozal called on the leadership in Belgrade and Zagreb to work actively with the Izetbegovic government in Sarajevo to end the violence in Bosnia.

Note: The statement referred to President Alija Izetbegovic of Bosnia.

Remarks at the Annual Republican Congressional Fundraising Dinner

April 28, 1992

Thank you all very much. Thank you, Guy, and thank you, Howard Baker, and thank all of you that made this dinner such a success. Thank you very, very much.

Let me just say that that is good news. And I'm very grateful to so many for this victory. And it's wonderful to be officially over the top. But I want to start by thanking both Dan Quayle and Marilyn, who have done such a wonderful job out on the campaign trail. And next, I thank all of those who have helped in so many ways, volunteering their time, their efforts. Barbara and I want to thank you and all those across the country who participated in this primary process to make these 1,105 delegates possible. Thank you all very much, wherever you may be.

I know to all it seems the way it does to Barbara and me: This has been a long election process. And we're only halfway through the journey, halfway to the goal. But there's some things I want to say. First, I have learned a lot in this campaign. I know better than I did the depth of the cares and concerns of those who chose to support us and of those who didn't. And lately I've been thinking of what we have in common, all of us who took part on the Republican side in this contest.

We all believe in America called America. We all believe the family is at the center of society and should be at the center of our thoughts as we make, in Washington, decisions that affect it. And the fact is, parties, like people, have tendencies. And we Republicans have believed in and protected some very important things.

We believe that Government has a place, but it also has limits on what it can and should do. Government can't solve everything. In fact, you always have to make sure Government doesn't start problems. We believe taxes should be small, not big. We believe those who pay them have rights, and those who benefit from them have responsibilities.

We believe that whatever the circumstances, cold war, hot war, relative calm, or a new age of peace and freedom, whatever the hand history deals you, there is one key to a safer, more peaceful world. And that is an American defense structure second to none. History has taught us that lesson, and Republicans always remember.

We believe in common sense. When something's broke, you fix it. Tonight so many of you came here to help me put an end to the obstruction and abuses of the Democratic majority in the Congress of the United States. When Ronald Reagan had a Republican majority in the Senate, led by Howard Baker, our great chairman, he made Reaganism a policy. He got a lot of his

programs through. And my administration has put forth good ideas. We have a great Cabinet, new solutions. Then we've seen them killed by the Democratic majority up there on ``Heartbreak Hill," or worse, have seen a Democratic leadership that refuses to let the Congress even vote on the ideas that the voters back in 1988 overwhelmingly endorsed.

You know, the other day someone asked me how I could be for change. I said, ``Look, let me put it this way. I'm not out here trying to assign blame. We're all in this together. We must work together." But I told him, ``Change the Congress, and I will get the job done." It is that clear. We need a majority of Republicans in the House and the Senate. And that is one important thing that this election year is all about. And as I survey the scene and listen to the American people, this could well be the year. It really could well be the year we get control of both Houses of Congress.

Finally, we Republicans believe in the old wisdom, the enduring values, the enduring social values that we live by as we build a great Nation: Religious faith, honesty, personal responsibility, hard work, and merit. Styles come and go, fads and fashions fade, but the old enduring values never go out of style. I really believe that. I believe that a President with the right ideas, the right intentions, the right beliefs can get them through the right kind of Congress. We're here tonight because we agree on the big issues, on the issues that shape the world, and on the values close to home.

As President, I have made it my mission to preserve and protect three legacies close to all our hearts: a world at peace, and we have a great record to take to the American people on this; an economy with good jobs, real opportunity for all Americans, and things are looking much better for the economy now; and we must preserve a Nation of strong families, communities where every child has someone he can count on, someone who calls him by his name. I am very proud of Barbara Bush and of her loving concern for the children of this country.

History has taken a turn in the past few years and given us a wonderful opportunity. If we apply our good beliefs, our sensible, heartfelt beliefs to this great opportunity, then we can say that we will make a contribution to our country, a contribution to our children's lives, and a contribution to history. The stakes are just that high.

One more thing: I intend to win this thing. I intend to win it, and with your help we will win it big come November.

Thank you all. And may God bless the United States of America.

Note: The President spoke at 7:52 p.m. at the Washington Convention Center. In his remarks, he referred to Representative Guy Vander Jagt, chairman of the National Republican Senatorial Committee, who introduced the President, and former Senator Howard Baker, dinner chairman.

Remarks at the Arrival Ceremony for President Richard von Weizsacker of Germany

April 29, 1992

President and Mrs. von Weizsacker, Minister and Mrs. Genscher, distinguished members of the German delegation, on behalf of the American people, let me warmly welcome you to the United States and to Washington on this beautiful spring day. Barbara and I hope you have a productive and an enjoyable visit, and we're especially happy that you'll spend a few days in our hometown of Houston, Texas.

Mr. President, your presence doubly honors us. Not only is this your first state visit here, but I'm told that it is your first state visit to any country since the triumphant reunification one and a half years ago. Your presence here is testimony to the enduring ties that exist between our lands and our people. The German-American relationship has grown even stronger through cold-war and post-cold-war cooperation, drawing our two peoples even more closely together.

You come at a pivotal time for our two countries and, indeed, the entire world. Forty-five years ago at an equally pivotal time, some in the United States said that we should turn inward, turn our backs on our defeated adversaries. And we did not. Instead we committed ourselves to democracy's success, helping Europe, helping Germany and its fledgling democracy. What a wise decision that was, committing ourselves to a continuing global role and making an investment in German democracy. And today we see the fruits of that decision, united Germany, a model of democracy for the whole world and certainly a reliable friend and partner for the United States of America.

Today, Germany and the U.S. face a similar decision as the peoples of Russia and the other new States seek to follow the countries of Central and Eastern Europe in building democracy and free markets. Germany and America in partnership are committed to supporting those who are struggling with the legacy of a defeated Communist system, and making an investment in their democratic future. Those who would ask why this is the right course need only look at a united Germany, once our adversary, now our close friend, now our partner in leadership.

Mr. President, 3 years ago I accompanied Chancellor Kohl on a visit to your beautiful Rhineland city of Mainz. And there I spoke of how together we could build a Europe whole and free, at peace with itself. Because lasting security comes not from tanks, troops, or barbed wire; it is built on shared values and agreements that link free people. I believed that in Mainz, and I believe it just as firmly today.

United Germany is a key partner for the United States in promoting democracy and economic reform in Eastern Europe and the former Soviet Union. You are our partner in building a more

united and cooperative Europe. And in that spirit, we strongly welcome German involvement in global affairs. Strong German-American cooperation is fully compatible with development of a more unified Europe, a goal that the United States has consistently supported over the years, just as unequivocally as we supported a united Germany.

As our world looks ahead to the coming century, I want to state this point as clearly as I can: The United States is firmly committed to remaining a world leader. We will play an active role in securing peace, security, and prosperity in Europe and in our transatlantic community. We must work together to overcome differences, to drive down barriers to free and fair trade, to achieve in the GATT negotiations agreements that will secure for all nations a new prosperity.

Mr. President, you, sir, have played a vital role in this. You've made it your task to help reconcile former adversaries, to overcome the antagonisms of the past, and to heal the wounds of division and strife. In a time of upheaval and rapid change, you've provided your countrymen with firm, moral leadership. And you've helped them come to terms with the twin catastrophes of dictatorship and division that befell Germany this century. And now, the German nation is at peace with itself, steadfastly committed to democracy and human rights.

Mr. President, Germany and the United States are guided by the words of your great national anthem: ``May our path by peace be lighted." And as we walk down that path of peace together, may God bless our two great nations and the lasting friendship that unites the people of Germany and the United States of America.

Thank you.

Note: The President spoke at 10:12 a.m. on the South Lawn at the White House. In his remarks, he referred to German Vice Chancellor and Foreign Minister Hans-Dietrich Genscher.

Remarks on Regulatory Reform

April 29, 1992

Well, a warm welcome to the White House for all of you. And first, I want to salute the three generals in the war for regulatory reform: our Vice President, Dan Quayle, Boyden Gray, and Dr. Michael Boskin. We also have here some frontline troops actively engaged in this process, members of the administration and Cabinet: Andy Card and Barbara Franklin and Jim Watkins and Lynn Martin and Dick Darman, Pat Saiki, Bill Reilly, and many others out here that are working for these kinds of changes. I also appreciate your efforts for fundamental reform of Government regulation. That's what brings us here today.

Regulation imposes what we see as a hidden tax on all Americans. This reform is one of the top priorities that I stressed in my State of the Union Message, and it's a vital element of our national reform agenda.

Two hundred years ago our Founding Fathers championed a whole new way of thinking about man's relationship to government by unleashing forces of social and economic freedom. They made the United States a haven for the poor and the oppressed, indeed, a land of opportunity. Our system did not promise material well-being, but it guaranteed personal freedom. In just one century's time, millions of poor people came here from every corner of the Old World. And because America empowered them to use their God-given talents to the fullest, people who came to our shores with nothing but faith and imagination made us the strongest and freest Nation on Earth.

Since the thirties, when a great economic shock hit the world, Government has often turned to projects of social engineering. And too often, in my opinion, Government embraced the notion that human actions, human choices could be organized to good effect only through bureaucratic blueprints. This posed a challenge to our precious heritage of limited government and the rule of law. It veered us away from the tradition of the accountability of citizen legislators. When Congress shirks the responsibility for leadership, it tends to embrace many premises of the command economy. For example, when Congress passes laws mandating Americans to dance to the tune of arbitrary social and economic goals, it leaves the details of this choreography to the bureaucracy. This is not right. The bureaucracy is not accountable in the same way a legislature should be or a President should be.

Over the years, many Americans have felt the growing burden of regulation's tax in disguise. And we learned some hard lessons. We learned that lonely keepers of the flame of economic reform, men like the late Friedrich von Hayek, were right. The era of bureaucracy and regulation produced one example after another validating von Hayek's observation: Rule by bureaucracy undermines the true rule of law and runs headlong into the iron law of unintended consequences.

Let me tell you what this means in the real world. Take a common concern about safety. Inflexible safety rules can undermine safety in unforeseen ways: If Government mandates make ladders more and more costly to consumers, just for example, more people will turn to cheaper substitutes. They'll climb on chairs or step stools which are far less safe. Of course, regulators creating such a rule would not intend to make people less safe, but that's just how it works in practice. That's what we mean by unintended consequences.

Consider another example, this time with environmental rules. Command-and-control environmental rules actually can harm the environment. Regulations under the old Clean Air Act, for example, required new power plants to install scrubbers to clean up air pollution. Not only did this increase the cost of electricity, but it also generated scrubber sludge to be disposed of in landfills. Now we have a much better, market-based program which provides companies more options in how they reduce pollution, for example through our innovative emissions trading program or through increased use of cleaner burning natural gas.

I could go on all day with examples of inflexible rules that impose hidden taxes and costs on society. I could cite any number of abstract rules in collision with how things actually work: How highway fatalities can increase and American auto workers can lose jobs when Congress tries to legislate the fuel efficiency of cars; how a regulation system, plump with noble intentions, can keep life-saving drugs and medical devices from patients who need them. And let me add a personally gratifying note. The speed-up of approval for new ``breakthrough'' drugs for AIDS and for cancer and other life-threatening diseases is the culmination of the work that I was active in, that I helped begin almost 10 years ago.

Reforming regulation is a huge and time-consuming task. Presiding over the Task Force on Regulation during the eighties was, for example, one of the most important assignments that President Reagan gave me when I was Vice President. I've given a similar assignment to Vice President Dan Quayle and my Council on Competitiveness, and I am very grateful for his leadership and for the work of the Council.

Today regulation is facing a heightened public concern and a growing public impatience. Many times this manifests itself in the phrase, ``Get the Government off our backs.'' More and more people are sending Washington an unmistakable message: Overregulation costs jobs. And thanks to this rising sentiment, we are able to accelerate needed reforms.

In my State of the Union Address, I lit a fire under our regulatory reformers, gave them 90 days to produce dramatic results. Today marks the 91st day, and let me report our reformers have come through with flying colors.

From biotechnology to banking to energy, we've made achievements that will lower costs and increase choices for American consumers. We've carried out reforms that will create and preserve good jobs for Americans and help us stay competitive in the world. We estimate that

the reforms we've set in motion just since January 28th will save consumers about $15 billion to $20 billion a year. That's a savings of $225 to $300 per year for the average American family. And this is just a down payment on savings to come.

Every Agency that I asked to participate has responded with action. Some Agencies already have accomplished important reforms, and all Agencies have completed a reform agenda which they will carry out in the months ahead.

To help us move forward with our reform agenda, today I am ordering a 120-day extension of the moratorium on new regulations. I am directing the Competitiveness Council to take the lead in implementing these reforms. Our objective must be to stop new rules that hurt growth while speeding up new rules to help our economy. During the next 120 days I expect many more gains for freedom and common sense.

I'll ask the United States Congress to do its part. I'll be working with regulatory reformers in every Federal Agency to propose new legislation where needed to eliminate unreasonable regulatory burdens that are now mandated by statute. And Congress also should pass legislation that has been pending for 3 years to reauthorize the Paperwork Reduction Act. And further, I'm putting Congress on notice: I will veto any bill that attempts to put excessive new burdens of regulation on the backs of our families, our consumers, our workers, and our businesses. There will be no, and I repeat, no return to business-as-usual.

Let me be very clear about our aims: We cannot and will not abolish all regulation. I have responsibilities as Chief Executive to enforce sound regulations for the health and safety of the American people, and I'll keep that trust. The best way to keep that trust is through a fundamental reform of our system of regulation. This is more than a 3-month or even a 3-year effort. This is more than an exercise in adjusting or fine-tuning the system. The economy is beginning to recover now. To ensure that recovery continues and is strengthened, to ensure that we can create new jobs, we must continue our course of regulatory reform.

Our campaign for regulatory reform meshes with our efforts for Government reform, like our proposal to limit the terms of Congressmen and make them more accountable. It fits also with our crusade for reform of the civil justice system, against the tyranny of these nuisance lawsuits that mock our time-honored traditions of justice. It goes hand in hand with our efforts to reform American education by allowing parents, not governments, to choose their children's schools. In short, there's a common purpose linking all of our efforts to renew the spirit and practice of limited government.

So let's take heart, and let's get to work. We can see the future, and it is a freer future. There is no doubt in my mind: The day is coming when we will put the final wrecking ball to the discredited system of the social engineers. We will restore this country. We will build it back, sturdy in the radical faith in freedom that is the legacy of our Founding Fathers.

Now I'm going to have the honor and privilege of signing the memorandum extending the regulatory moratorium. Thank you all very much.

Note: The President spoke at 2 p.m. in the Rose Garden at the White House.

Memorandum on Implementing Regulatory Reforms

April 29, 1992

Memorandum for Certain Department and Agency Heads

Subject: Implementing Regulatory Reforms

On January 28, 1992, I issued a memorandum asking each of you to set aside a 90-day period to conduct a review of existing regulations and programs and to accelerate initiatives that will create jobs and stimulate economic growth.

Your response thus far has been excellent. Together, we have already implemented numerous reforms that will ultimately reduce the prices American consumers and businesses pay for energy and transportation, increase the amount of credit available for business expansion and homes, cut red tape for emerging industries such as biotechnology, and reduce many other regulatory barriers to job creation and economic growth.

But much remains to be done. Within the next few days, each of you will be submitting a report outlining additional proposals to eliminate or revise unnecessary, and unnecessarily burdensome, regulations. Every agency has identified a number of reforms that can be accomplished without new legislation. We must make every effort to implement as quickly as possible those proposals that will create jobs and enhance economic growth without endangering public health or safety.

Accordingly, I ask that each of your agencies set aside the next 120 days for this purpose. To that end, I request that, to the maximum extent possible, you adhere to the following specific guidelines:

1. Reforms that do not require public comment should be implemented as quickly as possible, but no later than June 1, 1992. Reforms that have already been noticed for public comment should be issued in final form as quickly as possible, but no later than August 1, 1992.

2. Other reforms requiring public comment should be noticed for comment as soon as possible -- but no later than June 15, 1992 -- with a view to issuing final rules no later than August 27, 1992.

3. On September 1, 1992, each agency should submit an additional report to me. This report should summarize all the pro-growth reforms implemented since January 28. It should also estimate the potential cost savings or other benefits to the economy created by these pro-growth reforms, including an estimate of the expected net increase in jobs.

4. To ensure that adequate agency resources are devoted to the reform effort, your agency should

continue, during this 120-day period, to adhere to the moratorium as described in my January 28 memorandum. I emphasize, as I did then, that this moratorium does not apply to certain limited categories of regulations, including those that respond to situations posing an imminent danger to human health or safety.

5. Your agency should also continue to adhere to the substantive standards detailed in my January 28 memorandum with respect to all programs and regulations. And, to the extent it does not duplicate existing regulatory review processes, you should submit to me, in advance, a complete regulatory impact analysis of each major rule proposed to be issued during this period. This will help ensure that these regulations achieve their objectives at the least cost to American consumers and workers.

In implementing your reforms and in preparing the reports described in paragraph 3, you and your agency's regulatory oversight official should continue coordinating with the Competitiveness Council's Working Group on Regulatory Reform.

George Bush

The Secretary of the Treasury, the Secretary of Defense, the Attorney General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Secretary of Energy, the Secretary of Education, the Chairman of the Interstate Commerce Commission, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Federal Trade Commission, the Chairperson of the Federal Deposit Insurance Corporation, the Chairman of the Securities and Exchange Commission, the Chairman of the Federal Communications Commission, the Chairman of the Federal Maritime Commission, the Chairman of the Equal Employment Opportunity Commission, the Administrator of the Environmental Protection Agency, the Chairman of the Nuclear Regulatory Commission, the Chairman of the Commodity Futures Trading Commission, the Chairman of the Federal Energy Regulatory Commission.

Memorandum on Benefits and Costs of Legislative Proposals

April 29, 1992

Memorandum for the Heads of Departments and Agencies

Subject: Benefits and Costs of Legislative Proposals

I am today directing the establishment of procedures by which the likely benefits and costs to the American public of legislative proposals are disclosed, to the public and to the Congress, before enactment. These procedures will permit the full and fair evaluation of these benefits and costs, both direct and indirect, as part of the legislative process.

The rational and efficient balancing of the benefits and costs of proposed Federal legislation can be hindered by a lack of key information. Enactment of legislation without consideration of this information may result in costly and inefficient requirements that show the rate of growth of jobs and incomes for the American people. Identifying the benefits and costs of proposed regulatory and other Federal legislation and their indirect effects is a crucial first step in assuring strong economic performance.

I therefore direct the Director of the Office of Management and Budget to ensure that quantified estimates of the likely benefits and costs of legislative proposals are provided on a timely basis to the Congress. This shall be undertaken as part of the legislative coordination and clearance process established by OMB, and shall be consistent with the policies stated in existing Executive orders.

Where appropriate, these estimates should include assessments of the effect of the proposed legislation on:

1. The expected benefits and costs for the U.S. economy (including, for example, the impact on consumers, firms, and State and local governments);

2. U.S. employment, inflation, international competitiveness, and economic growth (measured, for example, by gross domestic product); and

3. Outlays and revenues by the Federal government as compared to outlays and revenues for the same activity in the current fiscal year.

Departments and agencies should prepare these estimates in a timely manner for significant elements of legislative proposals under active consideration by the Congress, or to be proposed

by a department or agency, that have substantial impact upon the public, and should provide the Office of Management and Budget with such proposed estimates as may be requested by the Director. The Director of the Office of Management and Budget shall, in consultation with the Chairman of the Council of Economic Advisers, provide technical guidance to agencies on the methodology for preparing high quality and accurate estimates.

George Bush

Letter to Congressional Leaders Transmitting the Report of the On-Site Inspection Agency

April 29, 1992

Dear Mr. Chairman:

Pursuant to section 64 of the Arms Control and Disarmament Act, as amended (22 U.S.C. 2595b - 1(a)), I hereby transmit the enclosed report on the activities of the On-Site Inspection Agency of the Department of Defense.

Sincerely,

George Bush

Note: Identical letters were sent to Sam Nunn, chairman of the Senate Committee on Armed Services; Les Aspin, chairman of the House Committee on Armed Services; Claiborne Pell, chairman of the Senate Committee on Foreign Relations; and Dante B. Fascell, chairman of the House Committee on Foreign Affairs.

Remarks at the State Dinner for President Richard von Weizsacker of Germany

April 29, 1992

President and Mrs. von Weizsacker, Barbara and I are just delighted, we are honored to welcome you here as the first President of a united Federal Republic of Germany. You are known the world over as a man who embodies the values that have made Germany's unity and democracy a source of hope to the world. President von Weizsacker, throughout an era of division you constantly stood for unity, the unity of the German people, the unity of Europeans, East and West, and the unity and brotherhood, before God, of all mankind.

We are also honored that Foreign Minister Genscher, who just announced that he is stepping down from the position he's held with such distinction for 18 years, is with us, together with Mrs. Genscher. Hans-Dietrich, now, where is he? I'm looking, looking, looking. Over here. [Laughter] Hans-Dietrich, thank you, sir, for your fantastic service, for your friendship, and for all you have done for our common good. We are delighted that you are with us.

To all our German friends, let me say that we rejoiced with you a year and a half ago as Germany was united once more in peace and freedom. At midnight, the exact moment when two countries became one, Berlin's liberty bell pealed triumphantly. And we were proud to share in the glory of that moment since the bell, a replica of our own Liberty Bell, was a gift from the American people offered in friendship and support.

Mr. President, those half million people crowded around the Reichstag that night will always remember the words that you proclaimed as the bell rang, and here it is: ``We want to serve world peace in a united Europe." Americans thrilled with you at that moment, we really did. And German unification, which for so long seemed so far away, so distant, was but one of the German miracles we've seen in our lifetimes.

There is, of course, Germany's legendary economic miracle. But I'm thinking of something else, your country's moral revival, of the patience and spirit of reconciliation that it took to create a climate of cooperation in a Europe burdened with bitterness.

Just as Germany has transcended and triumphed over its past, so has the German-American relationship shed the burdens that were history's legacy. United Germany, champion of a more united Europe, now stands as our partner in leadership. Together, we have achieved our common goal of a Germany united in peace and freedom. But our partnership did not end with that. To the contrary, now that we are free of the dangers and divisions of Europe's cold war confrontation, the German-American partnership has really just begun.

The world around us has changed almost beyond recognition. And we cannot know precisely where these revolutionary changes will take us. But this we do know: Our principles have not changed, for they have been proven right. And we are confident, for our shared values and unity of purpose have guided us through our past and will continue to guide us in our future.

Barbara and I speak proudly for this country when we call on everyone here to celebrate the promise our relationship holds. It's a relationship that this city, led by the Kennedy Center, whose Mr. Jim Wolfensohn is with us tonight, is commemorating with an unprecedented salute to 300 years of German culture, a festival under our joint patronage.

Now, in that spirit of cultural excellence, we have a present for you. There's a slogan in America, and it's particularly appropriate during a political year: If you want a friend, get a dog. [Laughter] And so in the spirit of enduring friendship, we'll give you the translation, the German translation. And I will now read it to you:

[At this point, President Bush read the German title of the translation of ``Millie's Book as Dictated to Barbara Bush'' which he presented to President von Weizsacker.]

And may I suggest that we all raise our glasses: To unity, to freedom, to the new Germany. And to the long life and good health of our honored friend, President von Weizsacker, and his wife, Mrs. von Weizsacker. To your health, sir, and to the great friendship between Germany and the United States.

Note: The President spoke at 8:30 p.m. in the State Dining Room at the White House.

Statement on the Verdict in the Los Angeles Police Trial

April 30, 1992

Yesterday's verdict in the Los Angeles police case has left us all with a deep sense of personal frustration and anguish. Yet it is important that we respect the law and the legal processes that have been brought to bear in this case. Today Los Angeles faces the aftermath of a terrible night of violence in which several people have lost their lives. Yet out of this rage we must find tolerance for each other and adherence to the rule of law that protects the lives and property of everyone. I call upon all citizens to be calm and to abide by the law as the legal process in this case continues. The civil rights of all Americans demand this respect.

I am meeting this morning with the Attorney General of the United States to consider this matter. We will work with Governor Wilson, Mayor Bradley, and others to ensure that all appropriate steps will be taken to maintain law and order and to ensure that the legal process proceeds with due deliberation.

Remarks on Civil Disturbances in Los Angeles, California

April 30, 1992

A tragic series of events have occurred in Los Angeles that include frustration over a verdict, the wanton destruction of property, and the senseless death of several citizens in the last few hours. I urge all Americans to approach this situation with calm, with tolerance, and with the respect for the rights of all individuals under the Constitution.

The United States Department of Justice will continue its criminal investigation of the police violence case in Los Angeles to ensure that the civil rights laws of our Nation are fully and equally applied. The Department of Justice has been monitoring this case since its inception, and as is customary in these kinds of situations, the Justice Department moved last night to accelerate the investigation that it started several months ago.

I have just met with the Attorney General of the United States to consider the Federal Government's legal course at this point and to review any other forms of assistance that we should provide the State of California and the city of Los Angeles. I also discussed these matters this morning with Governor Wilson and Mayor Tom Bradley and with other senior members of my administration. We are concerned about any question of excessive police violence, and we are equally concerned about excessive public violence.

The murder and destruction in the streets of Los Angeles last night and today must be stopped. Lootings, beatings, and random violence against innocent victims must be condemned. Society cannot tolerate this kind of behavior.

There are some principles of law and of behavior that should be repeated in these circumstances. First, we must maintain a respect for our legal system and a demand for law and order. Second, we have a right to expect a police force that protects our citizens and behaves in a responsible manner. Third, in the American conscience there is no room for bigotry and racism. And fourth, we have responsibilities as citizens of this democracy.

I want everyone to know that the Federal Government will continue to pursue its legal responsibilities in this case.

Thank you very much.

Note: The President spoke at 12:05 p.m. in the Briefing Room at the White House.

Message to the Congress Transmitting the District of Columbia Budget and Supplemental Appropriations Request

April 30, 1992

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the District of Columbia Government's 1993 budget request and 1992 budget supplemental request.

The District of Columbia Government has submitted two alternative 1993 budget requests. The first alternative is for $3,311 million in 1993 and includes a Federal payment of $656 million, the amount authorized and requested by the D.C. Mayor and City Council. The second alternative is for $3,286 million and includes a Federal payment of $631 million, which is the amount contained in the 1993 Federal budget. My transmittal of this District budget, as required by law, does not represent an endorsement of the contents.

As the Congress considers the District's 1993 budget, I urge continuation of the policy enacted in the District's appropriations laws for fiscal years 1989 - 1992 of prohibiting the use of both Federal and local funds for abortions, except when the life of the mother would be endangered if the fetus were carried to term.

George Bush

The White House,

April 30, 1992.

Statement by Press Secretary Fitzwater on the President's Meeting With President Richard von Weizsacker of Germany

April 30, 1992

The President met for approximately one hour with President Richard von Weizsacker of Germany, who is in the U.S. on a state visit. The discussion focused on the nature of the new partnership between the U.S. and united Germany. The President stressed our intention to maintain a strong presence in Europe, along with the importance of NATO and the North Atlantic Cooperation Council. He also reiterated our support for reforms and controlling nuclear weapons in Russia and the other republics. President Bush said it was important to reach an agreement on GATT soon and that he looked forward to addressing these and other issues at the upcoming G - 7 meeting in Munich.

Nomination of Robert L. Barry To Be United States Ambassador to Indonesia

April 30, 1992

The President today announced his intention to nominate Robert L. Barry, of New Hampshire, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador to the Republic of Indonesia. He would succeed John Cameron Monjo.

Since 1989, Ambassador Barry has served as Special Adviser for East European Assistance to the Deputy Secretary of State. Prior to this, he served as Deputy Director of the Voice of America at the U.S. Information Agency, 1987 - 89; and as the U.S. Representative to the Conference on Disarmament in Europe, 1985 - 87.

Ambassador Barry graduated from Dartmouth College (B.A., 1956) and Columbia University (M.A., 1962). He was born August 28, 1934, in Pittsburgh, PA. Ambassador Barry served in the U.S. Navy, 1957 - 60. He is married, has two children, and resides in Washington, DC.

Remarks to the Ohio Association of Broadcasters in Columbus, Ohio

April 30, 1992

Thank you, Fred, very much; all of you, Gene and Dale and Tom, for the greeting out here. Good afternoon. I'm pleased to be back for my third appearance before -- something about the Ohio Broadcasters.

I have a few remarks to make on a subject, but before that I want to comment just on the events that are concerning our country, building a little on comments I made earlier in a statement to the Nation about the news out of Los Angeles.

No one watching the television coverage of the violence yesterday afternoon and evening could have any reaction other than revulsion and pain. Mob brutality, the total loss of respect for human life was sickeningly sad. The frustration all of us felt seeing helpless victims pulled from vehicles and assaulted, it was hard not to turn our eyes away. But we must not turn our eyes away. We must keep on working to create a climate of understanding and tolerance and condemn a climate of bigotry and fear.

Last night was tragic for our country. It was tragic for the city of Los Angeles, for the people of east L.A. But there were small acts in all of this ugliness that give us hope: The citizens who ignored the mob, those who helped get the battered victims out of the area. There were people who spent the night in the churches. Many were seeking guidance in the wake of the unfolding chaos in the streets, praying that man's gentler instincts be revealed in the hearts of people driven by hate.

You say, ``What can we do?" Well, before leaving Washington I spoke to Governor Wilson; I spoke to Mayor Tom Bradley; I spoke to Ben Hooks and some others on this problem. I also gave this statement to the Nation regarding our plans at the Federal Government level regarding the court case. We have instigated an investigation under civil rights protection. We will do what we can from the Federal Government to help those small business people that have been just wiped out by wanton destruction. I will keep telling the country that we must stand up against lawlessness and crime wherever it takes place. Regrettably, what is happening in the city or did happen last night was purely criminal. It was outrageous, what happened. We are all sickened by what we saw.

On the larger issues, I've thought a lot about this. And say what you want, but it is important at a time like this to really talk about some old-fashioned values like respect for the others' rights, respect for property rights; manifest that respect in our actions as well as our words. We must make a compact with each other that we will not tolerate racism and bigotry and anti-Semitism

and hate of any kind, anywhere, any time; not over the dinner table, not in the board room, not in the playground, nowhere.

We must condemn violence. I make no apology for the rule of law or the requirement to live by it. And yes, in some places in America there is, regrettably, a cycle of poverty and despair. But if the system perpetuates this cycle, then we've got to change the system. We simply cannot condone violence as a way of changing the system.

So we ought to change. We ought to try hard, change the status quo. We've got to do it peacefully, and we've got to do it thoughtfully. I am very hopeful that calm can be restored to this very important part of our country and that good will will prevail over the hatred that we've seen in the streets in the last few hours.

I am now switching off to what I came here to talk to you all about. Let me just first say a word about this city and about the great man who gave his name to this city. Columbus dared to explore far beyond the horizons of his continent, and he discovered a new world. You talk about the vision thing, well, he had it.

Speaking of vision, we wouldn't be attending the broadcasters convention had it not been for the daring of scientific prodigies like DeForest and Marconi. We should keep in mind just how new this thing called broadcasting is. The same year that my dad was born right here in Columbus, Ohio, just a few blocks away on East Broad Street, Marconi invented radio. It either makes me very old or makes radio very young; I can't figure out which that is. [Laughter] But I'm sure there are many here who can remember when the first TV broadcast went on the air. I can remember the first TV set I had, a great big square-looking box with a little tiny yellow-colored window. It was made by Hoffman. I don't think it proved to be too successful because I don't think they're making TV sets anymore. But it wasn't that long ago.

Telecommunications is still in its infancy. I think that it's taking big steps now. As you look over the horizon at the future of this country in technology, the steps are going to be enormous. There's something bright and new in human history.

In addition to all this new technology, I think we can look at a whole other area and talk about the worldwide spread of freedom and democracy. Around the globe, nations are joining a movement in which the United States is the great pioneer. We are, never forget it, the unsurpassed leader. And for those who will have you believe that this country is in a state of decline, travel abroad and see the respect with which this country is held.

We've got to protect our freedoms. We've got to trust people with their freedoms. These form the core of our crusade to make this country stronger. A free economy will be a strong economy, and it will create more good jobs. We'll keep society healthy if we keep our family first, put family first. And by keeping our defenses strong, we're going to keep the peace.

I'm working hard to open world markets. Open trade will create more and better jobs for this country. It offers our consumers lower prices and more choices. Expanding trade is one of five programs for this country's future that I view as really top priorities.

We're working as well to revolutionize -- this is the second one -- to revolutionize, literally to reinvent our schools. Parents are leading the way. In community after community, they are standing up to the bureaucratic establishment; they're asserting their rights in their children's education. I salute Governor Voinovich, whose wife is with us here today, for the lead that Ohio is taking in achieving the goals of America 2000, our literally revolutionary education program.

We're working for fundamental reform of Government, including a balanced budget amendment. Now it has strong support on both sides of the aisle. Clearly, it has to be phased in. But there's a change in the country; people are saying we've got to do better. I support strongly term limits to make Congress much more accountable. I think the time has come for that. I also believe, and have submitted suggestions to the Congress for this rather revolutionary idea, that Congress ought to live by the laws that it passes, laws that affect others. It is no longer right to be separate.

The next category is, we are working to help the innovations and efficiencies of free market make quality health care available to all. I do not want to see us go to what they call a nationalized system or what some refer to as socialized medicine. We want to retain the quality of our health care, but we've got to give access to all, make insurance accessible to all. So we need to do that.

Then the last point I want to make is, we are fighting the explosion of nuisance lawsuits. Let's spend more time helping each other and less time suing each other. And that means we need to put some limits on these outrageous liability claims.

I might add that we are fighting hard to get the burdens of unreasonable Government regulation off the backs of the people. Regulation really imposes a hidden tax on every man, woman, and child in this country. In the State of the Union Address some 92 days ago, I lit a fire under our own administration's efforts for fundamental reform of Government regulation. This week we completed that 90-day moratorium that I ordered on new regulations. In just those 90 days we have completed or set in motion reforms that will save America $15 billion to $20 billion a year. And yesterday I ordered a 120-day extension on that moratorium, and I'm expecting many more achievements for freedom and for common sense.

Fundamental reform of regulation cannot be achieved overnight, and it's going to take a lot of tough, imaginative, patient effort. But I am totally committed to reforming regulation because the cost of inaction would be much more than we could bear. Think of some of the burdens and the contradictions that we already face.

Here in Columbus the city government has projected that over the next decade its cost of

compliance with Federal environmental regulations alone will be $1.6 billion. And that's $856 per household per year. Now, this is for a community whose entire city budget last year was $591 million. The share of the city's budget to meet these regulations stands to increase from 10 percent to 23 percent. Right now, Columbus is one of the most attractive places in the country for people to work and live. But I can't say things will stay that way if the cost of meeting Government mandates keeps going right out through the roof.

In Juneau, Alaska, a local charity, the St. Vincent de Paul Society, wanted to build an addition to its shelter for the homeless, also requiring more parking space. Unfortunately, the building project was delayed for a whole year because bureaucrats declared the site a wetland. Now, get this: The shelter is in the middle of town surrounded by concrete, dry concrete, I think, on a city block that includes two car dealerships, a plumbing store, and a storage business. There is something wrong with this picture. Obviously somebody in this episode was all wet, but it wasn't the real estate for the homeless shelter. I cite this as just the kind of example that we must fight against at the Federal level, that the local level must fight against, too.

Back here in Ohio, an unreasonable Federal regulation almost forced the closing of this health plan in Dayton that we call the Dayton Area Health Plan. George Voinovich called this to my attention, an innovative managed-care program designed to offer high quality care to some 43,000 Medicaid recipients in Dayton. Governor Voinovich and the Lieutenant Governor, Mike DeWine, who I did not introduce but who is with us here today, led the effort to change this inequity. Just this week I signed legislation granting an exemption for this Ohio reform initiative. I have confidence in the new ideas that Ohioans are developing on their own, and without the mandates from the know-it-alls in these subcommittees back in Washington, DC, or in our own bureaucracy. We don't do much for Americans' health when we put HMO's like the one in Dayton on the critical list.

It's stories like these that remind us what a visionary Alexis de Tocqueville was. A century and a half ago, a century and a half ago he warned that if Americans were not careful, Government would, and here's the quote, ``cover the surface of society with a network of small, complicated rules, minute and uniform, through which the most original minds and the most energetic characters cannot penetrate." This is de Tocqueville, coming over and taking a look at our society back then. I don't know what would happen to him if he took a look at it today.

We've heard the warning. We're fighting back. Our reform efforts are breathing new life into America's ability to compete, to innovate, and to create jobs. Every Federal agency that I asked to participate has responded with action to ease the burden of unnecessary regulation. From biotechnology to energy, to the banking field, and yes, to broadcasting and telecommunications, we are taking the shackles off of American enterprise.

Let me take this occasion to salute the FCC, Federal Communications Commission, for its actions to relax needless restrictions on ownership of radio stations. The FCC also has taken

action to allow competition among international satellite companies. Now, this will help reduce prices that Americans now pay on more than a billion telephone calls every year to other countries. These are very welcome reforms. Al Sikes, who is our Chairman, the FCC Chairman, believes in free markets, and he believes in innovation. It's clear to me that that is the right direction.

Looking forward, one can't help but see that new telecommunications technologies will revolutionize science, education, and the way we do business. They will be an important boon to families. The day is coming when mothers and fathers will be able to spend more time at home with their children even as they make ever more productive contributions to our economy. The predictions for doing work at home in a productive way are absolutely outstanding, amazing. I think you're going to see a whole new area build up for productivity.

In the same spirit as regulatory reform is privatization, facilities now run by government to be owned and operated by competitive enterprises, and thus serve the public more fairly and more efficiently. Today before I came out here to Columbus, I signed an Executive order that will give State and local governments more freedom to sell or lease their infrastructure to the private sector if they choose to do so. We hear complaints that America's infrastructure is crumbling and that States aren't putting enough money into expanding or repairing it. At the same time, many private companies want to invest in these projects. So our Executive order will remove impediments to competitive enterprises buying infrastructure assets; that means bridges or roads or housing and sewage treatment plants.

This initiative could generate billions of dollars in new investment and millions of new jobs. American business has the funds to invest in infrastructure and has the funds to expand it. Through today's actions we will help more people enjoy cheaper and better waste water treatment service by letting businesses with real market incentives do the job. We'll help low-income tenants buy their own housing. The dignity that comes with homeownership is a wonderful thing for our country. We're promoting competition that could dramatically reduce the cost of urban mass transit. The money that States will receive for selling these facilities will be used to build even more new needed infrastructure or to lower the States' debts or to cut your taxes.

Privatizing state enterprises is one of the great hopes for economic growth and rebirth from Mexico City to Moscow. Take a look at what's happened south of our border under the courageous President of Mexico, Carlos Salinas. Look at the many formerly government-owned entities that he has turned over to much more efficient operation in the private sector. There is an example from what Mexico is doing for us right here in the United States.

Same thing is true in Moscow. As I sit down with the leaders from the new Commonwealth of Independent States, and I'll be meeting very soon with Kravchuk and shortly after that with Boris Yeltsin, we are encouraging them to move to the very kinds of privatization that I'm

talking about here. I think you're going to find that they're doing it, and it's going to be highly successful. It offers them great hopes for recovery out of the economic morass that they're in right now.

So this idea presents many chances for positive change, change abroad and change right here in our own country. And they're opportunities, frankly, that we simply cannot afford to overlook. And of one thing I am certain: The status quo, the old thinkers are not going to yield on this without a fight. The special interest crowd will not like the agenda that I've outlined for you today. They think that Government ought to own more, not less. They think that Government ought to mandate more, not less.

When I meet with the Governors, and I've done that quite a few times since I've been President, all across party lines, all across ideological lines of conservative and liberal comes the cry from the Governors, ``Do not burden us with mandates coming out of some old-thinking subcommittee in the Capitol Hill of Washington, DC." We are determined to try to facilitate what the Governors want by giving them flexibility and saddling them with far fewer mandates. Washington hasn't changed much since you all have been there. It is swarming with noisy lobbyists for the old interests who want this highly centralized Federal Government and people who have never met a regulation that they didn't really like.

This is springtime, and a young man's thoughts turn, as does his radio dial, to baseball. So I thought I'd leave you with a favorite story. I don't know whether all these Yogi Berra stories are true or not; you know, ``Pair 'em up in threes," and things like that. [Laughter] In Yogi's hometown of St. Louis, the local people organized a celebration in his honor at the old Sportsman's Park. Yogi quavered with emotion as he stepped up to speak. ``First," he said, ``from the bottom of my heart let me thank all the people who have made this day necessary." [Laughter]

I think the point of the story is this: The freedom-loving people of this country, people of ingenuity and enterprise, people in leading-edge industries like your own, are not merely making renewal of limited Government possible; they're making it necessary. They're making it inevitable. Technological advance is accelerating so rapidly that the old guard can only hope in vain to keep up. We'll make intrusive and gluttonous Government a thing of the past. We've reached a turning point. And we're on the verge of watershed reforms to make Government stop stifling people who want to use their freedoms, their own freedoms, to create and to produce and to serve.

The day is coming when enterprisers and innovators like yourselves will lead us into these exciting new horizons. The day is coming when dreams not yet imagined will come true. I am confident about the years ahead. I know we've had difficult times, but I don't believe for one single minute that the United States of America is in decline. The future is tremendously exciting. And if we handle the technological change with the innovative manner I've outlined

here today, I believe we can usher in all kinds of new eras of prosperity for the working man and woman in this country.

Again, I'm confident of the years ahead. The big thing is to keep this Nation a champion of ideas and of opportunity and, with that first subject in mind, of justice. We can reform our schools and our courts and our health system, our very system of Government. And we can assure that when we reach the new century America will still be the strongest, the bravest, and the freest Nation on the face of the Earth.

It's good to be back with you. And thank you all very, very much.

Note: The President spoke at 3:12 p.m. at the Hyatt on Capitol Square. In his remarks, he referred to Anthony (Fred) Cusimano, association vice president and general manager; Gene D'Angelo, president and general manager, WBNS - AM/FM/TV; Dale Bring, association executive vice president; Thomas S. Stewart, vice president and general manager, WBNS - AM/FM; and Benjamin L. Hooks, executive director, National Association for the Advancement of Colored People.

Remarks at a Bush-Quayle Fundraising Dinner in Columbus

April 30, 1992

Thank you, George, and thank all of you. It's a great honor to be introduced by Governor Voinovich, a man I've known for a long, long time and with whom I've worked for a long, long time. And thanks for that introduction, and to Janet, my respects. Barbara sends her love. And let me say what a great job the Pickerington High School Tiger Band has done with us tonight. Thank you all very much once again; appreciate it very, very much. And thank you, Rabbi Huber, for the invocation. Mr. Stokes, thank you for leading us in the pledge. And may I salute Columbus' mayor, Greg Lashutka; and my old friend with whom I've worked in Washington, now doing a great job here, and who I want to see back in Washington, the Lieutenant Governor, Mike DeWine. Mike, delighted to see you; Fran, to you let me just say Barbara is looking forward very much to being at your house in the next few days, and so I'm glad to see you here.

And may I salute Bob Bennett, our State chairman, doing a superb job in that great Ohio organizational way. With me tonight is our national finance chairman for Bush-Quayle, Bobby Holt, from west Texas, and I want to thank him and our regional chairman, Dick Freeland; our Bush-Quayle State chairman and dinner chairman, Tim Timken, another old friend from whom we heard tonight. He is always out on the firing line doing a superb job for the President, but also for the party of Ohio. Nobody has done more, and I'm very, very grateful to him. And may I thank fundraiser extraordinaire Vinny Gupta, and I'd be remiss if I also didn't thank the Indian community. And also I don't know who is looking after the hospitals in Ohio tonight, but I feel very safe here tonight. [Laughter]

And Jim Rhodes, the man who fought the lonely battle in favor of the caribou up in Alaska, is here with us tonight. What a job he did serving this State. Jim, delighted to see you. What I'm referring to about those caribou, Jim was very far-sighted, recognizing that this country ought not to become more and more dependent on foreign oil and pointing out that a pipeline would not bring environmental disaster to Alaska. And he was absolutely right. He's been proven right. So you have a clairvoyant in your midst as well as an ex-Governor. Jim, I'm glad to see you.

Now, I was here just a week ago for the opening of AmeriFlora, and I want to congratulate Columbus. I see Mr. Wolfe sitting here, and he had some help on this. I know he's been in the forefront of it all, John, but what a job Columbus has done on this major international event.

I was here to commemorate a voyage 500 years old; made me think of the Democrats. They aren't impressed with such antiquity. Most of their ideas are older than that. [Laughter] While the Democrats build their agenda, literally, if you look at it, on timeworn policies, we have built the Republican agenda on timeless legacies, three underpinnings: good jobs, strong families, and George dwelled on this one a little, world peace.

Yes, it is campaign season. I've seen these seasons come and go. I've watched sound bites compete with sound policy, the battles of the bumperstickers and the war of words. But I believe democracy is more than that. During one political season in Great Britain, here's what Margaret Thatcher said: ``We were told that our campaign wasn't sufficiently slick. We regard that as a compliment." You see, I believe that elections are about more than winning people's votes; they're about winning the trust of the American people. And that's what I will try to do again come November.

I've watched candidates try to convince people that the sky is falling just so they can promise the moon. But our national symbol is not Chicken Little; it is the American eagle. Our national spirit isn't self-doubt; it is self-confidence, self-reliance. What is the American dream? It's a dream that we struggled to make come true.

Now, I know this, and we all know it, and we all feel it in our hearts: There are places in America where people are caught up in a tragic cycle of despair and poverty. But the answer to a system that perpetuates such a cycle is change, peaceful and thoughtful change. Tonight I call on every American to show restraint and to respect people's rights and property.

The violence that we saw last night wrenched our hearts. We saw it there in east L.A., and it must not be repeated. It was ugly, mob brutality, selfish attack, mob brutality, the ugliest kind. And TV cameras didn't capture it all by any means. According to Los Angeles fire officials, between the hours of midnight and 3 a.m., they were called to respond to an average of three new fires every minute. But worse, there were firemen, public servants, unheralded firemen risking their lives fighting arson, who were assaulted themselves, sometimes with gunfire, even with axes.

We must condemn violence. We must make no apology for the rule of law or the requirement to live by it. At the same time, we must not tolerate racism, bigotry, anti-Semitism, or hate of any kind, anywhere. Not over the dinner table, not in the board room, not on the playground, nowhere in America. We must stand together on that. When we're in troubled times, and these are, we must work to make the dream of such a society, just society, real for our children. I believe in my heart, I really believe that we can do just exactly that.

As President, I pledge to this Nation I will do what I can to heal the wounds. I will see that the law's enforced. When it comes under the responsibility of the President, yes, I'll do that. Society deserves that sense of order. But I will do my level-best to heal the wounds and to bring people together in the aftermath of the ugliness that we witnessed last night. A President should do no less.

Now, think of what we've accomplished, building on what George said, around the world. It is indeed inspiring. Years ago when we thought about the Soviet Union and Eastern Europe, we

dreamed of free people with freer markets and fewer bombs, and then we all worked to make that come true. I take great pride that it was American leadership that has diminished for our children the threat of nuclear war. No longer do they go to bed at night worrying about whether we're going to be caught up in a nuclear holocaust. That is big; that is important, significant change for the whole world. I am proud to have been a part of it.

For our neighbors in South America, we envisioned peace and democracy. Now we are on the threshold of an entirely free and democratic hemisphere. When the Iraqi nightmare threatened to engulf the Middle East, America protected the people of Israel and Turkey and Saudi Arabia and helped liberate that small country of Kuwait. In the process we turned what had been the mirage of 44 years into an oasis of hope. We brought Arab neighbors, in something that is truly historic, face to face with Israel for the first time, for the first step towards peace.

There were those that said that the defeat of communism, the liberation of the oppressed, the triumph of democracy, that all these things were nothing but a dream. They were right. It was an American dream.

America helped create a world of freer people and freer markets. That has brought greater prosperity, but it's also brought greater competition. There's good news: All around the world more and more people are buying American. Our exports shot up 7 percent in February to a record high of almost $38 billion. That's bad news for this Chicken Little mentality, but that's good news for America. It sums up words that will help chart a new American destiny: If we are to succeed economically at home, we have to lead economically abroad. We are not going to pull back into some isolationistic or protectionist mood as long as I am President of the United States.

You see, by expanding trade with other countries, we expand opportunity within our own. And sure, the competition's tough; we know that. But the answer isn't to build up trade barriers; it's to get other countries to tear down theirs. Last week I met with the heads of Europe's Common Market, Mr. Cavaco Silva and Mr. Delors, to talk about the world trade negotiations. If these negotiations succeed, an agreement could pump $5 trillion into the global economy over the next 10 years, with the U.S. share topping $1 trillion.

We're also working on our southern trade front with negotiations on what we call NAFTA, the North American free trade agreement, an agreement that would increase trade with Mexico by billions of dollars and create good American jobs right here in the State of Ohio. This agreement isn't about good politics; it's about good policy and good American jobs. And I have faith in open trade because I have faith in the American worker. And when trade is free and fair, the American worker can beat the competition fair and square, outwork, outhustle any worker anywhere in the world.

Fair competition, though, doesn't just mean playing by the same rules, it means competing with

the same tools. I'm talking about the cost of capital. Tough competition from Germany, no capital gains tax there; Japan, an entrepreneur who sells the company he's built from scratch pays a tax of one percent. A low capital gains tax rate encourages investment, and that means new jobs.

When I listen to our critics rail against capital gains and then turn around and complain about foreign competition, it makes me think of someone who would price eggs at $100 a carton and then complains that no one wants to make omelets. A lower capital gains rate wouldn't just benefit someone who runs a business, it would help people who own homes or farms or simply seek better jobs. It's time to quit playing politics with this issue and cut the capital gains tax. And I will keep pushing the Congress to do just that.

While they're at it, I'd like to see them pass my first-time homebuyers credit -- it would stimulate the housing market -- and our investment tax allowance that would stimulate investment in our productive machinery in this country. We're going to keep on trying to get that through Congress in spite of this election year.

If America is to remain truly competitive, we've got to stop regulating our businesses out of business. Washington really doesn't understand the deadly process that can turn redtape into pink slips. And here in Columbus, the city government -- the Mayor knows this -- they have projected that over the next decade the cost of complying with Federal environmental regulations alone would be $1.6 billion. That's for a community whose entire city budget last year, Greg, was what, $591 million?

It's time to put a stop to costly, counterproductive regulations. In January I announced a 90-day moratorium in that State of the Union Message -- that was what, 92 days ago -- moratorium on Federal regulation. We blocked regulations that hurt growth and speeded up regulations that help growth, and our efforts have paid off. Just since January the reforms we've set in motion will save consumers $15 billion to $20 billion a year. That is a saving of $225 to $300 a year for the average American household, and that is just the beginning. It is not being done to put worker safety at risk or the environment at risk. Wednesday, I ordered a 120-day extension of the moratorium on new regulation. And I put Congress on notice, telling them that I will veto any bill that attempts to put excessive new burdens of regulation on the backs of our families, our consumers, our workers, and our businesses. There will be no return to business-as-usual in the field of regulation.

I know there's been a lot of talk about change in this election year. Most of it has been just talk. But that's not good enough if we're going to build a truly better America. I've called for reform. More importantly, I've acted with far-reaching proposals for reform, and George generously referred to one of them: education, also in health care, in our courts, and in our campaigns. We've won our battles, but we've not yet won the war. Too often, in too many ways, Congress and an army of special interests have stood in the way of change. They're not interested in

reform. They stand squarely behind the status quo. They may be powerful. They may be influential, too. They may be well-connected. But let me tell you this: They are wrong. They are not going to stand in the way of bringing the kind of change that American people want.

First, our legal system: Volunteers -- and everyone has a horror story on this -- volunteers are afraid to volunteer, doctors are afraid to deliver babies, parents afraid to coach Little League, all because of the fear of lawsuits. And that's wrong. People should spend more time helping each other and less time suing each other. That's why we've introduced proposals to reform our legal system. And sure, the system's complicated, and yes, people's rights must be protected. But the system needs reform, and we are not going to let any powerful lobby stand in the way. This is going to the American people to be decided in November if I can't get action by the Congress this summer.

Second, in education, our America 2000 reforms are gaining steam, break-the-mold schools, national standards and testing, community by community. And whether it's among public schools or private schools or religious, parents deserve the right to choose their children's schools. It's a giant undertaking to change the Nation's education system, but we are going to do it with or without a note of approval from the NEA or the Congress. Fortunately, much of our America 2000 program can be decided by the people in the communities. This is happening with Ohio 2000.

Third, health care: No one should have to go broke just to get better. That's wrong, and it's got to change. While our health care is still the finest quality in the world, too many people can't qualify for health insurance or simply cannot afford it. Some say the answer is what they call nationalized health care. Ask the Canadian waiting months for critical surgery; ask him what he thinks of that idea. Our health care proposal is comprehensive. It opens access. It lowers cost. But it does not and will not lower the quality of American hospital care. National health care is a prescription for national disaster. We cannot let that happen, but we will fight to pass the new program that I favor.

In these and so many areas that demand reform, our Government can play a positive role. I figured this out the other day, as we get into the campaign: One half of my adult life has been spent in the private sector, working for a living, and one half in the government. I think I'm working for a living, but it's different, believe me. One half in the private sector, one half in government, and I've seen this country change, sometimes for the better, and yes, sometimes for the worse. You need to know what needs to be changed. Change, as I said, for change's sake, that's meaningless. It takes more than happy talk, more than lip service to reform and then full service to special interests.

The Democratic Party, I am convinced, will always revert to form, attacking problems by creating programs. They don't understand that people want a return to some old-fashioned values like responsibility, accountability. When it comes to Government, the American people know as

Government tries to do more and more, it ends up, regrettably, delivering less and less. And next year the Federal Government will spend $1.5 trillion. There's just no question about it: The Federal Government is too big, and it spends too much. We must get control of the deficit, and that is going to take some tough medicine for the American people and for everybody. But it is essential for the children of this country.

In conclusion let me say this: Major reforms are in order. So the fourth reform of this reform agenda is about Government. First, it's time -- I really believe this one, and I served in the United States Congress -- for the Congress to govern itself by the same laws that it imposes on others. They must abide by the same laws that you and I do. And yes, it is time for sweeping campaign reform. But real reform is not saddling the taxpayer with the cost of congressional campaigns. It's time for real spending reform, time for the President to have what 43 Governors have. Give me that line-item veto, and see if we can't save a little money for the hard-working American taxpayer.

And the President's term is limited, and I think it's time to limit the terms for Members of the United States Congress. It will keep them closer to home. So I favor six 2-year terms for the Congress and two 6-year terms for the Senate. And I really believe it would keep Government more active, more vital, and closer to the people.

Thomas Jefferson knew, and here was the quote, ``The people are the only sure reliance of our liberty." The people are the only sure reliance of our liberty. That's why you're here today. You're not among the cynics because, you know, I think you still feel you can make a difference. Think of a littered park; you clean it up one piece at a time. Then think of our Government; we can reform it, one vote at a time. And it makes a difference. I've been trying for 3 years to effect fundamental change in these fields, whether it's tort reform or education reform or whatever. And I'm going to keep on trying.

You might ask, ``But why should we care?" It's the age of cynicism. Because this Government, just like a public park, isn't just something we inherited from our parents. It's something we borrow from our children.

And I know this country, as you do. America's got a heart of gold. We've got a will of steel. It's honest, and it's generous, and it's good. With your help, it's about to become even better.

Thank you all very much. And on this troubled night, may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 8:10 p.m. in the Lausche Building at the Ohio State Fairgrounds. In his remarks, he referred to Rabbi Gary Huber of Bath Tikvah Temple and Dewey Stokes, president of the National Fraternal Order of Police.

Remarks at the Great American Workout

May 1, 1992

Welcome, all, to the White House. And let me tell you how much I appreciate this wonderful display of fitness, something so important to our country. May I start off by saluting Secretary Sullivan, who I don't see, who's going to be with us in a minute; Chairman Schwarzenegger, of course. Where's Lou? Over here, suited up. [Laughter] And thank Barbara Mandrell and members of the President's Council on Physical Fitness and the National Fitness Leaders Association; and of course, Milton Berle and Bob Saget; Mary Lou Retton, an old friend; Peter Vidmar; Chris Evert; Lauri Single, National Fitness Director of the Year; and on and on it goes.

Welcome to the White House and to an event which kicks off National Fitness Month. That's the third Great American Workout. It's a special pleasure to be introduced by a friend, a man who embodies this event, the Chairman of the President's Council on Physical Fitness, Arnold Schwarzenegger, who literally has done a superb job, going to every single State in the Nation on his own to take this message of fitness to everybody. We're very grateful to him.

As I told Arnold earlier, I am sorry to have to cut short my participation in this great event. I hope you can understand; I am going to be getting, at 7:15 a.m., an update on the situation that troubles the whole country, the situation in Los Angeles, meeting with the Attorney General and the head of the FBI. Then we'll be meeting with some of our outstanding civil rights leaders to discuss our common commitment to justice, civil tranquility, and the rule of law.

But before I go, let me just say a few words about this important issue of fitness. Arnold, as I mentioned, or didn't, maybe, but yesterday he visited the 50th State out there in Ohio as Chairman. And he's spreading the word that each of us has a stake, a serious stake in making exercise a part of America's fitness and fitness a part of each American day.

When we see these workout stations, which I was privileged to participate in last year, you can understand it more clearly. Even a special workout to honor true heroes has been set up, and those are representatives of the Special Olympics. We welcome them back to the White House again. They set a great example for kids around this country.

Part of his message is that we need balanced and nutritional diet. And we've got to avoid tobacco and drug use, avoid excessive alcohol use. And fitness really can enrich the human mind and body by lowering stress and blood pressure and cholesterol.

We also have to act on another front by putting new emphasis on quality physical education in our schools. Arnold has pointed out to me that only one State, Illinois, gives daily physical education for K through 12. And that's the only State giving it, thus, the priority that it really deserves. Now, we've got to change that. So let's make it 50, just as our Chairman has done by

going to 50 States.

A man with us, a special man, knows all about fitness. He knows that an American that is physically and mentally fit is fit to take on the world. And at 83 -- sorry about that, Milton -- [laughter] -- Milton Berle still rides his stationary bike, he does a lot of walking, he punches a heavy bag, and he maintains a healthy diet. So no wonder he's just been named a special adviser to Arnold. I welcome his leadership, showing that nobody, put it this way, is too old to stay fit.

So to Milton and to Arnold and all of you, my thanks for what you've done. Thanks for showing the Nation what fitness means. And I hope you enjoy the Great American Workout. I arranged for the weather here. [Laughter] And I know you'll enjoy the program which follows on the main stage, starring the famous and wonderfully generous Harlem Globetrotters. We welcome them. We have a basketball court down there. And I got a lot of laughs when I threw the basketball with Duke the other day. But the difference is these guys are funny on purpose. [Laughter]

So thank you all. And Arnold, once more, my heartfelt thanks for what you're doing in leading this country to new levels of fitness. Now I must leave, but Barbara's going to join in, so she will demonstrate the Bush family commitment to work out, every station, 20 minutes at each one.

Note: The President spoke at 7:04 a.m. on the South Lawn at the White House.

Remarks at the Points of Light Awards Ceremony

May 1, 1992

Please be seated. Well, thank you, and welcome to the East Room. Barbara and I are very proud to be here with such an impressive group. And may I single out our truly special guest, Michael Jackson. I haven't seen so much excitement around here since Gorbachev came for the first time. Today we also want to extend a particularly warm welcome to members of our Cabinet, Dr. Lou Sullivan, Secretary Martin, and to the judges of this year's award: our ACTION Director, Jane Kenny; Rabbi Naiman of the Council of Jewish Organizations; our distinguished Surgeon General, Dr. Antonia Novello; James Renier, chairman and CEO of Honeywell; and thanks to Anita Baker and Frances Hesselbein who couldn't, regrettably, be with us today.

My special thanks to the Points of Light Foundation and to ACTION for their help with these awards. And welcome, also, to the board members of the Commission on National and Community Service. And the warmest welcome to you all who make up the very heartbeat of our country, our volunteers. And a special welcome to our guest presenter today, a friend, our unparalleled Olympic golden girl, Florence Griffith Joyner. Thank you for being with us.

Flo-Jo is here, and she's in reasonably good shape, but where's your husband who's trying out for -- Al, right here, sitting down here. Got to give the man equal time. But we're delighted he's here. Flo-Jo wants everyone to work out, and she's targeted lazy Americans. [Laughter] I don't know why you're laughing, all of you, but anyway I guess with all this PC talk we should call them exertionally challenged. And she is going to wipe out couch potatoes, and I'm going to get her started on broccoli.

I am here today to talk about something that's really very personally important to me and Barbara. You all know I love music, Anita's always been a favorite. And I especially love country music because it gets to the heart of the basic decency and compassion and heartbreak of people who are proud to call themselves Americans. Well, Randy Travis has a line in one of his songs, called ``Points of Light'' incidentally, that's like a spotlight on an answer for us. And he sings, ``There are dreamers who are making dreams come true, giving hope to those without. Isn't that what this land's all about.'' I'm sure most of you have heard that song. But those are profound words.

And you see, for all the good that Government can do, and it can do some good, to solve our country's social problems, we need people. We need every individual to respond to the problems right around them. And when each American is no longer willing to accept that someone on their street or someone in their town is homeless or jobless or friendless, then that's when we will truly renew America, when everybody understands that they're going to help their neighbor.

We already have shining heroes in this quest, and I call them Points of Light, as you know; I

think everyone does now. And that's the name of Randy's song. And there are Americans in towns and cities just like yours across the land discovering that service to others is a rich source of meaning in life. And I honor these men and women and children for showing the better angel of their nature by volunteering to help others. They sum up the great and generous land that we have. They see the genius of this land and ordinary people doing extraordinary things.

Day in and day out, these Americans wage our war for human life and dignity. And they don't say, ``This is why I can't help." They say, ``This is why I can." And they say, ``Maybe I don't have money, but I have time," and ``Maybe I can't help someone build a house, but I'm a good listener; I care." And we celebrate that spirit. Whoever you are, you have something to share. For Americans are the greatest natural resource of this, the greatest Nation on Earth. And I am proud to be here for this very special, very important event.

We come together today at the culmination of National Volunteer Week, honoring the millions of Americans who transform communities across the country through voluntary service. In particular, for the 11th year, we recognize with these awards the inspirational example of people who meet a simple three-part test. One, they looked around. Two, they saw a need. And three, they filled it.

What a cross section of wonderful Americans are represented here today among these 21 winners of the 1992 President's annual Points of Light award. There are individuals like my seatmate -- all but one -- at the luncheon, 17-year-old Robert Zamora who created the Getting Busy Teen Club as an alternative to gangs in east Los Angeles. And there are businesses like IBM which gives its employees encouragement and time off to volunteer, and 90,000 of them do.

And our winners represent neighborhoods, places of worship, every kind of group across this broad and good land. They and all the others like them are shaping a Nation whose goodness grows out of the small acts of consequence made by many people.

America's pioneer days are not behind us. And we still have frontiers left to cross, the thrill of adventure yet to discover, an American renaissance yet to speak. I believe there are five core elements of the new America which are reflected in the award categories. And let me just share with you how some of our award winners are drawing us closer to each goal.

First, I believe every community must have excellent schools and a culture that fosters lifelong learning. Well, Kentucky's Berea College students saw a critical need right around them in the Appalachia, and so they volunteered as mentors and tutors to tutor grade school kids all the way up through adults struggling to overcome illiteracy. It started with the young, worked right on through those illiterate adults who needed help.

Second, every community must be a decent, drug-free, and safe place to live. Well, 1,800

members of the Emmanuel Reformed Church saw the need around them, joined with their city of Paramount, California, and started tackling the crises that threatened their neighborhood, like gangs and illiteracy and crime.

A third one: Every American community must offer quality health care for all. Well, 24 labor unions out in Omaha saw the need of families whose children were hospitalized for transplant operations. So, these unions joined together to buy a building, and then more than 500 skilled union volunteers renovated it to house these families.

The fourth example: Every American community must offer its members the hope of good jobs with a future. Well, Urban Miyares can tell you firsthand about this need. A Vietnam vet who became blind, he found there were no business counseling services available to people like him, and he received training and now volunteers to provide job counseling to people with disabilities.

And the fifth one: Every American community must be a place with a commitment to children, youth developing good character and values, and strong families. A Pennsylvania group called Magic Mix saw the needs of two generations and brought latchkey kids and at-risk students together with residents of local nursing homes who tutor, teach, and befriend them.

With role models like these, I am confident that together we can shape our future, not through our fears but through our dreams. And yes, we're going to continue to work for legislation to make this a safer America, fairer America, a better educated America, a more efficient America. But the most important legacy of all is one that each person in this great country can help create, the legacy of a more caring America.

Now, look closely at our world. People say the problem is crack or crimes or babies having babies. Those are only symptoms. The problem is a moral emptiness. And if, as President, I had the power to give just one thing to this Nation, it would be the return of an inner moral compass, nurtured by the family and valued by society. This compass would guide us to value every life. It would show us that each life lost to despair really devalues us all. And it would remind us that caring and conscience are what make us human.

So, let's make this National Volunteer Week an extraordinary moment in our Nation, our communal commitment to a true American renewal. And I urge each of you to step forward, to take this country's future in your own hands and become a Point of Light. And I ask leaders of businesses, places of worship, schools, neighborhoods, other organizations to lead their members toward the bright goal of service.

Wherever people from all walks of life work together and claim their community's problem is their own, they create communities of light to guide this Nation's path. As you cross this land, I'd ask you to remember some special words. Recently, Barbara and I had the magnificent honor of

meeting Mother Teresa again. Her very life speaks only of service to others. And I was touched by her words. She said, ``It is not how much we do, but how much love we put into it.'' May Americans continue to put love into all our works.

Bar joins me in saying congratulations to you and the millions more like you across America for what you do. You are an example for the rest of this country. And may God continue to bless this wonderful Nation in these troubled times.

And now, Barbara and I will present the awards, and I will ask Flo-Jo to come up here to do the honors and read the citations. Florence, all yours.

[At this point the awards were presented.]

Let me just say I want to now turn to the last item on the program, and I want to give special thanks to Michael Jackson for being here to help honor all of you today. Michael's work with disadvantaged young people and those with disabilities reflect his profound commitment to children. And I am delighted to recognize him as a Points of Light ambassador.

Michael, we wish you well, sir, as you bring light into children's lives, something you feel so strongly about as part of the Points of Light movement. And now, I want to put you on the spot. If you'd like to say a few words, the floor is yours, and we welcome you.

Note: The President spoke at 1:25 p.m. in the East Room at the White House. In his remarks, he referred to entertainers Michael Jackson and Anita Baker; Frances Hesselbein, president and chief executive officer, Peter F. Drucker Foundation for Nonprofit Management; and U.S. Olympic gold medalists Florence Griffith Joyner and Al Joyner.

Nomination of Adrian A. Basora To Be United States Ambassador to Czechoslovakia

May 1, 1992

The President today announced his intention to nominate Adrian A. Basora, of New Hampshire, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador to the Czech and Slovak Federal Republic. He would succeed Shirley Temple Black.

Currently Mr. Basora serves as a senior research associate at the Center for the Study of Foreign Affairs of the Foreign Service Institute in Arlington, VA. Prior to this, he served as Director of European and Soviet Affairs for the National Security Council in Washington, DC, 1989 - 91; and as Deputy Chief of Mission at the U.S. Embassy in Madrid, Spain, 1986 - 89. From 1983 to 1986, he served as a Political Counselor at the U.S. Embassy in Paris, France.

Mr. Basora graduated from Fordham University (A.B., 1960) and Princeton University (M.P.A., 1962). He was born July 18, 1938, in New York, NY. Mr. Basora is married, has one child, and resides in Washington, DC.

Statement by Press Secretary Fitzwater on Relaxation of Restrictions on Exports to Hungary

May 1, 1992

We welcome the decision by the Coordinating Committee of Multilateral Export Controls (COCOM) to remove Hungary from the list of proscribed destinations, effective today. COCOM's action is part of the ongoing efforts to liberalize COCOM controls in light of our dramatically changed world.

Hungary is the first country ever to be removed from the COCOM list. This is a tribute to Hungary's democratic transition and its adoption of safeguards on the use or transfer of controlled technologies. The U.S. cooperated closely with Hungary in the design and implementation of its export control safeguard system. As a consequence of COCOM's decision, Hungary will have access to more sophisticated levels of Western technology that are important to its economic modernization. U.S. exporters will benefit from the relaxation of these licensing restrictions on exports to Hungary.

Appointment of Clayton S. Fong To Be Deputy Assistant to the President for Public Liaison

May 1, 1992

The President announced the appointment of Clayton S. Fong as Deputy Assistant to the President for Public Liaison. He will succeed Sichan Siv.

Since June 1991, Mr. Fong has served as Deputy Director of the Office of Consumer Affairs at the Department of Health and Human Services. Prior to this, Mr. Fong served as a Deputy Associate Director of Presidential Personnel at the White House, 1989 - 91. In 1984, he served as California Governor George Deukmejian's liaison to the Asian communities statewide, and subsequently served as deputy appointments secretary. Mr. Fong also served as the northern California field director of the California Republican Party, January to December 1984; director of the Bay Area child health network, 1983 - 84; and research fellow and legislative liaison at the Institute of Health Policy Studies, 1982 - 83.

Mr. Fong graduated from the University of California, Berkeley, in 1982. He was born May 18, 1959, in San Francisco, CA. Mr. Fong is married to Nancy Lem Fong and lives in Silver Spring, MD.

Address to the Nation on the Civil Disturbances in Los Angeles, California

May 1, 1992

Tonight I want to talk to you about violence in our cities and justice for our citizens, two big issues that have collided on the streets of Los Angeles. First, an update on where matters stand in Los Angeles.

Fifteen minutes ago I talked to California's Governor Pete Wilson and Los Angeles Mayor Tom Bradley. They told me that last night was better than the night before; today, calmer than yesterday. But there were still incidents of random terror and lawlessness this afternoon.

In the wake of the first night's violence, I spoke directly to both Governor Wilson and Mayor Bradley to assess the situation and to offer assistance. There are two very different issues at hand. One is the urgent need to restore order. What followed Wednesday's jury verdict in the Rodney King case was a tragic series of events for the city of Los Angeles: Nearly 4,000 fires, staggering property damage, hundreds of injuries, and the senseless deaths of over 30 people.

To restore order right now, there are 3,000 National Guardsmen on duty in the city of Los Angeles. Another 2,200 stand ready to provide immediate support. To supplement this effort I've taken several additional actions. First, this morning I've ordered the Justice Department to dispatch 1,000 Federal riot-trained law enforcement officials to help restore order in Los Angeles beginning tonight. These officials include FBI SWAT teams, special riot control units of the U.S. Marshals Service, the Border Patrol, and other Federal law enforcement agencies. Second, another 1,000 Federal law enforcement officials are on standby alert, should they be needed. Third, early today I directed 3,000 members of the 7th Infantry and 1,500 marines to stand by at El Toro Air Station, California. Tonight, at the request of the Governor and the Mayor, I have committed these troops to help restore order. I'm also federalizing the National Guard, and I'm instructing General Colin Powell to place all those troops under a central command.

What we saw last night and the night before in Los Angeles is not about civil rights. It's not about the great cause of equality that all Americans must uphold. It's not a message of protest. It's been the brutality of a mob, pure and simple. And let me assure you: I will use whatever force is necessary to restore order. What is going on in L.A. must and will stop. As your President I guarantee you this violence will end.

Now let's talk about the beating of Rodney King, because beyond the urgent need to restore order is the second issue, the question of justice: Whether Rodney King's Federal civil rights were violated. What you saw and what I saw on the TV video was revolting. I felt anger. I felt

pain. I thought: How can I explain this to my grandchildren?

Civil rights leaders and just plain citizens fearful of and sometimes victimized by police brutality were deeply hurt. And I know good and decent policemen who were equally appalled.

I spoke this morning to many leaders of the civil rights community. And they saw the video, as we all did. For 14 months they waited patiently, hopefully. They waited for the system to work. And when the verdict came in, they felt betrayed. Viewed from outside the trial, it was hard to understand how the verdict could possibly square with the video. Those civil rights leaders with whom I met were stunned. And so was I, and so was Barbara, and so were my kids.

But the verdict Wednesday was not the end of the process. The Department of Justice had started its own investigation immediately after the Rodney King incident and was monitoring the State investigation and trial. And so let me tell you what actions we are taking on the Federal level to ensure that justice is served.

Within one hour of the verdict, I directed the Justice Department to move into high gear on its own independent criminal investigation into the case. And next, on Thursday, five Federal prosecutors were on their way to Los Angeles. Our Justice Department has consistently demonstrated its ability to investigate fully a matter like this.

Since 1988, the Justice Department has successfully prosecuted over 100 law enforcement officials for excessive violence. I am confident that in this case, the Department of Justice will act as it should. Federal grand jury action is underway today in Los Angeles. Subpoenas are being issued. Evidence is being reviewed. The Federal effort in this case will be expeditious, and it will be fair. It will not be driven by mob violence but by respect for due process and the rule of law.

We owe it to all Americans who put their faith in the law to see that justice is served. But as we move forward on this or any other case, we must remember the fundamental tenet of our legal system. Every American, whether accused or accuser, is entitled to protection of his or her rights.

In this highly controversial court case, a verdict was handed down by a California jury. To Americans of all races who were shocked by the verdict, let me say this: You must understand that our system of justice provides for the peaceful, orderly means of addressing this frustration. We must respect the process of law whether or not we agree with the outcome. There's a difference between frustration with the law and direct assaults upon our legal system.

In a civilized society, there can be no excuse, no excuse for the murder, arson, theft, and vandalism that have terrorized the law-abiding citizens of Los Angeles. Mayor Bradley, just a few minutes ago, mentioned to me his particular concern, among others, regarding the safety of

the Korean community. My heart goes out to them and all others who have suffered losses.

The wanton destruction of life and property is not a legitimate expression of outrage with injustice. It is itself injustice. And no rationalization, no matter how heartfelt, no matter how eloquent, can make it otherwise.

Television has become a medium that often brings us together. But its vivid display of Rodney King's beating shocked us. The America it has shown us on our screens these last 48 hours has appalled us. None of this is what we wish to think of as American. It's as if we were looking in a mirror that distorted our better selves and turned us ugly. We cannot let that happen. We cannot do that to ourselves.

We've seen images in the last 48 hours that we will never forget. Some were horrifying almost beyond belief. But there were other acts, small but significant acts in all this ugliness that give us hope. I'm one who respects our police. They keep the peace. They face danger every day. They help kids. They don't make a lot of money, but they care about their communities and their country. Thousands of police officers and firefighters are risking their lives right now on the streets of L.A., and they deserve our support. Then there are the people who have spent each night not in the streets but in the churches of Los Angeles, praying that man's gentler instincts be revealed in the hearts of people driven by hate. And finally, there were the citizens who showed great personal responsibility, who ignored the mob, who at great personal danger helped the victims of violence, regardless of race.

Among the many stories I've seen and heard about these past few days, one sticks in my mind, the story of one savagely beaten white truck driver, alive tonight because four strangers, four black strangers, came to his aid. Two were men who had been watching television and saw the beating as it was happening, and came out into the street to help; another was a woman on her way home from work; and the fourth, a young man whose name we may never know. The injured driver was able to get behind the wheel of his truck and tried to drive away. But his eyes were swollen shut. The woman asked him if he could see. He answered, ``No." She said, ``Well, then I will be your eyes." Together, those four people braved the mob and drove that truck driver to the hospital. He's alive today only because they stepped in to help.

It is for every one of them that we must rebuild the community of Los Angeles, for these four people and the others like them who in the midst of this nightmare acted with simple human decency.

We must understand that no one in Los Angeles or any other city has rendered a verdict on America. If we are to remain the most vibrant and hopeful Nation on Earth we must allow our diversity to bring us together, not drive us apart. This must be the rallying cry of good and decent people.

For their sake, for all our sakes, we must build a future where, in every city across this country, empty rage gives way to hope, where poverty and despair give way to opportunity. After peace is restored to Los Angeles, we must then turn again to the underlying causes of such tragic events. We must keep on working to create a climate of understanding and tolerance, a climate that refuses to accept racism, bigotry, anti-Semitism, and hate of any kind, anytime, anywhere.

Tonight, I ask all Americans to lend their hearts, their voices, and their prayers to the healing of hatred. As President, I took an oath to preserve, protect, and defend the Constitution, an oath that requires every President to establish justice and ensure domestic tranquility. That duty is foremost in my mind tonight.

Let me say to the people saddened by the spectacle of the past few days, to the good people of Los Angeles, caught at the center of this senseless suffering: The violence will end. Justice will be served. Hope will return.

Thank you, and may God bless the United States of America.

Note: The President spoke at 9:03 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television. The proclamation and Executive order on law and order in Los Angeles are listed in Appendix E at the end of this volume.

Exchange With Reporters Prior to a Meeting With Cabinet Members

May 4, 1992

Federal Aid to Cities

Q. Mr. President, what hopes do you have for any long-range help for urban areas like Los Angeles?

The President. We have some very good proposals out on the table right now, proposals that clearly have come of age. But we're going to be talking about that today and tomorrow. Today we're probably going to think more about what we can do immediately in the aftermath of this violence. And then tomorrow, we'll put it in a little longer term perspective.

But I'm very pleased that it's calmed down out there. And we will do everything we can to support the people out there, to make things tranquil, and then to help get to the core of the problems.

Q. Do you intend to visit any of the damage sites?

The President. We're talking now about the schedule. It will probably change from what had been planned. As you know, I planned a trip out there for some time, so it fits in very nicely. And we had a briefing this morning from the Attorney General, who's here, Deputy Secretary of Defense, and Dave Jeremiah about the Federal presence on the ground and the state of play on the ground. And now we're going to be talking with our top people here as to how our various Cabinet Departments can assist. And then we'll have people going out there, and by Thursday a schedule will be worked out where I will be able to meet with the key participants in this recovery and those who also have responsibility for the long run.

Q. Are you saying, Mr. President, you have no idea what the core of this problem is?

The President. No, I'm not -- didn't say that at all, Helen [Helen Thomas, United Press International]. I don't know how you could conclude that from what I just said. We have some very good ideas that we have out there that would have been extraordinarily helpful if they'd been put into effect. We think homeownership is a very good concept, and we've been fighting for it for a long time. So it's not that we have no idea whatsoever. I don't imagine how you could have concluded that from what I just said.

Q. You said you were going to look into the core of it.

The President. Well, we don't think we know all the answers. And I think you learn from every incident. As history shows, that after each one of these uprising, these things that have happened, people have taken a look to see what they could do to help. And certainly we're willing to do that. I feel obligated to do that. And it's not like we have no idea whatsoever. If people had listened to some of our Cabinet Departments up on the Hill, we might be a little further along.

Q. How soon would you hope to see U.S. troops out of Los Angeles?

The President. I want to go to work here. Thank you very much.

Note: The exchange began at 9:15 a.m. in the Cabinet Room at the White House. In his remarks, the President referred to D.E. Jeremiah, Vice Chairman of the Joint Chiefs of Staff.

Remarks at the Unveiling Ceremony for the Portrait of House Republican Leader Robert Michel

May 4, 1992

Thank you all very much. This is a wonderful occasion, and we need more like it. And may I salute the Chaplain of the House, Jim Ford, thank him for the invocation. I thought he was giving a speech out there, but it was a fine invocation; delighted to see him.

Of course, being with Bob Dole and Tom Foley and Dan Rostenkowski in this friendly, wonderful setting is very, very special. And we're here to honor our beloved Republican leader. I am glad to be here. Whenever you hear about somebody being done in oil in this town, you can't be sure that that means painting or boiling. [Laughter] But today it means honoring.

And I will confess it took me a while to convince Bob that it's an honor to be framed in Washington and hung in the Capitol. [Laughter] But before the portrait is hung, Bob wanted to make sure it would do what the Speaker talked about, play in Peoria. Well, it will, in Peoria and the Nation. And the reason is very simple, and I think you all have heard it here today from his friends, all of whom I have great respect for. To know you, Bob Michel, is to respect you.

And for 36 years Bob Michel has, indeed, embodied what is best in American politics and best about the traditions of the House of Representatives. And I speak of honesty and fairplay and character and integrity, all the qualities that Dan and Bob Dole and Tom Foley mentioned. A willingness to govern, to work things out, to fight his opponents tooth and nail during the day and yet remain a good friend, someone they can talk to during the evenings.

And Bob Michel has stood up for fiscal sanity. I think he's done a lot to help our economy. He's helped keep our military strong. And it's true that he can be a fierce partisan. After all, that goes with the American psyche; that's the way we are. And Bob has been a true American. He won two Bronze Stars for his service in World War II; then in serving his district, our party, and most of all, the future well-being of our country.

I haven't seen this portrait over here, Corinne, but I'm sure it's going to depict what we admire in your husband: a man of conscience, a man whose word is good, a man who means what he says, says what he means, a man that one fellow Illinoisan would have loved very much. Remember Lincoln's words, ``The noblest work of God is an honest man." And you've been all of that, Bob, and more. And ask anyone who is your colleague, which means anyone who is your friend.

And now it is my pleasure to introduce Corinne, Bob's lovely wife, for the unveiling of this official portrait. And I can tell you I'm sure glad to be a part of this program, this wonderful program of warmth here today.

Note: The President spoke at 5 p.m. in Statuary Hall at the Capitol.

Nomination of Arthur J. Rothkopf To Be Deputy Secretary of Transportation

May 4, 1992

The President today announced his intention to nominate Arthur J. Rothkopf, of the District of Columbia, to be Deputy Secretary of Transportation. He would succeed James Buchanan Busey IV.

Currently Mr. Rothkopf serves as General Counsel at the U.S. Department of Transportation. Prior to this, he served as a partner with the law firm of Hogan & Hartson in Washington, DC, 1969 - 91, and as an associate, 1967 - 69. In addition, Mr. Rothkopf has served as Associate Tax Legislative Counsel with the U.S. Department of the Treasury, 1963 - 66.

Mr. Rothkopf graduated from Lafayette College (B.A., 1955) and Harvard Law School (LL.B., 1958). He was born May 24, 1935, in New York, NY. Mr. Rothkopf is married, has two children, and resides in Washington, DC.

Nomination of Michael James Toohey To Be an Assistant Secretary of Transportation

May 4, 1992

The President today announced his intention to nominate Michael James Toohey, of Virginia, to be an Assistant Secretary of Transportation for Governmental Affairs. He would succeed Galen Joseph Reser.

Since 1989, Mr. Toohey has served as senior Washington representative for Ashland Oil, Inc. Prior to this, he served as staff director for the Republican staff of the Committee on Public Works and Transportation at the U.S. House of Representatives in Washington, DC, 1983 - 89; as staff director for the Republican staff of the Committee on Merchant Marine and Fisheries at the U.S. House of Representatives, 1981 - 83; and as a senior Republican professional staff member at the Committee on Public Works and Transportation for the U.S. House of Representatives, 1978 - 81.

Mr. Toohey graduated from the University of California at Berkeley, School of Forestry and Conservation (B.S., 1971). He was born February 1, 1949, in Helena, MT. Mr. Toohey served in the U.S. Army Corps of Engineers, 1971 - 75. He is married, has three children, and resides in Great Falls, VA.

Appointment of John C. Harper as Chairman of the Advisory Council on Historic Preservation

May 4, 1992

The President has announced his intention to appoint the Reverend John C. Harper to be Chairman of the Advisory Council on Historic Preservation. He would succeed John F. W. Rogers.

Since 1963, Dr. Harper has served as rector of St. John's Episcopal Church, Lafayette Square, Washington, DC. He currently serves on the Decatur House Council, previously served on the Woodrow Wilson House Council, and is an ex officio member of the National Trust for Historic Preservation. He has also been active in the ongoing restoration of St. John's Church and its parish house, Ashburton House, both of which are listed on the National Historic Register.

Born in Winthrop, MA, Dr. Harper graduated from Harvard University (A.B., 1946), Episcopal Theological School (B.D., 1953), George Washington University (D.D., 1966), and Nashotah House (D.C.L., 1983). He is married, has three children, and lives in Washington, DC.

Remarks at a Cinco de Mayo Celebration

May 5, 1992

If I might be informal, Gus, thank you very much for the warm introduction and the warm welcome. And I just can't tell you how pleased I am to be in this beautiful place. There are many familiar faces out there, so many Members of both Chambers from Mexico. We salute you, and we welcome you all. I had a chance to greet the Members a second ago. Members of the Mexican-American business community, we're very pleased to have you all here. I see Senator Gramm and Representatives Kolbe and Gilman and Tallon, all here to salute this show of force and show of friendship for the delegates from south of the Rio Grande. The interparliamentary union, the Mexican-American interparliamentary relationship, is a good one. I can tell some of you older members of this delegation that I was a member of that interparliamentary action back in 1968 and 1969 and 1970. So I welcome you all once again.

I was pleased earlier to see Jose Nino and Raul Yzaguirre, two American leaders who do so much for strong relations between Mexico and the United States. And, of course, I want to take this opportunity to congratulate President Carlos Salinas for preserving this remarkable historical landmark and for creating the institute to strengthen the ties of friendship between our two nations.

Relations between the United States and Mexico are tremendously important to both our countries. It's exciting to note, and I would note and I'd say with some pride, that relations between Mexico and the United States have never been better than they are now. And I take great pride in that, as I say, but I commend especially Carlos Salinas for the role that he's played in strengthening this special friendship that benefits both our peoples. The Mexican President has done an awful lot to hold out his hand to us, to emphasize the importance to Mexico of the U.S.-Mexican relationship. And he's done a wonderful job.

I want to thank all of you for letting me share this special day, a day made even more meaningful because 1992 marks 500 years of Hispanic heritage in this hemisphere. And this heritage is a wonderful, rich tapestry that our kids, Barbara, and I were lucky enough to first experience during our west Texas years. I remember our Cinco de Mayo festivities out there, exploring the ties between our countries, ties of family, friendship, and faith. So, my exposure to Cinco de Mayo started in the year 1949 out in west Texas, and it's been a part of us ever since.

The Bushes are very lucky to be able to keep that celebration alive. Our daughter-in-law, as some of you know, was from Mexico, now an American citizen, and we take great pride in that. Three of our grandchildren are Hispanic-American, and they bring the wonder of this dual heritage into our family. I have only one complaint with them. All four of them, my daughter-in-law and the three grandchildren, none of them has been able to teach their grandfather to speak Spanish. [Laughter] When things calm down a little, maybe I can make a little more headway.

I remember being so proud when Noelle, our granddaughter, and her mariachi group sang at Barbara's First Ladies luncheon during our inauguration. I heard the mariachi group upstairs, and I'm kind of glad that there wasn't a comparison between Noelle's mariachi group and this group of wonderful musicians that enlivened the festivities here. But I was delighted to hear the music today.

We all know the facts of Cinco de Mayo, that long-ago May 5th when General Zaragoza and his outnumbered troops stood up to the empire of Napoleon III. Stirring facts, but what's most important is the spirit of that day, the spirit of those few poorly-armed men who turned the battle into a glorious symbol. Cinco de Mayo is a symbol of the struggle for self-determination against astounding odds, and it's the symbol of a brave people's unbeatable determination to fight for their own destiny. It's a day like the downing of the Berlin Wall, the vote against apartheid, the defeat of Iraq's aggression: events that transform our world and the way we see each other. It's also of course, a national holiday, a day of pride in Mexican culture, a day of pride in Mexican heritage.

The Los Angeles Unified School District sponsors an annual Cinco de Mayo essay contest, and I just want to share with you a couple of the quotes. A senior high school student wrote that this day, and here's the quote, ``instilled within me pride and appreciation for the beauty of my people and the richness of my roots." And a middle school student wrote, ``The real significance of Cinco de Mayo is the pride Mexicans everywhere have in their heritage."

And that's a glorious thing to celebrate. And when I think of the Hispanic community in our country, the first words to come to mind are faith, family, and freedom. These values have been interwoven into the strong, bright fabric of the Hispanic tradition for generations, and they're also the very values that this Nation was founded on.

Cinco de Mayo shows that we all have debts to our ancestors who took risks and made sacrifices for us, whether on the battlefield or out in the farm field. And we must honor these men and women who ached to pass on a richer life, a freer life, a better life, who sacrificed all they had in order to guarantee opportunity, freedom, and hope for their children and their children's children. One essay winner in this Los Angeles contest wrote, ``Celebrating the deeds of our ancestors helps us keep in touch with our history and reminds us of past suffering and hardship that brought about the comfort we have today." Cinco de Mayo, it does not belong solely to another land; it's a celebration of ideals that know no border. And today we rejoice at the men and women who came to this country from across the world, brought their finest strengths, their rich culture, their proudest tradition, and fit them into the vibrant mosaic that is America.

We must also look toward the future to prepare the legacy we will leave our children. I believe of all the gifts that we could give them, the three most important are jobs, family, and peace. And the America we will leave to our country will be a better land and a more just land if we make progress here on five key areas. I'm thinking of our health care system, our legal system,

our education system, our system of Government, and of course, we must expand world trade. These are the keys to thriving in the future.

And so much depends upon trade. Mexico and the United States share a great deal. President Salinas, as I say, is a dear friend. He also is a bold and imaginative leader, and the deep and enduring relationship we're forging between our countries is based on cooperation, mutual respect, and open trade. And I will fight to tear down economic barriers with Mexico.

I notice the portrait of Juarez watching us. And seeing him reminds me of that great fresco I saw upstairs, ``The Liberators of the American Continent.'' For those who haven't seen it, it's a symbol of the friendship and union that we share. It shows the great leaders of our lands and a picture of North America and Latin America shaking hands. This idealized portrait shows what we're going to achieve in trade because I am absolutely committed -- put the politics aside -- I am absolutely committed to signing a sound North American free trade agreement just as soon as possible. The time of opportunity is now. I've told our negotiators to accelerate their work. I believe we can conclude a sound and sensible deal before this United States election, and I will sign it just as soon as it's ready.

A great lesson of our age is that trade and enterprise can build jobs and certainly can preserve freedom. NAFTA, the North American free trade agreement, will be the key to higher standards of living for the peoples of our continent. I hope it helps, and I'm sure it will, the standard of living in Mexico. I know it will do the same for the United States. And then I believe the benefits will flow south where it will open the door for other such free trade agreements. It will liberate our markets, and it will increase trade, investment, and jobs, yes, jobs, in Mexico, in Canada, and right here in the United States of America.

I must say, as I look over here I have a little guilt complex because I see Bernie Aronson who is working so very hard and in such effectiveness to bring forth a trade agreement, and he's done a wonderful job in our relationship. Bernie, I should have mentioned you earlier, but I'm just delighted you're here.

But as he knows and all of us, I think, know, a free trade market made up of these three nations, Mexico, Canada, and the United States, would be the stuff of dreams, one of the largest markets in the world, 360 million consumers in a $6 trillion economy.

Now, Mexico is among the fastest growing national markets for U.S. exports, and they've increased by two-thirds just over the past 3 years. And our exports of auto parts and telecommunications equipment have doubled. Imagine what will happen under a free trade agreement. It will create thousands more jobs on both sides of the border. And all of us will be winners. And in that spirit of vital cooperation, I know that we will grow together.

But all communities within the United States need to pause right now in the wake of tragic

events in Los Angeles. We must rethink and reaffirm the bonds that knit all nationalities together. The violence brought much suffering to the Los Angeles Hispanic community. And I am certain that many of you, as did I, shared in their pain. And even as my heart, too, goes out to them, I found in the midst of the devastation there were signs of promise, neighbor helping neighbor, regardless of race or cultural background. Converging in Los Angeles were three fundamental issues of a civilized society: justice, order, and tolerance. And these must remain our goals as we mend the wounds of Los Angeles. From New York to San Antonio to San Jose, we must redouble our efforts to build on our strengths, the same strengths of character that are at the heart of the Hispanic community here in the United States and in Mexico as well.

My friends, I look forward to spending future Cinco de Mayo days with you. I loved the music, as I said. I can't wait to hear it again. And thank you very much, Gus, for including me in this wonderful day. And here's something my 8-year-old grandson, Jebby, did teach me: Vaya con Dios.

Thank you very, very much.

Note: The President spoke at 2:17 p.m. at the Mexican Cultural Institute. In his remarks, he referred to Ambassador Gustavo Petricioli of Mexico; Jose Nino, president of the U.S.-Hispanic Chamber of Commerce; Raul Yzaguirre, president of the National Council of La Raza; and Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs.

Nomination of Reginald Bartholomew To Be United States Permanent Representative on the Council of the North Atlantic Treaty Organization

May 5, 1992

The President today announced his intention to nominate Reginald Bartholomew, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be the United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank of Ambassador. He would succeed William H. Taft IV.

Since 1989, Mr. Bartholomew has served as Under Secretary of State for Coordinating Security Assistance Programs. Prior to this, he served as U.S. Ambassador to Spain, 1986 - 89; and U.S. Ambassador to Lebanon, 1983 - 86. Mr. Bartholomew has served as U.S. Special Negotiator for United States-Greek Defense and Economic Cooperation Negotiations, 1982 - 83; and Special Cyprus Coordinator at the Bureau of International Organization Affairs at the U.S. Department of State, 1981 - 82.

Mr. Bartholomew graduated from Dartmouth College (B.A., 1958) and the University of Chicago (M.A., 1960). He was born February 17, 1936, in Portland, ME. Mr. Bartholomew is married, has four children, and resides in Washington, DC.

Nomination of Peter Barry Teeley To Be United States Ambassador to Canada

May 5, 1992

The President today announced his intention to nominate Peter Barry Teeley, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada. He would succeed Edward N. Ney.

Since 1985, Mr. Teeley has served as president with the consulting firm of Teeley & Associates in Washington, DC. Prior to this, he served as Assistant to the Vice President and Press Secretary, 1980 - 85; and as communications director and press secretary at the Republican National Committee, 1977 - 79. In 1976, Mr. Teeley served as press secretary to the President Ford Committee. Mr. Teeley served as press secretary to Senator Jacob Javits (R - NY), 1974 - 77; and as press secretary to Assistant Minority Leader, Senator Robert P. Griffin (R - MI).

Mr. Teeley graduated from Wayne State University (B.A., 1965). He was born January 12, 1940, in Barrow, England. Mr. Teeley is married, has four children, and resides in Alexandria, VA.

The President's News Conference With President Leonid Kravchuk of Ukraine

May 6, 1992

President Bush. Mr. President and distinguished members of the Ukrainian delegation, on behalf of the people of the United States it's been my honor to welcome you on the first official visit by a freely elected President of independent Ukraine. May I also acknowledge Senators Pell and Lugar, who are with us today. Congressmen Broomfield and Leach were supposed to be; they are missing in action. But nevertheless, welcome to the Senators. All of us join in celebrating the renaissance of freedom and independence for the great and ancient nation of Ukraine.

A few blocks from here stands an imposing monument erected by an act of the United States Congress approved by President Eisenhower. It's a statue of Taras Shevchenko, the poet and prophet of a free Ukrainian nation. And inscribed on the monument is this verse composed by Shevchenko more than a century ago:

Our soul shall never perish. Freedom knows no dying. And the greedy cannot harvest fields where seas are lying; cannot bind the living spirit, nor the living word; cannot smirch the sacred glory of the Almighty Lord.

Mr. President, when we welcome Ukraine's new independence we honor generations of women and men who kept a flame of hope alive through years of darkness. And free people must never forget the suffering Ukraine endured under the totalitarian yoke. We must remember the victims of Stalin's forced famine, the Harvest of Sorrow. We must remember the religious believers who endured persecution for their faith. We must remember the thousands who faced punishment in the gulag because they spoke out for cultural, political, or economic reform.

Now the darkness is lifted. Ukraine has entered a season of hope and rebirth. The Ukrainian people reclaimed their independence on December 1, 1991. And I am proud that the United States was among the first in welcoming that vote, in recognizing Ukrainian independence, and in establishing diplomatic relations. We also were one of the first to establish an Embassy in Kiev, soon to be led by a Ukrainian-American, Ambassador-designate Roman Popadiuk.

In our intensive and successful talks today the President and I, President Kravchuk and I agreed that the United States and Ukraine should be not just friends but partners. Ukraine's future security is important for the United States and for stability in Europe. We welcome President Kravchuk's assurance that Ukraine will remove all nuclear weapons from its territory and join the Non-Proliferation Treaty as a non-nuclear-weapons state. We have pledged to assist Ukraine in the accounting and control of its nuclear reaction materials, to establish a science and technology center in the Ukraine, and to explore additional assistance for weapons destruction.

We also are committed to Ukraine's future economic prosperity in a free market system. The United States will continue its program of technical assistance, including advice in establishing a new Ukrainian currency. We will extend $110 million in Commodity Credit Corporation guarantees to permit sales of American agricultural commodities to Ukraine. Opening up markets and expanding trade are essential to our new partnership. A robust exchange of goods and services, of ideas and technologies will create better jobs and enhance the quality of life for people in both of our countries.

The agreement we've just signed on trade and the opening of our new OPIC, Overseas Private Investment Corporation, program are an excellent beginning. This week I plan to waive the Jackson-Vanik amendment, and as soon as possible I hope to confer most-favored-nation status on Ukraine.

And finally, we hope to assure the closest possible political and cultural ties between independent Ukraine and the United States. We will continue to consult on our vision of a democratic peace in Europe. Our new Peace Corps program, established by another agreement that was just signed here, will bring volunteers to help develop small businesses and build personal links between our two peoples.

Mr. President, Ukraine is the birthplace or ancestral home of more than a million American citizens. They enliven and enrich this country with their creative talent and with their passion for freedom. Decade after decade, Americans of Ukrainian heritage have kept alive in this country the cause of Ukraine's freedom and independence. And this historic day is a tribute to them as well as to their kinsmen in Ukraine. We know Ukrainians face many challenges in the years ahead, during your historic transition to free enterprise and democracy. And let me assure you, the United States will stand beside a democratic Ukraine.

And again, thank you, Mr. President. May God bless you and the people of your wonderful country. We're delighted that you came our way.

President Kravchuk. Mr. President, ladies and gentleman, friends, the official part of my first visit to the United States as the President of Ukraine is coming to an end. In this respect, I would like to sincerely and frankly say that the meetings with the President of the United States, the talks we had, the air of openness and the friendly nature of the talks and mutual understanding of the position and interests of our two states surpassed the limits of official ceremonies.

As you know, we have already had an opportunity of meeting President Bush and many officials of his administration, both in Kiev and Washington. No doubt such contacts always get appropriate and well-justified international coverage and attract public interest and that of the media. Most important, in my view, is our gradual progress from general political statements to the bilateral state-to-state relations filled with visible content.

We are very pleased to mention that yesterday in Washington, DC, we inaugurated the Ukrainian Embassy in the United States, headed by our first Ambassador, Mr. Oleh Bilorus, who's present here. We believe that we will soon welcome the Ambassador of the United States, Mr. Popadiuk, in Kiev.

For us, the opening of our own Embassy in your great country is an event of great historic and political significance. This is another step towards a true state independence of Ukraine. We will next have to solve the problems related to the establishment of consular and other respected offices of Ukraine in your country. These institutions should give a substantial impetus to further development of our cooperation in the areas that present mutual interest.

Today the President of the United States and myself and the Government officials authorized by us signed a number of important bilateral agreements, such as the agreement on trade, promotion of investment, implementation of the U.S. Peace Corps program in Ukraine, on the environmental protection, and some other documents. Our experts agreed on further cooperation, and I believe in the nearest future Ukraine and the United States could sign some new agreements, among them the agreements on the sea shipping, the lifting of dual taxation, preservation of and protection of religious national cultural monuments on the territories of both countries, and cooperation and facilitating programs of assistance.

But the most important issue now is to ensure that the signed agreements be implemented. I hope that the spirit of mutual understanding, openness, and trust which gradually turns into a characteristic feature of the Ukraine and American relations at the official level would be transferred into the relationships between the peoples of our two countries.

The entire experience of creating new international ties after the collapse of totalitarianism and the end of the long cold war period shows that the major issue now is to establish effective cooperation in the interests of universal, peaceful future, and to ensure such international conditions which would allow to find an optimal compromise of state, national, and general human interests.

That is why I'm deeply convinced that the development of friendly and equal relations between our two states, Ukraine and the United States of America, corresponds to their innate national interests. We are ready to further develop and deepen our fruitful bilateral dialog.

Ukraine is a young state, and it will have to go along a very difficult road. But we are totally convinced, including the experience of the United States, that we will go along that road if we would abide by the general human values.

With all my heart, I would like to wish peace, happiness, accord, and further prosperity to the great American people and every American home.

President Bush. I think the President has agreed to take a few questions, and I'll be glad to do the same.

President's Visit to Los Angeles

Q. Mr. President, I'd like to ask you about another subject. Your spokesman says that you're not going to Los Angeles today with any kind of new blueprint for the cities. Where does that leave matters for these hard-pressed urban areas, given that Congress has largely ignored your proposals and many people believe that you haven't fought very hard for them anyway?

President Bush. I have fought hard for them, and we have some excellent proposals. But what I want to do is go out there and see that we are doing everything we can to assist in the recovery. That will also be accompanied by my keen interest in seeing where we go from here. I'll have more to say about that. We have some excellent ideas. I am very interested in what is underway there from getting reports. Both the Mayor and Peter Ueberroth and the Governor feel things are moving in the right direction.

So we want to be sure that we have supplemented the overall effort for civil tranquility. I do think that that's in better shape, and I think the Federal Government responded very, very well. I'm pleased that both Mayor Bradley and the Governor felt that way. Then we've got to begin the healing process, and we also have to find answers that will guarantee tranquility in these cities. I come back to my emphasis that was brought home to me loud and clear by Mayor Bradley himself when he talked about, we must find ways to strengthen the family, he and other mayors having come in before this happened. So we have some good new ideas. I will try to bring those forth to the American people after I've had a chance to look at the scene there.

Anybody that would like to ask President Kravchuk a question?

Q. I'd like to ask you one.

President Bush. All right, go ahead, Helen [Helen Thomas, United Press International], and then you've got one for -- --

Urban Policy Assessment

Q. Mr. President, both you and Marlin Fitzwater have blamed Great Society programs for what's happened in our country. But your critics say that through the benign neglect of the Reagan-Bush years, we are becoming what the Kerner Commission prophesied, which is a nation -- two nations, white and black, separate but unequal. What do you say to that?

President Bush. I say that we're not trying to assign blame. There's no point emphasizing programs that haven't worked, however. We want new programs. We want new ideas. We've put

forward some, and we may have others to put forward. But there's no point trying to convince the American people that programs that have not worked is the answer to this problem. It isn't. I don't believe in -- what I'm trying to do is heal and bring the people together. And I will go forward with ideas that have not been tried, emphasizing that it is far more important to give people a piece of the action than it is to have the Federal Government simply dump largesse on them.

We've tried it the other way. Now this gives us an opportunity, an excellent opportunity, to try some new ideas, and that's all. It's not a question of assigning blame. It's a question of a realistic assessment: Have we, as a country, done everything we can to help those people that have been left behind? I am not satisfied. We need to do more, and we are trying to do more.

So I told my Cabinet today that I think this offers us an excellent opportunity not to assign blame but to try to come out with ideas that can offer hope and upward mobility to people that have been bypassed. That's exactly what I'll be trying to do, and that's what I think we've been trying to do. We've got to get it in better focus, and we need some action.

But this isn't any time for blame. This a time to heal. It -- --

Q. You're not saying that Medicare or Head Start or vocational rehabilitation, Federal aid to education at all levels, and all the other laws that were implemented in the Great Society era didn't work?

President Bush. Not all of them, no. But I'm saying we can do better, and I think we should try. We ought to offer -- here we are talking to Ukraine who's moving to privatization, moving to market economies, and I'd like to be sure we've done everything we can to give people a part of the real action in the private sector. Let's just see if we can't do a better job in terms of ownership for some of these people that have been passed by and assigned in the past to these endless construction projects that all seem to fall apart. There's a better way to do it, is all I'm saying, and that's what we want to try to do.

Ukrainian Nuclear Weapons

Q. For President Kravchuk. My name is Susan Cornwall with Reuters. I have two questions for you. The first is, you said this morning that all tactical nuclear weapons would leave the Ukraine by July. But some Russian officials in Moscow said today that all of the tactical nuclear weapons had already left the Ukraine. Could you clarify please, and tell us, have they all, indeed, left the Ukraine? The second question is, when do you think you might sign a protocol to the START Treaty? Thank you.

President Kravchuk. By the time of the statements that we would terminate the removal of the tactical weapons, because of lack of respective control, we have moved out about 50 percent of

all the tactical weapons. On the 16th of April, President Yeltsin and I signed an agreement which formed the joint commission which is now verifying the process of removal of tactical weapons from Ukraine. As soon as the document was signed and the verification control groups were created, the removal was resumed. It is going on according to the schedule which we have, and we will move all of the tactical weapons by the 1st of July. This is where Ukraine stands. The weapons were not taken yet.

As to the START Treaty, we have discussed many details with Secretary of State James Baker. Our Minister for Foreign Relations and Mr. Baker had lengthy consultations. We prepared a letter signed by the President of Ukraine, and the letter clarifies all the aspects which are acceptable both by the United States and Ukraine. And as soon as the protocol is signed, the Ukraine would ratify the START Treaty and would fulfill all the commitments stipulated in that treaty.

Ukraine-U.S. Relations

Q. Would you estimate the relationship of partnerships between the Ukraine and such a developed country as the United States -- What can we do to help?

President Kravchuk. We have done lots today by the simple fact that we have signed very important documents which open up our relationship on an interstate level. As to the everyday practice, we had a very interesting meeting with the Secretary of Commerce and will meet other secretaries. We brought a delegation of businessmen who met and will continue meeting their counterparts in the United States. We would create mechanisms and working groups that might help implement what we have agreed upon already, and I think we would continue to go in that direction.

I think those actions would be beneficial for both the United States and the Ukraine. I would like to emphasize again that Ukraine is not asking for anything. Ukraine would like to have some credits to create new technologies and to transfer to a market economy as soon as possible, a free economy. We are not asking for credits to eat them up as food products; we've got other intentions.

Urban Policy Assessment

Q. Sir, you say you're not interested in the politics of blame nor assigning blame. In fact, starting this Monday you blamed Congress for not passing some of your domestic programs for the inner cities. Marlin Fitzwater attacked the Great Society. Vice President Quayle yesterday also attacked Lyndon Johnson's programs. A year ago in Michigan you said that the Great Society programs actually exacerbated racial animosity. You actually used the words ``racial animosity." We still are unable to get a specific list out of the White House as to which programs have done this.

President Bush. John [John Cochran, NBC News], I think this is an inappropriate time to try to divide. I think it's a very appropriate time to rethink whether we've done it just exactly right in the past, whether it's the Great Society or all the way up to our administration. I cannot certify to the American people that we have tried the new ideas that might make urban America better, might give a better opportunity for everybody.

So there is no point trying to go into your question, answering the specifics, trying to assign blame. I don't think that's what the country needs right now. I think it needs to come together. If I have my fights with Congress on getting some proposals through, some of which I have been proposing for 3 years, that's another matter. But this isn't the time to go out and try to divide the country. This is the time to bring it together.

Now, we've started on that. We started to bring it together by doing everything we could to assist the local law enforcement people because the American people are outraged by the violence. Secondly, we started to bring it together by providing every asset we could to the local people out there, the Mayor and Peter Ueberroth and the localities, to have the Federal Government assist, whether it's Department of Labor, whether it's HUD, whether it's HHS. We've got a good program moving forward right now to do that. Then I owe it to the American people to say, here's what I think is the longer range answer; can help right now if we can get some of these things through and if I can convince the American people that this is what we ought to do. And I'll have some proposals to that effect.

But I say I don't want to assign blame; I don't. If I said a year ago that these programs weren't working, perhaps I have been vindicated. But there's no point in going into that. Nobody in the United States political system can certify today that every program we've had has worked just perfectly; it hasn't. So there's no point going back on it. The point is, try to take this as an opportunity and bring the country together and then move it forward. That's exactly what I'm going to do, and I'm not going to go trying to help you get into what's worked and what hasn't. I will present that to the United States Congress in the future, as I have in the past.

Q. Mr. President, so much of the problems in California and the inner cities have been addressed in economic terms about enterprise zones, about homeownership. But how do you, sir, begin to address the social problems, the antipathy between not only blacks and whites but blacks, whites, Koreans, Hispanics? How do you attack it from the social, not the financial, side?

President Bush. Some of it's rhetorical. Some of it is trying to build on what we've started by this Family Commission. I remember when Tom Bradley, the Mayor of Los Angeles, came to see me before the outbreak there. He joined a lot of other mayors in telling me that the number one concern that the mayors have -- all of them had it, Republican, Democrat, liberal, conservative -- was the dissolution and the decline of the American family. We've got to find ways to help strengthen the family. One of them is through the education program; one of them through neighborhood activities; one of them is through the kind of private sector involvement that we've

been talking about through our Points of Light and that Peter Ueberroth is now trying to bring to bear on the solution to the problem.

So that's the approach we'll be taking. But I'm very anxious to hear, before I make final decisions, from the local people as to what they think. One of the things that I mentioned in my speech to the Nation was the concern I felt and the concern that Mayor Bradley felt about the attacks on the Korean community. These people were peaceful people, and they were all assaulted. We've got to do something about it. I don't have an easy answer to it, but you put your finger on something that I think we have to find answer to. And somehow in the field of strengthening the family and in the field of ownership and in the field of the dignity that comes with having a piece of the action lies the answer.

Q. Have those questions, sir, been neglected simply by dealing with it from other aspects, from financial -- --

President Bush. I can't say that they haven't. Anytime you see problems, we've got to figure out that we haven't done all we can to have them solved if they're still out there.

Ukrainian Security

Q. President Kravchuk, you said a moment ago you didn't ask for anything in the economic. Can you tell us if you asked for anything from the U.S. security field vis-a-vis Russia? And second, on the protocol, is the protocol pretty much in place, or is there some detail where even some disagreement is still to be resolved?

President Kravchuk. We do not have serious differences. We had some misinterpretation of the text during the translation period, but we have agreed upon those minor details. And the protocol is ready to be signed.

There is a problem of security for Ukraine because Ukraine is a large European country with a population of 53 million, with a powerful nuclear arsenal. And we initiated to annihilate those weapons. We think that this policy is correct in its concept, and we would not change that policy. But some of our neighbors, especially the great neighbors such as Russia, have political forces which would like to make territorial claims as to Ukraine. That certainly worries us. It worries the people in the Ukraine. We would do anything in our power to solve possible conflicts with Russia.

These problems will exist because the empire crumbled, and people have different interests. We would continue to proclaim our request for the international community to find a necessary forum to express its viewpoint as to the Ukrainian stand on the elimination of nuclear weapons and also provide some guarantees for the national security of Ukraine in case there is a possible threat.

Crimea

Q. Do you fear losing Crimea to your powerful neighbors?

President Kravchuk. The thing is the Crimea, from the legal point of view, is the 1954 act was totally legitimate. They acted according to the legal norms and standards which were in effect at that time in our huge country. You can't reverse the law because if we start to reconsider the 18th-century rules, we can come to a total absurdity. So we think that the problem was solved in 1954 correctly according to law. The situation in the Crimea would have been totally normal. There is a multinational population there; nobody is deprived of their rights. But there are some forces from the outside that stimulate and instigate separatist moods. They also finance those moods and, in a way, egg on those moods from the part of Russia.

Let us take the example of the Vice President of Russia, Mr. Rutskoy, who stepped on the Crimean soil and made a first statement that Crimea is Russian. He hugged the barrel of a huge gun and said, ``Can we lose Crimea with that type of weapon? No." He's not a man in the street but a Vice President of Russia. Such statements are very dangerous. They are politically ungrounded. And the people in the Ukraine can hardly understand the type of statements. People in Ukraine and Russia used to live in peace, and they want to live in peace. They want to associate. They want to have contacts in science and culture. We have many common problems dating back into history. But we should not use power play and political play and lead a situation toward danger.

Nuclear Power Plants

Q. Sir, did you raise the issue of Chernobyl at all? And did you seek any sort of help from the United States for safety of nuclear power plants? And President Bush, are you concerned about safety of nuclear power plants in the former Soviet Union?

President Kravchuk. We have shut down the Chernobyl power plant after the accident that people had near Leningrad, at the power station over there. We have shut down the reactors in Chernobyl, and we can see that we cannot resume their functions. A lot of money and a lot of effort would be required. We will need about a year to resume their activities. Our Parliament decided that the Chernobyl power station should be shut down by 1993. And we decided we should not resume the work of the reactors.

The most important thing for us is how to neutralize the ruined fourth power unit. We do not have any scientific solution of the problem yet. We have not addressed the President of the United States definitely about this problem. We think that the people in many countries, including our kin brothers here in the United States who are providing help to us. But we think that the liquidation are consequences of the Chernobyl tragedy if that is possible at all. And the

taking of the station out of the commission is a very, very difficult financial, technical problem. As to other nuclear power plants in Ukraine, they are based on a totally different principle. They do not present any threat similar to the Chernobyl power plants. The Leningrad station is similar to what we have in Chernobyl.

President Bush. My answer to your question would be, yes, of course, we'd be concerned about safety. And I would like to offer cooperation on the part of our side as to our technologically competent people in every way possible, cooperating with whoever needs our help. We think we've got good, safe systems here, and we'd like to be of assistance to others. But any time you have systems that have caused trouble, we must all be concerned in this world.

Urban Policy Assessment

Q. Mr. President, you and your predecessor, Ronald Reagan, came to office 12 years ago under an economic system that promised a rising tide would lift all boats. During both of your terms in office we had the longest postwar, or peacetime recovery and economic expansion in history, and yet, the conditions that produced the riots in Los Angeles still existed. Are you now, as part of your effort to look at whether everything has worked, reassessing your economic programs and the role of the Federal Government in proving help to the cities, States, and social classes of the country?

President Bush. Yes, I think we ought to look at everything. I'm not satisfied. And I think we ought to look at everything, and we ought to move forward on these three tracks: One, the question of restoration of law, American citizens should not be asked to put up with wanton looting and pillaging; secondly, short-term answers to assist the city and the State in the cleanup and in the restoration of things in Los Angeles; and then, three, proposals that would really assist in rebuilding and in harmonizing in this country.

That's the way I'm going to approach it, and I'll look at what we've done and what we've tried to do, what others have done, but not with the question of blaming. I really don't think that's what's wanted. If we point out differences, if I point out a program that I think has failed, it's not to blame. It is simply to say I'm not satisfied with the tensions that I see and want to try to do something about it.

Q. If I may ask about a specific, sir, to follow up, revenue-sharing, a program started by a Republican President, was also ended by your predecessor. A lot of people who have been studying the Los Angeles riots say that may have -- the cities may be overburdened now; that because of the new federalism, the shifting of programs to the cities who may not have been able to provide. Is that a specific area, Federal aid to the cities, that you're willing to reconsider?

President Bush. If I can find some revenue to share. We are operating at unacceptably high levels of deficit, and everyone knows that. What I think we also need to do is consider that a

vigorous economy, with job creation as its goal or as its hallmark, is the best poverty program. So we've proposed instead, as you know, a rather substantial block grant. We've not gotten that through, but we'll try again. It's very close to revenue-sharing, as a matter of fact. It's no strings attached, and it is something that we think is a good approach. But I think we should look at all of this.

Q. In the past when faced with a budget crisis, you and your predecessor called for a budget summit. Do you foresee anything like that in the area of urban problems, given the fact that enterprise legislation and things along that line have been proposed and reproposed in the past without success?

President Bush. I think there's enough focus on this now that if we come forward with a good, sound program, I would like to think we'd have a good opportunity to encourage the Congress and to get it passed by Congress. I don't know that we need another commission or another study group, anything of that nature.

Q. But as far as the leadership in both the House and the Senate, a bipartisan group getting together to try to form a consensus on this.

President Bush. I'd like to think that we could get it. We'd have to get a consensus if we're going to get it through. And so we'd have to do whatever is required to get the proposals, some of which I have made, the new ones I'll make, to get it through the Congress. Yes, I'll have to do that.

Q. Not a summit?

President Bush. Well, what's a summit? Everything's a summit, I guess, these days. But I don't know how you define that. But we'd certainly want a -- we need to get cooperation on both sides of the aisle to get something done for America.

START Treaty

Q. Mr. President, could I follow up on what Mr. President Kravchuk said about the START Treaty? He said the protocol was ready to be signed by Ukraine. But of course, you have a complicated situation where you have several countries involved, Russia, Byelarus, and Kazakhstan. How close are you to being able to work something that is mutually acceptable so you can go forward with the Senate?

President Bush. I think we've made progress, as the President said here today. And Jim and the Foreign Minister worked out the details this morning. So this one is in pretty good shape. But we have work to do with others, and it's not complete. And I would think that Jim might be going soon to try to hammer out some of the differences that exist with the countries that you

mentioned.

Q. Would you expect that while President Kravchuk is here he would sign this protocol, or is not something you can sign now?

President Bush. I'd defer to the President. I just don't know whether there's any plan to be signed on it. But the agreement, the letters, the language has been worked out. I doubt it will be signed on this visit. But the language is; we sat there in the Oval Office, and I think the President would agree that we agreed on it. Correct?

President Kravchuk. Yes. [Laughter]

President Bush. Yes.

Legislation on Social Programs

Q. Mr. President, have you personally lobbied Democratic Members of Congress on enterprise zones and on the HOPE program?

President Bush. Yes, and I'll continue to, but let me come forward with a package now. And I don't know how you quantify it, but I think you'll note that that's been part of our proposal for a long, long time. And when I look at the devastation and look at some of the hopelessness, not just in this particular area but others, it seems to me that the time has come to try something different.

I thought I heard the Congresswoman from the area say that the time has come for enterprise zones. Well, that's a very interesting development and an interesting shift, if true. But again, you don't get something done by saying, we were with A, B, or C before when we were trying to get these programs through. What we do say is, you mentioned enterprise zones, I think enterprise zones make a good deal of sense; to bring business into the area and get jobs, you've got to get some tax breaks in the area, get the jobs moving in the area, get the production in the area. We haven't really tried that at the Federal level, and I'd like to see it tried. And without assigning blame for failures in the past, I think that this is an idea whose time has come. And so we will try again. And I have tried, and I'll keep trying.

Q. To follow up on that, you say that you will try to get your proposals through. When we talked to Democrats on the Hill, they say that you're not willing to compromise, that you want it your way or you don't want it at all. Have the L.A. riots provided maybe the tone for a compromise?

President Bush. I don't know that the L.A. riots -- but I think I'm the guy that's held out my hands to the United States Congress, saying let's try. But I'm not going to suggest that that means doing it somebody else's way all the time. But I think the time has come when the American

people want action. They don't want any more rhetoric, and they say, ``Let's try something new. Let's try something that will really help. Let's have order. Let's not condone the violence, but out of this, let's see if we can't find better answers." And you mentioned enterprise zones, I happen to think it's a better answer. And I think it's almost unarguable. But -- --

Q. Mr. President, to follow up on that. The Democrats say, in fact, the enterprise zones was in the growth package, but you vetoed it. And secondly, on the homeownership program, the HOPE program, as you mentioned several times, that was approved, but the funding was cut by 60 percent. And we're told that Jack Kemp asked you to veto the bill so you could get full funding but that you didn't because the bill also had full funding for the space station. So my question is, will you shift your priorities perhaps away from things like the space station and more towards the homeownership, as your Secretary asked you?

President Bush. I don't think he suggested we move it away from the space station. But my view is, here's an opportunity. I'm glad they're saying that they support this. And I hope we can do it in a way that is acceptable to us because I have to also keep in mind the overall economy of this country. The bill I vetoed was not vetoed on space stations or on HOPE; it was vetoed on a wide range of broad matters that would have burdened the taxpayer in this country. But let's hope that with this new interest in finding new answers, that we can get done these programs that I'm talking about. Yes, I'd like to think we can do that.

Last one. No, not again, Terry [Terence Hunt, Associated Press]. [Laughter] Well, last one. Go ahead.

Federal Law Enforcement Role in Los Angeles

Q. How long are you going to keep the Army and the Marine Corps on duty in Los Angeles?

President Bush. Well, it won't be much longer, and I will be very much interested in getting recommendations on that from the Mayor and from the Governor. As you know, we've federalized the Guard at the request of the Governor and the request of the Mayor. They are there. The law enforcement officials and the civilian officials there have felt that their presence inhibited further rioting. I'm convinced in my mind that the fact that we moved as quickly as we did in federalizing them had a very quieting effect.

But we'll start moving out. We've moved out some of the Federal law enforcement people already. I think that's been reduced by about a half, maybe more by now, Terry, the FBI people, the Customs people, Border Patrol people, and all of those who were in the law enforcement end of the Federal Government. But in terms of the Army and the Marines and the National Guard, I will be talking about that, I'm sure, tonight with our task force when I get out there.

Q. The benefit of hindsight, do you wish that you had put them on duty Thursday night or

Wednesday night, rather than waiting until Friday?

President Bush. No, I still believe that you ought to work closely with the local officials. I think they are the ones that activate the Guard, and that's the way it should be. I don't think the President should call up and insist on something like that. So I have confidence in their judgment, and I think they did the right thing. And similarly, federalizing, a President can do that, but it is far better to do it when you have the full request and full cooperation of the local officials and of the Governor. And that's exactly what we did in very timely fashion. So I don't have any regrets on that.

Q. Will you be seeing Mr. Gates?

President Bush. Gates? I don't know. I don't know. I don't know.

Legislation on Social Programs

Q. When you say ``new proposals," do you mean the ones you've already submitted?

President Bush. John, I'll tell you about that when I get ready to. I'll announce the program when I'm ready, not sooner; not an answer to one question or another. But when I'm ready to do it, I will. I'm going to follow it just the way I've told you, do it without recrimination, without trying to blame anybody, in an effort to try to move this country forward.

Q. Are you sorry the White House has looked divisive the last couple of days?

President Bush. I don't feel it has. I don't feel it has.

Note: The President's 127th news conference began at 12:47 p.m. in the East Room at the White House. President Kravchuk spoke in Ukrainian, and his remarks were translated by an interpreter. In his remarks, President Bush referred to Peter Ueberroth, chairman of the Rebuild L.A. Committee, and Daryl F. Gates, chief of police for the city of Los Angeles. The news conference followed a ceremony in which President Bush and President Kravchuk signed the Agreement on Trade Relations Between the United States and Ukraine; the United States-Ukraine Overseas Private Investment Corporation Agreement; and the Agreement Establishing a Peace Corps Program Between the United States and Ukraine.

Joint Declaration With President Leonid Kravchuk of Ukraine

May 6, 1992

Declaration on U.S.-Ukrainian Relations and the Building of a Democratic Partnership

Today's talks mark a historic step in the development of relations between our two great nations. For the first time, an American President has met with the freely-elected President of a sovereign Ukraine. The Ukrainian people are now building their own state, one whose independence and commitment to democracy can make a vital contribution to the creation of a new Europe truly whole and free. The United States places special importance on the consolidation of Ukraine's democracy and independence. Toward this end, we are agreed that we must work together as friends and partners for the mutual benefit of both our peoples, and in the interests of international peace and stability.

Politically, we will strive to protect and promote the values that bind us together in the democratic community of nations, including free and fair elections, freedom of emigration, the rule of law, and respect for human rights, including the rights of all minorities, regardless of their nationalities and beliefs. The United States takes special note of Ukraine's commitment to establish its independence in full accordance with these principles, and its efforts to build a just and stable society where fundamental freedoms of all peoples are guaranteed.

Economically, we will work to advance the values of economic freedom without which democracy and prosperity cannot flourish. Ukraine will accelerate efforts to move toward a market economy through appropriate macroeconomic stabilization policies and structural/microeconomic reforms to promote recovery, market development, and growth. The U.S., through its technical assistance programs in areas like defense conversion and food distribution, will help Ukraine in these efforts and encourage the international community to do likewise. Together, we will take steps to promote free trade, investment, and economic cooperation between our two countries and peoples, as well as within the world economy at large. A critical feature of this cooperation will be a special effort by Ukraine to lower barriers to trade and investment in order to allow greater access for American firms. Ukraine and the United States will establish joint business development committees to achieve this objective and build a foundation for expanded commerce. We have concluded a trade agreement which will confer Most Favored Nation tariff treatment on Ukraine, and an OPIC agreement to make available investment insurance for American firms investing in Ukraine. We have also agreed to expedite negotiations on bilateral investment and tax treaties that will further promote private trade and investment, as well as on cooperation in shipping and civil aviation.

In the area of security, the United States and Ukraine will cooperate to promote a democratic peace across Europe. We are agreed that international security can no longer be achieved

through the efforts of individual states to acquire ever increasing amounts of weaponry. Rather, security must be based on reduced levels of armaments among all nations, and on a multilateral commitment to uphold shared principles, especially democracy, the inviolability of borders and territorial integrity, and peaceful resolution of disputes. Working together in multilateral institutions like CSCE and the North Atlantic Cooperation Council will be an important means of promoting these goals and values throughout the new Europe. Also important will be the development of a regular bilateral dialogue on questions of peace and security that would address questions of common interest. We will use bilateral military and defense contacts to provide advice and assistance in the development of civil-military institutions.

As a matter of special urgency and concern, we also will work actively to prevent the proliferation of weapons of mass destruction and associated technologies. In this regard, the United States applauds Ukraine's leadership, manifested in its agreement to ratify and implement the START and CFE treaties, and its commitment to renounce nuclear weapons and join the Non-Proliferation Treaty as a non-nuclear weapons state at the earliest possible time. Consistent with these commitments, Ukraine reaffirms its decision to complete the removal of all tactical nuclear weapons from its territory by July 1, 1992, and all remaining nuclear weapons in accordance with her relevant agreements and during the seven-year period of time as provided by the START Treaty and in the context of the statement of the Verhovna Rada on the nuclear status of Ukraine. The United States will assist Ukraine in these efforts by utilizing a portion of the $400 million appropriated by the U.S. Congress. The U.S. will also allocate part of this $400 million for the establishment of an International Science and Technology Center in Ukraine. This Center will help former weapons scientists and engineers in developing long-term civilian career opportunities that will strengthen Ukraine's scientific research and development capacity. In addition, the United States will continue its support of Ukrainian and international efforts aimed at minimizing the tragic aftermath of the Chernobyl catastrophe.

By agreeing to cooperate to advance these common political, economic, and security interests, the United States and independent Ukraine have laid the foundation for a strong and special partnership. For while relations between our governments may be new, the ties that connect our peoples are deep and long standing. We will seek to broaden these contacts through expanded people-to-people exchange programs such as the Peace Corps agreement we have signed to provide Ukraine with assistance in small business development and other areas, such as education. Working together and with others who share our principles, we will expand this partnership in pursuit of an enduring, democratic peace that can fulfill the aspirations of our two nations and the entire world.

Teleconference Remarks to the American Newspaper Publishers Association

May 6, 1992

The President. Thank you, Bob, and thank all of you for that warm welcome. And I'd like to say hello to Cathy Black there, the ANPA CEO and president. I want to congratulate your incoming chairman, an old friend, Frank Bennack, who takes the gavel for the ANPA and the new NAA. And it's good to be with all of you again, this time via satellite.

Please excuse the slight delay here. I've just come from a longer than expected press conference with President Kravchuk of Ukraine. And incidentally, that was an important meeting we had, and I think it went very well indeed. The relationship between the United States and Ukraine is a developing one, and it is a very important one. And I will be seeing him again in a couple of hours. But that's why I was a little late here.

Before taking your questions, let me just give you a brief update on events in Los Angeles. As I think back today to when I spoke with the American people last Friday evening, I think of the oath that I took as President, the Constitution's charge to ensure domestic tranquility. This I know: We cannot and can never condone violence because without peace there can be no hope.

All of us are grateful that our actions have brought calm to Los Angeles. The kids are back in school; city buses are running; the curfew is lifted. After last week's shock and spectacle, we take heart at the willpower of the people of Los Angeles to join hands and hearts to mend their community.

Let me focus for a minute on what we're doing at the Federal level, working in cooperation with the Governor and the Mayor to help in the rebuilding. Through my Presidential disaster declaration, FEMA, the Federal Emergency Management Agency, will make assistance available to individuals and families and the city and county of Los Angeles. We've got a preliminary estimate of this assistance, and the preliminary estimate is approximately $300 million.

Now, we will make grants directly to people hit the hardest by the violence, personal grants up to $11,500 to meet urgent needs like food, clothing, and medicine. These grants will also help with temporary housing, money to provide shelter for up to 18 months for families who have lost their homes or money for repairs to minimally damaged homes. And we're also helping with crisis counseling and disaster unemployment assistance for those who are now without jobs as a result of the disaster.

A disaster field office is already up and running in Los Angeles. And FEMA's 800 assistance

number is ready to receive calls in English, Spanish, Chinese, Thai, Korean, and Laotian. In addition, FEMA will assist State and local governments to repair and restore public utilities, like water and electricity, essential to everyday life. This is a cooperation program, a program of cooperation with State and Federal and local governments.

Beyond these emergency grants, we will provide low-interest Small Business Administration disaster loans up to $500,000 for business losses that exceed insurance coverage and up to $100,000 to homeowners and renters for damage not covered by insurance. Preliminary estimates indicate that roughly $300 million in loans will be made in the Los Angeles area.

Finally, the Department of Agriculture has arranged for delivery of over 2,000 cases of rice cereal, over 2,000 cases of infant formula, nearly 250 cases of nonfat dry milk, and continues to assess emergency food needs in the city of Los Angeles. So all told, Federal aid to speed the recovery process in Los Angeles is estimated at approximately $600 million.

Now tonight, I'll be traveling to California to get a firsthand look at the situation in Los Angeles. There I'll be meeting with members of the community to discuss how we can continue the work of building a future of hope, understanding, and tolerance, a future where there's no room for hatred. That's a story I know every one of us wants to see in print.

Let me say this about the desire that all Americans share to see that what happened in Los Angeles never happens again: We all want to solve the problems. This is no time to play the blame game. It is time for honest talk. And the fact is, in the past decades spending is up, the number of programs are up, and yet, let's face it, that has not solved many of the fundamental problems that plague our cities. We need an honest, open national discussion about family, about values, about public policy, and about race. That's the only way forward. And that's what I intend to do in the days ahead.

I'll never forget when Mayor Bradley of Los Angeles came with some other mayors to see me a few months ago. And he pointed out, as did all of them -- small city mayors, big city mayors -- that the decline in the family, the dissolution of the American family is at the core of the problems the cities face. And we've got to find ways to strengthen the American family. Barbara does it by encouraging parents to read to their kids, and we're trying to do it through our own education program and through revising the welfare system that in the past has encouraged families to live apart.

But the family is important in all of this. And I might add, lastly, so is the private sector. Peter Ueberroth talked to me in very optimistic tones the other day of how the private sector can now get involved in some of these areas in job-creating ways that will offer them hope for the future, not just a repair mechanism but real hope for the future.

So, I approach this with optimism. I know we've got to do better. The whole country has to do

better. And I'm looking forward to going out there and then making some recommendations to the country about what we should do.

But anyway, thank you all very much for letting me be a part of your 106th convention. And now I'll be delighted to take some questions, Bob.

Q. All right. Thank you, Mr. President. There is a podium with a microphone here from which questions can be asked.

Women's Issues

Q. Mr. President, last night seven women who know each other only through this convention, for the most part -- and we're from all over the country, ranged in age from 21 to over 70 -- had dinner together. During the course of the evening we found that we agreed almost 100 percent on the problems that are facing not just professional women but all women in this country over the next few years. I'd like to give you those problems.

The first one was physical violence, just the garden variety of crime that we see, random crime resulting from the rage in this country. The second was sexual violence, including rape, sexual harassment, and job discrimination particularly. The third is financial violence, including things like not only just getting along in our struggling economy and making ends meet but things that are gender-specific like years of pay discrimination and the fact that more women are supporting families alone and living longer than men in a time when services are declining and expenses are going up. And finally, the abortion issue and the question of whether women will, in private consultation with their God, have the right to choose how to manage their own body or whether our U.S. Government is going to tell us that.

Mr. President, we'd like to know what your agenda is for dealing with these issues facing American women.

The President. I think we've got a good agenda for dealing with these problems. First, on physical violence, and secondly, on rape and job discrimination, there are strong laws on the book. We're trying to make them even stronger by passing a meaningful crime bill that will, in my view, inhibit crime. I've had difficulty with that, but we're going to keep on trying to get such legislation through the United States Congress.

And I think you're absolutely correct in the underlying point that this kind of violence must end. I am not overly happy with some of the violence I see in the public media, and I've spoken out against that. I saw a film the other day, and I'll spare you its name, a rather prominent new one that almost glorified the use of narcotics, cocaine in this instance. And we have tried very hard, working with some of the media people to eliminate that. There's a great private sector effort going on under the leadership of Jim Burke to try to use the media to speak out against the

narcotics and against the underlying things that lead to the kind of violence that both you and I decry.

Financial violence: The answer is to get this economy going. I'm a little more optimistic about that one right now. I believe that most people feel that the economy is starting to move. I was wrong last year. I thought the economy was starting in a recovery about this time and that by the end of August the recovery would be, if not robust, pretty steady; and it wasn't. And I think 49 of the 50 blue-chip indicating economists, who are leading economists, felt the same way.

But I think the answer to financial violence is equal opportunity. And I hope that the recovery -- and it would have been stimulated, I think, if we could have passed these very laserlike growth initiatives that I have proposed and am still proposing. I hope that will take care of a lot of the financial violence that we've suffered through as a result of longer than normal recession.

On abortion, you and I just have different views on that one, and I am appalled at the numbers of abortions. I know that others view it very, very differently. I have confidence in the court system and, of course, as President will uphold the Constitution of the United States. But when I see a 13-year-old -- some of the groups are fighting legislation that would say to a 13-year-old, you've got to notify your parents; they're challenging that law in Pennsylvania. I'm sorry, I just disagree with it.

And I think that contributes to a weakening of the family, too. So, I have a difference. I come down on the side of the sanctity of life, and others look at it quite differently. But the matter is in the courts, and then we'll see what happens. I don't know how broad the Supreme Court decision will be, but at some point it will go back out to the States again.

Urban Aid

Q. The New York Times today asserts in its lead editorial that spending on direct aid for cities has fallen by more than 60 percent, after adjusting for inflation, since 1981. First, how will you explain that statistic to the people of Los Angeles whom you will soon be visiting? And second, if many of them have, in fact, suffered dramatic declines in economic opportunity in the last decade, they will, of course, want to know if recent events have convinced you to reconsider your strategies on Federal aid to cities.

The President. Well, first place, I'd like to look at the New York Times editorial. I have asked the Director of OMB to give me the amounts by which Federal spending has increased, and it's increased dramatically. We may be being judged by whether you should put money into these hopeless projects of bricks and mortar that we saw rot in St. Louis, for example, and deny everybody dignity.

If you can pick out a program like that one and say spending is down, you're correct. What we've

tried to do is bring it to bear in different ways. We've tried for block grants that leave the individual communities to have a better shot. But overall, I can certify to you that spending is up. So, I'd have to see exactly what it is that the New York Times is talking about.

What was the second part of your question? Is she gone?

Q. She's back. [Laughter] The second part was, many of the people in L.A. have, in fact, suffered dramatic declines in economic opportunity in the last decade. They will, of course, want to know if recent events have convinced you to reconsider your strategies on Federal aid to cities.

The President. I think we should certainly reconsider the status quo in terms of Federal aid to cities. And that's one of the things we've been trying to do by offering people HOPE, Home Ownership for People Everywhere, for offering them enterprise zones that would actually bring businesses into the communities. You see, I don't think this is a time for blame, as I said in my remarks. I think it is a time to rethink and to try some new ideas as to how we cope with the problems of the cities. I think we would all agree that it hasn't worked. It hasn't worked in the last 10 years; it hasn't worked in the last 30. And so we've got to do what we can.

All the time I have to bear in mind, however, because of my concern about the Federal deficit that's appalling, exactly how many dollars can be brought to bear in the community. And this is one of the reasons I like what Peter Ueberroth is talking -- what we've tried to be talking about in terms of Points of Light, people, neighbors helping neighbors, in terms of block grants and fewer mandated programs.

One of the places that I may have a difference with the New York Times editorial page, and there may be others, relates to the concept of mandated programs. You see, every Governor, every Governor comes to Washington and says, ``Do not mandate any more programs. Please do not pass programs that tell me as Governor or my mayors as mayors how they have to spend the money." So, we have a proposal for a substantial block grant that has been pending in the United States Congress, and maybe that time has come to think new thoughts and to try that one.

So I would tell them: Look, I'm not happy with the status quo, and clearly you're not happy with the status quo, so let's try some new ideas. Let's try some change. And this isn't any time for demagoguery or blame. In my view, it's a time to go out and sensibly and sensitively survey the situation, do what I have suggested here, which is to bring the Federal resources to bear on the problem, and then say: Look, let's turn over a new leaf, and let's see what will heal. And all the time remembering that we cannot condone lawlessness and violence. And so we can separate that out. I will do what the Federal Government can do to support the local police, to support the mayors, to support the Governors in their requests for support for keeping the peace. So, that's one.

And then the other: What do you do about the problems? How do you bring hope where there has been hopelessness? And I think my challenge now is to find a package of answers that will at least give these people that you're talking about a shot at something new. And I am not pessimistic about it. I really believe that in our country sometimes out of despair or out of gloom comes real opportunity. That's the way I'm going to approach it, with no rancor in my heart, and do what we can to help.

And I must tell you, I am very pleased at the reaction from both the Governor and the Mayor about the Federal response. It is not easy when you want the Federal Government to be a partner, but you don't want it to dominate. I think we've handled it right in terms of putting down the violence. And I hope we're handling it right in terms of compassionate help to people that desperately need it.

Q. Mr. President, if we have time for one more question -- --

Welfare Reform

Q. My question is, you have indicated that there are some basic flaws with our current welfare system, and that they are related to the crisis in Los Angeles. What are your specific ideas for welfare reform, and how will they relate to that crisis?

The President. The best answer on welfare reform is to give the States the flexibility through the waiver process to innovate. And that's exactly what we've done now with the State of Wisconsin. We have invited other States to send in requests for waivers so that we can let them innovate.

In the Wisconsin program, for example, there was Learnfare, there was Workfare, as a part of their reform program. Some were upset because in the program it suggests that if you curtail payments after so many children that that would be cruel. Others are saying that that'll be a disincentive for families that are going to just be on welfare and be there for decades. But let's see it work. This was passed by the Wisconsin Legislature. Let's see it work.

So, the Federal role predominantly is to provide the flexibility to the States that are required. But underlying my own philosophy is this concept of work incentive, learning incentive. And I'd like to see us really go forward on this program because therein, I think, lies the answer. I do not think that you're going to design one-size-fits-all welfare legislation out of Washington, DC. We've got to get past this view. And it's tough in an election year when you hear all the promises of these grand designs, which means just more Federal spending. I'm sorry, but I don't think the highly centralized Federal answers work, and I don't think that they need the support of people that are hurting, in the future.

So, this one on welfare, we're trying this diffused, decentralized approach, underpinning it as the kind of philosophy I've outlined for you. But I think it'll be well-received by the American

people, and I wish those in Wisconsin who are starting with this waiver the greatest success with their approach.

Q. Mr. President, we thank you very much for taking time out of your schedule to join us, and we wish you well on your trip to Los Angeles.

The President. Thank you, Bob. Thank you very much.

Note: The President spoke at 1:50 p.m. via satellite from Room 459 of the Old Executive Office Building to the American Newspaper Publishers Association convention in New York City. In his remarks, he referred to Robert F. Erburu, association chairman; Peter Ueberroth, chairman of the Rebuild L.A. Committee; and Jim Burke, chairman of the Partnership for a Drug-Free America.

Exchange With Reporters Prior to Discussions With President Rafael Callejas of Honduras

May 6, 1992

Legislation on Social Programs

Q. Mr. President, do you think your feelings about the blame game have been misinterpreted?

The President. I hope not. I've made it very clear. you heard me speak on it. I hope it's clear.

Q. Your remarks on Monday and your spokesman's remarks?

The President. My remarks on Monday about what?

Q. Blaming Congress for not passing your programs.

The President. Well, I'd like to get them passed. But I really don't think this is the time for blame; I think this is a time to move forward. And I think what Marlin said got grossly misinterpreted.

So I don't want to discuss it anymore. I've got a distinguished visitor and a good friend here. The man is doing a first-class job down there, and we've got some business to talk about.

Q. You're not taking him to the woodshed -- Marlin?

The President. Absolutely not.

Q. Do you think that Clinton's playing politics -- --

The President. Helen [Helen Thomas, United Press International], you're out of here. Come on. We've got to go to work.

Note: The exchange began at 3:15 p.m. in the Oval Office at the White House.

Statement by Deputy Press Secretary Smith on the President's Meeting With President Rafael Callejas of Honduras

May 6, 1992

The President met this afternoon with President Rafael Callejas of Honduras. The President congratulated him on the success of his 2-year-old economic reform program. He praised President Callejas' efforts to reduce tariffs, thereby opening Honduras' markets and increasing its trade. The President thanked President Callejas for his efforts to strengthen democracy and economic integration in the region.

President Callejas expressed his appreciation to the President for the generous assistance to his country from the United States, including substantial debt relief. He indicated that he remains committed to the market-oriented economic reforms that have begun to spur economic growth in Honduras. He thanked the President for his firm support for liberalized trade in agricultural products in the ongoing GATT trade negotiations.

Message to the Congress Transmitting the Report of the Corporation for Public Broadcasting

May 6, 1992

To the Congress of the United States:

In accordance with the Communications Act of 1934, as amended (47 U.S.C. 396(i)), I transmit herewith the Annual Report of the Corporation for Public Broadcasting for Fiscal Year 1991 and the Inventory of the Federal Funds Distributed to Public Telecommunications Entities by Federal Departments and Agencies: Fiscal Year 1991.

George Bush

The White House,

May 6, 1992.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

May 6, 1992

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (22 U.S.C. 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question. This report covers January and February and, for the sake of continuity, the first 10 days of March 1992.

As reported in my last letter to you on this subject, we were in contact with the U.N. Cyprus negotiators at the end of 1991 in preparation for the installation on January 1 of the new U.N. Secretary General, Mr. Boutros Ghali. On January 3, the first full U.N. workday in 1992, the U.S. Special Cyprus Coordinator, Nelson Ledsky, consulted in New York with the new Secretary General on how to proceed during Ambassador Ledsky's projected trip to Ankara, Nicosia, and Athens.

Ambassador Ledsky was in the Eastern Mediterranean from January 7 through January 17, and during that time he received assurances from Prime Minister Demirel of Turkey, the leadership of the two Cypriot communities, and Prime Minister Mitsotakis of Greece that the parties were committed to proceed with the U.N.-sponsored settlement process, taking up where it had left off in the late summer of 1991.

By the end of January, the U.N. negotiators had themselves returned to the area and began their first round of consultations in 1992 with the Governments of Greece and Turkey and the leadership of the two Cypriot communities. This round ended without progress when, due to the illness of Turkish Cypriot Leader Rauf Denktash, the Turkish Cypriots were unable to address substantively the issues contained in the Secretary General's ``set of ideas'' for a Cyprus settlement. Disappointed by this lack of progress, the Secretary General's negotiators returned to New York on February 7.

On February 10, I discussed the Cyprus issue with Prime Minister Demirel during his official visit to Washington. He repeated his assurances that Turkey wanted a Cyprus settlement and would work cooperatively in support of the U.N. Secretary General's good-offices mission in an effort to obtain such a solution. He gave similar assurances directly to Secretary General Boutros Ghali 3 days later in New York.

The Secretary General's Cyprus negotiators returned to Ankara on February 17. After meeting with representatives of the Government of Turkey, they expressed concern that Turkey appeared to be placing conditions on the continuation of the negotiation along lines put forward earlier by

the Turkish Cypriots. Moreover, these conditions seemed to go beyond the mandate conferred on the Secretary General by the U.N. Security Council as reaffirmed in U.N. Security Council Resolutions 649 (1990) and 716 (1991).

On March 3, Under Secretary of State Arnold Kanter met with Prime Minister Demirel in Ankara. During their discussions of Cyprus, Under Secretary Kanter reiterated the desire of the United States for the success of the U.N. Secretary General's efforts to resolve peacefully, fairly, and permanently the Cyprus problem. Under Secretary Kanter had assured Greek Foreign Minister Samaras of the same commitment in Athens on February 29. Prime Minister Demirel told Under Secretary Kanter that he understood the U.S. position and that any impression that Turkey had reversed itself on the Secretary General's good-offices mission was a result of a misunderstanding by the U.N. negotiators of Turkey's position.

On March 10, at the meeting of the North Atlantic Cooperation Council in Brussels, Secretary of State Baker met separately with Foreign Minister Cetin of Turkey and Foreign Minister Samaras of Greece. He received assurances that Greece and Turkey are committed to support the Secretary General's Cyprus good-offices mission. Having received these assurances, Ambassador Ledsky travelled to the Eastern Mediterranean once again on March 17 to discuss with the parties in greater detail the U.N. Secretary General's ``set of ideas'' for a Cyprus settlement.

I continue to believe that the Secretary General's efforts provide the only peaceful means of reaching a permanent settlement of the Cyprus issue. Further, I believe that the Secretary General's ``set of ideas'' can and should be an appropriate basis for moving forward. It is my hope that the next few months will see progress in this worthwhile effort.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Committee on Foreign Relations.

Presidential Determination No. 92 - 25 -- Memorandum on Trade With Certain Former Soviet Republics

May 6, 1992

Memorandum for the Secretary of State

Subject: Determination under Section 402(c)(2)(A) of the Trade Act of 1974, as amended -- Azerbaijan, Georgia, Kazakhstan, Moldova, Ukraine, and Uzbekistan

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974, as amended (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to Azerbaijan, Georgia, Kazakhstan, Moldova, Ukraine, and Uzbekistan will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:07 a.m., May 22, 1992]

Note: The Executive order of June 3 is listed in Appendix E at the end of this volume.

Message to the Congress on Trade With Certain Former Soviet Republics

May 6, 1992

To the Congress of the United States:

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974, as amended (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 with respect to Azerbaijan, Georgia, Kazakhstan, Moldova, Ukraine, and Uzbekistan will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received assurances with respect to the emigration practices of Azerbaijan, Georgia, Kazakhstan, Moldova, Ukraine, and Uzbekistan required by section 402(c)(2)(B) of the Act. This message constitutes the report to the Congress required by section 402(c)(2).

Pursuant to section 402(c)(2), I shall waive by Executive order the application of subsections (a) and (b) of section 402 of the Act with respect to Azerbaijan, Georgia, Kazakhstan, Moldova, Ukraine, and Uzbekistan.

George Bush

The White House,

May 6, 1992.

Note: The Executive order of June 3 is listed in Appendix E at the end of this volume.

Nomination of Robert E. Gribbin III To Be United States Ambassador to the Central African Republic

May 6, 1992

The President today announced his intention to nominate Robert E. Gribbin III, of Alabama, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador of the United States to the Central African Republic. He would succeed Daniel Howard Simpson.

Currently Mr. Gribbin is a participant in the Senior Seminar at the U.S. Department of State. Prior to this, he served as Deputy Chief of Mission at the U.S. Embassy in Kampala, Uganda, 1988 - 91; Deputy Director of the Office of East African Affairs at the U.S. Department of State, 1985 - 88; and a Congressional Fellow for Representative Stephen Solarz, 1984 - 85. From 1981 to 1984, Mr. Gribbin served as a Principal Officer in the United States Consulate in Mombasa, Kenya.

Mr. Gribbin graduated from the University of the South (B.A., 1968) and School of Advanced International Studies (M.A., 1973). He was born February 5, 1946, in Durham, NC. Mr. Gribbin is married, has two children, and resides in Springfield, VA.

Nomination of Peter Jon deVos To Be United States Ambassador to Tanzania

May 6, 1992

The President today announced his intention to nominate Peter Jon deVos, of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States to the United Republic of Tanzania. He would succeed Edmund DeJarnette, Jr.

Currently Ambassador deVos serves as the U.S. Ambassador to the Republic of Liberia. Prior to this, he served as Principal Deputy Assistant Secretary of State at the Bureau of Oceans and International Environmental and Scientific Affairs, 1989 - 90; and as Deputy Assistant Secretary of State for Science and Technology, 1987 - 89. In addition, Ambassador deVos has served as the U.S. Ambassador to the People's Republic of Mozambique, 1983 - 87; and as the U.S. Ambassador to the Republic of Guinea-Bissau and the Republic of Cape Verde, 1980 - 83.

Ambassador deVos graduated from Princeton University (B.A., 1960) and Johns Hopkins University (M.A., 1962). He was born December 24, 1938, in San Diego, CA. Ambassador deVos is married and resides in Cabin John, MD.

Remarks on Arrival in Los Angeles, California

May 6, 1992

Well, I'm very pleased to be here in Los Angeles and thankful to see that calm has returned to the city; glad to receive that report just now from the Mayor, members of the city council, and from the Governor. As I think back today to what I said last Friday, I do think of the oath that I took when I entered the office, the Constitution's charge to every President to ``insure domestic Tranquility." This I know: We can never condone violence, because without peace there certainly can be no hope. We cannot begin to move forward, could not begin to rebuild until the violence had stopped and the order restored. We've met the first mission, and I salute those who have participated in it. And now, the good people of south central L.A. are free to come out from behind those closed doors to begin the difficult but extremely important process of rebuilding the city.

Tomorrow I'll be meeting with community leaders, with some citizens, to see and speak with the people who have firsthand knowledge of last week's tragic events. I will assure them, as I can assure all the citizens of Los Angeles: The Federal Government is committed to help this city, help this city rebuild.

Let me focus just for a moment on the actions that we're taking at the Federal level to help. Through my Presidential disaster declaration, FEMA, that's the Federal Emergency Management Agency, will make an estimated $300 million in assistance available to individuals and families in the city and county of Los Angeles. It will make grants directly to people hit hardest by the violence, personal grants up to $11,500 to meet urgent needs like food and clothing and medicine. Now, these grants will also help with temporary housing, money for repair to homes with minimal damage, and to provide shelter for those families who lost their homes. We're also helping with crisis counseling and disaster unemployment assistance for those who are now without jobs as a result of the disaster.

A disaster field office is already up and running, and FEMA's 800 assistance number is ready right now to receive calls in a wide array of languages: English, Spanish, Chinese, Thai, Korean, Vietnamese, and Laotian. In addition, FEMA will assist the public sector in repairing and restoring public utilities like water and electricity that are absolutely essential to everyday life.

Beyond these emergency grants, we will provide SBA loans, disaster loans they're called, up to $500,000 for physical damage and lost inventory. Homeowners and renters are also eligible for assistance under SBA for programs up to $100,000 for damage and losses. Preliminary estimates indicate that roughly $300 million in loans will be made in this area.

All told, aid to speed the recovery process could total approximately $600 million. This assistance will help get boarded-up and burned-out businesses open again, up and running. It

will help people clean up the streets, help the individuals and families who lost their home and all their belongings to cope with this most personal of tragedies.

Finally, the Department of Agriculture has arranged for delivery of over 2,000 cases of rice cereal, over 2,000 cases of infant formula, nearly 250 cases of nonfat dry milk, and continues to assess the emergency food needs.

This is a good beginning. The urgent need for assistance must not obscure the magnitude of the larger challenge that we face. Beyond these short-term actions, we must bring hope and opportunity to our inner cities. The aim must not simply be to recreate what we had but to build something better in its place. There must be no return to the status quo. Too often in the past, we've measured our compassion the wrong way, by budgets and bureaucracies instead of how many poor people have permanently escaped poverty. So this must end. And there's no question, the Federal Government has a terribly important, a fundamental role in ending poverty and despair in our cities. But the time really has come to try a new way. So we need to let poor families take back control of their lives by making our commitment to end poverty and despair greater than ever before.

So this time, we've got to make certain to put the Government on the side of opportunity, on the side of human dignity, on the side of hope. Anything less would really be a disservice to the people of Los Angeles who need our help. Anything less would be unworthy of our great country.

In 5 short days, Los Angeles has made great strides, and the number of people who deserve thanks runs up into the tens of thousands: The firefighters, the police officers who worked hours on end. There's this enormous corps of volunteers, I'm told, the churches, the churchgoers, those out in the communities organizing. The many people known and unknown who came to the aid of people that were hurt, people in need, who stepped forward to stop the violence, to save a life.

Let me say something, something I promised myself I'd say the moment we got here, say this to every one of the people who reached out across the barriers of color and put their own safety at risk to help others: Thank God for what you did. You did more than simply save a life. You gave a Nation great cause for hope. And you proved amidst the hate and the horror that this is still the City of the Angels.

I salute the local officials. I'm very grateful to the Mayor and the others who are here to greet me, from the city council to our Governor. I've listed what the Federal Government can do, but we recognize this is a team effort. I understand that on the ground already is a fantastic volunteer operation, one to stimulate the volunteer sector, and we salute those who are working in that way, too.

So it's a pleasure to be here. I know I will learn a lot from what I see. And I salute those, all of

them standing right here with me, incidentally, who have worked tirelessly night and day to restore order and to return the city to a city of hope. Thank you all very, very much.

Note: The President spoke at 8:50 p.m. at Los Angeles International Airport.

Remarks at Mount Zion Missionary Baptist Church in Los Angeles

May 7, 1992

Thank you, Reverend Hill. Let me just say to his parishioners and to his fellow members of the clergy that we Bushes have great respect for your pastor, respect for what he stands for, respect for his leadership, and respect for his emphasis on family values.

I listened to the prayers with wonder, admiration. I think we got a pretty good start, don't you, with Miss Elmore singing, but I heard what His Eminence Cardinal Mahoney said about racial tension. We must address that. What Bishop McMurray and Dr. Billy Ingram said about healing, we've got to address that; what Dr. Massey said about the importance of the church. And as you look at the chaos and turmoil in this country, not just in the wake of the riots of Los Angeles but all the problems we face in the country, the problems we face internationally, I keep coming back in my own thinking to the importance of the church, the importance of our faith. Then Reverend Massey talked about this is no time for blame, and he's right about that. This is not a time for blame, and I am not here in the mode of politics. I am not here in the mode of partisanship. I am not here in the mode of blame. I'm here to learn from the community and at this moment to tell you of the values that I strongly believe in.

When Reverend Hill and other national leaders came last Friday to the White House, I reminded the group of what Mayor Tom Bradley and other mayors, urban mayors, rural mayors, had to tell me not so many months ago. They told me of their concerns for their cities, their municipalities. But they came together on one key point: They told me that their major concern about the problems in the cities was the decline of the American family, the fact that the family is weaker today. I think that we have simply got to find ways to help strengthen the American family. This church does that for the immediate family; all of your churches do that for the families of your parishioners. But we've got to broaden it out.

This church brings the generations, grandparents, great-grandparents, and grandkids, here to work within this church -- that strengthens the American family -- and to give the kids not only indoctrination into faith and into the teachings of the Lord, but the church helps kids understand the larger family. We are one Nation under God. We must remember that. We must advocate that. We must continue to state that we are one Nation under God.

And we are our brother's keeper, not to keep him back, not to keep him down, but to keep him well and to keep him safe and to give him a shot at the American dream. Family values, that means respect for one another, and it does mean honor thy mother and thy father.

I talked to Barbara this morning and told her a little bit -- I didn't know it fully -- about what

Reverend E.V. Hill had in store for all of us today, but particularly for me. He had failed to point out that he had the distinguished leaders of various denominations here and that I would be flanked behind me by people who are active pastors in the wonderful churches of this area. And she told me, she said, ``You've got your nerve. You've got a lot of nerve to stand up in front of all those people and tell them what you think about values." But I'm going to try anyway. [Laughter]

I do want to single out Reverend Jones and Mrs. Jones for what they do, reaching across the States, bringing help to others. That's family. That's God's family. Family values means the church must continue to teach the kids right from wrong.

I was over at a supermarket, and the guy with tears in his eyes was telling me, ``One of my own employees came in and took stuff out of this store." He couldn't understand it. We've got to teach right from wrong. Government cannot do that. We can try, those of us in public life, to set reasonably good examples of family and faith. But the values have to be taught, and the church has a tremendously important role on that.

I think that when Barbara reads to kids that she is emphasizing not just the importance of education that we all believe in, so many of you working with children, but she's emphasizing the importance of the role of grandparents; even more, the importance of love.

To struggle against hard times, to overcome the devastation of poverty, of racism, or of riots, we need our family. We need our own family. We need our church family. And we must find ways to strengthen America as a family. Back to what the Cardinal said, we are embarrassed by interracial violence and prejudice. We're ashamed. We should take nothing but sorrow out of all of that and do our level-best to see that it's eliminated from the American dream. A family that respects the law, a family that can lift others up.

We need a family that is truly committed to faith, for again, we are one Nation under God; a family that says ``I'm my brother's keeper." But it's here, it was here in the ugliest moments of the rioting, the brother's keeper aspect. I saw it in a police station just now. God bless the honest policemen that are defending the families of the neighborhood, all of them. But the message they got to me this morning was a little different than the one that I see in that first 2 minutes on the evening news. This was a message of forgiving and healing, how neighbors had called in and said, ``Here's where you can go and pick up some looted goods," or brought them to the police station so that they could be returned to their owners. We don't hear enough of that kind of family action or that kind of fellowship.

Another pastor, Reverend Bennie Newton, laid his life on the line for his brother. He saw a man literally beaten into the ground, and he waded through the fray, and he laid his body on top of the victim until the beating stopped. And here's what he said. He said, ``My heart was crying." But the bottom line is, he saved that man's life. He was his brother's keeper. These are the stories

that I think America needs to know about. We saw the violence. We've seen the hatred. And we've got to heal, to see the love.

Los Angeles is going to recover. This is a great city. And I have pledged to the Governor, to the Mayor the full support of the Federal Government. And if I might take one mention of personal pride here to say that I'm very pleased the way these Departments in the Federal Government have responded. Not to preempt, not to get credit, again, not to assign blame but to supplement the work in the communities, the work of the Mayor, the work of the council, and the work of the Governor. And I'm proud that Lou Sullivan, our Secretary of HHS, and Jack Kemp, our Secretary of HUD, are here today. And many others wanted to be with me, but somebody had to mind the store back there.

Now Los Angeles will recover. I believe it is well on its way to recovery, thanks to what the local government and the State government and this Federal presence are doing. And as Los Angeles comes back to its glory, all of us must ask ourselves: What can we do to help? This is no time to outline Federal programs. This is a National Day of Prayer. This is a day to give our thanks. But we will do what we can to help and to assist and to lead in this reconciliation. To truly help, we've got to understand the agony of the depressed. You can't solve the problem if you don't feel its heartbeat. You've got to understand the hopelessness of those who literally have had no opportunity.

Trucks bringing food and bricks and mortar are rolling into Los Angeles. And this city will be rebuilt. And I am confident that new opportunities will arise. But all across this Nation, we've got to renew our fight to strengthen the American family. It isn't a burnt-out area in Los Angeles; it isn't California. It is the entire country. That's where everyone in this room, everyone in this hallowed sanctuary comes in. We've got to find ways to do that. We've got to fight against discrimination. We've got to continue to speak out against bigotry. We've got to fight for justice and equality. And on this National Day of Prayer it is fitting that we pray to God to help us.

Abraham Lincoln was right, you can't do it alone. If we asked him what he did in times of turmoil -- you think of the problems he faced -- he said, ``I spent a lot of my time on my knees." We have to understand that that faith is still terribly important to leaders, terribly important to citizens that lead these communities.

So I pray to God that He will give us the strength and the wisdom to bring the family together, the American family. Barbara and I pray that our personal family and your personal families will be engulfed in God's love and that every kid will have someone who knows his name and really cares about him.

One little 4-year-old girl, maybe you heard the story, Ryan Bennett, prayed special prayers as she saw her neighborhood riddled with bullets, her candy store destroyed. And Ryan said, ``I asked God if He could make it so it's not dark anymore." Let this Nation vow to help that it won't

be dark.

Note: The President spoke at 9:10 a.m. In his remarks, he referred to Edward V. Hill, pastor of Mount Zion Missionary Baptist Church; Robert W. McMurray, bishop of the 16th episcopal district of the Apostolic Church; Billy Ingram, pastor of Maranatha Church; Floyd Massey, pastor of Macedonia Baptist Church; and Larry Jones, president of Feed the Children International in Oklahoma City, OK, and his wife, Frances.

Remarks in a Roundtable Discussion With Leaders of the African-American Community in Los Angeles

May 7, 1992

Rev. Edward V. Hill. May I give the ground rules, please. The persons who are seated in this assembly have been selected, a cross from young people to business people to leaders. The President wanted to meet just a few. He will not have an opportunity to hear a long question, but if you can make short your statement, the President of the United States would like to hear you.

Mr. President, we are honored again to have you.

The President. Reverend Hill, let me -- I would never, ever correct E.V. Hill, especially in his own church in its centennial year, but rather than questions, and I will be glad to answer them, what I really would like to get is the heartbeat of the community, hear from you all as to what you think can best help, where matters stand.

It's hard on a short visit to get all this. I will assure you, and I hope that Pete, sitting here, and Tom Bradley would agree, that we have tried to bring Federal resources to bear in a timely fashion. It's been done pretty low-key in the sense that the Federal officers out here have been not seeking a limelight. But under David Kearns they've put together a good task force. And I've been very gratified that the leaders, both from city council and the Mayor's office, as well as the Governor's office, feel the Federal Government is responding, whether it's from FEMA or whether it's from Jack Kemp's HUD or whether it's from Lou Sullivan's HHS or the Department of Education. Leading the fray was Pat Saiki, out here very early for the SBA, small business loans.

So I don't want to go into all these programs, although I'd be glad to have our experts respond to any questions on them at all. But what I'd like to do is, first, to say thank you; second, to let you know that justice will prevail, that we will follow through with my responsibilities under the law, and the Department of Justice is following through on the justice side of the equation to examine, to see if civil rights of anybody have been violated, King or anybody, Rodney King or anyone else, that there be fairplay and equity there.

But having said all that, let me tell you something, and you know it better than I. There is no way, really, I guess, that the President can come here in an every-4-year situation and not have it be accused by some of being political. I don't want it to be political. I want to get by this. We've got plenty of time later on in the year for the politics. I want to hear from you, just all the bark off as to what you think we can do, and please speak frankly about it.

If your comments have a political ring it will not offend because, as I say, it's a hard year to stay

out of it. But we're here to help, and we're here to learn. And that's it.

[A participant spoke on local oversight of funding allocations.]

The President. That's a good opening comment.

[A participant requested assistance to rebuild his small business.]

The President. May I make a comment on that, Reverend?

Reverend Hill. Yes.

The President. Because there are a lot of others like you, and you're not here as a special pleader. The Federal Government can in a situation like this be of real assistance. It is largely through SBA, but perhaps other facilities, Agencies can help, too.

Clearly this is one, this type of experience is one where the Federal Government has resources available, pumping them in now. I outlined the programs last night. I won't go through them here, although Pat Saiki is here now. And to others like you whose life has gone up in smoke, we can get assistance, no strings attached to it, largely through SBA but not only SBA.

And so we can get, in your case obviously, somebody in touch with you. But others like you, the Small Business Administration and other Federal Agencies can help. I know that Pete or Tom Bradley can speak for the city. But this is clearly one where we have the resources.

[A participant spoke on local investment in the rebuilding effort.]

The President. Let me comment on that one. I strongly agree with that concept, and we will, again, push for the concept at the Federal level. But I am told by city officials that you are absolutely correct, that where ownership has been involved, there has been much more respect for property. And certainly this concept of ownership in the community, the businesses, is something I strongly endorse. And we will find ways to implement that at the Federal level, I promise you.

[A participant spoke on assistance for community child development programs. Another participant spoke on the dissemination of information about available assistance.]

The President. The things we're trying to work out for the Federal Government is that kind of, like a what you call a one-stop-shopping approach. And David Kearns, who is our number two in the Department of Education -- some may remember him through his work with the Urban League and others when he was the chairman of Xerox, a very large company, but a great manager -- is working that problem right now. And it would include not just the kind of services

that this lady talked about, but all of it, including what the private sector can do to help. I know Peter Ueberroth's getting involved in that, and we have a national office on that. But I think that the plea here is a very good one for letting people know what's out there.

[A participant spoke on the destruction of community organization facilities.]

The President. May I ask you a question before you sit down? And it may be an impossible one to answer. But here's 100 Black Men, a respected organization that has no enemies. Why would someone target -- no matter what the rage, why would somebody target that building? We've seen this gentleman -- what's your name again?

Participant. Dereke.

The President. Yes, Dereke. He was telling me this morning, he was the one I was referring to about who saw one of his own employees taking stuff out of the store. We went around and talked about the ownership and the different facilities there. One was a dentist's office. The dentist and his wife stood out there with a dog trying to keep people from coming in and taking -- where is he -- Dr. Faulkner right here. An amazing story. But why? Maybe that one is messed up because it was next door to a supermarket where people can go and get food. But why the 100 Black Men, why would somebody destroy that building? Can you -- --

Participant. The only thing that I think that it might have had -- the city was leasing the building. It might have had the city emblem up there, I don't know. But I want to just conclude with the fact that the Young Black Scholars, a model program that is really being modeled by the State now with senate bill 1114, and it also reflects the Education 2000 vision that you are really pushing forward.

[A participant spoke on job training. Another participant spoke on Federal aid for infrastructure improvements and employment of arrested rioters in cleanup efforts.]

The President. Thank you, sir.

[A participant spoke on minority business opportunity. Another participant asked about small business loans for rebuilding churches.]

The President. I think the answer would be yes, but do you know the answer to that, Pat, whether SBA can apply to the reconstruction of churches?

Administrator Saiki. We'll look into it, Mr. President.

The President. She doesn't know offhand, but it ought to and we ought -- there's a place, if we need change, there's something we ought to change.

[A participant spoke on youth programs targeted at gang members. Another participant spoke on comprehensive, prevention-oriented aid and mentoring programs. Other participants spoke on welfare reform, job discrimination, educational development programs, and family involvement in education. Another participant asked about the processing time for SBA loans.]

The President. No, we have given instructions to Pat Saiki, who is here, to speed this process up. Now, I hope we're successful. We will keep on it to see that we are. You might ask her just on this one specific -- right behind you -- because that is the underlying as to what we're trying to do here, and it is very, very important in the reconstruction.

Note: The discussion began at 9:30 a.m. at Mount Zion Missionary Baptist Church.

Remarks in a Roundtable Discussion With Leaders of the Korean Community in Los Angeles

May 7, 1992

The President. Are you going to say something, or do you want me to go ahead? Let me just say thank you to the community leaders assembled here. And let me single out Mr. Lee for his hospitality not just to us today, to Secretary Sullivan, the Governor, Senator Seymour, Secretary Kemp, Pat Saiki of SBA, but to so many.

This place has become not just a command center in times of turmoil, turmoil that every American regrets. This President, I'll tell you, my heart aches for those who have lost their jobs. But this community is strong. I wish all you guys would walk with me -- maybe you've been there and seen the volunteers in the next building. It's unbelievable, 200 out there this very day, 200 to be trained; 180 of the 200, I'm told, are CPA's willing to pitch in to help do what's necessary to reconstruct.

I look at this in a very broad sense, not only in terms of families that were hurt but in terms of international. I think most people here will concede and rejoice in the fact that we have good relations with Korea, something I take great pride in, incidentally.

I think people in Korea share the same hurt that all of us do when they look and see this community of enterprising individuals that David reminds us came here, what, some 25 years ago, some more recently; got in, grabbed a piece of the American dream, and built something. To see it shattered is not the American way. And I will do everything I can to show our friends abroad as well as here that it's not the American way. And with that in mind, it means I want to help. It means the Federal Government is prepared to help in every way we possibly can.

I want to go back to the volunteer concept that I mentioned a minute ago. That is also part of the American way. I'm sure it's part of the Korean way as well. But when you see one American reaching out to another in times of hardship, that is one of the things I think is very precious about our society. And the spirit of those volunteers out there, it's amazing. One of them actually hit me up for a little donation. [Laughter] I might say I understood perfectly, and in a modest way was able to contribute to this volunteer sector.

Let me just go into a couple of problems. This has been a command center. I understand that some in the community were unhappy by the location of the disaster relief center. And by early next week, that unhappiness should give way because we are going to have a new, acceptable location to serve the needs of the community. And I understand that not having forms in Korean is a problem, and now there's efforts going on to be sure that those forms are printed in a way that can be understood in Korean so they can be understood by those small family operators that

have suffered because of these uncontrolled forces.

We also realize that translators are a problem, and we are working to provide translators to help with disaster relief. And of course, once again I salute the community, because the community is doing some of that. I just noticed that in here in a volunteer sense. There is no way I can tell you how much I respect what Radio Korea has done. I happen to be sitting next to its boss. But I will simply say we applaud Radio Korea for the support that has constantly been given to the Korean community, the pride that this station reflects when it brings to others what the Korean-American community stands for. It is wonderful, and we're grateful to you, sir. And I think you've acted as a lifeline in a sense in this tragic situation. A couple of people told me that as I was walking in.

Two immediate concerns, and then I want to hear from you the priorities. I want to be sure that while I'm here I don't overlook a priority. Two immediate concerns are: What will the Government do to bring about a speedy economic recovery, and what can we do to ease the awful racial tension? I spoke about it in a church today, Reverend E.V. Hill's church. I think all Americans have to be concerned about both those points.

I want you to know that the situation in L.A. is on the minds of all Americans. It is not a local situation. What's happened here is not something that we saw for an ugly moment that'll be forgotten. We've got to continue to strive for racial harmony and for the elimination of discrimination wherever it occurs in this country. And I am thankful, of course, that the streets are safer, with kids back in school, and that businesses are reopening. But now we need to concentrate on a major rebuilding effort.

I have signed, as I'm sure you all know, a declaration, a disaster declaration, having directed FEMA, the Federal Emergency Management Agency, and Mrs. Saiki and the Small Business Administration that she so ably heads to provide immediate assistance to the victimized parties. Pat can answer your questions, can give you much more of the detail there. But it is a very important Agency at this time.

FEMA is providing grants for personal needs such as food and clothing and medicine, for minor home damage, and unemployment assistance to those who are now without jobs. Even though they have their own businesses, some are without work because those businesses were destroyed. We have an 800 assistance number that will also receive calls in six languages. The Korean community took it on the chin the most, I think, but others are hurting, too. So we, the Federal Government, and Governor Wilson, and the Mayor are trying to respond as best we can to all the hurt out there. The SBA is also making disaster loans available for business losses, for home damage. Those loans could total over $300 million. All told, the Federal aid to Los Angeles and the surrounding areas here could run in the range of about $600 million.

Again, I am delighted to have this opportunity to come here. And I just hope you will tell those

who are hurt that, one, we care, and two, we are trying our level-best to heal those wounds, to get people back on their feet again. Because when I think of what this country needs, it's more small businesses, it's more entrepreneurs, people that will come here and take a risk and hopefully earn their share of what we think of as the American dream.

I know that this American dream is still real. I'm sure to a businessman, a wife and a husband, for example, whose business has been closed and brutalized and ruined, he might wonder: Well, what's it all about? What does this mean? We have got, you and I -- maybe you all can do it best -- is convince those people that are hurting that the American dream is for real. And you will rebuild, and we'll be a part of helping you.

So that's what I wanted to say. And David, I'd love to hear from members of the community and what you think we might do to assist. But we care very, very much. And as I say, I want to be the President to take the signal out around, back to Korea itself, and say: Look, people got hurt in my country, good people, good citizens. But we're going to make them whole, and we're going to give them some hope.

So now, I don't know what the schedule is -- --

Participant. Open for questions and comments.

The President. Fire away.

[A participant requested that aid for Korean-American victims go beyond standard disaster relief guidelines. Another participant spoke on cooperation among ethnic groups in the rebuilding effort.]

The President. Thank you for your statement.

[A participant asked about the location of the FEMA office in Koreatown and the creation of enterprise zones.]

The President. Let me answer the first one by saying I'm not sure. I know we are pledged to move it. I'm looking around for somebody to tell me what has been decided. But I know there's been unhappiness with the first. I have this statement saying we will change it. But you're saying, in this very building?

Participant. Not actually. Next building. Next one across the street.

The President. Well, let me record that and tell our FEMA people who is -- --

Presidential Aide. Sir, we're going to be working with you to identify a suitable location. It is too

premature to know exactly where it could be, but we want to work closely.

The President. But they're asking that it could be right across the street. Well, let's see what we can do to consider it, if that's the general feeling. I don't know if everybody feels that way.

Participant. That way we could communicate through radio. We have to mobilize people, mobilize volunteers, and we'd like to be close to the radio station. We would like to -- --

The President. We're trying to. Incidentally, on one-stop shopping -- slightly different point -- we've got a lot of Federal Agencies out here, and we want to have it as simple as possible. And that's why we have David Kearns and -- out here, who are trying to coordinate the Federal effort. But thank you for the comment.

On the second one, I wish I could tell you the answer. We are going to urge the Congress to move right away on a legislation. And believe me, it will certainly include the Korean community. This is a concept that I've heard about all day long today. It's something we've been advocating for a long, long time. We're now talking about the enterprise zones. That concept I think is an idea whose time has come. I'm seeing support publicly just in the last few days from people who have not supported it. I have said this is not a time for blame in terms of getting legislation going. But I can tell you, we feel much more optimistic, and we will be pushing hard to get it done. And the Korean-American community is obviously going to have a piece of the action.

[A participant suggested scholarship assistance for victims' family members, an SBA hotline, and waiver of documentation requirements for SBA loans.]

The President. Well, on waiving the requirements, I understand that some of the records are just going up in smoke, and therefore it's hard to have them.

Participant. That's right.

The President. Fortunately, we do have and would have access to the income tax returns. So, there will be a way to verify a lot of the claims. So, we hope we can get around this rigid requirement on that one.

The SBA, I don't know on the hotline. I'll let Pat speak. We will have, I think it is six offices to not only respond for SBA but put this in what we call a one-stop shopping approach where you have programs from HUD, you've got programs from HHS, you have programs from various different Agencies that can assist different parts of all of this.

On the third one, we believe that our approach to education is a good one, America 2000. And on scholarships, I don't know. Are you talking about a new scholarship program?

Participant. The individuals who have suffered the damage, the parents, the Korean-American parents may be unable to pay for the education of their children. So can you set aside some fundings for their children?

The President. Let me think about that one. I think we've got to be a little aware of the fact that there's a big demand for scholarship support all across the country. But whether it can be done on a set-aside basis, I just don't know how the law reads. But let me take a look.

[A participant requested assistance for living expenses.]

The President. Thank you. Thank you, David. On the food assistance, there are substantial amounts of food coming in through our Department of Agriculture. I hope that's arranged so it's fitting for the requirements that it will be distributed here.

[A participant spoke on Korean-American participation in government and in the rebuilding process.]

The President. Good counsel. Thank you.

[A participant spoke on the magnitude of the losses, unfavorable media coverage, and the speed of the Federal response.]

The President. Let me comment on that, if I might. I don't know how anybody who has not been through what you've been through can say they understand. I don't know that. I believe that the Federal Government response is fast. I'm told by Mayor Bradley, I'm told by the Governor that it's fast. It may not seem fast to somebody that is hurting -- --

Participant. No, sir.

The President. -- -- but it is fast. Pat Saiki was out here the very day it happened and has already started. So we will keep trying, and I just wanted you to know.

I don't know about the demonstration last night. I know there were some nice political shots fired at me which I didn't appreciate particularly, but I understand also that it comes from people wanting to get something done. And that you were mistreated there, I feel very, very badly about that because you shouldn't have been. You were expressing your rights as an American.

I don't know. You say the media mistreated you. I will certainly apologize for that. I have no control over it. And you know our system, to know that we have no control over it. But I guess what I'm trying to say is we do care, and we will try very, very hard to help.

And when you get to be President, you do identify with people's suffering. Today it's here. And yesterday it was another place somewhere in the country, unrelated to riots. Tomorrow it will be something else. That's just the way our country is. But I will try to be as responsive as I possibly can. And I know it must feel a thousand miles away, Washington and all the forms to fill out. But these comments you have made I think sensitize all of us to the need to do our level-best and to move as fast as possible. So it's not in vain. We'll keep trying.

[A participant spoke on efforts to resolve racial tension.]

The President. That's a very important statement, Dr. Yang. Let me say this, that we had a very interesting meeting with some mayors here. One of them was the Mayor of Ingleside. The Mayor of Ingleside told us that he had led that community, church leaders, ethnic group leaders, whatever, long before the riots started. He'd had meetings with Korean business people or civic leaders or church leaders, meeting with black leaders, Afro-America leaders, and then the elected officials in the community.

You see, I am convinced that when you live close in -- your second point is right on target -- that it is going to have to be the local communities. The Federal Government can set a tone: no discrimination, rule out bigotry, hatred, and all of that. But to practice it, it's going to have to be done by getting across these lines and by leaders -- and you and I are saying the same thing -- with the churches in the lead, city governments being responsive, to get across these cultural boundaries.

And I salute you for what you've done. I was in E.V. Hill's church this morning. There were some Korean pastors there. And my emphasis was one on the essentiality of strengthening the American family. In your community, it is my perception that you have strong family values. I think you are blessed with the strength in family values. You've got to share with whoever is open-minded enough to listen. And religious leaders, I think, can do a lot. I'm not trying to avoid responsibility from the Federal Government, but I really think it's something that can't be legislated. This is something that really has to happen, come from the heart, and has to happen through what I think you're obviously trying to do in your church. And yes, it is longer range. But we can't give up on it.

And it is not just the Korean community or the black community; there are others who feel the same sense of anguish and hurt. We haven't talked about Hispanics here. But I think your point is very valid.

[A participant asked about law enforcement measures after the departure of National Guard units.]

The President. May I ask you one? I don't want to sound defensive, but why do you assume that I'm only concerned about Beverly Hills?

[The participant cited media coverage of Los Angeles.]

The President. No, that's why I asked the question, because that obviously is something local and I hadn't seen it. But the answer clearly is local law enforcement. There's no other answer. There's no Federal police force in this country, and there will not be as long as I am President. We don't need that. But we do need to guarantee the rights of citizens to be protected under the law by the local police. The State police have some role in this. Federal crime is violated, the Feds have some role in it.

What's happening now is we're just trying to guarantee everybody's civil rights under the civil rights statute. But in terms of the guy that gets beat up at a gas station, that clearly has to be a renewed effort by the local authorities to guarantee the safety of the life and limb of American citizens. The law has got to be totally colorblind in that regard, and people have to, local police have to do their level-best.

Participant. But they never did ask for us -- --

The President. They must do it. They must do it.

[A participant requested the names of Federal relief staff members and stressed the need for bilingual staff.]

The President. We're having a meeting tonight with people like David Kearns who is out here, who came here to set up the -- you're talking about Federal response.

Participant. Right, the Federal response.

The President. And out of that, we will have the names of the people who are going to be staffing these regional centers. That's the level at which the action will be taking place. So I hope we'll get this to the community and get that response to you as quickly as possible.

[A participant spoke on Korean-American participation at decision-making levels of government.]

The President. I appreciated what my Andover colleague said. We have at least tried to have a better record in terms of numbers of Asian-American appointees, and we'll keep working on that. Do not make the mistake of thinking that the Federal Government is going to wave a wand and solve these problems. You say you don't have any elected representative. I've heard some real talent here today. I've heard some very able and articulate voices. And I don't know how much participation these voices have tried to have in the local political process.

But you don't need a civics lecture from me when we're talking about how you help in a community that's been ravaged, but to really have the clout and to really effect the change on matters we're talking about here today, I think it calls for participation in the political process, not to give up on it, not to think Washington can dictate to the local. So maybe there's some good activity in that regard; but if there's not, I strongly would urge that kind of participation.

Participant. I'm primarily concerned about the appointing positions in both local and in Federal Government.

The President. That's not where the power is. The power with the people, with people that are elected, whether they're low -- that's the only point I'm making.

Participant. We were simply saying we've been trying, and we'll work with you, and we need your support.

The President. Yes. That I agree with. No, there's no problem with that.

[A participant spoke on Korean-American participation in government.]

The President. No, I think that's a very good point, and I think that's where I think the action is. Whether it's elected or appointed, I think that kind of community decision-making level is what's required at this juncture. I'm not arguing against Federal appointments, but I'm saying that this is where -- --

Participant. Mr. President, I want you to know that the leadership by election is very unfeasible because only people who -- persons of the Korean population, the whole general election area, how could you think that we expect someone to be elected by the Caucasian, white Caucasian. So appointing a position is the one that we can work with very closely as a part of our education, as a part of channel to work with the Federal Government and local government.

The President. I think that's important, but please do not give up on the local level, whether it's appointment to the -- what Ueberroth is doing, whether it's representation on committees that will come out of how the Federal aid is coordinated or what the Governor does. That's all I'm saying, is I really think -- and don't give up on the idea that if you only have got a certain percent, that means nobody else will vote for you.

I mean, I was listening. The concept of can we stay here, I have got to help on that. Everybody in the community has got to help to say: Look, this is a setback, this is a serious setback. And I think I maybe have more of a responsibility on this point to make clear to the American people that you're welcome and that this is an aberration. This isn't the American dream. So I'll try to assist in that as best I can. I did mention this in my speech to the -- the heartbreak of the -- and I got some messages back on that.

[A participant asked what role Korean-American community organizations could play in the rebuilding and relief efforts.]

The President. What you're doing. What I saw when I walked in here is profound. I mean, this isn't some passing fantasy when you see all those volunteers out there doing something that in some ways people might just hang back and say, where are the Government people to do this? These people are reaching out into the community, trying to find what the problem is, what the location of the disaster is, and then trying to reach out to the agencies to take care of those specific cases.

I would certainly continue that kind of effort. What these gentlemen were talking about is participating in the committees that inevitably are formed from the distribution of Federal or State assistance. I think that is very important. And I think what you project, how you project the problems -- here are people that have come here very recently, settled in with the work ethic, the family ethic, clearly not just because the pastors are here but a sense of faith, and convey to the community that that is not dead in spite of the setback.

Now, that's asking a lot until there are some remedial action taken, but I sense, when I've come here, a certain determination. And I think you've got to project that. If you project the defeatism, that we've been defeated, we've been beaten, then I think that is real bad. That's what you asked, what you can do for the community. Again, I've tried to outline here what the Federal Government and other government entities can do for the community. I think they go hand in hand.

[A participant asked about the terms of the SBA loans.]

The President. Let me turn to my able assistant, Pat Saiki, who can answer the specifics on that, because I can't.

Note: The President spoke at 2:05 p.m. at the Radio Korea broadcast studio. In his remarks, he referred to Peter Ueberroth, chairman of the Rebuild L.A. Committee.

Nomination of William T. Pryce To Be United States Ambassador to Honduras

May 7, 1992

The President today announced his intention to nominate William T. Pryce of Pennsylvania to be Ambassador to the Republic of Honduras. He would succeed Cresencio S. Arcos.

Since 1989 Mr. Pryce has served as Special Assistant to the President for National Security Affairs and Senior Director for Latin America and the Caribbean at the National Security Council. Before coming to the NSC, Mr. Pryce served as Deputy U.S. Permanent Representative to the Organization of American States in Washington, DC. He served as Deputy Chief of Mission at the U.S. Embassy in Panama from 1982 to 1986. Prior to that, he was Deputy Chief of Mission at the U.S. Embassy in Bolivia and Counselor for Political Affairs at the U.S. Embassy in Mexico City. Mr. Pryce joined the Foreign Service in 1958 after serving in the U.S. Navy from 1954 to 1958. During most of his career, he has specialized in Latin American and Eastern European affairs. His early assignments included Mexico City, Moscow, and Panama, as well as service in the Department as Assistant to the Under Secretary of State for Economic Affairs. After serving as Chief of the political section in the U.S. Embassy in Guatemala City, Mr. Pryce was assigned in 1974 as Chief of Soviet Programs for the State Department's Bureau of Educational and Cultural Affairs. He attended the National War College in 1976 prior to serving as executive assistant to Ambassador at Large Ellsworth Bunker.

Mr. Pryce was born in San Diego, CA, and grew up in Ebensburg, PA. He graduated from Wesleyan University and the Fletcher School of Law and Diplomacy. He is married to Joan MacClurg Pryce and has three children.

Nomination of Teresita Currie Schaffer To Be United States Ambassador to Sri Lanka and Maldives

May 7, 1992

The President today announced his intention to nominate Teresita Currie Schaffer, of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador to the Democratic Socialist Republic of Sri Lanka and to serve concurrently and without additional compensation as Ambassador to the Republic of Maldives. She would succeed Marion V. Creekmore, Jr.

Since 1989, Ms. Schaffer has served as Deputy Assistant Secretary for Near Eastern and South Asian Affairs at the U.S. Department of State. Prior to this, she served at the Department of State as Director of the Office of Egyptian Affairs, 1987 - 89; Director of the Office of International Trade, 1982 - 84; and as Chief of the Division of General Commercial Policy, Office of International Trade, 1980 - 82.

Ms. Schaffer graduated from Bryn Mawr College (B.A., 1966). She was born September 28, 1945, in Washington, DC. Ms. Schaffer is married, has two children, and resides in Washington, DC.

Nomination of David C. Fields To Be United States Ambassador to the Marshall Islands

May 7, 1992

The President today announced his intention to nominate David C. Fields, of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador to the Republic of the Marshall Islands. He would succeed William Bodde, Jr.

Since 1990, Ambassador Fields has served as Director of the Office of Foreign Missions at the U.S. Department of State in Washington, DC. Prior to this, he served as U.S. Ambassador to the Central African Republic, 1986 - 89; Deputy Assistant Secretary for Security at the Department of State, 1984 - 86; and as Administrative Counselor at the American Embassy in London, England, 1980 - 84.

Ambassador Fields graduated from Armstrong College (B.A., 1960). He was born January 13, 1937, in San Pedro, CA. Ambassador Fields served in the U.S. Army, 1955 - 57. He is married, has two children, and resides in Vienna, VA.

Nomination of William Henry Gerald FitzGerald To Be United States Ambassador to Ireland

May 7, 1992

The President today announced his intention to nominate William Henry Gerald FitzGerald, of the District of Columbia, to be Ambassador to Ireland. He would succeed Richard Anthony Moore.

Since 1959, Mr. FitzGerald has served as president of the FitzGerald Corp. in Washington, DC. In addition, he serves as vice chairman of the African Development Foundation; and as chairman of the Atlantic Council of the United States Foundation. Mr. FitzGerald founded and was chairman of the board of the North American Housing Corp., 1972 - 89.

Mr. FitzGerald graduated from the U.S. Naval Academy (B.S., 1931). He was born December 23, 1909, in Boston, MA. Mr. FitzGerald served in the U.S. Navy, 1941 - 48. He is married, has two children, and resides in Washington, DC.

Nomination of Princeton Nathan Lyman To Be United States Ambassador to South Africa

May 7, 1992

The President today announced his intention to nominate Princeton Nathan Lyman, of Maryland, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador to the Republic of South Africa. He would succeed William Lacy Swing.

Since 1989, Dr. Lyman has served as Director of the Bureau for Refugee Programs at the U.S. Department of State. Prior to this, he served as Ambassador to the Federal Republic of Nigeria, 1986 - 89; Deputy Assistant Secretary of State for African Affairs at the Department of State, 1981 - 86; and as Director of the Office of Inter-African Affairs at the Department of State, 1980 - 81.

Dr. Lyman graduated from the University of California (A.B., 1957); Harvard University (M.A., 1959; Ph.D., 1961). He was born November 20, 1935, in San Francisco, CA. Dr. Lyman is married, has three children, and resides in Chevy Chase, MD.

Remarks to Firefighters and Law Enforcement Personnel in Los Angeles

May 8, 1992

Let me just say I'm very pleased that the Governor's with us and Senator Seymour's with us. And really, what we did is to want to come over here and, one, see where some of the action stemmed from, but mainly to thank the firefighters and the patrolmen for a heroic job well done.

You know, at a time like this you think of your faith, and you remember that the Bible talked about, ``Blessed are the peacemakers.'' Well, I must say, when I think of the firefighters and the highway patrol, I think of what you have done and, frankly, do all the time in keeping the peace and restoring the peace. You certainly have the gratitude, you may not know it, but you have the gratitude of people all across this country.

I wanted to just recite a fact or two that you all know but the rest of the country might not. There were almost 6,000 fires responded to, nearly 12,000 arrests, thousands of buildings saved along with untold lives. That, I would say, is just one of the legacies of your work. And there was another one: You showed that people that would wantonly destroy, wantonly terrorize, wantonly kill their fellow citizens were not going to prevail. What you did took a good deal of courage, whether it was the patrol, whether it was the firefighters. I salute you for that, the country salutes you for that. And I think your very presence restored a sense of civility to an otherwise outrageous situation.

Yesterday, I was privileged to go to a memorial service -- it was National Day of Prayer -- at Reverend E.V. Hill's church. When I mentioned those who worked to restore the law, the police, et cetera, why, it broke out in spontaneous applause. People are very grateful in the neighborhoods for all that you have done.

I heard a lot of stories, anecdotes about what went on. They told me about Rich Perez, the lone gunman, the only armed officer guarding L.A.'s traffic control center. And these rioters came in and tried to break down the doors. Somehow, he managed to convince the rioters that they had met their match, and they turned away. And the traffic control system was safe and sound, and a legend was born.

I've just come from the hospital, from seeing one of your own, one of the firefighters' own, Scott Miller. You talk about courage and you talk about the way his fellow firefighters helped him, it's a great lesson for our whole country. Incidentally, he's a courageous man. They told me that what had happened to him was serious. But they also told me, the doctor, that because of his spirit, the same spirit so many of you exemplified, that he's going to make it. He's fighting hard, and his wife was there and his kids -- his kids weren't, but they were together as a family. I'll tell

you, the doctors and nurses are rallying around, and he's getting the best possible care.

But here was another example of an innocent guy going out to help others, taking a shot from some hoodlum going by in a car. And we just cannot condone that sense of violence, that kind of violence, anywhere in this country for whatever reason. There's no explaining it. There's no rationalizing it. And I will try to take that message to the country day in and day out.

There was Captain Kaemmerer, a captain of a fire company which doused flames at an ammunition shop in the face of gunfire. Here's a guy going into what you might call a hostile environment anyway, firefighting captain, and fighting that.

We all know the case of the LAPD's Michael Strawberry, Darryl's brother. Darryl said, ``Michael was my rock.'' Well, that's fine. And the LAPD have many, many such rocks, people doing a job and doing it well. And you were rocks, saving buildings and saving lives. These pictures that I was handed, I mean, I'll tell you, they make a profound impression on -- I'm sure they make an impression on firefighters, but they make a profound impression on the layman to think about battling something this powerful and doing it with the heroism and the dedication you do.

So, really, what I wanted to do is drop in here, trying to do it just as President of the United States, trying to leave the politics back there somewhere on the Potomac and come out here to see what I could see with my eyes and to give my heartfelt thanks to those -- in this instance, highway patrolmen, firefighters -- who have done so much for their country.

So that's my message, and it's a profound one in a sense that today and yesterday it was the riots in Los Angeles, tomorrow it'll be something else. And over the last years it's always been the same, the dedication, the selfless dedication. I don't want to think any of you guys would say you're overpaid, but you're doing something for your fellow man, and that in itself means an awful lot to your country.

So thank you, and may God bless you.

Note: The President spoke at 7:51 a.m. at Fire Station No. 26.

Remarks to Military and Law Enforcement Personnel in Los Angeles

May 8, 1992

Thank you all. Thank you very, very much, and I'm just delighted to be here. I first would salute all that participated in keeping the peace, guaranteeing the peace, fighting against those who wanted to break the peace. And the events of the past 10 days, not just for the people in Los Angeles but people in the rest of the country, have been packed with emotion, raw and intense.

And in my time out here I've heard the shouts of anger and heard some whispered prayers yesterday in a lovely ecumenical church service. We've seen utter devastation, all of you have that have looked around the streets at all. We've seen the beginnings of restoration. And we've seen the worst that human beings can do, and then we've seen some of the very best.

So, I really wanted to come over here and thank all of you, the LAPD, the members of the military, the Guard and the regulars, both Marine -- [applause]. And I think what this particular group and others that I just met with, the highway patrolmen, firefighters, are saying to the country is that we stand to defend decency and honor; we stand to defend and protect the honest men and women in this country. And that's the message that I think has gone out. And you did what's right, and you did what's demanded of you.

And yesterday in this little church service I mentioned, I mentioned the police officers particularly, singled them out, and the place broke into spontaneous applause for those officers that are out there bringing civil tranquility to this country. And I salute -- [applause]. And then I want to single out and salute also the Federal law enforcement officers who worked side by side with many of you who were on the streets. The special agents from the FBI, the Bureau of Prisons people, the marshals, the Border Patrol, all were out there assisting the police in stopping the terrible violence and the looting. And of course, again, the local police officials, the LAPD, the officers on the beat who have the toughest job in the world. And I came, really, just to thank each and every one of you who worked around the clock to restore order.

I might say, I've just come from the hospital where I saw a young firefighter who was wantonly shot in the head. He's driving his fire truck, hook and ladder truck, to put out a fire, and some hoodlum comes alongside and shoots him. He's fighting right this minute for his very life. But it makes me grateful as a citizen of this country that you have courageous people like that willing to undergo the trauma that he is facing right now. So we can all maybe say a prayer for Scott and just hope that he makes it.

The men and women of the Armed Forces were out minding your own business when the call came. But I really believe this: that when it became clear -- and I've talked to the Governor

who's with me here today about it, talked to the Mayor of this city -- but when it became clear that not only the Guard but the regulars were willing to respond and would be there, I think the very fact that the military was here, prepared to do what was necessary, served as an enormously inhibiting factor from those hoodlums that wanted to disrupt the civil tranquility of Los Angeles, indeed, of our country.

So, once again, I salute you for that. And even more fundamentally, I salute all of you who serve in uniform of the military for the United States of America. You have our profound thanks and gratitude.

I will do my level-best as President to work to help solve the problems in the communities. I pledge that. I'm going to go back to Washington; have more to say about that next week. But I'll tell you this: I will remain the President who strongly supports the law enforcement community in this country and who strongly supports our military. Without you, we would not enjoy the peace and tranquility that a lot of the rest of the country is enjoying right now. So thank you very much to each and every one of you who participated in any way in helping this great city of Los Angeles.

And the last point is this: I went around to a lot of the communities. And I have a genuine feeling in my heart that Los Angeles is going to bounce right on back and be this great city that it's always been.

So may God bless everybody here from Los Angeles, and my profound thanks to the rest of you. God bless you all. Thank you so very, very much.

Note: The President spoke at 8:22 a.m. at the Los Angeles Coliseum. In his remarks, he referred to Scott Miller, a Los Angeles firefighter who was injured during the disturbances.

Remarks to Community Leaders in Los Angeles

May 8, 1992

I would get off to a bad start if I didn't say what I think everybody else is feeling, and I want to just congratulate Larisse for that marvelous rendition of ``The Star-Spangled Banner."

And may I first thank all of you for being here today. I think they were introduced at the very beginning, but I want to single out two members of my Cabinet, Secretary Lou Sullivan of HHS and Secretary Jack Kemp from Housing and Urban Development who are here with me. We've really had a good tour. I want to salute Senator Seymour, Governor Wilson, who's been at my side, both of them, as we've made this tour through the city. Pat Saiki of SBA, the Administrator of the Small Business Administration, came out early, and she is on the ground and doing a first-class job. And of course, I would like to also salute Mayor Tom Bradley who has been so extraordinarily helpful on this visit. And I'm not going to forget the inspirational leader of the Challenger, Lou Dantzler.

I would also say to the city officials that I can just imagine, given what you all have been through, the headache that this visit has caused. And I promise you we plan to leave right on schedule so things can get back to normal. But I want to thank everybody involved in facilitating this visit that came, I'm sure, at a very complicated time for the city. The Governor, the Mayor, the police, the L.A. community, everyone has been just fantastic.

And let me say I am truly heartened by the speed with which the millions of dollars of Federal relief have reached the city, from FEMA grants to the small business loans to urgent food aid. And I salute David Kearns and others who came here to coordinate, not to dictate, not to try to dominate but to coordinate with the city and local officials. And I'm very pleased to see that there is smooth coordination, everyone pulling together on the Federal, State, and local level.

It was important, I feel, that as President, I come here to Los Angeles. The community has been the site of a terrible tragedy, not just for you who were impacted the most but for our entire country. And everyone around the world feels this trauma, everyone who looks to us as a model of freedom and justice.

And that's why I want to say just a few things about my visit, to speak to you about what I've seen in this city and, most importantly, as I said at a marvelous ecumenical church service yesterday at Mount Zion, we are one people, we are one family, we are one Nation under God. And so I want to speak about our course as a Nation.

I can hardly imagine -- I try, but I can hardly imagine the fear and the anger that people must feel to terrorize one another and burn each other's property. But I saw remarkable signs of hope right next to the tragic signs of hatred. This marvelous institution, this boys and girls club, stands

unscarred, facing a burned-out block. And its leader is this wonderful man next to me, Lou Dantzler. And he started it on the back of an old pickup truck with a group of kids that wanted to get off the street. And its existence proves the power of our better selves. And let's never forget it, and let's count our blessings.

Now let me personalize it a little bit and tell you why clubs like this matter. A story about a little kid, Rudy Campbell. I saw him on television. He looked about 8 years old. His father was murdered a few years back, and I didn't see his mother. Rudy is raised by his 22-year-old sister who has five kids of her own. And he lives in South Central. Think about what he has already been through. Now he says he fears that things will only get ``badder and badder and badder." And it breaks your heart. Our children deserve better than that.

I talked a week ago about the law and the pursuit of justice. And today I want to talk about what went wrong in L.A. and the underlying causes of the root problems. It can all be debated, and it should be, but not to assign blame. Casting blame gets us absolutely nowhere. Honest talk and principled action can move us forward. And that's what we've got to do for Rudy; that's what we've got to do for our children, these kids right here.

This tragedy seemed to come suddenly, but I think we would all agree it's been many years in the making. I know it will take time to put things right. I could have said ``put things right again," but that would miss a point I want to make: Things weren't right before a week ago Wednesday. Things aren't right in too many cities across our country. And we must not return to the status quo, not here, not in any city where the system perpetuates failure and hatred and poverty and despair.

Most Americans now recognize some unpleasant realities. Let me just spend a minute on those. For many years we've tried many different programs. All of them, let's understand this, had noble intentions to meet the need of adequate housing or education or health care. Much of it went to construct what has been known as the safety net, a compassionate safety net to provide security and stability for people in need. Many other programs and policies aimed at stemming the tide of urban violence and drugs and crime and social decay. And we have spent huge sums of money. Some estimates are as high as $3 trillion over 25 years. And even in the last decade Federal spending went up for these kinds of efforts, everything from child care to welfare to health care has been the subject of some commission or report or study.

But where this path has taken us, I think we would all agree, is not really where we wanted to go. Put away the studies and just look around. For anyone who cares about our young people, it is painful that in 1960 the percentage of births to unwed mothers was 5 percent, and now it is 27 percent. It's hard to read about a young black man dying when the odds are almost one out of two that he was murdered. Kids used to carry their lunches to school, and the parents that I've talked to know that today some kids carry guns. I'm afraid some of you kids, you know that, too. Everyone knows that drug and alcohol abuse are serious problems almost everywhere.

In the wake of the L.A. riots, in the wake of a lost generation of inner city lives, can any one of us argue that we have solved the problems of poverty and racism and crime? And the answer clearly is no. Some programs, ones like Head Start or Aid to the Elderly, have shown some time-tested, positive results. All programs were well-intentioned; I understand that very, very well. Many simply have not worked. Our welfare system does not get people off of welfare, it keeps people trapped there. The statistics are sobering. The reality is sobering. The sum and substance is this: The cities are in serious trouble, and too many of our citizens are in trouble. And it doesn't really have to be this way.

Government has an absolute responsibility to solve this problem, these problems. I'm talking about all levels of government. And I've taken a hard look at what the Government can do and how it can help communities with concerns that really matter: how people can own property, own their own home, start a business, create jobs, and ensure that people, not Government, make the big decisions that affect the health and the education and the care of one's own family.

Think of the way that the world looks right now to the single mother on welfare. Government provides you just enough cash for the bare necessities. Government tells you where you can live, where your kids go to school. And when you're sick, Government tells you what kind of care you get and when. And if you find a job, the Government cuts the welfare benefits. And if you save, if you manage to put a little money away, maybe towards a home or to help your kid get through college, the Government says, hey, welfare fraud. Every one of those things happen with the system that we have in place right now. And then we wonder: Why can't folks on welfare take control of their lives? Where's their sense of responsibility?

Well, if we had set out to devise a system that would perpetuate dependency, a system that would strip away dignity and personal responsibility, I guess we could hardly have done better than the system that exists today. Every American knows that it is time for a fresh approach, a radical change in the way we look at welfare and the inner city economy.

Every hour of meetings yesterday -- and they were, for me, very emotional, very moving -- confirmed why I believe in the plan that we have proposed for urban America. I kept hearing words like ownership, independence, dignity, enterprise, a lot of time from people who have never had a shot at dignity or enterprise or ownership. And it reinforced my belief that we must start with a set of principles and policies that foster personal responsibility, that refocus entitlement programs to serve those who are most needy, and increase the effectiveness of Government service through competition and true choice.

I believe in keeping power closer to the people, using States as laboratories for innovation. We cannot figure it all out back in Washington, DC, in some subcommittee or in the White House. And I believe in policies that encourage entrepreneurship, increase investment, create jobs. And these form the heart of the agenda for economic opportunity that I want to mention here.

Families can't thrive, children can't learn, jobs can't flourish in a climate of fear, however. And so first is our responsibility to preserve the domestic order. And a civilized society cannot tackle any of the really tough problems in the midst of chaos. And you know and I know it's just that simple. Violence and brutality destroy order, destroy the rule of law. And violence must never be rationalized. Violence must always be condemned.

We can reclaim our crime-ravaged neighborhoods through a new initiative that we call ``Weed and Seed.'' And today I'm announcing a $19 million ``Weed and Seed'' operation for the city of Los Angeles to weed out the drug dealers and career criminals and then seed those neighborhoods with expanded educational, employment, and social services.

With safe and secure neighborhoods, we can spark an economic revival in urban America. And so, the second part of the agenda is to ask Congress to take action on enterprise zones, create these zones with a zero capital gains rate for entrepreneurs and investors who locate businesses and create jobs right here in America's inner cities.

And yes, I recognize that at the same time, we must help States bring innovation to the welfare systems. And at the Federal level, we've got to reform our own AFDC rules, stop penalizing people who want to work and save. These are the people who are mustering the individual initiative to get off welfare. And we've got to pledge ourselves to, at the Federal level, change the rules that keep them from doing just that.

Three: Safe, drug-free schools are places where our children can learn, but that's not enough. We've got to revolutionize our schools through community action, through competition, through innovation, through choice, principles at the heart of the strategy that we call America 2000. We must give children, these kids, these kids right here, the same opportunity as kids out in the suburbs.

And the fourth point: We must promote new hope through homeownership. People want a real stake, a real stake in their community, something of value that they can pass along to their kids. And that's what this HOPE initiative does. It turns public housing tenants into homeowners.

Now, these are just the highlight of an action agenda to bring hope and opportunity back to our inner cities. We have other ideas to try as well. Many in this room have innovative ideas they're trying right now. My first order of business upon my return to Washington will be to build a bipartisan effort in support of immediate action on this agenda. And I know some will say, ``Well, you've proposed all this before.'' And that's true, they're right. And I'm proposing it again because, really, we must try something new. We've got to try something new. It does not take a social scientist to know that we must think differently. We've tried the old ways of thinking. And now, as Lincoln says, ``It is time to think anew.''

And our approach is really a radical break from the policies of the past. It's new. Yes, it's new

because it's never been tried before. And for the sake of the people of South Central, and the people in America's inner cities everywhere, I will work with the Congress to act now on this commonsense agenda.

You've been through an awful lot. You've been through an awful lot. And when I saw the verdict in the King case, my reaction was the same as yours; I told the Nation that. But I remain confident in our system of justice. And when I saw the violence and rage erupt in your streets, my reaction was the same as yours. We all knew we had to restore order. And when I saw and read about the heroic acts of firefighters and police or the selfless acts of so many citizens, my reaction was one of relief, one of hope for the future.

This morning I stopped by the hospital, Cedar, to see a young fireman who had been wantonly shot in the head as he was driving a fire truck to go out and put out fires that were ravaging somebody's neighborhood, maybe yours. The man's fighting for his life. And I think when we all go home we ought to pray for him.

Even in the very short time that I've been out here, I could sense that the real anguish in south central L.A. is a parent's concern about the kids, neighbors' concerns about the kids. And people are worried sick about the children. All must agree that whatever we do must be about the children. These kids are our future. And our actions in the wake of the tragedy are for them, not just here in Los Angeles. This is showcased now because of what you've been through, but it's all across the country.

And so far in these remarks I`ve mentioned what Government can do. And now let me talk just a little about what society must do. And yes, we have tried hard, spent a lot of money and haven't solved the problems. And some critics say that we are a morally, spiritually, and intellectually bankrupt nation. I don't believe that for one single minute. And, yes, we have problems. We have tough problems to solve. But we remain the freest and the fairest and the most just and the most decent country on the face of the entire Earth. And we now -- I know that we have the drive and the gumption to prevail over these problems we face.

Tom Bradley, your Mayor, was among a group of mayors who came to see me last January. He and I may differ on how we approach one Federal program or another. But I've repeated often what he and others said to me that day. They said that the most important problem facing our cities is the dissolution, the decline of the American family. And they're absolutely right. He was right; a mayor from a tiny town in North Carolina, he was right. The decline of the family is something we must be concerned about. And history tells us that society cannot succeed without some fundamental building blocks in place.

The state of our Nation is the state of our communities. And good communities are safe and decent. And the young people are cared for, and they're instilled with character and values and good habits for life. Good communities have good schools. And they provide opportunity and

hope, rooted in the dignity of work and reward for achievement.

And that's why guaranteeing a hopeful future for the children of our cities is about a lot more than rebuilding burned-out buildings. It's about the love right here under this roof. It's about building a new American community. It's about rebuilding bonds between individuals and among ethnic groups and among races. And we must not let our diversity destroy us. It is central, you see, it is central to our strength as a Nation. Our ability to live and work together has really made America the inspiration to the entire world.

Across this country tens of thousands of groups, hundreds of thousands of individuals who have never been involved before, who will never be paid one single nickel for their efforts, must become partners in solving our most serious social problems. The people right here in this room know exactly what I'm talking about. An officer in the LAPD who's a board chairman right here, I believe, in this organization, giving of his time, he knows what I'm talking about. Government alone cannot create the scale and energy needed to transform the lives of the people in need.

And I look around this auditorium and I am preaching to the choir because you're the ones that have your sleeves rolled up in your churches and in your communities, trying to help the other guy. In my conversations with the leaders of L.A.'s many communities, I heard over and over again that L.A. has many of the answers within itself.

I see our friend Bill Milliken here. He lives halfway across the country. There are four of his Cities in School programs, helping children learn here. And many members of a group called 100 Black Men, an inspirational group; for those not familiar with it, they mentor to the kids, the boys in South Central.

Now, if instead of 4, there were 25 Cities in School programs, and instead of 100, 10,000 black men working with boys, and so on with the hundreds of people in groups that work with the kids, there is no question that what happened last week wouldn't have been as bad. And so it only makes sense that a large part of our challenge is to dramatically expand in community after community the scale of what we already know works.

The phrase that I've repeated a lot and perhaps more than any other is worth repeating: From now on in America, any definition of a successful life must include serving others. And when we look to restoring a decent and hopeful future for our children, I mean this about every community:

First, every group and institution in America, schools, businesses, churches, certainly, must do its part. We must praise what works and share what works.

Secondly, all leaders, all leaders, must mobilize and inspire their people to take action.

Third, community centers must link those that care with those that are crying out for help.

Fourth, with respect, the media needs to show from time to time what's working, needs to cover what is working. And that way would help us share, that would really help us share and repeat these successes many times over.

And finally, this one perhaps a little technical, but we've got to change our liability laws that frighten people away from helping others. We ought to care for each other more and sue each other less.

But there's something else. There's something else that society must cultivate that Government cannot possibly provide, something we can't legislate, something we can't establish by Government order. And I'm talking about the moral sense that must guide us all. I guess the simplest way to put it is, I'm talking about knowing right from wrong and then trying to do what's right.

Let me come back again to the little boy I spoke about earlier, Rudy Campbell. Remember, ``badder, badder, badder''? There's a lesson he learned that survived the horror and the hate. And in the midst of all the chaos, in the midst of so much that's gone wrong, he knows what's right. When he was asked about the violence, here's what he said: ``They should know what's right and wrong. Because when I was 4, that's what I learned."

Now, that has got to give us hope. May God bless the person who cared enough to teach that little guy right from wrong. But it's up to us to guarantee that all the millions of kids like him grow up in a better America.

And I believe we are right about family. We're right about freedom and free enterprise. And we're right with respect to the clergymen here and the church men and church women here. We are right about faith. And most of all, we are right about America's future.

You see, I fervently believe that we have the strength and the spirit in our Government, you can see it here today in our communities and in ourselves, to transform America into the Nation that we have dreamed of for generations.

May God bless each and every one of you in your work. And thank you very, very much.

Note: The President spoke at 9:18 a.m. at the Challenger Boys and Girls Club. In his remarks, he referred to William E. Milliken, president of Cities in Schools, Inc.

Nomination of Alexander Fletcher Watson To Be United States Ambassador to Brazil

May 8, 1992

The President today announced his intention to nominate Alexander Fletcher Watson, of Massachusetts, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador to the Federative Republic of Brazil. He would succeed Richard Huntington Melton.

Since 1989 Mr. Watson has served as Deputy Representative to the United Nations. Prior to this, he served as the U.S. Ambassador to the Republic of Peru, 1986 - 89; and Deputy Chief of Mission at the U.S. Embassy in Brasilia, Brazil, 1984 - 86. From 1981 to 1984, Mr. Watson served as Deputy Chief of Mission at the U.S. Embassy in Bogota, Colombia.

Mr. Watson graduated from Harvard College (A.B., 1961) and University of Wisconsin (M.A., 1969). He was born August 8, 1939, in Boston, MA. Mr. Watson is married, has two children, and resides in New York, NY.

Nomination of William Graham Walker To Be United States Ambassador to Argentina

May 8, 1992

The President today announced his intention to nominate William Graham Walker, of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador to Argentina. He would succeed Terence A. Todman.

Ambassador Walker served as the U.S. Ambassador to El Salvador, 1988 - 92. Prior to this, he served at the Department of State as a Deputy Assistant Secretary in the Office of Inter-American Affairs 1985 - 88; Deputy Chief of Mission at the U.S. Embassy in La Paz, Bolivia, 1982 - 84; and as Deputy Chief of Mission at the U.S. Embassy in Tegucigalpa, Honduras, 1980 - 82.

Ambassador Walker graduated from the University of California at Los Angeles (B.A., 1960). He was born June 1, 1935, in Kearney, NJ. Ambassador Walker is married, has four children, and resides in Rockville, MD.

Radio Address to the Nation on the President's Visit to Los Angeles, California

May 9, 1992

Less than 24 hours ago, I returned from Los Angeles. And today I'd like to use this opportunity to report in on what I saw and what I heard.

By now, each one of us has seen images of hate and horror we won't soon forget. But what I saw during my time in Los Angeles, even in the hardest hit parts of south central L.A., should give us all cause for hope. Everywhere, the people I talked with told me about the acts of individual heroism, about the extraordinary courage of ordinary people. Some braved the gangs of looters to form bucket brigades to put out fires when the fire trucks couldn't get through. Some stood against the angry mobs, reached across the barrier of color to save lives. Many of these aren't the stories you'll see on the first 2 minutes of the nightly news, but they are the stories that tell us the power of simple human decency.

I went to L.A. to meet with community leaders, to get firsthand information as to how best the Federal Government could speed the recovery. Part of it is to provide, as we're doing now, Federal funds to help shopowners get their businesses open again, funds to help the people who lost jobs when the places they worked were burned out. But beyond this immediate emergency assistance, I set out a broader agenda, a means of bringing hope and opportunity to our inner cities.

First, we've got to preserve order, keep the peace, because families can't thrive, children can't learn, jobs can't flourish in a climate of fear.

Second, we must spark an economic revival in urban America. And that means establishing enterprise zones in our cities and reform of our welfare system to help people with individual initiative work and save.

Third, we've got to revolutionize American education. That's why we've built our America 2000 strategy around innovations like choice, competition, and community action. Children in our inner cities deserve the same opportunities that kids in our suburbs have.

Four, we must promote new hope through homeownership. And that's the aim behind my HOPE initiative, to give the least advantaged among us a stake in their neighborhood by turning public housing tenants into homeowners.

At every turn during my time in Los Angeles, I heard people talking about the principles that guide these initiatives: personal responsibility, opportunity, ownership, independence, dignity.

I can already hear some of the critics out there. They'll say, ``Well, you've proposed all this before." That's true. They're right. But now it's time to act on these proposals, time to try something new. My first order of business now that I am back in Washington is to build a bipartisan effort in support of immediate action on this agenda.

So far I have spoken about what Government can do. Now let me talk about what society must do, because Government alone cannot create the scale and energy needed to transform the lives of people in need. All over America, people have already found the answers for themselves, and they're taking action to make things better. You can find them everywhere, even in south central L.A. I met a man there named Lou Dantzler, a bear of a man who runs the Challengers Boys and Girls Club. He started it out in the back of an old pickup truck with a group of kids who wanted to get off the streets. And today, across from a burned-out block in south central L.A., the Boys and Girls Club stands unscarred. No, it wasn't a miracle that the building was left standing. The real miracle is what goes on inside. It's a place kids can go to get the concern and the love they need, a place where people care.

That's why guaranteeing a hopeful future for the children of our cities is about a lot more than rebuilding burned-out buildings. It's about building a new American community.

This I know: We have the strength and spirit in our Government, in our communities, and in ourselves to transform America into the Nation we have dreamed of for generations.

Thank you for listening. And may God bless the United States of America.

Note: The President spoke at 9:03 a.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio.

Message to the Senate Returning Without Approval the Congressional Campaign Spending Limit and Election Reform Act of 1992

May 9, 1992

To the Senate of the United States:

I am returning herewith without my approval S. 3, the ``Congressional Campaign Spending Limit and Election Reform Act of 1992." The current campaign finance system is seriously flawed. For 3 years I have called on the Congress to overhaul our campaign finance system in order to reduce the influence of special interests, to restore the influence of individuals and political parties, and to reduce the unfair advantages of incumbency. S. 3 would not accomplish any of these objectives. In addition to perpetuating the corrupting influence of special interests and the imbalance between challengers and incumbents, S. 3 would limit political speech protected by the First Amendment and inevitably lead to a raid on the Treasury to pay for the Act's elaborate scheme of public subsidies.

In 1989, I proposed comprehensive campaign finance reform legislation to reduce the influence of special interests and the powers of incumbency. My proposal would abolish political action committees (PACs) subsidized by corporations, unions, and trade associations. It would protect statutorily the political rights of American workers, implementing the Supreme Court's decision in Communications Workers v. Beck. It would curtail leadership PACs. It would virtually prohibit the practice of bundling. It would require the full disclosure of all soft money expenditures by political parties and by corporations and unions. It would restrict the taxpayer-financed franking privileges enjoyed by incumbents. It would prevent incumbents from amassing campaign war chests from excess campaign funds from previous elections.

These are all significant reforms, and I am encouraged that S. 3 includes a few of them, albeit with some differences. If the Congress is serious about enacting campaign finance reform, it should pass legislation along the lines I proposed in 1989, and I will sign it immediately. However, I cannot accept legislation, like S. 3, that contains spending limits or public subsidies, or fails to eliminate special interest PACs.

Further, as I have previously stated, I am opposed to different rules for the House and Senate on matters of ethics and election reform. In several key respects, S. 3 contains separate rules for House and Senate candidates, with no apparent justification other than political expediency.

S. 3 no longer contains the provision that the Senate passed last year abolishing all PACs. Although that provision was overbroad in banning issue-oriented PACs unconnected to special interests, S. 3 would not eliminate any PACs. Instead, the Act provides only a reduced limit on

individual PAC contributions to Senate candidates and no change in the status quo in the House. Moreover, the limit on aggregate PAC contributions to House candidates to one-third of the spending limit, $200,000, is not likely to diminish the heavy reliance of Members on PAC contributions. The average amount a Member of Congress raised from PACs in the last election cycle was $209,000.

The spending limits for both House and Senate candidates will most likely hurt challengers more than incumbents, especially because S. 3 does little to reduce the advantages of incumbency. Inexplicably, there is no parallel House provision to the sensible Senate provision restricting the use of the frank in an election year. In the last election cycle, the amount incumbent House Members spent on franked mail was three times the total amount spent by all House challengers. The system of public benefits, designed to induce candidates to agree to abide by the spending limits, is unlikely in many cases to overcome the inherent favors of incumbency.

S. 3 contains several unconstitutional provisions, although none more serious than the aggregate spending limits. In Buckley v. Valeo, the Supreme Court ruled that to be constitutional, spending limits must be voluntary. There is nothing ``voluntary'' about the spending limits in this Act. The penalties in S. 3 for candidates who choose not to abide by the spending limits or to accept Treasury funds are punitive -- unlike the Presidential campaign system -- as well as costly to the taxpayer. For example, if a nonparticipating House candidate spends just one dollar over 80 percent of the spending limit, the participating candidate may spend without limit and receive unlimited Federal matching funds. The subsidies provided for in S. 3 could amount to well over 100 million dollars every election cycle, yet the Act is silent on how these generous Government subsidies would be financed. It seems inevitable that they would be paid for by the American taxpayer. I understand why Members of Congress would be reluctant to ask taxpayers directly to subsidize their reelection campaigns, but given the significant costs of S. 3, its failure to address the funding question is irresponsible.

Our Nation needs campaign finance laws that place the interests of individual citizens and political parties above special interests, and that provide a level playing field between challengers and incumbents. What we do not need is a taxpayer-financed incumbent protection plan. For these reasons, I am vetoing S. 3.

George Bush

The White House,

May 9, 1992.

Remarks on Maternal and Infant Health Care

May 11, 1992

Thank you, Lou, thank you, Secretary Sullivan, and welcome, everyone. Let me just pay a special thanks to Senator Dale Bumpers and to Congressman Tom Bliley, who have been spearheading many of our prenatal and immunization initiatives on Capitol Hill. They are true leaders for this cause, and we're delighted to see you all here today. Also to Jim Mason, our Assistant Secretary for Health; Bill Roper from Atlanta, doing a superb job as our Director at CDC. And a warm welcome to representatives of the Advertising Council and to all the very special mothers and children who are with us today.

Yesterday, on Mother's Day, millions of Americans took time to appreciate the miracle of motherhood. We thank the mothers who brought us into this world, who taught us our first lessons about life and love and character. Today, we're taking some vital steps to help American mothers, their children, and their families. We're announcing improved standards and a new action plan for immunization. We're beginning a public service ad campaign to promote an innovative prenatal care program called Healthy Start, the program Dr. Sullivan referred to.

Every year in America thousands of babies are delivered at dangerously low birth weights, and too many of these babies die or suffer chronic illness as a result. Thousands of our young children suffer crippling effects each year from measles and other communicable childhood diseases, and some even die. But the saddest fact of all is this: Most of this death and disease is easily preventable through immunization and through better prenatal care. To the extent they are preventable, they too often reflect bad health choices stemming from ignorance of good health behavior or absence of a defined sense of personal responsibility by the parents.

All of our maternal and child health programs are being improved, integrated, and developed to promote the principles of innovation, of community involvement, and personal responsibility. We are using new and creative approaches to bringing high-risk women into care. To attack this problem we are mobilizing the Nation's best ideas and resources. The hallmarks of our plan can be summed up in two words: immunization and action.

Last June I stood here in the Rose Garden with the Secretary to call for a stronger immunizationÿ20effort.ÿ20We sent out teams to six areas of our country to determine how we could do it better. We learned lessons that we're now applying nationwide. I was pleased to be a part of the visit to San Diego in February and happy that representatives of all six communities that we looked at are here with us today.

Today we're announcing a new action plan to get our children vaccinated when it makes the greatest difference, before the age of two. The plan requires more effective coordination to promote vaccination among the various Federal Agencies that serve children. We're helping

States and localities with their own immunization plans. And our administration's budget for immunization continues to respond to the need. For fiscal '93, we're seeking an increase to $349 million. We're also announcing new standards for pediatric immunization, the work of an expert panel representing many private and public sector organizations. They're going to help clinics improve their method to provide vaccination to kids who need them the most.

I salute the leaders again of the Advertising Council for all the volunteer time and talent that you have organized for the cause of infant mortality. I know that public service ad campaigns such as this work. Think of the success of other Ad Council campaigns for kicking the smoking habit, for seatbelt use, for screening for cancer. All such efforts help people show greater responsibility in their own behavior.

Now, I've often thought that the same sort of diligent use of marketing science and communications talents could help motivate Americans to address other problems involving personal responsibility, for instance, in keeping families together, encouraging responsible sexual behavior, and other matters of personal and family well-being. So I'm confident that the Ad Council's new campaign will have strong and positive results.

The Council's messages will emphasize that the health of pregnant women and their unborn babies is a matter of concern to every member of a civilized society. When an expectant mother is financially needy or without a husband or a family to support her, it is all the more urgent for good neighbors to show that they care. The Ad Council's first message, therefore, targets the general public. It calls on all of us for action. The theme that you'll soon be hearing on television is this: We must not accept high rates of infant deaths because this is America.

The second announcement will impress upon men the importance of their role. Whether a man is an unborn child's father or another family member or friend, there is much he can and should do to help an expectant mother. We cannot understate male responsibility.

The third announcement will tell women that proper care begins long before the baby is born. Consider this: Babies born after a pregnancy with no prenatal care are four times more likely to die than those whose mothers received care beginning in the first trimester. The full series assures pregnant women in need that they are not alone. Care is available, and good neighbors are being mobilized to help.

The Healthy Start approach represents what we should be doing to solve our social problems: local solutions, local control, local accountability. The first 15 Healthy Start communities were chosen from a long list of applicants. I understand that representatives of many of these communities from around the Nation are here today, and thank you all for your good work.

We're not weighing down these community initiatives with burdensome Federal mandates and command-and-control regulations. We're seeking to empower neighborhood volunteers in local

governments to invent effective new ways to help save babies' lives and keep babies and their mothers strong and healthy.

Healthy Start successes will come from people who see neighbors in need and ask, ``What can I do to help?'' And they follow through on their generous impulses. And they keep noticing and helping more people. I'm talking about people like Minnie Thomas in Oakland, California. An energetic grandmother, she was helping drug abusers when she learned there was no facility for drug abusers who became pregnant. So she opened her own facility called Solid Foundation. And 47 kids have been born to mothers at Solid Foundation, and not one suffered from low birth weight.

Here in Washington, Tawana Fortune-Jones is the woman with the Mom Van, and she knocks on doors in neighborhoods where infant mortality is high. She's enlisted the cooperation of doctors and clinics to establish a Healthy Start Pregnancy Register. She drives the Mom Van, and each morning at 7 a.m. she begins picking up women and taking them to doctors' offices. Afterwards she takes them home, and then she shuttles another group in the afternoon. She's a friend to women who have no other friends, and she's saved and bettered the lives of hundreds of babies. And she's here with us today. Tawana, where are you now? Right over here. Tawana, good neighbors are the heroes of our cities, and you're the model of a good neighbor. Thank you for what you do.

Unbelievable as it may seem, the innovations of Healthy Start ran into resistance up in Congress where they are still too much wedded to the old bureaucratic ways of doing things. I'm optimistic, though. I believe our approach for empowering people with new ideas is the way of the future. Our crusade for preventive health care for infants and expectant mothers will move a step further when we reform this -- overall reform of the health insurance system. I've proposed making every American able to afford a basic health insurance plan of his choice, using credits or vouchers. And through the market system, we would provide needy Americans better health care than they now receive.

These two efforts represent a new way of solving our problems in infant mortality and immunization. Our guiding principle is to reach out: Reach out to young parents, make sure they know what they need to do, and then help them to do it; reach out to community organizations; reach out to the private sector; and reach across the artificial lines in our Government so that any program that touches young children and their parents will become an opportunity point for better health.

We have new kinds of problems, and so we've got to think in new ways. We need to think about all the opportunities that we have to draw in young families who may be left out today, to help them, to inform them. We need to enlist them and enlist our communities to work together to help them. All the community organizations have a tremendous role to play. It's already worked in our six demonstration immunization cities, and I am confident that it's going to work in

Healthy Start and in more immunization communities all around this great country.

Thank you all for your leadership. Again, my respects to the two Members of Congress here. Thank the doctors here, and thank all of you working in the communities to make life just a little better for the kids and for the families out there. Thank you all for coming.

Note: The President spoke at 11:16 a.m. in the Rose Garden at the White House.

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Roland Dumas of France

May 11, 1992

President Bush and French Foreign Minister Roland Dumas discussed a number of bilateral and regional issues during a 20-minute Oval Office meeting. Minister Dumas said that the development of increased unity within the European Community must be accompanied by efforts to reinforce ties between Europe and the United States. The President welcomed the desire to strengthen transatlantic ties, which the United States shares completely. The President also noted the need to conclude the Uruguay round trade negotiations.

Remarks in a Roundtable Discussion With the Weed and Seed Revitalization Committee and Community Leaders in Philadelphia, Pennsylvania

May 11, 1992

Mr. Michael Baylson. Mr. President, good afternoon. We are honored to welcome you to our ``Weed and Seed'' neighborhood to meet with the members of the Weed and Seed Neighborhood Revitalization Committee and other community residents.

We want to tell you about some of the innovative programs in Philadelphia. For example, the Violent Traffickers Project, with whom you just met a few minutes ago, has been active in this neighborhood, making substantial progress arresting the larger drug-trafficking gangs. Also, last week a Federal grand jury returned indictments against 72 defendants, allegedly members of the Cali cartel, their customers, or other major Philadelphia drug dealers, for dumping drugs into this community.

Mr. President, welcome to our ``Weed and Seed'' area.

The President. Michael, thank you. What I really want to do is listen to people in the community and from the city. I salute Michael for the job he's doing as U.S. attorney; thank the commissioner for being at my side through this tour. I expect you're going to miss him, but I think you're looking forward to his arrival to his new, enormous challenge.

Let me just say, I don't know if you've met Governor Martinez and Digger Phelps. Governor Martinez runs our National Drug Control program. And Digger, whom you all know by reputation, I'm sure, who understands a lot about the inner cities, he's got a key role in our ``Weed and Seed'' program. We believe in this program. I know that Members of Congress who are with us here, including Senator Specter and these House Members, agree. And we want to see it be successful. But I came here to listen, and I really appreciate you all taking the time to tell me what's on your minds and what you think would be best for the community and then see what we can do.

Mr. Baylson. Thank you, Mr. President. I'd like Commissioner Williams to just say a few words first, and then he'll be followed by Sister Carol, who is seated to your left.

Commissioner Willie Williams. Thank you very much, Mike. Mr. President, this area that we're in right now, at some time not in the too distant past, was probably one of the worst drug-dealing areas in the city of Philadelphia. You literally could not have walked through the schoolyard or driven even your car up there without being harassed by drug dealers. We had strong cooperation from the citizens. They simply asked us to ``Please do whatever you can. We will

work with you. We will stand behind you in trying to rid the area of some very, very structured and organized drug gangs."

We went about it through a combination of traditional policing methods, using city police, using State, Federal assistance, using the community's support, and starting out with the Violent Traffickers Project, I think. Within a 2-year period, we locked up at least 150 to 200 people. Ninety-eight percent of them pled guilty; the other 2 percent were found guilty in court. As I said, we were running 100 percent conviction rate. We snatched entire structured, organized gangs out of the neighborhood.

The next piece that we're now involved with is what we now call the ``Weed and Seed," where law enforcement has come in and, to some degree, weeded out the very difficult people. It is now up to the city, State, and Federal agencies and the communities working together to reclaim their own neighborhoods for themselves, working together. That's where we're at right now, and Sister Carol and others here are all part of this collective effort from community, from government, from law enforcement, and from other various volunteers.

The President. Thank you, Commissioner.

[A participant spoke on community revitalization funding and enterprise zones.]

The President. Well, I hope we can do something on this enterprise zones. I will try to keep it out of the partisan politics.

Ironically, Sister, maybe not so ironically, but at every level in Los Angeles, in the community, community groups wanted that; they felt that that would draw jobs into the community. So I think it's a new idea in that it's never been tried at the Federal level. Literally green-line these areas and have a, say, zero capital gains so you can attract businesses. So we're going to try, and I'm glad that you all support that.

[A participant presented documentation on the problems of obtaining mortgage insurance and ensuring residents' input on funding decisions.]

The President. I have one question on the -- do we have time to ask one question on the red-lining and stuff? Is that a Federal law or a State law or a city -- what is it?

Participant. From what I know it's in the State legislature here. And we met with six banks; we put a housing group together. The banks say they're ready to lend money for low-income housing and for mortgages, but then the insurance companies, who were sitting at the same table, tell us that they will not approve mortgages in any community where there's a 10 percent vacancy in the block. And all that does is create the whole block to go. We can't lock these blocks and bring them back.

What we need is, we need HUD and we need the Pennsylvania Housing Authority to come to meetings and work with us to try to look at the numbers of houses in these blocks and either rehabilitate property or tear it down and make a garden out of it for the property next to it, so we can move on and start to tie some of these neighborhoods together again.

The President. Thanks.

[A participant presented a T-shirt to the President.]

The President. That's very nice. Thank you very much. And good luck, Miriam. Thank you.

[A participant questioned combating the multimillion-dollar drug-trafficking business with limited funds.]

The President. Well, I'm not sure that funds is the entire answer. I just came from a project that the commissioner could describe where they have these satellite precincts where the police officers get the confidence of people in the neighborhood and are highly successful in discouraging drugs from being in that area. I don't think it was as much spending as it was community involvement on the part, in this instance, of law enforcement.

Our Federal law enforcement, obviously, should be in support of the locals and support of State law enforcement. I don't think anyone wants to see a Federal police force. Now, we do have Federal Agencies that we can talk about; I mean DEA and the FBI and all that are involved when Federal laws are being broken. But it's a combination, it seems to me.

[The participant said that ``Weed and Seed'' funding was insufficient.]

The President. One, you can't do it with ``Weed and Seed'' money alone. That's one thing. Two, we are going to the Congress to increase the ``Weed and Seed'' funds, and I think we'll be successful. But it's got to be that along with these other programs, I think most people would agree, because I don't think the ``Seed'' money itself will do it.

I'll tell you, one of the key concepts is this concept of trying to attract businesses to the community. The sister spoke about enterprise zones, and of course, that would help because it would give people a break. One of the things that is happening out in Los Angeles right now is a major push to bring private businesses in by Peter Ueberroth. I don't know if you're read about his approach, but it's one the commissioner will be running into out there. And I must say, the guy's very optimistic about being able to do that. Of course, that, in the final analysis, is the key, a job in the private sector.

So we're going to push for the enterprise zones that will make it more attractive for companies to

come in and locate in this area. Give people a tax break so -- it's wasted -- if you don't have any businesses, you're not losing revenue, there's just nothing happening there.

So we think that this approach, coupled with the homeownership concept on our public housing and urban development program is a very good start on the part of the Federal Government. And so I hope -- and ``Weed and Seed," that's the third element of it, with more funding.

[A participant expressed appreciation for Federal support of local law enforcement programs.]

The President. Thank you.

[A participant spoke on the need for youth-oriented programs.]

The President. Thank you very much.

[A participant requested additional funding for programs to benefit children.]

The President. Thank you very much.

[A participant emphasized the importance of helping children.]

The President. Thank you, Felicia. Beautifully said.

[Another participant reiterated the importance of helping children.]

The President. Thank you, Tomasita.

May I ask a question? I don't know who could answer it. But I mentioned in the State of the Union Address a visit I had from the mayors, including Tom Bradley out in L.A. and a lot of smalltown mayors, you know, women, men, Republican, Democrat, liberal, conservative. They came to me, and they said, ``The number one problem we see in the problem with the city is the demise of the American family." Can somebody make suggestions? Of course, you know, we think that what Ms. Melendez is doing, and other educators, is a big, important part of how you overcome that. But if anyone has suggestions -- and I'm not sure it's a government thing -- but has suggestions as to how you strengthen or turn around the decline in the family, it would be extraordinarily helpful.

We've appointed a Commission, and I hope it's not just one more study effort that gets filed and gathers dust. I'm just quoting what these mayors told me. And I mentioned it out there in Los Angeles, and several of the churches say, ``Well, you know, when you have a decline in the family, the church has to fill in a lot more." And then there was a very active boys club.

But I just wonder if there's anything legislatively that's keeping the family apart, making it easier or better off if they live apart rather than together. We're looking at the laws from that end, but I'd welcome any comments. It's a very complex subject, but it is -- John, maybe?

[A participant spoke on the importance of strong families. Another participant spoke on the need to change attitudes and increase self-esteem in at-risk communities.]

The President. Thank you very much. I think the answer is to try some new ideas. What we're doing we will all concede is not enough. Some programs, certainly community programs, are an example for everybody. I mean, they work. And what we've heard today is something new -- or what I heard. It may not be new to Philadelphia, but it's new to a lot of the country in terms of the ``Weed'' part of it.

So I think the answer to your question is, we've got to try these new approaches that hopefully will not only encourage community service, like the ``Seed''-ing part of the ``Weed and Seed,'' but also bring jobs into the community from which you can then have more normal family lives. But that would be a very easy answer to a very complicated question.

[The participant said that attitudes throughout the Nation must be changed.]

The President. Great.

[A participant stressed the need for more funds to support community leaders and local programs, and questioned the value of tax breaks for the poor.]

The President. Let me clarify one thing. Maybe you misunderstood part of what I said. I wasn't talking about tax breaks for a guy who doesn't have a job. What the enterprise zones does is talk about tax breaks for people that are willing to set up a business in an area so that it will be like a magnet, hopefully drawing jobs in there, even though the area may not be as attractive a part of the city or something like that.

So that was the only point I wanted to add here because I think it really will work. But we're trying hard to get it done anyway, see if it works.

Mr. Baylson. Mr. President, I'd like to thank you very much. The people around this table have worked very hard to put together our ``Weed and Seed'' application. And I have told them that if the enterprise zone bill passes, there will be more funds for ``Weed and Seed'' activities in this or the next fiscal year. And we pledge that we're going to do our damnedest to make a difference in this neighborhood.

The President. I think you obviously already are. But I'm most impressed with the community

spirit, because what they're saying is, ``How can we help some more?''

Mr. Baylson. Right.

The President. Thank you very much, very much.

Note: The exchange began at 5:10 p.m. in the gymnasium at St. Boniface Church. In his remarks, the President referred to Willie Williams, Philadelphia police commissioner, and Peter Ueberroth, chairman of the Rebuild L.A. Committee.

Remarks at a Bush-Quayle Fundraising Dinner in Philadelphia

May 11, 1992

Thank you all. And Peter, thank you very much for that wonderfully warm introduction and for making me feel so welcome. I loved walking out through that crowd because it gave me a chance to see so many people who have been so supportive over the years, and I am very, very grateful to you. Barbara and I count our blessings, even in complicated times, and I am very privileged to serve as President of the United States. Believe me, I'll never forget how I got there. It was good, strong, loyal friends out in the precincts and at dinners like this over the years, and I am very grateful to all of you.

May I thank Reverend Gambet for his invocation; it was a unique invocation, and I kind of went along with the last part and could learn from the first part, but -- [laughter] -- and Malcolm Evans for the national anthem. I missed the Pledge of Allegiance crowd. I hear they were absolutely fantastic, and some of them are back there, but thank you very much for a unique joint Pledge of Allegiance. And I want to thank Peter and David here for making this dinner happen. Of course, Senator Specter, I'm just very pleased to have been with him today in what for, I think, both of us was a very moving tour through some of the less privileged, some of the impacted parts of this great city. Larry Coughlin is with us, who is our Bush-Quayle cochairman; Congressmen Weldon and Ridge and Ritter, all good people. We've got a great Republican delegation from Pennsylvania, I might add, in the United States Congress.

I was delighted to see Barbara Hafer earlier on. And, of course, Governor Mike Castle, an old friend who's done a great job in a neighboring State with us tonight. And I'd be remiss if I didn't single out Elsie Hillman, heading the campaign effort here in the Keystone State, and thank Dexter and then, of course, our team of Bobby Holt, Wally Ganzi. And then again, I'll single out Dexter, who gets the star seat. He gets to sit next to Elsie, and that means he sold more tickets than anybody else. So that's terrific. And, of course, Charlie, Charlie Kopp, he is a fundraising czar. He is our finance chairman, a great friend, and a loyal, loyal supporter. And he is very successful -- so successful that he didn't have to go to our dog Millie for a single dime. [Laughter] You may have seen our income tax returns, and you can tell who earns the money in the family. Millie is not a ``fat cat," but nevertheless has done a great job as our dog. [Laughter]

I am pleased to be here. And I want to share with you just some observations. This is a year where you're hearing a lot of talk about change. And I would be the first to concede that we must make significant change in this country. I hear a lot of talk about it coming out of the political arena, but we've been trying to effect constructive change.

I came back from a very moving visit to Los Angeles; we got back Friday evening. And let me just give you a short report of what I saw and what I heard. Each one of us saw the images of

hate and horror. That was all around you, images that we won't soon forget. But what I saw during my time in Los Angeles, even in the hardest hit parts of south central L.A., should give us some cause for hope. Everywhere, the people I talked with told about acts of individual heroism, about the extraordinary courage of just plain ordinary people. And some braved the gang of looters to form these bucket brigades to put out fires when the firetrucks couldn't get through. And then some stood up in the face of angry mobs and reached across the barrier of color to save lives of their fellow men and women. And many of these aren't the stories that you'll see on the nightly news. But believe me, they are the stories that tell us the power of simple human decency.

What it tells me is that the time has come to set the old, worn-out ideas aside. And the time has come, in the words of Abraham Lincoln, ``to think anew and to act anew." And we start with the principles at the heart of this great Republican Party, principles that tell us something very obvious, and that is that we ought to keep the power close to the people, that we've got to strengthen families.

I'll never forget when Tom Bradley, the Mayor of Los Angeles, and others came to see me, large-city mayors, small-city mayors, Republicans, Democrats, liberals and conservatives joined, their National League of Cities. And they came and they said the one thing that united them in terms that they all agreed on was that the fundamental problem that the decline of the American family is causing in the cities. The prime cause of much of the unrest, the problems of crime, whatever, comes from the dissolution of the American family.

And we think we've got to find ways to strengthen that, instill character and values in our young people; that we must encourage entrepreneurship, ownership, increase investment, and create jobs. Now, these aims have got to form the heart of our agenda for economic opportunity, an agenda that can literally restore hope, can't solve the problem overnight but restore hope to our inner cities. And they define what we must do.

First, and let's be very clear on this one, we have got to preserve order. We've got to keep the peace because families can't thrive, children can't live, and jobs can't flourish in a climate of fear. And I support the police. I saw the commissioner here today, had a great -- I see Governor Martinez, the head of our drug effort, here with him. He and I were together with the Senator and others. And I told the commissioner and told the people out here, ``We support your efforts." They put themselves in harm's way to save all of us. And we must start by standing strongly for order and keeping the peace.

Now, those thoughts were foremost in my mind from the first hours of the violence in Los Angeles. A civilized society simply cannot tackle any of the really tough problems in the midst of chaos. It's just that simple. Violence and brutality destroy order. They destroy the rule of law. They must never be rationalized. And it must be condemned, violence, whenever you find it; we must condemn it as a society.

When I was out in Los Angeles, I called a woman that had been a member of our little church in Houston, Texas, St. Martin's Parish. I'd got a message to call her. I called her, and she told me a tragic story of her brother and her son. They had gotten a call from a neighbor, a minority, a member of a minority group, and they'd climbed on their motorcycle and driven down to see this person. On the way, their motorcycle was surrounded by a gang. The motorcycle was upended. Her son was beaten. Somebody put a gun up to this kid's head, pulled the trigger, and it didn't go off. Her brother, not so lucky. He was beaten, and they put a gun up to his head, and he was killed right on the spot. This didn't have anything to do with Rodney King. This didn't have anything to do with anything other than wanton violence. We simply cannot be asked to condone that in our society. And so we're going to stand for -- -- [applause]

In Los Angeles, I announced an addition to a program that's already at work here in Philadelphia, an exciting program that we saw today, an initiative that I call ``Weed and Seed." The idea is to weed out the gang leaders and drug dealers and career criminals and then seed the community with expanded employment, educational, and social services. So we're going to push for that. I'm going to push and try to see that we can do more for the American people with this innovative new program.

Secondly, we must spark an economic revival in urban America. The best answer to poverty is a job with dignity in the private sector, and that means establishing what we call enterprise zones in our inner cities. It means reforming our welfare system, putting an end to the pervasive disincentives that encourage welfare and discourage work. So, enterprise zones and reform of welfare.

Thirdly, we've got to revolutionize American education. I might add, parenthetically, that I wish Barbara was here to see what you're doing with this show of support for literacy. Mr. Notebaert, wherever he may be, I would like to make this contribution. I'm not trying to sell this. [Laughter] This is ``Millie's Book," and we want to donate this here as a contribution from the breadwinner in the Bush family. So please, we want the record to show we brought a book in.

Now, we have a good education program. It burns me up when I hear some of the old thinkers, the pass-the-mandated-Federal-program thinkers, criticize. We have a program called America 2000. It's an innovative strategy, and it has things in it like choice. You can choose your colleges; why not choose your schools and thus make them more competitive?

Competition, community action, all of these things are a part of it. Children in our inner cities deserve the same opportunities that kids in the suburbs have, and that's what a lot of that program is about. That means we've got to break the power of the establishment, the education establishment. And whether it's public or private or religious, parents, not the government, should be free to choose their children's schools. I am going to fight for that concept.

Then another ingredient of our urban policy, and one I've been trying to get through for a long

time, is homeownership. And I've never understood how anyone could be content with the present system, to take pride in the warehousing of the poor. The aim behind our HOPE initiative is to give poor families a stake, give them a stake in their communities, to give them something of value they can pass along to their kids, by turning public housing tenants into homeowners. And we are going to fight for that principle.

At every turn during my time in L.A., I heard people talking about the principles that guide these initiatives. And these weren't big shots; these were community leaders. These were people that were out there on the front line trying to help the kids. Personal responsibility, that was one; opportunity; ownership; independence; and then, of course, with great pride, dignity. And you know the sound of those words. We all do. It really adds up to the American dream.

And we all know what the critics will say, and you've heard it. They'll say, ``Well, you've proposed all this before, Mr. President." And the answer: It's true. That's right. But now it is time to act on these proposals because this time they know we are right. We are right, and we want to get it passed through the Congress. Tomorrow I'll be meeting with the leaders to try to get it done. It's no longer good enough to try the old ones. Let's try these new ideas and see if they can't help some of the kids that we saw today here in Philadelphia.

My first order of business is, then, to build a bipartisan effort in support of immediate action on this agenda. We won't settle for business-as-usual, measuring what we achieve by the size of the bureaucracy we build or the number of mandated programs we can send down to these communities who are crying out for flexibility. This time, we've got to put our principles to work and take the case for change directly to the American people.

What's going on in urban America is just one part, though, of a larger issue because the need for reform doesn't end simply with our inner cities. It starts with the revolution in American education that I mentioned. America 2000, we call it. It starts with that. When you get down to what we've got to do really to be competitive in the future, to offer kids an opportunity, it is education. And it includes our aggressive action, also, to break down barriers to free trade. Opening markets to American goods the world over has got to be a part of it. In each case, we've taken aim at the status quo, and we've set our sights on change. That's why I'm fighting hard for a GATT agreement. That's why we have proposed and are working with Mexico's able President, Carlos Salinas, to try to get a North American free trade agreement. It will mean more jobs for the United States, more jobs for Mexico, and a Mexico much better able to do what it must do with its environment and do what it must do in controlling its own borders.

America needs legal reform to put an end to these outrageous court awards that sap our economy and strain our civility. We've gotten to a point where doctors won't deliver babies, where fathers are afraid to coach Little League, all because of the fear of some frivolous lawsuit. That won't change until people spend less time suing each other and more time helping each other. And we've got to change the laws in Washington. We must and we will reform the legal system.

Now, we need health care reform and to open up access to affordable health care for all Americans. I was talking to Charlie about this a little earlier here. It used to be that going to the hospital didn't conjure up visions of financial suicide. Today, the cost of even minor surgery has gone right out through the roof. More than 30 million Americans have no health care coverage at all.

We can change that. And we can do it better than some of these nationalized programs that we're hearing about from the opposition. We have a comprehensive health care reform plan that will help us keep the quality health care. Make no mistake about it, people are still pouring into the United States for specialized care because they know we have the best quality health care in the entire world. So we want to keep the quality health care that makes us first in the world and at the same time open up access to all Americans.

Contrary to what the big Government folks say, we can do it without putting the Government in charge of everybody's health care. If you want to stand in line, you can go to the department of motor vehicles. You don't need to go for a nationalized health care program. Let's face it, national health care, in my view, literally would be a costly national disaster, and I am not going to let that happen. We are going to fight for our plan of reform that gives access to insurance to the poor and the middle-income people alike. That's what we need, and that's what I believe we'll be able to get when we take this case to the American people.

So far, I've spoken a little bit about what Government can do. So let me conclude by speaking about what society absolutely must do. Because there's something society must cultivate that Government cannot provide, something we can't legislate, something that we can't make happen by Government order. I'm talking about the moral sense that guides us all. In the simplest of terms -- you want to get it to fundamentals -- I'm talking about knowing right from wrong and then doing what's right.

You go back to Los Angeles for a minute. Time and again the people I met with there put their finger on one root cause for the turmoil we see, and that, of course, back to the point, the dissolution of the family. And they're right. They're absolutely right. And ask yourself: What's the determining fact right now for whether a child has hope, stays in school, stays away from drugs? It is not Government spending. It's not the number of SBA loans or HUD grants. It's whether a child lives in a loving home with a mother and a father.

Barbara Bush was absolutely right when she said, ``What happens in the White House doesn't matter half as much as what happens in your house." We have tried, both of us, augmented by tons of grandchildren, et cetera, to put the emphasis on American family, put that emphasis first.

That's why I keep coming back to the Good Samaritans that we have called and will continue to call Points of Light: Everybody here devoting some time to helping someone else in the community. The people who help the poor, the elderly, kids in trouble, and never ask a nickel in

return. Government alone simply cannot create the scale and the energy needed to transform the lives of people in need. Let the cynics scoff about it, but we know these volunteers are the lifeblood of the American spirit.

And I wish you could have been with me today because you heard it: Community action. People overburdened with financial problems but finding time to help the guy next door. It was a wonderful thing we saw right here in some of the most impoverished areas of Philadelphia. It was a community spirit. Government has a role, but it never can supplant the propensity of one American to help another. So we've got to find ways to help in that concept and help encourage it.

I believe there is a great future in store because I believe that all of these principles will be coming into focus now. I believe we're right about family. I think we're right about freedom and free enterprise, and I think we're right about faith. Most of all, I think we are right about America's future.

You know, we've been through a very tough time. There's been a sluggish economy with recession in many parts of the country. I have a feeling this thing is beginning to move a little bit, and it's long overdue. I hope like heck I'm right this time, but I really do feel that it's beginning to move. And with that there will be a return of this innate feeling of American optimism. And when it happens, let's all vow that we will save time to help the other guy, to do what we can to be Points of Light.

We've got the strength. We've got the spirit in our Government. We've got it. You can sense it even in the ravaged communities of Los Angeles. We've got it in ourselves to transform America into the Nation we've dreamed of for generations. So don't listen to those doomsayers. Don't listen to those top 20 seconds that tell you everything that's wrong with the United States of America. We are the freest and the fairest and the best country on the face of the Earth. And we are going to get the job done.

We have nothing to be apologetic for. We've got big problems. But the message, I think, is if we can try this new approach, I believe we can solve them and offer hope to those little kids we saw with their eyes bulging as we came by there today into these little community centers.

Thank you all very much for your support. Save a little energy for the campaign in the fall. I'm going to need you. But I believe we're going to win this election. Thank you very, very much.

Note:. The President spoke at 7:40 p.m. in the Grand Ballroom at the Hotel Atop the Bellevue. In his remarks, he referred to Peter Terpeluk, Jr., and David Girard-diCarlo, dinner cochairmen; Representative Lawrence Coughlin, Bush-Quayle Pennsylvania cochairman; Barbara Hafer, Pennsylvania auditor-general; Elsie Hillman, Bush-Quayle Pennsylvania chairman; Dexter Baker, Bush-Quayle regional cochairman; Bobby Holt and Wally Ganzi, Bush-Quayle national

finance cochairmen; Charlie Kopp, Bush-Quayle Pennsylvania finance chairman; Willie Williams, Philadelphia police commissioner; Bob Martinez, Director of the Office of National Drug Control Policy; and Edmond Notebaert, president and chief executive officer, Children's Hospital of Philadelphia.

Statement on Urban Aid Initiatives

May 12, 1992

Today I am discussing with Congress a strategy to bring hope and opportunity to distressed communities. Our action is based on bedrock American values: personal responsibility, work, and family. We must end the cycle of dependency and give all Americans a place at the table of economic opportunity.

Clearly, the time has come to set aside old ideas and try something new. We in Government have a responsibility to act now to guarantee a hopeful future for the children of this Nation, a future where people are safe, neighborhoods can flourish, children can learn, and jobs can be created.

All Americans share the common goals of equal opportunity, advancement, and upward mobility. But the American dream is hindered by too many obstacles: unsafe cities, slow economic growth, an out-of-date education system, and dependency-creating Government programs.

We must start with policies that refocus programs to serve those who are most needy and increase the effectiveness of Government services through innovation, competition, and choice. Our approach is a radical break with the policies of the past. But as Abraham Lincoln once said, ``It is time to think and act anew."

My action plan consists of six core components:

(1) ``Weed and Seed": Our families cannot thrive and jobs cannot flourish in a climate of lawlessness and fear. Our ``Weed and Seed" initiative to combat crime wins back our inner cities by weeding out gang leaders, drug dealers, and career criminals and seeding communities with expanded employment, educational, and social services.

(2) HOPE: When people lack jobs, opportunity, or ownership of property, they have little or no stake in their communities. Our HOPE (Homeownership and Opportunity for People Everywhere) initiative fosters a sense of community pride by offering inner-city residents a chance for homeownership and management of public housing.

(3) Enterprise Zones: We must spark an economic revival in urban America to create jobs and opportunity. Our enterprise zones initiative encourages businesses to reenter our inner cities by creating tax credits, expanding capital investment, and bringing regulatory relief to some of the Nation's most economically depressed areas.

(4) Education Reform: It is time to reform and improve American education. Our education

reform strategy, America 2000, envisions an America in which all parents have the choice of the best schools available, public, private, or parochial.

(5) Welfare Reform: While no one disputes that government has an obligation to provide a safety net to those in need, there is too much emphasis on programs that penalize ambition, promote alienation, and destroy individual dignity. We must encourage family formation and allow individuals to fulfill their potential for a productive, meaningful life.

(6) Youth Jobs -- Youth Apprenticeships and Job Training 2000: The health of our cities and our economy depend on a skilled work force and facilitating the transition of students from school to work. Prompt enactment of our proposals can help provide job opportunities and training this summer.

Remarks on Urban Aid Initiatives and an Exchange With Reporters

May 12, 1992

The President. I will be talking to the leadership in a few minutes, and we will be proposing these initiatives, all of them designed to increase personal responsibility, offer hope to these communities. And it's a good program.

I think most are familiar with ``Weed and Seed," to weed out the criminals and then seed the neighborhoods. We talked about this up in Philadelphia yesterday and in Los Angeles last week, and I think there's strong support for this program.

HOPE is a homeownership program. And we believe that owning the home is the best way to strengthen the family and to give the community stability.

On enterprise zones, that almost is universally accepted now. It's a proposal that will bring businesses, act like a magnet to bring businesses into these communities. We are going to increase the attractiveness of this proposal that we've had up there. But in any event, it's going to be -- I think it will be accepted by the Congress. We're going to push hard for it, as we will for the others.

I think most are familiar in the country now with our America 2000, but again, we believe that educational choice will help. This is a little longer range proposal, but it fits in. Without education, we are not going to restore hope to our cities.

Welfare reform is important. We're going to go forward not just with waivers that encourage work- and learning-fare, but we're going to try to broaden out the amount of monies that a family can keep before they have to go off of welfare. I believe the limit now is $1,000, and I think we're talking now about $10,000, which would say to a person, if you save anything, you're not going to be thrown off of welfare right away.

Then on a youth job program, we have a program of $683 million, I believe it is. But with our apprentice program and our job opportunity program that I've announced and that we talked about down there in terms of job training, we want to go forward with some new legislation on that.

All of these are designed to restore hope and to bring some cohesion to these communities and offer these young people some opportunities. So I will be taking this to the leadership; in the spirit of working together, I hope we can get it done.

Q. Is there anything new, and does it require -- --

The President. These are all new. Most of these -- well, ``Weed and Seed'' is in operation now a little bit. There are some model grants right now. Philadelphia is working on one. But all of these need to be tried. They're all new in a way, yes.

Q. New monies?

The President. Yes. Well, we'll be asking for some.

Q. Price tag, please?

The President. On what?

Q. On this whole program, on your agenda.

The President. I don't know that I can give you the price tag on the whole program. I've written down some numbers. On the ``Weed and Seed,'' for example, with going up from the model demonstrations of nine to, I believe, half a billion dollars, that's new.

Q. That's the same figure, though, that was announced in February, the $500 million.

The President. We haven't gotten it yet. It's new. It has not been enacted. This has not been done. A proposal that hasn't been tried is new. We need to try these new ideas; that's the figure.

Q. And where -- --

Q. Sir, did I understand you to say you were going to give the families going off of welfare $10,000?

The President. No. I think what it is now is that if you save more than $1,000, you're off of welfare. We're talking about making it $10,000 so people can at least save a little bit of money while they're on welfare.

HOPE, $1 billion in '93, that's what we're asking for.

Enterprise zones, it's hard to put a price on that because we are trying to make it more attractive in terms of how the tax structure will treat these investors. But there's no price tag on that one. It is a very, very important part of it.

Education, you know the numbers there, I think. We're not asking for anything different than

we've proposed on that one.

Welfare reform, I've told you the difference there.

And on youth jobs there's, I think it's 683 for the summer, and now we're going up for new authorization on youth apprenticeship and Job Training 2000.

Q. Mr. President, where would this money come from? The Democrats say that if you're serious about this program, that you would agree to either a tax increase or reducing even further the Pentagon budget.

The President. I don't think the American people need to pay more taxes right now. I think this is a good program. It is coming from within the budget. Some of it, as I say, is asked for new authority in fiscal '93, but the idea that you have to raise taxes at this time when the economy is just starting to recover, I'm sorry, I will not support that.

Q. But then where would the money come from specifically?

The President. You will have to ask Dick Darman to tell you because it's all in the very complicated budget proposal.

Q. Would you give us a little more detail about that welfare, going off of welfare?

The President. Well, you know, I think -- --

Q. You think people can save up to $10,000 before they go off of welfare?

The President. No, I just think that that's a good thing for them to be able to do. That's not going to get them off of welfare. What's going to get them off of welfare is jobs, and that's what all this is designed to do, is to create jobs in the private sector. Now there are summer job programs, but we are trying to work to bring hope to the cities.

You know, it's very interesting to me that the community workers in both Los Angeles and Philadelphia, heavily impacted areas, are saying now is the time to try enterprise zones. We think they'll act like a magnet to bring private business into these areas of despair, and it ought to be tried. It is new, and it has not been tried at the Federal level.

Q. Did it take riots to do all this for all of you?

The President. No, because as you know and have been pointing out to me, some of these things have been proposed before. But we're going to now fight for them to get them passed. I'm going

in there in a couple of minutes in the spirit of cooperation, holding out my hand to Congress and saying, ``Look, let's not try to get credit; let's try to get something done for this country. Get it back to work, help these cities." And I think this is a good program, and the fact that some of these ideas have been proposed before and have not been enacted does not mean that they're not new. They are new.

Race Relations

Q. Mr. President, how are you going to address the racial divisions and racial misunderstandings in this country?

The President. Speak out against it as I've been doing and continue to. And I think that's the best thing a President can do, speak out against bigotry and racial hatred. I believe I've been doing that over and over again, and I'll keep doing it.

U.N. Conference on Environment

Q. The Secretary-General of the U.N. Is here today. Have you decided to go to Rio? Are you going to tell him that you're going to Rio?

The President. Stay tuned. We'll talk about that when I see him.

Cooperation With Congress

Q. Sir, will you be listening to the Democratic proposals as well? I know some match, but -- --

The President. Yes, some match. And certainly what we want to do is find common ground and move this country forward. And I think we've got to do that, Helen [Helen Thomas, United Press International].

HOPE

Q. Can you give us a little more detail on number two?

The President. Homeownership?

Q. Yes.

The President. Well, it's just simply a question of encouraging people to own their own homes instead of building more projects. You know, some accuse us of pulling back on housing funds. That is not correct. Now, we don't believe that building these projects is the answer. We want to

see the money going into tenant management and homeownership.

Thank you all very much. We've got to get ready for the meeting.

Philadelphia and Los Angeles

Q. How did you like Philadelphia? Pretty bad, huh?

The President. Interesting, though. Golly, I like the spirit of the people. But yes, the last part was more desolate than the first part. But the first part showed that the police getting involved like that made a tremendous difference on the drug fight. The message was very, very encouraging and upbeat. We would go out into these satellite precinct stations, and it was wonderful.

Incidentally, in here I have not talked about the things we have done in terms of dollars for Los Angeles up to now, some $600 million-plus, not counting the law enforcement part of that. So there's a substantial amount of money going into L.A. that I -- --

Q. Do you think, though, that the riots are going to at least make it more possible for these programs to be accepted?

The President. I hope so. I think so. Yes, I do, because I think people are saying we've got to do something new. And I hear that from both sides of the aisle, so we'll see.

Cooperation With Congress

Q. Are you willing to meet the Democrats halfway, sir, compromise?

The President. I don't know what that means. I'm willing to try to get some new programs going, and these are the ones I'm going to push. So I don't know what halfway is on a proposal like that.

Q. Is this a new, new you?

The President. No, same me. [Laughter] Actually, it's not a bad way to do it.

Q. You like being conciliatory, don't you?

The President. I've always been that way, Helen; you've known that for years.

Note: The President spoke at 9:35 a.m. in the Oval Office at the White House, prior to a meeting with congressional leaders. Part of this exchange could not be verified because the tape was incomplete.

Remarks and an Exchange With Reporters Prior to Discussions With United Nations Secretary-General Boutros Boutros-Ghali

May 12, 1992

The President. Let me just say first how delighted I am to see the Secretary-General again, and also perhaps the world's most renowned international environmentalist, Mr. Maurice Strong, whom I've known for many, many years.

I want to take this opportunity to say that I will be going to Rio, to the important meeting there. I think that we have a big stake. I take great pride in the fact that, in many ways, the U.S. has been a leader for environmental matters. I'm convinced that we can have jobs and economic growth as well as sound economic environmental practice. I will be taking the U.S. message to Rio to that end. And I'm very pleased that it's been worked out. And I called the President of Brazil a few minutes ago, Fernando Collor, who is most interested in this. But I'm grateful to both of you. And we have lots to talk about, but I did want to get that message out.

Q. How long will you stay? Will you go for the whole meeting?

The President. Well, no, I couldn't possibly do that. We have an election on in the United States this year and plus some other pressing problems.

Q. Are you involved?

The President. No, it's a very complicated -- and I explained that to Brazil's President, my dear friend, and I think he understands it. But we haven't actually picked a date. We can talk, I guess, if there's one that seems better than others. But I won't be able to stay long. We'll have representation there, good, high-level, strong representation, but I'm very pleased that it's been worked out so that I can be a part of this important meeting.

Q. Mr. President, after your meeting with congressional leaders, are you encouraged that compromises can be found quickly?

The President. Well, I was talking to Marlin about it, and I understand that the spirit that was in that room, a spirit of ``let's get something done,'' was reflected in the statements afterwards. And let's hope that we can move forward.

Now, I don't want to take any more questions in here because we've got a lot to talk about with the U.N. Secretary-General.

But let me just say before we close off those machines, in my view he came into the United Nations at a very difficult time, but also perhaps the most challenging time in its history as it begins to fulfill its mission in not just the social and economic side that Maurice Strong's been so active in but in the political side. I'm talking about peacekeeping, peacemaking. And he is off to a fantastic start, and I want to work with him to see where the United States can be as cooperative as possible with the United Nations. They're doing a lot of things that benefit mankind in both the economic and social council, all those agenda items, and now in this very important peacekeeping, beginning to fulfill the dream of the founders, and that's very, very important.

Q. Does that mean you're going to give them some more money?

The President. Well, I don't know, Sarah [Sarah McClendon, McClendon News Service]. You've got a price tag on everything. I'm going to tell him we don't have all the money we'd like.

Q. Is the accord watered down so much that they say it's so filled with ambiguities now that -- --

The President. Oh, I don't think so. They've got a broad agenda for this Conference, and people have been focusing on one part of it. But we've got lots to talk about down there.

Thank you all very much.

Note: The President spoke at 11:35 a.m. in the Oval Office. In his remarks, he referred to Maurice Strong, Secretary General of the U.N. Conference on Environment and Development.

Statement on Attending the United Nations Conference on Environment and Development in Rio de Janeiro, Brazil

May 12, 1992

I have just informed President Collor of Brazil, U.N. Secretary-General Boutros-Ghali, and Maurice Strong, Secretary General of the U.N. Conference on Environment and Development (UNCED), that I will attend the Rio Conference in early June. Today's environmental problems are global, and every nation must help in solving them.

As the U.S. has demonstrated over more than two decades, protecting the environment and encouraging economic growth can go hand in hand. In fact, it is our conviction that they must go hand in hand. In the early 1980's, we phased out leaded gasoline. Other countries are now looking to follow suit. We phased out aerosol propellants as early as 1978, and this year we announced that we will phase out all CFC's by the end of 1995. In the last 3 years, we have worked to extend that record, signing a new Clean Air Act and an Oil Pollution Act, placing a moratorium on oil and gas drilling in areas off our coasts, investing in our national parks, launching a program to plant a billion trees a year, and enforcing our environmental laws to make the polluter pay.

Abroad, the U.S. has worked hard to promote responsible environmental policies through our bilateral aid programs and through the World Bank and the U.N. system. I believe our decades-long experience in developing and implementing economically sound policies can help others in improving the environment.

In Rio, world leaders will have before them a number of documents. One of those documents will be a framework convention on climate change which was concluded successfully this past weekend. We are pleased with the outcome, and I congratulate the negotiators for joining together in taking this historic step. This framework convention would not impede economic growth and our ability to create new jobs.

Climate change is only one subject to be addressed at Rio. It is vitally important that progress be made as well in protecting our oceans and living marine resources, in promoting openness and public participation in environmental decision-making, in promoting sound management and protection of the world's forests and biodiversity, and many other areas.

I look forward to discussing how all nations, working together, can ensure that we hand over to our children and grandchildren a healthy and safe planet.

Statement by Press Secretary Fitzwater on the President's Meeting with United Nations Secretary-General Boutros Boutros-Ghali

May 12, 1992

The President met with United Nations Secretary-General Boutros Boutros-Ghali today for an hour and a half. The President informed the Secretary-General of his decision to attend the United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro in June. The President stated his strong support for U.N. peacekeeping operations worldwide. The two leaders reviewed the situation in Bosnia, Cyprus, Somalia, and in other regions.

The President and the Secretary-General also agreed on the importance of complete Iraqi compliance with all relevant United Nations Security Council resolutions, particularly those concerning the elimination of weapons of mass destruction. They reaffirmed that Libya must comply with U.N. Security Council resolutions as well.

Remarks at a Ceremony Honoring Small Business Administration Award Winners

May 12, 1992

Please be seated, and welcome. On perhaps the most beautiful day we've had here in the Rose Garden, I want to welcome all of you. Single out our Secretary of the Treasury, standing up here with me; Boyden Gray, my Counsel; and of course, Pat Saiki, the SBA Administrator, who's back from a very good mission, well-executed mission to a very troubling scene in Los Angeles. Pat runs the SBA, and she was with me out there in L.A. as we surveyed what can be done to help the city, and she's moving out on that. Let me also welcome our new Chief Counsel for Advocacy, Tom Kerester, right over here. Welcome, sir. And also single out Shirley Peterson, the Commissioner at IRS. Shirley? And next to her is the Deputy Secretary of the Treasury, John Robson. Welcome, sir.

It's hard on this Small Business Day not to think of the thousands of small business people who suffered damage out there in Los Angeles. And my commitment to them is this: We are working to get whatever disaster assistance the Federal Government can provide into their hands in record time. They have suffered enough. And I'm trying to make sure that frustration with redtape and bureaucratic stumbling doesn't add to their troubles. I know the SBA has been out there in the forefront of this effort working with our task force that we put together under the able leadership of David Kearns and Al DelliBovi.

As you know, today I called the congressional leaders of both parties to the White House. And I'm pleased with the early results of our efforts to forge a bipartisan basis and from which to support the opportunity agenda for America's inner cities. It's a promising start, and we will push ahead.

We're here today because it is Small Business Week. And we have with us from all 50 States and beyond the Small Business Persons of the Year. Welcome to the White House, America's ultimate mom-and-pop operation. [Laughter]

I computed this a while back, and I've spent 50 percent of my adult life in the private sector and 50 percent in Government. And I started in small business out there in west Texas. And I thus know something of what you all go through in starting something from scratch, working with it night and day, and then hoping that you succeed. Success goes to those who work hard, refuse to give up, and learn from their mistakes. Pat was telling me of the remarkable record of the winners that we have here with us today.

I also know what it's like to cope with regulation and paperwork from the Government. And sometimes the bureaucracy makes things needlessly complicated. We're supposed to serve the

taxpayers in the same way the business has to serve its customers. So making things needlessly complex in Government is not only wrong, it is bad for business.

And so today, we're going to do something about that. To honor these outstanding business people, we're going to do something outstanding for small businesses across the country. Every business man and woman sitting here can tell you how burdensome it is to comply with IRS payroll tax rules. And if they can't tell you, it's because they're probably paying somebody else to cope with all the headaches for them. But today the IRS is implementing faster, cheaper, and simpler ways for businesses, large and small, to deal with the payroll tax system.

This week, the IRS will issue a proposed rule to reduce the complicated deposit schedule. Large companies will be able to make payroll tax deposits on a fixed day of the week. Moreover, as many as 75 percent of all businesses will make payments just once a month. Now, these simplifications will significantly reduce the cost, confusion, and complexity of the payroll tax system.

We're also moving forward to eliminate all the duplicate W - 2 forms and other payroll tax information that employers have been required to supply. We're working to set up a single wage-reporting system so that separate forms don't have to be sent to the IRS and then the Departments of Labor and Social Security, and State and local governments.

In June, an experimental program in Georgia, South Carolina, and Florida will let employers make tax payments electronically, without even leaving their office. And no more paper coupons to file or standing in line at the bank. Small business learned long ago that computers could do more work in less time for less cost. And it's time we, therefore, bring the Government out of the horse-and-buggy era, into the information age, and stop having business do the Government's paperwork. [Applause] I felt that would go over reasonably well here.

The IRS may not be -- with all respect, Commissioner -- the most popular agency in town. But look, they're working hard now not to be the most infuriating agency in town. And we have a new, able leader and some very able people dedicated to that end. Last month, the IRS Center in Ogden, Utah, won our award, the President's Award for Quality, which goes to the Government office that provides excellent public service in a cost-effective manner. It is this new kind of attitude in Government service that must be brought to every Federal bureaucracy: putting people first, treating taxpayers as customers.

Now, there's a man who knows what I'm talking about. The small business winners here know, also, what I'm talking about. James Fleming, where is he now? Right here, sir. James Fleming started his metal component business in his basement, and he turned it into a $15 million international business. Jim's designed everything from medical equipment used in hip replacements to an assembly line for Jiffy Pop popcorn. And Richard Stewart, Mr. Stewart, right here, turned a part-time hobby selling natural spices into America's largest supplier of bulk

herbs, spices, gourmet coffee, and tea to the natural foods industry.

And then there's Amelia McCoy. Amelia? Right here, sitting here. Her business began, I'm told, as an act of love, making hair ribbons for her granddaughters. And now the hairbows that her company sells are handmade by 450 people in rural Oklahoma who work at home and generate $5 million in sales. And for that, Amelia is this year's Small Business Person of the Year. Maybe you should stand up so everybody can see you.

Since I announced our new moratorium on new regulations in January, our administration has worked to reduce the burden Government places on the businesses of this country. And we've also looked at existing regulations, like the ones I spoke of today, to see now we could help the economy by eliminating or by simplifying regulations that impede economic growth for no good reason. And I'm sure Amelia would rather be tying a red ribbon for her granddaughter than spending all day untying redtape. So maybe this will help out.

Every business dollar that goes into complying with some Government mandate is a dollar that won't be spent hiring new workers. Two-thirds or more of the new jobs in this country, two-thirds, are created by small business. And you are the heart and soul of what makes this economy work and what makes the American dream possible for your employees and for their families.

I will do my level-best, working with the officials I've introduced here today and others, to keep Government under control and out of your way so you can go out and do what you do best, create jobs, create goods and services for the American people.

So, thank you all for being here. Again, my congratulations to the winner. And may God bless our great country on this beautiful day. Thank you so much.

Note: The President spoke at 3:05 p.m. in the Rose Garden at the White House. In his remarks, he referred to David T. Kearns, Deputy Secretary of Education, and Alfred A. DelliBovi, Deputy Secretary of Housing and Urban Development.

Message to the Senate Transmitting 1987 Partial Revision of the Radio Regulations

May 12, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Partial Revision of the Radio Regulations (Geneva, 1979) signed on behalf of the United States at Geneva on October 17, 1987, and the United States reservations and statement as contained in the Final Protocol. I transmit also, for the information of the Senate, the report of the Department of State with respect to the 1987 Partial Revision.

The 1987 Revision constitutes a partial revision of the Radio Regulations (Geneva 1979), to which the United States is a party. The primary purpose of the present revision is to update the existing regulations pertaining to the mobile radio services to take into account technical advances and the rapid growth of these services, and to implement the Global Maritime Distress and Safety System. The revised regulations, with the two exceptions noted below, are consistent with the positions taken by the United States at the 1987 World Administrative Radio Conference for the Mobile Services.

At the time of signature, the United States submitted two reservations and responded to a statement submitted by Cuba directed at U.S. use of radio frequencies in Guantanamo. The specific reservations and statement are addressed in the report of the Department of State.

Most of the Partial Revision of the Radio Regulations entered into force October 3, 1989, for governments that, by that date, had notified the Secretary General of the International Telecommunication Union of their approval thereof; provisions specifically related to the maritime mobile service in the high frequency bands entered into force on July 1, 1991.

I believe that the United States should, subject to the reservations mentioned above, become a party to the 1987 Partial Revision, which has the potential to improve mobile radio-communications worldwide. It is my hope that the Senate will take early action on this matter and give its advice and consent to ratification.

George Bush

The White House,

May 12, 1992.

Statement by Press Secretary Fitzwater on Proposed Extension of the Emergency Unemployment Compensation Program

May 12, 1992

The President and the congressional Republican leadership jointly announced a proposal to extend the Emergency Unemployment Compensation Program from the current expiration date of July 4, 1992, to March 6, 1993. Senate Republican leader Bob Dole, Senator Bob Packwood, and House Republican leader Bob Michel joined the President in announcing the extension.

The proposal would continue the payment of a total of 46 weeks of benefits (which includes 20 weeks of extended benefits in high unemployment States) and 39 weeks of benefits (which includes 13 weeks of extended benefits in all other States) until January 2, 1993. Thereafter, these extended benefits would be paid for 10 weeks and 7 weeks until March 1, 1993. Total costs of the new benefits are estimated to be $2.5 billion. These costs would be fully paid for by offsets contained in the President's 1993 budget.

Further, the proposal directs that Advisory Council on Unemployment Compensation to study and make recommendations on permanent unemployment compensation reforms by February 1, 1993.

As previously announced, workers who are unemployed as a result of the disturbances in Los Angeles and who may not qualify for standard unemployment benefits will be receiving unemployment benefits through the Disaster Unemployment Assistance Program.

The President stated, ``I urge the Congress to join us in setting aside partisan politics and moving expeditiously to pass this extension so that unemployed workers will know they can count on these benefits as the economy begins to recover."

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Patrick Manning of Trinidad and Tobago

May 12, 1992

The President met this afternoon with Prime Minister Patrick Manning of Trinidad and Tobago. The President congratulated him on his plans to further liberalize Trinidad and Tobago's economy by removing import restrictions and promoting privatization. He praised Prime Minister Manning's coordinated counternarcotics strategy and thanked him for his quick action in addressing the drug problem. The Prime Minister expressed his appreciation to the President for the support of the United States and reaffirmed his commitment to economic reforms and a strong counternarcotics effort.

Nomination of Marilyn McAfee To Be United States Ambassador to Guatemala

May 12, 1992

The President today announced his intention to nominate Marilyn McAfee, of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador to the Republic of Guatemala. She would succeed Thomas F. Stroock.

Since 1989, Ms. McAfee has served as Deputy Chief of Mission at the U.S. Embassy in La Paz, Bolivia. Prior to this, she served as Counselor of Public Affairs at the U.S. Embassy in Santiago, Chile, 1986 - 89; and in Caracas, Venezuela, 1983 - 86.

Ms. McAfee graduated from the University of Pennsylvania (B.A., 1961) and Johns Hopkins University (M.A.T., 1962). She was born January 23, 1940, in Portsmouth, NH. Ms. McAfee resides in Jacksonville, FL.

Nomination of Robert F. Goodwin To Be United States Ambassador to New Zealand and Western Samoa

May 12, 1992

The President today announced his intention to nominate Robert F. Goodwin, of Maryland, to be Ambassador to New Zealand and to serve concurrently and without additional compensation as Ambassador to Western Samoa. He would succeed Della M. Newman.

From 1977 to 1991, Mr. Goodwin served as staff vice president and director of governmental affairs at the Meredith Corp. in Washington, DC. In addition, he has served as a U.S. Commissioner on the International Joint Commission, United States and Canada, 1990 to present.

Mr. Goodwin graduated from Northwestern University (B.S., 1958). He was born August 11, 1936, in Des Moines, IA. Mr. Goodwin served in the U.S. Air Force Reserves, 1959 - 65. He is married, has three children, and resides in Bethesda, MD.

Nomination of David J. Dunford To Be United States Ambassador to Oman

May 12, 1992

The President today announced his intention to nominate David J. Dunford, of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sultanate of Oman. He would succeed Richard Wood Boehm.

Since 1988, Mr. Dunford has served as Deputy Chief of Mission at the U.S. Embassy in Riyadh, Saudi Arabia. Prior to this, he served as Office Director of the Office of Egyptian Affairs at the Bureau of Near East and South Asian Affairs at the Department of State, 1984 - 87.

Mr. Dunford graduated from the Massachusetts Institute of Technology (B.S., 1964) and Stanford University (M.A., 1965; M.A., 1976). He was born February 24, 1943, in Glen Ridge, NJ. Mr. Dunford is married, has two children, and resides in Tucson, AZ.

Remarks at the Arrival Ceremony for President Patricio Aylwin of Chile

May 13, 1992

Friends of Chile and the United States and ladies and gentlemen. President Aylwin, I'm honored to welcome you to the White House, an opportunity not only to exchange views but to return that wonderfully warm hospitality that I received in Chile.

Mr. President, you once described Chile's success in this way: ``The reflection of a mature country that knows what it wants and is able to achieve it by means of the democratic process."

Well, that maturity has been hard won; Americans shared your pain during some dark days in Chile when democracy was a fading dream and peace a faded hope. But it has been won. Today, your government serves its people and serves as a model to others. The same may be said of your leadership. Since taking office, you have revived Chilean democracy. In 1913, Teddy Roosevelt visited Chile and spoke of a ``democratic experiment on a far vaster scale than has ever been attempted anywhere else in the world." Next month, your people will salute that experiment through Chile's first local elections in 20 years.

And democracy has also spurred your economy. Chile has married a free people with free markets, a union that has resulted in faster economic growth than any other economy in Latin America over the last decade. A successful conclusion to the Uruguay round of GATT will enhance that trend. Already, your trade barriers are falling, your exports rising. As a member of the Cairns Group, you've led the way against agricultural subsidies and protectionism. The United States and Chile are two of the world's foremost proponents of free trade, and we look forward to working with you to expand bilateral and global trade as rapidly as possible.

I applaud your achievements, and so did the Inter-American Development Bank, turning first to Chile to implement its investment policy support program. Under our Enterprise for the Americas Initiative, Chile was first to have a portion of its official debt to the United States forgiven because we want democracy to succeed. Not only do our people share what your government called the ``community of ideas, of feelings and needs," we share this land. We share more than the New World; we share a responsibility to keep our world new. So, last February, under the Enterprise for the Americas Initiative, we signed an agreement helping Chile create an environmental project fund with money which would have otherwise serviced debt.

And we will continue to address bilateral economic concerns under our 1990 trade and investment framework agreement. Our challenge now is to build on those beginnings and show why Bernardo O'Higgins, Chile's great champion of freedom, wrote, ``The Americans are giving great hope to philosophers and patriots alike."

Today, Chile gives hope to an entire hemisphere. With market-oriented reforms, you've led by example. In international relations, you're leading through integrity. Other nations count on Chilean leadership in the Organization of American States, in the United Nations, and then in the community of nations. Your people are working for peace and freedom in Kuwait, El Salvador, Guatemala, and Cambodia. You joined your neighbors to defend democracy, first at last year's OAS General Assembly, then most recently in Haiti, Peru, and Venezuela.

There's a poem called Machado's ``Caminante." There's one line that stands out, and here it is: ``Traveler, there is no road, you make a road in traveling." Mr. President, I believe Chile is that traveler, traveling the road of history, a history made one step at a time. Chile offers an eloquent rebuke to those enemies of democracy on the extremes of left or right who try to mislead and confuse the people. Chile shows how liberty can not only shape a nation of great promise but ensure its people a legacy of promises kept.

So, traveling together, Mr. President, we will keep our promises, and we will make ours a road to a better tomorrow. We are honored to welcome you to Washington as our guest, one of this hemisphere's truly great leaders. Welcome, sir.

Note: The President spoke at 10:13 a.m. on the South Lawn at the White House. In his remarks, he referred to the Cairns Group, a 13-nation group supporting agricultural trade liberalization and free market policies in the Uruguay round of multilateral trade negotiations.

Remarks to the Health Care and Business Community in Baltimore, Maryland

May 13, 1992

Thank you, Dr. Heyssel, for that introduction. I understand that you'll be retiring in a few weeks as CEO of Johns Hopkins Health System, after 20 years of building bridges with this marvelous community. I got briefed on this, and I'm told that you'll leave a great legacy, that new outpatient clinic which bears your name and opens for business on Monday, a well-deserved tribute to a great man.

We also have with us today my top adviser on health and our head of HHS, Dr. Lou Sullivan; where's Lou? Right over behind me -- who you met earlier on. But I just want to say what a joy it is to have him at my side as we try to come up with better answers for America's health care. He's doing a superb job there. And I want to single out also another that has been at my side all day and is an awful lot of the time, that I have great respect for, and that's Governor Schaefer, the Governor of your State, who is with us here today. We also have several members of the legislature, the city council from Baltimore. I'm glad to see Mr. Winters, an old friend who's CEO of the Prudential. And he's been to the White House to discuss the future of our Nation's health care with me. And then of course, Barbara Hill, you'll get around her for about 5 minutes, and you're semi-exhausted. The energy and the enthusiasm that she brings to this health plan is simply contagious. I have a much better feeling what it's all about just by being around Barbara Hill. Thank you very much for a great day.

I don't know whether it's appropriate or not to be discussing medical care here at Dunbar, the home of the Dunbar Poets, but nevertheless, to all at Dunbar, my sincere thanks. And with their unbeaten streak, maybe Pete Pompey should become my adviser on health care as well as on fitness. [Laughter]

But I was interested to hear about the school's cooperative health studies with Johns Hopkins, which is not only on a summit in Baltimore but is at the summit of medical excellence for our whole country. It's terrific that nearly 20 percent of Dunbar's student body is involved in this health studies program, 20 percent. And I also want to recognize another institution that calls Dunbar home, Sojourner-Douglass College, for its strong commitment to the Baltimore community.

Before sharing with you a few observations on health care, let me just touch on an issue that I know is of concern to all Americans, everyone concerned about conditions particularly in America's inner cities, with special reference in these remarks to Los Angeles. In addition to FEMA, the emergency management, and to SBA, the Small Business Administration's assistance, the Federal Home Loan Bank System is going to make available $600 million to finance the rebuilding of housing and businesses in Los Angeles. These loans, made through the

Community Investment Programs, are good news for the people who lost homes and jobs as well as the owners who lost businesses due to the unrest out there. It's one way that we can underscore the fact that we are serious about helping Los Angeles recover. I think the Nation is focusing on how well all levels of government come to bear on helping in the recovery and the re-stimulation of the community there in Los Angeles.

Beyond our urgent emergency aid, we have got to take action to bring hope and opportunity to Los Angeles. But it's not just Los Angeles, it is to all American cities. Yesterday we had a good meeting with the congressional leaders, Republican and Democrat. We outlined, or I did, a six-point plan for a new America: Our ``Weed and Seed'' crime initiative, weed out the criminals, seed the neighborhoods so that you can have hope and opportunity there. Our HOPE initiative, it's a homeownership, housing initiative. I think enterprise zones we've heard a lot of talk about, but when we were out in California, the community leaders all urged that we try this concept of enterprise zones to attract like a magnet, draw business and opportunity into the communities. Fourth, and a little longer run answer, is education reform. I'm kind of preaching to the choir right here in Dunbar on that one because there's an awful lot of innovation going on in Baltimore in the schools and in Maryland generally. But education reform is essential. Welfare reform, I think, is essential. And then, of course, a strong jobs program for city youth across the country.

So these are the ingredients or the tools that we are going to try to work with. I'd like to use this opportunity to report to the American people that yesterday's meeting put partisanship aside, and I am very hopeful that we can get something done for this country. I am pleased with the early reaction, as I say, but now the thing is to follow up and push ahead.

Now, to the reason that's brought us all together. I really had a wonderful experience here spending some time four blocks over in the East Baltimore Medical Center. It is a terrific example for the rest of the country. And the rest of the country can follow this example. It's based on a special kind of public-private partnership, and the kind that we've been advocating, in this case among Johns Hopkins, the Pru, the Prudential Insurance Company, the State of Maryland, and the Federal Government. It's that broad a partnership.

This problem-solving partnership advances what's known as coordinated care, the future of health care in this country. Thanks to this partnership, this is the largest, the largest and fastest growing HMO in Maryland. It was there, 8 years ago, that Hopkins helped pioneer the concept of a Medicaid HMO. And it's great to see EBMC's success because it proves what I strongly believe, that we can meet the challenge of controlling health care costs while providing the finest quality service. When I think of Johns Hopkins, I think of the quality of medical care, the quality of research, and we must not adopt a plan that diminishes the quality of American health care. So I congratulate you. For while this HMO saves members, employers and government money, health care stays first-rate, and it's a great example.

The key to this center's success, especially for Medicaid patients, is that coordinated health care

makes creative approaches possible. It provides quality care at lower cost with an emphasis on, and we saw it right there, prevention. It's just plain common sense. We're better off keeping people healthy rather than treating them after they're sick.

Just Monday, Lou Sullivan and I met with some leaders on our effort to improve infant health and immunization. There's nothing that makes the case for coordinated care like seeing these healthy kids. Preventive medicine improves the quality of life for patients and certainly saves a lot of unnecessary expenditures. Coordinated care can work for all Americans. But it's especially important for Medicaid recipients. It ensures they get care when they need it, where they need it, and that they get it in a cost-effective way. EBMC proves this is a viable alternative to the opposite of coordinated care, that fee-for-service system.

It also means better care for a kid who steps on a rusty nail out on Orleans Street. Before belonging to a coordinated care center, he would have gone to Hopkins emergency room. They'd be seeing him for the first time so they wouldn't know his background; they wouldn't know if he'd had a tetanus shot or if he were allergic to, say, penicillin. They'd have to spend that time and money doing unnecessary tests, maybe double treatment. But now when he shows up at his center's urgent care unit, they just check his history and treat him faster and at a fraction of the cost.

I am excited to see so many pieces of this comprehensive health reform program that we are promoting already successfully at work right here at EBMC. I introduced a plan February 6 to address the twin challenges of expanding access and of containing cost, while building on the strengths of this present health care system. I was determined to treat the root causes of our problems, not just the symptoms. Above all, our plan is inspired by the words of physician Frederick Banting, ``You must begin with an ideal and end with an ideal."

In the greatest, most technologically advanced Nation on the face of the Earth, there is no reason that one of seven Americans has no health insurance. And what we must do is clear. We must guarantee every American access, access to affordable health insurance.

Let's face it. We are in a peculiar year, in an election year, when all kinds of crazy things happen out there. And it seems like everyone's got a prescription for health care. And yes, people want quality care they can afford and rely on. But we don't need to put the Government between the patients and their doctors. And we don't need to build a whole new Federal bureaucracy. We need commonsense, comprehensive health care reform, and we need to start on it right now.

Sure, the other approaches can sound great, but you've got to look at what you really get. National health insurance, believe me, means more taxes, long lines, long waiting lists, and here's a matter of great concern to people that are in this area of excellence, lower quality care. Their idea for cost control is flat out what you call price fixing, an idea we know just simply will not work. Look at Medicare, which adopts set prices for many seniors' health services. But

Medicare inflation far outstripped private health care inflation in the seventies and the eighties, and it is still growing at 12 percent. The national rate of inflation, thank heavens, is far below 12 percent, and cost containment is not its strong suit. Price fixing by Congress has never worked before, and in my view, it simply will not work.

The so-called -- we were talking about this coming in over in the car -- the so-called ``play or pay'' approach, in my view, is equally unsound. Even many proponents admit that it will melt down into national health insurance within a few years. It does nothing to address the cost problem, where patients don't know or care how much health plans cost, nothing except to once again try to fix the prices. It's a package full of empty promises. Our comprehensive reform plan is based on these commonsense principles: Competition, consumer choice, quality, I come back to that, and efficiency.

Now while most people in this country are provided the highest quality health care in the world, millions of others are uninsured. And those are the ones we've got to worry about. They are the ones that must be covered. And we must make people aware of the costs and varying quality of care, so they'll be better consumers. But there will always be a limit to how cost-sensitive we can make people. When a kid falls off a bike or cracks his head, not many parents question the cost of a CAT scan or an MRI; their kid's health is too precious to bargain over.

So the competitive answer must be to group our consumers together. We must combine small employers, who often pay the bills, and individuals into large, educated, informed purchasing groups that can drive efficiencies back into the health care system. These health insurance networks are going to pool, what we call pooling. They will pool consumer information. They will pool risk, and they will pool purchasing power to make the system more responsive to the demands of the consumer. Our plan will dramatically reform our market-based system. It will ensure that quality care is within reach of every American family, and it will preserve choice. It will keep costs down, and we believe that it will keep access up.

First, the plan will cut the runaway costs of health care by making the system more efficient. We'll call for innovative approaches like the one we see here in east Baltimore. Secondly, it will wring out waste and excess. Third, it will control Federal growth, since health care is the fastest growing part of the Federal budget. And fourth, my plan will make health care more accessible by making it more affordable. We'll provide up to $3,750 in health insurance credit or deductions for low- and middle-income families -- they have to use that to purchase insurance -- and guarantee access to insurance for all low-income Americans. These credits, combined with market reforms, will bring health insurance to approximately 30 million now uninsured Americans.

Maryland is already getting on board this voucher approach with bipartisan legislation. The Maryland State House, I'm told, has outlined a standard health package to cover all low-income Marylanders through tax credits. The proposal to implement this tax credit plan passed the house

a few weeks ago and is being reviewed in the legislature this year. Under my plan, this type of low-income credit would be available in all States, and Maryland would have the ability and financial help it needs to make this reform into a living reality.

I've proposed the most comprehensive health care package out there. And now is the time to challenge the Congress and to see if it's interested in this kind of real reform. Ours is a plan that will fundamentally restructure, and this is the point, restructure health care in America.

There are steps we can and must take right now. Part of our plan entails significant reform of the insurance markets, for which there is a strong bipartisan support. Senator Bentsen, Chairman Dan Rostenkowski of the Ways and Means Committee, Senate Republicans, the House Republican task force all support very similar reforms that with certain changes, some modification, can and should be passed immediately. Congress must begin to move now. Even if all they do this year is just pass our insurance market reform, we'll at least get a start on changing the system. These reforms will go a long way toward curing the inequities in cost and coverage under existing health insurance practices.

There's another bipartisan reform package out there. It was proposed by Senator Pat Moynihan and Senator Dave Durenberger, and that is in most respects consistent, it is, with my plan and would promote much greater use of coordinated care in Medicaid. East Baltimore knows that this works. We must make it easier for the rest of the country to follow your pioneering road to better health care. In fact, as part of our plan for comprehensive reform, I want to make coordinated care the norm, not the exception, for Medicaid. We must work together now to pass these reforms that will provide literally millions of Americans with affordable health coverage for the first time and then get a leg up on that comprehensive reform.

Our plan does everything the Government can and should do to ensure the quality of life of each citizen of this great land. It doesn't promise the Moon. It does something more important: It really guarantees, it promises the future. Reform is never easy, but in health care I think, wherever you're coming from, I think everybody would agree health care reform is a must. And we will deliver what we say we can, competition, competition-driven, market-based reform, and we'll deliver it proudly.

This is kind of a second unveiling of our overall program, but it seemed most appropriate to bring out these specifics here in Baltimore, an area where you've had so much innovation, so much excellence, so much success. So I just want you to know we're serious about this. We are going to continue to push for it, and we must get started right now.

I have learned a lot today, and I am very grateful to those who have shown me what is going on in this exceptional health care facility. I've always had great respect for what is going on in Johns Hopkins, this institution of excellence in every category.

So as I conclude, let me say, I am not pessimistic about our ability to help those people who need help in terms of health care. We can get the job done. I will now be trying to work with our hands extended in a nonpartisan or in a bipartisan mode to see if we can't make things a little better for the people, some of whom I saw here today.

Thank you all very much for listening. And may God bless the United States.

Note: The President spoke at 3:30 p.m. at Paul Laurence Dunbar High School. In his remarks, he referred to Dr. Robert M. Heyssel, president, Johns Hopkins Health System; Robert C. Winter, chairman and chief executive officer, the Prudential Insurance Co.; Barbara Hill, president, Prudential Health Care Plan of the Mid-Atlantic; and Pete Pompey, athletic director and basketball coach at Dunbar High School.

Message to the Congress Transmitting Proposed Legislation on Youth Apprenticeship

May 13, 1992

To the Congress of the United States:

I am pleased to transmit herewith for your immediate consideration the ``National Youth Apprenticeship Act of 1992." Also transmitted is a section-by-section analysis.

This legislation would establish a national framework for implementing comprehensive youth apprenticeship programs. These programs would be a high-quality learning alternative for preparing young people to be valuable and productive members of the 21st century work force. Although this framework has been designed to be comprehensive and national in scope, it is also flexible enough to allow States to customize the model to economic, demographic, and other local conditions.

I am proposing this legislation in order to promote a comprehensive approach for helping our youth make the transition from school to the workplace and strive to reach high levels of academic achievement. The lack of such an approach is one very important reason that a significant proportion of American youth do not possess the necessary skills to meet employer requirements for entry level positions.

There is widespread agreement that the time has come to strengthen the connection between the academic subjects taught in our schools and the demands of the modern, high-technology workplace. Work-based learning models have proven to be effective approaches for preparing youth at the secondary school level.

Under my proposal, a student could enter a youth apprenticeship program in the 11th or 12th grade. Before reaching these grades, students would receive career and academic guidance to prepare them for entry into youth apprenticeship programs. Particular programs may end with graduation from high school or continue for up to an additional 2 years of postsecondary education. In addition to the high school diploma, all youth apprentices would earn a certificate of competency and qualify for a postsecondary program, a registered apprenticeship program, or employment.

A youth apprentice would receive academic instruction, job training, and work experience. The program is intended to attract and develop high-quality, motivated students. Standards of academic achievement, consistent with voluntary, national standards, will apply to all academic instruction, including the required instruction in the core subjects of English, mathematics, science, history, and geography. Students also would be expected to demonstrate mastery of job

skills.

My proposal provides for vigorous involvement at the Federal, State, and local levels to ensure the success of the program. It also requires that employers, schools, students, and parents promise to work together to achieve the program goals. Enactment of my proposal will result in national standards applicable to all youth apprenticeship programs. Thus, upon completion of the program, the youth apprentice will have a portable credential that will be recognized wherever the individuals may go to seek employment or pursue further education and training.

I believe that the time has come for a national, comprehensive approach to work-based learning. The bill I am proposing would establish a formal process in which business, labor, and education would form partnerships to motivate the Nation's young people to stay in school and become productive citizens. It will provide American youth the opportunity to gain marketable and portable skills while establishing a relationship with a prospective employer.

I urge the Congress to give swift and favorable consideration to the National Youth Apprenticeship Act of 1992.

George Bush

The White House,

May 13, 1992.

Nomination of Joseph Charles Wilson IV To Be United States Ambassador to Gabon and Sao Tome and Principe

May 13, 1992

The President today announced his intention to nominate Joseph Charles Wilson IV, of California, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador to the Gabonese Republic and to serve concurrently without compensation as Ambassador to the Democratic Republic of Sao Tome and Principe. He would succeed Keith Leveret Wauchope.

Currently Mr. Wilson serves as a member of the senior seminar at the Foreign Service Institute. From 1988 to 1991, he served as Deputy Chief of Mission at the U.S. Embassy in Baghdad, Iraq, and as Deputy Chief of Mission at the U.S. Embassy in Brazzaville, Congo, 1986 - 88.

Mr. Wilson graduated from the University of California at Santa Barbara (B.A., 1971). He was born November 6, 1949, in Bridgeport, CT. Mr. Wilson is married, has two children, and resides in Washington, DC.

Nomination of John F. Daffron, Jr., To Be a Member of the Board of Directors of the State Justice Institute

May 13, 1992

The President today announced his intention to nominate John F. Daffron, Jr., of Virginia, to be a member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1994. This is a reappointment.

Since 1982, Judge Daffron has served as a circuit court judge for the 12th judicial circuit of Virginia. Prior to this, he was a general district court judge, 1973 - 81, and a U.S. magistrate, 1970 - 73.

Judge Daffron graduated from the University of Richmond (B.A., 1961; LL.B., 1964). He was born January 25, 1939, in Richmond, VA. Judge Daffron is married, has four children, and resides in Chester, VA.

Statement by Press Secretary Fitzwater on the President's Meeting With President Patricio Aylwin of Chile

May 13, 1992

In their discussions today, President Bush and President Aylwin stressed their joint commitment to free trade throughout the hemisphere as envisioned in the President's Enterprise for the Americas Initiative. President Aylwin told the President that the long-term vision of the EAI is very important to Latin America and described it as the first chance for a genuine partnership between Latin America and the United States based on free trade.

As a result of these discussions and in recognition of Chile's economic achievements, the President decided today that the United States intends to negotiate a comprehensive free trade agreement with Chile upon completion of the North American free trade agreement, and he intends to send notification to the Congress, pursuant to fast track procedures, at that time.

United States exports to Chile increased to $1.582 billion in 1991, including products such as mining machinery, computers, and telecommunications equipment.

Chile was the first in Latin America to receive bilateral debt reduction and an investment sector loan under the Enterprise for the Americas Initiative. By moving forward on free trade, Chile will be the first nation in South America to participate in the trade benefits of EAI.

The two Presidents also took note of the challenges to democratic processes in Haiti, Peru, and Venezuela and reaffirmed their strong commitment to support and defend democracy in the hemisphere through the OAS.

Remarks at the State Dinner for President Patricio Aylwin of Chile

May 13, 1992

Ladies and gentlemen, President Aylwin and Mrs. Aylwin, Barbara and I are just delighted to welcome you both to the White House and to try to return the warm reception that you gave to me, sir, and to our daughter when we had the honor of visiting you in Chile.

Among my memories of my visit to your country was a lunch that we shared at that lovely home of yours in Santiago. And I still recall with pride and delight that you took in your children and your grandchildren. We did a little arithmetic yesterday, and between us, we have 10 children and 23 grandchildren. Perhaps we could arrange for a soccer game out on the South Lawn. [Laughter]

It has been said, Mr. President, that the greatest glory of a free-born people is to transmit that freedom to their children. Your country's bright future lies in the hands and hearts of a free-born people, determined to see their children born free, passing liberty from mother to daughter, father to son.

Today I was reminded how your father, an esteemed Supreme Court Justice, passed his love of law and liberty to his son, you, yourself a revered legal scholar. I thought of how more than 60 years ago our Louis Brandeis observed that the final end of the state was to make men free to develop their faculties. And he added that ``Those who love freedom know liberty to be the secret of happiness and courage to be the secret of liberty."

Justice Brandeis could find no better example of courage in pursuit of liberty than the Chilean people and their leader. Today, Chileans are ``free to develop their faculties" to the fullest, having at last inherited the political and economic rights their parents worked to achieve. They've also assumed liberty's responsibilities, the knowledge that freedom taken for granted can become freedom taken away. Chile continues the hard work of freedom, defending democracy in Venezuela and Haiti and Peru, promoting peace in Central America and in the Middle East.

Mr. President, I know that Chile will continue to export its material goods. I know also it will export its dreams, the courage, hope, the imagination of free markets and free peoples. Chile teaches others that political differences never excuse indifference to the law and that social needs are better met by the invisible hand of the free market than by the iron fist of regulatory control and bureaucracy.

President Aylwin and I share a vision of free trade for all the hemisphere. The United States is

now negotiating a free trade agreement with Mexico and Canada as a first step toward that goal. And as a result of our discussions today and in recognition of Chile's economic accomplishments and achievements, I want to announce that the United States intends to negotiate a comprehensive free trade agreement with Chile upon the conclusion of the North American free trade agreement. And I intend to send notification to the Congress in accord with the fast track procedures at that time.

Thirty years ago, President Eisenhower spoke to your people saying, ``We in the Western Hemisphere are still young nations still growing, still experimenting." And I really believe that's still true today because democracy is young as our children, as all the children of the world.

Mr. President, may I propose a toast to you. And may I suggest we rise and lift our glasses: To you, Mr. President, to Mrs. Aylwin, to Chile, and to the bonds of friendship between our two people.

Note: The President spoke at 8:13 p.m. in the State Dining Room at the White House.

Remarks to the Take Pride in America Volunteers

May 14, 1992

Let me first salute Derrick Crandall, who had a lot to do with this event and who does so much for the great outdoors, not just here but all across -- whoops, look at this gigantic thing -- [laughter] -- all across the country. But I really wanted to thank the volunteers from the Recreation Coalition, members of the Recreation Roundtable for the good work you do for public lands all across our wonderful country. And I was pleased earlier to see the former Governor, Mike Hayden, Assistant Secretary for Fish, Wildlife and Parks; my old friend, John Turner, son of Wyoming here, Director of our Fish and Wildlife Service; Jim Ridenour, the Director of the National Park Service; and Bob Stanton, who's the Parks Director of the National Capital Region; and then all the other parks and officials here with us today. A very special greeting to Pervis -- where did he go? You can't miss him. But there he is way back there -- who does so much with the Bullets, but does so much to help the kids. And a special hello to all of you.

Let me just tell some of you kids that 70 million Americans enjoy fishing every year. And I understand that some of you were out on the river, I hope you were, trying out this sport. Of course, I didn't show up too well on the casting, but that's an important part of it and a fun part of it out there. But we have this Pathway to Fishing program that I think is a very good one.

Many of you from the Recreation Coalition were with Barbara and me when we visited some of this country's greatest fishing holes, camping sites, and hiking trails as well. We were out at Mount Rushmore, Glacier National Park, the Grand Tetons. And I hope every kid here gets a chance one day to see some of those great spots in the West. We have many other beautiful parklands across the country.

But we've got to remember that the great outdoors -- and one of the things that's symbolic about this event is that the great outdoors isn't miles away and unreachable, it's close to home. And here we are in this great park right here in Anacostia. So whether you're from right here in DC or from Spirit Lake, Iowa, the great outdoors is yours for the asking, and each of you is a coowner. As coowners you've got to preserve our great parklands, keep them clean.

Since the beginning of our administration, we've added over $1 billion to help our national parks, forests, wildlife refuges, and other public lands. In this effort to preserve our environment, public-private partnerships are so important, and they help us all do our part. Practically every day, people sit and fish on the river dock just behind me, one funded by what Derrick talked about, that Wallop-Breaux Trust Fund, a program that was started in 1984 to bring together the efforts of both the fishing and the boating industries. I think he was quite generous about that, but I did have a small role in its creation and am prouder still that this year we're providing more than $240 million for this fund to aid the fishing and boating improvements. Last year we had a

fight; Congress, I think, wanted to cut the Wallop-Breaux in the appropriations process. But we just can't let that happen.

Then there's our Scenic Byways program, a 6-year effort to improve some of our Nation's most traveled highways, not just the highways that you've got all across the country but roads that wind through the hearts of our cities. And we call them ribbons of green, the roads America loves. Here in Washington, our Scenic Byways program beautifies roads like the George Washington Parkway and Rock Creek Parkway. We're also helping to support the creation of greenways, those combinations of bicycles and hiking paths that are springing up throughout our cities and countrysides.

Then there are programs like the one that this banner celebrates, Take Pride in America, a program that generates tens of millions of volunteer hours each year from communities all across the country, people coming together to preserve the parks and public lands within their communities, picking up litter, planting trees, and building playgrounds for these kids.

Right now one of our public land initiatives is receiving favorable attention in Congress, the America the Beautiful Passport. This replaces that old wallet card style with a passport that would include such things as park information, helpful phone numbers, motor decal, and many, many more things. And the best part, sales proceeds could generate up to $30 million in additional revenue which would then go to fund other recreation and wildlife projects.

So as we enter summertime, and I know the kids here are counting the days until school gets out, we'll see more kids enjoy the benefits of this cleanup project today. We'll see them running off to this park, playing around on the new playground, casting the fishing lines the way John and Tom and other fishing experts taught them and shooting a few hoops the way Pervis told them to do, and learning from him and learning from the volunteers how important it is for one citizen to help another.

It's not just a kid's life, though, I'm talking about. The outdoors is a perfect playground for the entire family and this country's greatest natural resource. This summer can also be a time for lots of families, for whole communities to come together.

We all saw what happened out there in Los Angeles a couple of weeks ago, a community that was divided and torn apart and then turning on itself in despair. Already the communities within that south central L.A. are coming together. They're rebuilding; they're renewing. They're leaving the war zones behind to embrace the heart of what makes Los Angeles such a special place.

Beyond our urgent emergency aid, we've got to take action to bring hope and opportunity to Los Angeles. I don't want to go into a lot of detail here, but I met with the leaders of both sides of the aisle. We're trying to get nonpartisan or bipartisan approaches to solve the problems. We've put

out a six-point program that included a ``Weed and Seed," weed out the drugs, seed the neighborhoods with hope; our homeownership initiative; enterprise zones that bring businesses into these communities that are hard hit, these cities; education reform; welfare reform; and then a strong jobs program. These six points, we're going to keep pressing for them, and I think they'll bring immediate relief to some of our cities. And I think it's a wonderful thing, if we're successful in them, to what it can mean for the lives of some of the kids right here today.

So, we've got to come together. We've got to rebuild the hearts of our Nation's cities, and we've got to renew that spirit of community. So I am just delighted to be here, very appreciative, once again, of the volunteers, those who live by that feeling one American must help another, hold out the helping hand to another. And the volunteers do it, and the result of that is cleaner and better parks, more and more hope and opportunity for the young people.

So thank you very, very much for what you're doing. It's a pleasure to be out here. I have only one regret, and that is that I can't stay out here all afternoon to do a little better in the fishing-casting tournament out there and to get to see you kids enjoy this lovely park. Thank you all very much for being with us. And again, my thanks to all the volunteers.

Note: The President spoke at 1:22 p.m. in Anacostia Park. In his remarks, he referred to Derrick Crandall, president of the American Recreation Coalition; Pervis Ellison, Washington Bullets basketball player; and Thomas Bedell, president of Berkeley, Inc.

Message to the Congress Reporting on the National Emergency With Respect to Iran

May 14, 1992

To the Congress of the United States:

I hereby report to the Congress on developments since the last Presidential report on November 13, 1991, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c). This report covers events through March 31, 1992. My last report dated November 13, 1991, covered events through September 30, 1991.

1. The Iranian Transactions Regulations (``ITRs"), 31 CFR Part 560, were amended on December 3, 1991, to further interpret the documentary requirements for obtaining a license to import Iranian-origin carpets from third countries, and to permit the importation of certain household and personal effects by persons arriving in the United States. A copy of these amendments is attached to this report. Except for minor clerical changes, the Iranian Assets Control Regulations (``IACRs"), 31 CFR Part 535, have not been amended since my last report.

2. The Office of Foreign Assets Control (``FAC") of the Department of the Treasury continues to process applications for import licenses under the ITRs. However, the December 3, 1991, amendments to the ITRs have resulted in a substantial reduction in the number of license applications received relating to the importation of nonfungible Iranian-origin goods, principally carpets, claimed to have been located outside of Iran prior to the imposition of the embargo. Those amendments have also made specific licenses unnecessary for most Iranian-origin goods permitted entry as duty-free household goods and personal effects by persons returning to the United States.

During the reporting period, the Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, mostly carpets, for violation of the import prohibitions of the ITRs. FAC and Customs Service investigations of these violations have resulted in forfeiture actions and the imposition of civil monetary penalties. Numerous additional forfeiture and civil penalty actions are under review.

FAC worked closely with the Customs Service during the reporting period to further develop procedures to expeditiously dispose of cases involving the seizure of noncommercial importations of nonfungible Iranian goods by certain first-time importers. The opportunity for

immediate re-exportation of such goods, under Customs supervision and upon payment of a mitigated forfeiture amount, has been made available in a greater number of cases to reduce the total cost of the violation to those importers.

3. The Iran-United States Claims Tribunal (``the Tribunal''), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. Since my last report, the Tribunal has rendered 7 awards, for a total of 528 awards. Of that total, 357 have been awards in favor of American claimants: 217 of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 140 were decisions adjudicated on the merits. The Tribunal has issued 34 decisions dismissing claims on the merits and 80 decisions dismissing claims for jurisdictional reasons. Of the 57 remaining awards, 3 approved the withdrawal of cases and 54 were in favor of Iranian claimants. As of March 31, 1992, payments on awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at $2,045,284,993.99.

As of March 31, 1992, the Security Account has fallen below the required balance of $500 million 34 times. Iran has periodically replenished the account, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. The last transfer of interest occurred on November 27, 1991, and resulted in a transfer of $26.6 million from the interest account to the Security Account. The aggregate amount that has been transferred from the interest account to the Security Account is $859,472,986.47. As noted in my last report, Iran has also replenished the Security Account with the proceeds from the sale of Iranian-origin oil imported into the United States, pursuant to transactions licensed on a case-by-case basis by FAC.

The Security Account was also increased on December 3, 1991, by an $18 million payment from the United States that was a part of the settlement of case B/1 (Claim 4). This payment brought the balance of the Security Account up to the required $500 million for the first time since June 1990. As of March 31, 1992, the total amount in the Security Account was $500,334,516.76, and the total amount in the interest account was $8,332,610.75.

4. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for $250,000.00 or more. Since the last report, six large claims have been decided, including two claims that were settled by the parties. Approximately 85 percent of the nonbank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 89 such claims on the docket. The largest of the large claims, the progress of which has been slowed by their complexity, are finally being resolved, sometimes with sizable damage awards to the U.S. claimant. Since September 30, 1991, U.S. claimants have been awarded over $4 million by the Tribunal.

5. As anticipated by the May 13, 1990, agreement settling the claims of U.S. nationals against Iran for less than $250,000.00 the Foreign Claims Settlement Commission (``FCSC'') has begun

its review of 3,112 claims. The FCSC has issued decisions in 460 claims, for total awards of over $8 million. The FCSC expects to complete its adjudication of the remaining claims by September 1993.

6. In coordination with concerned Government agencies, the Department of State continues to present United States Government claims against Iran, as well as responses by the United States Government to claims brought against it by Iran. Since the last report, the United States Government has settled one case with Iran, resulting in a payment to Iran of $278,000,000. As noted above, $18 million of this payment was deposited into the Security Account for replenishment purposes. The Department of State also represented the United States before the Tribunal in a case filed by an Iranian national.

7. As anticipated in my last report, after a final determination that there were no longer any bank syndicates pursuing claims against Dollar Account No. 1 at the Federal Reserve Bank of New York, appropriate steps were taken to close the account. On February 19, 1992, the remaining balance in the dollar account, $134,128.56, was transferred to Bank Markazi. On March 12, 1992, the United States and Iran filed a joint submission to the Tribunal requesting termination of Case No. A/15 (I:G), the case brought by Iran involving the syndicate claims.

8. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals, and presents an unusual challenge to the national security and foreign policy of the United States. The IACRs issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the ITRs issued pursuant to Executive Order No. 12613 continue to advance important objectives in combatting international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

George Bush

The White House,

May 14, 1992.

Message to the Congress Transmitting Proposed Legislation on Lifelong Learning

May 14, 1992

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the ``Lifelong Learning Act of 1992." Also transmitted is a section-by-section analysis.

This legislation would provide to all Americans, including working men and women and the unemployed, access to grant and loan help throughout their lives that is not now available. This additional help would make it possible for more Americans to further their education and increase their job skills and productivity.

Enactment of this legislation would help move America forward in achieving National Education Goal Five: ``Every adult American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship."

This legislation would:

Extend eligibility for Pell Grants and the three Guaranteed Student Loan (GSL) programs to students studying less than half-time. Providing grant and loan assistance to individuals taking as little as one course at a time offers American men and women the flexibility they need to improve their employment skills while recognizing their commitments to jobs and families. This program would extend loan eligibility to individuals who are enrolled in non-degree granting education and training programs and who are taking only one course at a time. These individuals have a legitimate need for skill enhancement and training that is not being met under existing loan programs. For example, a working mother in a low-wage job could receive financial assistance for courses that would qualify her for better paying, high-skilled jobs.

Extend new opportunities for education and training to all U.S. citizens. Additional student loan eligibility would be available for full- or part-time students. The Student Loan Marketing Association (Sallie Mae) would be authorized to originate up to $25,000 in loans, in addition to current GSL loan limits, through the Lifelong Learning Line of Credit for those borrowers who want the option of repaying loans on a basis tied to their actual income. The concept of basing student loan repayment on a borrower's future earnings has long been attractive to the Administration and to many in the Congress. However, a program of this type presents unique and complex design issues that demand careful analysis and structuring. This Act would call upon Sallie Mae, a leader in student loan administration, to offer $100 million per year in loans

and to work with the Secretary of Education to devise actuarially and fiscally sound loan options that would be widely available.

Explore the use of high-quality education and training programs offered by non-school based providers. The Secretaries of Education and Labor would be authorized to develop regulations under which students attending programs offered by nontraditional types of providers could be eligible for the Lifelong Learning Line of Credit. Community-based organizations, public or private agencies, and private employers are some examples of the types of providers that might participate. These providers could participate only if the high quality of the programs could be ensured and if these funds do not replace funds already being spent for this training.

I believe that all Americans should have an opportunity to pursue education and training throughout their lives. I look forward to working with the Congress on this legislation and welcome your recommendations on how this legislation can best secure this opportunity for all Americans.

I urge the Congress to give the Lifelong Learning Act of 1992 prompt and favorable consideration.

George Bush

The White House

May 14, 1992.

Nomination of Donald Herman Alexander To Be United States Ambassador to The Netherlands

May 14, 1992

The President today announced his intention to nominate Donald Herman Alexander, of Missouri, to be Ambassador to the Kingdom of The Netherlands. He would succeed C. Howard Williams, Jr.

Since 1987, Mr. Alexander has served as president of the private investment firm of Don H. Alexander & Associates, Inc., in Kansas City, MO. Prior to this, he served as president of Perkins Industries, Inc., 1982 - 87, and as executive vice president of the Commerce Bank of Kansas City, 1966 - 82.

Mr. Alexander graduated from Washburn University (B.B.A., 1962). He was born July 11, 1938, in Amsterdam, The Netherlands. Mr. Alexander has three children and resides in Kansas City, MO.

Remarks at the Law Enforcement Officers Memorial Ceremony

May 15, 1992

Thank you, Cyndi, very much. Thank you all. Cyndi, thank you. And may I salute our Attorney General who is doing an outstanding job for law enforcement, Bill Barr; the Members of Congress who are with us today; Adolph South; an old friend, Dewey Stokes; John Walsh; Suzie Sawyer; Barbara Dodge; Dave Derevere.

Ten years ago the FOP auxiliary began this nationally recognized service for law enforcement officers who gave their lives in the line of duty, and I salute you from the bottom of my heart. It is an honor to be with all of you to mark a day that celebrates America's finest.

Police work has been described as a thankless job. Well, I am here to say thank you on behalf of each American. We need you. We depend on you, and we cannot do without you. Yours is the priceless task of upholding good against evil. All of us saw sickening sights in Los Angeles of criminals breaking windows and burning buildings and looting businesses. But even worse was the looting of something harder to replace than merchandise, the stealing of something precious, stealing hope, promise, the future. This we cannot allow.

You know better than anyone, it is not just a privilege to support our law enforcement officers. Standing in Mount Zion Church right in the heart of south central L.A. just a few days ago, I spoke out there in support of law enforcement, and the place erupted into spontaneous applause. The people were applauding, those most severely affected -- but those were the ones that were doing this -- were most severely affected by the rioting and by the looting, and they were supporting the police officers. And that's the way it should be.

So, today I pledge this to you, to that thin blue line that separates good people from the worst instincts of our society, I pledge my continuing and full support. We must show less compassion for the criminal and more for the victims of crime. That is why we reauthorized the 1984 Victims of Crime Act and boosted its annual crime victims compensation assistance fund to $150 million. These dollars did not come from the taxpayers but from the criminals' fines and penalties. After all, crime should not pay; the criminals themselves should. And my administration has also acted to punish the hardened criminals, career criminals, under the Federal Armed Career Criminal Act. No seasoned criminal should walk free because we didn't take the law and our law enforcement officers seriously.

We have proposed $15 billion for anticrime policies for fiscal year 1993, and that is up 59 percent in 4 years. We started Project Triggerlock and already thousands of gun-toting criminals have been charged, with a conviction rate of nearly 90 percent. And yet progress made is not

mission accomplished. And so today I again call on the Congress to get with it and to pass our crime legislation. Let us back up our law enforcement officials with laws that are fair, that are fast, and that are final.

For more than 3 years I've asked Congress to pass a comprehensive crime package based on three simple principles: If criminals commit crimes, they will be caught; if caught, they will be tried; and if convicted, they will be punished. We need a crime bill which strengthens, not weakens, your ability to uphold our laws. And so I again appeal to the United States Congress: Send me a tough crime bill, one that will not weaken current law, one like the ``Crime Control Act of 1992," and I will sign it right away.

Let me take this opportunity to salute organizations like COPS, that Concerns of Police Survivors, who provide aid when it is most needed. COPS was founded in 1984 to have survivors help other survivors, and today they help 5,000 families nationwide as Good Samaritans to those who have lost a loved one.

Another Good Samaritan can be found right up here on our stage today. I'm talking about John Walsh, host of television's ``America's Most Wanted." Last Friday, the show celebrated its 200th capture of a fugitive of the law. Sadly, John knows firsthand about the horrors that crime can inflict upon parents and families and communities. His little boy, Adam, was abducted and murdered, and the killer has never been found. John could have shut himself off from the world. Instead he started ``America's Most Wanted," a show that helps law enforcement officers bring criminals to justice. John, we salute both what you are and what you do. Thank you. Thank you very, very much.

Let me close on a personal note. Some have called the Presidency the world's toughest job. Well, I think they're wrong. I believe police officers have the toughest job. Police work is not 9 to 5; it's full time. It is danger. It is fear. It is not knowing whether you will end your shift going home in a car or to the emergency room in an ambulance. It's populated by people willing to risk their lives to save ours, people who are part social worker and part soldier. It's a job that I sum up in two words: American hero.

Every day of every year you risk your lives so that Americans can proceed with theirs. You truly show what the Bible meant, ``Greater love hath no man than this, that a man lay down his life for his friends." I still have with me this badge. This is the badge of a fallen police officer, a New York cop that many of you all knew, Eddie Byrne. I keep it right there in my desk in the Oval Office. It's there every single day to remind me of this Nation's debt to those who serve. I will never forget, nor will our Nation.

Thank you for what you do for our country. May God bless each and every one of you officers, and especially may God bless those families who have lost loved ones as those loved ones served our great Nation. Thank you all very, very much.

Note: The President spoke at 10:15 a.m. at the Sylvan Theater. In his remarks, he referred to Cyndi Calendar, auxiliary president, Fraternal Order of Police; Adolph South, chaplain, National Fraternal Order of Police; Dewey Stokes, president, Grand Lodge Fraternal Order of Police; Suzie Sawyer, founder, and Barbara Dodge, president, Concerns of Police Survivors; and Dave Derevere, International Police Chaplains.

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

May 15, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1), and as part of my continuing effort to keep the Congress fully informed, I am again reporting on the status of efforts to obtain compliance by Iraq with the resolutions adopted by the U.N. Security Council.

Since the events described in my report of March 16, 1992, the U.N. Security Council has rejected Iraq's contention that it was in compliance with the relevant Security Council resolutions. On March 19, 1992, Rolf Ekeus, Chairman of the United Nations Special Commission (UNSCOM), created pursuant to Resolution 687, received from Iraq additional declarations of weapons of mass destruction, which it claimed to have destroyed the previous summer. The declarations included 89 al Hussein (extended-range SCUD) missiles and warheads, 4 Soviet launchers, 4 Iraqi launchers and test and firing vehicles, 45 chemical warheads for the al Husseins and chemical bombs. In addition to expressing its willingness to accept Security Council Resolutions 707 and 715, Iraq said that it was prepared to comply fully with UNSCOM's demands to destroy ballistic missile equipment and provide a ``comprehensive, complete, and final'' dossier regarding its weapons of mass destruction programs. This full disclosure, which Iraq promised to deliver in early April, has not yet been received.

The International Atomic Energy Agency (IAEA) and UNSCOM have continued to conduct inspections and other activities related to Iraqi weapons of mass destruction and ballistic missiles. Most important, the destruction of nuclear weapons, missiles, and chemical weapons has begun. During the 11th nuclear inspection from April 8 to 15, the destruction of the Al Atheer nuclear weapons production facility began. Five buildings and 29 pieces of equipment were destroyed. During the 12th nuclear inspection, which is scheduled for May 26 to June 4, 1992, three remaining buildings, including the laboratories at Hatteen, are to be destroyed. During future inspections, the IAEA will designate other Iraqi nuclear facilities for destruction.

The first chemical weapons destruction team visited Iraq from February 21 to March 24, 1992. The team supervised the destruction of 463 122-millimeter rockets at the Khamissiyah storage site. Of the destroyed rockets, some were filled with sarin, a nerve agent; others were partially filled with the same agent, while some were empty.

From March 21 to 29, 1992, the ninth missile team began the process of verifying Iraq's most

recent declaration. The team saw 86 al Hussein missiles (all but 3 of those recently declared by Iraq), verified the launchers described in Iraq's most recent declarations, and monitored the destruction of dual-use missile production equipment. The 10th ballistic missile team, from April 13 to 21, returned to solid propellant missile facilities to finish destroying dual-use ballistic missile production equipment.

The United States continues to assist the United Nations in its activities through U - 2 surveillance flights, the provision of intelligence, and expert inspectors. Nonetheless, the shortage of readily available funds to UNSCOM remains critical. In my last report, I noted that the United Nations and the United States had agreed on the transfer of a $10 million U.S. arrearage payment to UNSCOM, pending completion of the funds' reprogramming. That reprogramming has been completed, and the funds have been provided.

Since my last report, there has been additional progress at the U.N. Compensation Commission in preparing for the processing of claims from individuals, corporations, other entities, and governments who suffered direct loss or damage as a result of Iraq's unlawful invasion and occupation of Kuwait. The Governing Council of the Commission held its fifth session in Geneva from March 16 to 20, 1992, and has scheduled meetings in June, September, November, and December. At its March session, the Council reviewed draft rules of procedure for the processing of claims, approving all but one part, which it expects to approve at its next session. The Council also reviewed the forms for individual claims above $100,000 and for corporate claims; discussed the ``embargo loss'' issue and claims by members of the allied coalition forces; and instructed the Secretariat to continue its work on locating blocked Iraqi oil deposits and to study extension of the deadline for filing environmental or public health claims. The Executive Secretary reported that shortages of financing continued to delay important activities. Meanwhile, the Department of State continues to collect and review U.S. individuals' claims for amounts under $100,000 in preparation for filing with the U.N. Compensation Commission by July 1 for expedited processing.

In accordance with paragraph 20 of Resolution 687, the Sanctions Committee continues to receive notice of shipments of foodstuffs to Iraq. From January to April 22, 1992, 2.22 million metric tons of foodstuffs were notified. The Sanctions Committee also continues to consider and, when appropriate, approve requests to send to Iraq materials and supplies for essential civilian needs. Iraq to date has refused, however, to utilize the opportunity under Resolutions 706 and 712 to sell $1.6 billion in oil, most of the proceeds from which could be used by Iraq to purchase foodstuffs, medicines, materials, and supplies for essential civilian needs of its civilian population. The Iraqi authorities bear full responsibility for any suffering in Iraq that results from their refusal to implement Resolutions 706 and 712.

Through the International Committee of the Red Cross (ICRC), the United States, Kuwait, and our allies continue to press the Government of Iraq to comply with its obligations under Security Council resolutions to return all detained Kuwaiti and third-country nationals. Likewise, the United States and its allies continue to press the Government of Iraq to return to Kuwait all

property and equipment removed from Kuwait by Iraq. Iraq continues to resist full cooperation on these issues and to resist unqualified ICRC access to detention facilities in Iraq.

Mindful of the finding of the U.N. Security Council in Resolution 688 that Iraq's repression of its civilian population threatens international peace and security in the region, in concert with our Coalition partners, we will continue to monitor carefully the treatment of Iraq's citizens, and together we remain prepared to take appropriate steps if the situation requires. To this end, we will continue to maintain an appropriate level of forces in the region for as long as required by the situation in Iraq.

I remain grateful for the support of the Congress for these efforts, and I look forward to continued cooperation toward achieving our mutual objectives.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate.

White House Statement on the Establishment of the Inter-American Institute for Global Change Research

May 15, 1992

The President today announced that the United States has joined 10 other countries of the Americas in signing an agreement that will formally establish an Inter-American Institute for Global Change Research. The Institute will bring together the resources and capabilities needed to address important issues of global change in the Western Hemisphere.

The agreement was signed this week by D. Allan Bromley, Assistant to the President for Science and Technology, at a meeting hosted by President Lacalle of Uruguay in Montevideo.

The President first announced the concept of a network of regional institutes to study global change in his closing remarks to the White House Conference on Science and Economics Research Related to Global Change, which was convened by the President in April 1990. Since then, the United States has actively developed this concept and promoted the establishment of the first of these institutes which will be located in the Western Hemisphere. The United States will continue to work with senior representatives in the areas involved to establish institutes in the European/African region and in the Western Pacific region.

This agreement reflects the President's commitment to global stewardship and his desire to promote responsible environmental policies. It is consistent with his conviction that major decisions on the environment should be based on a sound, informed understanding of the scientific issues involved.

Remarks at a Bush-Quayle Fundraising Luncheon in Pittsburgh, Pennsylvania

May 15, 1992

Thank you very much, and thanks to all of you. Elsie, you are fantastic. Thank you for that introduction. Let me quickly thank the Scouts, those that did the Pledge of Allegiance. May I thank also Susan, who did the anthem. It's tough to get up there, not a note, and sing ``The Star-Spangled Banner." I thought she was great. Great treat to see Mr. Fred Rogers, who did the invocation. We Bush family are his fans.

May I salute, of course -- oops, he's gone -- Senator Specter, who flew up with us and whose reelection is very, very important not just to Pennsylvania but to this country. I am all-out for him, and I'm glad that he's doing as well as he is. But I strongly ask your support for him come the fall.

The Congressmen with us today are all outstanding: Rick Santorum is your own; Tom Ridge and Bill Clinger and Larry Coughlin. And let me just say as one who does not have the numbers on Capitol Hill I'd like, it is a joy to work with these Members of Congress. They are supportive. They are innovative. And they are outstanding.

I also wanted to single Bobby Holt out. Many of you know him; he's a Texan. But he was our national finance chairman, and he's done very, very well for us, thanks to you and many other groups like this around the country. Also, of course, an old friend is our event cochairman, Pete Love. We go back a long, long time. And Chuck Corry, I was delighted to have your support, and thank you. They give you great credit for this, you should know, behind your back, all good.

And to Dr. Murray, the president of Duquesne, my thanks for letting us be here. I am a doctor from Duquesne, I believe, some years ago, and I'm very proud of that. And Pastor Neal, thank you very much.

In sum, I am glad to be here. We've had a chance to shake a few hands out here, and somebody said, ``Well, you're the President. Doesn't that seem a little onerous?" I said, ``No. At least you get to look in people's eyes and thank them for what they're doing." Because sometimes in this line of work I'm in, that doesn't come so easy.

I just want to share with you some objectives. But I know there's been an awful lot of talk this year about change. But talk is very cheap; the tickets were not, I understand. [Laughter] But let me start with a promise: In terms of objectives, the time for talk nationally is over, and the time for change is now.

I saw that firsthand out in Los Angeles. I came back one week ago, a week ago I believe today, and I want to begin today by sharing a little bit what I saw, what I heard, and try to describe what I felt. Each one of us saw the images of hate, and we saw the horror, images that we can't possibly forget soon. But what I saw in Los Angeles, even in the hardest hit parts of south central L.A., the most heavily impacted area, should give us all cause for hope.

Everywhere, the people I met told me about acts of individual heroism, about ordinary people doing extraordinary things. Some braved the gangs of looters to form these bucket brigades and putting out the fires when the firetrucks couldn't get through. Some of them stood up to the angry mobs right out across the color lines to help a child or save a life. These stories may not make the headlines, but they sure make you proud, proud to be an American. I came away reinforced by the spirit of this community that had been devastated by their trial.

The founder of our party knew something about courage and change. He knew when the questions of the ``stormy present'' had outlived the ``dogmas of the quiet past.'' Some still prefer the comfortable dogmas of quieter times. But you know and I know that the time has come for change. Without pointing fingers, we need to ask ourselves, is the present system meeting our goals? I believe that we all know that it is not. It is time, therefore, as Lincoln put it, ``to think anew and act anew.''

As Republicans, we all agree that we've got to rebuild our house on the rock of Republican faith, Republican principles. Those principles tell us that we must keep power where it belongs, and that's close to the American people. That was the lesson I got out of the riot-torn South Central: Keep the answers as close to the people as possible. Clearly we've got to strengthen the American families, somehow instill character and values in our young people, and that we must encourage entrepreneurship, ownership, risk-taking. We've got to increase investment, and that will create jobs.

The challenges that we face go deeper than the recent crisis in Los Angeles, of course. Beyond our emergency aid, we've got to bring hope and opportunity not only to that area but to all American cities as well. That was the message that I gave to the congressional leaders, Democrats and Republicans alike, when I called them down to the White House this past Tuesday. For your information, it was a good meeting. There was a good spirit of bipartisanship at that meeting. I laid out there a game plan, a six-point plan for a new America. Let me just run it by you, see what you think of it.

First, and this has to come first, we have to preserve order. We have to keep the peace because families cannot thrive and children cannot learn and jobs cannot flourish in a combat zone. So that is square one.

I was thinking about this in the first hours of that Los Angeles violence. People cannot tackle tough problems if they're too busy dodging bullets. It's just that simple. Violence and brutality

destroy order, and they destroy the rule of law. That kind of violence should not be condoned. It should not be explained. It cannot be excused, and it must be condemned.

The fellow in Los Angeles named Reverend E.V. Hill, black pastor in a church at Mount Zion, and in the Mount Zion Church in south central Los Angeles, right in the heart of the riot zone, I stood up there, and there were 200 pastors behind me, and the church was full, large church. It was on the National Day of Prayer, Thursday. I mentioned support for the police, saying essentially what I've just said to you all, and the whole church erupted in applause.

And that is the spirit behind one of these initiatives that we've put forward. It's a leadership called ``Weed and Seed.'' First, you've got to weed out the gang leaders, the drug dealers, the career criminals, and then you've got to seed the community with expanded employment and educational and social services. In walking distance from this very spot we are starting a ``Weed and Seed'' program in the Hill district. This is new, and it is tough. It's going to help people take back the streets and take back the neighborhoods and take back control of their lives.

The second one: We've got to rebuild the community, with investment this time, with investment and with opportunity, with hope. That means enterprise zones for our inner cities, and it also means a lot of private sector activity. The enterprise zones, if we work it properly through the tax committees, will serve as magnets for investment. Then you have the private side: Peter Ueberroth has taken on a big assignment out there. And he is confident that he can get a lot of businesses to set up suppliers in the troubled areas, real jobs in real businesses.

The third objective: We must reform the welfare system. We've got to replace the handout with a hand up. We've got to replace the perverse disincentives that penalize families for working, for saving, and worse, penalize some families for staying together. If we talk about the family being a problem in urban America, we ought to find ways to keep the family together. A review and a revision of the welfare system is the answer.

The fourth one: We've got to have a strong jobs program for city youth. We need to teach kids how to run a drugstore, not how to run a drug ring. That means things like our apprenticeship initiative and our Job Training 2000 program.

The fifth of the six: We've got to revolutionize, and I mean revolutionize, American education. We have a strategy. It's called America 2000. That strategy offers choice. It offers competition. It offers community action. Children in our inner cities deserve the same opportunities that kids in our suburbs have. The special interests can just step aside on this one. Whether it's the public or private or religious, parents, not the government, have the right to choose their children's schools. It works at the higher level; it will work at the lower level in the education system.

And sixth, the last of these six points I gave to the leaders: We must promote new hope through homeownership. I've never understood how anyone could be content with the present system, to

take pride in warehousing the poor. Our HOPE initiatives gives poor families a stake in their communities, something they can pass on to their children. The bottom line: HOPE can turn housing into homes. We start with tenant management, ownership there, people in those areas, tenant management, and then move it right into owning one's own home. It's a good concept, and we've been proposing it now for, I think, 3 years. But it's a time to try this new idea.

At every turn during this trip to L.A., I heard people -- it's surprising, really -- at all levels of the community talking about the principles that guide, underpin these initiatives: Personal responsibility, opportunity, ownership, independence, and dignity. There wasn't a single community leader, not one, that told me, well, we ought to keep doing it the way we've been doing it; all we ought to do is just add money to existing programs. I didn't hear that from one single person. These ideas I've put out are new. Some have been proposed before, but we've got to try them. You know the sound of those words about the American dream. Well, they're the heart and soul, these ideas, of the American dream.

Now, we all know what the critics will say. They'll come right back, ``Well, you've proposed all this before." And that's true, but these ideas have not been tried, I repeat. Now is the time for a bipartisan approach. I think the American people are a little tired with this endless politics out there. I don't think you've caught me yet -- that may change in the fall -- criticizing any opponent, our own party or the other side. But I think far more important than criticizing, particularly at this time, is to try to get something done for the American people. And that's why I want these six points enacted.

Bipartisan support -- I want to go back to that -- for immediate action on this agenda has begun. As I say, I salute the Speaker and others. We had a good meeting with all the congressional leadership on Tuesday. But we must not settle for business-as-usual. That's the word that I gave to them, Republican and Democrat alike.

But what's going on in urban America is just one part of a larger issue because the need for reform doesn't end where the suburb begins. Our revolution in education is not just about helping inner-city students. It's about helping all our students, from kindergarten to college. Reform means aggressive action to break down barriers to free trade, to create new markets, cracking open new markets to American goods the world over. We went through a flurry during the early months of this year, flirting with protectionism. That's not the way to get the job done for the American worker or the American consumer. We've taken aim at the status quo in all of these things, and we've set our sights out there on pushing through the changes that we've been proposing.

I'll tell you another area, and I expect many of you here would agree: We need legal reform. We need to put an end to those outrageous court awards that strain our civility and sap our economy. Literally -- if you traveled with me, you'd hear it over and over again -- we've gotten to a point where doctors won't deliver babies, cost of insurance skyrocketing, where fathers are afraid to

coach Little League, all because of the fear of some frivolous lawsuit. Americans need to spend less time suing each other and more time helping each other. We need to change the product liability laws and the tort reform laws. We must reform our legal system, and no lobby should stand in the way.

So far I've mentioned just some things that Government can do. Let me conclude this way. Government alone cannot solve our problems. We need health care reform to open up access to affordable health care for all Americans. It used to be you didn't have to go broke just to get better. And today, more than 30 million Americans have no health care coverage at all. We can and we must change that. We've put forward a comprehensive health care reform plan -- again, change -- a reform plan that will keep America first in the world in high quality health care. At the same time it would open up access, give access to all Americans regardless of their income status, making it more affordable by what is known in the insurance field as pooling. Contrary to what the big Government folks say, we can do it without nationalizing or socializing our health care system. That path would instantly diminish the quality of our health care, and we've got the best in the entire world.

So national health care would be a disaster. And as long as I am President, I simply cannot let a national health care plan become law. I'm going to keep working for the kind of health care reform to bring access to the poor through the insurance process. And I believe that will work.

I've mentioned what Government can do, but again, Government cannot solve all the problems. We may be able to make good laws, but it's never been able to make men good. That doesn't come from Big Brother. It comes from your family. It comes from your mother and your father. And I'm talking about the moral sense that must guide us all. In the simplest terms, I am talking about knowing what's wrong and doing what's right.

And go back to Los Angeles for a minute. Time and again the people I met there put their finger on one root cause for the turmoil we see, the declining influence of the American family. And they are right. They are absolutely right. Ask yourself: What keeps a kid in school, away from drugs, and off the street? It's not Government spending. It's not the number of SBA loans or HUD grants. It's whether a child lives in a home where they are loved and cared for and kept on the right path. Barbara Bush was right: What happens in the White House doesn't matter half as much as what happens in your house. As so we must find ways to strengthen the American family. I believe it, and I've made it my mission as President to put the American family first.

That's why I keep coming back to the Good Samaritans that I call Points of Light: Those who help the other guy; the people who help the poor and the elderly, kids in trouble, kids without families. They never ask a nickel. Government alone cannot create the scale and energy needed to transform the lives of people in need. So let the cynics scoff. Let the central planners scoff about it. We know these volunteers are the lifeblood of the American spirit. And it's not just in suburban Pittsburgh, outside of Washington, or Houston, Texas. It was right there, alive and

vibrant, in south central L.A., a Point of Light, one American helping another, somebody lifting up a kid, somebody calling a kid by his name.

I believe in our party because I believe in our fundamental principles. We are right about family. We are right about freedom. We are right about free enterprise. And certainly, I believe, we are right about faith. And most of all, we are right about America's future.

I really believe -- we're in times of pessimism out there. You don't have to listen to 20 seconds on the evening news to find out everything's wrong with this country. Out there in Los Angeles, when I said if some of these guys would just report some of the things that are positive that are happening in the community, it would inspire others. And the place out there broke into standing applause because they knew what I was talking about.

No, we have the strength and the spirit. I believe we have it in Government. I know we've got it in our communities. And I think each of us has it in himself or herself, in ourselves, to transform America into the Nation that we've dreamed of for generations.

I am not pessimistic about the United States of America. We are not a country in decline. Do not listen to the pessimists and the politicians that want to capitalize on somebody else's misfortune. We are turning this economy around. It's beginning to move. This Points of Light, this concept is valid. We're pushing with a new bipartisan spirit in the Congress. And we have a lot to be grateful for.

Thank you all very much for your support. And may God bless our country.

Note: The President spoke at 1:20 p.m. in the Union Building at Duquesne University. In his remarks, he referred to Elsie Hillman, Bush-Quayle Pennsylvania chairman; Susan Giver, Allegheny County Young Republicans chairwoman; Fred Rogers, creator of public television children's programs; Charles A. Corry, chairman of USX Corp.; and Elsie Neal, Methodist minister.

Remarks at a Benefit for the United Negro College Fund in Houston, Texas

May 15, 1992

Thank you all, and please be seated. Bill, thank you very much. Bill Gray, as you may know, was in the leadership in the House of Representatives, one of the most popular and one of the most important and one of the most effective Members of Congress. He left that to head the United Negro College Fund. We have great respect for him, and I am delighted to have been introduced by him. And I just wanted all my fellow Houstonians to know how highly we regard him and what he is doing for this commitment to the UNCF.

I want to thank, too, Sandy McCormick, an old friend, and Warren Moon, an admired friend who everyone in Houston respects for their leadership on this drive. I want to single out, of course, Lee Trevino and Arnold Palmer. I had the pleasure of flying down here today from Pittsburgh with Winnie Palmer, and she said, ``Well, I'm glad Arnold is not with us. He'd be trying to fly Air Force One." [Laughter] But it is really a pleasure to be here. And, of course, Doug Sanders is an old friend; he and Scotty do so much for others. And I'm just proud once again to be at his side, and grateful to him.

I won't keep you, but let me just add a little to what Bill said about the United Negro College Fund. A mind is a terrible thing to waste. This organization is doing an outstanding job for higher education in this country, offering kids opportunity that might not have had another shot at the American dream.

Bill didn't give you the details, but let me just say that I think it was in 1947, maybe '8, that a man named Bill Trent came to New Haven when I was in school there. He got me interested in the United Negro College Fund, and I have remained interested in that. My brother John is now, what, chairman of the board nationally. And we know that it is worthwhile. And so we are very grateful to all of you who have pitched in and made this great expansion of their program possible. It's an outstanding outfit.

Now in conclusion, let me just say to Doug, I'm glad to be back at his side, proud to have seen a little bit of the activities here this evening, and only sorry that I didn't get a chance to tee it up and show the new Mr. Smooth form. I'm back. [Laughter] They can criticize me for hitting a golf ball, but I'm not going to stop, believe me. I love it.

So, good luck to each and every one of you participants.

Note: The President spoke at 7:35 p.m. at the Doug Sanders Celebrity Dinner, a benefit for the United Negro College Fund (UNCF) at the Greenspoint Club. In his remarks, he referred to

William H. Gray, UNCF president; Sandy McCormick, cochair of the UNCF campaign in Houston; Warren Moon, quarterback for the Houston Oilers; golfers Doug Sanders, Lee Trevino, and Arnold Palmer; Mr. Sanders' wife, Scotty, and Mr. Palmer's wife, Winnie.

Remarks at the Southern Methodist University Commencement Ceremony in Dallas, Texas

May 16, 1992

Thank you, Dr. Pye, for the introduction, for the invitation, and I'm just delighted to be here. Let me also thank Reverend Finnin for the invocation. And of course, I was charmed as everybody around here is by the wonderful music of the S.M.U. Symphony Orchestra. I just heard the anthem, but I'm told they're good on everything. And may I salute Ray Hunt, your distinguished chairman. You know, when things were tough for S.M.U. a few years back, this great Mustang led your wonderful university back, working with Dr. Pye and so many others, led it back to its undisputed place of integrity and excellence. And we all owe him a debt of gratitude.

It's good to be back in Texas. I'm honored by this degree, even if I haven't put in all those long hours hitting the books at ``Charlie's." [Laughter] I was supposed to say the library, but I learned a little about the senior class.

Let me tell you about a graduation at Yale University. They invited the bishop. And the bishop spoke, and he went, ``Y is for youth," 25 minutes. ``A is for altruism"; that one lasted about 32 minutes. ``L, loyalty," another 45 minutes; ``E" was excellence, 25 minutes. By the time the guy finished there was a handful of students left; one was in prayer. And the bishop went over to him, and he said, ``Thank you, son. I noticed you, a faithful lad, are praying to God." He said, ``Yes, I am thanking God I did not go to Southern Methodist University." [Laughter]

I will try to accommodate you. I know following this there's presentation of degrees. And I also want to single out Drs. Kay and Pelikan for their work and just am proud to be on the platform with them.

I know this is an exciting day for you and your parents, the close of one important chapter in your lives and the beginning -- a way to look at it is the beginning of many, many more. Right after my own commencement, Barbara and I lit out for Odessa in our 1947 Studebaker to try our hands out there in the oil fields of west Texas. I had many reasons for coming west, but the advice from one family friend tipped the balance. ``What you need to do is head out to Texas," he told me. ``That's the place for ambitious young people these days."

Now, this was a few years, just a handful of years after World War II, what seems like a lifetime ago. My friend's advice was some of the best that I've ever had. I believe what he said then still holds true, not only for Texas but for all of America. Members of your graduation class hail from as far away, I'm told, as Czechoslovakia, as near as University Park, and then all the points in between. But for each of you, America is the place where ambition, energy, enthusiasm, and hard work are still rewarded; where young people can still feel confidence in their dreams. And

I'm a little tired of the pessimism in this country.

So many of us in that class of, way back then, 1948 had been through the war; we'd lost friends and loved ones. But even so, the opportunities America offered on that commencement day seemed limitless. I think many of you wonder whether that holds true for you. This morning I want to make the case that today's America is still a rising Nation, that the country you're inheriting offers those same limitless opportunities that it held for Barbara and for me and for your parents and for your grandparents.

We all are working to preserve for ourselves and the generations to come three precious legacies: Rewarding jobs for all who seek them, strong families, and a world at peace. Tomorrow, up at Notre Dame, I will discuss the things we can do to strengthen our families, the American family. Then next week, at Annapolis at the Naval Academy, I'm going to explore the great issues of war and peace. I might say parenthetically, I think we can all take some pride in the fact that the young kids in the country today go to bed at night without that awful fear of nuclear weapons that some of us had. That is progress. That's something dramatic, and that's something important.

But now let me just focus on the first of those legacies, the economic future. I'm making the case that America's best days lie before us, and I realize that I might not be taking the fashionable view. Much of the conventional wisdom these days portrays America in decline, and its energy dissipated, its possibilities exhausted, a country overrun by economic predators abroad and crippled by the insurmountable problems at home.

These declinists, as they are called, will hate to hear it, but they're saying nothing new. You flip through those history books here in the library, and you'll hear the gloomy predictions sounding again and again. As our western frontier filled up in the late 19th century, even that great American booster Walt Whitman worried that soon his country might, here's the quote, ``prove the most tremendous failure in history.'' A few years later the American Century dawned. In the 1930's, the declinists told us the Great Depression had made capitalism outmoded. Our victory in World War II put an end to that talk. In the 1950's, the Soviets launched the first satellite and the pessimists said America had lost the space race, 12 years before Neil Armstrong, an American, walked on the moon. Still more recently, while many of you were still in grade school, some of our national leaders spoke of an era of limits and malaise, right before Americans began the longest peacetime economic expansion in the history of our country.

So the pessimists were wrong. Pessimists always are when they talk about America. The optimists have the safer bet, but there's a difference between optimism and smug self-satisfaction. Americans should never be satisfied with the way things are. ``I'm an idealist,'' said Woodrow Wilson. ``That's how I know I'm an American.'' We still dream big dreams and hold the highest hopes. Our restlessness, our refusal to settle for anything less, is what propels us to make those dreams real.

There's something particularly ironic about the pessimism we're seeing today, for it comes at a moment of triumph that few countries in history have been privileged to enjoy. Over the past year we have seen the collapse of a seemingly implacable adversary, an empire deeply hostile to all that Americans cherish. We've seen emerge from that totalitarian darkness a host of new nations, each struggling with a free and democratic future, each looking to us, each turning to America for leadership.

In light of this, pessimism isn't just ungracious; it's also inaccurate. The fact is America is more than the world's sole military superpower, though it is that. It's more than the world's political leader, though it is that, too. It is also the greatest economic power the world has ever seen, a country uniquely able to provide each of you unparalleled opportunity. It is certain to remain so if we refuse to settle for anything less.

First, we must see our own situation clearly. That means debunking a few myths, for myths harm our ability to distinguish our real problems from false ones. Perhaps you've heard that the American worker is unproductive. In slow economic times people look for scapegoats. You've heard the American worker is unproductive. Well, this is a myth. The American worker is the most productive in the industrial world, 30 percent more productive than his Japanese counterpart. That's why, with one-twentieth of the world's population, we produce one-fourth of the world's goods and services.

Maybe you've heard that the American worker is unskilled. This audience here, about to enter the work force, puts the lie to that claim. In fact, more than one out of every four American workers has a college degree; another 20 percent have 1 to 3 years of college education. In Japan, only one-third of the population goes on to higher education.

Maybe you've heard that our standard of living, the average American's ability to buy goods and services, has fallen behind. Again, not true. Measured in purchasing power, our standard of living is far above other industrialized nations.

Here's another myth, that America has fallen behind in science and technology and innovation. Maybe the pessimists should come right here to the campus, come to S.M.U., talk to the grad students who will be working on the superconducting super collider next fall. Or they could ask those companies from Switzerland, Germany, Japan, Korea, and the list goes on, who open research labs in the U.S. simply to be close to the American scene.

``If not science," say the pessimists, ``then how about industry?" You might have heard that American industry is on the decline, and they're wrong again. Manufacturing has grown faster than the rest of our economy. In fact, in the last decade, American manufacturing grew faster than the rest of the world combined. From one industry to another, the United States is more progressive and more efficient then its major trading partners in mining, oil and gas drilling, utilities, transportation, communications, agriculture, forestry, fisheries, construction, scientific

instruments, and paper and glass products, all kinds of different products, textiles, you name it. The list, too, goes on, but I don't want to overdo it.

I don't recite these statistics so we can all pat ourselves on the back. I just want to make a point: America is a strong nation, getting stronger, and we can learn from our success. But those pessimists ignore the lessons of America's leadership. Instead, they push protection, and they push isolation, a strategy based on the misguided fear that America can't rise to the challenges of a global economy. The danger is that for all our undeniable strengths, fear of the future could prove to be a self-fulfilling prophecy. If America turned inward and insulated itself in a cocoon of defeatism, the result would be stagnation, fewer jobs with a lower pay, and a diminished standard of living for all.

Our astounding economic success is increasingly dependent on a basic fact: If we are to be prosperous at home, we must lead economically abroad. And in a word, that means trade. America is the world's leading exporter, $422 billion worth last year alone. And over the past 5 years, our merchandise exports have grown almost 90 percent, supporting more than 7 million jobs.

The defeatists, well, they pretend that trade is zero-sum game, where one partner's gain must be offset by another's loss. But once again they're wrong, demonstrably wrong, and I refuse to squander the gains of the last generation and the hopes of coming generations in this crabbed misreading of America's place in the world. For 3 years our administration has pursued a policy of open and free trade because it does create jobs and opportunity for Americans. Right now, with the support of the people of Texas, we are on the verge of concluding an historic North American free trade agreement which will create a $6 trillion free trade area from the Yukon to the Yucatan.

Is our policy optimistic? Well yes, I plead guilty to being an optimist about this country's ability to compete. And do not misunderstand; we've got difficulties ahead. We must now deal with a few alarming trends that endanger our world leadership and threaten your future.

I have challenged the Congress to join me in a reform agenda based on the same first principles that underlie our prosperity. Our economic success wasn't hatched in some committee room on Capitol Hill or around a conference table in the White House. It was determined on the shop floor, in the board room, in the research lab, where free men and women weighed the options, took the risks, and made their own decisions. America is the most prosperous Nation in history because it also is the freest. That same commitment to limited Government, to personal freedom, and to personal responsibility must shape the reforms that we urgently need to undertake.

A radical transformation of our education system, for example, is long overdue. And that means we must allow communities the freedom to create their own break-the-mold schools, giving maximum flexibility to teachers and principals. The G.I. bill says: Here's some money; go to the

college of your choice. And now I believe the time has come for parents to have the freedom to choose their children's schools at all levels, public, private, or religious.

In the same way, my plan to reform our health care system makes health care more affordable and accessible while preserving the all-important benefit of consumer choice.

I have proposed comprehensive steps to restore sanity to our legal system. The explosion in litigation threatens our economic well-being and, worse, weakens the ethic of personal responsibility that lies at the heart of our national character. America would be a better country if we sued each other less and reached out to help each other more.

And yes, for those of us in Washington, it is high time to get our own house in order. The Federal Government must start living within its means. And to discipline both the executive branch and the Congress, I have long favored a balanced budget amendment. We will get it, and we need it now. And it's a good thing for our country.

Finally, Y - A - L - E, S - M - U -- [laughter] -- finally, as our country moves forward into the next century, we must resolve that no one is left behind. The riots in L.A. reminded us that we have much more work to do in our own neighborhoods. The American dream takes root in families whole and caring, in neighborhoods safe and secure, and in schools unsullied by drugs and violence. Every American deserves the opportunity to pursue this dream, unhindered by the ugliness of racism or anti-Semitism or the benign neglect of a Government bureaucracy. We are past the time for casting blame or making excuses for despair in our inner cities. But we've got to ask ourselves this: Are the old ways, the old assumptions still good enough? I believe the time has come to try the untried, to build a new approach on the principles of dignity and personal initiative and opportunity.

Last week I presented to congressional leaders, in a very harmonious session at the White House, a six-point plan for a new America:

First, our ``Weed and Seed'' anticrime initiative. Weed out the criminals and then seed the neighborhoods with hope;

Second, our HOPE initiative to turn public housing into private homes. Homeownership, I think, is the key when it comes to dignity and stronger families;

Third, enterprise zones. Change the tax system so that it will serve as a magnet to bring jobs and investment to the inner city, jobs with dignity;

Then fourth, education reform, touched on that, but offer every child the chance at a world-class education;

Fifth, welfare reform, to replace the handout with the hand up;

And sixth, expanded job training for the young people of our cities.

When I visited L.A., and a very moving trip it was for me, I came away with a deepened sense of hope for America and her people. We all saw those horrifying acts of violence. But let me tell you another story from L.A. In the heat and chaos of the riots, a pastor named Bennie Newton saw a man being beaten to the ground. And despite the threats and the blows, Reverend Newton walked into the fray and draped his body over the bloody man until the beating stopped. ``My heart was crying," said the pastor. He saved the man's life.

America is a nation of Bennie Newtons. You'll find him in every city, in every town, in every union hall, boy's club, Scout troop. You'll find a lot right here at S.M.U., with your proud tradition of serving others. Few of us, of course, are ever called to take the risks that Reverend Newton did. But every day we face the question posed in the New Testament: ``If anyone has the world's goods and sees his brother in need, yet closes his heart against him, how does God's love abide in him?"

On countless small occasions, each of us is called to open our hearts; each of us is called to lead, to take responsibility, to show the power of faith in action. I have spoken today of our economic future, about free enterprise, personal liberty. But the freedoms we cherish mean nothing unless they're infused with the old virtues, the time-honored values: honor, honesty, thrift, faith, self-discipline, service to others.

I do not pretend to know the shape of the next century. The genius of a free people defies prediction. Certainly Barbara and I, when we loaded up that Studebaker for the trip to Odessa so long ago, could never have imagined the technological marvels that our grandchildren now take for granted, fax machines and VCR's, for example, not to mention the most amazing invention of 1992, the supermarket scanner. [Laughter] But I do know this: the next century will be your century. If you believe in freedom and if you hold fast to your values and if you remain faithful to our role in the world, it is sure to be yet another American century.

Thank you again. May God bless the graduating class at S.M.U., and the United States of America. Thank you very, very much.

Note: The President spoke at 10:33 a.m. at Moody Coliseum. In his remarks, he referred to A. Kenneth Pye, president, William M. Finnin, chaplain, and Ray Hunt, chairman of the board of trustees, Southern Methodist University; and honorary degree recipients Herma Hill Kay, dean of the Boalton School of Law, University of California, Berkeley, and Jarsoav Pelikan, Sterling professor of history and religious studies, Yale University.

Remarks at the University of Notre Dame Commencement Ceremony in South Bend, Indiana

May 17, 1992

Thank you, Father Malloy. It is really wonderful to be back here at Notre Dame. Whenever I visit the campus or meet a group of Notre Dame alumni, I feel this sense of family, and at Notre Dame that truly means more than just words. I think it's at the very core of what this institution is all about. And with this honorary degree that I am so very proud to have, I am proud to become a Domer. Thank you for the honor. Thank you for the privilege.

I want to salute all of the honorary degree recipients. A pleasure to be among such distinguished educators and public servants. I want to single out again Father Malloy, whose graciousness means a lot to me. A special greeting to the man we all respect so much, Chile's President Aylwin, who has done so much for democracy not just in Chile but in our whole hemisphere. We're grateful to you, sir. And another old friend I'm proud to share this dais with. He doesn't vote with me much. I don't vote with him much. But we're good friends and have been for a long time, and I respect him, Pat Moynihan. Pat, glad to be with you. May I pay my respects to the outstanding faculty of Notre Dame. They put up with a lot and have done a great job, I'll tell you. To our distinguished provost, don't worry, sir, there's a provost opening in a junior college just outside of Nome, Alaska. And I'm sure you'll qualify. [Laughter] But thank you for your warm introduction to me, thank you.

Now to the graduates. For you graduates, these have been 4 long years. But I first want to say, I want to congratulate -- I don't know where they are, but the class of 1992. And I want to pay a special tribute to the family, to the parents, the family members, and the friends. At today's ceremony are a group of second generation Domers; 25 percent of the graduating seniors have a parent who attended Notre Dame. For you graduates, these have been 4 long, tough years. Now comes the hardest part, sitting through the commencement speech. [Laughter] But Billy Graham put it very well when he told, after a speaker had gone on a long time, a man sitting over here where Pat is picked up the gavel, heaved it at the guy that was speaking, missed him, clipped a lady in the front row who said, ``Hit me again. I can still hear him." [Laughter]

Let me first say I'm not here in the mode of politics. I'm here to tell you the values that I strongly believe in. Those values can be summarized by the three major legacies that I certainly want to leave behind for my grandchildren, hopefully, for yours: jobs, both for today's workers who are actively seeking work and for graduates entering the work force; strong families, to sustain us as individuals, to nurture and encourage our children, and to preserve our Nation's character and culture; and peace, peace around the world, on our streets, and in our schools as well.

Yesterday I spoke down at Southern Methodist where I focused on the economy and ability to generate jobs. Next week it will be the Naval Academy, when I focus on our hope for a more

peaceful world.

Freedom has swept around the world -- you heard Chile's President paying homage to that -- from the snows of Siberia to the sands of the Gulf. Because we and our allies stood strong and principled, our children and our grandchildren now sleep in a world less threatened by nuclear war. That is dramatic change, and it's something good that we can take great pride in.

Now we must concentrate on change here in America as well, in ways no less dramatic or important. We're taking a fresh look at Government and how we solve national problems. In Lincoln's words, we must think anew, act anew.

Preparing young men and women for lives of leadership, service, and meaning: Each is part of this fantastic Notre Dame tradition, a tradition that has generated a host of inspiring stories. I was particularly moved when I heard about Frank O'Malley's role in saving the bricks of your administration building. Most of you know the story. The masonry was deteriorating, and some thought the time had come to replace it. Instead, Professor O'Malley reminded all who would listen, ``These bricks contain the blood of everyone who helped to build Notre Dame."

Today, that 150-year heritage is fully yours, too. But your preparation began long before you walked in the shadow of the dome. Your parents instilled in you character and a moral bearing. They sacrificed so that you could experience the Notre Dame education, an education that's rooted in timeless faith and in a tradition of excellence, and in the process inculcating into each of you the worth of serving others. I hope each of you has also made a commitment to helping others and attacking some of the major problems facing American society; become a mentor, a community organizer, a Point of Light.

At the heart of the problems facing our country stands an institution under siege. That institution is the American family. Whatever form our most pressing problems may take, ultimately, all are related to the disintegration of the family.

Let us look objectively at a few brief and sad facts. In comparison with other countries, the Census Bureau found that the United States has the highest divorce rate, the highest number of children involved in divorce, the highest teenage pregnancy rates, the highest abortion rates, the highest percentage of children living in a single-parent household, and the highest percentage of violent deaths among our precious young. These are not the kind of records that we want to have as a great country.

In Philadelphia the other day, in the inner city in what they call the Hill area, I talked to a barber there, Mr. Buice, who is one of the leaders of the community there. I said, ``Do these kids come from broken families?" He said, ``Sir, it's a question of babies having babies," tears coming into his eyes. We've got to do something about this. And unless we successfully reverse the breakdown of the American family, our Nation is going to remain at risk.

Senator Moynihan, way back, way back, early in 1965, you gave us fair warning. You predicted with astonishing accuracy the terrible trends that would result from the breakdown of the family. And today, with respect, sir, you continue to sound the alarm. The Senator and I agree: If America is to solve her social problems, we must, first of all, restore our families.

In addressing the problems associated with family breakdown, nothing is more critical than equipping each succeeding generation with a sound moral compass. As Notre Dame has expanded it has never lost sight of its profound spiritual mission. Indeed, this institution takes seriously its role in building the character of our young people and the strength of our families, for those are the leading indicators of our future as a culture. When we instill faith in our youth, faith in themselves, faith in God, we give them a solid foundation on which to build their future.

As Pope John XXIII said, ``The family is the first essential cell of human society." The family is the primary and most critical institution in America's communities.

In January -- I'll never forget this meeting -- I met with some mayors from America's League of Cities, including Mayor Tom Bradley of Los Angeles. They came together, smalltown Republican mayor from North Carolina, middle-size city mayors, large-city mayors, and they told me of their concerns for their cities, their municipalities. But most of all, the mayors came together on one key point, and they were unanimous: Their major concern about the problems in the cities, in their view, the people on the front line, was the decline in the American family. One result of that meeting is this Commission on America's Urban Families. And I hope it comes up with some good, positive, constructive answers.

It is clear that we all know that putting America's families back on track is essential to putting our country back on track. You may ask how we can proceed when we don't all agree on the causes of the problem or the remedies. I believe that one place to begin is by supporting Pope John Paul II's most recent encyclical calling for a new social climate of moral accountability in which to raise our children. Leadership in that task can and should be led by the Nation's churches; kids need to learn faith to help them understand the larger family. And we are one Nation under God. We must remember that, and we must teach that.

Starting today, as you go from this fine institution to face the challenges of your adult life, the decisions you make will have one of two effects: Either you will add to the problems of family breakdown, or you will help rebuild the American family. You see, I am absolutely convinced that today's crisis will have to be addressed by millions of Americans at the personal, individual level for governmental programs to be effective. The Federal Government, of course, must do everything it can do, but the point is Government alone is simply not enough.

In my view, Government can, and we must, provide parental choice of the best schools for our children, whether public, private, or religious. The GI bill says here's some money; go to the college of your choice. Choice should apply to all levels of education. Parents must read to their

children and instill a love of learning. Government can, and we must, fight crime. But fathers and mothers must teach discipline and instill those values in their children. Government can, and we must, foster American competitiveness. But parents must teach their children the dignity of work and instill a work ethic in the kids.

And to paraphrase that fantastic philosopher, Barbara Bush -- [laughter] -- what you teach at your house is more important than what happens at the White House. And she is absolutely correct on that.

All of us realize that merely knowing what's right is not enough. We must then do what's right. Today I'm asking you to carefully consider the personal decisions that you'll make about marriage and about how you will raise your children. Ultimately, your decisions about right and wrong, about loyalty and integrity, and yes, even self-sacrifice, will determine the quality of all the other decisions that you'll make. And as you think about these decisions, remember: It is in families that children learn the keys to personal economic success and self-discipline and personal responsibility. It is in families that children learn that moral restraint gives us true freedom. It is from their families that they learn honesty and self-respect and compassion and self-confidence.

And you would do well to consider the simple but profound words of Notre Dame's own Father Hesburgh when he said, ``The most important thing a father can do for his children is to love their mother." Think how this vitally important commitment from fathers to mothers would radically transform for the better both the lives of thousands of our Nation's hurting children and their struggling mothers as well.

In many respects, I feel here at Notre Dame that I'm preaching to the choir because here at Notre Dame, you have benefited from the legions of great men and women of conviction and faith. Here, there is a tradition of passion for addressing the staggering needs of the day. Notre Dame's Alumni Association is the prototype for other universities in sponsoring service projects and working toward the restoration of faith and the family in America.

In fact, at this very moment, the Notre Dame alumni group out there in Los Angeles is in the midst of a massive food and distribution project to assist residents affected by the violence in south central L.A. When that food is distributed and the riot-torn areas are rebuilt, I hope that the alumni group and thousands of others who are helping will stay involved in this and other urban areas. Government alone cannot do what needs to be done by itself. People who care must help.

And since becoming President I have had an opportunity to see a groundswell of Americans who are working, and working hard, to restore our Nation's faith and heal the wounds that have undermined our Nation's families. These Americans are devoted to rebuilding, restoring America from the ground up, family by family, home by home, community by community.

I was impressed to learn that more than two-thirds of Notre Dame's students participate in community service, two-thirds, ranging from working with the handicapped children at Logan Center to assisting former prisoners at Dismas House. Fully 10 percent of your graduates plan to go into social service careers. And to paraphrase Pope John Paul II, the ultimate test of your greatness is the way you treat every human being, but especially the weakest and the most defenseless ones.

Let me challenge all of you to find a place to serve in some capacity, definitely as models but also as mentors. Remember each of us has a contribution that only we can make. And let me remind you as you assume the mantles of tomorrow's leadership that children tend to shape their dreams in the images that they have seen. Show how a good education prepares one for a full, productive life. Show what it means to be a person of strong principle and integrity. Demonstrate how concerned individuals, by working in partnership, can transform our communities and Nation.

Lastly, in a society that can sometimes be cold and impersonal, bring warmth and welcome. In a fragmented society, be a force for healing. In a society cut off from moral and spiritual roots, cultivate grace and truth. In the face of the uncertainties of the future, affirm your purpose and realize your promise. Together, we can lift our Nation's spirit. Together we can give our material, political, and economic accomplishments a larger, more noble purpose, to build God's kingdom here on Earth.

There is no surer way to build our Nation's future than with the mortar and the bricks of moral values and strong families. If you will add your blood to the bricks, the future will echo, then as now, ``Never bet against Notre Dame or against the United States of America."

Thank you all, and good luck to this class of 1992 and to the entire Notre Dame family. And may God Bless our great country. Thank you very much.

Note: The President spoke at 3:03 p.m. in the Joyce Athletic and Convocation Center. In his remarks, he referred to University of Notre Dame officials Edward A. Malloy, president; Timothy O'Meara, provost; Theodore M. Hesburgh, former president; and Frank O'Malley, former professor of English. A tape was not available for verification of the content of these remarks.

Remarks to the National Association of Home Builders

May 18, 1992

Thank you very much for that welcome, and welcome to the South Lawn of the White House. May I salute the national directors, the homebuilders, and the many, many friends that are here. I also want to single out two members of our Cabinet, Secretary Brady and then one you know so well because you've dealt with him a lot, Secretary Jack Kemp, who's out there doing an awful lot in the housing field.

Welcome to the people's house. Some of you may know this is like a museum, well over a million people going through every year. I don't know how many are going through right this minute, but I'm sure they're going to think we're having a yard sale out here when they see all of this stuff. [Laughter]

But we're here to mark a special birthday. I heard a little earlier from the leadership about this 50th anniversary of the Home Builders. I want to salute a special team of them, the leaders, with whom I just met in the Rose Garden. First, of course, Jay Buchert, who has done an outstanding job for this organization, outstanding, and then Roger Glunt and Tommy Thompson and Jim Irvine and Mark Tipton, Bob Bannister, and of course, Kent Colton. I want to thank you at the beginning of these brief remarks for your support. Even more, we Bushes are grateful for the friendships we have of those in the Home Builders.

Millie was a little disappointed. She thought she was going to get a new dog house here. We came and checked it out this morning. [Laughter]

But I do believe that Barbara and our kids believe in these same values that you all have: community, country, respect, responsibility, family, jobs, peace. We know we put America first when we put America's families first, and for 50 years, that's what the Home Builders have been doing. You're helping people fulfill the American dream and enlarge the American pie. When the Home Builders were founded, the NAHB, almost one-half of the Nation lived in substandard housing, and only four in ten owned their own homes. Today, more than 70 million new homes and apartment units later, two in three households own their own home. That is dramatic progress, but we're not done yet.

For that, I salute you. Once again, you're helping our economy work so that America can get back to work. And yes, we have had some tough times in this country. But consider this: 264,000 housing starts in the first 3 months of this year; a 2-percent GDP growth in the first quarter, more that a quarter of that resulting from residential construction. The old adage is coming true: As housing goes, so goes the economy.

Your industry employs more than 6 million Americans. More and more, they're helping other

Americans turn recession into recovery. I speak here as a participant, not a bystander. From my Texas business days I know what it means to meet a payroll and try to balance a budget and help people put food on the table. Like you, I know that strong housing can help a strong economy. I know how that helps Americans worrying about providing for their families, meeting the challenges of paying their bills, buying that home, and setting aside for retirement.

That's why, in my State of the Union Message, I announced a program for economic growth. I called for penalty-free withdrawal from IRA's for the purchase of a first home; changes in the passive-loss tax rules to spurÿ20the real estate and housing development; an extension of mortgage revenue bonds and the low-income housing tax credit. And yes, I called for a job-generating cut in the tax on capital gains. Here's the one I feel would really also help this economy and help it fast, a proposal that we've made and that I'm proud of, a $5,000 tax credit for first-time homebuyers. We need this credit to keep the housing market on the mend, helping people like you sell and build homes. And here's why: $5,000 could pay 7 months of mortgage payments on the average American home. According to your own figures, these housing initiatives would mean 415,000 new construction industry jobs and $20 billion in new economic activity. This is just one more way that your slogan, ``Housing equals jobs,'' can be realized. I challenged the Congress again today to pass these growth initiatives.

Parenthetically speaking, to discipline both the executive branch and the legislative branch, we need to get moving on that balanced budget amendment. I really believe the time for that has come.

Some in Congress haven't gotten the message yet. But I believe, and I think Jack and Nick Brady would agree with me, the time is right for some of these new ideas, ideas that we've been proposing but that haven't been tried. I think the American people want to see us take some action and get something new done. So I'm optimistic that we can move forward now in the Congress in a way that we haven't been able to in the past.

This year, the Home Builders ran an ad in the Washington Post. And the headline was marvelous, if you haven't seen it. The headline read: ``Earth to Congress: Enough is enough.'' I don't believe anybody could have said it any better than that.

Well, you've heard the definition of a contractor: A gambler who never gets to shuffle, cut, or deal. [Laughter] We have to make it easier to deal, sell, hire, invest. So we're going to continue to sound that message that sound banks should make sound loans. The bankers should also work with the borrowers experiencing temporary difficulties from the remnants of the recession.

For our part, we have been working with the Federal Reserve to keep these interest rates low, and we've been fighting for commonsense regulation, not overregulation, of banks and thrifts. And we are going to keep on that fight. We have made over 30 specific regulatory policy changes, many, frankly, with the help from your leadership, to enhance the ability of banks and

thrifts to raise new capital, to make new loans, and then to work with troubled borrowers. Nick Brady, Treasury Secretary, and I are going to work to be sure that these measures are carried out.

Next, we're going to push hard for the HOPE initiative, requesting $1 billion in funding for fiscal '93 and a key part of our plan for a new America to bring opportunity to our inner cities. Now, Jack Kemp knows how HOPE can give poor families a stake in their communities. And his message is beginning to get through up there in the United States Congress. Bottom line: HOPE will turn housing into homes.

HOPE is only one part, actually, of our six-point plan for a new America which will use opportunity, not bureaucracy, to combat poverty and inequality. And the plan also includes our ``Weed and Seed'' initiative, it's an anticrime initiative; enterprise zones; education reform; welfare reform; and also a strong jobs program for city youth. This plan makes a promising start. We are going to do our level-best to get it passed.

And yes, I will continue to push for what we mentioned a minute ago, regulatory reform, because I want Government to help, not hurt, the ability of private enterprise to expand and to create jobs. So I've extended for another 120 days the blanket moratorium on Federal regulation. Jay puts it this way, your president: ``Let builders build.'' I know he agrees that we need policies that also let buyers buy, and that's what part of this is all about.

I wish everyone understood this concept. On the other hand, you know what it takes; it takes more than bricks and lumber and mortar to build a home. It takes heart. It takes skill. And it takes dreams. You know that owning a home helps America, makes it better, more caring. You show this in your Homes Across America program, where NAHB members build and renovate homes for the needy. So far I am told that this program has housed more than 600 families, and with us today is one of them, Gerald and Angela Williams and their four children, sitting right over here in the front row, Murria, Charlease, Gerald, and Latoya.

They moved into their new home in Jacksonville on Mothers' Day. And the Williams' home was built by the builders of the Jacksonville association of the NAHB and Habitat for Humanity. I salute them and also salute those who made it possible and also salute the Williams family.

You show how the dream of homeownership keeps the American dream alive. And that dream seemed elusive half a century ago, but you right here, all of you, have aided it and nurtured it as a parent does a child. And for that, we are all very, very grateful to you.

We salute you on behalf of each American. On this special anniversary, for those who have done so much, we say thank you from a grateful country. May God bless you all. And may God bless the United States of America.

Thank you all very, very much.

Note: The President spoke at 11:12 a.m. on the South Lawn at the White House. In his remarks, he referred to association officers Jay Buchert, president; Roger Glunt, first vice president; Tommy Thompson, vice president and treasurer; Jim Irvine, vice president and secretary; Mark E. Tipton, immediate past president; Robert D Bannister, senior staff vice president; and Kent Colton, executive vice president.

Appointment of John A. Cline as Special Assistant to the President for Intergovernmental Affairs

May 18, 1992

The President today announced the appointment of John A. Cline as Special Assistant to the President for Intergovernmental Affairs.

Since January 1991, Mr. Cline has served as Director of the Office of Congressional Affairs at the Department of Transportation. Prior to this, Mr. Cline served as the Associate Administrator for Budget and Policy at the Federal Transit Administration, an agency of the Department of Transportation, 1989 - 91. Mr. Cline also served on the Secretary of Transportation's team to formulate a national transportation policy, which the President announced in March 1990. Prior to this, Mr. Cline served as vice president for management and labor relations for National Transit Services, Inc., a Chicago-based national transportation management firm.

Mr. Cline graduated from Northern Illinois University in 1981. He was born November 25, 1959, in Chicago, IL. Mr. Cline lives in Arlington, VA, with his wife, Krista L. Edwards, and their infant daughter.

Nomination of Gregory F. Chapados To Be an Assistant Secretary of Commerce

May 18, 1992

The President today announced his intention to nominate Gregory F. Chapados, of Alaska, to be Assistant Secretary of Commerce for Communications and Information. He would succeed Janice Obuchowski.

Since 1986, Mr. Chapados has served as chief of staff to Senator Ted Stevens (R-AK) in Washington, DC. Prior to this, he served as a legislative assistant to Senator Stevens, 1983 - 86.

Mr. Chapados graduated from Harvard College (B.A., 1979) and Harvard Law School (J.D., 1983). He was born May 8, 1957, in Fairbanks, AK. Mr. Chapados resides in Washington, DC.

Remarks at the Departure Ceremony for President Nursultan Nazarbayev of Kazakhstan

May 19, 1992

Well, Mr. President, distinguished members of the Kazakhstan delegation, it's been a great pleasure to welcome you to the White House on this historic occasion, the first-ever visit of the head of state of an independent Kazakhstan. I have never been to your country, but Secretary Baker has. And he has spoken to me about the tremendous potential of a nation rich in resources, a nation stretching from the steppes of Russia to the Tien Shan in the south, 4 times the size of Texas.

Mr. President, our meeting today marks the beginning of a new relationship, a relationship made possible by the end of the long era of East-West conflict that we called the cold war. With the passing of that bitter conflict, we enter into a new era of hope for a more democratic and free order in Eastern Europe and in Central Asia.

Under your leadership, sir, Kazakhstan is pursuing a course true to these aims. Our meetings today confirm the many interests that we share. The U.S. supports your independence. We believe its security, Kazakhstan's security, is important for stability in Europe and in Asia. We welcome President Nazarbayev's commitment that Kazakhstan will join the Non-Proliferation Treaty as a non-nuclear-weapons state and that it will adhere to the START Treaty. We'll continue to work toward a signing of the new START protocol by Kazakhstan, Ukraine, Byelarus, Russia, and the United States in the very near future.

I want to take this occasion to underline our pledge to maintain regular, high-level communication with the Kazakh Government on political and security issues, and that means exploring the possibility of cooperative programs in nuclear nonproliferation and beginning contacts between the armed forces of our two nations.

Beyond our common security interest, the U.S. is committed to helping Kazakhstan make the transition from the old Socialist command economy to the free market. We continue to aim at a tax treaty between our nations. Today we took very positive steps toward increased trade with the signing of agreements on trade, bilateral investment, and the Overseas Private Investment Corporation.

The surest way, though, to increase trade remains for American firms to have the opportunity to compete fairly in Kazakhstan. I am pleased that the Kazakh Government has this week signed a landmark agreement with Chevron Corporation to open the Tengiz oil fields.

In order to expand trade, I've asked for our able Secretary of Commerce, Barbara Franklin, to

form a business development committee to work with your Government to increase contacts between private Kazakh and American firms. We will continue to provide humanitarian assistance, including much needed food and medical aid. The U.S. also stands ready with technical assistance on a range of issues, from food distribution to speeding the conversion of defense sector industry to civilian economy.

But Government assistance is just one part of an outpouring of American support. As President, I am pleased to see the active efforts on behalf of private citizens to provide aid to your new nation, volunteer organizations like Project Hope and Mercy Corps, to the city of Waukesha, Wisconsin, which has sent 40,000 pounds of food, medical supplies, and clothing to its Kazakh sister city.

Like all of the former republics of the Soviet empire, Kazakhstan faces challenges that go beyond the need to build a strong, competitive economy. After more than 70 years of Communist rule, Kazakhstan and its Commonwealth neighbors are engaged in the difficult task of nation-building. At issue are the first questions of government and society: respect for the rule of law; the role of political parties, of free press and independent media; the freedom of association; and the freedom of the individual.

On behalf of all Americans, I pledge the support of the United States of America as Kazakhstan seeks a future that is peaceful, prosperous, and free.

Once again, Mr. President, it has been a special privilege to welcome you to Washington, to welcome you to the White House. And may God bless your great country.

Note: The President spoke at 1:17 p.m. in the Rose Garden at the White House. The remarks followed a ceremony in which President Bush and President Nazarbayev signed the Agreement on Trade Relations Between the United States and Kazakhstan, the Bilateral Investment Treaty Between the United States and Kazakhstan, and the United States-Kazakhstan Overseas Private Investment Corporation Agreement.

Joint Declaration With President Nursultan Nazarbayev of Kazakhstan

May 19, 1992

Declaration on U.S.-Kazakhstan Relations

At the conclusion of this important meeting, we -- the President of the United States and the President of the Republic of Kazakhstan -- have resolved to develop friendly, cooperative relations between our countries and peoples, and to work together to strengthen international peace and stability.

Kazakhstan and the United States favor an early ratification and implementation of the START Treaty as an important guarantor of maintaining global stability. Reaffirming its commitment to peace and security, Kazakhstan shall, at the earliest possible time, accede to the Treaty on the Non-proliferation of Nuclear Weapons as a non-nuclear state, while preserving the right of control over the non-use and reductions of the nuclear weapons temporarily deployed on its territory. Kazakhstan guarantees to carry out the elimination of all types of nuclear weapons, including strategic offensive arms, within the seven-year period provided for in the START Treaty. The United States welcomes these steps and shall take necessary measures to assist Kazakhstan in this matter. Kazakhstan and the United States agree on the need to establish effective national control over non-proliferation of the weapons of mass destruction and associated technologies to third countries.

The United States and Kazakhstan will work to strengthen international security on the basis of lower and more stable levels of armaments among all nations. We commit to uphold shared international principles, especially democracy, respect for borders and territorial integrity, and peaceful resolution of disputes. Together we will promote respect for international law and the principles enshrined in the Helsinki Final Act, the Charter of Paris, other important documents of the Conference on Security and Cooperation in Europe, and the United Nations Charter. The United States welcomes Kazakhstan's efforts to establish equal and mutually beneficial relations with Russia and the states of Central Asia as well as with other states in accordance with these principles. Toward this end, the United States welcomes Kazakhstan's membership in multilateral institutions like the United Nations, the Conference on Security and Cooperation in Europe, the North Atlantic Cooperation Council, the International Monetary Fund and the World Bank, and its commitment to values and accepted norms of behavior in the world. We agree that our countries should maintain a regular bilateral dialogue on questions of peace and stability that are of interest to both states.

We believe that the basis for the development of a lasting partnership between our states must be a shared commitment to promote the values of democracy, free markets, and world peace. In this regard, the United States supports Kazakhstan's commitment to pursue far-reaching political and

economic reform. The United States welcomes Kazakhstan's desire to build its independence in full accordance with the principles of a free and democratic society, including free elections, pluralism and tolerance, freedom of emigration, the rule of law, and respect for human rights, including equal rights for all individuals belonging to ethnic or religious minorities. The United States Government, in cooperation with the American private sector, will make available programs designed to help Kazakhstan establish the institutions, ideas, and practices that form the foundation of democracy.

Kazakhstan will seek to accelerate its efforts to move toward a market economy through a plan for macroeconomic stabilization and structural/microeconomic reform that will promote economic recovery, market development, and growth. This plan will be developed in cooperation with the International Monetary Fund and other international financial institutions. The United States will support such a plan and will encourage others to do so as well. In particular, the United States will provide Kazakhstan with access to technical assistance programs to assist its efforts to develop a market economy.

Kazakhstan and the United States will work actively to promote free trade, investment, and economic cooperation between our countries. The United States and Kazakhstan have signed three economic agreements that constitute the basic framework of our economic relationship. They will promote economic ties between the two states and will further economic development. We have concluded a trade agreement that will confer Most Favored Nation tariff treatment on Kazakhstan, an OPIC agreement to make available investment insurance for American firms investing in Kazakhstan, and a Bilateral Investment Treaty. We have also agreed to expedite negotiations on a tax treaty, and to develop our cooperation in the area of scientific research and environmental protection. A critical feature of our cooperation will be an effort by Kazakhstan to lower barriers to trade and investment to allow greater access for American and foreign firms, especially in sectors such as oil and natural gas, mining, agriculture, manufacturing, and food processing.

By agreeing to work jointly to advance these common interests, we have taken an important step in the development of a strong, lasting friendship between Kazakhstan and the United States. Through expanded cooperation between our governments, and expanded contacts between our peoples, we seek to build an enduring relationship that will enhance the freedom and well-being of our nations and the world.

Remarks to the National Retail Federation

May 19, 1992

The President. Let me first salute Lamar Alexander; most of you know who he is, our Secretary for Education. But as we're trying to literally revolutionize American education, give kids a real break, give them a shot at excellence, why, I can't tell you how grateful I am to have him as Secretary. He's doing a superb job.

Tracy, president, thank you for having me here. And to Joseph Antonini, I salute him, our chairman. And thank you all very much for coming.

I gather Pat Saiki has been here, right, or has she?

Ms. Tracy Mullins. She spoke to us this morning.

The President. Yes. I want to say about Pat, when this problem broke out there in Los Angeles, she took that SBA and really rose to the occasion. I think she's really trying to help in that field. And of course, what they're doing, SBA, across the board, I hope, is beneficial in many ways to all business people in this country.

But as you know, these riots out there left a large number of retail operators and a lot of small businesses devastated. What happened in the Korean community, where it was particularly concentrated, was just horrible and, of course, all communities. But Pat did respond very swiftly. The SBA and then also FEMA, the Federal Emergency Management Agency, have made massive resources available. The Federal Home Loan Bank is going to offer an additional $600 million to finance the rebuilding of homes and businesses there. Then we have a special task force to cut the redtape and to make sure that these businesses get the help that they deserve in record time.

So I wanted to just give you a report on that. I think the Federal Government has responded promptly to the troubles out there. The Governor and the Mayor have both thanked us for what we've done, not only in this side but also in the law enforcement side by bringing to bear some of the U.S. Army, the 7th Infantry, and the Marines at a time when it was very dicey. So I hope that our response has been proper. But now we've got to go beyond this tragedy and renew our commitment to bring hope and to bring opportunity not just to Los Angeles but to every city.

Last week, we went to the Congress with six action-oriented items. Again I had a chance to repeat that; we had the Democratic leaders and the Republican leaders into the White House today. And the six points: The first one was a ``Weed and Seed'' anticrime initiative, where you weed out the criminal elements and then seed the neighborhoods with investments and jobs that hopefully will bring opportunity to the communities.

The housing initiative is known as HOPE, that's Homeownership for People Everywhere. We get hit, saying, ``Hey, we ought to try some new ideas." We said, ``This is a new idea. It really hasn't been tried." It's a proposal we've had out there. But I happen to feel that dignity comes with owning your own home an awful lot of the time. So we're going to press, and I think Congress now will be much more receptive to that.

Education reform Lamar will talk about. But in terms of meeting medium and longer range objectives, therein lies the answer. These kids have got to be educated. They have got to understand that gang warfare is no substitute for jobs. So we're putting an awful lot of stake on trying to get through now the education program that I'm sure Lamar will describe to you.

Welfare reform, you've got to be careful that you put it forward in a very constructive way, and that, again, is what we're trying to do. I read the case of the family the other day where a little girl had managed to save a pittance, her mother being on welfare, and the welfare law was such that she couldn't save anything beyond $1,000. That seems to me to be counterproductive. So we're trying to make reforms there, as well as permit the States to try new things through what we call the waiver process: give waivers to the States from the existing guidelines and let them try innovative answers, whether it's learnfare or workfare or whatever it is. So this one is important. Again, it transcends just Los Angeles, but it's a national thing.

Strong job training programs for young people is a very good one. And we've got Job Training 2000, which is like a one-stop shopping for all the Federal Agencies to come together and help on that one.

Then the enterprise zones approach. I was amazed, but in everyplace I went, both there in South Central, in the Korean community, and then in Pittsburgh and in Philadelphia, there's an idea which really has unanimous support now. So I am very hopeful that this enterprise zones concept that passed the Congress, not in the form we wanted but that passed the Congress, will be enacted into law. It will bring private capital and jobs to the neighborhoods. It will act like a magnet, giving businesses a break to locate in these tough areas. And obviously, if it didn't work and wasn't productive, they wouldn't stay. But at least it's an idea that needs to be tried.

Now, on your business, I know the retailers have not had it easy. You've been through some tough times, as have many other sectors of the economy. I think there are reasons to be encouraged overall. In the first quarter of this year, retail sales were up by, I'm told, a strong 3 percent. And I want to tell you that we are going to try to do everything we can from here to ensure that the growth continues.

It's odd, I just saw some new surveys, and the American people still feel the economy is getting worse, even though most economists now and most business people are saying, ``Hey, it's beginning to move." I think you'll see some growth figures that confirm that. But there's a

confidence problem out there that I'm sure adversely affects some of your interests, some of your business. I think that can turn around now, and I think it will turn around.

We are going to try not to oversell where the economy stands but at least try to gun down some of this pessimism you get on the top of every news broadcast across this country. I mean, when a statistic comes out that's favorable, somebody finds a bad one to offset it with or trying to put a bad spin on it. But I believe things are beginning to move. And I think most people in the country feel that way. I hope that that is immediately felt in the retail business.

In Washington, clearly, we've got to get our own house in order. We have proposals before the Congress now that really would help with the Federal deficit. We are not going to get the deficit down until we cap the growth of -- you don't have to cut -- but cap the growth of the mandatory programs. There's no other way to do it. We've done fairly well by capping the discretionary programs. But we've got to get discipline back.

That leaves me to ask for your support for an idea that I've long been for, advocated it in campaign after campaign, but that we may have a chance to get through Congress now, and that is the balanced budget amendment. It will have to be phased in. It can't be done overnight. But it can be phased in. And I really think it would discipline not just the Congress but any executive branch, ours or subsequent executive branches. I would like to ask your support on that because that's beginning to churn around in the Congress right now.

Secondly, we are going to continue to go after redtape, reduce Federal redtape. It acts as a straitjacket. I was in business once, that was way back in the fifties and sixties, and I remember the pain it was to have to go to several Agencies to get permits to go out and do our business. So we are trying to simplify all that now, recognizing that every dollar you spend conforming to some Government mandate is a dollar that you could spend in some way making sales to your customers more efficiently or reducing costs or whatever.

As you may know, we have a moratorium now on new Federal regulations. It has been successful, and now we've renewed it. We're speeding up those regulations that encourage growth. Wherever possible, we are actually canceling regulations that needlessly burden business. I have certain responsibilities for safety, for the environment, but I am convinced that up until now we've not found, Government hasn't found, the proper balance. We are really working at this problem, and I hope that we can prove to you that the days of overregulation are just exactly that, that they are over. But if you get examples from your businesses where that is not true, please call them to our attention, and let us try to help with this bureaucracy out there where we have to fight to hold the line against the excesses of regulation.

The IRS, just by way of example here, at our direction has issued new rules to simplify the payroll tax system. Those new rules are really going to reduce, significantly, I might say, the payroll costs of businesses. We're launching an experimental program that will let employers

make tax payments electronically. And there is no reason why you should waste time and money doing paperwork for the U.S. Government.

I also understand how crucial trade is to the growth of your area; this is a whole other point. In fact, I believe it is crucial for every American. Our economic success at home depends on our economic success abroad. We can no longer pull back in isolation or into protectionism. We simply can't do it. There are some bad politics in it. Maybe there are some good politics. I know there's good common sense in this approach I've outlined.

I really appreciate what you all have done on behalf of the North American free trade agreement. And I am convinced that it is in the interest of the American worker to get that agreement passed. When we get it, and I am confident we will, we're going to have created a $6.5 trillion market with the North America free trade agreement, $6.5 trillion market, one of the largest of the world.

Also on the GATT round, we're moving forward there. It's difficult, the hangups, I won't burden you with all the details, but I'm telling you it's like pulling teeth getting the GATT round completed. But a successful GATT agreement could pump more than $5 trillion into the global economy over 10 years. Our share of that promises to top $1 trillion. That means, obviously, more and more better jobs for Americans. I think it means better service for your customers, too, and I think it means better prospects to make your businesses grow. I think the consumer is helped here by prices being reasonable and more competitive.

Now, I am committed to both the NAFTA and GATT round conclusions. And some call this trade policy optimistic, and in a sense, I think they're right because I am optimistic about this country. I refuse to be one of the pessimists when it comes to where we stand in terms of the future. The creativity and the energy and the enthusiasm of the members of this organization are just the best possible rebuttal to the pessimists.

So with your help I think we can demonstrate, as we're coming out of this slow, infinitesimal growth period, that we've got plenty to be grateful for and that there's plenty of opportunity out there. The retailers have been in the lead for many sensible fiscal proposals up there on Capitol Hill, and this is a good opportunity just to say thank you from the bottom of a very, very grateful heart.

Thank you for being with us today. And now I will turn the program either to the chairman or to the other president, depending how we want to do all of this.

Note: The President spoke at 3:03 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to federation officers Tracy Mullins, president, and Joseph Antonini, chairman.

Message to the Senate Transmitting the North Pacific Fish Conservation Convention

May 19, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Convention for the Conservation of Anadromous Stocks in the North Pacific Ocean, with Annex, which was signed by the United States of America on February 11, 1992, in Moscow. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Convention.

This Convention establishes a new organization, the North Pacific Anadromous Fish Commission (NPAFC), which will contribute significantly to the conservation of anadromous fishery resources and ecologically related species in the high seas area of the North Pacific Ocean. The Commission will serve as an effective forum for closer international coordination of North Pacific fishery enforcement activities on the high seas.

Canada, Japan, the Russian Federation, and the United States cooperated in the development of the Convention, which will enter into force following ratification, acceptance, or approval by all four of these signatory States. It is anticipated that the Convention will enter into force before the end of 1992 or by early 1993. It is important that the United States and the other concerned States ratify the Convention quickly so that we may operate under its beneficial framework as soon as possible.

I recommend that the Senate give early and favorable consideration to the Convention and give its advice and consent to ratification.

George Bush

The White House,

May 19, 1992.

Memorandum Delegating Authority To Report on China

May 19, 1992

Memorandum for the Secretary of State, the Secretary of Defense, the Secretary of Commerce, the United States Trade Representative, the Director of the United States Arms Control and Disarmament Agency

Subject: Delegation of Authority with Respect to Reports Concerning China Weapons Proliferation, Human Rights, and Trade Practices

By virtue of the authority vested in me by the Constitution and laws of the United States of America, including section 301 of title 3 of the United States Code, I hereby delegate to the Secretary of State the functions vested in me by section 303 and section 324 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102 - 138). These functions shall be exercised in consultation with the Secretary of Defense, the Secretary of Commerce, the Director of the United States Arms Control and Disarmament Agency, the United States Trade Representative (with respect to the functions described in section 303), and other appropriate departments and agencies.

The functions delegated herein may be redelegated as appropriate.

The Secretary of State is authorized and directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:42 p.m., May 26, 1992]

Letter of Condolence to Lawrence Welk, Jr.

May 19, 1992

Dear Larry,

Barbara and I send to you and all your family our most sincere condolences. Your great and admired Dad set a wonderful, wholesome example for this Country. His personal story inspired us all and his music had broad appeal. Lawrence Welk was truly a great American.

Please convey our deepest sympathy and special prayers to all in your family.

Sincerely,

George Bush

Note: This letter follows the text as released by the Office of the Press Secretary.

Nomination of William Arthur Rugh To Be United States Ambassador to the United Arab Emirates

May 19, 1992

The President today announced his intention to nominate William Arthur Rugh, of Maryland, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador to the United Arab Emirates. He would succeed Edward S. Walker, Jr.

Since 1989, Ambassador Rugh has served as Director of the Near East and South Asia Bureau at the U.S. Information Agency. Prior to this he served as Ambassador to the Yemen Arab Republic, 1984 - 87, and as Deputy Chief of Mission in Damascus, Syria, 1981 - 84. He also served in a number of other positions in Cairo, Jidda, and Riyadh.

Ambassador Rugh graduated from Oberlin College (B.A., 1958); Johns Hopkins University School of Advanced International Studies (M.A., 1961); and Columbia University (Ph.D., 1964). He was born May 10, 1936, in New York, NY. Ambassador Rugh is married, has three children, and resides in Maryland.

The President's News Conference With Prime Minister Brian Mulroney of Canada

May 20, 1992

The President. I'm just delighted to have had this visit with Prime Minister Mulroney of Canada, welcoming him back to the White House.

I think we covered an awful lot of ground in a short time. And just a couple of observations: I know that many are focusing on our trade issues, in particular on trade disputes. Well, that's natural. We've got this enormous, this immense trade that goes on between our two countries. And our bilateral trade has increased by $30 billion since the inception of the Free Trade Agreement in 1989 and now stands at a volume of nearly $200 billion. I believe that this trade is of enormous benefit to the two economies and demonstrates vividly the value of that Free Trade Agreement. And because of the large trade between the U.S. and Canada, there are bound to be some bumps in the road.

We have existing mechanisms for dispute settlement. We are using them, including the FTA itself. And as a consequence, I can report that we're making progress in overcoming some of our recent problems. I told the Prime Minister, who forcefully presented Canada's case, that I would work with our administration to see that these disputes receive proper high-level consideration before they go to some form of action. I think this will help. But in any event, we discussed frankly the problems.

We also talked about a wide range of international issues, including the coming summit, including the G - 7. So we had a very good conversation. And in the Bush view, our administration view, this relationship between Canada and the United States is very, very important to the people of the United States of America.

So, welcome back, sir.

The Prime Minister. Thank you, Mr. President.

As the President said, we had a very far-reaching discussion on a lot of subjects. I'd be happy to take whatever questions are appropriate.

But I tried to focus on what our priority problem is at this point in time, and it's trade. And for some time, Canadians have been troubled and angered by the attitude adopted by some people in Washington on major trade issues. Rather than move quickly to resolve or prevent irritants, the tendency was to retaliate against Canadian products by threatening to impose demonstrably unfair penalties on Canadian imports. These actions create uncertainty for investors and

exporters and undermine the fundamental intent of the Free Trade Agreement.

The President has called me a number of times over the last few weeks, conscious of some of these difficulties that have arisen in a very complex and important trading relationship. We agreed at this meeting today to follow up on it. So we had a very constructive review of these issues.

We both intend to raise the level of commitment to resolve and to reduce disputes, to give a higher level of attention in order to manage the relationship and these issues. The President and I are going to work personally to that end. We both recognize that healthy trade between us is vital to recovery. We are the United States' best customer by far, and the United States is ours. We can help each other in terms of economic recovery by reducing the temperature and getting rid of a lot of these irritants, rather than allow them to fester and grow to important status.

For example, Canada's merchandise trade surplus was $3.1 billion in the first quarter, as announced this morning, the largest surplus since the second quarter of 1990, and for the first quarter, Canada's exports to the United States are up 8.8 percent from last year. As the President has pointed out, even in a difficult recessionary period, the growth in trade between Canada and the United States is up very impressively. That means jobs in the United States and jobs in Canada, and we have to keep that going.

It was a very instructive and helpful meeting, and I thank the President and his advisers and counselors and Cabinet ministers for that.

Canada-U.S. Trade

Q. Who are these mysterious ``some people''? Are you suggesting that the President himself may not know who in his administration, in your view, is discriminating against Canadian trade?

The Prime Minister. I've already indicated, and you know full well, that a lot of the action is initiated by industry, by interest groups, by lobbying interests in isolation from some of the fundamental objectives of the Free Trade Agreement. And in some cases, as dispute mechanisms have pointed out, they may or may not have validity. Sometimes the United States wins; sometimes we win.

What concerns me is not that. That's normal. What concerns me are demonstrably unfair matters being initiated and allowed to grow and fester when they should have been dismissed because the object of the Free Trade Agreement was to make it a model for the rest of the world or certainly a model for this hemisphere. And anything that vitiates that undermines the effectiveness of what is a very valid and helpful instrument for both of us. That's what I was talking about.

Q. Mr. President, do you agree that we have not been fair?

The President. I agree that when you have a trading situation that's as broad and as big as we have, there are bound to be some disputes. What we've agreed today is to be sure that we engage early on at proper levels to see that some of those disputes can be avoided. Some may not. Some may have to go to arbitration or to be adjudicated in legal manners. But I think we can do a better job of trying to avoid disputes. And that's what the spirit of these conversations were all about.

Q. Is the trade agreement jeopardized by this dispute?

The President. No. From our standpoint, we've got this agreement. I've cited for you the figures of advanced trade as taken place under the agreement. But what we've got to iron out are the differences, and they are overwhelmed by the common ground.

If you're referring to the NAFTA, I don't believe so. I think we just had a report on our side from our very able Ambassador, Carla Hills, who filled us in, and I detected no pessimism at all from her.

The Prime Minister. Helen [Helen Thomas, United Press International], from our point of view on that, we were very encouraged by the undertaking given today by the President to elevate the degree of attention that this trading relationship will receive in Washington by the administration. Oftentimes things get out of hand, but they tend to get less out of hand if the President is keeping an eye on it himself. That's what the President is going to work through his administration to make sure that they don't grow into the problems that they've become.

Q. What about Murphy Brown?

[At this point, a question was asked in French and answered by the Prime Minister in French.]

Q. Do you think Murphy Brown is a bad role model, sir?

North American Free Trade Agreement

Q. Mr. President, will you be personally involved in the North American free trade agreement negotiations and talk to the Prime Minister about any barriers to completing those talks?

The President. Oh, sure. But I'm not going to be the negotiator. We've got a very able, experienced team that knows far more about the detail than I know, and they have my full confidence. But I have such a relationship with the President of Mexico and the Prime Minister of Canada that they feel free to call me on these matters, and I feel free to call them. If we are needed to finalize these agreements, clearly, all of us want to be involved, all three of us.

Canada-U.S. Trade

Q. Prime Minister, do you feel you've received the kind of assurances that will allow you to tell Canadians they will no longer be subject to the kind of action you yourself described as harassment?

The Prime Minister. Well, we'll have to see. But I also mentioned at that time, as you'll remember, that I was satisfied that President Bush was a free trader and a fair trader. I've consistently mentioned that. I believe that the kinds of harassment that we've seen must stop. I think that the President understands that. He understands my concerns and has indicated that at the highest level he plans to work with Secretary Baker and Carla and Brent and others to make sure that this is conducted in such a way that it is brought to a halt, not to preclude valid cases from coming forward on both sides, not to prevent that but to make sure that things that ought not to go forward, don't.

``Murphy Brown'' Television Show

Q. Let's get it over with, sir -- Murphy Brown. [Laughter]

Q. -- -- Vice President Quayle's criticism of Murphy Brown, and also his statement that a lack of family values led to the L.A. riots?

The President. Everybody give me a Murphy Brown question. I've got one answer right here for you. [Laughter] What's your Murphy Brown question?

Q. What's your answer?

The President. What's the question? You're getting four different questions.

Q. Do you agree that she's not a good role model?

Q. Can a TV sitcom really influence a legitimate -- --

The President. All right, are you ready for the answer?

Q. Yes.

The President. All right, this is the last Murphy Brown question.

Q. Maybe.

The President. This is the last Murphy Brown answer, put it that way. [Laughter]

No, I believe that children should have the benefit of being born into families where the mother and a father will give them love and care and attention all their lives. I spoke on this family point in Notre Dame the other day. I've talked to Barbara about it a lot, and we both feel strongly that that is the best environment in which to raise kids. It's not always possible, but that's the best environment. I think it results in giving a kid the best shot at the American dream, incidentally. It's a certain discipline, a certain affection. One of the things that concerns me deeply is the fact that there are an awful lot of broken families. So that's really the kind of guidance I would place on that. I'm not going to get into the details of a very popular television show.

Q. You're contradicting your Press Secretary.

Urban Aid Initiatives

Q. Mr. President, the Senate has almost doubled the amount of emergency funds in the supplemental for American cities. Is that acceptable to you?

The President. Which was it?

Q. The Senate has virtually doubled the amount of money in the emergency supplemental for Los Angeles and other cities. Is that acceptable to you? And also, sir, have you ruled out anything in terms of financing the programs that you're talking about, particularly taxes?

The President. We will be meeting this afternoon. I've appointed the Chief of Staff, who is already engaged with the leadership. I believe the meeting is going to be this afternoon with the leadership. I'm not familiar with what the Senate has done. There was one version of the bill that is unacceptable to us.

But here's my view on what we ought to do: There are some things that we agree on with Congress, have nothing to do with how you pay for it, but there are some things that are well within the budget agreement that can be done and where both Congress and the executive branch has shown an interest. It is my view that we ought to focus on those. ``Weed and Seed'' is one; enterprise zones is another. My pitch to the leaders is, look, you've got your priorities over here, and we've got ours. But let's do something that will help the people not just in Los Angeles but people that need jobs in the inner cities.

I'm still feeling that we have an opportunity to get it done that way. I can't comment on the Senate bill, except to say the one I saw yesterday, Kennedy-Hatch, is not acceptable to the administration, and we made that clear to the leaders. But let's get the common ground and try to do something to help people. Then we can have the debate and the votes and the countervotes as

to whose plan, Senate plan, House plan, administration plan. I still think we can get it done that way.

Q. What about taxes, sir? Have you ruled out taxes?

Thailand

Q. Can you comment, please, on the situation in Thailand? Some people are comparing this to Tiananmen Square. As far as I know you haven't mentioned it yet. What is -- --

The President. Well, we're very concerned about the instability in Thailand, very concerned about the violence that we've seen there, and we've made this position known to the Thais. In fact, our Ambassador had a meeting just yesterday with the Prime Minister on this. So let's hope that it calms down there.

Q. [Inaudible] -- says that you are personally involved in helping to get loan guarantees for the -- [inaudible]. Were you, sir? And were you at the time aware of -- --

The Prime Minister. I'll be happy to take these domestic questions at -- --

Q. Murphy Brown was more important, sir?

The Prime Minister. I didn't take Murphy Brown. Let me ask a question: Who is Murphy Brown? [Laughter]

I'll be happy to answer it later, Joe [Joe Schlesinger, Canadian Broadcasting Corporation].

``Murphy Brown'' Television Show

Q. Was it a mistake for Murphy Brown to portray an unwed mother in that show?

The President. I told you. You must have missed what I said, Pat [Patrick McGrath, Fox News]. I said I've just taken the last Murphy Brown question and tried to put it in a serious context that I hope the American people can understand. That's it.

Next for the Prime Minister here. We want fairplay here.

[At this point, a question was asked in French and answered by the Prime Minister in French.]

President's Approval Rating

Q. Sir, I was just wondering, based on your own experience, have you been able to give the President any personal advice on how to handle this plummet in the polls that he's experienced recently?

The Prime Minister. Jim [Jim Miklaszewski, NBC News], I remember a time when President Reagan was here. And there was a front-page story in the New York Times in August of 1987 that said, ``President Reagan's popularity has just plummeted to 59 percent.'' Right then I knew the difference between Canada and the United States; it's language. The word ``plummet'' does not mean the same in Canada as it does in the United States. So from where I'm sitting in the polls, I'm seeking advice, not giving any. [Laughter]

Family Values

Q. Mr. President, do you agree with the Vice President that a lack of family values helped lead to these riots in Los Angeles? And do you think the California welfare reforms could ameliorate this?

The President. I think we'd have a much more stable environment everywhere in our country if we had more families, put it this way, if the kids had the advantages of two-parent households. It's not always easy. It's not always possible. But I really believe that is stabilizing. I think the decline in the family as this country's known it over the years is a discouraging factor, and I think it offers kids much less hope. I believe that if we had more stable families with a loving mother and father, and fathers taking their responsibility more seriously, that it would add to stability in the community, yes.

Abortion

Q. Mr. President, the heart of the question seems to be whether or not there should be an abortion if you don't have a father. Can you specifically address -- --

The President. No, my position on abortion is well-known.

Q. But the two are in conflict here because the producer of the show says, ``Well, then, you should ensure the right to abortion.'' Can you specifically address the main question?

The President. I'm not going to get -- I don't know that much about the show. I've told you, I don't want to answer any more questions about it. I just tried to put it in terms of -- John [John Cochran, CBS News] was asking about my view on stability of the family, I think. But I just can't go into the details.

Q. In this case, she chose to have a child and chose not to have an abortion. Do you applaud that?

The President. Well, as you know, I don't favor abortion. And I think that opting for life is the better path.

Q. Mr. President -- --

The President. Prime Minister, got one for him?

Canada-U.S. Trade

Q. Any progress this morning on softwood lumber?

The Prime Minister. I indicated to the President that while we were encouraged by the reduction from 14.5 to 6.51, we still feel that this is a very unfair penalty on softwood exports from Canada that really do a lot of good for the United States. In fact, all that penalty is doing at the border is adding $1,000 or $2,000 to the cost of an average house in the United States, which is why the Governors in the Pacific Northwest are opposed to it. So what we're going to do is take this, under the Free Trade Agreement, under chapter 19, for resolution under the dispute settlement mechanism. I believe that Canada has a strong case and hopefully will win.

Spotted Owl Habitat Protection

Q. President Bush, on the domestic side of the lumber supply issue, do you think that Secretary Lujan's alternative owl plan will help to reduce the shortage of lumber and to keep prices down?

The President. I think one thing it will do is see that fewer people are thrown out of work. And that I think is very important to many, many thousands of families in the Northwest. And what effect that particular decision is going to have overall on price, I just can't say. Whether it increases supply enough that the price will go down or not, I just don't -- I haven't seen an economic analysis of that particular decision.

Q. Mr. President, what is your -- --

The President. We need -- it's his turn, the Prime Minister's turn.

The Prime Minister. Okay, Hilary [Hilary MacKenzie, MacLean's Magazine]

Canada-U.S. Trade

Q. Prime Minister, behind the trade dispute, is there a fundamental problem that Americans don't understand Canadian sensitivities on the trade issues?

The Prime Minister. No, I don't think that. I think the answer is the one that the President and I have referred to, that what it needs is an upgrading within the administration. In regard to the care and concern of -- look, this is the most important trading partnership. A lot of Americans think their best trading partner is Japan. Wrong. Others think it's Europe. Wrong again. It's Canada. And the beauty of the trading relationship with Canada, unlike many others that the United States has, is that this $200 billion a year at the end of the year is in rough balance. The Americans are not carrying a big deficit to speak of in their trade with Canada. This kind of very valuable relationship has to be nurtured and looked after and admired for what it is. Otherwise, it could go the wrong way.

So it has nothing to do with Canadian sensitivities. It has a lot to do with upgrading this on the American side so that the American administration and people understand the importance of them not only to us but to them, and to use this as a model for trading agreements elsewhere in the world. I think it could be mutually beneficial.

The President. Marlin has signaled that we have time for one question each, if that's agreeable, Mr. Prime Minister.

Q. Mr. President, are you worried about Ross Perot?

Q. Mr. President. can you tell me if you believe that Canada has been harassed by decisions on trade cases brought by senior advisers, including the man who is now your deputy campaign manager?

The President. I believe that we ought to look at the whole picture. And I believe that that enormous trading relationship has been marred by a very few number of disputes. And I can understand it when people feel very strongly on a deal, whether it's lumber or whether it's autos or whatever else it is that's contentious. I'm inclined to look at the whole picture and see it relatively free of dispute.

But when there is a dispute, I can understand the passions being very high. We've got to try to avoid the disputes before they take place, and when they do take place, each side has every right to take it to adjudication.

So I'm not going to try to characterize it, but when the Prime Minister feels strongly about something like that and tells me of his strong feeling, clearly I want to do what I can, working with our bureaucracy, see that any feeling of harassment is eliminated. We'll work to eliminate these, get rid of the disputes before they happen. But then, if they have to happen because we have diverse interests, we'll try to peacefully and harmoniously settle them.

So that's the way -- I can understand the passions on issues on both sides of the border. But I believe that we can, with this spirit that the Prime Minister has outlined here, minimize the

chance for future disputes arising, and that's what I think is coming out of this meeting.

So when he presents me with strong feeling, the view of Canada on some very contentious issue, I don't take offense; I say, ``Hey, let's try to work it out." And similarly, I expect that when we go forward with something we feel very strongly about, and there are recent cases there, the Prime Minister says, ``Well, let's see whether we can't resolve that." Sometimes they have difficulties in Canada. They have provincial governments; they have central government, and we try to be understanding of that.

So I don't want to be standing here next to a good friend of the United States of America and a good free trader in some contentious mode. The meeting, albeit Brian Mulroney presents his case very forcefully -- but I would simply say the meeting, as far as I'm concerned, some of it is let's find ways to avoid the disputes before they get to the point where one side or another feels harassment.

The Prime Minister. David [David Halton, Canadian Broadcasting Corporation], final question.

Q. Was there any discussion, sir, of the argument being made by some U.S. Senators that softwood lumber shouldn't even be allowed to go to a panel because it's exempted under the original FTA ruling?

The Prime Minister. No, we didn't get into the details of it, David, beyond what the President and I have indicated. But given the fact that we think that 6.51 is still unacceptable, we're going to take it to a chapter 19. And as I say, on behalf of the softwood industry in Canada, we think we've got a strong case and a good case, and that's what the dispute settlement mechanism is for. And we think that we can carry it successfully.

Thank you very much.

The President. Thank you all very much. Thank you, Helen. It's a wonderful meeting. Thank you.

Note: The President's 128th news conference began at 1:34 p.m. on the South Lawn at the White House. Several questions referred to remarks by the Vice President concerning the CBS television comedy series ``Murphy Brown," in which the title character, who was divorced, had a baby.

Statement on the 90th Anniversary of Cuban Independence

May 20, 1992

I would like to mark this day, the 90th anniversary of Cuban independence, by sharing my vision for a free and democratic Cuba. Just as the struggle for Cuban independence was hard fought, so too is the struggle of the Cuban people today to gain their freedom. The Castro dictatorship cannot and will not survive the wave of democracy that has swept over the world, and I believe the Cuban people are closer than ever to winning that freedom. On this Cuban Independence Day, I want to reiterate my firm solidarity with the Cuban people as they strive to bring peaceful, democratic change to their country.

Independence Day is the occasion to pay homage to the great heroes and freedom fighters of the past. But as we honor them, I also want to salute all those in Cuba who are placing themselves at personal risk by calling for peaceful change. We particularly want to express our admiration for the ever-growing number of Cuban men and women who are courageously speaking out against Castro's abuses of human rights and his denial of the Cuban people's most basic civil liberties.

We are working hard to ensure that those Cubans striving for human rights and civil freedoms have the broadest possible international recognition and support. I am pleased that the United Nations will be naming a special rapporteur to investigate and report on the human rights situation in Cuba. We will continue to help get the truth to the Cuban people through a free flow of information. Today, I reaffirm my commitment to oppose Castro at every turn and not to pursue normal relations until his dictatorship is done.

Castro's vision of the future is to cling to a failed past. His determination to keep Cuba an antidemocratic Communist state dooms the Cuban people to a predetermined fate. He tells them that their only choice is between ``socialism or death." And he dismisses the basic rights of people, the rights to free speech and free association, as the ``garbage" of democracy.

I reject Castro's vision of doom as I believe the Cuban people do. I see Cuba's future as one of hope and expectation. I believe that Cubans will enjoy a peaceful and democratic future, one in which they will be able to elect the leaders of their choice. My vision is one in which Cubans have open access to the newspapers, television, and radio; will be able to travel and study wherever they like; and will find jobs in a prosperous Cuba, resulting in better lives for their children and their grandchildren.

And I want the Cuban people to know that my administration and the American people will be prepared to help in a transition to a stable and free Cuba. Our elected officials, our businessmen, many of our ordinary citizens, and especially the members of our hard working and prosperous

Cuban-American community are willing and able to help rebuild Cuba by lending their know-how to repair the shattered Cuban economy.

So on this historic occasion, I look forward to a new day of Cuban independence when decisions about their future are made through free and fair elections that reflect tolerance and respect for the views of each individual. This will be the foundation for building a new and better Cuba, a free Cuba.

Message to the Congress Reporting on the National Emergency With Respect to Chemical and Biological Weapons Proliferation

May 20, 1992

To the Congress of the United States:

On November 16, 1990, in light of the dangers of the proliferation of chemical and biological weapons, I issued Executive Order No. 12735 and declared a national emergency under the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq.).

The proliferation of chemical and biological weapons continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States.

Section 204 of the International Emergency Economic Powers Act and section 401(c) of the National Emergencies Act contain periodic reporting requirements regarding activities taken and money spent pursuant to an emergency declaration. The following report is made pursuant to these provisions.

The three export control regulations issued under the Enhanced Proliferation Control Initiative are fully in force and have been used to control the export of items with potential use in chemical or biological weapons or their delivery systems.

Over the last 6 months, the United States has continued to address actively the problem of the proliferation and use of chemical and biological weapons in its international diplomatic efforts.

The membership of the Australia Group of countries cooperating against chemical and biological weapons proliferation grew from 20 to 22 members when Finland and Sweden were welcomed into the Group in December 1991.

At the same December 1991 Australia Group meeting, all member countries confirmed that they had implemented or were implementing export controls on all 50 identified chemical weapons precursors. Almost all Australia Group members agreed at the meeting to impose controls on a common list of dual-use chemical equipment. In the first major Australia Group involvement in biological weapons nonproliferation, the December meeting also produced a draft list of biological organisms, toxins, and equipment to consider for export controls. This list was further refined by an Australia Group experts' meeting in March 1992, the first intersessional meeting held by the Australia Group, and will be considered for adoption by the June 1992 Australia Group plenary.

Encouraging progress can also be reported in the steps taken by countries outside the Australia Group, including several Eastern European countries and Argentina, to establish effective chemical and biological export controls comparable to those observed by Australia Group members.

Finally, the March 31, 1992, report regarding expenditures under the declaration of a national emergency to deal with the lapse of the Export Administration Act in Executive Order No. 12730 also includes measures related to the Enhanced Proliferation Control Initiative. Pursuant to section 401(c) of the National Emergencies Act, there were no additional expenses directly attributable to the exercise of authorities conferred by the declaration of the national emergency.

George Bush

The White House,

May 20, 1992.

Presidential Determination No. 92 - 26 -- Memorandum on Trade With Albania

May 20, 1992

Memorandum for the Secretary of State

Subject: Determination Under Section 402(c)(2)(A) of the Trade Act of 1974, as Amended -- Albania

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974, as amended (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to Albania will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:45 p.m., October 26, 1992]

Note: The Executive order of June 3 is listed in Appendix E at the end of this volume.

Message to the Congress on Trade With Albania

May 20, 1992

To the Congress of the United States:

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974, as amended (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 with respect to Albania will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received assurances with respect to the emigration practices of Albania required by section 402(c)(2)(B) of the Act. This message constitutes the report to the Congress required by section 402(c)(2).

Pursuant to section 402(c)(2), I shall waive by Executive order the application of subsections (a) and (b) of section 402 of the Act with respect to Albania.

George Bush

The White House,

May 20, 1992.

Note: The Executive order of June 3 is listed in Appendix E at the end of this volume.

Nomination of James E. Gilleran To Be Comptroller of the Currency

May 21, 1992

The President today announced his intention to nominate James E. Gilleran, of California, to be Comptroller of the Currency, Department of the Treasury, for a term of 5 years. He would succeed Robert Logan Clarke.

Since 1989, Mr. Gilleran has served as superintendent of the California State Banking Department in San Francisco, CA. Prior to this, he served as president of the Commonwealth Group, 1987 - 89; managing partner with Peat Marwick in San Francisco, CA, 1969 - 87; and as partner-in-charge of the banking industry group of Peat Marwick in Los Angeles, CA, 1958 - 69.

Mr. Gilleran graduated from Pace University (B.B.A., 1955). He was born May 1, 1933, in Ellenville, NY. Mr. Gilleran served in the U.S. Army, 1955 - 57. He is married, has two children, and resides in San Francisco, CA.

Remarks at a Bush-Quayle Fundraising Luncheon in Cleveland, Ohio

May 21, 1992

Thank you all. Please be seated, and thanks for that welcome. George Voinovich gave our administration a lot of credit for these things that he clicked off today, and he talked about the blast furnace. You should have seen the letter that he sent to me, blasting us to get the blast furnace going. [Laughter] He's a hands-on Governor, just as he was a hands-on Mayor of this great city. And he is one of our very, very best across the whole country, and you all are awful lucky, in case you didn't know it. And that goes for Janet, too.

I, too, want to thank the Fairview High School Band and Virgil Brown; Jim Petro for leading us in the pledge. May I single out one who is with me today that some of you know personally, but who is doing a superb job fighting now to get some legislation that he and I believe in, legislation that's been lingering before the Congress for 3 years, through the Congress. I'm talking about our able Secretary of HUD, Jack Kemp, over here, Jack.

And may I wish Mike DeWine the very, very best. We need him in the Senate. We've got to get control of the United States Senate. And also, Art Modell, thank you, sir. I'll never forget a marvelous event out at Art's house when I was running for this job, and he's been a good supporter and an outstanding citizen of Cleveland. And of course, Tim Timken has been at my side for a long, long time, and I'm very proud of the job he does on the national level as well as working for the Bush-Quayle effort here in this State. Bob Taft is with us, the secretary of state, another longtime friend, also doing a superb job for all of you.

Bob Bennett, when I think back to my days of being national chairman, chairman of the Republican Party, there were some who just were ornaments. Some didn't hit a lick. And Bob Bennett is an outstanding, active, hands-on chairman of the Republican Party in this State; and that's why I believe we will get control of the State House of Representatives. And may I, too, thank Stan Aronoff and Martha Moore and single out Bobby Holt, our national finance chairman, and Dick Freeland, our regional Bush-Quayle finance chairman.

I am very, very pleased to be here. I will be out of here in time for you all to go back to work, suit up, and then watch the Cavs and the Bulls play at 8 p.m. tonight. So my priorities are correct.

Let me start by saying I think we have an awful lot to be grateful for as a Nation. These are troubled times, times of discontent. It isn't just America, if you look around the world, incidentally. Take a look at Germany. Take a look at France. Take a look at what was happening in England before their election. There seems to be a turmoil, an antipolitical mode.

But I think as George pointed out, we have a lot to be grateful for. We have effected, helped effect, worldwide change. Democracy is on the move. There's turmoil in Eastern Europe, but it's moving in the right direction. Totalitarianism is dead. South of our own border you're seeing, through our Enterprise for the Americas Initiative and through the Brady plan, you're seeing a whole resurgence of private sector activity and the democratic march in our own hemisphere.

The main point I would make is that our kids can go to sleep at night in this country with far less fear of nuclear war. That is significant change. That is worldwide change. And we had a hand in bringing it about, everybody that supported the strong defense of the United States.

So as we move into this election year, we're moving in there with something we can really be proud of to take to the American people. The spirit of Desert Storm is not dead in this country. The country came together after we were the ones that stood up to aggression, formed a coalition, and said to the rest of the world: One country, a big bully of a country, is not going to take over another. And that has given us the standing around the world that I think is unprecedented, certainly in recent times.

Now, what we're trying to do domestically is to take that move for change and bring it to bear on our problems right here at home. It's been put in focus by the troubles out in Los Angeles. We have a program that ties in and fits nicely to solving the problems in not only Los Angeles but the problems that are plaguing our cities. And indeed, many of the answers spill over into rural America as well. What I wanted to do is just point out where we stand in terms of trying to change things productively here at home.

The first thing I would say is we have to support our law enforcement people. We do; our administration does it in many, many ways. We have a program now that is called ``Weed and Seed'': Weed out the criminals, and then seed these neighborhoods with hope and with opportunity. But we must not move away and try to explain away the gang members and the terrorists in our cities.

I was pleased to see some of Cleveland's finest out here, police officers, because I like to be able to tell these men who are giving themselves for all of us that we back them up as they go into harm's way, trying to bring order and civility to the neighborhoods that need it the most. We must support our police. You know, I made that comment in the Mount Zion Baptist Church right in the heart of south central L.A. And I felt strongly about it, and I was flanked by 200 pastors from the various Baptist churches, the area's churches that were in the most heavily impacted area. The church came out in spontaneous applause. The people in the neighborhood know that they are the ones that are being ravaged by the gangs and the criminals and the criminal elements.

The next point, though, is not just ``weed,'' it's not just law enforcement, law and order; it is also seeding the area with hope and with opportunity. This program we have, antidrug, profamily,

proinvestment, is a good one. So we start with our first incentive: Fund our ``Weed and Seed'' program. The second one: We've got to rebuild community. And again, I salute Jack Kemp. He's been out on the firing line for this for the 3 years that our administration has been in office.

Enterprise zones: There is an idea whose time has come. And every place Jack and I went in the neighborhood, whether it was Hispanic, whether it was the Korean neighborhood, whether it was in the largely Afro-American neighborhoods, those community leaders were saying, ``Give us enterprise zones. Change the tax structure so that this place can serve as a magnet to bring jobs with dignity into the private sector.'' That idea is here now; it's on the table right this minute in the Congress. And the Congress ought to pass it, and pass it fast.

And along with it is another concept: Homeownership. Isn't it far better, isn't it far better for the dignity and strength of a family to have a person own a home or have a tenant-managed project than it is to go to some desolate brick-and-mortar that has no heart, no soul, and falls apart because nobody cares? Homeownership is an idea whose time has come. And we've challenged the Congress again: Get moving and give us more to take to the American people in terms of homeownership. That's the third one.

The fourth one: Welfare reform. Some say, ``Well, when you talk about welfare reform, you're injecting race into the situation.'' That isn't what we're talking about at all. Did you know that if a family -- I saw a case the other day of a little girl, saved a little money in a welfare family, got past $1,000, and she was penalized. ``Oh, you can't. Your family is on welfare. You can't do that.'' We've got to reform the welfare system, not only to make it so there's workfare and learnfare and give the States a chance to innovate but to change the rules so people are not punished for saving. It's not a racist thing. It isn't a black versus white or Hispanic versus anybody else; it's what's fair and right. We've got to give some dignity to the family. And the way to do it is to reform the welfare system, and we're going to keep on trying.

Number four: Job training. We've got a good new job training approach. Frankly, there's an awful lot of Government Agencies involved in servicing communities, as George Voinovich knows. He's working hard to help us streamline this. But we have a Job Training 2000 program that calls for one-stop shopping, so a person that doesn't quite know how to filter his way around through all this big bureaucracy of ours can go and take his tiny little problem to the one-stop office and try to get some job training that really is effective. And Job Training 2000 is a good, new program, and I believe that it needs to have the support of the American people. And we are going to keep working not only legislatively but administratively to bring more jobs and opportunity through job training to the various communities.

Then, the last point of these six is the question of education. It's a little longer run. Our education program won't solve the problems of the cities overnight. But if you take a look at what we really have to do in this country, we literally have to revolutionize education. And we've got a great Secretary of Education in Lamar Alexander. He's ably assisted by a former businessman

that many of the people in this room know, David Kearns. He was the former chief executive of Xerox, who gave up his wonderful business challenge and perhaps retirement to come in as the number two guy in the Department of Education.

What we've done is design a program called America 2000. It literally revolutionizes the education system in this country. It emphasizes things like choice. We find that when parents have a choice of where their kids go to school, not only do they get a much better shot at what they want, but the schools that are not chosen improve themselves. So our administration stands firmly for parental choice, for private and public and religious schools alike. And we ought to get that done right now for the American people.

These are some specific points that we're working for, and right now I've challenged the Congress in this manner. I've said to them: Look, I know we have political differences. I'm a realist about the election, and I know that the closer and closer we get to the election, it isn't going to be easy. You're not going to want to see me get one leg up. And I'm going to continue to fight for the things we believe. But let's take the things we agree on now. Homeownership is one; enterprise zones is one. In fact, that passed the United States House of Representatives, wrapped up in a great big tax increase bill that, of course, I wasn't going to sign. But nevertheless, we have several of these programs that will help America right now.

Rather than play the political game -- I've had two meetings with the leadership, both Republican and Democrat, and I said, look, let's agree on several of these points and pass it and show the American people that we can move forward instead of standing around there playing politics as usual. I will repeat that: Let's pass what we can, and pass it now.

Now if you think of these points I have outlined, there are themes to all this: Personal responsibility, opportunity, ownership, independence, dignity, empowerment. And that all adds up to the American dream. And we are not going to give up on the American dream, and we recognize that there's -- overlying these issues are enormously big issues. And one of them is we've got to stop mortgaging our kids' future.

And the way to go about doing that -- and there's another idea whose time has come -- finally we are getting bipartisan consideration of the balanced budget amendment, something I've been talking about for 12 years. And it's time to pass it. We've got to phase it in, but pass it. And that will discipline not just the Congress but the executive branch as well. And it's really moving now. So if you have any influence at all on either side of the aisle, make your case. Because it's timely, and it's an idea whose time has come.

And the other one which I consider a great big issue that fits into the idea of fiscal sanity is this: Forty-three Governors can take a pen, and they can ax out something that they consider is irrelevant in terms of spending or excessive in terms of spending. So I say and ask for support from the American people on this one: You give me the line-item veto this fall, and let's see if

we can't do a better job cutting the spending that is ruining America's fiscal standing.

And the third issue of that nature, a balanced budget amendment, line-item veto, is legal reform. We've got to help each other more and sue each other less. And the way to do it is for tort reform.

And the last point I want to make today has nothing to do with ``Murphy Brown." [Laughter] But it does have to do with something that George Voinovich mentioned. I'm talking about family values. And I'm going to continue to talk about that.

I've talked with Jack about this, Jack Kemp. And I had a meeting with the National League of Cities -- I mentioned this in the State of the Union -- key mayors, Tom Bradley of Los Angeles, a Republican mayor from a tiny town in North Carolina, and all size city mayors from in between, one from Plano, Texas. And they came to me, and they said, ``We've been thinking what we can do about the cities. And we think that the single most important problem is the demise, the dissolution, the decline of the American family." And I just can't tell you what an impact that made on me. They weren't saying, ``Send us all this money." Of course they'd like to have that. But they addressed themselves to the decline of the American family, and they asked me to appoint an urban commission, a commission on the American family, which as you may recall I did, announcing John Ashcroft of Missouri and Mrs. Strauss, the former Mayor of Dallas, to be the Cochairs of that committee.

We have got to find ways to strengthen the American family. And that's why I ask you to give sincere consideration and support to those six objectives that I spelled out above. Because each one of them, in some way or another, strengthens and does not diminish the American family.

I feel very strongly about it. I know that there are those who are deprived, who are born into almost hopeless situations. But there are all kinds of ways that we can help. You can lift up the kid that starts off with a tremendous advantage through what we call Points of Light activities. You can look at every single piece of legislation to see that it doesn't encourage husband and wife to live apart. You can do what you can in the whole field of education.

But all of us as Americans must address ourselves to the idea that we must find ways to strengthen the American families. Because Barbara Bush is right: What happens in your house is much more important than what happens in the White House.

So here's our agenda. I think it's a good one. I think it is an optimistic one. I think it is an encouraging one. And I will be proud to be taking this case to the American people in the fall. But as I conclude today, my appeal to the American people would be, please, help us now with the United States Congress, and move this hope and opportunity agenda through the United States Congress. We need your help. We need the help of the people. And now is the time.

Thank you all, and God bless you. And thank you for your support.

Note: The President spoke at 12:25 p.m. in the Grand Ballroom of the Stouffer Tower City Plaza Hotel. In his remarks, he referred to George Voinovich, Governor of Ohio, and his wife, Janet; Virgil Brown, Jr., who gave the invocation; Art Modell, Cleveland Browns football team owner; Tim Timken, luncheon chairman; Stan Aronoff, Ohio State Senate president; and Martha Moore, Ohio Republican Party vice chairman.

Remarks at the Ohio Freedom Day Celebration in Parma, Ohio

May 21, 1992

Thank you so much. Thank you, Governor Voinovich. I think the people in Parma probably understand this, but let me just say it: You've got a great Governor of this State, and I'm proud to be with him. May I salute two members of my Cabinet, the President's Cabinet, with me here today: Secretary Jack Kemp, who runs HUD, doing a great job; he's out there working to help through enterprise zones and homeownership, doing a great job there. And then another one whom you all know very well, most of you do, a man who has introduced me to much of ethnic America, Secretary Ed Derwinski, the Secretary of the Veterans Administration.

I want to thank Mayor Ries, who greeted me earlier, Parma's Mayor, welcoming me to this wonderful community. Another old friend, Ralph Perk, we go back a long, long time, Ralph, to when he was Mayor of the city of Cleveland. And of course, Mike DeWine, who I want to see in the United States Senate, now the Lieutenant Governor of this State.

Let me thank all of you for this Freedom Medal. I was pointing out to Ralph something he had already seen. But I love these signs, all of them hand-done, but ``Freedom Is America's Name'' and ``Let Freedom Ring.'' What says it better than that? I don't know. It is fantastic. I think it is very fitting that George Voinovich, your Governor, has proclaimed this Freedom Day. And Americans like yourselves, not just here but all across the country, gave us the strength, the determination, the will to topple the Berlin Wall and to work for the freedom of Eastern Europe and for the rest of what used to be the Soviet Union.

You never gave up. You never, ever gave up. You said your prayers; you said them over and over again, praying for your friends and your families that were left halfway around the world, but you never, ever gave up. And I've been in public life for some time; half my life in public life, half in private. And one thing I've seen, wherever, is the faith that the Americans, different nationalities, had in the fact that their countries, their people would be free. You never gave up, and I congratulate you for that.

Today we hear so much gloom and doom about what's wrong with the United States of America. But we can all take pride that we brought about the fall of the Iron Curtain, the death of imperial communism, and we prevented the cataclysm of the third world war because freedom-loving people in America and in Europe persevered and won the cold war definitively. And we should take great pride in that.

It's risky to go into any particular country in this homogenous group, I'll tell you, but a group joined together because of freedom, but with many ethnic backgrounds. But the great leader of

the Ukrainian Catholic Church, Cardinal Slipyj, endured years of pain in prison, and we'll never forget his role. We'll never forget Hungary's noble symbol of courage, the late Cardinal Mindszenty. Both of these men died in lonely exile. But they inspired others, not just in Hungary but others, to persevere. And they inspired others to literally change the world. And now both are hailed openly as heroes in their native land, just as they are honored here in America. The church, faith had a lot to do about the success of the United States in standing up against communism and working and prevailing for freedom.

This day, Freedom Day, we also honor heroes of the nineties, statesmen like Havel and Walesa and Landsbergis. And we marvel at how our world has changed. You know, during the eighties, Havel and Lech Walesa spent time in prison for the crime of speaking up for freedom. That was the crime, to speak up for freedom. And it was scarcely more than one year ago that Landsbergis of Lithuania took his stand, armed with only the truth and the spirit of patriotism against the Red army forces who were gunning down innocent citizens in Lithuania. So, we won't forget that.

And this day honors the work of half a century of our GI's and of our allies who kept NATO strong; the radio broadcasters who pierced the Iron Curtain with words of hope and truth. I remember when Lech Walesa came to the United States. He wanted to go to Radio Free Europe so he could meet and look into the eyes of the voice that he had heard speaking up for freedom when that was the only hope the people of Poland had, a wonderful story about our Nation's perseverance.

We think of world leaders whose deeds were as powerful as their words: Margaret Thatcher and Helmut Kohl, my predecessor Ronald Reagan, who had so much to do with keeping our sights set on the fall of communism, and of the families -- we think of them -- in the East and the West who prayed together, and parents who taught their children right from wrong. The physical and moral strength of these people transcended and destroyed the Iron Curtain.

And I believe that moral strength will prevail, even where violence and oppression hold forth, as in the states of the former Yugoslavia. We now recognize the full sovereignty of Slovenia and Croatia and Bosnia, and we stand in solidarity with their people. Let me make this clear: We will not recognize the annexation of territories by force. Aggression cannot be rewarded. But we must stay involved, trying to find a peaceful answer to the whole question of Yugoslavia.

So, as George said, we do stand on the threshold of a new world, a world of peace and opportunity. And I really see this as the opportunity of a century. And it's amazing to learn about some of the efforts that have already begun, think tanks and fax machines that are networking to foster democracy and free enterprise in the Baltic republics, in Ukraine and Russia, throughout Eastern Europe.

Governor Voinovich tells me the growth of telephone traffic between Ohio and Ukraine is absolutely phenomenal. New phone links are helping families restore these old bonds and

helping new business ventures get going. People from Kiev and Vilnius now travel here without having to fear that they left home for the last time.

Government is doing its part. Two weeks ago I had a wonderful meeting, for those particularly interested in Ukraine, a wonderful meeting with Kravchuk, President Kravchuk, welcoming him to the White House and then taking him up -- we flew in a helicopter up to Camp David, pointing out the different rural communities in agricultural America and urban America.

I think we made real progress working with President Kravchuk on reducing the threat of nuclear war. We announced our pledge to establish the science and technology center in Ukraine. We signed agreements that are going to foster trade and investment with Ukraine. And I've taken action to grant most-favored-nation status for Ukraine as soon as possible. And again, for the Ukrainian-Americans present, I am very, very proud that one of the men closest to me in the White House, Roman Popadiuk, will be sworn in next week as the first American Ambassador to Ukraine.

We've got to keep working on this. Just last week, a couple of days ago actually, I had an equally good meeting with the President of Kazakhstan, President Nazarbayev. And like Kravchuk, Nazarbayev pledged to join the Non-Proliferation Treaty as a non-nuclear-weapon state. And he pledged to remove all the nuclear weapons within the 7-year period of the START agreement.

And in a few more weeks, the President of Russia, a gigantic new country, President Yeltsin coming to the United States, and we are going to meet together in Washington to chart a new partnership with Russia for the future. And it is a wonderful thing to be talking about business and freedom instead of talking about nuclear arms and the worry that our kids used to have in this country about the nuclear threat.

We're eager to develop strengths and strengthen our ties with Byelarus and Moldova and Armenia and all the nations that have won independence from Soviet rule. And working with them and our allies we want to establish a democratic peace, a lasting peace that is built on trust, a peace that is built on shared values, not simply the absence of war.

And so to finish this job, I need your help. We've done much to support the new nations of the Commonwealth, C.I.S. And there are other initiatives that will help these nations along the road to democracy and freedom. For Russia, largely for Russia but also for the Ukraine and others, we have the ``FREEDOM Support Act'' which I've sent up to the Congress, which will provide new opportunities for American business. It's going to clear away a lot of that cold war legislation, get rid of that, that now inhibits trade and investment with Ukraine and the other nations of the old Soviet empire. It provides new authority to continue food assistance totaling $110 million in food guarantees for the purchase of American ag products. And Congress should act now.

We've got problems at home, but we must not miss this historic opportunity to guarantee the peace for these kids here and to guarantee the freedom for those across the ocean. So join with me in asking Congress not to disappoint our children and to support us as we try to pass the ``FREEDOM Support Act." And if we meet these responsibilities today, a generation from now people might be speaking about a ``Ukrainian miracle" or a ``Baltic miracle," much as we marvel at the recovery of Western Europe just a few years ago, ravaged by the Second World War. They came back strong. And everyone calls it the ``miracle of Western Europe." Now we want the same things for these new republics. And with your support, we can get it.

I know that it is still Easter season in your church. And to close, I want to tell a story about Easter this year, not in Ukraine but in Russia. Many of you will recall the big military parades that the Soviets used to have there in Red Square, always with a huge portrait of Lenin as the backdrop, on the wall of the State Historical Museum. Well, this year at Easter, there was no portrait of Lenin. Instead, a massive icon towered over Red Square, an icon of the Resurrection, and atop it, the words Christos Voskrese, Christ is risen.

And the way I look at it is this: This really is a season of resurrection throughout the once-captive nations of Europe. And it is a wonderful time to be alive to see these days, to enjoy the freedom that God has given us in the freest, most wonderful Nation on the face of the Earth, the United States of America. May God bless each and every one of you.

And may I say, as the President of the United States, I will keep working for freedom around the world. And with your support, I know we will be successful in seeing these European and former Soviet republics become free and whole, with the people enjoying a life they never would have dreamed of.

Thank you, and may God bless the United States of America. Thank you.

Note: The President spoke at 1:53 p.m. in the auditorium at St. Josephat's Cathedral.

Remarks at a Bush-Quayle Fundraising Picnic in Westchester, New York

May 21, 1992

Thank you all very much. It is a pleasure to be here, and I'm delighted. Lou, thank you, sir, for that introduction. Please be seated out there. And be seated up here. [Laughter] Sorry about that. No, but I'm delighted to be here. I'm sorry that Barbara Bush is not here. She was here just a couple of weeks ago at another event.

But it's a thrill to be back in my hometown, near it, one of my many hometowns. I just had a chance to drive up across the line into Greenwich to see my almost-91-year-old mother. So in a way, it is a homecoming. And it really is when you look out here and see so many friends, so many people that worked way back in the political wars and have given me this extraordinary opportunity to be President of the United States in these wonderfully exciting, challenging, yes, but wonderfully exciting times for our country.

And I am pleased -- I want to thank Lou, I want to thank Ginny, his wife; both of them so nervous they can hardly speak about the future grandchild that's appearing any minute now. I want to thank the Young Artists' Philharmonic for bringing us a little class into this hangar. Real good. Thank you all very, very much. And salute several old friends: John Rowland, who we miss in the Congress, and I expect you miss him as Governor of this State, but nevertheless -- and Bobby Holt and my old friend Brian Gaffney and Betsy and Spike Heminway and Dick Foley and Bob Macauley and Leon Hirsh, Jack Neafsey, and fellow Republicans, including our very special Secretary of HUD, Jack Kemp, who is doing a superb job, trying to get this Congress to move.

And a special thanks to my old friends. They were with us in the convention and 4 years ago. I am a fan of theirs. They came down from Bangor, Maine, to be here, heading right on down to Atlantic City. But let's hear it once more for the Oak Ridge Boys. They say an awful lot about this great country of ours.

Now, not for a long one. Billy Graham tells this marvelous story about the speaker that went on and on and on. Somebody sitting over about where Jack was picked up the gavel, heaved it at him, missed the speaker, and hit a lady in the front row. And she said, ``Hit me again. I can still hear him." [Laughter] I want to keep this one brief because it is a lovely and an informal evening. But let me just make a few comments.

In the first place, I do think we've got a lot to be grateful for in this country. I think we have many, many blessings. And I see these kids here, and I am very proud that our administration has had some hand in seeing that these kids don't go to sleep every night worried about nuclear

war. We have changed the world, and we've changed it for the better.

I just came from a very emotional meeting -- Freedom Day, it is, out in Cleveland, Ohio -- came from a very emotional meeting with what used to be called the captive nations people: Ukrainians and Hungarians and so many others, Poles, Eastern Europeans of all kinds, and then those now republics, represented by the republics of the Soviet Union, former Soviet Union. And again we ought to keep that in sight as we count our blessings. The United States, because we stayed strong -- and I salute my predecessor Ronald Reagan for this one -- because we stayed strong and determined, those nations are no longer captive nations. They are free nations. And democracy is on the move all across the world.

So just as we have brought these changes, with a lot of help I will concede, but we brought these changes to the world, we've got to change things at home. And that is exactly what we have been trying to do for the last 3 years. Some successes, not enough. We've got to change the world. And let me just tell you, as Jack and I went out to Los Angeles and looked at it, what we feel needs to be done in the way of change. And it's not just to take care of that city that went through the horrible times. It's not just that, because the ideas I'll mention to you real quick are ideas that would resonate for other cities, other communities across this country. And all of them are built on the principles: personal responsibility, opportunity, ownership, independence, dignity, empowerment, the family. And it all adds up to the American dream.

And here's what we're talking about: We have a great program that we're trying to get the Congress to help us with now called ``Weed and Seed." It backs our wonderful law enforcement people. It weeds out the criminals and goes after the drug dealers. And then it seeds the neighborhoods with hope and opportunity. We need to get that through the United States Congress, and I believe we can.

The next one is enterprise zones, something that we've been championing for 3 years, Jack on the cutting edge, and effectively so, I might add. And what that says is, better than some make-work program, let's change the tax structure so you can draw like a magnet into the inner cities some businesses who are going to take a chance, who are going to take a gamble. And it's going to make it worth their while through the tax changes so they will then offer jobs with dignity in the private sector to those that have been bypassed as far as the American dream goes. We need enterprise zones now, and I'd like to have your support with the Congress.

Another one is, we must reform the welfare system. And people say, ``Oh well, wait a minute, is that some kind of code word." It is not. What we're doing is offering waivers to these States so they can try. Wisconsin came in, they've got a program called Learnfare to take welfare dependency people and give them an opportunity to learn; similarly, Workfare programs. We have got to innovate in this country. And then there's a much more compassionate side of welfare reform. A kid saved the other day a little over $1,000. And the welfare people came to get the family and said, ``Your daughter here has saved a little over $1,000. You can't do that on

welfare; that violates the rules." We're trying to change that so families can save a little money and work their way out or get themselves an education. So we've got to reform the welfare system. And the time has come. And the people that will benefit the most are those who have been on welfare hopelessly without any chance at the American dream. Help us change it.

We've got a wonderful job training program, Job Training 2000. We're going to coordinate the services to the people that need it the most. And again, we're going to push through, our able Secretary of Labor Lynn Martin and others, to get this Job Training 2000 enacted.

A fifth one is homeownership. You see, we believe that if a person owns the home, it is far better. They take a pride in it. A dignity comes back. It strengthens the family, and it is a far better approach than these failed housing projects that strip families of their dignity. And so we're pushing hard for homeownership. And again, we're going to try to get the Congress to help us in every way possible. Give that opportunity to American families.

And the last one -- and it is vitally important and it doesn't have quite the short-term implications -- we must reform our education system. And we are talking about a new program. David Kearns, that's so well-known in this part to many people, was very instrumental in it and so is Lamar Alexander, our Secretary. We're literally talking about revolutionizing American education, brandnew schools in each State, not new necessarily in bricks and mortar but new concepts. Trying that and saying, ``The old system hasn't worked; let's change it." For example, let's give parents a choice of where they want to send their schools, religious or private, whatever it is. Give them a choice and watch our educational system improve.

So these are some of the initiatives we're pushing. And then overlying that, we have some other fundamental ones. Every time I see young people I'm saying to myself, we've got to do something to keep from mortgaging their future. And we've proposed capping the growth of these mandatory programs. We are now fighting for a balanced budget amendment. And we need your help to get that one through the Congress. It will discipline our branch of Government, and it'll discipline the United States Congress. And the balanced budget amendment will be phased in, and it'll save the future generations if we can get it passed.

Two other points you'll be hearing more about as we engage in the fall -- and I will be encouraging people to send more Republican Congressmen down there to Washington, both in the Senate and the House. One of them is the line-item veto. You give me that line-item veto that these 43 Governors have, and watch us get that spending under control. And the last one, we've got to reform our legal system. We've got to sue each other less and help each other more. And we have proposals to do just exactly that. That's the tip of the iceberg.

There's a domestic agenda for you. And we're going to take the case to the American people. And Lou is right: The American economy has begun to move. A recent poll that I saw and analyzed here just a few days ago, 70 percent of the American people think the economy is

getting worse. They are wrong. It is beginning to turn. And when it does, the fortunes of the Republican Party and those people that share the values I've spelled out here are going to rise, and they're going to rise precipitously. We are going to win the election in the fall. We are going to get more people in the United States Congress that believe and think as you and I do. And thank you for your help in making that possible.

Thank you all, and may God bless you.

Note: The President spoke at 6:07 p.m. in Hangar 26 at the Westchester County Regional Airport. In his remarks, he referred to Louis Bantle, Bush-Quayle Connecticut finance chairman; Bobby Holt, Bush-Quayle national finance chairman; Brian Gaffney, Bush-Quayle Connecticut cochairman; Betsy Heminway, Bush-Quayle Connecticut cochairman, and her husband, Spike; Dick Foley, chairman of the Connecticut Republican Party; and Bob Macauley, Leon Hirsh, and Jack Neafsey, event cochairmen.

Letter to Congressional Leaders Transmitting Proposed Legislation on New Mexico Public Lands Wilderness Designation

May 22, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to submit for congressional consideration and passage the ``New Mexico Public Lands Wilderness Act''.

The Federal Land Policy and Management Act of 1976 (FLPMA), (43 U.S.C. 1701, et seq.), directs the Secretary of the Interior to review the wilderness potential of the public lands.

The review of the areas identified in New Mexico began immediately after the enactment of FLPMA and has now been completed. Approximately 908,000 acres of public lands in 50 areas in New Mexico met the minimum wilderness criteria and were designated as wilderness study areas (WSAs). These WSAs were studied and analyzed during the review process and the results documented in six environmental impact statements and one instant study area report.

Based on the studies and reviews of the WSAs, the Secretary of the Interior recommends that all or part of 23 of the WSAs, totaling 487,186 acres of public lands, be designated as part of the National Wilderness Preservation System. From these 23 WSAs, the Secretary proposes to designate 22 wilderness areas by consolidating two WSAs into one wilderness area.

I concur with the Secretary of the Interior's recommendations and am pleased to recommend designation of the 22 areas (totaling 487,186 acres) identified in the enclosed draft legislation as additions to the National Wilderness Preservation System.

The proposed additions represent the diversity of wilderness values in the State of New Mexico. These range from the relatively undisturbed and expansive stretch of the Chihuahuan Desert in the West Potrillo Mountains, to the canyons of the Gila and Chama Rivers, to the rocky peaks of the Organ Mountains, Big Hatchet Mountains, and the Sierra Ladrones. These areas span a wide variety of New Mexico landforms, ecosystems, and other natural systems and features. Their inclusion in the wilderness system will improve the geographic distribution of wilderness areas in New Mexico, and will complement existing areas of congressionally designated wilderness. They will provide new and outstanding opportunities for solitude and unconfined recreation.

The enclosed draft legislation provides that designation as wilderness shall not constitute a reservation of water or water rights for wilderness purposes. This is consistent with the fact that

the Congress did not establish a Federal reserved water right for wilderness purposes. The Administration has established the policy that, where it is necessary to obtain water rights for wilderness purposes in a specific wilderness area, water rights would be sought from the State by filing under State water laws. Furthermore, it is the policy of the Administration that the designation of wilderness areas should not interfere with the use of water rights, State water administration, or the use of a State's interstate water allocation.

The draft legislation also provides for access to wilderness areas by Indian people for traditional cultural and religious purposes. Access by the general public may be limited in order to protect the privacy of religious cultural activities taking place in specific wilderness areas. In addition, to the fullest extent practicable, the Department of the Interior will coordinate with the Department of Defense to minimize the impact of any overflights during these religious cultural activities.

I further concur with the Secretary of the Interior that all or part of 39 of the WSAs encompassing 420,400 acres are not suitable for preservation as wilderness and should be released for multi-use management.

Also enclosed are a letter and report from the Secretary of the Interior concerning the WSAs discussed above and a section-by-section analysis of the draft legislation. I urge the Congress to act expeditiously and favorably on the proposed legislation so that the natural resources of these WSAs in New Mexico may be protected and preserved.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

White House Statement on Haitian Migrants

May 24, 1992

President Bush has issued an Executive order which will permit the U.S. Coast Guard to begin returning Haitians picked up at sea directly to Haiti. This action follows a large surge in Haitian boat people seeking to enter the United States and is necessary to protect the lives of the Haitians, whose boats are not equipped for the 600-mile sea journey.

The large number of Haitian migrants has led to a dangerous and unmanageable situation. Both the temporary processing facility at the U.S. Naval Base, Guantanamo and the Coast Guard cutters on patrol are filled to capacity. The President's action will also allow continued orderly processing of more than 12,000 Haitians presently at Guantanamo.

Through broadcasts on the Voice of America and public statements in the Haitian media, we continue to urge Haitians not to attempt the dangerous sea journey to the United States. Last week alone, 18 Haitians perished when their vessel capsized off the Cuban coast.

Under current circumstances, the safety of Haitians is best assured by remaining in their country. We urge any Haitians who fear persecution to avail themselves of our refugee processing service at our Embassy in Port-au-Prince. The Embassy has been processing refugee claims since February. We utilize this special procedure in only four countries in the world. We are prepared to increase the American Embassy staff in Haiti for refugee processing if necessary.

The United States Coast Guard has picked up over 34,000 since the coup in Haiti last September 30. Senior U.S. officials are seeking the assistance of other countries and the United Nations to help deal with the plight of Haitian boat people, and we will continue our intensive efforts to find alternative solutions to avoid further tragedies on the high seas.

The President has also directed an intensification of our ongoing humanitarian assistance efforts in Haiti. Our current programs total $47 million and provide food for over 600,000 Haitians and health care services which reach nearly 2 million. We hope other nations will also increase their humanitarian assistance as called for in the resolution on Haiti passed by the OAS foreign ministers on May 17.

Note: The Executive order is listed in Appendix E at the end of this volume.

Radio Address to the Nation on Memorial Day

May 25, 1992

For many, Memorial Day signals summer's arrival. Families will pull out the picnic baskets and charcoal grills and head for the beach or the park. But more importantly, Memorial Day is one of our Nation's most solemn observances.

On this sacred day, we honor those Americans who died fighting for freedom. We pause to remember, to think about the meaning of the loss of brave men and women who did not return from the battle. And in cemeteries all across this great land, people will place flags or lay bouquets on quiet graves ``where valor proudly sleeps."

On this day, we must tell the stories of those who fought and died in freedom's cause. We must tell their stories because those who've lost loved ones need to know that a grateful Nation will always remember. We must tell their stories so that our children and grandchildren will understand what our lives might have been like had it not been for their sacrifice. The thousands of us who fought alongside brave friends who fell will never hear ``Taps" played without remembering them, nor will their families and friends.

So, let us remember the cause for which these Americans fought and the freedom and peace bought with their life's blood, and let us pass along to a new generation the awesome accounts of honor and courage. On Wednesday at the Naval Academy's commencement, I will talk about how the great victory of freedom in the world is a vindication of the American ideal. And I will remind those graduates that democracy is not our creation; it is our inheritance.

These reminders are important, for as someone said, ``Memory performs the impossible for man, holds together past and present." So then, we who are left must nurture the sacred memories of those who paid the ultimate price. And we must let their sacrifices give meaning and purpose to our Nation's future. Because they fought, we have freedoms many all too often take for granted. And because of their sacrifice, our children can sleep soundly without the threat of nuclear war hanging over their heads.

May God bless the families of all whom we honor. And may God bless the United States of America.

Note: This address was recorded at 8:05 a.m. on May 21 in the Cabinet Room at the White House for broadcast after 9 a.m. on May 25.

Presidential Determination No. 92 - 27 -- Memorandum Certifying Ethiopia for United States Assistance

May 26, 1992

Memorandum for the Secretary of State

Subject: Determination and Certification Under Section 8 of the Horn of Africa Recovery and Food Security Act: Ethiopia

Pursuant to the authority vested in me by section 8 of the Horn of Africa Recovery and Food Security Act (Public Law 102 - 274; 106 Stat. 115), I hereby determine and certify that the Government of Ethiopia:

(1) has begun to implement peace agreements and national reconciliation agreements;

(2) has demonstrated a commitment to human rights within the meaning of sections 116 and 502B of the Foreign Assistance Act of 1961;

(3) has manifested a commitment to democracy, has established a timetable for free and fair elections, and has agreed to implement the results of those elections; and

(4) has agreed to distribute developmental assistance on the basis of need without regard to political affiliation, geographic location, or the ethnic, tribal, or religious identity of the recipient.

You are authorized and directed to report this determination and certification to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:54 a.m., June 10, 1992]

Note: This memorandum was released by the Office of the Press Secretary on May 27.

Presidential Determination No. 92 - 28 -- Memorandum on Arms Exports to the Comoros

May 26, 1992

Memorandum for the Secretary of State

Subject: Eligibility of the Comoros to be Furnished Defense Articles and Services Under the Foreign Assistance Act and the Arms Export Control Act

Pursuant to the authority vested in me by section 503(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2311(a)), and section 3(a)(1) of the Arms Export Control Act (22 U.S.C. 2753(a)(1)), I hereby find and determine that the furnishing of defense articles and services to the Government of the Comoros will strengthen the security of the United States and promote world peace.

You are authorized and directed to report this determination to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:55 a.m., June 10, 1992]

Note: This memorandum was released by the Office of the Press Secretary on May 27.

Remarks at the United States Naval Academy Commencement Ceremony in Annapolis, Maryland

May 27, 1992

Thank you, Mr. Secretary, and thank all of you. Thank you, Larry Garrett. Please be seated. And may I salute our great CNO, Admiral Kelso, who's with us today, and our Superintendent, Admiral Lynch, the several Members of the United States Congress that are here today. I want to single out the Navy band, thank the Academy band; and Captain Bill Hines, the Senior Chaplain; and Midshipmen First Class Joe Lienert and Melissa Miceli for leading us in the national anthem. Officers, members of the faculty, friends, parents, the brigade, and of course, the class of 1992. As I said that, the sun came out. [Laughter] Now, thank you for this warm welcome. Let me add a special salute to an honorary classmate of the class of '92, Midshipman Rob Boehning, a model of courage to his classmates.

Now, the real reason I came here today: I just wanted to salute the class that finally captured the Army mules. And to show you that I took Larry Garrett's remarks to heart, I will now tell you my favorite Billy Graham story about the guy, the graduation speaker, goes on and on and on. A guy sitting over here picks up the gavel, heaves it at him, misses, hits a woman in the front row. And she said, ``Hit me again. I can still hear him." [Laughter] Look what you're in for. [Laughter] No, they're double-spaced.

As President, I've made it my mission to preserve three legacies of concern to all Americans. I spoke a few days ago at Southern Methodist University about the new economic realities, about the promising job opportunities that we're going to have in the next century. At Notre Dame, my focus was the family because the first lessons in faith and character are learned at home. But today I want to speak about the great mission you've taken up as your own: preserving freedom, keeping the peace.

You take up your watch at a watershed moment, as old orders give way to new. Just think of the changes, the remarkable changes that have taken place since you first came to Annapolis 4 years ago, for plebe summer way back in 1988. That was a different era, another world, literally. Europe was a continent divided, East from West. From Central America to the Horn of Africa to Afghanistan and Southeast Asia, the U.S. faced Soviet expansionism. Today, all that has changed. Today, the ``dominoes" fall in democracy's direction. Today, the Wall, the Warsaw Pact, the Soviet empire, even the Soviet Union itself, all are gone, swept away by the most powerful idea known to man: the undeniable desire of every individual to be free.

We must recognize these events for what they were: a vindication of our ideals, a testament to faith, but also a victory for the men and women who fought for freedom. Because this triumph didn't just happen. Imperial communism didn't just fall. It was pushed.

Your generation will be the first to enjoy the fruits of that victory. Today, the threat of a lightning strike across the fields of Europe has vanished with the Warsaw Pact. The threat of nuclear war is more distant than at any time in the past four decades. As Commander in Chief, I think back often to the day I did what so many of my predecessors must have longed to do, to give the order for many of our nuclear forces to stand down from alert. Last week in Lisbon, we reached agreement with four of the new nations of the old Soviet empire, Russia, Ukraine, Kazakhstan, and Byelarus, to make good on the great promise of the START Treaty that we signed just a year ago.

The end of the cold war, it means new opportunities for global prosperity. Free market reform is now sweeping away the dead hand of state socialism. Capitalism is recognized the world over as the engine of prosperity and social progress. And nations are reorganizing themselves to unleash the limitless potential of the individual.

Governments can help foster free enterprise, or they can put obstacles in its path. There is no question what course we must take. The United States will remain a forceful advocate for free trade. But the promise of new prosperity must not blind us to the new challenges of new economic realities. Nations that lack the confidence to compete will be tempted to seek refuge behind the walls of protectionism. We must fight the protectionist impulse here at home, and we must work with our partners for trade that is free, fair, and open.

Beyond this economic challenge, we must see clearly the dangers that remain. And yes, since the day you came to Annapolis, we have made great gains for freedom. But we have not yet entered an era of perpetual peace.

Some see the great triumph I mentioned a moment ago not simply as cause for celebration but as proof that America's work in the world is finished, is done. The fact is, never in the long history of man has the world been a benign place. It will take hard efforts to make and keep it a better place, and there is no substitute in this effort for America's strength and sense of purpose. When other nations look to the United States, they see a nation that combines economic and military might with a moral force that's born of its founding ideals.

Even in our new world, as old threats recede, new ones emerge. With the end of the East-West standoff, ideology has given way to ethnicity as a key factor for conflict. Ancient hatreds, ethnic rivalries frozen in time, threaten to revive themselves and to re-ignite. We see it now in the war-ravaged Balkans, in tensions within and among some of the new nations of the old Soviet empire. For all the overwhelmingly hopeful aspects of the new nationalism we see in the world, for all the proud history and heritage we see reclaimed, for all the captive nations now free, we must guard against those who would turn the noble impulse of nationalism to negative ends.

We will face new challenges in the realm of diplomacy. Where in the past we've relied almost entirely on established, formal alliances, the future may require us to turn more often to

coalitions built to respond to the needs of the moment. Where in the past, international organizations like the U.N., the United Nations, had been paralyzed by cold war conflict, we will see a future where they can now be a force for peace. Where in the past, many times the heaviest burdens of leadership fell to our Nation, we will now see more efforts made to seek consensus and concerted action.

The United States will never rely on other nations to defend its interests, but we can and will seek to act in concert with the community of nations to defend common interests and ideals. We saw a glimpse of that future in the Persian Gulf. Such a world puts a premium on nations certain of their interests, faithful to their ideals, and on leaders ready to act.

We will face new challenges that take us beyond containment to a key role in helping forge a democratic peace. In the weeks ahead, Congress will be considering what we call the ``FREEDOM Support Act," to promote democratic reform in Russia and the other Commonwealth States. For all the pressure to focus our energies on needs here at home, and for all that we must do and will do to open new opportunities to every American here at home, we cannot fail in this critical mission.

When we think of the world you and your children will inherit, no single factor will shape their future more than this: whether the lands of the old Soviet empire move forward into democracy or slide back into anarchy or authoritarianism. The outcome of this great transition will affect everything from the amount of resources Government must devote to defense instead of domestic needs to a future for our children free from fear.

And yes, the aid that I have requested from the Congress is significant, but it is also a tiny fraction of the $4 trillion that this Nation spent to wage and win the cold war. We owe it to those who began the task as well as those who will come up afterward to finish the great work that we have begun.

But if we hope to remain free and at peace in the world, a world that still holds dangers, we must maintain defenses adequate to the task. This defense rests on four key elements.

First, we must maintain a strong strategic deterrent. And yes, our nuclear forces can and will be smaller in the future. But even in the aftermath of the cold war, Russia retains its nuclear arsenal. We learned in Desert Storm about the progress that Iraq had made toward building nuclear weapons of its own. We must heed the lessons learned in the Gulf war, when a single Scud missile took the lives of more Americans than any other combat action in that war. We cannot count on deterrence to stop a madman with missiles. We must deploy a defense against ballistic missile attack.

Second, security means forward deployment. From the 40 years of cold war to the 40 days of Desert Storm, forward deployed forces have contributed to the world's stability and helped

America keep danger far from its shores. Even in our new world, with the tremendous political transformation we've worked to bring about, the fundamental facts of geopolitics don't change. Forward deployed forces -- I'm talking about ground forces, and I am talking the United States Navy -- will keep America safe in the century ahead as they have in the century now coming to a close.

Third, the nature of the challenges we are likely to face will put a premium on rapid response. We live in a day when clear and present dangers are few, when new threats can emerge with little or no warning. Throughout history, our ability to project power has helped us keep the peace, and if need be, to win the war. And this I pledge as Commander in Chief: America's forces will continue to be the best trained, the best equipped, and most battle-ready forces anywhere in the entire world. We owe it to the generations coming up.

Fourth, even as we reduce our Armed Forces, we must retain the capability to reconstitute sufficient forces to meet the future threats that we may face. As we make significant cuts in our defense procurement, we've got to keep in mind that production lines for planes and tanks and ships cannot be turned on and off like water from a faucet. We've got to keep our technological edge, keep our R&D focused on the next generation of weapons that you'll need to succeed.

In conclusion, I just want to turn now to a final challenge, one that begins with a hard-won truth that shines through this century's great conflicts: America is safest at home when we stand as a force for stability in the world. In many respects, reaffirming this truth in our new world may be the greatest challenge of all because the history of this century reveals in the American character a desire to see in every hard-won victory a sign that America's work in the world is done. Such an urge is not unusual in democracies. It's a trait found in nations more interested in the quiet joys of home than in the glories of conquest abroad. But it can be devastating in a world that still holds dangers for our interests and ideals.

Winston Churchill made this point the theme of the last volume in his epic history of World War II. He called it, ``How the great democracies triumphed and so were able to resume the follies which had so nearly cost them their life." Once more, our challenge is to avoid the folly that Churchill warned of, to remain engaged in the world as a force for peace. We will do it with your help, through the leadership you provide. Today, John Paul Jones would say, ``The measure of a ship is not its guns but its courageous men and women." Your courage, your integrity, your ability to lead, these are the qualities on which our Nation's security depends.

More than once this century, America has proved its mettle. More than once, we've come late to conflict and turned back mortal threats to freedom. But as a Nation, we have yet to prove that we can lead when there is no enemy on the doorstep. We have proved and proved again we can win the war. Now we must wage the peace.

Once again, to this wonderful graduating class, I wish you well. I wish you Godspeed. And

thank you all for this warm welcome. May I thank the families that have labored in sweat to provide this wonderful day for these wonderful midshipmen, now to be ensigns or lieutenants. Welcome, congratulations to the class of 1992. And may God bless the United States of America, the freest, greatest country on the face of the Earth. Thank you very much.

Note: The President spoke at 10:45 a.m. at the Navy/Marine Corps Memorial Stadium. In his remarks, he referred to Lawrence Garrett III, Secretary of the Navy; Rear Admiral Thomas C. Lynch, Superintendent of the U.S. Naval Academy; and Midshipman 1st Class Robert Boehning, an honorary graduate.

Remarks in a Roundtable Discussion With the Mount Paran Christian School Community in Marietta, Georgia

May 27, 1992

The President. Thank you, Dr. Walker, and all of you for taking your time. But what I wanted to do is just say a couple of brief remarks and then listen to you.

Tomorrow there's a report coming out on the schools. It's an NAEP report. I think it will be announced by the Education Department. And it's got some troubling statistics in it, conclusions in it about kids: too much television; not enough reading, parents reading to the kids, kids doing reading. And I just wish Barbara were here because she spends a great deal of her life encouraging families to read together and teachers and kids to read together. But this report is going to say that we've got a long way to go.

Having said that, I am told that this school sets a pretty darn good example for the rest of the State, community, and Nation really in terms of parental involvement, which we think is absolutely fundamental, and also in terms of teacher-kid relationship. So what I want to do is to hear from you as to how you think it's working.

We think in America 2000 we have a good, strong education program. It puts emphasis on school choice. When I got out of the Navy a jillion years ago -- it's on my mind because I was at the Naval Academy graduation today; did not go there, but when I got out of the service we had the GI bill. You could choose whether you wanted to go to whatever school. Similarly, in some of the grant programs for higher education you can choose. We think choosing public, private, religious schools makes all schools better. Competition never hurt anything. And we think it is a good way to go. So choice is a part of our America 2000 program. And then part of it is simply, in a revolutionary way, redesigning American education. But not dictating from Washington: Say here's a community; you come up with what you think is best for your community. Here's an urban area, and you all decide what you think is best.

And so this is our approach, and we've got a great Secretary of Education, Lamar Alexander. Dr. Roger Porter, over here, is with me in the White House, is an expert on not only what we're trying to do but I think on American education. So if you ask me questions I can't answer later on in the question-and-answer period, I'll just simply turn to Roger.

But I'm told that it works for you, that you're getting good results. And I'd like to know from all of you, board members, students, whether that conclusion is correct, and if so, why.

Jim -- I met your headmaster down there. I don't know whether we have an order here, but maybe he's a good one to start it off.

[A participant said that competition is good for education, as demonstrated in Japan.]

The President. This is the point, ironically, that Benno Schmidt, who just left my university, Yale, yesterday to work with developing brand new schools, revolutionary schools, made on one of the television shows this morning, the point that choice breeds competition, and competition leads to excellence in the schools that are chosen. And then those that aren't, I am told by education officials in Minnesota and elsewhere, upgrade themselves.

How do you feel about all of this? Not on just this subject, but any. What do you want to share with us about your educational experience?

[A participant said that competition and parental involvement are key elements.]

The President. Is there a special way in which you involve parents, or is it kind of an enhanced PTA way of doing it? Again, I think one of the things that this report tomorrow that Lamar Alexander will be announcing said is that we just have got to find more ways to get parents and kids involved. We're talking here about mainly, I think, Roger, out of the public schools, this report is based on findings; but parent involvement with kids, homework, reading, particularly reading. This relates largely to reading, this report that will be out. And we're just not performing as a Nation.

But do you all have very active parent participation at the school, or is it just encouraging parents at home to do more with the kids. Who can pitch in on that one?

[A participant described parental involvement in the classroom and teacher involvement with the family. Another participant discussed parents' purchases of school equipment.]

The President. Some schools in the public school system really do strive for that. It doesn't have quite the same feeling, but they have much more active parental relationships than others. And I'm told that those make a tremendous difference.

Who else?

[A participant said that teachers send home parent information packets regularly. Another participant said that teaching moral values in schools was important.]

The President. And I keep saying this, but I'll repeat it to you all. I said it in the State of the Union. When the mayors from these National League of Cities came to see me, some from gigantic cities -- Los Angeles, Tom Bradley was one of them -- to small, almost towns, to medium-sized cities like -- I think of Plano, Texas, which is fairly small -- and united, Republican, Democrat, liberal, conservative, about the root cause of much of our urban decline

was the diminution of the family, the decline of the American family.

And yes, we get criticized for raising it, but we're going to keep on talking about that and trying to encourage family participation. We've got this family commission, this commission on the family, and they will be reporting in a few months, looking at legislation to see if there's anything in the legislation that encourages through financial incentive a husband and wife to live apart, for example. We can't have that anymore. They're going to be looking at all kinds of things to come in with recommendations as to how to turn around this decline in the American family, the falling apart of the family structure. And I will keep on talking about it, and I think it's something that the American people are sensitive to and want to find ways to help.

And so we'll keep trying. And when Barbara goes out and hugs a kid and talks about reading to children, I think this is the way you strengthen families. If a kid comes home from school, no matter how impoverished the neighborhood, and picks up a book and sits with the kid and they read back and forth, that helps. And there's no question about it. And it might not be as sophisticated as some of our critics would like to have it, but it's fundamental. And it's good, I think. And so, when I sit there in the diplomatic entrance of the White House in what, okay, is somewhat show-biz reading to kids, it's supposed to send a signal that this is a good thing to do.

What were you going to say?

[A participant asked if the role of schools would evolve in response to increased family instability.]

The President. One of the national goals is to have learning take place in a safe and sound environment. I think a lot of schools are way out in front; I assume this is one of them in terms of no drugs, for example, in terms of getting the place safe. I expect you don't have a day-to-day gun problem in this school. Regrettably, other schools do. And so, one of the six national goals is to have a safe and sound place for people to live.

So I do see evolution towards that end. I am not pessimistic about all this. Unfortunately, in terms of our national education bill, we got socked in the House of Representatives by people that wanted to do it the old way, the way that has failed. That does not want choice, for example, and that wants to have it all mandated out of some subcommittee in Washington. We don't need that. I think the country has seen that doesn't work. So, with our new American schools concept for example, we're saying to communities: You figure it out. Marietta, Georgia, might have somewhat different requirements than downtown Chicago.

And so this is the approach we're taking. And I do see a favorable evolution towards these ideas, but I'm not sure, given the recalcitrance in Congress today, that it's going to happen overnight. We're going to keep pushing because I think the six goals, you know, are sound: Math and science. And you know, nobody's too old to learn; it gets into your whole feeling of adult

education. Tests, volunteer, but nevertheless standards so a parent can tell how his or her kid adds up to others across the country. These are good. Knowledge in the key five subjects, that's another one of the goals.

So I think the education goals that were set by Governors, including Georgia's, in a very constructive role a few years ago are valid and sound. And what we're saying is give the communities and private schools, public schools, religious schools the flexibility from Washington to achieve these national goals. And I think it's sensible. And I think we got a long way to go before everyone in the country's behind this, but I think it's evolving in an evolutionary way.

[A participant said that parents, rather than outside sources such as television, must set moral guidelines for children.]

The President. Let me just amplify what you've said here because I think that's great. You mentioned television. This report that's being issued tomorrow will say that the American students spend little time reading for pleasure or as part of their schoolwork, rarely visit the library, and watch television on average more than 3 hours a day. It will also go on to scientifically state that those that watch it 2 hours or less do better. And 2 hours is a lot of TV, but I mean, that is a conclusion of the report. Now, who turns the set off? Probably the parents or some counselor saying, ``Look, here's what happens to you if you don't," or whoever gives out the homework. Those are things that I think are vital.

[A participant asked about tax breaks for private school tuition and said that parental involvement is a key to student success.]

The President. That's a good point. I think we do have to face the fact that some parents can't afford tuition, but they can afford to have an environment that encourages the kind of values we're talking about. We've got to strive to that.

[A participant said that parents should be involved in their children's education and schools should not have to fulfill the role of parents.]

The President. I think it's a very good point, and that's why parental involvement in public schools is very, very important. And where it is so hopeless, where it is so disrupted, you do have schools, programs like Cities in Schools run by a guy named Bill Milliken, where they actually have to go in some of the really tough city areas and get city officials who almost adopt a kid. That kid isn't in school, go to the house and find out why the child wasn't there. Was the single parent on drugs, and if so, how does society help give that kid a chance? The theory being every kid, no matter what situation, has to have somebody who knows his name and cares about him.

And that is something that I don't think is a problem here, quite obviously, but it is a problem in some schools. And I think we hope that in this encouragement of family involvement, it will take some of that burden away. But where it still remains, we have got to find ways to have every kid have a mentor, every kid have someone who cares about them, lifts them up, brushes them off when he gets hurt, sends him off to school.

[A participant said that teachers' involvement in students' lives is important.]

The President. I think that's true. Yet I think we have to say, and I expect the teachers here would say, that there are teachers in the public schools that do give the kids that. So I know you know that, but it's a very valid point, Brian, that you're making.

I think of the guy that just was in to see me the other day. I don't know if any of you saw the movie ``Stand and Deliver," Jaime Escalante teaching calculus to these kids. I was out and watched him in school. He was a super guy. But here he is teaching kids that are disadvantaged. They come to him with no special privilege. They're largely Hispanic. Some of them have a poor grasp of English when they come there, and yet he is such a teacher that he just makes it come alive. And it is very exciting to watch him and to listen to him and to be inspired by him. And so I guess what I'm saying is we need more Jaime Escalante in all schools. And yet, I'm not arguing your point.

[A participant said that home, school, and church need to work together.]

Participant. Mr. President, we'd like to have you here for the rest of the afternoon. But your people are giving me signals and you signals.

The President. So, thank you all for giving me your time. I'm just sorry I talked so much and didn't give everybody a chance. Thank you.

Note: The President spoke at 5:14 p.m. in a classroom at the Mount Paran Christian School. In his remarks, he referred to Paul L. Walker, senior pastor, Mount Paran Church of God; Roger B. Porter, Assistant to the President for Economic and Domestic Policy; Benno C. Schmidt, president of Yale University; James R. Heyman, headmaster, Mount Paran Christian School; and William E. Milliken, president of Cities in Schools, Inc.

Remarks and a Question-and-Answer Session With the Mount Paran Christian School Community in Marietta

May 27, 1992

The President. May I simply start off by thanking you, sir, Pastor Rice. And Dr. Walker, of course, Dr. Heyman, Principal Susan King. And I understand there's a little overflow in the sanctuary; we'll greet them wherever they may be. And thank you for this warm welcome to this wonderful, wonderfully warm school environment. I know a little poster action went on over Memorial Day, and I see the tip of the iceberg. But thank you for the welcome.

I would like to say to Pastor Rice, we are trying. We are trying, because we are committed to making American education the best in the world. And it's not there yet. We're not close to that yet, so we've got to keep on trying. I left the two great Bush family experts on education behind, regrettably. Barbara Bush, I think, is doing a superb job encouraging people to read to their kids, and that is fundamental. And we have an author in the family, our dog Millie. [Laughter] You may have read my tax returns, and you can tell who the breadwinner is in that family. The dog made 5 times as much as the President of the United States. [Laughter] I might point out that all of that money that Millie made in her book goes to Barbara's foundation on literacy, which I hope will benefit children across this country. I'm sure it will.

Our America 2000 education crusade is not built on finding the answers in Washington, DC. It is built on encouraging a revolutionary approach to education, and that is where local communities put forward excellence. We believe that's right. We believe in parental choice. We believe that people should be free to choose public, private, religious schools. And our whole system, our whole approach to education is built on a concept of choice and actually revolution, not tinkering at the edges but revolutionizing American education at the public school level. You see, we've got the best college education in the world. When Yale's president announced his departure from Yale yesterday to go into some concepts similar to what we're talking about nationally, he pointed out that at the college level, choice makes State schools better and makes private schools better. The same thing will be true if this concept catches on nationally.

Another point that we want to make is that one of the reasons I wanted to come here is to point up for the rest of the country what excellent teachers mean and what parental involvement in kids' education mean. I'm told by Dr. Walker and your able principal that parents are involved and that they care and that they read to the kids and that they see that the homework is done. So I would salute this school for some way inculcating into the parent this concept of what they do is vital to American education.

The teachers, I'm told, here are excellent. I would recognize that your system here encourages that interaction between the kids and the teachers, not just in the classroom but by bringing in the parents for what some would call PTA activities or whatever. So I salute you for that, and I

think you're setting a good example for other countries as well.

Some parents are out there checking homework and turning off the TV. Well, that's a good thing because tomorrow there will be a new study announced by our Department of Education. And I might say I have great confidence in our Secretary of Education, Lamar Alexander. But this is the NAEP, the National Assessment of Education Progress. It's coming out with conclusions that will not be a surprise to the teachers, the officials, the administration, and the parents in this school.

But the point explains that American students across the board spend too little time reading for pleasure or as part of their school work, that they rarely visit the library, and that they watch television on average more than 3 hours a day. Now, I think that these conclusions in this report will resonate around the country, and people are going to begin to say, ``Wait a minute, let's try it a different way. Maybe let's try it the Mount Paran way where we're going to have less of that and a little more homework emphasis."

But in any event, I came here to take a few questions and hopefully to get an answer or two. My dad, who was in politics many years ago, always liked the guy that got up at the forum like this and said, ``For your information, I'd like to ask this question." [Laughter] Well, I could use a little information, so don't be concerned if your question sounds a little bit like a lecture. So with no further ado, other than to once again say thank you from this grateful heart, I'd like to take your questions.

The last point I will make, and I promise it's the last: From the minute I walked in here I get the distinct feeling that this place has a real sense of what we call family values. I think that sets a good example for the rest of the country as well.

So, who's first?

Vouchers for Private Schools

Q. Mr. President, in an effort to improve the quality of education in America, do you support any Government funding of private education?

The President. Yes, I do believe that our system which calls for vouchers for private, public, or religious schools is the way to go. And I think it, incidentally, I think that will improve the school that is not chosen. That comes under what we call a concept of school choice, and I think that it will help those schools that are left behind. I think Minnesota will tell you that that's what happens when a school is chosen.

I might point out as one who benefited from the GI bill a thousand years ago when I got out of the Navy in nineteen-forty -- what the heck was it -- [laughter] -- 1945, they said, ``Here's the GI

bill. You can choose where you want to go. You can choose a private school. You can choose a State school." And no great damage was done to the Constitution. I think that same principle will inure to the benefit of the schools that are chosen and those that aren't. So yes, I do support that concept. Therein I have a big difference with the Court.

You guys right in the middle, go ahead. You've got a question? Scoot right up here. While you're coming up, let's see.

Advice to Youth

Q. What can a fifth grader do to help keep our country free and the greatest country in the world?

The President. What kind of what?

Q. What can a fifth grader do to keep -- --

The President. A fifth grader? A fifth grader can study. I know you're not going to like the answer too much. [Laughter] A fifth grader can watch less than the national average of kids watching television. You can learn. You can listen to those around you who are helping you with your value structure, and I think you then find that through your studies and through your environment, you have the values that will help keep this country strong.

I am an old-fashioned kind of guy. I think it's good when the people are patriotic and salute the flag and stand for the Pledge of Allegiance and say we are ``one Nation under God.'' I think a fifth grader learns those things and shares them with her schoolmates, and then it's a part of your life as you get older. You'll be standing for something; you believe in something, something good.

What's your friend got? Are you a friend of hers?

Q. Yes.

The President. Are you?

Balanced Budget Amendment

Q. Yes. I have a question. If God can run the world on 10 percent, why can't Government run the country on 30 percent? [Laughter]

The President. That's a good question. You're talking about tithing? [Laughter] Well, that's a

good question, and the answer is it's slightly more complicated than the question. [Laughter] But you know, there are some people -- I assume that that's a pitch for 10 percent in taxes, but there are some that frankly can't afford it. I think under our system others manage to pitch in to help those who literally can't afford to pay a dime.

But I take your point. I think there's a point behind the question, and that is that we've got to get our spending of our Government under control. Frankly, I think one way to do that is to now pass the balanced budget amendment to the Constitution. The liberals don't like it. The liberals do not like it, and they keep throwing up what I call the Washington Monument syndrome. That means if you have to cut somewhere, they'll point out, well, the first thing you've got to do is take down the Washington Monument or go after programs that everybody likes. That isn't what happens to get a balanced budget.

What we need to do without getting too technical here is to control the growth of the mandatory programs. You don't have to cut them, but you have to control the growth of that part of the budget that's running out of control. I believe we can do it. I think a balanced budget amendment would discipline the Congress, and I think it would discipline the executive branch. It's an idea I've been for for a long, long time. I believe it's going to pass the Congress now. The people are not listening to these sophisticated arguments. They're saying, ``Do not saddle these young kids with more and more debt." And so we're going to try it.

The guys in the back of the bus are getting not equal opportunity on these questions. So you might have to just come up to the front, or just if you put your hand up and you've got a loud voice, we'll try some back there. Go ahead.

Vouchers for Private Schools

Q. Mr. President, when if ever can private school and Christian school parents ever expect to see some type of tax credit?

The President. Well, I think what -- we're frankly having a little difficulty getting this idea of vouchers, which is essentially a credit, through the Congress. But we're going to keep on because it is part of our America 2000 program. I think there's less resistance to it. But I'll be honest with you; I just don't know the answer as to when it's going to happen. I think our administration with our six education goals and our America 2000 program are on the right track in this regard. I'm going to keep pushing for it because I think it makes good sense.

Anyway, yes, ma'am, way in the back.

School Choice

Q. [Inaudible]

The President. Where it's been tried, choice has been tried, I think the record shows that the school that is not chosen improves itself. That's the point that Benno Schmidt -- I made this to a group earlier on -- who's leaving Yale University -- I still think it's a great university, not just because I went there -- but nevertheless, he's leaving to go into what I would call a model school program. His point was that choice makes those schools, private schools in higher education better, and the State schools are better as well because of the competition.

So I don't look at it as a program that should diminish the quality of education in our very important public school system. We think the competition will enhance the -- especially if we can strive to achieve our six education goals.

So, that's the answer I would give you.

President's Domestic Agenda

Q. What will you do after you win your election?

The President. After I win? Well, you mean the very first thing? [Laughter] Take a little time off. [Laughter] No, but what I'll do is -- and I think I'll win; I really think so. It's funny out there right now. But there is so much we need to do in the country, and this is one of the prime things, better education. I feel strongly about it.

You know -- what grade are you in? Fifth grader. Well, it wasn't long ago that every fifth grader in this country went to bed from time to time very much concerned about what? Nuclear war. Now, thank God, because of my predecessor I think gets credit; other Presidents get credit; I hope I'll get a little; we've helped change the world. The changes are dramatic. There no longer is a Communist monolithic enemy. You don't probably worry about it. You don't have drills where you have to hide under your desk, wondering what would happen if there was a nuclear war. We've got a lot of blessings. We can thank our God for the blessings, the changes toward world peace.

So that's been some good that's happened. You don't hear much good these days, but that's something very good. What I'd like to do now is to take that energy and that emphasis that helped bring about that kind of change, after, you say after I'm elected, and then try to move forward in the field of anticrime; move forward in the field of education; move forward in the field of health reform -- not to put in a socialized medicine program but to -- where everyone has access to insurance through pooling and through various ways of doing it. I'd like to work for a society where we love each other more and sue each other less, and that means putting some caps on these liability claims.

But there is so much to do as President. There are so many things to work on and so much to do.

But those are just some of the priorities that I would try to work very hard on if I'm lucky enough to win.

Religion in Public Schools

Q. Can there be Bible in public schools?

The President. The answer to that is, I don't think so. I still favor voluntary prayer in the public schools. I believe in that, and I think there will be. [Inaudible] -- in the Constitution. But prayer in school on a voluntary basis, I simply can't understand why it's not permitted. In the Senate, and heaven knows they need it -- [laughter] -- but in the Senate and in the House, they open with prayer every single day, and nobody complains about that.

So my position is well-known, and I say this.

Way up in the balcony. Yes, sir. You. I can hear you.

Abortion

Q. I want to thank President Bush on behalf of the -- [applause]. I'd like to know if you have any plans to eliminate abortion?

The President. Well, yes, because we're -- well, of course, this is a matter that is enshrined in law. My position is, as you say, is publicly stated. And I think the matter now is in the courts. And I do, I worry very much about the mounting numbers of abortions. One of the cases before the Supreme Court now relates to whether a parent should be notified if a child, 13-year-old kid, for example, is going to have an abortion. I feel, of course, a parent should be involved. But that matter is being adjudicated in the courts right now.

But my position is clear. I think it's correct. And there's room for a lively debate out there; you get plenty of argument on it. But I come down on the -- err, if you're going to err, err on the side of life. And that's the way I feel.

Local Control of Education

Q. Mr. President, as an educator for 21 years, what can you do to help us to eliminate the enormous amount of paperwork involved in education so that we who want to be good and positive role models for kids can get on about that business?

The President. Well, you touched a real nerve because we have now just redoubled our efforts to cut down on the regulatory burden, not just paperwork, which is enormous and where we've got to do better, but on a lot of excessive Government regulation that stifles many small businesses,

for example.

I know educators feel that they are swamped when you're dealing with Government funds on paperwork. But one of our approaches is to get away from these mandated programs where some subcommittee chairman, some old curmudgeon that might have been there forever, has some idea about the way it used to work 40 years ago and insists on saying, if you want Federal money -- happens to be your money -- but if you want Federal money, you've got to follow these certain guidelines and fill out 23 reports.

Our whole approach on America 2000 is to let the decisions be made at the local level. And some schools might say, ``We want 8 hours a day;" another might say ``6 days a week"; another might say ``11 months a year"; another might say, ``Let's try the other way; back off and have less school time, more required homework." But let the American people decide that in their communities, as close to home as possible. That will take care of the problem you asked.

What's this guy, what have you got?

Family Values

Q. President Bush, where do you stand on the issue of the traditional family unit?

The President. The traditional family? Well, I guess everybody looks at his or her own experience. Barbara Bush and I have been blessed with growing up in what you might call a traditional family, a family where a mother and dad are there, and they give love to a child. So I am, I guess, what you call a family values man.

But where you don't have that, where a kid, a little child comes into the world and doesn't have the father -- the father may have run away, not even there to know the name of the child -- somehow we then have to help that little kid. I told it earlier, every kid ought to have somebody that knows his name. It should be the parent, should be two parents. If not two parents, it ought to be one parent. If it can't be that, there's got to be a mentor. There's got to be somebody who cares, somebody who loves that child.

And on traditional family values where you can have the welfare system so it does not encourage a husband and wife to live apart. We've got to change it. We've got to make it so these kinds of traditional values have a chance to work in this troubled society of ours.

So I'm not ashamed about talking about family values and traditions of that nature. We'll keep on doing it, and I think it's beginning to resonate. Because as I told Dr. Walker and some others earlier, when the mayors of these cities, a lot of cities, came to see me, including Mayor Bradley of now-troubled Los Angeles, they said, ``The thing that concerns us most about trouble in the cities, the most single cause is the decline or defamation of the American family." We've got to

find ways to strengthen it.

Haitian Migrants

Q. Good evening, President Bush. My question is a little different from what we have been talking about this evening, about family values and education. It has to do with the fact that, as we educate our daughter here at Mount Paran, one of the things we try to do as parents is to try to also educate our daughter in light of what is going on in the world in terms of what she's being taught.

My question has to do with the Haitian refugee situation. Earlier this week the Government announced a policy of repatriating Haitians back to Haiti. On the surface, Mr. President, that policy seems to run contrary to what America has stood for over the past couple hundred years, in that Americans opened their arms to all ethnic groups and different classes who sought to free themselves here in America from oppression in their homeland. Could you please explain why a policy was warranted to repatriate those Haitians?

The President. Absolutely. And it's a very good question. The answer is this: Yes, the Statue of Liberty still stands, and we still open our arms to people that are politically oppressed. We cannot and, as long as the laws are on the book, I will not, because I've sworn to uphold the Constitution, open the doors to economic refugees all over the world. We can't do that.

We're having a border crossing coming in from Mexico in unprecedented numbers. We're trying to, not to be mean about it, but we're trying to say, ``Listen, we've got to live by the laws of this land."

It is my understanding that the vast majority of the refugees -- and they're being screened; they're now going to be screened at the Embassy; they were being screened at Guantanamo -- are economic refugees. There was one guy that was thrown out twice and vowed as he left the Coast Guard cutter the second time, ``I'll be back in a week." There are merchants in Haiti today advertising almost like bounty, ``Pay us $500 and you can climb into my unsafe boat and set out across the ocean," knowing that out of compassion the United States Coast Guard would save them.

We have to control our own immigration policy. We've got to do it with compassion. We've got to do it under the law, though. So what I'm saying to you is, we are not repatriating willfully people that are fleeing political oppression. Part of our policy on Haiti, and we're taking a leadership role in the OAS, is to return Mr. Aristide, who was democratically elected, to Haiti. We want him back there. And if we don't do that -- I would say this, add this peripherally -- if we don't do that, that sends a bad signal to those who might be plotting coups in other parts of our hemisphere, which, thank God, is almost totally democratic today.

So our policy is, I think, the right policy. I think we do have to control -- some accuse it, incidentally, of being a racist policy. I would vehemently deny, that is not the case, because these people have every right to be screened. We've accompanied this program now, so we will not be faced with the numbers of leaky boats, with giving additional food aid to Haiti. We will continue with our sanction program, and we will continue to try to get Mr. Aristide returned.

Frankly, the numbers as of yesterday were down of the people fleeing. I still worry about it because some will get by and some will die on the sea because they are being -- it's like a magnet to them, these advertisements that ``we'll get you to Guantanamo'' or ``we'll get you to Florida.'' We're bound by our laws to screen people properly, to protect people's rights. But we are not bound to have an open policy where everybody in economic deprivation around the world can come to the United States. I don't think that should be our policy, and it's not.

So I worry about it. I worry about the appearance of it to some. But I'm glad you raised it because it's the first chance I've had since the new order to fully explain it. I am convinced that the people in Haiti are not being physically oppressed. We've got all kinds of ways to monitor that situation there. A returnee, for example, a guy that's taken from Guantanamo and sent back, I would not want on my conscience that that person having fled oppression, anyone that was fleeing oppression, would be victimized upon return.

So I think I can say to you they're not being oppressed. Political refugees, where they're caught up in this political turmoil, are being screened and have been admitted and will continue to be admitted to the United States under our laws. But under the other part of our laws, economic refugees will have to come in under the quotas designated under the law.

So there it is.

North American Free Trade Agreement

Q. Mr. President, I'm an eighth grader, and my dad is concerned that American jobs will be going to Mexico and South America as a result of the American free trade policy. Will this happen?

The President. Well, I think your dad, with all respect, and don't tell him this, is wrong. I happen to believe that a fair trade agreement will result in more American jobs. I happen to think -- we're talking here about compassion and economics -- I happen to think that if the free trade agreement helps Mexico, as well as helping the United States, it's a good thing.

I don't believe in protection. I believe in fair trade. I believe the NAFTA, the North American free trade agreement, will result in better jobs and more jobs for the United States of America. If we're successful in this NAFTA agreement that your dad asked about and Canada stays in the deal, which I'm sure they will, we're talking about a $5 trillion market. And this is enormous.

And that means prosperity for lots of families.

So please tell your father that we are not talking about exporting American jobs. We're talking about creating new American jobs. If in the process we create a more prosperous Mexico that can do more about its environment, can do more about its standard of living, so much the better. Mexico has a wonderful new President, Carlos Salinas, and he has done wonders with Mexico. I believe that this fair trade agreement not only is in his interest, but what I've got to look after, is it the interests of the United States of America. I am absolutely convinced that it is, because free trade is far better than turning inward to some kind of protection.

I wish I had it on the tip of my tongue the numbers of jobs in Georgia that depend on American exports. It is enormous. And we ought to keep opening, knocking down barriers, like our GATT agreement and getting a successful conclusion to the Uruguay round, knocking down barriers to American trade that will come with the North American free trade agreement.

So I am a free but fair trader. I think protection shrinks markets, and I think our policy will increase jobs and markets.

Listen, thank you all very, very much.

Note: The President spoke at 5:46 p.m. in the school gymnasium. In his remarks, he referred to Pastor Darrell Rice, chairman, Mount Paran Christian School Board, who acted as moderator for the session. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on House of Representatives Action on Energy Legislation

May 27, 1992

The President is pleased that the House of Representatives, in passing H.R. 776, today made progress toward adopting a sound national energy strategy.

This legislation implements several key elements of the national energy strategy the President presented to Congress in 1991. It promotes energy efficiency and increases the use of renewable and alternative energy while providing much needed alternative minimum tax relief for independent oil and gas producers. This bill would also foster competition in wholesale electricity markets, reform the regulation of natural gas pipelines, and streamline the nuclear powerplant licensing process.

Although pleased with the progress, the President noted that the House bill needlessly locks up some of America's best prospects for domestic oil and natural gas production and restricts State prorationing authority, thereby interfering with the ability of States to properly regulate production of their own gas resources. While there is much work to be done, the President believes this bill forms a welcome bipartisan basis for moving to conference.

Appointment of Eric D.K. Melby as Special Assistant to the President for National Security Affairs

May 27, 1992

The President today announced the appointment of Eric D.K. Melby as Special Assistant to the President for National Security Affairs and Senior Director for International Economic Affairs on the National Security Council staff.

Mr. Melby has served as Director for International Economic Affairs on the NSC staff since September 1987. Prior to joining the NSC staff, he served as Special Assistant to the Under Secretary of State for Economic Affairs (1985 - 87) and with the International Energy Agency in Paris (1980 - 85). He has also worked for the Agency for International Development and was a Peace Corps volunteer in the Philippines.

Mr. Melby received his B.A. from Haverford College and his M.A. and Ph.D. from the School of Advanced International Studies of the Johns Hopkins University. He is married to Pamela Tripp Melby and has two daughters, Alexandra and Sarah.

Remarks at a Bush-Quayle Fundraising Dinner in Atlanta, Georgia

May 27, 1992

Thank you all so very much. And Jim, thank you for sharing this highly successful dinner. I'm deeply appreciative. Thank you also for the introduction. May I thank Kathleen Bertram, who rendered the national anthem with such beauty and such feeling. Thank you very much. To Dr. Tomlinson, thank you, sir, for the invocation. A Congressman from here, but I believe from this particular district, Newt Gingrich, is up -- the House is in session tonight, but Marianne, his wife, is with us. And I welcome her and pay my respects to our deputy leader up there, Newt Gingrich.

May I salute Bobby Holt, who is our national Bush-Quayle finance chairman, a fellow Texan, and he's done a superb job in getting us this far along the way. Also Fred Cooper, who is our Bush-Quayle State chairman, political chairman, and did a superb job working with so many of you in the primary. We had a fantastic turnout in a year that some were quite critical of, and I was very, very pleased for the result of that. And next to him, of course, a guy that deserves an awful lot of the credit for that, our State chairman, Alec Poitevint. He did a marvelous job. And he's doing a great job for the party. May I also thank Krishna Srinivasa for his wonderful work. He has energized, along with some of the other leaders here, the Indian-American community, great loyal Americans, and doing a superb job. And thank you very, very much.

Someone once described the people of Atlanta as ``pressing forward, grasping the future, shaping something strong and good, and yet acknowledging and taking pride in heritage." Well, I believe that certainly does apply to Atlanta. But I also believe it applies to the American people. And I frankly think the American people are a little bit sick and tired of this 90 seconds of gloom and doom every night on the top of the television news.

Things are moving forward in this country. The economy is moving forward. The regrettable part is that a recent survey I saw said that 70 percent of the American people don't understand that, don't believe that yet. But it is moving stronger. And the new feeling of confidence, the figures of confidence out today I think send a wonderful signal to all of America.

So we're beginning to see things changing after a long, dreary period of recession and economic gloom. And I think that's good because I think of our country as what I said a minute ago, something strong and good. We are not a declining America. And that's the message I'm going to be taking to the country this fall.

I might also add that we've got a lot to be grateful for in terms of international affairs. Look at what's happened in Eastern Europe. Look at the decline and fall, the collapse of international

communism. Look at the fact that ancient enemies are talking to each other for the first time in history in the Middle East. Look to our south and see a hemisphere that is almost totally democratic. And look at these little kids and say they go to bed at night without the fear of nuclear war that their older brothers and their parents did. And that is something good and something we can be very, very grateful for as Americans.

And so I would say, tipping my hat to my predecessor and to other Presidents: Yes, we have changed the world. And we did it because people like the people of Georgia stood behind us in terms of a strong defense and recognizing that the national security of this country was absolutely essential. We've helped change the world, changed it dramatically, and now we're working to change America. That's what I wanted to talk to you about tonight.

We are working for free trade. I just came from a wonderful Christian school out here, private school, and they asked me the question about the free trade agreement. The kid read the question and said, ``Well, my dad thinks that we're talking about sending jobs overseas or sending jobs to Mexico.'' I said, ``Well, tell your dad he got it wrong.'' He's got it backwards. What we're trying to do is create more American jobs through free trade and fair trade. That is the policy of this administration. And that is what Georgians understand because you have thousands of jobs that depend on American exports. We are not going to go protectionist in this country. I might say parenthetically, I want a successful conclusion to this NAFTA, this North American free trade agreement. I want a successful conclusion to the GATT round, the Uruguay round of GATT. And we're fighting to get both of those concluded, and that is in the interest of the American workers as well.

We're fighting for health care reform. I'm not talking about nationalized health care. I'm not talking about socialized medicine where the great quality of American health care is diminished because of Government interference. I am talking about a health care plan that, through changing the way insurance works, pooling of insurance, gives access to those who have no insurance at all and yet keeps the quality of American health care at the top of the heap. And that's exactly what our health care proposal will do. I believe it's going to work.

We're challenging the old thinkers in the United States Congress to help us, to the degree the Federal Government is involved, reform our education system. I think the time has come for parental choice in schools. It works at the college level, and it can work at the lower levels as well. Parental choice: Revolutionize American education, not by having some subcommittee in Washington mandate benefits but by literally keeping the Government out of the way and keeping control next to the American people, as close as possible. Our whole America 2000 education program is based on that concept, that local communities and families know better what to do about educating their kids than a bureaucracy in Washington, DC. And we need your help to get that one through the Congress.

I'm a little remiss; I might add this when I'm talking about education reform: You've got a great

man running for the United States Senate in Paul Coverdell. You get him up there and six or seven more like him and give us control of that Senate, and these new ideas are going to get a chance. They are going to get tried.

I think the time has come for legal reform. We're suing each other too much and caring for each other too little. And we need to get some caps on some of these outrageous liability claims, malpractice claims. It is too much. The lawsuits are going out of sight. I want to see that changed, and I think we ought to get that done.

We did a little history, looking up for these remarks, and 200 years ago to this very day Jefferson put it this way, Thomas Jefferson: ``The natural progress of things is for liberty to yield and government to gain ground." Two hundred years ago. And I'm now saying it is time to draw the line. And the philosophy that draws us together does exactly that. It keeps the empowerment with the people. It keeps choice with the people.

The need for change was brought tragically to focus in Los Angeles, in the Los Angeles crisis. And we moved in fast. I am very proud of the way the Federal bureaucracy moved on that one, with FEMA out there and SBA and all the loans and health and food. All these considerations were taken care of fast, including federalizing the National Guard and putting the 7th Army and some of the Marines out there to keep the peace. We cannot condone that kind of reckless, terroristic behavior, no matter how bad the conditions in any city in America. So we moved to restore order, and we now have a six-point plan for change, dramatic change.

Some of these critics, some of these liberal doctrinaire thinkers in Washington say, well, there's nothing new about these ideas. And I'll say they're all new because they haven't been tried by a Congress that has its head in the sand. Here's what we're talking about, our urban agenda:

``Weed and Seed," a brand new program to weed out the criminal elements and seed the communities with hope and opportunity and education.

The second one, enterprise zones. Everyplace I went in Los Angeles, people were saying, whatever walk of life, not just the business community but those that are working with the kids in the communities, enterprise zones is an idea whose time has come. What we're talking about is changing the tax structure so businesses can take a chance and locate in these underprivileged areas, drawing jobs like a magnet to the inner city. We believe it ought to be tried. And we believe the best answer to poverty is a job with dignity in the private sector, not some Government program.

The third one -- we've been working on it for a long time, rebuffed sometimes by Congress, but I'm determined to keep fighting for it -- homeownership. Isn't it better to have housing managed by the tenants, and for people then to go on to own their own homes, than it is to grow up in some project with no dignity and no hope of grabbing that piece of the American dream which is

represented by owning your own home? We are for homeownership, and we're going to keep fighting for that one.

The fourth one is welfare reform. And there's some cynics out there. Some of the great editorialists will say anytime I talk about welfare reform, I'm playing a race card. That is not true. The people that are hurt the worst, those that are impoverished the most, are some in our minority communities. And what we're trying to do is change it, to offer learning, to offer workfare as opposed to the indignity that comes with the status quo.

A little girl saved over $1,000 -- her family being on welfare -- and the system was so tough and so much of a penalty that they came along and tried to say that her mother could no longer get welfare because she'd managed to squirrel away a little over $1,000 to save for her education. We've got to reform the welfare system so it encourages people to save money, it encourages families to stay together. And it isn't race. It is what is right and decent for America. And I'm going to keep fighting for that one.

The next one is Job Training 2000, a one-stop shopping program that I announced right here in Atlanta, Georgia. It's a good program for job training. It brings in all the areas of the Government that have something to do with it, and there are quite a few. One person that needs job training can go to this one outlet and get advantage of what's available in the field of job training. It's a good new program, and I think we have a good chance to get that fully enacted.

And then the last one, which is a little longer range because it takes a while to get it implemented, is the program I mentioned in the beginning, America 2000, this revolutionary approach to how we educate our kids in the United States of America.

I've asked the Congress -- when I came back from Los Angeles I said, look, can't we do this: Can't we lay partisanship aside; can't we just put it off the radar screen for long enough to enact these six programs or something like them? Can't we do it without having to make a statement and raise taxes, or go out and add to the Government spending that is already breaking the back of this country? And I'm hopeful still that the answer will be yes. I can't guarantee it, but I'm going to keep on fighting for these principles.

If you look to the core of these proposals, they are themes that all of us can agree on, no matter what side of the aisle you're on. Responsibility, opportunity, ownership, independence, dignity, empowerment: These aren't partisan values. These aren't liberal or conservative. These are plain, solid American values, and we have a duty to make them real for those who have not yet grasped the American dream.

We're not going to be able to spend our way out of these problems. We've tried that for too long. And we've got to remember these are not Government dollars. These are taxpayers' dollars. And when it comes to the deficit, horrendous as it is, let's remember who foots the bills, our children

and our grandchildren. The time has now come to enact something that I've favored for a long, long time, and I am talking about a balanced budget amendment to the Constitution of the United States.

You're already having people tell you why it can't be done. And I am telling you it will work. Obviously, it has to be phased in. It will discipline the executive branch, but it will darn sure discipline the branch of Government that spends and appropriates every single dime, and that is the United States Congress. We have to do that.

And while we're talking about Government reform, another thing I'll be taking to the American people this fall is the case to give me what 43 Governors have, the line-item veto. Let's see if we can't cut some of this pork out of the Federal budget.

We've got a lot of cynics that are saying, ``You haven't tried to do anything about it.'' And I said, look, take a look at the budget that's up in Congress right now that puts a cap on the growth of mandatory spending. A President does not have control over the mandatory spending programs. They're already there, and they don't have to be changed each year. They just go right out of sight. I am suggesting that we put a cap, not cut them but put a cap on the growth of those spending programs, and that will reduce the deficit enormously. And we're going to fight for that principle, painful though it may be in certain quarters.

Now, so far I've talked to you about what Government can do. But Government are not going to solve the problems all by ourselves. It cannot get done. And you might ask yourself, well, what keeps a kid in school? What keeps a kid off the streets? What keeps a kid off of drugs? And it isn't the Government. It is the family. I am very concerned about the decline of the American family. And I am determined, through exhortation and sometimes through legislation, to find ways to strengthen, not weaken, the American family. We have to do it, and I believe we can.

Barbara Bush is right -- not all the time, but she's right on this -- [laughter] -- when she says what happens in your house is more important than what happens in the White House. And the longer I am your President, the more convinced I am that that is a sound and solid message for all of the American people.

And we're going to try. We're going to try to strengthen family through welfare reform. We're going to try to get the fathers, the deadbeat fathers who run away and bear no responsibility to the mother left to raise the children, to do what they're supposed to do.

Let the cynics who want to design some mandated program out of Washington; we, Barbara and I, will continue to encourage to get parents to read to their children. There's a new report coming out tomorrow out of the Department of Education that's going to be a little worrisome to this country. It's going to show that we're simply not doing enough in terms of reading to these kids or requiring that the kids learn to read in schools. The kids are watching over 3 hours of

television a day and reading less than five pages a day. That is wrong. And you can't legislate, but we've got to keep talking out and saying the way to do this and help these kids is to have strong family values. And one of them is that the parents ought to read to their kids and take an interest in them in the schools.

You'll notice I haven't mentioned my opponents tonight, not one of them. And I'm just getting warmed up on you, though, about the message because, you see, I believe that these values that I spelled out here tonight are sound. I believe the programs that I've talked about here tonight are new. And as I say, we have changed the world, and now we've got to bring this kind of change to the United States of America.

And I can't wait for the fray in the fall. As for now, I'm trying to run this country, and I'm trying to get things done for the American people. But lest you think I've lost the fire, I'm ready. I am ready to take this case to the American people. Let them keep punching out there for another 2 months. But after the convention, with you at my side, we are going to win this election, and we're going to win it going away. America is a rising Nation, not a declining Nation. Don't listen to the pessimists trying to get my job. They don't know what they're talking about.

God bless you all, and many, many thanks.

Note: The President spoke at 7:18 p.m. in the Grand Ballroom at the Stouffer Waverly Hotel. In his remarks, he referred to Jim Edenfield, dinner chairman and Bush-Quayle '92 Georgia finance chairman; Edward Tomlinson, senior minister, Northside Methodist Church; Alec Poitevint II, Georgia Republican Party chairman; and Krishna Srinivasa, event cochairman and member of the board of governors of the Georgia Republican Foundation.

Statement on Signing the Child Abuse, Domestic Violence, Adoption and Family Services Act of 1992

May 28, 1992

Today I have signed into law S. 838, the ``Child Abuse, Domestic Violence, Adoption and Family Services Act of 1992." The Administration strongly supports reauthorization of the programs covered by this Act.

A child's physical and mental well-being is a crucial element in the achievement of his or her potential. Unfortunately, over one million children per year suffer because they do not receive adequate care and support. Reauthorization of the programs in this Act will help prevent child maltreatment and provide assistance to children in need.

The Act, however, contains an objectionable provision -- a requirement that the Advisory Board on Child Abuse and Neglect recommend changes in Federal law to implement a national policy on child abuse prevention. I must view this provision as advisory rather than mandatory, in order to avoid conflict with my exclusive authority under the Constitution to decide whether and when the executive branch should propose legislation.

George Bush

The White House,

May 28, 1992.

Note: S. 838, approved May 28, was assigned Public Law No. 102 - 295.

Statement on Denying Use of United States Ports to Vessels Trading With Haiti

May 28, 1992

I have today directed the Secretary of the Treasury and the Secretary of Transportation to deny the use of American ports to ships that violate the trade embargo against Haiti. This action is being taken in support of the resolution adopted by the Organization of American States on May 17, which calls on OAS member states to deny port facilities to vessels trading with Haiti in disregard of the OAS embargo.

The United States remains committed unequivocally to the restoration of democratic government in Haiti. We will continue working in close concert with our OAS allies toward a negotiated settlement of the political crisis that began with the overthrow of President Jean-Bertrand Aristide last September 30. In addition to today's action, and in accordance with the recent OAS resolution, we are examining other steps to tighten sanctions against the illegal regime in Port-au-Prince.

Our actions are directed at those in Haiti who are opposing a return to democracy, not at the Haitian poor. We are continuing to provide substantial, direct humanitarian assistance to the people of Haiti and are working to intensify those efforts. Our current programs total $47 million and provide food for over 600,000 Haitians and health care services that reach nearly 2 million. While tightening the embargo, we will continue to encourage others to ship food staples and other humanitarian items to those in need. The action that I have directed will not affect vessels carrying permitted items.

We are expanding opportunities for Haitians who fear persecution in their homeland to apply for admission to the United States as refugees with our Embassy in Port-au-Prince. The Embassy has been receiving such applications since early February, and all persons who believe they may be qualified are urged to avail themselves of our expanded refugee operation in Haiti. I have asked the Department of State to ensure that Embassy personnel will also be available outside Port-au-Prince to assist applicants in other parts of the country in pursuing their claims.

Statement by Press Secretary Fitzwater on Humanitarian Assistance to Refugees in Yugoslavia and the Caucasus

May 28, 1992

The United States will contribute $9 million for humanitarian assistance to refugees and displaced people in the former Yugoslavia and $4 million for humanitarian assistance to victims of conflicts in the Caucasus region of the former Soviet Union. This includes the new Republics of Armenia, Azerbaijan, and Georgia.

The situation in the Yugoslav former republics has created the largest movement of persons in Europe since the end of World War II. The total number of refugees and displaced persons in Yugoslavia, according to United Nations High Commissioner for Refugees (UNHCR), has now reached 1.3 million. Over 480,000 persons, mostly Slavic Muslims, have fled Bosnia and this number is growing daily. Six million dollars of this contribution will go to the UNHCR in support of its programs to assist refugees and displaced persons, especially those in Bosnia and Croatia. Three million dollars will go to the International Committee of the Red Cross (ICRC) in support of its efforts to aid the victims of the terrible conflict now raging.

This $9 million contribution is in addition to earlier contributions this year of $7 million. The United States also launched an emergency airlift of food and other relief assistance to aid war victims in Bosnia-Hercegovina. Five planes flew into Sarajevo carrying blankets, food, and medical supplies.

The United States contribution for victims of conflicts in the Caucasus will be given to the ICRC in support of its humanitarian aid to war victims, refugees, and other vulnerable groups, especially in Armenia and Azerbaijan. Over the past 2 years, the Caucasus has experienced an increase in ethnic strife leading to armed conflicts in the Nagorno-Karabakh region of Azerbaijan and in the South Ossetian area of Georgia.

Nomination of Anthony Cecil Eden Quainton To Be an Assistant Secretary of State

May 28, 1992

The President today announced his intention to nominate Anthony Cecil Eden Quainton, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be Assistant Secretary of State for Diplomatic Security. He would succeed Sheldon J. Krys.

Since 1989, Ambassador Quainton has served as U.S. Ambassador to the Republic of Peru. Prior to this, he served as Deputy Inspector General of the Department of State, 1987 - 89; U.S. Ambassador to the State of Kuwait, 1984 - 87; and as U.S. Ambassador to the Republic of Nicaragua, 1982 - 84. Ambassador Quainton has also served as Director of the Office for Combatting Terrorism at the Department of State, 1978 - 81.

Ambassador Quainton graduated from Princeton University (B.A., 1955) and Oxford University (B.Litt., 1958). He was born April 4, 1934, in Seattle, WA. Ambassador Quainton is married, has three children, and resides in Washington, DC.

Nomination of Henry Lee Clarke To Be United States Ambassador to Uzbekistan

May 28, 1992

The President today announced his intention to nominate Henry Lee Clarke, of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States of America to the Republic of Uzbekistan.

Since 1989, Mr. Clarke has served as Economic Counselor of the American Embassy in Tel Aviv, Israel. Prior to this, he served as Deputy Chief of Mission at the American Embassy in Bucharest, Romania, 1985 - 89; and Economic Counselor at the American Embassy in Moscow, U.S.S.R., 1982 - 85. From 1980 to 1981, Mr. Clarke served as Officer-in-Charge of Trade and Industrial Policy in the Office of European Regional Political-Economic Affairs for the U.S. Department of State.

Mr. Clarke graduated from Dartmouth College (A.B., 1962) and Harvard University (M.P.A., 1967). He was born November 15, 1941, in Fort Benning, GA. Mr. Clarke served in the U.S. Army, 1962 - 65. He is married, has two children, and resides in Turlock, CA.

Nomination of Edward Hurwitz To Be United States Ambassador to Kyrgyzstan

May 28, 1992

The President today announced his intention to nominate Edward Hurwitz, of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States of America to the Republic of Kyrgyzstan.

Currently Mr. Hurwitz serves as Deputy Examiner of the Board of Examiners for the Foreign Service in Washington, DC. Prior to this, he served as Director of the Office of Analysis for the U.S.S.R. and Eastern Europe at the Department of State, 1988 - 91; Counsel General at the American Consulate in Leningrad, U.S.S.R., 1986 - 88; and Charge d'Affaires at the American Embassy in Kabul, Afghanistan, 1983 - 86.

Mr. Hurwitz graduated from Cornell University (A.B., 1952). He was born March 21, 1931, in New York, NY. Mr. Hurwitz served in the U.S. Army, 1953 - 55. He is married, has two children, and resides in Washington, DC.

Nomination of Donald Burnham Ensenat To Be United States Ambassador to Brunei

May 28, 1992

The President today announced his intention to nominate Donald Burnham Ensenat, of Louisiana, to be Ambassador of the United States of America to Brunei Darussalam. He would succeed Christopher H. Phillips.

Since 1989, Mr. Ensenat has served as managing director of the law firm of Hoffman, Sutterfield, Ensenat & Bankston, APLC in New Orleans, LA. Prior to this, Mr. Ensenat served with Camp, Carmouche, et al. as managing director, 1985 - 88; director, 1983 - 88; and as an associate, 1980 - 82.

Mr. Ensenat graduated from Yale University (B.A., 1968) and Tulane University School of Law (J.D., 1973). He was born February 4, 1946, in New Orleans, LA. Mr. Ensenat served in the U.S. Army, 1968 - 74. He is married, has two children, and resides in New Orleans, LA.

Remarks to the American Legion in Phoenix, Arizona

May 28, 1992

May I thank our great Senator John McCain for that introduction and single out our Governor, Fife Symington. Greetings to all the commanders on the dais, Tony Valenzuela, Don Silva, Don Gentry. Thanks to our master of ceremonies, Joe Abodeely. And it's great, of course, to see Everett Alvarez here. And I'd also like to take this opportunity to thank Bob Stump, the Congressman from Arizona, the ranking Republican on the House Veterans Affairs Committee. He has worked hard up on Capitol Hill for the veterans of this country. I'm very sorry he couldn't be with us today, but I have great respect for his work.

It's not normal that I'm standing up here with three -- maybe you're used to it in this great State of Arizona -- but three winners of the Congressional Medal of Honor standing here. It really says something. I salute all of them.

And I'd like to think in some cross-sectional way that people out here in this audience and standing behind me represent, at least for today, more than 26 million veterans. It's great to be back here. An old saying goes, ``Save the best for last." Well, today we're saving the best for first: The first campaign coalition to be announced for our campaign, Barry Goldwater, its honorary chairman, John McCain and Everett Alvarez, its national chairmen, and that is the Bush-Quayle '92 National Veterans Coalition. They're going to be good and strong, and I'm glad to have their support.

Now, I hope you know why I insisted the veterans be first to be unveiled. You know how service has preserved the values that make and keep us strong. John touched on that in that wonderfully generous introduction. You know how veterans have given of themselves and often of their lives in places whose names we all know, from the Argonne, Normandy, Da Nang, and of course, most recently, in the Persian Gulf. Think of our kids and our grandkids. They have inherited your bequest of faith in the country, in family, in democracy, in God. They can never repay the veterans, all of you, for what you've done for freedom.

From the time the torch of liberty was first lit in America, veterans have shed their blood to make sure that it would never go out. And that's what this campaign must be about, what we've got to fight for, enlist our hearts and minds for: to ensure people choice for the schools, for example; for society, pluralism; for God's children, the freedom to go about their lives, their daily lives, free of fear.

Freedom can let us vote as we want and pray as we choose. Freedom can ensure the legacies for our kids of family, peace, and jobs. Above all, freedom can secure what we fought for, Guadalcanal or Inchon or Hue City or Kuwait City: a world where liberty's tide is coming in. It's running in, just as tyranny's tide is running out.

I renew my pledge today in this opening to do all that's humanly possible to account for our comrades that are missing from the past wars. As long as I am President we will never forget those POW's and MIA's.

Another pledge: As we move to a post-cold-war defense force, we cannot forget to take care of our military and civilian men and women who worked and fought so hard to ensure that freedom and democracy would prevail. For them, we will continue to work together to make sure that American veterans receive quality health care that is second to none.

Now, there is a benefit to the end of the cold war, and that is that there will be substantial defense savings made possible in this new environment. However, it is my conviction that this transition must be managed in a rational manner. First, we've got to achieve an orderly reduction in our forces. We're talking about 25 percent over the next 5 years. That is substantial.

But as John McCain can tell you, there are people in the Congress that want to take everything out of defense and out of the national security and shift it over to some mandated program from Washington. Some have called for far deeper cuts than we have, and I reject this approach. As I told the graduating midshipmen down in Annapolis yesterday, never in the history of man has the world been a benign place. There is no substitute for America's strength, and no substitute for our sense of purpose. I am not going to let the Congress gut the muscle of our defense.

Next, Secretary Cheney and I are mindful of our obligation to treat defense and uniform employees and their communities fairly. Our plan already includes spending more than $7.1 billion to address defense transition over the next 2 years. And today I'm proposing a number of additional programs, including new GI bill benefits and an expansion of job training, employment, and other educational opportunities. We're going to dedicate more than one billion additional dollars through 1996 on these vital defense transition activities. Whether they're working as teachers in an elementary school or as environmental engineers, I am committed to ensuring that the vast talents of these former defense personnel can be put to productive use in private life.

With us today are talented and capable men and women who believe in this new world of freedom. No one needs to tell them about the inhumanity of war. Instead, they know that only a strong America can preserve the humanity of peace. I am proud of these men and proud that they have agreed to help me. And I thank you for your support. I hope to be worthy of your prayers.

Thirty years ago, Douglas MacArthur put it well. Returning to the plain up at West Point, he gave a speech to the cadets. ``The soldier," he told them, ``above all other people, prays for peace, for he must bear the deepest wounds and scars of war."

You've all been soldiers in the crusade of freedom, and this year I ask you to reenlist and help keep America what Lincoln called ``the last best hope of Earth." For 200 years our veterans have

fought for what is right and what is good, and I ask you to help me defend those values. And I thank you from the bottom of my heart.

I am very happy that the young kids now go to sleep every night without the fear, that constant fear of nuclear war that the generations before them had. I think that's a significant and a major accomplishment. And Barbara and I have -- I was going to say 10 -- I think it's 12 grandchildren.

I take great pride in that fact, that in some way perhaps my Presidency was a part of all of that. But that is there. Now we've got to keep this movement towards freedom and towards peace around the world going forward. We've got to do it. With your help, I'm confident we can do it for the next 4 years.

Many, many thanks to all of you.

Note: The President spoke at 4:55 p.m. at the American Legion Luke Greenway Post. In his remarks, he referred to Arizona State commanders Tony Valenzuela, American Legion, Don Silva, Veterans of Foreign Wars, and Don Gentry, Disabled American Veterans.

Remarks at a Fundraising Dinner for Senator John McCain in Phoenix

May 28, 1992

Thank you all very, very much for that welcome. May I pay my tribute to Jim Click. He's been a staunch supporter of the Republican cause for a long, long time, and I'm very grateful to see him again and grateful for that introduction. Of course, I'm proud to be at the side of John McCain and his wife, Cindy. I want to salute two from our Cabinet: Secretary Lynn Martin, our Secretary of Labor over here, who's doing a superb job, job training and a wide array of other issues; and then our irrepressible Secretary of HUD, who is going with me as we head back out to Los Angeles, but a man who is doing a superb job in this concept of homeownership, giving people a part of the action, Jack Kemp, our Secretary of HUD. And may I salute Governor Fife Symington and Ann; and of course, a special warm abraso for Barry and Susan Goldwater; and our chairman, Jerry Davis; Pastor Jackson, whom I've been privileged to be with before; Everett Alvarez, who today was announced as one of our cochairmen of our veterans effort, a great American.

Brenda High, appropriately named for the way she did that ``Star-Spangled Banner." It was outstanding. You can't help but be stirred when you hear a rendition like that of our great national anthem. And thanks to the -- where is the band? I can't see them, but I understand you've got a great Chaparral High School band over here. Thank you for your music. And thanks to Shannon Marketic, Miss U.S.A., for the pledge. And out with us in the audience, a guy I visited with earlier on, a true Point of Light, Kevin Johnson of the Phoenix Suns, and all he does for the young people out here. And then another old friend who I had a chance to greet earlier on, Joe Bugel of the Cardinals, a great guy and a great sportsman. And I'm proud to see him.

So it's a pleasure to be back, and I'm sorry Barbara's not here. And I will apologize; they told me that broccoli is on the menu, and I'm out of here as soon as I finish speaking. [Laughter] But seriously, we do have to head back out to Los Angeles, be sure we're following up the way we should there.

But I'm glad to have this opportunity to express my appreciation to our Senator, and I say ``ours" because Barbara and I feel like he's just part of us, Senator John McCain, for his help in fighting against that pork barrel spending back in Washington and for his leadership and support for the line-item veto. He is a man of principle. John, your leadership has been absolutely invaluable. And when I see it I say to myself, if only we had control of the United States Senate. On budget, on taxes, on health care, on the needs of older Americans, John McCain's efforts mean so much to me and so much to our country. They, of course, mean an awful lot to the great State of Arizona and to all Americans. You are lucky, indeed, to have him in the Senate, and we must have him back come fall.

And of course, special tribute to Senator Barry Goldwater for his half-century of principled, and I use that word advisedly, principled service to our great country. What a record of achievement. What an example. What an accomplishment. Fifty years in public service, and underlying it all, character and integrity totally intact. I am proud to be his friend. I am grateful for his support. There have been some tough times in my political life, and one of them was 4 years ago. Barry came up there, suited up, got on a long flight and flew up to New Hampshire and bailed me out. I'll never, ever forget it. Not out of jail, but out of some political hot water up there. [Laughter]

How about this backdrop? I like it very much, not only as a great art work, but coming from a city where Congress spends so much money, it's always good to see something in black ink. [Laughter]

It was Barry who put it this way, ``Those who do not have courage want complicated answers." Well, Republicans are courageous people, and our solutions to America's problems are simple and effective, not complicated out of a maze of redtape. While the Democrats put their faith in adding new bricks to the old bureaucratic programs, and they try to do it every single day up there in the Congress, we Republicans are focusing on leaving our children and grandchildren three fundamental legacies that are integral to their own future: Strong families to sustain individuals, to nurture and encourage children, and to preserve our Nation's character and our culture; and then, number two, peace, in our schools, on our streets, and yes, all around the world; and then, third one, jobs, both for those who are seeking work and for graduates entering the work force.

I might add, at long last our national economy is beginning to move. It's recovering, and consumer confidence, you might have seen it yesterday, is starting back up, is returning.

These legacies, all of them don't always translate into sound bites, but they are definitely sound policy. Senator Barry Goldwater and Senator John McCain have both been at the forefront in helping to establish these legacies and in building a sound Republican policy, policy that sees problems as something more than excuses for new centralized, mandated programs. This is the message I will be taking to the American people in the fall, and this is the message that is going to win for us not only the White House but control of the Congress. You watch and see, now.

What we are trying to do is to offer innovation and change. American industries lead the world in growth and efficiency. America is the world's leading exporter, producing $422 billion worth last year alone, $422 billion. Over the past 5 years, our exports have supported 7 million jobs. These are impressive accomplishments, a record of economic growth and international competitiveness to make any country proud.

Instead of excuses, we're offering education. More than one of four American workers has a college degree; another 20 percent have at least a year of college. Through this program we've got, the break-the-mold school program, and parental choice and choice for public, private, or

religious schools for their children, I might add, our America 2000 initiative for education: it is new; it is revolutionary, and it doesn't mandate it from Washington. It says let the communities, let the States, let the families have a say in deciding what kind of education is best for our own children.

And yes, we are opening more and more doors of opportunity for Americans. And now we must address ways that we can strengthen our national spirit and return to the bedrock principles, faith, family, that made our Nation great. I would hate to be taking a case to the American people in the fall that was predicated on everything being bad, that the only way you can win is if the country's going to hell in a handbasket. We are America, and we are moving forward. And by fall we are going to show them that the positive message of change is the message of hope for the American people.

John McCain and I have the responsibility to provide the leadership that we need, the country needs, to get back to sound principles upon which our Nation was founded, principles that helped make us the world's leading Nation and principles that gave us a standard of living that is the envy of the entire world.

The cynics say that social conditions are too bad to turn around. And the skeptics say that faith and ideals are puny and inconsequential when put up against the problems that we face as a Nation. Well, I think they're wrong. I believe, along with Calvin Coolidge, ``there is no force so democratic as the force of an ideal." I believe that the forces of character, of compassion, and goodness will ultimately triumph over the forces that can only tear down and destroy.

Tonight, as soon as we finish here, I'm going to be going back to Los Angeles to check on the progress of Federal aid efforts out there and to expand on my ideas for an urban agenda, an agenda of hope and opportunity in all our cities. I might say I am very proud of the rapid response of our Federal Agencies to that crisis out there: the Army, the Marines, there to restore law and order; the SBA and HUD and Labor and FEMA and Agriculture and HHS and others, too. They responded fast. We did it in a coordinated way, and all of them did very, very well.

But I am less proud of the fact that the Congress has not moved on our program to bring instant hope to the cities, not just Los Angeles but the cities all across our country, on enterprise zones or on the other proposals that we've made that would instantly bring hope to the cities. I challenge the Congress right here and now: Please take action. Let's set the partisanship aside for just long enough to get something done to help people in this country.

So let the others out there take their message of pessimism. They say that America's best days are behind us. The truth is that our Nation stands at a pinnacle of achievement that is unmatched. We are the unquestioned leader of the free world, which now includes more countries than ever before. All those new democracies are looking to America, to the United States of America, for leadership.

Yes, there is much left to be done in our own country. But many of the changes that we are pushing are stuck up there on Capitol Hill. There was no one who wants to work cooperatively with Congress any more than I do. And from my very first State of the Union Address I held out my hand and said, ``The people didn't send us here to bicker; let's try to get something done."

I don't think there's anyone, I might say, who has been a better friend up there on Capitol Hill than John McCain because he understands these principles. He advocates them, articulates them. We bent over backwards to try to get the liberals who control the Congress to support our efforts to reform, reform programs that simply are not working anymore. We've tried to change things that aren't working. Now the time has come to change the control of the United States Congress itself and watch this country move forward.

There is a mood for change. There was talk in all of them. The Nation needs an infusion of fresh, new Republican Congressmen and Senators who will be statesmen, like Barry Goldwater, like John McCain, leaders willing to try out new ideas. We unveiled this plan for the cities, and some cynics out there on the Democratic side are saying, ``These aren't new. You proposed them before." They are new because they have not been tried. We need people who will put the best interest of the Nation first and foremost.

There are other problems that Government alone cannot reverse. At the top of the list is action to restore the American family. Simply put, our children cannot dream the American dream when they are living a nightmare. Look at a few brief and sad facts. In comparison with other industrialized countries, the Census Bureau found that the United States has the highest divorce rate, the highest number of children involved in divorce, the highest teenage pregnancy rates, the highest abortion rates, the highest percentage of children living in a single-parent household, the highest percentage of violent deaths among our precious young. These are not the kinds of records that we want to have as a great country.

Our Federal Government, of course, we have responsibilities. As President, I've got responsibilities in all of this. We must do more. We must do what we can. The American people must do those things that Government cannot do. Government can and must provide school choice, but parents must read to their kids and instill a love for learning. Government can and must fight crime, but fathers and mothers must teach discipline and instill values in their children. Government can and must foster American competitiveness, but parents must teach the kids the dignity of work.

To paraphrase that great philosopher of the silver hair, Barbara Bush -- [laughter] -- what you teach at your house is more important than what happens at the White House. And she is absolutely right about that.

So we're a country that has a lot of problems, big problems. But I am absolutely convinced we can solve them. We have laid the groundwork, and we've developed sound plans. We can

transform America into the Nation we all want her to be.

It hasn't been much fun in the political arena lately. We've been hammered out there a little bit. Somebody said that builds character. I said, I'm a little long on character and looking forward to a change.

But let me tell you this. I am quietly confident about the election this fall. In sum, I am absolutely convinced as this economy moves back, as we sort out where everybody stands on these highly complex issues, when the country assesses the fact that we are at peace and that our children go to bed at night with less fear of nuclear war -- and that is a major accomplishment of which I am very proud to have been a part -- and it's when we get in focus the agenda, see who wants to pass this agenda of hope and opportunity and who wants to stifle it, when we take forward the values that you and I believe in to the American people again this fall on family and faith, I am absolutely convinced we're going to win this election. We are going to win it. We're going to transform our problems into challenging opportunities to realize the American dream.

Thank you for your fantastic support for our great Senator. May God bless you, and may God bless the United States of America, the freest and greatest country on the face of the Earth. Thank you very, very much.

Note: The President spoke at 6:23 p.m. at the Phoenix Civic Plaza. In his remarks, he referred to Jim Click, Bush-Quayle Arizona finance chairman; Gerald Davis, chairman, Arizona Republican Party; and Richard Jackson, pastor, North Phoenix Baptist Church.

Remarks at a Disaster Application Center in Los Angeles, California

May 29, 1992

The President. Let me just say, if you can hear this, why, I want to thank Ava. Where's Ava? Ava, get over here; we're talking about you guys, you and Maurice.

Ms. Hagen. Oh, are we in trouble?

The President. No, we're talking about good things about both of you and about Pat Saiki here, the head of SBA. I have been very pleased to learn and to be reinformed, actually, that the SBA has moved faster in trying to help people in this instance than at any time in its productive history. I congratulate not only the leadership of SBA but the volunteers and those that have come in, professionals from all across the country, to help.

FEMA has been responding very fast. And the thing that has impressed me as I've gone along here is, I do see a sense of coordination. Before I leave, I expect some will tell me we need to improve things in some way, but I've been very pleased that the Federal Government, which sometimes can be very insensitive, has moved fast in this regard.

It's nice to be sitting next to somebody that might share my view at least on that point because it is so important that you get back on your feet. The only other point I'd make, Pat and Ava and Maurice, is the spirit of some of the people I've talked to, like that last lady, who have had a rough go, I mean, a really rough go. She still retains that faith that she's going to make it somehow, and that's pretty good. I don't know if that's typical of the people who have been afflicted so adversely or not, but it's a wonderful thing to hear somebody say, ``With God's help, I'm going to make it.'' So what we've got to try to do is help, like in your case and those who are really trying to make it.

So that's the message I'll take away. We will keep trying very hard to assist. And I'm very grateful to Pat Saiki here, who is sensitive to these requirements.

Ms. Hagen. We just want to thank everybody for their help, sensitivity, and the rapidity in which they responded.

The President. Yes. How is the feeling in the communities in terms of future tranquility, peace? I mean, is there a determination there that this won't happen again and all that kind of -- --

Q. There is a determination now to rebuild and get started once again. And everyone is -- [inaudible]. We have sat here the last 2 days and have shared more with each other about our

businesses -- [inaudible].

Q. [Inaudible]

The President. That is wonderful. Yes, you know, the approach was to try to coordinate it. We've got all these different Agencies, and I think there are now 10 of these -- I thought it was 7; it's up to 10 now -- of these centers. The Federal Government can be so complex because there are so many different Agencies, and we're trying to get it in what is called this one-stop shopping mode, yes, one-stop shopping mode. If it just continues like that, I think we can move faster.

Q. [Inaudible]

The President. Well, best of luck to you, to you all. And I'm impressed with the fact that some of these people that come in to help, to help fill out the forms, are from all across the country, Atlanta or Puerto Rico even, Niagara, yes, Texas. Putting in a plug for the Texans down here. [Laughter] No, but it's good. It's a good thing.

Q. One more group to meet down there.

The President. There's one more stop down there? All right. Good luck to you now in your business. Lots of luck, sir.

Mr. Robertson. Sent a T-shirt to you.

The President. Did you? Wait a minute, you gave me a T-shirt, I'll give you my -- here, take that, souvenir. If she makes you put on a tie, why, you can wear that. Okay.

Ms. Hagen. Thank you very much.

The President. Well, good luck. I'll get out of here.

Note: The President spoke at 10:35 a.m. at Harvard Recreation Center. In his remarks, he referred to Harvard Disaster Application Center managers Ava Hagen, Federal Emergency Management Agency, and Maurice Robertson, California Department of Social Services.

Exchange With Reporters Prior to a Meeting With State and Local Officials in Los Angeles

May 29, 1992

Q. Sir, why do you think you're running third in recent California polls?

The President. Hey, John [John Cochran, NBC News], we're not taking any questions today.

Q. No?

The President. This is a nonpolitical visit. I've heard some very encouraging news about Federal cooperation and working with the State, localities, private sector. And I'm out here to try to follow up on a visit to see if we can be of further help to the people in this area. So, I prefer to keep it on that basis and thus will not be able to help you, as I wasn't able to help you yesterday -- [laughter] -- different setting. Thank you very much.

Q. -- -- about politics, sir? When are you going to start defining the -- --

The President. After our convention, I think we'll start working on that.

Q. After the convention?

Q. Are you deliberately waiting, sir?

The President. I'm not going to take any questions. You didn't hear what I said in the beginning. I want to find out from these people how the effort is going, Federal, State, local, to help people that have been hurt. And that's what this is about. And if I get diverted talking about these other subjects, it isn't going to help anybody. So, let's try to keep it on that basis. Thank you very much.

Q. Do you think the drive for the urban agenda is losing steam in Congress, though?

Q. Mr. President, are you optimistic about Mr. Ueberroth's Rebuild L.A.? Are you optimistic about what he -- --

The President. Anything he tackles, he can get done. That's the way I look at it.

Note: The exchange began at 11:08 a.m. in the Grecian Room at the Biltmore Hotel. In his remarks, the President referred to Peter Ueberroth, chairman of the Rebuild L.A. Committee.

Remarks to Town Hall of California in Los Angeles

May 29, 1992

Thank you, Lod, for that very warm and very generous introduction and welcome back to Los Angeles. May I greet our Mayor, Tom Bradley, Governor Pete Wilson, and single out two of your former Governors, one sitting on the left and the other on the right of mine, read nothing into that politically -- [laughter] -- George Deukmejian and Pat Brown. It's a great pleasure to see both of them. And may I single out Pat Saiki, our head of SBA; and our fine Secretary of HUD, Jack Kemp, who is trying to do an awful lot to help over here, Jack, a fellow Californian. And to Adrienne and the others who are officials here with Town Hall, thank you for giving me access to what I am told is one of the most prestigious forums in all of California.

This morning I was over in South Central talking with some of the people that are trying to restore that neighborhood, put it back together. We have a long way to go. But let me say this: I was really struck by the progress that's already been made in bringing this great city back. And I was struck by the spirit of those individuals that were there, not as spear carriers from some TV shot, but were there actually filling out the loans. And these were people that had been devastated by what happened, and there they were with faith in God and with the spirit that they could make it back. I wish everybody could have seen that.

Now, this remarkable effort has brought together Federal, State, and local officials, and most importantly, thousands of volunteers, churches, and neighborhood groups. I think we've seen enough of the horrible images over and over. And my plea is, how about some of the wonderful things going on? Yes, Los Angeles will come back. And with all due respect, I hope the media will tell this heartening story loud and clear and give it as much attention as the looters and rioters received just a few weeks ago.

As you may know, at the outset of the riots I pledged to do whatever was necessary to restore order. And I ordered the federalization, after consultation with Tom Bradley and Pete Wilson, of the National Guard and dispatched several thousand Federal law enforcement officials to L.A. We also had several thousand troops stand by for any emergency, 7th Army and the Marines. And I've been pleased to hear that that swift response did a great deal to stabilize, help stabilize I should say because the LAPD and others were out there helping as well, certainly the sheriff's department, help stabilize an explosive situation.

We were also able to get disaster relief to Los Angeles in record time. Seven relief centers opened in the first week after the rioting, three more a few days later. We have now 10. Housing assistance checks were being mailed to applicants within 3 days. And the SBA, and I would again credit Pat Saiki, with us today, was able to approve loans in weeks instead of months. Within 3 weeks the first checks were cut, and that is a record for this kind of disaster assistance. Our response was massive; it was quick. And to my team, led by David Kearns and Al

DelliBovi, and to all the people who made it work, my thanks for a job very well done.

I am proud of what the Federal Government was able to do, but there should be no misunderstanding: Federal assistance offers no reward for rioting. This help has been directed to the victims, not to the perpetrators of the violence. To the criminals who subjected this city to 3 days of terror and hate, the message has got to be unequivocal: Lawlessness cannot be explained away. It will not be excused. And it must be punished.

In the starkest possible terms, this tragedy made clear the great unfinished business that we face as a Nation. We've got to strike a new course. We'll rebuild our cities. And we can, but only if we learn the lessons of what happened here. Now, what are the lessons? Some people tell us that the hopelessness in urban America is a simple matter of economics, of jobs. Others say, no, the answer lies in tougher law enforcement, safer streets. This is a false choice, really.

Of course, the best antipoverty program is a job. A job provides more than money; it teaches dignity and self-reliance, the first rungs of the economic ladder. And more than that, it gives them hope. But jobs don't get created in a wake of a crime wave. The first lesson of L.A., then, is a simple one. The primary duty of government is to protect the safety of lives and property. There can be no opportunity, no hope in a community where decent citizens are held hostage to gangs of criminals.

I know perhaps more acutely than anybody here that this is a campaign year. And every time someone mentions crime or law and order the accusations fly about ``playing the race card." Let me just say, stop right there. There is nothing racist, there is nothing divisive about protecting decent people from crime. Some say it's playing politics. Well, they're wrong. Playgrounds overrun by gangs, senior citizens locked behind triple-bolted doors, or mothers shot through open kitchen windows: this isn't the America we want. Making neighborhoods safe isn't politics; it's just plain, simple decency. And it's the right thing to do.

That fact points to the second lesson of Los Angeles. Other people say that our urban problems are only about money, taxpayer money, your money. They tell us the solution lies in ever-higher Government spending. Well, this, I think, is another false choice, more Federal money versus less, as if the problems of our inner cities are simply the result of a lack of Federal funds. They're not. And let's be clear about this: Over the last 25 years, we have spent the staggering sum of $3.2 trillion on our social welfare system. And the fact is, in hopes of eliminating poverty, we spent more money in the eighties than we did in the seventies, more in the seventies than in the sixties. For all of the good intentions, decay and despair have only seeped deeper and deeper into our inner cities. But the tragedy is not about wasted money; it's about wasted lives.

The fact points to this second lesson, then, of Los Angeles: For those left behind, the system itself is broken. We won't fix it with a simple increase in Federal funds. You don't pump more gas into a car that doesn't run. You lift the hood up, roll up your sleeves, and get to work. We

need to overhaul the engine. So we start with the most basic question: How has the system failed? What went wrong? The American dream is based on the belief that if you get a good education, find a job, work hard, raise a family, save for the future, you will prosper. Our free economy, in which the important decisions are made by the people themselves, makes this possible.

But decent people in the inner cities, particularly those with low incomes, labor under an entirely different set of rules, some laid down by the lawless, others laid down by government. As the bureaucratic power of government has grown in the inner cities, the power of the residents there to shape their own lives, to make the important decisions, has steadily gone down, steadily declined. The system operates on an unspoken premise that Americans who live in depressed neighborhoods are simply incapable of making the decisions that other Americans make every single day. And it assumes they're unable to take advantage of the same opportunities that Americans have always used to better their lives. And worst of all, worst of all, it presumes they don't even want to. That's wrong. That's not compassion; it's condescension. It is paternalism. And there's no room for that in America.

Think how the system works for families in the inner cities. They find their choices and opportunities restricted at every turn -- --

Audience member. Mr. President, Mr. President -- --

The President. Can I finish, and then I'll be glad to hear from you. Okay, thank you.

Audience member. Mr. President, Mr. President, from Paul J. Myer. Paul J. Myer, your best buddy. This is for you.

The President. Thank you, sir. An unusual way to deliver the mail, but I'll be glad to receive it. I know Paul J. Myer. Thank you very much.

Audience member. I apologize for -- --

The President. No, that's all right. No, no problem.

Audience member. I apologize for ruining the party.

The President. No, no, you're not ruining anything.

Audience member. But it's an important message. I have waited 7 years to get you that message. I am from the community, okay. I have received the benefit of a message that you gave to Mr. Paul J. Myer, or gave for him, 11 years ago, an idea which revolved around a concept called ``Realize Your Full Potential."

The President. Yes.

Audience member. And I emerged from the community a very successful businessman -- --

Audience members. No, stop. No, no -- --

Audience member. And I think everybody in the community needs these benefits of these bigger ideas, concepts, and precepts. And ladies and gentlemen, please forgive me, but that just had to be said today. Thank you very much.

Audience members. Sit down, sit down.

The President. Okay. Now, wait a minute; it's all right. I know the man he's talking about. But now, let me start where I was, if that's okay. I'll finish.

Here's my point. And he makes a good point -- struggled, worked to get out of what I think I've been describing as some hopelessness there. But if you live in a public housing situation, the government now forbids you from owning your apartment, making it a private home, building equity. If you want to give your kids a decent education, the government tells you where to send them to school, even if crack dealers have taken over the playground. If you save to send your kids to college, you're accused of welfare fraud. If you marry someone with a full-time job, you're penalized with a loss of income. If you're still ambitious and try to open a business, to create jobs in your neighborhood, you face an informal red line. Government regulation and capital are already too expensive for our entrepreneurs in the inner city. Add the extra expenses there of job training and security, plus the reluctance of investors to bring capital and credit into your neighborhood. No wonder the system doesn't work; no wonder it breeds irresponsibility and despair. It rejects a fundamental principle of a free society: People will act responsibly if they are given responsibility. And it is also true, people won't act responsibly if they are denied responsibility.

So this third lesson, then, is the simplest of all. If we have the courage to act, we can fix this system. But we have got to start right now. We have the right principles, and we've developed a straightforward plan, a plan for a new America. First, it makes government services, especially law enforcement, more responsive. Second, it returns the decision-making power to individuals and communities and gives them a stake in their own future. Now, why will it work? Because it takes what works for the rest of America and brings it into the inner cities. And that is long overdue.

In the wake of the riots, I met with the congressional leaders of both parties at the White House, and I presented them with the new American plan. And we talked; I think we found common ground. We agreed that the need for action was urgent. That was 3 weeks ago. Since then,

nothing has happened on Capitol Hill. I just met with your able Mayor and your Governor and Peter Ueberroth. I told them I still believe and I certainly still hope that Congress can put partisanship aside, in what I would concede is an extraordinarily difficult election year, and pass this plan now and not pass something that they know I cannot sign. And that means doing something important now for people who need help now. And it means making this Nation a Nation of opportunity for all our people.

Let me briefly touch on our plan. First, we must attack crime with everything we've got. And I urge Congress once again to pass our comprehensive crime bill. The bill goes back to the fundamentals: If you commit a crime, you are going to be caught. If you're caught, you're going to be convicted. And if you're convicted, you'll go to jail. To redouble our war on crime, we have launched an initiative that I think is taking hold nationwide called ``Weed and Seed.'' With increased Federal resources, we can weed out the criminals from inner cities and then seed those areas with a concentration of social services so that crime can no longer take root.

Second, we must streamline the jumble of Federal job training programs. Our Job Training 2000 initiative offers essentially what I saw today in these headquarters out here, these 10. I went to one of them, a one-stop shopping system for those who want training, but can't get it now. For example, talking with Pete Wilson earlier today, I let him know of a new $12 million Labor Department effort targeted to rebuild L.A.'s employment base.

Third point, as Jack Kemp has said so often, we must turn the red line around our cities into a green line, to cut the costs of opening an inner-city business and create jobs. And that's what this concept of enterprise zones are all about. Now, I know that Tom Bradley agrees with me on that. I thank him for his strong support. Pete Wilson, the same; he agrees about that concept. I thank him for his support. Peter Ueberroth, who is trying to mobilize the private sector and get new businesses to take a shot at investing in the inner city, agrees with me on that point. He is supporting this concept. And as you know, I've asked Congress to cut the capital gains tax on all Americans. And in America's inner cities, where the need is most urgent, we ought to cut it to zero, eliminate it entirely. And that is how you bring real jobs to the inner city. And here's an open invitation to the mayors of America's cities and a challenge to the Congress. I want every American city with a deserving neighborhood, neighborhoods with high crime and high unemployment, to become an enterprise zone. And I urge the mayors, take your case to Congress, and we will support you all the way.

Fourth principle, and this is a valid one, is to extend the principle of private property into the inner city. And that means homeownership. Our HOPE initiative will offer residents the chance to turn public housing into private homes. Ownership gives people a stake in their neighborhoods. It instills pride and a sense of responsibility for what happens next door and down the block.

Fifth, welfare reform to strip away the penalties for people that want to work, who want to save,

who want to start a family. Any genuine reform must meet three tests: It must encourage individual responsibility; it must tie welfare to work; and it must promote and sustain stable family life. Our welfare system is a travesty, and I am determined to help these Governors and help everyone change it.

Sixth, and I think we'd all agree on this one, education reform. Every American child deserves a shot at a world-class education. And that means developing innovative schools free of drugs and violence. And it means community support for high standards and educational excellence. And it means that whether a family lives in the inner city or lives out in the suburbs, parent should be able to choose their children's schools.

Now, each of these steps that I've outlined will work to restore a sense of self-sufficiency, of personal dignity to inner-city residents. Today I've talked about the need to overhaul our obsolete bureaucratic system, about the fact that the system robs the poor as well as the taxpayer, about the need for justice and order on our streets. But I also believe that there are deeper issues at work here, ones that transcend the present moment.

Now, let's be honest. The problems we face cannot be solved simply by adjusting economic outputs and inputs. Human beings respond to more than tax codes and bureaucratic rules. We are motivated first and foremost by values, by a sense of what is right and what is wrong. If we are to take values seriously, and we must, we should summon the courage to be frank about them. The word ``values'' is not relative. Values deal in absolutes. They separate right from wrong, virtue from vice.

Laws and budgets are not enough. We need a moral and, yes, a spiritual revival in our Nation so that families unite, fathers love mothers, stay together in spite of pain and hard times because they love their children and look forward to another generation growing up tall and confident in the warmth of God's love. That woman I saw today, whose beauty parlor had been ransacked or burned, said, ``I am going to make it. With God's help, I am going to make it.'' That was a powerful message, and I think people are craving all around this world for that kind of spiritual, inner strength.

The Federal Government cannot teach values, but it can create an environment where they take root and grow. In every neighborhood in America, there are well-springs of traditional values. And when I was last here in your great city, I had the privilege of meeting with the kids at the Challengers Boys and Girls Club. For those who haven't seen it, I expect there are other examples, Tom, around your city like it, but those who haven't seen this one, you really ought to check it out. The club was founded by a remarkable man, a man who flew back with us yesterday from Washington, being back there to share his experience with people in DC, his name, Lou Dantzler.

Now, Lou works day and night, day and night, to give these kids the values and habits that they

have to succeed. And in the gym where I spoke there were huge hand-printed signs covering the walls. And the signs said: ``Preparation is the key to success." ``Always have a positive attitude." ``Education plus hard work plus discipline equals achievement." And in this sophisticated age, I suppose some people might find these old home truths a little on the corny side. But I don't, and I'm sure that Lou Dantzler's kids don't either. They've learned something that Americans across the generations have learned: Traditional values bring hope in place of despair; they hold the power to transform a neighborhood, a city, and indeed, a human life.

And this is a time of great change for our country. Change sometimes seems to threaten the most valuable legacies that we hope to leave our children: good jobs, strong families, a Nation at peace. Changes breed uncertainty and, yes, skepticism. And I understand that. But I also understand this: The skeptics won't do the work that needs to be done. People like Lou Dantzler will. He and every American like him are what make America a rising Nation, a country buoyed by the hopes and determination of people who refuse to settle for the status quo. Their faith is the best antidote to pessimism, the surest proof that the best days of America, the greatest and freest Nation on the face of the Earth, still lie before us.

Thank you all very, very much. It's a pleasure to be with you.

Note: The President spoke at 12:10 p.m. in the Biltmore Bowl at the Biltmore Hotel. In his remarks, he referred to Lodwrick M. Cook, chairman and chief executive officer, ARCO; and Adrienne Medawar, president, Town Hall of California.

Remarks and a Question-and-Answer Session With the Sheriff's Youth Athletic League in Los Angeles

May 29, 1992

The President. Hey, you Dodgers, good to see you all. Sheriff Block, may I salute. Did you all meet the Governor of this State? Some of you have probably seen him. Where is Governor Wilson? There he is, right there.

Let me tell you all something. I've known Sheriff Block for a long time, long time, and probably before some of you all were born. But I have great respect for him. And after today, as I've seen the dimension of this program that helps so many kids, I've got a lot of different feelings now. The respect level is still there, but I didn't realize the extent of what he started, what, way back in 1972 when the first program started. I think it's a wonderful thing, and it's a great example for other communities all across our wonderful country.

I understand that not only do you get training, physical training, keep up an interest in sports, which is fundamental, but that you also are getting the concept from your deputies, from the deputies here and from your mentors and those who are giving of their time, that it is important to stay away from the drug scene. I was given this pin here, and I just think you all ought to listen carefully to what these deputies and what these supporters of this program tell you. I wish you well.

Somebody just asked me a question over here from the press that travels with us. A lot of these guys come with the President of the United States wherever you go just to report on what's happening. One of them said to me, ``Well, what have you learned today?'' And I told him, well, I think I've learned a lot about human nature. I've learned a lot about guys that are working hard out there on the law enforcement side, the sheriff's department, then taken their time to help kids, to lift them up and help them.

I don't know how each of you guys feel, but I'll tell you, I have a sense of gratitude in my heart for those who were really helping you in sports or in reading or in staying away from narcotics or whatever it is. I think we all owe them a vote of thanks not just for what's happening in this county but for others like them all across the country. We call it, incidentally, Points of Light, a thousand Points of Light, one person helping another. That's one of the things I've seen today, is this spirit of this wonderful outfit where people are reaching out.

I also got a little feeling over in the boxing arena about the competitive nature of some of you guys, and that's good. Competitive sports is very, very important. The kind of sportsmanship you learn as well as athletic ability, that's good.

I hope you learn a sense of family here, and I think you do from talking to the sheriff and talking to the others. They're talking to you of the importance of parents and family values and doing things the way your parents want them done, and that's good. So I've learned a little more about that dimension.

I've learned about the kindness of people that you work with. I bet once in a while when you get in trouble you may wonder if they're too kind, but I think I sensed here a, really, feeling of loving and caring for you guys. I think that is very important. So I saw that and felt it in my own heart a lot more than before I walked in here.

I don't know what else to say about what I've learned, except it's made a big impression on me. And it is far better to get this sense of pride that each of you guys feel than it is to be out there drifting around with nobody caring and not really having identified what you want to do, not feeling wanted. The beautiful thing about this place is the minute you walk in, you feel welcome. You feel you're free to do your best, feel free from any pressures that might exist outside the walls of this place.

So, Sheriff Block, to you and everybody in this wonderful institution, I support you. I salute you, and especially to those adults that give their time to lift these kids up and give them a chance. It's a wonderful, wonderful thing.

Now, what I thought I'd do, and we don't have too long because we've got to go off to another meeting, but I thought if anybody -- maybe we've got time for maybe two or three questions -- because when I go to schools: ``What's it like to be President?", all that kind of stuff; ``How's Barbara?" Any questions? Let me take four questions. Anybody got one? Right there, first one. What's you name first?

Q. My name is Nancy.

The President. Nancy, shoot.

``Murphy Brown" Television Show

Q. What do you think about Murphy Brown? [Laughter]

The President. Good question, good question. Well, you know, I've got to make a confession. I haven't seen it. [Laughter] But here's my position on that: The values that you get here are good, sound values. And you know, I think what the Vice President was talking about was this concept of parents loving these kids and all of that. So I haven't really seen the program, but I do know that in terms of the values that you learn here, what we call family values, whether it's taught by family or whether it's inculcated into you by these people, your teachers and all, that's a good thing.

I don't know whether you feel closer to your parents when you go home or not, but if you do, you will have learned an awful lot from this place. So that's about the way I would answer it.

How about this guy?

Los Angeles

Q. How do you feel about L.A., about being out here?

The President. How do I feel out here? Well, tell me your name.

Q. David.

The President. David, here's the way I feel about it. I've got mixed emotions about it. I feel a sense of hope. I feel a sense of wonder at the way these guys help you, your coach. Who's your coach here? Do you have a coach, one coach, or who teaches you in here, any one person?

Q. I guess.

The President. Well, is it a woman or a man?

Q. A man.

The President. See, that guy, he's helping you. I think to myself, now, here's a guy, he could be doing anything he wanted probably outside here, but he's giving of his time to help you. So I have a sense of gratitude about that. I sometimes have a sense of the problems because the sheriff told me of some of the problems that are faced in the neighborhoods here of drugs and crime. So it's a mixed feeling being here.

But I'll tell you one thing. I'm leaving here with a sense of hope that this city is going to make it, and it's because of kids like you. You're learning good values, and you're doing good stuff. That's the kind of mixed feelings I get.

Over on this side.

Q. How do you feel about the L.A. riots?

The President. Very good question. The question is, ``How do you feel about the L.A. riots?''

Well, you know, you don't feel it as close when you don't live in the neighborhood, but when

you see it you feel a sense of, this is bad. This is a terrible thing when somebody will destroy someone else's property, break up somebody else's business, wantonly threaten somebody else's life. You feel that right away. And I automatically feel we've got to support our law enforcement community. They are working for you. In a sense, they're working for me and for everybody across this country, keeping order.

Then you say when you see it, ``I wonder why all this is happening?'' Then you get to some causes, some underlying causes, and you say, hey, institutions like this one is trying to help there. They're trying to teach kids, instead of a bad value of going in and doing something bad to somebody else, a good value of caring for the next. So the riots made a lot of people in our country think about both. How do we enforce the law, and then how do we encourage these wonderful volunteer programs like this not just here, not just in L.A., but in other cities across the country?

So it's a mixed feeling, I think, is the way I'd put it.

How about this guy?

Sports

Q. What is your favorite sport?

The President. Favorite sport?

Q. Yes.

The President. Let's see. I'd say baseball. Any of you guys play soccer? Soccer? Anybody play that? Not many, so few. I used to play that in school. I played basketball in school. I played baseball. And I'll tell you something -- this may not be interesting to you because I see a lot of Dodgers suits, and I don't see many Angels. But our son has a team called the Texas Rangers. That's my boy George, and I'm very proud of him. He's the boss of that team, and they are in first place. I say that with all respect to the California Angels.

So I like baseball very much. I like to go to the games. I got to know some of the players, like Nolan Ryan -- why, you talk about a great athlete.

Native Americans

Q. What kind of things are being done about the American Indian?

The President. David? Well, I think that we ought to give plenty of help to those people, and I think we are. I think education is terribly important on the reservation. I think we can do better

on it, although I think we've got some good educational programs. Such a broad question that it's pretty hard to answer. I think everybody's entitled to their rights, that's how I'd answer it.

What's your name?

``Weed and Seed'' Program

Q. [Inaudible]

The President. About the riot thing? Kind of like I told him. I think you've got to have respect for the law. I don't think, no matter how much some guy's hurting, that he ought to take the law in his own hands and violate somebody else's property, somebody else's right, somebody else's house, somebody else's business.

Then you have to have programs. We've got a program, and it's got a funny name to it. It's called ``Weed and Seed.'' The sheriff knows what I'm talking about. That's a Federal program. It comes out of Washington. But it's going to have ramifications for a lot of communities. The concept is to weed out the criminal elements and then to seed the neighborhoods with hope. This program does exactly that, seed the neighborhoods with hope.

Two more. Okay, you got it. I saw this guy. He must be tired because he showed me how he was working out.

The Presidency

Q. Do you think it's fun to be a President when people give you a hard time? [Laughter]

The President. That's a good question. In case they didn't hear it, the question is, ``Do you think it's fun to be President when people are giving you a hard time?'' [Laughter] That's a good question. It's fun to be President. It's a challenge to be President. It's a great big job, and you kind of feel, well, I'm going to try to help people, or I'm going to try to keep the world at peace. And you meet interesting people and all that -- the big problems across the country.

But I'll tell you this about the part that you asked about, about when people give you a hard time. You've got to learn something. When you lose something in sports, I learned this lesson from being President, when you lose something in sports, you can't get all upset about it. If somebody criticizes you because you do something that they don't like or something, you just try to do better. You can't let it get you down. So there are easy times, and there are difficult times. It's in your life, and it's in my life as President of the United States.

So I think what I'd say is, I like my job, and I'm working hard in my job. And I'm doing my best in my job. But if you get a little criticism, you get a little grief out there, don't let it get you

down. Just do better. Just do better.

Yes, last one, this guy.

Audience members. Awwwwww!

The President. Well, hey, listen, I said 4, and it's been 40. Go on now.

Los Angeles

Q. How do you feel about the troubles in L.A.?

The President. About what?

Q. The troubles in L.A.

The President. That's a pretty good question, and I got close to answering it. The guy wants to know, what are you going to do about the troubles in L.A.? Well, what we've done to start with is to bring a lot of Federal programs in to help, starting loan programs to help people get their businesses back, starting emergency programs to help people reconstruct their houses where they've been done grief. This ``Weed and Seed'' program is a good thing.

But the main thing we're trying to do is pass what we call, this is complicated, enterprise zones to bring businesses, through tax breaks, right into the south central L.A. area or other areas where there hasn't been many jobs. That's the answer for guys a little older than you, to create a climate where businesses will come near here, right near here to open up. So that's a big objective we have that would help in the cities.

Hey, you had one. We can't -- I really have got to get out. There was one, the guy was a real insistent guy right here. Here it is, because the sheriff says I've got to get out of here. I know he feels that way. This guy here, he's been very patient. Yes, you, the guy up here, Karate Man, and who -- another one was here. Right up here. That's the final one. Yes, go ahead.

President's Life in the White House

Q. What is your life like?

The President. My life, my life like? The same as -- this may be difficult for you to understand -- pretty much the same as what a lot of people are. We've got 5 kids, and we've got 12 grandchildren, one of them -- how old are you? Nine. I'm not sure we've got a 9-year-old; I think we do. [Laughter]

I get a kick when they come into the White House. Have you seen pictures of the White House? The President has to work there all the time. Sometimes when it's quiet, the door opens up. And my grandchildren, a couple of them will come running in, or a dog will come, one of my dogs, Millie or Ranger, will come in there. And you feel just like I did when I was a kid with the family, you know.

Some of it's personal like that, and then some of it very serious, when world leaders and presidents and kings and mayors and governors come to see you. So it's a mixture. But it's not that different in how we actually live our lives with Barbara and I over there in the White House. We try to stay in touch a little and try to keep our family going, get on the phone and call the kids that live in Texas and Florida and all around the country. Even though it's very formal and very complicated at times, you still have the feeling these are the values.

You know, when things are tough -- my mother told me when I was a little guy, younger than you, ``Do your best. Try your hardest." That advice is good for a kid, and it's good for a President of the United States.

Now, we've got two more.

Rodney King Verdict

Q. How do you feel about the Rodney King verdict?

The President. The question was, how do I feel about the Rodney King verdict? As I told the Nation, what I saw I didn't like. I am also very confident that our law, our system of law in the final analysis is fair. I'm convinced that justice is done under our system of law. So I didn't like the pictures, but I also feel that everybody's entitled, no matter what you see, to a fair hearing, a fair trial. So those are -- what did you feel? I'm just curious.

Audience member. They were wrong to beat him up.

The President. Yes, it's wrong to beat up people. I think that's a good point. I said that, you know, when I made a speech to the country on that point. It's a good point.

Presidential Campaign

Q. How do you feel about running for President again?

The President. Good question to end on. [Laughter] You've got to admit, you guys have to admit there have been no politics in this up until now. And she said, ``How do you feel about running for President again?" I will only answer it that I've got a lot of work left to do, and I'm going to

try to do what I said over here to this guy: Do my best; try my hardest. I think things are getting better for some in this country, but nobody can relax until you try to help everybody.

So in some ways it's tough. You're going a lot. In some ways there's a lot of controversy; like this guy said, what if you're getting grief out there. But it's important, and I believe in this country, and I think our best days are ahead. I look around this room, and I am more confident than ever that the best days of our country lie ahead because you're a great part of our future.

Good luck to each and every one of you. Thanks a lot.

Note: The President spoke at 5:30 p.m. at the Lynwood Youth Athletic Center. In his remarks, he referred to Sherman Block, Los Angeles County sheriff. Prior to his remarks, the President attended a briefing on league activities and toured the center. A tape was not available for verification of the content of these remarks.

Remarks at the Asian-Pacific American Heritage Dinner in Los Angeles

May 29, 1992

Thank you, Governor. And listen, it is a joy to be here. In a sense, it feels like a reunion. It's good to be here with Senator Seymour, who you met earlier, John Seymour, doing a superb job in Washington. I'm very proud of Pat Saiki, who came out with us yesterday, the Administrator of the SBA. Let me just say this, SBA moved faster in this situation than in any other situation of this kind across the country. And Pat, thank you for your leadership in that regard.

May I salute my old friend Johnny Tsu here. We go back a long time. Susan Allan, Matt Fong, one of our most senior elected officials, Inder Singh, Elizabeth Szu, and let me acknowledge this marvelous choir and the fantastic band. I'll tell you, that was a great combo. You guys ought to go on the road for ``The Star-Spangled Banner.'' Thank you all very, very much. First class. Then, of course, the honorees, the eight that you have selected tonight, the men and women we honor tonight, and all of you. And what a moving welcome from the 442d Battalion, not only the most highly decorated unit but also a dramatic, inspiring personal story. I'm proud to be with you all to honor the Asian-Pacific Heritage Month.

On days like this, America celebrates our exuberant diversity. The genius of this land is how we take the bright, varied pieces that immigrants bring with them from all over the world and together create the proud, strong mosaic that is America. One passion unites everyone who comes to these shores: the yearning to reach for a piece of the American dream. Millions of people, your parents, or their parents, maybe even some of you, yourselves, chose to come here, to the land where we make our dreams come true.

I think of Quang Trinh, a young Vietnamese ``boat person,'' kissing the ground when he arrived and calling America ``Freedom Country.'' Asian-Pacific Americans came here seeking freedom. You came here wanting to work for it, determined to accept only the success you could carve out with your own discipline, sacrifice, and of course, tireless quest for excellence.

When we were privileged, Barbara and I, were privileged to represent this country in China, Barbara and I felt strongly that everyone could learn from the Asian culture with its emphasis on hard work and family. Like you, we should all strive for the success that comes not from luck and shortcuts but from education and merit. Like you, we should live by an inner moral compass that stresses not entitlement but personal responsibility. In your homes each generation grows guided by values proven by the test of time. Children revere their parents, their parents' parents, and the wisdom of morality which they embody. In the words of a Chinese proverb, ``One generation plants the trees, another gets the shade.''

In this land, Asian-Americans have created your own success and become full participants in the American dream. Through this proud determination, you've contributed to the strength of this entire Nation. Think of the legacies of so many who have enriched our lives, and this is but a handful, an honor roll of men and women like I.M. Pei; Yo Yo Ma, who performed so beautifully in the White House just a few nights ago; Seiji Ozawa; recently we all marveled at Kristi Yamaguchi; Michael Chang; Nobel Prize winners Leo Esaki and Yuan Lee; public servants like the late Spark Matsunaga, a dear friend; Hiram Fong; Danny Inouye; Patsy Mink; S.I. Hayakawa; Ambassador Julia Chang Bloch. Then of course, I take special pride in our Federal Agency heads Pat Saiki, Elaine Chao, Wendy Gramm; men of courage like Ellison Onizuka; and Taylor Wang and Damon Kanuha, who gave their lives for their country in the Gulf war.

You have contributed more than inspiration. We need look no further than your commitment to the entrepreneurial spirit to see how you've helped our country and helped our economy. You've built dreams. You've also built jobs. You've opened up opportunities for all Americans by bolstering economic growth.

We look to job-creation leaders like those that we honor: Maryles Casto, David Lee, Bob Nakasone. I told Bob that I'm sorry Barbara's not out here because if he ever runs for anything, Barbara Bush will be his campaign manager. I'll guarantee you that, another great admirer. But another old friend over here, Jhoon Rhee; Ram Thukkaram; Ted Ngoy; Jang Lee, another man who I saw in action the other day in Koreatown; and the late John Fang, represented here tonight by his wife, Florence, another friend of mine.

Like these, the Asian-Americans' proud hold on the American dream seems secure. I still believe that today, even after this terrible tragedy that part of the Asian-American community suffered. I went through Koreatown, and I saw how a community that had been building its roots and reaching out for its dreams for 25 years could be reduced overnight to ashes, over 1,600 stores burned or ransacked in the rampage. I talked with victims like Helen Lim, who said that with each statistic America must realize that ``It's a life, a human being is suffering."

One person told me how teenager Edward Song Lee said to his dad that ``the Korean community needs my help," and then went out unarmed to protect his neighborhood, only to be killed in the crossfire. I heard of devastation that spread through Chinatown, Japantown, Vietnamese and Cambodian neighborhoods in Long Beach. I was heartsick to see how low humanity can sink. But on the same streets, on the same streets, I also saw how high humanity can rise.

Americans everywhere condemned the violence and the looting. Victimized neighbors, black, Hispanic, Asian-American, came together to renounce darkness and embrace healing. The buildings were destroyed but, you could feel it, not the spirit, not the spirit. The community will rebuild not just to make things the way they were but to make things better.

You've drawn on your inner strength for courage and hope. Thousands of you marched together to reclaim your streets. And even as cinders smoldered, volunteers started cleaning and family storeowners started rebuilding. You have years of your lives' work invested in your communities and thousands of years of heritage to guide you. For those not in the devastated areas, you have support from the Asian-American community all across this country. And even after all that's happened, you still take to heart in the old Korean saying, ``After sorrow, joy."

The Federal Government will help. We're trying hard to help. I wanted to come back here 3 weeks later to see what we are doing to help. I'm proud of our Federal Agencies. Pat Saiki here came out the day after the riots and worked tirelessly to expedite relief, especially for small-business owners who are the heart of your community. We will help, and we'll be here for you until the sprouts of a new spring of hope can be seen on Vermont Avenue.

America has embarked on a new chapter, a chapter of healing. Your Asian-American community shows how to begin. You came to this country to earn your share of the American dream, and you won't let this tragedy shatter it for you. You remind this Nation that the Asian-American values, freedom, family, self-determination, and opportunity, are the treasures of this land and the goals of our people.

In Asia I learned a lot. And I learned that the phoenix is one of the four sacred creatures in Chinese tradition. It can become for this country the symbol of our healing, for the phoenix is a bird reborn triumphantly from its own ashes. Shopowners in Los Angeles are resurrecting their physical lives right now. Together, let's do the same work for our spirit.

I wanted to be here today not just to speak to those whose close-in community had been victimized but to other Asian-American leaders from California and some from across this country. I have great respect, as I said at the beginning, for the values that unite you all, and I would say, unite us. I really wanted to come here and say thank you for this broad community's proud and very positive contribution to this land today and in the future.

May God bless each and every one of you and this wonderful land that we call home, the greatest, the freest country on the face of the Earth, the United States of America. Thank you all very much for letting me come.

Note: The President spoke at 6:40 p.m. at the Hyatt Regency at Broadway Plaza. In his remarks, he referred to John Tsu, president, Asian American Political Education Foundation; Susan Allan, chairman, Pan American Chamber of Commerce; Matt Fong, member, California State Board of Equalization; Inder Singh, president, National Federation of Indian Americans; and Elizabeth Szu, coordinator, Asian/Pacific Islander American Coalition. A tape was not available for verification of the content of these remarks.

Nomination of Robert L. Gallucci To Be an Assistant Secretary of State

May 29, 1992

The President today announced his intention to nominate Robert L. Gallucci, of Virginia, to be an Assistant Secretary of State for Politico-Military Affairs. He would succeed Richard A. Clarke.

Currently Dr. Gallucci serves as a Senior Coordinator for the Deputy Secretary at the Department of State in Washington, DC. Prior to this, he served as Deputy Executive Chairman for the United Nations Special Commission, 1991 - 92; professor at the National War College in Washington, DC, 1988 - 91; and Deputy Director-General of the Multinational Force and Observers in Rome, Italy, 1984 - 88. Dr. Gallucci served at the Department of State as Office Director for the Office of Politico-Military Affairs, 1983 - 84; and the Office of Near Eastern and South Asian Affairs, 1982 - 83.

Dr. Gallucci graduated from the State University of New York at Stony Brook (B.A., 1967) and Brandeis University (M.A. and Ph.D., 1973). He was born February 11, 1946, in Brooklyn, NY. Dr. Gallucci is married, has two children, and resides in Arlington, VA.

Nomination of Joseph Monroe Segars To Be United States Ambassador to Cape Verde

May 29, 1992

The President today announced his intention to nominate Joseph Monroe Segars, of Pennsylvania, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador of the United States of America to the Republic of Cape Verde. He would succeed Francis Terry McNamara.

Currently Mr. Segars serves as a member of the Senior Seminar of the Foreign Service Institute at the Department of State. Prior to this, he served as a career counselor in the Senior Officer Division, Department of State Office of Personnel, 1989 - 91; Deputy Chief of Mission at the U.S. Embassy in Dar Es Salaam, Tanzania, 1986 - 89; and as Consul General of the U.S. Embassy in Lagos, Nigeria, 1983 - 86. From 1981 to 1983, Mr. Segars served as desk officer for Zimbabwe, Lesotho, and Swaziland in the Office of Southern African Affairs at the Department of State.

Mr. Segars graduated from the University of Pennsylvania (B.S., 1961). He was born January 6, 1938, in Hartsville, SC. Mr. Segars is married, has one child, and resides in Washington, DC.

Remarks and a Question-and-Answer Session With the Agricultural Community in Fresno, California

May 30, 1992

The President. First, let me just thank Lee Simpson, the boys that I met. We had a chance to look at one method of growing. He was fair enough to tell me that others approach these things in different ways. But I must say, I've learned a lot. And it was most enjoyable, all too brief. But it wasn't just watching the computer in there; it was seeing him and his love of the soil and his boys and all the things that we talk about when we think of values when it comes to farm families. So they had a nice, neat way of making me feel at home here.

I want to thank the Governor for being with us and our very able Senator John Seymour. I mean, I'm not here on a political mission, but let me just say to you who are involved in agriculture, it is nice to have somebody in the Senate who understands the real problems facing us and then can bring that knowledge of agriculture down to the White House to be sure we are sensitive.

I had a chance earlier on with -- I'm accompanied by the woman that many of you know, Ann Veneman. I thought it would be better coming to a bunch of experts in agriculture to have some brains with me. Mine are good for some things, and I think I have a feel for what we need to do in agriculture. But I certainly don't stand here as any expert. So I brought Ann in case some of you might have technical questions or where we stand on some specific initiative or other.

On the broad agricultural concepts, let me simply say I believe it's absolutely essential that we have free and fair trade. We will continue to seek access to foreign markets. We've made some progress in beef and citrus and some things into Japan. There are some big crops that are excluded; we've got to keep pushing. I want to see a successful conclusion to what's known as the GATT, the Uruguay round of GATT. And the hangup, as everybody in this room knows, the main one has been agriculture. We've made some progress working with the Europeans. And they themselves have reorganized their common agricultural policy, something that is just going to reduce the levels of subsidies.

But I just want you to know we're committed. I think I've a little better feel now for some of the problems that certain growers of certain commodities face in selling, for example, to Mexico. With Mexico I want an agreement, but I want it to be fair. I'm a great fan of Carlos Salinas, the President of Mexico. He's done a superb job. And it's not just in working towards free and fair trade; it's the fact that we're in very good sync with the Mexicans in terms of major foreign policy objectives. So I salute him. But he knows and I know that we cannot take to the Congress, and I will not, an agreement that is not based on free and fair trade. Our agricultural shipments to Mexico have increased threefold over the last few years. That's good, but we still have some problems on both sides. He has some problems with us.

On the GATT, Ann gives her expertise to this a lot. We had a meeting the other day with Mr. Andriessen from the EC. I'm told by our very able negotiator, Carla Hills, that we made some progress there, but again, I can't predict for you when either of these will be done.

The last point I'll make, and then I'll sit on my little stool and take any questions that come my way and maybe deflect a few off of here. But I feel that the United States economy is beginning to improve. California's had some very difficult times. Lot of defense problems here, as we've been able, given the demise of international communism, to properly cut back on defense. I would say to you in this very patriotic part of the State, I am not going to permit the Congress to cut into the muscle of our defense. We are able to make reductions. But now, especially in a political year with all the promises resonating out there, everybody wants to take $10 billion here or $20 billion there and spread it on some program, and we can't do that.

I am the President, and I have responsibility for our basic national security interests. The world is much safer. This little Redskin fan goes to bed at night with less fear of nuclear weapons than his older brothers or maybe his mother and dad did, and that's a wonderful accomplishment. But I can tell you, and General Scowcroft, who's with me here today, my very able National Security Adviser, could tell you it isn't that safe a world.

So we're trying to solidify the progress for democracy and freedom that has been made. It is major heavy lifting, but we are the only ones who can do it. The United States, we are the undisputed leader of the free world that's moving down the path to democracy. So I cite that because I cannot get in the promise business of taking $10 billion or $20 billion more from every defense account, and I'm not going to do it.

In any event, I do feel the U.S. economy's recovering -- you saw the growth figures yesterday -- and with it will surge back the optimism that belongs to the United States of America. It's been a tough go for people, and I know that. But we are a rising Nation, not a declining Nation.

Now, with no further ado, who wants the first question? I'm told that some of you have some real broad interest in areas that might not be specifically on agriculture; so much the better. That's fine with me. Yes, sir.

Legal Services Corporation

Q. I'm an orange grower. We in the valley here, I'm in California, have a problem with an outfit called CRLA, California Rural Legal Assistance. These are the folks who seem to us to be creating answers to which there are no questions. Harassment, I believe, is one of the words. Your predecessor told us that he was going to do something about it, and I'd sure like to hear that you would take a shot at defunding the organization. I think they're out of hand.

The President. Well, let me first ask if it's a State or a local -- are you talking about the Legal

Services overall?

Q. Yes.

The President. Well, I don't know that we're going to defund it. What we're trying to do is to get it, through competent and sensible appointees, get it confined so it doesn't go off into the political arena, trying to make a lot of political statements and affecting legislation. That's not what Legal Services, if that is what we're talking about, is supposed to be doing. I think we still have some appointees not confirmed, but I can assure you we are not going to put any loose cannons rolling around on that deck. I hope there's been changes, but I gather we've got some work to do.

The Economy

Q. As you know, everybody's concerned about the economy, and I was wondering if you would sign this dollar bill, showing me that you would promise to try to make this dollar bill worth just as much or more as it is in 4 years from now.

The President. Yes, let me tell you something about the dollar. Let me tell you, one way to take that dollar and make it shrink is to let inflation get out of control. The cruelest tax of all is inflation. You don't see it, but you feel it. And the dollars shrink. They don't buy as much.

One of the bright spots in an otherwise gloomy economy over the last year has been that inflation is down. I want to have economic policies enacted that will stimulate economic growth. But that's got to be done without making that dollar bill shrink, and I think we can do it. Right now, interest rates are down; inflation is down. That makes us poised for the best kind of economic recovery. I'm just saying that we've got to be sure it stays down because that's the way you make this dollar come back.

When I come back 4 years from now, I think I'll be in this line of work then -- [laughter] -- it would shrink if we don't get control, try to keep control -- we've got a long way to go -- of spending. One of the things we're pushing for now, an idea whose time has come, that I've been for for many years is what's called a balanced budget amendment to the Constitution. It disciplines the executive branch, and it darned sure disciplines a Congress that has been very, very reluctant to do anything on the spending side.

So those are just a couple of thoughts about how we're going to keep that dollar the same size, maybe make it buy more.

Environmental Policy

Q. We've been working on a thing with the Federal Clean Air Act. And in that act of 1990, it

addresses a thing called fugitive dust, referred to as PM10, particulate size. In that regulation it addresses where -- it's going after farmland that makes dust, a tractor that's out there farming. And to try to control that dust, the EPA has certain deadline dates, '94, '97 and 2001, in which growers are going to have to develop control strategies to stop that dust from going in the air. That has been based on, in the Federal Clean Air Act, with research that was done that was inaccurate, totally wrong. And now we have these implementation things called a PM10 plan that every State has to submit an air agency. And yet they're not realizing, we've pointed it out, that they need to look at better science because it's very difficult to regulate dust on a tractor. Yet they're asking us for control measures that are very much -- right now, there's not valid research. The USDA and EPA are hoping now to fund some money so we can do some valid research.

The President. I'm not an expert on that. Ann, do you want to just comment on his specific, and then I'll give you an answer on a broader sense. Let me give you the broader answer first.

You may have read about the Rio conference on the environment. I have withheld commitment to go there because it seemed to me that what we had to do before committing to go is to work out sound environmental policy, sound as far as the United States goes, and we are the leader because of our science and technology in international environment. So we had to work out sound environmental policy. But I also wanted an underpinning of sound economic policy. And we cannot permit the extremes in the environmental movement to shut down the United States on science that may not be as perfected as we in the United States should have it.

So I don't know the specific, I'll be honest with you, that you're talking about, that provision of the Clean Air Act. But my general philosophy is to have a good, sound environmental practice. I think we do. I think we've got something to be really proud of and to take to Rio, but also to say to them, these countries, we cannot accept standards that are not based on the soundest of science, and we cannot shut down the lives of many Americans because of going to an extreme on the environment. So that's my philosophy, and that's what we're trying to do.

Now, on this one for those of you who are environmentalists or follow Rio, I think we're coming out all right on that. A lot of the world leaders have told me they think that our fighting for that balance has been a very good thing, and we've staved off setting such rigid standards that nobody can meet. When the United States makes a commitment, it has to keep it. And we do that. Our word is pretty good, and it should be. But we can't do it and throw an awful lot of people out of work, especially when it's not based on sound science.

Can you make a specific comment on the gentleman's, do you know?

Deputy Secretary Veneman. Well, I certainly am familiar with this issue. It's been in USDA. We are attempting to help to fund the science necessary to address this problem, and I think we are committed to continuing in that effort.

Q. I appreciate that very much, Mr. President and Ann Veneman, on that because we think that that needs to be looked at very, very strongly before we continue to put industry out of business because of unsound science, because somebody didn't do their job right. And I thank you very much.

The President. Well, we're trying. I know they're going to want to raise the question that might get me in trouble, but I know, for example, on endangered species you've got some major California problems. They're national problems. We are trying to get balance and use of science and also have those hallmarks of the policy, but also the fact that a family's got to work for a living. So that one is one that has to be filtered into any agreements we're making.

Wetlands

Q. I was pleased to see that we have a wetlands preserve program just starting up, with California being one of the pilot States. I think that that offers a way to restore wetlands and, at the same time, make a workable relationship with farming. One thing I would like to see is in the following programs, should Congress support your budget proposal, is a wider definition of the crop and land that is allowable in it. Within California much of the land that would qualify -- --

The President. To be a wet?

Q. Right, exactly.

The President. We've had examples of that. The first gentleman was telling me about it, and we have -- I consider myself a sound and hopefully sensible environmental President. But again, I think in terms of wetlands, the manual and definition, it's gotten a little ahead of where it should be in terms of a definition of a wetland.

So we're trying hard. I just had a meeting earlier, and one of the rice growers told me about a program that they are working closely on where it really does help create wetlands. And the bird hunters and all these people who are very interested in the flyways are very happy about it. So I think there's room for innovation. I think we ought to stay with our objective and no net loss of wetlands, but we don't want to overdefine what a wetland is.

That's what I've tried to do, and again, I've taken a few shots as being too much on the growth side of that. But I don't think that's a fair shot because I think what happens during some periods, some of the bureaucrats in our regulatory agencies started defining the wetland problem in a way that really overdefines it. There was not a legitimate wetland we were trying to preserve. So we're working it. And I appreciate your suggestion.

Domestic Agenda

Q. I think most people are wondering that during yourÿ20first 4 years in the Presidency I think that yourÿ20main objective has been to center on the foreign affairs with the fall of international communism. With Ross Perot coming out saying that you need to address the situations with the homeless and with the deficit and all these other sort of domestic affairs, if you are reelected, assuming you are, will you be focusing your attention on the domestic affairs and not so much on the military and communism, the fall of communism, and China and Russia and all these other areas such as the Baltics?

The President. The President's responsibilities are multifaceted. One of them is the national security of the United States. It is in this field that the President really has primacy, and I'm not going to neglect that. I'm not going to neglect it because of political criticism. Having said that, it is absolutely essential that our domestic program, which is sound, be brought before a Congress that will think some new ideas.

The Congress today, in my view, thinks old ideas. We've got some problems. How are we going to help the city of Los Angeles? I think an enterprise zone that green-lines the area and cuts the capital gains rate to zero will do more to bring jobs into the hopeless areas of Los Angeles than doubling the spending on some Government programs. I have had that proposal up there for years. I've had it up there for years, and it has been blocked by, for the most part, by a hostile Congress.

So I will not plead guilty to having neglected the domestic agenda. What we've got to do is get the facts out there that there is a good one that's based on empowerment. It is based on keeping Government close to the people. It's based on less regulation rather than more. It's based on giving people a part of the action. And that goes into all kinds of subjects. It also is based on fiscal sanity.

I argue for a balanced budget amendment. It will discipline the executive branch, and it will darned sure discipline the Congress. Now it's beginning to happen. The good thing about this 4-year election dance is, it does get to focus, it brings people's focus on these major problems. I think we have a rare opportunity now to pass some of the things that would help guarantee the future of that little girl's dollar bill.

I'd like to see a line-item veto for the President. Forty-three Governors have it, and it works. Somebody said, ``You don't have a domestic program." Here's a good one. Try it on for size. And they say, ``Well, that's not a new idea." As far as I'm concerned it's new until it's been tried. We ought to keep pushing until we get it. That gets the President then all interacting with the people running for Congress, and it gets you in there. If you believe that last point, for example, get your Congressman to say what he'll do when he goes there.

So I think we've got a good program. I'll give you one more, and then I'll stop filibustering. Education, we have a program called America 2000. It literally revolutionizes education. It

creates 535 new American schools where the community and the families get involved in saying, ``Here's what we think will work in Fresno. I don't care so much what's going to work in Austin, Texas," and create these new schools. We send the bill up to the Congress, and what do they do in education? They just add money to programs that have failed. We've got a good domestic agenda, and there is a significant flagship of that domestic agenda.

So what I've got to do is, one, make clear to the American people we've got it; and, two, take my case in the fall when I get into that political arena that I'm trying to stay out of at least until after our convention and say, all right, send me some Members of Congress that agree with this. Don't send people up there that come home and talk tough on law and order and crime and then go back and vote some other way.

I listened to some ads of people running to try to get into the United States Senate, and these happen to be on the Democratic side, all of them talking tough on law and order. We've got a tough crime bill that is sitting in the United States Congress because the very same people that are advertising today in California refuse to vote for it.

The good thing about an election year is, we can make that case clearly and say, look, send us some people, if you happen to think we're right, a little tougher on the criminal and little less tough on the victim of crime. Vote for them. Get our program going.

So I think we've got a good domestic agenda. I do not plead guilty to neglecting it. I think out of the 4-year process here we'll have time to get it in focus.

But look, I know that there's this feeling that we're living in a benign world now because of this magnificent victory over communism. But believe me, if you look at the Soviet Union and you see what's happening in some of the Republics, and if you look at the problems south of our border, although the hemisphere's going -- the President can't neglect that. I can't shift entirely away from that responsibility.

But I take your point. I think I've got to do a better job explaining to the people. Send me Members of Congress that will vote for these kinds of initiatives. If you want to do it the old way, get them to go in and vote for the status quo. But I think people want change now. I think we can take that message of hope out there.

Wristwatch Presentation

Q. Last week you gave your watch away to Ensign Sam Wagener. You may not have realized it, but he was from Fresno. And so the Fresno Chamber of Commerce and the California Bowl Committee would like to present you with an official California Bowl watch, as a matter of fact, an official California Raisins Bowl watch.

The President. I'm a two-watch man again, but I'm telling you that I came out way ahead on the trade. That midshipman came out -- he gave me -- he did all right. He didn't have anything when he started. So he got my watch. But I didn't know he was from here. I'm very grateful. This is beautiful, and thank you. I accept with pleasure.

Water Management Legislation

Q. I'd first like to start off by thanking you and your administration for trying to add a little bit of sanity to the application of Environmental and Endangered Species Act by putting in people and jobs and the economy as part of the equation.

As you know, we are in the fight of our life here in the Central Valley of California over irrigated agriculture and the operations of Central Valley Project. Sir, Governor Wilson has shown historic and courageous leadership recently in announcing that there is a California solution to the Central Valley Project. Senator Seymour, likewise, has lead a courageous fight in the Senate to put aside some of the criticisms we have from some of the Democratic Senators from New Jersey who think they know how to manage water from Washington, DC, for what we do here in the Central Valley.

In the last 2 days there has been some -- many call it negotiations -- and discussions on the House side, unfortunately controlled by many of our Democratic colleagues who are no better for us than some of those liberal folks in the Senate.

I would like to say, sir, that if there is any doubt from the administration as to who they should look for, for whether or not these bills, as they go forward, are accepted by the leadership in California, you should please look toward Senator Seymour and Governor Wilson. I know they're going to be many mixed signals out there. But we will welcome the administration's overview and dedication to the fact that we have to balance environmental with jobs, economic, and people issues as we move forward for a solution to Central Valley water issues.

The President. The Seymour approach is far -- and I'll put some names on it for you -- the Seymour approach is far better, far better than Miller-Bradley. And yes, we're trying to -- I don't want to be flirting around leaving any doubt. Miller-Bradley is unacceptable, unacceptable and I wouldn't sign it. We are now discussing it. We were talking about it coming up here on the plane as to how to move forward with implementation of a more sensible approach. So I appreciate your comments. It helps me understand the fervor of the feeling out here. But I'm not just saying this politically. We are not going to accept Mr. Miller's approach, seconded by Bradley.

Multilateral Trade Negotiations

Q. Mr. President, I'm a dairyman and a diversified farmer here in Fresno County. I want to thank you and your administration for pushing so hard for the successful conclusion of GATT as well

as NAFTA. We thank you for hanging tough in agriculture, not giving in to the EC, the demands they have made upon us.

The concern that we have is on NAFTA, that recently the Canadians have said that they will not give up on their dairy quotas, that their dairy quotas are not negotiable. If we go ahead and negotiate a treaty where we have to give up our Section 22 and the Canadians give up none of their dairy quotas, we're put at a tremendous disadvantage. Our plea to you, sir, is hang tough on that deal.

We do want a free trade agreement. I believe that the future of American agriculture depends on international trade. But we do want an agreement that we can live with and that is fair to everybody, and hopefully, that we can hang on tough. But if they don't give, well, we don't want to give. We don't want to be put at a disadvantage.

The President. Let me comment. The gentleman makes a very good point. It's not simply Canada on dairies; it is EC on bananas, for example. And I might say the Canadian pitch on this one relates to the unity of Canada itself. They're worried that if they don't continue to protect dairies, that that gives the Quebec people kind of a shot with a lot of concentrated dairies there, pulling away from what used to be called the Meech Lake Accords, which is technical, but that was the effort by our friend, and he is a friend, Brian Mulroney, to hold Canada together.

But on your point, the difficulty that we have with the Canadian request or the request from some of our smaller friends in the Caribbean is, once you start down the road of exception, exception, exception, you get farther away rather than closer to an agreement.

So we've got problems. I talked earlier about the rice problem as it affects Japan. I mean, there's an enormous market there. When I deal with the Prime Minister, the various Prime Ministers of Japan, the push always is, ``Please understand we've got enormously complex political problems on rice in the Diet, in our political legislature.''

So we say, well, yes, but we can't have a successful conclusion if everybody excepts what is precious to him or her or whatever it is. So I think your point is very, very valid. And there are ways in these agreements to phase things in so people aren't hectored and harassed and thrown out of business at the outset. But the principle that you've outlined is one I believe is underlying, and I've instructed our negotiators accordingly, underlying our negotiations on NAFTA and the GATT.

Ann, do you want to add to that? I appreciate your comments on it.

Agricultural Chemicals

Q. I'm glad to hear that you are America's environmental President because I think in this room

today are America's first environmentalists. Farmers should be and are good environmentalists. We do not want to do anything that would poison the ground or poison our families. But I'm concerned about the deluge of regulation in the last decade, especially in regard to the use of farm chemicals.

I'm concerned especially about the minor-use chemicals that the chemical companies no longer wish to register. California grows over 250 different crops. Some of these crops are considered to be minor-use crops for some of the chemicals that we use. I'm concerned about the loss of those chemicals not because they are inherently bad but because the economics of the use really prohibits the chemical company from reregistering its chemicals for each of these minor-use crops.

Then we also have a problem with a major-use chemical, and that is methylbromide. As a nurseryman, we have a protocol in California whereby we cannot sell trees without following that protocol. It involves killing organisms within the soil, parasites that would eat the roots of the plants that we sell. Because of the strong phytosanitary regulations of the USDA and the California Department of Food and Agriculture, we are able to ship trees around the world. If we lose methylbromide, we will not only have the problem of not being able to ship around the world because we will have an inferior product, but we will have a problem within shipping in California because we can't meet the regulations. What can we do as good environmentalists but also as good business people to stem this regulatory tide?

The President. Let me say on that methylbromide, I'm certainly no expert on it. But I'll give you the philosophy again behind it. Decisions should be based on sound science. It is my understanding that the science is less than perfected as it relates to this chemical. It seems to me that the way to approach this problem is to be sure that the science is sound.

I would have to say, if the science proved that it was detrimental to the environment, I as President would be facing a significant problem because you cannot neglect the environmental destruction to our economy or to our country. So I think the answer is to try to move forward more fast on the science itself, as well as the alternate scientific work that's taking place.

Now, Ann knows a great deal more about this than I. Can you add something to that?

Deputy Secretary Veneman. Mr. President, I think that you're exactly right. We have to have the scientific evidence on these issues. We've certainly been trying in the USDA to work with EPA on the particular problems that face farmers as we deal with these chemical issues, and we'll try to continue to do that. Methylbromide does need additional science, and we'll participate in that to the extent that we can.

Energy Policy

The President. And I agree. I mean, I think farmers are not only environmentalists but conservationists. I think that's very, very important. I think we have to do it.

Incidentally, I would like to make a pitch for our energy bill that passed the Congress the other day, which does have some good, sound conservation in it, but also it balances out the need for this country to grow. I don't want to shift the subject away from your question, but in all these fields -- and this gets back to this young man's question -- in all these fields there's a question of philosophy on a lot of this stuff.

On our energy approach, we're trying to keep growth going through more energy sources and through conservation. Some would have you just do nothing on the former part of it, and I'm in a big fight, although it's not in this bill, on the ANWR, the Alaskan Wildlife Refuge. I am absolutely convinced that you can have prudent development, as we did in Prudhoe Bay, of that. And yet I'm in a big row with the environmentalists because they say, ``Well, you say you're for the environment; how come you're for ANWR?" I'm saying ANWR can be developed without decimating the environment or the species there, in this case caribou or whatever else it is.

So I just cite this because it is something in my job that you have to keep balancing, just as this guy's question was how do you balance the national security from domestic. Here's one: How do you balance domestic growth, families need to make a living, our hopefully becoming less dependent on foreign oil for a lot of reasons, and balance that with the environmental needs? And you've raised a more specific question. We've just got to keep that ethic going, and I think we can. I think we can do better on it.

Getting thrown out of here?

Q. Sir, we could sit here and talk all day long and probably all week long. We just appreciate so much your coming to Fresno and listening to our concerns. We wish you the best of luck in the near future.

The President. Let me say -- thank you, Lee, very much. Let me just make this observation that you can't help but feel when you're here. We're talking about agriculture; we're talking about chemicals; we're talking about wetlands; we're talking about economic growth; we're talking about national security. These are all big issues. But I wish that Barbara Bush had been out here, the Silver Fox we call her, because I think she would sense the feeling of community and of family that we sensed when we lived in a climate not unlike this in west Texas for 12 years and long before I got wrapped up in the political world. These issues are terribly important.

But when we talk about family, you feel it when you walk into his house or his place of business and feel it just looking around this room. You get that sense this is something that is very important. And when those mayors came to me, long before the trouble in Los Angeles, and said, ``The largest single concern we have about the decline in the cities, the biggest problem is

the decline in the American family, the falling apart of the family."

So when Barbara hugs a child or we read to kids, it is trying as best we can to show the importance of family and the importance of the values that stem from family. I make that not as a pitch but just as a statement, because the Presidency is about issues. It's about doing your best. It's about national security, but it is also about understanding the strength of this country. And I've gotten a good lesson in that here today.

Thank you.

Note: The President spoke at 10:58 a.m. at the Simpson Vineyards. In his remarks, he referred to Lee Simpson, owner of the vineyards, and Frans Andriessen, Vice President of the European Community Commission.

Remarks at the Miracles in the Sky Air Show in Fresno

May 30, 1992

I can hear you. We had a good look at the crowd there. And I want to salute Lonnie and Heidi English and I wish everybody there in the support of the Valley Children's Hospital all the best.

And I wish each of you could see this magnificent Air Force One piloted by Colonel Danny Barr. It's a marvelous airplane, and I think it represents our country very well as we go not just here but overseas as well.

I wish you well. This air show that will benefit the Valley Children's Hospital is just a wonderful thing. I salute you. I salute you all at TV 30 for their civic -- I don't know how to say it, but the civic responsibility, you might say, of supporting this wonderful charity. But also you're bringing people a lot of happiness there.

So, good luck to each and every one of you. Again, to Lonnie and to Heidi who thought of this in the first place, well done. Well done. My only regret is I don't get down to see some of those shiny things we flew over.

Note: The President spoke at 12:28 p.m. at the Madera Municipal Airport. In his remarks, he referred to Lonnie English and his wife, Heidi, members of the board of directors of the Miracles in the Sky Air Show. A tape was not available for verification of the content of these remarks.

Letter to Congressional Leaders on the National Emergency With Respect to Yugoslavia

May 30, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b), and section 301 of the National Emergencies Act, 50 U.S.C. 1631, I hereby report that I have exercised my statutory authority in order to declare a national emergency to respond to the threat to the national security created by the actions and policies of the Governments of Serbia and Montenegro, acting under the name of the Socialist Federal Republic of Yugoslavia or the Federal Republic of Yugoslavia, and to issue an Executive order that blocks all property including bank deposits of the Governments of Serbia and Montenegro, as well as property in the name of the Government of the Socialist Federal Republic of Yugoslavia or the Government of the Federal Republic of Yugoslavia, in the United States or in the control of U.S. persons including their overseas branches.

The Secretary of the Treasury is authorized to issue regulations implementing these prohibitions.

I am enclosing a copy of the Executive order that I have issued.

I have authorized these measures in response to the actions and policies of the Governments of Serbia and Montenegro, acting under the name of the Socialist Federal Republic of Yugoslavia or the Federal Republic of Yugoslavia, in their involvement in and support for groups attempting to seize territory in Croatia and Bosnia-Hercegovina by force and violence utilizing, in part, the forces of the so-called Yugoslav National Army. The grave events in Serbia and Montenegro constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. The measures that I have taken today express our outrage at the actions of the Serbian and Montenegrin Governments and will prevent those governments from drawing on monies and properties within U.S. control.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order is listed in Appendix E at the end of this volume.

Remarks at a Texas Victory '92 Fundraising Dinner in Dallas, Texas

May 30, 1992

Thank you for that wonderfully warm introduction, Senator, and I am just delighted to be at your side. I won't rave about Phil Gramm; we know what kind of Senator we have. But as I listen to him on the floor of the Senate from time to time, as I see him in action up there, I am absolutely convinced that with his leadership now of this Senate campaign committee which is taking him all across the country, and then given what I'm about to tell you how I see this country moving, I really believe with his leadership we have an opportunity to get control back of the United States Senate and to move this country forward. And he's doing a superb job for our State.

Dr. Criswell, it is very nice to see you again, sir. Last time I saw him was in his own church, and it was a moving experience for me. I am delighted that he is with us tonight. When you want to get somebody that knows how to sing ``The Star-Spangled Banner," sign up an Aggie. And Fred McClure did it once again. As you may know, Fred was one of the top people in the White House, running all of our relationship with Congress, and did a superb job there. And now he's back here in business in Dallas. I want to thank the Rangerettes from Kilgore for their dance performance. I want to thank Rob Mosbacher who's heading this program, Victory '92; and of course, Dan Cooke who's just done a superb job on this dinner. A great success, and thank you to both of you. Then my State chairman for the Bush-Quayle campaign, Jim Oberwetter. He's beginning to peak a little early. He's out on that television all the time, but he's saying smart and sensible things. It saves me from doing something that I look forward to doing, but I'm not going to do it now, and that is get after these opponents. But I'm going to wait a little bit, and I'll tell you why in a minute. I'm grateful to Jim. I'm grateful to Barbara Patton, our cochairman; she's here from Houston. And of course, to salute Kay Bailey Hutchison, an old friend; Rick Perry, our commissioner; and then our State chairman, Fred Meyer, who continues to do a great, great job.

So welcome to all, and thank you for being here. Phil put it right: These are not easy times. They're not easy. But in my view, we have a great deal to be grateful for as a Nation. Phil touched on some of it. When you look at big things having happened, take a look around the world, the very fact that these little kids here, sitting over here, go to bed at night and do not have the fear of nuclear war that kids a generation before, is something significant. And we helped bring that about. I happen to think that a foremost responsibility of any President is the national security of this country. You don't read one single word about it in all this gloom-and-doom television we're getting in this country, not one.

There have been significant changes. Ancient enemies are talking to each other in the Middle East, something that nobody dreamed could happen. Democracy's on the move south of the border. Almost every single country where there used to be military dictatorships, there are

democratic regimes. South Africa's on the move; the states of the former Soviet Union, struggling to become democratic; Eastern Europe, free; the Baltics, free. So there's a great deal of gratitude that I have in my heart for the changes that are taking place in the world. It is only the United States of America that can lead and effect this change. And I am going to remain involved in bringing about more change for peace for the whole world.

Now, I hear the revisionists talking about Kuwait. If I'd have listened, as Phil said, to some of the critics on the Democratic Party up there, Saddam Hussein would be sitting in Saudi Arabia, and we'd be paying $10 a gallon for gasoline. And that's the fact. We ought not to let somebody revise history because they were wrong on the Persian Gulf war.

So we've changed the world with a lot of help. I salute my predecessor that I met with yesterday, Ronald Reagan, a steadfast contribution -- ``that wall will come down," and thank God, it did. So we've got a lot to be grateful for. We have helped change the world.

Here's now what we're doing to help change this country. Phil touched on some of it. We have a strong domestic agenda. It is significant, and it is in keeping with the principles that unite everybody here tonight: empowerment, government close to the people, trying to hold the rein on the ever-increasing Federal Government, and getting the action right back where it belongs, right here in the towns and cities around Dallas, Texas.

We're working hard for free trade. Some want us to retreat and pull back. Agricultural trade with Mexico is 3 times higher than it was just a few years ago, and we haven't even gotten the free trade agreement. I am going to continue to work for a job-creating free trade agreement with Mexico and a successful conclusion of the Uruguay round to the GATT. You watch, when we get that done, a level playing field, the creation of American jobs in this country. We're not pulling back. We're the United States. We're moving forward.

I would hate to take my case to the people in the fall that the only way I could win is if everything was bad, capitalizing on the gloom and doom and on the dreariness of the recession and of the slow growth that we've been in for the last couple of years. It has been bad. Families have been hurt, and they've been hurt bad. But this economy is beginning to move, and each inch of the way it starts up, the Democratic Party is panicking, because the only way they can win is if things are going to hell in this country. I wouldn't want that. I think we're much more positive than that, and the economy is moving. As it begins to go forward we have good answers.

We need health care reform. We need to keep the quality of health care we've got, and we have to make health insurance -- give it access to all, rich and poor alike have a chance to have insurance. But what we don't need to do is put a socialized medicine or a nationalized medicine program in that will diminish the quality of the health care in this country. We have a good plan to take to the American people, and they'll see it loud and clear in the fall. It will be there.

Education: As I look at what we need to give those kids a break and to be competitive in the world, it gets right back to my passion for a change in education. We've got a good program. We've sent it to the United States Congress, and what did they do? They threw out this whole innovative approach that we call America 2000 and simply added more of your taxpayers' money to the programs that have failed. I want to take this case for education reform to the American people in the fall, and I'm confident we have a winner. We are right to fundamentally reform education in this country.

I might say I strongly favor parental choice in schools. It works at the college level, and it can work at the lower school levels. Where it's been tried, it's benefited not just the chosen schools, but because of the old American theory of competition, it's benefited those that weren't chosen. They get their act together. So school choice and America 2000 is a positive program. But we have got to get more people elected to the Congress that don't want to do it the old-fashioned way.

Legal reform: Phil and I have been trying for at least 3 years to reform the legal system. The bottom line is simply this: We sue each other too much and care for each other too little. We're trying to change that. The political opposition -- and don't take my word for it, ask Phil -- the political opposition is so afraid to offend a powerful lobby they won't even let our liability reform proposals or malpractice reform proposals be voted on. We've got to change the Congress and get people there who will do what the people want done.

I am worried about these deficits and leaving these kids with a greater legacy of debt, and we've tried to do something about it. I'll give you a four-point program if you want one, and I'll be proud to take this one to the American people this fall:

One, you've got to cap the growth of mandatory spending, all these programs that a President never gets a shot at, that are just locked into the law. You can permit them to grow; they can grow at the rate of inflation plus population, and then that's it. And that in itself will have billions, literally $2 trillion of savings over the next 5 or 10 years. We've got to do that.

The second point is we've got to pass some of the things that we've got up in the Congress for stimulating economic growth. The biggest one is a reduction in the capital gains tax. It will encourage entrepreneurship.

The third one is an idea that the Texas Republican Party and many in this room have been in the forefront for for many, many years, but I believe its time has come, unless it gets blocked by the leadership, the Democratic Party in the House and Senate who are now nervously conniving to find out how to block it. I'm talking about a balanced budget amendment to the Constitution that will discipline the executive branch and discipline the Congress. The votes are there. It obviously has to be phased in, but it can work. And I'll be glad to make the tough decisions that go with it.

Then the fourth point: Give me what 43 Governors have now -- and this one, the case I'm taking to the American people -- you give me that line-item veto that 43 Governors have, and let's see what we can do.

We're talking about change -- people in the cities, horribly brought to our attention because of what happened in Los Angeles. And we moved immediately and forcefully because I didn't have to ask the Congress what to do. We mobilized SBA and FEMA and Agriculture Department and HHS and all. We put in seven central locations in the areas, in South Central, the burned areas. We brought what we could without having one piece of legislation, the Federal Government to help these people. I was there yesterday and saw it, and it was very, very moving.

Now, I've said to the Congress, and again, Phil is in the lead on this, ``We want to do something better now. These programs haven't worked. We want people to have jobs with dignity." The time has come, and I heard this in the Boys Clubs, I heard it in the churches in South Central, the time has come to pass enterprise zones to draw the businesses like a magnet into the inner city through getting rid of the capital gains tax in those green-lined areas.

Let me tell you this: The Mayor of Los Angeles wants it. The council of Los Angeles wants it. The Congressmen give a lot of lip service to it. Peter Ueberroth tells me that it will make his job a lot easier as he's trying to bring businesses in there. And yet, it's hung up because some of the leadership is afraid to give the President or to give the Republicans in Congress a victory. I want to get that clearly in focus for the American people. This isn't time just to have some broad, general thesis; this is something that will really help. We've got to get it done. We may have a chance, still, to get that passed -- I hope we will, Phil -- in the next few weeks.

We've got other programs that I think will help. We've got a good one for crime: ``Weed and Seed," it's called; weed out the criminals, because I don't believe that this is the time to go soft on those who commit crime. We need a tough crime bill, and we need this ``Weed and Seed" program.

I was amazed out there in California, listening to some of the television commercials for the people running now out there in their primaries or running for the United States Senate, Democrats who come back to Washington and vote against our tough crime bill, out there on those 30-second spots: ``I'm going to be tough on law and order." We have a good crime bill up there. It's tougher on the criminals, and it's kinder to the victims of crime. And it has been frustrated. As Phil said, he said 1,079 days; it seems like 3 million years. But we're going to keep fighting until we can get done what our police officers deserve and what the neighborhoods of this country are crying out for.

Welfare reform: You've got to be careful on that, because some say you're playing a race card. Who gets hurt the most by a system that's failed? Those who can afford it the least, and I want to reform the welfare system. A little girl saved about $1,200, and they came to her and said,

``Well, you can't do that. Your mother's on welfare, and the law says you can't accumulate over $1,000." We've got to change it. We've got to structure it so it does not discriminate against saving but encourages the saving and encourages work and encourages learning. We are going to reform that welfare system. If I can't get it done before the fall, I'm taking that case to the American people, loud and clear.

Homeownership: Isn't it far better to have a Federal program that encourages owning homes than going into these tenements that strip you of your dignity? Of course it is. We've got a good program for that, and I'm hoping we can get that through the Congress, Job Training 2000, a forward-looking job training program.

Now, there are six incentives that would help the cities immediately. Dallas would be a beneficiary as well as Los Angeles or Houston or wherever else it might be.

Now, on those six points I've asked the Congress to put partisanship aside. I said, ``Look, the American people really want something done." It's not just the cities, as a matter of fact. I think the whole country wants something done. If you look at the core of these proposals, there are themes that all of us can agree on, once again: Responsibility, opportunity, ownership, independence, dignity, empowerment. These are not partisan values. They are fundamental American values, and we have a duty to make them real.

Now, so far I've talked about what the Government can do. But as I finish here, let me just say the more I am in this wonderfully challenging job -- and again, I'm very grateful to the people around this room because I see many, many that go back to my earliest days in Texas politics -- but the longer I am in this job, the more convinced I am that Government alone simply cannot solve these problems. It can't be done.

You might say, ``What keeps a kid in school? What keeps a kid away from drugs? What keeps a kid out of the gangs?" It's not Government. It is family. Barbara Bush said it right: What happens in your house is far more important than what happens in the White House. We have got to find ways to strengthen the American family, and we must find ways to see that not one piece of legislation passes that diminishes the American family.

I've been in politics a long, long time. I computed it the other day. Half of my adult life since I got out of the Navy and went to school and then moved out to Odessa in the spring of 1948, half of my adult life has been in public life, and exactly half has been in the private sector. We have been blessed, both Barbara and I have been blessed, by the challenges and the joy that we've had in all kinds of fascinating assignments.

The more I think of our country, I'd say this: We have been through tough times. The country's been through tough times. That's changing. Things are beginning to move. We are not a pessimistic Nation. We are a rising Nation, and we are full of promise for the future. I have

vowed, as we try to get something done with Congress before the shift goes entirely into politics in this every-4-year dance that we're all engaged in, that I will not attack any single opponent. I haven't done it since it started. Five people in the Democratic side, one on the Republican side, bolstered by the press that love a good fight. I am not going to do it. I am going to concentrate on trying to lead this country. I'm going to concentrate on trying to build and get something done.

But I want each and every one of you to know that I am ready for the battle that lies ahead. I have never felt more confident of a victory, and I have never felt more fired up about taking our sound message of values and opportunity to the American people in the fall.

So let all these other balloons go up. Let everybody else have their day in the sun. Our day is going to prevail because we are right on the issues, because we are compassionate and caring about the American people, and because our fundamental values, our fundamental values of faith and family is what this country is all about.

Thank you all for what you're doing, and may God bless the United States of America. Thank you.

Note: The President spoke at 7:37 p.m. at the Grand Kempinski Hotel. In his remarks, he referred to Dr. W.A. Criswell, pastor, First Baptist Church of Dallas; Fred McClure, managing director, First Southwest Co.; Robert A. Mosbacher, Jr., chairman, Texas Victory '92; Kay Bailey Hutchison, Texas State treasurer; and Rick Perry, Texas commissioner of agriculture.

Remarks to Goddard Space Flight Center Employees in Greenbelt, Maryland

June 1, 1992

Thank you very, very much. Thank you for this welcome to Goddard. And Dan Goldin, thank you, sir, for the introduction, the leadership you're giving the Agency. With me is Bill Reilly. We've been talking today about the upcoming summit in Brazil, the environmental meeting down there. And this visit is very timely for both of us, I think, seeing what magnificent contribution Goddard makes to a better understanding of our planet. I want to salute Mike Deland, who was with us up at Camp David a little bit ago. He runs our Council on Environmental Quality. He's at my side in the White House, a sound environmentalist. Dr. Klineberg, I listened, I had the applause meter on when you walked in, and either they're scared of you or you're doing something right. [Laughter] I don't know which it is, but it was most impressive. And thanks for your hospitality. May I salute Brian Dailey, out here, of the Space Council. And I'd like to thank Dr. Fisk, who helped us in the tour.

Now, you know that it's been a month, and in just over a month on the job, Dan Goldin supervised the recovery of a satellite on Endeavor's maiden voyage; he won a vote, a very important vote, to save the space station on the floor of the House; and he launched his own cultural revolution at NASA. And I'd say the new NASA is off to a flying start. And I am very grateful to him for taking on this terribly important assignment heading up NASA.

Twenty years ago this month, 20 years ago, the leaders of the world gathered in Sweden to talk about the human environment. The Stockholm Declaration that they adopted had a simple conclusion, that through fuller knowledge and wiser action we can achieve for ourselves and our posterity a better life in an environment more in keeping with human needs and hopes. Much has been accomplished since those early days of environmentalism, and much has been learned.

We've learned that only market-oriented economies and democratic systems provide the accountability needed to protect against environmental degradation. The coating of soot that the world found when the curtain of secrecy was pulled back from Eastern Europe was but one visible demonstration of that.

We've learned that the economy can grow even while pollution is reduced. Since 1973, our GDP has grown by more than 50 percent. And yet air quality has gotten better: Emissions of carbon monoxide and smog-forming ozone, sulfur dioxide, and particulate matter are all down by more than 20 percent. And water quality has gotten better: We've achieved an 80 percent reduction in suspended solids from industrial and sewage treatment plants.

We've learned that technology, spurred by the right incentives, can provide help to the

environment that no amount of regulation of old technology could have achieved. Technological progress can cut pollution rather than increase it. And at the same time, the efficiency gained is good for profits.

And we've learned that market-based mechanisms and flexibility, aimed at ambitious objectives and backed up by rigorous enforcement, can help us solve environmental problems at less cost than command-and-control regulation.

We've learned about a new generation of environmental problems that are global in scope and that will require international cooperation to solve. This week, and I referred to this earlier, over 100 heads of state will gather in Rio de Janeiro, and it will be time to apply those lessons. And what better place to discuss our plans for taking on the problems of the international environment than here at Goddard.

I thought as I was on this little tour, which was all too quick but nevertheless gave me a little feel about the magnificent work that the wonderful employees of Goddard do, I thought wouldn't it be a wonderful thing if these 100 or more heads of state could actually walk through the laboratories here and get a practical feeling for what it is you are doing, to see how they can better monitor the changes that they talk about or that they get from their environmental ministers. It's a wonderful thing. And I think it's very timely that I've had this opportunity, and I look forward to sharing it with those people down in Rio.

It is science developed here that has given the world a new window from which to see its environment. A spacecraft managed by Goddard provided humanity with its first image of Earth from space. It was your scientists, Goddard's scientists, who developed the upper atmosphere research satellite launched last year, which is providing us new insight about the content of the ozone layer. And the lion's share of the science that the world is using to understand our climate comes from a program with its heart and soul right here, the Global Change Research Program, built around the Mission to Planet Earth that Goddard is developing.

When we go to Rio, the U.S. will go proudly as the world's leader, not just in environmental research but in environmental action. The United States was the first nation to recognize the danger of CFC emissions by eliminating aerosol propellants, which we did in 1978. Other nations are now following suit using the aerosol phaseout as credit to meet the terms of the Montreal Protocol. We are 42 percent ahead of the schedule required by that agreement. And earlier this year, on the basis of science developed by NASA, we unilaterally decided to speed up our timetable for phasing out CFC's to the end of 1995. We were the first nation, back in 1975, to adopt catalytic converters to reduce those emissions from our cars and trucks. In 1982, we began phasing out lead from American gasoline, and now ambient levels of lead in our air have been cut by 95 percent. Other nations are only now taking these two steps.

I came to this office committed to extend America's record of environmental leadership. And

I've worked to do so in a way that is compatible with economic growth because this balance is absolutely essential and because these are twin goals, not mutually exclusive objectives. You see, those who met 20 years ago at Stockholm and called for this UNCED, this summit, explicitly called for the discussion at Rio to be about both environment and development. And they knew even back then that the two were inextricably linked. Only a growing economy can generate the resources and the will to manage natural assets for the longer term and the common good. But only assets which are so managed can support the growth on which so much human hope is hinged. By definition, for development to be successful in the long term, it has got to be sustainable. And so, I invite comparison of the record that we as a country and as an administration have built. It is aggressive. It is comprehensive. And it is ambitious, but carefully balanced. What we've done in this administration reflects the new environmentalism, more sophisticated in its approach, that harnesses the power of the marketplace in the service of the environment. Let me give you some examples.

The 1990 Clean Air Act, which I proposed and signed into law, is the most ambitious air pollution legislation anywhere on Earth. It will cut acid rain, smog, toxic chemical emissions. And yet it will do so with innovations the whole world is watching. We have a trading system for sulfur dioxide reductions, have a new generation of cleaner fuels and cleaner cars, a massive -- and to date successful -- voluntary air toxics reduction program.

Our national parks are under stress from millions of visitors. And so, just in the last 4 years, we've added over a million and half acres to America's parks, forests, wildlife refuges, and to other public land. We've created 57 new wildlife refuges and restored or protected more than a half a million acres a year of important wetlands. And at the same time, we've streamlined the permitting process so that projects which don't hurt wetlands aren't slowed down. And we've made sure to respect people's private property rights.

We've placed a moratorium on oil and gas drilling along the most environmentally sensitive areas of our coasts, signed new laws to protect against oilspills, to end below-cost timber sales in America's largest rain forest, the Tongass, and to promote environmental education. We've backed our laws up with strict enforcement to make the polluters pay. And the results have been record contributions to cleanups from businesses.

And we have attended to the international environment with new agreements to stop the irresponsible export of toxic wastes, to ban trade in ivory and thereby stop the extinction of elephants due to poaching, and to use debt forgiveness to protect the environment through the debt-for-nature swaps.

In short, our country, America, retains its place at the forefront of international environmental accomplishment. Our laws have served as a model for environmental laws the world over. America's environmental accomplishments have not come by mistake; they are the result of sustained investment. Today, the United States spends about 2 percent of its gross domestic

product, over $100 billion a year, on pollution control. In comparison to other nations, that's among the very, very highest in the world.

Americans have always believed that actions speak louder than words. And simple wisdom has guided our approach to the questions on the table at Rio. We will sign a good agreement on climate change. It is based on the idea that every nation should prepare an action strategy as we in the United States have done. We first laid our plan on the table in February 1991 with specific policy proposals and specific calculations concerning how much greenhouse gas emissions would be reduced. When the science on CFC's changed, we added new measures, and we again laid our plan on the table. We showed that our policies would reduce projected year 2000 greenhouse gas emissions by 125 million to 200 million tons, or by 7 to 11 percent. No other nation except The Netherlands has laid out such a specific plan of action. And that's why we insisted that the focus be on results, not on rhetoric. It may not have been widely reported in the press, but in area after area, the United States laid down specific proposals and worked for their adoption: Forests, oceans, living marine resources, public participation, financing. Let me be clear: Our commitment to action did not begin and will not end with Rio.

So, when I travel down there next week, to Brazil, I will bring with me several proposals to extend the commitment of the world community into the future. Let me outline for you my four-point plan of cooperation:

First, I will propose a major new initiative to protect and enhance the world's forests. I mentioned lessons learned about cost effectiveness. Well, halting the loss of the Earth's forests is one of the most cost-effective steps that we can take to cut carbon dioxide emissions. Forests also filter the air and water. They provide products from timber and fuelwood to pharmaceuticals and foodstuffs. They are home to more than half the world's species. At the Houston G - 7 summit 2 years ago, I proposed a global forest convention. At UNCED, we should get agreement on the principles leading up to that. But I propose today to move ahead faster. At Rio, I will ask the other industrialized countries to join me in doubling worldwide forest assistance with a goal of halting the loss of the world's forests by the end of the decade. As a down payment, the U.S. will increase its bilateral forest assistance by $150 million next year. The plan is to encourage partnerships between recipient countries who could propose new projects and investor countries who, in effect, could bid to support the most effective proposals for sequestering CO2 or preserving biodiversity.

Second, with respect to climate, the signing of a convention that calls for action plans is simply a first step. We must implement them. So I will join in proposing a prompt start to adoption of climate action plans. Of course, as new and better science becomes available on climate change, we will adjust that action plan accordingly. The solution to climate change must include the developing countries. While today they account for about a quarter of the world's emissions, by the year 2025 they will contribute over half. So we must have their participation, and we will fund country studies to get them started. These countries will need new technologies if they are to enjoy green growth. And America can provide them. So, my budget includes an investment of

almost $1 billion in developing new energy-efficient technologies. Hundreds of American businessmen will be traveling to Rio to make the case for our technology. But this effort must continue.

So then the third part of our plan is to support a program, a board program of technology cooperation. In particular, we're going to create a Technology Cooperation Corps to identify the green technology, those green technological needs of countries around the world, and then to knock down the barriers to making it available.

The fourth point of my program for a cleaner future is a continued program of research and understanding. This year we are requesting over $1.4 billion for the Global Change Research Program. That's more than the amount spent on climate research by the rest of the world put together. With Dan Goldin's leadership here at NASA, we will push for a program that provides results faster, cheaper, and better. At Rio, I will propose to make the data from our climate change program available and affordable for scientists and researchers all around the world. As part of this effort, we will distribute at that Conference, at UNCED, thousands of copies of computer disks with data on greenhouse effects, and we will open this year a Global Change Research Information Office.

These four steps -- a dramatic program to protect and to enhance forests; quick action on climate change; cooperation in deploying cleaner, more efficient technology; and then an ongoing program to develop and share sound science -- can help us seize that opportunity long after those speeches in Rio have been given and the Conference is over.

Two decades ago, when they gathered at Stockholm, the leaders of the world could not possibly have foreseen the tumultuous events of the intervening two decades. Then they worried about nuclear war as a chief environmental threat. They couldn't have known that today the specter of nuclear war, with its unthinkable destruction, would be calmed as never before in our postwar history. They could not possibly have envisioned that, with the fall of statism and communism, those who would come to Rio would have the chance to launch a new generation of clean growth guided by the wisdom of free peoples and fueled by the power of free markets. They could never have known how far we've have come in 20 years. Now it is for us to imagine how much further we can go. And what better place to make that point than standing before these people that are dedicated to demonstrating to the rest of the world how much farther we can go.

I am grateful to each and every one of you who gives of himself or herself to further the science and thus to improve and keep something very, very special, the environmental quality of our entire world. Thank you for what you do. And may God bless our great country. Thank you.

Note: The President spoke at 2:44 p.m. in the auditorium in Building 8. In his remarks, he referred to John M. Klineberg, Director, Goddard Space Flight Center; Brian D. Dailey, Executive Secretary-Designate, National Space Council; and Lennard A. Fisk, Associate

Administrator for Space Science and Applications, NASA.

Nomination of Alison Podell Rosenberg To Be an Assistant Administrator of the Agency for International Development

June 1, 1992

The President today announced his intention to nominate Alison Podell Rosenberg, of Virginia, to be an Assistant Administrator of the Agency for International Development, U.S. International Development Cooperation Agency, for the Bureau of Africa. She would succeed Scott M. Spangler.

Since 1988, Ms. Rosenberg has served as Deputy Assistant Secretary of State for Economic Policy and Assistance for the Bureau of African Affairs at the Department of State. Prior to this, she served as Director of African Affairs for National Security Council staff, 1987 - 88, and Associate Assistant Administrator and Director in the Office of Policy Development and Program Review at the Agency for International Development, 1985 - 87.

Ms. Rosenberg graduated from Smith College (B.A., 1967). She was born September 5, 1945, in Miami, FL. Ms. Rosenberg is married, has one child, and resides in McLean, VA.

Nomination of Walter B. McCormick, Jr., To Be General Counsel of the Department of Transportation

June 1, 1992

The President today announced his intention to nominate Walter B. McCormick, Jr., of Missouri, to be General Counsel of the Department of Transportation. He would succeed Arthur J. Rothkopf.

Currently Mr. McCormick serves as Republican chief counsel and staff director of the U.S. Senate Committee on Commerce, Science, and Transportation in Washington, DC. Prior to this he served as a legislative assistant to Senator John C. Danforth in Washington, DC.

Mr. McCormick graduated from the University of Missouri School of Journalism (B.J., 1976) and the University of Missouri School of Law (J.D., 1979). He was born February 8, 1954, in Kansas City, MO. Mr. McCormick is married, has one child, and resides in Alexandria, VA.

Remarks at the Health Care Equity Action League Briefing

June 2, 1992

Please be seated, and thank you very much for coming. And Dirk, thank you, sir, and Pam, the cochairs of HEAL. I am delighted to have an opportunity to speak to you briefly here. And then our experts come on and you'll learn -- I wouldn't say more than you want to know about this, but you'll be hearing from our very best in a few minutes, people that have shaped our approach to health care.

We are grateful for your support. I'll tell you, the strong support of this organization for our health care reform plan is absolutely essential to getting something done for the people in this country. I can't overemphasize the importance of your contacts on the Hill today, of your organizing of the local coalitions. Both of these efforts are going to be determining factors in steering health care reform in the right direction.

We're at a crossroads, literally, at a crossroads on the issue of health care reform. The real debate concerns the direction that health care reform is going to take. I don't think there's any argument in the country that health care reform is not needed. Nobody's taking that tack. The question is, will we preserve our public-private health care system through comprehensive reforms or are we going to substitute a plan that is Government-dictated, Government-mandated, Government-controlled? That's the bottom line. We have to spell out as clearly for the American public as we possibly can: The decision is as simple and as pivotal as that.

We have to make it clear to Americans that other proposals like the national health care, expanded Medicare, Americare, and ``play or pay'' are fundamentally Government-controlled. Some are a little more obvious about it than others, but ultimately each ends up controlled by a Government bureaucracy.

Let me also assure you that I share your specific concerns. Individual entrepreneurs need help in order to compete with the conglomerates; I understand that. You need a tax deduction for 100 percent of health insurance premiums, and you need market clout. As small business owners you also need rescuing from cherry picking by these insurers, and you need help in shopping smart, and you need a way to avoid costly frivolous coverage. Our plan provides comprehensive reform, and that's going to benefit, we compute, more than 95 million Americans.

We have two bills on the Hill already. These are nonpolitical; that is, the liberals agree with us in principle; that makes them nonpolitical. [Laughter] That being the case, I say Congress ought to act according to principle and pass this legislation for the good of the country. Where we agree, we must act. With your help up on the Hill, Congress will pass the bills immediately.

Under our plan, health insurers would have to cover all employers requesting coverage, and that coverage would be guaranteed. It would be renewable, and it would have no restrictions for preexisting medical conditions. It would also be portable, allowing workers to change jobs without fear of not being picked up by their new employer's plan. We would establish networks that would help small businesses purchase insurance and manage their premium costs. Our coordinated care provisions would reverse the upward spiral of health care costs, too.

Our plan also addresses something that we must do something about, and I'm talking about the malpractice costs, costs from excessive insurance paperwork, and also administrative costs. We address the special needs of urban and rural areas by providing for clinics and disease prevention activities.

In addition, we think consumers need better information in order to make better decisions. So we propose information booklets that will allow consumers to compare costs and then compare the quality of care provided by hospitals and other health care plans. These are things that I think that we all can whole-heartedly endorse and fully intend to implement.

But no discussion of health care reform is complete without emphasizing the necessity for personal responsibility for health promotion and then again for disease prevention. Tomorrow, Secretary Lou Sullivan, along with Prevention magazine, will announce the results of a survey on the health-related behavior of Americans. The prevention index tracks our national progress in avoiding special specific health-related risk behavior. We need your help in spreading the word that avoiding 10 common risk factors could prevent between 40 and 70 percent of all premature deaths, one-third of all cases of acute disability, and two-thirds of all cases of chronic disability. Individual action, that's what is needed around the Nation, at the level of personal health behavior.

At the same time, up here, right back to Washington, congressional action is needed to ensure that world-class health care continues to be directed by consumer choice and by free-market factors.

There's a crying need to change things. But I feel compelled to uphold the quality of American health care. We must not, in our desire to see change, diminish the quality of American health care. Our plan, I think, upholds the quality. Very candidly, I think the major two competing plans would tend to diminish the quality of American health care. We've seen it happen in some of these nationalized programs abroad, and I think the same thing would happen here. So we must not go for a program that is going to diminish the quality of American medical care.

So again, Dirk and Pam, thank you. We are very grateful for your leadership and helping to make all this happen. And to each and every one of you, my most sincere thanks. I really believe we can get something done, and I say that, recognizing that this is a weird year. [Laughter] This is what they call one of the weird ones out there. But when you have a commonsense idea, when

you have something that is backed by the sound and sensible people like yourselves, we've got to find a way to make it happen. So I pledge you my full support. My driving interest behind this really can be brought to bear in the Congress in ways that our pros here in the front row think necessary. So I am with you and very, very grateful to you.

Now, on for your real session where you're going to learn a lot more about it. Thank you all very much for coming.

Note: The President spoke at 2:09 p.m. in Room 450 of the Old Executive Office Building. In his remarks, he referred to Dirk Vander Dongen, chairman, and Pam Bailey, executive director, Health Care Equity Action League.

Remarks Prior to a Meeting With Republican Congressional Leaders

June 2, 1992

The President. I really appreciate everybody coming down. And we've got several key issues, but one that I am most interested in getting through is this balanced budget amendment. I think it is critical, and I think it's an idea whose time has come. It's an idea that the American people strongly support. One of the things I want to follow up on with you all now is how we do that. I know we've got problems in the Senate that are different than the House, but we've got to get it done for the American people. I'm very pleased with the way our troops are moving out on it, but that's one of the things on my mind for this meeting.

So let's pass a balanced budget amendment; discipline the Congress as well as the executive branch and everything else. We've got to get it done.

Q. A lot of economists don't agree with you, like 400.

The President. Well, the people, the American people agree with me, and that's what matters. So we ought to get it done and not worry about those who don't. It's out there, and we've got ideas up there before the Congress right now that would accomplish this, too.

Q. What do you hear from the primaries?

The President. I haven't heard anything much there, Helen [Helen Thomas, United Press International].

Note: The President spoke at 3:37 p.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of these remarks.

Statement on the Conclusion of the Presidential Primary Season

June 2, 1992

When the votes are counted tonight, millions of American voters will have participated in primaries, caucuses, and conventions from New Hampshire to California. This is a uniquely important election year for our country, and I commend every American, Republican, Democrat, or independent, who has made their voice heard by attending a caucus, casting a ballot, or signing a petition.

As November approaches, I believe there will be two questions foremost in the minds of American voters: Who has the best ideas for America? Who do you trust to lead this country? With an unbroken string of primary victories behind us, I will continue to present my credentials and ideas to the American people.

To our supporters, Barbara and I say thank you for your confidence and trust. Tonight we extend a hand to every Republican. To all Americans who share our values and commitment to building a better America, we invite you to join us. Together this November, we can break the Washington lawmaking gridlock and set a new course for the next American century.

Message to the Congress Transmitting the Report of the Saint Lawrence Seaway Development Corporation

June 2, 1992

To the Congress of the United States:

I transmit herewith the Saint Lawrence Seaway Development Corporation's Annual Report for fiscal year 1991. This report has been prepared in accordance with section 10 of the Saint Lawrence Seaway Act of May 13, 1954 (33 U.S.C. 989(a)), and covers the period October 1, 1990, through September 30, 1991.

George Bush

The White House,

June 2, 1992.

Message to the Senate Transmitting the Czechoslovakia-United States Investment Treaty

June 2, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the United States of America and the Czech and Slovak Federal Republic Concerning the Reciprocal Encouragement and Protection of Investment, with Protocol and three related exchanges of letters, signed at Washington on October 22, 1991. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

The treaty is an integral part of my initiative to strengthen economic relations with Central and East European countries. The treaty is designed to aid the growth of the private sector in the Czech and Slovak Federal Republic by protecting and thereby encouraging U.S. private investment. The treaty is fully consistent with U.S. policy toward international investment. A specific tenet, reflected in this treaty, is that U.S. investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the Parties also agree to international law standards for expropriation and compensation; free transfers of funds associated with investments; and the option of the investor to resolve disputes with the host government through international arbitration.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol and related exchanges of letters, at an early date.

George Bush

The White House,

June 2, 1992.

Letter to Congressional Leaders Transmitting a Report on International Sanctions Against Iraq

June 2, 1992

Dear Mr. Chairman:

Enclosed is an unclassified report on sanctions taken by other nations against Iraq as required by section 586J(c) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101 - 513).

Sincerely,

George Bush

Note: Identical letters were sent to Robert C. Byrd, chairman of the Senate Committee on Appropriations; Jamie L. Whitten, chairman of the House Committee on Appropriations; Dante B. Fascell, chairman of the House Committee on Foreign Affairs; and Claiborne Pell, chairman of the Senate Committee on Foreign Relations.

Statement by Press Secretary Fitzwater on Continuation of China's Most-Favored-Nation Trade Status

June 2, 1992

The President informed the Congress today that he plans to extend China's most-favored-nation (MFN) status for another year. In making this important decision, the President stressed that it is wrong to isolate China if we hope to influence China.

Section 402 of the Trade Act of 1974 explicitly links eligibility for MFN to the important human rights issue of free emigration. Continuation of the current Jackson-Vanik waiver (and thus MFN trade status) will substantially promote freedom of emigration from China, as it has since 1979. China continues to permit the departure of citizens who qualify for a U.S. immigrant visa.

Although we have seen positive, if limited, developments in our human rights dialog, the President has made clear to the Chinese that their respect for internationally recognized human rights is insufficient. We are deeply disappointed in China's limited actions with regard to internationally recognized human rights and cannot describe our relations as fully normal until the Chinese Government effectively addresses these concerns. We want to elicit a faster pace and a broader scope for human rights improvements in China. Withdrawal of MFN would achieve neither of these objectives.

Short of fully normal relations, maintaining a constructive policy of engagement with China has served U.S. interests. In our bilateral relationship, we have used the tools available to achieve the foreign policy goals shared by the administration and the Congress. This has been true of our targeted use of 301 and Special 301 trade investigations and our vigorous enforcement of the law against prison labor imports and textile fraud. Our nonproliferation dialog also has been successful: China has acknowledged international nonproliferation standards by acceding to the Nuclear Non-Proliferation Treaty and declaring adherence to Missile Technology Control Regime guidelines. We are monitoring these commitments closely.

We have generated positive results without withdrawing MFN from China. Withdrawal of MFN would inflict severe costs on American business people, investors, and consumers. It would mean lost jobs and failed businesses in the United States and a multibillion-dollar surcharge on American consumers' imports. Our direct engagement with the Chinese is on the whole a successful policy. We intend to maintain it in order vigorously to protect American interests while we promote positive change in China.

Note: Presidential Determination No. 92 - 29 on trade with China was published in the Federal Register on June 10.

Appointment of the 1992 - 1993 White House Fellows

June 2, 1992

The President today announced the appointments of the 1992 - 93 White House fellows. This is the 28th class of fellows since the program was established in 1964. Fifteen fellows were chosen from nearly 700 applicants who were screened by 11 regional panels. The President's Commission on White House Fellowships, chaired by Ronna Romney, interviewed the 33 national finalists prior to recommending the 15 persons to the President. Their year of Government service will begin September 1, 1992.

Fellows serve for one year as members of the White House staff or as special assistants to members of the Cabinet. In addition to the work assignments, the fellowship includes an education program that parallels and broadens the unique experience of working at the highest levels of the Federal Government. The program is open to U.S. citizens in the early stages of their careers and from all occupations and professions. Federal Government employees are not eligible, with the exception of career Armed Forces personnel. Leadership, character, intellectual and professional ability, and commitment to community and national service are the principal criteria employed in the selection of fellows.

Applications for the 1993 - 94 program may be obtained by contacting the President's Commission on White House Fellowships, 712 Jackson Place, NW, Washington, DC 20503.

The 1992 - 93 White House fellows are:

Belknap, Margaret H., of Shorewood, WI, a captain in the U.S. Army, is permanent associate professor in the department of systems engineering at the U.S. Military Academy. A 1981 graduate of the U.S. Military Academy, West Point, NY, Captain Belknap was commissioned in the Signal Corps and has served in a variety of tactical and strategic communications positions in the Pacific. She earned an M.S.E. in operations research from the University of Michigan in 1989. Captain Belknap was born May 23, 1959, in Shorewood, WI.

Campbell, Kurt M., of Boston, MA, is associate professor of public policy and international relations and assistant director of the Center for Science and International Affairs at the John F. Kennedy School of Government. Dr. Campbell is a Navy Reserve officer currently serving in the Pentagon and was a distinguished Marshall scholar at Oxford University, England. He recently received a major grant from the Carnegie Corp. of New York to study military matters in the former Soviet Union. He received his B.A. in science, technology, and public affairs from the University of California, San Diego, in 1980; certificate of Soviet studies and music, University of Erevan, Soviet Armenia, in 1979; and received his Ph.D. in international relations from Oxford University in 1984. Dr. Campbell was born August 27, 1957, in Fresno, CA.

Froman, Michael B.G., of San Anselmo, CA, is an international lawyer who has been directing the American Bar Association's pro bono legal assistance project in Albania. He received his juris doctorate from Harvard Law School in 1991 and graduated magna cum laude. Mr. Froman was a recipient of a Fulbright scholarship and a MacArthur Foundation fellowship which enabled him to complete a doctorate in international relations at Oxford University in 1988. He received a bachelor of arts, summa cum laude, from Princeton University in public and international affairs in 1985. Mr. Froman was born on August 20, 1962, in San Rafael, CA.

Gill, Steven L., of Nashville, TN, is a partner with the law firm of Boult, Cummings, Conners & Berry and a member of the adjunct faculty at Belmont University. He received his bachelor of arts degree, cum laude, in honors history at the University of Tennessee in 1979. He obtained his law degree at the University of Tennessee in 1982. After law school, he served as campaign coordinator for the reelection of Tennessee Governor Lamar Alexander. In 1988, Mr. Gill was selected to study in Tokyo as a guest of the Japanese Government. He has since been a leader in promoting Tennessee as a site for international trade and investment. Mr. Gill was born November 15, 1956, in Knoxville, TN.

Golub, Lawrence E., of New York, NY, is a managing director of Wasserstein Perella Capital Markets, a division of the investment banking firm Wasserstein Perella & Co., Inc. He received his bachelor's degree in economics, magna cum laude, in 1980 from Harvard University and earned a law degree, magna cum laude, in 1984 from Harvard Law School, where he was elected to the Harvard Law Review. He earned an M.B.A. degree with high distinction from Harvard Business School in 1984, where he was selected as a Baker scholar. He is also a director of Bayou Steel Corp. Mr. Golub was born October 3, 1959, in New York, NY.

Gordon, Robert L., III, of Colorado Springs, CO, is a major in the U.S. Army and presently serves as the executive officer of the department of social sciences at the U.S. Military Academy, West Point. He graduated with a degree in engineering and additional concentration in public policy and national security from the U.S. Military Academy, West Point, in 1979. He was commissioned as an artillery officer and served in artillery units in the 4th Infantry Division, Fort Carson, CO. Major Gordon attended graduate school at Princeton University's Woodrow Wilson School for Public and International Affairs in 1989. He is a graduate of the Combined Armed Services Staff School at Fort Leavenworth. Major Gordon was born March 15, 1957, in Richmond, VA.

Hooker, Richard D., Jr., of West Point, NY, is a career Army officer now serving as assistant professor of political science with the department of social sciences, U.S. Military Academy, West Point. A 1981 West Point graduate, Captain Hooker received master's and doctoral degrees in political science from the University of Virginia in 1989. Captain Hooker joined the Army in 1975, serving as a rifleman in the 82d Airborne Division before entering the U.S. Military Academy. He has written widely for professional military journals. Captain Hooker was born January 6, 1957, in Fort Benning, GA.

Jindra, Lawrence F., of Floral Park, NY, an ophthalmic surgeon, is a clinical assistant professor at the State University of New York and the director of the glaucoma consultation unit of the Northport Veterans Affairs Medical Center. A Phi Beta Kappa scholar, he was awarded a bachelor of arts, summa cum laude, in physics from Hofstra University in 1979 and received his ophthalmology residency at the Harkness Institute of Columbia University. As a Heed Foundation fellow he studied vision research at the Rockefeller University and served a glaucoma fellowship at Wills Eye Hospital. He earned a master of public administration degree with concentration in medicine, science, and technology from Harvard University's Kennedy School of Government in 1991 and was selected as a diplomacy fellow. He was awarded doctor of medicine with distinction in research from Down State Medical Center in 1983. He also serves as a battalion surgeon with the U.S. Marine Corps Reserve. Dr. Jindra was born September 10, 1958, in Mineola, NY.

Kelley, Lloyd E., of Houston, TX, is currently an attorney with the firm of Fulbright & Jaworski, where he practices labor and employment law. Mr. Kelley served with the Houston Police Department for 11 years. While serving at the police department, he earned a bachelor's degree, cum laude, in economics from the University of Houston in 1983 and three master's degrees in criminal justice, public administration, and history from the University of Houston in 1987, Sam Houston State University in 1988, and Rice University in 1991, respectively. Mr. Kelley also received his law degree, cum laude, from the University of Houston in 1990. Mr. Kelley was born January 2, 1959, in Houston, TX.

Murphy, Dennis J., of San Francisco, CA, is a lieutenant commander in the U.S. Navy. He is currently working in the Navy's Office of Legislative Affairs in Washington, DC, where he provides advice and congressional liaison for the Secretary of the Navy and Chief of Naval Operations for Navy Research, Development, Test and Evaluation. He received a bachelor's degree in economics from the U.S. Naval Academy in 1981. He served as the senior naval aide to the Chief of Naval Operations and the engineering officer of the U.S.S. Nevada (SSBN 733). He earned a master of science degree in engineering management from Catholic University in 1988. Lieutenant Commander Murphy was born January 8, 1959, in Fresno, CA.

Nelson, Thomas C., of Charlotte, NC, is a general partner and founder of Wakefield Group, a North Carolina-based venture capital firm. He also supports entrepreneurship through service as chairman of the Metrolina Entrepreneurial Council and as president of the North Carolina Venture Capital Association. Mr. Nelson graduated from Stanford University in 1984 with a bachelor of science degree in industrial engineering and later earned a master's degree in business administration from the Harvard Graduate School of Business in 1988. Mr. Nelson was born June 25, 1962, in Chicago, IL.

Sampson, Rana S., of Brooklyn, NY, serves as a senior research associate with the Police Executive Research Forum in Washington, DC, a nonprofit research organization dedicated to improving the field of policing. Ms. Sampson earned her bachelor's degree, cum laude, from

Columbia University in 1979 and her law degree, cum laude, from Harvard Law School in 1989. Ms. Sampson was born on January 10, 1958, in New York, NY.

Warr, Dartanian, of Cleveland, OH, a major in the U.S. Air Force, is currently a student at the Defense Systems Management College at Fort Belvoir, VA. Major Warr received his bachelor's degree from the U.S. Air Force Academy, Colorado Springs, CO, in 1980. He was awarded a master's degree from Wright State University in Dayton, OH, in 1986 and a master's in business administration from Golden Gate University, San Francisco, CA, in 1988. Major Warr was born on June 25, 1958, in Cleveland, OH.

Webster, William M., IV, of Greenville, SC, is president of Carabo, Inc., the largest franchisee of Bojangles Famous Chicken 'n Biscuits restaurant chain. Webster received his bachelor's degree in English and German, summa cum laude, from Washington and Lee University in Lexington, VA, in 1979. He was awarded a Fulbright scholarship to attend the University of Regensburg in West Germany. He later earned a law degree from the University of Virginia School of Law in 1983. He was born November 7, 1957, in Greenville, SC.

Wing, Michael J., of Tucson, AZ, is the president and chief executive officer of InfoPlan International, Inc., a market research firm that conducts operations nationwide and internationally. He earned a bachelor's degree in international affairs from the University of Colorado in 1981, an M.B.A. from Denver University in 1986, and a master's in public policy from Georgetown University in 1988. Wing has written several published articles including a forthcoming book. Mr. Wing was born July 1, 1959, in Tucson, AZ.

Remarks Prior to a Meeting With Leaders of the House of Representatives

June 3, 1992

Q. Mr. President, why is it that so many people like Mr. Perot?

The President. Let me tell you what we're talking about today. We're talking about the balanced budget amendment. Going over a little history, the balanced budget amendment proposal is the first one as President that I sent up to the Congress, and it is time to pass it. I think here's something that we can do.

This is a bipartisan meeting, and I am grateful to the Members here who support this balanced budget amendment. We've got to stop spending more than we take in, and that's the theory behind this amendment. The time has come to pass it. I understand that some in the Congress are starting to fight us on this, but I think the American people want it done.

What we're going to talk about here is how do we get something done for the taxpayer, and that is to stop spending more than we take in. It will discipline all branches of Government, and the time has come to pass it. I'm going to hear from Charles Stenholm, Bill Gradison, and others here as to how they feel that can be done.

So that's what we're talking about today. Thank you for your interest in this other -- --

Q. Aren't you only preaching to the choir, Mr. President? Day after day you only meet with people who agree with you.

The President. We're finished here. We're going to try -- thank you, Helen [Helen Thomas, United Press International], for your input on this. But we are going to keep on talking about this now in substance. We've got to get going because we only have, I'm told, 30 minutes. We've got stuff to do. Thank you for your interest, however.

Note: The President spoke at 10:05 a.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of these remarks.

Presidential Determination No. 92 - 30 -- Memorandum on Trade With Certain States of Eastern Europe and the Former Soviet Union

June 3, 1992

Memorandum for the Secretary of State

Subject: Determination Under Section 402(d)(1) of the Trade Act of 1974, as Amended -- Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974, as amended, Public Law 93 - 618, 88 Stat. 1978 (hereinafter ``the Act''), I determine, pursuant to section 402(d)(1) of the Act (19 U.S.C. 2432(d)(1)), that the further extension of the waiver authority granted by section 402(c) of the Act will substantially promote the objectives of section 402 of the Act. I further determine that the continuation of the waivers applicable to Albania, Armenia, Azerbaijan, Bulgaria, Byelarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Romania, Russia, Ukraine, and Uzbekistan will substantially promote the objectives of section 402 of the Act.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:56 a.m., June 10, 1992]

Note: The Executive order is listed in Appendix E at the end of this volume.

Message to the Congress on Trade With Certain States of Eastern Europe and the Former Soviet Union

June 3, 1992

To the Congress of the United States:

I hereby transmit the documents referred to in section 402(d)(1) of the Trade Act of 1974, as amended (19 U.S.C. 2432(d)(1)) (``the Act''), with respect to a further extension of the authority to waive subsections (a) and (b) of section 402 of the Act. These documents continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to Albania, Armenia, Azerbaijan, Bulgaria, Byelarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Romania, Russia, Ukraine, and Uzbekistan will substantially promote the objectives of section 402. The attached documents also include my reasons for recommending the extension of the waiver authority and for my determination that continuation of the waivers currently in effect for Albania, Armenia, Azerbaijan, Bulgaria, Byelarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Romania, Russia, Ukraine, and Uzbekistan will substantially promote the objectives of section 402.

My determination with respect to the waiver applicable to the People's Republic of China and the reasons therefor is transmitted separately.

I intend to waive by Executive order application of sections 402(a) and 402(b) of the Act with respect to Tajikistan and Turkmenistan prior to July 3, 1992.

George Bush

The White House,

June 3, 1992.

Note: The Executive orders of June 3 and June 24 are listed in Appendix E at the end of this volume.

Presidential Determination No. 92 - 31 -- Memorandum on Trade With Tajikistan and Turkmenistan

June 3, 1992

Memorandum for the Secretary of State

Subject: Determination Under Section 402(c)(2)(A) of the Trade Act of 1974, as Amended -- Tajikistan and Turkmenistan

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2432(c)(2)(A)), as amended (the ``Act''), I determine that a waiver by Executive order of the application of subsections (a) and (b) of section 402 of the Act with respect to Tajikistan and Turkmenistan will substantially promote the objectives of section 402.

You are authorized and directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:57 a.m., June 10, 1992]

Note: The Executive order of June 24 is listed in Appendix E at the end of this volume.

Message to the Congress on Trade With Tajikistan and Turkmenistan

June 3, 1992

To the Congress of the United States:

Pursuant to section 402(c)(2)(A) of the Trade Act of 1974 (the ``Act'') (19 U.S.C. 2432(c)(2)(A)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 with respect to Tajikistan and Turkmenistan will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received assurances with respect to the emigration practices of Tajikistan and Turkmenistan required by section 402(c)(2)(B) of the Act. This message constitutes the report to the Congress required by section 402(c)(2).

Pursuant to section 402(c)(2), I shall waive by Executive order the application of subsections (a) and (b) of section 402 of the Act with respect to Tajikistan and Turkmenistan.

George Bush

The White House,

June 3, 1992.

Note: The Executive order of June 24 is listed in Appendix E at the end of this volume.

Nomination of John Frank Bookout, Jr., To Be United States Ambassador to Saudi Arabia

June 3, 1992

The President today announced his intention to nominate John Frank Bookout, Jr., of Texas, to be Ambassador of the United States of America to the Kingdom of Saudi Arabia. He would succeed Chas.W. Freeman, Jr.

Currently Mr. Bookout serves as supervisory director of Royal Dutch Shell in The Hague, Netherlands. From 1976 to 1988, he served as president and chief executive officer of Shell Oil Co. in Houston, TX. From 1950 to 1976, Mr. Bookout served in several positions including: executive vice president for exploration and production in Houston, TX; president of Shell Canada, Ltd. in Toronto, Canada; and as vice president of New Orleans exploration and production.

Mr. Bookout graduated from the University of Texas at Austin (B.S. and M.A., 1950). He was born December 31, 1922, in Shreveport, LA. Mr. Bookout is married, has three children, and resides in Houston, TX.

Presidential Determination No. 92 - 32 -- Memorandum on Trade With Angola

June 3, 1992

Memorandum for the Secretary of State

Subject: Determination Under Section 2(b)(2) of the Export-Import Bank Act of 1945, as Amended: People's Republic of Angola

Pursuant to the authority vested in me by section 2(b)(2)(C) of the Export-Import Bank Act of 1945, as amended (the Act), 12 U.S.C. 635(b)(2)(C), I hereby determine that the People's Republic of Angola has ceased to be a Marxist-Leninist country within the definition of such terms in subparagraph (B)(i) of such section.

You are authorized and directed to report this determination to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:58 a.m., June 10, 1992]

Note: This memorandum was released by the Office of the Press Secretary on June 4.

Remarks on Signing the Proclamation Commemorating the 50th Anniversary of World War II

June 4, 1992

May I salute Secretary Card and General Powell; the Deputy Secretary of Veterans Affairs, Mr. Principi; the Deputy Secretary of Defense with us, Don Atwood; Secretary Larry Garrett; Secretary Rice; and Michael Stone of the Army; General Mundy, who's right over here; and then the Members of Congress who are with us today. I believe Senator Cranston was going to be here. Here he is, right over here; see you, Alan. And of course, Congressmen Montgomery, Stump, Myers, and who am I missing -- Senator, sorry. We have a distinguished group here to salute the occasion. And also Don Wilson is with us, the Archivist, and Albert McCluskey, a veteran of the Battle of Midway, other veterans here today, and members of civic and veterans service organizations, and also some other members of the Joint Chiefs, I see. May I salute General Kicklighter, the Executive Director, and members of the Department of Defense's World War II Commemoration Committee.

Welcome, all, to the White House and to this special observance of the 50th anniversary of an event which linked Americans' hearts and minds, the monumental struggle known as the Second World War. Overnight, World War II literally transformed America from a people at peace to a nation at war that would define the course of history for the rest of this century.

The attack on Pearl Harbor forced America to abandon isolationism and take up the mantle of leadership. World War II was fought for American soil and sovereignty. It was also fought to defend people who, hating war, sought only peace, people everywhere who yearn for freedom, then and now.

The year 1942 was crucial to our history. Americans came together. Each citizen sought ways to do his or her part. And factories designed to build the tools of peace produced the tools of war: ships, planes, tanks, ammunition, all crucial to the Allied effort. It wasn't easy, but we did it. We did it fast. We did the hard work of freedom.

I was 17 on December 7, 1941, and like so many here, not so many in this room but like some -- [laughter] -- enlisted on my 18th birthday as a Seaman Second Class. I do remember vividly the news from the early days, how it was grim. Guam was overrun, and the reports from the Pacific were rather scary; Bataan and Corregidor fell. Yet the Battle of the Coral Sea foiled Japanese plans to invade Port Moresby and New Guinea. And 50 years ago this week our forces began what may have been the greatest naval battle of all time. Midway turned the tide of World War II. And the inevitable Allied victory, you could feel it. It began to take shape.

Winston Churchill once said of World War II, ``There never was a war in all history easier to

prevent." Today let us recall what the lion cried as a voice in the wilderness: ``No one ever walks away from appeasing an aggressor. He only crawls."

Weakening our defenses during a time of peace is an open invitation to those with the potential to wage war. And as President, as long as I'm President, the military's commitment to defending freedom will be matched by our commitment to defending the military. Some say our victory in the cold war allows us to pull back to our own water's edge. And I say, just as America's vigilance helped us win that war, so a strong America can now help win the peace.

We seek a world where differences are solved peacefully, where the force of law really outlasts the use of force. Sacrifices made heroically 50 years ago have helped bring about a new and better world. And it's a world I thought of last December where, on the 50th anniversary of Pearl Harbor, Barbara and I looked at the sunken hull of the Arizona out there, the U.S.S. Arizona, tomb to more than a thousand great heroes, the greatest that any nation has ever known. There I thought of the wife whose best friend was her husband and the little boy whose brother, his idol, once vowed to take him fishing after the fighting stopped. I thought of the father whose son or daughter would now know him as a martyr but never as a dad. And I resolved once again we must never, ever let America's defenses down.

The men who died there in World War II would today, I am convinced, and I think I said it out there, be very, very proud of America: proud of what we have become as a Nation because of their service and sacrifice, proud of how their fate and faith still stir and shape us. So we honor them, and we remember them so that future generations will say of us what we do also: God bless this wondrous land, the United States of America.

World War II was a fight that we did not seek, against enemies that we didn't choose, for a cause that is first among all: the right of people everywhere to be free.

In that spirit, then, it is my honor to once again welcome all of you to the White House and to sign the proclamation designating the National Observance of the 50th Anniversary of World War II. And thank you all for coming.

[At this point, the President signed the proclamation.]

Well, the deed is done. Thank you all very much for being with us.

Note: The President spoke at 11:30 a.m. in the Roosevelt Room at the White House. The proclamation is listed in Appendix E at the end of this volume.

Nomination of Kenneth L. Brown To Be United States Ambassador to Ghana

June 4, 1992

The President today announced his intention to nominate Kenneth L. Brown, of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States of America to the Republic of Ghana. He would succeed Raymond Charles Ewing.

Currently Mr. Brown serves as Ambassador to Cote d'Ivoire in Abidjan, Cote d'Ivoire. From 1987 to 1989, he served as Deputy Assistant Secretary of State. Mr. Brown has served as consul general in Johannesburg, South Africa, 1984 - 87, and as Ambassador to the Congo, 1981 - 84. In addition, Mr. Brown has served in several positions at the State Department, including Director, Central African Affairs, 1980 - 81; Deputy Director, United Nations Political Affairs, 1979 - 80; and Deputy Director of the Press Office, 1977 - 79.

Mr. Brown graduated from Pomona College (B.A., 1959), Yale University (M.A., 1960), and New York University (M.A., 1975). He was born December 6, 1936, in Seminole, OK. Mr. Brown is married, has three children, and resides in Abidjan, Cote d'Ivoire.

The President's News Conference

June 4, 1992

The President. I have a brief statement, and then I'll be glad to take questions.

Two months ago, I asked the Congress to cut almost $8 billion in wasteful spending projects. Tonight I've just signed the cuts that Congress sent to me in response. It's not all that I asked for, but it is a start. Eight billion dollars sounds like a lot of money, and it is. But the fact remains: It isn't good enough, not by a long shot.

The American people know budget deficits threaten the long-term economic health of our country. Over the years, we've accumulated Federal debt totaling $65,000 for every family of four in America. This debt does not create more wealth; it merely helps pay for our current consumption. It reminds me of the old fellow who bragged to his family that he'd finally borrowed enough money to pay off his debts.

Our political system, as it is now, has failed to meet its responsibility to address this problem. In the face of a several hundred billion dollar budget deficit, a piecemeal approach simply will not do the job. We need a constitutional amendment to balance the Federal budget, and we need it now.

Three years ago, in my first address to the Congress, I asked the Senate and the House to pass such an amendment. Every year since then, I have repeated the call. Like President Reagan before me, I have tried to get Congress to act responsibly and to restrain the growth of Federal spending. We've tried compromise. We've tried confrontation. We've tried quiet diplomacy with the congressional leaders. And none of this has been enough. Tonight I am more convinced than ever that a balanced budget amendment is the only way to force the Federal Government, both the Congress and the executive branch, to live within its means.

This month, both Houses of Congress will vote on a balanced budget amendment. It is impossible to underestimate the importance of this one decision. It will affect every other decision that the Government makes from that moment on, and it will bear directly on the quality of life that we leave the generations who follow us.

Victory will not come easily. The amendment requires a two-thirds majority from both the Senate and the House. I'm pleased to say that many serious-minded Members, Republicans and Democrats alike, support this measure. They understand this is not a partisan fight; it goes far beyond election-year politics. It is a fight for the economic security of the American people.

I realize that some in Washington consider a balanced budget amendment a rather radical step. Well, I strongly doubt that the American people consider a balanced budget amendment as

radical. It's common sense, pure and simple. Each month millions of American families sit down to balance their checkbooks; 44 States, 44 States have their own constitutional balanced budget requirements. The Federal Government must now do the same.

The moment is at hand. In the coming days, we will face an extraordinary choice. We can choose either to accept the status quo, piling debt upon debt, or we can strike a bold new course, restoring fiscal sanity to the Federal Government. If we choose wrongly, our grandchildren and their grandchildren are going to bear the burden. I refuse to believe that we will make them pay the price for Washington's irresponsibility. For their sake, I urge every Congressman and every Senator to join me in supporting the swift approval of a balanced budget amendment.

Now I will be glad to respond to questions. I think, Terry [Terence Hunt, Associated Press], I think you have the first.

Presidential Campaign

Q. Mr. President, I'd like to ask you about Ross Perot. People claim that you're hiding, and you're afraid to take him on directly. Will you commit yourself to debating Mr. Perot as well as Bill Clinton in the fall campaign?

The President. I'm sure there will be debates, and I will be ready to join the fray after the conventions. But as you know, I have not challenged directly either Perot or Clinton, Mr. Perot or Governor Clinton. I have no intention of changing that before the convention.

I am trying to get things done that will help this country. A balanced budget amendment is a good example of that. If I get too caught up in the political wars at this time, it will be even more difficult to get things through the Congress that will help: a crime bill, an education bill, balanced budget amendment, things that we really need. So I'm going to keep on this course that I've been. I've been faithful to it during the primary season, and I will continue to be until I make a decision to change.

Q. I mean in the fall campaign. I'm not talking about immediately, right now, but will you commit yourself to debating the two men -- --

The President. There will be debates.

Q. Mr. President, granting the legality, is it proper for a man, for a candidate with vast personal wealth and no spending limits to use that to obtain the Presidency? Since you've known Mr. Perot for so long, is he an insider, an outsider? Is he a man of principle, or does he go for the main -- --

The President. Helen [Helen Thomas, United Press International], I'd love to answer that

question, and after the -- --

Q. Well, why don't you?

The President. Because I've vowed to keep my sights set on these legislative goals and on leading this country. If I get into characterizing one opponent or another, I diminish my effectiveness in doing that.

We've got a good chance now, and some of it's brought about by the primaries, I think, to pass this balanced budget amendment, for example. I'm a little disappointed that our education reform bill is languishing up there. I'd like to see us get a good energy bill soon. But if I start concentrating on the politics, I'm afraid I will waste an opportunity. I think we're in a real opportunity situation now.

Q. Do you think he's trying to buy the Presidency?

The President. Well, so far not. We'll wait and see.

Charles [Charles Bierbauer, Cable News Network].

Q. Mr. President, you've often said that you've not done so terrific a job of getting your message across. Tonight you've changed the venue. But I wanted to ask you if, indeed, what you've seen in the polls and the constant one-third or more of the electorate that's going other ways isn't a rejection of that message in and of itself?

The President. I don't think so because you ask in these deadly polls that I read all the time about, relating to issues, and it's vague out there. We've got a good program. Tonight maybe this is a more effective way to say we want a balanced budget amendment. We've got a good program on the Hill to achieve a balanced budget amendment or, after the balanced budget amendment is passed, to achieve a balanced budget.

So I think we've just got to keep hammering away on the issues because I believe the American people are with me. If they understand our total reform of education, they'll support it. Most Americans want a tougher crime bill. I heard people out on the West Coast, who don't vote for tougher crime legislation, all advertising in those 90-second bites they paid for, ads how tough they are on crime. Maybe we've got a better chance now to pass an administration crime bill.

So I'm going to keep focusing on those issues. Hopefully, the American people will say, ``He has a sound program for domestic affairs, just as he does in foreign relations."

Q. But if I could follow, sir, hasn't the pattern through the primaries been such that the American people have been constantly looking for an alternative?

The President. Yes -- --

Q. You may have put Pat Buchanan behind, but now you've got Ross Perot. Is he the inheritor of that?

The President. No. Well, I don't think so. I'll tell you what, I think most people would concede that my problems stem from this sluggish, anemic economy. I think you can trace those problems to getting bigger with that. Now, I think the economy's improving. We still have some big problems there. For a person that's out of work, for him, that unemployment is 100 percent. For a woman that can't get a job that wants one, for her, unemployment is 100 percent.

So we've got to keep pushing ahead. I would make the appeal right now for our growth incentives to further stimulate an economy that is beginning to move and is beginning to move positively.

But no, I think my fortunes have been related to that. I think, if I'll take the blame, some of which I'll take, as the economy has been sick, I assume the American people are fair enough to give credit when there's recovery.

Q. Your spokesman today described Mr. Perot as a man whose entire history is to stomp into the group, demand to do things his way, and if he doesn't get it, to pick up his football and go home. The Vice President the other day questioned his judgment, saying he had been wrong on your most important decision of the Presidency, the Persian Gulf war. Do you share their assessments?

The President. I'm glad that they are putting their focus on these problems, but I'm not going to do it myself. I have a difference clearly as far as the Persian Gulf war goes, no question. I think the American people support the actions that I took. I believe it was correct. I believe we performed well. I believe we set back aggression. I believe there was a whole new pride in this country. The international community supported it overwhelmingly.

So as people point these things out, that's fair. As his supporters point out what they think might be foibles in me, that's fair, too. but I'm going to stay on the path that I've outlined.

Balanced Budget

Q. Mr. President, the amendment you're talking about would require a balanced budget within 2 years. If you're reelected, will you submit a balanced fiscal 1994 budget whether or not you're required to by a constitutional amendment?

The President. It won't be -- of course, we have submitted a balanced -- but it won't be in 2

years. We have submitted budgets that get in it; we've got one right up there now that does that. I think it's going to be 5 years.

U.N. Conference on Environment

Q. Mr. President, if the experience of your EPA chief in Rio to date is any indication, there's quite a reception committee of harsh critics of this administration and of you, sir, waiting for you down there. Under the circumstances, if that's what the reception is going to be in Rio, why go?

The President. Well, because we've got a sound and sensible environmental record and we have a strong role of international leadership.

I wonder if the American taxpayer knows that we have spent something like $800 billion in the last 10 years on cleaning up things, the atmosphere, environment, in many, many ways? It is estimated that it will be $1.2 trillion spent by the United States taxpayers and businesses over the next 10 years.

We have a superb record to take to that convention. I am not going to go down there and forget about people that need jobs in the United States of America. I'm going to take a strong record, the leading record on science and technology, the leading record on oceans, the leading record on forests, the leading records on protecting the elephant, the leading records on CFC's. We've got a good record. But because I will not sign a treaty that, in my view, throws too many Americans out of work, I refuse to accept that kind of criticism from what I consider some of the extremes in the environmental movement, internationally or domestically.

So we've got a record to take there, Brit [Brit Hume, ABC News]. And I want to go down there. We're passing out booklets and little CD's, you know, little discs to show everything. I was out at Goddard the other day. The science that we have that can help the Third World is mind-boggling. We want to share it with these people.

But I want to keep this country growing, and I want to see us have the cleanest, best record in the world. Besides that, we have a Clean Air Act that others ought to take a look at and say, ``You've done wonders in getting what you did through, President Bush." So I'm going to go on the offense, not defense.

Q. Well, I'm just wondering, sir, clearly, many of those who are there are aware of the elements of your record and have come to the conclusions which they so vocally express anyway. How do you think this can be a plus for you down there?

The President. Well, hey, listen, I'm used to a little criticism. I want to go on the offense and say what we've done and what we're prepared to do. I wouldn't go along with the extremes in many of these international negotiations. But I have some responsibility, responsibility for a cleaner

environment and also responsibility to families in this country who want to work, some of whom can be thrown out of work if we go for too costly an answer to some of these problems. I'm not going to forget the American family.

If they don't understand it in Rio, too bad. I'm not going to be driven though, Brit, by the extremes of these movements. They started protesting before they even know what our position was. But I'm going there and take this record, and I'm convinced that it will be very productive.

The Economy

Q. Mr. President, you say your problems in the primaries have been caused largely by the anemic economy. Yet the economy is improving, and the voters seem to be walking away from you in droves, sir. Don't you take it personally, and what are you going to do about it?

The President. I don't take it personally. As a guy that never looks at polls, as you know, I would like to cite a poll figure for you: 70 percent of the people in the most recent poll I saw that was done for our campaign said that they thought the economy was getting worse. And the economy is moving. There's still some problems. As I say, when a person's hurting for a job, that worries me. But gross national product, GNP is moving. Industrial production is up. Payroll employment is up. Another thing that's up and then soon will be picked up in these broad polls is that Michigan survey on business confidence. So things are turning around, and yet, at this juncture, the American people haven't felt it. When they do, I expect to see some change.

But no, I don't take it personally. I honestly don't, Ellen [Ellen Warren, Knight-Ridder].

Q. Aren't the American people -- --

The President. I've been in tough times before.

Q. Well, sir, aren't the American people right in holding you personally responsible for the problems of this country?

The President. Well, I think they hold me responsible to some degree, and I think they hold the United States Congress responsible. I would remind the people that Congress appropriates every dime and tells me how to spend every dime. It's the Congress that does that. But sure, I'll accept my share of the responsibility for this long recession, and so will the Congress.

But the question isn't blame, the question is what you do about it. I've proposed tonight: Let's move on the balanced budget amendment. Let's move on my growth initiatives that would stimulate investment, like cutting the capital gains, moving on the investment allowance that speeds up depreciation, first-time credit for homebuyers. This is all good and valuable stuff that would speed this economy up.

So I don't think it's a question of blame. It's a question of staying in this nonpolitical mode for a while longer, challenging the Congress to help us help the American people.

Q. Well, sir, the Congress hasn't passed all these programs you talked about -- --

The President. It's not too late. They ought to try now.

Q. So why don't you tell us what you really think about Ross Perot?

The President. What's that have to do with it? Come on.

Yugoslavia

Q. Sir, you say that you have a strong international leadership role. But the new world order that you are promoting is being challenged in Yugoslavia these days. It appears that the sanctions are not working against Serbia. When are you going to take the lead of an international coalition to force Milosevic out of Bosnia, the way you did with Saddam Hussein out of Kuwait?

The President. I think the sanctions -- I'm not prepared to give up on the sanctions at all. They've only been in effect for a few days. As you know, first on this question of Yugoslavia, out in front was the United Nations. You had Cyrus Vance as a representative of the United Nations, did a superb job trying to negotiate, ably supplemented, I might say, by Peter Carrington. They tried to work that problem, had our full support.

The EC, which is right there in the neighborhood, tried to have an effective role. It now appears that a U.S. role, catalytic role, is important. Thus, we are moving forward. Secretary Baker made a very strong statement on this recently, has worked closely with the leaders of Europe. So we are united in this sanctions question. Let's see if it works. But I'm not prepared to say these sanctions will not work.

Q. Is the fact that the elections are approaching in the U.S. preventing a military action?

The President. I think prudence and caution prevents military actions. If I decide to change my mind on that, I will do it in an inclusive way. But at this juncture I want to stay with these sanctions.

Wait a minute. Gene [Gene Gibbons, Reuters], I'm sorry. I recognized him and did not follow through.

Balanced Budget

Q. Mr. President, your Budget Director yesterday laid out a number of ways of bringing the deficit under control, even without a balanced budget amendment. But all of them would require taking on tough pressure groups. You have not often seemed to use the bully pulpit of the Presidency to do that, to take a direct head-on approach. Why not?

The President. We've got the program up there. There are some 30 pages of options. You don't have to touch Social Security to do this, and I'm not going to do that. We have made growth assumptions in there that can be easily met -- 4, 4, 3.2, 3.2, 3.2, those are the percentages of growth -- can easily be met if we move with partial growth agenda that I've proposed.

So I will keep repeating, as I did in the State of the Union Message, as I did subsequently right here in this room: Get the Congress to pass this growth agenda.

But that's what's needed, plus some direct controls of spending. You can do it by controlling the growth of these spending programs, leave out Social Security, to the rate of inflation and population increase. It's not a gimmick; it works. It's not rosy scenario; it works. That is my detailed proposal.

I'd like to see some other detailed proposals, but that is a good one. It's sitting up there right now. It won't be done if we don't control the growth of mandatory programs. That's where, what, two-thirds or close to three-fourths of the budget is.

Q. But the limits on mandatory programs would involve pain and sacrifice. And yet, neither you nor Mr. Perot nor Mr. Clinton talks about that. Has Presidential politics become so sound-bite driven that it's politically suicidal to level with the American people?

The President. I don't think it's suicidal. And I think our program up there that gives many suggestions as to how to achieve this is good. And yes, it's not easy. Medicare, Medicaid growth is going through the roof. And yes, we're going to have to find ways to control it. But what we've done is detail the areas that need to be controlled. I think that is a sensible, sound, detailed program.

Kathy [Kathy Lewis, Dallas Morning News].

Ross Perot and POW - MIA's

Q. Mr. President, a fair amount has been written about Ross Perot's role with the Reagan administration on the POW - MIA issue, and it relates directly to you. If one news report is correct, he's going to testify on the subject soon. You said you won't characterize him, but can't you tell us what your dealings were with him on this issue?

The President. I will be prepared to elaborate on that later on. My dealings were: I was a

member of the Reagan administration. For a while he was over being quite helpful, trying to do something about the prisoners. What happened beyond that -- I saw a detailed story today that I simply cannot comment on. Marlin Fitzwater, then the Press Secretary for President Reagan, is on the record at a public press conference commenting on the Perot role, so I would refer you to that. That was back in, I believe in '87. I'd rather leave it right there. But if he's going to explain this to the Congress, that's good. I hadn't heard that.

Presidential Campaign

Q. Mr. President, in the interest of party unity and since he has indicated that he is going to endorse you at the Houston convention, would you like Pat Buchanan to have the prime-time speech that he wants to have at the Republican Convention in August?

The President. Susan [Susan Spencer, CBS News], I'll be honest with you, I haven't focused on that at all. I welcome the support of all Republicans. Let's see how he handles this, and let the people handling the convention work it out. That is not on my agenda.

Q. With the benefit of hindsight, do you think his primary challenge was damaging to you or helpful or what?

The President. Well, I can't say it was particularly helpful. But he got into a long line of people criticizing me, five on the Democratic side and one there. But maybe I'm a little stronger for it. Maybe I'm a little better -- be a little better candidate when it comes to the fall. I did not engage with Pat Buchanan. I don't plan to do that now. But I'll grope around to see if I can think of some reason it's helpful. [Laughter] But I have no hard feelings about that at all.

Iraq

Q. Mr. President, critics of yours on Capitol Hill have said your policies toward Saddam Hussein before the Gulf war strengthened him and made him more likely to make an attack against one of his neighbors. How do you respond to that? I've got a followup.

The President. I respond that that's not right. As I said at my last press conference, we tried, not through strengthening his nuclear or biological or chemical weapons has been alleged, not by giving him part of Kuwait has been alleged, but we tried to work with him on grain credits and things of this nature to avoid aggressive action. And it failed. It failed. That approach, holding out a hand, trying to get him to renounce terrorism and join the family of nations didn't work. And the minute he moved aggressively, we moved aggressively and set back aggression.

You've got a lot of people that opposed what happened on the war, stood there and didn't want to move, that are now trying to revise history. So I am not persuaded by the critics at all. I know what we did. There wasn't anything illegal. We tried hard, and I've said so. It didn't work, but we

were not going to let aggression stand. When he moved into Kuwait, I decided this will not stand, and it didn't.

Yes, what's the followup?

Q. The followup: The House Judiciary Committee looks like they're going to recommend special prosecutors and counsel, investigators, and ask the Attorney General to -- --

The President: I wonder whether they're going to use the same prosecutors that are trying out there to see whether I was in Paris in 1980 and flew home in an SR - 71 Blackbird? I mean, where are we going with the taxpayers' money in this political year? So let them look at it. It's no problem to me.

But I think at some point somebody ought to say, ``Where is all this money going that goes to pay for these special prosecutors rummaging through files and proving nothing?" I was not in Paris. And we did nothing illegal or wrong here. We tried, and it didn't work. We moved, and that's the answer to it.

Presidential Campaign

Q. Mr. President, since you know Ross Perot, if you were to run into him while you're out campaigning for reelection, for example, what would you say to him to convince him to -- --

The President. Support me?

Q. -- -- support you and give up his quest for the Presidency? What would you say?

The President. Well, I'd say ``Ross, I think I've been a good President. I believe that a man of your ability and talent ought to support me. We've known each other a long time; in my view, it's been favorable." And just leave it there. I would admit it might be a little bit of a long shot in persuading him.

Q. But if he said, ``Well, George, I hear what you're saying. You want me to follow you, but you've got to tell me where you're going," what would you say?

The President. Oh, I'd say, ``Let me refresh you on our domestic agenda. Please give me your support for the balanced budget amendment that we're trying to pass right now, and bring along Bill Clinton if you've got any influence on him. We're talking about issues here. We've got a tough crime bill before the Congress. Help me pass it. We've got an education reform bill that literally revolutionizes education. Give me a hand with this one. If you know anybody in the Congress -- it appears you may -- give them a call." I'd take this approach, you see, to him. I'd try to enlist his help on support for our approach to the environment. I'd say, ``Help me help

these democratic countries around the world. Help me help them secure their democracy."

You see, I think we have a good agenda, and that's the approach I'd take, anyway.

Yes, Frank [Frank Murray, Washington Times].

Two-Party System

Q. Mr. President, you've spent much of your life as part of the two-party system. You've headed one of the major parties. In this unusual political year, how do you assess the viability of the two-party system in the future? And why would any candidate submit himself to grueling primaries if he could just announce and run?

The President. I think the two-party system has really given us the most stable political system in the world. And yes, we're going through an unusual period. But the two-party system has provided us fantastic historical stability. You look around the world and compare this system with any other democratic system, and I think that would avail. I'm sure the Brits take great pride in their parliamentary system, but I think our two-party system has provided us with the stability that heretofore we've simply taken for granted.

So my view, as this campaign unfolds, as all of us spell out our position on the issues, people are going to recognize that, and the two parties will be strong when this election is over.

Primary Elections

Q. And the question of why any candidate would expose himself to the primaries and -- --

The President. That's what Barbara was asking me a few minutes ago.

Q. What's your answer?

The President. Say, hey, I want to continue this job to help this country. I want to help preserve world peace and strengthen it, and we've done pretty well there. I want to move forward on these issues that we're talking about here tonight, the balanced budget amendment. I won't repeat them all, but it's worth finishing the job.

Nobody likes the primary process. I had a call from a Senator, kind of asking how I was holding up because, he said, ``Hey, you've been criticized a little in the newspapers and on the television." And I said, ``Hey, that goes with the job. I'll do my best, and I think things are going to turn around in that regard." But to get out of the arena, to suggest that you're not going to run because it's not particularly pleasant, that's not the way I operate.

Abortion

Q. Mr. President, there are many polls that now show that in California and elsewhere that most Republicans favor the pro-choice position on abortion. And I wonder, in view of that and in view of the clear feeling of pro-choice in the party, that you feel the platform needs to be changed, and what your own view is on the whole notion of whether the abortion debate is going to be prominent in the fall?

The President. Well, no, I hope the platform committee, in their wisdom, adopts the same language as we had before. Having said that, there is room in our party for people that have different views on this issue. I am not persuaded that people all across this country vote on only one issue, abortion. I think they're interested in world peace. I think they're interested in education. I think they happen to be very supportive of the balanced budget amendment. So my position is well-known, and I'm going to stay with it. But as I say, we've got many good Republicans who disagree with me on that issue, and they may disagree with me on the balanced budget amendment or some of these other things I feel very passionately about.

Jim [Jim Miklaszewski, ABC News].

Presidential Campaign

Q. You mentioned a moment ago the polls, the 70-percent figure about the economy. But you know, the cold war is over; Desert Storm has become pretty much a faded memory for many Americans. And people are turning inward and asking, ``Well, Mr. President, what have you done for us lately?'' More than 80 percent of the American people now feel that the United States is on the wrong track. How, between now and November, are you going to convince Americans that they are better off than they were 4 years ago?

The President. Most Americans are fundamentally optimistic, and they're going to see a recovering economy. It may not be as robust as we all like, but they're going to say as they feel that and as they see new opportunities and see a growth in this economy, they're going to say, ``Hey, things are getting better.''

Americans aren't pessimists. They're not down on the country. We've been through a long haul. Then I'm going to say to them, ``Hey, do your kids go to bed at night with more worry or less worry about nuclear war?'' I think that's a significant change. I think most every, every family in America is better off for those historic changes that my predecessor and I helped bring about. I use the word ``helped.''

So you've got to look at the whole picture. And then I think they're going to say, ``Here's what the President has been trying to get through the Congress.'' And I come back to it: the balanced budget amendment, strong crime, whatever it is, good record on the environment. ``What's he up

against here?" They're going to have a clear choice to make.

Then they're going to say, ``Does this President identify with my views on family, and does he share the leadership traits that I want to see in a leader?" and those kinds of things. Those aren't in focus now. They're not in focus because five Democrats were out there just hammering away on the President of the United States. I smile and say, ``Look, we'll meet you in the fall." And one Republican was doing the same thing every single night. Had some assistance out here from time to time from one or the other in the room.

You know, I'm putting my confidence in the people saying, ``We're going to get something done," and take the case to the American people on the issues. That's the way I think you ought to do it.

Q. But Mr. President, they aren't anywhere near that right now, and as a matter of fact, some of your advisers are pretty alarmed at the fact -- --

The President. No, they're not alarmed.

Q. Well, while the economic figures are improving, your own poll numbers are on the decline. They are not associating you, sir, with any improvement in the economy.

The President. But 70 percent of the people, as I told you, Jim, according to one, I thought it was one of your surveys, seem to think the economy's getting worse. I think it's getting better. It takes a while; there's a lag there. Unemployment's a lagging indicator, for example. So it takes a while to see the change.

I haven't been in the playing field on the primaries. I've been trying to get something done for the country. But when we go to the country and say, ``Do you want a strong crime bill, or do you want this watered-down variety that's up in the Justice Department controlled by the Democrats that have been there forever; which do you want?" I think the American people will support me.

I'll say to them, ``Do you want a balanced budget amendment that will make the executive branch and the legislative branch do something about the deficits, or do you want a lot of reasons from some entrenched politicians on Capitol Hill to tell you why it can't be done?" And see, I think when that is in focus, I think that the American people will support me. I've tried to keep the faith with the people, and I think one heartening point is people see the President is a strong leader. They may not like the direction things are going in, but that is something that I find rather comforting.

Q. So you haven't been tough enough, is that what you're saying?

The President. I need your assistance, Jim, in getting out the message now tonight, loud and

clear, on what the President said about the balanced budget amendment. If you can put an editorial or two on there saying this is a good idea, it would help enormously. I don't think you can do that. But if you could I'd welcome that kind of support, because that's what the American people want, and we've got to get that message to the Congress.

Justice Clarence Thomas

Q. Mr. President, you said that your problems stem from the economy. In addition, are some of your problems also related to the Clarence Thomas-Anita Hill hearings?

The President. None. We forgot. Now we see a revision. We forget that the American people overwhelmingly supported Clarence Thomas. He is being a good Justice. And the fact that some candidates are out there trying to revise that part of history, I'm sorry, I don't agree with that. There may be some. Now, I can't say that everyone agrees with what I said. I support Clarence Thomas. I think he'll be an outstanding Justice. He passed a Senate that is controlled by the opposition party. He conducted himself with honor in those hearings. And that's my position. I'm proud to have stayed with him when the going got tough.

Presidential Campaign

Q. Mr. President, you say that the leadership qualities that are going to come up later are not in focus right now, but it would seem that leadership is the focus. That's the only thing that Ross Perot has been running on, is leadership. He has not addressed the issues; you are addressing the issues. How do you feel, what do you say to Republicans who are going over and supporting him about your personal leadership qualities?

The President. I say take a look at what happened in Desert Storm where I didn't have to get anybody else's action. I moved. I saw a threat. I did what was required. I didn't have to get a Congress controlled by the opposition party to move. The people saw leadership and action there.

The people know that the House of Representatives and the Senate control all the legislation. My crime bill, my balanced budget quest, whatever it is, they control it all. So I think when this campaign gets really rolling, and it hasn't started from our standpoint, when that happens, I think these things will be in focus.

So I understand the quest for change and the appeal, ``I can bring you the new answer here.'' I can understand all that. But I also think the American people are pretty smart. I think they're going to look at the overall record. I think they're going to analyze the proposals. I think they're going to look at a person's overall values. I think then I have the confidence that it won't be just the Republicans that will be supporting me; it will be the guy in the neighborhood who's wondering, ``Who's going to be the best to take care of the criminal elements here? Who's going

to support the incentives to improve the economy?" That's what I think.

Q. Mr. President, aren't we into a no-win situation here? Because even if you do win, even if you do defeat Ross Perot, there are going to be a lot of Republicans out there who supported him, and there's going to be a lot of reprisal and revenge.

The President. There's no reprisals. Look, Americans -- as Helen says, we're through here, but let me tell you something. You're dealing in a little cocoon here. We're talking about something big: faith and confidence in the American people. This isn't done because there's something on the horizon right now and people are going to -- you know, let them decide. Let them sort out this.

I can understand that appeal, ``I'm from outside; I'll solve all the problems." And some day you guys are going start: How are you going to do it? How are you going to get this through the Congress? What do you believe? Do you think the President's right on the balanced budget amendment? Are you with him or against him? Do you think he's right as he tries to tighten down on crime legislation? How do you feel on the narcotic problem? How do you feel on world peace? Were you with him when he had to make a very tough call on setting back aggression, a move that was saluted all over the entire world and put this country together like it's never been together in the past, since World War II?

You see, I think we're dealing in a funny time here, a time warp. I think, come fall, when we're out there taking our case to the people, with an improved economy behind us, I still feel confident about the outcome of the political election. I feel confident about ability to heal any wounds that may have been opened along the way.

Thank you all very much. Thank you, Helen.

Note: The President's 129th news conference began at 8:01 p.m. in the East Room at the White House. During the news conference, the following persons were referred to: Slobodan Milosevic, President of Serbia; Cyrus Vance, Special Negotiator for the United Nations on Yugoslavia; and Lord Peter Carrington, Special European Community Negotiator on Yugoslavia. H.R. 4990, approved June 4, was assigned Public Law No. 102 - 298.

Exchange With Reporters Prior to Discussions With Prime Minister Gro Harlem Brundtland of Norway

June 5, 1992

U.N. Conference on Environment

Q. Mr. President, are you trying to undercut Mr. Reilly at Rio? There's a problem there.

The President. Mr. Reilly, the top environmentalist, has my full support. He conducts himself the way he should, with great dignity and great decency. That a document that he prepared properly was leaked, I find terribly offensive. I saw him today on the television this morning, and I thought he was outstanding. In fact, I'm trying to call him to tell him that.

Q. Who leaked it?

The President. I have no idea, and I wish you'd help us on that one.

Q. Someone from the Vice President's office, perhaps?

The President. No, listen, I don't have any idea. But if we get a little more cooperation out of the press that thrives on leaks, why, maybe we could stop it. It's an insidious -- --

Q. Have you got any memos I can have?

The President. -- -- an insidious practice. And Bill Reilly is one of the top environmentalists in the world. He had some suggestions to make. He did it in the proper way. And that he was put in an embarrassing position by the leaking of a document and the printing of a confidential document, I find very offensive. I don't like it, and he has my full support.

Q. Well, beyond the leaks -- --

The President. And as soon as I get him, I'll tell him. So we have a good -- after all of those questions last night, we have a good, sound environmental record. We have spent $800 billion in the last 10 years, cleaning up the environment. We're going to spend $1.2 trillion in the next 10 years, and we're sharing the world's best technology with the rest of the world.

So we're going to keep on this path, and the fact that some in the environmental movement have some difference with us has to be anticipated. That's to be expected. But we've got an outstanding record, and I must, as President, and will as a human being keep in mind the needs of American families to have jobs. I am the one that is burdened with finding the balance

between sound environmental practice on the one hand and jobs for American families on the other.

We're walking a tight line there. We've found the proper formulation for America, and that is my responsibility. I'll go down to Rio and proclaim the solid points of a sound environmental record. We want to share this technology and this experience with the rest of the world.

Q. Sir, speaking -- --

The President. -- -- anything to be apologetic for, and now I want to get the views from a sound environmental Prime Minister who has been to Rio, with whom we have a lot in agreement and maybe some differences. And that's the way we learn, and that's the way things get better. So if you'll excuse us, we had a press conference last night. I don't think you were able to attend, but it was a good one. We answered most of the questions.

Thank you very much. This is the end of this. Thank you.

[At this point, one group of reporters left the room, and another group entered.]

Prime Minister's Visit

The President. May I say to the Norwegian journalists how very pleased I am to once again see your outstanding Prime Minister, our friend, a person that I admire and respect and with whom we have many, many things in common. When we have differences, we can always discuss them very frankly, but they've been few and far between since I've been President. But I'm anxious to hear from her now on Norway's priorities, what she found at Rio, where I'm sure she had a role of real leadership.

I just wanted to take this opportunity to welcome her back to the White House and let the people at home know the high regard the Americans have for her and for her government and certainly for her country.

Environmental Policy

Q. Mr. President, what's your comment on the criticism of the American position in Rio?

The President. Hey, I get criticized at home. I don't have to go to Rio to get criticized. [Laughter] So we're used to it. We have a very sound and, I think, forward-looking environmental record. But as I just explained to the preceding wave, I feel a real obligation and part of my duty as President to do two things: One, formulate sound environmental policy, take the world's best environmental technology, and that's the United States', and share it with the world; and then, on the other hand, worry about American families, people that need jobs. You have to find the

balance between economic growth and sound environmental practice. I'm convinced the two can go hand in hand.

So that's what we try to do, and I think some from the environmental movement don't understand this. Some from other countries have different priorities in terms of the unemployment numbers and all of this. So some in the Third World have differences in terms of how much resource can be given to them in terms of money.

So we've got all kinds of nuances of difference here, but I'm very proud of our record and of our environmental chief, Mr. Bill Reilly, who is down there. And I realize that in some areas people look at things differently than we do.

But I've got these two priorities: jobs and economic growth, the biggest economic engine in the world, and -- it grows, it throws off much more funds to do it, to help other people with. Has to do that, and I'd have to be concerned about the families that are hurting when it's not growing properly.

Secondly, we spent $800 billion improving the environment in this country, $800 billion in the last 10 years. And it's going to be $1.2 trillion in the next decade. That's industry, government, everything. Out of all that, we learn a great deal technologically, and we're prepared to share that, our science and our technology, with the rest of the world. So we've got a good record. That's my answer, and we're so glad you all are here.

Now, we're going on to do a little business.

Note: The exchange began at 10:40 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Gro Harlem Brundtland of Norway

June 5, 1992

The President met for approximately 40 minutes this morning with Prime Minister Gro Harlem Brundtland of Norway. They discussed the Rio environmental conference, from which Prime Minister Brundtland had just come, and the roles of technology, alternate sources of fuel, and policies that are both environmentally and economically sound. The President stressed the strong leadership role the United States has played and his continuing commitment to improving the environment.

The two leaders also reviewed various issues of European security and agreed on the importance of U.S. global leadership and a continuing strong U.S. military presence in Europe as essential to peace and stability.

White House Statement on the Ratification of the International Covenant on Civil and Political Rights

June 5, 1992

The President has signed the United States instrument of ratification of the International Covenant on Civil and Political Rights. A United Nations treaty, the Covenant articulates the principles inherent in a democracy, including freedom of expression and peaceful assembly, equal protection under the law, and the right to liberty and security.

By ratifying the Covenant, the United States is underscoring its commitment to these principles at home and abroad. We hope that our ratification of the Covenant will contribute to the fostering of democracy and human rights throughout the world.

Message to the Congress on the National Emergency With Respect to Yugoslavia

June 5, 1992

To the Congress of the United States:

On June 1, 1992, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)), and section 301 of the National Emergencies Act (50 U.S.C. 1631), I reported to the Congress by letters to the President of the Senate and the Speaker of the House, dated May 30, 1992, that I had exercised my statutory authority to issue Executive Order No. 12808 of May 30, 1992, that declared a national emergency and blocked ``Yugoslav Government'' property and property of the Governments of Serbia and Montenegro.

On May 30, 1992, the United Nations Security Council adopted Resolution No. 757 calling on member states to impose a comprehensive economic embargo against the Federal Republic of Yugoslavia (Serbia and Montenegro). Today I have taken additional steps to ensure that the economic measures we are taking with respect to the Federal Republic of Yugoslavia (Serbia and Montenegro) conform to United Nations Security Council Resolution No. 757 of May 30, 1992.

Specifically, pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq.), the National Emergencies Act (50 U.S.C. 1601, et seq.), section 1114 of the Federal Aviation Act of 1958, as amended (49 U.S.C. App. 1514), section 5 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287c), and section 301 of title 3 of the United States Code, I have issued a second Executive order, ``Blocking Property of and Prohibiting Transactions with the Federal Republic of Yugoslavia (Serbia and Montenegro),'' a copy of which is enclosed.

Among other things, the order that I have issued on this day:

prohibits exports and imports of goods and services between the United States and the Federal Republic of Yugoslavia (Serbia and Montenegro), and any activity that promotes or is intended to promote such exportation and importation;

prohibits any dealing by a U.S. person in connection with property originating in the Federal Republic of Yugoslavia (Serbia and Montenegro) exported from the Federal Republic of Yugoslavia (Serbia and Montenegro) after May 30, 1992, or intended for exportation to any country, and related activities;

prohibits transactions related to transportation to or from the Federal Republic of Yugoslavia

(Serbia and Montenegro), or the use of vessels or aircraft registered in the Federal Republic of Yugoslavia (Serbia and Montenegro), by U.S. persons or involving the use of U.S.-registered vessels and aircraft;

prohibits the granting of permission to any aircraft to take off from, land in, or overfly the United States if that aircraft is destined to land in or take off from the territory of the Federal Republic of Yugoslavia (Serbia and Montenegro);

prohibits the performance by any U.S. person of any contract in support of certain categories of projects in the Federal Republic of Yugoslavia (Serbia and Montenegro);

continues to block all property of the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), as well as assets of the former Government of the Socialist Republic of Yugoslavia, located in the United States or in the possession or control of U.S. persons, including their foreign branches; and

clarifies the definition of the Federal Republic of Yugoslavia (Serbia and Montenegro).

Today's order provides that the Secretary of the Treasury, in consultation with the Secretary of State, is authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of the order.

The declaration of the national emergency made by Executive Order No. 12808 remains in force and is unaffected by today's order.

George Bush

The White House,

June 5, 1992.

Note: The Executive order is listed in Appendix E at the end of this volume.

Appointment of Laura M. Melillo as Special Assistant to the President and Deputy Press Secretary

June 5, 1992

The President today announced the appointment of Laura M. Melillo as Special Assistant to the President and Deputy Press Secretary. She would succeed Gary Foster.

Since 1987, Ms. Melillo has served in various capacities at the White House in the Office of the Press Secretary. She has served as Staff Assistant, 1987 - 89; Assistant Press Secretary and Television Coordinator, May 1989 to present; and Director of the Lower Press Office in overseeing the daily operations of the Press Office, August 1989 to present.

Ms. Melillo graduated from Miami University in Oxford, OH (B.S., 1987). She was born March 21, 1965, in Louisville, KY, and resides in Alexandria, VA.

Statement by Press Secretary Fitzwater on Space-Based Global Change Observation

June 5, 1992

President Bush last week approved a National Space Policy Directive establishing a focused national effort to improve the world's ability to detect and document changes in the Earth, especially the global climate.

This policy directive, which was developed by the National Space Council chaired by Vice President Quayle:

Establishes a comprehensive, multi-agency effort to collect, analyze, and archive space-based observations on global change. This Space-Based Global Change Observation System (S - GCOS) will be led by NASA with participation from other Government Agencies.

Directs that NASA's Earth Observing System (EOS) be developed using small and intermediate-sized satellites. Through the use of advanced technology and reduced design complexity, these satellites can be acquired more quickly and at less cost than previously planned. This will allow the timetable for obtaining critical data on global change to be accelerated.

Assigns global change observation functions, including the development of technology, the collection of data, and the archiving of information, to NASA and the Departments of Energy, Commerce (NOAA), Interior, and Defense.

Encourages international cooperation in global change observation from space and directs the Department of State to provide support to the implementing Agencies.

This directive augments previous Presidential directives and recognizes the recommendations of the Earth Observing System Engineering Review Panel.

Radio Address to the Nation on the Balanced Budget Amendment

June 6, 1992

I want to talk to you today about a big idea, a big change in the way your Government works. For the past 12 years, President Reagan and I have tried to get Congress to act responsibly and restrain Federal spending. We've tried compromise. We've tried confrontation. And we've tried quiet diplomacy with the leaders of Congress. None of this has been enough. And so, my friends, the time has come to take some commonsense action. We must pass a constitutional amendment mandating a balanced budget.

For most of our Nation's history, there was an unwritten rule against deficit financing, against saddling future generations with a mountain of debt. But in recent times, we've moved away from that. Now, we're borrowing from the future to pay for indulgences of the present. Our future is at stake. To ensure long-term economic growth, we must get Federal spending under control.

I've called for big changes in many areas, reforms in how this Nation's gridlocked capital does business. Right now, we're coming out of tough times. The American people know that budget deficits threaten the long-term economic health of our country. Over the years, we've accumulated Federal debt totalling $65,000 for every family of four. This doesn't create more wealth. It merely helps pay for our current consumption. And that's like taking out a car loan and never buying a car.

To make our economic future strong, the balanced budget is where we must start. Beginning well before I became your President, I have fought for a balanced budget amendment. As a matter of fact, on February 9th, 1989, the very first legislative proposal that I made as President was for Congress to adopt a balanced budget constitutional amendment. In each of the three budgets I've submitted since, I've repeated that plea.

Why am I so fiercely dedicated to this issue? Look at your own family. You know what happens when you spend more than you make. The devil's going to come demanding his due. Well, that's what our American family faces right now.

When you hear about a deficit measured in hundreds of billions of dollars, remember that's not ``Monopoly'' money. Some day, that debt must be paid with your money, as sure as your own personal debts will have to be paid with your money. It's unacceptable when this spending riptide has us drowning in debt, dragging us further out to sea.

This amendment will bring us back to shore. Forty-four States already have some type of

constitutional balanced budget requirement. Eighty percent of the American people want this amendment and the tougher scrutiny of Government spending which it will require.

We're fed up. We know it's time for partisan posturing to yield to responsibility to govern. It's time to stop treating our Federal Treasury like the corner cash machine.

Thomas Jefferson's words still ring true: ``I place public debt as the greatest of the dangers to be feared." Today, we have within our grasp the power to conquer that fear. The key to this is twofold: We must control reckless Government spending, and we must encourage economic growth.

Last January, I proposed a solid, commonsense action plan to create jobs and stimulate economic growth for the short term. Congress still needs to act on that plan and act now. A balanced budget amendment will help ensure economic security for the American people in the long term. Congress needs to act on that measure and act now.

We have a moral imperative to act on behalf of future generations. They are not yet here to represent themselves. It's time to protect our children and our children's children. And we're determined to enact this solemn bond between generations.

May God bless you and our great Nation.

Note: This address was recorded at 10:03 a.m. on June 5 in the Cabinet Room at the White House for broadcast after 9 a.m. on June 6.

Remarks on the Arrival of Prime Minister John Major of the United Kingdom at Camp David, Maryland

June 6, 1992

Prime Minister and Mrs. Major, let me just give you a hearty welcome back to Camp David.

Forty-eight years ago today, Ike and Monty, Churchill and FDR, Allied soldiers, sailors, marines, and airmen, heroes all, forged the greatest armada in the history of man, the D-day invasion. Our goal was a legacy of peace. And to achieve it, we first had to win a war. June 6th, 1944, told the world that aggression will not stand. So it's fitting that the Prime Minister and I meet on this historic anniversary of a new beginning in Europe to talk about our countries' enduring special relationship and the future challenges that we face in this promising new world.

Already we've responded to each other not with just the formal handshake of two allies but with the embrace of two friends. And we meet as leaders of nations joined by a common culture and civilization, recalling how Dwight Eisenhower, beloved in Britain and America, once said of freedom, ``To preserve it, the Londoner will fight, and so will the citizen of Abilene."

Over more than four decades of the cold war, we reaffirmed our relationship. Then came the Persian Gulf where, again, we stood fast so that liberty could prevail. Years from now, people will still marvel at British and American heroism in Operation Desert Storm. People will also note how the last year reaffirmed the strength of our alliance, the value of the rule of law, and that England will always be our friend.

Our Nation sprang from England's belief in the sanctity of the individual. Today, that belief has never been stronger, our alliance never firmer, our desire never deeper to build a free and peaceful world.

So Mr. Prime Minister, let me thank you, sir, for your determination and Britain's example to the world. Welcome back to the U.S.A., and I look forward to discussing a wide array of subjects with you in the couple of days ahead.

Thank you very much for coming our way again.

Note: The President spoke at 4:05 p.m.

The President's News Conference With Prime Minister John Major of the United Kingdom at Camp David

June 7, 1992

The President. Let me just say that from our standpoint we've had a wonderful visit with the Prime Minister, covered a wide array of subjects, and managed to get in a couple of hours of relaxation after working some yesterday and then again this morning. So it's been a very good visit.

Mr. Prime Minister, a delight having you here, sir.

The Prime Minister. Well, Mr. President, thank you. I just want to thank you and Mrs. Bush for your hospitality. It's been a great weekend. We've had quite a few hours to talk as well as enjoy ourselves. A large number of subjects have been covered. I think perhaps it's best just to answer questions.

The President. Why don't we try to rotate them just so it might divide up the workload a little bit.

Joint Session of Congress

Q. Newt Gingrich wants you to call a joint session of Congress, a special session to address the Nation's problems, to which Clinton and Perot would be invited as a symbol of unity. Do you go along with that? Do you think that's a good idea?

The President. Well, I hadn't heard the suggestion before, but let me think about it. I hadn't discussed -- what would be the subject? I literally haven't had anything on this at all.

Q. Did you get the memorandum from him that -- --

The President. I haven't seen the memorandum from him. If it was part of that, then that's probably why.

U.N. Conference on Environment

Q. Prime Minister, can I ask if you tried to persuade the President to change his mind about not signing the biodiversity treaty, and if you did, whether you met with any success?

The Prime Minister. We certainly had the opportunity of discussing Rio in all its aspects. And there are a number of areas where everyone is going to be able to sign the conventions that are there in Rio. We have problems with the biodiversity convention as well as the United States.

We have problems with some of the financial proposals and some other allied problems as well. I think we'll probably be able to solve them. But the difficulties that we instinctively see with them are a good deal less than those that the United States face.

Presidential Campaign

Q. Mr. President, Prime Minister Major survived a challenge; he was an underdog in his campaign. Did he give you any advice on how to come from behind in your situation?

The President. Yes, a lot of good advice. Just stay with it.

Q. Just stay with it?

The President. Actually, he gave me -- I don't know that he gave me specific advice on the campaign, but he set an example that I think bodes well for me. You've cited some of it. He was behind, had a lot of pundits out there suggesting he wouldn't win, and he won. So that's a pretty good example right there. It was a wonderful victory, and he was not discouraged when polls showed him not winning.

Q. If I may follow, sir, Senator Dole this morning on ``Meet the Press'' said that he thinks you need a different message. You're talking about change. He says that you should say, ``Give me a Republican Congress or elect a Democrat President.'' Would you be willing to tell the voters that?

The President. Absolutely. But I'd like to say I would leave out the second part. [Laughter]

Q. That's the key part, though, sir.

The President. No, it's not, not as far as I'm concerned because, you see, I think our ideas and the ideas that Senator Dole believes in and I believe in are in accord with the thinking of the American people. I found that when I can take action as President that didn't require the Congress, that was seen as strong leadership, strong, incisive leadership. But when you get into a Congress that's divided, and particularly in this year when politics is the name of the game, then it's very different. So what I will be doing is taking that case to the American people in the fall.

Right now, I'm trying to get a few things through the Congress, and that requires bipartisan support, like the balanced budget amendment, trying to get that done; like educational reform, trying to get that done; anticrime legislation, trying to get that done.

So we have a little period in here where I will stay with that tack, will not get into going after either opponent and going after the Congress. But in the fall, I think Senator Dole is on to something for that.

Q. Mr. President, what -- --

The President. This is for the Prime Minister. Who has got one for -- --

Q. For you, sir, not for the Prime Minister.

The Prime Minister. I'm having an easy ride.

Q. It's actually a question for both of you.

The Prime Minister. I'll start then.

The President. That's good.

U.N. Conference on Environment

Q. The question is, what is the difference between the United States and the rest of the G - 7 over the biodiversity treaty?

The Prime Minister. Well, we all have different problems with the biodiversity treaty, with the biodiversity convention, on the levels of technology transfer, on the protection of intellectual property. Those are the areas of detail where particular problems arise. There's a great deal of difficulty for many of us in some of the financial proposals on biodiversity. They seem to call for very substantial commitments without, perhaps, some of the commitments as to how and where the money is going to be used. Now, I think we will be able to solve those, but our problems are different from those of the United States.

The President. And just to follow on, our problem is very much like the Prime Minister said, protection of intellectual property. And we do not have an open pocketbook. We cannot enter into something if we don't keep the commitment, and the financing arrangements are too open-ended for us on the biodiversity treaty.

Our answer on the positive side is to put much more emphasis on sound forestation. We've got a good record in that in the United States. We think that a good forestry program will take care of a lot of the needs, the biodiversity needs. So, though I will not sign that treaty as it sits on the table now, we will continue to be the leader, or a leader, a world leader in terms of forests and in terms of environmental technology.

So I have nothing to be apologetic for. I also have to be the one at this Conference that is responsible for jobs and people being at work in this country. I plan to fulfill my responsibilities in that regard while still taking a good, strong, forward-looking environmental message to Rio.

Q. Mr. President, on that point, sir, I know you said you have nothing to apologize for U.S. environmental policy at Rio, but how do you answer those who say that your objections to the biodiversity treaty and your watering down of the global warming treaty have more to do with American domestic politics than environmental policy?

The President. I say this on the climate change: We're not going to enter into commitments we don't keep. I will repeat: We have spent $800 billion cleaning up the air. We've got the Clean Air Act, which is the most forward-looking environmental legislation perhaps anywhere in the world. But I'm not going to make commitments that we simply cannot keep.

I think most people feel that the climate change treaty is a good one, and they're signing it. They wouldn't sign it if they didn't think it was good, and I think you're going to see the world sign on to it. But if your question is, do I have to also consider the working man and woman in this country and the families that could be thrown out of work by too many commitments, commitments we can't keep, or making our products noncompetitive in world markets, I do have to be worried about that. I am not going to sign -- we didn't on global climate change go forward with something that we would not keep, commitments we wouldn't keep. So I think we're on a sound environmental wave here. Now, there are many groups and some countries that wish we'd gone further. But I've given you the reasons, and I'm not going to change.

Trident Missile System

Q. Mr. Prime Minister, did you seek from the President any assurance that he would not share early warning technology with the former Soviet Union to the extent that the British deterrent no longer would be one? And could I ask the President what his response would be if Mr. Yeltsin presses him for the inclusion of the Trident missile system in any further arms reductions?

The Prime Minister. Well, let me answer since it's our missile system that's concerned, and I guess it's for us to include any missile system in any talks. And the Trident missile system is not going to be involved in any talks at this stage. It's absolutely central to our defense, it's crucial to our defense, is now, has been for some time, will be for some time in the future. And until the thresholds of nuclear weapons elsewhere are a good deal lower, there's no question of the British Government including Trident in any talks.

The President. And may I just add to that, it is not the policy of the United States to try to deal on the nuclear deterrent of the United Kingdom or France or anybody else. They know this; the Russian leader knows this. And so if he should raise it, which he won't, I would simply say I am not prepared to discuss this. This is a matter for discussion with the leaders of these various countries, not the United States.

The Prime Minister. And in any event, I had the opportunity of discussing that with President Yeltsin in London last year, so he knows the position.

Ethnic Strife

Q. Mr. President, there's an arc of crisis from Kiev extending all the way through to the southern tier of Uzbekistan. Yugoslavia is involved in a hopeless civil war; the Czechs appear in danger of a political schism. Denmark's rejected the Common Market, and Saddam Hussein's still in power. Whatever happened to the new world order?

The President. The new world order is not facing one common objective, an aggressive international communism. That is gone, and out of the demise of that highly centralized philosophy and government in the Soviet Union comes some historic ethnic challenges and the kinds of struggling for sovereignty and democracy that you've just mentioned. These are growing pains, it seems to me. And what we want to do as the United States, and I know the United Kingdom feels the same way because we've talked about this today, we'd like to be catalysts for peace and catalysts to see this move towards democracy continue.

But nobody said that the emergence of freedom would be easy. What's different is we are not facing one aggressive international Communist force; that's what's entirely different. Democracy is on the move in these various countries you talk about. I don't know that any one of them wants to now turn its back on democracy, and some of those who have not been particularly democratic are saying they are.

So that's the positive side. But I am concerned about some of the ethnic strife, some of the struggles you mentioned. I am not as concerned on the Maastricht matter. I think that's a matter for the Europeans themselves to sort out. But when you have fighting and tensions based on ancient, sometimes ethnic animosity or ethnic pride, whatever, we'd like to be catalysts for peace; we'd like to find ways to help. And that's our role. But there's a tremendous difference than what it was a few years ago, tremendous.

Q. On that subject, there is a study -- --

The President. The next question is for the Prime Minister.

Q. There are conflicting reports in the British press about your plans to bail out or not bail out on pensions. Can you clear up the confusion?

The Prime Minister. There will be a statement made in the House early next week. I think it better wait for that.

Disclosure of Confidential Information

Q. Mr. President, I know you're unhappy with leaks within your White House official family.

The President. So what's new? [Laughter]

Q. And some friends of Bill Reilly's are pointing a finger at the Vice President's office. Do you intend to try to find the source of that leak?

The President. John [John Cochran, NBC News], I find it extraordinarily difficult to find leakers. It is extraordinarily difficult. I'd like to find the leaker, and I'd like to see the leaker filed -- fired. Filed would be all right. No, but the reason is it's very difficult to conduct government if somebody in his or her infinite wisdom can shape the decision by leaking documents. The debate and the discussion that should take place doesn't.

This was a very unhelpful leak. Bill Reilly was doing what he should, sending up here in confidence suggestions where we might be able to change the, I believe it was the biodiversity treaty, in order to have total harmony there. Some of the suggestions were, turns out, were not ones that we could accept. But he did it right; he put a confidential memo in. Then for someone, who may or may not have been opposed to the treaty or any changes, to leak it, it's insidious.

I know many people in the press thrive on this. This is good journalism to find it out. All I'm saying is I would go after the leaker if I could because it's bad government. It's very difficult to conduct sound and sensible policy when the lowest common denominator in some office in the vast bureaucracy can release a document. But how you find it, how you find a person that is that low and that determined to disrupt, I don't know. It's real bad. It does not help conduct sound policy.

And I can't say there's any national security at stake on this; there's not. But it was just mischievous and bad, and I told Bill Reilly that. I said, ``You did it right.'' And I apologized for lack of discipline wherever it is, whatever Agency.

Q. Mr. Reilly said that he was not going to resign to give satisfaction to his enemies. This was leaked by somebody who is supposedly friendly to you.

The President. Well, help me find him, John. Help me find him. He'd be gainfully unemployed.

Assistance for Russia

Q. Reverting to Russia, are you happy that the IMF package is on course for implementation? Are you worried that objections in Congress and perhaps delays in the Soviet, or in Russia in undergoing economic reform is going to hold it up?

The Prime Minister. Well, there are two components, aren't there? The IMF package and its implementation has to be dependent upon the Russians continuing with their reform program.

That's what the IMF package is there for. So we want to see them continue with the reform program. Subject to that, we certainly want to see the package implemented as soon as possible.

Haiti

Q. Mr. President, a question for both of you. First you, Mr. President. Are you prepared to send U.S. troops to Haiti in a peacekeeping force if that is to come about?

The President. No, not yet. And I'm hopeful we can find a way to have the OAS sanctions be effective, to have Aristide returned to power, and to have democracy reinstalled. Our major concern is the fact that democratic government has been overthrown. And it sets a bad example in a hemisphere that's moving inexorably towards full democracy. So I'm not thinking about force and troops at this point.

Q. I have a followup but on a different subject.

The President. In other words, two questions.

Czechoslovakia

Q. But it's for both of you. Can you both respond -- could you respond to the elections in Czechoslovakia, and what do you think that bodes for the country?

The Prime Minister. Well, I was in Czechoslovakia just last week. And there was a suggestion then that Mecair would do very well in Slovakia and that Klaus would do very well in the Czech lands. The last I saw of the way the results were coming out, that was pretty much the case.

I think the important question is the extent to which they're going to compromise to produce a satisfactory federal government. It seems to me it's very much in the interest of Czechoslovakia that there should be a federal government. They've recently reached an agreement with the European Community about an association agreement with the Community, which is of some importance to them and of value to the Community. We see it as a preparatory step to Czechoslovakia becoming a full member of the Community, though that is obviously quite a few years away. But that deal is with Czechoslovakia. It isn't with two separate parts of Czechoslovakia; it is with Czechoslovakia as a whole. So we want to see them form a satisfactory federal government. The discussions I had with Czech politicians from many parties just a week or so ago suggests to me that they will seek to achieve that.

The President. We had some discussion, and I have no differences, obviously, with the Prime Minister on this question. I talked to President Havel a long time ago about this, and this matter of separation has been widely debated and talked about. So I would stay with what Prime Minister Major said.

Eastern Europe and Yugoslavia

Q. Mr. President, for both of you on the subject Eastern Europe and Yugoslavia, what did you discuss specifically with respect to Yugoslavia, the activities of NATO? You mentioned that you want the United States and European nations to be a catalyst. Did you discuss a more active role for NATO and NACC and anything that you're going to carry back, perhaps, to NATO and to the G - 7?

The President. Well, we discussed a wide array of aspects of the problem. One we talked about a lot was the humanitarian aspects. We are very concerned, and we must be willing to find a way to help in a humanitarian sense.

Obviously, we talked about a wide array of options, but we didn't settle on any new course of action; it would be presumptuous for us to try to do that here. But we are going to stay with the sanctions and see where we go from the U.S. standpoint.

Q. Mr. Prime Minister, do you seek a more active role?

The Prime Minister. No. I think the President set out the position of our discussions this morning. We strongly supported the binding sanctions. We think we'll have to sit with the binding sanctions for a while. Clearly, we are concerned about what's happening in Sarajevo and elsewhere. We're obviously concerned about the humanitarian aspect of making sure there's food and medicine and other necessary help there. It's not immediately easy to see how that's going to be achieved, and we'll have to watch and see what can be done there. But on the substantive question, we stick with the sanctions, and we make them tough. I think that's clearly the way ahead in the short term.

The President. Marlin said we've got time for one each. Go ahead.

The Economy

Q. Mr. President, were you surprised by the disappointing jobless figures on Friday? To what degree does that change your assessment on the economy, and will it hurt consumer confidence?

The President. One, I was a little surprised. Two, I noted with some reassurance that the total number of jobs went up by some 68,000. Secondly, employment, regrettably, is an historic lagging indicator in terms of recovery. Thirdly, no, I believe the recovery is at hand, and I think we're going to see a second quarter stronger than the first. But psychologically, it is certainly not good, and I would just say that I didn't think it would be 7.5 percent.

I'll say one other thing about that particular set of indicators. Normally, you go back and look in

the history, punch out the Lexis or whatever, and you'll find that there's always a reappraisal one way or another of those particular figures. I don't know what will happen on those, but I still feel the economy is recovering, and I believe it's going to be a more robust of a recovery in the second quarter than it was in the first.

British Royal Family

Q. Mr. Prime Minister, how worried are you about damage to the Royal Family from today's revelations in the Sunday Times?

The Prime Minister. Well, I'm not going to comment on the unsubstantiated rumors that I gather have been published today. I've not had a chance to look at them in any depth. I would, I think, simply say this: The monarchy is very deeply rooted in the affections of the British, and so are the present Royal Family. And I see nothing that's going to change that.

Presidential Campaign

Q. Did you discuss Ross Perot, either of you?

The President. I cannot tell a lie; his name came up.

Q. And what did you say about him?

The President. That's where I'll cut it off. We're not going to say what we said. Look, anybody looking at the American political scene is going to wonder about that. Without drawing the Prime Minister of the U.K. into the domestic politics of the United States, I would simply say I told him I feel confident of winning. I do better when I'm fighting. I do better when I'm coming from behind. I'm also one who remembers 4 years ago, maybe to this very minute, being 17 points back.

So this is a weird year, and I shared those sentiments with the Prime Minister. But he was enough of a leader and diplomat not to editorialize too much on that. He listened, I thought, with great fascination. It might have been with boredom; I don't know. But nevertheless, you know, of course that comes up. But let the American people sort all that out. For now, I'm going to try to keep on doing substantive things, both in the foreign policy area and domestic. Then we'll switch over when the time comes; then I'll be out there rolling shirt sleeves up and go to work in the political arena. And whoever's in there is going to be in for a good battle.

Q. But does it bother you that the public mood seems as sour now as it was in 1980 when the public voted Jimmy Carter out of office?

The President. I hadn't made that comparison.

Q. Any advice you'd offer in public, Prime Minister Major?

The Prime Minister. Not in public.

Gulf War Friendly-Fire Victims

Q. Mr. Bush, a final question. Do you think there's anything you can do to reassure the British families of the friendly-fire victims who don't feel that you've lived up to your promises to them?

The President. I'll take that question, because I, the first place, saw what the Prime Minister said in the House, and I was very grateful for that. I talked to those families with a heavy heart; they had broken hearts. And we've looked into that matter. I hope we've provided all the information. But I am not going to go further than this. These are good young men. I was in combat myself, and I have seen, in front of my own eyes, the victim of friendly fire. So I know that these horrible things can happen.

What I tried to do is to console those grieving relatives when they were in the White House, and then to follow through to be sure that our Secretary of Defense provided his counterpart with whatever information would be required to get the facts out on this particular case.

But my heart goes out to the families. It did back then when I talked to them. It does now. But I see no reason to go beyond what we have already done in trying to fully account for this terrible tragedy, a tragedy of war.

Note: The President's 130th news conference began at 4:05 p.m. at Camp David, MD. During the news conference, the following persons were referred to: Jean-Bertrand Aristide, ousted President of Haiti, and Czechoslovakian parliamentary candidates Vladimir Mecair of the Civic Democratic Party and Vaclav Klaus of the Movement for a Democratic Slovakia.

Remarks Prior to a Meeting With State Legislators

June 8, 1992

Welcome, all. Thank you very much for coming.

Let me just make a short statement here before we close the door and get into hearing from you all on this important amendment. But 44 States have constitutional provisions relating to a balanced budget. Passing a balanced budget amendment, in my view, is essential to the long-term economic health of this country. This is an idea whose time has come. We've been for it for a long, long time.

I want to hear from each of you as to how you think we can best get this done. But I appreciate your being here. It is priority. I think the country is sick and tired of deficits. This will help discipline the executive and the legislative branch, and we've got to get it done. So I appreciate your coming, and we'll see where we go here.

Note: The President spoke at 11:15 a.m. in the Roosevelt Room at the White House.

Nomination of Mary Jo Jacobi To Be an Assistant Secretary of Commerce

June 8, 1992

The President today announced his intention to nominate Mary Jo Jacobi, of Mississippi, to be an Assistant Secretary of Commerce for Congressional and Intergovernmental Affairs. She would succeed Craig R. Helsing.

Since 1990, Ms. Jacobi has served as senior vice president at Group Public Affairs USA for the HSBC Group and all its U.S. operations, including Marine Midland Bank in New York, NY. Since 1985, she has served in several capacities with Drexel Burnham Lambert, Inc., in New York: senior vice president, 1990; member of the Board of Directors, 1989 - 90; first vice president, 1987 - 89; and corporate vice president, 1985 - 86. Ms. Jacobi has also served at the White House as Special Assistant to the President for Business Liaison, 1983 - 85, and as a member of the Presidential Advisory Committee on Trade Negotiations, 1986 - 88. She has also served at the Department of Commerce as Director of the Office of Business Liaison, 1982 - 83, and as executive assistant to the Associate Deputy Secretary, 1981 - 82.

Ms. Jacobi graduated from Loyola University in New Orleans (B.B.A., 1973) and from George Washington University (M.B.A., 1976). She was born December 7, 1951, in Bay St. Louis, MS. Ms. Jacobi currently resides in New York, NY.

Appointment of Jeffrey W. Vogt as Special Assistant to the President for Public Liaison

June 8, 1992

The President announced today the appointment of Jeffrey W. Vogt as Special Assistant to the President for Public Liaison.

Since 1989, Mr. Vogt has served at the White House as Assistant Director (1989 - 90) and as Associate Director (1990 - 92) for the Office of Public Liaison. Mr. Vogt has served as the contact for the corporate, small business, and business association communities on economic and trade policy issues. Mr. Vogt previously served as a member of the President-elect's public affairs transition team; as finance director of Victory '88 at the Republican National Committee, 1988; and as national direct marketing coordinator for the George Bush for President campaign, 1987 - 88. Mr. Vogt is a former small business owner and has held other positions, which include: account executive at the direct marketing firm of Stephen Winchell & Associates, 1985 - 86; sales representative for Coldwell Banker Real Estate, 1985 - 88; and finance director for the McMillan for Congress campaign in Bushnell, IL, 1984.

Mr. Vogt graduated from Colby College (B.A., 1984) in Waterville, ME. He was born June 18, 1962, in Grand Rapids, MI, and presently resides in Arlington, VA.

Remarks Prior to a Meeting With Republican Congressional Leaders

June 9, 1992

The President. May I make just a comment while the cameras are here and first say that we are pushing from here, and I am grateful of the support around this table, for this balanced budget amendment, constitutional amendment. Now I'm told that the leadership on the Democratic side, trying to block the balanced budget amendment, are coming up with something they call the balanced budget act, which does not balance the budget. It does not require the adoption of a balanced budget, and it's kind of a stalking horse to give cover to Members who don't want to vote for the balanced budget amendment. And we've got to fight hard against it. I'm making phone calls.

The irony is that the Democratic leadership is fighting the balanced budget constitutional amendment, at the same time trying to ram through $2 billion in spending that's not required, all of which they declare an emergency so they can exempt it from the fiscal discipline of the budget act. And I think we've got to get that message out to the American people.

I will sign an emergency appropriation for areas that are affected by these recently declared Presidential disasters. I'd also support, as I know everybody here knows, money for summer jobs, additional money that could actually be spent if they agreed to target it to the areas of actual need.

But I would just strongly urge our continuing opposition to these tactics up there and do something for the American people who are very much concerned about the deficit. And we're trying to get spending under control. And now we've got a real opportunity to show the American people we can do something.

I've approached this not in a partisan manner, working with many Democrats trying to get it through the House, the balanced budget amendment. And I'll keep doing that. But I really want to hear from you all in just a second as to how you feel we can get this one key job done, the same time making sure we're helping the cities in the sound way that we've proposed. They are not incompatible at all. So there we are.

Q. Do you think you're going to win?

The President. Well, we'll find that out from the leaders. I certainly hope so. The American people want it done. And here's a good, clear case to take to the Congress and say, look, the American people want this. Our troops are lined up solidly for it, advocating it, taking the case to the floor and elsewhere. But we've got to have some more bipartisan support for this.

Thank you all very much.

Note: The President spoke at 9:50 a.m. in the Cabinet Room at the White House.

Remarks Prior to a Meeting With Business and Congressional Leaders

June 9, 1992

Q. Mr. President, you got a deal with the Russians today?

The President. We just had a chance to introduce Mr. Kozyrev to this distinguished group of Members of Congress, Senate and House, and to some of our outstanding business leaders. They're talking reform, and what we're talking here today on is reform. We want to see a balanced budget amendment passed; business leaders are joining Members of Congress and trying to get this done.

And so this is a rather unique meeting. We feel that creation of jobs and the economic prosperity of the American people are better served by the discipline on the budgeting process that would be brought to bear by a balanced budget amendment to the Constitution; discipline the executive branch, discipline the legislative branch. And so I'm hopeful that these business leaders and their colleagues will help us carry this message to the Hill. In their own bailiwick, they've been out front strongly for this. And right around the table we have some of the leaders from the Congress, Democrat and Republican, who have been out front on this key question.

So we've got a lot of work to do, but I wanted it to resonate up on the Hill. This is a unique meeting to this Cabinet Room. And I'm very grateful to the business leaders that have taken the time to join these leaders in Congress who are out front on this key question.

So thank you all very much.

Q. Mr. President, is there -- --

The President. This is the end of the photo opportunity in which I prevailed with my speech. And no more questions. Thank you.

Note: The President spoke at 11:05 a.m. in the Cabinet Room at the White House. In his remarks, he referred to Andrey Kozyrev, Foreign Minister of Russia.

Nomination of Frank G. Wisner To Be an Under Secretary of State

June 9, 1992

The President today announced his intention to nominate Frank G. Wisner, of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be Under Secretary of State for Coordinating Security Assistance Programs. He would succeed Reginald Bartholomew.

From 1991 to the present, Ambassador Wisner has served as Ambassador to the Philippines in Manila. Prior to this he was Ambassador to the Arab Republic of Egypt, 1986 - 91. He was Deputy Assistant Secretary of State for African Affairs, 1982 - 86; and Ambassador to the Republic of Zambia, 1979 - 82. He has also served in several positions at the Department of State: Deputy Executive Secretary, 1977 - 79; Director of the Office of Southern African Affairs, 1976 - 77; and Special Assistant to the Under Secretary, 1975 - 76.

Ambassador Wisner graduated from Princeton University (B.A., 1961). He was born July 2, 1938, in New York, NY. Ambassador Wisner is married, has four children, and resides in Manila, Philippines.

Remarks at a Fundraising Dinner for Senator Arlen Specter in Bowmansdale, Pennsylvania

June 9, 1992

Thank you, Arlen, for that wonderfully warm introduction and, I might say at the top of these remarks, for being such a great United States Senator. It is essential that Arlen Specter be returned to office. May I just say that Barbara and I treasure our friendship with Joan and Arlen. We've known each other a long, long time. This isn't just kind of the normal political endorsement; I really mean it. There is a handful of United States Senators that really make things happen, that stand for principles, and that fight for his constituents. If you don't believe me, you ought to try riding in from the Philadelphia Airport, for example, into Philadelphia with Arlen. By the time you get there your arm is twisted out of its socket -- [laughter] -- he's brought up about eight proposals that will help Pennsylvania, and he never forgets how he got elected. He represents his constituents with honor and with principle. And you're very, very lucky to have him there.

May I thank Bob and Susan for this wonderful event. It's like being at the circus, and I'm not talking about all of you animals out there either. [Laughter] I'm just saying that it really is a wonderful way to campaign, and this beautiful countryside as we drove in made me want to count my blessings all over again. But thank you so much, to both of you, for hosting this wonderful dinner.

I know there are a lot of people to congratulate, but I congratulate Marilyn Ware Lewis and Alex Grass here who are the cochairmen of the dinner; salute my old friend and our State chairman, Elsie Hillman; another old friend who is with us tonight, a strong supporter of Arlen, the famous and wonderful Walter Annenberg who is here, right there. Barbara and I have been married 47 years, but every time she sees Walter, I worry a little bit about it. She re-falls in love with him. And I'm troubled by that. [Laughter] But we Bushes admire and respect him.

To Bob Jubelirer who is with us and Michael Ryan, it's good to see so many elected members of the Pennsylvania Legislature with us here; to Anne Anstine and Herb Barness, our national committee people. Barbara Hafer is with us; Ernie Preate. And I want to thank Tonia Tecce for the national anthem; the pledge, done well by those kids. I asked them if they were nervous; not at all. They did it well, not one glitch in the Pledge of Allegiance.

May I single out another old friend -- I don't want to date him in terms of age, but we went to college around the same time. But I think he must have been behind me -- Joe Paterno. What a wonderful representative. He remains an inspiration to me and to my boys and to our whole family. And I'm just delighted to be at his side once more.

Now, you all know why we're here tonight. We are here for Arlen Specter. Arlen spelled out the ground -- they've got the craziest campaign rules, financing rules. Literally, I cannot talk to you, and I certainly will not, about why I want to be reelected President of the United States. However -- [laughter] -- I can talk to you tonight about why Arlen Specter should be reelected to the Senate and why our programs that we have before the United States Congress ought to be enacted. And that's exactly what I plan to do.

Arlen knows how hard and how frustrating it can be just to get things done, which is his motto, and he does it well. But in Washington, ``Republican'' has meant being outnumbered. I really believe if this economy keeps moving now, that we have an opportunity to do that which is absolutely essential to move this country forward: end divided Government and bring Republican leadership to both the Senate and the House of Representatives. There is a gridlock in Government, yes, because there are roadblocks in the United States Congress. And the American people deserve better than that right now. I believe we're going to see the changes.

Yes, the voters are calling for change. But they also know that there's a flip side to change. It's called trust: trust to make the right decisions; trust to block the wrong decisions; trust to make the tough calls and put the public's interest before the special interests; trust to cast the votes that aren't always popular, to take the stands that aren't always fashionable, and to be a leader and not just a servant.

Our leadership, as Arlen very generously said, has helped change the world. Today we had Mr. Kozyrev, the Foreign Minister of Russia, there. As I listened to this reformer talk, I couldn't help but think how far we have come in the last 3 years. It has been dramatic, the changes that have taken place around the world. The cold war is won, and our steadfast perseverance to the security needs of the country have changed the world.

Talk to any German, and they'll talk to you with pride about the U.S. role in the reunification of Germany. In the Middle East, ancient enemies talking to each other across the table, something that nobody would have dreamed possible a handful of years ago. There are plenty of problems out there as these new ethnic rivalries come to the surface, but Eastern Europe is free, and the former Soviet Union has now many, many independent countries all struggling to perfect democracy, struggling for freedom. It is an exciting thing that has taken place around the world. And in the Gulf, yes, freedom for a tiny country, but much more important than that, victory for a big idea, and that is that an aggressor bully cannot take over his neighbor without punishment.

They ask about it, and yes, there is a peace dividend. It's called peace, and we can take great pride in that. And one other point on this: When I saw some of the little kids here tonight, I thank God that our children go to bed at night far less worried about the specter of nuclear warfare. That is a major accomplishment in which we can all take pride.

And so I say we have, we have helped change the world. And I give my predecessor great credit.

I give the Senators that have stood with us for strong defense and stood with us, say, on the Gulf, give them lots of credit. We've helped change the world.

Now let me just talk for a minute about what we're trying to do to help change America. We're for free trade because Americans aren't afraid to meet and beat the competition. Protection is out; free and fair trade is in. And that means jobs for the American people.

Health care reform: I do not want to and I will not sign a socialized medicine nationalized plan. I have proposed the most comprehensive health care reform program. It makes insurance available to all, the poorest of the poor. But it preserves the quality of United States medicine, none better in the entire world.

We are for fundamental -- I'm not talking about just transparent -- we are for fundamental education reform. Our America 2000 is an innovative program that says to the Lehigh Valley, for example, where I was the other day, ``You innovate. You figure out what's best for the people of Pennsylvania. And we will help you, but we will not dictate to you." We are going to revolutionize education in this country. If people have a choice of where their kids go to college, why shouldn't they have a choice as to where kids go to school? We are for school choice.

We are fighting hard for legal reform. When a guy can't coach Little League for fear of some silly suit; when a doctor can't deliver a baby for fear of some malpractice suit -- [applause]. We are trying to have legal reform. We are blocked in the Senate today, as Arlen knows, by a very powerful lobby, but I will take this case to the American people. It is time we cared for each other a little more and sued each other a little less.

We are pushing for Government reform and so is Arlen because, you see, he and I believe that the Congress ought to abide by the same laws they make you and I live by.

While we're talking about Government reform, let me just expand on what our able Senator talked about. We have called for a balanced budget amendment. The very first piece of legislation that I took up to Capitol Hill when I was sworn in was a call for a balanced budget amendment. That was in January of 1989, and we've done it each year. But the time has come now because, he is right, runaway spending threatens the future prosperity of our country. Every American family has to live within its means, and it's high time that the Federal Government did the same thing.

This balanced budget amendment is a top priority. Just today at the White House I met not only with the Republican leadership or some of the Democratic Congressmen, but we did something unique. We brought in some key business leaders who want to see this amendment passed and sat them down with this bipartisan congressional group that's spearheading this effort. We've had good sessions with other State legislators and other business groups. I've been working the phones to Capitol Hill, following up on the strong push that I tried to give it in last week's press

conference, the press conference I gave at the White House that the networks didn't see fit to cover, incidentally. And I'm not too happy about that. But they can make their choices any way they want, but I'm going to take this message to the American people that we need a balanced budget amendment.

If the vote doesn't go our way and if the majority leaders on Capitol Hill get their way, the American people will then have it right in clear focus come fall, and they will decide on who wants to deal with this deficit or not.

Now, I've heard there's talk up there on Capitol Hill -- Arlen, we didn't talk about this on the plane -- about a balanced budget act. They say pass some legislation, a balanced budget act instead of an amendment. That act, incidentally, would not help balance the budget. But you and I know that Congress won't let a simple law get in the way of higher spending. No statute can substitute for the force of the Constitution of the United States. An amendment is the only answer.

Listen, I was with Arlen in Pittsburgh and with him in Philadelphia, and we both feel we ought to help the cities. Last month, I sent up a strong emergency package to assist the victims of violence in Los Angeles and other cities. Before the ink was dry, Congress had stuffed into that emergency bill an extra $1 billion, $1 billion spending. In the meantime, people who desperately need help and need that emergency aid must wait. That's an iron-clad argument for a balanced budget amendment, and we need that amendment now.

So give us that amendment. And while we're at it, let me ask something else. Ask your legislators, demand of your legislators that they give the President what 43 Governors have, the line-item veto, and give us a chance.

Lastly, just let me say, Government alone, and everyone here knows this, simply cannot solve all the problems we face. Ask yourself what keeps a kid in school, what keeps a kid off the streets, what keeps a kid away from drugs? It's not Government. It is family. I will never forget when those mayors, from big cities and small, of the National League of Cities came to see me, including Tom Bradley of Los Angeles. And they said the underlying problem is the decline, the diminution of the American family. And they are absolutely correct about that. There's this feeling out there that we're in disarray and that we're off the track. The way to help correct that is to take the first step towards it, and that is put the family first.

Arlen has done that. My heavens, I don't know how closely you've followed his record. He coauthored the Missing Children Assistance Act. He increased the funding, took the leadership on it, for a worthy program called Healthy Start. He won Healthy Start grants for Pennsylvania, for Philadelphia and Pittsburgh. He's also been a leader in the fight against pornography, the dry rot that degrades women and exploits children and vandalizes our values. He's out front fighting for these things. So let the ultraliberals defend the vendors of pornography. He and I are going to

protect the victims. And that's what we should be doing.

You know, Government can and must, as I said earlier, reform education. But parents, parents must read to their children, teach them a love of learning. And Government can and must fight crime. But families have got to instill in these kids the respect for the other guy, respect for property, respect for the value of the others' lives. Government can and must foster economic competitiveness. But the work ethic is learned at home. Barbara Bush is right when she says what happens in your house is more important than what happens in the White House. That is fundamentally correct.

So let us vow to do everything we can in our neighborhoods, in our communities to help strengthen the American family. You know, we've inherited a great country from those that came before. I don't believe this stuff that America's a declining Nation, not for one, single minute. We are a rising Nation. And we can overcome any kind of adversity that we have. We've always done it in our past, and we can do it now. But we must determine that we've also borrowed America from all those who are going to come afterward. And we know that America is great because America is good.

I am dedicated to work with Arlen Specter to demonstrate to the entire world what you and I know is so true: We are the freest, we are the best, we are the fairest Nation on the face of the Earth. And give us the tools with which to work, and you watch this country move forward.

Thank you. And may God bless the United States. And be sure to reelect Arlen Specter to the United States Senate. Thank you very much.

Note: The President spoke at 6:27 p.m. at Mumma Farm. In his remarks, he referred to Robert and Susan Mumma, owners of the farm; Elsie Hillman, Republican national committeewoman; publisher Walter H. Annenberg, president of the M.L. Annenberg Foundation; Robert C. Jubelirer, president pro tempore, Pennsylvania State Senate; Matthew J. Ryan, Republican leader, Pennsylvania State House of Representatives; Anne Anstine, chairman, Republican State Committee; Herbert Barness, Republican national committeeman; Barbara Hafer, State auditor general; Ernie Preate, State attorney general; and Joe Paterno, Pennsylvania State University football coach.

Address to the Nation on the Balanced Budget Amendment

June 10, 1992

Tomorrow the House of Representatives faces a critical vote on the balanced budget amendment, and right now is the time for some straight talk about our national deficit. With our Federal debt averaging $65,000 for the typical American family of four, I understand why the American people are fed up and why you are looking for change. I share your frustration, and I am determined to see things changed.

I am convinced that a balanced budget amendment is the only way to force the Federal Government, both the Congress and the executive branch, to live within its means. In fact, the very first address to Congress I made as President included a call for a balanced budget.

I confidently presented a balanced budget constitutional amendment to the Congress. I asked our Nation's elected leaders to put America's best interests first and to join me in reaching a goal whose benefits will be measured in jobs and opportunity for ourselves and for our children.

Eighty percent of the American people agree: Government spending must be restrained and the budget balanced. Government is too big, and it spends too much. We are treating our national debt like the old fellow who borrowed money to pay off his loans. Inevitably, someone at some time must foot the bill. It is simply wrong to walk away from this mountain of debt and leave it to our kids.

Forty-four of our States have some kind of a constitutional requirement for a balanced budget. It's time for the Federal Government to follow their lead. We must balance the Federal budget without shifting the funding burden along to the States. We must pay our own way. Our future is at stake. Now is the time to pass a constitutional amendment mandating a balanced budget.

Let me caution Americans not to be taken in by bold blustering. We can't wheel and deal the deficit away. There's no easy answer that we can jot out on a blank sheet of paper to wipe out a deficit of that magnitude. A balanced budget amendment is real action, and it will work. We should not be willing to risk our grandchildren's future on sound bites that merely sound real. The deficit is what's real. Congressional inaction is what's real. A constitutional amendment mandating a balanced budget is what's needed.

For that reason, I need your help to encourage your Congressman to do the right thing: Pass this balanced budget amendment. There is no single action that we can take that will be any more important than doing this for our Nation's future.

Thank you, and may God bless you, and may God bless the United States of America.

Note: This address was recorded at 2:35 p.m. in Room 459 of the Old Executive Office Building for broadcast after 4 p.m.

Message to the Congress Transmitting the Annual Report of the Department of Energy

June 10, 1992

To the Congress of the United States:

In accordance with the requirements of section 657 of the Department of Energy Organization Act (Public Law 95 - 91; 42 U.S.C. 7267), I transmit herewith the 11th Annual Report of the Department of Energy, which covers the year 1990.

George Bush

The White House,

June 10, 1992.

Remarks and an Exchange With Reporters Prior to a Meeting With Congressional Leaders

June 11, 1992

The President. Let me just, first, thank the Members for coming here. And this is a critical and important vote. We must pass this balanced budget amendment. I thank those who are out front in the leadership role on this. And I would appeal to those that are still undecided to say that this is the way to discipline both branches of the United States Government, the Congress and the administration.

We've approached it -- I hope Charlie would agree and others, Billy -- in a nonpartisan way. We're going to continue to fight it on that basis. The people want this done. It will make all of us do what the people want, and that is to get this deficit under control once and for all.

So I thank you for coming at this very early hour. Charlie gave me my button, ``Vote Yea on BBA," and that's the balanced budget amendment. And clearly, if I were in the House, where I started off, why, I would be voting yes. And we've talked about the arguments opposed to it, but I think the overwhelming evidence is that the people want this and that we ought to go ahead and take a role of leadership in getting this budget under control, this deficit under control.

So thank you so much for coming. As you know, I'm heading out in a couple of minutes. But I think this meeting is important, and I once again commend those who have been out front in a strong leadership role in the House of Representatives. It's been bipartisan, and it's been magnificent.

Balanced Budget Amendment

Q. Mr. President, why do you think there's such a nasty, mean campaign against the balanced budget? Who's behind that?

The President. Well, I don't know because the people want it passed, Sarah [Sarah McClendon, McClendon News Service]. And I think it will be.

Q. They've got the Chamber of Commerce, and they've got the -- --

The President. The Chamber of Commerce will come around. They've got one particular amendment they want to pass first. But the business people across this country, the working people across this country realize that their future, their kids' future has been mortgaged. In other words, we're not passing out blame here; we're trying to do something about it.

And so I don't know, Sarah. But these people have stood up courageously, and they're fighting for it. That is not easy, and I support them, salute them.

Panama

Q. Mr. President, are you worried about the situation in Panama?

The President. No.

Q. Violence where you're going speaking?

The President. No, no, not worried at all. We'll be received very well down there.

Yugoslavia

Q. Mr. President, are you going to have them send troops over to Europe? The Balkans?

The President. We're concerned about the situation in Yugoslavia, but there's no commitment on that. We are going to safeguard human life. We're going to do what we can in a humanitarian way. We're working with the United Nations. But it's a little premature to be talking -- --

Q. You have to act quickly, don't you, though, to keep those people from starving?

The President. When the United States sees people that are hungry, we help. And again, that's bipartisan or nonpartisan. That's just been the hallmark of our country. So we will do what we should do. But I'm not going to go into the fact of using U.S. troops. We're not the world's policeman. It's a very complicated situation, but it's one that we're following very closely.

Thank you. Now I've got to get to work with these people.

U.N. Conference on Environment

Q. Mr. President, do you expect the other countries to try to beat up on you in Rio?

The President. It doesn't matter. It doesn't matter. We are the United States. We are the leader in the environment. We've got a good record. Most of the groups that are criticizing are from the United States, I think. But that's all right; I've been there before. I'm going to represent the people on this visit and do it firmly in putting forward the best environmental record that any country has.

We've spent $800 billion in the last 10 years. We're going to spend $1.2 trillion in the next 10

years. And we share our technology with the world. We are way out front. And we're going to continue to stay out front, but we are not going to act like we have an open checkbook and that people are going to come in and tell us how much money to spend. We can't do it. We're trying to protect the taxpayer here through this balanced budget amendment, and I will protect the taxpayer down there in Rio. But I'm going to advocate a sound, strong environmental record.

Now, you all, thank you very much for interest in all of this. But I've got to get to work and see what I can do to help these people around this table at the waning hours of this debate.

Note: The exchange began at 7:03 a.m. in the Cabinet Room at the White House. In the exchange, the President referred to Representatives Charles W. Stenholm and W.J. (Billy) Tauzin.

Remarks on Departure for the United Nations Conference on Environment and Development

June 11, 1992

Well, today I travel to Rio de Janeiro to join over 100 heads of state at the United Nations Conference on Environment and Development. Informally, the Rio meeting has been called the Earth summit. But I want to focus for just a minute on the official name. I think it's critical that we take both those words, environment and development, equally seriously. And we do.

On the environment, America's record is second to none. No other nation has done more, more rapidly to clean up the water, the air, or preserve public land. No other nation has done more to advance the state of technology that promises cleaner growth. We are proposing to double forest assistance. No other nation has put in place stricter standards to curb pollution in the future. We've done a great deal, and we are determined to do more.

But let me say up front: I am determined to protect the environment, and I'm also determined to protect the American taxpayer. The day of the open checkbook is over. I will go to Rio with a series of sound proposals designed to foster both environmental protection and economic growth. I'll sign a climate convention that calls for sound action, like increased energy efficiency and cleaner air. I'll offer technology cooperation because I believe American technology can help clean up the world's environment. I'll propose to share U.S. science, the most advanced in the world, to increase understanding of these complex issues. And I'll bring my Forests for the Future initiative, the most concrete and effective plan for dealing with the pressing problems of deforestation of all those that have been proposed at Rio.

Finally, I go to Rio with a firm conviction: Environmental protection and a growing economy are inseparable. No matter what some people may want to pretend, they are inseparable. It is counterproductive to promote one at the expense of the other.

For the past half-century, the United States has been a great engine of global economic growth, and it's going to stay that way. Every American knows what that means for us. What many may not know is that the world also has a stake in a strong American economy. Right now, one-half of the developing countries' exports of manufactured goods to all industrialized nations are sold, yes, in the United States of America. A weak economy in this country would harm workers in other nations and cut their export earnings to a trickle. Nations struggling to meet the most elemental needs of their people can spare little to protect the environment.

Many governments and many individuals from the U.S. and other nations have pressed us to sign a treaty on what's called biodiversity. I don't expect that pressure to let up when I reach Rio. The treaty's intent is noble, to ensure protection of natural habitat for the world's plants and

animal life. The U.S. has better protections for species and habitat than any nation on Earth. No one disagrees with the goal of the treaty. But the truth is, it contains provisions that have nothing to do with biodiversity.

Take just one example: The private sector is proving it can help generate solutions to our environmental problems. The treaty includes provisions that discourage technological innovations, treat them as common property though they are developed at great cost by private companies and American workers. We know what will happen. Remove incentives, and we'll see fewer of the technological advances that help us protect our planet.

My Forests for the Future initiative will offer real assistance to protect habitats, a downpayment of $150 million in new U.S. assistance toward the goal of doubling worldwide funding for forests. It invites developing countries to propose their best plans for forest conservation, and it encourages innovation, like biotechnology, that will help us protect biodiversity worldwide.

I cannot speak for actions other nations may take. But this I promise: I will stand up for American interests and the interests of a cleaner environment. And if the United States has to be the only nation to stand against the biodiversity treaty as now drawn, so be it.

I believe deeply in protecting our common environment, and I will proudly present in Rio the U.S. record that is second to none anywhere in the world.

Note: The President spoke at 7:50 a.m. at Andrews Air Force Base in Camp Springs, MD.

Remarks at a Luncheon Hosted by President Guillermo Endara in Panama City, Panama

June 11, 1992

The President. Mr. President and Mr. Vice President and members of the Cabinet, Barbara and I are just delighted to be with you to witness firsthand the great progress that Panama has made since its liberation from that dictatorship and tyranny back in December 1989. Panama is once again free, democracy restored, and the rule of law prevails.

With your nation's return to democracy, Panama resumes its place in the world community. This country's path toward economic reform and also liberalization has rekindled economic enterprise. And maybe some don't realize it, but last year your nation's economic growth was the highest in the whole hemisphere. I salute your success and your efforts, which bring the prospect of a better future for all Panamanians.

Our countries have enjoyed a unique partnership since Panama gained its independence nearly 90 years ago. That partnership is embodied today in the 1977 Panama Canal treaties. Mr. President, let me just assure you the United States keeps its word: Those treaties will be fully implemented on schedule.

But what I really wanted to do to come here was to salute those of you in this room who stood up to the tyranny of Noriega and who dared to oppose him in the 1989 elections and who now have the responsibility for strengthening your democracy for future generations.

As we were riding in in the car I sensed a little nervousness on the part of my friend President Endara. I think he was worried that I might be offended by some show of protest. But what I saw and felt was that overwhelming welcome from the people along the streets. It expressed, I think, a genuine friendship between Panama and the United States. And for the tiny, tiny handful of people that are protesting, I said they ought to go up to San Francisco and get an idea what a real protest is like. [Laughter]

So we've been here, and we are very grateful to you. We salute you. And I would like to just propose a toast to the health of President and Mrs. Endara and to that lasting, strengthening friendship between Panama and the United States of America.

Note: The President spoke at 1:15 p.m. at the Presidential Palace.

Remarks to the American Community in Panama City

June 11, 1992

Thank you so very, very much for that warm welcome. And General Joulwan, thank you for the introduction. And may I salute not only the general but also Ambassador Hinton, our distinguished Ambassador. He and Mrs. Hinton, Mrs. Joulwan, and you and the Embassy staff, Mr. Ambassador, are doing a first-rate job here in Panama. And I salute you for your work, your career, and your dedication in representing the United States of America.

I want to greet the graduates, seniors at Balboa and Cristobal High who are graduating today. Let me say hello to the Panama Canal Commission members, the Smithsonian Institute office people that are here. And to all of you serving the cause of freedom across the continents and oceans, my thanks for your service to our great country and for your dedication to the United States of America. And may God bless you all.

Now I want to say a few words to the Americans here, but before I do that, I want to say a word to the citizens of Panama. My Spanish isn't very good, so I'm going to ask for a little translation. But I first want to thank President Endara, Vice President Ford, Mayor Correa for the warm welcome they gave to us from the minute we arrived. I am grateful to each and every one of them.

May I say to the people of Panama, Barbara and I will never forget the warm welcome you gave us as we drove in from the airport and indeed as we drove to this base, thousands of people along the road expressing their appreciation for our great country. And let me say to them, we appreciate Panama. We appreciate Panama's move to democracy, and no tiny little left-wing demonstration is going to set your democracy back.

May I say in conclusion to the people in Panama, democracy takes a while to solidify it, to perfect it. Democracy doesn't come easy. But I could sense in that crowd today and amongst the leaders today the determination to perfect and see Panama's democracy come to total fulfillment. And let me say to the people of Panama, Barbara and I are grateful for the welcome. The day of the dictator is over, and you should take great pride in what your country has done.

All right, now, to all you Yankees out here -- [applause]. In fact, I think I'll go to work here; it's hot out there. But a special hello to those from this base, from other bases here in Panama. I know that some of you came a long, long way, an hour-and-a-half drive across the Isthmus to come and give us this tremendous welcome. And let me salute the seven from the Pacific side, Quarry Heights, Fort Clayton, Fort Kobbe, Howard, Albrook, Panama Canal-Rodman Naval Air Station, and Port Amador, and then the three on the Atlantic side, Fort Davis, Fort Sherman, and Galeta Island.

Working abroad, and Barbara and I have been there, is a learning experience in a way, managing diplomatic and domestic responsibilities. I just want you to know that we have tremendous respect, whether it's in the military, whether it's as civilians, for all who serve their country overseas. Your work, whether it was on the civilian side or on the military side, has helped give this wonderful country a chance for what we take for granted in the United States, that democratic experience and freedom. That's what your mission is about.

I know that a lot goes into planning a Presidential visit. I was on the receiving end of one of them over in China, and I thought I would never recover. But to all of those who worked with the arrangements on this visit, let me simply say we will do what we said: We will leave on schedule. And you can get back to normal.

But before I do, before I leave and before Barbara leaves, let me just say that you all should take pride in knowing that you serve at a time when Panama is reaching an entirely new status in the community of nations. Those of you who took part in Just Cause and those of you who have come since must take great satisfaction in Panama's accomplishments. Don't let this little ripple out there today that took place in the plaza, a handful of people trying to disrupt this wonderful welcome, don't let it discourage you. I'd say the same to the people. You can feel the heartbeat here, and you are partly responsible for that wonderful feeling between Panama and the United States of America.

Justice and freedom have been restored. With each sunrise the people of Panama wake to liberty's greatest gift: free elections, free press, and free worship. I must say that the plaza where we came from, there's a history there of protest and also vigil. But today that plaza is the people's park. And I wish every one of you could have seen the welcome we had before a handful of characters tried to disrupt it all. Each day you serve, you are visible reminders that freedom and democracy work. You're laying a foundation for cooperation between our nations that will last for generations to come.

As I know, as we saw tragically just yesterday, there are times when some of your comrades are called upon to make the ultimate sacrifice. I want you to know as Commander in Chief that we honor the memory of Corporal Hernandez here today, a veteran of Desert Storm, and the memories of all the proud, brave men and women in uniform who gave their all in the service of their country. The most fitting tribute to their memory and to their sacrifice is to complete the work they began. And therefore, we will continue to help the Panamanians build on their progress in strengthening democracy and developing their economic system so that future generations can share what you all have helped start, this new beginning.

We're going to work together to secure a future of free trade, a link to economic recovery, progress, and prosperity. Our countries are going to work together to bring an end to that dreadful narcotic trafficking that are poisoning the kids in Panama and poisoning the kids in the United States. We will not fail in crushing the narco-traffickers.

And so to each and every one of you, our profound thanks for your service. Once again, to President Endara and his colleagues, my sincere thanks for the warmth of the welcome and, much more important, for what Panama is doing as now a newly found proud member of the family of nations, moving down the path to democracy and freedom. It is a wonderful example.

Now we head off to the Environmental Conference down there in Rio. And I look forward to that because we're taking down there a sound, forward-looking message on the measure of the environment. And I believe that we're going to go just fine.

But thank you all for the service to the greatest, freest country on the face of the Earth, the United States of America. Thank you very much.

Note: The President spoke at 3:25 p.m. at Albrook Air Force Base. In his remarks, he referred to Gen. George Joulwan, commander in chief, Southern Command, and U.S. Army Cpl. Zak A. Hernandez, who was killed June 10 by gunmen in Panama.

Statement on the Balanced Budget Amendment

June 11, 1992

Today's vote in the House shows that we are close to realizing a goal that the overwhelming majority of Americans support, adoption of a balanced budget constitutional amendment. The Democratic leadership's proposal was soundly defeated, and our bipartisan amendment came within just nine votes of getting the two-thirds needed to pass.

A balanced budget amendment is absolutely essential to the economic health of America. We cannot continue to burden our children and grandchildren with crippling Federal deficits.

I thank the 280 Members of the House, Republican and Democrat, who stood up to the special interests and voted for America's future. To the 153 Members who voted against balancing the Federal budget, I say this: The will of the American people could not be clearer. We must adopt a balanced budget amendment.

We are within striking distance of winning this fight. I will be discussing with key bipartisan supporters bringing the balanced budget amendment up again as soon as possible and finding those few extra votes needed to pass it.

Appointment of Maria Solandros Eitel Sheehan as Special Assistant to the President and Deputy Director of Media Affairs

June 11, 1992

The President today announced the appointment of Maria Solandros Eitel Sheehan, of Washington State, as Special Assistant to the President and Deputy Director of Media Affairs.

Since 1989, Ms. Eitel Sheehan has served the President as Deputy Director of Media Affairs with responsibility for regional, specialty, and trade media. Before coming to the White House, Ms. Eitel Sheehan worked at the U.S. Information Agency as a program officer and producer for ``Worldnet Dialogues'' and as a correspondent for the television news program ``America Today.'' In 1987, Ms. Eitel Sheehan worked at WETA - TV in Washington, DC, as an associate producer for ``World Beat,'' a foreign affairs television series. Prior to this, she served in the economics section of the U.S. Embassy in Cameroon. From 1983 to 1985, in Seattle, Ms. Eitel Sheehan worked in the news and documentary departments of NBC affiliate KING - TV and was a freelance reporter and producer for PBS station KCTS - TV.

Ms. Eitel Sheehan graduated from McGill University in Montreal, Canada (B.A., 1983) and Georgetown University School of Foreign Service (M.S.F.S., 1988). She was born June 26, 1962, in Everett, WA. She is married, has one child, and resides in Washington, DC.

Address to the United Nations Conference on Environment and Development in Rio de Janeiro, Brazil

June 12, 1992

President Collor, Mr. Secretary-General, heads of delegation, may I first express my admiration to Secretary-General Boutros-Ghali and my gratitude to Secretary General Maurice Strong for his tireless work in bringing this Earth summit together. This is truly an historic gathering.

The Chinese have a proverb: If a man cheats the Earth, the Earth will cheat man. The idea of sustaining the planet so that it may sustain us is as old as life itself. We must leave this Earth in better condition than we found it.

Today this old truth must be applied to new threats facing the resources which sustain us all, the atmosphere and the ocean, the stratosphere and the biosphere. Our village is truly global. Some find the challenges ahead overwhelming. I believe that their pessimism is unfounded.

Twenty years ago, at the Stockholm conference, a chief concern of our predecessors was the horrible threat of nuclear war, the ultimate pollutant. No more. Upon my return from Rio, I will meet with Russian President Yeltsin in Washington, and the subject we will discuss is cooperation, not confrontation. Twenty years ago, some spoke of the limits to growth. Today we realize that growth is the engine of change and the friend of the environment.

Today, an unprecedented era of peace, freedom, and stability makes concerted action on the environment possible as never before. This summit is but one key step in the process of international cooperation on environment and development. The United States will work to carry forward the promise of Rio because as important as the road to Rio has been, what matters more is the road from Rio.

There are those who say that cooperation between developed and developing countries is impossible. Well, let them come to Latin America, where debt-for-nature swaps are protecting forests in Costa Rica and funding pollution control in Chile.

There are those who say that it takes state control to protect the environment. Well, let them go to Eastern Europe, where the poisoned bodies of children now pay for the sins of fallen dictators, and only the new breeze of freedom is allowing for cleanup.

There are those who say that change can never come because the interests of the status quo are too powerful. Well, let them come right here to Brazil, where President Collor is forging a new approach that recognizes the economic value of sustaining the rain forest.

There are those who say that economic growth and environmental protection cannot be compatible. Well, let them come to the United States, where, in the 20 years since Stockholm, our economy has grown by 57 percent, and yet we have cut the lead going into the air by 97 percent, the carbon monoxide by 41 percent, the particulates by 59 percent. We've cleaned up our water and preserved our parks, wilderness, and wildlife.

There are those who say that the leaders of the world do not care about the Earth and the environment. Well, let them all come here to Rio.

Mr. President, we have come to Rio. We've not only seen the concern, we share it. We not only care, we're taking action. We come to Rio with an action plan on climate change. It stresses energy efficiency, cleaner air, reforestation, new technology. I am happy to report that I have just signed the Framework Convention on Climate Change.

Today, I invite my colleagues from the industrialized world to join in a prompt start on the convention's implementation. I propose that our countries meet by January 1st to lay out our national plans for meeting the specific commitments in the Framework Convention. Let us join in translating the words spoken here into concrete action to protect the planet.

We come to Rio with a proposal to double global forest assistance. We stand ready to work together, respecting national sovereignty, on new strategies for forests for the future. As a downpayment, we will double U.S. forest bilateral assistance next year. And we will reform at home, phasing out clear-cutting as a standard practice on U.S. national forests and working to plant one billion trees a year.

We come to Rio with an extensive program of technology cooperation. We stand ready, Government and private sector, to help spread green technology and launch a new generation of clean growth.

We come to Rio recognizing that the developing countries must play a role in protecting the global environment but will need assistance in pursuing these cleaner growths. So we stand ready to increase U.S. international environmental aid by 66 percent above the 1990 levels, on top of the more than $2.5 billion that we provide through the world's development banks for Agenda 21 projects.

We come to Rio with more scientific knowledge about the environment than ever before and with the wisdom that there is much, much we do that's not yet known. And we stand ready to share our science and to lead the world in a program of continued research.

We come to Rio prepared to continue America's unparalleled efforts to preserve species and habitat. And let me be clear. Our efforts to protect biodiversity itself will exceed, will exceed, the requirements of the treaty. But that proposed agreement threatens to retard biotechnology

and undermine the protection of ideas. Unlike the climate agreement, its financing scheme will not work. And it is never easy, it is never easy to stand alone on principle, but sometimes leadership requires that you do. And now is such a time.

Let's face it, there has been some criticism of the United States. But I must tell you, we come to Rio proud of what we have accomplished and committed to extending the record on American leadership on the environment. In the United States, we have the world's tightest air quality standards on cars and factories, the most advanced laws for protecting lands and waters, and the most open processes for public participation.

Now for a simple truth: America's record on environmental protection is second to none. So I did not come here to apologize. We come to press on with deliberate purpose and forceful action. Such action will demonstrate our continuing commitment to leadership and to international cooperation on the environment.

We believe that the road to Rio must point toward both environmental protection and economic growth, environment and development. By now it's clear: To sustain development, we must protect the environment. And to protect the environment, we must sustain development.

It's been said that we don't inherit the Earth from our ancestors, we borrow it from our children. When our children look back on this time and this place, they will be grateful that we met at Rio, and they will certainly be pleased with the intentions stated and the commitments made. But they will judge us by the actions we take from this day forward. Let us not disappoint them.

Mr. President, once again, my congratulations to you, sir. Mr. Secretary-General, our sincere thanks. And thank you all very, very much.

Note: The President spoke at 3:19 p.m. in the Assembly Hall at the Riocentro Conference Center.

Statement on Signing the Framework Convention on Climate Change

June 12, 1992

I have today signed the Framework Convention on Climate Change on behalf of the United States of America. This landmark agreement is a major step forward by the international community in taking action to address global climate change. It requires countries to formulate, implement, and publish national programs for mitigating climate change by limiting net emissions of greenhouse gases.

The Framework Convention is comprehensive, covering all sources and sinks of greenhouse gases. It provides the flexibility for national programs to be reviewed and updated as new scientific information becomes available. These are important and desirable features.

The United States already has been working to develop plans that are responsive to the requirements of the convention. In February of 1991, and again in the spring of this year, my administration published a detailed program of specific measures that the United States was prepared to undertake to address climate change. The administration also provided detailed estimates of the emissions effects of these measures. The U.S. plan stresses energy efficiency, cleaner air, new technology, and reforestation. It is estimated that our plan will reduce annual net greenhouse gas emissions by 125 to 200 million tons below projected levels in the year 2000.

Many of the items contained in the U.S. action agenda are already being implemented. Some were contained in the Clean Air Act of 1990. Some energy efficiency measures, such as EPA's Green Lights program, are being pursued under existing authority. Others, such as elements of the national energy strategy, have been proposed by the administration and are awaiting final action by the U.S. Congress.

No effort to address climate change can be successful without the participation of the developing countries. We have pledged support for country studies, for the Global Environmental Facility, and for various other programs to help these countries begin the process of developing action programs.

I have today invited the other industrialized nations who have signed the Framework Convention to join me in a prompt start on its implementation. I have proposed that our countries meet by January 1st to present and review our national action plans. We look forward to cooperating with the other developed nations in this regard and to seeing what specific measures they propose to undertake.

Appointment of Shiree Sanchez as Special Assistant to the President for Public Liaison

June 12, 1992

The President today announced the appointment of Shiree Sanchez as Special Assistant to the President for Public Liaison.

Since 1989, Ms. Sanchez has served at the White House as Associate Director, Office of Public Liaison. Ms. Sanchez works on all issues related to Hispanic Americans and also is the liaison to Americans with disabilities.

Ms. Sanchez previously served as congressional liaison for the President-Elect's Inaugural Committee; as Texas director for Hispanic outreach for the George Bush for President campaign, 1987; and as executive director of the Republican National Committee Hispanic Auxiliary, 1988 - 89. Ms. Sanchez was appointed by the Governor of Texas to serve in the Texas department of commerce, 1986 - 87. Other positions Ms. Sanchez has held include: assistant director of the Republican Party of Texas, 1985 - 86; and sales manager for Micro-D International, Inc., of Huntington Beach, CA, 1982 - 86.

Ms. Sanchez attended the University of Texas and is a native of Austin, TX. She resides in Washington, DC.

Nomination of Jose Antonio Villamil To Be an Under Secretary of Commerce

June 12, 1992

The President today announced his intention to nominate Jose Antonio Villamil, of Florida, to be Under Secretary of Commerce for Economic Affairs. He would succeed Michael Rucker Darby.

Since 1989, Mr. Villamil has served as Chief Economist for the Department of Commerce and was elevated to the position of Chief Economist and Special Adviser to the Secretary in 1991. From 1981 to 1989, he served as senior vice president and chief economist in the corporate planning and economics department in the office of the chairman of the board at the Southeast Bank in Miami, FL.

From 1978 to 1981, Mr. Villamil served as vice president and economist in the economics department with the Crocker National Bank in San Francisco, CA. He also served as financial economist in the economic research division with the Continental Illinois National Bank and Trust Company in Chicago, IL, 1975 - 78. In addition, Mr. Villamil has served as an economist in the Office of Developing Nations Finance at the Department of the Treasury, 1974 - 75. From 1973 to 1974, he served as an economic analyst in the international corporate banking division with the First National Bank of Miami in Miami, FL.

Mr. Villamil graduated from Louisiana State University (B.S. 1968; M.A. 1971). He is married, has four children, and resides in McLean, VA.

The President's News Conference in Rio de Janeiro

June 13, 1992

The President. Well, let me first express my thanks and congratulations to President Collor and the Brazilian people and to all responsible for this Conference for their hospitality, for their tremendous success in hosting the Earth summit. It's obvious to all who came to Rio that the Brazilians made a special effort to accommodate so many heads of states and delegates and journalists and visitors. They managed it flawlessly, and they managed it with grace and good humor. We've had a very successful visit.

We've signed a climate convention. We've asked others to join us in presenting action plans for the implementation of the climate convention. We've won agreement on forest principles. We found a warm reception among the G - 7 and many developing countries to our Forests for the Future initiative. Many U.S. proposals on oceans and public participation on the importance of economic instruments and free markets were included in this mammoth Agenda 21 document and the Rio Declaration.

Let me be clear on one fundamental point. The United States fully intends to be the world's preeminent leader in protecting the global environment. We have been that for many years. We will remain so. We believe that environment and development, the two subjects of this Conference, can and should go hand in hand. A growing economy creates the resources necessary for environmental protection, and environmental protection makes growth sustainable over the long term. I think that recognition of that fact by leaders from around the world is the central accomplishment of this important Rio Conference.

So with no further ado, I believe, Tom [Tom Raum, Associated Press], you have the first question, sir.

Panama Demonstration and Environmental Policy

Q. Mr. President, to what extent do the images Americans have seen back home of your being hustled off the stage in Panama and not being allowed to give your speech, and the isolation that the United States has had in Rio, to what extent does this erode into what Americans seem to still feel is your strong suit, your ability to conduct foreign policy?

The President. I think in both instances the reality will prevail. In Panama, Panama has made dramatic strides. They're a free country. They're a democratic country. I think everybody who was there saw the warmth of the reception from the people of Panama along the streets, and it was tremendous.

What got the news, of course, was a handful of demonstrators in demonstration. The smoke blew

the wrong way as the police tried to contain that small group, and that permitted the disruption of an outdoor rally. But that should not obscure the fact that Panama is democratic, Panama is free, Panama is growing at 9.6 percent, and the warmth from the Panamanian people was overwhelming. Can you let 300 people or 200, whichever it is, carry the day in terms of the reality? The answer is no. The hundreds of thousands of people were much more representative of the change.

Then I heard an interview from a prison today by Mr. Noriega, the discredited drug lord who's had a fair trial, as though his criticism means anything. I mean, come on.

Panama's doing well. And I was very proud to be there, and so I'd like to go back. What we did in helping in the first place to protect Americans' lives, secondly to restore democracy, it's good. It's very, very positive.

In terms of Rio, as I said yesterday, we are the leaders; we're not the followers. And the fact that we don't go along with every single covenant, I don't think that means a relinquishment of leadership. I think we are, and I think the record shows we are, the leading environmental nation in the world. So I would just reject the premise or say, no, this doesn't concern me.

Q. If I may do a followup, Mr. President. Along those lines, you set a January 1st target for another meeting of the Conference to discuss global warming. You've set a lot of deadlines for Congress that haven't been heeded. Your proposal yesterday wasn't particularly well-received by the other nations. Why do you think that that January 1st deadline will be heeded any more than your congressional deadlines?

The President. I don't think there's any comparison because I think the G - 7 nations and the developed nations want to meet the commitments that they've signed up for. So I've not found that it wasn't received well at all. In fact, Bill Reilly told me it was well-received. And we will be there with specific plans.

Now, you want to talk about leadership? We will be there with specific plans, prepared to share, but more important, that others who have signed these documents ought to have specific plans. So I think this is a leadership role. We are challenging them to come forward. We will be there. I think the Third World and others are entitled to know that the commitments made are going to be commitments kept.

Brit [Brit Hume, ABC News].

Q. Mr. President, you and members of your administration feel that you came here with a good record on the environment and a good case to make for the positions you've taken. If that's so, sir, how is it that the words, remarks of your critics seem to so dominate the atmosphere?

The President. Well, I don't know. I guess it's because all the banks that weren't robbed today don't make news. When Americans criticize America outside of America, that seems to make news. The positive accomplishments I think should make the news, and I maintain that we have the best environmental record in the world. And I think the people I talked to yesterday certainly would concede that we have been world leaders.

But I can't answer that question for you, Brit, as to why the news is dominated by the critics. I have said that American environmental policy is not going to be dominated by the extremes, because I believe that the title of economic development as well as environmental protection is in order. I think both things count. Bill Reilly has made that point over and over again since he's been here.

But maybe it's the same as the Panama question. What dominates is the protest, not the fact that there was a great, warm reception along the way.

Q. Well, if I could follow up, sir -- --

The President. Yes.

Q. -- -- you, in one remark you made, and members of your administration have indicated that there are other nations here, some of whose officials were critical of your positions, who are in no position themselves, or their countries are in no position, to meet the terms of the climate change treaty, for example, and yet they were privately critical of you. And you suggested that that was so. Would you care to elaborate on who they were and what they -- --

The President. No, I don't think I suggested that at all. What I'm saying is let's go forward.

Q. Do you think they're glad that you had taken the position that you have taken?

The President. Well, I think most are. I think most people are glad that we've taken this position to go forward. I was very pleased, incidentally, with the remarks by Chancellor Kohl, by Brian Mulroney; had a good talk with the Prime Minister of Japan before getting here; I'm most appreciative of John Major for what he said. So I think there's not only understanding but support for American positions.

Bill Reilly told me, and I don't want to get into a private conversation, but yesterday evening he talked to some of the developing nations' representatives, and they were rather supportive of what we said. So the fact that we didn't sign that one treaty does not diminish, in my view, the U.S. leadership role. Sometimes leadership is not going along with everybody else.

'92 Elections

Q. Mr. President, Mr. Quayle made a speech yesterday to the Federalist Society in which he called Ross Perot a temperamental person who has contempt for the Constitution and suggested that the country elect a Democratic President and a Democratic Congress if they couldn't elect a Republican President, a Republican Congress. How do you feel about these two suggestions?

The President. I feel they ought to elect a Republican President and a Republican Congress. I feel very unenthusiastic about the second one. [Laughter] And I feel that you better ask Mr. Quayle about what he said. I've vowed not to go after either of the opponents until after the convention, and I've also said that I'm getting kind of anxious to get after the convention.

Q. May I follow up, sir? This is your running mate echoing what Warren Rudman said, in which somebody's got to govern this country, and if it's going to be gridlocked between the White House and the Capitol, something has to be done. I realize it's hyperbole, but he's your running mate, and you disagree with those remarks?

The President. Well, I agree with him -- listen, I say give me a Republican Congress, and we'll move on things. Let me give you an example. The American people want a balanced budget amendment to the Constitution. Seven cosponsors of that amendment were pulled off of the sponsorship and voted against their own amendment, their own resolution, because of the cracking of the whip by the Democratic leadership. The arrogance of the leadership to pull away people that had sponsored it, I'll tell you, the American people are not for that.

So I think in a wide array of issues, as I said at the press conference the other night, the American people back what we're standing for. They want revolutionary educational reform. They want tougher crime legislation. And I could just go through a whole litany of things that the American people want that I am advocating that have been blocked by a hostile, Democratic, politically leaning leadership in the United States Congress. So a lot can happen. There is gridlock. A lot can happen, however, if we have more Republicans in the Congress.

Look back to the early parts of the Reagan administration when we controlled the Senate. It was then that things moved forward, and that was only one house. I think the House, that's been in control by the Democrats so long, needs to be shaken up. And I think that's why I agree so strongly with that concept of give me a Republican Congress and watch this country change and move forward.

In foreign affairs, fortunately, I don't need a congressional acquiescence every step of the way.

Yes, Charles [Charles Bierbauer, Cable Network News].

Environmental Policy

Q. Mr. President, some of the other leaders here, including some who say they know you well,

feel that you might just, well, sign some of these agreements but not in an election year and that you are feeling pressured by the roller coaster nature of policy. Can you comment on that, sir?

The President. Yes. I don't think that's true.

Q. Which one, there were several elements. Which, that you might sign these agreements?

The President. That I'm not pressured by domestic politics as to what our sound environmental practices are. We've got sound environmental practices. We are not going to sign up to things that we can't do. We're not going to sign up to do things we don't believe in. I happen to believe that in biodiversity it is important to protect our rights, our business rights. And I happen to think that when we do, whether it's in a biodiversity treaty or a GATT arrangement, we make things better for others. I believe that American biotechnology can help others. But it can't be if the product of that is taken away or if the incentive to innovate and the incentive to profit by your research is removed.

So, this isn't domestic politics '92 that determines whether I'm going to sign a biodiversity treaty or not, if that was the question.

Q. And their assertion that they sense in you an anxiety, a feeling of pressure?

The President. If they sense an anxiety, they may be right. I mean, this has been a tough, weird political year at home. But it has nothing to do with sound policy. It has nothing to do with whether I'm going to shape something as important as environmental policy based on an election that's, what, 4 or 5 months away.

Yes, Susan [Susan Spencer, CBS News].

Presidential Campaign

Q. Mr. President, you have no assurance of getting a Republican Congress. And in light of that and the fact that you've now been in office for 4 years, why should the American people look to you as the agent of revolutionary change?

The President. Because they agree fundamentally with our ideas. When you see a group of Democrats can't run for office in California campaigning for tougher crime legislation and having voted against tougher crime legislation, I say there is a little bit of an indicator that the American people want tougher crime legislation, and they'd love to get it through. The way to get it through is put more people in Congress that agree with me.

Our ideas -- when we talk about family values, or we talk about fiscal sanity, or when we talk about sound environmental practice, when we say that we're not going to throw people out of

work needlessly -- all of these things have support from the American people. And I would say that when you look around at this screwy year people do seem to be fingering Congress even more than the President.

Q. Sir, a lot of polls indicate that many of the American people say they don't know what it is you want to do in your second term.

The President. Well, maybe we need to make that a little clearer, and I think this Conference helps. I think the fact that somebody's going to take a focus on what's happened around the world, and they'll see the leadership we've brought to many things will be helpful. That's not in focus. You're dealing with polls all the time and some new trend. But the American people sort these things out. They'll sort it out, and I will win.

Q. Mr. Clinton has said that he will release a 100-day agenda of what he would do in the first 100 days, specifically. Will you do the same?

The President. I've already done it. But yes, I'll rephrase it and make it clearer because I think it is important that the American people know of my firm commitment to revolutionary educational change.

Here's a good example. We've got the best new education approach for the United States in history, the best. And we've had it up there -- we've got the six goals. And it's hung up by the old thinkers in Congress. So I think maybe it would be a good idea. But I'm taking these ideas up there every single day with specificity to the Hill. It's a little different than when you're outside shooting in.

Developing Nations

Q. Yes, Patricia Walsh, United Press International, a slightly little bit longer question for you, Mr. President. Some respected environmentalists here at the Earth summit say that poverty leads to many of the environmental problems and that poverty in developing nations is perpetuated by unending foreign debt and an unfair trade balance that funnels money from the south to the north. They criticize the Earth summit and wealthy nations like the United States for not focusing on these issues here. How would you respond to that criticism, please?

The President. I would take great credit for the fact that the United States has taken the leadership role, a unique one that's been well-received, in debt-for-equity swaps or forgiveness of debt or debt-for-environmental swaps. And I think that shows that we are sensitive to the problems of the Third World in terms of the economy.

I happen to believe that a successful conclusion to the GATT round, the Uruguay round of GATT, will do more than any foreign aid program of any country to help the Third World,

because I believe their products will be able to flow more freely and they will be able to prosper by the market that they've been denied access to through various forms of protection. So both those areas I think would refute the allegation.

Q. As a followup, there are those who say that if the GATT is successful and these barriers are dropped, these developing nations will not be able to protect their own developing industries from the multilaterals coming in. How do you respond to that?

The President. Well, I say that the things they do best they'll be able to get into the world markets, and I just am convinced that free and fair trade is best for everybody. If you don't believe me, take a country that is now moving well along on the development path; talk to President Carlos Salinas of Mexico. He is convinced that the free trade agreement with Mexico will be good for him, Mexico, good for the United States, and good for the environment. And he's right. He believes that Mexico, and he's made this point over and over again, can do much more in environmental cleanup, environmental progress if this free trade agreement is met. Now, there's a very good refutation to the criticism you say some are making.

Yes, John [John Cochran, NBC News].

Environmental Policy

Q. A couple of questions about your wish back in the '88 campaign to be the environmental President. It would be difficult for a politician that got a parking ticket in a red-light district to campaign as a family values candidate, even though there may be a perfectly acceptable reason for his being there. Given the opposition of environmental groups, can you still campaign as the environmental President, and will you?

The President. Well, I think so -- and for the very reasons that the man standing next to me, who has superb environmental credentials, has made over and over again here. You cannot go to the extreme. And yes, I do have to be concerned about the American worker, about taxes, about a lot of things like that; a President must be concerned. But I think we have an outstanding environmental record.

Let me just click off some of it for you: The Clean Air Act, and that was ours. We did it. We needed the Democrats' support, and we got it done. It is the most forward-looking piece of legislation that any country has in place.

We've got a national energy strategy that emphasizes alternate fuels and conservation and all of this part of it. We've got a forestation program that is second to none. I'd like to see the Congress move forward with my plan to plant a billion trees a year, and we're going to keep pushing on that.

We've done what's right environmentally on drilling, putting the sensitive, environmentally sensitive areas off bounds. We've done that in the Florida Keys, for example, and off of Big Sur.

We have over a billion dollars in new lands, and our parks, forests, wildlife refuges, have all been added to. So we have a good stewardship of the land.

We took the leadership in phasing out CFC's, and I think that is a very important environmental leadership role by the United States. Our budget for EPA is up considerably, our Environmental Protection Agency.

So I think along the lines we've done very, very well. And I think that's a case I will be proud to take to the American people.

Q. Can I follow up with one, sir?

The President. Yes, please.

Q. Sir, you talk about not wanting to jeopardize jobs by being overly conscious of environmental concerns, but you've never really been very specific about which jobs you would save with your policies, for example, on global warming and the biodiversity treaty.

The President. I will give you an example, and that was on the owl decision. There what was clearly at stake was some 30,000 jobs in the Northwest. That decision was met with some opposition by certain environmentalists, but it was a good decision. Some people regrettably will still be put out of work, but not near as many as if that arrangement had not been achieved.

Russia-U.S. Relations

Q. President Yeltsin fears the United States is trying to take strategic advantage in nuclear weapons. You'll be seeing him next week. Is this true, and are you optimistic you'll be able to reach an agreement with him?

The President. No, we are not trying to take strategic advantage of Russia. I hope that President Yeltsin knows that. Jim Baker is talking to Mr. Kozyrev; he's finished now, I believe. I talked to him yesterday. If Yeltsin still feels that way when he comes, President Yeltsin, I will make another effort to disabuse him of that.

I think we have a rare opportunity to move forward with Russia on many fronts, helping them solidify their reforms, helping the world get what it wants, which is more stability and progress in not only arms control but the whole nuclear proliferation field. These are very, very important things.

I might go back to Susan's [Susan Spencer, CBS News] question. I am very happy that we're talking now about these kinds of things when we weren't a few years ago to this degree. We've made dramatic progress, and our children, as somebody pointed out to me again yesterday, picking up on the theme that I have, go to bed at night far less worried about nuclear war. In the final analysis, the American people are going to say, well, this administration deserves some credit, not all but some credit for that.

So if President Yeltsin feels as you do, I will have no trouble disabusing him of this.

Environmental Policy

Q. Mr. President, on the way back home today you will be flying for some two to three hours over the Amazon forests. Do you believe your 200-something U.S. million dollars of your Forests for the Future initiative will make a difference?

The President. Well, I certainly think it will, and most people here seem to think it will, yes. I salute President Collor for the steps he is taking in terms of preservation of that great forest.

You see, we've got a good record in terms of forest policy. We're doing something about below-cost timber sales in 10 national forests. We've signed this Tongass Timber Reform Act, which is in a very sensitive -- below-cost timber sales in an extraordinarily sensitive American rain forest.

So I think we've got a good record. I'm very pleased with the way that forestry initiative has been received here. I noticed that it was singled out by several of the leaders in their speech yesterday. And it's those positive things that I think just emphasize once again the U.S. role of leadership in the environment.

POW - MIA's

Q. Mr. President, what do you think, sir, of this revelation from Boris Yeltsin that the Soviet Union was holding 12 American POW's during the 1950's? And were you ever aware of this either in your role as once CIA Director or as President, and did you ever get a hint of this from your close relationship with Mikhail Gorbachev?

The President. No. In fact, I believe that Mr. Gorbachev denied it. And what do I think of it is, I think it's very, very credible and very good that President Yeltsin is coming forward with this kind of full disclosure. He's done it in other areas. He's done it in the field of biological and chemical weapons. It's one more reason why we want to work very closely with him, and I salute him for doing that.

Presidential Campaign

Q. Mr. President, Mr. Perot has said that he would not raise taxes except in a national emergency. And as someone who has had some experience on statements about no new taxes, I wonder if you feel that Mr. Perot is oversimplifying the situation and if you would agree with that on the other side? [Laughter]

The President. Well, you must have missed what I said earlier on, not wanting to engage Mr. Perot. So I'll respectfully not engage him on that.

U.N. Conference on Environment

Q. Mr. President, in following up this Conference, what do you think you'll be doing in the way of supporting an international organization to oversee the work that has come out of this Conference?

The President. I think one of the main things we're going to do is go forward with this January 1st date in order to present detailed plans to meet the climate change commitments. We're pretty far along on that, and we're prepared to share with others. Bill Reilly will be actively involved in that. Any commitment we make here will be kept, and so we have a broad agenda to follow through on.

We forget that there are many, many commitments, some involving funds, some not, being made here at this Conference. And the EPA leadership will be extraordinarily busy in getting specific now to follow them up. I'm excited about that because I think our leadership is up to it, and I think others will welcome it.

Iraq

Q. Mr. President, the House Judiciary Committee has now asked you to make your aides and documents available to provide further details about the assistance your administration gave to Iraq before the Gulf war. Do you intend to comply with that request?

The President. I don't know what -- --

Q. And what do you think of their efforts to create an independent counsel?

The President. I think it's political. I think it's purely political. We have had detailed testimony by Larry Eagleburger. I myself have discussed the policy. I sense a frustration on the part of the Democrats because of what we had to do and did in terms of the war. I think it is a pure political inquest, and we have complied fully. I know politics when I see it. I know political timing when I see it. So, we have disclosed, and we will continue to cooperate with Congress. But the determination on the special prosecutor, let's wait and see where that one goes.

But I must say that it smells political to me. I see these other hearings up there that have cost the taxpayers millions. And, incidentally, I will make one last appeal to the Congress: I would say, would you please say yes or no as to whether I was in Paris at any time, say nothing about the fall of 1980, because you're spending millions of the taxpayers' dollars trying to prove on the basis of a stupid book that I was there. Would you please certify to the American people whether this now-President and then-candidate was in Paris?

Why the Congress keeps spending the taxpayers' monies on these witch hunts, I do not know. I'm a little sick of it, but there's not a heck of a lot I can do about it except to express a continual and somewhat mounting frustration as I see now another attack. Our policy was well-known. We tried to bring Saddam Hussein into the family of nations. That policy was not successful. We did not enhance his nuclear, biological, or chemical weapon capability, a charge recklessly made in this political year. When we failed and when he took an aggression, the whole world joined with us in standing against it. Now some of the very people that opposed U.S. action are trying to redeem themselves by a lot of political inquiry. And I don't think the American people are going to stand for it.

Thank you all very much.

Note: The President's 131st news conference began at 11 a.m. in the Sheraton Rio.

Remarks at the Groundbreaking Ceremony for the Korean War Veterans Memorial

June 14, 1992

Thank you very much, very much. May I say that it is an honor for me to be introduced by General Davis and to have just met with so many men that wear with pride the Congressional Medal of Honor, the highest award our country can give. And may I salute the Members of Congress who are with us today. I haven't seen them all, but over my shoulder is Senator Rudman, who fought in Korea; Senator Dole, a hero of World War II; Senator Chafee, who was in the Korean fight; and many others. I'm going to miss a few over here, but I got the ones I see. And Congressman Montgomery, a friend of all the veterans, holding up his hand so I wouldn't miss him. I'm going to get in trouble now. So there they are. Of course, I want to single out, as did others, General Stilwell. I was privileged to serve with him in the intelligence community. I respect him. I know of his record. I'm pleased that his beloved Alice is with us; his son, Dick, Jr. His dream is now about to be fulfilled, his leadership rewarded.

Ambassador Hyun, may I ask you, sir, to pay our respects to President Roh Tae Woo. And you can tell him this: The United States is going to fulfill our obligations to peace on the Korean peninsula. The United States does not quit, and we will stay with the job. May I salute the members of the diplomatic corps.

We meet, you know, on a very special day. It is Flag Day. It is the 217th anniversary of the United States Army. It's a special occasion to break ground for a memorial to those veterans whose courage now lives as history, passed from one generation to another.

This is not a memorial to war, but a memorial to peace America has always fought for. I was Vice President when Ronald Reagan signed legislation authorizing the creation of a national Korean War Veterans Memorial. And today, as President, I'm proud to help honor America's peacemakers who served during the Korean war.

America's uniformed sons and daughters went to Korea not for themselves. Hating war, they sought only liberty. They fought so that the enslaved might be free. They fought in the Pusan Perimeter and at Inchon, on Heartbreak Ridge, and Pork Chop Hill, in the sea and the air and the gullies and the ridges. And to our 5.7 million Korean war veterans, a grateful Nation thanks you for what you did. For stopping totalitarianism, the entire free world still salutes you.

We remember first how America's finest took up arms and bore our burden for a cause larger than ourselves. Among them was Lieutenant Colonel John Page, then 46, at home in New Orleans with his wife and kids. He became one of the 54,246 Americans who gave their lives; the more than 103,000 that were wounded; the over 8,000 still missing or unaccounted for.

Let me put it plain: Though many MIA's have returned to America in the past years, no one can rest until all have been accounted for. I know our Secretary of Defense, our able Secretary of Defense, Dick Cheney, feels exactly that way and is doing everything he can to guarantee every single American is accounted for.

Men like John Page did the hard work of freedom. Seeking the enemy position, he asked to ride in a two-seat observer plane. Once in the air he told the pilot to fly low over their encampment. Speechless, the pilot watched as Page pulled pins from three grenades, leaned out of the cockpit, and dropped them on the enemy positions. Later he bombed foxholes with grenades, climbed aboard a tank and fired machine gun bursts which forced the enemy to flee, and then finally led a rush which destroyed an enemy roadblock and made three dozen of the enemy retreat.

John Page did all of this in his first 12 days in combat, which were his last 12 days on Earth. His last reported words were to a comrade, ``Get back, that's an order. I'll cover you." And the Marine Corps named this Army man a recipient of the Navy Cross. America gave him the Medal of Honor. He showed how greatness touched all those who went to this unknown land amid the shroud of darkness to illuminate the night.

Here in God's light amid the woods, we recall, as proved in Korea and again, as General Davis mentioned, in the Persian Gulf, that together allies could contain tyranny by combining strength. Fighting side by side under the flag of the United Nations, freedom-loving countries of the United States and the Republic of Korea and other allies strove to halt aggression.

And did we succeed? Did we ever. We built a stable peace that has lasted nearly 40 years, and together we held the line. And in the wake of North Korea's wanton aggression in June of 1950, America did not hesitate. The Eighth United States Army dispatched Task Force Smith as the lead element of what eventually -- [applause]. And I saluted some of the veterans of that task force, a task force which eventually became a mighty United Nations effort to hold the line. Who can forget the epic battle of the First Marine Division at Chosin Reservoir. They held the line against overwhelming odds. And so did men named MacArthur and Ridgeway and Chesty Puller, veterans who serve in the Halls of Congress, some of whom are with us today, veterans like James Garner and Neil Armstrong.

These Americans sought the highest cause and the community of God and man, a world where the force of law outlasted the use of force. And so did other parties I want to thank, for instance, sponsors like the American Battle Monuments Commission, chaired by the great General P.X. Kelly behind me here, we owe him a vote of thanks; and the Korean War Veterans Memorial Advisory Board, with General Ray Davis as its chairman; and Chung Dul Ok, whose company donated over $1 million to this memorial.

Let me note this: Every penny, every penny of its funding has been privately financed. And thanks to the designers of this memorial's unforgettable silhouette, we salute them as well.

Finally, let me salute the foot soldiers you see in this memorial, whose memory we take with us, whose nobility enriches us. I mean the men and women who braved the heat and cold, lack of sleep and food, and the human hell of fire. They were rich and poor, black and white and red and brown and yellow. The soldiers I speak of were young, I'm sure afraid, and far from home. Yet in the foxholes, in the foothills, across the rugged snow-covered ridges, they were selfless. Most of all they were Americans.

At this wonderful site, just take a look at Ash Woods, a quiet grove of trees right near the majestic Lincoln Memorial. Recall how it endures as testimony to the living and the dead. When tyranny threatened, you were quick to answer your country's call. Sadly, your country wasn't quite as quick to answer your call for recognition of that sacrifice. And today we say, the length of time it has taken for this day to arrive only adds to the depth of our gratitude.

I believe that the Korean war showed that ours would not be the land of the free if it were not the home of the brave. And in that spirit, with eternal love for what you did and what you are, it is now my privilege to break the ground on behalf of every American for the Korean War Veterans Memorial.

May God bless those who served. And may God bless ours, the greatest, freest country on the face of the Earth, the United States of America. Thank you all very, very much.

Note: The President spoke at 2:45 p.m. on the Mall. In his remarks, he referred to Gen. Richard Stilwell, who led the effort for the Korean War Veterans Memorial, and Hong-Choo Hyun, Ambassador of the Republic of Korea.

Remarks Prior to Discussions With President Sali Berisha of Albania

June 15, 1992

President Berisha. I've been very pleased with the reception that Albanians felt to Mr. Baker, because on that occasion they showed that the propaganda against didn't work at all, and Albanians have had in their hearts and minds special feelings and very friendly feelings for the United States and United States Government and people.

President Bush. Well, that's good. You know, I just signed the agreement, sending it up to Capitol Hill to push forward now with these preferences. I just want you to know that I took great pleasure in doing that, and I want you to have a pen. You get a free pen there.

President Berisha. Thank you very much.

President Bush. That was the one I used to sign that paper. When you go up to see the Congress, I hope you'll encourage them to move swiftly now. We will do our best from here. But I don't think there will be any controversy at all on this. I think everybody salutes what you're doing.

President Berisha. It is for Albanian people a very historical signature.

President Bush. Well, it's important and -- --

President Berisha. Thank you very much. We appreciate also very much the attitude of United States adopted toward ex-Yugoslavia. And I could assure you that the heartiness of your attitude and the statesman that Mr. Baker did in London was very important to slow down the activity and to stop the shifting of the war to Kosovo and other regions.

President Bush. Well, we want to talk a little more about that when we have our private meeting, because we are very anxious to be helpful where we can. But you're so close to it; I want to get your views on Kosovo and see where we go.

Note: The remarks began at 1:32 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks. The proclamation on trade with Albania is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on Trade With Albania

June 15, 1992

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 407 of the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I am transmitting a copy of a proclamation that extends nondiscriminatory treatment to the products of Albania. I also enclose the text of the ``Agreement on Trade Relations Between the United States of America and the Republic of Albania,'' including exchanges of letters that form an integral part of the Agreement, which was signed on May 14, 1992, and which is included as an annex to the proclamation.

The Agreement will provide a nondiscriminatory framework for our bilateral trade relations and thus strengthen both economic and political relations between the United States and Albania. Conclusion of this Agreement is an important step we can take to provide greater economic benefits to both countries. It will also give further impetus to the progress we have made in our overall diplomatic relations since last year and help to reinforce political and economic reform in Albania. In that context, the United States is encouraging Albania to continue to strive for a democratic, pluralistic society.

I believe that the Agreement is consistent with both the letter and the spirit of the Trade Act. It provides for mutual extension of nondiscriminatory tariff treatment while seeking to ensure overall reciprocity of economic benefits. It includes safeguard arrangements to ensure that our trade with Albania will grow without causing disruption to the U.S. market and consequent injury to domestic firms or loss of jobs for American workers.

The Agreement also confirms and expands for American businesses certain basic rights in conducting commercial transactions both within Albania and with Albanian nationals and business entities. Other provisions include those dealing with settlement of commercial disputes, financial transactions, and government commercial offices. Through this Agreement, Albania also undertakes obligations to modernize and upgrade very substantially its protection of intellectual property rights. Once fully implemented, the Albanian intellectual property regime will be on a par with that of our principal industrialized trading partners. This Agreement will not alter U.S. law or practice with respect to the protection of intellectual property.

On May 20, 1992, I waived application of subsections (a) and (b) of section 402 of the Trade Act to Albania. I determined that this waiver will substantially promote the objectives of section 402, and, pursuant to section 402(c)(2) of the Trade Act, notified the Congress that I have received assurances that the emigration practices of Albania will henceforth lead substantially to achievement of those objectives.

I urge that the Congress act as soon as possible to approve the ``Agreement on Trade Relations Between the United States of America and the Republic of Albania" and the proclamation extending nondiscriminatory treatment to products of Albania by enactment of a joint resolution referred to in section 151 of the Trade Act.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The proclamation and the agreement were published in the Federal Register on June 17.

Presidential Determination No. 92 - 33 -- Memorandum on Trade With Albania

June 15, 1992

Memorandum for the Secretary of State

Subject: Determination Under Section 405(a) of the Trade Act of 1974, as Amended -- Albania

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I determine, pursuant to section 405(a) of the Trade Act (19 U.S.C. 2435(a)), that the ``Agreement on Trade Relations Between the United States of America and the Republic of Albania'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:11 p.m., June 24, 1992]

Memorandum on the Generalized System of Preferences

June 15, 1992

Memorandum for the United States Trade Representative

Subject: Actions Concerning the Generalized System of Preferences

Pursuant to sections 502(b)(4), 502(b)(7), and 502(c)(5) and section 504 of the Trade Act of 1974, as amended (the 1974 Act) (19 U.S.C. 2462(b)(4), 2462(b)(7), 2462(c)(5), and 2464), I am authorized to make determinations concerning the alleged expropriation without compensation by a beneficiary developing country, to make findings concerning whether steps have been taken or are being taken by certain beneficiary developing countries to afford internationally recognized worker rights to workers in such countries, to take into account in determining the Generalized System of Preferences (GSP) eligibility of a beneficiary developing country the extent to which certain beneficiary developing countries are providing adequate and effective means under its laws for foreign nationals to secure, to exercise, and to enforce exclusive rights in intellectual property, including patents, trademarks, and copyrights, and to modify the application of duty-free treatment under the GSP currently being afforded to such beneficiary developing countries as a result of my determinations.

Specifically, after considering a private sector request for a review concerning the alleged expropriation by Peru of property owned by a United States person allegedly without prompt, adequate, and effective compensation, without entering into good faith negotiations to provide such compensation or otherwise taking steps to discharge its obligations, and without submitting the expropriation claim to arbitration, I have decided to continue the review of the alleged expropriation by Peru.

Second, after considering various private sector requests for a review of whether or not certain beneficiary developing countries have taken or are taking steps to afford internationally recognized worker rights (as defined in section 502(a)(4) of the 1974 Act (19 U.S.C. 2462(a)(4)) to workers in such countries, and in accordance with section 502(b)(7) of the 1974 Act (19 U.S.C. 2462(b)(7)), I have determined that Bangladesh and Sri Lanka have taken or are taking steps to afford internationally recognized worker rights, and I have determined that Syria has not taken and is not taking steps to afford such internationally recognized rights. Therefore, I am notifying the Congress of my intention to suspend the GSP eligibility of Syria. Finally, I have determined to continue to review the status of such worker rights in El Salvador, Mauritania, Panama, and Thailand.

Third, after considering various private sector requests for a review of whether or not certain beneficiary developing countries are providing adequate and effective means under their laws for foreign nationals to secure, to exercise, and to enforce exclusive rights in intellectual

property, including patents, trademarks, and copyrights, I have determined to continue the review of Guatemala and Malta.

Pursuant to section 504 of the 1974 Act, after considering various requests for a waiver of the application of section 504(c) of the 1974 Act (19 U.S.C. 2464(c)) with respect to certain eligible articles, I have determined that it is appropriate to modify the application of duty-free treatment under the GSP currently being afforded to certain articles and to certain beneficiary developing countries.

Specifically, pursuant to section 504(c)(3) of the 1974 Act (19 U.S.C. 2464(c)(3)), I have determined that it is appropriate to waive the application of section 504(c) of the 1974 Act with respect to certain eligible articles from certain beneficiary developing countries. I have received the advice of the United States International Trade Commission on whether any industries in the United States are likely to be adversely affected by such waivers, and I have determined, based on that advice and on the considerations described in sections 501 and 502(c) of the 1974 Act (19 U.S.C. 2461 and 2462(c)), that such waivers are in the national economic interest of the United States. The waivers of the application of section 504(c) of the 1974 Act apply to the eligible articles in the HTS subheadings and the beneficiary developing countries set opposite such HTS subheadings enumerated below.

These determinations shall be published in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 9:58 a.m., June 16, 1992]

Note: This memorandum and its annex were published in the Federal Register on June 17. The related proclamation is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on Trade With Syria

June 15, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I am writing concerning the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market for products that are imported from developing countries. It is authorized by title V of the Trade Act of 1974.

Pursuant to title V, I have determined that Syria no longer meets the eligibility requirements set forth in the GSP law. In particular, I have determined that Syria has not taken and is not taking steps to afford internationally recognized worker rights. Accordingly, I intend to suspend Syria indefinitely as a designated beneficiary developing country for purposes of the GSP.

This notice is submitted in accordance with section 502(a)(2) of the Trade Act of 1974.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The related proclamation is listed in Appendix E at the end of this volume.

Memorandum on the Generalized System of Preferences

June 15, 1992

Memorandum for the United States Trade Representative

Subject: Actions Concerning the Generalized System of Preferences

Pursuant to section 504 of the 1974 Act, after considering various requests for a waiver of the application of section 504(c) of the 1974 Act (19 U.S.C. 2464(c)) with respect to certain eligible articles, I have determined that it is appropriate to modify the application of duty-free treatment under the Generalized System of Preferences (GSP) currently being afforded to certain articles and to certain beneficiary developing countries.

Specifically, pursuant to section 504(c)(3) of the 1974 Act (19 U.S.C. 2464(c)(3)), I have determined that it is appropriate to waive the application of section 504(c) of the 1974 Act with respect to Harmonized Tariff Schedule of the United States (HTS) subheading 2401.10.40 for Turkey. I have received the advice of the United States International Trade Commission on whether any industries in the United States are likely to be adversely affected by such waiver, and I have determined, based on that advice and on the considerations described in sections 501 and 502(c) of the 1974 Act (19 U.S.C. 2461 and 2462(c)), that such waiver is in the national economic interest of the United States.

Further, I have also determined, pursuant to section 504(d)(1) of the 1974 Act (19 U.S.C. 2464(d)(1)), that the limitation provided for in section 504(c)(1)(B) of the 1974 Act (19 U.S.C. 2464(c)(1)(B)) should not apply with respect to certain eligible articles because no like or directly competitive article was produced in the United States on January 3, 1985. Such articles are enumerated in the list below of HTS subheadings.

These determinations shall be published in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 5:07 p.m., June 15, 1992]

Note: This memorandum and its annex were published in the Federal Register on June 17. The related proclamation is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on the Supreme Court Decision on the Alvarez-Machain Case

June 15, 1992

With respect to the U.S. Supreme Court decision today on the Alvarez-Machain case: The United States understands that international cooperation is required to address effectively the threat posed by international criminal activity, particularly international terrorism and drug trafficking, to the world community. United States policy is to work cooperatively with foreign governments to combat that threat.

The United States also understands the importance to world peace and security of a system of international law. The United States strongly believes in fostering respect for international rules of law, including in particular the principles of respect for territorial integrity and sovereign equality of states.

U.S. policy is to cooperate with foreign states in achieving law enforcement objectives. Neither the arrest of Alvarez-Machain nor the recent U.S. Supreme Court decision reflects any change in this policy. Reflecting this policy, the United States has informed Mexico that following the arrest of Alvarez-Machain, the United States has taken additional steps to ensure that U.S. law enforcement activities overseas fully take into account foreign relations and international law.

Appointment of Shirley M. Green as Deputy Assistant to the President for Presidential Messages and Correspondence

June 15, 1992

The President today announced the appointment of Shirley M. Green to be Deputy Assistant to the President for Presidential Messages and Correspondence.

Since February 1989, Mrs. Green has been Special Assistant to the President for Presidential Messages and Correspondence. From 1987 to 1989, Mrs. Green was Deputy Associate Administrator for Communications for the National Aeronautics and Space Administration. Prior to this she was Director of Public Affairs for NASA. From 1981 to 1985, Mrs. Green held the position of Deputy Press Secretary to Vice President George Bush.

Mrs. Green served previously as a member of the George Bush for President campaign staff in 1979 - 80, as public affairs director for the Texas Federation of Republican Women from 1969 to 1973, on the staff of Congressman Bob Price in 1967, and on the headquarters staff of the Texas Republican Party from 1965 to 1967. She was a local campaign chairman for numerous Republican candidates in Texas, including President Gerald Ford in 1976 and James A. Baker III in 1978.

Mrs. Green received a bachelor of business administration degree from the University of Texas in 1956. She has two daughters and resides in Washington, DC.

Nomination of Robert S. Silberman To Be an Assistant Secretary of the Army

June 15, 1992

The President today announced his intention to nominate Robert S. Silberman, of Maryland, to be Assistant Secretary of the Army for Manpower and Reserve Affairs. He would succeed G. Kim Wincup.

Since 1990, Mr. Silberman has served as Principal Deputy Assistant Secretary of Defense for Force Management and Personnel. He served as Deputy Maritime Administrator with the U.S. Maritime Administration at the Department of Transportation, 1988 - 90. From 1986 to 1987, he served as senior project manager and special assistant to the president with the Ogden Corp. in New York, NY. He also served as a research and marketing specialist and project manager with the Henley Group-Signal Environmental Systems, Inc., in Hampton, NH, 1985 - 86.

Mr. Silberman graduated from Dartmouth College (B.A., 1980), and Johns Hopkins School of Advanced International Studies (M.A., 1990). He was born October 30, 1957, in Boston, MA. He is married, has three children, and resides in Bethesda, MD.

Remarks at the Arrival Ceremony for President Boris Yeltsin of Russia

June 16, 1992

Mr. President and Mrs. Yeltsin, distinguished members of the Russian delegation, welcome to the United States of America. Also, a welcome to all of you who have come here to welcome President Yeltsin and Mrs. Yeltsin. Welcome to the White House.

Mr. President, today marks the beginning of a new era, a new kind of summit, not a meeting between two powers struggling for global supremacy but between two partners striving to build a democratic peace. From this summit we see a new horizon, a new world of peace and hope, a new world of cooperation and partnership between the American and Russian people. Our hope is that this partnership will end forever the old antagonisms that kept our people apart, that kept the world in confrontation and conflict.

Mr. President, your nation is embarked on a great experiment, a new Russian revolution with freedom as its goal. The progress that Russia has made and the promise of more to come owes much to the courage and vision of President Boris Yeltsin. Mr. President, like Peter the Great, you are redefining Russia's understanding of itself, redefining Russia's role in the world. But for the first time in modern Russian history, a leader claims as his authority not the dispensation of history but a democratic mandate. You come here as an elected leader, elected by the people in free and fair elections. And we salute you.

Already, Mr. President, together we're transforming our relations with benefits not simply to our two nations but to the entire world. Today the threat of a cataclysmic conventional war has vanished with the Warsaw Pact and the rise of democracy in Russia. Today the threat of a nuclear nightmare is more distant now than at any time since the dawn of the nuclear age.

Mr. President, I say this with a sense of pride, a sense of awe, and above all, a sense of history. There is no greater gift to the people of America, to the people of Russia, to the people all over the world than an end to the awful specter of global war. And think for just a minute about what that means not for presidents, not for heads of state or historians but for parents and for their children. It means a future free from fear.

This first U.S.-Russia summit gives us a chance to lay the foundation of a more peaceful and prosperous future for all of our citizens. We'll discuss Russia's historic transition to the free market, its integration into the world economy, and our commitment to support those reforms. We will seek new ways to expand trade between our two nations; to create wealth and growth and jobs; new levels of military cooperation to reduce further the risk of war; and finally, new agreements to reduce nuclear arms and to remove from our arsenals the most destructive

weapons.

But this morning I want to focus on our ultimate goal, on the challenge we face to forge a new peace, a permanent peace between two nations who must never again be adversaries. Right now, the people of Russia are waging a valiant struggle for the very same rights and freedoms that we Americans prize so deeply. The fate of that revolution, the future of democracy in Russia and other new nations of the old Soviet empire is the most important foreign policy issue of our time. The United States and its democratic allies must play a key role in helping forge a democratic peace.

That is why I urge the Congress of the United States once again to pass the ``FREEDOM Support Act'' to strengthen democratic reform in Russia and the other new nations of the old Soviet Union. And yes, the aid that I've requested from the Congress is significant, but it is also a tiny fraction of the $4 trillion that this Nation spent to secure peace during the long cold war. The resources we devote now are an investment in a new century of peace with Russia.

History offers us a rare chance, a chance to achieve what twice before this century has escaped our grasp. It is the vision that perished twice in the battlefields of Europe, the vision that gave us hope through the long cold war, the dream of a new world of freedom.

Mr. President, when we think of the world our children and theirs will inherit, no single factor will shape their future more than the fate of the revolution now unfolding in Russia. Your Russian revolution, like our American Revolution, simply must succeed.

Once again, my friend, welcome to the White House. And may God grant a peaceful future to the American and the Russian people. Welcome, sir. Glad you're here.

Note: The President spoke at 10:11 a.m. on the South Lawn at the White House.

Exchange With Reporters Prior to Discussions With President Boris Yeltsin of Russia

June 16, 1992

POW - MIA's

Q. Mr. President, do you think there are any POW's in the Soviet Union, Americans? This to President Bush first and then Yeltsin.

President Yeltsin. It is possible.

Q. Are they alive?

President Yeltsin. An investigating commission is working, led by Mr. Volkogonov. Many things have been revealed after the examination of the archives of the KGB and the Central Committee of the Communist Party. But that work is continuing both in the archives and in the places where the POW's were. We shall try to investigate each individual case. And all the information will be, of course, handed over to the American side. The initial information has been handed over to the Senate.

Q. Would you expect more information this week?

President Bush. Let me just thank President Yeltsin for this because this is a matter of grave concern to the American people. He has made these observations, pledged full cooperation and support. I think this really expresses as well as anything else this new era that we were both talking about on the lawn. And I have every confidence that what he says here is true, that they will get to the bottom of it. And if any single American is unaccounted for, they will go the extra mile to see that that person is accounted for. And I think that's what the American people need to know. I think that's what President Yeltsin has clearly pledged to do. So we are grateful to him for that.

Q. Does it come as a complete surprise to you, Mr. President?

President Bush. Yes, it comes as a -- --

Q. You had no idea?

President Bush. Thank you all very much.

Q. Have you got an arms agreement yet?

President Bush. Out of here, Helen [Helen Thomas, United Press International].

[At this point, one group of reporters left the room, and another group entered.]

Q. -- -- additional information on the American POW's.

President Yeltsin. As I just answered that question.

Q. We were behind the doors.

President Yeltsin. The commission headed by Volkogonov was working and is continuing to work, and they're opening up all the data. If they said this issue doesn't exist, that there are no POW's there now, there are a lot of factors being opened up and discovered. And it's very possible that there are a few of them still left alive, even on our own territory perhaps. So the commission is continuing its work, and we are going to carry this all the way to the very ground to find out the fate of every single last American who might be on our territory.

Q. How much time will that require? What new ideas and projects were you talking about in your opening statement?

President Yeltsin. That's ahead. That's for our negotiations.

Nuclear Arms Agreement

Q. Boris Nikolayevich, tell us please, and you, Mr. Bush, both agree that the program is very, very intense, a lot on the plate, 20 different issues. What are you going to be concentrating your attention on with Mr. Bush?

President Yeltsin. First of all, national security and deep cuts in nuclear arms. As a matter of fact, up until now we have not yet finalized this issue, but we have met with the President and with our delegations, of course, and the Secretaries of State and the Minister of Foreign Affairs, to sit down and finalize this today. And I'm sure that we will find a solution, and we shall sign a balanced, equal agreement. I'm sure of that.

Q. Do you think you will be able to announce a new arms control agreement by the end of the day?

President Bush. As soon as you get out of here, we're going to talk about it.

Thank you all.

Note: The exchange began at 10:35 a.m. in the Oval Office. President Yeltsin spoke in Russian, and his remarks were translated by an interpreter. A tape was not available for verification of the content of this exchange.

Remarks With President Boris Yeltsin of Russia Announcing Strategic Arms Reductions and an Exchange With Reporters

June 16, 1992

President Bush. Mr. President. Let me just say that I'm pleased to announce that President Yeltsin and I have just reached an extraordinary agreement on two areas of vital importance to our countries and to the world.

First, we have agreed on far-reaching new strategic arms reductions. Building on the agreement reached with Russia, Ukraine, Kazakhstan, and Byelarus, our two countries are now agreeing to even further dramatic strategic arms reductions, substantially below the levels determined by START. We've agreed to eliminate the world's most dangerous weapons, heavy ICBM's and all other multiple warhead ICBM's, and dramatically reduce our total strategic nuclear weapons.

Those dramatic reductions will take place in two phases. They will be completed no later than the year 2003 and may be completed as early as the year 2000 if the United States can assist Russia in the required destruction of ballistic missile systems. With this agreement the nuclear nightmare recedes more and more for ourselves, for our children, and for our grandchildren.

Just a few years ago, the United States was planning a strategic nuclear stockpile of about 13,000 warheads. Now President Yeltsin and I have agreed that both sides will go down to 3,000 to 3,500 warheads, with each nation determining its own force structure within that range.

I'd like to point out that this fundamental agreement, which in earlier years could not have been completed even in a decade, has been completed in only 5 months. Our ability to reach this agreement so quickly is a tribute to the new relationship between the United States and Russia and to the personal leadership of our guest, Boris Yeltsin.

In the near future, the United States and Russia will record our agreement in a brief treaty document that President Yeltsin and I will sign and submit for ratification in our countries. President Yeltsin and I have also agreed to work together, along with the allies and other interested states, to develop a concept for global protection systems against limited ballistic missile attack.

We will establish a senior group to explore practical steps towards that end, including the sharing of early warning and cooperation in developing ballistic missile defense capabilities and technologies. This group will also explore the development of a legal basis for cooperation, including new treaties and agreements and possible changes to existing treaties and agreements necessary to implement the global protection system. That group, headed by Dennis Ross for the

United States, will first meet in Moscow within the next 30 days.

In conclusion, these are remarkable steps for our two countries, a departure from the tensions and the suspicions of the past and a tangible, important expression of our new relationship. They also hold major promise for a future world protected against the danger of limited ballistic missile attack.

Mr. President, all yours.

President Yeltsin. Mr. President, ladies and gentlemen. I would like to add a few words to what President Bush has just announced here. What we have achieved is an unparalleled and probably an unexpected thing for you and for the whole world. You are the first to hear about this historic decision, which has been reached today after just 5 months of negotiations. We are, in fact, meeting a sharp, dramatic reduction in the total number for the two sides of the amount of nuclear warheads from 21,000 to 6,000 to 7,000 for the United States of America and Russia.

Indeed, we have been able to cut, over those 5 months of negotiations, the total number of nuclear warheads to one-third, while it took 15 years under the START Treaty to make some reductions. This is an expression of the fundamental change in the political and economic relations between the United States of America and Russia. It is also an expression and proof of the personal trust and confidence that has been established between the Presidents of these countries, President Bush of the United States of America and the President of Russia.

These things have been achieved without deception, without anybody wishing to gain unilateral advantages. This is a result of the trust entertained by the President of the democratic Russia towards America and by the President of the United States towards the new Russia. This is the result of a carefully measured balance of security. We were not going in for numbers, for just 1,000, 2,000, 3,000 pieces. Rather, we have established a bracket for each country to elect the number they figure that it will consider appropriate for its own defense and security.

As I have told you, the total number will go down from 21,000 to 6,000 for two sides. Under the first phase, the reductions for the two sides will be down to 3,800 to 4,250 bracket; including ICBM's, 1,250; and heavy missiles, 650; SLBM's, 2,250. Under the second phase, we shall go down to respectively 3,000 and 3,500, including total reduction and destruction of heavy missiles. Land-based MIRV's will be reduced as well. SLBM's will go down to 1,750.

Each country will elect the figure that it will consider appropriate to ensure its defense and security. Thus, we are departing from the ominous parity where each country was exerting every effort to stay in line, which has led Russia, for instance, having half of its population living below the poverty line. We cannot afford it, and therefore, we must have minimum security level to deal with any possible eventuality which might arise anywhere in the world and threaten our security.

But we know one thing: We shall not fight against each other. This is a solemn undertaking that we are taking today, and it will be reflected as a matter of partnership and friendship in the charter that we are going to sign. Our proposal is to cut the process of destruction from the proposed 13 years down to 9 years. So the things that I have been mentioning before will be materialized by the year 2000.

I am happy to be involved here in this historic occasion, and I will also hope that I will be as happy when this thing is materialized, and President Bush and I will be celebrating together the implementation of that agreement in the year 2000. I thank you.

I want to add that these figures have been agreed with and ratified by the Secretary for Defense, Mr. Cheney, and the Defense Minister, Pavel Grachev, of the Russian Federation. I thank you.

President Bush. I would only add to that my gratitude to the Secretary of State; to Mr. Kozyrev, his counterpart; and also to General Scowcroft and others that have worked on this and accomplished all this in record time.

We are going to have a press conference tomorrow and so maybe we'll just take one each here.

Q. Mr. President, just a few days ago, President Yeltsin was complaining you were trying to take advantage of him. How do you -- --

President Bush. I can't hear, there's too many questions.

Q. Vietnam POW's -- --

President Bush. Right here. I'm going to have a little statement on that in just a minute.

Q. Would you explain to people who might not understand why friends who trust each other and do not plan to attack would still need 7,000 nuclear warheads?

President Bush. What I am saying we've moved dramatically down from 13,000. This will be seen as an enormous move forward towards the relaxation of tension and towards the friendship that we feel for each other; the elimination of the most destabilizing of weapons is extraordinarily positive. The fact that each country, at this juncture in history, retains some nuclear weapons speaks for itself. Who knows what lies out there ahead? But certainly I agree with what President Yeltsin said, that there is no animosity. The cold war days are over. He came here in a spirit of forward movement on these arms control agreements, and that speaks for itself.

President Yeltsin. I would like to amplify on that. I would say that in response to your question,

that the technical and financial resources that are required in order to destroy, dismantle, and reduce the total number of warheads and missiles from 21,000 to 6,000, 7,000 is enormous. This is the only thing that conditions this figure.

POW - MIA's

President Bush. With your permission, Mr. President, I would like to take the last question which relates to the POW - MIA discussions that we have had.

President Yeltsin and I discussed this morning that issue that is of the highest priority for our administration and, I know, for every American: the fate of American POW's and MIA's from World War II, Korea, the cold war period, and Vietnam.

President Yeltsin informed me for the first time that Russia may have information about the fate of some of our servicemen from Vietnam. He said the Russian Government is pursuing this information vigorously, just as we speak. And with us today are President Yeltsin's adviser, Dmitri Volkogonov over here, Dmitri, and our able former Ambassador to the U.S.S.R., Ambassador Malcolm Toon. Now, they are the cochairs of the joint U.S.-Russian Commission on POW - MIA's. They've met during the last few months along with the Members of the United States Congress who are also part of this bipartisan U.S. delegation to unearth information on American POW's and MIA's from 1945 on, and Russian POW's and MIA's from the Afghan war.

President Yeltsin and I have instructed both of these gentlemen to begin immediately a joint U.S.-Russian pursuit of the latest information that was given to me today. I have asked Ambassador Toon to return immediately to Moscow to work on this issue. And I want to assure all Americans and particularly those families of the American POW's and MIA's that we will spare no effort in working with our Russian colleagues to investigate all information in the Russian archives concerning our servicemen. While we do not have any specific information to make public today, I pledge to keep the American people informed of developments on this issue and as we find out more about these latest leads.

Let me just point out that the forthcoming comments by President Yeltsin is just one more sign of this improved new relationship between Russia and the United States of America. For him to go back and dig into these records without fear of embarrassment is an enormous consequence to the people of the United States of America. And I salute him for this. He has told me that he will go the last mile to find whatever it is exists about our possibility of American POW's and MIA's and to clear this record once and for all. And in so many other fields this demonstrates his leadership and the period of change that we are saluting and I saluted here today on the South Lawn of the White House.

So we're very grateful to you, Mr. President.

Q. Did he say that they're still alive?

Q. -- -- Americans are alive, Mr. President? Do you think -- --

President Yeltsin. I will only add a couple of words, Mr. President. Our commission, headed and chaired by Dmitri Volkogonov, has been meeting for several months now, and it has already met with some success. I can promise that the joint commission, which will be established following this press conference, will be working hard and will report to the American public all the information that will be found in the archives that we are going to open for it, including the archives in the KGB, in the Central Committee of the Communist Party regarding the fate of American POW's and MIA's.

Q. Mr. Bush, do you agree it's possible some of those Americans may still be alive?

President Bush. I would simply say that I have no evidence of that, but the cooperation that has been extended and again is being extended by the President of Russia will guarantee to the American people that if anyone's alive, that person, those people would be found. Equally as important to the loved ones is the accounting for any possible MIA. And so we have no evidence of anyone being alive, but I would simply say again that this is the best way to get to the bottom of it. This new approach by the President of Russia to go into these archives and to try to find missing records will be the best assurance that I can give the American people that the truth will be revealed finally.

Q. It there a danger of raising false hopes here, Mr. President?

President Bush. You've got to be careful of that, yes.

Note: President Bush spoke at 2:47 p.m. in the Rose Garden at the White House. President Yeltsin spoke in Russian, and his remarks were translated by an interpreter.

Message to the Senate Returning Without Approval Legislation Amending the Mississippi Sioux Indian Judgment Fund Act

June 16, 1992

To the Senate of the United States:

I am returning herewith without my approval S. 2342. This bill would waive the 6-year statute of limitations, allowing three Sioux Indian tribes -- the Sisseton-Wahpeton Sioux Tribe, the Devils Lake Sioux Tribe, and the Sisseton-Wahpeton Council of the Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation -- to bring an otherwise time-barred challenge to the 1972 Mississippi Sioux Indian Judgment Fund Act.

The 1972 Act apportioned to each of the three Tribes, and to a then-undetermined class of Sioux Indians who are not members of those Tribes, a percentage share of the proceeds from a 1967 judgment against the United States. The judgment rested on a finding that the United States had not paid adequate compensation to the Tribes in the 1860's for lands ceded to the United States. The nonmember Indians are persons who are not now eligible for membership in any of the three Tribes, but who can trace their lineal ancestry to someone who was once a tribal member.

The Tribes were active participants in the administrative and legislative process leading to the 1972 Act, and they endorsed the Act and its distribution of the judgment. Nonetheless, in 1987, 15 years after enactment and 9 years after the statute of limitations had run, the Tribes sued the United States, challenging the Act's distribution to the nonmembers. The U.S. Court of Appeals for the Ninth Circuit affirmed a lower court's decision to dismiss the case, finding no excuse -- legal, equitable, or otherwise -- for the Tribes' failure to challenge the 1972 Act in a timely fashion, and the U.S. Supreme Court declined to review the Ninth Circuit's decision. Sisseton-Wahpeton Sioux Tribe, et al. v. United States, 895 F.2d 588 (9th Cir. 1990), cert. denied, xxxxx U.S. xxxxx 11 S. Ct. 75 (1990).

I find no extraordinary circumstances or equities to justify an exception to the long-standing policy of the executive branch, which my Administration fully embraces, against ad hoc statute of limitations waivers and similar special relief bills. Also, there must be some definite, limited time during which the Government must be prepared to defend itself, and some finality to the pronouncements of the courts, the Congress, and the agencies.

Moreover, a waiver for the Tribes in this case would mean the waste of the considerable judicial and litigation resources that were expended in bringing the case to final resolution, and would require additional litigation that would otherwise be avoided. Thus, enactment of this bill would be inconsistent with Executive Order No. 12778 of October 23, 1991, which embodies my

resolve to eliminate unnecessary, wasteful litigation.

In addition, I am concerned that enactment of this bill would be unfair to other tribes, and would serve as a highly undesirable and potentially expensive precedent. Many other tribes were the recipients of settlement fund distributions, and many distributions, like the one challenged by the Tribes here, included payments to nonmember Indians. Some of those tribes doubtless are dissatisfied with the terms of their distribution, but they are barred from a challenge by the statute of limitations. Numerous other Indian claims, totaling hundreds of millions of dollars, have been dismissed on statute of limitations or other jurisdictional grounds. In both categories of cases, tribes could rightfully claim that for purposes of fair treatment, they, too, should be allowed by the Congress to litigate the merits of their claims.

I note that S. 2342 received little, if any, consideration by the House of Representatives prior to its passage by that body. Instead, the bill was discharged from committee without hearings and brought immediately to the House floor. Had there been a full review of this proposal, I am confident that the outcome would have been different.

For these reasons, I cannot approve S. 2342.

George Bush

The White House,

June 16, 1992.

Message to the Congress Transmitting a Report on Federal Energy Activities

June 16, 1992

To the Congress of the United States:

I transmit herewith the annual report describing the activities of the Federal Government for fiscal year 1991 required by subtitle H, title V of the Energy Security Act (Public Law 96 - 264; 42 U.S.C. 8286, et seq.). These activities include the development of energy conservation and efficiency standards for new commercial and multifamily high-rise buildings and for new residential buildings.

George Bush

The White House,

June 16, 1992.

Memorandum on the Combined Federal Campaign

June 16, 1992

Memorandum for the Heads of Executive Departments and Agencies

The Combined Federal Campaign is an avenue through which thousands of Federal employees voluntarily express their concern for others.

I am delighted to inform you that Secretary of Education Lamar Alexander and Administrator of the Small Business Administration Patricia F. Saiki have agreed to serve as co-chairs of the 1992 Combined Federal Campaign of the National Capital Area. I ask that you support Administrator Saiki and Secretary Alexander by personally chairing the campaign in your agency and appointing a top official as your vice chairman.

Your commitment and visible support will help to guarantee a successful campaign this year. Together, we must do everything we can to encourage Federal employees everywhere to do their part in support of the 1992 Combined Federal Campaign.

George Bush

Nomination of Charles B. Salmon, Jr., To Be United States Ambassador to Laos

June 16, 1992

The President today announced his intention to nominate Charles B. Salmon, Jr., of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States to the Lao People's Democratic Republic.

Since 1989, Mr. Salmon has served as Charge d'Affaires to the Lao People's Democratic Republic in Vientiane, Laos. He has served at the Department of State as Director of the Office of Philippine Affairs, 1986 - 89, and as Director of the Office of Thailand and Burma Affairs, 1985 - 86. Mr. Salmon served as Deputy Chief of Mission at the American Embassy in Rangoon, Burma, 1983 - 85, and as Deputy Chief of Mission at the American Embassy in Wellington, New Zealand, 1980 - 83.

Mr. Salmon graduated from Fordham University (A.B., 1959); Columbia University (M.A., 1960); and the National War College (1978). He was born January 3, 1938, in New York and presently resides in Vientiane, Laos.

Nomination of Nicolas Miklos Salgo To Be United States Ambassador to Sweden

June 16, 1992

The President today announced his intention to nominate Nicolas Miklos Salgo, of Florida, to be Ambassador of the United States to Sweden. He would succeed Charles Edgar Redman.

Currently Ambassador Salgo serves as Ambassador on special bilateral property projects involving the Communist bloc at the Department of State. From 1983 to 1986, he served as U.S. Ambassador to Hungary. Ambassador Salgo founded the Watergate Improvement Associates in Washington, DC, 1960 - 77, and served as chairman of the Watergate Companies, 1977 - 83. He also served as vice chairman and chairman of Bangor Punta Corp. in Greenwich, CT, 1960 - 74, and founder and owner of Nicolas Salgo and Co. in New York, 1959 - 83.

Ambassador Salgo graduated from the University of Budapest (LL.D. and Ph.D., 1937). He was born August 17, 1914, in Budapest, Hungary. Ambassador Salgo is married, has two children, and resides in Washington, DC.

Nomination of Irvin Hicks To Be Deputy Representative of the United States to the Security Council of the United Nations

June 16, 1992

The President today announced his intention to nominate Irvin Hicks, of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Deputy Representative of the United States of America to the Security Council in the United Nations, with the rank of Ambassador. He would succeed George Edward Moose.

From 1989 to 1991, Ambassador Hicks served as Deputy Assistant Secretary for African Affairs at the Department of State; his most recent assignment was Area Adviser for the 46th Session of the United Nations General Assembly. He also served as Deputy Assistant Secretary for Personnel from 1987 to 1989. From 1985 to 1987, he served as American Ambassador to the Republic of Seychelles. Ambassador Hicks has also served as Deputy Executive Director of the Bureau of African Affairs at the State Department, 1983 - 85; student at the U.S. Army War College in Carlisle, PA 1982 - 83; Charge d'Affaires at the American Embassy in Lome, 1981 - 82; and Deputy Chief of Mission at the American Embassy in Lome, 1980 - 81.

Ambassador Hicks was born March 16, 1938, in Baltimore, MD. He presently resides in Camp Springs, MD.

Remarks at the State Dinner for President Boris Yeltsin of Russia

June 16, 1992

Ladies and gentlemen, welcome to the White House. Mr. President and Mrs. Yeltsin, and distinguished guests all, Barbara and I are delighted to welcome you here tonight on a day that I think history will record as something very, very special. I am very pleased with the arrangements that we were able to work out with President Yeltsin today. I think it's good for mankind. I think it's good for the generations here and the generations to come. So you're here on an historic occasion, and we couldn't be more pleased.

Mr. President, tonight's dinner is a little bit more formal than the blue jeans and sweaters that we wore back up there at Camp David in February, but I believe the progress we made today would not have been possible without that private time we spent together and then without the hard work of our Secretary and your Foreign Minister, our Secretary of Defense, your Defense Minister, our Ambassador, your Ambassador. As I said this morning as I welcomed you to the White House, this meeting marks a new kind of summit, not a meeting between two powers that are struggling for global supremacy but between two partners striving to build a democratic peace.

This new relationship has its roots in the new Russian revolution, and that revolution owes so much to our guest here tonight. Just as crises show the mettle of a man, so too they show the strength of an idea. When, back in August of 1991, the old guard threatened to take Russia backward, Boris Yeltsin led the defense of democracy from the building the Russians call the White House. The coup plotters set out to destroy democracy, and instead, thanks to the courage of this man, they made it stronger.

Mr. President, you've been described many times as a maverick, a word coined in the American heartland to capture the independent streak that sets some individuals apart from the crowd. Well, I think our fellow Texans Jim Baker and Bob Strauss would agree you possess a certain spirit that you find on the plains of the West. And tonight we honor your courage and celebrate the new possibilities now open to us.

Think back to the cold war climate that marked earlier summits and how far we've come. How much safer, how much more hopeful to meet tonight as friends united by common ideals. More than 150 years ago de Tocqueville predicted that the United States and Russia would one day be the world's two great powers, rivals for world dominance. We must prove that prophecy was only true for a time and that our two nations can forge a new future in freedom.

Our governments will work to build stronger ties for the sake of peace and prosperity. We in this

country must reach out, provide the assistance that can help Russia's democratic revolution succeed.

But the bonds that knit democracies together can never be created by government alone. Democracies grow together through the countless encounters that take place every day between private individuals -- professionals, business and labor, artists and educators -- in your country and ours. Gone are the days when vast parts of our countries were off-limits to foreign visitors. Under our new open lands agreement, for the first time Russian and American officials, and more important, Russian and American citizens, will be free to travel anywhere in each other's country to witness the customs and heritage that set us apart and the common humanity that draws us together.

So tonight, Mr. President, I offer this toast in the spirit of friendship to the new partnership between our people, to the success of the new Russian revolution, and to the health and happiness of Boris Yeltsin, the President of Russia.

Note: The President spoke at 8:20 p.m. in the State Dining Room at the White House.

Remarks at the United States-Russia Business Summit

June 17, 1992

Thank you all very much. Mr. President. Thank you, Barbara. Please be seated. Let me just say what a joy it is to be here with Secretary Franklin, who's really taken off and doing a superb job for us at Commerce, and then, of course, giving me this opportunity in front of all our business leaders to salute President Yeltsin.

Yesterday was indeed an historic day, and I was proud to be at his side as we carved out a whole new approach to arms reduction; something big, something important, something that's going to benefit not only present generations but generations to come. And so you are most welcome here, sir.

Let me, before we hear from our special guest, President Yeltsin, let me just make a few comments on the business side of things. The U.S.-Russian Business Conference is important work. I will follow up in every way I can with the United States Congress to get them to pass the ``FREEDOM Support Act." Let me be very clear to the American people: We are not supporting the ``FREEDOM Support Act" simply because it benefits Russia. It is my view that the ``FREEDOM Support Act" will benefit the United States of America and will benefit world peace and will benefit democracy and freedom.

So I ask the support of everyone in this room, after yesterday's historic accomplishments, to join me in working that Hill up there, Congress, get them to go along and support the ``FREEDOM Support Act." President Yeltsin will be talking about this, I'm sure, when he makes an historic address to the United States Congress, but I just wanted everyone here to know how committed we are. And yes, it's a tough political time and all of that, but it is in the interest of the United States of America to pass this act, and I need your help.

Later today we're going to conclude major treaties and agreements related to this new foundation between us: trade, bilateral investment and tax treaties, as well as the OPIC and Ex-Im agreements. Also effective today the United States will properly extend most-favored-nation status to Russia.

But my message to this conference is simple: Neither Government programs nor multilateral assistance is going to get this job done. Neither of those can do it. Private sector participation in the economies of Russia and the other states, especially involvement by American business, is critical to the success of Russia's bold venture into free markets. And that participation must be on a vast scale, measured in billions of dollars, for the challenge to be met.

To that end, I'm pleased to announce that OPIC, headed by Fred Zeder, who's so well-known to everybody here, OPIC is going to have an agreement between the U.S. and Russia, and that one

enters into force today. This agreement's going to permit OPIC to provide investment insurance to American private investors. It's also going to provide additional financing and investor services for joint ventures in other products in the Federation. With OPIC and Ex-Im, everyone wins. Russia can tap into the ingenuity of American business in our capital goods, our know-how, and our technology, which are indeed the best in the entire world. In my view that help will enable Russia to develop its food and health sectors, recover its energy resources, privatize state industries, and convert military plants to civilian production.

Now Boris Yeltsin, President Boris Yeltsin, talked to us in great detail about this yesterday. I can just assure you from what he told me then and from what our business-oriented and able Ambassador, Bob Strauss, has been telling me all along, he understands this. He understands their need for change. He understands the fact that they've got to do some streamlining themselves.

But what we want him to know while he's here is that we are interested in moving forward vigorously with private-sector participation to help not only Russia but certainly to help ourselves. That's the approach that I'll be taking as we encourage investment and as we encourage change in Russia to accommodate the needs of the business community. American businesses, by investing in trading with Russia, are going to create thousands of jobs here at home, and I think that's a point we ought to keep in mind.

With the OPIC in agreement, now in effect, Fred Zeder is going to be leading a group of 26 business representatives to Moscow and other Russian cities on one-on-one business meetings and site visits to develop private sector deals. This is just the beginning of what surely will become one of the largest two-way trading relationships in the entire world.

In '91, exports of American manufactured goods to Russia and other states have grown by almost 40 percent. We all know that the totals are not that large yet, but that's an enormous jump in just the one year. For the first time, Russia is participating in the community of free market international organizations. You know what they are: IMF and the World Bank and, at some point, the GATT. This would have been unthinkable just a few years ago. We will invite Russia and the other states to join with COCOM members in this new, informal, cooperative forum to provide significantly wider access to the high technology goods that previously were banned, previously denied.

So, as I said, the historic transformation of the Russian economy is one of the great challenges of our time. The hundreds of billions of dollars in capital and technologies that Russia will need will come, in large measure, not from governments but from private businesses. And as we all know, neither command economies nor any other government can produce wealth. Wealth is produced by the initiative and the energy of individual entrepreneurs.

So, let me conclude, but just signal once again the importance of business investment, business

participation. I will do my level-best to make that climate, that business climate, good for investment abroad and to do what we can to facilitate the changes that are needed here to guarantee the utmost cooperation with the private sector here, with the cooperation with the private sector there.

I would be remiss if I didn't tell you of my high regard for President Yeltsin. He came in with that great show of courage that just excited every single American, standing on top of that tank standing up for democracy and freedom, standing against totalitarianism. The big thing -- I will just stay standing because he's coming on in a minute -- but the big thing is, Mr. President, we are going to support you. You've shown the way towards democracy and freedom in Russia, and it's in the interest of the United States of America to follow through. And we will. Thank you, sir.

Note: The President spoke at 9:12 a.m. at the J.W. Marriott Hotel.

The President's News Conference With President Boris Yeltsin of Russia

June 17, 1992

President Bush. Well, Mr. President and distinguished members of the Russian delegation and distinguished guests, all. This has been an historic summit meeting. It brings us to the threshold of a new world, a world of hope and opportunity. The collapse of the U.S.S.R. and the emergence of a democratic Russia provides us with the greatest opportunity in our lifetime to win the permanent democratic peace that has eluded us through two world wars and the long cold war that followed.

President Yeltsin, as a result of this first-ever U.S.-Russia summit we've indeed formed a truly new relationship, one of peace, friendship, trust, and growing partnership. I am confident that this new relationship and our historic agreements at this summit will lead to a safer, more stable, and peaceful world into the next century.

Let me just say to the American people: Our support for Russia is unshakable because it is in our interest. Success for Russian democracy will enhance the security of every American. Think for just a minute about what that means, not for Presidents, nor for heads of state or historians, but for parents and their children. It means a future free from fear. And that is why I call upon the Congress to act quickly on the ``FREEDOM Support Act," so that the American support reaches Russia when it is needed most, right now.

During the past 2 days the United States and Russia have defined a new military and security relationship. It is a new era. President Yeltsin and I have just signed a statement that will lead to the greatest arms reductions of the nuclear age, reductions far deeper than we could have hoped for even 6 months ago.

At this summit we've also opened a new chapter in our economic relationship. The economic agreements that we have signed today will pave the way for trade and investment in Russia, as will most-favored-nation status which takes effect today. We hope very much that Russia and the International Monetary Fund can reach a standby agreement soon in order to unlock the G - 7's economic support package.

And finally, President Yeltsin and I signed the Washington Charter, which states formally our mutual commitment to a peaceful future together as democratic partners. This document, along with the many agreements we signed from open lands to Peace Corps, will help to put behind us for good the sad and too often tragic legacy of the cold war.

President Yeltsin's commitment to me to uncover all facts pertaining to American POW's and

MIA's is yet another symbol of our changed relationship. His commitment to also investigate the KAL 007 tragedy in which 61 Americans lost their lives nearly 9 years ago speaks to our mutual willingness to face some of the unpleasant truths of the past together.

During these 2 days we embarked on a new partnership. It is now within our power to alter forever our relationship so that it becomes the greatest force for peace, a democratic peace, that the world has ever known.

Let that be our vision for the future. And today, Mr. President, I pledge to you to make my commitment to make that vision I've outlined a reality.

Once again, thank you, sir.

President Yeltsin. Honorable Mr. President, ladies and gentlemen. The time has come when we can now take stock of the short but fruitful period in our relationship when new principles of the cooperation between the United States and Russia have been made.

I value this as a very important period. We now have a basis for interaction. We now have something that we can fill with substantive content. I doubt if today's documents could have been signed if we had not been looking for points of contact and mutual interest that we have been looking for, for years.

But it was very important, also, to cast away negative traditions, the profound disgust to each other which was masked by charming manners and politeness. We have now begun in a very good tempo, and the documents that we have signed today are not designed to define what has already been established in context but to find new ways to go forward. And the treaties and agreements that we have signed today do not just pertain to the two countries of ours. They are a sketch for a future world. They are characteristic of the kind of features that we want to see in this world. This world is becoming more attractive, more humane, kinder than we see today.

We are not trying to think of some global problems of restructuring the world. We do not want to force or coerce all the nations to join in this. We are looking for solving mutual problems based on mutual trust, including the personal trust between the two Presidents of Russia and the United States. We feel that it is on this basis primarily that we can get the best results.

Among the Russian-American relations, there are two things that are most important to my mind: strategic arms limitations and economic cooperation. The state of strategic arms has now been decided. Once the cold war was over, they turned out to be obsolete and unnecessary to mankind. And it is now simply a matter of calculating the best way and the best time schedule for destroying them and getting rid of them. Another important point is to defend the world from an accidental use of such arms in the world, and we have laid the basis for that, also.

Another very important area in our relationship is designing a good basis for fruitful economic cooperation and establishing all kinds of contacts in this economic sphere. We have concluded very important agreements that have removed obstacles in this way and to make it more attractive for businessmen to join in this effort, and this is very important for our country at this time. After 70 years of travesty as far as personal property was concerned, now private property is becoming ever more important and will become even more so in times to come.

In conclusion, I would like to draw your attention to the following. Less than anything else do we need to delude ourselves by what we have accomplished. We would like to strive to the maximum that we would like to see happen. And if we look at our dialog in this light, then there is only one conclusion. We have to intensely work and forge ahead, both in the United States and in Russia. For those who come after us, we have to leave a good heritage, and this is important for the peoples of both of our countries. I thank you, Mr. President, for creating wonderful conditions for our work, and I congratulate you for the wonderful result of this work.

President Bush. We'll take a few questions. Helen [Helen Thomas, United Press International].

POW - MIA's

Q. President Yeltsin, in terms of the POW's and the MIA's, do you think that Mikhail Gorbachev or any of his predecessors, even going back to Stalin, Khrushchev, Brezhnev, knew about the possibility that Americans were being held? And why are you going to see Governor Clinton? Are you trying to touch all bases before November?

President Yeltsin. Well, that's just the point; they did know. That's the very point, that they kept it a secret. The point is that that era, when we kept the truth from each other, has come to an end, and we will now tell the truth to each other, person to person, and will never do a double-play.

Meeting With Governor Clinton

Q. How about the Governor Clinton -- Clinton?

President Yeltsin. Tomorrow morning I'm going to see Governor Clinton, and we will meet. And as for the future, Russia will respect the wishes of the American people.

Korean Airliner Attack and POW - MIA's

Q. My name is Sonya, and I'm from the newspaper Izvestia. And Mr. Yeltsin, you have said that you would like to make public the facts connected with the Korean airliner. Our newspaper has already been doing this investigation for a number of years, and we have already found out a lot of things. Now we would like to know just exactly who was responsible for what happened, and what do you think we can expect?

Q. Mr. President, you referred -- your presentation of your remarks to the KAL 007 shootdown, and you referred to the place by President Yeltsin that some facts would be revealed. And I wondered to which extent you think the American administration would be helpful in that regard as well. Is there anything you could say to us about the tragedy?

President Yeltsin. I will answer. You know that on the 20th of August at about 1800 hours of last year when it was clear that the coup leaders had lost, we seized the archives of the KGB and the former Central Committee of the Communist Party. We placed armed guards around the buildings. But several hours before that, one car from each place had time to remove some of the archives from those two buildings and destroy them. We do not know what was in those archives.

Now we are trying to check all of those archives, do a comprehensive check of all of them, and we stumbled upon one document which we feel might be the beginning of a chain that might help us to unravel the entire tragedy with the Korean Boeing. It was a memorandum from KGB to the Central Committee of the Communist Party where it says that such a tragedy had taken place, and so on and so forth and that there are documents which would clarify the entire picture. The next line then says these documents are so well concealed that it is doubtful that our children will be able to find them, those who come after us will be able to find them. So this is our task. So then we began to check all the archives of the KGB, and this is our challenge; we're trying to find those documents that were referred to. I still cherish the hope that we'll be able to find those documents, and if we do so we will immediately make them public. I will be the first to call President Bush personally and tell him about it. And I will call you, too. [Laughter]

President Bush. The gentleman asked me to follow on, and I would simply say, one, we have great respect for this approach. It will be most reassuring to the American people, not only as it relates to the airline, but also to the question that President Yeltsin handled so well before the Congress, the question of the POW's and MIA's. So I can't add anything to that except to say that we will pledge to him our full cooperation in terms of any inquiry or what we might have that they don't know at this time. It is essential for the families that we get to the bottom of this, and it's essential to strengthening further this very strong relationship. So that's all I could add.

Yes, Terry [Terence Hunt, Associated Press].

Arms Agreements

Q. Mr. President, a two-part question: President Yeltsin today pledged to deactivate the heavy SS - 18 missiles that he said are targeted on the United States. Is there a reciprocal move that the United States will make? And the second question is, you mentioned that these arms reductions are going to be the deepest of the nuclear age. Does this mean that the peace dividend will be even bigger than what was expected, and that will be more money for American cities and

domestic problems?

President Bush. Well, let me say that we will live up to the agreement we entered into. I'm not prepared to say what we will do in regards to the question of defusing or targeting, but we will live up to the letter of the agreement that we have discussed.

What was the second part?

Federal Budget

Q. It was peace dividend. Will the peace dividend be bigger?

President Bush. Well, a dividend is declared when you make a profit, and our Government is operating at an enormous, enormous deficit. And therefore, those who say take the money from this agreement and spend it on some Federal project have to understand that the American people want to get something done about this deficit and want to get something done so that we can get this economy growing. So I would not pledge that any savings that might accrue to us because of this far-reaching agreement would go to some Federal spending project.

On the other hand, I'm determined to help the cities. We've got some good proposals up there and for the Congress, and I believe they're working on them, and I hope that they'll pass them.

We're alternating between the visiting journalists and those familiar faces here at home.

Russia-U.S. Agreements

Q. Thank you, Mr. President. Mr. Yeltsin, the reaction to your statement in Congress was overwhelming. What do you think the reaction of the Russian Parliament would be to the documents and the agreements that have been signed here today?

President Yeltsin. Yes, I believe that the Russian Parliament reflects, or should reflect, the opinion of the Russian people. The documents, the charters, the treaties that have been signed are promising. It is a promising step for improving the life of Russia, for progress in realizing reforms. Not to support them would be a crime towards one's own people. And I am certain that the Supreme Soviet will support what we signed.

POW - MIA's

Q. President Yeltsin, there is still some confusion here in Washington over raising the issue of POW's and MIA's. Is there actual information that you have unearthed in these archives? It's a very sensitive issue in the United States, and people are asking whether there's actual evidence that there is some kind of chain or trail, as you termed it with the Korean incident, that gets

people's hopes up that some of this information will come home.

President Yeltsin. I'm sorry, I'm not sure I understood the question. Are you talking about the Korean airliner or the POW's?

What we have on the POW's, I have written everything to and given it to the Senate, what we know today. But we have made a step forward even yesterday. President Bush has made the decision to create his own part of a commission, and it will be a joint commission then, and it will have cochairmen. On our part it will be General Volkogonov. He is the historian, and he is a very honest man. He has conducted this work for many years. From the American side the cochairman will be the former Ambassador to the Soviet Union, Mr. Toon. I think that when they join their efforts I think they will be able to move forward a lot faster in order to really clarify the entire picture.

Global Defense System

Q. I am from the newspaper the Red Star. As we understood, you want to create a global defense system. What are the prospects or how do you intend to move forward with this system?

President Bush. Well, we've signed a broad, I would say, beginning agreement on that. I think President Yeltsin has touched on that in his public speeches, but I'd be glad to implement it. We want to guard against nuclear proliferation, reckless use of weapons of mass destruction. For a long time we've been doing research in this area, and it seems to us that this is a good area for cooperation with Russia. And so we've just begun on this from this agreement that we've entered into here today.

But it will develop, and there's good science, good technology on both sides. And we're determined to work together on this global defense area.

Yes, John [John Cochran, NBC News].

POW - MIA's and Assistance for Russia

Q. Sir, a question to both of you regarding this question of American prisoners. We don't understand, sir, why former Soviet leaders would have wanted to keep these American prisoners quiet. In the case of Francis Gary Powers, Khrushchev used that as political propaganda to undermine President Eisenhower. Why would these prisoners have been kept alive and in camps without any publicity? Was it just meanness, cruelty? They just wanted to crush them, find out what they could? Do your archives reveal anything about that?

My question to you, sir, would be: Do you think that what Mr. Yeltsin had to say about the POW - MIA issue defused that issue completely today? What are your people telling you about the

prospect of Russian aid now in Congress?

President Yeltsin. You have had a chance to ask this question of the former President of the former Soviet Union, why he kept this a secret. I'm not responsible for him. [Laughter]

President Bush. Good answer.

I think the way President Yeltsin handled that question was extraordinarily sensitive in the Congress today, was extraordinarily sensitive to American public opinion and to the anguish and grief of the families.

I would refer you to the various chairmen that are here with us today, representatives of both parties. But in my view he defused, by being so forthright and so forthcoming, the criticism that you say did exist. I think I know of one very honorable Senator who has probably as much at stake in this broad subject as any, Senator McCain, who was a prisoner himself in Vietnam for a long, long time. He was satisfied and pleased with the statement by President Yeltsin. So it is my hope that that matter has been disposed of. We will go forward working cooperatively with Russia. I hope it's been disposed of.

I believe that the speech that he gave today, not just in this category but in all categories, helped assure the passage of the ``FREEDOM Support Act." It is essential that we move forward and pass that. I know there's a lot of questions that will be asked up there, but it is in our interest. I know it's in the interest of both Russia and the United States, and we must not miss this opportunity. I'll say once again, we've spent literally trillions of dollars, trillions of dollars for defense. Here's an opportunity to take out an insurance policy for peace and democracy and to back a courageous leader and a courageous people. So I think it will pass. And I think his speech today, that I watched keenly, will help assure that passage. He was very well-received in the Congress, and maybe after this is over you can discuss this with some of the leaders of the Congress who are here.

Russia-U.S. Agreements

Q. You were talking about the situation in which many Russians find themselves. What do you think the significance of this visit will be for the common people of Russia? What can you say about that?

President Yeltsin. I think that the negotiations themselves and the documents, and I might say that we will have signed about 39 documents, all in all. We have signed seven with President Bush and then the premiers, the deputy premiers, the deputy secretaries, the secretaries of state or foreign ministers are signing them, but each of these documents is profitable for Russians, for the Russian people.

Nowhere have we compromised our economic interests, our freedom, or the interests of the Russian people. We always kept in mind the interests of the people of Russia. I'm very grateful, by the way, to President Bush that he always took a position that if we do not take measures now to support Russia that this will not be a collapse of Russia only; it will also mean the collapse for the United States also, because it will mean new trillions of dollars for the arms race. And this is what we have to understand. This is inadmissible and impermissible. So each document is of direct import and direct benefit to Russian citizens.

Assistance for Russia

Q. Mr. President, how serious do you think is the need for economic aid to Russia, and how soon do you think the United States will be able to make a contribution?

President Bush. I would simply say we think it's serious. We think that the changes that Russia has embarked on are absolutely essential. I know there are still some problems that remain with the IMF, but we had very frank discussions about that. We are prepared to help move this package forward as swiftly as possible. I think the President put it best when he talked about the urgency of this so I will let him add onto it. But we are viewing this as priority. We are viewing this as of prior consideration. We have many domestic issues here, and we're going to keep pushing forward on them, economic growth, help for the cities. We can do all of those and pass this ``FREEDOM Support Act."

So we're going to keep pushing forward on the domestic front, but this is priority internationally. We are going to be prepared to be weighing in and talking in great depth about this when I go to the G - 7 summit in Munich.

Q. This goes with it, Mr. President. What are the alternatives if Congress doesn't pass the aid to Russia?

President Bush. Well, I think they're going to pass it, and it's too hypothetical.

Do you want to comment on the urgency? No? Okay.

President Yeltsin. I think that, of course, these $24 billion are important, the $24 billion that would have come to us as credits from the IMF. It is an important thing for any civilized country, especially for Russia at this time, during this very difficult period of reforms. But these $24 billion will not save Russia; they will not even significantly help us. Perhaps they will help us to stabilize the ruble, they will help us to make the ruble convertible in July, once this question is decided.

But the most important thing is that once the IMF decides this issue, this will open the door for a powerful stream, influx of private capital. Those will not be credits. Those will be direct

investments from private companies. We have talked to business people in the United States together with President Bush and the business people here understand that very well. And the same situation exists in other countries, and that will be a matter of hundreds of billions of dollars. And that will be very important aid. It will be direct aid. It will be civilized aid. It will support our private sector, which is what we want.

Russia-U.S. Relations

Q. Russian Television, First Channel. This is a question to both Presidents. You have really had good results from this meeting. What is it that you have failed to accomplish or have not had time to accomplish? What do you think is your next point on the agenda? Should be for the next summit, perhaps?

President Yeltsin. You know, in addition to those issues which are reflected in the documents that have been signed, we discussed dozens and dozens of other issues which are not reflected in the documents, dozens of them. For example, there was a wonderful pleasure trip on a boat on the river which lasted an hour and 15 minutes. And even during that trip we worked, and we discussed a lot of issues that we will continue to talk about and will raise again at the next meeting. And I hope very much that the President of the United States will accept my invitation and will come and visit on an official visit to Moscow at the end of this year. And I am convinced that a very serious package of documents will be prepared by the time he comes for this visit.

President Bush. A summit of this nature is broken down into two general categories: one, agreements, where you sit down and you hammer out agreements. Many of them are precooked. The Arms Control Agreement was enhanced and was finalized because President Yeltsin came here with some new ideas and he and his Foreign Minister and Jim Baker and others here worked very hard on getting it finalized. So that's part of it; it's the agreements.

But I find that a lot of the benefit of a meeting of this nature is the kind of discussion that we had, not just on that boat where we talked for an hour about worldwide problems but the discussions that we had upstairs when I had some private time with the President, private time in the Oval Office with him, the Secretary, and Brent Scowcroft.

It is very important that Russia and the United States not pass in the dark; that we understand. He understands how we look at the Balkans, for example, and I understand how he does, or the Middle East or South America or Japan. It is very important that two very important countries like this discuss in detail without trying to hammer out agreements the world situation, and that's exactly what we did. I have a far better understanding of the problem he faces at home and perhaps he has a better understanding of the problems that we face here in this country.

POW - MIA's

Q. Question for both Presidents, President Yeltsin first. I'd like to follow up on a question my colleague asked a few moments ago because of the sensitivity of the POW issues.

A few minutes ago you described to one of the Russian journalists a document that you'd found relating to the Korean airline shootdown. Can you describe to us any documents or details that you have found about the prisoner of war issue so that Americans might understand why you believe that prisoners might have been taken to Russia and why you believe there might be still some alive?

And President Bush, can you tell us if there are any documents you have found relating to this in the time since you have learned of this situation?

President Bush. I'll answer it -- no -- and then let him take the first part. There are none that have been brought to my attention.

President Yeltsin. What we know today and what I have informed the Senate about, we are prepared to submit all the documents on that score. As to what we find later, as we find it we will submit those documents. I assure you that there will be no secrets; as we find them we will let them be known. It will be a joint commission, and they will be working together in the archives.

Q. Can you tell us, sir, what you have found already?

President Yeltsin. The most important thing is that we know the numerical picture. We know how many people there were on the territory, how many were left, what camps the POW's were held in, the citizens of the United States; which war they were from, whether it was World War II or the Korean war or any other incident. So that part of the picture is clear. We know who died, where they are buried. We know that, also.

What we still don't know, we don't know a certain number of people who really we can't find where they belong, and we don't know where they are, and we have simply no information about them. This is why we say that maybe some of them are still alive and are still in Russia. This is why we say we would like to find further documents on those people.

President Bush. May I say we are going to take two more questions, one from each side. But let me add something to this. This is not a one-sided question. We aren't holding anybody. I know of nobody ever having held people. But there's a lot of heartbreak in Russia. There's a lot of families that wonder what happened to their loved ones in Afghanistan. While we were having these frank talks, I told President Yeltsin we would do absolutely everything we can. We lack a lot of purchase in some of these areas, but we will do absolutely everything we can to cooperate with him to see that those young men, these Russians who are held, allegedly held in

Afghanistan are returned.

So the heartbreak is on both sides. The agony is on both sides, different circumstances. But I just wanted you to know that we have pledged, and I want the people in Russia to know, that we have pledged to work cooperatively with President Yeltsin to try to get some information that might alleviate the suffering of families in Russia.

Assistance for Russia

Q. I have a question for President Bush. Could you perhaps answer this somewhat delicate question? You talked about the preparedness of America to provide aid, but that there are difficulties. Could you tell us something about the possibilities that have arisen for helping Russia as a result of signing the kind of documents that you have signed? What is possible, and what makes it psychologically difficult? What should be changed in Russia to make it easier? What would be conducive to our being able to help?

President Bush. Change in Russia to make it easier would be going forward as briskly as possible with the reforms. That opens up not only cooperative support from the United States, but from the G - 7 and other countries who want to help.

I think -- just help me once again with the first part of that. I lost my train of thought.

Q. In order to formulate your answer -- --

President Bush. Okay, no, but what we can do -- the first part of your question comes back to me -- what we can do the most is to pass the ``FREEDOM Support Act." Now, you say, what are the problems with that. Some of the big package relates to the reforms and the need to get it through the IMF. Very candidly, so the people of Russia will understand that, there is some sentiment here that we should concentrate all our efforts in terms of spending domestically.

It is my view -- I don't think that's the will of the Congress, however. I believe the Congress will support the ``FREEDOM Support Act." We are in an election year here. The people of Russia have to understand it's a little strange out there, and things work differently in an election year. But the case for this ``FREEDOM Support Act" is so overriding that I am confident that we can lay the politics aside and get this passed. I don't know if the interpreter got this, but I think that President Yeltsin's speech today, and I notice the Senators all had to go vote, but I think that they would tell you that that speech today was so well-received that that will enhance passage of the ``FREEDOM Support Act."

That is the answer to your question. What can the United States do? It can pass this. It can work with the international financial institutions to be sure to see if we can help eliminate some of the problems and work cooperatively with the G - 7, who I'm convinced will want to help Russia.

It's that kind of an approach.

We've got one more to go.

Q. I ask about what should be changed in Russia in order to make aid easier?

President Bush. Well, I just think accommodation as much as possible -- and you've got Mr. Gaydar trying to very much do that, along with this President -- to accommodate the requirements of the international financial institutions. We've made a commitment, here. We've made a commitment, and we're going to go forward with it.

The whole package needs to be passed by having these changes that the President's already started, go forward. There are certain requirements, there are some -- I leave that to the financial experts that are here from Russia, but I can't say anything about the details except to say that what Russia can do is to try to iron out the requirements that lie ahead. I know that President Yeltsin's determined to do that, and I'm confident, with an able man like the Vice Premier here, if it can be done, he'll help get it done. So that's the only answer.

President Yeltsin. Just a moment, I also would like to give my evaluation, since I am a participant in these events. And on my part it is 9 -- in other words, 9 out of 10 is the probability of help of what we have decided upon. That's how I would evaluate it.

President Bush. I think so, too. Last question. Last question.

Arms Agreements

Q. A question for both Presidents. President Yeltsin said that we don't want to force any other nations to join you. But now that you are so far down the road of disarmament, should some of the allies of the United States cut deeply their own nuclear weapons?

President Yeltsin. The thing is that when I was on an official visit in France or a working visit in the United Kingdom and when we discussed this issue in detail with the leaders of those countries, I personally came to the conclusion that, actually, we didn't really need to talk about these issues; it wasn't really necessary because the quantities are totally incommensurate.

Can you imagine 21,000 warheads, strategic warheads, that our two countries have in their possession and then take 100 that some other country has, is it really worth talking about? Is it worth arguing about? Especially once we began discussing it, they themselves come to the conclusion that the atmosphere in the world, once it changes, it will itself lead them to lower the level of the strategic armaments. Their own peoples will demand it. In France they have 5 submarines and we have hundreds; so how can we compare them?

President Bush. Let me just reiterate the policy of the United States. We do not negotiate somebody else's armaments; we talk about the United States. So I'm not going to go into that at all. Our policy is well-known, and I think that the President put this in very proper perspective here. We're dealing with something enormous in working down our own arsenals. We've got our plate pretty full there. But it is not for the President of the United States to start talking about the French or British deterrent, and that's not my role.

Thank you all very much. We're out of here.

Note: The President's 132d news conference began at 4:47 p.m. in the East Room at the White House. During the news conference, the following persons were referred to: Gen. Dmitri Volkogonov, senior adviser to President Yeltsin, and Yegor Gaydar, First Deputy Prime Minister of Russia. President Yeltsin spoke in Russian, and his remarks were translated by an interpreter. The news conference followed a ceremony in which President Bush and President Yeltsin signed the Washington Charter for American-Russian Partnership and Friendship; Joint United States-Russian Statement on a Global Protection System; the Bilateral Investment Treaty; the Treaty for the Avoidance of Double Taxation; Joint Understanding on reductions in strategic offensive arms; Space Cooperation Agreement; and the Agreement on the Destruction and Safeguarding of Weapons and the Prevention of Weapons Proliferation.

Joint Understanding on Reductions in Strategic Offensive Arms

June 17, 1992

The President of the United States of America and the President of the Russian Federation have agreed to substantial further reductions in strategic offensive arms. Specifically, the two sides have agreed upon and will promptly conclude a Treaty with the following provisions:

1. Within the seven-year period following entry into force of the START Treaty, they will reduce their strategic forces to no more than:

(a) an overall total number of warheads for each between 3800 and 4250 (as each nation shall determine) or such lower number as each nation shall decide.

(b) 1200 MIRVed ICBM warheads.

(c) 650 heavy ICBM warheads.

(d) 2160 SLBM warheads.

2. By the year 2003 (or by the end of the year 2000 if the United States can contribute to the financing of the destruction or elimination of strategic offensive arms in Russia), they will:

(a) reduce the overall total to no more than a number of warheads for each between 3000 and 3500 (as each nation shall determine) or such lower number as each nation shall decide.

(b) eliminate all MIRVed ICBMs.

(c) reduce SLBM warheads to between no more than 1700 to 1750 (as each nation shall determine).

3. For the purpose of calculating the overall totals described above:

(a) The number of warheads counted for heavy bombers with nuclear roles will be the number of nuclear weapons they are actually equipped to carry.

(b) Under agreed procedures, heavy bombers not to exceed 100 that were never equipped for long-range nuclear ALCMs and that are reoriented to conventional roles will not count against the overall total established by this agreement.

(i) Such heavy bombers will be based separately from heavy bombers with nuclear roles.

(ii) No nuclear weapons will be located at bases for heavy bombers with conventional roles.

(iii) Such aircraft and crews will not train or exercise for nuclear missions.

(iv) Current inspection procedures already agreed in the START Treaty will help affirm that these bombers have conventional roles. No new verification procedures are required.

(v) Except as otherwise agreed, these bombers will remain subject to the provisions of the START Treaty, including the inspection provisions.

4. The reductions required by this agreement will be carried out by eliminating missile launchers and heavy bombers using START procedures, and, in accordance with the plans of the two sides, by reducing the number of warheads on existing ballistic missiles other than the SS - 18. Except as otherwise agreed, ballistic missile warheads will be calculated according to START counting rules.

5. The two Presidents directed that this agreement be promptly recorded in a brief Treaty document which they will sign and submit for ratification in their respective countries. Because this new agreement is separate from but builds upon the START Treaty, they continue to urge that the START Treaty be ratified and implemented as soon as possible.

DONE at Washington, this seventeenth day of June, 1992, in two copies, each in the English and Russian languages, both texts being equally authentic.

FOR THE UNITED STATES OF

AMERICA

George Bush

FOR THE RUSSIAN FEDERATION

Boris Yeltsin

Joint United States-Russian Statement on a Global Protection System

June 17, 1992

The Presidents continued their discussion of the potential benefits of a Global Protection System (GPS) against ballistic missiles, agreeing that it is important to explore the role for defenses in protecting against limited ballistic missile attacks. The two Presidents agreed that their two nations should work together with allies and other interested states in developing a concept for such a system as part of an overall strategy regarding the proliferation of ballistic missiles and weapons of mass destruction. Such cooperation would be a tangible expression of the new relationship that exists between Russia and the United States and would involve them in an important undertaking with other nations of the world community.

The two Presidents agreed it is necessary to start work without delay to develop the concept of the GPS. For this purpose they agreed to establish a high-level group to explore on a priority basis the following practical steps:

-- The potential for sharing of early warning information through the establishment of an early warning center.

-- The potential for cooperation with participating states in developing ballistic missile defense capabilities and technologies.

-- The development of a legal basis for cooperation, including new treaties and agreements and possible changes to existing treaties and agreements necessary to implement a Global Protection System.

DONE at Washington, this seventeenth day of June, 1992, in two copies, each in the English and Russian languages, both texts being equally authentic.

FOR THE UNITED STATES OF

AMERICA

George Bush

FOR THE RUSSIAN FEDERATION

Boris Yeltsin

Joint Russian-American Declaration on Defense Conversion

June 17, 1992

The United States of America and the Russian Federation recognize that defense conversion is a key challenge of the post Cold War era and essential for building a democratic peace. Both parties realize the hardships involved in defense conversion efforts. But the parties realize, too, that the successful conversion of resources no longer needed for defense is in the long-term economic and national security interests of their peoples. Therefore, the United States of America and the Russian Federation declare their intention to devote priority to cooperation in advancing defense conversion.

Recognizing the important role of the private sector and of practical participation by business communities in the complex task of defense conversion, the United States of America and the Russian Federation are establishing a U.S.-Russian Defense Conversion Committee to facilitate conversion through expanded trade and investment. The intergovernmental committee will be established within the framework of the U.S.-Russian Business Development Committee and will be designed to facilitate the exchange of information and the promotion of trade and investment, including through the development of contacts between interested groups, the expansion of information exchange on enterprises undergoing conversion, and, the improvement of conditions for commercial activities in both countries through the identification and removal of obstacles to expanded trade and investment. The Committee will inform the governments of both countries on a regular basis of the results of its activities, in order that they may take timely and effective measures to eliminate impediments to bilateral cooperation in the area of conversion.

With the aim of promoting successful cooperation in conversion, each of the parties intends to take a number of practical steps in the near future.

The Russian Federation intends to establish on its territory a favorable political, economic, legal, and regulatory climate for American trade and investment, including the adoption of macroeconomic reforms necessary to institute convertibility of the ruble; the pursuit of complementary microeconomic reforms to support the privatization and demonopolization of industry; the enactment of laws to guarantee contract and property rights; and, the dissemination of internationally-accepted standards of basic business and financial information on enterprises undergoing conversion.

The United States intends to facilitate U.S. business engagement in commercially-viable conversion projects in Russia, including joint ventures, through the placement of long-term defense conversion resident advisers to serve as catalysts for U.S. business engagement and to provide expertise to local leaders and enterprise directors; the establishment in Russia of

business centers with translation, education, and training facilities for U.S. businesses operating in Russia; the creation of a business information service (``BISNIS") in Washington to match businesses in Russia with potential investors in the United States; and, the involvement of the Trade and Development Program, the Overseas Private Investment Corporation, and the Export-Import Bank to provide incentives to American private investment in commercially viable defense conversion projects.

The United States of America and the Russian Federation endorse the COCOM Cooperation Forum on Export Control as a means to heal Cold War divisions and advance conversion through helping to remove barriers to high technology trade, assisting in the establishment of COCOM-comparable export control regimes in Russia and the other new independent states, and establishing procedures to ensure the civil end-use of sensitive goods and technologies on matters of common concern. Both parties agree that this process is based on their mutual determination strictly to adhere to world standards of export controls in the area of the non-proliferation of weapons of mass destruction and related technologies, missiles and missile technology, destabilizing conventional armaments, and dual-use of goods and technologies.

The parties strongly encourage the expansion of bilateral defense and military contacts and the work of the North Atlantic Cooperation Council in addressing the full range of military issues that are critically linked to the success of conversion including civilian control of the military in a democracy; defense planning, budgeting, and procurement in a market economy; base closings and conversions; and demobilization and retraining as well as social protection.

Joint Statement on Chemical Weapons

June 17, 1992

President Bush and President Yeltsin stressed their continuing commitment to the global elimination of chemical weapons. They expressed their conviction that the Geneva negotiations on a multilateral convention banning chemical weapons can be concluded by the end of August. They agreed to instruct their representatives accordingly, and called on all participants in the negotiations to do their utmost to achieve this goal. They expressed the hope that a ministerial meeting could be convened in that timeframe to approve the convention.

The two leaders underscored their support for the 1989 Wyoming Joint Memorandum on phased confidence-building measures in the area of chemical weapons destruction, and agreed to implement the new, cooperative provisions for detailed data exchanges and inspections included in the Joint Memorandum as soon as arrangements can be completed. They also agreed that the June 1990 bilateral chemical weapons Destruction Agreement would be updated and brought into force promptly.

Nomination of Richard Monroe Miles To Be United States Ambassador to Azerbaijan

June 17, 1992

The President today announced his intention to nominate Richard Monroe Miles, of South Carolina, to be Ambassador of the United States of America to the Republic of Azerbaijan. This is a new position.

Since 1991, Mr. Miles has served as Principal Officer at the U.S. Embassy Office in Berlin. From 1988 to 1991, he served as Consul General in Leningrad. He was a fellow at the Center for International Affairs at Harvard University, 1987 - 88. From 1984 to 1987, Mr. Miles served as Counselor for Political Affairs at the American Embassy in Belgrade. From 1983 to 1984, he served as an assistant to Senator Ernest Hollings on an American Political Science Association fellowship. He has also served at the Department of State as Deputy Director and as Acting Director of the Office of Regional Security Affairs in the Bureau of Politico-Military Affairs, 1981 - 83; and as Yugoslav Desk Officer in the Office of East European Affairs in the Bureau of European Affairs, 1979 - 81.

Mr. Miles graduated from Bakersfield College (A.A., 1960); the University of California at Berkeley (A.B., 1962); and Indiana University (M.A., 1964). He was born January 8, 1937, in Little Rock, AR. Mr. Miles is married, has two children, and currently resides in Berlin.

Nomination of Ruth A. Davis To Be United States Ambassador to Benin

June 17, 1992

The President today announced his intention to nominate Ruth A. Davis, of Georgia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States of America to the Republic of Benin. She would succeed Harriet Winsar Isom.

Currently Ms. Davis is serving as a member of the senior seminar at the Foreign Service Institute at the Department of State. From 1987 to 1991, she served as Consul General at the American Embassy in Barcelona, Spain. Ms. Davis has also served at the Department of State as Chief of Training and Liaison for the Bureau of Personnel, 1984 - 86; and Senior Watch Officer in the Operations Center, 1982 - 84. From 1980 to 1982, she served as special assistant for international affairs to the Mayor of Washington, DC. Ms. Davis also served as consular officer in Naples, Italy, 1976 - 80; Tokyo, Japan, 1973 - 76; Nairobi, Kenya, 1971 - 73; and Kinshasa, Zaire, 1969 - 71.

Ms. Davis graduated from the University of California at Berkeley (M.S.W., 1968) and Spelman College (B.A. 1966). She was born May 28, 1943, in Phoenix, AZ. Ms. Davis presently resides in Washington, DC.

Appointment of Vernon B. Parker as Special Assistant to the President and Associate Director of Presidential Personnel

June 17, 1992

The President announced the appointment of Vernon B. Parker as Special Assistant to the President and Associate Director of Presidential Personnel. He will be responsible for boards and commissions.

Since January 1992, Mr. Parker has served as General Counsel of the Office of Personnel Management (OPM). Prior to this Mr. Parker served as Counselor to the Director of OPM and as Director of Policy. Prior to joining OPM, Mr. Parker was an attorney with Multinational Business Services, a private consulting firm in Washington, DC. He also worked as a financial analyst for Rockwell International in Los Angeles. Mr. Parker began his political career with the Fund for America's Future. During the 1988 Presidential primaries, he chaired a key research team, and he served as the GOP national director of Democrats for Bush-Quayle during the general election.

Mr. Parker graduated from Georgetown University Law Center, where he was editor-in-chief of the Georgetown American Criminal Law Journal and vice president of the Student Bar Association. He received his bachelor of science degree from California State University at Long Beach. Mr. Parker lives in McLean, VA, with his wife, Lisa, and daughter, Sonya.

Nomination of Jon M. Huntsman, Jr., To Be United States Ambassador to Singapore

June 17, 1992

The President today announced his intention to nominate Jon M. Huntsman, Jr., of Utah, to be Ambassador of the United States of America to the Republic of Singapore. He would succeed Robert D. Orr.

From 1991 to the present, Mr. Huntsman has served as senior vice president and general manager of the international division of the Huntsman Chemical Corp. in Salt Lake City, UT. He served at the Department of Commerce as Deputy Assistant Secretary for East Asian and Pacific Affairs, 1990 - 91, and Deputy Assistant Secretary of the Trade Development Bureau at the International Trade Administration, 1989 - 90. Since 1984, Mr. Huntsman has held several positions at the Huntsman Chemical Corp., including vice president of international business and member of the board of directors, 1988 - 89; vice president and member of the board of directors of Huntsman Pacific Chemical Corp., 1987 - 89; and product manager, 1984 - 85.

Mr. Huntsman graduated from the University of Pennsylvania, receiving a bachelor of arts degree. He was born March 26, 1960, in Palo Alto, CA. Mr. Huntsman is married, has four children, and resides in Salt Lake City, UT.

Nomination of Joseph S. Hulings III To Be United States Ambassador to Turkmenistan

June 17, 1992

The President today announced his intention to nominate Joseph S. Hulings III, of Virginia, to be Ambassador of the United States of America to the Republic of Turkmenistan. This is a new position.

Since 1990, Mr. Hulings has served as Minister-Counselor for Management at the American Embassy in Moscow. He has served at the Department of State as Special Coordinator for Moscow Projects, 1988 - 90; Deputy Special Coordinator for Moscow Projects, 1987 - 88; Special Program Officer for Schlesinger Study, 1987; and Deputy Director for the Office of Foreign Missions, 1985 - 87. Mr. Hulings has served as administrative counselor at the American Embassy in Moscow, 1982 - 85; administrative officer at the American Embassy in Belgrade, 1980 - 82; senior watch officer for the Operations Center at the State Department, 1978 - 80; administrative officer at the American Embassy in Moscow, 1976 - 78; administrative officer at the American Embassy in Helsinki, 1974 - 75; and budget officer and general services officer at the American Embassy in Vientiane, 1972 - 74.

Mr. Hulings graduated from the University of South Carolina (B.S., 1963; M.B.A., 1971). Mr. Hulings was born May 6, 1941, in Carlisle, PA. He served in the U.S. Navy, 1963 - 69. He is married, has two children, and currently resides at the American Embassy in Moscow.

Remarks at a Dinner Hosted by President Boris Yeltsin of Russia

June 17, 1992

Mr. President, thank you for those very kind words. After what you did on Capitol Hill today, after that sensational speech -- it brought the Members of Congress to their feet over and over again -- there is absolutely no point in my giving a speech tonight. [Laughter]

What we Americans saw was a true democrat who understood the heartbeat of the American people. It came through over and over again, your sensitivity on the prisoners, for example, and many other ways.

I had a note from a very senior person in the communications business; I will give him or her plenty of cover by that definition. And that note said that in all the time that that person had been in Washington, and it's many, many years, there has never been a greater day for mankind than yesterday.

Some of it was clearly the historic agreement on arms control, arms reduction. Some of it was perhaps the agreements that we were to sign today. But I think much more of it was because that person saw a true democrat, a person committed to democracy and freedom, leading the great country of Russia. We could identify with that, as I say, and we salute you, sir. We know the problems at home are extraordinarily difficult, but I think you leave with all of us feeling that you're going to make it. Somehow, you and this wonderful group of young leaders you've brought with you here to Washington are going to make it.

Let me simply say in conclusion, we want to be at your side. We want to be at your side as you complete the democratic experiment and as you move your great country forward.

And so, may I propose a toast to President Boris Yeltsin and to his wonderful wife, to his team that taught us all a great deal about what commitment means, and to the friendship between Russia and the United States of America that has never, ever been stronger. May God bless your country, and may God bless the United States of America, too.

Note: The President spoke at 8:05 p.m. at the Russian Embassy.

Remarks at a Ceremony Honoring Presidential Scholars

June 18, 1992

Please be seated, all of you. I know you've been waiting out here for a while. But let me first thank Governor Engler, one of the great Governors of our country out there in the State of Michigan, for his leadership, not simply for his being willing to lead in this field, Presidential scholars, but for what he's doing for our country. I'm also delighted to be with Lamar Alexander. He is literally trying to revolutionize the educational processes in this country. And we owe him a vote of gratitude, too -- both of them.

When we were standing on that balcony a minute ago -- I'm just sorry all of you weren't here then -- with Boris Yeltsin, I told him, but I want to just say again here today, that we are welcoming to the White House in this ceremony the best and the brightest of American students. We meet on the 28th anniversary of the highest scholastic award that a President can bestow, the Presidential Scholarship Program.

Earlier I was talking to Barbara about this, and she noted that if your scholastic brilliance continues into your career work, maybe you won't end up like I have, where your dog makes more money than you do as an author. [Laughter]

I've got to confess that things have changed since I was a student. Nowadays with computers, bringing an apple to the teacher has an entirely different meaning. [Laughter] But what really hasn't changed is the meaning of education. It can form the noblest character and lay the surest foundation of usefulness to mankind.

Take a look at this year's Presidential scholars, from all 50 States, from the District, U.S. territories, and families living abroad, and consider why you learn: not only for learning's sake, to help yourself, but also to help others. You know that scholarship can further service to Nation and certainly can further service to neighbor and community.

For instance, just to single out a few, here sits Cara Reichel of Rome, Georgia. She's written and illustrated this book. I want to thank her for the copy. Barbara and I are thrilled with the inscription; that's why we brought it along. Anarug Bansal of East Greenwich, Rhode Island. Where's Anarug? Right back here. In his experiments he found a chemical that blocks HIV activity in blood cells. One scholar's family emigrated from the former Soviet Union; another escaped from Hungary. All know how education stems from the human heart and the human mind.

Let me just tell you a little story. Once Albert Einstein and his wife, they visited California's Mount Wilson Observatory. Pointing to a very complex piece of equipment, Mrs. Einstein asked its purpose, and their guide said that it helped determine the shape of the universe. Mrs. Einstein

was not impressed. ``Oh," she said, ``my husband uses the back of an envelope to work that out." [Laughter]

Well, Einstein used envelopes to ask questions and find solutions, and you may use typewriters and word processors or yellow legal pads. I'm told some of you are so intelligent you even know how to set the timer on a VCR. [Laughter] But the goal's the same: To become an educated person. Only then can you use this knowledge to lead humanity to the stars, becoming what we refer to as a Point of Light in the lives of your neighbors and your families and your friends.

That's what Lisa Kim of Minneapolis is doing. She formed a chamber ensemble to perform at local nursing homes and hospitals. And where is she now? Right here. Congratulations on that. Joane Liu of Princeton Junction, where's Joane? Right over here. She teaches physically and mentally handicapped kids to sing and to read music. And in Davenport, Amy Symons, Amy? Right over here on the end. Amy is a peer tutor. And in Salt Lake City, Alexis Sentell spends hours at the Utah Food Bank. Alexis? Way back there. Across the country in Norwalk, Connecticut, Kendrew Witt coaches Special Olympic swimming. Kendrew, where is he? Right here in the front. Here's what he says, ``I wanted to return to the community what it has given to me."

And it's principles like these -- that's principles which explain why you've excelled inside and outside of the classroom. And for that we all ought to thank principals with an ``al." We need, too, to thank your favorite teacher, your local minister, that close friend in your town or city who literally has inspired you to learn. That brings me to those who deserve the most thanks of all, your parents, giving of their time and of themselves. They truly showed the way.

This is your day, but it is also your parents' day. And Shannon Wallace is a Presidential scholar from Sewickley, Pennsylvania. Shannon? Right back here. And she asked, ``How do you thank your parents for 18 years of a wonderful, solid upbringing?" And if I could suggest a way: Honor them. Remember always that learning and teaching is a lifelong enterprise.

Our pioneering program that I referred to earlier to literally revolutionize education, it's called America 2000, recognizes the fact that education is key to our economic survival. We know that education can help achieve America's three great legacies: family, jobs, and peace.

So our America 2000 program challenges students to stay involved in their schools and schools in their community. Our crusade seeks to make America number one in math and science by the year 2000, increasing our ability to learn and compete in the world, and making our great country more prosperous.

Education is our most enduring legacy, vital to everything we are and everything we can become. It's as young as you are, and it's as old as the Scriptures. And it can, indeed, make America a better Nation and ensure a more decent world.

To every Presidential scholar, my heartfelt congratulations. Barbara and I both congratulate you and honor you. And to all of you here, thank you parents for what you do. To the rest of you on the Commission, thank you for giving of yourselves to keep this wonderful program going forward. Thank you all for coming to the White House on this very special low humidity day -- [laughter] -- on the South Lawn of the White House.

May God bless our great country. Thank you.

Note: The President spoke at 9:10 a.m. on the South Lawn at the White House.

Question-and-Answer Session With Employees of Evergreen Oil in Newark, California

June 18, 1992

Mr. Morgan. It's my pleasure, Mr. President, to introduce to you some of our friends, our neighbors. Evergreen Oil is only possible because we have had some shareholders that have had a lot of foresight. The city of Newark has been very cooperative, a partnership. But most of all, our employees are the ones that made this possible.

So, now that I've got the mike, and I'm not going to have this chance again, I want to ask the first question. Is that all right?

The President. That's the way it is, give a guy a little power. [Laughter]

Q. I know there's been a lot of questions about the environment, but one of the things of our environment that has been in the press a lot lately, and I think as a father and businessman and this sort of thing, I'd like to know how your historic treaty with President Yeltsin and the arms reductions is going to affect people like me and the rest of us here?

The President. Well, let me just say that this morning we said goodbye to President Yeltsin, a new kind of Russian leader. Democratically elected, he came to the United States with the vote of the people behind him. And what we worked out in the arms control field is literally historic. There will be no question that what happened as we move to eliminate now, have agreement to eliminate the most destabilizing missiles, in their case the big SS - 18's, multiwarhead missiles that for years have plagued everybody, that move is destined to make life better for our kids.

Curt and I were talking -- he's got a big family and so do we -- but for years the children in this country have been going to bed with the fear of nuclear weapons. What happened in the last 2 days is really historic. It has an effect not only on the psychology of all of this, but also it has an enormous effect on the jobs for the future. Because what we're doing now as we move down any military threat is to move forward with business exchanges, and the export potential in that country is enormous, which would mean jobs for the United States at home.

So it was historic. It's a joy doing business with this man. I wish all of you could have seen the way in which he was received, maybe you did see it on the tube, by the United States Congress.

The other point I'd make to those who are in service here, for years we've been dealing with the Soviets in the spirit of mistrust for plenty of reason. Anytime you're up against a totalitarian regime, you better keep your eyes open. Now we're moving away from that. And his offer to go in with the KGB file, go the extra miles to see if any information can be shed on Americans that

are missing, this is very good. And we have a wide array of areas in which we're cooperating, including that one.

So it was a historic day, and I think it means a lot for generations to come. It doesn't mean that we don't need a strong defense. Who knows where the next trouble spot will be? We've got to be prepared, and we can't lay down our arms in hopes that everybody around the world is going to do that.

But this was a big meeting, and I think the historic agreement is going to mean an awful lot for the tranquility of our children. That's very important to me, and I know it is to Curt and everybody else here.

Now, who wants to shoot away, in a figurative sense here? [Laughter]

Q. Mr. President, I'd like to ask you -- I'm sure you'll agree with me that the future of our country lies in educating our children. And 4 years ago you promised that you would be the education President. Since then, I've seen tuitions go out of the roof. I've seen classes be so limited in our State colleges, the students can't complete their degrees. I've seen our elementary schools get slashed to where there's not even a remedial reading instructor at our local elementary schools any longer. I'd like to know, if you're reelected in November, can you hold true to your promise to be the education President? And how are you going to do that?

The President. Let me tell you -- the first place, a good question. Secondly, everything we do is affected by education. For the first time, since I've become President, for the first time in history we have six education goals.

Now, you might say, ``Well, what does that accomplish?'' It means that we've gotten all of the Governors of the States together, and they have agreed on the goals, the goals that we must strive for: better performance. Kids should start school ready to learn; that means much more emphasis on Head Start, which we've done. Nobody is too old to learn; that means more emphasis on adult education, which we've done. It means proficiency in math and science. It means voluntary testing. So we've got these goals.

Secondly, we have the most revolutionary program in education, called America 2000. I regret to report to you that America 2000's ingredients have been blocked in a hostile United States Congress that is thinking old thoughts. The problems you bring up require new thinking. I would urge you to take a look at the America 2000. The way to achieve, not for my sake but for everybody's sake, better education is to pass our program America 2000.

It has things like school choice. You see, when I got out of the service and was on the GI bill, why, you could choose where you want to go to school. Pell Grants, you can choose where you want to go to school. But in elementary and secondary education, the parents have no choice. I

believe the time has come for the parents to have choice in education. So we're stressing that.

The fundamentals, we've gotten too far away from them in many of our schools. We are stressing that.

So, first place, I think our schools are under constraints because of the economy. This, as you know, is the responsibility of the local government. I do not want the Federal Government to dictate curriculum to the cities. It's much better that Newark decides on its own and not have some bureaucrat in Washington setting the agenda. But we are spending more money by far on education. Head Start funding, which is to meet one of our national goals, is way up; Pell Grant funding is up. So the Federal Government, in spite of these enormous deficits that are ripping off everybody, is putting more money into education.

But the answer isn't more money; it is America 2000, our education program. We need the help in the United States Congress to get it passed.

Thank you.

Q. My question is, I saw you on CNN the other night, and the last question posed to you was, are you willing to open up an ``Ask George Bush'' line and meet with people, like Bill Clinton and Ross Perot had? I think that this is probably very good for your PR. But why don't you do this more?

The President. Well, I've been doing it, ever since I've been in politics. We had a thing called ``Ask George Bush'' when these other guys hadn't even started on this kind of an event, and we do do some of it. But I don't believe that the White House should have a -- we have a comments line, but I just have a certain respect for the office, and I don't want to turn it into a call-in-show place. I mean I just think that I owe the people a certain respect for the office of the Presidency.

But this isn't the first time that we've done this. As a matter of fact, we did it not so long ago in an event not too far away in the valley, right here in California. I've been doing it. I did it up in the primaries up in New Hampshire, and I've been doing it ever since I've been running for office.

It's a good thing to do and you do learn. I learn from the questions and learn the anxieties of people. So we're going to keep on doing it. But I'm glad you think that it makes some sense. I'll be honest with you, though. I think in a campaign year you've got to draw the line somewhere. I am not going to be out there, kind of being a teenybopper at 68; I just can't do it. [Laughter]

Yes.

Q. Mr. President, in light of your goals for education, the environment, the rebuilding of the

infrastructure, and the social problems, how are we going to make those goals come to pass in light of our financial situation, the deficit and such?

The President. We're not going to if we don't get this economy back. The national economy is recovering. Anemic growth: grew at two-point-some percent here in the first quarter; it will be, I think, a little bit stronger in the second quarter. So the national economy is recovering. Incidentally, 60 percent of the people in the poll I saw that same night I did that show think it's getting worse. In some areas like California it has been horrible, but we've got to get the economy recovering.

The other day we had a chance to discipline the executive branch and we had a chance to discipline the Congress by passing a balanced budget amendment to the Constitution. I was for it. We got well over a majority of the vote, but we did not get two-thirds because it was blocked by the entrenched liberal leadership in the United States Congress. Eighty percent of the American people want it. It would help. It wouldn't automatically do it, but it would force the tough decisions on the elected members of the Government.

And so that's one thing. I also would like to have what 43 Governors have, the line-item veto, and see if the President couldn't do a better job of cutting the spending than the United States Congress has done. But more important than just presiding over what we've got is to get this economy to grow. We have a growth program up there that would spur investment in small business. Included in it, also, is an incentive that would spur investment in homebuying. It is a $5,000 credit for the first-time home buyer. I believe that would not only offer the American dream to some young family but would stimulate jobs in our economy.

I believe that a capital gains tax reduction would stimulate risk-taking and stimulate investment. I believe that changing the IRA's in a way that would increase risk-taking would be very good. So we have a six -- you know, everybody's got an eight-point or a ten-point program -- we've got a six-point program to stimulate this economy, and it's been languishing in the Congress. In fact, to try to get it passed I ended up having to veto a tax bill because I just could not accept that, the fact that people are taxed too little in this country.

So we're going to keep pushing for economic growth, and as President the only weapon I've got now is to use that veto to keep bad things from happening. But I'm a little more optimistic because I think, one, things are beginning to move on the economy, and secondly, I think people want to see some of these incentives passed to stimulate economic growth. It is essential for California, I think, because we're suffering here with defense going down. In a way, that's good; in a way, that's not so good. Jobs way, it's tough. World peace, it's good. But we need to move with incentives in this economy, and I'm going to keep on fighting for them.

Q. Mr. President, I'd like to know how you're going to balance our immediate economic needs for growth with those of the long-term environmental needs. We didn't look real well in Rio, and

I'm wondering how you want to balance those two things.

The President. Well, I'll tell you what, we may have a difference about Rio. I don't think leadership is going along with everybody else. We have the best environmental record in the whole world. Our technology is fantastic. What you're doing right here for conservation, what you're doing right here is an example of this.

So we've got a good record on the environment. We're the leaders in CFC's. We're the leaders in forestry. We're the leaders in ocean technology. We have the best programs for our parks and adding to wildernesses which, incidentally, a lot of that's happened since I've been President.

But what we've got to do is find a balance so we don't throw a lot of Americans out of work by going to the extreme. I could not sign that biodiversity treaty because, in my view, it would take technological innovation like this and hand it over to others and dry up our technology and dry up the labs. I stood up there against the whole world and said, ``Look, we want to share our technology. We want to continue to lead on the environment, but I simply also, as President, must consider the working man and woman, the families of this country."

So we're trying to find the balance. We did come out of there in a lot of ways with what they call Agenda 21 and with the climate control agreement, all pretty good agreements. But I was singled out by many of the special interest groups as saying, ``Hey, our President should have signed this." I didn't come in here to follow, to jump on the bandwagon. We're the United States, and we're going to continue to lead in environmental policy.

Q. Mr. President, I agree that we are leaders in the environment. But if reelected, what incentives would you devise to aid our country in reducing our overconsumption of the energy resources?

The President. We've got an energy bill before the Congress right now that does that, encourages alternative use of fuels. We have sound environmental practice on offshore. We've got -- in this bill, I mean, all -- from lighting, kinds of new light bulbs that really save an enormous amount of energy, to alternative uses of fuel. We've got a good program. It's hung up in the United States Congress right now. But I would press forward on that energy bill and try to move forward.

Let me say this as a word of caution, though. We are more and more dependent on foreign oil. It was about a year and a half ago, when the Persian Gulf situation got fired up, that it was predicted oil would go to $80 a barrel overseas. And I don't know if you saw what Saddam Hussein said the other day. He said the biggest mistake he made is when he first moved into Kuwait, that he didn't move into Saudi Arabia. You want to project something that would just shoot these gasoline prices right off the scoreboard, try that one on.

So what we've got to do, it seems to me, is to try to become less dependent on foreign oil for security reasons, and that means alternate sources. I may get into a big fight here, but I believe

that nuclear power can be used safely. And it's clean-burning -- I believe, clean. I believe that we ought to facilitate that rather than turn our back on that.

But it does concern me that we're becoming more dependent on foreign oil, and yet, I think the answer is conservation and alternative sources. That's in our energy bill.

Q. Mr. President -- and I assume that you are -- what do you think about the oil that we've got to send out for incineration?

The President. What you've got to send out for incineration? Help me, I'm not a technologist, but what I see here I like in terms -- refining it.

Q. Well, the oil that fails our test that we do on the field, we send that out for incineration to Kansas, to a facility, the RCRA facility that burns it off.

The President. I'm sorry, I hate to say this. Yes, I'm President, but I don't know enough about the technology to know whether that's good or bad. [Laughter] But I assume this company, committed to environmental sanity, is not doing something that would -- help me, though. Are you worried about it, or you think we need to do more of it, or what is it?

Q. Well, I think it should be recycled.

The President. Yes.

Q. And right now, some of the oil that fails, well, all the oil that fails the test is being burned off -- --

The President. I see.

Q. -- -- in the RCRA facility where they're licensed to do so.

The President. Well, let me check it. I'll just have to say I don't know. I think that's all right for a President, as along as you don't do it all the time. [Laughter]

Q. Mr. President?

The President. Shoot.

Q. With the recent close of many bases, military bases, do you have a plan for employment of our servicemen?

The President. Well, the answer is to get the economy moving so that the men and women coming out of the service get jobs in the private sector. I've addressed myself here to the things I think would help on that. The Defense Department is spending, it's either $6 billion or $7 billion in transformation as we move from defense to help people coming out of the military and also to help transfer some of our technology.

Our labs, for example, that have been devoted to some of this highest tech -- and we spend $90 billion a year on everything in the Government on research -- those that are now being -- they're loosening up that technology to go into the private sector. That will mean jobs. We've extended the GI bill for veterans, for people coming out so that they can then use those benefits for their own education. And as I say, it's $6 billion or $7 billion out of the Defense Department for this transformation. So that's what we're doing about it.

Q. Hi, Mr. President. I noticed earlier you pretty much seem family oriented as far as the economy goes. But do you have any type of plan for the homeless? It seems like there's a growing number.

The President. Well, it does. And the plan for the homeless is to fully fund what's known as the McKinney Act, which we've done. The Federal Government has partial responsibility for that. But the responsibility the Federal Government has is to assist the States and municipalities as much as we can. I think we're spending more money as a result of that act on the homeless than we've had before. But it's a tough problem, and I don't believe the answer lies just at the Federal level.

I'll be honest with you: I continue to worry about a third of the homeless who have mental problems. We changed the laws somewhere back in the last couple of decades which permitted these people to be free of care and attention, and that has exacerbated this problem. I'm not sure that it needs the Federal action on this, but it is an area of which I'm very much concerned, and without shifting responsibility.

I know when Barbara took Mrs. Yeltsin the other day to a soup kitchen there, it was to demonstrate that the Government can't do it all. The, what we call Points of Light, the volunteers that are helping all over the country, got to pitch in and do more. Federal level, the answer is fully funding of the McKinney bill, which we are trying to do and which we propose.

Q. Mr. President, I am a social worker, and I have been working with the Head Start program. I'm currently working in a skilled nursing facility, and I am very concerned about a lot of the senior citizens in our country. They live on fixed incomes. Many of them have inadequate economy, inadequate health care. What are your plans for the future?

The President. We've got a good health care program. Let me tell you how I feel about health care. I've noted that when people need specialized care, need quality care, they come to the

United States. We have the best quality health care in the world. What we don't have is access for those that are in the poorer end of the economic scale. The proposal that we have up there guarantees access through pooling of insurance, guarantees access to every person.

It involves giving vouchers to these people that have no insurance. Those vouchers could only be used to get insurance. The insurance would be transferable, so when you left a company you couldn't be cut off and then not get it in the next place.

This is a very comprehensive bill. It includes in it, incidentally, trying to do something about malpractice reform. One of the reasons costs are so high is that all these doctors get sued, frivolously, a lot of the time. We're suing each other too much and caring for each other too little. So we're trying to get that under control.

But take a look. And I will say this: It is the only comprehensive health care reform proposal before the Congress right now. At first, they started off saying: Well, let's try the Canada plan. Let's try the ``pay or play'' plan that failed so miserably in Massachusetts that all the small companies started moving across the border to some other State. They're moving back now to our plan, which is expanded insurance coverage to guarantee against what you're talking about.

I still don't have an easy answer for you on how we get these health care costs under control. And we're never going to do what this gentleman is talking about, get this fiscal sanity going, until we control the mandatory programs that a President has no control over now. I'm talking about the increases in health care, and those kinds of programs that are just going right off the roof.

But I'd take a look at our program on health care reform in terms of making insurance available to all. It's expensive; I think it's long overdue, though.

Q. Mr. President, I represent 1,400 small-business people here in the State of California that perform the smog check program. We have the most proficient smog check program in the United States, in fact in the world. But yet, Mr. Reilly and EPA is stressing a centralized program. I know that you have supported a decentralized program, as it means jobs and income for small-business people. How will you help us in this situation if you're reelected?

The President. Well, what we're trying to do on a broad sense is to get Federal regulation under control. When you do that, you run into the special interests, but we have gotten to be too regulatory.

I headed a task force for President Reagan on deregulation, and we made some inroads. We have now frozen new regulations at the Federal level unless it can be shown that they're absolutely essential for somebody's health or something of that nature. So I think in a broad sense, the answer is, you've got to ask a person: Do you favor more regulation? Do you favor more

control? Or, do you think that less regulation would mean more jobs? I am in the second camp. I believe less regulation means more jobs.

I have an obligation at the Federal level to protect worker safety, for example. But we can overdo it. We can pass frivolous regulations. I have an obligation to guarantee health as best one can, I believe. But we can overdo it by frivolous regulation. And sometimes, in the environmental area, we get too regulatory. I've had to rule very recently on a case that came down in the favor of less regulation.

I'll tell you when it gets to you as President, it's when you really have to sort out regulation and then the welfare of a family. I know there's a lot of spotted owl jokes around. But you go up to the Northwest; there are not many spotted owl jokes, because the question is: Do you protect this feathery little guy and go the extra mile if that means throwing 30,000 families out of work? I had to make a comedown the other day on a decision saying no. We've got to protect the environment. We've got to do better by the old growth forests. We've got to help preserve these species. But if you're asking me to choose between throwing 30,000 or 15,000 families out of work or the owl, I'm going to have to give an awful lot of emphasis to the families.

When we get this economy growing and things moving, then maybe you lean a little more towards protection. But I find in this job you're always balancing these interests. It isn't always black or white, and there was a decision I cite because it's a tough one. Some of the people out here with their signs I'm sure would be 100 percent on the other side. At least I have it in my conscience here and down in Rio: Hey, American family matters. And a lot of them are hurting, and as President I am not going to go down here, sign something away, and then have on my conscience that a family doesn't have a job.

Q. Mr. President, we've proved here that, using high technology, you could produce a product of the highest grade, emission-free. It seems like the big boys that have the money, like refineries and all that stuff, they tie things up with their money and their power in politics, if you will. Because we've proved here that you can produce a product by spending the money with no emissions, at what point in our history of mankind are we going to allow the big boys to continue to pollute just because they have the money and the power, if you will, to hold off when we've proved that it can be done now?

The President. My being here, I hope, identifies with your technology, identifies with the conservation ethic that I understand is prevalent here. You'd have to give me a specific to know where I would come on down on adjusting some differences between these interests. Again, I'm not a specialist; you could tell from my answer over here to this question on your industry.

But I do think that when you have this technology and when you have this commitment to the environment, what the Government should do is to be sure we're not standing in the way of your competing or of your being able to sell your service or sell your product. That gets back to this

man's question on regulation, gets back to his on economic growth. So, I don't know again the issue of what major company is trying to cut down on what you're doing, but I want to be identified with those who are innovating and those who are conservation-oriented and those who are doing their part to clean up our environment and make us more efficient. And that's what I think you're doing.

Q. Mr. President, thank you. I'm also one of the people in that smog check program in California. And for some reason or other the EPA seems to think that they've been mandated by the Clean Air Act to inject a monopoly into the smog check system and force people to go to a centralized monopoly smog check deal. You commented on bureaucracy and the little guy and there are a lot of us out there that feel like we've been doing a hell of a job trying to clean up the air and now the EPA seems to think that their job is to put us out of business, and we don't understand.

The President. Well, I don't want any Government Agency to even have the reputation for trying to put people out of business; what we're trying to do is put them in business. Now, the Clean Air Act was historic environmental legislation. And yes, it's caused some burdens in some areas, but I still believe that it was proper.

I believe our use of market incentives to try to meet these pollution standards is very, very important. But again, in this case, please understand that if there's some regional office or some area that is trying to act like they have the whole say and the local entrepreneurs or local agencies don't have any say, that is not what I want.

So in this case if there's some specifics I would be happy to take a look at it, because I don't believe any bureau in Washington or Department in Washington has a monopoly on how we do things.

The lady's question on education comes back to me, because for years we've had every mandate coming out of some subcommittee back there inflicted on local school boards. You want Federal money -- it's your money -- you want Federal money, you've got to comply with a bunch of standards out of Washington. Our whole approach to education is different. Our whole approach to deregulation is different.

So, it would distress me if local initiative on cleaning up smog, for example, was being overridden by needless, needless regulation. Now, if they'll argue, ``Well, you're not doing enough," then we'd have to take a look at it and see that that's adjudicated.

Q. I brought a letter to the President. Maybe you can read it on the plane if you run out of -- --

The President. I'll read it. If I run out of light reading, I'll take a look at it. [Laughter] No, I'd be glad to, sir. You trying to get me out of here? [Laughter] This is fun.

Q. Thank you, Mr. President. How would you explain the current situation of so many people that voted for you 4 years ago are willing to vote for somebody like Ross Perot? Again, you've spent your whole life in the public service, and he hasn't. Why -- --

The President. Let me tell you this: Thank God, I have not spent my whole life -- I computed it the other day: 50 percent since I got out of college in business, starting a business, running a small business, and doing stuff in business; and 50 percent in Government. I wear the business as a badge of honor because I think it gives me some feel for what it means to run something.

But look, I understand the discontent that's out there. This economy has been in the dregs. But I will end with this statement: I believe that when the whole record is looked at, the economy is coming back, and when people take a look at things like world peace, whether it's a good thing that their kids go to sleep at night without the fear of nuclear weapons, when they take a look at what we're talking about here and have done in terms of education goals, it will be fine. But right now, I think a lot of the problems that face me politically are saying, hey, everybody in ought to be out, and everybody out ought to be in.

But that's not the way it works. I mean, I will take the case to the American people that these ideas and many more that we haven't talked about are blocked by the Congress. I'll say this to the American people: You've got to work with Congress one way or another. We've tried it with Democrats controlling both Houses of the Congress, and that didn't work. When Jimmy Carter went out, inflation was right through the roof, interest rates were high, and the ``misery index,'' they called it, was terrible.

What we haven't tried is where the Republicans have both, control. And the reason I say it ought to be tried is, I think what's on people's minds today, one of them, is safety in their neighborhoods, crime. I hear people coming out here on these little bites on television, saying, ``Well, hey, we need a tough crime bill,'' the same people that vote against the tough crime bill that we want to get passed back in Washington. Right today, the American people want to back the law enforcement community and want strong anticrime, antinarcotic legislation. We have been trying to get it through the liberal leadership in the Congress for 3 years, and I'm going to take that case to the American people.

But right now I don't think it's in focus. I think what's in focus is kind of a discontent. But I believe it'll change, and I believe that our record will be -- which it does include Clean Air Act, it does include child care legislation that gives the parents, rather than the Federal Government, the choice of where you have your children get cared for. It does include trying to get ahold of this Federal deficit. So I think what happens is we go through this period now, and then it gets in focus. I would remind some that 4 years ago to this very day I was 18 points behind the opponent. Got it on focus by November, and I'll be trying hard to do that.

But when it comes to who is doing something on this big painting, world peace, changes -- right

now you have a lot of revisionists on the Desert Storm. It was a proud moment. The reason it was a proud moment is, our country took the lead in an historic coalition and stood up against aggression. Now you've got a lot of people trying to tell us it was wrong, and it was right. So that one's not in focus, either.

So I think the record -- I'm not satisfied that we've gotten enough done. But I'm going to say I want to be President for 4 years and here's why: I want to finish what we started on education. I want to do what I've said we're going to do here on health care, get that program through. I want to pass our anticrime, antinarcotics, pro-law-and-order crime package. That alone is enough reason to ask the people for their support for 4 years.

But right now, there's a hurricane blowing out there. And all I can do is try to run this country as best I can and then take this case forcefully.

I've been here for, what, 30 minutes sitting on this stool, and you haven't heard one negative comment against either of the two people that want my job. And you're not going to hear one until maybe the middle of August. [Laughter] But then you are, because I know how to fight. I'm not going to be their spear catcher for the rest of this year; I can tell you that.

I think Don's trying to get you guys back to work here.

Well, thank you very much for the opportunity and very good questions. You make Phil Donahue look like a piker out there.

Note: The President spoke at 1:33 p.m. at the Evergreen Environmental Services Oil Refinery. Curt E. Morgan, chairman of the board, Evergreen Oil, Inc., introduced the President.

Statement by Press Secretary Fitzwater on Creation of the Monterey Bay National Marine Sanctuary

June 18, 1992

As outlined in his FY 1993 budget, the President authorized the creation of the Nation's largest marine sanctuary off Monterey, CA, and approved a strict management regime including a permanent ban on oil and gas development for the area, which includes a wide variety of pristine habitats.

The 5,312 square mile area proposed by the President was the largest option studied. With modifications only to exclude one minor area of lower resource value, Monterey Bay National Marine Sanctuary would be the Nation's largest, bigger than the State of Connecticut and larger than any of the national parks in the lower 48 States, including Yosemite and Yellowstone. It contains the largest underwater canyon in North America and is home to an expanding population of sea otters and a wide variety of whales, porpoises, seals, fish, and sea birds, including many endangered and threatened species.

The sanctuary will be overseen by the Commerce Department's National Oceanic and Atmospheric Administration (NOAA). The Notice of Availability for the Monterey Bay National Marine Sanctuary Final Environmental Impact Statement/Management Plan will appear in the Federal Register Friday, June 19, 1992. There is a 30-day public comment period, which closes July 20, 1992. After review of public comments received on the impact statement, the notice of designation and the final regulations will be published in the Federal Register.

The President requested $7.289 million for the national marine sanctuaries program in his fiscal year 1993 budget, an increase of nearly 50 percent from the FY 1992 appropriated level of $5 million for the 10 sanctuaries in existence; $510,600 was specifically identified in the budget increase for Monterey Bay Sanctuary's first year of operation.

The sanctuary is also home to the Nation's most expansive kelp forests, which provide food and shelter for the thousands of marine species which dwell there. The bay is the closest-to-shore deep ocean environment anywhere in the continental United States, straddles two major ecological regions, subtropical and temperate, and provides a unique area for extensive ocean research and education.

The Monterey Sanctuary will be the 11th in a network that spans from American Samoa to the Florida Keys and includes pristine coral reefs, the Civil War ironclad U.S.S. Monitor, the Channel Islands, and the Gulf of the Farallones, also off the coast of California. With the addition of Monterey Bay, President Bush will have designated three new sanctuaries, more than tripling the area protected under this program.

Nomination of Richard H. Solomon To Be United States Ambassador to the Philippines

June 18, 1992

The President today announced his intention to nominate Richard H. Solomon, of Maryland, to be Ambassador of the United States of America to the Republic of the Philippines. He would succeed Frank G. Wisner.

Since 1989, Dr. Solomon has served as Assistant Secretary of State for East Asian and Pacific Affairs at the Department of State. He also served at the State Department as Director of the Policy Planning Staff, 1986 - 89. From 1976 to 1986, Dr. Solomon served as head of the political science department at the Rand Corp. in Santa Monica, CA. He also served as a senior staff member for Asian Affairs with the National Security Council at the White House, 1971 - 76.

Dr. Solomon graduated from Massachusetts Institute of Technology (S.B., 1960; Ph.D., 1966). He was born June 19, 1937, in Philadelphia, PA. Dr. Solomon is married, has three children, and resides in Bethesda, MD.

Appointment of Mrs. Potter Stewart as United States Representative on the Executive Board of the United Nations Children's Fund

June 18, 1992

The President today announced his intention to appoint Mrs. Potter Stewart, of the District of Columbia, to be the Representative of the United States of America on the Executive Board of the United Nations Children's Fund. She would succeed Peter B. Teeley.

Mrs. Stewart has served as a volunteer with many organizations involved in youth, human needs, and international affairs. Mrs. Stewart has also served as a researcher for Time magazine and Life magazine, 1941 - 43.

Mrs. Stewart was born June 3, 1919. She currently resides in Washington, DC.

Remarks and a Question-and-Answer Session With the Industrial League of Orange County in Irvine, California

June 19, 1992

The President. Thank you, Reed, very much. Please be seated. I was riding over here today with Senator John Seymour, our outstanding Senator in Washington who's fighting a good battle for everything those of us interested in business believe in, and he told me I was walking into the most influential group of people in Orange County. I want to just say to Reed Royalty, thank you, sir. To the Mayor, Sally Sheridan, I'm pleased to be back on her turf. I want to salute the other Orange County mayors.

And I would single out once again my good friend Senator Seymour, who's out here some place. And let me just say this is supposedly nonpolitical, but I want to see him return to the United States Senate; let's get it right up front. While we're at it, if we are going to move the growth and opportunity agenda forward, we must select Bruce Herschensohn, and so permit me yet another partisan plug. Both of them have earned it, deserve it, being in the United States Senate. And we need their leadership and support.

Now, Todd Nicholson and everyone from the Industrial League, the Orange County Forum, the many leaders of the local chambers of commerce who helped with this event, my sincere gratitude to you. You had one week, and look at this, it's unbelievable. I'm glad to be here with so many businessmen and businesswomen. Forty years ago I did start a business and that made me, I think, have some sensitivity and understanding what it means to take risks, to meet a payroll, and to add to the productivity of this great country.

I'm proud to work with three solid, strong leaders, not only for Orange County but for this country. Two of them are here, and I'm talking about Members of the House. My dear friend ``B - 1" Bob Dornan is not here, regrettably, but he's a good friend, and he's a champion of American values. But Chris Cox is with us, and he embodies the entrepreneurial spirit here today, and he's pushing great new ideas like turbo-enterprise zones. I salute him. And Dana Rohrabacher I'm told is here -- I'm having a little trouble with the lights -- but anyway, he is a stalwart advocate of reform, too, fresh off his surfboard. [Laughter]

All three of these Congressmen -- the point I want to make is this: All three of them stood solidly with me in the fight to do what the American people want, to pass a balanced budget amendment to the Constitution. And we are not going to give up that fight. That will discipline the executive branch, and it will discipline the United States Congress. And it will facilitate the day when we can get done what the American people want and are properly demanding: the elimination of these deficits that are mortgaging the future of our children.

Today I want to talk about our Nation's transition into the post-cold-war era and what this means to a competitive economy. Three days ago I met there at the White House with Russia's freely elected President, Boris Yeltsin. It was indeed an historic meeting. We rejoiced at the new breeze of freedom that has swept the entire globe, scattering the last dust of that grim totalitarianism. And we spoke of the dreams that we share for our people, the American people, the people of Russia. It really was an extraordinary moment in history.

We stood next to each other in the Rose Garden and together announced the most sweeping nuclear arms cuts in history, reductions far deeper than we could have hoped for even 6 months ago. And in the process we will eliminate the most destabilizing weapons of all, those that terrify mankind the most, those multiple-warhead ICBM's. Russia will eliminate all 308 of those giant ICBM's, those SS - 18's which alone carry more than 3,000 warheads. Each one of those warheads aimed at the United States, each one of them is more than 10 times more powerful than the bomb dropped on Hiroshima. That means that you and I will no longer fear for our children and grandchildren the threat of nuclear war that plagued us all for 40 years.

I know people in Orange County love politics, but I wish you could have seen Boris Yeltsin at work with the crowds and the people and the waving. We took him out on the Truman Balcony just before he left. I said, ``I want you to see how a President spends some time," because we had the Presidential scholars out there on the lawn. No sooner do we get to the balcony and all of them were facing the other way. I really wanted him just to see the event. The next thing I know, he was waving so vigorously they all left the event, turned around, and came up, and he was greeting them like a long-lost brother. This guy really has a flair for public opinion, I'll tell you. But it says something. He was elected democratically. He came here as the first democratically elected leader of Russia, and the American people understood that and gave him a warm welcome.

But now with the cold war behind us, we have that freedom to focus more resources and more talent on the concerns that trouble us at home. And with the new partnership of peace we forged with Russia, we have the chance to expand trade, and that means then creating jobs and opportunities for Americans that will benefit both of our nations in the process.

While we look ahead to these exciting new horizons, there is one critical element that we must never forget: The cold war is over, but we still need a strong deterrent. Our requirements are changing, but the need will never disappear. Look at the threat posed by global instabilities, by terrorists, by renegade regimes looking to get control of sophisticated weapons. We must continue to invest in military R&D, and we will.

And in order to keep the peace, I make you this pledge: As long as I am President of the United States, I guarantee you that our country will remain the strongest country on the face of the Earth. We owe that to our children. Who knows where the next difficulties will crop up. And it's only the United States, only our country, that can lead for democracy and freedom.

The new challenges we face in the post-cold-war go beyond world security. There are still pioneer days ahead. At one point in the movie ``Awakenings,'' a fellow who's been asleep for decades finally wakes up and has the whole world in front of him. When his doctor asks him what he wants to do that day, his face breaks into a huge grin, and he shouts, ``Everything!'' That is the spirit that we need to call up right now, that purely American belief that America's future knows no limits.

I am tired of all the pessimists in this political year telling us what is wrong with the United States of America. I'm tired of it. The fact is we're entering a different economic world than the one we grew up in. William Jennings Bryan captured the bold spirit which will lead us to success when he said, ``Destiny is not a matter of chance; it's a matter of choice. It's not a thing to be waited for; it's a thing to be achieved.'' The world economy of the 21st century will be a new age of American competition in a fiercely challenging global marketplace. And we simply have to make some changes if we expect to compete.

First, we have to realize the intensified need for sophisticated, well-educated workers. The worldwide high-tech explosion will leave us behind unless we literally reinvent American education, make our schools the best in the world, to turn out the best prepared workers in this world. To do this, let's borrow a page from business. I want to bring competition into our schools through ideas like school choice. Parents should have the right to choose their children's schools. And beyond that, I'll use every resource I can to pave our way into the future.

Our national technology initiative brings Government officials together with private businesses to let them know what Government can offer in technology. This moves new discoveries out of the Federal laboratories into the marketplace to save existing jobs and create new jobs.

Today, for example, I'm announcing an important regulatory change that will help many companies with defense-related businesses make the transition to the post-cold-war era. One unnecessary obstacle has been what they call the recoupment fee or tax, if you will, that DOD charges on military and commercial products sold to customers other than the U.S. Government. These fees hurt American workers by making it more difficult for them to compete for business here and abroad. Given the historic changes we've seen during the last year, this burden is no longer justified. And today, I am directing my Secretary of Defense to take what actions he can to eliminate these fees.

I will continue fighting for American jobs by encouraging trade and opening markets abroad. You know how vital that is since America is the world's leading exporting nation. And California leads America, accounting for one of every 8 U.S. export dollars, one out of every 8 to California. Just last year, a 13-percent increase over 1990, this State exported over $50 billion in goods, creating jobs up and down this golden coast. I will keep pushing for the North American free trade agreement. And some say NAFTA will cost jobs, and they are dead wrong.

It will lower trade barriers, and it will establish one of the biggest and richest markets in the world with the potential of creating hundreds of thousands of jobs.

For the long term, Washington must have the courage to make hard choices. The Federal Government is too big, and it spends too much. It is time that the Congress woke up and listened to the American people. Most Americans believe as I do that the only way to discipline both the executive branch and the Congress is a constitutional amendment to balance the Federal budget. For years I've called for just such an amendment because to ensure long-term economic growth, we must get the Federal spending under control.

Now, I have a detailed plan before the Congress right now. It is up there. I brought along a copy just to show it to you. You might not have read much about it in this strange year out there. But the way it does it is the only way that the budget can be brought under control, and that is to control the growth of the mandatory programs. And it does it without raising taxes on the American people or on American business. Here it is in considerable detail. But we need, again, the discipline and the sense of urgency that the balanced budget amendment will bring. And while I'm at it, I would like to ask the American people this fall to give me what 43 Governors have, the line-item veto, and let the President have a shot at getting spending under control.

Nationally, our economy is recovering. Some good fundamentals are in place: low interest rates, low inflation, exports are strong. But in California, as everyone in this room knows, it is a challenging time. It's been a tough time. But you've risen to the challenge before. In particular, as the Defense Department downsizes, you face adapting from a military to a competitive civilian market. It's tough for companies and employees, but remember: Our Nation's economy is the most productive in the world. Together, we're going to use our strengths to bring back growth and opportunity right here to Orange County.

For 200 years, our prosperity has sprung from our ability to innovate, to create, to change as the world changes. And now is your time to shape your own identity in an evolving economy. That's the heart of what we call entrepreneurial capitalism, a heart that I still hear beating in Southern California. This area is like an R&D lab for the whole country.

All around us are marvelous examples of the technological transition from the cold war to the era of global economic competition. We will depend upon companies like many in Orange County who still develop and use technology that was begun for defense. I've seen examples here of some remarkably creative thinking. During the cold war, the military funded the development of many new manufacturing techniques. And now you're demonstrating astounding innovation by turning systems developed for national defense towards the commercial market, worldwide, I might add.

Right here, Hughes Aircraft is applying the military's global positioning satellite system to a new procedure controlling shipping traffic along our coastal waters. McDonnell Douglas, their SDIO-

funded Delta Clipper program will dramatically reduce the costs of reaching into orbit. This will ensure that we lead the world's commercial aerospace industry. Rockwell is developing ways of using SDI's high-tech offshoots to give us smart cars and smart freeways and breaking gridlock on our highways. Now, that's got to be good news for Southern California. To them I say: Hurry up.

The more closely we look at these companies, the more we understand why they're thriving. It's because they are able to adapt and they're at the cutting edge of the post-cold-war era, transforming this world into a productive peace. Defense conversion puts Orange County back in the business of job creation, a skill that you mastered in the eighties with the high-tech start-ups that made this area famous. And now you're redefining it for the nineties. Here, job creation doesn't mean job training. Your workers are already the most qualified in our labor force. What they need is opportunity. And if we give a budding entrepreneur a chance, he'll bring training, experience, and old-fashioned American hunger to his own business and create jobs for dozens, maybe even hundreds of fellow workers.

Venture capital regrettably has dried up. And so we must take action to get it flowing again. And so I am going to keep pushing Congress to slash the capital gains tax. They can call it a tax break for the rich, and I call it job opportunity for those that need jobs and need work. I'm going to keep pushing the Congress to make the research and experimentation tax credit permanent. As a Nation, this is how we must support our risk-takers, for their vision of today will be our future of tomorrow. We must bequeath to the next generation the legacies that define our future: strong families, good jobs, and world peace. As a Nation, we will chart a course to guide America into the new century where confidence and self-reliance produce greatness. I believe we're going to find that greatness.

I am delighted to be here. I appreciate this marvelous turnout and this warm welcome. Thank you all very much. And may God bless the United States of America. Thank you very much.

Be glad to take some questions out there.

Moderator. The President has graciously agreed to answer some of your questions for a few minutes. So what questions do you have?

The President. You've got to yell so I can hear you. Yes, ma'am?

Multilateral Trade Negotiations

Q. [Inaudible]

The President. The question is, how do we move forward the GATT, or what's the opportunity for it. As you know, the major stumbling block to a successful conclusion in the Uruguay round

has been agriculture. We have had difficulties with the EC, particularly on agriculture. We are pushing to get this done, certainly to get it all but done before I go to Munich for the G - 7 meetings.

This woman has put her finger on something that is vital, not just for the American economy but to Third World economies all over the world: the knocking down of these barriers. Because it is my belief that we can compete with anybody provided the playing field is level. So we're going to keep on. The stumbling block is agriculture. We still have some property rights differences. But I believe we'll get a deal.

The question is, how soon. We have pushed on it. We've had meetings recently with the EC ministers. I am now pressing for an EC ministerial before the Munich summit. I can't predict to you that GATT will be concluded before the G - 7 meeting in Munich, but I am hopeful that then or shortly thereafter we will finally conclude a GATT deal. It is in our interest. There's a lot of special interest in various categories that are going to fight whatever agreement we get, but no longer should we be a protected society. We want to be the most competitive and the most productive society, and the way to do that, I think, is to knock down the barriers to our trade and just watch us move.

And so, we'll keep pushing on it. You want to put this in terms of benefiting the Third World, incidentally, I can't think of any action that would help them more than freer and fairer trade. The best answer is not these ever-increasing aid programs but trade. And that's all tied up in GATT. So we'll keep working on it. And we keep plugging away on knocking down the agricultural barriers that really have been holding up the GATT.

Yes, sir.

Budget Rescissions

Q. [Inaudible]

The President. We've tried that on the rescission. And we've sent them up there. The Justice Department advises me that the President does not have the power that I wish he had. So I also have to be somewhat -- well, I have to be very diligent in safeguarding the Presidency. But I don't believe that that power exists, but if I can get an opinion from Justice, on whom I depend for these legal matters, to say, okay, it's all right on this particular piece of legislation for some reason, then I'd like to try it because I really believe the President should have it.

I am not told by our experts that that inherent power lies in the Presidency. I don't know that Bob Dole feels that it does, either. What I think he'd like to find is what I'd like to find, is a case to test it without doing violence to the protection of the office. So we're going to keep pushing.

In the meantime, though, we have tried the rescission route. What I'd like to see is a repeal of the impoundment bills that were put into effect in the seventies which really removes from the President the right to control spending. And I think we need that, particularly when we're operating at these big deficits. But that's the way I'm approaching it, and I hope like heck we can find a case to test this in the courts, one that my top attorney at Justice, Attorney General, says is okay to do.

Who's next? Yes, ma'am.

Federal Industrial Policy

Q. I just returned from a study trip to Japan and Singapore, and we met with some of the top officials of companies and also the government. In both cases the government really plays an active role in helping technology-based companies focus their R&D, focus their technology directions and, as a result, position Japan and Singapore to be very, very strong players in the technology-based business. It seems to be -- [inaudible] -- somewhat in the United States in terms of that policy. What are you going to do?

The President. We spend $90 billion in the United States in the Government level on research and development, $90 billion. What we don't do -- and you're correct, some of the Asian countries do do -- is target. I do not believe in what is known as industrial policy where the Government decides which businesses are winners and which businesses are losers. I don't believe in that.

I came out of a business background. I believe that the market should set these goals and targets, not the Government. But we do have an enormous bunch of research that will benefit certain industries. And that is correct because what we've done is use that in terms of Government service, and now what we're saying is let's open up this lab technology and let it spill forth into the private sector. So some industries will benefit, but I am going to stop short of an industrial policy. I am going to stop short of the targeting that, for example, MITI -- I think you're probably referring to the MITI minister, what those officials do in Japan. It has worked hardship on some of our businesses, but I don't think that makes the policy correct.

Capital Gains Tax

Q. I'd like to see a lower capital gains tax rate, not across the board, that would benefit speculators in real estate and stocks; I'd like to see a lower capital gains tax only on securities newly issued by companies, large or small, equity or debt. This would reduce their need for bank loans, allow them to raise capital at a more advantageous rate, expand facilities, employ more people, and compete better in the world marketplace.

The President. I can understand that, and I'd rather have that than nothing. But I'd rather have the

broader application to capital gains, and let me give you a good reason as it relates to Los Angeles. Peter Ueberroth is undertaking an assignment to try to bring private business into the heavily impacted urban areas. It is his belief, and I agree with him, that if we can get a broad elimination in these areas of capital gains that that would serve as a magnet to entrepreneurs to start new businesses.

So what you suggest may be the way that it evolves in the legislative process, but I would prefer to do what happened under the Steiger amendment in 1978, and that is have a broader across-the-board reduction of capital gains because I really believe that's what it's going to take to stimulate creation of new businesses. I understand your point, but I would much prefer to see it broader.

Russia and Yugoslavia

Q. Mr. President, when President Yeltsin was here, did you discuss with him the situation in Yugoslavia? Are there constructive acts that he can take to help that situation improve?

The President. We did discuss Yugoslavia at length. You may remember a boat trip out of Annapolis on the Severn that I took with him. That was billed as R&R, but I think it was probably the most fascinating session that I had with him in terms of a give-and-take on specific issues. I'll get to your question in a sec, but I just wanted to share with you what we were talking about out there because we started with what the French called a tour d'horizon, but we're talking about just a wide review of policies as it affects the new states in the former Soviet Union. It was fascinating hearing him discuss what's going to happen in Azerbaijan or Armenia or how they're going to treat the problems of Ukraine. It was just a marvelous experience, and I gave him the U.S. view on this thing.

We did talk about Yugoslavia. In answer to your question, I do not believe that the Soviets have any special role anymore. There was a time when Yugoslavia, and I think that's what you're referring to, really was almost a satellite to some degree, less so than some of Eastern Europe, but a satellite of the Soviet Union. That has been dissipated now, and Russia doesn't want the responsibility to deliver the Serbs, for example.

I think the role for them is in the United Nations. I think the role for Russia is as a veto-holding member of the United Nations family to go along with the common objectives of getting a cease-fire, of having the U.N. keep the peace, of helping with humanitarian aid which we simply have got to do. But I don't see them having a special assignment, although in fairness, he did say that they would like to be helpful. But I don't think that their history gives them, he doesn't feel, the special leverage that we might think just looking back a year or two.

Aid to Russia

Q. Mr. President, what is your personal assessment of what is going on in Russia right now?

We've heard a lot about the hardships there, and it seems that they are having a hard time. And, secondly, is the United States going to give Russia the support it needs to get its act together?

The President. What is going on there right now is indeed a manifestation of hardship. Yeltsin, I am convinced, really believes in democracy. I am convinced of that. It wasn't just the courage that he showed standing on the tank to put down the coup, but it was more than that. He has now put into effect some changes that really, really adversely impacts for the short run the lives of many of the people in Russia.

And so they're going through extraordinarily tough times. He warns things can get more difficult, things can get tougher. He is absolutely convinced that the path for prosperity lies through these fundamental reforms that lead to the convertibility of the ruble, for example; that leads to fairer trade; that invites investment in partnership. Therein lies tremendous potential for the United States, jobs and investment from America. Jobs in American investment and investment from America, it's there when you look at the tremendous potential of Russia.

But it is my view that we must not miss this opportunity to help them. We have spent trillions of dollars standing up against the Communist menace, and it was proper that we do that. We are now the undisputed leader of the world because we did it, and Russia is free and democratic, going through some of the darndest democratic gymnastics you've ever seen, challenging each other and fighting each other in the congress. Yeltsin's got problems worse than I do with the Congress. I mean, this guy's got real problems over there. But we want to help them. We want to pass the ``FREEDOM Support Act'' which unloosens tremendous amounts of money from the IFI's, international financial institutions, particularly the IMF and the World Bank. The U.S. contribution in cash is substantial but not all that substantial; it's in the hundreds of millions, not in the billions. But we are trying to get an increased quota for the IMF through our Congress. I am committed to the ``FREEDOM Support Act,'' and I am challenging the Congress to move on this as an insurance policy for the people of the United States.

And yes, the demands are tough at home. A lot of people don't understand it, but once in a while a President has to be out front for what is right. I don't want to have on my conscience missing this chance to solidify the democratic experience, the move to a market economy. So I'm urging the Congress to move, hopefully as expeditiously as next week, to support the ``FREEDOM Support Act'' because I believe it's in our interest. This isn't in the interest just of Russia. I've got to see what's in the best interest of the United States of America. I believe that if we go forward with the ``FREEDOM Support Act'' we will be doing just that, doing what's best for our country and for the generations to come, not just in peace and prosperity and democracy but in markets and in opportunity, investment opportunity.

Job Opportunities for Youth

Q. Mr. President, do you believe that starting a major program of work projects to put youth to

work would be a good idea at this time?

The President. We think that we've designed a good program. I will sign soon legislation across the country to add to the summer job program $500 million. I believe that what we've done in terms of helping the cities and through our SBA and FEMA response to what happened in Los Angeles, coupled with our what is called a ``Weed and Seed'' initiative, weed out the criminals and then seed the urban areas with enterprise, is the approach we ought to take.

I would stop short of yet a new federally run bureaucracy to create jobs outside of the private sector. I really believe that jobs with dignity in the private sector is not only help short-run but is a longer run answer to the problems, whereas the Government programs start off well-intentioned and sometimes have pretty good short-run effects, but in the long run do not provide the kind of jobs that good job training and entrepreneurship and capital gains, bringing people to the cities, can provide. And so I am not in favor of a broad Government program, although I am strongly supporting aid that I have mentioned for the cities largely in terms of the summer job program.

Well, here's the last one, and then I promise to go peacefully and let you all eat or leave or whatever is next for you. I heard you were having broccoli, so I'm out of here. [Laughter] Now, what's next?

Racial Harmony

Q. Mr. President, Bob Johnson, from Washington, DC. What's your message to black and white Americans to help bring about racial harmony?

The President. That's a good question, Bob, and the answer is that the President must speak out at every opportunity, whether it relates to problems in the cities or whether it relates to the country in general, for racial harmony against discrimination of any kind. In addition to that, I point with considerable pride to legislation that some consider controversial.

I stood up against a civil rights bill that I felt would result in quotas. I don't believe in quotas. We passed a civil rights bill that I can say does not result in quotas and takes a step towards the elimination of discrimination in the workplace. We passed under our administration the ADA, which deals with people with disabilities. That is forward-looking legislation.

My point is, I'm not sure that more legislation is required. I do think more brotherhood is required; more compassion is required. I have tried very hard as President to speak out against discrimination, and I will continue to do so because we are one Nation. We're one Nation under God, and we ought never to forget it.

Thank you all very, very much. We're out of here.

Note: The President spoke at 12:26 p.m. at the Hyatt Regency Irvine. In his remarks, he referred to Reed Royalty and Todd Nicholson, president and executive director of the league, and Peter Ueberroth, chairman of the Rebuild L.A. Committee.

Statement on Signing the Los Padres Condor Range and River Protection Act

June 19, 1992

I am pleased to sign into law H.R. 2556, the ``Los Padres Condor Range and River Protection Act." This Act designates seven new wilderness areas, encompassing 400,450 acres, within the Los Padres National Forest in California as components of the National Wilderness Preservation System, more than doubling the wilderness acreage set aside within the Los Padres National Forest. The Act also designates segments of three rivers within the National Forest, totaling 84 miles, as components of the National Wild and Scenic Rivers System.

By signing this bill into law, we further the protection of unique and sensitive lands within the National Forest System. Our action here today is important for several reasons:

-- Much of this area includes habitat for the nearly extinct California condor and preservation of this habitat is critical to condor recovery efforts.

-- Nearly half of the Los Padres National Forest is now designated for permanent protection under the Wilderness Act, one of the highest percentages of any national forest in the country.

-- It increases by 10 percent the amount of national forest lands in California that are protected under the Wilderness Act.

-- It protects segments of Sespe Creek and the Sisquoc and Big Sur Rivers as wild, free-flowing rivers under the Wild and Scenic Rivers System.

-- It provides for wild and scenic river studies on an additional 110 miles of rivers within the National Forest boundary, a few of the only free-flowing streams left in southern California.

Wilderness designation of these areas means that they will be managed to preserve their unique and natural character. By signing this bill into law, we enhance the diversity and beauty of the Nation's lands set aside for the enjoyment of both present and future generations of Americans as part of the National Wilderness Preservation and the National Wild and Scenic Rivers Systems.

As President I remain deeply committed to preserving our valuable natural resources. Since 1989, my budgets have doubled funding for parks, wildlife, and outdoor recreation and have tripled funds to States under the Land and Water Conservation Fund. Moreover, the length of rivers designated as wild and scenic has increased from 868 to 9,463 miles over the past 20 years. Finally, since 1982, the amount of lands protected as part of the National Wilderness

Preservation System has averaged in excess of 1.5 million acres per year.

George Bush

The White House,

June 19, 1992.

Note: H.R. 2556, approved June 19, was assigned Public Law No. 102 - 301.

Message to the Senate Transmitting a Protocol to the Strategic Arms Reduction Treaty

June 19, 1992

To the Senate of the United States:

I am transmitting herewith, for the advice and consent of the Senate to ratification, the Protocol to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms (the Protocol) signed at Lisbon, Portugal, on May 23, 1992. The Protocol is an integral part of the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms (the START Treaty), which I transmitted for the advice and consent of the Senate to ratification on November 25, 1991. The Protocol is designed to enable implementation of the START Treaty in the new international situation following the dissolution of the Soviet Union. The Protocol constitutes an amendment to the START Treaty, and I therefore request that it be considered along with the START Treaty for advice and consent to ratification.

I also transmit for the information of the Senate documents that are associated with, but not integral parts of, the Protocol or the START Treaty. These documents are letters containing legally binding commitments from the heads of state of the Republic of Byelarus, the Republic of Kazakhstan, and Ukraine concerning the removal of nuclear weapons and strategic offensive arms from their territories. Although not submitted for the advice and consent of the Senate to ratification, these documents are relevant to the consideration of the START Treaty by the Senate. No new U.S. security assurance or guarantees -- beyond the assurances previously extended to all nonnuclear-weapon States Parties to the Non-Proliferation Treaty -- are associated with any of these letters.

The START Treaty represents a nearly decade-long effort by the United States and the former Soviet Union to address the nature and magnitude of the threat that strategic nuclear weapons pose to both countries and to the world in general. As I indicated in transmitting that Treaty to the Senate, the United States had several objectives in the START negotiations. First, we consistently held the view that the START Treaty must enhance stability in times of crisis. Second, we sought an agreement that did not simply limit strategic arms, but that reduced them significantly below current levels. Third, we sought a treaty that would allow equality of U.S. strategic forces relative to those of the former Soviet Union. Fourth, we sought an agreement that would be effectively verifiable. And, finally, the United States placed great emphasis during the negotiations in seeking an agreement that would be supported by the American and allied publics.

I was fully convinced in 1991 and I remain fully convinced that the START Treaty achieves

these objectives. In addition, the Protocol transmitted herewith has allowed us to achieve another important objective: ensuring that only one state emerging from the former Soviet Union will have nuclear weapons. To gain the benefits of START in the new international situation following the demise of the Soviet Union, it is necessary that Byelarus, Kazakhstan, Russia, and Ukraine -- the four former Soviet republics within whose territory all strategic offensive arms are based and all declared START-related facilities are located -- be legally bound by the START Treaty. The Protocol accomplishes this, while recognizing the sovereign and independent status of each of these four states.

Of equal importance, the Protocol obligates Byelarus, Kazakhstan, and Ukraine to adhere to the Nuclear Non-Proliferation Treaty as nonnuclear-weapon States Parties in the shortest possible time. In addition, the letters transmitted with the Protocol legally obligate these three states to eliminate all nuclear weapons and all strategic offensive arms located on their territories within 7 years following the date of entry into force of the START Treaty. The Protocol and the associated letters thus further one of our most fundamental non-proliferation objectives -- that the number of nuclear-weapon states shall not be increased. Together with the START Treaty, the Protocol helps ensure that nuclear weapons will not be used in the future.

The START Treaty serves the interest of the United States and represents an important step in the stabilization of the strategic nuclear balance. With the addition of the Protocol, the START Treaty can be implemented in a manner consistent with the changed political circumstances following the demise of the Soviet Union and in a manner that achieves important non-proliferation goals. I therefore urge the Senate to give prompt and favorable consideration to the START Treaty, including its Annexes, Protocols, Memorandum of Understanding, and this new Protocol, and to give advice and consent to its ratification.

George Bush

The White House

June 19, 1992.

Nomination of William Harrison Courtney To Be United States Ambassador to Kazakhstan

June 19, 1992

The President today announced his intention to nominate William Harrison Courtney, of West Virginia, to be Ambassador of the United States of America to Kazakhstan. This is a new position.

Dr. Courtney currently serves as the Charge d'Affaires in Kazakhstan. Prior to this he was Deputy United States Negotiator for the U.S.-Soviet Defense and Space Talks, United States Mission in Geneva, Switzerland. Dr. Courtney was Deputy Executive Secretary for the National Security Council, 1987. From 1984 to 1986, he was Special Assistant to the Under Secretary of State for Political Affairs at the Department of State, and Deputy Director of the Office of Strategic Nuclear Policy in the Bureau of Politico-Military Affairs, 1983 - 84.

Dr. Courtney graduated from West Virginia University (B.A., 1966) and Brown University (Ph.D., 1980). He was born July 18, 1944, in Baltimore, MD. He is married and has two children.

Nomination of Patricia Diaz Dennis To Be an Assistant Secretary of State

June 19, 1992

The President today announced his intention to nominate Patricia Diaz Dennis, of Virginia, to be Assistant Secretary of State for Human Rights and Humanitarian Affairs. She would succeed Richard Schifter.

Since 1991 Ms. Dennis has served as vice president for Government affairs for Sprint in Washington, DC. She has served as partner and chair of the communications section of the law firm of Jones, Day, Reavis & Pogue, 1989 - 91. From 1986 to 1989, she served as Commissioner of the Federal Communications Commission. She also served on the National Labor Relations Board from 1983 to 1986. Prior to that appointment Ms. Dennis served as an attorney with the American Broadcasting Company in Hollywood, CA, 1978 - 83.

Ms. Dennis graduated from the University of California in Los Angeles (A.B., 1970) and Loyola University of Los Angeles School of Law (J.D., 1973). She was born October 2, 1946, in Santa Rita, NM. Ms. Dennis is married, has three children, and resides in McLean, VA.

Appointment of Edward J. Melanson, Jr., for the Personal Rank of Ambassador While Serving as Chief Negotiator for Defense and Space

June 19, 1992

The President today announced his intention to appoint Edward J. Melanson, Jr., of Virginia, to be accorded the personal rank of Ambassador in his capacity as Chief Negotiator for Defense and Space.

Since 1991 Mr. Melanson has served as Deputy Negotiator for Defense and Space for the U.S. Delegation to the Nuclear and Space Arms Negotiations in Geneva, Switzerland. From 1989 to 1991, he served as Assistant for National Security in the Office of Presidential Personnel at the White House. Mr. Melanson served as senior defense adviser for the United States Delegation for the Nuclear and Space Arms Negotiations with the Soviet Union in Geneva, 1985 - 88. He served at the Department of Defense as Assistant for International Space Policy, 1982 - 85; Assistant for International Intelligence Policy, 1979 - 82; Defense Representative to the U.S. - U.S.S.R. Anti-Satellite Negotiations, 1978 - 79; and Assistant for International Negotiations Policy, 1975 - 78.

Mr. Melanson graduated from Tufts University (B.A., 1967) and George Washington University (M.S., 1972). He served in the U.S. Navy, 1957 - 88. He was born December 14, 1935, in Stoneham, MA. Mr. Melanson is married, has two children, and resides in Springfield, VA.

Nomination of John Stern Wolf To Be United States Ambassador to Malaysia

June 19, 1992

The President today announced his intention to nominate John Stern Wolf, of Maryland, a Minister-Counselor in the Senior Foreign Service, to be Ambassador of the United States of America to Malaysia. He would succeed Paul Matthews Cleveland.

Since 1989 Mr. Wolf has served as Principal Deputy Assistant Secretary of State for International Organization Affairs at the Department of State. He has also served at the Department of State as executive assistant to the Under Secretary of State for Political Affairs, 1988 - 89; and as Office Director of Regional and Multilateral Force and Observers Affairs in the Bureau of Near Eastern and South Asian Affairs, 1987 - 88. Mr. Wolf has also served as Political Counselor at the American Embassy in Islamabad, Pakistan, 1984 - 87; special assistant to the Under Secretary of State for Science and Technology at the State Department, 1981 - 84; and financial economist in the Bureau of Economic and Business Affairs, 1979 - 81.

Mr. Wolf graduated from Dartmouth College (B.A., 1970) and Princeton University Woodrow Wilson School (mid-career fellow, 1978 - 79). He was born September 12, 1948, in Philadelphia, PA. Mr. Wolf is married, has two children, and resides in Bethesda, MD.

Remarks to the Howard Jarvis Taxpayers Association in Universal City, California

June 20, 1992

Thank you very much. And Pete, thank you, Governor Wilson, for that introduction. And let me just say at the outset of these remarks how much I respect Pete Wilson. Here he is, with the economy obviously not doing well in California, but taking a tremendously courageous position, trying to whip that legislature in line and saying the way to solve our fiscal problems is by getting spending down, not taxes up. And we all deserve a big vote of thanks for him.

Let me also extend a thank you to our host -- he and the directors and others here -- but to our host today, Joel Fox, who is the president of the Howard Jarvis Taxpayers Association. If you want a good leader, get a strong man, get somebody in there that's going to take the positions he did and has taken. We respect him, and I thank him for this morning's hospitality.

And to each and every one of you, I apologize for being a little late. The weather got us, and we've been orbiting around out there. We've just landed, but we landed in an alternative air zone.

May I congratulate, on his primary win, one who really stands with you on principle, Bruce Herschensohn, who will make a great United States Senator. Speaking of Bruce and what he stands for, I will simply say it's a shame that I don't have time to tour the Universal Studio. But if I want to see behind-the-scenes tricks or outrageous fantasy, I don't have to visit Hollywood -- [laughter] -- I can watch the Congress try to deal with the budget of the United States of America.

And may I say, on a very sincere personal note, what a pleasure it is to see Estelle Jarvis. It's a special privilege to be with you and the members of the association. And Estelle, your late husband really was a true pioneer. In the Utah mining town where he grew up, he learned from his parents to love freedom, to take on responsibility, to dream dreams as big as the desert horizon. His political credo was simple and yet profound. He said, ``Our freedom depends on four words: Government must be limited."

Here in California 14 years ago, Howard Jarvis won that famous victory, obviously assisted and helped by everybody here, that tax limitation plan called Proposition 13. He fired the first shot in what later became known as the Reagan revolution. And we're still feeling the reverberations today as we fight to expand freedom and hold back unnecessary burdens of Government. And it couldn't be more fitting that we meet this week, as Joel pointed out, just 2 days after the historic United States Supreme Court decision upholding Proposition 13. This was another tremendous victory for the rights of the taxpayer and the legacy of the late, great Howard Jarvis.

Our revolution isn't the work of a single Presidency; it's the mission for a whole generation of reform. Since President Reagan and I went to Washington in 1981, tax rates have been cut across the board. We made them flatter; we made them fairer. We've cut the top rate from 70 percent to 31 percent. We've raised the standard deduction. We've taken millions of low-to-moderate-income people off the tax rolls altogether. And we've made landmark reforms to get big Government regulation off the backs of our families and our businesses.

But we have much more to do. With the tax-and-spend liberals still in charge of the Congress, Government keeps growing. And Congress now spends nearly a quarter of what people in this country work to produce; that's right, almost 25 percent of the gross domestic product of the United States of America. The habit of deficit spending has brought us to the point that the national debt now equals about $65,000 for every family of four in the United States of America. And that is a mortgage on our kids' future. And it says we're not really as free a society as we should be. And why? Because Government is just too big, and it spends too much.

Again and again and again, the liberals in Congress have said no to spending reform. And it's no wonder that Americans keep clamoring for stricter limits on the power and the cost of Government. From coast to coast, people are mobilizing for change. The air is crackling with the feeling that Howard Jarvis made his battle cry: I am mad as hell.

Maybe you're like millions of other Americans. You shop at K-Mart. You go to Carl's Jr. You work to get your kids through school and pay off a mortgage. And you know it's not only your right, it is your duty to your family to fight high taxes and Government waste. And when liberal elitists ridicule you and say we have social problems because of you, because you're greedy, well, naturally, you stand up and fight back.

Our fighting spirit has brought us to a turning point. We're on the threshold of something big. And already we're rolling back needless restrictions on innovation and job creation through my moratorium on new Federal regulations. Here's a small but symbolic example: A construction project, oddly enough an expansion -- it's quite ironic here -- an expansion of a homeless shelter, was being delayed by the bureaucracy because it was counter to a rule regarding wetlands. But what no one quite could understand was that this project was on a developed downtown city block, totally surrounded by concrete and pavement. Something was all wet all right, but it certainly wasn't the building site. The project is now underway. We're going to keep it up. For businesses, for charities, for homeowners, we're getting unreasonable regulation off of their backs. And I am pledged to continue that program of regulatory relief.

And I'm pushing hard to reform our civil justice system. We are simply suing each other too much and caring for each other too little. Americans want to stop nuisance lawsuits. Someone asked me the other day, if an apple a day keeps the doctor away, what works for lawyers? [Laughter] Let me add, parenthetically, I will continue to appoint well-qualified judges to our Federal courts, including the Supreme Court, who will interpret our Constitution and not

legislate from the Federal Bench.

And I'm committed as strongly as ever to win more tax relief and reform. We need to lift the dead weight that punishes homeowners and prevents more investment and job creation, those sky-high taxes on capital gains. Get people back to work in this country. Frankly, I wish Congress would move on our other growth incentives. We need to enact another proposal to ease tax burdens on families and homeowners, like a $5,000 tax credit for that first-time homebuyer. I want those young families to participate in the American dream by owning their own homes.

As you may know, we are fighting for fundamental change in our education and welfare systems. It's time for parents to have the freedom to choose their kids' schools, public, private, and religious. That's how we'll give parents the muscle to change our schools and make them the best in the entire world.

And here, with Pete Wilson sitting here, we're preaching to the choir a little bit. But right now we have a welfare system designed by the liberal politicians and these social theorists. It's a burden on taxpayers, but that's not the worst of it. That's not my major concern, even. Much of the time, this system hurts the very people that it claims to help. The system discourages single mothers from getting married. It leaves too many young women and children without the stability of a home, two-parent home. And let's face it, the welfare state system traps too many people in a cycle of dependency, destroying dignity, telling the little guy who wants to pick himself up that he really doesn't have much of a chance. And I am determined to change that.

I'm working to transform this failed welfare system into something that makes sense, something that gives people a shot at dignity. Right now, I'm working with tough-minded, creative Governors like Pete Wilson, like Tommy Thompson -- some of you may have read about his reforms, the Governor of Wisconsin -- to give them flexibility under the Federal laws to try out new ideas and to turn around their State welfare programs. And with Governors in all 50 States like Pete and Tommy, we'd soon be making major progress fostering dignity and the rewards of work. We'll make more headway in connecting welfare with requirements for work, training, education. We'll get more deadbeat dads to pay the child support they owe. And we'd help a lot more families come together and stay together.

My proposal -- another area -- for health insurance reform is a model of the new way of thinking about social programs. You probably haven't heard much about it. It's before the Congress now. The liberal Democrats that hold control of Congress are too busy beating the drum for that stale idea of a Ted Kennedy-style system of nationalized health care. And I am going to veto anything that makes socialized medicine for America. We are not going to have that.

The plan I have makes good sense. It would help working people and needy people with vouchers and tax credits. It would provide access to insurance, make that available to everybody. And it would provide Americans like yourselves with quality care, care you can afford, while

wringing out the excesses and the waste. That's because it uses old-fashioned American ideas: free markets and choice.

In the long run, reforming education and welfare could make a major contribution to increasing productivity and solving fiscal crisis. And health care reform can make a major contribution to improving and, put it this way, to getting rid of the worry that so many American families have. And we can make these reforms without raising taxes and without piling new burdens onto State and local taxpayers.

Hand-in-hand with these reforms goes the crusade to enforce fiscal discipline. This is absolutely essential to make these reforms work. Our burden of debt and uncontrolled spending results from almost four decades of liberal Democratic control of the United States House of Representatives. Time and again, Ronald Reagan and I have pushed for popular reforms. And I believe the American people want the President to have in law what 43 Governors have, that line-item veto. And I believe and I know the American people believe the only way to discipline both the Congress and the executive branch is through a constitutional amendment to balance the budget.

I hope you followed that debate. If you did, you'll know that standing in our way is the liberal hardcore of the Democratic Congress, barely more than one-third of the membership. Read the rollcall. Just take a look at it. Go back and look at the papers and read the rollcall from last week's vote in the House on the balanced budget amendment, and you'll see who I'm talking about. And pay attention to the Democrats who belong in a special Hall of Shame. I'm talking here about the 12 Democrats, two from California, who listed themselves as sponsors, as sponsors of the balanced budget amendment. They did that to look good and talk good to the people back home. And then these 12 switched sides and voted to kill the very amendment that they had sponsored. They did that to curry favor with those liberal party bosses that control the House of Representatives, and we'd better change that in this election coming up in the fall.

We know better than to expect these people to discipline themselves. This is the same crowd we've seen for decades, in charge, unchallenged, and out of control. Let me remind you: For the last 30 years, make that 35, I think, the Democrats have controlled the House of Representatives. For 24 out of the last 30 years, they've controlled the United States Senate. And the Congress appropriates -- and people forget this, but let me say it -- the Congress appropriates every single dime and tells the President how to spend every single dime.

Unlike one of my opponents for President, I don't believe the only way to confront a massive deficit is with a ``massive tax increase,'' and that's in quotes because that's what he said. I know we can do it without raising taxes, and I have a detailed plan. This isn't just election year rhetoric. We have a detailed plan sitting up there before the United States Congress right now. It controls the growth of mandatory programs. It doesn't cut them; it permits the growth in inflation and in population. Doesn't touch Social Security. It doesn't raise taxes. And here it is.

So when the election rolls around, let's get some of these people who are saying they're going to change things to talk some specifics and to say how it's going to be done. Here it is. And we need again, though, the discipline and the sense of urgency that that balanced budget amendment will bring. And while I'm at it, I'd like the President to again have what 43 Governors have, let me repeat it, the line-item veto.

It is time for change. Somebody says, ``You're for enterprise zones for the cities. That's not a new idea." I said, ``Yes, it is; it has never been tried." And isn't it better to try something new, try what hasn't been tried: a Republican House, a Republican Senate, a Republican Congress. That has not been tried in 35 years, and it's time to make that kind of significant change.

In my introduction by our wonderful Governor and my friend, Pete mentioned something about international affairs. You listen to this debate for who should be President, and you might think foreign affairs don't exist, that we aren't really the only undisputed leader of the world today, which we are. So before I finish, I want to say a word about the summit meeting that Boris Yeltsin and I just completed in Washington, where we reached historic agreements for peace and for security. Thousands of visitors joined Barbara and me on the White House lawn to welcome the first democratically elected President of Russia. And I just wish, really, that each one of you could have been there with us to share in that very special moment. That's because it is patriotic people like you who helped make that moment possible.

Now the Russian people can worship freely. They can compete in free markets. They can choose their own government. And our children, our precious kids and grandkids, will no longer live in that same shadow of nuclear war that has haunted us for 40 years. And that is big, and that is important. And your support made that possible. And today, ordinary Russians thank God that ordinary Americans stood fast against the Communist dictatorship that threatened us and oppressed them.

I think what this shows is that if you have the will, the perseverance, there's always a chance to make a difference. Howard Jarvis spent 16 years fighting for tax limitation. He was 76 years old when at last he won, when he shook the establishment of this entire country. I've highlighted for you important proposals for the future, with a new Congress: Revolutionize our schools; put parents and kids ahead of bureaucrats. Reform our system of health care. Overhaul the welfare system; give needy people opportunity instead of dependency. Adopt a balanced budget amendment. And hold the line against excessive spending, taxes, and regulation. With a new Congress that shares our values, we can use the next 4 years to set our country on the right track for the next 40 years. And with your help, I know we can.

Thank you all very, very much, and may God bless the United States of America. Thank you all.

Note: The President spoke at 9:30 a.m. at the Universal City Hilton.

Remarks at the Texas State Republican Convention in Dallas, Texas

June 20, 1992

The President. Thank you so much for that warm welcome. Let me quickly say hello to a few of our dais guests: our elected officials Kay Bailey Hutchison and Rick Perry, doing a superb job for our State. May I salute the great Mayor of Dallas, Steve Bartlett, who served so well in Washington and now serving this city with such distinction.

And now, on to the political types like you and me: Ernie Angelo and Penny Butler, the Texas GOP National Committee members; Fred Meyer, our great chairman of this Texas State GOP. I want to thank Beverly Kaufman and all the women, all the members of the Texas Federation who came to meet me and who are doing a great job for us; single out our Bush-Quayle team, Jim Oberwetter, Barbara Patton; and of course, Rob Mosbacher, the chairman of Texas Victory '92. We have a great Republican congressional delegation from Texas, and I'm pleased so many members of that Texas congressional delegation could attend. I wish we had more like them in Washington, DC.

And last but not least, I'd like to single out the master of ceremonies with whom I served so closely in Washington as we battled to get some things past the Congress, as we stood up against many things that the Congress were trying to ram down the throats of the people, and I'm talking about Fred McClure, the emcee, my great friend and yours. Thank you, Fred.

Now, let me just say at the beginning I have never felt as strongly as I do now: I am proud to be a Texan. Barbara and I raised our kids here. From 1948 on, we voted in every Presidential election here. I coached Little League here, built my business here, worked in the party here. My Presidential library will be here. My campaign started here. And when my work is over, I'll come back here. So it's great to be home. There is no place like Texas.

November 3d is but a few months away. And yes, the going's been rough for our country, but we're turning the corner. And I'll let the world in on a secret that you already know: I finish what I start. To finish the job the American people asked me to do, I need your help, Texas. Give me 4 more years as your leader, and let's get the job done.

Audience members. Four more years! Four more years! Four more years!

The President. A strange political year, yes. But snappy answers and glib talk will not get the job done. Let somebody else become the darling of the talking heads on television; I'm going to keep on fighting to get something done for this country. You wait until August, and we'll roll up our sleeves and get in that campaign mode. But there's too much at stake for America to forget

about trust and judgment and values; too much at stake, as we say here, to buy a pig in a poke. And you can count on this: We will win in November. And I am convinced we are going to carry Texas, and we are going to win going away.

Just the the last 4 years, the world that we have known for the last 40 years has changed. And by our willingness to stand up for freedom and stand against aggression and fight for what's right, we changed the world. And our mission for the next 4 years is to shape our new world, not just abroad but right here at home. It's a big job to set the course for the next 40 years, and it means solving big problems with a level head, with tolerance and good judgment. Being President is a demanding job, and a President must be temperamentally suited for the job. I have been tested by fire, and I am the right man for that job.

You and I understand America and her problems, and we understand where we must go. And we all want families strong and united, good schools, safe neighborhoods, job-creating economy, and a world at peace. Since becoming your President, I have been to all 50 States in the country. I have felt the heartbeat of America. I felt it up close -- farmers and ranchers and cities and city kids and teachers and truck drivers. I know the American people, and they are with us, but they're angry. They're angry at big Government, small results, and big excuses. And they are right: Government is too big, and it spends too much. And we've got to change that.

This election must be a referendum on some big ideas. And one of them is that Government works right without raising taxes. Unlike one of my opponents, I do not believe that the only way to ever balance the budget is, quote, a massive tax increase, unquote. The American people know that I proposed an amendment to balance the budget. They know I fought for it, the only Presidential candidate to support it. That's why in the fall, they will be with us. You send us more Congressmen from Texas who will do what the people want. And the people want a balanced budget amendment to the Constitution of the United States. And by the way, while you're still standing, the American people know that the President should have what 43 Governors have to control spending. They know I fought for it, and they will be with us. America wants the line-item veto. [Applause] Thank you.

Now, the taxpayers know how the budget gets busted. It's an arrogant, permanent, liberal, Democratic-controlled Congress, unaccountable to the people. The American people are with us, and it is time to limit the term for Members of Congress.

You and I know each other. And throughout my life in Texas you've seen me close up. When I sent our sons and daughters into battle in Panama and in Desert Storm, Texans anguished with me and overwhelmingly supported me. And when I agreed to pay a painful price for a spending controls deal on the budget, Lord knows you argued with me. And when I said I will not eat broccoli, every kid in Texas said, ``Yes!'' But through it all, you knew I wouldn't break with those Texas values that we hold most dear: freedom and faith, honor and decency, and, most of all, family.

History will record this: American leadership changed the world. Panama is a democratic country. Its democratically elected leaders, once beaten by those ``dignity battalions,'' are now back in office, and its narco-trafficking dictator in jail where he belongs. And Eastern Europe is free. Germany is united. Imperial communism is dead and buried. And just this week, Boris Yeltsin and I stood in the Rose Garden to announce the most sweeping nuclear arms cuts in history, eliminating those enormous multiwarheaded ICBM's that have threatened the world. That is something big. That is something spectacular. Dreams come true for America. And these kids here will sleep at night without the same fear of nuclear war. I am proud of that record, and I will take that record to the American people.

But let me warn you, let me just put out this one word of warning. For all the great triumphs that freedom has made, the world still remains a dangerous place. That's why a big idea in this campaign is defending America's interests abroad. And the best way to keep America safe is to keep America strong. The Soviet bear might now be a creature of the past, but there are still plenty of wolves out there, and you know who they are. But as our actions in the Gulf proved, we will defend our interests. We will keep the wolves at bay. And we will never let aggression stand.

Yes, our successes abroad have laid the foundation for stepping up our attack on these domestic problems. And as I work to correct what's wrong, I will always remember: The people don't work for the Government; the Government works for the people.

No, to set things on a track right here at home we must start with a moral, even a spiritual revival across this country, particularly when it comes to instilling values in our kids. So here's another big idea. Fads may come and go, but in the Bush administration the family will always be in fashion. And that's how we put first things first. Families united, fathers and mothers staying together in spite of tough times because they love their kids and want them to grow up whole and strong. It all begins with the family. And we must find ways to strengthen the American family. The Commission I appointed will do just that. And all of us should make suggestions that will help.

You know, some of the ideas that I've put forth for changing America unnerved those who cling to the old thinking of the status quo. Not everyone is ready for new ideas, so it's going to take some time. And 4 years just haven't been enough to finish our mission. Some people say, why can't you bring the same kind of purpose and success to the domestic scene as you did in Desert Shield and Desert Storm? And the answer is: I didn't have to get permission from some old goat in the United States Congress to kick Saddam Hussein out of Kuwait. That's the reason.

Audience members. Four more years! Four more years! Four more years!

The President. Let me just add a word about that. Let me add a word about that decision. It is just plain irresponsible and out of touch with reality to suggest that a President should take a poll

and get a tax increase before he leads the world against aggression. What the people want from their leaders is leadership, and that's exactly what the American people got in Desert Storm. I don't need to take a poll to know what's right when it comes to standing up against aggression. So you can write that one down, some of these opponents out there.

And would I like to see our domestic agenda off and running? You bet. And I understand the frustration that's out there, the same as you: family values under siege, second-rate schools, too much violence on too many streets. An old-thinking Congress can't get the job done. And for 35 -- now, listen to this statistic -- for 35 out of the last 35 years the Democrats, the liberal Democrats, have controlled the House of Representatives. And what do the people see as a result? A crooked post office and a lot of bounced checks. Let's change that. Let us change that. We must break this gridlock and recapture the trust of the American people. And the way to do that is Republican control of the House, Republican control of the Senate. You give me a Congress like that, and you watch this country move again.

Go, Aggies.

There's a right way and there's wrong way to set a new course. And the wrong way is to give up when things get tough, pick up your marbles and go home. And I will not give up on America, not now, not ever. We are going to get the job done. There has been too much pessimism, too many people trying to get elected by saying how bad things are, too many gloomy TV news stories about what's wrong with America. It is my view that America will always be a rising nation. And we can and we will make this country better. I am an optimist about the United States of America.

After a tough, tough recession, a tough recession where many families have been hurt, confidence is returning. Confidence is beginning to come back, to return to our economy. Some good fundamentals are in place: low interest rates, low inflation, stronger growth in the first quarter. The United States is still the largest, the most productive economy in the entire world, and don't ever forget that. The biggest mission, the biggest idea of this campaign is to accelerate economic growth to create hope and opportunity for everyone. And with our exports still climbing, there's solid proof that Americans can outcompete anyone, anytime, anywhere in the world.

Look right down a Texas road for examples: Texas beef on the market in Japan, Texas cotton to Europe, Texas oil and gas technology in demand everywhere. And I am going to fight to keep that technology state-of-the-art and to help keep our independent oil and gas producers competitive. I will keep pushing for a revised alternative minimum tax. And I'll keep pushing for cleaner fuels like natural gas. And I'll keep pushing to reduce our dangerous dependence on foreign oil, not by conservation alone, which is important, but by opening projects for domestic production like the ANWR in Alaska.

A rising nation educates her young people, and all across America a revolution in education, we call it America 2000, to bring back excellence to our schools. Well, we were the ones to start this revolution, and we are the ones that are leading it, and we will be the ones to complete it. And before we're done, whether it's public, private, or religious, parents are going to have the right to choose their children's schools.

And this audience knows it better than most, but there's another great and dynamic movement transforming our country. It's a volunteer movement of ordinary people solving problems right where they live, millions of courageous people taking direct and consequential action on their own. This is how we help create whole and good communities. And lest anyone forget, under my Presidency, this movement, this big idea is a national crusade. The real heroes of America, God bless them, are the ones we call the Points of Light, one American helping another solve these problems.

Despite the odds, we've had some successes on Capitol Hill. Legislation like the Child Care Act which said parents raise kids, not the Government; the Clean Air Act, linking a strong economy with a clean environment; the Americans with Disabilities Act, guaranteeing the disabled their rightful place in the mainstream. Give these people a chance, and that's what that legislation did. And sometimes my job up there, given the control of the Congress, is to keep bad things from happening. And when it comes to stopping bad legislation with my veto pen, it's Bush 26, the Congress 0. And it's going to stay that way.

I'm proud of our record. We've had to make the tough calls every day and every week. We proposed a better way for America, a new track for America. And like Texas, it is a big idea. And when Congress blocks the way, stuck in the muck of old thinking, we'll keep that heat on, keep pushing for change. One specific on that: The Congress may have a vision problem on that, the Congress may have a vision problem, but don't for a minute think that we're going to give up on the superconducting super collider. It is forward-looking, and the country needs it, and the world needs it. It's good for Texas, and it's good for the United States of America.

And when the American people send me a Congress with a commitment to change, we'll pass the laws and do the work that the American people deserve. But let me say this: With or without the Congress, we are going to give the American people what they want. And that's not excuses; that is action.

This is an age of great change for America. And that's what makes November 3d so important. Change can seem to threaten the most valuable legacies that we hope to leave our children: good jobs, strong families, a Nation at peace. Change breeds uncertainty and skepticism, and I understand that. But, look, we are the United States of America, one Nation under God. And the genius of America is everywhere. It is in a society that places a premium on performance, not glitz; on service, not selfishness. A society that captures what Texas is all about. And let the skeptic say that it can't be done. The optimist will say, let's get to work. And I am ready. And,

yes, we're in the fight of our lives, but it's worth the fight. And we are in it to win.

And I appreciate this sensationally warm Texas welcome. And may God bless you all. And may God bless the United States of America. Thank you very much. Thank you. Thank you all so much.

Note: The President spoke at 4:06 p.m. at the Dallas Convention Center. In his remarks, he referred to Kay Bailey Hutchison, Texas State treasurer; Rick Perry, Texas commissioner of agriculture; Beverly Kaufman, president, Texas Federation of Republican Women; Jim Oberwetter, Bush-Quayle '92 Texas chairman; Barbara Patton, Bush-Quayle '92 Texas cochairman; and Frederick D. McClure, managing director, First Southwest Co., and former Assistant to the President for Legislative Affairs. The President also referred to the Texas A&M University Aggies.

Remarks on Signing Emergency Supplemental Appropriations Legislation

June 22, 1992

Welcome to the Rose Garden. I'm very pleased to welcome all of you on this short notice to the White House. But may I salute our Secretary of Labor, who's been very instrumental in all of this. Senator Seymour, Senator Hatch, Senator Stevens, Congressman Joe McDade, welcome, all. And all of them, along with some others that weren't able to be with us today, have been extraordinarily helpful in this legislation. May I salute Mayor Schmoke, Bob Neall.

It is a very special privilege to have some young Americans from right here in our Nation's Capital. They're the reason, kids like these are the reason why we produce this legislation. They're the reason we're fighting for far-reaching reforms to offer opportunity for a better future.

The supplemental appropriations bill that I am signing here today provides emergency funding for the nationwide disaster programs of the Federal Emergency Management Agency, FEMA, and for the Small Business Administration, SBA. This bill replenishes the resources of both Agencies for expenditures they're making to help the victims of this lawless violence in Los Angeles and the flood in Chicago. These funds are used to help shelter people that are affected by major disasters and to offer low-interest loans to individuals in businesses in the disaster areas.

The bill also will help finance more than 400,000 summer jobs through a program of the Department of Labor with a special focus on helping young people in America's largest urban areas. By providing for $1.45 billion in SBA-guaranteed loans, the bill will help small business across the country literally create thousands of new jobs.

I turned aside efforts by some in the Congress to spend more for the sake of spending more when the urgent need is for fundamental change to provide hope and opportunity for people in the inner cities. We've got to recognize these supplemental funds are a beginning, only a beginning, and that's the way it is. It's imperative that we make a fundamental change, that we put in place the package of reforms that we call the New America Plan. There are several points to that plan:

First, it enhances Government's primary mission to ensure the personal safety of our people. Our neighborhoods, our streets must be free from crime. To strike a blow for our people's right to live free from fear, I am asking Congress now to act on my ``Weed and Seed'' program to fight urban crime, as well as enacting a tough new comprehensive crime bill.

People in our cities need more freedom and opportunity to achieve, to excel. The second part of

this plan calls for enterprise zones to offer incentives for innovation and job creation in the greatest American tradition. It is high time we put this great idea into action. When I was in Los Angeles, support for enterprise zones were across the board, across party label, across age group label. It was an amazing amount of support. So we've got to get this put into action.

The third part, our HOPE initiative, will help turn public housing tenants into homeowners. There's no overestimating the dignity that that brings.

Fourth, our America 2000 education reforms will help extend to parents and kids right there in the inner cities the same choices that people in the suburbs already have.

Fifth, to give people new skills, we propose to reform job training.

Finally, the long-term well-being of neighborhoods that are now dangerous and depressed demands that we break with the culture of dependency. My agenda for welfare reform aims to reward work and learning, to insist that fathers take responsibility for their children, and to make families whole.

These are the keys to providing hope for this new generation. These are the only reliable means for making our cities the safe and prosperous places they ought to be. So again, I am urging the Congress to put an end to the delays and to take action on this New America Plan.

I thank you all for coming. Now I will invite the Senators and Congressman McDade to come up, and be glad to sign this important legislation.

[At this point, the President signed the bill.]

The deed is done. Thank you all very, very much.

Note: The President spoke at 2 p.m. in the Rose Garden at the White House. In his remarks, he referred to Kurt Schmoke, Mayor of Baltimore, MD, and Robert R. Neall, county executive of Anne Arundel County, MD. H.R. 5132, the Dire Emergency Supplemental Appropriations Act, 1992, for Disaster Assistance To Meet Urgent Needs Because of Calamities Such as Those Which Occurred in Los Angeles and Chicago, approved June 22, was assigned Public Law No. 102 - 302.

Statement on Signing Emergency Supplemental Appropriations Legislation

June 22, 1992

Today I have signed into law H.R. 5132, an Act that provides supplemental appropriations for disaster assistance to meet urgent needs resulting from calamities such as those that occurred in Los Angeles and Chicago.

This Act provides emergency funding for disaster programs of the Federal Emergency Management Agency (FEMA) and the Small Business Administration (SBA). FEMA funds will be used to provide disaster-affected individuals and families with temporary housing assistance and to provide grants for the repair and replacement of property damaged as a result of major disasters. The SBA funds will be used to provide low-interest loans to individuals and businesses located in areas affected by recent disasters.

This funding will ensure that FEMA and SBA have sufficient resources to address the major disasters that have occurred this year, including the civil disturbance in Los Angeles and the flood in Chicago. I am pleased that the Congress provided these funds under terms and conditions that are acceptable to the Administration.

Funds provided by H.R. 5132 for the Department of Labor's summer youth jobs program represent a satisfactory compromise between the Congress and the Administration and will finance 414,000 summer jobs. I am particularly pleased that provisions of the Act give special weight to ensuring that this funding is targeted to the areas of greatest need, particularly the country's largest urban areas.

In accordance with the applicable provisions of the Budget Enforcement Act of 1990, I am designating the following funding as emergency requirements:

$300 million for FEMA disaster assistance;

$500 million for the summer youth jobs program; and

$143.8 million for SBA disaster loans.

The Act also provides nonemergency supplemental funding for SBA's business loan program, the cost of which is fully offset. These funds will provide up to $1.45 billion in loan guarantees for qualified small businesses. This additional funding will ensure that sufficient resources remain available for this program throughout the remainder of fiscal year 1992.

George Bush

The White House,

June 22, 1992.

Note: H.R. 5132, the Dire Emergency Supplemental Appropriations Act, 1992, for Disaster Assistance To Meet Urgent Needs Because of Calamities Such as Those Which Occurred in Los Angeles and Chicago, approved June 22, was assigned Public Law No. 102 - 302.

Remarks Prior to a Meeting With the House Republican Health Care Task Force

June 22, 1992

The President. Now, let me just say at the outset, what we are here to talk about is health care reform. We have some ideas up there that we feel make a great deal of sense. I know that some of you all have a program. I keep reading that the Democrats say they want to make a political statement before the convention. Far more important than a political statement, it seems to me, is getting something done that will allay the fears that people have and help in the health care reform area.

We've got a good program for insurance. We'll protect the quality of American health care. And what I'd like to get from everybody here today is how you feel we can get it done. The small market reforms are good; the increased tax deductions for the self-employed, very good; and we make some administrative statements. I'd like to hear if we could move forward on malpractice reform. But these are some of the ingredients of what we think is a very helpful, very practical, and forward-looking health care program. So I hope that we can move it.

Perot Investigations

Q. Mr. President, how do you feel about Ross Perot's private initiative to investigate you and your finances?

The President. Well, I better count to 10. [Laughter] I prefer not to take that question right now, frankly.

Q. Were you aware of the inquiry?

The President. No, there's something not very pleasant about all this. And let me tell you this: It's fine to investigate on one's own the Vice President of the United States; no evidence to support any investigation. But I feel a little tense about it when they -- if the reports are true of investigating my children, my family. There's something -- I don't think that's particularly right. But nevertheless, I've probably said too much here.

Q. No, you haven't.

The President. Put it this way: I've said all I'm going to say.

Q. Are you angry?

The President. I'm not sure that's the proper word. There will be plenty of time to find out what happened here, but I don't like what I see.

Q. You're going to call him up and ask him yourself what happened?

Q. Has he called you -- --

The President. Thank you very much. Thank you all.

Q. -- -- to apologize or complain?

Note: The President spoke at 4:09 p.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of these remarks.

Letter to Congressional Leaders on Trade With Romania

June 22, 1992

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 407 of the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I am transmitting a copy of a proclamation that extends nondiscriminatory treatment to the products of Romania. I also enclose the text of the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of Romania,'' including exchanges of letters that form an integral part of the Agreement, which was signed on April 3, 1992, and which is included as an annex to the proclamation.

The Agreement will provide a nondiscriminatory framework for our bilateral trade relations and thus strengthen both economic and political relations between the United States and Romania. Conclusion of this Agreement is an important step we can take to provide greater economic benefits to both countries. It will also give further impetus to the progress we have made in our overall diplomatic relations since last year and help to reinforce political and economic reform in Romania. In that context, the United States is encouraging Romania to continue to strive for a democratic, pluralistic society, particularly through the conduct of early, free, and fair national elections.

I believe that the Agreement is consistent with both the letter and the spirit of the Trade Act. It provides for mutual extension of nondiscriminatory tariff treatment while seeking to ensure overall reciprocity of economic benefits. It includes safeguard arrangements to ensure that our trade with Romania will grow without causing disruption to the U.S. market and consequent injury to domestic firms or loss of jobs for American workers.

The Agreement also confirms and expands for American businesses certain basic rights in conducting commercial transactions both within Romania and with Romanian nationals and business entities. Other provisions include those dealing with settlement of commercial disputes, financial transactions, and government commercial offices. Through this Agreement, Romania also undertakes obligations to modernize and upgrade very substantially its protection of intellectual property rights. Once fully implemented, the Romanian intellectual property regime will be on a par with that of our principal industrialized trading partners. This Agreement will not alter U.S. law or practice with respect to the protection of intellectual property.

On August 17, 1991, I waived application of subsections (a) and (b) of section 402 of the Trade Act to Romania. I determined that this waiver will substantially promote the objectives of

section 402, and, pursuant to section 402(c)(2) of the Trade Act, notified the Congress that I have received assurances that the emigration practices of Romania will henceforth lead substantially to achievement of those objectives.

I urge that the Congress act as soon as possible to approve the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of Romania" and the proclamation extending nondiscriminatory treatment to products of Romania by enactment of a joint resolution referred to in section 151 of the Trade Act.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The proclamation is listed in Appendix E at the end of this volume. The agreement was published in the Federal Register on June 24.

Presidential Determination No. 92 - 34 -- Memorandum on Trade With Romania

June 22, 1992

Memorandum for the Secretary of State

Subject: Determination Under Section 405(a) of the Trade Act of 1974, as Amended -- Romania

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93 - 618, January 3, 1975; 88 Stat. 1978), as amended (the ``Trade Act''), I determine, pursuant to section 405(a) of the Trade Act (19 U.S.C. 2435(a)), that the ``Agreement on Trade Relations Between the Government of the United States of America and the Government of Romania'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:04 p.m., July 6, 1992]

Remarks and an Exchange With Reporters on a Possible Railroad Strike

June 23, 1992

The President. Well, let me just say I've had a first-class briefing from Secretary Card, doing a first-rate job over there at Transportation. I'm very much concerned. Let us hope that some last-minute breakthrough will avert a strike. But my message today, after listening to the Secretary and understanding how bad it would be for the people of this country, is that should a strike occur, Congress ought to do in this instance what they've done twice before, two preceding events like this, and that is to move promptly to protect the American people and to end the strike through legislation. I feel very strongly about it, and I think in this instance, should a strike occur, Congress has an obligation to move fast to protect the American people, whether it's a lockout or a strike.

Q. How would they -- --

The President. Legislation like happened the last two times.

Q. Mr. President, would you do anything before the possibility of a strike? Is there some kind of intervention or emergency declaration or anything?

The President. No. Andy can answer that.

Secretary Card. The President has exercised that responsibility when he created the Presidential Emergency Board. So -- --

The President. And you see, it's reported back. It's made sound recommendations, and the Secretary has been working diligently to try to get various parties to come along. But the unilateral action by the President does not apply. The only thing that could stop the strike, if one occurs, is to have legislation.

Q. What is the economic impact? Why is the economic impact so dire that Congress should move immediately?

The President. Well, first place, there's an enormous inconvenience to the American worker on the commuter side. And then as it begins to take a hold on moving freight and moving product, agricultural product for example, to market, it's terrible. So public good is not served by a prolonged strike. So it ought to end the day it begins.

Q. Mr. President, do you anticipate any downside in terms of political consequences for your

reelection campaign with the rail strike?

The President. I have no idea of that. This is not a political matter. This is a matter of the national good and what's best for the American people. And what's best for the American people is to avoid a strike. But if a strike takes place, or a lockout, it could be ended and ended right away.

Q. Do you plan to call congressional leaders today, sir, to express your feelings?

The President. Well, they know our views; we've expressed it. But we were just talking about that. I might well do that. But if that would help, I'll do it.

Q. Have you been talking -- --

Q. If the legislation goes through, could it be passed?

The President. It could be done in a day. I mean yes, it's happened before. The last two times, I believe it was just one day.

Secretary Card. Seventeen hours.

The President. Yes, 17 hours, Andy is reminding me, was the last one.

Q. Have you been consulting with the automakers or the shippers or people that have urged you to take this action?

The President. The Secretary's talked to everybody, yes.

Q. Have you urged them not to do a lockout if there's a partial strike?

The President. Well, I'd leave the technical questions to the Secretary. He's tried to avoid shutdowns in every way, and he's gone the extra mile. A lot of people have been cooperative, he tells me. So it's not a one-sided picture here. But the bottom line is, the public are not served by a strike that lasts for any time at all. And so the Congress should do now, if that's the case and there is a strike tomorrow, it ought to do what it's done to incidents before this: move. The last one took 17 hours to legislate it, to solve it. It can be done that quick or quicker.

Q. Is there any reason -- --

The President. This is a challenge to the Congress to do what's best for the American people, should it get to that.

Q. Would a rail strike hurt the economic recovery, sir? Could it throw it back?

The President. Yes it could. It could adversely affect the workers in this country, and it could adversely affect a lot of things, depending, obviously, how long it goes on.

Q. Is there any reason for optimism in collective bargaining -- will resolve this thing at this point?

Secretary Card. They're still at the table, which is a good sign; so the dialog is continuing.

The President. You've got several different entities, is a part of the problem here. Some seem to think that it can be avoided, and others think not.

Q. But it sounds like, from making the statement to us, that you feel pretty pessimistic.

The President. I feel I cannot tell the American people that I think it will be resolved through negotiation as it should be. So I just think it's important to get in focus the fact that if there is a strike, it ought to be quickly solved by legislation.

Q. Anything from Capitol Hill whether they would go along with that, sir?

The President. Different reaction from different Members of Congress, I'm told.

Thank you very much for your interest.

Note: The President spoke at 11:54 a.m. in the Oval Office at the White House, following a meeting with Secretary of Transportation Andrew H. Card, Jr.

Remarks at the Presentation Ceremony for the National Medal of Science and the National Medal of Technology

June 23, 1992

Thank you, and welcome to the Rose Garden. Well, thank you very much. And what a beautiful day here in the Rose Garden. May I salute Dr. Bromley; Dr. Bernthal, the Deputy Director of the National Science Foundation; and of course, over my right shoulder here, Secretary Barbara Franklin, Secretary of Commerce; also Congressman Vander Jagt, who's so interested in all of this; and so many special guests here today, and then three generations of American scientists.

As I look out at the group here of the men and women that we honor, you may remember what Albert Einstein said to his fellow scientists: ``Concern for man himself and his fate must always form the chief interest of all technical endeavors in order that the creations of our mind should be a blessing and not a curse to mankind." Today we honor men and women whose life's work answers Einstein's challenge. They bless mankind not only with the brilliance of their minds but with the integrity of their hearts.

I am very proud to present the National Medals of Science and Technology to our 16 recipients, to these men and women of persistent and, at times, clairvoyant determination. They've explained the frontiers of science on canvasses as infinitesimal as a single human cell and as infinite as space itself. We honor them for their accomplishments. But we honor them, also, for having the courage to undertake the journey.

There's a church in Sussex, England which has a wonderful inscription that captures these recipients' pioneer spirit of innovation. The inscription says, ``A vision without a task is but a dream; a task without a vision is drudgery; but a vision with a task is the hope of the world." The hope of our world lies in individuals who asked why and then followed wherever that question led. Scientists like Nobel Prize Laureate Howard Temin, a truly seminal thinker in the history of biology who reshaped our thoughts about RNA and DNA. Entrepreneurs like Bill Gates, who cofounded Microsoft and in the process literally led a revolution in the information industry. Visionaries like Eugene Shoemaker, who helped to transform our world, not only through the astounding breadth of his contributions to space explorations but also through the infectious enthusiasm of his imagination. Inventors like Norman Joseph Woodland, who developed a simple device of our daily lives: bar coding. You've seen first-hand how impressed I am -- [laughter] -- by how bar coding works. Amazing.

You all proved that America's greatest resource is the genius of our people. We must encourage, we must support it. That's why Congress must double the budget of the National Science Foundation by 1994 and keep funding on track in 1993 for the superconducting super collider.

That's why I'm committed to increases in R&D funding, large increases in R&D funding, to let our most talented people push the limits of their imaginations to understand the universe and to use the results to create jobs in the future of others. And to support research I've also established a national technology initiative to bring Government officials together with private business to shape technology, to move the new discoveries out of the Federal labs into the marketplace.

In addition, I believe that we need to stimulate private sector investment, the engine obviously of any entrepreneurial economy. And that's why I'm going to continue to fight so hard to get Congress to slash the capital gains tax. This would create new businesses, encourage new innovation. I also want to make that R&E, that research and experimentation tax credit permanent.

The world economy of the 21st century will demand a new age of American competitiveness in a fiercely challenging global marketplace. In order to compete we must make immediate, drastic changes, beginning with the need for the best educated, the most well-educated workers. Many of you here today, I'm told, are teachers, influencing one dream at a time, and you know that education is the basis of our future. You know the terrible fact that in some math and science studies we rank almost last, almost last among the industrialized nations. Rest assured we will turn that around. I'm counting on you, and I pledge to you the support of this Government.

Technical competence is so vital that one of our six national education goals is to be the first in world math and science by the year 2000. In order to reach that goal our budget invests $768 million in precollege math and science education, an increase I believe it's about 18 percent over last year and 123 percent over the way things were just back in 1990.

We must open a new world of educational opportunity for America's children and give middle- and low-income families more of the same choice of all schools that wealthier families already have. So, later this week I'll announce a new proposal that will do just that. It's a ``GI bill'' for America's children.

Forty-eight years ago the original GI bill opened educational doors for our war vets by giving them dollars to spend at any school they chose, public, private, or religious. It created a competitive marketplace of colleges and universities and encouraged improvement through innovation. Now it's time that we give the families the same consumer power for choice in precollege schools. That's why I'm introducing this exciting and, I think, powerful bill for our future.

Our Nation can remain strong only by investing its resources and talents in science, technology, and education. And I want to recognize a group of special people who are dedicating their lives to that quest, our first class of Presidential faculty fellows, 30 young faculty members named for their excellence and promise in research and teaching. These scientists and engineers represent the best investment that we can make in our future. But I'd like to remind them of something. As

you look at the distinguished medalists that we honor today, remember that whatever work you do, you will be standing on the shoulders of giants.

I want to tell you about something, in conclusion here, pretty unusual that I ran into -- I want to say discovered -- a few months ago up in New Hampshire. Dean Kamen is here. He is a very special individual. What I'm talking about, the discovery, was of something known as the Maize Craze competition. I'm not sure exactly how to describe it. Kids have to make a kind of a robot to fetch tennis balls out of a box filled with corn. Some of the best ideas sound pretty strange at first, but let me tell you, this is a terrific idea.

I was enormously impressed, Dean, by how this Maize Craze teams high school students with high-powered engineering teams from major universities and corporations, a great example of the private-public partnership that will lead us to excellence in the next century. I had forgotten what a salesman Dean is, but he just came into my office and he said, ``Now, if these corporations can sponsor Olympic athletes, why isn't it a great idea that they encourage young scientists in the same way?" And he's absolutely right about that. Maize Craze is part of U.S. FIRST, a national alliance of business, education, and Government working to reverse declining student interest and performance in science and math.

I invited Dean to bring his winners here today, sponsors Xerox and NYPRO, and teams from Wilson Magnet and Clinton High Schools. We're honoring today a spectrum of achievers that goes then from high school to the pinnacle of research. In turn, we need to nurture every step on the educational ladder, for each depends on the soundness of the preceding one.

So I just came out here to say congratulations to all of you, especially, of course, to our distinguished medalists who show us the triumph of the human mind and the unfolding drama of the human imagination. May God bless all of you. And now, Dr. Bernthal will present the citations, and I will stand in awe as these geniuses come marching by.

Congratulations, and thank you all for coming.

[At this point, Deputy Director Bernthal presented the medals.]

Well, I believe that concludes our ceremony. Dean, are those young people with you here? Maybe we could ask them to stand up, all those that came down from the Maize group. Where are you, all of you scientists -- tortured my mind up there.

Well, that concludes our ceremony. But we're just delighted you all were here, and thank you very much for coming. Thank you.

Note: The President spoke at 1:38 p.m. in the Rose Garden at the White House. In his remarks, he referred to Dean L. Kamen, founder of U.S. FIRST, and D. Allan Bromley, Assistant to the

President for Science and Technology and Director of the Office of Science and Technology Policy.

Message to the Congress Transmitting the Estonia-United States Fishery Agreement

June 23, 1992

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801, et seq.), I transmit herewith an Agreement between the Government of the United States of America and the Government of the Republic of Estonia Concerning Fisheries off the Coasts of the United States, with annex, signed at Washington on June 1, 1992. The agreement constitutes a governing international fishery agreement within the requirements of section 201(c) of the Act.

Fishing industry interests of the United States have urged prompt implementation of this agreement to take advantage of opportunities for seasonal cooperative fishing ventures.

George Bush

The White House,

June 23, 1992.

Message to the House of Representatives Returning Without Approval the National Institutes of Health Revitalization Amendments of 1992

June 23, 1992

To the House of Representatives:

I am returning herewith without my approval H.R. 2507, the ``National Institutes of Health Revitalization Amendments of 1992," which would extend and amend biomedical research authorities of the National Institutes of Health (NIH).

Before discussing the flaws of H.R. 2507, I must clarify two misperceptions. First, H.R. 2507 is not necessary to assure that Federal spending continue for biomedical research, or for research related to any disease, disorder, or condition. Second, H.R. 2507 is not necessary to increase support for research targeted at women's health needs. Great progress is being made in the area of women's health under the valued leadership of the first female director of the NIH.

H.R. 2507 is unacceptable to me on almost every ground: ethical, fiscal, administrative, philosophical, and legal. I repeatedly warned the Congress of this at each stage of the legislative process. The bill's provisions permitting the use of tissue from induced abortions for federally funded transplantation research involving human subjects are inconsistent with our Nation's deeply held beliefs. Moreover, it is clear that this legislation would be counterproductive to the attainment of our Nation's health research objectives.

H.R. 2507 is objectionable because it would lift the current moratorium on the use of Federal funds for fetal tissue transplantation research where the tissue is obtained from induced abortions. Let it be clear: this is not a moratorium on research. It is only a moratorium on the use of one source of tissue for that research. I believe this moratorium is important in order to prevent taxpayer funds from being used for research that many Americans find morally repugnant and because of its potential for promoting and legitimatizing abortion.

My Administration is strongly committed to pursuing research to find cures and treatments for such disorders as Parkinson's disease, diabetes, and Alzheimer's disease that have been held out as areas where fetal tissue research might be pursued. Fetal tissue transplantation research relating to these disorders can proceed without relying on tissue from induced abortions. Medical experts at the Department of Health and Human Services have assured me that ectopic pregnancies and spontaneous abortions provide sufficient and suitable tissue to meet anticipated research needs. Therefore, on May 19, 1992, I issued an Executive order establishing a fetal tissue bank that will collect tissue from these sources so as to meet the needs of the research community. The bank will provide tissue directly to scientists for their research. This approach

truly represents the pro-research and ethical alternative that will allow this research to go forward without relying on a source of tissue that many find to be morally objectionable.

H.R. 2507 also contains fiscally irresponsible authorization levels. The total cost of the provisions in this legislation could exceed the FY 1993 Budget I presented to the Congress by $3.2 billion. It is exceedingly unlikely, if not impossible, that the Congress can fund the programs contained in H.R. 2507 while complying with the requirements of the Budget Enforcement Act. That being the case, the expectations that this bill will create are unreasonable. Those who suffer from the many diseases and disorders that are the subject of this unrealistic legislation will be sadly disappointed.

H.R. 2507 is also objectionable because its provisions regarding the appointment of ``Ethics Advisory Boards'' are inconsistent with the Appointments Clause of the Constitution. H.R. 2507 would effectively give these boards unilateral authority to make decisions concerning major research initiatives. As a policy matter, these decisions should be made by the President's chief officer on health issues: the Secretary of Health and Human Services. More fundamentally, however, the Appointments Clause requires that officers vested with this type of power be appointed by the President by and with the advice and consent of the Senate. Instead, H.R. 2507 provides that they are to be appointed by the Secretary of Health and Human Services and then purports to circumscribe the discretion of the appointing authority by imposing various requirements concerning the boards' composition. H.R. 2507's provisions regarding the Scientific and Technical Board on Biomedical and Behavioral Research Facilities and the Office of Research on Women's Health likewise raise Appointments Clause problems.

In addition, H.R. 2507 contains reporting requirements that impair the separation of powers. For example, the bill would require the Director of the National Cancer Institute to submit to specified committees of the Congress the original plan, and any revisions to that plan, regarding certain cancer research. This requirement to submit to the Congress what is in essence a draft plan without the prior review and approval of the executive branch clearly interferes with the deliberative process of the executive branch. The internal workings of the executive branch should be just that -- internal. To require the executive branch to display each step in its deliberative process to the Congress would destroy my ability to speak as the single voice of a unitary executive.

I am also troubled by the increasingly frequent imposition of reporting requirements. H.R. 2507 imposes a significant number of new reporting requirements on an executive branch that already suffers under the burden of literally thousands of such requirements. Last October, I noted that ``taken together such reports put a heavy burden on the reporting agencies at a time of scarce resources.'' Thus, I called for ``an effort to minimize reporting requirements, both in terms of the number and frequency of reports that must be submitted, as well as the level of detail required.'' Bills such as H.R. 2507 move us in the opposite direction.

For these reasons, I am returning H.R. 2507 without my approval, and I ask the Congress to adopt a simple extension of those appropriations authorizations for the National Institutes of Health that need to be extended.

George Bush

The White House,

June 23, 1992.

Nomination of Christopher H. Phillips To Be a Member of the Board of Directors of the United States Institute of Peace

June 23, 1992

The President today announced his intention to nominate Christopher H. Phillips, of the District of Columbia, to be a member of the Board of Directors of the United States Institute of Peace for the remainder of the term expiring January 19, 1993. He would succeed Evron M. Kirkpatrick.

Since 1991 Ambassador Phillips has served as a consultant to the U.S. Department of State. From 1989 to 1991, he served as Ambassador to Brunei. Ambassador Phillips has also served as president of the U.S.-China Business Council, 1973 - 86; Deputy Permanent Representative of the United States to the United Nations, 1970 - 73; president of the U.S. Council of the International Chamber of Commerce and secretary-treasurer of the U.S. Business and Industry Advisory Committee to the Organization for Economic Cooperation and Development, 1965 - 69; and U.S. Representative on the United Nations Economic and Social Council, 1958 - 61.

Ambassador Phillips graduated from Harvard University (B.A., 1943). He was born December 6, 1920, in The Hague, The Netherlands. Ambassador Phillips is married, has three children, and resides in Washington, DC.

Nomination of Nancy M. Dowdy To Be Special Representative for Arms Control Negotiations and Disarmament

June 23, 1992

The President today announced his intention to nominate Nancy M. Dowdy, of the District of Columbia, to be Special Representative for Arms Control Negotiations and Disarmament (Chief Science Adviser).

Since 1989 Dr. Dowdy has served at the Arms Control and Disarmament Agency as Representative to the Joint Compliance and Inspection Commission in Geneva, 1991 - present, and Representative to the Strategic Arms Reduction Talks in Geneva, 1989 - 91. She served at the University of Chicago in the office of the vice president as assistant vice president for research and for the Argonne National Laboratory, 1983 - 89.

Dr. Dowdy graduated from St. Louis University (B.S., 1960) and the University of Illinois (M.S., 1961; Ph.D., 1966). She was born October 25, 1938, in Jackson, MS. Dr. Dowdy currently resides in Washington, DC.

Message to the Congress Transmitting Proposed Legislation on Credit Availability and Regulatory Relief

June 24, 1992

To the Congress of the United States:

I am pleased to transmit for your immediate consideration and enactment the ``Credit Availability and Regulatory Relief Act of 1992." This proposed legislation will enhance the availability of credit in the economy by reducing regulatory burdens on depository institutions. Also transmitted is a section-by-section analysis.

The regulatory burden on the Nation's financial intermediaries has reached a level that imposes unacceptable costs on the economy as a whole. Needless regulations restrict credit, slowing economic growth and job creation. Excessive costs weaken financial institutions, exposing the taxpayer to the risk of loss. Rigid supervisory formulas distort business decisions and discourage banks, thrifts, and credit unions from pursuing their core lending activities. In 1991, the Nation's banks spent an estimated $10.7 billion on regulatory compliance, or over 59 percent of the system's entire annual profit. We cannot allow this unnecessary and oppressive burden to continue weighing down the consumer and business lending that will fuel economic recovery.

The Credit Availability and Regulatory Relief Act of 1992 reduces or eliminates a wide range of these unnecessary financial institution costs. Among the significant changes that would be made by the bill are:

Elimination of the requirement that banking agencies develop detailed ``micromanagement" regulations for every aspect of an institution's managerial and operational conduct, from the compensation of employees to the ratio of market value to book value of an institution's stock;

Enactment of a statutory requirement that the regulations of the various Federal banking agencies be as uniform as possible, to avoid the complexity, inconsistencies, and comparative distortions that result from widely varying regulatory practices;

Reduction of audit costs, by returning auditors to their traditional function of investigating the accuracy of depository institution financial statements and eliminating the costly and misguided expansion of their role over legal and managerial matters;

Alleviation of the significant paperwork burden imposed by the Community Reinvestment Act on small, rural depository institutions without exempting such institutions from the substantive requirements to satisfy the credit needs of their entire communities -- coupled with creation of incentives for institutions to reach higher levels of compliance by streamlining expansion

procedures for institutions with outstanding Community Reinvestment Act ratings; and

Elimination of the requirement that the Federal Reserve write detailed ``bright line'' regulations on the amounts of credit that one depository can extend to another, thus retaining the Federal Reserve's existing flexibility to supervise the payments system without unduly inhibiting correspondent banking relationships.

These changes, and the others made by the bill, will result in significant reductions to the administrative costs of depository institutions -- costs that are currently passed on to borrowers in the form of restricted credit and higher priced loans.

I would like to emphasize that none of the bill's provisions will compromise in any way the safety and soundness of the financial system. The legislation makes no changes to those elements of the Administration's proposed supervisory reforms that the Congress did adopt last year. All existing capital standards will remain in force and will be neither weakened nor modified by the proposed legislation; the ``prompt corrective action'' framework mandating swift regulatory responses to developing institutional problems will remain unchanged; and bank regulators will continue to have exceptionally tough enforcement powers.

The legislation I am transmitting to you today is a broad and responsible solution to one of the major problems facing our financial system. The financial industry, the economy, and the public generally will benefit from enactment of this regulatory relief. I therefore urge the Congress to give high priority to the passage of the Administration's reforms.

George Bush

The White House,

June 24, 1992.

Statement on the Balanced Budget Amendment

June 24, 1992

This morning, I met with Members of the House of Representatives, Republicans and Democrats, who earlier this month voted in favor of a balanced budget constitutional amendment. I thanked them for the courage, vision, and responsibility they displayed supporting the balanced budget constitutional amendment. Their votes demonstrated their willingness to stand up to the special interests who perpetuate the status quo of deficit spending. Their votes show they take seriously the intolerable legacy of debt that future generations will inherit if we do not take prompt action to control Federal spending.

The American people overwhelmingly support a balanced budget constitutional amendment. On June 10, we came within just nine votes of achieving the two-thirds majority needed to pass the amendment in the House of Representatives. We came very close to accomplishing our goal. At a minimum, we created an atmosphere in which the Federal Government is watching more carefully how it spends taxpayers' money.

Now we must act to lay the groundwork for the future. I can and will take the compelling case for a balanced budget constitutional amendment to the American people. I seek a permanent partnership for fiscal responsibility that bears no party label. I plan to work closely with Members of Congress from both parties who support the amendment to find the nine missing votes and then raise the issue again. In every way possible, we will press our fight to restrain Federal spending once and for all.

Statement on the Supreme Court Decision on the Lee v. Weisman Case

June 24, 1992

I am very disappointed by the Supreme Court's decision in Lee v. Weisman. The Court said that a simple nondenominational prayer thanking God for the liberty of America at a public school graduation ceremony violates the first amendment. America is a land of religious pluralism, and this is one of our Nation's greatest strengths. While we must remain neutral toward particular religions and protect freedom of conscience, we should not remain neutral toward religion itself. In this case, I believe that the Court has unnecessarily cast away the venerable and proper American tradition of nonsectarian prayer at public celebrations. I continue to believe that this type of prayer should be allowed in public schools.

Nomination of David Heywood Swartz To Be United States Ambassador to Byelarus

June 24, 1992

The President today announced his intention to nominate David Heywood Swartz, of Virginia, to be Ambassador of the United States of America to the Republic of Byelarus. This is a new position.

Currently Mr. Swartz serves as Charge d'Affaires in Minsk, Byelarus. Prior to this, he served at the Department of State as senior inspector in the Office of Inspector General, 1991 - 92; dean of the School of Language Studies at the Foreign Service Institute, 1989 - 91; and staff director at the Nuclear Risk Reduction Center, 1988 - 89. Mr. Swartz has also served as Deputy Chief of Mission at the American Embassy in Warsaw, Poland, 1984 - 88, and consul general at the U.S. consulate general in Calgary, Alberta, Canada, 1983 - 84. He attended the Canadian Defense College in Kingston, Ontario, Canada, 1982 - 83, and served as consul general at the U.S. consulate general in Zurich, Switzerland, 1980 - 82.

Mr. Swartz graduated from Southwestern College (B.A., 1964) and Florida State University (M.A., 1966). He was born March 3, 1942, in Chicago, IL. Mr. Swartz is married, has two children, and resides in Vienna, VA.

Nomination of H. Douglas Barclay To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

June 24, 1992

The President today announced his intention to nominate H. Douglas Barclay, of New York, to be a member of the Board of Directors of the Overseas Private Investment Corporation, U.S. International Development Cooperation Agency, for a term expiring December 17, 1994. This is a reappointment.

Since 1961, Mr. Barclay has served as a partner and associate with the law firm of Hiscock and Barclay in Syracuse, NY. Mr. Barclay has also served on the board of directors of KeyCorp and its subsidiaries and as an officer and general counsel to various other corporations. Mr. Barclay served in the New York State Senate from 1965 to 1984.

Mr. Barclay graduated from Yale College (B.A., 1955) and Syracuse University College of Law (J.D., 1961). He served as a commissioned officer in the U.S. Army Reserve. He was born July 5, 1932, in New York, NY. Mr. Barclay is married, has five children, and resides in Pulaski, NY.

Appointment of James L. Pavitt as Special Assistant to the President for National Security Affairs

June 24, 1992

The President today announced the appointment of James L. Pavitt, of Virginia, to be Special Assistant to the President for National Security Affairs. He will also serve as Senior Director for Intelligence Programs.

Mr. Pavitt is currently Director for Intelligence Programs at the National Security Council, a position he has held since August 1990. Prior to joining the NSC staff, Mr. Pavitt, a career Central Intelligence Agency official, served in a variety of intelligence assignments in Europe, Asia, and Washington, DC. He also served as an intelligence officer with the U.S. Army, 1969 - 71.

Mr. Pavitt graduated from the University of Missouri (B.A., 1968) and was a National Defense Education Act fellow at Clark University (1969). He is a member of Phi Beta Kappa. Mr. Pavitt was born February 19, 1946, in St. Louis, MO. He has two children and resides in McLean, VA.

Appointment of Douglas Alan Brook as Acting Director of the Office of Personnel Management

June 24, 1992

The President today announced that Douglas Alan Brook, of Virginia, will serve as Acting Director of the Office of Personnel Management, effective July 1, 1992.

Currently Mr. Brook serves as Assistant Secretary of the Army for Financial Management. From 1982 to 1990, he served as president of Brook Associates, Inc., in Washington, DC. Mr. Brook also served with Libbey-Owens-Ford Co. in Washington as vice president, 1979 - 82, and director of public affairs, 1976 - 79.

Mr. Brook graduated from the University of Michigan (B.A., 1965; M.A., 1967). He served in the U.S. Navy on active duty, 1968 - 70, and in the Naval Reserve, 1971 to present. He was born January 15, 1944, in Chicago, IL. Mr. Brook is married and resides in Vienna, VA.

Nomination of John H. Miller To Be a Member of the Board of Directors of the National Institute of Building Sciences

June 24, 1992

The President today announced his intention to nominate John H. Miller, of Connecticut, to be a member of the Board of Directors of the National Institute of Building Sciences for the term expiring September 7, 1992, and for a term expiring September 7, 1995. He would succeed Fred E. Hummel.

Since 1957, Mr. Miller has served with the firm of Close, Jensen and Miller in Wethersfield, CT, as partner, 1957 - 75, and president, 1975 - present.

Mr. Miller graduated from Trinity College (B.S., 1952) and Rensselaer Polytechnic Institute (B.S.C.E., 1953). He was born September 11, 1930, in New Britain, CT. Mr. Miller is married, has three children, and resides in Wethersfield, CT.

Remarks at a Roundtable Discussion on Education Reform

June 25, 1992

The President. Good morning, everyone, and welcome. Excuse me for keeping you all waiting. But what we want to do here is talk about choice in education. I remember the GI bill working so well. It did nothing but make the colleges better. It's our theory that choice, at the level that we're going to talk about it today, can do nothing but make things better. But here's the firing line; here are people from the Governor on down right to the very most important level, Tommy, yours and mine, is the family level. So I've been interested in this since the first -- one of the early meetings we had in 1989 was on school choice. I think it's an idea whose time has come.

But what I wanted to do today is, just before we go out and announce this ``GI bill'' for lower levels of education, perhaps the most important levels of education, is to hear from you all. Lamar Alexander has been our point man. This fits beautifully into a program we call America 2000, which encourages innovation at the local, the family, the State level. What I've heard about -- and since I remember talking to some of you all about this when I was in Milwaukee -- but what I've heard about is the enormous success it's been. So what I wanted to do is to not put all of you on the spot with all this attention but literally, in an unstructured way, hear from the families.

Lamar, before I turn quickly to the Governor, do you want to say anything?

Secretary Alexander. Well, only this, Mr. President.

The President. Our Secretary of Education.

Secretary Alexander. I think Milwaukee has the opportunity to be the pioneer here because you have a bipartisan group in the State government who have used State funds to give middle- and low-income, or give low-income families more choices of the schools wealthier people have. Now you've got private business stepping up and expanding those choices to include religious schools. Then your ``GI bill'' for kids proposal would put the Federal Government into the action, and if Milwaukee wants to, give Milwaukee about $72 million. That would be a $1,000 scholarship for that many children, as long as they could spend it at any school. So all of that money could go to the public schools if the public schools can attract the children, or the families would have the absolute choice to take the money, tell private schools to meet the needs of children.

I think I'll stop there because I think the parents here and the teachers and the school principals and school leaders are the ones who know how this works, and I'd rather hear from them.

Note: The President spoke at 9:20 a.m. in the Roosevelt Room at the White House. In his remarks, he referred to Gov. Tommy Thompson of Wisconsin.

Remarks Announcing Proposed Legislation To Establish a ``GI Bill'' for Children

June 25, 1992

Welcome, all. Hey, we're glad you guys are here. Welcome, welcome, and please be seated. All you kids, welcome to the South Lawn of the White House. And to the Vice President and Mrs. Quayle and Secretary Alexander, a warm welcome. A particularly warm welcome to the Members of Congress, both House and Senate, that are with us today. Welcome to all of you, our very special guests, on this special occasion.

I have just come from a working session in the White House, working with some of the great experts on school choice. The parents, I think, made the most significant contribution to our working session because their dreams for their kids are the same dreams that all of us have. They want their kids to have a first-class education. They know from practical experience that a good education is absolutely essential to making a good living and to making a good life.

So let me just share a little from that meeting. Janette Williams told me about her son, Javon. The Williamses are here with us somewhere here today -- whoops, here she is over here. Her kid starred on ``60 Minutes,'' and that says something about the guy, if you go on that program and come off in one piece. [Laughter] He must be doing real well. But here's what she said, and this is serious. She said, ``At his old school that was crowded, he used to get so bored that he would walk out. And thanks to the choice program in Milwaukee, he's at a new school. He's not doing those things anymore. He's doing his homework; he's even helping clean up the classroom after school. They took the energy and turned it around.''

Now, the Governor here, Tommy Thompson, the Governor of Wisconsin, is here with us today. I'm sorry that Polly Williams, who's been at the forefront of the school choice movement, couldn't be here, but she's at home looking after her mother. I would salute her values. But we miss her very, very much. Together, Polly and Tommy Thompson, the Governor, have taken the lead in helping parents like Janette Williams realize her dreams for her son Javon, creating scholarships for 1,000 Milwaukee children from low-income families so that they can attend private schools. Now, theirs is a bold experiment, to give low-income families more of the same choices of schools already available to wealthier families.

Mike Joyce of the Bradley Foundation was also in our meeting. And Bradley recently joined with other foundations and Milwaukee businesses to raise $3 million so that Milwaukee's low-income families will be able to choose their family's schools, including the religious schools. Mike told us this morning that parents picked up every one of the 4,500 scholarship applications the day after the scholarships were announced, 4,500, that fast. And don't let anybody tell you that the people of Milwaukee don't care about their kids' education.

No one should underestimate what's at stake here. A revolution is underway in Milwaukee and across this country, a revolution to make American schools the best in the world. I salute our Secretary of Education who is helping lead that revolution, Lamar Alexander.

Together with the Nation's Governors, we've set six ambitious national education goals. And I might say that this wasn't a partisan move; Democrats and Republicans alike of the Governors coming together to set six ambitious national education goals. In 44 States and 1,400 communities, we've already launched America 2000 to meet these goals.

Even earlier still, in January 1989, just before I was sworn in as President, we helped organize the White House Conference on Choice in Education. We believed then and we believe today a few fundamental truths. We believe that parents are their children's first teachers. Parents, not bureaucrats, know what's best for their kids.

At this point I would like to salute one of the two in purple, Barbara Bush -- [laughter] -- for her pointing this out to parents, that it's what they do, what happens in their home. Barbara's done a lot of that here and around the country. I might say that Marilyn Quayle's taking that same message of parental involvement all across our country, and we're very grateful to her.

So, it is our belief then that parents, not the Government, should choose their children's schools. So today I am proposing that we take another giant step forward in this revolution. I am sending to Congress legislation that would authorize an ambitious demonstration program, half a billion new Federal dollars to help communities all across America give $1,000 scholarships to children of middle- and low-income families so they can choose which schools their kids will attend.

This revolution is in the greatest American tradition. We've done it before, and it's worked. Forty-eight years ago this very week, President Roosevelt signed the GI bill, creating scholarships that veterans could use at any college, any college of their choice. The GI bill created opportunity for Americans who never would have had it, and in doing so it helped create the best system of colleges and universities in the world.

Now we can do that again, this time by helping State and local governments -- and we're delighted the Mayor of Milwaukee is with us here today -- this time by helping State and local governments create the best elementary and secondary schools in the world. The ``GI bill'' for children will help. It'll provide that help to these families. These dollars to spend at the schools of their choice will become the muscle that parents need to create the best schools for their kids.

Let me say to those who will attack our school choice initiative on the ground that it permits Government money to go to religious schools, you're wrong. I believe those critics are wrong. This is aid to the families, not aid to institutions. And again, if you set the clock back to the creation of that original GI bill, no one told the GI's that they couldn't go to S.M.U. or Notre Dame or Yeshiva or Howard. I haven't heard Members of Congress suggest that students stop

using Pell grants and guaranteed student loans at Baptist colleges or Presbyterian seminaries. I don't hear an outcry because poor children at Catholic schools get their lunch paid for by Federal taxpayers. In the same way, parents must be free to use this money at the school they believe will best teach their child, whether the school is public, private, or religious. Let me try to be clear on this point: Accepting students with vouchers does not mean a school must sacrifice school prayer.

And let me say this to those who stand against extending school choice to low- and middle-income families: I simply do not buy the idea that someone cannot make a good decision just because that person is poor. We heard the same argument when we proposed child care vouchers for low-income families or when we proposed help for public housing tenants to own their own homes. So it's my belief that we ought to let families own their own home and choose their own schools regardless of their income level and give them help. Give them a shot at the American dream, if you will.

Finally, to those who claim that school choice will hurt the public schools, let me underscore this point: All of this new money can go to public schools if that's where the child chooses to go, where the family chooses to have the kid go. That decision will be in the hands of families, where it belongs.

There are several points to make about money. First, I want to make it clear that we're not talking here about a new Federal entitlement program. The Federal Government cannot afford one more entitlement, even for education. I've said many times that money alone isn't the answer. The United States already spends more per student for schools than any country in the world except Switzerland. I don't have to tell you where we stand in the international rankings of educational performance at the level we're talking about here today. Our universities and colleges are respected and have achieved the highest levels of achievement. But that, unfortunately, is not true as we talk about K through 12. So we need a revolution in American education, not more money to do it the same old way.

Investment in our schools will remain a primarily State and local responsibility. But Federal support for State and local scholarships can be a catalyst. For schools that attract choice students, it will give teachers and principals a welcome source of new funds. For our children, choice can help open up opportunities, create genuine change in our schools.

For too long, we've shielded schools from competition, allowed our schools a damaging monopoly power over our children. This monopoly turns students into statistics and turns parents into pawns. It is time we began thinking of a system of public education in which many providers offer a marketplace of opportunities, opportunities that give all of our children choices and access to the best education in the world. And so it is our firm belief, it is our firm belief that this ``GI bill'' for children will move America inevitably in that direction.

Abraham Lincoln once said, ``Revolutions do not go backward.'' Milwaukee is not the only place in America that our revolution is underway. Last year in Indianapolis, Pat Rooney and the Educational CHOICE Charitable Trust began to offer tuition vouchers to Indianapolis students. I understand a bus-load of parents and students drove all night to be here today. If you're still awake, welcome, a special welcome to all of you. In San Antonio, the CEO Foundation has earmarked $1.5 million in vouchers for children in their community. California: Joe Alibrandi and thousands of supporters are pushing for a ballot initiative to provide voucher scholarships for every school-age child in the State. Overall in 1991, 10 States approved some form of new choice legislation, and 37 States had choice legislation pending in one form or another.

I've been told that there may just be a few folks here from Pennsylvania. [Applause] We're outnumbered. Well, it may take a few tries, but I never underestimate the persistence of parents: The children of Pennsylvania will have school choice.

From California to East Harlem, from coast to coast, the leaders of the school choice movement are sparking a revolution in American education. They're the true heroes of this education reform, and some of them are here with us today. They aren't afraid to stand up to the status quo, to say loud and clear that when it comes to educating our kids, business-as-usual simply isn't good enough. Let there be no mistake: Barbara and I and the Vice President and Marilyn, and certainly our Secretary, are very proud to stand with you.

You see, this revolution will succeed. It will succeed because it draws its strength from the very heart of the American creed. We have no truth more enduring than the idea that every American should have the opportunity for a first-class education. We have no principles more important than freedom, opportunity, and choice.

So thank you very, very much. And look at it this way, you're doing the Lord's work for our Nation's future, and you're doing it for the young people of this country. We are grateful to all of you. And may God bless the United States. And now I will sign this legislation.

Note: The President spoke at 10:20 a.m. on the South Lawn at the White House. In his remarks, he referred to Polly Williams, Wisconsin State legislator.

Message to the Congress Transmitting Proposed Legislation To Establish a ``GI Bill'' for Children

June 25, 1992

To the Congress of the United States:

Forty-eight years ago this week, President Franklin Roosevelt signed the GI Bill. With the hope of duplicating the success of that historic legislation, I am pleased to transmit for your immediate consideration and enactment the ``Federal Grants for State and Local `GI Bills' for Children.'' This proposal is a crucial component of our efforts to help the country achieve the National Education Goals by the year 2000. Also transmitted is a section-by-section analysis.

This legislation would authorize half-a-billion new Federal dollars in fiscal year 1993, and additional amounts in later years, to help States and communities give $1,000 scholarships to middle- and low-income children. Families may spend these scholarships at any lawfully operating school of their choice -- public, private, or religious. The result would be to give middle- and low-income families consumer power -- dollars to spend at any school they choose. This is the muscle parents need to transform our education system and create the best schools in the world for all our children.

At the close of World War II, the Federal Government created the GI Bill giving veterans scholarships to use at any college of their choice -- public, private, or religious. This consumer power gave veterans opportunity, helped to create the best system of colleges and universities in the world, and gave America a new generation of leaders. Now that the Cold War is over, the Federal Government should help State and local governments create GI Bills for children. Under this approach, scholarships would be available for middle- and low-income parents to use at the elementary or secondary school of their choice.

This bill will give middle- and low-income families more of the same choices available to wealthier families. Through families, it will provide new funds at the school site that teachers and principals can use to help all children achieve the high educational standards called for by the National Education Goals. In addition, the legislation will create a marketplace of educational opportunities to help improve all schools; engage parents in their children's schooling; and encourage creation of other academic programs for children before and after school, on weekends, or during school vacations.

Once this proposal is enacted, any State or locality can apply for enough Federal funds to give each child of a middle- or low-income family a $1,000 annual scholarship. The governmental unit would have to take significant steps to provide a choice of schools to families with school children in the area and permit families to spend the $1,000 Federal scholarships at a wide

variety of public and private schools. It would have to allow all lawfully operating schools in the area -- public, private, and religious -- to participate if they choose.

The Secretary of Education would select grantees on the basis of: (1) the number and variety of choices made available to families; (2) the extent to which the applicant has provided educational choices to all children, including children who are not eligible for scholarships; (3) the proportion of children who will participate who are from low-income families; and (4) the applicant's financial support (including private support) for the project.

The maximum family income for eligible children would be determined by the grantee, but it could not exceed the higher of the State or national median income, adjusted for family size. All eligible children in the project area would receive scholarships, as long as sufficient funds are available. If all eligible children cannot participate, the grantee would provide scholarships to those with the lowest family incomes. Students would continue to receive scholarships over the 4-year life of a project unless they leave school, move out of the area, or no longer meet the income criteria. Up to $500 of each scholarship may be used for other academic programs for children before and after school, on weekends, or during school vacations.

This bill provides aid to families, not institutions. However, as a condition of participating in this program, a school must comply with Federal anti-discrimination provisions of: section 601 of title VI of the Civil Rights Act of 1964 (race), section 901 of Title IX of the Education Amendments of 1972 (gender), and section 504 of the Rehabilitation Act of 1973 (disability).

Funding is authorized at $500 million in FY 1993, and ``such sums as may be necessary'' through FY 2000. The Department of Education would conduct a comprehensive evaluation of these demonstration projects. The evaluation would assess the impact of the program in such areas as educational achievement and parents' involvement in, and satisfaction with, their children's education.

I urge the Congress to take prompt and favorable action on this legislation.

George Bush

The White House,

June 25, 1992.

Remarks on the Railroad Strike and an Exchange With Reporters

June 25, 1992

The President. Let me just simply say that we're now in the second day of a national rail strike. And Secretary Card and his associates and others have worked all night, working with a bipartisan group on Capitol Hill to get the legislation to stop this strike. The trains are not moving as of this minute, however. Clearly the national interest is at stake here. We now face a complete halt of passenger and commuter rail lines. I urge the House and Senate to act to end this strike today; the national interest requires no less. There must be no further delay.

So I salute the Secretary and his people at the Department of Transportation, those Members that are working to end this strike. But it must happen, and it should happen today.

Q. What is the holdup?

The President. Well, Andy can give you more detail, but there's a difference of opinion amongst some of the Senators, I mean, some of the House Members and Senators. But the point is, no finger pointing here, I just want to use this office to encourage the Congress to move and move fast and settle this matter once and for all. I believe they can do it. In fact, I think they should do it.

Q. Well, is there something happening today that you know of?

The President. Well, talking's still going on on the legislation, yes.

Q. Mr. President, are you amenable to a 30-day cooling-off period and the appointment of -- --

The President. Look, we want that matter resolved once and for all. And that's what the administration position is -- --

Q. Mr. President, did you make a mistake the other day -- --

The President. -- -- that's in the best interest of the American people.

Perot Investigations

Q. Mr. President, did you make a mistake the other day when you criticized Ross Perot in an indirect fashion concerning the possible -- --

The President. I'm not taking any questions on that here, Jim [Jim Miklaszewski, NBC News]. Thank you very much. Nice try.

Q. Well, did you write a very amenable, friendly letter to him?

The President. Yes, I certainly did.

Q. Why, if he investigated your children?

The President. Well, go look at the dates, is the only thing I can suggest.

Q. But do you think he did investigate your kids?

The President. I don't know, Rita [Rita Beamish, Associated Press]. And I'm not going to take any more questions on it.

Q. Do you know anything abut Republican dirty tricks?

The President. I'm not going to take any more questions. Jim, you guys are getting a little hard of hearing here today. [Laughter]

Note: The President spoke at 11:56 a.m. in the Oval Office at the White House, prior to a meeting with Secretary of Transportation Andrew H. Card, Jr. A tape was not available for verification of the content of these remarks.

Remarks to the College Republican Convention

June 25, 1992

The President. Thank you all very much.

Audience members. Four more years! Four more years! Four more years! Bush-Quayle in '92! Bush-Quayle in '92! Bush-Quayle in '92!

The President. Thank you so very much. Let me start by thanking Tony. And lest some of you don't know it, he has done a first-class job in this centennial year as president of the College Republicans. It is the best party on campus. And thank you all for this warm and enthusiastic welcome.

Let me tell you something. Let me let you and the rest of the world in on a secret: I finish what I start. I am going to be reelected for 4 more years. You know, we've heard the drumbeat for change; we've even heard the saxophone for change. I have news: You and I, we are the change. You give us 4 more years and give us, hopefully, a Republican House and a Republican Senate and then watch the change, Republican style.

You know, some have gotten so caught up in the moment that they've forgotten the hour, so caught up in changing course that they've forgotten where we're headed. I know where I'm headed, and I aim, with your help and with the help of the Congress, to lead America along to a future of good jobs, fueled by free trade, by low taxes. And I will keep on vetoing the Democratic tax bills that come down our way every day.

We will lead to a future where families stick together and fathers stick around and to another American century, a world of hard-won peace and growing freedom. Some would say, ``Well, this is a tall order." They're right, and that's exactly because our vision doesn't ride on the next election, though, it rests on the next generation. In just the last 4 years the world as we've known it before is gone. Our mission for the next 4 years is to shape the next 40 years, and we can do it.

I need your help in the fall elections. And the fall elections must be a referendum on some big ideas: what kind of economy we'll have in the future, what kind of families, and really it's this big, what kind of world. In America, blood, sweat, and tears have literally changed the face of the Earth, and American strength and determination have consequences. Look around the world. You don't hear one single thing about it in this strange campaign year, but it's your credit and ours and Ronald Reagan's and everybody that's gone before us.

Let me tell you what to remind the critics. Let me tell you what to remind the critics and those who would have hacked away at our defense spending. Eastern Europe is free. Germany is reunified. Ancient enemies are talking peace in the Middle East. And our own hemisphere, look

south of our border, is almost totally democratic. Imperial communism is dead and buried. And just last week, standing in the Rose Garden, a democratically elected President of Russia stood with me in the Rose Garden as we announced the most sweeping nuclear arms cut in history. That is a sound record to take to the American people.

The doomsday clock and the bomb shelters and the nightmares of our children, they're folding out of the picture, and that's something to be proud of, that these kids tonight don't go to bed with the same kind of fear of nuclear war. Let's take credit for that change and take that case to the American people.

Let me just add this on the foreign side of things. While the world has become more free, it is less certain. The Soviet bear may be a creature of the past, and it is, imperial Soviet communism. But there are plenty of wolves out there, and you know who they are. This is no fantasy of some cold warrior; these are the realities of the new world.

From where I sit as President, I can see, I can survey the situation. There are real differences here, and remember this one, real differences with our opponents. Come next November we're going to take it to the American people that America is safe but only as long as we remain strong. And as long as I'm President, we are going to stay strong.

Audience members. Four more years! Four more years! Four more years!

The President. You know, Ronald Reagan, speaking of being safe as long as we're strong, my predecessor knew this all along. President Reagan's picture of history has been vindicated. Now we've built on this legacy. And our actions in the Gulf -- don't listen to these revisionists, those that sat on the sideline criticizing and now that are trying to turn history around. Our actions in the Gulf proved that America will stand up for its own interests. We will keep the wolves at bay. And as long as I am President, aggression will not stand.

Some say, how come the difference between domestic policy, the difficulty to move things that we need and want on the domestic scene compared to how things work abroad? The answer is, I did not have to get permission from some subcommittee controlled by the Democrats to kick Saddam Hussein out of Kuwait. When American lives are threatened, as they were in Panama, we took action. And we'd do it again to protect American lives.

On the domestic scene, we've had some successes up there on Capitol Hill -- it's been tough -- legislation like our Child Care Act which said that parents, parents should raise the kids, not the U.S. Government, the Clean Air Act that harnesses the market forces for a cleaner environment. And we've got a great record to take to the college campuses on the environment. We've spent $800 billion in the last 10 years, $1.2 trillion in the next, to clean up the environment and keep this world safe and sound, and we're going to do it. We passed the Americans with Disabilities Act, the most forward-looking piece of civil rights legislation in the last few years, and it says to

the disabled, hey, you're going to be part of the mainstream, not kept out, not pushed aside. Take that one out there to the college campuses and to the American people.

Sometimes when you have a Congress controlled by politically active Democrat liberals, you've got to keep bad things from happening. And the record is, Bush 30, on these vetoes, Congress 0.

Let me just say a word on the veto. It's tough sometimes to stand up against what might be seemed and designated in the papers as a popular position. But principle demands that a President do what might not be popular, do what is principled, and I believe that Government should work for the people, not the other way around. The system is broken, and we're going to fix it.

Let me say this one: I think the executive branch could stand some disciplining, and I know very well the Democratic-controlled Congress could. So everybody in America knows that I've proposed an amendment to force a balanced Federal budget. They know I've fought for it, the only Presidential candidate to support it, and I am not going to give up that fight. I need your help.

It's just this simple: The Government is too big, and it spends too much. The American people know that, and the American people are with us when I call for what 43 Governors have in the States, 43 Governors, and I'm saying: Give me the line-item veto, and give us a chance to cut down on this spending.

The taxpayers know how the budget gets busted: an arrogant, permanent Congress, unaccountable. The American people are with us, and the time has come to limit the terms of the United States Congress.

Another one we've got going for us, and it's strong, and it's new, and it's good, and that is the total reform, a revolution in American education. Almost half a trillion dollars is spent at all levels on education each year. Does anyone think we are getting our money's worth?

Audience members. No!

The President. Of course not. So while the opposition stumbles along the beaten path with old ideas, we've come out with a brandnew trail. America 2000 is the program, and it is revolutionizing the way we'll educate our kids.

Today I sent up to the Congress the ``GI bill'' for children, a bill to help low- and middle-income parents choose what schools can best teach their kids. School choice can be a catalyst, the force behind a real revolution in our schools. The theory is this: Whether it's public, private, or religious, parents, not governments, will choose their children's schools.

Not everyone's going to like what we're doing. And frankly, I'd have to wonder if some people did. Not everyone is ready for these new ideas. We're not going to discover new horizons without the courage to lose sight of the shore, and we're halfway there.

Our journey's not done. I've found that sometimes in this job as President, you have to do something that's unpopular. The person that's there must have a steady hand, must have a proper temperament, must have an experienced eye, and must have some vision, some knowledge of the waters ahead. The American people know that there's a flip side to change, and that is called trust. I believe I have been a President to earn the trust of the American people.

Audience members. Four more years! Four more years! Four more years!

The President. The American people know this, too, that we've got to ground our drive for change in some things that do not or should not change, things like values and family and faith. Too many Americans now feel that the country's on the wrong track. And how do we get it back on? We take the first step when we put the American family first. I am going to keep on fighting to find ways to strengthen the American family.

A man who served as executive director of this organization once said, ``Long before I was struck with cancer, I felt something stirring in American society. It was the sense among the people of this country that something was missing from their lives, something crucial. And my illness helped me to see what was missing, a little heart, a lot of brotherhood." Lee Atwater always had a way of getting to the truth. There are millions of Americans, ordinary citizens who are guided by that truth. We call them Points of Light. If every life is a portrait of a person who lives it, they are signing theirs with charity and good will. They're the true heroes of this country.

Government must not get in the way of what de Tocqueville found, when he came to America, was unique about America: the propensity of one American to help another. When I talk about kinder and gentler Nation, that's what I mean. Many of you are actively involved, in some way trying to help your communities, your neighborhood, your colleges, or whatever it is. People who feel as we do on this, let me say the work is not finished, and neither is ours. And this is an age of great, great change for America.

Let me end this way: November 3d is so important. These issues, these values that you and I share are the values that most of the American people have. So what we will do now is wait for our convention to be over. I'll try to keep making decisions that affect the welfare of America by moving through some legislation that remains. But I can't wait for the day when that Republican Convention is over, and I am going to roll up my sleeves with you at my side, and we are going to go after those Democrats.

Audience members. Four more years! Four more years! Four more years!

The President. Let's see, I'm thinking back, for 6 months I've stood out there as a spear-catcher for five Democrats and now one independent. Let me tell you, I know how to take it, but I also know how to dish it out. We haven't even begun yet. We haven't even started. Five months, five months of pounding in that political arena, and I have not yet begun to fight. But when I do, with you at my side, we are going to win on November 3d.

Thank you all, and God bless you. And God bless the United States of America. Thank you very much.

Note: The President spoke at 3:10 p.m. at the Omni Shoreham Hotel. In his remarks, he referred to Tony Zagotta, chairman of the College Republican National Committee.

Message to the Congress Reporting Budget Deferrals

June 25, 1992

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report two revised deferrals, now totaling $2.2 billion in budgetary resources. Including the revised deferrals, funds withheld in FY 1992 now total $5.7 billion.

The deferrals affect Funds Appropriated to the President and the Department of Agriculture. The details of the deferrals are contained in the attached reports.

George Bush

The White House,

June 25, 1992.

Note: The reports detailing the deferrals were published in the Federal Register on July 2.

Nomination of Kathryn D. Sullivan To Be Chief Scientist at the National Oceanic and Atmospheric Administration

June 25, 1992

The President today announced his intention to nominate Kathryn D. Sullivan, of California, to be Chief Scientist of the National Oceanic and Atmospheric Administration, Department of Commerce. She would succeed Sylvia Alice Earle.

Since 1990, Dr. Sullivan has served as NASA Mission Specialist at the Johnson Space Center in Houston, TX. Dr. Sullivan graduated from the University of California at Santa Cruz (B.S., 1973) and Dalhousie University, Halifax, Nova Scotia (Ph.D., 1978). She serves in the U.S. Naval Reserve. Dr. Sullivan was born October 3, 1951, in Paterson, NJ, and currently resides in Houston, TX.

Nomination of C.C. Hope, Jr., To Be a Member of the Board of Directors of the Federal Deposit Insurance Corporation

June 25, 1992

The President today announced his intention to nominate C.C. Hope, Jr., of North Carolina, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term expiring February 28, 1993. This is a reappointment.

Since 1986, Mr. Hope has served as a member of the Board of Directors of the Federal Deposit Insurance Corporation. He served as vice chairman of the First Union National Bank in Charlotte, NC.

Mr. Hope graduated from Wake Forest University (B.S., 1943). He served in the U.S. Navy from 1943 to 1945. He was born February 5, 1920, in Charlotte, NC. Mr. Hope is married, has three children, and resides in Alexandria, VA.

Nomination of Terrence B. Adamson To Be a Member of the Board of Directors of the State Justice Institute

June 25, 1992

The President today announced his intention to nominate Terrence B. Adamson, of Georgia, to be a member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1994. This is a reappointment.

Since 1991, Mr. Adamson has served as a partner with the law firm of Donovan, Leisure, Rogovin, Huge, and Schiller in Washington, DC. He served as a partner with the law firm of Dow, Lohnes and Albertson in Atlanta, GA, 1983 - 91, and as an associate with Hansell, Post, Brandon & Dorsey, 1974 - 77. Mr. Adamson also served as a fellow at the Institute of Politics at the Kennedy School of Government of Harvard University, 1979 - 80.

Mr. Adamson graduated from Emory University (B.A., 1968; J.D., 1973). He also served in the National Guard. Mr. Adamson is married, has three children, and resides in Washington, DC.

Statement by Press Secretary Fitzwater on the President's Signing of Legislation To Resolve the Railroad Labor Dispute

June 26, 1992

The President is pleased that Congress, with bipartisan cooperation, has met its responsibility to end the rail crisis. The legislation the President has just signed will offer an opportunity for labor and management to settle the issues between themselves. If that proves impossible, the bill also offers a fair way to resolve any impasse and keep the railroads and our economy moving.

Note: H.J. Res. 517, approved June 26, was assigned Public Law No. 102 - 306.

Remarks at a Ceremony Marking the Return of the Remains of Ignacy Paderewski to Poland

June 26, 1992

Please be seated. This is a little much. But listen, I am so pleased to see so many distinguished Americans here and so many visitors here.

I first want to salute our Secretary, beautifully decked out for this occasion, but I have such confidence in Ed Derwinski and what he's doing for our country. I don't think there's anybody who is familiar with U.S.-Polish relations that does not credit Ed Derwinski for his commitment and his understanding. And I tell you, I've leaned on him for advice all along the way here. So Ed, we're delighted you're here.

Ambassador Dziewanowski's here. President Walesa's Chief of Staff is here, Mr. -- I've got to be sure I pronounce it right -- Ziolkowski. Where are you, sir? Would you please stand up? We're just delighted that you're with us. You all know the Ambassador sitting out here. But anyway, we know him, and we consider him a great friend of the United States as well as a wonderful advocate for Poland.

So, welcome, all. Today we begin a series of ceremonies that are fulfilling the dream of one of the great men of our time, Ignacy Jan Paderewski. And I'm so pleased to see some kin here with us today. It's most appropriate.

This outstanding musical artist and, I would add, visionary statesman died in exile in America when the clouds of war and oppression loomed darkest over his native Poland. And by direction of President Franklin D. Roosevelt, Paderewski's remains were given a place of honor for temporary repose right across the river there at Arlington National Cemetery, temporary until Poland regained its freedom.

That day has come. Poland has thrown off the yoke of Soviet communism. The dream of Polish freedom and independence has really become a bright reality, and it's getting stronger every single day. Within a few days, the distinguished delegation here will escort Paderewski's remains home to Poland. On July 5th, and I'm really looking forward to this, Mr. Ambassador, Barbara and I will have the privilege of going back to Poland to attend the solemn requiem mass at St. John's Cathedral in Warsaw.

God gave Paderewski extraordinary talents, and he was generous in their use. He brought the beauty of classical music performances to hundreds of thousands of listeners around the globe. He shared his financial success with charities and with patriotic causes. He took a leading role in Poland's struggle for freedom. And indeed, more than anyone else, he was responsible for

President Wilson's including Polish independence among his Fourteen Points for peace following the First World War. During the period of independence that followed, he put his talents for statesmanship into practice as Poland's Prime Minister. His life was truly a symphony.

The new birth of freedom in Poland, indeed in all of Europe, is in great part due to the perseverance of millions of people like yourselves here in the United States, people of the Polonia. Just as Paderewski had fought against dictatorship half a century earlier, people of Polish origin and culture in America played a critical role in razing the Iron Curtain and launching Europe into a new era of freedom and unity. We cannot name them all, but we should honor them just as we do such modern heroes as President Walesa and His Holiness Pope John Paul.

Barbara and I are looking forward to our return to Poland next week, to the warmth of that country, the warmth of its people. It will be one of the greatest honors of my Presidency to take part in the final rites for Ignacy Paderewski when, to paraphrase the stirring strain of the Polish anthem, he will be rejoined with the people of his nation.

As with my trip to Poland in July of 1989, we're making this visit also to demonstrate America's strong support for Poland's bold movement to democracy and free markets. It's going to be a different Poland from the country that I visited just 3 years ago. Alongside the great success of Poland's pioneering reforms are the hardships resulting from 40 years of Communist mismanagement. I want the Polish people to know that America stands resolutely with them in their heroic efforts today.

There is no way that I can adequately thank the many Polish Americans and others as well who have made this occasion possible. Your steadfast loyalty to America and to Poland is a great example to me as I conduct the affairs of this office in the office right behind us.

So may God bless you all. May God bless Poland and, of course, the United States of America.

Now turn the spotlight over here. Thank you all for coming.

Note: The President spoke at 10:30 a.m. in the Rose Garden at the White House. In his remarks, he referred to Kazimierz Dziewanowski, Polish Ambassador to the United States, and Janusz Ziolkowski, Polish Secretary of State for Foreign Affairs.

Letter to Congressional Leaders Transmitting Proposed Legislation on Utah Public Lands Wilderness Designation

June 26, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to submit for congressional consideration and passage the ``Utah Public Lands Wilderness Act".

The Federal Land Policy and Management Act of 1976 (FLPMA), (43 U.S.C. 1701, et seq.), directs the Secretary of the Interior to review the wilderness potential of the public lands.

The review of the areas identified in Utah began immediately after the enactment of FLPMA and has now been completed. Approximately 3,258,250 acres of public lands in 95 areas in Utah met the minimum wilderness criteria and were designated as wilderness study areas (WSAs). These WSAs were studied and analyzed during the review process and the results documented in five environmental impact statements and five instant study area reports.

Based on the studies and reviews of the WSAs, the Secretary of the Interior recommends that all or part of 69 of the WSAs, totaling 1,958,339 acres of public lands, be designated as part of the National Wilderness Preservation System. From these 69 WSAs, the Secretary proposes to designate 70 wilderness areas by dividing one WSA into two wilderness areas.

I concur with the Secretary of the Interior's recommendations and am pleased to recommend designation of the 70 areas (totalling 1,958,339 acres) identified in the enclosed draft legislation as additions to the National Wilderness Preservation System.

The proposed additions represent the diversity of wilderness values in the State of Utah. These range from the block-faulted mountains of western Utah to the entrenched sandstone canyons of the Colorado Plateau in southern and eastern Utah. These areas span a wide variety of Utah landforms, ecosystems, and other natural systems and features. Their inclusion in the wilderness system will improve the geographic distribution of wilderness areas in Utah, and will complement existing areas of congressionally designated wilderness. They will provide new and outstanding opportunities for solitude and unconfined recreation.

The enclosed draft legislation provides that designation as wilderness shall not constitute a reservation of water or water rights for wilderness purposes. This is consistent with the fact that the Congress did not establish a Federal reserved water right for wilderness purposes. The

Administration has established the policy that, where it is necessary to obtain water rights for wilderness purposes in a specific wilderness area, water rights would be sought from the State by filing under State water laws. Furthermore, it is the policy of the Administration that the designation of wilderness areas should not interfere with the use of water rights, State water administration, or the use of a State's interstate water allocation.

The draft legislation also provides for access to wilderness areas by Indian people for traditional cultural and religious purposes. Access by the general public may be limited in order to protect the privacy of religious cultural activities taking place in specific wilderness areas. In addition, to the fullest extent practicable, the Department of the Interior will coordinate with the Department of Defense to minimize the impact of any overflights during these religious cultural activities.

I further concur with the Secretary of the Interior that all or part of 63 of the WSAs encompassing 1,299,911 acres are not suitable for preservation as wilderness.

Also enclosed are a letter and report from the Secretary of the Interior concerning the WSAs discussed above and a section-by-section analysis of the draft legislation. I urge the Congress to act expeditiously and favorably on the proposed legislation so that the natural resources of these WSAs in Utah may be protected and preserved.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Designation of Marshall Jordan Breger as Acting Assistant Secretary of Labor

June 26, 1992

The President today directed Marshall Jordan Breger, of the District of Columbia, Solicitor for the Department of Labor, to perform the duties of the office of Assistant Secretary of Labor for Labor-Management Standards, effective June 29, 1992.

Since 1991, Mr. Breger has served as Solicitor at the Department of Labor. From 1985 to 1991, he served as Chairman of the Administrative Conference of the United States. He also served as Special Assistant to the President for Public Liaison at the White House, 1983 - 85.

Mr. Breger graduated from the University of Pennsylvania (B.A., 1967; M.A., 1967); Oriel College, Oxford University (B. Phil., 1970); and the University of Pennsylvania Law School (J.D., 1973). He was born August 14, 1946, in New York, NY. Mr. Breger is married, has two children, and resides in Silver Spring, MD.

Nomination of Hugo Pomrehn To Be Under Secretary of Energy

June 26, 1992

The President today announced his intention to nominate Hugo Pomrehn, of California, to be Under Secretary of Energy. He would succeed John Chatfield Tuck.

Since 1967, Dr. Pomrehn has served in several positions with the Bechtel Corp., including vice president and manager of the Los Angeles Regional Office, 1990 to present; manager of special projects for quality management in San Francisco, 1989 - 90; and vice president and general manager of Bechtel-KWU Alliance in Gaithersburg, MD, 1988 - 89.

Dr. Pomrehn graduated from the University of Southern California (B.S., 1960); George Washington University (M.S., 1965); and the University of Southern California (M.S., 1969; Ph.D., 1975). He served as a Lieutenant in the U.S. Navy, 1960 - 64. He was born July 8, 1938, in Chicago Heights, IL. Dr. Pomrehn is married, has three children, and resides in Westminster, CA.

Statement by Press Secretary Fitzwater on the Resignation of H. Lawrence Garrett III as Secretary of the Navy

June 26, 1992

President Bush accepts the resignation of Secretary of the Navy, H. Lawrence Garrett III. Secretary Garrett today submitted his letter of resignation to the President, accepting full responsibility for the Tailhook incident involving naval aviators.

President Bush today received a briefing by Secretary Cheney on the status of the Department of Defense investigations into the Tailhook incident. The Inspector General of the Navy has investigated the matter. A second investigation by the Inspector General of the Department of Defense was ordered last week.

The President seeks a full, thorough, and expedited investigation that will result in actions to ensure the highest standards of equality and conduct among all members of the Navy. Sexual harassment will not be tolerated.

Statement by Press Secretary Fitzwater Announcing the Visit of Prime Minister Kiichi Miyazawa of Japan

June 26, 1992

The President will meet with Prime Minister Miyazawa of Japan for an official working visit on Wednesday, July 1. The leaders will have an Oval Office meeting and then go to Camp David for private talks and dinner. Discussions are expected to include the upcoming G - 7 summit in Munich as well as other international and bilateral issues.

Radio Address to the Nation on a ``GI Bill'' for Children

June 27, 1992

Today I'd like to speak with you about a subject close to the heart of every American: the education of our children. You might not know it to read the morning paper or watch the evening news, but there's a revolution going on in our country, a revolution with a single aim: To make American schools the best in the world.

This week I proposed a giant step forward in that revolution. I sent to Congress legislation authorizing $500 million to help States and communities give children from middle- and low-income families a $1,000 scholarship. And here's the crucial part: Families will be allowed to spend this money at any school of their choice, whether that school is public, private, or religious. This proposal is in the greatest American tradition.

Forty-eight years ago this week, President Roosevelt signed the GI bill creating scholarships that veterans could use at any college, any college of their choice. The GI bill created opportunity for Americans who never would have had it. And in so doing, it helped to create the best system of colleges and universities in the world. And we can do it again, this time with a ``GI bill'' for children, helping State and local governments create the best elementary and secondary schools in the world.

My proposal is based on a few fundamental truths. I believe that parents are their children's first teachers. Parents, not bureaucrats, know what's best for their children. Parents, not the Government, should choose their children's schools. For too long we've shielded schools from competition, allowed them a damaging monopoly power over our children. This monopoly turns students into statistics and parents into pawns.

Let's be clear about who's hurt most by the present system. It's not the wealthy; they can already afford to send their children to whichever school they choose. The ``GI bill'' for children will give low- and middle-income families more of those choices. Whether it's the public school down the street or across town, whether it's a parochial or Yeshiva or Bible school, parents should be able to decide which school will provide the best education for their kids. By injecting competition into our education system, by allowing parents to choose their children's schools, we can break the monopoly, provide the catalyst to open up opportunities for our kids and create genuine change in our schools.

Abraham Lincoln said, ``Revolutions do not go backward.'' And all across the country, from Pennsylvania to California, from San Antonio to Indianapolis, the school choice revolution is gaining steam.

I met with many leaders of that movement at the White House this week. They are the true

heroes of school reform. They aren't afraid to stand up to the status quo, to say loud and clear that when it comes to educating our kids, business as usual just is not good enough. And I'm proud to stand at their side.

The protectors of the status quo should understand this revolution will succeed with or without their help. We will create the finest schools for our children and grandchildren. And we will do it by restoring to education the truest American principles: freedom and opportunity and choice.

Thank you for listening. And may God bless the United States of America.

Note: This address was recorded at 8 a.m. on June 26 in the Cabinet Room at the White House for broadcast after 9 a.m. on June 27.

Remarks at the Dedication Ceremony for the Drug Enforcement Administration's New York Field Division Office in New York City

June 29, 1992

Thank you all very, very much. Thank you for the welcome back. And may I return those kind words by saying that I think we have an Attorney General, came in at a complicated time and is doing a superb job for law enforcement. And it's a joy working with Bill Barr. I want to salute another with us today, Bob Martinez, the former Governor. He and I started working when he was the Governor of the State of Florida. We interacted then mainly on the interdiction side of this drug war. And I have great confidence in the job he's doing as our drug czar.

I want to say to our friend Dave Dinkins, the illustrious Mayor of the city, that I am very grateful to you, sir, for being with us today, for the kind comments you made about our collective efforts to win this battle; to salute you for what our people tell me has been outstanding cooperation from the New York Police. You deserve a vote of thanks for that, and I am very proud once again to be at your side.

May I salute Rob Bonner, who is our head of DEA. I hope that most of you that work with DEA have had the opportunity to meet him. He is dedicated, and again, I'm grateful that he's heading this very, very important Agency. Mr. Austin is here, Dick Austin of GSA. We're saluting a facility that I guess most of you have moved into a little before now. But it shows what can be done in these unique times, innovating from within and having the results be rather spectacular. Al DelliBovi is here. He's from HUD, our number two man there, doing a great job in the housing field. I thought I saw him. Oh, he's hiding way in the back over here.

May I salute, also, another man that I respect, Lee Brown. We trained him well in Houston, Texas, and look at him now. Here he is -- [laughter] -- here he is, doing a great job for New York and, I think, for all the people in the country. Monsignor O'Brien, I know of your work, sir, and thank you for putting it in focus with that wonderful invocation. To Bob Bryden, I got well-briefed coming up here on the effectiveness of this office, something that I'd learned from my own visit here a few years ago. But I salute you, sir, and I guess even more important, the day-in and day-out work of those people that work with you and for you here, a dedicated group. I guess there's no way that a President can adequately say thanks to those who put their lives on the line day-in and day-out for the young people and the families of this Nation. We are grateful to each and every one of you. And I'm pleased to be here.

You know, we meet at the end of a hectic month. Boris Yeltsin was in town just a week ago. He asked if I still thought that the day of the dictator was over, and I said I did. And he said, ``Well, so who is this Steinbrenner that I keep hearing about up there?" [Laughter] It's good to be back

in New York, I'll tell you.

But you know the message. I think it's a message that all of you can identify with. All Americans want families that are strong and united. All Americans want good schools and a job-creating economy and a world at peace. But all of this ties into your work because all Americans want neighborhoods that are safe, rejecting those who soft-pedal the need to be hard on crime. Some say that there are reasons that crime occur, and I'm sure that you can make a case for that. But I say there is never an excuse not to seek justice through the American system of law. And nowhere is this need clearer than this war that you all are engaged in, the war on drugs, a war this new office of DEA can help fight and win.

I was at that old DEA New York office in the spring of 1989, after the brutal murder of Agent Hatcher. And you know, in everybody's life there are events that make an impact on you. I'll never forget that one. It was brought home to me so clearly, the personal sacrifice and sometimes the personal suffering that goes with this fight against drugs. It was a sad occasion. And I tried to make clear then, and I repeat now, that we will win this war against drugs. As long as one American is hooked on drugs, that's one too many. And so we must stop drug use, not someplace, not sometime, but all across our country, now or as soon as possible.

And that's why -- Bill Barr alluded to this -- that's why the Federal budget for fiscal '93 calls for $12 billion for our national drug control strategy. That's $12 billion, nearly double the amount when we came into office in 1989. And the strategy does set ambitious goals. We hoped -- and these goals were set with the advice of many people here, some previously in the DEA and others with it now and with Justice -- to cut overall drug use by 10 percent. That's what we set as a goal. Well, we surpassed that target. We wanted to slash occasional cocaine use by 10 percent; it went down 29. Adolescent cocaine use, the goal was 30-percent decrease, and I'm pleased to tell you that it's down by about 60 percent.

We've begun well, you might say; but we've only just begun. Look at Bedford Stuy or other communities across the country, the suburbs of any city, the broken canyons of Los Angeles, and there you'll see some of more than 12 million Americans who currently still use drugs and the 1.9 million of them who still use cocaine. We are not making the progress that we want to in this addictive group, younger than the teenagers, but certainly not old enough to be retired in any way. And we must make more progress there. Worse, more than 1.3 million of our kids do use drugs. And I grieve for these families and these kids.

While Federal funding can help, it certainly, it alone, is not enough. And that's why this antidrug campaign includes community action led by effective treatment, Federal, State, and local, to reduce drug use in our neighborhoods and schools. We also need prevention through widespread education. And we need business and labor and our families and schools to stop the drugs that lead to the death and bondage, drugs that really declare open season on the innocent.

Next comes perhaps the most crucial part of the crusade, law enforcement. The DEA New York Field Division seized more than $234 million in criminal assets in one year, in fiscal year 1991. And you know that a country that refused to allow totalitarians of the right and of the left to enslave the world will never allow the evil purveyors of drugs to enslave America.

And let me tell you something: Every time law enforcement officials come to the White House, I think: How can we better support them? And so by January 1st we will have 50 percent more Federal prosecutors than in 1988. We've also reauthorized the 1984 Victims of Crime Act and boosted its annual crime victims fund to $150 million. Now, these dollars did not come from taxpayers but from the criminals' fines and penalties. After all, crime shouldn't pay; criminals should. And so we've moved to punish career criminals under the Federal Armed Career Criminal Act. No seasoned criminal should walk free because we didn't take the law and our law enforcement officers seriously.

Our administration has proposed $15.8 billion for anticrime policies for fiscal '93. And that's up 59 percent in 4 years. And yet, progress made is certainly not mission accomplished. Let's back up these law enforcement officials with laws that are fair, fast, and final.

You know what I'm talking about. Fair: When good cops act in good faith to nail criminals, those criminals should not go free because of some exclusionary rule technicality. Fast: We need habeas corpus reforms to stop the frivolous appeals choking our courts. Crime's victims must not suffer twice, once when they're victimized by the criminal and again when some liberal judge allows criminals to escape scot-free through some new loophole in the law. We also need laws that are final. I think my position is well-known on this, and I have no trouble defending it. For anyone who kills a law enforcement officer, no penalty is too tough. When drug kingpins inflict the ultimate evil on society, society demands that the ultimate penalty be inflicted on them.

Some say that legalization of drugs is the answer to drugs. And to that I say that we must never wave the white flag of surrender at the white scourge of cocaine.

So today I am again asking the United States Congress to pass crime legislation based on three principles: If criminals commit crimes, they'll be caught -- more law enforcement support. If caught, they will be tried -- more judges, more rapid going through the courts. And if convicted, they will be punished -- not let them out on loopholes. We need a crime bill which strengthens, not weakens, our ability to uphold the laws, a crime bill like the ``Crime Control Act of 1992." So let's pass this legislation and salute those who risk their lives to save ours.

And above all, let's remember this: To take back our streets we need to take criminals off the streets and put them behind bars for a long, long time. And in the past 4 years, over half a billion dollars in drug forfeiture money alone has been used to build prisons. And we need more, more prisons. In particular, our States need more prisons. Because for some career criminals, the iron bars of prison are the only bar against crime.

So, let me close with words from the heart about where and with whom I stand. I stand with those who fight criminals. Your work is not a 9-to-5 job with long lunches and friendly chats around some water cooler. It is filled with danger and fear. And I had two wonderful briefings on some of the complexities of this work when I arrived here this morning. It's not knowing whether you'll end your shift going home in a car or to the emergency room in an ambulance.

And let me just add something: I also stand against those who use films or records or television or video games to glorify killing law enforcement officers. It is sick. It is wrong for any company, I don't care how noble the name of the company, it is wrong for any company to issue records that approve of killing law enforcement officers.

And so I am delighted to be here to salute the greatest freedom fighters any nation could have, people who provide freedom from violence and freedom from drugs and freedom from fear. They're offering hope to every family across our country. And in that spirit, I am now truly honored to open the New York Field Division Office of the DEA. And again, especially to all who work out there on the front lines, may God bless you in your noble work.

Thank you very, very much.

Note: The President spoke at 10:53 a.m. in the conference room at the DEA New York Field Division Office. In his remarks, he referred to Lee P. Brown, commissioner of the New York City Police Department; Msgr. William B. O'Brien, president of the Daytop Village drug treatment facility; Robert A. Bryden, Special Agent in Charge, DEA New York Field Division; and DEA Special Agent Everett E. Hatcher, who was killed in the line of duty on February 28, 1989.

Remarks at a Fundraising Luncheon for Senator Alfonse M. D'Amato in New York City

June 29, 1992

Thank you all so much. And Charlie, thank you, Ambassador, for that very, very generous introduction. And let me just thank all responsible for this highly successful lunch. I want to salute our two Members of Congress here today, Senator Pressler and Norm Lent; I'll get to the third in a minute. Chairman Rich Bond -- if you want to get a guy to do a big national job, get someone from New York; and Rich is doing just that as chairman of the Republican National Committee.

I want to salute our new committeeman, Joe Mandello; glad Joe's family could make it out there. Bill Powers, our wonderful State chairman who's taking them on up there and winning more than his share, for all of us, I might add. And David Brewer, Doug Barclay, Jack Hennessy, heading up our campaign efforts and doing such a superb job in this fundraising. Another salute to Roy Goodman, an old friend down here, the State senator. And Michael Long, let me just say, Mike, how grateful I am to you and the others in the Conservative Party. What that means is that with your help and now with the help of everybody across this State, New York is not only in play as a key targeted State for the Republicans, it is a State we will win. And this is a very important endorsement.

May I thank Yung Soo Yoo and Rabbi Milton Balkany for their introduction as well and their saluting us at the beginning of this program.

And now I'm here today to salute a great leader, a force for good, a titan of politics, Mama D'Amato. I think Al's learned a thing or two from Mama, things like getting it done, making waves, taking them on, and winning. And that's exactly what he's going to do this fall. But I've seen it in Washington, and when Al takes them on, the rest of them take cover.

Voters are frustrated, and they're tired of the status quo, and they're calling for change. But they also know that there's a flip side to change, and it is called trust, trust to make the right decisions and to block the wrong ones. I believe that we have the values, I believe we have the record that entitles us to take our case to the American people and win 4 more years in the White House and 6 more for Al in the Senate.

Our values are right. When we talk about family values, I'm thinking of what those mayors came to tell me. Liberals and conservative, Democrats and Republicans from the mayors came to see me, and they said the biggest problem in the cities is the decline of the American family. And we are the party that's trying to strengthen the American family through choice and opportunity.

I appreciated what Al said about changing the world. And I do believe that thanks to my predecessor, thanks to our administration, there have been fundamental changes in the world. Eastern Europe is free; Germany is united; the international communism as we know it is dead. Ancient enemies are sitting talking to each other in the Middle East. Democracy is on the move south of our borders. And we have a fantastic record of standing up against aggression. And don't let the revisionists try to tell you that Desert Storm was bad; it was a tremendous success, and we are not going to let them alter the record.

I notice these signs, and let me simply say that, look, the Israeli elections underscore the dynamism of the Mideast's solitary democracy. They point out the dynamism of the process. And we are confident that we can work with that new Israeli government to deepen our partnership, to promote our common objective of peace with security for Israel. And I am dedicating myself to that.

There's another thing that we'll take to the American people, and you don't hear it from either of the opponents at this Presidential level, and I don't expect Al's going to hear much about it. But it was under our leadership that we can now turn to the American people, particularly the children, and say, you can go to bed at night without that awful, deadly fear of nuclear war because of what we did in getting rid of these ICBM weapons. You listen to those pundits out there and listen to the opponents, you wouldn't think there was any responsibilities to the United States. We are the undisputed leader of the free world, and I don't care what the critics say. I am going to keep on leading for peace and democracy around the world.

And yes, yes, we're going to have some savings in defense, but I am not going to cut into the muscle of the defense. There are still many uncertainties out there, and the United States, in order to lead, must remain strong. Al has known that; Al has stood up against criticism on behalf of that principle. And I am convinced that we can keep our security strong so we can guarantee for the generations that come futures of peace and opportunity.

Some people say to me, ``Hey, how come you can't bring the same kind of purpose and success to the domestic scene as you did in Desert Storm and Desert Shield?'' And the fair answer to that is, we can. But when it came to going into Desert Storm, I didn't have to call one of the Senators entrenched on the Democratic side, one of the liberals, and get his permission. I did not have to stand up and watch everything I'm trying to do get blocked by the Senate. We moved, and then they came along. That is what we need in the Congress, and the way to get that is to give us more people like Al D'Amato and Terrence Pressler and Norman Lent and to get control of the Congress.

For 35 years, one party has controlled the House of Representatives. For 29 of the last 35, one party has controlled the United States Senate. We tried it with a Democratic President and a Democratic Congress, and we got the worst interest rates, the worst ``misery index'' in the history of this country. What hasn't been tried and what we're going to take to the people in the

fall is this: Give us a Republican President, a Republican Senate, and a Republican House, and we can give you the values that you want.

We've gotten some things done early in the Presidency: A child care bill that says, isn't it better for the parents to choose how to have child care rather than have some Government bureaucracy. We've passed the foremost, far-looking, far forward-looking piece of civil rights legislation in the Americans for Disabilities Act that said, let's give these people a chance, let them fit in, give them an opportunity, not have some Government program out here to keep the people with disabilities isolated. We passed a Clean Air Act that used market forces, harnesses market forces for a cleaner environment.

But so much that we're trying to do, whether it's school choice or whether it's incentives for this economy, are being blocked by the United States Congress. And they control it; the Democrats control it. And I believe that the American people, in their quest for change, are going to say: Let's try something that hasn't been done in 35 years: Let's get a Republican Congress to back up this Republican President.

Sometimes the only time you can get something to happen down there is standing up against bad legislation. And I want to take this opportunity to thank our distinguished honoree, Al D'Amato, today for helping me with this veto record. The score is: Bush 30, Congress 0, on the veto. And we're going to keep on beating back bad legislation until we get good legislation.

Let me just click off a couple of our major initiatives. One of them is health care reform. It is not right that families go to bed wondering whether they're going to have any protection against illness. We have put forward on the Capitol Hill now, it's before the Congress, a new health care reform program that says we will make insurance available to everybody, the poorest of the poor, through a voucher system. We will revise and get rid of these awful malpractice suits by changing and getting some legal reform for this country. We're suing each other too much and caring for each other too little. So we've got a good, strong, health care proposal, and it doesn't do like some of these foreign countries or what some of the liberal Democrats want to do. It does not socialize medicine. It does not break every small business. It offers insurance to others, everybody. And it says we will maintain the quality of U.S. health care. It is the best in the world, and we are not going to diminish it by putting the Government in charge of our health care.

Another one is free trade. We stand proudly for free trade. And we're taking a hammering in some quarters. Election year is coming up; everybody is out pledging to this special interest, this protection or that protection. But let me tell you something: I am going to keep on fighting until we get a successful conclusion to the Uruguay round of GATT, and I am going to keep on fighting until we get a North American free trade agreement because that means jobs for the American worker. I am for free trade, not for protection, and we've got to keep fighting for those principles.

Another one is education reform. Mike talked about it, and Al D'Amato mentioned it. We've got a good program; it's not just another Government program. It's called America 2000. It literally revolutionizes the way we educate the kids from K to 12. We have the best university system in the world; we have the best quality education at that level. But what we don't have is the proper quality at those lower areas of education. And so our program says: Keep it close to the family, keep it close to the locality and the community, but literally revolutionize it. We've got a good, strong program to take, and Al is right. Our ``GI bill'' says this: Give the parents a choice. Give the family the same opportunity to choose those schools, religious, private, or public that we all got, the old guys here got when we got the GI bill right after World War II. It worked for the universities; it can work at the local level. What's wrong with letting the parents choose and giving them that opportunity?

We've got a great disagreement with the liberal Democrats on another one. I am fighting at every turn to do better on the deficit. The other day we had a vote in the Congress on a means to discipline the executive branch and discipline the United States Congress. Not a cure-all, but it was something that 80 percent of the American people want. It was victimized and brutalized and beaten back by that entrenched liberal Democrat leadership that wouldn't stand up against the special interests. I will continue to fight for a balanced budget amendment to discipline us all in Washington, DC.

And while we're at it -- and I heard a nice endorsement of this by the Democratic nominee, potential Democratic nominee for President -- I think it's about time to give the President what 43 Governors have. If they can't do it up there with the liberals that control these committees, give the President a chance. Give me that line-item veto, and let's see if we can't do better on the spending side.

In conclusion, let me say this: This has been a weird political year -- I'm talking strange. I've been in politics half my adult life, half of it in private business. It has been the strangest year I have ever seen. I think most people would agree with that. But in the final analysis, the American people are going to say this: Who has the temperament to lead this country? Who has the steadiness when the going gets really tough to make the proper decision? Who has the beliefs when it comes to the innate strength of American society, the family, the family values? Who has the will to fight for those values? Who has the demonstrated leadership to keep the peace and enhance it by helping democracy and freedom around the world? And who has the best program to stimulate the economy by getting jobs and opportunity moving by encouraging less regulation and by stimulating the investment tax credit and cutting the capital gains and changing the IRA's and doing all the things we should have done months ago to give the working man and woman an opportunity?

I believe we have not only the program, but I hope I have the integrity and that sense of honor about the United States to ask the American people: Give me 4 more years. Give Al D'Amato 6 more years. Give us more company on the House and in the Senate, and watch us get that job

done. I cannot wait until the middle of August -- right now I'm in a nonpolitical mode. [Laughter] But I cannot wait until the middle of August when I get unfettered and say, all right, now the time has come to take this case to the American people. Not just to go after the other guys -- although I'm a little bit tired of hearing my name get criticized by five Democrats all spring long, and now some independent comes charging out with nothing but criticism. I'm ready to take them on when we get to August. And what happens here is this kind of arrangement will make us have a much better chance of taking them on, on our terms. Let them see if they can take the heat because I am going to dish it out and take the Republican record to the American people, and we are going to win in November.

Thank you very, very much.

Note: The President spoke at 1:15 p.m. in the Grand Ballroom at the New York Hilton Hotel. In his remarks, he referred to Charles Gargano, former Ambassador to Trinidad and Tobago; Joe Mandello, chairman, Nassau County Republican Party; David Brewer, luncheon vice chairman; Douglas Barclay, New York State chairman, Bush-Quayle '92; Jack Hennessy, New York State finance chairman, Bush-Quayle '92; Michael Long, chairman, New York State Conservative Party; Yung Soo Yoo, luncheon general chairman; and Rabbi Yehoshua Balkany, dean of Yeshiva Bais Yaakov of Brooklyn, who gave the invocation.

Statement on the Supreme Court Decision on Abortion

June 29, 1992

I am pleased with the Supreme Court's decision upholding most of Pennsylvania's reasonable restrictions on abortion, such as the requirement that a teenager seek her parent's consent before obtaining an abortion. The Pennsylvania law supports family values in what is perhaps the most difficult question a family can confront.

My own position on abortion is well-known and remains unchanged. I oppose abortion in all cases except rape or incest or where the life of the mother is at stake.

Question-and-Answer Session With the Michigan Law Enforcement Community in Detroit, Michigan

June 29, 1992

Q. Mr. President, I have the privilege of not only introducing you, but also to ask the first question. I would like, sir, as most of us have a feeling that drugs is the common denominator of most of the violent crime we have in our society, could you please comment on the relative success of your war on drugs?

The President. That's what we call a slow ball, in a way, in the trade. But first, let me just thank Brooks and thank all of you. I understand people have come from all across the State.

On the war on drugs: One, it's priority; two, it's not without major progress. The major progress lies in the reduction of the amount of cocaine being used by teenagers, and this is very good. We set the goal, I believe it was, at 20 percent. And it's down 60 percent. Where we're not making the progress we should -- and I'm sure every one of you runs into it in one way or another -- is in that age group of 35, these addicted users. It's extraordinarily difficult. And our war on drugs under Governor Bob Martinez, but working cooperatively with the local level, must do better in that area.

We're doing pretty well in interdiction. We've got a broader cooperation, broader use of our military, a stronger cooperation from the Presidents of the countries south of our border. Mexico is doing much better. There's been some differences, but mainly we're getting good cooperation there. The Colombians have been very, very good in terms of cooperation. We're having some difficulties in Peru that have not been enhanced by the recent change down there. But generally speaking, cooperation is better. One of the things I'm trying to do with them, the leaders south of the border, is say, ``Look, we know that you feel that if it weren't for us you wouldn't have the problems of the drug cartels, the narco-traffickers. But we also should tell you we are doing as much as we can and will do everything we can on the demand side of the equation."

So we've got to keep pushing to reduce demand in this country. Our educational programs are doing better. Incidentally, it will not be solved at the Federal level. You've got to have cooperation in all of what we call the Points of Light, but also the work that you all do with the kids in the communities.

So I'd say I'm proud of the record. The funding, Federal funding, is way up, way up. I think the last figure was $9 billion or something of that nature for the drug war. But I wish I could certify to the American people that the job was done. It's not, and we've just got to keep pushing.

One of the things we'd like to see passed, and maybe I'll get a question on it, is to get our crime

bill, which is tough on the criminal, more compassionate for the victim of crime, get that through the Congress. And we simply have not been able to do it. It would be tougher on the death penalty, tougher on habeas corpus reform, tougher on the exclusionary rule reform. And we're hung up in the old thinkers in the Judiciary Committee, particularly of the House of Representatives. So we've got a ways to go there.

Who else?

Q. This past week I was with 35 other top police administrators in the country and spent the week discussing issues of violence in the country. Now, we all know in the profession that violence is not merely a law enforcement problem; it's a problem for society. The Governor in this State has proposed some sweeping changes in education and some changes that will improve the economy in this State. I know this is a question that's very difficult to answer, but briefly, can you tell us what your prescription is for reducing violence in the country?

The President. One of the things that -- and I guess politicians should be careful, but I don't think you need to be too careful -- I am very much concerned with the content of some of the filth and some of the portrayals that go into the families, into the living rooms through the television. I don't think we can censor. They've got to be very careful about censorship. But this morning at a DEA opening of the new DEA building, I spoke out against some of these rap songs that speak out and talk about killing law enforcement officers. I mean, I just think that good taste and decent people ought to know better than to permit those things to be aired across our country. I think that's one area that we can be extraordinarily helpful.

Another, we've got to do better in the whole education front, and that ties in. I don't think you're going to legislate violence away.

Then the third answer I'd give is pass strong legislation at the Federal level that backs up the law enforcement officers. I think that will send as strong a message to criminals as you possibly can. But I know no better deterrent than tough sentencing and having the penalty fit the crime, and so we're working for that on our crime bill. But then it's got to be more than that. It's got to be common sense in programming. It's got to be families intervening to see that they give the kids the advantage of an education at home.

I know we talk about family values, and I am reminded that the mayors from the National League of Cities came to see me. The mayors, liberal mayors, conservatives, Republicans, Democrats, nonpartisan, and they said that the single biggest cause of the problems facing the urban area was the decline in the American family. And that gets to your question about violence. So we've now got a Commission, headed by the Governor of Missouri, to try to find ways through legislation to strengthen the family. It might be welfare reform. It might be examining every piece of legislation to see that there's no incentive for husband and wife to live apart. There's things that I think we can do legislatively there. But it's got to also get back to

values that kids are taught, taught at home and taught in the school. So that's a combination of ways of looking at it.

Q. When you talk about family values, one of the things that we're really concerned about in the northwest portion of our State is not only the drug problem but more importantly the alcohol problem as probably the most abused drug. In 1968, we took cigarette advertising off the television airwaves of our country. And we have seen a drastic decline in the use of tobacco products until, virtually, they say by the year 2000 we may be almost a smokeless society. Is there any chance that we can get alcohol advertising off television nationally and stop brainwashing our children from the time they're old enough to comprehend?

The President. I think some alcohol is off the airwaves, and I think what the beer people have undertaken now are a lot of public service advertisements on alternate drivers, supporting Mothers Against Drunk Driving, these kinds of programs. Whether it will be ready for Federal legislation, I just don't know. I think right now it would be very difficult to pass that. And I'd like to see the success of the educational campaigns before we go to some total ban on all alcoholic beverage. I do believe that the media themselves have policed pretty well the hard liquor.

Q. What are you doing to have the Solicitor General get before the U.S. Supreme Court on impact decisions in criminal law?

The President. Not being a lawyer, you'll have to tell me what you mean by an impact decision. I'm blessed by not having been to law school -- [laughter] -- some would say it's an enormous handicap, but I don't know. Help. I don't know what an impact decision is, technically.

Q. The ones that -- say, drugs -- the one that was near and dear to my heart was where the Supreme Court allowed our officials to kidnap people in Mexico and bring them back to try here. How are we getting other cases like that before the Supreme Court?

The President. Our Solicitor General is very active in what he brings to the Court. I don't know if there's a formula on it, but the whole emphasis of our administration is to support law enforcement. That one caused some big problems internationally, as you know. But I do think that we've got a good record of trying to get these, if that's an impact decision, an impact decision up for consideration by the Court.

But the big point I'd make, and I hope this doesn't sound too political at this nonpolitical event, is that we're trying to appoint judges to all levels in the court who will interpret, not legislate from the bench. And I think we've got a good record of appointing people who prove to be strong for law enforcement because we use that as a standard and do not use as a standard, kind of passing social legislation from the Federal bench.

I know that there's been some criticism of me in the press, but I'm going to continue to do that because I believe that's what a judge should do, whether it's at the district level or the circuit court level or certainly at the Supreme Court level.

Q. Regularly, I see the tragic consequences of young people and guns, especially handguns, but often Uzis. Is the Federal Government going to do anything to try to make an effort to slow down the proliferation of guns, which are apparently available to our children on the street for $25 to $100?

The President. I don't favor gun control. We did move, as you know, on clip size for automatic weapons. We've tried to do something about stopping the import of weapons come in here. There was a compromise that we had almost worked out last year relating to -- I want to call it ``instant identification," which I strongly favor. It's going to require some money. It's going to require use of computers. But I believe the need to do that transcends the other argument, which is you're violating individuals' rights.

So I think we can make progress on some areas. I just am reluctant to endorse something that would ban private ownership at a time when you see States that have very strong laws suffering from some of the highest levels of criminal activity with guns. So I've been more ``go after the criminal" than it is the gun owner; and yet we have taken steps in those three areas I've mentioned to you.

Q. Mr. President, for the last few years we've been trying to get in Oakland County some surplus aircraft for the war on drugs and what have you. With the downsizing of some of the defense and with Desert Storm being over, do you see much in the way of Federal property going on the surplus list that perhaps local municipalities could pick up?

The President. There will be more. How much of it will be applicable to the kind of local law enforcement needs you spell out, I just don't know. But there will be more, obviously. What I'm doing on the defense side, I've made substantial cuts in the defense budget. I also should say to you, though, that though we've made dramatic strides towards world peace, and one of the things I take great pride in is that our team, following on my predecessor's record, have been able to do a lot for world peace, saying to the young people, for example, you have far less to worry about now from nuclear war than generations precedent. And that is something big, and that is something major.

And yes, our suggestions for cutting defense are out there being acted on, and defense spending is going down. The problem almost -- and this is off your question, but I want to mention it here -- is almost the other way. Some, recognizing that we've made some substantial progress toward world peace, are saying almost you don't need the muscle in the defense. And my view is we do. We've got to fight for reasonable levels and, I'd say, prudent levels of defense spending. So it won't be as big in the field you ask about as some might hope, but I have a responsibility as

Commander in Chief and as President to implement my responsibilities for national security.

We think we've found a good formula, and we're going to stave off reckless cuts into the muscle of our defense. Who knows where the next big challenge will come from? I don't believe it will come from a Soviet Union back together again. The visit we had with Boris Yeltsin, incidentally, was very, very rewarding and substantive in that we reached agreement to eliminate these major ICBM's, you know, the biggest of the missiles, the Soviet side the SS - 18's. Nobody would have dreamed that was possible 4 years ago, and it is tremendous. And yet people go, ``Ho-hum, what have you done lately?'' So we've got to stay strong. I don't think a threat will come from there. I do worry about proliferation. I worry about some of the nuts around the world trying to acquire sophisticated weaponry, missile technology, nuclear technology, and all of that. And to guarantee all this as best we can, the peace, we've got to keep fairly high levels of defense spending. And I'm determined that we do just exactly that.

There's another one that may be controversial, but I am continuing to fight for the ``FREEDOM Support Act,'' which supports, through the international financial institutions, the democracy and change in the Soviet Union. We've spent trillions of dollars, trillions, in defense standing up against the monolithic Communist threat, the aggressive Communist threat led by the Soviets. That's gone now. I think we have a stake at trying to help their democracy, and I think in the final analysis that will be very good for the American worker. That market is enormous. I have a responsibility to fight to get that through. And I think it's like buying an insurance policy for the future.

A long answer. You asked me what time it is, and I told you how to build a watch. But nevertheless.

Q. I'd like to start by saying we're very fortunate to have a President who is pro-law enforcement, a Governor who is pro-law enforcement. And we in the law enforcement community have a tendency to ask what you're going to do for us. I don't want to steal a Democrat saying, but let me ask once: You are having problems with your crime package. What can we do in the law enforcement community? As the sign says, ``We're working together for safe communities.'' What can we do in the law enforcement community to better help you help us in terms of getting that legislation passed as well as other things?

The President. Well, the election can help, because I think it'll be very clear. We'll have big differences in terms of supporting crime legislation.

But I think the thing to do is, for those who say they're for law enforcement in the Congress, come home and talk one way, to try to assure as law enforcement officials that they vote the same way in Washington. Now, the reason I say that is, I was out in California before the primary. I heard two or three Congress people running for Congress -- notice the word ``people'' I used there, Congress people, so I leave out -- finger what gender it was -- campaigning as the

great champions of strong law enforcement action, strong legislation. And yet I know, and they knew I knew, that they were voting against our strong crime package.

Now, I can see where you might want to change it. I can see where what the judge said, some people might want to have something in there on it. But you can tell from a voting record whether somebody is pro-law enforcement, backing up the cops, backing up the victims of crime -- there's victims-of-crime legislation -- or whether it's all rhetoric. And so I think you who are experts in the field and are laying your lives on the line for us -- and that's the way I look at law enforcement -- you ought to be darn sure that you pin down those who want to represent you on this all-important question. And let them be honest enough if they have a difference on handguns or something.

But nevertheless, there's a thrust to legislation: Is it pro-law enforcement and tougher on the criminal, or is it the other way around? The Senate, for example, watered down to a fare-thee-well a strong crime bill that we had in the Senate. They passed a better one last year, and then this year they've softened it up. And so I think you, more than most, will be in a position to get the various candidates on the record, and then hopefully, if they're elected, to see that they do what they said they'd do on it.

So, that's about all I know to do.

Q. Mr. President, one last question.

The President. I'm just getting warmed up here. Sir.

Q. Thanks, Mr. President. One thing I wanted to do is to possibly make a very short statement that the recent police-bashing that's going on in the media has been a very difficult thing for us. And I would just like to pass along that I know that with the history in the media recently of brutality and what have you, I know that there's an important sensitivity that we have to have for the community and for the defendant. But yet, I'd like to not throw the baby out with the bath water. I ask that at every opportunity the politicos have, sir, to please stand up for us because the bashing really is making it difficult for our men and women to go out and do a good job day after day.

The President. Let me comment on what the lieutenant says, because he puts his finger on a very important point. When there's excess, when there's brutality, fix it, get it corrected right now -- training, whatever it is. But I agree with you. And in Los Angeles, I made it a point to go talk to the LAPD, to go to the sheriff's headquarters there to make sure that they knew that I was supportive of law enforcement per se. And I do get a sense -- there's a lot of programming of kind of the corrupt law enforcement person, and that has a way of subtly undermining people's confidence in this country.

So I have no hesitancy in speaking out, always, in favor of law enforcement. But you deserve more than that. You deserve to get backed up by the legislation as well. But it's a good warning and a good point you raise. I hope that nobody in our administration is overreacting to scenes of brutality that turn a lot of people off or painting with so broad a brush that the hundreds and thousands of people that are risking their lives for the American people get diminished in their service by something of that nature.

So we are going to continue to push for the public backing of our law enforcement community, the police, the sheriffs, whoever else it is; continue working with the courts by getting people on the bench who share this view that law enforcement is very important in the communities; try to do more emphasis on what we call the Points of Light, and that is putting the spotlight on the many things that police in their communities do to help others. I think of the D.A.R.E. program and the antidrugs as just one facet of your support for community activities, and it's thousands of fold where that takes place. So we've got to continue to support that, support that concept of voluntarism that I think the police in this country epitomize and demonstrate.

So I hear what you say. And I know the Governor -- he and I have talked about this -- he feels strongly about that here in the State of Michigan, and I can tell you I do nationally.

Now, since Brooks is throwing us out -- and I was just getting warmed up.

Q. Maybe 5 more minutes.

The President. Five more minutes. All right. That's always what gets you in trouble. Got some back here? Go ahead, sir.

Q. Good evening. With the most recent events in Los Angeles and with the most recent attention in Congress, is there going to be more of a commitment of Federal dollars and resources to urban areas, such as not only Los Angeles but Detroit, of resources?

The President. That's a good question. And the answer is, I hope so. I went to Los Angeles, went to the community. Democrats, Republicans, liberals, conservative, men, women, all said that what was needed then -- and let me add one other name, Peter Ueberroth who has taken on the job to bring private-sector jobs to the community in Los Angeles -- all of them, every one of them, including the black mayors organization, said, ``What do we need? We need enterprise zones in these communities with zero capital gains base to bring jobs immediately to the communities." That is hung up in a big, long debate now in the Congress.

We were able to get summer job money through, $500 million additional. We were able to get the SBA and the FEMA money replenished so we'll be able to take care of the small business loans and all of that in the various communities. But I am not satisfied. And our whole concept of enterprise zones, of homeownership we think would be of enormous benefit for the cities.

And we're going to keep on pressing for this whole package -- those aren't the only elements in it -- that we think will help the cities.

I don't know, I can't make a prediction for you at this point as to what will happen. There's another program, and I would urge you to look at it if you're not familiar with it, called ``Weed and Seed.'' And the concept is weed out the criminal, back up the law enforcement people. And there's good, specific things in the ``Weed and Seed'' proposal that will help back law enforcement. And then the seeding aspect of it has some 20 areas that funding will go to, to help seeding hope and opportunity in the communities.

Now that one is hung up, too, in the Congress. We're not giving up and I hope we can get those proposals through the Congress. We're in a fight sometimes because I do have a responsibility to try to do something about these enormous Federal deficits. And once in a while, some say, ``Hey, you think it's worth $500 million? Let me give you $2 billion.'' And that's where I get onto the side of having to say no.

But I think we can do better. And I think some of these ideas I mentioned have strong support, and that means they will get through, hopefully before the end of July. The bill we passed the other day and was signed will help. But it's not near as much as we should be doing for these cities. I think we still have a good chance.

Q. Mr. President, what precipitated the Rodney King incident was a police chase. And I think that's a question that we'd all like answered today, if there was something we could do -- we're kind of at a quandary on police chases. Our policies and procedures, we definitely look into every one we can have. But however, lawsuits, it seems like is costing the cities, the townships, and villages millions of dollars in lawsuits in police chases. We can't, apparently, seem to get our legislators to make up their minds one way or the other, either tell us to chase or not to chase. But I'd like to know if there would be any Federal legislation at all that could put a possible cap on lawsuits?

The President. The answer is, if I had my way, yes. And I don't have my way yet. But we have legislation before the Congress to cap some of these suits, whether it's malpractice for doctors that are ramming the health care costs right through the roof or whether it's on these frivolous liability claims. And to be very, very candid and to call it as is, we are blocked by the trial lawyers lobby. And they're strong, and they're tough, and they control a handful, and we've got to keep fighting until we get this done. The frivolous lawsuit is running the cost of everything, insurance and everything else, right off the charts. The American people want it done, and we're having difficulty getting itÿ20done.

It's the same fight I had on the balanced budget amendment. It would have disciplined the executive branch, disciplined the legislative branch, and 80 percent of the people want it, and we got almost two-thirds of the vote. The leadership in the House of Representatives went to 12

Members who had sponsored the legislation and said, ``Hey man, we need you. We need you to come on and just change it." And so 12 of the sponsors of the legislation, through strong-arm politics, were pulled off it. It's the same kind of pressure we're fighting in the Congress on trying to restrict liability and get it under control.

And this officer is so correct that the American people want this done. And again, it transcends party. This one powerful lobby has it stymied in the United States Congress. And that's one we've just got to get in focus, leave out party, take it to the American people and say, ``Send us people that will at least get something done in terms of capping liability, restricting some of these frivolous liability suits."

Q. Mr. President, this really is the last question.

The President. All right.

Q. Mr. President, how do we get the criminal to do the time that he's sentenced to? Recently in Oakland County we buried several young women that were a victim of a man who still should have been in prison.

The President. Well, again, I'd have to defer to the Attorney General, to the legal experts. But we have mandatory sentencing in some Federal crimes. And Federal law, I believe, is a little tougher on this. I can get an argument with the judges or the lawyers around here. But I think we have tried to do that through the Federal Sentencing Commission. And again, it is not much help to law enforcement if a person is sentenced to fairly stiff terms and then walks out of there either on a technicality or after serving an abysmally short period of time.

I don't think I've been gender-fair; so can we end with you, ma'am?

Q. I am chapter leader for southeastern Michigan for Parents of Murdered Children. My son was murdered in 1987. And I would like to know what this administration is doing or can do for the survivors of homicide victims?

The President. Well, we've passed one victims-of-crime legislation. We have some new provisions -- I'm looking for Sam Skinner to help me -- provisions in the new crime bill before the Congress for the victims of crime. And it is something that we've at least started moving forward on. The lady is right that we should be doing more. And that's in terms with the whole philosophy, more sympathy for the victims and less for the criminal.

So we've made some legislative headway. Don't pin me down on the details that are on it in the bill that we've got pending right now. But I believe you'll find that it is strongly supportive of the victims of crime. This is something that has been almost a national tragedy because for a long time there was literally very little that could be done or had been done.

The other thing, one of the things, and maybe this isn't directly on your point, but I know a lot of families feel this way, that when we talk about habeas corpus reform so you knock out frivolous appeals, it does bring certain comfort to the family that at least wants to know that justice is being done, that the person that murdered the family member is going to pay the price and not get frivolously appealed and appealed and appealed endlessly. And so part of our habeas corpus reform addresses itself to the victims of crime in that sense.

Well, listen, thank you all very, very much. I don't know who is in charge of the heat here, but I've lost about five pounds, and that wouldn't hurt me, as you can tell. But I just want to, once again, thank you all for taking the time. And I say this, you know, this is a strange political year. It's a strange political year. And I know anything you say is interpreted to be said for political gain. But I feel very, very strongly about what I've said here about backing law enforcement officials, and for me it does transcend politics. And for me, when a police officer -- I keep in my desk the badge of a young police officer from New York as a reminder -- gunned down. I go to the DEA when they honor the officers that are killed in fighting for us, for my family, fighting against narcotics.

So I hope it doesn't sound patronizing in this political year, but we strongly support the law enforcement community in this country. I will continue to fight for strong legislation, and I will continue to take the message out there against the kinds of things in the media that undermine the family or rejoice at those who stand up against law enforcement, something like that. I think I have a moral obligation as President of the United States to take that kind of a message to the American people. And if you want to say ``political," fine. But it's something I feel deeply in my heart.

So thank you all very much for what you're doing for your country and for your community. Thank you.

Note: The President spoke at 5:14 p.m. at the Southfield Civic Center. In his remarks, he referred to Brooks Patterson, attorney and former Oakland County prosecutor.

Remarks at a Victory '92 Fundraising Dinner in Detroit

June 29, 1992

Let me thank the Governor for that warm introduction and all of you for this welcome and all of you for what you've done to help get out the vote, to help the party, to help this President, and to help all the Republicans standing for election next fall. This is truly a most successful occasion, I'm told. It seems to me I just left here having thanked all of you, but I'll do it one more time because I am delighted to have this fantastic support for all of us who are standing for election in the fall.

I was delighted to see so many members of the State legislature here. And, of course, I want to thank Randy Agley and Mike Timmis and Heinz Prechter and so many others -- I'm going to get in trouble -- everybody that had a hand in making this so successful. I want to single out Councilman Keith Butler and our Lieutenant Governor who I've known for a long, long time, Connie Binsfeld, and the Republican leadership that helped turn this great State around.

And I am looking forward to repeating the experience of Cobo Hall. Barbara and I when we came in here just about 12 years ago, across the street to another hotel, it was there that I was picked to be Vice President on the stand on the Republican ticket. And that has propelled us now into a fascinating experience. What I want to talk to you tonight is I believe that we've got the record to take to the American people for 4 more years as President of the United States.

I like to finish what I start, and a lot of glib talk won't get the job done. I'm kind of holding back on going after the opponents until after the Republican Convention in the middle of August. But I'll tell you something: I am getting a little sick and tired of being on the receiving end of criticism day-in and day-out from all those sorry Democrats that were running for President, and now some independent. And when I am unleashed and when we get out of this mode, this nonpolitical mode we're in, I'll tell you, I'll be ready for the fray. I have never felt better, nor have I ever felt more eager to take my case to the American people.

Frankly, I don't care about those polls. Fortunately, when I was soaring around about 85 percent I said I didn't believe in the polls. Smartest thing I ever said. [Laughter] But they changed, and frankly, I don't think we're looking too bad. But let me tell you this: This election, when people get down to deciding who they want in the White House, they're going to say, ``Who has the temperament, who has the experience, who has the record to lead this country for 4 years?" And I will be making the case, with your help, that we are the party that deserves a shot at controlling the United States Congress and, thus, facilitating our leadership.

Let me remind you: 35 years the Democrats have controlled the House of Representatives; 29 out of the last 35 years they've controlled the United States Senate. People are saying: Well, what about divided Government? Why don't you just say that you'll stand with whatever the

people want, if they elect a Democratic Congress, a Democratic President? Let me tell you something. We tried that in the late seventies. We had a Democratic President. We had a Democratic House. We had a Democratic Senate. And we had the highest ``misery rate'' that this country has ever seen. It went right out through the roof. What we haven't tried is a Republican House, a Republican Senate, and a Republican President. And if you want to bring change to this country, help me elect a Republican Congress in the fall.

You know, this year, as I say, has been a little weird, a little peculiar. The other day Boris Yeltsin came to town, the President of Russia, a democratically elected in a free election, certifiably free election, came to Russia. We stood in the Rose Garden, made a deal, signed an agreement in the White House to banish from the face of the Earth these tremendous intercontinental ballistic missiles known as the SS - 18. If any one of you has followed this and if you'd have said 4 years ago or 2 or even a few months ago that we could have worked out a deal to eliminate these most destabilizing weapons, people would have looked at you and said you're nuts.

We worked that deal out. Every child in America can sleep more securely without the fear of nuclear war that generations that preceded it had. And the country is totally focusing on something else. I am convinced that when we go to the people in the fall, we will say this: We have made the world safer because of our leadership in world affairs. And the American people are going to respond.

Heinz Prechter introduced me to a friend of his tonight who is here from East Germany. With tears in his eyes, he said, ``Thank you, Mr. President, for being a catalyst in reunification of the Germanys.'' This is major.

Looking to the Middle East, you have ancient enemies talking to each other, the one thing the Arabs, the one thing the Israelis wanted -- to sit down opposite the table. And it was your country that brought this about.

When Saddam Hussein invaded a neighbor, it was the United States that took the lead. Now you have a lot of revisionists running around Washington, DC, telling us that something was noble -- that something was wrong. And they are crazy. What we did is set back aggression, put together a coalition to lead, and today the United States is the undisputed leader of the world. That's something we can take to the American people. And the Baltics are free, and South America is moving almost entirely democratic. We have a lot to be grateful for.

Let me say this parenthetically: I am going to keep pushing to a successful conclusion of the GATT round, a successful conclusion of the North American free trade agreement because that means not only jobs for the United States, it means opportunity for other countries. Build their economies, and that'll help the world economy. And we're going to be free traders, not protectionists. That's the case I'm going to take to the American people.

So, I believe the record for world peace and democracy and freedom is clear. Out of focus right now in terms of people's attention, but I think in the final analysis people are going to say: To whom do you trust the national security of our great country? Who best to enhance the peace? Who best to fight for democracy and freedom? And I believe that will conclude that I am that person to lead the country for 4 years.

Now, people say to me, ``Well, you were successful on Desert Storm; why can't you bring that same kind of leadership to the domestic scene? Good question. And the answer is, we must make the changes in the United States Congress to move our program through because our values are in accord with the values of the American people.

Let me just give you one or two areas where I think we have a fantastic case to take to the American people. I have just come from a law enforcement meeting where we had sheriffs and police chiefs from all across the State. And I told them: Look, what we need is a strong anticrime legislation. We need to vary the exclusionary rule so that we don't have cases frivolously thrown out. We need to change habeas corpus so that we don't have appeal after appeal that deny the swiftness of the law. We need to be tougher on those who commit crimes against other people in terms of taking their life. And that means tightening up on the death penalty laws. We have had strong anticrime legislation before the United States Congress. The Democrats talk a good game, and they haven't even given us a vote on our crime package. The American people want to back our law enforcement communities because they know that strengthens neighborhoods and strengthens families. And I think we have a good case to take on that.

On the economy, though I believe the economy is moving, I still feel that what we ought to do is put incentives into the tax system. And that means a capital gains cut; that means an investment tax allowance; that means changing the IRA's; that means a first-time credit for homebuyers so the young American family has a shot at the American dream. And that is stymied, all of it, by the Democratic Congress.

We had a fight the other day on the balanced budget amendment. That's not going to solve all the problems. It's going to discipline the executive branch. It'll darn sure discipline the spend-and-spend Congress. We got almost two-thirds of the vote. Twelve Democrats who sponsored the resolution, sponsored the amendment, were taken to the woodshed by that liberal leadership of the House of Representatives, beaten over the head until they were a pulp, and they voted against their own amendment, and the amendment went down. We need to change the leadership in the United States Congress and give the Republicans a chance.

The Government is too big, and it spends too much. And we're trying to do something about it. I'd like to ask the American people this fall: Give me what 43 Governors have, give me that line-item veto, and give me a shot at cutting down on this Federal spending. You hear a lot now about these. Every candidate is supposed to get the budget in balance and get the deficit down.

We have a concrete proposal before the United States Congress right now that makes some tough decisions. It controls the growth of mandatory spending programs. You can't do it just through the discretionary program. And it's languishing there as the Congress sends down bill after bill to me to raise people's taxes and to increase spending. We've got a good case to take to the American people, and says: Give me more Congressmen that will vote to control those mandatory programs, and then we can get this deficit down.

Speaking of Government reform, I think the time has come to limit the terms for the Members of Congress. The President's terms is limited; let's try to limit the terms of the Members of Congress and see if we can't keep them closer to the American people.

A major area where we've got outstanding proposals and a pretty darned good record is on education. We have a program called America 2000. It crosses party lines. The first thing I did as President was to get the Governors together, Democrat and Republican alike, to set the national education goals. Party was laid aside. The goals were set. And now we have a program to implement those goals called America 2000 that literally revolutionizes American education and brings to K through 12 the same kind of quality education that we're known for at the college and university level. And it is languishing. Parts of it are languishing in the House of Representatives because it has to go to some old subcommittee chairman that's been there for a thousand years and hasn't had a new thought since the day he arrived. We've got to change the United States Congress.

And while we're at it, I think we ought to have choice in education at K through 12. I was a beneficiary of the GI bill when I got out of the Navy in 1945. And they didn't say to me: Hey, you can't go to Holy Cross or you can't go to a private school. You went to wherever you wanted to go to; the family made that choice. In this instance, the sailor made that choice, the Navy man made the choice. And it's helped our colleges.

And the same thing can happen if they can pass our ``GI bill'' for children that we came up with the other day. It gives the families a little shot in the arm, gives them a little voucher so they can then choose where their children go to school. And it will help those schools that are bypassed because to stay alive they're going to have to compete. And it's not going to diminish the public education system. If you don't believe me, go up to Milwaukee and talk where it's been tried. Or go to Minnesota where they've been in the lead on choice in education. Choice in education is what we want. Choice in child care is what we now have because of Republican principles. And I want to take this case to the American people in the fall.

I want to thank some Members of Congress. I don't want to be down on all of them because one of the only tools the President has, when he is outnumbered in the Congress and when he is asked to pass things that the people who elected him oppose, is the veto. And the veto score: Bush 30, Congress 0. And I am going to keep on vetoing this tax-and-spend legislation as it comes to the White House until we can get enough people to pass sensible legislation.

Now, we've got a good record to take to the American people. The ideas and the values that I believe we all stand for are intact. What we need is to get it in focus now for the American people. I might say, parenthetically, when we talk about family values, this is not some demagogic exercise. When the mayors of some of the largest cities and some small ones too, the National League of Cities, came to see me -- and I mentioned this to the law enforcement people this afternoon -- they said that the biggest concern they had, the biggest single focus on the problem, the cause of the problems in urban America was the decline in the American family. And they are absolutely correct. I am convinced that we must find ways to strengthen the family. When I talk about reform of the welfare system, I have in mind a little girl who saved over $1,000. And the welfare people came to her, her mother on welfare, and said your mother's going off of welfare if you save money like this because you're not allowed to accumulate over $1,000. Change the welfare reform, reform the welfare system so that you can eliminate this kind of stupidity, and in the process, strengthen the family. And that's what we're going to try to do.

I heard one of the candidates for President ridiculing the fact that I have a session each year reading to children. Symbolic, yes. But what is the symbol? It is the idea that adults ought to read to their kids or that parents ought to read to their kids. And let the cynics who think everything can be legislated miss the point. The point is that when Barbara Bush holds an AIDS baby in her arms, she's demonstrating compassion. And when she or I read to kids, we're saying parents ought to do this. They ought to hold their families together and love them. And every kid ought to have that kind of opportunity. And that isn't cynical politics, that's what this country wants.

I'm just getting warmed up on you guys, I'll tell you, because I've only mentioned about four issues here where I think we are just exactly where the heartbeat of America is. But you couldn't tell it because of all the noise and the fury out there of Politics '92: endless polls, weird talk shows, crazy groups every Sunday telling you what you think, ninety-two percent of the news on the economy being negative when the economy grew, admittedly slowly, but grew at 2.7 in the first quarter. Ninety-two percent negative. What kind of reporting is that?

But the American people are smart. They're going to sort it out. They're going to separate fiction from fact. They're going to know reality when they see it. And I'm going to say this to them: I have worked my heart out as President of the United States. Barb and I have tried to uphold the dignity and the decency and honor that belongs in the White House. I need 4 more years, with a Republican Congress this time, to finish the job for the American people. And I ask you for your support. I promise you I'll work my heart out to that end.

Thank you, and may God bless you all. Thank you.

Note: The President spoke at 7:15 p.m. in the Mackinac Ballroom at the Westin Hotel. In his remarks, he referred to Randolph J. Agley, chairman, Michigan Republican Finance Committee;

and Michael T. Timmis and Heinz Prechter, dinner cochairmen.

Designation of John B. Waters as Chairman of the Board of Directors of the Tennessee Valley Authority

June 29, 1992

The President today designated John B. Waters, of Tennessee, as Chairman of the Board of Directors of the Tennessee Valley Authority. He would succeed Marvin T. Runyon.

Since 1984, Mr. Waters has served as a member of the Tennessee Valley Authority Board. From 1961 to 1984, he served with the law firm of Hailey, Waters & Sykes in Sevierville, TN.

Mr. Waters graduated from the University of Tennessee (B.S., 1952), and the University of Tennessee Law School (J.D., 1961). He served in the U.S. Navy from 1952 to 1955. He was born July 15, 1929, in Sevierville, TN. Mr. Waters is married, has two children, and resides in Sevierville, TN.

Remarks and a Question-and-Answer Session With the Agriculture Communicators Congress

June 30, 1992

The President. Thank you for that welcome. And to those of you from outside the beltway, as we say, welcome to Washington on this humid day. This Herb Plambeck memorial get-together -- [laughter] -- some of you may know the dean down there, but it's always a pleasure to see him and see so many of you.

Let me just say a word about our Secretary of Agriculture. He came into this job with considerable experience in agriculture, both out in the field and then in Congress. In my view, he has done an outstanding job for American agriculture. Not only has he worked hard here domestically, the concerns of the farmers very much on his mind, but I can tell you from watching him in action he has done a superb job in terms of negotiating to try to achieve a successful conclusion to the Uruguay round of GATT. And I am very, very grateful to him.

I'm delighted to see Sara Wyant and Marsha Mauzey and Dave King and Taylor Brown. And once again, let me say welcome to all of you.

Before I get into the agricultural topics, I'd like to make a short statement that I hope will be of interest to all of you, indeed, to all Americans. This morning Ambassador Malcolm Toon briefed me on his trip last week to Russia. He went there to determine whether the American POW's or MIA's could possibly be alive there; went there, the full cooperation pledged by Boris Yeltsin before he left. His report makes clear that Boris Yeltsin stands by his pledge, providing us access to Russian officials and opening up the KGB archives. But Ambassador Toon also reports that his search has yet to uncover any evidence that American POW's or MIA's are currently being held in Russia.

As President, I take it to be an article of faith, a solemn covenant with those who serve this country: The United States will always make every possible effort, take every possible action to learn the fate of those taken prisoner or missing in action. Our aim remains a full accounting for every POW and MIA, nothing less. I'm grateful to Malcolm Toon for pursuing this important mission. He's home now. He's left some people there, and we are going to try to get to the bottom of this so we can allay the concerns of every family who might possibly be involved.

At my instruction, Ambassador Toon will continue his work with the full support of the Russian Government, including an exhaustive search of the Soviet archives. And the government, this may interest you, has promised to make a definitive statement on this issue within the next few weeks. They are taking their role very seriously. And we're going to pursue every credible account of American POW's or MIA's held by the Soviet regime.

Now to the issue at hand, the matrix of this wonderful get-together. First, my thanks to all of you for the great job you do in keeping the farmers and the ranchers and the agribusiness owners not just well-informed but the best informed in the entire world. I know you have their respect and gratitude and certainly mine, too.

Democracy works because at its heart is one fundamental principle, freedom. Freedom is about human rights, self-determination, peace among nations. It's also about the free flow of ideas and information, and that's where your job comes in. That's why your work is so important not only to democracy and free enterprise but also to agriculture.

Thanks, in part, to the job that you do every single day, agriculture is America's number one industry. There are still a lot of people in this country that don't understand this, so let me repeat it: Agriculture is America's number one industry.

The news lately has been taken up with urban issues. But I want you to know that rural issues are equally important. And my growth agenda that I'm trying to get through the Congress will benefit all Americans. With lower capital gains taxes, investment tax credits, we call them the investment tax allowances, and health care reform, farmers are major beneficiaries of our economic growth agenda.

Our policies have, I think we'd all agree, kept interest rates low. So farm debt has gone down, while income has gone up. And with our commonsense agricultural policy, we can secure a more prosperous future for farmers by expanding and hopefully creating a lot of new markets, both at home and abroad.

With a fourth of our production sold abroad, the world looks to the American farmer for its food and fiber needs. This year, that adds up to an expected $41 billion in exports, the second highest in history, and an $18 billion positive trade balance. And that's not all. These farm exports generate hundreds of thousands of jobs right here at home. Exports are a key to agriculture's continued strength and economic growth. That's why our economic plan, the one I am pushing with Congress, includes programs to actively promote these agricultural sectors. And that's why we're working to expand markets, open new ones on several fronts.

We're going to knock down trade barriers and ensure fair competition for American farmers in the world marketplace. The GATT and the NAFTA agreements are critical, and I will not let up on my commitment to either of them. I will continue to press our trading partners. A GATT agreement is clearly in everyone's best interest because it will increase economic growth worldwide. But while we work for an agreement, we are not going to forget to defend the interests of American farmers.

America's agricultural prosperity is tied to exports. And 95 percent of the world's population lives outside the United States of America, and global population growth is outpacing ours by 70

percent each year. We want to make sure that our farmers and ranchers are in a position to take advantage of the trade opportunities this growth offers by freeing farmers to make decisions based on market demands.

Export credits to Russia and other new nations of the old U.S.S.R., we call them the C.I.S., are opening the door to a vast and important market for our agricultural goods, one that holds incredible potential for our producers. As you know, our able Secretary, Ed Madigan, announced earlier that we would make $150 million in export credit guarantees available to Russia around July 1st and another $150 million around August 1st. However, in response to President Yeltsin's request, we announced that both credit guarantee packages, a total of $300 million, will be available on or about July 1st. This completes the $600 million credit guarantee offer that I made to Russia back on April 1st. And it brings to $4.85 billion the value of CCC credit guaranteed by my administration, those guarantees made available to assist U.S. agricultural exports to the former U.S.S.R. since January of '91.

Now, these and other export programs are keeping American ag products competitive, and they are boosting export sales. In addition to the expanding exports, regulatory reform has got to be a key priority. Our regulatory changes put the farmer back in charge. And as the old saying goes, the best way to solve farm problems is to consult the hardest hands.

I am very pleased with the job that Vice President Quayle and the Competitiveness Council are doing to cut back on excessive regulation. We're not talking here just about ag; we're talking about all across the industrial spectrum. But they're doing a superb job on limiting and restricting regulation and trying to eliminate the excessive regulations.

Since I announced a moratorium on new regulations in the State of the Union Address, we have saved $15 billion to $20 billion in the cost of excessive redtape. And this is just a downpayment on things to come. Our regulatory relief initiative is based on commonsense principles: putting the individual back in charge, creating jobs for Americans, and protecting property rights for all. That's guaranteed under the Constitution.

My commitment to developing alternative markets is equally strong. Technological advances have opened the way to create a new industrial feedstock for America, one derived from agricultural commodities that will give consumers products that are safer for the environment.

Ed Madigan shares my vision of tapping into this commercial potential, and we're seeing real success. In my home State of Texas, a group of imaginative entrepreneurs plan to make newsprint from a crop called kenaf. And in Nebraska, another group is making comforters and pillows out of milkweed floss, milkweed floss, you heard me correctly. In Illinois, Ed's home State, they plan to produce biodegradable plastics from farm products. Ed was over here, for all of you ardent golfers, showing me some golf tees made out of corn. I don't know that they'll help, but I'll try anything -- [laughter] -- so if I can get them back --

Then, of course, one subject that I know is on the minds of everybody, that's ethanol, a great American success story that is now the single largest industrial use of corn. And the Clean Air Act that I signed into law does provide new opportunities for ethanol. Let me say it straight out in plain English: I support ethanol. And I believe it must become a major player in the fuel market.

The oxygenated fuels program created by that clean air law will be up and running this fall. We want to make sure that ethanol is competitive in the reformulated gasoline program. To encourage ethanol use, I am today announcing my support for an amendment which makes the gas tax exemption for ethanol proportional to the amount of ethanol used in gasoline. This will allow ethanol blends to compete with other additives. The bottom line is less carbon monoxide for American citizens and more sales for American farmers.

You know, Americans are doers. With their hard work and determination to get the job done, they accomplish great things as long as the Government does not get in the way. I've said it before, and let me just say it here again today: It's America's entrepreneurs, men and women of faith and vision and imagination like our farmers, who create our Nation's wealth. So get Government out of their way and on their side, and you'll see that there's no limit to what they can do for this country.

I am convinced that one of the best things we can do for American agriculture is to bring these two trade agreements to a successful conclusion. If you want to see a growth in American agriculture, please do whatever you can when we get an agreement to help get it through the Congress. We're not going to take agreements up there that are bad. But I believe what I've said about American agriculture and about entrepreneurship. I just want you to know we're going to work right down to the wire to get these two agreements done.

Now, with no further ado, I understand it's in order to take a few questions. And I don't know how it's been arranged, but I'm sure Ed has thought out -- maybe you just hold up your hand and yell. Oh, we've got a microphone over here.

Q. Mr. President, first of all, you may not be aware but we invited the other Presidential candidates to come and speak to us. You were the only one that could find time to do so, and we appreciate it very much.

The President. Hey.

Q. Having said that, I want to tell you that Farm Journal magazine is fortunate to have a number of editors located, we call it field editors, in different parts of the country. And they regularly attend many meetings with farmers and ranchers. And they report to us that farmers and ranchers really seem to identify with the un-candidate, Mr. Perot. Mr. President, can you tell us why farmers and ranchers should vote for you instead of Ross Perot or Governor Clinton?

The President. Well, I can tell you why I think they should vote for me, and let others sort out -- because I'm not in what they call a campaign mode yet. I can't wait to get started actually -- [laughter] -- and that will be after the Republican Convention in the middle of August. What I've tried to do is get things done for this country. I've tried to stay out as much as possible, and I'll admit I'm not totally pure on this, of the political fray. And for about 6 months I've been pounded by both of them, plus several others that dropped out along the way. So I understand politics. I understand how the attack politics works. But I will be ready. I've never felt more fit, and I've never felt more up for a fight.

But what we're trying to do, and why I think farmers in the final analysis will be with me, is to put less emphasis on these government interventions into agriculture, trying to conclude successfully two trade agreements that will expand markets. I think we've handled the programs that are on the books now, I hope, with fairness. I am thinking of the export programs, things of that nature. I think the agricultural economy, though it could be better in certain sectors, is doing reasonably well, I think in some categories doing quite well. I think that farmers recognize that private sector initiatives are very important, and I hope they know that.

I don't think every farmer makes up his mind just on agricultural issues. I think minor details like world peace mean something to farmers and the fact that their kids go to bed at night with less fear of nuclear war. In the final analysis, I think that's something that will inure to the benefit of those I'm running with in the fall. I think we've done a good job in facilitating these dramatic changes around the world.

Where I feel a certain frustration is in my inability to get certain things passed through Congress. I happen to believe, as I said in my remarks, that a capital gains tax is very, very important for farmers. I think farmers identify with that. And the others are kind of all around on the field on this.

So I think things like that and the investment tax allowance, the first-time credit for homebuyers, that $5,000 credit, even though they're not just ag policy, are things that farmers' families can identify with.

Lastly, I'd like to take my case to the American people on what we call farmly values -- family values -- [laughter] -- not in a contentious sense. But you see, Barbara and I both believe that family, the strength of the American family, is absolutely vital to where we're going to be as a country in the future. That means I am reviewing, as President, things like the welfare system to see how we can reform it to keep families together and not have some idiotic redtape keeping them apart.

So I would appeal to farmers not just on ag issues, where I think we've got a good record with good people managing the account, but on a broad array of philosophical questions that I think

we agree with. I would again cite the world peace as something that is very important. You can't find it talked about. I see no media mention of it.

We entered into -- you asked me what time it is, and I'm telling you how to build a watch here. [Laughter] But we had Boris Yeltsin here the other day. And I think of my times campaigning in Iowa years ago and how Iowa has kind of -- I single out Iowa, but it's kind of an internationalist State in a sense, a great interest in all these things. We had Yeltsin standing here in the Rose Garden, and we entered into a deal to eliminate the biggest and the most threatening intercontinental ballistic missiles, the SS - 18's of the Soviet Union. And it was almost ``Ho-hum, what have you done for me recently?'' This is major. This affects every family in agricultural or urban America, and it is significant.

I think that I will be taking the case to the American people, again, not just on these ag issues that I've talked about in my remarks but on a broad array of issues, and hoping, and I believe properly, that the economy, which has been stagnant and dull, will be vastly improved. And I point to the growth of the first quarter, 2.7 percent growth, and yet the American people feel, by over 60 percent, that things are getting worse in terms of the economy.

There is a gap between reality and perception. And part of my job when I do get into a campaign mode is to try to close that gap and be sure that we are judged on reality, not on these erroneous perceptions that are being portrayed in the political process. Did you get it?

Q. Thank you.

The President. All right. Who's next? I apologize for going on so long, but I'm practicing for when I do get in a political mode. [Laughter]

Q. You talked about rural activities a little bit, a while ago, and I would like to ask you to possibly elaborate, if you could. You know as well as I do in Texas, lots of rural area there in the farming and ranching industry, and it seems to be drying up, not only in Texas but in other parts of the United States. There's a lot of concerns, crop failures, environmental pressures, and health care needs in smaller communities. Can you kind of outline for us, if you can, what you plan on doing?

The President. Health care, we have the best, and I say this with appropriate modesty, the best health care reform proposal. It will have appeals in rural America because what it says is: We reject nationalized health care. We reject socialized medicine. We are determined to preserve the quality of American health care. And the way to do it is to go through with this program that we now have defined up there that has a hallmark of it: Access for those people who do not have insurance.

It also has ways to revise and change the costs, the ever-escalating costs in health care. One of

the things, a fundamental tenet, again, that I would like to see us get through Congress, but it is blocked by the trial lawyers, is this concept that we care for each other too little and sue each other too much. We want to change these liability, put some caps on some of this liability so we don't have these malicious lawsuits driving obstetricians out of business, for example. We've got a good health care program that I think will benefit rural America as well as urban America.

We're working very closely with Congressman Coleman on how we can better attract other jobs and opportunities to some areas in rural America that have been bypassed, more people in some concentrated areas leaving the farm.

I think the best thing that we can do is to guarantee that this overall economy recover. And as I say, it's growing. It's not growing near as robustly as I'd like to see it growing. But if we can pass the capital gains cut, the investment tax allowance, the first-time homebuyers tax credit -- and that's something that would be good for rural America, I might add -- I believe we can stimulate the economy without making the deficit worse.

I will take to the rural America as well as urban America my advocacy of and defense of a balanced budget amendment. It is time to discipline not just Congress; this will discipline every budgeteer in the executive branch, the branch I head. And we need it. And 80 percent of the American people want it. Twelve of the sponsors of the balanced budget amendment that favored it were beaten to their knees by the Democratic leadership who said, ``Well, you've got to change your minds'' -- 12 of the sponsors of it. And we lost by a handful of votes; almost got two-thirds in the Congress.

So I think there's some specific things that will appeal. But I also think there's some broader macroeconomic things that will appeal.

Q. We note that you held the line, although it was an unpopular line among some in the press, recently at the Earth summit in Rio on the balance between the environment and the business interests here in the United States. We wonder if this is something we may see more of in the future in your stance toward the wetlands and the endangered species policies here in the United States? And also, I wondered what will be your position in clarifying the roles of the agencies in coordinating wetlands policy?

The President. Well, first place, thank you for your comments about Rio. That's the first nice thing I've heard. My definition of leadership is not going out and just signing onto a piece of paper that -- it doesn't matter how many other countries give it. We're the United States. We have the best record on the environment of any country, literally. You lay down the records, certainly the very best.

So I was not playing defense down there in Rio. I was simply saying, if you really want to help on medicines or if you really want to help on other aspects of biodiversity, don't enter into a

treaty that fails to protect America's property rights, fails to protect those to whom the world is looking for scientific advancement and technological advancement.

So I'm quite sure that we were correct in that position. And we did not enter into a global climate change treaty that is going to increase the cost to this country. Let me tell you the figure: We have spent $800 billion on environment, $800 billion, this is private, obviously, as well as government, in the last 10 years. The estimate is $1.2 trillion in the next 10 years, and we are leading the world in this.

On terms of the wetlands, I had hoped that we could get the wetlands reserve program going fully forward. I believe it's a good answer. And I announced in California -- I was just trying to get the date; anyway, it was last month sometime -- the implementation of the wetlands reserve program. Now we've got to go and get it funded by the Congress. If funded, it will restore a million acres of wetlands without imposing a burden on the farmers.

It is my view that on these decisions you ought to take in market force. I don't like takings. The recent Supreme Court decision, I think, was a decision the right way. Some guy goes and buys some property, and he's told he can't use it. Now, that isn't the American system.

I think we've got to move the manual out, and we're trying to move forward as quickly as possible on that. I think for a while it looked like we were too far over between the Corps and EPA on the regulatory side, and I hope that the steps we've taken recently have corrected that. But I guess the answer is to try to balance all of these interests.

You mentioned the endangered species. We had a decision coming out of the Interior Department the other day where I caught hell on both sides; therefore I figured we did something right. [Laughter] We got it from the extremes in the environmental movement, and then some developers thought we should have protected 30,000 logging jobs instead of 15,000. It is a very complicated problem. We've got to enforce the endangered species law. But when it comes to interpretation I also, and I told them this when we made this decision, I've got to have some responsibility for the American family, for people that are trying to make a living in a tough economic time.

I know that I will be -- as we move into the political year, they will get on me because the extreme environmentalists are not happy. But I maintain in wetlands no net loss. It's a good policy. I think we can implement it so that it does not do damage to the American farmer. But we are going to be taking a strong environmental record to the American people; one that I'm proud of. And yet I recognize, hey, we're going to get it from both sides.

Q. Mr. President, I'm told -- --

The President. I forgot to tell you that I've got a radical view of wetlands. I think wetlands ought

to be wet. [Laughter] I think you know what I mean. We had one example of a city block, I mean, they were trying to build a parking garage or something. Some guy came along and out of some weird interpretation claimed it was a wetland. So I think we've got to be wary of the extremes.

Yes, sir.

Q. Mr. President, I'm told that we only have time for one question. So before I ask it, I'd like to thank you, on behalf of the group, for coming today. The question is this: There's a perception in the countryside, reflected somewhat in Congress, that our wheat exports for the last few weeks or months have about ground to a halt because of the lack of EEP subsidy announcements and allocations by the Government; perception that Secretary Madigan is doing his best, USDA is trying, but that Secretary Baker, Brent Scowcroft at the NSC are stopping it. My question to you, Mr. President: Is foreign policy going to dictate agricultural policy, or can you let Madigan be Madigan?

The President. Well, we can let Madigan be -- almost be Madigan. [Laughter] The reason I say that is the farmer has no better friend. But what happens here when we get down into final negotiations on the GATT round, for example, I turn to Ed. And I said, ``Now look, I have said I am not going to bring a GATT agreement to the Congress where the farmers can't support it." You know and I know that no matter what agreement we get, there may well be one farm group or another that says they don't like it. But I'm talking about an agreement that has broad support in agricultural America. And so Ed will say, ``Here's what we can do." We have not departed. We have not pushed him -- and you can let him, after I'm out of here, he can correct me if he wants to -- have not pushed him beyond what he thinks is in the best interest of the American farmer.

Now, in terms of emphasis, in terms of timing, as we come down to the wire on the NAFTA or on the Uruguay round, there are some times when you have to try through open and honest diplomacy to get the agreement. And if that means you don't slap somebody the first instance you have a chance with a fine or with some action that retaliates, okay, that's the way it is. I've got to keep in mind the big picture because I know that a successful conclusion to the GATT round is in the interest of the American people.

I believe we have rather fully used the EEP.

Secretary Madigan. Eight hundred million dollars so far this year.

The President. Eight hundred million dollars so far this year. And I salute the Secretary for this. And obviously, I wish you had been with me, sir, when I was in Australia. They were on me about that -- ``How can you treat a friend" -- I said, look, this is the law. This is what we should and must do, is to use those provisions of the law to enhance our agricultural exports. And it's

not aimed at you, Mr. Australian Foreign Minister or whoever it was that was all over my case down there. It is the law of the land.

And incidentally, on EEP we are quite selective, and we don't try to bludgeon our friends. It wasn't passed for that end, as everybody here knows. So I think we've been fair in the application. I can't concede that sometimes timing is affected, a brandnew announcement of a protection or an encouragement to domestic agriculture item is held back for a few days. But I think we faithfully implemented the law.

I might add something on that. I hope it doesn't sound too defensive. I see a lot of revisionists talking about Iraq now. We did try through using agricultural credits to encourage Saddam Hussein to join the family of nations. I remember a lot of support in agricultural America at the time. Now, a lot of people that opposed me on Desert Storm have a kind of revisionistic view of things, and they're trying to make it that this was wrong and that this gave him the funds to buy bombs or something of that nature. It isn't. The policy did not work, and we did what we had to do to stand up against aggression.

But here was a case where ag credits were caught up in a scene. Now people are trying to say those ag credits were the reason, you know, gave him the wherewithal to take over a neighboring country, and I don't believe it. I don't believe it. I think we properly used these credits for what they were designed to do. I think it's been beneficial to American agriculture, and I'm going to continue to use them in a way that's beneficial to American agriculture with the national security interests of the United States foremost in my mind.

So I can't say it's been perfect, but I do think that the Department and, I hope, the White House has done a good job in the implementation of the law and in the using of these credits. I can tell you that what I really would rejoice in, and what I will rejoice in, is when we get this GATT agreement closed and get it finalized and let the American farmer compete with others on a level playing field all around the world. And that is the final and best answer to your very penetrating question about the use of the EEP.

Thank you all very, very much.

Note: The President spoke at 1:31 p.m. at the Department of Agriculture. In his remarks, he referred to Herb Plambeck and William Taylor Brown, former president and president, National Association of Farm Broadcasters; Sara Wyant Lutz, president, American Agricultural Editors Association; Marsha Mauzey, president, Agricultural Relations Council; and David King, president, Agricultural Communicators in Education.

Remarks on the Superconducting Super Collider

June 30, 1992

The President. Look, this meeting is about the super collider. And I just want to thank these most distinguished scientists for taking the strong scientific case up to Capitol Hill in support of this project. It is important not just for national pride; it's important to science generally that this be fully funded and that we stay out front, working, of course, with international partners the best we can, but that we remain out front. And I'm anxious to hear from you how you feel, sir, your testimony went. And thank you very much for going up there to the Senate. We've got to get in the Senate and get approved that which we failed to do in the House.

Dr. Schwitters. I think we had a chance to make the case for the SSC. We talked about the long-term value and need in the science and then the value of doing this kind of research for the country. We had a few critical questions, but I think that the team answered them well because we do have good answers.

The President. Well, what we've got to do is get it restored in the conference and get this under control. We're fighting for it, and we are committed to it. We have a handful of these major scientific projects that need support, even though we've got tough budgetary conditions. This is no time to cut the funding for this project. We will fight with you for it.

Dr. Schwitters. Thank you very much. We really appreciate that.

Note: The President spoke at 4:10 p.m. in the Roosevelt Room at the White House, during at a meeting with Government and private-sector scientists. Roy Schwitters was Director of the Superconducting Super Collider Laboratory in Waxahachie, TX.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

June 30, 1992

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (22 U.S.C. 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question. This report covers the last 21 days of March, all of April, and the first 15 days of May, 1992.

In mid-March, U.S. Special Cyprus Coordinator Nelson Ledsky traveled to the Eastern Mediterranean to see if he could clear up what Turkish officials had described as a ``misunderstanding'' on the part of U.N. negotiators, and thus get the U.N.-sponsored negotiating process restarted. He remained in the area for 10 days, during which time he consulted directly with President Vassiliou of Cyprus and Turkish Cypriot leader Mr. Rauf Denktash, as well as the Prime Ministers of Turkey and Greece. All of his conversation partners signalled their willingness -- indeed, desire -- to see a new round of U.N.-led negotiations begin.

On March 25, on the occasion of Greek National Day, I publicly restated the U.S. commitment to serve as a catalyst for the U.N. Cyprus effort. Two days later, President Vassiliou arrived in New York and met with the U.N. Secretary General. After additional meetings in New York, including consultations with the representatives of the permanent members of the U.N. Security Council, President Vassiliou visited several Greek- and Cypriot-American communities around the United States. I saw him in Washington on March 30 and reassured him of the commitment of the United States Government to do all it could to assist the U.N. to bring the Cyprus negotiations to an early, successful conclusion. On March 31 and April 1, the Cypriot leader had a number of meetings with individual Members of Congress and with congressional groups and committees and made a number of public appearances.

Mr. Denktash arrived in New York on March 30 for separate consultations with the U.N. Secretary General. Ambassador Ledsky also met with Mr. Denktash in New York on April 3.

Also on April 3, the U.N. Secretary General signed a lengthy report to the U.N. Security Council on his good offices mission in Cyprus (a copy attached). The Secretary General reported on the status of the negotiations and included some paragraphs describing the contents of the ``set of ideas'' on Cyprus as they then stood and on developments relating to the U.N. Force in Cyprus (UNFICYP). In the section on conclusions and recommendations, he decried the lack of progress since the summer of 1991 and asked the U.N. Security Council to actively support another determined effort on Cyprus that he was prepared to undertake, and to work directly with him and his representatives and all concerned to achieve a fair, permanent, and peaceful solution to

the problem.

The Security Council responded on April 10 with Security Council Resolution 750 (a copy also attached), which commended the efforts of the Secretary General, reaffirmed the U.N.'s ``good office mandate," endorsed the Secretary General's report of April 3, specifically his description of the ``set of ideas," and asked the Secretary General to pursue intensive efforts during May and June to complete the ``set of ideas" and submit a further report to the Security Council by July 1992. During this period, the Security Council also decided to ``remain seized of the Cyprus question on an ongoing and direct basis."

During the 2 weeks that followed April 10, the Greek and Turkish Governments and the leadership of the Turkish Cypriot community in Cyprus accepted the Secretary General's ``set of ideas" as the basis for further negotiations. After some internal debate, President Vassiliou sent a letter to the Secretary General outlining general Greek Cypriot agreement as well. On the basis of all these assurances, the U.N. Secretary General wrote to each of the parties again and sent his negotiators back to the area on May 8. Prior to their departure from New York, the U.N. negotiators briefed members of the Security Council on their plans.

In Cyprus, the negotiators met separately with Mr. Denktash and President Vassiliou from May 8 through May 12. The Nicosia meetings were followed by consultations in Ankara and Athens with the Prime Ministers and other officials of the Turkish and Greek Governments. These talks lasted through May 15. The U.N. negotiators briefed ambassadors of the permanent members of the Security Council at meetings hosted by Ambassador Lamb in Nicosia on May 11 and 18.

On the completion of this round of discussions, the negotiators, seemingly satisfied with the results, returned to New York to prepare a report for the Secretary General on the status of the negotiating effort. Based on this report the Secretary General will decide on his next steps.

I remain convinced that the Secretary General's ``set of ideas" provide a sound basis for further negotiations and eventual agreement. The United States Government and the U.N. Secretary General have received assurances from all parties that they also accept the ``set of ideas" as the basis for further work and that they will make a good faith effort to bring this process to a successful conclusion. I continue to believe that a negotiated solution can be reached.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Committee on Foreign Relations.

Presidential Determination No. 92 - 35 -- Memorandum on the Extension of the Indonesia-U.S. Nuclear Energy Cooperation Agreement

June 30, 1992

Memorandum for the Secretary of State, the Secretary of Energy

Subject: Determination on Extending the Agreement for Cooperation Between the United States of America and the Republic of Indonesia Concerning Peaceful Uses of Nuclear Energy

I have considered the proposed agreement to extend for a period of 10 years the Agreement for Cooperation Between the United States of America and the Republic of Indonesia Concerning Peaceful Uses of Nuclear Energy, signed at Washington June 30, 1980, along with the views, recommendations, and statements of the interested agencies.

I have determined that the performance of the agreement for an additional period of 10 years will promote, and will not constitute an unreasonable risk to, the common defense and security. Pursuant to section 123 b. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2153 (b)), I hereby approve the proposed agreement on extension and authorize its execution.

George Bush

[Filed with the Office of the Federal Register, 10:17 a.m., July 27, 1992]

Statement on Action Against Health Care Fraud

June 30, 1992

The Federal Government took another major step today to protect our citizens against a type of crime which victimizes all Americans, health care fraud.

More than 1,000 Federal agents and 120 other law enforcement officers carried out early morning raids in over 50 cities nationwide as part of Operation Goldpill, and we expect charges against some 200 individuals, corporations, and pharmacies. The targets of this unprecedented crackdown are pharmacists, other health care professionals, and prescription drug distributors who are charged with carrying out widespread fraud through excessive billings and the illegal diversion, repackaging, and distribution of prescription medicine.

These people are charged with betraying a sacred trust to their patients. These frauds result in the loss of billions from the pockets of every American who pays taxes and health insurance premiums. These crimes also pose potentially grave health hazards to patients.

The Government also has a sacred trust to protect all Americans. Health care and health care fraud have long been enforcement priorities for the Justice Department and Department of Health and Human Services. Let those medical professionals and others who prey on the public take heed: This is only phase one of Operation Goldpill. The FBI and other enforcement agencies working with them are using every law enforcement tool in our arsenal against these serious crimes, including undercover agents.

I wish to take this opportunity to congratulate Attorney General Barr, Health and Human Services Secretary Sullivan, the FBI, and the HHS Office of Inspector General for this outstanding example of the nationally coordinated effort. I look forward to the continued results of Operation Goldpill.

Statement on the Balanced Budget Amendment

June 30, 1992

I call upon the Senate today to cut through the procedural obstacles and pass a balanced budget constitutional amendment.

Americans overwhelmingly support a constitutional amendment requiring a balanced Federal budget, and for good reason. The debt we accumulate today jeopardizes sustained economic growth and will burden our descendants for generations to come. A balanced budget amendment would help to provide the necessary discipline to our Government, both the legislative and executive branches, to make the difficult budget decisions.

Although the House of Representatives earlier this month voted overwhelmingly in favor of a balanced budget amendment, we fell just nine short of the necessary two-thirds majority of House Members voting. I strongly believe that that House vote should not be the end of the line. Senate passage now of the balanced budget amendment would provide an opportunity for the House to reconsider its earlier close vote and, once and for all, move to put in place the fiscal discipline the American people demand.

Statement by Press Secretary Fitzwater on the President's Meeting With Foreign Minister Klaus Kinkel of Germany

June 30, 1992

The President met for approximately one-half hour in the Oval Office today with Klaus Kinkel, the Foreign Minister of Germany. This was the Foreign Minister's first meeting with the President. Their discussions were devoted mainly to U.S.-German relations, NATO, and the GATT round. The President underscored his belief in the importance of NATO and the U.S. presence in Europe to preserving our common security interests. He also expressed his hope for progress on the current round of the GATT negotiations.

Appointment of Mark A. Guzzetta as Federal Representative to the Sabine River Compact Administration

June 30, 1992

The President today announced his intention to appoint Mark A. Guzzetta, of Florida, to be Federal Representative of the United States on the Sabine River Compact Administration. He would succeed James B. Furrh, Jr.

Since 1982, Mr. Guzzetta has served as founder and president of the Water Resources Corp. in Boca Raton, FL. He has also served in several positions with the Hayward Tyler Pump Co. in Norwalk, CT, including contract manager, 1977 - 79, and southeast regional sales manager, 1979 - 81.

Mr. Guzzetta currently resides in Boca Raton, FL.

Remarks Following Discussions With Prime Minister Kiichi Miyazawa of Japan

July 1, 1992

Mr. Prime Minister, to you and to the other members of the Japanese delegation, it is a real pleasure to have you back here at the White House.

We've had a very successful discussion inside, one that reaffirms the importance of the strong relationship between our two nations. We discussed, of course, our global partnership. We reviewed the prospects for the meeting that we're both attending, next week's G - 7 summit in Munich.

First on our agenda was our mutual commitment to global peace and prosperity. I'm encouraged by what the Prime Minister told me about Japan's plans to stimulate economic growth. I had a chance to fill him in on ours. Both of us confirmed our desire for a strong and lasting recovery, and we also discussed the Uruguay round and the necessity of redoubling our efforts to increase global prosperity. This will directly benefit both the people of the United States and Japan, and we both want to see a successful conclusion of that round.

I also told the Prime Minister that I welcome the passage of Japan's peace cooperation bill. That will allow Japan to participate actively in building a lasting peace in Cambodia and in other world trouble spots. We agreed to cooperate on other regional threats and problems from nuclear and missile proliferation concerns in North Korea to the resolution of the POW/MIA issue with Vietnam.

We talked about how at Munich we can assist in assuring the safety of nuclear power in the former Soviet Union. We reaffirmed full United States support for Japan's position on the Northern Territories.

Finally, I assured the Prime Minister of the importance of Asia to the United States, of our resolve to maintain our forward military presence in the Pacific and our appreciation for Japan's host nation support.

We've made progress in resolving some of the differences between us, particularly with regard to our trade relationship. Over the past 6 months, we've reached significant agreements to improve American industries' access to Japan's $9 billion computer market, to their $27 billion paper markets. These agreements are very good news to the American worker.

Still, I feel we have more to do. And, Mr. Prime Minister, I want to mention our continued interest in access to your markets for automobiles and auto parts, semiconductors, as well as

cooperation on the super collider and striking down structural impediments to freer trade.

We'll track our progress on every item identified by our action plan. And sir, you can be assured we will do our part to improve our own competitiveness.

I've made it clear, and I'll continue to make it clear, that this administration and the American people are absolutely committed to trade that is both free and fair. Protectionism simply is not the answer. The record is clear. Our efforts the past 3 years have substantially increased American exports to Japan. And I will work to support the efforts of America's private sector to create an export vision to open foreign markets that mean more American jobs.

So we need to continue expanding, not closing, our trade relations. And whether it's protectionist measures in this country or in Japan, the result is the same thing. Protectionism punches a hole in a healthy economy.

So I'm confident that the Prime Minister and I depart here today knowing that we do not help our respective nations by hurting each other. He stood for that principle for a long, long time in various positions that he's held in Japan. I hope that I stand for that principle.

As important as our economic interaction is, I think it's also important for us to remember that America and Japan share three very important values: our support for the free market economic system, our love of political democracy, and our mutual interest in global peace and security. I am optimistic that our two nations can work closely to advance and protect these values in the Pacific Rim and elsewhere across the globe. And when these values are threatened, it's critical that our two nations unite. Our unity will be vital if these three key values are to survive and prosper in the new world that we see.

So let me say, Mr. Prime Minister, that I believe that this new period in world affairs holds great promise for the American-Japanese relationship. And once again, it is an honor to host you here in Washington to reaffirm our partnership, the respect and trust between our people, and to welcome you as a friend.

Thank you, sir.

Note: The President spoke at 4:31 p.m. in the Rose Garden at the White House.

Message on the Observance of Independence Day

July 1, 1992

As we Americans celebrate this 216th anniversary of our Nation's independence, we give thanks not only for our enduring heritage of liberty under law but also for the continuing expansion of democratic ideals around the globe. Blessed with an unbroken legacy of freedom and with unparalleled peace and prosperity, the United States stands today as a testament to the wisdom of its Founders -- and as a model to all those peoples who aspire to systems of representative democracy and free enterprise. More than 200 years after our Declaration of Independence was signed, we know that no political creed his proved more just or powerful than the belief ``that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness."

On this occasion, however, we are also mindful that America's freedom and security were not always readily taken for granted. When our Nation's Founders sought ``separate and equal station" for this country and proclaimed the American colonies free and independent States, they did so without the assurance of success. Ahead of them lay an uncertain future, and each understood the great risk that he and his compatriots were taking by signing the Declaration of Independence. Today, we can imagine the sense of trepidation that passed in the Signers' hearts as they pledged in support of that document their lives, their fortunes, and their sacred honor.

Yet, with a hope that was stronger than any fear and with a courage worthy of their great convictions, our ancestors launched a revolution of ideas that has continued to sweep the world. Independence Day is, therefore, a time of tremendous pride and inspiration for all Americans.

This year, we have added cause for celebration as Independence Day coincides with the 500th anniversary of Christopher Columbus's first journey to the Americas. The Columbus Quincentenary likewise recalls courage in the face of the unknown, and as we look to the future of the United States, we are heartened by the example and the achievements of the many pioneers and patriots who have gone before us. The continued preservation of our freedom will require no less industry and resolve on our part, and on this occasion, I offer a special salute to American service members everywhere, who are helping to chart they way to a safer, more peaceful world.

Barbara joins me in sending best wishes to our fellow Americans for a safe and enjoyable Independence Day.

George Bush

Message to the Congress Transmitting the Report of the Federal Labor Relations Authority

July 1, 1992

To the Congress of the United States:

In accordance with section 701 of the Civil Service Reform Act of 1978 (Public Law 95 - 454; 5 U.S.C. 7104(e)), I have the pleasure of transmitting to you the Thirteenth Annual Report of the Federal Labor Relations Authority for Fiscal Year 1991.

George Bush

The White House,

July 1, 1992.

Statement on Maryland Welfare Reform

July 1, 1992

I am pleased that my administration has approved Maryland's request for welfare waivers. This will allow Maryland to put in place a new system of incentives for welfare recipients to make sure their children receive necessary health care and attend school.

Pregnant women receiving welfare would be required to obtain regular prenatal care or not receive a special additional allowance. Families with young children receiving welfare would be required to obtain preventive health care for their children. This prenatal and preventive health care is available without cost to these families through the Medicaid program.

Maryland's reforms also create incentives for parents to make sure their children attend school. Welfare parents who behave responsibly and fulfill these requirements would receive higher payments than those who fail to see to the health care and education of their children.

While some are talking about welfare reform, we are helping to make it happen. Reform is taking place from the bottom up, with the States constructively serving as laboratories of democracy. My administration will continue to work with Maryland and other States in reforming our welfare system.

Statement by Press Secretary Fitzwater on Congressional Findings on the President's Involvement in the Alleged Paris Meetings

July 1, 1992

We are glad that Congress, in a bipartisan report, concluded today what we knew all along: that President Bush had no involvement with any alleged meetings in Paris in October 1980, and in fact, he never left the country at that time.

Note: The statement referred to the interim report, approved June 30, of the House Committee on Foreign Affairs Task Force To Investigate Certain Allegations Concerning the Holding of American Hostages by Iran in 1980.

Nomination of Robert E. Martinez To Be Associate Deputy Secretary of Transportation

July 1, 1992

The President today announced his intention to nominate Robert E. Martinez, of New Jersey, to be Associate Deputy Secretary of Transportation. He would succeed Robert L. Pettit.

Since 1990, Dr. Martinez has served as Deputy Administrator for the Maritime Administration at the Department of Transportation. He has also served as assistant executive director of the Business Roundtable in New York City, 1984 - 90; and as an associate consultant with Multinational Strategies, Inc., in New York City, 1983 - 84.

Dr. Martinez graduated from Columbia University (B.A., 1977) and Yale University (M.A., 1979; Ph.D., 1984). He was born May 22, 1955, in Havana, Cuba. Dr. Martinez is married, has one child, and resides in Arlington, VA.

Appointment of Carroll E. Multz as Commissioner on the Upper Colorado River Commission

July 1, 1992

The President today announced his intention to appoint Carroll E. Multz, of Colorado, to be U.S. Commissioner on the Upper Colorado River Commission. He would succeed J.F. Ross.

Since 1985, Mr. Multz has served as a shareholder and member of the board of directors of the law firm of Carroll E. Multz, P.C., in Grand Junction, CO, and a partner with the law firm of McMichael, Benedict and Multz, 1987 to the present and served as a shareholder and member of the board of directors with the law firm of LaCroix, Achziger, Multz and Croker, P.C., 1981 - 85. He has also served as District Attorney for the Fourteenth Judicial District, CO, 1974 - 81, and a partner with the law firm of Multz, Riggs and Sandler, 1972 - 74.

Mr. Multz graduated from the University of Montana (B.S., 1958; J.D., 1961). He was born August 16, 1936, in Helena, MT. Mr. Multz is married, has two children, and resides in Grand Junction, CO.

Remarks at a Meeting With the House Republican Conference on Health Care and an Exchange With Reporters

July 2, 1992

The President. Today I am sending to Congress the fourth piece of our comprehensive health care reform package, medical malpractice reform. Senate Republicans led by Bob Dole and John Chafee introduced a bill last November that includes many key elements similar to those in my plan. Here in the House, Republican Members led by Bob Michel and Newt Gingrich have recently finished months of work on a package that is very close to my own proposals, and we've been working intensively with the House Republican task force to hammer out differences.

We discussed the issue just now in our meeting, touched on it in our meeting with all House Republicans. And we now have legislation we can support and that represents a broad basis for agreement with all Republicans in the House and Senate.

A Republican health care package is ready to be passed now. It should be passed now. And it will make a difference in the quality and in the availability of health care and in the growth of our economy. Our proposal: It helps small businesses pool together to offer their employees affordable health insurance. It lets the self-employed deduct 100 percent of their health insurance premiums from their taxes. It makes it possible for workers to change jobs without the fear of losing their health insurance. And it curbs the runaway costs of medical malpractice litigation.

Just as important, our proposal does not saddle our businesses and workers with costly new mandates or taxes or allow Federal bureaucracies to regulate prices and to ration services. All of us who have had any experience with bureaucracies know that trying to let the Government operate our health care system would be an absolute nightmare, and we are not going to permit that.

The proposals on which we've all come together today would correct the most important weaknesses in our system and control costs without sacrificing this quality that American medicine is known for, this high-quality health care that every American deserves and that really attracts people from overseas. Our Republicans are ready to move, and I urge the House to act swiftly.

Now I want to turn this over to our task force leader, Republican leader Bob Michel.

Representative Michel. Thank you, Mr. President. I certainly don't want to add or subtract to anything the President has said here other than, earlier in the year, when we recognized,

obviously, that this would be one of the key issues in the country and we recruited members from significant committees that would be involved in health care on our side of the aisle, some of the best knowledgeable and informed people on our side worked the task force all year long.

Mr. President, we're most appreciative that you have seen fit to embrace the product of what our Members collectively have done in concert with the administration. Lou Sullivan is here and Gail Wilensky. And it's been a good team effort that we've put together.

I have something rather important, however, to give you. It's kind of a prescription of sorts to cure the gridlock around the Nation's health care system this year. The prescription, of course, is H.R. 5325, an action-now health care reform act. Congress should take this prescription as directed.

The President. Now, let's get this thing -- this is a very important piece of paper here. Let's get it out here.

All right, well, thank you all. Well done. And thank all of you who had so much -- including the Ways and Means leader, Bill Archer, for what they had to do with this, and Bill Gradison. Lou, thank you. Where's Gail? She needs a little -- Gail Wilensky.

Q. Mr. President?

The President. Yes, this isn't a press conference, but maybe I've got time for one or two. What have you got?

The Economy

Q. Mr. President, I'd like to know your reaction to the unemployment rate going up to the highest level in 8 years. And secondarily, you've been saying that the economy is improving but just that it seemed like the American people psychologically just weren't accepting it. What do you have to say to these people now who apparently did believe you and went out and looked for jobs, and they weren't there?

The President. Well, I say that, one, it's not good news. Two, unemployment has always been a lagging indicator. Three, the economy grew in the first quarter, and we're confident that it will grow in the second quarter. But the main message that I get out of this is that the Congress ought to pass the economic growth stimulant package that we have up here and that these people surrounding me have been trying to get through. If you really want to help America get back to work and make this indicator be less of a lagger and more of a leader, pass the things to stimulate the economy. That's exactly what's needed.

I would say it just shows that the recovery which we're in is not as robust as I'd like to see it. I

will say the good news is the Federal Reserve Board has dropped the rates by 50 basis points, and I'm told that a couple of banks have already followed, lowering the prime rate. And I think that is a good way to stimulate growth. I think that will be very well-received by the markets and by the businesses, large and small, across the country. It's something that I'd indicated a few days ago I would like to see happen, and I think it's a very good thing. And I think we've got to get this money supply up, and this is a good step toward that end.

So I would offset the news that I don't like by saying I think this will be very, very well-received, and it's fundamentally important to the economy.

Presidential Campaign

Q. Mr. President, Marlin Fitzwater this morning said that the opposition research, which is how the Democrats are describing it, was tantamount to a reliving of the plumbers' unit in the Nixon White House. Do you think what they're doing is that scurrilous?

The President. Well, I'm not sure what they're doing. All I did was read one story saying they're investigating my family, and you know how I feel about that. But I almost would say: So what's new? I've been in public life a long time, and I think that kind of activity on their part has been going on for a long time. But that's not -- --

Q. But also on the Republicans' part, isn't it? Mr. Bond has said that there is opposition research.

The President. I thought you were asking about the story today.

Q. I am. But isn't this something both parties historically do?

The President. Opposition research? Absolutely. I think everybody does opposition research. I thought you were talking about investigating a personal side of one's family, which, of course, we're not doing. We're not doing that. We're not doing that.

Q. Are you opposed? You're not upset with it?

The President. Well, I'm not happy about it, Helen [Helen Thomas, United Press International]. But what can I do about what the Democratic National Committee does?

Q. Well, do you do it?

The President. I mean, they are not exactly the voice of the American people. Let them defend their own activities on that.

Q. Does this mean you feel free to do the same sort of research on the opposition?

The President. No, no. I have made very clear that we want to stay out of the sleaze business and stay on the issues. Now, we're going to continue to research on issues; of course we are. Maybe I misread the story, but I thought it was talking about investigating family and my sons and things of this nature which -- --

Q. They did mention personal finances in the morning Post -- --

The President. Well, look, let me tell you something. The personal finances -- I've been in public life half my adult life, private life the other half, and I really believe that I have bent over backwards since the day I walked into that Chamber in terms of disclosure, trying to avoid conflict of interest. So I think they're going to drill a dry hole on that one because I have really tried my very, very best to keep the public trust. I told these friends who are in the Congress, I think I view as part of my responsibility keeping the public trust, the decency and honor of the Presidency. I've tried to do that, and I've tried to conduct myself that way in the Congress.

So, let them muck around in my garbage can, but they aren't going to find anything in terms of this, if you're asking now about a business connection.

I got to get out of here. I've been accused of having too many press conferences. I think it's 295 since I've been President.

Unemployment Benefits

Q. Let's get back on the point. Let's get back on the point, sir. The House today will be taking up a Democratic version of the unemployment extension, benefits extension bill. Many of the men up here say that there is a possibility of a veto.

The President. Well, our position is, I have supported unemployment extensions, guarantee extensions in the past. Every once in a while we've got to beat down ones that go so far that they just exacerbate the deficit that every American is concerned about. Let's hope that we can get a bill down there fast that I can sign.

But I have a certain custodianship for trying to support reasonable expenditures. If they send me something that we view and this leadership here views as too expensive, we'll have to send it back and urge them to get one down there that we can support.

But I hope that because people need help, we can get out and give it to them right quick. I do remember a time or two in the past where I had to veto legislation that just would have gone wild in terms of spending, and I'm prepared to do that again if we have to. I hope that's not what they send to me.

Last one, right here.

The Economy

Q. Mr. President, has the Federal Reserve now cut interest rates enough? Is that enough, the Federal Reserve cut today?

The President. I think it's pretty good. I think many of the market experts were saying it would be 25 basis points. I don't know. I mean, I am not an economist or a money supply expert. But all I know is, I think most people feel, and I certainly agree with this, that this would be stimulative and would be very well-received not just in the financial markets but by business, and particularly small business, that'll have a better shot now at creating something.

But it would be much better if we could pass these incentives that we have: the investment tax allowance, the first-time credit for homebuyers, $5000 we've proposed. I still feel that a capital gains reduction, a broad one, would create new businesses, new small businesses. We had some suggestions up here that Bill Archer and others have been very supportive of, and they have some of their own, on IRA's. So we need something that targets economic growth. My answer to the unemployment figures is: Please, now, Congress, do what you should have done some time ago in terms of stimulating the economy. It's growing, but I want to see the growth more robust.

The unemployment, there are too many people out of work. The way to get them back to work is to stimulate so that you'll have creation of new jobs. The interest rates, again, will help in this regard because I think it'll encourage existing businesses to more briskly go forward. But the reviews are mixed, the economy is still growing, and this figure, as I say, normally I think most experts would say a lagging indicator. But I've always said unemployment for one person, that's 100 percent, and that's too much. So we've got to keep moving until we get it back the way I'd like to see it in terms of economic growth.

I really do; I've got to go to work.

Q. This figure means the recovery is stalled.

The President. You've already had a question, madam.

Q. Following on the economy for a second. There are so many people, though, who really question whether or not you get it in terms of -- --

The President. I get it.

Q. -- -- these numbers are optimistic, and yet, look at the numbers.

The President. I get it. I said these numbers are not good. But I've got an answer for it. The answer is that the Congress ought to pass these stimulants to the economy. And it is unarguable.

Representatives. Hear, hear!

The President. Everybody feels that it would help and get the economic growth more robust. The economy grew at 2.7 percent first quarter, and it's going to grow this time.

Q. So it's the Congress' fault?

The President. I'm not trying to assign blame. You asked me what I'd do about it, and I'm saying, stimulate the economy. It's the fault of the Democratic leadership that these economic growth provisions have not been enacted, yes, on that one. But hell, I'll take my share of the blame. Everybody should.

Q. Mr. President -- --

The President. -- -- report the things that are just kind of negative out there. This economy is growing. And yet, Mr. Lichter says that 92 percent and says everything's bad. I mean, see, I'd like it a little more balanced. I'd like to see this thing moving on reality, not on misperception.

Q. Do you always bring your -- with you? [Laughter]

The President. I told them to keep this thing secret. Extraterrestrial who met with George Bush at Camp David -- I told him, I said, if I'm going to meet with you -- [laughter] -- I told him it was for me all along. There he is. [Laughter]

Q. How do you stop blaming the media -- every time you say people don't know that there is real recovery -- I mean, they've seen it today.

The President. -- -- 2.7 percent growth.

Q. Yes, but now you see what the unemployment is.

The President. Well, I never said unemployment was perfect. I've been saying too many people are out of work. Let's get them back to work by stimulating the economy.

Q. -- -- the deficit reduction bill that bipartisan House leaders -- --

The President. Deficit reduction? No, the first thing I'd like to see is have the Congress pass

what I have just been proposing and have reproposed.

Note: The President spoke at 10:23 a.m. in the House Chamber at the Capitol. The following persons were referred to: Gail R. Wilensky, Deputy Assistant to the President for Policy Development; Rich Bond, chairman, Republican National Committee; and S. Robert Lichter, codirector, Center for Media and Public Affairs. Part of this exchange could not be verified because the tape was incomplete.

Message to the Congress Transmitting Proposed Legislation on Health Care

July 2, 1992

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the ``Health Care Liability Reform and Quality of Care Improvement Act of 1992." Also transmitted is a section-by-section analysis.

This legislative proposal would assist in stemming the rising costs of health care caused by medical professional liability. During recent years, the costs of defensive medical practice and of litigation related to health care disputes have had a substantial impact on the affordability and availability of quality medical care. The bill attacks these very serious problems.

The bill would establish incentives for States to adopt within 3 years quality assurance measures and tort reforms. In addition, the health care reforms would apply to medical care and treatment funded through specific Federal programs pertaining to health care and employee benefits and to claims under the Federal Tort Claims Act. The tort reforms include: (1) a reasonable cap on noneconomic damages; (2) the elimination of joint and several liability for those damages; (3) prohibiting double recoveries by plaintiffs; and (4) permitting health care providers to pay damages for future costs periodically rather than in a lump sum.

Last year I recommended enactment of the ``Health Care Liability Reform and Quality of Care Improvement Act of 1991." The enclosed bill includes the core provisions of that bill and expands its scope to ensure that treatment under federally funded health care and Federal employee benefit programs is subject to key reforms regardless of State action. Claims arising from such health care would first be considered through a fair system of nonbinding arbitration, in an effort to resolve the claims without litigation.

I urge the prompt and favorable consideration of this proposal, which would complement the other initiatives the Administration is undertaking regarding malpractice and quality of care.

George Bush

The White House,

July 2, 1992.

Statement on the United States Nuclear Weapons Initiative

July 2, 1992

In the wake of the momentous changes in what was then the Soviet Union, last September 27 in an address to the Nation from the Oval Office I directed that the United States undertake dramatic changes and reductions in our nuclear arsenal and challenged the Soviet leadership to go down the same road with us. In that speech, I directed that the United States bring home from overseas and destroy our entire worldwide inventory of ground-launched theater nuclear weapons. At the same time, I announced that the United States would withdraw all tactical nuclear weapons from its surface ships, attack submarines, and those nuclear weapons associated with our land-based naval aircraft. Many of these are to be dismantled and destroyed.

Today I can tell you that all of the planned withdrawals are complete. All ground-launched tactical nuclear weapons have been returned to U.S. territory, as have all naval tactical nuclear weapons. Those weapons designated to be destroyed are being retired and scheduled for destruction.

These historic measures would not have been possible without the full support of our allies around the world and without the farsighted and courageous leadership of Russian President Boris Yeltsin, Ukrainian President Leonid Kravchuk, Republic of Kazakhstan President Nursultan Nazarbayev, and Chairman of the Supreme Soviet of the Republic of Byelarus Stanislav Shushkevich. They pledged to honor Soviet commitments to take comparable steps reducing tactical nuclear weapons. It is important that the implementation of these commitments be successfully concluded.

Now I look forward to the prompt ratification of START and to concluding a treaty on the even more far-reaching reductions President Yeltsin and I announced at the recent summit in Washington.

The President's News Conference With Foreign Journalists

July 2, 1992

The President. Thank you very much. And let me read a brief statement before responding to your questions.

Before I leave for Europe, I want to say just a few words about why I believe it is so important to the American people that I make this trip. Thanks to the courage and the sacrifice of millions of Americans, we've won the cold war, we and our allies standing shoulder-to-shoulder. Our task now is to secure the peace, to build an expanding world economy, one that opens new markets abroad and creates new jobs here at home. Our task will not be completed on one 5-day trip. But we can, at these meetings, advance the well-being of all of our countrymen, my countrymen.

In the new global economy now emerging, America's economic interests don't stop at the water's edge. And we will not prosper in a world stifled by trading blocs and tariff barriers. Seventy percent of our economic growth in the last 5 years has come from exports. And I will continue to fight for more economic growth, and that means free trade. Our progress so far has been substantial. Already the new democracies of the East are becoming attractive sites for U.S. investment, and nearly $2 billion committed this year alone. Those investments will help our allies secure democracy's great gains and create jobs for American workers. And that's my mission, to secure these benefits for America and the world.

In Warsaw, birthplace of the Revolution of '89, I will stand with the Polish people, show our support for their efforts to consolidate their hard-won freedom. In Munich, I will work with leaders of the world's great industrialized democracies to build a new world economy. I'll also meet with President Yeltsin to build on the historic steps that we took right here at the White House and to underscore our strong support for Russia's reforms. On this one there can be no doubt: An investment in Russian democracy is an investment in world peace. And finally, in Helsinki, I will meet for the first time with members of a CSCE not divided East from West but united in a democratic community of more than 50 nations.

So let me just add one point here on the eve of the Fourth of July: We must not forget, must never forget, that in Europe today rests 20 million American bodies -- excuse me -- 20 American military cemeteries. I've been to a couple of them. And we must ensure that there will never be a 21st.

Look at how far we've already come. When I took office 3 years ago, adversaries faced us across a divided Europe. Today, the new democracies of Central and Eastern Europe are our partners. And the threat of nuclear war is more distant now than at any time since the advent of the

nuclear age. And think of what that means, not for presidents or prime ministers, not for historians or heads of state but for parents and their children. It means a future free from fear.

For much of this century, it's been America's destiny to stand for liberty and against intolerance and to fight for freedom against oppression. And now at long last the moment has come for the lovers of freedom around the world to reap the rewards of our vigilance. The opportunity we face is historic, the first chance in more than a half century to build democratic peace and prosperity for America and for the world. This trip will, in my view, bring us just one step, but another step, closer to our goal.

Now I'd be glad to take some questions.

Polish Reforms

Q. Mr. President, Secretary Baker the other day said that you would be discussing with President Walesa some new ideas on advancement of Polish reforms. What will they be?

The President. I can't give you the exact detail. I think it would be inappropriate before meeting with the President. We have some ideas that would help stimulate investment. We salute President Walesa for what he's been able to do in reform already. It has not been easy. And there are serious questions that remain. But I'd prefer not to go into the details of what we might be discussing with him. As you know, the government's in transition, and I think it would be most appropriate to talk the specifics with him.

But let me just reaffirm the interest in the United States not only in reforms but the reforms that lead to further American investment. So it will be along the lines of what we can do to further stimulate trade but also U.S. investment in Poland. I think we've had a good start, but we need to go further. Stabilization is the subject that we'll be talking about, too.

Aid to Russia and G - 7 Membership

Q. Mr. President, could you tell us, please, what will be your agenda for meeting with President Yeltsin? Will it be just an update of what you discussed here in Washington, sir, a month ago, or there will be new proposals, new initiatives? And secondly, this is the second time a Russian leader has been invited to a G - 7 summit. The last time, it was back, of course, last year when Gorbachev was still the President of the Soviet Union. Do you think that Russia will be a permanent member of the G - 7 sometime soon?

The President. On your first question, yes, there will be an update, because we've really spent a lot of time. The time we spent floating around on that boat on the Severn near Annapolis was total work time. In other words, we reviewed not just the things we talked about in our formal meetings, but we reviewed a wide array of other subjects. So there's some updating that needs to

be done. One of the things I want to update him on is where we stand on what we call the ``FREEDOM Support Act." And I hope there will be action on that before I leave, in the Senate. He is not expecting that the full Congress act on that before we meet in Munich.

So we'll talk about the ``FREEDOM Support Act." And it'll really, I would say, be a followup on the discussions we had. He gave me a review of all the problems and the gains and the different crosscurrents in the former countries of the C.I.S., of the Soviet empire. We discussed a lot of these things. So I'm anxious to get updated from him on all of that.

And on the G - 7, I will be prepared to discuss this, making it the G - 8, if you will. These are, as we all know, meetings of the major economic powers. And certainly with Japan there and with the current members of the G - 7, European members and Canada as well, that's what it's been up to date. Well, Russian economy is enormous. And they have big problems. But their size gives them a unique standing. So we'll have to see. I know other countries want to be in there. But Russia, because of its size and because of Yeltsin's coming at the invitation of Helmut Kohl, certainly we'll have that subject on the agenda. I can't say how I think it's going to work out because I just don't know.

Q. Do you support it?

The President. That's right.

Multilateral Trade Negotiations

Q. Mr. President, in the last summits in Houston and London, there were nice words and beautiful commitments on the GATT negotiations, but no results. Do you expect the same in Munich?

The President. Well, I don't think the Munich summit will be dominated by the GATT talks. In fact, I talked to Chancellor Kohl in the last couple of days, and it is neither his desires nor mine, nor the desire of any of the European leaders or indeed Brian Mulroney or indeed Prime Minister Miyazawa, to have that happen. I think it will be talked about, but it isn't going to be the major area of discussion. I am still not giving up on trying to get something done before then. But there's very little time left. And we are still in constant discussion with various European leaders about this.

I'd like to have seen it worked out before then. But definitely progress has been made in closing the gap since the last -- I believe you put it in the timeframe of the last G - 7 meeting. And a lot of the differences have been narrowed. But we still have some big ones, differences, and agriculture as you know remains the major stumbling block. But we're not going to give up on it. If we don't get something, some major breakthrough today or tomorrow, we're just going to keep on going because it is in the interest of the whole world. And I'll tell you the major beneficiaries

of this would be the Third World. Trade for them offers them far better opportunities than just aid. So, we'll keep pushing on it.

U.S. Nuclear Weapons

Q. Mr. President, with regard to your announcement this morning about the completion of the withdrawal of land and sea-based tactical nuclear weapons, what is its policy implication for the Asia and Pacific region, particularly in regard with your ``neither confirm nor deny'' nuclear weapons transfer principle?

The President. What announcement are you referring to, sir?

Q. It's a statement.

Q. Tactical weapons.

The President. What?

Q. It was out of NATO.

Mr. Fitzwater. That they completed the pull-out of the tactical nuclear weapons.

Q. It's a worldwide withdrawal.

The President. Oh. Well, I mean, that's just a progress report, and I don't think it has anything beyond what's on the face of it. We've said what we were going to do, and we've done it. And that's a good thing. But I don't think it has any implications for the old nuclear presence argument that affected many of our friends around the world. I mean, that's up for them to decide. I mean, we've made this statement; it seems to me that it might clear the way for resolution of differences we've had with some countries, but that's up for them to decide.

Our statement is still ``neither confirm nor deny,'' but where we've said we don't have these weapons on board, we mean it. And they're not there. So, if that opens the doors for others, so much the better. I'm thinking of New Zealand and other countries where we've had, everyone knows, great differences on this.

Korean Peninsula

Q. Do you think it will have a positive impact on the Korean Peninsula?

The President. Oh. Yes, I would hope it would. Excuse me, that's a very important point, and

yes, I think it would. I think it should. I don't think there's anything new on them. In other words, I think that's been discounted. But I think it's evidence of our good faith. I am convinced that the move should be up to North Korea to meet the international standards, to comply with IAEA and other rules. But the main thing is they've got to dispel the mistrust that exists regarding North Korea, and the way to do that is to be open, openness in terms of inspections.

This is an international press conference, and I'm trying to favor those who come from other countries or are accredited here from foreign journals of one kind or another. And I would only ask understanding and forbearance from the American White House press corps, championed by the front row here. They are very understanding as a rule, and in this time I would appeal to them to understand when I drift off and recognize others than the illustrious dean sitting in the front row.

North American Free Trade Agreement

Q. Mr. President, will you be signing a North American free trade deal in San Diego in a couple of weeks, as reported today by the Journal of Commerce, with Prime Minister Mulroney and President Salinas? And can you comment on the negotiations?

The President. One, I don't know about what we'll be signing. That is not a scheduled event at this time. I'd love to think we can get the differences ironed out by then, but I don't want to set artificial timetables. We've had some differences with Mexico, but I'll tell you one thing: The negotiations have been serious. Again, I'll give the same answer I gave on the Uruguay round, the differences have been narrowed considerably. They know the areas that we're having difficulties with, and we know theirs, but I just don't know about any timetable of that nature. It has not come to me that we are going to be ready. What has come from me to our negotiators is to get politics out of the way, if any is in there, and sign a good agreement so I can sign or initial a good agreement as soon as possible.

So I want to take this opportunity to say there isn't any politics involved in this. I keep reading, ``Well, the President may not want to take a deal up to the Hill or have it on the Hill," and that is not true. It is in the interest of the United States of America to get a good free trade agreement with North America, with Canada and Mexico. So that's all. So we have no timetable set, but again it's like GATT. I'd like to just keep pushing and get it done as soon as possible. I talked to President Salinas about 10 days ago and then subsequently talked to our negotiators. He's done the same thing. Jaime Serra, I believe, has been here. I know others have. And we're just going to keep on working on it.

Yugoslavia

Q. Mr. President, after some months of effort by various European institutions including the European Community, the CSCE, there is still fighting and bloodshed in Yugoslavia and

particularly in Bosnia. Are you disappointed with the performance of these European institutions so far, and how do you think this speaks of those who say it's time for a European security pillar to replace NATO?

The President. Well, I don't think it has anything to do with the replacement of NATO. I don't believe that. I believe that the United Nations and individual European countries have made strong efforts to bring about peace. We started by backing Cyrus Vance as the negotiator for the United Nations. Lord Carrington, in my view, has tried very, very hard. He started off against enormous odds. He's still engaged. And so I can't fault anybody for the fact that we do not have peace there. We have been, as you know, supportive of the peace efforts but not trying to have taken the lead in the peace process. But I would resist saying I think this shows a failure to utilize NATO earlier on or anything of that nature.

We remain committed to NATO. I think it is absolutely in the interest of the United States that a strong American presence be in NATO. As these different organizations are considered, I keep talking to our friends in Europe that NATO should be the prime organization there. And I think most of them, if not all, agree with that. So in this failure to bring tranquility to a troubled land or certainly failure to get in the humanitarian supplies that are necessary, I don't see any diminution of NATO's overall standing -- if that was your question; I may have misunderstood it -- at all. I salute the French President for what he did. That was not a multilateral approach; that was something that he tried to do on his own.

Some supplies are going in there now. I was very pleased to note, of all things, a private American venture went in there. The Americares, which is a wonderfully humane organization, had a plane land there at 9:05 this morning, or maybe it was 9:05 their time. But nevertheless, some supplies are getting in there.

The U.S. role has been to say, look, we want to help with the assistance, on a humanitarian basis. And that's the role we're in. We are not in a forward-leaning role as terms of saying our objectives is to bring lasting peace to this troubled land. That's what I'd like to see happen. But I think the immediate goal should be relief effort to the people that are suffering. And the environment one time looks benign, and then it looks a little more hazardous. So we've got to thread through it, and we'll do our part.

Q. To follow up, sir. You said that in the past we've supported and not tried taking the lead. Should we interpret Mr. Cheney's statement this week as the Americans are now prepared to start taking the lead?

The President. Well, no. I don't think it was so much as taking the lead but doing our part. As you know, we have a substantial military presence in the area. And my position, and I know it's Cheney's, is we're not ruling anything -- or out. When I was talking about substantial presence, I'm talking primarily about the presence of our fleet there. I believe there's two carrier battle

groups in the Med, one of them now up in the Adriatic. But nobody should interpret that as other than the fact that we're there. And beyond that, I can't say what we will or won't do. I don't think Cheney was signaling an increased, aggressive military presence there. And I think he'd answer the question the same way I do: that we're not going to rule anything in; we're not going to rule it out.

But I would say, we don't want to appear to be kind of, quote, taking the lead, unquote, when all this activity is going on. The French have been active, the Italians at the EC were very forward leaning and active, and that's good. As far as we're concerned, that's fine.

Japanese Constitution

Q. On the occasion of the Japanese Prime Minister's visit here, the Heritage Foundation issued a report recommending that to include Japan as a full and responsible, respected member of the international community, the Bush administration should privately urge Japan to start writing its own constitution. The report argues that the present Japanese Constitution, American-drafted one, particularly its renouncement of the use of force for even just and international and collective cause, makes Japan an exception to every other nation and somehow discourages responsible debate by the Japanese on international security issues. Some Japanese political leaders already advocate the constitutional revision for a similar reason. And I know this is a matter that only the Japanese can decide; but from the standpoint of Japan's ally and global partner, would you be inclined to discourage or encourage a movement towards such constitutional revision?

The President. I would be inclined to let Japan decide that by Japan's self, if you will. I wouldn't particularly like it if the Japanese Prime Minister told me what revisions we ought to have to the American Constitution. We're fighting that out all the time on the domestic scene. And I wouldn't like it. So I would butt out of that.

I will say we salute Japan for what they did in the Diet the other day, which moved a little more forward towards, I guess, the position that this foundation has advocated. But I'd leave it there. I've always been a little bit constrained when it comes to intervening in the internal matters of another country.

I can see why the question is addressed. Some have criticized Japan for not doing more, but they're coming along. They're feeling their way along, and, in my view, they were very supportive in terms of Desert Storm, not with troops but of fulfilling their obligations. They've been very supportive of host country matters when we have military presence over there. They've taken this step in the Diet. And we support that, salute that. And I would leave the pace of change strictly up to the Japanese themselves. They have constitutional problems. They've got a keen sense of history. And they'll figure it out. And I'll stand at their side and be supportive.

Canada-U.S. Trade

Q. Mr. President, did you give the steel case that was recently filed by the industry the top-level attention you promised Prime Minister Mulroney when it came to Canada before the case was filed? And as a followup, did you agree with the industry filing and including Canada?

The President. We give all these cases top-level consideration. We have laws in this country where people are allowed to bring their case to the various agencies. But, yes, I think that Prime Minister Mulroney had the distinct feeling that American politics were causing us to pull back into some kind of a protectionist mood vis-a-vis Canada. And I see enough of these cases to be able to say to myself that this is not the case. And when there's unfairness, the proper procedures will be followed. But I won't go into any specific case, but I owe him that kind of reassurance.

Yugoslavia

Q. Mr. President, you said that you're not ruling anything in or out with regard to Yugoslavia. However, very senior people in your administration have made it clear that you do not intend to commit ground forces. You have many tens of thousands of troops in Europe. That is a very major crisis taking place in a new Europe. If the United States is not prepared to commit ground forces in such a context, would it not be reasonable for Europeans to say, why are the Americans here, and for American taxpayers to be saying, what are we doing there?

The President. I don't know what spokesman you're talking about, but I've said nothing here about what I will or won't do. And under our system, the President of the United States makes those decisions on the commitment of forces or not to commit forces. That's one of the decisions that rests with me, not with anybody else, not the Congress, not anybody else.

So no decision has been taken on that. And I have had no pressure, to try to respond fully, from the United States Congress or any citizens here, to say why aren't we putting more troops into Sarajevo right now, for example. I haven't had any feeling that there's a great demand for that. What we want to do is play our part in the fulfillment of the mission to bring humanitarian relief in there. But I don't think there's a great eagerness to put American troops there on the ground or to send NATO in there. The United Nations has a role; they're fulfilling the role.

So I think you raise a good point. But I don't think it will diminish support for NATO on the part of the American people. Or even from the Europeans, I don't think it'll diminish support.

NATO

Q. The question is, sir, if you're not going to intervene or not prepared or not very much inclined to intervene in a conflict of that nature even in theory, then what are you doing in Europe?

The President. We're there to guarantee the peace. And we're there to say, we know history. And if we'd have stayed there in the past with some presence, maybe we could have averted some of the disaster that befell Europe. We're there because Europe wants us there, too. Not only do we want to be there in a presence in the most efficient organization of its kind, NATO, but I think the Europeans all want us there. In fact, I keep asking to be darned sure I'm right on that question. And they do.

And so NATO is there. But that doesn't mean when you have a humanitarian problem here or you have internal divisions in any countries, and there are many turmoils based on ancient ethnic rivalries and hatreds that are cropping up, that automatically NATO goes to general quarters. That's not NATO's mission. There's ways to decide whether NATO should be involved or not. And I tried to recite the history here of the United Nations role. And in this instance the United Nations has taken the lead. Some individual European leaders have taken the lead.

But I don't see it as diminishing NATO's standing or certainly as diminishing NATO's commitment, the American people's wanting NATO to still have a strong U.S. presence. Because the fact that they're not in this crisis, you might turn to me after I finish answering that one and say, what about some of the other areas where there are trouble spots going on right now in what used to be the Soviet Union? There's a lot of trouble spots. And my answer would be to that question, that because NATO is there and it is the most efficient peacekeeping organization that exists, that doesn't mean that it's going to be injected into every single crisis area. So there's other mechanisms set up for this one, and it's a very complicated problem when I look at it.

Somebody asked me, how is it different from, say, Desert Storm or from the invasion of one country from another? And as these countries sort out these enormously complicated problems, I make the point that that is different. They're internal to a degree, and yet they're new countries. But I make a point that it is quite different than the overt invasion of one country by another. I'm sure some in Sarajevo might not agree with that, but I think the mission for NATO has to be looked at in terms of each crisis or each outbreak of hostilities. And in this one, we've had other organizations that are trying to solve the problem. And you've had other countries that have been, on their own, trying to solve the problem.

But I will do my level-best to see that this does not diminish NATO. I am absolutely convinced not only do we have a role there, but it's an insurance policy, if you will, against the kinds of conflagrations that we've seen in the past. And so it will stay strong. And there will be some bumps in the road, but NATO is going to be the major organization of its kind anywhere in the world, I think.

This is the last one, and then I really, according to Marlin, must be off. Twenty-three minutes, .47 seconds.

Yugoslavia

Q. Mr. President, but the impression is that United States are maybe too cautious, too uncertain on the Yugoslavia crisis; they don't exactly know what to do. Can you tell me if it's correct or wrong?

The President. Well, I don't think that it's that we don't know what to do. I can understand somebody saying, well, why doesn't the United States use its magnificent military power one way or another to end all this suffering? But it's not that we don't know what to do; it is that we were trying to work with others in the ways I've outlined here to try to bring about an environment in which we can bring relief to the area. So, that's the way I would answer the question. Did I get it?

Q. Yes.

The President. Yes, that's about it. I mean, the United States is not going to inject itself into every single crisis, no matter how heartrending, around the world. And where we try to work with the United Nations, for example, we have no apologies for that. There will be times when we have to take the lead, when we have to move forcefully, when we have a clear mission. I am not interested in seeing one single United States soldier pinned down in some kind of a guerrilla environment. We go in there, we're going to go in there and do what we said we're going to do and get out. And this environment is a little complicated so that I could certify to the American people that's what would happen.

Q. Sir, what have you told Prime Minister Mulroney about the Canadian troops? Have you sent any special message to him as the Canadian troops went to -- --

The President. I gave him an 'atta boy. I saluted him for doing what they're doing with the United Nations.

Q. Have you offered U.N. air cover for the convoy or any further convoys?

The President. Well, we have not been asked to do that. But they're doing a wonderful job over there. And I think the Canadians who have stepped forward deserve a great vote of thanks from the entire world for what they're doing. And when you see those pictures on the television and you see those courageous people there, why, we salute them. But he has not asked for that.

Let me put it this way: Canadian forces get in trouble, they've got some friends right here, right here, strong friends that are grateful to them and who respect them and have stood at their side before, and we're not going to let a lot of Canadians get put into harm's way without support. Put it that way.

Note: The President's 133d news conference began at 2:21 p.m. in Room 450 of the Old

Executive Office Building. In his remarks, he referred to Jaime Serra, Secretary of Commerce and Industrial Development of Mexico; Cyrus Vance, Special Negotiator for the United Nations on Yugoslavia; and Lord Peter Carrington, Special European Community Negotiator on Yugoslavia.

Letter to Congressional Leaders on Trade With Colombia

July 2, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 203 of the Andean Trade Preference Act (ATPA) (19 U.S.C. 3202), I wish to inform you of my intent to designate Colombia as a beneficiary of the trade-liberalizing measures provided for in this Act. Designation will entitle the products of Colombia, except for products excluded statutorily, to duty-free treatment for a period ending on December 4, 2002.

Designation is an important step for Colombia in its effort to fight against narcotics production and trafficking. The enhanced access to the U.S. market provided by the ATPA will encourage the production of and trade in legitimate products.

My decision to designate Colombia results from consultations concluded in April 1992 between this Administration and the Government of Colombia regarding the designation criteria set forth in section 203 of the ATPA. Colombia has demonstrated to my satisfaction that its laws, practices, and policies are in conformity with the designation criteria of the ATPA. The Government of Colombia has communicated on these matters by a letter to Ambassador Hills and in so doing has indicated its desire to be designated as a beneficiary.

On the basis of the statements and assurances in Colombia's letter, and taking into account information developed by the United States Embassy and through other sources, I have concluded that designation is appropriate at this time.

I am mindful that under section 203(e) of the ATPA, I retain the authority to suspend, withdraw, or limit the application of ATPA benefits from any designated country if a beneficiary's laws, policies, or practices are no longer in conformity with the designation criteria. The United States will keep abreast of developments in Colombia that are pertinent to the designation criteria.

This Administration looks forward to working closely with the Government of Colombia and with the private sectors of the United States and Colombia to ensure that the wide-ranging opportunities opened by the ATPA are fully utilized.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives,

and Dan Quayle, President of the Senate. The related proclamation is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders on Trade With Bolivia

July 2, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 203 of the Andean Trade Preference Act (ATPA) (19 U.S.C. 3202), I wish to inform you of my intent to designate Bolivia as a beneficiary of the trade-liberalizing measures provided for in this Act. Designation will entitle the products of Bolivia, except for products excluded statutorily, to duty-free treatment for a period ending on December 4, 2002.

Designation is an important step for Bolivia in its effort to fight against narcotics production and trafficking. The enhanced access to the U.S. market provided by the ATPA will encourage the production of and trade in legitimate products.

My decision to designate Bolivia results from consultations concluded in April 1992 between this Administration and the Government of Bolivia regarding the designation criteria set forth in section 203 of the ATPA. Bolivia has demonstrated to my satisfaction that its laws, practices, and policies are in conformity with the designation criteria of the ATPA. The Government of Bolivia has communicated on these matters by a letter to Ambassador Hills and in so doing has indicated its desire to be designated as a beneficiary.

On the basis of the statements and assurances in Bolivia's letter, and taking into account information developed by the United States Embassy and through other sources, I have concluded that designation is appropriate at this time.

I am mindful that under section 203(e) of the ATPA, I retain the authority to suspend, withdraw, or limit the application of ATPA benefits from any designated country if a beneficiary's laws, policies, or practices are no longer in conformity with the designation criteria. The United States will keep abreast of developments in Bolivia that are pertinent to the designation criteria.

This Administration looks forward to working closely with the Government of Bolivia and with the private sectors of the United States and Bolivia to ensure that the wide-ranging opportunities opened by the ATPA are fully utilized.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The related proclamation is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders Transmitting a Report on Adherence to Arms Control Treaty Obligations

July 2, 1992

Dear Mr. Speaker: (Dear Mr. Chairman:)

I am pleased to transmit a report on the adherence of the United States to arms control treaty obligations and on problems related to compliance by other nations with the provisions of arms control agreements to which the United States is a party. I am transmitting the classified and unclassified versions of the report.

This report was prepared by the United States Arms Control and Disarmament Agency in coordination with the Departments of State, Defense, and Energy, as well as the Joint Staff and the Intelligence Community.

The United States will continue to make clear that it expects scrupulous compliance from its arms control treaty partners and that full compliance is essential to a meaningful arms controls process. For its part, the United States will continue to take seriously its commitments to arms control agreements, to set rigid standards and detailed procedures for assuring that it meets these obligations, and to correct any errors in U.S. implementation that arise.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, Chairman of the Senate Foreign Relations Committee.

Message to the Congress Transmitting a Report on Nuclear Nonproliferation

July 2, 1992

To the Congress of the United States:

I have reviewed the activities of the United States Government departments and agencies during calendar year 1991 related to preventing nuclear proliferation, and I am pleased to submit my annual report pursuant to section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95 - 242, 22 U.S.C. 3281(a)).

As the report demonstrates, the United States continued its efforts during 1991 to prevent the spread of nuclear explosives to additional countries, one of my highest priorities. The events of the past year in Iraq and elsewhere underline the importance of these efforts to preserving our national security, by reducing the risk of war and increasing international stability. I am determined to build on the achievements discussed in this report and to work with the Congress toward our common goal: a safer and more secure future for all human kind.

George Bush

The White House,

July 2, 1992.

Message to the Senate Returning Without Approval the National Voter Registration Act of 1992

July 2, 1992

To the Senate of the United States:

I am returning herewith without my approval S. 250, the ``National Voter Registration Act of 1992."

This Administration strongly supports the goal of increasing participation in the electoral process. We have worked with leaders of both parties in an attempt to produce legislation that would accomplish that purpose. S. 250, however, would impose unnecessary, burdensome, expensive, and constitutionally questionable Federal regulation on the States in an area of traditional State authority. It would also expose the election process to an unacceptable risk of fraud and corruption without any reason to believe that it would increase electoral participation to any significant degree.

No justification has been demonstrated for the extensive procedural requirements -- and significant related costs -- imposed on the States by this bill. The proponents of S. 250 simply have not made the case that requiring the States to make voter registration easier will translate into increased voter participation at the polls. Indeed, a recent study by the Federal Election Commission suggests that registration requirements have no significant effect on participation rates. In addition, to the extent that State registration requirements discriminate against minority groups, the Voting Rights Act already provides an adequate remedy.

S. 250 would exempt from compliance with its requirements any State adopting an election day registration system. This exemption could create a compelling incentive for a State to adopt such a system, under which verification of voter eligibility is difficult. Thus, the bill would increase substantially the risk of voting fraud. It would not, however, provide sufficient authority for Federal law enforcement officials to respond to any resulting increases in election crime and public corruption.

It is critical that the States retain the authority to tailor voter registration procedures to unique local circumstances. S. 250 would prevent the States from doing this by forcing them to implement federally mandated and nationally standardized voter registration procedures. It would also restrict severely their ability to remove from the voter rolls the names of persons who have not voted in several years and who thus can be presumed fairly to have died or moved out of the jurisdiction. Enactment of S. 250 would deny the States their historic freedom to govern their own electoral processes and would contravene the important principles of federalism on which our country was founded.

S. 250 is constitutionally suspect. Although the Supreme Court has recognized that the Congress has general power to regulate Federal elections to the extent necessary to prevent fraud and preserve the integrity of the electoral process, there has been no suggestion that S. 250 would serve that goal. Nor has there been any showing that the bill is necessary to eliminate discriminatory practices. Accordingly, there is a serious constitutional question whether the Congress has the power to enact this legislation.

I support legislation that would assist the States in implementing appropriate reforms in order to make voter registration easier for the American public. I cannot, however, accept legislation that imposes an unnecessary and costly Federal regime on the States and that is, in addition, an open invitation to fraud and corruption.

For the reasons discussed above, I am returning S. 250 without my approval.

George Bush

The White House,

July 2, 1992.

Nomination of Mack F. Mattingly To Be United States Ambassador to the Seychelles

July 2, 1992

The President today announced his intention to nominate Mack F. Mattingly, of Georgia, to be Ambassador of the United States of America to the Republic of Seychelles. He would succeed Richard W. Carlson.

Since 1990, Senator Mattingly has served as a national and international speaker and writer on economic, defense, foreign policy, and political issues; a business adviser; and self-employed entrepreneur. From 1987 to 1990, he served as Assistant Secretary General for Defense Support for NATO in Brussels, Belgium. He served as a U.S. Senator from Georgia, 1981 - 87.

Senator Mattingly graduated from Indiana University (B.S., 1957). He served in the U.S. Air Force, 1951 - 55. He was born January 7, 1931, in Anderson, IN. Senator Mattingly is married, has two children, and resides in Saint Simons Island, GA.

Nomination of Mary C. Pendleton To Be United States Ambassador to Moldova

July 2, 1992

The President today announced his intention to nominate Mary C. Pendleton, of Virginia, a career member of the Foreign Service, class one, to be Ambassador of the United States of America to the Republic of Moldova.

Since 1990, Ms. Pendleton has served as Director of the Administrative Training Division at the School of Professional Studies at the Foreign Service Institute. From 1989 to 1990, she was in senior training at the National Defense University Industrial College of the Armed Forces. Ms. Pendleton has served as a Foreign Service officer at the Department of State in several positions since 1975, including: administrative counselor at the American Embassy in Bucharest, Romania, 1987 - 89; post management officer in the Bureau of European and Canadian Affairs, 1984 - 87; administrative officer at the American Embassy in Lusaka, Zambia, 1982 - 84; a visa officer and staff aide at the American Embassy in Manila, Philippines, 1978 - 79; and a general services officer at the American Embassy in Khartoum, Sudan, 1976 - 77.

Ms. Pendleton graduated from Spalding University (B.A., 1962) and Indiana University (M.A., 1969). She was born June 15, 1940, in Jefferson County, KY. Ms. Pendleton currently resides in Arlington, VA.

Nomination of Stanley Tuemler Escudero To Be United States Ambassador to Tajikistan

July 2, 1992

The President today announced his intention to nominate Stanley Tuemler Escudero, of Florida, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador of the United States of America to the Republic of Tajikistan.

Currently, Mr. Escudero serves as Charge d'Affaires and interim at the American Embassy in Dushanbe, Republic of Tajikistan. Mr. Escudero has also served as: Counselor for Political Affairs at the U.S. Embassy in Cairo, Egypt, 1990 - 92; member of the senior seminar at the Foreign Service Institute, 1989 - 90; political advisor to the commander-in-chief at Central Command in Tampa, FL, 1987 - 89; Counselor for Political Affairs at the American Embassy in New Delhi, India, 1984 - 87; legislative management officer in the Bureau of Congressional and Intergovernmental Affairs at the Department of State, 1981 - 84. Mr. Escudero has served in several other positions with the Department of State, including: Africa affairs officer in the Office of United Nations Political Affairs, Bureau of International Organization Affairs at the Department of State, 1977 - 80; Morocco desk officer, 1975 - 77; and staff aide to the Ambassador and political officer at the American Embassy in Tehran, Iran, 1971 - 75.

Mr. Escudero graduated from the University of Florida (B.A., 1965). He was born March 10, 1942, in Daytona Beach, FL Mr. Escudero is married, has two children, and resides in Dushanbe, Republic of Tajikistan.

Nomination of John J. Easton, Jr., To Be an Assistant Secretary of Energy

July 2, 1992

The President today announced his intention to nominate John J. Easton, Jr., of Vermont, to be Assistant Secretary of Energy for Domestic and International Energy Policy. This is a new position.

Since 1989, Mr. Easton has served at the Department of Energy as General Counsel, 1991 - present; and as Assistant Secretary for International Affairs and Energy Emergencies, 1989 - 91. Prior to joining the Department of Energy, Mr. Easton served with the law firm of Miller, Eggleston and Rosenberg, Ltd., 1987 - 89. Mr. Easton was twice elected attorney general of Vermont and served in that position from 1981 to 1985.

Mr. Easton graduated from the University of Colorado (B.S., 1964), and Georgetown University (J.D., 1970). He served in the U.S. Air Force from 1964 to 1968. He was born June 16, 1943, in San Francisco, CA. Mr. Easton currently resides in Arlington, VA.

Nomination of Kent N. Brown To Be United States Ambassador to the Republic of Georgia

July 2, 1992

The President today announced his intention to nominate Kent N. Brown, of Virginia, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador of the United States of America to the Republic of Georgia.

Since 1990, Mr. Brown has served as political adviser to the Supreme Allied Commander, Supreme Headquarters Allied Powers Europe in Casteau, Belgium. He has also served as: office director of the Bureau of Politico-Military Affairs at the Department of State, 1988 - 90; senior political adviser for the U.S. Mutual and Balanced Force Reductions and Conventional Forces in Europe Delegations in Vienna, 1984 - 88; a student at the North Atlantic Treaty Organization Defense College in Rome, 1983 - 84; Consular and political officer at the American Embassy in Moscow, 1980 - 83; and international affairs officer for the Bureau of European Affairs at the Department of State, 1975 - 79.

Mr. Brown graduated from the University of California, Davis, (B.A., 1964; M.A., 1966). He has born May 7, 1944, in Oakland, CA. Mr. Brown is married, has two children, and resides in Casteau, Belgium.

Remarks and an Exchange With Reporters on Departure for Camp David, Maryland

July 2, 1992

The President. I have two subjects I want to address very briefly before we leave here.

First, on the unemployment extension bill. This afternoon the House passed an unemployment bill, and the Senate is expected to act shortly; it may have already moved. But the bill that came out of the House-Senate conference is a good one. It took the best of the House and Senate positions. It's paid for, and it does not violate the budget agreement. And it preserves the fiscal discipline that is so vital to our economic recovery. There are no new taxes in the bill. It doesn't raise unemployment taxes or raise the unemployment wage-base. Most of the objectionable policies were dropped from it. The extra benefits will give unemployed Americans as much as 52 weeks of unemployment insurance. This is an important safeguard for workers who still can't find jobs as the economy continues to grow. And I'm glad that we were able to work it out with the Congress in the last couple of days.

The current program runs out on Saturday. I want to make sure that people keep getting these extended benefits. Therefore, I will sign this bill as soon as it reaches my desk. And I might say at the end of this statement, once again, I was very pleased to see the Fed move to reduce the rates because clearly that will have an economic stimulus that will help get this country back to work real fast.

The second subject: I have just concluded another meeting on AIDS. And with me is Bishop Swing, who ministers to many AIDS patients, is in the forefront of the struggle against AIDS. He comes from San Francisco, a friend to Barbara and to me. Also there was Dr. Burt Lee, my own personal physician but who's had an active role in AIDS -- he was on the AIDS Commission before he came here; Mary Fisher, who is personally involved with the disease; Dr. Fauci, one of our Nation's leading researchers out at NIH. And I mentioned, I think, Dr. Sullivan of HHS.

But we met in there, and I was asking them, how can I better convey the concern that I feel, and what can I do better to convey what we are doing? And I believe that I must have the Nation know that we're all enmeshed in the pain that people feel about this disease, whether they have the disease, afflicted by it, or whether they're people who just want to help.

I think it's important to emphasize that progress has been made. And we listened to Dr. Fauci talk about the progress that's been made, the hope that he and the other great researchers and scientists in this country have for progress on the vaccines, for example; the fact there are three different ways now to try to contain this disease.

And then the third point is the determination that we all feel that we must win this battle. And the bishop and Dr. Fauci pointed out to me something that I do know and perhaps have not articulated it, and that is that the United States has a key leadership role here. It's a worldwide problem. And our science is on the cutting edge. Our researchers aren't the only ones doing the job, but they are doing a superb job. I just want others around the world to know that we share their concerns, and we want to share our science with anyone we possibly can help. And so it was that area. We talked a little bit, Lou did, Lou Sullivan brought up the point he makes about the ADA bill where we are opposed to discrimination. And that bill, that forward civil rights legislation, addressed itself to that.

So it was a good meeting. And I will continue to find ways to take to the Nation the concern that I feel, that Barbara feels on this dreaded disease. It affects so many families. And we've got to make sure that we remain doing everything we can. As we all know, the funding for research is substantially up and the requests for next year very strong. But I wish there was more even. But we'll keep doing our job. And I have learned a lot from my dear friend Bishop Swing, again. And also, I'm grateful to those others that attended the meeting.

Thank you all very much.

Proposed Family Life Executive Order

Q. Have you received the letter from the Baptists concerning the position that you've taken with -- their objection to your position on ``20/20'' about hiring homosexuals? Not making a litmus test?

The President. I didn't hear anything about that. I didn't see anything.

Q. The Christian Life Commission has sent you a letter that said it's too late for meetings and that action is required on this policy. They're asking you -- --

The President. What is that?

Q. They're asking you to sign the proposed Executive order on family life -- the definition, sir?

The President. Well, I'll have to take a look at what we're talking about here.

Q. What about Magic Johnson's concerns that he's raised?

The President. I think my position on family life is pretty well known to this country.

AIDS Policy

Q. Have you had any more communication with Magic?

The President. No, and we've tried to get in touch with him. I asked Dr. Sullivan about that again. And I don't know that -- I know I haven't been. But we have tried to get in touch with Magic Johnson. He's a part of the Commission. We know their reservations. But there's no hostility here. Anybody that has suggestions as to how I can do my job better in expressing the concerns that we feel as a Nation, so much the better. But I don't know what his latest position is on this. But I'd be very anxious to hear from him and to understand more clearly what his concerns are.

Q. Are you open to a possible change in the immigration law, sir? That's been one of the major points of criticism.

The President. Well, we discussed it a little bit. And I know there's some concern on that. But I'd want to get some recommendations from our expert before I committed myself on that.

The Economy

Q. Mr. President, since you've staked so much of your reelection on the economic recovery, doesn't the lagging unemployment, if it lags all the way to November, doesn't that decrease your chances for reelection?

The President. I don't know, Jim [Jim Miklaszewski, NBC News]. I hear so many things that decrease, or some that increase, my chances. I feel that we all have a stake, regardless of the politics, in an improved economy. All I know is that we would not have unemployment at this level if I could have gotten our investment incentives passed by the Congress. And I say that not to blame anybody, but what I've felt has been necessary all along is economic stimulus. That's why we had a specific program proposed, and most of it is languishing on Capitol Hill.

Having said that, the economy is growing. Having said that, I am very much concerned about the unemployment figures. I still maintain that unemployment is a lagging indicator because there are other things that are quite positive, including the fact that interest rates are even lower now than they've been. And that, inevitably, spurs investment and jobs.

So, there are mixed reports. One day we'll get a good statistic; another day we'll have one that isn't so good. But when it involves human life, when it involves somebody wanting to work that doesn't have a job, then of course we're concerned about that. I don't know about the political implications, but I am convinced that the economy is continuing to improve.

I've got to go.

Note: The President spoke at 6:05 p.m. on the South Lawn at the White House. In his remarks, he referred to Rev. William E. Swing, Episcopal Bishop of the Diocese of San Francisco.

Radio Address to the Nation on Health Care Reform

July 3, 1992

Today, I'm asking all Americans to help me break a logjam holding up reform of our health care system. Health care in our country is too expensive, too complicated. And too many times, the system is downright unfair. I've proposed comprehensive reforms, including four pieces of legislation now waiting in Congress' in-box. Americans could begin enjoying the benefits of reform right away if only Congress would act.

Let me tell you about our plan, including my legislation and some initiatives by House and Senate Republicans. We would lower costs for patients and providers alike by keeping high taxes, costly litigation, and big bureaucracies off their backs. We're fighting to give self-employed Americans the same tax advantages that big corporations already have, and that is being able to take 100 percent of health insurance premiums off their income taxes.

Our legislation also would help small business and self-employed people get the same break as the big guys through new purchasing networks and broader risk pooling. That's good because it will help drive down health care costs for everyone. And House Republicans have a good idea to let both employers and employees contribute to new tax-free MediSave accounts for health care.

It's time to reform our antiquated system, move things into the electronic age. Our legislation would cut paperwork and redtape and put health insurance on a modern electronic billing system. Going to the doctor should involve no more paperwork than using a credit card. I've also asked that horse-and-buggy-era rules end and that practices for patient records and consumer health information be replaced with computerization. By the end of the decade, these two reforms alone would save Americans an estimated $24 billion a year.

Just this week I sent Congress a bill to curb the runaway costs of medical liability. Nearly every community in this country knows gifted medical people, conscientious men and women, who no longer use their talents and training because they're afraid of being wiped out by damage suits. That's wrong. And it hurts every one of us. Everywhere I travel in this country, people tell me Americans should make more effort helping each other instead of suing each other. And that's why I'm asking Congress to pass my plan to put caps on damages and encourage settling disputes out of court.

We need medical malpractice reform now. But there's a logjam, the old-time liberal leadership in the Senate and the House stalling my reforms. While I want to curb the excessive damage awards in medical malpractice cases, too many in that Capitol Hill crowd are too beholden to the trial lawyers lobby to act in the people's interest. Where I want the freedom and the proven efficiency of the modern market to work, the old-time leadership wants Federal bureaucrats to control prices and ration services.

The biggest story of our time is the failure of socialism and all its empty promises, including nationalized health care and government price-setting. But somehow this news that shook the world hasn't seeped through the doors of the Democratic cloakrooms on Capitol Hill.

And that's why I'm asking your help. Let's get them the message. Americans deserve a better health care system. And they support the principles of my plan. Let's get our Senators and Congressmen off the dime and make them bring my plan to a vote.

Thank you for listening. And may God bless the United States of America.

Note: This address was recorded at 11:02 a.m. on July 2 in the Oval Office at the White House for broadcast after 6 a.m. on July 3.

Statement on Signing the Unemployment Compensation Amendments of 1992

July 3, 1992

Today I am pleased to sign into law H.R. 5260, the ``Unemployment Compensation Amendments of 1992." This legislation would extend the Emergency Unemployment Compensation (EUC) program to March of next year. Without this extension, the EUC program would expire on July 4th.

Unemployment has a profound effect on people's lives. The extension of the EUC program is consistent with my strong and sustained commitment to providing needed assistance to the unemployed and their families while the economy recovers. These benefits will provide critical support to unemployed Americans until they can find jobs. I am pleased that the Administration and the Congress worked together successfully in the last few days to enact this important extension of benefits.

I call on the Congress to move rapidly on my economic growth package, with hopefully the same bipartisan spirit of cooperation. Enactment of these reforms and incentives is essential to creating the jobs that all Americans want. Action on them is long overdue. I urge the Congress now to turn to this unfinished business and to quickly enact my program for economic growth and job creation to ensure a strong, sustained recovery and long-term economic prosperity for our Nation.

George Bush

The White House,

July 3, 1992

Note: H.R. 5260, approved July 3, was assigned Public Law No. 102 - 318. An original was not available for verification of the content of this statement.

Statement by Press Secretary Fitzwater on the Andean Trade Preference Act

July 3, 1992

President Bush today proclaimed Bolivia and Colombia to be beneficiary countries under the Andean Trade Preference Act of 1991 (ATPA). These are the first two countries to be designated under the ATPA.

The ATPA is designed to help encourage a transition from the production of illicit drugs to legitimate products in the Andean countries. Under the Act, beneficiary countries may export a wide range of products to the United States on a duty-free or preferential tariff basis.

The President's action helps fulfill a commitment he made at the 1990 Cartagena drug summit to improve access to the U.S. market for exports from Andean countries. It is one element of the Bush administration's war against international drug trafficking. The administration is continuing its review of the status of other potential beneficiaries, Peru and Ecuador.

Note: The proclamations of July 2 are listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on the Macedonia Recognition Dispute

July 3, 1992

The President strongly supports early resolution of the dispute over recognition of the former Yugoslav Republic of Macedonia. In this connection, we welcome efforts of the European Community to find a solution, including those taken at the June 29 summit. The United States would support any solution that is acceptable to the parties themselves. The United States therefore stands ready to do what it can, in support of European Community efforts, to help the parties solve this problem so that they can get on with a normal relationship.

Remarks to the Pepsi 400 Drivers and Owners in Daytona Beach, Florida

July 4, 1992

Thank you all very much. Thank you guys for the welcome, appreciate it. Thank you very, very much. First off, let me just pay my respects to the France family. Bill's late dad was a friend, and we mourn his passing, a great guy, great for racing, a great American, the values always intact. So I wanted to mention that at the beginning of these very brief remarks.

I salute the spirit of NASCAR, the spirit of racing. If there's ever a group of people that stood for what we call family values, American traditional values, it's this crowd I'm talking to right now. When I think of the Fourth of July, I count my blessings for our freedom. I know we've got some big problems in this country, but there's an awful lot right about the United States of America, too. And this spirit that you feel just the minute you get here expresses a lot about that.

So I really wanted to pop in here, just wish you well, tell you I'm glad to be back. This is my third visit to a race in Daytona. Having been the grand marshal of the Daytona 500, why, I expect it's only downhill. But here I am as President of the United States; maybe that will help a little bit.

But keep up the great work for American sports, American values. We're very, very proud of you. And as for Richard Petty Day or Richard Petty, number 43 -- they're saluting him all the way around the track here -- I'm proud to be at his side on this very special day, too.

Thank you all, and best of luck to all of you.

Note: The President spoke at 9:52 a.m. in Garage 42C at Daytona International Speedway. In his remarks, he referred to William C. France, president of the National Association for Stock Car Auto Racing (NASCAR); the late William H.G. France, founder of NASCAR; and all-time champion driver Richard Petty, who was participating in his final race at Daytona International Speedway.

Remarks at the Richard Petty Tribute in Daytona Beach

July 4, 1992

Thank you all very much. I can think of no better place to wish our Nation happy Independence Day, happy Fourth of July, than standing right here with this patriotic, wonderful turnout of people, all-American crowd. Thank you very much.

This is the day when we celebrate our independence and count our blessings. The way I see it, yes, there are problems, but we are still the freest, fairest, and the greatest country on the face of the Earth.

I just met with the NASCAR drivers, a real thrill for a sports fan. They epitomize the best: the best in sportsmanship, the best in family, the best in patriotic values. So today, on the Fourth of July, this President comes not only to greet the American people and the fans here, but this President comes to greet a king, Richard Petty, one of the great Americans. Richard, I'm proud to be at your side.

Note: The President spoke at 10:55 a.m. at Daytona International Speedway.

Remarks at an Independence Day Celebration in Faith, North Carolina

July 4, 1992

Thank you all very much. Mayor, thank you. Thank you very much, Mayor Hampton. And let me say to all of you, please be seated. [Laughter] Sorry about that. What a great day in Faith, and what a wonderful way to get here: play a couple of innings of ball, eat a little barbecue, drink a little of that wine or whatever they call it over there. [Laughter] Really, we're thrilled to be here, and thank you for that very, very warm welcome. I say warm, I use the term advisedly. [Laughter]

I'll tell you a little Trivial Pursuit: Fifty years ago almost to this day, I was a naval aviation cadet at Chapel Hill, North Carolina. That was my first taste of North Carolina hospitality, and this is my last and my very best up till now. So thank you all very, very much.

It's great to see our Governor here, doing a superb job for this State. You'll miss him in the governorship, but we've got to keep him active. He's done a great job for the State of North Carolina. May I pay my respects to another man I've been with shoulder to shoulder, Congressman Coble here, and just say to all of you, Daisy Bost and all that worked on this program, what a magnificent show this is. The Governor is right: We are proud to be in Faith, North Carolina, and proud to see this spirit alive and well.

I didn't hear the East Rowan High School Marching Band, but somebody -- here they are right here. Fantastic.

But this is a very special American day. I just came from the races down there in Daytona, and we saluted the king, a son of North Carolina, Richard Petty. Dale Earnhardt, Dale showed us around and explained it, so it's been a great big high of a day for me here.

This one is a picture postcard holiday setting. You've got it all with the Little League and the softball games and the wheelbarrow races and the parade down Main Street. Now I'll be very short because I want to go over and try the bungee jumping. [Laughter] No, Barbara said it's okay to throw your hat in the ring, but not the whole body. [Laughter]

But we meet today in the State that gave birth to flight way back a thousand years ago, and on the day when the eagle soars proudest of all. We meet in smalltown America, in many ways, as I survey our great country, in many ways the spiritual heart of all America.

Several miles up the road is Salisbury, home to our friend Liddy Dole and home to Cheerwine -- [laughter] -- and a little east, Siler City, where television's Aunt Bea is buried. I've always

wondered if Aunt Bea were with us today, if she'd be serving broccoli. I hope not. [Laughter]

Not every place in America is like these wonderful towns, but its values can and should be because the values that the Mayor mentioned, the values the Governor talked about, the values that you hold dear are the values that hold our entire country together. And we never should forget that.

When I go back to Washington, Barbara and I, we have about an hour and a half, I believe it is, maybe a couple of hours at the airport. Then we fly to Poland, where I'll stand shoulder to shoulder Sunday morning with Lech Walesa, the President. Remember him? The guy that stood up for freedom when nobody else could do it in Poland? Stood up and took the heat, and now Poland is free. He looks to the United States, and he says, ``Above all the countries, it was the United States of America that stood with me and offered me the hope for freedom."

You know what it means to be good neighbors. You know what it is to have families, strong and united; good schools; safe neighborhoods; job-creating economy; and a world at peace. Now, you go over to the Faith Soda Shop or the Hairport or R&I Variety, and you'll see the values that can achieve these goals. One is faith in self-reliance. You believe in equal rights for all Americans. Don't let anybody knock your town; you stand with me against bigotry and against racism. You believe in what is good and what is right.

Some regard principles as disposable, like TV dinners, but they couldn't be more wrong. Let others support some of this -- films and the programs which mock small-town America. But I stand with the millions who support your America. And there's nothing wrong with a Nation more like Salisbury or Faith, North Carolina. And believe me, carry those principles with you.

It's not just the name of the town, but from this springs another smalltown virtue: We believe America is special because of fidelity to God. We have not forgotten that we are one Nation under God, and that's an important thing to point out on July 4th.

I heard from the Mayor that there are 553, technically, 553 residents. But she tells me that on Sunday more than 800 attend church services, and that's pretty good out of a town of 553. Think of that. You show why, according to a Gallup poll, America is the most religious nation on Earth.

Remember the small boy expressing that conviction: ``God bless Mother and Daddy, my brother and sister." And he says, ``Oh, and God, take care of yourself because if anything happens to you, we're all sunk." [Laughter] And that kid is right, just as right as he can be.

So, the American people really have mountains of faith. And I believe the God who gave us life also gave us liberty. So again, I'd like to use this wonderful occasion, this national holiday, perhaps our greatest, to call on the Congress to pass a constitutional amendment permitting

voluntary prayer in the public schools.

Barbara and I were talking earlier to people for whom every day is the Fourth of July. They don't apologize for the choking up when you hear ``The Star-Spangled Banner'' or standing at attention when you say the Pledge of Allegiance. And they don't apologize for the lump in the throat when a few blocks away over here on Gantt Street in the American Legion building they visit a monument dedicated to the veterans, the living and the dead, of every American war.

Here in Faith, memories run long, just as principles run deep. And Jim touched on it, but you know how to answer those who say that the success of Desert Storm should be forgotten. But look, you had 76,000, as he said, troops in this one State, deployed from North Carolina. I don't think Saddam Hussein -- who might by now have nuclear weapons, or if we hadn't challenged him we'd all be paying $10 for gas as he moved into Saudi Arabia -- I don't think he doubts for a minute the will and the strength and the patriotism of the American people.

I know very well our veterans haven't forgotten it, those courageous, the best fighting forces we've ever put together. We stay together. I told Howard Coble -- I sometimes risk being a little personal. But I was shot down in World War II, and I learned something. I learned something in combat: The wingman doesn't pull away from the flight leader. When I was shot down into the Pacific, it was my teammates, one located my raft, another shot down a boat that was put out from a Japanese island, and I learned this: We are a team. We're a united country. When the going gets tough, we get moving. We don't apologize, and we don't quit. We never quit. And we don't forget the POW's and the MIA's, I might add, either. We're with them.

Eisenhower spoke of ``the great and priceless privilege of growing up in a small town.'' Well, Barbara and I are privileged to be in a small town that proves how right Ike was.

And ours is a nation, believe me, ours is a nation whose best days lie ahead. These kids here can go to bed at night with less fear of nuclear war because we've been here.

Now we've got to keep moving and bring that change to everybody in America that wants opportunity. And we can do it. Why? Because on this special day of freedom we are still the United States of America: nothing to apologize for, everything to be proud of.

Thank you, and God bless each and every one of you.

Note: The President spoke at 3:07 p.m. at Legion Park. In his remarks, he referred to Mayor Judy Hampton of Faith; Daisy Bost, program coordinator for the Independence Day celebration in Faith; Dale Earnhardt, NASCAR driver and Winston Cup champion; Elizabeth Hanford Dole, president of the American Red Cross; and the late Frances Bavier, actress.

Remarks Following Discussions With President Lech Walesa of Poland in Warsaw

July 5, 1992

President Walesa. I'd like to state once again that we owe a great deal to America. We'd like to pay tribute to the President and try to do everything to retain the interest of the States and of Mr. President, and at the same time making it as good as possible for America.

American involvement in leading towards democracy was great. And in Poland, American involvement is necessary for Europe. We simply cannot envisage Europe without an American presence.

It is not safe at all here after the dismantling of the Soviet Union, only today the dangers are somewhat different. And I am convinced that without U.S. presence we won't make it at all. That is why I wish to thank the President and to thank America for everything that Central Europe has achieved, particularly in this very special moment, and hoping for the presence of the President and of America in order for us to be successful. It can be successful; it can be great business; however, only if we do it together.

Once more I wish to welcome you most cordially, Mr. President, and your delegation. And I would wish you less problems with this part of the world.

President Bush. And may I just respond and tell the Polish side here what I've just told President Walesa, and that is we have every intention of remaining involved. We appreciate the President's understanding of the importance of NATO. And we feel that a vigorous trade between Poland and the United States is in our interests as well as Poland's.

So I told the President we would do everything we can to keep the United States involved, to keep a strong NATO, to stay in touch on the security side of things, and then to figure out what we can do to go forward on the trade matters because we think he has properly assessed the security concerns and economic concerns in Europe, and we want to continue to be helpful. And we will be. We will be.

There is a great affection in the United States for Poland, as you know from your own visits there. And the fact that Poland wants us to do what we're doing, stay involved, try to be constructive partners, that's very helpful for the United States, too. So thank you for your hospitality.

Note: The remarks began at 12:45 p.m. in the Green Room at the Royal Palace. President Walesa spoke in Polish, and his remarks were translated by an interpreter. A tape was not

available for verification of the content of these remarks.

Remarks to Polish Citizens in Warsaw

July 5, 1992

Thank you, Mr. President, for those very kind words. And good afternoon to Mrs. Walesa. It's a pleasure to be back here. I'm pleased that the U.S. Presidential delegation, headed by our own Secretary Derwinski, could be here today.

So hello, Warsaw, and hello, Poland. Thank you all for this warm welcome. Barbara and I are honored to be back once more, to come home once more to the birthplace of the Revolution of '89. And I'm especially pleased to come here from America's Fourth of July celebration of freedom and carry that same spirit to a free Poland.

This is truly a homecoming, the day Poland welcomes home a part of its proud history, a great patriot, a patron of freedom. You spoke eloquently of him. Through his long life, Ignacy Paderewski fought for a free and independent Poland. When independence came, Paderewski served as Prime Minister of your new nation. When occupation came, he joined the exiled government. And when he died, America gave this great friend of freedom a place alongside our honored dead in Arlington Cemetery to rest, in the words of our President Franklin Roosevelt, ``until Poland would be free.''

Few knew then how many dark days would come and go, how many lifetimes would pass until this day. When years passed without fanfare or ceremony, when a small, simple marker took the place of a larger stone, Poles understood. In 5 years or 50 years, Paderewski would one day come home to Polish soil.

Today, a patriot has come home. Today, Poland is free. And what a magnificent day this is. On this Sunday, from St. John's Cathedral to the village churches of Zakopane, the bells toll not simply the solemn requiem but a new beginning, a new birth of freedom for Poland and its people.

It's a new beginning not just for Poland but for all of Europe and the world. It is proper that we mark this new birth in your country. It was here in Poland that the Second World War began. It was here in Poland that the cold war first cast its shadow. And it was here in Poland that the people at long last brought the cold war to an end.

I've said many times that in the deepest sense, the cold war was a war of ideas, a contest between two ways of life. The rulers of the old regime claimed they saw the triumph of the totalitarian ideal written in the laws of history. They failed to see the love of freedom written in the human heart.

I recall my last visit to Poland: The fierce defiance and determination in the faces of the workers

gathered in what was then called the Lenin Shipyard in Gdansk, the warmth and the welcome for America made plain to Barbara and me by you, the good people of Poland. We'll never forget it.

Just think of the new world that's emerged these past 3 years: Europe, whole and free; Russia, turning from dictatorship to democracy; Ukraine and the other nations of the old Soviet empire, free and independent. Look at this new world, and remember where that revolution began: right here in Poland.

Today, Poland stands transformed. Your bold economic reforms have earned the world's admiration and support. And what's more, they're working. Shelves that once stood empty are now stocked with goods. Gone is the old Communist Party headquarters, now home to the Warsaw Stock Exchange and the Polish-America Enterprise Fund, providing seed capital to help Poland's private sector growth and prosper. Gone are the slogans and the sham reality; everywhere you hear new voices and new hope. Freedom has come home to Poland.

For all that is new, there are things that have not changed, things that sustained you through the darkest days: Polish strength, Polish spirit, Polish pride. Reaching your dreams will be difficult. I know the sheer volume of new voices can sometimes be deafening. But from the clamor of new voices must come democracy, a common vision of the common good.

Of course, in many places and for many people there is more pain than progress. But we must take care to separate cause from consequence. Poland's time of trial is not caused by private enterprise but by the stubborn legacy of four decades of Communist misrule. Make no mistake: The path you have chosen is the right path. And as you say, Mr. President, it is the path of pioneers. Free government and free enterprise have helped Poland overcome a crippling past. Free government and free markets will bring Poland a bright future.

Poland is no stranger to sacrifice. Many times before, you were asked to do without for the greater good of the state. But today is different. This time, yours is a sacrifice blessed by freedom, the sacrifice of a nation determined to make its destination democracy.

Poland has made great progress in its reforms, moving this country to a new stage in its economic revolution. As always, the United States of America stands ready to help. In 1989, the United States worked with Poland and others to establish a $1 billion fund to help support a free currency for a free Poland. Now we need to consider new uses for that fund, to help Poland as it faces today's challenges. That's why I am proposing that once Poland is back on track with the IMF that we make that fund available for other uses, perhaps to finance Polish exports or to help capitalize banks to support new businesses. The U.S. contribution alone will amount to $200 million.

This is a Polish and American idea that I will take to the economic summit at Munich. There I will urge the leaders of the world's great democracies to join with us to seek new ways to help

Poland toward progress and prosperity. Let there be no doubt: America shares Poland's dream. America wants Poland to succeed. And we will stand at your side until success is guaranteed to everyone.

We mark today not simply the memory of a great Polish patriot, we celebrate the men of moral courage who sustain this nation: President Lech Walesa, Father Popieluszko, Pope John Paul II. But Poland could not have come this far, Poland could not have won its freedom if only a few had the courage to stand up against the state. Freedom was won by the everyday heroes of the underground, the men and women who kept faith when faith was forbidden, who spoke the truth against a wall of lies, the true heroes of democracy: the people of Poland.

Your strength of spirit drives away all doubt: Poland will succeed. Poland will succeed because Poles have made this journey before. In a strange new world called America, in the stockyards of Chicago, in the steelworks of Cleveland, in a thousand towns thousands of miles from this land they love, Poles worked and worshipped and built a better life -- Polish hands building the American dream. Now at long last, Poles can build that dream right here at home.

As President of the United States of America, as a fellow democrat, as friend of a free Poland, I bring this message: America stands with you. America wants Poland to succeed and to prosper. America wants Poland, now and forever, to be free.

Thank you all for this warm welcome. May God bless the free people of Poland. And may God bless both our great countries, Poland and the United States of America. Thank you. Thank you very much.

Note: The President spoke at approximately 2:30 p.m. at Castle Square. In his remarks, he referred to Father Jerzy Popieluszko, a Roman Catholic priest who was murdered in 1984.

Munich Economic Summit: Yugoslavia Communique

July 7, 1992

We, the leaders of our seven countries and representatives of the European Community, are deeply concerned about the ongoing Yugoslav crisis. We strongly condemn the use of violence in the former Yugoslavia and deplore the suffering inflicted upon its population. We particularly deplore those actions directed against civilian populations, as well as the forced expulsion of ethnic groups.

Although all parties have contributed to this state of affairs, the Serbian leadership and the Yugoslav army controlled by it bear the greatest share of the responsibility. We support the EC Conference on Yugoslavia chaired by Lord Carrington as the key forum for ensuring a durable and equitable political solution to the outstanding problems of the former Yugoslavia, including constitutional arrangements for Bosnia and Hercegovina.

We call on all parties to resume negotiations in that conference in good faith and without preconditions. We welcome the close consultations between the conference chaired by Lord Carrington, the EC, the U.N., and other parties concerned with the Yugoslav crisis.

These consultations could lead to the holding of a broader international conference to address unresolved questions, including issues related to minorities. We stress the absolute need for the parties in former Yugoslavia to show the will for peace which is indispensable to success and without which the peoples of former Yugoslavia will continue to suffer.

The tragic humanitarian situation, especially in Bosnia and Hercegovina, is unacceptable. We fully endorse as heads of state and government the efforts of the international community to provide relief. We welcome the efforts made in achieving the opening of the airport of Sarajevo, and we support actions taken by UNPROFOR to secure the airport.

The blockade of Sarajevo must be lifted and the shelling of the town stopped in order to sustain a comprehensive relief operation. We express our gratitude to all participants in the airlift to Sarajevo and the supply of its population. We appeal to all parties in Bosnia and Hercegovina not to imperil the humanitarian effort.

We firmly warn the parties concerned, including irregular forces, not to take any action that would endanger the lives of those engaged in the relief operation. Should these efforts fail due to an unwillingness of those concerned to fully cooperate with the United Nations, we believe the Security Council will have to consider other measures, not excluding military means, to achieve its humanitarian objectives.

The airlift to Sarajevo can only be the beginning of a larger humanitarian effort. Safe access by

road to Sarajevo, as well as to other parts of Bosnia and Hercegovina in need, must be guaranteed. The needs of the hundreds of thousands of refugees and displaced persons require further significant financial support. We are willing to contribute and ask others also to make fair contributions.

We underline the need for Serbia and Croatia to respect the territorial integrity of Bosnia and Hercegovina and for all military forces not subject to the authority of the government of Bosnia and Hercegovina to either be withdrawn or disbanded and disarmed with their weapons placed under effective international monitoring.

We call on all parties to prevent the conflict from spreading to other parts of the former Yugoslavia.

We urge the Serbian leadership to respect minority rights in full, to refrain from further repression in Kosovo, and to engage in serious dialogue with representatives of Kosovo with a view to defining a status of autonomy according to the draft convention of the EC Conference on Yugoslavia.

Sanctions decided by the U.N. Security Council in Resolution 757, as well as all other provisions of relevant U.N. resolutions, must be fully implemented. We support the efforts of the U.N. peacekeeping forces in implementing the U.N. peace plan for Croatia and all its elements.

We demand that Serbs and Croats extend their full cooperation to the U.N. peace plan and make every effort to bring the bloodshed in Croatia to an end.

We do not accept Serbia and Montenegro as the sole successor state to the former Yugoslavia.

We call for the suspension of the delegation of Yugoslavia in the proceedings of the CSCE and other relevant international fora and organizations.

Note: An original was not available for verification of the content of this communique.

Munich Economic Summit Political Declaration: Shaping the New Partnership

July 7, 1992

I. 1. We, the leaders of our seven countries and the representatives of the European Community, support the democratic revolution which has ended the East-West confrontation and has fundamentally changed the global political landscape. Since we last met, further dramatic changes have accelerated progress towards democracy, market-based economies, and social justice. The way has been opened for a new partnership of shared responsibilities, not only in Europe which at long last is reunited, but also in the Asia-Pacific region and elsewhere in the world. We are entering an era where confrontation has given way to cooperation.

2. This new partnership will take many forms. The former adversaries of East and West will cooperate extensively on economic, political and security issues. We look for the worldwide development of similar patterns of cooperation within regions and between regions. As developed countries, we offer continuing support and assistance to developing countries. We believe that transnational problems, in particular the proliferation of weapons of mass destruction, can be solved only through international cooperation. Partnership will flourish as common values take root, based on the principles of political and economic freedom, human rights, democracy, justice and the rule of law. We believe that political and economic freedom are closely linked and mutually reinforcing and that, to that end, good governance and respect for human rights are important criteria in providing economic assistance.

3. The countries of Central and Eastern Europe and the new states of the former Soviet Union can now seize unprecedented opportunities -- but they also face enormous challenges. We will support them as they move toward the achievement of democratic societies and political and economic freedom. We encourage them to create a stable constitutional and legal framework for their reform programmes and commend their efforts to cut substantially the proportion of public spending devoted to the military sector.

4. The Treaty signed at Maastricht by the twelve members of the European Community is a historic step on the way to European Union. Its implementation will enhance political stability on the European continent and open up new opportunities for cooperation.

5. Since we last met, the creation of the North Atlantic Cooperation Council has enhanced the cooperative relationship of the North Atlantic Alliance with countries in Central and Eastern Europe and with the states of the former Soviet Union. WEU, too, is strengthening its relationship with countries in Central and Eastern Europe.

6. The need for international cooperation has also been underlined by new instabilities and

conflicts due to resurgent nationalism and interethnic tensions. Communal and territorial disputes are being settled by force, causing death, destruction, and widespread dislocation of innocent people throughout the former Yugoslavia, in parts of the former Soviet Union, and elsewhere in the world.

7. The full and immediate implementation of all CSCE commitments is essential in building security and stability in Europe. All CSCE states must solve their disputes by peaceful means and guarantee the equal treatment of all minorities. We call upon the Helsinki CSCE Summit to take decisions to strengthen the CSCE's capabilities for conflict prevention, crisis management and peaceful resolution of disputes. We also look forward to the establishment of a security cooperation forum at the Helsinki Summit. In this regard, we welcome the recent decisions by NATO foreign ministers and WEU ministers on support for peacekeeping operations carried out under the responsibility of the CSCE. We support the development of a regular and productive dialogue between Japan and the CSCE on matters of common concern.

8. In the Asia-Pacific region, existing regional frameworks, such as the ASEAN Post-Ministerial Conferences and the Asia-Pacific Economic Cooperation, have an important part to play in promoting peace and stability. We are seriously concerned at the present situation in Cambodia and urge all parties concerned to support UNTAC and uphold the still fragile peace process to bring it to a successful conclusion.

9. We welcome Russia's commitment to a foreign policy based on the principle of law and justice. We believe that this represents a basis for full normalization of the Russian-Japanese relationship through resolving the territorial issue.

II. 1. The end of the East-West confrontation provides a historic opportunity, but also underlines the urgent need to curb the proliferation of nuclear weapons, other weapons of mass destruction and missiles capable of delivering them. We are firmly of the view that the indefinite extension of the nuclear Non-Proliferation Treaty at the 1995 Review Conference will be a key step in this process and that the process of nuclear arms control and reduction must be continued. The motivation for nuclear proliferation will also be reduced through efforts to advance regional security.

2. We urge countries not yet parties to the NPT to join. We look forward to the early adherence to the NPT as non-nuclear weapons states of Ukraine, Kazakhstan and Belarus as well as the other non-Russian states of the former Soviet Union. We shall continue through bilateral contacts and the International Science and Technology Centres in Moscow and Kiev our efforts to inhibit the spread of expertise on weapons of mass destruction. We attach the highest importance to the establishment in the former Soviet Union of effective export controls on nuclear materials, weapons and other sensitive goods and technologies and will offer training and practical assistance to help achieve this.

3. The world needs the most effective possible action to safeguard nuclear materials and to detect and prevent the transfer or the illicit or clandestine production of nuclear weapons. Nuclear cooperation will in future be conditional on adherence to the NPT or an existing equivalent internationally binding agreement as well as on the adoption of full-scope International Atomic Energy Agency safeguards, as recently laid down by the Nuclear Suppliers Group. The IAEA must receive the resources necessary to strengthen the existing safeguards regime and to conduct effective special inspections of undeclared but suspect nuclear sites as one means of achieving this. We will support reference by the IAEA of unresolved cases of proliferation to the UN Security Council.

4. We reaffirm our willingness to share the benefits of peaceful nuclear technology with all other states, in accordance with our non-proliferation commitments.

5. We will continue to encourage all countries to adopt the guidelines of the Missile Technology Control Regime and welcome the recent decision by the plenary session of the MTCR to extend the scope of the guidelines to cover missiles capable of delivering all kinds of weapons of mass destruction. Each of us will continue our efforts to improve transparency and consultation in the transfer of conventional weapons and to encourage restraint in such transfers. Provision of full and timely information to the UN Arms Register is an important element in these efforts.

6. We will continue to intensify our cooperation in the area of export controls of sensitive items in the appropriate fora to reduce threats to international security. A major element of this effort is the informal exchange of information to improve and harmonize these export controls.

7. Arms control agreements which have been signed by the former Soviet Union, in particular the START and CFE treaties, must enter into force. The full implementation of the CFE Treaty will create the foundation for the new cooperative security framework in Europe. We welcome the far-reaching follow-on agreement on strategic nuclear weapons concluded by the US and Russia in June as another major step towards a safer, more stable world. Further measures, in particular the unilaterally announced elimination of ground-launched short-range nuclear weapons by the United States and the former Soviet Union, should be carried out as soon as possible. We support Russia in its efforts to secure the peaceful use of nuclear materials resulting from the elimination of nuclear weapons. The Geneva negotiations for a convention on the effective global ban on chemical weapons must be successfully concluded this year. We call on all nations to become original signatories to this convention.

III. 1. The new challenges underline the need for strengthening the UN, taking account of changing international circumstances. Since our last meeting in London the tasks and responsibilities of the UN have further increased in a dramatic way, especially in the area of crisis prevention, conflict management and the protection of minorities. The UN has played a central role in the international response to developments in the Gulf, in Cambodia, in the former Yugoslavia and in other regions of the world.

2. We support the UN's role in maintaining international peace and security. The accession to the UN of new states has reinforced the importance of this role. We call upon all these new member states to abide by their solemn undertakings to uphold the purposes and principles of the UN Charter.

3. We reaffirm our commitment to cooperate on existing refugee problems. We deplore action by any state or group against minorities that creates new flows of refugees and displaced persons.

4. We support moves undertaken so far by the Secretary-General to reform the Organization, including the appointment of a high-ranking emergency relief coordinator. The Secretary General's report ``An Agenda for Peace'' is a valuable contribution to the work of the United Nations on preventive diplomacy, peace-making and peace-keeping. We assure him of our readiness to provide the political support and resources needed to maintain international peace and security.

5. We strongly support improved cooperation between the UN and regional arrangements and agencies as envisaged in Chapter VIII of the UN Charter, which have an increasing role in solving conflicts.

6. In closing this Declaration, we reaffirm that recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world. Human rights are not at the disposal of individual states or their governments. They cannot be subordinate to the rules of any political, ideological or religious system. The protection and the promotion of human rights remain one of the principal tasks of the community of nations.

Note: This declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

Munich Economic Summit Declaration

July 7, 1992

1. We, the Heads of State and Government of seven major industrial nations and the President of the Commission of the European Community, have met in Munich for our eighteenth annual Summit.

2. The international community is at the threshold of a new era, freed from the burden of the East-West conflict. Rarely have conditions been so favourable for shaping a permanent peace, guaranteeing respect for human rights, carrying through the principles of democracy, ensuring free markets, overcoming poverty and safeguarding the environment.

3. We are resolved, by taking action in a spirit of partnership, to seize the unique opportunities now available. While fundamental change entails risk, we place our trust in the creativity, effort and dedication of people as the true sources of economic and social progress. The global dimension of the challenges and the mutual dependencies call for world-wide cooperation. The close coordination of our policies as part of this cooperation is now more important than ever.

World economy

4. Strong world economic growth is the prerequisite for solving a variety of challenges we face in the post-Cold War world. Increasingly, there are signs of global economic recovery. But we will not take it for granted and will act together to assure the recovery gathers strength and growth picks up.

5. Too many people are out of work. The potential strength of people, factories and resources is not being fully employed. We are particularly concerned about the hardship unemployment creates.

6. Each of us faces somewhat different economic situations. But we all would gain greatly from stronger, sustainable non-inflationary growth.

7. Higher growth will help other countries, too. Growth generates trade. More trade will give a boost to developing nations and to the new democracies seeking to transform command economies into productive participants within the global marketplace. Their economic success is in our common interest.

8. A successful Uruguay Round will be a significant contribution to the future of the world economy. An early conclusion of the negotiations will reinforce our economies, promote the process of reform in Eastern Europe and give new opportunities for the well-being of other nations, including in particular the developing countries.

We regret the slow pace of the negotiations since we met in London last year. But there has been progress in recent months. Therefore we are convinced that a balanced agreement is within reach.

We welcome the reform of the European Community's Common Agricultural Policy which has just been adopted and which should facilitate the settlement of outstanding issues.

Progress has been made on the issue of internal support in a way which is consistent with the reform of the Common Agricultural Policy, on dealing with the volume of subsidized exports and on avoiding future disputes. These topics require further work. In addition, parties still have concerns in the areas of market access and trade in cereal substitutes that they seek to address.

We reaffirm that the negotiations should lead to a globally balanced result. An accord must create more open markets for goods and services and will require comparable efforts from all negotiating partners.

On this basis we expect that an agreement can be reached before the end of 1992.

9. We are committed, through coordinated and individual actions, to build confidence for investors, savers, and consumers: confidence that hard work will lead to a better quality of life; confidence that investments will be profitable; confidence that savings will be rewarded and that price stability will not be put at risk.

10. We pledge to adopt policies aimed at creating jobs and growth. We will seek to take the appropriate steps, recognizing our individual circumstances, to establish sound macroeconomic policies to spur stronger sustainable growth. With this in mind we have agreed on the following guidelines:

-- to continue to pursue sound monetary and financial policies to support the upturn without rekindling inflation;

-- to create the scope for lower interest rates through the reduction of excessive public deficits and the promotion of savings;

-- to curb excessive public deficits above all by limiting public spending. Taxpayers' money should be used more economically and more effectively.

-- to integrate more closely our environmental and growth objectives, by encouraging market incentives and technological innovation to promote environmentally sound consumption and production.

As the risk of inflation recedes as a result of our policies, it will be increasingly possible for interest rates to come down. This will help promote new investment and therefore stronger growth and more jobs.

11. But good macroeconomic policies are not enough. All our economies are burdened by structural rigidities that constrain our potential growth rates. We need to encourage competition. We need to create a more hospitable environment for private initiative. We need to cut back excess regulation, which suppresses innovation, enterprise and creativity. We will strengthen employment opportunities through better training, education, and enhanced mobility. We will strengthen the basis for long-term growth through improvements in infrastructure and greater attention to research and development. We are urging these kinds of reforms for new democracies in the transition to market economies. We cannot demand less of ourselves.

12. The coordination of economic and financial policies is a central element in our common strategy for sustained, non-inflationary growth. We request our Finance Ministers to strengthen their cooperation on the basis of our agreed guidelines and to intensify their work to reduce obstacles to growth and therefore foster employment. We ask them to report to our meeting in Japan in 1993.

United Nations Conference on Environment and Development (UNCED)

13. The Earth Summit has been a landmark in heightening the consciousness of the global environmental challenges, and in giving new impetus to the process of creating a worldwide partnership on development and the environment. Rapid and concrete action is required to follow through on our commitments on climate change, to protect forests and oceans, to preserve marine resources, and to maintain biodiversity. We therefore urge all countries, developed and developing, to direct their policies and resources towards sustainable development which safeguards the interest of both present and future generations.

14. To carry forward the momentum of the Rio Conference, we urge other countries to join us:

-- in seeking to ratify the Climate Change Convention by the end of 1993,

-- in drawing up and publishing national action plans, as foreseen at UNCED, by the end of 1993,

-- in working to protect species and the habitats on which they depend,

-- in giving additional financial and technical support to developing countries for sustainable development through official development assistance (ODA), in particular by replenishment of IDA, and for actions of global benefit through the Global Environment Facility (GEF) with a view to its being established as a permanent funding mechanism,

-- in establishing at the 1992 UN General Assembly the Sustainable Development Commission which will have a vital role to play in monitoring the implementation of Agenda 21,

-- in establishing an international review process for the forest principles, in an early dialogue, on the basis of the implementation of these principles, on possible appropriate internationally agreed arrangements, and in increased international assistance,

-- in further improving monitoring of the global environment, including through better utilisation of data from satellite and other earth observation programmes,

-- in the promotion of the development and diffusion of energy and environment technologies, including proposals for innovative technology programmes,

-- by ensuring the international conference on straddling fish stocks and highly migratory fish stocks in the oceans is convened as soon as possible.

Developing countries

15. We welcome the economic and political progress which many developing countries have made, particularly in East and South-East Asia, but also in Latin America and in some parts of Africa. However, many countries throughout the world are still struggling against poverty. Sub-Sahara Africa, above all, gives cause for concern.

16. We are committed to dialogue and partnership founded on shared responsibility and a growing consensus on fundamental political and economic principles. Global challenges such as population growth and the environment can only be met through cooperative efforts by all countries. Reforming the economic and social sector of the UN system will be an important step to this end.

17. We welcome the growing acceptance of the principles of good governance. Economic and social progress can only be assured if countries mobilise their own potential, all segments of the population are involved and human rights are respected. Regional cooperation among developing countries enhances development and can contribute to stability, peaceful relations and reduced arms spending.

18. The industrial countries bear a special responsibility for a sound global economy. We shall pay regard to the effects of our policies on the developing countries. We will continue our best efforts to increase the quantity and quality of official development assistance in accordance with our commitments. We shall direct official development assistance more towards the poorest countries. Poverty, population policy, education, health, the role of women and the well-being of children merit special attention. We shall support in particular those countries that undertake

credible efforts to help themselves. The more prosperous developing countries are invited to contribute to international assistance.

19. We underline the importance for developing countries of trade, foreign direct investment and an active private sector. Poor developing countries should be offered technical assistance to establish a more diversified export base especially in manufactured goods.

20. Negotiations on a substantial replenishment of IDA funds should be concluded before the end of 1992. The IMF should continue to provide concessional financing to support the reform programmes for the poorest countries. We call for an early decision by the IMF on the extension for one year of the Enhanced Structural Adjustment Facility and for the full examination of options for the subsequent period, including a renewal of the facility.

21. We are deeply concerned about the unprecedented drought in southern Africa. Two thirds of the Drought Appeal target has been met. But much remains to be done. We call on all countries to assist.

22. We welcome the progress achieved by many developing countries in overcoming the debt problems and regaining their creditworthiness. Initiatives of previous Summits have contributed to this. Nevertheless, many developing countries are still in a difficult situation.

23. We confirm the validity of the international debt strategy. We welcome the enhanced debt relief extended to the poorest countries by the Paris Club. We note that the Paris Club has agreed to consider the stock of debt approach, under certain conditions, after a period of three or four years, for the poorest countries that are prepared to adjust, and we encourage it to recognise the special situation of some highly indebted lower-middle-income countries on a case by case basis. We attach great importance to the enhanced use of voluntary debt conversions, including debt conversions for environmental protection.

Central and eastern Europe

24. We welcome the progress of the democracies in central and eastern Europe including the Baltic states (CEECs) towards political and economic reform and integration into the world economy. The reform must be pursued vigorously. Great efforts and even sacrifices are still required from their people. They have our continuing support.

25. We welcome the substantial multilateral and bilateral assistance in support of reform in the CEECs. Financing provided by the EBRD is playing a useful role. Since 1989, total assistance and commitments, in the form of grants, loans and credit guarantees by the Group of 24 and the international financial institutions, amounts to $52 billion. We call upon the Group of 24 to continue its coordination activity and to adapt it to the requirements of each reforming country. We reaffirm our readiness to make fair contributions.

26. We support the idea of working with Poland to reallocate, on the basis of existing arrangements, funds from the currency stabilization fund, upon agreement on an IMF programme, towards new uses in support of Poland's market reform effort, in particular by strengthening the competitiveness of Poland's business enterprises.

27. The industrial countries have granted substantial trade concessions to the CEECs in order to ensure that their reform efforts will succeed. But all countries should open their markets further. The agreements of the EC and EFTA countries aiming at the establishment of free trade areas with these countries are a significant contribution. We shall continue to offer the CEECs technical assistance in enhancing their export capacity.

28. We urge all CEECs to develop their economic relations with each other, with the new independent States of the former Soviet Union as well as more widely on a market-oriented basis and consistent with GATT principles. As a step in this direction we welcome the special cooperation among the CSFR, Poland and Hungary, and hope that free trade among them will soon be possible.

29. Investment from abroad should be welcomed. It is important for the development of the full economic potential of the CEECs. We urge the CEECs to focus their policies on the creation of attractive and reliable investment conditions for private capital. We are providing our bilateral credit insurance and guarantee instruments to promote foreign investment when these conditions, including servicing of debt, are met. We call upon enterprises in the industrial countries to avail themselves of investment opportunities in the CEECs.

New independent States of the former Soviet Union

30. The far-reaching changes in the former Soviet Union offer an historic opportunity to make the world a better place: more secure, more democratic and more prosperous. Under President Yeltsin's leadership the Russian government has embarked on a difficult reform process. We look forward to our meeting with him to discuss our cooperation in support of these reforms. We are prepared to work with the leaders of all new States pursuing reforms. The success is in the interest of the international community.

31. We are aware that the transition will involve painful adjustments. We offer the new States our help for their self-help. Our cooperation will be comprehensive and will be tailored to their reform progress and internationally responsible behaviour, including further reductions in military spending and fulfilment of obligations already undertaken.

32. We encourage the new States to adopt sound economic policies, above all by bringing down budget deficits and inflation. Working with the IMF can bring experience to this task and lend credibility to the efforts being made. Macroeconomic stabilisation should not be delayed. It will

only succeed if at the same time the building blocks of a market economy are also put into place, through privatisation, land reform, measures to promote investment and competition and appropriate social safeguards for the population.

33. Creditworthiness and the establishment of a dependable legal framework are essential if private investors are to be attracted. The creditworthiness of the new States will in particular be assessed by the way in which they discharge the financial obligations.

34. Private capital and entrepreneurial commitment must play a decisive and increasing part in economic reconstruction. We urge the new States to develop an efficient private business sector, in particular the body of small and medium-sized private companies which is indispensable for a market economy.

35. Rapid progress is particularly urgent and attainable in two sectors: agriculture and energy. These sectors are of decisive importance in improving the supply situation and increasing foreign exchange revenue. Trade and industry in our countries are prepared to cooperate. Valuable time has already been lost because barriers to investment remain in place. For energy, we note the importance of the European Energy Charter for encouraging production and ensuring the security of supply. We urge rapid conclusion of the preparatory work.

36. All Summit participants have shown solidarity in a critical situation by providing extensive food aid, credits and medical assistance. They also have committed technical assistance. A broad inflow of know-how and experience to the new States is needed to help them realise their own potential. Both private and public sectors can contribute to this. What is needed most of all is concrete advice on the spot and practical assistance. The emphasis should be on projects selected for their value as a model or their strategic importance for the reform process. Partnerships and management assistance at corporate level can be particularly effective.

37. We stress the need for the further opening of international markets to products from the new States. Most-favoured-nation treatment should be applied to trade with the new States and consideration given to further preferential access. The new States should not impede reconstruction by setting up barriers to trade between themselves. It is in their own interest to cooperate on economic and monetary policy.

38. We want to help the new States to preserve their highly-developed scientific and technological skills and to make use of them in building up their economies. We call upon industry and science in the industrial countries to promote cooperation and exchange with the new States. By establishing International Science and Technology Centres we are helping to redirect the expertise of scientists and engineers who have sensitive knowledge in the manufacture of weapons of mass destruction towards peaceful purposes. We will continue our efforts to enable highly-qualified civil scientists to remain in the new States and to promote research cooperation with western industrial countries.

39. We welcome the membership of the new States in the international financial institutions. This will allow them to work out economic reform programmes in collaboration with these institutions and on this basis to make use of their substantial financial resources. Disbursements of these funds should be linked to progress in implementing reforms.

40. We support the phased strategy of cooperation between the Russian Government and the IMF. This will allow the IMF to disburse a first credit tranche in support of the most urgent stabilisation measures within the next few weeks while continuing to negotiate a comprehensive reform programme with Russia. This will pave the way for the full utilisation of the $ 24 bn support package announced in April. Out of this, $ 6 bn earmarked for a rouble stabilisation fund will be released when the necessary macroeconomic conditions are in place.

41. We suggest that country consultative groups should be set up for the new States, when appropriate, in order to foster close cooperation among the States concerned, international institutions and partners. The task of these groups would be to encourage structural reforms and to coordinate technical assistance.

Safety of nuclear power plants in the new independent States of the former Soviet Union and in central and eastern Europe

42. While we recognise the important role nuclear power plays in global energy supplies, the safety of Soviet-design nuclear power plants gives cause for great concern. Each State, through its safety authorities and plant operators, is itself responsible for the safety of its nuclear power plants. The new States concerned of the former Soviet Union and the countries of central and eastern Europe must give high priority to eliminating this danger. These efforts should be part of a market-oriented reform of energy policies encouraging commercial financing for the development of the energy sector.

43. A special effort should be made to improve the safety of these plants. We offer the States concerned our support within the framework of a multilateral programme of action. We look to them to cooperate fully. We call upon other interested States to contribute as well.

44. The programme of action should comprise immediate measures in the following areas:

-- operational safety improvements;

-- near-term technical improvements to plants based on safety assessments;

-- enhancing regulatory regimes.

Such measures can achieve early and significant safety gains.

45. In addition, the programme of action is to create the basis for longer-term safety improvements by the examination of

-- the scope for replacing less safe plants by the development of alternative energy sources and the more efficient use of energy,

-- the potential for upgrading plants of more recent design.

Complementary to this, we will pursue the early completion of a convention on nuclear safety.

46. The programme of action should develop clear priorities, provide coherence to the measures and ensure their earliest implementation. To implement the immediate measures, the existing G 24 coordination mandate on nuclear safety should be extended to the new States concerned of the former Soviet Union and at the same time made more effective. We all are prepared to strengthen our bilateral assistance.

In addition, we support the setting up of a supplementary multilateral mechanism, as appropriate, to address immediate operational safety and technical safety improvement measures not covered by bilateral programmes. We invite the international community to contribute to the funding. The fund would take account of bilateral funding, be administered by a steering body of donors on the basis of consensus, and be coordinated with and assisted by the G 24 and the EBRD.

47. Decisions on upgrading nuclear power plants of more recent design will require prior clarification of issues concerning plant safety, energy policy, alternative energy sources and financing. To establish a suitable basis on which such decisions can be made, we consider the following measures necessary:

-- The necessary safety studies should be presented without delay.

-- Together with the competent international organisations, in particular the IEA, the World Bank should prepare the required energy studies including replacement sources of energy and the cost implications. Based on these studies the World Bank and the EBRD should report as expeditiously as possible on potential financing requirements.

48. We shall review the progress made in this action programme at our meeting in 1993.

49. We take note of the representations that we received from various Heads of State or Government and organisations, and we will study them with interest.

Next meeting

50. We welcome and have accepted Prime Minister Miyazawa's invitation to Tokyo in July 1993.

Note: This declaration was made available by the Office of the Press Secretary but was not issued as a White House press release.

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Libya

July 7, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on the developments since my last report of January 10, 1992, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (``IEEPA"), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c).

1. Since my last report on January 10, 1992, the Libyan Sanctions Regulations (the ``Regulations"), 31 C.F.R. Part 550, administered by the Office of Foreign Assets Control (``FAC") of the Department of the Treasury, have been amended. One amendment, published on January 14, 1992, 57 Fed. Reg. 1386, at 1389, amended the provisions of the Regulations relating to licensing and availability of information to reflect the closing of the Federal Reserve Bank of New York's Foreign Assets Control Division. A second amendment, published on March 30, 1992, 57 Fed. Reg. 10798, added the names of 46 companies to Appendix A of the Regulations, which contains a list of organizations determined to be within the definition of the term ``Government of Libya" (Specially Designated Nationals of Libya).

2. During the current 6-month period, FAC made numerous decisions with respect to applications for licenses to engage in transactions under the Regulations, issuing nine new licenses. Three of the licenses authorize travel to Libya to discuss possible legal representation of the two indicated suspects in the bombing of Pan Am Flight 103. The remaining licenses authorize the correction of certain errors made by banks resulting in mistaken credits to blocked accounts. All of the licenses concern minor transactions of little or no economic benefit to Libya.

3. Various enforcement actions mentioned in previous reports continue to be pursued, and several new investigations of possibly significant violations of the Libyan sanctions were initiated. During the current reporting period, substantial monetary penalties were assessed against U.S. firms for engaging in prohibited transactions with Libya. In March 1992, FAC announced the collection of almost $550,000 in civil penalties from six companies for violations of U.S. sanctions against Libya, including almost $350,000 from two ``Yugoslav" entities with offices in the United States.

Due to aggressive enforcement efforts and increased public awareness, FAC has received numerous voluntary disclosures from U.S. firms concerning their sanctions violations. Many of

these reports continue to be triggered by the periodic amendments to the Regulations listing additional organizations and individuals determined to be Specially Designated Nationals (``SDNs'') of Libya. For purposes of the Regulations, all dealings with the organizations and individuals listed will be considered dealings with the Government of Libya. All unlicensed transactions with these persons, or in property in which they have an interest, are prohibited. The listing of Libyan SDNs is not a static list and will be augmented from time to time as additional organizations or individuals owned or controlled by, or acting on behalf of, the Government of Libya are identified.

In March 1992, FAC announced a new law enforcement initiative, Operation Roadblock, which targets U.S. travellers who violate the U.S. sanctions on Libya. Under this initiative, warning letters and requests for information are being sent to persons believed to have travelled to and worked in Libya, or made travel-related payments to Libya in violation of U.S. law. The investigation of suspected violations is being undertaken by FAC, assisted by an interagency task force including the Departments of State and Justice, the Treasury Department's Financial Crimes Enforcement Network (FinCEN), the Federal Bureau of Investigation, and the U.S. Customs Service.

4. The expenses incurred by the Federal Government in the 6-month period from December 15, 1991, through June 14, 1992, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at $590,000. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

5. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effectively, as long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Press Secretary Fitzwater on the Designation of Sean O'Keefe as Acting Secretary of the Navy

July 7, 1992

The President today named Sean O'Keefe Acting Secretary of the Navy, until such time as a successor is confirmed.

Since 1989, Mr. O'Keefe has served as Comptroller of the Department of Defense and in 1991 was also designated Chief Financial Officer of the Department. From 1981 to 1989, he served on the staff of the U.S. Senate Committee on Appropriations, serving as the minority counsel for the Defense Subcommittee. He served as the staff director for the Defense Subcommittee until 1987. Mr. O'Keefe served in principal analyst positions on the staff for operations and maintenance, shipbuilding, and aircraft procurement appropriations. He also was a Presidential management intern in 1978.

Mr. O'Keefe graduated from Loyola University with a bachelor of arts degree in political science and received a master of public administration degree from Syracuse University. He was born January 27, 1956. He is married, has one daughter and one son, and resides in Arlington, VA.

The President's News Conference in Munich, Germany

July 8, 1992

The President. I've spent the past 3 days discussing the responsibilities and opportunities that we have for encouraging stronger economic growth in our countries and, indeed, in the entire world. We've also discussed sustaining political reform in the emerging democracies as well as regional political issues, including Yugoslavia.

I would cite five key accomplishments at the Munich economic summit. We've succeeded in achieving a solid consensus on strengthening world growth. Recovery is underway in the United States. Japan, Germany, and Italy -- --

Q. [Inaudible] -- the homeless. They mourn your decisions here. Repent. They mourn your decisions here. You're not giving us your voice.

The President. I'm trying to give -- --

Q. [Inaudible] -- us your voice in the U.S.

The President. I'm trying to give you my voice right now, and if you'd be quiet maybe you could hear it.

Q. But you're not giving it to us. We tried.

The President. Well, would you please sit down. We're in the middle of a press conference here.

Q. You're not giving us your voice there.

The President. Well, what's your question, sir?

Q. I'm under 25, and I want to know -- --

The President. Well, I can tell that. [Laughter] Now, what's your question?

Q. I want to know why Siemens gets more credit than the homeless in the United States?

The President. We'll get back to you on that. Now, if you'd please sit down, or I'll have to ask -- because it's not fair to everybody else for you to be making a little political statement here. Who are you and who are you accredited to?

Q. My name is Charles Kane. I'm from the United States. I work with a magazine in The Netherlands. It's a youth magazine, and we want to know why we're not taken seriously. We're an environmental group.

The President. Well, maybe you're rude. People don't take rude people seriously. And if you interrupt a press conference like this, I'm sure that people would say that's why we don't take you seriously. Sit down, and I will take a question from you when we get in the question-and-answer period. Right now I would like to continue my statement, with your permission.

Now, where were we? We were talking about economic recovery. It's underway in the United States. Japan, Germany, and Italy have taken actions in the last few days to strengthen their growth. Also the United States has cut its interest rates. These actions will help our domestic economy continue its recovery. U.S. exports to a growing world economy will increase American jobs.

We'll work with Poland on new uses for its currency stabilization fund that will support market reform once Poland reaches agreement with the IMF on a program. I believe this is a very important encouragement for Poland and an expression of our faith in Poland's commitment to market reform.

We expressed strong support for President Yeltsin's reform efforts. This is a tribute to his leadership and vision in working to bring a great country firmly into the family of democratic, market-oriented countries.

We've demonstrated our commitment to the future of safe nuclear power by agreeing on a coordinated cooperative effort with Eastern Europe and the former Soviet Union to improve the safety of Soviet-designed power reactors.

And finally, we're taking a number of steps relating to Yugoslavia, both to relieve the horrible suffering in Bosnia and to contain the spread of ethnic violence.

With more growth, we will create new job opportunities at home. We will also be able to help emerging democracies establish the vibrant market economies so vital for their political and economic development.

We had a frank exchange of views on trade. We all recognize that completing the Uruguay round will give a major boost to world growth by expanding trade for all countries, developed as well as developing. I've worked hard over the past year to identify constructive solutions to tough issues. It's natural that as we get close to the end, the going gets tougher. But I will persevere because the benefits of success are tremendous. All summit leaders expect that an agreement can be reached by the end of the year.

Now, one thing stands out clearly from our discussions. The triumph of the ideals of democracy and free markets throughout the world means that distinctions between domestic and international economic policies are increasingly meaningless. This is particularly true for the U.S., where over 70 percent of our growth in the last 5 years has come from exports. Over 7 million American jobs are related to exports, and clearly, America's well-being is tied closely to the health of the world economy. What's happened here and how we all follow through on our commitments concerns every American.

And now I'll be glad to take some questions. I think Terry [Terence Hunt, Associated Press] has the first one.

Russia

Q. Mr. President, you said in Washington that you supported the idea of making the G - 7 a G - 8 with the addition of Russia. Is that going to fly or -- --

The President. I thought I said we were open-minded on it.

Q. Somebody said, ``Do you support it?'' and you said, ``That's right.''

The President. Well, I think you have to look at the whole statement. But look, this will be considered. Russia attended last year; Russia is attending this year. This matter has not yet come up. It will be discussed this afternoon. But clearly, I support President Yeltsin being here today. We have big differences in the world economies. And maybe it will be concluded that the seven plus one is the answer; that makes eight. But we'll just have to wait and see how the negotiations go.

Q. Are you concerned that Russia's backsliding on energy and inflation? Are you satisfied with the progress of their economic reform package?

The President. I don't think Russia is satisfied with the progress of their economic reform. And what we want to do is just encourage economic reform in every way. See, I feel that one of the quickest ways for that Russian economy to recover is to move forward on the energy front with private investment much more quickly.

What was the other part? Energy and what?

Q. They're printing many more rubles and adding -- --

The President. Inflation. I think there is a concern about inflation. But all of these matters will be discussed this afternoon. But we don't want to overlook the fact that President Yeltsin has come in; he's taken some courageous steps in terms of reform. He's made decisions at home that are

quite unpopular. So as this big economy begins to move and begins to be much more market-oriented, there are bound to be problems. And yes, I'm sure they're concerned, as everybody is, about inflation.

NATO

Q. Mr. President, do you think that you have properly defined to the American people and to Congress the future role of NATO in terms of Europe in the post-cold-war world? That is, does it mean American troops will have to go into every ethnic struggle, every national civil war as they are assigned by NATO, and should we do that?

The President. No, it doesn't mean that American troops will go into every struggle. NATO, in our view, and I think in the view of most of the participants if not all, is the fundamental guarantor of European security. It is in the national interest of the United States in my view to keep a strong presence, a U.S. presence, in NATO. I don't think anybody suggests that if there is a hiccup here or there or a conflict here or there that the United States is going to send troops.

Yugoslavia is a good example. What we're interested in doing is moving forward to help, but I've not committed to use U.S. troops there, and nobody has suggested that NATO troops are going to go into that arena.

Q. What did you mean by a guarantor of security? Someone said that you were waiting for the Red army to regroup. What is the meaning?

The President. The enemy at this juncture is unpredictability. A strong NATO that has kept the peace, helped keep the peace in Europe for 40-some years can keep it for the next 40 years. That's what we're talking about.

Now, let's go to this gentleman who is so agitated here.

Nuclear Energy

Q. I just want to know why there's no new nuclear power plants in the United States being built, but you're proposing for Siemens to build them in Eastern Europe.

The President. Well, I'd like some more to be built.

Q. Why are they so unsafe in our country and so safe in their country?

The President. I don't think -- --

Q. Why is it only the G - 7 -- --

The President. You've asked your question, sir, and let me try to answer it for you. I favor nuclear power. I believe that it can be safely used. I believe that it is environmentally sound. I have great confidence in U.S. technology. I notice that the French feel the same way. So I am not a President who is opposed to nuclear power. Indeed, our energy bill that we've got forward would facilitate ways for more safe use of nuclear power.

The debate here has been that we ought to try to help those areas that have nuclear facilities that might not have the latest technology and might not meet the same standards of safety that we use in our country.

Thank you very much. Now we'll go here.

Q. Do you respect the --

The President. You've had your question.

Q. Come on. Sit down.

Q. Think about it. Is the world going to be a better place -- --

The President. This is coming out of your time, gang, and we've got 20 minutes.

Q. Mr. President -- --

Q. Come on. This guy is not respecting us at all. You guys are all part of the system, too. Thanks a lot. Go ahead. We've given up.

World Economic Growth and Domestic Jobs

Q. Much has been said here by you and others about the benefits for the United States of accelerated growth in other economies of the world. You don't contend, do you, sir, that there will be any immediate benefits, such as on the unemployment rate in the United States, do you?

The President. Immediate benefit to world growth?

Q. From world growth on, for example, the unemployment rate in the United States.

The President. I think world growth is a guarantor of more employment in the United States because I think it will -- --

Q. But when?

The President. Well, it's very hard to put a particular date on it. You've got an economy now where, in our country, where you saw this investment from BMW, which is very good. But there's a delay before it will employ the 2,000 people or whatever that's predicted. But exports have saved our economy. They would be much more vigorous if the world was growing faster. So I think you just have to wait and see how fast countries grow. But as they grow, that is a much better market for American products.

France and Trade Negotiations

Q. Mr. President, every year, or at least for the last several years, we've come to these summits and been promised a trade agreement. You've done that again this year. Why should this year be different, particularly since you seem to have encountered such opposition from the French? Do you have promises from Mr. Mitterrand to deal with this once his referendum is over?

The President. I think there's a general feeling that the referendum is causing problems for the French. All I know is that we are going to keep pushing. We're ready to conclude one now. I have made very clear, some political comments to the contrary at home notwithstanding, that the politics does not interfere with the United States readiness to go forward. And we've made that point here. But I am disappointed.

We didn't come here, incidentally, Charles [Charles Bierbauer, Cable News Network], thinking that this was going to be the forum in which the GATT round would be solved. If I had felt that way, I think you would have seen our very able negotiators on the scene. But I think there's some political realities out there that make it more difficult for one country or another to conclude an agreement. All I know is we're going to keep pushing for it without regard to the U.S. election. It is in our interest. So that's the only way I know to answer.

Q. How far has President Mitterrand gone to give you assurances that he'll be prepared to deal after that referendum?

The President. I would not go into how far he's gone. I simply think that there will be more of a readiness on the part of the French after the referendum.

The Global Economy

Q. Mr. President, it seems to me that one could read this final communique and reasonably conclude that Poland and Russia got more out of the economic summit than the United States. Where's the beef for the U.S. economy?

The President. Where's what?

Q. Where's the beef for the U.S. economy?

The President. In the first place, these summits should not be looked at as coming out with an eight-point agenda or something like that. That's not what they're about. We have one global economy, and we're all involved in that global economy. And when we make commitments to growth, that benefits not just the G - 7 plus one, but it benefits everybody else. And so I would simply say, as we move forward together with the Europeans, whether it's on Yugoslavia or whether it's on world growth, that is in the interest of the United States of America. You can't separate out the international economy from the domestic economy.

President Yeltsin

Q. I wanted to ask you about Boris Yeltsin, your latest opinion of him. He crashed in here, gate-crashed the dinner last night. He's complained about the $24 billion fund, that the IMF put more restrictions on him, that Russia's sovereignty would be insulted. Do you regard him as a really reliable partner or as a bit of a loose cannon?

The President. I regard him as a very courageous leader who is trying against some pretty tough odds to reform an authoritarian system, Communist system, and to make it into a market economy. And I can understand the frustration that he might feel and express from time to time about where's the beef, what's in this for us. But I think he also knows that when he gets advice on genuine reforms from the IMF that he must comply. So I think there may be frustration on his part. But on the other hand, I think all of us at this G - 7 meeting support him and support what he's trying to do.

I would just take exception to the question, one part of it, where you say he crashed the dinner. A place was set; he got a warm welcome. [Laughter] So I don't think that's a very fair assessment to a courageous leader.

Q. Do you think the characterization that he's like a bull in a china shop is not accurate?

The President. Well, I've not heard that particular characterization. But the man is strong, and he's tough, and he's committed. And I have seen that in my various meetings with him, bilateral meetings. He's trying hard, and he has our respect. And he's up against big odds. We all know that. But he's got a good, young team around him, and you ought to give him great credit for that, Kozyrev and Gaydar, particularly on the financial side, the latter. And we're here to support him. I think he's conducted himself very, very well here.

U.S. Economy and Leadership Role

Q. Mr. President, your aides said this week that they're having trouble getting your message out, in this case maybe on your international leadership and jobs creation through this global expansion on the economy. Who do you fault for that?

The President. I don't know what aides you're talking about. We'll keep getting it out. I think the way that we met here with these leaders and people see agreement on world growth, that's good. I think people feel that the world economy is growing, just as I feel the U.S. economy is growing. So if there's any blame, I guess I take the blame. But I don't buy into it that the message isn't getting out. I think people come to the recognition that we've got some problems, certainly problems when people are hurting and they don't have jobs. But on the other hand, as they begin to feel the economy moving, I think things will change.

I'm still interested in the statistic I saw -- I forgot I don't read polls -- that I read in a poll. What it said was that 60 percent of the people in the country still think the economy is getting worse. It's not. It is improving. Now, maybe not improving fast enough, but it is improving. There's a gap between perception and reality.

So on your question I think maybe the answer is: Just keep getting the truth out, getting the message out. Keep encouraging Congress to do that which I wish they had done long ago instead of about -- I wish they would move forward now and stimulate the economy in some selective ways that we've been proposing since my State of the Union Message. They haven't done it. I'm going to keep encouraging them to do it because that would be the best thing we could do to help all Americans get back to work and to stimulate growth.

Q. Mr. President, there's been a good deal of speculation that the leadership role of the United States in the world and perhaps even that of the U.S. President is somewhat diminished with the end of the cold war, with the difficulties that all of the economies, including our own, are showing. Do you feel that at meetings like this, that the relationship between you and your peers and colleagues is different than it was before? And if so, how?

The President. No, I don't feel it.

Q. Do you feel that the economy of the United States, being in the shape it is, makes it more difficult for you to speak up and get your points across?

The President. No, because I think as you look around at world economies, a lot of the world economies are sharing the same problems. So I don't feel that at all. In fact, I feel since Desert Storm something quite different.

Federal Budget Deficit

Q. Mr. President, one of the key points of the communique is that the Government should curb

excessive public deficits. At the same time, you've presided over the largest increase in the Federal deficit in the U.S. in history. My question is, we've heard you talk about the problems of the Great Society programs, the Carter administration, and the Democratic leadership. Have you given serious reflection to the thought of many economists that the deficit you are grappling with is in large part due to the policies of the Reagan administration, in which you served?

The President. No, I haven't given much thought to that, but I've given a lot of thought to how to get the deficit down. And the way to get the deficit down is to contain the growth of mandatory spending and is to keep the caps that we negotiated back in 1990 on discretionary spending and to stimulate economic growth. That is the way to get the U.S. deficits down. And some of that is reflected, incidentally, in the statement on growth that we made with the leaders here.

Urban Policy

Q. Just a followup. Just after the Los Angeles riots you were asked whether trickle-down economics had, in fact, worked to help the lower income people move up. And you said that you would consider everything, whether everything worked. Have you looked at that particular policy?

The President. Yes, and I've looked at what we ought to do for the cities. And we've proposed a good program, and I hope it will pass the Congress.

Future U.S. Troop Deployment

Q. The United States has supported a proposal at the summit that will be going to Helsinki for NATO to take part in peacekeeping in places like Yugoslavia. The United States will have 200,000 troops in NATO. Earlier you said that the United States would not be going to such places as Yugoslavia. How can we avoid taking part in peacekeeping with the use of American troops if NATO is going to undertake that role?

The President. Well, if NATO undertakes a role, of course, the United States of America is going to be involved in it. But in terms of Yugoslavia, our interest is in terms of trying to get humanitarian support in there. I have no plans to inject ourselves into a combat situation in Yugoslavia. We have naval power, we have air power, and we are a part of the security, obviously, a key and critical part of NATO. But nothing in that should be read that I would commit U.S. forces into combat. I'm just not saying what we're going to do on all that.

I thought Colin -- I was looking at his statement today, and I think that he expresses administration policy very well on that, the purpose of providing humanitarian aid and not for trying to resolve the underlying political issue. So, Saul [Saul Friedman, Newsday], I think you've jumped out ahead of where consideration of the NATO role is for Yugoslavia at this point.

Q. I'm speaking of other such conflicts.

The President. Well, that's too hypothetical to go into. You saw the United States respond in the Middle East, and that wasn't a NATO operation. And yet, most of the countries in Europe in one way or other responded to be helpful.

U.S. Leadership

Q. A follow on Don's [Don Oberdorfer, Washington Post] earlier question. You've said several times at home that the U.S. is now the undisputed leader of the free world. I think a lot of people would agree. Yet, we're having difficulty exerting our national interest in areas like trade. And in these bloody conflicts in Yugoslavia and South Africa our leadership doesn't seem to be respected; our democratic values aren't being followed. I just wondered what do you make of this?

The President. I don't agree with your assessment of U.S. leadership, and I don't think anybody in this G - 7 would agree with that. I just think that people still look to the United States. Now, we are working in concert with our allies. We've got a global economy. It's just not one country that solves a problem. I've believed since I've been President of working multilaterally when it's in our interest and when it can produce the most good, and I'm going to continue to do that.

So I don't accept the assessment. I think one thing that has been celebrated by everybody since we've been here is the significant reduction in nuclear arms. They look to that as a major leadership achievement of the United States of America and Russia. So I haven't encountered the kind of theme that you were asking about.

Q. I just wonder whether you feel that being a superpower isn't necessarily what it used to be cracked up to be.

The President. No, I think, in all candor -- and I don't want to be offensive to others while I'm here in a multilateral environment -- I think we are the sole remaining superpower. And that's when you consider economic and military and everything else. And I think others see it that way. But that doesn't mean that the way you lead is to dictate. That's not the way you try to do it.

Yugoslavia

Q. You've said that you went to war in the Persian Gulf for principle and that a new order came out of that. And now you're saying that you can't address the political problem in Yugoslavia. What does the new world order have to offer for the people of what used to be Yugoslavia, who need to have their political problems addressed, who have lost land and -- --

The President. I didn't say we couldn't address political problems. I said we're not going to use United States troops to solve the political problems. That's very different. We've got some vigorous diplomacy. We first work the humanitarian question, and then you do what you try to do in preconflict situations or conflict situations and try to use your best diplomatic effort. In this case, you work with the Europeans. You support Lord Carrington; you support Cyrus Vance when he was on the mission for the United Nations; you support these G - 7 neighbors of Yugoslavia. And so it's not a view of do you put force every time there is an occasion like this.

Take a look at the countries now free from the yoke of international communism and the former Soviet Union. If I followed your question to its logical conclusion, it would be suggesting the only way you're going to solve the problem of Azerbaijan and Armenia or the Crimea or wherever it is, is to inject U.S. force. And that's not the way we conduct our policy. That's not the way you keep the peace.

Russia

Q. Back to Mr. Yeltsin, sir. Economists are sounding increasingly alarmed that the $24 billion which are on offer to him overall is rather paltry given the enormous task and risks involved. For example, Germany has already spent more than $100 billion on transforming Eastern Germany just to maintain stability there. What's your view -- I'm talking numbers here -- what's your view, is $24 billion sufficient?

The President. I don't know that there's enough money in the world to instantly solve the problem of the Russian economy. I think it is a substantial commitment. But it's got to be accompanied with a continuation of this vigorous reform program in Russia. And that will do it more quickly than anything else.

We were talking before this meeting about the amount of capital that has flowed into South America since we've come into office and since the Brady plan and the Enterprise for the Americas have been put into effect. It is amazing the billions of dollars that have flowed into those countries as they have reformed -- some are in the process of reforming -- but as they have reformed their economies.

And therein lies the answer for Russia. It isn't going to be done simply through a grant from the IMF. But they've got to stay with the reform program that Yeltsin and Gaydar have very courageously put into effect, and they've got to build on it. They've got to move forward more quickly with energy investment. There's a lot of things that they'll be able to do and should do in order to get that dynamism of the private sector involved. And therein lies the ultimate answer. It isn't going to be through an injection of cash from one of the IFI's, the international financial institutions.

Time for two more.

Multilateral Trade Negotiations

Q. Mr. President, the interests of the European farmers seem to have been defended fairly effectively at this summit. Why is it that the interests of U.S. workers and farmers keep losing out at the trade talks?

The President. I don't think the U.S. farmers lost out at all. We are not going to enter into a deal that is detrimental to the U.S. agricultural economy. And I don't think anybody thinks we are.

What do you mean, ``keeps losing out''? Maybe I missed something.

Q. Every year we're promised that there's going to be a GATT agreement by the end of the year, every year since you've been President. And every year it doesn't happen. Is there a reason to think it's going to happen -- --

The President. But that's not -- making a bad deal is not something that the American farmer should be anything but grateful about. We're going to make a good deal, and it will benefit the agricultural economy because we can compete with anyone anywhere. So that's kind of the underpinning of the negotiation. So I don't think the U.S. farmer loses out when you don't rush to make an agreement that might not be a good one. You keep plodding until you get a good one, and that's what we're trying to do.

Q. Is the status quo acceptable to U.S. farmers?

The President. The status quo is better than a bad deal, but it's not as good as a good GATT agreement. And that's the answer. The way you asked the question, I don't think the American farmer keeps getting shafted. What he wants is access to markets because we know we can compete. That's the kind of agreement we're determined to get. It should be a fair agreement, and it will be a fair agreement.

Economic Summit and Domestic Politics

Q. Could you tell me a little bit about the atmospherics of this meeting and others? With the exception of Prime Minister Major, everyone has their own domestic, political, electoral problems. Does that come up between you, and do you commiserate? How would you describe it?

The President. That's a very interesting question. And one thing you do get out of this summit is it's not just the United States that has this kind of mood of turmoil. It's very interesting when you talk to these leaders, not just strictly on the economic side but on the political side as well. And we do discuss it. Everyone, I think, shares the same confidence that I do that as the world growth

takes place a lot of that discontent will go away. A lot of it is economic, not all of it; some of it's just antipolitical. But yes, we had some very interesting discussions on that.

Q. Do you ever come to the point of saying, ``Look, I can't deal with that now; I'll have to deal with it 2 months from now''?

The President. No, I can't think of a single international question that I would address any differently if the election weren't right over the horizon. I made that very clear on the Uruguay round. So let me just clear the air on this. We want a deal. We think it's in everybody's interest to have a deal. And in no way is domestic election politics interfering with this.

I would cite the same thing here today in terms of the North American free trade agreement. It is in the interest of America to conclude a North American free trade agreement. And we're going to work to do just that. That will mean more jobs and more investment. Every time you get free trade, it does it. Look at the agreement with Canada. Trade's done nothing but go up, and that means jobs on both sides of the border.

So I can't think of anything that would be on the agenda that we have here or possible agenda where I would conduct myself differently because of an election coming up.

Thank you all very much.

Note: The President's 134th news conference began at 11:58 a.m. at the Residenz. In his remarks, he referred to Andrey Kozyrev, Russian Minister of Foreign Affairs; Yegor Gaydar, Russian Minister of Finance; Gen. Colin L. Powell, USA, Chairman, Joint Chiefs of Staff; Lord Peter Carrington, Special European Community Negotiator on Yugoslavia; and Cyrus Vance, Special Negotiator for the United Nations on Yugoslavia.

Remarks to the Conference on Security and Cooperation in Europe in Helsinki, Finland

July 9, 1992

May I first thank President Koivisto and the Government and the wonderful people of Finland for their hospitality.

It's fitting that we meet again in Helsinki, the city whose name came to symbolize hope and determination during the cold war. We declared the cold war over when we met in Paris in 1990. But even then we did not appreciate what awaited us. Since 1990, a vast empire has collapsed, a score of new states have been born, and a brutal war rages in the Balkans.

Our world has changed beyond recognition. But our principles have not changed. They have been proven right. With our principles as a compass, we must work as a community to challenge change toward the peaceful order that this century has thus far failed to deliver.

The United States has always supported CSCE as a vehicle for advancing human rights. During the cold war we saw the denial of human rights as a primary source of the confrontation that scarred Europe and threatened global war. And now a new ideology, intolerant nationalism, is spawning new divisions, new crimes, new conflicts. Because we believe that the key to security in the new age is to create a democratic peace, the United States sees an indispensable role for CSCE. Accordingly, I'd like to suggest a five-point agenda to make CSCE more effective.

First, let us commit ourselves to make democratic change irreversible. We must not be so paralyzed by the turmoil around us that we lose sight of our historic mission: completing the grand liberation of the past 3 years. We should use CSCE to nurture democratic ways in those societies where people have been oppressed for generations under the heel of the state. We should reject the notion that democracy has opened Pandora's box. Democracy is not the cause of these problems but rather the means by which people can resolve their differences and bring their aspirations into harmony. We have proof of this. In this room are leaders of nations for whom democracy has made both aggression and civil war unthinkable.

Second, let us all agree to be held accountable to the standards of conduct recorded in our solemn declarations. Those who violate CSCE norms must be singled out, criticized, isolated, even punished by sanctions. And let Serbia's absence today serve as a clear message to others.

Third, let us commit CSCE to attack the root causes of conflict. The Dutch initiative for a high commissioner for national minorities is an important step toward providing early warning. It will help us act before conflict erupts. My country has proposed a CSCE project on tolerance which can lead to practical cooperation in fighting discrimination and racial prejudice. We cannot fail

to make this a top priority while the so-called ethnic cleansing of Muslims occurs in Bosnia even as we meet.

Fourth, let us strengthen our mechanisms for the settlement of disputes. CSCE should offer a flexible set of services for mediation, conciliation, arbitration so that conflicts can be averted. A prompt follow-on meeting should take up specific means for dispute settlement, including the U.S. idea whereby our community can insist that disputing parties submit to CSCE conciliation.

Fifth, let us decide right here and now to develop a credible Euro-Atlantic peacekeeping capability. This region remains heavily armed from cold war days. Ad hoc operations of hastily assembled units will not suffice, and this is why I consider NATO's offer to contribute to CSCE peacekeeping so vital. We've learned that Europe's problems are America's problems, her hopes and aspirations ours as well. Because of NATO, my country will keep substantial military capabilities in Europe that could contribute to peacekeeping under CSCE. But it is not for NATO alone to keep the peace in Europe. We welcome a WEU role, and we also invite every nation here to work directly with NATO in building a new Euro-Atlantic peacekeeping force.

I must conclude these remarks with another word on the nightmare in Bosnia. If our CSCE community is to have real meaning in this new world, let us be of one mind about our immediate aims. First, we should see to it that relief supplies get through no matter what it takes. Second, we should see to it that the United Nations sanctions are respected no matter what it takes. Third, we should do all we can to prevent this conflict from spreading. And fourth, let us call with one voice for the guns to fall silent through a cease-fire on all fronts.

Let me close with this thought. We know more now than we did at our last gathering in Paris about this new era, its dangers, and yes, about its possibilities. There's still an abundance of uncertainty, and yet we cannot be daunted by the unknown. The steps we take here will be only first steps, but let them be determined first steps toward a true community of freedom and peace. To this end I came to Finland, to pledge the full support of the United States of America.

Thank you, Mr. Chairman.

Note: The President spoke at 5:35 p.m. at the Helsinki Fair Center.

Statement on the New American Schools Design Competition

July 9, 1992

My education strategy, called America 2000, is based on the premise that if we are going to change our country we must change our schools, community by community. As part of that strategy, last year I invited leaders from the private sector to forge a path in designing new schools. They responded swiftly and generously, first by forming the New American Schools Development Corporation, then by initiating a nationwide competition for the best school designs imaginable. Their initiative generated an enormous response: Nearly 700 proposals were submitted.

Today, just over a year since its inception, the New American Schools Development Corporation has selected 11 design proposals to create the best schools in the world. But every one of the design teams that competed to create the best schools in the world is also a winner. These New American School design teams are in the forefront of a movement that will, by the end of the 1990's, create revolutionary new schools. I know that America 2000 communities in every State will be anxious to study and to use these new school designs to help create their own new American schools.

The success of the New American Schools competition demonstrates that Americans welcome the opportunity for revolutionary change in the Nation's education system. That is why I am delighted by the announcement today and extend my hearty congratulations to the winning design teams.

Exchange With Reporters Prior to Discussions With Prime Minister Jozsef Antall of Hungary in Helsinki, Finland

July 10, 1992

Refugees

Q. -- -- give U.S. money for Bosnian refugees being in Hungary?

The President. Well, we're going to discuss a lot of questions here with my esteemed friend, and I'll have a better feeling for that after I discuss these matters. But it's a great honor and pleasure to see him. He has our full confidence, I can tell you that.

Eastern Europe

Q. Do you think the changes in Eastern Europe are really irreversible?

The President. Well, I hope so and think so. I don't hear any word here other than trying to cement democracies and freedom. That's what this is all about, human rights as well.

U.S. Naval Deployment and Czechoslovakia

Q. Mr. President, I'll try again -- a question.

The President. Try it.

Q. Is the United States going to be part of the WEU's decision to send six ships in a monitoring mode?

The President. Well, there's been a lot of rumors about naval vessels. In fact, somebody was asking me earlier about new deployments. There have been no ships -- since I've been here I've made no decisions of change. We have two task forces in the Mediterranean; one has been up and in and out of the Adriatic. But just to lay that to rest, there is no change, and no decisions have been made about further deployment of naval forces.

I look forward to seeing my dear friend here, who is doing a great job in terms of democracy and freedom. He's got a lot of refugee problems; we want to talk about that.

We had a meeting yesterday with President Havel. There's another problem. We talked about the

emergence perhaps of two Republics, the splitting up of Czechoslovakia. We just strongly emphasized the need for that to be peaceful and to have it done by constitutional means. And it gave me a chance to express my appreciation to him, respect for President Havel, just as, again, I would say the same about Mr. Antall. The changes that these countries are undertaking are enormous, and they have the full respect and support of the United States.

Yugoslavia

Q. Do you think this conference has achieved anything that's going to help stop the fighting in Yugoslavia?

The President. I think the more you talk about these problems, the concerted effort you saw taken between WEU and NATO, I think those things are very helpful. And everyone is determined to get humanitarian aid in there just as soon as possible and hopefully to stop the flow of refugees that are burdening many countries.

Czechoslovakia

Q. Have you accepted it as a fait accompli, the breakup of Czechoslovakia?

The President. No. All I say is whatever happens ought to be constitutional, it ought to be within their rights to self-determination, and it ought to be peaceful. And I would take my guidance on that from the respected President Vaclav Havel.

Q. Mr. Antall, can we ask you a few questions?

The Prime Minister. There will be no second Yugoslavia out of Czechoslovakia.

Refugees

Q. You might be wanting to comment about this notion of a high commissioner for refugees, you know, with the ethnic Hungarians and Romania and all, do you take hope from that? Is that a good thing?

The Prime Minister. We find it very important. On the basis of previous experience I can say it will be good not only for Hungarian minorities but other minorities, too. But, of course, you understand that we are very much involved and interested because this is going to be an alternative to recognize and respect the borders. And we hope that there will be no conflicts because of this.

Bilateral Discussions

The President. I might add one thing on this question. One of the enormously productive byproducts for me in a multilateral meeting like this is a chance to have so many bilateral meetings. And I would cite Hungary as a good example. It is important to the United States that we stay in touch with the Hungarian leaders and see that we don't have any disconnects, see that we can help wherever help is wanted. And so we have these big communiques that come out of these meetings and all the pronouncements, but I find here, just as I did at the United Nations years ago, that you learn a lot and you can get a lot done in these bilateral meetings.

I don't know whether you agree with that.

European Security

The Prime Minister. I completely agree with Mr. President. And at the same time I can also say that American presence in Europe is very important indeed from the point of the security of the European Continent. And as Prime Minister of Hungary, I can say NATO is one of the most important guarantees of European security. Therefore, apart from supporting European integration, we are committed as supporters of the transatlantic thought.

The role of NATO is seen even more important seeing the changes in the former Soviet Union and in the Eastern European region. I say so not only now and here; I said also the same in June 1990 when I was in Moscow. I was there as Prime Minister suggesting and proposing to dismantle the Warsaw Pact. I'm the only one being in office among those prior prime ministers now.

U.S. Naval Deployment

Q. Mr. President, if we have two task forces in the Adriatic, why do you say there's no change?

The President. We don't have two task forces in the Adriatic; I said Mediterranean. If I didn't, I made a mistake.

Q. Well, are there any in the Adriatic?

The President. There might well be. There have been. They've been up and out, in and out of the Adriatic over the last few weeks. But I was trying to respond to a question. I have made no new decisions since being here on deployment of naval forces. Somebody had a story to that, and it is simply not true. But the fact that they've been in the Adriatic has been well-known.

Note: The exchange began at 11:29 a.m. at the Helsinki Fair Center. Prime Minister Antall spoke in Hungarian, and his remarks were translated by an interpreter. A tape was not available for verification of the content of these remarks.

Remarks Prior to Discussions With President Vaclav Havel of Czechoslovakia in Helsinki

July 10, 1992

President Havel, I want to express my great admiration and respect for your courage and leadership. As negotiations move forward on the future of the federal state, I want to assure you that we respect the rights of the people of the two Republics to decide their future. We think it important that the process take place in accordance with democratic, constitutional procedures and in a civil way so that good relations are maintained among all the peoples of the region.

Note: The President spoke at approximately 4:30 p.m. at the Helsinki Fair Center. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the Treaty on Conventional Armed Forces in Europe

July 10, 1992

Today at the Helsinki summit, President Bush, along with the leaders of 28 other European nations, agreed that the Treaty on Conventional Armed Forces in Europe (CFE) will be applied provisionally on July 17, 1992, to enter into force this fall with the full participation by the original signatories and the eight new states of the former Soviet Union with territory in CFE's zone of application.

The United States attaches great importance to this event because joining CFE is a key indication of the new states' commitment to achieving lower and more stable levels of conventional military forces in Europe. Along with our treaty partners, the United States has worked hard to make CFE a reality. In the end, it was achieved because all participants, East and West, recognized that CFE's unprecedented force reductions, information exchanges, and verification provisions are the cornerstone for efforts to further improve European security in the years ahead.

President Bush also signed the Concluding Act of the Negotiation on Personnel Strength of Conventional Armed Forces in Europe, otherwise known as the CFE - 1A agreement. CFE - 1A negotiations began shortly after the CFE Treaty was signed in 1990. The CFE - 1A accord places politically binding limits on military manpower in Europe. Along with the equipment limits of the CFE Treaty, CFE - 1A establishes comprehensive and stable levels of conventional military forces on the Continent.

Statement on Signing the ADAMHA Reorganization Act

July 10, 1992

Today I am pleased to sign into law S. 1306, the ``ADAMHA Reorganization Act," which amends certain alcohol, drug abuse, and mental health research and services programs.

S. 1306 reflects the Administration's continued commitment to help the victims of mental illness and substance abuse. It enhances mental health and substance abuse services and research designed to address the needs of the citizens of this Nation. S. 1306 will help us achieve the ambitious goals set forth in the Administration's National Drug Control Strategy.

Most important, this legislation sends a message of hope to the men, women, and children affected by substance abuse and mental illness in this country. Through programs such as residential treatment for substance-abusing pregnant women, S. 1306 will help reduce the number of newborn children exposed to drugs and alcohol. It will also help the estimated one-quarter of our population who, during the course of their lives, will suffer from a mental disorder. According to the Department of Health and Human Services (HHS), mental health and substance abuse disorders cost this Nation approximately $300 billion in health care costs, lost productivity, and other social costs, each and every year.

S. 1306 also has a number of other important provisions that were sought by the Administration. For example, it establishes a grant program to expand by approximately 38,400 the number of additional people who will receive substance abuse treatment in the coming year. This legislation requires the States to assess their efforts to reduce drug and alcohol abuse and to prepare a statewide treatment and prevention strategy. S. 1306 will also continue the prohibition on the use of Federal block grant funds for needle exchange programs. There is no evidence that such programs reduce the incidence of HIV infection, and distributing free needles to drug users only encourages more drug use.

S. 1306 will also reorganize the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA) within HHS. This reorganization, proposed by the Administration, will create for the first time an agency that is focused solely on providing services to those who suffer from, or are vulnerable to, mental illness and addictive disorders. The reorganization will allow us to develop more fully the ability to target services to people who need them. It will also enhance Federal leadership and help State and local organizations provide and improve services to address these important public health problems.

At the same time, the reorganization will strengthen the Nation's research agenda through the integration of ADAMHA's three research institutes -- the National Institute on Alcohol Abuse

and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health -- into the National Institutes of Health (NIH). Bringing research on mental illness and addictive disorders into the mainstream of biomedical and behavioral research at NIH will foster a greater exchange of information. It will also encourage the sharing of expertise in neuroscience and behavioral research within the biomedical research community.

There are many positive features of S. 1306 that will help the victims of mental illness and substance abuse. I am, however, concerned about the cost of certain block grant mandates in the bill and the effect they will have on the ability of the States to provide substance abuse treatment services to those in need. Such mandates are inconsistent with the purpose of a block grant, which is to allow States the flexibility to design programs tailored to their specific needs. It is my intent that every effort be made to ensure that these mandates do not result in a reduction in the States' ability to provide treatment services to the greatest possible number of persons in need.

In signing this legislation today, I continue the Administration's commitment to address the immeasurable costs to our society and the suffering of our citizens that result from mental health illness and drug and alcohol abuse.

George Bush

The White House,

July 10, 1992.

Note: S. 1306, approved July 10, was assigned Public Law No. 102 - 321.

Statement on the Sentencing of Manuel Noriega

July 10, 1992

The sentence imposed today on Manuel Noriega is a fitting punishment for drug crimes that have harmed all Americans. It demonstrates that international drug felons are not above the law, no matter how great their wealth, their status, or their armed might.

Illegal drugs inflict great suffering throughout our Nation and the world. Anyone who trafficks in them should be brought to justice. Operation Just Cause freed the people of Panama from a brutal tyranny; the sentence handed down today demonstrates that it also led to the conviction and just punishment of an unrepentant drug criminal. For that, Americans and our allies abroad have reason to be proud.

Letter to Congressional Leaders Transmitting a Report on United States Military Forces in Asia and the Pacific

July 13, 1992

Dear Mr. Chairman: (Dear Senator:) (Dear Congressman:)

Pursuant to section 1043(c) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102 - 190), I have the honor to transmit the enclosed report on the strategic posture and military force structure of the United States in Asia and the Pacific, including the forces in Hawaii.

Sincerely,

George Bush

Note: Identical letters were sent to Robert C. Byrd and Mark O. Hatfield, chairman and ranking Republican member, Senate Appropriations Committee; Sam Nunn and John W. Warner, chairman and ranking Republican member, Senate Armed Services Committee; Claiborne Pell and Jesse Helms, chairman and ranking Republican member, Senate Foreign Relations Committee; Jamie L. Whitten and Joseph M. McDade, chairman and ranking Republican member, House Appropriations Committee; Les Aspin and William L. Dickinson, chairman and ranking Republican member, House Armed Services Committee; and Dante B. Fascell and William S. Broomfield, chairman and ranking Republican member, House Foreign Affairs Committee.

Statement on Nuclear Nonproliferation Efforts

July 13, 1992

A few weeks ago, President Boris Yeltsin and I agreed to the most far-reaching reductions in nuclear weaponry since the dawn of the atomic age. Yet even as our own arsenals diminish, the spread of the capability to produce or acquire weapons of mass destruction and the means to deliver them constitutes a growing threat to U.S. national security interests and world peace. In a world in which regional tensions may unpredictably erupt into war, these weapons could have devastating consequences.

That is why this administration has fought so hard to stem the proliferation of these terrible weapons. We look back with pride on a solid record of accomplishment. Membership in the Nuclear Non-Proliferation Treaty has grown. The Missile Technology Control Regime and Australia Group have broadened their membership and expanded their controls against trade useful to the development of missiles and chemical and biological weapons. We have toughened our nonproliferation export controls, and other nations have followed suit. We have seen remarkable progress in building and strengthening regional arms control arrangements in Latin America, the Korean Peninsula, and the Middle East.

Yet we need to do more. The demand for these weapons persists, and new suppliers of key technologies are emerging. Export controls alone cannot create an airtight seal against proliferation. In an era of advancing technology and trade liberalization, we need to employ the full range of political, security, intelligence, and other tools at our disposal.

Therefore, I have set forth today a set of principles to guide our nonproliferation efforts in the years ahead and directed a number of steps to supplement our existing efforts. These steps include a decision not to produce plutonium and highly enriched uranium for nuclear explosive purposes and a number of proposals to strengthen international actions against those who contribute to the spread of weapons of mass destruction and the missiles that deliver them.

While these steps will strengthen the barriers against proliferation, success will require hard work and, at times, hard choices. The United States, however, is committed to take a leading role in the international effort to thwart the spread of technologies and weapons that cast a cloud over our future.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Prime Minister Yitzhak Rabin of Israel

July 13, 1992

Today, the President called Yitzhak Rabin to congratulate him on his victory and the formation of his government. The President told him how much he looked forward to working with him to deepen the U.S.-Israeli partnership and to promote the peace with security that the Israelis have rightly yearned for for so long.

The Prime Minister told the President about his desire to give the peace process new momentum, and they agreed that it would be good for Secretary Baker to visit Israel and its neighbors next week to get the ball rolling again. In addition, the President invited the Prime Minister to visit him in Kennebunkport early in August.

Nomination of Walter Scott Light To Be United States Ambassador to Ecuador

July 13, 1992

The President today announced his intention to nominate Walter Scott Light, of Texas, to be Ambassador of the United States of America to the Republic of Ecuador. He would succeed Paul C. Lambert.

Since 1957, Mr. Light has served as president and chief executive officer of the Lighting Oil Co. in San Antonio, TX.

Mr. Light graduated from New Mexico Military Institute, Junior College Division (1951) and attended the University of Texas at Austin School of Business (1951 - 52) and Southern Methodist University School of Business (1953). Mr. Light served in the U.S. Air Force, 1953 - 55. He was born April 30, 1931, in Denton, TX. Mr. Light is married, has three children, and resides in San Antonio, TX.

Nomination of Linton F. Brooks To Be Assistant Director of the United States Arms Control and Disarmament Agency

July 13, 1992

The President today announced his intention to nominate Linton F. Brooks, of Virginia, to be an Assistant Director of the United States Arms Control and Disarmament Agency at the Bureau of Strategic and Nuclear Affairs. He would succeed Susan Jane Koch.

Ambassador Brooks has served as head of the U.S. delegation on Nuclear and Space Talks and Chief Strategic Arms Reductions (START) Negotiator from 1991 to the present. From 1989 to 1991, Ambassador Brooks served as deputy head of the delegation. He was confirmed by the U.S. Senate with the rank of Ambassador in 1990. From 1984 to 1989, he served as Director of Arms Control on the staff of the National Security Council. Ambassador Brooks has also served as special adviser to the Chief of Naval Operations, 1985, and Deputy Director of Strategic and Theater Nuclear Warfare Policy in the U.S. Navy, 1982 - 84.

Ambassador Brooks graduated from Duke University (B.S., 1959), the University of Maryland (M.A., 1972), and the U.S. War College (1979). He served for 30 years in the U.S. Navy. He was born August 15, 1938, in Boston, MA. Ambassador Brooks is married, has two children, and resides in Vienna, VA.

Nomination of David P. Prosperi To Be a Member of the Board of Directors of the Corporation for Public Broadcasting

July 13, 1992

The President today announced his intention to nominate David P. Prosperi, of Illinois, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1997. He would succeed Marshall Turner, Jr.

Since 1990, Mr. Prosperi has served as vice president of communications at the Chicago Board of Trade. He has also served as Assistant Secretary of Transportation at the Department of Transportation, 1989 - 90; deputy press secretary in the office of the President-elect, 1988 - 89; campaign press secretary for Vice Presidential nominee Dan Quayle, 1988; Assistant to the Secretary and Director of Public Affairs at the Department of the Interior, 1985 - 88; and press secretary to the Secretary at the Department of Energy, 1985.

Mr. Prosperi graduated from the University of Illinois (B.A., 1975) and George Washington University (M.B.A., 1983). He was born June 20, 1953, in Chicago, IL. Mr. Prosperi is married, has two children, and resides in Northbrook, IL.

Nomination of Shirley W. Ryan To Be a Member of the National Council on Disability

July 13, 1992

The President today announced his intention to nominate Shirley W. Ryan, of Illinois, to be a member of the National Council on Disability for a term expiring September 17, 1994. She would succeed John Leopold.

Currently Ms. Ryan serves as president and cofounder of the Pathways Center for Children in Glenview, IL, founded in 1985. In addition, Ms. Ryan has served on the boards of several educational and philanthropic organizations.

Ms. Ryan graduated from Northwestern University (B.A., 1962). She was born January 5, 1939, in Gary, IN. Ms. Ryan is married, has three children, and currently resides in Kenilworth, IL.

Exchange With Reporters in Sequoia National Forest, California

July 14, 1992

Presidential Campaign

Q. Mr. President, can you lay the Baker rumors to rest, sir? Can you lay those Baker rumors to rest? Are you going to ask him to return?

The President. The truth is he and I are going fishing. It's pure fishing, pure fishing.

Q. But are you going to ask him to return to the White House or campaign -- --

Q. Mr. President, what's the most important domestic issue besides the economy?

The President. Well, there are so many of them, but education, crime; education, tranquility in the neighborhoods.

Q. Is America and the American economy better off than it was 4 years ago?

The President. Well, some parts of it are.

Note: The exchange began at 11:15 a.m. A tape was not available for verification of the content of this exchange.

Remarks on Signing the Giant Sequoia in National Forests Proclamation in Sequoia National Forest

July 14, 1992

Dale Robertson, thank you, sir. As all of you know, Mr. Robertson is the Chief of the U.S. Forest Service. But I would like to take this opportunity not simply to thank him but to thank the other dedicated professionals that work in the Forest Service. And I'm just delighted to be here today and delighted that Bill Reilly, the head of EPA, is with us; that Congressman Bill Thomas, who claims this as part of his own congressional district -- proudly proclaims it, brags about it, understandably so -- is with us today; Forest Supervisor Sandra Key; and also an old friend, Derrick Crandall, could join us.

Let me begin by acknowledging the hard work and the valuable time being invested in our environment by the likes of Bruce Howard and the Save the Redwoods League, David Magney and the California Native Plant Society, the Audubon Society, the Nature Conservatory. They all do fantastic work in keeping this the way it ought to be.

I understand we have some special guests here. I met one group of them, and these are the kids from R.M. Pyles Boys Camp. They come out here away from it all to learn how to hike and fish and pitch a tent. They learn how to respect themselves and respect the land. I believe Teddy Roosevelt had these kids in mind when he spoke of the ``beautiful gifts'' that we've received from nature, gifts that we ``ought to hand on as a precious heritage to our children and our children's children.''

The fact is these forests, our lakes, and our lands, they are gifts, the commonwealth that we inherited from our parents, that we borrow from our kids. That's the spirit of this agreement that we'll salute here today. Different groups from Government agencies to private organizations have come together, bridging ideological divides in order to forge an agreement that protects our sequoia groves as part of our national legacy, our common heritage, if you will. Whatever name you put on it, our actions are going to speak louder than words. And when words are memories, when we are long gone, these trees will stand.

America has one of the oldest National Forest Systems in the world, the best National Park System in the world, and the best Wildlife Refuge System in the world. And yet, as President, I have said that the best simply is not good enough.

The Wallop-Breaux Trust Fund is a good example. It's helped us invest more than $200 million each year to improve our fishing waters and open them up to fishermen. Think of the Potomac River; go all the way across the country and think of the Potomac River in our Nation's Capital. Twenty years ago you literally couldn't even touch that water without being advised to get an

inoculation. Now, on warm summer days the Potomac belongs to the windsurfers and the bass fishermen. Around the country, signs rimmed our lakes with the warning: Don't Touch the Water. In two decades, we have spent over $100 billion to clean up our waters. Today, more and more of our rivers and lakes are safer for the people who swim and fish in them, for the animals that live in and around them.

To help show off our clean rivers and lakes, last winter I signed ISTEA. Let me point out that is the Transportation Act, not the rap act. [Laughter] But that legislation will help bring America outdoors, revamping our scenic byways, blazing new trails, letting Americans become their own pioneers. That's what the pursuit of happiness is all about.

Some will look at the record and say that it isn't enough. I have a surprise for them. I couldn't agree more. Take a look at what I've asked for from Congress, and then take a look at what we've got.

We've proposed, lobbied, and signed the Clean Air Act, the most ambitious environmental law in history: Reduces acid rain by 50 percent, reduces air toxics by 90 percent, brings all cities into attainment with health standards. On this we had good congressional bipartisan cooperation, for which I'm grateful.

We've assessed more fines and penalties for violations of environmental law in 3 years than in the entire previous 18-year history of EPA. I don't see that record advertised in the political process or written about in the press, yet enforcement is traditionally one of the principal measures of an administration's environmental performance. We've convicted more people of environmental crimes in 3 years than in the previous 18 years of EPA. Think about that. A lot of people doing jail time, and those tempted to evade these very sound environmental laws, they're now reconsidering their actions.

We've doubled funding for national parks, wildlife, and outdoor recreation and tripled funds for States for parks and open spaces. We've proposed or added 20 new national parks. We've proposed or added 57 new national wildlife refuges. We've added 1.5 million new acres to national parks and then 6.4 million acres to the Wilderness System. We've added 2,700 miles of rivers to the Wild and Scenic Rivers System. We've increased funds for wetlands protection from $295 million in 1989 to $812 million in 1993.

Then we've also closed off the coastal oil development in California, in Oregon, in Washington, in Florida and New England until the year 2000. We've established three new national marine sanctuaries, including the largest ever, the one at Monterey Bay, that National Marine Sanctuary. We've increased funding for Federal fisheries management by $80 million and requested full funding for the Wallop-Breaux that I mentioned earlier for sport fish restoration.

Now, that is the record of our actions, of my actions. Now, let's turn our attention to Congress

and its response to our proposals. In this year's budget, I requested increased funding for parks, recreation, and the outdoors. And here's what Congress said: Funding for parks, forests, and wildlife, $250 million cut; a Federal partnership with the States for parks and recreation, $32 million cut; park and forest acquisition, $73 million cut; resource recovery for Sequoia National Forest, cut; parks as classrooms, cut; tree planting, we've got a good new tree-planting initiative, cut. I could go on, but the very trees around us might get nervous. [Laughter]

But I cite this because I'm not sure the American people really understand this commitment and what we are trying to do. The fact is not just the trees but all of us ought to be a little nervous. Congress has met a fork in the road now, and they have a choice. On one hand they can gut these proposals, they can stuff them with pork and perks, and then turn around and complain about the environment. Or they can choose another path; they can look out for the voices that don't have a vote: the land, the children, the future generations. I'm asking Congress to do the right thing: full funding for our land, our trees, our waters, and our parks.

You see, we need more seasonal park rangers, not fewer. We need to acquire more land upstream, not less. Send a message to Congress: We need less papers, less posturing, less promises. And we really do need more action.

Now, we all want cleaner air and water. We all want a more beautiful America. Some flaunt their commitment with these sound bites, and I've proven mine through, I believe, sound policy proposals. Some have sent entire forests to their death to fill books with propaganda, short on facts and long on fiction. But our approach represents new thinking here, a new environmentalism that harnesses the power of the marketplace in the service of the environment.

The fact is only a growing economy can generate the resources that we need to take care of our natural assets. And our environmental policies are designed to give businesses new incentives to prevent pollution, to innovate and create new environmental technologies, and to save money by becoming more efficient. Our objective is to reconcile America's deep desire to improve our economic well-being, to have secure jobs and homes, to be able to educate our kids, and to have water we can drink and air that we can breathe. I believe this Nation can achieve both of these objectives. No other country in the world has come so far along this road. None will go farther than the United States of America.

The steps we take here today can blaze a trail for others to follow. And in case anyone should miss the forest for the trees, so to speak, here's a reminder: They were here first. These trees have watched history go by. Some of these sequoias, I was reminded by Dale as we walked through the grove, were already seedlings by the time Christ walked the Earth.

I think back to Sequoyah himself. The first time he saw the Bible, he called it ``talking leaves." I think those leaves have something to teach us today. In Revelations we learn that ``the leaves of the tree were for the healing of the nations." We are healing our forests, our parks, and our lands.

It's a beautiful country. And I want more and more of the American people to enjoy settings like we're in right here today. Let's remember to take time to come out, show our kids the land, to walk among the redwoods, to climb a mountain. Our land can heal us, too.

It is a joy for me to be out here with you all today in this beautiful setting. Thank you very much for coming. And may God bless our great country, the United States of America. Thank you very, very much.

Note: The President spoke at 11:40 a.m. in the Sequoia Grove. In his remarks, he referred to Derrick Crandall, president of the American Recreation Coalition. The proclamation is listed in Appendix E at the end of this volume.

The President's News Conference With President Carlos Salinas of Mexico in San Diego, California

July 14, 1992

President Bush. President Salinas and I had a very good discussion. I think it was extremely constructive. We talked about the status of negotiation among our two countries and Canada to create this North American free trade area, NAFTA. We reaffirmed our commitment to reaching this sound NAFTA agreement just as soon as possible. Let me just say a word about the importance of this historic undertaking.

We live in a global economy. The fastest growing sector of the American economy is our export sector. And Mexico is the fastest growing market for U.S. exports in the entire world. Over the last 5 years, U.S. merchandise exports to Mexico have increased an average of 17 percent per year, twice as fast as U.S. exports worldwide. And we've added some 400,000 new jobs to our economy just as a result. And now, over 600,000 U.S. jobs are built on our trade with Mexico. California alone, this State alone, exported $5.5 billion in goods to Mexico last year. And virtually every State has shared in that growth, not just States on the border. Michigan, Illinois, Ohio, New York, and Pennsylvania are among the top 10 exporters to Mexico along with California, Texas, and Arizona.

By building together the largest free trading region in the world, Mexico, the United States, and Canada are working to ensure that the future will bring increased prosperity, trade, and new jobs for the citizens of each of our countries. And because our trade ministers and their teams have made impressive progress in recent weeks, we agreed that our meeting today marks the beginning of the final stage of negotiations. A fitting analogy: We're in the ninth inning. In the spirit of this evening's All-Star Game, we are literally entering the top of the ninth. President Salinas and I have instructed our trade ministers to meet on July 25th to bring this final stage of negotiations to an early and successful conclusion. And we've consulted with our friend Canadian Prime Minister Brian Mulroney, and he has similarly instructed his trade minister.

We also agreed on the importance of pressing ahead with parallel efforts to ensure that the NAFTA enhances environmental quality and that labor issues are addressed effectively.

Mr. President, it's been a joy to see you again, sir, and thank you for coming back to the United States. The floor is yours.

President Salinas. We had a lot of issues on the agenda: trade, North American free trade agreement, the award rendered by the Supreme Court of Justice recently, the environment, fisheries, border crossings, amongst others. The dialog was open, frank, direct, respectful, a dialog which was held on the issues that have brought in certain tension in our relation and also

on the issues that might enable us to have more beneficial relations for both nations.

Mr. President Bush, I'm very grateful for your hospitality.

President Bush. The President and I agreed we'd each take two questions. Then we want to get over to the ball game. And why don't we alternate them between -- why don't we start right here.

Trade Negotiations

[At this point, a reporter asked a question in Spanish, and a translation was not provided.]

President Bush. Well, I'm embarrassed to say I don't have any late details on that. Financial institutions participating in Mexico have been on the agenda, and there have been discussions of that, but I don't get a feeling that that will be a stumbling block to any agreement.

Alvarez-Machain Case

[At this point, a reporter asked a question in Spanish, and a translation was not provided.]

President Bush. Is that addressed to me? Yes, that matter was discussed. The Supreme Court decrees the law of the land in our country. I know it's caused great hardship and great concern south of our border. I made very clear to President Salinas that we have no intention of doing anything of that nature again. I also repeated the heinous nature of the crime, and I'm sure the people of Mexico feel just as strongly as we do here about it.

So what we're trying to do is work this matter out in a way that will salve the understandable concern that President Salinas very frankly brought home to me. He told me this is a serious matter. He is a very frank man; that's one reason I have such respect for him. So we are going to try to resolve this, to lay every fear to rest, and I tried to do that with a very open letter, a letter that I wrote from the heart to the President. But yes, we had very frank discussions about it.

Q. President Bush, could you give us -- --

President Bush. We were going to just take two each, Randall [Randall Pinkston, CBS News]. But I'll come back to you. But we need two for President Salinas; then I'll take Randall. And then we're going to the ball game.

[At this point, a question was asked and answered in Spanish, and a translation was not provided.]

President Bush. Randall?

Unauthorized Campaign Organization

Q. President Bush, a two-parter, sir. Beyond filing a complaint with the FEC, what else can you do to stop Floyd Brown? And how do you respond to the family of Susan Coleman who believes that you have the power to stop him and his organization and their so-called dirty campaign tactics?

President Bush. The problem is we don't have the power. We will do whatever we can to stop any filthy campaign tactics. We have spoken out against it. We have written the contributors. Our record is clean on it, and for anyone to suggest differently is insidious. But we will do everything we can that's in the law to see that this man does not use my name in raising funds for these nefarious purposes. I've said it over and over again, and I'll keep saying it. And we're trying to file with the FEC or whatever else we can do. But the law is fairly complicated on this. We went through this once before with this person, and we're going to do whatever we can to stop it.

Q. Is a lawsuit possible, sir, beyond the FEC complaint?

President Bush. I don't know what -- lawyers are talking about it now, and I think we've gone into the FEC to try to condemn it. But whether that has to be the first step, Randall, I'm sorry, I just rely on our lawyers to tell me that when I get back.

Trade Negotiations

[At this point, a question was asked and answered in Spanish, and a translation was not provided.]

President Bush. With your permission, may I add to that? The question, for those North American reporters who do not speak Spanish, related to the timing of NAFTA. And I concur with what President Salinas has said, but I would simply add for the gentleman that asked the question, not in an effort to slow things down but put things in perspective, to those that say you just haven't gone quick enough, the Canadian agreement with the United States took 39 months to negotiate. And we've been working this problem for 27.

Now, please do not take that as kind of a ``Ho-hum, that gives us 12 more months.'' That's not the way we're looking at it. But I do think it's important to put it in perspective. We want to get it done as quick as possible. And I will repeat here what I told Mexico's distinguished President, and that is there is no American politics on my side, our administration's side, that suggests anything other than the promptest possible conclusion of a deal. And there isn't any politics. For those who, in the American scene, say, ``Well, you shouldn't do it for politics,'' they're wrong. It is in the interest of the United States of America to conclude this deal tomorrow if we can get it done.

But I just wanted to add the dates, the time, so neither the Mexican negotiators nor the United States negotiators will be castigated by our silence on this. They're working hard. We've urged them to just go right down to the wire now as soon as possible. I gave you the dates in my statement. But I do think we need to look at it in perspective. Having said that, I want it done and done soon.

Thank you all very, very much.

Note: President Bush's 135th news conference began at 4:10 p.m. in the California Room at the San Diego Mission. President Salinas spoke in Spanish, and his remarks were translated by an interpreter. During the news conference, President Bush referred to Floyd Brown, chairman, Presidential Victory Committee.

Statement on Meeting With President Carlos Salinas of Mexico

July 14, 1992

President Salinas and I had an extremely constructive discussion of the status of negotiations among our two countries and Canada to create a North American free trade area (NAFTA). We reaffirmed our commitment to reaching a sound NAFTA agreement as soon as possible. Let me just say a word about the importance of this historic undertaking.

We live in a global economy. The fastest growing sector of the American economy today is our export sector, and Mexico is the fastest growing market for U.S. exports in the world. U.S. merchandise exports to Mexico have increased 22 percent per year for each of the last 5 years, twice as fast as U.S. exports worldwide. Having added over 300,000 new jobs to our economy since 1986, we now have over 600,000 total U.S. jobs built on our exports to Mexico. California alone exported $5.5 billion in goods and services to Mexico last year. Virtually every State has shared in that growth, not just States on the border. Michigan, Illinois, Ohio, New York, and Pennsylvania are among the top 10 exporters to Mexico along with California, Texas, and Arizona.

By building together the largest free trading region in the world, Mexico, the United States, and Canada are working to ensure that the future will bring increased prosperity, trade, and new jobs for the citizens of each of our countries. Because our trade ministers and their teams have made impressive progress in recent weeks, we agreed that our meeting today marks the beginning of the final stage of negotiations. In the spirit of this evening's All-Star Game, we are entering the top of the ninth inning of negotiations. President Salinas and I have instructed our trade ministers to meet on July 25 to bring this final stage of negotiations to an early and successful conclusion. We have consulted with Canadian Prime Minister Mulroney, and he has similarly instructed his trade minister.

We also agreed on the importance of pressing ahead with parallel efforts to assure that the NAFTA enhances environmental quality and that labor issues are addressed effectively.

Nomination of John Cameron Monjo To Be United States Ambassador to Pakistan

July 14, 1992

The President today announced his intention to nominate John Cameron Monjo, of Maryland, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador of the United States of America to the Islamic Republic of Pakistan. He would succeed Nicholas Platt.

Since 1989 Ambassador Monjo has served as Ambassador to Indonesia. Prior to this he served as Ambassador to Malaysia, 1987 - 89. He has held several positions at the Department of State, including Senior Deputy Assistant Secretary for East Asian and Pacific Affairs, 1985 - 87; Deputy Assistant Secretary for East Asian and Pacific Affairs, 1983 - 85; Deputy Chief of Mission in Jakarta, Indonesia, 1982 - 83; Deputy Chief of Mission in Seoul, Korea, 1979 - 82; and country director for East Asian and Pacific Affairs in the Office of Philippine Affairs, 1978 - 79.

Ambassador Monjo graduated from the University of Pennsylvania (B.A., 1953). He served in the U.S. Navy from 1953 to 1956. He was born July 17, 1931, in Stamford, CT. Ambassador Monjo is married, has two children, and resides in Washington, DC.

Nomination of Walter Scott Blackburn To Be a Member of the Board of Directors of the National Institute of Building Sciences

July 14, 1992

The President today announced his intention to nominate Walter Scott Blackburn, of Indiana, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1993. He would succeed Kyle Clayton Boone.

Since 1974 Mr. Blackburn has served as president and owner of Blackburn Associates Architects, Inc., in Indianapolis, IN. From 1967 to 1974, he served as principal with Snyder, Blackburn and Associates Architects, Inc.

Mr. Blackburn graduated from Howard University School of Architecture and Engineering (bachelor of architecture, 1963). He was born February 21, 1938, in Indianapolis, IN. Mr. Blackburn is married, has three children, and resides in Indianapolis, IN.

Remarks in Boulder, Wyoming, on Ross Perot's Withdrawal From the Presidential Campaign

July 16, 1992

This is the President. I just called Ross Perot. On a very personal basis, I congratulated him. I told him I understood how difficult a decision it must have been. I told him that he had really and truly energized an awful lot of people.

Obviously, I told him I would welcome his support and the support of all those who have been out there working for him. I congratulated him on the excitement that he brought to the race, particularly the way he energized the volunteers. It is rather significant and certainly unique in these times what he was able to do, encouraging these volunteers.

Now we will make it clear to all those Perot supporters that we share many of their same principles and that we want their support and that we welcome them warmly into our campaign. As I say, we share those principles. We need their help bringing about the implementation of these principles.

Many of the Perot supporters were basically conservative people. They were people that are worried about the values of family, that were worried about the economy and the need to get these deficits under control, the need to do something different about the neighborhoods. So I believe that we will have an opportunity to make clear to these people that they should feel at home with us as we start the campaign after the Republican Convention.

Note: The President spoke at 11:10 a.m. to reporters by telephone from Secretary of State James A. Baker's ranch.

The President's News Conference in Pinedale, Wyoming

July 16, 1992

The President. Thank you all for coming over. And let me just say that I this morning, after receiving the news, called Ross Perot; congratulated him on the way he has energized so many people in the political process; told him that, of course, I would welcome his support and the support of those who have gotten behind him. We share the same principles with many of those people. And we're going to work hard to win them over, get their support. But it was a good phone call, and I probably will be talking to Mr. Perot again before too long.

But I see this as a positive development in a sense because I am convinced that the conservatives who are supporting Ross Perot, the legions of conservative people, will end up being with me because I think they share the same values that I speak about, the same principles that we put forward, and the same desire to change this economy and get things moving again.

So it was a good conversation and a very interesting and fascinating development in a very turbulent political year.

Presidential Campaign

Q. Mr. President, did he indicate to you whether he would ever throw his support to either you or to Mr. Clinton? What did he say?

The President. No, there was no indication of that at all.

Q. Mr. President, even before Ross Perot appeared on the political scene, the ``right track, wrong track'' numbers in the polls were going in the wrong direction. The majority of the American people felt the country was headed in the wrong direction. How do you account for that, and what do you intend to do about it?

The President. I think the economy has been the main reason for that. The economy has been sluggish. There are obviously signs that the recovery is underway. Many people have not felt that recovery. And I am absolutely convinced that when you have a long, drawn-out recession, when people's family are hurting, this accounts for that.

Q. Mr. President, the Vice President criticized Ross Perot as a temperamental tycoon without respect for the Constitution. And other members of your administration and campaign have been critical of him. Don't you think his supporters are going to be a little bit mad at you when they think about who to turn to?

The President. No, I don't think so. No, I don't.

Q. Can you explain your optimism?

The President. Yes, because I think a lot of people that supported Ross want to see the kinds of changes that I want to see. They recognized in him a dynamic figure that could energize voters. But when it gets down to the issues, I think they're going to be much more on my side than on the side of the Democratic ticket.

Q. Mr. President, do you believe this development helps you in the long run?

The President. Yes, I think it does.

Q. Why exactly, because your aides have been saying that they thought he took votes away from Clinton. And now you're saying it helps you that he's out.

The President. Well, I don't know what my aides have been saying, but I can read the surveys like anybody else can. I think it helps us, and I think most people think so.

Q. You said you'd be talking to Perot again, Mr. President -- --

The President. What?

Q. You said you'd be talking to Mr. Perot again. What will that be about?

The President. We were sitting out, like on top of that mountain, although not that very mountain. It was a little hard to -- we had a disconnect on the conversation.

Q. Also, Mr. President, there have been persistent speculations that at some point Secretary Baker would come over to your campaign.

The President. I've read those speculations, yes.

Q. Will you resolve that once and for all here today?

The President. No, I can't resolve it here today at all.

Q. Why not?

The President. I know nobody will believe this, but it is 3 o'clock in Wyoming, and honestly I

have not talked about that with Jim Baker yet.

Q. So the option is open, Mr. President?

The President. Always when I'm talking to an old, trusted friend, all options are open about what I talk about. But what happens, that's pure speculation. That subject has not come up.

Q. Does the option remain that Mr. Baker would join the campaign -- --

The President. No, there's no options open or closed on it. I just haven't discussed it.

Q. In that case, why don't you foreclose it, stop all the speculation?

The President. Because I don't feel inclined to do that. I'm going to win this election, and I want the best possible team around me. Jim Baker's doing a superb job as Secretary of State, and he's off on a very important mission Saturday. So he's got a full portfolio right as it is. But who knows? I don't know.

Q. Can I follow up on that? The concerns about Secretary Baker coming back to the campaign, a lot of them come from a campaign that feels that they just haven't been able to get the job done. And now that you're moving past the Democratic Convention toward the Republican one, do you change tactics? Do you have a new strategy now? With that rally tomorrow in Wyoming, is that to begin the tougher candidacy?

The President. No, I've said that a lot of my own personal campaigning and how I campaign will be on hold until after the Republican Convention.

Q. Mr. President, how exactly did you hear about this announcement? Were you sitting fishing in a creek or what?

The President. I was fishing in a creek, and one of our aides came, I believe it was the military aide, and said that there was going to be a press conference in a few minutes and that it was widely reported in advance of the press conference that Mr. Perot intended to withdraw. I didn't hear the press conference. We've not listened to the television. I have not listened to the radio. I did, however, get a report, secondhand report, on the press conference and then after that placed a call to him.

Q. What exactly was your reaction when you heard it?

The President. I was surprised. I was surprised because Ross Perot has energized a lot of people in this country. He's gotten a lot of volunteers involved. You could feel it. And incidentally, there was some show of that out in San Diego. But I didn't detect any personal animosity from

the people. I detect a great enthusiasm for Ross Perot. And that's one reason I think we have a fertile field in which to hunt for more support.

Q. Mr. President, Ross Perot spoke of the revitalization of the Democratic Party as the reason that he was pulling out. You've obviously watched the convention and Clinton. Do you see that revitalization -- --

The President. I beg your pardon. I have not watched the convention.

Q. Have not seen any of the convention at all?

The President. Have not seen it at all, not seen it. I've read some clippings about it, but I've not listened to it nor watched it.

Q. You're just not interested?

The President. Same as I did 4 years ago. Just want a little respite.

Q. When he said revitalization of the Democratic Party, he indicated by saying that perhaps he would like to see these people go more toward Clinton than you, although he didn't say anything about you. When he talked to you -- --

The President. Well, I didn't hear that comment at all. What I thought he said, what I was told that he said for not continuing to run was that he wouldn't be able to get the votes that he would need if the race was thrown into the House, and he felt that it would be if he remained in the race.

Q. Did he indicate to you at all in his telephone call how he felt the voters should go?

The President. No. No indication whatsoever.

Q. Years ago, you and Ross Perot were friends, or at least just acquaintances. Are you going to put all this behind you, no hard feelings? Can you do that?

The President. Yes, I am.

Q. How can you do that?

The President. I always do that, Ann [Ann Compton, ABC News]. I always do that. I don't like to lose friends over politics. I never have. I've always turned the other cheek, and I've always tried to make new friends. And I don't think that's bad. I think that's a sign of character, not a

sign of weakness.

Q. Mr. President, can you tell us anything about what Ross Perot said to you? Were you able to hear him at all?

The President. I heard fairly well. He had a little difficulty. He told me it was breaking up. But no, he just said he appreciated the phone call and was very pleasant. But there was no substance discussed.

Q. What did he say when you said you'd be delighted to have his support?

The President. Well, didn't say anything. I didn't put it in the form that I was awaiting an answer at that very moment. It was more -- I just mentioned it.

President's Vacation

Q. Mr. President, you said that you hadn't discussed with Secretary Baker the possibility of him coming over to your campaign.

The President. That's true.

Q. What besides fishing have you been talking to him about up to -- --

The President. Family. I had a son up here. The joy of fishing with your son in a river in Wyoming, I'll tell you, it's hard to compare with anything. And he has his son Jamie here, and Susan Baker is here. Barbara's not here. She catches headaches at altitude, and so she didn't come. But we just fished, talking about fishing.

You know, when you're out in a river with a friend, it doesn't matter much what you talk about. And I've concluded, not just because of my own record, it doesn't matter whether you catch any fish or not. You're there, and you're in the outdoors, and you're away from all the hubbub of, I think, one of the ugliest political years I've ever seen. And I've been around the track a long time. You forget about your day-to-day cares. And it's been a total joy for me.

Now, all this development today has kind of changed this day a little bit from yesterday. But it's been most enjoyable. So I couldn't even tell you what we talked about. We joke. We have fun. We reminisce. Jim Baker and I go back a long, long time. And our families are interlocked. Our kids are friends.

Presidential Campaign

Q. Do you think the campaign will be less ugly now?

The President. I hadn't felt that it's been hyper-ugly, the campaign itself.

Q. Did you discuss Ed Rollins' decision?

The President. Didn't come up. Didn't come up.

Q. You surprised by that?

The President. Yes, I was surprised. I was surprised.

Q. Mr. President, this campaign, with Mr. Perot out now, does seem to present perhaps a starker choice than it did in the past. Is that going to change the way in which you approach the next 3 months?

The President. Well, it's happened so soon that I haven't had a chance to talk to any strategists about that. But clearly a two-way race is more traditional in the sense of American politics. And I think in the final analysis that I'll win this race. I think people will look at the big picture, the whole picture, and I believe we'll win. I think our values are right. I think the fact that kids go to bed with a little less fear about nuclear war these days, I think that's extraordinarily positive. I think the economy's tough, but I think what we've proposed to correct it is going to prove to be better than the opponent's.

So I'm prepared to take my case to the American people in the fall with renewed confidence. And I believe that I'll win this race.

Q. Did you talk with Mr. Teeter, and what did he tell you?

The President. You mean after the Perot thing?

Q. That's right.

The President. Did not talk to him. Talked to him last night, but I didn't talk to him since the Perot matter.

Q. Mr. President, what do you think would have happened had he stayed in the race? If it had gone to the House, do you think you might have lost?

The President. I didn't ever think it would go to the House.

Q. Mr. President, one more. Now that Clinton is officially your opponent, what do you have to say about him?

The President. I'm reading the clips and listening all fall, all winter long. And I'll be prepared at the appropriate time to comment on that.

Q. Did you congratulate him on the telephone? Did you call him?

The President. Congratulate Clinton?

Q. Yes, sir.

The President. On what?

Q. On winning the nomination, I suppose.

The President. Oh no, I forgot to do that. [Laughter] But maybe I can do that now. He fought hard, and he won his party's nomination. Having been there before myself, I can say that's no mean achievement. But I'm perfectly glad to do that. And then we'll go to general quarters in the fall because we differ on almost everything on the issues, but we're going to keep it on the issues.

Q. Are you more optimistic now about the two-party system than you might have been when Perot hit a high point?

The President. I don't believe I ever lost confidence in the two-party system because when you look back at our country and then compare it to democracies around the world or other systems, we've had the most stable possible political system for 200 years. And for most of that you had a viable, strong two-party system. I think in the final analysis, the American people understand that. That has not been in focus up to this point. But I've not lost confidence in it. And I just think that it has served our country well for a long time. I do think that the question mark of going to the House having been removed, that clarifies things for the American electorate and makes it easier in a sense because I think in some people's minds there was some doubt about that.

I think Judy's [Judy A. Smith, Deputy Press Secretary] trying to get some -- --

Q. Is that a valid reason for dropping out, as Mr. Perot said, the fear of -- --

The President. I would leave that to him.

Q. Mr. President, will you debate Mr. Clinton, and would you favor a Vice Presidential debate in the fall campaign?

The President. I expect there will be both.

Israel

Q. Any comment on the Israeli announcement on the settlements?

The President. No. If you'd help me with what announcement you're talking about.

Q. I believe they've announced they're freezing settlements.

The President. Well, the Israeli election was a lot about that. And I can't comment on the statement. I've not seen it. But I'm looking forward to receiving the Prime Minister of Israel and hopefully in the next couple of weeks, next 2 or 3 weeks. I've pledged to work to strengthen the very important relationship between the two countries. But I just can't comment on that particular because literally I'm -- I've seen some clips, some summaries, what they call a White House News Summary. But I've not read the papers. I have not watched television. Sorry, Ann. And I have not listened to the radio on this. That's why I'm in such a wonderfully relaxed mood. And now I want to go back and catch a few more fish.

President's Vacation

Q. How many fish did you catch, sir?

The President. It is an unimpressive record. However, here's my side of it. [Laughter] I would like you to -- no, I caught two or three yesterday -- three, and two today. But it's not -- it's the hunt as well as catching the fish. It's trying to put the fly right where you think the action is and standing there in the beauty of this marvelous country of ours, standing in the middle of a stream. And it's very hard to describe. But for people that love the outdoors as I do, love this West as I do, why, they'll know what I mean. It's not catching the fish. It's being out there in nature with nature all around you.

Q. How's Jim Baker's cooking?

The President. Not near as good as his Secretary-of-State-ship. But his wife's cooking is superb.

Let me say hello to these guys. Thank you all for coming.

Note: The President's 136th news conference began at 2:50 p.m. at the U.S. Air Force Pinedale

Seismic Research Facility. In the news conference, the following persons were referred to: Robert Teeter, campaign chairman, Bush-Quayle '92; and Ed Rollins, former Perot campaign cochairman.

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

July 16, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1), and as part of my continuing effort to keep the Congress fully informed, I am again reporting on the status of efforts to obtain compliance by Iraq with the resolutions adopted by the U.N. Security Council.

Since the events described in my report of May 15, 1992, the Iraqi Government has provided what it terms a ``full, final, and complete" disclosure of its programs for weapons of mass destruction (WMD). The Iraqi report, which reached the United Nations 2 months after it was originally promised, is now under review by the United Nations Special Commission on Iraq (UNSCOM) and the International Atomic Energy Agency (IAEA). The preliminary assessment of these organizations is that the Iraqis have provided little new information. The Iraqis also have provided the United Nations with a ``Compliance and Monitoring Report," which aims to satisfy the requirement of U.N. Security Council Resolution 175 for a list of all sites subject to long-term monitoring. UNSCOM is assessing this report.

As of July 1, UNSCOM and IAEA have conducted 38 inspections in all four weapons categories. From May 26 to June 4, the 12th nuclear inspection team oversaw the destruction of three buildings at the al Atheer nuclear weapons fabrication facility. It also inspected uranium enrichment sites at Tarmiya and Ash Sharqat to prepare for the destruction and the rendering harmless of utilities and ventilation systems during the 13th inspection in July. The Iraqi Government continues to refuse IAEA requests for records detailing foreign suppliers of its nuclear weapons program.

A small Chemical Destruction Group entered Iraq on June 19. This team will spend several months in Iraq establishing a base and overseeing the long-term destruction of Iraqi chemical agents and weapons at the Muthanna Establishment. The operation will be run by a large multinational group, including two Americans. UNSCOM estimates the operation will take 12 to 18 months to complete. A second combined chemical and biological weapons team was in Iraq from June 26 to July 4 conducting inspections and destroying dual-use chemical production equipment.

From May 14 to 22, the 11th ballistic missile team inspected five sites, completed verification of Iraqi destruction of SCUD missile production and launcher components, and verified the

destruction of missile production equipment. The 12th ballistic missile team is in Iraq from July 9 to 17 to inspect undeclared sites.

We view with particular concern the refusal by Iraqi authorities to grant immediate access by UNSCOM inspectors to the Agricultural Ministry in early July. The President of the U.N. Security Council has characterized this refusal as a material and unacceptable breach of Resolution 687. We are resolved that Iraq must not be allowed to defy the Security Council and evade its responsibilities under this resolution.

Continued Iraqi intransigence with respect to compliance with the relevant U.N. Security Council resolutions led UNSCOM to initiate a program of aerial surveillance of WMD activity in Iraq on June 21. Utilizing UNSCOM's German helicopters, two to three flights will be flown per week, with five to six sites covered on each flight; this program will provide more immediate and accurate information about Iraqi facilities. We strongly favor this aggressive approach by UNSCOM, which will broaden UNSCOM's ability to find suspect sites as well as conduct long-term monitoring.

UNSCOM continues to face a shortage of funds. U.S. efforts to alleviate this problem will result in payment of approximately $30 million for UNSCOM by the end of July. Discussions are ongoing with other nations regarding contributions by them to UNSCOM.

Since my last report, there has been further progress at the U.N. Compensation Commission concerning preparations for the processing of claims from individuals, corporations, other entities, governments, and international organizations that suffered direct loss or damage as a result of Iraq's unlawful invasion and occupation of Kuwait. The Governing Council of the Commission held its sixth session in Geneva from June 22 to 26 and has scheduled further meetings in September and December. (A meeting tentatively set for November has been cancelled.) At its June session, the Council approved the final part of the rules of procedure (the first three parts were approved in March). The entire set of rules was then issued as a Council decision. The rules provide a practical, nontechnical system for processing claims. The Council also decided that members of the Allied Coalition Armed Forces who were prisoners of war and mistreated in violation of international humanitarian law, including the 1949 Geneva Conventions, are eligible for compensation in accordance with the claims criteria previously adopted.

The Council continued its discussion of the ``embargo loss'' issue and agreed on a statement for the record promising that the issue of priority of payments would be considered. Also during the session of June 22 to 26, the Commission released to governments the form for corporate claims (Form E). The Council also reviewed the draft form for claims from governments and international organizations (Form F). The Executive Secretary reported that the $2 million loan from the Kuwaiti Government has been received, and the Commission has received another $1 million as a result of the U.S. contribution to the United Nations for activities under Resolution

687. The financial impasse of the past several months, however, has cost valuable time in developing computer software and other key projects. Now that operating funds have been received, the Secretariat will press ahead and try to recover as much lost time as possible. On June 26, the United States filed its first set of 200 claims with the Commission; altogether 10 governments filed claims by the end of the week. Meanwhile, the Department of State distributed to potential U.S. claimants the form for claims of individuals over $100,000 (Form D) and continued to collect and review small claims.

In accordance with paragraph 20 of Resolution 687, the Sanctions Committee continues to receive notice of shipments of foodstuffs to Iraq. The Sanctions Committee also continues to consider and, when appropriate, approve requests to send to Iraq materials and supplies for essential civilian needs. Iraq, in contrast, has for months maintained a full embargo against its northern provinces. Iraq has also refused to utilize the opportunity under Resolutions 706 and 712 to sell $1.6 billion in oil, most of the proceeds from which could be used by Iraq to purchase foodstuffs, medicines, materials, and supplies for essential civilian needs of its civilian population. The Iraqi authorities bear full responsibility for any suffering in Iraq that results from their refusal to implement Resolutions 706 and 712.

Through the International Committee of the Red Cross (ICRC), the United States, Kuwait, and our allies continue to press the Government of Iraq to comply with its obligations under Security Council resolutions to return all detained Kuwaiti and third-country nationals. Likewise, the United States and its allies continue to press the Government of Iraq to return to Kuwait all property and equipment removed from Kuwait by Iraq. Iraq continues to resist full cooperation on these issues and to resist unqualified ICRC access to detention facilities in Iraq.

Mindful of the finding of the U.N. Security Council in Resolution 688 that Iraq's repression of its civilian population threatens international peace and security in the region, we will continue to monitor carefully the treatment of Iraq's citizens in concert with our Coalition partners, and together we remain prepared to take appropriate steps if the situation requires. To this end, we will continue to maintain an appropriate level of forces in the region for as long as required by the situation in Iraq.

I remain grateful for the support of the Congress for these efforts, and I look forward to continued cooperation toward achieving our mutual objectives.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks to the Community in Jackson Hole, Wyoming

July 17, 1992

Thank you very very much for that warm welcome. Let me just say at the beginning of these remarks how grateful I am for the congressional delegation that I work with in Washington. If we had more men like the Congressman that just introduced me, Craig Thomas, if we had more like him in the House, I guarantee you this country would be moving forward faster with opportunity for all. I salute Malcolm Wallop, who I don't think is with us today, but also my dear friend Al Simpson, who stands tall, all right; we saw that. But he's out there for principle in the United States Senate. And he's a close personal friend, he and Ann, to Barbara and me. That disproves the theory that goes like this: Well, if you want a dog in Washington -- I mean, want a friend in Washington, get a dog. [Laughter] My view is we've got the Simpsons and several others like them.

May I thank the Bar-J Wranglers down there, who did a great job, and the Jackson Hole Community Band and others who make this very, very special. I told the Mayor, Bill Westbrook, because I was sitting next to him here at barbecue, that for me this is a very special change of pace. I don't want to argue with my friend Al Simpson, but we're not quite into the one-on-one competitive mode yet. I'm going to hold back a little bit until after the Republican Convention. And then we're going after it. We're going to win this election because I'm going to take the case to the American people for sure.

I want to salute Senator Cliff Hanson, who is with us; his wife, Martha. Another Nebraska Senator is here, Senator Curtis, another good friend. And I'd be remiss if I didn't single out Estelle Stacy Carrier, with whom I worked when I was chairman of the Republican National Committee, sitting over here. Someone told me that another man I was proud to have served with, Jim Watt, is here, a member of this community, and I salute him and wish him the best of everything.

Let me tell you this: With all the hue and cry of politics, I cannot think of a better way to spend a Friday noon, Friday afternoon -- the big sky and the hot sun, this fantastic view, this marvelous helping of baked beans and coleslaw, not a single piece of broccoli anywhere on that whole table. [Laughter]

In the line over there somebody asked me if I wanted to comment on this week's big event, the one that captured the imagination of millions of TV viewers. And to be brutally honest, I thought the All-Star Game would be a lot closer than it was. [Laughter]

Let me just make a few comments because, seriously, it was an important week in American politics. And I salute the opposition. They ran a good show there, and I don't think there's any reason to be bitter or small about all of that.

But I want to say a word about yesterday's happening and about Ross Perot and that surprising announcement yesterday. I admit that as the incumbent President of the United States that it's tempting to quietly applaud the fact that this strange year, this strange political year, has suddenly become, quote, normal. But I can't do that. The grassroots fervor of the Perot supporters transcends what we call politics as usual.

You see, a vote was taken this spring and summer in America. No ballots were cast, but a vote was taken. No polls opened, but a referendum took place nonetheless. Nobody won this election, but politics lost. Politics lost because it's become increasingly irrelevant to many Americans. Its language is not understood around our kitchen tables. Politics for too many people has become synonymous with slogans, posturing, and it's come to mean the opposite of progress.

Today I have a message for anyone who supported Ross Perot and any American who identifies with that frustration that brought them together: I hear you. You've come through loud and clear. And Ross used to like to say two words more than any others, ``you," meaning the people, ``you" and ``win." And today I can say to his supporters, while politics as usual may have lost, you have won. I hear the voices in so many accents say attention must be paid to our jobs, our schools, our families. Attention must be paid to our future. I hear that call, and more than that, I share that frustration.

In my first term in office I have learned that it is far easier to convince the leaders of diverse nations to mobilize to confront a tyrant than to convince the Congress to approve a relatively small tax incentive so that Americans, young Americans, can buy that first home. And we are going to keep fighting for those young Americans.

I say this not to bash the United States Congress but to tell you that the view from the White House looks the same as the view from your front porch. And the system needs repair. My message to the disillusioned and the disaffected is simple: Don't walk away from the system. Don't assume that without a protest vote there is no vote at all. The solution to our challenges today is the same that America has turned to so many times before, that mixture of values, experience, and ideas that we call leadership.

What kind of leadership do we need? I believe that our first priority is to provide more economic opportunity for more people. You see, too many people have worked for a company for 20 years only to worry that the next mail is going to bring in a pink slip. Too many parents have saved to send their kids to college only to find that once graduated, a kid can't get a good job.

The first order of business is to get the Federal deficit down by cutting Federal spending. And I need more help in that end. And yes, I believe that we should create incentives for the people in the businesses who create jobs and give them access to the new markets that are opening all around the world.

I also believe that we have to restore the traditional American values that have held our society together for 200 years. You know what they are. We're talking about respect. We're talking about knowing the difference between right and wrong. We're talking about helping our neighbors, putting the family, the American family, first, and putting our faith in something larger than ourselves. I happen to know a silver-haired philosopher who is not with us today named Barbara Bush. She says this, that what happens in your house is more important than what happens in the White House. It is far more important than what happens in the White House. That is true.

I believe Government can be a force to strengthen our families. And Government can reward work, not welfare dependency. Welfare can encourage families not to fall apart but to stick together. Government can give families in Wyoming and in every other State the option of deciding where our children should go to school, a church school, a private school, or a public school, wherever their parents choose. That is the American way.

I also believe that we must restore respect for the law. It is not enough to have peace in the world if people don't feel safe in their own backyards. What do you say to an elderly woman who watches the Berlin Wall fall on television but is afraid to walk to her grocery store? What do you say to a 10-year-old kid who hears of the Russians reducing nuclear weapons and then has to walk through a metal detector at school every morning? You say, ``Enough is enough." Let's put an end to the lawlessness, and let's put an end to the drug use that results in so much of this illegal behavior.

So this is the kind of action I propose today, right now, to shake up the system and let America realize the opportunity before us. I am not pessimistic about the United States of America. We are the best and the finest, and we have lots to be proud of. Help me move this country forward.

I know it's not going to be easy. For 3 years now I've proposed dramatic changes in each of these areas that I mentioned today and run into roadblocks that Senator Simpson talked about. But as I said, politics as usual can be no more. You want action, and you want change. To anyone who wants to block that change, I say what you say, ``Get out of our way and let America move forward once again."

For all our challenges, America's potential really has never been greater. If we can get our economy moving faster and restore our families and take back our streets, our potential is as tall as the mountains that surround us. And can we do it? You bet. I believe we can. I'm confident we can. If we can topple the Berlin Wall and if we can build a sturdy economy and if we can lift the Iron Curtain and if we can bring down the curtain on new-age values, if we can help people walk the streets free in Eastern Europe, we can take back the streets of America. And we must get that job done. If we can revive a world's faith in freedom, we can repair the American system. And this is our mission. It's to renew America, to complete the dream.

I have a feeling that I'm lecturing to the choir when it comes to family, comes to values, comes to faith. I'm lecturing to the choir with this group assembled. And I thank those with the civic clubs that have drawn this magnificent crowd together. But I am going to take this message of hope and opportunity all across the country. Four years from now, when I come back for a little more trout fishing, I look forward to standing before you to say, ``Mission accomplished." We are America. We can get the job done. I need your help.

May I just simply say thank you for this fantastic Wyoming hospitality. And may God bless the United States of America, the greatest, freest, fairest country on the face of the Earth.

Thank you all, and good luck. Thank you very much. Thank you so much for a great welcome. What a wonderful way to come out of the mountains and see the real people that make this country great. Thank you so much.

Note: The President spoke at 12:05 p.m. at Jackson Hole Airport. In his remarks, he referred to Senator Malcolm Wallop; Estelle Stacy Carrier, former secretary of the Republican National Committee; and James Watt, former Secretary of the Interior.

Nomination of Harriet Winsar Isom To Be United States Ambassador to Cameroon

July 17, 1992

The President today announced his intention to nominate Harriet Winsar Isom, of Oregon, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States of America to the Republic of Cameroon. She would succeed Frances D. Cook.

Since 1989, Ambassador Isom has served as Ambassador to the Republic of Benin. She has also served as Charge d'Affaires at the American Embassy in Vientiane, Laos, 1986 - 89; Director of Korean Affairs at the State Department, 1984 - 86; senior assignments officer with the Bureau of Personnel at the State Department, 1982 - 84; a participant in the senior seminar at the State Department, 1981 - 82; political counselor at the American Embassy in Jakarta, Indonesia, 1978 - 81; and consul of the American consulate in Medan, Sumatra, Indonesia, 1977 - 78.

Ambassador Isom graduated from Mills College (B.A., 1958) and Fletcher School of Law and Diplomacy (M.A.L.D., 1960). She was born November 4, 1936, in Heppner, OR. Ambassador Isom currently resides in Echo, OR.

Remarks and a Question-and-Answer Session With Outdoor Groups in Salt Lake City, Utah

July 18, 1992

The President. Well, I came prepared with a few cheaters because on this beautiful day it is most fitting and appropriate that we talk about the environment, with the emphasis on those that like the outdoors and believe in multiple use and believe in fishing and believe in hunting and believe in camping. And I do, and my family does. I did want to try this morning, though, to put in perspective before taking questions what I think is a pretty good environmental record.

I don't pretend to be able to keep every organization happy. I can't do that because I also have a certain -- not only do I feel a sense of obligation to stewardship of the parks and of the wilderness and of the great outdoors, but I also feel a sense of stewardship towards American families that are trying to work for a living. To achieve a balance between growth and the environment is something that I think every President ought to feel an obligation to achieve. And I've tried to do exactly that.

But before getting to the questions, and I hope it's not too self-serving, I thought I'd just click off some accomplishments that I think should make a difference to those who share my love of the outdoors.

We signed, I guess, the most forward-looking environmental legislation in modern times in a revival and renewal of the Clean Air Act, improvement of the Clean Air Act. I believe that it's going to have a major effect not just on the great outdoors as we all love it but on the cities and everything else.

We've assessed more fines for violations of environmental policy, environmental law, than any previous administration. And indeed, more people are incarcerated for actually violating the environmental laws of this country.

We've doubled the funding, doubled the funding for national parks, wildlife, and outdoor recreation, and tripled the funds, tripled the funds for States for parks and open space. I think that's a good record. We've proposed or added 20 new national parks, proposed or added 57 new wildlife refuges, added 1.5 million new acres to the national parks, and added 6.4 million acres to the vast Wilderness System. Twenty-seven hundred miles of rivers to Wild and Scenic Rivers System have been added.

We've increased wetlands protection from 295 million to 812 million since I've been President. And I'd like to hear from some and maybe answer some questions on the controversy that surrounds the wetlands policy. But I believe our policy of no net loss is good. We've added to

the wetlands to compensate for those areas where there has been loss.

We've closed off the oil development in certain environmentally sensitive areas of the California coast, the Florida coast, and in New England, isolating them until the year 2000 when we can look at technology and look at the environment. We've established three new national marine sanctuaries, including the most recent one in Monterey Bay, which is, I guess, the largest one ever; increased funding, and this comes as great interest to some here, for fishing, fisheries management, and $80 million added to that and requested full funding for Wallop-Breaux.

Let me just say here that when you get in Washington you might have some earmarked funds, but the propensity in the way it works with the Congress is they want to take those earmarked funds and use them for other purposes. I stood up against that because I believe in Wallop-Breaux; I believe that the money ought to be used for what we said it would be used for. And I'm going to keep on fighting for that principle. And we fought for a lot of projects, Superfund and all, where we've not gotten the funding we requested. But I'm going to keep on working to try to do that.

So I cite this because as you get into a political year and you get into a subject that has this many variations, environmental protection, you're bound to take some heat. But I'm very proud of the record.

The last thing I'd mention is Rio de Janeiro. I do not consider it leadership to go and fall in line with a bunch of other countries who accept standards and don't live up to them. When the United States makes a commitment, we ought to keep our word. Great countries, like great men, should keep their word. That's what a former Justice of our Supreme Court said, and that's the way I feel. So I did not go down there to try to get in line, putting standards and prohibitions on the United States that we couldn't live up to or didn't want to.

So we did do well on forestry down there. We did do well on climate control. I have insisted that we don't make more regulations unless we know where the science is on these things. It's very inexact at this point. And yet, underlying it all was my commitment and our administration's commitment to a sound environment.

So that's where we stand. I don't know how this is all set up, Val, but I'll be glad to go for questions. Here's one right here.

Q. Our school last year built over 300 trees and -- --

The President. This one's not working. You come over here.

Q. Last year and every year our school built over 300 trees. And we did it in City Butte Canyon. Are they doing that all over the United States and the world?

The President. I think so. And every little bit helps. Every tree planted is part of a forestation initiative that is sound. We have a program to plant a billion trees a year, tiny little things, but Government can't do this. Schools, families, whoever have to get this job done. The United States is the leader in forestry. We are the leaders in trying to preserve the great rain forests. We've got a good record ourselves on it.

So what you say your school is doing, if everybody around the country at his or her school does the same thing, then we can achieve our goal. And it's very, very important. It's important to clean air. It's important to everything, including the sporting quality of the whole United States environment.

Q. President Bush, there is an abundant amount of wildlife in the United States today, and it's principally because hunters and fishermen have spent a lot of money, time, and resources to secure their habitat, to provide for their game management. There's a great deal of attack on this traditional wildlife management tool. Specifically, proposition 200 in Arizona is worded where they could ban hunting on public lands. What is your position on that issue?

The President. You know, I'm a hunter. I happen to be a quail hunter of only fair proportions, I might add. [Laughter] But when I go to hunt every year, and I try to do it, and I go down there, and I see these people standing out that oppose all hunting. They are inconsiderate of sound game management. They're inconsiderate of people who like to hunt and who recognize not only the fun of the sport but also the sound environmental practice of thinning out herds, for example, when it comes to deer or whatever else it is.

So I oppose what I consider extremists' tactics. I'd rather see sound management through sound sports practice than I would see some of these herds thinned out through famine and suffering of that kind.

So I will stand with the hunter. I don't think there's anything in sound hunting that is inconsistent with sound environmental policy. And I don't know about that proposition, but that's the way I feel.

Yes, sir.

Q. Mr. President, do we expect to see a reduction in spending abroad to fund these policies that you are proposing and trying to continue in the country now?

The President. Well, we've reduced defense spending tremendously. I mean, that's what overshadows all other spending that you might say abroad. Here's my position. We've won the cold war. What's happened, as I see these kids sitting here and I think about it, I think it's historic. They don't have little drills in their schools anymore like some of you all had about

climbing under the desks for fear of nuclear warfare. The deal we hammered out with Yeltsin to eliminate these ICBM's, SS - 18's, is major. It is a significant achievement for mankind, particularly for the young people in this country and elsewhere.

We still have an obligation to help people abroad. When there's famine in south Africa, the southern part of Africa, I do think we have an obligation. I got a great lesson from the church the other day on how the mission of the church, actually in a private way, tries to help. The Government has an obligation to help.

So we're not going to be able to cut off all of our foreign aid or our defense because of the fact the world is a more calm, a more tranquil place. The spending has been reduced on defense particularly, and I think that we can probably reduce it more as we go along. But I don't think we should close our eyes to the fact that we're living in a place where you have terrorists, you have threats that crop up like the threat from the aggression of Saddam Hussein against Kuwait, where only the United States can stand and take action.

On foreign aid itself, you have to look at it, as I do, for an insurance policy, avoiding future catastrophe, and also the humanitarian side.

But to get back to your question, there will be a chance to redirect more of the funds from the security and foreign account to the domestic side. Whether it will be funneled into the environment and all I just can't say, because I think, as I've clicked off here at the beginning of this, the priorities that our administration has set -- and frankly, some of them have been underfunded by the Congress. I'll continue to fight for full funding.

Q. As was alluded to earlier, wildlife populations are healthier and more numerous today than they have ever been. There are a few people who would stop hunting on our public lands, hunting and fishing on our public lands. And the wildlife has primarily benefited through funding by these wildlife organizations in property acquisition. Can you tell us what we can expect from your commitment to us as sportsmen as far as hunting and fishing on these public properties?

The President. I will resist any effort to stop hunting and fishing on these public lands. You know, I had a marvelous experience -- not shared it with my friend the Lieutenant Governor, Johnny Morris, and others. But just the other day up in the Sequoia area in California, I met there with a group of kids that came from the inner city of Los Angeles. We sat around in a little picnic area, and I started listening to these kids talk about their experience with gangs, being drummed in, beaten in, and then beaten out. If they go into the gang they have to be beaten up before they go into it; when they go out they get beaten up and then their families threatened.

Here were these kids sitting in the majesty of this sequoia grove, seeing the outdoors for the first time, understanding the joys of nature from which they've been sheltered because of their own

underprivilege and because of their own backgrounds. They talked about the joy of camping out the night before and being with their -- sitting around a little campfire talking to the other kids about their family problems. And that little incident brought home to me more clearly than anything I've done, except for a little bass fishing with some friends here, the need really to keep open, and still preserve, but to keep open these lands for sporting purposes, for fishing, for camping, for hunting.

So we are not going to permit in the name of environmental practice a shutting down of these areas to those who really need to experience the same joy those kids felt. I really feel strongly about it, and I pride myself on stewardship of our environmental resources, our environment. But I just don't think we can go to the extremes in the name of the environment, whether it's in this, trying to deny hunting or fishing to these areas, or whether it's to shut down businesses where families are needlessly thrown out of work.

I think of the endangered species. We're going through a very important debate and an important discussion of how do you preserve the endangered species and yet not say to a family, ``Look, you all just aren't going to be able to make a living anymore." I feel as President a certain stewardship for that; I really do. We're trying to find a proper balance, and balance is a key word in all of this. But just to say you're going to preserve public lands by denying hunting and fishing, I'm strongly opposed to that.

Q. A number of groups here today are actively involved in habitat acquisition: Ducks Unlimited, Rocky Mountain Elk Foundation. Will the Federal Government continue to support us in matching funds and help us develop a habitat for wildlife so we can continue to increase our herds and increase our duck populations?

The President. We should and will. And I don't know enough about the detail; Roger Porter is here and can answer the specifics. But yes, I mean, this is all of our common belief. I'm more familiar with Ducks Unlimited, but Ducks Unlimited I think offer sound environmental practice. They certainly don't oppose hunting, but they do propose and support programs for increasing the ducks and other fowl.

So I'm strongly in support of that. I'm just a little at a loss to give you any specifics in terms of numbers as to how the Federal Government might do a better job in working cooperatively here.

Q. President Bush, as past chairman of Ducks Unlimited for Utah, can you tell us a little bit how our no-net-loss program is working as far as the lands that have been taken, and what we're doing to replace those?

The President. Well, we're in a debate, and we're also in a struggle on wetlands. I think we're doing all right. We've added to the wetlands. We're continuing to purchase wetlands. I get into a fight with some -- I think, some of the people on the extremes on wetland. I hear from a lot of

farmers and a lot of agricultural people who have one little sump on the property for a short period of time, and then they're denied use of that land.

We had one extreme case of a downtown parking area where building couldn't take place because it was wet. So we're trying to stand against the extremes, and yet I'm trying to live up to this policy, which I believe is sound environmental practice, of no net loss of wetlands. We're trading, and we're buying. And I'm going to continue to support that concept.

I can't tell you that it's without a furor, because some of the groups are saying we're not doing enough. I think our record is pretty good in keeping the commitment I made several years ago to no net loss. But I would welcome from experts -- and I'm surrounded by them here -- criticism or suggestions as to what we could do to further enhance the policy without going to the extreme.

Again, I think sometimes I get brought to my attention cases where one of our regulatory agency or another have overinterpreted the law and have kept reasonable development from taking place. So once again, I'll go back to the answer I gave over here to the question of hunting: We're trying to find a balanced policy, but the underpinning of it, in response to your question, no net loss. And that's why we're -- [inaudible] -- and purchasing wetlands.

Sir.

Q. Mr. President, as you probably know, the Central Utah Project is one of the most critical issues facing Utah outdoor interests. It's a project which has been repaired, in our view, through the mechanisms that have been established to meet the wildlife mitigation and environmental mitigation requirements. We understand that there is a problem with its passage now, and it's based upon, as I understand it, California Senator Seymour's efforts to get you to commit to veto the H.R. 429 omnibus water bill when it reaches your desk if it doesn't have the amendments he wants to serve the California agribusiness interests.

We're really interested, sir, in having you sign the bill when it gets to your desk, and even more, near term, we're interested, if you could, sir, in having you work with the Senate to get the Senate to assign some conferees so we can get that thing done during this Congress. Could you tell us where you are on that?

The President. Well, where we are is that I don't know what they're going to send me. And therefore, I can't commit to sign or veto until I know exactly what's in it. But in terms of the project itself, we have been and will continue to be supportive.

One of the great problems in this job -- and that's why I strongly favor the line-item veto -- is that you are sent under the name of, say, sound water practice or sound environmental practice a piece of legislation where then you always have to balance out does the good outweigh the bad.

But in terms of this project, we are supportive. I believe your Senators have been working diligently for it. I hope it comes in a way that I can strongly endorse that action.

Q. Mr. President, this is indeed a great pleasure. You have been in support of the free trade as evidenced by your support of the free trade agreement with Mexico and Canada. Therefore, I am sure that you are not aware of a U.S. Park Service-sponsored monopoly on Lake Powell, a national recreation area in southern Utah. All commerce in a 2,000-square-mile area, including five separate marinas in two States, is controlled by one company from Philadelphia, Pennsylvania. The lack of competition creates high prices and minimal level of quality service. This, I feel, is repressive and is rapidly driving many boaters away, thus hurting the marine business and restricting free enterprise in the State of Utah. Will your second administration address these inequities?

The President. The answer is, your predicate was correct; I'm not familiar with the details of Lake Powell. And thus I can honestly dodge having an opinion on this particular issue. But no, I believe there should be competition in these matters, if that's what the objection is. But I really don't want to speak on a subject that I should be perhaps familiar with but I'm not. But in principle, I can't argue with what I believe your question implied was a proper conclusion. But I just don't want to comment without knowing the facts.

Q. Good morning, Mr. President. I'm here representing Safari Club International. And we as hunters want to ask you as a hunter, and we as citizens: How can we deal with the people who want to deny us our second amendment rights, and how do we answer them properly and keep our amendment safe?

The President. I think a lot of it is, and this goes back to maybe a fundamental answer, but a lot is to who you elect to office. I think in the local level, in the State legislative level, Val's level, a lot of the decisions are made. A lot of them are made at the Federal level. But I think you just ought to find out and establish whatever candidate at whatever level's commitment to the environment, to hunting, to nonhunting, whatever it is. I know no other way to do it.

But the idea that we should, in the name of the environment, knuckle under to those who really want to tie up these assets and prohibit hunting and fishing is something that I would, will, and have stood up against. But I don't know any other way to do it other than to roll up your sleeve and be sure that those topics are covered in whatever election it is, every 2-year election or every 4-year election. And that's one good thing about it, because everybody has to put into focus his or her commitment on a question of that nature.

I am not persuaded that there's a big move against the hunter and against the fisherman. There's some groups that are strong, strongly vocal. But I do not believe they represent the mainstream. And I have had a hunting and fishing license as long as I've been old enough to, and I continue to enjoy sports. I'm mainly in the fishing end of things. But for fishing and hunting, I just think

you have to take it to the legislative process. I know people are turned off from politics, but that doesn't mean that you withdraw and you pull away from it. If anybody should feel like withdrawing or pulling away from something, I could make a case for the Bush family. [Laughter] But I'm not about to do that because I do believe in some of the stuff that I -- problems I'm faced to solve. And I'm going to keep on saying what I believe.

Q. You touched a little bit earlier on the situation -- kids and the joy that you saw in the kids in getting maybe their first experience with the outdoors. Could you maybe carry that a little bit further and talk about your opinion on the -- I broke them both. [Laughter] Throw them in the lake, put a hook on them. [Laughter] Talk about your opinion of the correlation between improved fishing and hunting and keeping the outdoors the way that we all want it, and these kids, taking these great kids and turning them into great adults, and the family values that perhaps are created out there, your thoughts on the family values.

The President. I could wax philosophical, but they asked me a pointed and understandably pointed question 2 days ago in Wyoming. And this one was put against a political backdrop of how come I didn't stay tuned into the convention that was going on in New York. I put it in terms of the joy that I felt fishing with my son in streams of Wyoming. He's grown; he's from Florida. But it's hard to describe unless you have done it. Ricky Clunn, that you guys know, talked about following in his underpants behind his father, fishing the streams of Oklahoma. I understand that. And I think most American family understand it. Some haven't had the opportunity to do it.

But it was very easy for me to give an honest answer that the joy of doing that with my son, albeit grown, really surpassed the politics of the moment. And I think if you feel it that strongly, you need to try to convey it to the parents and to the families that this really is a way that you can strengthen your family.

We talk about family values, and I hope not to the extreme on that. But anyone who has fished or hunted or hiked or camped with a child knows what I'm talking about. And what we have to do, I think, those of us that agree with this, is to make clear to the American people that's what we're talking about. We're not talking about something that's selfish. So when we talk about preserving the streams or the lakes for sound fishing practice, we're talking about something that has a way of strengthening families.

I know I'm not particularly articulate on this, but I really feel strongly when we talk about family that anything you do with your kids in the outdoors does nothing but strengthen the relationship between the parents and the kids at a time when -- those kids that were coming out of that city in South Central, in L.A., they'd been denied that. And here, even though it wasn't with their parents, they were beginning to get that feeling of comradeship and of enjoyment and of really conversation, if you will, that strengthens, I think, the American family. So it's so hard to describe, but I feel it so strongly.

Q. Mr. President, as you travel across this beautiful Nation, a concern that we have is, I would like to know how you feel about it when there's a building that's sold to a foreign country, a public building, public lands? How do you feel, and what can we do about our lands and our buildings being sold to the Japanese and to foreign countries? We want to own our buildings. We want to own all of our ground here. How do you feel about that?

The President. I probably differ with you on it, because I think investment by the United States abroad is a sensible thing. I think it creates a tremendous amount of jobs in America. And I think you've got to look at each -- I think you have to be sure that nobody takes over the United States of America. But in terms of the percentage of investment, much more is held by Britain and Holland, for example, than the Japanese.

So I am not one who worries about people investing in the United States, particularly if it means jobs. I'll tell you an example. The BMW people are opening a plant in South Carolina. They bought some land, and they're going to create something like 4,000 to 10,000 jobs building automobiles in the United States. Now, they have to have that land if they're going to put their plant there. And I think that's good for the United States.

What I don't think is good is if it gets into the security areas where our defenses and our legitimate security needs might be pulled -- --

[At this point, the microphone failed.]

Just as I was going to make a profound statement here. [Laughter]

I am not an isolationist. I don't believe we should pull back. I think we have too much to offer abroad, and I don't think we have to fear from people competing in this country.

So maybe you and I differ on it, but I don't -- if you were going to say do you want to sell the great wilderness area of Utah to some foreign country, no, I don't want to do that. I think we've got to be very sure that we don't aimlessly get into something like that. But in terms of investment in this country, I think that means jobs in this country. I don't think it deters from the environment or the sporting ability to have the kinds of things we're talking about here today in terms of hunting, fishing, and outdoor recreation.

We probably differ, but I think I could convince you. I don't think I have yet.

Listen, thank you all very, very much.

Note: The President spoke at 9 a.m. at Red Butte Gardens. In his remarks, he referred to W. Val Oveson, Lieutenant Governor of Utah; John Morris, chairman, Bush-Quayle Outdoors Coalition;

Roger Porter, Assistant to the President for Economic and Domestic Policy; and Rick Clunn, champion bass fisherman.

Remarks at Brigham Young University in Provo, Utah

July 18, 1992

Thank you very much. Thank you all for that warm welcome. And may I just single out your President. Mr. President -- it sounds pretty good, doesn't it, for Rex -- but to say to Rex Lee that I am delighted to have been introduced by him, a man who has served, first, his Government with such great distinction, integrity, and honor and now serves this wonderful university in a position of extraordinary leadership.

Allow me for a moment just to acknowledge Senator Hatch; Governor Norman Bangerter, my friend over here; Val Oveson, the Lieutenant Governor; Mayor Joseph Jenkins. And may I just suggest that it is appropriate that I pay and you all pay a special tribute to Senator Jake Garn, who's retiring this fall after years of dedicated service to Utah and to the entire Nation. And again, to President Lee and Provost Hafen and Ron Hyde and Dee Andersen, B.Y.U. Vice President, let me just say thank you for inviting me here today. More than that, I want to thank you for extending an invitation to all the Presidential candidates to come to B.Y.U. and share their views. And this is appropriate, the university not pulling back but permitting people to have a fair say in this important election year. I salute you for that.

I noticed that on your seal it says that the glory of God is intelligence. I would add that intelligence and education are absolutely necessary to fulfill your democratic obligation. So I salute you for your desire to learn more about all our candidates and where we want to lead this great Nation.

In this spirit of free speech let me register one strongly held view. I want to change things. And one thing I want to change is the control of the House of Representatives in Washington. You talk about change, for 35 years, 36, one party has controlled that one institution, the House of Representatives. Enough of these bank scandals and post office scandals. We've got to change control, and that's why I want Richard Harrington in the United States Congress.

Let me say I agree with him on this, and with the Senators, that a strong America has led the world to change. We have not surrendered one single ounce of our sovereignty. We are the leader of the free world, undisputed, on our terms. We're the United States of America.

You know, B.Y.U. is a special place of physical beauty and spiritual strength, a place devoted to a simple creed: Enter to learn; go forth to serve. I happen to believe that there is no higher calling than serving humanity. So I say thank you for choosing B.Y.U. This home of the Cougars feels like my home. And thanks for that warm welcome.

I spent 2 days this past week far away from TV and radio, didn't listen -- watch one or listen to the other -- up in Wyoming, trout fishing with Secretary of State Jim Baker and our sons, Jamie

and Jeb. But I'm aware that something else was going on in America this week, something real important. This is the week when all across America, crowds of panting, sweating people overran their neighborhood video stores. [Laughter] From Tallahassee to Tempe, Americans turned on their TV and decided they'd rather watch ``Action Jackson'' than listen to -- well, never mind. Now, look, don't get the idea that this is some kind of partisan attack. Stop by Rich's Video down on Freedom Boulevard, and I'm sure Rich will tell you, give it to you straight. Sales aren't all that bad during the Republican Convention either. [Laughter] So I want to be fair about this.

I didn't get a chance, as I said, to see the other party on TV. But I couldn't help but notice one little comment made by one of the conventioneers. It was made by a man named McGovern. First name, same as mine, George. You remember him. Over the years Mr. McGovern hasn't always been my biggest fan. So I was kind of surprised by what he said in the newspaper. He called this year's Democratic ticket a Trojan horse. And he said, and I quote, ``They're much more liberal underneath and will prove it when they're elected.'' Now, I know I've never said this publicly, but, one, they won't be elected, and George McGovern is an incredibly insightful man. [Laughter]

You may not believe this, but that's all I'm going to say about the other party. You didn't invite me here to talk about the other side. You want to know what I have to offer and what I believe and what's in my heart. Let me just start by explaining a little bit about where I see America today.

Here at B.Y.U. you like to say that the world is your campus, your president telling me about the numbers of foreign languages that are taught and spoken by the students on this campus. Well, that campus, internationally, has been through incredible change in 4 years. Because of our leadership, because of America's sacrifice and commitment, millions more people breathe free today. When you go to bed tonight, you can sleep knowing that we are safer from nuclear destruction: safer than we were a decade ago, safer than we were a year ago, safer than we were even a month ago, before I met with Boris Yeltsin in the White House to get rid of some of these nuclear weapons.

But this new world that we live in poses new challenges and new opportunities. The challenge is this: Can we compete now that so many other nations are playing our game? It's a tough question. But since the answer is, inevitably, yes, consider the opportunity we face: more of the world's people hungry for our products, more of the world's people eager for our services, more good jobs for you and all your classmates.

What do we need to take advantage of this opportunity? The same values, the same principles, the same ideas that we used to change the world. To start, I believe we need to get to work today to create more opportunity for more people. You can't build a home without a hammer, and you can't build a dream without a job. Work isn't just good for our wallets. Work elevates us. It

teaches us values. It gives us purpose.

Some people tear down our economy. They say we're second-rate, second-class. But keep in mind just a few facts. We are still the world's largest and most vibrant economy. We've tamed the lion of inflation. And consider this: The last time interest rates stayed this low the ``Brady Bunch'' wasn't even on TV yet.

Our factories produce a higher percentage of the world's manufactured goods than we did 20 years ago. We've emerged as the world's export champion. Last year the Japanese Government asked who leads the world in 143 critical technology industries. Japanese firms led in 33 and the United States in 43. And I wouldn't be surprised to learn if that report was put together on software made right here in Utah.

But while our economy is growing today, it's not growing fast enough. Many of you are working your way through this great university. When you graduate, you don't want to get letters that say, ``We'll keep your resume on file.'' You want letters that say, ``How fast can you get here and take the job?''

I used to run a business and meet a payroll. I learned the only way Government can create jobs is to help the people who create jobs. That means providing incentives so that businesses can create jobs. It means getting our own house in order by making like Paul Bunyan and taking an ax to the rotting tree that is the Federal budget deficit. Governor Norm Bangerter, just back from a trip to St. Petersburg, to Russia, came to have breakfast this morning. And this is his philosophy; it's the philosophy that Governor Bangerter follows and Utah follows. And we've got to bring some of that Utah attitude to Washington, DC. Like your Governor, we need a line-item veto. And we're going to get it. We're going to get the American people to insist we have it. Like you, we need a balanced budget amendment to the Constitution. And we're going to get that, too.

Thirty-one times in the past 3 years I've had to wield my veto pen, many times to cut away wasteful Government spending. With the help of Senator Orrin Hatch and then a new Congress coming in with him, we're going to continue to stand on principle and protect your pocketbooks. We're going to treat wasteful spending the way Carl Malone will treat another team's jump shot in Barcelona. We're going to swat it into the front row. [Laughter]

I also believe that we need to restore the special values that have carried this Nation for 200 years. Americans need to understand something that you all know very, very well and that your lives epitomize: ``No other success can compensate for failure in the home.'' David O. McKay's words harken back to a different age. Today we can fly from Paris to New York and arrive earlier than we left, but do we too often leave behind the difference between right and wrong? We can explore a world beyond the stars, but do we too often ignore a neighbor down the street? We can turn natural ingredients into miracle medicines, but why do we feel the need to turn

every argument into a lawsuit?

By the way, I am not going to give up; I'm going to continue to fight for legislation that puts a stop to all these frivolous lawsuits. We need to give doctors the chance to practice medicine, dads and moms to coach the Little League without worrying that they're going to end up in a courtroom every single week.

So where do we get our traditional values? Where do we get our traditional values? We learn them in our living rooms and in our churches. While religion and families help keep our lives together, Government can help keep our families together. Government can reward work, not welfare dependency. Welfare programs can and must encourage families not to fall apart, but to stay together. Government can and must, in my view, give families in Utah and every other State the option of deciding where their kids are educated. Whether it's a public school, a private school, or a church school, it doesn't matter. Let the parents choose. That is the American way.

I also believe we need to restore respect for the law. Peace in the world, it's fine, but it's not enough. If people don't feel safe in their own backyard, it doesn't seem to matter. What do you say to an elderly woman who watches the Berlin Wall fall on television right before her eyes but is afraid to walk into her neighborhood grocery store? What do you say to kids in our cities who hear of the Russians reducing nuclear weapons but then have to walk through a metal detector at school every single morning? What do you say to these Americans? You say, ``Enough is enough.'' Let's put an end to the lawlessness. Let's get rid of the drugs. And let's say sayonara to the crack dealers and the criminals. We can help with legislation. You can help in your neighborhoods and in your local institutions. But let's pledge to make America safe again.

As you know, this has been an important week in American politics for a couple of reasons. I met a guy in Wyoming yesterday who noted that the week I went fishing, one of my opponents dropped out of the race. And he wondered if I wanted to stay out West and bag another trophy hunting next week. [Laughter]

But let me just make a serious observation. It's easy for me to stand here as an incumbent President of the United States and quietly applaud Ross Perot's withdrawal from the campaign, to salute the fact that this strange political year is suddenly much more, quote, normal, unquote. But I can't do that. The fervor of the Perot supporters, of those sensational volunteers, transcends politics as usual.

There was an election in America this summer: no ballots cast, no polls open, but a referendum took place nonetheless. Nobody won, but politics lost. And politics lost because it is becoming irrelevant to more and more Americans. And for too many people, politics is now the opposite of progress. So my message to anyone dissatisfied with America is this: Don't quit. Don't walk away from the system. Don't believe that because there's no protest voice you have no vote at all.

Ross Perot's supporters believe in the same principles in which I believe about cutting the size of Government, about letting parents choose their kids' day care and high schools. And most of all, we agree about the need to break the deadlock in Washington, DC.

It is time to say ``So long'' to politics as usual. More than that, it's high time to shake up the system. If you'll excuse just one more political observation, you give me a Congress that shares my values and your values, and you'd see this system not just shaken but rattled and even rolled. And you will see real progress in our great country.

I know that Provo is one of America's youngest cities. For years, more babies were born at Utah Valley Hospital than any other hospital in America, more than most hospitals in the world. I heard from some not-so-reliable sources that lately some hospitals way up in northern Europe are surpassing your birth rates. But I guess that in Utah babies are born because of hope. Well, way up in northern Europe they are born because of hope and weather. [Laughter]

Now, as I look out on this audience today, my guess is you're probably asking the question that every young generation asks: Will the future be bright? Will the dream stay alive? And despite all our challenges, I am betting on America. And I know you are, too. I still believe in America's capacity to confront any challenge and seize any opportunity. If we can topple the Berlin Wall and if we can reduce the threat of nuclear weapons and if we can do those things, we can build a strong economy. And if we can lift that Iron Curtain, we can bring the curtain down on immorality and indifference. And if we can help people walk free in Eastern Europe, we can take back the streets in the United States of America.

So this then is our mission, and this is our crusade. And together I am absolutely confident that we can get the job done for the United States of America.

God bless you. And may God bless our great country. Thank you very, very much.

Note: The President spoke at 11:20 a.m. at the Marriott Center. In his remarks, he referred to Ron Hyde, advancement vice president, and Dee Andersen, administrative vice president, Brigham Young University; and the late David O. McKay, president of the Church of Jesus Christ of Latter-day Saints during the 1950's.

Remarks and a Question-and-Answer Session With the American Legion Boys Nation

July 20, 1992

The President. Thanks for the welcome. Hey, listen, I came out here to welcome you guys to the White House. Well, thank you very much. Please be seated, and let's get underway here. But I want to salute the national commander of the American Legion, who's done a great job, Dom DiFrancesco, and an old friend. I am a legionnaire and have been for a long, long time, lifetime member. And I have great respect for what Dom and Bob Turner, the past national commander who is with us today and also now the assistant director for activities for Boys Nation, do.

The Legion does a lot of good works, and I can't think of any of them that's better than what brings us here today. So let me first congratulate all 96 of the outstanding young leaders that are here today, representing 48 States. And I understand that some of you come from as far away as Anchorage up in Alaska and as near as Falls Church across the river. And Reagan DeMas, you absolutely have to tell me what life is like in a place called Boring, Oregon. [Laughter] Where is he? We'll talk about that.

But anyway, for two of you, the journey has taken you even further, all the way from Communist Vietnam. What a moving story is Won Lee's, Nhon Trong Nguyen's. They have a great story to tell, leaving culture and country behind to start over, to start afresh here in the United States of America. Your presence here today reminds us all of America's meaning, of America's magic.

We all know that Boys Nation's alumni often go on to do remarkable things. It's no secret that two of America's great political leaders got their start in this organization. I'm talking about a former Governor, now our Secretary of Education, Lamar Alexander, and I'm talking about a former Congressman, now our very able Secretary of Defense, Dick Cheney.

I've held Boys Nation in high regard for many years. I remember, maybe Dom does, as Vice President about 10 years ago I had the honor of greeting some of your predecessors right here in Washington. Many of you were young then, 6 or 7 years old. But it's good to see that our younger generation continues to come forward with what the whole country sees as model citizens. You've reason to be proud of your accomplishments, and I hope that you're going to continue to achieve great things for our country.

Right now the country is focusing on some big questions: how America can compete and win in the global economy; how we'll educate our citizens and do it better, do it different, but educate our citizens for a new century; and how we'll open opportunity to all Americans and then preserve one Nation under God. Big issues, every one of them. We've got to realize that the

solution for every one of these challenges literally starts close to home.

The question is this -- and I've heard this from the mayors of urban America; I've heard it from everyone: Can we stop the assault on the American family? Can we strengthen the family, help parents pass on the moral code and character that goes with it and sustain us as a nation? So today, when you're focusing on college and career, let me share a little advice from someone whose next experience with the teens won't come until I actually hold in my arms my 13th grandchild.

What will matter years from now won't be what you achieve or how much you earn or even what honors are showered on you along the way. What matters will be the kind of parent you've been, the kind of kids that you've raised. It all comes down to family. So today I want to salute the mothers and fathers who are here, every parent back home bursting with pride in you just because you're here, what you've achieved.

I also understand that while you're here in Washington you're going to be participating in your mock congress. I won't touch that one. [Laughter] But whether you end up in Congress or in front of the classroom or as leaders in business, your efforts and your skills will be absolutely vital to our country's continued success.

George Washington once challenged us to raise a standard to which the wise and honest can repair. And as a nation, our crusade is this: We must continue to defend our Nation's liberty and interest, and we must continually seek solutions to our country's ills, to refine this great democracy our forefathers created.

So let me urge you: Maintain your commitment to our country. Find ways to serve your neighbors and solve the problems of your communities. It cannot be done entirely from Washington, DC. Continue to spread the word about the benefits of our great system of democratic capitalism. And keep your eye on the greatest prize of all, ensuring that our country remains out there on the cutting edge, that America continues to be the example the whole world holds in awe. Believe me, the whole world still holds us in awe.

America is now and always will be the one nation that the entire world looks to for leadership. America is now and always will be a country whose purpose and values, whose global mission and economic success continues to be the success story of our time. And it's no secret why that's so. Throughout our history, individuals, achievers, people just like you have made it so.

America is now and always will be a rising nation. And we'll remain strong. We will succeed as long as young people like yourselves continue to support and advance the values upon which our success is based and, really, upon which this wonderful program, Dom, is based.

So keep up the great work. Congratulations on what you have already achieved. But there's a

great challenge lying out there ahead of each and every one of you. So good luck, and may God bless you all. And may God bless our wonderful country.

Now, what I thought we'd do is take a few questions and then go -- how we're going to do this -- I never saw so many hands up.

Shoot.

Voter Registration Bill Veto

Q. Mr. President, was the primary reason that you vetoed the motor voter bill the fact that it would increase the number of poor and young voters, groups in which you have little strength? If not, can we have a brief explanation?

The President. No, that had nothing to do with the veto of the bill. States have the right to set their own registration; everybody has a way to register. It has nothing to do with the poor and the young. Frankly, I think we're going to do very well with the young and, hopefully, with the poor. What it has to do, though, is with guarding against corruption of the voting process, and that's why I vetoed it.

Urban Aid

Q. Mr. President, my question to you is, throughout your term previous to the Rodney King verdict and the L.A. riots in particular, your support for Secretary Jack Kemp's programs in the areas of housing and urban development appeared to come very reluctantly. Yet you approved generous emergency expenditures to help provide relief for the desperate situation at hand. If elected to a second term, do you plan to increase Government funding for the HUD programs?

The President. The answer is no, but the answer is I've been diligently for the program. The program is mine. I'm the President; I set the program. Kemp has been a superb advocate for homeownership, for enterprise zones, for the things that we believe really would have helped avoid some of the crisis in the cities. So I have been advocating it and supporting it and introducing it in the Congress all along.

Even after the riots we had the Mayor of Los Angeles here, Tom Bradley; the Governor of the State; Peter Ueberroth, who is trying to bring jobs into the center city. They all supported strongly the enterprise zones. And it took weeks to get that passed even in the face of the riots.

So now, in terms of will I increase spending, I can't pledge that. I don't want to be in any false colors. I want these programs there to bring jobs in the private sectors into the city. I want our ``Weed and Seed'' program, which is weeding out the criminal elements and then seeding the areas with hope and opportunity, to pass. But there's another big problem facing this country,

and it is the deficit. I know that this is the year when everybody promises, I'm going to do this for that, each little interest group, each big interest group being pledged and promised to, but I can't do that because I am determined to fight to get this deficit down.

So we've got good programs, and I think they'd make an enormous difference in the cities, and I hope you all can support them.

Economic Plan

Q. The economic plan that Bill Clinton unveiled at the Democratic National Convention last week is rapidly gaining support. What flaws do you see in his plan as you compare it to your own?

The President. Well, I don't think it's rapidly gaining too much support. What I see is a program that does not address itself to the deficit, and I'll have a lot more to say about that later on. I think we've got to get the deficit down. I don't think you need to go raise taxes on people right now. I think that's a big mistake. I think it's counterproductive. When you analyze the program, they have this expression around here, smoke and mirrors. You're going to save it all by eliminating overhead, eliminating waste, and there's billions of dollars that is earmarked to do that. And I just don't think that's practical.

So when the campaign comes on, there's going to be a very serious comparative analysis on our part. I don't think the program is gaining strength. He had one that was quite different a few months ago, and now, just in time for the convention, out comes another one. But both of them result in taxing.

You see, I think the Government is spending too much, and that's why I had to answer this question here like that. I don't think people are taxed too little. I don't think that's the problem. So we're going to have a big difference on the economic approach. Our economic incentives are out there. They're strong, and they're good.

North American Free Trade Agreement

Q. Regarding the United States and Mexico free trade agreement, don't you think that if it was passed that the standard of living in the Southwest United States will drop and it would also result in more unemployment? Also, what are the short- and long-term goals you hope to achieve by having this free trade agreement?

The President. I'm convinced that NAFTA, the North American free trade agreement, will increase the standard of living on both sides of the border. I am absolutely convinced that it will increase jobs for Americans. Look at what happened when we entered into the deal with Canada. Business is way up in both ways, trade going both ways. The same thing will happen in Mexico.

And I am afraid that in the Mexican case in some of the opposition there is some discrimination against our southern neighbor.

I don't care whether it's good politics or bad politics, I'm going to work for free trade. I want to see the NAFTA agreement passed. And I am absolutely convinced that it will mean more jobs for Americans and good jobs. The argument is, well, all the companies will flee to Mexico. That's not true; they could do that now. There are many reasons that companies place investment where they do.

NAFTA is only going to increase Mexico's ability to import goods. It's going to increase their standard of living, which will bring relief to our borders out near San Diego where you have immigration going across the way. It will give them the wherewithal to have better environmental standards, and it will give more jobs to the United States because our exports, which have already gone up substantially, will go up more.

So I'm for free trade. I'm not for protection. I'm not for promising one thing out in Detroit and then trying to deny that it was said some other part of the country.

Education

Q. Mr. President, I would like to ask you with regard to education, do you think that a national standard achievement test at the lower grade levels would be a good way to gauge how well our education system is doing?

The President. Yes, and part of our program feels that a national system of volunteer testing would be good. That's part of our proposal. I emphasize the word ``volunteer'' because I still believe that your community should really control the curriculum and the hours and the teacher's pay and whatever it is. Most people forget that about 6 percent, I believe it is, of funding on education is at the Federal level, our level, and 90-some percent is where it belongs at the local and State level.

But this concept of testing is a good one. I think kids need to know where they stand with others across the country; parents have the right to have that information. But I emphasize it should be on a voluntary basis.

Let's get in the back rows, back here.

Oh, the man's bringing gifts. Come right up.

Q. I'd like to present this to you on behalf of Boys Nation.

The President. Thanks a lot. Now we're talking. This is great. Thank you very much, Steve.

Q. Mr. President, I'm a student of the middle class, and there's an ever-increasing problem with the students that I represent that we simply do not have the funds to attend the colleges of our choices to take the leadership roles in Government. What can you tell the students of the middle class to affirm the fact that the buck does stop here and you're taking a leadership position in our plight to have affordable college education?

The President. I can tell them that the best thing that we can do there is to get the whole economic system moving. I can tell them that we've increased funding for that kind of student loan program, and we've just got to keep doing it to support those that need scholarships. A big problem is when you're operating at these enormous deficits, you can't go out and promise to increase spending beyond which we've already increased it. I'm the guy that has the plan. The buck does stop here. We have increased programs for the funding for student loans, contrary to some of the political -- I can't wait for this campaign to start to go after some of the things I'm hearing out there. But we've just got to keep going on it, and we will do our very best.

Way in back here. Yes.

Foreign Aid

Q. Mr. President, I'd just like to commend you on your fine foreign policy. But the question I pose to you is this: Do you feel the only way we can have a strong foreign policy is pumping the billions of dollars that we do into other countries' economy? Being a visitor to Washington, DC, we took a bus ride, and we drove through the Capital City, and I saw some of the most depressed and poverty-stricken areas I've ever seen. Why can't we bring some of that foreign policy money home to where it belongs in our Nation?

The President. Well, I'll tell you, maybe you've missed the fact that we've cut the defense budget substantially. We can't cut the muscle of defense. We're not going to do that. I stood here with Boris Yeltsin and did something that affected the lives of everybody here, everybody here. We worked out the most historic nuclear arms reduction package that's ever happened, thus reducing the fear of nuclear war that some of you guys may have grown up with when you were younger. The pressure has been bled off. We have to keep a strong defense. We have cut the defense budget by billions of dollars, and we'll continue to look at it as the world changes. But we can't cut into the muscle of it.

Secondly, in terms of foreign aid, it's always been unpopular. There's always a guy that says, ``Don't do that abroad. Do it all at home." And that's a mood out there in this country. But it is in our interests, humanitarian interest, to help people abroad. It's the United States that always has taken the lead. As long as I'm President, we'll continue to take the lead. But we are going to have to try to do these things that will forestall our need to use military action.

That's the reason, rationale for it. But listen, I understand the desire to have more at home, and yet, again, I'm not going to please everybody by saying we're going to increase spending on one program or another. We've got a good budget. Spending has gone dramatically up. But we've got to hold the line on it now. We've got to get the deficit down.

Presidential Campaign

Q. Mr. President, I was wondering, isn't it disheartening that all of your actions are either maligned, belittled, or ignored by the national media?

The President. Now we're talking here. Those back here are not smiling, those beyond those with the red and white shirts. Look, you've got to take it in life. Nobody ever said it would be a bed of roses. I found that over the years in politics or in business or whatever it is.

I have a very quiet confidence when I take my case to the American people that things will work out. But to be very honest, it's not pleasant. It's not pleasant. The one I don't like the most is when they go after your family, try to make corruption out of a family that's been honorable and decent. I don't like it when they do that kind of thing.

But they've got their job to do; I've got mine to do. I'm not going to be stampeded into anything by a lot of that kind of press. When we get into the campaign, I will try to draw the distinctions between myself and the opponents. I'll try to put out the positive aspects of our record: the war on crime; the fact that we've got a sound, revolutionary education program; what we're trying to do, in answer to your question, about bringing homeownership and hope into the cities; the fact that we've got the best health care reform of anybody up there, sitting right there, languishing, and the fact that we've got a program that if we could only get this Congress to work on it would do something for health care.

So we've got the programs. Now, the fact that that's not resonating and the press seems to be critical, that changes. I go back to '88, and I remember a great reporter for the New York Times -- I don't know what he's doing now, but I think he's gone onto greater things -- saying, ``dogged by Iran-Contra, the President landed in Iowa today.'' They've always got some kind of sensationalist thing.

But the facts are the programs are sound. I hope that I will pass the test of commitment to country. I am proud, as I told Dom earlier, of having served my country. I believe that what we've accomplished around the world is substantial, major, the ending of the cold war. I think what we did with Yeltsin, getting rid of these ICBM's, I happen to think it's big, and you don't read a darn thing about it in the press.

I didn't listen, I've got to confess to you guys I did not listen to the Democratic National Convention. I was fishing. I suppose I could have turned on a radio, but I just didn't feel inclined

to do it. But there was no mention, I am told retrospectively, of the major accomplishments that the American people and this administration has made in bringing peace to the world and standing up against aggression in the process, setting an example. So when I said in my remarks people look to the United States for leadership, they do, but that has no resonance. I think it will. I think every family in America in their hearts know that we are in a less-threatened position.

I loved it when I'm told that my opponent, one of them I guess, at the convention said, ``Well we've changed the world. Now let's change America." Hey, a Democratic candidate dropped out of the race for plagiarism last year. This is a comment that I've been saying, and now we're trying to get it done. We have changed the world. Now let's change America. Use that same leadership.

And parenthetically, if you want to know what I think really needs to be changed, it is the control of the House of Representatives. We have had the same control of Congress, same control in the House since 1956, maybe earlier. They talk about institutions changing; Presidents have changed, different parties; the Senate has changed. The one institution -- those who know how to run the bank and the post office up there haven't changed for 36 years. We are going to take that case to the American people.

The Economy

Q. My question to you concerns us as young Americans. When we get out of college and university, how are we going to be assured as qualified Americans that there will be jobs for us to pursue our careers as citizens?

The President. One, the economy is improving. Not near enough. It is growing. You wouldn't hear that -- I keep citing a statistic that 92 percent of the economic news has been negative as you analyze it. They've got this group that analyzes the news coverage. A tremendous percentage, 60 percent, think the economy's getting worse. A lot of people are hurting, but the overall national economy is growing, not near enough.

What I want to do is stimulate it to grow more. That was what was behind and still remains behind an incentive program that encourages buying homes; that encourages getting the deficit down; that encourages changing the -- this is technical -- but the IRA rules; that encourages an investment tax allowance to stimulate the investment in equipment that actually brings jobs. So jobs are being created, not fast enough.

If I can get the American people to give the strong support in Congress for the economic program, I believe that's the best guarantee of jobs for people. It is not going to be Government-created jobs, by the Government getting into the private sector. I oppose that. This idea of an industrial policy where the Government should pick the winners and losers is wrong. What we ought to do is increase the R&D credits so you stimulate the research that has made this country

a job-creating country.

So that's the program that I'll be taking to the American people.

AIDS

Q. AIDS cases being so epidemic, do you have any national plans to inform the public and get the AIDS cases down so it doesn't keep rising?

The President. The question is on AIDS cases being so epidemic. Absolutely. We asked for $4.9 billion. We've been spending at the rate of about $4.3 billion on AIDS. That's about 10 times as much as on, say, cancer, per case. We have got to educate the American people, and I'm trying to do that. We've got to demonstrate compassion. We have got to go against behavior that causes AIDS. Education: AIDS is one disease that can't be totally controlled by behavior but some of it can, dirty needles, for example. So we've got to win that drug fight. We have got the biggest and best research, by far, program of any country in the world.

I had a couple of the top specialists in here the other day, Dr. Fauci at NIH. They are encouraged in what that research will bring. Some of you are -- well, none of you were alive when they discovered the Salk vaccine for polio, but that's the line they're approaching it, our great research labs. I am somewhat optimistic about achieving a major breakthrough in that.

But in the meantime, we've got to speak with compassion. We've go to demonstrate the concern that we all feel in our hearts about this. We've got to be sure that we do the utmost we can in research. And then we've got to all speak out in terms of the behaviors that cause AIDS in some cases, not all, but in some cases. I plan to continue to do that.

But it's a national problem. It's one where we really -- it's heartbreak hill. It's just everybody in one way or another has a friend that's touched with this. We just simply have to win this fight, and I'm optimistic we will.

Listen, I gather they're telling me we're out of here. But we only got about 4 percent of the questions, I think. But thank you very, very much. And I wish we didn't have to go. Thank you all. And good luck to all of you. We're very, very proud of you.

Note: The President spoke at 9:32 a.m. in the Rose Garden at the White House. During the question-and-answer session, Steve Kennedy, Mississippi representative and secretary of the senate for Boys Nation, presented a polo shirt to the President.

Statement on the Resignation of Vaclav Havel as President of Czechoslovakia

July 20, 1992

Today President Vaclav Havel resigned from his post as the President of the Czech and Slovak Federal Republic. President Havel is one of the outstanding statesmen of our time, and we regret his departure. President Havel's courage has come to symbolize the determination of all the peoples of Eastern Europe to reject communism and to accept the challenges of the transition to democracy and a free market economy. He energized, as he once wrote, ``the power of the powerless.'' President Havel has made a historic and heroic contribution to the cause of freedom. We are confident he will continue to do so whatever the future may bring.

The future of the Czech and Slovak Federal Republic is up to its people. We will respect their decision and are confident it will be peaceful, cooperative, and democratic. We look forward to sustaining our traditionally close relations with its people.

Exchange With Reporters on Iraq

July 21, 1992

Q. Mr. President, have you heard anything about Saddam Hussein being assassinated?

The President. I only saw a wire service report. And they have no confirmation of that at all.

Q. Is the U.S. ready to turn up the heat on Iraq again, Mr. President?

The President. We want Iraq to comply with the United Nations resolution. And we are insisting that they comply with the U.N. resolution. But I know nothing about the other at all.

Note: The exchange began at 10:20 a.m. on the South Lawn at the White House prior to the President's departure for Philadelphia, PA.

Remarks at the Presidential Open Forum on Educational Choice in Philadelphia, Pennsylvania

July 21, 1992

The President. Before taking your questions let me just make a few brief comments. The first, of course, is to say how very, very pleased I am to be here, and secondly, to thank Maria for that extraordinarily personal and generous and kind welcome and introduction; to say to Kelly Geiger, I'm glad he's not running for President this year -- [laughter] -- articulate guy that he is. But I was most moved, as I told His Eminence, by Kelly's presentation and by Maria's introduction.

I want to say how pleased I was to be here for the lovely grace, most appropriately said before our meeting here today. May I salute His Eminence Cardinal Bevilacqua and salute him for his leadership in working for the broad principle that kids ought to be able to choose the school that they attend. It is a sound principle, and I support it strongly.

Our ``GI bill'' for children is not conceived out of denigration for the public school system. Indeed, the way our proposal works, it would enhance and strengthen the public schools, as well as providing choice for the families that want to send their kids to parochial schools, to private schools, be they religious or not.

So we've got a good proposal. I support it all the way, and I will fight for it. I believe that it will make all schools better, not just those that are selected by the people who participate in this marvelous program.

I also want to salute Lamar Alexander, the former Governor of the State of Tennessee, an outstanding Secretary of Education who is not afraid to take on the educational establishment because he knows and I know that in the program we have, a program called America 2000, we are on the right track in terms of offering the best possible education to every kid in this country. We literally want to revolutionize education and bring the control and participation as close as possible to the families, as close as possible to the local communities. That's the rationale behind what I think is the best and boldest new education program that's been ever conceived for our country. Again, I want to take that case to the American people.

We've made some progress in education, but we've got to do more. We have six national education goals that we've set out, and it ranges all the way from Head Start, support for that, all the way up to the fact that no one's too old to learn. Lamar talked me into demonstrating that no one is too old to learn, and I've learned now how to turn on my computer, and I am making dramatic headway. [Laughter] I refuse to take on any of these kids, however, in computer science. But we've got a good program, and it fits nicely into the values that I believe the church

here epitomizes.

One last conclusion, and then I'll take your questions. I met today with some mayors from various communities across the country, the Mayor of New Orleans, a large city, the Mayor of a tiny town of Herne, Texas, down in my part of the world. They got onto this subject of family values, something that Kelly talked about I thought in a most articulate way, something that obviously His Eminence stands for, and it's something we've been talking about at our table over here. I remembered not just this meeting but a meeting I had with the other mayors from the National League of Cities. They told me, as this group did today, that the major worry that they have in terms of cities, the major thing that contributes to crime in the cities or lack of discipline or disorder, is the decline of the American family. We have got to find ways to strengthen it.

In this audience, obviously, I'm preaching to the choir. I'm talking to people that live these values, in churches that stand for the values. But it is very, very important that we find ways to improve, to help families restore those great family values of discipline and respect and order, and respect for one's parents, and right from wrong, and the values that, I'll be honest, a lot of us, my generation, just took for granted simply. But now we've got to find ways as citizens, as people involved in politics, whether you're President of the United States or someone in the local spectrum here, to do what we can to strengthen the family values.

When Kelly spoke from his heart as he did, it made a tremendous impression on me. There's an awful lot of good out here in this country, an awful lot to be proud of, an awful lot to respect. We're in a funny time now where it's fashionable to tear down our country or to offer some theory that we've been wrong in the past. But when it comes to values, when it comes to education, I think that we must turn to where our strength is, and that is helping improve the family, but it is also in our faith. I won't ever forget as long as I'm President, Lincoln talked about going to his knees in prayer. I'll also not forget that we are one Nation under God, and that's something we must never forget.

We have these wandering microphone holders here. I don't know how they were selected for this awesome responsibility. But nevertheless, somebody stick their hand up, and we'll just take a few questions before I have to go on to New Jersey.

All right, don't be shy. Kelly, come on, you ask -- let me just -- we're encouraging this. Here we are, right here, sir.

[A participant expressed concern about the affordability of parochial school for his grandchildren and supported the President's proposal.]

The President. Well, we're going to continue to support it, Officer. I'll tell you, I am not pessimistic about the economic future. One of the things we must do -- and set aside for a minute this question of educational choice -- one of the things we must do is succeed in our overall

approach to quality education. The way we are going to guarantee the future for your kids and those that follow is going to be to have an economic environment, an economic environment in this country where people can get jobs.

We've been through this long, slow recession. We're growing a little bit now as a country. In my view, we are poised for a good recovery. Our interest rates are down; inflation is down, and all of this. But to succeed, to really compete in the world, we are going to have to succeed in achieving by the end of this decade our six educational goals. I think we can do it. If we do, we're going to be able to compete. We'll have better jobs, and we're going to be able to sell more abroad. Exports have saved us, incidentally, in this slow, anemic time, a time of anemic economic growth.

So as I look at how to answer the questions to your kids coming along, one of them has got to be success in achieving these six national educational goals. Then, of course, a part of that is school choice; a part of that is encouraging, every way we can, excellence in education.

We've got good programs to increase the math and science. I was only half kidding when I mentioned the computer. We are not going to succeed and compete abroad if we don't do better in math and science. Lamar has pushed through some very strong support for those who are studying and teaching in math and science. So we can make it, but we've got to go along and succeed in our goals here.

Yes, sir.

[A participant asked about the funding for the President's proposal.]

The President. The money is coming from a regular appropriation, if we can get it passed. It will start as a $500 million demonstration program, and it's figured into our budget so it will not increase the deficit. It will come through the regular appropriations process in the Congress if we can get the United States Congress to think new thoughts. The problem is many that control the educational establishment in Washington are in the grips of a very powerful union, the NEA. If you'll excuse me one political comment, it seems to be an arm of the opposition party. They are not thinking anew. They are fighting us on school choice, and many of the Congressmen just don't want to stand up against that.

But it doesn't matter what party you're in, we've got to get the programs through. Then, if it gets passed, it is already covered under our budget, so it won't add to the deficit. That's the way it will come, regular appropriations.

[A participant asked about educational assistance for middle-income families.]

The President. You're right. And this program that we're talking about here today, there is no

means testing. A family like yours would be covered, a family like yours who, you know, hard-working people and want to have this question of choice. That $1,000 would go to the family. As His Eminence said, it isn't a question of church and state being involved here; we're talking about to the family.

Let me give you an example of how this would work, and this goes back into history. When I got out of the Navy a thousand years ago, I participated in what was called the GI bill. They didn't say to me, you can have this money to go to a certain kind of school, a public university or a parochial or private university. You can go wherever you want. That has benefited the public universities. Most people that look back and analyze participation in the GI bill will tell you that the competition that came from this benefited the public university.

That same principle of choice and no means testing will apply to this program that we're talking about now. So you would get some relief. That doesn't answer how you cope with the other costs, but in terms of this educational ``GI bill'' for children, the middle class that you're talking about would be covered.

Yes, way back there, Father.

[A participant expressed concern that lower income and minority students could not afford Catholic schools and asked if the President's proposal could really be passed.]

The President. I'm not sure I can answer in the affirmative. I can tell you we are totally committed. I can't guarantee you that this Congress, sitting there as it is, will pass it. We all need to get behind it. But I can guarantee you I am going to clearly take this case to the American people this fall, get it in focus, and have that a part of the ingredient upon which people vote.

I am determined not to bring into this lovely school arena, gymnasium, or whatever wonderful auditorium we're in a lot of partisan politics. But here is an issue upon which I have a distinct difference with my opponent. I will be making that case, not in a negative way but saying, here's what I am for; here's what I am going to fight for. If you believe in this, you ought to vote not only for me but for Members of the United States Congress whose support is going to be necessary to pass this legislation.

But the reason I have to hedge a little on the question is, I'll be honest with you, we're moving into a very political environment in Washington, and I don't know whether this Congress is going to take up and support this legislation now or not. I'm going to challenge them to do that, but we'll see if they do it. But that's the one good thing about an ugly election year; you get it in focus. Right now it's not. I don't think every American is thinking, am I for the ``GI bill'' or not? I've got to do a better job making them know that this is an issue.

But the good thing is that will be clearly a distinction between candidates for Presidency, for

Congress. And the American people will decide. Then you move early; you move quick with that mandate ringing in the ears of the Congress to get it passed. I think it will be held over. I hope we can get it done soon.

[A participant asked about funding for education of handicapped children.]

The President. Presidents are never supposed to say ``I don't know.'' That's a very bad form. And Presidents are supposed to know absolutely everything and not be quite as omnipotent as the Cardinal but nevertheless -- [laughter] -- know a lot. I would ask Lamar to address the question of what kind of funding we're doing. But I will say this, one of the great, the most forward-looking pieces of civil rights legislation that has been passed in history was the Americans for Disabilities Act. I take great pride in being the steward of that legislation. In fairness, I've got to say it wasn't Republican; it wasn't just Democrat. It was a case where we could get together with the Congress and do something that was right for people, so that people that were born with disabilities would not be shoved off to the side but find a way to get instrumentally involved in the system itself to the best of their abilities.

Lamar, do you know the answer on funding, what we're doing on special ed? Maybe you could grab the mike. And if you don't, pass it over to the Cardinal. [Laughter]

Secretary Alexander. Two quick points, Mr. President; I'll be glad to sit down with the lady afterwards and talk a little more. One is the funding for special education has been increased, but not as much as it takes to fully fund the law that you've mentioned. The President's top budget priority: more new money into Education this year than any other Department in the Federal budget.

Second, there have been big increases in Head Start over the last 4 years, 127 percent while the Federal budget only went up 25 percent. That helps with the early intervention for young children.

The President. In fact, we have fully funded, I think it's every 4-year-old, isn't it, eligible 4-year-old.

Back again? Shoot, Doctor.

[The participant also suggested better dissemination of information to local groups to enable them to work for congressional support of the national education goals.]

The President. It's a very broad and difficult question to answer. Clearly, citizen participation is going to make a difference. It doesn't hurt to start with your own Congressman, regardless of party. It doesn't hurt to start with your own Senators. But I think that we do need to do a better job, and I would accept full responsibility for this, in getting the American people informed.

Because, you're right, a lot of this has been languishing in the Congress. I have a great big battle with the Congress on many, many issues. I'm not saying I'm always right, but the result has been, as we try to move these kind of things through, and the American people are saying there's gridlock, nothing can happen. The way to change that is to look at the electoral process. Do not get turned off for politics. If you believe in this ``GI bill'' or if you believe in strengthening the family or whatever it is, then vote for people that agree with you. Then you can dramatically change things.

So that is the fundamental way to get it done. But how we can disseminate information better, that's something that I've got to find out because I don't think a lot of people know of the conviction I feel on education, on excellence, on choice, and on these very, some would say, revolutionary concepts but concepts that ought to be tried.

So don't give up on the political process is what I'd say.

[A participant urged others to vote for candidates who support educational choice.]

The President. Thank you, sir, very much. I'll make a broad comment on that; certainly grateful for what this gentleman said. There's disenchantment. But the worst thing to do is to give up: ``So, I'm not going to vote. I'm going to sit on the sidelines. Nobody can get anything done.'' You look around the world today, and the United States is still the envy of the entire world. For us to give up on our system because of a frustration, we ought not to do that. We have got to do exactly what you've said.

I am not going to give up on fighting for this. The election offers us a great opportunity. I'm not just talking about me; as you said, I'm talking about Congress where we must change things. I won't give you my political speech about one party controlling the United States Congress since 1956. They don't know how to run a post office, and they don't know how to run a bank. We need to change that while we're at it.

[A participant said that without financial assistance, her younger siblings would be unable to attend Catholic high school.]

The President. Was there a question, or are you just explaining? If there was a question, I am embarrassed to say I couldn't hear it. But I did get your statement. Thank you.

[A participant speculated that the collapse of the private school system would place a burden on public education.]

The President. You know how to complicate my life; don't do that. You ask a good question. You know, I love the pride that obviously you feel in the education you're getting. I love the

family feeling around here about the importance of providing this kind of education with family and faith and all of that as a centerpiece. I mean, that's good.

As President I've got to look at that, and then I've got to look beyond it: What can we do to strengthen all the education in this country? They aren't going to crater; these schools are not going to crater. The private schools are not going to crater and fall down. You've got too much going for you in terms of excellence. And yes, it's a strain on the Catholic Church. I was told by a leading businessman in Philadelphia coming out here that business people in Philadelphia put up something like $75 million, I believe was the fee -- not Catholic; others put it up there -- to support the parochial schools, the private schools and parochial schools, because they believed in offering the best possible quality education. So don't worry that the whole system is going to collapse.

But as President, and I'm sure everyone here would agree with this, it isn't a question of just making these schools better and then denying the great public school system in this country. We want to make that better. We want to bring change to those marvelous institutions that can do a better job. We think this whole concept of choice will improve everybody else as well as helping the families.

So I don't look at it in a catastrophic sense. I look at it in the sense of real opportunity to help families here, to help kids here achieve what they want to achieve, but not at the expense of the public schools. That's the point we've got to make.

The NEA, that national union, is fighting me on this. They are fighting hard, but they are not willing to look at the big picture. They're not willing to look at the establishment. Art, sitting at our table, was telling me about that. He's a teacher in the public schools, and this NEA crowd is fighting any kind of change because they just like it the way it's been. I don't like it the way it's been. I want to help those public schools get better. I want to see families have their choice to send their kids to the schools they want. And that's the message. That's the underlying message. So when you hear the big assault on us in the fall about this question, please do not be taken in by that rhetoric. This is going to enhance education all across the board, in my view.

All right. Are we out of here? Okay, I'm going to violate a rule. I've been in politics a long time, half my life in politics, half in private life. This lesson I learned in politics: If you take one more question, you always get in trouble. But go ahead, what is it? Question, not a speech, please, sir. [Laughter]

[A participant stated his support for the President's reelection as the best way to address the Nation's problems.]

The President. That is the exception that proves the rule I was talking about. [Laughter]

Let me say, first of all, thank you. I think I know where you're coming from. Even Presidents get moved by anecdotes and talk of family like that.

We do have to win this war against drugs and crime. This gentleman's a police officer. We have anticrime legislation -- again, I don't want to be placing blame, but it is languishing in the House of Representatives -- that would support the police officers that are laying their lives on the line for you and me every single day: more support for them, tougher sentencing, a little more respect for the victims of crime, and a little less concern about the criminal himself.

We have got legislation up there that really needs to go now to the American people. I'll be doing this in the fall after we get out of this funny period we're in now, and say: Do you want to be tougher on this crime? Do you want to have, yes, rehabilitation and all of that? Do you want to strengthen the families that are threatened when some mother's coming home at night on a subway or a bus and the kids waiting there, doesn't even know if she's going to make it back there? The answer is we do have to be hardnosed and tough against the criminal element and then support those and try to rehabilitate some of these kids that are caught up in this drug fight.

We've got a good program called ``Weed and Seed'' that I went over with the police chief here before he moved out to California. It weeds out of the neighborhoods the criminal elements and then seeds them with jobs and hope and opportunity and homeownership and a lot of other things.

So, no Federal program is going to solve it. What's going to solve it is what you feel surrounded by family, love, and faith in this room. I really mean this. Don't take my word for it; talk to these mayors. How do we restructure and strengthen the American family?

But I will do my level-best to take to the American people the case that your comments brought to my mind: Strengthen the family and the neighborhoods by protection; do it by education; do it by changing the welfare system to have respect for learning and work and not just dependency. Then do it in a Christian way, as I would say here in a Christian setting, but do it in a way of faith because you've got to recognize that a lot of people have had it very, very rough.

I will end with this, and I hope you understand. Barbara Bush says what happens in your house is what's more important than in the White House. In a way she's right because what she's talking about there is the need to hold these families together, lift these kids up and give them the love. Every kid has to have somebody that knows his name. Sometimes, in this hopelessness and despair, that doesn't take place.

So, I really want to help you try to get to the bottom of what you've talking about here. It is an odd year. It has not been particularly pleasant for me or my family, but I'm a fighter, and I'm going to take this case to the American people.

May God bless all of you. Thank you very, very much.

Note: The President spoke at 12:36 p.m. at Archbishop Ryan High School. In his remarks, he referred to students Maria Manzoni, a junior at St. Maria Goretti High School, and Kelly Geiger, a senior at Roman Catholic High School; and Anthony Cardinal Bevilacqua, Archbishop of Philadelphia.

Remarks to Religious and Ethnic Groups in Garfield, New Jersey

July 21, 1992

May I thank you, Governor Kean, for that warm welcome back. May I salute our assemblyman, Chuck Haytaian, our senate president, Don DiFrancesco, and our House candidate, Pat Roma. I'm delighted to see you all. May I ask that we pay our respects to His Beatitude, Metropolitan Theodosius, the Archbishop of Washington, the Primate of the Church; and Archbishop Peter, Bishop Paul, Father Alex, and members of the Three Saints parish. Thank you for welcoming me and so many thousands of your neighbors in New Jersey. Good afternoon to Congresswoman Marge Roukema, that's out there somewhere, and the wonderful people in this audience that represent the rich diversity of New Jersey.

Your heritage is Cuban and Vietnamese and Jewish and Christian and Irish and African and Polish and Chinese and Armenian and so many, many others, and you're Americans all. You are Americans. Your spirit enriches our country, and it fuels the flame of freedom all over the world.

These gleaming church domes remind me of the skyline of a great city. Since my last trip to Moscow, the Russian people have toppled the idols of Soviet communism. They have begun renewing the Russian nation. And just consider the signs of the times: In Red Square this Easter, the gigantic picture of Lenin was gone, and in its place was a massive icon of the Risen Lord, a powerful symbol of the new birth of freedom for believers all around the world.

Today Germany is free and united. Ukraine is free and democratic. Poland is free. And the rollcall of freedom includes Hungary and Armenia, the Czech and Slovak Republic, Bulgaria, Byelarus, Lithuania, Estonia, Latvia, and many, many more. At long last, the captive nations of the old Soviet empire are free.

But our work is not finished. In Asia, in Latin America, in other regions, some nations still suffer oppression. Some people are still struggling to be free. That's why, one of the reasons, I want your support to serve 4 more years as President, to complete the job of freedom around the world. We've got to use our energy, we've got to use our experience to solidify the historic changes that have given birth to these new democracies abroad and made us secure at home.

These events benefit every American. The free world's triumph in the cold war, brought about by the steadfast efforts of America, of the American people, of her allies, gives us a chance to establish for these kids here a lasting peace. The momentous arms agreement that I reached last month with President Yeltsin, this reduction with its sweeping cuts in nuclear weapons, will make us more secure than at any time since the dawn of the nuclear age. These kids can go to sleep without worrying about nuclear war because of the changes we have brought to this

country.

Little more than 2 years ago, I welcomed to the White House Poland's then -- the first non-Communist prime minister since Stalin's conquest of Eastern Europe. This brave man, Tadeusz Mazowiecki, spoke some of the clearest and wisest words about the times we live in. He said, ``History is accelerating." And with those words, he foretold the fall of the Soviet empire.

This wave of history, this surge of hope is not confined to Europe. The Afghan people have won back their homeland. In Angola and in other African countries, people are digging out from under the rubble of tyranny. Mark my words: During my second term as President, the probability is high, it is very high that greater freedom will come to more than a billion people in Vietnam, in North Korea, and in China.

Closer to home, we also have more victories for freedom. The Castro dictatorship is on its last legs. Here's what I envision: Within the next 4 years, I will be the first President of the United States to set foot on the soil of a free and democratic Cuba, and that's good for all of us. I am determined to keep America the leader in the struggle for world freedom.

I am every bit as determined to protect the sources of our strength right here at home in the good old U.S.A. During the next 4 years, I'll keep helping American workers and entrepreneurs carry us to new heights of achievement. I will fight for the rights of American parents and American families. We must restore respect for the American family. The family is under siege. The choices in this election are clear: On one side, the advocates of the liberal agenda; on the other side are you and I and those values of family that we share.

They want to tighten the monopoly on our kids' education. I am fighting on your side, as Tom said, for parents' rights to choose their children's schools, public, private, or religious. And our ``GI bill" for children gives middle- and low-income families more of the same choices of all schools that people with a lot of money already have. Two years ago, they tried to create a new bureaucracy, this one for child care. I won my fight to let parents choose their children's care, including church-based care. I will keep on fighting for that kind of choice for the American family.

They want public schools to hand out birth control pills and devices to teenaged kids. They believe it's no business of the parents and that it's strictly a matter between our children and the Government. They even encourage kids to hire lawyers and haul their parents into court. I believe kids need mothers and fathers, not Big Brother bureaucracy. The bond between the parent and the child is sacred, and it is fundamental.

The big government, liberal approach to welfare has failed. That's why, just yesterday, I enthusiastically approved New Jersey's request to try a new approach to make parents in the welfare system more responsible, to put parents back to work.

And I'm ready to fight 4 more years to protect the traditional rights of parents and families. Families are central to any civilization. More than a century ago, Dostoyevsky imagined a nightmare world, a place where an all-powerful state crushed the natural rights of individuals and families. ``And if God is dead," he wrote, ``then everything is permitted."

Well, looking out over this magnificent audience, I can feel it: I know that your faith is alive, and family is the most important thing we have here on this Earth. And we take to heart the words of ``America the Beautiful": ``Confirm thy soul in self-control..." We know that the America we love, the America that's such a powerful beacon to the entire world, will not stay strong if the culture and the Government teach our kids that anything goes.

Think about it. If we can tear down the Berlin Wall, we can build a strong economy. If we can lift that Iron Curtain, we can bring the curtain down on immorality and indifference and lawlessness. If we can help people walk free through the streets of Europe, there's no reason we cannot take back our streets right here in our neighborhoods in the United States of America.

You know, being here reminds me that next month marks the first anniversary of that attempted coup in Moscow, of those fateful days in August when Russia's democratic future was laid on the line, when world peace hung in the balance. I'm sure each one of us has indelible memories of those days. I certainly do, and I am proud that we had the courage and the leadership to stand by Russia's democrats in their hour of need. I am grateful for what Boris Yeltsin said about American leadership and making it possible for democracy to come to Russia.

You know, earlier this year, I had the privilege of hearing Slava Rostropovich recount his memories at the National Prayer Breakfast in Washington. He'd flown to Moscow at the first news of the coup, and he stood 3 days and nights with President Yeltsin and the defenders of freedom and democracy, protecting what the Russians call their White House. He told us that deep in the night the only sound was from the movement of the tank treads. And he said, ``The aura of faith was almost palpable. In that moment the salvation of us all and of the future of the country came only from God."

My fellow Americans, we have the good fortune not to live in the shadow of machine guns and tanks. America will be safe so long as the United States of America stays strong, so long as we continue to lead around the world.

Let me repeat it: Barbara and I count it a great blessing that when your kids and our grandchildren go to bed at night they don't have the fear, that same kind of fear, that fear of nuclear threat that we faced until just a few months ago. This is momentous. This is important to the entire world. I am proud that our leadership brought it about.

Of course, we've got hard work ahead. We've got to keep our national security second to none. We've got to prove the pessimists wrong about America's ability to compete and to create jobs

and to expand America, to expand opportunity for all. We must protect and renew our most precious resource, America's families.

Now, to meet these challenges, to lead the Nation, to fight on your side of the values we share -- put party politics aside -- but to fight on your share for these values, on your side, that's why I'm asking you to help me win another 4 years as President of the United States of America. I will not let you down. I will fight for the faith. I will fight for the American families. We are one Nation under God, and never forget it. We can overcome any problems we face.

Thank you. And may God bless this great country, the freest, the fairest, the greatest country on the face of the Earth. Thank you all. Thank you very, very much.

Note: The President spoke at 3:22 p.m. at Three Saints Russian Orthodox Church. In his remarks, he referred to Metropolitan Theodosius (Lazor), Primate, Orthodox Church in America; Archbishop Peter (L'Huiller), Orthodox Diocese of New York and New Jersey; Bishop Paul (Ponomarev), Vicar Bishop of the Patriarch of Moscow and administrator of the U.S. patriarchal parishes; the Very Reverend Alexander Golubov, rector, Three Saints Church; and Mstislav Rostropovich, National Symphony Orchestra director.

Statement on New Jersey Welfare Reform

July 21, 1992

In my State of the Union Address, I pledged to help any State to reform its welfare system by making it easier to obtain waivers of Federal law and regulation. I am pleased that we have approved Federal waivers that will allow New Jersey to implement its welfare reforms. These waivers will allow New Jersey to try a new approach to helping welfare dependent families become independent.

New Jersey's approach, called the Family Development Program, will encourage responsible behavior by parents receiving welfare. It will also offer incentives for such parents to work.

New ideas for reforming welfare abound in the States. I am pleased New Jersey will be one of the ``laboratories of democracy'' for welfare reform. Careful efforts to try new ideas and evaluate how well they work can help us create a better welfare system. New Jersey's efforts today will make for smarter policy tomorrow.

Message to the Congress Transmitting the Luxembourg-United States Social Security Agreement

July 21, 1992

To the Congress of the United States:

Pursuant to section 233(e)(1) of the Social Security Act, as amended by the Social Security Amendments of 1977 (Public Law 95 - 216, 42 U.S.C. 433(e)(1)), I transmit herewith the Agreement between the United States of America and the Grand Duchy of Luxembourg on Social Security, which consists of two separate instruments -- a principal agreement and an administrative arrangement. The agreement was signed at Luxembourg on February 12, 1992.

The United States-Luxembourg agreement is similar in objective to the social security agreements already in force with Austria, Belgium, Canada, France, Germany, Italy, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to eliminate dual social security coverage and taxation, and to help prevent the loss of benefit protection that can occur when workers divide their careers between two countries.

I also transmit for the information of the Congress a report prepared by the Department of Health and Human Services, explaining the key points of the agreement, along with a paragraph-by-paragraph explanation of the provisions of the principal agreement and the related administrative arrangement. In addition, as required by section 233(e)(1) of the Social Security Act, a report on the effect of the agreement on income and expenditures of the U.S. Social Security program and the number of individuals affected by the agreement is also enclosed. I note that the Department of State and the Department of Health and Human Services have recommended the agreement and related documents to me.

I commend the Agreement between the United States of America and the Grand Duchy of Luxembourg on Social Security and related documents.

George Bush

The White House,

July 21, 1992.

Message to the Congress Transmitting the Report on Federal Conservation and Use of Petroleum and Natural Gas

July 21, 1992

To the Congress of the United States:

As required by section 403(c) of the Powerplant and Industrial Fuel Use Act of 1978, as amended (42 U.S.C. 8373(c)), I hereby transmit the 13th annual report describing Federal actions with respect to the conservation and use of petroleum and natural gas in Federal facilities, which covers calendar year 1991.

George Bush

The White House,

July 21, 1992.

Notice on Continuation of Iraqi Emergency

July 21, 1992

On August 2, 1990, by Executive Order No. 12722, I declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Iraq. By Executive Orders Nos. 12722 of August 2 and 12724 of August 9, 1990, I imposed trade sanctions on Iraq and blocked Iraqi government assets. Because the Government of Iraq has continued its activities hostile to U.S. interests in the Middle East, the national emergency declared on August 2, 1990, and the measures adopted on August 2 and August 9, 1990, to deal with that emergency must continue in effect beyond August 2, 1992. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iraq.

This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

July 21, 1992.

[Filed with the Office of the Federal Register, 4:07 p.m., July 21, 1992]

Note: This notice was published in the Federal Register on July 23.

Message to the Congress on Continuation of the National Emergency With Respect to Iraq

July 21, 1992

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1992, to the Federal Register for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to U.S. interests in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Iraq.

George Bush

The White House,

July 21, 1992.

Presidential Determination No. 92 - 36 -- Memorandum on Refugee Assistance to Burma

July 21, 1992

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended -- Burma

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that it is important to the national interest that $3 million be made available from the U.S. Emergency Refugee and Migration Assistance Fund (the ERMA Fund) to meet the unexpected and urgent refugee needs of Burmese refugees and displaced persons. These funds may be contributed on a multilateral or bilateral basis as appropriate to international organizations, private voluntary organizations, and other governmental and nongovernmental organizations engaged in this relief effort.

You are authorized and directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority, and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 2:40 p.m., July 28, 1992]

Nomination of Lou E. Dantzler To Be a Member of the National Commission on America's Urban Families

July 21, 1992

The President today appointed Lou E. Dantzler, of California, to be a member of the National Commission on America's Urban Families. This is a new position.

Currently Mr. Dantzler serves as executive director of the Challengers Boys and Girls Club in south central Los Angeles. He founded the Challengers Club in 1968 in the aftermath of the Watts riots. The club provides activities, including arts and crafts, sports, health instruction, and field trips to nearly 2,200 members, ages 6 through 17. The success of the Challengers is due in large part to a commitment to strong families and parental involvement. On May 8, 1992, President Bush recognized the Challengers Club as the 766th Daily Point of Light. Mr. Dantzler has received numerous awards for his dedicated work with children, including an NAACP Image Award in 1990, and he was the recipient of the 1991 L.A. Sentinel Outstanding Organization of the Year.

Mr. Dantzler served in the Air Force from 1956 to 1960. He is married, has two children, and resides in Los Angeles, CA.

Remarks to the President's Drug Advisory Council

July 22, 1992

Please be seated, and thank you very, very much. I don't know why they get such a distinguished group here so early. I would like the record to show that Jim and I are almost on time. I saw some nervous looks up at the sky. But here we are in the Rose Garden. I look around this audience, and I am very grateful not just for your being here but for this wonderful level of participation in the fight against drugs.

Obviously, I remain not only grateful to but most impressed with the work that Jim Burke is doing. Bill Moss is with us today, Michael Walsh, and then other members of the President's Drug Advisory Council. Alvah Chapman, my heavens, what he's done not only on the national scene but in the community there in Florida is remarkable. And so many other business and community leaders, I salute you all.

I would say this: I would like to salute people who have helped achieve the improbable. You ask anyone with a teenager or a grandchild, and drugs are no longer cool. When we presented this bipartisan -- and we want to keep it that way -- bipartisan drug strategy almost 3 years ago, we put great emphasis on the role of prevention in the private sector. Today, I just want to thank all of you for what you've done to help curb the drug use that declares open season on the innocent.

The administration had hoped to cut the overall drug use by 10 percent, and you all helped surpass that goal. We wanted to slash occasional cocaine use by 15 percent; it went down 22. Three separate studies confirm that adolescents' use of cocaine dropped 63 percent from 1988 to 1991. And America, a lot of America, put it this way, is clearly giving up drugs, and especially the young. Therein lies an awful lot of hope.

This is an important start, and I emphasize that word ``start," in a difficult fight. Today, according to the national drug control policy, there are still up to 12 million users of illegal drugs. That's why in November of 1989, we created the President's Drug Advisory Council to further mobilize the private sector in our antidrug strategy. And thus began a great crusade of citizen-formed community coalitions against drugs.

In January I saw it firsthand when I met with more than 700 coalition leaders attending your national leadership forum. I am told there are more than 900 of these community organizations, with more being formed daily.

I look forward to this October when they will be helped by a new organization growing out of the President's Drug Advisory Council, the Community Antidrug Coalitions of America. Now, this group is going to work with business, with labor, with community leaders to eliminate drugs.

So will another major initiative of our Council, which I'm pleased to announce today. Eight months ago, I met with the Council's Workplace Committee, and from that has come a program which seeks to make every workplace in America drug-free, and its title, a very simple one: Drugs Don't Work.

Today the good news is that close to 90 percent of large companies do have antidrug programs, and we know that they do work. The bad news is that we don't have programs where now they are needed the most, in small and medium-sized businesses. Here you'll find many of the more than 2 million Americans who use cocaine and the 12 million overall who use drugs. It's for them that you and Council members like Frank Tasco and Al Casey and David Clare, George Dillon have teamed to provide freedom from drugs in the marketplace.

Last year I went down to the Tropicana plant, to Tropicana Products in Florida and heard about their employee assistance program. One day an employee called this program's toll-free line for help in battling addiction and alcoholism, and then very recently he wrote the local newspaper saying, and here's his quote, ``The substance abuse treatment program was a godsend.'' Well, there's stories like this all over the country.

It's also true of the employee of New England Telephone who sent a thank-you note to Paul O'Brien. The letter described how the company's tough stand forced the woman to confront her alcohol and drug problem. Today she's back at work, healthy and productive.

From coast to coast, business and labor are working to drive drugs out of the workplace. Let me salute these beginnings, and let me also challenge you to build upon them.

Today drugs cost the economy more than $60 billion annually in lost productivity, health care, and other expenses. This harms the ability of our businesses to succeed and compete. By defeating drugs we will help America win in the global economy, we'll help educate our citizens for a new century, and we'll open more opportunity than ever for all Americans, preserving one Nation under God.

Stopping drug abuse will help put America back to work, instill pride, increase productivity, improve quality, and then again heighten our competitiveness. Stopping drugs will also strengthen the family, reaffirming values like discipline and self-reliance, courtesy, and belief in God.

If you ever want to understand the importance of your work, do as I did yesterday when I met with the black mayors association, or do what I did a couple of months before that when I met with the mayors from the National League of Cities. They talked about the decline of the American family as the major source of urban decay. They went on to emphasize the need to win this battle against drugs as the way not just to whip the drug problem but to reunite and

strengthen the American family. They know that drug abuse costs incomes and jobs, hurts the children, destroys marriages. We've got to end it, and we will.

We must all just pledge renewal that we're going to get this job done. And that's why we have worked with the private sector to expand and improve workplace programs. It's why our antidrug budget for '93, fiscal '93, is up by 93 percent since I took office.

Today I would urge the Congress once again, call on the United States Congress to fund this request to spur effective treatment and prevention. Above all, I call on the Congress to pass crime legislation now up on the Hill. I still strongly favor a death penalty for drug kingpins who kill our police officers. Let those who sow the wind of crime reap the whirlwind of punishment.

As business and community leaders, each of you is helping with a crusade. It really is as historic as Normandy and as deadly as Pork Chop Hill, as monumental as the fall of imperial communism. It's a crusade to take drugs off the streets so that Americans can take back the streets. We've got our work cut out for us, but I know that we're going to triumph.

I am very grateful to all of you for what we've already done. I'm not sure the American -- maybe this is something I can help with -- I'm not sure the American people know that we have had some dramatic successes, thanks to the work of the private sector and dedicated individuals sitting right here. We've got our work cut out for us, but we've done a lot. With this new initiative, I'm confident that what you'll do in the future will get the job done.

So thank you all very, very much. Thanks for coming. And may God bless our great country. Thank you.

Note: The President spoke at 9:15 a.m. in the Rose Garden at the White House. In his remarks, he referred to PDAC officials James Burke, Chairman, J. Michael Walsh, Executive Director, and William Moss, former Chairman; PDAC member Alvah H. Chapman, Jr.; and Paul O'Brien, chairman, New England Telephone.

Exchange with Reporters on the Presidential Campaign

July 22, 1992

Q. Mr. President, is the Vice President's chair a little uncertain these days?

The President. No, it's very certain. I'm not going to take any questions here because we've got an awful lot of work to do. I hope you'll understand, Charles [Charles Bierbauer, Cable News Network], but we're not going to take any more questions now.

Q. What about Secretary Baker?

The President. A lot of crazy rumors floating around, aren't there? But I'm not going to -- --

Q. Would you like to stop the rumors, sir?

The President. -- -- say anything about it. No. I'm just going to let -- --

Q. Where do you think these rumors are coming from, sir?

The President. -- -- you guys get in that feeding frenzy that you love. And keep working on it, and be sure you get good sources, though, because I read some that don't look pretty good -- don't look very good.

Q. Which ones are they, Mr. President?

The President. Source is you guys writing.

Q. Why do you think all these rumors are out there, sir?

The President. I don't know, Charles, I don't know. My health is pretty good, though, and I want to challenge the press corps, everybody who's 67 and over, to a race around the Oval here. [Laughter] You'll maybe run into a few of the younger crowd -- sorry, that's not a direct assault on you cameramen. I want to be careful. [Laughter]

But seriously, it's a crazy time on rumors. We get phone calls: Barbara's sick; Marilyn Quayle's sick; I'm not feeling well. I don't know what's going on out there. But I don't believe in repeating them or encouraging the printing of them.

Thank you all very much.

Q. Are there any others you would like to put to rest?

The President. Yes, like I'm feeling good; I am. Put to rest the health rumors. It is weird. Maybe this is the normal procedure every 4 years, but I don't remember it quite on such funny things like whether I'm in good health or not. Charles' associate asked me the question, and I thought she was criticizing the amount of food I was eating going through the barbecue line. She said to me, ``What about your health?'' I said, ``Well, I'm not eating too much,'' or something. It turned out it was the rumors.

Q. We don't make them up, we just pass them on. [Laughter]

Note: The President spoke at 11:12 a.m. in the Cabinet Room at the White House prior to a Cabinet meeting.

Remarks at the Presentation Ceremony for the National Medal of the Arts

July 22, 1992

Welcome, everybody. Sorry for holding you up for a few minutes here. Welcome to the White House. May I salute Dr. Radice. I don't see Lamar. He was to be here, Lamar Alexander, our Secretary of Education. I think I just left him, and he'll be along. Dr. Lynne Cheney, Members of the Congress, and so many distinguished guests, welcome.

Barbara and I are both delighted to be here and proud to be part of an America which values arts as well as business or science or politics. President Kennedy expressed so well the importance of this ideal when he said, ``Roosevelt and Lincoln understood that the life of the arts is very close to the center of a nation's purpose and is a test of the quality of a nation's civilization."

Well, we're here today to pay tribute to some extraordinary men and women, men and women of genius and passion who enrich that quality of life in our America. ``Made in U.S.A." has a new meaning today, for almost all these artists were born in small American towns, trained here in their own country, then turned this uniquely American vision to a wide range of artistic fields. Because of their vision, today we celebrate the sheer and priceless pleasure of being American.

For some, being American means being born into a certain regional tradition with the talent to preserve that legacy and carry it to a wider audience. Earl Scruggs brought the fast and furious banjo-pickin' licks of his bluegrass revolution from Flint Hill, North Carolina, to Carnegie Hall. Down the road in Nashville, for over a half a century, a sprightly cracker-barrel philosopher named Minnie Pearl has been dispensing down-home wisdom and a whole lot of down-deep laughter. Jazz pianist Billy Taylor's music, including Jazzmobile Outreach, ``makes a joyful noise" and gives a special streetwise swing to this most American form of expression.

For some, being American means striving to brand the bold spirit of this land onto work that is universal and timeless. American-born and -trained Marilyn Horne not only sings with the passion and precision that embody opera at its grandest, but she also introduced composers such as Handel to audiences here at home. By elevating American choral music to the highest levels of excellence, the sweep of Robert Shaw's work has proclaimed the majesty of God throughout this Nation.

For some, being American means reaching from their roots to touch the Nation on a larger-than-life canvas. Robert Wise brings the perspective of his Indiana childhood to the crafting of movies of imagination and humanity from ``The Sound of Music" to ``West Side Story." And with the courage and sheer power of his fierce talent, Mississippi's James Earl Jones has stamped his purely American mark on classical roles and created new characters who explore a man's

quest for dignity.

I might say on a very personal note, when I saw ``The Hunt for Red October'' and ``Patriot Games,'' I enjoyed his performance as Director of the CIA, a role that I played briefly myself. [Laughter]

For some, being American means flourishing this country's impatient exuberance in the face of dusty tradition. Out of Robert Venturi's genius sprang the post-modern movement of architecture, forever altering the way we see the cities around us. The writings of Denise Scott Brown, his wife and partner, have stimulated the American awareness of architecture as public art.

For some, being American means passionate stewards of the arts, committed to bringing theater, painting, dance, music, and so much more to all kinds of Americans across this country. Millions have been stirred and moved by cultural programming like ``Omnibus,'' part of the video trails blazed by Robert Saudek, now caretaker to television's legacy at the Museum of Broadcasting.

Two special companies have set the standard in corporate philanthropy. They give hundreds of grants and millions of dollars, but most importantly, they give the example of believing in the importance of arts for America. The AT&T Foundation supports innovative projects all across the country, ranging from tours by dance companies and ethnic artists to original drama and music composition. The Lila Wallace-Reader's Digest Fund aids American performing, visual, and literary artists who have a real dream, and it also cares for the future, generously funding arts education.

I want to take a moment for a special salute to someone whose work has intrigued me since I first met him here at the White House a couple of years ago. When you talk about being American, nothing can capture the richness and depth of that experience quite like native American art. Not only is it our oldest and proudest tradition, but in native American society, art and life are strands of the same cloth. The ancient patterns on blankets and the dances and the colors: Art is an integral and time-honored part of daily life. So I'm very proud to salute Allan Houser. His hands transform bronze and stone to capture the true meaning of this country's unbroken spirit. His sculptures eloquently echo this Nation's heritage of proud Apache chiefs and speak for the essential humanity of all Americans.

I firmly believe that our number one goal for the 21st century must be education. The high-tech challenges of this global marketplace we're living in will be absolutely overwhelming. But as we equip our kids with the skills to compete, we also must help them develop as complete human beings. One way to do this is through the arts. For without knowledge of the beauty and depth of the human spirit, our successes are hollow and our lives lacking.

President John Adams wrote this: ``I must study politics that my sons may have liberty to study mathematics and philosophy in order to give their children a right to study painting, poetry, and music." That is why we celebrate these men and women today.

Congratulations to all. Thank you for your contributions to the great tapestry that is American art. Now I'd like to ask Dr. Radice to assist me in presenting these medals, if you would.

Note: The President spoke at 12:04 p.m. in the East Room at the White House. In his remarks, he referred to Anne Radice, Acting Chairman, National Endowment for the Arts, and Lynne V. Cheney, Chairman, National Endowment for the Humanities.

Remarks at an Antidrug Rally in Arlington, Virginia

July 22, 1992

Reverend, thank you, sir. It is most fitting that a ceremony like this, where we celebrate what a community has done, open its meeting with prayer. I'm proud to be here. My dear friend the Congressman from here, Frank Wolf, he and I came over together, and he was ecstatic in trying to give me the heartbeat of this community and tell me what you all have achieved.

I've read about it, I've seen stories from time to time, but there's nothing like being on the scene to get a real feel. All I will say is that we have got to find various ways with which to win the battle against drugs, and this community is setting an example really for the rest of the Nation.

So what I wanted to do here today was simply turn it over to you all and hear what you've done. This morning I met at the White House with some business leaders, and they're working in the business community to make the business places free of drugs, workplaces drug-free. And they're making progress.

The reduction in cocaine, casual use by teenagers is down by 63 percent in the last 3 years. So you all are making some progress.

But I really came over to not only congratulate you on this, what is it, the second anniversary of the initiation of this project, but to say that the Government couldn't possibly have done it, it couldn't possibly have happened without this community involvement, dedicated women, dedicated men saying, ``Look, we're going to safeguard these kids, these precious kids, against the use of drugs." So what I want to do is hear from you as to how it went.

Note: The President spoke at 1:58 p.m. at Drew Elementary School. In his remarks, he referred to Richard Green, associate pastor of Mount Salvation Baptist Church, who gave the invocation.

Letter to Congressional Leaders Transmitting Proposed Legislation on Oregon Public Lands Wilderness Designation

July 22, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to submit for congressional consideration and passage the ``Oregon Public Lands Wilderness Act".

The Federal Land Policy and Management Act of 1976 (FLPMA), (43 U.S.C. 1701, et seq.), directs the Secretary of the Interior to review the wilderness potential of the public lands.

The review of the areas identified in Oregon began immediately after the enactment of FLPMA and has now been completed. Approximately 2,806,598 acres of public lands in 92 areas in Oregon met the minimum wilderness criteria and were designated as wilderness study areas (WSAs). These WSAs were studied and analyzed during the review process and the results documented in three environmental impact statements and five instant study area reports.

Based on the studies and reviews of the WSAs, the Secretary of the Interior recommends that all or part of 49 of the WSAs, totaling 1,278,073 acres of public lands, be designated as part of the National Wilderness Preservation System.

I concur with the Secretary of the Interior's recommendations and am pleased to recommend designation of the 49 areas (totaling 1,278,073 acres) identified in the enclosed draft legislation as additions to the National Wilderness Preservation System.

The proposed additions represent the diversity of wilderness values in the State of Oregon. These range from the 9,730-foot Steens Mountain peak, to the deep canyons of the Owyhee River and the John Day River, to the small islands off the Oregon coast. These areas span a wide variety of Oregon landforms, ecosystems, and other natural systems and features. Their inclusion in the wilderness system will improve the geographic distribution of wilderness areas in Oregon, and will complement existing areas of congressionally designated wilderness. They will provide new and outstanding opportunities for solitude and unconfined recreation.

The enclosed draft legislation provides that designation as wilderness shall not constitute a reservation of water or water rights for wilderness purposes. This is consistent with the fact that the Congress did not establish a Federal reserved water right for wilderness purposes. The Administration has established the policy that, where it is necessary to obtain water rights for

wilderness purposes in a specific wilderness area, water rights would be sought from the State by filing under State water laws. Furthermore, it is the policy of the Administration that the designation of wilderness areas should not interfere with the use of water rights, State water administration, or the use of a State's interstate water allocation.

The draft legislation also provides for access to wilderness areas by Indian people for traditional cultural and religious purposes. Access by the general public may be limited in order to protect the privacy of religious cultural activities taking place in specific wilderness areas. In addition, to the fullest extent practicable, the Department of the Interior will coordinate with the Department of Defense to minimize the impact of any overflights during these religious cultural activities.

I further concur with the Secretary of the Interior that all or part of 76 of the WSAs encompassing 1,528,525 acres are not suitable for preservation as wilderness.

Also enclosed are a letter and report from the Secretary of the Interior concerning the WSAs discussed above and a section-by-section analysis of the draft legislation. I urge the Congress to act expeditiously and favorably on the proposed legislation so that the natural resources of these WSAs in Oregon may be protected and preserved.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Nomination of Alan Greenspan To Be United States Alternate Governor of the International Monetary Fund

July 22, 1992

The President today announced his intention to nominate Alan Greenspan, of New York, to be U.S. Alternate Governor of the International Monetary Fund for a term of 5 years. This is a reappointment.

Dr. Greenspan currently serves as Chairman and Member of the Board of Governors of the Federal Reserve System. Prior to this, he served as chairman of Townsend-Greenspan Co. & Inc., 1954 - 74 and 1977 - 87. Dr. Greenspan served on the Council of Economic Advisers, 1970 - 74; as Chairman of the Council of Economic Advisers, 1974 - 77; and was a member of the President's Economic Policy Advisory Board, 1981.

Dr. Greenspan graduated from New York University (B.S., 1948; M.A., 1950; and Ph.D., 1977). He was born March 6, 1926, in New York, NY, and currently resides in Washington, DC.

Nomination of Genta Hawkins Holmes To Be Director General of the Foreign Service

July 22, 1992

The President today announced his intention to nominate Genta Hawkins Holmes, of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Director General of the Foreign Service. She would succeed Edward J. Perkins.

Ambassador Holmes currently serves as U.S. Ambassador to Namibia, 1990 - present. She has also served as Deputy Chief of Mission in Pretoria, South Africa, 1988 - 89; Port-Au-Prince, Haiti, 1986 - 88; and Lilongwe, Malawi, 1984 - 86. Ambassador Holmes has also served at the State Department in several other positions, including international affairs officer at the Bureau of African Affairs, 1983; participant in the Senior Seminar at the State Department, 1982; and at the Agency for International Development as Assistant Administrator for Legislative Affairs and as Acting Administrator, 1979 - 81.

Ambassador Holmes graduated from the University of Southern California (A.B., 1962). She was born September 3, 1940, in Anadarko, OK. Ambassador Holmes is married and currently resides in San Francisco, CA.

Statement on Signing the Higher Education Amendments of 1992

July 23, 1992

Today I am signing into law S. 1150, the ``Higher Education Amendments of 1992." It reauthorizes the many programs in the Higher Education Act of 1965. The legislation is broad in scope and significance, encompassing both the Pell Grant and Guaranteed Student Loan programs as well as a variety of other programs to assist students and institutions of higher education. I hope that many middle- and low-income families who dream of a college education for their children will find that this legislation helps to make their dreams reality.

Educator Robert Maynard Hutchins once said: ``The object of education is to prepare the young to educate themselves throughout their lives." I think the key phrase here is ``throughout their lives." Our intention is to make it easier for all Americans to pursue postsecondary education and training throughout their lifetimes -- whether they are just out of high school or returning to school later in life. The world has changed, and a solid education is critical for all of us to compete effectively in today's global economy and function as responsible citizens in our American democracy.

In pursuing the reauthorization of the Higher Education Act of 1965, my Administration was guided by three major principles: improving access to postsecondary education -- especially for middle- and low-income students and families; enhancing accountability of all who play a role in postsecondary education programs; and promoting educational excellence. This legislation is not perfect, but it moves in the direction of these principles. It contains a number of valuable program integrity and loan default prevention provisions. In particular, these provisions will crack down on sham schools that have defrauded students and the American taxpayer in the past. The legislation also will take the first steps toward establishing the principle of rewarding academic achievement through the establishment of Presidential Access Scholarships. This is an important first step, and I will work to raise further the academic achievement standards for this program.

I am particularly gratified that segments of my AMERICA 2000 strategy are part of this legislation. It provides for an alternative certification program by which States will develop new routes to teacher certification. In addition, the legislation authorizes academies for teachers and school leaders to provide these educators with in-service training in academic and other educational areas.

I am also pleased that eligibility for Pell Grants has been provided to students studying for degrees on a less than half-time basis. This provision was part of my ``Lifelong Learning Act." Providing grants to individuals taking as little as one course at a time toward their degree offers American men and women some of the flexibility they need to improve their employment skills

while recognizing their commitments to jobs and families. This provision enables a working mother in a low-wage job to receive financial assistance for courses that would qualify her for a better paying, high-skilled job. It allows education to become the mechanism by which those at the back of the line can move to the front of the line -- and realize the American dream.

In addition to the laudable aspects of S. 1150, the legislation unfortunately includes certain constitutionally troublesome provisions relating to reports to the Congress containing legislative recommendations and the use of audit standards established by the Comptroller General. I will construe these provisions to avoid constitutional difficulties and preserve the separation of powers required by the Constitution.

We now have the best system of colleges and universities in the world. As a next step, I would like to see the same excellence at the elementary and secondary school level. To change our country, we must change our schools, and I am pleased that the revolution has started and is spreading. There are 1,500 communities and 44 States committed to the AMERICA 2000 strategy.

My AMERICA 2000 legislation calls for four transforming ideas: (1) a new generation of break-the-mold New American Schools; (2) world class standards and a system of voluntary national exams that measure progress that schools make toward meeting those standards; (3) broad flexibility for teachers and principals to help children achieve greater learning; and (4) parental choice of schools so that middle- and low-income families have more of the same choices of schools for their children that are now the preserve of wealthier families. We cannot afford to accept business-as-usual here in Washington while the country demands change and improvement.

Yesterday, Senator Danforth and Congressman Gradison introduced my ``Federal Grants for State and Local `GI Bills' for Children." It will give middle- and low-income families consumer power -- dollars to spend at any lawfully operating school of their choice -- public, private, or religious. Just as the original GI Bill and Pell Grants transformed higher education, the ``GI Bills" for Children will help transform elementary and secondary education.

I am pleased to sign the ``Higher Education Amendments of 1992." I look forward to signing the ``Federal Grants for State and Local `GI Bills' for Children" in the near future, and I am hopeful we can work together to produce an AMERICA 2000 bill just as we worked together on the bill I am signing today.

George Bush

The White House,

July 23, 1992.

Note: S. 1150, approved July 23, was assigned Public Law No. 102 - 325.

Remarks on Signing the Higher Education Amendments of 1992 @36in Annandale, Virginia

July 23, 1992

Please be seated, and thank you very, very much. Dr. Ernst, thank you, sir, for that very nice explanation and that wonderful introduction. Let me say how pleased I am to be here on this campus, be here at this marvelous community college about which I've heard so many good things.

I'm delighted to be with Lamar Alexander. I know the Members of Congress here have met him and worked with him, but some of the students here and some of the faculty may not have. In my view, nonpartisan view, a purely objective view, Lamar Alexander is really doing a superb job for the Nation's education, and I'm delighted he's here.

I want to salute the Members of Congress that came all the way over. Lamar was telling me and our own people in the White House have told me that this was truly a bipartisan effort. The leaders out here today reflect that, and they have stood by education for a long, long time. So I welcome them, salute them, particularly the members of the Senate Labor and Human Resources Committee, the House Committee, the House Education and Labor Committee.

I also want to salute the members of the NOVA community. It's a pleasure, as I say, to be here in Virginia, the cradle of American education, and then to sign into law this higher education bill, the Higher Education Amendments of 1992, and help thereby move our schools into the 21st century.

After this is over, we're going to pass these out to everybody, and then tonight we will have a quiz -- [laughter] -- on the ingredients therein. But I told Dr. Ernst that I'm impressed with NOVA's mission, curriculum, and most especially your choice of last year's commencement speaker -- [laughter] -- a silver-haired philosopher named Barbara Bush, who still feels honored and delighted.

But there are a couple of things I don't like to do. You know one, eating broccoli. But the other is speaking where Barbara has already spoken. It's sort of like being asked to play guitar after Garth Brooks. [Laughter] So I want to break my rule one time because this occasion is important and the hospitality that she received was so memorable.

We do gather at a momentous time in our country's history. Over the past 4 years, we've seen changes of almost Biblical proportions in the world. I think we rejoice that the cold war is over. What does that mean for you and your families? Well, I think when children go to bed at night, they'll be safer from the specter of nuclear war and safer than they were a decade ago, safer than

they were a year ago, and safer, I think, than just a month or so ago when we had that rather historic agreement with Boris Yeltsin. So I think that's good news. It's good news for the young people that are with us today. It's good news for our country. I happen to feel it's good news for the whole world.

But this new world does pose enormous challenges; big opportunities, though. From Poland to Paraguay, other nations are trying to copy our system of free enterprise. And here's the question: How do we win when more of the world's nations are playing our game? The opportunity is huge. The economists say when we win, we will share in a maximized proportion of ever-increasing global prosperity. I had that translated into English, and that means good, steady jobs for you and your families. So then you've got to ask, how do you win those jobs? I believe we cannot renew America without renewing our schools.

Consider a couple of facts. In 1980, a man with a college education made on an average $11,000 more per year than a man with only a high school education. By 1990, that gap had increased to more than $16,000, and the exact same pattern happened with women's income. Those facts shout a simple truth: Education makes the difference. Every American deserves the chance to get on the ladder of opportunity and climb up.

I want to tell you about a woman I admire. She's not someone you'll read about in the paper, won't see her on television. She is someone who might be your neighbor or the mother of one of your kids' friends. She has two disabled children and a life that's had many good breaks and then a couple of bad ones. But she also has a dream that she won't let go: She wants to be a nurse. Now she will get the financial help that she needs to fulfill that dream. Some day this courageous lady's children will sit in the audience and watch Mom receive her nursing degree. This woman who's done so much for so many will now be able to serve even more people. The president of Phi Theta Kappa, Frances McIntire. When I heard her story and saw her determination, I was mighty proud, proud of Frances, proud that we're giving thousands of men and women like her a better chance to get the education they desire and deserve.

This act that I'm signing today gives a hand up to lower income students who need help the most. But it also reaches out into the middle-income families, the ones who skipped a vacation and drove the old clunker so that their kids could go to college. Too often, the funding cracks have been so big that these solid, decent families have slipped on through, and their children's dreams have been in danger of slipping away. Well, no longer. It's a matter of fairness. It's a matter of our future.

This act also reflects an important new phenomenon. We used to think of education like measles vaccines, like first dates, or like learning to drive, something we only did when we were young. Today, education never ends. Although our temples may be graying and our jogging routes a little shorter, we always have to learn. And this act recognizes that simple fact, just as this great community college has recognized that fact, making Federal aid available for part-time students

who are taking a class or two toward their degree while still holding down a job.

How much richer our Nation's future will be. Each year, millions of families will be able to get more Federal assistance and then pass on to their kids the legacy of education. But this higher education act does more than open up Federal funding to middle-income and to part-time students. It also sets tough standards to rid Federal aid programs of fraud and abuse both by sham schools and by students who default on their loans. In addition, some student aid will now be contingent on academic performance. The act includes parts of what we call proudly our America 2000 program, including academies for teachers and school leaders and something called alternative certification.

Now, that's a program near and dear to my heart, so let me try to explain it. When I lived out in Odessa, Texas, in 1948, I'd just graduated from college, and I went out there and had a little extra time on my hands. I tried to volunteer to teach night courses. My college economics degree was not good enough because I didn't have the required courses, mandatory courses then, in education, and that bothered me. Then I learned that without a teaching degree, even Albert Einstein couldn't teach high school science. Now, I might understand keeping me out of there. I might get embarrassed around the computer or something. But Albert Einstein? Come on.

In my first months in office, I proposed legislation to allow the ``Einsteins'' to teach without traditional certification. After 3 years and 3 tries, now the Congress has agreed to this. This helps, in my view, open up huge talent pools to bring into our classrooms. Now we can find a way, for example, to encourage more of our men and women who are leaving the armed services to put their skills to work leading future generations in the classroom.

By the way, I'm pleased to note that this past spring I did receive my alternative teaching certificate from the State of Texas. The woman who sent me my certificate, Delia Stafford, is with us today. She's a champion of change, willing to try something different because our children deserve nothing less. I think it's good to give her a round of applause for her innovative approach.

Our system of higher education is indeed the best in the entire world because it's rooted in the American ideals that make it excellent, accessible, and accountable. America 2000 is the revolution that believes those ideals must be transferred to our elementary and secondary schools. Just yesterday Senator Danforth and Senator Gradison introduced my State and local ``GI bill'' for children which will transform precollege education by giving middle- and low-income families $1,000 scholarships to send their kids to their choice of schools. I don't know about you, but that gives me 1,000 reasons to cheer. Higher education thrives on competition, thrives on choice. We must bring those incentives to elementary and secondary schools. It's time we let parents, not the Government, choose their kids' schools, public, private, or religious.

I mentioned earlier how I believe that education is now a lifelong endeavor. So I feel it is only

appropriate to conclude with a quote I remember from my own school days, a quote from Longfellow, something about great heights not being achieved by ``sudden flight'' but by ``toiling upward in the night.'' Longfellow's advice could apply to the task of renewing our schools. It won't be done with headlines; it won't be done with slogans, or even money alone. What it takes is innovation, courage, a willingness in every community to roll up our sleeves and reform this vital American institution.

We are toiling upward in the night, and today we climb a little bit higher. And when we've reached our plateau, we will look out upon a new generation of American schools and a stronger foundation for our Nation.

So now, on behalf of Frances McIntire and the legions of students at NOVA and across the country who will benefit, it is with great pride and great gratitude to the Congress, particularly the Members here today, that I sign into law the Higher Education Amendments of 1992. As I sign I would like to ask Secretary Alexander, Dr. Ernst, and Delia Stafford to come forward, and Frances, you too. Then I'd love to invite the Members of Congress to come up and say hello and turn around to demonstrate at least the nonpartisan or the bipartisan spirit of this occasion.

Again, my thanks to you ladies and gentlemen for being with us today.

Note: The President spoke at 1:48 p.m. at Northern Virginia Community College. In his remarks, he referred to Richard J. Ernst, president of the college; Senator John C. Danforth of Missouri; and Representative Willis D. Gradison, Jr., of Ohio.

Memorandum on the President's Tree Planting Initiative

July 23, 1992

Memorandum for the Heads of Certain Departments and Agencies

Subject: President's Tree Planting Initiative

I am writing to remind you of this Administration's continuing commitment to increase tree planting across America. The national tree planting program, a component of the America the Beautiful initiative, calls for public/private partnerships involving communities and volunteers throughout the Nation. Our goal is to plant and maintain in our cities and countryside an additional one billion trees per year through the year 2000. This is an ambitious goal that will significantly enhance the environment and boost economic activity. Federal agency leadership will contribute greatly to the achievement of this goal.

During this last year, a representative of your organization has been asked to participate in a coordinating committee to promote, inform, and participate in tree planting activities in your agency nationwide. I urge you to energetically support the committee and its activities in order to ensure that the Federal Government does its part for tree planting.

Americans are enthusiastically joining this effort. Urban tree planting increased by 25 percent last year. In rural America, our cost-sharing program with private nonindustrial private landowners is now underway and should result in the planting of an additional 200 million trees this year -- a 10 percent increase over past years but a long way from our goal due to insufficient funding from the Congress.

My FY 1993 budget seeks to double the level of funding for the tree planting initiative to $138 million. Reforestation remains a cornerstone of my commitment to protecting and enhancing America's natural resources and environment in a way that is consistent with our efforts to promote economic growth.

On June 1, at the United Nations Conference on Environment and Development in Rio de Janeiro, I announced the Forests for the Future Initiative to conserve and sustain the Earth's forests. Appropriate models for worldwide commitment and action to save the forests may well stem from the public/private partnerships developed in your agency. With your help, we can reach our goal.

George Bush

The Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Secretary of the Army, the Acting Secretary of the Navy, the Secretary of the Air Force, the Attorney

General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Secretary of Energy, the Secretary of Education, the Secretary of Veterans Affairs, the Administrator of the Environmental Protection Agency, the Administrator of General Services, the Administrator of the National Aeronautics and Space Administration, the Administrator of the Small Business Administration, the Director of the United States Information Agency, the Chairman of the Postal Rate Commission, the Director of the Institute of Museum Services, the Chairman of the Council on Environmental Quality, the Acting Director of the Office of Policy Development, the Director of the Office of Management and Budget, the Director of the Office of Science and Technology Policy

Statement by Press Secretary Fitzwater on the Escape of Pablo Escobar

July 23, 1992

Pablo Escobar escaped from prison when Colombian authorities attempted to move him to a more secure facility. This is unfortunate at a time when President Gaviria was trying to control the prison and put an end to Escobar's criminal activities. Escobar and his ilk represent a threat to law-abiding, civilized societies throughout the hemisphere, and they must be brought to justice.

This incident underlines the difficulties legitimate governments have in halting drug trafficking and placing drug traffickers before the bar of justice. We have strongly supported President Gaviria and the people of Colombia in their valiant fight against these violent international criminal organizations. We will continue that support and cooperation, especially to strengthen the Colombian judicial system.

Remarks to the National League of Families of American Prisoners and Missing in Southeast Asia in Arlington, Virginia

July 24, 1992

The President. Thank you all. Well, Sue, thank you very much. And Ann, glad to be back with you and this organization. To the members of the board, my respects; to the family, friends.

Let me first start off by saluting two former NSC hands, Bud McFarland and Dick Childress over here who have worked very hard on all of this, and also the chairman emeritus, George Brooks.

Let me begin by thanking you for the opportunity to speak again to what has got to be one of the bravest and most dedicated groups of Americans in this country.

We live in a marvelous time, a time of tremendous opportunity. We've seen the end of the cold war and the collapse of imperial communism and a new birth of freedom from Moscow to Managua. America's courage, America's vision, America's values have indeed changed the world. And yes, the cold war may be over, but the noble cause that took your fathers, your sons, and your husbands away from home is with us still. Our work must not end and will not end until you have answers about your loved ones.

Over the past 20 years, the National League of Families has seen the issue of your missing swept up in international or domestic politics, manipulated by foreign governments, exploited by con men, sensationalized by the media. All that time, you never lost sight of what you were looking for: good faith, an honest effort to resolve your uncertainty, to find answers to the agonizing question that you live with every day.

Sometimes you may have wondered whether your Government had forgotten you. When President Reagan and I took office in '81, we made your ordeal our top priority. We knew that with all the uncertainties you live with, the one thing you should be sure of is that your Government really cares.

You're talking to a person that was shot down himself in combat. Fortunately, I wasn't taken prisoner, but I was shot down in combat. I understand a little bit what that means. I understand what it means. And so we set out to meet with you to ask your advice.

When we took office, no policy-level negotiations with Vietnam, Laos, or Cambodia had been held for several years. Despite the fears of some that negotiating with Vietnam implied

recognition, despite the fears of others that the POW - MIA issue was a cold war fantasy, we took your advice and entered into high-level negotiations.

When we took office, some saw this issue as a matter between this Nation and Vietnam, not part of the broader relations between the U.S. and the Soviets, China, and our friends in Asia, the ASEAN countries. We took your advice and urged our friends as well as our adversaries to help us find the answers.

Let me add that I am gratified to hear the ASEAN ambassadors are here today. I salute them over there. They are cooperating with us. Their countries deserve great credit for their understanding, for their help, and for their fellowship with you, the families.

Most important of all, when we took office, we came up against a string of official statements -- --

[At this point, audience members interrupted the President's remarks.]

The President. Here, would you come over a minute? Is that the -- --

Audience member. This is symptomatic of the issue, President. This is our 23d meeting. Gosh darn it, why can't you -- [inaudible] -- and negotiate. The Vietnamese have everything we want. We have everything they want.

Moderator. Excuse me, do the majority of the families here want to hear the President? The majority of them would like to hear the President.

[At this point, audience members again interrupted.]

Moderator. We are so embarrassed.

The President. It's an election year.

Moderator. That's no excuse.

Audience members. We won't budge! Tell the truth! We won't budge! Tell the truth!

Moderator. I think it might be very important -- if those who wish to hear the President will simply ask others to sit down, possibly we can hear what the President wants to say. And maybe if the media will stop taking pictures of the minority, they'll go away.

[At this point, league officers made efforts to restore order in the audience.]

The President. What's happening?

Audience member. We want you to continue your -- -- [applause]

The President. Where were we? [Laughter]

Audience member. Down in front!

The President. Yes, let's get these guys down in front, that's right.

No, no, no, this is very emotional, understandably emotional. The thing that I would say to you, however, as a veteran and one who still wears my Navy wings from time to time, is I hope you understand how I feel about patriotism, about service to my country. And I will put my record up against anybody here.

[At this point, audience members again interrupted the President's remarks.]

Moderator. Sit down!

The President. And I just -- would you please be quiet and let me finish. Would you please shut up and sit down.

I would say this: To suggest that a Commander in Chief that led this country into its most successful recent effort would condone for one single day the personal knowledge of a person held against his will, whether it's here or anyplace else, is simply totally unfair.

Now, to say I understand the agony that I've reheard here today is true. I do. But I do not like the suggestion that any American anywhere would know of a live American being held somewhere against his will, whether it's here or the allegation being over in the other part of the world. Iran, the suggestion was made that we left people being prisoner in Iran so to win an election. Now, what kind of an allegation is that to make against a patriot? What kind to make against -- it is not.

So I would simply say to you: I care about it. We are trying, and we're going to continue to try. And I understand the divisions here. I understand the divisions we hear in these hearings. I understand the agony that people feel. But I would also like to ask that you understand where I'm coming from on this issue. I think most of you do. I'm going to continue to try.

We talked about Presidential commissions and congressional committees indicating that they felt Vietnam had done all it could, and once again, we took your advice. We refused to accept the fact that the book was closed. It's no secret to any of you that for many years now, significant

lobbying has taken place in opposition to this policy. Some of it comes from those same voices we've heard since the seventies, people who want us to pretend Vietnam never happened. Some comes from people who seek to smooth over sticking points that stand in the way of commercial opportunities. Others say, ``Look, the war is over. Let's move on." And that is something we can and will never say.

Now, for us, the POW - MIA issue is not a sticking point, not some bad dream we shake off, not a footnote from a forgotten time we can simply ignore. The POW - MIA issue is something entirely different, something more. This I want you to understand: It is a question of justice, of oaths sworn, of commitments kept, and a nation's test of its own worth measured in the life of one, lone individual. This we know: The wounds won't heal, the American family will not be whole, as I said earlier, so long as the brave men remain missing.

In my Inaugural Address as President, I did say that good will begets good will. In the spirit of that statement, we developed a detailed road map for Vietnam, a road map that addresses our objectives as well as that Government's desire in terms of diplomatic and economic relations with the United States. Let me be very clear: Without further positive movement on the POW's and MIA's, we cannot and will not continue to move forward with Hanoi.

Now, the other side of this is, where they have moved, we've responded. When the Government of Vietnam pledged greater cooperation, including field operations, we greatly increased our manpower, even opened a permanent office in Hanoi. While we've seen an unprecedented level of joint investigations, these activities have not provided the concrete results that we seek. Make no mistake, we want to continue and expand our joint efforts. And I'll never accept joint activities as a substitute for real results. Your long years of uncertainty must end, and I am pledged to end them in any way I can.

Now as a measure of simple human decency, I call on the Government of Vietnam again to repatriate all recovered and readily recoverable remains. I call on the Government of Vietnam to act without delay. I can say in return the United States stands ready to move forward on the road map that we've laid out.

My message is the same to the other nations of Indochina. In Laos, our joint field operations have produced definitive answers, but the process remains painfully slow and cumbersome. We recognize the reality that most of our men unaccounted for in Laos were lost in areas under Vietnamese control. Our relations with Laos have grown from wary distrust in those early eighties to a broader, more open relationship. We cannot let this momentum wane. I address the Lao leaders when I say our relationship can grow further and will, if and when they provide the cooperation we now seek.

Our years of trying to seek cooperation from Cambodia and the Soviets were not rewarded until just recently. The U.N.-sponsored settlement plan in Cambodia, the historic changes in the lands

that used to be the Soviet Union have opened the way for unprecedented access. We will push hard to translate this access into answers.

I know you've lived through hopes and then hopes dashed before. Unfortunately, and it breaks my heart to see this happen, we have seen false reporting. I think we would all agree there have been some scam operations that divert manpower and sap our resources. I simply cannot fathom the cruelty of those who would exploit that issue for personal gain.

Nevertheless, we are determined not to allow such incidents to discourage us. We're going to continue to pursue and openly receive information from all sources and continue to treat each report, every report, as the breakthrough that just might end the ordeal of one single American family.

I think our efforts have produced some results. For 241 families, the uncertainty has ended. For others, too many others, the questions linger. Every day now, it seems, the news purports to unearth some great new revelation of fact, facts that you've known for 20 years and facts we've shared with you for a decade.

Well, the key fact is one we all agree on: There are Americans who did not return home at the end of hostilities and Americans last known to be alive. Accounting for these men remains this highest priority. Although there's not proof that any Americans are now alive, in the absence of firm answers, our assumption will always be: Let facts direct our policy, and let hope be our guide.

So the policy remains: full disclosure, full disclosure of all relevant information to families. And we're going to continue to cooperate fully with congressional committees to ensure the access they must have to perform their oversight role.

But there are some things we're not going to do, however loud the critics may complain. We will not publicly release any information that would jeopardize ongoing intelligence or negotiating efforts to account for your missing loved ones.

Let the critics complain. We have got to get this job done. As President, I take it to be an article of faith, a solemn covenant with those who serve this country: The United States will make every possible effort always, take every possible action to account for those taken prisoner or missing in action. Our aim remains the fullest possible accounting for POW's and MIA's and nothing less. And I want you to know that comes to you with conviction.

Let me just say something about this gentleman sitting here. Tell me your name again -- Jeff. I can't pretend to know the grief that you carry in your heart. My experience in combat was a little different. My wingman was shot down the first -- disappeared the first mission I was on. We had maybe something like 7 out of our squadron of 15 killed.

I understand what combat is, but because of the way Barbara and I feel about our family, I can't try to say that I understand the grief that you carry with you every day, the anguish of uncertainty. So I don't want to try to put myself with everybody here who has suffered for a long time on an equal plane in that sense. That's not what I'm trying to do.

But I can remember that day that I mentioned to you 50 years ago, when I was a scared kid, 20 years old, I think, floating around just a couple of miles off a Japanese-held island. I remember the uncertainty at that moment. I can remember, when I wasn't wondering if anyone would find me at all, my worry was, who's going to find me.

So what I'm trying to say is I can identify with those who served, and I can identify with their sacrifice. I can identify as a father who lost a child with the family implications, but again I'm not trying to put myself on the same plane with those who have suffered a lot.

But what I want to tell you is: I mean what I tell you, in terms of priority. I know there's doubt here, and I know people are saying, as this gentleman said right from the heart, ``Go over there and bring them back." Do you think if I knew of one single person and where he is and how it was, that I wouldn't do that? Of course, I'd do that.

So all I'm asking, all I'm here to say is I am the President, and I am the Commander in Chief. Some of you believe it and some of you may not, but we are going to get this job done, and we are going to account for every single person who is missing. I'm going to keep on it. I don't care how long it takes.

Thank you very, very much. Thank you.

Note: The President spoke at 9:35 a.m. at the Stouffer Concourse Hotel. In his remarks, he referred to Sue Scott, chairman of the board, and Ann Mills Griffiths, executive director, National League of Families of American Prisoners and Missing in Southeast Asia, who served as moderators.

Remarks at a Community Picnic in Brookville, Ohio

July 24, 1992

Thank you very, very much. Hey, listen, thanks for that warm Brookville welcome, and thanks for inviting me to this great picnic. My thanks to the Brookville High School Band, pressed into service out of school but playing well.

May I salute Ohio's Governor, Governor Voinovich, an old friend doing a great job for this State, and our Lieutenant Governor, Mike DeWine, an old friend of mine and of Barbara's, he and his Fran. We want to see him win this year. Mayor Duncan, may I thank you, sir, and your wonderful family for making us feel so welcome and salute all the present and future legislators.

I see a sign back here that I agree with: ``Let's Change Control of the United States Congress." Let's change that Congress.

May I salute a man I just threw a horseshoe with, Cloyce Copley, 97 years old. Boy, I hope I'm like that when I'm 97, and I bet the rest of you do, too.

Let me just start by a comment about the world we live in, particularly seeing these children here. We have changed, literally since I have become President, we have changed the world. Now we want to use that leadership to make things better in the United States of America. Just think of it: The Soviet Union and Soviet communism are no more. The Berlin Wall is down. Ancient enemies are talking to each other in the Middle East, and we're going to move peace forward in that area. Democracy is on the move in Latin America. And these young kids go to sleep at night without the same fear of nuclear weapons that their parents had. That is fantastic for the United States of America.

It's a new world, and it's a fantastic challenge in it. When we kicked, with the help of many young men and women here, kicked Saddam Hussein out of Kuwait, we said, ``Aggression will not stand." That is an important principle.

So you couldn't tell it from listening to the Democratic Convention, which I was spared because I was fishing in Wyoming, but I might say, foreign affairs and the national security of this country are still important. We still don't know what's going to crop up in the terrorist field or some unpredictable enemy. As long as I am President I will keep the United States of America strong and number one. We cannot forget that.

So the question now comes: With the help of the American people we have changed the world; it is a more peaceful world. Now let us take that involvement with the world to make us the most competitive nation on the face of the Earth. Let's change things.

That's why I am running for reelection. We've changed the world; now help me change America for the better. Education, winning the battle against drugs, driving criminals out of our communities: We can do it if we pull together.

But I think it's particularly appropriate here at this marvelous community celebration to think about another threat, another threat facing us more dangerous than a missile. I'm talking about the breakdown of the American family. Here today we see it strong, and I want to protect it and help strengthen it.

The opposition would have you believe that family values is merely a slogan. I don't look at it that way at all. I don't believe that. Here's what Ruth Ditmer Ream of Brookville said, here's her poem: ``Describe a world short on hope where there is so much pain, how can we mend the golden thread to weave our dreams again?" We can mend that thread, but we have got to find ways to strengthen the traditional American family.

You see, I have a different approach than the opponents. I believe the family can do things no Government program can do. Let's take a look at Brookville and share it with the rest of this great country of ours. Where would you find a Government program that would guarantee that Brookville High School would have a 95-percent attendance record? Government cannot do that. Family can. Where would you find a Government program that motivates six of your best and brightest to earn perfect grade scores, and the class of '92 right here in Brookville to earn more than a quarter of a million dollars in college scholarships? Now, Government cannot do that, but the family can if they help those kids.

Let me give you an example. Where would you find a Government program to teach and shape a good, solid young man like Derek Brown, who can become a national merit scholar? Government alone can't. They can help, but they cannot do it. His family can. Your families can.

So let the other side ridicule family values. I'm talking about work, responsibility, loving thy neighbor, respect for the Creator. Family teaches us right from wrong and discipline, and it teaches us kindness, too. So let me tell you how I want to see the Government help in strengthening the traditional American family.

Here we are. It's expensive to raise a family today. I believe the Government can help ease that burden. Yesterday I signed a law expanding financial aid to students, young and old, not just the poor but also the middle class who are desperately strapped by economic times. We did this so that your son and daughter can go to college and chase a dream. Parents who want to go back to college and finish the degree, even if it has to be one course at a time, you all deserve our support. This legislation will help give you that support.

Let me tell you another area. What about the young children of working parents who need quality day care? I have fought for an important new effort to help assist the working parents,

and I stood for principle against those who said that only government-sponsored day care will do. It will not. I ask what's wrong with day care in an aunt's house or even in a church? Today I am pleased to announce that we are issuing the first regulations implementing historic child care legislation guaranteeing that parents who get Federal help in paying for child care will get the kind of care they choose. It is not the Government to tell them. You see, it is my belief that the fathers and mothers know best how to care for these kids and should have a choice in how child care works when it comes to the kids.

I also believe that same principle of choice ought to apply to our schools. When I got out of the service they had the GI bill. It didn't say what school you had to go to. It said you could go to any one, religious, private, or public school. I now have the ``GI bill'' for children that permits just that, giving the parents choice in where their kids go to school.

There are other ideas. This economy has been sluggish. I have had incentives to get this economy moving, and the Congress, thinking those same old thoughts, refused to think new ones. I'd like to see a $5,000 tax credit to help young families share in the American dream and buy their first home. Get the Congress to pass that.

I want the families to be able to use their IRA's without penalty for unexpected health care costs. Get the Congress to get off its -- get the job done.

We know that in recent years the number of single-parent families have exploded. Half the kids in single-parent homes live in poverty, 5 times the rate of others. Well, the Berlin Wall crumbled. Russians trooped to the polls. The Poles opened a new stock exchange. We got all these things going, but we need to help these children and help these families. That's what this program is all about.

One last point, and then we'll let you get back to having some fun, one last point. When I talk about change, take a look at one institution that has not changed in the last few years. Presidents come and go; different parties have come and gone. But look at the United States Congress. One party has controlled the House of Representatives for 36 years. The result: They can't run a little tiny post office, and they can't do anything but screw up a bank. So if you want to get done what I know you do, getting this balanced budget amendment, if you want that line-item veto, if you want to help me move this economy forward, change the control of the United States Congress.

There's another point. Terms of Presidents are limited. What's wrong with limiting the terms of some of these old geezers that have been there forever?

Let that new ticket talk about change, and I'll lay my record up against them any single day for constructive change for the United States. We have changed the world; now help me constructively change the United States of America.

Thank you all, and God bless you. Thank you very much.

Note: The President spoke at 1 p.m. in Golden Gate Park. In his remarks, he referred to Mayor Michael A. Duncan of Brookville.

Remarks in a Roundtable Discussion on Families in Columbia, Missouri

July 24, 1992

The President. Well, Governor, all yours, sir.

Governor John Ashcroft. Well, President Bush, the members of the National Commission on Urban American Families and these Missouri families, we're all pleased to be here with you this afternoon. I'm delighted to welcome you back to Missouri, to welcome the Commission to Missouri. I'm pleased that these families are here to share their unique stories of work, their commitment, the kind of intensity and industry that's needed to build strong families and hold them together.

We thank you for making families a priority, Mr. President. Until you became the spokesperson who was emphasizing families, I think families were becoming America's forgotten people. But thanks to your care and concern, Americans are turning towards home, and we think that's very important.

Your Commission is working aggressively to fulfill our mission as outlined in your Executive order. In the 77 days since we received our charter, we've worked hard to find out what can be done to strengthen families. We've been in Oakland and San Francisco in California, and Minneapolis in Minnesota, in Dallas in Texas, and Washington, DC. And just yesterday, we visited a place that, well, you're very concerned about; we were in south central Los Angeles. In the coming months, we'll also be hearing from families and experts in New York and Chicago and Knoxville. Mr. President, your Commission is a hard-working one.

The President. I might interrupt to say thank you to the Commission members. Some of them came a long, long way, the Governor was telling me, and others have a long way to go in returning home. But thank you for what you're doing. And please tell the others I'm very, very grateful, anxious to hear. But excuse the interruption.

Governor Ashcroft. No, that's quite all right. We've heard from a wide variety of people from the academic, public officials, policy analysts, activists, but most of all, we've heard from families in every area. In city after city, we've heard them tell us that the troubling concerns about the condition of family life in America are broadly held. They're shared concerns. People understand that families indeed are in trouble, and when we have troubled families, that makes for troubled neighborhoods. Families are telling us that society is somehow polluting or contaminating the family atmosphere. Analysts see the trend of family decline as part of a cultural shift in our society away from valuing family and community in favor of emphasizing self-indulgence.

Our statistics that we're developing indicate that family decline is a problem that's common to all Americans, black, white, rich, as well as poor. Family breakdown shatters lives whether it's in the affluent suburbs or in -- hurts the children in small towns as well as large cities.

But we're also hearing that people have hope. Many are filled with optimism and are relearning the value and strength that can be found in support of American families. We're discovering that America is blessed with good volunteers, people who have great spirit and tremendous heart and are tremendously committed to sharing. There are professionals who are dedicated to helping as well.

So, Mr. President, we thank you for meeting with us, and we thank you for caring deeply about America's families. We'd invite you to speak with us about your sense of these matters. And then I'd like to introduce you to some of these Missouri families who've come -- --

The President. I would only add that, in the first place, I'm very grateful to Governor Ashcroft and former Mayor Strauss for heading up this important effort. It's nonpartisan. It is national in scope. It simply says we must explore ways to strengthen the family. Some of that, I expect, might be recommendations changing laws so that it will encourage people who now make a little more dough who live apart to stay together. I'm sure it will get into other items that are affected by legislation.

The main thing is we've got the emphasis here on the right thing. I will simply repeat to the Commissioners and to these families what I've heard from two recent groups of mayors, both of them: one, the National League of Cities; the other, the black mayors association I met with the other day. Both of them said that the major cause for concern and cause for the problems in urban America was the decline of the family. So they're saying, ``Hey, help us find ways to strengthen family."

That's what motivated -- actually, it was the National League of Cities that suggested that we do this, make this a national Commission, make this something national. Of course, I was proud to announce it back in the State of the Union meeting. And I'm just anxious to hear from you or from some of these families what their experience has been.

I also have a little grandparently advice. And that is that all kids, everybody under 12, ought to be released to sit in the shade of that tree over there or go inside if they want to. That's my position as President, but you don't have to do it. [Laughter] But otherwise, I think you might enjoy it. Because I know if I were a kid, I'd be a little restless out there, especially if I was all dressed up like you are. [Laughter] So you ought to feel free to go sit under a nice, cool tree over there, but don't forget to come back to your parents because they love you very much. Maybe there's a place inside, I don't know. You can explore around there, but don't get lost.

All right. Now who's going to -- John, what's going to happen?

Governor Ashcroft. Well, we have a number of Missouri families with us today who are examples of how public, how private, how religious programs can work to strengthen families. Of course, we expect you to ask questions. But I want to invite Commission members also to make remarks.

[At this point, participants described the operation and beneficial effects of various programs.]

The President. That's great.

Governor Ashcroft.ÿ20The Cochair of this Commission is Mayor Strauss of Dallas, Texas, and she's been a great Commission member in every respect. Go right ahead.

Mayor Strauss. Thank you, Governor. Have we heard from everybody? The families?

Governor Ashcroft. I think we have, yes.

Mayor Strauss. Because I feel moved as a member of this Commission, as Cochair, to say to you, Mr. President, how much we appreciate the fact that you have put this at the top of your agenda. It's not that it's anything new to you because we know that there are many, many programs, Federal programs and encouragement of the private sector, to help those who need help: families, the poor, the ill, the elderly.

But this new thrust is going to do so much good. I thank you for the opportunity to be a member of this Commission and to travel all over America and hear the voice of America telling us that problems that are so threatening to all of us, teenage pregnancy and gangs and crime and drugs, school dropout, so many are the result of the breakdown of the family and, in turn, perpetuate the breakdown of the family.

The President. Yes.

Mayor Strauss. So we want you to know we have heard you. We know what your goal is, and we will do everything in our power to meet that goal and provide for a better future for the people of this country. And we thank you.

The President. Thanks for those kind words.

But is it too early to ask the Commissioners, are you beginning -- of course, the Commission's been, what, in effect 70 days or something like that, 77 days, traveled to many States, which I think is very important. Because I think it's important that when the report comes in, it has a national concept to it, that it isn't regional in any sense. I think that's important.

But is it too early for the Commissioners to indicate, or do you think the final report will have more in the way of legislative suggestions as to how we'd change things or what new things we can do legislatively to strengthen the family? Or is it going to be more apt to be along the lines of some of the things we've heard here today, community programs, perhaps sponsored and keyed at the State and local level?

Mayor Strauss. It's going to be a combination.

The President. Combination.

Commissioner Alphonso Jackson. In traveling around the country, I think that what we're finding is there are a combination of both. There's going to have to be some legislative changes. But I think more than anything else, it's going to have to come directly from community involvement. As [inaudible] said yesterday, each individual community is going to have to make a commitment.

I think what we're finding in traveling around this country -- that's been often said that the President's not in touch. I think you're very much in touch. I think the people in this community sense that the family is the key core to change what is happening in our country.

We were in Los Angeles yesterday, and I think it was reinforced again when we had major discussions with producers and directors of major television and movie shows yesterday. It seems in some way that they might be out of touch, but the families were in touch. I think they reiterated that to them. And I think we got something very, very deep out of that. I think we've traveled to four or five cities, and the more we travel, the more we find out that the families sense that they're in crisis. But there is hope, and the hope is creating community organizations to bring the family back as a basic unit.

So I would say that it's going to take a combination of both.

The President. Right. I didn't know, the Governor did not tell me that you'd met with the media. And I think properly so because I think they need to change some of these things that they're engaged in under the name of entertainment. What we don't hear about are some of the things that they have been able to do, are willing to do. Then I should think that the Commission would look at the great potential if they could be mobilized to do more.

Why I say that is, I went out some time ago now, a long time ago, and they had a meeting of a lot of the leading executives in the media business. They decided that they would dedicate, I think it was one Saturday, maybe more, every cartoon that the kids watch on Saturday to have an antidrug message. That's not necessarily directly family, but clearly, every family would agree use of drugs make it tough on family.

They did it. They did it all. There were no pricetags on it. They just shifted the content of those programs. And I'm wondering if you ought to take, I'm sure you will, but maybe take a look at some positive suggestions along that line of what some of these media outlets and innovation entertainment can do, to do what that one group of people did on that one Saturday. I mean, I think there's tremendous potential there.

I think they'd be open-minded about it. One of the things we've got going, it's not exactly family, but is this partnership, media partnership headed by Jim Burke, remember that ran -- you may know him; I think John knows him -- ran Johnson & Johnson. He took on a commitment to get a billion dollars of pro bono advertising on the antidrug scene, and he's up to around $500 million or $600 million now. And you see these -- I don't know if you remember the one with the fried egg cracking and all that. Well, that was one that they did, totally pro bono, not Government. And they just went and persuaded the networks and others to do this.

David, you were going to say something. But maybe in this whole area of recommending to some of these very powerful media outlets, they can do what you ask of them.

I interrupted you, I know.

Commissioner David Blankenhorn. That's your right. I was going to say that one of the things we're hearing a lot is that -- and I believe very strongly -- we have to look for ways to bring fathers back into the home. This is really a big issue, as you know. A lot of the indicators we have tell us that child well-being is declining in the country. The biggest reason it's declining is the family breakup, the erosion of marriage. A lot of this is a cultural issue; it can't be legislated. But there are some things in the area of tax policy, welfare law reform, child support payments, and so on that can be done to send good signals and incentives about the importance of fatherhood. To me, that's kind of the core issue out there as regards child well-being that we are hearing as we listen to people.

The President. That's interesting. There's also a kind of disciplinary component of that where a person, a father who takes off and does have a financial obligation set by the court, that that person fulfill that obligation. He can't go off living alone and leave the mother with the kids and leave them hung out there to dry without fulfilling that obligation. So that's already in the mill, people trying to figure out how to do it. But you're right about that.

Governor Ashcroft. Before we leave, I want to call on Irene Johnson from Chicago. She's been a very important member, a valuable member of the Commission. She has the perspective that, well, has resonated with the people who have come to testify in virtually every city to which we've come. Irene, thank you for being here today.

Commissioner Irene Johnson. Thank you very much. Mr. President, it's an honor to meet you in person, and I want to thank you personally for this assignment that you've given us. In reference

to your statement about the things that we have found as we go around America, we think that there will need to be some policy changes also. The communities do have to play a very important part, but the other part that we've heard is that we have to deal with the spiritual aspect, that people have to go back to what America was built on, and that was faith in God. So we hear a lot of families saying that that kind of thread has led them to do community services and the kinds of things that we see families are dealing with, particularly the Jones family and many other families that we have met.

I'm just pleased to know that we believe that you have that spirit of God in you, the reason why you are concerned about the families and gave us this assignment. So we appreciate that, and we are going to do our best in all of that.

The President. You know, it would be very interesting, I don't know how the Commission would determine this, to see, of the families who are having difficulties in the sense, both combination of economic difficulties, remembering what Dave talked about single-parent families, how faith -- I don't know how you could; it's so private in one way -- but how faith matters, whether they still have the seeds of faith to sustain them or whether they just lost that and perhaps through some ministry could reacquire it. I don't know. I mean, I'd be interested.

What do you think?

Commissioner Josephine Velazquez. In all the programs that we have been viewing, wherever we see that there is a religious factor built into it, a spiritual factor build into the program, you can see that the results you get are so much more positive. So it is a very positive aspect and something that we should look into. We have lost that. And we have been shown -- a lot of these families come up to say, and a lot of the children, ``Why don't we have our prayer back in schools?'' -- things that they're missing. We lost it somewhere along the line, and the American people are asking for it to be back.

Commissioner Jackson. I'd like to give you a comment. I think yesterday, Mr. President, in Los Angeles, we had a story told by a young man who is today 27 years old. His mother left under unusual circumstances. They lived in Nicholson Gardens, which is a public housing development in Los Angeles. At 17 he had to become the father, the mother of the family. His youngest brother was 2 months old when she left the home. He has raised every one of them.

But he said yesterday the most important thing was his faith and commitment in God and that he had to fight through a court system to keep his sisters and brothers. And now he has become an assistant manager at Nicholas Gardens. But he specifically said to us yesterday that without his deep abiding belief in God, that he could not have made it, and that was the driving force keeping him going every day.

The President. Isn't that fascinating? Gosh.

Governor Ashcroft. Mr. President, we thank you very much for coming and just hearing a little bit of the reflection of what we've been hearing around America from the Commission and also hearing from individuals in Missouri. And these are the type of people, individuals who we've been hearing from in a variety of stops from one coast to the other. And they're inspiring to me in a lot of ways. They've fought through tough odds. Sometimes they've had bad starts. But the possibility of rescuing situations is coming on strong, putting families back together that had been apart, bringing children back into the home that had been in foster care.

We're inspired. You've given us a challenging but inspiring job. And we just want to thank you for letting us report to you on a little bit of an interim basis and letting us feel again the intensity of your personal concern on this issue.

The President. Well, I'm delighted. And thanks to the Commission members and also to the witnesses, or whatever we call them, these four families that shared this with us. I sit back there in Washington, and it really brings it home much more personally when you hear what individual families have done and are still doing.

As for you kids, next time we do this, it's going to be nice and cool. [Laughter] Next time that's the way it's going to be.

Thank you all so much.

Governor Ashcroft. We deliver the report in December. It will be cooler then.

The President. All right. That sounds far off now. [Laughter]

Note: The President spoke at 3:25 p.m. in Shelter Gardens Park.

Remarks at the Show Me State Games in Columbia

July 24, 1992

May I salute our great Governor and thank him and all of you for that warm welcome. And to Mary Ann McCollum, our Mayor, thank you, ma'am, for welcoming us to your city, making us feel so at home. May I also salute Gary Filbert, the executive director of these wonderful games; Dr. Jerry Brouder, the chancellor of the university, from whom we've heard. I thought Stephanie, Miss Missouri, did a fantastic job singing ``The Star-Spangled Banner'' over there. And while we're passing out tributes, I thought that Jordan and Greg did okay on the Pledge of Allegiance, too. Never missed a beat. So thank you very, very much.

For me it's a great pleasure to be back here, several times I've been here, but back in Columbia. This is the one Tigers den that I'm always happy to walk into. And everybody involved should take great pride in this fantastic Show Me Games. It's marvelous, and our congratulations go out, of course, to all the competitors. I have only one regret, not that I can't compete with you all but that I won't get to see you in action.

The Governor has told me what a marvelous event this is. The games now are, what, in their 7th year, but the spirit really is as old as America itself. And you're all here to do your best in a tough competition. The Olympic creed, I'm sure some of you are familiar with it, it really says it the best: ``The most important thing is not to win but to take part; not to have conquered but to have fought well.''

You come from all over this State, from all walks of life, from every age group. And your youngest competitor, from right here in Columbia, is 4 years old. He's out there somewhere, I guess. It might be hard to see him. He's a swimmer. We heard about the oldest competitor: Vernon Kennedy of Mendin is 85 years young, and I understand he specializes in throwing javelins. Maybe I will ask him to join me in the political wars that lie ahead. [Laughter]

This Show Me Games takes place at a momentous moment in our history. While you're warming up and working out, the Olympic athletes will be doing the same over there in Barcelona. I told the Governor that the head of our delegation, the national delegation, not the Olympic competitors themselves but the head of it, is a man who's been here to Columbia, Arnold Schwarzenegger, who is taking the message of fitness for America all the way across to those games.

They're going to be competing there against the long jumpers from marvelous new countries: Croatia, Slovenia boxers, Lithuanian basketball players, pole vaulters from what they call the Unified Team. And these places really didn't even breathe free just 4 years ago. And the simple fact is -- it's reflected in these games for the very first time -- is that the cold war that has obsessed the free world for so long is over. We won that cold war. The nations of the world said,

``Show me." The nations of the world said, ``Show me what democracy and freedom means. Show me a way of life I can aspire to." And guess what, we showed them. America showed them.

I believe now that we have changed the world, we can change and renew America. And you see, the new world brings both challenges and opportunities. The question is whether we can compete now that more and more nations are playing our game. Once we win this competition, and we will, our children will enjoy a prosperity that we can't imagine. And I really believe that.

Competing in this new world isn't going to be easy. It's going to require that we change our way of doing business. One priority is to strengthen and restore, and John referred to this, strengthen and restore the building block of our Nation, represented here by so many today, the American family.

I think these Show Me Games might well be called the family games. I know of the Beaumonts, for example, who have come from Sparta to join in the games. It's the middle of the haying season, so dad Terry couldn't make it. But Cindy is here with four of her kids to participate in the shooting competition. And listen to what she says: ``It's so easy these days for family members to be doing their own things. We work hard to do things as a family. We work hard, and we play hard." And that sounds like a Missouri family to me.

On a personal basis, I can relate to that. Family sports have always been a big part of our family life. I remember way back on the plains of west Texas back in 1948 and on in through the early fifties, coaching a team there on the Little League team, and Barbara remembers too, maybe not quite so fondly. She spent so much time carpooling our kids from one game to another that we get thank-you notes from the president of Texaco. Keep it up, he'd say. [Laughter] Of course, it didn't stop with Little League. There were hunting trips and swimming meets and tennis lessons and lots of fishing. And there's one great drawback to fishing with your kids: They keep you honest.

I'm reminded of a story about that great Missourian, Mark Twain. One time Mark Twain snuck off to do some fishing. It was off-season, which is why he had to kind of sneak around. But on the train back home, he couldn't resist bragging to the fellow next to him. And after he was done describing all the fish that he'd caught, Twain asked the guy what he did for a living. And the reply, ``I am the State game warden. Who are you?" Twain almost swallowed his cigar, and he said, ``Sir, I am the biggest darned liar in the entire United States of America." [Laughter]

He was stretching it a little bit, but there's no stretching how much these games mean to the fans and the competitors alike. And I love the motto. I love the motto, ``Show me what you're made of." Sports are about character, about shaping character, about nourishing it. When you take the time to teach your son to shoot a bull's-eye or teach your daughter to throw a strike, you're teaching more than a skill. You're teaching values, values like perseverance, sportsmanship,

motivation, effort: priceless gifts that your kids will use long after you're gone.

Of course, the American family is under siege today from so many forces. But I have a plan to use Government to help keep these families together. And last year, we signed a new law that helps parents choose the quality of day care. Whether it's a school or relative's house or whether it's a local church, working parents ought to be able to choose where their children will be cared for. That keeps the family strong.

Similarly, you might ask about older kids who want to go to college but can't afford tuition. Well, yesterday we signed a new law expanding college financial aid, especially for middle class families who are squeezed by rising costs.

I think we'd all agree that it's pretty simple; you ought to be able to climb the ladder of education and reach your dream. And that's what we're trying to do. We're advancing ideas to make buying homes more affordable, to increase the tax exemptions for children. And for families on welfare, we want to create incentives for them not to fall apart but to hang in there, to stay together.

This morning, or just this afternoon, John, I met with Governor Ashcroft. You know, he is heading a very important Presidential Commission, a National Commission on America's Urban Families. And to get more ideas, we met to discuss what we can do to put the family back in the winner's circle.

Now, I've gone on a little longer, but I'm worried that Vernon Kennedy of Mendin might pick up his javelin and show me that I've been talking too long. So let me end. And let me just say that the family remains our most potent weapon as a nation. America will always be first so long as we put the American family first.

Here in Columbia, and I'm sure the people from the rest of the State know about this, I think one of the favorite sons of Columbia is a graduate of Hickman High. He went on to make quite a name for himself, Sam Walton. He was a great achiever; we all know that. But he always knew that his greatest legacy would be the children he gave to the world. And that's why he made sure, in his own words, that his kids ``received your everyday heartland upbringing based on the bedrock values, a belief in the importance of hard work, honesty, neighborliness, and thrift."

I know that in this sophisticated age, some people might find those home truths a little corny. But I don't, and I know you don't, either. We know what Sam Walton knew: Fashions come and go, but the old bedrock values never go out of style.

Let me say as I end this speech, I salute the mentors, the coaches, the mothers, the dads who bring out the best in these kids. Thank you from the bottom of my heart and the Nation's heart for what you are doing, not just to inculcate into these kids this competitive spirit but to hold together the American family in the process.

Now it is my pleasure to lead the athletes in the Olympic oath. And I leave here inspired. And let me just say, may God bless the United States of America, our great country. Thank you very, very much.

Note: The President spoke at 4:38 p.m. in Hearnes Center at the University of Missouri. In his remarks, he referred to Stephanie Patterson, Miss Missouri, 1992; Jordan Rentschler, Girl Scout Troop ÿ1B382; Greg Mees, Boy Scout Troop ÿ1B4; and the late Samuel M. Walton, founder of Wal-Mart Stores, Inc.

Nominations to the National Institute Board for the National Institute for Literacy

July 24, 1992

On the eve of the anniversary of his historic legislation for literacy, the President today announced his nominees for the National Institute Board for the National Institute for Literacy.

The National Institute for Literacy is the centerpiece of the National Literacy Act, signed into law by the President on July 25 of last year. The Institute will catalyze the national effort to achieve full literacy by the year 2000 by providing a focal point for research, technical assistance, dissemination, policy analysis, and program evaluation in the field of literacy.

The National Institute Board is being established to provide independent advice on the operation of the Institute, make recommendations concerning the appointment of the Director and staff, and receive reports from the interagency group of the Secretaries of Education, Labor, and Health and Human Services, as well as from the Institute's Director.

The President intends to nominate the following individuals for terms of 3 years:

John Corcoran, of California. Currently Mr. Corcoran is the founder and CEO of the Brehon Co., a commercial and residential real estate building, development, and investment firm. He also serves as a member of the board of directors of the San Diego Literacy Council and leads ``Students at Risk'' in-service workshops for professional educators. Mr. Corcoran's story of overcoming a 48-year literacy handicap has appeared on ``Phil Donahue,'' ``Larry King Live,'' and ``20/20.''

Helen B. Crouch, of New York. Currently Ms. Crouch serves as the executive director and president of the Literacy Volunteers of America, Inc. (LVA). Ms. Crouch began her work with LVA as a volunteer tutor in 1969. Since that time she has served on the national board of directors and as chairperson until her appointment as president in 1981. Ms. Crouch is the past chairperson and founder of the National Coalition for Literacy.

Sharon Darling, of Kentucky. Ms. Darling is the current president of the National Center for Family Literacy, Inc. Ms. Darling served as the executive director of Literacy Concepts, Inc., in 1987 - 88 where she served as a consultant to the National Governors' Association and the U.S. Department of Education. As director of the division of adult community education for the Kentucky Department of Education from 1984 to 1987, Ms. Darling directed the adult literacy, community education, and GED programs for the State.

Jon Deveaux, of New York. Currently Mr. Deveaux serves as the executive director of the

Bronx Educational Services (BES) which he founded in 1973. In 1990 a BES National Training Center for Literacy Teachers was established. Mr. Deveaux and the staff have trained hundreds of literacy teachers from around the Nation. Mr. Deveaux served as the chairperson of the New York State Literacy Council from 1988 to 1990.

Gov. Jim Edgar, of Illinois. Jim Edgar was inaugurated as the 38th Governor of Illinois in 1991. Prior to his election, Governor Edgar served as the secretary of state from 1981 to 1990. As secretary of state and State librarian, Governor Edgar created and oversaw a strong statewide network of programs and support for literacy. Governor Edgar's adult literacy program became a model for the Nation, and he was presented a literacy award by the American Library Trustee Association in 1986, given annually to an individual who has made an outstanding contribution in addressing the problem of adult illiteracy.

Badi G. Foster, of Illinois. Mr. Foster currently serves as vice president of targeted selection and development for Aetna Life and Casualty Corp. He is the former president of the Aetna Institute for Corporate Education since its inception in 1981. Prior to his work with Aetna, Mr. Foster was the director of field experience programs for the Graduate School of Education at Harvard University.

Ronald M. Gillum, of Michigan. Dr. Gillum is the State director of adult extended learning services for the Michigan Department of Education. Dr. Gillum has been with the Michigan Department of Education for 19 years, during which time he served as the director of the adult occupational educational programs. Dr. Gillum was the recipient of the U.S. Department of Education's Outstanding Leadership Award in Literacy in 1985.

Benita C. Somerfield, of New York. Ms. Somerfield currently serves as the president of Simon & Schuster Workplace Resources which publishes material for low-literate adults in public and private sector job-related programs. Since 1988 she has also served as executive director (volunteer) of the Barbara Bush Foundation for Family Literacy. From 1986 to 1988 Ms. Somerfield was Special Adviser for Adult Literacy at the U.S. Department of Education.

Susan Vogel, of Illinois. Currently Dr. Vogel is chair and professor of the department of educational psychology, counseling, and special education at Northern Illinois University. From 1988 to 1989, Dr. Vogel served as the director of research for the National Institute of Dyslexia, following which she was the head of the department of special education at Eastern Michigan University. Dr. Vogel received a Ph.D. in learning disabilities and communicative disorders from Northwestern University.

Remarks and an Exchange With Reporters on Arrival From Camp David, Maryland

July 26, 1992

War on Drugs

The President. I have two brief statements. In addition to yesterday's meeting with our national security advisers on the situation in Iraq, which has been widely reported, I spent considerable time today reviewing the antidrug fight in our communities.

Jim Burke, who heads the Partnership for a Drug-Free America, gave me a very thorough and encouraging report at Camp David about the progress that our Nation is making in turning away from the drug culture. It's happening; America is turning off drugs. Problems remain, to be sure, but impressive progress is being made on the demand side of the equation, particularly among our youth.

So he and I today reviewed the data that shows a cultural change is taking place. Kids are rejecting drugs. There's been a 56 percent drop in use by 13- to 17-year-olds in one study, a drop of 48 percent among this group in another. So these are very important trends. In our workplace programs, people are really putting out the effort. Virtually 90 percent of our major companies have highly effective programs, and companies are expanding a program called Drugs Don't Work. Our country's getting the message. At least 900 communities across the country have organized antidrug coalitions, and more of them are being formed every day.

Now, we still have a serious drug problem in the United States, with an estimated 6 million addicts. This drug problem is embedded in every other social issue that we're dealing with as a Nation. So we've got to do more. But I was very pleased with Mr. Burke's report on behalf of the Partnership for a Drug-Free America.

Iraq

Now, on Iraq: Iraq's belated announcement that it will allow the United Nations Special Commission to carry out an inspection of the Agricultural Ministry in Baghdad does not alter the fact that for some 3 weeks Saddam Hussein flagrantly violated U.N. Security Council Resolution 687. Nor does this announcement change the fact that Iraq deliberately and callously harassed and abused the U.N. inspectors seeking to carry out their mandate. That mandate: Immediate, unimpeded, unconditional, unrestricted access to any site the U.N. deems warranted for inspection.

And yes, now, once again, Saddam Hussein has caved in. While Saddam has bent to the will of

the U.N., the question remains whether after this delay a truly effective inspection of the Ministry is still possible. The real test of his behavior will be in future U.N. inspections. Behavior along the lines we've just witnessed will not be tolerated.

Saddam has long pursued a pattern of willful noncompliance and obstruction of the United Nations Special Commission. For over a year he has lied about the extent of Iraq's weapons of mass destruction programs and sought to conceal them from the United Nations and the International Atomic Energy Agency. Now, this is unacceptable. Iraq must and will be held to the standard of full compliance with Security Council Resolution 687.

Saddam's violation of the will of the international community, as expressed in the United Nations Security Council resolutions, continues in other important areas. Iraq has refused to participate in the work of the Iraq-Kuwait Border Commission. Iraq has refused to account for Kuwaiti citizens seized during the occupation of the emirate and to return property that was stolen by the occupiers. Iraq has not renewed the memorandum of understanding with the U.N. and has stepped up its harassment of U.N. officials and humanitarian agencies operating in the country.

Saddam has stepped up his persecution of the Iraqi people in flagrant violation of U.N. Security Council Resolution 688, including recent use of jet fighters against the Shia and maintaining a blockade of the Kurds. Iraq has refused to accept U.N. Security Council Resolutions 706 and 712, which would allow for that sale of oil for food and medicine, choosing instead to have the Iraqi people suffer unnecessarily, denying them food.

The international community cannot tolerate continued Iraqi defiance of the United Nations and the rule of law. There is too much at stake for the region, for the United Nations, and for the world.

I'll just take a couple of questions, just a couple of questions here.

Q. Does this mean that you find unsatisfactory the settlement that was made at the U.N. and are rejecting it, or is this a temporary settlement of the -- --

The President. No, we support Dr. Ekeus. He has our full respect and confidence. So that inspection will go forward, belatedly so, but it will go forward.

Q. Do you feel, Mr. President, that there is a need now for some kind of ultimatum, some kind of deadline given them, some kind of threat of military aid?

The President. Some kind of threat?

Q. I mean military action. Pardon me.

The President. I don't know that any more is required right at this minute. I think everyone knows that we are determined to see these resolutions complied with. We are in very close touch with our allies. This standoff now has been resolved by his caving in, by his backing down in spite of bluster and threats to the contrary. But there are many other inspections to come.

Q. Mr. President, does that mean then that the crisis in general is not over, that there will be continuing incidents with Saddam Hussein?

The President. Well, the way to end the crisis is for him to fully comply with these resolutions I outlined. Until then there will be a lot of tension because the whole world is now more determined than ever to see that he does comply. So I can't say there's no reason for concern anymore at all. There's plenty of reason.

Q. Mr. President, some U.S. military forces are en route to the region. In view of the agreement that has been worked out, will you order those forces to stand down, to be pulled back, or is that military option still open?

The President. Well, normally I don't discuss the deployment of military forces, and I'm inclined to stay with that right now. I don't think there will be any drastic changes in existing plans.

Q. Mr. President, you seem to be saying that the next time there won't be any time for warning, you're not going to let one of these crises build up like this. Is that what you're telling us?

The President. You can interpret it any way you want. All I'm trying to do is express the unanimous determination of the Security Council.

Q. Mr. President, Deputy Secretary Eagleburger said today he expects Secretary Baker to stay at the State Department for a long, long time. Is that your view as well, or is he going to move to the campaign shortly?

The President. I have no comments on that subject.

Q. Mr. President, Saddam Hussein said today that ``the mother of all battles'' is not over. What do you say to him?

The President. I say to him, if it's not over, he better hope it is.

Q. Is he still a threat to his neighbors in the Middle East?

The President. No, Saddam Hussein is a threat to the Iraqi people. He's a threat to his own people. He's brutalizing his own people in failing to comply. He is a threat to peace and security

in the area. There's no question about all of that. Our argument is not with the Iraqi people. I've said that since day one of all of this. I will repeat it here today: Our argument is with Saddam Hussein, the bully, the dictator, the brutal merchant of death. And that's it. It is not with the Iraqi people. And once again, he has caved in after a lot of bluster.

But all I want to do here is express for the United States our determination to see him comply with these resolutions. We haven't forgotten, and nor have the other members of the Security Council. So against a solid wall, he once again caved in. I guess there's a certain humiliation factor for him with his own people. But I would simply say we've just got to look ahead now and see that other inspections go forward and that he complies with these resolutions, the subject of which I discussed here a few minutes ago.

Last one here.

Q. Can I just clarify, is the threat of force not over until full compliance begins?

The President. I haven't threatened or changed anything. The options that the United States and our partners have available to us are well-known. Let's just see that he complies with the resolutions. I'm not here to threaten. I'm simply here to say that I'm glad that he cratered once again on this threatening, but to reiterate our determination to see these resolutions complied with. That's all that this is about, and it's got to be done in timely fashion.

I salute Mr. Ekeus. He's a courageous man. And he worked hard to get access to this Ministry, which he should have had given to him automatically, by very competent professionals, very competent inspectors.

There will be another occasion along the line here because there are other inspections that will take place. So we just have to keep plugging ahead to be sure this man does what international law calls for him to do.

Thank you all very much.

Note: The President spoke at 4:35 p.m. on the South Lawn at the White House. In his remarks, he referred to Rolf Ekeus, Executive Director, United Nations Special Commission on Iraq.

Remarks to Holland American Wafer Employees in Wyoming, Michigan

July 27, 1992

Thank you very, very much. Governor, John, thank you, sir. The problem with Governor Engler is you're never quite sure where he stands. [Laughter] Thank you so much for that warm introduction, my friend, and let me just say I am very, very proud to be at Governor Engler's side.

I want to say to John and Stuart Vander Heide, I am very pleased to be here, and I've had a good day. And I appreciate those who ended up having to go through sitting with us under the arcs at lunch. But they made me understand the heartbeat of this wonderful company. I want to thank all of you at our table and everybody else that's made us feel so welcome here.

I'm pleased that Congressman Henry and Mayor Voorhees could be with us today. And I want to single out another one who is from this area, but who has served our country with great distinction. He shed -- nobody thought this was possible -- his partisan politics, where he's helped me enormously over the years, to go over to Italy and serve with great distinction as our Ambassador: Pete Secchia over here, from Grand Rapids.

Let me just kind of put a Surgeon General's note on this speech. I have not shifted gears yet from trying to make some good things happen for this country, including yesterday making some decisions about standing up to be sure that Saddam Hussein lives up to these U.N. resolutions. He's going to do it. He may not know it, but he is going to live up to those resolutions.

But the warning label is that I haven't quite shifted gears yet to get into this mode that I'm looking forward to, which is the 4-year dance that American politicians go through where you really take your case strongly, not only about yourself and why you want to be reelected but about the others, to the American people. That will happen right after our convention, Republican Convention, in August of this year. But for now I want to talk to you on some broader principles.

Americans may not realize it when they reach for the cereal on the shelves, but this industry, our food industry, provides more food for less than any other nation in the entire world. The company, this one, is one reason we are the world's leader. So I'm pleased to announce that Stu and John have recruited me for a national crusade. Starting today, I will not only argue passionately that broccoli's benefits are overblown -- [laughter] -- but that sugar wafers should be one of the four essential ingredients in a healthy diet.

I'm told that this company was the originator of something called the survival biscuit. Well, it

was one of the tokens of the cold war, a bit of nourishment to fill your stomach as you huddled somewhere in a bomb shelter in case the unthinkable became tragically real. While it may not be great for survival biscuit sales, the cold war is, thankfully, over. Survival biscuits have gone the way of the doomsday clock, ``Fail-Safe'' movies, duck-and-cover drills.

Today, America is safer than ever before, safer than we were a decade ago, safer than we were a year ago, and safer than we were just a few weeks ago, when I sat down with Boris Yeltsin and agreed to eliminate the world's most dangerous and destabilizing nuclear weapons, those great big ICBM's. This is good for your kids, and it's good for my grandkids. We all should take great pride in it.

Now that we have changed the world, the taxpayers and the leaders working together, it's time, high time, that we change America, time to turn our attention to pressing challenges like how to give a pink slip to our slow-growth economy -- it's growing but far too slow -- how to make our families more like the Waltons and a little bit less like the Simpsons, and how to take back our streets from the crack dealers and the criminals.

This election year, we're told, is about how we can change to meet these challenges. But this election is not just about change because change has a flip side. That flip side is called trust. When you get down to it, this election will be like every other. When you go into that voting booth and pull the curtain behind you, trust matters.

That's the way it should be. Many times in the White House late at night, the phone rings. Usually it's some young aide doublechecking on the next day's schedule. But occasionally it's another voice, more serious, more solemn, carrying news of a coup in a powerful country or asking how we should stand up to a bully halfway around the world. The American people need to know that the man who answers that phone has the experience, the seasoning, the guts to do the right thing.

That's trust in the traditional sense. But people who've spent their lives in government forget that trust is more even than that. I'm a Texan. I raised my children there. I built my businesses there. I voted there in every Presidential election since my first, including that one, that 1948 election, the year the press and the pundits counted Harry Truman out before the fight began. We remember that one, and I remember it. So wait until August.

I believe our heartbeat can be felt in places like Wyoming, Michigan, not Washington, DC. So I stake my claim in a simple philosophy: To lead a great Nation, you must first trust the people you lead. If you look at almost every important issue we face, you see a clearer choice, a choice between those who put their faith in average Americans and those who put their faith in Government. Let me explain what I mean, starting with the basics, home and family.

The most difficult question many parents face is, who will care for the kids while we're

working? A few years ago, Washington wanted to help, but their idea was to rock the cradle with the heavy hand of bureaucracy. All the plans boiled down to creating some new kind of Government apparatus, like a ``Pentagon'' for child care.

I fought for a different approach and won. Our landmark legislation allows parents, not the Government, to decide whether your children are cared for in a school, a relative's home, or a church. When it comes to raising our children, I say, why not trust the people? It is better than having the Government try to do something like child care out of Washington, DC.

What about our education system? To renew America we must renew our schools. We all know this. But money alone won't do it. We already spend more money per student than almost any other country, and our kids still rank near the bottom in crucial subjects like math and science. Again, a lot of ideas floating around, most of them to pump more tax money, that's your money, into the system, the same old system. I say, try something different: Open up schools to competition, and trust you to decide whether your kids, whether you want them to learn in a public school, a private school, or a religious school.

When it comes to education I say, why not trust the people? Why not give the people the same choice that I had when I had the GI bill coming out of World War II -- they didn't say you can only go to one kind of school -- public, private, religious. And we ought to try that, and then watch these schools improve. I believe it's the time to put the trust in the people.

What about Government regulation? Sure, some of it is absolutely necessary, even essential. If you believe that there is a Government solution to every problem, an alphabet agency for every issue, then you look at regulation not as a necessary evil but as a necessary way to rein in people's evil tendencies. Well, the result can be crazy, as this story proves.

The time had come recently for a Government agency to update its rules on hardhats. That's right, hardhats. Someone in that agency stumbled upon a potential national crisis, workers being infected from putting someone else's hardhat on their head. The alarms went off. The bureaucratic blood boiled. One small fact was overlooked. There wasn't a single documented case anywhere in the United States of anyone getting infected from wearing someone else's hardhat. That didn't deter the bureaucrat. So with the best of intentions, the rule was written: Every hardhat must be disinfected before one worker passed it on to another. Estimated cost to the business: $13 million a year. Measurable benefit: slightly less than zero.

Luckily, this story has a happy ending, but only because we were there to give it one. We found the regulation before it hit the books and said America can survive without this particular hardhat regulation. We may have done you hairnetters a great service by beating back the hardhat regulation; try to pass one of those along and say that germs are being passed. But anyway, can you imagine what might have happened if these enterprising regulators had made their way into the vast, unregulated territory of lunch pails and thermos bottles?

Some believe the solution to our problems is more Government regulation. I take a very different view. I've put a moratorium on new Federal regulation, to give businesses like this one room to breathe and grow and create jobs. It's a matter of trust, of putting people ahead of Government. When it comes to the most pressing issue of the election year, revving up our economy, forgetting this idea is not just a nuisance; it can be downright dangerous.

The revolutions of the past few years herald a new era of global economic competition, with free markets from Siberia to Santiago. Can the U.S. compete now that everyone is playing our game? Despite all the criticism you've heard lately, keep in mind a few facts. We are the largest, most envied economy in the entire world.

Inflation, that Jesse James who robs the middle class of dreams, as John has said, as our Governor has said, has been put safely behind bars. The last time interest rates stayed this low, ``The Brady Bunch'' wasn't even in reruns yet. Despite all the stories about our problems, our workers are still the most productive in the entire world, more productive than the English, the Germans, the Japanese, much more productive.

So there are some good, sound things out there. But while our economy is growing, it's growing too slow; it's got to grow faster. The question is how. The other side suggests a simple two-part solution, Governor Engler talked about that: First, raise Government spending, and then, raise taxes.

Now, as you evaluate their idea, keep this in mind. Here in Michigan, you already work 128 days just to pay your taxes before you earn a single dime to spend on your family. Now, I don't think anyone wants to go for 129 days. All this talk of spending and taxes causes me to wonder if the other side is a little hard of hearing. Abraham Lincoln spoke of government ``of the people, by the people, for the people.'' But they seem to keep saying, ``of the Government, by the Government, for the Government.''

They're hard to dissuade. I'll give you a great example. In January I proposed a commonsense, comprehensive plan to get this economy moving faster, right now. The plan includes tax incentives to encourage businesses to hire new workers, breaks for young families who want to buy that first home, a tax break for them so they can participate in the American dream. Half a million jobs would have been created if the Congress had acted right away.

But they didn't. Instead Congress sent back what you might call an anti-trust program: new Government spending and new taxes. And I vetoed it and said, ``I am not going to increase taxes on the American people at this time.'' We're not going to do that. So I sent their plan back, and I'm still waiting almost 200 days later. This economic recovery plan is being held hostage, and the ransom note reads, ``Wait till after the election.'' Today I say to the Congress, House of Representatives and the Senate, especially: Release the economy. Approve this jobs program, and put America back to work, now.

So you see, it all does come down to a question of trust. I trust you to spend and save your money more wisely than a budget planner in Washington.

You'll say this is common sense, and I agree. But there's a certain type of person attracted to Government for whom the word ``trust'' has strange meaning. Most of them have spent their lives in Government and don't have much experience in the real world. They say they want to put people first. But if you look real close at what they're proposing, the people they put first are all on the Government payroll.

A leader of a free people must understand that Government can not only help, it can hinder. He must have the confidence to say, ``I trust you. I trust the people.'' Ultimately you must decide who you trust, who has the experience, the ideals, and the ideas to find the appropriate balance.

Of course, America will change, just as we've changed the world. The question now is who will change America for the better? It won't be people whose only enthusiasm is for Government, who measure progress by programs enacted and special interests satisfied.

If you want to know who's going to change America, look at who is sitting right next to you. Look around you. It's going to be the guy who works an extra shift every week so his son can go to the school of his choice. It's going to be the small businessman who takes a risk on a new product, the computer hacker working in a lonely garage, that merit scholar from south central L.A., the entrepreneur with a future as big as his dreams.

There's your answer: The American people are going to change America. But only if they have a Government, particularly a Congress, with the wisdom to know its own limits and with a leadership who knows where the true American imagination lies. Countries around the world have at long last understood the power of trusting the people. America will change by reaffirming the lesson it has taught the world, by trusting a leader who trusts you.

I am delighted to have been here. Thank you very, very much. May God bless you, and may God bless our great, free, wonderful country, the United States of America. Thank you very, very much.

Note: The President spoke at 12:13 p.m. at the plant. In his remarks, he referred to John S. Vander Heide, chairman of the board, and Stuart Vander Heide, president, Holland American Wafer Co.

Remarks on Arrival in Appleton, Wisconsin

July 27, 1992

Thank you all for this marvelous turnout. I do have an official announcement I want to make today. I first want to salute Governor Thompson, Senator Kasten, and our distinguished Members of the United States House of Representatives. Great to be back in this State that's built on faith and family and freedom. Wisconsin is a great example to the rest of America, just as America is to the entire world. And today I'm very proud to be in a place where programs like Learnfare and Workfare and the Parental Responsibility Act all tell America: Watch Wisconsin because Wisconsin works.

Governor Thompson wants Wisconsin to work even better, and that's why he's joined my crusade to reform our welfare system. Let's face it, we know the system has failed the people. It doesn't lift families from poverty; it traps them there. Welfare discourages families from staying together. And when the system rips families apart, it's time to rip apart that system.

Now, Americans yearn to keep families whole and give our kids the learning skills and, yes, track down parents who run out on their kids. They know that if America doesn't change the welfare system for the better, the welfare system is going to change America for the worse. That means trying, therefore, new plans, new ideas, a new kind of reform. Only then can we break the cycle of dependency.

In my State of the Union Address last January, I made a commitment to far-reaching reform. I acted because I believe we can no longer afford the existing welfare system. Our recipients can't afford to be dependent on government for their livelihood, and our taxpayers can't afford to pay the welfare bill, and our economy can't afford the lost productivity.

I also acted because I trust the American people and because I believe that those on welfare, what they really want is a piece of the American dream: homeownership, a good job, opportunities for their children, and strong, loving families. And therefore, I am determined to make it quicker and easier for States who choose to reform their welfare systems to get the Federal waivers that they need to help the people help themselves.

Last April my administration signed a first waiver for Wisconsin. And today it will sign a second giving Governor Thompson the freedom to further reform this State's welfare program. Governor Thompson's ultimate goal is to break the cycle of dependency that traps so many people and create incentives for recipients to work and learn. He understands that more important than having an America that helps people in need is building an America where fewer people need to be helped.

Today I want to challenge other States in our country to follow Wisconsin's lead in bringing new

ideas to our welfare system. Last week we approved New Jersey's Family Development Program, whose reforms in the State welfare program reward work and unite families. And I am confident other States will now do what America does best, bring local genius to local needs.

In coming months, we are going to watch Wisconsin to see how Wisconsin works. Together, we can help change that welfare system and, in doing so, change America. I'm proud to sign this waiver. I congratulate Governor Thompson and the people of Wisconsin.

Thank you all very, very much.

Note: The President spoke at 1:19 p.m. at the Outagamie County Airport.

Remarks to Outlook Graphics Employees in Neenah, Wisconsin

July 27, 1992

Thank you all very, very much. Please be seated. Thank you and good afternoon, everyone. Let me just say thank you to the Governor for that very kind introduction. But let me tell you this: I know these Governors, all of them, and you've got one of the very best, if not the very best, in the entire United States. I really mean that, a solid friend, a strong leader and innovator. You're lucky, and I'm lucky, too, because he sets an example. He brings new ideas to these Governors meetings. He sets a high example for everybody including the President of the United States, and I am very, very pleased to be with him.

Of course, I'm very pleased to see my great friend, your Senator Bob Kasten; and these two Congressmen, Toby Roth and Tom Petri, who are doing a first-class job. If we had more like them, you talk about change, we could change America and change it fast for the better. I am glad they could join us today, as well as Mr. Herbert Grover, the superintendent of public instruction for the State of Wisconsin. He's doing a first-class job for education statewide. And David Erdmann, thank you, sir, for your hospitality. I'm just delighted to be here.

Now, it is a pleasure to be here. For any sports fan, it's a thrill to be at the birthplace of America's sports trading cards, and for me, it's a little humbling. I don't dare ask how many hundreds of George Bush cards you have to trade to get one Michael Jordan. [Laughter]

I've come here to talk a little bit about our future, about the kind of nation we want for ourselves and our children. The world has undergone remarkable changes in the past few years. And today our kids worry about the usual things, about school friends, about such earth-shattering questions as ``Where can I get an Olympic Dream Team card?'' But I can tell you one thing they don't worry about anymore, the specter of nuclear war.

Today, America is safer than ever before, safer than we were a decade ago, safer than we were a year ago, and safer than we were just a few weeks ago, when I sat down with Boris Yeltsin, the President of Russia, to eliminate some of the most dangerous nuclear weapons on the face of the Earth, getting rid of those great big SS - 18 ICBM's. That's good change. That is positive, and it's great for these young people here today.

Now that we've changed the world, it is time to change America and time to turn our attention to pressing challenges like how to give a pink slip to our slow-growth economy, and how to make America's families more like the Waltons and a little bit less like the Simpsons -- [laughter] -- how to take back our streets from the crack dealers and the criminals. Progress has been made, as I announced yesterday at the White House, in the casual use of cocaine by these teenagers,

dramatic improvement, almost 60 percent down in the last 3 years. But we've still got a long way to go. We've got to win that battle.

This election year, we're told, is about how we can change to meet these challenges. But this election is not just about change because change has a flip side. It's called trust. When you get down to it, this election will be like every other. When you go into that voting booth and pull the curtain behind you, trust matters.

That's the way it should be. Many times in the White House late at night, the phone rings. Usually it's some young aide calling in about doublechecking the next day's schedule. But occasionally it's another voice, more serious, more solemn, carrying news of a coup in a powerful country or asking how we should stand up to the ``Baghdad bully'' halfway around the world. The American people need to know that the man who answers that phone has the experience, the seasoning, to do the right thing. I believe I have proved I am that man.

That is trust in the traditional sense. But people who've spent their lives in government forget that trust is even more than that. I'm a Texan, raised my children there, built my business there, voted there in every Presidential election since my first, the 1948 election, the year, if you'll go back and remember, some of you older types here, the year the press and the pundits counted out Harry Truman before the fight even began.

I believe our country's heartbeat can be felt in places like Neenah, Wisconsin, not Washington, DC. So I stake my claim in a simple philosophy: To lead a great nation, you must first trust the people that you lead. If you look at almost every important issue we face, you see a clear choice, a choice between those who put their faith in average Americans and those who put their faith solely in the Government. Let me explain what I mean, starting with the basics, home and family.

The most difficult question that many parents face is, who will care for the kids while we're working? A few years ago, Washington wanted to help, but the idea back there was to rock the cradle with the heavy hand of the bureaucracy. All the plans boiled down to creating some new kind of Government apparatus, like a ``Pentagon'' for child care.

I fought for a different approach, with the support of these Members of the United States Congress, and we won. Our landmark legislation allows parents, not the Government, to decide whether your children are cared for in a school, a relative's home, or a church. When it comes to raising children, I say, don't put your faith in the Government bureaucracy. Why not trust the parents, the ones who are responsible for bringing these kids up?

Now, what about our educational system? To renew America we must renew our schools. We all know this. Money alone is not going to do it. We already spend more money -- this is a little scary -- we already spend more money per student than almost any other country in the world,

and our children still rank near the bottom in crucial subjects like math and science. Again, a lot of ideas floating around, most of them to pump more tax money into the same old system, the same old programs that have failed the American family. I say, try something different: Open up schools to competition, and trust you, trust you to decide whether you want your kids to learn in a public school, a private school, or a religious school. School choice is the answer.

When it comes to education to give our kids a better chance, isn't it time to try something different? The old way has failed, has not worked. Why not trust the people?

What about Government regulation? Sure, some of it's necessary; some of it even essential. But if you believe that there is a Government solution to every problem, an alphabet agency for every issue, then you look at regulation not as a necessary evil but as a necessary way to rein in people's evil tendencies. It can lead to the same crazy behavior. Let me tell you a story about one crazy regulation affecting hardhats. Hardhats, that's right.

Here's what happened. Back in Washington, someone in an agency stumbled upon a potential national crisis, workers being infected from putting on someone else's hardhat. The alarms went off. The bureaucratic blood boiled. One small fact was overlooked. There wasn't a single documented case anywhere in the United States of America of anyone getting infected from wearing someone else's hardhat. That didn't deter the bureaucrat. So with the best of intentions, the rule was written: Every hardhat must be disinfected before one worker passed it on to another. Estimated cost to business: $13 million a year. Measurable benefit: slightly less than zero.

Now, there is a happy ending to this story, but only because we were there to give it one. We found the regulation before it hit the books and said America can survive without that particular hardhat regulation. But can you imagine what might have happened if these enterprising regulators had made their way into the vast, unregulated territory of lunch pails or thermos bottles? Think of the threat to the Nation. [Laughter]

Some believe the solution to our problems is more Government regulation. I take a very different view. I've put a moratorium on new Federal regulations, to give businesses like this one, growing enterprise business, giving it room to breathe and grow and create jobs for these young people here today. On child care, education, regulation, it is a matter of trust, trusting Americans to make their own choices.

The point is not to let people fend entirely for themselves. Americans are a generous people, and Government must never shirk its responsibilities. But programs have to give people a hand up and trust human ingenuity to take it from there.

You'll find a good example of what Government can do right here at Outlook. Last April I challenged the Nation's Governors to join me in a new national job training effort. I introduced a

program called the ``Youth Apprenticeship Act'' in Congress. The program is geared especially to teenagers who want to work, who want to learn a skill, but may be tempted to drop out of school, true to form.

Then comes along Governor Thompson, Tommy Thompson. He's already reaching out to these young people. The youth apprenticeship program will encourage young people to complete a sound high school education while getting on-the-job training at great companies like Outlook. I salute Outlook and Governor Thompson for helping me create a work force that's ready for the challenges of the 21st century.

So I believe we can give Americans the tools. And then it's a matter of trust, trusting Americans to make their own choices. When it comes to the most pressing issue of the election year, revving up our economy, forgetting this idea of trust is not just a nuisance, it can be downright dangerous.

The revolutions of the past few years herald a new era of global economic competition, with free markets from Siberia to Santiago. Can the United States compete now that everyone is playing our game of free markets? Well, I know we can. Despite all the criticism you've heard lately, keep in mind just a few facts. Who is the largest, most envied economy in the entire world? The good ol' U.S.A.

Look at inflation, the Jesse James who robs the middle class of dreams. We have locked that crook in a maximum security cell, so he can't steal the paycheck of the working men and women of this country. The last time interest rates were this low, ``The Brady Bunch'' wasn't even in reruns yet. Despite all the stories about our problems, and we've got plenty, but despite all the stories, you are still the most productive workers in the entire world. You put these workers up against the English, the Germans, the Japanese, and you, you American taxpayers, you win; you American entrepreneurs and business people, you win; and the work force itself wins.

But while our economy is growing, it clearly has got to grow faster. The question is how. The other side suggests a simple two-part solution: First, raise Government spending, and second, raise taxes.

Now, as you evaluate their idea, keep this in mind. Here in Wisconsin, you already work 126 days just to pay your taxes before you earn a single dime to spend on the family. I don't know about you, but I don't want you to have to pay 127 days.

Let me just describe for you what I'm up against. In January I proposed a commonsense plan in the State of the Union Message, commonsense plan to get this economy moving faster, right now. The plan included tax incentives to encourage businesses to hire new workers, tax breaks for young families who want to buy that first home. If Congress had acted right away, half a million jobs would have been created for your neighbors, your family, and your friends.

But they didn't. Instead Congress sent back what you might call an anti-trust program: new Government spending and new taxes. So I vetoed their plan and sent it right back to them. And thanks to these Congressmen, that veto was upheld. I am still waiting, pressing for these incentives to get passed by the Senate and the House. I am still waiting almost 200 days later. This economic recovery plan is being held hostage, held hostage, and the ransom note reads, ``Wait till after the election.'' Today I say to the Congress and the Senate, especially: Release the economy. Approve this jobs program, and put America back to work right now.

Speaking of numbers, this is a great place to speak about numbers, right here at Outlook: number 16 means Joe Montana; number 9, my dear friend with whom I attended the All-Star Game in San Diego, number 9, Ted Williams; number 15, a Packer named Starr. Here's a number for you, 38. Think hard now, 38. That's how many years the Democrats have controlled the House of Representatives. Get rid of number 38, and we can make America number one for sure for many years to come. If you want to change something, the one institution that hasn't changed, if you want to change something, change control of the United States House of Representatives, and watch what we can do for America.

I'm getting fired up for after our convention in August. [Laughter] You'll notice this has been relatively nonpartisan up until now. [Laughter] Relatively.

No, but you see, it all comes down to a question of trust. I trust you to spend and save your money more wisely than a budget planner in Washington.

You say this is all common sense, and I agree. But there's a certain type of person attracted to Government for whom the word ``trust'' has a strange meaning. Most of them have spent all their lives in Government and don't have much experience in the real world. Half my adult life spent in service and the other half trying to work for a living and make a paycheck and build a business, I think that's a good qualification for President of the United States of America. They say they want to put people first. But if you look real close, the people that they put first are all on a Government payroll.

I stand with the flag-waving, yes, and the God-fearing, yes, and the tax-paying, hard-working people of America. A leader of a free people must understand that Government can not only help, it can hinder. He must have the confidence to say, ``I trust you. I trust the people.'' Ultimately you must decide who you trust, who has the experience, the ideals, and the ideas to find the appropriate balance.

Yes, America will change, just as we have changed the entire world. The question now is who will change America for the better? It won't be people whose only enthusiasm is for Government, who measure progress by programs created and special interests satisfied.

If you want to know who's going to change America, look around you. Look around. It's going

to be the guy who works an extra shift every week so his son can go to the school of his choice. It's going to be the small-business woman who takes a risk on a new product, the computer hacker working in a lonely garage, the merit scholar from south central L.A., the entrepreneur with a crazy idea of putting players' faces on cards and turning us all into wonderful kids once again.

There's your answer, some of it, I might say, sitting right back here: These apprentices, wanting to work, wanting to learn. There's your answer: The American people are going to change America. But only if they have a Government, particularly a Congress, with the wisdom to know its own limits, with a leadership who knows where the true American imagination lies. Countries around the world have at long last understood the power of trusting the people. America will change by reaffirming the lesson that we have taught the entire world, by trusting a leader who trusts you.

It is a great pleasure to be back in the wonderful State of Wisconsin. Thank you all. May God bless the United States of America, the greatest, freest country on the face of the Earth. Thank you very, very much.

Note: The President spoke at 2:09 p.m. at Outlook Graphics Corp. In his remarks, he referred to David Erdmann, president of the corporation.

Letter to Congressional Leaders Transmitting Proposed Legislation on Wyoming Public Lands Wilderness Designation

July 27, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to submit for congressional consideration and passage the ``Wyoming Public Lands Wilderness Act".

The Federal Land Policy and Management Act of 1976 (FLPMA), (43 U.S.C. 1701, et seq.), directs the Secretary of the Interior to review the wilderness potential of the public lands.

The review of the areas identified in Wyoming began immediately after the enactment of FLPMA and has now been completed. Approximately 577,504 acres of public lands in 42 areas in Wyoming met the minimum wilderness criteria and were designated as wilderness study areas (WSAs). These WSAs were studied and analyzed during the review process and the results documented in nine environmental impact statements and one instant study area report.

Based on the studies and reviews of the WSAs, the Secretary of the Interior is recommending that all or part of 21 of the WSAs, totaling 240,364 acres of public lands, be designated as part of the National Wilderness Preservation System. From these 21 WSAs, the Secretary proposes to designate 20 wilderness areas by consolidating two WSAs into one wilderness area.

I concur with the Secretary of the Interior's recommendations and am pleased to recommend designation of the 20 areas (totalling 240,364 acres) identified in the enclosed draft legislation as additions to the National Wilderness Preservation System.

The proposed additions represent the diversity of wilderness values in the State of Wyoming. These range from the badlands of Adobetown and the Honeycomb Buttes, to the canyon of the Sweetwater River, to the subalpine regions of the Ferris Mountains and Raymond Mountain. These areas span a wide variety of Wyoming landforms, ecosystems, and other natural systems and features. Their inclusion in the wilderness system will improve the geographic distribution of wilderness areas in Wyoming, and will complement existing areas of congressionally designated wilderness. They will provide new and outstanding opportunities for solitude and unconfined recreation.

The enclosed draft legislation provides that designation as wilderness shall not constitute a reservation of water or water rights for wilderness purposes. This is consistent with the fact that

the Congress did not establish a Federal reserved water right for wilderness purposes. The Administration has established the policy that, where it is necessary to obtain water rights for wilderness purposes in a specific wilderness area, water rights would be sought from the State by filing under State water laws. Furthermore, it is the policy of the Administration that the designation of wilderness areas should not interfere with the use of water rights, State water administration, or the use of a State's interstate water allocation.

The draft legislation also provides for access to wilderness areas by Indian people for traditional cultural and religious purposes. Access by the general public may be limited in order to protect the privacy of religious cultural activities taking place in specific wilderness areas. In addition, to the fullest extent practicable, the Department of the Interior will coordinate with the Department of Defense to minimize the impact of any overflights during these religious cultural activities.

I further concur with the Secretary of the Interior that all or part of 30 of the WSAs encompassing 337,140 acres are not suitable for preservation as wilderness.

Also enclosed are a letter and report from the Secretary of the Interior concerning the WSAs discussed above and a section-by-section analysis of the draft legislation. I urge the Congress to act expeditiously and favorably on the proposed legislation so that the natural resources of these WSAs in Wyoming may be protected and preserved.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Message to the Congress Transmitting the Report of the National Science Foundation

July 27, 1992

To the Congress of the United States:

In accordance with 42 U.S.C. 1863(j)(1), I transmit herewith the annual report of the National Science Foundation for Fiscal Year 1991.

George Bush

The White House,

July 27, 1992.

Statement by Press Secretary Fitzwater on the Situation in Somalia

July 27, 1992

The tragedy in Somalia, where vast numbers of people are suffering and dying from famine caused by a senseless civil war, requires the urgent attention of the international community. We strongly support the proposals of U.N. Secretary-General Boutros Boutros-Ghali to mobilize the international community to meet these urgent humanitarian needs and to convince the warring Somali factions to end the fighting. We urge the Security Council at its meeting today to take the actions needed to accelerate the delivery of food and medicine and to promote a peaceful settlement of this dispute.

The United States stands ready to do its part to support these efforts. We have committed $63 million over the past 2 years for humanitarian relief including airlifts of food and medical supplies. We will commit additional resources as needed. However, more must be done to create conditions where this vital assistance can reach the people who so desperately need it.

First and foremost, it is imperative that the leaders of the Somali factions themselves put the needs of their own people first and allow the food to reach all Somalis in need. We urge the United Nations to move as quickly as possible to deploy an effective number of security guards to permit relief supplies to move into and within Somalia. We are prepared to contribute generously to fund such an effort.

White House Fact Sheet: The State of Wisconsin's Two-Tier Welfare Demonstration Project

July 27, 1992

The President today announced approval of a second Federal waiver for the State of Wisconsin's welfare reform effort. The waivers will enable Wisconsin to implement a two-tier welfare benefit. Recipients of Aid to Families with Dependent Children welfare benefits who are new arrivals to Wisconsin would receive the benefit level paid in that person's State of origin, regardless of whether the State of origin's rate is higher or lower than Wisconsin's.

The Problem

Wisconsin's survey of new welfare recipients in Milwaukee County for June 1992 found 16 percent had moved to Wisconsin, applied for welfare benefits within 90 days of arriving in the State, and had never previously lived in Wisconsin. Of this group, 28 percent had moved from Illinois.

In explaining why it seeks waivers, Wisconsin notes that, except for Minnesota, welfare benefits in all adjoining and nearby States are lower than in Wisconsin. Wisconsin's welfare benefit for a family of three is $517 per month. The level in Illinois, the most populous adjoining State, is $367 per month for a family of three. Payments are $288 per month in Indiana, $426 in Iowa, and $532 in Minnesota for families of three.

The President's Proposal

In his State of the Union Address, the President pledged to help any State attempting to reform its welfare system to promote individual responsibility by making it easier to obtain quickly any waiver of Federal regulations that may be required.

Today's is the sixth such waiver to be approved since the State of the Union. It is the second for Wisconsin; Wisconsin received its first waiver on April 17. Other waivers have been approved for California, Maryland, New Jersey, and Oregon.

Wisconsin's Two-Tier Welfare Demonstration Project

The project will run for 3 years in up to six Wisconsin counties. The two-tier benefit will be in effect in Milwaukee, Kenosha, Racine, and up to three other counties. In those counties, AFDC benefits for a new arrival in the State would be paid at the level in that person's State of origin, regardless of whether the State of origin's rate is higher or lower than Wisconsin's. A person arriving in the State to take a job who is employed for at least 90 days and subsequently seeks

AFDC will be paid at the Wisconsin rate. A person who is a former Wisconsin resident for at least 6 months will also be paid at the Wisconsin rate.

Results in the counties where the two-tier benefit is in effect will be compared to three other counties and the balance of the State where the two-tier benefit will not be in effect. The project will operate for 3 years, after which its effects will be evaluated to assess whether AFDC recipients move to the State for the purposes of obtaining higher AFDC benefits.

White House Fact Sheet: The Wisconsin Youth Apprenticeship Program

July 27, 1992

Today the President commended Wisconsin Governor Tommy Thompson for his efforts in developing a statewide youth apprenticeship program. The Wisconsin youth apprenticeship program, undertaken in partnership with the U.S. Department of Labor, which provided $200,000 in seed money to the State, will provide an integrated statewide approach to the education and job training needs of students throughout the State.

The Problem

Upwards of one-fifth of American students drop out of high school. Most experience difficulty in securing permanent employment. Few have the skills that will enable them to succeed in today's work force. The rapid pace of technical innovation demands not only higher skills but also higher levels of educational achievement.

Many of those students who drop out view high school as primarily preparation for college. They do not consider high school relevant to what they intend to do in the future. Apprenticeship programs, which in many countries serve as a bridge between school and work, are not generally available as an option to U.S. high school students.

The President's Proposal

The President's proposed ``Youth Apprenticeship Act of 1992," submitted to Congress on May 13, 1992, would facilitate developing youth apprenticeship programs. The Federal role includes program certification and seed money. A description of this proposed legislation is outlined in an April 14, 1992, White House fact sheet.

In response to the President's directive to Secretary of Labor Lynn Martin to work with States to encourage apprenticeship initiatives, youth apprenticeship research and demonstration projects have been initiated in six States including Wisconsin.

Note: The fact sheet issued by the Office of the Press Secretary also contained a detailed description of the Wisconsin program.

Remarks to Hispanic Business Leaders

July 28, 1992

Nice to see you all. Thank you, and welcome to the Rose Garden. May I just say a word at the beginning of the great confidence I have in Secretary Barbara Franklin, our new Secretary of Commerce, and in our very able Ambassador, Carla Hills, who is doing a superb job hammering out the details, trying to achieve this NAFTA agreement; also continuing to work, both of them, on the need to get a worldwide agreement on successful conclusion to the Uruguay round of GATT. But we are very, very fortunate in this country to have this kind of leadership in these two terribly important jobs.

May I say to Jesus Chavarria, the editor and publisher of Hispanic Business, thank you for your leadership in bringing together so many dynamic men and women from the Hispanic-owned businesses. Frankly -- you want to hear it for him? Okay, let's do it. [Applause] Why don't you stand up?

But it's a wonderful thing that you do, and I'm sure everybody here would agree with that. But people across the country ought to know of this and ought to agree because, really, you enliven this country. You're keeping America great, all these businesspeople here. And we salute you.

We do believe in the future, and we know how to get there. Obviously, our future depends on freedom. Freedom works, and freedom is right. And as I see this free economic system working with you at the helms, you are the heroes of the economy because you create jobs, you meet a payroll. The only people with a tougher challenge might be either one of two people: the coach of the Angolan basketball team -- [laughter] -- or maybe, really, the guy that shot the arrow to light the torch. You talk about courage. Brent Scowcroft said, ``I think somebody was up there with a cigarette lighter just in case it missed." [Laughter] But nevertheless -- hey, wait a minute, we've got to be serious here.

You have come to Washington at a tough time, too late for the cherry blossoms, just in time for the humidity. And today I'd like to add a little heat because I really have something that's on my mind.

The economy is growing, albeit too slowly. Hispanic-owned businesses are in the vanguard of this growth, in the forefront of creating new, good jobs for Americans. And we need to grow faster. And we know what's holding us back. Let me sum it up in a simple sentence: Government is too big. The Government side is too big, and it spends too much. An old guard of tax-and-spend politicians has controlled Congress for most of 40 years. And believe me, that is a fact. Already this year I've given Congress a choice between economic growth and big Government. And Congress sided with the big Government.

Here's what happened. And I recite this history because I think it's important you have it in mind when you go up to Capitol Hill. In January I proposed a commonsense, comprehensive plan to get this economy moving faster, right then. The plan includes tax incentives to encourage businesses to hire new workers and breaks for young families who want to buy a first home. Half a million jobs would have been created if the Congress had acted right away.

That didn't happen. Instead Congress passed a package of new Government spending and new taxes. They knew I would have to veto that package. And so I did. I sent the plan back, and I'm still waiting almost 200 days later. This economic recovery plan is being held hostage, and the ransom note reads, I think we all know this, ``Wait until after the election."

We need that first-time credit. We need the investment tax allowance. We need to change these IRA's. We need to move on capital gains to create more small businesses. The party that controls Congress is holding jobs and free enterprise hostage. They talk about class warfare, about squeezing more from the rich. What they don't say is that more than half of those affected by the proposed hike in individual tax rates are family farmers, small-business men and women, people just like yourselves. So you are out there trying to create jobs, and you need a pat on the back, not $100 billion in new taxes and Federal mandates on your shoulders.

I do understand that you're going up to Capitol Hill later, and I'd ask you to take a message up there with you: Tell the Members we need quicker growth now, and tell them to approve these growth initiatives that are still up there without delay. Tell them to release the economy and approve the jobs program and put America back to work right now.

We're together today because we also share a vision for the long term. We want to build a solid future, a future for our country in the world economy. And one of the most exciting developments in our Nation's history is coming now to fruition. You've heard about it here this morning. I'm talking, obviously, about the North American free trade agreement. Our negotiators reported solid progress from meetings in Mexico last weekend. And they're going to meet again, I think, in just a few days. We're very close to completing an agreement. And that agreement will mean more jobs, more growth, more opportunity for American workers.

Look at the numbers. During the recent partial opening of the Mexican market since 1986, U.S. exports to Mexico have almost tripled. They have almost tripled. More than 600,000 American workers now owe their jobs to trade with Mexico. We enjoy a robust trade surplus with Mexico, $2.1 billion last year. And it's estimated that we'll achieve a surplus of more than $8 billion this year. The new jobs created by trade with Mexico are to be found not only in the border States but all across the country. Our top 10 States exporting to Mexico, let me just click off some, include Michigan, Illinois, New York, Pennsylvania, and Florida. They don't exactly border the Rio Grande.

When the trade agreement goes to Congress, not if but when, we are going to need the utmost

help from each and every one of you. Please don't have any illusions that this is going to be an easy fight. The leadership of Hispanic business men and women was crucial, crucial in winning that Fast Track effort that I heard Carla discussing just before I came out here. This new round of the battle will make Fast Track seem easy by comparison; we know that. But we are ready, and we've got to be sure we keep -- the battle itself for this must be nonpartisan or bipartisan or however you want to look at it. We need support from everybody to get this done.

We've consulted closely with the Congress and with business leaders every step of the way in these negotiations. Again, I just can't tell you the number of hours that Carla Hills and her team has spent, properly so, in my view, but with the various business and labor and environmental interests all across our country, keeping them informed, getting their suggestions, bringing them along. We made commitments to Congress last year, and we are going to meet each and every one of them. And when we wrap up the agreement, it's going to be a good deal for American consumers and businesses and especially for American workers.

To me, ideas like free trade are worth fighting for because, really, you've got to put it in the broad context. We're fighting for our children's futures. I know that's not politically popular in all places. I know there's an awful lot of special interests that are lined up against a potential free trade agreement; we understand that.

Too many of us in national politics often act like an old South Carolina Senator some of you may remember, Olin Johnston. He didn't like to cover anything controversial in these newsletters that he sent out to his constituents. He told his aide, ``Just put in a column about communism." The aide complied, writing a crackerjack column exposing the evils of communism, putting the good Senator squarely on the side of America. The Senator read the draft, and he said, ``Son, how many Communists do you think we have in South Carolina?" The aide answered, ``Well, I suppose maybe five or six." And the Senator replied, ``Well, just make sure they don't get this newsletter." [Laughter]

Well, I guess Carla knows and Barbara knows and I know that more than five or six people are going to stand against free trade. But I'm not going to back down. You know it's right, and I know it's right. And just on this one, trust me to do what is right for America and to do what's right for the future.

So I hope you'll agree with me. And inasmuch as NAFTA -- we're talking about mainly Mexico today, I might peripherally say I am very proud that we have such a good bilateral relationship with that important republic to our south. It's never been better. And once again, I'd like to salute President Carlos Salinas, the President of Mexico, who's working very closely with us to bring this agreement to fulfillment.

And one last point I want to make. There isn't any political timing on this. Carla explained to you the timing, the realities of the law and what we must comply with and how we must do it.

But in spite of opposition, nobody is going to turn this one into a political football because we're going forward to do something what is right for the United States.

So thank you all very much for what the Hispanic businessmen and businesswomen are doing to build a very solid foundation for the future. And on this very beautiful day, may God bless you all and the United States of America.

Thank you very, very much.

Note: The President spoke at 9:35 a.m. in the Rose Garden at the White House.

Message to the Senate Transmitting the Russia-United States Investment Treaty

July 28, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the United States of America and the Russian Federation Concerning the Encouragement and Reciprocal Protection of Investment, with Protocol and related exchanges of letters, signed at Washington on June 17, 1992. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This treaty creates a favorable legal framework for U.S. investment in Russia. By adopting the treaty's high standards for protection of U.S. investment, Russia seeks to encourage the U.S. private sector to invest in Russia. For the United States Government, the treaty serves the goals of aiding Russia's transition to a market economy and of strengthening our bilateral economic ties.

In addition, the treaty is fully consistent with U.S. policy toward international investment. A specific tenet, reflected in this treaty, is that U.S. investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the Parties also agree to international law standards for expropriation and expropriation compensation; free transfers of funds associated with investments; and the option of the investor to resolve disputes with the host government through international arbitration.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol and related exchanges of letters, at an early date.

George Bush

The White House,

July 28, 1992.

Statement by Press Secretary Fitzwater on the President's Meeting With President-Elect Sixto Duran-Ballen of Ecuador

July 28, 1992

The President met this afternoon with President-elect Sixto Duran of Ecuador. The President congratulated President-elect Duran on his election to the Presidency of Ecuador and commended the people of Ecuador for the peaceful, democratic way they have chosen their leaders in three Presidential elections since 1979. The President assured Mr. Duran that the United States wants to maintain excellent relations with his country and support Ecuador's efforts at economic reform and regional narcotics cooperation.

President-elect Duran will be inaugurated on August 10, 1992. The United States will be represented by a special Presidential mission.

President Bush last met President-elect Duran in March of 1987, when he visited Ecuador in the aftermath of a major earthquake.

Remarks at the Superconducting Super Collider Laboratory in Waxahachie, Texas

July 30, 1992

Thank you all so much for that introduction. Thanks for that welcome back home. Thank you so very much, and good morning everyone. Please be seated -- never mind. [Laughter]

Joe Barton, thank you sir, for your kind introduction, your generous comments. And let me just say to you, some of whom are constituents, many friends, the confidence I have in this man knows no bounds. He's an outstanding Representative for this area of Texas in the United States Congress.

May I also acknowledge our dais companions: the Deputy Secretary for Energy that Joe talked to you about, Linda Stuntz; Jack Martin; Joe Cipriano; and of course, Dr. Roy Schwitters. Joe and Roy were kind enough to lead Linda and me on a tour of this impressive facility. And out there in the audience someplace, another I'm grateful to is Waxahachie's Mayor, Joe Grubbs. We salute him and thank him for his city's hospitality.

Now, the super collider. The super collider is one of the greatest scientific projects in the entire world. This place attracts scientific genius the way our U.S. basketball players attract autograph seekers over there in Barcelona. So for me it is an incredible honor to be among you and to hear of your dreams and accomplishments.

As much as any State, Texas is a land of old and new, a place where ``boot'' means something you wear on your feet and what you do to turn on your computer each morning. And so I come here to talk just a little bit about what we need to do to prepare for the economy of the 21st century.

I'd like to start with a story not about the economy but football, a story about a freshman who walked out onto the field over at S.M.U. for his first football practice. He told the coach, ``Look, I can throw the ball 60 yards in a perfect spiral. I can run the 40 in 4.4. My punts usually carry 75 yards into the wind." The coach looked at this guy; he said, ``Kid, everybody has a weakness. What's yours?" And this freshman said, ``Well, some people might tell you I have a tendency to exaggerate a little bit."

Well, when we look at our economy, we should resist the urge to exaggerate our problems. Sure we face some very stiff challenges, but let's not forget a few facts. We're the world's largest economy. No other nation sells more products outside its borders; exports tremendously high. Inflation is the lowest in two decades. And if you want to talk to the world's most productive workers, you don't have to brush up on your Japanese or your German. The ``Dream Team" of

workers can be found right here in the United States of America.

So the question today is not can America compete; we know we can do that. The question is how do we stay number one and share our prosperity with more Americans and create more jobs for the American worker.

First, we face some short-term challenges. This morning the new economic numbers came out; they were released, telling you something you probably can pick up from conversations down at the local hardware store. The economy is growing, but it's got to grow faster. The economy grew at, what, 2.9 percent in the first quarter, and now -- that was stronger than originally reported -- but only 1.4 percent in the second. Housing sales, though, were much stronger than expected, up 8 percent in June. But overall, while the national economy is still growing, it is not growing fast enough.

Now, economists are going to tell you that this kind of uneven growth is not unusual. Since World War II, the first year of every recovery has shown the same pattern, with one quarter up and the next quarter down a little bit. Most of the economists, blue chip economists, predict that the economy is going to get stronger the rest of the year, and I believe that they're right. But we have got to act now to guarantee that.

On January 29th, I put forward a specific program to create new jobs with incentives to encourage businesses to hire new workers and help Americans who want to buy a new home. If that plan was in place, it would have been creating almost 15,000 new jobs a day, over a half a million jobs since February. For 183 days, in spite of the efforts of Joe Barton and a handful of others, the Congress has dillied and dallied while too many Americans are looking for work. They have made some progress, but we need this program of growth incentives passed right now. I hope you and all of these people will join me. I hope you'll join me in reminding Congress that we can't wait another 183 days. This sign is right: We the people need jobs. And we need to stimulate this economy and get those jobs. So help me pass that growth program. No more holding the American economy hostage to politics. Vote for this economic recovery program, and put more Americans to work now.

Now, that's the short-term program, but the real question on Americans' minds is: What about 5 years from now? What about 10 years, 20? Will America still be the world's leading economy? That's the question that I want to just focus on in this very special place this morning.

You know, our economy has changed in many ways since Barbara and I moved to Odessa 44 years ago, back in 1948. Back then, everybody was talking about new developments in television, atomic energy. This was just after World War II, and everyone in the neighborhood would turn out when somebody drove home in a brandnew car.

Today the new industries are computers, biotech, material science. You not only can get a new

car; you can get a car with a new fax machine inside it. I can't quite understand for the life of me why anyone wants to get faxed something while they are going along at 65 miles an hour or 60.

Back when I started out in business, you could get a job based on what you could lift with your shoulders. Today a good job depends on what you can fit inside your head. Back then, America reigned supreme in steel and emerging industries like electronics, and today we're competing for the lead in emerging basic industries of the 21st century: computers, biotech, and material science.

It's fashionable this year for people to talk about change, about preparing for the future. But for the past 3 years, without a lot of hype or fanfare, we've put forward a series of dramatic ideas to change America so that we will win in the new economic olympics. From our unprecedented effort to open up new markets to our products to our program to make our grade and elementary schools as great as our colleges, from proposed record increases in basic laboratory research to new ways to help our companies get ideas from the laboratory to the marketplace, from new incentives for American business men and women to new efforts to rip away the regulations that hinder innovation, from top to bottom our entire program is designed to build America for the 21st century.

Now, some advocate a very different, different approach. They want to erect protectionist walls around our economy. They suggest that Government should invest directly in industry and that maybe it's time we try having some guy in Washington pick economic winners and losers.

I don't trust that approach. I trust our business men and women to create and innovate. I trust our workers to perform. I trust you, our best researchers and scientists, to lead America to a bigger and brighter future. All you need is some tools, and that's what our programs provide.

First, in an age when knowledge is king, we want Americans to wear the crown. I admit I am very proud of our young people's domination in swimming and basketball. But by the year 2000 I want our kids to be champions not just in the pool and on the court, I want them to be number one in the math class and in the science lab.

Our second priority is to extend America's heritage as the world's leader in technology. The new industries that I've mentioned this morning will potentially create millions of new jobs. We don't want them nurtured in Germany or Japan. We want them built here in Texas, here in America.

The programs that we've put forward to build America are all prejudiced, yes. They are prejudiced to the future, loyal only to our children. But we can make this investment without new taxes or budget-busting spending today.

The Federal Government already spends, here it is, $1.4 trillion of your money every year. So I have proposed to do what you do with your family budget every weekend: set priorities. Cut

back on mandatory spending today, and do away with almost 250 Government programs that simply don't work anymore.

I've got a friend that many of you know, Randy Travis, and he sings something about love going on ``forever and ever." Well, I'm not sure Randy would sing the same tune about a taxpayer-supported research program on the mating habits of minks. We've got to get rid of those needless programs.

But then we come to priorities. The super collider is big priority, a big part of our investment in America's future. When you talk basic research, this is the Louvre, the pyramids, Niagara Falls, all rolled into one.

Where once we reached for the Moon above to explore new frontiers of our universe, soon we'll begin to tunnel below to learn about the fundamental question of science, how our universe began.

A couple of weeks ago, I hosted a meeting on this project in the White House with seven preeminent scientists, including four Nobel prize winners, four Nobel laureates. They started talking about quarks and quenches, and I wondered for a minute if they had all spent the weekend bird hunting. But nevertheless -- [laughter] -- but beneath all the discussion about matter and antimatter was real talk about what matters to our kids' future: maintaining America's technological supremacy.

History has shown again and again that by pushing technology to ever-higher levels of accomplishment, we can achieve immensely practical consequences. To give you just one example, at Argonne Laboratories years ago, scientists were trying to purify liquid hydrogen for use with what was then the world's largest accelerator. They ended up figuring out a way to make artificial kidneys for just $15 apiece. That resulted from this fundamental science. The same kind of developments will occur right here, on a scale never before imagined. Here, for example, is where a new electronics industry is going to be born.

Some in Congress don't see it this way. They talk a good game about investment. While they proclaim to be ``future's friend" they have repeatedly blocked programs I have put forward in education and research. And now, they've set their sights on the super collider.

The House last month voted to shut down this project, the House of Representatives, in spite of the heroic efforts of this scientist, this Congressman with me here today, and this Deputy Secretary of Energy with me here today. Now, the Senate will consider it soon. And no one should be under any illusion: Savings from killing the super collider will not be used to reduce the deficit, as some said.

Some Members of Congress want to use this money to support organized interests whose

backing they need in an election year. They will squander the taxpayer's money today rather than invest in our economy with tomorrow in sight. Make no mistake: This is a battle being waged right now in the Congress between the patrons of the past, and the architects of the future. And that is every one of you standing here today.

It may not be popular in all places, but I am determined, election year or not, to do what is right for America. Today I say: I stand with our young people who want the jobs of tomorrow. I stand with our future. And I will fight hard and continue to fight hard for the super collider, and call everybody necessary to get them to do what is right by science and technology.

Five hundred years ago this Monday, a man named Columbus set sail on a journey that brought him to the shores of this great land. But in many respects, America's voyage is never-ending. Centuries after Columbus set sail, our forebears tread this soil in wagon trains, and two centuries after that, scientists at Johnson Space Center watched as brave Americans set sail for the stars.

Today, new frontiers beckon; new discoveries await; new progress lies before us. Our adventure is not to sail the open ocean but rather to go to the edge of the universe and see the birth of space and of time. Our vessel is not called Santa Maria, it is the super collider. But human imagination is still our compass and human ingenuity and yearning for progress our only power. To those who would sacrifice tomorrow for today, I say: Trust in America's future. Trust in America's incredible capacity for renewal and innovation. Trust in the spirit that is here today, for ours is an eternal voyage to greatness. And each and every one of you is a part of that voyage.

Thank you for listening. May God bless Texas, and God bless the United States of America. Thank you very much.

Note: The President spoke at 10:32 a.m. in the String Test Building. In his remarks, he referred to Jack Martin, chairman, Texas National Research Commission; Joseph Cipriano, director of the Superconducting Super Collider Project, Department of Energy; and Roy Schwitters, Director, Superconducting Super Collider Laboratory.

Remarks to Odetics, Inc., Associates in Anaheim, California

July 30, 1992

Thank you very much for that wonderfully warm Odetics welcome. Joel, let me tell you why Odetics was selected: its innovation, achievement, and attitude. May I thank your fellow founders, Mr. Gudmundson, Mr. Muensch, Daly, Schulz, and Jim Welch for the hospitality, and all of you most of all for this hospitality.

On board every American space shuttle is Odetics. You're everywhere I'm told, in the security camera, in the convenience store, and the corner ATM machine. I've always wondered where all this stuff came from. I think you've done for robotics what the guy at that Olympics ceremony has done for the under fire archery, if you remember that fellow. [Laughter]

As Joel pointed out to me early on, the credit goes to the people behind the technology, the Odetics associates, the workers here who have done such a great job.

Barbara was especially thrilled when she heard I was coming out here. She said, ``If everything you tell me about Odetics is true, then maybe you can find someone out there who can teach you how to set the time on our VCR." We need help. I don't know how you all handle it; we just leave ours flashing -- [laughter] -- 12:00, 12:00. That way you're right two times every 24 hours. [Laughter]

I think you all have played a significant part in what I believe is the central triumph of our time, the free world's great victory in the cold war. But as you know, that triumph means changes in the very industry that helped us carry the day. Many defense-related firms are grappling with the new realities, and not all are doing it with the success that you're having right here.

We know we can reduce defense spending, cut it substantially and responsibly. The victory in the cold war makes it mandatory for a President to do just that. And I have proposed a sensible defense build-down, a blueprint that recognizes, post-cold-war realities but still gives this country the muscle that we need to meet whatever danger comes our way.

We also know that we need to help defense firms and defense workers make the adjustment, to help technology-intensive companies like yours compete and win in the economic olympics, where the prizes aren't medals, but they're good jobs, and they're bigger paychecks.

I happen to believe that the best defense conversion program is a strong national economy, and that is my first and overriding priority. And this morning there were some economic numbers out showing that -- you can probably pick this up from conversations with your neighbors -- the

American economy is growing nationally, but not fast enough. Most economists predict the economy's going to get stronger the rest of the year nationally. That's true, I believe. But your friends and neighbors do not want to wait for new jobs to be created; they want them now.

On January 29th, I put forward a specific program to spur the economic economy, would not have increased this deficit, but to spur the economic economy with incentives to encourage businesses to hire new workers and help Americans who want to buy a home. If that plan was in place, it would have created 15,000 jobs a day, over half a million jobs since February. For 183 days, the Congress has dillydallied with this plan while we could be creating new jobs for Americans.

So do me a favor, help me send the United States Congress a message, the one institution that hasn't changed control for 38 years: Don't hold the American economy hostage to politics. Tell them to vote for a recovery program and get this country back to work right now.

A stronger economy is going to help a lot of your associates in related companies who might be looking for work these days. But we also need to help the defense firms and the workers make the adjustment and transfer your technological expertise to other parts of our economy.

That's the idea behind what we call a national technology initiative to help bring new technologies, those that have been developed at taxpayers' expense in our labs, out of the Federal labs and into the marketplace. And that's why we're pioneering a new program to help members of the defense community, civilian and military, find new careers in America's classrooms.

It's why we're doing away with something called -- this is technical -- but called the recoupment fee. This is a tax charged against military and commercial products sold to customers other than the U.S. Government. These fees hurt American companies, American workers by making it more difficult for them to compete for business here and abroad. I've told the Secretary of Defense to eliminate these fees. If the Government unties the hands of businesses, I know that we can beat the pants off foreign competition. I think we can help through this transition.

But, you know, as another Californian used to say, ``Peace through strength never goes out of style." And we cannot lose sight of the fact that for all the great gains that we've made for freedom and for all the peace of mind we've secured for our children because of the elimination or certainly the reduction, significant reduction of the threat of nuclear war, the world still is a dangerous place.

I think back to the oath that I took on the Capitol steps there when I first became President, to preserve, to protect, and to defend the Constitution of the United States, and of the trust placed in me, the trust I've done my best to repay to keep this Nation safe and secure. I am proud of these accomplishments here and thankful that we've been able to give the order that so many Presidents long to give, for many of our nuclear forces to stand down from alert.

Yet in many ways, I know that our world today is more uncertain, far more unpredictable than the world we left behind. The Soviet bear, that unified international Communist Soviet bear, may be extinct, but there are still plenty of wolves out there in the world, renegade rulers, outlaw regimes, terrorist regimes, Baghdad bullies. I won't allow them to get a finger on the nuclear trigger. This President, will never allow a lone wolf to endanger American security. We owe that to these kids right here today. Yes, the world is a safer place, but we've got to keep it safe.

I've been told about a certain political speech not too many weeks ago. I missed it; I was fishing in Wyoming. [Laughter] It went on about the future of the country, I'm told, for about an hour. Out of all that time, that speech spent about one minute on the national security of this Nation, one minute, 141 words to be exact. If you blinked or had to do something else or even heated up a ham and cheese sandwich in the microwave, you missed the entire part about the national security and world peace.

Well, I guess it's all part of the change thing. But when it comes to national defense, I am worried that the other side is for change. They want to change the subject, and their silence speaks volumes. I don't believe that foreign policy and national security is a footnote, a loose end we wrap up and then safely forget. The defense budget is more than a piggy bank for folks who want to get busy beating swords into pork barrels. We've got to fight to keep this country sufficiently strong.

So someone has to set the record straight and has to speak up for the muscle -- not the waste, not that we can't cut -- but has to speak up for the needed muscle that gives meaning to American leadership. Someone has to say, even now that we've won the cold war: America is safe, but just so long as America stays strong.

If we took the course that some recommend, we literally wouldn't know what we're missing until we found it out in the heat of battle. But the truth is that Odetics and other frontline firms around California, you'd feel it first. The other side proposes to cut nearly $60 billion in defense cuts beyond and below the level we see as the minimum necessary for national security, and we cannot let that happen: almost 4 times more cuts than what we believe is responsible so that I can certify to these young people here that your future is going to be safe.

Cuts of that magnitude would jeopardize America's ability to defend our citizens, our interests, and our ideals. Let me bring it very close to home. Cuts of that magnitude would cost workers in the defense industry as many as one million jobs. So we've got two reasons. The first and most important, we've got to do what my oath committed me to do: guarantee the national security of this country. Then we've got to also think about the American worker and not needlessly push him out of work.

I know that the California economy is struggling these days, and that some of it comes, and I'll accept the blame for this, from what I think are the responsible cuts that we've approved. As the

cold war ended, it was appropriate that we make some defense cuts.

But think of the shockwaves that reckless defense cuts would touch off in construction and electronics and aerospace. Think of what those layoffs will do to housing prices. Think of the workers, think of the families, from die cutters and welders to design teams and engineers thrown out of work and then over onto the welfare.

You know, when a ship is decommissioned, it's said to be put in mothballs. Well, if we follow that plan, the opposition's plan, the only industry hiring would be the mothball industry. We cannot let that happen to our country.

As long as I am President, I make this pledge: I will not let our economy be wrecked and our security threatened by the politically appealing idea of gutting our national defense. They want to gut the defense, and we cannot let that happen.

So in conclusion let me just say, this year you're going to hear a lot of talk about change. But to me this election, like every other one, is also about trust. Who do you trust to change America? Who do you trust, not to do what's easy or sounds good, might be responding to some poll out there, but to do what is right for you and for your children and for the families of this country and for America?

I make this pledge to you, not to do what is unwise or politically expedient, but I pledge to fulfill the trust that you have placed in me by doing what is right for this country.

I am very, very pleased to be here. Now I will end with the word that I know will get me a nice standing ovation: Odetics! Go for it!

Thank you very much.

Note: The President spoke at 1:53 p.m. at the automated tape library division of Odetics, Inc. In his remarks, he referred to company officers Joel Slutzky, chairman of the board and chief executive officer; Crandall L. Gudmundson, president; Gerry Muensch, vice president of marketing; Kevin C. Daly, vice president and chief technical officer; Gordon Schulz, vice president of mechanical engineering; and James P. Welch, vice president of electrical engineering.

Message to the Senate Transmitting the Protocol to the Ireland-United States Friendship, Commerce, and Navigation Treaty

July 30, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol to the Treaty of Friendship, Commerce and Navigation between the United States of America and Ireland of January 21, 1950, signed at Washington on June 24, 1992. I transmit also, for the information of the Senate, the report of the Department of State with respect to this protocol.

This protocol will establish the legal basis by which the United States may issue investor (E - 2) visas to qualified nationals of Ireland. The protocol modifies the U.S.-Ireland friendship, commerce, and navigation (FCN) treaty to allow for entry and sojourn of investors. This is a benefit provided in the large majority of U.S. FCN treaties. It is also a benefit already accorded to U.S. investors in Ireland who are eligible for visas that offer comparable benefits to those that would be accorded nationals of Ireland under E - 2 visa status.

As I reaffirmed in my December 1991 policy statement, the United States has long championed the benefits of an open investment climate, both at home and abroad. U.S. policy is to welcome market-driven foreign investment and to permit capital to flow freely to seek its highest return. Ireland also provides an open investment climate. Visas for investors facilitate investment activity and thus directly support our mutual policy objectives of an open investment climate.

I recommend that the Senate consider this protocol as soon as possible and give its advice and consent to ratification of the protocol at an early date.

George Bush

The White House,

July 30, 1992.

Message to the Senate Transmitting the Protocol to the Finland-United States Friendship, Commerce, and Consular Rights Treaty

July 30, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Protocol to the Treaty of Friendship, Commerce, and Consular Rights Between the United States of America and the Republic of Finland of February 13, 1934, as modified by the Protocol of December 4, 1952, signed at Washington on July 1, 1991. I transmit also, for the information of the Senate, the report of the Department of State with respect to this protocol.

This protocol will establish the legal basis by which the United States may issue investor (E - 2) visas to qualified nationals of Finland. The protocol modifies the U.S.-Finland friendship, commerce, and navigation (FCN) treaty to allow for entry and sojourn of investors. This is a benefit provided in the large majority of U.S. FCN treaties. It is also a benefit already accorded to U.S. investors in Finland who are eligible for visas that offer comparable benefits to those that would be accorded nationals of Finland under E - 2 visa status.

As I reaffirmed in my December 1991 policy statement, the United States has long championed the benefits of an open investment climate, both at home and abroad. U.S. policy is to welcome market-driven foreign investment and to permit capital to flow freely to seek its highest return. Finland also provides an open investment climate. Visas for investors facilitate investment activity and thus directly support our mutual policy objectives of an open investment climate.

I recommend that the Senate consider this protocol as soon as possible and give its advice and consent to ratification of the protocol at an early date.

George Bush

The White House,

July 30, 1992.

Statement by Deputy Press Secretary Smith on Deployment of C - 130 Aircraft to Angola

July 30, 1992

In response to requests by Angolan President dos Santos, UNITA President Savimbi, and U.N. Secretary-General Boutros-Ghali, the President has instructed the Department of Defense to deploy three U.S. C - 130 aircraft to Angola for approximately 6 weeks. The aircraft will be used to support transportation of troops demobilized in accordance with the peace accords between UNITA and the Angolan Government and to support the elections that will take place September 29 - 30.

Since assuming office, the Bush administration has worked to achieve a peaceful resolution of the civil conflict in Angola in a fashion that would permit that war-torn country to move into an era of peace and multiparty democracy. The fighting has ended, and Angola is now firmly embarked on the first free elections in its history. Approximately 4 million citizens have already registered to vote for the first time in their lives. President Bush attaches high priority to ensuring that free and fair elections take place as scheduled and that all parties respect the outcome of the elections.

White House Fact Sheet: The Bush Administration's Policies for an American Technological Revolution

July 30, 1992

The President today met with the scientists, management, and workers at the world's largest science and engineering project, the superconducting super collider (SSC). He reaffirmed his continuing strong support of the Federal investment in this unprecedented scientific undertaking which will provide broad societal benefits.

The Problem

Technological innovation is essential to sustained economic growth. Those nations that innovate most successfully will compete best in an increasingly integrated global economy.

International competitiveness requires needed investments in basic research and efficiently commercializing the results of that research. It involves a technology policy that recognizes the important role of entrepreneurs and the need for flexibility in deploying resources to their most efficient uses.

The Bush Administration Principles

Since 1989, President Bush has aggressively pushed a strong science and technology agenda, and he has proposed devoting an unprecedented level of resources to R&D.

The President's science and technology agenda relies on six basic principles:

The private sector must be free to determine its own research priorities;

The Federal Government must promote sound tax policies that stimulate private sector investment in R&D and technological innovation;

The Federal Government must assure that its regulations do not impede firms from developing products or from bringing safe, new products to market;

The Federal Government must support a strong program of basic and applied R&D which provides broad societal benefits;

The Federal Government must work cooperatively with the private sector in the development of generic or enabling technologies;

Federally funded technology must be transferred swiftly and effectively to the private sector for commercialization.

The President has taken these six principles and developed a comprehensive strategy for enhancing America's technology prowess and competitiveness. It includes:

Opening up foreign markets to U.S. goods;

Accelerating technology transfer;

Investing in the future: Strengthening our knowledge base and increasing Federal support for emerging technologies;

Educating our students for a world of technology;

Coordinating with the private sector in consortia and other arrangements to develop generic or enabling technologies;

Stimulating private sector R&D through sound tax policies; and

Promoting technology through a sound regulatory system.

Opening Up Foreign Markets to U.S. Goods

The U.S. remains the world leader in the export of scientific and technological knowledge. Our high-tech exports have increased by two-thirds since 1987, and we enjoy a $37 billion trade surplus of high-tech exports with the rest of the world. The President is determined to maintain this position by opening new foreign markets and by protecting the intellectual property rights of those on the leading edge of scientific and technological innovation.

1. Bilateral Agreements With Japan. The administration has opened Japanese markets to U.S. high-tech goods through trade agreements covering supercomputers, satellites, semiconductors, and amorphous metals.

2. Intellectual Property Rights in the Uruguay Round. The administration is currently negotiating to ensure that the U.S. science and engineering base is protected from foreign pirating of technology.

3. North American Free Trade Agreement (NAFTA). The administration is completing the negotiations on the NAFTA which will open new opportunities for American exporters and the free flow of investment capital into the technologically intensive fields of the environment,

medicine, agriculture, electronics, and telecommunications.

4. U.S./Asia Environmental Partnership. This unprecedented coalition of U.S. and Asian government units, businesses, and community groups is working together to enhance Asia's environment. This will result in the greater export of American technological know-how and equipment.

Accelerating Technology Transfer

The Federal Government has invested billions of dollars in creating the world's finest, most advanced research laboratories. This valuable national resource can assist civilian research efforts to investigate and develop commercially viable technologies.

Technology Transfer. The FY 1993 budget proposes a significant increase in technology transfer activities, including almost 1,500 cooperative research and development agreements (CRADA's) between Government laboratories and private industry, an increase of 60 percent over the past 2 years; approximately 4,500 new invention disclosures; 2,000 patent applications; and almost 300 technology licenses awarded.

The Administration's National Technology Initiative. Ten conferences have been held across the country, and five more are scheduled between now and December 1, 1992. These conferences act as catalysts for creating new partnerships among Government, universities, and American companies to better translate new technologies into marketable goods and services. A list of the conferences is attached.

Expanding the Role of the National Laboratories. The FY 1993 budget proposes that national laboratories play a greater role in high priority areas of civilian applied R&D by helping to form R&D consortia and other collaborative arrangements led by industry and academia.

Remarks at a Breakfast With Community Service Clubs in Riverside, California

July 31, 1992

Thank you very, very much for that warm welcome. And Governor, my friend Pete Wilson, thank you for that kind and generous introduction. You stole most of what I had planned to say -- [laughter] -- but I don't want to take up too much of your Friday morning here. Let me just, before getting going, quickly thank some of our hosts: Jim Milam, who I met on the way in; Bill Bonnett; your able emcee, Bob Wolf, of the Lincoln Club, a man who also gave a fine introduction; Ken Calvert, a man who really can and will make a difference in Washington, DC; Paul Rout of the California Department of Social Services. And a quick hello to all you political types on the dais: Dave Kelly, Bill Leonard, Dan Hollingsworth, Ethel Silver. And I want to be sure to mention the various service clubs, particularly the Rotary, who I understand this is a routine breakfast meeting for Rotary here, but the other service clubs that joined in to make me feel so welcome.

This has been a big week for America, especially with Olympic games going on. I admit to being a special fan of Pablo Morales. He's a swimmer who missed out in `84. He didn't make the team in 1988, and then he came back this year to earn a gold medal at the ripe old age of 27. Now, I don't know why, but I kind of like a guy who proves that youth and inexperience are no match for maturity and determination. [Laughter]

We gather today at a moment of great change around the world; Pete touched on this. The past 4 years have been a rough time for Robert Ludlum and other fiction writers. With all that's been happening in the world, is there any more room left for imaginative scenarios? They said the Germans would never tear down the Berlin Wall. I remember the ridicule that President Reagan got when he stood and he said, ``Take down that wall." A lot of people thought he was out of touch with reality, and he wasn't. They said Russians would never troop to the polls, but they are. They said the world would never come together to say ``enough" to a Baghdad bully, but we did, and we will again if we have to. He is going to mind and match every one of those U.N. resolutions and live up to them. You believe me.

Now that we've changed the world, it is high time to change America. I believe our first priority must be to build an economy for the 21st century, a strong, vibrant economy that provides a good job for every American who wants one.

I wanted to come here and give a political speech. But out of total respect for the service clubs and recognizing the nonpolitical nature of these service clubs, I'm going to hold back.

But let me just tell those of you who are interested in politics, you wait 2 years from now -- I

mean 2 weeks from now -- [laughter] -- you wait, because I've been going through a little javelin catching for about 10 months from the political opposition. And I cannot wait for our convention to roll up my sleeves and go after them and tell the American people what's really going on. They've been dishing it out for about 10 months, helped by some on the editorial pages. Let's see if they can take it, starting 2 weeks from now. That's the way I feel about it.

Now, back to my nonpolitical self here. [Laughter] Today I want to spend a few minutes really talking about a big part of my strategy for America's future. It's something you all are interested in, and it sometimes transcends politics. I'm talking about reforming our welfare system. We can't afford the welfare system that we have today. The taxpayers know it; the recipients know it; the economists know it. Welfare is a system that literally wastes millions of tax dollars a year, and we can't afford that.

Welfare was designed to be temporary. Temporary. But today, more than half of all recipients receive a check for at least 8 years, and we can't afford that. Economic competitors are able to call on the ingenuity and industry of their entire society, and yet, welfare deprives our economy of millions of citizens who never learned the simple values of hard work and responsibility. We can't afford that system anymore.

Welfare punches a hole in the heart of the American dream. So let's fix the hole so we can fulfill the dream. This is not a new complaint, of course. We've known of welfare shortcomings for years, even decades. So today I invoke what you might call ``the Willis Carrier principle." Willis Carrier is the guy who was responsible for your being here in Riverside this morning. Here's why: For centuries men and women have complained about hot, sticky weather, or in some cases, hot, dry weather, and never did anything about it. Then in 1914 Willis Carrier decided to do something about it, and he invented air conditioning. Here's the real interesting part: Carrier invented air conditioning in Buffalo, New York -- [laughter] -- which is like someone inventing a tanning bed out here in California.

But the Carrier principle is this: Talk doesn't matter; action counts. The good news about our welfare system is that today, without a lot of hype or fanfare, real action is taking place. Today my administration is releasing a paper that describes the changes, the progress, and yes, the opportunity. All our reforms are based on the simple belief that the principles that guide change are the principles that should never change.

One of those principles is an old idea called trust. I put my trust in people. I put my trust in people, not in the Federal Government. I believe that with the right incentives, people can be trusted to do the right thing.

The old welfare system failed because when a recipient wanted to get a job and earn money, welfare said no. And when you wanted to keep your family together, welfare said no. And when you saved to go to college, if your family was on welfare, welfare said no. I want a system that

rewards responsibility, and I want a system that says yes.

Now, in making these changes, I've put my trust in the States more than Washington. That's the philosophical underpinning of our approach to welfare. So a big part of our effort is to give States the freedom to make the changes they want, new ideas, new opportunities, new flexibility.

I asked Gail Wilensky, my very able welfare reform specialist who works with me in the White House, asked her this: What is the basic problem? She said that key old thinkers in the United States Congress and old thinkers in the bureaucracy really believe -- it's a conviction with them -- really believe that welfare policy should be controlled and dictated from Washington, DC. They are 100 percent wrong. We must put the trust in the States and in the communities and thus in the people.

Our initiatives come in many forms, and they take many shapes. From job training programs right here in Riverside to our successful effort to make sure that every eligible 4-year-old gets a head start before kindergarten. That's why we've increased funding and requests for funding in Head Start so much.

Our first priority is remarkable in its simplicity: Welfare should be a force to keep families together. And as I've traveled across America the past 3 years to every single State, I've come to agree more and more with a certain silver-haired philosopher named Barbara Bush, who I wish were here today. She puts it this way: What happens in your house is far more important than what happens in the White House. The family is the foundation of our Nation. But it's crumbling in places, and we must strengthen the family. That means changing the way welfare works.

Welfare was originally designed to help widows and is still oriented toward single parents. So if two parents stay together and one works even part-time, they can lose their check. Fathers faced an awful Hobson's choice: the kids or the weekly payment. And far too many chose the payment.

We've given States like Wisconsin the freedom to experiment with allowing moms or dads to work without losing payments. I believe it's time we encourage families to stick together and fathers to stick around. But when dads do take off, we don't forget. And last year, we collected a record $6 billion in payments from these deadbeat fathers. If you're a dad and you're not around, my message is simple: There is nowhere for you to hide. You must do what's right by your family, by those children.

Keeping families together is a start, just a start. But we have to go even farther. We have to reward hard work, and we have to reward saving. You can't build a home without a hammer, and you can't build a dream without a job. Work isn't just good for our wallets. Work lifts us up. It elevates us. It teaches us values. It gives us a purpose.

But too often welfare has treated work as an afterthought or literally discouraged work

altogether. So we've made a major commitment to job training, and we're pushing an idea that will allow recipients to pay for training and education and not have it cut from their benefits check. Training can't be an option, a thing I'll get around to later. We've given States like Oregon the authority to cut welfare checks if recipients don't learn a skill and get a job. And the point is this: 8 years is too long for someone to go without a skill or a purpose, for people who take welfare with no regard for self-improvement. We need to say, ``Get a job, or get off the dole." Some recipients shop from State to State looking for the highest payments. We shouldn't encourage that practice; our system should not encourage that practice. States should be able to say, ``You come here, you get a fair deal, not a free bonus."

Our third priority, perhaps the most important, is to promote personal responsibility. I hope you know how much I value children. One way to provide real relief from the craziness of Washington is sit down with a grandchild and read a book. But too many Americans, many on welfare, are having children they can't afford, can't support, just aren't ready for, and we have to do something about it. The system has to find a way to do something about that. We're allowing States to decide if it's time to say, ``No more money if you have another child." Let some try that. I know this is a tough call, a tough decision, but so is a system in which poverty is handed down from generation to generation.

These ideas are happening in Wisconsin, in New Jersey, in Oregon, in Maryland, and yes, right here in California. Pete Wilson is fighting hard against an entrenched bureaucracy there in Sacramento to end the practice of welfare shopping, to reward work, not welfare, to keep families together, to encourage learning, and to encourage responsibility.

So today I say to the people of California: Help your Governor make welfare work in California. It will encourage work. It will strengthen the family. And it will help save the most endangered species in California, the taxpayer.

Americans today lack faith in welfare. Recipients lack faith in welfare. But that's not welfare's greatest failing. Far greater is that welfare makes Americans lack faith in themselves.

The single mother riding the early bus in east L.A., the fearful teenager hiding from the gang in Chicago, the 6-year-old throwing rocks against the wall in Bed-Stuy back in New York, they all want what we want: a chance, hope, and opportunity. Giving them that chance is not just right for them; it is what is right for all of us. It is what is right for America. So let's work hard now to make these changes that will give dignity to those who have been stripped of their dignity.

Thank you very, very much for listening. Thanks for the welcome. And may God bless the United States of America.

Note: The President spoke at 8:15 a.m. at the Riverside Convention Center. In his remarks, he referred to James R. Milam, president, Riverside Rotary Club; William H. Bonnett III, lieutenant

governor, Riverside Kiwanis; Robert Wolf, chairman, Riverside County Lincoln Club; Kenneth S. Calvert, Republican candidate for Congress in the 43d district of California; Paul Rout, assistant director, social services division of Riverside County; State legislators David Kelly and Bill Leonard; Dan Hollingsworth, chair, Riverside County Republican Party; and Ethel Silver, chair, Victory '92 in Riverside County.

White House Fact Sheet: The President's Welfare Reform Strategy

July 31, 1992

In his State of the Union Address, President Bush said his administration would help States that wanted to reform their welfare systems by granting a quick review of their welfare waiver requests. The President today called for additional welfare reform demonstrations and legislative changes that would create more flexibility for States and localities. The President's plan is detailed in an administration paper on welfare reform released today.

The Problem: Welfare Dependency

Currently there are more than 13 million recipients of Aid to Families with Dependent Children (AFDC) benefits, more than 25.5 million food stamps recipients, and more than 30 million people on Medicaid.

The problem addressed by the administration's proposals and paper released today is not welfare receipt but welfare dependency. Half of all new public assistance recipients will be off the rolls in less than 2 years. But too many others will be trapped in the system. At any point in time, about two-thirds of those on welfare will be on for 8 or more years.

Important determinants of dependency are: teen motherhood; dropping out of school; no prior work experience.

The consequences of dependency can be severe: long-term poverty; entrapment in crime ridden neighborhoods; and higher chances that one's children will themselves become dependent on welfare.

These and other facts about welfare receipt and dependency are reviewed in a data appendix to the paper released today.

The President's Principles

The President's fundamental goal for welfare reform is to create incentives that will enable welfare recipients to leave the system at the earliest possible time, as economically self-sufficient and responsible participants in their community.

At the same time, we have begun to open the doors of opportunity to one of the larger groups that has been relegated to welfare dependency, individuals with disabilities. The Americans with Disabilities Act, which took effect recently, gives these individuals the opportunity to gain

control over their own lives and compete for jobs on a level playing field.

Federal programs that serve welfare recipients must instill responsibility and serve as a ladder of opportunity.

Accomplishments

The paper released today reviews the administration's accomplishments, which include:

Expanding the Earned Income Tax Credit (EITC), which will provide an additional $18 billion in assistance to low-income working families over the next 5 years.

Implementing the Job Opportunities and Basic Skills Training (JOBS) program. Over $1 billion is available this year for job search, training, and education services, child care, and more than 500,000 welfare recipients are participating each month.

Increasing child support enforcement resulting in over $6 billion collected in fiscal year (FY) 1992.

Expanding the Head Start program to $2.8 billion in FY 1993 for all eligible 4-year-old children whose parents want them to participate, an increase of 127 percent since the President took office.

Pending Proposals

The President's welfare reform proposals that have been pending before the Congress include:

The Community Opportunity Act, proposed in May 1991. This proposal would create broad authority to permit testing of innovative programs. It would allow proposals to come forward from State and local governments as well as grass roots groups.

Increasing the AFDC assets limit. States would be allowed to raise the amount of assets a family could accumulate and still stay on welfare from $1,000 to $10,000. Presently, individuals saving for college or to start a business may get thrown off welfare. The family's choice: spend any savings or lose your welfare benefits.

Escrow Savings Accounts. A demonstration would test whether long-term AFDC recipients would be more likely to work their way off welfare if, when they did, they received a bonus payment based on foregone AFDC benefits.

Plan for Achieving Self-Support (PASS). States would have the option of excluding income

used by an AFDC family head to become self-employed when assessing whether a recipient qualifies for AFDC benefits.

The President's Proposal

The President's proposal affirms his commitment to State innovation. Welfare waiver requests are being processed rapidly, and promising areas of innovation are identified.

Review of welfare waiver requests

The President promised a quick review of welfare waiver applications in his State of the Union Address. Requests from Wisconsin, Oregon, Maryland, California, and New Jersey have been approved; requests from Utah and Michigan are under review.

The ideas included in those waivers include incentives for work and family formation, for immunization and obtaining preventive health services, and for responsible childbearing and school attendance.

Areas in need of innovation

The administration today identified three areas where further innovation is important. Those areas are: (1) Providing comprehensive services for teen parents; (2) Promoting parental responsibility; and (3) Encouraging self-sufficiency.

Interventions for unmarried teen parents were identified as the highest priority. These individuals are the most likely to become welfare recipients, especially long-term recipients.

Legislative changes

The President called for legislative changes to expand waiver authority, provide greater program flexibility, and strengthen programs.

1. Expanded waiver authority: Waiver authority comparable to the broad authority that today applies to AFDC will be proposed for food stamps and Federal housing programs. For example, current law does not allow for coordinated incentives and rules across cash, food, and housing assistance programs.

Waiver authority will also be proposed to allow the Davis-Bacon Act to be waived to allow the homeless and public housing residents to work in housing improvement projects. Those homeless and public housing residents who are gaining skills while working may not have the productivity needed to earn the wages required under Davis-Bacon.

2. Greater program flexibility: The administration will propose a targeted version of the Community Opportunity Act (COA) proposal it offered last year. The COA would allow States and communities to undertake broad reform programs that cut across multiple program lines. The new proposal, the Community Opportunity Pilot Project Act (COPPA), would make the authority initially available for projects in five sites. For example, the Atlanta Project, a community effort to address the problem of Atlanta's most troubled neighborhoods that former President Carter has discussed with President Bush, could redesign the operation of Federal programs in Atlanta under COPPA.

Legislation will be proposed to allow greater flexibility to State and local officials. The greatest additional flexibility will affect work requirements for welfare recipients. The legislative changes will:

Allow inclusion of food stamps and the value of having Medicaid in determining the amount a welfare recipient must ``work off'' as part of a workfare program;

Remove limitations on positions to which welfare recipients can be assigned to fulfill a workfare obligation;

Remove prohibitions on extended job search and requirements for intake assessment in JOBS, enabling State and local officials to give job search higher priority; and

Allow States to move from a ``cash up front'' to a ``pay for performance'' approach for welfare payments, with payment made after the performance of assigned program activities such as schooling or job search.

3. Stronger values: The requirement that AFDC recipients cooperate in establishing who is the father of their children would be expanded to include all relevant information and cooperation with followup efforts.

Separate and often unnecessarily stricter Federal requirements for evicting convicted felons from public housing would be repealed. This proposal would defer to local law instead of providing a separate Federal requirement for eviction.

Appointment of Constance Horner as a Member of the Council of the Administrative Conference of the United States

July 31, 1992

The President today announced his intention to appoint Constance Horner, Assistant to the President and Director of Presidential Personnel, of the District of Columbia, as a member of the Council of the Administrative Conference of the United States for a term of 3 years. She would succeed James W. Cicconi.

Since 1991, Mrs. Horner has served as Assistant to the President and Director of Presidential Personnel. Prior to this, Mrs. Horner served as Deputy Secretary of the Department of Health and Human Services, 1989 - 91; Director of the Office of Personnel Management, 1985 - 90; Associate Director of the Office of Management and Budget, 1983 - 85; Director of VISTA and Acting Associate Director of ACTION, VISTA's parent agency; and Deputy Assistant Director of ACTION for policy and planning. She has also served on the President's Commission on White House Fellowships and the President's Commission on Executive Exchange.

Mrs. Horner graduated from the University of Pennsylvania (B.A., 1964) and the University of Chicago (M.A., 1967). She is also a fellow of the National Academy of Public Administration. Mrs. Horner was born February 24, 1942, in New Jersey. She is married, has two children, and resides in Washington, DC.

Remarks at a Fundraising Brunch for Rich Williamson in Rosemont, Illinois

August 2, 1992

Thank you all very, very much. What a wonderful welcome. And that makes me convinced that I'm going to win in November, too.

Let me thank Rich Williamson. And good morning and my respects to Jane, and of course, to Jim Edgar, who is just doing a superb job as Governor of this State. You ought to be very, very proud of him. Rich couldn't have a better man at his side than secretary of state George Ryan, longtime friend. I'm grateful also to the Lieutenant Governor, Bob Kustre, who was out there at the airport to say hello; and to the State's attorney, Jack O'Malley; my old friend Congressman Phil Crane, with us today. And if you want some heavy lifting done in the fundraising, get H. Clark involved. H., thank you very, very much for what you've done here. And also, I want to salute our State chairman, Al Jourdan. And national committeewoman Mary Jo Arndt is here today. I see she brought some of her family with her; that's good.

It's great to be back here in Chicago. I was half tempted to call the Mayor while I'm in town. My guess is that he was pretty upset by his party's recent gathering in New York. He thought Chicago had the nickname ``the Windy City." [Laughter]

But this afternoon, I want to tell you a story about a young girl, poor in pocket but rich in hope, who left her German village to come to America. She came in search of something larger than herself, a future for her children and for their children. Here in Chicago, she married another immigrant. She took in laundry; he sold clothes. They lived in a tiny apartment and never gave up hope that their daughter would have a better future and their daughter's son an even better one.

That's how this country was born. And that's how it grew into the most proud, the most free nation on the face of the Earth. America became great through millions of stories like this, stories of men and women who left behind their homes in order to take a chance on a dream for their children here in the land of opportunity.

If that young woman I just told you about were here today, she would see how her sacrifice made the American dream come true for her grandson. She would see with pride that he stands here today, determined to make that dream come true for all of us, the sons and the daughters of Illinois, the whole country. Helen Salisbury would be proud to see the next Senator from Illinois, her grandson, Rich Williamson.

As he said, Rich and I go back a long way. Rich and his dog, Mac, knew Millie before she was a

best-selling author. [Laughter] So I'm here out of friendship for a brilliant, dedicated leader. But I'm also here for what's good for the United States of America. I thought George Ryan put it very, very well when he spelled out what's at stake here because Rich's race and the race I'm involved in have a lot in common. If you really want to make a change in this country, let's change the institution that hasn't changed for 38 years and change control of the United States Congress. Rich can do a lot to help.

In the dog days of summer, it's very easy to be attracted to the new candidate, the one who says the things the polls say the people want to hear. But by the fall, the American people look more closely, and they ask this question: Who do we trust to change America? Who has the ideas to carry us forward to a better future?

Rich Williamson is a leader worthy of your trust. Just as we've changed the world, we now have the ideas to change America. Rich and I both believe that to lead a great Nation you must first trust the people you lead.

Look at the two sides in this election, and the choice is very clear. On one side you have people advocating a Nation of the Government, by the Government, for the Government. Rich and I have a very different philosophy. We agree with another son of Illinois: America should be a Nation ``of the people, by the people, and for the people."

Let me just take one issue today, discuss one issue to show the Grand Canyon of philosophy that separates the two sides in this election. It is one of the most pressing concerns that we face today: I'm talking about health care. Our health care system doesn't work today. We all know that. Thirty-four million Americans are without insurance. Millions more worry that they cannot afford the rising costs of health care.

What are we going to do about it? Well, the other side and I have both put forward plans; you can look them over. I invite comparison. The other plan offers health care reform. My plan offers health care reform. The other plan is printed on plain white bond paper, and my plan is printed on plain white bond paper. From there the differences are wider than an Illinois cornfield.

The other plan will dump 52 million Americans into a new Government bureaucracy, and my plan will help 90 million Americans afford private insurance to take care of their health care needs. The other plan would slap at least a 7-percent payroll tax on middle-income Americans, and my plan would provide tax relief to Americans to help them pay for their own health care. The other plan will cost America at least 700,000 jobs, and my plan helps small business afford health insurance so they can hire more people. The other plan will create lines at hospitals so long you'll think they were selling Bears tickets inside. [Laughter] My plan will allow you to get the care you need when you need it, and my plan will preserve the quality of health care in this country. The other plan is going to put bureaucrats in charge of setting health care prices, and

my plan attacks the root causes of rising costs: faulty insurance, too much paperwork, far too many frivolous lawsuits out there.

Understand what's at stake here. If the Governor of Arkansas is elected with a Democratic Congress and a new Democratic Senator from Illinois, within a year the Government will run health care in this country. Our health care system will combine the efficiency of the House post office with the compassion of the KGB. I am not going to let that happen.

Give me Rich Williamson in the Senate, and we will fight against those who put the Government first all the time. We'll fight for what works for America. We will fight for what's right for America. That's what this election is all about, not about change alone because change always happens. The question is, who do you trust to change America? On health care, taxes, education, and every other issue we face, Rich and I say the same thing: Let others listen to the polls; let others listen to the pols. Rich and I want to fight for what's right for the United States of America.

Rich touched on it, and he and I share a strong love of a certain proud American tradition, one that his kids, Ricky and Lisa, already shared with us today. I want to close by asking all of you to listen once again to these familiar words. I believe with all my heart that Americans must join and once again pledge allegiance to the finest vision of the United States of America: ``one Nation under God, indivisible, with liberty and justice for all."

That is the country I love, the country Rich loves, the country you love. When I ask you to help that country by believing in this good man, working for him, and voting for him, I'm sure you'll answer in the words of the motto of this great city of Chicago: I will.

God bless you all. Thank you very, very much for this fantastic turnout and this wonderful support. Thank you very much.

Note: The President spoke at 12:15 p.m. at the Hyatt Regency O'Hare Hotel. In his remarks, he referred to Jane Williamson, wife of Rich Williamson, and H. Clark, master of ceremonies.

Remarks at the Northwest Republican Family Picnic in Elk Grove Village, Illinois

August 2, 1992

Thank you very much. Hey, you guys ready for a 45-minute speech, okay? Thank you very much. Thank you very much. Here is a man suggesting that we change control of the United States Congress. He is right. That's what some of this election is going to be about.

Let me salute the Governor, let me salute Governor Edgar and say what a great job he and the Lieutenant Governor and others are doing for this country. Let me tell you, it is absolutely essential that we get more support in the United States Senate. So vote for Rich Williamson here and send him to Washington.

Let me just say this -- I won't talk but a second -- we have indeed changed the world. Now I need your help in getting this country on the move, changing America for the values we all believe in. And we can do it.

I've never seen such a strange political year, but I'll tell you this: When that convention in Houston is over, I am going to come out and go after that opponent. He's been on my case for 6 months. We are going to define it, and we are going to win the election -- 6 months, 6 months of distorting the great Republican record. I'm going to take the case to the people, and we will win in November.

Thank you all very much. Thank you very, very much. Now go dry out.

Note: The President spoke at 1:25 p.m. at Ned Brown Preserve.

Remarks to Multitex Employees in Dalton, Georgia

August 3, 1992

We wanted to come down here and see the tremendous job that Dalton does in selling product all over the world. Don't tell me the United States can't compete when you see a place like this. We are number one. You know, the guy I'm running against called America the laughingstock, or said that we were ridiculed around the world. Let me tell you something: The United States is the leader of the entire world, the most respected country on the face of the Earth. So don't let these pessimists start downgrading our great country.

Now, here's my view. I love this political rally, but I've got a confession to make. I've said that until our convention in Houston I'm going to hold back a little bit. But I'll tell you something: I can't wait for that convention to be over. It's going to be strong. It's going to be good. And then I am going to set the record straight.

For 6 months the opposition has been distorting a good, solid world leadership record, and we're not going to let that stand. So to all you Georgians who believe you can accomplish things, who are demonstrating right here in Dalton to the rest of the world what the American worker can do: Stay in there and help me. We are going to win.

Thank you very, very much.

Note: The President spoke at 8:40 a.m. at the Multitex Corp.

Remarks to Shaw Industries Employees in Dalton

August 3, 1992

Thank you very, very much for that welcome back to Georgia, and Bob, thank you, sir. I don't know if I detected a note of relief on Anna Sue's face that this event, that I'm sure has taken everybody's time, is here at hand and about to end. But thank you for making us feel so welcome in this wonderful corner of Georgia.

I want to greet our other hosts, Bill Lusk and Norris Little, Carl Rollins of Shaw, and my Georgia political team here: Fred Cooper, my dear friend, and also another dear friend, Alec Poitevint, who are doing a great job for us.

I would like to single out one department in this magnificent, enormous facility, and I'm talking about the area rug department, who made a nice little souvenir for me to take home with my own name on it. I'll tell you, I can't think of a nicer, more personalized remembrance than that. So wherever you may be, thank you very, very much, and thank the computers that spelled my name right. [Laughter]

Now, it is great to be in Dalton. I came here -- I want to be first in line for the Catamount tickets when they go on sale, and I've come for another reason, too. America, our great country, is moving into a new age, and Dalton gives us a glimpse of the future. Dalton takes challenges and reinvents them as opportunities. With the flexibility of companies like this one, like Shaw, with the brainpower and grit of your chemists and your maintenance mechanics and your designers, Dalton shows America the face of the 21st century. Dalton shows the way.

In the history of your industry you find a parable of American progress. It starts simply, families selling hand-tufted bedspreads that they made themselves out on Highway 41, Peacock Alley. It continues with the sprawling factories that sprung up after the war, rolling their carpets into homes and offices in every corner of America. And it continues today with an industry retooled by high tech, a work force more highly skilled than ever before, and a marketplace as big as the entire world.

The story has important lessons, lessons about how America grows and prospers. This election year, these lessons could not be more timely. The question today is not, can America compete in the global economy. I know and you know that we can. The question is how: How do we stay number one? How do we create jobs for every American and create opportunities for our kids, our children, and our families?

Some people say, ``Well, let the Government do it. Let the Government get in there.'' But Government does not create jobs; people do. Government does not provide opportunity; hard work does. Look around. This company, this industry was not built by some industrial planning

congressional subcommittee in Washington, DC. It was born and built right here in Dalton, where the men and women take the risks and reap the rewards.

That's a lesson we shouldn't forget even given the hue and cry of this election year. When you get down to it, leadership is about trust. Trust runs both ways. You need a leader who you can trust, but you also need a leader who trusts in the American people, trusts you and not the Government to make the important decisions about your lives.

When you forget about this kind of trust, trusting people, you get some crazy ideas. I'll give you an example. These days the other side is pushing an idea that the way to fix this economy is to raise taxes by $150 billion. And at least half of that will fall on family farmers and small businesses. They call that change. I guess it makes sense because if the other side get in power, change is all you'll have left in your pocket. [Laughter]

Here's another crazy idea that's being pushed. They think they can fix health care by slapping you with at least a 7-percent payroll tax to finance a Government takeover scheme. Well, we'll have a health care system with the efficiency of the motor vehicles if we do that, the motor vehicles division, and also the KGB, the same compassion. As long as I am President, I am not going to let our medical system be socialized or nationalized. We have a plan that will provide insurance to all, those who need it, those who cannot afford it, and will protect the basic quality of American health care.

So trusting the people, it's an idea that applies to almost every issue in this election, especially when it comes to how we can compete in this whole new world global economy, how we can take on the new global competition head-on-head and win it.

Let me tell you how I learned about competing in the world. I'm a Texan, moved there in 1948, built a business there, raised my family there. Incidentally, I think it's a pretty good credential, for being President of the United States even, if you held a job in the private sector. I think that's good. In Texas I saw businesses and cities and towns rise up from those dusty plains, a place where you'd never expect it. The reason was that the whole world thirsted for what Texans had to offer, crude and cattle and cotton. We knew the more goods we sold outside our borders, the more jobs we created within them. I never forgot that lesson.

I saw it again when I went into public life. And yes, I was Ambassador up there at the United Nations and lived overseas in China -- just talking to Bob Shaw about that -- ran the CIA, and as Vice President, traveled around the world some. And every day I was outside of this country I learned again how important America was to the entire world and how important the world was to America. I'm talking about creating American jobs, about making this economy grow and prosper, and making sure our kids have an even better life than we've had.

I've seen this every day for 3\1/2\ years as President. I heard a certain southern Governor say the

other day that this country was being ridiculed around the world. Well, I suspect -- and I'm not going to name names quite yet -- I suspect that he hasn't been around much. I'd like to have him walk the streets of Warsaw, as I did a few days ago, or Moscow or maybe sit down with Boris Yeltsin or Helmut Kohl or Miyazawa or a myriad of leaders south of our border. And they'd tell him what you and I already know: The United States is the undisputed leader of the world. That did not happen by accident. It happened by leadership and by the sons and daughters of America doing what they had to do, from Iraq all the way across a major spectrum of other places. It's the spirit of the United States. To tear down this country, to stand there and try to make the American people think we're a second-rate power, they simply don't understand the greatness of the United States of America.

Here's one way we're going to demonstrate it: trade, exports, open up markets so you can sell the goods you make right here. I heard Bob Shaw talk about it, and he is 100 percent correct. The day is long gone when you could sell carpets and rugs in 50 States and leave it just there. These days, standing still means falling behind. It's a new world. Markets are opening up in Guadalajara and Jakarta and Santiago and Moscow. And I'm going to see to it that Americans get there first.

It's not going to be easy. This export business is not easy. If you want America to lead the world, you need somebody who understands; you need a leader who understands the territory, someone you can trust to hammer out a good deal around the negotiating table. But you need even more. You need a leader who trusts you and someone who knows that Americans are the most productive, the most competitive workers the world has ever seen. All you need is a chance to show your stuff. As long as I am President, I'm going to fight to see that you get the chance to sell these products anywhere around the world.

Let me give you one example. Some people look at the former Soviet Union and see 300 million former Communists over there. Well, we look at it, and we see 300 million future customers. Now, math was never my favorite subject, but I've done some computing on this one. Let's say there's 50 million homes -- I don't know, give or take -- 50 million homes in the former Soviet Union; maybe 4.5 billion square yards of floor space, bare floor space. That's 4.5 billion square yards just waiting to be covered by your finest patterned berber. Of course, I'm factoring in kitchens and bathtubs, too. But I have faith in your sales force. They can sell anything, anyplace, anytime.

Another example: Since 1989 -- now, listen to this one -- since 1989, exports, carpet exports to Mexico are up by 60 percent. That's pretty darn good. But here in Dalton, pretty good isn't good enough. We're going to build on that success. Right now we're hammering out a new free trade deal with Canada and Mexico. We call it the NAFTA. I'm sure you've read about it. Here's what it will do. It will create 300,000 American jobs by 1995 and one of the largest free trade areas in the world. Free trade opens up the road, and on the open road, American workers leave the competition in the dust. Or as my friend Arnold Schwarzenegger would say, ``Hasta la vista, baby!'' We are on the move, and we're going to keep it on the move.

Now, it may be hard to believe, but the other side looks at these barriers falling and they say, ``Hold everything." They see these unbelievable opportunities, these vast markets to sell your goods, and they say, ``Well, we'd better not try. The challenge is too great; the odds are too long." They just by implication say the Americans can't compete. They say these other countries are going to walk all over us. Well, let me tell you something. In a way they are going to walk all over us. They're going to walk all over carpet made right here in Dalton, Georgia.

This is the year -- for 6 months we've been subjected to the darnedest pessimism about our great country that I have ever heard. Every time you turn on that television at night, somebody telling you what's wrong. Well, let me tell you what's right.

They say that America can't compete. I say we can compete and that we'll win. They say, ``Pull the blinds and lock the door; the American worker can't hack it anymore." I say the American worker can outthink, outwork, outcompete anyone, anytime, anywhere.

Here's a fact these pessimists better understand: Foreign trade supports the jobs of 153,000 Georgians, more than 7 million Americans. Here's my pledge to you: I will not let anyone endanger a single one of those jobs by going protectionist and closing up trade.

Let the other side criticize and say our country is ridiculed, laughed at around the world. They ought to open their eyes. Let them worry and whine. I am going to fight for these open markets because that means more jobs in this country, right here in Dalton, Georgia, among others, every city and State of our country. Let them run this country down; let them carp on what's wrong with America. I'm going to do what's right. That's what leadership is, and that's what trust is.

I'd like to bring these pessimists down here to this part of Georgia. I'd like to bring them right here to see this town, this industry. They might discover they've got nothing to fear from American workers and that American workers have nothing to fear from competition. This is one work force that can beat the pants off any competition.

That is the lesson of Dalton. That's why I'm here. I want that lesson to reverberate all across our entire country. You didn't fear the future; you shaped it. Your industry didn't retreat from foreign markets; you went out and conquered them. And with leadership that trusts in you, you'll keep beating the pants off the competition.

You and I do not feel that we are the laughingstock of the world. We are the undisputed leader. So let's keep it just exactly that way in the future. Let's keep America number one.

Thank you. And may God bless our great country. Thank you very, very much.

Note: The President spoke at 8:58 a.m. in the Shaw Industries Distribution Center South. In his

remarks, he referred to company officials Robert Shaw, president and chief executive officer, William Lusk, senior vice president and treasurer, Norris Little, senior vice president for operations, and Carl Rollins, vice president; Mr. Shaw's wife, Anna Sue; Fred Cooper, State chairman, Bush-Quayle '92; and Alec Poitevint, Georgia Republican Party chairman.

Remarks on Arrival in Jacksonville, Florida

August 3, 1992

The President. What a great rally. What a fantastic Jacksonville turnout. Thank you all very, very much. This is good for the soul.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you so very, very much. Senator Mack, Connie, my friend, thank you for that warm introduction. Let me just tell you something that you must know well: When the going got tough in Desert Storm days, you could turn to Connie Mack for success, for trust, for conviction. He was right on the ball all the way. And he is right: If you really want to change America, change control of the United States Congress, and let us get this country moving.

I want to thank the Mayor for that warm introduction. I'll forgive him for being a Democrat; he's a good man, and -- [laughter] -- I was delighted to have him say those pleasant things. To Mark Little: Mark, you've got a great voice, you ought to go in radio. [Laughter] Thank you. Thank you very much for being here and getting this gang all fired up. When I say fired up, I'm talking literally. I saw you when I came by on Air Force One -- a little warm out there. And may I salute Cliff Stearns and Craig James, both great Congressmen. And let me say this: Please elect Tillie Fowler and send her to the United States Congress. You want to change things; there's a good way to do it. And may I salute Minority Leaders Crenshaw and Lombard and our State Treasurer Gallagher and so many others that are here with us today. And to the kids, the Americakids that kept you entertained, my thanks to them and also to the Fletcher High School marching band and the Fletcher High School cheerleaders. Don't say I didn't mention them. And Mayor, thanks once again for your openmindedness and your warm welcome to your city.

If you're like me, you're grabbing every spare moment you can to keep up with the great Olympic games in Barcelona. My favorite events have been in the swimming, for three reasons. Make that four. First, Martin Zubero. His backstroke was for Spain, but I bet his heart, with his hometown of Jacksonville. And also, your own Gregg Burgess, who took home the silver. We're proud of him.

Here's another guy I like, Pablo Morales, the guy who missed out. Remember, he missed out in '84; he didn't make the team in '88; then he came back this year to take the gold, and at the ripe old age of 27. I don't know why, but I kind of like a guy who proves that youth and inexperience are no match for maturity and determination.

The fourth one was Summer Sanders. How's that for the name of a swimmer. Summer was trailing halfway through the 200 meter butterfly, then came on strong to win at the finish. Came on strong to win at the finish, I like that. We are going to do exactly the same thing to these guys

coming out of this so-called new team.

We've heard a lot of talk about change this year; the other side has put forth more heat than this Florida sunshine. But don't worry; let's see how they can take it. I am going to carry it back to them and take my case to you, the American people. They've had their day, 6 months of carping and griping and tearing down the United States, and that day is over. We're going to take the case to the American people.

The other side, they talk about change, but when you look at their position on the most radical change of all, limiting the tenure of Members of Congress, they quietly admit they're against the idea. That's change, just changing their tune. [Laughter]

The other side talks about change, but in a certain 7,000-word speech at a convention that I was happy to miss -- [laughter] -- they devoted just 141 words to defense of this country and to our foreign policy. Then when they finally get around to it, they propose $60 billion in defense cuts beyond which my national security experts tell me is responsible. They do not mention the fact that these reckless cuts will cost a million jobs across America, some right here in Jacksonville. They dry up Mayport to look like a prune, and we are not going to do that. We've got to keep our country strong. You talk about that change; that's called changing the subject.

The other side talks about change. Look at the first two ideas of the economy. They propose -- and Connie knows this, and he's fighting hard against it -- they propose a $150 billion tax increase now, half of it paid by small businessmen and farmers, and then follow it up with a new payroll tax of at least 7 percent to pay for a Government-run health care scheme. That is change, but change is all you're going to have left in your pocket if you listen to them.

I stand for a change, and here it is, a new approach. Congress has a lower rate of turnover than the Soviet Politburo used to have -- [laughter] -- 36 years with one party holding the power. I am fighting for term limits because the only way to break the deadlock in Washington is by clearing out a little deadwood on Capitol Hill.

I know when you have up there in some of these liberal communities, if you want people to do something that's politically appealing, yes, they want to gut the defense. But I am not going to let that happen. For the sake of our children and the economy, I am determined to keep the United States of America strong.

I don't believe the way to jump-start this economy is with a new tax-and-spend program. I trust you to spend your hard-earned dollars better than any bureaucrat can.

And so this election is not just about change. It's about something else, a flip side of change, and that is called trust. When you get right down to it, this election will be like every other. When you pull that curtain closed and cast your vote on November 3d, trust really does matter.

Many times in the White House, late at night, the telephone rings. Most times it's an aide checking up on the schedule. But sometimes it's another voice, more serious, more solemn, bringing news of a coup in a powerful foreign country, bringing word of Americans held against their will, bringing word of a bully threatening the peace halfway around the world. The American people need to know that the man who answers that phone has the experience, the seasoning, and yes, the guts to make the right decision and to make the tough call. You want a leader you can trust. I have worked hard to prove that I am that man.

Audience members. Four more years! Four more years! Four more years!

The President. The bottom line is, that's trust in the traditional sense. That keeps America safe and strong. But that's part of the picture. And trust matters when you're looking to someone to build strength in the economy of this country, as Connie said, a better future. I stake my claim on a simple philosophy: To lead a great nation, you must trust the people that you lead. You look at every big issue we face, and you'll see a choice between those who put their faith in everyday Americans and those who put their faith in Government.

The other side says they want to put people first. But if you look at their ideas real close, the people they put first are all on the Government payroll. They remind me of the cartoon of a bus, maybe you saw it recently, two donkeys on board. The traffic above says, ``Left lane closed; keep right for the next 4 months." And one donkey is whispering, ``Don't worry, we'll just stay in this lane 'til November."

Well, I did not adopt my philosophy 4 months ago, nor did you. I adopted it, mine, more than four decades ago, when I first had a job and ran a business and tried to meet a payroll. That is a good credential for the President of the United States. I learned then not to put my trust in the Government but to put it in the people.

I trust parents, not the Government, to make the decisions that matter in life. I trust the parents, not the Government, to choose their children's schools, public, private, and religious. I trust parents, not the Government, to choose their children's child care. And when the other side says, ``Government knows best," I say, ``Parents know better." Parents know better than some bureaucrat way up there in Washington, DC.

I trust the people, not the Government, to decide where and when you get a doctor's help. We can control costs. We must and will -- and I have a plan to do this -- make insurance coverage more available to everybody that needs it without a Government takeover of health care in this country. Frankly, I think we need, Americans deserve a better health care system than one that's run with the efficiency of the department of motor vehicles and the compassion of the KGB. We do not want to go to a nationalized or a socialized plan.

I know that, look, this is a funny year. You live and die every time you turn on the news, you hear some new poll. Let me tell you something about that. I know that my stands are not popular in all places. But they don't come from the latest poll or a special interest. They come from principle. And I make you one promise in this campaign. Others can listen to the polls; others can pay attention to the pols. I am going to do my level-best to do what is right for the United States of America.

I am delighted to be with our son here, Jeb, today, my boy -- [laughter] -- my little boy. I just wish that Barbara were here. I think she's doing a first-class job for this country.

But let me just close with that in mind, with family in mind, with a few words right smack from the heart. We are blessed, Barbara and I, blessed to serve at a moment in history when so many of the old fears have been driven away, when so many new hopes are within our reach. The changes that we've worked for have come to pass: the end of the cold war, the collapse of imperial communism, a new birth of freedom from Managua to Moscow, a new world of hope for ourselves and for our kids. The world we live in, let's face it, is a safer world, safer than it was a decade ago, a year ago, safer than it was 2 months ago when the children right here walked out of school and off into the summer. We have done so much to reduce the threat of nuclear war, and that is good for the world and good for the United States.

The bottom line is this: When we have done so much for the past 4 years, when we put our faith in the people, we can do anything we want. We have changed the world, and we will change America. We will not do what is easy or politically appealing. We will do what is right for the United States of America.

Thank you and God bless you all.

Note: The President spoke at 12:31 p.m. at Jacksonville Landing. In his remarks, he referred to Mayor Ed Austin of Jacksonville; Mark Little, master of ceremonies; Ander Crenshaw, Florida State Senate minority leader; and James Lombard, Florida State House of Representatives minority leader.

Message to the Congress Reporting on the National Emergency With Respect to Iraq

August 3, 1992

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of February 11, 1992, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act (``IEEPA"), 50 U.S.C. 1703(c).

Executive Order No. 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a U.S. person. In that order, I also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. I prohibited travel-related transactions and transportation transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724 which I issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution 661 of August 6, 1990.

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 and matters relating to Executive Order No. 12724 (``the Executive orders"). The report covers events from February 2, 1992, through August 1, 1992.

1. The economic sanctions imposed on Iraq by the Executive orders are administered by the Treasury Department's Office of Foreign Assets Control (``FAC") under the Iraqi Sanctions Regulations, 31 CFR Part 575 (``ISR"). There have been no amendments of those regulations since my last report.

2. Investigations of possible violations of the Iraqi sanctions continue to be pursued and appropriate enforcement actions taken. These are intended to deter future activities in violation of the sanctions. Additional civil penalty notices were prepared during the reporting period for

violations of the IEEPA and ISR with respect to transactions involving Iraq. Penalties were collected, principally from financial institutions which engaged in unauthorized, albeit apparently inadvertent, transactions with respect to Iraq.

3. Investigation also continues into the roles played by various individuals and firms outside of Iraq in Saddam Hussein's procurement network. These investigations may lead to additions to the FAC listing of individuals and organizations determined to be Specially Designated Nationals (``SDN's'') of the Government of Iraq. In practice, an Iraqi SDN is a representative, agent, intermediary, or front (whether open or covert) of the Iraqi government that is located outside of Iraq. Iraqi SDN's are Saddam Hussein's principal instruments for doing business in third countries, and doing business with them is the same as doing business directly with the Government of Iraq.

The impact of being named an Iraqi SDN is considerable: all assets within U.S. jurisdiction of parties found to be Iraqi SDN's are blocked; all economic transactions with SDN's by U.S. persons are prohibited; and the SDN individual or organization is exposed as an agent of the Iraqi regime.

4. Since my last report, one case filed against the Government of Iraq has gone to judgment. Centrifugal Casting Machine Co., Inc. v. American Bank and Trust Co., Banca Nazionale del Lavoro, Republic of Iraq, Machinery Trading Co., Baghdad, Iraq, Central Bank of Iraq, and Bank of Rafidain, No. 91 - 5150 (10th Cir., decided June 11, 1992), arose out of a contract for the sale of goods by plaintiff to the State Machinery Co., an Iraqi governmental entity. In connection with the contract, the Iraqi defendants opened an irrevocable letter of credit in favor of Centrifugal, from which Centrifugal drew a 10 percent advance payment. Repayment of the advance payment in case of nonperformance by Centrifugal was guaranteed by a standby letter of credit. Performance did not occur due to the imposition of economic sanctions against Iraq in August 1990, and the United States claimed that an amount equal to the advance payment was blocked property. The district court ruled that the standby letter of credit had expired, that no U.S. party was liable to an Iraqi entity under the standby letter of credit, and that the advance payment funds were therefore not blocked property and could be distributed to U.S. persons. The court of appeals affirmed the ruling of the district court that there was no blocked Iraqi property interest in the advance payment funds, based on applicable principles of letter of credit law.

5. FAC has issued 288 specific licenses regarding transactions pertaining to Iraq or Iraqi assets. Since my last report, 71 specific licenses have been issued. Most of these licenses were issued for conducting procedural transactions such as filing of legal actions, and for legal representation; other licenses were issued pursuant to United Nations Security Council Resolutions 661, 666, and 687, to authorize the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes. All of these licenses concern minor transactions of no economic benefit to the Government of Iraq.

To ensure compliance with the terms of the licenses which have been issued, stringent reporting requirements have been imposed that are closely monitored. Licensed accounts are regularly audited by FAC compliance personnel and deputized auditors from other regulatory agencies. FAC compliance personnel continue to work closely with both State and Federal bank regulatory and law enforcement agencies in conducting special audits of Iraqi accounts subject to the ISR.

6. The expenses incurred by the Federal Government in the 6-month period from February 2, 1992, through August 1, 1992, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are estimated at $2,476,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs and the Office of the Legal Adviser), the Department of Transportation (particularly the U.S. Coast Guard), and the Department of Commerce (particularly in the Bureau of Export Administration and the Office of the General Counsel).

7. The United States imposed economic sanctions on Iraq in response to Iraq's invasion and illegal occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime has failed to comply fully with United Nations Security Council resolutions calling for the elimination of Iraqi weapons of mass destruction, the demarcation of the Iraq-Kuwait border, the release of Kuwaiti and other prisoners, compensation for victims of Iraqi aggression, and the return of Kuwaiti assets stolen during its illegal occupation of Kuwait. The U.N. sanctions remain in place; the United States will continue to enforce those sanctions.

The Saddam Hussein regime continues to violate basic human rights by repressing the Iraqi civilian population and depriving it of humanitarian assistance. The United Nations Security Council passed resolutions that permit Iraq to sell $1.6 billion of oil under U.N. auspices to fund the provision of food, medicine, and other humanitarian supplies to the people of Iraq. Under the U.N. resolutions, the equitable distribution within Iraq of this assistance would be supervised and monitored by the United Nations and other international organizations. The Iraqi regime continues to refuse to accept these resolutions, and has thereby chosen to perpetuate the suffering of its civilian population.

The regime of Saddam Hussein continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. The United States will therefore continue to apply economic sanctions to deter Iraq from threatening peace and stability in the region, and I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

George Bush

The White House,

August 3, 1992.

Statement by Press Secretary Fitzwater on the Decisions of Railway Labor Dispute Arbitrators

August 3, 1992

On July 30 and 31, 1992, the President received for his review the decisions of the arbitrators in three of the four remaining railway labor disputes that led to the nationwide shutdown of the Nation's railroads in late June. These decisions were rendered pursuant to the arbitration process the Congress established in legislation for resolving the disputes. The decisions become final and binding upon the parties unless the President disapproves them within 3 days following their receipt.

The President has decided that he will not disapprove any of the three decisions. The decisions submitted to the President were rendered in the arbitration of the dispute between the International Association of Machinists and the National Railway Carriers' Conference, the arbitration of the dispute between the International Association of Machinists and Amtrak, and the arbitration of the dispute between the Brotherhood of Locomotive Engineers and Amtrak.

The President is grateful to the arbitrators for their work in resolving these disputes.

Statement on Publication of Rules Allowing Parental Choice in Child Care

August 4, 1992

Today we are publishing rules that will allow parents to choose the kind of child care they believe is best for their children. Under these rules, parents receiving child care and development block grant funds will be able to decide what kind of child care their children receive, including care provided by relatives, neighbors, or church-based centers.

New grant programs now provide over $1.1 billion a year in vouchers and child care assistance that did not exist when I took office. Just as importantly, the child care legislation I initiated has expanded the earned income tax credit so that low-income working families receiving that help can decide how best to care for their children. Providing tax relief for low-income families who work is the best way to help these families end the cycle of poverty. Over the 5-year phase-in of the earned income tax credit expansion, low-income families will receive an additional $18 billion in refundable tax credits.

These rules reflect my commitment that we should trust parents to make the best decisions for their children.

Nomination of Edward S. Walker To Be United States Deputy Representative to the United Nations

August 4, 1992

The President today announced his intention to nominate Edward S. Walker, of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be the Deputy Representative of the United States to the United Nations with the rank and status of Ambassador. He would succeed Alexander F. Watson.

Since 1989, Ambassador Walker has served as Ambassador to the United Arab Emirates. Prior to this, he served in several positions with the Department of State including Deputy Assistant Secretary of State for Near East and South Asian Affairs, 1988 - 89; Deputy Chief of Mission at the American Embassy in Riyadh, Saudi Arabia, 1985 - 88; participant in the senior training program at the Royal College of Defense Studies in London, 1984 - 85; executive assistant to the Deputy Secretary of State, 1982 - 84; special assistant to the Assistant Secretary of State for Near East and South Asia Bureau, 1981 - 82; and special assistant to the Personal Representative of the President for Middle East Negotiations, 1979 - 81.

Ambassador Walker graduated from Hamilton College (B.A., 1963) and Boston University (M.A., 1965). He was born June 13, 1940, in Abington, PA. He served in the U.S. Army, 1962 - 65. Ambassador Walker is married, has two children, and resides in Severna Park, MD.

Nomination of Roland Karl Kuchel To Be United States Ambassador to Haiti

August 4, 1992

The President today announced his intention to nominate Roland Karl Kuchel, of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States of America to the Republic of Haiti. He would succeed Alvin P. Adams, Jr.

Mr. Kuchel currently serves as Acting Deputy Assistant Secretary for the Bureau of Personnel at the Department of State. Prior to this, he served in several positions at the State Department including Chief of the Senior Officer Division in the Office of Career Development and Assignments, Bureau of Personnel, 1990 - 91; Deputy Chief of Mission at the American Embassy in Stockholm, Sweden, 1986 - 90; Deputy Director and then Director of the Office of East European and Yugoslav Affairs, 1983 - 86; Deputy Chief of Mission at the American Embassy in Budapest, Hungary, 1980 - 83; and Deputy Chief of the Political Section at the American Embassy in Rome, Italy, 1976 - 80.

Mr. Kuchel graduated from Princeton University (A.B., 1961). He was born March 5, 1939, in Salem, MA. Mr. Kuchel is married, has three children, and resides in Washington, DC.

Nomination of Robert E. Wallace To Be an Assistant Secretary of Labor

August 4, 1992

The President today announced his intention to nominate Robert E. Wallace, of New Jersey, to be Assistant Secretary of Labor for Veterans' Employment and Training. He would succeed Thomas E. Collins III.

Since 1991, Mr. Wallace has served as the commander in chief of the Veterans of Foreign Wars. Prior to this, he served as senior vice commander in chief in 1990 and junior vice commander in chief in 1989. In addition, Mr. Wallace was appointed by Gov. Thomas Kean to the position of deputy commissioner and administrator for veterans affairs in New Jersey, 1988 - 90.

Mr. Wallace graduated from Rutgers University (B.S., 1976) and Fairleigh Dickinson University (M.A., 1978). Mr. Wallace served in the U.S. Marine Corps, 1967 - 69, and was the recipient of three Purple Hearts. He was born June 28, 1948. Mr. Wallace is married, has one child, and resides in Milton, NJ.

Remarks to the Knights of Columbus Supreme Council Convention in New York City

August 5, 1992

Thank you very, very much for that warm welcome. Thank you, ladies and gentlemen. Please be seated, and thank you all. May I salute Virgil Dechant, my friend of long standing, and thank him for that most generous welcome here. Your Eminence, Cardinal O'Connor, it is a great pleasure, an honor, sir, to see you again. May I salute Cardinal Baum, Cardinal Gagnon, Bishop Daily; another old friend, Ambassador Tom Melady, who is doing a superb job for our country, representing us at the Vatican; and the clergy and ladies and gentlemen. May I salute a man who used to be -- whose house made him a neighbor, Archbishop Cacciavillan, from Washington, the Nuncio there, a good man, a good friend. Nice to see you. I'm glad you're here, sir.

I have only one regret, Virgil. My timing was such that I did not hear the fitting and warm and wonderful ovation that you gave Mother Teresa yesterday. I understand it was really fantastic.

A report came across my desk the other day. It stated that most people in the Western world ``felt exceedingly gloomy about the future." It said that ``institutions were decaying, well-meaning people were growing cynical." These are exact quotes.

My first thought was that's what happens when people spend too much time watching the evening news. [Laughter] I'm going to pay for that one tonight on that first 20 seconds. [Laughter] Just kidding, Dan. [Laughter]

No, but what I was reading was not a report about 1992. It was a history of public attitudes in Europe in 1492. Public moods are prone to change, of course. We know that the gloom of 1492 was not to last for long. It was dispelled by the achievement of a man of humble birth, a man of vision, of courage, a man named Christopher Columbus.

Now, I know that every speaker comes before you and says they identify with Columbus. But I really mean it. Think about it. The guy was faced with questions at home about whether his global efforts were worth a darn. Some critics wanted him to cut his voyage short. He even faced the threat of mutiny. [Laughter] And yet Columbus persevered and won; not a bad analogy in my view. So I know this isn't political. [Laughter] Now, I admit, Columbus also had to worry at the time about a lack of wind. I don't have that problem with Congress. [Laughter]

This year, as in Columbus' time, we hear a lot of talk about change. Sure, change is natural. But maybe a better word for the United States of America is renewal because the changes we need must be based on principles that never change.

I think my parents were like yours: They brought me up to understand that our fundamental moral standards were established by Almighty God. They taught me that if you have something for yourself, you should give half to a friend. They taught me to take the blame when things go wrong and share the credit when things go right. These ideas were supported by society.

Only recently -- His Eminence and I were talking about, not in this detail, but talking about this subject just a few minutes ago -- only recently in America have we seen the rise of legal theories and practices that reject our Judeo-Christian tradition. Cardinal O'Connor eloquently describes this as an ``invasion of values." It's a deeply disturbing trend, and it is diametrically opposed to my idea of the kind of change that's good for our great country.

Last month, just 12 blocks from here, there was another convention. Now, I was very lucky, I did not -- and this is the honest truth -- I didn't hear any of the speeches. I was out fishing in Wyoming with Jim Baker. But I understand one of the speakers, known for his florid language, called me ``the captain of the ship of state." I'm not sure he meant it as a compliment, but believe me, as a Navy man at a Knights of Columbus convention, the term suits me just fine. [Laughter]

I look at this office that you've entrusted with me as a lot of things, as more than managing the economy, more even than being Commander in Chief. I stake my claim to a simple belief: The President should set the moral tone for this Nation.

All around us, we see evidence that America's moral compass has gone awry. We seem to be moving away from the enduring idea of taking responsibility for our actions. Our city newspapers are filled with stories of drive-by shootings, the taking of human life made more horrible by the awful anonymity through which it is accomplished. Recently I read a story of a kid from a good neighborhood charged in a gun store robbery. He told the police who caught him, ``It's not like I'm a criminal. I'm on the dean's list."

What is happening to America? As a nation, we face enormous challenges in education, crime, drugs. Yet each of them come back to the challenge of pointing our moral compass in the right direction. So I believe that a central issue of this election year should be, who do you trust to renew America's moral purpose? Who do you trust to fight for the ideas that will help rebuild our families and restore our fundamental values?

I believe, and I've tried hard on this, I believe I've earned your trust. I am committed to fighting for ideas that help repair this great Nation's moral fiber.

Welfare is one example. We all know that our welfare system has literally destroyed the concept of personal responsibility, tearing families apart, with no incentives for people to work and save and improve. I want something different. I have fought for a new welfare system that says ``yes" to human potential.

Today, as we speak, we are granting waivers to States so they can change welfare rules, encourage families not to fall apart, not to live apart, but to stick together. States are saying to recipients, either you get training, or you don't get a check. Some States are even going so far as to make a very tough call of saying to parents, if you can't afford another child, don't expect the taxpayer to pick up the added costs. Now, these are tough choices. These are very tough choices, but they're all intended by the States to promote responsibility.

The other side says they agree with the ideas. But if you look close, some argue that ultimately the only solution to welfare is a guaranteed Government job for every recipient. I ask, is this any way to promote responsibility? If we guarantee everyone a Government job, how can we reward initiative? Our reforms may sound tough, but not as tough as a lifetime of despondency and despair, a lifetime that strips every recipient of his or her dignity. Let's give people hope. Let's give them opportunity.

Let's take a look at education. We know that to renew America, we literally must renew our schools. I happen to believe that competition can be the greatest force for change in our schools in an entire century.

The other side says they agree, almost. The ``almost'' is what troubles me. Remember how old Henry Ford used to tell his customers they could have any color Model T that they wanted, so long as it was black. [Laughter] Well, the other side says their ideal is that parents could choose any school for their kids, so long as it's run by the government.

If you'll excuse one blatantly political comment in which you'll have to concede has so far been a nonpartisan, almost, speech -- [laughter] -- my opponent won the teachers union endorsement by saying he's ``unalterably opposed,'' those are his words, ``unalterably opposed'' to letting Catholic parents and other private school parents have a fair share of education benefits.

I believe that it's time to have the courage to fight for a different approach. Right now, if you want an alternative to public schools, you have to pay twice, first for tuition and again through taxes. A couple weeks ago I was in Philadelphia, hosted by Cardinal Bevilacqua. And a group of parents told me, ``We want our kids to go to Catholic school, but we just can't afford it.'' So my solution is something called the ``GI bill'' for kids. Like the original GI bill, my new approach offers scholarships or vouchers for students to take to any qualified school, not only public schools but Bible schools, yeshivas, Catholic parish schools. When it comes to schools, I say let the parents choose public, private, or religious.

What about promoting religion as a force for good in our society? I'm reminded of the story of a small boy who once began a prayer this way: ``God bless Mother and Daddy, my brother, my sister. And God,'' he said, ``do take care of yourself. If anything happens to You, we're all sunk.'' [Laughter] Maybe there's some doubts, but America is still the most religious nation on Earth. I want to strengthen our faith further.

Again, there are wide differences. Some think it's okay to hand out condoms in schools but oppose amending our Constitution to allow our kids to put their hands together to say a prayer. I disagree. I call again on the Congress to pass a constitutional amendment restoring voluntary prayer to our classrooms. The Senate opens its meeting with a prayer. The House of Representatives opens its meeting with a prayer. Nobody doubts that they both need it. [Laughter] But let's allow the faith of our fathers back into those schools.

And there's a national tragedy: More than a half a million abortions in this country every year. We know there's got to be a better way, human alternatives like adoptions and abstinence. Seven times I have ignored the polls and acted on what I believe is fundamental principle and vetoed, as Virgil very generously pointed out, abortion legislation. And I promise you again today, no matter the political price, and they tell me in this year that it's enormous, I am going to do what I think is right. I am going to stand on my conscience and let my conscience be my guide when it comes to matters of life. [Applause] Thank you very much.

Here's something else that bothers me. In some places, a 13-year-old girl cannot get her ears pierced without parental permission, without bringing her mother and father along. But some believe that the same girl should be able to get an abortion without parental consent. I think most Americans believe this idea is crazy, and I'm going to fight to see that that doesn't happen.

So these issues, they all come up in an election year. They'll be part of campaigns in the fall all across the country. Today I make the same appeal to you that I'll make to every voter. Look beneath the rhetoric. Take a look at the ideas to determine who has the courage to stand up for changes that are morally right for America. I'm going to take my case to the American people. And if you're looking to restore America's moral fiber, why buy synthetic when you can get real cotton? [Laughter]

But I do believe America needs a leader willing to do what's right, not merely what is politically popular at the moment. Nowhere is it more clear in the decisions a President must make every day to build real peace, to establish freedom and democracy, not the mere, simple absence of war.

Saint Ignatius said, ``Work as though all depended upon yourself, and pray as though all depended on God." The practice of that motto conquered communism. Ceaseless prayer and tireless work halted the cold war and spared us from the catastrophe of a third world war. Believers behind the Iron Curtain defied persecution; believers in the West defied indifference.

Over four decades, our servicemen trained, our taxpayers paid $4 trillion to keep our defenses strong. As a consequence, the Iron Curtain is no more, and our kids no longer go to bed at night worrying about that dreadful specter of nuclear war. But while the Soviet bear is no more, there are still plenty of wolves in the woods. When we faced our first big challenge after the cold war, we didn't shrink. We stood up to Saddam's aggression and expelled him from Kuwait. We

protected the people of Israel and Saudi Arabia. Now we've brought age-old adversaries to the peace table for the first time. His Holiness Pope John Paul has spent many days and nights at work and in prayer for peace in the Middle East. As long as I am President, I assure you I will do everything I can to bring about that peace that so many pray for.

And so, in conclusion, let me say this: This is the year of change, change, change. The election will all be about change because change really is the natural condition of our land. This isn't something new. I believe that now we've changed the world, we are poised and ready to change America, to make America even better. But we must keep something important in mind. Now that our moral values are victorious around the globe, we cannot and we will not abandon them at home.

We didn't stand together to see courageous moral values rise in Russia only to be ignored here at home. We did not sacrifice so that personal responsibility could triumph in totalitarian regimes, only to become passe here in this great Nation.

It's time to get back to some basic American values. So I am going to defend the principles for which you stand so firm. We will keep our sights on what's good in America. We will keep our focus on the potential in our families and, most of all, in our young people, in our kids. We'll keep a reliable compass. We'll put our ship of state in finest sailing trim, and as this Nation has so many times before, we will sail on to shining new horizons.

Thank you. May God bless you and our beloved country, the United States of America. Thank you very much.

Note: The President spoke at 11:04 a.m. at the Marriott Marquis Hotel. In his remarks, he referred to Virgil C. Dechant, Supreme Knight, Knights of Columbus; John Cardinal O'Connor, Archbishop of New York; William Cardinal Baum, Patrimony of the Holy See; Edouard Cardinal Gagnon, president, Pontifical Committee for International Eucharistic Congresses; Thomas Daily, Bishop of Brooklyn; Archbishop Agostino Cacciavillan, Papal Nuncio; Mother Teresa of Calcutta, founder and superior of the Missionaries of Charity; Dan Rather, CBS News; and Anthony Cardinal Bevilacqua, Archbishop of Philadelphia.

Remarks to the Disabled American Veterans National Convention in Reno, Nevada

August 5, 1992

Let me tell you that it is a great pleasure to renew old ties, greet new friends. And of course, I want to thank Cleveland Jordan for the introduction. He said he persuaded me to come. This man's tough; you get the arm up behind the back, twist the elbow here, and here I am. And I am very, very pleased. Sorry that I missed the other one, but delighted to be at your side and congratulate you on your service to this wonderful national organization.

Butch Joeckel greeted me earlier, the national adjutant; Jesse Brown, the national executive director of the DAV. And of course, I want to single out and salute a man who's helped me enormously, Ed Derwinski, our Secretary of Veterans Affairs. And may I also mention Robin Higgins. Cleve most appropriately mentioned Colonel Higgins, and I want to salute her here. And thanks to all of you who represent America's disabled veterans, their families, their survivors; they're fully 1.4 million strong.

I was just asking Joe about the vintage of some of you all. And I must say, looking out at the audience, and I don't want to put everybody in this category, a lot come out of the same war that I was in. And I don't want to say that you're old guys or women, but nevertheless -- [laughter] -- you kind of make me feel at home here. So I'll leave it there.

But I also want to bring you best wishes from a great friend and fan of yours named Barbara. She and I were talking about coolness under fire. I told her, the more I'm criticized, the more I turn it into humor. You know her; she said, ``The rate you're going, you'll soon be funnier than Johnny Carson." [Laughter]

Last September, I was very honored to be with many here, but honored to attend your salute to the Persian Gulf veterans. Today, I'm proud to salute the American veteran. The American vet deserves safe streets, a sound economy, strong families, a world at peace. You believe, and I agree, America should serve those who served their country.

That's why my administration has not wavered in our commitment to you and your families. We must change our health care system in this Nation, and we will. But let me be clear: We will not change our commitment to the integrity of veterans health care. No program is going to change that.

If, in all this talk about change, Congress sends me legislation to dismantle the VA system, I will whip out my veto pen and knock down that Scud missile, that Scud missile that's aimed right at your very well-being. If you ask how many VA hospitals I'll close, I'll say not three, not two, not

one. If anyone again suggests taxing your benefits, I'll say what I have said before: Don't take it from our veterans.

Now, I know you're concerned about having your voice heard as the Washington bureaucracy debates your health care future. So just yesterday I created a special panel there in the White House to guarantee your leadership's involvement. We will listen, and we will act to stand by those who stood up for America.

I am very proud of the progress that we've made together. Your leadership has sensitized all of us, brought the problems to us, worked cooperatively when there were difficulties. I can't tell you how much cooperation we've had. But they've never held back, saying we must do this, we must do that. They've been strong leaders.

We have created specialized centers. We funded new outpatient clinics and moved more resources into VA medical care, too. I also am proud of how we have built on these beginnings. Two years ago we passed the Americans with Disabilities Act. That is the most sweeping civil rights legislation since the sixties. And it will help the disabled enter the mainstream, and it's just about time that this country did that.

Three years ago, as Cleve mentioned, I was on my way to address this convention, your convention. You know what changed my plans. It concerned a husband, a father, an American hero. And again, with us today is the wife of Colonel Rich Higgins, Major Robin Higgins. On behalf of every American, let me just once again tell you I admire your courage from the bottom of my heart. We all do. We're very, very grateful to you.

Two years ago this week, I made a decision that I think every Commander in Chief, every President, dreads having to make: to send our men and women in the Armed Forces into harm's way. This one was at the beginning of Operation Desert Shield. No President, no father, no parent makes that decision lightly. But I acted because America must stand for freedom, and we must stand by those who preserve it.

I don't want to start telling war stories here because then I'd have to listen to you guys. [Laughter] And I don't have time. But let me tell you this: From my own experience, I learned firsthand what it means to know that America will never abandon its fighting men, whatever their fate. My family never had to face the agony of a phone call in the night or a knock on the door. Let me say to the families waiting still for their loved ones: We will not forget you.

I am pleased that the League of Families last week strongly supported our administration's efforts and commended my administration's programs. But though dramatic progress has been made, all are not accounted for. I will fight to make sure that America stands with you, the veterans, until the fate of every POW and MIA is known.

Over the last 3\1/2\ years, America's heroes have helped a war crumble in Berlin; from Kuwait to Panama, helped free those once enslaved. Our soldiers were not wounded in vain. You helped end the cold war. Those who served at whatever time in recent history helped end the cold war. And America won the cold war.

Having won, we worked with the republics of the former Soviet Union to reduce strategic nuclear arms. But President Yeltsin and I have agreed to go even further. You may remember my meeting with him a couple of months ago. We agreed to eliminate the most destabilizing of all those terrible multiwarheaded ICBM's, those great big -- in their case, those SS - 18's that have cast fear into the hearts of everybody. By that agreement we have reduced the threat of nuclear war. This is something that every family in America, every child in America is grateful for.

Let me make another point about that. Our victory in the cold war means that our defenses can be smaller. And so earlier this year, based on the recommendations, and I emphasize this point, based on the recommendations of Secretary Cheney and our distinguished Chairman of the Joint Chiefs, Colin Powell, I made some responsible cuts. I responsibly cut our long-range defense budget. But we cannot lose sight of the fact that for all the great gains that we have made for freedom, for all the peace of mind that we have secured for our children, the world remains a dangerous place.

The Soviet bear may be extinct, but there are still plenty of wolves in the world, renegade rulers, terrorists, outlaw regimes, Baghdad bullies. And as long as I am President I will not allow a madman to get a finger on the nuclear trigger. We will stay strong as the United States.

You know, today some have forgotten every hard-won lesson of this American century. I know you haven't. So some propose to cut our national defense, to cut $60 billion in defense beyond what our military experts deem responsible for the national security of this country.

Well, let me answer them: Yes, I know this is a political year. But the defense budget is more than a piggy bank for people who want to get busy beating swords into pork barrels, and we are not going to have that. I owe it to you, the veterans of this country, to be able to certify to you that we are keeping our national security at proper levels.

I know this fundamental truism, that to keep America safe, we have to keep America strong. That's why when the other side says ``Let's ravage the Strategic Defense Initiative," I say, ``Remember the lesson of Desert Storm." We will not leave the world defenseless against nuclear attacks. We will push forward with SDI.

Think for a moment about what a strong America has helped achieve. Think about the worries we once faced and the world we see today: not a Europe in flames, not a world at war, touched off by the death throes of the Soviet empire, but a world at peace, a new birth of freedom; not a

Latin America consumed by revolution and resentment that has plagued that area for so long but a hemisphere moving toward free trade and free government; not a Middle East dominated by a dictator but a region where ancient enemies at long last are talking peace, sitting across from each other at the peace table, something that people thought was impossible to bring about. Our policies and your backing help make all of this possible.

So when the Sunday strategists say that I've spent too much time on foreign policy, let me just put it this way: I will never apologize for a single minute spent keeping America strong, safe, and free.

Well, where do we go next? Well, I think about our challenges. When I do that I'm reminded of a football story, a football story, a story about a freshman football player thrust into a close game, the close of a tie game, late there in the fourth quarter, with the ball on his own team's one-yard line. And the coach grabbed the quarterback and he said, ``Don't take any chances. Just fall on the ball three times and then punt." Well, on the first snap, a huge hole opened up in the line and the quarterback scrambled all the way to the 50. The next snap, another huge hole, and down to the 25 he went. On the third play, the quarterback ran through an opening wider then the River Nile and fell just one yard short of a touchdown. The crowd was going crazy, screaming for victory, and the freshman took the fourth snap, stepped back, calmly punted the ball completely out of the stadium. [Laughter] And on the sideline the coach was tearing his hair out. He ran onto the field screaming. ``What could you possibly be thinking?" And the freshman replied, ``I was just thinking, you must be the dumbest coach in the entire world." [Laughter]

As the coach of the American foreign policy, or foreign policy coach, it would be the height of stupidity for me to suggest that we just ignore our foreign commitments, as some suggest now. And by the way, I'm tempted to say that now the world playing field is so competitive, I'm not sure we should trust to a team a rookie quarterback. But that's something else again. [Laughter]

Now, my point is, we can't punt out foreign concerns. We have important work to do. First we must do all we can to bolster the process of democracy, especially where democratic friends have replaced totalitarian enemies in Eastern Europe and in the former Soviet Union. I hope you will stand with me and urge Congress to act immediately to approve this ``FREEDOM Support Act," to lend a helping hand to the former Soviet Union, take out an insurance policy on democracy. After World War I, we ignored the summons for help, and we paid dearly. We paid dearly for that. After World War II, we lent a helping hand, and our lives are richer for it. So let us not ignore the lesson of history. Let us act now to support freedom and free enterprise.

Our second challenge is not to turn our back on the world economy. Seventy percent of our economic growth the last 4 years has come from exports; 7.2 million American jobs are tied to trade. I will work to open foreign markets, to strengthen our schools so that we can compete, because what is true today will be true tomorrow: Give an American worker the chance, and he will beat the pants off of the competition.

Over the past 3\1/2\ years, America has changed the world, just as we're now ready to change America, building the kind of nation here many of you fought so valiantly for abroad.

Think of what you fought for, an America of better jobs and better schools and safer neighborhoods and equality for all, a land where our kids and grandkids would live in prosperity and peace. Think of what we can now achieve, an America which eclipses even its greatest triumphs. But I need your help.

Landing here in Reno this afternoon and being greeted by our very able Lieutenant Governor, Sue Wagner, who's here with us right now, I had an incredible treat. I was met by a Nevadan, a guy from Carson City named J.C. Crume, who has joined me here at the convention today. I think he's here; he was trying to get on in. I met him -- this is a little history -- 50 years ago, 1942. I was 18 years old. He was my first flight instructor at the naval air station there in Minneapolis, Minnesota. He took this scared 18-year-old kid and put me behind the stick of a Navy plane. And J.C.'s hair looked a little gray, but he told me that it wasn't age. It's the lingering effects of the terror he felt 50 years ago with this young kid sitting in the back seat. [Laughter] And very frank and honest guy that he is.

But more seriously, I did learn something from him and from my other soul mates and comrades in arms in the Navy. I learned about teamwork, and I learned about the importance of sticking together from Mr. Crume and all the other guys in the Navy. I learned to depend on my wingman for friendship, for support, and even for survival.

As you know, some of you may know this history, but after I left basic training, J.C.'s great instruction, I was assigned to the Pacific. One day, my plane was shot down, TBF flying over the island of Chi Chi Jima, just off the island, and parachuted into the water. When I was swimming in the middle of the Pacific, one of my wingmen pointed me to a liferaft that had fallen from the plane, while another wingman then helped keep the enemy at bay. They put boats out from this island of Chi Chi Jima.

After the Navy, I didn't wear my uniform every day, but believe me, friends have been part of every good fortune in my life, every good fortune. Now I'm about to embark on another political battle, and I know this is a nonpolitical convention, but I would be remiss if I did not express my thanks to those who have helped here and to those, regardless of party, who have done so much to strengthen, whatever our politics, strengthen support for the American veteran.

And I am saying, some things transcend politics. And I'm just saying to all of you, let's stay together. Let's stay together. Let's not the wingman peel off as we fight for the proper recognition of and support for the American veteran.

Thank you all very, very much. And may God bless the United States of America.

Note: The President spoke at 5:02 p.m. in the Goldwyn Ballroom at the Reno Hilton Hotel. In his remarks, he referred to Cleveland Jordan, national commander, DAV; Joseph C. Zengerle, national senior vice commander, DAV; and Maj. Robin Higgins, whose husband, Col. William R. Higgins, was killed while held hostage in Beirut, Lebanon.

Remarks to the American Legislative Exchange Council in Colorado Springs, Colorado

August 6, 1992

Thank you for that wonderfully warm ALEC welcome. And Fred Noye, thank you for that generous introduction. I want to thank the official host, the Mayor, Mayor Isaac, for his hospitality; recognize Sam Brunelli, of course, an old friend with us here who feels very comfortable here; Holly Coors, so well-known to all in ALEC; my dear friend and respected leader of faith, Jim Dobson here. Let me just say, Fred, you have done a wonderful job as chairman. I'm not pronouncing you dead yet; you have a few more months. But you've done a great chairman job. And I know that your shoes will be ably filled by Bill Raggio, over here, from the State of Nevada.

Bill flew in with us last night from Reno on Air Force One. And all the White House stationery and matchboxes from the plane are missing. But he swears there's no correlation whatsoever. [Laughter] But I was so honored that he came all the way up from the convention, took the puddle-jumpers all the way, to just represent ALEC on the ride down, fill me in on what a fantastic convention is underway right here in Colorado Springs.

Twenty years ago, when ALEC started, I see it that you were a lone voice in the conservative wilderness. Now you gather in these marvelous Colorado mountains at a time when the endangered species list is topped by that creature rarely spotted outside of the 202 area code; I'm talking, of course, about the unabashed, unreconstructed liberal. [Laughter]

But your energy and your ideas and your enthusiasm helped lead the ideological transformation of America. So it's an honor to be standing here as your guest, invited to speak to you today. I understand that, I think the figure is no fewer than six members of my Cabinet will speak here. I'm especially delighted that you've chosen to give the Thomas Jefferson Freedom Award, that coveted award, to the idea man of the conservative movement, Jack Kemp.

As you know, so far this election has been a little one-sided. For 9 months -- and I'm not complaining; my day is coming -- for 9 months, five other candidates, maybe it was six way back then, various sundry surrogates have aimed a firehose of criticism at me. I have been blamed for everything except that crazy scoring system that was used in the Olympic boxing competition. I shouldn't really go out on a limb like that because I haven't checked the AP wire and see how it went. [Laughter]

But I admit I've been a little slow to fight back. My opponent has mentioned my name about once every 5 seconds, not always in the most flattering light. I still haven't even said his name in full. I've referred occasionally to ``my opponent,'' ``the other guy,'' and even ``the Governor of a

certain State with a profitable chicken industry on the Mississippi River, located somewhere between Texas and Oklahoma." [Laughter]

Let me tell you why I have waited. As I listen to the American people, I get a sense of something you might pick up from your own constituents. People are sick of politics. I think they think this election year has gone on a little too long. You used to start on Labor Day. Labor Day isn't even at hand yet. They're tired of the charges and the countercharges. They want ideas, and they want action. They want to trust their leaders to turn the first into the second.

That's what I want to talk about this morning: ideas, action, and trust. Well, I don't want to get too partisan. I'm going to draw a few comparisons. Grant me a favor, though, and I'll save the ``C'' word for my convention in Houston. And then I'll just stick with the all-purpose title for today of ``my opponent.'' But let me guarantee you one thing: When our convention is over -- I am tired of being slugged by these people, and I will fight back. I am going to win this election. I will fight tough, but I will fight fair.

Which reminds me, remember the old story of the fierce gladiator? He'd killed every lion that they could throw up against him, every lion he'd faced. So one day the centurions went out, went to Carthage and found the meanest lion in the world. They'd buried the gladiator in the arena there in Rome, right up so just his head was sticking out, fill him with sand. The lion was released, charged him, making a deadly pass at the gladiator's head. And as he did, the gladiator reached up and took a very ferocious bite in a very sensitive place in the lion's anatomy. [Laughter] The lion howled in pain and ran for the exit, fled from the arena. And the lead centurion ran out, attacked the gladiator screaming, ``Fight fair, damn it! Fight fair!'' [Laughter]

Now, every time I tiptoe into the water with this guy, they start yelling, ``Negative campaigning.'' I am going to fight back. And I will define his record as he's ill-defined mine. I will fight on the only battleground that really counts, and that is the battleground of ideas. And ideas matter.

If ever there was an organization that understood it, ideas matter, and ALEC knows. They know that. When Americans choose their leadership, they're choosing a direction. They're choosing a set of beliefs.

For the past quarter century, the tide has flowed our way for a very simple reason: The American people agree with our philosophy and with our ideas. If imitation is the sincerest form of flattery, the whole world is wearing those red ALEC blankets that I saw last night. For years your members, working in both political parties, have been holding the line on Government spending. You've been resisting the Pavlovian impulse to raise taxes at every turn. And you're fighting to give parents the chance to choose their kids' schools and choose their day care. I am for this, and I hope you'll all support it.

This is the wave of the future. It will make the public schools better, the private schools better, and the religious schools better. When I got out of the service nobody said to me, ``Here's the GI bill; you can only go to School A.'' They said, ``Go to the school of your choice.'' That enhanced the great State universities and the private universities and those based on religious faith.

On many of the major issues of this campaign, my opponent and I have entirely different ideas. On education, on health care, on life, on defense, on prayer in school, for example, we are separated by a gulf as wide as the Grand Canyon. But on some issues, especially economic issues, I'm afraid we don't yet sound all that different.

Of course, unlike my great predecessor, I will have to confess I am not known for threatening Daniel Webster's place in oratorical history. I will confess, there have been other greater speakers. But to me, real eloquence, real eloquence, lies in action. So when it comes to ideas for fixing our economy, I say, look not just at what we say; look at what we are trying to do and have done.

Let me give you some examples. I firmly believe we must get a handle on this budget deficit before it strangles our future. My opponent supposedly agrees with me. He says in his speeches that Government takes too much of your money and gives you too little in return. And what do we do about it?

Well, I have fought for a freeze on domestic discretionary spending. I have fought for a cap, and this is the only way we're going to get the deficit down, a cap on mandatory Federal spending, with specific proposals for savings, and a responsible, I emphasize that word, a responsible reduction in defense spending consistent with our mission as the leader of the world and consistent with my oath to be responsible for the national security. I am not going to cut into the muscle of our defense and go back to a hollow army. So let's be clear on that.

I know everybody at ALEC likes light reading. Now here is a midsession review, and in it, it tells exactly and specifically how to get this budget deficit down. It's been sitting up and languishing in the Congress, who do not want to make the tough decisions that I have recommended year after year. I urge you all to go out to your nearest bookstore, hopefully getting it at a discount, and read this program. You'll be impressed because it is ALEC philosophy.

Now, my opponent has taken a very different approach. He has proposed over $200 billion of new spending and at least $150 billion in new taxes. And when it comes to any concern about the Federal budget deficit, his action sounds like John McLaughlin's sign-off every week, ``Bye-bye.'' [Laughter]

Look, ultimately -- you know this; the men and women of ALEC know this -- I believe the only way to get the budget deficit under control, the major disciplinary tool, is a balanced budget

amendment to the Constitution. You at ALEC have done for the amendment what Rush Limbaugh has done for the art of passionate communication.

Let me just single out one person, probably embarrass the daylights out of him, but I know of what David Halbrook, a former ALEC chairman, had done. A most respected Democrat, he has taken the lead on the balanced budget amendment. He has taken your message and mine all across this country, and we owe him a vote of gratitude: Thank you very, very much. I knew he'd be embarrassed. There he is. Don't give him equal time or he'll tell you how his town in Mississippi is the center of the universe. I don't have time for that. [Laughter]

No, but again, on this question of the balanced budget agreement, look at the rhetoric out there. My opponent agrees with me in principle. But at the moment of truth, when we finally got that amendment to the floor of the House this summer, he came out against it. The amendment fell short by 9 votes, after that liberal congressional leadership convinced 12 cosponsors, 12 people that had cosponsored the amendment, to change their position at the last minute and to vote no.

Okay. We're going to keep fighting. But if we can't get a balanced budget amendment right now, at least give me a line-item veto like virtually every Governor in the United States has. But again, he says he favors the idea, this opponent, nameless opponent. But look at our actual proposals. In my budget this year -- and again, I don't want to lift that heavy book up -- I identified 246 Government programs -- will you mind holding it up at the appropriate time? [Laughter] This is an all-purpose book, I'll tell you -- 246 that I would end and another 4,000 wasteful projects that I will also get rid of altogether. They're in there. They are defined.

Now, this list includes some big-ticket items as well as some smaller things like a vitally important Federal research program into the mating habits of the mink. Again on this issue, my opponent is singing the same tune, but the dance steps are different. When he released his economic plan -- look at it, don't take my word for it -- he searched and searched through thousands of Government programs and found only one that he would eliminate, Federal subsidies for honeybee farmers.

Now, I have gone head-to-head in this job day in and day out, regardless of the polls. And I'm going to continue to do what I think is right with some very powerful special interests: the NEA, the powerful teachers union; the labor bosses; the ACLU; the Ralph Naders of beltway fame. But I doubt anyone will get stung by taking on the honeybee industry. They're just not that tough. [Laughter]

What about mandatory spending? It's devouring more and more of our budget every year. About two-thirds of the budget the President doesn't get a shot at, I think we all know that. I propose it's time to roll up our sleeves and go after it. No matter what the political price, we owe it to the young people here today. My opponent nods his head in agreement saying, and here's a quote, ``We need a Government that offers more empowerment and less entitlement.'' And all, again,

I'm asking, and I'll be asking this all fall, is do the words match the action?

In my past three budgets, I have proposed the caps on mandatory spending, and I have submitted specific ideas for savings. The amounts aren't paltry: $72 billion in this year's budget, $47 billion last year, $119 billion in 1990. And what does the opposition offer? You can search the entire economic program and find one very tiny idea: reducing Medicare subsidies for the wealthy. That isn't a bad idea. In fact, I put it in my own budget. But keep in mind, it would reduce mandatory spending by one-tenth of one percent next year. This hardly qualifies as a profile in budget-cutting courage.

Do you see a pattern? Do you see a pattern here? Look at our most pressing economic challenge: how to create more jobs now. I have proposed a package that includes incentives for investment to create jobs, many incentives that ALEC has been so forcefully advocating; that help, that credit, for the first-time homebuyer so that that homebuyer can participate in the American dream; tax savings through juggling around the IRA's for families that are trying in these tough times to save.

My opponent copies you and me when he says that an expanding economy's the best policy of all. But first, he proposes the largest tax increase in American history, larger than what Mike Dukakis and Walter Mondale proposed together. Then he proposes at least a 7-percent payroll tax to finance a new Government-run health care scheme. Then his friends in the congressional leadership took my growth package and added a tax increase to it, and I took care of that with the veto pen. And as your able chairman said, that's the first time a President has done that.

So you have every right to say, ``What's going on here? What's happening? What's really happening?"

As I peel through the details of our economic plans, I can't help but think of the words of another George -- I'm not used to quoting him -- George McGovern. George McGovern has never been what I would call a big friend or fan of mine. But you may recall during the New York convention, he called the other ticket, and I quote here, ``a Trojan horse." He said, here's the quote, exact quote, ``They are really much more liberal than they appear. And they'll show it after they are elected." Well, I don't know if I ever have told you this before, but George McGovern is a very smart man. He is very intelligent. [Laughter]

But this is what worries me. As I compare the details of what we have to offer, the details, and I begin to wonder. Is all this talk of what they call a new covenant simply a coverup for some very old and tired ideas? The other side talks about changing the economy with new spending and taxes. But when they talk about change, that's all you're going to have left in your pockets when these guys get through with you. [Laughter] So please get the ALEC message around this country.

There's one other thing -- and I say this with respect for the conservatives on both parties that are here -- my opponent talks about change, but he refuses to even mention the one thing that hasn't changed in 36 years. I'm talking about the liberal leadership in the United States Congress. It's about time we changed that if we want to move this leadership forward.

So if you really want to clean out the deadlock in Washington, why not clean out that same liberal deadwood on that leadership that has fought me every inch of the way, scared to death that the American economy might just get a little bit better if they pass those incentives that I know would have helped this economy grow.

Now I'm hoping, and I really do, this may be George McGovern's Trojan horse will be a tiger when it comes to holding the line on taxes and spending. But I doubt it. I believe the voters need more proof than mere words. So today I have an idea to propose to the American people, a way to move away even in this fiercely partisan election year, a way to move away from partisanship, a way to get some of the ideas you fought for off the drawing board and into action, a way to get our economy moving today and keep it growing tomorrow, and most important, a way to do what is right for our country.

Today I issue a challenge to my opponent and to his close allies there in the congressional leadership: If you really agree with us that these ideas are important, why hold them hostage to a political campaign? If you really believe that tax cuts can create jobs, pass my growth package now. If you want to get a handle on Government spending, put a line-item veto on my desk right now and give me a chance to get this deficit under control. I'll start cutting right away. If you want to control mandatory spending, convince the Congress to adopt this proposed savings plan just next week. They don't have to wait. If you really want to reform health care, bring it up. Our plan is up there. It's a good one. Bring it up, and vote on it. If you really believe in a balanced budget amendment, let's call it up and vote for it again. And leave the pressure off of these Members, and let them vote their consciences, and let them do what's right for the American people. Send it to your States right now for ratification.

Now, the plan I've outlined today, a plan based on so many ideas that you've fit into the system, ALEC ideas, ALEC initiatives, is the strong, compelling action that our economy desperately needs. Quite frankly, I don't expect the other side to come forward and back their ideas, these pronouncements, back them with action. I think there's a Trojan horse lurking in the weeds, ready to pull a fast one on the American people, and I simply am not going to let that happen.

In the next 4 months and for the next 4 years, I will accelerate our fight for these tax incentives and lowering the taxes, for budgetary discipline, for making the tough calls on runaway spending. I will put my case in words, but I will back my words with action. I will show the American people we must not return to a failed philosophy for America, no matter how neatly packaged it is today. It is time to continue moving forward, forward on a positive, conservative vision for our great Nation.

May I thank each and every member of ALEC. And may God bless the greatest, freest, fairest country on the face of the Earth, the United States of America. Thank you all very, very much.

Note: The President spoke at 9:12 a.m. at the Broadmoor Hotel International Center. In his remarks, he referred to ALEC officers Fred C. Noye, national chairman, Sam Brunelli, executive director, and William Raggio, incoming national chairman; Bob Isaac, Mayor of Colorado Springs; Holland H. Coors, who gave opening remarks at the meeting; and James Dobson, president, Focus on the Family.

Remarks on the Situation in Bosnia and an Exchange With Reporters in Colorado Springs

August 6, 1992

Bosnia

The President. A few remarks on the situation in Bosnia and the former Yugoslavia and what the United States, working with the international community, is doing to contain and defuse this escalating crisis.

Like all Americans, I am outraged and horrified at the terrible violence shattering the lives of innocent men, women, and children in Bosnia. The aggressors and extremists pursue a policy, a vile policy, of ethnic cleansing, deliberately murdering innocent civilians, driving others from their homes. Already the war has created over 2.2 million refugees, roughly the population of greater Pittsburgh and Baltimore. This is, without a doubt, a true humanitarian nightmare.

Now, the war in Bosnia-Hercegovina and Croatia is a complex, convoluted conflict that grows out of age-old animosities. The blood of innocents is being spilled over century-old feuds. The lines between enemies and even friends are jumbled and fragmented. Let no one think there is an easy or a simple solution to this tragedy. The violence will not end overnight, whatever pressure and means the international community brings to bear. Blood feuds are very difficult to resolve. Any lasting solution will only be found with the active cooperation and participation of the parties themselves. Those who understand the nature of this conflict understand that an enduring solution cannot be imposed by force from outside on unwilling participants.

Defusing this crisis and preventing its spread will require patience and persistence by all members of the democratic community of nations and key international organizations. Bringing peace again to the Balkans will literally take years of work.

For months now we've been working with other members of the international community in pursuing a multifaceted and integrated strategy for defusing and containing the Baltic conflict. Let me explain the critical steps that we already have underway to help defuse and to contain this crisis.

First, we must continue to work to see that food and medicine get to the people of Sarajevo and elsewhere in Bosnia no matter what it takes. To this end I have directed the Secretary of State to press hard for quick passage of a United Nations Security Council resolution authorizing the use of all necessary measures to establish conditions necessary for and to facilitate the delivery of humanitarian assistance to Bosnia-Hercegovina. This resolution is critical; it is absolutely critical to our efforts to bring food and medicine to the people of Bosnia.

This resolution will authorize the international community to use force if necessary to deliver humanitarian relief supplies. My heartfelt hope is that that will not prove necessary. But the international community cannot stand by and allow innocent children, women, and men to be starved to death. You can be assured that should force prove necessary, I will do everything in my power to protect the lives of any American service men or women involved in this international mission of mercy.

To truly end the humanitarian nightmare we must stop ethnic cleansing and open any and all detention camps to international inspection. We will not rest until the international community has gained access to any and all detention camps.

Second, we must support the legitimate Governments of Slovenia, Croatia, and Bosnia-Hercegovina. To this end, I have decided that the United States will move now to full diplomatic relations with those Governments. I'll shortly submit to the Senate my nomination for Ambassadors to these posts.

Third, we must continue to isolate Serbia economically and politically until all the United Nations Security Council resolutions are fully implemented. We must continue to tighten economic sanctions on Serbia so that all understand that there is a real price to be paid for the Serbian Government's continued aggression. And the United States proposes that the international community place monitors in neighboring states to facilitate the work of those Governments to ensure strict compliance with the sanctions.

Fourth, we must engage in preventive diplomacy to preclude a widening of the conflict into Kosovo, Vojvodina, Sandzhak, or Macedonia. Therefore, the United States is proposing that the Conference on Security and Cooperation in Europe, CSCE, place continuous monitoring missions in these locations to provide an international presence and inhibit human rights abuses and violence.

Fifth, we must contain the conflict and prevent its spilling over into neighboring states like Albania, Hungary, Bulgaria, Romania, and Greece. To this end, the United States proposes that the international community again place civilian monitors, thereby reassuring these Governments of our concern for their welfare and inhibiting any aggression against them.

And sixth, we are consulting with our allies in NATO on all aspects of this crisis and how the NATO alliance might be of assistance to the United Nations.

Now, these steps represent an integrated strategy for defusing and containing this conflict. We've been working with the international community to advance our work on each of these and will continue to do so in the weeks ahead. It is through international cooperation, through the U.N., NATO, the EC, CSC, other institutions, that we will be able to help bring peace to that troubled region.

Thank you very, very much.

Q. Mr. President, are you mobilizing United States military personnel now to go there?

The President. The question is, are we mobilizing United States military personnel. The answer is no. The United States has military assets that are available. Indeed, I think everyone knows that we have had a significant presence not only in the Mediterranean but in the Adriatic. I am confident that we have what assets it takes to get the job done without any excessive moves on mobilization. We're not in that state anyway. I'm hoping that we will not have to use force.

Q. What about in the Middle East?

Q. How credible are the reports of death camps?

The President. Well, what I have done is task our intelligence community to use every asset available to see if we can confirm them. We know that there is horror in these detention camps. I cannot confirm on hard evidence some of the charges that have been made. It is absolutely essential, whatever is going on there, that there be open inspection and that humane treatment of the people in these concentration camps be guaranteed.

But in all honesty, I can't confirm to you some of the claims that there is, indeed, a genocidal process going on there.

Q. How far along is the process in determining that, sir? When do you think you'll have a determination?

The President. Well, I don't know. It's very difficult, as you know. The main thing we're doing is pressing through this United Nations action, through the Human Rights Commission, to get access to have visible guarantees as to what's going on.

Yes.

Q. Sir, when you see the vivid footage from Bosnia of innocent civilians being bombed and mortared and shelled from the hills, does it not make you want to send in U.S. air power to take out those emplacements?

The President. It makes me want to do whatever we have to do to stop the killing. I would only suggest that this is a very complicated military question, very, very complicated, indeed. We have probably -- well, I know we have the best intelligence in the world on this, and it is not an easy military problem even for our fantastic Air Force.

Q. Sir, if Serbia does not open the camps -- --

Iraq

Q. Mr. President, do you have a message to Saddam Hussein?

The President. Do I what?

Q. Do you have a message today for Saddam Hussein?

The President. A message for him?

Q. Yes, given his statement that U.N. inspectors will not be allowed in.

The President. Well, I think what he said, they would not be allowed into the ministries. I would say that the United Nations resolutions will be honored in full and he will comply with United Nations resolutions, and just leave it at that. I can't tell you what the inspection targets will be, but if they prove to be in the ministry, the United Nations has every right under international law to inspect. And we will help guarantee that right.

Q. Well, sir, are you getting a little fed up with this, I mean, with Saddam's playing games?

The President. I've been fed up with him for a long time.

Bosnia

Q. Sir, if the Serbians do not open the camps to inspectors, what would the next -- --

The President. Too hypothetical. We're going to get those camps opened the way I've said.

Q. Sir, are our allies in full support of using any necessary means?

The President. No, and one of the reasons that we're working hard in the United Nations: to be sure we're all together. This really does require international action. We've been working this problem for a long time at the United Nations, not a long time but several, a couple of weeks. I have to tell you there have been some differences. You asked the right question, but we've got to get them together. I think there's increasing concern on the part of our allies. So we are taking the lead in trying to get that done.

Q. Mr. President, if it is confirmed that there are death camps there, would the United States have a moral obligation to do whatever was necessary to stop that?

The President. Well, I feel a moral obligation to see that these camps are inspected. I feel a moral obligation to see, just on the evidence we have. So it -- don't even need to go any further than that. I think all of the American people feel, and I'm sure it's true of other peoples around the world, feel that we must have access to these camps, and we must stop the killing, and we must stop this cleansing process. Leave out genocide for a minute. And genocide just compounds it and makes it even worse, if that is proven, certainly.

Q. But to do whatever is necessary, including the use of troops?

The President. Well, I've said that, but that's what our resolution would propose.

Thank you all very much. Thank you.

Note: The President spoke at 12:02 p.m. at Peterson Air Force Base prior to his departure for Washington, DC.

Statement on Executive Branch Revised Standards of Conduct

August 6, 1992

In the first Executive order of my Presidency, I established a Presidential Commission on Federal Ethics Law Reform to examine the ethics laws and regulations that govern the Federal work force. The Commission recommended that the Office of Government Ethics consolidate all executive branch standards of conduct regulations into a single set of regulations. By Executive Order 12674, issued April 12, 1989, I directed the Office of Government Ethics to develop a single comprehensive and understandable set of ethics regulations that would apply to all employees in the executive branch.

Tomorrow that enormous task will be completed. A single set of ethical standards will be published in the Federal Register and will replace over 100 different and often conflicting agency regulations. These new standards will be set forth in one place so that the public can examine them, so that those who do business with the Federal Government can easily understand them, and so that all executive branch employees will have a clear understanding of the rules governing them. The final rule addresses a broad range of ethical concerns including gifts from outside sources, financial interests, and circumstances presenting an appearance of impropriety. It also provides guidance to employees who are involved in activities outside their Government jobs or who are seeking other employment.

In the coming months, ethics officials in the departments and agencies throughout the executive branch will begin to brief the Federal work force on the new standards, another enormous endeavor. I want to reiterate my personal commitment to see that the standards set forth in these new regulations will be vigorously and conscientiously observed throughout the executive branch.

I am very grateful to the Office of Government Ethics and all the ethics officials in the Government for their work in developing these new standards.

Appointment of Charles A. Gillespie, Jr., as Special Assistant to the President for National Security Affairs

August 6, 1992

The President today announced the appointment of Charles A. Gillespie, Jr., as Special Assistant to the President for National Security Affairs. Mr. Gillespie, an experienced career diplomat, will be Senior Director for Latin America and the Caribbean at the National Security Council.

Mr. Gillespie was Ambassador to Chile from 1988 through 1991 and Ambassador to Colombia from 1985 to 1988. From 1983 to 1985, he was Deputy Assistant Secretary of State for the Caribbean and Deputy for Operations in the State Department's Inter-American Affairs Bureau. While in that position he was named Chief of Mission in Grenada as United States forces landed there in October 1983. Mr. Gillespie is a career minister in the U.S. Foreign Service, which he entered in 1965. His early assignments included Embassies at Manila, Jakarta, Brussels, Mexico City, Managua, and the U.S. mission to NATO.

Born in Long Beach, CA, Mr. Gillespie graduated from the University of California at Los Angeles. He served as a commissioned officer in the U.S. Army in Europe. He has done graduate work at Syracuse University's Maxwell School of Public Affairs and is a graduate of the National War College. Mr. Gillespie is married to Vivian Havens; they have two children.

The President's News Conference

August 7, 1992

The President. Let me comment on three subjects this morning, and then I'll be glad to take a few questions. We only have a short period of time because I'm going over to an event outside the White House.

The Economy

While I'm pleased that the unemployment rate declined by one-tenth of a percent in July, and it shows that about 200,000 new jobs were created in that month, I simply cannot be satisfied until every American that wants a job has one. We must work to ensure that economic growth is strong enough to bring unemployment down rapidly.

It's interesting that just that one-tenth percentage point resulted in that many jobs. Our household employment survey reported a drop in unemployed persons by 215,000, and the 198,000 new jobs that were created in July is the most since December of last year. Also, the number of people employed in May and June was revised upward by 80,000.

Some good precursors of stronger growth are definitely in place. For example, interest rates and inflation are at their lowest level in a generation, creating conditions for sustained growth. But there's also a restructuring underway of the management and operation of many of our larger companies. They're adjusting to a more competitive national and international environment.

As this takes place, it is crucial that we continue to expand our markets abroad, to accelerate our job training, and to reform our educational system so that tomorrow's work force is the most competitive in the world.

Bosnia

Now let me turn to the subject I talked a little about yesterday, the terrifying violence that's occurring in Bosnia. The pictures of the prisoners rounded up by the Serbian forces and being held in these detention camps are stark evidence of the need to deal with this problem effectively. The world cannot shed its horror at the prospect of concentration camps. The shocking brutality of genocide in World War II in those concentration camps are burning memories for all of us. That can't happen again, and we will not rest until the international community has gained access to any and all detention camps.

As I said yesterday, let no one think there is an easy or simple solution for this tragedy. But we are taking the complex and strong steps necessary to bring humanitarian relief to the people of Bosnia and political resolution to the crisis in that country.

Iraq

Finally, we continue to work with the United Nations to monitor the situation in Iraq. We have great confidence in Mr. Ekeus and his inspection team as they pursue compliance with the United Nations resolutions. Once again, we're hearing the bluster of Saddam Hussein. He speaks of Kuwait as the 19th province, and he threatens not to allow inspection of his ministries. We will continue to demand full compliance with all resolutions, but we will speak with the measured confidence of a nation and a community of nations that is totally dedicated to seeing every single one of these United Nations resolutions fully enforced.

I have time for a few questions. And Helen [Helen Thomas, United Press International], you go ahead.

Bosnia

Q. Mr. President, if the international community, the U.N., NATO, et cetera, do not support you on the use of force, will you go it alone? Will you only use air and naval power, or will you use ground troops? In addition to the terrifying pictures, were you also pushed by Clinton and Thatcher into this stronger stance, which seems to be a change for you?

The President. Let me answer the last part of that question. I want to be sure I remember all the parts of it, but the last part of it is, absolutely no. This is not a political matter. This is a matter of humanitarian concern. I will not engage the other side on this particular issue. We're trying to handle it in a sound way with sound foreign policy as the backbone to it. So that's the end of that one.

What was the first part now?

Q. Would the U.S. go it alone if it does not get the U.N. backing in NATO?

The President. Well, I'm confident we'll have the U.N. backing, so it's too hypothetical. You asked about the use of force. Everyone has been reluctant for a very understandable reason to use force. There's a lot of voices out there in the United States today that say, use force. But they don't have the responsibility for sending somebody else's son or somebody else's daughter into harm's way, and I do.

We are thinking it out very carefully. I do not want to see the United States bogged down in any way into some guerrilla warfare. We lived through that once. And yet, I have a lot of options available to me, and I will contemplate every one very seriously but in conjunction with the United Nations. And so we're going to continue to press for the resolutions that I hope will solve this problem.

Incidentally, there was a statement this morning by Yugoslavia's Prime Minister Panic, where he said that he will order the Serbs in Bosnia to close all detention camps or that their leaders must resign. Well, that's a move in the right direction. The diplomacy that's going on behind the scenes will all push towards that kind of resolution of the question. But we have a lot of options available to us, Helen.

Iraq

Q. Mr. President, on Iraq, we heard yesterday that they were going to prevent U.N. forces from entering other ministries. Have you been able to determine whether that's a real threat? And what are you prepared to do if, in fact, that's the case?

The President. Well, I think the answer is overall he is going to comply with the U.N. resolutions, and that is just going to happen. So I can't tell how much of this is bluster, how much on their part is determination to provoke confrontation. But they're going to comply with these resolutions. I'm absolutely certain of that.

Q. Are you going to do anything to speed up the timetable to force the inspections to go quicker than they are?

The President. No. I think we have great confidence in Dr. Ekeus. He is a very persistent individual. The timetable as I understand it, which I'm not at liberty to discuss, seems to me appropriate to get to the bottom of all this, fulfill all these inspections.

Secretary of State Baker

Q. What effect do these knotty foreign policy problems, Bosnia and Iraq, have on your flexibility in assigning Secretary of State Baker?

The President. Well, when I have something to say about what Secretary Baker might or might not do, I'll be sure to let everybody here know about it. But I have great confidence in him and in the Department on the diplomacy. There's no question about that, Brit [Brit Hume, ABC News]. It's very important that we handle not only this matter; we've got some others. We've got a very important visit coming up with the Prime Minister of Israel. And so I continue to rely heavily on the State Department, on the Secretary of State for substantive advice. But what lies ahead, or what might or might not -- having read all the speculation that emanated from this newsroom a couple of weeks ago, I thought you told me that a deal had already been made. But he's still in his job, and I'm still relying heavily on him for sound advice and action over there.

Q. Deputy Secretary Eagleburger said a week or 10 days ago that he expected Secretary Baker to be on the job at State for a long time. Would you second that?

The President. But that counters what I think I read out of this newsroom. So -- --

Q. Well, we'll be glad to get authoritative advice by you, sir, on what's going on.

The President. -- -- I've got to sort it all out, and then I'll get back to you.

Foreign Policy and Domestic Politics

Q. Bill Clinton commended your statement yesterday on Bosnia. Yet Marlin Fitzwater said about a week ago that Bill Clinton had been reckless when Clinton called for the United States to urge the United Nations to authorize air strikes to get those relief shipments through. Do you regard Bill Clinton as reckless in Yugoslavia, the former Yugoslavia, or anyplace else in foreign policy?

The President. I'm going to keep on these foreign policy issues and try to keep them out of the political arena, the jockeying, the instant statement. I am confident that what we're doing is correct. I have no problem with his offering advice on these matters. But I am not going to get engaged in the political arena when we are trying to do something that really has a tremendous humanitarian aspect.

Q. But sir, you talk about defining yourself and Bill Clinton. On foreign policy, have you no disputes with him on any foreign policy?

The President. There will be plenty of time to define that, but not in the context of trying to do something that is very important. I have some responsibilities as a candidate, eventually when I become the nominee of this party, to just take the issues to him, to define his background, to tell it as it really is, and to fight for the programs and the issues that I believe in. So I've got all that to do.

But when it comes to a serious foreign policy initiative, I'm going to do my level-best to keep it out of the political arena. It is too very, very important that we conduct ourselves, whether it's in Iraq or whether it's in Bosnia, without kind of political leanings, and I'm going to do that. Therefore, I'm not going to answer questions that relate to his charge or trying to come back with some countercharge.

Presidential Campaign

Q. Mr. President, there was the flap this Monday about the memo, or the fax rather that was sent to news organizations from your campaign. And you subsequently denounced this or disavowed it and said you didn't want to get involved in the sleaze business, et cetera. There are many in your campaign that are quite happy with the impact that that fax had and seem to think that

tactically this was quite beneficial and that you were able to distance yourself from this. Is that a pattern we should expect, or are you confident that this is now never going to happen again?

The President. The pattern you should expect is, after my being hounded and pounded for 9 months by my principles being ill-defined and what I stand for being ill-defined, you're going to see some hard-hitting attacks which are going to fairly define his positions. And that's what you should look for.

Q. What did you feel was unfair about the memo?

The President. I already said that I want to keep this campaign out of the sleaze business. Inasmuch as some interpreted the replay of Clinton's campaign manager's words as sleaze, I don't want any part of that.

Bosnia

Q. Mr. Bush, I know you've said that you hope there will be no need for any military use of force in Bosnia. But if it should come to that, does the resolution you want envision U.S. troops or aviators in some way being involved in that use of force? Could you specify -- --

The President. That is too hypothetical. We're working with the United Nations, and if we make a determination that force is necessary, we will do that after thorough discussion with our allies and with the United Nations Security Council participants.

Q. But surely, your allies are expecting some sort of indication of what your involvement -- --

The President. Well, we've already evidenced our willingness to be involved. We moved a carrier task force into the Adriatic. We have given support for humanitarian relief and will continue to do that. So I am not saying what we'll do or what we won't do, but whatever we do, I want to do it in conjunction with the international community.

Aid to Russia

Q. Mr. Bush, now that the IMF has approved some Russian assistance, the $1 billion loan in the World Bank, is the U.S. going to expedite any more financial assistance to Russia? Would you expect to offer them additional agricultural credit guarantees for the September-October period?

The President. Well, I have no plans on that; no recommendations have come to me on that. I do want to thank, though, both the Republican and Democratic leadership in the House for a very strong vote yesterday. I think it's a great boost for Yeltsin, who has our strong backing as he goes about his reforms under very difficult conditions. But no recommendations have come to me yet on further grain sales or anything.

The Economy

Q. Mr. President, as you noted in the unemployment numbers, figures are good but there's still a long way to go. Is it time now, do you think, to tell the American people that they probably won't start feeling good until maybe next year about the economy, but if they just hang on, it's coming? I mean, is this sort of a time -- --

The President. I'd just like to see them understand that there's some very strong signs here that are good. That doesn't mean there's no problems out there, but I think all they've heard are negative news about the economy, a lot of it because of the political process. If the other side can only win by things being bad, they're going to go out and point out all the things that are bad. All I'm saying is this is good news.

Now, you can help by putting a nice, positive interpretation on the fact that there are 200,000 more jobs created. And please do it because it's only fair that the American people understand that every once in a while something reasonably good happens. Interest rates are down, and inflation is down, and we are poised for a strong recovery. We've been growing, albeit anemically.

So it's important. I think your question is a good one because I think it is important that the American people understand the facts and try to separate out those facts from the political rhetoric that they've been handed for month after month about how horrible things are. Yes, conditions are not perfect. And yes, the economy has grown too slowly. But it has been anemically growing. Now this is fairly good news, you see.

Q. Let me just follow up, sir. Part of the problem has been expectations, that sometimes, as it's been said here, your own expectations were raised, along with everyone else. I'm just saying is it time now to say, ``Okay, probably by November it may not look as good as you'd like it to, but hang on because it's cyclical, and it will get better, and we see signs." I mean, I'm asking you to put the spin on it.

The President. Well, I feel comfortable with that. [Laughter]

Mr. Fitzwater. Final question, please.

Presidential Campaign

Q. Mr. President, you mentioned that your principles have been ill-defined by your opponents in the campaign. As you know, there's beenÿ20some talk even within your own party that a problem has been that you haven't gone forward and said what you really stand for, what you're going to fight for in a second term. Why do you think, after so many years in public life and 4

years as President, there are still these questions out there about what George Bush really stands for?

The President. I'm not sure I know the answer to that. But they'll sure know it by the time they go into the voting booth in November. They'll see the record. The record will be an accurate record, and it will be a positive record. I'm not going to permit the Democratic Party and the Democratic National Committee and the Democratic nominee to ill-define it.

So I can't answer as to why. Maybe some of the answer can be, you know, little seminars; we can discover that ex post facto. But now what I'm going to do is join the fray and go after him and define his record. And that's going to be fun. I'm looking forward to it. Then I'll contrast it with not only what have we done but what do I want to do.

I've not done that. I explained to them yesterday, I thought I had some obligations here as President to try to get some things through, even though the Congress has dug in and made it very difficult to get something done. So I'll take that case to the American people. If you want to change an institution that hadn't changed in a long time, try on the Congress, the liberal Democratic control of the Congress. That will help. Then say, here's what the man is trying to do in education reform. Here's what he's been trying to do in welfare reform. Here's what he's been trying to do in enterprise zones. Here's what he's been trying to do, and it's been blocked by a hostile, highly political, liberal leadership in the Congress. So that hasn't been defined out there, and I've got to get that done.

This is the last. Yes, followup.

Q. If I could just follow up. I just wonder why you think even some within your own party make this charge about you not having articulated what you stand for. Even some of the people, you may support the programs that they're advocating, but they don't really believe you're going to fight for them.

The President. Well, I keep reading that in various journals and books, and it's not true. So what I have to do then is say, here's what a convention is about, here's what a campaign is about, and set the record straight and take the facts out there and let the American people make that determination themselves, not through some filters out there. That's the only way to take care of this problem which I think has existed.

Thank you all very much. We're off to the Guadalcanal memorial.

Note: The President's 137th news conference began at 10:05 a.m. in the Briefing Room at the White House. During the news conference the following people were referred to: Rolf Ekeus, Executive Director, United Nations Special Commission on Iraq, and Margaret Thatcher, former Prime Minister of the United Kingdom.

Remarks at a Ceremony in Arlington, Virginia, Commemorating the 50th Anniversary of the Landing on Guadalcanal

August 7, 1992

Thank you all very much. Thank you, Mr. Secretary, Senator Chafee, and the other Members of Congress that are with us who are veterans of Guadalcanal. May I salute the Chairman of the Joint Chiefs, General Colin Powell; Commandant of the Marines, Carl Mundy; General Sullivan, Commandant of the Army, is with us; the Acting Secretary of the Navy, Sean O'Keefe; distinguished Commandant of the Coast Guard, William Kime; and of course, the Medal of Honor recipient, Mitchell Paige, but most important, you marines. I would like to open -- [applause] -- I thought they had a little life left in them.

I'd like to open if I may with a story. It's a story of heroism, a story of courage, sacrifice. It's a story from Guadalcanal. Kenneth Bailey was commanding officer of Company C, 1st Marine Raider Battalion, when his men were called upon to defend Henderson Field during the Japanese assault, September 12th and 13th of 1942. The enemy had penetrated our main line of defense, their number superior to ours. Only a miracle, it seemed, could defend that airfield.

Major Bailey and his men provided the miracle, turning back the flank attack, then covering the withdrawal of our main force. In the fighting, Major Bailey sustained severe wounds to his head, and even so, for 10 hours he and his men engaged the enemy in vicious hand-to-hand combat. The attack was repulsed, and Henderson Field was secured. Major Bailey died 2 weeks later from machine-gun fire in yet another battle on Guadalcanal. He received the Congressional Medal of Honor for his gallantry on Bloody Ridge.

Major Bailey's story serves as a summation for thousands of other stories, tales that could be told by the brave men gathered here who survived the hell that was Guadalcanal. Secretary Cheney mentioned the lesson of those battles, and I'm struck, recounting Major Bailey's story, of one lesson in particular.

Kenneth Bailey was from Pawnee, Oklahoma, in a town of 2,000 near the Arkansas River in the north central part of the State. In the months and years before the great war in the Pacific, who could have predicted that a son from Pawnee, Oklahoma, or the sons of Raritan, New Jersey, or Sioux Falls, South Dakota, or Rutland, Vermont, who could have foretold that these young men from every corner of America would be called upon to defend freedom 6,000 miles away on an obscure Pacific island called Guadalcanal? It's safe to say that few, if any, had ever heard of the island. None could have predicted what would transpire there. But it was on Guadalcanal that the forces of freedom began their long march, a march that wouldn't end until 3 years later in Tokyo Bay on the deck of the U.S.S. Missouri.

No one can foretell when or where freedom will be challenged. That is one of the lessons of Guadalcanal. How many Americans in 1947 had heard of Inchon or Pusan or Chosen? How many of us 15 years later had heard of Da Nang or Khe Sahn? How few Americans in the summer of '90 had yet heard of Khafji or Safwan. Yet today, these names are indelibly part of the rollcall of honor, places where Americans made their stand and offered up their sweat and blood to a cause greater than themselves.

We honor the dead, not merely for their sake, but for our own sake as well. In commemoration and remembrance, we learn again that freedom, in the deepest sense, always hangs in the balance; that we earn it day by day in hot wars and cold; that its price, as Jefferson said, is eternal vigilance, an endlessly renewed dedication to keeping our great country strong, our defenses second to none, our leadership unquestioned and unchallenged.

There was a rhyme passed around during those dark 6 months that I'm sure many marines here today out front remember, 6 months, as the battle raged on, when freedom hung by the unbreakable thread of American bravery and resolve. Every marine who wasn't fighting on the island knew the lines, ``Say a prayer for your pal on Guadalcanal."

This morning, in this place -- and thank you, Pastor, for your loving invocation -- this morning and in this place, we remember those words and the men who inspired them. With hearts full of pride and awe and thanksgiving, we once again say a prayer for those who fought and died in a place few had known of but which all of us will never forget.

May God bless them. May God bless you. And may God bless our great country, the United States of America. Thank you. Thank you very much.

Note: The President spoke at 11:11 a.m. at the Marine Corps War Memorial.

Statement on Signing the Pacific Yew Act

August 7, 1992

Today I am pleased to sign into law H.R. 3836, the ``Pacific Yew Act." This Act ensures that Federal lands will be managed to provide for the sustainable harvest and long-term conservation of the Pacific yew. The bark of this tree is currently the only reliable source of taxol -- an experimental drug used to treat cancer. By signing this bill into law today, we ensure that Pacific yew bark is made available to companies to produce a drug that has the potential to benefit thousands of patients.

It is very important that the collection of Pacific yew bark proceed with as little delay as possible, because taxol has shown very promising results in combating ovarian and breast cancer. In fact, the National Cancer Institute considers it to be the most important new cancer treatment drug discovered in the past decade. The Administration realizes the importance of taxol and is working to make sure that Pacific yew bark is available for taxol production.

The potential value of taxol for treating ovarian and other cancers was not known until 1989. By September 1991, 900,000 pounds of Pacific yew bark were collected on Federal lands. This quantity of bark will yield enough taxol to treat more than 12,000 patients, or about the same number of women who die from ovarian cancer each year.

As the demand for Pacific yew bark increases, we realize that we have to ensure a continuing supply of Pacific yew, while not threatening the resource's long-term existence. The Administration has already initiated a comprehensive Pacific yew management program involving the Forest Service, the Bureau of Land Management, other Federal agencies, local governments, and the private sector.

Our efforts have provided an opportunity for the Federal Government and private industry to work cooperatively for the public good. Additionally, our efforts to collect bark from the Pacific yew have brought in millions of dollars to local economies and provided numerous jobs in these local economies.

The Federal Government is already meeting many objectives of H.R. 3836. This Administration is committed to ensuring a continuous supply of yew bark to help cancer patients, while sustaining the Pacific yew for future generations. H.R. 3836 will help us do even more to meet this commitment.

George Bush

The White House,

August 7, 1992.

Note: H.R. 3836, approved August 7, was assigned Public Law No. 102 - 335.

The President's News Conference in Kennebunkport, Maine

August 8, 1992

Bosnia

The President. Let me thank you all and just say that I've just met with Secretary Cheney, Deputy Secretary Eagleburger, Ambassador Watson from the United Nations mission, U.S. mission to the United Nations, and General Scowcroft. We are discussing, of course, the situation in Bosnia. We reviewed the situation in Bosnia but with a lot of emphasis on the United Nations. I'm delighted that Ambassador Watson could join us.

I'm pleased with the first indication from those controlling the detention camps that access will be given to the International Red Cross, the ICRC. We're determined that those camps must be submitted to inspection.

I've just spoken to the Secretary-General of the United Nations Boutros-Ghali about our concern of the camps. I had a chance to review with him in some detail the situation at the United Nations and with UNPROFOR; that's the United Nations force there in Sarajevo. I thanked him for all of his efforts. The United Nations, of course, is playing a very constructive role.

I'm pleased that the Sarajevo airport is open once again and that the relief flights are able to go in. We are continuing to work with United Nations Security Council members on the substance of a resolution which would enhance our collective ability to deal with this situation. We're emphasizing the critical importance of early action to prevent the deterioration of the situation.

Having said all that, nothing is ruled in or out, and I will say that the object of providing humanitary assistance is our goal. Nothing has been ruled in or out to achieve that, and we have talked about a wide array of actions we can take in cooperation with our allies. The first and primary thing is to continue to work at the United Nations.

I must say that the Secretary-General did express some optimism about access to the camps, not just for the International Red Cross but also for the Office of the High Commissioner of Refugees which is, as we all know, a United Nations agency.

So we're updated on it, and I will try to keep the American people filled in as we go along on this, trying to help solve these tremendous humanitarian problems there.

I'd be glad to take a couple of questions, and I know they have to go back.

Q. There are reports now coming out of the U.N. that there is some agreement among the allies that NATO would be supplying air power and that the Western European Union would supply forces on the ground to protect those shipments of humanitarian aid. Is that the case?

The President. No, that is not the case. As I say, we are talking about all kinds of options, but there's no determination to that effect.

Q. Mr. President, Chancellor Kohl has suggested this firm blockade. I'm not sure how that would help get supplies through, but I wonder if you could give your reactions to that as well as to the belligerent talk coming from the people who represent themselves as the government of the Serbians threatening retaliation.

The President. When the United Nations takes a position and when countries join in, in terms of sanctions, it is in everybody's interest that those sanctions be fulfilled, that they be implemented. There have been some leaks in all of that, and we discussed Chancellor Kohl's call. No specific action taken, but again, it's highly complex. But we are determined to see that when the United Nations passes a resolution, it is implemented.

I did see a report of a rather reckless statement by a professed leader. Certainly no policy of the United States and I don't believe any policy of the United Nations will be affected by threatening statements of that nature.

Q. Mr. President, could you characterize the difference between Britain and France and the U.S. position on the use of force? And also, tell us if you were surprised at their characterization of your possible use of force as being politically motivated?

The President. No, I don't think we got a difference; I don't think anybody wants to go forward to use force. One thing I've reviewed today with Secretary Cheney and particularly with both Eagleburger and Cheney was the complexity. Larry Eagleburger's lived there for 7 years of his life. General Scowcroft has lived there, and Secretary Cheney has looked very carefully at all this.

So, it is highly complex. The American people must not be misled into thinking that there is some quick and easy military answer to this highly complex question. I don't believe, after talking to Ambassador Watson and -- I did talk, as you know, I believe; I think we announced it yesterday -- to Prime Minister Major, that there are wide differences between France, England, and the United States. There may be some differences.

But as in the past, as it was with Desert Storm and other resolutions, we worked those differences out. But I don't think it would help to categorize what they might be. But there are no fundamental differences in terms of rushing in to use force. If something I said or anybody has said implies we want to go in there with ground forces, something along those lines, please let

me lay that to rest. Because you know, I don't care what the political pressures are, before one soldier or whatever it is, marine, is committed to battle, I'm going to know how that person gets out of there. We are not going to get bogged down in some guerrilla warfare. I owe it to the military not to make some rash decision based on politics.

So I'm glad you asked it because I will shoot it down right now. I don't care what the pressures are. If the Senate's going to pass a resolution, fine; let them pass it. But I have the responsibility not just to try to help solve this humanitarian problem but for the lives of young Americans. I take that responsibility very, very seriously.

Q. Sir, you apparently are for air strikes to free up these relief supplies. However, it's been said by the British and the French and others as the only way you can assure these convoys going in is to have ground forces there. The air strikes can't protect people who are being sniped at from roadways and from mountains and hills. You talk about the difficulties. Can you explain some of the difficulties and how air strikes would be helpful?

The President. I'm not certain that the air strikes themselves would solve the problem, nor am I certain that putting ground forces into this situation, as it stands now, would solve the problem. Therein lies its complexity. This is a highly complex problem with all kinds of ethnic problems in there, all kinds of ancient rivalries. Our goal is to help solve the humanitarian problems. And John [John Cochran, NBC News], there isn't an easy formula. If there was, we would have put it into effect before now.

Q. What will the U.N. resolutions be that we want? Do you know yet?

The President. Well, we're working. I can't give you the exact details, but I referred to it the other day that we want to have authority to do whatever it takes to get in and solve this humanitarian question.

Presidential Campaign

Q. Mr. President, could I ask a non-Bosnian question? Your political director of your reelection campaign appears to want to keep alive whether or not there was an apology rendered for an attack-type press release on Governor Clinton. Is she off the reservation, or are you trying to have it both ways?

The President. No, she's not off the reservation. That matter, as far as I'm concerned, has been laid to rest. I don't know what you mean by she wants to keep it alive. I mean, we're going to have a hard-hitting campaign. Let me just repeat it, and I hope this will lay it to rest.

For 9 months, the other side has been hammering me. We put one toe in the water to fight back, and they start yelling ``negative campaigning.'' We are going to hit them hard, legitimately, on

issue differences and on their record. That's going to happen. We've got a very good bulldog doing that in Mary Matalin, and she's going to keep doing it. One little error in that because of interpretation, where we got across the line that I don't want to cross, and that is an area that I would term as a sleaze area. She understands it, and that's not going to happen again.

Q. Mr. President, you said in an interview that if Governor Clinton were elected President, he would return us to the economic problems of the late seventies.

The President. Yes.

Q. Are you prepared to tell the American people now that if you are reelected, that you will not raise their taxes?

The President. I'm prepared to say we don't need to raise taxes. We've got a plan up there that controls the growth of spending. We've got a plan to stimulate the economy. Absolutely. So I will go back to when the previous administration, Jimmy Carter administration left office, and I was talking about the ``misery index'' being right through the roof, unemployment and inflation right out there to almost a historic high. We don't want to return to what his program of tax and spend would get us into. So we're going to have a big difference on all that.

Bosnia

Q. Mr. President, back on the Bosnian situation. Margaret Thatcher said today that she felt the arms embargo against Bosnia should be lifted, that those people have a right to defend themselves and should have the arms to be able to do so. Would you favor lifting the arms embargo?

The President. I don't think the area needs more arms. I think it needs less arms. But we didn't go into that in detail. I don't know.

Do any of you want to address that question?

Deputy Secretary Eagleburger. They've got enough arms there already.

The President. Secretary Eagleburger backed up the President by saying there's enough arms there already. [Laughter] And I'm pleased to note that. But really, we've got to stop the killing some way. I don't know that it's enhanced by more and more arms.

Q. Sir, we don't know what you did today. We don't know what you decided today. We don't have a feel for what came out of the meeting.

The President. Stay tuned because you'll see this unfold at the United Nations.

Q. On that same subject, is it too impertinent to say that we are here in order for you to show that you are on the case doing something, instead of relaxing?

The President. Well, I hope you'll say that because it's the truth. And I'm sure that these gentlemen could have had a lot more fun doing something else today. This is a serious matter. It's not a political matter. This is something that a Commander in Chief and a President has to deal with, and I plan to do it. And if informing the American people of just step by step is not good, well, I'm guilty. But I'm going to keep doing it. Nobody has to attend. Nobody has to attend. This is not political. I'm getting sniped at politically, but I will not make one decision based on American politics, election politics '92. Now, you can believe that or not, but that's the truth.

Intelligence Reports for Candidates

Q. Are you providing intelligence reports to Governor Clinton so that there's -- --

The President. We offered them, yes. I don't know how much they've accepted.

General Scowcroft. They have accepted, and we are working out arrangements.

The President. General Scowcroft said that it's been offered, I assume, to both challengers, and they have accepted it. But the details are being worked out.

Politics and Foreign Policy

Q. Is this the kind of crisis that you're better equipped to handle than Bill Clinton?

The President. Now, John, clearly you are hard of hearing because I said I don't want to put this into a political context. The lady standing next to you would kill me if I answered that question. So I'm not going to do it because she would then say, hey, they're playing -- look, to suggest that because it's an election year, every decision you make has to be purely political, I think that's crazy.

I'm trying to conduct the foreign affairs and the national security affairs of this country with doing what's right and not be influenced by political criticism, political sniping, or political constructive suggestions. We've got a good team working this problem, and we're going to keep on working the problem and try to keep it out of the political arena.

We're talking about lives being lost this very minute. A lot of people are suggesting that, in my view, reckless uses of force, of American force. I don't do it that way. I haven't conducted

myself that way in charge of our foreign policy and in charge of national security, and I'm not going to start now for election reasons. So please understand that.

Last one. Yes.

Intelligence Briefings

Q. Mr. President, Mr. Clinton has said he hoped he could work out the briefings. But he also said that in connection with a recommendation on Bosnia last week that he felt he knew all that he needed to know. Can you tell us if there is more to this matter than what's in the newspapers and whether a person who hasn't had the briefings really understands the situation?

The President. Well, I've found that there is always more -- let me put it in my own personal terms. I learn a great deal from my daily briefings from the intelligence community and the CIA. I've taken them every single day. I remember when I first got the nomination as Vice President back in 1980, the Carter administration offered these briefings. I found them extraordinarily helpful. But I think they've been turned down. I'm not sure. But in 1984, I'm not sure these briefings took place because I believe the candidate didn't want them. I could be wrong on that, whether it was '84 or earlier. But look, I have no criticism. If he wants the briefings, fine. I can just tell you that I learn a great deal from them.

Q. But then he's operating on less than full information on the recommendations he's -- --

The President. I just find the briefings extraordinarily helpful. And when I have them, I have more information than I would have if I didn't.

Bosnia

Q. What similarities do you see to Vietnam, sir, in this situation?

The President. I don't see any yet. And I'm determined there won't be any -- --

Q. Sir, a question on Saddam Hussein.

The President. -- -- in terms of U.S. role, the U.S. role.

Q. You keep talking about not getting caught -- you haven't actually said ``quagmire'' but used synonyms to that. I mean, is it the terrain, difficult terrain; you can't tell where the enemy is?

The President. The terrain is difficult. The finding of the opposition is difficult. You have a history in that area -- you don't have to go very far back -- go back to World War II and see a

history of successful guerrilla fighting in the area. You have a terrain problem at Sarajevo that's similar; at the G - 7 meeting, people were telling me Dien Bien Phu.

So I think there are parallels. But there isn't going to be a parallel as long as I make the decisions in terms of putting people in there and not clearly understanding the mission and not clearly understanding how that mission is achieved and then seeing those people come out with their honor intact, fully backed by the United States.

So it's highly complex in using that formula that I just spelled out and then applying that formula to the situation, that highly complex situation on the ground today in Yugoslavia.

Q. Ground troops is out of the question?

The President. I didn't say that. I just spelled out to you the formula that is going to be applied if ever any American force is used, air, ground, sea, whatever it is.

Q. Mr. President, you have a situation there where we see television pictures of buses full of orphans being shot up, the funerals of orphans that are killed in that attack being mortared, and the international community seems to be powerless to do anything. Why would it not be worthwhile to at least try threatening an ultimatum, threatening use of force to halt the bloodshed?

The President. The international community is working together to try to do something about it. And when we get through there, and not before we get through -- but at the same time, we are grieved by the suffering in Somalia. I've been concerned about the eruptions of fighting in different parts of the world in addition to those, in other parts of the globe.

So all I'm saying is it's a very hard problem to solve, wave a wand and solve it. But we are concerned, and we're working hard to get this humanitarian aid in there and to also have access to these camps.

Q. You said you're continuing to seek substance for a resolution. Is there a particular hangup with our allies over the wording of a resolution?

The President. Well, I think there have been some differences that we were asked about earlier. But I'm satisfied that they will be resolved. Then of course, when you go into a U.N. resolution, it's not just the United States. If we are correct, and I think we are, that we should use the United Nations in this area, we have other countries. It's not simply the permanent members of the Security Council, although they obviously have a large say. If they're not together, all five countries, why, nothing's going to happen in the Security Council.

So there have been some nuances of differences. But there's no differences in terms of the

purpose, in terms of the need to do what we need to do to fulfill this humanitarian mission. So there have been some, I think it's fair to say. Wouldn't you, Alex? Ambassador Watson filled us in on some of the detail. I just don't think it would be helpful to publicly go into these differences when we're trying to come to a satisfactory conclusion on a resolution.

Thank you all very much. Thank you.

Note: The President's 138th news conference began at 4:35 p.m. at his home on Walker's Point. In his remarks, he referred to Mary Matalin, deputy campaign manager for political operations, Bush-Quayle '92.

Remarks on the Arrival of Prime Minister Yitzhak Rabin of Israel in Kennebunkport

August 10, 1992

Q. Mr. Bush, will the Prime Minister get his loan guarantees?

The President. This is what we call a photo opportunity, and we're not going to take any questions now, but we'll have plenty of opportunity after we have discussions.

The only thing I want to say is that the welcome mat is out for Prime Minister Rabin. He has many friends in the United States, including the man he's standing next to, and we are looking forward to strengthening a relationship that is strong and will be even stronger. So that's all I care to say.

But welcome, Prime Minister. We're so pleased you're here.

The Prime Minister. Mr. President, first I would like to thank you for your kind invitation at this chapter of the life of Israel and no doubt of my own life as the new Prime Minister. My purpose, as it was stated before the elections, after the elections in Israel, that we would like on the one hand to give a chance, a real chance to the peace negotiations within the framework of the Madrid conference. We would like to change the order of our national priorities. We believe that the real problems are in the domestic field. In addition, to make a real effort to negotiate these seriously without endangering Israel's security, vital interests. And no doubt, we would like to make sure that there is a better and more intimate relationship between our two countries, our two peoples, and our two Governments. Let's hope that this visit will give a chance to at least make clear where we stand, what we can do together to achieve these goals.

The President. It's a good objective, and I agree with him. Anyway, welcome, once again. We're very pleased you came. Look forward to our meeting.

Well, we're off to have some meetings right now, as a matter of fact.

Q. By candlelight? We understand your power's out, Mr. Bush.

The President. Well, it's so beautiful outdoors, we might just meet outside.

Note: The President spoke at 10:23 a.m. at his home on Walker's Point.

Statement on the Middle East Peace Talks

August 10, 1992

We are pleased to announce that we have received positive responses from all the parties to the bilateral negotiations in the Arab-Israeli peace process to attend the sixth round of talks which will commence in Washington on August 24.

The United States and Russia, as cosponsors, welcome this opportunity for the parties to engage in substantive negotiations and to make real progress during this round.

The United States is prepared to continue to play its role as a driving force, catalyst, and honest broker to promote progress in these negotiations.

Nomination of Harry J. Gilmore To Be United States Ambassador to Armenia

August 10, 1992

The President today announced his intention to nominate Harry J. Gilmore, of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States to the Republic of Armenia.

Mr. Gilmore currently serves as Deputy Commandant for International Affairs at the U.S. Army War College. Prior to this, he served in several positions at the Department of State including principal officer at the U.S. Embassy Office in Berlin, 1990 - 91; U.S. Minister and Deputy Commandant at the U.S. Mission in Berlin, 1987 - 90; Deputy in the Office of Central European Affairs at the State Department; Deputy Chief of Mission at the American Embassy in Belgrade, Yugoslavia, 1981 - 85; Deputy Director for Eastern European and Yugoslav Affairs at the State Department; political officer and deputy principal officer at the American consulate general in Munich, 1975 - 78; and country officer for Yugoslavia at the Bureau of European Affairs at the Department of State, 1973 - 75.

Mr. Gilmore graduated from the University of Pittsburgh (B.A., 1960). He was born November 16, 1937, in McKeesport, PA. He is married, has three children, and resides in Carlisle, PA.

The President's News Conference With Prime Minister Yitzhak Rabin of Israel in Kennebunkport

August 11, 1992

The President. Well, I've just spent the best part of the past 24 hours with Prime Minister Rabin, and it has been a true pleasure for Barbara and me to spend this time with the Prime Minister and Mrs. Rabin. We've known them for many years. As a matter of fact, we're charter members of the former ambassadors club, and we could not be happier than to have them visit us here at Kennebunkport, this very special place for me and for my family.

Before I say some more about my hours of conversation with the Prime Minister, I want to take this opportunity to say a few things about the relationship between the United States and Israel. This is a relationship that goes back more than four decades to Israel's birth in 1948. This is a relationship that's been tested in times of peace and war, one capable not only of weathering differences but of accomplishing great things. This is a relationship based on a shared commitment to democracy and to common values, as well as the solid commitment to Israel's security, including its qualitative military edge. This is a special relationship. It is one that is built to endure.

Now, we reviewed a great many issues, often in considerable depth, and I want to begin with the peace process. I will let the Prime Minister, obviously, speak for himself, but I do not think he would object to my saying that we agree 100 percent that our goal goes beyond that of ending the state of war. What we seek is real peace, codified by treaties, characterized by reconciliation and openness, including trade and tourism. It must be a comprehensive peace on all fronts, grounded in U.N. Security Council Resolutions 242 and 338, born of direct negotiations.

Two weeks from now in Washington, representatives of Israel along with those of the Palestinians, Jordan, Syria, and Lebanon will resume direct negotiations launched in Madrid last October. I am optimistic that these talks are about to enter a new, more productive phase.

Prime Minister Rabin has persuaded me that Israel's new government is committed to making these talks succeed, and I call upon the Arab parties to respond in kind. The time has come to make peace, not simply to talk of it.

We also spent time discussing the region at large. It is tragic that so much of the history of the Middle East is measured by wars. It's a crime to waste so much of the area's resources, human and material alike, in preparing for wars or waging them. It is time these resources were committed to meeting the needs of people. We thus committed ourselves to work to stem the proliferation of conventional arms as well as weapons of mass destruction. We agreed to work together on behalf of the multilateral process begun in Moscow earlier this year to promote

progress between Israel and her neighbors on issues ranging from water, the environment, economic development, to refugees and security.

The Prime Minister and I focused as well on the international situation, and we agreed that the world must seize the historic opportunity created by reform in Russia and the other newly independent States. We agreed, too, that the world must act to bring to an end this humanitarian nightmare that now exists in what was Yugoslavia.

The Prime Minister and I also devoted a good deal of time to bilateral issues. Let me say that it's a source of considerable satisfaction to me to look back on all that has been accomplished just over the last few years. With the assistance of the United States, Israel has been able to take major strides in breaking out of its diplomatic isolation. Israel no longer is stigmatized so unfairly by a U.N. resolution equating Zionism with racism.

Literally hundreds of thousands of Jews from Ethiopia and from the former Soviet Union now make their homes in Israel; and this, more than anything else, is what the Jewish state is all about. In this regard, I am extremely pleased to announce that we were able to reach agreement on the basic principles to govern the granting of up to $10 billion in loan guarantees. I've long been committed to supporting Israel in the historic task of absorbing immigrants, and I'm delighted that the Prime Minister and I have agreed to an approach which will assist these new Israelis without frustrating the search for peace. We can thus pursue these two humanitarian goals at one and the same time.

I look forward to sitting down with the congressional leadership and recommending to them that Congress take swift action on authorizing up to $10 billion in loan guarantees to facilitate Israeli absorption of immigrants. Together with the economic reforms the new Israeli government is committed to, I am confident that these loan guarantees can make a considerable contribution, a critical contribution, to Israel's future. I would hope that other governments with the means to do so would also consider extending loan guarantees for this purpose.

I'd like to say one more thing about my time with the Prime Minister. The meetings were important for what we discussed, but they were also significant for the tone of the discussions. Our time together can best be described as a consultation between close friends and strategic partners, one characterized by trust, warmth, and a commitment to meeting these common challenges. This is strategic cooperation at its very best.

So again, let me just end these remarks by saying how much we've enjoyed having the Rabins visit us at our home here and now, speaking for all Americans, how much we hope the Prime Minister and his wife will be regular visitors to the United States of America.

Thank you, sir.

The Prime Minister. Thank you very much.

Mr. President, let me first thank you wholeheartedly for the kind and warm hospitality bestowed by Mrs. Bush and yourself on my wife and me, as well as our colleagues. It has been a real pleasure to spend with you, with Secretary Baker, General Scowcroft, and your other colleagues, this highly pleasant day. We really appreciate it.

I would also like to thank you for your kind words this morning. Our exchange of views here included a great number of subjects, both of a general character, dealing with international issues and concerns, specific bilateral matters. It was done in a constructive and friendly atmosphere for which we are grateful.

I would like to allude, first, to the human tragedy in Bosnia. We, the Jewish people, having suffered persecution throughout history, can never remain indifferent to such tragedies. The killing must stop. I know that the United States is now making great efforts towards a solution there. We, on our part, are trying to contribute as much as we can in humanitarian aid. Let us hope that those tortured people will find peace.

Mr. President, as you kindly indicated, the basis of the relationship between Israel and the United States is the unshakable foundation of shared values and hopes. Our joint commitment to democracy and to freedom stands as a permanent, solid rock on which a very special relationship is built.

This relationship, which has seen occasional, temporary differences -- differences, views -- include our strategic cooperation among other important links developed over many years. We have both reiterated our mutual desire to continue those links, facing the challenges that lie ahead.

Mr. President, we live through troubled times, reflected also in our region. We have supported since the beginning of the Gulf crisis the U.S. and your policy against Saddam Hussein's brutal aggression. The strong approach taken by the United States during the war greatly contributed to the regional sense of security and made a positive contribution to Israel's security as well.

We continue to support a determined policy towards still-existing dangers. We are committed together, Mr. President, to the pursuit of peace in our region. The new government in Israel which I'm privileged to head will do its utmost to promote the peacemaking efforts begun and cosponsored by the United States under the Madrid framework. This framework has been structured to a great extent on the basis of the Camp David accords and took into considerations many of Israel's desires.

On our part, we shall do our best to inject new momentum to the negotiations, both in the bilateral and the multilateral spheres. We shall do so as much as we can on a continued basis

while, of course, scrupulously preserving Israel's security against all threats.

We will be glad to attend the coming round of the bilateral negotiations in Washington later this month and through much of the next months. We look forward to fruitful negotiations with the Jordanian-Palestinian delegation, as well as with the Syrian and the Lebanese delegation. It is our hope that our counterparts will share our good will and openness. The chances for a better, peaceful future are there. Let us all take the advantage of them. We also look forward to the multilateral negotiation starting anew in September.

Mr. President, I would like on behalf of my country to express to the United States and to you, personally, our gratitude for your support to the opening of the gates of the former Soviet Union and Ethiopia for the immigration of our brethren who so wished to their homeland, Israel. This role will not be forgotten.

In the same spirit, the U.S. has supported the idea of absorption of these immigrants, enabling them to achieve appropriate housing and employment and rebuild their lives. Your decision now to submit to the Congress a proposed legislation concerning the loan guarantees is a significant step in this direction.

We, on our part, are determined to improve our national economy towards more efficient and privatized system for this and other goals that must be achieved. We have also announced in the basic guidelines of our government a change in the national priorities towards this direction.

We shall also carry as much as possible of the burden, of the financial burden of the guarantees so as to lessen any cost to the American taxpayer. But your readiness to extend them following our discussions means a lot to me and to Israel. And again, thank you very much.

The President. Thank you, sir.

Now we'll be glad to take some questions.

Middle East Peace Talks

Q. Mr. President, can you now envision a time of real peace between Israel and its Arab neighbors? And to what extent has a new government in Israel contributed to this process?

The President. Well, I salute the Prime Minister. He has been very forthright, as he said here in his statement, about wanting to continue the peace negotiations, and absolutely, I think all of us should look optimistically about the chances for peace. There are always obstacles. But the fact that they are coming together across a table, the people that have had ancient enmity, is a very good sign. I think the approach of this new government which is saying, ``Let's meet; let's talk,'' is exactly what it's going to take to achieve the kind of peace that everybody wants.

As you'll notice in my statement, I called upon Arab governments to be forthcoming in the forthcoming talks. So yes, we are optimistic. We all know there are problems, but we must achieve it.

Q. When can we expect results, sir?

The President. Well, I think we just have to wait now and see how the talks go.

Would you like to comment on that question, sir?

The Prime Minister. Well, we are coming with open-minded -- we believe that the negotiations, face-to-face, on the three delegations, the Jordanian-Palestinian, the Syrian, and the Lebanese, can be conducted, the purpose to achieve, when it comes to the Jordanian-Palestinian delegation, the interim arrangement for self-rule to the Palestinians.

The way it is described in principles in the letter of invitation to the Madrid conference, we are open-minded, we are interested to achieve. But in the Middle East, there is a saying that for war, one side is enough; for peace, you need two. We hope we'll have the second partner.

The President. We're going to try to alternate between U.S. and Israeli journalists, if that's all right.

Israel-U.S. Relations

Q. Mr. President, you spoke of a strategic partnership between the two countries. I was wondering if you could elaborate a bit and tell us if you believe Israel has strategic importance to the United States in the aftermath of the cold war.

The President. I do, and I think that when we talk about militarily qualitative edge, that is a longstanding position of the United States. We will continue to uphold it. Israel is a democracy surrounded by countries that aren't, and they have been loyal and staunch friends.

My responsibilities as for President of the United States and the security of this country relate to the fact that nobody knows where the next crisis could come. You rely on friends in a crisis. Israel is not only important as a friend, but they have demonstrated strategic reliability. So I don't care to elaborate any more, but I just would reemphasize the fact that it is not only historic friendship based on democracy, but it is in the interest of the United States. It is in our security interest to retain the kind of relationship we have militarily and every other way with Israel.

Palestinians

Q. To follow it up, after your discussions with Mr. Rabin, I assume you exchanged views on perhaps the shape of Palestinian self-rule. Would you say that you basically see eye-to-eye on how that should -- the terms?

The President. Well, I'd say he made a very clear presentation about this. And I don't know, there might be some differences, but I think basically we recognize that as he approaches the peace table, that is the way to decide what happens. We're not going to prejudge or precondition from the United States standpoint.

Loan Guarantees for Israel

Q. It's been said that you had reached agreement on the basic principles for granting the loan guarantees. Does that mean that the agreement is less than final?

The President. No, I'm going to go forward. I'm going to keep it a little bit -- I'm not going to go into a lot of detail right now. I think I owe it out of courtesy to the congressional leadership to go forward with recommended legislation. I will be doing that. I think we're set for this afternoon to do just that, and I think that will give us a chance to -- so it's more than just a general agreement, but there's enough specifics here for me to recommend enthusiastically to the United States Congress and to the American people that this is in not only the interest of Israel, but it is in our interest.

Q. Well, what are those basic principles, sir, and how do they relate to this touchy question of settlements?

The President. Well, I've just touched on one of them, that we have a strategic ally. There's a broad humanitarian principle, and that is we would like to be helpful in settling those that have come home, those that have left Ethiopia, those that have left the former Soviet Union, and that's kind of the humanitarian aspect of it.

There's all kinds of implications. A strong Israel, an Israel that is better able to cope through the borrowings it's making, is in our interest.

Q. Well, what about this basic question of settlements, sir, that's been so touchy between the two countries?

The President. I think that I would let Prime Minister Rabin's words speak, not just the words here but the words that he spoke during his campaign, and then the actions that he has taken. We see a very different approach to settlements, and we salute the Prime Minister. It was not an easy position, and I'm sure there are divisions in Israel on this position. But he took a lot of courage, and he has begun to implement that policy certainly to the satisfaction of the United States.

I would prefer you call on your traveling journalists so I don't overlook anybody, and then, well, if they ask me the question, I'll be glad to try to -- --

Israeli POW - MIA's

Q. Mr. President and Mr. Prime Minister, did you deal with the problem of the MIA's and POW's, the Israeli ones?

The President. We discussed it, and the Prime Minister just forcefully said to me, ``Look, please do everything you can to account for whoever else might be held prisoner." And so he made the case, and I pledged to him to do whatever it is we can. We do not have great influence on solving that problem. We didn't have too much on solving the one where Americans were held. But as long as one prisoner is held, everybody should be outraged and try to do his level-best.

Jerusalem

Q. Mr. President, may I ask you please as to whether you are prepared to recognize a unified Jerusalem as the capital of the sovereign State of Israel and that you will move our Embassy to Jerusalem in your second term?

The President. Let me just say that our policy on Jerusalem remains unchanged. It must never be divided again, and its final status must be resolved through negotiation. And nothing in approach here changes that policy. That's the U.S. policy, and I will just stay with that and not go into anymore detail.

Politics and Foreign Policy

Q. Mr. President, do you feel that the positive tone of these talks and Prime Minister Rabin's warm words here will help in helping you win over American Jewish voters who were alienated by your remarks on September 12th and by the tensions in your relationship with former Prime Minister Shamir?

The President. Well, let me try to be clear on this one, just as I was the other day on Bosnia. We're not talking here about domestic United States politics, nor are we talking about domestic Israeli politics. We're talking about principle. We're talking about doing what is right. We're saluting the policy that we see as very forthcoming and very proper on the part of the Prime Minister and his new government.

So I'd like to try to leave it out of the American election process, and I would readily recognize that isn't easy. On anything you do, whether it's a foreign policy matter or a domestic matter, every question tries to hook it into domestic politics. But I'm going to finesse that because I think what we're talking about here is too important.

New York Post Allegations

Q. Mr. Bush, uncomfortable as the subject is, I would think it's one in which you feel a necessity to respond because you've said that family values, character, are likely to be important in the Presidential campaign. There is an extensive series of reports in today's New York Post alleging that a former U.S. Ambassador, a man now deceased, had told several persons that he arranged for a sexual tryst involving you and one of your female staffers in Geneva in 1984.

The President. I'm not going to take any sleazy questions like that from CNN. I am very disappointed that you would ask such a question of me, and I will not respond to it. I haven't responded in the past. I think it's -- I'm outraged. But nevertheless, in this kind of screwy climate we're in, why, I expect it. But I don't like it, and I'm not going to respond other than to say it's a lie.

Israeli Policies

Q. Mr. President, what is the outstanding achievement you achieved during this 24-hour period with the President?

The Prime Minister. What?

Q. The most outstanding achievement, do you think, to the people of Israel.

The Prime Minister. Well, I believe that the first and the foremost importance of the visit is to try to establish relationship of trust and confidence. From the very beginning, from the visit of Secretary Baker to the region, I made it a point to put the facts, to put everything on the table to avoid in the future any misunderstanding because not stating exactly both our positions, sometimes they can bring differences of opinion. But the real issue is, even when there are differences of opinion, how to work together, Israel and the United States, to achieve our common goals, goals that we agree on.

In what I have said and described here was basically the policies of the new government of Israel. We want, first, to try our best within the framework of the Madrid conference to move in the peacemaking process, not in the peace process.

Second, we changed our national priorities from spending our own money, the Israeli taxpayer, on settlements that I define them in a certain way, and to take them and to shift them to cope with the real problems of Israel, unemployment, et cetera, in Israel.

Thirdly, not to take steps that in accordance to our opinion can interfere with the peace negotiations. These are our decision. We are going to bring about rezoning, reclassification of

government assisting to building houses, absorption, that we'll really shift them to what we believe should be.

I presented the new policy to the President, to his colleagues, as I did to the people of Israel, as I did in the Knesset on the July 13 when I presented my government.

Q. Mr. President -- --

Israeli Settlements

Q. Prime Minister Rabin, during his campaign and after the election, distinguished between political settlements and the security settlements. After your long talks with Prime Minister Rabin, do you agree to that distinction?

The President. Well, we understand the position. All I will say is that I salute this change. We salute what the Prime Minister is trying to do. We understand his position. He understands our position. And obviously, we would not be going forward with this loan guarantee if we did not salute the change. So I'd just leave it right there.

Palestinians

Q. Mr. President, are you satisfied, generally, with the modalities of autonomy that Mr. Rabin has presented here?

The President. Modalities of the what?

Q. Autonomy for the Palestinians?

The Prime Minister. I didn't present modalities here. [Laughter]

Q. Did you talk about the autonomy?

The Prime Minister. Well, I described Israeli position. It was an exchange, first exchange between the President and me, on the issues that might be brought up in the coming bilateral negotiation and in the multilateral. It was in a form of consultation, not taking decisions. It was exchange of views, and I wouldn't go beyond that. The issues have to be solved, agreed on, between the parties to the conflict.

Q. Mr. President, are you going to ask -- --

Q. Why didn't you play tennis?

Q. Mr. President -- --

The President. I did the day before.

Secretary of State Baker

Q. Are you going to ask Secretary Baker to take a different job?

Q. Did you discuss Secretary Baker's imminent departure from the State Department? And I'd like to ask the Prime Minister what impact that will have on the peace talks.

The President. Susan [Susan Spencer, CBS News] is referring to a lot of domestic speculation that the press has written about with such certainty and finality that what she's saying is that Jim Baker will leave the State Department. What I've said -- I'm just filling him in and then I'll answer your question -- [laughter] -- what I've said is that if anything happens in that regard, I'll be sure to let them know. But the answer to your question is, that was not discussed with the Prime Minister.

Q. Does the Prime Minister feel that that would have a major impact on the peace talks?

The President. Nice try.

The Prime Minister. I don't deal with domestic political American or personal domestic American problems.

Q. Maybe one last question from the Israeli -- --

The President. This is the final question because Marlin is looking very nervous, and I know we've got some logistics problems here.

Middle East Peace Talks

Q. From both your opening statements, it seems like the onus now will be on the Arabs in the peace talks. My question to Mr. Rabin is: Do you expect this from the Americans? Do you expect them to put more pressure on the Arabs? And my question to Mr. Bush is: Are you actually going to do that?

The Prime Minister. I didn't ask anyone to put pressure on anyone. We exchanged views in a form of consultation about the options, but I didn't ask for any pressure, as I expect that no one on the other side will ask the United States to put pressure on Israel.

The President. One of the major accomplishments in the last few years is getting the parties across from each other at the peace table. That was not done through pressure. Peace will not be brought about through pressure. If the United States can be a catalyst for peace in the process, we want to be one. But no sovereign government is going to be pressured into reaching out and achieving peace, reaching out for and achieving peace. It just doesn't work that way.

In any event, thank you all very much.

The Prime Minister. Thank you.

Note: The President's 139th news conference began at 9:27 a.m. at his home on Walker's Point.

Remarks Congratulating the United States Olympic Team

August 11, 1992

These guys are fired up, listen. I am so sorry about the weather. We had a spectacular event planned out there. But it can't diminish this. May I salute Bill Hybl, the president of the committee, and of course, Arnold Schwarzenegger, who's Chairman of our Fitness Committee and led our official delegation over there to see you all magnificent athletes. And welcome to the White House. It's an honor to have this marvelous U.S. Olympic team right here. I didn't recognize you almost without Bob Costas as a voice-over.

But I want to welcome you to the White House and to extend this message: Whether you won a gold, silver, bronze, or simply gave your best, I believe that you all are winners in the eyes of your countrymen. You really set a great example.

The last couple of weeks we were completely caught up here at home by this Olympic spirit. Barbara asked me to help rearrange a couple of chairs upstairs. And I said, ``What's the degree of difficulty?'' [Laughter] But on and on it went, everybody reflecting the glory that you all helped bring to this country for 16 days, over 100 hours. You showed how competition lifts the human spirit and that now that spirit really lifts the American character. When I was a kid I read about the game being well worth the candle burned long into the night. Now I'm told your nights in Barcelona were long, but I'm betting that that candle is going to still last longer.

Each Olympics is one for the record books. This one was one for the history books. Our world has been remade since those Seoul Olympics, and we Americans, I think, can take pride in the fact we helped remake it. But in 1989 the wall came down in Berlin, and this summer more barriers tumbled there in Barcelona. This was an Olympics, this is why I say it's historic, without boycotts, without terrorism, without politics. And it's just exactly as it ought to be.

You all must have sensed it there in the village in meeting East and West Germans, black and white South Africans, North and South Koreans. One by one these old divisions gave way. The world watched as countries that didn't even exist in the last Olympics took their place on the field and the medal stand, too. Think of that. You know what it means to make America a winner, but think what it must mean to be the first athlete to bring a medal home to Latvia or Croatia. They, like you, made this an Olympics worthy of its name.

Today we honor here in the White House all of you, the fastest, the strongest of America's athletes. And here's what I like even more: You're among its most inspirational. With us today is Shannon Miller, back here in the front row, who overcame a bone chip in her elbow; Gail Devers overcoming Graves' disease; Charles Barkley overcoming his shyness. [Laughter] That

brings me to Ron Karnaugh, who wore his deceased father's hat and made every father proud. And Oscar de la Hoya, he not only brought home the gold, he brought honor to his mom's memory. Each of them competed, competed to win for the wonderful family called America.

Ask diver Mark Lenzi what it takes to get the gold. He'll tell you about Dad's carpools or Mom's care packages, his favorite brownies, her special lasagna. Talk to Summer, Summer Sanders, one of swimming's new kids on the block, and she'll say that success -- is she making signs -- [laughter] -- success comes down to the support of people around you. And let me add, I'm especially amazed by the synchronized swimmers. Maybe it's because I live in a city where it's tough to get any two people to agree on anything, say nothing to do it in tandem.

Family: Look at the Oden sisters, Kim and Elaina, volleyball's ``sisters of smash.'' Then there's the men's wonderful bronze medalist volleyball team. It was sensational. I saw that last game. We've had a lot of athletes proudly represent the symbol of the bald eagle. They're the first ones that looked like bald eagles. [Laughter] From Trent Dimas and Chris Campbell and Janet Evans, Carl Lewis, from Gigi and Mary Joe Fernandez to the woman Leora ``Sam'' Jones representing those who won not only medals but also our hearts, and look, this list goes on and on, on and on. Suffice to say that in Barcelona this Nation became your family. And why not? Sports are not abstract. Fitness is not abstract. These things mean something. Sports are flesh and blood. Americans see you, and then they relate to you.

Wrestler Bruce Baumgartner shows what I'm talking about. Watching him on TV, he's even stronger than I thought he was. Anytime he wants to come here, and weightlifting equipment isn't good enough, he's welcome to drop by and bench-press the Federal budget. [Laughter]

Eighteen days ago Bruce called his 2-year-old son, Bryan, in western Pennsylvania. That day was doubly special. It was the opening day of the Olympics, and it was the kid's birthday, too. But he doesn't know what a gold medal is yet. The kid doesn't know that, but his mother coached him to say, ``Bring home the gold medal.'' Two years old. Last Thursday Bruce did exactly that. Now, he had a lot of company, for instance, the Dream Team which sent basketball soaring.

My good friend Arnold Schwarzenegger, who led this delegation to Barcelona, our official one, once starred in a movie where he uttered those famous words, we all remember them, ``Hasta la vista, baby.'' [Laughter] In Barcelona that's what all of you said to opponents and to couch potatoes. You inspired the mother who plays softball with her kids, the dad shooting hoops with his boys or girls, the family who knows that sports are ageless. Take Pablo Morales -- front row, where is he, can't find him, but he's in there somewhere; whoops, there he is -- the swimmer. He missed out in '84, didn't make the team in '88, then came back this year to earn a gold medal at the ripe old age of 27. That just goes to show, youth and inexperience are no match for maturity and determination.

This summer the entire world was barely a match for you all. In Barcelona you KO'd the

opposition: 108, and I want to repeat this one for the cameras, 108 medals, the most ever since 1904 in a nonboycotted Olympics.

And you really paved the way magnificently for a knockout punch in Atlanta. I just can't wait until 1996. A proverb says, ``On the day of victory, no one is tired." Today we celebrate Olympians, like America, who are victorious, refreshed, and free.

Thank you so very much for coming to the White House. May God bless this great country that you've made so very proud, the United States of America. Thank you all very, very much.

Note: The President spoke at 5:05 p.m. in the East Room at the White House. In his remarks, he referred to William Hybl, president of the U.S. Olympic Committee.

Message to the Congress Transmitting the Annual Report on Radiation Control for Health and Safety

August 11, 1992

To the Congress of the United States:

In accordance with section 540 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360qq) (previously section 360D of the Public Health Service Act), I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act of 1968 during calendar year 1991.

The report recommends the repeal of section 540 of the Federal Food, Drug, and Cosmetic Act that requires the completion of this annual report. All the information found in this report is available to the Congress on a more immediate basis through Center technical reports, the Radiological Health Bulletin, and other publicly available sources. This annual report serves little useful purpose and diverts Agency resources from more productive activities.

George Bush

The White House,

August 11, 1992.

Presidential Determination No. 92 - 38 -- Memorandum on Arms Exports to Zambia

August 11, 1992

Memorandum for the Secretary of State

Subject: Eligibility of Zambia to be Furnished Defense Articles and Services Under the Foreign Assistance Act of 1961 and the Arms Export Control Act

Pursuant to the authority vested in me by section 503(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2311(a)), and section 3(a)(1) of the Arms Export Control Act (22 U.S.C. 2753(a)(1)), I hereby find that the furnishing of defense articles and services to Zambia will strengthen the security of the United States and promote world peace.

You are directed to report this finding to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:08 p.m., August 24, 1992]

Remarks Announcing the Completion of Negotiations on the North American Free Trade Agreement

August 12, 1992

Today marks the beginning of a new era on our continent, on the North American Continent. This morning the United States, Mexico, and Canada are announcing the completion of negotiations for a North American free trade agreement, NAFTA.

First, I want to express my deep appreciation to Ambassador Carla Hills, our United States Trade Representative, to Secretary Serra of Mexico, and to Minister Wilson of Canada for this outstanding achievement. Also standing next to me is Carla Hills' Deputy, my able friend Jules Katz, who had a very instrumental role in all these negotiations.

This historic trade agreement will further open markets in Mexico, Canada, and the United States. It will create jobs and generate economic growth in all three countries. Increased trade with North America will help our Nation prepare for the challenges and opportunities of the next century.

The cold war is over. The principal challenge now facing the United States is to compete in a rapidly changing, expanding global marketplace. This agreement will level the North American playing field, allowing American companies to increase sales from Alaska to the Yucatan. By sweeping aside barriers, NAFTA will make our companies more competitive everywhere in the world. We've seen this happen with the U.S.-Canada Free Trade Agreement, and we'll see it even more with the NAFTA.

Open markets in Mexico and Canada mean more American jobs. Our Nation is the world's leading exporter, well ahead of Japan and Germany. Today over 7 million Americans are hard at work making products that will be sold around the world. Export-related jobs pay 17 percent more than the average U.S. wage. These jobs are the kind that our Nation needs to grow and prosper, the kind that showcase American talent and technology.

More than 600,000 Americans are now employed making products and selling them to Mexico, our fastest growing export market. We sold over $33 billion worth of goods to Mexico last year and are projected to sell $44 billion this year. In the last 5 years, as President Salinas has dismantled many longstanding Mexican trade and investment restrictions, our exports to Mexico have nearly tripled. In the last 5 years, let me repeat that, our exports to Mexico have nearly tripled. That's one-quarter of a million new American jobs. This agreement helps us lock in these gains and build on them.

Last year the Congress endorsed moving forward with NAFTA by extending the Fast Track

procedures for congressional consideration and implementation of trade agreements. The rapid completion of the NAFTA talks shows how much can be accomplished when the executive branch and the Congress work together to do what is best for our Nation. And I'll work closely with the Congress for rapid implementation.

At the time Fast Track was extended, I outlined steps that we would take to address environmental and labor concerns. We've taken every promised step, and we are meeting or beating every commitment that I outlined. This is the first time a trade agreement has included stringent provisions to benefit the environment. The NAFTA maintains this Nation's high environmental, health, and safety standards. In fact, it goes even further and encourages all three countries to seek the highest possible standards.

The Environmental Protection Agency and its Mexican counterpart have already developed a comprehensive integrated border plan to clean up air, water, and hazardous wastes along the Rio Grande. These problems are serious, but they will be solved by environmental cooperation, increased trade, and higher levels of economic growth, not protectionism. Unfortunately, Congress has reduced the funding for our border plan in the appropriations process. I ask the Congress to fully fund these important environmental initiatives.

With NAFTA we're moving forward with our trade strategy. Trade is part of my long-term economic growth plan to create more opportunities for all Americans. In a changing world, we must give our workers the education and skills they need to compete and assistance and training to find good jobs. I've said many times: Level the playing field and the American worker can outthink, outproduce, and outwork anyone, anytime.

Today's historic agreement links our future with our past. Five centuries ago this very month, a man of courage and vision set sail from the Old World in search of new trade routes and opportunities. Christopher Columbus was an entrepreneur, and the journey he started 500 years ago continues to pay off abundantly today. By moving forward with the NAFTA, with the North American free trade agreement, we will replenish that investment, opening up new horizons of opportunity and enterprise in the New World.

So this is a good day for America, a good day for North America. Once again, I want to express my appreciation to Ambassador Hills and her extraordinarily able team, who have worked literally day and night for months to complete this negotiation phase of the agreement. It's good news, and as I understand it, the Ambassador will be having a briefing on the details of it in a few minutes from now.

Thank you all very much.

Note: The President spoke at 7:50 a.m. in the Rose Garden at the White House. In his remarks, he referred to Jaime Serra Puche, Mexican Secretary of Commerce and Industrial Development,

and Michael Wilson, Canadian Minister of International Trade.

White House Fact Sheet: The North American Free Trade Agreement

August 12, 1992

The President today announced that the United States, Mexico, and Canada have completed negotiation of a North American free trade agreement (NAFTA). The NAFTA will phase out barriers to trade in goods and services in North America, eliminate barriers to investment, and strengthen the protection of intellectual property rights. As tariffs and other trade barriers are eliminated, the NAFTA will create a massive open market, over 360 million people and over $6 trillion in annual output.

Background

With sharp increases in global trade and investment flows, U.S. economic growth and job creation have become closely tied to our ability to compete internationally. Since 1986, U.S. exports have increased by almost 90 percent, reflecting our success in opening foreign markets and the competitiveness of American industry. In 1991, the U.S. exported over $422 billion of industrial and agricultural products and over $164 billion in services, making the United States the world's largest exporter, ahead of Germany and Japan. More than 7.5 million U.S. jobs are tied to merchandise exports, up from 5 million in 1986. Of these jobs, 2.1 million are supported by exports to Canada and Mexico.

For many years, Mexico used high tariffs and licensing restrictions in an effort to encourage industrial development and import substitution. Under President Salinas and his predecessor, President de la Madrid, the Mexican Government has opened its market and implemented sweeping economic reforms. In 1986, Mexico joined the General Agreement on Tariffs and Trade (GATT) and began reducing its tariffs and trade barriers.

As a result, bilateral trade has increased dramatically. From 1986 to 1991, U.S. exports to Mexico increased from $12.4 billion to $33.3 billion, twice as fast as U.S. exports to the rest of the world. U.S. agricultural exports rose 173 percent to $3 billion, consumer goods tripled to $3.4 billion, and exports of capital goods surged to $11.3 billion from $5 billion. U.S. exports to Mexico now support approximately 600,000 American jobs, while exports to Canada support 1.5 million.

Economic reforms have also been good for Mexico. Its inflation rate has dropped from over 100 percent in 1986 to under 20 percent in 1991, and its economy has grown at an average annual rate of 3.1 percent over the last 4 years, after stagnating during the 1980's.

In June 1990, Presidents Bush and Salinas endorsed the idea of a comprehensive U.S.-Mexico

free trade agreement and directed their trade ministers to begin preparatory work. Canada joined the talks in February 1991, leading to the three-way negotiation known as NAFTA. Formal negotiations began in June 1991 after Congress extended through May 1993 the Fast Track procedures originally enacted in the Trade Act of 1974, authorizing the administration to submit the agreement with implementing legislation for an up-or-down vote.

The President's trade strategy, which is a key part of his overall economic growth plan, is designed to create new markets for American products and provide new opportunities for American companies and workers.

The NAFTA Agreement

The NAFTA will create a free trade area (FTA) comprising the U.S., Canada, and Mexico. Consistent with GATT rules, all tariffs will be eliminated within the FTA over a transition period. The NAFTA involves an ambitious effort to eliminate barriers to agricultural, manufacturing, and services trade, to remove investment restrictions, and to protect effectively intellectual property rights. In addition, the NAFTA marks the first time in the history of U.S. trade policy that environmental concerns have been directly addressed in a comprehensive trade agreement. Highlights of the NAFTA include:

Tariff Elimination. Approximately 65 percent of U.S. industrial and agricultural exports to Mexico will be eligible for duty-free treatment either immediately or within 5 years. Mexico's tariffs currently average 10 percent, which is 2\1/2\ times the average U.S. tariff.

Reduction of Motor Vehicle and Parts Tariffs. U.S. autos and light trucks will enjoy greater access to Mexico, which has the fastest growing major auto market in the world. With NAFTA, Mexican tariffs on vehicles and light trucks will immediately be cut in half. Within 5 years, duties on three-quarters of U.S. parts exports to Mexico will be eliminated, and Mexican ``trade balancing'' and ``local content requirements'' will be phased out over 10 years.

Auto Rule of Origin. Only vehicles with substantial North American parts and labor content will benefit from tariff cuts under NAFTA's strict rule of origin. NAFTA will require that autos contain 62.5 percent North American content, considerably more than the 50 percent required by the U.S.-Canada Free Trade Agreement. NAFTA contains tracing requirements so that individual parts can be identified to determine the North American content of major components and sub-assemblies, e.g. engines. This strict rule of origin is important in ensuring that the benefits of the NAFTA flow to firms that produce in North America.

Expanded Telecommunications Trade. NAFTA opens Mexico's $6 billion market for telecommunications equipment and services. It gives U.S. providers of voice mail or packet-switched services nondiscriminatory access to the Mexican public telephone network and eliminates all investment restrictions by July 1995.

Reduced Textiles and Apparel Barriers. Barriers to trade on $250 million (over 20 percent) of U.S. exports of textiles and apparel to Mexico will be eliminated immediately, with another $700 million freed from restrictions within 6 years. All North American trade restrictions will be eliminated within 10 years and tough rules of origin will ensure that benefits of trade liberalization accrue to North American producers.

Increased Trade in Agriculture. Mexico imported $3 billion worth of U.S. agricultural goods last year, making it our third-largest market. NAFTA will immediately eliminate Mexican import licenses, which covered 25 percent of U.S. agricultural exports last year, and will phase out remaining Mexican tariffs within 10 to 15 years.

Expanded Trade in Financial Services. Mexico's closed financial services markets will be opened, and U.S. banks and securities firms will be allowed to establish wholly owned subsidiaries. Transitional restrictions will be phased out by January 1, 2000.

New Opportunities in Insurance. U.S. firms will gain major new opportunities in the Mexican market. Firms with existing joint ventures will be permitted to obtain 100 percent ownership by 1996, and new entrants to the market can obtain a majority stake in Mexican firms by 1998. By the year 2000, all equity and market share restrictions will be eliminated, opening up completely what is now a $3.5 billion market.

Increased Investment. Mexican ``domestic content'' rules will be eliminated, permitting additional sourcing of U.S. inputs. And for the first time, U.S. firms operating in Mexico will receive the same treatment as Mexican-owned firms. Mexico has agreed to drop export performance requirements, which presently force companies to export as a condition of being allowed to invest.

Land Transportation. More than 90 percent of U.S. trade with Mexico is shipped by land, but U.S. truckers currently are denied the right to carry cargo or set up subsidiaries in Mexico, forcing them to ``hand off'' trailers to Mexican drivers and return home empty. NAFTA will permit U.S. trucking companies to carry international cargo to the Mexican States contiguous to the U.S. by 1995 and gives them cross-border access to all of Mexico by the end of 1999. U.S. railroads will be able to provide their services in Mexico, and U.S. companies can invest in and operate land-side port services. The combination of truck, rail, and port breakthroughs will help create an efficient intermodal North American transport system.

Protection of Intellectual Property Rights. NAFTA will provide a higher level of protection for intellectual property rights than any other bilateral or multilateral agreement. U.S. high technology, entertainment, and consumer goods producers that rely heavily on protection for their patents, copyrights, and trademarks will realize substantial gains under NAFTA. The agreement will also limit compulsory licensing, resolving an important concern with Canada.

The objective of NAFTA is to open markets. It is not designed to create a closed regional trading bloc and does not erect new barriers to non-participants. The NAFTA is fully consistent with GATT criteria for free trade agreements and with U.S. support for strengthening the multilateral trading system in the Uruguay round.

Economic Studies

At the request of the Office of the U.S. Trade Representative, the U.S. International Trade Commission surveyed and evaluated the various economic analyses of NAFTA. In May of this year, the USITC reported that:

[T]here is a surprising degree of unanimity in the results regarding the aggregate effects of NAFTA. All three countries are expected to gain from a NAFTA.

These independent studies found that NAFTA would increase U.S. growth, jobs, and wages. They found that NAFTA would increase U.S. real GDP by up to 0.5 percent per year once it is fully implemented. They projected aggregate U.S. employment increases ranging from under 0.1 percent to 2.5 percent. The studies further project aggregate increases in U.S. real wages of between 0.1 percent to 0.3 percent.

U.S. exports to Mexico currently support over 600,000 American jobs. The Institute for International Economics recently estimated this figure will rise to over 1 million U.S. jobs by 1995 under NAFTA.

Environment, Labor, and Adjustment Issues

In a May 1, 1991, letter to the Congress, the President described actions that the administration would implement to address concerns regarding the impact of free trade on the environment, labor rights, and worker adjustment programs.

Environment. The administration has moved forward with a comprehensive bilateral environmental agenda to allay concerns that free trade could undermine U.S. environmental and food safety regulations or lead to environmental degradation on the U.S.-Mexico border. During the last year, substantial progress has been made. Highlights include the following:

-- Standards. The NAFTA allows the U.S. to maintain its stringent environmental, health, and safety standards. It allows States and localities to enact tougher standards based on sound science. It encourages ``upward harmonization'' of national standards and regulations, and prohibits the lowering of standards to attract investment.

-- Integrated Border Plan. In February 1992, EPA and its Mexican counterpart (SEDUSOL) completed a comprehensive plan for addressing air, soil, water, and hazardous waste problems in

the border area. Agreement has been reached on measures to implement the first stage of the plan covering the period 1992 to 1994.

-- Border Infrastructure. The President has proposed a 70-percent increase in the budget for border environmental projects to $241 million for FY 1993, including $75 million for the ``colonias'' (unincorporated communities on the U.S. side of the border that often lack effective sanitation services and running water) and over $120 million for border wastewater treatment plants.

-- Border Plan/FY 1993 Appropriations. To date, in the FY 1993 appropriations process, the House of Representatives has refused to fund the $50 million EPA request for the colonias and cut the administration's $65 million request for a Tijuana-San Diego sewage treatment plant to $32 million. For its part, the Senate failed to fund $120 million of the requested funds for border wastewater treatment. The President has called upon Congress to reverse these cuts.

-- Environmental Conference. On September 17, 1992, EPA Administrator Reilly will host a trilateral meeting with the Canadian and Mexican environmental ministers in Washington, DC, to discuss environmental aspects of NAFTA.

Worker Rights. Mexico has a comprehensive labor law that provides workers with extensive legal rights. The economic benefits of the NAFTA will provide Mexico with resources to move forward with vigorous enforcement initiatives launched by the Salinas administration.

-- Labor Cooperation. The U.S. Department of Labor has negotiated a 5-year Memorandum of Understanding (MOU) to strengthen bilateral cooperation with respect to occupational health and safety standards, child labor, labor statistics, worker rights, labor-management relations, and workplace training. Several joint MOU initiatives are now underway.

Safeguards. President Bush committed that NAFTA would contain measures to ease the transition for import-sensitive U.S. industries. For our sensitive sectors, tariffs will be phased out in 10 years, with particularly sensitive sectors having a transition of up to 15 years. In addition, NAFTA contains ``safeguard'' procedures that will allow the U.S. to reimpose tariffs in the event of injurious import surges.

Worker Adjustment. Dislocations in the U.S. are likely to be minimal, since U.S. trade barriers are already quite low. Nonetheless, during the Fast Track debate, the President promised that dislocated U.S. workers will receive timely, comprehensive, and effective services and retraining, whether through improvement or expansion of an existing program or creation of a new program. The administration has already begun consulting with the relevant congressional committees regarding adjustment services for displaced workers.

Next Steps

The timing of congressional consideration is governed by the Fast Track procedures, which require the President to notify the Congress of his intent to enter into the agreement at least 90 days before it is signed. Although today's announcement reflects the completion of negotiations, the draft text probably will not be finished until September, since further legal drafting and review are required to implement the understandings reached by the negotiators.

After the agreement is signed, legislation must be prepared to implement it, including any necessary changes to U.S. law. Under the Fast Track, the NAFTA will not go into effect until the Congress has approved the implementing legislation on an up-or-down vote. The approval process must occur within a specified time: 90 ``session'' days of Congress

Message to the Senate Transmitting the Treaty on Open Skies

August 12, 1992

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Treaty on Open Skies. I believe that the Treaty on Open Skies is in the best interest of the United States. By engaging all participating States actively in cooperative observation, the Treaty on Open Skies will strengthen international stability. The Treaty also provides an important means of increasing mutual understanding of military forces and activities, thus easing tensions and strengthening confidence and security, not only in the area covered by the Treaty, but in other areas as well.

The Treaty includes twelve Annexes, which are integral parts thereof. The Treaty, together with the Annexes, was signed at Helsinki on March 24, 1992. I transmit also, for the information of the Senate, the Report of the Department of State on the Treaty.

In addition, I transmit herewith, for the information of the Senate, five documents associated with, but not part of, the Treaty that are relevant to the Senate's consideration of the Treaty: Decision Number One on the Distribution of Costs Arising Under the Treaty on Open Skies in accordance with Annex L, Section I, paragraph 9, dated June 29, 1992; Decision Number Two on Additional Non-Destructive-Testing Equipment To Be Used by the Observed Party in accordance with Annex F, Section I, paragraph 7, dated June 29, 1992; Decision Number Three on Methodology For Calculating the Minimum Height Above Ground Level at Which Each Optical Camera Installed on an Observation Aircraft May Be Operated During an Observation Flight in accordance with Annex D, Appendix 1, Section III, paragraph 2, dated June 29, 1992; Decision Number Four on Minimum Camera Specification For an Observation Aircraft of an Observed Party Exercising its Right To Provide an Observation Aircraft For an Observation Flight, dated June 29, 1992; and Decision Number Five on Responsibility For the Processing of Film Used During an Observation Flight in accordance with Article IX, Section II, paragraph 2, dated June 29, 1992. Except for Decision Number One on the Distribution of Costs, these Decisions are legally binding.

The Decision on the Distribution of Costs Arising Under the Open Skies Treaty in accordance with Annex L, Section I, paragraph 9 has not been adopted by the Open Skies Consultative Commission (the implementing body of the Treaty made up of representatives from each State Party and the body which adopted the above-mentioned Decisions). The Open Skies Consultative Commission will adopt this Decision during its next session, scheduled for September 1992, and it will have the same legally binding status as the other Decisions. The Open Skies Consultative Commission has endorsed the current draft text of the Decision; however, agreement could not be reached on the issue of navigation fees which a great majority

of the States Parties -- including the United States -- believe should be waived. Pending resolution of this issue, some States Parties -- including the United States -- have reserved their position on other cost issues.

The Open Skies Treaty establishes a regime of unarmed aerial observation flights over the entire territory of its 25 signatories (North Atlantic Treaty Organization Allies, Eastern European members of the former Warsaw Pact, and Russia, Ukraine, Belarus, and Georgia). The Treaty is designed to enhance mutual understanding and confidence by giving all participants, regardless of size, a direct role in observing military or other activities of concern to them. Covering territory from Vancouver to Vladivostok, Open Skies is the widest-ranging international effort to date to promote openness and transparency of military forces and activities. The Treaty allows for consensus decisions to improve sensors, to adjust quotas, and to admit new participants in order to enhance its effectiveness. The Open Skies principles may be applicable to States in other regions of the world as well.

The Treaty's operative provisions focus on four subjects:

-- Territory: The entire territory of all participants will be accessible to aerial observation. Whereas the former Soviet Union had insisted on closing areas for national security reasons, the Treaty provides that only flight safety considerations may restrict the conduct of observation flights.

-- Aircraft: Unarmed fixed-wing aircraft provided by either the observing or observed Party can be used. All Open Skies aircraft and sensors must pass specified certification and inspection procedures to ensure that they meet the standards of the Treaty.

-- Sensors: Open Skies aircraft may have video, panoramic and framing cameras for daylight photography, infra-red line scanners for a day/night capability, and synthetic aperture radar for a day/night all-weather capability. Photographic image quality will permit recognition of major military equipment, e.g., distinguishing a tank from a truck -- allowing significant transparency of military forces and activities. Sensor categories and capabilities can be improved by agreement among the States Parties. All equipment used in Open Skies must be commercially available to all participants. Data collected from the flights will be immediately shared by the observing and observed Parties, and may also be obtained by other States Parties.

-- Quotas: Loosely scaled to size, each State Party has agreed to an annual quota of observation flights it is willing to receive (42 for the United States and Russia/Belarus to 2 - 4 for the smallest States Parties). States Parties may conduct as many observation flights as they are willing to receive.

The Treaty establishes an Open Skies Consultative Commission, composed of representatives designated by each State Party, to meet in Vienna, to promote the objectives and to facilitate the

implementation of the provisions of the Treaty.

Therefore, I urge the Senate to give early and favorable consideration to the Treaty and its related Annexes, and to give advice and consent to its ratification.

George Bush

The White House,

August 12, 1992.

Nomination of Lois L. Evans To Be United States Representative to the Economic and Social Council of the United Nations

August 12, 1992

The President today announced his intention to nominate Lois L. Evans, of New York, to be the Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador. She would succeed Jonathan Moore.

Currently Ms. Evans serves as president of Acquisition Specialists, Inc., 1975 to the present, as well as a consultant at Richard Kinser & Associates, 1991 to the present. Ms. Evans has also served as U.S. Representative to the 30th and the 31st sessions of the South Pacific Commission; member of the Advisory Committee at the Export-Import Bank of the United States, 1988 - 90; Chairman of the Federal Home Loan Bank of New York, 1986 - 88; Director of the Federal Home Loan Bank of New York, 1984 - 88; and Assistant Chief of Protocol of the United States of America with the Department of State's New York office, 1981 - 82.

Ms. Evans graduated from Barnard College (B.A., 1957). She was born December 1, 1934, in Boston, MA. Ms. Evans is married, has three children, and resides in New York, NY.

Nomination of John J. Maresca To Be Special Cyprus Coordinator

August 12, 1992

The President today announced his intention to nominate John J. Maresca, of Connecticut, a career member of the Senior Foreign Service, class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Special Cyprus Coordinator.

Ambassador Maresca has served as Chairman of the U.S. Delegation to the Negotiations on Confidence and Security-Building Measures, 1989 to the present. Prior to this, he served as Deputy Assistant Secretary of Defense, 1986 - 88. From 1985 to 1986, he was a visiting fellow at the School of Foreign Service at Georgetown University. Ambassador Maresca has also served in several other positions with the State Department, including Deputy Chief of Mission at the U.S. Embassy in Paris, France, 1982 - 85; Director of the Office of Western European Affairs, 1980 - 82; and Deputy Political Counselor at the U.S. Embassy in Paris, France, 1977 - 80.

Ambassador Maresca graduated from Yale University (B.A., 1959). He was born December 9, 1937, in Stresa, Italy. He also served in the U.S. Navy, 1959 - 65. Ambassador Maresca is married, has one child, and resides in Chevy Chase, MD.

Nomination of Brian C. Griffin To Be Chairman of the Administrative Conference of the United States

August 12, 1992

The President today announced his intention to nominate Brian C. Griffin, of Oklahoma, to be Chairman of the Administrative Conference of the United States for a term of 5 years. He would succeed Marshall Jordan Breger.

Since 1989, Mr. Griffin has served as Deputy Assistant Attorney General with the Tax Division at the Department of Justice. Prior to this, he served as a partner with the firm of Griffin & Griffin, 1979 - 80 and 1985 - 89. From 1980 to 1985, he served as executive vice president and general counsel for Petroleum Investments, Ltd.

Mr. Griffin graduated from Harvard University (B.A., 1974), Oxford University (B.A., 1976; M.A., 1983), University of Oklahoma (J.D., 1978), and Southern Methodist University (LL.M., 1989). He was born January 11, 1953, in Oklahoma City, OK. Mr. Griffin is married, has two children, and resides in Bethesda, MD.

Remarks on the Resignation of James A. Baker III as Secretary of State

August 13, 1992

I have a brief statement to make, and I'll be followed by Marlin taking some questions.

I've asked Secretary Baker to resign as Secretary of State to join me as Chief of Staff and Senior Counselor to the President, effective August 23d. He will help me build on what we started by developing an integrated second-term program of domestic, economic, and foreign policies.

This is a pivotal point in America's journey. In the world today, these three topics have become one issue. We must ensure that the United States is unquestionably safe and strong at home and abroad. I also want his counsel and assistance as I seek a mandate from the American people to put this program into action.

Secretary Baker has served our country with great energy, intelligence, and personal commitment over the past 12 years. I won't spend a long time listing his many successes, leaving that record to other statements and to history. But I do want to say a word about my friend.

I've known Jim Baker for 35 years. He is a committed trustee of the American public interest. I know Americans have been proud to see him on TV representing the United States abroad. I know they respect his many skills. I know that they trust his judgment. He's the sort of man you want on your team.

As Secretary of State, Jim Baker has appreciated the unique role and capabilities of American power. He's also understood and acted upon the exceptional appeal and calling of American ideals. He's been bold, quick, and tenacious, and he's achieved important things, willing to see new possibilities and patterns during an epic of revolutionary change. He acted while others were still struggling to comprehend, and he got things done.

He was central to our efforts to assemble an unparalleled U.N. coalition against Iraq. He's made great progress towards transforming victory on the battlefield into a broader peace between Israelis and Arabs. During his tenure we totally transformed our relationship with the Soviet Union, bringing the cold war to a peaceful end. He negotiated deep cuts in the nuclear weapons, conventional weapons as well. In so doing, he helped establish a vastly safer security structure on which to build a new Euro-Atlantic community and protection against the plague of proliferation. In helping to overcome the division of Europe, he helped lead the way for the unification of Germany. He helped silence the wars in Central America by building policies around democracy and the power of the ballot box.

From Tokyo to Toronto, Jim Baker is known for accomplishment. He knows about change, how to distinguish wise moves from foolish ones. He knows about America's Government having helped to develop and implement domestic, economic, and foreign policies. Perhaps most important, he knows our people are the source of our country's strength.

I make this move with full confidence that the State Department will remain under able leadership. Larry Eagleburger, a 30-year veteran of America's foreign policy, a man to whom I feel exceptionally close personally, will serve as Acting Secretary. He will do so with distinction.

I also want to say a word about Sam Skinner. I want to thank him for his dedicated service at the White House over the course of this turbulent year. He recognized right up front the contribution that Jim Baker can make here, given my longstanding personal relationship with Jim. He and I have actually discussed this matter for some time, and he encouraged me to make this change. Sam and I have decided that he can best complement this move by assuming the position of general chairman of the Republican National Committee, and I will recommend to the RNC that this appointment be confirmed. Some may remember the Paul Laxalt role, close to the White House, very helpful at the committee, and that precedent is there.

He's been at my side, Sam Skinner has, in politics and Government, too, for over a decade. He served the public with extraordinary distinction in Illinois and is a respected and highly effective member of my Cabinet. Remember he was responsible, I'd give him a major part of the credit, for passing the historic transportation bill to modernize our National Highway System, a significant accomplishment.

I am personally appreciative of his willingness to assume this new assignment as we move into the general election campaign. I am convinced that this appointment will strengthen the Republican National Committee structure, and Sam will be able to work very closely with Rich Bond who will remain as chairman.

I recognize that many Americans today are anxious. Many have genuine concerns; others have doubts. But over the past 4 years Americans have accomplished results that once seemed beyond possibility. Now we'll focus our attention on the policies at home and abroad that will make the United States unrivaled on all fronts, economically secure for our children, and a safer and better place to live.

That's the end of the statement. Marlin will be able to flesh out some of the details for you. Thank you very much.

Note: The President spoke at 10:02 a.m. in the Briefing Room at the White House.

Letter Accepting the Resignation of James A. Baker III as Secretary of State

August 13, 1992

Dear Jim:

With this letter, I accept with deep appreciation your decision to resign as Secretary of State effective August 23, 1992; and I look forward, with great pleasure, to your joining me at the White House as Chief of Staff and Senior Counselor to the President.

Your service as Secretary of State has been superb. You have brought to foreign policy-making a rare combination of personal characteristics: substantive command, political sophistication, extraordinary negotiating skills, tireless dedication, personal integrity, and consistent grace. Applying these distinctive characteristics in yet one more public policy domain, you have again excelled.

With your outstanding leadership at State, Eastern Europe has been liberated. Germany has been peacefully and democratically unified, within NATO. The Soviet empire has disbanded; the captive nations have regained their independence; and Russia is becoming a democratic nation, seeking to transform itself into a market economy. You have successfully concluded negotiations that make the risk of super-power nuclear conflict a thing of the past. At the same time, you have turned U.S. strategy toward the new post-Cold War era by establishing a framework for continued U.S. engagement in Europe; and by advancing the global effort to stem the proliferation of weapons of mass destruction.

In addition, you deserve special credit for leading our successful negotiating efforts to stabilize areas of regional conflict: first, gaining international support for free elections in Nicaragua and a peace accord for El Salvador; second, organizing a U.N. coalition that effectively stopped and reversed Iraqi aggression in Kuwait; and finally, getting Arabs and Israelis to sit down together -- in order that a stable Mideast peace might be won in the aftermath of the Gulf War.

The record is of genuinely historic proportions. I can well understand your reluctance to resign as Secretary of State.

Foreign policy will continue to demand vigilant and creative attention in the post-Cold War period and the team there at the Department of State under Acting Secretary Larry Eagleburger, working closely with the White House as you have done so well, is well qualified to handle any and all challenges. But America will not be able to fulfill her historic mission at home or abroad if our domestic leadership and performance are not strong and secure.

To help assure that America enjoys both domestic strength and security, I have asked you to join me in the White House. As a former Chief of Staff and Treasury Secretary, you bring extraordinary skills and experience to the policy challenges that lie immediately before us. It is imperative that we define appropriate new policies for a changing domestic environment -- just as we have done for a radically transformed international environment. In so doing, we must attend to the connections between domestic and foreign policy, and between economic and security policy. At the same time, we must develop and implement more effective strategies for advancing our policies through the U.S. Congress.

For all of this, you are uniquely well-suited. I am profoundly grateful that you have agreed to yet another challenge of service. We have been friends and colleagues for a very long time. So again let me say: I appreciate your willingness to change assignments, and look forward to our working even more closely together.

Barbara and I know how difficult the demands of travel have been for you, Susan, Mary Bonner and the rest of the family. If there is any consolation in this new challenge, it may be that, although I will still call upon you in foreign policy, you will not have to travel so much in this new job!

Sincerely,

George Bush

Dear Mr. President:

It is with pride and a sense of accomplishment that I submit my resignation to you as Secretary of State effective August 23. It is also with a sense of gratitude to you, Mr. President. Gratitude because you have placed great trust and confidence in me and do so again by asking me to work with you to build a safe, strong America at home and abroad. Gratitude, also, because you gave me the high honor of serving you to shape American foreign policy during a period of extraordinary and revolutionary change.

I have little doubt that when we look back on these last three years and seven months, we'll understand we've lived through a fundamental watershed in world politics. In this short period of time the strategic verities of the post-World War II era were shattered. The Cold War ended. The division of Europe was undone. The Soviet empire collapsed, and the Soviet Union dissolved.

Changing those verities created new hopes and new possibilities -- and what was unthinkable before became achievable through very active and dynamic diplomacy that you mandated. Germany was unified in NATO, something we were told at the time was impossible. Central America has been transformed through a policy based on free elections and peaceful reconciliation of long-standing differences. A peaceful settlement has been developed for

Cambodia. Iraqi aggression was defeated in Kuwait with an unprecedented coalition that would never have been possible in the bipolar world of the past. And, in the aftermath, in defeating Iraq and rescuing Kuwait, it became possible to break the historical taboo and produce Arab and Palestinian partners to talk peace with Israel.

Nothing was inevitable, and managing these historic transformations both to create new possibilities and to ensure a peaceful transition to a new, vastly safer world required very active American leadership. You provided it, Mr. President.

Working with Presidents Yeltsin, Kravchuk, and others, we managed to help shape a peaceful dissolution of the Soviet Union and empire; to ensure there would be no new nuclear states emerging from the breakup of the USSR; to assure that tactical nuclear weapons would not fall into dangerous hands; and to negotiate ground-breaking START and CFE agreements that drastically reduce both nuclear and conventional arms.

On top of this, Mr. President, we were able to conclude the most far-reaching understanding on strategic arms reduction in history at your June Summit with President Yeltsin. We came into office with the US having 13,000 strategic nuclear arms and the Soviets about 11,000. Your agreement with President Yeltsin means we will slash those levels by over 75 percent by the year 2003. In addition, we will eliminate all MIRVed ICBMs, the most destabilizing strategic weapons.

There is still much to be done and new international challenges to deal with. The tragedy that is unfolding in the former Yugoslavia is a reminder of one of the new dangers in the world caused by the explosive mix of extremist nationalism and ethnicity in politics. As you have led the way in ending the Cold War, so too we must lead in building a new peace, developing the collective means to defuse these kinds of conflicts before they begin; contain those where they can't be defused; and employ peacekeepers and monitors to preserve ceasefires and ensure conditions for peacemaking. That's a tall order, and it will require American leadership. But it will be necessary if we are to mobilize the coalitions that can be useful and effective in dealing with a challenge we and others are sure to face in the years ahead.

Active American leadership will also be necessary as we continue our efforts to stop and undo the proliferation of nuclear, chemical, and biological weapons and the missiles that might deliver them. This will increasingly dominate the arms control agenda of the 1990's.

Of course, we will also have to continue accelerating our efforts to promote free markets and free trade and facilitate the work of American businesses and investors overseas. Free markets and free trade do not simply reflect our values, they promote our economic growth and well-being. The more we open markets to our goods and services internationally, the more we will expand economically and generate good jobs domestically. NAFTA can be a model for the future.

I look forward to supporting your efforts to more strongly integrate domestic and foreign policy and to build our strength here at home. Mr. President, we have been friends for 35 years, and I have always known you to finish the jobs you've begun. Work remains to be done and I look forward to helping you complete the job you started.

Sincerely,

James A. Baker III

Note: These letters were made available by the Office of the Press Secretary but were not issued as White House press releases.

Letter Accepting the Resignation of Samuel K. Skinner as Chief of Staff to the President

August 13, 1992

Dear Sam:

It is with deep regret but even more with pride in your many accomplishments that I accept your resignation as Chief of Staff. I am very pleased, at the same time, that you will serve as General Chairman of the Republican National Committee.

You have worked in every one of my campaigns since 1979, and you have served with great distinction in two demanding jobs in the last four years. As Secretary of Transportation, you developed the National Transportation Policy that will keep our Nation on the move well into the next century, obtained record levels of Federal funding for the aviation infrastructure, and strengthened mass transit programs. Under your leadership, the Coast Guard performed superbly in Operations Desert Storm and Desert Shield.

Your many accomplishments at the Department are crowned by one of our most significant legislative achievements -- the Intermodal Surface Transportation Efficiency Act. That law establishes the National Highway System, builds partnerships between all levels of government and the private sector, and strengthens highway safety programs.

As Chief of Staff, you led the White House during a period of great change both at home and abroad. I deeply appreciate your loyalty in fighting for the programs that we know will change America for the better. This year, among many other accomplishments, we presented our Comprehensive Health Care Reform proposals, accelerated welfare reform in the States, and announced the ``G.I. Bill for Children'' to promote school choice for middle- and low-income families. We sent our economic growth agenda to Congress and worked to improve our economy, to ensure that every American who wants to work can have a productive job, and we concluded negotiations for a North American Free Trade Agreement. In foreign relations, President Yeltsin had a successful State Visit to Washington.

Throughout your distinguished career, both in your beloved Illinois and on the national scene, you have been known for your integrity and ``can do'' approach to problems. As a lawyer and public servant, you have brought your friendly style and deep devotion to the principles we share, and all of us at the White House are the richer for your tenure here.

I am deeply grateful for all your accomplishments on behalf of our Nation. Thank you for your service, dedication, and most of all your friendship to me and my entire family.

Barbara and I send our warmest wishes to you and Honey.

Most sincerely,

George Bush

Dear Mr. President:

It has been the greatest honor of my life to serve in your Administration as Secretary of Transportation and Chief of Staff. When I arrived from Chicago almost four years ago, I had a single aim: to faithfully serve you and this Nation. I am proud that, under your leadership, we have accomplished much. It has truly been an exhilarating and rewarding four years.

History will judge you to be one of the greatest Presidents this country has ever had. But it is vitally important that you be permitted to finish the work you have begun, here and around the world. I will do everything within my power to support your election to a second term.

I respectfully resign the office of Chief of Staff to the President of the United States effective August 23, 1992.

Samuel K. Skinner

Note: These letters were made available by the Office of the Press Secretary but were not issued as White House press releases.

Excerpt of Remarks by Press Secretary Fitzwater Announcing White House Staff Appointments

August 13, 1992

I'd like to announce several additions to the White House staff. Margaret Tutwiler will return as Assistant to the President for Communications. Robert Zoellick will become Assistant to the President and Deputy Chief of Staff. Dennis Ross will become Assistant to the President for Policy Planning. Janet Mullins will become Assistant to the President for Political Affairs.

All of these Presidential appointments will become effective on August 23, 1992. In addition, Steve Provost, who is currently on the staff, will become Assistant to the President and chief speechwriter.

Note: Press Secretary Fitzwater made this announcement during his press briefing which began at 10:25 a.m.

Statement on the United Nations Security Council Vote on Humanitarian Aid to Bosnia

August 13, 1992

Last week the United States proposed that the U.N. Security Council authorize all measures necessary to see to it that humanitarian aid is delivered to the citizens of Bosnia. I welcome today's vote approving a resolution which does just that. The United States worked hard for this result. The international community has served notice that the innocent people caught in this conflict will not be denied the means to survive.

Our hope is to be able to maintain and broaden the relief effort through cooperation not only with our partners, the responsible relief agencies and the United Nations, but also with the parties to the conflict. I call on the authorities in Belgrade, the leadership of the Bosnian Serbs, and the Governments of Bosnia and Croatia to give their full cooperation to this effort. For all concerned, this is surely the preferred way of getting help to hundreds of thousands of victims.

The international community must be able to reach people trapped by the fighting. All parties should facilitate immediate and safe access for international teams to visit cities and areas under siege in order to assess conditions and relief requirements. We expect full cooperation.

We have moved urgently to gain access to all camps, prisons, and detention centers, as today's U.N. resolution demands. As a result of the emergency meeting of the U.N. Human Rights Commission going on right now, we expect international inspectors to have unimpeded and continuous access to all possible camps or centers. Any brutality must be exposed and terminated, and the practitioners held personally accountable for their crimes. The U.N. Security Council has today also passed a resolution proposed by the United States to put war criminals on notice that they will be brought to justice. We seek and expect the full cooperation of all the parties in uncovering the facts, identifying those responsible, and bringing an end to acts of barbarism.

The United States has also taken action on the other initiatives I presented on August 6. Measures to inhibit a spillover of the conflict are moving ahead, and we are pressing for agreement in the Conference on Security and Cooperation in Europe on our proposal to put monitors in other parts of the former Yugoslavia to discourage human rights abuses and violence.

We are also tightening the economic sanctions imposed by the United Nations on Serbia. Those responsible for aggression are also responsible for the damage being done to the Serbian economy by the sanctions.

Finally, I am pleased at the strong bipartisan concern and support we have received as we grapple with this very complex, very agonizing, and very dangerous conflict. I would also like to praise those journalists who risk their lives in the cause of reporting this terrible conflict. We are all shocked and saddened to learn that one of the latest casualties is ABC producer David Kaplan.

Today's United Nations vote marks an important milestone in our response to this human tragedy. We will continue to work with the international community to end the violence and relieve the suffering.

Statement by Press Secretary Fitzwater on the Military Airlift for Humanitarian Aid to Somalia

August 13, 1992

The President has ordered the Department of Defense to offer a U.S. military airlift to transport a U.N. guard force and its associated equipment to Somalia. Authorized by U.N. Security Council Resolution 751, the force of 500 guards will help provide the security needed to deliver food and other relief supplies so desperately needed in Somalia. Now that the relevant Somali factions have agreed with the United Nations, the guards should be transported to Mogadishu as soon as possible.

This offer to the United Nations of airlift assistance is part of a broader U.S. effort to prevent suffering and starvation in Somalia. The total U.S. contribution to Somali relief to date has exceeded $76 million, and we will be intensifying our efforts in the days and weeks to come.

Statement by Press Secretary Fitzwater on the Chemical Weapons Convention

August 13, 1992

The President announced today strong United States support for the Chemical Weapons Convention completed at the Conference on Disarmament in Geneva, August 7. He said the United States is committed to signing the treaty as soon as it is open for signature, and he called on all other nations to make a similar pledge.

The treaty, concluded after years of intensive negotiations, calls for the total banning of chemical weapons worldwide. The United States has been committed to that goal since the beginning of the negotiations and applauds the dedicated efforts of all who have helped to bring the talks to a successful conclusion. The United States firmly believes that removing the threat of these weapons of terror is now possible and will be achieved when all states join and abide by this treaty.

The United States underscores its intention of working actively to bring the Chemical Weapons Convention into force at the earliest possible date and believes that all responsible governments will join us in this pursuit.

Letter to Congressional Leaders Transmitting Proposed Legislation on Welfare Reform

August 13, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Enclosed for the consideration of the Congress are four legislative proposals to promote work, provide flexibility, and encourage innovation in Federal public assistance programs. Enactment of these proposals is a necessary step to ending welfare being a way of life and accomplishing this task in a way that learns what works in making public assistance recipients self-sufficient.

Much has been accomplished during my Administration to transform welfare from a system of assistance to a ladder of opportunity. Much more can be accomplished. What we have done and what we have already asked you to do were reviewed in a paper my Administration released on July 31.

We must do more if we are to realize the call I made in my State of the Union address to you earlier this year to replace the assumptions of the welfare state. My objective for welfare reform is this: to create conditions that will enable recipients of public assistance to achieve self-sufficiency at the earliest possible moment. Achieving this goal means a new commitment to work. To realize this commitment, I am proposing to remove obstacles and limitations that currently face States that want to make a commitment to work the center of what welfare means in that State. The ``Welfare Employment and Flexibility Amendments of 1992'' and the ``Food Stamp Employment and Flexibility Amendments of 1992,'' forwarded with this letter, remove limits to work.

In the State of the Union address, I promised help for States that wanted to reform their welfare systems. The Federal Government would give expeditious consideration of State requests for waivers. Since that time, my Administration has approved six demonstration waiver projects for five States.

All six demonstrations involve the Aid to Families with Dependent Children (AFDC) program. But our public assistance program is broader than AFDC, and many individuals benefit from multiple programs. The ``Food Stamp Employment and Flexibility Amendments of 1992'' and the ``Housing Assistance Innovation Act of 1992'' create the authority comparable to that available for AFDC to test new ideas in the food stamp and public housing programs.

And yet the program of assistance to low-income Americans offered by the Federal Government is far more extensive than AFDC, food stamps, and public housing. One effort to catalogue them all counted more than 150 programs. To allow States, localities, and community groups to

pursue new ways for programs to function and interact, we propose the ``Community Opportunity Pilot Project Act of 1992." This would allow five communities, competitively selected, to put into effect new ideas about how the streams of resources from the myriad Federal programs that reach a single community can be made to serve as an integrated effort to create opportunity for the low-income residents of that community they are intended to serve.

We must give new attention to personal responsibility, especially that of absent parents. All mothers and fathers have obligations to their children. Child support enforcement holds absent parents responsible for financial support of their children. Under my Administration, the number of identified absent fathers has already increased dramatically -- from 307,000 in 1988 to 462,000 in 1991 -- but the number is still too low. Thus our ``Welfare Employment and Flexibility Amendments of 1992" proposes to strengthen the requirement that mothers receiving assistance identify the fathers of their children.

Progress has been made in making our welfare system an opportunity system, but this progress has been insufficient to the task at hand. Prompt enactment of the legislation I forward with this letter will add rungs to the ladder of self-sufficiency we offer to recipients of public assistance.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

White House Fact Sheet: The President's Welfare Reform Legislation

August 14, 1992

The President has transmitted to the Congress by letters to the President of the Senate and the Speaker of the House four legislative proposals to implement those parts of his welfare reform strategy requiring legislative changes. The President announced his plans for further welfare reform on July 31, 1992, in Riverside, CA.

The legislative proposals sent to the Congress today are the:

``Welfare Employment and Flexibility Amendments of 1992'' that would amend the Aid to Families with Dependent Children (AFDC) statute;

``Food Stamp Employment and Flexibility Amendments of 1992,'' making similar changes to the Food Stamp Act;

``Housing Assistance Innovation Act of 1992'' that would allow innovation in public and assisted housing programs on a basis similar to other welfare programs; and

``Community Opportunity Pilot Project Act of 1992'' that would authorize selection of five communities to redesign the delivery of Federal assistance to create increased opportunity in those communities.

The Problem

Flexibility. Federal public assistance programs are structured in fixed, categorical ways. This limits the ability of the State and local agencies administering Federal funds to meet local needs and conditions.

State and local officials seeking a greater role for work in welfare programs face unnecessary obstacles in implementing workfare with significant work requirements. Current law limits the number of hours each month that a recipient can be required to ``work off'' to the number of hours that results from dividing the amount of the AFDC benefit by the minimum wage ($4.25 nationally). A family household of $170 per month in AFDC would be limited to 10 hours per week. That family, however, may receive food stamps worth $210 per month and Medicaid that provides insurance coverage worth $300 per month, bringing the total value of assistance to $680 per month.

Also, Federal law limits the positions that can be used in workfare programs. Vacant positions in

public or nonprofit agencies cannot be given to workfare participants. A public or nonprofit agency must create new positions to take on someone with a workfare obligation, either increasing the work done or dividing work among more workers.

Scope of Innovation. Since the President's State of the Union Address, in which he pledged Federal cooperation with State efforts to reform welfare programs through expeditious consideration of requests for waivers of Federal law or regulations, six waivers have been granted to five States. All relate to AFDC and Medicaid program changes. The degree of flexibility currently available in the AFDC and Medicaid programs does not exist for the food stamp, rental assistance, or public housing programs.

The President's Principles

The President's fundamental goal for welfare reform is to create a system that will enable welfare recipients to leave the system at the earliest possible time, as economically self-sufficient and responsible participants in their community.

The President's Legislative Proposals

The President's four legislative proposals to promote work, personal responsibility, and flexibility sent to the Congress today are:

1. ``Welfare Employment and Flexibility Amendments of 1992"

The legislation would:

Relax restrictions on the placement of workfare participants in jobs. For example, a vacant real job could be assigned to a workfare participant; it would not be necessary to create a new position or find new work to be done;

Allow States to determine maximum workfare obligations by aggregating the value of AFDC payments, food stamps, Federal housing assistance, and average Medicaid costs, up to a maximum of 40 hours per week. Current law allows only for inclusion of AFDC payments;

Emphasize job search in welfare-to-work programs operating under the Job Opportunities and Basic Skills (JOBS) training program by removing limits on the period a person can continue to be asked to look for a job;

Allow States to distribute AFDC benefits after work and training assignments have been completed; and

Require that failure to provide promptly all information necessary to determine the father of a

child would result in a partial loss of AFDC benefits for uncooperative mothers. AFDC payments are made because a parent, usually the father, is absent. The requirement in current law that a mother cooperate in identifying the father of her child, enforced by the potential for losing part of the welfare check, would be expanded to include all information necessary to determine who the father is.

2. ``Food Stamp Employment and Flexibility Amendments of 1992''

The legislation would:

Apply provisions in the ``Welfare Employment and Flexibility Amendments of 1992'' that remove limitations on work requirements to the food stamp program; and

Expand waiver authority in the Food Stamp Act to make it comparable to that available for AFDC.

3. ``Housing Assistance Innovation Act of 1992''

The legislation would:

Provide waiver authority for public housing agencies and resident management corporations so they could try new approaches to self-sufficiency and resident empowerment;

Allow waivers of Davis-Bacon wage requirements for residents of public housing or subsidized housing and the homeless for projects that improve the housing and community in which they live and that increase their ability to get jobs; and

Allow eviction of convicted felons from public housing without an administrative hearing where State eviction processes contain similar due process protections.

4. ``Community Opportunity Pilot Project Act of 1992''

The legislation would:

Create broad authority to waive program rules that govern the use of Federal funds to allow break-the-mold approaches to creating opportunity and promoting self-sufficiency;

Provide authority to approve projects in five communities that would be selected after a nationwide competition;

Allow proposals to come from States, local governments, and nonprofit organizations; and

Evaluate the projects to determine their effect and the applicability of the projects' findings.

-- For example, ideas that emerge from the effort to rebuild south central Los Angeles and the Atlanta Project could be implemented, even if they are not consistent with the rules that currently govern Federal funds flowing to those areas.

-- A community could take Federal transportation, community development, food stamp, job training, and drug abuse treatment funds and devise a multiyear project for a group of youth that would provide them with drug treatment, transportation to jobs outside the community, and training for jobs the project would create in the home community. Compared to current law:

The project and all its uses of several categorical funding programs for different purposes could be approved; and

All necessary waivers could be granted in a single action, without application to multiple agencies.

Statement on the Summer Jobs Program for Disadvantaged Youth

August 14, 1992

I am pleased to announce that more than 265,000 disadvantaged youth already have jobs under the $500 million supplemental appropriation for the 1992 Summer Youth Employment and Training Program. More than 116,000 of these young people are employed in the 75 largest cities.

This is excellent news for our young people and our cities. It is a success story. We successfully urged the Congress to quickly appropriate the needed funds. Once the funds were appropriated, we moved quickly to get the money where it was needed to create the jobs.

The 265,000 jobs resulting from the supplemental appropriation bring the total number of jobs to date under the summer program to over 781,000 nationwide or 97 percent of the total expected.

Prior to the approval of the supplemental appropriation for the summer jobs program, over 516,000 disadvantaged youth would have had jobs, nearly 145,000 in the 75 largest cities and about 371,000 throughout the country.

Another 23,000 young people are expected to have summer jobs before the program ends. Of these, about 7,000 are likely to be in the 75 largest cities and 16,000 are expected in the rest of the Nation.

I commend the entire job training network, including the Department of Labor and the States and localities for putting the expanded summer program in place very quickly. On June 19, 1992, Governors and large city mayors were notified of their share of funds under the emergency aid bill. Official funding authorization was issued on June 24, 1992.

The summer jobs program is part of the Job Training Partnership Act (JTPA), administered by the Employment and Training Administration of the U.S. Department of Labor. JTPA, which began operating in 1983, has served more than 10 million adults and youth who face economic, social, and other barriers to employment.

White House Statement on the Forests for the Future Initiative

August 14, 1992

The White House yesterday launched implementation of the President's Forests for the Future initiative. The initiative will be directed by an interagency task force co-chaired by William K. Reilly, Administrator of the EPA and former president of World Wildlife Fund and the Conservation Foundation, and C. Boyden Gray, Counsel to the President.

The Forests for the Future initiative, announced by the President on June 1 and advanced at the Rio Earth summit, is designed to stimulate effective actions for forest conservation and sustainable use. It follows from the President's call at the Houston economic summit in July 1990 for a global agreement to conserve forests, which led to the Statement of Forest Principles agreed to in Rio. It encourages the cooperative, joint actions which may help to achieve a global forest agreement, and it builds on the administration's actions to conserve U.S. forests, such as the America the Beautiful initiative and the new ecosystem approach adopted in June by the major Federal forest management Agencies.

Under the initiative, countries would form cooperative, action-oriented forest partnerships to conserve and sustainably use forests. Partnerships would be based on proposals made by interested countries using effective and efficient approaches. To support such partnerships, the President is urging countries to double international forest assistance to a new international total of $2.7 billion per year. The President has committed an additional $150 million next year above already planned U.S. forest assistance and is working with other countries to gain their participation.

At its meeting yesterday, the task force emphasized the need to make progress as soon as possible by pursuing early forest partnerships with interested countries and by convening a partnership forum to share ideas on forest conservation and sustainable use. Forest partnerships will be the key to achieving meaningful conservation results and motivating additional participation in the initiative.

In addition to cochairs Reilly and Gray, the task force includes senior officials from the State Department, the Agency for International Development, the USDA Forest Service, the Bureau of Land Management, the Smithsonian Institution, the Office of Management and Budget, the Council on Environmental Quality, the Council of Economic Advisers, the Office of Science and Technology Policy, the Office of Policy Development, and the National Security Council.

Statement by Press Secretary Fitzwater on Additional Humanitarian Aid for Somalia

August 14, 1992

The growing suffering and mass death by starvation in Somalia is a major human tragedy. The United States Government and other international donors have already made significant contributions to alleviate this manmade famine. Because armed bands are stealing and hoarding food as well as attacking international relief workers, the primary challenge that the international community faces is the delivery of relief supplies.

The United States will take a leading role with other nations and international organizations to overcome the obstacles and ensure that food reaches those who so desperately need it.

On Thursday, we announced our offer to transport U.N. troops to enhance security for food deliveries in Mogadishu. Today, the President is announcing the following additional measures:

1. The Defense Department will begin as soon as possible emergency airlift operations to deliver food. We are asking the Kenyan Government to join us in supporting airlifts to northern Kenya for Somali refugees and drought-stricken Kenyans and to locations inside Somalia where there is sufficient security to support these relief operations. We are also examining other means of delivering food to Somalia.

2. Ambassador Perkins at the United Nations will begin immediate consultations to seek a Security Council resolution that would authorize the use of additional measures to ensure that humanitarian relief can be delivered.

3. We are also proposing that the United Nations convene a donors conference to include representatives of the major Somali factions so that their cooperation can be gained. Such cooperation would be the most important step to accelerate delivery of relief supplies and minimize security problems.

4. The President has also directed that an additional 145,000 tons of American food be made available for Somalia.

5. Finally, to ensure that all U.S. relief activities are properly coordinated, Andrew Natsios, Assistant Administrator of AID for Food and Humanitarian Assistance, has been appointed as Special Coordinator for Somali Relief.

The President calls upon other nations to join us in this urgent and important effort to alleviate starvation in Somalia.

Statement by Press Secretary Fitzwater on America's International Broadcasters

August 15, 1992

President Bush believes that one of the most effective weapons in the defeat of communism in Eastern Europe, the Soviet Union, and elsewhere has been the power of truth broadcast by America's international broadcasters: Voice of America, Radio Free Europe, Radio Liberty, and Radio and TV Marti. As democracy's victory is consolidated in the months and years to come, we will continue to need these broadcasts. The President intends to see that they remain active and effective.

These voices of freedom and democracy have a vital role to play in a post-cold-war world where dictatorship and repression continue. Indeed, they are also welcomed as a stimulus and an example in newly emerging democratic states that are developing their own free and independent media. For hundreds of millions in Europe, Asia, Africa, the Middle East, and especially in Cuba, these broadcasts are a beacon of hope that must continue to shine. The President is committed to keeping that light shining brightly.

Remarks and an Exchange With Reporters on Iraq

August 16, 1992

The President. Well, there's currently a good deal of speculation about potential U.N. inspections and then possible military measures in Iraq and alleged political motivations. I'm not going to comment on today's speculative stories, except to say I saw quite a few inaccuracies.

From now on, some will accuse us of political opportunism for every move I make, and that's unfortunate. But it is not going to deter me from doing what is right, regardless of the political fallout. We're determined that U.N. Resolution 687 will be fully implemented. Now, this requires U.N. teams to inspect and destroy the Iraqi network of weapons of mass destruction: nuclear, chemical, biological, and missile.

I have total confidence in Rolf Ekeus of the United Nations and of the U.N. teams who have the responsibility for this mission. Let me make clear that what they elect to inspect and when they do these inspections is strictly their decision. The U.S. role is to provide support for their efforts.

Saddam Hussein needs to realize that the world will not ignore interference with these U.N. requirements. He cannot be allowed to dictate what can and cannot be inspected.

So let me underscore something which I think you all know. As President, whatever I decide has immediate consequences. But there will be no politics, and I will do what is right for the United States and in this case for the rest of the world.

I just wanted to get that statement out because I've read some ugly speculation. Thank you.

Q. Mr. President, if that leak came from a military source, isn't that a breach of security? Are you checking to determine whether that did in fact happen?

The President. Well, again, I don't want to confirm what leak we're talking about. But yes, there's been a clear breach of security.

Q. Mr. Bush, how do you feel about reading what the New York Times wrote today?

The President. Well, I don't like it. But I, unfortunately, have not grown accustomed to but am less shocked than I used to be by breaches of this nature. But in any event, I don't want to go further into what I like or don't like about it. But I must say I was shocked to read all this today.

Q. Mr. President, will you say what the situation is in order to clarify?

The President. No, I won't, because the U.N. makes these decisions. Dr. Ekeus makes these calls. He has our full confidence, and what he plans to do next is his business. That is not something that's done by the United States.

Q. Does the U.S. have a plan to strike the Iraqi ministry buildings if Saddam Hussein denies access?

The President. The United States has plans to be sure that Saddam Hussein does what he's supposed to do, and that is to comply with Resolution 687 and also 688, which refers to the brutalization of his own people.

Q. Even if he refuses to allow U.N. inspectors in during convention week or during the course of the campaign?

The President. The campaign and the convention have nothing to do with this. This is the national security interests of the United States. This is obligations to support the United Nations. So I'm glad you raised it, Randall [Randall Pinkston, CBS News]. But I will repeat it: I have responsibilities as President and responsibilities as Commander in Chief. I will go through with those responsibilities regardless of the politics. That is a very important point in all of this, and I hope I have demonstrated that enough to earn the trust of the American people when it comes to making this kind of decision. I do not make decisions involving military force lightly. I've been there myself. I know what it's like. I don't commit somebody else's son or daughter to battle or to any kind of combat unless it is the right thing to do, regardless of politics.

Q. Mr. President, has there been -- --

Q. -- -- Houston convention if there were a problem that demanded your attention during the week?

The President. If there was a problem that demanded my attention, I would. But I'm not sure. I can handle whatever comes up from wherever I am. We've got a great system of communications, and I think we demonstrated that during the Gulf war.

Last one.

Q. Mr. President, you don't seem to be denying this report. Am I right?

The President. What report?

Q. The report that was published today in the New York Times.

The President. Please repeat it for me, because I've read several different -- what part of it?

Q. The part that there is some plan for the United States to sort of encourage Saddam Hussein to get involved in some kind of fight. I mean, there is some kind of contingency plan -- --

The President. I totally deny that.

Q. Not picking a fight -- --

The President. I totally deny that we're trying to pick a fight, and I totally deny we're trying to pick a fight for political purposes. If that was in the report, I really am angry about it. Didn't read it that carefully. But is he going to oblige; is he going to follow through on these resolutions? I've stood right here and said that over and over again, and he has.

But if this is the argument, I can totally deny that.

Q. Are they going to go in on Monday, are the bombs -- --

The President. It is ugly, and it is uncalled for.

Q. Are the bombs going to start falling tomorrow? This was in the report as well, that something could happen tomorrow.

The President. I am not going to say what we are or are not going to do. Don't believe everything you read in these reports.

Q. I guess what people just want to know is, is there or is there not a game plan for air strikes if there's a problem with Iraq?

The President. I have said before, all options are open. That's all I'll say.

Q. What about consultations with the allies on a new enforcement plan? Have there been those kinds of consultations in recent days?

The President. We've been in constant touch with our allies, yes.

Q. Is your speech ready for Thursday night? It's not ready?

The President. It's not ready, no. [Laughter]

Note: The President spoke at 4:45 p.m. on the South Lawn at the White House upon his arrival from Camp David, MD. In his remarks, he referred to Rolf Ekeus, Executive Director, United

Nations Special Commission on Iraq.

Statement on Signing the Thomas Jefferson Commemoration Commission Act

August 17, 1992

Today I am signing into law S. 959, the ``Thomas Jefferson Commemoration Commission Act." This bill would establish the Thomas Jefferson Commemoration Commission, which would be responsible for planning and developing programs to commemorate the 250th anniversary of Jefferson's birth. In doing so, it is my understanding that in light of the constitutional requirement that all executive functions be exercised by officers of the United States appointed in conformity with the Appointments Clause, Buckley v. Valeo, 424 U.S. 1 (1976), only those Commission members so appointed may exercise the executive authority granted in this bill. In addition, the Archivist of the United States, the Secretary of the Interior, the Secretary of Education, the Chairman of the National Endowment for the Humanities, and the Librarian of Congress are members of the Commission who also are officers of the United States properly appointed for this purpose. Other members may directly participate only in the ceremonial or advisory functions of the Commission.

George Bush

The White House,

August 17, 1992.

Note: S. 959, approved August 17, was assigned Public Law No. 102 - 343.

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Certain Countries

August 17, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 8(b) of the Fishermen's Protective Act of 1967, as amended (22 U.S.C. 1978(b)), generally known as the Pelly Amendment, I am notifying you that on July 31, 1992, in accordance with section 101(a) of the Marine Mammal Protection Act (MMPA), the Secretary of Commerce certified to me that a ban on the importation of yellowfin tuna and yellowfin tuna products from Canada, Colombia, Malaysia, the Netherlands Antilles, Singapore, Spain, and the United Kingdom has been in effect since January 31, 1992. This ban is the result of an order issued by the U.S. District Court for the Northern District of California, which the Administration has appealed.

By the terms of the MMPA, such certification is deemed to be a certification for the purposes of the Pelly Amendment, which requires that I consider and, at my discretion, order the prohibition of imports into the United States of fish and fish products from the identified countries, to the extent that such prohibition is sanctioned by the General Agreement on Tariffs and Trade. The Pelly Amendment also requires that I report to the Congress any actions taken under this subsection and, if no import prohibitions have been ordered, the reasons for this action.

After thorough review, I have determined that sanctions against these nations will not be imposed at this time, particularly as the Administration pursues its appeal of the District Court order, and to allow implementation of an international dolphin conservation program in the eastern tropical Pacific Ocean.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Transmitting Reports on Security Arrangements With Other Nations

August 17, 1992

Dear Mr. Chairman: (Dear Senator): (Dear Congressman):

Pursuant to Section 1457 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101 - 510), I have the honor to transmit reports, in both classified and unclassified form, on U.S. security arrangements with, and commitments to, other nations.

Sincerely,

George Bush

Note: Identical letters were sent to Sam Nunn and John W. Warner, chairman and ranking minority member, Senate Committee on Armed Services; Claiborne Pell and Jesse A. Helms, chairman and ranking minority member, Senate Committee on Foreign Relations; Les Aspin and William L. Dickinson, chairman and ranking minority member, House Committee on Armed Services; and Dante B. Fascell and William S. Broomfield, chairman and ranking minority member, House Committee on Foreign Affairs.

Presidential Determination No. 92 - 39 -- Memorandum on Assistance for Angolan Refugees

August 17, 1992

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that it is important to the national interest that up to $14,000,000 be made available from the U.S. Emergency Refugee and Migration Assistance Fund (the Fund) to meet the unexpected and urgent needs of Angolan refugees and returnees. These funds are to be contributed to the United Nations High Commissioner for Refugees in response to its appeal to assist Angolan refugees and returnees.

You are directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:34 p.m., August 31, 1992]

Presidential Determination No. 92 - 40 -- Memorandum on Export-Import Bank Services for Albania

August 17, 1992

Memorandum for the Secretary of State

Subject: Determination under Subsection 2(b)(2)(D) of the Export-Import Bank Act of 1945, as amended -- Albania

Pursuant to subsection 2(b)(2)(D) of the Export-Import Bank Act of 1945, as amended [12 U.S.C. 635(b)(2)(D)], I determine that it is in the national interest for the Export-Import Bank of the United States to guarantee, insure, extend credit, and participate in the extension of credit in connection with the purchase or lease of any product or service by, for use in, or for sale or lease to Albania.

You are authorized and directed to report this determination to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:42 p.m., August 31, 1992]

Presidential Determination No. 92 - 41 -- Memorandum on Resumption of Foreign Air Cargo Service to Lebanon

August 17, 1992

Memorandum for the Secretary of Transportation

Subject: Resumption of Foreign Air Cargo Service to Lebanon

By virtue of the authority vested in me by section 1114(a) of the Federal Aviation Act of 1958, as amended (``the Act") (49 U.S.C. 1514), I hereby determine that the prohibition of all transportation services to Lebanon by Presidential Determination 85 - 14 of July 1, 1985, is hereby amended to permit the outward carriage of cargo to Lebanon by foreign carriers. All other prohibitions set forth in Presidential Determination 85 - 14, including the prohibition on U.S. air carriers flying into Lebanon, remain in effect.

You are directed to bring this determination immediately to the attention of all air carriers within the meaning of section 101(3) of the Act (49 U.S.C. 1301(3)).

You are further directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 10:38 a.m., August 20, 1992]

Appointment of C. Dean McGrath, Jr., as Deputy Assistant to the President and Deputy Staff Secretary

August 17, 1992

The President today announced the appointment of C. Dean McGrath, Jr., as Deputy Assistant to the President and Deputy Staff Secretary.

Since 1991, Mr. McGrath has served as Counsel to the Director and General Counsel of the Peace Corps of the United States. Previously, Mr. McGrath served as the Acting General Counsel, Deputy General Counsel, and Associate General Counsel at the Department of Transportation, 1989 - 91; Special Counsel, Office of the Secretary of Defense, Department of Defense, 1989; and Associate Counsel to the President, 1986 - 89. Mr. McGrath began his career in public service as an attorney-advisor, Office of the General Counsel, Department of the Treasury. Mr. McGrath has also served as a Special Assistant U.S. Attorney, U.S. Attorney's Office, District of Columbia, 1981.

Mr. McGrath is a graduate of Duke University (B.A. with distinction in economics, 1975), the University of Nebraska College of Law (J.D., 1978), and the National War College (1985). He was born May 27, 1953, in Chicago, IL, and was raised in Grand Island, NE. He is married, has one son, and resides in Alexandria, VA.

Remarks to the Veterans of Foreign Wars National Convention in Indianapolis, Indiana

August 17, 1992

Thank you all so much. I'm proud to be back with you. This time I'll remember Pearl Harbor Day, too. [Laughter] May I salute Bob Wallace and thank him for that warm introduction; and salute Diane Wallace; say a special hello to a man who's doing a great job for this State and for our country in the Senate, Senator Dan Coats, and his lovely wife, Marcia, over here who flew out with us. I also want to salute our incoming chief, and I say ``ours'' because I am a member, a courageous leader in his own right, Jack Carney. Just had the pleasure of meeting with Jack and Joanne and the president of your ladies auxiliary who I also just met, Mary Sears, and Mary's husband, Sam. You've got a good first team.

There's two other true heroes I want to mention. If they haven't spoken, you're in for a treat. But General Jack Galvin is one of the greatest soldiers this country ever had. He just finished up as head of our NATO forces and did a superb job. And of course, next to him, or right down one from him, you all know Senator McCain, who gave many years of his life fighting for his country, spending several years in a prison camp, an outstanding Member of the United States Senate.

Bob Wallace invited me here. He said your members wanted to hear from a leader with charisma and popularity, whose words are revered from coast to coast. Unfortunately, Barbara wanted me to speak. But I'm delighted she's here with me.

Well, as you may know, I'm on my way to Houston to the Republican National Convention. When I saw the size of this crowd, I thought about giving a dress rehearsal of that Houston speech, complete with a few partisan political observations. But then I got to thinking about you guys. You don't need to hear a political speech. You've already sacrificed enough for your country. [Laughter] So instead, I'd like to talk a little bit about where our Nation has been and where we're headed together.

As we gather here today, the cold war is over. For more than 40 years, our GI Joes and Janes hit the ground and sucked the dust in faraway places like North Africa and Normandy, Pork Chop Hill and Ia Drang Valley. Back then, we called you heroes. Today, we call you winners. If anyone tells you that imperial communism fell on its own, tell them that you helped punch it in the gut and sent it tumbling back down the back stairs of history. Each of you who served, each of you, won the battle for humanity's heart and soul.

What a group we've put forth, these sons and daughters of Paterson and Peoria, you who wrote, some of you, ``Kilroy was here'' on the walls of the German stalags and left signs in the Iraqi

desert that said, ``I saw Elvis'' -- [laughter] -- and you who sang ``Don't Sit Under the Apple Tree'' on the roads outside London and listened to the Beatles with Chris Noel and Adrian Cronauer in Saigon.

Goering, Hermann Goering, thought the American fighting forces were a pushover. We showed him. Kim Il-Song in Korea thought he could take us. Wrong again. And Saddam Hussein miscalculated. He thought we'd grown soft over the years. He didn't think we'd commit our Armed Forces. He misread the will of the American people, and he didn't believe we would do what it would take to win. But our men and women showed him. To put it real simple: We kicked a little Baghdad bully.

Now I have a special word for those who served in Vietnam, and I know we have many here who did. That war was controversial. Many refused to serve. The Government didn't go all out to win. You were fighting with one hand tied behind your back, and still, you fought with courage and with valor.

But your Nation, when that war ended, never appropriately said thanks. Then 20 years later, America was called to fight again, and this time we did what was needed to win. We fought quickly; we fought with purpose. And when the Desert Storm troops came home, a wondrous thing happened. America saluted, unanimously saluted, not just those heroes but our forgotten heroes, the men and women who served in Vietnam. The tribute was genuine. It was heartfelt, and it came from every corner of this Nation. And so, let me say this: It was long overdue. God bless those of you who served in that troubled war.

As we all know, in every encounter, from World War II to Desert Storm, for every one of us on the front lines, there were other Americans supporting us at home, fathers and mothers and sisters, brothers, neighbors, who said the prayers, sent the cookies, and watched the mailbox. Over the years, together we footed a bill of over $4 trillion to pay for all the tanks and ships and missiles. And so, let's not forget the unsung hero of the cold war, the American taxpayer.

Why did we do it? Why did we make the sacrifice? If you ask me, we shed our blood and spent our treasure because we believed enough in our American ideals to defend them. Today, those ideals, your ideals, are triumphant around the entire globe. In Germany, a wall has fallen. In Moscow, citizens troop to the polls. Think about this: In just the past 4 years, more people have taken the first breath of freedom than in any time in all of human history. You made history, and you should be proud of that. This is something major and important.

But there is a method to our unselfishness. Calvin Coolidge defined patriotism as ``standing up for yourself by standing up for your country.'' We fought so our children don't have to fight.

Remember that awful movie of several years ago -- some of you may well remember it; Barbara and I do -- ``The Day After''? It brought the horror of the aftermath of a nuclear explosion home

to a small Kansas suburb. People gathered in churches and lecture halls to watch it in fear together. Some called it a documentary of the future. Today, it doesn't even belong in the science fiction bin of movie rental stores. Because of your sacrifice, the nuclear nightmare has receded, and our kids and our grandkids now sleep in the sweet sunshine of peace, no longer afraid of nuclear war. You helped do that.

So this is the progress in which we take pride. It's the progress that you've brought to the world and to our children. And yet, the question today is: What do we do next? We can start by remembering something John Kennedy once said: ``A nation reveals itself not only by the men and women it produces, but by the men and women it remembers."

I understand right in here what makes military service so special. Military service is the great leveler. My own Navy squadron included farm boys and city hustlers, athletes, bookworms, preacher's kids, Army brats. Together we experienced the tingling excitement of that sport of kings when I first went into the service, picking up cigarette butts. [Laughter] Now, later we felt the knots in our stomach from our first carrier landing and the heaviness in our hearts from spending our first Hanukkah or Christmas without our loved ones and the horrible, sickening feeling of watching our buddies go down in battle, never to return.

These memories are etched in my mind, as they are etched in yours. No matter that the cold war is over, no matter how places like Guadalcanal and Hamburger Hill recede in our memory, our Nation can never and must never forget. As long as I am President, I make this solemn promise: We will always stand by those who stood up for America.

That means keeping in mind a lesson that every soldier and sailor knows in his heart: Weakness tempts aggression. With the cold war over, I have put forth a responsible plan to cut defense spending, cut it to the level recommended by General Galvin's former colleagues, our true military experts. But in this political year, some will want to go further, a lot further. One plan offers to cut 4 times more than what our experts say is responsible.

Let me say this. In the sands of Kuwait, our sons and daughters showed that courage is hereditary, but courage will be of no use if fighter planes can only be found in museums and our ships are all in mothballs. When it comes to defending our country, my loyalty lies not with the Gallup polls but with our young people who must gallop in the way of danger. We simply must never go back to the hollow army of the late seventies. I stand with the marines, the soldiers, the sailors, the airmen, the guardsmen. We can never ask these men and women to stand in harm's way and then tie one arm behind their back. As long as I am Commander in Chief, I will stand for our Armed Forces, and I will keep the United States of America strong, so I can tell the American people our national security is second to none.

We owe you more than a strong America abroad. We owe you a strong America at home, an America that lives up to the dream that you defended, where you can get work, and protect your

family's well-being. Just as you can't build a home without a hammer, you can't build a dream without a job. Some say the way to create jobs is with more taxes; I disagree. I have a plan to cut Government spending and use incentives to get this economy moving again. So far, being very candid, that plan is blocked by the Congress. But this fall, with your help, I intend to change all of that.

I have a special concern for those who are caught in the transition of our economy, for example, veterans who once worked the turrets of a tank and are now getting used to the keyboards of a high-tech economy. So I have advanced a national strategy to retrain our workers, especially those in the defense-related industries. I have asked our leader, Bob Wallace, to come to Washington and help lead that job training effort in the veterans community. I'm asking the Senate to confirm Bob as Assistant Secretary of Labor for Veterans' Employment and Training. And he will do a first-class job.

Assistant Secretary of Labor for Veterans' Employment and Training, that's just a fancy title that really means ``Potomac pitbull for veterans' rights." [Laughter] If anyone tries to forget the vet, Bob and I are going to be there to clamp down on their arm.

Now, jobs is one priority; health care, another. Our health care system is broken today, and we all know it. Costs are rising too fast. Too many people can't get coverage. Some say it's time to throw up our arms and let the Government take it over. Well, I have a different plan, a way to get at the real causes of skyrocketing costs, like faulty insurance programs, piles of paperwork, and way too many frivolous lawsuits. We're suing each other too much instead of caring for each other enough in this country.

But let me make a commitment to you this morning. I am proud of what we have accomplished together to strengthen our veterans health care system, proud of the specialized health care centers that we've created and the new outpatient clinics. I am proud of our new registry to track Persian Gulf veterans and, most especially, of the billion dollars more every year we've invested in your health care. Every inch of the way we have had sound advice from Bob Wallace and Larry Rivers and so many others with the VFW. But let me be very clear on a key point here. While we must change our health care system, we will not change our commitment to the integrity of veterans health care.

A couple weeks ago, I announced a new White House advisory panel, which will include a representative of the VFW. I want to make sure that when it comes to making health care changes, the veteran's voice comes through loud and clear. If Congress sends me legislation to dismantle the VA system, I will whip out that veto pen and knock down that Scud missile headed right for the well-being of every family represented here. If anyone again suggests taxing your benefits, I'll say what I've said many times before, ``Keep your hands off the veterans."

Now, there's one more promise I'll make to you. It concerns those who are not with us today, the

ones that John McCain knows so much about from his own life experience. I'm talking about the POW's and the MIA's.

As Bob mentioned, I did have my own experience with combat, nothing quite like John's or like many of yours. But after my plane was shot down on September 2, 1944, at 0732 -- I can't remember Pearl Harbor Day, but I can sure remember September 2d. [Laughter] But look, I remember floating around in the Pacific. Off in the distance I could see this Japanese-held island of Chichi Jima in the Bonin Islands. I remember worrying about whether anyone in my squadron would find me. Then I remember thinking: What if the other side does?

By the grace of God, along came a submarine, U.S., and by the grace of God, my family never had to face the agony of a late-night phone call or a knock on that door. But to those who do wait for the calls or knocks to bring news of loved ones, let me simply say, we will never forget you.

The search for answers about POW - MIA's is a question of justice, of oaths sworn and commitments kept. For 241 families, the uncertainty has already ended. I salute General Vessey, and I salute those in the Senate and those in the White House who have worked to this end. But there are still more answers to find. Without further progress, my administration will not move forward with Hanoi. We will not rest until we have received the fullest possible accounting of every POW - MIA.

In preparing for this visit today, I ran across a quote from Daniel Bennis, a disabled veteran from Hamel, Minnesota. Dan Bennis was asked why he went to war in the first place. He said, ``I fought for the right to see my country in the splendor of all seasons." I fought for the right to see my country in the splendor of all seasons.

Well, Dan, America is a country of all seasons. But to me, America is a nation where one season dominates, the season of spring. Today, as we listen to all the talk of pessimism and lost potential, we may think that the cold winds of winter are blowing. But I sense a different wind, the American wind, the warm breeze of renewal and rebirth.

In our workplaces, our economy is being reborn as our companies retool for the new competition. In our schools, our students are being reborn as, for the first time in a century, we change the very way we learn. In our homes, our families are being reborn as we turn back to our moral foundations.

Some ridicule me. Some ridicule us when we talk about family values. But it's the family that teaches us right from wrong, teaches us discipline, respect for the law. As every vet knows, it's family that wiped the tears away when we cry. Strengthening the family is not something we ought to do; it is something we have to do.

Now, some take a look at all we must do as a nation and say, ``Look, our challenges are too big, too daunting." I would remind them that America is still the only place where miracles not only happen, they happen every day.

This is the Nation that toppled the wall. This is the Nation that won the war. This is the Nation that produced you. None have been braver or sturdier. Through your courage, your valor, your sacrifice, you changed the course of human history. We have changed the world, and now we will change America because America is the land of the eternal spring.

Thank you very much. May God bless the VFW, and most of all, may God bless the greatest, freest country on the face of the Earth, the United States of America. Thank you very, very much.

Note: The President spoke at 11:02 a.m. at the Indiana Convention Center. In his remarks, he referred to Robert E. Wallace, commander in chief, VFW, and his wife, Diane; John M. Carney, senior vice commander in chief, VFW, and his wife, Joanne; Mary Sears, national president of the ladies auxiliary of the VFW, and her husband, Sam; Chris Noel, entertainer and recipient of the VFW commander in chief's Gold Medal of Merit; Adrian Cronauer, Armed Forces Network disc jockey during the Vietnam war; Larry W. Rivers, executive director, Washington, DC office, VFW; and Gen. John W. Vessey, U.S.A., ret., Special Presidential Emissary to Hanoi for POW - MIA Affairs.

Remarks at the Bush-Quayle Welcoming Rally at the Republican National Convention in Houston, Texas

August 17, 1992

The President. Thank you all very much. What a wonderful welcome home.

Audience members. Four more years! Four more years! Four more years!

The President. You got it.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you all very much. Thank you so much. Let me just thank a couple of people at the beginning. First, let me thank Craig Fuller, who's done a great job as our convention chairman; Rich Bond, our national chairman; Jeanie Austin, our cochairman. And let me say this: What a wonderful welcome home. It is sure great to be back here in Texas, home again.

May I thank Ray Childress and Warren Moon, great heroes right here, and deservedly so, in Houston, for being with us; and of course, another friend who entertained us, and at least I got here in time to hear him, a great American and a great singer, Randy Travis. By golly, he was first-class.

I'm leaving out a lot of people, but one other person, my partner in a great adventure, with me every step of the way from west Texas to the White House, Barbara Bush.

Let me thank our great Governor, Carroll Campbell, who's given this Nation so much leadership as Governor of the State of South Carolina, and a special word, a special word about two very special friends of ours, Dan and Marilyn Quayle, the Vice President of the United States.

Four years ago, Dan Quayle and I teamed up. I told him then, speaking from some personal experience, that the job of Vice President was a real character-builder. [Laughter] And I was not exaggerating. But look, this guy stood there, and in the face of those unfair critics he has never wavered. He has never wavered. He simply told the truth, and let the chips fall where they may.

He said we need families to stick together and fathers to stick around, and he is right. He says what we need is an America that stands behind our law enforcement officers, and he is right about that. He also said we've got to take on those trial lawyers and all those who inundate this country with frivolous lawsuits, and he's right about that. Let that ABA turn off to the left; we are with the American people.

So when the establishment in Washington hears all this, they get all uptight about it, about him. They gripe about it. But folks in the real world understand, and they nod their head. He has been a super Vice President, and he will be for another 4 years.

Audience members. Four more years! Four more years! Four more years!

The President. I couldn't help but notice an interview that my opponent gave to the USA Today last week. It was absolutely incredible -- --

Audience members. Boo-o-o!

The President. You haven't heard it yet. [Laughter] He talked about how he's already planning his transition, figuring out who should be Deputy Assistant Under Secretary in every Washington Agency, even where he can get away from the White House for a day or two. I half expected when I went over to the Oval Office to find him over there measuring the drapes. [Laughter] Well, let me say, the first shot out of the barrel, I have a message for him: Put those drapes on hold. It is going to be curtain time for that ticket. And I mean it.

You know, for 9 months the other side has had a one-way conversation with the American people, and now it's our turn. They have called our great country a mockery and sounded the saxophone of change. And that sound sure sounds familiar. They say they want to shake up Washington, but they oppose limiting the terms of Congressmen. That's a change, just changing the subject.

They say they believe in a strong America, but they propose gutting the national defense of this country. That's called changing their tune. They say they want to put people first, but they are proposing the largest tax increase in the history of the United States of America.

Audience members. Boo-o-o!

The President. I guess that's change, but by the time they're through, change is all you're going to have left in your pocket. We're not going to let that happen to the United States.

So don't kid yourself, America. We're not running against the Comeback Kids, we're running against the Karaoke Kids. They'll sing any tune, any tune they think will get them elected, say one thing in one place and then whisper something else in another. And we're not going to let them get away with it.

You know, I've never pretended to be much for words, but for me, eloquence is action. And for the next 78 days we're going to go out there to ask the American people a simple question: Who do you trust to do what's right for the United States of America? It's a question of trust.

Audience members. George Bush! George Bush! George Bush!

The President. Forty-four years ago, Barbara and I started out, out in west Texas, the Odessa-Midland area. I remember traveling across that country to Wink and Kermit and Notrees and Andrews, places where parents worried and watched when a kid crossed the street; the kind of towns that sent those kids halfway around the world, from the DMZ to Da Nang and to Desert Storm. Barbara and I loved the rhythms of west Texas. You remember the Friday night football and Saturday picnics and Sunday sermons. We raised a family and built a business, made friends that have lasted us an entire lifetime. We worked hard. But when the work was done, we sat around the table late at night, and we talked, talked about report cards -- same thing you all do -- schoolyard fights, small things, big dreams.

No matter what the other side says, America is still the land of dreams, dreams as vast and wide as those plains out there in west Texas. Our dream, our ideals, and our ideas have awakened dreams from Managua, to our south, all the way to Moscow. With faith in our people, we will reawaken those dreams right here in the United States of America.

My opponent wants to protect the jobs of the past. And I have a plan to create the jobs of the future so that the sons and daughters of steelworkers and linemen can build their dreams. My opponent wants to change our schools, oh, just a little bit. And I have a plan to revolutionize our schools so that our kids can do as well in the science labs and math room as they now do in the swimming pool and out there on the basketball courts.

My opponent, and Dan touched on this, ridicules or attacks me as we talk about family values. Well, let me tell you something: We are going to keep on trying to strengthen the American family, to make American families a lot more like the Waltons and a lot less like the Simpsons.

Now that I'm getting warmed up, let me tell you about another target that I'm going to get in the crosshairs. The Democratic leaders of the United States Congress don't like our ideas. They are the sultans of the status quo. They are the only people in America who could drive to work with a blindfold every morning because they've been going the same way, controlling that Congress for 38 years.

Audience members. Clean your House! Clean your House! Clean your House!

The President. You tell me about it. You're darn right. You talk about gridlock, we know where the gridlock is. It's under those leaders that control the Congress, both the Senate and the House, and we're going to change it. We are going to get the American people to change it.

I was very lucky; I didn't get to see the Democratic Convention. [Laughter] But up in Manhattan last month, you didn't see those congressional leaders. Finding them was like playing ``Where's

Waldo" in the Astrodome. They gave a new meaning to the word ``closet liberal."

Don't kid yourselves. Look at where their support is coming from, that same ossified, entrenched, change-allergic support groups out there supporting the Democratic leaders of the Congress. We're going to make the American people understand it. I'm going to do what Harry Truman did. I am going to take that message to change the Congress all across this country.

I've held out my hand to those crazy guys. I've held out my hand to them, only to have it bitten off, and I'm tired of it. We're going to change that Congress. And we are going to link that Clinton-Gore ticket right in close to those Democratic leaders. They are one and the same, and we're not going to let the American people forget that.

You hear a lot about these polls. Yes, they say it's going to be a tough fight. We know that. The truth is I get a little comfort from some of these polls. You know me. In politics I've always done better when I fight back, when I'm behind, because you have a certain freedom. It gives you a certain freedom. The other guy can do what the polls want. The other side can pay attention, changing this or changing that because of what the polls say. I'm going to roll up my sleeves and do what is right for the American people, and I don't care what the polls say. Do what's right for America. And I am a fighter, and I intend to fight for what's right for America.

Right next door there's a big building. They call it the eighth wonder of the world. Well, Houston, get ready for wonder number nine, the most stirring political comeback since Harry Truman gave them hell in 1948. It starts right now.

Audience members. Four more years! Four more years! Four more years!

The President. It all starts right here. You know, the Gatlin Brothers like to sing, ``Houston means I'm one day closer to you." Well, no offense to Larry, but to me Houston means that we are one day closer to victory, one day closer to building a better and a brighter future for the people of this great country.

Barbara and I want to thank you for coming here. We want to thank you for this magnificent show of support. When history writes about this election, they're going to say it started right here when you fired up this President to take this message to the American people.

May God bless the United States of America. Thank you all very much.

Note: The President spoke at 5:35 p.m. at the Houston Astrodome. In his remarks, he referred to Houston Oilers football players Ray Childress and Warren Moon and country music entertainers Randy Travis and the Gatlin Brothers.

Remarks at an Antidrug Rally in Houston

August 18, 1992

Thank you very, very much. Speaking of goals, that's one of the reasons I'm back in Houston. Yesterday we got off to a pretty good start, I think.

But nevertheless let me salute first my friend Chuck Norris, friend of long standing, commend him on being what we call a Point of Light, reaching out to help others. What this program is about, kicking drugs out of school, it should have the support of all Americans. And I salute him for giving of his time so generously.

I salute these instructors. I salute these experts that we saw in action. I thank you all for this most wonderful presentation. May I also thank the school principal who is with us; our new, or not so new but our most distinguished superintendent of schools; and also our new police chief; all of them with us today. I don't know if you saw them when they came in. Maybe they'd stand up. Chief?

There's a message in all of this because we support our law enforcement officers who are trying to keep not only the schoolyards clean but preserve order in this wonderful city of ours. I salute our school superintendent who has led the way in making Houston a Houston 2000 educational community, not fearing to change. He's on the leadership edge of literally helping revolutionize education in this country, and I salute him for that. As for our principal, just hearing wonderful things about her and what she's done. May I express our appreciation for letting this marvelous group come in here today.

With them today is a man who is on the cutting edge of trying to change education. I'm not talking about just simply fine-tuning. We're talking about revolutionary change. And I'm talking about our Secretary of Education, our national Secretary, a former Governor, Lamar Alexander, who is really out in the lead for new American education. Lamar, would you stand up?

As you may know, we've set six educational goals for this Nation; got all across party politics, something that's never happened before. We did it, but we had with us the Democrat and the Republican Governors of the States. One of those goals was to have a learning place where people could learn without fear of crime, certainly without fear of drugs. And that's what this program is all about. We saw a little example today. I'm glad I was not in the last act on the receiving end; that guy looked pretty tough and pretty powerful.

But this is happening all across the country. We are beginning to make enormous headway on the war on drugs. And I want to finish that job. Sixty percent less use of cocaine among the teenagers in this country, that is dramatic progress in the last 3 years. Now we've got to keep it going. In schools like this, school superintendents like this, police chiefs like this, and then

dedicated teachers and students like this, and then dedicated leaders like Chuck Norris come together to make this happen, not just for today and not just for Houston but for our country and for tomorrow as well.

So I am very pleased to be here. I have only one regret and that is that Barbara Bush, who had a school named after her in Houston -- and she's still rubbing it in. But nevertheless -- [laughter] -- she is not here because she's out kind of nervously looking at the podium in the Astrodome, getting ready for her command performance tomorrow night. But she certainly joins in. I hope you know how committed she is to helping these kids be literate, helping them learn to read, helping the families in this country stay together so they can help the kids.

It's a great joy to be back in Houston. Yesterday was a wonderful day for me. These times have been a little complicated, as some of my friends from Washington know that are traveling with us. But you get here, and you feel something happening; you feel something positive. It wasn't just the political arena yesterday, where we got off to a great start, but it's programs like this. It's the grassroots of America, determined to make life better for these kids, that have me inspired.

So thank you all for what you're doing. And may God bless our great country.

Note: The President spoke at 10:20 a.m. at Hamilton Middle School. In his remarks, he referred to actor Chuck Norris; Diane B. Mutlet, principal of the school; Frank R. Petruzielo, Houston superintendent of schools; and Sam Nunchia, Houston chief of police.

Remarks at the Republican National Committee Gala Luncheon in Houston

August 19, 1992

The President. Lod Cook, thank you, sir. Thank you all for that warm welcome. Thank you so very much. Thank you, Lod. Please be seated. Let me just single out at the beginning of these remarks Lod Cook, who does so much, not just for the party and for candidates but who's certainly done so much for Barbara and for me. Everything he touches works out, and I couldn't be more pleased to be at his side through this luncheon. This gives me an opportunity to thank him and all of you who made this luncheon quite clearly a tremendous success. I think this bodes well for what lies ahead.

I want to single out a couple of people. I thought that Boy Scout color guard was great, and so was the Boys Choir and the Houston Chorus; take great pride in them. Reverend Claude Payne is, as Lod said, Barbara and my home parish minister at St. Martin's Church here, and we're just delighted to be with him.

I want to single out, of course, a man that did a great job firing up the troops last night, getting our message of hope and opportunity across the country, our distinguished keynoter, Phil Gramm. He did a superb job last night. We've got a lot, but let me just also add Rich Bond, who came in in this national committee, grabbed ahold of it, taking our message out there. He is a feisty devil, and he's doing a first-class job, too. And so, really, this then, with this dramatic entrance, is the first of our whistlestop tour. I think the train sure beats the hell out of the bus, frankly.

I want to just salute the Vice President and Marilyn. Dan Quayle has served with great distinction. He's taken on a lot of substantive tasks and done them well. He's done his job with dignity and honor, and he's taken the best shots the other side can fire. If you ask me, he's given better than he's got. His head is up; he's ready to charge. And I am proud and honored to have him at my side in the convention and the days that lie ahead.

Now, I know the excitement's building. Each hour we get closer to the moment everyone's waiting for, packed house at the Astrodome, nationwide TV audience. I'd be less than honest if I didn't tell you I've got a few butterflies. But I'll tell you, you're going to love Barbara's speech. [Laughter] But after she's through, then I get my turn tomorrow. I want to spell out where I'm going to take this country with your help over the next 4 years. But first, just a little bit about why we're here in Houston.

Some of you may have read an interview by my opponent, the one he gave to the USA Today last week. It was absolutely incredible. He talked about how he's already planning the transition,

figuring out who should be Deputy Assistant Under Secretary in every Washington agency, even where he will go to get away from the White House. Heck, I've expected to come forward Friday morning and find somebody measuring the drapes in the Oval Office.

This guy got a problem up here? Are they with the press corps?

I can't hear you. Please speak up. This is a crazy year, when they have credentials for the -- --

Audience members. What about AIDS? What about AIDS? What about AIDS?

Audience members. Four more years! Four more years! Four more years!

The President. As I was saying -- that guy -- hey, listen, for those of you who haven't been around my line of work lately, this is normal. Don't get worried. [Laughter] Don't get worried.

But let me just say this. I saw a demonstration out there on the television the other day, and let me be clear where I stand: Everybody has a right to protest, but I have a right to stand with our law enforcement people who have to put these protests in the proper perspective. Thank you, to those from the sheriff's office.

Audience members. What about AIDS? What about AIDS? What about AIDS?

The President. May I address myself to the gentleman's question? Our administration last year spent $4.3 billion on AIDS. That is 10 times as much for a person sick with AIDS as we spend on cancer. This year, we've asked for $4.9 billion, the highest research and prevention program in the world. We have the best scientists working on the problem. My heart is full of compassion, and we are doing what we can to get to the bottom of that.

Now, does anybody else have something they would like to say while we're all standing?

Audience members. What about AIDS? What about AIDS? What about AIDS?

Audience members. Four more years! Four more years! Four more years!

The President. Thank you very much.

Anybody else like to be heard up here, because I have one or two things only that I want to say. I was telling you how my opponent gave an interview to the USA Today, and he talked about planning his transition and picking out who's going to be the Deputy Assistant Under Secretary in each Washington agency, where he'll go to get away from the White House. I expected to go to the Oval Office on Thursday to find him there in the Oval Office measuring the drapes. But I

have a message: Put the drapes on hold, for pretty soon for you it is going to be curtains. We are going to take this to the American people.

This week, right here in Houston, we began this conversation with the American people, talking about the issues that shape the world, about the values that are close to home. I'm talking about jobs and family and faith and about neighborhoods free from crime and about a world free from fear.

If you listen to the other side tell it, you're for them if you're for change. But this election is not just about change, because change has a flip side, and that is called trust. When you get right down to it, the election is going to be like every other. When you pull that curtain closed and cast your vote on November 3d, trust matters. The American people are going to say, I trust President George Bush because he's made the tough decisions and he's conducted himself with honor and decency in that office.

You know, I used this example the other day, that when a phone rings in the middle of the night at the White House, when a crisis comes half a world away, the American people do want to know that their leader has the experience, the background, and the guts to do the right thing. I am proud of the changes that we've made together. I am proud of our total victory in the cold war, proud that in the past 4 years more people have taken the first breath of freedom than at any time in human history. That is major change. That is significant in terms of world peace.

But the job is not finished. There are plenty of wolves. The Soviet bear may be extinct, but there are plenty of wolves out there. As long as I am President, no madman will get his finger on the nuclear trigger. As long as I am Commander in Chief, America will remain safe and strong. I owe that to the American people.

Electing our leader who will protect our Nation means trust in the traditional sense. But that's just part of the picture. Each election is a referendum on the future and what we want it to look like. I stake my claim on a very simple philosophy: To lead a great nation, you must first trust the people that you lead.

And think about this fact: Nearly one out of every two delegates in Manhattan at that convention was on a government payroll. That's just not true in Houston. We are the party of real people: the preacher, the payroll meeter, the wage earner, the entrepreneur, the veteran, and yes, the volunteer, God bless them. And look at every big issue we face. You'll see a choice, a choice between we who put our faith in everyday Americans and they who put their faith in a big, unresponsive Government.

If you haven't heard by now what that Government-first crowd has planned, let me just give you a couple of examples. First, they're calling for over $200 billion in new spending and another $150 billion in new taxes. Now, they're going to come back at me and say, ``Wait a minute,

we're the new breed. We're no Walter Mondale, or we're no Michael Dukakis." And they may be right. I don't want to be unfair to Mr. Mondale or Dukakis -- [laughter] -- $150 billion in new taxes is more than the two of them ever dreamed of offering the United States of America.

But I think we'd all agree that we trust the people, not the Government, to create the jobs and get this economy moving. You heard Phil Gramm talk about it. You saw that film showing what we've tried to do, blocked, blocked by that Congress.

Let me just say another thing: We trust the parents, not the Government, to make the decisions that matter in life. We trust parents, not the Government, to choose their children's schools, public, private, or parochial. We fought for and we got a child care bill, where the parents choose the children's child care. And when the other side says Government knows best, I say parents know better. Parents know better than some bureaucrat in Washington, DC, or some subcommittee chairman out there that's been there for 38 years and is mandating everybody in this country how to behave.

We trust the people, not a new Government bureaucracy, to fix our health care system. We've got a good proposal that provides health insurance to the poorest of the poor and still provides the quality of medical care that would be decimated if we turn to the Government to do it all.

Well, you know that we've tried to get things through Congress. Now I'm going to take this fight to every corner of the Nation and make the case not just to reelect me, not just to reelect the Bush-Quayle ticket but to give Congress back to the people. You heard it here today: The House has remained under the same control since Khrushchev ruled the Kremlin and since Castro's coup in Cuba. And today, the status quo is under siege. The only way to break the deadlock in Washington is to clear out the deadwood on Capitol Hill. I'm going to do what Harry Truman did, take that case to the American people for a November decision.

Now, let me close with just a few words to my friends here in Houston and others from across this country. We've been talking about it, and for Barbara and me this week is bound to have a very special meaning. This is our last big convention, last time, you might say, around the track. It is great to come back home to Texas, come home to where it really began for us in a political sense.

I remember back in 1948 traveling out there when Bar and I were living in Odessa and then in Midland, traveling out across the plains to towns like Wink and Notrees and Andrews and Kermit and Crane, towns where parents worried and watched when the kid crossed the street; towns that sent their kids halfway around the world to fight for freedom, to the DMZ or to Da Nang or, yes, to Desert Storm. I remember the rhythms of that part of our country, the rhythms of west Texas: Friday night football, Saturday night picnics, the Sunday sermon. Barbara and I raised a family, built a business, and we made friends. We shared the small triumphs and the sorrows. As my good friend Dan Jenkins -- you remember Dan the Hornfrog Man, the T.C.U.

writer -- he put it this way, ``We lived life its own self." I remember, when the work was done, how we sat around the table late at night, and we talked: report cards, schoolyard fights, small things, big dreams.

I was not born in Texas, but in Texas 48 years ago, whatever it was, 44 years ago, I came of age. The lessons that Barbara and I learned here are the lessons that we have tried to live by. The friends that we made here and throughout our lives are the friends who are in this room, some from Texas, some elsewhere, every one of whom we owe a vote of gratitude to, the friends who have stood by us when times are great and when times are tough.

Now we are about to embark on the fight of our life and the fight to keep the American dream alive but keeping faith in people. I look forward to this fight. I can feel it. I can feel it building in my blood. One thing that is the most comfort is that through good times and bad, I have had you at my side. And we want to thank you for this fantastic show of support.

May God bless this great Nation of ours. Thank you for our many blessings, and may God bless the United States of America. Thank you very, very much. Thank you all. Thank you so very much.

Note: The President spoke at 2 p.m. at the George R. Brown Center. In his remarks, he referred to Lodwrick M. Cook, chairman of the luncheon, and Senator Phil Gramm of Texas.

Statement by Press Secretary Fitzwater on Possible Changes in the Cabinet

August 19, 1992

President Bush yesterday commented in a PBS interview that there would undoubtedly be changes in the Cabinet in the second term. He said this would be a normal situation historically, and he did not refer to any specific individual. The President believes his Cabinet is doing an excellent job.

The President called Jack Kemp, Secretary of Housing and Urban Development, this morning to congratulate him on his speech to the convention and to express his concern about Jack being singled out by the Houston Post this morning as departing from the Cabinet. The Presidentÿ20assured Jack that he was referring only to the routine departure of Cabinet members that historically occurs in a second term.

Nomination of James Michael Reum To Be a Member of the Securities and Exchange Commission

August 19, 1992

The President today announced his intention to nominate James Michael Reum, of Illinois, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1997. He would succeed Edward H. Fleischman.

Since 1979, Mr. Reum has served as a partner in the law firm of Hopkins & Sutter in Chicago, IL. He has also served as associate Republican counsel for the Committee on the Judiciary in the U.S. House of Representatives, 1974. From 1973 to 1974 and 1974 to 1978, he served as a corporate lawyer with the firm of Davis Polk & Wardwell.

Mr. Reum graduated from Harvard College (B.A., 1968) and Harvard Law School (J.D., 1972). He also served in the U.S. Army Reserves/National Guard, 1969 - 75. He was born November 1, 1946, in Oak Park, IL. Mr. Reum currently resides in Chicago, IL.

Remarks at a Prayer Breakfast in Houston

August 20, 1992

Thank you very much, Mary Lou. For heaven sakes, that was just wonderful, and thank you for that wonderful introduction.

Let me repeat what I said last week to the 1992 -- --

[At this point, audience members interrupted the President's remarks.]

I apologize to those who have put together this ecumenical, lovely prayer breakfast, but you just can't control things like this. I hope you understand. I certainly do.

I was saying that I salute Mary Lou and thank her. Let me repeat what I said last week to the 1992 summer Olympic team when they came to the White House. Whether they won a gold, silver, or bronze medal, or simply gave their best, they are all heroes in the eyes of each American.

I also want to salute my friend and running mate, Vice President Dan Quayle. Ninfa said it all; my friend Ninfa said it all: first-class.

May I salute the Mayor. And fellow Texans and Americans, I'm delighted to address this ecumenical prayer breakfast on this great occasion. You see, breakfast speeches are always my favorite. I figure it's the one meal where broccoli is never served. [Laughter]

Let me first salute that marvelous choir behind us. Think of it: a 40-piece orchestra; 85 singers from the Houston Children's Choir, too; our adult choir, members of 40 area congregations, 1,200 voices; and then, of course, there was Alan Green, football player, ``A" student, Rice graduate, and magnificent musician. Believe me, as one who works in the divisive world of politics, it's amazing to hear that many voices raised in unison on anything.

As you know, we meet on a special day. Tonight I give my acceptance speech. If it catches fire, it might give a whole new meaning to the story of the ``burning bush." [Laughter] The only problem is I have a funny feeling that Barbara and Marilyn Quayle raised the high bar quite a bit for me.

But anyway, as we meet today, deep in the heart of Texas, we meet deep in the heart of the most religious nation on Earth, too. I'm usually not much for polls, but here's a Gallup poll that makes sense to me. According to this survey, 7 in 10 Americans believe in life after death; 8 in 10, that God works miracles; 9 in 10 pray; and more than 90 percent believe in God. To which I say, thank God for the United States of America.

I'm delighted that Jim Baker's here, fellow Houstonian, and Susan. As he knows and as our Vice President knows and the other members of our Cabinet who I see out here know, we open every Cabinet meeting with a prayer. And it's going to be that way as long as I am President.

Today we've got difficult times, but we Americans have much to thank God for. Yes, challenges face us: good schools and safe streets, sound economy -- all the problems that Bob Lanier works with as Mayor of our great city -- and a world at peace. But we will meet and master them as Americans always have, not by running America down but by using God's gifts to lift America up.

Thomas Jefferson, Ronald Reagan's friend -- [laughter] -- he phrased the first gift best. ``The God who gave us life," he said, ``gave us liberty at the same time." Today God's gift of liberty is remaking the entire globe. In Berlin, like Jericho, the walls come tumbling down. In Barcelona, just ask Mary Lou, this summer the games were held without boycotts, without terrorism, without politics. That's exactly as it should be.

On that score, all of us have Olympic heroes; mine, Pablo Morales. Pablo, he's the swimmer who missed out in 1984, didn't make the team in '88, then came back this year to earn a gold medal at the ripe old age of 27. Now, let that be a lesson: Youth and inexperience are no match for maturity and determination.

Over the past 3\1/2\ years, bayonets have been no match for the righteousness of God. Look at Bulgaria, where at last people wish Merry Christmas to each other without fear of being labeled religious. Look to Russia, where a cathedral once called the All Union Museum of Religion and Atheism now houses God's apostles, or the former East Germany, where Bible studies are like bluebonnets in the spring, they're busting out all over. In a season of thanksgiving the world says grace. By God's providence, the cold war is over, and America's views prevailed.

I remember when, 10 years ago, one of God's great soldiers went to Eastern Europe and the Soviet Union. Returning to America, Billy Graham predicted that freedom would outlast tyranny. He felt that religion was alive way back then. The doubters said, ``He's been tricked." But Dr. Graham knew something they didn't. He knew the chains of oppression forged by men were no match for the keys to salvation forged by God.

I talked about this with Billy, Barbara and I did, just, well, it was a year ago in January when we invited him to stay at the White House the night before our troops started Desert Storm. I thought a lot that night about thousands of people praying in the churches, about our own home parish right here, Jim's and mine, St. Martin's. I see our bishop over here, and welcome, sir. St. Martin's parish, with its prayer books and its crosses and handmade Christmas cards made in Sunday schools for our troops in the Gulf. It's true of every parish represented at this wonderful ecumenical service. It is absolutely true of all religions.

We prayed for the troops themselves, the finest sons and daughters any nation could ever have. I know how a second gift of God's, family, can lift America. I can no more imagine a life without family than I can a universe without love. Last night -- here she is -- you saw Barbara on television. I'll let her explain why family matters so much. I thought she did a first-class job of that last night. But here's her quote. ``At the end of your life," she said, ``you will never forget not having passed one more test, not winning one more verdict, nor closing one more deal. You will regret time not spent with a husband, a child, a friend, or a parent."

Barbara knows that kids, quoting Art Linkletter, say not only the funniest but the most insightful things, especially about religion. Once a Sunday school teacher started talking about the story of Jonah and the whale, and she asked what the story showed. A small boy raised his hand. ``I know," he said. ``People make whales sick." [Laughter]

Well, each of us turns to God daily to make lives well, and we act through the third and greatest of God's gifts, prayer. If Congress can spend time debating Vanna White's appearance on the Home Shopping Network, surely Congress can find time to pass an amendment allowing voluntary prayer in our classrooms. So let's do what we can to bring the faith of our fathers back to our schools.

You know, I've been President for 3\1/2\ years now. More than ever, I believe with all my heart that one cannot be President of our great country without a belief in God, without the truth that comes on one's knees. For me, prayer has always been important but quite personal. You know us Episcopalians. [Laughter] And yet, it has sustained me at every point of my life: as a boy, when religious reading was part of our home life; as a teenager, when I memorized the Navy Hymn. Or how 48 years ago, aboard the submarine Finback after being shot down in the war, I went up topside one night on the deck, on the conning tower, and stood watch and looked out at the dark. The sky was clear. The stars were brilliant like a blizzard of fireflies in the night. There was a calm inner peace. Halfway around the world in the war zone, there was a calm inner peace: God's therapy.

This month I got a letter from a little girl, age 11, Joy Vaughn. Oh, I love getting the mail at the White House, but this one was special. She lives in Mesa, Arizona, and one of her brothers is a missionary. She wrote, ``I just wanted to tell you that I am praying for you." And then she added, ``God is in charge."

So Barbara and I have concluded, as every family that's been privileged to live in the White House I'm sure has concluded, that you cannot be President without believing in God. We say our prayers every night. When we sit in that historic family dining room on the second floor of the White House, we say the blessing before our meals. Today I ask for your prayers, not for the campaign that we're in but prayers asking God to give those of us in leadership positions and give me as President the strength to do what is right, the courage to lead this, the greatest nation on the face of the Earth, the United States of America, one Nation under God.

Thank you, and may God bless our great country.

Note: The President spoke at 9:30 a.m. at the University of Houston. In his remarks, he referred to Mary Lou Retton, 1984 Olympic gold medalist; Ninfa Laurenzo, Houston business leader; and evangelist Billy Graham.

Statement by Press Secretary Fitzwater on the Decision of the Railway Labor Dispute Arbitrator

August 20, 1992

On August 18, 1992, the President received for his review the decision of the arbitrator in the one remaining railway labor dispute associated with the shutdown of the Nation's railroads in late June. This decision was rendered pursuant to the arbitration process established by the Congress and concerns the dispute between the National Railroad Passenger Corporation (Amtrak) and the American Train Dispatchers Association. The decision becomes final and binding upon the parties unless the President disapproves it within 3 days following its receipt.

The President has decided that he will not disapprove this decision. The President is grateful to the arbitrator for his work in resolving this dispute.

Remarks Accepting the Presidential Nomination at the Republican National Convention in Houston

August 20, 1992

The President. Thank you all very much. Thank you, thank you very much. And I am proud to receive and I am honored to accept your nomination for President of the United States.

May I thank my dear friend and our great leader, Bob Dole, for that wonderful introduction.

Let me say this: This nomination's not for me alone. It is for the ideas, principles, and values that we stand for.

My job has been made easier by a leader who's taken a lot of unfair criticism with grace and humor, the Vice President of the United States, Dan Quayle. And I am very grateful to him.

I want to talk tonight about the sharp choice that I intend to offer Americans this fall, a choice between different agendas, different directions, and yes, a choice about the character of the man you want to lead this Nation. I know that Americans have many questions about our economy, about our country's future, even questions about me. I'll answer them tonight.

First, I feel great. And I am heartened by the polls, the ones that say that I look better in my jogging shorts than the Governor of Arkansas.

Four years ago, I spoke about missions for my life and for our country. I spoke of one urgent mission, defending our security and promoting the American ideal abroad.

Just pause for a moment to reflect on what we've done. Germany is united, and a slab of the Berlin Wall sits right outside this Astrodome. Arabs and Israelis now sit face to face and talk peace, and every hostage held in Lebanon is free. The conflict in El Salvador is over, and free elections brought democracy to Nicaragua. Black and white South Africans cheered each other at the Olympics. The Soviet Union can only be found in history books. The captive nations of Eastern Europe and the Baltics are captive no more. And today on the rural streets of Poland, merchants sell cans of air labeled ``the last breath of communism."

If I had stood before you 4 years ago and described this as the world we would help to build, you would have said, ``George Bush, you must have been smoking something, and you must have inhaled."

This convention is the first at which an American President can say the cold war is over, and freedom finished first.

Audience members. U.S.A.! U.S.A.! U.S.A.!

The President. We have a lot to be proud of, a lot. Some want to rewrite history, want to skip over the struggle, claim the outcome was inevitable. And while the U.S. postwar strategy was largely bipartisan, the fact remains that the liberal McGovern wing of the other party, including my opponent, consistently made the wrong choices. In the seventies, they wanted a hollow army. We wanted a strong fighting force. In the eighties -- and you remember this one -- in the eighties, they wanted a nuclear freeze, and we insisted on peace through strength. From Angola to Central America, they said, ``Let's negotiate, deliberate, procrastinate." We said, ``Just stand up for freedom." Now the cold war is over, and they claim, ``Hey, we were with you all the way."

Audience members. Boo-o-o!

The President. You know, their behavior reminds me of the old con man's advice to the new kid. He said, ``Son, if you're being run out of town, just get out in front and make it look like a parade."

Well, make no mistake: The demise of communism wasn't a sure thing. It took the strong leadership of Presidents from both parties, including Republicans like Richard Nixon and Gerald Ford and Ronald Reagan. Without their vision and the support of the American people, the Soviet Union would be a strong superpower today, and we'd be facing a nuclear threat tonight.

My opponents say I spend too much time on foreign policy, as if it didn't matter that schoolchildren once hid under their desks in drills to prepare for nuclear war. I saw the chance to rid our children's dreams of the nuclear nightmare, and I did. Over the past 4 years, more people have breathed the fresh air of freedom than in all of human history. I saw a chance to help, and I did. These were the two defining opportunities not of a year, not of a decade, but of an entire span of human history. I seized those opportunities for our kids and our grandkids, and I make no apologies for that.

Now, the Soviet bear may be gone, but there are still wolves in the woods. We saw that when Saddam Hussein invaded Kuwait. The Mideast might have become a nuclear powder keg, our energy supplies held hostage. So we did what was right and what was necessary. We destroyed a threat, freed a people, and locked a tyrant in the prison of his own country.

What about the leader of the Arkansas National Guard, the man who hopes to be Commander in Chief? Well, I bit the bullet, and he bit his nails. Listen to this now. Two days after Congress followed my lead, my opponent said this, and I quote directly: ``I guess I would have voted with the majority if it was a close vote. But I agree with the arguments the minority made." Now, sounds to me like his policy can be summed up by a road sign he's probably seen on his bus tour,

``Slippery When Wet."

Look, this is serious business. Think about the impact of our foreign policy failures the last time the Democrats controlled both ends of Pennsylvania Avenue: gas lines, grain embargoes, American hostages blindfolded.

There will be more foreign policy challenges like Kuwait in the next 4 years, terrorists and aggressors to stand up to, dangerous weapons to be controlled and destroyed. Freedom's fight is not finished. I look forward to being the first President to visit a free, democratic Cuba. Who will lead the world in the face of these challenges? Not my opponent. In his acceptance speech he devoted just 65 seconds to telling us about the world.

Then he said that America was, and I quote again -- I want to be fair and factual -- I quote, being ``ridiculed" everywhere. Well, tell that to the people around the world, for whom America is still a dream. Tell that to leaders around the world, from whom America commands respect. Ridiculed? Tell that to the men and women of Desert Storm.

Audience members. U.S.A.! U.S.A.! U.S.A.!

The President. Let me just make an aside comment here because of what you've been reading in the paper. This is a political year, but there's a lot of danger in the world. You can be sure I will never let politics interfere with a foreign policy decision. Forget the election; I will do right, what is right for the national security of the United States of America, and that is a pledge from my heart.

Fifty years ago this summer, I was 18 years of age. I see some young people in the audience tonight, and I remember how I felt in those days. I believed deeply in this country, and we were faced with a world war. So I made a decision to go off and fight a battle much different from political battles.

I was scared, but I was willing. I was young, but I was ready. I had barely lived when I began to watch men die. I began to see the special place of America in the world. I began to see, even then, that the world would become a much smaller place, and faraway places could become more and more like America.

Fifty years later, after change of almost Biblical proportions, we know that when freedom grows, America grows. Just as a strong America means a safer world, we have learned that a safer world means a stronger America.

This election is about change. But that's not unusual, because the American revolution is never ending. Today, the pace of change is accelerating. We face new opportunities and new challenges. The question is: Who do you trust to make change work for you?

Audience members. George Bush! George Bush! George Bush!

The President. My opponent says America is a nation in decline. Of our economy, he says we are somewhere on the list beneath Germany, heading south toward Sri Lanka. Well, don't let anyone tell you that America is second-rate, especially somebody running for President.

Maybe he hasn't heard that we are still the world's largest economy. No other nation sells more outside its borders. The Germans, the British, the Japanese can't touch the productivity of you, the American worker and the American farmer. My opponent won't mention that. He won't remind you that interest rates are the lowest they've been in 20 years, and millions of Americans have refinanced their homes. You just won't hear that inflation, the thief of the middle class, has been locked in a maximum security prison.

You don't hear much about this good news because the media also tends to focus only on the bad. When the Berlin Wall fell, I half expected to see a headline, ``Wall Falls, Three Border Guards Lose Jobs." [Laughter] And underneath, it probably says, ``Clinton Blames Bush." [Laughter]

You don't hear a lot about progress in America. So let me tell you about some good things we've done together.

Just two weeks ago, all three nations of North America agreed to trade freely from Manitoba to Mexico. This will bring good jobs to Main Street, U.S.A.

We passed the Americans with Disabilities Act, bringing 43 million people into the economic mainstream. I must say, it's about time.

Our children will breathe easier because of our new clean air pact.

We are rebuilding our roads, providing jobs for more than half a million Americans.

We passed a child care law, and we took a stand for family values by saying that when it comes to raising children, Government doesn't know best; parents know best.

I have fought against prejudice and anti-Semitism all my life. I am proud that we strengthened our civil rights laws, and we did it without resorting to quotas.

One more thing of vital importance to all: Today, cocaine use has fallen by 60 percent among young people. To the teenagers, the parents, and the volunteers who are helping us battle the scourge of drugs in America, we say, thank you; thank you from the bottom of our hearts.

Do I want to do more? You bet. Nothing hurts me more than to meet with soldiers home from the Persian Gulf who can't find a job or workers who have a job but worry that the next day will bring a pink slip. And what about parents who scrape and struggle to send their kids to college, only to find them back living at home because they can't get work.

The world is in transition, and we are feeling that transition in our homes. The defining challenge of the nineties is to win the economic competition, to win the peace. We must be a military superpower, an economic superpower, and an export superpower.

In this election, you'll hear two versions of how to do this. Theirs is to look inward and protect what we already have. Ours is to look forward, to open new markets, prepare our people to compete, to restore our social fabric, to save and invest so we can win.

We believe that now that the world looks more like America, it's time for America to look more like herself. And so we offer a philosophy that puts faith in the individual, not the bureaucracy; a philosophy that empowers people to do their best, so America can be at its best. In a world that is safer and freer, this is how we will build an America that is stronger, safer, and more secure.

We start with a simple fact: Government is too big and spends too much.

I have asked Congress to put a lid on mandatory spending, except Social Security. I've proposed doing away with over 200 programs and 4,000 wasteful projects and to freeze all other spending.

The gridlock Democrat Congress said no.

Audience members. Boo - o - o!

The President. So, beginning tonight, I will enforce the spending freeze on my own. If Congress sends me a bill spending more than I asked for in my budget, I will veto it fast, veto it fast, faster than copies of Millie's book sold.

Now, Congress won't cut spending, but refuses to give the President the power to eliminate pork-barrel projects that waste your money. Forty-three Governors have that power. So I ask you, the American people: Give me a Congress that will give me the line-item veto.

Let me tell you about a recent battle fought with the Congress, a battle in which I was aided by Bob Michel and his troops, and Bob Dole and his. This spring, I worked day and night to get two-thirds of the House Members to approve a balanced budget amendment to the Constitution. We almost had it, but we lost by just nine votes. Now, listen how. Just before the vote, the liberal leaders of the Congress convinced 12 Members who cosponsored the bill to switch sides and vote no. Keep in mind, they voted against a bill they had already put their names on. Something fishy is going on.

And look at my opponent on this issue. Look at my opponent. He says he's for balanced budgets. But he came out against the amendment. He's like that on a lot of issues, first on one side, then the other. He's been spotted in more places than Elvis Presley.

After all these years, Congress has become pretty creative at finding ways to waste your money. So we need to be just as creative at finding ways to stop them. I have a brandnew idea. Taxpayers should be given the right to check a box on their tax returns so that up to 10 percent of their payments can go for one purpose alone: to reduce the national debt.

But we also need to make sure that Congress doesn't just turn around and borrow more money to spend more money. So I will require that for every tax dollar set aside to cut the debt, the ceilings on spending will be cut by an equal amount. That way, we will cut both debt and spending and take a whack out of the budget deficit.

My feelings about big government come from my experience; I spent half my adult life in the private sector. My opponent has a different experience; he's been in government nearly all his life. His passion to expand government knows no bounds.

He's already proposed, and listen to this carefully, he has already proposed $220 billion in new spending, along with the biggest tax increase in history, $150 billion. And that's just to start.

Audience members. Boo-o-o!

The President. He says he wants to tax the rich. But folks, he defines rich as anyone who has a job. [Laughter]

You've heard of the separations of powers. Well, my opponent practices a different theory: the power of separations. Government has the power to separate you from your wallet. [Laughter]

Now let me say this: When it comes to taxes, I've learned the hard way. There's an old saying, ``Good judgment comes from experience, and experience comes from bad judgment." Two years ago, I made a bad call on the Democrats tax increase. I underestimated Congress' addiction to taxes. With my back against the wall, I agreed to a hard bargain: One tax increase one time in return for the toughest spending limits ever.

Well, it was a mistake to go along with the Democratic tax increase, and I admit it. But here's the question for the American people. Who do you trust in this election? The candidate who's raised taxes one time and regrets it, or the other candidate who raised taxes and fees 128 times and enjoyed it every time?

Audience members. Viva Bush! Viva Bush! Viva Bush!

The President. Thank you very much.

Audience members. Hit 'em again! Hit 'em again, harder, harder! Hit 'em again! Hit 'em again, harder, harder!

The President. When the new Congress convenes next January, I will propose to further reduce taxes across the board, provided we pay for these cuts with specific spending reductions that I consider appropriate, so that we do not increase the deficit. I will also continue to fight to increase the personal exemption and to create jobs by winning a cut in capital gains taxes.

That will especially help small businesses. You know, they create -- small businesses -- they create two-thirds of the new jobs in America. But my opponent's plan for small business is clear, present, and dangerous. Beside new income taxes, his plan will lead to a new payroll tax to pay for a Government takeover of health care and another new tax to pay for training. That is just the beginning.

If he gets his way, hardware stores across America will have a new sign up, ``Closed for despair." I guess you'd say his plan really is ``Elvis economics." America will be checking into the ``Heartbreak Hotel."

I believe that small business needs relief from taxation, regulation, and litigation. And thus, I will extend for one year the freeze on paperwork and unnecessary Federal regulation that I imposed last winter. There is no reason that Federal regulations should live longer than my friend George Burns. I will issue an order to get rid of any rule whose time has come and gone.

I see something happening in our towns and in our neighborhoods. Sharp lawyers are running wild. Doctors are afraid to practice medicine, and some moms and pops won't even coach Little League any more. We must sue each other less and care for each other more. I am fighting to reform our legal system, to put an end to crazy lawsuits. If that means climbing into the ring with the trial lawyers, well, let me just say, round one starts tonight.

After all, my opponent's campaign is being backed by practically every trial lawyer who ever wore a tasselled loafer. He's not in the ring with them; he's in the tank.

There are other things we need to do to get our economy up to speed, prepare our kids for the next century. We must have new incentives for research and new training for workers. Small businesses need capital and credit, and defense workers need new jobs. I have a plan to provide affordable health care for every American, controlling costs by cutting paperwork and lawsuits and expanding coverage to the poorest of the poor.

We do not need my opponent's plan for a massive Government takeover of health care, which

would ration care and deny you the right to choose a doctor. Who wants health care with a system with the efficiency of the House post office and the compassion of the KGB?

What about our schools? What about our schools? My opponent and I both want to change the way our kids learn. He wants to change our schools a little bit, and I want to change them a lot. Take the issue of whether parents should be able to choose the best school for their kids. My opponent says that's okay, as long as the school is run by government. And I say every parent and child should have a real choice of schools, public, private, or religious.

So we have a clear choice to fix our problems. Do we turn to the tattered blanket of bureaucracy that other nations are tossing away? Or do we give our people the freedom and incentives to build security for themselves?

Here's what I'm fighting for: Open markets for American products; lower Government spending; tax relief; opportunities for small business; legal and health reform; job training; and new schools built on competition, ready for the 21st century.

Now, okay, why are these proposals not in effect today? Only one reason: the gridlock Democratic Congress.

Audience members. Clean your House! Clean your House! Clean your House!

The President. A very good idea, a very good idea.

Now, I know Americans are tired of the blame game, tired of people in Washington acting like they're candidates for the next episode of ``American Gladiators.'' I don't like it, either. Neither should you. But the truth is the truth. Our policies have not failed. They haven't even been tried.

Americans want jobs, and on January 28th, I put before Congress a plan to create jobs. If it'd been passed back then, 500,000 more Americans would be at work right now. But in a Nation that demands action, Congress has become the master of inaction.

It wasn't always this way. I heard President Ford tonight. I served in Congress 22 years ago, under him. And back then, we cooperated. We didn't get personal. We put the people above everything else. Heck, we didn't even own blow dryers back in those days.

At my first Inauguration, I said that people didn't send us to bicker. I extended my hand, and I think the American people know this, I extended my hand to the congressional leaders, the Democratic leaders, and they bit it.

The House leadership has not changed in 38 years. It is a body caught in a hopelessly tangled web of PAC's, perks, privileges, partnership, and paralysis. Every day, Congress puts politics

ahead of principle and above progress.

Now, let me give you just one example: February 20th, 1991. It was at the height of the Gulf war. On that very same day, I asked American pilots to risk their lives to fly missions over Baghdad. I also wanted to strengthen our economic security for the future. So that very same day, I introduced a new domestic energy strategy which would cut our dependence on foreign oil by 7 million barrels a day.

How many days did it take to win the Gulf war? Forty-three. How many did it take Congress to pass a national energy strategy? Five hundred and thirty-two, and still counting. I have ridden stationary bikes that can move faster than the United States House of Representatives and the United States Senate, controlled by the Democrat leadership.

Audience members. Hit 'em again! Hit 'em again, harder, harder! Hit 'em again! Hit 'em again, harder, harder!

The President. Okay. All right. You wait. I'm fixing to.

Where does my opponent stand with Congress? Well, up in New York at their convention, they kept the congressional leaders away from the podium, hid them away. They didn't want America to hear from the people who really make the decisions. They hid them for a very good reason, because the American people would recognize a dangerous combination: a rubber-check Congress and a rubber-stamp President.

Governor Clinton and Congress know that you've caught on to their lingo. They know when they say ``spending," you say ``uh-oh." So now they have a new word, ``investment." They want to ``invest" $220 billion more of your money, but I want you to keep it.

Governor Clinton and Congress want to put through the largest tax increase in history, but I will not let that happen. Governor Clinton and Congress don't want kids to have the option of praying in school, but I do. Clinton and Congress don't want to close legal loopholes and keep criminals behind bars, but I will. Clinton and Congress will stock the judiciary with liberal judges who write laws they can't get approved by the voters.

Governor Clinton even says that Mario Cuomo belongs on the Supreme Court. [Laughter] Wait a minute, though. No, wait. Maybe not a bad idea. If you believe in judicial restraint, you probably ought to be happy. After all, the good Governor of New York can't make up his mind between chocolate and vanilla at Baskin Robbins. He's there, we won't have another court decision for 35 years, and maybe that's all right, too.

Are my opponent and Congress really in cahoots? Look at one important question: Should we limit the terms of Congress?

Audience members. Yes.

The President. Governor Clinton says no. Congress says no. I say yes.

We tried this -- look, we tried this once before, combining the Democratic Governor of a small southern State with a very liberal Vice President and a Democratic Congress. America does not need Carter II. We do not want to take America back to those days of malaise. But Americans want to know: Where's proof that we will have better days in Washington?

I'll give you 150 reasons. That's how many Members of Congress are expected to leave Washington this year. Some are tainted by scandal; the voters have bounced them the way they bounced their own checks. But others are good Members, Republican and Democrat, and they agree with me. The place just doesn't work anymore.

One hundred-fifty new Members, from both parties, will be coming to Washington this fall. Every one will have a fresh view of America's future.

I pledge today to the American people, immediately after this election, I will meet with every one of these Members, before they get attacked by the PAC's, overwhelmed by their staffs, and cornered by some camera crew. I will lay out my case for change, change that matters, real change that makes a difference, change that is right for America.

You see, there is a yearning in America, a feeling that maybe it's time to get back to our roots. Sure we must change, but some values are timeless. I believe in families that stick together, fathers who stick around. I happen to believe very deeply in the worth of each individual human being, born or unborn. I believe in teaching our kids the difference between what's wrong and what's right, teaching them respect for hard work and to love their neighbors. I believe that America will always have a special place in God's heart, as long as He has a special place in ours. Maybe that's why I've always believed that patriotism is not just another point of view.

There are times in every young person's life when God introduces you to yourself. I remember such a time. It was back many years ago, when I stood watch at 4 a.m. up on the bridge of a submarine, the United States Finback, U.S.S. Finback. And I would stand there and look out on the blackness of the sky, broken only by the sparkling stars above. And I would think about friends I lost, a country I loved, and about a girl named Barbara. I remember those nights as clearly as any in my life.

You know, you can see things from up there that other people don't see. You can see storm clouds rise and then disappear, the first hint of the sun over the horizon, and the first outline of the shore far away.

Now, I know that Americans are uneasy today. There is anxious talk around our kitchen tables. But from where I stand, I see not America's sunset but a sunrise.

The world changes for which we've sacrificed for a generation have finally come to pass, and with them a rare and unprecedented opportunity to pass the sweet cup of prosperity around our American table.

Are we up to it? I know we are. As I travel our land, I meet veterans who once worked the turrets of a tank and can now master the keyboards of high-tech economy. I see teachers blessed with the incredible American capacity for innovation who are teaching our children a new way to learn for a new century. I meet parents, some working two jobs with hectic schedules, who still find new ways to teach old values to steady their kids in a turbulent world.

I take heart from what is happening in America, not from those who profess a new passion for government but from those with an old and enduring faith in the human potential, those who understand that the genius of America is our capacity for rebirth and renewal. America is the land where the sun is always peeking over the horizon.

Tonight I appeal to that unyielding, undying, undeniable American spirit. I ask you to consider, now that the entire world is moving our way, why would we want to go back their way? I ask not just for your support for my agenda but for your commitment to renew and rebuild our Nation by shaking up the one institution that has withstood change for over four decades. Join me in rolling away the roadblock at the other end of Pennsylvania Avenue, so that in the next 4 years, we will match our accomplishments outside by building a stronger, safer, more secure America inside.

Forty-four years ago in another age of uncertainty a different President embarked on a similar mission. His name was Harry S Truman. As he stood before his party to accept their nomination, Harry Truman knew the freedom I know this evening, the freedom to talk about what's right for America, and let the chips fall where they may.

Harry Truman said this: This is more than a political call to arms. Give me your help, not to win votes alone, but to win this new crusade and keep America safe and secure for its own people.

Well, tonight I say to you: Join me in our new crusade, to reap the rewards of our global victory, to win the peace, so that we may make America safer and stronger for all our people.

May God bless you, and may God bless the United States of America. Thank you very much.

Note: The President spoke at 9:20 p.m. at the Houston Astrodome.

Remarks to the Republican National Committee in Houston

August 21, 1992

I think the Republican National Committee, under Rich Bond and Jeanie Austin's leadership, put on the best convention that we've ever had. It was first-class. Bill Harris was to be here. But Craig Fuller and so many others were intimately involved in all of this. It was a complex organizing job. It was done in a wonderfully imaginative way. I think that the convention gives us now a great lift as we take the battle to the opposition, but more importantly, take this positive message to the American people. I first wanted to come over here and say thanks. No longer will we tell Rich to cool his jets. We'll simply suggest that he keep doing what he's doing.

Let me just mention another item of business which I hope you all agree with me on, and that is I've recommended, as you know, Sam Skinner to be general chairman, the same role that Paul Laxalt had. We thought long and hard about that, but Sam has earned my confidence through superior performance, not just in the trenches politically where he and I have been shoulder to shoulder for a long, long time, out in Illinois particularly, but more recently as Secretary of Transportation. One of the major accomplishments of this administration, and you're going to hear more and more about this as the campaign goes on, is an innovative, creative, job-creating national transportation bill. No one deserves more credit for that major national accomplishment than Sam Skinner.

So when Jim Baker came back, I wanted to keep Sam suited up, out front, working for the cause. He and Rich will do a superb job there at the committee. He is good, and I know he's most enjoyable to work with, so I strongly recommend that.

Barbara and I just came from another event. When I saw what our local law enforcement people went through at this convention to keep the peace and to give everybody their rights, and I mean those that were inside the hall as well as those out, we decided that we wanted to go over and thank the police officers. So we went over there just now, had a representation of the full 3,000 police officers that serve this city that Barbara and I love so much.

As I was walking down the rope line, one of the press reporters inquired, ``Well, what about the tax plan?" I said, ``Well, it's fairly simple." You see, I do believe, as I said last night, that the Government is taxing too much and spending too much. So I mentioned something like that. I said, ``Well, it's a very easy plan. What you do is you tax people less, and the Government spends less." ``Well, how is it going to work?" And I said, ``Well, it's going to work because it benefits the taxpayers." There was a follow-on question, as always happens, and the police officers standing there, certainly not the highest tax brackets of all, were saying, ``Hey, we're taxpayers. We're taxpayers. It will help us."

I think that we've got a good message now to take to the American people. It's been there one way or another. I thought when Dan Quayle put it in perspective in what I felt was an outstanding speech by him last night, incidentally. I was sitting behind the podium, and I watched the reactions of various people in the audience that they focused in on. Not just that part of his speech but the whole thing resonated very well, indeed.

We came down here to Houston with more dire predictions, more gloom-and-doom negativism than I've ever seen in my long, long time in the political arena or, indeed, in the private arena. I think, first thanks to the work of the organizers of the convention, then thanks to the speeches and the presentations at the forums of so many of our party leaders and so many just plain grassroots Republicans, a lot of that is turning around.

Now I've got a big job on my shoulders; Barbara does; Dan and Marilyn do. But I just want to say one thing: I really am ready for this challenge. We've got so much at stake. As I tried to say last night, it isn't just a question of my winning an election. That really is coincidental to who can do the best job for the country. We're going to take this out there to the American people not just on the financial issues but on the questions of values. And then in the final analysis, as I touched on last night, it's going to be a question of trust.

I, for 6 months, have been letting Bill Clinton define me, erroneously, I might add, to the American people. Perhaps I miscalculated, because I said, look, it's more important to try to get something done. It's more important to keep working with Congress to get some incentives that will put people back to work or to pass a strong anticrime bill or to get our energy bill that we talked about last night out or to try to make some steps on passing our health care reform bill. I really felt that it was more important to get that done.

The Congress stalled and did nothing. So, as I told you last night, I'm going to link the Gore-Clinton, G - C, to the gridlocked Congress. G - C, put them right together. Put them right in there, and don't let them come apart.

The reason it will work is because it's true. It's true. The American people, if they don't understand it yet, will understand it when I get through, because it's factual. It is accurate. That one institution, the House of Representatives, that hasn't changed for 38 years, is now going to have not just a one-way street, which they've been pounding me on, every one of those leaders up there; I'm going to take it to them. And I'll go into a congressional district, and I'll do exactly what Harry Truman did. I'll go into a congressional district, and I'll say, ``You have the worst Congressman that you know. You think he's a nice guy, but he's terrible because here's what he's doing on a crime bill or energy or education, health reform, or whatever it is." We're going to single them out because they, each one of those liberal Democrats in Congress, have been singling me out and singling the Vice President out for the last 3\1/2\ years and smiling when I go up there to the Congress.

They say Clinton has a good reaction squad. We're going to give him plenty to react to, every single minute. Let them try to sever that umbilical cord. Let them sever the umbilical cord between the people that are blocking legal reform: Congress, Bill Clinton, and Gore. Let them try to sever it. They're not going to be able to do it because they can't.

The American people don't yet have that in focus. When we're through with the next 70-some days or whatever it is, I guarantee you they will. Then in the final analysis, as I say, I think that people are going to go into that voting booth, and I hope that they're going to say that this President has upheld the public trust. I hope they're going to say, ``Look, we may not agree on this issue or that. He might have done a better job on this phase of our agenda or that, but he has demonstrated that he has our trust. He has treated the White House and the Presidency with a certain respect and dignity. He has had a clean administration, free of scandal, and he stands with us on these fundamental values.'' And that's what I want the people to say.

And if we are -- well, put it this way, when we are successful, we'll be accompanied by a lot of new people to town, these new Congressmen. It's going to happen anyway. We'll get out, and we'll try again. We'll say: You've been out to the American people, and you've been elected. And you wouldn't have been elected if you didn't listen to them this year, because this is a strange political year. And I wouldn't be standing here now with 4 more years to go if I hadn't listened to the American people and touched a chord representing what they believe.

So let's try again to get something done for every family in America. I know it will work. It will work especially if all of you, whatever organizations you represent, whether it's the RNC or Huda Jones' marvelous group in the Federation or the Young Republicans or the College Republicans, the State parties which are so vital. We have the State leadership here, of course, members of the RNC. If we bring all of this together, under Rich Bond and Jeanie Austin's able leadership, I know we can get the job done.

Thank you all very, very much for what you're doing.

Note: The President spoke at 8:05 a.m. at the Hyatt Regency Hotel. In his remarks, he referred to Rich Bond, chairman, and Jeanie Austin, cochairman, Republican National Committee; William D. Harris, convention manager; Craig Fuller, Bush-Quayle convention chairman; Paul Laxalt, former general chairman, Republican National Committee; and Huda Jones, president, National Federation of Republican Women.

Remarks at a Bush-Quayle Rally in Gulfport, Mississippi

August 21, 1992

The President. Wow. Thank you very, very much. This is good for the soul.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you, thank you. Thank you so very much. Thank you for this warm Mississippi welcome. It is great to be back in Gulfport, great to be back in Fordice, Lott, Cochran, and Bush-Quayle country. Thank you very, very much.

This is our first stop after Houston, the first step into the future. We're here to kick off a crusade to bring back values and to build a stronger, more secure America.

We're grateful to be here with your Mayor and our Lieutenant Governor, Eddie Briggs. And may I single out my dear friend, a man of real values, a man of real talent, Ricky Scaggs.

You talk about southern hospitality, let me thank all the Republican leadership, those who greeted us on the ground, all of you who worked on this fantastic rally, and those who came with me on Air Force One. This is, as I say, our first step out of Houston, on to the election. I am delighted to be back here in this place which has sound family values, great tradition, and believes in a strong America.

I understand that since my last visit, Biloxi is something of the Monte Carlo of the gulf coast. Well, my pastor may be listening, so I want to say I never was much of a gambler. But let me offer a little sporting advice: Don't bet against us in November. We are going to win this election.

Now, let me put something in perspective. You've been reading about some of these crazy reports about my health. Well, let me say I am blessed with good health, blessed with good health. Last night I laid out an agenda for America, and the reaction has been very positive. If those overnight polls are any barometer, the American people agree with me that I do look better in my jogging shorts than Bill Clinton.

You know, last night we answered some questions for the American people. One of them is, ``Well, why spend any time anymore on foreign policy?'' Well, remember the days when some of these schoolchildren, or when some of you all were schoolchildren, hiding under the desks in drills to prepare for nuclear war. Well, I saw a chance to rid our children's dreams of the nuclear nightmare. And I did it, with the help of many others before me.

Seriously, do you know that over the past 4 years, more people have breathed the fresh air of freedom than in all of human history? We saw a chance to help, and we did it. And understand something: These were the two defining opportunities, not of a year, not of a decade but of an entire span of human history. We can all take great pride in that.

And yes, now that we have made the world safer and more secure, it's time to build a safer and more secure America. Here in Gulfport, you understand how the world has become linked, interconnected. The challenge before America today is to bring together foreign policy, economic policy, and national security policy to make a difference in your home.

So this election isn't simply, as the opposition, as that new twin ticket says, simply about change. It's about who do you trust to make the change work for you. That is the question.

And our opponents, my opponent is -- --

Audience members. George Bush! George Bush! George Bush!

The President. Look, creating jobs is the number one issue. My opponent has laid out his plan; it is clear, present, and dangerous. Here's the way it starts out: $220 billion in new, what he calls, investment. When he says investment, watch out for your wallet. Investing $220 billion of your money, that is not investment.

It goes on with the largest tax increase in history. Right up front, right up front before he's had to govern at all, he says tax them $150 billion more. No, we are not going to have that.

Along with it, a massive scheme to have Government take over the health care system. We have a program to make health insurance available to the poorest of the poor, to everybody, but not to get the Government tell you who your doctor can be.

I was talking to Thad Cochran and Trent, the Governor coming down here. And my opponent, we all agree, seems to like to compare himself to Elvis Presley. [Laughter] Well, my apologies to the King, but to me, the Governor of Arkansas' plan really does sound like Elvis economics. Because the time he is finished, American workers will all be checking into the Heartbreak Hotel. And I think we ought to treat those Clinton-Gore ideas the way Elvis would: Return to sender. Return him to Arkansas. Send them back to Arkansas and Tennessee.

We offer a different way to create jobs and get the economy moving. And last night I proposed a brandnew idea -- some of you may have heard it -- to let you, the taxpayer, check a box on your tax return to vote up to 10 percent of your taxes to go for nothing but reducing the Federal deficit. And then for every check, we have to reduce Federal spending by that much.

There's something else that I want to do, and every place I go in America people are saying, ``Please get it done." I'm talking about this: A lot of sharp lawyers are wreaking havoc in middle America. Doctors sometimes, maybe it's true here in Biloxi, scared to practice medicine; some parents afraid to even coach Little League. The bottom line is we are suing each other too much and caring for each other too little.

We have been, with the help of Trent and the help of Thad, we've been trying to go to toe with that Democratic liberal Congress to take on the trial lawyers and take on their new hero, incidentally, the Governor of Arkansas. I am keeping on fighting to put an end to these outrageous lawsuits that raise everybody's costs and scare people half to death.

We've got other ideas we're fighting for: To open markets for our products -- I saw a sign here about agriculture. Our farmers can compete with and outhustle anybody in the world if we give them a chance. Open markets for our products, not protection. Make health care more affordable without a Government takeover of medicine. Improve our schools so our kids can get the education they need to succeed, and tell the union to start thinking new ideas. Let's help these kids.

Now the fundamental: In order to get all these ideas and more into action, I need your help. I need you to change the U.S. Congress, to clean House. Clean the House. Exactly, exactly.

Audience members. Clean the House! Clean the House! Clean the House!

The President. We've got two guys here today that are trying to do just that, Paul Harvey and Clyde Whitaker, so help them out. I might say, if we had more like Trent Lott and Thad Cochran, we wouldn't have this problem of a Congress that obstructs everything we're trying to do.

You know, let me be very candid with you, Congress is an institution in gridlock. The liberal Democratic leadership has been in charge -- it's hard for these young people to believe -- but has been in charge of the House of Representatives for 38 straight years. The gridlocked Democratic Congress has blocked my jobs program, blocked my education program, and blocked the progress of the people of Gulfport, Mississippi. They are caught in a knot of PAC's and perks and privileges and paralysis.

Let me give you one example: It took us, with the help of many sons and daughters of Mississippi, 43 days, 43 days to win the Gulf war, while Congress has taken 533 days, and still counting, to give us a national energy policy to cut our dependence on foreign oil. That is gridlock. That is congressional gridlock. As I said, I've ridden stationary bikes that can move faster than the U.S. Congress.

Make no mistake about it: We are not going to let the Clinton-Gore ticket fool the American

people. The Clinton-Gore ticket and the gridlocked Congress are totally interlocked. One is C - G, and the other is G - C: Clinton-Gore, gridlocked Congress. But don't let them try to separate themselves from each other. They are one and the same, even though they tried to hide the leaders away at their Madison Square convention.

Now, let me give you one example of what I'm talking about. When Saddam Hussein invaded Kuwait, I turned to the American people -- and no area of our country responded better than the people of Mississippi -- I turned to the American people and asked for their support, and of course, to our young men and women, for sacrifice, before the Middle East became a nuclear powder keg threatening us all. Mississippi responded, and you made America proud. But many of the liberal Democrats in Congress stood against us.

As I said last night, what about the leader of the Arkansas National Guard, the man who hopes to be Commander in Chief? Let me repeat it for you. Two days after Congress voted to follow my lead, my opponent said this, and I want to be fair about it, so I'll give you the exact quotation: ``I guess I would have voted with the majority if it was a close vote, but I agree with the arguments the minority made." What kind of message would that send to a man like Saddam Hussein?

You talk about wishy-washy indecision that is offered up by both my opponent and the gridlocked Congress; they are one and the same. So if you want to see this country go forward with optimism, first send Bill Clinton back to Arkansas, but just as important, help me shake up that gridlocked Congress and get rid of them.

Speaking for this district, you can do it by electing a seasoned leader, General Paul Harvey, to represent you in the Congress. I told the general I was going to make a joke about his providing ``the rest of the story." But I'm sure you heard this kind of kidding. I'm sure he's heard it about 3,000 times every day.

Our crusade, and it is one, will not be easy. And I know that. But I'm absolutely certain that in November we will prevail. Two weeks ago, they were totally writing off the Bush-Quayle ticket, all those smart talking heads on television. We are going to take it to the American people. We're going to the people with our message.

For 9 months the Governor of Arkansas has been distorting my record. I don't care what the polls say, I'm going to take this case to the American people like Truman did, go against the Congress, go against the opponent, say what I'm for.

God bless the United States of America. We are going to win this race. Thank you all.

Note: The President spoke at 12:25 p.m. in Jones Park. In his remarks, he referred to Gov. Kirk Fordice; Senators Trent Lott and Thad Cochran; Ken Combs, Mayor of Gulfport; and entertainer Ricky Scaggs.

Remarks at a Bush-Quayle Rally in Branson, Missouri

August 21, 1992

The President. Thank you all veryÿ20much. Thank you so much. What a wonderful welcome back to the Ozarks. Thank you very, very much. May I just salute our great Governor, John Ashcroft, thanking him for all he's done to strengthen the American family and to bring decency and honor to the governorship of this State. He has been superb. I'm glad that all the entertainers, these marvelous stars who stand for grassroots America, are with us today. They are friends, and we honor them. And I know why you came here, just to hear them. So thank you very, very much.

May I tell you, perhaps it sounds a little bit prejudiced, but I think Barbara Bush is doing a first-class job as First Lady of this land. If you ask Barbara, she'll tell you that my favorite kind of music is a two-way tie between country and western. So, for me to visit Branson is really a dream come true. America loves country music because, I believe, country music really loves America. It's a great pleasure to be here.

Let me talk just briefly this afternoon about the choice that we face this fall. I might even mention a couple of country songs along the way. This is my second stop after our great Republican Convention in Houston that ended yesterday. Now we've got 70-some days left -- --

Audience members. Four more years! Four more years! Four more years!

The President. -- -- 70-some days left to take our message of hope for a safer and stronger and more prosperous America to every voter. I will take on the Governor of Arkansas. I will define him. And we will win.

You know, last week he gave an interview, Governor Clinton did, where he sounded as if he was getting ready to measure the drapes in the Oval Office. Well, I've got news for you. Not so fast. I believe that, come November 3d, my opponent and his saxophone will be playing that old Buck Owens classic, ``It's Crying Time."

You know, last night I had a chance to have some straight talk with the American people. One of the questions I wanted to answer was why, with all the challenges at home, foreign policy is important. Look, remember back to those days when the kids, and some of you were there then, had to climb under your desks to practice nuclear war drills? I saw the chance to rid our children's dreams of the nuclear nightmare. I did it, and I am proud of it. And the American people supported me. If that Clinton-Gore ticket doesn't understand it, I believe the American people do. That our kids can now sleep in the sunshine of peace is good for the American family, good for the entire world.

Do you remember Garth Brooks' song ``One Dream Per Customer''? Well, to me, that's not a bad description of our great country because freedom means that every citizen can have their dream. In the past 4 years, more people around the world were able to have their first dream of freedom than at any time in human history. With your help and the help of the American people that kept America strong, we got that done.

If the opposition doesn't think that's important, let them go to ethnic America. Let them talk to people whose families still live there or families that came here for the first time. Let them discuss that. Let those Clinton-Gore people hear from the American people that freedom is important. And I am glad I had a hand in bringing it about.

There's another side of all of this. There's another side of a more peaceful world. And that means that this new freedom brings new demands for American products, all American products. That means jobs for the American people.

Now, my opponent's ideas, they are clear, present, and dangerous. He says he's converted, he's not a liberal. But right out of the block, he offers $220 billion in new Government spending, that's true, and then $150 billion in new taxes, the largest tax increase in history. And he calls that investment. He wants to invest your money in Government spending, and I'm not going to let it happen.

When you peel away all his nice-sounding rhetoric about the plan he's got, the impact of his plan can be summed up by a song by my old friend Loretta Lynn, ``When the Tingle Becomes a Chill."

I propose a dramatically different way to create new jobs. I believe that we get a change in Congress, we can do it this way: Cut the Government spending and then cut the taxes. Get it down. Get Government further out of the lives of the people. And the Congress, that gridlocked Congress, has failed. Last night I promised a new idea to let you, the taxpayer, check your income tax form to designate up to 10 percent of your taxes for one purpose: reduce the deficit. And then, to the degree you check it, put lids on so we have to reduce the spending to go with that deficit reduction.

They get on me about spending. Look, I've sent up to the Congress proposals to eliminate over 200 Government programs and 4,000 projects, and I've asked for a freeze on discretionary spending. That gridlocked Congress has refused to go along. So today I say, let's give the American people the freedom to do what Congress has refused to do and been unable to do for 38 years under that liberal Democrat control.

As I say, I want to go further. As we cut the spending, I believe we can cut those taxes and give families more money to pay their bills and businesses more incentives to hire new workers. The Congress linked in to Bill Clinton say no, and I say yes. That's the way to bring prosperity back

to the United States of America.

We have other priorities.

Audience members. We want Bush! We want Bush! We want Bush!

The President. We have other priorities. Let me tell you about health care. My opponent has a plan that would lead to a back-door Government takeover of our health care system and would slap a tax on the already overburdened small-business man and small-business woman in this country. I want to unfetter small business, not stick a new tax on them.

I have a different approach to health care, the plan I've got to the Congress that the gridlockers refuse to move on. What it says is: Make insurance available to all, the poorest of the poor and everybody else. Get these costs under control. Do something about these malpractice lawsuits. But do not turn the health care over to the Government; would run it like they ran the post office and the bank.

We've got a great plan to renew our schools, and God bless the teachers that are out here today. We also have another plan, and that is put the lid on some of these crazy lawsuits that are costing our economy hundreds of millions of dollars, scaring coaches out of the Little League, scaring doctors out of the medical profession. Suing each other too much and caring for each too little, and I want to change it.

You might ask, why haven't you done that as President? I'll tell you. We've had proposal after proposal up on Capitol Hill to do it, to change the law. And the gridlocked Congress doesn't dare think about it because they are in the pocket of the trial lawyers association. That's the fact. That is the fact, and I'm going to keep telling the American people that: Blocked by the gridlocked Democrat-controlled Congress. Remember that. You're going to hear a lot about it for 74 days.

All right, let me give you another example. I mentioned it last night. On the day I sent the planes over Baghdad -- God bless those men and women of Desert Storm -- on that day I sent a new energy program to the Congress. It took 43 days to win the Gulf war, but it has taken 533 days, and still counting, to get Congress to send a national energy program down to the White House. That is too long. The Congress is in gridlock. They don't dare move. Too many -- --

Audience members. Clean the House! Clean the House! Clean the House!

The President. That's it: Clean the House, clean the House. That is the expression. That's it. All right, I'm going to be saying that from now on, too. This is exactly right. That is the problem: 38 years the Democrats have controlled the House. You ought to be able to just make a mistake and get a change in one time. They've never done it. Throw them out with their PAC's, their privileges, and their perks, and give us a chance.

Tomorrow, Branson, I understand, is hosting the fifth Oldtime Fiddle Contest. I wouldn't be surprised to see all the liberal leaders of the Congress there, signed up, participating as a team, fiddling while America gets burned by their inaction. But make no mistake about it, that Clinton-Gore ticket are locked, they are interlocked with the gridlocked Congress. I'm not going to let the American people forget that. We've got to change the Congress and send Bill Clinton back to live happily after across the Ozark Lake.

So I've got two messages, two messages. First, for the opponent: Follow that old Elvis Presley song ``Return to Sender." Return him over here across the lake. And then, you may have guessed it, break up the gridlocked Congress. Kick the liberals out of Washington. Give me a Congress that will cut the spending and cut the taxes and do what is right to get our great country moving again.

You know, the thing that got me the most about this Governor across the way is when he said we were ridiculed around the world. We are not. We are the most respected nation in the world. Let him tell that to the leaders there, and they'll tell him he's wrong. If he wants to say we're ridiculed, let him tell that to the men and women that fought in Desert Storm and see what happens to him.

So yes, I am proud to say we have changed the world. Now we've got to move this country forward. My good friend Randy Travis put it this way: ``There is no stopping us now." Thank you for this hospitality. Thank you for this fantastic welcome.

Let me put it this way. Here's the way it's going to be from now on out. Do you remember the son of Missouri, Harry Truman? He was a big underdog, and he fought back. He wrapped another Governor challenging him right around that do-nothing Congress. I'm going to do the same thing with the Governor of Arkansas, wrap him to the gridlocked Congress, take my message of peace and a stronger America to the American people, and win this election, not for me but for the American people.

Thank you very, very much. Thank you. Great rally.

Note: The President spoke at 4:36 p.m. at Silver Dollar City. In his remarks, he referred to entertainer Randy Travis.

Remarks to the Community in Woodstock, Georgia

August 22, 1992

The President. Thank you very much. You know, this reminds me of a great country song, ``If you want to see a rainbow, you've got to take a little rain." And we're going to show the American people a rainbow.

May I salute Mayor Rogers and thank my friend of long standing, and I hope your next Senator, Paul Coverdell, for that introduction; salute our leader, Newt Gingrich, who helps us so much in Washington; members of the city council here; the cheerleaders and bands from Cherokee and Etoyah and Sequoia High Schools; and Daron Norwood, the Spirit of Atlanta; and of course, Dr. Johnny Hunt, who I'm told is not only a spiritual leader here, but that First Baptist Church here in Woodstock stands for family, family values, one Nation under God. Jane Hancock and Audra Dinsmore and Johnny Isaacson, thank you all. And of course, I'm glad to be standing here with one of Woodstock's own, my friend Orlando Wilson, who is a good -- if anybody likes bass fishing, they know all about this guy. Now, Fred Cooper, my chairman, and Alec Poitevint, our leaders, thank you all.

It's great to be here in Cherokee County, the land of the free and the home of the Warriors. Okay, and let's not forget the Chiefs and the Eagles. Frankly, it's great to be out of that DC mode and out on the campaign trail, taking our case to the American people. We are going to give them something to talk about down at Dean's Store here in Woodstock.

So I want to talk briefly -- and the skies have cleared now, I'm glad to say -- about the sharp choice, the clear, sharp choice that we're going to offer every American. It's a choice between different agendas, different directions for our great country, and it's a choice about the character of the man that you want to lead this Nation for another 4 years.

They say this election is about change. Well, they're right. But let's not forget the things that must guide change are the things that never change: our belief in a strong defense, in strong families, and in leaving the world a better and more prosperous place for the young kids here today. That's what this election is about.

Think for a minute about the world we've already seen, a world of change: the Berlin Wall down; millions of people around the world took the first breath of freedom; and America, her ideals and her strengths intact, won the cold war. That is good for every American.

I can't come to Georgia without saluting one other thing. Thanks for the contribution that this State made to that wonderful victory of Desert Storm. It is something strong about the American spirit.

All this change didn't come about by accident. The world changed because we, the American people, stayed true to our unchanging principles. My opponents -- let them say this -- they say I spent too much time on national security and foreign policy. Well, let me tell you, when I took office I saw a chance to help finish off imperial communism, and I did it with your help. Perhaps even more important, I saw a chance to help rid our children's dreams of the nuclear nightmare, to help them live in a safer world. And I did that with your help, and that is good. So let the Clinton-Gore ticket understand one thing: I am not going to apologize for one minute for having spent time making the world a place of peace for all the children in this country.

For 40 years this was a change that Americans fought and died for. Now it offers us a defining challenge of the nineties, to take advantage of our victory around the world and then to build a stronger and more prosperous Nation right here at home.

So for these next 73 days I'm going to ask the American people: Who do you trust to bring it all home, foreign policy, security policy, and economic policy? Who do you trust?

Audience members. Bush! Bush! Bush!

The President. So I came here to Georgia today to ask the good people of this patriotic State to give me your support based on my experience, my ideas, and my character. I will not let you down.

Here we go. Let me spell out the differences. Okay, we're going to start it right here, right now in Woodstock. I believe our Government is too big, and it spends too much of your money. I believe the deficit is a dark cloud on the future of these young people. You know it, and I know it.

Clinton does not know it, and Gore does not know it. Hey, listen, you listen to these guys and you think the deficit is a big game of the ``Wheel of Fortune." You know that one? They want to buy three vowels: I, O, U. That's not good enough for the American taxpayer.

In Houston 2 nights ago, I announced a freeze on Government spending, and let me repeat it right here. If Congress sends me a bill spending one penny more than I requested, I will veto it faster than a spinner bait after Orlando's lure. We're going right after it. For the past 3 years, past 3 years, we've endorsed and proposed significant cuts in Federal spending. But that gridlock liberal Democratic-controlled Congress has chosen to direct your taxpayer dollars to their favorite projects. If they need more help curing the pork addiction, I'll say as I said the other night, let's give the taxpayers the power to dedicate up to 10 percent of their tax dollars to the deficit. If Congress won't cut that spending, the people of America will. It's just that clear.

And yes, we must cut spending. With a new Congress cutting that spending, I'll propose a tax cut to give you more of the money to pay the bills, to give the businesses the incentives to create the

new jobs that this economy so desperately needs, and we will do more to jump-start the economy.

Frankly, it's the small business people that are hurting. They're the ones that create the jobs. I want to give small business a shot in the arm. Small businesses, they create two-thirds of the jobs in this country. You take places like the Cost Plus on South Main Street or Morgan's Hardware. If we're going to get this country moving, small business needs relief from taxation, these awful lawsuits, and from regulation. And we are going to give it to them.

Now, let me tell you this: the Governor of Arkansas, the commander of the Arkansas National Guard, he wants a different kind of change.

Audience members. Boo-o-o!

The President. Now, wait a minute. This is a fact. He has actually proposed already, isn't even in there yet, and he's proposed raising Government spending by $220 billion and raising taxes, the biggest increase in history, by $150 billion. We cannot have that.

Audience members. Boo-o-o!

The President. You think those guys only know one word, change. They talk about it. Well, that's change all right; that's about all you'll have left in your pocket when they get through with you. Yes, we want change, but it's also a question of trust. Look at every big issue we face, and you're going to see a choice between the people who put their faith in everyday Americans and those who put their faith in the Government.

I trust you, the families and the parents, to make the decisions that matter in life. I trust the parents, not the Government, to choose their children's schools, private, public, or religious. Very, very candidly, the Congress opens a meeting with a prayer. I think the schoolchildren ought to have a voluntary prayer in schools. You could argue that Congress needs it more, but I think everybody ought to have that option. I trust the parents, not the Government, to choose the children's child care. It's better to have parents do it than have some subcommittee in Washington tell you how to look after your kids.

Frankly, it all sums up to this: I think the Government is already big enough, and they tax people too much. It's that simple. If you want fewer lawsuits and fewer regulations and more opportunity for small business, vote for me.

I wonder about the Governor of Arkansas. I wonder why it is that whenever he's faced with any problem, his solution is always to put Government first. But you know, it's not so surprising. When you spent more of your life in government, like he has, government is all you know anything about. I've got my belief in trust, about limited Government from working out in the

oilfields of west Texas, from trying to build a business and trying to meet a payroll. That's where I learned how jobs are created. That's where I learned this: In this country, the Government works for the people, not the other way around.

But Bill Clinton isn't the only one who's forgotten that lesson, if he ever knew it. There's a whole party of his colleagues up there on Capitol Hill who have spent their lives on the Government payroll. They, that liberal Democratic gridlock, has been controlled by one party for 38 years, 38 years. I call them the gridlocked Congress. I'm going to remind the American people: 38 years. Clean the House, clean the House, clean the House. You have to do it; we ought to do it.

Audience members. Clean the House! Clean the House! Clean the House!

The President. Let me just put it parenthetically, the last thing this country needs is a rubber-check Congress and a rubber-stamp President. We don't need it, and we're not going to have it.

I think the American people know this, that I've tried to work with these people. You remember when I said, ``We didn't come here to bicker. We came here to do something for the people''? I held out my hand, and that liberal Democrat-controlled Congress bit it off. Now I'm going to take that case to the American people and say, change the Congress.

Every American knows the truth that Congress has become corrupt and conceited and confused, a body of these PAC's and privileges and partisanship and paralysis. They can't run a tiny bank. They can't run a tiny post office. And yet, they're running your lives. We've got to change it.

You know, Harry Truman took it this way. He went out across the country. He got in his sights the Congress, took his case to the people, and then he linked his opponent right into those sights. Well, let me tell you this. I'm going to do the same thing.

I am for Paul Coverdell, and here's why. He was willing to stand up and think anew. As Truman did, he's willing to single out those who talk one way and vote another. The thing in this Senate race is this: I stand for a balanced budget amendment; Wyche Fowler is against it. I stand for the line-item veto; Wyche Fowler is against it. I stand for those who stood at Desert Storm, and he opposed me. Now we want a change. That is the fact. It's fine to talk one way in downtown Woodstock and vote differently in Washington, but we cannot have that anymore.

You know, I know this race is long, know it; read all these polls about being behind. But yes, I really believe and have a confidence that we will win. We're going to win, not because of a victory for me but because we trust the American people. We win because our ideas are strong, and we win because we understand the American way. We'll win also because I think we've got a great First Lady who stands for the family and family values.

So you tell Governor Clinton and that gridlocked Congress: If you can't run with the big dogs,

stay under the porch. We're coming after them.

Thank you very, very much. May God bless the greatest, freest country on the face of the Earth. And thank you for this fantastic rally. Thank you so very much.

Note: The President spoke at 1:06 p.m. on Main Street. In his remarks, he referred to entertainer Daron Norwood; Jane Hancock, who sang the national anthem; Audra Dinsmore, who sang ``I'm Proud To Be an American''; Johnny Isaacson, Republican candidate for Georgia State Senate in the 21st district; Fred Cooper, Georgia Bush-Quayle chairman; Alec Poitevint, Georgia Republican Party chairman; and Senator Wyche Fowler, Jr.

Remarks at the Pride in Alabama Rally in Hoover, Alabama

August 22, 1992

The President. Roll up your sleeves; we're going to work. Thank you very much. Thank you very, very much. Thank you so very much for that welcome. I reminded them over in a little rainstorm in a rally in Georgia of a country song, ``If you're going to see a rainbow, you've got to stand a little rain." And you've sure done it. Thank you.

We are going to have a rainbow. We are going to win this election for the American people. May I thank Emory Folmar; and of course, my good friend Governor Guy Hunt, your Governor, I support him all the way; single out two Members of the United States Congress, Sonny Callahan and Bill Dickinson, old friends, both doing a great job; my fishing pal Ray Scott, Sportsman of the Year for Alabama.

Let me say this magic city is a wonderful place to start a magic campaign. I've got a feeling this fall we're going to use that magic to make some Democrats disappear, disappear from the Presidency, disappear from the House. There's a very important battle going on this fall, big battle this fall: two fiercely determined rivals locked in gridlock, locked in combat. And I'm not just sure whether this thing's going to be won by the War Eagles or by the Crimson Tide, but nevertheless, that's your business.

Hey, I did like it, though, when George Archer won the Senior PGA Tournament around here. I would have loved those big headlines, ``George comes on strong, pulls off big win." Help me do that in the fall, because we are coming on strong, and we're taking our case to the American people. We're bypassing those talk shows and going to you, the American people, saying, ``Give us your support."

The reason we'll win is we're talking about entirely different directions for this country, different agenda. It's a choice about the character of the person you want to lead this Nation and the direction you want us to go. I believe I am the person to have that support.

All the other side does is talk about change, change, change. But the thing that must guide change are things that never change. We believe in a strong defense, in strong families, in leaving the world a better place for our children.

Think for a minute, just think for one minute about the world of change that we've seen the last 4 years: the Berlin Wall down; millions of people took their fresh first breath of freedom; and America, her strength and ideals intact, won the cold war. And you, the taxpayers, helped get that job done. These changes are not accidental. The world changed because America remained

true to her unchanging principles. So when Governor Clinton says we're ridiculed around the world, he is disconnected. We are respected around the world.

My opponent said I spent too much time on national security and standing up against aggression, too much time on foreign policy. Let me tell you something. When I took office I saw the chance to help finish off imperial communism, and I did it with the help of the American people. I saw the chance to help rid our children's dreams of the nuclear nightmare, to help them live in a safer world. I did it with your help, and I am proud of it. And that is important. So let them criticize and carp. I will never apologize for one single minute that I have met trying to make this world a more peaceful place for all the young people here today.

The challenge now: to build a more prosperous and secure nation right here at home. And so for these next 73 days I'm going to ask the American people: Who do you trust to bring it all home?

Audience members. Bush! Bush! Bush!

The President. Bring it home, foreign policy, security policy, and economic policy, so that it can make a difference to you right here in these neighborhoods, right here in Alabama. I ask for your support based on my experience, my ideas, and my character. Let me say this. I share Alabama's commitment to family values, and we will never forget: We are one Nation under God, one Nation under God.

So we start right now, right here. I do believe here's a principle with which I differ from my opponent, the Governor of Arkansas. I believe our Government is too big, and it spends too much of your money. I believe the deficit is a dark cloud on our children's future. You know it, and I know it. And I put forward a program to do something about it.

If the Congress sends me any bill spending one penny more than I requested, I will veto it fast, right on the spot, faster than the sales of Millie's book. I've repeatedly proposed cuts in the Federal spending to deflate the deficit. This year alone, I called for the elimination of 200 specific programs and 4,000 wasteful projects, and this gridlocked Congress has said no and diverted your money to pork barrel projects. So here's the proposal: If Congress needs more help curing its addiction, I say let's give the American people a chance. Give the people the power to dedicate up to 10 percent of their tax dollars directly to the deficit. If Congress won't cut the deficit, the American people will. Give the people that power.

Let me repeat what I said at our convention. As we get these appropriate spending reductions, I will propose a tax cut to give you more money to pay your bills, businesses more incentives to create the jobs that this economy needs. We've got to do both: lower spending and lower taxes.

One other thing, one other point: We've got to give the small businesses a shot in the arm around here. They're the ones that create two-thirds of America's jobs. Think of them right here in the

mall, McMillan's or Norton's Florist, right here in this area. If we're going to get this economy moving, small business needs relief from taxation, from regulation, and yes, from these crazy lawsuits that are killing us off.

These lawsuits are costing our economy billions of dollars each year, and we're fighting now to reform our legal system. As a Nation, very candidly, we need to sue each other less and care for each other more. About 460 days ago, May 15th, 1991, I sent my first plan to control these outrageous lawsuits up to the Congress. It is still sitting there, blocked by Congressmen beholden to that powerful lawyers' lobby, gridlocked in this liberal Democrat-controlled Congress. I say: Let's change the Congress. Let's clean House.

Audience members. Clean the House! Clean the House! Clean the House!

The President. Very true. Elect these guys. I'm coming to them in just a minute. Let me just remind you, I hate to ruin a wonderful day like this, but let me remind you what Governor Clinton wants.

Audience members. Boo-o-o!

The President. He's gotten the fever. He's gotten that liberal Democratic fever, and he's not even there yet. He wants to raise Government spending, he's already proposed this, by $220 billion. He wants to raise taxes, the biggest increase in history, by $150 billion. And to that, I say: No way, Governor. No way.

They talk about change. The only thing you'll have left in your pocket, if this guy gets in, is change, I'll tell you that. They always want to put Government first. That's not so surprising. When you've spent most of your life in Government, Government is pretty much all you see. I spent half my adult life, thank heavens, in the private sector. I earned my belief in limited Government from working out, having a job, holding a job, working in the oilfields, building a business, and meeting a payroll. That is a good credential for anybody that wants to be President of the United States of America.

I learned what all of you have learned and some are now learning. That's where I learned how jobs are created, that you can't have employees without employers. That's where I learned in this country that Government works for the people, not the other way around.

But in all fairness -- we've got to be fair in this election -- Governor Clinton is not the only one who has forgotten that lesson, if he ever knew it. There's a whole party of his colleagues right up there on Capitol Hill in Washington, DC, who have spent their entire lives on the Government payroll. I call them the gridlocked Democratic liberal-controlled Congress, and I don't believe the Governor can stand up to them. The last thing we need is a rubber-check Congress and a rubber-stamp President. We don't need that.

And look, I've tried to work with this Congress. You all remember at the Inaugural Address I said, ``People didn't send us here to bicker, they sent us here to get something done." I held out my hand, and these old mossbacks bit it off. Enough! We've got to change the Congress.

So we're talking clean House. We need Spencer Bachus here for the Sixth District. We need Terry Everett for the Second District, Don Sledge for the Third, Mickey Strickland for the Fourth, Terry Smith for the Fifth, and Kervin Jones for the Seventh. And then we can clean House.

While we're at it, the Senate needs a little work. Those liberals that control that Senate are blocking me every inch of the way. Give us Richard Sellers for the Senate. Make change. Make change.

Look, I know this and you know it: Americans are tired of the blame game, sick of all the excuses, tired of these people up there acting like they're the candidates for the next episode of ``American Gladiators". But I'll tell you this: I am tired of it, too. Every American knows the truth. Congress -- look at the post office, look at the bank -- they have become corrupt, conceited, confused, a body of these PAC's, perks, privileges, partisanship, and paralysis. We must change the Congress with which Bill Clinton is interlocked.

You ask him when he comes south. He talks about change. What about changing the one institution whose control hasn't changed in 38 years, since he was 7 years old? The Congress. They have a lower rate of turnover than the Soviet Politburo.

So it's time to say, ``Enough is enough." If you want to get rid of that deadlock, give me some new faces in that Congress and watch this country move forward. There is so much to do: a balanced budget amendment, locking this line-item veto into place so we can cut that spending. Give the parents some choice in the schools that their kids attend -- private, public, or religious. Give us that kind of a positive change.

I know this is a long race and that some have counted us out. Oh boy, are we having some problems with the national media. They don't know good news when they see it. They are going to know change when they see it. And we're going to win this in the final analysis on this basis because I trust the American people, and I hope I have earned the trust of the American people.

When I think of the great patriotism shown by this wonderful State of Alabama and I think of those men and women that served in Desert Storm and I think of the opposition I had in the Congress, I say let's change it. So if we're faced with a problem again, we can solve it just as quick as we did Desert Storm in spite of that opposition.

So, my message is this -- after once again saying thanks. I can't tell you what this does for the

spirit, this, the largest rally, as Emory told me, he's ever seen around here.

Audience members. Four more years! Four more years! Four more years!

The President. So you tell the opposition we stand for family values. And the best evidence of this, standing right here with me today, is Barbara Bush, who does so much for literacy in this country.

Audience members. Barbara! Barbara! Barbara!

The President. You tell them we stand for family and faith and one Nation under God. And then go tell the gridlocked Congress and Governor Clinton: If you can't run with the big dogs, stay under the porch.

Thank you all very much.

Note: The President spoke at 2:55 p.m. at the Riverchase Galleria shopping mall. In his remarks, he referred to Emory Fowler, Mayor of Montgomery. A tape was not available for verification of the content of these remarks.

Remarks at the National Affairs Briefing in Dallas, Texas

August 22, 1992

Thank you very much. Hey, listen, this is a nonpolitical gathering. Thank you. Life is not fair. For me to get up here after Dr. Adrian Rogers, one of the great religious leaders of this country, it just doesn't seem fair. Adrian, thank you, sir, for that introduction. I mean, seven standing ovations in the introduction, my heavens, what's going on here? [Laughter]

But I am so pleased to be here. I have great respect for the man that did the introducing and so many here with us tonight. I'd like to recognize a true fighter for the American family. I heard him when Barbara and I were standing in the wings; we heard him. I'm talking about one of this Nation's truly great and, I would say, spiritual Governors, Governor John Ashcroft from Missouri. He gets it on his own and also from his wonderful dad that is so well known to, I'm sure, many people here.

Thanks to Denee Varnum for that singing and the First Baptist Church choir and orchestra for that assist on ``The Battle Hymn of the Republic." May I salute -- I think Congressmen Sam Johnson of Dallas and Dick Armey of a neighboring district are here with us tonight, both doing a superb job.

Of course, another old friend for Barbara and me, now doing a superb job for this city, Mayor Steve Bartlett. You're lucky to have him. You Dallas folks are lucky to have him as your leader.

In my line of work, loyalty and friendship really count, and I want to single out Dr. Jerry Falwell, who is with us tonight, because he sure fits that description as far as the Bush family goes. I'm sorry that I missed Dr. E.V. Hill. I was with him in his church in South Central out there in Los Angeles. I understand he just wowed them here tonight. But here's a real man of the cloth and a man I respect enormously. I wish he were here now.

Of course, special thanks to our organizer and wonderfully dedicated chairman, Ed McAteer; a man who I was sitting next to, he and I go back many, many years out here in Texas, and he was reminding me of a meeting we had some 36 years ago out in west Texas, Ed Drake, chairman of the national NAB. Or is he the local chairman? Which are you? Local chairman, all right. And Dr. Jack Graham, the chairman of the ministerial committee.

Let me just say it's a pleasure to be here. I've got a very difficult assignment. I plan to fulfill it to the letter. I was told that this is a nonpolitical event. We're just coming off of a fantastic campaign swing, so I'm going to cool it down, though, and talk about things that I think are near and dear to our hearts.

You see, we meet tonight at a time of great change. It's exciting change; makes me wish I were about 40 years younger at times. In both the world and our Nation this change is exciting. Changes are taking place, and they literally defy the imagination. I remember 10 years ago when one of God's great soldiers, a friend to all here, I'm sure, visited Europe and the Soviet Union. Returning to America, Dr. Billy Graham predicted that freedom would outlast tyranny. He'd sensed something as he traveled across that monolithic Communist empire. The doubters said he'd been tricked. But Dr. Graham, Billy, knew something they didn't. He knew the chains of oppression forged by men were no match for the keys to salvation forged by God.

Over the past 3\1/2\ years, bayonets have been no match for the righteousness of God. Now, look to Bulgaria, where at last people wish Merry Christmas not only in the privacy of their homes but in public, in the streets. Look to Russia, where a cathedral that was called the All Union Museum of Religion and Atheism now houses God's apostles, or the former East Germany, where Bible studies are like bluebonnets in Texas in the spring, they're busting out all over.

In a season of thanksgiving the world says grace. And by God's providence the cold war is over, and freedom finished first. Because of the changes that have been wrought outside our Nation, our children and our grandchildren now sleep in the sweet sunshine of peace. And now it is our challenge, it is our sacred challenge, to build for them a nation that is as secure from the inside as it is safe from the outside.

I met not long ago with some of the mayors of our great cities in this country. It was the directors or the executive board of the National League of Cities. I asked what was the root of the ills with which they are afflicted in these cities, problems like crime, drug abuse, unemployment. They could have complained of the lack of Government money, but they didn't. They could have complained at the lack of Government programs, but they didn't. These mayors, including those from the other party, liberal, conservative, Republican, Democrat, large city, small city, said that all their problems could be traced to the breakdown of the American family. I would simply add to that, an erosion of traditional moral and religious values on which our very Nation was founded.

Some want us to get away from that. Some want us to get off of that theme, get away from that. I simply cannot do it. It is too fundamental. Leave out the election. It is fundamental that we restore and strengthen the American family.

Now, this week you saw a very charismatic, dynamic, insightful Bush family member appear on television and talk to the Nation. I'm speaking, of course, of our First Lady, Barbara. By the way, I recall the Book of Proverbs said that ``Grandchildren are the crown of the aged.'' Well, while I wouldn't quite put myself up there with the aged yet -- some will, but I don't put myself there -- I must tell you I felt like I was wearing a crown the other night when I listened to one of our grandkids, George P., speak to this Nation. This is a family night here, and I hope you'll

understand how emotional Barbara and I felt when we saw this little guy get up. I asked him ahead of time, ``Are you scared?'' Oh, no, no, he wasn't scared at all. But he carried it off well, and he spoke from the heart.

Then yesterday, we were over in Gulfport, Mississippi, and then at this marvelous country music town of Branson, Missouri, and we saw a sign, ``George P. in 2024. Viva Bush.'' It's wonderful, this politics. But you know, in a tough political year -- it's been pretty tough, let's face it, and all the criticism, but it all subsides. It all gets into proper perspective when you see your own grandkid up there and can take pride in what your family does.

You know, Barbara in her speech said something I remember. She said, ``To us, family means putting your arms around each other and being there.'' Now, those are truly words of insight and wisdom. When I speak of family values, of restoring a little moral and religious fiber to our Nation's diet, my opponents accuse me of mouthing slogans. But it is no slogan that America remains the most resolutely religious nation on God's great Earth. It is no slogan to say that America will always occupy a special place in God's heart. But that is true only as long as we keep Him in a special place in our hearts. So I believe that now that the world has become more like America, it is time for America to become more like herself. That means strengthening the American family, and yes, it means increasing our faith in God.

Government policy can make a difference. That's why I fought for changes -- some that Steve was generous enough to talk about -- in our welfare laws to encourage families to stay together, fathers to stick around, children to be able to save a little money when their mother's on welfare so they can get themselves educated. We've got to change the way the old welfare system has worked.

When Congress was considering a new law giving parents help with child care, I fought to make sure that parents would be able to choose the child care provider of their choice. I fought especially hard, and we were successful on this one, to allow care provided in religious settings. We had to fight, but we won that fight. You see, when it comes to deciding who should care for children when parents are working, I believe Government doesn't know best; parents know best. Parents should choose.

The same is true of education. I have spoken often of roots and wings. Wings, of course, are the subjects our children learn, math, science, English, that allow them to make their way in our complex world economy. But just as important are the roots, the moral values taught around the kitchen table or in our churches, and yes, as Dr. Rogers said, I believe, in our schools. For without roots our children will never fly in a moral and good direction.

Many parents want their children to attend religious schools, but they simply can't afford it. So I am fighting for a ``GI bill'' for children. It will give Federal money to working parents so that they can choose the best school for their children. The choice should include all schools, public,

private, and religious.

I happen to believe that just as we fix our economy and improve our schools, we've got to strengthen our moral foundation. If I could make one political comment, I was struck by the fact that the other party took words to put together their platform but left out three simple letters, G - O - D. As you may have heard, Governor Casey of Pennsylvania was also shut out of the convention because he wanted to talk about the rights of the unborn. At least he's in good company. My party's platform is different. We are proud to celebrate our country's Judeo-Christian heritage unrivaled in the world. [Applause]

While you're still standing may I say, as I said, I happen to believe that all human life is precious, born or unborn. I think it's ridiculous that a 13-year-old girl here in Dallas has to get her mother's permission to get her ears pierced in a mall but can get an abortion without telling her mom and dad. That doesn't make sense to me. I don't believe it makes sense to most Americans.

Something's wrong when kids can get birth control in school but can't say a prayer in school. If Congress can debate the merits of Vanna White appearing on the Home Shopping Network, surely Congress can find enough time to pass an amendment to allow our kids to thank God. So I call on the Congress again, and I'll keep calling on them to pass a constitutional amendment allowing voluntary prayer. Let us bring the faith of our fathers back to schools.

These are the kinds of issues that I care about and, certainly, I know you care about. So I'm not going to be dissuaded by the critics who call family values a cliche, who say that family values have no place in our national debate. I will ignore those who would rather not talk about a moral revival in America because I believe it is as important as any other challenge that we face.

Barbara and I have crisscrossed the country today, started out in Missouri, went to Georgia, spent our afternoon in Birmingham, Alabama, where a crowd of 20,000 people were kind enough to wait in the rain to see us. As we came out on the stage, singer Lee Greenwood was just beginning that marvelous anthem you know, a beautiful version of the song ``I'm Proud To Be an American."

As I looked over the crowd, the rain was pouring down, falling, and I saw a little girl with blond ringlets perched upon her dad's shoulders. She had a little ball cap on her head, an American flag in one hand. As Lee Greenwood began to sing she began to wave the flag, and I looked and in her other hand she had scrawled a sign. All the rain had smudged the ink, but I could still make out the words ``I love America. America loves God."

That little girl will grow up in a world filled with miracle medicines, a world where all the volumes of all the books in the Library of Congress will be able to be stored on one tiny little disk. While scientific progress is good, it is my fervent hope that she will also come of age in a

nation where family is always first and where the Creator is worshipped above all else. That is what has made America the greatest nation on God's Earth. It is our faith which will guarantee that the Sun never sets on our Nation.

I'm just delighted to have been with you. Thank you for inviting us. And may God bless this most wondrous land on the face of the Earth, the United States of America. Thank you very, very much.

Note: The President spoke at 9:25 p.m. at the Dallas Convention Center. In his remarks, he referred to Adrian Rogers, pastor, Bellevue Baptist Church, Memphis, TN; evangelists Jerry Falwell and Billy Graham; Edward V. Hill, pastor, Mount Zion Missionary Baptist Church, Los Angeles, CA; and National Affairs Briefing officers Ed McAteer, national chairman, Ed Drake, Dallas steering committee chairman, and Jack Graham, ministerial committee chairman.

Remarks to the Community in Springfield, Illinois

August 23, 1992

The President. Thank you, thank you. Thank you, Jim Edgar. You in Illinois are lucky to have Jim Edgar and Brenda here in Springfield, I'll tell you. And of course, I'm very pleased that Illinois' own Ed Madigan is our Secretary of Agriculture. He understands it, and he's doing a great job. May I salute Bob Kustra, the Lieutenant Governor, and his wife, Kathy; an old friend of mine, the secretary of state, George Ryan, and Lura Lynn. George has been at my side through a lot of political battles, and I'm very grateful to him.

May I salute a good Member of Congress; if we had more like him we wouldn't need to clean House. I'm talking about Representative Thomas Ewing here. And two others that I want to single out because as we talk about change, real change to help this country, we've got to change the Clinton-Gore gridlock Congress. We've got to change it. And in Rich Williamson running for the Senate, we have a man that can do just exactly that. He's with you on the values. He's with us on taxing less and spending less. He's with us on the fundamentals, and we must have him in the United States Senate. And I want to see John Shimkus elected from the 20th District.

I am going to do what Harry Truman did in this campaign. No, it's not give 'em hell, but they're going to think it's hell when I get through with them. But here's what it is. Look, I'll tell you why I'm going to do it this way. For months, I've held out my hand to the Congress only to have it bitten off. And now I am starting right here in Illinois. The Congressman from this district voted against us on Desert Storm. He tried to bring legal papers against me. He is against the balanced budget amendment. And I want John Shimkus to replace him in the United States Congress.

We've had it. We've had it with this gridlocked Congress. The American people have told Barbara and me, ``Here are our values." And they've said, agreed with me in the election, ``Here's want we want to do." And it hasn't worked because the Congress blocks us at every turn. You've got to turn out these -- no matter how nice they are, how kind they talk about the farmer when they come back here, look at the record. Don't let them talk one way in Illinois and vote differently in Washington, DC.

And let me just say it is really great to be back in Springfield. Lincoln, you recall, Abraham that is, said of this, he said, ``To this place and the kindness of these people I owe everything." I think he had good taste in political parties. I think he had great taste in hometowns.

And as you know, until Houston I stayed out of the actual political arena. I stayed out of it because I was trying to get some things done to bring tax relief, incentives for the first-time homebuyer, investment tax allowance, reduction in capital gains, trying to get those done for the farmer and for the American people. But I felt like one of those corndogs at the fair, skewered by the Democratic opposition for 9 months. And that's changing; it changed as of Houston, and

it's going to change for every single of the remaining 73 days.

You know, we've had dramatic change. I see these kids here. And you do not hear a word about this from the Democratic Convention. Don't you think it's a wonderful thing that these young kids go to bed at night without the same fear of nuclear war that the generations precedent had? This is big. This is important.

So we've got our priorities. And one of them affects every single Illinois farmer: We must open markets abroad. We will get a GATT agreement. We've gotten a NAFTA agreement. And we cannot go for protection. One fact: One-third of the corn and soybeans grown in Illinois head for markets outside the United States. And if we can get that playing field level, if we get access to foreign markets, it means bonanza for the farmers in this country. They can outproduce anybody, outhustle them, outwork them. And so, open trade, free trade without apology is what I believe in and the case I'm taking to the American people.

Illinois farmers and workers feel that the Government takes too much and gives too little. And so, when next year Congress comes back in, I pledge a dramatic new effort to slash Federal spending and then get these taxes down.

Listen to the opponents on this one. It's wonderful new -- --

Audience members. Clean House! Clean House! Clean House!

The President. Yes, as soon as we get a Congress in that will do it. And I want to cut spending and taxes. And he accuses me of fearmongering? He's wrong. Capital gains is one right there. That's a good place to start. Get the income taxes down. And if you'll excuse me one political comment, I have a message for Governor Clinton: Americans aren't afraid of cutting spending and lowering taxes. They fear most of all a rubber-stamp President that will rubber-stamp this spendthrift Congress. So there. We're not going to let that nightmare happen.

You know, I think that you all understand perhaps as well as any in America -- certainly is true in rural America -- the values, what we're talking about when we talk about family values. And here we learn that the family is there to teach us right from wrong, to lend a helping hand to a neighbor, respect for the law, hold out your hand to help somebody else, wipe a tear away when something goes wrong. Now, Barbara and I try to impart these values to our kids and grandkids. And I have great respect for what she has done, helping with literacy, helping other Americans to have a better life.

You know, today the American family is under attack. And we've got to defend it because it is the foundation of our nature. And that is why when we cut Government spending, I will fight for an increase in the personal income tax exemption so more Americans can afford to build and strengthen their families.

We're going to reform the welfare program to encourage families to stick together and have fathers stick around and do what they ought to do.

I see the signs out here of the teachers; God bless those people that teach our young people. And we have proposed the most far-reaching reform in American education in a century, and with a new Congress we will get it passed. We need to reform education, support the teachers, and be sure these kids can grow up in a competitive world number one.

I'll give you another idea why I want to change this Congress. I mentioned it in Houston. We are suing each other too much and caring for each other too little. And we have been trying for 3 years to reform the legal liability laws so that you don't have these excessive suits that drive doctors out of medicine, drive Little League coaches out of Little League. Locked in that gridlocked Congress by Bill Clinton and the liberal leadership in Washington. We've got to change it. We have got to change that gridlocked Congress. We've got to clean House.

Let me just say in conclusion: Two years ago I made, I think, the toughest decision that a President can make, and that is to send America's sons and daughters into battle. The sons and daughters of Illinois and every other State fought against aggression, fought to keep a people free, fought to prevent the Mideast from becoming a nuclear powder keg. Now they have come home. And this election, like every other, is about making an America that they can be proud of, an America we all can be proud of: good jobs, safe streets, and strong families. And so I ask for your support, not to change for the sake of change but to change America to make it more secure, more safe, more promising to every young person here today.

May God bless you all. And thank you for this fantastic rally. I am so proud to be back. Four more!

Note: The President spoke at 1:07 p.m. at the Illinois State Fairgrounds. In his remarks, he referred to Jim Edgar, Governor of Illinois, and his wife, Brenda.

Remarks on Disaster Assistance for Florida Following Hurricane Andrew

August 24, 1992

I just very briefly want to express my heartfelt concern to the people of Florida on this devastating storm. Apparently it's one of the worst, probably the worst in six decades. We've already gotten two FEMA teams, that's the Government emergency teams, down there in Florida. I will be declaring today that Florida is a disaster area. There will be 27 agencies of the Government then ready to help in any way that the Federal Government can help.

But I will be in touch during the day to see that everything runs smoothly and that we do everything we can to help the people down there. Apparently it was a very bad storm, a storm that kept the evaluation teams from sizing it up up until now, but I expect that'll change during the day. But it's a serious matter, and my heart goes out to the people in Florida.

Note: The President spoke at 8:06 a.m. on the South Lawn at the White House prior to his departure for Union, NJ.

Remarks at Lincoln Technical Institute in Union, New Jersey

August 24, 1992

The President. Thank you very much, Secretary Martin. Let me just salute our great Secretary of Labor and thank her very much for her introduction. Salute the former Governor of this State, Tom Kean. The working man and woman never had a better friend than Tom Kean. Mattie Rinaldo, he and I go back a long time. He's the Congressman from this area, doing a superb job. If we had more like him, we wouldn't have a gridlocked Congress. And I want to thank Pat Santangelo for the tour, and also Senator Don DiFrancesco and all the students and faculty here. This has been an inspiring visit.

Now, let me tell you why I've come to Lincoln Tech. I'm here today because of what will take place 71 days from now, because of the decision you're going to be making on November 3d. And that's going to set the course of this Nation. The defining challenge of the 1990's is to win the economic competition and to win the peace.

America's got to be -- and is, a military superpower -- an economic superpower, though, and an export superpower. Now, in this election you're going to hear two very different versions of how we go about this. Theirs is to look inward and protect what we've got. And ours is to look forward to open new markets, to create incentives, to restore our social fabric, and to prepare our people to compete so that we can win. And that's what this is all about here today.

I want to talk about the last of those challenges, the new ways to prepare our American workers to compete. We know the world economy is changing. And America must change with it. As President, we worked to create new jobs, open new markets all the way from Moscow to Mexico. And that means new American jobs from Union, New Jersey, all the way out to California.

Right now, one in every six Americans' manufacturing job is tied directly to exports. And that doesn't count the economic ripple effect created when those workers pay the mortgage, buy a car, or feed the kids. Since 1988, three-fifths of all of our economic growth has come from people in other countries buying what's made in the United States of America, the good products made right here in New Jersey.

Now, the jobs in these new export industries demand workers with higher skills than the old economy. And workers must realize what you know here at Lincoln: During the course of a career you may develop as many as five or six skills or proficiencies, putting a premium on flexibility, long-life learning. Now, these principles are reflected in a new commitment to job training. This is a new national commitment to job training that I'm unveiling today, a program

that is bold. It is innovative, and it is loyal only to the future and to the needs of the American workers.

Now, earlier this year we introduced a program called Job Training 2000, a comprehensive program to streamline this crazy quilt of over 100 different Federal jobs programs. Now that we've designed that effective structure for delivering job training, I want to expand on our efforts. If our Nation is to succeed in this world economy, we cannot afford to waste the talent of one single worker. And that means we need better training for young people first coming into the work force, better retraining for workers that are changing careers, and better training and assistance for workers who lose their jobs.

You start with this new initiative. We call it the Youth Training Corps. The program is aimed at young people, primarily in our inner cities, kids with talent, kids with ambition, but with no outlets for their abilities other than a life of drugs and crime. Right now we have a great program called the conservation centers, which takes these kids to job training centers, often in rural areas, puts them to work, for example, helping rebuild the parks or recreation and community facilities. But at the same time these kids learn a skill, find out how to manage their finances, and get counseling about how to break away from the temptations of the mean streets that they once hung out on.

Now, we're going to build on those conservation centers, add 25 new centers with positions for 43,000 new trainees. And to staff these centers we will give hiring priority to former members of our Armed Forces, people with the proven leadership skills -- these people, they've demonstrated that they can lead -- proven leadership skills, the drive, and the discipline that breeds success.

Now, we need to expand our existing efforts to teach high school kids about their opportunities in life, provide them strong role models, and encourage a sense of personal responsibility and discipline. And so also today I am also doubling the size of our Junior ROTC program. It is in almost 1,500 schools today; we're going to expand it to 2,900 schools. And with $50 million a year in new funding, another 150,000 kids will get the benefit of what has been a great program that boosts high school competition, high school completion rates, reduces drug use, raises self-esteem, and gets these kids firmly on the right track.

Now, I will also urge the Congress to expand my youth apprenticeship program. This one's aimed at high school juniors and seniors who may be in danger of dropping out. And the program combines classroom instruction with structured work programs. And when students finish, they not only have a diploma, they have a certificate saying they've developed a skill and can get a job. Right now this program is working as a demonstration project in six States. It ought to be expanded. If I have my way, it will be expanded to all 50 States.

Another part of this: We'll also do more for troubled kids, and we'll connect our efforts to get the young people off of drugs with the skills that help them get a clean start. We are going to expand

drug treatment to reach an additional 28,000 kids a year. We're going to tie successful drug treatment to job training. I call it Treat and Train. It will guarantee these kids a place in our job training program the moment they finish rehabilitation.

So helping young people is a part of the picture. But if we want to compete, we've got to help older workers obtain new skills. These are people caught in the transition of our economy, eager to earn new skills so they can get new jobs and protect their standard of living. And that's why I'm announcing today a dramatic new departure in job training for Americans in the middle of their careers.

The key concept here is something I call skill grants. These are vouchers worth up to $3,000 per person that can be used toward training programs of their choice. And these vouchers can go not simply to those that are unemployed but to those who worry the next pink slip may be coming their way, to help defense workers retool, to help workers in declining industries sharpen the skills that they'll need to stay one step ahead. What Pell grants have done to open up opportunities for our younger kids, skill grants will do for experienced workers in need of new skills.

The program will focus on the needs of what we call dislocated workers, people in industries that are changing because of global competition. Twelve days ago I announced the North American free trade agreement to open new economic opportunities for American products from the Yukon to Yucatan. In the 1990's that agreement will create millions of new American jobs, but near-term may also mean dislocations in some industries. And thus, I've assured the Congress that I'd work with them to ease the transition for the workers in the NAFTA. Today's plan will meet that commitment.

My plan sets aside up to, I think it's $670 million per year for the Secretary of Labor to pump into areas that might be negatively affected by NAFTA. This funding is more than enough to ensure that any and every affected worker gets the kind of training he or she needs. And more important, they'll have a choice, get them into programs that they want to be in, not shoehorned into some training program that just happens to have openings.

Now, that's our approach to job training. And it rests on the proposition that we should empower people with skills instead of empowering bureaucracies with people. Just a quick political word here: My opponent agrees with this in principle, but when you get to the details we really do have a vast philosophical difference. I believe we can pay for this new job training offensive without raising taxes on people or increasing overall Government spending.

We've got to make the tough calls. This is a priority. We've got to make the tough calls, set the budget priorities. This entire proposal, and yes, it's going to cost money, but it will be funded under the budget caps. And I will project these in more detail as we move into the next budget cycle.

My opponent is different. He sees job training as a tax raiser, and he wants to tax workers to pay for their own training and tax small businesses -- this is the one that's the worst -- --

Audience members. Boo-o-o!

The President. -- -- taxing small businesses around the country 1.5 percent. That is 1.5 that will come out of your paycheck, and it's on top of the new income and other payroll taxes he's proposing. Think of what this is going to do to small business, which has created over two-thirds of the new jobs in the past decade. So let me say this to my opponent: There is no point in training people for jobs if your plan is going to be in the process of destroying jobs.

And there's another difference between our two approaches. My opponent says he'll do more to help defense workers coping with the post-cold-war economic realities. What he won't tell you, though, is this: We sent forward a prudent defense budget. Because of what we've accomplished around the world, because the world is more peaceful, we are able to reduce spending. But he sent forward a program that plans $60 billion in additional cuts in defense beyond what the experts say is responsible. And that not only will damage the national defense, it will throw one million more defense-related industry employees out of work and on to the unemployment rolls. And I'm not going to have it, on two counts: adding to the unemployment, but fundamentally I must protect the national security of the United States.

Once these workers have lost those jobs, high-paid, high-tech jobs, the other side will step in with some, you know, kind of a make-work program. Someone ought to ask the workers whether they would rather have their high-tech jobs and good training for another high-tech industry, or some short-term Government make-work job. I vote for the former. We can do it. We can get everybody engaged in high-tech jobs with this retraining approach.

Now, the big point I want to make here in this working State is higher spending and higher taxes will not do any favors to the American worker. According to one congressional analysis, it could cost America almost 3 million jobs, this tax-and-spend approach. And my opponent's whole approach reminds me of the guy with the head cold. The doctor wants to amputate his leg. And to the patient it sounds a little odd, you know, a little radical. To the doctor it's logical: If your cold settles in your lungs, you'll get pneumonia; if you get pneumonia, your circulation will go; if your circulation goes, you'll get gangrene. So just to be safe, better take off the leg. [Laughter]

Well, that ain't it. That's not going to get the job done. We need a new approach and one that doesn't cripple the economy and then offer workers a crutch, one that helps people keep the jobs they have, creates the new jobs that they demand, and one that helps America retool for the challenges of a new century, for the challenges of your lifetime.

I like the spirit here at Lincoln. The people at Lincoln, students and faculty, seem to understand that training for jobs that exist and moving people up the ladder is the goal that we all ought to

share. It's certainly one I do. And I appreciate this visit very much.

You know, I put forward this approach. I'm going to fight for it in the campaign, fight for it with what I hope is a new, nongridlocked Congress -- that is fouling up everything in this country. And so I appreciate very much what you all have shown me here today. I wish each and every student at this wonderful institution Godspeed and good luck. And I'll tell you, I will do my level-best to hold the line on the taxes and to hold the line on the spending and create new jobs through this kind of new job training approach.

Thank you all, and God bless you. May God bless you all. And let me say this: I know things have been tough, but we are the United States of America. We can overcome our problems and continue to lead in the world. Thank you very much.

Note: The President spoke at 10:05 a.m. in the main automotive shop area. In his remarks, he referred to P.J. Santangelo, Lincoln Technical Institute president and chief executive officer, and Donald T. DiFrancesco, New Jersey State Senate president.

Excerpts of a Statement by Press Secretary Fitzwater on Disaster Assistance for Florida Following Hurricane Andrew

August 24, 1992

The President has ordered Federal assistance to the State of Florida to help in the disaster relief efforts going on there. He has just signed the declaration declaring three counties, Dade, Broward, and Monroe, as eligible for disaster assistance. We probably will have other counties come in later.

The President talked to the Governor this morning by telephone and expressed that he wanted to make sure he knew that he would have the full support of the Federal Government in this effort.

We will be going to Florida within an hour or two. We will probably step up the pace of this event a little bit and depart here at around 3 p.m. to 3:20 p.m. for Florida.

Wallace Stickney, who is the head of the FEMA, Federal Emergency Management Agency, and Senator Connie Mack will be joining us, and we will fly to Opa Locka, Florida, arriving there probably a couple of hours after we depart here.

We don't have very much information at the moment. The initial damage estimates, the requests for assistance cover about $50 million, but the initial reports of damage could go as high as $6 billion to $8 billion.

So this is just the beginning, but we want to get on the scene quickly and start making available funds for housing particularly and for cleanup and for other emergency needs.

Note: Press Secretary Fitzwater spoke to reporters at 2 p.m. in Warsaw Park Hall in Ansonia, CT. The statement also provided schedule and departure information for the press.

Remarks to the Chamber of Commerce in Ansonia, Connecticut

August 24, 1992

The President. Thank you very, very much. Michael, thank you and all the others at the Chamber. Thank you for that introduction. Let me just explain what Michael was talking about. There has been this hurricane down in Florida, and so we leave right from here to go down to Newark, take the plane, and head on down to look at that damage and express our concerns to the people there.

But I am just delighted to be here. A warm reception coming into town. I want to thank David Rifkin and especially the Mayor Thomas Hallihan. Let me also mention an old friend and a good man, Gary Franks, who's the Congressman here. I am so indebted to him. And another that you all know so well in this valley, John Rowland, he's a great man, and I want to see him do more. I was touched by the Reverend Father Weiss' invocation. And I want to ask today that we now take a little political look ahead to the fall.

I'll tell you something. I came out of that Houston convention, and the whole spirit around this country is different. I am determined to win this election, and I'm determined to do it fair and square. If I hadn't been fired up when I walked in here, the Company, that great music, would have got it going, I'll tell you. That was fantastic. I don't even know where they are.

But anyway, we're looking ahead to a great classic that takes place this fall. I'm not talking about Ansonia versus Derby -- [laughter] -- I'm talking about the November 3d contest. That does have a lot to do with the direction of this country and also the new century beyond.

I heard my grandson speak at our convention, and I was so very proud of that young kid. It just reminded me on a very personal basis of what the Reverend Father was talking about and the job that lies ahead of us, to make life better for all.

Now, we have witnessed, as I pointed out down there, a world of change from Managua to Moscow. Millions of men and women now turn towards freedom. They're celebrating a new birth of freedom. I believe people right here in the valley, many of whom came here from other countries, many of whose family came here, understand what I'm talking about when I say this Nation can take pride in the freedom of others. Many right in this room, because of family, not just because of freedom and democracy, because of family, prayed for this day of freedom to come to Eastern Europe, to Russia, to the countries south of our border. We've witnessed this remarkable change, and this miracle has come true.

So now the challenge for this country is to bring that spirit home from Warsaw, Poland, to

Warsaw Park and to focus this great Nation on the mission ahead. We have literally changed the world with the help of the taxpayer, Presidents that preceded me, fighting men and women that have served this great country with distinction. We've changed the world, and now we must change America for the better.

Our challenge quite simply is to win the global economic challenge, to win the peace, be a military superpower, an economic superpower, an export superpower. In this election you're going to hear two very different visions of how to do this. Theirs is to turn inward and protect; and ours is to look outward and open new markets and prepare our people to compete, to restore social fabric, to save and invest. When I'm talking about investment, I don't mean more taxpayer money going into Government investment. I mean more private investment, small business investment.

I don't want to get too personal in this wonderful area that I understand has some wonderfully smart Democrats, because I need you guys in the fall. But let me say this, that my opponent has spent most of his adult life in government, and that's pretty much, I think, all he knows about. But his idea about creating jobs is to have Government jobs, public payroll jobs. And I come at things a different way. I spent, I computed it the other day, half of my adult life in government service, one kind or another, and half in the private sector. Long before I was in the public sector, I worked for a living out in the oilfields of west Texas, built a company, and did what many here has in small or larger operations, I met a payroll. I took risks, and I made it work. I happen to think having held a job is not a bad qualification even for President of the United States of America.

Look, the world economy is changing, and we've got to be in the lead of that change. Think of the economic changes you've seen right here in Ansonia, from moving from that brass and copper age in the mills along the Naugatuck to the new corporate headquarters in the industrial parks across the valley. Right now one in every six American manufacturing jobs is tied directly to exports. That doesn't count the economic ripple effect created when those workers pay mortgages or buy a car or feed the kids.

Since '88, since 1988, three-fifths of the economic growth has come from people in other countries buying what we do best, the products we make right here in America. We are the best manufacturers in the world, and don't let anybody tell you, don't you let that gloomy opposition tell you we can't compete or say that we're a nation in decline. We are not.

As President, I'm working now to create jobs, new markets, markets in Moscow, markets in Mexico City that mean new American jobs. I am convinced that the answer is not to build a wall around our economy, not to put the Government in charge but to use the Government to help you literally go back to work in this country. That's what I want to tell you, how I'm going to do it.

Here are some of what we stand for: open markets for American products. Here's one we have a big difference on: lower Government spending and tax relief, not spend and tax; tax relief and less Federal Government spending. And the other one is opportunities for small business. We've got to do better getting the regulatory burden off the back of these mom-and-pop, these small operators. We're going to keep doing it until we get that job done.

You know my feeling about too many lawsuits in this country. I've been fighting to change that, blocked by this gridlocked Congress. We sue each other too much. We care for each other too little. We've got to break the back of those that are breaking this country with these damn lawsuits.

Audience members. Clean House! Clean House! Clean House!

The President. I'll get to that. New schools -- and I know we've got some teachers here, and God bless them. But I'll tell you something. We need new schools to back up these teachers, new ideas. Our whole program, America 2000, is a good program to literally revolutionize how we bring our kids into the next century. It's exciting program. I might say, we've got to win this fight on narcotics. Teenage use of cocaine is down, but we've just begun to fight. We've got to win it, clean out these schoolyards.

You know, a big difference is, a big one, I do believe that they're too big in Government and spend too much. Last week I offered an idea to get the deficit down. We'll give you a special box -- I believe that people should have it -- a special box on that tax return to check so that up to 10 percent of your income tax can go for one purpose, and that is to reduce the budget deficit. If Congress doesn't like it -- all these editorials that you read around here on some of these sophisticated journals don't like it -- but the Congress has failed to do it. So let's get the people a chance to check that box, and then we have to live with it.

Then there's something that's very important to the valley that I talked about today in Union, New Jersey, a dramatic new approach to job training: To help young people find that first job, a program we call the Youth Training Corps, to get inner-city kids off the mean streets and get them a second chance to build the skills they need to succeed. For older workers who have lost their job or worry that next pay envelope may have a pink slip, we've developed a new concept called skill grants, vouchers worth $3,000 to be used towards the training program of their choice. Our plan is based on empowering people to get the kind of training they want, not empowering the bureaucracies to hire more people. That is a very different approach than the approach the others are taking toward job training.

The Governor of Arkansas says he's all for free enterprise. Then he proposes right out of the box the largest tax increase in history, much of it on the back of small business. I learned the hard way, holding out my hand to that gridlocked Congress, and they bit it off. Once you make one mistake you don't make it again. I am not going to go forward and go with this program of

spending and taxes.

We've literally proposed, and it's before Congress right now, eliminating over 200 programs and 4,000 projects. It's there; it's put down in detail. It's before this gridlocked Congress. We've got to do something about changing the Congress. If we had more people like Gary Franks, we wouldn't have a gridlock problem. But the Congress has been controlled, they have been controlled by the same party for 38 years. Everything else has changed in the country; not the House of Representatives. Help me change the House. Clean it. Clean the House.

My opponent says he's for fiscal responsibility. He's against a balanced budget amendment. Says he's for a line-item veto, but the gridlocked Congress refuses to give it to the President. I stand for something different. I want to see us cut that Federal spending with the help of a new Congress, get the taxes down so we can get the economy stimulated and let people keep a little more of what they earn. It's a big philosophical difference between the Bush-Quayle ticket on the one hand and Clinton-Gore on the other. Look at it. It is fundamentally different.

Now, in this campaign, we've got to call it as we see it. This year I believe the choice is very clear. We've got two different, fundamentally different approaches. I believe in the Government. You get all this talk: Government, Government, of the Government, by the Government, for the Government. That's not going to get the job done. We are fighting against that because we happen to believe still that the power should flow from the people, so it's of the people, by the people, and for the people. Really, what's at stake here is the future of this country.

We're in choppy waters. I heard the Reverend. I know it. People that are hurting and can't find jobs when they need it. I'll tell you another area we've got a big difference: on the defense spending. I have cut defense, but we're not going to cut into the muscle of the defense. The other side wants to take $60 billion more than Colin Powell and Cheney tell me is the right level. We still have a tough world out there. We must still be strong. While you're thinking about it, we don't needlessly need to throw another million defense workers out of work by cutting back on defense below the levels needed for national security.

Let me just tell you, I wish Barbara Bush were here. This would be great for her morale. This would be great for her spirits.

But I'll tell you something. I want to be serious about this one point. When I drove in here today -- and I've been here as some of you know many, many times. My dad was a Senator from this State, and we grew up down the way. Leave out the politics for just a minute. When I came in here this morning, a lot of the people out there were waving. I'm sure they were not for me. They were there because I am privileged to be the President of the United States of America.

But you sense something else out there along the highway. You sense this community feeling and this feeling of family. I want to tell you something. The cynics, the liberal theoreticians, they

can ridicule me all they want when I talk about family values. But this one transcends Democrat. It transcends Republican. It gets to the heart of what our community is about. The community has been diminished by the decimation and sometimes the decline of the American family.

I saw it today, that family spirit is still strong. And I just want to pledge to you, I am not going to get off talking about that because we must find ways -- whether it's welfare reform, whether it's making the fathers that run away stay there, whether it's helping, as Barbara does, hold someone in the arms to demonstrate the compassion and love we feel for our fellow man -- we've got to find ways to strengthen the American family. It is not demagoguery. It's fundamental to America.

She and I will continue to try to do our level-best to set a level of decency and honor and, hopefully, trust there in the Oval Office and there in the White House.

Thank you very much for this wonderful reception. May God bless the Naugatuck Valley, and may God bless the United States of America.

Note: The President spoke at 2:05 p.m. in Warsaw Park Hall. In his remarks, he referred to Michael Pacowta, president, and David Rifkin, chairman, Greater Valley Chamber of Commerce; former Representative John Rowland; and Father Robert Weiss, pastor, St. Joseph's Church.

White House Fact Sheet: Worker Adjustment Initiative

August 24, 1992

The President today announced a new, comprehensive $10 billion worker adjustment initiative to assure that American workers have the training and skills they need for employment security today and into the next century.

The President's proposal features:

Universal coverage. All dislocated workers would have access to basic transition assistance and training support.

Skill grants. Vouchers of up to $3,000 would be available to help meet the costs of providing new skills and training for dislocated workers.

$10 billion in Federal funding. The plan almost triples the resources currently devoted to skill training and worker adjustment -- to $2 billion a year in each of the next 5 years. This level of funding is sufficient to ensure that workers anticipated to need these adjustment services will have access to those services.

The Problem

Three related developments have created the need for a flexible, adaptable, well-trained, and highly-skilled workforce in the United States.

First, world trade is expanding and promises to continue to expand during the coming decade. The United States has been at the forefront of this effort through the Uruguay round GATT negotiations and the North American free trade agreement. Expanding trade brings with it great opportunities for exports and job creation. But, it also brings with it the need for adjustment as nations concentrate on what they do best.

Second, the pace of technological change has accelerated. Computers and innovations in production technology have sharply increased manufacturing productivity. Technological advances are reducing the need for certain skills and increasing the need for others.

Third, the end of the cold war provides the U.S. with an historic opportunity to reevaluate and revise its national security requirements. This development inevitably involves redeploying resources, including human resources, from the defense to the civilian economy.

These changes create new opportunities; they also involve adjustments. Adult workers who lose their jobs need the training and skills that will allow them to adjust and adapt in a dynamic

economy, to make the transition to new industries and occupations, and to compete successfully in the global marketplace.

The problem and the challenge is how best to facilitate the development of a dynamic, well-trained workforce that will keep the U.S. globally competitive.

The President's Proposal

In January, the President announced a comprehensive, streamlined Federal job training system that provides ``one-stop shopping'' for job training services in every community. This structure is designed to meet the Nation's workforce needs into the next century.

Building on this plan, the President proposes to complete the restructuring of Federal job training programs by replacing the current dislocated worker adjustment programs under the Economic Dislocation and Worker Adjustment Assistance (EDWAA) and Trade Adjustment Assistance (TAA) Acts with a new $2 billion a year comprehensive retraining and transition assistance program.

The Department of Labor's new Advancing Skills through Education and Training Services (ASETS) program will assist all dislocated workers, including those who may change jobs or careers as a result of the North American free trade agreement (NAFTA), as well as other workers in changing industries who need training in new skills.

The President's proposal would serve: workers who have lost their jobs, workers who have been notified their jobs are being terminated, and workers employed in industries experiencing significant changes and work force adjustments who fear job loss in the future.

Dislocated workers would be eligible to receive three types of assistance: transition assistance, to help them find and secure new employment. This includes: skills assessment, counseling, job search assistance and job referral services; training assistance, in the form of skill grants, for those workers who want and need retraining and skills development; transition income support, where necessary, for workers completing retraining.

Program Funding

The President's program would be funded at $10 billion over the next 5 years -- $2 billion annually -- and structured as a capped mandatory program to ensure continuity of funding. At this funding level, an estimated 1.2 million workers could be served annually. Two-thirds of the total annual funding ($1.3 billion) would be allocated to the States. These funds would more than triple the resources now available to States through EDWAA to respond to dislocations. States would provide basic transition assistance service and skill grants for training to dislocated workers regardless of the cause of dislocation, including trade and NAFTA-related employment

changes, defense adjustments, etc. One-third of the total annual funding ($670 million) would be retained by the Secretary of Labor for discretionary allocation for uses of national priority. At least $335 million a year would be reserved specifically to respond to NAFTA-related dislocations. The balance would be reserved to respond to multi-state and industry-wide dislocations (e.g., defense-related layoffs and environmental impacts). This triples the existing funding for these programs. If NAFTA-related dislocations require more funding, the Secretary may shift the allocation to as high as the full $670 million per annum. Likewise, if NAFTA dislocations require less, as is likely to be the case, the Secretary may shift those resources to other priority dislocations.

Transition Assistance

Every dislocated worker would be eligible to receive basic transition assistance, including: an assessment of their current skills, counseling, help in resume preparation and interviewing skills, job search assistance and job referral services.

Skill Grants for Training

In addition to basic transition assistance, many dislocated workers may need to develop additional skills or upgrade their current skills. The President's proposal would provide dislocated workers with a skill grant in the form of a voucher. Grants would be awarded in amounts up to $3,000 per year. Workers would be eligible for the grants for up to 2 years. The grant could be redeemed at any qualified college, junior college, community college or public or private trade school or training institution. Workers would have the freedom and flexibility to choose the type of training that would best meet their needs and aspirations.

Funding priority for individuals applying for the skill grants would be: (1) currently dislocated workers; (2) soon-to-be dislocated workers; (3) workers employed in industries experiencing significant work force adjustments who fear future dislocations.

Transition Income Maintenance

Dislocated workers who enter training early in their unemployment, have exhausted their unemployment insurance benefits, and need income support to complete their training will be eligible to receive transitional income maintenance.

White House Fact Sheet: Youth Skills Initiative

August 24, 1992

The President announced today his Youth Skills Initiative, a new strategy to prepare our Nation's non-college-bound youth for success in the rapidly changing workplace. The President's Youth Skills Initiative consists of four major elements:

Youth Training Corps (YTC). A new residential and nonresidential training program for economically and socially disadvantaged youth;

Treat and Train. A comprehensive youth drug treatment program that will tie rehabilitation together with the Youth Training Corps to ensure that rehabilitated kids get the training needed for a new start in life;

National Youth Apprenticeship Program. A comprehensive school-to-work transition training program for high school juniors and seniors.

Junior Reserve Officer Training Corps (JROTC). Doubling the size of the existing voluntary instructional program for high school students that emphasizes self-discipline, family and social values, citizenship, and personal responsibility.

The Problem

Put simply, the United States needs an increasingly better trained and skilled workforce for the remainder of this decade and the next century. International competition, the expansion of new and complex technologies into the workplace, and a dynamic labor market require a well-trained and highly-skilled work force. One of our greatest challenges in creating such a work force is to facilitate the transition from school to work for non-college-bound youth.

Of the students enrolled in the 11th and 12th grades this fall, approximately 40 percent will not immediately go to college. Of those who do attend, half will fail to complete their first year. Moreover, roughly one-fifth of American high school students either drop out or do not complete high school graduation requirements on schedule.

These young Americans need to acquire the vocational training and workplace skills that will allow them to compete successfully in the job marketplace.

The President's Proposal

In January, the President announced a comprehensive initiative to streamline the Federal job training system designed to implement ``one-stop shopping'' for job training in every

community. Building upon this concept, the President has proposed a comprehensive plan to expand and improve job training for non-college-bound youth.

The President's Youth Skills Initiative consists of four major elements:

Youth Training Corps (YTC)

The Youth Training Corps will provide economically and socially disadvantaged youth with intensive vocational training and workplace skills. This training will be combined with community service and conservation work in rural areas and on public lands.

The Youth Training Corps will create 25 new YTC centers patterned after the Job Corps' 30 existing Civilian Conservation Corps (CCC) centers to create a total of 55 residential YTC centers nationwide.

These residential centers, located primarily in rural areas, will utilize converted Department of Defense facilities, where appropriate.

Hiring preference for YTC staff will be given to individuals leaving military service. This will allow the YTC to take advantage of the military's high level of leadership and training expertise.

The President's proposal will add 29,600 new training slots that will help 43,000 additional kids each year. Of these additional slots: 16,600 slots will be residential, located at the 25 new YTC centers; 13,000 slots will be non-residential, located at existing Job Corps centers.

The President's proposals will serve an additional 43,000 disadvantaged youths (ages 16 to 21) annually. This will bring the total number of youths served annually by both the YTC and Job Corps to 113,000: 18,700 additional youths would be served at the 25 new YTC centers; 24,300 additional youths would be served on a non-residential basis at new or existing centers.

The YTC will utilize an expanded Job Corps model, relying on a combination of remedial education, technical training, life-skills training, counseling, and other support services.

The YTC participants will spend an average of 7 months as a resident at the Youth Training Corps center and receive both applied learning experiences and basic job training. Participants will work to help improve parks, recreation, or community facilities, and public/low-income housing.

The YTC would have an initial, start-up cost of $200 million (FY 1994 and FY 1995), expanding to $385 million per year when fully in place.

Treat and Train Program

This initiative will strengthen existing youth drug treatment programs and complement the Youth Training Corps. The President's proposal will fund 10,000 new drug treatment slots at intensive drug rehabilitation centers. Two-thirds of the new slots will be residential. Participants stay in the residential centers an average 9 months. One-third of the new slots will be out-patient. The President's proposal will serve an additional 28,000 youths annually, increasing the number of youth served by Federally-funded treatment by roughly 30 percent. Successfully completing the treatment program will give participants priority status for admission to the Youth Training Corps (YTC). The program will cost $150 million per year beginning in FY 1994.

National Youth Apprenticeship Program

This initiative will substantially expand the President's ``National Youth Apprenticeship Act of 1992," which was initiated in January as a component of the Job Training 2000 proposal and transmitted to the Congress in May. This plan is a comprehensive, voluntary program for high school juniors and seniors that combines classroom instruction with a structured, paid, work experience program. The Department of Labor will provide community organization funding, planning, and curriculum design using the current six-State demonstration program as a model to expand the program to all 50 States. Students who successfully complete the program receive a high school diploma and a widely-recognized certificate of skill competency. Students will also have the opportunity to continue training at the post-secondary level. The Targeted Jobs Tax Credit will be available to employers to cover participating students that meet current TJTC economically disadvantaged eligibility criteria. The National Youth Apprenticeship program will cost $100 million per year beginning in FY 1994. The TJTC expansion will cost an estimated $10 million in FY 1994 and $160 million over 5 years.

Junior Reserve Officer Training Corps (JROTC)

This initiative will more than double the size of the present JROTC program, a very successful and popular partnership between the military services and the public and private schools. JROTC emphasizes self-discipline, values, citizenship, personal responsibility, and staying in school among high school students, and provides an alternative to drugs and gangs. The President's proposal will add 1,500 new JROTC units to the present 1,482 units, and will include as many as 225,000 more high school students. The program will emphasize increasing the number of inner city high school JROTC programs initially, but plans call for JROTC to be made available to every high school across the country that requests it and qualifies. The goal is to establish 2,900 units by 1994. JROTC is a low-cost education program that provides those who participate in it with positive incentives to stay in school. Well-trained, highly motivated former military personnel serve as instructors. This initiative will provide job opportunities for highly qualified personnel retiring from military service. The Department of Defense will help

local school systems absorb some of the costs for the new inner-city school JROTC programs.

Appointment of Robert B. Zoellick as Deputy Chief of Staff to the President

August 24, 1992

The President today announced the appointment of Robert B. Zoellick, of the District of Columbia, to be Deputy Chief of Staff to the President.

Since 1991, Mr. Zoellick has served as Under Secretary of State for Economic and Agricultural Affairs and also as Counselor of the Department of State since 1989. Prior to this, Mr. Zoellick served on the State Department transition, 1988 - 89. Mr. Zoellick also has served in several capacities at the Department of the Treasury: Counselor to the Secretary of the Treasury and Executive Secretary, 1988; Executive Secretary and Special Advisor to the Secretary, 1986 - 87; Deputy Assistant Secretary for Financial Institutions Policy, 1985 - 86; Acting Deputy Assistant Secretary for Financial Institutions Policy, 1985 - 86; and Special Assistant to the Deputy Secretary, 1985. In addition, Mr. Zoellick has served as a law clerk for the U.S. Court of Appeals for the District of Columbia Circuit, 1982 - 83; as a staff assistant in the Office of the Assistant Attorney General in the Criminal Division at the Department of Justice, 1978 - 79; and as a research assistant for the Council on Wage and Price Stability in the Executive Office of the President, 1975 - 76.

Mr. Zoellick graduated from Swarthmore College (B.A., 1975), Harvard University's Kennedy School of Government (M.P.P., 1981), and Harvard Law School (J.D., 1981). He was born July 25, 1953, in Evergreen Park, IL. Mr. Zoellick is married and resides in Washington, DC.

Appointment of Margaret DeBardeleben Tutwiler as Assistant to the President for Communications

August 24, 1992

The President today announced the appointment of Margaret DeBardeleben Tutwiler as Assistant to the President for Communications.

Since 1989, Miss Tutwiler has served as Assistant Secretary of State for Public Affairs and Department Spokesman. Prior to this, Miss Tutwiler served as deputy to the chairman of the Bush-Quayle '88 campaign and as Assistant Secretary for Public Affairs and Public Liaison at the U.S. Department of the Treasury, 1985 - 88. Prior to her work at Treasury, Miss Tutwiler was a member of President Reagan's senior White House staff, serving as Deputy Assistant to the President for Political Affairs, 1984 - 85. Following President Reagans' reelection in 1984, Miss Tutwiler was Director of Public Liaison for the 50th American Presidential Inaugural; and from 1980 to 1984, Special Assistant to the President and Executive Assistant to the Chief of Staff. In 1985, Miss Tutwiler served as a member of the U.S. delegation to the 1985 World Conference to Review and Appraise the Achievements of the United Nations Decade for Women in Nairobi, Kenya. She was also a member of the American Center for International Leadership's delegation from the United States to the Soviet Union in October of 1986.

Miss Tutwiler was the public affairs representative for the National Association of Manufacturers in Alabama and Mississippi before joining Ambassador George Bush's Presidential campaign as director of scheduling in 1978. Following the Republican Convention in 1980, she continued as director of scheduling for Vice Presidential candidate Bush. She began her political career in 1974 with the Alabama Republican Party and from 1975 to 1976 worked for President Gerald Ford's reelection campaign.

Born in Birmingham, AL, on December 28, 1950, Miss Tutwiler attended Finch College and graduated from the University of Alabama in 1973.

Appointment of Janet G. Mullins as Assistant to the President for Political Affairs

August 24, 1992

The President today announced the appointment of Janet G. Mullins as Assistant to the President for Political Affairs.

Since 1989, Ms. Mullins has served as Assistant Secretary of State for Legislative Affairs. Prior to this appointment, she served as director of congressional affairs for the Presidential transition. She served in Kentucky State government as special assistant to the deputy secretary of commerce, specializing in international and agricultural trade. From 1979 to 1982, Ms. Mullins was legislative director and chief of staff for Senator Bob Packwood of Oregon. In 1984, she managed the successful Senate campaign of Mitch McConnell of Kentucky. Ms. Mullins was the first woman to run a statewide Senate campaign in Kentucky. She went on to serve as chief of staff for Senator McConnell from 1985 to 1987. In 1987, Ms. Mullins was named executive director of the Fund for America's Future, then-Vice President Bush's political action committee. She joined the Bush campaign in September of 1987, serving as national field director for the Bush primary campaign. During the general election, she was deputy national political director and media director.

Ms. Mullins received her B.A. in political science at the University of Louisville and studied international economics at American University in Washington, DC. She was born September 7, 1949, in Louisville, KY, and has one daughter.

Appointment of Dennis B. Ross as Assistant to the President for Policy Planning

August 24, 1992

The President today announced the appointment of Dennis B. Ross as Assistant to the President for Policy Planning.

Since 1989, Mr. Ross has been Director of the Policy Planning Staff of the Department of State. In that position he played a major role in formulating and implementing U.S. policy toward the former Soviet Union and the Middle East peace process. Prior to becoming Director, Mr. Ross served as the senior foreign policy adviser to the George Bush campaign and the head of national security affairs during the Presidential transition. He was the Director of Near East and South Asian Affairs on the National Security Council staff from May 1986 to July 1988. From 1984 to 1986, he was outside the Government in the academic world, serving as the executive director of the Berkeley-Stanford program on Soviet international behavior. In the early 1980's, he held positions in both the State and Defense Departments, serving first as a member of the policy planning staff with responsibility for Middle Eastern issues. Later, from 1982 to 1984, he was the Deputy Director of the Office of Net Assessment in the Pentagon, working principally on Soviet, Middle Eastern, and broad military balance issues.

Mr. Ross did his undergraduate and graduate studies at UCLA, wrote a doctoral dissertation on Soviet decisionmaking, and has published extensively on Soviet and Middle Eastern policy questions. He was born on November 26, 1948, in San Francisco, CA. Mr. Ross is married and has three children.ÿ20

Nomination of Randall Harvey Erben To Be an Assistant Secretary of Housing and Urban Development

August 24, 1992

The President today announced his intention to nominate Randall Harvey Erben, of Texas, to be an Assistant Secretary of Housing and Urban Development for Community Planning and Development. He would succeed Skirma Anna Kondratas.

Currently Mr. Erben serves as Deputy Assistant Secretary for Community Planning and Development at the Department of Housing and Urban Development. Prior to this, he served as director of the State of Texas Office of State-Federal Relations, 1989 - 91; assistant secretary of state for the State of Texas, 1987 - 89; and a member and shareholder with the law firm of Foster, Lewis, Langley, Gardner & Banack, Inc., 1981 - 87.

Mr. Erben graduated from Princeton University (A.B., 1978) and the University of Texas School of Law (J.D., 1981). He was born August 23, 1956, in San Antonio, TX. Mr. Erben is married and currently resides in Bethesda, MD.

Remarks to the American Legion National Convention in Chicago, Illinois

August 25, 1992

Thank you very, very much. And may I salute our Governor who is with me; our Secretary, Ed Derwinski; Governor Edgar here. And thank you, Dom, for that introduction. He put a lot of emphasis on that ``paid up'' member. [Laughter] You've had a great leader here, and I know you're going to have another great one. But I just salute Dom for all he's stood for. And let me also mention Sparky Gierke who is serving with the same devotion he served those here at the Legion, serving in the administration.

A lot happens in a week. A week ago, I could have laid claim to being the second most charismatic member of the Bush family. But after my grandson got up there, George P., at our convention in Houston, I guess I'm now the second most charismatic George Bush. Things are not going well here. [Laughter] So anyway, I mention this only because I know how Legionnaires feel about family. And I hope you'll excuse me if I say I was very proud of both Barbara and that grandson.

You know, I very much appreciate even the invitation to speak here this morning. If you'll allow me just to divert a minute because of something that is happening in the country. I was in south Florida last evening. And while I was stunned by the incredible physical destruction that I witnessed on this hurricane, you can't help but be impressed by the way Americans pull together in times of crisis. We are at our best when times are tough.

South Florida has been declared a Federal disaster area, and you should know that there are, what, 27 Federal Agencies, including our military services, pulling together to assist all Floridians in their time of need. I know I speak for all veterans on this one and all Americans when I say that our prayers are with the people of south Florida and also the Louisiana coast being threatened, the people also of south Louisiana who stand in Andrew's path at this very moment. No matter where the victims live, we as a nation will do absolutely everything we can to help these good people recover.

I want to start this morning by saying that the bond we share links us, whether we served in the South Pacific or South Vietnam or whether we stood watch along that 38th parallel or braved the sands of Desert Storm. Just as you answered your country's call, so too America should serve those who served their country.

The specialized health care centers we've created, the new outpatient clinics, the billion dollars more we've invested in veterans health care every year, each is a sign of the debt we owe America's veterans, of the investment we make in the men and women who wear this country's

uniform. Just yesterday I announced an innovative new job training program that will help all Americans including servicemen leaving the military, defense workers retooling for the new challenges of this civilian economy, or older veterans seeking better jobs and a new beginning. Frankly, the debt we owe is one we can never pay in full, but we need to do our utmost, just as America's vets gave their all when they were called. You have my commitment, as a proud member of the American Legion, post 77 member for life, that we will protect these programs that preserve your well-being. We owe it to the veterans.

I was a little negligent in my introductory remarks because sitting over my right shoulder here, albeit a Democrat -- this is a nonpartisan meeting, so I -- you're showing the flag here -- is Sonny Montgomery, one of the great friends the veterans have ever had, I'll tell you, Congressman Montgomery of Mississippi.

Now, I know that today I'll not have your attention all to myself. Two hours from now, you're going to hear maybe a different message. But I respect the American Legion's tradition of nonpartisanship. It's been that way, and I'm determined it will remain that way today. I wouldn't give a partisan speech to this group. You've already sacrificed enough for your country. [Laughter] So bear with me because I want to make a few serious comments. I want to talk to you this morning about the world we knew, about the new world we're now forging.

Fifty years ago this summer, America's at war. At the age of 18, I went off to fight. Like many of you, I was scared, but I was willing. And I was young, but I was ready. Like so many of you, I had barely lived when I began to watch men die.

My own experience was in my mind during Operation Just Cause, when we freed Panama and jailed Noriega, and then again two Augusts ago, when I had to make a tough call, a call that only the Commander in Chief makes: the difficult decision to send young men and women into harm's way. As President, with that experience behind me and mindful of the trust, everyone who would serve, my sense of duty was magnified a thousand times.

And when I faced that decision, the American Legion never wavered. You were there with solid support, no vacillation. You supported our men and women 100 percent. And I will always be grateful to you. Your leaders went there. Your leaders went and showed the Legion flag and gave those young men and women the strong support, bringing with them messages from home from the families. It was a wonderful way that the American Legion supported those who were actually in the field. Whether they were regular Army or the magnificent National Guardsmen that were called to serve, whoever it was, the Legion backed them up. I want to thank you for that support over the years. If you had not been there in the past to help fight for a strong defense, our soldiers would not have been prepared; they would not have been equipped to fight to keep us free.

And when the calm came after Desert Storm, when our troops came home to a hero's welcome,

the outpouring of love and honor was a grateful Nation's way of saying thanks. But it was something more. It was a reaching out, a warm embrace, a welcome home to all who wear the uniform, including the unsung heroes of another war, those who till that moment had not been recognized, a long-overdue recognition of gratitude to the veterans of the Vietnam war. And the country rallied behind them and at long last gave them their proper honor.

Now, some of you may remember this. Four years ago, I met with you as Vice President: September 7th, a day that will live in infamy. [Laughter] Okay, I wanted to say it before you did. What does it take to live something down with this crowd? [Laughter] Since then, we've seen a world of change. What if I'd said then, that day, that by the end of my first term a wall would fall in Berlin; that we would have agreed to cut nuclear weapons by a full 75 percent, including the elimination of all those MIRV'd ICBM's, the most destabilizing strategic weapons? Because we did, our children sleep safer. What if I'd said that the Soviet regime that once claimed that history was on its side would be found only in the history books, and that the ``dominoes'' would fall in democracy's direction? What if I told you 4 years ago that the cold war would be over, that the West would win without a shot being fired? You'd say it was a miracle. But a miracle we did more than pray for: a miracle that Americans worked for, fought for, died for. Because the truth of the matter is, communism didn't just fall, you helped push it.

There are many heroes of the cold war, men and women whose courage and sacrifice turned the tide toward freedom: the brave people of Eastern Europe, who kept faith when freedom was a distant dream; the people in this country who gathered in taverns and restaurants in Cleveland and Pittsburgh and Detroit and, yes, right here in Chicago, to keep the hope of the captive nations alive, even when the fashionable few mocked their devotion as futile. The honor roll must also include men of moral courage like Pope John Paul II; like President Ronald Reagan, who called the Soviet Union an ``evil empire'' -- which it was -- and called for the Berlin Wall to be torn down, and it was.

Most of all, the tribute must include the American people, who paid the price in more ways than we can measure to win freedom's great victory. And especially you, you who slogged through the mud, sailed the seas, flew headlong into fire: This was truly your finest hour. And there is one hero America must never forget, and that is the hero who has not yet come home. And I pledge to every American family awaiting word of its loved ones: We will demand the fullest possible accounting for every POW and MIA. And we will not have normal relations with Hanoi until we are satisfied on that count.

I am very proud of our accomplishments, thankful that I've been able to give the order so many Presidents longed to give, for many of our nuclear forces to stand down, stand down from alert. And yet, in spite of freedom's great gains, I know that our world today is more uncertain, more unpredictable than the world we've left behind. The Soviet bear may be extinct, but there are still plenty of wolves in the woods, renegade rulers, outlaw regimes, madmen we simply cannot allow to get a finger on the nuclear trigger. You have my word: This President will never allow a lone wolf to endanger the security of the United States of America.

Foreign policy is not a footnote, a loose end that we wrap up and then safely forget. It requires steady, experienced leadership. Think back not too long ago to the time of gas lines and grain embargoes. In Teheran, Americans were held hostage. In Moscow, America was seen as weak and uncertain. This is a lesson we ignore at our own peril. Now those days are gone, but our strength in the future, like any great nation, rests on our eternal vigilance. We need to speak up for the military muscle that gives meaning to America's moral leadership. We need to say even now that the cold war is over: America is safe as long as America stays strong. You see, the world is still a dangerous place, and if America does not lead, who will?

Take Iraq as a test case for the most difficult security challenges we are likely to face in the future. We tried peaceful means to bring Iraq into the family of nations. Given the dangerous neighbors, given the vital interests at stake, it was right to try. Had we not made those efforts, had we not exhausted every peaceful means, we would never have been able to build the unprecedented United Nations coalition that stopped a tyrant in his tracks and rolled him back to Baghdad.

Now, let's also get straight what was at stake: A madman with missiles and chemical weapons stood on the brink of a choke-hold on much of the world's energy supplies, threatening to overrun our allies. We destroyed that threat, liberated Kuwait, and locked up a tyrant in the prison of his own country. We know now Saddam Hussein was developing the weapons to destroy Israel. Tens of millions of deaths of Arabs or Israelis would not matter to this killer. The Middle East could well have become a nuclear apocalypse. That is what was at stake.

Now, some who were faint-hearted and stood in the way of crushing Saddam's aggression now have the gall to say, ``You stopped the war too soon." Some also say that General Norman Schwarzkopf wanted to march into Baghdad and ``get" Saddam. False! I'll never forget -- this is a true story and history has it recorded on film -- sitting in the Oval Office on February 27, 1991, our troops having performed so magnificently in the field. And with me in the room was General Scowcroft and the Secretary of Defense, Dick Cheney, the Chairman of the Joint Chiefs of Staff, Colin Powell. They recommended to me, as President who has the responsibility for this, that we stop the slaughter; our mission was accomplished. I asked, are you sure that our field commanders feel this way? They both said yes. But to double-check, Colin Powell got up from the couch in our office -- you all have seen pictures of it -- walked over to the desk that you see pictures of, reached into the front right-hand corner of the desk, and there was a secure telephone; picked up that secure phone and got General Schwarzkopf on the line in my presence. And General Powell looked up at me after he had talked to Schwarzkopf, and he said, ``Mission accomplished. Stop the killing."

And it was right. We are not in the slaughter business. We were in the business of crushing aggression. And we did it. And I don't like this historical revision. We did the right thing; we did the compassionate thing in the end as well. If we'd continued, hundreds of thousands of

American troops would be on the ground in Iraq today attempting to pull warring factions together or bogged down in some guerrilla warfare. Whether in Korea or in Lebanon, history shows us the danger of losing sight of our objectives. Liberators can easily become occupiers. A Commander in Chief has to know not only when his objectives have been reached but when to consolidate his gains.

And one other thing let me say right here. I feel on me the obligation to every family of every single man or woman serving in the Armed Forces. And I am not going to commit our ground forces to a war until I know what the mission is, how that mission will be achieved, and how those forces will come out, their honor intact, victory in hand. We've seen too many combat situations where we asked those kids to fight with one hand behind their back. Not as long as I am Commander in Chief.

Instead of playing the world's policeman, we worked with the United Nations to destroy Iraq's remaining weapons of mass destruction, to keep Iraq under control. Through an embargo, through tight control over oil exports and U.N. inspections, we are putting the lid on Saddam. And believe me, he is going to live up to each and every one of those U.N. resolutions. I am determined to see that, and I will.

As you know, today a whole new world of hope is dawning in the Middle East. This very week, as Arab and Israeli sit down together in Washington, DC, we are winning the peace. And that was made possible by the sacrifice of those involved in Desert Storm.

There will be other regional conflicts. There will be other Saddam Husseins. Look around the world. Look at the threats we face: terrorism, the terrible drug cartels, regional conflicts as the breakup of empire gives vent to ancient hatreds, the spread of nuclear and chemical weapons. From Qadhafi in Libya to Kim Il-song in North Korea, the threats on our horizon could look a lot like the threat we turned back in Iraq.

Take the threat of chemical weapons. I really get emotional about chemical weapons when I see these young people here today and think of the horror that they can wreak. During Desert Storm, the danger from chemical weapons did not materialize. In the next conflict, it might. Our task is clear: There must never be a next time. For me, banning chemical weapons has been a priority since the day 8 years ago when I went to Geneva on instructions from President Reagan to present our draft convention. In the next few days, we expect the completed convention to be presented in Geneva. And it is my hope, it is my aim that before this year is out, the nations of the world will unite to ban chemical weapons, to banish this scourge from the face of the Earth.

Now, our work in the world did not end with our victory in the cold war. Our task is to guard against the crises that haven't yet even caught fire, the wars that are waiting to happen, the threats that will come upon us with little or no warning. I make this promise: As long as I am President, our services will remain the best trained, the best equipped, the best led fighting

forces in the entire world. That is the way we guarantee the peace.

I hope that I've earned your trust to meet those challenges and to stand up for America's interests and these ideals that all veterans share. I hope I've earned your trust to bring together foreign policy and security policy and economic policy so that it can make a difference in your hometown, your neighborhood, your life. Because the military challenges we're bound to face are only a part of the future.

The end of the cold war means new opportunities, new opportunities for global prosperity, for new markets for American goods. From Moscow to Managua, free market reform is now sweeping away the dead hand of state socialism. Capitalism is recognized the world over as the engine of prosperity and social progress. And nations are reorganizing themselves to unleash the limitless potential of the individual.

Now, governments can go two ways: They can help foster free enterprise, or they can put obstacles in its path. There is no question what course we must take. The U.S. will remain a forceful advocate for free and fair trade. In the 21st century, America must be not only a military superpower but an economic superpower, an export superpower. I won't wade into all the statistics that point in this direction, but I will tell you this: Every additional billion dollars of exports stamped ``Made in America'' means 20,000 new American jobs. Last year alone, America was the world's number one exporter. We sold a record $422 billion worth of goods. That's a lot of paychecks for the American people.

But the promise of new prosperity must not blind us to new challenges. It's an economic fact of life that many of our key security partners are now our toughest economic competitors. Nations that lack the confidence to compete will be tempted to seek refuge behind the walls of protectionism. We didn't end the cold war to make the world safe for trade wars. We must fight the protectionist impulse here at home, and we must work with our partners for trade that is free, fair, and open. We're making progress by forging a new North American free trade agreement to open new markets from Manitoba to Mexico. And we're pushing hard to complete a strengthened global trade agreement.

My strategy would go further. The U.S. must build a new network of trade agreements with Eastern Europe's new democracies, with the new nations of the old Soviet Union, with our neighbors to our south, to the south in Latin America, with the dynamic economies of the Pacific as well. If we are to sustain our status as an export superpower, we must not allow ourselves to be tied down to one trade bloc. Our domestic market, the largest market in the world, gives us leverage. I intend to use it for good by strengthening America's global reach as a complement to our security presence. America must maintain a strong presence in markets across the Atlantic and the Pacific.

The key is an agenda that fully integrates our domestic, economic, and foreign policies. In our

world today, these three topics have become one issue. You're going to ask, you ought to ask, all right, what are we going to do to get ready for the game? Well, fair question. Here's my answer: We must build on the fundamentals of lower tax rates, limits on Government spending, less redtape and regulation, and more trade and more competition to generate the growth that means more opportunity and more jobs. And I think that in the nineties, Government can add to this growth program by building opportunity and hope for individuals, empowering families and communities.

I'd like to close with the words of a President from the other party, John F. Kennedy. On a sentry box in Gibraltar, he found scrawled these words. I'd like to read them to you:

God and the Soldier all men adore

In time of trouble and no more

For when war is over, and all things righted

God is neglected -- and the soldier slighted.

Just as we must never forget our God, we must never forget you who put your lives on the line for freedom. Sure, that means supporting the programs, the policies, the principles that keep us strong. But it also means building an America of which you can be proud, an America worthy of the blood we shed and the friends that we lost. It means building an America which is safer, stronger, and more secure, an America in which every coast guardsman, every soldier, every sailor, every airman, every marine, every guardsman can say, ``This is the dream that I fought for."

Thank you very much for your warm welcome, for your love of our country. And may God bless the United States of America, the greatest, freest country on the face of the Earth. Thank you all.

Note: The President spoke at 10:15 a.m. at the Sheraton Chicago Hotel. In his remarks, he referred to Dominic D. DiFrancesco, national commander of the American Legion, and Herman F. (Sparky) Gierke, judge on the U.S. Court of Military Appeals and former national commander of the Legion.

Remarks at a Bush-Quayle Rally in Canton, Michigan

August 25, 1992

The President. Thank you all very much for that warm welcome. May I salute all the party leaders here, especially the great Governor of Michigan, John Engler. He's doing a first-class job. May I thank the band, the Catholic High School band, the Motown band, Canton VFW colorguard; Susan Heintz and all those that have been out here making this program possible. Thank you very, very much.

You know, this town proves what we all know in our hearts. America's best days are ahead of us. Last Thursday at our great convention in Houston, I laid out a central challenge to our Nation to win the global economic competition, to win the peace. America must be a military superpower, an economic superpower, and an export superpower.

I differ with the Governor of Arkansas. He wants to turn inward and protect. I want to look outward and expand markets, expand American jobs. Let me just touch on what Governor Engler said because it affects the life of everybody in the automobile industry and everybody who's connected with the automobile industry.

Governor Clinton's record on the environment, to be charitable, is a little less than stellar. Listen to his own chairman of the Arkansas Pollution Control and Ecology Commission who said that the Arkansas laws are so lenient that ``if California was operating on the laws of Arkansas, you'd have to wear a gas mask." How is that for the laws in Arkansas on the environment? Now, is it any wonder that they rank dead last in the Nation in policies to protect the environment, according to a study by the Institute of Southern Studies. The good people of Arkansas deserve better than that. And we don't need that kind of record running the environmental policies of the United States Government.

Remember what I said down there in Houston, slippery when wet? Well, listen to this one. Listen to this one. He's gone all the way over from that lousy record now to becoming bright green. He's turned that bright. And if Clinton has his way, Michigan auto workers are going to be turning green with illness. Here's why.

In a speech in Drexel University on April 22, Governor Clinton talked about a more ambitious Federal regulation that he supports involving the fuel standards for cars. He said this, and this is an exact quote: ``In my administration we will accelerate our progress toward fuel-efficient cars and seek to raise the average goal for automakers to 40 miles per gallon by the year 2000, 45 miles by the year 2020." Now, that is not me, that is Governor Clinton talking.

You might ask what would happen if we did that. Well, according to the National Highway Traffic Safety Administration, fatalities and injuries will increase. But the worst thing is we will

throw American autoworkers out of their jobs, and I'm not going to have that. The Motor Vehicle Manufacturers Association in Michigan alone said that 40,000 workers would go from the assembly line to the unemployment line if we go from those ridiculous standards.

We've got to fight against that kind of extremism. Those 40,000 will be joined by 700,000 workers put out there by the payroll tax that Governor Clinton is suggesting for his backdoor Government takeover of our health care system. You know, he says he likes to put people first. He doesn't mention that it's first out there on the unemployment line. We're trying to get people off of that. His tax-and-spend policies will put people out there. We don't want that.

I normally don't speak much about his running mate, Senator Gore of Tennessee, but he's written this famous book now that Governor Clinton talks about. On page 325 of the book, he makes an interesting comparison. He says that the automobile industry, and I quote right here, quotation, ``poses a mortal threat to the security of every nation, that is more deadly than that of any military enemy we're ever again likely to confront." That is Clinton's running mate talking about the auto industry that means so much to our country. And one page later he calls for the ``elimination of the internal combustion engine." What kind of people are we dealing with here? [Laughter]

Well, it would be funny if it weren't so serious, if one out of six jobs in America today weren't in some way tied to the car industry, and if this philosophy of tax and spend, regulate and regulate wasn't going to make it impossible for us to win the economic competition. Now, look, we have a sound and positive and strong environmental record. I fought for and won the first meaningful revision to the Clean Air Act, and we got that done in spite of that gridlocked Congress.

Audience members. Clean the House! Clean the House! Clean the House!

The President. I'll be there. Just a minute. I've got more to say about that one, and I love saying it because it's true. Now, wait a minute, I'll be there in a second.

Environment: We have expanded our parks and wildlife refuges. We've curtailed drilling in the environmental sensitive area of California and New England. We've enforced our environmental laws so we've collected record amounts of fines. I have been criticized by some in big business and by environmentalists. But I believe that somewhere you can find a reasonable formula where you protect jobs and still clean up the environment. That's what we've got to do.

So when that Clinton-Gore bus goes off the left side of the highway onto the shoulder, we've got to guard against that, too.

Here's what I want to do to lift the burden from the small businessman, the mom-and-pop operations, and others: Put a freeze on unnecessary Federal regulation. We're regulating ourselves to death.

You didn't hear much about this in the Clinton-Gore convention, but I'll tell you something. The Federal deficit is threatening the very future of these children here today, these young ones. So I am fighting for a line-item veto, a balanced budget amendment to the Constitution. You know who says no to all this: the gridlocked Congress, the Clinton-Gore gridlocked Congress.

So last week, last week -- the editorial writers don't like this one; the sophisticated elitists don't like it -- but let me tell you something, I unveiled an idea last week that the American people like, and it says this. You have the right to check off on your tax return using up to 10 percent of your income tax for one purpose, if you want to, and that is to reduce the budget deficit. It's a good idea. If Congress can't do it, let the American people have a shot at it. The editorial writers and Congress, they call it a gimmick. But I think the American people want the power to say to Congress, ``If you won't cut the deficit, we'll get the job done for you."

Yesterday, we unveiled a new program to help people that need to transition into new jobs. Because we've been successful in war and peace, because we've changed the world, we have been able to reduce defense spending. Now, that's cost people some jobs. So now we've got a new training program to help those people find work, find work, jobs, productive jobs in this country. So we're talking about skill grants, giving workers in certain industries $3,000 to go out and buy training on their own. The philosophy isn't to empower the bureaucrats but empower the people so you can stay ahead of the economic change.

Heavens knows, we've got to reform our welfare system, get people to work and to learn and avoid the indignity of welfare. So later today I'm going to be signing a welfare waiver giving Michigan the authority to experiment with welfare programs that keep families together and get people off the dole and into jobs.

And one other thing. My opponent is supported by this trial lawyers group. I want to break the back of those who are suing us too much and caring for ourselves too little, caring for us too little. These reckless lawsuits are keeping doctors from practicing medicine, keeping people out away from coaching Little League, and we've got to stop it. I've tried for 3 straight years. Now change that Congress, and help me stop it.

Audience members. Clean the House! Clean the House! Clean the House!

The President. All right, I'll give you an example. That's a great idea. Now I'll give you an example. We know that our schools have to improve. If we're going to compete, they've got to improve. I believe competition can be a force for good in education, just as it's been a force for greatness in American industry. Earlier this year I sent a proposal to Capitol Hill, a ``GI bill" for kids to give States and localities the flexibility to allow parents, not government, to choose the schools their kids attend, public, private, or religious.

A few weeks ago this came before the gridlocked Congress, a brandnew proposal, and they killed it. Why did this great idea fail? It failed, according to news reports, because the Democratic leadership did not want to give me credit for a new idea in education. Now, that is not progress. That is gridlock, and they are doing it to the taxpayer in this country.

Let me be a little more specific. I'm a little tired of Congressmen that talk one way in Michigan and vote different in Washington. I'll give you an example. One of those Democratic leaders that blocked this new proposal in education is named Congressman Ford, Bill Ford. He has stood against school choice and just about every education reform I have put forward. And what's worse, Governor of Arkansas agrees with him.

Audience members. Boo-o-o!

The President. Want parents to have real choice in where to send their kids to school? The Governor and Congressman Ford say no. I say yes.

You want to stand up to a Baghdad bully like Saddam Hussein? Governor Clinton waffled. Congressman Ford said, ``No way." I say yes.

You want a balanced budget amendment that disciplines both the Congress and the executive branch? Governor Clinton and Congressman Ford say no. And I say yes.

Do you want to limit the terms of Congressmen? Governor Clinton and Congressman Ford say no. And I say yes. It's about time. The President's term is limited. Let's limit this gridlocked Congress and get them out of there.

The key issue -- clean that House! You're right. The key issue is, do you want to try to cut Federal spending and give Americans relief from higher taxes? Well, Governor Clinton and Congressman Ford, linked together, say no. And I say yes.

Governor Clinton refers to himself as Elvis. Well, let me tell you something. [Laughter] He does. We're playing an old Elvis Presley song, ``Return to Sender," return to Arkansas. As we get that done in November, as we get that done in November, let's take Congressman Ford and others like him that talk one way at home, vote different in Washington, that whole leadership of the gridlocked Congress, and do what those brooms say: Clean House!

Audience members. Clean the House! Clean the House! Clean the House!

The President. Get them out of there. We have been trying and trying to move this country forward, blocked by this gridlocked Congress. And I am tired of it.

While we're at it, let's send Charles Vincent, Dick Chrysler, Megan O'Neill, John Gordon, Frank

Beaumont, Nick Smith, and don't forget Joe Knollenberg and John Pappageorge. Get them in there. In this district, replace that leader that talks one way and votes another. Send Bob Geake to Washington, and get this country moving.

You know, the other day we were in Alabama, a crowd of about 20,000 people in the rain. Lee Greenwood, you know, that great singer, was with us. And as he started to sing ``I'm Proud To Be an American,'' I looked out in the crowd and saw a little girl, couldn't be more than 4 or 5, perched on her dad's shoulders waving a little American flag and singing. This election is about that little girl, and all the kids in this crowd, all the kids across America. Do we want them to grow up in an America that is stronger, safer, and secure, more secure? You bet we do. With my ideas and a new Congress, we can make it happen. We are the United States of America. We are going to make it happen.

May God bless Michigan, and may God bless our great country.

Note: The President spoke at 2:40 p.m. in Canton Township Heritage Park. In his remarks, he referred to Susan Heintz, master of ceremonies for the rally.

Statement on Michigan Welfare Reform

August 25, 1992

I am pleased we are approving today Michigan's request for welfare waivers. This will allow Michigan to initiate a system of incentives for welfare recipients that strengthens families and encourages greater self-sufficiency.

Families will be strengthened by encouraging employment and stability. Two-parent families will receive assistance as long as they meet a financial needs test. Currently one parent must have worked for a limited time in order for the family to receive welfare. Additional amounts of earnings will also be allowed before welfare payments are reduced, and the earnings of children will not be counted in determining whether the family can receive welfare.

Child support collections will be pursued aggressively. Noncustodial parents who are not fulfilling their financial responsibility may participate in activities leading to self-sufficiency such as completing high school, being involved in job training, or participating in community services.

Self-sufficiency will also be encouraged by requiring all welfare recipients to participate in some type of productive effort for at least 20 hours each week. These efforts can include working, job training, education, or participation in community service.

These and other reforms will allow Michigan to change their welfare program to give all those Americans in need a chance to discard long-term dependency for a life of renewed purpose and dignity.

Presidential Determination No. 92 - 42 -- Memorandum on Assistance for Refugees of the Former Yugoslavia

August 25, 1992

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that it is important to the national interest that up to $12,000,000 be made available from the U.S. Emergency Refugee and Migration Assistance Fund (the Fund) to meet the unexpected and urgent needs of refugees, conflict victims, and displaced persons from the former Yugoslavia. These funds will provide U.S. contributions to the United Nations High Commissioner for Refugees (UNHCR), the International Committee of the Red Cross (ICRC), and the United Nations Children's Fund (UNICEF) in support of their emergency assistance efforts.

You are directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:51 p.m., August 31, 1992]

Presidential Determination No. 92 - 43 -- Memorandum on Assistance for Refugees in Africa

August 25, 1992

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that is important to the national interest that up to $15,200,000 be made available from the U.S. Emergency Refugee and Migration Assistance Fund (the Fund) to meet the unexpected and urgent needs of refugees, conflict victims, and displaced persons in Africa. These funds will be used for U.S. contributions in response to the appeals issued by the United Nations Special Emergency Program for the Horn of Africa (SEPHA) and by the International Committee of the Red Cross (ICRC) for its programs in Somalia and Mozambique.

You are directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:52 p.m., August 31, 1992]

Presidential Determination No. 92 - 44 -- Memorandum on Arms Exports to the Organization of African Unity

August 25, 1992

Memorandum for the Secretary of State

Subject: Eligibility of the Organization of African Unity (OAU) to be Furnished Defense Articles and Services Under the Foreign Assistance Act and the Arms Export Control Act

Pursuant to the authority vested in me by section 503(a) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2311(a)), and section 3(a)(1) of the Arms Export Control Act, as amended (22 U.S.C. 2753(a)(1)), I hereby find that the furnishing of defense articles and services to the Organization of African Unity will strengthen the security of the United States and promote world peace.

You are directed to report this finding to the Congress and to publish it in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:05 p.m., August 31, 1992]

Letter to Congressional Leaders on Trade With Republics of the Former Yugoslavia

August 25, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add each of the former republics of the Socialist Federal Republic of Yugoslavia, other than Serbia and Montenegro, to the list of beneficiaries under the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market and is authorized by the Trade Act of 1974.

I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, and particularly the Balkan nations' ongoing political and economic reforms, I have determined that it is appropriate to extend GSP benefits to the former republics of the Socialist Federal Republic of Yugoslavia, other than Serbia and Montenegro.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. This letter was released by the Office of the Press Secretary on August 26. The related proclamation is listed in Appendix E at the end of this volume.

Remarks on Hurricane Andrew and the Situation in Iraq and an Exchange With Reporters

August 26, 1992

The President. First this morning, I want to express our continued concern and support for the people of Florida and Louisiana as they recover from this dreadful hurricane, Hurricane Andrew. I want to go to Louisiana as soon as possible today to communicate this directly to the people of that State, and I'm clearing my schedule to do just that.

As we saw in Florida 2 days ago, the destruction from this storm goes beyond anything we've known in recent years. It will test the resources of all volunteer organizations, private sector help, and State, local, and Federal governments. Damage is in the billions of dollars, and deaths already in double digits. Literally millions of American citizens today find themselves in the midst of personal devastation.

We're committing all the resources available to assist in this recovery. But just in terms of the number of people affected, our country must pull together to help. We've directed the military to provide over 2,000 MRE's, meals, to the people of Florida, and public health medical teams are there on the ground. Federal Emergency Management Centers are established in Florida and Louisiana, and they will focus all of the Government's assets on this problem.

Finally, I'm establishing a high-level task force under the direction of the Secretary of Transportation Andy Card to coordinate Federal efforts. We're making available today $10 million to create 5,000 short-term jobs for Floridians to clean up and restore public services in the aftermath of the hurricane. This grant will be dispersed by the Florida Governor's office and may be used to employ workers left without jobs from the hurricane.

Governor Chiles has worked very closely with Federal authorities, and we are both pleased by the initial response. He said so himself, and certainly I feel that way.

During my trip to Louisiana today we will be assessing similar needs in that State. In addition, we will be asking the private sector of our country to help in every way possible. As I said earlier, this disaster threatens to overwhelm the resources of all public and private institutions, so we must all chip in and help.

Now I want to turn to the situation in Iraq. In recent weeks and months we have heard and seen new evidence of harsh repression by the government of Saddam Hussein against the men, women, and children of Iraq. What emerges from eyewitness accounts, as well as from the detailed August 11th testimony before the United Nations Security Council of U.N. human rights envoy Max van der Stoel, is further graphic proof of Saddam's brutality.

We now know of Saddam's use of helicopters and, beginning this spring, fixed-wing aircraft to bomb and strafe civilians and villages there in the south, his execution last month of merchants in Baghdad, and his gradual tightening of the economic blockade against the people of the north. These reports are further confirmation that the Government of Iraq is failing to meet its obligations under United Nations Security Council Resolution 688.

This resolution, passed in April of 1991, demands that Saddam Hussein end repression of the Iraqi people. By denying access to U.N. human rights monitors and other observers, Saddam has sought to prevent the world from learning of his brutality. It is time to ensure the world does know.

Therefore, the United States and its coalition partners have today informed the Iraqi Government that 24 hours from now coalition aircraft, including those of the United States, will begin flying surveillance missions in southern Iraq, south of the 32 degrees north latitude, to monitor the situation there. This will provide coverage of the areas where a majority of the most significant recent violations of Resolution 688 have taken place.

The coalition is also informing Iraq's Government that in order to facilitate these monitoring efforts it is establishing a no-fly zone for all Iraqi fixed- and rotary-wing aircraft. This new prohibition will also go into effect in 24 hours over this same area. It will remain in effect until the coalition determines that it is no longer required.

It will be similar to the no-fly zone the coalition imposed on northern Iraq more than a year ago. I want to emphasize that these actions are designed to enhance our ability to monitor developments in southern Iraq. These actions are consistent with longstanding U.S. policy toward Iraq. We seek Iraq's compliance, not its partition.

The United States continues to support Iraq's territorial unity and bears no ill will towards its people. We continue to look forward to working with a new leadership in Baghdad, one that does not brutally suppress its own people and violate the most basic norms of humanity. Until that day no one should doubt our readiness to respond decisively to Iraq's failure to respect the no-fly zone.

Moreover, the United States and our coalition partners are prepared to consider additional steps should Saddam continue to violate this or other U.N. resolutions.

Now, Ed Djerejian is going to brief on the details. There will be a briefing on the military aspects of this -- I believe it's over at the Pentagon -- as soon as we're finished.

Yes, I'll take two or three questions. Then I must run.

Bosnia

Q. Mr. President, are you planning similar action to save the people of Bosnia who are also being slaughtered?

The President. We are in close consultation on Bosnia. As you know, the conference is going on right now. Acting Secretary Eagleburger is there, and we are discussing a wide array of things regarding Bosnia. I have expressed my concerns about use of U.S. force, certainly ground forces, in that area. But there's a lot of consultation going on right now, and I hope that that conference can come forth with productive answers that will encourage the people in that area to find peaceful means of solving these questions. The conference is off, I'm told by Secretary Eagleburger, to a pretty good start.

Iraq

Q. Mr. President, obviously, these violations to which you refer have been going on for some time. So the question naturally arises as to why this action now and not before, or not later.

The President. Well, one peg is the report from this U.N. official, Mr. van der Stoel, and I think that gets things in focus. Then the other side of it is we've had rather intensive consultations on this to be sure that we are operating in the coalition. I still think that's very important.

Q. How concerned are you that Saddam Hussein's regime may retaliate against U.N. inspectors on the ground?

The President. Well, they've already taken some steps there. That is a matter of concern because I think that just further antagonizes, properly so, the United Nations against them. But whether there's any steps, I don't know that he'd be foolish enough to take any steps as it relates to this no-fly zone.

Q. Mr. President, what if the Iraqis keep their planes on the ground, yet continue to suppress the Shiites with ground forces? What does this coalition do in that case?

The President. Well, we are not -- that's hypothetical, and I just hope that that doesn't occur. But quite obviously, we would be extraordinarily concerned about that because that would be in violation of 688, as this use of these planes is. So we just have to wait and see what further action might be taken.

Iran-Contra Investigation

Q. Mr. President, yesterday in proceedings involving the Iran-contra trial of Caspar Weinberger, there was a memo released, a memo from then-Secretary of State Shultz concerning a telephone

conversation he had with Cap Weinberger. It appeared to indicate that you knew about the diversion of arms sales, monies to Iran, to the contras, before the time that you acknowledge. Could you address that, sir?

The President. No, I don't know about that. I've told very openly everything I have to say about it. I don't know about that memo. I find nothing -- I see no reason to contradict myself at all. I think what I've done is give the facts as I've seen them. I saw a story on it, and to be honest with you, I didn't read it.

Q. Do you know what they're talking about -- --

The President. No.

Q. -- -- this conversation that they had?

The President. No.

Tax Cuts

Q. Mr. President, we haven't had a chance to talk to you since your convention address in which you proposed tax cuts. Will you be specifying which tax cuts you're talking about and how you plan to pay for it? And if you don't, how do you expect the American people to -- are they supposed to take this on faith?

The President. Well, I think what we're talking about here is a fundamental difference. And the difference is going to be whether you think you can -- whether people can have lower taxes to pay and less spending, or the opposition says they want to raise taxes and raise spending. Much more important than the detail of it, which I would obviously have to support in the budget, would be the philosophy: Which approach are you taking?

We already have specific spending cuts recommended up there in the Congress, and so how specific I'll be, I'm not sure. I've already made specific recommendations on cutting taxes that have been up before the Congress. Whether I elaborate on that or not, I'm not sure. Right now my goal is to make sure people know the fundamental difference. One side wants to raise taxes and raise Government spending. My view is that we must cut taxes and cut Government spending. So I want to keep it in that perspective and not get all bogged down in a lot of detail.

Iraq

Q. How dire will the consequences be if Iraq is partitioned into three parts? Does the United States support that partition?

The President. No. And as I said in my statement, we do not.

Q. Sir, it seems one reason we didn't defend the Shiites after the war was we were concerned about this partition. Now have you had a different read on the Shiites? We hear stories about the Shiites not being considered a threat; in fact, they're more Iranian -- rather, more Iraqi than they are pro-Iranian and Shiite. Is that true? Is that your latest intelligence read on them? Are you concerned that you're now doing this solely in a political year that this simply is going to look funny to the American people?

The President. Well, do you think it looks funny to the British people, the French people, the Saudi people? The answer is no. I'm not concerned about that in the least. I don't think the other side will try to put a political spin on this. We're talking about something that's very serious here. General Scowcroft notified Governor Clinton of what it is we're doing. I'm not worried about the politics of it at all.

On the separation, I'd like to leave that question to Ed to answer as to whether these Shiites are pro-Iran. They're Iraqi, and we do not want to see the partition of Iraq.

Yes, John [John Mashek, Boston Globe]. This is the last question.

Presidential Campaign

Q. Mr. President, since the convention, another development is that the Democrats are saying that you've replaced patriotism of 1988 with love of God and family values in '92. Are those code words this year?

The President. Well, I was very pleased with something. I noticed that Governor Clinton was proclaiming there at the American Legion his pride in the fact that they had passed in Arkansas an anti-flag-burning resolution. That was in the litany of things he talked to the American Legion about. I think that's very good. So I don't think that one side is more patriotic than the other.

I'm going to continue to talk about the values that I think are very, very important. But I don't think we can say one -- what was the rest of your question?

Q. Well, that both the love of God and family values are code words, that the Democrats aren't as strong as the Republicans on those two issues.

The President. Well, I think we'll just say what we're for and let them reply as to what they're for. I noticed a rather vigorous response. I didn't hear -- the press didn't ask me about it, but when Governor Cuomo equated us with Nazis, front page of one of the New York papers 2 days ago, it was -- you know, we're in a funny year when people can say those things. So they've got

their hot shooters out there; we've got some. What I'm trying to do is spell out what I think is fundamental. We're not going to stop talking about family values. If they want to talk about that, that's fine.

Q. Is Chief of Staff Baker prepared now to agree to three Presidential debates with Governor Clinton?

The President. I suggest, John, that you address that to -- I was going to see whether to punt that ball into Baker's end zone -- [laughter] -- but I think the answer to your question, though, is no. But we'll see. We'll see. We haven't discussed it.

Note: The President spoke at 10:48 a.m. in the Briefing Room at the White House. In his remarks, he referred to Edward P. Djerejian, Assistant Secretary of State for Near Eastern and South Asian Affairs.

Statement on Signing Legislation Extending Terms of Members of the United States Sentencing Commission

August 26, 1992

Today I am signing into law S. 1963, which permits Members of the United States Sentencing Commission whose terms have expired to continue to serve until either a successor takes office or the next session of the Congress ends.

The legislation does not specify whether it would apply to the current Members of the Commission. Were the Act read to apply to the current Members, it would appear to violate the Appointments Clause of the Constitution by, in effect, permitting the Members to extend the terms of the office to which they were appointed by the President and confirmed by the Senate. Accordingly, I sign this legislation based on my understanding that it applies only to appointments made after the date of enactment of the Act, so as not to infringe on my constitutional appointment authority. This is in keeping with the well-settled obligation to construe ambiguous statutory provisions to avoid constitutional questions.

I note that this interpretation of the Act is supported by the fact that the Senate deleted from the Act a provision that would have expressly applied it to current Members of the Commission.

George Bush

The White House,

August 26, 1992.

Note: S. 1963, approved August 26, was assigned Public Law No. 102 - 349.

Statement on Signing the Marsh-Billings National Historical Park Establishment Act

August 26, 1992

Today I am pleased to sign into law S. 2079, the ``Marsh-Billings National Historical Park Establishment Act."

S. 2079 will establish the Marsh-Billings National Historical Park in Vermont with the purpose of interpreting the history of conservation. This site includes the boyhood home of George Perkins Marsh. In 1864 Marsh published the first book on conservation, called Man and Nature. He warned that not providing for the proper protection of forest cover would lead to the pollution of streams and rivers, the loss of soil, wildlife, and plants, and the ability to farm the land.

The Marsh home was later purchased by Frederick Billings, an attorney and railroad magnate who began a scientific farm on this site, and reforested the land. It has been owned for the last 60 years by Laurance and Mary Rockefeller.

This National Historical Park will include the mansion and 550 acres of hillside that were replanted by Frederick Billings. The legislation will also provide for cooperation with the historic Frederick Billings Farm and Museum, and allow the National Park Service to interpret for the public the beginnings and the evolution of the conservation movement.

Conservation principles, first articulated by Marsh and practiced by Billings, have also been primary themes of my Administration. Just as Frederick Billings replanted trees over a century ago on the 550 acres of hillside, my Administration has set a goal to plant one billion trees per year across America.

Since 1989, I have proposed an America the Beautiful initiative which has doubled funding for national parks, forests, wildlife refuges, and other public lands, and tripled funding to States for outdoor recreation. Nearly 20 national park units and 60 wildlife refuges have either been created or significantly expanded. In total, over 1.5 million acres have been made available for the use and enjoyment of present and future generations.

The Nation owes a debt of gratitude to Laurance and Mary Rockefeller, who are donating their home as the first national park in Vermont. I salute the Rockefeller family's long-standing support for the protection of America's natural and cultural wonders and their close relationship with the National Park System. They have provided substantial support to the Virgin Islands National Park and Grand Teton National Park in Wyoming. All Americans will benefit from their generosity.

I welcome the Marsh-Billings National Historical Park as the next worthy addition to the National Park System.

George Bush

The White House,

August 26, 1992.

Note: S. 2079, approved August 26, was assigned Public Law No. 102 - 350.

Statement on Signing Legislation Granting Most-Favored-Nation Trade Status to Albania

August 26, 1992

Today I am signing into law H.J. Res. 507, approving the extension of nondiscriminatory treatment (most-favored-nation status) to the Republic of Albania.

The United States Government fully supports this resolution granting most-favored-nation (MFN) status to the Republic of Albania. The bilateral trade agreement between the United States and Albania, of which MFN is a key element, was transmitted to the Congress during Albanian President Berisha's visit to Washington in June and marks an historic point in Albanian-American relations.

Albania elected its first post-communist government in free and fair elections held in March of this year after decades of self-imposed isolation. Since then the country has been struggling to convert to a free market economy. The extension of MFN status to Albania could provide an impetus to Albania's faltering economy and help the country's difficult transition from a command economy to a free market.

The United States now enjoys a close, cooperative relationship with the Government of Albania, a government that is firmly committed to democracy and the free market.

We hope that with our assistance, and that of its other friends, Albania can transform itself from an underdeveloped, closed, centralized society to a democratic country with a free market. A freer and more prosperous Albania can also be a stabilizing force in the volatile Balkan region.

George Bush

The White House,

August 26, 1992.

Note: H.J. Res. 507, approved August 26, was assigned Public Law No. 102 - 363.

Letter to Congressional Leaders Reporting a Budget Deferral

August 26, 1992

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one deferral of budget authority, totaling $17.6 million. Including this deferral, funds withheld in FY 1992 now total $5.8 billion.

The deferral affects the Agency for International Development. The details of this deferral are contained in the attached report.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The report detailing the deferral was published in the Federal Register on September 3.

Memorandum on Administrative Dismissal of Employees Affected by Hurricane Andrew

August 26, 1992

Memorandum for the Heads of Executive Departments and Agencies

Subject: Administrative Dismissal of Employees Affected by Hurricane Andrew

Our hearts go out to the thousands of Americans in South Florida and along the Gulf Coast who have suffered tragic losses at the hands of Hurricane Andrew. Many parts of the Federal Government have been mobilized to respond to this disaster and to begin a massive effort to recover from the ravages of this storm.

As part of this effort, I request heads of executive departments and agencies who have Federal civilian employees in the geographic areas designated as disaster areas because of Hurricane Andrew to use their discretion under OPM and agency regulations and where appropriate excuse from duty, without charge to leave or loss of pay, any such employee who is faced with a personal emergency because of the storm and who can be spared from his or her usual responsibilities. This policy should also be applied to any employee who is needed for emergency law enforcement, relief, or clean-up efforts authorized by Federal, State, or local officials having jurisdiction.

George Bush

Remarks to Public Safety Equipment Employees in St. Louis, Missouri

August 27, 1992

Thank you all. I know, anything to get out of work. [Laughter] Steve, thank you, thank you very much for that kind and genuine introduction. Let me thank some other members of the host committee: Mike Latta, one of the founders, Ed Ryan, Andrew Smith. And of course, I'm very, very pleased that my dear friend and your great Governor, John Ashcroft, could be with us this morning. He's done a superb job for this State, and I'm proud to be at his side once again.

This is really great. Look at the equipment you have here, lightbars, beacons. You've given a new meaning to ``a thousand points of light." [Laughter]

Over the past 3\1/2\ years we've seen a world transformed, as Steve mentioned in his introduction. And yes, the cold war is over. And now the defining challenge of the nineties is to win the competition of this new global economy, to win the peace. Our goal is simple and profound: We must be a military superpower, an economic superpower, and an export superpower.

In this election, you're going to hear two versions of how to do this. My opponent's answer is to turn inward, to protect what we already have from the challenges of this new world. My approach is to look forward, to look out, to open new markets, prepare our people to compete, to restore our social fabric, and to save and invest so that we can win.

I've come to St. Louis today, you'll be happy to know, not to have a political rally but really to deliver a serious message to the people in this factory, the people in Missouri, and the people in the country. I want to point out the sharp difference between Governor Clinton and me on the crucial issues of investment and open trade. My policies encourage both because my experience in business and foreign affairs has shown me that trade and investment create jobs.

In contrast, my opponent and, regrettably, the Democratic Congress want to tax both trade and investment. But common sense tells us that if you tax something you get less of it. Taxes stifle growth and chase away business and destroy jobs.

I know that the other side has lots of slogans and policy buzzwords that sound appealing when you first hear them, but America cannot afford them. There's a difference between soundbites and sound policy. Talk is cheap until you get the bill.

The reason I'm so pleased to be here is because PSE is an example of where I believe this whole country should go and how we should get there. Not so long ago, companies like PSE could be

satisfied with a national market, sell your goods in the 50 States, leave it at that.

That's no longer good enough. So a few years ago, you decided to take on the world. I'm told that now 35 percent or about a third of what you make is sold outside the borders of the United States and in 48 different countries. Today your lightbars and sirens help save lives not only on the streets of Detroit and Peoria but in Israel, Hong Kong, and Spain. I was told that when the Kuwaitis, their country freed, went back in, that your products helped lead the way and keep the peace.

You know, your story is a parable for our Nation's economic future. You've taken the challenges of foreign competition and reshaped them as opportunities, made your name literally a standard of excellence. You should be very, very proud of that, every single person that works here.

I don't want to bore you with life history, but let me tell you how I first learned about competing in the world. I learned my economics in the oilfields of west Texas, painting rigs, and then for a while I drove tens of thousands of miles through the fields in Texas and New Mexico and then California and back to Texas. All around me in those days I saw towns and businesses start from nothing, for a simple reason: The world wanted what Texas had to offer, cotton, cattle, crude.

Later on, when I started my own business, I shopped for investors on the west coast and the east coast, but I couldn't stop there. I traveled the world. We had a tiny company, smaller than PSE by far. And that little company exported our services, and I think success, to Japan, to Brunei, to South America, and to the Middle East. We created American jobs in the process.

Now, I tried to build on that experience when I got involved in foreign relations. And I saw again how important America is to the world and how important the world is to America, not just for national security in the traditional sense but for economic security, for our own economic security, for creating jobs right here at home.

We've held steady to this vision for 3 years now, and we have made solid progress. As we knock down trade barriers, American companies are rushing to meet the demand all around the world. More and more people are buying American. Since I took office, exports have increased by one-third. America is the greatest exporter in the entire world, greatest one the world has ever seen, $422 billion of exports last year alone.

Let me bring that right into the shop here in St. Louis, bring it close to home. In Missouri, exports are up 37 percent over the last 3 years, $3.8 billion worth of goods shipped to 151 countries around the world. It looks like the Show Me State is showing the world.

Now these numbers are impressive, but when you dig behind them, get in behind the math, you find the real benefit of the new world economy, and in a word, it is jobs. Here in Missouri, 150,000 jobs are supported by foreign trade. Across the country, more than 7 million Americans

owe their jobs to exports.

Everyone recognizes, everyone now, that the world is moving at a faster clip, but I see something more: It's moving our way. Right now we're building on the export success of the last 3 years. Two weeks ago we entered into an era, a new era, I'd say, of open trade. Along with Mexico and Canada, we concluded talks on the North American free trade agreement, called NAFTA, knocking down tariffs and creating one of the largest free-trade areas in the world, an integrated economy worth more than $6 trillion.

Here in Missouri, you already export $2 billion worth of goods to Mexico and Canada. That's a lot of paychecks, but our new agreement will create even more American jobs and make us even stronger in the race with our European and Asian competitors.

NAFTA is a solid agreement. But right now, before the ink is even dry, the Democratic leadership in the Congress is calling for us to slap a tariff on any new trade that comes from NAFTA. Now, you've got to -- this is complicated, but just think about it for a minute. After long and tough negotiations with our closest trading partners, we've agreed to end tariffs. The protectionist Democrats say, ``Okay, fine. But first you have to put on a new tariff."

In other words, they think the way to eliminate trade barriers is build a new trade barrier. And they call this new tariff a transaction tax. It'll make it more expensive for businesses like yours to compete in the world economy. And it will discourage the creation of new jobs for your neighbors and, most important, for you. It turns the agreement on its head. They may think that's good politics, but it is, frankly, lousy policy.

Now, you might ask, what about Governor Clinton on this, where does he stand? Just last week, he was asked about our new trade agreement, and he hemmed and hawed. At last he said, and I quote, ``When I have a definitive opinion, I'll say so." I hope nobody's planning to hold their breath on this one. [Laughter] I know politics. And I guess as a candidate you can be on both sides of every question. But as a President, you cannot. You have to make the tough decisions. And you shouldn't be on both sides of each issue.

Governor Clinton can fudge all he wants, but the difference couldn't be clearer. The difference is based on two very different views of our future. My opponents see us knock down trade barriers, and they say, ``Hold everything." They see us open new markets for American goods, and they say, ``Wait a minute. Maybe we can't compete. Maybe the American worker can't cut it. So let's pull down the blinds, lock the doors, and hope the world goes away."

Let me tell them something you already know in this plant. The American worker doesn't have to hide from anybody. Americans can outwork, outthink, outcompete anybody, anywhere, anytime. And that's what we're trying to do, expand these markets. That's something everyone in the world seems to understand, everybody but the protectionist Democrats.

Over the last decade, we have literally seen a boom in foreign investment in the United States, even when things are very, very tough at home. We've seen a boom in that, businesses from all over the world coming here, setting up shop from Portland, Oregon, to Portland, Maine. These investors follow a simple logic: If you want the best science and universities in the world, if you want the best workers in the world, you have to come to the United States of America. And the result has been jobs. One out of every ten manufacturing workers in the United States works for a company supported by foreign investment. That's the bottom line: jobs for Americans, a growing economic pie for everyone.

Now, here's one issue Governor Clinton does not fudge. He's proposed to increase taxes on foreign investment in the United States, even though those companies employ a total of 4\1/2\ million American workers. Governor Clinton says his tax increase will crack down on foreign companies. But that crackdown is more like an eviction notice. When those companies pack their bags, they'll take those jobs with them. I'm not going to let that happen.

We've got to open markets. We've got to encourage investment here, encourage investment abroad, create new markets for the American worker.

All I ask is that you just travel around this State. Go to New Madrid, talk to the 1,200 employees at Noranda Aluminum, or to Joplin, talk to the 425 employees at Atlas Powder. Go to any of the 244 foreign-owned companies that employ 60,000 workers, 60,000 Missouri workers right here. And I don't think you're going to find any of those Missourians complaining about foreign investment. If Governor Clinton's tax hike had been in effect these past few years, those companies simply would not be here, and those jobs wouldn't have been created for the citizens of Missouri. And it's not just Missouri. Whether it's the Nissan plant in Smyrna, Tennessee, or the Honda plant in Marysville, Ohio, Governor Clinton's tax increase would be felt in every region of every State in this country.

And he could use a lesson in international relations. If he raises this tax, our foreign competitors are going to say, what's good for the goose is good for the gander. His tax hike is like a gilded invitation sent to foreign governments where U.S. companies do business. And the invitation reads: Please retaliate. You do not want these governments abroad to retaliate against Code 3, against your wonderful products, because of tariff policies or tax policies in the United States.

His tax would not only destroy jobs and reduce investment here, it would do the same throughout the global economy, causing a worldwide contraction. I don't have to ask you to go back to the history books, but there was an occasion when that happened, right before the Great Depression. And we're fighting our way out of a tough recession now, and we don't need to throw more Americans out of work. So look carefully at this taxing.

Those are the facts about Governor Clinton's tax: It will literally destroy jobs, discourage investment, and it threatens to start an economic war just as markets the world over are opening

up to American products.

We should ask why, given all this, Governor Clinton would ever propose such a tax in the first place. Well, I have a hunch. Today change is accelerating, and change breeds a certain uneasiness, skepticism, even fear. And by attacking the bogeymen of foreign investors, Governor Clinton hopes to exploit the darker impulses of this uncertain age: fear of the future, fear of the unknown, fear of foreigners.

Now, I know his reputation for opportunism, as the kind of guy who will say anything, do anything for political gain. But he should understand what's at stake here. And if he doesn't understand it, let me tell him. Those are American jobs he's playing politics with. Those are American workers he's putting at risk. The American people simply won't buy it. The proudest people on Earth have never stooped to fearmongers before, and we must not stoop now to fearmongers.

In talking about our future in the global economy, I mentioned, touched on my own experience because I want you to understand why I believe what I do about America's ability to compete. I've, with a lot of help, built a business, and I've dealt with foreign nations. I know how to bring it together. I know what it takes to make America secure and strong at home and abroad.

So, you see, your vote will make a difference this year, not only in the Presidential election. When you look at your candidates for Congress, I'd like you to ask them something. Ask them where they stand on keeping America an export superpower, on our new trade agreement, and on Governor Clinton's new taxes on investment and jobs. Please listen to the answers very carefully. Don't let them talk any longer -- talk one way in Missouri and another way back in Washington, DC.

And this is important. Please follow up. Some of them will do more flip-flops than Ozzie Smith out there. [Laughter] I'll give you an example. Earlier this summer we lost a close battle in Congress for a constitutional amendment to balance the Federal budget, to discipline the Congress and discipline the executive branch. One of St. Louis' Representatives, Joan Kelly Horn, signed up -- this is going to be hard for you to believe -- signed up as a cosponsor, one of the leaders of, a cosponsor of the amendment to cause us to have to balance the budget. She signed up in April. And then when it came to the vote, she flipped. She voted against the very same amendment that she had cosponsored.

Enough is enough. This fall ask her about that balanced budget amendment, and vote for Jim Talent, her opponent. And I know Mack Holekamp supports the balanced budget amendment, too. Vote for him. We need to make people do in Washington what they tell you in Missouri they're going to do.

Well, anyway, those are the kind of choices we face this year, a choice between the patrons of

the past and the architects of the future. I believe we can shape our future not by taxing trade but by opening markets, not by scaring off investment but by using it to create jobs for ourselves and our kids.

I have great faith in America's future because I have faith in the American people and in the American worker. It is the same faith that brought me out to Texas more than 40 years ago, the same faith that brought me into public life, the same faith that has led me to fight for these open markets, because I know that no challenge is too great for the hearts and the minds of America.

And lastly, do not listen to the pessimists who tell you that the United States of America is in decline. We are at the sunrise, not the sunset. And if we pursue these opening of markets, we will demonstrate to the entire world once again why everybody looks to America: peace, security, strength, freedom, democracy, and an ability to outwork anybody, anywhere, anytime.

Thank you all very, very much. And God bless you.

Note: The President spoke at 9:10 a.m. on the shop floor at Public Safety Equipment, Inc. In his remarks, he referred to PSE officials Stephen Rose, engineer; Michael D. Latta, president; Edward F. Ryan, vice president, marketing; and Andrew G. Smith, vice president, engineering; and Ozzie Smith, St. Louis Cardinals baseball player.

Remarks to a Bush-Quayle Rally in Cincinnati, Ohio

August 27, 1992

The President. Thank you very much. Hey, George Voinovich, thank you very, very much. Thank you. Last time I was at a rally at this marvelous park, Johnny Bench and I rode in on a fire engine, and it started to rain. Now the sun is out, and things are looking good.

I want to thank George Voinovich, all our other great leaders here. I want to thank Ronnie McDowell for that musical number and mention those Olympians that were here, Mike McMurray and Joe Hudepohl and Tim Austin, thanking them for being with us and for what they did for the United States of America in Barcelona. Also, a special thanks to my friend Johnny Bench, everybody's hero.

These athletes, these competitors know something about competition, and this year's campaign is about one question: how America can win the economic competition and win the peace. I believe I am the person to lead us to do just that.

You know, you can't build a home without a hammer; you can't build a dream without a job. So you need to know which candidate has a plan to fulfill your dreams. I believe I have the plan that works for America. My plan starts with the idea that the deficit, the big spending deficit, is a dark cloud hovering over the future of these kids. The Federal Government spends too much of your hard-earned money. Help me put an end to that.

I have asked Congress to take over 4,000 specific projects, 250 Federal programs and send them the way of the pet rocks and the mood rings. And they refuse to act.

Here's another idea. So far, Congress has said no to my efforts to cut spending. So last week I put forth a new idea. If they can't do it, I want to give you, the taxpayer, the power to take up to 10 percent of your tax return, earmark it for one purpose only: reduce the dangerous Federal deficit. If you can check off for America, I believe we will finally get the big spenders up there in Washington in check.

You might say, ``How do we create jobs in America?'' Well, unlike my opponent, I spent half my life in the private sector, trying to meet a payroll like many of you out here. I happen to believe that having held a job in the private sector is a good qualification for President of the United States or for anything else.

I know this, that taxes stifle growth and they stop job creation. So with a new Congress, and we're going to have a new one, we will cut spending, and then we'll cut taxes. They want to increase spending and increase taxes, and that is the big difference.

Another thing: I want to get rid of all those crazy lawsuits. If you fall off a stepladder today, a lawyer will be there to catch you before you hit the ground. My opponent doesn't believe this is a problem, nor does the gridlocked Congress. I've got to dig out my coat now because I want to read you something here. Earlier this year, the head of the Arkansas Trial Lawyers Association, a guy named David Williams, wrote a letter of endorsement for Bill Clinton. He said, and I quote directly, ``I can never remember an occasion where he failed to do the right thing where we trial lawyers are concerned."

Well, I don't want to do the right thing for the trial lawyers, I want to do the right thing for the American people. We've got to sue each other less and take care of each other more.

Audience members. Four more years! Four more years! Four more years!

The President. You know, we've got to have -- there are too many families that wonder whether they're going to be able to pay their medical bills. We've got a good, strong health care reform program. The Clinton program is to go the way, the same old way the liberal Democrats do: put your fate in the hands of Government. I believe that we control costs, extend coverage, insurance coverage, to the poorest of the poor without putting your health care under the control of those same people who brought us the House post office and the House bank.

Audience members. Clean the House! Clean the House! Clean the House!

The President. Right. You know, listen, this is really fact here, Governor Clinton's health care plan would lead to a new health care tax on those who can afford it the least, the small business. I believe small business needs capital, needs incentive, needs relief from regulation. What small business doesn't need is the Excedrin headache of Governor Clinton's new taxes.

Here's some of the other things I'm fighting for: Job training, to lend a helping hand to workers that are caught in the transition of our economy. I want to revolutionize the way we teach our children, giving many American parents a new freedom, the freedom to choose where your kids go to school, public, private, or religious; make the public schools greater and make the private schools like St. Xavier's right here greater. I want to reform our welfare system to encourage families to stick together and fathers to stick around.

Some people don't like it when I talk about family values. Well, they'd better get used to it because let me tell you something, let me tell you something that everybody in Cincinnati knows, and that is that the family is the foundation of America. All our other successes are worthless if we fail at home. We need to strengthen the American family if we are going make America stronger and more secure.

So we've got a wide array of issues we're talking about here. You might ask, well, where does my opponent stand on the issues? Well, good question, very good. As this campaign gets

underway, it's getting harder and harder to tell. He's turning up in more places than Elvis Presley. You just can't tell. [Laughter]

Take the question of whether to stand up to Saddam Hussein, the most important foreign policy decision that a President had to make, certainly the most important one that I had to make. Two days after Congress followed my lead, let me quote you what my opponent said. I want to be fair about this. Here's the quote directly: ``I guess I would have voted with the majority if it was a close vote. But I agree with the arguments the minority made."

Now, in the Oval Office, when you have to make life and death decisions you cannot have it both ways, not when people's lives are at stake. You have to make the tough call, whether it's popular or not. I hope I have earned the trust of the American people.

Audience members. Four more years! Four more years! Four more years!

The President. Listen, the big problem is the economy. In his acceptance speech, Governor Clinton insists that Government takes too much and gives too little in return. But then he proposes, and this is factual, $220 billion in new spending, plus the largest tax increase in history, $150 billion.

I say, and you say, let's go the other way. Let's cut spending, and let's cut taxes.

I'm just getting wound up here. Let me give you one more example, though, one more example because it affects a lot of lives here in the State of Ohio. A few months ago, Governor Clinton said he wanted to raise fuel efficiency standards, they're called CAFE standards, for cars to 45 miles per gallon. It sounds like a great idea, but scientists will tell you it is impractical. It will cost lives, and most important, it will throw 30,000 Ohioans out of work.

Governor Clinton finally figured this out. So last Friday he sang a different tune, keeps shifting ground. He said, and I quote, ``I never said that I didn't think there was more than one way to do it, or that we shouldn't be flexible in the way we approach it." Now, you talk about back-pedaling. The Bengals could use him in their secondary, for heaven sakes. This is crazy. It is strange.

So I ask the American people, is there a pattern going on here? Will Governor Clinton say anything to anybody? America cannot afford in a President double-speak, double-talk, double-time. Please elect me to keep the integrity and honor of that White House.

I see some of these signs out here. Hey, this is great. I see some of these signs out here; I'm reminded of a story, reminded of a story about the farmer and the certain farm animal. The animal was so slippery that it kept slipping out of its pen. One day the farmer went looking for it, followed the animal's track all over creation. When the farmer returned, his wife asked if he

knew where the animal was. The farmer said, ``Yes, ma'am, I found him. He's on both sides of the fence." [Laughter]

Now, in this campaign you're going to find me on just one just side, the side of the American family, the American taxpayer. But it's not just enough electing a President; I need some help. The gridlock Congress has been run by the same entrenched, ossified, change-allergic leadership for 38 years. The one institution that hasn't changed in this country is the Democrat-controlled House of Representatives. And it is time.

Audience members. Clean the House! Clean the House! Clean the House!

The President. It is time to take a broom and clean the House. You can start right here by giving me Mike DeWine for the U.S. Senate. Change the Senate; get him elected. Do what the people of Ohio want done: Have somebody in Washington that will vote the same way there that he talks in Ohio. Send Mike DeWine to the Senate. We need to clean the House, so give me Steve Grote to the first district seat right here in Washington; send him up there from the first district.

Sending Mike and Steve to Washington and then fighting side-by-side with Bill Gradison and John Boehner and Bob McEwen, we will break the gridlocked Congress, and we will get this country moving again. We will fight for a balanced budget amendment and a line-item veto and for this tax check-off. If you change the Congress, we can get that job done for the American people. We will fight to lower spending and taxes. We will fight to stop these crazy lawsuits. We will fight for you so that, together, we can build a stronger and a more secure America.

The last point is this: We've been through a lot in the world. These young people here go to sleep at night with a lot less fear of nuclear war. That is something good. That is something wonderful for every family. But make no question about it, when you hear the other side talking about that we're ridiculed abroad, don't believe it. We are the most respected nation on the face of the Earth, and we're there because we made the tough decisions. We stood up against what was wrong and fought for what was right. Now I ask you to help me and give me 4 more years to continue to lead this country.

May God bless the United States of America. Thank you all very, very much. Thank you.

Note: The President spoke at 1:42 p.m. in Fountain Square. In his remarks, he referred to Gov. George Voinovich of Ohio; Mike McMurray, Cincinnati disc jockey; and Johnny Bench, former Cincinnati Reds baseball player.

Remarks to Findlay Machine and Tool Employees in Findlay, Ohio

August 27, 1992

The President. Thank you very, very much. Thank you, Mike. If we had more Congressmen like Mike Oxley and had Mike DeWine in the Senate, everybody wouldn't be yelling at me, ``Clean House!'' everyplace I go.

And thanks to all of you especially for that warm welcome. I salute our Lieutenant Governor, Mike DeWine. Thanks to the Mayor, Mayor Keith Romick. And let me also thank our hosts, Joe Kirk -- [applause] -- you better clap for Joe Kirk. [Laughter] Now, as well as the local celebrities providing the music; band was fantastic, that Findlay High School Band over there. I'm also pleased that two men with whom I served in Congress, who no longer are there -- Del Latta is here and Jack Betts, both outstanding Members of the United States Congress.

And as Mike Oxley said, this is a return engagement. It's great to be here in Findlay, Flag City, U.S.A. I couldn't count every one of the 319 flags that I'm told you fly around here, but let me assure Jim Woodward, every flag I did see looked great to me.

It is a time of great pride for our flag and for the freedoms that it represents. And yes, the cold war is over, and freedom finished first. Now, the defining challenge of the nineties is to win the competition of the new global economy. Our goal is simple; it is straightforward: In the 21st century, America must be not only a military superpower but an economic superpower and particularly an export superpower.

In this election, you'll hear two versions of how to do this. My opponent's answer is to look inward, to pretend we can protect what we already have. And ours is to look forward, to open new markets, prepare our people to compete, restore the social fabric, to save and invest so that we can win for everybody in the United States of America.

You know, already Findlay is rising to the challenge. When I was here 4 years ago, this spot where we're standing was a forest. Today, Tall Timbers is a testament to the transforming power of the international economy, a living, working blueprint for how America can compete. And you are showing the rest of our country, you're showing the rest of America, that in the new global economy America can earn a gold medal. And that's exactly what we're doing right here in Findlay today.

What do the economists say about this new economy? Well, I realize that economists are not always the most admired profession. My own economic advisers tell the story about a business leader who traveled to New York City for a conference. In the Grand Central Station, he was

confronted by a bum in tattered clothes. And the bum said, ``Hey, can you give me 10 bucks for a cup of coffee?" The businessman said, ``Ten bucks! That sounds a little steep." And the bum replied, ``Haven't you heard? The dollar is weakening. The M1 money supply has been loosened too quickly, and that could set off an inflationary spiral, driving up the cost of consumer goods." The businessman looked at this guy, and he said, ``You're pretty smart. Why aren't you an economist?" And the bum glared back, ``Buddy, I still have some pride." [Laughter]

Someone will probably tell me that the shop next door is the American Economics Association. But nevertheless, I know that economists can be confusing sometimes. But when it comes to the value of foreign trade, they all agree: Foreign trade creates American jobs. Right now, one out of every seven Ohio manufacturing jobs is tied to foreign trade. Whether it's toothpaste from Procter and Gamble or the M - 1A2 tank built in Lima for sale to Saudi Arabia, exports equal paychecks for the people of Ohio.

That's why I want to talk today about a dangerous idea embraced by my opponent, a new tax increase that he's taken to heart. And I'm not talking about the $150 billion tax increase that he wants in new income taxes. I'm not talking about the new payroll tax that he will need to pay for a Government takeover of health care or the training tax he wants to chain to our economy or the carbon tax he wants to put on your cars. I'm talking about a new idea, a tax on foreign companies doing business in the United States.

Some might say, ``What's wrong with that? At least the one tax that American workers won't have to pay." Well, you should care, and here's why. You'll feel the effect up and down these loading docks, starting with the seven companies right here in Tall Timbers. Because these companies may be foreign owned, but the jobs are American jobs. I know that our economy is struggling right now, and a lot of people are hurting in this country. The economy's struggling to accelerate right now. And I don't want to see anyone take these jobs away from you, the American worker.

Look at this one, look at FMT, an American-owned company, selling what it makes here in the U.S. But Joe here, Joe Kirk, tells me FMT sells to a number of companies that are American based but foreign owned, sells to those. And if my opponent had his way and your customers get hit by his tax, when they start to cut back, when they cancel orders, you'll get hurt. We need to do better by the American worker. We need a policy that creates jobs, not a tax machine that spits out pink slips.

Now, here's what I have to offer: a coherent plan, one that sees that in today's world foreign policy, domestic policy, and economic policy are three sides of a single issue; a strategy that reaches out to the world in a way that makes a difference right here in Findlay, in your neighborhoods and in your lives. We must build on the fundamentals of lower tax rates, limits on Government spending, less redtape and regulation, and more trade, more competition to generate the growth that means more opportunity and thus more jobs.

It begins with an aggressive strategy to open new markets, so that ``Made in America'' is understood in any language from Lima, Ohio, to Lima, Peru, and beyond. Some will say that the American worker isn't up to it. And I say: Look, give our workers a level playing field, and they will outperform any worker in the world, anyplace, anywhere, anytime.

I learned this myself. Thank God I spent some time in the private sector. Half my adult life was in the private sector, and half in public service. But I learned this part in a very personal way 35 years ago when I started and headed a small drilling company, service company, a tiny company. But we sold our services in Japan, in Brunei, in the South Pacific, sold them over in the Middle East, sold them in Venezuela and Trinidad. And I learned something from all that. I learned you don't have to be a big company to export. I learned that our crews, our workers could compete, hold their own with workers, do better than workers anywhere in the rest of the world. And I learned that when we export, we really help the American economy. That is firsthand experience that a young businessman learned, and as President I feel even more strongly about it. We cannot go to protection and higher taxes. We must go to more exports and more competition.

I also believe in a very simple philosophy: The Government is too big, and it spends too much of your money. So far, this gridlocked Congress has resisted many of my attempts to cut the budget deficit. So last week I unveiled at Houston there a new idea: Why not give you, the taxpayer, the right to earmark up to 10 percent of your tax return and have it go for one purpose alone, to reduce the budget deficit? Let's get the deficit down and lift the burden of debt from the children's shoulders around here. Lift that burden of debt by getting the deficit down.

Once we have runaway spending under control, we need to cut taxes across the board to give businesses incentives to grow and create new jobs for America. I've been accused of being one of those who thinks every day is the Fourth of July. Well, that's a lot better than my opponent. He thinks every day is April 15th. That's going to be the big issue in this campaign. That's going to be the big issue. It's time to take the bull's-eye off the back of the American taxpayer.

I have a small concern about small business, a special concern about that. They create two-thirds of the new jobs in our economy, small businesses. And I have a plan to give small businesses relief from taxation, regulation, and litigation.

You may have read the story, and this is true, about the fellow up in New York who threw himself in front of a subway train and then sued for damages, and he was awarded $650,000. Doctors are afraid to practice medicine; some moms and dads won't coach Little League. And my opponent and the trial lawyers of America eye each other with ``goo-goo eyes'' like Boris and Natasha in those old Bullwinkle cartoons. And I want to stand up to the trial bar and reform our legal system. As a nation, here it is, we ought to sue each other less, and we ought to care for each other more. And we've got to do something about these lawsuits.

Audience members. Four more years! Four more years! Four more years!

The President. Time and again, I have sent proposals up to that gridlocked Congress to do something to put some caps on these lawsuits. And time and again, the gridlocked Congress has said no because they are in the pocket of the trial lawyers association. Give me new Members of Congress, and let us change that for the American people.

I have other priorities, and they're your priorities: To control health care costs, we've got to do something about health care in this country, but control the costs without a backdoor Government takeover. We need more job training for workers caught in the transition of our economy. And I have a plan, a good one, to create new schools for a new century -- we call it America 2000 -- and with new ideas like using competition to make schools more accountable to you, the taxpayers and the parents. Give the parents a choice as to whether to send this kid to private, public, or religious school.

If you agree with these ideas, then I ask you a favor. Help me make this reform agenda a reality. Come November 3d, send me a Congress I can work with, and give the existing Democratic leadership a pink slip to get on home and go about their business.

Congress today has become a gridlocked Congress, the only institution that has not changed in 38 years. Presidents come and go; Senators come and go. The Senate has changed control. The House of Representatives has not changed control in 38 years, and they spend their time debating, incredibly, important issues like Vanna White and the ``Wheel of Fortune'' -- [laughter] -- while neglecting the business of the Nation.

Now, next year, there are going to be an estimated 150 new Members of Congress, at least, and they're going to come to Washington. We then have a real opportunity to break the gridlock. As you look at the various candidates, ask them the tough questions: Are you for free and fair trade? Are you against the kind of business tax that will cost American jobs? Do you want to get the deficit down and the economy moving? And send me a Congress that will do what's right for America. I want to see the line-item veto. I want a balanced budget amendment for this Constitution.

Don't you believe for one minute what the opponents say when they say we are a nation in decline, we are a nation not respected around the world. I've been to many places around the world, and if one thing is clear, it is we are the undisputed, respected leader not just of the free world but of other countries that are striving for the freedom and democracy we sometimes take for granted.

Since this is Flag City, let me close with a flag story. During the Gulf war, I received a letter from the Mayor of Stantonsburg, North Carolina. He told me about watching two little girls about 10 years old walking across the school yard. One day, they went across. He was watching,

and they were pulling their mom's laundry on a wagon. As the girls passed the pole in front of the town hall, they looked up and saw the United States flag flapping in the wind. Unaware that anyone was watching, these two little girls stopped, placed their hands over their hearts, and pledged allegiance to the flag. One little girl said simply, ``It's important to do this, you know, because of the war and all."

Well, this election, like all elections, is about that little girl, and all the kids in Findlay, in Lima, and all the kids in America. If we do what is right today, we can take advantage of the opportunity of our global victory. We can build a land where they will be safe and strong and secure, where they can climb the flagpole of opportunity and put their hands over their hearts with pride, knowing that in their land the sun is always just peeking out over the horizon.

I'm delighted to have been back in Findlay. Thank you once again for this warm welcome, and may God bless the United States of America. Thank you very much.

Note: The President spoke at 5:15 p.m. at Findlay Machine and Tool, Inc., in Tall Timbers Industrial Park. In his remarks, he referred to Joe Kirk, company president, and Jim Woodward, chairman, Adopt a Flag Committee in Findlay, OH.

Remarks in Toledo, Ohio, on Additional Disaster Assistance for Florida Following Hurricane Andrew

August 27, 1992

The President. I want to make a brief statement on the hurricane situation in south Florida. I've been on the phone with Secretary Card; with the White House, of course; and with Governor Chiles, the Governor of Florida. Secretary Card is the head of this Federal task force that is responding to the aftermath of Hurricane Andrew, and I talked to both him and Governor Chiles about what more needs to be done.

I've directed the Federal troops to be immediately alerted and begin to provide additional emergency assistance to the victims of the disaster. We are going to fulfill the request of the Governor for Federal participation by the military. And then we will be doing a lot more because, as these reports have come in today, the damage is far more widespread than even we had feared. We directed the Department of Defense to supply comprehensive assistance to the affected areas, including mobile tents, food, water, field kitchens. I've also directed them to supply whatever transportation is necessary, including aircraft and helicopters, to fulfill that vital mission.

The damage has created tragedy for millions of Floridians. Some are estimating it may be the worst national disaster this country has seen, natural disaster. And on behalf of every American, of course, let me just express profound concern to those residents of Florida.

But the military is moving, and there's meetings right now to further enhance this mobilization. So help is on the way. It will be a major effort because the National Guard in Florida, according to the Governor, has been fully mobilized now. I think we saw half the troops mobilized as of yesterday, but even that, with a lot of troops, have not been able to handle this job. So the Federal Government is not only prepared to assist but is in this instance very eager to assist. So that will be underway, and relief will be forthcoming very, very soon.

Q. Mr. President, what will the role of the troops be? Is there a problem of looting there?

The President. No, I think the Florida Guard has done a good job in the security aspects. And I think these troops and these facilities will be used for sanitation, for feeding, for housing, tents, for example, and to bring that kind of relief to the people.

Thank you all very, very much.

Q. Do you want to talk about politics a little bit?

The President. I'd better not right now.

Note: The President spoke at 5:40 p.m. at the Toledo Express Airport prior to his departure for Washington, DC.

The President's News Conference on the Aftermath of Hurricane Andrew

August 28, 1992

The President. I have with me several of the key leaders at the Pentagon who are working on this humanitarian problem. And our military resources are responding promptly and massively to the hurricane disaster.

At least 7,000 Federal troops are on station or en route to deliver services to Floridians who are the victims of this horrible disaster. That amounts to a full brigade. Another 1,000 Marines are going to Opa Locka to help, if necessary.

Two tent cities with sanitation facilities which can house 5,000 people will arrive in Florida this afternoon from Guantanamo. General Reimer, with me today, and Secretary Atwood tell me that the Department of Defense has already delivered nearly 200,000 meals. In addition, another 200,000 would be delivered today and tomorrow. Also, 20 mobile kitchen trailers, which are each capable of feeding 300 personnel every 2 hours, will serve food around the clock. The Department of the Navy is providing shelter for up to 5,000 personnel.

In addition, the Army is sending up to 1,250 tents, 25,000 cots, and 50,000 blankets. The military is sending a full medical brigade and seven special medical teams to deal with the health problems. Ten thousand gallons of bottled water arrive today. Contracts have been let for 6 million more gallons of water, Generators are being supplied for electricity support in relief centers. In addition, the Army Corps of Engineers is on the ground to help with the removal of debris that will allow people to move around.

The United States Department of Agriculture has just distributed over 100,000 food packages. In addition, 7,000 cases of food from the Red Cross and other agencies have been sent to Florida shelters.

Finally, with the respect to the maintenance of public order and security, functions now the responsibility of State and local officials in Florida, I have made very clear to Governor Chiles both yesterday and today that I am willing to send more Federal troops and federalize the National Guard in Florida if he wants us to. We will commit all Federal military resources necessary to help the people in Florida. I've just talked to Governor Chiles, and I think we are in agreement on all of this.

As far as Louisiana goes, problems for some families are terrible. The size, the scope of the disaster is not near as great. But the military is helping there as well. There are MRE's on the ground. The generator sets are there. And I've been trying to contact Governor Edwards, with

whom I visited the area the other day, to be sure that we are giving him the proper support for the people of Louisiana.

So things are moving, and the big thing is to get this job done for the people. It is a cooperative effort between private agencies, between local, State, and the Federal government. I am very, very proud of the way the military has responded here.

State and Federal Cooperation

Q. Mr. President, how do you respond to criticism that you did not act fast enough or you didn't respond to the needs -- --

The President. Well, I think the reason -- I would simply say this: First place, I'm not going to participate in the blame game, nor is Governor Chiles. What we're trying to do is help people. It doesn't do any good to go into ``who shot John.'' I can tell you this, that this large a military movement would not have taken place if there was not very early planning and cooperation by the military, and we have responded. I think the Governor would agree that when he asked for this massive movement of force, it was only within a few hours that we responded to that.

So I think much more important than when something took place or didn't take place is the feeling we must convey of total cooperation. I'm satisfied that we responded properly, and I'm very confident that the military have conducted their mission so far with beautiful planning, now excellent execution. I'm also satisfied that they will do whatever it takes to go the extra mile to help the people of Florida. And that's all I'm going to say about that.

Q. Was Chiles slow to ask for Federal troops?

The President. I'm not going to say that. I just expressed myself on this subject. I think we've responded. I think he would agree that when he asked for a massive amount of force yesterday, it's on the way. There were some things he asked about that we were not able to do, but as he said down there, and I will say here, we are having excellent cooperation between the Governor's office, the State of Florida, and the Federal Government. He said it, and I say it. I'm not going to change my mind on that. He's working -- --

Q. Weren't you ready to send troops in there sooner?

The President. -- -- very, very hard to coordinate. He's got a very difficult job down there.

Q. Weren't troops ready to move sooner than that at Bragg, though, and elsewhere?

The President. I've already said when we were asked to move, we moved these massive numbers of forces.

Q. But they were ready to move sooner if asked, weren't they?

The President. I'm not going to go into that because I don't -- what you seem to be interested in is kind of assigning blame or something. That is not what's at stake here, and I don't want to participate in that.

There was some unit that we couldn't -- what was it?

Mr. Heldstab. One air battalion.

Mr. Reimer. Air battalion.

The President. -- -- engineer, and what was the reason for that?

Mr. Heldstab. They had already been on their 2-week active duty and were unable to be involuntarily recalled.

The President. There was one battalion he wanted to have -- this was before yesterday's request -- and we were not able to do it because those people had served. It was a reserve unit. They had served, and under the law we're not able to mobilize them. But perhaps that's what's causing some of the concern.

But the Governor and I are looking at this, I think, the same. I'm not going to -- you can ask him. But we want to give full cooperation to what's happening there. You just turn on the set, and you can see these planes rolling in there. That's the main thing. Look forward, try to help, and try to wipe out these little differences that some people want to talk about. I want to dwell on how we're going to help the people in Florida.

Q. Mr. President, does the Federal Government have the lead role in this right now?

The President. The Federal Government has a leading role in the humanitarian relief. It does not have a role in the security right now. That's in the hands of the State, and it's been entrusted largely to the National Guard, which is under the control of the Governor because it has not been federalized.

Q. Mr. President, is the magnitude of this disaster going to require additional Federal funds?

The President. Well, if it does, we will have to acquire additional Federal funds. I have not had an estimate on that yet.

President's Schedule

Q. Mr. President, what are your plans for this weekend? And since you were able to manage the crisis involving the Soviet coup and the prewar plans last year, why did you decide to scrub your trip to Kennebunkport?

The President. Well, I think I'll be having meetings here over the weekend. I'll be down here either tomorrow or Sunday for a report from the people on the ground down there. I don't want to pull them out of there right now, but I think it is very important that the coordination go forward. We've talked here about the military. We have a lot of civilian agencies, 27 of them to be exact, that are involved in all of this. Our staff here under Jim Baker have been actively involved almost 'round the clock. But I think it's important that all of these agencies know that the President is going to be on top of this.

Q. Was there a political consideration in not going to Kennebunkport, sir?

The President. No political consideration. I'd very much would like to be there and regret not going. But I've got my responsibilities here, and I think I can do that from here. Then I'm going to be at Camp David. We've got excellent communications; it's almost like being in your office here. But I'll just do what I've got to do.

Q. Mr. President, did Jim Baker or anyone say it wouldn't look right, sir?

Disaster Planning

Q. Mr. President, you mentioned that what happened last night and this morning was the result of considerable planning that had been done by the military. When did that planning actually begin, sir, and how closely did you stay on top of it on the days that followed your visit to Florida?

Secretary Atwood. On Sunday we activated the Army to make plans. This was before the hurricane struck.

The President. Sunday the planning began, and they activated the planning before the hurricane struck. They were giving me reports on what possibly we would use in terms of assets.

Q. Mr. President, were you in contact with Governor Chiles as soon as that plan was developed to be sure that he understood it and could right then, that the second he asked for Federal assistance these troops would be in there?

The President. I think I said that publicly when I was in Florida on Tuesday -- was it Tuesday I was down there? But when I was there he was standing right next to me, and we did talk about

that, yes.

I think we've had a good, cooperative relationship. I heard some local officials who were somewhat, well, not somewhat, quite critical. But I understand that. These people have been up all night. They've been worried about their constituency. In this case it was a commissioner. They're wondering how their people are going to get fed. So I can understand tempers flaring. But I don't want to contribute to that. We want to move forward here.

Q. Mr. President, part of the problem also that they were saying was that there was, as you were saying earlier, a lack of coordination, and also they were saying perhaps some redtape. Is there anything more the White House can do to eliminate some of the redtape to get the aid going quicker?

The President. Well, any time you have this massive an operation I suppose, as the young major I heard on the television right now, he said, ``Well, there's a glitch from time to time, but it's overwhelmed by the fact that so much good is happening." But we've got good, competent people trying to work out the coordination between the agencies. Andy Card, our Secretary of Transportation, has my full confidence, and he's on the spot working with the other Federal officials and with the Governor's people. So if there are any difficulties or redtape, we want to cut right through it.

Q. Were you disappointed -- [inaudible] -- early response, sir?

The President. No. I don't know what area they've not responded in. Listen, if anybody can do the job better, why, we'll be pushing them to do it better.

Louisiana

Q. To clear up the situation in Louisiana, Mr. President, is it your expectation that no Federal troops will be necessary there?

The President. Well, I gather that's the case right now. But we made clear to Governor Edwards that if more was required, please let us know. I think we had assurance on that. I didn't talk to him. I've been trying to get hold of him. But one of our White House officials talked to him, and I think that was his last, latest judgment on it.

I've got time for one more question.

State and Federal Cooperation

Q. Mr. President, yesterday you said the reason you were sending in the military is because the size of the disaster is so much larger than originally anticipated. Sir, why didn't we know sooner

that hundreds of thousands of people have been left homeless?

The President. I think one of the reasons is you've got a lot of isolated areas. Secondly, I don't know that there was a large discrepancy in numbers of people that are out of their homes. But as I said, yesterday we received the request for massive numbers of troops, and yesterday we responded within several hours. I think that will be Governor Chiles' understanding, too.

But look, if any Federal official is trying to blame a State official, I want it to stop. If any State official is trying to blame the Federal official or local official, that's not constructive. I know it makes very good, wonderful debate, but it doesn't help anything. What we're trying to do is work together here. I am determined that from the Federal Government's standpoint we give maximum cooperation to local and State officials. And that's the way it's going to be.

There is no point getting into blame and this ``who shot John'' thing that I know everybody's fascinated with. I don't want that, and I don't want one single Federal official trying to be in the blame-assigning business. I've given you the facts here today. I think Governor Chiles will understand that those are the facts. The important thing is to help the people.

This military of ours, these men standing behind me and those that work for them, are doing a first-rate job in responding to the order. The order is to get down there and help people, and it's a wonderful thing. I think the people of Florida when they see this, see the magnitude of this operation, will be very, very grateful. We all should be grateful that we can have this kind of response.

Thank you all very much.

Note: The President's 140th news conference began at 12:10 p.m. in the Rose Garden at the White House, following a meeting with Deputy Secretary of Defense Donald J. Atwood, Jr.; Lt. Gen. Dennis J. Reimer, USA, Deputy Chief of Staff for Operations and Plans; and Maj. Gen. John Heldstab, USA, Director of Operations, Readiness and Mobilizations.

Nomination of Alvin P. Adams, Jr., To Be United States Ambassador to Peru

August 28, 1992

The President today announced his intention to nominate Alvin P. Adams, Jr., of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States of America to the Republic of Peru.

Since 1989, Ambassador Adams has served as Ambassador to the Republic of Haiti at the American Embassy in Port-au-Prince. He has also served in several other positions at the Department of State including: Associate Coordinator for Counter-Terrorism, 1987 - 89; detailed to Ryder Systems, Inc., 1986; Ambassador to the Republic of Djibouti, 1983 - 1985; Deputy Executive Secretary at the State Department, 1981 - 83; Director of the Secretariat Staff, 1981; Special Assistant for Legislative and Public Affairs at the Bureau of Economic and Business Affairs, 1979 - 81; and Deputy Director of the Office of Business Practices at the Bureau of Economic and Business Affairs, 1977 - 79.

Ambassador Adams graduated from Yale University (B.A., 1964) and Vanderbilt University (LL.B., 1967). He was born August 29, 1942, in New York, NY. Ambassador Adams is married, has one child, and resides in Alexandria, VA.

Statement by Press Secretary Fitzwater on the London Conference on the Former Yugoslavia

August 28, 1992

The President met this morning with Acting Secretary of State Lawrence Eagleburger to discuss the results of the London conference on the former Yugoslavia.

The conference has given us a better foundation to defuse, contain, and bring to an end the conflict in former Yugoslavia. It has established a new, permanent negotiating forum, cochaired by the United Nations and the European Community, in Geneva. The United States has offered $3 million to help with startup costs of the conference.

The conference developed an international plan of action to deal with this crisis. As a result, the international community is taking a number of concrete actions to provide humanitarian relief, increase pressure on the aggressors, and contain the conflict. These include a massive humanitarian relief effort for this winter; a strengthening of the sanctions regime by introducing international monitors in neighboring states; and the placing of human rights monitors as well as ``early warning'' monitors in neighboring states and regions.

The conference also made progress with the parties themselves. The leader of the Bosnian Serbs has agreed to consolidate heavy weapons under international control and the Government of Bosnia has agreed to rejoin the negotiating process.

The causes of this conflict are complex; it will not be ended overnight. We thank Prime Minister Major and Secretary-General Boutros-Ghali for organizing and running this conference, which has succeeded in galvanizing international action to alleviate the humanitarian nightmare in Bosnia, to support the negotiating process, to punish the aggressors, and to quarantine the conflict.

Presidential Determination No. 92 - 45 -- Memorandum on Extension of the Exercise of Certain Authorities Under the Trading With the Enemy Act

August 28, 1992

Memorandum for the Secretary of State,

the Secretary of the Treasury

Subject: Extension of the Exercise of Certain Authorities Under the Trading With the Enemy Act

Under section 101(b) of Public Law 95 - 223 (91 Stat. 1625; 50 U.S.C. App. 5(b) note), and a previous determination made by me on September 13, 1991 (56 FR 48415), the exercise of certain authorities under the Trading With the Enemy Act is scheduled to terminate on September 14, 1992.

I hereby determine that the extension for one year of the exercise of those authorities with respect to the applicable countries is in the national interest of the United States.

Therefore, pursuant to the authority vested in me by section 101(b) of Public Law 95 - 223, I extend for one year, until September 14, 1993, the exercise of those authorities with respect to countries affected by:

(1) the Foreign Assets Control Regulations, 31 CFR Part 500;

(2) the Transaction Control Regulations, 31 CFR Part 505;

(3) the Cuban Assets Control Regulations, 31 CFR Part 515; and

(4) the Foreign Funds Control Regulations, 31 CFR Part 520.

The Secretary of the Treasury is directed to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:45 p.m., September 16, 1992]

Note: This memorandum was released by the Office of the Press Secretary on August 31.

Remarks and an Exchange With Reporters on Disaster Relief Efforts

August 29, 1992

The President. Let me just bring you all up to date. Yesterday I talked to the Governor of Guam, Governor Ada. His main problem there is getting that airport to function, getting generators in to get water going for the people. The military have responded superbly here. And those problems, thank heavens, are less extensive than the problems in Florida or Louisiana. But nevertheless, there are a lot of people hurting there, and we're trying to help them in every way possible.

I talked to Governor Edwards of Louisiana yesterday. He expressed his appreciation for the Federal support. I've just had a briefing from General Sullivan as to what the military have done. And of course, if their pockets need additional support, we're prepared to give additional support. But again, that one is a little further along now. It's getting into the reconstruction phase of things.

As to Florida, General Sullivan and Andy Card and Wally Stickney, who's the head of FEMA, have briefed us; Admiral Jeremiah of the Joint Chiefs and, of course, Secretary Atwood helping out along the way.

First, I think the cooperation from the military has been absolutely outstanding. We've just reviewed the status of the Federal, State, and then the local efforts in Florida to help the people in the aftermath of Andrew. The mobilization I ordered of nearly 7,000 Federal troops in addition to the 5,000 National Guardsmen is well underway. Significant progress is being made in delivering food, water, shelter, and other basic necessities to the people of the region.

I am today ordering an additional 5,000 military troops be sent in order to increase existing services such as the provision of food, kitchens, tents, and delivery of shelter-related items. We're also sending more medical units with doctors who are capable of advising and treating patients in the area.

I'm also augmenting our current effort in the following way: I'm making available nearly $300 million to help the delivery of services by FEMA, by the Federal Emergency Management Agency, and the Small Business Administration -- $300 million. Furthermore, I intend to submit a supplemental appropriations request as soon as Congress returns in whatever amount necessary to respond to the human needs on the ground in Florida and Louisiana and, if need be, in Guam.

I want to emphasize that we intend to respond to this crisis on a human level, block by block, right out there where these people live. People have lost their homes and their possessions, and we want to reach out to people so they don't have to leave what few possessions they have and

leave the familiar surroundings that they have lived in.

We've made it known again today to Governor Chiles that I am prepared to federalize the National Guard at any time. I repeat that offer now. The Governor, city managers, and other local officials are doing an excellent job at reaching out to help their citizens. This is a time for all of us to pull together.

I also want to announce an agreement that's been reached today with the State of Florida to provide an additional $127.2 million in emergency food stamps for the people of Dade County. I've received a full report today on our military and our civilian efforts to help. I am satisfied that everyone is dedicated to pulling out all of the stops to help the people of Florida recover from this enormous disaster.

I am grateful to the men on the ground, men and women of the military who are performing with the same excellence that this country's come to expect. And I am grateful to Andy Card and Wally Stickney for what they're doing. It's a massive problem of coordination and distribution, but I am determined that we will get on top of it and that we will see these problems solved. It's not easy. But we're moving with a lot of effort here, a lot of people, to get the job done.

Q. Mr. President, do you as President bear some responsibility for the delay in Federal help?

The President. We're not talking about delay. The military was ready to move instantly, hot planning right from the very beginning. And there's no point going back trying to dig up difficulty between one government agency or another. I said that yesterday, and I'll repeat it today. What I'd like to see is somebody tell what exactly is happening down there and what people are trying to do.

Q. Governor Clinton suggested, sir, that the Federal response should be looked into to see how it could be improved, said that he's not criticizing you but thinks that it should be looked into. What's your response to that?

The President. Well, I don't respond to Governor Clinton on these matters. We have a national emergency here, and we're trying to get this job done. And I have full confidence in the people that are trying to get the job done.

I don't take that as critical. If there are ways to improve what we're doing, fine. But this isn't a business of second-guessing; it's a business of trying to help people. And that's what we're about here. Again, I salute those who are involved. Andy Card had hardly any sleep down there working with these local officials. Governor Chiles is being as cooperative as he possibly can; same with the Senators down there, one Democrat and one Republican, trying to help us, Senator Graham, Senator Mack.

And so I look for the positive things in a matter of this nature. We're not going around trying to find blame or make some politics out of a national disaster.

Q. Do you have even a ballpark idea of how much additional money might be needed?

The President. I don't think we have any estimates on that. Director Darman is here, who has the total view in mind. But we haven't -- unless Wally, did you want to -- --

Director Stickney. No, sir, I think it's too early.

Q. Mr. President, any response to Clinton's suggestion or charge that you're distorting his tax record and his claim -- --

The President. No. We're talking about something that's very serious business here, and I'm going to keep on this subject. I want the American people to understand what we're trying to do to solve this big problem, Federal, State, and local governments working together. And it's a very impressive effort. I think the people of this community who have been heartbroken and scared, wondering where their meals are coming from, are now seeing -- and certainly those that are not seeing will see -- that this is a magnificent response, local, State, and Federal, with an awful lot of credit to the U.S. military who once again have performed admirably.

Those who want to dramatically cut the military, they ought to take another look when it comes to being prepared to do things of this nature.

Q. Sir, do you think your handling of this will be viewed in any way by the electorate down in Florida in a particular way?

The President. Look, may I tell you something? This may be hard for you to believe: I am thinking about what's good for the people here. I don't even think about the politics of it. We're trying to help people.

I see a bunch of people running around interviewing people who have been thrown out of their homes by a natural disaster, saying how do the politics work. Good heavens, isn't there any honor here? Can't we help people without having somebody try to put a political interpretation on it? I mean, heaven sakes, we have people that are hurting out there. And then to try to cast it politically, I'm sorry, I just simply find that a little bit outrageous.

And it's happening all over Florida, I'm told today by the local head of one of these communities, Homestead, that's been hit so badly. He said he's just shocked by it. That's the way it is. That's the way it is.

Q. -- -- Mr. President, from your responding much quicker, at least going down there quicker

than you went to South Carolina or California?

The President. I think we've responded properly, and I think history will show that.

Note: The President spoke at 4:13 p.m. in the Cabinet Room at the White House. In his remarks, he referred to Gen. Gordon Sullivan, Army Chief of Staff in charge of the Federal forces involved in the recovery efforts in Florida.

Remarks on Hurricane Andrew Disaster Relief

August 30, 1992

The President. Let me simply say that this meeting is just a follow-on meeting. The Secretaries and Administrators here are able to help the victims of the hurricane, and I'm going to hear from them, each of them, as to what their Departments can do. We'll figure out how to follow up.

Over the weekend I was in touch with the manager of Homestead, city manager Alex Muxo; talked to the director of public safety of Dade County, Fred Taylor, and to Otis Wallace, one of the top officials in Florida City; and then General Sullivan called in with a good report as to what they're doing. And I must say I think progress is being made. And now we need to follow up with our Agencies and Departments in every way that we possibly can to assist the victims of this storm.

I might say for the benefit of the reporters here, as far as we're concerned, cooperation between the State and Federal is good. I've talked with General Sullivan about the coordination between the Guard and the regular Army, and he felt that that's in good shape, as did the director of public safety of Dade County. So I think real progress is being made, but there's still an awful lot of human suffering there. And what we all are going to try to do is continue to move forward as fast as we can to help alleviate that.

Q. Mr. President, some people have suggested that additional funding is going to be essential to help the people of southern Florida. Are you prepared to ask Congress now for additional funding?

The President. Yes. I think I made that statement the other day, that we are prepared. As soon as we get the estimates that are pouring in every day, why, we will go forward.

Q. Do you have any idea how much you'll be asking for?

The President. I don't have it now.

Note: The President spoke at 11:05 a.m. in the Cabinet Room at the White House. In his remarks, he referred to Gen. Gordon Sullivan, Army Chief of Staff in charge of the Federal forces involved in the recovery efforts in Florida.

Statement on the Russia-United States Agreement on the Disposition of Uranium From Nuclear Weapons

August 31, 1992

Over the past year the United States and the former Soviet Union have agreed to cut their strategic nuclear arsenals by two-thirds and to eliminate most of their tactical nuclear weapons, including all ground-launched systems. As a result of these dramatic reductions, thousands of nuclear warheads are being dismantled in Russia and the United States. The United States and Russia are cooperating closely to help ensure the safe and secure transport, storage, and dismantlement of former Soviet nuclear weapons.

I am pleased to announce that the Russian Federation and the United States have now also initialed an agreement to ensure that highly enriched uranium from dismantled nuclear weapons will be used only for peaceful purposes. Our two Governments have initialed an agreement, which we expect to sign quickly, providing for the conversion of this material into civilian reactor fuel. We have also agreed to establish measures to ensure that the nonproliferation, physical security, material accounting and control, and environmental requirements covering this material are fully met.

Under the agreement, the United States and Russia would seek within the next 12 months to conclude an implementing contract establishing the terms of the purchase of weapons-grade uranium by the U.S. Department of Energy and the dilution of that material to reactor-grade uranium for sale as commercial reactor fuel. The contract would also provide for the participation of the U.S. private sector and the use by the Russian Federation of a portion of the proceeds to increase the safety of nuclear reactors in the former Soviet Union.

Abroad, this agreement will help ensure that nuclear weapons-grade material does not fall into the wrong hands, while providing funds to promote economic reforms and the transition to a market-based economy. At home, this agreement will secure long-term supplies of less expensive fuel for U.S. nuclear power stations to the benefit of American consumers, with no adverse impact on American jobs. Thus, this U.S.-Russian agreement illustrates how foreign policy accomplishments can promote our domestic economic well-being while making the world a safer place to live.

Remarks on Hurricane Andrew Recovery Efforts

August 31, 1992

The President. Let me just make a brief statement because it's been a very busy day regarding the hurricane and trying to help the victims thereof. I met today with the homebuilders, the volunteer organizations, a lot of the Federal officials. And at this meeting we're going to be talking with representatives of the insurance companies and small business.

We are exploring the medium and longer term needs of the hurricane aftermath. This has got to be a long-term commitment, as I'm sure everyone here knows. And it's going to take months, literally, to rebuild these communities. In many ways the hardest work is yet to come. And these will be the times that test this commitment, to guarantee to the victims of this terrible tragedy that we're with them for the long haul.

I want to make one special plea here today. I'd ask the full support of the news media on this one, and that is an appeal for all Americans to give generously to these volunteer organizations who served so valiantly in south Florida and in Louisiana. Today we've talked about the complexities of the problems ahead, from building codes and check cashing to getting the kids back in school. But the cooperative spirit has been fantastic, as I'm sure Pat Saiki knows, who is head of our Small Business Administration. I just would strongly urge the American people to participate in any way they can by supporting these volunteer organizations. I'll tell you more about that, but they are doing a superb job. And they need the support of everybody.

And so thank you all very much for being here. I want to shift here and get from you the size of the insurance problem that's facing the people there, how we can help, the Federal Government can help. I'll be glad to tell you about our Federal efforts in which I have great confidence. The military has moved in. They're doing very well. But the volunteers, I'll tell you, it's really the best in the American spirit, what's happening there.

Q. Mr. President, do you plan to go back to Florida and -- --

The President. Oh, I will, yes. Let me simply say that I'll -- leaving at 5:45 in the morning to go back down there, going to Florida. At 5:45 Barbara and I will leave. Secretary Cheney will be joining me. We will have a chance to talk to the top civilian and military and some of the volunteer leaders. And then we'll fly over to Louisiana, touch base there, and be back here tomorrow evening.

Note: The President spoke at 4:25 p.m. in the Roosevelt Room at the White House.

Remarks and an Exchange With Reporters on Disaster Relief Efforts in Homestead, Florida

September 1, 1992

The President. Let me, at the outset of these remarks, say how much I appreciate the cooperative spirit here, the Governor of Florida, the Mayor and the city manager of Homestead, and the other cities here that are represented. And all are pitching in. I am so proud of what our military is doing. And God bless the volunteers, those who are giving of themselves to help others. It is a moving and a wonderful message that's going forth to the whole country, whether it's from the military, from State officials, from local officials, or from the volunteers, the propensity of one American to help another. That's the message that I get loud and clear.

Last week I was here in south Florida, and then I returned to Washington and issued the orders to help people get back on their feet. We're in this for the long haul. We won't leave until the job is done. That's why I'm here this morning with Secretary Cheney, the Secretary of Defense. And I'm proud to be at the side of our two Senators from Florida who have been working day and night along with the Governor trying to help the people of this State.

Today I'm announcing that we are committed to rebuilding Homestead Air Force Base to show our commitment to south Florida. Homestead is very important to our military. It helps combat the cocaine trade. It provides air defense. And it will be rebuilt.

Now, I don't underestimate our task in south Florida, particularly after being back here today. And to ease the financial burden, today I am authorizing under the Stafford Act full Federal reimbursement for 100 percent of all eligible public assistance, including projects such as debris removal, to eliminate immediate threats to public health and safety, and repair and reconstruction of nonprofit facilities. After the State has committed an amount equal to, what was it, $10 per capita -- but this authorization is the maximum that we can do, and I am very proud that we're doing this. Temporary housing and mortgage assistance crisis counseling, disaster unemployment assistance will continue to be 100 percent federally funded where permitted under the law. And although some cost sharing is involved, the Federal assistance that I have authorized today represents an extraordinary and very appropriate response to this human tragedy.

However, the real heroes of Hurricane Andrew have been and will continue to be the people, the people of south Florida. They offer great hope for tomorrow. And to help coordinate the private sector response to Hurricane Andrew, I've asked Alvah Chapman, a very respected Florida leader and businessman, to serve as the private sector liaison to work with Secretary Card, to work with the Governor, to work with the Federal task force to ensure the most effective recovery effort possible.

Also, as I said yesterday, I want to commend and thank in the strongest terms possible the great effort of these private volunteer agencies who have responded so quickly and so well to the crisis. God bless the volunteers. I know, and I say this confidently, that these volunteers can count on the continued support of the American people in their ongoing work in meeting the critical needs of the people of south Florida. We are going to succeed. We will succeed because the people of south Florida, because of their spirit.

I've seen many examples of this just since I've been here, but let me just mention Isa Haydem who owns a Days Inn in Homestead. Isa fired up his commercial-sized outdoor grill, cooked steaks, shrimp, and scallops, food donated by the local restaurants. And last Wednesday they fed 2,500 people during the day. And at night they fed almost 300, most of whom are police out there working their hearts out to keep order.

Well, it's heroes like this, and there are many other such examples, which make Alex Muxo, the Homestead city manager, say, ``It's never gone. There's always tomorrow." Well, I agree. And we, working cooperatively with everybody, will rebuild south Florida. The spirit's still here. The spirit is still intact.

And may God bless the people that have been hurt. We're here to help. Thank you all very, very much. A great crowd. I did not mention the Congressmen here, Congresswoman Ileana Ros-Lehtinen and, of course, my old friend Dante Fascell, who represents this area. He's been the conscience here, getting in touch with us on things that we could do, including this matching of funds situation. So I salute him and Ileana.

Q. Mr. President, how long is the long haul in your estimation, sir?

The President. Whatever it takes. Whatever it takes.

Q. Years, perhaps?

The President. I'd have to defer to the experts on that. But amazing progress has been made. Out of the rubble you can see tent cities springing up. You can see medical units staffed by volunteers, former military guys and other -- down here pitching, right in this very facility. So it's happening all over the place. And, again, I don't think you can know the answer to the question to how long until we actually can measure not only the Federal response and the State and local response but the response of the volunteer sector, which I'm convinced will be overwhelming. It already has started. Look what the Red Cross and these ministries are doing. It is unbelievable. And that spirit is going to move it along very, very fast.

Q. Mr. President, Governor Clinton says that once the dust settles that there should be an investigation -- --

The President. Well, look, let me say this, Jim: I'm not even going to take any political questions. I have tried, and I know the Governor has, these Senators have, Congressmen standing with me have, try to keep it out of the political arena. And I have no comment whatsoever, simply to say we're here to help, and I really mean that. This is nothing to do with partisanship. It has everything to do with helping the families, some of whom are standing right here today. And we're going to try to keep it that way.

Q. Well, in a nonpartisan spirit, then, is there going to be an investigation into the Federal response, sir?

The President. I am very proud of the Federal response. And I think the Governor has been very gracious in his comments, certainly the others have. And let me express my total confidence in the Federal response and in the response particularly of the military, be it the Guard under the State, be it the military that comes under Secretary Cheney and General Powell's command. They've moved fast; they're here in large numbers. But they're here with hearts that are reaching out to the people, and that's what matters.

Q. Mr. President, does your 100-percent reimbursement mean that there will be billions of dollars in Federal aid?

The President. Yes, it does mean that. Well, I don't know, we have to wait and see what the estimates are.

Q. Andy Card -- --

The President. Well, he's an expert, and he has my full confidence. And I salute Andy Card, Secretary of Transportation. He's pulled off of his duties and responsibilities there, and he's taken on a massive job of coordination. He deserves great support and certainly the thanks of the President. I know we all feel that way about what he's doing.

Q. If you had a message specifically for young people of the community, what would it be?

The President. It would be, have hope. We're going to get these schools open again, working with the State and local officials. I talked to the State superintendent, to the Miami superintendent of schools today. He demonstrates a determination and a spirit that just really moved me. I called him from the plane coming down here. And I'll tell you, with that kind of spirit and then the cooperation from these officials, local, State, and Federal, why, we're going to get the job done.

But my message to these kids would be, look, you've had a tough time, and you lost a lot of stuff, a lot of toys, a lot of -- you've seen your mothers and dads hurt, but you're going to bounce back. You're living in America. And the American spirit is going to lift you up. And that's the

answer.

Last one.

Q. Mr. President, a lot of people, they're afraid to use the tents because they're concerned about security of their homes. And do you have anything you can say to encourage them?

The President. Yes, I would encourage them to use these tent cities. If they don't want to stay there all night long, they ought to go there, get medical attention, get showers, use the sanitary facilities there, get the food that's there. But I've talked to Governor Chiles about this. He has expressed his confidence not only in the National Guard, who has the security function and will be patrolling, but all of us have expressed our support for the local law enforcement people. I think it's a tribute to the spirit of Florida and the people of Florida that the acts of violence have been far less than predicted. We would, of course, condemn any violence, any taking advantage of one's neighbor. But nevertheless, I think that my message to them would be, use the facilities that exist.

I met a family right across the way here, literally less than a block from here. They needed medical attention for a child. And they were asking, ``We need medical attention. Where can we get help?" Here are these fantastic volunteers, right here, less than a block away, who stand ready to help in whatever the ailment, whatever the illness.

And so I think the city officials, the Mayor, the city manager are doing what they can now to get the message out. The Army has distributed, I think it's 10,000 radios. Those will be in the communities. And over those radios will be broadcast: What's available? How do you get your insurance? How do you get your Social Security check? Where do you go for medical attention? And once that communication networks gets going, say nothing of word of mouth, then I think these people will be beautifully served.

Some are scared to leave their homes. And I would simply say to them, trust in the security that's being provided in the neighborhoods. You don't have to be gone for all the time. If you feel more comfortable in your home or what's left of it, go, take the kid and go and leave somebody else in the house, and then come back. But soon that confidence will build, because these military people that have set up the camps, these private sector people, the Red Cross and others that have set up these facilities really have the spirit that will give the people the reassurance they need.

And it'll take care of itself, but we need to get the message out. And we're going to continue to try to do that.

Thank you all very, very much.

Note: The President spoke at 10 a.m. to community members at Homestead Middle School.

Statement by Press Secretary Fitzwater on Naming Alvah Chapman as Florida Disaster Relief Adviser

September 1, 1992

President Bush today asked Alvah Chapman, of Miami, FL, to work with Secretary of Transportation Andrew Card and the Federal Task Force on Hurricane Andrew as an adviser on private sector resources and relief efforts in south Florida. Mr. Chapman is director and chairman of the executive committee of Knight-Ridder, Inc., a newspaper chain that includes the Miami Herald and other Florida newspapers. As a resident of Florida for almost 40 years, he has been a leader in many community service endeavors. Mr. Chapman will help address the needs of the people in south Florida and marshal private sector resources in the local community.

White House Statement on Additional Disaster Relief for Florida

September 1, 1992

The President today announced that he has amended his August 24, 1992, declaration of a major disaster in the State of Florida to waive State and local cost sharing requirements, where permitted to do so by law, and to allow reimbursement of 100 percent of eligible public assistance costs exceeding $10 per capita.

This additional relief provided by the President is consistent with a request made by Gov. Lawton Chiles. It was taken in response to the unprecedented damage and destruction caused by Hurricane Andrew. By waiving customary State and local cost sharing requirements, the President can provide maximum Federal assistance to the people of Florida whose lives have been so severely disrupted by this disaster.

This waiver applies to all authorized public assistance. It will provide additional help to the State in its efforts to remove debris from the disaster areas, eliminate immediate threats to public health and safety, and carry out emergency work to save lives. Assistance for temporary housing, crisis counseling, and disaster unemployment will continue to be 100 percent federally funded where allowed under the law.

Note: The amended disaster declaration was attached to this release.

White House Statement on Additional Disaster Relief for Florida Schools

September 1, 1992

The President today called Octavio Visiedo, superintendent of schools for Dade County, FL, to inform him that $40 million will be immediately available to hard-hit Florida schools. The funds will be used to provide transportation to schools and new portable classrooms and to cover extraordinary operating costs.

Hurricane Andrew destroyed or severely damaged 15 percent of the 297 Dade County schools, creating transportation needs for 40,000 more children than expected. It is anticipated that with the additional assistance all children in Dade County will be able to return to school on September 14.

Other aid to be provided by the Department of Education will help students affected by the disaster. This aid includes: additional Federal grant and loan money to college, university, and trade school students; new funds for supplemental grants and campus-based loans to all institutions that enroll students affected by the disaster; and sensitivity in accommodating students' financial needs in general.

Nomination of Nancy A. Nord To Be a Commissioner of the Consumer Product Safety Commission

September 1, 1992

The President today announced his intention to nominate Nancy A. Nord, of the District of Columbia, to be a Commissioner of the Consumer Product Safety Commission for a term of 7 years from October 27, 1992.

Currently Ms. Nord serves as a senior consultant and attorney with Jellinek, Schwartz and Connolly, an environmental consulting firm in Washington, DC. She has also served as executive director of the Republican National Lawyers Association, 1991 - 92. She has also served as the executive director of the American Corporate Counsel Association, 1982 - 90; General Counsel for the Council on Environmental Quality, 1981 - 82; and associate minority counsel for the Energy and Commerce Committee in the U.S. House of Representatives, 1975 - 81.

Ms. Nord graduated from the University of Nebraska (B.A., 1968) and George Washington University (J.D., 1971). She was born September 14, 1946, in Sioux Falls, SD. Ms. Nord is married, has one child, and resides in Washington, DC.

Address to the Nation on Hurricane Andrew Disaster Relief

September 1, 1992

Good evening, everyone. Eight days ago the people of south Florida and Louisiana were confronted by perhaps the most destructive natural disaster in our history. Tonight I want to report to the Nation on the aftermath of Hurricane Andrew and the effort required to help Andrew's survivors back on their feet.

In the past week I've twice visited Louisiana and Florida. And in Florida, where the storm was strongest, up to a quarter million people have lost their homes, many huddled beneath the busted timbers of what was once a living room or a kitchen. There's no running water, no electricity. Little children are left without even a toy to play with.

In the aftermath of Hurricane Andrew, a relief effort has risen, unprecedented in size and impact. And tonight as we speak, almost 20,000 troops are on the ground assisting in everything from providing meals to erecting tent cities. Basic human needs, food, water, shelter, and medical assistance, are being provided.

In Florida, a curfew is in place, and the National Guard and local police patrol the streets. It's a tribute to these officers and to the people of this region that looting has been kept to a minimum. Social Security checks are being delivered on time. Financial help is being made available to families who have lost their homes and their jobs.

This relief effort has generated incredible cooperation. My thanks go to so many people who slept so little the past 8 days, to State and local government officials, Federal Agencies, private charities, and the heroic men and women of the United States military. Most especially, my appreciation goes out to the volunteers. When we arrived in Florida, some of the first people we met were from South Carolina, victims of Hurricane Hugo who had spent the night driving so they could help others through their ordeal. We met doctors and firefighters spending sleepless vacations lending a helping hand. Through the eloquence of their action, I've been reminded that America will always be a nation of neighbors.

Although the relief effort is well underway, urgent needs still exist. And so tonight I make a special appeal to the generous spirit of the American people. People in Florida and Louisiana want to stay in their homes. They're in desperate need of rolls of plastic to cover open roofs, lumber to board up walls, and cots to sleep on. They also need diapers, baby formula, and other infant supplies. And fresh volunteers are needed to staff medical facilities or help with the cleanup.

Right now, America's churches and charities are mobilizing to meet these needs. And I encourage all Americans to pitch in, in any way you can. If you don't know where to turn and you want to help right now, please call the American Red Cross at 1 - 800 - 842 - 2200. 1 - 800 - 842 - 2200.

Once our relief effort is complete, we will accelerate the process of recovery. Already today we announced plans to rebuild Homestead Air Force Base, the linchpin of the economy in devastated areas. And a distinguished Florida business leader, Alvah Chapman, has agreed to head a national private sector effort to help rebuild south Florida. It's called ``We Will Rebuild." This effort has my strong support and the support of Florida Governor Chiles. All of us are in this for the long haul. If you want to be a part of this effort, please write We Will Rebuild. And the address is Post Office Box 010790, Miami, Florida, and the ZIP Code is 33131.

In the past 8 days we've seen on our TV screens real tears, real sorrow, real hurt. Livelihoods have been destroyed. Lives, even young lives, have been tragically lost. But already in Florida and Louisiana, we're talking not just of relief but of recovery. This is a tribute to what is inside us. And yes, Andrew blew a whirlwind of devastation. But he could never extinguish the American spirit, a spirit of compassion and sacrifice and endurance. We have seen that spirit in action the past 8 days. And with this spirit and your enduring commitment, our neighbors in south Florida and Louisiana will recover.

Thank you for your generosity. And our prayers are with all who stood in Andrew's path. Good night.

Note: The President spoke at 9 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide television.

Teleconference Remarks to the America 2000 Satellite Town Meeting

September 1, 1992

The President. Lamar, I'm here.

Secretary Alexander. Well, terrific.

The President. Delighted to be here. And I'm delighted you're willing to take this phone call from this very interested participant from the White House.

Secretary Alexander. We're honored that you'd take the time to call. We know you've had a very busy day.

The President. Well, let me just make a couple of comments butting into this wonderful program. But first a compliment, and then I do want to ask one question. But my compliments to the more than 2,500 communities out there who are working together on these national education goals.

When the Governors and I established the goals at Charlottesville at that education summit, we hoped to set a new direction for education in our country. But we also knew that the goals would not make much difference unless they were adopted community by community. And so I guess the way to say it is we had high hopes at Charlottesville. But I don't think any one of us envisioned anything quite like this, over 2,500 different communities working together on the goals at one time by satellite. I really just want to say that I hope you will all stick with it, join the town meeting every month, and become an America 2000 community, if you're not in there already.

There are no quick fixes. The change we're talking about is really fundamental. It is really enormous, literally reinventing education. And that'll require what we call the break-the-mold schools, higher standards and certainly better tests, getting government off the teachers' backs, and then giving families more choice in schools and academic programs. There's nothing more important than creating the best schools in the world for our children, and this is the way to do it.

So my compliments to all assembled for what you're doing. My compliments also to the U.S. Chamber and all the local chambers of commerce out there who are involved in these community efforts, and then, of course, to the wonderful Wal-Mart associates who are participating. I do know firsthand how important education was to Sam Walton. And he would be glad, he would be thrilled that you were participating tonight. So, congratulations.

Now for my question, and I want to place it to Len Sirotzki of Bensenville, Illinois. And I suspect that almost all of the participating communities have this question in mind because I've challenged each one of them to create a break-the-mold school. And now Len, if you're there, you've turned your entire community into a break-the-mold site. And my question is, how did you get started and how is it working out?

Mr. Sirotzki. Mr. President, thank you for asking that question. It certainly is wonderful of you to join us this evening. The way we started, very simply put, was that we started. I think that the number one message to communities everywhere is to start, and don't wait for some perfect time that may never come. But we looked for individual persons who were willing to go beyond personal agenda for the benefit of the community, all of the families in the community, and I mean all of them, not only school-aged children. And I think all of us want better communities, but they will not come about magically. It's going to take a very, very long-term commitment, and there will be a great deal of pain, bringing about the kinds of changes that are needed.

But we have five different taxing bodies representing all the wonderful people of Bensenville who are working together. And I know that I can speak for all of the people in Bensenville in saying that whatever it is that we do that is of interest to others, we would be more than happy to share, because that's the kind of place Bensenville is.

The President. Well, thank you, Len, very much. And I know everybody's experience can be helpful to the other fellow. And this experience in Bensenville, I appreciate your sharing it with us. And let me just say here in conclusion, it's been a long day. In fact, it's been a very emotional day for me. I've been out surveying the aftermath of Hurricane Andrew in Florida and over in Louisiana. And let me just say that one of our participants tonight, I believe, is Connie Jones. She's the principal of Three Oaks Elementary School at Fort Myers. And she got her school turned into a shelter, taking in those who were stricken by the hurricane. May I just say at the end of this emotional day that I salute Connie and all the others across this great country of ours who reach out to help their neighbors. It's a marvelous thing when you see the spirit of the people in the areas that have been hit by this storm. But we see it every day in communities across the country as they face adversity.

So, congratulations to all, and I am proud, Lamar, that this America 2000 effort continues to be bipartisan. And look, we all know that we're in an unusual political season. But let me just say I am determined to do my part, as I know Lamar is and as I know everyone out there is, to keep this effort out of partisan politics and just in the arena of helping people. All the Governors, Democrats as well as Republicans, are a part of all of this, and it's been that way from the very beginning. And I just wanted to assure every participant that I'm determined to keep it that way.

So, thanks for what you're doing. God bless you all, and good night. And thanks, Lamar.

Secretary Alexander. Thank you for taking time to call. I know that was exciting for everybody

that participated.

The President. Well, keep up the great work, to you and all involved. Goodbye.

Note: The President spoke at 9:25 p.m. via satellite from the Oval Office at the White House. In his remarks, he referred to Len Sirotzki, project director, Bensenville Community Design Project, who was with Secretary of Education Lamar Alexander in the U.S. Chamber of Commerce television studio in Washington, DC.

Remarks to the Community in Humboldt, South Dakota

September 2, 1992

Please be seated. And let me just say how very pleased I am to be back in this State. Today I want to give a rather serious speech. I'm glad you all have seats, don't have to stand through this epic. But first of all, I want to thank George Mickelson, the Governor. You've got a great Governor. He's a great friend of agriculture and a great friend of George and Barbara Bush.

And I hope you'll excuse us for being a little tardy in getting here because Sue and Jeff Kapperman have just introduced us to one of the largest and nicest families I believe I've ever met back there. There's a representative group of them standing up against that fence; I cannot guarantee it's all of them.

But in any event, we're just very pleased to be here. I want to say that it's fun seeing the kids and visiting the farm here and coming to Montrose and Humboldt. It's special because with us on the plane today, Air Force One, coming out was Larry Pressler, who's here someplace. Went right by his own home farm, I believe. We salute him and thank him for his support there in Washington. And I can get a little feel, coming back here, for what Money magazine was talking about when they named Sioux Falls the best place to live in America. That's pretty high praise.

I also want to salute another public servant and one who has been at my side for a long time, the Lieutenant Governor, Walt Miller. I think he's here with us, Walter Miller; anyway, an old friend. And Mayor White greeted us. I thank him for that. Senator Shanard is here, Don Jarrett of the South Dakota Wheat Commission, and two people that I plan on seeing in Washington. I've known Charlene Haar. She's a good woman and a good, active campaigner. And I salute her, for the United States Senate, and also John Timmer, running for the congressional seat here. I'd back him. We've got to make a change in this gridlocked Congress. And of course, I'd be remiss if I didn't single out another guy that's been at my side in politics, your former Governor, Bill Janklow. I thank him and also Don Peterson, out there helping with the Republican election effort this year, so many people doing so much for what I think is good, sound government.

I'm told that Jeff is a Democrat. But looking around at this setting, even I can't hold that against him. [Laughter] And I must say that I am very, very grateful to him and to his family for letting this mob, including you guys out here, hit this beautiful place of his. It's something very special about talking about agriculture in a setting that's so down-to-earth and so wonderfully family oriented. Jeff and Sue, as family farmers, represent something very important about this State and, I would say, also very important about this country. Agricultural families represent the heart of South Dakota's economy.

So I came out here today to rural America to talk with you about how I have been fighting and will continue to fight for the economic security of American farmers through a program that is

based on opening markets abroad and then helping you export and grow more, keeping the Government off your back as best we can, and being there to help you get back on your feet when disaster strikes.

I plan to speak mainly today about wheat and about disaster assistance, but let me just say to America's corn growers -- I noticed the cornfields as we came in -- that I am a strong supporter of ethanol. We have worked hard to see ethanol demand go to new heights through everything from tax credits to research and new programs for clean fuels. And we're working now on a very difficult legal problem facing the White House: to make sure that ethanol plays a leading role in America's drive for cleaner air and America's drive for greater markets, diverse markets for the corn growers of this country. And we're going to whip that problem.

We now enjoy an unparalleled reign of free markets and free people around the globe, an unprecedented opportunity for growth. When I think of my Presidency, I must say I look at these kids, and I think we are very lucky that in the last 3 years we've been able to reduce the threat of nuclear war that has scared every family half to death in this country.

Today, when I talk to Boris Yeltsin, the Russian President -- and I talked to him just last week -- we don't talk about nuclear weapons. We talk about how much grain we can provide to Russian consumers and how we can solidify his democracy, his freedom, his reforms. We also talk about the biggest swords-into-plowshares agreement ever, one that will return that Russian bomb-grade material, uranium, into fuel for the peaceful generation of electric power right here in America.

The American people are universally respected as the most generous and innovative on Earth. American products, whether it is a pair of blue jeans spun from Texas cotton or a bushel of wheat from here in South Dakota, are in demand everywhere. The challenge before us, then, is to seize this moment. Our challenge now is to win the economic competition, literally to win the peace. In the 1990's, we must be a military superpower, an economic superpower, and an export superpower.

In 2 months, you're going to be asked to choose between two completely different versions of how to win this global economic competition. One vision is to turn inward, to try to protect what we have, to put up walls around America. Mine is to look forward, to open new markets to American exports, to prepare our work force to compete, to keep the social fabric of this country strong, and to save and invest in those things that will help us win.

The best example that I can cite of our forward-looking approach is the work we've done to open new markets for American agriculture. In the last 4 years, we have signed 11 bilateral agreements with 10 countries to open up new markets for American farm exports. We signed agreements to increase beef exports to Japan and Korea, now the third largest market for U.S. beef. We've made inroads throughout Asia, which now accounts for 38 percent of American

agricultural exports, 38 percent going to Asia. And just last month, we concluded the North American free trade agreement, which will boost our $3 billion worth of agricultural exports to Mexico.

One in every three acres planted in this country produces crops for export. That may be hard for some to realize, but that's a lot of export. One in every three goes to exports. U.S. agricultural exports support over a million jobs. And just since 1989, our agricultural trade has reduced our overall trade deficit by almost $69 billion. You are doing the Lord's work.

Make no mistake, if the other side puts up walls around America, whether they're high tariff walls or high tax walls, the first loser is going to be the American farmer. Now, let me drive this point home. Seventy-six percent of South Dakota's wheat is exported, 76 percent of it. Agriculture contributes $13.2 billion to South Dakota's economy, 3 times more than any other industry. We were talking about it with the Governor coming in here. And if Governor Clinton gets infected with that antitrade strain from the protectionist crowd he's running around with, it will be the American farmer that catches pneumonia, and South Dakota is going to get mighty sick.

Where does the Governor stand on free trade, on our historic free trade agreement with Mexico? He won't say, says nothing about all of that right now, is studying it, taking another look. The newspapers reported in Washington this morning -- I don't like to read those papers very much, but I do from time to time -- and they reported this morning that one of the most powerful labor bosses in the country, Lane Kirkland, said that they decided to, the unions decided to let Governor Clinton off the hook on this one until after the election. They'll let him be on both sides of this free trade agreement now.

Big labor made it clear that they are vehemently opposed to this free trade agreement, mind you. And one labor source said, and this is a quote: ``There have been private conversations with the candidate, and he remains receptive to us." I have found as President you cannot be on both sides of every issue. You've got to take a position and say what you think is right, whether some people like it or some people don't. This was in the paper today. Here's another quote from them: ``Labor does not plan to push Clinton for specific public commitments that might prove politically embarrassing to his candidacy." I think you're entitled to know, not just as voters but as people that are doing the Lord's work out in the field, you're entitled to know where a person stands on something as fundamental as a free trade agreement that's going to open up more markets for your products.

You cannot be on every side of every issue. He's stuck riding the fence so hard he's got saddle sores. I might say ``straddle sores". [Laughter] But don't kid yourselves. The money, the manpower, and the support for his campaign comes from the opponents of free trade. And after the election, they'll call in that anti-free-trade IOU, and then you'd better watch out. American agricultural exports and job-creating exports of every kind will be the victims.

I don't believe that this double-speak means one thing except double-trouble. The Congress is going to take this vacillation as weakness, and the vital national economic interest will lose out to congressional log-rolling, back-scratching, and business-as-usual.

Over 7.5 million jobs, American jobs, are tied to merchandise exports. We can create hundreds of thousands of additional new jobs with a free trade agreement. And we cannot afford a President who will put these jobs at risk. That's why I fought very hard to reach a new agreement under the GATT, the General Agreement on Tariffs and Trade. USDA, Ag Department, estimates that a successful GATT agreement will add over a billion dollars a year to farm income, a billion dollars a year. And it will do something else. It will force our competitors, especially in the European Community, to reduce their excessive export subsidies in agriculture. We want free trade, but we must insist on fair trade. To help us reach good agreements, I've been using a strategy that won us military security: peace through strength, no unilateral disarmament.

Our export enhancement program -- you all refer to it as EEP -- have enabled us to help farmers fight for market share against the EC's subsidized exports. Since 1989, we have doubled the number of EEP initiatives. We've nearly tripled the value of EEP bonuses. Just since the beginning of this year, we've awarded $914 million worth of EEP bonuses, leading to sales of over $3 billion under the EEP program: wheat to Algeria, Egypt, the Philippines; veg oil to Morocco and Turkey; a pork EEP to the former Soviet Union. In total, our EEP's have helped us fight back against European subsidies and sell almost $10 billion worth of commodities to 93 countries during these past 4 years.

But now we need to do more. The fact is that the prices farmers are receiving are too low today. To get the prices up, we must expand demand, and that means an aggressive export policy. Today I am announcing a broadside of EEP initiatives to sell over one billion bushels or 30 million metric tons of U.S. wheat, with a market value of over $3 billion, to 28 countries around the world. This is the largest quantity of wheat ever made available under the EEP program at one time.

There is no question that in a world of open trade, the U.S. would be the premier supplier of wheat to world markets. That's why we are committed to reducing subsidies worldwide. But my announcement today should leave no doubt. With heavy EC subsidies continuing, this EEP program is vital, and we will use it as necessary. I am putting foreign governments on notice to that effect right here today in South Dakota.

That's why I am also taking a second step today to show that we're in this competition for the long haul. Two years ago, I worked with Congress to include two so-called GATT triggers in our law. They were a warning to other nations that we would counter their subsidized exports if they would not agree to negotiated cuts. The date of the first trigger has passed. So today we are acting to protect the American farmer. We will increase programs to promote agricultural exports by $1 billion. The law said we would do this in 1994 and 1995. I am announcing that we

will increase these programs beginning now. And my support for wheat is the first step.

Let me make this comment to those friends of ours overseas also. Let me be clear: This action is aimed at those who subsidize, not at those, such as Australia and others, who do not subsidize.

Today's wheat EEP initiatives will give farmers, exporters, and buyers more certainty about market opportunities. We want to help growers plan, and we want to strengthen America's reputation as a reliable supplier. The other side's approach to trade is to create barriers here, right here in this country, that increase prices, dull our competitive edge, and hurt our growth. The usual strategy is to propose production controls. My approach is to help our farmers take the battle to the competition; offense, not defense. My strategy is to outproduce our competition and beat their socks off in the marketplace.

But as every farmer here knows, to win in the marketplace we must also take steps today that will make us more competitive tomorrow. So another part of my agricultural program is to help farmers keep pace by developing new techniques through our national research initiative for fighting pests and disease, for understanding human nutrition, for growing more. We're increasing research in biotechnology and into new uses of ag products from cleaner fuels to printer's ink to biodegradable plastics. The initiatives that we are pushing will help strengthen prices, boost farm income, and create jobs. That's why farm income over the past 3 years has averaged a higher level than at any time in American history. And more of that income is coming from the market, instead of from the Government, than at any time in decades.

But even so, 1992 has been a difficult year in parts for rural America. Last fall's drought, followed by a freeze in late May, severely weakened the winter wheat crop in Kansas and right here in South Dakota and elsewhere. Weather has hit farmers from Nebraska to New York, California to the Cotton Belt. And now this Louisiana sugarcane has been damaged by the winds of Hurricane Andrew. Barbara and I saw some of that devastation yesterday there in Jeanerette, Louisiana.

For some farmers, these disasters come on the heels of losses in 1990 and 1991. Late last year, I signed a bill to provide about $1 billion in disaster assistance for the 1990 and 1991 crops. Today I would like to announce the next step. I am releasing an additional $755 million in disaster assistance funds. A minimum of $100 million is set aside for crops planted in 1991 for harvest in 1992, such as winter wheat. American farmers need help. With this action, this disaster relief action, you will get it.

Now, I know that this $755 million is not going to solve every problem. We will begin signups for winter wheat next Tuesday, other crops shortly thereafter. We can't prevent an early freeze, and I know that this amount may not be enough to pay the full amount of every loss. But these funds will help keep farmers on their feet so that bankers will work with you and next season's crop can be planted.

We've worked hard over the past several years to reduce farm debt. Debt is way down; equity is up; balance sheets are stronger. Today's announcement will help secure those gains to advance the economic security of the American farmer. If additional disaster funds is needed, we will go to bat with the Congress to secure them.

You see, an economic strategy based on competition is not an abandonment of governmental responsibility. Sometimes when disaster strikes, the Federal Government is uniquely equipped to help. We've seen that this week in Florida and Louisiana in the aftermath of the hurricane. That's one reason I went down to Florida and Louisiana again yesterday, to see the progress and the problems with my own eyes. And we're going to stay with the people of Florida and Louisiana until we get that job done.

Now getting the job done in agriculture means Government should get out of the way of the producers when intervention will hurt our competitiveness. Take the subject of regulation. My opponents want to take the world's safest food supply, tie it up with more regulation, and make it more expensive for the consumer. We want to work to make our food supply safe and affordable without this extremism, without this hysteria.

Take the subject of taxation. My opponent says that Government takes too much of your money in taxes. But they want to take more of it, $150 billion already proposed in new taxes, new taxes on small business to pay for Government health and mandatory training. I want to cut the taxes, cut them across the board, reduce the burden particularly on small business. Small business is overregulated and overtaxed.

Take the subject of spending, which is absolutely critical, Federal spending. They want to use those no taxes to add $220 billion in new spending. And Newsweek magazine pointed out this week that Governor Clinton failed even to put a price tag on his four biggest programs. The real cost of his spending binge, said Newsweek, ``is arguably at least three times higher than that." That's the quote from Newsweek.

And remember, we tried this recipe of higher taxes and higher spending before. We went down the path of foreign policy inexperience. We tried the combination of a Democratic-controlled Congress and a Democratic President, and you remember the results. We had back-to-back years of double-digit inflation. And farmers were devastated. We had interest rates at 21.5 percent. And farmers were devastated. We had grain embargoes -- nobody here forgets that -- we had grain embargoes and food as a foreign policy weapon. And farmers were devastated.

In this political year it is easy to be fooled. The new kid on the block shows up with a new set of lyrics, but it is the same old song. Wouldn't it be ironic if now, at the exact moment of America's triumph around the world, we were to turn backwards, to turn inward?

Not far from here, on the way into Humboldt, there's a sign that calls this a small town with a big

heart. Well, now that the entire world is turning our way, toward open markets, less bureaucracy, less regulation, more freedom, more competition, we Americans must not and cannot lose heart.

We've learned this: Freedom works. Opportunity awaits those who dare to reach for it. Competition brings out the best in our people, especially those here working in the soil, those farmers that know how to really get out there and do the hard work. If we remember these home truths, there is no telling what we can accomplish, for America's finest hour is yet to come.

The opposition tells you that we're not respected abroad. They tell you that we're in decline. We are not a declining nation. We've had enormously difficult economic problems; so has the entire world, caught up in a global recession. But we are the United States of America. And if we follow these policies, we can outcompete, outhustle, outwork anybody on the face of the Earth.

I wish I were this guy's age over here. It's going to be an exciting time ahead. And the American farmer is going to lead the way. Thank you all very, very much. And may God bless our great country. Thank you.

Note: The President spoke at 10:05 a.m. at the Kapperman farm. In his remarks, he referred to George Shanard, South Dakota State Senate majority leader, and Don Peterson, South Dakota Republican Party chairman.

Remarks to Shallowater Co-op Gin Company Employees in Shallowater, Texas

September 2, 1992

The President. Thank you all very much. Hey, let me tell you something. In case you don't know it, we finally have a first-class, great secretary of agriculture in Texas that understands the farmer in Rick Perry. And I was very, very proud of him at that Houston convention when he got up there and told it as it is, making all Texans proud, making people across the country understand that we know about agriculture and we know about the American spirit. Rick, thank you very much for that introduction.

And let me salute the Future Farmers that are with us today. Also, you know I'm having a little feud with the liberal gridlocked Congress. If we had more Congressmen like Larry Combest, we wouldn't have a gridlocked Congress. And may I thank Mayor Moe Dozier and, of course, Sonny Lupton, the one-footed glider pilot who has made us feel so much at home here, turned the facilities of this great place over to us. And I'm very, very grateful to him. May I say hello to Carye Gruben, the 1992 South Plains Maid of Cotton. You should be very proud to be represented by her. And special thanks to Randy Kennedy, who has worked so hard on this event, and Jane Anne Stinnett, both of them and so many more.

Our convention in Houston was so successful that I just had to get back in Texas for another major event. But unfortunately, I won't be able to stay to see the Raiders open it up tomorrow with Oklahoma. But go Texas Tech!

A little bit of reminiscing: Barbara and I moved down into Odessa in 1948, and then we lived in Midland, Odessa-Midland for 12 years. And I've driven every mile between Lubbock County and Ector and Midland County, into Dawson County and Howard County and -- [applause] -- I thought we might have a few from around there. But I'll tell you, on a day like this, you can't help but feel you're glad to be back. This is beautiful, and I'm very grateful to all for this fantastic turnout.

I remember when west Texas was dry. I remember picking out the Lubbock tumbleweeds out of one of those evaporative air conditioners in our little house in Odessa. No more, I'll tell you. But when I lived in -- one more reminiscent that some of you football fans, older ones, might remember. We had a touch football team in Midland. And we played against the Lubbock team made up of Glen Davis, Mel Kutnow and Bobby Lane. Now, how do you like that for Lubbock excellence? We lost.

Now, I came back here to Texas today to the heart of this wonderful part of rural America to talk about the farm and to talk about the future of the farmer. Let me be very clear right up front: I

am for opening up world markets, for increasing exports, for keeping the Government off your back at home, and being there to help you get back on your feet when disaster strikes.

The challenge for agricultural America is to win this economic competition and to win the peace. And out here in Texas we know this: We must be a military superpower, we must be an economic superpower, and we must be an export superpower. That means looking forward and getting ready to compete. Make no mistake, America's farmer can compete with anybody, anywhere around the world, provided that playing field is level, provided we get an even shot at world trade. I've fought to open new markets for American agriculture: Texas beef to Asia, Midwest grain to Russia, and just last month we concluded a North American free trade agreement with Mexico. That means new markets, and that means jobs for Americans. Open up trade.

You all know this, but I want to share it with the rest of the country here today. American products, from blue jeans spun from Texas high-plains cotton to bushels of wheat from Haskell County, are in demand everywhere. In fact, one in every three acres planted in this country produces crops for export. Exports are up, and that is good for the growth of the American economy. If it hadn't been for exports, we'd really be in deep trouble. Thank you for exporting our goods and services abroad.

This fall we've got a choice. Rick, I appreciate what you said, that I do stand with American agriculture. This fall we've got a real clear choice, an important choice because it's going to mean the economic health of American farmers all across the country. And if our opponents in this year's election put up these walls around America, whether they're high tariff walls or high tax walls, the first losers will be American agriculture and American jobs.

And let me make this point. You know that Texas is America's number one exporter of cotton, and the State of Texas ranks among the top 10 exporters in 14 different major crops. And if Governor Clinton gets infected with that antitrade strain from the protectionist crowd he's running around with, the big labor guys, it's going to be Texas that catches pneumonia. And we cannot have that.

One of the big union heads in Washington today was quoted in a Washington paper as saying, ``Well, we're not going to get Clinton to take a position on the free trade agreement. We'll get that all worked out after the election.'' They're trying to get it worked out for protection, and that's going to hurt jobs in west Texas. And we cannot have it. He's got to commit. When you're President you can't sit on the fence -- ``Well, on the one hand it's this way, and on the one hand another.'' You've got to say, I'm for it or against it. I am for opening markets abroad. I am for free trade.

Audience members. Four more years! Four more years! Four more years!

The President. I hope the west Texas farmer knows this because you're in this fight with us. We are fighting for a successful conclusion of the GATT round. That's the General Agreement on Tariffs and Trade. A GATT agreement will force our competitors, especially those in the European Community, to cut their massive export subsidies on agriculture. And we want free trade, but I am going to insist on fair trade.

To help us reach these good agreements we're going to be using the same strategy that won the U.S. military security: peace through strength, no unilateral disarmament. And we've used this export enhancement program, we call it EEP, to fight for market share against the EC subsidized exports. And since 1989, we have doubled the number of EEP initiatives and tripled the value of these EEP bonuses, selling almost $10 billion of commodities to 93 countries. But now we need to do more. The fact is that farm prices, the ones you all are getting are too low today. And to get those prices where they belong, we must expand demand. That means an even more aggressive export policy. And so today I am announcing the largest EEP initiative in history, to sell over one billion bushels, or over 30 million metric tons of wheat, with a market value of over $3 billion, to 28 countries around the world. The wheat farmers have to lead the way from up in the Panhandle. We're committed to reducing subsidies worldwide, but my announcement ought to leave no doubt. With heavy EC subsidies continuing, this export program is vital, and we will use it as necessary.

Now, to keep running, work in the global marketplace, we've got to get ready to compete. So we've expanded research in everything from alternative uses of agricultural products to biotechnology. And right here in Texas, a new kind of cotton called B.T. cotton looks and feels like regular cotton, but protects itself from bugs by producing its own insecticide. And we will always work to make sure of this: American products are the highest quality products in the entire world.

I know you've had it tough here with these excessive rains, but I'll tell you one thing: Over the past 3 years agricultural income has averaged a higher level than at any time in American history. But even so, 1992 has been a tough year for rural America. And last fall's extreme drought -- Sonny and I were talking about it, and Randy, inside -- followed up by a freeze in late May, hurt the winter wheat crop from Kansas to the Texas Panhandle. And you know the Cotton Belt, what's happened: You saw a freeze in '91 followed by a wet spring that prevented many acres from being planted at all. And for some farmers, these disasters come on the heels of losses last year and the year before.

Last fall I signed a bill, and Rick referred to it, I believe, to provide almost $1 billion in disaster assistance for '90 and '91 crops. And today I want to announce the next step. I am today releasing an additional $755 million in disaster assistance funds to help tackle these emergencies which have stricken the American farmer. American farmers need help, and with this action you'll get it. I know that that $755 million will not solve every problem. We will begin signups for winter wheat next Tuesday, other crops shortly thereafter. We can't prevent an early freeze, but these funds will help keep farmers on their feet so that the bankers will work with you and

the next season's crops can be planted. And if additional disaster funds are needed, we will secure them.

You know, when people are hurting in this country, whether it's from a hurricane in south Florida or losing a tremendous sugar crop over in Louisiana, the Government must help. We must help in disasters of the magnitude that you've suffered right here in cotton country. And sometimes Government can help by just simply getting out of the way and letting Americans do what they do best, roll up their sleeves and get the job done.

Take the subject of regulation. My opponents want to regulate the world's safest food supply and drive up its costs. Yes, I'm for food safety, but let's also protect the consumer from the bureaucrats. Let's have less regulation out of the United States Congress.

And now let me get to a subject that I really want to warm up to. Take the subject of taxes. The difference here is simple. Already, and he hasn't even started yet, my opponent wants to raise them by $150 billion. And I want to cut them across the board. I made one mistake; I'm not going to make another. He's already said $150 billion. No, we're not going to have that.

And if any area understands what I'm about to say it's west Texas, with the values we have. Government spending: the choice is clear. They want to spend -- already, his own proposal -- want to spend $220 billion more. And I want to cut spending, keep the growth on mandatory programs. And I need your help. Ask Congress to pass my plan for a check-off for America. If the Congress can't do it, give the taxpayer the right to check his tax return and force all of us to get that deficit down. I mentioned that in Houston, but I'll mention it again. We're mortgaging the future of these Future Farmers here, and we've got to stop it. I want a balanced budget amendment to the Constitution, and I want a Congress that will pass it. Help me. We can get that done. And while we're at it, give me what 43 Governors have, a line-item veto. If they can't do it, give me a shot. Give me a chance.

Now, let me just say this in conclusion. We tried the other side's recipe of higher taxes and higher spending before. We went down that path of foreign policy inexperience. We tried that combination in the late seventies of a Congress controlled by the liberal Democrats and a liberal Democratic President. And you remember what the results were. We had back-to-back years of double-digit inflation. Farmers were devastated. We had grain embargoes. We had interest rates at 21.5 percent. Farmers, totally devastated. We had grain embargoes that just kind of fizzled out, but nevertheless hurt every grain grower in the whole United States. Farmers were devastated. So let's not try that again. We cannot afford a rubber-check Congress and a rubber-stamp President. Do not take a chance on that and go back to those misery index days.

So in this political year it's easy to be fooled. And the new kid on the block always shows up with new lines, the same old song. Here in west Texas you know all about the choice between the latest synthetic fiber and real cotton. And I don't pretend to have the stretch of spandex; I

don't understand all of that. But I do know this: Some ideas and values and concepts are timeless. Freedom works. Opportunity awaits those who dare to reach for it. Competition brings out the best in the American people, brings it out. So if we remember those home truths and remember the strengths that we get from the families that are all here today, there is no telling what we can accomplish. The other side says that we're a country in decline. Don't you believe it for one single minute. We are number one, the most respected country anywhere in the world.

So coming back to west Texas is good for the soul. Thank you for this fantastic, fantastic welcome back. I ask for your support. We have changed the world. We have brought dramatic reduction in nuclear weapons. We won a magnificent victory with the sons and daughters of Lubbock County there in Desert Storm. And now help me bring this new prosperity to the United States of America. We can get the job done.

Thank you all very much. And may God bless our great country.

Note: The President spoke at 1:48 p.m. at Shallowater Co-op Gin Co. In his remarks, he referred to Rick Perry, Texas commissioner of agriculture; Sonny Lupton, president, Shallowater Co-op Gin Board; Randy Kennedy, manager, Shallowater Co-op Gin Co.; and Jane Anne Stinnett, regional chairman, Bush-Quayle '92.

Remarks to General Dynamics Employees in Fort Worth, Texas

September 2, 1992

Thank you all very much for that welcome. And Bill Anders, thank you, Bill. It's a great pleasure to be introduced by Bill Anders, a friend of long standing. And it's great to be back here, back home in Texas, the home of Jose Canseco. [Laughter] I think we're all in the wrong line of work, don't you? I'll tell you.

But let me thank Jim Mellor here. I'm glad to be back here with him. He reminded me that I flew the simulator when I was here last time. He was gracious enough, given the circumstances, not to remind me that the simulator obviously had a failure because it crashed with me at the helm there. [Laughter] But it was pilot error, I'm afraid. And let me also thank our two Congressmen here today, Pete Geren, Joe Barton. Mayor Granger is with us, the Mayor of Fort Worth. And look at this hardware. I guess they had General Dynamics in mind when they said, don't mess with Texas.

With all the Air Force types here, the true heroes of Desert Storm, I hate to bore you with war stories. But 48 years ago to this very day, September 2, 1944, I was shot down while on a bombing raid flying off our carrier over the island of Chichi Jima. I think if I'd only had F - 16's, things might have been a lot different, a lot different. In all seriousness, I can't blame the plane I was flying. It was the best torpedo bomber ever to land on a carrier. I did learn, though, from that combat experience something that I think everybody here knows and has contributed to: Give our pilots the best, and then fight to win. Don't tie their hands behind their backs. And that's exactly what they did over there in Desert Storm.

I am very pleased to be here this afternoon, even for a brief visit. I wanted to come to General Dynamics to personally make a statement that concerns all of you, your families, and this wonderful community. I'm announcing this afternoon that I will authorize the sale to Taiwan of 150 F - 16 AB aircraft, made right here in Fort Worth. We're proud to do this. This F - 16 is an example of what only America and Americans can do. Only American technology, only American skill could have produced this flawless piece of craftsmanship which is sought all around the world.

Throughout this century, the marvels of American defense have saved lives, kept the peace, and defended American values. The world has seen the F - 16 in action. Over the skies of Desert Storm the F - 16 continued America's tradition of military excellence in more than 13,000 combat sorties. At this very moment planes like these may well be flying over Iraq to guarantee that the bully of Baghdad, Saddam Hussein, will not brutalize his own people by striking at them from the skies.

This sale of F - 16's to Taiwan will help maintain peace and stability in an area of great concern to us, the Asia-Pacific region, in conformity with our law. In the last few years, after decades of confrontation, great strides have been made in reducing tensions between Taipei and Beijing. During this period, the United States has provided Taiwan with sufficient defensive capabilities to sustain the confidence it needs to reduce these tensions. That same sense of security has underpinned Taiwan's dramatic evolution toward democracy.

My decision today does not change the commitment of this administration and its predecessors to the three communiques with the People's Republic of China. We keep our word: our one-China policy, our recognition of the P.R.C. as the sole legitimate government of China. I've always stressed that the importance of the 1982 communique on arms sales to Taiwan lies in its promotion of common political goals: peace and stability in the area through mutual restraint.

Your airplane, this great airplane, and this sale also sends a larger message to the American people as we consider how we're going to win the global economic competition. The weapons of defense that the world saw perform so brilliantly in Desert Storm were conceived by American research scientists, designed by American engineers, crafted by the best workers in the world, the American working men and women. They were guided and operated by the young men and women of our volunteer Armed Forces, the very generation that will lead America into the next century.

My message is simple: No nation can defeat us when we set our minds to a task. Now we've got to turn those same energies and genius to the challenge at home, to secure our economic base, to ensure that the high-wage, high-tech jobs of the future are made in America. The country that dropped missiles down smokestacks, that created a technological miracle like the F - 16 can and will create the products the world needs in the new era of economic competition. The country that produced the most disciplined and high-skilled fighting force in history can and will find a way to utilize the talents of all of our young people.

America's role as a military superpower was not preordained. It took the ingenuity of our workers, the creativity of our scientists, and the experience of our business leaders. Now we must maintain our lead as the world's economic superpower and export superpower. And it will require the same magical combination of ingenuity and creativity and experienced leadership, the same magical combination that you've created right here at General Dynamics.

Let me make one final point, one final point. Though the world is a much more peaceful place today, I will continue to fight for a strong defense budget. We cannot take a chance. We cannot take a chance.

Some are already proposing defense cuts far beyond the levels that our military experts feel are reasonable. I've had sound budget levels recommended to me by Colin Powell, by all the Jointÿ20Chiefs of Staff, by the Secretary of Defense. And now some in this political year want

to slash defense budgets, slash the muscle of our defense. I do not want to see us go back to the days of the hollow Army or the return of an Air Force less strong than our needs require. And not only would some of the cuts proposed in this election year cut into the real muscle of our defense, they would needlessly throw defense workers out of work. And I will not have that.

Thank you very, very much for this welcome. And let me say it is a great pleasure to be able to support this sale. It is a great pleasure to come here and to salute you, the finest workers in the world. Thank you all. And may God bless our great country. Thank you very much. Thank you.

Note: The President spoke at 5:11 p.m. at the General Dynamics facility at Carswell Air Force Base. In his remarks, he referred to William A. Anders, chief executive officer, and James R. Mellor, president, General Dynamics; and Jose Canseco, Texas Rangers baseball player.

Appointment of Frederick H. Grubbe as Deputy Director of the Office of Consumer Affairs

September 2, 1992

The President today appointed Frederick H. Grubbe to be Deputy Director of the Office of Consumer Affairs at the Department of Health and Human Services. He would succeed Clayton S. Fong.

Since 1989, Mr. Grubbe has served at the Department of Transportation in positions including: Deputy Administrator of the National Highway Traffic Safety Administration, 1991 to the present, and Special Assistant to the Secretary for Personnel and Organization Management, and White House liaison, 1989 - 91. From 1988 to 1989, he served in the Office of the President-elect, in the Office of Presidential Personnel.

Mr. Grubbe graduated from Northern Illinois University (B.A., 1984). He was born May 14, 1961, in Oak Park, IL. Mr. Grubbe is married and currently resides in Alexandria, VA.

Statement on Expediting Small Business Administration Loans for Hurricane Andrew Victims

September 3, 1992

I have just met with Administrator Saiki who informed me that the Small Business Administration has responded to my request to expedite their loan process so that victims of Hurricane Andrew can swiftly receive disaster loan checks. SBA loans that typically require 30 to 60 days will now be processed in just 7 days.

I have also asked the IRS to be on site so that they can provide tax information to the loan applicants whose tax records have been lost or destroyed as a result of the hurricane. Treasury Department officials will also be there to cut the checks immediately. Today Pat Saiki will depart to Florida and Louisiana to deliver the first disaster loan checks. By the time they are finished, the SBA will have made thousands of loans to businesses and homeowners who are resolved to rebuild their neighborhoods, repair their communities, and get on with their lives.

The SBA is ready to help homeowners and renters qualify for low-interest, long-term loans to rebuild or repair their homes as well as their businesses. Like the rest of the Federal Government, the SBA is in for the long haul.

Letter to Congressional Leaders Transmitting Proposed Legislation on Nevada Public Lands Wilderness Designation

September 3, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to submit for congressional consideration and passage the ``Nevada Public Lands Wilderness Act".

The Federal Land Policy and Management Act of 1976 (FLPMA), (43 U.S.C. 1701, et seq.), directs the Secretary of the Interior to review the wilderness potential of the public lands.

The review of the areas identified in Nevada and Lassen County, California, began immediately after the enactment of FLPMA and has now been completed. Approximately 5.2 million acres of public lands in 110 areas in Nevada and Lassen County, California, met the minimum wilderness criteria and were designated as wilderness study areas (WSAs). These WSAs were studied and analyzed during the review process and the results documented in 17 environmental impact statements and eight instant study area reports.

Based on the studies and reviews of the WSAs, the Secretary of the Interior is recommending that all or part of 52 of the WSAs, totaling 1,892,041 acres of public lands, be designated as part of the National Wilderness Preservation System.

I concur with the Secretary of the Interior's recommendations and am pleased to recommend designation of the 52 areas (totaling 1,892,041 acres) identified in the enclosed draft legislation as additions to the National Wilderness Preservation System.

The proposed additions represent the diversity of wilderness values in the State of Nevada and Lassen County, California. They range from the Black Rock Desert and the canyons of the Humboldt and Owyhee Rivers, to the ancient bristlecone pines in central Nevada, to the Mojave Desert in southern Nevada and its Joshua trees and desert tortoises. These areas span a wide variety of Nevada landforms, ecosystems, and other natural systems and features. Their inclusion in the wilderness system will improve the geographic distribution of wilderness areas in Nevada and Lassen County, California, and will complement existing areas of congressionally designated wilderness. They will provide new and outstanding opportunities for solitude and unconfined recreation.

The enclosed draft legislation provides that designation as wilderness shall not constitute a

reservation of water or water rights for wilderness purposes. This is consistent with the fact that the Congress did not establish a Federal reserved water right for wilderness purposes. The Administration has established the policy that, where it is necessary to obtain water rights for wilderness purposes in a specific wilderness area, water rights would be sought from the State by filing under State water laws. Furthermore, it is the policy of the Administration that the designation of wilderness areas should not interfere with the use of water rights, State water administration, or the use of a State's interstate water allocation.

The draft legislation also provides for access to wilderness areas by Indian people for traditional cultural and religious purposes. Access by the general public may be limited in order to protect the privacy of religious cultural activities taking place in specific wilderness areas. In addition, to the fullest extent practicable, the Department of the Interior will coordinate with the Department of Defense to minimize the impact of any overflights during these religious cultural activities.

I further concur with the Secretary of the Interior that all or part of 106 of the WSAs encompassing 3,277,546 acres are not suitable for preservation as wilderness.

Also enclosed are a letter and report from the Secretary of the Interior concerning the WSAs discussed above and a section-by-section analysis of the draft legislation. I urge the Congress to act expeditiously and favorably on the proposed legislation so that the natural resources of these WSAs in Nevada and Lassen County, California, may be protected and preserved.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Press Secretary Fitzwater on Capital Gains Tax Regulations

September 3, 1992

In response to a request from the White House, the Department of Justice's Office of Legal Counsel has rendered a formal opinion on the issue of ``indexing." We are disappointed that the opinion concludes that neither the President nor the Treasury Secretary nor the Commissioner of the IRS has the authority to act to revise the IRS regulations in a way that would index for inflation the cost of assets bought and sold in capital gains transactions.

The President believes that such indexing of cost would be sound economic policy and would be sound as a matter of fairness. Accordingly, he has instructed the Treasury Department to add to his legislative program a provision that would provide the taxpayer with the option of indexing cost when determining income subject to gain.

Remarks to the Community in Fredericksburg, Virginia

September 4, 1992

The President. Thank you, Dori, very much. And thank all of you for this great welcome to this marvelous town. And may I salute two Members of Congress with me, Congressman George Allen, a good man, and to Herb Bateman, another great Congressman. Two State delegates that you all know well, Bill Howell and Bobby Orrock, they're with us today. And I want to thank your Mayor of 16 years, Lawrence Davies, who greeted us at the airport. You've got a lot to be proud of here. And I know that there are six Olympians from this area, two gold medal winners, and I salute all of them.

I told Barbara I was coming down to a hardware store this morning. [Laughter] She told me I'd better come back with the tools to fix Millie's doghouse or else I'd be in one myself.

But here we are in Fredericksburg to talk about small business. I'm going to ask you to bear with me because some of these points are serious points about the future of this country. And we want to drive home the fact that businesses like the one I just visited, Fredericksburg Hardware, and Goolrick's here do more than sell doorknobs and drywall, hairnets and lipsticks. Small business generates the hope and the pride and the jobs that hold America together.

America's economy is working its way through a period of profound change. Many of the larger companies have retrenched and restructured. And I know those changes have been difficult for many working Americans. But American small businesses, they've shown the staying power, creating new products by the thousands and new jobs by the hundreds of thousands. And we are grateful to every small-business man and woman in this country. It is critical that we concentrate on the importance of small business to our economy. Because today, the defining challenge of the nineties is to reinvigorate our national economy so that we can win, we can win the competition in this whole new global economy.

In this election, you're going to hear two very different versions of how to do this. My opponent's answer is to turn inward, to pretend that we can protect what we have. And ours is to look forward, to open new markets, to prepare our people to compete, to restore the social fabric of this country, and to save and invest, so that we can win. And that's why we've placed small business at the heart of our agenda for America's economic future. Small businesses employ over half our work force, create two-thirds of new American jobs. And they're the hothouse for innovation, risk-taking, and new ideas, the powerful locomotive that will take our economy right down the tracks, full steam ahead into the 21st century. I am optimistic about this country.

When it comes to renewing the American economy, my loyalty lies with small business. I've actually held a job in the private sector, something my opponent has not done, half my life in the private sector and half in public life. And I started a small business, built it from the ground up,

know what it is to go out and work with partners and employees. And I know what it's like to sweat out a tough deal, to shop for credit, to try your darnedest to meet the next payroll -- and even if I got ulcers to prove it. I believe that meeting a payroll is a good qualification for President of the United States of America.

Now let me tell you what must be done to help small businesses here and across the country. We've got to give business the relief from excessive Government regulation. We need to increase access to credit and investment. And while Governor Clinton wants to raise taxes and has already proposed it, I want to cut the taxes on small business. And I need a change in Congress to get that done.

I was out in western Michigan the other day, talking to a group of people and small business leaders. I met a guy who runs an asphalt paving company. And he said, ``Mr. President, when regulation doesn't make sense, it's the worker who pays with his job." And we are tackling this problem head-on. In January, I ordered a freeze on Federal regulations. The business men and women have enough to worry about without Washington double-checking their every move.

Regulation, less of it. But without the burden of overregulation, businesses can't grow without capital. The credit crunch has hit our small businesses hard. And that's why we've been working with bankers and regulators to ease that crunch. We have the SBA, the Small Business Administration, working double-time to help these credit-starved businesses. And this year, we have increased by more than 30 percent the general business loan guarantees offered through the Small Business Administration, more than $6 billion going to men and women with good ideas who want to turn those ideas into jobs. That's the kind of help Government should be giving these businesses.

I've also been trying to work with that gridlocked Congress to provide even more credit relief.

Audience members. Clean the House! Clean the House! Clean the House!

The President. That's a good idea. And this morning, you're going to see the result. We've come here to Fredericksburg to sign a new piece of legislation. Typical of us -- the Washington -- it's got the name ``the Small Business Credit and Business Opportunity Enhancement Act." But it's going to loosen up credit even more for deserving small businesses. Not only does it increase the levels of SBA loans, it creates new ways of bringing investment to small business owners. It reaches out to women and minority entrepreneurs who want to get started. I've always believed that the best economic program is a job. And this bill gives more Americans the tools to create a job.

Now, we're talking about regulation and credit. All that is good. But it won't do it if we cannot help take the monkey, that tax monkey, off the backs of small business. I am for lower taxes. He is for higher taxes. Already we've taken a number of steps to streamline the ways small

businesses pay their taxes. One example: Right now, small businesses have to file payroll taxes twice a week. And that's a waste. I've proposed we change it to once a month, so business men and women can get back to the business of running their businesses.

Now, the Clinton-Gore tax-and-spend ticket doesn't understand that taxing capital investment is bad. None of our industrial competitors taxes capital gains at our punitive rates. Almost half of all new businesses literally begin at home, when enterprisers convert their own nest eggs into capital. And it is time to reward this initiative. It is time to make us competitive with businesses around the world. It is time to cut that tax on capital gains so these small businesses can thrive.

That's my agenda for small businesses: three obstacles, three concrete steps to clear those obstacles out of the way. Now let me just get into the politics here. Where does Governor Clinton stand on small business? It's a strange coincidence, but his plan has three parts, too: tax, tax, and tax.

Audience members. Boo-o-o!

The President. I see small business as the backbone of the American economy, and he sees it as a golden-egg-laying goose that ought to pay more in taxes.

Audience members. Boo-o-o!

The President. And he starts with a big idea. Here it is, you heard the proposal right from him: Mr. Clinton says that he wants $220 billion in new Government spending.

Audience members. Boo-o-o!

The President. We don't need $220 billion in new Government spending. [Applause] You're right. And how will he pay for it? Nobody knows for sure, but he's already advocating at least another $150 billion in new taxes. And now he says he wants to soak the rich, raise taxes on the top 2 percent. What he won't tell you is this: Two out of every three business people hit by that tax increase are small businesses or family farmers. And these folks aren't millionaires; they are mom-and-pop operators. And we don't need to tax them any more. The Governor offers -- you know that program -- he offers the small business a reverse version of the ``Lifestyles of the Rich and Famous." You may not live like a millionaire, but you can be taxed like one if you listen to Clinton and Gore. It is strange.

Health care: He's also backing a health care plan called ``play or pay." I was just in here in the hardware store, talking to the people there about the escalating costs of health care. His plan will leave small businesses with two options: one, cut workers' wages to pay for mandated health care, or two, fire some workers and use the savings to cover the rest. And according to an independent Urban Institute study, the plan will lead to a 7-percent payroll tax for those

businesses who don't play the Government's game. And another estimate says the tax will cost this country 700,000 jobs. We cannot afford to lose these jobs.

So that's his plan. It's out there in black and white, $150 billion in new taxes, a new Government health care plan leading to a new payroll tax of 7 percent, not to mention a new training tax. Then you throw in an irresponsible slashing of our defense budget, and it all adds up to 2.6 million, 2.6 million jobs lost. And we cannot have that.

The differences between the Governor and me are based on two very different philosophies. Look again at the health care issue. This is of critical importance to small business. Over the past 2 years, 83 percent of small business owners have seen their health care costs increase. And at the same time, too many Americans are without coverage, or they're worried about losing the coverage they have.

And so let's go right down the line. My health care reform will give tax breaks and credits to make health care more affordable, so that 30 million people who can't get health care insurance will be safe and will have health care in the private sector. He prefers taxes. He says, let's raise taxes and compel people to participate. And I say, let's give tax incentives and encourage people to do what's right.

And I want to use the force of competition -- the force that's in action all along Main Street here -- the force of competition to keep these medical costs down. He wants to put the Government in the business of setting health care prices. That will not work. I want to go after the root causes of health care. And he won't because the special interests won't let him.

Now, let me tell you one that's important here. I'll give you an example. Last year alone, legal costs inflated our doctors' bills by $20 billion dollars. And so we've targeted these malpractice insurance for reform, as one way to keep costs down. I don't think you should have to hire a lawyer when you want to see a doctor. But Governor Clinton stands against malpractice reform. And there is a simple reason. The trial lawyers of America, the same fat cats who are getting rich off those malpractice lawsuits, are his staunchest supporters. Here's what one Arkansas trial lawyer wrote about him, trying to raise money for the Clinton campaign: ``I can never remember an occasion where he failed to do what was right where we trial lawyers are concerned." Small businesses are drowning in litigation, and Governor Clinton wants to throw them a firehose. Well, help me get Congress to put an end to frivolous lawsuits. We'd be a lot better off if we sued each other less and cared for each other more in this country. I have had proposals up before this gridlocked Congress for 3 years in a row. And now you've got a man who wants to run for President that says he doesn't want to do anything about malpractice. Let's change that Congress. Help me get this malpractice under control.

From taxes to regulators to health care to the litigation explosion, the election is a contest between two very different views of business and of how our economy works. And here is the

bottom line. He talks a good game, but his policies threaten to tax and spend and regulate you right out of business. Small business should not be the big Government's piggy bank. We are trying to do what is right for the average family, right for the man and woman that are out there holding a job, working for a living. Reform welfare, help in every way we can to help the families in this country.

Audience members. Four more years! Four more years! Four more years!

The President. Let me tell you something. I was in a hardware store, and Mr. Janney said something to me. He said, ``You see my grandchildren here?'' He said, ``I am very happy that they're going to grow up, thanks to you and your administration, in a world that has less fear of nuclear weapons, an administration that bit the bullet and did what was right in Desert Storm.'' Now, give us your support, and let's do what's right for the small-business man and woman in this country.

May God bless you. May God bless all of you, and thank you very, very much. Thank you very much. Thank you all.

Audience members. Four more years! Four more years! Four more years!

The President. Now, if you've never seen legislation signed, watch this one, because I'm now going to sign the Small Business Credit and Business Opportunity Enhancement Act of 1992, an example of what we can do to put small business first.

[At this point, the President signed the bill.]

Thank you all for coming.

Note: The President spoke at 11 a.m. at Goolrick's Pharmacy. In his remarks, he referred to Dori Eglevsky, president, Fredericksburg Chamber of Commerce, and H.M. Janney, owner/operator of Fredericksburg Hardware. H.R. 4111, approved September 4, was assigned Public Law No. 102 - 366.

Statement on Signing the Small Business Credit and Business Opportunity Enhancement Act of 1992

September 4, 1992

Today I am signing into law H.R. 4111, the ``Small Business Credit and Business Opportunity Enhancement Act of 1992." The Act will provide a major stimulus to the growth and development of small businesses.

H.R. 4111 will restructure the Small Business Administration's Small Business Investment Company (SBIC) program. This restructuring will boost investment by the private sector in growth-oriented small businesses, while enhancing the safety and soundness of SBICs. H.R. 4111 also provides a substantial increase in authorized levels of SBA's guaranteed business loan programs. Thousands of small businesses will be able to obtain much-needed credit as a result of the expansion of these programs.

Two-thirds of all jobs in the United States are created by small businesses. This bill ensures that capital, the lifeblood of our economy, is available to help small firms start up and to help tens of thousands of existing firms to expand and grow.

Section 203 of the bill enhances small business contracting goals for a dredging program. In signing the legislation, I note that current law requires the Department of the Army to make every reasonable effort to award the designated contracting business to small business concerns.

Finally, I am pleased to note that section 331 of the bill states that it is the sense of the Congress that ``legislation and regulations that enhance the viability of small business concerns, including changes in tax and health care policy, should be given a priority for passage by the Congress." I urge the Congress to act promptly on this section by passing before the end of this legislative session legislation that will truly help small businesses, particularly the capital gains tax cut, the investment tax allowance, and the Administration's proposal to allow small businesses to increase their purchasing power through Health Insurance Networks, making health insurance for their employees more affordable.

George Bush

The White House,

September 4, 1992.

Note: H.R. 4111, approved September 4, was assigned Public Law No. 102 - 366.

Letter to Congressional Leaders Transmitting Proposed Legislation on Idaho Public Lands Wilderness Designation

September 4, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to submit for congressional consideration and passage the ``Idaho Public Lands Wilderness Act".

The Federal Land Policy and Management Act of 1976 (FLPMA), (43 U.S.C. 1701, et seq.), directs the Secretary of the Interior to review the wilderness potential of the public lands.

The review of the areas identified in Idaho began immediately after the enactment of FLPMA and has now been completed. Approximately 1.8 million acres of public lands in 67 areas in Idaho met the minimum wilderness criteria and were designated as wilderness study areas (WSAs). These WSAs were studied and analyzed during the review process and the results documented in 14 environmental impact statements and three instant study area reports.

Based on the studies and reviews of the WSAs, the Secretary of the Interior is recommending that all or part of 27 of the WSAs, totaling 972,239 acres of public lands, be designated as part of the National Wilderness Preservation System.

I concur with the Secretary of the Interior's recommendations and am pleased to recommend designation of the 27 areas (totaling 972,239 acres) identified in the enclosed draft legislation as additions to the National Wilderness Preservation System.

The proposed additions represent the diversity of wilderness values in the State of Idaho. These range from the high desert canyon lands of southwestern Idaho to the lava flows of the Great Rift and Hells Half Acre. These areas span a wide variety of Idaho landforms, ecosystems, and other natural systems and features. Their inclusion in the wilderness system will improve the geographic distribution of wilderness areas in Idaho, and will complement existing areas of congressionally designated wilderness. They will provide new and outstanding opportunities for solitude and unconfined recreation.

The enclosed draft legislation provides that designation as wilderness shall not constitute a reservation of water or water rights for wilderness purposes. This is consistent with the fact that the Congress did not establish a Federal reserved water right for wilderness purposes. The Administration has established the policy that, where it is necessary to obtain water rights for

wilderness purposes in a specific wilderness area, water rights would be sought from the State by filing under State water laws. Furthermore, it is the policy of the Administration that the designation of wilderness areas should not interfere with the use of water rights, State water administration, or the use of a State's interstate water allocation.

The draft legislation also provides for access to wilderness areas by Indian people for traditional cultural and religious purposes. Access by the general public may be limited in order to protect the privacy of religious cultural activities taking place in specific wilderness areas. In addition, to the fullest extent practicable, the Department of the Interior will coordinate with the Department of Defense to minimize the impact of any overflights during these religious cultural activities.

I further concur with the Secretary of the Interior that all or part of 57 of the WSAs encompassing 825,217 acres are not suitable for preservation as wilderness.

Also enclosed are a letter and report from the Secretary of the Interior concerning the WSAs discussed above and a section-by-section analysis of the draft legislation. I urge the Congress to act expeditiously and favorably on the proposed legislation so that the natural resources of these WSAs in Idaho may be protected and preserved.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Appointment of Daniel Casse as Special Assistant to the President for Cabinet Affairs

September 4, 1992

The President today announced the appointment of Daniel Casse as Special Assistant to the President for Cabinet Affairs.

Since 1990, Mr. Casse has served as Associate Director and then Deputy Director in the Office of Cabinet Affairs. Prior to arriving at the White House, he served as a special assistant to the director and policy analyst in the Office of National Drug Control Policy and as a researcher in the Secretary's office at the Department of Education. From 1985 to 1987, Mr. Casse was the managing editor of the Public Interest, a public policy quarterly.

Mr. Casse received a bachelor of arts degree from the University of Toronto in 1984 and a master's degree in public administration from the Kennedy School of Government at Harvard University in 1989. He resides in Washington, DC.

Statement by Press Secretary Fitzwater on the August Unemployment Rate

September 4, 1992

The August drop in the unemployment rate, for the second month in a row, is an encouraging sign that the economy is improving. But we cannot be satisfied until every American who wants a job has one.

We continue to urge Congress to pass the President's program of economic incentives to spur economic growth and ensure an even stronger recovery.

Remarks at Octoberfest in Painesville, Ohio

September 5, 1992

Thank you all. What a great turnout. Thank you so very much. Thank you. Thank you very much, Mike. Thank you, Mike DeWine, our next United States Senator. Thank you very, very much for that welcome. Barbara and I are thrilled to be with you, glad to be with you and Fran. It's good to see Bob Bennett, our chairman; national committeewoman Martha Moore over here; and Bob Gardner, who's running for Congress. We want to see him elected. He's sitting over there. Of course, a very special thanks to the Bencics. I'll tell you, what great hosts they are, Steve, Gretel, Martin, Carl, Edith, and Linda. What a wonderful family. When I talk about family values I think of their discipline, their love of country, and their hard work.

I bring greetings today from your Governor and from my very good friend, George Voinovich. What an outstanding Governor you have. He understands this country. You know, Steve told me that this is the first time that the Governor has missed this event since 1966; and the only reason he did it, because he's on a trade mission to Southeast Asia. He's opening up new markets for Ohio goods, and that means creating jobs for Ohio workers. I know he's going to miss all his bratwurst. I'm sure egg rolls taste great, but you can't put syrup on egg rolls. And Voinovich will find that out.

Now, I don't know whether you all got to do what Barbara and I did, but I hope you've all seen Gretel's cake. But you may not know the story behind this enormous cake. I don't want to give away her age, but 50 years ago when she was a little girl, the war in Europe separated her from her mother. The Red Cross came to Gretel's rescue, so today she's returning the favor. Everyone who eats a piece of that cake is contributing food to help the people of south Florida and Louisiana. That is the American spirit, and Gretel, we're very grateful to you.

While we're talking about the tragedy in the south, I want to salute today the contingents of Ohio's finest: the Ohio National Guard 179th Airlift Group, back from their mission of mercy to south Florida, one military person down there helping family after family. It is a wonderful concept, and we're proud of them all. Some of them served in that Desert Storm, too, and they did a first-class job there, believe me. And the country has not forgotten.

So, in summary, it's great to be here in Painesville to help open up this year's Octoberfest. You've got the four basic food groups: pancakes and syrup, bratwurst and beer; and not one stick of broccoli anywhere in sight. This is a first-class -- --

Well, this celebration has always been a celebration of cultures, but this year, in a very special way, it's a celebration of the spirit. We've witnessed a world of change. Across Europe, across continents, from Panama City to Prague, millions of men and women now celebrate a new birth of freedom.

In Germany -- and I think of that because of my friendship with Steve -- and in Germany a wall has fallen. We should take great pride in knowing that the German people give us, the United States, great credit for standing up for their unity, for reunification of Germany, and for their freedom. We should be proud of that. For the people here today, people who came to America from the old country, who prayed for this day to come, the change we've witnessed, this change we've worked for, is a miracle come true.

There are those, to quote the poet, who will say that the liberation of humanity, the freedom of man and mind, is nothing but a dream. They are right. It is the American dream. The American dream led to so much of this freedom around the world. Today, our challenge is to bring that spirit home, and Mike DeWine said, home from the towns your parents and grandparents were born in to this new world we call America, and to focus this great Nation on the new mission at hand.

I know the main attraction this morning is pancakes -- [laughter] -- not politics. I salute not only the Republicans that are here, but I know there are many, many Democrats with us, and I'm very proud and pleased about that. But today I want to -- and I've got to admit something, with the enthusiasm of this welcome, the temptation is for me to get up here and tear into the Governor of Arkansas, which I've got to do from time to time. But today, and I hope you'll bear with me, I want to just take a few minutes to talk to you about a serious matter, something I hope you'll be thinking about as you go into that voting booth on November 3d, about the way we can change America's health care.

So this isn't a rally speech. I want to talk to you, a little substance, on health care. I want to tell you first a story, a story about the McNally family from Dorset, Ohio. I first learned about them when Tiffany McNally wrote me at the White House 2 years ago. Four members of Tiffany's family have a rare blood disease, and Tiffany, who is adopted, was born with fetal alcohol syndrome. Now, what if Mr. McNally were laid off, or worse still, lost his job? Or what if he found a better job, but the catch was no new health insurer would carry him or his family? He'd have to stay put and let that opportunity pass him by.

Well, that is wrong. That's why we have to change the health care system in America. Health care reform isn't just about studies and cold statistics. It's about real worries and real lives. We have the answers to those worries.

Let's face it, the problem is not the quality of health care. American health care is number one in the entire world. Since 1980, every life expectancy is up; infant mortality is down; death rates from heart disease down; deaths from stroke down. Right now, 200 million Americans have access to quality care system.

But that high quality, high-tech medical care comes at an unacceptable price: An estimated 30 million Americans have no insurance at all, and millions more, like the McNallys, are afraid to

change jobs for fear of losing the health insurance that they've got. All told, America's health care now tops $800 billion a year, and the cost is rising 2 to 3 times the rate of inflation. That's why health care reform is a key part of my agenda for economic security for every family in this country.

This year, you watch, health care is going to be a Republican issue. We have a good program. My Democratic opponents are divided between two bad programs, both of which would put Government in charge of health care.

The fact is we can reform the system without pushing our economy into intensive care. We must build on the strengths of the system that's given us the highest quality care in the world, on consumer choice, on innovation and state-of-the-art medicine, while controlling costs and expanding access. We need an efficient health care system built on competition to control costs, not Government control and rationing care. Above all, we need a health care system that gives all Americans real security, security that you can count on, the coverage you need. My plan meets every single one of these objectives.

We can make health care more accessible by making health insurance more affordable. Take a family of two parents and two kids. Let's say the family's income, the total income is $13,000. They're working hard to make ends meet: low enough to put them at the poverty line, high enough to make them ineligible for Medicaid. Right now, that family may fall through the cracks, may not be covered through work, and may not be able to afford any health care coverage at all. Under my plan, that would change. This family would get a $3,750 health care credit, payable to the health care insurer of their choice.

For middle-income individuals and families, all the way up to those making $80,000, my plan provides a health insurance tax credit or deduction that will ease the burden of health insurance costs.

All told, this plan will bring health care coverage to almost 30 million uninsured Americans and new help to nearly 95 million Americans that are struggling to meet health care's runaway costs.

My plan provides security to families like the McNallys and then others that are caught up in what health care experts call ``job lock," the fear that because of what they call preexisting medical conditions, changing jobs will cost you and your family your health insurance. We're going to change all of that.

My plan cuts runaway costs by making the system more efficient. And the key is something we call health insurance networks, pooling together individuals and businesses that too often can't afford to offer health insurance to their workers or that worry that one worker's illness or accident could drive everyone else's health insurance right through the roof. Insurance costs obey the law of large numbers: the larger the group being insured, the lower the cost per

individual; the broader the risk is spread, the lower the administrative overhead.

We're also going to cut health care costs by wringing out waste and excess in the present system. That's why we have targeted malpractice insurance for reform. You know this, and I know it, and every American knows it: High malpractice premiums mean higher doctors' bills, expensive, unnecessary tests, higher hospital costs, costs passed along not only to the patient but to every American taxpayer. Last year alone, legal costs inflated our doctors' bills by $20 billion. You shouldn't have to pay a lawyer when you go to the doctor.

When health care costs total more than what we spend on our kids' education and our country's national defense combined -- education and defense combined, health care costing more -- even small changes can save us billions. If we made all the changes I've talked about, my plan would save nearly $400 billion in the next 4 years.

I listen to the American people, and you want to know you've got insurance you can count on. I don't hear you calling for higher taxes to finance a Government takeover of our hospitals. I will never approve such a program.

Yet that is exactly what some of my opponents want, to nationalize our health care system: put Government in control; let Government fix the prices; let Government ration the kind of care that people get and how much, what kind and when they'll get it. Go the Government route, and you know what we'll get: our health care system that combines the efficiency of the House of Representatives post office with the compassion of the KGB over there in Moscow.

You know, we probably have to stop using that comparison. That comparison made a few people hot under the collar. I even got one letter from Russia telling me, ``Quit running down the KGB." [Laughter]

Nationalize health care, and here's what we're in for: long waiting lines, lists for surgery, shortages of the high-tech equipment responsible for so many of the miracles of modern medicine. One example: Right now -- you've got great facilities in Cleveland -- but right now the Cleveland Clinic performs 10 coronary bypass surgeries -- I see we've got a doctor from the clinic over here. [Laughter] Well, that's great. They perform 10 bypass surgeries a day; high tech, high quality, special, excellent surgery without any wait. But if you live across Lake Erie in Canada, the wait for coronary bypass surgery is up to 6 months. And that's not the kind of system that America wants or America needs.

Then there's the cost. According to some studies, nationalized health care would mean a whopping $250 billion to $500 billion a year in new taxes. But you won't hear about higher taxes from the folks that are pushing that scheme. Just ask them about some of the side effects of their plan, and they just say, ``Take two aspirin; call me after the election." [Laughter]

Well, this is what this election is about: who's got the good ideas, and who's got some lousy ones. We've the right ideas on health care. They have the wrong ones.

My opponent backs a plan that goes by a different name, but in the end it takes you to the same place, nationalized health care. It's called ``play or pay.'' Listen for that one during the fall, ``play or pay.'' Here's what it means: Each employer must ``play,'' meaning shell out for insurance for employees, or ``pay,'' extract a payroll tax to finance Government health coverage.

``Play or pay'' will leave a lot of small businesses, those we are counting on to lead the recovery we need so desperately, with two crummy options: cut workers' wages to pay for mandated health care, or fire some workers and use the savings to cover the rest. According to an independent Urban Institute study, the ``pay'' part of this plan is no playground. It will require at least a 7-percent payroll tax. Now you small-business people here, you that have your sleeves rolled up running a restaurant or running a neighborhood store of some kind, think about that one.

According to estimates, that kind of tax will cost this country 700,000 jobs. For an employee earning $24,000 a year say, that payroll tax would mean $1,700 chopped right out of his paycheck. Higher prices, lower wages, lost job: Any way you look at it, that is the wrong prescription for America.

So in the end, this ``play or pay'' is no different from nationalized health care. I'm tempted to call it ``pay and pay and pay again.'' It's an open invitation for employers to stop offering health benefits, throw the problem in the Government's lap, and dump millions of Americans that are working into a public plan like Medicaid.

Right now, the cost of health care eats up 13 percent of all the goods and services that we produce. Do you really want to turn another huge chunk of our economy over to the Government? We can't afford to saddle ourselves with a health care cure that's worse than the disease, especially when we have a much better alternative.

Now you can see why I believe health care is going to be a Republican issue this year. My opponent just isn't up to the mark on health care. A major newspaper that I don't quote too often these days, the New York Times -- [laughter] -- described Bill Clinton's attention to health care issues as, I quote, ``occasional.'' It's no surprise why. After having Governor Clinton for 12 years, one in four folks in Arkansas don't even have health insurance. Bill Clinton has promised he'll do for America what he's done for Arkansas. And my question is: Why would we let him?

I want to start our program that's been sitting up on Capitol Hill for a while moving forward. Move forward on health reform. And Congress comes back from what they call a work period -- they've been on vacation for a month and a half -- next Tuesday. My opponents are divided. Even they know their proposals won't work. And I say, let Congress start by passing my small-

business health care reforms to bring affordable, quality health care to millions of Americans who don't have it now. Make it a Labor Day present to the American worker and to the American family and get off your backsides and do something about it.

If you think I'm a little frustrated with this gridlocked Congress, you are right. We ought to clean House.

On this Labor Day weekend, we should remember what Jefferson called ``the sum of good government," whether it respected the right of each one of us. Thomas Jefferson said, and I quote, ``. . . a wise and frugal government . . . shall not take from the mouth of labor the bread that it has earned." In Jefferson's day, doctors made house calls on horseback and life was short. Today, we have miracle medicines that can pluck us from death's door. But all this is of no matter if we can't afford it, not if it is reserved only for the privileged or the prosperous, not if it bankrupts the families of America. We must not take from the mouth of labor the bread that you have earned. We must fix the health care system of America.

Once again, let me say I hope this hasn't been too long and too specific, but this strikes at the core and the well-being of every single family in America. There is no better place to talk about family and family values than it is right here with Steve and Gretel. To all of you, my thanks for this warm Ohio welcome. May God bless the greatest, freest country on the face of the Earth, the United States of America. Thank you all.

Note: The President spoke at 10 a.m. at the Lake County fairgrounds. A tape was not available for verification of the content of these remarks.

Remarks on Arrival in Greenville, South Carolina

September 5, 1992

Thank you all very, very much. What a great welcome back to this wonderful State.

Listen, I am so proud that the First Lady of South Carolina is with us, our old friend Iris Campbell. You've got a great Governor, and you've got a great First Lady. And they represent this State with honor and dignity.

Let me also say, one of the things we've got to do, and I'm glad to see these Inglis signs are, we have got to clean House. We have got to get rid of the gridlocked Congress. So elect this good man standing here to the United States House of Representatives. It is time to clean House and change in Washington. Good idea.

Well, let me just tell you, as I look around all 50 States I see South Carolina out there in the lead for jobs and for bringing new investment into this great State. I was so proud to stand with Carroll Campbell over there in Germany to get that announcement of a major new plant coming to South Carolina because those Germans have the same respect I do for the workers in the State of South Carolina. They know that by coming here we can produce the best products in the world, and this is going to save this country of ours, move it right into the future. We are going to be able to export more and create more jobs in the United States of America by the free and open trade policies that I support and that Carroll Campbell supports.

I also want to say something about the tragedy to the south, because when Barbara and I were down there in Homestead, Florida, we saw these hats; people that had been helped here in South Carolina during Hurricane Hugo now reaching out, opening their arms to help others down in Florida. It was a wonderful thing. Your State was helped, and now you are helping the victims of the hurricane down there, Hurricane Andrew. I salute the people of South Carolina and North Carolina who were doing this. It is the best of America: one American reaching out to help another.

Let me just say, we're going to move on now over to the Apple Festival in North Carolina, but I want to say this: I am ready for the fight. We are going to take this battle for a better America to the American people. We are going to win the battle for school choice. It's important that parents can choose where their kids go to school. We are going to win the battle to back up our law enforcement officers and have a little more respect for the victims of crime and a little less for the criminals. We need your help in the Congress for that one. I need Bob up there on that.

We have already helped, thanks to the men and women of South Carolina. I don't think any State did more than South Carolina in Desert Storm. I was proud of each and every one of those people that served.

Having set back aggression there, now we're going to extend our exports, take advantage of this more peaceful world and bring more prosperity to the workers in the United States of America.

So thank you all very much for this wonderful turnout. Thanks for your belief, confidence in the United States. You know, one of the biggest differences I have with Governor Clinton: he talks about America being in decline; I talk about America on the rise, competent, able to solve the problems.

So thank you for this warm welcome back. We will clean out the Democrats, and we will clean out the House. We will leave Governor Clinton in Arkansas, letting him -- struggling with the worst environmental record in the world.

Thank you all very, very much. Thank you very much for the welcome back.

Note: The President spoke at 12:50 p.m. at the Greenville-Spartanburg Airport. In his remarks, he referred to Republican congressional candidate Bob Inglis.

Exchange With Reporters During a Visit With the Harris Family in Asheville, North Carolina

September 5, 1992

Q. Now that you've got him here, what do you hope to tell the President?

Mr. Roy Harris. Well, we're going to talk about this neighborhood here. I want to make sure that he understands our neighborhood and the neighborhood that he's in right now and how it affects us in policies and decisions that are made. We have a mixed neighborhood here. Therefore, he'll get a chance to see a typical neighborhood.

Q. Are you a registered Republican or Democrat, sir?

The President. These guys, I'll tell you what they want to do -- --

Mr. Harris. Registered Democrat. [Laughter]

The President. A very hospitable one at that, and we are very grateful -- [laughter] -- for their hospitality, I'll tell you. It transcends any of these other things. They invited us, and here we are. They really made us feel at home. We've only been here 5 minutes.

Mrs. Bush. But you ought to tell them a little bit about what the Harrises do for their community.

The President. You tell them.

Mrs. Bush. Well, you do Little League and -- --

The President. Coaches. She teaches.

Mrs. Bush. Well, she started the Girl Scout troop. They're active in their church. Their children get good marks because their parents care. I mean, just by chance they turned out to be an extraordinary family, and they sort of know what family values are.

The President. Great citizens of their community.

Q. Are you going to try to twist his arm, Mr. President?

Mrs. Bush. You're darn right. [Laughter]

The President. I'll leave that to Barbara. [Laughter] No, we're not here on that. We're just here because they invited us here, and we're proud to be here and very pleased.

Mr. Harris. It was an invitation for him to come and talk with my two daughters. That was the invitation.

The President. Yes, we had a chance to talk a little on those issues, their education, some of those things. But we'll have a chance to visit.

Q. Well, Mr. Harris, do you think there in the White House that the President really doesn't get a feel for what many neighborhoods are like?

Mr. Harris. The typical example is I went down the street a few minutes ago, and the neighborhood is really happy that this is happening in their neighborhood. They're saying it's not here often that we get a President into our neighborhood, and so everybody is pleased. The church has opened their doors for us; friends across the street, we had to do certain things for them. This is a community. Believe it or not, it's going to be a community effort here, from the food to people loaning us a bread basket, to a number of things that are happening. The community has really participated in this process, and I think they feel very good about it.

The President. That's just wonderful. Well, you're a great spokesman for your community, too.

Thank you all very much.

Q. What do your daughters want to tell the President?

Mrs. Bush. Maybe they want to tell us privately. [Laughter]

Mrs. Diantha Harris. Lisa, what did you say you were going to tell Mrs. Bush?

Lisa Harris. Can we play -- [inaudible].

Mrs. Bush. Sure. [Laughter] I'd like that.

Q. Mr. President, what would you like to convey to the Harrises?

The President. Well, we'll have a wide array of things to talk about, the gratitude that we feel in our hearts for their invitation, that's the first thing. When you're welcomed by a family, why, that's what you do, that's what you feel. And I want to know more about their community. Certainly be glad to share with them the views I have on education, family, community itself; try to help others. I mean we were greeted out there by what we call some of the Points of Light,

people that are designated; it's so hard, but we have this thousand Points of Light, people helping each other. Well, you do that in your daily lives here. So we can talk about that, plus everything else.

Barbara and I were down in Florida. And a lot of people from South Carolina who had been helped in Hurricane Hugo were there.

Mrs. Bush. North Carolina.

The President. Then we went over to Jeanerette, Louisiana, and there was a whole group from around here, as a matter of fact, in North Carolina. They had just pitched in because people had been over helping on the North Carolina coast.

Mrs. Bush. They had ``Remember Hugo'' signs.

The President. Remember Hugo. And they were reaching out, helping people halfway across the country. It's just wonderful.

Mr. Harris. There's, I think, 37 churches in the Mud Creek Association that want to do the same thing.

The President. Right from here? Is that right?

Mr. Harris. Want to raise money to help the people in Florida this weekend. It's going to happen in the Mud Creek Association churches tomorrow. So we're all part of it, and I wouldn't be surprised if they end up wanting to bus or truck down there.

The President. Heading down there? A lot of volunteers are pouring in. It's really good, and they're really helping. They're helping reconstruct. I talked to the guy yesterday, Andy Card, and a lot of that debris that was just there has been moved away, cleared out. Military doing a good job, but also the volunteers.

Note: The exchange began at 1:35 p.m. at the Harris residence.

Remarks at the North Carolina Apple Festival in Hendersonville

September 5, 1992

The President. Thank you all very much. Thank you so much. Listen, even the rain can't ruin a great festival like this. This is wonderful, and Barbara and I are thrilled to be here. We have great respect for your Governor, Jim Martin. What a superb job he's done for this State and, indeed, for our country. And may I salute Congressman Taylor, who I understood was going to say a few words; Congressman Cass Ballenger. If we had more like them in the United States Congress, we wouldn't be faced with a gridlocked Congress. So my plea is, keep these guys there, and then help us clean House. Let's get rid of the gridlocked Congress and move this country ahead.

May I thank everybody that arranged all this. In this election you're going to hear a couple of very different versions. My goal is that the United States must remain a military superpower, keeping our defenses up. And I thank all those in North Carolina who served this country in uniform and have done so much to guarantee the peace and guarantee freedom around the world. No State has been more patriotic, none more in the forefront of service.

We've got to remain an economic superpower, and that means we've got to be able to compete. That means we've got to be able to create more jobs in the United States, and that means we must be an export superpower. Let's not turn inward and protect. Let's turn outward, sell American products abroad, and create more jobs at home.

When we go into the voting booth in November, I ask you to consider the experience. I've held a job in the private sector, and I happen to think that's a good experience for President of the United States, private sector job. I also happen to believe that in the fact -- they tell you, well, foreign policy doesn't matter; security doesn't matter. I take great pride in the fact that these young people go to bed at night with a lot less fear of nuclear weapons because of the way we've acted over the last 12 years.

I'll tell you what the major issue is in this campaign. The major question in this campaign is this: I believe that the Government is too big and spends too much and taxes too much. The other side wants to tax more and spend more. We cannot let that happen to the United States.

Audience members. Four more years! Four more years! Four more years!

The President. Four more years is what we need to finish this job, 4 more.

Audience members. Four more years! Four more years! Four more years!

The President. You know, let me just mention the tragedy in Florida. We went out this week to try to help people. We took some Federal money that had already been appropriated to use to help farmers whose crops were destroyed. We've led the private sector in helping people in Homestead, Florida, and all across for the hurricane. And Governor Clinton was outraged. He accused me of pandering. Now, that's the same guy that Paul Tsongas called the ``Pander Bear." You remember that in the primary. He's now acting like Goldilocks, saying, ``Somebody's been sleeping in my bed!"

Here are the facts, pure and simple: We have suggested specific spending cuts and specific tax reductions. And he has told the American people, ``I want to increase your taxes by $150 billion and increase spending by $220 billion." We can't have that.

Audience members. Boo-o-o!

The President. Barbara and I are delighted to be here. We know you've been standing out in that rain for a long time. But when Barbara Bush -- you know, the other side wants to get us away from talking about family values. You come to a festival like this, and you feel that sense of love and that sense of family. We're going to keep on saying, let's find ways to strengthen the American family, not tear it apart. I might say I am very, very proud of Barbara when she holds an AIDS baby in her arms or teaches some child or adult to read. That is what we mean by strengthening the American family.

My last point is this -- you've been standing out there long enough, and I want to eat some apples. The last point is this: The other side says that America is in decline and that we rank somewhere between Germany and Sri Lanka. Well, let me tell Governor Clinton something. I have been around the world many times, and I've worked hard in this country. We are not behind any other country in the world. We are proud. We are patriotic. Don't let them tear down the United States of America. Stand up for us. Don't listen to them.

We can do anything we set our sights to do. So let's have a better system of education. Let's help the people that need it. God bless those from North Carolina who -- when people from Florida came to help in Hugo -- North Carolina paying it back in spades. I was in Jeanerette, Louisiana, the other day. Here was a group of guys, they'd driven all night to show that North Carolina hospitality and concern for the people of Louisiana. That wasn't the Government. That was the people that were doing it.

Thank you all very, very much for this warm welcome back to this State. I need your support in November. I believe we're going to win. Let us finish the job of helping the United States of America. And yes, let's help those veterans.

God bless you. And thank you very, very much.

Note: The President spoke at 3:10 p.m. at the Henderson County Courthouse.

Message on the Observance of Labor Day

September 5, 1992

On Labor Day, America rightly salutes her working men and women and celebrates their outstanding contributions to our Nation and the world.

From our factories and mines to our construction sites, American labor has led the world in efficiency, productivity, and innovation. American workers, by their matchless ingenuity and resourcefulness, have pioneered advances in aviation, defense, and telecommunications, so it is not surprising that ``Made in the U.S.A." remains a universally recognized symbol of quality craftsmanship.

Ever since the first Labor Day parade in New York 110 years ago, this holiday has been one of justifiable celebration and pride, and it remains so today. History shows the extraordinary courage and resilience of the American people, and I know that, by working together, we will overcome the challenges that lie before us -- just as we have met every trial in the past.

While our challenges are great, we must remember that our opportunities -- and our determination -- are greater. The United States will continue to push for free and fair trade, because expanding markets for our goods and services will create jobs. This Administration will also continue to ease the burden on our economy that is caused by excessive Federal regulation and to promote incentives for savings and investment through tax credits and the creation of Enterprise Zones. To help our citizens prepare for the jobs of tomorrow, we are moving forward with America 2000, our National strategy to achieve excellence in our schools.

If there be any solemnity to this Labor Day, let it be only for the passing of summer, because everything else that this day represents -- from the spirit of the American worker to the fundamental strength of our free enterprise system -- should be a source of pride and hope for all Americans.

George Bush

White House Statement on Additional Disaster Relief for Louisiana

September 5, 1992

The President today announced that he has amended his August 26, 1992, declaration of a major disaster in the State of Louisiana to waive State and local cost sharing requirements, where permitted to do so by law, and to allow reimbursement of 100 percent of eligible public assistance costs exceeding $10 per capita.

This additional relief provided by the President is consistent with a request made by Governor Edwin Edwards. It was taken in response to the unprecedented damage and destruction caused by Hurricane Andrew. By waiving customary State and local cost sharing requirements, the President can provide maximum Federal assistance to the people of Louisiana whose lives have been so severely disrupted by this disaster.

This waiver applies to all authorized public assistance. It will provide additional help to the State in its efforts to remove debris from the disaster areas, eliminate immediate threats to public health and safety, and carry out emergency work to save lives. Assistance for temporary housing, crisis counseling, and disaster unemployment will continue to be 100 percent federally funded where allowed under the law.

Remarks Prior to a Redbirds Baseball Game in Louisville, Kentucky

September 6, 1992

Thank you all. What a wonderful holiday welcome. We've got to see a ball game now. Thank you very much. May I just first say what a privilege and thrill it is for Barbara and me to be here. I want to thank Stan for the introduction. I've just been in one of the dugouts talking to the Redbirds, and I also salute the Indianapolis ball club here today. We've going to treat them very kindly. Aren't we, you guys?

But may I also say as an old baseball fan, to be here with Pee Wee Reese, that's a great treat for me, an old fan of his. Also Paul Hornung, I've watched him day-in and day-out, not only in college ball but when he was up there at Green Bay, a superb athlete, a great citizen of Kentucky.

And single out two coaches, Coach Crum and Coach Schnellenberger. Somebody once told me that playing a tie ball game is like kissing your sister. Well, I want to tell you this: The coach did the right thing yesterday. He did it the American way. He took a real shot at it, and we are proud of him and proud of that ball club of his, the Cardinals.

Let me end it by just simply saying I'm here to salute Harvest U.S.A. and Kentucky Harvest. Stan is right, the heartbeat in Louisville and Lexington, Indianapolis, is far louder and far clearer than the heartbeat up in Washington. When one American pitches in to help another, as you're doing now for the victims of this terribly devastating hurricane in south Florida and then again in Louisiana, we salute you. One neighbor helping another, that is the American spirit, the American way. That is what we mean when we talk about Points of Light.

May God bless you all, and may God bless this wonderful American spirit. Thank you so much.

Note: The President spoke at 12:46 p.m. at Cardinal Stadium. In his remarks, he referred to Stan Curtis, founder of Kentucky Harvest; and Denny Crum, head basketball coach, and Howard Schnellenberger, head football coach, University of Louisville.

Remarks to the Polish-American Community in Chicago, Illinois

September 6, 1992

The President. Thank you, Mitch. Thank you all for that great welcome.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you so much for the wonderful introduction. And may I pay my respects to the Governor, Jim Edgar, doing a superb job for the people of this great State. Jim, we're grateful to you. Let me also single out Rich Williamson. We need him in the United States Senate. We've got to change the Congress. We've got to clean the House. We've got to elect Rich Williamson to the Senate. Another old friend, Wally Dudycz, glad to see him and Jack O'Malley and Lou Kasper. The Polish consul general came to greet me, Mr. Jankowski. Ed Moskal, of course, our old, dear friend. And again, I'd like to salute Secretary Ed Derwinski, known so well to everybody here, an outstanding American that has served his country with such distinction.

This past Independence Day, some of you were with us, I traveled to the heartland of Poland to bury a treasure. In the crypt of an ancient cathedral, I stood with President Lech Walesa as the remains of the great patriot Ignacy Paderewski was finally laid to rest in the rich and free Polish soil that conceived and sustained him. And it struck me, this was the fulfillment of Poland's dreams.

Think of what we have seen together in the last few years. We watched a Gdansk electrician, a humble man, stand up for freedom, electrify the world with the charge that all people should be free and be heard. We watched the nation of Poland reform, brimming with a new and different fluid of life, inspired by the passion for freedom. And we watched a Pope named John Paul II, a proud Pole. And as we gather today at this festival, a good time to count our blessings, I can say something no President ever could say before: The cold war is over, and freedom finished first. And Poland is free.

You know, my opponents say -- --

Audience members. Four more years! Four more years! Four more years!

The President. We've got a lot of work to do for 4 more, I'll tell you.

These critics, the Clinton-Gore ticket, say that I spend too much time on foreign policy. Well, let me tell you this: American schoolchildren used to hide under their desks in drills to prepare for nuclear war. We saw the chance to cut down the threat of nuclear war, and we did it. And does

that matter? You bet it matters to the young people that are here right here today. You know, over the past -- and everybody in this crowd understands this, Democrat, Republican, liberal, it doesn't matter, you understand this point: Over the past 4 years, more people have breathed the fresh air of freedom than in all of human history. We saw a chance to help, and I did it. And do you say, does that matter? Of course, it does. You bet it does.

Now our challenges are straightforward. This Labor Day weekend we must dedicate ourselves to the challenge: economic security for the working men and working women of America. That is the big challenge, jobs for the American people. You know, in this 21st century America must not only be a military superpower, we've got to be an export superpower, and we've got to be an economic superpower.

Audience members. Four more years! Four more years! Four more years!

The President. My vision is to look forward, to open new markets, to prepare our people to compete, to save and to invest, to strengthen the American family so that we can win.

You know, I've spent half my life in public service, half in the private sector. I built a business, and I met a payroll. And I believe that is a good qualification for being President of the United States, to know what it is to hold a job in the private sector. And Governor Clinton has spent all but a handful of years of his adult life in government. Now he says he respects the small businessman, he loves the private sector. Well, maybe it's a good chance now to give him a chance to experience what it's like to be in the private sector. Because he isn't going to be President of the United States.

I agree with you, Government has got to help people. But Government is too big, and it taxes too much, and it spends too much of your money. And we've got to get it under control. And so I put a freeze on domestic discretionary spending, plus a plan to control mandatory Federal spending except Social Security. I said at the beginning, don't mess with Social Security. And we are not going to let them touch Social Security. My plan, and it is up before the Congress now, would save nearly $300 billion in over 5 years. And I want to say Do widzenia to more than 4,000 wasteful Federal projects, like a national research program, and get into this one, the mating habits of the mink. We do not need to spend your taxpayers' money on that kind of program.

So the gridlocked Congress has balked at my ideas. So now I have a new idea: Give you all a say on it. I want to give you, the taxpayer, the option of taking 10 percent of your income tax and using it for one purpose alone, to reduce the national deficit. Get the mortgage off the back of these young people. Check off 10 percent to get the deficit down. If Congress won't cut spending, let you, the people, do it. And I'll be at your side.

But while we cut Federal spending, we can still set priorities to help people in need to get back on their feet. So this week I took money that had already been appropriated and used it to help

farmers whose crops were destroyed. And I said I'd help the private sector rebuild devastated Florida and Louisiana. And let me thank the people of Illinois who reached out to help their fellow man down in the south. You have been magnificent. But anyway, when I did all this to try to help these people, Governor Clinton, of all people, accused me of pandering. This from the man that Paul Tsongas, you remember the little bear, this from the man that Paul Tsongas called the ``Pander Bear," the same Paul Tsongas who said on April 7th, the American people are just hearing how cynical and unprincipled Bill Clinton is. That's not from a Republican, that was from a Democrat, Paul Tsongas of Massachusetts. And he's right. He is right.

But here are the facts. Governor Clinton proposes at least $220 billion in new spending, just to start. Newsweek magazine called the Clinton approach, and I quote, ``economic fantasy." And Newsweek went on to say that the real cost of the Clinton program is ``arguably at least 3 times higher" than he's admitted. And he has mentioned program after program after program that he wants to increase spending for. So while we're eating a little kielbasa, he's offering pie in the sky. Who does he think he's kidding? Not the American people.

You know, I've been one of these guys who is accused of thinking every day is the Fourth of July. Well, I like the way a cartoon summed it up. My opponent thinks that every day is April 15th. You know what happens then. They have this cartoon; it featured a guy at the kitchen table. He said to his wife, ``Honey, I figure we can afford all those taxes Clinton and Gore want to raise if I can get two of those jobs they say they'll create." Well, raising taxes doesn't create jobs, it destroys them. You know that. So with the savings that I have proposed, we can cut taxes and get this economy moving again. The difference is tax and spend versus less taxes and less spending.

Now, one other thing. More than 2 percent of our gross domestic product is spent not in the factory, not in the classroom, not in the laboratory but in and around the courtroom. I've never heard of a nation that sued its way to greatness. So I have a plan for the gridlocked Congress to cut down on all these crazy lawsuits that are choking our economy. Too many lawsuits. And as a nation we ought to sue each other less and care for each other just a little bit more. That's my philosophy. That's the way Barbara looks at it.

Another thing, you look around and see these great kids, and you think we've got to do better in education. Three years ago this month, we started a revolution in American education, one called America 2000. Today for the first time, every eligible 4-year-old whose parents choose to participate can get a Head Start on kindergarten. That is progress. That is the way to help the young people in this country. Today for the first time, half our students in college have a Federal loan or grant. Grants and loans are at an all-time high under our administration for these college kids. And we have a new ``GI bill" for kids. We want to give every one of you the freedom to pick where your children will learn, any program, any school. I favor school choice. Let the parents decide whether it's public, private, or religious schools.

We've got to do better in education. We've got to do better in law enforcement, backing up the law enforcement people. It's cheaper to send a kid to Yale than to send a kid to jail. Penn State is cheaper than the State pen. But for those who refuse to pitch in and help build up America and instead tear us down, we need to show them what law and order is all about. It's about supporting our police forces and judicial system. God bless the police that stand up against these outrageous criminals.

And it's time we take back the streets of America and support the American family. It is time we let those family values come to the fore. And that means let's reform our welfare system so that families stay together and these fathers that owe the money will stick around and pay what they owe to these mothers that are trying to bring up these kids.

And while we're at it, I've got a plan for health care, and that plan says this: We don't need the Government taking over health care. It doesn't work. We've got the best quality health care. What we need is to pool insurance. What we need are designed -- not respect for Government policies but respect for the American family. We've made progress, great progress, and now I ask for your help for a health care reform that will bring insurance to every single family that wants it. That's our proposal. His is to turn it over to the Government.

Now this is the last point. This is the last point, except I want to say a word to this guy over here who feels very strongly about something. He's talking about AIDS. Under my administration the spending for this deadly disease is up from $4.3 billion to a request for $4.9 billion. We care. We are working. And disruptions don't help. What helps is what you feel in your heart. And we will keep on this research until we whip that deadly disease.

So we made a lot of progress. But in others we've got a ways to go. And you ask me why, and I would say three words: the gridlocked Congress. And I know you get tired of people blaming each other, but let me explain something. There are certain numbers that mean something: number 40, Gale Sayers; number 8, Carl Yastrzemski; number 23, a certain basketball player in baggy shorts. Here's one you may not know, number 38. That's how long the same party, the same crowd has been running the United States House of Representatives, 38 years. Ask Millie, our dog, and she'll tell you that's 266 years in a dog life. Change the Congress. Change the Congress. Clean the House. Elect Rich Williamson to the Senate. And while we're at it, elect Elias Zenkich to the House. And while we're at it, let's limit the terms of Congressmen. Let's get some limits out there so things will change.

Let me tell you this. If you detect a little optimism about our country, you're absolutely right. The other side is saying that we're somewhere between Germany and Sri Lanka. They ought to go abroad. Let them go to Poland. Let them look into the eyes of the Polish people who thank America every single day for their freedom. Let Governor Clinton take a look. Let him see what this world is like with freedom and democracy on the march.

We have done it. And we can do it right here at home with your help. God bless our country. Don't let them tear it down. God bless the United States of America. And thank you for this wonderful turnout. Thank you all.

Note: The President spoke at 2:45 p.m. at the Copernicus Center during the Taste of Polonia Festival. In his remarks, he referred to Mitchell P. Kobelinski, president, Copernicus Foundation; Walter Dudycz, Illinois State senator; Jack O'Malley, Cook County State's attorney; Lou Kasper, City of Chicago Republican Party chairman; and Edward J. Moskal, president, Polish National Alliance. A tape was not available for verification of the content of these remarks.

Remarks at the Labor Day Mackinac Bridge Walk in Michigan

September 7, 1992

All right. Who brought the coffee? Now let's go. Governor Engler's here. You know his reputation as a fiscal conservative. When it comes to the taxpayers' money, they say he's so tight that he squeaks when he walks, so we are going to find out about that. [Laughter]

We're grateful to see so many people ready for the latest ``Big Mac Attack.'' We're going across this thing. Barbara and I were over in Sault Sainte Marie, and she handed me my sneakers. And she said, ``Just do it.'' Well, that's what we plan to do this fall, I'll tell you.

The only other point I want to make is that this is Labor Day, and to those hard workers across this country, don't let anybody tell you we are a nation in decline. We're a nation on the rise. Our workers are the most productive anyplace in the entire world.

So the big question is, how do we get this country moving so everybody that wants a job has one? And the answer is to spend a little less Government money, tax a little bit less, and stimulate the economy and get it going. And we're going to do that.

Thanks for a great welcome. And I just can't tell you how much we're looking forward to this walk. We'll set a good pace. And I plan to set that pace in November. We need you. Many, many thanks for your support.

Now let's go. We're off. Thank you all.

Note: The President spoke at 7:04 a.m. A tape was not available for verification of the content of these remarks.

Remarks at the Republican Party Labor Day Picnic in Waukesha, Wisconsin

September 7, 1992

Thank you so much. What a marvelous turnout. Waukesha knows how to do it. Thank you all very much. Barbara and I are delighted to be here. May I thank our great United States Senator Bob Kasten and say how lucky we are to have him and Eva in Washington, DC, two of the best. Please get out there and work hard in November. We've got to get more like him in the Senate. Of course, you heard from one of the great Governors in this country, Tommy Thompson, your own. I salute him and Sue Ann. I don't believe I've got a better supporter out there than Tommy Thompson.

May I greet Jim Sensenbrenner. If we had more like him in the Congress you wouldn't have everybody yelling, ``Clean House.'' He's right. Most of them are wrong. We do need to clean House. That brings me to Joe Cook. I'd like to see him elected to the Congress. And then of course, John MacIver, an old friend who has been in these political trenches with me and Tommy and Bob Kasten for a long time; we salute him. Here's a guy who rolls up his sleeves, like so many of you, and just goes to work for what he believes. It's a great part of American politics. I salute him and every other volunteer out there doing the Lord's work. We are going to win because of all of you.

Barbara and I started this morning up at the Mackinac Bridge in Michigan. With us today, incidentally, is Michigan's Governor John Engler over there, another great Republican, John. We had a brisk 50-minute walk across that magnificent Mackinac Bridge. So when we say it's great to be at a picnic, we know what we're talking about. It's nice to be here, no more walks.

Now, this Labor Day we gather at a triumphant moment in history. I can stand before you this morning and can say something no other President could ever say: The cold war is over, and freedom finished first.

But America is not a nation that brags, not a nation that looks behind. We are loyal only to the future. So this Labor Day we must rededicate ourselves to the future of all who punch the time clock, pay the bills, sweat it out at tax time. Our number one priority must be to build economic security for the working men and women of this great country of ours.

Today is the kickoff day for these campaigns. I think the American people feel this one has been going on about 10 months too long, and so do I. But nevertheless, this is the official kickoff day. My opponent will kick off his campaign with a message of fear, telling us that our country is in decline. But I ask you to look beneath the rhetoric and look at the facts.

Governor Clinton will tell you that we're a nation in decline, slipping past Germany, headed south toward Sri Lanka, to use his words. Wrong, absolutely wrong, Governor Clinton. The world's most productive workers are not in Germany. They are not in Japan. They are right here in the United States of America, a lot of them right here today in Wisconsin.

Governor Clinton will tell you that American wages are slipping. And he doesn't mention that since 1985, our workers have earned bigger paychecks and benefits than any other workers in the world. I want to see them even better. Governor Clinton says that people are working harder for less. He won't mention that adjusted personal income is higher than it was 4 years ago. That's because inflation, the thief of the middle class, has been securely locked away.

Now, does this mean all is fine in America? Of course not. But at a time of uncertainty, a time of wrenching global challenge, Governor Clinton wants to scare American workers so that he can slip into office with the failed tax-and-spend policies of the past. Last night, I don't know if any of you heard that Tom Brokaw show, but last night the Governor appeared on the Brokaw show, and the first words out of his mouth were, ``I have advocated a tax increase." Well, Governor, that is the wrong prescription for America.

He offers a treasure trove of new Government programs that will cost at least $220 billion more of your money. I say you already give too much to the tax man. He wants to raise taxes by $150 billion just to start; that's just for openers. I want to cut them and get the economy started in high gear.

You heard what Bob Kasten said; he's right. We've been trying to get through this gridlocked Congress some incentives that he and I believe in, locked because of the old thinking of the Democratic leadership that's been in power for 38 years.

So as this campaign gets into full swing, I make one promise. I will talk about real ideas: of making health care available to the poorestÿ20of the poor, controlling what you pay when you go to a doctor; about reforming welfare; giving our kids what they deserve, the world's very best schools. My policies will strengthen the most important institution in our Nation, and I am talking about the American family. The liberals are trying to back us away from discussing how to strengthen the family, and we are going to stay with it. America knows that the family is slipping, and we want to help strengthen it by child care and by support for these school choice and whatever it is, welfare reform. So let's keep talking about what America needs: strengthening the American family.

But today, as Governor Thompson said, I want to talk about another roadblock in the way of you and your families' economic security: our crazy, out-of-control legal system. Don't just ask me about what's wrong with our legal system. Check the opinion of that famous enforcer of American justice. I'm not talking about Oliver Wendell Holmes or John Marshall. I mean someone even more famous than that, Hulk Hogan. My grandkids tell me that in his movie last

year, Hulk Hogan was confronted with the predictable crop of bad guys, only the bad guys refused to fight. Instead they said, ``This is the nineties; we're not going to fight you. We are going to sue you." [Laughter]

Well, I believe that one statement sums up a lot of what is wrong in America today. You pick up the newspaper, and the stories roll on out at you. Like the story, true story, about a basketball referee who made a controversial call at the buzzer of a Purdue-Iowa basketball game. Purdue won, and an Iowa souvenir company was suddenly left with a lot of victory souvenirs that weren't in all that much demand. So what did the company do? They sued the referee. Sound crazy? Well, it took 2 years and a lot of money before the case was dismissed by the State supreme court.

Now, understand, law is a noble and honorable profession; but most good lawyers will tell you that the system is out of control. In the past 20 years, the number of civil lawsuits filed in Federal courts has more than doubled. Today the average case takes almost a year to be resolved, and in the past year alone the number of cases were pending for 3 years increased by nearly 15 percent. That means you can file a suit, have time to enroll in a law school, study 3 years, graduate, pass the bar, and then represent yourself on the court the day the decision is handed down. Now, come on.

The NAM, the National Association of Manufacturers, has just finished looking at what this litigation explosion costs our economy. According to a soon-to-be-released study, American consumers and companies will spend up to $200 billion on legal services this year, $200 billion. American businesses now spend more on insurance and legal fees than on training and preparing our workers for the new economy. And that is crazy. As a nation, I believe it's high time that we started suing each other less and caring for each other more. I have proposed a comprehensive plan to reform our civil justice system.

And we must reform our product liability laws. These laws allow people to be compensated for harm caused by a defective product. People ought to receive fair compensation when a product is defective and they get hurt. But like so much of our civil justice system, product liability has careened out of control.

Let me give you just one example. The Will-Burt Corporation of Orville, Ohio, stopped making parts for ladders and scaffolds and aircraft because they couldn't afford the liability insurance. That was bad news for the company's owners, but worse news for the 80 employees, all of whom got pink slips.

Here is the problem. The product liability laws vary from State to State, and the rules have encouraged these crazy lawsuits and outrageous awards. And the cost of insurance keeps going right out through the roof, keeps skyrocketing. Big deal, right? So companies have to pay extra for a few lawyers. But it's not just companies who foot the bill; we all pay higher prices for

everything from medicine to stepladders. We never get to see a lot of good products because companies are afraid of excessive lawsuits.

Get this. Almost half of all the money paid out in these kinds of cases goes not to the injured party, but to the lawyers. I don't want to see only lawyers getting rich; I want to see American workers getting rich. And that's the problem. Our product liability system is killing our economic competitiveness, costing Americans secure jobs that you deserve. Our liability costs are many times greater than in Japan and in Europe. Every dollar we spend all around the courtroom is a dollar we won't spending on training, education, research, investment. It could be the difference between no jobs for ourÿ20kids and good jobs forÿ20our kids.

Now, we have to do something about this. Luckily, your great Senator Bob Kasten understands this. He has been fighting to change the system. And he has put forth a plan, which I am for, working with him on, to speed the legal process, settle more cases out of court, and bring some rationality to the product liability system. Once again, a Wisconsin man is in the lead. Our plan is proconsumer, probusiness, prosafety, and projobs. The day my pen signs Senator Kasten's bill is the day we stop undermining the American worker that we salute today on Labor Day.

So why then, if we have all these problems, do we face this crisis? Bob Kasten will tell you in three words, the gridlocked Congress. And that's why I'm here today.

Forty-four years ago next month, another incumbent Presidentÿ20came through Waukesha. His name was Harry S Truman. Now, I admit it; Harry and I don't have everything in common. He believed in bigger Government; I don't share that view. But quite frankly, I voted against Truman that year. But still there are some similarities between us.

I've just read that fascinating book, this big, fat book on Truman, a marvelous biography. Harry Truman ran a small business. He knew what it was to meet a payroll, to work for a living in the private sector. And so do I. Harry Truman wanted to join the military and fight for his country. So do I, and I did. Harry Truman ran as an underdog, just as I am. And he liked it, and so do I. Harry Truman admitted when he made a mistake. And God knows I've done the same thing, and I've admitted it.

But most of all, Harry Truman was frustrated by what he called the do-nothing Congress. Listen to Truman's very own words from right here in this very town 44 years ago: ``When I say do-nothing, I mean they'' -- meaning Congress -- ``have done nothing for the people. They have not listened to the people's demands.''

Now, the gridlocked Congress hasn't listened to people either. One example: I favor a balanced budget amendment. So do you. The Congressman from this very district sponsored the balanced budget amendment and then turned around and voted against his own amendment on the House floor. That's what I mean when I say ``gridlocked Congress.'' Clean House.

For years, Americans have complained about this crazy legal system, but once again the gridlocked Congress has refused to act on my reforms, or on Bob Kasten's reforms. Later this week, we finally get a Senate vote on the product liability reform. My message to the gridlocked Congress today is simple: Either fix our legal system, stop undermining our workers, or we're going to take a broom and do some spring cleaning in November, because we are going to clean House.

Send me some good leaders who will listen to the people, the way this Senator does. Elect Joe Cook to the House of Representatives. Help clean House. That's the message. They talk about change, change the one institution that hasn't budged for 38 years. Change the House.

Well, we're going to clean House, not just so companies spend less time paying lawyers, more time creating jobs, not just so moms and dads can coach Little League without fear of some crazy lawsuit. We're going to clean House so we bring down health care costs, so we improve our schools, we take back our streets from the criminals, and we start backing up our law enforcement officials more and more.

Now before I finish, it's worth mentioning that while I'm in Waukesha this morning, my opponent, guess where he is, he's in Harry Truman's hometown of Independence, Missouri. So let's just have some plain speaking about Bill Clinton, Governor Bill Clinton, and Harry Truman.

Harry Truman never engaged in double-speak. He told people the truth, not merely what they wanted to hear. Compare that to Governor Clinton's position on reforming our legal system. The head of the lawyers, the head of the trial lawyers in Arkansas, Trial Lawyers Association, said Governor Clinton has, and I quote, ``always done what is right for the trial lawyers." I bet Harry Truman would have done what is right for the American people, not for the trial lawyers.

Whether it was the Soviet blockade of Berlin or the invasion of Korea, Harry Truman never flinched from the tough decision. Now, contrast that with Governor Clinton's waffling and wavering about whether he would have followed my lead and stood up to Saddam Hussein and his naked aggression.

Harry Truman prided himself on his own military service, and he frequently visited veterans associations and spoke with great pride about his service to his country.

Last but not least, Harry Truman believed America could not turn our back on the rest of the world, even despite the challenges here at home. Governor Clinton virtually ignores foreign policy and flirts with the dangerous idea of sticking America's head in the protectionist sands.

Harry Truman said, ``The buck stops here." On issue after issue, Governor Clinton says, ``First, let's blame George Bush," and then, ``I'll get back to you later with an answer." I'll tell you, if the

buck stops there, then Governor Clinton is offering devalued currency.

Harry Truman was a man of decisiveness, not equivocation. He'd find little in common with Governor Clinton, a man who hedges or ducks on almost every tough issue, a man who seems to feel strongly on both sides of almost every issue that are before this great Nation. I found out something in the Oval Office: You can't have it both ways. You've got to call it as you see it. You have to make the tough decision and then pay the consequences or get the credit. But you can't be on every side of every issue, waffling around, and call that leadership. That is not leadership.

You know, many people thought Harry Truman would lose in 1948. But he said what was on his mind. He didn't worry about the press. And he never lost faith in the United States of America.

I stand before you with the same passion and that same faith. I will talk about ideas for the next 57 days, ideas that matter, ideas that can deal with the real challenges facing this country, ideas that won't make everyone happy but that will be right for the United States of America.

And like Harry Truman, I believe a new age of America beckons and that we can reap the benefits. With your help, come November we will match our global victory with economic security here at home.

Thank you all for being here. And may God bless the United States of America on this very, very special day. Thank you all.

Note: The President spoke at 10:16 a.m. at the Waukesha County Exposition Grounds. In his remarks, he referred to John MacIver, Wisconsin Bush-Quayle campaign chairman.

Remarks to the Community in Hamtramck, Michigan

September 7, 1992

Thank you, Paul. And thank you, Governor Engler. Thank you very, very much. I love this sign, of all the signs out there: ``These are the Poles that count." You are the Poles that count.

Early this morning the Governor and his wife, Michelle, and Barbara and I all joined about 80,000 for a walk across the great bridge up in northern Michigan. He didn't mention it, but I beat the Governor across the bridge. But he says he was just being polite and hanging back with the First Lady.

Today I don't want to talk about politics. I want to talk about something else, something that's near and dear to the hearts of everybody: freedom. May I recognize some of the outstanding leaders who are with us today: Monsignor Milewski; your great Mayor, Robert Kozaren; my friend the president of the Polish General Council who introduced me, Paul Odrobina; parade chairman Ted Koltowicz; and the grand marshal, Walter Budweil. Thank you all very much.

My fellow Americans, this past Independence Day I traveled to the heartland of Poland to bury a treasure. In the crypt of an ancient cathedral, I stood with President Walesa as the remains of the great patriot and artist Ignacy Paderewski were finally laid to rest in the rich and free Polish soil that conceived and sustained him. And the ripples from that moment, as his remains were consecrated to the earth on that warm summer day in Warsaw, are passing through this crowd here and now. Sons and daughters of Hamtramck, your forebears came to this great country because they too could not countenance a Poland shackled by repression. Rather than cling to native soil bled dry by empty promises, they chose instead to flourish free on foreign soil and to make it their own. Today you are part of the great family that is America.

Fellow Americans, I am proud to be with you in Hamtramck on Labor Day. You are the blood and bone of Copernicus and Chopin and Curie. You are the sweat and sinew that built this city and this industry. And you are the voice and vision of your parents who struggled to be heard and won that struggle, that labor's voice may be heard always, always. You are the inspiration for Americans who watched and prayed and cheered through recent years as the great nation of Poland, racked by the rhythms of war and oppression, rose like a phoenix, a free nation once again.

We watched this new force, not pushing down from a tyrant but up from the people. We prayed for the nation of Poland, reborn, brimming with a new and different fluid of life, inspired by a Pope and by a passion for freedom, for freedom at last. We cheered a Gdansk electrician who electrified the world with the charge that all people should be free and be heard. We stood proud as American labor took to the forefront during the struggle, standing with Solidarity in its darkest hour, firm in the belief that the dream was real.

I stood before you right here in Hamtramck, right here 3 years ago, with this message: Communism has left an ugly scar on Poland. It will heal, but with pain, the pain of insecurity and insolvency. I pledged America's help. Today I return to you to say that this country and our allies have responded forcefully.

First, our concern for Poland's security. On that day here 3 years ago, I called for an end to the cold war. Thank God, the cold war has ended, and thank God, freedom won. America will do what's right to make certain Poland never again braves the chilling tomb of communism.

And second, our concern for Polish solvency. It's been said that communism is not a form of economics, it's the death of economics. So 3 years ago, I called for all to rally 'round with economic efforts to help pull Poland from an economic grave. I called for giving Poland preferred trade treatment so she can reach out to the world through exports. I called for reducing Poland's debt to ease her burden. I called for investors to help unleash the explosive entrepreneurial energy of the Polish people. I called for loans so the Polish private sector can help her economy blossom. I called for international financial agreements so Poland can build a financial base worthy of a great nation.

In 1989 these and other major initiatives marked a radical new direction for our foreign policy toward Poland and other democracies. In 1992 I've returned to tell you, Democrat or Republican, whoever you're for: All these predictions and pledges have come true, every single one of them.

There are those who tell me that foreign policy doesn't matter, that with our internal challenges America has no business paying attention to the world anymore. I say, tell that to the immigrants of America. Tell that to our children who are free of nuclear nightmare and can dream the sweet dream of peace. I am proud that we helped change the world. Tell that to the American workers who have a new world of consumers eager for the fruit of your labors. On this Labor Day, let me be clear: No one can outproduce, outthink, outcreate the American working man and woman, no one.

So we recognize that the noble experiment taking place in Poland and other nations today is in fact an inspiration and an opportunity for us and the rest of the world. We pledge our support for Poland's security. We pledge our support for Poland's solvency. We pledge to work for a democratic peace, an enduring peace anchored in economic and political freedom. Most of all, we pledge to keep our word. We pledge to keep Poland free.

My friends, we stand today in the twilight of one millennium and the dawn of the next. Never before has humankind beheld such a view. Never before has our Nation been pressured by such deep energies of change and growth reshaping America like the strong hands of a potter on wet clay. But we will survive, and we will thrive. Why? Because the American people are like the great Statue of Liberty that stands in New York Harbor. We're like that great statue, brought over in pieces from the Old World, strapped together with bolts of steel right here on our own

American soil, assembled, raised, and anchored on a rock in our own American waters. And we are like that statue because the family that is America came over in pieces as well.

We came as Poles and Hungarians and Chinese and Germans; Japanese, Irish, Swedes, and French; Italians, Russians, Spaniards, Cubans, Koreans, Hondurans, Lithuanians, and Finns; Ukrainians, Latvians, Bulgarians, and Mexicans; Israelis, Albanians, Czechs, Macedonians. And that roster of new Americans goes on and on and never ends. Like that great statue, we came over in pieces. Our cultures were bolted together by hope. Our cross-struts are many. Our strengths are eternal. Our hopes unite us. And our vision is one: a vision of prosperous peace for our children. And the last best hope for that vision is you, the American people.

It's now time to take those same heartfelt urges that made us become the statue and put them to work here at home. This fight for freedom isn't fought on the dark, treacherous borders far from home. This fight for freedom is fought on the economic battlefield by creating new jobs, opening new markets, building new American strengths right here, here and abroad. And this fight is fought with creativity, determination, and investment in the hearts and minds of the American people.

Here in Hamtramck and across this Nation, these are the forces Americans must bring to bear on our future so every American's human potential is stretched to its God-given best. Hamtramck, you can change the world with a gift your mothers and fathers left behind. And today I challenge you to redeem the struggles they endured. Make their labors mean something. Redeem the struggles Solidarity suffered. Redeem the struggles Kosciuszko and Pulaski and, in fact, all the Kowalskis and Janowskis who lived and died and aimed at one simple thing: to be heard, to have a voice, to vote.

Come November 3d, I challenge you to breathe life into the meaning of Labor Day and into the meaning of Solidarity and into the hopes and the dreams of the thousands who have died for the precious right we so often ignore. I challenge you to vote your conscience. I would hope you would vote for me, of course, but only you can know your heart. As you cast that vote, observe how easy it is. And remember how costly, how terribly costly this great gift was to win and to earn and to pass down to us here today.

Ladies and gentlemen, that is the legacy of Hamtramck. That is the legacy of your ancestors' homeland. And that is the legacy of the family of America. Make her proud.

Thank you all. God bless you for this wonderful support. And may God bless a free, an always-free Poland. Thank you very much.

Note: The President spoke at 4:18 p.m. after participating in the Polish Festival parade. In his remarks, he referred to Monsignor Stanley Milewski, chancellor of Orchard Lake St. Mary's, and Paul Odrobina, city councilman and president of the Michigan chapter of the Polish American

Congress.

Statement on Signing the Job Training Reform Amendments of 1992

September 7, 1992

Today I am pleased to sign into law H.R. 3033, the ``Job Training Reform Amendments of 1992." I believe this legislation, which amends the Job Training Partnership Act (JTPA), will improve an already successful large-scale job training program and make it more responsive to the labor market of the 1990's.

H.R. 3033 will make a major contribution to enhancing the employability of disadvantaged youth and adults. I am particularly pleased that H.R. 3033 incorporates the key features of the Administration's proposal to amend the JTPA.

First, the legislation will maintain the local flexibility and system of performance standards that are the cornerstones of the current JTPA program.

Second, it will target services on youth and adults who are most at risk of failure in the job market, including those who lack basic skills, are high school dropouts, or are dependent on welfare.

Third, H.R. 3033 will enhance program quality by providing more intensive and comprehensive services to participants. These services include an assessment of each participant's skill levels and service needs and the development of individualized service strategies based on the assessment. In addition, participants will receive basic and occupational skills training tied to labor market opportunities that will promote the long-term employability, job placement, and job retention of participants.

Fourth, the legislation will strengthen program accountability by including significant fiscal and administrative improvements.

Fifth, these amendments will provide for a more comprehensive, coordinated human resource system by establishing linkages between Federal programs that will avoid duplication and enhance the delivery of services. For example, Governors will have the authority to establish State Human Resource Investment Councils to oversee the coordination of Federal human resource programs at the State level. Coordination of such programs is a key element in my Job Training 2000 proposal. I am very pleased to have this important step in place as a foundation for Job Training 2000.

In addition, these amendments will establish the innovative Youth Fair Chance program designed to stimulate communitywide action that will provide education and employment

opportunities to youth who live in poor, inner city neighborhoods and rural areas. This program will be a vital supplement to our Weed and Seed, Youth Training Corps, Treat and Train, and other urban youth initiatives.

These features of the legislation are essential to improving the already successful track record of the JTPA in providing training and jobs to our most disadvantaged citizens. I wish to express my appreciation for the cooperation that has been exhibited on all sides and has made possible a stronger, more effective Federal job training system.

Finally, I must note that although the Supreme Court has ruled that the Congress and the executive branch may provide benefits to members of Indian tribes, as opposed to Indians defined as a racial group, and I support efforts to offer such benefits, this bill appears to provide some benefits to Alaskan Natives and Hawaiian Natives, as well as other Native Americans in some instances, on the basis of racial categories. I am directing the Secretary of Labor and the Attorney General to consult about whether these provisions can be carried out in a constitutional manner.

George Bush

The White House,

September 7, 1992.

Note: H.R. 3033, approved September 7, was assigned Public Law No. 102 - 367.

Remarks and an Exchange With Reporters on Proposed Disaster Relief Legislation

September 8, 1992

The President. Let me just first express my most sincere condolences at the death of Senator Burdick of North Dakota, a great American, served his country with great distinction. And particularly to our friends from the Senate who are here today, I want to tell you how deeply Barbara and I feel about that loss. I know I speak for everybody here on both sides, the House and the Senate, both sides of the aisle, about the loss of this great Senator.

On to the business at hand. This morning I'm submitting to the Congress emergency supplemental requests to cover the cost of cleaning up the consequences of the devastating hurricane that hit both Florida and Louisiana. There's been a tremendous cooperative effort, many around this table participating to the fullest, private citizens, volunteers, government officials at all levels, to help people who have been so devastated by this storm. And I think it has been a truly bipartisan, put it this way, nonpartisan effort. It's worked very well, I think.

Today we're asking the Congress to join the effort officially on the Hill. We're asking for over $7.6 billion in budgetary resources to pay for everything from temporary shelter to guaranteed loans for new homes. It's a large financial burden, but the personal and human need is even more staggering. And our country must be able to answer the cries for help from those people who have lost so much and yet, I feel, remain so strong. So I'm asking that the Congress move promptly on this legislation with -- I'm asking that it not become entangled in other issues. So I would welcome the support of everybody here. We're with you, the Senators and House Members from the affected area. I think we can get this done. Thank you all.

Q. Mr. President, is it your impression the Congress will go along with this request?

The President. Well, one of the things we're going to talk to these leaders about is just exactly that and see what we can do. But I know the Governors of both States, Governor Chiles, Governor Edwin Edwards, are prepared to pitch in. And it is my feeling that the country is together on this one. It's hard -- --

Q. Does this break the budget?

The President. Some of it unquestionably will be over the budget, not all of it. And I'm going to ask Dick Darman to explain this to the Members here in a minute.

Q. Is this the gridlocked Congress you're asking?

The President. Not on this issue. I don't think there's any gridlock at all, Helen [Helen Thomas, United Press International]. I think the country is together. I think the Members of Congress have been superb. I have spoken out publicly in gratitude for the support of both Governor Chiles and Governor Edwards. So nice try, but not on this issue. We'll go to general quarters on other issues, not this one. We're together on this.

Q. Will anything be accomplished, Mr. President, in this election year session of Congress?

The President. This one's going to get accomplished. We've got to get this done for the people, and I'm confident that it will.

Q. Anything else?

The President. Well, I'll get a little advice on that from some around the table here.

Thank you all.

Note: The President spoke at 9:35 a.m. in the Cabinet Room at the White House prior to a meeting with congressional leaders.

White House Statement on Proposed Disaster Relief Legislation

September 8, 1992

Today the President submitted to the Congress emergency supplemental requests to cover the incremental costs arising from the consequences of Hurricane Andrew and Typhoon Omar. The requests are for the Federal Emergency Management Agency (FEMA), the Small Business Administration (SBA), and most of the Cabinet Departments. The requested funds represent a Federal financial response to address the effects of Hurricane Andrew and Typhoon Omar of over $7.6 billion in budgetary resources.

The requests for emergency and related supplemental appropriations for FY 1992 total $2,911.6 million in budget authority and would support additional loan activity of over $3 billion. These funds will be used for a comprehensive range of disaster-related activities including direct assistance to individuals, infrastructure repair, human services, and law enforcement. The additional availability of loans will assist in building and rebuilding homes, facilitate economic recovery through small business loans, and help farmers who have suffered the loss of structures and crops.

In addition to direct emergency and related appropriations, contingent funds of $143 million for FEMA and $75 million in budget authority for SBA (which would support an additional $350 million of new loans) are requested to replenish the depleted contingency funds of these Agencies. Establishment of a disaster-related contingency fund within Funds Appropriated to the President is also requested for $350 million in unanticipated disaster-related needs. These contingent appropriations would become available upon the President's transmittal of subsequent budget requests to the Congress designating each such request as an emergency requirement.

In addition to these emergency funding requirements, $983.9 million in nonemergency funding is requested for the Department of Defense. Of this amount, $205.6 million will be used for replacement of facilities and equipment, cleanup activities, and military personnel support costs stemming from Typhoon Omar in Guam; $297.7 million will be used for similar costs stemming from Hurricane Andrew; and $480.6 million will be used to rebuild the facilities destroyed at Homestead Air Force Base.

The President requested that the legislation in which these funds are provided be kept free of extraneous matters ``in order that there may be a minimum of delay in providing necessary funds to the disaster areas."

The President has designated all of the requests, other than the three contingency requests and the request for appropriations to the Department of Defense, as emergency requirements

pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

The details of these requests are described in an attachment.

Note: Detailed descriptions of Agencies' specific programs and budget requests were attached to the statement.

Remarks and a Question-and-Answer Session at the B'nai B'rith International Convention

September 8, 1992

The President. Thank you, Senator. Thank you all very much. Please be seated, and thank you. Let me just say what a joy it is to have been introduced by Rudy Boschwitz. The Senate still misses him. He is my friend, and so you can discount some of those kind words. But I'll tell you it was awfully thoughtful of you, Kent and others, to ask Rudy to present me here to this most prestigious order, this group. And thank you for the kind introduction. And Kent, thank you, sir, for what I understand is an extraordinarily successful meeting getting underway. May I salute Ambassador Shoval, with whom we are working very closely, Israel's Ambassador here in the United States. And of course, the B'nai B'rith leadership who graciously met me when I came here. And to everyone else, it's an honor to be with you today.

Let me express at the outset another personal observation. I was just talking to my good friend George Klein, and others about this, but I want to express my concerns for a good friend of everybody in this room, and that is Max Fisher, who was to be with us today, regrettably is in the hospital. I talked to him, and I'm sure he'll be just fine. That spirit, that Max Fisher spirit and optimism is still just as wonderful as you can possibly imagine and hope for.

Now, we have witnessed, and Rudy talked about this, a world of change. And with change comes new challenges. For America, the end of the cold war means the beginning of a new era, a new era of economic competition that America simply must and will win. In the new world, foreign policy, economic policy, and domestic policy have become one issue. And in order to prevail, the United States must be not only a military superpower but an export superpower and an economic superpower as well.

Yet we know that America is measured by more than the strength of our economy, also by the content of our character and how we serve others. And this willingness to reach out, to help those in need, to recognize across all the divides of color and culture and creed our shared human spirit, this is what B'nai B'rith is all about. For 150 years, the members of this organization have joined a handful of other organizations serving as the Nation's conscience. And part of America's conscience must always be to fight anti-Semitism and other forms of prejudice wherever and whenever they appear. I wish very much, as President, that I could stand before you and today say that anti-Semitism is history. It's not, not when there are hate crimes here at home, brownshirts abroad. That's a sorry commentary on human nature.

Let's all be clear: A world willing to allow Jews to be persecuted is a world certain to allow other tyrannies to emerge. But we're not helpless. And we're doing something about it. In this country, we are aggressively employing the Hate Crimes Act to bring to justice those who traffic in the gutter. Anti-Semitism is an evil idea with an ugly history. And I'll do my utmost, here and

abroad, so that prejudice is finally, finally, finally banished from the human heart.

In the end, anti-Semitism and prejudice mock and threaten the basic principles upon which the United States is founded. In a letter to the Hebrew congregation of Rhode Island, George Washington wrote, ``. . . the government of the United States . . . gives to bigotry no sanction, to persecution no assistance. . . . While everyone shall sit in safety under his own vine and fig tree, and there shall be none to make him afraid." And here's the difference, the vital difference that sets apart our American creed. For us, freedom of religion is no gift of Government, no privilege to be granted or withheld. It is a fundamental human right.

We can take heart that this American creed is spreading, that people in our time are demanding and getting those rights that they've been denied so long. Changes in our world have come so fast that I say they are nothing short of Biblical, and by that I mean just plain old-fashioned miraculous. Just think about it. Just a few years ago, who would have thought we would no longer live under that horrible threat of nuclear conflagration? Who would have thought the scarring symbol of an era, the divisive Berlin Wall, would be found only in museums or chipped into paperweights? And above all, who would have predicted the Soviet Union would be found only in the pages of history?

And know this: The miracles aren't only confined to Europe. In the Middle East, events have defied all predictions. Today, direct bilateral talks are taking place between Israel and her neighbors. You may recall that we were told we couldn't succeed, we couldn't bring the parties together. But we did. And I want to dwell for a moment on this breakthrough, because I know it matters deeply to everyone in this hall. Let me take you back nearly a year ago to another hall in Madrid. There, gathered around the table, were representatives of Lebanon, Jordan, Syria, Egypt, Palestinians, and Israel. For nearly half a century they had not met all together outside the battlefield. But for the first time they came together not to fight but to talk. I'll never forget as long as I live walking into the meeting room. Then-President Gorbachev was at my side. We were the ones that were to open the meeting; you may remember that. And you could cut the tension with a knife. But when Gorbachev and I spoke afterwards -- we chatted about it -- we both agreed it had to be one of the most dramatic moments in recent world history. It was amazing. And we continued to build on those talks.

But then as now, the goal is not just a cease-fire or a truce but peace, real peace: not simply the end of war but genuine reconciliation. A peace both broad and deep; a peace codified by treaties and given life by trade and tourism, by open borders, the fabric of peace knit together even more tightly by the simple human contact of peoples who have known each other far too long as enemies. A comprehensive peace, based on Security Council Resolutions 242 and 338. A peace that at long last will allow the peoples of the Middle East to turn their energies, their resources, their lives to creation rather than destruction, to great works rather than great wars.

Today, as we speak, parties that met first at Madrid are midway through the sixth round of

bilateral negotiations. And there has been progress. Delegations are exchanging not only handshakes but, for the first time, written proposals. Public posturing has decreased, and meaningful private dialog has increased. Of course, major hurdles remain. I don't mean to diminish that; they do. And it's going to take time and effort and courage and trust. But there is clearly a way, and increasingly, a will. The evidence is mounting: The many positive steps taken by Israel's new government that improve day-to-day life for Palestinians and signal its seriousness about peace, Egypt's invitation that made it possible for Prime Minister Rabin to make his first trip outside Israel to an Arab country, Syria's relaxation of travel restrictions affecting its Jewish citizens. Further gestures such as an end to the Arab boycott of Israel can only help in bringing about an environment conductive to negotiation and reconciliation. I will continue to oppose that boycott and seek further change.

I am proud of the role that we've played in breaking the long-standing taboo against direct talks between Israel and her neighbors. You see, Israel sought direct talks for 43 years, and it was right to do so. If you do not talk, you can have no hope of making peace. And now there is such a hope.

I'm also proud of what we've done to help end Israel's diplomatic isolation internationally. We finally succeeded, after 16 years of effort, in getting the United Nations General Assembly to repeal what should never have been enacted in the first place. Zionism is not racism, not before, not now, not ever. And as Senator Boschwitz pointed out very generously, thanks in large part to our efforts, China and India and Turkey and many other nations, countries representing more than 2 billion people, now have full diplomatic relations with Israel. Already this has created not only greater contact for Israel worldwide but new economic opportunities.

I know this audience knows of our efforts to open the gates to Jews in the former Soviet Union and also to rescue Ethiopian Jews. You know, 4 years ago when I spoke to you in Baltimore, I noticed a banner hung on the wall that read: Where do Soviet Jews apply for glasnost? Some of you all, delegates, may remember that one. As I prepared to come here today, I thought of that banner. I thought of the hopes we had then. And I thought of a pledge that I made, that in every single meeting with Soviet officials I would raise the issue of Soviet Jews. And my friends, I could not forget that banner. I did not forget that pledge. And today, together, we celebrate this miracle: Nearly half a million Jews have come out of the Soviet Union to freedom, to America, to Israel.

Persuading parties to sit down face to face to talk peace, ending Israel's international isolation, assisting in the in-gathering of Jews into Israel: These are the three great aims that have guided Israel from its founding. We didn't just talk about helping Israel in these areas, we delivered. That's a fact of which every American can be proud.

And here's another fact: When the chips were down, when many countries, including Israel, were threatened by the most brutal aggression, America was there. We stopped Saddam Hussein.

And that terrible time when the world feared that the cold war would be replaced by a new age of Saddam, that is over, too. I knew when I took the oath of office that every President faces difficult decisions. And I can tell you this: There is no decision more difficult than sending this country's young men and women into combat, sending somebody else's son or daughter to possible death. In the end, it comes down to this: You cannot make that kind of decision unless you are certain you understand what is at stake. I knew what was at stake. And because of the bravery of America's sons and daughters in Desert Storm, America today is safer and Israel today is safer.

Ask yourself this question, where the Middle East would be today, where Israel's security would be today if we had followed the counsel of my critics. Ask yourself where we would be if we had someone in the Oval Office who would have waffled, who would have wavered and wanted to have it both ways. Listen to my opponent's very own words on whether he would have followed my lead and drawn a line in the sand. And here is the exact quotation: ``I guess I would have voted with the majority if it was a close vote. But I agree with the arguments the minority made." Where would we be? I'll tell you. We would be facing a nuclear-armed Iraq, dominant in the Middle East, with a chokehold on the world's oil supplies; an Iraq that showed clearly to the rest of the world that aggression against one's neighbors can go unchecked; an Iraq threatening Israel's very existence. Israel's very survival would be at stake. And we'd be talking about whether there was any chance to avoid nuclear Armageddon in the Middle East. Well, Desert Storm swept away that nightmare. And because of America's courage, today we now have the chance to see the dawn of peace in the Middle East.

There is still lots of work to be done. The Middle East, indeed, the world, is still a dangerous place. Terrorists continue to target the innocent. The proliferation of weapons of mass destruction casts a cloud over the region's future. Iraq's Saddam Hussein, however much weaker, defeated, and locked in the prison of his own country, still brutalizes his own people, resists the will of the international community.

The need for Israel to remain strong is beyond question. And it clearly includes having a defensive capability against missile attack. Scud attacks on Israel should have made that clear to everyone in the United States of America. For that reason, I have proposed to Israel that it participate in our development of a global protection system. Let me say to you: You ought to take a good, close look at anyone who claims to be a friend of Israel, at anyone who claims to be serious about Israel's security but opposes development of the defenses like GPALS that may be the most effective way for Israel to defend itself against missile attack. The point is, the need for U.S.-Israel strategic partnership and cooperation remains as strong as ever.

And we're also going to see that partnership at work this week because I am happy to tell you that I am sending to the Congress legislation requesting up to $10 billion in loan guarantees to aid Israel's Government in welcoming its immigrants. [Applause] And from that response, I know I can count on the support of everyone in this room to make sure that this proposal becomes law. Yes, we're in tough economic times in this country, but don't let any Member of

Congress tell you we can't afford to do this. We can, and we must. Today I ask you: Take that message to Capitol Hill.

I am glad that Prime Minister Rabin and I were able to reach an understanding on loan guarantees when we met up at Kennebunkport last month. He outlined for me the new Israeli government's new priorities, committed to investing in Israel itself, and stood determined to avoid steps that could hamper progress toward peace. I share that commitment. And as a result, we will be able to promote peace and welcome new immigrants at one and the same time. Both are humanitarian undertakings; both deserve our full support. It was important not to choose between them, and I am glad that we are now in a position to promote both of those objectives.

As for the future, I am confident that on most issues, on most occasions, we and Israel will find ourselves in agreement. I, for one, am committed to revitalizing the tradition of full consultations between the United States and Israel on the entire range of issues affecting stability in the Middle East. I know Prime Minister Rabin shares this commitment. And let me emphasize this point: There will be no surprises.

Our support for Israel and its security is not simply a policy. It is a principle. As I said after Prime Minister Rabin and I met in Maine, this is a relationship based on a shared commitment to democracy and common values, as well as a solid commitment to Israel's security, including its qualitative military edge. This is a special relationship, one specially built to endure.

This relationship is important, especially now, as we enter the new era of uncertainty. Old empires are dying, new nations being born. This is a time when a nation needs to know who it can count on. Israel has a stability of purpose, a strength of spirit that has seen it through dark days. We know Israel will be there for us, just as we will always be there for Israel. Rudy touched on this in the introduction, but no doubt there will be times when we disagree. Even friends disagree. Even Barbara and I disagree from time to time. America will have disagreements with Israel just as we sometimes disagree with Canada and France and Germany and Britain. Those differences are signs of the durability of a strong relationship, of the democratic bonds we share. The point is this: These are disagreements between friends, and I emphasize that word, friends.

There may even be issues where you and I will take opposing sides and things may get hot and words may be exchanged. In the past, I'll never forget this one, some remarks of mine were, I felt, misinterpreted. I have gone on the record expressing my regret for any pain those words caused. Again I want to make it clear, I support, I endorse, and I deeply believe in the God-given right of every American to promote what they believe. It is your right as an individual. It's more than a right. It's your duty as an American citizen.

But let me also say that it is important that we learn how to disagree. The way democracies engage in debate is not without consequence. It is a mark of civility and freedom. I hardly need

to tell anyone in this room just what anti-Semitism is. As my friend Abe Foxman, with us today, of the Anti-Defamation League has pointed out, to accuse those who may come to different conclusions on one or another public issue of harboring anti-Semitism is to cheapen the term. That is dangerous. That is deeply wrong. And when those words, without justice, have been aimed at me, I can tell you, they cut right to the heart.

But let's put all of this aside now and look to the future. I've talked to you here about my optimism for that future. We come together at a blessed time. The cold war is over. And Arab-Israeli peace talks have begun. There is another reason to be optimistic. The American people will soon exercise their unbroken 200-year democratic right to elect a President. And I'm optimistic, too, about the identity of that new President. There I go sounding like Harry Truman. I've got to be careful about that. But seriously, you have made me feel I'm among friends, and I know we've had some differences, but I also hope you'll look at this overall record. But let me leave you with this. However it turns out, commitment to freedom and democracy, to tolerance and opportunity in America and around the world will not change.

You are members of a community that has a long and great tradition of political participation. B'nai B'rith stands for opportunity, for tolerance, for opposition to anti-Semitism and the ugly face of hate in all its forms. You stand, too, for stalwart support for America's close friend and ally, Israel. And now let me say that on all these issues I am proud to stand with you.

In 3 weeks -- [applause] -- and say thank you all. May God bless the State of Israel. And listen, 3 weeks from now -- the start of a new year. I wish you a prosperous year; I wish you a year of peace. And may God bless the United States of America. Thank you all very, very much.

The Economy

Q. Mr. President, your words were very clear in your concern about trying to eliminate anti-Semitism and removal of the Arab boycott against Israel. We also applaud your efforts for helping us open the gates for our Soviet and Ethiopian brothers to have the freedom to leave those countries and especially for your supporting the $10 billion loan guarantee.

The President has consented to answer some questions which I will pose to him. Mr. President, the first question: With all the talk about an economy in recession, many Americans believe that the real problem is an economy in decline. What, in your judgment, would it take to reverse this decline?

The President. In the first place, we've had a tough time. It hasn't been only the United States of America. Look around the world. There has been a global recession, certainly a global slowdown. The United States economy has grown anemically for five straight quarters, five straight quarters. But it's so anemic that many areas don't feel it, because to average out a growth like that you have to have some areas doing much worse and some areas doing better.

What it's going to take, it seems to me, to turn the economy around is to get the Government sector of the economy doing less. And that's why I am favoring holding the growth on spending. I will not touch Social Security; I've said that over and over again and have been very faithful to that. But in my view, the Government spends too much and taxes too much. Too much in the public sector, not enough in the private sector.

Now, in my January State of the Union message, I suggested to what I now call the gridlocked Congress that they move on certain incentives to stimulate the economy. Investment tax allowance, for example. A credit for first-time homebuyers to stimulate the housing market. I still believe firmly that a good way to stimulate this economy is a capital gains tax reduction. We are not saving enough, and we're not increasing capital enough. And the way you do that is to cut that capital gains rate. It will increase jobs, increase investment, increase risk-taking. I know I have a big argument with those on the other side of the political aisle, but I believe it would work now just as it worked when it was cut in 1978 as a stimulation.

So the philosophy is cut back on tax-and-spend as an approach, and try to get this Government under control with less regulation, more incentive to save and invest, and certainly do something about the fabric of the Nation. And that is, we're talking here about the need for us to be competitive internationally. We're going to have to do better in the field of education, and our America 2000 program makes a very good step about that.

I have been concerned about the confidence factor because you've had so much gloom and doom about the economy that people are scared. Yes, things have been slow. But I am not pessimistic in the long run. I simply disagree with my opponent when he talks about this Nation being a nation in decline or ranking somewhere between Germany and Sri Lanka, to use his own words. We don't. Go talk to your friends abroad, and you'll find that we are still, in spite of our difficulty, the envy of the world. Now what we've got to do is get ready and move forward into the future with some optimism. I believe we can do it.

Palestinian State and Middle East Peace

Q. Mr. President, do you still oppose the creation of an independent Palestinian state? And what framework for peace do you see involving and between Arabs and Israelis?

The President. The second part -- the answer to the first part is, yes.

Q. And what framework for peace do you see involving and between Arabs and Israelis?

The President. The answer is, yes, I still oppose a Palestinian state. I've been consistent on that for a long, long time. But I think the framework lies in successful step-by-step progress on these negotiations. And once again I don't want to put this in too much of a political context, but I

think some in our administration deserve great credit for the diplomacy used in bringing these parties together. And therein is the best framework for the peace.

Let the parties negotiate it out. Let the parties -- we're not going to dictate the terms. We shouldn't dictate the terms. Let the parties negotiate it out in face-to-face negotiation. The framework is there. Now our role is to be catalytic, to keep the people at the peace table as best we can, be as helpful as we can in that, and not try to impose some settlement on one party or another. And it takes a while, but we're makingÿ20some progress, I think.

Separation of Church and State

Q. Jews and others in this country are very concerned about the separation of church and state. How can you allay fears that the wall of separation is being increasingly eroded?

The President. I don't think the wall is being eroded. Certainly legally it's not, and it shouldn't be eroded. I believe firmly, and I've stated this over and over again, of separation between church and state. Where you get into some complications or some discussion of this is when you get into school choice. I happen to favor it. Some people don't, thinking that it's going to get church and States involved. But what we propose in that area, for example, is to help the families and let them choose.

I was a recipient and I'll bet there's a bunch of other old guys around here that were recipients of the GI bill after World War II. And they didn't say to me, you can take this help from the Government to go to a State school. They said, here, take it and go to whatever school you want, college of your choice. It didn't diminish anything.

And so I think we ought to try the same thing, whether it's public, private, or religious schools. That, in my view, is not merging church and state. What I think of it is a choice for a family that has been demonstrably successful early on.

But the underlying point is, certainly any President of the United States must be always concerned that nothing he or she might do should blur this line of separation between church and state. It is very, very fundamental to our system. And I hope that I can stand up credibly on my record for that principle.

Sale of F - 15's to Saudi Arabia

Q. With a final question, we are concerned about news reports that you plan to send to Congress a proposal to sell F - 15 jets to Saudi Arabia, especially since Saudi Arabia is in a state of war with Israel and is engaged in an economic boycott of Israel, which also affects the United States, business interests and American jobs. Do you still plan to propose the sale of F - 15's to the Saudis?

The President. When you're President, you look at all the issues. You look at everything in the area. One of them, of course, is Israel's qualitative edge. As I said in my remarks, I'm going to keep that in mind. You also look at the domestic economy. You also look at the Persian Gulf and the areas of stress and constraint over there.

No decision has been made. We have made consultations. I do want to make this a little bit, put a little political spin on this, my opponent the other day in St. Louis, big headline, said that he supported the sale. When you are President you have to do a lot of consultation on this. I can tell you no final decision has been made. I don't want to misrepresent it: Consideration is being given to this. But whether there is any difference between the parties for this election on this question, I don't know. But I can guarantee you the qualitative edge that Israel has will not be neglected. And as I say, I will keep fighting for the elimination of the boycott and these other -- and for the day when you can sit down and have a peace agreement.

But again, a President has to look at the overall security requirements, and that's exactly what I am doing right now. And I would then have to notify Congress, I'm not sure of the timing on that, if a decision is made to go forward. But again, I will think it all out, make my decision, and call it the way I see it like that umpire does. The buck does stop on that desk in the Oval Office, and you have to make tough calls sometimes.

Q. Mr. President, we are honored to make a special presentation to you today. We have a replica of the famous George Washington letter to which you referred so eloquently in your remarks. The original letter, written in 1790, is one of B'nai B'rith's most prized possessions. It is an historic document because it is the first link in an unbroken chain. Every President from George Washington to you, sir, has championed liberty and justice for all. The worldwide family of B'nai B'rith is proud to present this to you.

The President. Thank you all very, very much. Thank you. A great pleasure.

Note: The President spoke at 11:31 a.m. at the Sheraton Washington Hotel. In his remarks, he referred to Kent Schiner, president, B'nai B'rith; George Klein, general chairman, Bush-Quayle '92 Jewish Campaign Committee; and Max M. Fisher, honorary chairman, Bush-Quayle '92 National Finance Committee.

Statement on Virginia Welfare Reform

September 8, 1992

Today, as millions of American schoolchildren return to school, I am pleased that we are approving Virginia's request for welfare waivers. These waivers will allow Virginia to test a program that encourages children of welfare recipients to attend school.

Under Virginia's program, children in grades 6 through 8 in a limited number of schools will be required to attend school, or their families would lose the higher welfare payments and other rewards provided as incentives. To encourage students to stay in school, individual dropout prevention counseling and other needed services will be provided. Families of children who remain truant despite counseling may have their assistance payment further reduced.

Education and job skills are necessary for any person to become a productive member of society. Virginia's program will evaluate whether these incentives improve school attendance and performance.

Message to the Senate Transmitting the Russia-United States Taxation Convention

September 8, 1992

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Convention between the United States of America and the Russian Federation for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Washington on June 17, 1992, together with a related Protocol. I also transmit the report of the Department of State.

The convention replaces, with respect to Russia, the 1973 income tax convention between the United States of America and the Union of Soviet Socialist Republics. It will modernize tax relations between the two countries and will facilitate greater private sector United States investment in Russia.

I recommend that the Senate give early and favorable consideration to the convention and related protocol and give its advice and consent to ratification.

George Bush

The White House,

September 8, 1992.

Message to the Senate Transmitting the United Nations Framework Convention on Climate Change

September 8, 1992

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the United Nations Framework Convention on Climate Change, adopted May 9, 1992, by the resumed fifth session of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change (``Convention''), and signed by me on behalf of the United States at the United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro on June 12, 1992. The report of the Department of State is also enclosed for the information of the Senate.

The Convention, negotiated over a period of nearly 2 years, represents a delicate balance of many interests. It embodies a comprehensive approach embracing all greenhouse gases, their sources and sinks, and promotes action to modify net emissions trends of all greenhouse gases not controlled by the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer. It supports an action-oriented approach to net emissions reduction that takes into account specific national circumstances. It provides the basis for assessing the impacts and effectiveness of different national responses in light of existing scientific and economic information and new developments. The Convention encourages cooperative arrangements by providing for joint implementation between and among parties under mutually agreed terms.

The ultimate objective of the Convention is to stabilize greenhouse gas concentrations (not emissions) in the atmosphere at a level that would prevent dangerous human interference with the climate system. In accordance with this objective, the Convention calls on all parties to prepare national inventories of anthropogenic emissions, implement appropriate national and regional programs to mitigate and adapt to climate change, promote technology cooperation (including technology transfer), promote scientific research and monitoring, and promote and cooperate in the full and open exchange of information and in education, training, and public awareness programs. In light of such provisions, this Convention constitutes a major step in protecting the global environment from potential adverse effects of climate change.

The Convention will enter into force 90 days after the 50th instrument of ratification, acceptance, or approval has been deposited. Ratification by the United States is necessary for the effective implementation of the Convention. Early ratification by the United States is likely to encourage similar action by other countries whose participation is also essential. It should be noted that the Convention does not permit reservations.

I recommend that the Senate give early and favorable consideration to this Convention and give

its advice and consent to ratification.

George Bush

The White House,

September 8, 1992.

Remarks Prior to a Meeting With Republican Congressional Leaders

September 9, 1992

The President. I've invited our leadership, Republican leadership, here this morning to talk about what can get done in this very short session of the Congress. I want the Congress to pass 12 signable appropriations bills. There's 4 weeks available. There's no reason why Congress cannot produce these spending bills individually without resorting to a lot of pork-laden additions to the bills. And I will sign them only if they comply with my budget request.

I also want to see action on some of the things that we've been talking to the American people about over the weekend. We should take a first bold step on legal reform. The civil justice reform legislation designed to change our current inefficient, costly legal system has been pending in Congress for over 7 months without even a hearing. And before adjourning, the Congress should at least seize the immediate opportunity, starting in the Senate this week, and pass the product liability reform bill.

And they can and should take a step, a first step, a needed first step on enacting a health care reform bill by passing portions of my plan, including the small business reform and the medical malpractice reform. These are key ingredients. Time is short. Both can be passed. By acting on these areas, we'll help to provide affordable, quality health care for millions who do not have it now and be a down payment, frankly, to the American people who deserve comprehensive health care reform without higher taxes and without cutting into the quality of United States medicine, which is the best in the entire world. Get the Government further in, and it's going to go down. So we've got to protect the quality as well as making insurance available to all who need it.

And there are other pieces of legislation. I met yesterday with the leaders in the Senate and House. I think we can pass our energy proposal. We need to get a national energy strategy out and approved, and that can be done. There are some others we might get done. But these that I've outlined here are priority. And I now want to talk to our Members about how we can achieve these ends and hear from them if there's other key objectives to get to that can be accomplished here.

Thank you all very much.

Family Leave Legislation

Q. Mr. President, Democrats are ready to pass a family leave bill. Will you veto it in its present form?

The President. Well, I've got to look at what comes down here, of course, as I always do. But I've expressed my reservations about some of the things that are pending. So let's wait and see what happens. We don't need mandates; we need family leave without loading up small business with a lot more mandates. The concept of family leave I've strongly endorsed. But getting the Government further into it and throwing small businesses over the edge I'm not sure is the way to do it. But let's see what they say.

Q. Do you think the Democrats are playing politics with this issue?

The President. Almost everything, yes. [Laughter] No, I do. I believe it. I think the American people believe it. And now I have my chance to take the case to the American people. I've tried to stimulate this economy and been rebuffed. And I think the American people will see that clearly. I don't think they see it yet. But they will when we get through. Of course there's a lot of politics in this.

Note: The President spoke at 8:35 a.m. in the Cabinet Room at the White House.

Remarks to the Community in Norristown, Pennsylvania

September 9, 1992

Thank you so much. Thank you, Dr. Holton. May I congratulate our superintendent for his leadership on America 2000 and on the job he's doing for the whole school system in this area. Good morning to everybody. It's great to be back in Pennsylvania on this first day of school. Any excuse to get out of class, I know, and here you all are. Thanks for greeting me. May I salute the man you heard from a minute ago, Secretary Alexander, Lamar Alexander. He's come to Washington after great experience in education and in government, and leading us all with this marvelous America 2000 program. We owe him a great vote of thanks, and I'm very pleased to have him with us.

Another old friend is with us today, the Congressman from this district, Larry Coughlin, who is leaving the Congress after marvelous service. But he came in with us. Larry, do you want to stand up there?

May I thank all involved with this visit, particularly Principal Barry Spencer, who has done a great job on all the arrangements and in making these facilities available. Josh Lippy, the president of the student council, I salute him as a student leader. I should add, welcome back to school. I hope you all had a great summer. And out here in the audience are not just students but members of the chamber of commerce, Payson Burt and others that are taking a leadership role. The class of 2000, I salute them, all of you, these participants who got up and read those education goals. I thought they did a first-class job; not a nervous one in the bunch. And I salute all the volunteers, the volunteers that make it happen as we try to reform education. I'll get to the teachers in a minute.

I'm told that many of you were nervous this week, tensions rising about the big event, wondering how you'll handle all the attention. Well, I'm here to put your fears at rest. I know you'll do great against North Penn Friday night.

You know, I want to just give a serious talk this morning. You know, our world has been through a lot of change in the past few years. When my kids were the age of the kids in this room today, they used to practice nuclear disaster drills. The alarms would go off, and they would all crawl under the desks and wait. This happened all across the country, all across many countries. That doesn't happen anymore. As a parent and as a grandparent, I am glad that American kids can grow up in the sunshine of peace. We ought to be grateful for that as a nation.

But now that the cold war is over, the challenge before our Nation is to win the peace, to guarantee that America in the 21st century will be not just a military superpower but also an

export superpower, an economic superpower. That's just a fancy way of saying that when you grow up, you deserve the chance to have a good job and live a better life than your parents and grandparents. You should live the American dream.

That's why I'm here this morning, to talk about how we can build what you need and deserve, the very best schools in the entire world.

Now, I admit, education is not usually found on the front page of the newspaper or at the top of the evening news, but it is the solution for most of what you do see there. As a President and as a grandparent, my loyalty lies with young people, kids like these fifth graders who did such a fantastic job laying out these national education goals this morning. In the year 2000, these fifth graders will graduate from high school. They will have changed so much, we will barely be able to recognize them. I want the schools from which they graduate to have changed so much, that we won't be able to recognize them either.

Four years ago, I said I wanted to lead a revolution in American education. And today, I come before you to report: The revolution is underway.

As President, my job is to set the agenda and mobilize the Nation. I'm proud that the goals the students read this morning are the very first education goals in our Nation's history. They were created by all the Governors, Republicans and Democrats alike, and are being embraced by parents, by teachers, by business and community leaders in town after town, city after city, all across America. Politics is being laid aside. A revolution in education is taking place. If he were here today, I'd shake his hand and salute the Governor of this State, who is holding out his hand to all who want to see America 2000 succeed. He's been a real leader, and we are grateful to him for that, Governor Casey.

I have come to Norristown because you accepted my challenge to reinvent American schools. And again, I salute the principal and the superintendent. Norristown is in the lead, but you're not alone. Today, 1,700 communities in every single State have adopted the vision of what we call America 2000. Seventeen hundred communities have drawn lines in the sand of the future that read, our children must be number one.

The Federal Government should do more than offer congratulations, and we are matching our words with action as we promised.

You've heard about our first goal, making sure every student arrives at school ready to learn. For the first time, every eligible 4-year-old who wants a Head Start on kindergarten can get one. We have asked for record increases in investment for math and science education, to help train teachers. That is consistent with goal number four that was read here, math and science excellence. And I bet you were proud to watch the Olympics and see Jordan and Ewing and Malone slam-dunk the opposition. By the year 2000, I want you, our young people, to be able to

slam-dunk the rest of the world in math and science. And we can do it.

Goal number five is to guarantee a skilled, literate work force. My opponent accuses me of cutting education spending. That's just flat wrong. I have proposed record increases in education funding, and during my 4 years, Federal investments in education have increased at a more rapid rate than State and local funding.

But if you think that money alone will reinvent our schools, think again. As a nation, only Switzerland, only Switzerland spends more per studentÿ20on elementary and secondary education. This doesn't mean we should not make new investments; it means we cannot spend our money on the old way of doing things.

Our schools were basically designed for another age, 100 years ago: a world of Model T cars, in which toasters and flashlights were a big deal; a world in which most clothes were made at home. Imagine, a world without the King of Prussia Mall! [Laughter] Hard to believe.

But today, if you apply for a summer job in a car factory, they'll ask you if you can handle mathematics, estimation, and spatial relations, things your mom and dad just didn't have to know. And other things have changed. It's tougher being a parent, tougher being a teacher, and my grandkids tell me it's pretty tough being a kid these days. The world has changed, and so must our schools.

You don't have to look far for new ideas. Teachers, school board members, parents, business leaders, all are fountains of innovation. They represent the true genius of America, and we must encourage them. Right now, as we gather today, America is responding to this charge. Really, four revolutions are underway.

First, we are in the process of creating hundreds of what we call break-the-mold schools, schools that reject the status quo; for example, a school where students attend all year round. Now, I challenged America to come up with ideas for these schools, and Norristown was one of 700 communities that responded. I applaud you for your energy. I applaud you for your creativity.

Revolution number two has to do with what we teach in our schools. We must demand more of you, so that you can compete in the world economy. Your math teachers are already relying on new, world-class standards, and you are learning more than your older brothers and sisters. By the time today's fifth graders enter high school, we will have new standards in science, history, English, geography, civics, and the arts. And to support these standards, we will have a national examination system, and I call it the American achievement tests, so that parents can know how our kids and our schools are doing.

The third revolution involves a very important person, your teacher. If I can ask a favor, since this is the first day of school, I assume none of you have received any tests back yet. So let's take

advantage of the good feeling and say thanks to all the teachers in this room. They are making a difference in your life, and we should applaud them. I'd like to ask them to stand up, all the teachers here. [Applause] Thank you all very much.

Let me make this point to the students: When your teachers chose their career, they did it because they love learning and they love helping you to live up to your potential. They certainly didn't do it for self-gain. They did it to help someone else.

Not long ago, as part of my America 2000 effort, I met with some teachers up in Lehigh Valley, and I asked them what was their biggest problem. I thought they might talk about a lack of money or discipline or the drug problem. But they instead talked about all the paperwork and regulations, about getting State government off their back.

I cannot do much about Harrisburg, but this week Congress will consider my legislation to give teachers more flexibility in using Federal funds, as long as they achieve results. Congress wants to give flexibility to just 300 schools. I want to give it to all 110,000 schools. We've got to relieve these teachers of federally mandated paperwork requirements. I trust the teachers, not the Government, to do what's right for our students.

There's one final revolution underway. I think every parent should have the right to choose the school they want for their children.

Not long ago, I was talking with a Milwaukee parent -- she and her kid came to the Roosevelt Room right outside of the Oval Office in the White House -- her name, Janette Williams. She told me her son Javon went to a crowded school; teachers couldn't pay attention to him. He was so bored, he'd just go home halfway through the day. Then Milwaukee gave some parents the right to choose new schools for their kids. And today, this kid Javon is doing his homework, attending all his classes, even helping clean up around the classroom.

I want to hear more stories like that. My ``GI bill'' for kids would give thousand-dollar scholarships to children of middle- and low-income families that they can use to spend on any school of their choice. Most parents would choose public schools, but every parent should be able to choose any school, public, private, or religious. Right here in Norristown, almost 6,000 kids, about two-thirds of the school population, would be eligible for this thousand-dollar scholarship. Norristown would receive another $6 million in new Federal funds, not controlled by bureaucrats but parents and teachers. When it comes to choosing schools, I trust parents, not the Government, to do the right thing.

So these are the four revolutions in American education: break-the-mold schools, new standards, getting Government off the teachers' backs, and giving parents real choice. Together these revolutions will change our schools. When these fifth graders come back to visit Miss Ritter and Mrs. Bieler in 8 years from now, they will marvel at how small the desks are and how they have

to stoop way over to use the water fountain. But as they look and listen to the school around them, they will say, ``Everything else has changed."

Now, as some of you may have heard, there's an election in about 55 days. So before I leave you this morning, I want to take just a moment and contrast my education vision with the opponent's. I want to be fair. When I convened the national education summit -- I mentioned it earlier in this speech about -- with the Governors present, most of the Governors attended. Governor Clinton's role was constructive. He helped to set these national education goals, and I commend him for that.

However, the facts tell the story about his own record. In 1980, Arkansas ranked 47th in the percentage of adults with high school diplomas, now 48th. Today, they're dead last in the percentage of adults with college degrees.

But that's not the real issue. The real issue is what kind of education President would my opponent be. And in this campaign, Governor Clinton has spent a lot of time courting the education establishment, teachers unions' leaders and the liberal Congress. These people fear change. Look at the education before Congress today. They really don't want to spend more money on education. They want to spend it on the same old system. I wish fixing our schools was that easy; it is not.

A President's job is to set a path and insist that the Nation sticks to it. But Governor Clinton is in with the crowd who say no to break-the-mold schools, no to higher standards, no to less regulation, and no to my ``GI bill" for kids. Here's the difference between me and my opponent: He has told the education establishment what they want to hear. And I will continue to tell them what America needs to hear.

You hear a lot of talk about change in this election. But ultimately, change isn't what you say; it is what you do. With your help and the help of millions of other Americans, we have set the forces in motion to literally revolutionize the way we prepare our young people. And I hope you will give me the opportunity to finish that revolution.

To the parents, teachers, community leaders, and students participating in Norristown 2000, I say thank you. You are writing a better chapter in the history of America's next generation.

Thanks for listening. And may God bless each and every one of you, the State of Pennsylvania, and the United States of America. Thank you very much.

Note: The President spoke at noon at Norristown High School. In his remarks, he referred to James N. Holton, superintendent, Norristown Area School District; Barry Spencer, principal, Norristown High School; and Payson Burt, president, Central Montgomery County Chamber of Commerce.

Remarks and a Question-and-Answer Session With Employees of Uniform Tubes in Collegeville, Pennsylvania

September 9, 1992

The President. Listen, it's a pleasure to be here. Thank you all very much. Welcome to the Phil Donahue Show. [Laughter] I feel like that, sitting out here. But let me just thank Bruce, all that greeted us, all of you involved in this wonderful company, and all who, particularly, have participated in this education approach. As I look at the country and look at the problems facing us, we're in a transition period. We've been through economic hell in this country. We're poised in my view for a decent and strong recovery, but always at the bottom of this is education for the future.

One of the reasons we are so strongly in support of America 2000 is it trains people for the future. They have this thing: No one is too old to learn. Well, so to demonstrate that, Lamar Alexander, our Secretary of Education who is with me, suggested about a year ago that I learn to run a computer. I'm trying to kill him for that, but nevertheless I use it all the time. I think it does help demonstrate that nobody's too darn old to learn.

Similarly, we're in a mobile economy, and our whole health care reform proposal talks about people being able to move, take their health care with them if they move into another challenging area.

So I just wanted to salute you. I'm pleased to be at this company that's taken the lead in education. It offers everything for the future. We're got to do new ways. We can't go back to the same old ways that the schools have been run forever. And I'm going to keep pushing for the America 2000 education program, meeting these six educational goals. They're not Democrat or Republican. The Governor of this State has been terribly supportive of this program, and it's one that I don't have to go to Congress for a lot of it. I've got to go to Congress for some of it, but a lot can be done right at the company level or the school level.

So I'm glad to be here for that reason and many others. And I see this guy's T-shirt: ``I'll do it tomorrow. I'd rather be fishing." He's right. He's on to something. [Laughter] But for 55 days they won't let me do anything like that. No more fishing. I've got to get to work here. And I'm looking forward to the next few days to take this kind of message to the country.

Now, I don't know how we proceed, but fire away on questions. Shoot.

Legislative Agenda

Q. Good morning, Mr. President. What assurances can you give the American people that you'll be more effective working with Congress in your next term?

The President. Good question. I have been criticizing Congress as the gridlocked Congress. People on the other side are talking about change. The one institution that hasn't changed in 38 years is this Congress that can't run a two-bit bank or a two-bit post office. So I've had my battles with them.

We've gotten some things done. We've got a good program on the child care, for example, on the ADA which is bringing the disabled into the mainstream. And it's a very important question. People don't want gridlock. The assurance comes from the fact there are going to be at least 100, maybe as many as 150, new Members of Congress that have to do what I have to do: go out into the neighborhoods, go out into companies like this, take your case to the people, and listen to the people. And I think the kind of changes that people want are the kind that I stand for.

So what I've said I'll do is take these new Members when they get here -- heck with the party -- bring them into the White House and say, ``Let's get these things done: health care reform, Education 2000," whatever the priorities are that come out of this election and education and health care.

I also happen to think -- I see these police officers on the line -- I'm fighting for a stronger anticrime bill. It's been literally, now, this is not making excuses, it's been bottled up in Congress ever since I've become President. And my case now is, take it to the people. Then if the people support my approach to tougher law enforcement for the neighborhoods, remind the Members of Congress when they come there, and say, ``Look, this is what the people want." That's the good thing about a 4-year election cycle. So, sit with the new Members, try to get it done. And I think we can.

Come on, you guys. Here we are. Sir?

Overseas Private Investment Corporation

Q. Being a -- [inaudible] -- to and a proponent of the American worker, what steps has your administration taken to not -- [inaudible] -- the Overseas Private Investment Corporation, OPIC?

The President. We're taking steps to fund it. Because I think when you create more export market, OPIC -- and that's exactly what it does -- you create more jobs in this country. In this sick and anemic economy, which incidentally, has grown for the last five -- hey, just a minute, I haven't finished yet. [Laughter] But no, really, what it does, OPIC secures American -- [inaudible] -- that are selling abroad. And that is what we need. It creates more domestic jobs. So I'm strongly for OPIC. It's done a very good job. More and more American products are being sold because of investments like that.

The Economy

Q. Mr. President, my question is: What personal message would you like to deliver to the former employees of companies like Allied Tank and Anchor Glass, local people who have lost their jobs due to plant closings during your tenure in office?

The President. I'd say we've been caught in a very tough economic time, and we've got to move forward now with incentives to stimulate the economy. If we had had this investment tax allowance, I believe a lot of companies that aren't in business would be in business. I believe it would have stimulated investment.

I happen to believe that the credit for first-time homebuyers that's hung up in this gridlocked Congress would have helped the housing industry. I don't know whether any of these companies sell to that. Some of them are talking about change. We're actually an outmoded process being replaced by something new. There, you've got to do what this company is doing, and what I'm proposing on better education. So it's a combination of all three of these areas.

But let me say this on the economy: It is lousy. We know that. We've been trying to stimulate it. And we're in a global recession. It's not just the United States. Take a look at Canada. Take a look at England and France and Germany. It has been too long.

I do think, with interest rates down, with inflation down, with a ``misery index'' which reached 21.9 percent under the last time we had a Democrat President and a Democrat House, Congress, down now to around 10 percent, we should be able to recover and recover well. But you've got to do these things we're talking about.

Yes, sir, in the back.

Education

Q. My question, Mr. President, is also referencing to Education Secretary Alexander, and I'm glad he's here. He refers to the many educational entrepreneurships as ``sort of defense contractors of the school industry.'' If there are successes with these programs, what incentives will our communities have to accept them?

The President. I'm not sure -- where's Lamar? Do you want to comment on what you've said and then let me try to fill in on the rest of it? Because I'm not sure I've heard him use that expression.

Secretary Alexander. He asks about the -- I made a reference to the design teams for the New American Schools Development Corporation that you created. There were 700 applications for that, and 11 were selected. They're going into the business of helping communities create very

different schools. The question was, what are the incentives for them?

The incentives for them are the same incentives, Mr. President, that the defense contractors have. What we spend on elementary and secondary education is about exactly the same amount of money in America that we spend on national defense. And defense is going down, and education is going up. So those businesses have the opportunity if they wish to be for-profit -- most of them are not, but if they wish to be -- of helping school districts in States improve the management of their schools. Now, that would be -- --

The President. Thank you very much.

What we're talking about here, for those not familiar, is this whole concept of literally revolutionizing the schools. Lots has changed in this country. Employees -- work on the floor has changed; a lot of things has changed. Defense has changed. But the schools, elementary and secondary, schools literally have not had fundamental change. So when we talk about the new American schools, we're talking about letting the communities come together, private end of it, teachers and all, and reinvent the schools. Some are going to want year-round schools; some are going to want to have smaller classes, some larger; some different plant and equipment. And we're just challenging the whole system to radically think anew about education.

We spend more on education per capita than any country except Switzerland, and I don't believe a single parent can say that they're happy with the total results. We're grateful to the teachers, but we're not happy with the total results coming out of these schools. And so we've got to do what we're talking about in this whole concept of new American schools. We need some support from Congress. Fortunately, much of it can be done as Pennsylvania 2000 is doing. Again, I cite your Governor, I cite the chamber of commerce, I thank companies like this who are literally saying well, we're going to get the job done. So they go out and invent and innovate, and from that we're going to -- other places will learn.

This side's been very quiet over here. Yes, ma'am?

Family Values

Q. Mr. President, in your campaign you talk of the importance of family values, which I agree with. My question is what role, if any, the Government is planning to take in assisting and/or encouraging the country to get back to these values that we've lost sight of?

The President. You know, the opposition wants me to get off talking about family values. We had the mayors of the largest cities in the country, you know, Mayor Bradley of Los Angeles, and some of the smallest, mayors of the League of Cities. They came in; they said, ``The largest concern we have for the cities, the problems of the cities, stems from the decline of the American family."

What we're trying to do is change the welfare system, for example, so people have to work if they're going to get a welfare check, or, as in Wisconsin, have to learn; try to get learning and work involved in that. What we're trying to do is give choice in child care or in education so people can choose where their children want to go to school.

But when we talk about family values, it isn't all what the Federal Government can do. A lot of it is things like Barbara tries to do when she holds a little kid and shows compassion or when she works for the volunteer reading program to show that parents ought to read to their kids.

I think we've gotten away from some of these fundamentals. I think discipline is one. I think respect for the police officers that are out there risking their lives for us every single day is a family value. And so, you know -- and that leads to the kind of crime legislation we're supporting.

So it is not demagoguery. It is not suggesting -- I was on a thing with Tom Brokaw the other night. Bill Clinton was on there before me. He said, ``Are you trying to say you think you and Barbara's family is better than the Clinton family?'' I said, ``Absolutely not.'' That's not what we're talking about at all. We're talking about the fabric of our society. We're talking about something that we've taken for granted for years, and that is that it's the family around which everything good happens in the community.

We're not criticizing single mothers. As I told him on that same show, my daughter was one until she got married; she's now married again, very happy. But it isn't trying to be critical of someone else. It's simply trying to identify with what the strength of our country is and then, instead of tearing it down, build it up and find ways to improve it.

So we're going to stay on it. The liberals hate it. They are all over me in these editorials. And I'm going to keep right on it because it is right to try to find ways to help the family, whether it's financial help or whether it's just the moral backing of the President of the United States.

Foreign Policy and Domestic Agenda

Q. I'd like to know what your point of view is, if you're planning to focus more on domestic issues and keep more of our money at home so you support this?

The President. The answer is -- you don't want us to give you a long speech on it. I don't know how long ago you were in grade school, but maybe you had to, as everybody else did, my kids did, go under, climb under the desks to worry about some drill against nuclear war. That has dramatically changed. Because we kicked Saddam Hussein, the United States is the sole leader around the world. We are now a military superpower. We've got to stay one. We're an economic superpower, in spite of the lousiness of our economy, and we've got to be an export superpower.

So as I see it now, with freedom and democracy on the march -- and I would like to get some credit for that; give plenty of credit to my predecessor, I might add -- with Germany reunited, democracy moving in South America, Eastern Europe, these great ethnic areas free, Poland, Lithuania, Latvia, Estonia, that's done. So we can do what I mentioned back here, sell more abroad, but now we've got to use this same energy to change things at home. I believe that we can get the job done because of what I answered this, on the new Congress.

But the answer is not to turn inward. I may have a difference with you on this. I believe the freer trade we've got, the more jobs that means for America. Some are opposing me on the North American free trade agreement, saying it will cost auto jobs. Not so. It will increase the amount of auto jobs we have because we have the most productive workers in the world. Interest rates go into a decision as to whether you put plants abroad or have them here. They are at an all-time low.

So I really don't want to see us turn in. But I do want to see us solve these domestic problems of education, of jobs, of crime and whatever it is. So that's the philosophy that I'm bringing to it and that I'll be talking about out in Detroit tomorrow in a rather long but, I hope, comprehensive speech.

Yes, sir.

Racism, Abortion, and War on Drugs

Q. Good afternoon, Mr. President. I would like to ask you, is there any more that you could do about the moral issues that's messing with our country? I'm talking about racism, as in the Rodney King incident. And I'm talking about abortion, and as you see that that's getting out of hand. And I'm talking about the drug situation, the war.

The President. Very good question. In the first place, racism, anti-Semitism have no place in this country. And I think a President must continue to speak out on it. And I've done that, and I'm going to continue to do it.

Secondly, the answer I gave on the family is very important to the second part of your question.

And thirdly -- the third one is on crime? What was the third part you mentioned?

Q. Drugs.

The President. On the drugs. Yes, drugs. We have a strong antidrug strategy. The good news is that use of cocaine has gone down by 60 percent in the last 3 years. The bad news is that it's still pouring in here, these drugs are, mainly from South America, and that the addictive group, the

group from about 35 years old, the hard users, have gotten a little worse. It hasn't moved in the right direction. So the answer lies, prevention and treatment. We're spending a lot more money than any administration, and I'm not suggesting that alone can get the job done, and then redoubling our efforts on interdiction. We have some good people that are working with us in Latin America. Gaviria in Colombia has done a good job on it. We're trying to work with Peru and Bolivia on this. But that's a major part of it. And we're using the military much more than we did to try to interdict the flow of narcotics coming into this country.

But once again, here's an area where we really do have to back up those that are out on the streets, our people out on the streets helping, DEA and FBI and local police. And that argues for a strong crime bill. I mean, you've got to put away these hardened criminals. We've got to be tougher on the criminal, and a little more sensitivity for the victims of crime. And that's what our crime bill will do.

So those are the ways that we're trying to approach that problem.

Yes, in the back, sir.

Monetary Policy and Legislative Agenda

Q. I wonder what you have envisioned, once you become elected for the next 4 years, with the building trade industry, and also, back to basics where we start pulling ourself up by the bootstraps and make a good country such as our forefathers have started? And also, the monetary situation, how do you think the dollar will fare, like, strong dollar or whatever?

The President. Let me answer the last part first. One thing a President shouldn't do is say what the level of the dollar is. With the dollar at these levels, most people would agree, we're going to sell a hell of a lot more abroad, and that's good. You can export a lot more. But I don't want my answer to be interpreted as suggesting at what level the dollar should be. That should be set by markets and not by the United States. We can't set our currency like that. It has to respond to international markets.

In terms of the values, I've tried to respond to that one. In terms of the building trades, that gets to the heart of what we're going to be talking about here and trying to do, and that is jobs. I mean, building, I have a proposal in. Again, my opponent will jump on me for saying I'm blaming Congress. On January 20th, we had a State of the Union Message, and in it I suggested an investment tax allowance and that first-time homebuyers credit. It is still sitting there in the United States Congress. And I have to take that case to the people because, in my view, that would have stimulated the building trades and stimulated this kind of employment around the country. I just have to insist on that and try to make the people understand that I haven't just been sitting there. We've been trying to get it done.

Clinton says we're blaming the Congress. Well, as a matter of fact, I am because they're not getting the job done. As I said, I'll work with a new Congress. I've held my hand out to them, but now I've got to define the differences. I want to see a balanced budget amendment. I want to see less taxes and less spending. I've got to contrast that in terms of a vigorous economy with my opponent. And we'll have a debate, and that will all be out there for people to see. I want a balanced budget amendment. I want a line-item veto. If the Congress can't cut spending, give me what 43 Governors have and let me try to cut the excess and save more money for the private sector or for the families that are working. I don't think you're taxed too little. I think we're spending too much.

So I've got to get that philosophy out there and back it up with specifics enough so people will see that we're very serious about this. I believe that will help building trades and everything else. I don't know about city government.

Campaign Strategy

Q. What can we do to help you fulfill your goals?

The President. Vote often. [Laughter] No, but seriously, I've never seen a political year like this. I think most people looking at the political process, no matter what party you're on, whether you agree with some of the things I've said here or not, think that this is a weird political year, strange kind of time.

But you see, I am optimistic about this country. I do look around the world, and I see, compared to any other economy or any other country, we're not in decline. We're on the rise. I've got to take that sense of optimism and get enough backing to get done the kinds of programs that I've been advocating and will continue to advocate.

Then the final analysis, and I'll put it this way: I hope, I hope I have earned the trust of the American people in terms of the way I've tried to conduct myself as President. I know there's a big difference. I know there's a lot of differences on issue. But in the final analysis, I'm going to say to the American people: Here's my position on the issue. Here it is on job training; here it is on skills; here it is on education; here it is on accomplishments in foreign policy. Here's the things we haven't done; here's the mistakes I've made. But now I ask for your vote because I think I've been the kind of President in whom you can place your trust. And I'll do that, and I think it will resonate.

Assistance for Displaced Workers

Q. My question to you is, what can you offer the middle- and the older-aged people that have been displaced in the job market?

The President. The program that I talked about in New Jersey the other day of skills training, retraining. We've got a tremendous problem in the defense industry. One of the penalties, you might say, of success is that because we've been successful in reducing the threat to the United States abroad, we've been able to reduce our defense. But as you do that people are thrown out of work. So that argues for the job retraining programs, some of which we have in effect, others of which I have proposed. So I think that is the major answer, that plus education, to those who are older and still able to be in the workplace.

The other thing is that when we go for our health care program, which is going to keep it in the private sector, provide insurance to those poorest of the poor, that those health benefits will go with the person. In other words, if they leave company X, they don't lose those benefits. I think that, then, gives a certain mobility to the kind of people you're talking about, those that want to move over next door to a new job and still be able to get it.

But the fundamental thing is, get the economy stimulated so young and old will be able to have jobs in the private sector.

Yes, ma'am. Excuse me. Am I out of here? [Laughter]

Health Care Reform

Q. I'd like to know what your proposed plan is for, especially for the people who do not qualify for Medicaid and are unable to -- --

The President. The plan I favor provides, through tax credits and through pooling of insurance and through more managed care, insurance for all.

People come tearing down into our country from Canada and other places because of the quality of U.S. medicine. I do not want to see the quality diminished. People come down to get bypasses in Cleveland because they've got to wait 6 months to get a coronary bypass next door, where they have a nationalized program. I think it would be a big mistake to nationalize it. Our program calls for what I've said, pooling insurance, more use of managed care.

It also calls for something else, and here's one where I have a clear difference from my opponent. It calls for getting rid of some of these frivolous malpractice suits. You cannot coach the Little League without some guy, three and two and doesn't like the call, trying to sue you these days. Neighbor is suing neighbor, and we're suing each other too much. We've got to put some caps on the outrageous limits. Doctors sometimes don't practice delivering babies because they're afraid they're going to be sued, and we've got to get away from that. That is over $25 billion -- different figures -- $20 billion to $50 billion a year in terms of your added health costs. I don't know how many have been in the hospital recently, but hospitals are scared. So they say, give the guy three tests instead of one. Make him have test A because we're not sure that we

won't be sued if we only give him test B.

So, along with pooling the insurance and making that transportable so people can take it with them wherever they go, we've got to have this concept of malpractice reform which, incidentally, helps pay for the thing without raising people's taxes. So I really think we've got the best idea on health care reform.

Congress is all over me. It was raised by the Senate race here last year. Take a look at the guy. What's happened? They control the Senate. Where's their education bill? Mine's sitting up there languishing. So again, blaming the Congress, well, in this instance, they control both Houses of the Congress. You want health care reform? Where is one? In 3\1/2\ years none have come my way.

We've got a good program. And again, one of the good things about this election year is you say to the American people: Here's what I stand for. Let him say what he's for. Here's what I want to get done, regardless of whether you're Democrat or Republican, try to make your voice loud enough so that when we first come in, sit down with those Members of Congress and get this done for the American people. So there we are, and that's the approach I take.

Listen, thank you all very, very much. I appreciate it.

Note: The President spoke at 12:55 p.m. in the model room at Uniform Tubes, Inc. In his remarks, he referred to A. Bruce Mainwaring, chairman of the company, and President Cesar Gaviria of Colombia.

Remarks at a Bush-Quayle Rally in Middletown, New Jersey

September 9, 1992

The President. Thank you all. Thank you, Governor. Listen, thank you for this welcome. What an honor it is to be introduced by Governor Tom Kean, great New Jerseyan, great friend. Thank you, Governor Kean, for heading our campaign. I know that guarantees success.

Now, hello to everybody. A thousand apologies for being, what, 15 minutes late. [Laughter] And I'm delighted to be back, back in New Jersey. Allow me to quickly thank my host, Mayor Rosemary Peters; the Vets, Neal Cassidy, Al Thomas, Ben Ferrera, and all the New Jersey veterans in the audience, as well as the Nottingham Little League. What a job they did. And I look forward to seeing Joe Kyrillos in Washington soon where he'll join Congressman Chris Smith.

Audience members. Four more years! Four more years! Four more years!

The President. Four more. And let me acknowledge some New Jersey talent: Bob Franks, Don Francesco, Chuck Haytaian, members of the New Jersey Legislature and members of the Monmouth County Free Holder Board, all good Republicans.

I was not far from here, as the Governor said, almost exactly 4 years ago to the day, and I was campaigning for the Presidency. Our world was very different, largely because of one undeniable fact: A nuclear sword of Damocles hung over our children's head. Well, today I return to this beautiful Garden State to say something no President could ever say before: The cold war is over, and freedom won. Thanks to the sustained effort of brave men and women like the veterans here today, now our kids can go to sleep without nuclear holocaust haunting their dreams. That is real progress for mankind, and I'm proud to have been a part of it.

Audience members. Where was Bill? Where was Bill? Where was Bill?

The President. We'll let him answer that one. [Laughter]

Thanks to folks like veteran Bill Denisson, who's 82 years old and came here tonight just to hear a young guy like me. He deserves credit. Does our children's peace of mind mean anything? You bet it does. We should be proud that together we have made it happen.

Now, America's challenge is straightforward. In the 21st century, America must be a military superpower, an export superpower, and an economic superpower.

And in this election, as the Governor said, you're going to hear two versions of how to do that. Theirs is to look inward and try to protect what we already have. And ours is to look outward, to open new markets, to prepare our people to compete, to strengthen our families, our social fabric, to save and invest, so that we can win.

My agenda starts with a commitment to trade, by opening world markets to the fruits of American labor. My opponent says, turn inward. I say American workers can still outwork, outthink, and outcreate anybody in the entire world. New Jersey, this great State, knows what that's worth better than just about anyone. In this State alone, more than a quarter-million jobs are tied to foreign investment and thousands more to exports.

Understanding the reality of this global economy led me to negotiate the North American free trade agreement. That agreement will create the world's largest free trade zone, a $6 trillion market from the Yukon to the Yucatan, and will create 300,000 American jobs, and that is just in the short run. Governor Clinton used to support it. Now he says, ``I'm reviewing it carefully, and when I have a definite opinion, I'll say so."

Well, Walter Lippmann said leadership means guarding, and I quote, ``a nation's ideals." Peter Drucker said, quote, ``Leadership is action." But you know, nowhere have I seen leadership defined as, ``Hey, I'll get back to you later." You can't do that when you're in the Oval Office. You've got to make a decision.

There's a clear choice when it comes to getting the economy going again, too. I spent half my career in the public sector and the other half working for a living in the private sector, running a small business. And I had ulcers to prove it. I think meeting a payroll is a good qualification for being President of the United States. Holding a job in the private sector is a good qualification. What I learned as a businessman is that it's as plain as day that higher taxes do not create jobs. They destroy jobs.

I'll tell you something else I disagree with my opponent about: I believe that Government is already too big and spends too much of your money. That's why I've proposed freezing discretionary spending in a plan to cap the growth of the mandatory spending without touching Social Security. We're not going to mess with Social Security. We're going to control the growth of other spending. And that cap would save almost $300 billion over 5 years, $300 billion. I need your help for that program.

You heard Joe talk about, Joe Kyrillos -- so far Congress has balked at making these tough choices. I want to give you, the taxpayer, the option of taking 10 percent of your income tax and using it for one purpose alone: To reduce the budget deficit. Let's get the crushing weight of debt off the backs of these young people here today.

We can take those savings and cut taxes across the board. I've already vetoed one Democratic

tax increase, and I'll veto another if I have to. I've got a pen right here in my coat to do just that. No more tax increases.

Now, what about my opponent? What about my opponent?

Audience members. Clean the House! Clean the House! Clean the House!

The President. We've got to clean the House. I'm getting to that, now, just a minute.

Well, my opponent's been in the public sector practically all his professional life. He caught the bug during his work on the McGovern campaign, and he's been at it ever since. In fact, he's either been in public office or trying to get into public office ever since he was 27 years old. Just yesterday, Governor Clinton said, ``No government can ever replace the marketplace.'' Well, now, he sounds like he respects and understands the small businessperson. But that's like a guy saying he loves to sail, but he's never been near the water. You've got to understand how it works.

It's reflected in his policies, too. Last week, when Tom Brokaw interviewed both of us and interviewed him, the first words out of the opponent's mouth were, after he said good evening -- he did say that. Then he started talking about raising your taxes. We do not need to raise taxes in this country. I found out the hard way. I went along with one Democratic tax increase, and I'm not going to do it again, ever, ever.

He specifically means $150 billion in taxes. That's his proposal. Then he proposes $220 billion in new Government spending, although Newsweek magazine says it might cost 3 times as much as he claims. They called Governor Clinton's plan an ``economic fantasy.'' And they are right.

Of course, he says he only wants to tax the rich. But you know there aren't enough rich folks to pay for his programs. And he endorsed the $100 billion tax increase passed by the congressional Democrats this year. And he's for it. And I'm against it. And who do you think is right?

I ask New Jersey: Does this saxophone song sound familiar, tax and spend? I wish I could bring every American voter to New Jersey to see firsthand what a liberal Governor and a liberal legislature can do to wreck an economy. Thank God we've got some Republicans in there now. When Governor Florio was in cahoots with the Democratic legislature, they acted like every day was April 15th.

I remembered Governor Kean's motto for this State. Well, today, every New Jerseyan knows all too well: A rubber-check legislature and a rubber-stamp executive are not perfect together.

We need tax incentives to get this economy moving. By the way, if you'll give us Joe Kyrillos and a few more like him, I'd be using my pen not to veto tax hikes but to sign tax cuts into law.

That's what we need.

The solution to our challenge isn't raising taxes. It's creating more jobs. I know that tourism, for example, is a big part of your great economy. I know it creates thousands of jobs. So, as the Governor said, I came here in 1988 and promised to clean up, help clean up your beautiful beaches, and I meant it.

First, I promised to end ocean dumping of sewage sludge. Well, the last barge to ever dump sludge in your ocean sailed from New York Harbor last June. No more. When tourists look out over the shore, they won't see sludge barges. They'll see sailboats.

Second, I want to clean up the sewage coming from New York City and points beyond. We've going to compel New York to build those sewage plants so you don't have to put up with their sewage washing up on your shores and ruining your beaches and vacations.

We're finally getting the garbage out of the water. That's what the Government can do when it confronts real problems with real policies based on real ideas, not an old formula from the past.

Now, while my administration's out helping deliver results on the Jersey shore, my opponent is talking a good game. But let me just give you his record on the environment back in his home State.

According to the Institute of Southern Studies, Arkansas ranked dead last for environmental initiatives, and in the amount of toxics they dump in to surface water, per capita, they were 47th. Now, they did better in the amount they pump into the air, they jumped all the way up to 42d worst. They were way up there at 42 in the percentage of rivers and streams that are polluted, too. There's a rumor down there that night fishing is getting more and more popular in Arkansas because it's so easy to spot the fish: They glow at night. They light up. [Laughter] Yes, the Governor wants to do for America what he did to Arkansas. Why would you want to let him do that?

You know, my opponent reminds me of a tired guy looking into the medicine cabinet, trying to choose among a bunch of old prescriptions that expired years ago. Old medicine will not cure our ills. Tax-and-spend will not solve our problems. It might kill off the patient. Let's not retreat into the past, with tired, expired remedies. Let's press forward into a new century of global economics where America can compete with the best and win a secure and good life at home.

May I thank the veterans who've provided us this wonderful hospitality. God bless those that served our country here, each and every one of you. May God bless the United States, a nation that is on the rise, not on the decline. Don't listen to the pessimists. May God bless the United States of America. Thank you very much.

Note: The President spoke at 3:04 p.m. at the Veterans of Foreign Wars Hall. In his remarks, he referred to Neal Cassidy, commander, Middletown VFW Post; Al Thomas, chairman, and Ben Ferrera, executive director, New Jersey Veterans for Bush-Quayle; Bob Franks, Republican State Chairman; Donald T. DiFrancesco, president, New Jersey State Senate; and Chuck Haytaian, speaker, New Jersey State Assembly.

Message to the Congress Transmitting the District of Columbia Budget Amendment Request

September 9, 1992

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the District of Columbia Government's 1993 Budget amendment request.

The District of Columbia Government has submitted a request to increase its FY 1993 capital authority by $60 million and to reprogram $20 million of capital authority from an existing project. The requested increase in authority is needed to fund the District's share of the remaining 13.5 miles of the Washington Metropolitan Area Transit Authority Metrorail system in accordance with the construction schedule adopted in the Fifth Interim Capital Contributions Agreement.

George Bush

The White House,

September 9, 1992.

Message to the Congress Transmitting the Ireland-United States Social Security Agreement

September 9, 1992

To the Congress of the United States:

Pursuant to section 233(e)(1) of the Social Security Act, as amended by the Social Security Amendments of 1977 (Public Law 95 - 216, 42 U.S.C. 433(e)(1)), I transmit herewith the Agreement between the United States of America and Ireland on Social Security, which consists of two separate instruments: a principal agreement and an administrative arrangement. The agreement was signed at Washington on April 14, 1992.

The United States-Ireland agreement contains all provisions mandated by section 233 and other provisions that I deem appropriate to carry out the provisions of section 233, pursuant to section 233(c)(4). It is similar in objective to the social security agreements already in force with Austria, Belgium, Canada, France, Germany, Italy, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the United States and foreign social security systems to eliminate dual social security coverage and taxation, and to help prevent the loss of benefit protection that can occur when workers divide their careers between two countries.

I also transmit for the information of the Congress a report prepared by the Department of Health and Human Services explaining the key points of the agreement, along with a paragraph-by-paragraph explanation of the provisions of the principal agreement and the related administrative arrangement. Annexed to this report is the report required by section 233(e)(1) of the Social Security Act on the effect of the agreement on income and expenditures of the U.S. Social Security program and the number of individuals affected by the agreement. The Department of Health and Human Services has recommended the agreement and related documents to me.

I commend the United States-Ireland Social Security Agreement and related documents.

George Bush

The White House,

September 9, 1992.

Message to the Congress Transmitting the China-United States Fishery Agreement

September 9, 1992

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith an Agreement between the Government of the United States of America and the Government of the People's Republic of China Amending and Extending the 1985 Agreement Concerning Fisheries off the Coasts of the United States, as amended, which was effected by exchange of notes at Washington May 12 and July 16, 1992, copies of which are attached. This agreement extends the 1985 agreement for an additional 2-year period, until July 1, 1994, and further amends the agreement to incorporate the latest changes in U.S. laws. The exchange of notes together with the present agreement constitute a governing international fishery agreement within the meaning of section 201(c) of the Act.

Because of the importance of our fisheries relations with the People's Republic of China, I urge that the Congress give favorable consideration to this agreement.

George Bush

The White House,

September 9, 1992.

Statement on the Death of Julia Rivera de Vincenti

September 9, 1992

Barbara and I are deeply saddened by the loss of our close personal friend Julia Rivera de Vincenti. She was always an honest and loyal supporter, but much more than that, she was a true friend.

Julia served Puerto Rico with great distinction, and was universally admired. Julia's service did not stop with Puerto Rico. She also served this Nation with great distinction, including her service at the United Nations, where she helped carry forth the message of equity and hope to the entire world.

The Bush family considered Julia a part of our extended family. To her daughter Violeta, Barbara and I send our deepest condolences and prayers.

White House Statement on Fire Danger in the Northwest

September 9, 1992

The President today announced several actions that the administration will take to expedite salvage operations of dead or dying timber in the Northwest and Northern California in order to ease the growing fire danger in that region. Western States, particularly California, are experiencing one of the worst fire seasons in history. This summer alone, there have been over 70,000 wildfires that have destroyed approximately 1.7 million acres of forest and rangeland, burned over 1,200 homes and other buildings, and required the evacuation of over 35,000 people. Fire danger has been particularly acute due to the unusually large volume of timber that is dead or dying because of a 7-year drought that also has exacerbated damage from insects and disease.

The President has directed the Department of Agriculture and the Interior and all other appropriate Federal Agencies to expedite their existing timber salvage sales programs for those areas not falling within spotted owl habitat, where timber harvesting is prohibited by Federal court order. In addition, the Department of Agriculture will issue final regulations updating their policy and procedures for complying with the National Environmental Policy Act (NEPA). The final USDA regulation increases to 1.0 million board feet the amount of dead or dying trees which can be harvested in a single salvage project without having to prepare documentation under NEPA. Pursuant to NEPA and applicable regulations, USDA has determined that timber sales of this magnitude will have no significant environmental effect. In addition to reducing the danger from forest fires, the U.S. Forest Service estimates these actions will increase the timber harvest from these lands by 250 to 450 million board feet for fiscal year 1993.

Remarks and a Question-and-Answer Session With the Economic Club of Detroit in Michigan

September 10, 1992

The President. Thank you all very, very much. Good morning to everyone. Governor Engler, I'm proud to be with you, sir, and thank you for that kind introduction. Greetings to Chick Fisher, your chairman, and Jerry Warren, both of whom have been most hospitable to me. I've been here several times before this most distinguished American forum, and I'm delighted to be back.

This morning I am here for a very serious speech, serious business. I'm releasing today an Agenda for the American Renewal, and I've come here today to introduce it to you and to the Nation.

My agenda diagnoses the economic problems our Nation faces, lays out the principles that should guide us in the years ahead, and explains the integrated approach that I am pursuing to meet the challenge. Over the past weeks I have been discussing certain elements of my economic agenda, and in the weeks ahead I will be expanding on those and other ideas. The document that I'm releasing today shows how the pieces all fit together. But let's begin this morning by stepping back, taking stock of where we are as a great nation in the broader sweep of history.

The American people have just completed the greatest mission in the lifetime of our country: the triumph of democratic capitalism over imperial communism. Today, this year, for the first time since December of 1941, the United States is not engaged in a war, hot or cold. Throughout history, at the close of prolonged and costly wars, victors have confronted the problem of securing a new basis for peace and prosperity. The American people recognize that we stand at such a watershed.

We sense the epic changes at work in the world and in the economy, the uneasiness that stirs the democracies who served as our partners in the long struggle. We feel the uneasiness in our own homes, our own communities, and we see the difficulties of our neighbors and friends who have felt change most directly. We know that while we face an era of great opportunity, we face great risks as well if we fail to make the right choices, if we fail to engage this new world wisely.

But America has always possessed unique powers, and foremost among them is the power of regeneration, to transform uncertainty into opportunity. Only in America do we have the people, the talents, the principles and ideals to fully embrace the world that opens before us.

For America to be safe and strong, we must meet the defining challenge of the 1990's: to win the economic competition, to win the peace. We must be a military superpower, an economic

superpower, an export superpower.

My agenda for renewal asks that we look forward, to open new markets, prepare our people to work, strengthen our families, save and invest so that we can win. Our renewal depends on economic growth but growth not for the few at the expense of the many, not for the present at the expense of the future.

In our country we've always prized an entrepreneurial capitalism that grows from the bottom up, not the top down; a prosperity that begins on Main Street and extends to Wall Street, not the other way around.

That's the lesson I learned as a young man, packed up a Studebaker and moved to Texas after another war, at the start of another era. I saw jobs, prosperity, an entire future, built with the hands of ordinary men and women with extraordinary dreams.

Our Nation has never been seduced by the mirage that my opponent offers of a Government that accumulates capital by taxing it and borrowing it from the people and then redistributing it according to some industrial policy. We know that the clumsy hand of Government is no match for the uplifting hand of the marketplace.

My international economic and trade strategy will guarantee our position as an export superpower, extending our global economic reach in tandem with our security presence to stretch beyond our borders so that we can create more jobs within our borders.

At the same time, we need to foster at home the capabilities that will keep us in the lead: radical changes in our education system to prepare our children for a constantly changing workplace; incentives for the entrepreneurs and new technologies to sharpen our competitive edge; job training, health care reform to promote the economic security of our working men and women; and new approaches for reaching out to those who have been left behind, since in the century ahead we will need the talent and the energy of every single American.

Finally, because our greatest strengths flow not from Government but from the personal initiative of free men and women, my agenda aims to check the growth of Government and, in some important ways, to reverse it. Together, the components of this new agenda should renew America according to her most cherished principles.

This renewed America will be empowered toward a grand goal: to nearly double the size of our economy, to $10 trillion, by the early years of the next century.

To place this agenda in a larger context, let me turn briefly to five profound changes now at work in our economy. When Americans gather around the kitchen table at night and talk about how they'll meet a mortgage or pay the doctor's bill, they're feeling these changes in their daily

lives. Before the changes have run their course, they will have forever altered the way Americans buy and sell, work, and create.

The first great change in our economy is ironically caused by our very success in ending the cold war. In the short run, deductions in defense spending have meant painful layoffs in many industries, and we are taking steps to ease this transition. But in the medium and long run, deductions in defense spending will free up priceless skills and technologies for peacetime growth.

Second, most of our industries are transforming themselves from old-style hierarchies into flatter organizations, with fewer layers between customer and executive. The new organizations emphasize a skill-based work force, ``lean production,'' and shorter production cycles. From castings to computers, this is a revolution as dramatic as the one made earlier this century, when Henry Ford led the country from craft-based production to mass manufacturing.

While these changes are essential to maintaining our competitive edge, they've come with a cost. Everyone in this room knows that: layoffs, cutbacks among both white- and blue-collar workers. These hard-working people need reassurance, not only about their economic security but about preserving the sense of self-worth that only work can provide.

The third change: While the 1980's brought us the greatest peacetime expansion in our history, the boom also led too many of us to take on too much debt. We have been paying that down, that debt, and lower interest rates have helped us do it. The process is largely over, but consumers and companies remain cautious.

The fourth change involves our financial system. We entered the eighties with a 50-year-old banking system, designed for the days when tellers wore green eyeshades, not for an era when billions, billions of investment dollars can cross borders at the speed of light. In the late seventies, record interest rates and inflation rates rocked this anachronistic system. The less efficient institutions could not survive, obligating the Federal Government to protect the savings of millions of Americans.

Now, this process of paying debt down is nearing its end. Our financial system will become more flexible and efficient. But for now, lenders are cautious and, despite low interest rates, small business still can find it hard to get the credit.

But the most far-reaching of these five changes is the emergence of a global economy. No nation is an island today. One out of every six manufacturing jobs is directly tied to exports. The crops sown from 1 out of every 3 acres of farmland are sold abroad.

Consider some implications of the global economy: When growth slows abroad, as it has recently, our own growth slows as well. America will only grow in the next century if we can

compete globally in every part of the world. So we must seize every opportunity to open new markets, particularly those with the greatest potential for expansion.

Now, in drafting an agenda for America's future, we had to assess our strengths as well as our weaknesses. Conveniently, the other side has discovered many weaknesses and very few strengths. Of course, they might find temporary political gain in portraying America as past her prime, over the hill. But they have no more right to argue, for partisan purposes, that our economy is weaker than it is than I have to understate our problems.

Our strengths are real. Now, here are some facts. The ``misery index,'' the sum of inflation and unemployment, is 10.8 percent, down from 19.6 percent in 1980. Inflation stands at about 3 percent. Interest rates are at a 20-year low. The purchasing power of Americans gives us the highest standard of living in the world. We enjoy the highest homeownership rate of all major industrialized countries. We send 68 percent of our children on to higher education, more than any other country, and well above Germany's 32 percent and Japan's 30 percent. With 5 percent of the world's population, we produce 25 percent of the world's total output and 37 percent of its high-tech products.

Now, I don't mean to suggest that all is well, that we don't need to lead and manage the changes that are transforming our economy. But you can't chart the stars if you think the sky is falling down. Over the past 12 years we have almost doubled the size of our economy. It's as if we'd created two extra economies the size of Germany's from scratch.

How will we meet our goals? Before you hear the specifics of this agenda, let me tell you a little bit about what I believe, because change, if it is to be a force for good, must be guided by principles. The principles that must guide change are the principles that never change.

I believe we are a nation of special individuals, not special interests. Individuals draw their enduring strength from their families, from their neighbors and communities, not from the Government. So I believe we must never ask Government to do what families and neighbors and individuals can better do for themselves and for one another.

I believe, because I've seen it, economic growth comes from the small-business woman who takes a risk on a new product, from the computer hacker working in a garage in a cluttered way; from the merit scholar in south L.A., south central, with a future as big as his dreams.

I believe Government owes it to them and to you to keep tax rates low and make them even lower, to keep money sound, to limit Government spending and regulations, and to open the way for greater competition and freer trade. But I do not believe, as some might, that Government's obligation ends there. As a conservative I believe that Government can help people, offer them hope and opportunity by giving them the means and the confidence to make the decisions that matter in life.

My background has also prepared me for the task of bringing our foreign policies and our domestic policies together to turn our strength as a world power to our advantage as an economic power, to match the security we feel militarily with the economic security that we must build at home. From now on, if America is to lead the world, we need a leader who knows the territory.

My Agenda for American Renewal calls for action on six interconnected fronts. There's no single cause of our present situation. There can be no single cure. The whole of our agenda will be, must be, greater than the sum of its parts.

First: challenging the world. During the cold war, we built a global security structure with military alliances across the Atlantic and the Pacific. In the same way, the post-cold-war era requires strategic economic and trade policy, global in scope and built on our foundation as an economic and export superpower.

We are uniquely positioned to achieve this goal. As the largest fully integrated market in the world, we wield leverage with other countries that want access to our market. As both a Pacific and a European power, we are tied to the largest and most rapidly growing economies across both oceans. As the strongest nation in our hemisphere, we are looked to for leadership by free economies emerging from Chile all the way up to Mexico. The same holds true for the newly born economies of Eastern Europe and the former Soviet Union, where our values, our products, even our language, carry a unique appeal. In Moscow today, the lines at McDonald's are longer than the lines at Lenin's Tomb.

The key to America's growth, expansion, and innovation has always been our openness to trade, investment, ideas, and people. As this openness is at last being reciprocated around the world, we find ourselves again at a special advantage.

The next steps in my strategic trade policy are to secure congressional approval of the North American free trade agreement and to complete the global trade negotiations, the GATT round, creating high-wage American jobs and expanding the pool of customers hungry for the fruits of American labor.

Let me emphasize these agreements are steps, not ends in themselves. So I want to announce today that it is my goal to develop a strategic network of free trade agreements with Latin America; with Poland, Hungary, and Czechoslovakia; and with countries across the Pacific. And then, as these external barriers fall, I believe we can help reduce internal barriers to competition as well in North America, Western Europe, Japan, and elsewhere. Greater competition will encourage entrepreneurial capitalism at the expense of Government power and entrenched interests, spurring unprecedented economic growth.

Traveling around the country I've seen it happen already, particularly in some small businesses,

as they strengthen themselves for international competition. A couple of weeks ago, in St. Louis, I visited Public Safety Equipment. They're a company; they make the lightbars that you've seen on police cars. The president of Public Safety told me that a few years ago they recognized they could no longer just sell their products in 50 States, leave it at that. So they took on the world, and now 35 percent of what they make is sold in 48 countries, creating good jobs right here in the United States of America.

Public Safety and the hundreds of thousands of companies like it offer a glimpse into the future I see for all American business. But a business is only as efficient, as resilient, as innovative as the people who keep its books and build its products and devise its strategy. Materials, machines, methods, they'll come and go, but the American worker will remain the key to our economic security.

That brings me, then, to the second part of our agenda: preparing our children. The workplace of the 21st century will be constantly changing. I've heard that from many business people sitting right here at the tables in this hall. We must prepare the American people for a lifetime of learning, to keep a step ahead of that process of change. Now, developed nations need developing minds. The burden will fall on our educational system. As in the past, education should be the ladder that children can climb to better themselves.

Our current school system is not up to the task. Designed for the 19th century, it will collapse under the weight of the 21st. And our educational establishment is caught in the same time warp, where standing still means falling behind.

Money alone is not the answer. The United States already spends more per pupil than any other country but Switzerland. The answer is a radical overhaul of the system itself. If we want to change our country, we simply have got to change our schools.

The catalyst for change, the one reform that drives all others, is school choice, giving children scholarships so that all parents have the freedom to choose which schools will best serve their children. Competition is the principle that must underlie education reform, to break the establishment's monopoly on the system. Competition will not work unless parents are allowed to choose their children's schools, whether it's the public school across town or the parochial school across the street.

Consider just one statistic: In Chicago, 46 percent of public school teachers send their children to private schools. Clearly they know something about monopoly education that my opponent doesn't. Our different approaches to education reform reveal the Grand Canyon that divides me and my opponent. You see the same contrast in child care or health care and a host of other issues. My opponent prefers uniformity to variety and choice, relying on these Government bureaucracies to offer one-size-fits-all service. I don't want to pull everyone down to make everyone equal. I want to give everyone the tools to climb as high as they can dream.

Even as we fix our schools, the question remains: Will there be good jobs for the kids? And that's the third part of my agenda: sharpening businesses' competitive edge. I learned my economics the way most of you did, a lot of late nights sweating over a balance sheet or P&L statement, trying to meet a payroll. I saw that if people are allowed to keep more of what they produce, they will produce more. It's common sense.

When capital is taxed lightly, there's more of it. When it is taxed heavily, it becomes scarce, available only to those who are already wealthy, who need it least of all. That's not the kind of economy that I want.

If capital were more abundant, labor would be more in demand, wages would rise, unemployment lines would shrink. That is the kind of economy that I want. That's why I want enterprise zones in our inner cities and in our rural areas. That's why I want to make this research and development, this R&D tax credit permanent. That's why I want to cut the capital gains tax and index it for inflation.

Those are the fundamentals. I also see three other ways to sharpen the competitive edge of American business:

First, strengthening small business, by cutting taxes, making sure that credit is available, and by lifting the deadweight of Government regulation;

Second, supporting civilian R&D, by bringing the development, production and marketing of technology closer to the consumer;

Third, reforming our legal system. Every year American business and consumers spend up to $200 billion just in direct costs to lawyers, far more than our competitors in Japan and Europe. My ``Product Liability Reform and Access to Justice Act'' will restore rationality to the system and stop undermining the American worker. This is a fact: We will never lead the world in the 21st century until we learn to sue each other less and care for each other more;

The fourth part of my agenda: promoting economic security for working men and women. Again, common sense shows the way. True security will come only by developing individual capability, not dependency. And that independence, in turn, comes through the private sector, not the Government.

Government's role will be to ease individuals' adjustment to a fast-changing marketplace. The average worker today will change jobs, it's estimated, 10 times over the course of his or her working life. So we need a wider and more flexible range of job training and placement services for both the young and old, the blue- and white-collar worker, and now especially for our workers from the defense industries.

Pensions must be portable, and health care must be affordable. Our health care system today, I think everyone here would agree, provides the best care but at an unacceptable price. More than 30 million Americans have no health insurance. Health care costs are the fastest-rising part of our budget for Government, businesses, and yes, families.

My reforms get to the base of these problems while preserving and building on our system's strengths: our state-of-the-art care, openness to innovation, and consumer choice. Taken together, my reforms cut health care costs by $394 billion over 5 years.

My opponent's plan could eventually place a full 13 percent of our economy under the control of the Federal Government, meaning more bureaucracy, rationed care, inefficient service, and in the end, higher costs.

We must enhance competition and market forces, not restrict them. We must preserve individual choice, not hand decision-making over to centralized bureaucracies. We must reduce the burden on employers and employees, not bury them in a tide of new taxes and Government regulations.

The programs I've outlined and that are detailed in this agenda are based on the principles that will empower all Americans to make their own choices and better their lives. But I believe we need to do more for some of our citizens who have been left behind. And that is the fifth component of this agenda: leaving no one behind. The American dream is nothing more than the belief that all Americans can make a better life for their children. The dream has made us the most dynamic society in the world. It's yet another strength we can draw upon for the challenge ahead. So we must give every American a shot at making good on the dream.

I reject the shopworn logic that sees poverty as a simple lack of income, a kind of economic shortfall that can be replaced with a Government check. A conservative philosophy of empowerment must have at its foundation the creation of character through the ownership of property, through the dignity of work. That means sweeping away the nightmare of crime from our cities, building a core of property owners, creating business incentives, and making individual discipline and self-reliance the goal of all of our programs.

I call the final component of my agenda ``rightsizing'' Government. You'll recognize that I take the term from the business world, which has a lot to teach those of us in Government. At a time when companies across the country have been restructuring, increasing efficiency, all to prepare for the economic competition of tomorrow, the Federal Government faces an obligation to do the same.

Today the Federal Government spends nearly 24 cents of every dollar, 24 cents of every dollar of the Nation's income. That's the fact: Government is too big and spends too much. The size and structure of Government are relics of a different age, artifacts more suited to the dilemmas of 50 years ago than the problems of today. Every institution in our society has learned that by

pushing power down through organizations, by using technology to speed the flow of information, you don't just save money, you improve productivity. It's time for the Government to do the same.

I will streamline Government, consolidating agencies, tightening budgets, and cutting the salaries of highly paid Federal employees. I'll start by cutting the White House budget 33 percent if the Congress cuts its own budget by the same amount. You might say: Why the linkage? Well, with fewer congressional staff badgering us for endless reports and endless visits to Capitol Hill, I know we can cut costs by that amount. I'll cut the salaries of all Federal employees earning more than $75,000 by 5 percent. Taxpayers have tightened their belts. The better-paid Federal workers should do the same.

The agenda I publish today contains specific proposals to cut the fat: a cap on the growth in mandatory spending without touching Social Security; a freeze on domestic spending; a balanced budget amendment; a line-item veto; and a new mechanism, disciplinary mechanism, a check-off box on tax returns to give the taxpayer the power to cut the deficit. I will fight to reduce spending and spur growth so we can get this budget in balance.

Unlike my opponent, I do not believe the American people are undertaxed. Quite the opposite: I am committed to cutting taxes across the board. Let me offer an example -- this is just an example -- as an illustration of what we could do: My cap on the growth of mandatory spending allows for population growth and inflation. It specifically exempts Social Security. But that cap alone, with those caveats, would save about $300 billion over 5 years. If we used just $130 billion in specific spending cuts that I have already proposed -- specific spending cuts of $130 billion that I have already proposed -- we could cut income tax rates by one percentage point across the board, reduce the small business tax rate from 15 percent to 10 percent, and reduce the tax on capital gains.

That's the direction that I want to go: tax less, spend less, cut the deficit, and redirect our current spending to serve the interests of all Americans. I honestly believe that this is the way, the only way, to control the size of the Federal Government. The facts are painful, but plain: For Congressmen, spending is power, and they will exercise that power until they have spent every last dime they can squeeze from the working men and women of America. It's as simple as this: Raising taxes won't cut the deficit.

Here, then, is my Agenda for American Renewal. It comes at a time unique in our history, a turning point, a moment when one era is passing away and another is being born. In the agenda published today, you'll find 13 proposals that I intend to achieve in the first year of my second term. I present them as a single program, a unified strategy to make change work for America. Over the last 3 years I've shown how America can change the world, and we've made a respectable start managing the change at home. Our primary task now is to target America.

I intend to fight for this agenda, to fight as hard as I can. With a new Congress -- it can have as many as 150 new Members, I am optimistic. If Congress balks, we'll move forward anyway, just as I have done with education, regulatory, and welfare reform. I'll work with our great Governors, like John Engler, with the State and local governments, with the private sector, with anyone who shares the urge to renew our country.

The American people know that the events of recent years have shaken the world. With the close of the cold war we can achieve peace, prosperity, and promise at home. The American people want that. The American people deserve that.

I want America to seize this moment. I want to stimulate entrepreneurial capitalism, not punish it. I want to empower people to make their own choices, not yoke them to new bureaucracies. I want a Government that spends less, regulates less, and taxes less. I will fight without hesitation for a free flow of trade and capital and ideas around the world, because Americans never retreat; we always compete.

My agenda draws together our people and our Government to meet this challenge. We will create a $10-trillion economy, and we will renew America, and we will win the peace.

I know that times have been very, very difficult for many Americans. The world that we knew as children, no matter your age, will never be the same. America will change. That's our destiny. How it will change will soon be decided.

I ask, as you consider the choice that you face, to consider carefully whose agenda for change best fits America's principles, our national experience, and our hopes for lasting peace and prosperity.

Thank you for your attention. And may God bless our great country. Thank you.

Governor Engler. Thank you, Mr. President.

Ladies and gentlemen, we have about a hundred questions for the President. We probably will not get through all of them, but, Mr. President, I will do this from this microphone so that we can expedite this.

The first question deals with the Democratic Congress. Maintenance of the Democratically controlled Congress is highly probable. How do you propose working with them, more effectively with them, over the next 4 years?

The President. Well, I answered that partially in my comments. Not only because of the post office scandal and the bank scandal, there's going to be an enormous change. I've felt that I've had some difficulties with confidence in America, but the Congress has really had problems. The

Congress is in a state of change and flux, particularly in the House of Representatives.

So what I've proposed is that when Congress meets -- the new one -- I will get together with all 100 or 150 Members and say, ``Look, you and I have been listening to the same song, the same American people.'' They want the kind of changes that I've outlined here today, and I believe most Americans really do. And I'll say, ``Now let's get together, lay aside partisanship, and let's, in the first 100 days, enact this agenda.''

I'm going to have to move fast, but with a new Congress I think we'll have something entirely different than the gridlocked Congress that I've been facing. I really believe that there's going to be that much change. You've already seen it. You've already seen it happening in many of these primaries, and it's still going on.

Governor Engler. This speech was billed as an economic agenda. Why now, in the last 60 days of the campaign? Why not before?

The President. Well, as you may know, I've addressed myself to many of the components of this agenda: health care, several times taking that case to the American people; America 2000, our education program; fighting for our anticrime legislation. So what we've tried to do here today is bring all the elements together that come under this outline I put forward, bring them all together in a comprehensive way.

The most significant thing that I've tried to do is to say, ``It's one global economy.'' We are in this now together, linking international trade to opportunity for the American worker, linking international trade and global peace and security to prosperity for every American job holder. It's that concept, that very broad concept that I think is somewhat different in the presentation today because ingrained in a lot of this are the very same programs, like enterprise zones and these others I've clicked off, that I think are absolutely essential; say nothing of the philosophical difference I have with Governor Clinton: tax and spend versus trying to get the taxing and spending down and get that 24 percent of gross domestic product out of the Government's hand; get it down to 20 percent or get it lower.

So it's trying to put a comprehensive plan out there that encompasses many of the ingredients we've been talking about.

Governor Engler. Last month Governor Clinton was asked about CAFE standards. He said he'd be flexible. What is your position?

The President. Well, I'm not flexible. So we've got a difference. He has proposed, as I understand it, in his plan that the CAFE standards go to 40 -- I believe it's 40 miles per gallon. There's a wealth of opinion that says that would be devastating to the automobile business. In the name of environment, ``Vice President Gore'' has been talking about the combustion engine as

being the worst threat to society. I've got to be careful with how I quote him, but look it up in his best-selling book. It is scary. It is bad.

Governor Clinton ought to repudiate him or certainly ought to clarify his position. He told some business executives that he was studying the National Academy of Sciences report. I'm told it's a big, fat thing about this, with a square root and all these things through it. So when he gets through reading that, maybe he can take a position on the NAFTA agreement, which he hasn't read either.

But I'm saying that we don't need to go to the extreme. My administration has a good, sound environmental record. But when I went down to Brazil, people of the environmental community, some of them, jumped all over me and said I wasn't leading. Well, let me be very clear, I am not going to go adopt standards, whether it's a CAFE standard of this or whether it's a strange policy regarding an owl, that throw a lot of Americans out of work. And we might as well understand that.

Yet we have a sound environmental record. I'm not apologetic about it at all.

Governor Engler. Why do you hate us trial lawyers so? [Laughter]

The President. I might have to hedge if I'd known you were one. [Laughter]

Governor Engler. There's an editorial here, ``We don't destroy wealth. We just move it around." [Laughter]

The President. It's not a question of hating anybody; it's a question that I think the American people understand. When I went to a small town in Idaho, I was expecting to get all kinds of questions on nuclear energy or on wilderness areas. And the community people, the business people, chamber of commerce people, the main subject on their minds were these frivolous lawsuits. When I look at health care, and I see malpractice insurance estimated to cost between $25 to $50 billion a year because of tests that doctors have to give to protect themselves against outrageous suits, I just think we've gone too far and that we ought to control some of these liability -- [applause] -- some of the tort claims, some of these reckless suits.

I have here a distinct -- far be it from me to inject to partisan note into this wonderfully nonpartisan audience -- [laughter] -- but I have a real difference with Governor Clinton on this one. The trial lawyers of Arkansas put out a letter saying that he's been with them on everything they've ever asked, and don't worry, just go in for the Governor so he'll protect against legislation that would try to put some caps on these outrageous suits. We've got a chance right now in the Senate; the Kasten bill is coming up on product liability. And we've got to continue to fight to get through that gridlock up there in the Congress some legislation that would at least lower the burden on the American people, the doctors, whatever it is in terms of too many

lawsuits.

Governor Engler. How realistic is it to double the size of our economy by the early years of the next century?

The President. It's realistic when you consider that if you use inflation plus real growth, that is not too heightened a goal. We can do that. You've got to do the math on it, but you're talking about 7 percent, I think. And I believe we can do that. We've had anemic real growth. I'm convinced it is not going to remain anemic in the less than 2 percent area. Coming out of the last recession it got up to 5 percent.

So I think the goal is very much achievable. I might say, I don't want to achieve it by raising inflation, however. I want to get it achieved by real growth. I mean, you can run inflationary policies and grow. So I want to be very careful when I say: one, it's achievable; but two, I want to achieve it with real growth, not with inflationary growth.

Governor Engler. What do you say to the American workers who believe that free trade means jobs lost abroad?

The President. Well, again, I tried to address myself to that one. I think that it means jobs increased in this country. Our trade with Mexico has gone way, way up without this free trade agreement. In my view, it will go up a lot further, and that means American jobs.

We've got experts on the auto industry here, but I am convinced that they are not going to export their factories to Mexico. There are a lot of considerations. One of them is the productivity of the American worker. Another one is interest rates. Another one is capacity, available capacity, in whatever industry we're talking about.

You're going to raise the environmental standards in Mexico. And I think you're going to cut down on the cross-border flow of illegals that I think is burdening a lot of our country, particularly California. I believe in my heart of hearts that what we're going to do is see a massive expansion into that booming market in Mexico. It's already happened in Canada. Our trade with Canada, our largest trading partner, as everyone here knows better than I, has gone way, way up.

I'm convinced the same thing would happen for American agriculture products, not only with Mexico but when we get a finalized agreement with the GATT. Now, that GATT round is on hold until after the French vote on Maastricht. But we're going to keep pushing on it. It has nothing to do with American politics.

I went up there realizing that the unions would take a shot at me on finalizing NAFTA right now when we did, getting an agreement that we can at least get before the Congress. It transcends

domestic politics for me. I am so convinced that it will increase markets and increase jobs that I don't have to equivocate. I don't have to hedge. I don't have to read the National Academy of Sciences studies or whoever's doing it. I know enough about it from being briefed by a very able Ambassador Carla Hills to recommend to the American people that we approve NAFTA and approve it just as soon as we possibly can.

Governor Engler. There are a couple more. In black American newspapers across the country, black Republicans are labeled Uncle Toms, opportunists, and lapdogs for white Republicans. Do you have words of encouragement for black Republicans under attack? For black Americans who are Republican, the agenda's the same as for any American. Why can't black Republicans desire the American dream. Is not the same dream for all Americans? Please comment.

The President. He just answered my question. You should be able to have the American dream. And I would ask black voters across this country -- a good podium right here to do it -- how well have you done under the Democratic Party? Are you going to let people take your vote for granted, promise and forget, promise and forget? Or are you going to try to go with something that's going to give people an enterprise zone so you can bring jobs into the inner city? Do you favor the old way of doing it in housing, where Government built these big tenements that then go downhill real fast, or do you want a shot at the American dream and owning your own home?

We've got good programs that offer hope and opportunity to black America, to minority Americans wherever they're coming from. And I want to see them enacted. So I would say to black Americans, I know it may be tough in your communities, but you're leaders. You're willing to stand up for principle. And don't blacks care about tough anticrime legislation? Aren't their neighborhoods the ones that are impacted and sometimes the worst because of street crime? Don't we owe them strong anticrime legislation that backs our police officers and doesn't leave them neglected? Don't they have a stake in world peace? Can't a black Republican stand up in his community and say, ``I'm delighted that my kid goes to bed at night without the fear of nuclear war that we had before?"

We've got a good agenda. And I'd like to see some more of them stand up and say, ``Listen, I am with you. We're with you." And we've got some outstanding black leaders doing just exactly that who are willing to think anew and not be taken for granted.

Governor Engler. When is the debate likely? Are there any restrictions? How much of the press would you like to be directly involved?

There were several questions on this. This is one of them.

The President. I have no problem with the format we used before. I mentioned this on the Tom Brokaw show. I'll debate Governor Clinton. I'm not a professional debater. I'm not an Oxford man -- [laughter] -- and I think he's good at that. I mean, he's got more statistics than there are

problems. [Laughter]

I know I'm up against a formidable debater, but it's not anything other than, look, I'll be there. I'll let my capable staff figure this out, and whatever they recommend, I'll show up. I think I've done reasonably well in the debates in the past. You ought to try taking on Geraldine Ferraro if you think things were tough. [Laughter] We go back a ways on these debates.

So I think there will be debates, and I've already indicated I think the format was very fair, the way we've been doing it in the past. But as I said on Brokaw's, you get some intellectuals out there and the Harvard schools, and they all want you to have 25 debates. And I don't think it's that big a deal, but I'll take my case to the American people any way I can, including debates.

Governor Engler. Well, the last question, Mr. President. Next time in Detroit could we have breakfast, my treat? My name is Patrick Campbell from Edward Township. [Laughter] He addresses that to you and Mrs. Bush.

The President. Well, Patrick, it's tough times. I'll be glad to accept your offer. [Laughter]

Governor Engler. Thank you, Mr. President.

The President. Thank you all very, very much. Thank you. A great pleasure to be with you.

Note: The President spoke at 1 p.m. in Cobo Hall. In his remarks, he referred to Charles T. Fisher III, chairman, and Gerald E. Warren, president, Economic Club of Detroit. He also referred to the corporate average fuel economy (CAFE) standards for automobiles.

Remarks at Missouri Southern State College in Joplin, Missouri

September 11, 1992

The President. Thank you so very much.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you all so much. What a welcome. What a great welcome to Southwest Missouri. Thank you all.

First let me salute your -- our -- great Governor, John Ashcroft. You are lucky to have this man, and what a job he's done for this State. Thank you, John, for that introduction. May I salute another great citizen of Missouri who is working in Washington. If we had more like him, we wouldn't have to clean House. I'm talking about Kit Bond. Send him back. He's doing a superb job there. And of course, another one, your own Mel Hancock with whom I worked on so many issues, delighted he's here. Then our next Governor, the Attorney General now, you know who I'm talking about, Bill Webster, GOP candidate for Governor. May I salute Mayor Johnson, and our host, Dr. Leon.

I spend my days in the Oval Office in Washington. Let me just say it's great to be in the Oval at Missouri Southern State. I think Millie would like it out here in this Oval, I'll tell you.

Four years ago when I spoke on this campus, our country, our cities, our towns were marked by thumbtacks on a war map inside the Kremlin walls. Today, I stand before you and say something that no President has ever been able to say before: The cold war is over. Freedom finished first.

I think young people understand that reducing the fear of nuclear weapons is something that is very, very important. Peace is precious but precarious. We must know its risks to reap its rewards. For America to be safe and strong, we must win the defining challenge of the 1990's. We must win the economic competition. We must be a military superpower, an export superpower, and an economic superpower. This must be our goal.

Our goal: a $10 trillion economy by the beginning of the next century. The opposition will tell you we can't cut it. I say any way you cut it, America can get the job done. We are not pessimists. We are optimists about this greatest country in the world.

Yesterday I released my Agenda for American Renewal. This is my agenda for action. America's a place where ordinary people can do extraordinary things if only they're set free. Here are my keys to unlock the door.

The first unlocks foreign markets. It's called challenging the world. I want to complete the global trade negotiations and get congressional approval of the North American free trade agreement. Trade with Mexico and Canada already brings $2 billion into this State each year. Our agreement would turn the entire continent into a gigantic free trade zone, a $6 trillion market from Manitoba to Mexico City, and create over 300,000 jobs for American workers.

So do not let the other side try to scare you into thinking we're not up to the job. I believe that when trade is free and fair, American workers can beat the competition fair and square, anywhere. I'm certain of it.

When it comes to exports, I say this continent is not big enough alone for the American worker. I want a free trade agreement with Chile, Poland, and with Hungary. We will have these agreements, and we will lead the world to a new era of commerce. And we will do it by the end of my second term, the end of the next 4 years.

Audience members. Four more years! Four more years! Four more years!

The President. You know, I'd hoped to come here and not talk about my opponent, but I've got to mention this. [Laughter] I just have to. He used to support the free trade. First he was for the Mexican free trade agreement. Then he wasn't quite so sure. And now he says, ``I'm reviewing it carefully, and when I have a definitive opinion I will say so." Now, are there any history students in the audience? You may recall that Walter Lippmann said leadership means guarding, quote, ``a nation's ideals." The Roman historian Tacitus defined leadership as, quote, ``reason and judgment." But you know, I studied a little history, and I don't recall ever hearing leadership defined as ``Please leave a message, and we'll get back to you later."

It doesn't work that way in the real world. There's no ``call-waiting" on the phone in the Oval Office. [Laughter] When you're President, when you're Commander in Chief, you have to make decisions, and you have to make decisions whether they're popular or not. And I stand with free trade agreements because they are good for American jobs and American workers.

The second key is preparing our children. Developed economies demand developing minds. Our schools must prepare our kids to compete on a world scale. We must raise standards. We must demand accountability. And we must give parents the right to choose their kids' schools. My ``GI bill" for kids would give scholarships to your younger brothers and sisters, your children maybe, so that kids can go to the school that their parents choose. Now, both Clinton and I, Governor Clinton and I, want to change the schools. He wants to change them a little. I want to change them a lot. My opponent says he's for a variety of school choice. His variety: public, public, public. I disagree. Whether it's a public school, a private school, or a religious school, I believe parents, not Government, should choose their children's schools.

The third key must unlock the future: We must sharpen businesses' competitive edge. My opponent wants to do for American business what he's done for Arkansas businesses. But if you ask the entrepreneurs of Arkansas, they'll tell you there's been little hope in Little Rock. Private dollars build more businesses. Public dollars build more bureaucracies. Which do you think will help our economy?

I believe that we must cut the regulations that turn redtape into pink slips. And we've got to put a restraining order out on our legal system. This country is suing itself silly. But the cost to our competitiveness is no laughing matter. Just yesterday, just yesterday on the Senate floor we had a chance to change our product liability system and put an end to these crazy lawsuits that are costing America jobs. But the liberal Democrat leadership heard from their friends, the trial lawyers, and twisted a few arms. When they were finished, they wouldn't even let the issue come up to a vote in spite of the majority wanting to do something about these lawsuits.

Now, ask yourself, which candidate for President will fight against the special interests, the trial lawyers? When it comes to taking on the trial lawyers, my opponent's over in the other corner, sponging their brow. I want to step into the ring for another round and strike a blow against frivolous lawsuits.

The fourth key is promoting economic security. That means job training to ease our workers into the new economy. It means health care reform, proposals that I've introduced to cut almost $400 billion of health care costs over the next 5 years so that you and your neighbors can afford it. And I will bring insurance to the poorest of the poor. Everybody should have a shot at insurance, and that's what our plan does.

Governor Clinton's ideas could end up turning 13 percent of our gross national product over to the Government. I don't like the idea of Uncle Sam, M.D. I don't believe that's the right prescription for America.

And the fifth key, and it's one I know young people are concerned about, is leaving no one behind. My approach to welfare is not how much we hand out but how many we help up. The policies of the past put a roof over people's heads, but they forgot to build the door. We must build that door with housing vouchers, enterprise zones, and workfare reforms. You see, I believe that our policies won't work unless people do, too. Workfare, not welfare.

The final key is what I call ``rightsizing'' Government. Today the Federal Government spends almost a quarter of every dollar of the Nation's income. Apparently my opponent thinks we're getting off cheap. He's proposed already $150 billion in new taxes and at least $220 billion in brand new spending, and that's batteries and spare parts not included. He's promising a rainbow, but first you've got to hand over the pot of gold.

Recently the people of Missouri voted down a tax increase and sent a message that should echo

from coast to coast: Government's not taxing too little; it is spending too much. So send that same Missouri message to Washington when you vote this November.

The agenda that I published yesterday contains specific proposals to cut the fat: caps on the growth in mandatory spending, a freeze on domestic spending, a balanced budget amendment, a line-item veto. Your Governor, your able Governor, Governor Ashcroft, has a line-item veto, and he's used it almost for a quarter of a billion dollars, to keep that in your pockets. Imagine what a President could do with the same power. I've also proposed a check-off box on tax returns to allow you, the taxpayer, to earmark 10 percent of your income tax to reduce the budget deficit. If Congress won't do it, let's give the taxpayers their own private veto pen.

I am committed in this campaign to providing serious answers to the questions Americans are asking about our future. I've diagnosed the problems and offered serious solutions, not all of which are popular. And I'm asking for a mandate to put my solutions into action and get this country moving.

For now at least, my opponent has chosen a different strategy. Rather than talk about what he wants to do for America, he spends his time belittling my ideas, playing on fears. One example: I want to talk about limiting the growth of spending to get the deficit under control, an idea my opponent says he agrees with. But instead of offering serious ideas of his own, he simply says, ``Watch out, senior citizens. Watch out, veterans. Watch out, disabled Americans." It won't work. This administration has strengthened Social Security. We have stood beside the Nation's veterans. We signed legislation that brought the disabled into our economic mainstream. Do not let this Governor try to scare you, America.

Governor Clinton is running a Freddie Krueger candidacy. [Laughter] He's more interested in playing on people's fears than in dealing with this country's real problems. I don't want to scare the American people. I want to deal with our real problems. I want to get America moving forward. I am confident that I will win this election because I know America doesn't scare easily. We know the future holds its challenges, but we're not cowards; we're not quitters.

Let me tell you a little story about a fellow born not far from here, in Commerce. Maybe you know him. Mickey Mantle played in the minors right here in Joplin before he went up to the Yankees. His dad was a coal miner, Mutt Mantle, and he worked all his life in the mines so that Mickey wouldn't have to. Then one day Mutt got a long-distance call from his son. The Yankees were sending Mantle back to Joplin. Mickey said, ``Dad, I can't play." Well, Mutt just hung up the phone, jumped in his car, drove through the night to Mickey's hotel. Without a word, he started packing his son's suitcase. Mickey said, ``What are you doing?" His dad replied, ``You can work the mines with me. You can come back and work in the mines with me. I didn't think I raised a quitter." That night Mutt Mantle drove home all alone.

America is like Mickey Mantle: In face of tough challenges, we never quit. Confronted with the

cold war, we didn't flinch, and we won. Confronted with the new economic competition, I say this: America will never retreat. We will always compete, and we will win.

I need your help. The next 53 days are going to be difficult. I've never seen a political year like this in my life. I promise you to continue to advance real issues, and I ask for your support because our ideas are right for America. My opponent says we're a nation in decline. I say America is always on the rise, if we but make the right choices. So for our great country, for America, it's time to step up to the plate and hit it out of the ballpark.

Thank you. God bless each and every one of you, and may God bless the United States of America. Thank you very, very much. Thank you.

Note: The President spoke at 9:30 a.m. on the Oval. In his remarks, he referred to Bernard Johnson, Mayor of Joplin, and Julio S. Leon, president, Missouri Southern State College.

Remarks at the Job Corps Center in Excelsior Springs, Missouri

September 11, 1992

Thank you so much. And may I say to Booker T. Jones, I am just delighted to be here. He's the president, as you know, and CEO of the company that runs this Job Corps Center. Thank you for the introduction, the information, and this warm welcome. And may I also salute one of the Nation's truly great Governors, John Ashcroft. That man has done so much for his country. And two members from the Department of Labor, John Douglas and Wayne Jenkins, are here. And John Thomas is the president of the student body. Thank you, sir, glad you're here.

Just before I got here, I met out at the airport today with a hometown hero, Derrick Thomas. He said something ugly to me about beating the Washington Redskins. But, nevertheless, he runs this Third and Long Foundation, when he's not running down the opposing quarterbacks. On Sundays you know him as number 58, but today he's the number 832, that's the 832d daily Point of Light. And it is a wonderful thing he does. I just wanted to salute him here. Actually, when I got up right next to Derrick I didn't know whether he was a Point of Light or whether he ought to be called a lighthouse. But nevertheless, big guy.

And I know Derrick will agree when I say it's great to see the team spirit here at this Job Corps Center. I read about it, heard about it, and now I get to see it firsthand.

We're in a political season so tough that it makes what goes on in Arrowhead Stadium seem like two-hand touch. So when you're all done with your training, I would like to invite all the carpenters here back to Washington. You see there's a certain House on Capitol Hill that's in need of a little cleaning and a little renovation. You know Bob Vila's show, ``This Old House." Well, there's an old House of Representatives right there in Washington that hasn't been cleaned out for 38 years. Let's do something about it.

Let me tell you why I'm here at the Job Corps cutting into your lunch hour. I've just seen firsthand the fruits of your labor, the skills that you will use to succeed in an economy that seems to change, literally, day by day. Today, I want to talk to you about your world and tell you how America as a nation is ready to move forward to a future of peace and prosperity, if we but make the right choices.

As we gather today, I am proud to be the very first President who can say, the cold war is over, and freedom finished first. But with change comes new challenges. The defining challenge of the nineties is to win the peace, to win the competition of this new global economy. In the 21st century, America must be not only a military superpower but an export superpower and an economic superpower. And we start with an honest appraisal of our weaknesses and our

strengths. My opponent talks about an America in decline, but just remember, if you want to talk to the most productive workers in the world you don't fly to Japan, you don't have to fly to Germany. You can look right here in the United States of America because the American worker is the most productive worker in the world.

Now, how do we guarantee that our workers will still be the world's most productive and that there will be plenty of high-wage jobs in your future? Yesterday in Detroit, Cobo Hall there, I set out a strategy, what I call my Agenda for American Renewal: six challenges we must meet to move America forward. And I set a goal. Today our national economy is nearing $6 trillion. My agenda will make America the world's first $10 trillion economy by the first years of the 21st century. We can do that.

The Agenda for American Renewal starts with these facts. Right now in our factories one of every six manufacturing jobs is tied to foreign trade. On our farms, produce from 1 in every 3 acres that we harvest will be sold abroad. And in the century ahead and in your lifetimes, the percentage of your paycheck that comes from what America sells abroad is only going to grow. And so, the bottom line in our new world economy is this: exports equal jobs. And I have faith that if we open foreign markets, our workers will satisfy the demand for our products. And so, my agenda starts with a global trade strategy, a network of new free trade agreements from Chile to Hungary, from the Pacific nations to Poland. Give America the opportunity, and I know that we can respond to the needs of any customer anywhere.

But as Booker here knows, developed economies need developing minds. And that's why this Agenda for American Renewal takes aim at the critical challenge: preparing our kids, our children, for the new century ahead. And that literally has to mean a revolution in American education. Competition works in our economy. It's time to bring that same competition to the classroom. I offer a ``GI bill'' for kids which would give $1,000 scholarships to every parent, so they can choose where their kid should go to school, whether it's public school across town or the private or religious school across the street. You see, I firmly believe that the parents, not the Government, should decide which school is best for the kids.

Now, the third key component of my Agenda for American Renewal: helping America's businesses sharpen their competitive edge. You see, small businesses create two-thirds of all new American jobs, and they're the first to turn change to an advantage in a fast-moving economy. And when you finish this program, a small business is where you'll most likely end up to find a job. We must ease the burden on small business. Small businesses need relief, relief from tight credit, overregulation, taxation, and certainly, litigation. Let me expand on that last point. America has become the land of the lawsuit. Each year we spend, get this one, $200 billion on direct costs to lawyers. I think that is crazy, and I have a plan to put an end to these crazy lawsuits. America won't work until we start suing each other less and caring for one another more. Yesterday the Trial Lawyers Association threw another curve ball to the American people when the majority will in the Senate did the will of the trial lawyers and beat back a chance to do something about liability reform. A sad day in the United States Senate.

Now fourth, my Agenda for American Renewal means promoting economic security for working Americans. That means, it's got to mean health care reform, to make health insurance affordable to all Americans, and make sure you're never locked into the job you want to leave because you're worried that you've got to lose your health care coverage. We're going to make it transferrable. And it also means a pension or a retirement plan that you can take with you throughout your career.

Fifth, the agenda must mean an America that leaves no one behind. That means programs that break the cycle of dependency, that help public housing tenants become homeowners, that help people on welfare find work, that help people without hope take heart. We don't owe every American a living, but we do owe every American an opportunity.

And finally, my agenda won't be complete until we bring change to one of the most change-resistant institutions in America, the Government. I call my idea ``rightsizing'' Government. But whatever we call it, I know you'll agree, Government is too big, and it spends too much. Here's where I have a major difference with the Governor of Arkansas. He wants to make big Government even bigger. To be precise, he's already on record for at least $220 billion in new spending and $150 billion in new taxes, just for openers. Now, my opponent likes to tell you he'll only raise taxes on the rich. But I'll tell you this, his taxes, he's going to end up taxing all working Americans for the same reason outlaw Willie Sutton robbed banks: because that's where the money is. I don't think people are undertaxed; I think Government spends too much. That's why my agenda includes a new idea to drive down the deficit by giving you, the American taxpayer, if you want to do it, power to earmark a full 10 percent of your Federal dollars for one purpose and one purpose only: to pay down the national debt. If the Congress won't cut that deficit, let the voters do it.

My new plan is comprehensive, filled with specific answers to questions Americans are asking around their dining room tables these days. One of those questions is how will we stay ahead of the changes in the world economy.

According to some studies, just 2 percent of you will work the same job from now until retirement. The average worker can expect to change jobs 10 times during the course of his career. You need real-world security, skills you can put to work now and 10 years from now. But just as you can't drive a nail without a hammer, you can't build a dream without a job. You're here at Job Corps because you know that it takes more and better skills to earn good jobs, and you decided you were going to do something about that. Well, America has work to do, and we can't let your drive go to waste. Maybe 50 years ago, a strong back might have been enough to get a good job. In our changing economy, it's not enough anymore. What you earned yesterday with sweat you've got to earn tomorrow with skills. That's why last month, I announced new initiatives to focus Federal job training on the kind of real-world skills Americans like you and Americans of all ages need in this new world economy.

To help young people find that first job we have a program called the Youth Training Corps, modeled after Job Corps programs like this one. We want to get these inner-city kids off the mean streets and give them a second chance to build the skills they need to succeed. For older workers who've lost their job or worry that that next pay envelope might bring a pink slip, we've developed a new idea called skill grants. We want to give workers vouchers worth $3,000 to be used towards the training program of their choice. And let me say this: Choice is critical. I don't see job training as an excuse to shoehorn you into whatever program has an open slot or the next box on some bureaucratic checklist. I want to give you the power to go where you want to get training in the kind of career that you choose.

These are some of the ideas I'm talking about to renew America. Many are underway, others just beginning. You see, I am committed in this campaign to providing serious answers to the questions Americans are asking about our future. I have diagnosed the problem; I've offered serious solutions, not all of which are popular -- can't do that when you're President. And I'm asking for a mandate to put these solutions into action and get this country moving.

I firmly believe that my opponent, at least for now, has chosen a different strategy. He has chosen a different strategy: Rather than talk about what he wants for America, he spends his time belittling my ideas and playing on fears. One example: I want to talk about limiting the growth of Government spending, which my opponent says he agrees with. But instead of offering any ideas of his own, he simply says, ``Watch out, seniors. Watch out, veterans. Watch out, disabled Americans." This fear campaign must not work.

Our administration has strengthened Social Security. I have said time and again I will not mess with Social Security, and we haven't; we've left it sacrosanct. You look at the budgets, and we have stood, not just because I am one, but we have stood beside the Nation's veterans. And we're going to keep on doing that. And he tries to scare the disabled. I signed the most original legislation that brought the disabled into our economic mainstream and gave them a shot at the American dream. And that's what we've been doing, and we ought to deserve some support from the American people for that and not let him scare us. It seems to me Governor Clinton is running a Freddie Krueger candidacy. [Laughter] He's more interested in playing on people's fears than in dealing with this country's problems.

You know, I know times are tough and that Americans have real concerns. But I hope America will reject who plays on your fears. You need to hear leaders talking about these ideas, real ideas that are right for our country. You see, we stand on the cusp of a new age in our Nation. We've changed the world -- just look back into history -- we have literally changed the world. And our children, these children right here, sleep safer because of our actions. They don't worry as kids before them did about the fear of nuclear war. That is significant. That is a major contribution to the world. And now, now we can devote that same energy, that same determination we used to win the cold war to building a safer and more secure America right here at home. With this agenda that I've outlined today, I believe we can renew America and build a better and brighter

future.

Thank you all for this wonderfully warm welcome. And may God bless the United States of America. Thank you very, very much. Thank you.

Note: The President spoke at 11:47 a.m. at the Excelsior Springs Job Corps Center. In his remarks, he referred to Wayne Jenkins, Job Corps Project Manager; John I. Douglas, Job Corps Regional Manager; and Derrick Thomas, Kansas City Chiefs football player.

Remarks to McDonnell Aircraft Employees in St. Louis, Missouri

September 11, 1992

Thank you so very much for that warm welcome to McDonnell Douglas. Governor Ashcroft, thank you for your service to the State, for that warm introduction. Let me say it's hard to define a successful bombing mission when you get shot down, but I am confident -- [laughter] -- I am confident that if I had one of these Eagles out there it would have been an entirely different story.

But I'm proud to salute the men and women of McDonnell Douglas, leaders in technology and innovation. I'm delighted to be here with Cass Williams, a union leader of renown, a man I go back with more years than either he or I would like to admit, but a good man and delighted to be here. No stronger advocate for the workers here.

Kit Bond, of course, I'll say more about in just a minute, but doing a superb job. And yes, I'm counting on him in the Senate.

I have decided to notify Congress to sell up to 72 of your F - 15's to the country of Saudi Arabia. I am delighted to make that announcement.

I know that the strength of this corporation extends far beyond the material that you forge into planes. McDonnell Douglas is a pillar of this great community, and you've always given back, and you've been a good neighbor.

I'm also aware that the past few years have been difficult for this company, for a lot of Americans, as Americans have had to adjust to the reality of a new and more peaceful world. I know that many of you have been anxious about what the future will bring and especially about the status of the Eagle, about the F - 15.

I have been sensitive to the impact of this contract on your production line, your jobs. In these times of economic transition, I want to do everything I can to keep Americans at work. But as Commander in Chief, I have a responsibility for the national security of our great country. I had to consider the implications for stability in the Middle East, a tremendously important area for all of us; preserving Israel's qualitative edge; the peacemaking process; the legitimate defense needs of Saudi Arabia; and our ability to work closely with that country, as we did in Operation Desert Storm and as we are now doing in Operation Southern Watch.

I have worked on this issue personally, touching every base, and I am now satisfied that we have adequately addressed each of these concerns and that we can and, indeed, must, for our own

interests, go forward with this sale.

Not only has Cass Williams made clear to us the importance of this sale to every working man and woman here, but Kit Bond has never failed. He's never faltered. He's been down to the White House. He's been working his colleagues in the United States Senate. I salute him for what he's doing. We're going to need him now because we're going to take this up, and we are going to get this approved by the United States Congress. We must. Well, put it this way: I'm going to keep them from disapproving of what I have done properly for the security of this country.

As you know, in addition to the F - 15, McDonnell Douglas produces one of the most versatile combat aircraft, the FA - 18 strike fighter. We're not only purchasing additional F - 18's; we're embarking on a program with the company to develop an improved version of this plane, the F - 18 EF. I want to make it clear, I support full funding for the F - 18 EF. It is in our interest to do that.

The military technology that you produce is the finest in the world, and it's a tribute to American skill and innovation. It's the same skill and innovation that we must now use to win this global economic competition. For those who have any doubts I would say only, look at the talent that is assembled here today. The American worker can still accomplish great things, more than any other worker anywhere in the world.

So I simply came out to congratulate you on this; to tell you of this determination, this decision I have made, which I am certain is in the interest of world peace, salute you for your work; and thank you for this warm welcome. May God bless each and every one of you. Thank you very, very much.

Note: The President spoke at 3:05 p.m. at the McDonnell Aircraft Company. In his remarks, he referred to Cass Williams, president and directing business representative of the International Association of Machinists, District 836.

Remarks to the Christian Coalition Road to Victory Conference in Virginia Beach, Virginia

September 11, 1992

The President. Thank you, Dr. Pat Robertson. Thank you. Thank you very, very much for that welcome. I'm delighted to be here. Thank you. I am just delighted to be here. Pat, thank you for this rousing welcome and this warm introduction and the friendship. I tell you, it's a joy to be here with you.

I want to salute the leadership. My respects, of course, to Dede Robertson, who's made us feel so welcome here in this short time, and the family. Some of you missed out on this, but I was embraced by the Robertson family with these wonderful kids and grandkids. So you have a nice way of making us feel at home. Thank you very much.

May I salute my comrade-in-arms in Washington, Senator Warner, who's with us tonight. He's doing an awful lot of work for all the things we believe in. I want to salute the members of the board of this Christian Coalition and also to thank Reverend Sweet. And I understand that Dan Burton was here or is here. And here he is sitting right here -- didn't see him when he first walked in -- a great Member of the House. You know, if we had more people like Dan, we wouldn't be saying ``Clean House!", I'll tell you. May I salute Senators Mark Earley and Ken Stolle.

It is said of some groups that they haven't got a prayer. Well, tonight I'm pleased to be with an audience about whom that will never be said. [Laughter] I am delighted to be here in the heart of America's evangelical community. And in recent weeks, you and I have been accused of focusing our energies on what has been called a narrow, irrelevant topic, the American family. Well, I believe it is our critics who are guilty of tunnel vision, because in my mind the family is at the center of America, a source of strength for us as individuals and for America as a nation.

So when I talk about the importance of family, I don't mean to suggest that we should somehow go back to the days of Ozzie and Harriet. Nor do I pass judgment on the kind of family you live in, whether both parents work or just one parent, or whether you're a part of a single-parent family. Families are not measured by ``what kind" but by ``how close."

I talk about the American family because of something I learn every single day in the Oval Office. When confronting the problems of America, it does no good to attack symptoms. You have to go after the root causes. Ask any mayor, any Governor, any teacher, and yes, any minister, any preacher, and they'll tell you the exact same thing: The one sure way to make America more safe and secure is to make our families more safe and secure.

What are the pressures on the families today? You know them well: schools with low academic standards, young people not learning traditional values that can steady them in an uncertain world. The coarseness of our culture is reflected on some of the most outrageous television shows. The scourge of drugs and violence, these are real issues that Government must address. So I will not be driven away from discussing ways to strengthen the family by those who claim the topic unimportant. Strengthening the family must be a national priority, and it will be as long as I am President of the United States.

If we care about the family, and we all do, then we have to care about the economy, because today one major threat to the American family is a weak economy. And I want to talk about that tonight. Today, family budgets are stretched by rising health care costs. Low-income families are hurt because too often welfare encourages dependency, not personal responsibility. When a mom or dad loses a job, the impact is felt first right at home. So if we care about family, and we all do, we have to figure out a way to make sure that America in the 21st century is more than a military superpower, but we are also an export superpower and an economic superpower.

That's why yesterday in Detroit I laid out my Agenda for American Renewal, a comprehensive plan to create by the early part of the 21st century the world's first $10 trillion economy. With that kind of dynamic growth, we will be able to address all our challenges here at home and take some pressure off our families who are struggling today.

Now, here's where we start. Right now in our factories, one out of every six manufacturing jobs is tied to trade. On our farms, and this may surprise you, on our farms 1 in every 3 acres that we harvest will be sold abroad. America's future lies in building on our strengths to become the world leader in trade.

My opponent spends his energy talking about our weaknesses. He claims, and I quote, that ``America is somewhere south of Germany headed for Sri Lanka." He talks about how we're ridiculed around the world. I wish my opponent could see the people of Germany and Eastern Europe whose eyes brighten at the simple word ``America." We helped in the reunification of Germany, and they all know it.

I wish my opponent could see what's going on in American factories and businesses despite all our challenges. Don't forget this fact: If you want to talk to the world's most productive workers, you don't buy a ticket to Japan or Germany. You go to Tulsa or Tampa or Tempe. The most productive workers in the world can be found right here in the U.S.A., and we should never let the opposition tell us differently.

I have faith that if we open foreign markets, our workers will satisfy the demand for our products. So my agenda starts with a global trade strategy, to build a network of new free trade agreements not just with Canada and Mexico but with Chile and other Latin American nations, as well as the emerging democracies like Hungary and Poland.

America alone can take advantage of our influence to create unique opportunities for our people. You know, while some say America should turn away from the world economy, I say let's reach out. After all, the American worker will never retreat, and we will always compete. In my view, we will always win. We are the best, and we ought to keep reaching out to help people here at home.

But understand, developed economies need developing minds. That's why this Agenda for American Renewal takes aim at a second critical challenge: preparing our children for the new century ahead. That's going to require, literally require, a revolution in American education.

Dr. Robertson told me that you heard from our distinguished Secretary of Education, Lamar Alexander, today. He's taking this message for America 2000, this change in education, all across our country, and I strongly support him. Competition works in our economy, and I believe it's time to bring some competition to the classroom. I know, as I say, that Lamar was here today, and I'm sure he talked about our ``GI bill'' for kids. I hope he did. It would give $1,000 scholarships to low- and middle-income parents so that they can choose the school they want their children to attend.

My opponent says he supports a variety of choice in education. But if you look close, real close, he wants parents to choose between public schools, public schools, and public schools. I want to go further. I support the public schools; I want to go further. Whether it's the public schools across town, though, or the private or religious school right across the street, I believe parents, not the Government, should decide which school is best for their kids.

I was a beneficiary of the GI bill many years ago when I got out. They didn't say to me you can't only go to a State school, or you must go to a religious university or whatever it is. What happened there, these kids coming out of the service were given the GI bill, and they could go to the schools of their choice. It strengthened every single university. The same thing can happen now at the K-through-12 level, and that's what we're talking about here.

Now, the third component of my Agenda for American Renewal: helping America's businesses sharpen their competitive edge. Small businesses create two-thirds of all new American jobs, and they are the first to turn change to advantage in a fast-moving economy. Pat Robertson is a businessman and a darn good one. He'll tell you what holds back business in America today, three things: regulation, taxation, and yes, litigation. And I want to cut them all.

You know, America has become the land of the lawsuit. If you fall off a ladder these days, a trial lawyer will be there to catch you before you hit the ground. [Laughter] Each year consumers and companies now spend up to $200 billion on direct payments to lawyers. Japan doesn't do it. Germany doesn't do it.

Just yesterday, and John Warner knows this, just yesterday we had a bill before the United States

Senate, the Congress, to reform our product liability laws, to try to finally do something about these outrageous lawsuits. We had more than enough votes, as John will tell you, for passage of the bill. We had well over 50 percent. But the liberal leaders of the Congress heard from their friends the trial lawyers, who twisted a few arms, and when they were finished, we could get 58 votes, not the 60 we needed. We couldn't even get the liability reform up for a vote. The people's will was frustrated by the liberal leaders in the Congress. ``Clean House!'' is my motto.

I don't think that's right. And while the trial lawyers may not like it, I'm going to keep fighting to reform our legal system. I believe as a nation -- I really feel this -- that we've got to sue each other less and start caring for one another more.

That brings me to the fourth part of the agenda: providing economic security for all Americans. You know, in the past 4 years, we've done so much to bring peace to the world, but our victory is not complete until we have peace of mind at home. Whether your collar is blue or white, or whether you till the farm or work on the assembly line, Americans today worry about health care. They wonder if they can afford it, and they worry that they might lose it.

Again, we have two alternatives. My opponent offers a plan that would have Government set prices and could eventually lead to having 13 percent of our gross national product under the same people who gave us the House post office. Now, that isn't good enough.

I used to say that the system would give us the efficiency of the House post office and the compassion of the KGB, but I don't say that anymore because I'm getting a lot of Russians mad. They're writing letters saying, quit knocking the KGB. [Laughter]

But I have a very different approach, and it's a better approach. You cut the costs by going after the root causes of health care explosion; one of them, medical malpractice. Encourage small businesses to pool their coverage, their insurance coverage, driving down the price. Use the principles of the marketplace to make sure that when it comes to medicine, the intense pain only occurs at the doctor's office, not a month later when you get the bill at home. [Laughter]

America can have no spare people if we're to compete in the next century. So the fifth part, then, of our total agenda must mean an America that leaves nobody behind. Welfare as we know it simply has to change. Today's welfare drains taxpayers of hard-earned dollars and recipients of hard-to-replace dignity. But now, States like Wisconsin are taking the lead, and they're saying, enough is enough. With our help, they're experimenting with programs that reward work and the learning -- call it Learnfare -- leadership, personal responsibility. We desperately need a welfare system that encourages families to stick together and for those fathers to stick around.

The sixth part of my agenda for America will bring change to one of the most change-resistant institutions in America, the Government. Think about the family budget in 1955. Back then the average family spent 5 percent of its adjusted gross income on Federal taxes. Today the figure is

almost 24 percent. Many moms and dads are forced to spend less time with their children so they can feed Uncle Sam's voracious appetite. My opponent has a boundless enthusiasm for Government, and he offers already at least $220 billion in new spending and $150 billion in new taxes. And that's just for openers; that's just to start. And I take a different approach.

Audience members. Boo-o-o!

The President. I believe that the Government is too big, and it spends too much of your money. That's why my agenda includes a new idea to drive down the deficit by giving you, the American taxpayer, the power to earmark a full 10 percent of your Federal tax dollars for one purpose and one purpose only, to get down the national debt.

The same people that don't like the line-item veto and the balanced budget amendment don't like this idea. But they've had their day. Now let's try these new ideas to do something about the deficit that's mortgaging the future of the young people in this country.

So this is the outline, a broad outline of this agenda for America, and it's filled with other ideas. Many are well underway; others are new. But all represent a serious response to the economic challenges of this new age, an answer to the questions being asked around America's dining room tables. I have diagnosed the problem, I think, properly; have offered specific solutions. Not all of them are popular. And I'm asking for a mandate so that we can put my ideas into action immediately and get this economy moving again.

For now, at least, my opponent's chosen a very different strategy. Rather than talk about what he wants to do for America, he spends a lot of his time and his energy belittling my ideas and playing on fears. One example I want to talk about: ways to limit the growth of Federal spending, which every expert will tell you must be done. But instead of offering any spending restraints on his own, Governor Clinton simply goes around saying, ``Watch out, senior citizens. Watch out, veterans. Watch out, disabled Americans," the same old scare tactics that they use every 4 years, and it's not going to work.

My administration has strengthened Social Security. I've said I'm not going to mess with it, and I haven't, and we aren't. We stood beside our veterans. And we signed the law, and I'm very proud of this, that brought disabled Americans at long, long last into the economic mainstream. I am not going to let Governor Clinton frighten Americans by telling them these scare stories that crop up by the liberals every 4 years.

And yes, I believe America deserves a serious discussion on the issues, issues like how to renew our Nation by spurring economic growth so that we can help strengthen our families. I'll talk about ideas that deal not just with our immediate challenges today but will build a safer and a more secure America tomorrow.

So let my opponent do what is safe and politically balanced, and I'm going to keep trying to do what is right for our great country.

Before I leave, let me just say how deeply I support all the work you're doing to restore the spiritual foundation of this Nation. And I say this: The longer that Barbara and I are privileged to live in the White House, the more I understood what Lincoln meant when he said he went to his knees in prayer. I commend you. I join with you in committing to uphold the sanctity of life.

Matthew, chapter 6, verse 21, reminds us, ``Where your treasure is, there your heart will be also." And our treasure is with America. With our renewal agenda and your efforts out there in those grassroots, we are joined in a crusade to create an American future that is worthy of its proud past.

Thank you for this exceptionally warm welcome. May God bless this great Nation, the United States of America. Thank you all very, very much. Thank you.

Note: The President spoke at 8:20 p.m. at the Founders Inn and Convention Center. In his remarks, he referred to Pat Robertson, president, Christian Coalition; A. George Sweet, pastor, Atlantic Shores Baptist Church; and Mark L. Earley and Kenneth W. Stolle, Virginia State senators.

Message to the Congress on Trade With China

September 11, 1992

To the Congress of the United States:

Pursuant to the authority vested in me by section 902(b)(2) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (Public Law 101 - 246), and section 608(a) of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1992 (Public Law 102 - 140), I hereby report to the Congress that it is in the national interest of the United States to waive the restrictions contained in those acts on the export to the People's Republic of China of U.S.-origin satellites and Munitions List articles insofar as such restrictions pertain to the APSAT, Asiasat 2, Intelsat VIIA, STARSAT, AfriSat, and Dong Fang Hong 3 projects.

Attached is my justification for the aforesaid actions.

George Bush

The White House,

September 11, 1992.

Radio Address to the Nation on the Agenda for American Renewal

September 12, 1992

This week I laid out my Agenda for American Renewal, a comprehensive set of answers to the most important question Americans are asking these days: What kind of America will our kids grow up in? My agenda offers the promise of a renewed America, an America with a $10 trillion economy by early in the next century. With that kind of dynamic growth we can address our problems here at home and guarantee that America will remain not just a military superpower but an export superpower and an economic superpower.

Today one out of every six manufacturing jobs is tied to exports. So first, I offer a strategic trade policy, including new free trade agreements with the emerging democracies of Eastern Europe. By increasing trade we increase American jobs. It's as simple as that.

If we want America to compete with other nations, we have to change our schools. Through my America 2000 program we are already reinventing education in almost 2,000 towns and cities. And I want to give scholarships to low- and middle-income students so that parents can choose where their kids go to school, whether public schools, private schools, or religious schools.

Even with new schools, graduates are going to need good jobs. So the third part of my agenda is to sharpen our businesses' competitive edge. That means cutting taxes and regulations on small business. It also means doing away with the crazy lawsuits that strike fear into the hearts of every business man or woman. Get this: American businesses and consumers now spend up to $200 billion each year just on direct costs to lawyers. I don't want to see an America where only lawyers get rich. I want to see an America where workers can get rich.

The fourth part of my agenda is extremely important: to promote economic security for all working people. For example, I have a program to control health care costs, to allow you to take your coverage from job to job, and to make health care available to almost 30 million Americans who simply can't afford it today.

In the 21st century we will need the talents of everyone, regardless of whether you were born in city or suburb. And that's agenda item number five: opportunity for all Americans. It means reforming our welfare system. Already we've given States authority to experiment with programs that don't just give people a check but reward work and personal responsibility.

The final part of my agenda is especially important: ``rightsizing'' Government. I believe the Federal Government today is too big and spends too much of your money. My opponent wants to raise taxes and raise spending. I put forth almost $300 billion in specific cuts in spending over

the next 5 years. I want to use the savings to reduce taxes and get this economy moving, and get the deficit off our children's shoulders.

This is my Agenda for American Renewal. Parts of it are already underway; parts of it are new. I will fight for this agenda with the new Congress and its 150 expected new Members. If Congress balks, I will work with Governors, mayors, teachers, community leaders to keep my agenda moving forward.

My opponent has reached into the medicine cabinet and offered the same tired old prescription: more Government and bigger Government. My agenda for America offers new solutions, solutions that give power to you, not Government. This is the way we will create a $10 trillion economy. This is the way we can match the peace we've achieved around the world with peace of mind here at home.

Thank you for listening.

Note: This address was recorded at 9:50 a.m. on September 10 in the Oval Office at the White House for broadcast after 9 a.m. on September 12.

Remarks on Disaster Assistance for Hawaii Following Hurricane Iniki

September 13, 1992

The President. This weekend, as you know, Hurricane Iniki, one of the most powerful storms in this century, struck the island of Hawaii. Reportedly, some lives have been lost. I talked to the Governor last night, and he told me that the latest estimate was two lives, but nobody is absolutely certain at this point. There have been a lot of injuries, and there's been considerable physical damage. On the island of Kauai, damage is now estimated at approximately $1 billion with 30 percent of the buildings destroyed. Airports and main roads are open now, but 95 percent of the island is without power.

Wallace Stickney, the FEMA Administrator, Pat Saiki, the Administrator of the Small Business Administration -- a native Hawaiian -- are already out there coordinating the relief operation. They're working closely with Governor John Waihee. And today shipments of water, food, tents, generators, and other relief supplies are being delivered to the island. These efforts involve the cooperation of State officials; FEMA and CINCPAC and the other military people are working closely with the Governor.

In addition to the Governor's request, I've declared most of the island a Federal disaster area, eligible for grants and low-cost loans to cover property losses. We stand ready to provide further assistance for the Governor to speed the relief effort. I had a good talk with him, and he did say that he was satisfied and pleased with the cooperation from the Federal Government, working with State and local officials.

Our hearts go out to the people of Hawaii, and we pledge to stand by them in support at this hour of need.

Thank you all.

Q. Mr. President, are you going -- --

The President. I have no plans right now.

Note: The President spoke at 8:40 a.m. at Andrews Air Force Base prior to his departure for Irvine, CA. In his remarks, he referred to naval forces under the Commander in Chief, U.S. Pacific Fleet (CINCPAC). Hurricane Iniki struck the island of Kauai on September 11.

Remarks at a Welcome Rally in Anaheim, California

September 13, 1992

The President. Thank you, Mr. President. Thank you very much, President Reagan. May I salute not only President Reagan but Governor Wilson, our master of ceremonies; Bob Dornan, our great Member of Congress, a loyal supporter. I want to thank the Gatlin Brothers, my old friends that are with us today. What a job they do for us. It's great to be in California. And it's especially great to be here with these three Members of the United States Congress, with Senator Seymour. We must reelect Senator Seymour, and we must elect Bruce Herschensohn to the Senate.

Mr. President, last year I was honored to help dedicate your library. When I leave office I look forward to your dedicating mine. Not to be specific, but how are you fixed for 1997?

I love Ronald Reagan for the same reasons you do. First, his sense of humor. No wonder he took Washington by storm. Here was a politician who was funny on purpose. Quite different. [Laughter] I'm a Reagan fan for another reason: his eloquence. Ronald Reagan didn't just make the world believe in America again, he made Americans believe in themselves again.

That Great Communicator was indeed the Great Liberator. Abroad, he helped free millions from tyranny. And at home, he helped free millions from a Government that's too big and spends too much of your money. He turned America around. And he turned the days of malaise into ``a shining city on a hill,'' and the American people will never forget it.

Now, I'm not saying these nice things about Ronald Reagan in case he decides to run for President again in 1996. Though I'll confess, if it weren't for a little something called the 22d amendment, he'd be now well into his 12th year of the Presidency. And I'd be going to funerals halfway around the world.

But I say these compliments because the President had that unique ability to peek around the corners of history. Look to Berlin, where a wall has crumbled. Look from Kuwait to Panama, where those once enslaved have been set free. President Reagan predicted communism would land in the dustbins of history, called it the ``evil empire.'' And today imperial communism is not merely E - V - I - L, it is D - E - A - D, dead. So, Mr. President, on behalf of all who love freedom -- and look at these signs around here from different countries all over the world -- we thank you very much.

Now, as the President said, with the cold war over -- and let me say this. Let me interrupt here and just say, I see these POW - MIA banners. We must never, ever forget the POW's and MIA's. And I can assure you we're not going to do that.

With the cold war over, we face a world of transition. Last week in Detroit, I talked about some

of those economic changes: the defense industry's adjustment to a more peaceful world; the competitive restructuring of our industry; and most important, the globalization of our economy. No State has felt this transition more than California. And I understand that.

My opponent looks at all that is happening and says we are a nation in decline. He says we are ridiculed and that our economy is sliding below Germany, heading south toward Sri Lanka, Sri Lanka. Come on, Governor, stop picking on small southern states who can't help their leaders take them -- can't tell where they take them.

You know, Governor Clinton has it wrong, dead wrong. America is not a nation in decline. We are on the rise. And the lights in the shining city will still shine if we but make the right choices today.

Last week I laid out my plan, my agenda for America's renewal, a comprehensive game plan to create a $10 trillion economy by early in the next century. And my agenda keeps faith with the crusade we called the Reagan revolution. It will decrease what Government must do and increase what individuals may do. It shows what the differences are in the 1992 election: two candidates, two philosophies, two agendas, a Grand Canyon of a divide.

And on the one hand -- the left hand, naturally -- stands my opponent, a man who started in politics with the McGovern campaign -- --

Audience members. Boo-o-o!

The President. -- -- a politician nearly all of his adult life, a man who has known virtually no avocation beyond getting elected.

And on the other hand, you're looking at a man proud to have spent half my life in the private sector working for a living, built a business, met a payroll. And from my own experience, I know that Ronald Reagan had it right: The American people aren't undertaxed; the Government in Washington is overfed. If we had more Congressmen like these sitting here, you wouldn't be yelling, ``Clean House!", and I wouldn't be having the problems I'm having with this darned Congress. Send us more like these men.

Take a look at how to get the economy moving again. Just last week, Governor Clinton was interviewed by Tom Brokaw. And his first words were advocating a tax increase. He wants at least, listen, he wants at least $220 billion in new spending, $150 billion in new taxes, just to start.

Audience members. Boo-o-o!

The President. His ideas could lead to a new training tax and a new payroll tax for his health

care scheme. They say that President Reagan thought every day was the Fourth of July. Well, Governor Clinton seems to believe that every day is April 15th. And when it comes to taxes, think of him as Willie Brown with a saxophone. We don't need that in Washington, DC.

I want to take America in an entirely different direction. I have a specific plan to cut the growth of mandatory Government spending by almost $300 billion in the next 5 years. We'll get those taxes down, and we'll get this economy moving again.

Audience members. Viva Bush! Viva Bush! Viva Bush!

The President. What about foreign trade? Ronald Reagan's ``peace through strength'' made the United States the dominant military presence around the world. And now I want to build on that legacy with a strategic network of trade agreements to keep America an export superpower and an economic superpower. That's why we negotiated the North American free trade agreement, to build the world's largest free-trade zone from Manitoba to Mexico, creating hundreds of thousands of new jobs for the working men and women in America.

And my opponent's position on free trade? Well, first he was for it, and then he changed his mind. And now he says firmly: ``When I have a definitive opinion, I will say so.'' Governor Clinton, here's my opinion: Americans never retreat; we will always compete. And we will always win.

Small business, small business is the backbone of the California economy, begging for relief from taxation, regulation, and litigation. Did you know that each year consumers and companies spend up to $200 billion on direct payment to lawyers? Americans want to know: If an apple a day keeps a doctor away, what works with a lawyer? Well, I have a plan to give business and workers relief by getting rid of these crazy lawsuits. And as a nation, we must sue each other less and care for each other more.

My opponent doesn't think this is a problem. Listen to the president of the Arkansas Trial Lawyers Association, and I quote, ``I can never remember an occasion where Governor Clinton failed to do the right thing where we trial lawyers were concerned.'' While Governor Clinton's in the corner sponging the trial lawyer's brow, I want to get in the ring and strike a blow against all those crazy lawsuits.

And another thing. My opponent says that all this talk of family values is irrelevant. And he's been doing a lot of fearmongering lately, talking about how we want to divide America. You know what I mean when I talk about strengthening the American family. I don't mean to go back to the days of Ozzie and Harriet. Families are measured not by ``what kind'' but ``how close.'' I speak of strengthening the American family because I believe in dealing not with symptoms but with root causes. You ask Governor Wilson or any Governor, any mayor, any teacher, any preacher: The surest way to strengthen America is to strengthen the American family.

And that's why I want parents, not the Government, to choose their kids' day care. And I want parents, not the Government, to choose your kids' schools. And Pete Wilson is right. We need a welfare system that convinces families to stick together and fathers to stick around.

And about the military. Of America's place in the world, Governor Clinton talks the talk, says he's for a strong military. But he walks the walk of the liberals whose idea of high-tech weaponry is the super-soaker squirt gun. And he wants to slash our budget, our defense budget. He wants to cut it $60 billion beyond what the military experts and our civilian experts tell me is right. These cuts would cost as many as one million jobs in defense, especially in California's hard-hit aerospace industry. He also wants to gut one of Ronald Reagan's greatest legacies, the Strategic Defense Initiative. And he shouldn't do that. We can't let him do that.

Maybe Governor Clinton is simply confused about what exactly SDI does. After all, last week you heard him talk about Patriot missiles, the missiles we used to shoot down Saddam's Scud missiles. Here is what Governor Clinton said of our Scud busters: They go through doors or down chimneys. Whoops! That's not the Patriot. The Patriot shoots down other missiles. Governor Clinton may be a Rhodes scholar, but he is no rocket scientist.

And so here it is.

Audience members. Four more years! Four more years! Four more years!

The President. Here's the sum of it. We have a real clear choice in this election: on to the future with conservatives or back to the drawing board with the liberals; to build on the entrepreneurial policies that Ronald Reagan started or to go back to the liberal agenda that made America look finished.

And I know we have big challenges before us. But following Governor Clinton's prescription for our economy would be like going back to the used car lot, picking up the lemon you sold 12 years before. Only this time it would have higher prices from inflation, skyrocketing interest rates for credit, and a hot air bag thrown in. America, this is not a deal for you.

Like the whole world, America is going through an age of transition. But there's clear sailing ahead if we make the right choices today, if we put our faith in our people, not in Government, if we build to the future, not protect the past.

President Reagan taught us many things. And his first lesson was the enduring power of ideas. In America, the best ideas always triumph. And yes, the polls tell me that we're behind today, but on November 3d, I have no doubt we will finish first. We will win it because our ideas are right for America, and our ideas offer the best hope of matching the peace around the world with the peace of mind here at home. If you believe in these ideas, I ask you to join this crusade to renew

America, to make this fair Nation safer, stronger, and more secure.

Thank you, and God bless the United States of America. Thank you all very much. You guys did great. Thank you.

Note: The President spoke at 2:25 p.m. at Yorba Regional Park. In his remarks, he referred to entertainers the Gatlin Brothers and to Willie Brown, Jr., speaker of the California State Assembly. A tape was not available for verification of the content of these remarks.

Remarks to Natural Communities Conservation Planning Organizations in San Diego, California

September 14, 1992

Thank you very much, Bill. Please be seated, and thank you all for that warm welcome at this early hour. I'm delighted to be here. And let me just thank Bill Lowery for the introduction. He's been a joy to work with in the United States Congress. He always keeps in mind his constituents, the people that sent him there. But he always has also had a broad national perspective. I've trusted him, and I've worked with him. And I'm going to sorely miss him inasmuch as he's determined not to stand again for election. But he's a good man, and you've been very, very well served. Let me also acknowledge and thank Doug Wheeler here, the secretary of California resources agency. It's great to be back in California. It's great to be here with him who understands the need to find the balance the right way.

Before I begin, though, let me talk about another situation, the one out in Hawaii. Regrettably, some lives have been lost; the property damage is estimated at a billion dollars. Already relief efforts are well underway. Military aircraft and ships are supplying the island with food and water and generators, tents. And some aircraft are being used to carry tourists who want to leave over to the island of Oahu. We continue to work closely with the Governor to provide whatever assistance possible. And our prayers and good wishes are extended to all who stood in Iniki's path. And I just wanted to say that because following on with Florida and Louisiana, it has been a strange month or so for these natural disasters. And a lot of people have been hurt. I'm proud that the Federal Government has responded, working closely with the three States involved.

You know, we gather at a very important moment in history. Today I can stand before you and say something that no President has ever been able to say before: The cold war is over, and freedom finished first. With the cold war behind us, the global economy is entering a period of transition. And I know that you, particularly in California, but I know our whole country, and I know you all are feeling the impact, feeling it right here in this wonderfully productive part of California.

The question that voters must ask in this election is this: Who has the ideas, the principles to allow America to rise to our new challenges, to guarantee that in the next century America will remain not just a military superpower but also an export superpower and an economic superpower?

Last week I outlined my Agenda for American Renewal, a comprehensive, integrated set of responses to the challenges that are facing America today. And much of the agenda is underway. Other parts are brandnew. I hope that you and every American will take a look at the ideas and then compare them with my opponent's before you make a decision. I start with the belief that free trade can bring prosperity to California and to the United States. That's why I negotiated the

North American free trade agreement, or what we call NAFTA. It will create a $6 trillion market from Manitoba to Mexico and bring thousands of new jobs here to California.

And I want to go further. I want to see a strategic network of trade agreements unique to America and the countries of Eastern Europe; then also in the Pacific Rim. My opponent was once in favor of free trade and NAFTA, and then he changed his mind. Now he says, and here's the quote, ``When I have a definitive opinion, I'll say so.'' Listen, my opinion may not be popular in all places, but I will tell it to you straight: Americans will never retreat, and we will always compete. And we will win.

My opponent really believes we need more Government in Washington. He proposes at least $200 billion in new spending plus $150 billion in new taxes, just to start. Well, I want to go in the opposite direction. I've put forward specific ideas to control the growth of mandatory Federal spending, that's two-thirds of the budget that heretofore has been uncontrolled, saving over $300 billion over the next 5 years. I want to use the savings to cut the tax rates. I believe very simply that Government is too big and we spend too much of your money. And we've got to turn that around.

Let me give you another difference. Today, American businesses and consumers spend up to $200 billion just on direct services to lawyers. The Japanese don't spend that much, neither do the Germans. And my opponent doesn't think this is a problem. I really believe it's a disgrace. As a nation, we must sue each other less and care for each other more.

So look at every economic issue we face, improving our schools, reforming welfare, controlling health costs, and my opponent and I offer two vastly different approaches. He puts his faith, if you'll analyze his program, in more Government. And I want to put more faith in you, the American people. My opponent's plan includes new taxes, plus steep defense cuts way beyond what the military and civilian experts believe is responsible. And together this program will cost America 2.6 million jobs, with a major impact obviously right here in California, right here in San Diego. My agenda doesn't kill jobs, it protects jobs. It guarantees the national security of this country. And it offers a way to get this economy moving and create in America the world's first $10 trillion economy by early in the next century.

Now, as we create jobs we can re-create dreams for so many Americans and so many Californians. But Americans dream of more than a good job and rising income. As Bill pointed out, we also want clean waters in which to swim, clean air to breathe, and preserves like this in which to enjoy nature. And I have long believed that a strong economy and a clean environment not only can go hand in hand but they must go hand in hand. And here in San Diego, you know so well, a clean environment can be the foundation for a dynamic economy. So I am proud of what my administration has accomplished, proud of the many environmental achievements that Congressman Lowery very, very generously talked about.

And I'm especially proud of the way we've been able to make these advances. We've been able to strike a balance between jobs and the environment by rejecting the stale old ideas of command-and-control regulation and relying instead on new ideas and the power of the marketplace, new technology, new kinds of partnerships.

And that's why I really came up here today. We've come together at this historic ranch house, the site of the first land grant in the State of California, to celebrate a voluntary partnership. And frankly, it's an experiment, an effort to preserve species in their critical habitat while still allowing for economic development. The natural communities conservation planning project tries to bring all parties together voluntarily before regulatory approaches kick in and reduce all flexibility. This will help protect endangered species while still allowing for rational and reasonable economic development. It sounds simple. But very few communities are able to pull it off. I congratulate all of you who are involved in this effort. And I hope other communities across this country will take a look at what you are trying to do here.

Partnership is a principle that can work in environmental policy. And another is in using incentives, not expensive regulations, to stop pollution at its source. Let me just give you one example of what I am talking about: We all know that it can stop money for some businesses and factories to comply with the Clean Air Act. And we also know that, by far, the most polluting cars on the road are these clunkers, like the old Dodge Aunt Edna bought in the early sixties before we had real pollution standards. So we came up with a new idea. We let States allow companies to earn credit for meeting the Clean Air Act standards by buying old cars, taking them off the road, and putting them in the scrap heap. UNOCAL tried doing this right here in southern California. Over 8,000 old cars were turned in. The program cut pollution -- now, listen to this -- that program cut pollution equal to 150,000 new cars, one million gallons of paint, half the carbon monoxide from refineries and powerplants in greater Los Angeles, and get this, all the barbecue lighter fluids in the LA basin. [Laughter] It had that kind of effect. It's the perfect program. Companies can protect jobs, the air becomes cleaner, and old Aunt Edna finally gets rid of the old Dodge in the garage. And now we're going to apply this program nationwide.

We're also trying to encourage the development of technology. Technology has made possible cleaner cars and cleaner factories, more energy-efficient buildings, less wasteful factories. Technology is not just key to our economic future but to our environmental future as well. One of the lessons that we've learned over the past two decades is that command-and-control regulation freezes this, locks this old technology in place. And you need incentives, you need investment to make new breakthroughs possible.

In this administration, we've launched a broad program of investment in new technologies. They clean the environment. They promote energy efficiency and, in the process, can create an entire new industry to employ you and your children. We started a national technology initiative, linking experts in our Federal labs, where all that great research has been going on, with those in the private sector. And already environmental technology has been the focus of 20 of these ventures, with twice that many small businesses participating. As part of our R&D program, we

started a partnership with the major auto companies to develop cars that run on batteries, with no air pollution. And we're working toward lighter materials so that everything from airplanes to automobiles will use less energy and create less pollution. We've increased investment in research and development for new ways to produce and use clean-burning natural gas. And perhaps most important, our national energy strategy gets rid of the roadblocks that will allow these technologies to be adopted in the marketplace. These programs all reject the old command-and-control mentality that drove up the costs and reduced jobs and never achieved the environmental progress that we desired. I am very proud of what we've done.

I'll certainly match my environmental record against my opponent. Under Governor Clinton, Arkansas ranks 50th, worst in the country, for utility of State environmental initiatives, according to an independent analysis by the Institute for Southern Studies. But in his zeal to capture his party's nomination, Governor Clinton has made every promise to every environmental group who sent him a survey. He and his running-mate are advancing a philosophy that goes back to where command-and-control regulation is the only solution, a philosophy that will not only cut jobs but could impede technology, environmental progress, not promote it. And when it comes to the environment, I believe extremism on either side is no virtue. Cooperation, innovation, a faith in technology, these are the virtues that will allow us to protect both jobs and nature.

And let me give you another example of my opponent's inconsistency. It refers to the free trade agreement that I mentioned earlier. I strongly support the free trade agreement. But I am sensitive to concerns about its impact on the environment in Mexico and along the border, not far from here, that goes all the way across Arizona and down into Texas. Governor Clinton claims he's concerned, too. In fact, it's one of the reasons he gives to justify his refusal to take a definite position on the treaty. But at the exact same time he talks about his concern about border pollution, his Democratic friends on Capitol Hill are cutting in half my proposed plan to help protect our border environment. When it comes to environment, Governor Clinton seems to be on one side on one day and on another side the next. And I don't, I honestly do not believe that America needs that equivocation. I believe we've struck the right balance. And with your support, I will fight to keep the right balance.

You remember a few years ago when Time magazine selected its Man of the Year? It selected Planet Earth as the Planet of the Year. And Jay Leno said, ``Well, what do you expect? All the judges came from Earth." Well, Time's cover and Jay Leno's joke underscores one fact: The environment is the concern of every Californian, of every American. And we can have a strong environment and a strong economy. Indeed, the way I look at it is we must have both.

I began by talking about the globalization of our economy. I really believe that the question of how America can compete is the defining question not just of this election but of our future. I am very optimistic about our future. If we can create new partnerships like this one, and if we can focus more on preventing a problem than fixing it later, and if we can turn our technological prowess to our environmental advantage, then we face a competitive edge that no other nation

can match. But the key is achieving a reasonable balance. And if we do it, we can help. We can renew America. We can make our Nation stronger, safer, and more secure. I am absolutely confident that with your support and with these hundred and some new Members of Congress coming in, that we can get the job done.

Thank you. God bless you. And may God bless the United States of America. Thank you all very much.

Note: The President spoke at 8:20 a.m. at Rancho Penasquitos. In his remarks, he referred to comedian Jay Leno.

Remarks to Vaagen Brothers Lumber Employees in Colville, Washington

September 14, 1992

The President. Thank you all very much. What a wonderful welcome. May I thank your very special Senator, Senator Slade Gorton, for that introduction and much more for all he does for this great State back in Washington, DC. You have an outstanding Senator. And thanks to Duane Vaagen and all of the rest of you for letting us visit here today. I know we've disrupted not only this wonderful facility but a lot of things around town. I'm grateful to the Mayor, Mayor Scott, and the police officials and everybody else who assist in the planning and the success of a visit like this.

I'll tell you, I really enjoyed flying in here in that helicopter. For those of you who haven't been up there, there are a lot of trees around here. So don't listen to some of the critics -- [applause].

You know, last week out in Detroit, I released an Agenda for American Renewal. I see a sign back there on that. The agenda was based on a fundamental premise: that the challenges America faces, foreign, domestic, and economic, and yes, environmental, are connected; they're linked. The solution to one cannot be divorced from the solution to the other. We need an integrated approach.

We need to bring this integrated approach to the relationship between the economy and the environment. Environmental protection and economic growth must go hand in hand; they can't be divorced from each other. This morning down in southern California, I spoke about ways to bring them together. But frankly, I believe that when it comes to the Endangered Species Act and its application here in the Northwest, the balance has simply been lost.

Like many of you, I love to hunt and hike and fish. I love the outdoors. Like you, I have learned through a lifetime of experience to appreciate and respect the wilderness. I know that you, and you who have chosen to live in this beautiful part of the country, respect and revere these forests as others never can. You resent the implication that earning your livelihood here, with sound management of the forest, makes you less of a conservationist than the city dweller or the suburbanite.

I'm proud of this record, although I don't have the endorsement of some of the extreme environmental groups. But for the past 4 years, we've worked hard to protect our precious environment, and we've accomplished a great deal. Four years ago, I promised Americans a new Clean Air Act. For over a decade, no one could get it done, but we did. My Clean Air Act reduces smog in our cities and gets toxic pollutants out of the air and will cut acid rain in half.

Four years ago, I promised I would protect the environmentally sensitive areas off our coasts from the excesses of offshore drilling. Today, there will be no drilling off the coast of California or Washington and Oregon, not far from here, off the Florida Keys, off the New England coast. We have banned ocean drilling until the year 2000.

Four years ago, I promised to be a good steward of our public lands, and we've added thousands of miles of trails for Americans like you who love the outdoors. We're reopening and upgrading campsites all across America. We've added a million and a half acres to our national parks, wildlife areas, forests, and recreation lands.

The fact is that every American cares about the environment, and most consider themselves environmentalists. That is particularly true here in the Pacific Northwest. Yet Americans today realize that we can protect our lands while also using them for people's benefit. They understand the need for wilderness and recreation areas, as well as the need for paper for our schools and offices and timber for new homes.

Being out here in the great Pacific Northwest, I'm reminded of Teddy Roosevelt, the very first President to focus the attention of the Nation on the condition of our natural resources. Teddy Roosevelt once said this, ``Wise forest protection does not mean the withdrawal of forest resources from contributing their full share to the welfare of the people.'' What President Roosevelt had in mind, and what the American people have always wanted, is balance.

Not far from here is a timber town called Forks. Like Colville, Forks supported a mill, and the mill supported a community. Because of a lack of timber, the mill had to close. Today unemployment in Forks is at 20 percent. The car dealership has closed; the clothing store, gone; the movie theater, shut down. Domestic violence complaints have doubled, just in the past year. Forks is in crisis for a simple reason: The balance that I was talking about, that balance has been lost. I've come here because we must restore the balance.

Listen to Oregon's Senator Mark Hatfield, who was a cosponsor of the original Endangered Species Act back in 1972. This year, he wrote, ``There is no question that the act is being applied in a manner far beyond what any of us envisioned when we wrote it 20 years ago.'' The Endangered Species Act was intended as a shield for species against the effects of major construction projects like highways and dams, not a sword aimed at jobs and families and communities of the entire regions like the Northwest.

But today, when harvesting on Federal timberland is stopped outright by 13 different lawsuits, under 7 different statutes, each inconsistent with the other, the balance has been lost. It's time to fight for jobs, families, and communities. The time has come to talk sensibly. When hundreds of mills have been shut down, thousands of timber workers thrown out of work, and revenues for schools and other local services have been slashed, the balance has been lost. It's time to fight for jobs, families, and communities.

So, as I say, we must talk sense about the Endangered Species Act, about the spotted owl, and about the management of our forests, because it is my firm belief that people and their jobs deserve protection, too.

Audience member. What about AIDS?

Audience members. Four more years! Four more years! Four more years!

The President. Let me digress for one minute. Let me digress. This man has asked a question here. I hadn't planned to discuss this. His question is -- if you'll listen, sir, I'll explain to you what about AIDS. AIDS is a serious problem. Under my administration we've appropriated $4.3 billion, ten times as much per victim as for cancer. We've asked for $4.9 billion. We are the leaders in research, and we're going to keep on fighting until we get this thing whipped.

Now, let me go back to the Endangered Species Act. And let me be clear. The basic purpose of the Endangered Species Act is good and noble, to save the rare and threatened species of this country. But today, the act and other laws are being used by people with extreme views, particularly here in Washington and Oregon, to achieve in the courts what no sane official would ever have voted for, the complete lockup of the most productive forests in the entire United States.

The Endangered Species Act, as rigidly interpreted by some courts and as driven by the Congress, has forced an extreme approach and created an unnecessarily tragic situation here in the Northwest. Massive areas of Federal land are being set aside for the owl, virtually ignoring the fact that two-thirds of the Northwest's old-growth forests are already designated as parks, wilderness, or other classifications that prevent harvesting. Each pair of owls -- listen, America -- gets 3,500 acres to itself, while jobs, families, and communities are being wiped out in the process.

The other side has been talking about a ``false choice." They claim that this timber crisis is just politics, and the simple fact is this: The false choice is being driven by extremists who are twisting the Endangered Species Act and its application to the northern spotted owl. So I came up here to set the record straight. Let's do that for the entire country, right here. We have always worked within the parameters of the law to address this problem. But I can tell you this: The law is broken, and it must be fixed.

We have asked the United States Congress for funds to cut enough timber in this region to keep people employed. But these conflicting laws allow challenge after challenge. So this year we sent Congress an alternative plan, a preservation plan that would save 17,000 jobs compared to the recovery plan required by the act. And Congress has simply failed to act.

My friends, it is time to consider the human factor in the spotted owl equation. My opponent

talks about putting people first. Well, we can start right here in the Pacific Northwest.

So, here's what I propose. Here's what I propose:

First, I will not sign an extension of the Endangered Species Act unless it gives greater consideration to jobs and to families and to communities, too. I will not sign it without a specific plan in place to harvest enough timber to keep timber families working in 1993 and beyond. It is time to make people more important than owls.

Second, I will fight to end the injunctions that have put an economic stranglehold on the Northwest, in order to free up the timber that we need today, because the families and the timber communities of the Pacific Northwest need relief now. And I call upon Congress to pass my plan to produce 2.6 billion board feet of timber from Forest Service lands in the Northwest region next year and to pass language that prevents lawsuits from stopping reasonable harvests with reasonable species protection. It is time to put people ahead of process.

Third, my administration will speed the harvesting of dead or dying timber that has been dangerously building up during a 7-year drought. One step is our new rule to allow more timber salvage operations to occur without triggering some of the time-consuming requirements that are blocking progress. This will reduce the risk of fire. It'll provide up to 450 million board feet of timber for the mills in the near term. And it's time, then, to protect jobs with timber that's available now.

Fourth, we will make sure that 100 percent of the raw logs from Washington State-owned public lands are processed here. It's time to put the mills back to work.

Finally, I call upon Congress to pass the spotted owl preservation plan, and that's Senator Gorton's bill which he calls ``The Northern Spotted Owl Preservation and Northwest Economic Stabilization Act of 1992." It's time to preserve both owls and jobs. That's what Slade Gorton's act does, and he helps the families in the process.

Now, the Senator mentioned my opponent, so I will, too. [Laughter] My opponent's approach to this problem, to your jobs, is double-speak. When Bill Clinton spoke in Pennsylvania, he said what the Sierra Club wanted to hear. They concluded that Governor Clinton was, quote, ``promising the protection of old-growth forests in the Pacific Northwest." And then, when he heard I was coming here, Mr. Clinton cynically held out false hope to timber families by promising, get this, another meeting.

There have already been more than 40 bipartisan meetings of the Northwest congressional delegation on this issue for 3 years. Now, here, you wondered what these are? These are the studies. Look at them. We don't need any more studies of this problem. We need action in the United States Congress. Good heavens, we've produced a pile of studies and proposals this high.

The best thing for the timber industry is all the trees it took to print these reports. No more studies. Let's change the law. Let's change the law.

The difference on this is clear. The difference on this is clear. It's as simple as this: My opponent will not fight to change the law to restore balance. And now I know that he's getting famous for being on both sides of every issue. Do you want to know the real views of the other ticket? Senator Gore wrote it in black and white in his book before he knew that he'd be looking for your votes.

In his book, Senator Gore said this, and I quote, ``I helped lead the successful fight to prevent the overturning of protections for the spotted owl." And Senator Gore wrote, and I quote, ``the jobs will be lost anyway." I challenge Governor Clinton: Do you agree with your running mate? Do you endorse the book that you once called ``magnificent"?

It is time we worried not only about endangered species but about endangered jobs, jobs in the timber industry and in agriculture, and in transportation and in recreation as well. All of those are threatened by the Endangered Species Act.

I have come here to tell you that I am a candidate who will respect wildlife, yes, but who will also fight for jobs and families and communities. And I have come here to tell you that I will not stand for a solution that puts at least 32,000 people out of work. I can tell you, that solution will not stand.

I have come here to tell you that we haven't forgotten about the human factor. Because in the end, no matter how you look at it, that's the most important factor of all.

I have come here today to tell you that we can restore the balance, and we must restore the balance. And with your help, we will restore the balance.

Thank you, and may God bless you. And may God bless the United States of America. Thank you all very much. Thank you.

Note: The President spoke at 1:09 p.m. at Vaagen Brothers Lumber, Inc. In his remarks, he referred to Duane Vaagen, president of the company.

Remarks to Burrill Lumber Employees in Medford, Oregon

September 14, 1992

The President. Mike, thank you, sir. Thank you very -- He's getting our props ready for this presentation. [Laughter] Now, thank you so much, Mike, for the introduction. Thanks to your wonderful dad and to the entire Burrill family and all of you for letting me visit here today.

Last week in Detroit, I released my Agenda for American Renewal. And the agenda was based on a fundamental premise: that the challenges that America faces, foreign, domestic, economic, and yes, environmental, are connected. The solution to one cannot be divorced from the solution to the other, and we need an integrated approach.

We need to bring this integrated approach to the relationship between the economy and the environment, too. Environmental protection and economic growth must go hand in hand, and they cannot be divorced from each other. This morning, I spoke in California, down in San Diego, about ways to bring them together. But frankly, I believe that when it comes to the Endangered Species Act and its application here in the Northwest, the balance has been lost.

Like many of you, I love to hunt and hike and to fish. Like you, I have learned through a lifetime of experience to appreciate and respect the great outdoors, the wilderness. I know that you, you particularly who have chosen to live in these marvelous parts of the woods, respect and revere these forests as others never can. And you resent the implication that earning your livelihood here, with sound management of the forest, makes you less of a conservationist than the city dweller or the suburbanite.

For the past 4 years, my administration and I have worked hard to protect the environment, and we've accomplished a great deal. Four years ago, I promised Americans a new Clean Air Act. For over a decade, no one could get it done, but we did. Our Clean Air Act reduces smog in our cities and gets toxic pollutants out of the air and will cut acid rain in half.

Four years ago, I promised that I would protect the environmentally sensitive areas of our coasts from the offshore drilling. And today, there is no drilling off the coast of California, off the coasts of Washington and Oregon, and off the Florida Keys and off the New England coast. We banned that ocean drilling until the year 2000.

Then, 4 years ago, I promised to be a good steward of our public lands. We have added thousands of miles of trails for Americans like you who love the outdoors, and we're reopening and upgrading campsites all across this great country. We've added a million and a half acres to our national parks and wildlife areas and forests and recreation lands.

But the fact is that every American cares about the environment, and most consider themselves environmentalists. That is particularly true here in the Pacific Northwest. Yet Americans today realize that we can protect our lands while also using them for the people's benefit. They understand the need for wilderness and recreation areas, as well as the need for paper for our schools and offices and timber for new homes.

Being out here in the great Pacific, the Northwest, I'm reminded of Teddy Roosevelt, the very first President who focused the attention of the entire Nation on the condition of our natural resources. Teddy Roosevelt once said, ``Wise forest protection does not mean the withdrawal of forest resources from contributing their full share to the welfare of the people." What President Roosevelt had in mind, and what the American people have always wanted, is balance.

Not far from here, in the State of Washington, is a timber town called Forks. Forks supported a mill, and the mill supported a community. And because of the lack of timber, the mill had to close. Today unemployment in Forks is at 20 percent. The car dealership is closed; clothing store is gone; movie theater, shut down. Domestic violence complaints have doubled, just in the past year. Now, Forks is in crisis for a simple reason: the balance has been lost. I've come here because we must restore the balance.

Listen to one of the Senators, Senator Mark Hatfield, from here, who was a cosponsor of this original Endangered Species Act back in '72. This year he wrote, ``There is no question that the act is being applied in a manner far beyond what any of us envisioned when we wrote it 20 years ago." The Endangered Species Act was intended as a shield for species against the effects of major construction projects like highways and dams, not a sword aimed at jobs, families, and communities of entire regions like the Northwest.

But today, when harvesting on Federal timberland is stopped outright by 13 different lawsuits, under 7 different statutes, each inconsistent with the other, the balance has been lost. And it's time to fight for jobs, for families, and for communities. When hundreds of mills have been shut down, thousands of timber workers thrown out of work, and revenues for schools and other local services have been slashed, the balance has been lost. And it's time to fight for jobs, families, and communities.

So the time has come to talk sense about the Endangered Species Act, about the spotted owl, and about the management of our forests, because it is my firm belief that people and their jobs deserve protection, too.

Let me be clear. The basic purpose of the Endangered Species Act is good and noble: save the rare and threatened species of this country. But today, the act and other laws are being used by people with extreme views, particularly here in this State, here in Oregon, to achieve in the courts what no sane elected official would ever vote for, the complete lockup of the most productive forests in the entire United States.

The entire Endangered Species Act, as rigidly interpreted by some courts and as driven by the Congress, has forced an extreme approach and created an unnecessarily tragic situation here in the Northwest. Massive areas of Federal land are being set aside for the owl, virtually ignoring the fact that two-thirds of the Northwest's old-growth forests are already designated as parks, wilderness, or other classifications that prevent harvesting. Each pair of owls gets 3,500 acres to itself. Meanwhile, jobs and families and communities are being wiped out in the process.

The other side has been talking about a ``false choice." And they claim that this timber crisis is just politics. The simple fact is this: The false choice is being driven by extremists who are twisting the Endangered Species Act and its application to the northern spotted owl.

Now let's set the record straight. We've always worked within the parameters of the law to address this problem. But I can tell you this: The law is broken, and it must be fixed. And we have asked the Congress for funds to cut enough timber in this region to keep people employed. But these conflicting laws allow challenge after challenge. We convened the ``God squad" to exempt 13 timber sales here in southern Oregon from jeopardy opinions from the Fish and Wildlife Service, and every one of those sales is now enjoined. So this year we sent Congress an alternative plan, a preservation plan, if you will, that would save 17,000 jobs compared to the recovery plan required by the act. And Congress has failed to act on my plan.

My friends, it is time to consider the human factor in the spotted owl equation. My opponent talks about putting people first. Well, we can start right here in the Pacific Northwest.

So here is what I propose:

First, I will not sign an extension of the Endangered Species Act unless it gives greater consideration to jobs, to families, and to communities. I will not sign it without a specific plan in place to harvest enough timber to keep timber families working in 1993 and beyond. It is time to make people more important than owls.

Second, I will fight to end the injunctions that have put an economic stranglehold on the Northwest, in order to free up the timber that we need today, because the families and the timber communities of the Pacific Northwest need relief, and they need it now. I call upon the United States Congress to pass my plan to produce 2.6 billion board feet of timber from Forest Service lands in the Northwest region next year, and at least 500 million board feet on BLM land. And I ask Congress to tie that plan to language that prevents lawsuits from stopping reasonable harvests with reasonable species protection. It is time to put people ahead of process, and the Congress must understand that.

Third, my administration will speed the harvesting of dead or dying timber that has been dangerously building up during a 7-year drought. One step is our new rule to allow more timber

salvage operations to occur without triggering some of the time-consuming requirements that are blocking progress. This will reduce the risk of fire, and it will provide up to 450 million board feet of timber for the mills in the near term. In other words, it's time to protect jobs with timber that's available now and put the mills back to work.

Finally, I call upon the Congress today to pass the spotted owl preservation plan. That's the bill sponsored by Senators Packwood and Hatfield and Slade Gorton, which they call ``The Northern Spotted Owl Preservation and Northwest Economic Stabilization Act of 1992." It's a long name, but it's a good bill. And it's time to preserve both owls and jobs, jobs in the timber industry and in agriculture, transportation, and in recreation as well, where they, too, are threatened by this Endangered Species Act.

Now a word about my opponent. My opponent's approach to this problem -- and I'll try to be fair -- no, but his approach to this problem, to your jobs, really is -- and look at the record -- double-speak. When he spoke in Pennsylvania, Governor Clinton spoke in Pennsylvania, he said what the Sierra Club wanted to hear. They concluded that Governor Clinton was, quote, ``promising the protection of old-growth forests in the Pacific Northwest." And then, when he heard I was coming here, Mr. Clinton cynically held out false hope to timber families by promising another meeting.

There have already been more than 40 bipartisan meetings of the Northwest congressional delegation on this issue for 3 years. Now, look, here are the studies. We've produced a pile of studies and proposals this high. And the only good reason for the timber industry -- the only good news is all the trees it took to print all these darn reports. Look at them. And so I say to Governor Clinton: No more studies.

Help me change the law; that's what needs to happen. The difference on this is clear. I will; I will change it. It's as simple as this: My opponent will not fight to change the law to restore balance.

Now I know that Mr. Clinton, and Governor Doublespeak, I call him -- [laughter] -- but nevertheless is getting famous for being on both sides of these issues. But do you want to know the real views of the other ticket? I hate to bring this word up, but Senator Gore -- --

Audience members. Boo-o-o!

The President. He wrote it in black and white in his book before he knew that he'd be out there pandering for votes. And in his book, Senator Gore said this, and I quote, ``I helped lead" -- I want to get it right here -- ``I helped lead the successful fight to prevent the overturning of protections for the spotted owl." And he wrote, and this is an exact quote, ``the jobs will be lost anyway." I challenge Governor Clinton: Do you agree with your running mate? Do you endorse the book that you once called ``magnificent"? It is time we worried not only about endangered

species but about endangered jobs.

I am here to tell you that I'm the one who will respect the wildlife, yes. I think we all do. We all agree. But I'm also the one who will fight for jobs, for families, and for communities.

I have come here to tell you that I will not stand for a solution that puts at least 32,000 people out of work. It will not stand. I mean it.

I've come here to tell you that we haven't forgotten about the human factor. Because in the end, in the final analysis when all the campaigns are over and all the charge and countercharge takes place, the human factor, that is the most important factor of all.

I've come here today to tell you that we can restore the balance. We must restore the balance. And with your help, we will restore the balance.

May God bless your families, your jobs, your hopes for our great country. And may God bless the United States of America. Thank you all very, very much. Thank you. Thank you all.

Note: The President spoke at 6:30 p.m. at Burrill Lumber Co. In his remarks, he referred to company officers Michael Burrill, president and general manager, and Eugene Burrill, owner. The President also referred to the Endangered Species Act Exemption Committee (``God squad").

Remarks to the National Guard Association in Salt Lake City, Utah

September 15, 1992

Thank you all so much. May I first thank General Ensslin for being my host here today, and all of you for that wonderful reception. And of course, I want to single out Utah's Governor, Norm Bangerter, who's just done a superb job for this -- [applause]. I see we have some Utah Guard folks here. And while you're clapping, Jim Hanson, a Member of the United States Congress, doing a great job for our country. And may I salute all the leaders of the National Guard.

I understand, with some embarrassment, I understand that some of you may have had to go through room changes to -- [laughter] -- sorry about that. I really feel badly about that. I apologize for any inconvenience. But I really am very, very pleased to be here with you.

I was thinking of giving a political speech, a real stemwinder with catchy sound bites, the usual biting insults. Then I got to thinking: I'm not going to do that; you've already sacrificed enough for your country. [Laughter]

Instead, I'd like to talk about a more serious subject: America's national defense and, really, our place in the world. I firmly believe that just because we face stiff challenges at home, and we do, it doesn't mean that America can pull in its wings and ignore the world outside our borders. Think of the world of change that we've seen the past few years. Today, the Berlin Wall, the Warsaw Pact, the Soviet Union itself, Soviet empire, all are gone, swept away by the most powerful idea known to man, the undeniable desire of every individual to be free. Remember the Communists' claim that history was on their side? Well, today, the ``dominoes'' all fall in democracy's way.

We must recognize these events for what they were: a vindication of our ideals, but also a victory for the men and women who fought for freedom, because this triumph didn't just happen. Imperial communism didn't just fall. It was pushed, and the National Guard was pushing every inch of the way. From Concord and Lexington Green to the sands of Desert Storm, guardsmen or their forefathers have served with distinction in every major war that America ever fought.

In August of 1990, within days of my decision to draw a line in the sand, more than 4,000 volunteers from National Guard units all across America were activated, airborne and on the way to the Persian Gulf, the first of 767 National Guard units called up during Desert Storm. And when American troops rolled across the Iraqi border, and I'll never forget that day, the National Guard was among the very first to cross.

Here at home, when riots ripped South Central, ripped Los Angeles, the California Guard

answered the call, 2,000 in just the first 6 hours. You went into the streets to protect the innocent against the outlaws, to restore the peace.

Late last month, when Hurricane Andrew roared in, again the National Guard answered the call, delivering 215 tons of food, water, and supplies to Miami in the first 24 hours alone, helping bring hot meals and comfort to people who had lost their homes. Guardsmen are working right now to bring comfort to the island of Kauai.

You've all seen the pictures of people hugging the Guardsmen in their fatigues. You know one thing for sure; it wasn't to thank them for their cooking. But nevertheless -- [laughter] -- what the Guard is doing in Homestead and Hawaii and in Lafayette Parish is a godsend. It shows us the true meaning of service, of leadership, of love of country.

This is an important task for which the Guard has and will continue to have the primary responsibility and where we only turn to our Active Forces for backup. Indeed, that happened in the Miami situation, as you know. It's happening now out in Hawaii as well. We need to know that the Guard is there, there for the crises at home, there for the challenges abroad, there when a nation in need looks to you to protect life and liberty.

As all of you know, our cold war victory means a downsizing in our national defenses, Active, Reserve, and Guard alike. But we remain committed to our total force concept: the smallest standing army consistent with our national security and yet large enough to deal with any likely threat. For that total force policy to be effective, a strong Army and Air National Guard are absolutely essential.

Let me be clear: Maintaining strong, capable Reserve and Guard forces will remain essential to our military strategy. You are part of the flexible forces we will need to meet our new military challenges. In fact, we can move certain units or functions from Active Forces to the Reserves to lower costs. At the same time, we recognize the need to be sensitive to the demands placed on individual National Guardsmen, Reservists, and really to their families. As true citizen-soldiers, our Guardsmen must devote time to their families, civilian occupations, or education. If we intrude upon you for every trouble, we may find it hard to keep the very best soldiers that characterize the Guard today.

I know that my opponent will be following me today. So you can expect to hear stories about my administration's cutback of the Guard. Of course, the new National Guard will be smaller, just as our Active Forces are being reduced. Anyone who tells you different is simply not leveling with you. But as long as I am President of the United States, the National Guard will be well-trained and well-equipped. And as Commander in Chief I can assure you, we will never shortchange the National Guard.

Yes, I'm cutting back defense spending with the end of the cold war, through orderly and

deliberate downsizing. But don't forget the facts. My opponent proposes to cut nearly $60 billion beyond which my civilian and military experts believe is responsible, $60 billion more than the cuts that I have proposed. Now, let me say this: You cannot cut $60 billion more from defense and not touch the Armed Forces. You simply cannot do it.

We have to be very careful with our defense downsizing. At other times in our history, political leaders rushed to carve apart our military -- we remember that -- leaving only a hollow shell. Then other Americans paid a big price, paid even with their lives, for those mistakes.

The defense budget is more than a piggy bank for folks who want to get busy beating the swords into pork barrels. The President has got to stand up for an America second to none. And he must be able to say: America is safe, as long as America stays strong.

I learned the value of military strength the hard way, and some of you might identify with this, commanders of the Guard units. I learned it the hard way, by sending our troops into battle. I am proud of our accomplishments, thankful that I've been able to give the order so many Presidents longed to give, for many of our nuclear forces to stand down from alert; proud to be the first President in 50 years to lead an America that's not at war, hot or cold.

But the fact is: For all the great gains we've made for freedom, for all the peace of mind that we've secured for the young people in this country, the world remains a dangerous place. The Soviet bear may be extinct, but there are still plenty of wolves in the world: dictators with missiles, narco-terrorists trying to take over whole countries, ethnic wars, regional flashpoints, madmen we can't allow to get a finger on the nuclear trigger. And you have my word on this: I will never allow a lone wolf to endanger American security. We must remain strong.

No, our work in the world did not end with our victory in the cold war. Our task is to guard against the crises that haven't caught fire, the wars that are waiting to happen, the threats that will come with little or no warning. I make this promise: As long as I am President, our services will remain the best trained, the best equipped, the best led fighting forces in the world. This is the way to guarantee the peace.

Let me add something else that's really close to my heart. Even as we respond to the new challenges, we must never forget those who flew and fought in face of the old. The one hero we must never forget is the hero who has never come home. And I pledge to every American family awaiting word of a loved one: We will continue to demand the fullest possible accounting for every POW and MIA. We will not have normal relations with Hanoi until we are totally satisfied on that account.

I speak of these matters this morning to this very special group because these matters are important. They're important to America. They're important to the whole world.

Like every nation, America today is challenged by a global economic transition. I have outlined my Agenda for American Renewal. It's a comprehensive series of actions that we must take to match our military supremacy by remaining the world's largest export superpower and economic superpower. Yet I hope that in our zeal to concentrate on these problems here at home, we do not forget America's unique role abroad. Other nations still look to us for leadership: military leadership, moral leadership, and economic leadership.

As one who has held this office for 4 years, I hope that when evaluating the two men who want this job, Americans will not ignore the President's role as Commander in Chief.

There's been a lot of controversy swirling around about service to country, about using influence to avoid the military. I've read a great deal of speculation saying that I was going to come out here and use this forum to attack Governor Clinton. I want to tell you, I do feel very strongly about certain aspects of the controversy swirling around Governor Clinton, but I didn't come here to attack him. I came to defend and support the National Guard and those who serve in it.

Four years ago, Dan Quayle was savagely attacked and ridiculed by the national press for going into the National Guard. His critics attacked the Guard as a haven for draft dodgers. Those critics are wrong. Dan Quayle spent 6 years in the Indiana National Guard. He was not sent to Vietnam, but some of his fellow Guardsmen were. And four of them never came back.

No candidate has ever been attacked more unmercifully than Vice President Quayle, but he stood his ground, and he answered every question calmly and with candor. He told the truth. This is service to country, and I am very proud of the Vice President, and I am very proud of the National Guard.

But why do these questions even matter? Why are they part of our national debate? They matter because despite all our problems at home, we can never forget that we ask our Presidents to lead the military, to bear the awful authority of deciding to send your sons and daughters in harm's way.

I remember the night of Desert Storm. Barbara and I had Dr. Billy Graham over for dinner there in the White House. And our family -- we still say the blessing at night. So we said our little prayer together, enjoyed some conversation, but my mind, I will confess, was thousands of miles away.

And after dinner -- I don't know if you can picture the White House complex -- I went down the elevator in the White House and then walked across by the Rose Garden over to the Oval Office, waiting to hear the results of the initial strike. I remember walking along the Rose Garden and thinking. I was wondering if our military estimates were really accurate -- General McPeak having briefed me in detail, an amazing briefing of what he was confident the Air Force could do -- wondering if it was accurate, if our smart bombs were as smart as Tony McPeak and other

experts told me they were. But mostly, I wondered how our young men and women in the sands of Kuwait felt and about their parents back home.

In the months after that fateful night, I received letters from proud parents, and I tried to read as many as I could. But I lingered longest on the occasional note from the parent whose son or daughter had not returned.

This summer, I got a letter from a woman in Illinois. And her son had been lost in a helicopter accident, no body ever discovered. On the day she received word, she received a letter from her son. He said, ``Mom and Dad, don't worry about me. I love the Marines, and I love my country." And this July, the mother wrote, ``As a Gold Star Mother it is difficult to accept my son's death, but he is alive in my heart. And I could be bitter with the military and God, but my son would never want me to."

I know the commanders here know I feel a little emotional about this. But you get letters like these, and you can almost see the faces, faces of youth and innocence. You feel the weight of the job. Sending a son or daughter into combat, believe me, is the toughest part of the Presidency. Most Presidents never learn that lesson because, thank God, most don't have to ask others to put their lives on the line. But every President might.

Does this mean that if you have never seen the awful horror of battle, that you can never be Commander in Chief? Of course not. Not at all. But it does mean that we must hold our Presidents to the highest standard because they might have to decide if our sons and daughters should knock early on death's door.

I hope that I am reelected President this November. Like my opponent, I believe I'm best qualified. But I wish for something else even more. I hope that whomever is elected to this office, at whatever time in the future, he doesn't have to face the awful decision that I had to face twice. I hope that the next 4 years will pass, indeed, I hope that the next four decades will pass without the blood of young Americans being shed on foreign shores.

Today, we can say this future is possible, but no one can say for sure it will happen. So I commit to you, the proud members and families of the National Guard, that as long as I am fortunate to hold this office, I will fight for a strong defense, for a strong America, for an America that, despite our troubles at home, remains the last beacon of hope and strength around the world.

The Guard has always been a proud part of America's world leadership, and I know you'll continue to help us lead in this new world that we have forged together.

Thank you all, and may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 9:03 a.m. at the Salt Palace Convention Center. In his remarks, he

referred to Maj. Gen. Robert F. Ensslin, Jr., Ret., president, National Guard Association, and Gen. Merrill A. McPeak, Chief of Staff, U.S. Air Force.

Remarks to Jeppesen Sanderson Employees in Englewood, Colorado

September 15, 1992

The President. Good morning, Colorado. Thank you all. Thank you very much. Frank, thank you, Frank, for that introduction. Greetings to all: Captain Jeppesen and Paul Sanderson; Horst Bergmann; master of ceremonies, Mark, here; Natalie Meyer, our great Colorado secretary of state; and Gale Norton, Colorado's wonderful attorney general. It's great to be with all of them.

And let me salute our party leaders who are here, Bruce Benson, Ed Jones, Mary Daubman, and the rest of the Colorado Republican team. You're doing a great job. And we are going to win this State.

Audience members. Four more years! Four more years! Four more years!

The President. That's the idea. You got it, you got the message. Now, I'm delighted to see such a great crowd, a fantastic crowd. I'm sure you were told that you'd hear from a guy who loves a good fight, loves to be behind, pull it out at the last minute. Unfortunately, John Elway couldn't be here today. [Laughter] But I'm proud to be here. It's the beginning of a new era for America. And I'm proud to be the first President to visit Colorado and say, the cold war is over, and freedom finished first.

But this election is about more than the past; it's about the future. It's about what kind of country we're going to leave for the young kids here today. Here's our challenge: In the next century, America must be not only a military superpower but also an export superpower and an economic superpower. This year you're going to hear two very different versions of how we get there. I want to have us look forward, to prepare our kids to compete, to save and invest, and to strengthen the American family. And if we can do this, when it comes to the new challenges of the nineties, America will finish first again. We have and we will do it again.

A Grand Canyon divides me and my opponent on the issues; two candidates, two very different philosophies. You see it in every issue that we care about: education, health care, economic growth, creating jobs. My Agenda for American Renewal lays out the answers, shows us the way as clear as a Jeppesen dataplan. And that is very, very clear, if you know anything about this company.

I put my trust in the American people, the same people who made this country the greatest economic power the world has ever seen. I want more competition to keep health care costs down. I want more competition, to give parents the power to choose their kids' schools, to make our schools the very best in the entire world. But for my opponent, it doesn't matter what the

problem is, he always sees the same solution: He wants more Government mandates, more Government regulations, and more Government burdens on workers and businesses.

Governor Clinton wants to give Government more power. And I want to give you, the American people, more power. Governor Clinton wants to make the bureaucrat's life easy, to provide one-size-fits-all service in schools and in day care. I want you to be able to choose your schools and choose your day care so that we make your lives easier.

Now, business people here might be a little frightened of this one, but my opponent is for what they call an industrial policy, where Government planners decide how high the American economy will go, and if you try to go any further, they'll tax you down to Earth.

Audience members. Boo-o-o!

The President. And I want to unleash the incredible power of entrepreneurial capitalism so you can climb as high as your dreams will carry you. And that's what this debate is about: the role of Government in America. It's not just the difference between big Government and smaller; it's the difference between a big Government that thinks it knows best and a smaller Government that believes you know better. That's the fundamental difference.

And when it comes to taxes and spending, the difference couldn't be more clear. I hold a firm belief that a Government is too big and it spends too much of your money. And my opponent disagrees. Governor Clinton has already called -- and get this now -- it's in his plan for $200 billion in new spending. And Newsweek magazine says the real total could be 3 times higher. Right out of the box, he wants to raise taxes by $150 billion.

Audience members. Boo-o-o!

The President. And of course, he says he won't tax you. It's always somebody else: big corporations, foreign investors, the rich. He's even come up with a new twist. He's going to tax jobs, a new training tax and a health care system leading to a new 7-percent payroll tax, all to feed the overfed bureaucrats in Washington, DC.

Audience members. Boo-o-o!

The President. I didn't think you'd be enthusiastic about that. They say I think that every day is the Fourth of July. Well, Governor, I do. I do. I believe America's best days are ahead of us. But Governor Clinton seems to believe that every day is April 15th. And his tired old tax-and-spend philosophy is wrong for this country. We all know that because it's been tried before. And it would be like going back to the used car lot, picking up the lemon that you sold 12 years ago. Only this time it would have higher prices on it from inflation, skyrocketing interest rates for credit, and a hot air bag thrown in. [Laughter] America, this is not the deal for you.

Now, I want you to listen closely to him this fall, but you're going to do that, because on issue after issue, he takes one position and then another. He's been spotted in more places than Elvis Presley on these issues. [Laughter] Let me give you some specifics. Take the issue, the question of whether to stand up to Saddam Hussein, the defining test of American leadership in the post-cold-war world. Two days after Congress followed my lead -- and I had to fight to get them to do that -- he said, and I quote, ``I guess I would have voted with the majority if it was a close vote. But I agree with the arguments the minority made."

Audience members. Boo-o-o!

The President. Maybe that's why he wants an Oval Office -- he spends all his time running around in circles. [Laughter] You cannot do that. Being President, the buck stops there. You can't be on all sides of every question. And when you're in that Oval Office, and when American lives are at stake, you can't take time out to check the latest opinion polls. I had to make the tough decision, and I'm proud of what America did in Desert Storm. And we did the right thing.

How about one of the defining issues of the next 4 years: Whether we're going to continue to open new markets, tap new consumers around the world so we can create more jobs here at home, right here in Colorado, right here at Inverness. I know Americans aren't afraid of competition, because when we compete fairly, we win. And where does Governor Clinton stand? It depends on who he's standing in front of. Sometimes he's for opening markets. But when he talks to the protectionist lobby, he whips out his saxophone and plays a different tune. They asked him about our new plan to open markets in Mexico, and here's what he said: ``When I have a definitive opinion, I'll say so." You figure it out. Before he went to the labor unions, he was for the free trade agreement. And when he went there, he had serious reservations. On free trade he backpedals faster than Karl Mecklenburg. [Laughter]

And I am going to continue to fight for new markets because, don't kid yourself, the American worker can still outcompete, outthink, and outcreate anyone in the entire world. And there's something else I want to do. I want to get rid of all these crazy lawsuits. They are costing our economy up to $200 billion in a single year. And I think that's crazy. Somebody asked me the other day, ``An apple a day keeps the doctor away, what works for lawyers?" [Laughter]

Now, my opponent doesn't think this is a problem. You've got Little League people that can't coach who are worried about suits. You've got doctors afraid to deliver babies. You have people out there doing good works, good Samaritan works on the highway, afraid they'll get sued if they stop to help somebody.

Now, here's what the head of the Arkansas Trial Lawyers Association said, and I quote: ``I can never remember an occasion where he" -- and that's Governor Clinton -- ``failed to do the right thing where we trial lawyers are concerned." I don't want to do the right thing for the trial

lawyers. I want to do right for the American people. And we have got to sue each other less and care for each other more.

So these are some of the things that I'm fighting for. And you'd give me a big hand if you'd give me legislators in Washington who share our vision of America. Give me Bryan Day and Ray Aragon in the U.S. House of Representatives. And do me a special favor. You have a special candidate for the U.S. Senate, the father of the term-limit movement, Terry Considine. And he understands that Government exists to serve the people, not the other way. Give me Terry in the United States Senate, and watch us move this country forward.

You see, I don't think America is a vast collection of interest groups to be appeased, the trial lawyers over here, big labor over there, environmental extremists on the other side, each clamoring for favors from Washington bureaucrats. I believe we are a nation of special individuals, not special interests. And I believe our genius lies in our people, in our families, in our communities, not in the Government.

In this election I'm asking for a mandate to return power to the people, to let Government give you the means and then give you the chance to do it your way. And if you believe in this mandate, if you believe in these ideas, then I ask you to pull together. For the next 49 days, I ask you to join me and fight for free trade, fight for great schools, fight for giving power to the people.

The polls may show us behind today, but I know we are going to be ahead in November because we have the right ideas. We've done a lot. These young kids don't go to bed at night with the same fear of nuclear weapons and nuclear war that their brothers had or their sisters had. And that is good. That is good. And we have the right ideas to renew America, to make America stronger, safer, and more secure.

Thank you. And may God bless the United States of America. Thank you all very much.

Note: The President spoke at 12:28 p.m. at Jeppesen Sanderson, Inc., in the Inverness Business Park. In his remarks, he referred to company officers Frank Kotulak, project leader, Elrey B. Jeppesen and Paul Sanderson, cofounders, and Horst Bergmann, president and chief executive officer; Mark Bohne, president, Arapahoe County Republican Men's Club, and vice president of public affairs, South Metro Denver Chamber of Commerce; Bruce Benson, Republican State chairman; Ed Jones, State cochair, Bush-Quayle '92; and Mary Daubman, Republican national committeewoman-elect.

Remarks to Sandia National Laboratories Employees in Albuquerque, New Mexico

September 15, 1992

Thank you for that welcome. Thank you so very much. And it's a joy to be introduced by your great Senator, Pete Domenici, steadfast, loyal supporter of the people that sent him to Washington. He knows how he got elected, and he hasn't forgotten. And he does something unique. He votes the way in Washington that he talks in New Mexico, making him quite different than many Members of the United States Senate. And so he's doing a great job for the people of this State.

I'm also pleased to see two of our Cabinet members here: Secretary Manuel Lujan, a former Congressman from New Mexico, great American; and of course, Jim Watkins, former Chief of Naval Operations, now our Secretary of Energy; both doing a superb job in our Cabinet. And may I salute Steve Schiff and Joe Skeen. If we had more Members of Congress like them everybody wouldn't be yelling at me, ``Clean House!'' We've got two good ones right here. And Bruce Twining, the manager of the Department of Energy's Albuquerque office; and let me also especially thank Al and Sig, my two hosts here today. I love that plowshare, I love it. And it's a wonderful thing when you can think what it really signifies. It will have a special place in any library that I'm associated with in the future.

It's great to be back in Albuquerque, this beautiful city, and I understand that you'll host the International Hot Air Balloon Fiesta. I'll leave it to you to decide whether the Presidential candidates should be invited. [Laughter]

But I came here today to talk a little bit about the future. And it's really your future. But before I look ahead, a word of thanks for the past, because I can stand before this wonderfully productive and patriotic audience this afternoon and say something no President has ever said before: The cold war is over, and freedom finished first. Where was the cold war won? Well, it was won along the trenches of Korea, on the training fields of our military academies, and inside the pockets of our taxpayers who dug deep and spent $4 trillion over four decades to keep the Soviet bear at bay. But the cold war was won in other places, like right here in Sandia and up on the hill in Los Alamos. And let me quote someone who I'm not in the habit of quoting very often, Leonid Brezhnev. Speaking at the height of the cold war, Brezhnev said, and I quote, ``At the present stage, problems of scientific technological progresses are acquiring, quite frankly, decisive importance.'' Now, I admit that's not exactly the most memorable statement ever made. It's not exactly going to compete with ``You got the right one, baby.'' But Mr. Brezhnev was right: All the courage, all the sacrifice, all the wealth in the world would not have made a difference had we not had scientists on our side.

And so I've come here today on behalf of all Americans, on behalf of all who love freedom, to

say thanks to you, thanks to the men and women of Lawrence Livermore, Los Alamos, and Sandia. You were the scientific saviors of the free world. Now you are in the forefront of our effort to help ensure the safe and secure dismantling of former Soviet nuclear warheads. With the historic agreements I've reached with Boris Yeltsin, I know you're awfully busy lately. And yet, although we are now reducing our nuclear forces dramatically, a safe and reliable deterrent remains essential to our national security. Let's not kid ourselves: The Soviet bear may be gone, but there are still plenty of wolves in the woods. And those wolves could turn into full-fledged, fire-breathing dragons if they acquire nuclear capability. And I make this promise: I will never let these threats endanger our kids' security.

In July, I announced a comprehensive strategy to stem the spread of weapons of mass destruction and discourage the use. Today I want to take the next step. With the cold war over, we can do with a smaller nuclear stockpile. And with a smaller stockpile, we need smaller amounts of tritium, an essential ingredient in nuclear weapons. Today I am announcing the immediate deferral of the Department of Energy's billion-dollar program to build a new production reactor for tritium. But the safety of our children is paramount. So I will ask the Congress to redirect $166 million to support the nuclear nonproliferation initiative I announced in July through work done at national laboratories like Sandia. You and your colleagues will develop new technologies to detect and prevent the spread of weapons on land, at sea, and in space. And once again, your scientific brilliance will help make sure that our children sleep soundly and dream the sweet dreams of peace.

Also today I'm asking Congress to reallocate $250 million in funds for the Department of Defense procurement items to provide an increase in research and advance technology programs through DARPA. This research in communications, supercom- puters, and manufacturing technology will help protect our national security and strengthen our civilian technology. And by the way, it will employ the talents and skills of more than 3,000 scientists and engineers.

You see, the end of the cold war brings more than new security challenges. It's brought a period of global economic transition. And I know you're feeling the impact right here in New Mexico. But while some will tell you America's in decline, I say the best days are yet to come. The defining challenge of our age is to win the new economic competition, to make sure that in the 21st century America remains not just a military superpower but an export superpower and an economic superpower.

Last week I laid out my Agenda for American Renewal, a comprehensive, integrated strategy to respond to the challenges of this new, more competitive world. My agenda has six parts to start. I want to aggressively pursue free trade agreements with other nations, because American workers never retreat; we always compete. And we will win.

I have a program already well underway to revolutionize our schools. Somebody was asking, what about education? Well, let me say this: You tell me why a nation that can make smart

bombs cannot produce the smartest kids in the entire world. I want to sharpen the competitive edge in education. And we can do it.

I want to sharpen the edge of American business, especially small business. And that means relief from taxation, regulation, and yes, litigation.

American men and women deserve economic security. For example, I have a plan to make health care available to every working American and to cut costs through competition. The way I see it, you should only feel the pain in your head when you're at the doctor's office, not 2 months later when you get the bill at home.

America in the 21st century cannot afford to leave anyone behind. And so we need a welfare system that encourages families to stick together and fathers to stick around.

And lastly, but not in the least, we need to change the only institution in our society that has been resistant to change for so many years: the Federal Government, and the United States Congress included. And I have a plan to limit the growth of mandatory Federal spending and save almost $300 billion over the next 5 years. But while we set priorities, Government can still have an important role in responding to the challenges of a new economy.

Look what's going on right here. I got a little bird's-eye view of that in this tour I've just had at the labs right here in Sandia. The same scientific talents that won the cold war are now being put to use in the new economic competition, as we strengthen our high-tech manufacturing base, as we improve our productivity and create the high-paying jobs of the future for you and your kids. I just had a tour of your lab, and I must say I was deeply impressed by what is going on here, especially with your robotics operation. I'm just waiting for one of you to come up with a robot that can give a public speech. I'm sure it will make my life easier and also yours. And I won't ask the national press to touch that one with a 10-foot automated pole.

Listen, inside these labs you're teaching American business how to manufacture, how to take the lead in building new industries of the 21st century. And just as important, you are leading the way to a clean environment. Some say the only way to clean our air and water is with regulation, Government keeping an iron arm on business. And I say there must be a better way. In these walls and at Los Alamos you are devising new technologies in waste reduction and environmentally conscious manufacturing. These technologies will allow us to manufacture products without pollution and achieve the elusive but important balance of good jobs and a clean environment for our children.

So your work is one part of our advanced manufacturing initiative: investing a billion dollars in labs across this Nation to build new industries. And we're fighting to reform the antitrust laws to allow R&D cooperatives to make their research and development tax credit permanent, to expand the small-business innovation research program and regional technology alliances, and

to streamline controls on American exports. And every one of these programs is intended to build a sturdy foundation for our 21st century economy. And so if you hear a certain young and energetic Governor saying that we need a strategy to encourage manufacturing, maybe you can bring him here, bring him here to Sandia to show him that the future has already begun. You are doing this right now here in these labs.

You see, here's my belief: If we're going to reap the fruits of a high-tech harvest tomorrow, we have to plant the seeds today. Our great national labs like Los Alamos and Sandia are working in partnership already with businesses large and small to take ideas from the lab right to the marketplace. And I want to encourage this. That's why my budget for 1993 includes $76 billion for research and development, a record amount. We are investing in basic research: programs like the National Science Foundation, whose budget I've said we must double by 1994; and in health and agricultural research; in projects like the superconducting super collider and the human genome project, through which we can revolutionize our understanding of biology and health care. And we're making a renewed commitment to applied research, spending the process -- speeding that up from when the scientist in the laboratory says ``Aha!'' to when the consumer in the store says, ``I want to buy that.'' We have special programs underway in high-performance computing, space exploration, the advanced materials sciences, and biotechnology. And we are setting priorities, holding the line on money in other areas of Government spending so that we can turn the scientific prowess of America away from creating weapons of mass destruction to creating new industries for mass employment.

Now, Pete Domenici will tell you that not everyone shares our sense of priority, this loyalty to the future. There are many Members of the Congress, mainly on the liberal side, whose idea of robotics is how they mechanically move to satisfy the special interests. And these Members are constantly cutting our investments in tomorrow, to keep dollars pumping into the pork barrel projects today. So let them, let those liberals in Congress keep trying to divert tax dollars away from research and development. I am going to keep fighting for science and fighting for our economic future.

I know this is a time of anxiety in America. Tough questions are being asked around dining room tables. But we have confronted much tougher challenges in our history, and we've won. America is always on the rise because of our incredible capacity for rebirth, regeneration, and renewal. Look what's going on right here at Sandia, the power of science turned in a new and more productive direction. If I were our economic competitors, I'd be trembling in my boots, if I knew what was going on in these great labs.

Almost a 100 years ago, Teddy Roosevelt led America through a period of transition much like this one, another time when the cynics asked, will tomorrow be as good as today? And Teddy Roosevelt said, ``We look across the dangers of the great future, and we rejoice as a giant refreshed. But great victories are yet to be won. The greatest deeds yet to be done.'' You helped bring peace to the world. Look at your work that way. You helped bring peace to the world. And now we turn our energy to a new deed: to build new industries and new jobs and create peace of

mind here at home. For you and your colleagues across America, there are new deeds to be done. There are more victories to be won.

So thank you very much for your hard and dedicated work for your country. Thank you for listening. And may God bless the United States of America, the greatest country on the face of the Earth. Thank you very much. Thank you all. Keep up the great work.

Note: The President spoke at 5:07 p.m. at the laboratory. In his remarks, he referred to Albert Narath, president, Sandia National Laboratories, and Siegfried Stephen Hecker, director, Los Alamos Laboratory. Mr. Narath gave the President a plowshare sculpted out of material from a dismantled nuclear weapon.

Statement by Press Secretary Fitzwater on Transmittal of Appropriations Requests to the Congress

September 15, 1992

The President today announced his intention to transmit to the Congress budget amendments for the Department of Defense that would reallocate $250 million of the Department's FY 1993 request to Defense advanced-technology programs. The reallocated funds would be used in the areas of communications, high performance computers, small satellites, sensors to identify environmental contamination, and manufacturing technology. These areas are essential to national security and also have dual-use civilian applications. The funds for these advanced-technology programs would be reallocated from lower priority Defense programs.

Appropriations language was also requested to increase the United States FY 1993 contribution to the Asian Development Bank by $25.5 million. This additional contribution is necessary to maintain United States voting parity with Japan in the Bank. The increased FY 1993 budget authority for the contribution to the Bank would be fully offset by a reduction in the United States contribution to the Asian Development Fund.

The President also transmitted an FY 1992 supplemental appropriations request for the legislative branch. As required by law, appropriations requests for the legislative branch must be transmitted without change.

Remarks and an Exchange With Reporters on Family Leave Legislation

September 16, 1992

The President. One of the things we're going to be talking about here today is family leave. I am very proud of what we have already accomplished for families. We all know the issues on that. We have a child care plan that puts the power in the hands of families and parents, not bureaucrats. We let the family choose their child care and not the Government. We should provide an equally flexible approach to family and medical leave.

I favor family and medical leave, always have. But the real question is how do we achieve that goal? Now the Democrats are sending me a bill. It's been timed for politics. They've been sitting on it for a whole year. It takes one different -- approach different from ours.

Unfortunately, they and my opponent believe in a Government-dictated mandate that increases costs and loses jobs. Every Governor that comes in here says, ``Please don't create more mandates." But now they're sending me a mandated program.

Our alternative is to provide a family-oriented solution in the form of a tax credit for small and medium-sized businesses. Our approach both encourages companies to adopt family leave policies and gives them the flexibility to target the specific needs of their employees.

My tax credit approach, and we have it in a bill, has another great big advantage. The Democrat bill covers only businesses with more than 50 employees, leaving out the millions of employees of small firms, those the least likely to get leave. Our solution would provide an incentive to all small and medium-sized companies to provide this important benefit. So, in fact, I think our approach has a broader coverage and includes those most in need.

So I would like to suggest if people are really interested in getting family leave done, and I am, that the Democratic leadership go to work on this. It can be done very, very quickly, and it will not cause a loss of jobs, something that concerns me very much in this small-business arena. We're trying to help small business, not mandate them so that, whether they want to or not, they have to lay people off.

So I would like to see immediate action on this. There's an awful lot of politics at play here. But here's an approach that for those that want family leave can do it; those who are opposed to mandates, as I am and many, many other people are across this country, they can support this very nicely.

So that's where we'd like -- --

Q. Mr. President, do you know how much it would cost and how would you pay for it?

The President. Well, we're going to be discussing that with the leaders. There are some $60 billion that OMB knows about where we can allocate to this. But that has to all be negotiated out, depending on the size of it and all.

Q. So you are going to veto the bill?

The President. Well, I've sent a veto signal for a long, long time on this. It's just odd that now, after a year up there, it shows up down here 2 weeks before the adjournment of this session. I find that very peculiar and highly political.

So I'll stay with my past position here. If there's some last minute compromise that can be worked out on existing legislation, fine. I don't see it. Our people, Nick Calio and all, have been struggling very had to try to get something done on family leave that is not a mandate. And therein lies the key.

Q. You didn't offer this bill the last time you vetoed family leave.

The President. Well, we've been trying to work with the Congress to try to get something done. Now here's a clean approach that those who really want family leave should take a look at.

Thank you. Hey, listen, I've got to go to work here. Thank you all very much.

Q. Are you going to be in Lansing on Tuesday?

The President. I don't know where I'm going to be Tuesday. That's a long way away.

Note: The President spoke at 8:15 a.m. in the Cabinet Room at the White House prior to a meeting with Republican congressional leaders. In his remarks, he referred to Nicholas E. Calio, Assistant to the President for Legislative Affairs.

Message to the Congress Transmitting Proposed Family Leave Tax Credit Legislation

September 16, 1992

To the Congress of the United States:

I am pleased to transmit for your immediate consideration and enactment the ``Family Leave Tax Credit Act of 1992". This flexible family leave plan will enable 80 percent of the workplaces in the country -- the small and mid-sized businesses that often cannot provide family leave -- to provide family leave for their employees without costing jobs or stifling economic growth. The proposal will cover 15 million more workers, and 20 times as many workplaces, than the proposals in S. 5.

This legislation will provide a refundable tax credit for up to 20 percent of total compensation, for up to $100 a week -- to a maximum of $1,200 -- for businesses that provide their employees with 12 weeks of family leave. An employee would be eligible to take leave under the following circumstances: the birth of a child, the placement of a child with the employee for adoption or foster care, care for a child, parent, or spouse with a serious health condition, or a serious health condition that prevents the employee from performing his or her job.

This is not federally mandated leave. It instead gives employers positive incentives to adopt responsible family leave policies and gives them the flexibility to target the specific needs of their employees. To qualify for the credit, businesses must adopt nondiscriminatory policies that provide protections for employees' jobs, benefits, and health insurance.

On May 5, 1992, the Administration transmitted the ``Health Benefits for Self Employed Individuals Act of 1992" to the Congress. This proposal was also intended to help improve benefits for small businesses, without deterring economic growth, by expanding the deductibility of health insurance from 25 percent of costs to 100 percent of costs. Packaged with the Family Leave Tax Credit, we are providing a strong impetus for small businesses to develop quality benefits programs.

The Department of the Treasury has estimated the cost of the Family Leave Tax Credit at approximately $500 million for FY 1993 and $2.7 billion over 5 years. The combined cost of the Family Leave Tax Credit and the ``Health Benefits for the Self Employed" is $740 million in 1993 and $7.7 billion over 5 years. These costs must be offset under the Budget Enforcement Act of 1990. In my 1993 Budget, I identified $68.4 billion of specific mandatory spending reductions. Any of those offsets would be acceptable to the Administration. Additionally, when the self employed tax credit was transmitted to the Congress, over $9.3 billion of these offsets were specifically suggested to pay for the proposal -- substantially more than was required.

Those same $9.3 billion in offsets are sufficient to pay for the costs of both the self employed deduction and the Family Leave Tax Credit under the Budget Enforcement Act of 1990.

I urge the Congress to take prompt action to generate constructive family leave policies that are consistent with economic growth by quickly passing this legislation.

George Bush

The White House,

September 16, 1992.

Message to the Congress Transmitting a Report on United States Government Activities in the United Nations

September 16, 1992

To the Congress of the United States:

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies during the calendar year 1991, the third year of my Administration. The report is required by the United Nations Participation Act (Public Law 264, 79th Congress; 22 U.S.C. 287b).

George Bush

The White House,

September 16, 1992.

Message to the Congress Transmitting the Report on Aeronautics and Space

September 16, 1992

To the Congress of the United States:

It is with great pleasure that I transmit this report on the Nation's achievements in aeronautics and space during 1991, as required under section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476). Not only do aeronautics and space activities involve 14 contributing departments and agencies of the Federal Government, as reflected in this report, but the results of their ongoing research and development affect the Nation as a whole.

Nineteen hundred and ninety-one was a significant year for U.S. aeronautics and space efforts. It included eight space shuttle missions and six successful launches by the Department of Defense. The shuttle missions included the first such mission to focus on astrophysics and the first dedicated to life sciences research. Other shuttle missions included launch of one satellite to study the unexplored polar regions of the Sun and another to collect astronomical data from gamma ray sources. Still another shuttle mission launched a satellite to study global atmospheric change affecting our own planet. In related areas, the Department of Commerce and other Federal agencies have pursued studies of such problems as ozone depletion and the greenhouse effect. Also here on Earth, many satellites launched in 1991 and earlier provided vital support for the successful prosecution of Operations Desert Shield and Desert Storm to force Iraq to withdraw from Kuwait. And in the aeronautical arena, efforts have ranged from the further development of the National Aero-Space Plane to broad-ranging research and development that will reduce aircraft noise and promote the increased safety of flight.

Thus, 1991 was a successful year for the U.S. aeronautics and space programs. Efforts in both areas have promoted significant advances in the Nation's scientific and technical knowledge that promise to improve the quality of life on Earth by increasing scientific understanding, expanding the economy, improving the environment, and defending freedom.

George Bush

The White House,

September 16, 1992.

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

September 16, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1), and as part of my continuing effort to keep the Congress fully informed, I am again reporting on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the U.N. Security Council.

Since the events described in my report of July 16, 1992, Coalition members have decided upon further measures to implement Security Council Resolution 688, which requires Iraq to end the repression of its civilian population immediately, to allow immediate access by international humanitarian organizations to all parts of Iraq, and to make available all facilities for the operation of these organizations. Far from complying with Resolution 688, in recent months Saddam has increased his repression of the civilian population in both the northern and southern parts of the country. In southern Iraq, according to U.N. Human Rights Commission Rapporteur Max Van der Stoel, Iraqi authorities use jet fighters, helicopter gunships, and scorched earth methods and have drained marshlands, thereby depriving residents of food and leaving them vulnerable to military repression. United Nations workers in southern Iraq, harassed by Iraqi officials, have been unable to learn fully the extent of Iraqi repression.

Members of the Coalition have reviewed means available to assist the United Nations in monitoring Iraqi compliance with Resolution 688. The Iraqi Foreign Minister has informed the United Nations that Iraq would not accept U.N. monitors. The Coalition has decided to begin aerial reconnaissance of southern Iraq to monitor the situation. Moreover, the Coalition has announced that Iraqi aircraft and helicopters will not be permitted to fly south of the 32d parallel. This ``no-fly zone'' is similar to that established in northern Iraq as part of Operation Provide Comfort and will include expanded monitoring of southern Iraq from the air. As in northern Iraq, United States, British, and French Coalition forces are enforcing the no-fly zone south of the 32d parallel. As a result of the no-fly zone, Iraqi use of aircraft to conduct repression of the civilian population in the region, in particular the bombing of citizens around marsh areas, has stopped.

I have ordered U.S. participation in the enforcement of the no-fly zone and expanded aerial surveillance of southern Iraq under my constitutional authority as Commander in Chief and consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1).

Since the events noted in my last report, the U.N. Special Commission on Iraq (UNSCOM) has continued to investigate Iraq's weapons of mass destruction (WMD) program and to verify the destruction of relevant facilities, equipment, and weapons. The most recent ballistic missile inspection, August 8 - 18, 1992, found new information on Iraq's ballistic missile program, including confirmation that facilities not previously reported by Iraq were involved in that program. (In July 1992, Iraq had provided what it called a ``full, final, and complete'' report on its WMD program; as subsequent inspections have revealed, this report is incomplete. U.N. Security Council Resolution 687 required that Iraq provide a full report in April 1991.) The 14th nuclear inspection team, from August 31 - September 7, verified the destruction and rendering harmless of facilities and equipment at Ash Sharqat and Tarmiya, two mirror-image facilities for uranium enrichment, and made arrangements for the destruction of remaining facilities. It also began water sampling of Iraqi rivers, to measure any level of radioactivity that might indicate an operative water-cooled reactor nearby. Regular inspections of declared and suspected sites will continue.

These inspection efforts have been subjected to Iraqi interference. Most notoriously, Iraqi authorities refused to admit an UNSCOM team into the Agriculture Ministry for three weeks, even though Resolution 687 requires that Iraq permit ``urgent'' inspections of any location designated by UNSCOM and Security Council Resolution 707 requires Iraq to allow immediate and unrestricted access to any such area. When the inspection took place, it appeared that information had been removed from the Ministry and files altered. In the weeks before entering the Agriculture Ministry, UNSCOM inspectors suffered petty acts of harassment, demonstrations by large crowds that appeared likely to become violent, vandalism of vehicles, and armed attacks; subsequent inspection teams have also been harassed. For a short time, Iraqi officials voiced opposition to the participation of Coalition members in UNSCOM inspections. They have also said that they will deny UNSCOM access to government ministries.

The Security Council and Coalition members have responded to each Iraqi interference with diplomatic means. We have been prepared to employ stronger measures, however, and our resolve has played a crucial role in obtaining Iraqi compliance. We will remain prepared to use all necessary means, in accordance with U.N. Security Council resolutions, to assist the United Nations in removing the threat posed by Iraq's chemical, biological, and nuclear weapons capability.

UNSCOM continues to face a shortage of funds. We have recently contributed $30 million, bringing our contributions to a total of over $40 million since UNSCOM's inception. We have persuaded other nations to contribute as well and expect at least $30 million in additional contributions to reach UNSCOM in the next several months. More funding will be necessary, however.

Following increasing Iraqi challenges to the work of the Iraq-Kuwait Boundary Demarcation Commission, Iraq informed the Secretary General that it would no longer participate in the

Commission's work. Its announcement does not affect the Commission's competence under Security Council Resolution 687. On July 24, the Commission made a further report to the U.N. Secretary General describing its findings on the land boundary between Iraq and Kuwait. On August 26, in Resolution 773, the Security Council welcomed the Commission's decisions and underlined its guarantee of the inviolability of the boundary and its decision to take all necessary measures to that end. The physical demarcation of the land boundary is expected to be completed by the end of the year. In addition, in October the Commission plans to renew its consideration of the offshore boundary.

Since my last report, the U.N. Compensation Commission has continued to prepare for the processing of claims from individuals, corporations, other entities, governments, and international organizations that suffered direct loss or damage as a result of Iraq's unlawful invasion and occupation of Kuwait. The next session of the Governing Council of the Commission is scheduled in Geneva September 21 - 25, 1992, with a further meeting in December.

At an informal meeting on August 7, the Governing Council discussed the continuing serious financial difficulties confronting the Commission. These difficulties persist, despite a $2 million dollar loan from the Kuwaiti Government, received in June, and an additional $1 million dollars from the United States, which was noted in my last report. The Commission must now develop computer software and services needed to process claims, at an estimated one-time cost of $2.8 to $6.6 million and an annual cost of about $1.2 million. Unless funding is found immediately, the Commission's financial difficulties threaten to delay or halt the entire compensation process.

Meanwhile, the Commission has released to governments the forms for claims by governments and international organizations (Form F). On July 6, the Department of State distributed the forms for claims by corporations and other entities (Form E) to over 500 potential U.S. claimants. The Department also continues to collect and review over 1,500 claims received from individuals and has scheduled its next filing of such claims with the Commission in September.

In accordance with paragraph 20 of Resolution 687, the Sanctions Committee has received notices that approximately 3.1 million tons of foodstuffs have been shipped to Iraq thus far in 1992. The Sanctions Committee also continues to consider and, when appropriate, approve requests to send to Iraq materials and supplies for essential civilian needs. Iraq, in contrast, has for months maintained a full embargo against its northern provinces. Iraq has also refused to utilize the opportunity under Resolutions 706 and 712 to sell $1.6 billion in oil, most of the proceeds from which could be used by Iraq to purchase foodstuffs, medicines, materials, and supplies for essential civilian needs of its population. The Iraqi authorities bear full responsibility for any suffering in Iraq that results from their refusal to implement Resolutions 706 and 712.

Through the International Committee of the Red Cross (ICRC), the United States, Kuwait, and

our allies continue to press the Government of Iraq to comply with its obligations under Security Council resolutions to return some 800 detained Kuwaiti and third-country nationals. Likewise, the United States and its allies continue to press the Government of Iraq to return to Kuwait all property and equipment removed from Kuwait by Iraq. Iraq continues to withhold necessary cooperation on these issues and to resist unqualified ICRC access to detention facilities in Iraq.

I remain grateful for the support of the Congress for these efforts and look forward to continued cooperation toward achieving our mutual objectives.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement on the Death of Millicent Fenwick

September 16, 1992

I was saddened to learn of the death of former Representative Millicent Fenwick of New Jersey. Mrs. Fenwick represented the highest ideals of public service: integrity, devotion to principle, and commitment to the public interest. I knew and admired her.

Mrs. Fenwick dedicated herself to New Jersey and to the United States. Mrs. Fenwick's service as town council member, State assemblywoman, consumer affairs director, and U.S. Representative are a testimony to her devotion to her State and her country. She will be missed but also long remembered as a conscientious and effective public servant.

White House Statement on Additional Disaster Relief For Hawaii

September 16, 1992

The President today announced that he will amend his September 12, 1992, declaration of a major disaster in the State of Hawaii where permitted to do so by law. He will waive State and local cost sharing requirements and allow reimbursement of 100 percent of eligible public assistance costs exceeding $10 per capita.

The additional relief to be provided by the President is consistent with a request made by Governor John Waihee. It will be granted in response to the extraordinary damage and destruction caused by Hurricane Iniki. By waiving customary State and local cost sharing requirements, the President will provide maximum Federal assistance to the people of Hawaii whose lives have been so severely disrupted by this disaster.

This waiver will apply to all authorized public assistance under the law. It will provide additional help to the State in its efforts to remove debris from the disaster areas, eliminate immediate threats to public health and safety, and carry out emergency work to save lives. Assistance for temporary housing, crisis counseling, and disaster unemployment will continue to be 100 percent federally funded where allowed under the law.

Statement by Press Secretary Fitzwater on the President's Meeting With Lebanese-American Leaders

September 16, 1992

President Bush met today with a group of prominent Lebanese-Americans and His Eminence, John Cardinal O'Connor, to review the situation in Lebanon in light of the recent elections. The President reaffirmed the longstanding commitment of the United States to the unity, sovereignty, independence, and territorial integrity of Lebanon, the dissolution of all armed militias, and the withdrawal of all non-Lebanese forces. Consistent with these goals, the United States remains committed to the full and rapid implementation of both the spirit and the letter of the Taif agreement.

The President also expressed his support for steps that strengthen the Lebanese Armed Forces in its efforts to expand its national authority. The President also reiterated his belief that the ongoing negotiations between Lebanon and Israel offer the best means to bring about a secure border for the peoples of both countries. Finally, the President noted that he looks forward to the day when Americans can again travel in safety to Lebanon, a day which can only come when the militias are disarmed and no longer free to threaten either Lebanese or Americans.

Statement by Press Secretary Fitzwater on Russia's Withdrawal of Troops From Cuba

September 16, 1992

We welcome the decision by Russia to withdraw the former Soviet infantry brigade from Cuba. President Bush sought this result in discussions with President Gorbachev and, more recently, with President Yeltsin. This is further proof of the international isolation of the Castro regime from the community of nations. We remain committed to freedom and democracy being fully realized by all Cuban people and look forward to the day when Cuba joins the democracies of the Western Hemisphere.

Remarks to the Community in Enid, Oklahoma

September 17, 1992

Thank you. Please be seated. Good morning, everyone, and thank -- [applause] -- hey, let me tell you something. There's something about Enid. You really make a guy feel at home.

May I thank Don Nickles. I'll have more to say about him in just a minute. And while I'm on the subject of thanks, let me compliment Mark McCord on his introduction of Senator Nickles and getting this whole event together, all the civic clubs. And I want to thank all the leaders here on the dais joining me this morning and bring attention to several guests here. In particular, I want two to join me in the United States Congress this fall: Bob Anthony right here, you see him behind us, and Ernest Istook, running in the Fifth District; and Charles Ford for the State senate. And may I salute Mr. Grey and Mr. Divelbliss and Mr. Key and Mary Rumph, our leaders; Neva Hill; and thank you very much for your leadership, all of you back there and all of you out here, on your efforts on behalf of the Republican Party here in Oklahoma.

Let me just say a word about your Senator. I work with him closely. He has taken the lead in changing this alternative minimum tax that will help stimulate the domestic drilling business. We don't need to depend on foreign oil so much. He understands the importance of a strong defense, and I thought of that when he and I flew in on Air Force One to Vance. We must keep our country strong. Yes, we've made progress, but we've got to stay strong. He understands American agriculture and the need to sell abroad. Oklahoma sets the pace in agricultural exports. And Don Nickles is with you every inch of the way.

Now, I've come here today to the Bright Star of the Great Plains to discuss perhaps the most serious issue that Americans face this fall. This is a wonderful turnout, and politics is in the air. But today I approach this opportunity you've given me not as a rally but as a chance to discuss for the whole Nation our economic future and of the very real choices that my opponent and I offer for shaping that future. It's a serious talk, not a rally speech, and I hope you'll bear with me.

Enid is the perfect place for this discussion, for in many ways your community is a metaphor for America. Here in your history we can find the forces that have made us the world's greatest economic power.

Yesterday, as Don was reminding you, you marked the 99th anniversary of the Land Race, a peculiarly American experiment. The Government set up the competition in 1893 but then got out of the way, stood back, to let free people work, work their miracles. And 99 years later, we see the results all around us: hard-working ranchers, some of the world's best oilmen. Enid has become a thriving center of commerce, a hub of transportation, a producer of goods sold in every corner of the Earth. A Government planner might conjure up this miracle, but only a free people could have produced it. The lesson it teaches should guide us as we look to the

challenges ahead.

We stand today at the edge of a new era. At the close of a long and costly war, democracy now is sweeping the globe. The fear of nuclear holocaust that gripped us for 45 years is receding. Our kids no longer go to bed at night worried about nuclear war. That is dramatic change. These are world-shaping changes, and I am proud of the role that my administration has taken in bringing them about.

Now we have an opportunity to refocus our attention to the problems at home. Americans recognize the world is in transition. We feel it in our homes and in our neighborhoods.

In Detroit last week at the Detroit Economic Club, I presented my Agenda for American Renewal, a look at what's wrong in America and what's right. I offered a comprehensive, integrated approach to win the new global economic competition, to create the world's first $10 trillion economy by early in the next century. My agenda includes 13 actions that I will pursue in the first year of my second term, and I will fight for every one of them.

I want to be specific about what I have to offer America because I want a mandate to change things and to govern. I built a mandate in the Persian Gulf, and look what we got done. I want to do the same thing here at home, because just as America has achieved a lasting political and military security, we can and will forge an economic security, right here in Oklahoma, right here in all the rest of the States in the United States of America.

Yes, change is underway because change is the nature of America. Oklahomans know that. Yet change must be a tool for us, not against us. So we must never grasp change blindly, without considering seriously where these changes will lead us or what they will mean in our daily lives.

That's why this afternoon -- or this, yes, almost afternoon -- I want to lay out the differences between my agenda and my opponent's plan. These distinctions are fundamental. They shape our approach to every major issue in this election from education to health care to the renewal of the American economy.

The first difference is the most profound, for it goes to the heart of the matter: What makes our economy grow? Or more precisely, who makes an economy grow? My answer is individual working men and women make it grow. My opponent puts his faith in different people, the Government planners. He believes that Washington, the Government, will produce economic growth through, quote, and here's his word, ``investing,'' unquote, your money more wisely than you can. To understand where these differences come from, you have to look at the differences in who we are and what we believe.

I came out west, like a number of you. Let's see, in 1948 Barbara and I moved over across the way to Midland and Odessa to work in the oil field supply business and then to become an

independent producer and a drilling contractor. I spent half my adult life in business, and I have the ulcers to prove it. [Laughter] With a lot of help, a lot of help from the tool pushers and the roughnecks and the drilling superintendents and everybody else, and then some strong Oklahoma partners, I built a company from the ground up, created jobs, and paid my taxes.

By contrast, my opponent chose to run for office at an exceptionally early age. He wanted to determine how the people's taxes should be spent, how to shape people's lives through more government programs.

I never forgot, nor will I, my days in the Texas oil fields: some successes; yes, some dry holes; some twist-offs; some flawless completions. I never forgot the economic philosophy that I learned there in the field, to unleash the aspirations of the ordinary person with the extraordinary dream. Aspirations lead to enterprise. Enterprise creates jobs and wealth and the opportunity that knows no difference among color, creed, or social class.

You look at the differences. My opponent and his advisers propose something quite different. Their writings refer to European models and industrial policy, and that's an academic term for letting the Government pick economic winners and losers. Their ideal is not the entrepreneur but the Government planner, the lawyer, or the policy professor who flatters himself that he understands the American economy better than the workers and the entrepreneurs who have their sleeves up and really make it work.

My opponent and his advisers can trace their intellectual roots to the social engineering ideas popular at the turn of the century. Those old social -- some of you historians remember this -- those old social engineers advocated large-scale Government ownership to give the State the leading role in society and economy. Today, European governments are still selling off the inefficient industrial monstrosities that were born from those ideas, and Mexico and Argentina to our south are soaring because they're also ridding themselves of government-owned enterprises.

Over the years those early social engineers became interventionist liberals who wanted to create a welfare state. They sought to level the differences, to tax success, to redistribute wealth. They ended up paralyzing the private sector. That's one reason that some European countries today are stuck with unemployment rates around, if not higher than 10 percent. It's why ordinary Europeans are rebelling against anything that even smacks of the elite central government.

Now, my opponent is drawn to these views. He and a number of his advisers studied them at Oxford in the 1960's. But they are shrewd enough to know that the welfare state doesn't sell in America. So my opponent labels his latest technique for Government management ``investment.'' Those are his words. No matter what you call it, it's still big-time Government spending directed by Washington planners who want to reorder social and economic priorities. We cannot have that.

I ask you to look at the plans. My opponent's approach exploits the market but fundamentally distrusts it. Where the market can be rough-edged, they prefer academic tidiness. Where the market is often unpredictable, they prefer the false certitude of social engineering, fashioned by a new economic elite of the so-called best and brightest. The best and the brightest are right out here in middle America where you know what's going on. From Santa Monica to Cambridge, my opponents are cranking up their models, ready to test them on you.

So at a decisive moment in history comes your choice about who should lead the American economy, the Government planner or the entrepreneur, the risktaker. I stand with the private sector and with the risktaker. From Mexico to Eastern Europe, from Russia to South China, command-and-control economies have been dismissed as failures. The individual is being set free, private enterprise unleashed, bureaucracies shut down. At the exact moment that the rest of the world is going our way, why should we ever want to go their way? What are we supposed to say to a world suddenly copying our ideas about free enterprise? Just kidding? [Laughter]

This is the most fundamental disagreement between us: whether the driving engine of growth is Government interventionism or entrepreneurial capitalism. But from this one disagreement flow many, many others with important practical consequences for our economy, our Nation, and yes, for your family.

Take our second disagreement over the issue of taxes. He wants to raise taxes. I want to cut taxes. You see, I believe our tax system is fundamentally the product of a wartime economy. The cost of fighting two World Wars and a cold war vastly expanded the number of people who had to pay taxes and raised marginal tax rates.

High tax rates created pressure for exceptions, tax loopholes. The discovery and enlarging of loopholes has, in turn, created a vast industry of accountants and lawyers and tax specialists, all paid by special interests seeking favored treatment.

During the 1980's -- and I think you all will remember this -- we slashed the tax on labor, increasing incentives for work and creating 21 million jobs. Now we need to lower the tax on capital, encouraging more investment that will create more jobs. My opponent calls for raising marginal rates again. His approach will cut the demand for labor, unless you happen to be a lawyer or an accountant or a lobbyist.

There's a motive to his madness. My opponent needs the money to pay for his social engineering, and he says it will come from the rich. He neglects to mention that two-thirds of the, quote, ``rich'' he's targeting are family farmers and small-business owners. His theory is that you may not live the lifestyle of the rich and famous, but you can be taxed like you do.

This leads me to our third majorÿ20difference: Government spending. Again, the contrast couldn't be more plain. He wants to raise Government spending. I want to cut it.

The Federal Government today -- now listen to this one -- spends almost a quarter of every dollar of our national income. When you add State and local spending, your local taxes, your State taxes, the figure is about 35 cents out of every dollar going to some level of government.

My opponent thinks Government should be bigger. He's already called for $220 billion in new spending, on top of today's $1.5 trillion, so Government can lead our economy with new, quote, ``investments." Newsweek suggests that the actual cost could be 3 times that.

My proposal to reduce the growth of spending has three parts: a cap on the growth of mandatory spending, excluding Social Security; a freeze on domestic spending; and the elimination of 246 programs and more than 4,000 projects that we don't need and that we cannot afford.

I want this discipline, and so does Don Nickles, I might add. I want this discipline backed up with a balanced budget amendment and a line-item veto. I want to give you the right to take up to 10 percent of your tax payment and dedicate it solely to cut spending and the deficit.

My opponent says he would like to cut a Government program, too, one program in the entire Federal budget, the honeybee subsidy, worth $11 million. Incidentally, on that subject, that worldwide important subject of the honeybee, Senator Gore has voted two times to save the honeybee subsidy.

My opponent ducks the subject of serious spending cuts. He's proposed only about $7 billion in cuts in mandatory spending over 5 years. That amounts to about 2 percent of what we've proposed to cut the growth of mandatory spending, excluding Social Security. What I proposed cut it by $300 billion. The trends are clear. He wants to increase Government's share of the national wealth, and I want to decrease it.

Now, the fourth defining difference: opening foreign markets for American goods. Again, there's two contrasting approaches. Oklahoma is one of the Nation's leading grain exporters; 65,000 Oklahoma jobs are supported by trade. That number will grow if we open more foreign markets. That's why I've negotiated the North American free trade agreement, or they call it NAFTA, and why I want a network of free trade agreements with other countries.

I want lower priced goods for American consumers. I know that, given the chance, the American worker can outthink, outcompete, outcreate any worker in the entire world. That's true of the Oklahoma farmer, and that's true of the Oklahoma manufacturer.

Now there was a time when my opponent said he favored open trade. Other times, usually after meeting with the big union leaders, the bosses up there in Washington, he has no opinion at all. In fact, the labor bosses have let him off the hook, saying they won't press him on this issue until after the election. Now, asked about the free trade pact with Mexico, he now says and here's an

exact quote, ``When I have a definitive opinion, I'll say so.'' You cannot be on all sides of every issue if you want to be President of the United States of America.

That indecision could have disastrous consequences. Make no mistake: An indecisive President will produce a protectionist trade policy. Over the past 20 years, Congress has become much more protectionist. Changes in the way Congress operates have significantly increased the power of individual Members. The established special interests have targeted each one with a great deal of success. These local interest groups will conspire with their clients in Congress to keep out competition altogether. Only the President can speak for the national interest.

The marriage of convenience between the special interests and powerful Congressmen poses particular dangers to free trade. Entrepreneurs are very good at taking advantage of foreign markets. They are not good at taking these lobbyists out to lunch. So if you feel that Oklahoma is right in exporting as much of its wheat as it does, then you must have a President who is firmly committed to opening markets, at home and abroad.

You know, frankly, I believe that when Americans shop we should give the first look to products marked ``Made in the U.S.A.'' Our quality revolution has made American products the best in the world, but they will only remain the best if American business opens itself to competition. Competition gave American business its competitive edge, and competition will keep it sharp.

Then there's a fifth difference between my opponent and me: our attitudes toward Government regulation, mandates, and monopolies. I want to minimize Federal intrusion in the workings of the marketplace. My opponent sees regulation as he sees taxes and spending, as a chance to reorder society according to the planner's blueprint.

Of course, I believe firmly in Government's obligation to protect the health and safety and rights of its citizens, of course. I fought for both the Clean Air Act and the Americans With Disabilities Act. Both will require new regulations, but we're proceeding to implement them in the most efficient and least burdensome way possible.

Last year, Americans expended 5.3 billion hours just to keep up with Federal regulations. That's like watching every pro-football game on television back-to-back for the next 12,268,000 years. [Laughter] That's not including playoffs.

That's why I have ordered a top-to-bottom review of Government regulations to assess each new rule's impact on economic growth. In this agenda I am outlining, I have called for adding ``sunset'' provisions to all new regulation.

Look at health care, a case study of our different attitudes toward Government regulation. I believe everybody should have health care. My health care reform will bring health care to those without it by giving them the means to choose the kind of care they want. It will harness the

forces of competition to control costs. In keeping the Government out, it keeps the quality of our health care up. Our health care is the finest in the world, and I want to keep it that way.

My opponent, by contrast, says that Government will simply issue an edict: Costs shall not rise. He will order businesses to provide health care or pay for it, though he never quite says how. It sounds simple, sounds even seductive.

But that's not the way the world works. My opponent's new dictates and taxes won't cure the health care problem; they will just make the economy sicker. From Warsaw to Prague to Moscow, Government price controls have led to one thing: rationing of service. In health care, that will mean longer lines, inefficient service, and lower quality.

Our difference in approach to Government's role shows up across the board.

In child care, I fought to empower parents to choose from a public agency, a relative, or a church. Give the parents the choice. My opponent wanted a Government-knows-best policy.

In education, I am fighting to give parents scholarships to choose the best schools for their kids: public, private, or religious. My opponent bows to the special interests who say parents should only choose Government schools.

Now, lastly, my opponent and I disagree on an issue crucial, absolutely crucial, to small businesses and also to small communities. I believe that our legal system is out of control, heading for an accident. The litigation explosion has discouraged risktaking and innovation, the life's blood of entrepreneurial capitalism. Today Americans spend up to $200 billion in direct costs to lawyers, far more than our competitors in Asia and Europe.

Again, when it comes to legal reform, the difference is clear: I'm for it, and my opponent and the trial lawyers want to kill it. In fact, one trial lawyer from Arkansas solicited funds for my opponent by writing, ``I can never remember an occasion when he failed to do the right thing where we trial lawyers were concerned."

A truly competitive America cannot afford a President who worries about doing the right thing for the trial lawyers. You see, I believe we need to sue each other less and care for each other more. These, then, are the six core differences between my agenda and my opponent's plan. There are others, but all relate to America's central challenge: the challenge of securing peace and prosperity in a totally new era.

We may talk about the same issues, but the similarity ends there. My opponent and I both hope to take America off in very different directions.

He would unite the Presidency and the Congress to achieve one end above all others: more

Government; a Government that taxes more and spends more and regulates more, encourages more lawsuits and shuts off more products from the markets that Americans create.

Those aren't new ideas. They're bad ideas, and they've been tried before.

Buying my opponent's prescription for the economy would be like going out to the used car lot down the road and buying the lemon that you got rid of 12 years ago. Only this time, there would be higher taxes, higher interest rates, and higher inflation. This is not a good deal for America.

Now, on July 20th, 1988, my opponent nominated Michael Dukakis for President. It was a rather lengthy speech; makes this one look like the Gettysburg Address. [Laughter] He praised Michael Dukakis then as a master of innovation, the architect of the Massachusetts Miracle. [Laughter] Six months later the miracle was a curse, and Massachusetts teetered toward bankruptcy.

I think America can do without that kind of innovation. There are some kind of changes America simply cannot afford.

I look to a different kind of future. We can build on our strengths. With inflation kept safely behind bars, our entrepreneurs can turn to the challenges they love to face, transforming their dreams into wealth, their risktaking into jobs for all Americans.

The result won't be the mirage of innovation conjured up by Government planners. It will be a wave of genuine innovation and prosperity, created by free men and women, exploiting opportunities unprecedented in our history.

If you get the feeling I'm optimistic about the future of the country, you are right. We're the United States of America. So this is the choice we face. This is the choice we face in November. So I ask when you make that choice, please consider carefully which candidate's agenda best fits your beliefs, our national heritage, and our hope for a lasting peace.

Thank you so much for listening. And may God bless the United States of America. Thank you. Thank you very much.

Note: The President spoke at 10:15 a.m. in the Enid Convention Hall. In his remarks, he referred to Mark McCord, president, Greater Enid Chamber of Commerce; Norman L. Grey, Mayor of Enid; Charles Divelbliss, Garfield County Republican chairman; Clinton Key, Republican State chairman and chairman, Oklahoma Victory '92; and Mary Rumph, Oklahoma Republican national committeewoman.

Remarks to the Community in Jonesboro, Georgia

September 17, 1992

The President. What a fantastic welcome. Thank you very, very much. Thank you all very much for that warm welcome. I am delighted to be here, and I'm especially glad to be with the residents of Avery of Walnut Creek and thank them for this impromptu block party. You really know how to make a guy feel at home here.

May I salute Jerry Kopp, not only our chairman but a man whose vision is bringing this place alive, thank him for his leadership, thank him for his hospitality. We've got a great host here today.

I also want to salute and thank the members of the Atlanta Home Builders who are with us here today. The president-elect is here, Charles Bussey. Also we're expecting Congressman Newt Gingrich, whose plane was about to land, and I salute him as one of our leaders in the Congress.

But let me just mention two candidates with us today. We've got to get Mac Collins elected to the House of Representatives. We need new blood. We need people that think as you and I do on trying to solve the problems of this country. As for the Senate, I would like to see us get some new Senate leaders up there, and Paul Coverdell is the man.

You know, he's already served our administration with great distinction. He has the courage and he has the commitment to work with me to get the budget deficit down. Because of that commitment, in this State, where for a while Ross Perot captured the imagination of many people because of his commitment to get the deficit down, Paul has now been endorsed by the Perot leadership in this State. I think that's a tribute to his integrity and his commitment to getting the debt off the backs of these young people.

When you're done here, I'd like you to all pack up and go to Washington, because there's a certain House on the Hill that's in need of a little renovation. You know Bob Vila's old show, ``This Old House''? Well, back in Washington there's an old House on Capitol Hill that hasn't been cleaned out for 38 years. We've got to clean House. We need these two people elected there.

Audience members. Clean the House! Clean the House! Clean the House!

The President. ``Clean the House!'' is right.

Well, I'm pleased to be here with you today because you're building here at 1270 Larkwood Drive, and it isn't just a house. The way I look at it, it's a part of the American dream for the family who will call it a home.

And now that the cold war is over, the defining challenges of the nineties are to win the peace and to win the competition in the new global economy. Let me give it to you straight. In the 21st century America must be not only a military superpower, but an economic superpower and an export superpower.

In this election you're going to hear varying versions of how to do this. My opponent wants to look inward, to pretend that we can protect what we already have. Yours and mine is to look forward, open up new markets, prepare our people to compete, strengthen the American family, and save and invest so that when it comes to the global competition, America will win, just as we did in the cold war.

What we need is this: an agenda for the American renewal, a strategy that reaches out to the world in a way that makes a difference right here in this county and in your neighborhoods and in your lives. We've got to build on the fundamentals of lower tax rates, limits on Government spending, less redtape, less regulation, and more trade and more competition to generate the growth that this country needs, which means opportunity.

I think that in the nineties, Government can add to this growth by building opportunity and hope for individuals, empowering families and communities. And my agenda for renewal is a blueprint for long-term growth. But near-term, right now, we all know that we've got to jump-start this economy, to put America back to work.

Let me tell every would-be homebuyer and everybody familiar with the homebuilding industries: Back in January, 8 months ago, you might remember this, I challenged the Congress to pass a new incentive, a $5,000 tax credit for these first-time homebuyers. I proposed that credit for two reasons: First, because I knew that coming out of troubled times, housing is traditionally the sector that pulls this economy forward. I also wanted to help the young families, the ones that are struggling to save for that first home, because the American dream, after all, really starts right here with a home of your own.

This year alone, my plan would have meant more than 120,000 new housing starts and 220,000 new jobs in the economy, including jobs for carpenters and plumbers and plasterers. For the average first-time homebuyer right in this county, that tax credit would have been the equivalent of 8 months worth of mortgage payments, right here at 1270 Larkwood. It's like getting your down payment back and more.

And my plan, you know what's happened to it, it is still sitting, stalled by the do-nothing liberal leadership that puts politics ahead of helping people. The opposition feels the only chance they can have to win is if everything is bad. They refuse to act, and it's time to put people ahead of political gain in this country.

You know, rule number one in the housing business is build from the ground up. Well, given what you've seen in Congress this year, I think this is one time you ought to raise the roof. Go after these people. Clean them out. They've been there 38 years. Give us some new leadership in both the Senate and the House.

You know, the housing business is no different than a lot of other small businesses. I see small business as the engine to pull this economy forward, generating jobs and opportunity. My opponent sees small business as the goose that laid the golden egg. Here's what he wants: $150 billion in new taxes to a payroll tax for health care to a training tax. Governor Clinton wants to squeeze small business to bankroll big Government, and we cannot let him do that.

So I say keep your hands off the housing industry. America's small businesses need relief, relief from taxation and overregulation and, yes, relief from these frivolous lawsuits. We're suing each other too much and caring for each other too little.

Last month, I was in Michigan, western Michigan, talking to a group of small-business leaders. And I talked to a guy who runs an asphalt paving company. He said, ``Mr. President, when a regulation doesn't make sense, it's the worker who pays with his job."

Excessive regulation is a huge hidden cost in housing. The single most expensive item in a home these days isn't sheetrock; it's not the drywall; it isn't all the lumber, even the land underneath. The single most expensive item in a new home is that piece of paper you stick inside the front window, the building permit. All the regulations that it represents can add up to 20 to 35 percent of the cost of these houses. That's why I put a freeze on new Federal regulations to give businesses like this a chance to make it, a chance to improve, a chance to get ahead.

For those in the housing business and those potential consumers, let me say this: Today I'm announcing an important regulatory reform that will make housing more affordable, a reform that does not require action by the Congress, thank heavens. It will substantially reduce the insurance premium on FHA-insured 15-year mortgages, with benefits to both the homebuyers and the homebuilders.

Now, this action is no substitute for the legislation I want, the one I proposed back in January. But I will continue to do everything I can on my own to get the economy moving, even if Congress sits on its hands.

Now, there are some good signs for the housing industry. I think most people here in Georgia know it. The housing affordability index is almost double what it was 10 years ago. Interest rates today are lower than at any time since 1973. The last time a family could get a mortgage this low, milk was 98 cents a gallon and the Braves' Hank Aaron was still chasing Babe Ruth's record. That was some time ago.

So let me tell you what the lower interest means to you and to the American family. Lower interest rates mean real money, real savings for every American who buys a home, every family that refinances a mortgage. It means money in your pocket, as much as $2,000 a year or more that instead of paying to the bank you can put in the bank. Nationwide, over the past 2 years alone, that is like a $26 billion tax cut for America's homeowners.

Now, that is good news. But we've got to do even better. Some studies show that three-quarters of all renters are ready to become buyers if they could muster up the down payment. If Congress had passed my plan when I asked them to, if Congress had acted to help that first-time homebuyer, you'd see almost 400,000 more ``Sold'' signs on front lawns all across America. Workers in the homebuilding industry wouldn't be worried about pink slips; they'd be too busy working overtime.

So today let me make a suggestion to you: Come November, send me a Congress that shares our view to get this country moving, to get the economy moving.

Audience members. Clean the House! Clean the House! Clean the House!

The President. And if you say, give me one good reason you'll get Congress to act, I'll give you about 150. That's the number of new faces that we'll probably see next year in the Congress.

I'll be candid: I want every last one of them to be a Republican, of course. But whatever party they come from, even if they were first elected before some of you were born, they'll come back with a new appreciation of what you want, a complete set of instructions from the American people that say it's time for Congress to change. I am convinced with a new Congress, a Congress made up of so many new people, we can get the job done. I'll sit down with them all the day after the election, say, ``You've listened to the American people. I've listened to the American people. Now let's get things going forward in this country and put aside all these politics."

Don't forget what happened the last time Democrats controlled both ends of Pennsylvania in Washington, DC. The ``misery index," the malaise days, the ``misery index'' was over 20 percent, and mortgage rates were so high, sky high, there was a lockout for millions of Americans who wanted to buy their own home. We've seen what happens when the party of tax-and-spend operates without any checks and balances, and we cannot do that to the American people again.

I've set out in my program 13 specific challenges, initiatives, actions, challenging the new Congress to take in the first 100 days of my second term. And November 3d, I'm looking for a mandate to move forward, to move forward on this Agenda for American Renewal, an agenda that builds a stronger, more secure America that we want for ourselves and certainly for these kids here.

We've got to remember this one fundamental fact: America is the envy of the world. Governor Clinton and Senator Gore would have you believe that we're a nation, here's what they said, somewhere south of Germany but just ahead of Sri Lanka. They are wrong. We are the most respected nation in the entire world. We're that, not because our Government is great but because our people are great and because the American people are builders and dreamers and dreamers who build.

I am delighted to be here. Let me tell you this. I'm sorry that Barbara is not here. She's meeting me in downtown Atlanta in a few minutes. But I am absolutely convinced that we're going to have change this year. We're going to have a new Senator from the State of Georgia, Paul Coverdell. Clearly, we've got to elect Mac to the House. He's a good man, and he knows what change is all about.

I don't care what the liberals think about it; I am not going to stop talking about strengthening the American family, the values that we have tried to emulate in the White House. So let them knock us. Let them tear us down. I will continue to find ways to help every family in America strengthen the values that we hold so dear.

Thank you. Now elect these good men. Vote for me. And may God bless each and every one of you. Thank you.

Note: The President spoke at 3:39 p.m. at a homesite in the Avery of Walnut Creek development. In his remarks, he referred to Jerry Kopp, president, Koppar Corp. (developer of Avery of Walnut Creek), and chairman, Republican Party of Clayton County.

White House Fact Sheet: Regulatory Reform to Reduce Costs of Homeownership

September 17, 1992

As part of his continuing effort to reform and streamline Government regulations, the President today announced that the Department of Housing and Urban Development (HUD) will release today an important reform designed to reduce the cost of homeownership and thereby to spur residential construction.

The President acknowledged that this reform, which does not require congressional action, will have a more limited impact than the $5,000 tax credit for first-time homebuyers that he has proposed to Congress. But the President declared, ``I will continue to do everything I can on my own to get the economy moving, even if Congress sits on its hands."

The administrative change released today will reduce mortgage insurance premiums on 15-year FHA-insured mortgages. HUD estimates that for those who choose a 15-year mortgage, this change will reduce the up-front FHA insurance premium by an average of $650 (based on an average loan of $65,000). It will also reduce the annual insurance premium by $165 to $325 -- for a total savings of approximately $2,500 to $6,000 over the life of the loan. This change is made possible by HUD's determination that 15-year mortgages pose a significantly smaller risk to the FHA insurance fund than longer term mortgages.

Remarks at Olympic Flag Jam '92 in Atlanta, Georgia

September 17, 1992

Thank you all very much. Bill Hybl, thank you for that introduction; and to Lieutenant Governor Pierre Howard and Ambassador Andy Young and Robert Holder, IOC member Anita DeFrantz; entertainers, special entertainers, Dick Clark and Whitney Houston, Gladys Knight; and of course, Billy Payne, a Bulldog on the field, a bulldog for these Olympics. Sir, I salute you for what you've done for Atlanta and all America.

You know, it's been said that if the South begins anywhere, it begins in Atlanta. Let me speak for millions of Americans: If the 1996 Olympics begin anywhere, they begin in Atlanta tonight. Look at this wonderful new dome -- what a metaphor for this region's can-do spirit -- and this setting, thousands of Georgians, all members of the family called America. Look at this Olympic flag, a symbol of the kind of world we want where differences are solved peacefully, not violently. What a great night to be back in the heart of the South.

A little while ago Whitney Houston sang about a ``precious moment in time." And already you should be proud of some precious memories, for once again, the South has made the impossible possible. Skeptics said that no American city could impress the Olympic committee so soon after Los Angeles, but you did. Their trust means Atlanta will host the 100th anniversary of the Olympic games. Skeptics said you'd never win the games on your first attempt, no city ever had, but you did. In 1996 you'll host a record number of countries, the largest peacetime event of the 20th century.

The games are coming just as Americans are coming together. The capital of Georgia is about to become the sports capital of the entire world. As it does, let's remember past Olympics, for this event is like a tapestry, seamless, indivisible. And for me, tonight is like Yogi Berra says, ``Deja vu all over again."

Last month I got to meet the 1992 summer Olympic team at the White House. And the team competed hard, as America always has, competed to win and did, as America always does. Think of it, in Barcelona we won 108 medals, the most ever since 1904 in a nonboycotted Olympics.

The games showed how the Olympics have changed the world, changed the world for the better, athletically as well as economically. They occurred without boycotts, without terrorism, without politics, and that is as it should be.

Carl Sandburg once wrote, ``The Republic is a dream. Nothing happens unless first a dream." With us tonight are the people who this year made dreams a reality. They showed how the Olympics are not just poetry in motion but history in action; athletes, heroes who made us proud

to be Americans and made America proud.

Ladies and gentlemen, I give you, and I am proud to present, the United States Olympic athletes.

Note: The President spoke at 8:07 p.m. in the Georgia Dome. In his remarks, he referred to William J. Hybl, president, U.S. Olympic Committee; and Robert Holder and Billy Payne, cochairman and chairman, Atlanta Committee for Olympic Games.

Letter to Congressional Leaders on Cable Television Legislation

September 17, 1992

Dear Mr. Speaker: (Dear Senator:)

(Dear Congressman:)

I am writing to express my strong opposition to the Conference Report to accompany S. 12 (Cable Television Consumer Protection and Competition Act of 1992), which the House and Senate will consider in the next several days.

This legislation will hurt Americans by imposing a wide array of costly, burdensome, and unnecessary requirements on the cable industry and the government agencies that regulate it. The heavy-handed provisions of the bill will drive up cable industry costs, resulting in higher consumer rates, not rate reductions as promised by the supporters of the bill.

The bill will also restrain continued innovation in the industry, cost the economy jobs, reduce consumer programming choices, and retard the deployment of growth-oriented investments critical to the future of our Nation's communications infrastructure.

My vision for the future of the communications industry is based on the principles of greater competition, entrepreneurship, and less economic regulation. This legislation fails each of these tests and is illustrative of the Congressional mandates and excessive regulations that drag our economy down.

Congress would best serve consumer welfare by promoting vigorous competition, not massive re-regulation.

For these reasons I will veto S. 12 if it is presented to me, and I urge its rejection when the House and Senate consider the Conference Report.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; Robert H. Michel, House Republican leader; George J. Mitchell, Senate majority leader; and Robert Dole, Senate Republican leader.

White House Statement on Additional Disaster Relief for Guam

September 17, 1992

The President today announced that he has amended his August 28, 1992, declaration of a major disaster in the Territory of Guam to waive Territory and local cost sharing requirements, where permitted to do so by law, to allow reimbursement of 95 percent of eligible public assistance costs exceeding $10 per capita, and to waive the cost sharing requirement for the individual and family grant program as allowed under the provisions of the Insular Act.

This additional relief provided by the President was in response to a request made by Gov. Joseph Ada. It was taken in response to the unprecedented damage and destruction caused by Typhoon Omar. By waiving customary Territory and local cost sharing requirements, the President can provide maximum Federal assistance to the people of Guam whose lives have been so severely disrupted by this disaster.

Nomination of United States Ambassadors to Bosnia-Hercegovina, Croatia, and Slovenia

September 17, 1992

The President today announced his intention to nominate Victor Jackovich, Mara M. Letica, and E. Allan Wendt as Ambassadors to Bosnia-Hercegovina, Croatia, and Slovenia, respectively. The naming of Ambassadors will complete the establishment of full diplomatic relations with these nations. Their mandate is to foster a viable political, economic, and trading partnership between the United States and these countries, including the development of democratic and market-oriented reforms. The dispatch of our Ambassadors will allow the U.S. to work more closely with Bosnia, Croatia, and Slovenia to bring about a settlement of the conflicts in the region. In addition, their mission is to encourage the ongoing peace negotiations, including facilitating the delivery of humanitarian assistance to those suffering in the region.

Victor Jackovich, of Iowa, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador of the United States of America to the Republic of Bosnia and Hercegovina. Currently Mr. Jackovich is the executive assistant to the Counselor at the United States Information Agency. Prior to this, he was in the Bulgarian Language Training School at the Department of State, 1990 - 91; Cultural Affairs Officer in Moscow in the former Soviet Union, 1988 - 90; Information Officer in Nairobi, Kenya, 1983 - 86; Cultural Affairs Officer in Bucharest, Romania, 1980 - 83; and Branch Public Affairs Officer in Kiev in the former Soviet Union, 1979 - 80. Mr. Jackovich also served as the Chief of the Yugoslav Service at the Voice of America, 1976 - 78.

Mr. Jackovich graduated from Indiana University (B.A., 1970; M.A., 1971). He was born on April 24, 1948, in Des Moines, IA. Mr. Jackovich is married, has one child, and resides in Arlington, VA.

Mara M. Letica, of Michigan, to be Ambassador of the United States of America to Croatia. Currently Ms. Letica is an attorney and general counsel of the Letica Corp. in Rochester, MI. She is a founder of the Croatian American Association, where she has served as secretary-treasurer from 1990 to 1992. The association was founded to provide information about the independence movement in Croatia and to support U.S. recognition of Croatia.

Ms. Letica has also served as an attorney with Bullivant, House, Bailey, Pendergrass and Hoffman, P.C., in Portland, OR, 1982 - 85; and in the office of prosecuting attorney criminal division in Seattle, WA, 1980. Through the Letica Corp., Ms. Letica has organized humanitarian assistance programs to Croatia and Bosnia-Hercegovina.

Ms. Letica graduated from the University of Michigan (B.A., 1976) and the University of Puget

Sound (J.D., 1981). She was born January 11, 1955, in Kaiserslautern, Germany. Ms. Letica is married, has two children, and resides in Bloomfield Hills, MI.

E. Allan Wendt, of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States of America to the Republic of Slovenia.

Since 1987, Ambassador Wendt has served as Senior Representative for Strategic Technology Policy at the State Department. Prior to this, he served as Deputy Assistant Secretary of State for International Energy and Resources Policy, 1981 - 86; Counselor for Economic and Commercial Affairs at the American Embassy, Cairo, Egypt, 1979 - 81; Director of the Office of International Commodities at the State Department, 1975 - 79; and State Department fellow at the Council on Foreign Relations, 1974 - 75. He was given the Department of State's Award for Heroism in 1968.

Ambassador Wendt graduated from Yale University (B.A., 1957) and Harvard University (M.P.A., 1967). He was born November 8, 1935, in Chicago, IL. Ambassador Wendt currently resides in Orange County, CA.

Remarks to AT&T Employees in Basking Ridge, New Jersey

September 18, 1992

Please be seated, and thank you very much, Dr. Mary Stewart. Thanks for the welcome. Thank you very much, and good afternoon. What a wonderful introduction by such a wonderfully experienced person. Dr. Stewart, thank you very, very much. And good afternoon to everyone.

I want to first recognize she who came up with me on the airplane today, Secretary Lynn Martin. She is doing a great job for this country as Secretary of Labor. I'll have more to say about her own labors in the context of this speech. But I want to thank her for being with us. She is a former Member of Congress. She is now leading this enormous Department and doing a first-class job.

As to Tom Kean, your former Governor, my longtime friend, I couldn't be more pleased. He is heading up our campaign effort here, and I can't think of any better formula for success in this State because of his own record, the respect with which he's held. It is just a wonderful thing. Barbara and I are just delighted to have him at our side in this fight.

Another one is Congressman Dean Gallo, who has been a leader for me and who's helping this State and this community a great deal in the House of Representatives. If we had more like him, we wouldn't hear everybody yelling at me, ``Clean House!'' everyplace I went. So that was nice.

Of course, I'm grateful to the chairman, Bob Allen, and to everyone at AT&T. I think it's a good thing that you provide a forum for political people to bring their views to a community. A lot of companies duck it; they dodge it. Then they end up writing me letters griping about how things are. This one is out front. Bob Allen has always been willing to take a position. He stands for something, and so do the people that work with him. So I want to express my thanks to not only those that are in this room but those that might be plugged into some fancy high-tech AT&T communications system around here. But the company does good work and certainly is a great corporate citizen of this wonderful community.

I want to thank the speaker who's here, Chuck Haytaian. He is leading the New Jersey Legislature. All States are caught up in enormous battles. And I'm very, very proud of him.

With me today also are two women that came up with us from Washington, both of them standing there. Connie Horner is an Assistant to the President in terms of personnel. She gave up an enormous job as number two in the largest Department in the Federal Government. She's over now working with us in the White House in charge of all of our personnel. You all know the size of the Federal Government. So believe me, that's a major assignment, and I'm delighted she

came.

Next to her, some of you may know our household word, our household symbol now, Marlin Fitzwater. Well, Marlin's able deputy is Judy Smith, standing over next to Connie. You may have seen her on television fencing with or supporting the press, depending what kind of mood she's in -- [laughter] -- as we go around this country. But I just am so pleased that they're here with us today.

You know, I remember standing in the Rose Garden just last year and awarding a prize, Environment and Conservation Challenge Award, to AT&T for your world-class work in reducing air pollutants. It's great to be here and see firsthand the folks who made it happen. That was a national honor well deserved by you and those who work with you.

But there's something also sad, and Tom touched on it, about being in this neck of New Jersey today, and I'd like to just take a minute or two to explain why.

You lost one of your most remarkable citizens on Wednesday when Congressman Millicent Fenwick died at the age of 82. She was an incredible person. And many portrayed her as the ``pipe-smoking grandmother," but she preferred ``hard-working grandmother." She said it had the same number of syllables -- typical of Millicent. [Laughter] And she spent her whole life climbing obstacles and helping others to do the same.

Yes, she was born to a life of privilege. But in the early thirties, her marriage split up, and she moved to New York alone, deep in debt, with a couple of kids. She wanted to get a job selling stockings at a department store, but they turned her away. She hadn't earned a high school diploma. She stuck with it, finally rising to be an editor of Vogue magazine.

Her kids grown up, Millicent came home to New Jersey and started to get involved in town politics. She was the first woman member of the Bernardsville Borough Council. She ran then for the State assembly and won and served as State consumer affairs director.

Then at 64, when most people are settling down, Millicent was just starting to make this fantastic reputation in Congress. I was honored to know her very, very well indeed. She helped run my campaign here in this State in 1980. She was deeply principled in politics for all the right reasons, to fulfill a deep and burning desire to achieve justice for all people.

Her commitment to the underdogs of the world was matched only by her wit. Once a State legislator said to her, ``I've always thought of women as kissable, cuddly, and smelling good." Millicent replied, ``That's the way I feel about men, too. I only hope for your sake that you haven't been disappointed as often as I have." [Laughter] Well, who but Millicent? Enough said.

Well, Millicent Fenwick lived during interesting times. She saw a world transformed outside our

borders, and she helped lead that transformation. You remember her assignment after she left the Congress was to go off into a marvelous agency helping people in the food area. But while these remarkable changes took place overseas, here in America a quieter and even more profound revolution has been unfolding, and Millicent was a part of that, too.

I'm talking about a move toward human justice at its most basic level, the movement toward equality of the sexes, a movement that cuts across social and ideological boundaries and touches all our lives. Of course, before we all get carried away with the congratulations, we have to admit -- and Lynn and I were talking about this coming up here on the plane -- that we have a ways to go. I did not come here today just as one more man, but I'm here as a President whose policies affect your lives.

Last week I unveiled, and Dr. Stewart very generously talked about this, my Agenda for American Renewal, answers to the questions that Americans are asking around their kitchen tables. The agenda is a comprehensive strategy to guarantee that by the early part of the 21st century, America will enjoy the world's first $10 trillion economy. I have several priorities; most are well underway. I want to open new markets and new customers for the products you produce. I want to create new schools for a new age. I want to sharpen businesses' competitive edge, with relief from taxation, regulation, and certainly from litigation. I want to reach out to all Americans, and I want to dramatically reduce the size and the scope of the Federal Government.

That's my agenda. But today, I'm here to talk about a special priority on my agenda, providing economic security for American working men and women. The first order of business, as I said, is to admit that there is still unfinished business. Women work as hard as men and still earn less, and that's not acceptable. Most working women do more than equal work on the job and at home, and that's not acceptable, either.

Many women are trying to do it all alone. Look, divorce happens, and I know it from my own family, my own daughter. I've seen what single mothers are up against, the kind of pressures, trying to do 36 hours of work in a 24-hour day.

As a nation, we must confront these challenges head-on. Not talk, not slogans, not political rhetoric, we need Government policies that help men and women meet their responsibilities at home. And that means child care. It means family leave policies. It means child support enforcement. It means cheaper health care.

Both candidates in this election are talking about these issues. But we offer entirely different solutions. The other side puts their faith in Government, Government mandates. On issue after issue, their solution comes down to giving more power to Government. I put my faith in you. I want to give you the power to help yourself. The other side's ideas sound very enticing. But you have to ask, ``Will they work for me? Will they make a difference in my life?''

In thinking about this, I refer you to a story about William II, the Emperor of Germany. He saw himself as a man's man, which I guess means he was the kind of Kaiser who, when he got lost, would refuse to ask anybody directions. [Laughter] Well, the Kaiser got in his head that he could design a better battleship. So he drew up plans and sent them to the naval architect for him to study. And the architect said the Kaiser's battleship would be absolutely the finest one on Earth. It would be as fast as a speedboat. Its range and its power would overwhelm the enemy. Everybody on board would feel like they were lounging in their living room. There was only one teeny, tiny problem: If the boat were built and actually placed in the water, it would sink.

Well, I'm afraid a lot of policies that have been coming out of Capitol Hill the past few years do that. All are designed to use Government to achieve great things on your behalf. But look closely, and I suggest that they just might not float in water.

Let me give you a few examples. You decide for yourself.

This week, Congress sent me what's called family leave legislation. The bill has the noble goal of allowing a mom or dad to leave a job in order to take care of a new baby, maybe care for a sick parent. The bill would require companies to keep the job open for 3 months until the employee could come back to work.

Now, I believe family leave is necessary, and our families need it. A lot of companies are providing it. This one right here does; AT&T is one. You should be proud of your farsighted leadership on this. But the bill Congress sent me this week would force every company with more than 50 employees to provide family leave. If companies don't foot the bill, they break the law. Now, that's one approach, and I offer another one. I want to give all businesses incentives in the form of credits, tax credits to offer family leave.

It's an election year, so congressional leaders have sent me their mandatory approach. They've been sitting on it all year long, I might add. Now, with 2 weeks to go in this session of the Congress, or 3, sent it to me and dared me not to sign it. I want to explain why I can't support their approach.

First of all, our economy is sluggish. Here in New Jersey and all across the country it's sluggish. Think of the ad agencies, the printing companies, other suppliers in your neighborhoods and people that you work with every day. They're still cutting budgets and payrolls, and I don't want to load on more Federal mandates that will force them to lay off people.

You might say, ``You're protecting the rich.'' But, you know, entrepreneurs aren't all rich. In fact, more and more people are taking their pensions and starting their own small businesses. By the year 2000, women will run the majority of these businesses.

Here's another point to consider: You and I know the best benefit packages often come from the

largest employers. They're the ones that can provide the benefits. Small companies are usually where parents have to make the tough choice between work and family. But the other side's approach exempts the smallest employers. My approach offers incentives to those companies, and it will cover the 40 percent of American workers who won't be covered by the other side's plan.

One more thing: Think of the impact mandated family leave has on hiring decisions. I know it's not supposed to happen, but how many employers will think, why not hire a man instead of a woman? He won't leave to have a child. He won't leave to care for his family. This is illegal, and we must enforce the law. But mandated family leave could encourage this subtle kind of discrimination.

I don't think you'll hear these kinds of details discussed in the media. But I'm going to take a stand because to me, it's not worth putting politics ahead of progress.

Let me talk just about another job-related issue, something that's called the glass ceiling. Today, companies are promoting some women in greater numbers, but not fast enough. So a lot of talented women are going into the businesses for themselves.

This isn't just a corporate problem; we're seeing the same thing happen in Government. And I'm proud of our record in promoting women. But I'm especially proud that we've put talented women in important economic positions: running the Department of Labor, running the Department of Commerce or the Small Business Administration, or handling all of our trade negotiations. The women I work with tell me they don't want any special opportunity; they just want the right to succeed or fail, to be measured by the same standard as men.

We want to see the Lynn Martins of corporate America succeed, too. That's why this Secretary of Labor, Lynn Martin, has made shattering the glass ceiling a top priority. She's making sure that companies who receive your tax dollars through Federal contracts make career opportunities available to women.

Let's talk child care for a moment. You see a difference in philosophies here. Congress wanted a Government-run child care program, a mandated program emanating from some subcommittee and then working its way through the Congress. I heard from parents who wanted the right to choose the best child care for their children. It might be a public school. It might be a church or a synagogue, an aunt's house. And the point is, you want to make the choice, not be told where to go by some county clerk. Congress wanted to give the money directly to county agencies and limit the family's alternatives. I fought for giving vouchers directly to parents, so you can choose the best care, regardless of who provides it. Our way was better, and on this one we won.

Now we're having a similar debate, major national debate, over health care. Costs are rising more than 10 percent a year. It's putting pressure on families. It's the fastest growing item in this

enormous Federal budget. Once again, the other side wants the Government alone to solve the problem, either by directly taking over our health care system or by indirectly getting involved in setting prices and mandating benefits. Now, that idea sounds appealing to some, but it will end up meaning longer lines and less flexibility for you and for your families.

I offer an entirely different approach, sitting up there now in the United States Congress awaiting action. I want to give companies incentives to provide coverage and use competition to drive down costs. I want to get at the root cause of raising prices, including skyrocketing malpractice insurance. I want to let small businesses pool their coverage, insurance coverage, so they can get the same price breaks as larger companies do. My plan will lower costs through competition, extend coverage to the poorest of the poor -- insurance coverage -- extend coverage to 30 million Americans who cannot afford it today and build on the strengths of our system, which already provides the highest quality care in the world.

You see people coming from all over the world to come to America for health care. Why? Because we have the highest quality care. If you take it out of the private sector and you put it in the public sector, you can guarantee that it will no longer be that beacon for quality. I believe my approach is right. I believe it's right for the citizens of this country, and I believe it's right when it comes to a philosophy of government.

Now, here's something that really bothers me. Five million women today in America are entitled to child support from ex-husbands. Now, you know how many of those women get all they are entitled to? About half. About half. I think it's outrageous that a father in Pennsylvania can be shopping for a new Corvette, while his ex-wife in New Jersey is struggling to shop for food. And I think it's time that the long arm of the law taps every deadbeat dad on the shoulder and says, pay up, or else.

There's a lot more in this agenda. We've made it so you can take a pension from job to job. Our health care proposal, the health care goes from job to job. We've provided incentives for student aid. Today one out of two students at a college or university gets a Federal loan or grant. And the purpose is the same: to protect working men and women, to make it easier to raise a family.

But listing the exact details of every program isn't as important as the philosophy behind them, a philosophy that says: Ultimately, the only way to make people more secure is to give you more power, give you, the individual, more power over the decisions that affect your jobs and family budgets.

If we're going to use the power of Government to move us forward, we need to use the power of Government to help, not hinder; not to add new barriers to opportunity but to remove old ones. I started by talking about the economic challenge before America, and I'd like to close the same way because ultimately that's what this election is about: Who has the ideas that can help America win the global economic competition? When you stop to consider all the challenges we

face in this Nation, let's not ignore some of the advantages.

Here in America, we send more of our students to higher education, more than any other nation, twice as many as Germany and more than twice as many as Japan. More than half of these American students are women. Basically, we have twice as many educated people as our competitors. It's because America is the only nation that really tries to base opportunity on character and talent alone.

The changes of the past few decades have improved the lives of all Americans. But more than that, they've improved our society. They've made us stronger as we face the stiff challenges ahead. The policies that I've outlined today are designed to build on our strengths, to help us take advantage of the talents of every American, to strengthen all our families so that we can make America safer and more secure.

I have seven granddaughters. Maybe I better rephrase that: Barbara and I have seven granddaughters. [Laughter] I don't want to be killed when I get down to Maryland. [Laughter] The oldest is 15 years old. And the world that she enters today will be much different than the world that Barbara and I entered many years ago. If my granddaughter wants to go out to Texas and start an oil company, she can do it. If she wants to write the ``Vogue Book of Etiquette," she can do that, too. If she chooses another line of work, if she chose to stay home and raise her kids, well, I'll give her love and support. She won't have to answer to anyone about the choices she's made. If she wants to try and run for President, she can do that, too. And I hope she does.

I'm very glad that my grandchildren face these opportunities, but they will only be able to take advantage of them if America remains the most dynamic place on this great Earth. I think the path to economic security lies with less Government, less regulation, more freedom and respect for families and individuals.

So what I offer in this election is simple: a new path to a renewed America, based on some tried and true values. That's how we're going to build a safer, more secure America for all of us and certainly for our kids, your kids, and my grandkids.

Thank you for listening. And may God bless the United States of America. Thank you all very much.

Note: The President spoke at 2:54 p.m. at the AT&T corporate headquarters. In his remarks, he referred to Mary L. Stewart, president, Stewart Management Group, and Chuck Haytaian, speaker of the New Jersey State Assembly.

Letter to Congressional Leaders on the North American Free Trade Agreement

September 18, 1992

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 1103(a)(1) of the Omnibus Trade and Competitiveness Act of 1988 (``Act''), I am pleased to notify the House of Representatives and the Senate of my intent to enter into a North American Free Trade Agreement (NAFTA) with the Governments of Mexico and Canada.

This historic agreement represents a comprehensive charter to liberalize trade and investment flows on this continent. NAFTA will link us to our first- and third-largest trading partners, Canada and Mexico, respectively, to create one of the world's largest and richest markets, with over 360 million consumers and over $6.4 trillion in annual output. It will enhance the ability of North American producers to compete in world markets, spur economic growth on the continent, expand employment, and raise living standards.

We are at the dawn of a new era. The threat of global nuclear warfare is gone. The prolonged Cold War struggle against totalitarianism, fought over half a century through immense sacrifices by countless American men and women, has ended in freedom's victory.

Just as America prevailed in the Cold War, we must continue to lead the world in the global economy of the next century. Exports are vital to the health of the U.S. economy, accounting for 70 percent of our economic growth since 1988, and supporting the jobs of more than 7.5 million Americans. We must continue to expand our exports by strengthening our lead in technological innovation, by giving American firms and workers the tools to compete and win in international competition, and by negotiating effective agreements to open foreign markets to U.S. goods and services.

The NAFTA eliminates tariffs and other barriers to the flow of goods and services between the United States, Mexico, and Canada. It lifts barriers to investment, strengthens the protection of intellectual property, and improves upon trade rules that govern our bilateral trade relations to ensure that U.S. firms can reap the full rewards of the market opportunities NAFTA creates.

Fifteen months ago, the Congress endorsed the extension of the fast track procedures to allow the NAFTA negotiations to proceed. The fast track has been a shining example of bipartisan cooperation to enhance our Nation's future.

I am deeply mindful of the commitment I made during the fast track debate to achieve a balance

in the NAFTA that will not only expand our economic growth but also facilitate adjustment for U.S. workers and protect the environment.

While NAFTA will create new, high-wage export-oriented jobs through expanded trade, we have a responsibility to ensure that all U.S. workers, including those affected by NAFTA, have the skills to compete in global markets. Accordingly, last month I proposed a comprehensive new Federal job training program for all dislocated U.S. workers, including the relatively small number who face adjustments because of NAFTA. It will be funded at $2 billion annually -- nearly triple the current budget for all of our existing worker training and assistance services.

I remain equally committed to ensuring that NAFTA improves environmental protection. The NAFTA contains unprecedented provisions to benefit the environment. In addition, we are moving forward with a comprehensive environmental agenda with the Government of Mexico -- an agenda that NAFTA made possible.

The trade of a nation reflects its aims and aspirations. The choice before us is stark -- to retreat into protectionism or move forward to new horizons of challenge and opportunity in an expanding global economy. Our Nation won the Cold War because of its faith in the abiding power of free people, free markets, and free trade in goods and ideas. We must continue to lead and to trade, confident of our ideals and principles and the ability of American firms and workers to prevail in free and fair competition.

I look forward to working closely with the Congress to develop appropriate legislation to approve and implement this historic agreement.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Notice of Intention To Enter Into a North American Free Trade Agreement With Canada and Mexico

September 18, 1992

On September 18, 1992, under section 1103(a)(1)(A) of the Omnibus Trade and Competitiveness Act of 1988, I notified the House of Representatives and the Senate of my intention to enter into a North American Free Trade Agreement with the Government of Canada and the Government of Mexico.

Pursuant to section 1103(a)(1)(A) of that Act, this notice shall be published in the Federal Register.

George Bush

The White House,

September 18, 1992.

[Filed with the Office of the Federal Register, 2:26 p.m., September 18, 1992]

Remarks to the G - 7 Finance Ministers and Bank Governors

September 20, 1992

Please be seated, and welcome to the White House. May I thank you all for coming. Secretary Brady and Chairman Greenspan were most interested in having this little get-together, and so am I and everybody at the White House. May I salute Minister Solchaga and Mr. Camdessus and just say welcome to the White House.

First, I know it's a difficult time, extremely difficult, and I salute the spirit of this meeting, the meetings that you've been having. Given the important events in Europe this week, in particular the turmoil in the financial markets and the vote in France on the European Community's Maastricht Treaty, I believe it is important for me to share with you my views. Together, we must establish an international economic system that meets the demands of the post-cold-war era. While the topics may be complex, they affect the day-to-day life of all of our citizens, the interest rates they pay on mortgages, inflation that can eat away at pensions, trade, and then growth that creates jobs.

First and foremost, I want to assure you of the United States commitment to be strongly engaged in a positive, steady fashion to help build global prosperity. I am working to strengthen America to compete with you, not retreat from you.

Next, I want to affirm our country's support for a European integration that opens markets and, in the process, enhances Europe's capability to be our partner in the great challenges we face in this new era. The exact form of integration is, of course, for our partners to determine, and we will stand with them as they do so.

Over recent years, we've been largely successful in returning to a regime of price stability. This stability will enable our entrepreneurs, our businesses, our workers to concentrate on building new technologies, real productive assets, savings, and jobs. We must combine this price stability with more vigorous economic growth. And therefore, we must examine ways to strengthen our international economic and monetary systems further, not only in Europe, which is experiencing exchange rate instability at the moment, but in the global economy.

In this context, I believe it is important in the months ahead for the G - 7 nations, the U.S., our European partners, Canada, and Japan, to enhance the efforts we made in the past to review our economic policies and strengthen our economic coordination process. The aim of the coordination process in this new era should be to promote a healthy and progressive world economy and a stable monetary system. I believe the political leadership of our nations will need to play an increasingly active role in this work by reviewing our different economic perspectives

and reinforcing possible agreements.

In seeking to strengthen the coordination process over the longer term, the United States will advocate to our economic partners that we explore the development of an independent reference point for our multilateral surveillance process.

We believe it could be useful in strengthening the coordination process to more intensely utilize an economic indicator that compares the relationship among our currencies and a basket of commodities, including gold. This commodity price indicator should be used in conjunction with other measures of economic performance such as growth, exchange rates, external imbalances as we work to coordinate our economic policies.

Finally, the United States also pledges its full commitment to policies that will strengthen the fundamentals for sustainable long-term growth. That includes a successful Uruguay round to expand world trade for all market economies, old and new. No politics of this country, let me just assure you, will interfere with our efforts for the United States side to conclude a successful -- the successful conclusion of the GATT round. It also includes limits on the growth of our mandatory spending programs here in this country so that we can reduce our deficits. It includes an effort to dismantle internal rigidities that obstruct the creative process of building new businesses, helping people develop new skills, and shifting capital to investments where it will contribute to greater growth.

Over the past few years we have succeeded beyond our greatest expectations in offering hundreds of millions of free people the opportunity to build a secure economic future. But the very scope of the change has left all our publics uncertain, anxious about the future. It is our duty to build a global economic, financial, and trading structure for this new era, one that will help people translate hope into peace and prosperity for generations to come.

I know that together we can create an exciting future if we proceed cooperatively and confidently. I just wanted to get everybody together to tell you that I pledge the United States to the fulfillment of that task. We will work with you. Once again, congratulations on the way you're approaching the situation that faces us all now, the situation of cooperation and determination that I think really is capturing the imagination of people all around the world. The United States will stay with you. We will stay in here as partners, doing our level-best to be a part of the solution.

So thank you very much for coming. It is a Sunday afternoon, and what we wanted to do is simply to -- Barbara and I -- to invite you all through a rather informal receiving line down here, and then welcome you to a little hospitality at the White House.

Thank you very much for coming.

Note: The President spoke at 6 p.m. in the East Room at the White House. In his remarks, he referred to Carlos Solchaga, Spain's Minister of Economy, Finance and Commerce, and Michel Camdessus, managing director, International Monetary Fund.

Address to the United Nations General Assembly in New York City

September 21, 1992

Thank you, Mr. President, to you, sir, and Mr. Secretary-General and distinguished guests. Forty-seven years ago, I was a young man of 21, and like thousands of others of my generation, I'd gone off to war to help keep freedom alive. But 47 years ago this month, the war was finally over, and I was looking forward to peace and the chance to begin my life in earnest. Nineteen forty-five, it marked a moment of promise, not just for me but for all of mankind. A great struggle against dictatorship had been fought and won. Across the globe we all looked forward to a future free of war, a world where we might raise our children in peace and freedom. And this institution, the United Nations, born amidst the ashes of war, embodied those hopes and dreams like no other.

But the hopes and dreams of 1945 remained unfulfilled. Communist imperialism divided the world in two; our hopes for peace and our dreams of freedom were frozen in the grip of cold war. And instead of finding a common ground, we found ourselves at ground zero. Instead of living on Churchill's ``broad, sunlit uplands," millions found that there was, as Arthur Koestler so chillingly wrote, ``darkness at noon." And instead of uniting the nations, this body became a forum for distrust and division among nations. And in a cruel irony, the United Nations, created to free the world of conflict, became itself conflict's captive.

I, too, lived through those disputes. I sat where you sit, proudly so, served in this Assembly. I saw in my time the consequences of the cold war's hot words on the higher missions of the United Nations. And now 47 years later, we stand at the end of another war, the cold war, and our hopes and dreams have awakened again.

Driven by its own internal contradictions and banished by the people's undying thirst for freedom, imperial communism has collapsed in its birthplace. Today, Russia has awakened, democratic, independent, and free. The Baltic States are free, and so too are Ukraine and Armenia and Belarus and Kazakhstan and the other independent states, joining the nations of Central and Eastern Europe in freedom.

The fear of nuclear Armageddon between the superpowers has vanished. We are proud to have done our part to ensure that our schoolchildren do not have to practice hiding under their desks for fear of nuclear attack as the generation before them.

I am proud also to salute the courageous leaders with nuclear responsibilities: President Yeltsin, Kravchuk, Nazarbayev, Shushkevich, who join me in ending the superpower standoff that risked nuclear nightmare. This is the first General Assembly to seat you as truly independent and free

nations. And to you and the leaders of the other independent states, I say: Welcome home; we are now truly United Nations.

With the cold war's end, I believe we have a unique opportunity to go beyond artificial divisions of a first, second, and third world to forge instead a genuine global community of free and sovereign nations; a community built on respect for principle of peaceful settlements of disputes, fundamental human rights, and the twin pillars of freedom, democracy and free markets.

Already the United Nations, especially the Security Council, has done much to fulfill its original mission and to build this global community. U.N. leadership has been critical in resolving conflicts and brokering peace the entire world over. But securing democracy and securing the peace in the century ahead will be no simple task. Imperial communism may have been vanquished, but that does not end the challenges of our age, challenges that must be overcome if we are finally to end the divisions between East and West, North and South that fuel strife and strain and conflict and war.

As we support the historic growth of democracy around the world, I believe the community of nations and the United Nations face three critical, interrelated challenges as we enter the 21st century:

First, we face the political challenge of keeping today's peace and preventing tomorrow's wars. As we see daily in Bosnia and Somalia and Cambodia, everywhere conflict claims innocent lives. The need for enhanced peacekeeping capabilities has never been greater, the conflicts we must deal with more intractable, the costs of conflict higher.

Second, we face the strategic challenge of the proliferation of weapons of mass destruction, truly the fastest growing security challenge to international peace and order.

And third, we face the common economic challenge of promoting prosperity for all, of strengthening an open, growth-oriented free market international economic order while safeguarding the environment.

Meeting these challenges will require us to strengthen our collective engagement. It will require us to transform our collective institutions. And above all, it will require that each of us look seriously at our own governments and how we conduct our international affairs. We too must change our institutions and our practices if we are to make a new world of the promise of today, if we're to secure a 21st century peace.

With you today, I would like to discuss these three challenges: peacekeeping, proliferation, and prosperity. And I'd like to use this opportunity to begin to sketch how I believe the international community can work together to meet these three challenges and how the United States is changing its institutions and policies to catalyze this effort.

Let me begin with peacekeeping. The United Nations has a long and distinguished history of peacekeeping and humanitarian relief. From Cyprus and Lebanon to Cambodia and Croatia, the blue beret has become a symbol of hope amid all that hostility, and the U.N. has long played a central role in preventing conflicts from turning into wars. Strengthened peacekeeping capabilities can help buttress these diplomatic efforts.

But as much as the United Nations has done, it can do much more. Peacekeepers are stretched to the limit while demands for their services increase by the day. The need for monitoring and preventive peacekeeping, putting people on the ground before the fighting starts, may become especially critical in volatile regions. This is especially the case because of the rapid and turbulent change that continues to shake Eastern Europe and Eurasia.

Across the lands that once were imprisoned behind an Iron Curtain, peoples are reasserting their historical identities that were frozen in communism's catacomb. Where this is taking place in a democratic manner with tolerance and civility and respect for fundamental human rights and freedoms, this new democratic nationalism is all to the good. But unfortunately, we need only look to the bloody battles raging in places such as the former Yugoslavia to see the dangers of ethnic violence. This is the greatest threat to the democratic peace we hope to build with Eastern Europe, with Russia and Eurasia, even more so than economic deprivation.

We fully support the efforts of NATO and CSCE and WEU, the C.I.S. and other competent regional organizations to develop peacekeeping capabilities. We are convinced that enhanced U.N. capabilities, however, are a necessary complement to these regional efforts, not just in Europe and Eurasia but across the globe.

I welcome the Secretary-General's call for a new agenda to strengthen the United Nations' ability to prevent, contain, and resolve conflict across the globe. And today, I call upon all members to join me in taking bold steps to advance that agenda. I, therefore, will be discussing with my colleagues the merits of a special meeting of the U.N. Security Council to discuss the Secretary-General's proposals and to develop concrete responses in five key areas:

One, robust peacekeeping requires men and equipment that only member states can provide. Nations should develop and train military units for possible peacekeeping operations and humanitarian relief. And these forces must be available on short notice at the request of the Security Council and with the approval, of course, of the governments providing them.

Two, if multinational units are to work together, they must train together. Many nations, for example, Fiji, Norway, Canada, and Finland, have a long history of peacekeeping. And we can all tap into that experience as we train for expanded operations. Effective multinational action will also require coordinated command-and-control and interoperability of both equipment and communications. Multinational planning, training, field exercises will be needed. These efforts should link up with regional organizations.

Three, we also need to provide adequate logistical support for peacekeeping and humanitarian operations. Member states should designate stockpiles of resources necessary to meet humanitarian emergencies including famines, floods, civil disturbances. This will save valuable time in a crisis.

Four, we will need to develop planning, crisis management, and intelligence capabilities for peacekeeping and humanitarian operations.

And five, we must ensure adequate, equitable financing for U.N. and associated peacekeeping efforts.

As I said, we must change our national institutions if we are to change our international relations. So let me assure you: The United States is ready to do its part to strengthen world peace by strengthening international peacekeeping.

For decades, the American military has served as a stabilizing presence around the globe. I want to draw on our extensive experience in winning wars and keeping the peace to support U.N. peacekeeping. I have directed the United States Secretary of Defense to place a new emphasis on peacekeeping. Because of peacekeeping's growing importance as a mission for the United States military, we will emphasize training of combat, engineering, and logistical units for the full range of peacekeeping and humanitarian activities.

We will work with the United Nations to best employ our considerable lift, logistics, communications, and intelligence capabilities to support peacekeeping operations. We will offer our capabilities for joint simulations and peacekeeping exercises to strengthen our ability to undertake joint peacekeeping operations. There is room for all countries, large and small, and I hope all will play a part.

Member states, as always, must retain the final decision on the use of their troops, of course. But we must develop our ability to coordinate peacekeeping efforts so that we can mobilize quickly when a threat to peace arises or when people in need look to the world for help.

I have further directed the establishment of a permanent peacekeeping curriculum in U.S. military schools. Training plainly is key. The United States is prepared to make available our bases and facilities for multinational training and field exercises. One such base nearby with facilities is Fort Dix. America used these bases to win the cold war, and today, with that war over, they can help build a lasting peace.

The United States is willing to provide our military expertise to the United Nations to help the U.N. strengthen its planning and operations for peacekeeping. We will also broaden American support for monitoring, verification, reconnaissance, and other requirements of U.N.

peacekeeping or humanitarian assistance operations.

And finally, the United States will review how we fund peacekeeping and explore new ways to ensure adequate American financial support for U.N. peacekeeping and U.N. humanitarian activities. I do believe that we must think differently about how we ensure and pay for our security in this new era.

While the end of the cold war may have ended, the superpower nuclear arms competition, regional competition, weapons of mass destruction continue. Over 20 countries have or are developing nuclear, chemical, or biological weapons and the means to deliver them. At a time when the United States and its former adversaries are engaged in deep historic cuts in our nuclear arsenals, our children and grandchildren will never forgive us if we allow new and unstable nuclear standoffs to develop around the world.

We believe the Security Council should become a key forum for nonproliferation enforcement. The Security Council should make clear its intention to stem proliferation and sanction proliferators. Reaffirming assurances made at the time the Nuclear Non-Proliferation Treaty was negotiated, I proposed that the Security Council reassure the non-nuclear states that it will seek immediate action to provide assistance in accordance with the charter to any non-nuclear weapons state party to the NPT that is a victim of an act of aggression or an object of threat of aggression involving nuclear weapons.

I also call for the indefinite renewal of the Nuclear Non-Proliferation Treaty when it is reviewed in 1995. I believe we must explore ways that we can strengthen linkages between these suppliers' clubs, the Nuclear Suppliers Group, Australia Group, and the Missile Technology Control Regime, and specialized U.N. agencies. Here, I would like to note UNSCOM's productive efforts to dismantle the Iraqi weapons of mass destruction program and the International Atomic Energy Agency's continuing good work.

But as the U.N. organizations adapt to stop proliferation, so, too, must every member state change its structures to advance our nonproliferation goals. In that spirit, I want to announce my intention today to work with the United States Congress to redirect the United States Arms Control and Disarmament Agency, known to some of you as ACDA, to refocus its talents on providing technical support for nonproliferation, weapons monitoring and destruction, and global defense conversion. Under the direction of the Secretary of State, ACDA should be used not only in completing the traditional arms control agenda, but, just as importantly, in providing technical assistance on our new security agenda.

Even as we work to prevent proliferation of weapons of mass destruction, we must be realistic and guard ourselves against proliferation that has already taken place. Therefore, we're working toward a cooperative system for defense against limited ballistic missile attacks. And we fully intend to have other nations participate in this global protection system.

While expanded peacekeeping capabilities and improved nonproliferation efforts will be critical for building an enduring peace, shared economic growth is the long-term foundation for a brighter future well into the next century. That's why I stated yesterday, during a moment of international uncertainty, that the United States would be strongly engaged with its global partners in building a global economic, financial, and trading structure for this new era. At the same time I urge that our global responsibilities lead us to examine ways to strengthen the G - 7 coordination process. I affirmed America's support for European integration that opens markets and enhances Europe's capability to be our partner in the great challenges that we face in this new era.

While the exact form of integration is, of course, for Europeans to determine, we will stand by them. Economic growth is not a zero-sum process. All of us will benefit from the expanded trade and investment that comes from a vibrant, growing world economy.

To ensure that the benefits of this growth are sustained and shared by all, fair and open competition should be the fuel for the global economic engine. That's why the United States wants to complete the Uruguay round of the GATT negotiations as soon as possible and to create a network of free trade agreements beginning with the North American free trade agreement. At the same time we need to recognize that we have a shared responsibility to foster and support the free market reforms necessary to build growing economies and vibrant democracies in the developing world and in the new democratic states. This should be done by promoting the private sector to build these new economies, not by fostering dependency with traditional government-to-government foreign aid.

Since World War II, foreign assistance often served as a weapon in the cold war. Obviously, we will still use critical foreign assistance funds to meet legitimate security needs. As our humanitarian operations in Somalia and northern Iraq, Bosnia, and the former Soviet Union will testify, we will continue our robust humanitarian assistance efforts to help those suffering from manmade and natural disasters.

But foreign aid as we've known it needs to be transformed. The notion of the handout to less developed countries needs to give way to cooperation in mutually productive economic relationships. We know that the more a nation relies on the private sector and free markets, the higher its rate of growth; the more open to trade, the higher its rate of growth; and the better a country's investment climate, the higher its rate of growth.

To move from aid, what I would call aid dependency, to economic partnership, we propose to alter fundamentally the focus of U.S. assistance programs to building strong, independent economies that can become contributors to a healthy, growing global economy. Now, that means that our new emphasis should be on building economic partnerships among our private sectors that will promote prosperity at home and abroad also.

Working with our Congress, I will propose a top-to-bottom overhaul of our institutions that plan and administer foreign assistance, drastically reducing the bureaucracy that has built up around Government-based programs; streamlining our delivery systems; and strengthening support for private sector development and economic reform. The Agency for International Development, AID, another institution born during the cold war, needs to be fundamentally and radically overhauled. Promoting economic security, opportunity, and competitiveness will become a primary mission of the State Department.

Our assistance efforts should not be charity. On the contrary, they should promote mutual prosperity. Therefore, using existing foreign affairs resources, I will propose creating a $1 billion growth fund. The fund will provide grants and credits to support U.S. businesses in providing expertise, goods, and services desperately needed in countries undertaking economic restructuring.

I will also support significantly increasing the programs of the Export-Import Bank to ensure that U.S. products and technology promote investment in worldwide economic growth. The United States will work with its global partners, especially the G - 7 nations, to enhance global growth at this key point in world history as we end one era and begin another. None of us can afford insular policies. Each of us must contribute through greater coordinated action to build a stronger world economy.

Ladies and gentlemen, I realize that what I've outlined today is an ambitious agenda. But we live in remarkable times, times when empires collapse, ideologies dissolve, and walls crumble, times when change can come so fast that we sometimes forget how far and how fast we've progressed in achieving our hopes for a global community of democratic nations.

In the face of today's changes, with the loss of so much that was familiar and predictable, there is now a great temptation for people everywhere to turn inward and to build walls around themselves: walls against trade, walls against people, walls against ideas and investment, walls against anything at all that appears new and different. As the Berlin Wall fell, these walls, too, must fall. They must fall because we cannot separate our fate from that of others. Our peace is so interconnected, our security so intertwined, our prosperity so interdependent that to turn inward and retreat from the world is to invite disaster and defeat.

At the threshold of a new century we can truly say a more peaceful, more secure, more prospering future beckons to us. And for the sake of our children and our grandchildren, and for the sake of those who perished during the cold war, and for the sake of every man, woman, and child who kept freedom's flame alive even during the darkest noon, let us pledge ourselves to make that future real. And let us pledge ourselves to fulfill the promise of a truly United Nations.

Thank you, and may God bless you all. Thank you very much.

Note: The President spoke at 11:02 a.m. in the General Assembly Hall at the United Nations.

Message to the Senate Transmitting the Organization of American States-United States Headquarters Agreement

September 21, 1992

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to approval, I transmit herewith the Headquarters Agreement Between the Government of the United States of America and the Organization of American States (``the Agreement''), signed at Washington on May 14, 1992. I transmit also, for the information of the Senate, the Report of the Department of State with respect to this Agreement.

The Agreement will place the status of the Organization of American States (``OAS'') in the United States on a clear legal basis and will underscore our commitment to the Organization. The Agreement in large measure elaborates and codifies the existing arrangements governing the presence of the headquarters of the OAS in the United States. However, it departs from existing arrangements in several respects. It extends diplomatic agent-level privileges and immunities to a small number of high level OAS officials. It exempts non-U.S. national OAS officials from state and local as well as federal income tax on their OAS earnings and benefits. It affords the OAS immunity from judicial process but in exchange for such immunity obligates the OAS to resolve certain (mainly commercial) disputes through a mutually agreed mechanism or, failing agreement, to submit such disputes to binding arbitration.

Although the Agreement provides that the U.S. will not exclude or expel OAS officials or experts for acts performed in their official capacity, Article XVII specifically states that ``nothing in this Agreement shall be construed as in any way limiting the right of the United States to safeguard its own security, or its right completely to control the entrance of aliens into any territory of the United States."

Other provisions address the form and substance of the Official Travel Document; the procurement of communications facilities by the OAS; the disposition of the headquarters property in the event the OAS should cease to maintain headquarters in Washington; the provision of public services to the headquarters; and the privileges and immunities accorded OAS officials and experts.

No implementing legislation is required for the United States to perform its obligations under the Agreement. As a treaty, the Agreement will override federal, state, and local law with respect to privileges, immunities and exemptions to the extent such laws are inconsistent with its provisions. The provisions of the Agreement are not inconsistent with U.S. immigration laws, which will provide the basis for meeting the commitments established by the Agreement for the

admission of aliens.

I recommend that the Senate give early and favorable consideration to the Agreement and give its advice and consent to approval.

George Bush

The White House,

September 21, 1992.

Nomination of Robert Gregory Joseph To Be an Assistant Director of the United States Arms Control and Disarmament Agency

September 21, 1992

The President today announced his intention to nominate Robert Gregory Joseph, of Virginia, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency (Bureau of Verification and Intelligence). He would succeed Manfred Eimer.

Since 1990, Dr. Joseph has served as U.S. Commissioner to the U.S. Standing Consultative Commission at the Department of State. From 1987 to 1990, he served as Principal Deputy Assistant Secretary of Defense and Deputy Assistant Secretary for Nuclear Forces and Arms Control at the Department of Defense. He has also served as Director of Theater Nuclear Forces at the Department of Defense, 1985 - 87, and as the United States Representative to the Nuclear Planning Group at NATO Headquarters in Brussels, Belgium, 1982 - 85.

Dr. Joseph graduated from St. Louis University (B.A., 1972); the University of Chicago (M.A., 1973); and Columbia University (M.Ph.L., 1976; Ph.D., 1978). He was born September 29, 1949, in Williston, ND. Dr. Joseph is married, has two children, and resides in Alexandria, VA.

Designation of Charles R. Hilty as Chief Financial Officer of the Department of Agriculture

September 21, 1992

The President today designated Charles R. Hilty, of Ohio, Assistant Secretary of Agriculture for Administration, as Chief Financial Officer of the Department of Agriculture. He will serve in these positions concurrently. This is a new position.

Currently Mr. Hilty serves as Assistant Secretary of Agriculture for Administration. Prior to this he served as Associate Deputy Secretary of Agriculture, 1991. Mr. Hilty has also served as minority staff director for the House Committee on Agriculture in the U.S. House of Representatives, 1984 - 91, and as administrative assistant in the office of Congressman Edward Madigan, 1978 - 84.

Mr. Hilty graduated from Bowling Green State University (B.S., 1960). He served in the Ohio National Guard, 1960 - 66. He was born November 6, 1934, in Bluffton, OH. Mr. Hilty is married and currently resides in Washington, DC.

Nomination of Marshall Fletcher McCallie To Be United States Ambassador to Namibia

September 21, 1992

The President today announced his intention to nominate Marshall Fletcher McCallie, of Tennessee, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador of the United States of America to the Republic of Namibia. He would succeed Genta Hawkins Holmes.

Since 1990, Mr. McCallie has served as Deputy Chief of Mission at the U.S. Embassy in Pretoria, South Africa. Prior to this, Mr. McCallie served in several positions with the U.S. Department of State, including Deputy Chief of Mission at the U.S. Embassy in Lusaka, Zambia, 1988 - 90; Director of the Junior Officer Division with the Bureau of Personnel, 1986 - 88; Nigeria desk officer with the Bureau of African Affairs, 1984 - 86; political counselor at the U.S. Embassy in Monrovia, Liberia, 1982 - 84; and economic officer at the U.S. Embassy in Abu Dhabi, 1979 - 82.

Mr. McCallie graduated from Vanderbilt University (B.A., 1967) and the Fletcher School at Tufts University (M.A., and M.A.L.D., 1974). He served in the U.S. Air Force, 1967 - 71. He was born June 21, 1945, in Chattanooga, TN. Mr. McCallie is married, has two children, and resides in Washington, DC.

Nomination of Mark Johnson To Be United States Ambassador to Senegal

September 21, 1992

The President today announced his intention to nominate Mark Johnson, of Montana, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador of the United States of America to the Republic of Senegal. He would succeed Katherine Shirley.

Since 1991, Mr. Johnson has served as executive assistant to the Under Secretary of State for Management at the U.S. Department of State. He has served in several positions with the Department of State, including Deputy Chief of Mission at the American Embassy in Kuwait City, Kuwait, 1991; Deputy Chief of Mission at the American Embassy in Cairo, Egypt, 1989 - 90; Deputy Assistant Secretary of State for Legislative Affairs, 1986 - 89; economic counselor at the American Embassy in Nairobi, Kenya, 1983 - 86; and a legislative management officer in the Office of Legislative Affairs, 1981 - 83.

Mr. Johnson graduated from Georgetown University (B.S., 1968) and George Washington University (M.A., 1970). He was born January 12, 1946, in Twin Falls, ID. Mr. Johnson currently resides in Great Falls, MT.

Remarks to the Community in Springfield, Missouri

September 22, 1992

Thank you all very, very much. Thank you very much. And let me just say to Governor Ashcroft how appreciative I am for that rousing introduction. And let me tell you, it's a joy to be back. I keep showing up in this marvelous part of the country.

I understand that I owe a vote of gratitude to Ben Parnell, a leading, most respected Democrat who gave an outstanding talk here; to Hal Gibbs, a former leader in the Perot organization who is now suited up and working hard for us. And I'm grateful to him, grateful to both of them. To an old friend, Johnny Morris, the only thing I feel deprived of is I can't go by that marvelous outlet here and enhance your economy -- [laughter] -- because I love fishing and I love the outdoors. And I respect Johnny Morris as one of our leading environmentalists in the entire United States. He's sensible, and he speaks for the sportsmen all across this country.

And of course, seeing modestly sitting in the front row over here my old, dear friend whom Barbara and I respect and love, who's been with us at Camp David, with whom I campaigned 4 years ago, Moe Bandy. I'll tell you, it's a joy to have him here. And I also want to pay my respects to the Congressman. I haven't seen Mel Hancock; maybe he's not with us. But he's a great Representative for this area. And of course, I was privileged to ride in with Don Gann, who is the neighboring State rep, a man that serves with John Ashcroft with such distinction in the capital.

So let me on with the business at hand. John has set the course and set the agenda for today's comments. These trips today will take me to six different States.

Two weeks ago in Detroit, I presented to the American people my Agenda for American Renewal. It is a clear-eyed look at what's wrong with our country and also what's right about our country. I offered a comprehensive, integrated approach to win the new global economic competition so that by early in the next century, the world's first $10 trillion economy will be found right here in the United States of America.

Last week, I discussed in detail how my vision of our future differs from that of the opponent. The differences simply could not be deeper. The stakes, as John points out, the Governor points out, could not be higher. Basically, it comes down to this: My opponent believes that Government planners can manage the economy better than the workers and small-business men and women who actually make it grow. I respect Government, but I don't put my faith in it. I put my faith in the tax-paying, hard-working men and women of America.

The first shot out of the box Governor Clinton says that he wants to raise taxes that will kill jobs. I want to see them cut to help Americans create jobs. Governor Clinton wants to increase -- he's

already said this -- increase Federal spending by at least $220 billion. I want to cut it by that and more. I want the differences to be clear and sharp. And then the American people, then you will make a choice.

You know, the American people are interviewing two men for the same job. Now, you know me. My record is on the table, over the years. You know its shortcomings; I admit I've made mistakes. And I hope you know my record's strengths. And in my agenda I've told you what I intend to do to build on that record. I have spoken from my heart about the great optimism that I feel for this Nation, how I know we can rise above our challenges today and achieve an even better tomorrow.

My opponent has taken a very different path. He hasn't hesitated a minute to try to tear down everything we've accomplished for 12 years, to find everything he can about what's wrong with America. While I've been talking about ideas, he and his people have admitted publicly that their focus is on the negative, on what's wrong. For month after month, Governor Clinton has persisted in attacks on me; persistent, unrelenting, and many very personal in nature. Frankly, he has distorted my record, and his campaign cochairman even called me a racist. And this week the Governor unveiled, for the first time in this Presidential race, negative campaigning, negative television advertising, first one of this campaign.

So far, right up to today in Springfield, I have resisted the urge to focus on Governor Clinton's record. Frankly, I have felt that Americans want a positive debate. But I must tell you, I am very tired of the distortions, tired of the half-truths. The stakes are too high to let America be deceived by a negative campaign. So today, for really the first time, I have chosen to lay it on the line, talk about my opponent's record, talk facts, talk about the record in Arkansas, the Governor's record. And that means explaining the Grand Canyon that separates his rhetoric from the reality of his record. You need to know this because our country's future is literally on the line. You need to know whether you can trust Bill Clinton to take America where it needs to go in the next 4 years. Because once you buy what he's selling, there's no refund.

I hear candidate Clinton is up in Michigan today talking about debates. Well, I propose a debate for him today: candidate Clinton versus Governor Clinton. You see, we've all heard what candidate Clinton says he can do for America. But that's very different from what Governor Clinton has done to Arkansas, to the good people of Arkansas. And I want to stress this: My argument is not with the people of Arkansas, it is not. They are good, decent, hard-working people. Frankly, they deserve treatment better than they've received from Governor Clinton. So here we go.

Let me begin with an issue of concern to every American, every fairminded American: civil rights. Governor Clinton says, and I quote, ``Everybody knows I have the best civil rights record." His words. His modesty overwhelms me. [Laughter] But how does his record stand? Some of you may know that in 1968, when I was a Congressman from Texas, I supported the

Fair Housing Act. It wasn't popular with some of my constituents. Times have changed, of course, and nowadays 41 States have laws banning housing discrimination, 41. But Arkansas is not one of them, even though my opponent has been Governor for 12 years. Forty-six States have human relations agencies that safeguard citizens against discrimination, but not Arkansas under his leadership. Forty-eight States have basic civil rights laws that ban discrimination and guarantee equal opportunity, but not Arkansas. That's right: Arkansas is only one of two States in America without a civil rights statute.

Candidate Clinton likes to talk about my 1990 veto of the Democratic Congress' quota bill. I did veto that bill, and I'll veto any other quota bill that the liberals cook up. I am for civil rights. And I am against quotas. That is not a contradiction. So last year, after tough negotiations with Congress and beating back two attempts to ram down my throat and the people's throat a quota bill, I did proudly sign a major civil rights bill without resorting to quotas. In addition, I fought for the Americans with Disabilities Act, the most sweeping civil rights legislation in 30 years, that brings those with disabilities into the mainstream and gives them as shot at the American dream. And I'm proud of it.

What about Governor Clinton? Even though his party enjoys overwhelming control of the Arkansas Legislature, Governor Clinton has still not brought a civil rights bill to the people of Arkansas. So when you hear the candidate Clinton's rhetoric all across this country about civil rights, Governor Clinton's record just does not stand up.

Now, consider another issue: economic fairness. You know, candidate Clinton is playing the old game that liberals love to play, class warfare: divide Americans, rich from poor, one group from another. And he's good at it. Candidate Clinton is very good at that, using the same tired, twisted, partisan statistics to explain how the poor can only get richer if the rich get poorer. According to candidate Clinton, the last 10 years have been a nightmare. Well, I've got news for him. It is not true. The Urban Institute back in Washington is not usually sympathetic to me, but listen to what they had to say about the 1980's: ``When one follows individuals rather than statistical groups defined by income, one finds that, on average, the rich got a little richer and the poor got much richer." Now, that's the truth. Our policies of cutting taxes have spurred growth for all Americans.

Yes, we've got tough times now. But it's fair to look at the whole record. And candidate Clinton doesn't think this is a fair result. He doesn't think it's fair. It's maybe because Governor Clinton doesn't have much experience with tax fairness in his own State. Governor Clinton has more than doubled -- if you want a horror story, listen to this -- he has more than doubled Arkansas State spending since 1983. And he has paid for it by raising the taxes that hurt poor and working families the most. My opponent has raised and extended his sales tax repeatedly, and he has opposed removing that tax from groceries. Governor taxes -- ``Governor Taxes" -- sorry. [Laughter] Freudian slip. Governor Clinton raised taxes on beer and started taxing mobile homes, too. And he more than doubled Arkansas' gas tax to 18\1/2\ cents per gallon. Governor Clinton even taxed food stamps until the Federal Government forced him to stop. And as if

working families in Arkansas did not have enough problems, he's even tried to tax child care.

When it comes to taxes, Governor Clinton can't seem to get enough. Last year, he signed the largest tax increase in Arkansas history. I signed a tax increase once, and I've regretted it ever since. I admit it when I make a mistake. And therein lies the difference. Let me quote from an article in the Arkansas Gazette on all of this. ``In the Clinton era," it says, ``the State tax system has become more and more regressive. It has become, step by step, a pretty bad system, stacked against the ordinary taxpayer and consumer, stacked for the rich and special interest." End of quotation. Now, that's been his tax policy in Arkansas. Look at what it did to that State's economy -- a wonderful State, but look what it did to the economy. The per capita income, for example -- that's the bottom line for working men and women, how much income on average each of them have -- well, at the end of the 1980's, Arkansas ranked 48th in the Nation, per capita income, only about 73 percent of the national average. And that was even lower than the 75 percent in 1980. The poor people have been going backwards under this man. And what about all those good manufacturing jobs that candidate Clinton talks about? Well, average hourly earnings for Arkansas manufacturing workers ranked 47th in 1980. By 1989, they had dropped to 50th.

Now candidate Clinton says he wants to do to the American economy what Governor Clinton's done to Arkansas: Arkansas taxes, Arkansas income, Arkansas jobs. And I don't think he's kidding. I wish he were. Candidate Clinton wants the biggest tax increase in history. He hasn't even got there yet, and he's proposing the largest tax increase in history. And that's not even counting his payroll taxes for training and also those that would be required under his health care plan. And that's not fair. That simply is not fair for every working man and woman in America.

Another issue, one near and dear to the hearts of every American, rural and urban, and that's crime. Candidate Clinton likes to talk tough. You'll hear him criticize me about Federal aid to State and local law enforcement. But in fact, since 1989, we've proposed a 59-percent increase in Federal spending to fight crime. You'll also hear candidate Clinton make some pretty impressive claims about crime control in Arkansas. Wrong. Wrong again. Not. [Laughter] Candidate Clinton, meet Governor Clinton. During the 1980's, the Nation's overall crime rate during the eighties actually declined. But not in Arkansas. In fact, Governor Clinton's State had the biggest increase in overall crime rate in the entire Nation, nearly 28 percent. Again, this is not fair to the good people of Arkansas.

What about violent crimes? Arkansas' violent crime rate went up more than 58 percent, one of the worst records in the entire Nation. Why? Well, I've got a few hunches. Arkansas ranks near rockbottom in every important per capita law enforcement expenditure: for prisons, 46th; for judicial and legal systems, 50th. And when it comes to spending for police officers, Arkansas ranks 49th. And in Arkansas, when the prison door slams shut on a convicted criminal, he knows it won't be long before it opens up again. As incredible as it sounds, as incredible as it sounds, most inmates in Arkansas serve less than one-fifth of their sentence behind bars. That's the worst record in the entire Nation. The people of Arkansas deserve to walk their streets without fearing

that some crazy convict is going to ruin their lives, some guy let out of jail far too early.

Now, contrast the situation in Arkansas with what we've been doing on the Federal level. Most Federal inmates serve at least 85 percent of their full sentence. And I think it's pretty simple: If you take liberties with the law, you're going to lose your own liberties for a long, long time. When you look at Governor Clinton's record on law enforcement, it's not surprising that last week, the Fraternal Order of Police in Little Rock gave me their endorsement for President of the United States of America. And that is the verdict of the police officers in Governor Clinton's own backyard. They agree with me. You do not coddle criminals; you stand up for the law-abiding citizens in this country.

I'm really enjoying getting this record out here. Now let's look at another contrast. It's been 11 long months of his hammering me. And we're just starting today right here Springfield because I want the American people to know the truth. I want them to know the facts. I want them to know the truth.

Let's look at another contrast between candidate Clinton's rhetoric and Governor Clinton's record: with children. In his new book, candidate Clinton says that America has failed to provide its children with either the best education or adequate protection from violence. That's what the candidate says. Now how about the Governor? Look at the facts. During the 1980's, Arkansas fell from 47th to 48th place in the percentage of adults with a high school diploma. Arkansas' rankings on its primary college entrance examination, known as ACT, have declined overall. Twenty-eight States use the ACT as their primary college entrance test. The New York Times recently reported that in 1979, Arkansas ranked 20 out of those 28. The State's latest available ranking is down to 25th out of the 28.

And we know that more than three-quarters of Arkansas high school graduates require remedial instruction when they get to college. It's not fair to them. Think about it, 75 percent of Arkansas college students spend their first year of college relearning what they missed out on in high school. Now these are bright, dynamic young people. And they deserve better than a failed education system. And when it comes to the percentage of adults with a college degree, Governor Clinton's Arkansas still ranks 50th.

Now, when it comes to protecting children from violence, you should know this: My opponent's record is, in one word, appalling. The facts are not pretty. But America should listen to the facts. During the 1980's, the death rate of American children 14-and-under improved dramatically across the country. But in Arkansas, it got worse. The State ranked 49th in 1989. In the late 1980's, Arkansas' rate of violent deaths for teenagers soared at 3 times the national average. And over the decade, child abuse reports shot up 130 percent. Now, behind that statistic are tales of heartbreaking tragedy. The young people over in Arkansas deserve to have their hearts healed.

Now, it's hard to believe that Governor Clinton was unaware of what was going on. Throughout

the 1980's, study after study contained detailed findings and recommendations; a cry for help, if you will. And he even commissioned some of these studies himself. In 1990, his own department of human services reported that ``frequent and widespread'' official failures had placed the children of Arkansas in, again a quote, ``imminent peril.'' Still Governor Clinton did nothing. And finally, a group of child welfare advocates took the Governor to court. They filed a Federal class action naming him as lead defendant. And on June 8th, less than 4 months ago, my opponent finally settled. And now candidate Clinton promises to crack down on violence against children.

Now to what Johnny Morris is famous for and that Governor Ashcroft can take great pride in, the environment. I love to hike. I love to camp out. I love to go fishing. I like to go hunting. And you've heard me talk about the importance of protecting the environment many times. But to me real eloquence is action, and I have acted. There's our historic Clean Air Act, cutting acid rain in half, we did that. We banished offshore oil rigs from sensitive beaches on both coasts and added a billion dollars worth of new forests and parks for our children to enjoy. In the past 3 years, our Environmental Protection Agency has assessed more than half of all the civil penalties and criminal fines in the history of EPA, more than $200 million. To those who spoil our lakes and air we are saying: Mess with our children's health and you will pay.

Those are facts. And that is the record, a record I am very proud of on the environment; a sound, progressive record. But candidate Clinton calls America's environmental record since 1989 a disaster. And he promises, quote, ``real environmental policy'' that will, again quote, ``challenge Americans and demand responsibility at every level.'' My advice: Let's take candidate Clinton at his word. Demand that candidates run on their records. I'm prepared to do that. We've got a good record to take to the American people, the people of Missouri. I'll stand by my record. Now, let's see if he can stand on his. And again, I'm going to be very, very factual.

Earlier this year, my opponent was asked to name a single Arkansas law that exceeds Federal environmental standards. He couldn't do that, not one. The Governor has accepted generous campaign contributions, free plane rides from Arkansas' powerful chicken industry. And the industry is the ultimate source of, and I'll put this as delicately as I possibly can, fecal coliform bacteria, which pollutes hundreds of miles of Arkansas rivers. Governor Clinton did create an animal waste task force to deal with the issue. But the task force subcommittee was headed by a chicken executive. And they decided that controls on what they call ``chicken litter,'' unquote -- [laughter] -- should be purely voluntary. It's hard to keep this clean, but I'm telling you the record is bad over there. But I guess with Governor Clinton, some things do run thicker than water. [Laughter]

Last year, the Institute for Southern Studies released an extraordinarily detailed, State-by-State study of environmental quality and progress. And let me quote the Institute's research director: ``In the areas of policy -- laws passed, not task forces or commissions set up to study a problem -- Arkansas was 50th, the worst in the Nation.'' Arkansas residents want clean air and clean water. They're sportsmen just like you all are, just like I am. They love the outdoors just like you do

and just like I do. And they should not be last in the entire Nation.

And finally, let's talk about health care. As you might expect, my opponent and I have two vastly different approaches to the problem. I want to use competition to expand coverage, preserve quality, drive down the costs. And candidate Clinton's plan could eventually bring our health care system under the control of the Federal Government. Until last month, candidate Clinton pretended that his plan wouldn't cost a dime. But then someone at USA Today got him to admit what I've been saying all along: His plan would require a new payroll tax. And I say small business does not need any more taxes. Let's do it my way. A new payroll tax will kill jobs, especially in the small businesses that we're looking to to create the new jobs we need in this country. It'll cut wages.

But since we're talking about our records today, consider this, too. Candidate Clinton says, ``Health care should be a right, not a privilege." And yet, under Governor Clinton, Arkansas has one of the Nation's worst health insurance crises. More than 42 percent of Arkansas workers, the second highest percentage in the entire Nation, don't even have employer-paid health insurance. And the New York Times says a full 25 percent of all State residents have no health insurance at all. Candidate Clinton now says America, quote, ``can't afford 4 more years" without a solution to our health care problem. And I totally agree with that. But Governor Clinton took a long time to come around. Early last year, in his fifth term as Governor, he finally signed a bill to provide bare-bones coverage to people who have gone uninsured for more than a year.

And so there you have it. Nothing personal, just the facts. And next time you hear candidate Clinton promise to be a progressive change agent for the entire United States, think of civil rights and taxes in the State he's left behind. Think of crime and child abuse and education in that great State of Arkansas. Think of the environment that he's neglected, the health care problems he's ignored. Think about all this the next time candidate Clinton says he will do for America what he's done for Arkansas.

It is true we're having a big debate about America's future. But first you have to learn who's really on the other side. And you have to know: Is it the words of candidate Clinton or the actions of Governor Clinton? We've seen over the last 9 months that candidate Clinton appears willing to say anything to anyone. But the record of Governor Clinton proves that it doesn't matter what the candidate will say to anyone, because he won't deliver. So either way, whether it's candidate Clinton or Governor Clinton, I believe that Bill Clinton is wrong to be President of the United States of America.

You know, I feel better now, because when I started this morning, I explained how for months Governor Clinton has distorted my record. And I sat there through primary after primary, one assault by another -- not all by Governor Clinton, I might add, joined by a handful of other guys that have fallen by the wayside -- and I'd made a decision. I was President; I was trying to do something to help this country. And I chose not to fight back until now, because I believe

Americans want action from their President. And I believe they want positive ideas, want real solutions to our challenges.

But I simply cannot let Governor Clinton's distortions go unanswered. His own record must be exposed because look at what is at stake. This man has the gall to go around America and promise the moon, when on issue after issue, the sky has fallen in in his own backyard. I say Arkansas deserves better. And I mean that. I say America deserves better. And I say America deserves more than learning what's wrong; we need to know what works to build a safer and more secure future for these kids over here. And this is what I offer in this campaign: experience, character, and ideas that are right for America.

My agenda contains 13 specific actions that I'm going to fight to accomplish in the first year of my second term, with all those new Congressmen that are coming in as a result of the confusion and disarray in the House. And I'm going to get them done. I'm going to get these things done with your help, because America has what it takes to win the economic competition, to win the peace. So let's get on with the job.

And thank you for this exceptionally warm welcome, this Missouri welcome. And may God bless the greatest country on the face of the Earth, the United States of America. Thank you all.

Note: The President spoke at 8:53 a.m. in the University Plaza Convention Center. In his remarks, he referred to John Morris, chairman, Bush-Quayle Outdoors Coalition; entertainer Moe Bandy; and Don Gann, Missouri State legislator.

Remarks on Arrival in Tulsa, Oklahoma

September 22, 1992

Thank you all very much. What a fantastic rally. Thank you so very much, and good morning, Oklahoma. I'm delighted to be back. May I first salute J.C., the man that introduced me, my friend. You should be very proud to have a man of his character and experience in office here in the great State of Oklahoma. J.C., thank you very, very much.

Before I share just a few remarks with you on our campaign, as I look at national priorities, one of them simply must be the reelection of your great Senator, Don Nickles. We need him in Washington. And you know, everyplace I go you hear people saying, ``Clean House! Clean House!'' We've got a good man in Jim Inhofe. Reelect him, and then send Jerry Hill to the United States Congress. We've got to change it.

I am just delighted to be here. May I pay a special tribute to these great bands: the Hornets, the Warriors, the Indians, and the Eagles. It's great to be back in one of the great States for high school football. All four of these schools won their football games last weekend. Good news.

May I also just say a word to those who work for the great company that puts together that fabulous fighting machine, the F - 15, the people at McDonnell Douglas. Thanks for hosting us here, and good luck with the new sale abroad. And I want to say hello also to those who work for the great Rockwell Industries, two giants of American industry, employing men and women who are the best workers in the entire world.

You know, for the past few weeks I've been traveling the length and the breadth of this fantastic country of ours, stumping for the economic ideas that I believe in: an Agenda for American Renewal. I want to create new markets for American products and new jobs for American workers. You see, we never retreat; we always compete. And we will always win. We are the United States of America.

And yes, we've had some tough times in this country, but don't believe the pessimists on the other side who can only win by tearing down America. We're coming out of our difficulties, and we are leading the world, and we'll continue to do so as long as I'm your President.

Big difference in this election. He wants to spend more and tax more. I want to see the Federal Government spend less, and I want to see us taxed less, so private sector can get the job done. I'm standing in Tulsa, Oklahoma, one of the great oil capitals of the world. I want to see a change in our tax system that benefits the independent oil people so we can get those rigs running again. Change the alternative minimum tax, and watch what Tulsa and the rest of Oklahoma can do.

Frankly, we are trying hard to give small business relief from taxation, from regulation, and yes, from litigation. We are suing each other too much, and we should care for each other more. I want to change all the lawsuits up there.

Another big objective, and we're on the right track, is we want to change the American schools. I want to give these young people the finest education in the entire world. I want to give the parents the right to choose the schools, whether it's public, private, or religious.

We've got a good health care program for America, and I want to use competition to cut the cost of health care, make it available to you and your neighbors. And the way I see it, you should only feel the pain when you're in the doctor's office, not a month later when you get the bill in the mail. And so, do not go for the Clinton plan that says get the Government further involved; go for our plan that says provide insurance to all, and keep the quality of health care we now have.

You know, for about 11 months, Governor Clinton has been attacking me and my record, and I've sat back trying to get things done for this country. Month after month he's persisted in these unrelenting attacks, many of them quite personal in nature, distorting my record; and his campaign cochairman even called me a racist. And this week Governor Clinton unveiled the first negative television advertising of the campaign. He fired the first negative campaign shot, and I am not going to take it anymore. I'm going to take his record to the American people as well as my own.

And so let's see how the American people -- how they feel after they understand the facts about his record. In Springfield, Missouri, a few minutes ago I talked about the overall record. And today I'm coming by some of the other States that are near Arkansas to move beyond the record and find out what he has actually done in Arkansas, or put it this way, done to the good people of the State of Arkansas. First, my argument is not with the people of that great State. They are good; they are decent; they are hard-working. And they deserve better treatment than they've received from their Governor.

The other side is eager to debate. We'll probably have a debate. But for openers, let them debate each other. Let one side, as candidate Clinton, a promising young man who seems to be willing to promise anything to get elected; and on the other is Governor Clinton, whose record in Arkansas is a series of broken promises.

Now let me look at just one issue today because I think of the people of Oklahoma as fair. Let's take a look at the civil rights record. Candidate Clinton says, and I quote, ``Everybody knows that I have the best civil rights record." Well, that is a very modest statement by the Governor saying he has the best civil rights record. But let's see if his rhetoric is matched by his record.

Some of you may know in 1968 when I was a Member of Congress from Texas that I voted for a

fair housing act. It was not a popular vote with my constituents. But times have changed now, and nowadays 41 States have laws banning housing discrimination -- 41 States, including the great State of Oklahoma. Arkansas is not one of them, and that man's been Governor for 10 or 12 years. He's talked a lot and done nothing.

Forty-eight States, the young people here might be interested, have basic civil rights law, 48 that ban discrimination and guarantee equal opportunity, and Oklahoma is proud to be one of them. But not Arkansas. Arkansas is one of only two States without a civil rights statute. What has the Governor been doing, other than talking about fairplay?

Governor Clinton goes around criticizing my 1990 veto of the Democrat Congress' quota bill. Well yes, I did veto that bill, and I'll veto any other quota bill that the liberals cook up in Washington, DC. I am for civil rights, and we've got a good record on that. And I am against quotas. And that is not a contradiction. I'm proud last year to have signed a very good equal opportunity bill, and it had no quotas in it. Now, even though his party enjoys overwhelming control of the Arkansas Legislature, he still hasn't brought a civil rights bill to the people of Arkansas. So when you hear candidate Clinton, his rhetoric about civil rights, remember Governor Clinton's record in Arkansas.

You know, Bill Clinton talks a very good game. He's got more statistics than there are problems out there, but his actions betray his words. In Arkansas, individual income has slipped; crime is up relative to the Nation; children's test scores get weaker; while streams of air get more polluted. If you go swimming in that Arkansas River, keep your mouth closed and hold your nose. They are doing a terrible job on pollution.

So again, candidate Clinton talks one way, and Governor Clinton has a very, very different record. Governor Clinton proves that it doesn't matter what the candidate says. He simply will not deliver. So whether it's candidate Clinton or Governor Clinton, the message is the same: Bill Clinton is the wrong man to accept your trust to be President of the United States of America. I will let you all make up your mind about service to country when it comes to war and peace. I will take my record with pride to the American people. We have stood tall, and freedom has prevailed.

Not far from here, you know, is the birthplace of Will Rogers, the man who said he wasn't a humorist, he just watched the Government and reported what happened. Well, I don't know what he'd say about Governor Clinton. Maybe he would say that here's a guy with the gall to promise the Moon to America while the sky is falling down in his own backyard. But I really believe we can do better, and I say America deserves better.

And yes, we have challenges, and yes, we have problems. But this agenda of mine will confront our challenges. There's going to be over 100 new Members of Congress, maybe 150. And the day I am reelected and they are elected, I'll sit down with them and say, ``Now let's improve our

schools; let's fight for America's security; let's do something about these lawsuits that are plaguing America; let's do something about health care; let's get on with the business of governing this Nation and solving our problems."

And so what I will be offering the voters, and I ask for your support, is experience, ideas that are right for America. And I hope that my character will pass muster with you, the American people.

Thank you very much, and may God bless this great State. And thank you for this fantastic welcome to Oklahoma. Thank you very much.

Note: The President spoke at 11:12 a.m. at the Tulsa International Airport. In his remarks, he referred to Johnnie Cherblanc, master of ceremonies for the event.

Remarks on Arrival in Longview, Texas

September 22, 1992

The President. Thank you very, very much. Thank you so much. It's an honor and privilege to be introduced by Florence Shapiro, not only the Mayor of Plano but going to be a member of the Texas Senate. We need her. She's typical of our great women leaders in our State of Texas. Thank you, Florence. I want to thank our State chairman, Jim Oberwetter, who is here somewhere; Rob Mosbacher, the Texas Victory '92 chairman; Barbara Patton, the Bush-Quayle cochairman; and our master of ceremonies, Jim Offutt. Let me say it's great to be back in east Texas, great, where the people understand the values that make this country strong.

You know, Longview brings back many memories. Back when I started a business out in west Texas and then down on the Gulf Coast, where I met a payroll, learned the basic truth about things like the role of Government and the power of the individual, I stood here at this very airport, I believe it was 22 years ago, and saw a former President come into this airport. And I am proud to be back here as President of the United States, asking for your support for 4 more years.

Here in Texas, I learned something, and I learned that prosperity doesn't come just from the hallowed halls of Government. It comes from the hard work, the imagination, and the industry of men and women like you here today. I'm grateful to you for coming out to this rally. I'm glad to see all the bands and participants here, glad to see the Kilgore Rangerettes. I wish they'd go up to Washington for a few days. They could go over and take a look at the Congress and put those high-kicking boots to good use, help us to ``clean House.'' You talk about kicking it, they're the ones to do it.

Now, you know, for the past few weeks I've been traveling the length and breadth of our country, and what a great country it is, stumping for the ideas that I believe in, the Agenda for American Renewal. I want to open new markets for our American products and new jobs for American workers. Americans never retreat; we always compete. And we always win. Let's open these foreign markets.

I have a fundamental difference with the Governor next door. I believe Government is too big and spends too much of your taxpayers' money. I want to do something about it. He wants to raise taxes and increase spending. I want to cut taxes and cut spending.

Good news today for the Nation, good news today on housing starts: They are up, the largest increase in 18 months. Inflation is down. Interest rates are down. Productivity is up. And the economy is poised for a recovery. We must not let Governor Clinton get in and tax it back into oblivion. I want to see incentives. I want to see incentives, and one of them ought to apply to the domestic oil business. We want to change the alternative minimum tax so we can get on with the

business of developing more domestic resources and less dependency on foreign oil.

You know, it's small-business people, small-business women, small-business men that saved this economy when the going has been tough. They need relief from taxation, regulation, and yes, from litigation. As a nation, we spend up to $200 billion a year on lawsuits. As a nation, we ought to sue each other less and care for each other more.

I see a lot of young people here today and welcome. Let me say this about education: I want to give the young what they truly deserve, the finest schools in the entire world. I want to give every parent and every family the right to choose their children's schools, whether they're public, private, or religious.

You know, I believe the Governor next door, Governor Clinton, has made up his mind: The only way he can win is to tell everybody how horrible things are about this country. He has persisted on attacking me day-in and day-out, many of the attacks personal. He has distorted and, I would say, told the untruths about my record. This week, he unveiled -- started in, the first one to do it -- the first negative campaign ad. He's the one that says, watch out for the Republicans. Watch on the television, the first negative campaign ads in the Presidential race of 1992 belong to that sorry ticket of Clinton and Gore. It's a sad thing.

I have taken it for 11 months, listening to these guys. And I'll tell you today: I'm starting to dish it out and tell the truth about his record. So, this morning for openers, I went to the State of Missouri, and I laid out the Clinton record, just the facts, telling the truth. I'm stopping by these States, our State and others, that are neighbors to the State of Arkansas so that we can get past this campaign rhetoric of his and look at what he's done for the people of Arkansas or, should I say, done to the good people of that great State. Look, they are good, decent people next door. They are good, hard-working people, and they deserve better treatment than they've received from their Governor.

You know, the other side keeps talking, you hear him talking about debate, they want to change the rules from the debate rules that have been in effect for the last four Presidential campaigns. Now he wants to change them. But now they ought to have a debate. On the one hand, you ought to have candidate Clinton; he'd be over here. On the other side, promising everything, Governor Clinton. They ought to debate each other on the issues.

Each stop here along the way in this six-State swing, I'm talking about various issues. And let me talk today just about affordable health care, something that I am desperately interested in providing to every man, woman, and child in this country. As you might expect, my opponent and I have two vastly different ideas how to go about this. I want to use the competition to expand coverage, making insurance available to the poorest of the poor, to everybody else, everybody, preserve quality, and allow you to spend less of your paycheck on health insurance.

He has a different approach. He expresses so much enthusiasm for Government, he would have Government get involved in setting health care prices and perhaps eventually get involved in running our health care system. We do not need the Government to run it. We need to protect quality and provide insurance to all. You'd think he'd learn from the way the Democrats ran the House post office. They can't run that; they can't run a bank. Why in heaven's name do they think they can run the health insurance programs?

You know, this guy, he's too much. Up until a few weeks ago Governor Clinton pretended that his plan wouldn't cost a dime. But then someone at USA Today -- you know the paper that got him to admit what I've been saying all along: his plan would require a new payroll tax on the back of, you've got it, small business. Now, I don't know about you, but I think small-business men and women pay enough in taxes already. We cannot let him do this to the American economy.

You know, he says that health care should be a right, not a privilege. Yes, I think everybody should have health care. But yet, look at his record as Governor, not the candidate but Governor Clinton. Arkansas has one of the Nation's worst health insurance crises. More than 42 percent of Arkansas workers, decent, hard-working people, 42 percent, the second highest percentage in the entire Nation don't have employer-paid health insurance at all and a full 25 percent have no health insurance at all. He talks one way around the Nation; he delivers misery at home. We do not need that for the Nation.

You know, early last year in his fifth term as Governor, Governor Clinton finally signed a bill to provide bare-bones coverage to people who have gone uninsured for more than a year. Last fall, even his minimal plan had still not been implemented. Even today, not a single insurance company has ever set up a single policy for anyone under Governor Clinton's model program.

So, on this issue, on health care -- and I could be talking about the environment, whatever -- on this one, look at the Grand Canyon between the words of candidate Clinton, running around the country criticizing me, and the actions of Governor Clinton, which is a sorry record by any Texas standard.

I love fishing and hunting. I know everybody in east Texas does, too. I flew over some beautiful bass lakes, and I got thinking about Governor Clinton's record on the environment. Some of you may have tried to fish or swim in the Arkansas River. You may have heard that night fishing is catching on over there. The rivers are so polluted that the fish glow in the dark. He has a lousy record on the environment, and we across the line in Texas have a good record on the environment.

You know, on issue after issue he talks a great game, but his actions betray his words. While he makes promises, the workers, the decent, hard-working men and women of Arkansas, their standard of living weakens and their crime rate rises up faster than the rest of the Nation. Their

children's test scores slip, and Governor Clinton cannot muster the courage to even put in a basic civil rights law like we have right here in Texas. Forty-eight States have them, but not Arkansas. That is not fair. There's not fairplay in Arkansas.

So in other words, what I'm asking the American people today on this six-State swing is to take a look at the record that he's laid down, and then compare that against the rhetoric that he's trying to take all across the country, and be careful, because it's slippery when wet. [Applause] You're right.

We've got a lot of challenges, and we have a lot of problems, but we've got a great future. I see that airplane sitting over there, and I don't want to start telling you war stories, but that's the kind of torpedo bomber I flew in World War II. I was shot down in that airplane in World War II, and I am proud that I served my Nation in combat. I am proud that since I have been President we have reduced the threat of nuclear war so young men and women go to bed at night without that awesome fear of nuclear war.

We have changed the world, and now I'm asking for your help to bring honor and decency right back here at home and change things to make things better for the people of Texas and the other 49 States. We can do it. We've got a sound record. We are on the right track. Now I need the help of the American people to guarantee 4 more years to finish the job.

Audience members. Four more years! Four more years! Four more years!

The President. I am very proud to be back home. We are going to carry Texas, and we are going to win this election because we are right on the issues and because I have been telling the truth all along. Thank you very, very much.

May God bless you all. Thank you so very, very much for this wonderful rally. What a fantastic turnout. I love the signs, man. Thank you.

Note: The President spoke at 1:17 p.m. at Longview County Airport.

Remarks on Arrival in Shreveport, Louisiana

September 22, 1992

The President. Thank you so very much for this great welcome back to Louisiana. First-class, first-class all the way. Thank you very much. May I thank Sheriff Larry Deens for that wonderful introduction and thank him and the other law enforcement officers who are here to back me up. We back up the law enforcement officers of this country, and we ought to continue to back up the law enforcement officers of this country that are giving their lives for us every single day.

I'm also proud to be here with Jim McCrery. We need him in the United States Congress. Please reelect him, and send him back. He's doing a first-class job, not just for Louisiana but for the values and the programs we hold so dear. May I thank Mayor Hazel Beard of Shreveport, delighted to be with her, and former Governor Treen, one of the great Governors of this State, an old friend of Barbara's and mine, glad to see Dave; Mayor Dement, Mayor George Dement.

It's great to be here in Shreveport. Let me say to those law-and-order, sound, sensible, conservative Democrats who are with us at this rally and standing with me here, I am grateful to each and every one of you for your loyal support. I will not let you down.

You know, for the last few weeks I've been traveling the length and breadth of America, stumping for the economic ideas that I believe in. We call it the Agenda for American Renewal. We must renew America, and with these economic ideas and your support, we can do just exactly that.

Here are some of the fundamentals. We want to open up new markets for American products and in the process create new jobs for American workers, and that means the North American free trade agreement with Mexico. Louisiana sells a lot there now. With this trade agreement we're going to sell a lot more, and that means more jobs for the people of Louisiana.

One big difference I have with our neighboring Governor: I believe that Government is too big and spends too much of your money. And he thinks, and he has already advocated big tax increases and big spending increases. Frankly, I want to see us cut those taxes and provide incentives, especially for those of you in the oil industry. We've got to get that domestic oil industry moving again.

This morning there was some good news. It may not have gotten onto the evening news around here yet, but let's keep our fingers crossed: Housing starts made the largest increase in the last 18 months, strong improvement in housing. Inflation is down. Interest rates are low. Our economy is poised for a takeoff if we make the right choices in November.

The answer, the way to do that is to get the President and get the Members of Congress that will give small businesses relief from taxation, from regulation, and yes, from litigation. We are suing each other too much and caring for each other too little. You know, we spend up to $200 billion, $200 billion a year on lawyers and lawsuits. People are afraid to coach Little League, doctors afraid to deliver babies because they're going to get sued by some crazy lawsuit. We've got to put an end to it, and we've got to stand up against the lobbies that are keeping that from happening.

When you see the young people that are here or any of the crowds across this country, I want to give our kids what they deserve, the best, the very best education in the entire world. I want every parent to have the freedom to choose the school of their choice, whether it's public, private, or religious schools.

So these are just a part of what we call the agenda -- --

Audience members. Four more years! Four more years! Four more years!

The President. I'm for that.

Audience members. Four more years! Four more years! Four more years!

The President. These are just a part of what we call the Agenda for American Renewal. While I've been outlining these positive ideas, my opponent has chosen to focus his energies on the past. Month after month, 11 straight months, Governor Clinton has persisted in his attacks on me, unrelenting attacks, many of them very personal in nature. He's distorted the record. And this week he launched the first one in the Presidential year, the first negative campaign commercials, the first ones.

So far I've kind of resisted the urge to focus heavily on his record. But I've got to tell you: I'm tired about the exaggerations; I am tired about the lies, and I am ready to fight back and tell the truth about his record in Arkansas.

So this morning up in Springfield, Missouri, I laid out the Clinton record. I'm stopping by some States that are neighbors of Arkansas, including my State of Texas and your State of Louisiana, so that we can move beyond the rhetoric and see what he's really done for the good people of Arkansas or, put it this way, what he's done to the good people of Arkansas. And they are good people. Look, my argument isn't with them at all. They're good, hard-working, decent people. They deserve better treatment than they've received from Governor Clinton.

The other side says they're eager to debate. I've debated every time we've had elections, and we'll probably have debates. We're not going to do it on his terms alone, but we'll have debates. But until then, until then I've got an idea for debate: candidate Clinton, standing here, debating

Governor Clinton and his record, standing over here. And here's what we'll get.

Here in Louisiana I'd like to talk a moment about the struggle of importance to every parent, every teacher, every student, and that's the hard-fought battle to take back our streets from the druggies and the crackheads and the thugs that are criminals in this country.

Sheriff Larry Deens is right. The good sheriff knows what he's talking about. Candidate Clinton likes to talk tough on crime. You'll hear him criticize me about support for local law enforcement. Well, those criticisms are off the mark. We have increased Federal spending, that's your tax money, on Federal law enforcement activities by 43 percent over the last 4 years, and we've done it for one reason: The brave men and women in law enforcement, police officers, sheriffs, whatever they may be, don't need our rhetoric. They need equipment, and they need manpower, and they need the support of every law abiding citizen.

Well, candidate Clinton doesn't acknowledge this record. But you will hear candidate Clinton make some pretty impressive claims about crime control in Arkansas. When it comes to crime, I just wish that candidate Clinton out around the country, the Doberman pinscher, would meet Governor Clinton, the chihuahua. [Laughter]

Let me tell you what I mean. Here are the facts, and I challenge that reaction squad of his to tell me what's wrong. Pure and simple facts: During the 1980, the Nation's overall crime rate actually went down, but not in Arkansas. In fact, Governor Clinton's State had the biggest increase in the overall crime rate in the entire Nation, nearly 28 percent. Now, explain that to the good people of Arkansas.

What about violent crime? Arkansas violent crime rate went up more than 58 percent, one of the worst records in the entire Nation and a heck of a lot worse than where we're standing right here in Louisiana. You've done a much better job here.

I don't believe Governor Clinton is committed to the issue. Once again, here are the facts; these are facts. Arkansas ranks near the bottom in every important per capita law enforcement expenditure: for prisons, 46th; for judicial and legal systems, 50th; and when it comes to per capita spending for police officers, Arkansas ranks 49th. That is not good enough for the United States of America.

Here's another one, and these good law enforcement officers know what I'm talking about. In Arkansas when the prison doors slam shut on a convicted criminal, he knows it won't be long before the door opens up again. As incredible as it may seem, most inmates in Arkansas serve less than one-fifth, one-fifth of their sentences behind bars. That does not happen in Louisiana. That does not happen in Louisiana. It does not happen in Texas, and it doesn't happen in Mississippi. When it comes to keeping criminals behind bars, Governor Clinton has the worst record in the entire Nation. Do not let him do that to the United States of America.

You know, if you play Monopoly in Little Rock, the card would read like this, ``Do not pass go. Go directly to jail." And then you'd turn it over and it says, ``Don't worry. You'll be back in a minute. You'll be back out in a minute."

Look, contrast that with what we've been doing on the Federal record. I'm very proud to talk about my record in law enforcement. Most Federal inmates serve at least 85 percent of their full sentences. Sure it costs money, but it takes a real commitment.

But my philosophy is simple. If someone takes liberty with the law, we ought to put them behind bars, and we ought to make them stay there and stare at the ceiling for a good, long time, because, you see, I think we ought to have less sympathy for the criminal and a lot more sympathy for the victims of crime. When you look at his record on law enforcement, it's not surprising that last week the Fraternal Order of Police in Little Rock endorsed me for the President of the United States of America. That's how the police in his own backyard feel about it. So when you hear candidate Clinton's rhetoric about being tough on crime, just remember Governor Clinton's record. Two entirely different things. Slippery when wet.

You know, in the White House I've found something out. You can't be on all sides of each question. You can't say on the one hand I'm for this and on the other hand for that. When it comes to making a call on something as tough as Desert Storm, you've got to say, ``Here's what we're going to do." You have to lead. You have to be unafraid. You cannot do what this Governor does, take one side of the issue one day and another side the other. You can't be all things to all people.

Audience members. Bush means business! Bush means business! Bush means business!

The President. You know, I kind of enjoy this after 11 months of hearing them bash my brains out up there. It's wonderful to be able to stand up and say the truth about this record. He talks a good game, but his actions betray his words. And he travels the Nation making all kinds of promises. You've got a special group, call him. He'll be for whatever you're for. [Laughter] And while he travels the Nation, Arkansas' workers' income slumps; their children's test scores slide in comparison to other States; their rivers grow more polluted. The fish light up at night over there. [Laughter] Their crime rises faster than every other State, and that is a fact. That is not political rhetoric. That is a fact. He is promising America the Moon, while the sky is falling down in his own wonderful State, and it is a great State. And the people have been had by this treatment.

Whether it's candidate Clinton or Governor Clinton, the message is the same: He is not the leader for America. I say we can do better, and I say America deserves better. And yes, we've got problems, and yes, we have big challenges. But our agenda confronts these challenges. We've had a global recession. We've got one kind of complex world economy. And I believe with my record in war and peace and beating down the communist aggression and winning in

Desert Storm and bringing democracy around the world, that I am the person to renew America with these ideas.

I have one last -- no, I'm not going to talk about the draft today. Let the American people make up their mind on that. All I'll say about the draft is I am proud that I put on the uniform and fought for my country.

Let me say this: You know, Barbara and I got home at 11:30 this morning to the White House from -- we were up in New York and now took off early this morning. People say, ``Well, don't you get a little tired?'' Yes, you get tired, but you get refurbished. You sense the strength of America when you come to States like this and see turnouts like this.

Clinton says this, he says, ``We're in decline. We are somewhere between'', I think the quote was ``somewhere between Germany and Sri Lanka.'' I don't know if he's ever been out of Little Rock until this campaign, but let me tell you something. We are not somewhere between Germany and Sri Lanka. We are the most respected nation on the face of the Earth, and we want to use what we've done to make life better for people here at home.

Thank you all for this great, great turn-out. And may God bless the United States of America. Thank you.

Note: The President spoke at 2:55 p.m. at Shreveport Regional Airport. In his remarks, he referred to George Dement, Mayor of Bossier City, LA.

Remarks on Arrival in Greenville, Mississippi

September 22, 1992

The President. Thank you all. Thank you, Kirk. Thank you, Governor Fordice.

Let me just start off by telling the people of Mississippi something you already know. You've got a great Governor, a great new Governor fighting for the people here, and a wonderful wife, Pat. May I salute our State chairman, Evelyn McPhail, a great political leader; I see her family's here; and national committeewoman, Suzanne Rogers; and my old friend whose hometown we're in, longtime political warrior, Clarke Reed. I'm proud to be standing next to him.

You know, you keep hearing the cry up there in Washington, ``Clean House!'' all around the country because of the mess the Congress has made of things. But you've got two people that we don't want to clean; we want to keep them there forever. I'm talking about Trent Lott, and I'm talking about Thad Cochran, two great United States Senators.

I want to take some catfish back with me; so I'd like to ask somebody to bring it to me. [Laughter] I love these signs: Arkansas for Bush. We're not giving up on one single State around here.

You know, for the past few weeks I've been traveling the length and breadth of our wonderful country, campaigning for the economic ideas that I believe in, my Agenda for American Renewal. I want to open up new markets for American products, create new jobs for American workers, because American workers never retreat; we always compete. And we always win. We must open up the markets.

All you hear out of the Clinton camp is gloom and doom. Let me tell you, the figures released this morning show that housing starts, a key indicator, are the largest increase in 18 months. Inflation is down. Interest rates are low. Our economy is poised for a takeoff if we make the right choice in November. Elect me as President. Do not put this recovery at risk.

Audience members. Four more years! Four more years! Four more years!

The President. You know, the backbone of Mississippi is small business, small-business men, small-business women. I believe that small business will be the sturdy horse pulling the wagon of a recovering economy. So I want to give small business relief from taxation, from regulation, and yes, from litigation.

You know, this is a ghastly figure, but do you know that Americans spend up to $200 billion in one year on lawyers and lawsuits? I think that is outrageous. As a nation we ought to sue each other less and care for each other more. Help me put a lid on these outrageous lawsuits.

I am so glad to see so many kids here today. I want to give our kids what they truly deserve, the finest schools in the entire world. And I want every parent all across this country to have the freedom to choose their schools for their kids, whether it's public, private, or religious.

There's so much more to our Agenda for American Renewal: fighting crime, fighting drugs, many other things. But while I've been out talking positively for the future, my opponent has chosen to fix his energies on the past. Month after month, I believe it's about 11 months now, Governor Clinton has persisted in these one-sided attacks on me, distorting my record, telling untruths about what I've been trying to do for this country. Do you remember all the things about negative, ``be careful of the Bush campaign'' negative? This week Governor Clinton launched the first nationwide negative television advertisements. So far up to now I've resisted going after him. But I tell you, I'm tired of these exaggerations, and today I started to fight back. Today I started to fight back, and we're going to talk about his record, his record next door. It is not fair to the people of Arkansas.

Audience members. Hit him again, harder, harder! Hit him again, harder, harder! Hit him again, harder, harder!

The President. I will; just a minute here. [Laughter]

You know, today we've been to all six States surrounding Arkansas, and I want to see that we can move beyond Governor Clinton's rhetoric and see what he's really done for the people next door, for the people of Arkansas or, put it this way, what he's done to the good people in the State of Arkansas.

I support the people over there. I've been there many, many times. They are good, hard-working, decent people. They deserve better treatment than they have had from that Governor of theirs for 10 years.

You know, you hear a lot about debates. Governor Clinton is talking up there in Michigan, waving his arms around, talking about my being afraid to stand up with him. Who is he to call me afraid, for heaven sakes?

The other side says they're eager to debate. Well, I've got an idea. On the one side you can have candidate Clinton, standing over here. And then over here you can have Governor Clinton, and let them debate: the rhetoric versus the record. Let him talk about a series of broken promises. Let's just look at one issue, and that's the need to give the middle class, you who pay the bills and do the work, a big, fat chunk of the American pie.

Candidate Clinton, standing here, is playing the same old game that the liberals always play, class warfare. You've heard it over and over again. Candidate Clinton is good at it, using the

same tired, twisted, partisan statistics to explain how the poor only get richer if the rich get poorer.

Let me tell you this: According to candidate Clinton, the one over here, the last 10 years have been a nightmare. Well, if you look at the facts, it simply is not true. Inflation is down. Interest rates are down, and the American worker is still the most productive in the entire world.

You know, back in Washington they have this thing called the Urban Institute, not usually one of my most ardent admirers. But listen to what they have to say about the 1980's, and I quote, ``The rich got a little richer, and the poor got much richer." That is the truth. Our conservative policies of cutting taxes have meant more money in the pockets of all Americans. Candidate Clinton doesn't think it is fair, but maybe it is because Governor Clinton doesn't have much experience with tax fairness right across the border in Arkansas.

He talks about my record. Let me talk about his, factually. He's more than doubled Arkansas's spending since '83. He's paid for it by raising taxes that hurt working families the most. He's raised and extended his sales tax repeatedly. He's more than doubled Arkansas's gas tax. He's even taxed food stamps until the Federal Government forced him to stop. He started taxing mobile homes, and then he raised taxes on beer, and then he tried to tax child care. I guess it doesn't matter whether the burp is from the beer or the baby bottle, he's going to slap a tax on it. I don't think we need that. I don't think we need that for the United States of America.

Listen to what the Arkansas paper -- I'm going right to his homefront for this one -- said about his tax policies. ``If Congress followed the example Bill Clinton has set as Governor, it would pass a tax program that would hit the middle class the hardest." Well, I don't want to favor the rich at the expense of the middle class. I want to cut taxes for all working Americans so that everyone can get rich because that's what America is all about.

Candidate Clinton wants to do for the American economy what Governor Clinton has done to Arkansas. I've got one question: Why in the world should we let him do that to us? As a candidate now he's come out of the box, and he has already proposed the largest tax increase in American history. That's not even counting the payroll taxes that he wants to slap on for training and health care.

Now, you tell me, is that fair to the middle class? The answer is no. He's been talking the talk of economic fairness, sounding like Robin Hood: Rob from the rich and give some crumbs to the poor. But Governor Clinton has been more like Captain Hook, scaring the wits out of the middle class. And I believe in something entirely different. I believe that Government is too big and spends too much of your money. I want to change that.

That's why I want that line-item veto and the balanced budget amendment and that tax cut-off to let people check their box on their income taxes. If the Congress can't do it, let the American

people do it. Let me follow through to get these taxes down and get this deficit down.

Audience members. Clean the House! Clean the House! Clean the House!

The President. There's a good idea. They say ``Clean the House!'' I'll tell you, there's going to be 150 new Members of Congress or something like that. The day I am reelected, I'll sit down with them, and I'll say ``Look, the American people said they don't want to spend more. They don't want to tax more. They want to get Government under control. They want to do something about crime. Now, you new Members of Congress help me get all this done in the first 100 days. Give the people a break.''

You know, I feel the same way on this tax situation as Kirk Fordice does. He went to the mat with that State legislature to ease the tax burden on the working men and women. Governor Fordice might not have won that first round, but he's going to come back again and again. He knows the same as I know that you can spend your money better than any Government planner can. Low taxes are the way to get the economy moving again.

So whether the issue is fairness, the environment, health care, civil rights, fighting crime, improving our schools, candidate Clinton promises America the moon, while Governor Clinton watches the sky fall in over in Arkansas. He has a lousy record, and I don't want him to do to the United States that which he has done to the great State of Arkansas.

You know, I'm proud to be back in Mississippi, and I think of this one, as Kirk referred to it, as one of the most patriotic of States. I will say this -- no, I am not going to bring up the draft issue. But let me just simply say I am proud that I wore the uniform of the United States of America, and I am proud that I served.

We have a great country. We are the leader of the entire world. Soviet communism is dead. Peace is on the move all around the world. And Governor Clinton says we're a nation in decline. He ought to get outside of Little Rock and travel and find out that we are the most respected nation on the face of the Earth. I want to keep it that way by keeping us strong, keeping us determined, keeping us economically viable at home.

You have a great, proud State, and I'm proud to be back in it. May God bless the people of Mississippi and the people of the United States of America. Thank you very, very much.

Note: The President spoke at 5:19 p.m. at Greenville Municipal Airport. In his remarks, he referred to Clarke Reed, State chairman, Bush-Quayle '92.

Remarks to the Community in Memphis, Tennessee

September 22, 1992

The President. Thank you. Thank you very much. What a wonderful welcome.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you all very much. May I salute at first Congressman Sundquist. You're lucky; you've got a great Member of the United States Congress. Barbara Bush, off on some other part of the campaign trail, sends her love to Martha Sundquist, the great wife of Don. May I say how pleased I am to have been introduced by one of the truly great members of the Cabinet, a man who served this country with such distinction, a national leader for education, Governor Lamar Alexander. What a class act.

May I thank and salute Dr. House, the superintendent of the schools here in Memphis; Dr. Langsdon, the Shelby County GOP and B-Q, the Bush-Quayle chairman in '92. And may I single out Dr. Walters -- [applause] -- I didn't know kids clapped that much for a principal, but you're right. She is outstanding. And also Jakene Ashford, who greeted me earlier, the student body president. You've got a class-act president of this school, too.

You know, I left the White House at 6:40 this morning. We started out on the campaign trail in Springfield, Missouri. This is the sixth State we've visited in just a little over 12 hours. But you know, I can't think of a better place to finish this day than Memphis, Tennessee, home of the blues, home of the wet and dry ribs, the Old South, and the new pyramid. And of course, the home of Elvis himself. Rest assured, I'm talking about Elvis Presley, not Elvis Clinton.

You know, for the past few weeks I've been all across America stumping for the economic ideas I believe in. We call it the Agenda for American Renewal. I want to open new markets for American products, create jobs for American workers because -- don't listen to the other side -- Americans never retreat. We always compete, and we always win. That is the American spirit.

If you listen to that Clinton-Gore ticket, you think everything is wrong. This morning new figures came out. Housing starts are up, the largest increase in a year and a half. Inflation is under control. Interest rates remain low. And I believe the stage is set, after a long, begrudging anemic growth, set for an economic recovery if we make the right choices in November. I need 4 more years to finish the job.

Audience members. Four more years! Four more years! Four more years!

The President. That's what we want.

You know, the choice before the American people is really clear. Governor Clinton has already started with his program. He wants more Government and higher taxes. That is bad for America.

Audience members. Boo-o-o!

The President. I believe in something completely different, and so does Don. I believe that Government is too big and spends too much of your money, and I want to cut taxes and provide incentives to get this economy moving again. You know, small business will be the horse pulling the wagon on our recovering economy. And so I want to give small businesses relief from taxation and regulation and litigation.

You know parents don't coach Little League for fear; doctors don't deliver babies for fear. Today Americans spend up to $200 billion a year on lawyers and lawsuits. And I think it's crazy. As a nation we've got to sue each other less and care for each other more.

I have one wish above all others, though, and as I look out at the young faces in this audience, I think of the potential of our great country and of the challenge of our schools. Your great Governor, Lamar, puts our challenge in education this way: When the fifth graders graduate from high school, they will have changed so much we will barely recognize them. But for our young people to succeed, our schools will have to change so much that we barely recognize them either.

That's why I am so excited about America 2000 movement, the program to literally revolutionize education in this country. I am excited about our new American schools, about our higher standard for students, about freeing teachers from Government bureaucracy, and about giving every parent the choice to choose the best school for their child to learn in.

So one of the reasons I came here to this wonderful institution is to say thanks to Memphis, because you are the big part, a major part of America 2000. You are a leader in a revolution that is changing America from the schoolyard right on up. And so to the parents and the teachers and the business leaders and the community activists, I say thanks for caring about the kids, thanks for being loyal to Memphis' future.

Of course, there's another reason I came here today. As one or two of you may have heard, there's an election coming up in November. I have been traveling all across America making my case for our renewal agenda. While I've been outlining my positive ideas for the future, Bill Clinton has chosen to focus his energy on the past. And literally, you go back now, a lot of you are students about government and politics, month after month, for the last 11 months, Governor Clinton has persisted in attacking me, distorting my record. This week he unveiled the campaign's first negative commercial. He's been saying, ``Oh, wait until the Republicans go negative.'' It is the Clinton-Gore ticket that has aired the first national negative ads.

Audience members. Boo-o-o!

The President. Now I have a confession to make. I haven't talked much about his record because I think the American people would rather hear a positive discussion about what we'll do to renew America. But I will also admit that I'm a little tired of having my own record distorted, and I think it's time we don't just listen to what he says, but take a look at what Governor Clinton does.

That is what I've been doing today. That's exactly what I've been doing today, from Missouri to Oklahoma to Texas to Louisiana to Mississippi, and now in the great State of Tennessee, pointing out the facts, no exaggeration about Governor Clinton's record on economic fairness, on civil rights or lack thereof, on the environment, on health care. Over and over you see the same pattern emerging: Governor Clinton promises the Moon to America while the sky is falling in on Arkansas.

Regrettably for the young people in that State, the wonderful young kids across the way in Arkansas, education is no different. In his new book, candidate Clinton says America has failed to provide its children with either the best education or adequate protection from violence. And I disagree. I am proud of what we've done to promote America 2000. And I am especially proud of the leadership of that great son of Tennessee, Lamar Alexander.

And yes, sure, Governor Clinton, candidate Clinton, is critical of our record. But what has Governor Clinton done? Here are the facts. Let me give it to you. You're not going to like it, on behalf of your friends in Arkansas, but here's the record. Here are the facts, pure and simple. During the 1980's, Arkansas fell from 47th to 48th place in percentage of adults with a high school diploma. Arkansas' rankings on its primary college entrance exam, the ACT, have declined. Twenty-eight States use the ACT as their primary college entrance test. The New York Times reported that in 1979, Arkansas ranked 20th out of those 28. In its latest ranking, it's down to 25th out of 28. While we're going up in the Nation, he's going down in the State of Arkansas.

Audience members: Boo-o-o!

The President. It is not fair to the young people there. It is not fair to the young families across the way. We know that more than three-quarters of Arkansas high school graduates require remedial instruction when they get to college. Think about that. Three out of four Arkansas college students spend their first year of college relearning what they missed in high school. That is not fair to the families of Arkansas. When it comes to the percentage of adults with a college degree, Governor Clinton's Arkansas still ranks 50th, 50th in the entire Nation.

Now, these are facts, pure and simple. And you can see there's a Grand Canyon by what candidate Clinton says about improving education and what Governor Clinton has actually done.

If you believe as I do, if you believe education is important, I ask you to look beyond the

rhetoric. Look at the record. I have fought for higher standards. I have fought for less regulation. I have fought to reinvent our schools. I have fought for parental choice. These ideas are not popular in all places. But if you care about education, I think you must look at the two candidates and ask yourself a simple question: When it comes to reforming our schools, which candidate will tell America what it wants to hear and which will tell America what it needs to hear?

Enough talk of politics for the day. It's been a long, long day. It's been a wonderful day. And as you can imagine, campaigns can be grueling. Once in a while I'll get home, you know, after midnight, after being attacked in the press and the craziest mood I've every seen out there. And Barbara will ask me this simple question, ``You know, we've got a good life; we've got a wonderful family. Why do you put up with it?" And I'll tell you why I put up with it, why I want 4 more years: I want it for the children, for the bright-faced kids I see on their parents' shoulders at rallies all across the Nation, for the young people right here tonight.

Don Sundquist tells me that there are six young people from Russia with us this evening. They're part of an exchange program. Think about it. Think about how 10 years ago such a program might never be possible. Think about how 5 years ago these very kids sat halfway around the world knowing nothing of our world but fearing, as our own families, our own kids did, that the world they knew might be destroyed in a moment with the mere press of a finger on a button. Well, that terrible, awful nightmare has receded from our children's minds. And today these Russian kids can join with Memphis kids, and they can read stories together and play basketball and laugh at the same jokes and share the same sweet memories and think of all that has happened to make this possible.

In another time, in another age, Thomas Paine wrote these simple words, ``We have the power to begin the world again." Well, we have begun our world again. Our new world is a world of hope. It's a world of promise, a world of peace, a world of unprecedented opportunity. I want our children to realize the magic of this new world, to believe in miracles, just as we can look at our Russian friends here tonight and say, ``Miracles have finally come true."

If we can renew the world, and I take great pride in the fact that our administration has literally changed the world, made peace a reality and not a dream, made democracy on the march, made tranquility around the world something real and something we can touch and feel. If we can change the world, then I have no doubt that we can renew America, and we can strengthen our economy. We can reinvent our schools.

There is much work to be done, and I believe I am the leader to do it. That is why I am running for reelection, and that is why I ask for your support. And don't ever let the Governor from across the way convince you that we are a nation in decline. We are the most respected, freest, greatest nation on the face of the Earth, and I want to lead you for 4 more years.

Thank you, and may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 7:45 p.m. at Craigmont High School.

Message to the Senate Returning Without Approval the Family and Medical Leave Act of 1992

September 22, 1992

To the Senate of the United States:

I am returning herewith without my approval S. 5, the ``Family and Medical Leave Act of 1992." This bill would mandate that public and private employers with 50 or more employees provide their employees with leave under certain circumstances.

I want to strongly reiterate that I have always supported employer policies to give time off for a child's birth or adoption or for family illness and believe it is important that employers offer these benefits. I object, however, to the Federal Government mandating leave policies for America's employers and work force. S. 5 would do just that.

America faces its stiffest economic competition in history. If our Nation is to succeed in an increasingly complex and competitive global marketplace, we must have the flexibility in our workplaces to meetÿ20this challenge. We must ensure that Federal policies do not stifle the creation of new jobs or result in the elimination of existing jobs. The Administration is committed to policies that create and preserve jobs throughout the economy -- serving the most fundamental need of working families.

My Administration is also strongly committed to policies that foster a complementary relationship between work and family and encourage the development of a strong employer-employee partnership. If these policies are to meet the diverse needs of our Nation, they must be carefully, flexibly, and sensitively crafted at the workplace by employers and employees, and not in Washington, D.C., through Government mandates imposed by legislation such as S. 5.

Therefore, I have transmitted to the Congress legislation to establish an alternative flexible family leave plan that will encourage small and medium-sized businesses to provide family leave for their employees.

My flexible family leave plan is based on a refundable tax credit for businesses that establish nondiscriminatory family leave policies for all their employees. A refundable tax credit of 20 percent of compensation (for a credit of up to $100 a week -- to a maximum total credit of $1,200) would be available for all businesses with fewer than 500 employees, for a period of family leave up to 12 weeks in length. Family leave would include the birth or adoption of a child or the care of a seriously ill child, parent, or spouse. It also would cover a serious health condition that prevents the employee from performing his or her job. This approach will cover almost all workplaces -- smaller companies that S. 5 does not cover that are less likely to provide

leave to their employees. My plan covers about 15 million more workers than would be eligible under S. 5 and 20 times the number of workplaces. Those not affected by my plan work for large businesses, which generally have established family leave policies.

I want to emphasize again that my bill will help where the concern is most acute -- with small and medium-sized businesses and the workers in those businesses. S. 5 misses these key workplaces by excluding businesses with fewer than 50 employees. We know that these hard-pressed small companies usually offer fewer benefits than large firms, that they generate most of our new jobs -- in fact, they provide the majority of people with their first job -- and that they are more likely to employ women and reentrants to the labor force. Under my proposal, many more of the millions of men and women employed by smaller businesses would be able to take advantage of family leave.

The tax credit approach to the family leave issue will provide the flexibility workers and employers need to enable them to establish the optimal package of benefits that meets their particular needs. This way the parties can decide which package of benefits is best suited to them. In addition, because a tax credit is not a mandate, it does not put struggling firms at an economic disadvantage in the global marketplace. It maintains the competitiveness of American business while providing the benefits American workers need. It provides positive incentives, not mandates with veiled costs that impede growth.

Both the House and Senate passed family leave legislation almost 1 year ago, but they have kept it in the filing cabinet until now. That is nearly an entire year with no action or any willingness to depart from a federally mandated approach, only an interest in politicizing the issue.

I have proposed a truly flexible family leave program. I am willing to work with the Congress to get it passed and signed into law immediately.

There appears to be a pattern here. Three years ago, my Administration had a fundamental disagreement with these same congressional committees on child care policy. It took the Democratic-controlled Congress more than a year to get the point -- I would not buy a Government-controlled and mandated child care program. When they got serious, we rapidly hammered out flexible child care legislation patterned after my proposal, that allowed individuals to choose their benefits.

The same holds true for family leave. If the Congress is serious about encouraging family leave, I ask those Members of Congress who have joined me in the past in opposing Government mandates to work with me again. The Congress should pass a family leave bill quickly that provides positive incentives for family leave and is responsive to the needs of workers and employers.

George Bush

The White House,

September 22, 1992.

Remarks to the Bush-Quayle Independent Business Coalition in Greensboro, North Carolina

September 23, 1992

Let me just, at the outset, thank Miller Hicks and Pat Harrison for serving as the cochairmen on our Independent Business Coalition. And also to Jack Laughery who -- I'm not sure the statistics anymore qualify him as what we say is a small-business man or small-business person because of the success he's had. But he does know what it means to start a business from scratch and to fight the excesses of regulation and taxes. And of course, I'm just delighted to see everyone else here, small-business men and women who are supporting me. And Pat, thanks for the very kind words.

In a few minutes I'm going to outline in some considerable detail some new initiatives, coupled with the ones we've already made, that I think will spur small-business investment in this country. And I think it is fitting to stand here with people who represent the very backbone of the American economy, people who know what it's like to meet a payroll, build an inventory, sell a product, and most of all, create jobs.

I can tell you this, that of all the experiences in my life, starting a business and working for a living and meeting a payroll and fighting with the regulators trained me for this job better than any other facet of my career. Half of my adult life in the private sector, the other half, adult life, half of it also in the public sector. And I think that's a good qualification for President, to have met a payroll. You all have done that. And in just a few minutes, as I say, I'm going to spell out an agenda that will encourage entrepreneurial capitalism -- entrepreneur, a big name for risk-taking, starting something -- a coherent agenda for sharpening our competitive edge as a nation so that we can win.

As I'll say inside -- and I don't want to give you both barrels in here -- but Germany and Japan tax capital at one percent and zero. And we've got it way up there. They say this is a tax break for the rich -- my eye. It stimulates investment and business creation, and it is very, very important. So it's much more than that one item in the Tax Code, too, and I'll talk more about that later.

It's about helping small businesses hire new workers and increase productivity, which is vital if we're going to compete. And I'm confident we can compete. It's about freeing up the businesses from redtape and the excesses of regulation. And it's about helping people provide for their workers, but doing it -- I'm talking about health care, training -- but doing it in a way that just doesn't break the back of the small business that's struggling anyway and make them lay off workers in order to accommodate some Federal mandate from Washington, DC. That's about helping more people in the sum realize the American dream.

So what I'm doing is asking people to compare our agenda versus Governor Clinton's agenda. He relies heavily -- and this is not a charge I can't back up -- on Federal mandates, dictating from Washington how leave should be handled or how health care should be handled, and we don't need that. Our proposals are not that; they are structuring the tax system so as we can encourage the creation and success of more small businesses. He relies an awful lot on what I think would result in terrible redtape, and we don't. And most importantly, his plans tax jobs. And I think ours create jobs.

We've been through a tough time in this country. As you can see from recent events in the world, actually, the American economy is doing better than most of the global economy. So they can lower all the blame they want on me, but what I'm trying to do is guarantee that the recovery, which is coming and, frankly, working in some places, will not be set back by more Government control and Government answers. That's a big difference. And that's what will come out on these debates.

So, thank you again for this warm endorsement. Thank you for what you're doing to create jobs and, through that, helping men and women in this country as well as demonstrating what true capitalism really means, true risk-taking really means. I'm proud to be here, back in this State. Now, we're going to go in and spell out in some detail a plan that I hope captures the imaginations of small-business men and women all across this country. We're with you, and now I want to demonstrate it as cohesively and as forcefully as I possibly can.

Thank you all for being with us.

Note: The President spoke at 9:25 a.m. in the Biltmore Room of the Joseph S. Koury Convention Center. In his remarks, he referred to Jack Laughery, chairman and chief executive officer, Hardee's Food Systems.

Remarks to the Triad Business Community in Greensboro, North Carolina

September 23, 1992

Thank you, Tom. Thank you very, very much, and what a wonderful welcome back to this State. Thank you all. Please be seated. It's an honor to be introduced by a successful, honored small-business man, Tom Coble. Thank you, sir, for those kind words. I also want to salute the woman who's done so much to advance the interests of American small businesses, our Administrator of the Small Business Administration, Pat Saiki, former Member of Congress and now head of our SBA in Washington. And also to, of course, to salute the inimitable, marvelous Governor of this State, Jim Martin. What a job he's done for the country and for North Carolina. And salute, too, congressional candidates Barbara Gore Washington of the 12th District and Richard Burr of the 5th District. I'm glad to be with them.

And with us are our two national leaders of our Independent Business Coalition, Pat Harrison and Miller Hicks, both here with us today. Here's Miller over here, and where's Pat? Whoops, she didn't make the head table -- sitting out here. [Laughter] She should have; she's an outstanding business success. Pat, stand up. And Miller, you've got to stand up and let them see you. These people are pulling together this national small-business coalition, Independent Business Coalition, we call it.

Well, I've come here to Greensboro to talk about small business and really to drive home for the Nation the fact that businesses, like the ones that come together in the Triad business community, generate the hope and pride and the jobs that hold America together.

Take Joe Koury, a well-respected member of the Triad and the father of four beautiful girls. Now, Joseph wasn't always the one-man conglomerate that we see today. He started small, began building his empire in the early years after World War II, buying up the old Army barracks here in Greensboro and turning them into housing, sometimes for the same GI's who'd trained there before going off to war, now come home to start a family. And that ingenuity, that spirit of enterprise, that drive and dream tells us the meaning of opportunity, the meaning in America. And it's all over this great -- I don't want to start singling people out, but my friend Jack Laughery is another one right here from this State who exemplifies the American dream, starting, taking risk, building. And it's a wonderful thing, and it's a wonderful epitome of the spirit of this State, in my view.

Now today, America's economy is working its way through a period of profound change. And incidentally, it's not just America, it's international change. You saw the recent ups and downs in the international currency market. Other countries even now look to our economy as the envy of the world. And you see it here in North Carolina, these changes, just the way you do all across the country. Many of our larger companies have retrenched and, indeed, they've restructured,

and I know that these changes have been difficult for many working Americans. But America's small businesses have shown a staying power, creating new products by the thousands, new jobs literally by the millions.

Let me give you one statistic that will drive home just what I mean. In the 1980's, the numbers of workers employed by the Fortune 500 companies actually went down. But in that same decade, small businesses boomed, adding 16 million new jobs.

The simple fact is small businesses are often the first to adapt to a changing world, the first to turn change to advantage, the force at the leading edge of economic recovery. And that's why it is absolutely critical that we do all we can to strengthen small businesses, remove obstacles that stand in their way, and create incentives that unleash America's entrepreneurial genius. Helping small business reach for its dreams is the key to my Agenda for American Renewal.

I've set a goal to make America the first, the world's first $10 trillion economy in the early years of the 21st century. And when we get to that goal, not if but when -- and it is very achievable, look at the numbers -- it won't be the chairmen of the Fortune 500 we have to thank. It will be the men and women who run the small businesses that power America, the men and women, for example, of the Triad business community.

Right now, small businesses employ over half of our Nation's work force. Small businesses create two-thirds of the new jobs in America. Small businesses are hothouses for innovation and risk-taking, new ideas, the very engine of entrepreneurial capitalism that pulls the economy forward.

I know because I've been there myself. I did, as Mr. Coble said, run a small business, started it from the ground up, with a lot of help, obviously, from coworkers and partners. I know what it's like to sweat out a deal and shop for credit, stay up late worrying how you're going to meet the next payroll. I've even got the ulcers, or had them back then, to prove it. That is a fact. So let me tell you, I happen to think that meeting a payroll is not a bad qualification for being President of the United States of America.

I might peripherally make the point that the contrast with my opponent couldn't be clearer. He's spent almost his entire life in government. When he wasn't in government, he practiced law and taught law school. He even worked in the Congress for his part-time job. Not exactly the credentials we're looking for these days. So it shouldn't surprise you that when it comes to the economy, my opponent thinks Government should lead. All I ask you to do is compare the plans directed by the bureaucratic planners who couldn't run a business anywhere but into the ground.

Now I believe Government can play a role in helping small business, no question. But it is a role of support, not the lead; not to put the new bureaucracy of Government planners in the business of picking winners and losers but to help America do what it does best: to make way for the

American entrepreneur, the little guy with the big idea. So I've put together a program to strengthen small business, a program that will work because it understands how small businesses work. This is one important part of my comprehensive Agenda for American Renewal.

I'm releasing the full program today in a report I call ``Encouraging Entrepreneurial Capitalism." Now, here is the report, and I hope we can make some, at least, available to people here today. But we can get them to you. That's a fancy name for small-business savvy America is known for. Some of the ideas are ones that we've been pushing for, for years; some are new. All of them are solid, sensible ways to strengthen small business. Now let me detail, and some of this is quite detailed, what my program does.

First, it will help small businesses get started. You see, many new businesses literally begin at home when entrepreneurs convert their own ``nest egg" into capital. Germany does not tax capital gains at America's punitive rates; neither does Japan. One of them, I believe, is zero percent; and the other, I believe is Japan, is one percent. If we want to compete and win, it's time to reward the risk-takers who turn their dreams into tomorrow's jobs. It is time to cut the tax on capital gains. The liberals continue to insist that that's a break for the rich. It isn't. It is clearly an incentive to start new companies and employ more people.

And because you've got to crawl before you can walk, we're also helping small businesses with an aggressive micro-loan program from a few hundred dollars up to $25,000 at the critical early stages when new ventures are -- I think we would all agree at that stage, new businesses are most vulnerable. That's how we'll help entrepreneurs get their ideas off the ground, get their businesses up and running.

But today I want to take our efforts one step further. I am proposing a 5-year, $20 billion small-business initiative to lift tax and regulatory burdens off the back of small business and to cut the costs of capital.

We start by knocking down the corporate tax rate on small businesses from 15 to 10 percent. And this new initiative will smooth the way for small-business startups by increasing the small-business deduction limit from $10,000 to $25,000. It will allow entrepreneurs to deduct $2,500 of those startup costs that most of you remember in the very first year.

My initiative includes steps to simplify tax laws for small businesses, changes that will result in almost $5 billion a year in tax relief and should allow most small businesses to file a one- or two-page tax return. And finally, it eliminates capital gains on newly issued small-business stock. That will serve as an incentive to create new businesses.

Part three of this small business program is to help existing small businesses find credit. The best idea in the world cannot work without capital. Entrepreneurs simply can't do it alone. They need credit to set up shop and to expand. Right now, you and I know that the credit crunch has

hit small businesses hard. That's why we've been working with bankers and regulators across the country to free up the flow of credit to companies like yours. Our regulatory reform, for example, by the SEC, has made it easier for small businesses to raise capital through stock, through these offerings of stock, and to help growing firms to get from Main Street to Wall Street.

I've had the Small Business Administration, I have Pat Saiki here working overtime to help the credit-starved businesses. This year alone, we have increased by more than 50 percent the loan guarantees offered by her Agency, the SBA, more than $6 billion for men and women with good ideas who want to turn those dreams into jobs.

Small business is one of the most effective ways to bring minority Americans into the economic mainstream. That's why later today, Pat Saiki will release our plan to streamline the SBA's minority small-business program to bring economic opportunity to entrepreneurs all across America.

And tomorrow Pat's going to go on to south Florida to kick off what we call the green-line program, a program that we test-marketed up in New England, to provide a revolving line of credit to help small businesses bridge the gap between production and payment. This green-line initiative, incidentally, should be especially helpful to small firms that are seeking to get back to business as usual after Hurricane Andrew.

Now fourth, we have got to help small businesses hire new workers and increase productivity.ÿ7Eÿ7Eÿ7E Smallÿ7Eÿ7Eÿ7E businesses,ÿ7Eÿ7Eÿ7E likeÿ7Eÿ7Eÿ7E every employer in America, will benefit from education reforms like America 2000, our program; from our expanded job training initiatives; from enterprise zones; from legal reform that ends those sky's-the-limit lawsuits that can drive a small business into bankruptcy. We've got to do something about these crazy lawsuits. Even all of that, though, is not enough.

That's why I support aggressive new export promotion programs to help small businesses crack new markets abroad and create new jobs here at home. You see, in the 21st century, America must be not just a military superpower but an economic superpower and an export superpower. For a long time, it was felt that small businesses were too little to sell abroad and compete abroad. That's changed. We want to facilitate more sales from small business into this vast export market that lies ahead. Right now, a fraction of America's companies, 15 percent, account for 85 percent of America's exports. We've got to open these new markets for America's small businesses; we've got to tap their explosive potential to make new customers not just down the street but around the world.

Small business is already helping us pioneer new worlds, leading the way, for example, in the biotechnology revolution. That's one reason that I strongly support a 100-percent increase in Federal research and development funds to help small businesses generate the technologies of

tomorrow.

And fifth, we've got to free small businesses from the tangle of redtape and regulation. Vice President Quayle has filled me in on a meeting that he had not long ago with Richard Allen, who runs a furniture manufacturing company over in High Point. Federal reporting rules have gotten so bad that he's had to hire new staff just to read regulations. Now frankly, that's one kind of job creation we could do without. Filling out Federal forms should not be a full-time job. That's why, in January of this year, I ordered a freeze on Federal regulations. You work long and hard for your success, and you should spend your time doing business, not doing paperwork.

And finally, we've got to help small businesses provide for their workers, to help the 15 million Americans who are self-employed. So I want to raise the deduction for health insurance from 25 to 100 percent. I want to reform health insurance, give small companies the same advantage that bigger companies have when they shop for health care coverage by encouraging small companies to pool together to buy insurance.

We want to create tax incentives to help small businesses offer their employees family leave, not do what the liberal Congress wants me to do, slap another mandate on small businesses' back. I'm not going to do that. I believe in family leave, and I believe our approach to facilitating family leave through tax credits is a far better way than putting new mandates on a guy who is struggling to make ends meet and would have to lay off people to meet the costs of that program. We want to expand small businesses' ability to offer the portable pensions people will need in a dynamic economy.

Taken together, that's a strong package, a comprehensive package to give real-world help right now to the small businesses that make this economy grow. You'll notice a lot of it, through tax relief, is removing the burden of Government from the back of small business.

Now, I think it's fair to say, and ask dispassionately: What about my opponent? What is his plan for small business? The difference could not be sharper. You see, I see small business as the backbone of the American economy. Mr. Clinton, Governor Clinton, sees small business as the goose that lays the golden eggs.

Bill Clinton's got big plans for bigger government and to pay for it, he's got the tax plan for almost every day of the week: Start with $150 billion in new taxes. That's not my saying he's doing it; this is what he actually has proposed. Then add a payroll tax for training, he's already proposed that, 1\1/2\ percent across the board for small businesses, every business. And then add a health care plan that will lead to a 7-percent payroll tax to finance the inevitable Government takeover of health care.

And I tell you, it's taxing just to talk about this whole program ahead. Somebody said, that taxes my memory. And Clinton says, that's a good idea, let's try it. [Laughter] Yesterday, nobody

believes this, but I did make a subconscious slip. I spoke up when I was going on about the different plans, and I called him ``Governor Taxes." And I quickly corrected it.

But now, ``Governor Taxes" says yes, he wants to raise taxes, and rolls out his standard soak-the-rich rhetoric. You listen to him. But what he won't tell you is this: Two out of every three people hit by Governor Clinton's tax hike would be small-business owners or family farmers. And these folks are not millionaires, they are Mom and Pop, Incorporated. We cannot let him slap a tax on small business.

Take a look at what Governor Clinton's tax plan would mean for small businesses right here in this State. If you're like the typical small business, you operate with a profit margin of about 2 percent. Some clearly do better; some are struggling to make it 2 percent. Your market is too competitive for you to pass on costs by raising prices. That can happen in large companies that dominate the market. You can't do it as a small-business man. You already feel that you've already cut your costs, your operating costs, to the very bone.

And so when Bill Clinton's new taxes kick in, you have a choice, a tough choice. His payroll taxes alone amount to 4 to 5 percent of your operating expenses. That's your profit margin and then some. So here's your choice: You can board up the windows, or you can get out the pink slips. You can continue to operate, but to do so you're going to have to lay off some of your rather small work force.

Now, I want to invite Governor Clinton and his advisers to follow along for a little business math. Just over half of all small businesses with between 10 and 20 employees have annual sales of $500,000 to $1 million. That's a 2-percent profit margin and in the best case gives that business, say, a $20,000 profit. Now, Governor Clinton's new taxes would cost that company between $46,000 and $56,000. So after you've handed over your profit to the Government, the only way to pay the rest of the tax is putting someone out of work, cutting down on your overall payroll account. And in the case of my example, that's 2 or 3 employees, 2 or 3 people out of less than a 20-person company who lose their jobs.

Now, just think about that. Those two or three people aren't just numbers; they're not some names on a payroll sheet. They're real people. They're friends and neighbors, men and women with families to feed and mortgages to pay.

Now, if that two or three still doesn't sound like much, keep this one in mind. In North Carolina alone, 25 percent of the workers, of all workers, 638,000 people, work in companies the same size as the one in my example, companies that will be crippled by Bill Clinton's new taxes. Across this State, North Carolina has thousands of businesses with less than 10 employees: grocery stores, more than 3,000; more than 2,500 small furniture stores; 4 out of every 5 companies in the building trades; bookstores, beauty shops, laundries, video stores, and TV repair shops, and the list goes on and on and on. And for them, Bill Clinton's tax plan means one

thing, misery on Main Street.

You see, I don't think these central planners understand this. America is a Nation of small businesses, and to those small businesses, they'll take a big hit under Governor Clinton's tax plan. And my opponent could not do more damage to America's risk-takers, entrepreneurs, if he'd declared war on small businesses. Well, if you're like me, you've got to say: Small business should not be big Government's piggy bank.

All I ask is that you people here and the people across the country take a look for a moment at my approach and then contrast that with Governor Clinton's. You see, I want to strengthen small businesses across America by lowering taxes, increasing R&D. Bill Clinton wants to tax small businesses and small-business owners so he can give big Government a raise.

I want to cut redtape, eliminate excessive regulation, and reform the ruinous legal system that's crippling this economy and killing small businesses. We really must get these suits under control. We are suing each other too much and caring for each other too little in this country. Now, Bill Clinton wants to saddle these -- or his plan would saddle these new small businesses with new mandates; the old ones too, the existing ones -- new or old small businesses, all with new mandates. And he's told the trial lawyers of America he wouldn't take away even one little loophole.

How about health care? Job training? Family leave? I want to reform our health care system, extend coverage to all Americans, and use the markets to drive costs down while keeping the quality, the great quality of American health care, up. And as I said before, Bill Clinton's plan will mean a payroll tax and more Government control.

I want to give displaced workers a voucher to get the training they want. And Bill Clinton wants to put a payroll tax on employers. I want to use tax credits to encourage businesses to provide workers family leave. Well, my opponent? You see the pattern: more Government rules, more Government redtape.

You know, they sent this family leave bill down to me the other day. They sent it down just for fine timing in terms of politics. And I vetoed it, and I sent it right back. I am for family leave, but I am not for putting further mandates on small business. Let's do it through tax relief, not through running people out of business.

Bill Clinton's got a ``punt, pass, and kick'' plan: Punt the problem over to business. Pass the costs along. And kick the American worker right where he carries his wallet.

Now, you've got a choice in this election. A choice between two different philosophies, two different directions to take this great country. Bill Clinton puts his faith in the so-called best and brightest, in his old Oxford cronies who believes that Government knows best, just like the

social welfare crowd that pulled Britain down before Maggie Thatcher and John Major pumped some life back in.

Well, I put my faith in the American people, and I want to see you keep control of the decisions that really matter in life. And when Bill Clinton says Government knows best, I say you know better. Let me sum it up this way: His plan is wrong for America. And mine is right.

Here's what Bill Clinton and the ``Government first'' crowd just really don't get. They don't get it. They don't understand: Government can print money, but it simply cannot create wealth. The great ideas that make this economy grow don't begin in the marbled halls of some Federal building back in Washington, DC. More great ideas, more of our gross domestic product, our GDP, begins at a basement workbench, at a computer on someone's kitchen table, with the savings you set aside to start a business of your own.

And America, don't let them teach the American people, particularly the young, that America is a nation in decline. We are simply not. We are the most respected leader in the world, militarily and economically. And in spite of the economic difficulties we've had and are enduring, America, believe me, is the envy of the world, not because its Government is great but because its people are great. Because the American people are builders and dreamers who build.

We need a Government that understands that fundamental fact. And my program, my Agenda for American Renewal, will make the next American century a new American century, a time of peace and prosperity for all.

Thank you once again for this warm North Carolina welcome, and may God bless the United States of America. Thank you very much.

Note: The President spoke at 9:50 a.m. at the Joseph S. Koury Convention Center. In his remarks, he referred to Tom Coble, president, Coble Dairy, and Greensboro Small Businessman of the Year.

Remarks at Pennsylvania State University in State College, Pennsylvania

September 23, 1992

The President. Thank you very, very much. What a wonderful rally. What a great day at Penn State. Thank you, Coach Paterno -- --

Audience members. Four more years! Four more years! Four more years!

The President. Thank you, Joe; thank you, Coach. It is a great -- thank you very, very much. Thank you. Thank you very much, Coach Paterno. It's one thing to have to play after one of your pep talks, but it's a little tougher to have to give a speech after one of your pep talks. Thank you for that great introduction. Last time I gave a speech on a college campus, one student came up to me afterwards and said, ``That was the best imitation of Dana Carvey I've ever seen." [Laughter] I never knew I had such talent.

But let me just say a word about the coach. And I'm talking to the choir here, but a lot of people won't take a position; a lot of people out in life want to protect themselves and not stand up for what they believe in. So in a tough political year when a man with the standing of Coach Joe Paterno stands at my side as a friend and speaks for me, I am very, very grateful to him not just for the support but for his courage.

Just to get this rally open, I want to do to Governor Clinton this year what Penn State did to Cincinnati last year. I'm glad I'm not running against Joe Paterno and also glad I'm not running against that world-renowned baton twirler, John Mitchell. Where is the man? There he is, right back there. You can't see him, but I can; real talent. Now before I get started, let me simply acknowledge some up here with me on the dais, two great Members of Congress, Bud Shuster and Bill Clinger. If we had more people like these two in the Congress, the American people wouldn't have those brooms out, yelling ``Clean House!" But as a matter of fact, we ought to clean House.

May I salute Sue Paterno and Tricia Giannini -- and thanks, Tricia, the president of the college Republicans; she did a great job on this rally -- and so many others working on behalf of the party in Pennsylvania; and Anne Anstine, our chairman; Joyce Haas, Mary Dunkel.

I didn't come here today, you'd be happy to know, to give a big rally or a grand speech. I came here to talk a bit about where we've been and where we are and what I want to do to get us where we've got to be. You know, as I was walking through the old ``Main" I saw a plaque on the wall. Not too shiny, but then again, it didn't need to be. It was dedicated to 374 Americans who died in World War II, all from Penn State. I was there, and I survived to see a lot of history

between then and now, the heated battles and a long cold war, won by people with the right stuff and the people with the right ideas. We stood fast. We stayed strong, and I am the first President that can say we won the cold war. It is over. And people say, ``Are you better off?'' Well, I think it's a good thing that every kid on this campus goes to bed at night without the same fear of nuclear war that the generations precedent had.

But the challenges we face today are different, and so are the demands. The challenge of the nineties is to win the economic competition, to win the peace.

Yesterday I went to six States. For months now my opponent is taking me on and taking this country down. So I figured it was time to introduce candidate Clinton to Governor Clinton, because the rhetoric and the reality are like night and day. You know what we discovered? Whether it's candidate Clinton or Governor Clinton, it doesn't matter. Governor Clinton is wrong for the United States of America if you want to move this country forward.

Some in the press will be saying, ``Well, talking about the Governor's policy record is like going after an unarmed man.'' Well, I say, he should have armed himself. He should have packed more than promises. My opponent and I may argue towards some of the same ends, but we start from radically different premises, premises built on different experience and different philosophies. I will point out the differences in our visions, because I believe it explains the differences in our views.

Two weeks -- hey, listen, maybe we can get this guy to shut up. I'll answer your question. He's raising -- no, seriously, he's raising a legitimate question. He's asking about AIDS. It's a terrible curse. We have spent $4.3 billion on that. I have asked now for $4.9 billion. No researcher in this country is going to rest until we find the cure for AIDS. And so we care about it.

Two weeks ago in Detroit, I presented my views and my Agenda for American Renewal. I didn't just hammer away at what's wrong with America. I gave fair due to what's right. I offered a comprehensive, integrated approach to win the new global economic competition, to create the world's first $10 trillion economy by the dawn of the century. My opponent will say we can't do it. I say: When America sets its sights on a goal, we always succeed. We are the United States of America.

Audience members. U.S.A.! U.S.A.! U.S.A.!

The President. This agenda that I have out there, this detailed agenda contains 13 actions, specific actions that I will pursue in the first year of my second term, and I will fight for them harder than the Nittany Lions, fourth quarter, fourth down, goal to go, and that's tough. That's tough. So I'm asking the people for nothing more, nothing less, than a mandate to move this country forward. I will work with the hundred and some newly elected Members of Congress who will listen to the people to move this country forward.

And yes, I want a debate. I want a debate over issues and an argument over ideas. I will stand on my record, and I won't let that Arkansas Governor run away from his record, either. You know, I think the American people have a right to know what they're buying into. Because remember, if you buy what candidate Clinton is selling, there's no refund. There's no rebate. Actually, it's more like a permanent payment plan. I don't think we need that for the United States of America.

On one issue, and I think it's the fundamental issue in this campaign, my opponent and I have just agreed to disagree. It's a question of how our economy grows and how our country works. It's kind of like ``Jeopardy''; it all comes down to how you ask the question. My opponent asks what makes the economy grow. And his answer, and look at his program, is Government planners and projects and programs. I ask who makes this country go. And my answer is you, the individual working men and women, building and buying in the freedom of a market.

My opponent believes that the Government will, quote, and here are his words, ``invest,'' unquote, your money smarter than you can. I don't see it that way. I say the smart money is on the smart people, like standing right out here in this beautiful day in Pennsylvania.

You know, it's crazy. Some of you all are studying history, and it's a crazy thing. At the very moment when Russia and Eastern Europe and the whole world is turning our way, why would we want to go back their way? All of a sudden, all around the world, people are turning to free markets and to free trade and to freedom. Now that the world is finally catching on, what are we supposed to say, ``just kidding,'' and start their way? No.

The world is sending us a message we should already know: Government planning, social engineering, centralized economies do not work. We know what works: Freedom works.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you all very much. That's what we're after, 4 more. Look, in this discussion I'm not just talking about political freedom. I'm talking about the freedom to save, to invest, to work, and for you and your families to keep more of what you earn.

A major difference between the candidates is taxes. My opponent has already said he wants to raise taxes, and I want to lower taxes. During the eighties we lightened the tax load on labor, creating 21 million jobs. I know there are some economics majors out here, but you don't have to crunch numbers to figure it out: The less you tax of something, the more you get of it. If we cut taxes on investment, we'll get more investment. More investment means more jobs for the working men and women in the United States of America.

Now, listen to this because this is factual. My opponent disagrees. In Arkansas he's taxing everything he can get his hands on: groceries, beer, gas -- --

Audience members. Boo-o-o!

The President. I knew you wouldn't like that one -- mobile homes, cable TV, used cars, airplanes, coal. He was even taxing food stamps until the Federal Government forced him to stop.

Audience members. Boo-o-o!

The President. That's the truth. I guess that's why yesterday my subconscious spoke up, and by accident, and it was an accident, down there in the South, I actually called him ``Governor Taxes." And I'm sorry, I apologize.

Audience members. Bush! Bush! Bush!

The President. We disagree on taxes. And guess what: We disagree on Government spending. He wants to raise Government spending, and I want to cut it.

The Federal Government today spends almost one quarter out of every dollar of our national income. He apparently thinks that's cheap. On top of the $1.5 trillion we already spend today, he's proposed $220 billion in brand-spanking-new spending. Newsweek thinks his true total could be 3 times as high as that. Frankly, I can't think of why anyone would want the Government to grow one inch bigger. Maybe my opponent thinks there's just that much more of it to love.

The fourth difference: Opening foreign markets to American goods is a big, key difference. Exports support over 400,000 jobs right here in the State of Pennsylvania. I want lower priced goods for American consumers and new customers for American goods. I believe in free trade because I believe that when trade is free and fair, America beats the competition fair and square, anytime.

You know, there was a time when Governor Clinton said he favored open trade. Other times, usually after meetings with big union guys, he wasn't so sure. Well, what will it be? Well, when he's asked for his opinion on the free trade agreement with Mexico and Canada he said, quote, ``when I have a definitive opinion, I'll say so." Well, I've got news for the Governor: There's no call-waiting in the Oval Office. You can't have it both ways. You've got to make up your mind. I am for creating more jobs in the United States by increasing our exports.

Finally, when it comes to legal reform, and this is a tough one, the Governor and I parted company before we even met. I believe that our legal system is out of control and headed for a crash. And it's running roughshod over all the small businesses, scaring the wits out of anyone who wants to take the risk and try out something new. Today, Americans spend up to $200 billion in one year in direct costs to lawyers. Now, that's got to stop. Americans need to stop

suing each other so much and caring for each other more.

You talk about special interests. One trial lawyer from Arkansas solicited funds for my opponent by writing, and here's his quote, ``I can never remember an occasion when he failed to do the right thing where we trial lawyers were concerned." Well, how touching. We do not need someone to do the right thing for the special interests. We need a President who will do things right for all the American people. We need to put a lid on these lawsuits, put limits on these crazy lawsuits.

Now, this fall I'm going to continue to talk about what's right, even if it's not in fashion. The Governor wishes I wouldn't talk about foreign policy. It makes him very uncomfortable, and I won't ask him why. But I will ask him what the heck he's talking about when he describes a President's, quote, here's what he called it, a President's ``powerless moments when countries are invaded, friends are threatened, Americans are held hostage, and our Nation's interests are on the line." That's the end of the quote.

Well, let me say, Governor Clinton: If America is powerless when our Nation's interests are on the line, who else do you suppose is going to take care of us? My America is not powerless. My America takes care of its interests. When we have to fight, we're willing to do it if the cause is just.

Someone once said that, ``You learn more about character on the 2-yard line than anywhere else in life." I don't know whether Joe agrees with that. But I've been there. America has been there. But there's one thing about America: We never back down. We never give up. We never retreat. We always compete. And we always win. That is the United States of America.

Audience members. U.S.A.! U.S.A.! U.S.A.!

The President. And I have faith in our great country. Clinton talks about our country being somewhere below Germany, but north of Sri Lanka. He ought to open his eyes and look around. We are the most respected country in the entire world. Now, we enhanced the peace, and now let's take that power and use it to help every working man and woman in this country.

May God bless you all. Joe, again, my thanks. And thanks to all of you for this fantastic rally. Thank you so very much. Thank you.

Note: The President spoke at 1:20 p.m. on the Old Main Lawn. In his remarks, he referred to Joe Paterno, head coach, Pennsylvania State University Nittany Lions football team, and his wife, Sue; Anne Anstine, chairman, Pennsylvania State Republican committee; Joyce Haas, central Pennsylvania coordinator, Bush-Quayle '92; and Mary Dunkel, Centre County coordinator, Bush-Quayle '92.

Statement on Signing the Dire Emergency Supplemental Appropriations Act, 1992

September 23, 1992

Today I am signing into law H.R. 5620, an Act that provides supplemental appropriations for disaster assistance to meet urgent needs resulting from Hurricane Andrew, Hurricane Iniki, and Typhoon Omar. This will make urgently needed assistance available immediately.

H.R. 5620 provides $10.6 billion in emergency funding for disaster programs of the Federal Emergency Management Agency (FEMA), the Small Business Administration (SBA), and a number of other departments and agencies. These departments and agencies are continuing to provide assistance to victims of the natural disasters. The FEMA funds will be used to provide individuals and families with temporary housing assistance and to provide loans and grants for the repair and replacement of property. The SBA funds will be used to provide low-interest loans to individuals and businesses located in areas affected by the disasters.

In accordance with the applicable provisions of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, I am designating the funding identified in the Attachment, ``Emergency Supplemental Appropriations for Recent Disasters," as emergency requirements.

In addition to disaster-related emergency funding, H.R. 5620 provides nonemergency FY 1992 supplemental appropriations of $3.5 billion for costs related to Operation Desert Shield/Desert Storm, and $2.1 billion for other purposes, including a cost-of-living adjustment for veterans compensation and pension payments. This Act also provides $500 million in FY 1993 appropriations, subject to the enactment of authorizing legislation, for urban aid to distressed cities.

George Bush

The White House,

September 23, 1992.

Note: H.R. 5620, approved September 23, was assigned Public Law No. 102 - 368.

Message on the Observance of Rosh Hashanah, 1992

September 23, 1992

I am pleased to offer greetings to American Jews and to Jewish men, women, and children in Israel and around the world as you observe the High Holy Days.

Beginning with the new year 5753 on Rosh Hashanah, Jews everywhere engage in 10 days of solemn self-reflection and prayer in preparation for Yom Kippur. As you conclude this period of repentance with the Day of Atonement -- a day dedicated to forgiveness and renewal -- you will affirm your belief in the mercy and justice of our Creator, while at the same time setting inspiring examples of charity and brotherhood.

In their emphasis on reconciliation and renewal, these observances have special significance not only for Jews but also for peoples around the globe who have benefitted from the rich cultural and religious traditions of Judaism. Here in the United States, centuries-old Judaic law and tradition helped to shape the fundamental moral vision on which our Nation was founded. With these High Holy days, that legacy continues to shape our society, as all of us can take inspiration from your acts of repentance, tolerance, and forgiveness.

This year, the High Holy Days are also marked by a special sense of hope, as the people of the Diaspora welcome improved prospects for peace among Israel and her Arab neighbors. For the first time, the peoples of the Middle East are engaged in direct negotiations that are aimed at achieving a comprehensive, just, and lasting peace. On this occasion, Americans of every race and creed join with you in praying for greater understanding and cooperation among all nations.

Barbara joins me in wishing you L'Shanah Tova -- may you be inscribed in the Book of Life for a good year.

George Bush

Note: This message was released by the Office of the Press Secretary on September 25.

Presidential Determination No. 92 - 47 -- Memorandum on Action in Support of Peacekeeping Operations in Nagorno-Karabakh

September 24, 1992

Memorandum for the Secretary of State,

the Secretary of Defense

Subject: Drawdown of Commodities and Services from the Inventory and Resources of the Department of Defense to Assist Peacekeeping Operations in Nagorno-Karabakh

Pursuant to the authority vested in me by section 552(c)(2) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2348a(c)(2) (the ``Act''), I hereby determine that:

(1) as a result of an unforeseen emergency, the provision of assistance under Chapter 6 of Part II of the Act in amounts in excess of funds otherwise available for such assistance is important to the national interests of the United States; and

(2) such unforeseen emergency requires the immediate provision of assistance under Chapter 6 of Part II of the Act.

I therefore direct the drawdown of commodities and services from the inventory and resources of the Department of Defense of an aggregate value not to exceed $2 million in support of peacekeeping operations in Nagorno-Karabakh.

The Secretary of State is authorized and directed to report this determination to the Congress and to arrange for its publication in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:32 p.m., November 2, 1992]

Note: This memorandum was released by the Office of the Press Secretary on September 25.

Remarks to Motorola Employees in Schaumburg, Illinois

September 25, 1992

Thank you for that Motorola welcome. Thank you for that warm welcome to Motorola. I can't for the life of me understand why you give me such a pleasant welcome. You've been standing out here a long, long time. But I'm sure glad to be here. It's a great pleasure, of course, to have been introduced by Ronnie Haggert and then to be here with Governor Jim Edgar, one of the truly great Governors in the United States, and also be here with a longtime friend, your Congressman, my former colleague, my former colleague Phil Crane, two strong supporters of this high-tech economy of tomorrow. I'm delighted to be here with the men and women of Motorola, winners of the first Baldrige Award.

I hope you know how important that is. I hope you know just how important that is not just to Motorola but to the entire country because, under the leadership then of Bob Galvin and certainly George Fisher, this company set an example for others. And now that coveted award that you won for the very first time is sought after by thousands of companies across this country. They're setting an example of quality. We have the best workers, and we have the best quality when we set our mind to it.

So I thank George Fisher, and I thank Bob Galvin, an old friend standing here. I thank Gayle Landuyt, who gave us a tour. Marvelous, it was an absolutely fantastic tour. I don't know where she is. Oh, there she is right there. Let's hear it for Gayle. Come on, you guys, you chauvinists, get clapping. [Applause] She's embarrassed, and I'm happy.

But no, seriously, I came to pay tribute to your skills, your creativity, your hard work because if you use this as a microcosm of our country, they're writing the future for our whole country, the future for the United States of America. What you're doing is the perfect put-down for the professional pessimists, the doomsayers, some of whom say we cannot compete in a changing world. You've taken the challenges of this new world, and you've done what America has always done, reinvented them as opportunities for yourselves, for your families, and for every single American.

You know, a few weeks ago in Detroit, I presented my Agenda for American Renewal. It is an integrated strategy for keeping America competitive in the new century. After our visit here this morning, I'm heading over to the University of Chicago, where I will expand on one part of this agenda, how to sharpen America's competitive business edge. You see, I believe that we will succeed in the new world not by making Government bigger but by making private business better. That's what Motorola's been doing. The genius, and it's true genius, the genius that will take our country forward is not found in the committee rooms and the bureaucratic beehives in Washington. It's found right here in companies like this. Of course, I'm not denying that

Government has a role, but it's a role of supporting the private sector, not leading it.

Now the professional pessimists don't want you to hear this, but that's what we've been doing for 4 years, laying a groundwork to help American business compete in this new global economy. That's why we've been working diligently to open markets for American goods, making America the greatest export superpower that the world has ever seen.

We've had tough economic times in this country, tough economic times in the European countries with whom we trade; our economy doing better than theirs. But it is exports, it is companies that export that have saved the day in these difficult times. Again, I salute your leadership in all of that.

I hope you don't mind if I point out a difference with my opponent. My opponent isn't sure exactly how he feels about free markets, open markets. And sometimes he says he's for them; other times, especially when he's talking to the special interests, he hedges his bets. But when American jobs are at stake, a President cannot hem and haw, can't waffle, can't waver in his commitments, say, ``On the one hand I'm for this; on the other I'm for that.'' You've got to work night and day to open those markets for American workers.

You look at the radio equipment you're building right here, the trunked radio equipment. Before 1989, American manufacturers of this equipment were effectively cut out of the Japanese market, couldn't sell there. Well, we went to work. We got an agreement, opened up that market, and now your systems cover 85 Japanese cities. I salute your management, and I take pleasure that we were at your side in this effort.

That success has been repeated over and over again. And Governor Clinton won't tell you and neither will the media, so let me tell you. Over the last 4 years our exports to Japan have grown 12 times faster than our imports from Japan. That is good, and you are a fundamental part of this. Those are new customers for the products you build. New customers abroad mean new jobs right here in the U.S.A. Somebody ought to tell my opponent Americans do not retreat; we compete. And we're going to win.

You may not have yet read in today's paper the timely news about our mutual success for semiconductor sales in Japan. Our Government and the Japanese Government announced a significant increase in foreign semiconductor sales in the second quarter to Japan, a step-up to 16 percent of their market share. Now, this is importantly attributable to effective negotiations by administration officials over many preceding months. And it's your achievement even more because your company had led the industry effort to gain access to that important market and had designed and produced the quality devices and the circuits that the Japanese want. You are leading by this kind of innovation, this kind of research, this kind of competition.

Our products are clearly the best in the world. Give them the chance, and Americans can

outwork, outthink, outcreate anybody, anytime, anywhere. And you're demonstrating that.

Now, we have to keep that edge. We must keep that edge, especially in the kind of new technologies that you're specializing in here. My opponent says he wants to do the same, but the answer is very different from mine. He and his advisers talk about industrial policies, economic plans designed by a Government elite. The planners dictate the terms, pick and choose their favorite technologies, pick and choose corporate winners. If you're lucky, they let the private sector have a piece of the action. All of it is paid for with new tax dollars from the middle class. I think that is absolutely wrong, and you have demonstrated that it's wrong.

They say Government knows best. I say private industry knows better. So we really need to move the power away from the Government bureaucrats and closer to the consumer and the producer, closer to the people who build the products and the people who want to buy them.

That's why we've made it a top priority to move ideas out of the Government research lab -- and they're very, very good; I believe that you people that have worked with them will say they're good people there, good scientific talent -- to move new ideas out of the Government research labs and into the marketplace.

You see, it's happening right here at Motorola. Motorola has already signed a number of what we call CRADA's, the cooperative research and development agreements, with these Government research labs. I'm told several more of them are in the works. And we're taking the best science from these Government labs and letting you, the efficient workers and leaders, put it to work for the American consumers.

We've got 1,400 similar agreements up and running with businesses across the country, and that's double the number from a year ago. Each one is based on a simple philosophy: When it comes to keeping American business competitive, Government can facilitate; it should never dictate.

Now, this may be news to the Governor from Arkansas. This may be news to him, but it won't be news to you. We know what made America the envy of the world, and we know how to keep it that way. We need to open markets, not close them. We need smaller Government, not bigger Government. We need more free enterprise, not less of it. That's what this choice really boils down to in the fall, a choice between the architects of the future and the patrons of the past.

I am very confident about this country. You know, the Governor talks about, ``We're a nation in decline, somewhere south of Germany and north of Sri Lanka.'' He ain't been there, man. [Laughter] There is great respect for the United States all around the world. It's not just because we've won the cold war. It's because they see products like the ones coming out of this building here as the best in the entire world.

So we're going to stay in there, and we are going to build this future together. So don't let the pessimists talk you down. You're showing the rest of this country that America is a rising nation now, just as we always have been.

Thank you all for this wonderful day. May God bless each and every one of you. Thank you very, very much.

Note: The President spoke at 12:53 p.m. at the Motorola plant. In his remarks, he referred to Motorola officers Veronica Haggert, corporate vice president, Washington office; George Fisher, chairman of the board; Robert W. Galvin, former chairman of the board; and Gayle A. Landuyt, director of manufacturing.

Remarks at the National Technology Initiative Conference in Chicago, Illinois

September 25, 1992

Thank you all very much. Thank you. It's a pleasure and honor to be back on this campus. Thank you, Barbara Franklin, our able Secretary of Commerce. Let me say how pleased I am to also have with me two of the other top officials in our Government: the Secretary of Energy, Jim Watkins, who has served his country in several roles with great distinction, and of course, one that's I'm sure well-known to many of the scientists here, Dr. Allan Bromley, who is the Science Adviser to the President, has just worked in so many ways to further the aims of science in this country.

I want to thank Dr. Laumann for his hospitality, the provost, and say that I am glad to be back on the campus. I'm at risk here because I'll leave out others who have served their country, but I just had the pleasure of shaking hands once again with the former Attorney General, your own Ed Levi, who has served not only in Government at the highest levels but also has done such a remarkable job in academia. George Shultz I single out as a former professor here and a former great Secretary of State. And of course, his Deputy there, a business leader now coming to this faculty, Ken Dam, who I believe will be at the law school, but another outstanding American. So you can see that Chicago is still getting a good combination of public service and then outstanding academic credentials. And I feel honored to be here. I want to thank the Governor, who is doing a great job for this State, for being at my side, and also salute Susan Solomon, who was named Scientist of the Year by R&D Magazine.

So here we go. I would remind you that Illinois' most famous son and the first Illinois Republican, Abraham Lincoln, once said that the struggle of today is not altogether for today; it's for a vast future also. And that's why I've come to this great university for this lecture, to the city in the heart of the most confident nation on Earth, to talk to you today. In less than 6 weeks -- there's going to be a little politics in this, too -- [laughter] -- no, but in less than 6 weeks you face a fundamental choice about the future of our great country, about the kind of America we'll seek to build, about the direction that we're going to take.

A few weeks ago out in Detroit, I laid out the direction in which I hope to go. I called it the plan for American renewal. My strategy is integrated, tying economic policy and foreign policy and domestic policy all together because they, in fact, are related.

I put it simply: Our defining challenge in the nineties is to win the economic competition, to win the peace. So my agenda outlines the steps that we can take today to make America more competitive both now and in the future. And one key step is to invest in technology.

Today I want to talk to you about my program for investing in civilian research and development. I want to talk about how we can speed the process through which American businesses and entrepreneurs can turn the fruits of that R&D into successful products and American jobs.

I included investment in civilian R&D in my Agenda for American Renewal for a very specific reason. In the information age, when capital and ideas can move around the world literally in seconds, investments in R&D and in the technologies of tomorrow can improve our productivity. That is the key, the fundamental key to increasing economic growth. And growth means an improved standard of living for the American people.

In the old days, economists would tell you that capital and labor were the two ingredients that you needed to make the economy produce. Today, it's universally accepted that a third ingredient is needed, knowledge. We need the best ideas in the world, and America has always had them. For decades, American scientists have produced the most scientific literature, the most new patents, the most Nobel prizes. We are investing in basic research to keep that lead.

But to win today's economic competition we must have processes that can speed the route from the laboratory to the marketplace. We need investments in applied R&D. We need capital to turn the abstract idea into concrete results. We need a work force with the brainpower and the skills to take these technologies and turn them into the best quality products anywhere on Earth.

If we succeed in creating these building blocks, we will succeed in creating jobs. Just look at Jim Edgar's State, your State, Illinois; 588,000 jobs in this State are tied to high technology. That's over 11 percent of Illinois' work force. My agenda states that we must sharpen the competitive edge of the American business. But it rests on the core belief, a simple core belief, that the source of our success has always been the immense power of entrepreneurial capitalism. And that is a key difference from the vision of -- the differences between me and Governor Clinton in this election.

You see, my opponent has also been talking about investing in civilian R&D during this election. But my opponent's rhetoric stops, falls short in four key respects. And I'd just like to ask you to compare.

First, he puts his faith in the ability of the Government to pick the right investments, industrial policy we call it, to control the resources, to determine which particular product and process will be favored by the bureaucrats in Washington. I want to empower the businessman or the businesswoman. I want them to develop a range of products, picked not by industrial planning, not by the planner but by the power of the marketplace.

Second, while Governor Clinton may be claiming he's going to make the right play, Congress is intercepting the ball and running it in just exactly the opposite direction. In each of the past 4

years, my R&D budget has been cut by Bill Clinton's allies in the other party on the Hill, the pork-happy partisans I call them in my more congenial times, up there in Congress. [Laughter]

In fact, right now -- look, this year, the Democratic leaders in the Congress, with whom the Clinton campaign is consulting each and every day, have slashed my proposed increase for the National Science Foundation, headed by your own Walter Massey. They've zeroed out my proposed initiative in magnetically levitated high-speed rail. They've reduced our investment in computers and advanced materials and manufacturing R&D. While the Governor talks high-tech, his allies in Congress walk away from it.

Governor Clinton's own plan, for all the talk about research, would gut the foundation of American science and technology enterprise by cutting university reimbursements for R&D by $3 billion, almost one-third. Under his plan the ability of great universities like the University of Chicago to conduct world-class research, in my view, that would be compromised.

Third, the promises of the candidate don't match the record of Governor Clinton. The most recent report card on technology indicators, and that was published by the Corporation for Enterprise Development, rated Arkansas near the bottom among States in virtually every category. For technology resources, Arkansas got an ``F."

Now, he's not even lining up the fundamentals for a high-tech world. At the end of the 1980's, Arkansas ranked 48th in the percentage of adults with high school diplomas. Three-quarters of Arkansas' high school graduates needed remedial education when they get to college. So it's odd for him to talk about high-tech when the residents of his State have to worry about getting out of high school.

Finally and most importantly, he proposes to finance his many promises with a massive tax increase that will smother the very growth on which our success depends. I had a Freudian slip the other day -- and it was; nobody believes it when I say this -- Clinton was ``Governor Taxes." But he has proposed the largest, really, the largest tax increase in American history, $150 billion. And that's just for openers. To pay for his other promises, he'll have to tax small businesses, the main source of jobs in our economy and the heroes of high technology. So let's be clear: These high-tax policies will kill high-tech's businesses. Even the Governor is beginning to see that these tax policies are catching up.

Yesterday he talked about the health care plan. It was the third different plan in 3 months, his third different plan. First he said the plan would not require any new taxes. Then, in his second version, he admitted there would be a buy-in tax for employers. Now he's walking away from that, too. Yesterday, in the third version, he moved toward my plan, even using some of the same terms.

The rhetoric certainly sounds better. It uses words like ``competition" and ``preserving quality."

But when you strip away the double-speak, it is the same old thing. In his plan in any version, employers have to provide the insurance that his national health board says is right, or they pay what Governor Clinton calls a mandatory premium. What he calls a mandatory premium you and I call a tax. It is plain and simple. Worse yet, we all become part of a national health care spending limit set by a Government-appointed board. We all know what that means: long lines and price controls that will only kill competition, will only lead to rationed health care.

So the Governor really is in more places than Elvis on this one. One thing -- and I say this having been there -- one thing about the Oval Office, you have to take positions. Whether it's on war and peace or whether it's on bills you veto or whatever it is, you can't conceal them, and you don't get to change you mind every time the heat gets turned up.

The direction that I propose at its heart is future-oriented and outward-looking. I do not believe that Americans should fear competition, because I believe when it comes to new ideas, America can compete. And America can win. So I've worked to open markets, to get our work force ready to compete, and both as a Government and as a society, to invest in the future. In short, I believe we should compete, not pull back, not retreat. I believe we can do it without a massive expansion of the Federal Government that reaches into the pocket of every American taxpayer.

Let me talk about the elements of this competition. First, open markets. My opponent said America is in decline. He used the analogy somewhere below Germany but just above Sri Lanka. Well, that is not the way others look at this country, certainly not the way I look at this country. But the fact is that we are winning new markets for American goods and services right now, even though the world economy has been very difficult.

Just look at our export performance over these past 4 years. We've increased exports by 40 percent. We have gained worldwide market share in manufacturing output. Our exports to Japan have grown 12 times faster than our imports. The average American simply does not understand that. And high-tech exports have led the way. Since 1987, our trade surplus in advanced technology products has grown by more than 80 percent. So I have a message for the pessimists: We can compete, and we can win.

For us to continue to win new markets for America, we need a more open world trading regime. So we've worked to complete this famous North American free trade agreement, referred to as NAFTA, which will create almost 200,000 jobs right here in the United States. We've worked for a successful conclusion of the Uruguay round. Now that one's been hung up, as you know, in the Maastricht agreements, the vote, particularly the vote in France, the very recent vote in France on the Maastricht agreements. We're going to keep pushing for that, however. We've completed individual agreements with Japan, Korea, Mexico, and countries around the world to open markets for technology and protect American intellectual property so that the incentive to generate new ideas and create new products remains.

Now, again, my opponent has waffled on NAFTA. He would risk our ability to expand trade by supporting antitrade legislation on Capitol Hill. The tax on foreign investment, believe me, the tax on foreign investment in the United States will not only lock out high-wage, high-skill jobs here, it will invite retaliation that will undercut the growth in exports which is absolutely key to the growth in our economy.

Let's talk about education and preparing our children to meet the challenges of the 21st century. Governor Clinton has said that we've reduced investment in education. And candidly, again, he is wrong. Education this year got the biggest increase in my budget. It is up 41 percent over 1989. We've placed a particular emphasis on math and science education, boosting it by more than two-thirds since 1989 so that this year's budget's going to be able to use Federal assets to help train over 770,000 teachers in these math and science skills that are absolutely essential for teaching our kids.

Let's talk about investing in the future. We've been working to promote the technologies that will make us more competitive in the future, but it's time to set the record straight on this. The Governor said we've reduced investment in civilian R&D. That is simply not true. Here is the record: My budget this year would increase civilian R&D by 44 percent over 1989 levels. Civilian basic research is up 36 percent, and applied civilian R&D is up 49 percent. So when the Governor talks about investing in civilian R&D, the fact is we are already doing it. If I weren't doing it, Allan Bromley, sitting over my shoulder, would kill me, absolutely kill me, because he's brought to the fore the need to keep us on the cutting edge when it comes to science and technology.

Now, let me explain what we're doing. Two years ago we pulled every Federal Agency together to launch a new program to develop the supercomputers of tomorrow, computers 1,000 times more powerful than today's. Our vision is to see industry develop a supercomputer the size of a desktop PC and to do it within 4 years. We also proposed a nationwide communications network, an information backbone that will transmit 1,000 times more information than we can today in one second. This year, we proposed over $800 million, that's a 23-percent increase, for this high-performance computing and communications initiative.

Last year we launched another cross-cutting technology plan, an investment of over $1.8 billion in the materials of tomorrow. Now, these new kinds of materials will help us make products that are stronger, lighter, and faster, everything from cars to airplanes to military equipment. And we've launched a $4 billion program in biotechnology research and proposed to knock down the regulatory barriers that might prevent technologies in this area from helping us to cure disease, grow more crops, or clean up the environment.

We're using technology to tackle a really unfortunate legacy of the war, the cold war, the environmental problems left from making weapons that defended freedom around the globe. Winning the peace means managing dangerous materials more effectively. Today we're using

the scientific expertise of our marvelous Federal labs, whose scientists first devised these bombs, to find new technologies for stopping weapons proliferation and for protecting our children from environmental threats.

I take great pride, great joy as a grandparent that the young people in this country go to bed at night without the same fear of nuclear war that their older brothers or their fathers and mothers did. That is a major advancement, and yet we still have problems in the nuclear age. We cannot turn our back on them. And Jim Watkins, our able Secretary, is contending with these problems daily.

But look, I'm here today because a successful strategy for winning the economic competition requires more than just the investment in R&D, whether it's basic or applied. In a fast-paced world of shorter product cycles and faster communications, the key to victory is moving ideas and technologies from the laboratory bench to the commercial marketplace faster than ever before.

That's what this National Technology Initiative, or NTI, is all about. This is the 11th NTI meeting that we've had, each in a different part of the country, each designed to help speed the transfer of technology from our Federal labs and universities to the private and commercial sector. We're working to make it easier to deal with the Federal Government as a partner. If you attend the workshops and visit the technology fair, you'll get a window on today's opportunities and an early start on tomorrow's successes.

One year ago, I directed the Secretaries of Commerce, now Barbara Franklin, Secretary of Energy Jim Watkins to increase the number of cooperative research and development agreements signed between our Federal facilities and the private partners. These CRADA's, as they are called, help speed the transfer of the most promising technologies from the Government to the private sector so they can be developed into commercial products and services.

In the one year since that directive was issued, we've doubled the numbers of these agreements. There are now more than 1,400 operating and in place, computers, ceramics, environmental cleanup. We are achieving an unprecedented level of success in taking the best ideas from our labs and turning them into American products. In these days, it's fundamental: American jobs.

Today we are signing several new breakthrough agreements. One involves two Federal labs and three private industry partners working to determine the right mix for burning pelletized trash along with coal to generate electricity. The results will be cleaner air, less trash in our landfills, and more jobs in Illinois. Second, we'll bring the Oak Ridge National Lab together with IBM to extend America's leadership in high-performance computing. The third one involves a partnership between General Motors and the National Institute of Standards and Technology, NIST, to develop new software to solve problems in automated manufacturing equipment.

These agreements provide rules of the road, protection of patents and intellectual property and other understandings so that technology transfer is not just a concept, but a job-producing reality.

Our program reflects a fundamental belief about the path to successful technology development. Our efforts to transfer technology from the labs to invest in the most promising technologies of tomorrow have recognized the fact that the private sector must be the one to commercialize these technologies.

To help in that task, to spread information about best practices and new processes, my administration has also established seven regional manufacturing tech centers around the country. These centers will introduce new equipment and improve manufacturing processes for small and medium-sized firms. You know, since 1989, more than 6,000 companies have used the services provided by these centers. And we plan to start up four more of them next year.

Now, again in the politics, my opponent proposes to create hundreds of centers. He doesn't say how long it will take to build them, but I can tell you this: We don't need a massive bureaucracy. We want to share best practices, not necessarily every practice that a Government planner wants to push.

I think the fundamental point is this: Rather than waiting for the bureaucrats and planners to decide what's best, I believe that we should foster the kind of partnerships that will allow the private sector to help identify and commercialize the most promising technologies, those in which we are pursuing leadership today.

In next year's budget, we will launch a new initiative to increase our investment in R&D into new technologies to advance the manufacturing process. You know, today's factories face a different set of challenges from those of a generation ago. In the face of fast-changing requirements, more flexibility is needed. We want to advance the development of systems in software, robotics, artificial intelligence, to make this flexibility possible for all kinds of companies. The Government will help with technological leaps so that American firms can leap ahead in the marketplace.

One of the most quintessentially American figures of our time, a scientist, a research and development scientist, John Wayne, you remember him, once said that, ``Tomorrow is the most important thing in life."

When the shouting is finished and all this campaign winds down to its end, it will come down to a very personal and serious decision for every American: What kind of tomorrow do you want? Do you want a tomorrow in which we look forward and take on the competition or one where we turn inward to protectionism and pull back? Do you want a tomorrow in which we invest in the technologies that can make us more competitive or in which we allow the patrons of the past

to spend our future away? Do you want a tomorrow in which work and innovation are rewarded or in which we turn back down the path of higher taxes and more regulation?

When Americans step into that booth this year, they will face a fundamental choice about the kind of future that they want. I have come today out here to Chicago to offer my ideas for a future full of promise. I am optimistic about the future of this country. Let there be no mistake about it: Regardless of what we have been through, I am absolutely convinced that the young people that many of you in this room teach have an exceptionally bright future ahead, a future in which America works, America competes. And America wins.

So I thank you for being a part of this future in your own way -- put the politics aside for a moment. I've been told by Allan Bromley and others of the fantastic R&D capability, scientific know-how right here in this room today. And I ask you to visualize the same kind of future I've outlined to you.

Many, many thanks for your attention. And may God bless our great country. Thank you very, very much.

Note: The President spoke at 2:26 p.m. in Mandel Hall at the University of Chicago. In his remarks, he referred to Kenneth W. Dam, Max Pam professor in American and foreign law, University of Chicago.

Remarks to Working Families for Bush-Quayle in Chicago

September 25, 1992

Let me put it this way, I'm glad to be running against Governor Clinton instead of Randy here. [Laughter] He is tough. I mean that was a wonderful introduction and wonderful comments. And thank you very, very much. Thank all of you here and out there for being here.

Let me, of course, salute the Governor, Jim Edgar. You've got a first-class Governor in this State. And I'm very proud to have his support. May I greet Sam Panyotovich, the State representative. And to all of you, thank you for being with us.

When I first heard I was heading for the Windy City, I was afraid I was going up to Capitol Hill, as Randy was talking about them. Instead, here I am, glad to be back in this city of big shoulders and very, very proud to have the endorsement of these hard-working men and women.

Two men ask for your support this year and ask America to decide where we're going. Two different philosophies, two very different agendas, two candidates shaped by where each of us has been. My opponent started in politics with George McGovern. He spent almost his whole career on a government payroll. Kind of like a contestant on ``Jeopardy": Alex Trebek would say, ``The answer to everything," and Bill Clinton would answer, ``What's `More Government'?"

My background's very different. I started a business. As Randy said, I met a payroll of working men and women. I learned that higher taxes and spending do not create jobs, they destroy jobs. And every day in the economy, every day, is high noon. I spent half of my adult life in public service and the other half in private sector. And I think that's a good mix, a good combination.

Sending Uncle Sam into the world to fight, burdened by higher taxes, is like sending Norm Schwarzkopf into Kuwait to fight with one hand tied behind his back. I didn't do the latter, and I do not want to see this country burdened further by taxes.

That's why my comprehensive approach to win the new global economy is built on lower taxes, lower spending, and less regulation. It's not a tax break for the rich, it's a jobs break for America. This Agenda for American Renewal that Randy very generously mentioned can create the world's first $10 trillion economy by the dawn of the next century, not by turning inward but by reaching out to free markets and free trade and freedom itself, the freedom to save, to invest, to work, to keep more of what you earn.

This won't surprise you, but Governor Clinton disagrees. Maybe that's why last week in a Freudian slip -- didn't do it on purpose -- I referred to him as ``Governor Taxes." I was in Texas,

I think, at the time. But nevertheless, he does want to raise taxes. He's already come out and said he wants to raise them $150 billion, boost Government spending by $220 billion. And that slogan of his is ``Putting people first.'' Well, based on what he'd do to the U.S. taxpayer, it should be ``Putting it to the people first.''

Now, most of you have families. Think about the family budget in 1955. Back then, the average family spent 5 percent of its adjusted gross income on Federal taxes. Today the figure is up to about 24 percent. We don't need a President who makes things worse. Yes, we've had tough economic times. Every country of our major trading partners in Europe have tough economic times. It's not simply the United States. The question is, who's best to get us out of these difficult times. You can't tax grocery and beer and gas and cable TV as my opponent has done in Arkansas. We do need lower taxes. We need spending to get lower priced goods for American consumers. And we need customers for American goods.

So look around you here. We've got six unions represented, I believe, union members from locals like UAW 551, the Operating Engineers, Carpenters Local 60, auto workers, pilots, the building trade, steel workers and tradesmen. And every day that you go to work, compete; do not retreat. And you work like the dickens. You strive to excel. You know that whether it's Munster, Indiana, or Rosemont, Illinois, it doesn't matter. When trade is free and fair, America beats the competition fair and square, anywhere.

I wish I could tell you that he agrees on this point. Very hard to tell. On the North American free trade agreement, which I'm absolutely convinced is going to increase jobs, he says, ``When I have a definitive opinion, I'll say so.'' You can't waffle when you're President of the United States. You've got to make the tough calls. Sometimes you make people happy, sometimes not so happy. But you can't have both sides of every single issue. Somebody mentioned the fuel standards, the CAFE standards. Let me just tell you his position here, if I can figure it out. In April he wanted to hike them from the current level, 27 miles per gallon, to, this is a quote, ``40 to 45 miles per gallon.'' Later it became a goal of 40 or 45 miles a gallon.

On issue after issue he is on one side and then the other, showing up in more places than Elvis Presley. And this 45 miles per gallon would kill off the auto industry. He went over and met with some auto industry leaders here, and he said, well, I'm studying. They've got a National Academy of Science study about this thick, and he's sitting there reading it every night in the campaign trail? Come on. There's plenty of information out about that. He's not studying that, I don't believe.

But you've got to take a position in this job, that's what I'm saying. I'll take a stand for policies that favor the working family. I want real reform, reform of that welfare system for example, to help the families stay together and make the fathers stick around some. And I'm the one who will keep the inflation low so that money buys more at the supermarket and every senior, every member of a union who has saved all his life is not going to have those savings wiped out by

inflation anymore.

We got the interest rates down, so the working families can buy that first home. I'm for keeping the fuel standards at 27.5, not risking the future of the auto workers in this country by trying to make some environmentally extreme statement to keep the Sierra Club happy and at the same time throwing auto workers out of work. The worst environment of all is to be cold, broke, and unemployed. And so we've got to remember that.

Above all, I'm the one who will keep faith with the people who trust me, just as I have faith and trust in you. And the campaign is about trust. Some out there don't like the concept that I talk about, strengthening the American family. But we try to exemplify strength in family. I want to see discipline. I want to see families reading to their kids. I want to see the neighborhoods safe. I want to back up the local law enforcement officers, to whom we are beholden for many, many things. I put all of these under the heading of strengthening the American family. So let the liberal elite criticize it. Let them distort my position. But we are going to keep fighting for the American family, to keep it strong.

I heard Governor Edgar mention something about international affairs. You wouldn't think world peace had anything to do with anything, given the way the Clinton campaign doesn't even want to discuss it. It's Ted back here, Ted Myeka, is that right? Well, okay, he comes here, he fights before he's even a citizen for our country. I said, ``Where do you come from? What's your ethnic background?'' ``Poland.'' Look, I take great pride in the fact that it was under my Presidency that Poland is free and they are democratic. And there's a lot of these countries that are free and democratic because, with the backing of good men and women like these with me here today, we stayed strong. We didn't listen to the nuclear-freeze crowd or those that were demonstrating against the United States of America. We stood strong. And the result is democracy and freedom in Poland and Czechoslovakia, the Balkans, and all across the way.

So it's a wonderful thing. And there's another thing. You see this little guy here. I take great pride in the fact that that kid does not go to bed the same as some of you did a few years ago, worrying about nuclear war. I think that's an important change. So when we talk about change, let's get credit for some of the changes that make the world a little more peaceful. You think about these freedoms out there, and I don't have to lecture to a patriotic group like this, but I didn't work to help bring freedom to Eastern Europe to now lose it out here, right in this country.

We're going to fix these classrooms. We're going to make it better. We're going to give parents the choice of whatever schools they want to send their kids to, public, private, or religious, and help them do just that. And so we're going to keep fighting: Child care where the parents get the choice, and not rule out, as some of these liberals would have you believe -- if a church has a child care center there, why, of course the parents ought to have a choice to send the kid to that as well as have some Government-dictated, bureaucratically controlled child care center. So we're trying to strengthen the family, we're trying to strengthen the community, and we're darn

sure trying to strengthen the American economy.

Last word: It is very easy to get on a bandwagon when somebody thinks the other guy's going to win, the front-runner. I'm going to win this election, and it's not going to be because I'm so smart. But it's because hard-working men and women who value their families and treasure their neighborhoods are going to stand with me when the going is tough, just like these guys have done, these women and men who are working for a living, and put principle ahead of dictation from some group.

So I'm very honored. This is one of the nicest events that I could possibly have been invited to attend, because it comes from principle. It comes from people that are willing to stand up based on fundamental principle.

Thank you very, very much for being here. Thank you very much.

Note: The President spoke at 5:45 p.m. at the Hilton Hotel. In his remarks, he referred to Randy Peters, recording secretary, United Auto Workers Local 551.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

September 25, 1992

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (22 U.S.C. 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question. This report covers the months of May and June 1992.

Representatives of the U.N. Secretary General returned to the Eastern Mediterranean area and met separately with President Vassiliou and Mr. Denktash in Cyprus from May 8 through 12. Consultations followed in Ankara and in Athens with the Prime Ministers and other officials of the Greek and Turkish Governments. The Secretary General's representatives returned to New York to prepare their report to the Secretary General on the status of the negotiating effort.

Based on that report, the Secretary General sent letters on June 1 to the leaders of both Cypriot communities, inviting them to talks in New York starting on June 18. In his letter, the Secretary General suggested separate talks with each leader (so-called ``proximity talks'') covering the eight topics of the U.N. ``set of ideas,'' starting, in accordance with Security Council Resolution 750, with outstanding issues, in particular the issues of territorial adjustment and displaced persons. The Secretary General proposed further that, if the leaders of the two communities were within agreement range on all eight topics, the proximity talks could be followed by joint meetings. Both leaders accepted the Secretary General's invitation.

Also on June 1, the Secretary General invited the Governments of Greece and Turkey to designate senior officials to be in New York for the duration of the talks. Both Governments responded positively, and each had a senior representative in New York for the meetings.

The Secretary General's representatives returned again to the area to prepare for the June 18 meetings. U.S. Special Cyprus Coordinator Nelson Ledsky went to the area at the same time to back up the efforts of the U.N. negotiators. The U.N. negotiators and Ambassador Ledsky met separately in Nicosia with President Vassiliou and Mr. Denktash between June 7 and June 12. Ambassador Ledsky also traveled to Athens where he met with officials of the Greek Government.

I discussed the Cyprus question with Prime Minister Demirel of Turkey and with President Vassiliou of Cyprus at the Rio ``Earth Summit'' (U.N. Conference on Environment and Development) on June 11 and 12, 1992, emphasizing the importance we attach to a peaceful, fair, and permanent solution to the Cyprus question.

In the days immediately before the opening of the New York talks, the U.S. Special Cyprus Coordinator met in New York with the leaders of the two Cypriot communities, with the senior representatives sent to New York by the Governments of Greece and Turkey, and with teams of experts sent by the Governments of the United Kingdom, France, and Russia. These contacts continued throughout the June meetings.

The talks in New York began, as scheduled, on June 18 and continued through June 23. During this first phase, the U.N. Secretary General met on five occasions separately with each community leader. As planned, the talks initially focused on the issue of territorial adjustment, and both sides were shown a map prepared by the U.N. Secretariat. (The map was designated a ``non-map'' by mutual agreement.) During the proximity negotiations the U.N. negotiators daily briefed representatives of the five permanent members of the Security Council.

On June 23, the proximity talks were recessed, by mutual agreement, due to the need of the U.N. Secretary General to be away from U.N. Headquarters in New York. Before the recess the Secretary General hosted an amicable joint meeting with the two community leaders. The Secretary General and the two leaders agreed to resume the talks in New York on July 15. The resumed talks will be the subject of my next report.

Talks aimed at arriving at a fair and permanent negotiated resolution of the Cyprus issue were successfully started during the period covered by this report. We will continue to follow and to assist however possible the U.N. Secretary General's effort to arrive at an overall framework agreement, which will benefit all Cypriots.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, Chairman of the Senate Committee on Foreign Relations.

Message to the Congress Reporting on the National Emergency With Respect to Export Control Regulations

September 25, 1992

To the Congress of the United States:

1. On September 30, 1990, in Executive Order No. 12730, I declared a national emergency under the International Emergency Economic Powers Act (IEEPA) (50 U.S.C. 1701, et seq.) to deal with the threat to the national security and foreign policy of the United States caused by the lapse of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401, et seq.), and the system of controls maintained under that Act. In that order, I continued in effect, to the extent permitted by law, the provisions of the Export Administration Act of 1979, as amended, the Export Administration Regulations (15 C.F.R. 768, et seq. (1991)), and the delegations of authority set forth in Executive Order No. 12002 of July 7, 1977, Executive Order No. 12214 of May 2, 1980, and Executive Order No. 12131 of May 4, 1979, as amended by Executive Order No. 12551 of February 21, 1986.

2. I issued Executive Order No. 12730 pursuant to the authority vested in me as President by the Constitution and laws of the United States, including IEEPA, the National Emergencies Act (NEA) (50 U.S.C. 1601, et seq.), and section 301 of title 3 of the United States Code. At that time, I also submitted a report to the Congress pursuant to section 204(b) of IEEPA (50 U.S.C. 1703(b)). Section 204 of IEEPA requires follow-up reports, with respect to actions or changes, to be submitted every 6 months. Additionally, section 401(c) of the NEA requires that the President, within 90 days after the end of each 6-month period following a declaration of a national emergency, report to the Congress on the total expenditures directly attributable to that declaration. This report, covering the 6-month period from April 1, 1992, to September 30, 1992, is submitted in compliance with these requirements.

3. Since the issuance of Executive Order No. 12730, the Department of Commerce has continued to administer and enforce the system of export controls, including antiboycott provisions, contained in the Export Administration Regulations. In administering these controls, the Department has acted under a policy of conforming actions under Executive Order No. 12730 to those required under the Export Administration Act, insofar as appropriate.

4. Since my last report to the Congress, there have been several significant developments in the area of export controls:

-- As the nations of Central Europe and the former Soviet Union continue their progress towards democracy and market economies, United States Government experts have been working with officials of Albania, Bulgaria, the Czech and Slovak Federal Republic, Hungary, Poland,

Romania, the Baltic States, and many republics of the former Soviet Union to implement and strengthen their export control systems, including pre-license inspections and post-shipment verifications. These developments will facilitate enhanced trade in high technology items and other commodities in the region, while helping to prevent unauthorized shipments or uses of such items. At the same time, we have been engaged in activities with the Central and Eastern European countries to assist in the prevention of proliferation of weapons of mass destruction and corresponding technology.

A significant result of these activities was the removal of Hungary from the list of proscribed destinations to the list of free world destinations on May 1, 1992, thereby liberalizing export controls with respect to Hungary and easing the burden on exporters dealing with Hungary. This action should facilitate a significant increase in exports and reexports to Hungary. (57 F.R. 19805, May 8, 1992.)

-- Working diligently with our Coordinating Committee (COCOM) partners to streamline multilateral national security controls, we are pleased to report the following important developments:

-- Elimination of nearly all individual license requirements for exports to COCOM and cooperating countries, enabling exporters to ship items without prior agency approval. (57 F.R. 18819, May 1, 1992.)

-- Elimination of most U.S. reexport authorizations for U.S.-origin goods going from COCOM and cooperating countries to most third countries, except when destined to a country or region of proliferation concern. (57 F.R. 18817, May 1, 1992.)

-- Liberalized licensing requirements on exports to Hong Kong and New Zealand, following their designation as COCOM cooperating destinations. (57 F.R. 19334, May 5, 1992.)

-- At the June 1992 High-Level Meeting in Paris, in response to a proposal from former Secretary of State James Baker, our COCOM allies agreed to establish a new ``COCOM Cooperation Forum" (CCF) to include the 17 members of COCOM, the newly independent states of the former Soviet Union (NIS), and most recently other Central and Eastern European nations. The CCF hopes to engage these nations in further establishing controls for sensitive goods and technologies, and to provide an impetus for wider access by those countries to controlled items. The first High-Level Meeting of the CCF is scheduled for late November of this year.

-- Also at the June High-Level Meeting, the COCOM partners agreed to significantly liberalize export controls on telecommunications exports to the NIS, which should facilitate rapid and reliable telecommunications between the NIS and the West, as well as modern, cost-effective domestic telecommunications systems.

-- The Department of Commerce also recently revised the regulations governing the Distribution License procedure, thereby allowing expanded use of this special license and eliminating many current prior-approval requirements. The Distribution License, which permits multiple exports of controlled items to approved consignees in eligible countries without prior review of individual transactions, is used by approximately 125 of the largest exporters to export computers and other items to many countries. (57 F.R. 18815, May 1, 1992.)

-- In my last report, I noted that the Department of Commerce issued a conforming regulation to bring the Commerce Control List (CCL) into line with special country- and commodity-based controls. In this action, the transfer from the State Department to the Commerce Department of licensing jurisdiction over certain civil aircraft inertial navigation equipment was implemented. (57 F.R. 4553, February 6, 1992.) This transfer of items formerly included in the State Department's U.S. Munitions List (USML) to the CCL is ongoing. The majority of overlaps between the USML and the CCL were eliminated in the April 25, 1992, amendment to the USML. (57 F.R. 15227.) In the future, certain commercial telecommunications satellites, imaging technologies, and navigational technologies will be removed from the USML and added to the CCL.

-- We are continuing our efforts to address the threat to the national security and foreign policy interests of the United States posed by the spread of weapons of mass destruction and missile delivery systems. As such, we have been working with our major trading partners to strengthen export controls over goods, technology, and other forms of assistance that can contribute to the spread of nuclear, chemical, and biological weapons and missile systems.

-- At the June 1992 meeting of the 22-nation Australia Group (AG), a consortium of nations that seeks to prevent the proliferation of chemical and biological weapons (CBW), the delegates agreed to establish a refined common control list for exports of dual-use biological equipment and to increase from 50 to 54 the number of precursor chemicals subject to control. The Commerce Department is in the process of publishing rules reflecting the changes to conform the U.S. list to the AG list.

-- The United States has also been a key participant in the ongoing Chemical Weapons Convention (CWC) negotiations in Geneva, Switzerland. On September 3 the Conference on Disarmament, which is the drafting body for the CWC, forwarded to the United Nations General Assembly, a draft CWC, which includes a prohibition on the design, development, production, or use of chemical weapons, as well as destruction of chemical weapons production facilities and stockpiles. The United States strongly supports these provisions.

-- In April, the 27-nation Nuclear Suppliers Group (NSG), in which the United States participates, formally established a multilateral regime to control nuclear-related dual-use items similar to the nuclear-referral list currently administered by the Department of Commerce. The Department is working to publish a rule to conform the U.S. list with the NSG list.

-- At the June-July plenary session in Oslo, the Missile Technology Control Regime (MTCR) members welcomed Greece, Ireland, Portugal, and Switzerland to their ranks, bringing the total membership to 22 nations. The MTCR members also agreed to amend the Guidelines and Equipment and Technology Annex to ensure adequate control of delivery systems for all types of weapons of mass destruction -- including chemical and biological weapons, as well as nuclear weapons. The MTCR partners expect to have the revised Guidelines in effect by the end of October 1992.

-- The Commerce Department has also participated in implementation of missile technology sanctions imposed by the Department of State under Title XVII of the National Defense Authorization Act for FY 1991 (Public Law 101 - 510). Sanctions, which include denial of export licenses, have been imposed on the following foreign entities: ARMSCOR (South Africa), Changgwang Credit Corporation (North Korea), China Great Wall Industry Corporation (PRC), China Precision Machinery Import-Export Corporation (PRC), Glavkosmos (Russia), Indian Space Research Organization (ISRO - India), Lyongaksan Machineries and Equipment Export Corporation (North Korea), Ministry of Defense (Syria), Ministry of Defense and Armed Forces Logistics (Iran), Space and Upper Atmosphere Research Commission (SUPARCO - Pakistan), and Syrian Scientific Research Center a/k/a Centre d'Etudes et Recherches Scientifique (Syria). The sanctions imposed in June 1991 on the two Chinese entities were recently waived.

-- In the area of supercomputers we have established a supercomputer safeguard regime with Japan, and we are negotiating with our European trading partners to expand this regime. Under the provisions published in May, exports of supercomputers to Canada do not require a license, exports to Japan may be made under General License GCT, and both Distribution Licenses and individual validated licenses are available for exports to many Western European destinations with only minimum safeguards. Supercomputer exports involve sensitive national security and foreign policy interests, such as cryptology, strategic defense, and submarine warfare; the multilateral safeguard regime is therefore intended to establish uniform and effective international policies and procedures to protect supercomputers from unauthorized end-uses and end-users, without unnecessarily burdening U.S. exporters. (57 F.R. 20963, May 18, 1992.)

-- At the beginning of the year, I announced the lifting of the U.S. embargo against Cambodia in response to the United Nations-directed comprehensive political settlement of the decades-long Cambodian conflict. In April the Commerce Department issued a rule removing Cambodia from the list of embargoed countries and revising licensing policies and procedures affecting Cambodia and Laos to allow these countries to receive general license treatment for exports and reexports of many items. (57 F.R. 11576, April 6, 1992.)

-- More recently, the Department issued a rule permitting commercial exports of humanitarian goods -- including food, building materials, and health and educational items to Vietnam, under a new general license. This liberalization in export control policy is consistent with the step-by-

step process for normalizing relations with Vietnam, and should further reduce paperwork and expand trade to benefit America's exporters. (57 F.R. 31658, July 17, 1992.)

-- Finally, our enforcement efforts are proceeding apace as we continue to enforce export controls vigorously. The export control provisions of the Export Administration Regulations are enforced jointly by the Commerce Department's Office of Export Enforcement and the U.S. Customs Service. Both of these agencies investigate allegations and, where appropriate, refer them for criminal prosecution by the Justice Department. Additionally, the Commerce Department has continued its practice of imposing significant administrative sanctions for violations, including civil penalties and denial of export privileges.

-- Commerce's Office of Export Enforcement (OEE) has continued its vital preventive programs such as pre-license checks and post-shipment verifications, export license review, and on-site verification visits by teams of enforcement officers in many countries. The OEE has also continued its outreach to the business community to assist exporters with their compliance programs and to solicit their help in OEE's enforcement effort. The OEE has initiated its well-received Business Executive Enforcement Team (BEET) to enhance interaction between the regulators and the regulated.

-- The OEE has also initiated a new program -- the Strategic and Non-proliferation Enforcement Program (SNEP) -- which targets critical enforcement resources on exports to countries of concern in the Middle East and elsewhere.

-- In one of many successful enforcement efforts, following his plea of guilty to several counts of an indictment charging him with violating U.S. export control laws, Don Danesh, an Iranian national doing business in the United States, was sentenced to serve 12 months in jail and placed on supervised probation for an additional 36 months. Danesh's associate, Ray Amiri, also an Iranian national doing business in the United States, is expected to be sentenced in the near future following his guilty plea. In developments related to the criminal case, on May 29, 1992, the Acting Assistant Secretary for Export Enforcement renewed an order temporarily denying the export privileges of Amiri, his company, and Danesh. (57 F.R. 24242, June 8, 1992.)

-- In the last 6 months, the Department has continued to enforce the antiboycott law vigorously. The Office of Antiboycott Compliance (OAC) is fully staffed with 30 full-time employees, and OAC has doubled the level of civil penalties it seeks to impose within the statutory $10,000 per violation maximum. The total dollar amount of civil penalties imposed so far in fiscal year 1992 approaches $2 million, the second largest amount in the history of the program.

-- During this 6-month reporting period, significant civil penalties were assessed against several companies in antiboycott compliance cases. Among them, by Order of May 19, 1992, L.A. Gear, Inc., was assessed a civil penalty of $404,000 to settle allegations that the company complied with boycott requests from a customer in Kuwait and that it failed to report its receipt of boycott

requests. On August 12, 1992, the Bank of Baroda, one of India's largest banks, was assessed a civil penalty of $502,000 to settle allegations that it implemented letters of credit containing prohibited boycott conditions and that it failed to report its receipt of boycott requests. After reviewing data related to the financial condition of the bank, the Department agreed to suspend payment of $227,000 of the $502,000 civil penalty.

5. The expenses incurred by the Federal Government in the 6-month period from April 1, 1992, to September 30, 1992, that are directly attributable to the exercise of authorities conferred by the declaration of a national emergency with respect to export controls were largely centered in the Department of Commerce, Bureau of Export Administration. Expenditures by the Department of Commerce are anticipated to be $19,186 million, most of which represents program operating costs, wage and salary costs for Federal personnel, and overhead expenses.

6. The unrestricted access of foreign parties to U.S. goods, technology, and technical data, and the existence of certain boycott practices of foreign nations, in light of the expiration of the Export Administration Act of 1979, continue to constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. I shall continue to exercise the powers at my disposal to retain the export control system, including the antiboycott provisions, and will continue to report periodically to the Congress.

George Bush

The White House,

September 25, 1992.

Notice on Continuation of Emergency Regarding Export Control Regulations

September 25, 1992

On September 30, 1990, consistent with the authority provided me under the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq.), I issued Executive Order No. 12730. In that order, I declared a national emergency with respect to the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States in light of the expiration of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401, et seq.). Because the Export Administration Act has not been renewed by the Congress, the national emergency declared on September 30, 1990, and extended on September 26, 1991, must continue in effect beyond September 30, 1992. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency in order to deal with the threat posed by the unrestricted access of foreign parties to United States goods, technology, and technical data and by the existence of certain boycott practices of foreign nations.

This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

September 25, 1992.

[Filed with the Office of the Federal Register, 12:16 p.m., September 25, 1992]

Message to the Congress on Continuation of the National Emergency With Respect to Export Control Regulations

September 25, 1992

To the Congress of the United States:

On September 30, 1990, in light of the expiration of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401, et seq.), I issued Executive Order No. 12730, declaring a national emergency and continuing the system of export regulation, including antiboycott provisions, under the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq.). Under section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), the national emergency terminates on each anniversary of its declaration unless I publish in the Federal Register and transmit to the Congress notice of its continuation.

I am hereby advising the Congress that I have extended the national emergency declared in Executive Order No. 12730. Attached is a copy of the notice of extension.

George Bush

The White House,

September 25, 1992.

Message to the Senate Returning Without Approval the Family Planning Amendments Act of 1992

September 25, 1992

To the Senate of the United States:

I am returning herewith without my approval S. 323, the ``Family Planning Amendments Act of 1992." This legislation would extend and amend the Federal family planning program under title X of the Public Health Service Act.

If the scope of S. 323 were limited to family planning, I would approve it. My Administration has an excellent record in support of family planning. About this there can be no question. Our approach to reauthorizing title X was embodied in a bill transmitted to the Congress on February 25, 1991. We need a family planning program to deliver preventive, pre-pregnancy services.

Unfortunately, S. 323 is unacceptable because it would override current regulations that are designed to maintain the title X program's integrity as a pre-pregnancy family planning program. The bill would require projects supported by title X family planning funds to counsel pregnant women on, and refer them for, abortions. Such a requirement is totally alien to the purpose of the title X program. Title X is a quality health care program that provides pre-pregnancy family planning information and services and refers pregnant women to health care providers who can ensure continuity of care.

Under current regulations, upheld by the United States Supreme Court, pregnant women who seek services from clinics funded by title X would be referred to qualified providers for prenatal care and other social services, including counseling. Moreover, nothing in these regulations prevents a woman from receiving complete medical information about her condition from a physician. The Supreme Court specifically found that the regulations regarding the title X program in no way violated free speech rights.

In a memorandum to Department of Health and Human Services Secretary Louis Sullivan on November 5, 1991, I reiterated my commitment to preserving the confidentiality of the doctor/patient relationship. In that memorandum, I also repeated my commitment to ensuring that the operation of the title X family planning program is compatible with free speech and the highest standards of medical care. My memorandum makes clear that there is no ``gag rule" to interfere with the doctor/patient relationship. There can be no doubt that my Administration is committed to the protection of free speech.

I have repeatedly informed the Congress that I would disapprove any legislation that would transform this program into a vehicle for the promotion of abortion. Unfortunately, the Congress

has seen fit to entangle this family planning program in the politics of abortion.

I believe that the title X family planning program should be reauthorized. I now urge the Congress to adopt a bill that promotes true family planning rather than requiring Federal tax dollars to be used in a manner that promotes abortion as a method of birth control.

George Bush

The White House,

September 25, 1992.

Message to the Congress Transmitting Proposed Legislation on Federal Pay Reduction

September 25, 1992

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the ``Federal Pay Reduction Act of 1992." This legislation is part of my Agenda for American Renewal. The proposal is an important step toward ``rightsizing" our Government -- making it more fiscally responsible and reducing its size and structure. Also transmitted is a section-by-section analysis.

There are many in America who are out of work or uncertain of their prospects. The Federal deficit constrains the capacity to rejuvenate the economy. It is therefore appropriate that those who lead the Government make a personal contribution -- toward reducing the deficit and as a symbol of our understanding of the concerns of so many Americans. Accordingly, this proposal would reduce the salary of the President, the Vice President, and the Speaker of the House of Representatives by a full 10 percent. For other leaders in our Government -- Members of Congress, senior officials paid more than $75,000 in all three branches of the Government, and high-ranking military officers -- the pay reductions would be 5 percent. An otherwise scheduled pay increase in January 1993 for these officials would not take place.

Under our Constitution, the President's salary can only be changed at the beginning of a new term of office. Pay reductions for all others affected will take place with the first pay period beginning on or after January 20, 1993. It is therefore essential that this legislation be enacted immediately, before the adjournment of the current Congress.

George Bush

The White House,

September 25, 1992.

Appointment of John G. Keller, Jr., as Deputy Assistant to the President for Special Activities

September 25, 1992

The President today announced the appointment of John G. Keller, Jr., as Deputy Assistant to the President for Special Initiatives.

Since 1991, Mr. Keller has served as Under Secretary of Commerce for Travel and Tourism at the Department of Commerce. Prior to this, Mr. Keller served as Deputy Assistant to the President and Director of Presidential Advance, 1989 - 91. From 1987 to 1989, he worked in the Office of the Vice President as Deputy Assistant to the Vice President and Director of Advance and as Deputy Director of Advance, 1986 - 87 and 1984 - 85, respectively. He was also a confidential assistant to the Director at the U.S. Fish and Wildlife Service from 1985 to 1986. Mr. Keller has acted as a lead advance representative, 1982 - 84, and as a volunteer advance representative, 1981 - 82. In addition, he was the scheduling and advance coordinator for George Bush's Presidential campaign in 1979 - 80. His work experience has allowed him to travel over one million miles and has taken him to more than 70 foreign countries and every State in the Nation.

Mr. Keller graduated from Iowa State University (B.A., 1982). He was born August 10, 1958, in Washington, DC. Mr. Keller is married and resides in Sterling, VA.

Nomination of Eric J. Boswell To Be Director of the Office of Foreign Missions at the Department of State

September 25, 1992

The President today announced his intention to nominate Eric J. Boswell, of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Director of the Office of Foreign Missions, Department of State, with the rank of Ambassador. He would succeed David C. Fields.

Since 1990, Mr. Boswell has served as Executive Director of the Bureau of Near East and South Asian Affairs at the U.S. Department of State. He has also served with the Department of State as administrative minister-counselor at the American Embassy in Ottawa, Canada, 1987 - 90; administrative counselor at the American Embassy in Amman, Jordan, 1985 - 87; Deputy Executive Director of the Bureau of European and Canadian Affairs, 1983 - 85; personnel officer for Near East assignments with the Bureau of Personnel, 1980 - 83; and consular officer at the American consulate general in Quebec, Canada, 1977 - 80.

Mr. Boswell graduated from Stanford University (B.A., 1970). He served in the U.S. Army, 1968 - 69. He was born May 31, 1945, in Naples, Italy. Mr. Boswell currently resides in Washington, DC.

Nomination of William Lucas To Be Director of Community Relations Service at the Department of Justice

September 25, 1992

The President today announced his intention to nominate William Lucas, of Michigan, to be Director of Community Relations Service at the U.S. Department of Justice, for a term of 4 years. He would succeed Grace Flores-Hughes.

Since 1989, Mr. Lucas has served as Director of the Office of Liaison Services at the Department of Justice. From 1988 to 1989, Mr. Lucas served as an attorney with the firm of Evans and Luptak in Detroit, MI. In 1987, he was a Harvard fellow at the John F. Kennedy School of Government. He has also served as Commissioner of the Commission on the Bicentennial of the United States Constitution, 1986 - 89; county executive for Wayne County, MI, 1983 - 86; and sheriff of Wayne County, MI, 1970 - 83.

Mr. Lucas graduated from Manhattan College (B.S., 1948) and Fordham Law School (LL.B., 1962). He was born January 15, 1928, in New York City. Mr. Lucas is married, has five children, and resides in Arlington, VA.

Remarks on Beginning a Whistlestop Tour in Columbus, Ohio

September 26, 1992

What a great day in Ohio. Barbara and I are delighted to be here. May I salute our longstanding friends, George and Janet Voinovich, and say you are very lucky in this State to have this man as your Governor. Also I want to single out another one, and that's Chalmers Wylie. He and I went to Congress on the same day, and he served Columbus with great distinction. If we had more like him they wouldn't be yelling all the time, ``Clean House!'' to get rid of all those Democrats that have been there in control for 38 years, for 38 years.

I want to see John Kasich reelected. I want to thank your great Mayor, Greg Lashutka. My gosh, you've got a good one here in Columbus, Ohio. Also, if you really want to help change this country, elect Mike DeWine to the United States Senate.

May I thank and give a special salute to the Marching Tigers. Others can blow the saxophone, but I'll stand with the Purple Pride of Pinkerton. You try to say that. [Laughter] It's great to be back in Ohio. It's a great, beautiful day, football weather. I should say ``Buckeye weather'' here.

You know, over the next couple of days we're taking our crusade to Ohio and to Michigan, eight towns and cities, over 233 miles. We're going to talk about what it takes to match peace around the world with peace of mind here at home. For 4 months another candidate for President has been tearing down the United States of America, running the country down. Maybe he's inhaled too many of those bus fumes. I think he did inhale them. Well, let's get that bus off the side of the road, because on this train trip we're going to blow the whistle on Governor Clinton. I am tired of his lousy record in Arkansas.

Here's what we're going to do. We're going to talk about what's right about America and what we're doing to change it, what we need to do to change Congress, change the direction of the country. Then we're also going to talk about what's going on down in Arkansas and who is doing that to the good people of that State. He has a lousy record in Arkansas, and we don't need that for the United States of America.

So for the next 2 days it's ``All aboard, America.'' The Spirit of America is on its way, and it's all aboard for a better future where Government serves the people, not the other way around. It's all aboard for the freedom to save and invest and, yes, to keep more of what you earn. It's all aboard for an agenda which can renew and literally change America, just as America, and I am proud to have been a significant part of this, has reduced the threat of nuclear war for these young people here today.

And so what do we want for America? We want smart schools and safe streets. We want to lower taxes and less regulation. We want to strengthen families that are working, hoping, and building and dreaming. That's very different than what the Governor of Arkansas is proposing.

You know, my granddad knew how America was blessed, and he lived here in Columbus. His company, Buckeye Steel, made couplings for the railroads. My father was born here in Columbus, Ohio. He was raised as a child, lived over on East Broad Street for a while. He knew how this city loved the American spirit, how you lived it from one generation to the next. And today, Barbara and I are very proud to begin this voyage in a city which has blessed our family, a city that we love.

For you see, this train trip is much more than about my reelection. It's about creating an America where every day has that spirit of the Fourth of July, the kind of America these young people here today deserve. That is the real spirit of America, always been and always will be.

Now we're off to Marysville and Arlington and Bowling Green and then on into Michigan, the heart of America, the real America. With this spirit we see here today, we are going to win this election.

Thank you all very, very much. May God bless each and every one of you. Thank you very, very much, indeed. All aboard!

Note: The President spoke at 9:45 a.m. on the observation deck of the Spirit of America train at the Old Mound Freight Yard station.

Remarks to the Community in Marysville, Ohio

September 26, 1992

The President. Thank you very, very much. What a great Ohio day. Thank you very, very much. Thank you all for this wonderful welcome to Marysville. May I salute your great Governor, George Voinovich, who's with us on this train, and thank him for what he's doing for creating jobs in Ohio and jobs across this country through his trip -- bringing up these exports. We need to hear more like it. We need more Governors like George Voinovich.

Also I want to introduce to all of you -- maybe he's been introduced -- another old friend who has served this State well, and now I want to see him in the United States Senate, Mike DeWine, Lieutenant Governor. Congressman Kasich is here, and my old friend Congressman Chalmers Wylie. And of course, your Congressman, Paul Gillmor, is here and his wife, Karen, who will make a great State senator. And may I make a special plea to send David Hobson to the United States Congress. We need to give Paul Gillmor some help in Washington. We need to clean House. And may I salute the Monarchs and the -- --

Audience members. Clean the House! Clean the House! Clean the House!

The President. You're right, man. May I salute the Monarchs, the Wildcats, and the Panthers.

You know, somebody told me that some of you around here always wear a button, normally wear a button that says, ``Reelect Barbara Bush's husband.'' Well, I like that because, you see, I think we have the best First Lady in the entire world.

You know, some of you yelling ``Clean House!'', I couldn't help but notice the sign down the street on McCullough's Hardware. It says, ``All I want for Christmas is a new Congress.'' Not a bad idea. Let's get this country moving forward.

May I salute the veterans that are here from Richmond and Marysville and elsewhere, men and women that served their country with great distinction. I salute the veterans. I salute those who put on a uniform and served their country.

You know, we take this train through Marysville this morning to discuss what kind of an America we want. I want an America that is a military superpower -- we've got to stay strong -- an economic superpower and an export superpower; an America where every person who wants the dignity of work can find it, because you just can't build a home without a hammer, you can't build a dream without a job.

I have laid out my Agenda for American Renewal, a comprehensive, integrated series of steps to create here in America, by early in the next century, the world's very first $10 trillion economy. I

believe that the only way to achieve prosperity is by opening foreign markets to American goods and services. You see, I have faith in the American worker and in the American farmer, who can still outwork, outproduce any other worker in the entire world.

You know, George Voinovich, as you all know, recently visited Japan. He talked with the chairman of Honda, and the chairman told him flat out that the workers here in Marysville were not as good as Japanese workers; he told them they were better than Japanese workers.

On free trade, and I'm talking about jobs with Honda here in Marysville, on free trade, my opponent hasn't even made up his mind yet. But he does want to slap a tough tax on foreign plants in the United States, including the Honda plant right here in Marysville.

Audience members. Boo-o-o!

The President. Now, you slap a tax on Honda, and they'll take the jobs and go somewhere else. I want more jobs for American workers, not by raising taxes but by getting taxes down.

You've got great workers here in Marysville, like American workers everywhere. You never retreat; you always compete. And you always win. That is the American spirit. We pulled this wonderful train, the Spirit of America, into Marysville today to talk about how we'll win the economic competition.

Now, Governor Clinton, if you'll excuse the expression, Governor Clinton says that our economy is, and I quote -- listen to the way he talks about America -- ``sliding past Germany, heading south toward Sri Lanka.'' Those are his words. He ought to stop knocking the greatest country on the face of the Earth. He ought to understand that we are the most admired and respected country on the face of the Earth. Let's not knock the United States of America.

You know, we all know that we've had some tough times here. But we're in a global economy. Take a look at the economies of Europe, where they suffer with the high taxes and the big government that Clinton favors. We have lower unemployment, stronger growth. That doesn't sound like Sri Lanka to me. We are the United States. Interest rates are below the 20-year lows. Inflation is under control. Our economy is ready to move. And Governor, that doesn't sound like Sri Lanka to me.

So we must not take a risk about this economy. Our economy could slide into a disaster if we go back to the misery days of Jimmy Carter, if we make the wrong choice. That's why today we are going to blow this whistle on Bill Clinton, take his record to the people of Ohio. Here's what worries me: He's promising to do for the national economy what he's done for Arkansas. Now, when you look at the record, you realize that's not a promise; it is a threat.

You know, I know that Marysville hosted the hot air balloon festival last month. Well, when you

think of politicians, every day is a hot air balloon festival. So let me stick to the facts today on Governor Clinton's record, his rhetoric.

Arkansas was, indeed, one of the poorest States when Bill Clinton became Governor, and 12 years later, it is still on the bottom. The problem is not with the good people of that State, not at all. The problem is with the leader, who criticizes me at every turn but has failed to move his own State up the ladder. That is the fact, and we don't want him doing that for the United States of America.

You want to know the record? All right, here it is. Governor Clinton raised and extended the sales tax over and over again. He taxed groceries. He taxed mobile homes. He doubled the tax on gasoline. And yes, he raised the tax on beer. Bad.

Audience members. Boo-o-o!

The President. I'm tempted to say that listening to this will kind of tax your patience, but why give him another idea.

Now, Governor Clinton is no friend of the middle class. Don't take my word for it, though. Listen to his hometown newspaper, the Arkansas Gazette: ``In the Clinton era'' -- this is exactly what it says -- ``In the Clinton era the Arkansas tax system has become stacked against the ordinary taxpayer and consumer; stacked for the rich and the special interest.''

I do not want a tax system that just benefits the rich. I want a tax system that helps all working people get rich. That is the American way.

Audience members. Four more years! Four more years! Four more years!

The President. You know, what a great rally. My heavens.

Now, Governor Clinton says he's seen the light. In this campaign, he's come right out -- in the beginning; this is before he gets through -- and he said he wants $150 billion in new taxes. But don't worry, he says, all the money will come from the rich, all those people who drive Jaguars and eat that quiche and drink that champagne, all those who inherit their money.

And we've heard that song before. Jimmy Carter sang it. Walter Mondale sang it. Michael Dukakis sang it. They're going after the rich, but the middle class always gets up singing the blues. Big Government gets the gold, and you get the shaft. We do not need to raise taxes in this country.

Now, listen to this. Governor Clinton says he'll raise it, he'll raise the $150 billion by taxing the top 2 percent of Americans, all those people who make over $200,000. But whoops, that's not

the top 2 percent. The Treasury Department says the top 2 percent of Americans begins with individuals with incomes taxable of $64,800. But there's not enough money at that level. So to get the full $150 billion, Bill Clinton would have to tax individuals at $36,600 a year. I do not think these people are spending their time on the Riviera. They are the hard-working men and women and families in the United States. We must not let him raise their taxes.

But it gets worse. I hate to ruin this beautiful day. It gets worse. Governor Clinton has made a lot of promises in this campaign. He's already called for Government spending increases of at least $220 billion. Newsweek magazine says the real cost is arguably at least 3 times that high.

Now the liberal Congress is salivating, waiting to pass all these new programs. But where will he get the money? Where will Governor Clinton get the money? Listen to the folks who know Bill Clinton best. The Pine Bluff Commercial, a newspaper in Arkansas, I quote: ``If Congress followed the example that Bill Clinton has set as Governor of Arkansas, it would pass a tax program that would hit the middle class the hardest."

That is the big secret of this campaign. To capture all the revenue that he wants to raise, to pay for all these promises, Bill Clinton will have to go after the middle class. I am not going to let him do that, and neither are you.

Audience members. Hit him again, hit him again, harder, harder! Hit him again, hit him again, harder, harder!

The President. I'm getting to that.

Just think about what the Clinton plan could mean right here in Marysville, Ohio. Listen to this. Let's say you're a 40-year-old fireman with about 29,000 bucks in taxable income. Governor Clinton would have you give the Government another $1,000 a year. That money could help you pay for your kids' education, and you should keep it in your hands. Or let's say you are a licensed nurse, making about $28,000 in taxable income. Governor Clinton could have you to fork over another $890 a year. That money could be used to fix the car or help pay your mortgage. And you ought to be allowed to keep it, not send it to Washington, DC.

This is a fundamental issue in this election. Governor Clinton trusts Government planners to make better decisions than you can. I believe that you can invest your money, make your own decisions better than any Government planner or any mandating Congressman in Washington, DC.

Governor Clinton says he wants to gather the so-called best and the brightest, all the economists and lawyers and lobbyists who studied with him over there in Oxford during the war, and bring them to Washington to figure out how to fix all your problems. I want to give more power to you, freedom to you, because in my mind, America's best and brightest are standing right here in

Marysville, Ohio, and other towns like it across this great country.

So to sum it up, Bill Clinton's taxes are wrong for America. Bill Clinton's Arkansas record is wrong for America. And any way you cut it, Bill Clinton is wrong to be President of the United States of America.

As Barbara said, her mother was born here and grew up here in Marysville. And I know the town's slogan is the place where ``the grass is always greener.'' But it might as well make it the slogan for our great country. And sure, we have problems. And sure, we face our challenges. But you ask a European or ask an Asian, as George Voinovich said, America is still number one in the entire world.

Look around, look around this community at the new jobs, at the Americans competing in a new world economy, and you see our capacity for renewal. Government did not build this great Nation, and Government alone will not renew our great Nation. People built it, people who believe in family, people who believe in hard work, people just like you standing out here on this magnificent Ohio day.

So he offers you more Government, and I offer more power to the American family, more power to the American people. And I stand before you as a leader who has served his country in war and in peace; a leader with the experience, hopefully the character, the ideas to keep the great train of America rolling along to a more safe and a secure future.

These are exciting times. America is not in decline. We are a strong, respected, rising nation. I ask for your trust for another 4 years to lead this great Nation.

May God bless you all. And may God bless the United States of America. Thank you very, very much. Thank you all.

Note: The President spoke at 11:51 a.m. on the observation deck of the Spirit of America train.

Remarks at the Centennial Family Picnic in Arlington, Ohio

September 26, 1992

The President. Thank you very, very much. What a wonderful welcome to Arlington. Thank you so much. I just wish each and every one of you could have been on this train ride from Columbus here. It has been magnificent, a wonderful turnout of the true American spirit, a welcome by Ohio that has warmed our hearts. Then to come here for this icing on the cake, this fantastic rally. We are very, very glad to be with you on your 100th anniversary.

In case you didn't see him when we walked in, I want to be sure you salute and honor a great, a truly great Governor, George Voinovich. What a job he's doing for this State. Your Congressman, Mike Oxley, and I go back a long, long time. You've got one of the best. If we had more like him, everybody wouldn't be yelling, ``Clean House!'' We need to clean House, but we need more like Mike Oxley to get the job done for America.

I believe Mike DeWine is with us. I haven't seen him on this stop. He's been along with us. But let me say, whether he's here or not, we must clean House, and that means we need a new Senator. Please elect this great Lieutenant Governor to the United States Senate.

Mayor Suter, may I thank you and all the citizens here for this warm welcome. I'll tell you, as we were leaning out of the train coming around the bend here, you could just sense the feeling of this marvelous community gathering. And we are very, very grateful to you.

I understand that your local deputy, Kreg Sheets, is here, or he was here a minute ago, he's the guy all dressed up because he's getting married in less than an hour; there he is, right here. We wish him well. Kreg, we want to wish you and Kris Martin all the very, very best in a great life of happiness ahead.

Now, today's been a wonderful day for Barbara and me: the sendoff from my dad's birthplace in Columbus, Ohio; then a stop in Marysville, which is where Barbara's mother was born; and then the trip here through this gentle, beautiful, highly productive Ohio farmland. People greeting us on both sides of the Spirit of America, great sounds and sights, it has been a wonderfully moving day where you can't help but count your blessings and say America is the greatest, freest country on the face of the Earth.

We saw all kinds of farmers lined up along the railroad tracks. We saw a dairy farmer holding up a sign. It said he'd be ``pulling for me.'' Well, that ought to ruin your lunch, but that's what I saw. [Laughter]

We knew the best still lay ahead of us: this town, this lunch, Rosemary Orwick's pasta noodles. I'm not quite sure what's more difficult, working with Congress or getting Rosemary to divulge her secret recipe I'm about to sample here.

There's a lot at stake in this election. We have won great victories around the world. The kids here in this beautiful cross section of America can go to bed at night without the same fear of nuclear war that the older generation had. That is a wonderful accomplishment for the United States of America, and we ought to take great pride in it.

Now, it's time, with all these dramatic changes around the world that we've helped bring about -- decline and fall of the Soviet empire; Middle Eastern enemies talking to each other; democracy on the move south of our border; the great countries of Eastern Europe free, free at last -- it's now time to roll up our sleeves and renew America, just as our ancestors did. We want an America of the best schools in the world. We want safe neighborhoods and safe streets. And that's what I'm fighting for against this Congress in Washington, DC. We want lower taxes and less regulation. An America working and hoping and building, where every day is like the Fourth of July for our families and for these young people here today.

I'm not going to ruin this magnificent picnic with a long political speech, but let me just say that the question before you in this election is very simple. My opponent believes that America should pay more taxes because Government planners, senior little chairmen up there in the Congress, bureaucrats can spend your money more wisely than you can. And I don't believe that for one single minute.

You know, all of this talk about class warfare and a talk of moderation and going after the rich, he's got a big tax increase aimed right at the heart of middle America. I don't think we need that. I believe you should keep more of your hard-earned dollars because you can invest them more wisely.

In my second term, and believe me there will be one, I will continue to be doing for this Nation which your great Governor is doing for Ohio, opening up new markets for our products and creating new jobs for our workers. We can outhustle the workers in any other country if we open those foreign markets to American expertise. That's what I'm trying to do.

So we will be working to hold the line on Government spending and taxes and regulation, to cut the health care costs down with my health care program that provides everybody in this country that needs it insurance. We keep the quality of health care, but we then provide insurance to people, and we do not get the Government further involved like some of the socialist systems around the world. We've got the best; we want to make it better and make it available to all.

The liberals in Washington don't like it, but let me tell you something: I am going to keep trying to find ways to strengthen the American family. The family is our strength, and the family needs

to be supported, not divided. And how do you do that? You do it by giving parents more choice in child care or in schools. You do it by reforming welfare so that the young girl is in school and tries to save a little money, save over $1,000, her mother doesn't get thrown off of welfare. Reform the system to keep families together, rather than trying to drive them apart.

Strengthen the family by making our neighborhoods safer. I strongly back our local law enforcement people, our firefighters, our policemen, our county sheriff's people. I back them all the way because they are fighting for the American family by cutting down crime in our neighborhoods all across America.

So when I talk about strengthening the family, it's this and so many things else. And I might say something about our First Lady. When she holds in her arms a baby stricken by AIDS or cancer, she's sending the signal that we ought to love each other more. And when she sits there in the White House and reads to a group of kids, she's setting an example for parents and families all across this country, because reading to kids is important. So don't let the liberals scare us away from strengthening the American family. We are right, and you are right. And this part of America knows exactly what I'm talking about.

In its great 100 years, Arlington has seen its children march off to war, its young men and women; seen its old cry, in the old seen the cry of the tears of depression. And you've marveled at the arrival of new technology and treasured this sturdy foundation of the traditional values that we're talking about here. Through every change, America has emerged stronger, and it is the same today.

Our challenges look difficult, and we've got big challenges. If you look around the world, you'll see the whole world is facing economic challenges. Whether it's in Europe or wherever else it is, there's enormous economic change taking place. In spite of what my opponent says, the United States, although we've got to do much better, is the envy of the entire world, whether it's our economy, our military strength, our system of freedom.

So I am not one who wants to get to be President again by complaining about the United States or tearing it down or saying, as Governor Clinton does, that we are somewhere less than Germany and a little better than Sri Lanka. We are the United States of America, the envy of the entire world because we have stood for freedom. And we can do anything we set our sights on.

My faith is in the American people. My faith is with the people, to give the people the power that comes from less Government, less taxes, less regulation, and more confidence in the neighborhoods and in the communities and in the young people we're surrounded with here today.

So I come here as an optimist about America, and I want to finish the job that I have started. I believe this: It's not that I need to be President, but it is that I want to finish the job and

strengthen the institutions, and particularly the family that we've talked about. We've made a big start. We are the envy of the world. And I am proud that these kids go to bed at night without the same fear of nuclear war that their predecessors did, much, much prouder than I could be of anything else.

But now, I ask for your support; 4 more years to strengthen America, bring us back, bring economic opportunity to all. And may God bless our great country. And thank you all very, very much.

And Mayor, will you come up?

Audience members. Four more years! Four more years! Four more years!

The President. This is a little symbol that's flown over the Capitol. This is for Arlington on its 100th birthday. Many, many thanks and congratulations.

Note: The President spoke at 2:21 p.m. at Arlington Park. In his remarks, he referred to Dean Suter, Mayor of Arlington.

Remarks to the Community in Findlay, Ohio

September 26, 1992

Hey, listen, it's great to be back in Findlay. We want to come down and shake a few hands, but thanks for this welcome. We've had a great trip across, all the way from Columbus through Marysville, Arlington. Here we are in Findlay, and on we go. But I'll tell you something: This is a great part of the United States. Do not let Bill Clinton tell you that this is a nation in decline. We are the best in the entire world. We can solve every problem we've got.

Here's a guy that's got a good idea. He's saying, ``Clean House!'' Let's clean House in the Capitol, and let's get this country going forward again. Clean the House. That's exactly right. Those guys have been in control of the House for 38 years, and it's time to clean House, get rid of them and get a good team in like your Representatives right here from Findlay. We need more.

It's been a wonderful day. By the way, don't vote for a man that's going to raise your taxes and raise spending all at the same time. Do not put Governor Clinton in that White House.

One last word, and then we'll come down, Barbara and I, down to say hello down there. But one last word. I see these young people here today, and I take great pride in the fact that they go to bed at night with a lot less fear of nuclear weapons. Bill Clinton says foreign affairs don't mean anything. I say world peace means an awful lot.

Now let's get this country moving by less taxes and less spending, less regulation, more emphasis on strengthening the American family and less emphasis on spending and taxing, like Clinton and Gore want.

Thank you all very, very much.

Note: The President spoke at 3:30 p.m. on the observation deck of the Spirit of America train.

Remarks to the Community in Bowling Green, Ohio

September 26, 1992

The President. What a great welcome back to Bowling Green. Thank you all. Thank you very, very much. Thank you, Representative Gardner. Barbara and I just want to say it's great to be back in Bowling Green. It's good to see your great Congressman, Congressman Gillmor, doing a great job for the United States. If we had more like him we would not have to clean House. But we've got to clean 'em out -- not him. Send us more like him. Give us more Congressmen like this one.

May I salute State Senator Montgomery; thank Representative Gardner; thank Bowling Green's Mayor Hoffman and my good friend and former Congressman Del Latta. You've had great public servants up here.

You know, we weren't tuned in. So who won the football game? Just kidding. Well done.

Well, listen, we're in the midst of a great train ride, 233 miles across Ohio and into Michigan. Now, I don't want to suggest we're picking up support, but Barbara and I were looking out the window a couple miles ago, and we saw a bunch of cows doing the wave. Things are coming along.

We saw all kinds of animals on this trip, and in this crowd somewhere we caught sight of the chicken, a chicken. Don't worry. What's one chicken, compared to thousands of Falcons? There he is, the chicken. I'm not sure if that chicken is from Oxford, England -- --

Audience members. Boo-o-o!

The President. -- -- or if he's the one that dumps that fecal coliform bacteria into the Arkansas River.

No, the election is about your future: What kind of America you want to live in. I want an America where every graduate of this great school can find a good, decent job.

I have laid out my Agenda for American Renewal, a comprehensive, integrated plan, so America can win the economic competition. I want to open up new foreign markets for our products, because the American worker never retreats; we always compete. And we always win.

I want to see us reform a legal system that is careening out of control, faster than a lawyer can chase an ambulance. As a nation, we must sue each other less and care for each other more. Enough of these reckless lawsuits.

I am proud, you wouldn't get it from listening to the Clinton-Gore ticket cry, but I am proud that under my administration half the college students in America now receive some form of Federal grant or tuition assistance. We have increased the aid for students.

Here's another difference I have with the Governor of Arkansas: I want to strengthen our elementary and secondary schools by giving every parent the right to choose their children's school, public, private, or religious.

But while I'm talking about the positive things, Governor Clinton insists on cutting America down. While I'm focusing on the future, he is engaged in a deliberate campaign of distortion. I've had it up to here. So let's talk about his record. If he wants to talk about the past, if the Governor wants to talk about the past, let's do it. We pulled this train in here this afternoon to blow the whistle on Governor Clinton and his record in Arkansas.

Audience members. Four more years! Four more years! Four more years!

The President. You know, let me tell you, the people of Arkansas, and I used to live right next door to them, the people of Arkansas are good and decent. And frankly, they deserve much better leadership than they're getting. Here's the scary part: Governor Clinton says he wants to do for the national economy what he's done for Arkansas. If you look at his record, you'll see that's not a promise. That's a threat. We can't have it.

Okay, he wants to talk specifics. Listen to these: Governor Clinton has raised and extended the sales tax, over and over. He taxed groceries. He taxed mobile homes. He doubled the tax on gasoline. And he even raised the tax on beer. How do you like that?

Audience members. Boo-o-o!

The President. Now he says he's seen the light. In this campaign, he proposes $150 billion in new taxes, plus at least $220 billion in new spending. But don't worry; don't worry. He says it will all come from the rich, the top 2 percent, people who make over $200,000.

But here's the truth. To get the money that he needs for this tax plan and spend plan, the $150 billion he's raised in new taxes, he would have to raise taxes on every individual with over $36,600 a year in taxable income.

Audience members. Boo-o-o!

The President. That is a fact. These aren't people that hang out on the Riviera. These aren't the people on the ``Lifestyles of the Rich and Famous.'' These are good people who work hard all day, and frankly, you deserve a break, not more taxes.

But you know, it's worse than this. I don't want to ruin your day, but let me just finish this record. It is worse than this. He has promised a new program every time he makes a speech. But he hasn't said how he'll pay for them. He'll need hundreds of billions of dollars more, beyond the tax increases he's already proposed. You might say, where is he going to get the money?

Well, listen to a newspaper from Governor Clinton's own home State, the Pine Bluff Commercial. They said, and I quote, ``If Congress followed the example Bill Clinton set as Governor of Arkansas, it would pass a program that hit the middle class the hardest."

That is a quote from the people that know best. So if the past is any guide, Bill Clinton will go to where the money is. He'll take it right out of your pocketbook, right from the middle, hard-working class in this country. He's not going to stop at just taxing the rich. He's going to raise taxes on the middle, and I'm not going to let him do it.

Just think about what the Clinton plan would mean right here in Bowling Green. Let's say you are working in a campus administration. You get maybe, what, $38,000 a year in taxable income. Governor Clinton could have give you another $1,700 to the tax man. I say you should use that money, keep it to pay your bills, not to pay off some special interest.

Here's how he responds: He says, forget it, ``I'm a different kind of Democrat." Yes, I've heard that one. Listen to his first political boss, George McGovern. McGovern says, and here's what I quote, ``The Democratic ticket is much more liberal underneath, and they will show it after they are elected." Let's see that they are not elected to this high office.

Audience members. Four more years! Four more years! Four more years!

The President. He says he's a different kind of Democrat. You tell me what's so different about socking it to the middle class. We do not need that kind of difference.

You know, I know Governor Clinton is concerned with his lack of foreign policy experience, and frankly, I take great pride in the fact that these young people here go to bed at night without quite the same fear of nuclear weapons and nuclear war that our predecessors have.

So Governor Clinton doesn't think foreign policy is important. But anyway, he's trying to catch up. You may have seen this in the news. He was in Hollywood, seeking foreign policy advice from the rock group U2. Now, understand, I have nothing against U2. You may not know this, but they tried to call me at the White House every night during their concert. But the next time we face a foreign policy crisis, I will work with John Major and Boris Yeltsin. And Bill Clinton can consult Boy George. I'll stay with the experts.

But, you know, this U2 is not a description of Governor Clinton's foreign policy. It's a description of his economic plan. You, too, can pay higher taxes. You, too, can watch inflation

waste -- write out your paycheck. You, too, can see the U.S. get used to 10 percent unemployment, where it was when we last had a Democratic President and a Democratic Congress.

I say forget this economic policy. You, too, deserve better, and we have the program to move this country ahead. I offer America a responsible program but a smaller Government, a Government that sees that not every problem can be solved back there along the Potomac but understands that the real strength of America is right here in places like Bowling Green.

Our world is filled with so much opportunity, unlike we've ever known before. We've stood fast for freedom, and now the world is embracing our ideas. And in this election I'm the one that stands for freedom and democracy, freedom through strength, freedom from big Government, freedom from the arrogance of the bureaucrat, freedom from the long arm of the tax man. I stand for these things because they are the way we can build a safer and more secure America so that you can fulfill your dreams.

Governor Clinton goes around saying we are a nation in decline, somewhere south of Germany and better than Sri Lanka. Let me tell you something: We are the most respected nation in the entire world, and don't ever let him forget it.

I am very proud to have served this Nation in war and in peace. I ask your support for 4 more years to lead this great country to a new prosperity and a new greatness.

Thank you for this fantastic Bowling Green welcome. And may God bless the United States of America. May God bless our great country. Thank you very, very much. Thank you so much. Thank you guys.

``Millie, not Willie."

Note: The President spoke at 5:02 p.m. at the Reed and Frazee Streets railroad tracks. In his remarks, he referred to Randy Gardner, State representative; Betty Montgomery, State senator; and Wesley Hoffman, Mayor of Bowling Green.

Remarks to the Community in Plymouth, Michigan

September 26, 1992

The President. All right. Great train trip. Thank you all very much. Thank you, Governor. What a great Governor the State of Michigan has. I'm so proud of John Engler. You know, Barbara and I are on a 233-mile train ride through the great heartland of America. We just came across the line into Michigan and let me tell you, Barbara and I think it is fantastic to be here in Plymouth and see this marvelous turnout. Thank you all very, very much. May I salute Michelle Engler, as well as the Governor; Mayor Robert Jones; your great State chairman, Dave Doyle. May I ask you a big favor. It's a favor for the whole country that you help me clean House in Washington and send Bob Geake to the United States Congress. We need him.

Audience members. Clean the House! Clean the House! Clean the House!

The President. Clean the House. Clean it out. Give the American people a break; clean that institution out. Thirty-eight years it's been controlled by those same liberal Democrats. Clean House! Send this man to Washington.

You know, this is the last stop for tonight. For today, on this fantastic journey, filled with incredible sights and sounds, we've seen entire towns turned out beside the tracks to say hello to this train, this Spirit of America. We've seen the faces of young people, fresh faces, young faces; some waving flags, some with these great signs like we see here, all proud to be a part of America. And the election is about these young people's future, what kind of nation we want them to grow up in.

I want an America where everyone can find a good job, because you can't build a home without a hammer, and you can't build a dream without a job. And if they do what I've been saying in terms of incentives, we would be creating jobs today. We need to do it. Another thing is we need to open foreign markets for our products so we can create good jobs in America, because the American worker never retreats; we always compete. And we always win.

Help me get people in the Congress who will help reform a legal system that is careening out of control, faster than a lawyer can chase an ambulance. [Laughter] As a nation, we've got too many of these crazy lawsuits. Doctors can't practice, people can't coach Little League for fear of these suits. As a nation we've got to sue each other less and care for each other more.

And we have a plan to literally reinvent American education, to give these young people the very best schools in the entire world. I want to give every parent the right to choose their children's schools, public, private, or religious.

I believe we need to reform our Government and make it serve you, not the other way around.

Governor Clinton says he is the candidate of change, but he opposes the most important change this year: limiting the terms of the Members of the Congress. Let's limit those terms and get on with this.

These are just some of the ideas I'm fighting for: health care reform, a sound environmental record, great energy strategy. But while I'm out there trying to find ways to rebuild America, build it up, Bill Clinton is spending his energy tearing down America. The only way he can win is if he convinces the American people that we're in decline. And we are not. We are the United States of America, the most respected nation on the face of the Earth. So don't listen to that gloom and doom. While I'm focusing on the future of these kids, he's out there distorting our record. I am proud of the record, and I will stand by it. But if candidate Clinton wants to talk about the past, that's okay. We pulled the train here this evening to blow the whistle on Governor Bill Clinton. Just like that sign says.

And here's the record for you; just take a comparison. As Governor of Arkansas, Bill Clinton raised and extended the sales tax. He taxed groceries. He taxed mobile homes. He doubled the tax on gasoline. And he even raised the tax on beer. How do you like that one? And he says -- here's the really scary part -- he says he wants to do for America what he's done for Arkansas. I don't know whether that's a promise or a threat. It's terrible, though. We can't have that. There's another sign, ``We will not let Clinton do to the United States what he did to Arkansas." Lady, you are right.

Hey, look, he has already proposed, just for openers, $150 billion in new taxes plus at least $220 billion in new spending. But don't worry, he says, don't you worry, it will all come from the rich guys, top 2 percent, people who make over $200,000. But here's the truth. To get the money he needs for his plan, the $150 billion that he's promised in new taxes, Governor Clinton would have to raise taxes on every individual with over $36,600 a year in taxable income. And we cannot let him do that. If you listen to Clinton and Gore, he thinks these people are the ones who hang out on the Riviera. They're not the ``Lifestyles of the Rich and Famous." These are good people who work hard all day, and they deserve a break, and you deserve a break. Do not get this Arkansas taxer in there.

But it's even worse -- I'm sorry to bring you gloomy news -- it's even worse than this. Bill Clinton has promised a new program every time he makes a speech. But he hasn't said how he's going to pay for them. To pay for all these promises, he'll need hundreds of billions of dollars more beyond the tax increases he's already proposed. And you might say, where is he going to get the money?

And listen to the newspaper from Governor Clinton's own State, the Pine Bluff Commercial. They said, and here's an exact quote, ``If Congress followed the example of Bill Clinton, the one he set as Governor of Arkansas, it would pass a program that hit the middle class the hardest." We cannot let that happen to the young families in this country. Bill Clinton says he wants to hit

the rich, but the middle class will take it on the chin. And I'm not going to let him do it. The middle class will get the shaft, and we're not going to have that happen.

And besides that, I think his ideas are all wrong for America. I want to put more power with the family and the American people and local governments. And he wants to put more with those codgy old subcommittee chairmen in Washington. Let's give the power back to the people here.

And so, here's the difference on philosophy. You know what he wants to do on tax-and-spend. And I say Government is too big, and it spends too much of your money. And let's get something done about that in the new Congress that's coming up. To give you more power -- that's what it's about. To choose your own schools. I believe parents should be able to choose the schools, private, public, or religious. I believe parents ought to be able to choose day care centers, not have some mandated program out of Washington, DC. And I believe you ought to have more power to keep your hard-earned tax dollars.

You know, Governor Clinton is already talking about pulling together the best and the brightest -- all the lobbyists, economists, lawyers, all those guys, liberal guys that were hanging out with him in Oxford when some of you were over there fighting -- and have them solve all of America's problems.

I've got a very different vision: a responsible Government but a smaller Government, a Government that sees not every problem can be solved along the Potomac but understands that the real strength of America is right here in places like Plymouth, Michigan.

We saw great sights today coming in here, rolling hills and golden cornfields, vivid proof of why our great Nation is the most bountiful and special place on the face of the Earth. And while America is a land of extraordinary physical beauty, America is even more a land of extraordinary people. Because Americans had the courage to stand for freedom, our children today do not know the fear of nuclear weapons. And I am proud to have been a part of that. Governor Clinton says that the United States is somewhere below Germany and just above Sri Lanka. And I say to him he ought to open his eyes. Because of what you did -- and many of you here today -- in Desert Storm, we are the most respected nation on the face of the Earth. And don't let him tear down America. Don't let him tear it down. Because we had the courage to stand for freedom, the world today now holds unprecedented opportunity. We've got to be ready for it. And in this election, I am proud of my record as Commander in Chief of the Armed Forces. I'm going to take the case to the American people that you can't be on both sides of every issue when you make a tough decision. You've got to do what is right for the United States.

So the bottom line is freedom. And I bring my case to you, and I say, look, we have just begun to fight. We've accomplished a great deal. The world is a much more peaceful place. Our new education program is rolling. We've got a health care program to bring insurance to every family in this country without getting the Government to run our medicine. And we've got all these

programs that work if you can get us some help in the Congress.

Here's what's going to happen. Already we've got over a hundred, a hundred new Members of Congress will be there. And I'll sit down with them and say, look, the American people are tired of gridlock. Whether you're Democrat or Republican, here's my hand. Let's take this country forward once again. We can do it. We are a nation on the rise, not a nation in decline.

And the last point I would make is this. The last point I would make is this: I hope I have earned your trust to be President of the United States. And I know very well we've got the best First Lady in the entire world, who has earned your trust to be the First Lady. And Barbara and I want to do everything we can to help strengthen the American family: back up our law enforcement officers, give parents choice, help these kids learn to read, strengthen the greatest institution we've got, which is the American family. Give me 4 more years to get the job done.

Thank you very, very much. Thank you so much for this fantastic rally. This is great. Thank you so much.

Audience members. Four more years! Four more years! Four more years!

The President. Thanks a lot. The skies are clearing.

Note: The President spoke at 8:30 p.m. at the Plymouth train station. In his remarks, he referred to Dave Doyle, chairman of the Michigan Republican State committee.

Letter Accepting the Resignation of Edward J. Derwinski as Secretary of Veterans Affairs

September 26, 1992

Dear Ed:

It is with great regret and with sincere appreciation for your dedicated service to our country that I accept your resignation as Secretary of Veterans Affairs. However, I'm delighted that you are willing to now devote your great energies to speeding our message of renewal across America as Deputy Co-Chairman of our Campaign.

When I appointed you as Secretary of Veterans Affairs in 1989, I knew that you were the right person to represent the more than 25 million men and women who have served in our Nation's Armed Forces, as well as some 53 million of their dependents and survivors. As one who began his career as an enlisted member of the United States Army, you have a long and distinguished record of compassion and support for those who have so ably defended our Nation. You can be proud of your role in strengthening a Department of nearly 250,000 employees, the second largest civilian work force in the United States Government, and I am grateful to you for helping to lead the Administration's efforts to protect veterans benefits while promoting more effective management of existing veterans programs.

While Operation Desert Storm constituted a resounding victory for freedom and the rule of law, it also brought new challenges to the Department of Veterans Affairs. However, you proved your determination to meet them, and I salute you for that. At a time when our Nation proudly celebrates the expansion of democracy around the globe and the potential for increased international cooperation in this post-Cold War era, you have rightly reminded all Americans of our tremendous debt to our veterans.

From your service in the Army to your many achievements in the United States House of Representatives, the Department of State, and now, the Department of Veterans Affairs, your contributions to our Nation have been substantial; your loyalty and concern for others, inspiring. I am grateful for your friendship and support, and Barbara joins me in sending best wishes to you and Bonnie for the future.

Sincerely,

George Bush

Dear Mr. President:

It is an honor for me to accept your request to serve as your campaign's Deputy Chairman for Ethnic Coalitions. I hereby tender my resignation as Secretary of Veterans Affairs so that I may devote my full energies to this vital role and uphold your determination to keep VA free of any political label.

As I leave the position you appointed me to 3\1/2\ years ago as the first Secretary of the new cabinet-level Department of Veterans Affairs, I do so with deep appreciation for your support in bringing effective and compassionate health-care and benefits services to the Nation's veterans. Your personal concern for their well-being has been consistently demonstrated with record levels of resources committed to VA programs.

I welcome the opportunity that I will now have to bring your solid record of achievement in furthering the ideals of democracy and liberty abroad to this important bloc of American voters.

Thank you for your confidence in my ability to be of service to you in the homestretch of the re-election campaign.

Respectfully,

Edward J. Derwinski

Note: These letters were made available by the Office of the Press Secretary but were not issued as White House press releases.

Statement by Press Secretary Fitzwater on Military Cooperation With Israel

September 26, 1992

In accordance with the United States ongoing commitment to the preservation and maintenance of Israel's qualitative military edge, President Bush and Israeli Prime Minister Rabin have reached agreement on certain measures that will be initiated by the United States in the very near future. These measures include the supply of Apache and Blackhawk helicopters and the pre-positioning of advanced defense equipment in Israel. They will be implemented pursuant to previously enacted legislation which authorized the transfer to Israel and pre-positioning in Israel of defense articles drawn from U.S. stocks. It was further agreed that there will be closer ties between the two countries' armed forces, cooperation on technology upgrades, and the start of discussions on Israel's participation in the Global Protection System.

These initiatives represent a significant effort in reaffirming the United States longstanding commitment to a strategic partnership with Israel and will effectively maintain Israel's qualitative edge. The United States and Israel intend to continue consultations for the purpose of determining additional measures necessary to maintain Israel's qualitative military edge.

Remarks to the Community in Wixom, Michigan

September 27, 1992

The President. Thank you, Wixom. Thank you, Governor Engler. What a great Sunday welcome. Thank you very, very much. May I thank Governor John Engler, your great Governor, and his wife, Michelle, on the train with us here today. May I single out your Mayor, Wayne Glessner, and thank him. Barbara Dobb, you've got a great State representative here, Barbara Dobb, and may I ask you to send Joe Knollenberg to Congress so we can clean the House. For 38 years, 38 years one party has controlled the House. And everyplace I go people are saying, ``Clean House!'' Give us Joe Knollenberg; let's start the job right here in Wixom.

Well, it's great to wake up in this great State of Michigan. You know, this isn't just any campaign stop; it's Oakland County. When we carry Oakland County, we are going to carry the great State of Michigan. When we carry Michigan, we're going to earn 4 more years to renew this country. We've changed the world. Now we must renew America.

You know, the stakes are very high because this election is about your future and the kind of America you want to live in. A few weeks ago in Detroit, I laid out my Agenda for American Renewal, a series of steps to guarantee that in the next century America will be the economic superpower. We will lead by renewing our schools, by freeing small business from taxation, regulation, and yes, these reckless lawsuits and by holding the line on Government spending and by getting your taxes down, not up.

You know, Governor Clinton pretends foreign policy means nothing. But I am proud of my leadership in foreign policy, proud of America's leading role in ridding -- [applause] -- proud of ridding the fear of nuclear war from these young people here today. We have done it; we have changed America.

I hope that my character and I know my experience qualify me to meet the challenges of the nineties. Because in this new economy, the path to prosperity and jobs lies in opening markets and getting ready to compete. Today, American products have a newfound respect all around the world. We have the best workers in the entire world right here in Michigan. Just ask the men and women who make the great Lincoln cars, and they'll tell you our workers never retreat, we always compete. And we always win.

I want to do what's right for America. My opponent will tell America so many different things because he wants to do what's right to win an election. Let me give you just one example of what I mean.

I believe that you can balance the needs of the economy and the environment. Indeed, we have to. Here in Wixom, you've achieved this delicate balance, and you should be commended, you're

leading the way. I have worked at the national level to protect the environment. We're cutting acid rain in half. I am proud we've added a million and a half acres of parks and forests so that our kids and grandkids will have space to play and enjoy nature.

Now, Government Clinton's environmental policies in Arkansas can be described in only one word: abysmal. According to the Green Index, Arkansas ranked dead last in the Nation in policies to protect the environment, dead last. That is not good enough for America. You know, I don't want to suggest that the Arkansas rivers are polluted. But you know, Governor Clinton sometimes thinks he can walk on water. Living around the Arkansas water, Arkansas River, he can walk on water. Hey listen, that's the only place the fish light up at night. It's the only place the fish teach their young ones how to jog instead of swim. You talk about pollution; we don't need that for the rest of the United States.

But look, in his zeal to capture his party's nomination he's jumped over to the other extreme. If there's anybody that's interested in the auto industry here, listen to this. He has proposed raising car fuel standards to 40 to 45 miles per gallon by the turn of the century. Now, there is a couple of big problems with that idea. For one, the scientists say it's not possible; you'd have to make cars out of papier mache. For another, these standards would toss 40,000 auto workers out on the unemployment line right here in Michigan. And you and I cannot let that happen to the workers in Michigan. The big labor bosses think they can convince him after the election, Lane Kirkland mentioned that himself, where we're going to let him off the hook until after the election. We cannot go to 45-miles-per-gallon CAFE standards and still have a strong auto industry.

You know, we're cleaning up the air. We're promoting clean burning American fuels. We're not doing it by killing jobs but by creating jobs. I have a good, sound environmental record, but I will not go to the Clinton-Gore extremes and needlessly throw Americans out of work.

This guy's environmental programs are terrible, but there's one thing worse. And I'm talking about his tax-and-spend policy. Governor Clinton wants to do for the national economy what he's done for Arkansas. If you look at his record you'll see that that's not a promise, it is a threat. As Governor of Arkansas, Bill Clinton raised and extended the sales tax over and over. He taxed groceries. He taxed mobile homes. He doubled the tax on gasoline. And he even raised the tax on beer. That is the fact, and we don't need that for America.

Now, Governor Clinton says he's seen the light. He's promised $150 billion in new taxes plus at least $220 billion in new spending. But don't worry, he says, it will all come from the rich, that's the top 2 percent, people who make over $200,000, he says. Well, here's the truth. To get to $150 billion, even with his other plans, Governor Clinton would have to raise the tax rates on every individual with over $36,600 a year in taxable income. That is a fact, and we cannot let him do that to the United States. People making $36,000, those aren't people hanging out on the Riviera. That's not the ``Lifestyle of the Rich and Famous." These are good people who work hard all day, and they deserve a break.

Every time the guy opens his mouth he promises a new program. But he hasn't said how he'll pay for them. He'll need hundreds of billions of dollars more beyond the tax increases he's already proposed. Where's he going to get the money? Right out of your pockets.

Audience members. Boo-o-o!

The President. Now, let me read you a quote from a paper right in his own backyard. This isn't Detroit, this is Pine Bluff, Arkansas, the Pine Bluff Commercial. They said, and I quote, ``If Congress followed the example Bill Clinton set as Governor of Arkansas, it would pass a program that hit the middle class the hardest." And that is a quote from the people who know Bill Clinton best. So if the past is any guide, Governor Clinton will go to where the money is, and he'll take it from the middle class. Let's not let him do that to the hard-working people of America.

For 11 months he's been mistalking about my record, misdirecting it, misstating it. I've just started in the last couple of days because the American people need to know this. Think about what the Clinton tax plan will do right here in Wixom. Let's say you've got a good job at the Lincoln plant. Say you get 38,000 bucks a year in taxable income. Governor Clinton would have you give another $1,700 to the tax man. And I say you could better use that money for your kids' education or paying a mortgage on a house.

In Detroit I unveiled our plan. There's a fundamental issue in this election. We both have presented our plans for America. He wants to pay for it by raising taxes. I want to pay for mine by reigning in Government spending. I want you to help me reign in the big spenders, let you keep a little more of what you earn.

I propose that every taxpayer have a chance to make a little check on his tax return to cut Government debt and force the Congress to cut spending. If we do that, the Congress will have to listen to the people. It's a good idea, and the Democrats hate it. If the Congress won't cut the spending, let the people do it. The people have more power if we make our representatives more accountable. And so I say this: It is time to limit the terms of the Members of Congress. Give Government back to the people, term limits.

Here is the bottom line. The Clinton taxes are wrong for the middle class. The big Government philosophy is wrong for the White House and for your house. Any way you cut it, Bill Clinton is wrong to be President of the United States of America.

I offer a responsible Government; a changed Congress; a smaller Government; a Government that serves people, not the other way around; a Government that understands the real strength of America is right here, right here. It's not all in DC; it's right here in Wixom, Michigan. That's where the power is. Give the power back to the people.

The entire world has been in a global recession. You hear Bill Clinton talk about it, it's everything's my fault. Fine, I'll take my share of the blame. But look around Europe. Look at Canada. The entire world has had tough economic time. And the very nations that have adopted the strategy Governor Clinton proposes, the nations of Europe, are enduring higher unemployment and worse hardship than we are. I believe the world economy is poised to get moving again, and America would lead the way. We must have a United States that will take the lead but not if we take the risk of adopting the failed strategies that are being rejected in Europe, not if we take the risk by going back to the failed policies of big Government, and not if we take the risk of socking it to the middle class with higher taxes.

Let me just say a word. Governor Clinton would have us believe that world affairs and national security mean nothing. I am proud that I led this country to stand up against aggression in Desert Storm. I'm proud of the men and women here.

Governor Clinton can only get elected by tearing down America. He talks about America being less than Germany and a little more than Sri Lanka. Open your eyes, Governor Clinton. We are the most respected nation on the face of the Earth.

As we stood for freedom abroad, we stand for freedom at home, freedom from big Government, freedom from the arrogance of the bureaucrat, freedom from the bosses who tell everybody what to do, freedom from the long arm of the tax man.

Today, I know the people of Wixom are marking this visit by signing the names on a wall, a wall that will be preserved for history. And I am flattered by this action. But I ask you to come build something much, much larger: to renew our Nation, to make it a better place for the young people here today, to strengthen the American family in every way we possibly can, to make it a safer and more secure America for us and for all those who will come after.

We are blessed with the greatest, freest, most wonderful country on the face of the Earth. Help me move it forward; give me 4 more years, and let's change America for the best.

Thank you, and may God bless you all. Thank you very much.

Audience members. Four more years! Four more years! Four more years!

Note: The President spoke at 11:35 a.m. on the observation deck of the Spirit of America train. In his remarks, he referred to Lane Kirkland, president, AFL - CIO.

Remarks to the Community in Milford, Michigan

September 27, 1992

Listen, thank you all very, very much. Barbara and I are thrilled to be here, delighted to be with your great Governor, John Engler, and Michelle. And let me just tell you what a great day it is to be in Michigan. Even the Clinton people are nice around this State. It's wonderful. [Laughter]

We've made a great dramatic change for world peace. To listen to Governor Clinton talk about it, foreign affairs and national security is nothing. I am proud to have served my country in wartime, and I'm proud to have served it in peace. And I am proud that because of our leadership, we have far less fear of nuclear weapons today. And now we need your help to renew America. We cannot let a tax-and-spend Governor come in and change things in that direction. Let's change them by holding the line on taxes, cutting back on this spending, and giving power to the people of Michigan. That's what we've got to do.

Thank you for a great day. We don't want this train to run late, but we do want to say hello and say thank you very much for this warm welcome.

Don't listen to Governor Clinton when he tries to tear down this country and say we're somewhere below Germany and above Sri Lanka. Never forget we are the United States of America, the greatest country on the face of the Earth. We can overcome every problem we've got, but don't do it by putting in the Arkansas Governor who wants to raise your taxes and raise spending. Give me 4 more years. Leave Barbara as the best First Lady in the entire world. And let's win this election. Let us win this election.

Thank you very, very much. All aboard! All aboard! All aboard!

Note: The President spoke at 12:25 p.m. on the observation deck of the Spirit of America train.

Remarks to the Community in Holly, Michigan

September 27, 1992

What a great day. My heavens, beautiful. Thank you, thank you very, very much. What a beautiful day in Holly. My heavens. Thank you, President Regan. Has a nice ring to it. [Laughter] May I salute Governor Engler and Michelle Engler, who have been on this train for us. You've got a great Governor here, a great Governor in this State.

You know, everyplace I go I see people yelling, ``Clean House! Clean House!'' Elect Dick Chrysler now, and help us clean House.

Mayor Regan, I'm told that your full title is the president of the village of Holly. Well, I'm also told you're a Democrat, but you stopped wearing a Clinton button about a week ago, I'm told. I don't know if it's just to be polite, but thank you very much. Keep the Clinton button in the drawer, and come on over to our side. I salute you as the president of this township. And thank you all, every single citizen, for this wonderful, warm welcome. You can't help but feel great about America when you see something like this.

I'm told that this is the last day of your Renaissance Festival. I might ask to borrow some of the knight's armor; it would sure come in handy with Governor Clinton's daily attacks.

Barbara and I are in the middle of a great tour of this heartland of America, 233 miles from Ohio up through Michigan, building up for November 3d. I have spelled out a comprehensive agenda for America's renewal, a comprehensive, integrated, detailed plan so that in the 21st century America will reign as the economic superpower in the entire world.

Governor Clinton and Senator Gore seem to think that foreign affairs is not important, leadership for world peace is not important. Well, let me say this: I am proud of our record in standing up against aggression halfway around the world. I am proud that we put an end to the cold war. I am proud that Poland and the Baltic States are free, and I'm proud of America's role in ridding our children's dreams of the nightmare of nuclear war. That is big progress, dramatic progress. Thank God these kids don't worry about it. We should get credit for having fought hard against, standing true against that Soviet empire, now working with the new and democratic countries around the world. Yes, national security is important. And don't let Governor Clinton and Senator Gore cut into the muscle of our defense. We've got to stay strong.

I believe, having been in business and meeting a payroll, that my experience qualifies me to handle this new economy. Because today, the path to prosperity and jobs lies in opening foreign markets for our products. Because the American worker never retreats, he competes. And we will win.

I also want to see us, and here's one where Governor Clinton completely opposes me, I want to see us reform a legal system that is out of control. Doctors are scared to deliver babies because of lawsuits; some dads are afraid to coach Little League because of crazy lawsuits; people are scared to help a victim in a highway accident along the road because of lawsuits. We've got to put an end to these crazy lawsuits, and I need your help to do it. We've got to sue each other less and care for each other more in this great country of ours.

I've got a very different approach from Governor Clinton when it comes to education and child care. I want to give every parent the right to choose their children's schools, whether it's public, private, or religious. Put the power with the families. I want to fundamentally reform our Government, make it work for you and not the other way around. Governor Clinton says, ``Well, I'm for change," but he opposes the single most important change offered this year and that's limiting the terms of the Members of Congress. The time has come to limit those terms.

While I'm trying to find out ways, because I am optimistic about this country, to build up the United States, Governor Clinton insists on cutting America down. Well, I am focusing on the future, and he's engaged in a deliberate campaign of distortion. I think it's a sorry thing when the only way you can win an election is to tell everybody how bad things are. Look, we are the United States of America. We are the best in the entire world. Now let's make things better for the workers here at home.

You know, I'm a little tired of the distortion, so we pulled this train in here this afternoon to blow the whistle on Bill. You know, let's really take a look, after about 11 months of knocking me down, let's take a look at what's happening, if you've got a minute, on Arkansas itself. The first place, I lived next door to them. The people of Arkansas are decent and wonderful and warm people. They deserve a lot better than they've got, I'll tell you. Governor Clinton wants to do for the national economy what he's done for Arkansas. But if you look at his record you'll see that's not a promise, that's a threat. And we don't need it.

Let me tell you why I feel that way. Governor Clinton raised and extended the sales tax over and over. He taxed groceries. He taxed mobile homes. He doubled the tax on gasoline. And he even raised the tax on beer. Enough is enough. We do not need that kind of taxation at the Federal level.

Now, Governor Clinton says he's seen the light. In this campaign, he's proposing $150 billion in new taxes, that's not counting taxes that he put on small business for health care, plus at least $220 billion new spending. But don't worry, don't worry about that. He says it's all going to come from the rich guys, the top 2 percent. But the problem is, and here's the real truth on it: To get the money he needs for his plan, the $150 billion he's promised in new taxes, Governor Clinton would have to raise tax rates on every individual with incomes over $36,600 a year. That is $36,600. These are not people on the ``Lifestyles of the Rich and Famous." These are good people who work hard every day, and you deserve a break. Do not let him get in there and do

that to the American people.

Depending who he's speaking to, every time he turns around he's got a new way to spend your money. But he hasn't said how he's going to pay for all these new programs. He'd literally need hundreds of billions of dollars more. And don't kid yourself. While Governor Clinton is pulling promises out of the sky with one hand, he's pulling the dollars out of your wallet with the other.

Listen to this newspaper, don't take my word for it, listen to this newspaper from his own front yard in Pine Bluff, Arkansas, the Pine Bluff Commercial. Here's what it said: ``If Congress followed the example that Bill Clinton set as Governor of Arkansas, it would pass a program that hit the middle class the hardest." And I am not going to let him win. I am not going to let him do that to the United States of America.

We figured this out coming up here. Let me give you an example. Say you've got a good job earning 38,000 bucks a year in taxable income. Governor Clinton would have you give another $1,700 to the tax man. And I say you ought to be able to use that to pay for your kids' education, to meet the mortgage on the house, to put into the savings, not send it back to the IRS.

Now, when I point out what Governor Clinton really stands for, he says, ``Hey, forget my record. Forget the facts." But he says, ``I'm a different kind of Democrat." But what's different about him? George McGovern, he worked for him. Jimmy Carter, he voted for him. Michael Dukakis, he nominated him. And he didn't forget about Walter Mondale, he borrowed the tax increase from him. He's not different in the way we want difference and change in this country.

Now just think about his teaming up with those Democrats on Capitol Hill. It gives me ulcers just thinking about it. We would have a rubber-check Congress and a rubber-stamp President. And remember the last time this country had that. The ``misery index," unemployment and inflation, was at 20 percent. And now we've beat it back to 10. We don't need to go back to the ``misery index" days of Democratic control of both ends of Pennsylvania Avenue.

I need this change in Congress. The only defense I've had to help the taxpayer is vetoing 33 bills in the United States Congress, standing up for fiscal discipline. I'll tell you what though: You give me that line-item veto; Congress can't do it, then watch us get the job done.

I just ask you to think how Governor Clinton and the Congress together will treat the middle-income taxpayers: the same way as the Michigan offense treated the Houston Cougars yesterday. Michigan pounced on the Cougars; Clinton's going to pounce on your wallet. Watch it. Guard it.

I say forget his plans to spend more and tax more. You deserve to keep your hard-earned dollars, and you can invest them better than any Government bureaucrat. When it comes to the Presidency, we simply cannot afford to take a risk. The Government is ready, the economy is ready. We're moving now with inflation down and interest down. We're moving towards a better

recovery. But we must not set it back by more spending and more taxes.

I've proposed and will insist on, with these new Members of Congress, a responsible Government but a smaller Government; a Government that serves the people, and not the other way around; a Government that understands that the real strength of America is right here in places like Holly, Michigan. It is not back in Washington, DC.

As Barbara and I take this train across the middle of this beautiful heartland of America, we see some wonderful sights, the smiling faces of kids out there. But we hear the voices of concern. And keep in mind that the entire world has been in a global recession. It's not just the United States that's had difficulties. Not one single one of those economies in Europe would be unhappy to trade with us. They all envy us, every single one. But now we're ready to move. And the very nations that have adopted the strategy that Governor Clinton proposes, those nations of Europe are enduring higher unemployment and hardship than we are.

I believe this economy is ready now. America will lead the way. But not if we take the risk of adopting the failed strategies that are being rejected in Europe and that have failed the socialist country in Eastern Europe. Not if we take the risk of socking the middle-class taxpayer again. Not again. And I say to America, we will not risk our future by adopting the failed policies of the past.

You know, our world is filled with opportunity. You wouldn't get it from the press; you darn sure won't get it out of Clinton and Gore. But we are great and we are strong, and we have a marvelous opportunity now with a better education system, a better child care system. I'm fighting for health care reform. I'm fighting to back up these police officers here who are trying to help us bring peace and tranquility to our neighborhoods, frustrated at every turn by the liberal Democrats. We are going to get a new crowd in Congress, and we are going to move this country forward.

You know, Governor Clinton talks about -- this guy kills me. When you come across this country in a train -- he talks about this country being something less than Germany and a little more than Sri Lanka. He ought to open his eyes. We are the most respected country on the face of the Earth, and I'm glad I've had a part in helping restore that respect for America.

So here's the difference: I stand for freedom, freedom from big Government, freedom from the arrogance of the bureaucrat, freedom from the long arm of the tax man. And I stand for these things because they are the way we can build a safer and more secure America, and so that you can fulfill your dreams.

There's a lot of debate out there these days. But let me say this: I am proud that I served this military and our country in wartime. I am proud I served my Nation. I am proud that I brought change, peaceful change for democracy and freedom around the world. I am fighting hard to get

this economy on the move, and I need your help. And don't let the other side tear down the greatest country on the fact of the Earth.

Thank you all. And may God bless you on this beautiful day. And I happen to think we've got the best First Lady in the entire world, too. Thank you all. What a wonderful welcome. Turn it around. Show them. Thank you very much. What a great day. What a welcome. Thank you all. Hi, kids.

Note: The President spoke at 1:15 p.m. on the observation deck of the Spirit of America train. In his remarks, he referred to Ardath Regan, president of Holly.

Remarks on Concluding a Whistlestop Tour in Grand Blanc, Michigan

September 27, 1992

The President. Thank you very, very much. Thank you. Four more, that's it, 4 more of them. Thank you very, very much, Governor Engler. You have a great Governor in the State of Michigan. Thank you, John Engler. May I salute Mrs. Engler and thank Mayor Crane. Thank you all for this fantastic hospitality. And may I salute Dick Chrysler and Megan O'Neill, both of whom are running for the United States Congress. It's great to have two great people running for the Congress. Let us clean House, change the Congress. Get rid of that tired old leadership, and get some new blood in there. Clean House!

And may I salute the three great bands who are here: the Grand Blanc High School Cats, Montrose High School, and Davison High School. You make us all feel welcome. Barbara and I want to thank all of you for this unbelievable reception there. You know, this is the end of a 233-mile tour across America's heartland, building momentum for this election. And you give a guy a feeling of confidence. I am absolutely convinced we are going to beat that Governor of Arkansas and win this election.

You know, for 233 miles, we've been hanging off the back of this marvelous train, waving to people. We've seen some incredible sights: kids and pets and rolling farmlands and factories, thousands and thousands of enthusiastic Americans. We've also seen some great signs out there. One of them said, ``Blow the whistle on Bill." That's exactly what we're here to do. Then we must have -- saw one guy who obviously was a student of the Arkansas environmental record of Governor Clinton. His sign said, ``Arkansas fish for Bush." The fish are tired down there of all that pollution. It's the only place they light up at night. [Laughter] You talk about the environment -- take a look at that Arkansas River, and I'll have more to say about that in a minute.

We've even seen some chickens along the way. Here's one back here. But I can't figure out if that chicken is talking about the draft. I can't figure that out. Or maybe he's talking about that Arkansas River again, where they're dumping that -- I've got to be careful here -- that fecal, some kind of bacteria, into the river. Too much from the chicken. [Laughter]

You know, this election is like every election, a referendum of what kind of America we want for the young people that are here today. And we have laid out a renewal plan. We call it the Agenda for American Renewal. It is a comprehensive and integrated plan so that in the 21st century America will reign as the economic superpower of the entire world. We still have the best economy in the whole world. Now let's make it better.

Tomorrow in Dallas some supporters of Ross Perot will gather to hear what both campaigns have to offer. And we're going to send a team just to make a case for the agenda that I offer for America. Mine is the only agenda that includes cutting the growth of mandatory Government spending, cutting the size of Government, and reducing the Federal deficit because that is the way to give the kids here today a better America tomorrow. I'm afraid that Governor Clinton offers more of the old big taxes, big Government; no serious plan to control the deficit. And when you compare our ideas, it is a very clear choice. He wants to do what is right to win an election, and I want to do what is right to win the global economic competition.

Well, you might say, how are we going to do it? Down the street a little bit is a small business called Impact Auto Collision. The owner of that business lost his job with GM so he decided to start his own business, and today it's going strong. This is the story of human renewal, a story of American renewal. It is happening all across America. No people are more resilient than the American people. No people can rise better to any challenge if Government pursues the right policies. Send me a Congress that will help, and we will pursue the right policies for the next 4 years.

You see, I believe that small business is going to create the real opportunity and the new jobs in this economy. Bill Clinton looks at small business as the goose that laid the golden egg. And he wants to tax you. I see small business as the sturdy house, that sturdy horse that's going to pull the American economy into the next century. And I want to give you relief from taxes and build a strong residence, a strong house, a strong economy for everybody.

You know, our legal system today is another thing. He refuses to change it. He's in the pocket of the trial lawyers. And our legal system today is careening out of control. Doctors are afraid to deliver babies. Some guys are afraid to coach Little League because they get sued. Some are afraid to stop at a highway accident for fear somebody will sue them later on. And the victims in the car crash sometimes, therefore, lose out because of outrageous lawsuits. And as a nation, we've got to stop that. We've got to sue each other less and care for each other more. Help me put a cap on these outrageous lawsuits. As a nation, we've got to sue each other less.

But Bill Clinton wants to go another way. He wants to increase Government regulation, not cut it. Listen, here's what he wants to do on automobiles. You all know something about automobiles. He wants to go to 40 or 45 miles per gallon on these CAFE standards. And there's a couple of problems with this idea. Scientists say we can't do it. It could throw 40,000 Michigan auto workers out of work. Help me defeat Governor Clinton and those crazy environmental standards. We've got a good record on the environment, far better than this chicken has in Arkansas. And I want you to know that we've got a good one, but we don't have to come down on the side of throwing auto workers out of their jobs. I am not going to do that.

I want to see us fundamentally reform our Government. Governor Clinton says he's for change, but he opposes the single most important change offered this year. You see, he is against it, and I

am for it. I want to limit the term for Members of the United States Congress. I want to see some change in there. A President's terms are limited; why shouldn't Congress be limited?

While I'm trying to find ways to build America up, the only way Governor Clinton can win is to tell everybody how bad everything is. And for 11 months he's been doing just that, tearing down America. He says we are somewhere less than Germany but a little higher than Sri Lanka. And to him I say: Open your eyes, Governor Clinton. We are the most respected nation on the face of the Earth. And one of the reasons is when we were faced with a tyrant halfway around the world, and the President had to make a tough choice, I didn't do what he did, be on one side of the issue one day, another the other. I said, we are going to have to fight for what is right. We did it. The young men and women of Desert Storm restored the pride to the United States. And I am proud of that role. And I am proud of this record. And I'll stand for it. To listen to Governor Clinton and Gore talk, you'd think foreign affairs and national security means nothing. I am very proud that every young person here today goes to bed without that same fear of nuclear war that their predecessors had. That is progress, and we should be grateful for it.

Now, we're talking about blowing the whistle on Bill. But you see, the people of Arkansas are good and decent folks, and they deserve another leader down there who will give them a better deal. But let me tell you what happened. Governor Clinton says he wants to do for the national economy what he's done for Arkansas. But if you look at his record you'll see that's not a promise, that's a threat. He's extended and raised the sales tax over and over again. He taxed groceries. He taxed mobile homes. He doubled the tax on gasoline. And he even raised the tax on beer. I don't think we need that now for the United States at our level.

Governor Clinton says he's seen the light. In this campaign, he's proposing already $150 billion in new taxes plus at least $220 billion in new spending. But don't worry, he says, we can take it all from the rich guys, people with over $200,000. But here's the problem. Here's the truth. To get the money he needs for this plan, the $150 billion he's promised in new taxes, Governor Clinton would have to raise tax rates on every individual with over $36,600 a year in taxable income. That is $36,600. These are not the people on the ``Lifestyles of the Rich and Famous." These are not people that are driving Jaguars. These are people who are hard at work every single day. And we cannot let him do that to the working men and women of this country.

But it's even worse, if you can take a little more bad news here. Governor Clinton has promised a new program every time he makes a speech. He's got more answers than there are problems, but he hasn't said how he'll pay for them. We'll need hundreds of billions of dollars more, beyond the tax increases that he's already proposed. So don't kid yourself. When Governor Clinton is pulling promises out of the sky with one hand, he's pulling dollars out of your wallet with the other. We cannot let that happen to the American people.

Hey, listen, you don't have to take my word for it. Listen to the Pine Bluff Commercial, a paper right in his home State, right in his home area. And they said this: ``If Congress followed the

example that Bill Clinton set as Governor of Arkansas, it would pass a program that hit the middle class the hardest." And I am not going to let him do that to the American people. You know Grand Blanc. Let me tell you what it would do to somebody right here. Let's say you've got a good job. Let's say you're earning 38,000 bucks a year in taxable income. Governor Clinton would have you give another $1,700 to the tax man. And I say that you ought to be free to use that money to pay for your kids' education or to pay the mortgage on your house and not send it to Washington, DC.

Governor Clinton says, ``Forget my record."

Audience members. Four more years! Four more years! Four more years!

The President. Governor Clinton says -- you know, here's what gets me -- he says, ``I'm a different kind of Democrat." He says. But what's different about him? George McGovern, he worked for George. Jimmy Carter, he voted for him, brought us the highest ``misery index" in modern time. Michael Dukakis, he nominated him. And he didn't forget Walter Mondale, he borrowed his tax increase from him. Different? What's so different about that?

I'll tell you one real worry I've got. Just think about him teaming up with those spending Democrats on Capitol Hill. I've had to pass 33 vetoes to protect the taxpayer against those maniacs. So imagine what it would be if they controlled both ends of Pennsylvania Avenue. We'd have a rubber-check Congress. That's what they are. And we'd have a rubber-stamp President. And you watch out for your wallet if that ever happens.

So I say forget his plans to spend more and tax more. You deserve to keep your hard-earned dollars, and you can invest them better than any Government bureaucrat. And when it comes to the Presidency, we simply must not take a risk. This is serious business. The decisions you face in the Oval Office are not easy decisions. You can't be on one side of the issue one day and then on the other the other day. You can't keep everybody happy. You've got to be honest. You've got to call them as the umpire does, call them as you see them, take the heat when it comes with it. And you can't waffle around, whether it's on your record in the military or whether it's on your service as the Governor, or wherever it is. You've got to call them straight. And I am asking for your trust for another 4 years.

I honestly believe that that big Government philosophy is wrong for America at this time. And any way you cut it, I believe Governor Clinton, with this philosophy of tax and spend, is the wrong man to be President of the United States. I hope I have earned your trust for 4 more years in this high office. You know, I'll take my share -- --

Audience members. Four more years! Four more years! Four more years!

The President. When you make a mistake in life, you ought to admit it. You ought to stand up

and admit it. And I've taken my share of the heat, and I'm perfectly prepared to do that. But I want to point out that it isn't just the United States that had difficulties. The entire world has been in a bit of a global recession. And there isn't one country in Europe that wouldn't trade their economy for the economy of the United States of America, our problems notwithstanding.

And the nations that have gone downhill are the ones that have endorsed the Clinton plan of more taxes, more socialist ideas, more Government. We don't need that. The nations of Europe now that are recovering are on the road for democracy and freedom, and that's what we want to keep here, and that's what we want to help extend around the world. So we must not adopt for the great United States the failed strategies that are being rejected in Europe. We're not going to take a risk by socking it to the middle class right here in this country.

You know, I think our world is filled with great opportunity, unlike any that we have known before, if we in America can rise to the challenge. We have stood fast for freedom. And now the world is embracing our ideas. And in this election, I stand for freedom, freedom from big Government, freedom from the arrogance of the bureaucrat, and freedom from the long arm of the tax man. That's the kind of freedom we need more of in the United States of America.

At the end of this trip -- I came here to ask for your support. We've got a lot of reasons. I happen to think we've got the best First Lady in the entire world. And I think when she reaches out her hands to the kids in teaching them to read, she's setting an example for family. And when she holds an AIDS baby in her arms, she's showing the kind of compassion that all Americans feel. And I want to find ways through choice in schools and choice in education to strengthen the American family. The heartbeat of America is our family, and we ought to strengthen it, not tear it down by lousy welfare programs and things that don't work.

We have a great country, and we can make it even greater. So thank you for this fantastic turnout today. It is good for the soul. It makes me more convinced than ever that I will have 4 more years to finish the job.

Audience members. Four more years! Four more years! Four more years!

The President. Let this chicken back here tell you what's wrong about America. I'll tell you what's great about it. We are the freest, fairest country on the face of the Earth. Now let's make it even better.

Thank you, and may God bless each and every one of you.

Note: The President spoke at 3:30 p.m. on the observation deck of the Spirit of America train. In his remarks, he referred to Greg Crane, Mayor of Grand Blanc, and an audience member dressed in a chicken costume.

Statement on Signing the Civil Liberties Act Amendments of 1992

September 27, 1992

Today I am pleased to sign into law H.R. 4551, the ``Civil Liberties Act Amendments of 1992." This legislation fulfills the commitment that this country made in 1988 to individuals of Japanese ancestry who were interned or relocated during World War II, and to their families.

In the Civil Liberties Act of 1988, the United States apologized for the wrongful internment and relocation of innocent, loyal individuals and promised monetary compensation to each such person (or his or her heirs). The funds provided by this bill will ensure that all of these individuals are compensated as promised. These payments are compelled by justice, and I am pound to sign this bill into law.

H.R. 4551 also makes important technical amendments to the 1988 Act, which will help to ensure fair treatment of claimants and smooth administration of this program.

No monetary payments can ever fully compensate loyal Japanese Americans for one of the darkest incidents in American constitutional history. We must do everything possible to ensure that such a grave wrong is never repeated.

George Bush

The White House,

September 27, 1992.

Note: H.R. 4551, approved September 27, was assigned Public Law No. 102 - 371.

Remarks to the Community in St. Louis, Missouri

September 28, 1992

Thank you very much for that kind introduction, Chief Harmon. Let me say that I've heard a good deal about the work of this chief and of this police force. And I salute every man and woman who's out there in the St. Louis police force laying their lives on the line for us every single day of their life. We ought to be grateful to those who wear the uniform, and I'm certainly grateful to this group.

And may I salute our great Governor, John Ashcroft, and fantastic Senator, Senator Jack Danforth. It's delightful to be in Fox Park, St. Louis, a friendly city. Actually, my mother grew up here. My brother lives here, cousin lives here. And I love that heartbeat of St. Louis. So thank you for this welcome.

A word to those in this parish. I want to apologize to everyone who was counting on the usual Sunday bingo game last night. I hear that the Secret Service spoiled your fun when they had to check out the building. I'm sorry you missed the game. It was smart, though, to stay away. Believe me, you don't want to be jumping up suddenly and yelling ``Bingo!'' around these Secret Service guys.

This has all the earmarks of a political gathering, but I really want to talk to you today about what I consider a foremost, a first and most basic function of Government: to protect every American citizen from violence, at home and on the streets. Now, there's nothing new about that. Security is one big reason Government was created in the very first place. But what is new are the terrible forms that violence has taken recently, beyond anything our Founding Fathers could have imagined.

A whole generation has grown up with the threat of nuclear terror hanging like a sword over its head. And it's been horrible. Our kids had nightmares. It seemed like it would never end. Well, it did end. And today I can stand up here and say something that no other President could ever say before: the cold war is over. Freedom finished first.

Now, we must win the peace right here at home, in the streets of Fox Park. In too many places, our grandparents and grandchildren lock themselves behind the bars on their windows, afraid to come out from a jail called home. This simply must end.

We've made progress against violent crime. We've slowed it dramatically the past 12 years. And we're beginning to turn the tide on the drugs that so often fuel it. But we got soft on crime way back in the sixties, and we paid for it. Then by the time we cracked down again in the eighties, violent crime had gone up 400 percent in 20 years. Since we cracked down, it's gone up just 27 percent in a little over 10 years, and the overall crime index is actually down.

So we've stemmed the tide, in a sense, prevented millions of crimes. But of course, that is simply not enough. It's never enough. The face of crime is changing fast, and we need our laws to react just as quickly, so that we can beat it.

Let me give you a timely example. Carjacking: a brandnew word for a brandnew crime. Someone figured out it's easy to steal a car when it's already running, with the keys in the ignition. Of course, the owner's behind the wheel. So the criminal uses a gun. I want to tell you a story that literally sickens me, as I'm sure it will you, but describes what we're up against.

Just a few weeks ago, in a nice neighborhood near Baltimore, a woman was sitting in her car at a stop sign. In broad daylight, two men forced her out of her car and drove off. But she was tangled in the seatbelt, trying desperately to save her baby. The mother was dragged for almost 2 miles. The thieves tried to knock her off by banging into a fence, and tragically, she died. And you know what they did with her little baby? They tossed her out of the car like a piece of trash. Miraculously, that baby survived.

And you know what? America is going to survive, too. We cannot put up with this kind of animal behavior. These people have no place in a decent society. And as far as this President's concerned, they can go to jail, and they can stay in jail, and they can rot in jail for crimes like that. For that to happen, we need tough laws that don't bend over backwards protecting the criminal while saying to the victim, ``Tough luck, buddy."

Let's look for a minute at the Arkansas record and see where Governor Clinton stands. The average inmate in Arkansas served less than one-fifth of his sentence last year. Most Federal inmates serve at least 85 percent of their full sentence. Violent crimes in that State, in Arkansas, went up almost 60 percent in the eighties, over twice the national average. Arkansas had the Nation's biggest increase in overall crime and the third-biggest in violent crime.

This kind of record is not right for Arkansas, and it is not right for America. If you don't believe me, just ask the Fraternal Order of Police in Little Rock, Arkansas. They know Governor Clinton's record best, and they're endorsing me for President of the United States. The police know better than anyone that we're all vulnerable: men, women, children; white, black, brown; young, old; rich and poor. To a bullet or a blade we all look just the same.

Americans deserve a Government that goes after the problem, that prevents and punishes crime and helps the victims, lifts up the victims of crime. That's why I want to see America make a move at the Federal level to step forward and support State and local police around the country in real, concrete ways. We need to help them fight.

That's why 1,201 days ago, on June 5, 1989 [June 15, 1989]\1\ (FOOTNOTE) -- the same day Mikhail Gorbachev first hinted that the Berlin Wall might someday fall -- I sent a

comprehensive crime bill to Capitol Hill. I offered the hand of partnership to Congress and asked it to help me fight crime on a national level.

(FOOTNOTE) \1\White House correction

Listen to this: Since I first sent that bill to the Hill in 1989, here in the United States, we've had almost 60,000 murders, 260,000 rapes, 1,600,000 robberies, and 2,600,000 assaults. By the way, 506 of those violent crimes took place right here in Fox Park. Think about that. Across America that's enough assault victims to fill the city of St. Louis more than six times over, victims brutalized while that bill languished on Capitol Hill.

Now, I know the numbers are staggering. I know that Americans sit down in front of their TV's at night, watch the news, and say: Why doesn't somebody do something about this incredible mess? People are dying in the streets, for heaven's sake. Well, 1,201 days later, Congress still has not acted on my crime bill. I think if they had a glacier on Capitol Hill, they'd name it Speedy. You ought to try and get something done there.

But frustrating as this crime bill has been, it's still my job as President to get results. There are good people on both sides of the issue, working in good faith for a compromise. And I will not rest until this matter is settled.

This very week, we are now finally close to an agreement on a bill the Congress could send me, and I'll sign. The compromise bill could include, for example, a workable death penalty for horrible murders, committed by terrorists, assassins, and drug lords. It should target the shocking violence we see on television: the drive-by shootings and gang turf wars. This deadly behavior deserves deadly punishment. It should include provisions recommended by former Supreme Court Justice Powell to short-circuit an endless process of appeals that make a mockery of justice. There are other items prompting strong feelings on all sides, but we're making a good faith effort to reach a compromise.

So I want you to know what's on my crime agenda. I'm not asking for anything but common sense and reasonable justice, especially for women, children, and the elderly victims of crime. I think I can get some of these items this year. Then, I'll come back to get more of them next year.

Let me click off about eight key points here. First, apprehend and severely punish these carjackers, like the ones I just described. I want to make carjacking a Federal offense with harsh penalties. And I want thugs who take cars at gunpoint to stay in a cell so long that when they get out they're too old to drive.

Second, I keep talking about strengthening the family, well, here's one for you: Call the deadbeat dads onto the carpet. Right now, a single mother here in Missouri can be struggling to keep the kids fed and clothed on her small salary, while their father's up in Chicago somewhere, picking

out a new Chevy truck with terrycloth pom-poms and a gunrack. Now, he could be way behind in child support, but no one can touch him because he's across the State lines. Well, I think that's a disgrace, and it's about time the long arm of the law reaches out over that State line, taps that deadbeat dad on the shoulder, and says loud and clear: time to pay up; cough up the cash or go to jail.

The third, strengthen the laws dealing with sexual and domestic violence. For starters, we need to protect the victim. It is bad enough a rape victim is attacked in the first place. Then she takes the stand, and then she gets worked over and attacked by the rapist's lawyers. I say that makes two too many attacks.

And I want repeat sex and domestic violence offenders behind bars until trial. Today, even a repeat offender can get arrested, be out on bond hours later, stalking his next victim or beating his wife and kids for turning him in. I want him detained until trial, and I want the prosecution to be able to use past convictions against him. Any of you law enforcement officers knows this, but right now, certain details can't even be mentioned in court, so-called little details like the fact that everyone and their dog within a country mile knows the guy acts this way regularly. And that's wrong. Let him pay for what he's done.

Fourth, crack down on gang violence. I want gangs to be treated like the criminal enterprises they are. That way, we can go after the leaders, and we can deal harshly with them, and we can untie the hands of good cops so they can clean up decent neighborhoods. I also want to toughen the penalties for using juveniles in crimes. Some of the gangs right now can send underage kids out to do their dirty work because they're minors and they'll get off if they're caught. I think the older gang members should be punished harshly for treating these little kids like bullet fodder.

Fifth, protection for the elderly. It is absurd that the folks who have contributed to this society all through their lives have to live in terror when they're old and frail just because some young punks see them as an easy target. They're as low as the thugs who pick on children. I want to beef up the laws that put these thugs behind bars.

Sixth, the habeas corpus reform. Habeas corpus is supposed to protect the innocent, but it's turned into a ridiculous perversion of the law. Can you believe that a lot of these petitions drag on for more than a decade? Criminal lawyers use it to postpone justice. A guilty verdict can mean seemingly endless appeals that choke our courts and delay justice. It's about time we put a stop to this travesty. Let them have one habeas corpus petition and be done with it. And that's what I'm trying to do in that crime bill right now.

The seventh, a Federal death penalty. I think certain acts of violence deserve the ultimate penalty. I'm talking about assassinations, murder for hire, terrorism, and other depraved acts. Add to that the new urban violence we see with gangs, drive-by shootings, random violence, gang massacres. These people are merchants of death, who trade in death. The death penalty is

warranted in these cases. And I wish Congress would move and do something about it.

And eighth -- and this one's short -- firearms. I want much tougher penalties for criminal use of firearms, period. Tighten up the law, and take the risk away from these law enforcement officers.

Now, I'm not saying that tougher laws are going to fix absolutely everything. I'm a firm believer in justice, but I think punishment is only part of the solution. The other part has a more human face. Tomorrow's criminals are still just kids today. And while I believe in resources for law enforcement and in reform for law enforcement, I also believe that at some point early in life, a youngster at a critical juncture can be steered to a life of right or a life of terrible wrong. It all depends on the kind of soil you plant these kids in and how you nourish them. I just had a wonderful briefing upstairs by the chief and some of our community leaders, including the pastor of this church, and what impressed me is what the community is doing to help these kids before they get caught up in this wave of criminality.

All of this is why I believe that our ``Weed and Seed'' program, the Federal program, is so very crucial. ``Weed and Seed,'' that means going into a rough neighborhood, eradicating the ``weeds'' of violent crime that can choke a young life and then replacing them with ``seeds'' of social opportunity and reform. That's what Operation Crackdown in St. Louis is all about: the Federal Government, working with local law enforcement, reclaiming crack houses and giving them back to the community. And that's what your -- the chief talked about your COPS program, here in Fox Park, is all about, too, on a local level. Real people making real changes in your own neighborhood.

You know, just the other day, only a few blocks from here, police officers raided a crack house on Ohio Avenue. And as those officers came out of the house with those drug dealers handcuffed, the neighbors -- maybe some of you all were there -- came out to their porches and gave those police a standing ovation and a cheer. That's what this country is hungry for. Americans want to take crime out of their neighborhoods and put the neighbors back. And we've got to weed the poison growth from the soil, and in its place, plant the seeds of hope.

I know there's a craving. I know you just want to be able to walk down to Worth's Market or down to Fox Park here for a stroll or over to Bartlett's Grocery Store for a newspaper or Mary's Restaurant for a cup of coffee, even if she is a Democrat -- [laughter] -- and you want to do it knowing you're safe in your own neighborhood that you've helped build and kept alive.

I think John Mirgaux said it best. He lives in this neighborhood and knows about that old crack house over on Ohio. He said he and his wife, Eleanor, had been thinking about selling their house and just moving out, moving away from the drugs and all the ugly crime. But you know, he's lived in Fox Hill his whole life. It's his neighborhood. And after the raid, he and Eleanor did some thinking. And he put it this way. He said, ``You know, I've been waiting for this to happen. Now we're going to make a stand.''

Please join us. Join John and Eleanor and Ohio Avenue and Fox Park and St. Louis and Missouri and this whole United States and make a stand against crime today, because the people deserve it.

Thank you all so very much for listening. May God bless Fox Park, Missouri. And God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 10:21 a.m. in the parish hall at St. Francis de Sales Roman Catholic Church.

Remarks at the East Dallas Renaissance Neighborhood Project in Dallas, Texas

September 28, 1992

The President. Thank you so much. I love what Michael Fells said about his house. That's the way we all ought to feel about our homes. And I was very proud of that.

Thanks to all of you for this great Dallas welcome. May I salute your wonderful Mayor, an old friend of mine and Barbara's, Steve Bartlett, doing an outstanding job for this wonderful area, this wonderful city. Also I want to salute Judge Lee Jackson and your Congressman, a Congressman, not this district but right next door, Sam Johnson, doing a fine job for Dallas. May I salute our sheriff, Sheriff Bowles, and our new police chief from Dallas, been here a while, doing a great job with the law enforcement community, Chief Bill Rathburn over here.

While I'm in the neighborhood, I want to recognize Meadows Foundation for their work restoring homes, restoring hope in this community. I saw a little bit of that when Steven here and Dirk and Cheryl, Cheryl Harley, showed me around this house that they are fixing to restore. So I'm just delighted to be here. Also pleased to welcome a cross-town guest from west Dallas, Mr. Artrous Hill, who for 41 years ran the barber-shop on Puget Street. When the drug epidemic came to west Dallas, Mr. Hill's landlords were the local crack dealers until U.S. marshals and the Dallas police put them out of business.

Audience member. Chicken George, why don't you debate?

The President. [Laughter] Listen to this guy. There are going to be debates.

May I say a word about the chicken question? May I say a word about -- you're talking about the draft record chicken or are you talking about the chicken in the Arkansas River? Which one are you talking about? Which one? Get out of here. Maybe it's the draft. Is that what's bothering you?

All right now. As I was saying before being so rudely interrupted, I was telling about Mr. Hill who owns his own barber shop. His west Dallas neighborhood is on the way back, on the way back just the way all of you here in east Dallas are on the move forward.

You know, I came here to talk about the progress we're making in our quest to make America more safe and secure. But first let me just say a word about the dominant issue in this campaign, and that's the economy.

The American voter this year is confronted with two choices, two candidates with two very

different economic strategies. If Governor Clinton is elected, by next year we will have hundreds of billions of new Government spending, higher taxes on the middle class, and no restraints on Federal spending, and even more pressure on the Federal deficit.

So Governor Clinton claims he knows a way to reduce the budget deficit by increasing taxes on the middle class and giving Congress more of your money to spend. I believe the way to reduce the deficit is by making tough choices and cutting Government spending.

That's why we put forward a plan, a serious program to control the growth of spending with almost $300 billion in savings over 5 years. I've gone on the record, targeted 246 programs, 4,000 wasteful projects that I want to eliminate altogether. I want to use these savings to reduce the deficit, to reduce the tax burden on the working men and women, and still do what's right by our neighborhoods.

You know, this is a tough time for the world economy. But the brighter days are right here around the corner, and America can and will lead the way forward if we make the right choices this November.

Whether it's the building of a strong economy or strengthening our families or keeping our streets safe, I put my trust in the people. That's why I am delighted to be here today to salute all of you for helping take this community back, helping make east Dallas a safe place to live, to raise kids, to stake a claim on the American dream.

The neighbors we've seen and the neighbors I've heard from -- I don't care about the politics -- they are doing what is right. They are here to help build a neighborhood and protect their homes. Now, this community is one community that is breaking out of the cycle of violence in America.

You know, in the past year, overall crime in the city of Dallas is down 13.7 percent. Violent crime, murder, rape, robbery, assault, has dropped 14.1 percent. That is good news. It represents thousands of hours of hard work for the Dallas police, for the sheriff's department, for the crime watch groups like Mill Creek and others all across Dallas. You deserve to be congratulated -- right there.

But it does not make the crimes that take place every day any less real. The building behind us here brought the reality of crime close to home, literally, right next door. You know the Mohawk as a crime haven, a crime den, a crack den, not as home but as a house of horror. Some weekend nights, I'm told, as many as a hundred cars line Swiss Avenue, bringing customers in search of heroin and crack and marijuana. Addicts used to roam this neighborhood, offering to do odd jobs for $10, the price of a crack high.

One day a crackhead fired a gun at Michael Fells as he was sitting on his front porch. And in 2 months' time last spring police made more than 200 arrests at that one address alone. But all that

has changed. The morning of June 5, the day U.S. marshals and Dallas police swept in and seized this building, that day many of you came out to cheer, to celebrate the day that the law came back to this street. Today the Mohawk doesn't just have a history, it has a future.

But, you know, the change taking place here is just the beginning. Each one of you is going to have to do your part in taking back the streets and then keeping this community crime free. I'm here today to tell you as President, we can help. The key is a new approach, one that combines a no-nonsense approach to crime with social programs that promise real help. Too often in the past we've pursued our social programs and our law enforcement efforts on totally separate tracks. As a result, many of our urban revitalization efforts are cut short by crime.

You know, what I'm talking about is this: We build public housing only to see these buildings taken over as crack houses. We build model schools only to see them become war zones where fear follows teachers and students right into the classroom. Then we build playgrounds for children only to see them become battlegrounds for drug pushers. When a neighborhood is overridden by crime, businesses are driven away, taking jobs and opportunities with them.

We're tackling each one of these issues, each one of these problems, with a new approach that we call ``Weed and Seed.'' ``Weed and Seed'' is not so much a new spending program as a whole new method of operating. Let me tell you how it works. As the first step, Federal, State, and local enforcement officers concentrate their efforts on neighborhoods like this one. Working with you, the community, they ``weed'' out the gangs, the criminals and the crackheads and the drug dealers. As the streets are reclaimed from the criminals, community policing is put in place to help hold every inch of the ground that we've taken. Police commanders attend community meetings; officers patrol neighborhoods on foot; and residents feel safe knowing who is on the beat in their area.

Finally, the broad array of Federal, State, and local government and private sector community revitalization programs are brought to bear on the community, to ``seed'' in long-term stability, growth, and opportunity. Drug prevention programs, Head Start, job training, health care programs, community development grants, all are applied together in one place and at one time in a true working partnership with the community.

``Weed and Seed'' is already up and running in Fort Worth and in 19 other cities across the country. This year I asked the Congress for $500 million to fund ``Weed and Seed'' programs in 50 or more communities. I know east Dallas would like to be one of them. Congress has appropriated the money, but they have not authorized it. I wouldn't bother you with these fine congressional distinctions, but I have to because unless Congress acts, Dallas or any American city for that matter won't get one single dollar of what it needs.

You need help, and you need it now. If you work the late shift at some convenience store, you shouldn't have to worry about whether you're going to be safe walking home. If you're sitting on

your porch, you shouldn't have to be on the lookout for a car full of hoods with a gun. If you need to run out for milk and bread late at night, you shouldn't have to worry about who you'll run into at the corner of Swiss and Moreland. This is your home and your community and the place your children play. You deserve to be safe here.

It pains me to say that every day we're being forced to learn a new vocabulary for crime. Back in Washington we've had a wave of what they now call carjackings, where a criminal steals a car, not when it's parked but when you're sitting in a parking lot or waiting at a red light. Just this month, carjackers stole the car of a woman taking her small daughter to her first day of preschool. They dragged the woman to her death and tossed her little baby out of the window. Something is wrong in our cities, something is wrong in our society when crimes like that are commonplace. We will not and cannot stand by and see innocent people terrorized, innocent people paralyzed by fear. We've got to be tougher on the criminals. Carjackers or crack dealers, whatever the crime may be, we've got to draw the line. I ask you to get Congress to give me the support we need to draw the line against them.

But this we know: Tough talk won't do it. My opponent in this Presidential race talks a tough game, but I would like you just for a minute to take a look at the Arkansas record and see where Governor Clinton stands. The average inmate in Arkansas served less than one-fifth of his sentence last year. Most Federal inmates serve 85 percent of their sentence. Violent crimes in Arkansas went up almost 60 percent in the eighties, over twice the national average. Arkansas had the Nation's biggest increase in overall crime and the third biggest in violent crime. This kind of record is not right for Arkansas, and it is not right for America.

Just ask the Fraternal Order of Police in Little Rock, Arkansas. They know Governor Clinton's record best, and they're endorsing me for President. I'm very proud of that endorsement.

As President, I pushed Congress to put tough talk aside and take action. I sent my comprehensive crime package to Congress more than 3 years ago, June 15th, 1989, to be exact. What's happened since then? The fall of the Berlin Wall, the end of Soviet communism, the invasion and the liberation of Kuwait, and Congress has sat on my crime package for 1,201 days, 1,201 days. In those 1,201 days here in Dallas alone, 1,441 people have been murdered. In those 1,201 days, 3,997 have been raped. All told, in those 1,201 days, 79,903 have been victims of violent crime.

Each one of those days, another innocent person becomes a statistic. We do not have another day to waste. We need this comprehensive crime package. We need more prisons, more police, more swift and certain punishment. We need a Federal death penalty for cop killers and drug kingpins. Tough new provisions against sex crimes and domestic violence, we need that also. We need to make carjacking a Federal offense, apply Federal racketeering laws to help us go after gangs. We need to strike a blow for responsibility by using Federal law to enforce child support payments from all those deadbeat fathers.

We must get reforms. I believe in backing up our police officers, and we need reforms to put a stop to the endless appeals that make a mockery of justice for the victims of crime. We need reforms that slam shut the revolving door of justice that far too often lets these criminals go free.

What you're doing here puts you on the side of the angels. But you cannot do it alone. You can't do it if the system mocks the victims and if criminals own the streets and law-abiding citizens are prisoners in their own homes.

Let's get our cities and our citizens and our cops the help that they need, the help they must have to drive crime and drugs off our streets and out of our lives, here in east Dallas and all across the United States of America. Let's make some changes in Congress and clean House. Absolutely!

Thank you for this wonderful, warm welcome of east Dallas. It's a privilege to spend this time in your community. May God bless the United States of America. Thank you very much.

Note: The President spoke at 2:45 p.m. at Swiss Avenue. In his remarks, he referred to Michael Fells, resident and member of the Mill Creek Homeowners Association; Lee Jackson, Dallas County judge; and Steven Hugh, Dirk Newton, and Cheryl Harley, co-owners, 4514 Swiss Avenue apartment complex renovation project.

Message to the House of Representatives Returning Without Approval the United States-China Act of 1992

September 28, 1992

To the House of Representatives:

I am returning herewith without my approval H.R. 5318, the ``United States-China Act of 1992,'' which places additional conditions on renewal of China's most-favored-nation (MFN) trade status.

I share completely the goals of this legislation: to see greater Chinese adherence to international standards of human rights, free and fair trade practices, and international nonproliferation norms. However, adding broad conditions to China's MFN renewal would not lead to faster progress in advancing our goals. To those who advocate this approach, let me set the record straight.

Our policy of comprehensive engagement lets the Chinese know in no uncertain terms that ``business as usual'' is not possible until they take steps to resolve our differences. Through multiple, focussed measures, we are eliciting the results we seek.

This year China joined global efforts to control the spread of nuclear weapons and ballistic missiles by declaring adherence to the Missile Technology Control Regime's (MTCR) guidelines and parameters and signing the Nuclear Proliferation Treaty (NPT). Chinese behavior remains MTCR-consistent, and we have begun a dialogue with the Chinese on their responsibilities under the NPT. We continue to monitor vigilantly China's weapons export practices. We have used the sanction authorities available successfully and remain prepared to do so again if necessary.

We have made progress on the resolution of outstanding trade issues with our agreements to protect Intellectual Property Rights and to ban prison labor exports. I will not allow, however, market access to remain a one-sided benefit in China's favor while our bilateral trade deficit grows. If China fails to reduce trade barriers, we are prepared to take trade action under the statutory guidelines of section 301 of the Trade Act of 1974.

The limited steps China has taken on human rights are inadequate. But our human rights dialogue gives us an avenue to express our views directly to China's leaders. Significant improvement in China's human rights situation, including freedom for all those imprisoned solely for the peaceful expression of their beliefs, remains our objective. It is easy to be discouraged by the pace of progress in this area. But it would be a serious mistake to let our frustration lead us to gamble with policies that would undermine our goals.

Withdrawing MFN or conditioning it, such that it will be withdrawn at a later date, will not promote these goals. H.R. 5318 imposes unworkable constraints on our bilateral trade. Among the casualties of this bill would be the dynamic, market-oriented regions of southern China and Hong Kong, as well as those Chinese who support reform and rely on outside contact for support.

The impact of this bill would extend beyond the state enterprise system, harming independent industrial and agricultural entities that have sprung up in China since the advent of economic reform and its opening to the outside. These family-owned and operated entities are interlinked in the manufacturing process with large, state-controlled factories and marketing agencies. They would not be shielded from the effects of this bill.

Americans too would be affected. This year our exports to China will climb to about $8 billion. China's retaliation for the loss of MFN would cost us this growing market and thousands of American jobs. We would cede our market share to our foreign competitors who impose no restrictions on their trade with China, at a time when China is taking market-opening measures that our trade negotiators fought to obtain.

Our policy seeks to address issues of vital concern to us and looks to the future of our relations with a country that is home to almost one-quarter of the human race. MFN is a means to bring our influence to bear on China. Comprehensive engagement is the process we use to transform this influence into positive change. The relationship between these two key elements of our China policy is a powerful one, and the absence of one element diminishes the potency of the other. We continue to advance broad U.S. objectives without imposing economic hardship on Americans because both elements of our policy are in place.

Engagement through our democratic, economic, and educational institutions instead of confrontation offers the best hope for reform in China. MFN is the foundation we need to engage the Chinese. H.R. 5318 places conditions on MFN renewal for China that will jeopardize this policy and includes a requirement that infringes upon the President's exclusive authority to undertake diplomatic negotiations on behalf of the United States.

In order to protect the economic and foreign policy interests of the United States, I am returning H.R. 5318 to the House of Representatives without my approval.

George Bush

The White House,

September 28, 1992.

Statement by Press Secretary Fitzwater on the Circuit Court Decision on the Marbled Murrelet

September 28, 1992

The administration is disappointed that the Ninth Circuit Court of Appeals has refused to stay an order by the Seattle Federal District Court requiring the Fish and Wildlife Service to immediately decide whether to list the marbled murrelet as a threatened species under the Endangered Species Act. The district court also issued a temporary restraining order preventing timber sales in selected areas of the Pacific Northwest's national forests. The court order will require a listing decision for the marbled murrelet to be made prematurely, before additional biological information necessary to make an appropriate decision is obtained.

These rulings will result in additional hardships for timber families and communities in the Pacific Northwest already suffering high rates of unemployment as a result of court injunctions to protect the spotted owl. The premature listing of the marbled murrelet is further evidence that several statutes relating to forest management and species protection are in need of reform by Congress.

This recent development provides another clear message to Congress that it must enact appropriate timber management legislation, such as proposed by the administration, to address the timber supply crisis in the Pacific Northwest as quickly as possible. The administration will continue to work for a balanced solution to this problem, one which will provide sufficient timber to keep Northwest mills operating and workers employed while providing protection for endangered species.

Remarks on Arrival in Blountville, Tennessee

September 29, 1992

The President. You know, Naomi says this is the first time that she's introduced a President. But look at it this way, this is the first time I've ever been introduced by such a wonderful person, Naomi Judd. And I'm just pleased to have her with us on Air Force One.

You know, lest you didn't know it, we have a great Secretary of Education, as Secretary, Lamar Alexander, a former Governor of this State. I'm very proud to be with him. And of course, my old friend Howard Baker is still beloved not only in Tennessee but all across this country as a great leader. And may I salute another old friend. If we had more like these three that I'm about to introduce, everybody would not be yelling at me, ``Clean House!'' because you've got three greats in Jimmy Quillen, in Don Sundquist, and Jimmy Duncan right here with us today. Send us more like these three, and let's get this country moving again.

Audience members. Clean the House! Clean the House! Clean the House!

The President. That's it, we've got to clean it.

And about these three characters over here, Barbara Bush and I are their friends, and we are very proud of that. They don't know how to throw horseshoes. We had them at Camp David, and they came in second, third, and fourth. [Laughter] But in life they're coming in first because of their talent and because of Larry's fighting back. And I'll tell you, we are very proud to have the Gatlin Brothers at our side. And of course, may I salute Sarah Sellers, our national committeewoman, and our great chairman in this State, Tom Hopper. They tell me we are going to win Tennessee, and they are absolutely right. I also want to salute the Volunteer High School Marching Band. Thank you all for being with us.

This campaign, like every campaign for the Presidency, is about a simple question: What kind of America do we want for the young people here today? I want an America that remains a military superpower, but is the greatest economic superpower on the face of the Earth. We're going to make it even better.

You know, I have spelled out a specific agenda for America's renewal, a specific comprehensive plan, an integrated agenda to create in America the world's first $10 trillion economy. I am proud of America's leadership role in ending the cold war, proud of the sons and daughters who wowed the world in the sands of Saudi Arabia. The Democrats want us to forget it, but we are not. I will continue to thank the sons and daughters of Tennessee who served with honor in Desert Storm. We're not going to let Bill Clinton forget that this was a proud moment in the history of the United States.

Audience members. Where was Bill? Where was Bill? Where was Bill?

The President. I don't know where he was. I'll tell you where he was on the war. You want me to answer the question? On Desert Storm he was on both sides. He was for the people that opposed it, but he was for those that supported me. That's a great thing, but you can't do that as President of the United States of America. You've got to make the tough call.

But now what we've got to do is work with these great Members of Congress, using our experience to lead the way to new markets for American products because that is how we're going to create more good jobs for people all across the United States of America. You see, small business will create two-thirds of the new jobs in the new economy. Governor Clinton, well, he promises small business higher taxes and more redtape. I promise small business relief from taxation, regulation, and litigation.

You know, we spend almost $200 billion a year on direct costs to lawyers. Japan doesn't pay that and neither do the European countries. My opponent doesn't think this is a problem. He's in cahoots with the trial lawyers, and they spend so much time in court that their favorite song is ``A Boy Named Sue." [Laughter] But here is my view. We've got to take the pressure off doctors who are scared to practice or Little League coaches who are afraid to coach. We've got to sue each other less in this country and care for each other more.

I am proud of my record. All the Governor of Arkansas does is go around tearing me down, tearing our country down, saying we're less than Germany and a little more than Sri Lanka. He ought to open his eyes. We are the most respected country on the face of the Earth.

But if you'll bear with me for just a minute, if he wants to talk about the past, fine. But let's take a look at what's going on in Arkansas. The people there are decent. They are hard-working. They are sound, grassroots people. But there's a lot they don't know about their Governor's record and a lot you don't know about it. The more you find out about it the more you know that Governor Clinton is wrong for President of the United States. He is wrong for America.

Look at the issue of crime. We simply have got to take back our streets from the crackheads and the criminals. Candidate Clinton, oh, he talks a tough game. But in Arkansas, the average criminal served just one-fifth of his sentence, and then he's let back out on the streets. Compare that to the Federal prisons for which I am responsible. The average inmate there serves 85 percent of his sentence. When it comes to crime, I am not much for letting these prisoners out of jail early. If you steal a car or you beat up some elderly woman, you ought to go to jail. And I say this: You should not be let out until you're eligible for a birthday salute from Willard Scott.

Hey, don't take it from me, though. Listen to those in Arkansas. Ask the police over there in Little Rock. The cops who know Bill Clinton best have endorsed me as the best candidate for President of the United States.

The same thing on every issue. I think of Howard Baker and the others standing here as leaders in fairplay on civil rights matters. Governor Clinton says he's for civil rights, but Arkansas doesn't even have a basic civil rights law.

He says he's for the clean environment, but the Institute of Southern Studies ranked Arkansas 50th in environmental politics. It's the only place where fish teach the young fish to jog instead of swim. That's how polluted the rivers are over there. I love fishing. I'm a bass fisherman. The fish in Arkansas light up at night because of what the chickens are doing to the river.

Governor Clinton says he's for high-tech. But under Clinton, Arkansas has been falling behind in high school. Three out of every four Arkansas graduates spend their first year in college relearning what they were supposed to learn in high school. That is not fair to those young people over across the way.

Let's take a look at the economy. All we hear from him is how bad things are. I know we've been through some tough economic times. But we are affected, of course, by the global economic situation. Our competitors in Europe would trade places with us in a minute. Yet Governor Clinton offers America that European social welfare state politics: more Government, more special interest spending, and more taxes on the middle class. That is wrong for America.

If you can take another horror story this early in the morning, let me tell you this: He has raised and extended the sales tax, including a tax on baby formula, vegetables, and other groceries. He raised the gas tax. He raised the mobile home tax. And for those of you ESPN watchers, he even taxed cable TV and slapped a tax on beer. How do you like that?

Audience members. Boo-o-o!

The President. Now he says he's seen the light. In this campaign he's proposing at least $150 billion, direct proposal, in new taxes, plus at least $220 billion in new spending. ``Don't worry," he says, ``I'll get it all from the rich, people making over $200,000 a year, the top 2 percent." But here's the problem, and here is the truth. To get the money that he needs for his plan, the $150 billion that he's already promised in new taxes, he would have to get his money not from those with over $200,000, but from every individual with taxable income over $36,600, and that is not good for America. These people aren't out there on the ``Lifestyles of the Rich and Famous." They work hard, and they deserve a break. That's just the start of his tax campaign against the middle class. He will need hundreds of billions of dollars more to pay for all these programs he's promised.

There's an old saying: When you hunt ducks you go where the ducks are. Well, he's hunting for ways to pay for all his promises, and he's going back to tax the middle class because that's where the bucks are.

Listen to the news. Don't take my word for it. You listen to the newspaper from his own backyard, the Pine Bluff Commercial. Here's what they say, ``If Congress followed the example that Bill Clinton set as Governor of Arkansas, it would pass a program that hit the middle class the hardest." I say the middle class has been hit hard enough already. The Pine Bluff paper is not bluffing.

Let me give you one example. Let me just -- this is an example. Say you're a third-grade teacher with about 22,000 bucks a year in taxable income. Governor Clinton could have you fork over another $430 a year to the tax man. I say that you ought to be able to use that money to pay for your kids' education, pay the mortgage on the house, not send it up to the IRS in Washington, DC.

And Governor Clinton will say, oh, I'm on the side of the middle class. But he says then, well, I'm going to have it both ways. Consider his principled stand on both sides of the Gulf War -- I mentioned that -- when he said, and here's an exact quote, an exact quote, ``I guess I would have voted with the majority if it was a close vote, but I agree with the arguments the minority made." Now, how would that be for a Commander in Chief when you've got to stand up against aggression halfway around the world?

Audience members. Boo-o-o!

The President. One day Governor Clinton says, ``Well, I'll never run for President." The next year he announces he's running for President. One day he says he's for the North American free trade agreement. Then he says, ``Well, I haven't made up my mind yet." One day he's for raising fuel efficiency standards on cars. And the next day he says, ``Well, I'm flexible on that one." One day he says the middle class deserves a tax break. And the next day he's plotting new ways to hit the middle class to pay for all his programs.

If he ever became President of the United States, and he won't, we'd have to replace the American eagle with a chameleon. That is not the way it works in the Oval Office. You cannot come down on both sides of every issue. You have to take your lumps, and you have to take a stand. I don't think that we can take a risk on Governor Bill Clinton to be President of the United States of America.

You know, I've made mistakes as President. Different than him, I've admitted when I'm wrong. But I believe I've been a good leader, willing to make the tough calls. I'm a leader whose ideas are right for America.

I stand before you today asking for your support so that we can go to work with a new Congress to fix the problems that stand in the way of this country; so that we can reform our health care system and reinvent, as Lamar is so eloquently stating, reinvent our American schools; so we can retrain our workers from one generation and create jobs for the next; so that we can cut

Government spending and cut taxes and get this economy moving again; and also, so that we can limit terms for the Members of the United States Congress and give Government back to the people. Now, this is our agenda.

If you want one who has a statistic for every problem, go ahead and cast your vote for the other guy. But if you're looking for a leader of experience, a leader of ideas, a leader who shares your values, a leader who understands that America's real strength is not in Government but in places like this marvelous town right here today in your great State of Tennessee, then I know I can count on your support on November 3d.

Governor Clinton says that we are a nation in decline, somewhere less than Germany and a little better than Sri Lanka. I say we are the greatest, freest country on the face of the Earth. Now let's make life better for everybody at home by using that same courage and leadership we have to change the world.

Thank you, and may God bless the people of Tennessee and the United States of America. Thank you all very, very much. What a wonderful rally.

Note: The President spoke at 10:17 a.m. at Tri-City Regional Airport. In his remarks, he referred to former Senator Howard Baker; entertainers Naomi Judd and the Gatlin Brothers; and Sarah Sellers, member, Tennessee State Republican executive committee.

Remarks on Arrival in Knoxville, Tennessee

September 29, 1992

The President. Thank you. What a great Tennessee welcome.

Audience members. Four more years! Four more years! Four more years!

The President. This is fantastic. Thank you, Knoxville. Thank you very, very much. Thank you, Knoxville, Tennessee. This is fantastic.

Let me thank Naomi Judd for being with us. I'm the guy who's honored. What a wonderful entertainer and a great personality and a wonderfully strong character we have standing here today in Naomi Judd. And may I salute your former, some of you all's former president of the great university here, our marvelous Secretary of Education, Lamar Alexander; and another Tennessean known nationally as a true leader, a true, honest, decent, strong leader in a Congress that was crying out for it and still is, I'm talking about Howard Baker.

You know, you hear a lot of calls -- everyplace I go, people have brooms and they're yelling, ``Clean House! Clean House! Change the Congress!'' If we had more Congressmen like Jimmy Duncan and more like Don Sundquist and Jimmy Quillen with us here today, we wouldn't have to clean House. But since we do, help us clean House and get this country moving again.

May I salute another old friend, longtime friend for Barbara and me, Victor Ashe, the Mayor of this city. And also I understand our county executive, Dwight Kessel, is here. And that brings me also to another special friend who's taking it out on the trail for me, Ricky Skaggs. I'm just delighted to be with him; and standing over here, another good one, another great one, T.G. Sheppard. Thank you very much for being with us.

Now, first let me start with a word about the polls and the talking heads. [Laughter] Every one of them said that Tennessee would lose to Georgia, and every one of them said that Tennessee would lose to Florida. So much for the polls, and so much for the talking heads. Enough of it. We're going to win this election.

This campaign, like every campaign, is about a simple question: What kind of America do you want for the young people that are here today? I'll tell you what kind of an America I want and am working for, an America that is not just a military superpower but the greatest economic superpower in the entire world. That means more jobs for the American people.

I have laid out a comprehensive Agenda for American Renewal, a specific, integrated agenda to create in America the world's first $10 trillion economy. We can get that happening by moving to change the Congress and moving forward with my program.

The Democrats don't like my even talking about it, but I am very proud of our record in ending and winning the cold war, proud of the way the sons and daughters of Tennessee performed in the sands of Saudi Arabia. It was a proud moment, not a moment to be forgotten.

The Clinton ticket feels that I ought not to talk about foreign policy. I want to use my experience to lead the way to new markets for America products because that is how we are going to create good American jobs, the same leadership that changed the world. Now let's make America better and renewed.

But look, we all know that if we're going to compete abroad and do what I am talking about with markets, we've got to make changes at home. It's small business that creates two-thirds of the new jobs in the new economy, and Governor Clinton promises small business higher taxes and more redtape.

Audience members. Boo-o-o!

The President. And I promise relief from regulation and taxation and, yes, relief from these crazy lawsuits that are killing us in this country.

If we've going to compete in this new world, in this new economy, we must reform our schools. I am very proud of our great Secretary of Education, Lamar Alexander. I am proud of our national America 2000 program; proud that we're raising standards; proud that we're freeing up the teachers, and God bless them all, freeing them up from regulation and redtape; and proud that we are designing totally new schools for a new century. And I thank our Secretary. I thank these communities in Tennessee that are working to rebuild American education.

Lamar and I want to go further. The parents of today's Volunteers had the power to choose the best college for their kids. I want that same choice for elementary and high school. My ``GI bill'' for kids will give parents and fundamental resources they need and the right to choose the best schools for their kids, whether they're public, private, or religious.

Now, these are some of my ideas and what we're fighting for and what this election is about. I'm proud of our record, and I'll stand by it in November. But if candidate Clinton wants to talk about the past, then I say I'm ready. Let's take a look at what's been going on in Arkansas. Sorry to ruin your day, but we've got to look at the record.

There's a lot you don't know about this man, and the more you find out, the more you know is that he's wrong for America. We cannot take a risk with this great country of ours. Take a look at the issue of education. As long as I'm standing here with some greats on education, let me put it this way: Governor Clinton was part of the national summit which set our education goals. I've given him credit for participating in that, and so has Lamar Alexander.

But in Arkansas, his rhetoric does not match his record. He talks about a high-tech economy that Arkansas is 48th in the percent of students who have high school diplomas. Three out of every four Arkansas high school graduates spend his first year in college relearning what they were supposed to learn in high school. I think America must do a lot better than that.

I think of Tennessee as a fairplay State when it comes to race. It's the same thing on every issue with him. Governor Clinton says he's for civil rights, but Arkansas doesn't even have a basic civil rights law. He says he's for a clean environment, but the Institute of Southern Studies ranks Arkansas 50th, 50th in environmental policies. It's the only place where mother fish teach baby fish to jog instead of to swim -- [laughter] -- it's so polluted in that river over there. Governor Clinton says he's been tough on crime. But in the eighties, Arkansas' crime increases far outstripped the Nation. The Little Rock police say it all, because they have endorsed me for President of the United States of America.

Now let's take a look at the economy. I know America has had some tough times. I know families are concerned, worried about the next job. Those out of work are worried about how they're going to get back to work. But understand, we are being affected by a global economic slowdown. It isn't just the United States. Look at Europe. Look at Canada. Look at other countries around the world. Our competitors in Europe would trade places with us in a minute. And yes, Governor Clinton offers America the European social welfare state policies -- --

Audience members. Boo-o-o!

The President. -- -- more Government, more special interest spending, more regulation, and more taxes on the middle class. We cannot let him do that to the taxpayers in this country.

This is not simply campaign rhetoric. As Governor, he raised and extended the sales tax, including a tax on baby formula, vegetables, and other groceries. He raised the gas tax. He taxed mobile homes. For those of you ESPN watchers, he even taxed cable TV. Then he put a tax on beer just for an add-on.

Audience members. Boo-o-o!

The President. I knew the college crowd wouldn't like that too much. [Laughter]

Governor Clinton now says, well, he's seen the light. In this campaign he's proposing at least, and look at the record, $150 billion in new taxes, plus at least a $220 billion in new Federal spending. ``But don't worry," he says, ``I'll get it all from the rich, from the top 2 percent."

But the problem is, here's the truth, to get the money that he needs for this plan, everybody that's analyzed it says this, the $150 billion that he's promised in new taxes, Governor Clinton would

have to get his money from every taxpayer and every individual with taxable income over $36,000. And these are not people that you see out there on the ``Lifestyles of the Rich and Famous." They deserve a break, not a tax increase.

The problem is, this is just for openers. He'll need hundreds of billions of dollars more to pay for every one of these programs that he's proposed. There's an old saying: When you go hunting for ducks, hunt where the ducks are. Well, he's hunting for ways to pay for all of his promises, and he's going to go right smack to the middle class because that's where the bucks are. So watch your wallets. Watch your pocketbooks. He's coming right after you. Don't let him say anything different.

On this one you don't have to take my word for it. Go right to his neighborhood. Go to Pine Bluff and listen to the Pine Bluff Commercial. Here's what it says: ``If Congress followed the example that Bill Clinton set as Governor of Arkansas, it would pass a program that hit the middle class the hardest." He's going to treat the middle class the way Johnny Majors' team treated Cincinnati last Saturday, exactly. The Volunteers pounced on the Bearcats, and he's going to pounce on your wallet. Look at the record. We cannot let this happen to America.

I'll give you a factual example. Let's say you're a nurse just starting out with about $22,000 a year in taxable income. Governor Clinton would have you fork over another 430 bucks a year to the tax man. I say that you ought to be able to use that to help your kids' education or pay the mortgage on the house and not send it to the IRS in Washington, DC.

But he says, ``Hey, forget about this. Forget my record. Forget the facts. Don't talk about Arkansas and my record there. I am a different kind of Democrat." But what is different about him? George McGovern, Bill Clinton ran Texas for him in 1972. He learned his liberalism from George McGovern, and in that campaign he was out there front for George McGovern. Then Jimmy Carter, Bill Clinton wore the same moderate costume; but at least Carter meant it, even though he brought us the highest ``misery index" in modern times. Then Michael Dukakis, Clinton nominated him in an endless nomination speech, I might say. [Laughter] Then he praised the Massachusetts Miracle right before it went south and the economy collapsed. America does not need this kind of different Democrat. There are some wonderful Democrats out there, but we don't need this kind, this McGovern, Carter, Dukakis Democrat.

Now, Governor Clinton wants you to trust the America's economy is going to improve if you turn full control of your paycheck over to the crew that already runs the United States Congress. He wants tax-and-spend Government plannings, those kind of planners to have total control over the executive branch, too.

They tried this 12 years ago, and we ended up with double-digit inflation. We had interest rates sometimes as high as 18 percent, and we had a ``misery index" over 21 percent, unemployment and inflation added together. It took years to wring inflation and high interest rates out of the

American economy. I want to strengthen our economy and protect your paycheck from the ravages of inflation. We cannot go the tax-and-spend route anymore. It all boils down to this. At this time in our history we simply cannot take the risk of Governor Clinton in the White House.

You know, I've been in the Oval Office, and I've faced some tough decisions. It's not easy. You cannot be on all sides of every question when you're a President of the United States. I stand before you today admitting mistakes, but saying I called them as I saw them. I hope I brought the character and integrity to this high office that you can respect and appreciate.

So I came here to ask for your support so that we can get to work with the new Members of Congress, Democrat and Republican alike, to fix the problems that stand in the way of this country; so that we can reform our health care system and we can literally reinvent our schools; and so that we can retrain the workers from one generation and create jobs for the next; so that we can cut Government spending and taxes and get this economy moving again; and that we can pass an amendment to limit the terms of Members of the United States Congress and give the Government back to the people.

Now, if you want a guy that has a statistic for every problem, your man is the Governor of Arkansas. He's got more statistics than there are problems: 38 percent of this, 28 percent of that. But he's got to face up to the fact that as President you can't have it all ways; you've got to make the tough calls.

If you're looking for a leader of experience, a leader of ideas, a leader who shares your values, and a leader who understands that America's real strength is not in Government but in places like Alcoa, a leader you can trust, then I know that I can count on your support. I need it to be President of the United States for 4 more years.

Let me say this: I am very proud of the sons and daughters of Tennessee that haveÿ20worn the uniform of the United States of America. You are a great and proud Volunteer State. Governor Clinton wants us to forget that we have changed the world. I am not going to let him forget that the young men and women that fought in Desert Storm helped us change the world and make it much more peaceful for every young person here today.

I ask for your trust. I ask for your trust, and I will not betray it. I ask for your vote, and I hope I have earned it.

He can talk about the United States being lower than Germany and someplace above Sri Lanka. I'll end this way: We are the most decent, fairest, strongest country on the face of the Earth. Let's not tear it down. Let's build it up. We are Americans.

May God bless you all, and thank you very, very much. Thank you so much.

Note: The President spoke at 12:11 p.m. at McGhee-Tyson Airport. In his remarks, he referred to entertainers Ricky Skaggs and T.G. Sheppard.

Remarks on Arrival in Chattanooga, Tennessee

September 29, 1992

The President. Thank you very much.

Audience members. Four more years! Four more years! Four more years!

The President. Four more. Four more. That's what we need. What a great Tennessee welcome. Thank you all. Thank you so much.

Audience members. We love you, George.

The President. Thank you. Thanks for that Chattanooga welcome. Let me thank two special guests with us today: of course, an old friend of mine and Barbara's, Ricky Skaggs, one of the great entertainers, great American; and also, I'm the one that's honored to be introduced by Naomi Judd, also a great American talent. I love country music, because country music loves America. Today we get to hear it all across Tennessee.

May I also welcome those others here standing with me: Senator Howard Baker, one of the great leaders of this country. All across the country we hear words of ``Clean House! Clean House!'' People are tired of the Democrats that have controlled Congress for 38 years. And if we had more like Don Sundquist here and Jimmy Duncan, we wouldn't be yelling that. But we need more. Where's Zach? Here's a way to help clean -- get Zach up there.

May I pay my special respects to the Forrester Sisters. The Forrester Sisters are here. I'm told that they have a popular song called ``I Choose You Again.'' Well, I take that personally.

Audience members. Four more years! Four more years! Four more years!

The President. I've got to get this going here. This campaign, like every campaign, is about a very simple question: What kind of America do we want for the young people here today? I'll tell you the kind of America that I want, an America that is not just a military superpower but the greatest economic superpower in the world and an export superpower.

I have laid out a detailed agenda for America's renewal, a specific, comprehensive, integrated agenda to create in America the world's very first $10 trillion economy. We can do it if you give us the support in Congress and reelect me for 4 years.

The other side acts like foreign affairs and national security means absolutely nothing, but I am very proud of our leadership in winning the cold war and proud of the way the sons and daughters of Tennessee stood fast and proud in the sands of Saudi Arabia, standing up against

aggression.

Now I want to use that leadership and that experience in international affairs to lead the new market for American products, because that is how we will create more good jobs for the greatest workers on the face of the Earth, the American worker. And if we're going to compete in the global economy, and I'm confident we will, we've got to reduce that budget deficit and remove the burden from the backs of these kids that are here with us today.

Governor Clinton has gone through the entire Federal budget -- --

Audience members. Boo-o-o!

The President. -- -- and he has spelled out exactly one Federal program he would cut out, and that is the $11 million Federal honeybee subsidy. Believe me, no one will be stung by that courageous decision on the part of the Governor of Arkansas.

I have put specific programs forward to eliminate 4,000 projects, 246 programs, and to control the growth of the spending that's out of control, the mandatory spending programs, saving almost $300 billion over the next 5 years. But I want to go further. I want that line-item veto to discipline the Congress. I want a balanced budget amendment to the Constitution to discipline that spendthrift Congress. I want to give you, the taxpayer, the right to make a check on your income tax return, earmarking up to 10 percent of your tax return to go to reduce the Federal deficit. If the Congress doesn't have the guts to take a whack at the budget deficit, let the taxpayers have the ax and give it a try.

You know, I'm proud -- this guy's fired up over here. I am proud of my record, and I'll stand by it in November. But if Governor Clinton, candidate Clinton, wants to talk about the past, let's look at what's been going on over in the great State of Arkansas, and they're wonderful people there. But let's look at the record. There's a lot you don't know about my opponent, and the more you find out, the more you know that he is wrong for America.

Look at health care reform. Take a look at health care reform. We need it desperately. But he says, no more pressing problem faces America. And yet after five terms in office, 40 percent of Arkansas residents don't have health insurance with their jobs, one of the highest rates in the entire Nation. We can do better than that.

It's the same on every issue. Tennessee's a fairplay State. Governor Clinton says he's for civil rights. But Arkansas doesn't even have a basic civil rights law. He says he's for clean environment, but the Institute for Southern Studies ranked Arkansas fifth in environmental policies.

And I'm told that there's a new aquarium in town, and maybe they'll have a live fish from the

polluted White River in Arkansas. No, really, that would be a rare species exhibit. [Laughter] I love to fish. Sometimes I fish at night. In the river over there, you can fish at night because the fish light up at night from the pollution in that river.

You talk about a polluted river, you talk about cheap chicken -- I've got to be careful -- chicken fecal coliform bacteria. That's what dumps into the river. It's the only place where the mother fish don't teach their fish to swim. They teach them to jog, it is so polluted in that Arkansas river. A lousy record. We don't need that for the United States.

You know, Bill Clinton says -- here's another issue, one of real concern, because when I see the police officers here, members from the sheriff's department, I think of our bill hung up in the Congress to back these law enforcement officers, to support them because they're supporting our families. But Bill Clinton says he's tough on crime? Listen to this: Arkansas prisoners get let out of jail after serving one-fifth of their sentence.

Audience members. Boo-o-o!

The President. And his hometown police force endorse me for President of the United States of America.

Audience members. Four more years! Four more years! Four more years!

The President. You guys are too much.

Audience members. Four more years! Four more years! Four more years!

The President. I will continue to battle in the Congress, with the help of these Congressmen, to get a crime bill that gives a little more sensitivity and support for the victims of crime and a little less for the criminals themselves.

I know that many families are worried, and I know we've had some really tough economic times. But understand, we are being affected not just by what's at home but by a global economic slowdown. Our competitors in Europe would trade places with us in a minute. Yet Governor Clinton offers America the European social welfare state policy: more Government, more regulation, more special interest spending, and spending more taxes, tax bills, putting more taxes on the middle class. We simply cannot let that happen to our great country.

He's been going after me for 11 months, but how about this one? Governor Clinton raised and extended the sales tax, including a tax on baby formula, vegetables, and other groceries. He raised the gas tax. He raised the tax on mobile homes. And for those of you ESPN watchers, he even taxed cable TV. And then for good measure, he put a tax on beer. Try that one on.

Audience members. Boo-o-o!

The President. But now, here's good tidings of great joy. Governor Clinton says he's seen the light. In this campaign he is proposing at least $150 billion in new taxes, plus at least -- that's not the worst of the news -- a $220 billion new spending bill. Don't worry, he's going to take it all out of the very rich, those that make -- the top 2 percent.

But here is the problem, and here is the truth. To get the money he needs for this plan of his, the $150 billion he's promised in new taxes, he would have to get his money from every individual with a tax income over $36,000. That is not the ``Lifestyles of the Rich and Famous." That is going after your pocketbook.

Audience members. Boo-o-o!

The President. We're going after him. Don't you worry about it. Just the start of his tax campaign -- wait a minute, you haven't heard the worst of it. I'm sorry, that's just the start of his tax campaign against the middle class. He will need hundreds of billions of dollars more to pay for all the spending programs he's promised. He's going after the nurses, the teachers, the hardware store owners. I say you can spend your money better yourself on your home or educating your kids.

Ask him about it, and he'll take both sides. He'll say, on the one hand, I'm for you, and on the other, I'm for you over here. And when you're President of the United States you've got to make the tough decisions. You can't waffle. You can't go around like a chameleon all the time. You've got to say what you're for and vote that way.

I'll give you an example. I think of the sons and daughters of Tennessee that served in Desert Storm as among the most patriotic people in the entire world. Consider Governor Clinton's principled stand on both sides of the Gulf war when he said, and here is an exact quotation -- remember now, this man wants to be Commander in Chief -- and here is the exact quotation, ``I guess I would have voted with the majority if it was a close vote, but I agree with the arguments the minority made." What kind of leadership position is that?

Audience members. Boo-o-o!

The President. He's like that on a lot of issues. He turns up in more places than Elvis Presley. You know, I saw a tape on this the other day, looking right into the camera saying, ``I will not run for President. I will finish my 4 years if you people of Arkansas elect me." The very next year he says, ``I'm running for President." One day he says he's for the North American free trade agreement, and then he says, ``Well, I've got to study it. I haven't made up my mind yet." One day he says the middle class deserves a tax break, and the next day he's plotting new ways to hit the middle class for all his programs. One day he's for an automobile fuel efficiency

standard, CAFE standard, of 45 miles per gallon. And that would throw a lot of Tennessee auto workers out of their jobs. The next day he says, ``Well, I'm studying it.'' When you're President of the United States, privileged to sit in that Oval Office, you've got to make a decision. You cannot sit there being all things to all people.

We do not expect the man to win, but don't expect him to level with the American people. If he ever got to be President, we'd have to take off the American eagle as our symbol and put on a chameleon. We don't need that for the head of the United States of America.

So it boils down to this -- I'm having fun because for 11 months I've wanted to go after this guy and his record, and now we're doing it. It is great.

It simply boils down to this: We cannot take a risk on Governor Clinton to become President Clinton. You know, I've been in that Oval Office, and I've faced some tough decisions, made some mistakes, hopefully called a lot of them right. But believe me, I've tried hard to be a good and principled leader, willing to make the tough calls. I am a leader whose ideas are right for the United States of America.

So I came here to this great part of Tennessee today, asking for your support so I can go to work with a new Congress to fix the problems that stand in our way. We've got to reform our health care system, reinvent our public schools.

And let me salute Lamar Alexander, our great Secretary of Education. What a job he has done. For Lamar and for me it's not enough to change things. We want to reinvent them and back up our teachers and the people, the local people that know what's best for Tennessee education.

We're going to reinvent the schools, and then we want to retain the workers from one generation and create jobs for the next. So that we can cut Government spending, cut these taxes to get this economy moving again, and pass term limits for Members of Congress and give the Government back to the people.

Let me tell you something. I am very proud that I served our country in the uniform of the United States of America. That helped me make a tough decision when Saddam Hussein moved out and tried to take over another country. Again, I salute every person in the United States that was willing to stand up and fight against aggression and for the United States of America and for freedom.

As the result of what happened, you have ancient enemies talking to each other in the Middle East. You have democracy on the move, and Russia -- who would have thought that possible. You have far less fear of nuclear war today than when I became President of the United States.

Now what we've got to do, and what I can do with your help, is to take that same principled

leadership and lift up and renew America. I ask for your support for 4 more years as President of the United States.

May God bless our great country. May God bless the United States of America. Thank you very much.

Note: The President spoke at 2:15 p.m. at Lovell Field. In his remarks, he referred to Zach Wamp, Republican candidate for House of Representatives in Tennessee's Third Congressional District.

Remarks at Austin Peay State University in Clarksville, Tennessee

September 29, 1992

The President. Thank you, Naomi. And may I welcome just a few people: first, our Secretary of Education, a great Tennessean, Lamar Alexander, what a job he's doing for education; and Senator Howard Baker, great American leader. Congressman Sundquist, your great Congressman, is here with us today, and Congressman Duncan. And may I salute the president, President Oscar Page, and thank him for this hospitality; and Coach Ray Gregory. Coach Gregory, congratulations on being named Tennessee football coach of the year, a great honor. May I also salute my introducer, Naomi, I'm very, very proud that she's been with us today; and thank Ricky, Ricky Skaggs, who you heard from, who's a wonderful entertainer and a good friend to Barbara and me. And my special appreciation to a great friend and a great entertainer, the legendary, one and only Crystal Gayle. Crystal, thank you so much. And Crystal's sister Peggy Sue is here. Four years ago we went on a bus trip across Illinois, and we won the State. So this is a good omen. We are going to win Tennessee.

Before I make a few campaign remarks I have a few things to say about a topic that's been on a lot of minds recently. And I hope you'll bear with me because I want to talk to you and to the rest of the Nation from this wonderful campus about Presidential debates.

Two weeks ago, I proposed to Governor Clinton that we debate. I proposed that we do so on the same terms and conditions that have been used in prior Presidential debates, and that the Vice Presidential candidates do so as well. Governor Clinton has failed to respond to this proposal. But, in fact, it is reported that he is afraid for his campaign to sit down with our campaign to negotiate arrangements for the debate.

I have debated in all of my prior campaigns for President. I continue to think that it's important that debates be held. You see, I believe strongly that it is not up to any self-appointed body to determine the basis on which debates will be held but rather up to the candidates themselves. This basic principle was expressly recognized by both national political parties when the resolution establishing the Commission on Debates was first adopted.

Because of the importance of this election, the strength of my convictions about what is right for this country, and my belief that a Clinton Presidency would be wrong for America, I think it is important that voters have an opportunity to see and hear from the candidates themselves in publicly televised debates. I also believe that the candidates should not be afraid to accept and respond to questions from the press during the course of Presidential debates.

Americans will go the polls 5 weeks from today. I regret that Governor Clinton has not accepted

the traditional approach to Presidential debates, the approach that's been in effect for many, many years. But nevertheless, in order to move this process forward, I hereby challenge my opponent to a debate on every Sunday evening between October 11th and November 1st.

This would mean that there would be four televised Presidential debates, more than ever held in any Presidential election. And if Ross Perot decides to enter the race, I'd be pleased to see him included in these debates.

Now, furthermore, to allow these arrangements to move forward quickly, I would be willing to see two of the debates proceed under the format which has been used in all these previous Presidential elections and two proceed under this single moderator format. In addition, I think that during the 5-week period, there should be at least two Vice Presidential debates with one based on each format.

I feel quite confident that Governor Clinton will accept this proposal, since his campaign chairman has indicated in the past that Governor Clinton would debate, and now I quote, ``with moderators, without moderators, in a studio, out of a studio, three questioners, one questioner." So I have no doubt that there will be organizations willing to sponsor these debates. If Governor Clinton is serious about debating, he will accept this challenge, and he will instruct his campaign officials to meet promptly with my campaign officials to work out the details directly between the parties. Let's get it on!

What are we going to be talking about in these debates? What are we going to be talking about in them? Well, this campaign, like every campaign, is about a simple question: What kind of America do we want for the graduates of this great school, for all the young people here today? My opponent will tell you that America is in decline. I would remind him of what anyone will tell you on the streets of Europe or Asia: America is still the most respected, the most admired, the most dynamic nation in the entire world. I'm tired of hearing Clinton drag down the United States of America.

I'm proud. I am proud of our leadership, proud that we led the way in reducing nuclear weapons so that our kids can sleep free from the nightmares of nuclear war. It's a fitting place to say this, right near Fort Campbell, and I am proud of how we stood up to Saddam Hussein, kicking him -- [applause] -- proud of the Screaming Eagles from Fort Campbell's 101st Airborne. In the sands of Saudi Arabia, they showed that no other nation can match the courage of the men and women of America.

Now our challenge is to put our talents to work to win the new global economic competition, to create a high-tech, high-growth economy with good jobs for you and all your classmates. I have laid out my agenda, detailed Agenda for American Renewal, a specific, comprehensive, integrated agenda to create in America the world's very first $10 trillion economy. I want to use this international experience, international leadership to open up new markets for American

products, because that is how we will create good jobs for American workers.

Small business will create two-thirds of the new jobs in the new economy. Governor Clinton promises small business higher taxes and more redtape. I promise relief from taxation, regulation, and litigation. Get the regulations off of the back of the small-business people in this country.

With Lamar Alexander's leadership and assistance, we're proud that today half the students in 4-year colleges across Tennessee receive Federal grants or loans. No one told you what college you had to go to. You had the freedom to choose your school. Now we are fighting to reinvent America's elementary and high schools by giving every parent the right to choose their children's schools, public, private, or religious.

We have a good plan to give Government vouchers to soldiers and others caught in the transition of the economy so that they may learn new skills and find the dignity of work.

Here's something else I want: to limit the terms of Members of the United States Congress. Governor Clinton says he's the candidate of change, but he opposes this, the most profound change offered this year. Presidents serve limited terms. The same rule ought to apply to the other end of Pennsylvania Avenue. So let's approve term limits and give Congress back to the American people.

I might add this, that if we had more Congressmen like Don Sundquist up there, everybody wouldn't be yelling at me, ``Clean House!'' But while we're at it, let's have that little chant, ``Clean House!'' We've got to get rid of that old 38-year-old governance that has controlled Congress for 38 years. Let's change it. You want to make real change in America? Help me change the Congress and move this country forward.

These are just some of my ideas and some of what I'm fighting for. I'm proud of my record, and I'll stand by it in November. But if candidate Clinton wants to talk about the past, I say okay, let's look at what's going on in Arkansas.

The people there -- and I know them; I've been there many, many times, lived next door -- they are decent and hard-working people. But the more you know about their Governor, the more you know that he's wrong for America. Governor Clinton says he's for civil rights. But Arkansas doesn't even have a basic civil rights law. He says he's for high-tech, but under Bill Clinton, Arkansas has been falling behind in high school. Three out of every four Arkansas graduates spend their first year in college relearning what they were supposed to learn in high school. That is not fair to the people of Arkansas.

Bill Clinton says he wants to get tough on crime. But his crime rate rises faster than the Nation's. I support the law enforcement officers all across the country, and I am very proud that the police

in Little Rock, Arkansas, endorse me for President of the United States of America. America deserves better than that sorry Arkansas record of Governor Clinton.

Look at the economy, the major issue in this campaign. I know America's endured some tough economic times. Families are hurting. But understand, we are being affected, and all students know this, by a global economic slowdown. Our competitors in Europe would trade places with us in a minute. And yet Governor Clinton offers America the European social welfare state policies: more Government, more special interest spending, and more taxes on the middle class. That is not good for America.

Audience members. Boo-o-o!

The President. As Governor -- I know I hate to ruin a beautiful afternoon like this, but listen to this one -- as Governor, Bill Clinton raised and extended the sales tax, including a tax on baby formula, vegetables, and other groceries. He raised the gas tax. He taxed mobile homes and cable TV. And, oh yeah, he slapped a tax on beer.

Audience members. Boo-o-o!

The President. Yes. I had a feeling that would not be very popular here. Now the Governor says he's seen the light. In this campaign he's proposing at least $150 billion in new taxes, plus at least $220 billion in new spending. But don't worry, he says, ``I'll get it all from the rich," people who make it over $200,000, the top 2 percent.

But here's the truth and problem: To get the money he needs for his plan, the $150 billion he's promised in new taxes, Governor Clinton would have to get his money from every individual with taxable income over $36,600. That's just the start of his tax campaign against the middle class. Governor Clinton will need hundreds of billions of dollars more to pay for all the programs that he's promised.

The newspaper in his own backyard, the Pine Bluff Commercial, says that ``If Congress follows Bill Clinton's example, it would pass a tax program that would hit the middle class the hardest." These are not people, Governor Clinton, on ``Lifestyles of the Rich and Famous." These are your parents, your parents, my friends. These are the people that work hard and pay the bills and sweat it out at tax time. They deserve a break, not a new tax.

Let me give you one example. Let's say after you graduate, you get your first job with about, say, $22,000 a year in taxable income. Governor Clinton could have you fork over another 430 bucks a year to the tax man. I say you ought to be able to use that money to pay the rent or spend a week at the lake on vacation, not have to send it back to the IRS in Washington, DC.

So, at this time in the great history of the United States, I don't think we can take the risk on a

tax-and-spend candidate with no experience. You see, I've been in the Oval Office, and I have faced some very tough decisions, and of course, I've made mistakes. When I make a mistake, I admit it. But I believe I've been a good leader, willing to make the tough calls, and I'm a leader whose ideas are right for America.

I stand before you today, asking for your support so that we can get to work with a new Congress to fix the problems that stand in the way of this country; so that we can reform our health care system; that we can literally reinvent our schools; so that we can retrain workers from one generation and create jobs for the next; so that we can cut Government spending and taxes and get this economy moving again.

This is the agenda that I have to offer. If you are looking for a leader of experience, a leader of ideas, a leader who shares your values, and a leader who understands that America's real strength is not in Government but in places like Clarksville, then I know I can count on your support on November 3d.

I have only one regret today, and that is that the greatest First Lady this country -- well, I'd better be careful, but our great First Lady is not with me. I'm very proud of Barbara Bush. I see a sign over here that's talking about the family. I think that my wife has done an awful lot, when she holds an AIDS baby in her arms or when she sits and reads with kids in the lobby there at the Diplomatic Entrance to the White House, to show what we mean as a family when we say, let's strengthen the American family. Read to the kids. Teach them discipline. Help them.

I've been privileged to be your President. We did it through some very, very tough times. One of the things that shaped my life is that I served my country in uniform, and I'm very, very proud of that. I salute those here from Fort Campbell and elsewhere who are also serving their great country.

Don't listen, don't listen to the other side that is tearing down this country. We are the greatest, strongest, fairest, freest country on the face of the Earth. Let's keep it that way.

May God bless you all. May God bless the United States of America. Thank you very, very much. What a great rally. Thank you all.

Note: The President spoke at 4:04 p.m. in Dunn Center.

Remarks to the Community in Nashville, Tennessee

September 29, 1992

The President. Thank you very much for that warm welcome. Thank you, thank you, thank you. Hey, listen, how do you ever adequately -- please be seated, and let me just say what a joy it is to be here today. I don't know how I possibly can begin to thank these fantastic entertainers that are standing up with me right now, I'll tell you, Baillie and the Boys, the Oak Ridge Boys, and Paul Overstreet, and Mark Chestnut; of course, Lee Greenwood and Chet Atkins and, oh, there's so many. Naomi, thank you for being with us all day long, and, Crystal, thank you for appearing with me. It really makes a tremendous difference. It really brings the crowds alive. And I'm grateful to each and every one of you. And, Goober, your jokes were all right, too. [Laughter] And thank you.

May I salute Roy Acuff. My heavens, what an inspiration he's been to all of us in this country. And as President, you get to do many wonderful and happy things, and one of the things I've enjoyed the most was when I had the honor of presenting to Roy the most prestigious award we have for the arts, the National Medal of the Arts, up at the White House. He deserved it, and he's a fine, fine, fine legend in his own time.

You know, I don't know whether Naomi or Crystal are still speaking to me, or Ricky Skaggs, who was with us on this trip. But as far as I'm concerned, this is a wonderful day, traveling all across the width and breadth of this great State. I can't think of a better place to finish this swing than right here at the Mecca of country music.

You know, last week on one of the networks there was a story asking why country music had become such a big part of national politics. I won't speak for any other politicians, but I love country music. Leave politics aside, I love it because country music loves America. I don't start listening -- listen to this crowd -- just at election time. I listen to it every night of my life, and I love it. I can flip on 98.7 on the dial at Washington, DC, and all the cares of all these talking heads and media freaks and everybody else go flying out. It is wonderful.

May I salute Howard Baker who's with us here today. Congressmen Sundquist and Duncan; and of course, our great Secretary of Education, Lamar Alexander.

It's a funny thing, who was it, Naomi talked about family. I get a funny feeling that some on the opposition camp want to have us stop talking about the fundamental importance of strengthening the American family. But I'm not going to stop talking about it because we must find ways to stand for the values of family and faith. Sometimes those values like family and faith become unpopular, a little out of sync in some places. But never, never here and never in country music. It's always there. Country music reminds us that for all our faults, America still is the very best, the finest country on the face of the Earth.

We've had a lot of difficulties, but I don't like it one single bit when I find somebody trying to be President and the only way he can get there is by tearing down and talking down the United States of America. I want to talk it up. I believe in our country. I am very proud.

To listen to Clinton and Gore, they don't think foreign affairs or national security is important. I am proud of how we helped win the cold war so that our children can sleep without that nightmare of nuclear war and nuclear weapons and dream the sweet dreams of peace.

I am proud that when Saddam Hussein stuck his forces across into Kuwait that we were the country, we were the ones, the sons and daughters of Tennessee, that said, ``No way. You're through. You're out." Right there we showed that courage is a fundamental part of the American character. We are not going to forget what those men and women did, no matter how the other side tries to move the debate away. We're going to stay with the pride that we feel in this country.

I'm not going to get into the one subject that's racing all around the politics, but let me just put it this way: I am very proud that I served my country in the uniform of the United States of America. I hope it has made me a better Commander in Chief. And I hope it has made me a sensitive one, because the toughest decision that a President has to make is to commit somebody else's son or daughter into combat. I think that experience has been extraordinarily useful.

But now what we've got to do is to take the leadership that helped shape the entire world, that brought an end to the cold war, that brought democracy to countries all across the world who have lived behind communist tyranny, and say, now take the leadership that did that and change things dramatically here at home. That's what the debate is about, and that's what the election is about.

We can feel the impact in our neighborhoods now as we take this message of hope and economic opportunity all across the United States of America. You see, what I must do now in the last 5 or 6 weeks, whatever we have left -- should be able to tell you right down to the hour; it's been that kind of a year, but -- [laughter] -- we've got two entirely different views as to how to respond to the challenge. Beneath all his rhetoric and all of his talk of partnership and new ways, Governor Clinton basically offers America more of the old way, more Government, more spending, more redtape, more middle class taxes.

Audience members. Boo-o-o!

The President. You know, I had the honor, coming in here, to call a real legend on the phone, Minnie Pearl, beloved daughter of Nashville. Leaving the politics aside, Barbara and I just love her, and we wanted to just wish her good health. Ronald Reagan used to describe the liberal spending programs as being something like Minnie Pearl's hat: ``They look great, but they have all these big price tags dangling from them." [Laughter] And so that's the way I look at the

Clinton program.

I don't think we can afford that kind of a program of tax and spend. And yes, I believe that Government can do good things. But fundamentally, I believe that the key to renewing America won't be found in some Washington bureaucracy, but right here, right here in the heartland of America, in places like Nashville, Tennessee.

So in this campaign we're talking about turning the power, giving the power to the American people. I want to break down the barriers, bureaucratic barriers, to world trade, so that we can create more jobs for the American workers. I want to get rid of all of these crazy lawsuits that keep mothers and fathers from coaching Little League, these lawsuits that keep doctors from practicing medicine. As a nation, frankly, we've got to sue each other less and care for each other more.

With the great leadership and help of Lamar Alexander, I want to give parents, not the Government, the right to choose their kids' school, whether public, private, or religious.

But most of all, we've got to get the Government under control by cutting Government spending and cutting taxes, because I believe that you can spend your money better than any Government subcommittee or Government bureaucrat. So we've got some big differences. I believe Governor Clinton, just to put it mildly -- I'm an objective observer here -- I believe Governor Clinton's ideas are wrong for America. That is the bottom line, and I've got to take that case to the American people.

A couple of hours ago, over at Austin Peay University, I challenged Governor Clinton to a debate, the last four Sundays of this campaign, four nationally televised debates. I said that I'd be flexible about the format, but I believe that the American people deserve to hear our ideas because only they can make the right choice in November. I hope that the Governor will respond and accept. We've been hearing a lot about him. I've seen all those chickens out there at these various events. [Laughter] I didn't know whether they were talking about the draft or the pollution in the Arkansas River.

Look, I know, I don't pretend to be the world's greatest debater. I didn't go to Oxford. I know, I know I'm not very good on statistics. This guy's got more statistics than there are problems. [Laughter] But what I do have is a fundamental commitment to values and hopefully some character to go with it.

Something else I have is faith in the American people, faith in all the beauticians and bartenders and Boy Scouts and great singers. I believe that America will win the economic competition if Government just gives these people the tools and then gets the heck out of the way and lets America get the job done.

I'll tell you what really gets me about this. I don't want to get wound up here, these guys have lots to do -- but it burns me up right in the bottom of my gut to hear Governor Clinton talking about this country being a nation in decline. He says we're south of Germany and a little north of Sri Lanka. Well, he ought to open his eyes and look around the world. We are the most respected, the fairest, the most decent country on the face of the Earth. Thank God I don't have to get reelected by going around tearing down the United States of America.

I wish Barbara Bush were here. Not only does she keep me in line, but I think she's been the greatest First Lady we've had. I'll tell you something; I'll tell you why we're going to win this election: We really care. We have been honored -- I say we, the both of us -- to live in this wonderful White House, the symbol to countries all around the world of freedom and democracy. We've tried very, very hard to keep the public trust, to honor the office that we've been privileged to hold.

Now I'm going to ask the American people: Let us finish this job. Let us have this economy recover. Let's offer hope and opportunity to all Americans. Give me 4 more years to finish the job.

Thank you, and may God bless our great country. I can't do it as well as Lee Greenwood, but God bless the United States. God bless the U.S.A. Thank you very much.

Note: The President spoke at 7:20 p.m. at the Roy Acuff Theater. In his remarks, he referred to entertainers Baillie and the Boys, the Oak Ridge Boys, Paul Overstreet, Mark Chestnut, Lee Greenwood, Chet Atkins, Naomi Judd, Crystal Gayle, George ``Goober'' Lindsey, Roy Acuff, and Ricky Skaggs.

Message to the Congress Reporting on the State of Small Business

September 29, 1992

To the Congress of the United States:

It is my pleasure to submit my third annual report on the state of small business. America's small business owners are individuals with countless new ideas, employers and workers who produce a vast array of goods and services, taxpayers who pay many of the bills, and economic pioneers who help decide the future direction of our economy. In their endless variety, small firms help create a flexible, diverse, and lively marketplace.

For generations, entrepreneurial business owners have been in the forefront of the dynamic economic changes that continually revitalize our democracy. In the early days of our Republic, small business innovators led the way in developing more productive farming technologies. Greater agricultural productivity eventually freed other entrepreneurs to develop and commercialize new manufacturing processes. These processes and manufactured products set a new standard for America -- and for the world. But America's small business innovators did not stop there. They started another revolution by anticipating and responding quickly to the demands that grew out of the new, higher standard of living -- demands for services and sophisticated new information technologies.

Small businesses have made important contributions to the economy, not only by introducing new products and processes and creating jobs, but also by making the economy more adaptive and flexible -- by retaining workers longer during recessions and hiring workers earlier as expansions begin.

There is no doubt that 1991 was not an easy year for the American economy or for small business. The recession that began in the third quarter of 1990 carried over into 1991. Business formation rates were down, and business closings were up. The flow of financing slowed as banks and businesses grew more cautious about business expansions.

Yet in this recession, as in other economic downturns, small businesses continued to function as a source of jobs, creating many of the new jobs in the economy. Rather than lay off workers, many small firms tightened their belts in other areas. And they continued to innovate, introduce new products, and contribute to their communities.

Our economy has begun to grow again. Still, small firms face difficult challenges in the months and years ahead. The truth is that health care costs are too high and the unmet need for health coverage is great in small businesses. And of all employers, small businesses are least able to

afford the expensive mandates that have been advocated by some. The proposal I presented to the Congress would not resort to mandates, but would build on the strengths of our private health care system to make health insurance affordable for America's workers and their families.

Adjustments occurring in our financial institutions have made it difficult for many worthy small businesses to find the capital they need to start up or expand. Therefore, my Administration is taking steps to encourage investment in business ventures in a number of ways. I have proposed that the Congress cut the capital gains tax so that investors will have an incentive to buy into new ventures. Another proposal I have made is to create an investment tax allowance that would assist in starting new firms.

And we can encourage some new investment by adapting programs that are already underway. For example, the Small Business Administration is working with banks to implement innovative loan programs that are channeling funds to smaller firms in some of the most economically depressed areas.

Another obstacle that can stand in the way of small firm growth is too much regulation. My Administration this year instituted a moratorium on new Federal regulations to give Federal agencies a chance to review and revise their rules. And we are looking at ways to improve our regulatory process over the long term so that regulations will accomplish their original purpose without unduly hindering economic growth.

We also need to encourage innovation -- such as that exhibited by thousands of small high technology firms -- by making the research and experimentation tax credit permanent. My Administration is committed to exploring the promise of new technologies.

This report documents the increasing, healthy diversity of our small business community, as minority- and women-owned businesses enter the marketplace in record numbers. I want to keep encouraging that diversity through our Federal procurement programs.

I also want to see more of the Nation's economically depressed communities reap the benefits of business growth. To that end, I have asked the Congress to pass my enterprise zone legislation, which will provide incentives to businesses that start up in specially designated areas, particularly in inner cities.

Looking to the future, it is clear that we need to improve our educational system so that America's workers, particularly in small firms, will be in a better position to compete in a more and more sophisticated global marketplace. My America 2000 education strategy is designed to give parents, teachers, and communities more freedom and flexibility in designing education programs to meet their needs -- and to make America the world's leader in education.

Many of these proposals for economic recovery and growth are being enacted now; others will

require action by the Congress. I am committed to working with the Members of Congress to develop and enact a broad economic plan we can all live with. These combined actions will help small business to move ahead to create the economic revolutions that will lead us into the 21st century.

George Bush

The White House,

September 29, 1992.

Message to the Congress Transmitting the Report of the National Institute of Building Sciences

September 29, 1992

To the Congress of the United States:

In accordance with the requirements of section 809 of the Housing and Community Development Act of 1974, as amended (12 U.S.C. 1701j - 2(j)), I transmit herewith the 15th annual report of the National Institute of Building Sciences for fiscal year 1991.

George Bush

The White House,

September 29, 1992.

Remarks at the National Salute to the President and His Black Appointees

September 30, 1992

The President. Thank you very much. Josh, thank you, Josh Smith.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you, Josh Smith, and all of you. Thank you very much, Josh, and thank all of you. My heavens, 27 different States, I'm told, represented here by all of you. Josh, I can't begin to thank you, not only for your friendship and loyal support but your service to the Government, to the people, I would put it that way, and also for your outstanding commitment to small business and your own accomplishments in that field.

I also want to acknowledge Josh's wife, Jackie Jones-Smith, who is the Chairman of the Consumer Product Safety Commission; my old friend Milton Bins here, chairman of the Council of 100. Kay James from the Office of National Drug Control Policy gave up an awful lot to move over there to fight this drug scourge, and I'm very proud of her.

Reverend Thad Garrett, we all know Thad. He ought to be praying more and talking less out there on the campaign -- [laughter] -- I need that, I'll tell you. But somebody once gave me a little rug, and it said, ``What would we do without friends?'' I am grateful that Thad and so many others out here are true and loyal friends. When the going is tough, they're hanging in there.

I want to salute Fred Brown, the chairman of the National Council of Black Republicans. I was very grateful to Reverend Larry Haygood for that invocation, for his leadership in education, for his commitment and faith. Thank you, sir, for coming and for doing that.

Of course, I can't say too much about Lou Sullivan. I love it when we talk about genuine health care reform for this country. He summarized it in his remarks there, giving me the credit. But he's out there on the cutting edge. When a paper like the New York Times, which has not been overly friendly to me this year -- [laughter] -- points out that we've got a sound, or the best of the health care reform programs out there, why, I'm very grateful to Lou. He's tireless in taking the message across the country, and he's leading this, the largest Government bureau, with such distinction and honor. I tell you, we're lucky to have him in the Government.

Ginger is not clapping too hard. Maybe she wants him back; I don't know. But nevertheless. [Laughter]

May I salute Gary Franks, distinguished Member of Congress. I don't see him, but I know he's

here. Where's Gary? Well, he's not here. All right, he's late. [Laughter] He's to be here; Andy Ireland, a Member of the United States Congress, with us here today, too.

I want to single out a warrior. Some of you know her just by seeing her on television. Some of you know her for seeing her at my side as I climb on the helicopter or Air Force One or go to take on some political debate. And I'm talking about Marlin's able deputy, Judy Smith, who is standing right over here. Judy, I don't want this to come out wrong, but you talk about tough women. [Laughter] I mean, she is strong, and in a wonderful way. She takes it and can dish it out just as well. It is tough out there in that press arena. But boy, she's doing a superb job for me and I think for the country because she gets out our position on fundamental issues that are important to the Nation.

Let me just talk for a few minutes. I'm off to Wisconsin in a few minutes and then to New Jersey. So I want to just talk a little bit about the concerns that we share about the future of this great country, about the choice that we have in shaping that future. I will spare you a stemwinding political oration, but I will just point out that we've got a great task before us, and the differences are clear. With the end of the cold war that Reverend Haygood very generously referred to, now we've got to turn our attention to winning the new global economic competition.

The other side is telling us everything that's wrong about the economy, and I'll accept my share of the blame. But we're caught up in something worldwide. And any fair-minded observer knows that it's not just the United States that's had difficult economic times. It's England. It's France. It's Canada. It's Germany now. A lot of countries in this, and we have the strongest economy of all of them. It's my objective to make it even stronger. I call that winning the peace, for only then will we keep the promise of opportunity that is the birthright of every American. I am proud of the fact that our kids go to bed at night without that same fear of nuclear weapons that their predecessors had. This is, I think, a significant accomplishment, and I salute everyone in our administration that worked to help end that nuclear nightmare.

But now we've got to do the same thing, apply that same leadership, and lift this country up. You know, the Governor, Governor Clinton, and I offer very different choices. They're really based on very different philosophies, different experience. He's spent most of his life in government. He believes that government, kind of a Washington elite, should take the lead in shaping the economy. He uses the word ``investing'': investing your money, that's taxpayers' money, more wisely than you can as entrepreneurs and individuals.

Well, that's not the way I see it at all. Like so many of you, I've spent exactly 50 percent of my adult life in business and 50 percent in government. Not with the sparkling success that some in this room have had as business people, but nevertheless, I understand it. I built a business from the ground up. I met a payroll, created jobs, and worked for a living. I happen to think that that is a good qualification for being President of the United States, because I believe it's a prospering small business or large business environment that's going to do more to help people. Put it this

way, a job in the private sector is going to do more to help people than Government programs can.

I learned in that private sector what many of you not only have learned but have mastered: what makes an economy grow. It is not central planning, quote, ``investing," unquote, the taxpayers' money. It is not the people who take your taxes and spend them. It is you who make the economy grow, ordinary men and women with the extraordinary dreams who have the grit to make those dreams real. And I'm very grateful to what Josh does in taking this message of small business out around this country.

That understanding is really at the heart of what Larry Haygood again referred to as the Agenda for American Renewal. I talk about the global economy and then what we're going to do now to be the lead. We are the only remaining military superpower. We have the strongest economy; I want to help make it stronger. I want to see us become an export superpower as well. To do this, we've got to unleash the energy, the brainpower of our workers and our entrepreneurs, and again, particularly in small business because this is the area that employs the most and takes the risks and creates the new opportunities.

I want to encourage investment so that wages rise and those unemployment lines shrink. That's why I'm helping small business in particular and, hopefully, all business in general. We unveiled a good small business program the other day down in North Carolina. I'll just touch on a couple of points: Reducing the corporate tax rate for small business 15 percent to 10 percent; increasing the amount of equipment that small business can expense, and thus that would create more jobs and new opportunities; simplifying the tax filing. Most small-business people know that the onerous reporting for tax purposes takes too many work hours, too many people hours, and we're trying to change that. Then, of course, I still feel that to stimulate risk-taking, the reduction in the capital gains is very, very important, bringing people into the enterprise zones in the minority areas; a reduction in capital gains, a break on that will help attract jobs to the areas that need it the very most.

So to the business people here, we are trying to streamline so you won't have to be second-guessed back here in Washington by some bureaucratic establishment. And that's why we've put an end to the Federal regulations that turn redtape into pink slips. We just put out a moratorium on them. We're going to go forward with safety and health; obviously we have to do that. But we've got a moratorium, a blanket on new regulations, recognizing that there is too much control and regulation on the back of the small entrepreneur and the small-business person.

We really do want to do what Lou was talking about, and that is to make health insurance available to everyone. We want to make health care more accessible and more affordable for everyone. That's why we're all -- have our shoulders to the wheel, fighting for health care reform without burdening small businesses with expensive new mandates and more payroll taxes.

Our program is good. It keeps the quality of American health care where it belongs, number one in the entire world, and still says to those who cannot get insurance, we're going to make it available to you through pooling, and also we're going to reduce the costs. We're doing something about these crazy malpractice suits and also doing something about lifting the regulatory burden and streamlining the operating processes of our health care system.

So we've got a good program there, and I hope that it'll get the kind of support in the very next Congress that we need to have it enacted into law.

I want to reward the risktakers who bring capital and jobs to our inner cities; I touched on that. But it's very interesting to me that when we went to Los Angeles in the wake of the South Central problems, all the civic leaders there were saying we must have enterprise zones. It's an idea whose time has come. We ought to try it at the Federal level. So we're fighting hard to bring the enterprise zones into reality.

On issue after issue, you see the very sharp differences between my opponent and me, because he really does want a Government. He's already proposed more taxes, more spending, more regulations. He's already proposed programs that would result in the latter, in the last item, and tax plans and spending plans that would tax at the outset $150 billion more in taxes and $220 billion more in spending. It's going to kill off a lot of small business.

So we want to free up, instead, the genius of American enterprise and initiative. This is going to be one of the clearest distinctions as people begin to really make up their minds on this election.

Let me be clear: I am not anti-Government. Government must never shirk its responsibilities. The fine men and women honored here today who I've been proud to have at my side for the past 3 years are a testament to the good work that Government can do. We believe it's Government's role to create opportunity, though, and not stifle it, and to clear the path for individual accomplishment, not to block it; to facilitate, not to dictate. Together, we believe that there is no room in our country, and I want to repeat this here, for discrimination of any kind whatsoever. As long as I am President, I am going to do absolutely everything I can in my power to drive bigotry and anti-Semitism and racism from our great land.

You know, I hope you know that I have strong feelings about this. Lou and Josh and I were talking. I'm not sure the American people know how strongly I feel about this. That's one of the reasons I hope we get these debates on. We've proposed four debates with the Governor. Let him step up now and debate. We've accepted his formula for two of them, and so, we'll have an opportunity there without any filters, without any Monday morning quarterbacks telling you what you thought you heard, to take the case directly to the American people.

I've tried in my public life -- like supporting fair housing when I was a Member of Congress from Texas and fighting for I think decent civil rights legislation, whether it's the ADA bill or an

antidiscriminatory civil rights bill. I think we got, and others here have mentioned this very generously, an excellent record of appointing officials on the content of their character and their competence to positions of high authority in the Government. I am proud of what both Josh and Lou talked about, to have appointed a higher percentage of blacks and women in the history of the Presidency to important positions.

Some are here with us today: Gwen King at the Social Security Commission, who is now going on to new pursuits. I mentioned Kay James, who served with such distinction in several capacities. Some are nonpolitical. I think it's a wonderful thing that Colin Powell is the Chairman of the Joint Chiefs. I don't know anything about his politics, and I couldn't care less. I know something about his character, though. I know something about his ability, though. I know something of how it is when he's making tough, tough decisions regarding the life of somebody else's son and daughter, and that's all I need to know in selecting the best Chairman of the Joint Chiefs.

Connie Newman, we all know her, how she served with great distinction in this administration; and a most beloved figure, Joyce Berry. I mentioned Lou, of course. I mentioned Josh for the Commission. But we've got others, Carla Hills, Antonia Novello, Lynn Martin, Bernadine Healy, all women in high-level positions. I'm proud of Wayne Budd over at Justice. You talk abut a tough assignment, there's a decent man and a man of honor, fulfilling an extraordinarily tough assignment over at the Department of Justice. My old friend Art Fletcher is head of the Commission.

Let me tell you something: I am not going to let the political diatribes going on out there and attacks coming out of some radical groups diminish the pride I take in having appointed Clarence Thomas to the Supreme Court. So let others try to smear a decent man. I'm standing with him. He's going to be a great Justice. You watch. You just wait. He's just beginning. He's going to be outstanding.

So we're here to salute all of you -- I came over to do that -- and to thank you, those in Government, for serving and serving with integrity. I'll tell you something: Our administration has been a clean administration. You look back over your shoulders. We haven't had scandals because we have honorable men and women who sacrifice to serve their country. I'm proud of each and every one of you. And in terms of those others who are out in the private sector employing people, creating opportunity, living the American dream, I salute you as well. We want to facilitate what you're doing, not get Government in the way and make it tougher.

So this is the message we'll be taking to the American people, and I believe we're going to get this job done. It has not been a very pleasant political year for Barbara Bush and me; I'll have to confess that. Indeed, I've been around the political track for a long time, and I've never seen quite the anger and the ugliness in the political process, the willingness to twist and distort and make things ugly. But it's worth it; you know it. It is worth it because we have accomplished a

lot for this country. We've accomplished a lot on the world scene as well. Now I want to finish the job, finish the job by bringing opportunity and hope to all Americans, and I am very grateful to each and every one of you.

Thank you, and now off to the political wars. May God bless the United States of America. Thank you.

Note: The President spoke at 9:23 a.m. at the J.W. Marriott Hotel.

Remarks to the Law Enforcement Community in Oshkosh, Wisconsin

September 30, 1992

Thank you all on this beautiful day in Oshkosh. I am delighted to be here. I want to thank the Mayor and ask that he not send the bill -- [laughter] -- but thank him for the presentation. And I am very, very grateful to the men and women in law enforcement who are standing here, Officer DeBraska and Paul Bucher particularly, were up here speaking. It's also an honor to be introduced by one of the Nation's great, Governor Tommy Thompson. You're lucky out here, and I hope you know it.

But I am very honored and pleased to receive the endorsement of Wisconsin's law enforcement community: the State troopers, the Sheriffs Department Association, the Military Police Association, the Milwaukee Police Association.

You know, keeping our neighborhoods safe and secure is one of the fundamental responsibilities of government. It takes a tough, no-nonsense approach, one that puts our sympathy with the victims of crime, not with the criminals. After all, hard time is what criminals should get, not the innocent kids and older Americans who have to live in fear of violence. In this election, two candidates are talking tough on crime, but just one candidate is taking action. All I ask, and will be asking the American people in these debates if the other guy ever shows up -- [laughter] -- is look at the record.

Look at the record. Arkansas ranks near the bottom in every important per capita law enforcement expenditure: for prisons, 46th in the Nation; for judicial and legal systems, 50th; and when it comes to spending for police officers, Arkansas ranks 49th. Since 1989, we've proposed a 59-percent increase in Federal spending to fight crime.

Here's another snapshot on the Arkansas situation: Last year under Governor Clinton, Arkansas' criminals on average served just one-fifth of their sentence before they were back out on the street. They did crime, and then they serve one-fifth of the time. That is not right. And let me contrast that with the Federal inmates, the ones who fall under the Federal jurisdiction, my jurisdiction: Arkansas one-fifth of the time, and the Federal prisons an average 85 percent of their full sentence. A big difference in favor of the police officers, in favor of the victims of crime.

Crime is one more issue, one more area where the Governor of Arkansas cannot kind of slickly talk his way past his record. If you want to know who's really tough on crime, look around you here today. Look at the people that are out on the front line, putting their lives at risk for you and me every single day. That's who we ought to support, not worrying about how kind we want to

be to these criminals.

And speaking of those who are on the front line, I was delighted -- take a look at the Fraternal Order of Police in Little Rock, Arkansas. They've lived with Governor Clinton for 12 years, and they know his record best. And they endorsed me for President of the United States.

To you who put your lives on the line every day, let me just say you have my thanks. But much more than that, you have our strong support. You are on the side of the law, and I am on your side. I wish you had a little more clout with the United States Congress. For 1,091 days, I believe the figure is, they are sitting on a strong anticrime bill that I sent up there 3\1/2\ years ago. And they've done absolutely nothing with it. That is not fair to the men and women who wear the uniform, who are out there supporting us. Whether it's in the courts or on the streets, we need to back them up with strong Federal anticrime legislation.

You know, with your strong support, I know that we can take back the streets and we can turn back the threat of drugs and crime and make our communities safer and more secure.

So thank you all very, very much, women and men of law enforcement, for your vote of confidence. May God bless the men and women who serve us. Thank you very, very much. Thank you.

Note: The President spoke at 11:20 a.m. at Wittman Regional Airport. In his remarks, he referred to Robert Jungwirth, Mayor of Oshkosh.

Remarks to the Community in Fond du Lac, Wisconsin

September 30, 1992

The President. Thank you, Governor Thompson. Thank all of you for that warm Fond du Lac welcome. And it's great, great to be here in your city, great to be back in the State of Wisconsin. Let me just say how pleased I am to be here with your Lieutenant Governor, Scott McCallum, who's doing a great job for the State; Anita Anderegg, the county executive here, a real leader; Cate Zeuske, the State treasurer. And let me also thank my longtime friend John MacIver, our Bush-Quayle Wisconsin chairman, for all his efforts. Unless you don't know it, you've got one of the greatest Governors in Tommy Thompson in the entire United States of America. He is an outstanding national leader. He's doing great things for this State. And he's working most cooperatively with Washington. I am very, very proud that he is my close, dear friend. And Barbara feels exactly the same way about him. I see some Tom Petri signs. We've got to reelect him to the United States Congress. He's a good man, a good Congressman. Reelect him.

Now, I understand that I'm visiting here the day before the Democratic candidates come to town.

Audience members. Boo-o-o!

The President. I can't resist saying, I don't think this is the last time that I'll be ahead of the Democratic ticket. We are going to win this election in November.

Audience members. Four more years! Four more years! Four more years!

The President. There's been a lot of discussion in the past week about Presidential debates. I think debates are important. I think the American people deserve to see the two candidates side by side. So yesterday, down in Tennessee, I challenged my opponent to a series of four television debates, the last four Sundays before the election. I said I'd be very flexible about the format, but I was eager to have the American people compare my ideas with Governor Clinton's. We have offered to meet with Governor Clinton's campaign anywhere, anytime. And so far at least, Governor Clinton has responded to my challenge the same way he responds to issues like free trade, fuel efficiency standards, and middle class taxes: He waffles. I can't find him. He's lost. He's missing in action. He refuses on this issue to take a position one way or the other, just like on all these other issues.

So this morning I renew my challenge to Governor Clinton: Let's have our people sit down, work this out. Let's have four debates with the formats that I like and the format that you like. And I'm no Oxford debater. I didn't spend a lot of time over in Oxford, England, in the debating society. But I say let American people decide. Let's get up there and get it on, side by side.

Now, when we sit down to debate, and I hope the Governor will take a stand to agree to them,

we should discuss the most important question: What kind of America do we want for the young people here today? Because of your sacrifice, because of your commitment, we have helped reduce the fear of nuclear annihilation. Today, our kids can dream the sweet dreams of peace without fear of nuclear war. And I am proud that that happened when I have been President of the United States. You listen to Governor Clinton, you might think national security of this country and foreign affairs are not important. They are. We've changed the world.

Now we face a new challenge. We must win the new global economic competition because that is the only way we'll create good jobs for our kids and our grandkids. And I've laid out my call for an Agenda for American Renewal, a comprehensive, integrated agenda to create in America by the 21st century the world's very first $10 trillion economy. And we can do it. We are Americans.

I know that many Americans are anxious about our economy today, concerned about our future. But we need to understand that we are experiencing the impact of a global economic slowdown. It isn't just the United States. It's being felt here at home, but it's also felt in Asia and Europe. Those countries would switch with us in a minute regarding economies.

My opponent spends a lot of time cutting down America, tearing it down, telling everybody how bad he thinks things are. I would remind him of a few facts, like the fact that when you go looking for the world's most productive workers and farmers, you don't look to Japan, you don't look to Germany; you look right here in the United States of America.

We need to build on our strengths. And so my agenda starts with a commitment to free and fair trade. And I want to use my experience in international affairs to open new markets for our products and services, because the American worker never retreats; we always compete. And we always win.

The people of Fond du Lac know this, but small business is the backbone of what we call the new American entrepreneurial capitalism. Small business will create two-thirds of the new jobs in this new economy. Governor Clinton promises small business relief from taxation, regulation, and yes, litigation. But if we're going to stay with him, we better see what the record is. He has a lousy record on regulation. And he certainly has a lousy record on litigation.

Now, if we're really going to renew America, attention must be paid to our children. It is tough to be a kid in America today. The face of poverty is too often a fresh face. The ignorant mind is too often -- a young mind is too often something you can lose. And the spirit of hope and opportunity has too often been taken away from the young. We know what works to help our kids. We know, for example, that if you give a low-income kid a head start on kindergarten, they end up doing much better in school. And I am proud that today, for the very first time, every eligible kid who wants a head start can get one. That happened on my watch, and I'm very proud of it.

I am proud of our education revolution. Already 1,700 schools, including many right here in Wisconsin, have signed on to the national crusade to raise standards, to free the teachers -- God bless those teachers -- to free them from redtape, and to literally reinvent American schools. I want to go farther and give every parent the right to choose the best schools for their kids, public, private, or religious.

But if we really want to help those kids, we have to change the American system of child support. And the statistics there are not pretty: 1989, fathers were absent from 10 million families. Only a little more of half of absent parents are ordered to pay child support. Those required to pay, only half do, on time and in full. And only one in five absent parents pay for kids' health care. Each year, $5 billion in court-ordered child support, $5 billion, fails to reach families and kids who desperately need it.

These working parents, mostly mothers, are trying to keep their families going, trying to work, keep the kids on track, pay the bills. They need that check every month, and they deserve it. And I believe that since I took office we've made a very good start. We are now able to identify 50 percent more fathers of the kids of single moms, and we increased by more than 40 percent the cases of child support collections. With the aggressive leadership of Governors like your great Tommy Thompson, States collect over $2 billion more in child support. And that's a whole lot of good kids who are now getting some lunch money, money that they deserve.

That's something you and Wisconsin can take pride in. But the job's not finished. Today I want to build on your success with a new initiative called Project KIDS. Project KIDS will require all States to recognize and enforce other States' child support orders. And that will make it much easier to cross borders and catch those deadbeat parents in other States. We will require organizations who receive support from the Legal Services Corporation to devote 10 percent of their Federal funds to helping mothers who need legal help track down a deadbeat dad. And we will say to deadbeat parents: If you owe child support and you haven't paid, then you're going to pay a price. You'll get no passport, no professional licenses, no housing or student loans, or any other help from the Federal Government until you do right by your children. So the bottom is, if you haven't done what's right for your kids, don't expect any help from Uncle Sam from this day forward.

Now, by taking these steps, we think we can help reduce the stress on so many families. We can help single parents. And most importantly, we can lend a big hand to kids.

Now, while we're on the subject, maybe it's worth taking just a few minutes to consider Governor Clinton's record with children. I hate to do this to you on this beautiful sunny day here in Wisconsin. But in this area as in so many others, Governor Clinton talks a good game, but his record leaves something to be desired. Welfare is a kids' issue, because the more we can get people off welfare and into work, the more we strengthen the family. Here in Wisconsin, you are the leading State. Tommy Thompson is making real progress, promoting personal responsibility.

Governor Clinton talks a good game, but when you look behind the rhetoric, there's nothing there. He's got a TV ad that talks about cutting the welfare rolls in Arkansas. What he neglects to mention is that while some people were leaving welfare, even more were going onto welfare. Since Bill Clinton was elected Governor, Arkansas' welfare rolls have increased by 19 percent, 13 percent faster than the rest of the Nation.

Now, he says he wants to do for America what he's done for Arkansas.

Audience members. Boo-o-o!

The President. I don't know whether that's a promise or a threat. America deserves better than that.

Look at the facts. Look at the facts about Arkansas. In the late 1980's, Arkansas' rate of violent deaths for teenagers soared at 3 times the national average. Over the decade, child abuse reports shot up 130 percent. And behind each one of those cases is a story of heartbreak. Arkansas' kids deserve to have their hearts healed.

Arkansas faced a special crisis of abuse in the State's foster homes. For years Governor Clinton ignored the problem until he was sued by welfare advocates in his own State. And only this summer, in the middle of his campaign, did he settle a lawsuit and take any steps to improve these homes. Now he's running around our great country, claimed to be an advocate for children. I urge all Americans, young and old, to take a look not just at his rhetoric but a hard look at Governor Clinton's record. I believe America can do better, and I believe we must do better by the young people in this country.

The economy is the major issue, let's look at it, a major issue in this campaign. When Bill Clinton became Governor 12 years ago, Arkansas, yes, was one of the poorest States in America. Today, Arkansas is still stuck at the bottom. And Bill Clinton's policies are responsible. As Governor, he raised and extended the sales tax, including a tax on baby formula, vegetables, and other groceries. He raised the gas tax. He taxed mobile homes and cable TV. And just for good measure he threw in a tax on beer. Now, how do you like that one?

Audience members. Boo-o-o!

The President. I didn't think you guys would like it. Now Governor Clinton says he's seen the light. In this campaign he's proposing at least $150 billion in new spending. But don't worry, he says, ``I'm going to get it all from the rich," the people who make over $200,000, the top 2 percent. Well, but here's the truth, and here's the problem. To get the money he needs for his plan, the $150 billion that he's promised in new taxes, Governor Clinton would have to get his money from every individual with taxable income over $36,000. Now, these are not people on the ``Lifestyles of the Rich and Famous." You deserve a break, not a further tax increase.

Audience members. Four more years! Four more years! Four more years!

The President. Look, you see, that's just the start of the tax campaign though, campaign against the middle class. He has literally made hundreds of promises in this campaign. He hasn't said how he'll pay for any one of his new programs. But his own hometown newspaper, the Pine Bluff Commercial, says, ``If Congress followed the example that Bill Clinton set as Governor of Arkansas, it would pass a program that hit the middle class the hardest." We do not need that for the United States of America.

Now, the good Governor says he's going after all the millionaires, but he'll end up hitting all the nurses and teachers and cab drivers and construction workers. I say you pay enough to the tax man already. We do not need to add taxes to the working families in this country.

So it boils down to this: We cannot take a risk of a candidate with no experience, no track record, whose ideas and agenda are wrong for America. That is the basic thing: Governor Clinton is wrong for America.

Let me tell you something. In the Oval Office you face tough decisions. You cannot be on all sides of every question. You've got to call them as you see them. And I've made mistakes. Like any American, I'll admit it when I make a mistake. But I believe I've been a good, strong leader, willing to make the tough calls. I'm a leader whose ideas are right for America.

I stand before you today asking for your support so that we can change America, just as we have changed the entire world. I want a second term in office so we can continue to renew our schools, reform welfare, give our children a better shot at the American dream, and so we can continue to make lives better for American children by matching the peace around the world and by giving our kids peace of mind right here at home.

Let me say something, in conclusion, about service to country. I am very proud that I served my country in the uniform of the United States of America. I think that has helped me be a good Commander in Chief when we had to stand up against aggression halfway around the world. And that standing up against aggression has changed the world. Don't listen to the Governor who says we're less than Germany and slightly ahead of Sri Lanka. We are the most respected nation on the face of the Earth, admired by every country, the friends we have and those that used to be our foes.

So now, help me take that kind of leadership and help me change America to make life better for every single family in our great country. We are going to win Wisconsin, and we are going to win the Presidency because our ideas are right for America, this generation and generations to come.

May God bless the United States of America, the greatest country on the face of the Earth. Thank you very, very much.

Note: The President spoke at 12:45 p.m. in Veterans Memorial Park.

Remarks to the Law Enforcement Community in Newark, New Jersey

September 30, 1992

The President. Thank you all so very much. I mean, this is a tremendous event. I just can't tell you how much I appreciate the support of these men and women standing here. It transcends me personally. I think the fact is that this country must strongly support our law enforcement people. And I am grateful for this endorsement.

Let me just say that all of these organizations are important, the endorsement of the members of the New Jersey law enforcement community: the New Jersey Fraternal Order of Police; the Newark Policemen's Benevolent Association; New Jersey State Fraternal Association representatives that are here; representatives of the New Jersey Sheriffs Association and groups from Newark to Nutley, Glen Ridge, East Orange, Bloomfield, Belleville, Verona, Port Authority, Essex County; police, jails and prosecutors office; Union County and Montclair to the Morris County sheriff's office. And that's a fine endorsement, I'll tell you. I treasure them all and the support of these individuals.

I think we would all agree that keeping America's neighborhoods safe and secure is one of the most fundamental responsibilities of government. It takes a tough, no-nonsense approach, one that puts our sympathy with the victims of crime, not with the criminals. After all, hard time is what criminals should get, not the innocent kids and older Americans who have to live in fear of violence. In this election, the candidates both are talking tough on crime, but just one is taking action. All I'm going to ask the American people to do between now and November is to look at the record.

Arkansas ranks near the bottom in every important per capita law enforcement expenditures: for prisons, 46th; judicial and legal systems, 50th; and when it comes to spending for police officers, Arkansas ranks 49th. Since 1989, my administration has proposed a 59-percent increase in Federal spending to fight crime.

Here is another snapshot of the situation in Arkansas: Last year under Governor Clinton, Arkansas' criminals on average served just one-fifth of their sentence before they were back on the street. They did the crime, and they serve one-fifth of the time. That is not right. That's not protection for every family in this country. The Federal situation, the area under my control: Inmates who fall under my jurisdiction serve an average of 85 percent of their full sentence. And I'm not too happy of that; I would like to see it 100 in most of those cases.

But anyway, crime is one more issue where the Governor of Arkansas can't talk his way past his record. If you want to know who's really tough on crime, take a look at the people that are out

there risking their lives for you and me every single day of their lives. Take a look at the people on the front lines. Take the Fraternal Order of Police down in Little Rock, for example. They lived with Bill Clinton for 12 years, and they know his record best. And they have endorsed George Bush for President of the United States.

Let me remind some of these officers of something some of them know and then might be new to some others. For 4 years I've kept a badge, a police badge, and I brought it along with me. I keep this in the desk in the Oval Office. I'm sure you've seen pictures of the President's desk on the television. This is number 14072 of the New York police force, city of New York. And I was given this by Police Lieutenant Matt Byrne. He gave it to me. It's the badge that his son Eddie wore the day he was gunned down by a gang of crackheads. And as Matt asked, I have kept that badge as a reminder of all the brave police officers who put their lives, put your lives, on the line for us every single day.

And yes, I'm grateful for this endorsement, these many endorsements, but it transcends that. You have my thanks for your service to your country. You have my support. You're on the side of the law, and I am on your side. With your strong support, I am absolutely convinced that we can make dramatic progress, more progress turning back the threat of drugs and crime, making our communities more safe and more secure. We talk of strengthening family. One way to strengthen family is give the families neighborhoods that are free of these criminals. That's what these people with me here today do every single day of their lives. And I am very, very grateful, grateful for this vote of confidence.

May God bless the men who wear the badge and the women who wear the badge and serve our great country. Thank you very much. Thank you all.

Audience members. Four more years! Four more years! Four more years!

Note: The President spoke at 5:42 p.m. at Newark International Airport.

Remarks to Construction Workers in Newark

September 30, 1992

The President. Thank you all.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you guys. What a great welcome. This Richie -- I'm glad to have been running against Clinton instead of this guy, I'll tell you. Richie Tissiere, thanks a lot. And may I salute also, as Rich did, appropriately in my view, our great Governor Tom Kean. We miss him, and hope -- [applause]

I'm glad to be here with my new favorite number, 472. Thank you all very much. You know, as Tom said, Richie's a passionate advocate of the rights of working men and women and creating jobs. His reputation extends far beyond the borders of New Jersey. It's an honor to accept his invitation to join you here today. I've just invited him to come and be my guest at the Oval Office, and we're going to talk over some of the problems you guys face.

Now I know the work you do every day is rewarding, but it can also be back breaking in many cases here, even dangerous. I know that last Friday along the turnpike you were reminded of just how dangerous your work can sometimes be. And so before I go into a few remarks on the political situation, let me just say that Barbara and I were talking about this and that our hearts go out to the friends and families of the three who were involved in Friday's tragic accident. True working heroes, and our prayers are with all of you who call them friends.

Look, this afternoon I came to speak candidly at what's at stake in our election next month. And boy, did you give me a good, warm welcome walking into this place. I'll tell you, it's good for the soul. And it's been a good day.

I just came here after being endorsed by most of the law enforcement people in the State. I'm proud to have their endorsement because, I think we would all agree, we'd better stand with the law enforcement community against the criminal element and strengthen our neighborhoods. And they supported me, and I'm glad to have their support.

Right this minute, Governor Kean tells me that my opponent is over at his university. He got out of there fast. And so I figured that I'd take my case to the working people in New Jersey. I want to say as long as Governor Clinton is this nearby, I hope he accepts my challenge for four head-on-head debates. Let's get it on. Let's get it on, stand up there with him.

I've got plenty of questions to ask of him, and they relate to a lot of things that this crowd here cares about. So, I hope that they agree and sit down and get this format settled. I agreed to do

two of the debates his way and ask only that they be done, two, the way that's been done under the last four Presidents and last four challengers. It seems to me that's fair enough. But he's been talking awful brave, sending these chickens around. Let's see him show up for the debates now.

For generations you know, and Rich touched on this, our Nation sacrificed, shed the tears of war so that freedom could triumph around the globe. As a young man, yes, I was proud to wear a military uniform and serve my country. That experience shaped my character. And I hope it has made me a better Commander in Chief of the Armed Forces of this country. For those that served in the country, let me put it this way: I do not loathe the military. When Governor Clinton wrote and said loathe the military, I said that's a shame. These people served their country with distinction and honor. We ought to salute them, not loathe them. Rich was telling me that many in this room served and sacrificed for an idea, a simple idea. It's called freedom. And today because of your efforts, backed by the taxpayers I might say, I can stand before you and say something no other President ever said: The cold war is over, and freedom finished first. We can all be proud of that as Americans.

Listen to the media and these talking heads and you listen to the opponents, you'd think that world peace doesn't mean anything. But does it matter at home? Of course, it does. Rich, you've got two grandkids, Richard and Rachel. Today because of America's sacrifice, these two kids and all our kids and grandkids won't have their days ruined by the thoughts of nuclear war. And does that matter? You bet it does. Look at these kids here.

I am very proud we got rid of those enormously destabilizing missiles when I sat down there in the marvelous White House with Boris Yeltsin. You think it wouldn't matter at all if you listened to the debate on the other side. It is very important to the future of these kids.

But look, this election isn't about the victories of the past. It's about what we're going to do in the future and our hopes for the future. It's about how we can win a new economic competition. Rich touched on it. We're in a global situation now. Not one of those European economies would hesitate a minute to trade for the United States in spite of the fact that we've got enormous economic difficulties. So I've put forward an Agenda for the American Renewal. It's a comprehensive series of steps that we've got to take to realize the global opportunity before us. My opponent likes to run down our country, say we're less than Germany, a little more than Sri Lanka. And I say we are still the greatest country on the face of the Earth.

Everybody in the world knows that, even if he doesn't, if you're looking for the most productive workers in the world, you turn to the United States of America. And so the question is this, even in these tough times how do we build on our strength? How do we keep America number one? How do we sell more abroad? My opponent has a great tendency to try to be all things to all people. Then they go before a business group and say one thing, labor group and then say another. And I am simply not going to do that.

Let me say straight out that the first part of my agenda is to promote free and fair trade, to open markets to American goods so that we can create more jobs right here in New Jersey. This is a trading State. One out of six jobs already depend on sales abroad. New Jersians know that. The American worker never retreats; we compete. And we win. So I'm going to keep on working to open these markets for our products.

Governor Clinton talks about a program of transportation investment. I'd like to point out we have one. It's a darned good one. I am proud that we have a 6-year $150 billion commitment to rebuild these roads and highways. And as we start the jackhammers and get the steamrollers moving, we will create over half a million new jobs, many right here in New Jersey. You deserve the work, and this bill will get the job done. We need new roads and bridges and highways, and we're going to keep on fighting for them.

And when it comes to the economy, my opponent and I have very different views. Beneath all his rhetoric about change, lies a very old policy: bigger Government in Washington, bigger bureaucracies, and more taxes on the working men and women of this country. I am going to stand up and fight him every inch of the way to get the taxes down, not raise them.

You know, for 11 months this guy's been out telling falsehoods about my record, 11 months. I've just started defining the real record and talking about what he's done to the people of Arkansas. And when he became Governor 12 years ago, yes, Arkansas was one of the poorest States. But today they are stuck on the bottom. And Bill Clinton's policies are the reasons why. And we cannot let him do that to America.

He raised and extended the sales tax. He included a tax on baby formula. He included a tax on vegetables and other groceries. He raised the gas tax. And he taxed mobile homes and cable TV. You'd better iron it down, you'd better nail it down, or he'll tax it, whatever it is. We cannot have that for the United States. Coming out of the box, he's already proposed $150 billion new taxes, the biggest tax increase in American history. ``And don't worry," he says, ``I'll get it all from the rich." He says, ``That's the top 2 percent."

But the problem is to get the money he needs from that new plan, the $150 billion that he's promised in new taxes, he'd have to get his money from every individual with a taxable income over $36,000 just to start. Then he's made literally more promises. And to pay for them, if he's going to do it the same way he says he's going to do taxing people, he has to tax families over about $22,000. And that is not the ``Lifestyles of the Rich and Famous," that's you, your families, and everybody that's working for a living in this country. We cannot let it happen.

Hey listen, don't take my word for it. You don't have to take my word for it. Here's the Pine Bluff Commercial that's in his own State. Here's what he says: ``If Congress followed the example that Bill Clinton set as Governor of Arkansas, it would pass a program that hit the middle class the hardest." And I don't think the Pine Bluff paper is bluffing. Let's say you work

on the turnpike earning about $22,000 a year in taxable income. You already send $3,300 to the tax man. And he would have you fork over another $430 a year to send into the taxes so that Washington can figure it out. We do not need that for the United States of America.

And so we've got some big differences, and that's one of the reasons I look forward to the debate. You don't need a crystal ball to think what he'd do to the national economy. We've got problems enough already, and they're big ones. And as I say, they're global. But if you want to know what it would be like under him, just look at New Jersey under Jim Florio for openers.

Audience members. Boo-o-o!

The President. Bring back Tom Kean. That's the way I feel about it. No, really. You had a big-spending Governor and a legislator to go along with him, Jim Florio. And look what happened: almost $3 billion in new taxes driving away half a million jobs, I'm told, in manufacturing and services. And here's the worst part: A State that had led the Nation, led the Nation under your friend Tom, became a laggard under Jim Florio. And I don't want to see that happen to the United States of America under Governor Clinton.

Florio did the same. This is an interesting point. Florio pushed through the massive increase in the sales tax, taxes that fell predominately on you and your families, the working people, and the elderly. Those are exactly the same people that Governor Clinton is aimed at in Arkansas. And I know he was recently in New Jersey, embracing Governor Florio. I would suggest that while Bill Clinton has his arm around Florio, he's really after the wallet in your pocket. So let's have him keep his hand off your hard-earned money. They deserve each other.

I believe we can invest, build our roads, and invest in America. But we can, and indeed we must, do it without raising taxes on the working family of this country. All we've got to do is set priorities. Here's Bill Clinton on the spending: He looked through the entire Federal budget. He found one program to cut, the $11 billion subsidy for honeybee growers. Believe me, no one's going to get stung by that courageous cut.

There is much more that can be taken out of it. I have spelled out 4,000 Government programs specifically that I'd eliminate, along with 246 programs. I've put forth a Government plan to control the growth of Government spending without touching Social Security and cutting almost $300 billion over the next 5 years. We've got to get the Government shaped to serve the people, not having the people serve the Government.

So, that's the only way we can cut taxes and still make our investment and create jobs for the working men and women. That's the major difference we've got in the campaign. And then buying my opponent's policies would be like going back to a used car lot, picking up the lemon you dropped off about 12 years ago, only this time there would be higher interest, higher taxes, and higher inflation thrown in. We simply cannot let this happen to the families and the working

men and women of this country.

You know, Rich referred to this, we have changed the world in the past 4 years. And we've got to use that same talent to change America. Look, I'm the first to admit everybody's human. When I make a mistake, I admit it. And I've made mistakes. But I believed then that I, putting that aside, that I've been a good President. We've tried; Barbara and I have tried very hard -- --

Audience members. Four more years! Four more years! Four more years!

The President. We have tried very hard to uphold -- --

Audience members. Four more years! Four more years! Four more years!

The President. Come on, you guys. I've tried very hard to be a good leader. Barbara and I have tried very hard to uphold the principles that make this country strong. People talk about family values, and a lot of the press don't like it and the liberals don't like it. But I know what's important. It is important we find ways to strengthen and honor the American family, not rip it asunder by welfare programs that don't work.

We've got to strengthen the American family and that's what we're trying to do. When she reads to children or we go out and do things with families, we're trying to say let's strengthen the institution that has held this country together for years and years and years: respect for families, respect for law enforcement, discipline in schools, choice so that parents can choose the schools they want, private, religious, or public. All of those things strengthen the American family.

I am very grateful to you for this wonderful turnout and this enthusiastic response. And let me say this: Let somebody else tear American down. I am proud to have worn the uniform of the United States. I had to make some very tough decisions as President, particularly when you have to send somebody else's son or daughter off to a war. That is a tough decision to make. But we did it, and in the process we redeemed America as the strongest, fairest, most decent nation on the face of the Earth. And now I want to use that same leadership to lift up the families in this country and to give every working man and woman a better shot at the American dream.

I need your help. And thank you. And may God bless the United States of America.

Audience members. Four more years! Four more years! Four more years!

Note: The President spoke at 6:34 p.m. at the Heavy and General Construction Laborers Local 472 union headquarters. In his remarks, he referred to Richie Tissiere, president and business manager of Local 472.

Message to the House of Representatives Returning Without Approval the District of Columbia Appropriations Bill

September 30, 1992

To the House of Representatives:

I am returning herewith without my approval H.R. 5517, a bill providing appropriations for fiscal year 1993 for the District of Columbia.

Although I do not object to the funding provided by the bill, its language concerning the use of funds for abortion is unacceptable. I have stated my intention to veto any bill that does not contain language that prohibits the use of all congressionally appropriated funds to pay for abortions except when the life of the mother would be endangered if the fetus were carried to term. The limitation I propose is identical to the one included in the District of Columbia Appropriations Acts for FY 1989, FY 1990, FY 1991, and FY 1992.

H.R. 5517 would place such a limitation on the use of Federal funds to pay for abortion. However, the bill would permit congressionally appropriated local funds to be used for abortions on demand. As a matter of law, the use of local funds in the District of Columbia must be approved by the Congress and the President through enactment of an appropriations act. Under these circumstances, the failure of H.R. 5517 to prohibit the use of all funds appropriated by the bill to pay for abortions, except in the limited circumstances mentioned above, is unacceptable.

From the outset of my Administration, I have repeatedly stated my deep personal concern about the tragedy in America of abortion on demand. As a Nation, we must protect the unborn. H.R. 5517 does not provide such protection. I am therefore returning H.R. 5517 without my approval.

George Bush

The White House,

September 30, 1992.

Statement on Signing the Tourism Policy and Export Promotion Act of 1992

September 30, 1992

Today I am signing into law S. 680, the ``Tourism Policy and Export Promotion Act of 1992." The Act authorizes appropriations for the United States Travel and Tourism Administration. This Federal agency promotes the United States as an international travel destination. It assists small and medium-sized U.S. travel and tourism companies in entering and competing in the international market.

The travel and tourism industry is America's third largest retail industry. It employs over six million workers, making it America's third largest employer. In 1991, travel and tourism generated $344 billion in receipts, accounting for a trade surplus of $16.8 billion. Both receipts and the surplus are expected to grow even larger in 1992. The health of this industry is important to our economic recovery.

In signing this legislation, I must note my concerns with one provision. S. 680 would establish the Rural Tourism Development Foundation as a charitable and nonprofit corporation to assist in the development and promotion of rural tourism. Although most of the provisions in the Act demonstrate an intent to establish the Foundation as a private entity, there are certain provisions that undermine this conclusion. Entities that are neither clearly governmental nor clearly private should not be created because they blur the distinction between public and private entities in a way that may diminish the political accountability of Government.

On balance, I believe the Congress intended to create the Foundation as a private entity. However, in order to remove any doubt as to the nature of the Foundation, I instruct the Attorney General and the Secretary of Commerce to prepare legislation for submission to the next Congress to amend this Act to ensure that the Foundation is considered solely a private entity.

George Bush

The White House,

September 30, 1992.

Note: S. 680, approved September 30, was assigned Public Law No. 102 - 372.

Message to the Congress Transmitting Proposed Legislation on Violent Crime

September 30, 1992

To the Congress of the United States:

I am pleased to transmit for your immediate consideration and enactment the ``Violent Crime Control Act of 1992." Also transmitted is a section-by-section analysis.

In a speech I delivered recently at the DeSales Catholic Church in Fox Park, Missouri, I outlined my crime agenda for the remainder of this Congress and for next year. I discussed several issues of particular concern to the families of this country such as carjacking, sexual and domestic assault, and gang violence. The enclosed legislative proposal addresses these critical problems.

As you know, I first proposed a comprehensive crime bill to the Congress on June 15, 1989. I again submitted a bill to the 102nd Congress on March 11, 1991. That bill, which has yet to be enacted, includes provisions for restoring and expanding the Federal death penalty, ending the abuse of habeas corpus, reforming the exclusionary rule, and establishing additional crimes and penalties involving the criminal use of firearms. The failure of the Congress to pass these pro-law enforcement proposals is particularly frustrating in light of the broad bipartisan support they enjoy.

I know that there is currently an effort being made to forge a genuine compromise that would include effective death penalty provisions and a version of habeas corpus reform that would be acceptable to me. It is my hope that the Congress will present me with such a compromise, one that is truly meaningful for Federal, State, and local law enforcement. This apparent willingness to work realistically on crime legislation provides the basis for me to call on this Congress to act quickly in its final days to pass the additional crime-fighting measures I am today proposing.

The bill I am transmitting today addresses several of the most significant current threats to public safety. It includes:

1. New tools for fighting sexual violence such as increased penalties, new rules of evidence and conduct for trial lawyers, expanded restitution for victims, and grants to State and local law enforcement.

2. Anti-carjacking provisions in the form of a new Federal crime, expanded use of law enforcement grants to the States, and a study of devices to prevent carjacking.

3. Provisions for combatting domestic violence such as a new Federal offense covering spouse

abuse, violations of protective orders, and stalking, and a comprehensive grant program to fight domestic violence and enforce child support obligations.

4. Anti-gang amendments, including a new RICO-type offense for street gang activities, a new offense for involving a minor in the commission of a violent crime, and broadened adult prosecution of violent juveniles.

5. New laws for child support enforcement that will give the Federal Government the ability to punish criminally ``deadbeat dads'' who leave a State in order to avoid child support or who are significantly late in the payment of child support obligations. The legislation will also assist the States in the enforcement of child support orders.

6. Increased penalties for crimes against the elderly that will punish and deter criminals from assaulting or defrauding senior citizens.

7. New crimes and penalties for the criminal use of firearms such as a mandatory 10-year sentence for using a semiautomatic firearm in the course of a violent or drug trafficking crime, and a mandatory 5-year sentence for possession of a gun by a dangerous felon.

As the 102nd Congress draws to a close, the Congress has an opportunity to pass legislation that will have a major impact on many of the most serious crime problems facing Americans. The public wants decisive action from government to combat the menacing presence of violent criminals. Let us address this unfinished agenda now.

George Bush

The White House,

September 30, 1992.

Message to the Congress Reporting on the National Emergency With Respect to Haiti

September 30, 1992

To the Congress of the United States:

1. On October 4, 1991, in Executive Order No. 12775, I declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States caused by events that had occurred in Haiti to disrupt the legitimate exercise of power by the democratically elected government of that country (56 FR 50641). In that order, I ordered the immediate blocking of all property and interests in property of the Government of Haiti (including the Banque de la Republique d'Haiti) then or thereafter located in the United States or within the possession or control of a U.S. person, including its overseas branches. I also prohibited any direct or indirect payments or transfers to the de facto regime in Haiti of funds or other financial or investment assets or credits by any U.S. person or any entity organized under the laws of Haiti and owned or controlled by a U.S. person.

Subsequently, on October 28, 1991, I issued Executive Order No. 12779 adding trade sanctions against Haiti to the sanctions imposed on October 4, 1991 (56 FR 55975). Under this order, I prohibited exportation from the United States of goods, technology, and services, and importation into the United States of Haitian-origin goods and services, after November 5, 1991, with certain limited exceptions. The order exempts trade in publications and other informational materials from the import, export, and payment prohibitions, and permits the exportation to Haiti of donations to relieve human suffering as well as commercial sales of five food commodities: rice, beans, sugar, wheat flour, and cooking oil. In order to permit the return to the United States of goods being prepared for U.S. customers by Haiti's substantial ``assembly sector,'' the order also permitted, through December 5, 1991, the importation into the United States of goods assembled or processed in Haiti that contained parts or materials previously exported to Haiti from the United States. On February 5, 1992, it was announced that this exception could be applied for on a case-by-case basis by U.S. persons wishing to resume a pre-embargo import/export relationship with the assembly sector in Haiti.

2. The declaration of the national emergency on October 4, 1991, was made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code. I reported the emergency declaration to the Congress on October 4, 1991, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)). The additional sanctions set forth in my order of October 28, 1991, were imposed pursuant to the authority vested in me by the Constitution and laws of the United States, including the statutes cited above, and implemented in the United States Resolution MRE/RES. 2/91, adopted by the

Ad Hoc Meeting of Ministers of Foreign Affairs of the Organization of American States (``OAS'') on October 8, 1991, which called on Member States to impose a trade embargo on Haiti and to freeze Government of Haiti assets. The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c), and discusses Administration actions and expenses directly related to the national emergency with respect to Haiti declared in Executive Order No. 12775, as implemented pursuant to that order and Executive Order No. 12779.

3. On March 31, 1992, the Office of Foreign Assets Control of the Department of the Treasury (``FAC''), after consultation with the Department of State and other Federal agencies, issued the Haitian Transactions Regulations (``HTR''), 31 C.F.R. Part 580 (57 FR 10820, March 31, 1992), to implement the prohibitions set forth in Executive Orders No. 12775 and No. 12779. Since my last report, there have been two amendments to the HTR.

On June 5, 1992, new section 580.211 was added (57 FR 23954, June 5, 1992) prohibiting vessels calling in Haiti on or after that date from entering the United States without authorization by FAC. This amendment is explained more fully in section 6 of this report. In addition, effective August 27, 1992, new section 580.516 (57 FR 39603, September 1, 1992) authorizes the exportation to Haiti of certain additional food items (corn and corn flour, milk (including powdered milk), and edible tallow), as well as the issuance of specific licenses permitting, on a case-by-case basis, exports of propane for noncommercial use. Copies of these amendments are attached to this report.

4. The ouster of Jean-Bertrand Aristide, the democratically elected President of Haiti, in an illegal coup by elements of the Haitian military on September 30, 1991, was immediately repudiated and vigorously condemned by the OAS. The convening on September 30, 1991, of an emergency meeting of the OAS Permanent Council to address this crisis reflected an important first use of a mechanism approved at the 1991 OAS General Assembly in Santiago, Chile, requiring the OAS to respond to a sudden or irregular interruption of the functioning of a democratic government anywhere in the Western Hemisphere. As an OAS Member State, the United States has participated actively in OAS diplomatic efforts to restore democracy in Haiti and has supported fully the OAS resolutions adopted in response to the crisis, including Resolution MRE/RES. 2/91 and MRE/RES. 3/92.

5. In the first year of the Haitian sanctions program, FAC has made extensive use of its authority to specifically license transactions with respect to Haiti in an effort to mitigate the effects of the sanctions on the legitimate Government of Haiti and on the livelihood of Haitian workers employed by Haiti's export assembly sector having established relationships with U.S. firms, and to ensure the availability of necessary medicines and medical supplies and the undisrupted flow of humanitarian donations to Haiti's poor. For example, specific licenses have been issued (1) permitting expenditures from blocked assets for the operations of the legitimate Government of Haiti, (2) permitting U.S. firms with pre-embargo relationships with product assembly operations in Haiti to resume those relationships in order to continue employment for their workers or, if they choose to withdraw from Haiti, to return to the United States assembly

equipment, machinery, and parts and materials previously exported to Haiti, (3) permitting U.S. companies operating in Haiti to establish, under specified circumstances, interest-bearing blocked reserve accounts in commercial or investment banking institutions in the United States for deposit of amounts owed the de facto regime, (4) permitting the continued material support of U.S. and international religious, charitable, public health, and other humanitarian organizations and projects operating in Haiti, and (5) authorizing commercial sales of agricultural inputs such as fertilizer and foodcrop seeds.

6. The widespread supply of embargoed goods, particularly petroleum products, to Haiti by foreign-flag vessels led to the adoption on May 17, 1992, by the Ad Hoc Meeting of Ministers of Foreign Affairs of the OAS of Resolution MRE/RES. 3/92 urging, among other things, a port ban on vessels engaged in trade with Haiti in violation of the OAS embargo. There was broad consensus among OAS member representatives, as well as European permanent observer missions, on the importance of preventing oil shipments to Haiti. Vessels from some non-OAS Caribbean ports and European countries have been involved in trade, particularly oil supplies, that undermines the embargo.

In response to Resolution MRE/RES. 3/92, section 580.211 was added to the HTR on June 5, 1992, prohibiting vessels calling in Haiti on or after that date from entering the United States without FAC authorization. Vessels seeking such authorization must demonstrate that all calls in Haiti on or after June 5 were (1) for transactions exempted or excepted from the applicable prohibitions of the HTR, (2) specifically licensed by FAC, or authorized by an OAS Member State pursuant to Resolution MRE/RES. 3/92, or (3) made under a contract of voyage that was fully completed prior to the vessel's proposed entry into a U.S. port.

Strict enforcement of the new regulation has benefitted from the close coordination between FAC, the U.S. Embassy at Port-au-Prince, the U.S. Customs Service, the U.S. Navy, and the U.S. Coast Guard in monitoring vessel traffic to and from Haiti.

7. Since the issuance of Executive Order No. 12779, FAC has worked closely with the U.S. Customs Service to ensure both that prohibited imports and exports (including those in which the Government of Haiti has an interest) are identified and interdicted and that permitted imports and exports move to their intended destinations without undue delay. Violations and suspected violations of the embargo are being investigated, and appropriate enforcement actions have been initiated.

Since my last report, penalties totalling more than $30,000 have been collected for U.S. banks for violations involving unlicensed transfers from blocked Government of Haiti accounts or the failure to block payments to the de facto regime. Additional penalties totaling nearly $175,000 have been proposed for other violations of the HTR, including penalties against the masters of vessels violating the new regulation, effective June 5, 1992, applicable to vessels calling in Haiti on or after that date.

8. The expenses incurred by the Federal Government in the 6-month period from April 4, 1992, through October 3, 1992, that are directly attributable to the authorities conferred by the declaration of a national emergency with respect to Haiti are estimated at $2.3 million, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, and the Office of the General Counsel), the Department of State, the U.S. Coast Guard, and the Department of Commerce.

9. The assault on Haiti's democracy represented by the military's forced exile of President Aristide continues to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. The United States remains committed to a multilateral resolution of this crisis through its actions implementing the resolutions of the OAS with respect to Haiti. I shall continue to exercise the powers at my disposal to apply economic sanctions against Haiti as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

George Bush

The White House,

September 30, 1992.

Notice on Continuation of Haitian Emergency

September 30, 1992

On October 4, 1991, by Executive Order No. 12775, I declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the grave events that had occurred in the Republic of Haiti to disrupt the legitimate exercise of power by the democratically elected government of that country. On October 28, 1991, by Executive Order No. 12779, I took additional measures by prohibiting, with certain exceptions, trade between the United States and Haiti. Because the assault on Haiti's democracy represented by the military's forced exile of President Aristide continues to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, I am continuing the national emergency with respect to Haiti in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)).

This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

September 30, 1992.

[Filed with the Office of the Federal Register, 11:41 a.m., September 30, 1992]

Message to the Congress on Continuation of the National Emergency With Respect to Haiti

September 30, 1992

To the Congress of The United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Haitian emergency is to continue in effect beyond October 4, 1992, to the Federal Register for publication.

The crisis between the United States and Haiti that led to the declaration on October 4, 1991, of a national emergency has not been resolved. The assault on Haiti's democracy represented by the military's forced exile of President Aristide continues to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. The United States remains committed to a multilateral resolution of this crisis through its actions implementing the resolutions of the Organization of American States with respect to Haiti. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the de facto regime in Haiti.

George Bush

The White House,

September 30, 1992.

Message to the Senate Transmitting the Barbados-United States Taxation Protocol

September 30, 1992

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Protocol Amending the Convention Between the United States of America and Barbados for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income signed on December 31, 1984, which protocol was signed at Washington on December 18, 1991. I also transmit for the information of the Senate the Report of the Department of State.

In addition, I transmit herewith, for the information of the Senate, Understandings Regarding the Scope of the Limitation on Benefits Article in the U.S. -- Barbados Protocol. Although not submitted for the advice and consent of the Senate to ratification, this document is relevant to the consideration of the protocol by the Senate.

The protocol amends the 1984 income tax convention with Barbados, which has been in force since February 28, 1986, to modify certain provisions of the convention.

I recommend that the Senate give early and favorable consideration to the protocol and give its advice and consent to ratification.

George Bush

The White House,

September 30, 1992.

Letter to Congressional Leaders Transmitting a Report on a Schedule for Resumption of Nuclear Testing Talks

September 30, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Enclosed, pursuant to section 3140 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102 - 190; 105 Stat. 1581), is a Report on a Schedule for Resumption of Nuclear Testing Talks. The report is in both classified and unclassified versions.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Presidential Determination No. 92 - 48 -- Memorandum on Counternarcotics Assistance for Colombia

September 30, 1992

Memorandum for the Secretary of State,

the Secretary of Defense

Subject: Presidential Determination to Drawdown DOD Stocks for Counternarcotics Assistance for Colombia

Pursuant to the authority vested in me by Section 506(a)(2) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2318(a)(2) (the ``Act''), I hereby determine that it is in the national interest of the United States to drawdown defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training for the purpose of providing counternarcotics assistance to Colombia.

Therefore, I hereby direct the drawdown of up to $7 million of such defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training for the purposes and under the authorities of Chapter 8 of Part I of the Act.

The Acting Secretary of State is authorized and directed to report this determination to the Congress, and to arrange for its publication in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:10 p.m., October 8, 1992]

Presidential Determination No. 92 - 49 -- Memorandum on Disaster Assistance for Pakistan

September 30, 1992

Memorandum for the Secretary of State,

the Secretary of Defense

Subject: Presidential Determination to Drawdown DOD Stocks for Disaster Assistance for Pakistan

Pursuant to the authority vested in me by Section 506(a)(2) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2318 (a)(2) (the ``Act''), I hereby determine that it is in the national interest of the United States to drawdown defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, for the purpose of providing disaster assistance in Pakistan.

Therefore, I hereby authorize the furnishing of up to $5 million of such defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, for the purposes and under the authorities of Chapter 9 of Part I of the Act.

The Acting Secretary of State is authorized and directed to report this determination to the Congress and to arrange for its publication in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:11 p.m., October 8, 1992]

Statement by Press Secretary Fitzwater on the National Education Goals Panel Report

September 30, 1992

This year's report of the National Education Goals Panel shows we have made strides in increasing the high school completion rate of our youth and in eradicating drug use in schools. These positive results are the most compelling evidence of the effectiveness of the reform policies we have pursued over the past 3 years.

The President called the Nation's Governors together in 1990 for an education summit in Charlottesville, Virginia, where the participants set a strategic vision to improve American education by concentrating their efforts on reaching six national education goals. The National Education Goals Panel is charting the progress toward achieving these goals.

The President today recognizes those who have embraced the goals and who are working to establish rigorous national standards for what American children should know and be able to achieve. Continued support for this initiative and for the President's efforts to establish a voluntary system of achievement tests tied to world class standards will ensure that all citizens are able to live, work, and compete in an international marketplace.

Appointment of Andrew M. Carpendale as Deputy Assistant to the President for Policy Planning, Development, and Speechwriting

September 30, 1992

The President today announced the appointment of Andrew M. Carpendale as Deputy Assistant to the President for Policy Planning, Development, and Speechwriting.

Since June 1992, Mr. Carpendale has served as Deputy Director (Designate) on the State Department's Policy Planning Staff. He oversaw planning staff work on Western and Eastern Europe, Russia, and Eurasia, as well as political-military issues and arms control. From May 1990 to May 1992, he was Director of Speechwriting and Senior Adviser for Russian and Eurasian Affairs, Policy Planning Staff, Department of State. His duties included overseeing speechwriting for the Secretary of State as well as advising the Director of Policy Planning on issues related to Russian and Eurasian affairs. From January 1989 to April 1990, he was Special Assistant to the Director of Policy Planning.

As an undergraduate, Mr. Carpendale studied at the University of California, Santa Barbara, and the London School of Economics, receiving his bachelor's degree in June 1984 from the University of California in political science and economics. He received his master's degree from the University of California, Berkeley, in December 1986. He currently resides in the District of Columbia.

Excerpt of a White House Fact Sheet on the Child Support Enforcement Initiative -- Project KIDS

September 30, 1992

The President announced today a new comprehensive child support enforcement strategy to ensure that absent parents pay child support, no matter where they live. The President's initiative, Project KIDS (Keep Irresponsible Dads Supportive), will:

Require wage withholding for absent parents. Universal employer income withholding would be required, and payroll withholding would follow absent parents from job to job. The tax withholding forms would be updated to include information on child support responsibilities.

Overdue child support will become tax liabilities. Delinquent absent parents would face stiff penalties, and delinquent payments would be treated as tax liabilities collectible by State tax authorities and the Internal Revenue Service. Payments collected would be paid to custodial parents.

Recognize all child support orders in all States. Require all States to recognize and enforce child support orders established in other States. Place jurisdiction for child support disputes in one State.

Interstate nonpayment of child support as a Federal crime. Parents who fail to meet major interstate child support obligations, or who leave the State to evade those obligations, could face imprisonment.

Cover health services in child support orders. Absent parents would be required to cover children under their employer's health plan when coverage is available at reasonable cost.

Restrict access to Federal benefits for nonpaying parents. Any parent who is delinquent in child support payments would need a payment or deferral plan before qualifying for any new Federal benefits. Existing benefits will be garnished in the amount of the award and sent directly to the custodial parent.

Keep up with absent parents. Custodial parents will get better access to existing records to track down absent parents, and new information will be kept to track down ``deadbeat dads'' when they change jobs.

No payment/no passport. Deadbeat parents could not qualify for a passport, and existing passports could be withdrawn.

No payment/no professional license. Deadbeat parents could not have State or Federal professional licenses issued or renewed.

No payment/no Federal loans or loan guarantees. If deadbeat parents have not met obligations or do not have a plan to do so, they could not qualify for FHA home loans, guaranteed student loans, or any other Federal loan guarantee.

Report all delinquent parents to credit bureaus. Deadbeat parents will risk losing access to private credit.

Better legal services for custodial parents. Any legal services organization receiving funds from the Legal Services Corporation (LSC) must use at least 10 percent of its LSC funding to help eligible custodial parents obtain child support.

Make the Federal Government a model employer. Require up-to-date employer records and immediate payroll withholding.

Statement on Signing the Older Americans Act Amendments of 1992

September 30, 1992

Today I am signing into law H.R. 2967, the ``Older Americans Act Amendments of 1992." The bill extends and amends important programs under the Older Americans Act of 1965 (OAA) and the Native American Programs Act of 1974 (NAPA), including provisions for a White House Conference on Aging.

H.R. 2967 strengthens provisions of the OAA and supports expanded opportunities and services for our Nation's 42 million older Americans.

The OAA has enabled millions of older Americans to live with independence and dignity in their own homes and communities. Programs sponsored under the OAA have had many positive results. They have provided older persons with a range of supportive in-home and community services; led to the development of gerontological curricula at our Nation's universities and colleges; and tested innovative ways of better meeting the needs of older persons. The OAA also provides opportunities for part-time employment for low-income persons aged 55 or older.

H.R. 2967 promises to further these goals. It provides for the increased participation of minority elders in OAA programs and sets up intergenerational services at meal sites in public schools that will benefit both older Americans and at-risk children. It also offers supportive services to the thousands of family caregivers who make it possible for the frail elderly to remain in their own homes and communities.

This bill supports the goal of the OAA to end the tragedy of elder abuse. It establishes a new Elder Rights Title of the OAA to consolidate long-term care ombudsman services, legal assistance, and outreach and counseling for elderly who are institutionalized or at risk of losing their independence.

H.R. 2967 also extends the programs under NAPA. These programs have had an important role for nearly two decades in promoting the social and economic self-sufficiency of Native Americans through grants to the governing bodies of Indian tribes and other Native American groups.

The bill, however, does contain provisions that raise constitutional concerns regarding the separation of powers. One provision would establish a policy committee for the White House Conference on Aging that is not clearly legislative or executive. I must therefore interpret the policy committee's role as entirely advisory. H.R. 2967 also requires the Secretary of Health and Human Services to submit recommendations and final guidelines to improve nutrition services

to the Speaker of the House and the President pro tempore of the Senate. As the head of the executive branch, I will interpret this provision so as to maintain my constitutional authority to supervise my subordinates as I deem appropriate.

H.R. 2967 expands legislation to aid older Americans and their families. It is one way of demonstrating our commitment and thanks to those older people who have done so much to make America the great Nation that it is today.

George Bush

The White House,

September 30, 1992.

Note: H.R. 2967, approved September 30, was assigned Public Law No. 102 - 375. This statement was released by the Office of the Press Secretary on October 1.

Remarks at the Ethanol Waiver Announcement Ceremony

October 1, 1992

Thank you all very much, and welcome to the Rose Garden. Please be seated. Let me just thank Senator Dole and Congressman Michel, two of our leaders of the Congress, for being here; Governor Edgar, the Governor of Illinois, with me; Tim Trotter from the Corn Growers, from the National Corn Growers; and Bill Reilly over here. Bill, come up here now. We need you up here to show a little hands across the border here. [Laughter] Ann Veneman is here from the Ag Department, the Deputy Secretary; Linda Stuntz, the Deputy Secretary of Energy, is with us, Linda; and other Members of Congress. Welcome, all. Governor Thompson wanted to be here, Tommy Thompson, but could not make it this afternoon.

I've asked you all to come here today because we have a very positive announcement, one that will help America's farmers, one that will help clean our air, and one that will promote our energy security by increasing the use of domestically produced renewable fuels.

I'm announcing today that the administration has decided to effectively grant a one-pound volatility waiver for ethanol, and to do so in a way that is fully consistent with the Clean Air Act and protective of the environment. This one-pound waiver will apply to all reformulated gasoline blended with ethanol sold in northern U.S. cities in up to 30 percent of the market of these cities. As you know, the Clean Air Act requires that the smoggiest of these cities reduce smog-forming emissions by 15 percent in the summer months. And to make sure that this reduction is achieved, we will require that the volatility of gasoline sold in these cities be reduced to 7.8 pounds per square inch.

Gasoline with this volatility level is being sold in southern cities under current regulations right now. So we have confidence that it can be achieved at little cost to the consumer. In fact, our estimate is that the effect on the price of gasoline would be only about three-tenths of a penny.

Our program also permits ethanol use to expand even further. The Governors of States in the northern tier will have the right to allow a waiver on a higher percentage of the market, and if they order further compensating emission reductions. The waiver we are announcing today will apply to all the cities in the north that are required to adopt reformulated gasoline by 1995 and to all northern cities in States that choose to opt into this program.

When southern States choose to opt into the reformulated gas program, they will be able to choose between the regular reformulated gasoline program and one in which ethanol is granted a one-pound waiver for up to 20 percent of the market, with offsetting volatility reductions that would require that gasoline with 7.0 RVP be sold.

Again, we expect gasoline of this kind to be sold in California in 1996, so we know it is possible to proceed in this way. In addition, if ethanol blenders can secure voluntary agreements to get this lower volatility gasoline, they can receive a corresponding waiver under the regular reformulated gasoline program in the South.

Today's waiver is just one part of our program to promote ethanol. We're also going to work for the enactment of an additional tax incentive for ETBE. We're going to expedite the development of the complex model that measures all types of emissions so that the full smog-reducing benefits of ethanol can be measured. For the coming winter, we're going to make sure that all 39 cities that need help in reducing carbon monoxide participated in the oxygenated fuel program.

The bottom line is this: Clean-building ethanol can help reduce pollution. It is domestically produced. It is renewable. This waiver will allow ethanol to participate in both the summer and winter programs required under the Clean Air Act. It will do so in a way that protects all of the environment, all of the environmental benefits that we worked so hard for when that law was enacted.

I know that this question of how to allow ethanol to play a role in our reformulated gasoline program has been extraordinarily complex and a very difficult one. But I am pleased that this creative solution allows us to proceed in a way that is good for farmers, good for rural America, good for the environment in our cities, and good for American consumers and motorists.

So I congratulate all those who have worked hard to achieve this result. Thank you all very much for coming. Thank you very much. That concludes our little ceremony.

Well, I'm very pleased. I was just asking Bill if he feels very comfortable with it, and he does. And God knows, he's got good environmental credentials, the best.

Well, thank you all very much for coming down. Concludes a happy event. Thank you.

Note: The President spoke at 2:35 p.m. in the Rose Garden at the White House. In his remarks, he referred to William K. Reilly, Environmental Protection Agency Administrator.

Statement on Senate Ratification of the Strategic Arms Reduction Treaty

October 1, 1992

I am pleased that the Senate today gave its consent to the ratification of the Strategic Arms Reduction Treaty, START. The START negotiations began 10 years ago. These long years of negotiations culminated in an historic agreement, first with the Soviet Union and then with Russia, Ukraine, Byelarus, and Kazakhstan; true strategic arms reductions, not just limitations or controls.

START reduces United States and former Soviet strategic weapons by about 40 percent and makes even deeper cuts in the weapons of greatest concern, fast-flying ballistic missiles.

It also helps to ensure that the demise of the Soviet Union does not stimulate nuclear proliferation. In START, Ukraine, Byelarus, and Kazakhstan have all agreed to join the Nuclear Non-Proliferation Treaty as non-nuclear-weapon states and to guarantee the elimination of strategic nuclear forces from their territory.

Finally, this historic agreement has paved the way for further path-breaking steps and far-reaching reductions. In large part because of START's verification provisions, I was able in my September 1991 and January 1992 initiatives to make major unilateral nuclear reductions and successfully challenge Presidents Gorbachev and Yeltsin to do the same. Of even greater significance, the START framework permitted President Yeltsin and me to reach agreement at our summit meeting last June, after just 5 months of negotiation, on extraordinary further reductions in strategic nuclear weapons. All the agreements reached over the past year, beginning with START, will reduce our strategic nuclear forces by about 75 percent from their 1990 level. As such, START and follow-on understandings have done much to reverse the hands on the nuclear doomsday clock.

With the Senate's action this morning, the United States will be prepared to ratify the START Treaty once the other four parties have acted. I would note with satisfaction that the Government of Kazakhstan has already approved START, and I urge the remaining parties, Russia, Byelarus, and Ukraine, to approve this historic treaty promptly, so its mandated reductions can begin without delay.

Message to the Congress Reporting Budget Deferrals

October 1, 1992

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report seven deferrals of budget authority, totaling $930.9 million.

These deferrals affect International Security Assistance programs as well as programs of the Agency for International Development and the Departments of Agriculture, Defense, Health and Human Services, and State. The details of these deferrals are contained in the attached report.

George Bush

The White House,

October 1, 1992.

Note: The report detailing the deferrals was published in the Federal Register on October 9.

Statement on Signing the Continuing Appropriations Bill

October 1, 1992

I am today signing this legislation to provide for the continuing operation of the Government for the brief period between now and October 5, 1992, during which legislation is enacted providing for annual appropriations. I note that in some cases this bill incorporates by reference appropriations levels determined by action by one or both houses of Congress as of October 1, 1992. Because laws can be enacted only by the action of both houses and the President, see U.S. Const., Art. I, sec. 7; INS v. Chadha, 462 U.S. 919 (1983), I sign this bill on the understanding that no action taken on that date subsequent to my approval at 8:10 a.m. o'clock E.D.T. is incorporated. For the same reason, section 106(b) can be effective only if interpreted to mean enactment of the referenced appropriations bills into law.

George Bush

The White House,

October 1, 1992.

Note: H.J. Res. 553, approved October 1, was assigned Public Law No. 102 - 376.

Statement by Press Secretary Fitzwater on Assistance to Refugees of Nagorno-Karabakh

October 1, 1992

The United States is contributing more than $2,150,000 to the American Red Cross (ARC) to provide emergency food and shelter for Armenian refugees who have fled the conflict in Nagorno-Karabakh and are currently in Armenia.

The ARC will use these funds to provide food assistance to 15,000 families. This assistance will be in the form of monthly food parcels meant to supplement nutritional shortfalls experienced by the refugee population. The funds will also be used to provide emergency shelter in the form of winterized tents. These tents will provide emergency shelter for up to 5,970 persons.

This assistance is in addition to U.S. Government contributions to the International Committee of the Red Cross (ICRC) of more than $2,840,000 in support of its humanitarian aid to war victims, refugees, and other vulnerable groups in Armenia and Nagorno-Karabakh. These contributions together provide a total of $5 million for humanitarian assistance to Armenian refugees and victims of conflict since January 1992.

In addition to these contributions, the President has authorized $2 million in U.S. Government support for a CSCE Observer Force to promote a peaceful settlement to the Nagorno-Karabakh conflict. The President has also offered Armenia $15 million under the Food for Progress program.

They are an expression of the administration's support for the Armenian Government led by President Levon Ter-Petrosyan and of our commitment to help achieve a lasting peace in the area.

Remarks on Signing the Energy and Water Development Appropriations Act, 1993

October 2, 1992

Let me just say this is a good morning here. And thank you all for coming, some from a long way. I first want to welcome those who are here from the Superconducting Super Collider Laboratory, those here, and also say welcome to those that are watching this back in Texas. My greetings to the Members of Congress who fought hard for this legislation.

We're here today to take another step into the future, an American future that really offers unprecedented opportunities in our country's history. The task before us is to grasp those opportunities and to make them available for every American.

The great question today is not whether America will compete in the new century. You and I know that we will. The question is how we compete, how we remain the world's leader, not only militarily and politically but economically as well. In large measure, the answer lies in pushing back the frontiers of human knowledge so that daring and ideas and dreams of this decade become the everyday life of the next. We have part of that answer before us this morning, a cornerstone of our agenda to keep America at the forefront of science.

The appropriations bill that I'm about to sign provides support for all fields of science and technology. It ensures that one of the greatest adventures in human knowledge will continue. The superconducting super collider is to basic research what the All-Star game is to baseball. Already it has brought together the finest scientific minds in the world, academic scientists, industrial technologists, laboratory researchers, a collection of talent and brainpower not seen since the great research projects of World War II; and all of this scientific talent, backed by the greatest workers in the world at all levels.

In the short term, the superconducting super collider will mean jobs, at least 7,000 first-tier jobs across the country, and already 23,000 contracts have been awarded to businesses and to universities. I'm especially pleased by the participation of those small businesses from 40 States who will help build the SSC.

In the longer term, the tangible benefits of the SSC will be felt by every single American. Time and again, history has shown that advances in abstract knowledge have the most practical of consequences. The work done with the SSC will bear fruit in new industries, new jobs, new breakthroughs in medicine and chemicals, transportation, and electronics. The list stretches into fields of knowledge we can only imagine today.

Ten days from now, we will mark the 500th anniversary of a dramatic landfall, the moment

when Christopher Columbus set foot in a new world. And his spirit of fearless exploration survives. Today, Americans set sail not for new continents but for new ideas, not for new passageways but for new ways of knowing. Our frontier is the human imagination; our vessel, the super collider.

I believe that the bill I'm about to sign shows us that we've reached a consensus about the super collider and more really about the future.

I thank all of you here today who share our commitment, who worked so hard to ward off the shortsighted attempts to kill off the super collider. With your help and faith, we will ensure that America remains for all its people the country of tomorrow.

Thank you all very much for coming. And now I have the honor to sign this bill. I congratulate once again every single Member of Congress who worked with these leaders of Congress here with us today to bring this about.

Note: The President spoke at 8:04 a.m. in the Roosevelt Room at the White House. H.R. 5373, approved October 2, was assigned Public Law No. 102 - 377.

Statement on Signing the Energy and Water Development Appropriations Act, 1993

October 2, 1992

Today I have signed into law H.R. 5373, the ``Energy and Water Development Appropriations Act, 1993." The Act provides funding for the Department of Energy. The Act also provides funds for the water resources development activities of the Corps of Engineers and the Department of the Interior's Bureau of Reclamation, as well as funds for various related independent agencies such as the Appalachian Regional Commission, the Nuclear Regulatory Commission, and the Tennessee Valley Authority.

I am pleased that the Congress has provided funding for the Superconducting super collider (SSC). This action will help us to maintain U.S. leadership in the field of high-energy physics. SSC-related research has spawned, and will continue to spawn, advances in many fields of technology, including accelerators, cryogenics, superconductivity, and computing. The program serves as a national resource for inspiring students to pursue careers in math and science. SSC-related work will support 7,000 first tier jobs in the United States. In addition, 23,000 contracts have been awarded to businesses and universities around the country.

I must, however, note a number of objectionable provisions in the Act. Specifically, Section 507 of H.R. 5373, which concerns nuclear testing, is highly objectionable. It may prevent the United States from conducting underground nuclear tests that are necessary to maintain a safe and reliable nuclear deterrent. This provision unwisely restricts the number and purpose of U.S. nuclear tests and will make future U.S. nuclear testing dependent on actions by another country, rather than on our own national security requirements. Despite the dramatic reductions in nuclear arsenals, the United States continues to rely on nuclear deterrence as an essential element of our national security. We must ensure that our forces are as safe and reliable as possible. To do so, we must continue to conduct a minimal number of underground nuclear tests, regardless of the actions of other countries. Therefore, I will work for new legislation to permit the conduct of a modest number of necessary underground nuclear tests.

In July 1992, I adopted a new nuclear testing policy to reflect the changes in the international security environment and in the size and nature of our nuclear deterrent. That policy imposed strict new limits on the purpose, number, and yield of U.S. nuclear tests, consistent with our national security and safety requirements and with our international obligations. It remains the soundest approach to U.S. nuclear testing.

Sections 304 and 505 of the Act also raise constitutional concerns. Section 304 would establish certain racial, ethnic, and gender criteria for businesses and other organizations seeking Federal funding for the development, construction, and operation of the Superconducting super collider. A congressional grant of Federal money or benefits based solely on the recipient's race,

ethnicity, or gender is presumptively unconstitutional under the equal protection standards of the Constitution.

Accordingly, I will construe this provision consistently with the demands of the Constitution and, in particular, monies appropriated by this Act cannot be awarded solely on the basis of race, ethnicity, or gender.

Section 505 of the Act provides that none of the funds appropriated by this or any other legislation may be used to conduct studies concerning ``the possibility of changing from the currently required `at cost' to a `market rate' or any other noncost-based method for the pricing of hydroelectric power'' by Federal power authorities.

Article II, section 3, of the Constitution grants the President authority to recommend to the Congress any legislative measures considered ``necessary and expedient.'' Accordingly, in keeping with the well-settled obligation to construe statutory provisions to avoid constitutional questions, I will interpret section 505 so as not to infringe on the Executive's authority to conduct studies that might assist in the evaluation and preparation of such measures.

George Bush

The White House,

October 2, 1992.

Note: H.R. 5373, approved October 2, was assigned Public Law No. 102 - 377.

Statement on National Energy Strategy Legislation

October 2, 1992

I strongly urge the 102d Congress to pass the national energy strategy before it adjourns. For the last 18 months, my administration has worked diligently with the Congress to produce the most comprehensive national energy strategy in 20 years. This bipartisan legislation was crafted not in a time of crisis but in a time when our long-term energy needs could be addressed with balance and reason.

The conference report to the national energy strategy will soon come before the Congress. This bill is good news for Americans. The legislation will increase conservation efforts, promote domestic renewable resources and alternative fuels, increase competition in the electric utility industry and reduce consumer costs, and remove regulatory barriers to increased use of clean-burning natural gas. The bill also provides much-needed alternative minimum tax (AMT) relief for independent oil and gas producers, thus removing a substantial disincentive to domestic oil and gas production.

Congress has demonstrated overwhelming support for the national energy strategy. The Senate passed this legislation on July 30 by a vote of 93 - 3, and the House passed it on May 27 by a vote of 381 - 37. This legislation should not fall victim to the end-of-year rush to adjourn. The Congress should not adjourn without passing this legislation.

Statement on Humanitarian Assistance to Bosnia

October 2, 1992

All Americans, and people of compassion everywhere, remain deeply troubled by the cruel war in Bosnia and the broader turmoil in what was Yugoslavia. We took several important initiatives in August, and today I am announcing further steps to help ease this conflict.

The United States has been working intensively with other concerned nations to contain the conflict, alleviate the human misery it is causing, and exact a heavy price for aggression. This international effort has produced some results. The recent London conference set up an international mechanism for addressing all aspects of the Yugoslav problem and put in motion an active negotiation. The tenuous truce in Croatia is holding. International observers are on their way to neighboring countries and other parts of the former Yugoslavia to prevent the violence from spreading. The United Nations trade embargo has idled roughly half the industry of Serbia, whose leader bears heavy responsibility for the aggression in Bosnia. Our demand that the Red Cross be given access to detention camps has begun to yield results, and the release of detainees has now begun. The U.N. resolution we obtained to authorize ``all necessary measures'' to get relief supplies into Bosnia has led to the creation of a new U.N. force to be deployed for that purpose.

We will continue to honor our pledge to get humanitarian relief to the people of Sarajevo and elsewhere in Bosnia. To this end, I have directed the Secretary of Defense to resume American participation in the Sarajevo airlift tomorrow morning. I wish I could say that there is no risk of attack against these flights, but I cannot, although we are taking precautions. We can be proud of the Americans who, along with courageous personnel from other countries, will go in harm's way to save innocent lives.

Still, the savage violence persists in Bosnia. Despite agreements reached at the London conference, Bosnian cities remain under siege, the movement of humanitarian relief convoys is still hazardous, and innocent civilians continue to be slaughtered. At London, the parties agreed to a ban on all military flights over Bosnia. Yet the bombing of defenseless population centers has actually increased. This flagrant disregard for human life and for a clear agreement requires a response from the international community, and we will take steps to see that the ban is respected.

Now, a new enemy is about to enter the battlefield: winter. Some weeks ago, I asked for an assessment of the effects that the combination of war and winter could inflict on the suffering people of Bosnia. The answer was profoundly disturbing: thousands of innocent people, some uprooted, others trapped, could perish from cold, hunger, and disease. Anticipating this danger, the United States has been working with other nations and with the United Nations to mount a major expansion of the international relief effort and to support the tireless negotiations of U.N.

and EC envoys, Cyrus Vance and David Owen, to get the fighting stopped.

I want the American people to know what the United States intends to do to help prevent this dreadful forecast from becoming a tragic reality. I have decided to take a number of further steps:

First, having authorized a resumption of U.S. relief flights into Sarejevo, I am prepared to increase the U.S. share of the airlift.

Second, we will make available air and sea lift to speed the deployment of the new U.N. force needed immediately in Bosnia to protect relief convoys. The United States will also provide a hospital and other critical support for this force.

Third, the United States will furnish $12 million in urgently needed cash to the U.N. High Commissioner for Refugees for the purpose of accelerating preparations for the winter. This is in addition to the $85 million in financial and material support we have already committed.

Fourth, we will offer to the United Nations and the Red Cross help in transporting and caring for those who are being freed from detention camps. We have already provided $6 million for this purpose.

Fifth, in cooperation with our friends and allies, we will seek a new U.N. Security Council resolution, with a provision for enforcement, banning all flights in Bosnian airspace except those authorized by the United Nations. If asked by the United Nations, the United States will participate in enforcement measures.

Sixth, we are taking steps in concert with other nations to increase the impact of sanctions on Serbia. I call on the Serbian authorities to cooperate fully with the United Nations and to comply with its resolutions.

Seventh, we have been working with the United Nations, European Community, and our other allies to introduce an international presence into Kosovo. The United States and the international community will continue to monitor the situation closely.

There is no easy solution to the Bosnian conflict, let alone the larger Balkan crisis. So we will persist in our strategy of containing and reducing the violence, making the aggressors pay, and relieving the suffering of victims, all the while lending our full support to the quest for a settlement. History shows that what this troubled region needs is not more violence but peaceful change, and I am confident that the steps I am announcing today will help the innocent victims, strengthen the hand of the negotiators and reinforce the pressures for peace.

Statement on the Glass Ceiling Commission

October 2, 1992

I am pleased to recognize the inaugural meeting of the Glass Ceiling Commission, which will focus on examining and eliminating discriminatory barriers to the advancement of women and minorities to senior positions in the workplace.

The Commission's work will complement the ongoing effort that I have made a priority in my administration: to assure women and minorities an opportunity to serve in upper echelons in Government, to be measured by the same standard as men. I have made record numbers of appointments of women and minorities to senior-level positions. I am proud that I appointed a talented team of women to the most senior economic positions, and I would like to see the business world follow my lead.

I am certain that under Secretary of Labor Lynn Martin's leadership, the Commission will aggressively pursue its 4-year agenda. The work of this Commission will help equip the Nation to make the most of every member of the 21st century work force.

Presidential Determination No. 93 - 1 -- Memorandum on Refugee Admissions

October 2, 1992

Memorandum for the United States Coordinator for Refugee Affairs

Subject: Determination of FY 1993 Refugee Admissions Numbers and Authorization of In-Country Refugee Status Pursuant to Sections 207 and 101(a)(42), Respectively, of the Immigration and Nationality Act

In accordance with section 207 of the Immigration and Nationality Act (``the Act") (8 U.S.C. 1157), and after appropriate consultation with the Congress, I hereby make the following determinations and authorize the following actions:

a. The admission of up to 132,000 refugees to the United States during FY 1993 is justified by humanitarian concerns or is otherwise in the national interest; provided, however, that this number shall be understood as including persons admitted to the United States during FY 1993 with Federal refugee resettlement assistance under the Amerasian immigrant admissions program, as provided in paragraph (b) below.

Ten thousand of these admissions numbers shall be set aside for private sector admissions initiatives, and may be used for any region. The admission of refugees using these numbers shall be contingent upon the availability of private sector funding sufficient to cover the reasonable costs of such admissions.

b. The 122,000 funded admissions shall be allocated among refugees of special humanitarian concern to the United States as described in the documentation presented to the Congress during the consultations that preceded this determination and in accordance with the following regional allocations; provided, however, that the number allocated to the East Asia region shall include persons admitted to the United States during FY 1993 with Federal refugee resettlement assistance under section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1988, as contained in section 101(e) of Public Law 100 - 202 (Amerasian immigrants and their family members); provided further that the number allocated to the former Soviet Union shall include persons admitted who were nationals of the former Soviet Union, or in the case of persons having no nationality, who were habitual residents of the former Soviet Union, prior to September 2, 1991:

Africa -- 7,000

East Asia -- 52,000

Former Soviet Union -- 50,000

Eastern Europe -- 1,500

Near East/South Asia -- 7,000

Latin America/Caribbean -- 3,500

Unallocated (funded) -- 1,000

Utilization of the 122,000 federally funded admissions numbers shall be limited by such public and private funds as shall be available for refugee and Amerasian immigrant admissions in FY 1993. You are hereby authorized and directed to so advise the judiciary committees of the Congress.

The 1,000 unallocated federally funded numbers shall be allocated as needed. Unused admissions numbers allocated to a particular region within the 122,000 federally funded ceiling may be transferred to one or more other regions if there is an overriding need for greater numbers for the region or regions to which the numbers are being transferred. You are hereby authorized and directed to consult with the judiciary committees of the Congress prior to any such reallocation.

The 10,000 privately funded admissions not designated for any country or region may be used for refugees of special humanitarian concern to the United States in any region of the world at any time during the fiscal year. You are hereby authorized and directed to notify the judiciary committees of the Congress in advance of the intended use of these numbers.

c. An additional 10,000 refugee admissions numbers shall be made available during FY 1993 for the adjustment to permanent resident status under section 209(b) of the Act (8 U.S.C. 1159(b)) of aliens who have been granted asylum in the United States under section 208 of the Act (8 U.S.C. 1158), as this is justified by humanitarian concerns or is otherwise in the national interest.

In accordance with section 101(a)(42) of the Act (8 U.S.C. 1101(a)(42)) and after appropriate consultation with the Congress, I also specify that, for FY 1993, the following persons may, if otherwise qualified, be considered refugees for the purpose of admission to the United States within their countries of nationality or habitual residence:

a. Persons in Vietnam.

b. Persons in Cuba, El Salvador, Guatemala, and Haiti.

c. Persons in the former Soviet Union.

You are authorized and directed to report this Determination to the Congress immediately and to publish it in the Federal Register.

George Bush

cc: The Secretary of State, The Attorney General, The Secretary of Health and Human Services

[Filed with the Office of the Federal Register, 2:33 p.m., October 13, 1992]

Nomination of Sean Charles O'Keefe To Be Secretary of the Navy

October 2, 1992

The President today announced his intention to nominate Sean Charles O'Keefe, of Virginia, to be Secretary of the Navy. He would succeed H. Lawrence Garrett III.

Currently Mr. O'Keefe serves as the Acting Secretary of the Navy. Prior to this, he served as Comptroller and Chief Financial Officer of the Department of Defense, 1989 - 92. He has also served as minority counsel for the Senate Appropriations Committee, Defense Subcommittee, 1987 - 89; minority staff director for the Senate Appropriations Committee, Defense Subcommittee, 1986 - 87; majority professional staff member, Senate Appropriations Committee, Defense Subcommittee, 1981 - 85; and budget analyst with Naval Sea Systems at the Department of Defense, 1980 - 81.

Mr. O'Keefe graduated from Loyola University (B.A., 1977) and Syracuse University (M.P.A., 1978). He was born January 27, 1956. Mr. O'Keefe is married, has three children, and resides in Arlington, VA.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With Turkish Leaders on the Missile Accident

October 2, 1992

The President spoke today with President Turgut Ozal and Prime Minister Suleyman Demirel of Turkey to express the intense sorrow and regret of the United States for the unfortunate and tragic accident involving ships of our two navies during the multination NATO exercises in the Mediterranean. The President expressed profound sympathy for the families of the victims and assured the Turkish leaders that a full and complete investigation of this tragic accident would be undertaken.

Note: On October 2, the U.S.S. ``Saratoga'' accidentally fired two missiles, hitting a Turkish destroyer and killing five of its crew.

Remarks to the Community in Clearwater, Florida

October 3, 1992

Thank you all very, very much. Please be seated. At long last he's made his intentions clear. I'm delighted that Sidney will not be a candidate for President of the United States. [Laughter] It's a confusing enough year with the way it is. But thank you, sir, to you and your family for this introduction. Sidney and I go back a while, and he's been a loyal and strong friend and supporter. He's certainly been a marvelous citizen of this community and of our great State of Florida. So thank you very much.

Allow me quickly to single out a couple of others: Sandra, thank you, and best of luck to you; we have Bill Grant with us, another friend, and I want to see some real changes in the Congress, and he's running for the Senate; and Jeanie Austin, the vice chairman of the Republican National Committee, sitting over here, a Floridian; and Marian Keith, longtime GOP volunteer and a resident of On Top of the World, right back there. And a special welcome to Gerald McRaney. He's a great campaigner, a man of principle, and I'm very proud to have him at my side. Mac will be traveling with us all across Florida today, and we love having him along. Except every time I get going on a little too long, he makes me drop in the aisle of Air Force One and do 50 pushups. [Laughter]

But in honor of the ``Major's'' presence, I'd like to start this morning with an announcement related to the area, regarding MacDill Air Force Base. As you know, MacDill played a big role in bringing an end to the cold war and certainly in Desert Storm. Now I'm pleased to announce that the Air Force and the National Oceanic and Atmospheric Administration, NOAA, will work together to make MacDill a major center for NOAA's fleet of research aircraft. This is a good decision. It represents a big victory for Senator Connie Mack and Congressman Bill Young, who are both back in Washington today. And also to give credit, I want to single out Al Austin, the chairman of the MacDill Response Group, a Floridian who played a big role in finding a use for MacDill that will serve the national interest and also provide a major boost to the area's economy. So it's good news, and I'm glad to be able to announce it here in Florida today.

Now about this little matter of an election a month from today. This campaign, like every campaign, is about a simple question: What kind of America do we want for our kids and for our grandkids? My opponent says that America is over the hill. At the Democratic Convention, he said he saw the U.S. sliding down the list of nations, somewhere past Germany and heading for Sri Lanka.

Well, maybe he ought to open his eyes. Maybe he ought to look at the respect with which we're held all around the world. Maybe the Governor needs to walk the streets of Europe and talk to the people of Asia, and they'd remind him of a few facts: Americans are still the most educated people in the world. In spite of our difficulties, the American economy is still the most dynamic

in the world, American workers still the most productive. Any way you measure it, America is still on top of the world. That's the way it is.

So how do we stay number one? That's the question. I've laid out an Agenda for American Renewal, a comprehensive, integrated agenda to create in America the world's very first $10 trillion economy. My agenda for renewal demands that we open new markets for American products because that is the way we are going to create the new jobs for American workers. My agenda prepares our young people to excel in science and math and English because that's the way they will outperform the Japanese and the Germans. My agenda helps strengthen the American family because we must never forget: Family is still the foundation of our Nation.

I might just say, I'm a little prejudiced, but I think we have one of the great First Ladies of all time. I wish Barbara were here, because she feels as I do on strengthening family. When she sits there in the Diplomatic Entrance of the White House and reads to those kids, it's sending a signal to parents to help your children. When she holds an AIDS baby in her arms, it sends the compassion that we all ought to feel, one for another. She feels as strongly as I do that we've got to find ways to strengthen the fabric of society by strengthening the American family.

This agenda for America's renewal promotes savings and investment, because in America the future is our children's birthright. So here's what I'm fighting for: To reinvent, literally reinvent American education and give every American the fundamental right to choose the best school for their children. Fighting to reform our crazy legal system, because as a nation we must sue each other less and care for each other more. These suits are out of hand.

Then to use market and competition to cut the cost of health care and make it available to all your neighbors. And it seems to me if you see a doctor once, you shouldn't have to go back a month later when you get the bill to be treated for aftershock. [Laughter] So we have a good new health reform program, and I think it's time to bring some sanity to our health care system.

I want to bring real change to Washington by limiting the terms of the Members of Congress and give the power back to real people. The President's terms are limited; why not limit the terms of some of those old geezers up there that have been for about 50 years?

Finally, I'm fighting for economic security for every man and woman in America. And I know that Social Security and Medicare are important to all of you, to all of us. And I'm sure some of you have heard my opponent's ads on the subject. Understand, Governor Clinton's a very ambitious politician. That's fine. But in his first try on the national scene he's using the oldest trick in the world, trying to scare America's seniors.

Here are the facts: I have proposed a comprehensive program to reform our health care system, to improve health care for all Americans. The only proposal I've made to -- will affect Medicare benefits is to give people with highest incomes a smaller Government subsidy. But I believe we

can get big savings by cutting the fat out of an inefficient system, by going after things like the $25 billion in potential savings in malpractice insurance. But we can reform health care without cutting your health benefits. I have protected them as President, and I'm going to continue to protect them.

Bill Clinton's got a different idea. He wants the Government to get involved in setting prices, setting health care prices. But the experts said it could force people to wait in lines for treatment they want and need. Governor Clinton's plan would require $218 billion in cuts in Medicaid and Medicare over the next 5 years. So at the same time he's scaring you, he will not tell the seniors across this State and across the country where he's going to get the over $200 billion in savings that he wants. I think you deserve an answer to this.

These are the facts. They are pure and simple facts. It's the same with Social Security. In 1983, most people will probably remember this, in 1983, we took steps to make sure Social Security would stay financially sound, and we have kept it that way. No matter what Governor Clinton says, as long as I am President, Social Security will remain safe and sound. As I said in the State of the Union Message, and I repeat it here, I will not mess with Social Security, and I will not let Congress mess with Social Security. I will not let anyone take a knife to your Medicare benefits.

Now, ultimately none of us will be secure without a strong economy. And that's a fundamental issue of the campaign. And the differences in approach couldn't be more dramatic. I know America's endured some very tough economic times. But understand, we are being affected, and most people know this, by a global economic slowdown. Our competitors in Europe would trade places with us in a minute. Yet Governor Clinton offers America the European social welfare state policies: more Government, more special interest spending, more taxes on the middle class.

As Governor, Bill Clinton raised and extended the sales tax, including a tax on vegetables and other groceries. He raised the gas tax. He taxed mobile homes. He even taxed cable TV, taxes that hit the middle class and seniors the hardest. Now in this campaign, he says he's changed his ways. He's proposing at least $150 billion in new taxes plus at least $220 billion in new spending. But don't worry, he says, I'll get it all from the rich, the people who make over $200,000, that top 2 percent.

Well, yesterday in the Washington Post, his economic spokesman was quoted admitting to a reporter that the top 2 percent is not people over $200,000. He said that was just shorthand. Well, he's right. It's shorthand. Governor Clinton's plan is shorthand for socking it to the nurses and the teachers and the cab drivers and the middle class people who always get the shaft. I am not going to let it happen. We're going to take this case to the American people.

To get the money, to get the money that he needs for this plan, the $150 billion that he's promised in new taxes, he would have to get his money from every individual with taxable income over $36,600. That is a fact. These aren't the folks you see on ``Lifestyles of the Rich

and Famous." They work hard, and they deserve a break.

But that's just a start, because hardly a day goes by when candidate Clinton isn't signing on some plea for some new Government spending program. Before he's done, Bill Clinton is going to need hundreds of billions of dollars more to pay for all the programs he's promised. You've got every right to say, well, who will pay? The same people who always pay, the people who work hard and sweat it out at tax time. Bill Clinton wants you to sweat harder for the tax man, and I say his ideas deserve a cold shower.

Just some examples: Let's say your daughter's a third grade teacher with about $22,000 a year in taxable income. She already pays about $1,300 in taxes. Governor Clinton could have her fork over another $430 a year to the tax man; that is, if he's going to pay for all the social programs and pay for the additional spending that he's already proposed. I say that that woman ought to be able to use that money to pay for the grandkids' education or pay the mortgage on her house, not to send it back to the IRS.

Bill Clinton can protest all he wants, but his numbers do not add up. I'm not going to let him take the difference out of your income.

Now, whenever I say this, Governor Clinton says it's outrageous. He'd never consider taxing the middle class. He's, quote, here's what he says about himself, ``a different kind of Democrat." Well, there's nothing different about $150 billion in new taxes right out of the chute. There's nothing different about at least $220 billion in new Government spending, spending he's already proposed. There's nothing different in Bill Clinton's record in Arkansas where he's treated the middle class like a piggy bank to pay for all his programs.

Remember Mike Dukakis, the tank driver? [Laughter] Well, Bill Clinton nominated him for President 4 years ago. This year, according to an article in the New York Times, 39 of Governor Clinton's economic proposals are virtually identical to the ideas Governor Dukakis was pushing: higher taxes, more spending, a bigger deficit. I say simply: These things are wrong for America. We've got fundamental differences here. I'm getting warmed up on you, because I think we're going to have three debates; so I'm practicing here today.

Governor Clinton wants you to believe that the American economy will improve if you turn full control of your paycheck over to the crew that already runs the Congress. He wants the tax-and-spend Government planners to have total control over the executive branch, too. Last time they tried this, we ended up with double-digit inflation and rising interest rates and a ``misery index," inflation and unemployment, over 20 percent.

Think about what inflation does to people on fixed incomes. Bill Clinton and his friends in Congress would let the lion of inflation out of its cage. I say, let's lock it away; keep it from your bank account; keep your savings sacrosanct, not to be wiped out by inflation.

So my case to the American people is this: At this time in our history, we simply cannot take the risk on a President with no national experience and a miserable Arkansas record to run on.

Since I've been in the Oval Office I've faced some very difficult decisions. That's what you pay me to do. And yes, I've made some mistakes. When I make a mistake, I'll admit it. But I believe I've been a good leader. I've tried to make the tough calls. I've tried to make the tough calls, willing to tell people not what they want to hear but what they need to hear. And I stand before you today asking for your support so that we can get to work with a new Congress to fix the problems that stand in the way of this country, and so that we reform our health care system, that we literally reinvent our schools, so that we can retrain workers from one generation and create jobs for the next, and so that we can cut Government spending and cut taxes to get this economy moving again, and so that we can limit terms of Members of the Congress and give Government back to the people.

If you're looking for a leader of experience and ideas, a leader who shares your values, a leader who knows that America's heartbeat can be found not in Washington but in places like Clearwater and Largo and St. Pete and Tampa, then I hope I can count on your support on November 3d.

Thank you all very, very much. And may God bless the United States of America. Thank you all. Thank you.

Note: The President spoke at 9:25 a.m. at the On Top of the World community. In his remarks, he referred to Sidney Colen, chairman of the community's board; Sandra Mortham, Florida State representative; actor Gerald McRaney; and Al Austin, chairman, Hillsborough County Victory '92.

Remarks to the Community in Fort Lauderdale, Florida

October 3, 1992

The President. Thank you, Colonel Bud Day, and thank all of you for being here. Let me also single out two Floridians: Jeanie Austin, who is the cochairman of the Republican National Committee, a great daughter of Florida with us today; and also the man I want to see elected to the United States Senate, Bill Grant, a good Congressman, a good man. And may I salute Guy Sanchez and Commander Donald Feak; and also a couple of friends of mine that came up on the plane, Andy Mill and Chris Evert, two of Fort Lauderdale's favorites over here. May I thank Gerald McRaney, a man of principle, who's campaigning. I'm glad to have ``Major Dad'' on my side, I'll tell you.

I'm sure some of you young ones are wondering what this is. This thing is a TBF Avenger. And I remember the first time I saw one of these. I could hardly wait to try it out. And then my flight instructor told me a curious aerodynamic fact. When the thing was loaded, it could fall faster than it can fly. I proved that a couple of times out in the Pacific flying one of these things. I took my flight training right here at Fort Lauderdale. It was quite a few years ago.

I am very pleased to be here to talk about the -- --

Audience members. Where was Bill? Where was Bill? Where was Bill?

The President. I am very pleased to be here to talk about the choice for this November. This campaign, like every campaign, is about a simple question: What kind of America do you want for the young people that are here today?

My opponent likes to tear America down. He says that we are, in his words, ``south of Germany, heading toward Sri Lanka.'' Well, maybe he ought to talk to a few folks in Germany or Asia, and they'll remind him of a few facts: Our people are the best educated. Our economy is still the most dynamic, and our workers the most productive. America is the greatest economic superpower the world has seen. I intend to keep it that way and make it better. I don't like Governor Clinton tearing down the United States of America.

Audience members. We want Bush! We want Bush! We want Bush!

The President. I have laid out a comprehensive Agenda for American Renewal. It's a comprehensive, integrated agenda to create, right here in the United States, the world's very first $10 trillion economy. You go with my plan, and we can do just that.

Here's what we've got to do. We've got to look forward, to open new markets for our products because that's the way we're going to create new jobs and better wages for our workers. My

agenda charts a way to prepare our young people to excel in math and English and science because that's the way our kids will beat the socks off the Germans and the Japanese in economic competition. This agenda provides ways to strengthen the American family because families are the foundation of our Nation. I'm going to keep on talking about strengthening the family. And as the colonel said, Governor Clinton wants to gut our military forces. He wants to cut $60 billion beyond what my military experts say is responsible.

Audience members. Boo-o-o!

The President. My agenda cuts defense, but only so far, because the only way America can stay safe is for America to stay strong. The reason we whipped Saddam Hussein is we stayed strong.

So here's what I'm fighting for, is to reinvent American education and give every parent the right to choose the best school for their kids, public, private, or religious; to reform our crazy legal system. We've got too many crazy lawsuits, and it is time that we sue each other less and care for each other more in this country.

With the help of that new Congress, I'm determined to cut the size of Government, because Government is too big and spends too much of your money. I want to limit, limit the terms --

Audience member. Clean the House!

The President. That's a good idea. The man says, ``Clean House!'' Wait a minute, I'll tell you how to do it.

Audience members. Clean the House! Clean the House! Clean the House!

The President. We need to do that, I'll tell you. We need to do that, and one thing we need to do is limit the terms for the Members of Congress and give Congress back to the people. The President's terms are limited; limit the Congress.

These are just some of the things I'm fighting for. But while I'm talking about the future, Governor Clinton only wants to talk about the past.

Audience members. Four more years! Four more years! Four more years!

The President. Clinton only wants to talk about the past. I say, if you want to talk about the past, take a look at Arkansas. These are good people, good, honorable, patriotic Americans, and they've had a bad leader. The more you know about him, the more you'll understand: Bill Clinton is wrong for America.

You know, he says he's for civil rights, but Arkansas doesn't even have a basic civil rights law.

He says he's for a clean environment, but the Institute of Southern Studies ranked Arkansas the 50th in environmental policies, right down to the bottom.

Audience members. Boo-o-o!

The President. Governor Clinton would want us to believe he can walk on water. And maybe he can, over there in Arkansas in those rivers, they're so polluted. The Governor says he's tough on crime, but under him, Arkansas's crime rate has gone right through the roof, has risen 2 times faster than the Nation's. You don't have to take my word for it. Ask the police officers who know Bill Clinton the best, the people in Little Rock. The police officers in Little Rock have endorsed me for President of the United States.

Let me talk for just a minute about the economy. We've been through some tough economic times. But understand, we're being affected by a global economic slowdown. Our competitors in Europe would trade places with the United States in a minute. And yet, Governor Clinton offers for America this kind of European social welfare state with bigger Government and higher taxes. And we don't need it.

Audience members. Boo-o-o!

The President. Don't listen to what he's saying today. He is wanting to slap more taxes on the middle class.

Audience members. Boo-o-o!

The President. Let me give you the facts. He is proposing at least $150 billion in new taxes and at least $220 billion in new spending. ``Don't worry," he says, ``I'll take it all from the rich. I'll take it all from those who are the top 2 percent."

But the problem is this: To get all the money he needs for that plan he's come up with, the $150 billion that he's promised in new taxes, Governor Clinton would have to get his money from every individual with taxable income over $36,600. And to pay for his other promises, he'll have to sock it to the cab drivers, the teachers, the nurses, and the day-to-day citizens. And we can't let him do that.

Audience members. Boo-o-o!

The President. He wants the middle class to sweat more and send it to the IRS. I say his ideas deserve a cold shower. Do not give him a chance.

You know, we had some television ads on, exposing the truth about who's going to pay for all Governor Clinton's promises, and then he gets mad. Even today he's got a new ad on television

trying to fog the issue. He's scared that you're going to find out the truth before November 3d.

His economic plan does not add up. Someone is going to have to foot the bill, and Governor Clinton says it won't be the middle class. But you cannot raise $150 billion in taxes and pay for at least $220 billion in new spending without touching the middle class. Middle class taxpayers believe that Governor Clinton won't touch their paychecks like they believe that Hurricane Andrew was a gentle spring shower. We cannot let him touch the middle class on taxes.

Now, you see he's got a habit of never trying to take a position on a tough issue. I've finally figured out why he compares himself to Elvis. The minute he has to take a stand on something, he starts wiggling. One day he looks right in with those blue eyes into the camera and says he's not going to run for President of the United States; the next thing you know, he announces his campaign. One day he says he's for a good trade agreement that we want, the North American free trade agreement, and then he says, ``I haven't made up my mind yet." One day he says the middle class deserves a tax break; the next day he's piling up spending programs that the middle class have to pay for.

Just 2 days ago in Wisconsin, he read a speech on foreign policy. It sort of sounded like a college term paper. Governor Clinton said, and I quote -- this has to do with the war in Iraq -- he said, ``I supported the President when it became necessary to evict Saddam Hussein from Kuwait." He said that the other day. But last year, here's what he said, ``I guess I would have voted with the majority if it was a close vote, but I agree with the arguments that the minority made."

Audience members. Boo-o-o!

The President. This is crazy. You cannot act like that as a Commander in Chief. This guy couldn't remember in detail that he didn't inhale 20 years ago, and he can't remember what came out of his mouth 20 minutes ago. I think we've discovered a new disease: Clintonesia. [Laughter] The symptoms: weak knees, sweaty palms, and an incredible desire to say anything on all sides of every issue, depending on who you are trying to please.

So let me just comment about the young people here. You cannot keep everybody happy. You've got to call them as you see them. You've got to make tough decisions. We better not replace the American eagle with a chameleon in the White House. We still have some very tough problems both at home and abroad. I don't think that we ought to put our bet on a leader with no experience and a sorry record in his home State.

You know, this place is special for me. I mention it because this is where I took that final flight training before I went overseas, at the old Naval Air Station here. I was just a kid. I was 19 at the time. Maybe that's why I've never forgotten the lessons that military service teaches. It shaped my character, and I hope that that service to country has made me a better Commander in Chief,

because I respect our military and the veterans. I respect the military. I do not loathe them, as Governor Clinton said in that famous letter. I respect them. I support the veterans, and we have a special trust with the veterans. We must protect them, and we will always stand beside the brave men and women who stood up for their country. And by the way, I do believe that serving in uniform is a good criterion for being Commander in Chief of the Armed Forces.

No, the question between our Agenda for American Renewal and the Clinton plan is like night and day. But the fundamental points are two: One, I don't believe we're a country south of Germany and just above Sri Lanka. I believe we are the best, fairest, most decent country on the face of the Earth, and I will never tear down America.

The last point relates to trust. I believe when people go into that voting booth, they're going to ask themselves the question: Who do I trust to the privilege, the honor, the duty of serving the United States of America as President? I hope I have earned your trust. Barbara and I have worked very, very hard, and I ask for your support for 4 more years.

Thank you, and God bless you all. Thank you.

Note: The President spoke at 2:25 p.m. at Hollywood International Airport. In his remarks, he referred to Col. George (Bud) Day, Congressional Medal of Honor recipient; Guy Sanchez, representative of VFW Post 11297; Donald P. Feak, commander of VFW Post 1966; downhill skier Andy Mill; and tennis champion Chris Evert.

Remarks to the Community in Orlando, Florida

October 3, 1992

The President. Thank you very much. All right, you guys, thank you. Thank you very much.

Audience members. Four more years! Four more years! Four more years!

The President. What a fantastic rally. And let me say, I've got great respect for Pat Williams. Wasn't he great up there, I'll tell you, giving us that warm introduction. As for Gerald McRaney, ``Major Dad,'' he's been a great campaigner, and I'm proud to have him at our side. I want to salute Congressman Bill McCollum. I'm not sure he made it. But he's a good man, and he obviously -- if we had more like him, they wouldn't be yelling ``Clean House!'' all the time. But we've got the answer to cleaning House in John Mica and Bill Tolley with us here today. We've got Bill Grant running for the Senate. More like that and we are going to get a real advantage here in the Congress and change America. Help me clean House. Thank you, everybody, for this great welcome. It's wonderful to be back in this City of Light, this City Beautiful.

Before I begin, let me just make a serious comment on what happened in Tampa this morning. We were followed out of town by a tornado which devastated some residential areas, tragically killed four people. On behalf of Barbara and me, our hearts and prayers go out to the family and the victims and all others whose homes were in that tornado's path. We've seen, and I saw it again today in Homestead, that Floridians are strong and good people. You've had your fair share of natural disasters, and I want to just express my concern and say, Florida's fighting back. Never make a mistake about that.

I might say, on a brighter note, I am very pleased that we have reached agreement with the Clinton campaign to hold three Presidential debates beginning next Sunday. I look forward to going head-on-head with Governor Clinton and Ross Perot. I'm especially pleased that Americans will be able to compare our ideas side by side without any media filter and get the facts and the truth to the American people. I didn't go to Oxford, so I'm not the world's greatest debater. But I know how to tell the truth, and that may make a difference.

Audience members. Four more years! Four more years! Four more years!

The President. Let me say this. This election and what we'll be putting in perspective in the debates out there is asking the rhetorical question: What kind of an America do you want for the young people here today? My opponent rips our country down and says that we're a nation in decline, somewhere between Germany and Sri Lanka. He ought to open his eyes. We are the most respected nation on the face of the Earth.

Now let's use that leadership that changed the world and brought democracy and peace to all the

countries moving around the world, and bring that same progress and prosperity to every working man and woman in this country. That's why I want 4 more years.

You might say, how do we stay number one economically, and we are when you look around the world. We do it this way: Here's the agenda for America's renewal. It is a comprehensive, factual plan, integrated plan to create the world's first $10 trillion economy in the next few years. We can do it because we are the United States of America.

One way you do it is to turn away from protection and open up new markets abroad for American products. We must become an export superpower. We can do it if we don't listen to the siren's call of protection emanating from the other camp.

This agenda prepares our young people to excel in science and math and English, because this is the way we're going to outcompete the Germans and outcompete the Japanese. This agenda helps strengthen the American family because family is still the foundation of our Nation. I worry when it's weak, and I want to see us help strengthen it. We've got to literally reinvent American education and give every parent a fundamental right to choose the public schools, private schools, or religious schools. Parental choice will make all the schools better.

One thing that Governor Clinton doesn't want to touch, and I want to see done and done quickly, is to reform our crazy legal system so that we sue each other less and care for each other more.

He has already advocated spending, and he hasn't even started yet, already advocated $220 billion in more spending. I want to get the spending down and the taxes down. Here's the way we'll do it: Give me that balanced budget amendment; give me that check-off; and give me that line-item veto; and let me do what the Congress can't do.

And another thing, give us these three good men for the United States Congress. Then let's say, let's limit the terms for the Members of Congress. A President's terms are limited. Limit the Congress' and give it back to the people.

Now these are just some of my ideas. I hate to ruin this program, but I think we ought to take a little look at Arkansas because this man's trying to get elected by doing one thing: Tear down the country, say we're down, and criticize the President. If that's fair game, let's take a look at Arkansas.

Now first, the people of Arkansas are good and decent. We live right next door to them in Texas. They are good and decent people, but there's a lot they don't know about their Governor and a lot you don't know. And the more you think about it and the more you find out, the more you know he is wrong for America.

Audience member. Tell him!

The President. I am.

He says he's for civil rights. He says he's for civil rights. Arkansas doesn't even have a basic civil rights law. I have passed a sound bill, sound civil rights bill, a sound ADA bill, the best creative piece of civil rights legislation in the last two decades. He hasn't even done one single thing for fairplay in the State of Arkansas.

He says he's for a clean environment, but the Institute for Southern Studies ranked Arkansas 50th in environmental policy, 50th.

Audience members. Boo-o-o!

The President. The Governor sounds like he can walk on water. Well, you can do it over there in that Arkansas River. [Laughter] No, really. There's so much fecal coliform bacteria in the river that the fish teach their kids to jog rather than swim. [Laughter]

Governor Clinton says he's tough on crime, but crime in Arkansas has increased twice as fast as the rest of the Nation. And the cops who know him best, the Fraternal Order of Police in Little Rock, Arkansas, have endorsed me for President of the United States.

This guy says he wants to do for the country what he's done for Arkansas, and I say, why in the world would we let him?

Audience members. Boo-o-o!

The President. That is a real threat. We can't let him do that. Now, look at the economy, a major issue in the campaign. And look, I know we've had tough times. Families are worried; people are out of work. But I'll tell you something: We need to understand that it's bigger than America. We're feeling a global economic slowdown. Everybody knows that. It's worse overseas. Not one single country over there wouldn't trade in a minute for our economy.

So, yet, Governor Clinton offers to America that same kind of tired European social welfare approach to life that has failed them. We don't need that in this country. He has already proposed $150 billion in new taxes, $220 billion in new spending. Don't worry, don't worry, he says, he'll take it all out of the top 2 percent, everybody making over $200,000. But the truth is, to get the money for his plan, that $150 billion, Governor Clinton would have to get his money from every American with taxable income over $36,600. It's not just the top, and these people are not Shaquille O'Neal. They're not rolling in millions. These are your neighbors.

So I've got an idea, though. We ought to do what Shaquille would do and stuff the Governor's tax increase right into the front row. But on top of this -- I hate to ruin this marvelous rally -- but

on top of this, Governor Clinton will literally need hundreds of billions of dollars more to pay for all the programs he's promised. You say, who's going to pay? The same people who always pay: those who work hard, pay their bills, sweat it out at tax time. He wants you to sweat harder for the tax man, and I say his ideas deserve a cold shower. We cannot do that for this country.

You're a third grade teacher making 22,000 bucks a year in taxable income; he could slap you with another 430 bucks a year in taxes. I say you ought to be able to use that money to pay for your kids' education, take a shot at the mortgage. You don't need to send it up to the IRS in Washington, DC. And therein lies the biggest single difference on this election: tax and spend versus holding down taxes, holding down spending, and return the power to the people of the United States.

I've got another. You know, for 11 months this guy and bunch of these other Democrats have been around tearing me up, and I'm having a good time now getting this thing in focus. I enjoy it. This guy is on every side of every issue. You talk about ``slippery when wet'' -- [laughter] -- listen to this: One day, Bill Clinton tells Arkansas he'll never run for President -- I've seen the tape of it -- and 8 months later, he's out there running for President, announcing his campaign. One day he says, I'm for the North American free trade agreement; then he backs away. Now today the Washington Post reports that tomorrow the Governor is poised to switch again and support the trade agreement. Watching him go back and forth on the issues is mind-boggling. It's like watching a Chinese ping-pong match. [Laughter]

One day he says the middle class deserves a tax break, and the next day he's plotting new ways to give the middle tax the greatest honor of paying for all his programs. If he ever became President, and he won't, we'd have to replace the eagle with a chameleon.

Now, I'll give you another example. I'll give you another example. Look at the question of whether to follow my lead and stand up against Saddam. Just 2 weeks ago in Washington Bill Clinton read a speech on foreign policy -- it sounded like a college term paper -- and he said, and I quote, he said this, ``I supported the President when it became necessary to evict Saddam Hussein from Kuwait,'' end quote. But 2 years ago, when I was trying to mobilize the whole country behind it, fighting not only the demonstrators out there in front of the White House that Saddam misunderstood and a lot in the media and plenty in the United States Congress, here is what Governor Clinton said: ``I guess I would have voted with the majority if it was a close vote, but I agree with the arguments the minority made.'' Now, tell me what kind of leadership that would be for a Commander in Chief of the United States Armed Forces.

Audience members. Boo-o-o!

The President. No, we've got too much on one side and then another side. I've found one thing about the Oval Office: You can't make everybody happy. You're bound to make mistakes, but you've got to do like the umpire. You've got to call them as you see them and stay with it and tell

the truth as you go along.

I'll tell you why I'm going to win the election. In the first place, we've got a better plan, an Agenda for American Renewal. Secondly, the young people in America go to bed at night without that same fear of nuclear war the generations ahead of them had. Thirdly, when people go into that voting booth, they're going to ask themselves this question: Who do I trust to be empowered with the dignity, prestige, and the enormous power of President of the United States? And I have worked hard to uphold that trust. Yes, I've made mistakes. But I have not betrayed the public trust. I have been a strong leader. And now I ask for your support for 4 more years to finish the job and get this job done.

Thank you all, and God bless you. God bless you all. Thank you very much.

Note: The President spoke at 6:05 p.m. at the Church Street Market. In his remarks, he referred to Patrick Williams, general manager, Orlando Magic basketball team.

Message to the Senate Returning Without Approval the Cable Television Consumer Protection and Competition Act of 1992

October 3, 1992

To the Senate of the United States:

I am returning herewith without my approval S. 12, the ``Cable Television Consumer Protection and Competition Act of 1992.'' This bill illustrates good intentions gone wrong, fallen prey to special interests.

Contrary to the claims made by its proponents, this legislation will not reduce the price Americans pay for cable television service. Rather, the simple truth is that under this legislation cable television rates will go up, not down. Competition will not increase, it will stagnate. In addition, this legislation will cost American jobs and discourage investment in telecommunications, one of our fastest growing industries.

S. 12 is clearly long on promises. Unfortunately, it is just as clearly short on relief to the American families who are quite rightly concerned about significant increases in their cable rates and poor cable service. Although the proponents of S. 12 describe the bill as procompetitive, it simply is not. Indeed, the only truly competitive provision, one that would have expanded the ability of telephone companies to compete with cable companies in rural areas, was dropped from the bill at the last minute.

S. 12 tries to address legitimate consumer concerns, but it does so by requiring cable companies to bear the costs of meeting major new federally imposed regulatory requirements and by adopting costly special interest provisions. For example, the bill requires cable companies for the first time to pay broadcasting companies, who have free access to the airwaves, to carry the broadcasters' programs. The undeniable result: higher rates for cable viewers.

Beyond increasing consumer costs, the bill takes certain key business decisions away from cable operators and puts them in the hands of the Federal Government. One provision, which is unconstitutional, requires cable companies to carry certain television stations regardless of whether the viewing public wants to see these stations. Another special interest provision would put the Federal Government in the position of dictating to cable companies to whom and at what price they could sell their programs. These types of federally mandated outcomes will discourage continued investment in new programs to the detriment of cable subscribers who have come to expect a wide variety of programming and new services.

I believe that the American people deserve cable television legislation that, unlike S. 12, will

deliver what it promises: fair rates, good programming, and sound service.

George Bush

The White House,

October 3, 1992.

Note: S. 12, which passed over the President's veto on October 5, was assigned Public Law No. 102 - 385.

Remarks to the Community in Dover, Delaware

October 5, 1992

The President. Thank you very, very much. Thank you, Governor Castle. Hey, listen, you've got an outstanding Governor, one of the greatest in the United States, and he's going to make an outstanding Member of the United States Congress, too.

Before I get started here may I single out all these marvelous bands, the -- [applause] -- just a minute, you guys -- Caesar Rodney High School Band and their show choir, the Dover High School Band and their select chorus, and the Smyrna High School Band and the great soloist, Marva Thomas.

I am delighted to be here. And Mike, not only have you done a great job, but I am grateful to you for that kind introduction. Good afternoon, everyone. What a spectacular Delaware day. And what a fantastic turnout. We are going to carry the State of Delaware.

May I salute Lieutenant Governor Dale Wolf, another outstanding leader. Your Mayor, with whom I just met, Aaron Knopf; Basil Battaglia, our great State chairman; and the cast of fine candidates that have joined us here today. Donna Lee Williams over here, the candidate for insurance commissioner. Philip Cloutier, the candidate over here for Lieutenant Governor. And we've got to keep the governorship in Republican hands. Gary Scott is our outstanding candidate; vote for him for Governor. And I just talked to another friend of mine, a man with whom I served in Congress. He and I went there on the very same day back in the late sixties. I'm talking about your outstanding Senator, Bill Roth. I talked to him. He's doing a great job for this State, and he's a good friend.

But I came over to Dover this afternoon to talk a little bit about the choice that we face this November. This campaign, like every one, is about a simple question: What kind of America do we want for the young people here today? I have laid out my Agenda for American Renewal, a specific, comprehensive, integrated agenda so we can create in America the world's very first $10 trillion economy by the end of this decade. My agenda for renewal asks that we look forward to open new markets for American products so we create new jobs for American workers. The answer is to expand our exports. We want to prepare our young people to work so they have the tools to compete and win, and to strengthen the American family because family is still the foundation of our great Nation. And we've got to save and invest because America must always put tomorrow ahead of today. Those are the four things we must do.

So here's what I am fighting for: I want to literally reinvent American education and give every American the fundamental right to choose the best schools for their children, public, private, or religious. And I salute Governor Castle for the leadership role that he is taking with our America 2000 program. It is new, it is revolutionary, and it puts the power in the hands of the teachers

and the parents where it belongs. Mike, thank you very much for your leadership.

Another one: I want to reform our crazy legal system because as a nation we must sue each other less and care for each other more. It has gone too far when these crazy lawsuits keep people from coaching Little League, doctors from delivering babies, or whatever it is. We must put a cap on these outrageous lawsuits, and we've got to stand up against the special interests in Congress who are keeping us from doing just exactly that. Clean House!

I want to use competition to cut the cost of health care and make it affordable and accessible for you and your families. And our program provides insurance to the poorest of the poor and still keeps the quality of American medical care up there as number one in the world.

And finally, I'm fighting for economic security for every man, woman, and child in America. If we are truly to renew America, we must pay special attention to those who have been left behind. Today is National Child Health Day, a good time to remind ourself that America's greatest resource is her people. As we move into the new century, we cannot afford to lose a single American to indifference and to neglect. Good intentions and noble rhetoric are not enough. Our actions must match our words. When it comes to children's health, the actions of my administration has spoken loud and clear. And so, let's take a quick look at the record. Since I took office, we have increased spending on children's programs by 66 percent to over $100 billion a year. From infant mortality to childhood immunizations to making sure that our neediest kids get nutritious foods they need, we've done more than talk about children's health. And we haven't stopped there, believe me. We've increased Head Start funding by 127 percent, $600 million this year alone, so that every eligible 4-year-old will be able to start school ready to learn. We did it. And now let's take that case to the American people.

We've also pushed through a 96-percent increase in the earned income tax credit, putting another $5.5 billion in the hands of those hard-working, low-income, working parents. And our program encourages them to stay off welfare and stay on the job and gives them a leg up in providing stability and security for their families. We've got to support the families through this kind of program. Now these are good, solid programs, programs that work for families, not against them. But nobody should be fooled that we can spend our way out of problems. The bottom line for all our programs should be strengthening the family. And we must encourage families to stick together and those deadbeat fathers to stick around and do what they're obliged to do under the law.

Look at our child care reform. I pushed through my comprehensive child care program 2 years ago with Bill Roth's help and the help of others. The liberals in Congress wanted to create a brave new child care bureaucracy. I said let's try something different, and we did. We let parents, not the Government, choose the child care they want for their kids, whether it's in a church basement or a public school or in a neighbor's house. It gives parents the means and lets the parents make the choice. And that's what we need for this country. Just last week, I proposed a

new tough child support policy. We're telling these deadbeat fathers: You can run, but you can't hide. And you will support the family you're responsible for -- no if's, no and's, no but's. You're going to pay up.

Now, I hate to ruin this beautiful day, but that's our record, and I'm proud of what it is. But what about Governor Clinton?

Audience members. Boo-o-o!

The President. I hate to do this to you. I hate to do this to you, but let me tell you something. For about 11 months, he and those other Democrats have been ill-defining what we're trying to do, and now let me tell you what he has done. I know that he always talks a good game, but behind his word is a very different reality, the reality of his record as Governor of Arkansas.

Now, when it comes to protecting the children of Arkansas, the facts about his record are not pretty. But America must look at those facts because Governor Clinton isn't leveling with the American people. And during the 1980's, the death rate for American children, 14 and under, improved dramatically across the country, but in Arkansas it got worse. The State ranked 43d in 1987, and 2 years later it fell to 49 out of 50. And that is not what we want for the entire United States of America.

In the late 1980's, on Governor Clinton's watch, Arkansas' rate of violent death for teenagers soared at 3 times the national average. And over the decade, child abuse reports shot up 130 percent. Now, it's hard to believe Governor Clinton was unaware of what was going on. Throughout the 1980's, study after study offered detailed findings and recommendations -- a cry for help, if you will -- and Bill Clinton even commissioned some of these studies himself. And in 1990 his own department of human services reported, and here is the quote, ``Frequent and widespread official failures had placed the children of Arkansas in imminent peril." And still Governor Clinton did nothing. At last, a group of child welfare advocates had to take him to court, and they filed a class action suit naming him as the lead defendant. And finally 4 months ago, Governor Clinton settled. Bill Clinton's child health record in Arkansas is absolutely appalling. He ought to stop attacking me and try to help the good people of Arkansas before he becomes President of the United States.

There's no other word for it, appalling. Look at how his State matches up with other States: 45th in the well-being of children, 45th in low-weight babies, 47th in the percentage of children in poverty. And despite that record, the Governor travels the country calling himself an advocate for children. Well, maybe the children of Arkansas would be better off if he spent less time talking about them and more time trying to help them. They deserve better. The children of America deserve better. We've got a good record to take to the American people on child care and child support. And on issue after issue you see this same huge gap between Clinton's rhetoric and Governor Clinton's record.

Bill Clinton says he's for civil rights. And I am proud that we passed two historic civil rights bills since I've been President of the United States, the ADA bill and the Civil Rights bill. But Arkansas is one of two States that doesn't have even a basic civil rights law. He says he's for high-tech, but under Bill Clinton, Arkansas's been falling behind in high school. Three out of every four Arkansas graduates spend their first year in college relearning what they were supposed to learn in high school. You don't want that for Delaware, and I don't want that for the United States.

I'm just getting warmed up. [Laughter] Listen, take a look at our North American free trade agreement with Mexico and Canada, NAFTA. I launched NAFTA, this free trade agreement, because it will create high-wage jobs for Americans right here in Delaware, right here in the United States. And I fought for it every step of the way because it is the right thing to do. That's what Presidential leadership is all about.

Once upon a time, Bill Clinton said -- here's one of the great problems, he's on all sides of every issue -- once upon a time, he said he was for NAFTA, this free trade agreement. Then the labor bosses told him that they were against it. So he said he wasn't sure if he was for it or against it. And now he's looked at the polls, he's seen that the American people want NAFTA, so just yesterday he said he's for it. And then again, maybe he's not. You see, he's saddled his support for this bill with all kinds of reservations and qualifications. He says we need special provisions to help workers, and he's right. That's why I've already proposed $10 billion in job retraining programs to do just exactly that. And he says we need to complete NAFTA with environmental agreements, and he's right. That's why I have already negotiated with the Mexicans separate agreements, environmental agreements with the Mexican Government. And when I've asked Bill Clinton's Democratic friends in Congress to fund my proposals to clean up our border with Mexico, they said no.

But Governor Clinton won't let those facts get in the way. It doesn't matter what's right or what's wrong, he just tells people what he thinks they want to hear. You cannot do that when you are President of the United States. You have to make the tough calls. You can't be everything to everyone. And you cannot come down on both sides of the issue and call it leadership.

Look at the economy, the major issue in this campaign. I know America has had some tough economic times, but understand, we're being affected by a global economic slowdown. Our competitors in Europe, every single one of them, would trade places with us in a minute. And yet, Governor Clinton offers America the same European social welfare state policies: more Government, more special interests, more special interest spending, and more taxes on the middle class.

As Governor, Bill Clinton raised and extended the sales tax, including a tax on vegetables and other groceries. He raised the gas tax. He taxed mobile homes. And he even taxed cable TV. And he's now out telling us we need to raise taxes on the American people by $150 billion. We

are not going to do that. In this campaign, he's going to get out there and do something else that we don't like. He says he's going to raise these taxes again, as I said, $150 billion worth, but only on the rich. Well, don't bet on it. To get the money he needs for this plan of his, just the $150 billion that he has promised in new taxes, Governor Clinton would have to get his money from every individual with taxable income over $36,600. And that's just for starters. Listen to the newspaper from his own backyard, the Pine Bluff Commercial. Here's what they say: ``If Congress followed the example that Bill Clinton has set as Governor of Arkansas, it would pass a tax program that would hit the middle class the hardest."

And there you have it: higher taxes on the middle class, more spending, a bigger deficit. And America deserves something better as we come out of these slow economic times and move this country ahead. At this time in our history, we simply cannot afford that kind of change. The man goes all around the country saying change, change, change. And with his kind of change, all you're going to have left in your pocket is a little change. We cannot let him do that to the American taxpayer.

So the bottom line is, Bill Clinton is wrong for America. Let him straighten out Arkansas before he tries to be President of the United States.

You know, I see a lot of young people here, and let me say this: I've been in the Oval Office now for 3\1/2\ years, close to 4. And in that office you face tough decisions, and you make mistakes. And when you make mistakes, you ought to say, look, I fouled this one up, or I made a mistake. That's the human way; in my view that's the American way. But I've also made some very tough calls. And I believe I've been a principled, strong leader. We have changed the world. We have literally changed the world the past 4 years. And I, too, want to salute those men and women in the armed services right here from Dover who did the right thing in Desert Storm. We've changed the world. And now let's use that same energy and that same enthusiasm and that same vision to change the United States of America, to make life better for every single citizen in this country.

And the last point I'd make is this: I believe we need a smaller Government in Washington and bigger opportunities, bigger opportunities in places like Dover and New Castle. I see an America where health care is more affordable; where we've reinvented education, creating these new schools for a new century. I see an America where we spend less time suing and more time caring and where we take back our streets from the crackheads and the criminals through tough anticrime legislation. I see an America where we limit the terms for Members of Congress. The President's term is limited. Let's limit the terms for Congressmen and give it back to the American people.

Audience members. We want Bush! We want Bush! We want Bush!

The President. For 38 years, one party has controlled the House. And no wonder these people

here feel we ought to clean House. Let's clean it out. Get Mike Castle in there. You've got a great Governor. You've got an honest, decent Governor. Put him in there, and watch the change begin.

So, if you're looking for a leader with some experience and someone who shares your values and who understands that America's real strength is not in Government but in places like Dover and Camden and New Castle, then I know I can count on your support for 4 more years on November 3d.

Audience members. Four more years! Four more years! Four more years!

The President. In this very historic setting one can't help but look over one's shoulders at history. One can't help but recognize how magnificent our system is. And you know, in these tough political times -- and this has been about as ugly a political year as I've ever seen -- the media has been rolling down the tracks in their own inimitable way, and it's not been very pleasant. The campaigning and stuff is not very much fun. But Barbara and I have tried to uphold the trust that was placed in us by the American people. Yes, I think we have the best First Lady in a long, long time. And I know it's tough going, although rallies like this make it just great.

But when people go into that booth, I think that in addition to all these issues, I think they're going to say: Who has made the tough decisions? But much more important, they're going to say: Who do I trust? Who has the character to lead this country for 4 years? And on that basis, I ask for your support as President of the United States so I can finish the job.

Thank you all, and may God bless you. Thank you very, very much.

Note: The President spoke at 3:12 p.m. on the Green in front of the old statehouse.

Statement on Signing the Civil War Battlefield Commemorative Coin Act of 1992

October 5, 1992

I am signing into law H.R. 5126, the ``Civil War Battlefield Commemorative Coin Act of 1992." H.R. 5126 authorizes the Secretary of the Treasury to mint coins in commemoration of the 100th anniversary of the beginning of the protection of Civil War battlefields. The proceeds will go to the nonprofit Civil War Battlefield Foundation to be used for the preservation of historically significant Civil War battlefields.

This legislation provides a nonfederal funding mechanism to enhance the protection of Civil War battlefields. The minting of these coins will cost the taxpayers nothing. The monies raised will make a major contribution to the preservation of our Civil War heritage. The greatest beneficiaries of this bill will be the future generations of Americans who will be able to relive more of the history of the Civil War era.

Today, many of America's battlefields face unprecedented development pressures, and there is renewed interest in protecting them. My Administration has embarked on an ambitious campaign to identify and protect important battlefields through the American Battlefield Protection Program. This program is a national public/private partnership overseen by the Secretary of the Interior. The Civil War Battlefield Foundation is a privately established entity dedicated to raising funds for this endeavor. This legislation is timely in that it coincides with, and supports, this important program.

Innovative public/private partnerships such as the kind supported by this legislation are a necessity if we are going to preserve our heritage to the fullest possible extent. Therefore, it is with great pleasure that I approve H.R. 5126.

George Bush

The White House,

October 5, 1992.

Note: H.R. 5126, approved October 5, was assigned Public Law No. 102 - 379.

Statement on Signing the Department of the Interior and Related Agencies Appropriations Act, 1993

October 5, 1992

I have signed into law H.R. 5503, the ``Department of the Interior and Related Agencies Appropriations Act, 1993." H.R. 5503 provides funds for various programs of the Departments of the Interior and Energy, the Forest Service (Department of Agriculture), and the Indian Health Service (Department of Health and Human Services). Funding for other agencies such as the Smithsonian Institution and the United States Holocaust Memorial Council is also included.

This Act provides funding for important Federal recreation and conservation activities, including the expansion of national parks, forests, and wildlife refuges. Many nationally significant natural and cultural resources will be protected by the appropriations provided in this Act.

I do have concerns with certain provisions of the Act. The Congress has included funding for a number of unnecessary, low-priority construction projects and ineffective programs. These funds would be more effectively utilized for my America the Beautiful initiative for national parks, forests, wildlife refuges, and other public lands.

I strongly object to the reduction in the Act for the new natural gas research and development program. The National Energy Strategy (NES) concluded that the use of domestically abundant natural gas resources could increase energy security and improve the environment. This reduction will impede the development of ultra-high efficiency gas turbines and other gas technologies that are needed to achieve NES goals.

A number of provisions in the Act condition the authority of executive branch officials to use funds otherwise appropriated by this Act, or to take other specified actions, on the approval of various committees of the House of Representatives and the Senate. These provisions constitute legislative vetoes similar to those declared unconstitutional by the Supreme Court in INS v. Chadha. Accordingly, I will treat them as having no legal force or effect in this or any other legislation in which they appear.

George Bush

The White House,

October 5, 1992.

Note: H.R. 5503, approved October 5, was assigned Public Law No. 102 - 381.

Letter to Congressional Leaders Reporting on Panamanian Government Assets Held by the United States

October 5, 1992

Dear Mr. Speaker: (Dear Mr. President:)

1. I hereby report to the Congress on developments since the last Presidential report on April 7, 1992, concerning the continued blocking of Panamanian government assets. This report is submitted pursuant to section 207(d) of the International Emergency Economic Powers Act, 50 U.S.C. 1706(d).

2. On April 5, 1990, I issued Executive Order No. 12710, terminating the national emergency declared on April 8, 1988, with respect to Panama. While this order terminated the sanctions imposed pursuant to that declaration, the blocking of Panamanian government assets in the United States was continued in order to permit completion of the orderly unblocking and transfer of funds that I directed on December 20, 1989, and to foster the resolution of claims of U.S. creditors involving Panama, pursuant to 50 U.S.C. 1706(a). The termination of the national emergency did not affect the continuation of compliance audits and enforcement actions with respect to activities taking place during the sanctions period, pursuant to 50 U.S.C. 1622(a).

3. Of the approximately $6.2 million remaining blocked at this time (which includes approximately $100,000 in interest credited to the accounts since my last report), some $5.6 million is held in escrow by the Federal Reserve Bank of New York at the request of the Government of Panama. Additionally, approximately $600,000 is held in commercial bank accounts for which the Government of Panama has not requested unblocking. A small residual in blocked reserve accounts established under section 565.509 of the Panamanian Transactions Regulations, 31 CFR 565.509, remains on the books of U.S. firms pending the final reconciliation of accounting records involving claims and counterclaims between the firms and the Government of Panama.

4. I will continue to report periodically to the Congress on the exercise of authorities to prohibit transactions involving property in which the Government of Panama has an interest, pursuant to 50 U.S.C. 1706(d).

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Presidential Determination No. 93 - 2 -- Memorandum on Assistance to Kenya and Somalia

October 5, 1992

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended -- Kenya and Somalia

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that it is important to the national interest that $1,500,000 be made available from the United States Emergency Refugee and Migration Assistance Fund to meet the urgent and unexpected needs of Somali refugees, conflict victims, and displaced persons in Kenya and Somalia.

You are hereby directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:58 p.m., October 15, 1992]

Statement by Press Secretary Fitzwater on the Veto of the Cable Television Consumer Protection and Competition Act of 1992

October 5, 1992

We stood for lower cable bills for the consumer through increased competition. This is an important principle. We genuinely believe that our approach would be a better way to increase the variety of services available to the consumer at lower prices. We now call on the House of Representatives to support the American consumer and sustain the President's veto.

Note: S. 12, which passed over the President's veto on October 5, was assigned Public Law No. 102 - 385.

Statement by Press Secretary Fitzwater on the End of the Civil War in Mozambique

October 5, 1992

We welcome the agreement signed October 4 in Rome ending the civil war in Mozambique and establishing the basis for democratic multiparty elections by October 1993. We congratulate the Government of Mozambique, RENAMO, and the Italian mediators on this important breakthrough.

Now that a cease-fire has been agreed to, we expect that all parties will redouble their efforts to overcome the severe humanitarian crisis in Mozambique brought about by the war and drought. Tens of thousands of Mozambicans in remote areas of the country are reported to be facing famine. While limited deliveries have been made to some areas, a much wider effort is required to avert a large-scale human catastrophe. We call on the United Nations, international relief agencies, and all Mozambicans to work together to address this crisis promptly. The U.S., which contributed over $150 million in food and other humanitarian assistance to Mozambique in FY 1992, is prepared to participate generously in this effort.

Nomination of Gerald R. Riso To Be Chief Financial Officer of the Department of Housing and Urban Development

October 5, 1992

The President today announced his intention to nominate Gerald R. Riso, of Virginia, to be Chief Financial Officer of the Department of Housing and Urban Development. This is a new position.

Since 1991, Mr. Riso has served as Deputy Assistant Secretary for Student Financial Assistance at the Department of Education. He has also served as a senior partner with Riso and Dempsey, 1989 - 91; Associate Director for Management at the Office of Management and Budget and Chief Financial Officer of the United States, 1987 - 89; Assistant Secretary for Policy, Budget and Administration at the Department of the Interior, 1985 - 87; vice president at Korn/Ferry International, 1984 - 85; and Deputy Commissioner of the Immigration and Naturalization Service at the Department of Justice, 1982 - 84.

Mr. Riso graduated from Lafayette College (B.A., 1953) and Wharton Graduate School (M.G.A., 1957). He served in the United States Army, 1953 - 55. He was born January 30, 1930, in New York, NY. Mr. Riso is married, has six children, and resides in Washington, DC.

Appointment of Chester Paul Beach, Jr., as Associate Counsel to the President

October 5, 1992

The President today announced the appointment of Chester Paul Beach, Jr., as Associate Counsel to the President.

Since February 1992, Mr. Beach has served as Principal Deputy General Counsel of the Department of Defense. Prior to this, he was Principal Deputy General Counsel of the Department of the Navy and conducted the Navy's administrative inquiry regarding the A - 12 aircraft program. As Special Assistant to the Under Secretary and Secretary of the Navy from 1987 to 1989, Mr. Beach headed the Navy's Procurement Task Force supervising the Navy's response to the ``Ill Wind'' procurement fraud investigation, and the Navy Management Review Task Force that implemented the 1989 Defense Management Report. Mr. Beach served on active duty as a captain in the U.S. Army from 1981 to 1987 in Germany and Washington, DC.

Mr. Beach is a graduate of Vanderbilt University in Nashville, TN, receiving a Bachelor of Arts degree magna cum laude in 1976, and the University of Chicago Law School, Chicago, IL, receiving a J.D. degree in 1980. He was born in Memphis, TN, and currently resides with his wife, Kathy, in Alexandria, VA.

Nomination of Jeni Brown Norris To Be an Assistant Secretary of Housing and Urban Development

October 5, 1992

The President today announced his intention to nominate Jeni Brown Norris, of Virginia, to be an Assistant Secretary of Housing and Urban Development for Public Affairs. She would succeed Mary Shannon Brunette.

Since 1989, Ms. Norris has served as vice president for public affairs and publications at the Export-Import Bank of the United States. She has also served as a consultant to Secretary Jack Kemp at the Department of Housing and Urban Development, 1989; executive assistant to the Deputy Under Secretary for International Labor Affairs at the Department of Labor, 1988 - 89; and Director of Public Affairs and Deputy Director of Audience Relations at the Voice of America, 1983 - 88.

Ms. Norris attended the University of Mainz, West Germany. She was born October 24, 1949, in Gustavsburg, West Germany. Ms. Norris resides in Hume, VA.

Statement on Signing Legislation Waiving Federal Immunity Relating to Solid and Hazardous Waste

October 6, 1992

I am signing into law H.R. 2194, which waives Federal sovereign immunity for violation of Federal, State, and local laws and regulations related to solid and hazardous waste.

Four years ago I promised the American people that I would make the Federal Government live up to the same environmental standards that apply to private citizens. By signing this bill, we take another step toward fulfillment of that promise.

My Administration has made a concerted effort to ensure that Federal facilities have the resources to meet the requirements of our Nation's environmental laws. Since 1989, we have tripled funding for the cleanup of wastes at Federal facilities and for bringing them into compliance with applicable environmental laws. Our FY 1993 budget proposed $9.5 billion for environmental cleanup and compliance at Federal facilities. The $5.5 billion request for Department of Energy environmental restoration and waste management activities represented an increase of $1.1 billion. This was approximately 26 percent above enacted FY 1992 levels. I am pleased that the Congress has agreed to fund these requests.

The objective of the bill is to bring all Federal facilities into compliance with applicable Federal and State hazardous waste laws, to waive Federal sovereign immunity under those laws, and to allow the imposition of fines and penalties. During the development of H.R. 2194, my Administration supported this objective, but insisted that the legislation recognize unique situations presented by activities of the Department of Defense and the Department of Energy. I commend the Congress for the effort made to address these situations.

This Administration will strive to comply fully with the legislation. I want to emphasize, however, that several provisions of H.R. 2194 will require special effort and the cooperation of regulators and other interested parties to ensure that national compliance goals are met. My Administration views this legislation as a unique opportunity for a positive and constructive relationship between the various parties to ensure that enforcement actions and the assessment of fines and penalties will be exercised within a fair framework.

I look forward to a cooperative effort under this legislation to accomplish our national compliance goals and promote the implementation of efficient, cost-effective waste management programs.

In signing this bill, I wish to clarify the question of the source of payment of fines and penalties. H.R. 2194 is silent on this matter. House Report 102 - 111 suggests that Federal agency

appropriations would be the source when the agency concedes liability or agrees to pay after an administrative hearing. However, the Judgment Fund would be the source if the agency disputed the matter and sent it to the Attorney General for defense. The Judgment Fund provides for the payment of judgments, awards, and settlements that are not otherwise provided.

This approach would put incentives in the wrong place and muddy the lines of responsibility within the Federal Government. It would take away the coercive effect penalties might have on the agencies and turn the waiver of sovereign immunity into a revenue sharing program. Accordingly, fines or penalties imposed as a result of this legislation will be paid from agency appropriations, unless otherwise required by law.

Finally, section 102(a)(3) of the bill amends the Solid Waste Disposal Act to subject the Federal Government to ``all civil and administrative penalties and fines'' imposed with respect to solid waste or hazardous waste, including penalties and fines ``imposed for isolated, intermittent, or continuing violations.'' The conference report on H.R. 2194 indicates that under the latter provision, the Federal Government may be penalized ``notwithstanding the holding of the Supreme Court in Gwaltney of Smithfield, Ltd. v. Chesapeake Bay Foundation, Inc., 484 U.S. 49 (1987).'' The Supreme Court's decision in Gwaltney rested in part on constitutional principles of standing and mootness. See 484 U.S. at 65 - 67; id. at 70 - 71 (Scalia, J., concurring in part and concurring in the judgment). I must note that no statute, and certainly no conference report, can overcome these principles.

George Bush

The White House,

October 6, 1992.

Note: H.R. 2194, approved October 6, was assigned Public Law No. 102 - 386.

Statement on Signing Legislation Waiving Printing Requirements for Subsequent Appropriations Bills

October 6, 1992

I have signed into law H.J. Res. 560, which waives the printing requirements of sections 106 and 107 of title 1 of the United States Code with respect to subsequently presented appropriations bills during the 102nd Congress. I do so to avoid any confusion as to my ability to act on any form of appropriations legislation presented to me after certification by the Committee on House Administration of the House of Representatives that the form is a true enrollment. In signing the joint resolution, I express no view on whether it is necessary to waive the provisions of title 1 before I exercise my prerogatives under Article I, Section 7 of the Constitution.

George Bush

The White House,

October 6, 1992.

Note: H.J. Res. 560, approved October 6, was assigned Public Law No. 102 - 387.

Statement on Signing the Department of Transportation and Related Agencies Appropriations Act, 1993

October 6, 1992

I have signed into law H.R. 5518, the ``Department of Transportation and Related Agencies Appropriations Act, 1993." This Act includes funding necessary to maintain and improve our transportation system and to support transportation safety.

I am very disappointed that the Congress cut Federal-aid highway funding $1.3 billion below what I requested. This reduced highways funding will result in 65,000 fewer highway jobs being supported in the coming year. The reduced funding level also could lead to deterioration of the Nation's highway infrastructure. This would slow economic growth and job creation by increasing the transportation costs of goods in interstate commerce. The Congress could have funded Federal-aid highways at the requested level by not funding low priority programs and earmarked projects. Furthermore, the flexibility I proposed for the States to allocate funds according to their own priorities is not provided.

The bill contains an unnecessary and costly auto labeling requirement that may conflict with our international obligations on origin and labeling. In implementing this new requirement, the Department of Transportation will make every effort to provide accurate and meaningful information to consumers while minimizing costs.

The bill purports to require the Secretary of State to inform the Government of Panama within three months of the ``dissatisfaction of the Government of the United States concerning inadequate compliance by Panama with the enforcement provisions of Annex V of the International Convention for the Prevention of Pollution from Ships." While I am concerned that this convention be properly enforced, decisions of whether and when to communicate with foreign governments are the sole province of the President. I will, therefore, treat this provision only as an indication of congressional concern in this area.

I am disappointed at the undue intrusion into the management of the Department of Transportation contained in this bill. This intrusion includes earmarking funds for projects that should be awarded based on established, objective criteria.

Nevertheless, the amount of funding provided by H.R. 5518 is consistent with my budget request, and thus allows progress toward a freeze in domestic discretionary budget authority. Because the bill provides funding for the continuance of important transportation programs within this level, I have signed it.

George Bush

The White House,

October 6, 1992.

Note: H.R. 5518, approved October 6, was assigned Public Law No. 102 - 388.

Statement on Signing the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993

October 6, 1992

I have signed into law H.R. 5679, the ``Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993."

The Act provides important funding for the space program, environmental protection, and programs for our Nation's veterans.

The Act provides the funds necessary to maintain a balanced civil space program. Space Station Freedom, an essential step in meeting our future space objectives, is funded at a level that will keep the project on schedule during fiscal year 1993.

H.R. 5679 also meets important needs of our Nation's veterans. The Act provides $14.6 billion for VA Medical Care, an increase of $1 billion over the FY 1992 enacted level. With this increase, funding for VA Medical Care will have grown by 28 percent since FY 1990.

The Act provides funding for a range of environmental protection programs. I am pleased that the Act funds my request for EPA construction grants targeted to high-priority, coastal secondary treatment facilities, such as Boston Harbor, New York, Los Angeles, and San Diego. Expedited construction of these facilities can help clean the water on America's coasts.

Regrettably, the Act provides significantly less funding than I requested for EPA to carry out environmental commitments in support of the North American Free Trade Agreement. Despite my urging the Congress to fund fully these vital environmental initiatives, the Act cuts $47 million from the request to control border area sewage flows that pose a public health threat to citizens in San Diego and Calexico, California, and Nogales, Arizona. These cuts will severely constrain the Administration's efforts to clean up the U.S.-Mexico border and to support our proposed program of U.S.-Mexico environmental cooperation.

I also regret that, for the fourth year in a row, the Congress has chosen to reduce my request to clean up hazardous waste sites. This year's $176 million reduction in EPA's Superfund program brings the total reduction over 4 years to $643 million. These reductions unnecessarily delay the cleanup of these sites.

I am particularly troubled that the Congress has cut over $1 billion in civilian research and development programs within NASA, EPA, and NSF. These cuts will have a significant impact

on a broad range of important research and education efforts, including my request for crosscutting initiatives in materials science, biotechnology, global change research, high performance computing and communications, and math and science education. These investments are important in maintaining our Nation's economic competitiveness, and they are critical in the training of our next generation of scientists and engineers. These investments also contribute to sustaining our commitment to environmental stewardship.

Although the Act provides funds for priority activities requested by the Administration, several housing provisions are flawed. I am greatly concerned over the inadequate funding levels for the Administration's important housing initiatives that emphasize tenant choice and homeownership opportunities. The Congress has provided only $361 million out of a requested $1 billion for the HOPE program, a program that would enable low-income people to take control of their lives through homeownership.

I am also disappointed that the Congress has reversed some previously enacted reforms critical to the financial health of the Federal Housing Administration (FHA) mortgage fund. Eliminating the 57-percent limit on the amount of closing costs a borrower can finance with an FHA mortgage will cause an increase in homeowner defaults, weakening the FHA fund and hurting homebuyers. The Congress has also increased the maximum single-family mortgage above $125 thousand -- an amount that was agreed upon by the Congress and the Administration in the National Affordable Housing Act. This increase moves FHA away from its traditional role as a financial resource for middle- and lower-income buyers.

On the other hand, I am pleased that the Congress agreed to the Administration's request that it remove a prohibition on the issuance by HUD of a rule that would prevent the provision of housing subsidies to vacant public housing units.

The Act directs the Environmental Protection Agency, the National Aeronautics and Space Administration, and the Resolution Trust Corporation each to award 8 percent of funding for Federal contracts to businesses owned or controlled by minorities or women. A congressional grant of Federal money or benefits based solely on the recipient's race or gender is presumptively unconstitutional under the equal protection standards of the Constitution. Accordingly, I will construe these provisions consistently with the demands of the Constitution, and, in particular, I direct the heads of the relevant agencies not to award monies appropriated by this Act solely on the basis of race or gender.

Although I am disappointed that this bill contains damaging cuts in HOPE tenant ownership, civilian research and development, U.S.-Mexico border cleanup, and Superfund, I recognize that the bill does fund important veterans programs, space initiatives, and environmental programs at acceptable levels. In addition, the total level of spending in the bill maintains progress toward the achievement of my proposal to freeze domestic discretionary spending. For these reasons, I am signing the bill.

George Bush

The White House,

October 6, 1992.

Note: H.R. 5679, approved October 6, was assigned Public Law No. 102 - 389.

Statement on Signing Legislation on Commemorative Olympic Coins, Reform of the United States Mint, and For Other Purposes

October 6, 1992

I am approving H.R. 3654, a bill ``To provide for the minting of commemorative coins to support the 1996 Atlanta Centennial Olympic Games and the programs of the United States Olympic Committee, to reauthorize and reform the United States Mint, and for other purposes."

I am proud that the United States Mint, the Atlanta Committee for the Olympic Games, and the United States Olympic Committee have worked together to develop a unique coin program that offers the potential of $100 million in profits to be evenly divided between the two Olympic committees. By working together to maximize the sale of these coins we will assist our Olympic athletes. This program will also have a positive economic impact and help create jobs for the people of Georgia.

This is a wonderful opportunity to support those goals that are important to every citizen in this country -- the successful hosting of the 1996 Centennial Olympic Games of Atlanta, Georgia, and the continued participation of our athletes in the Olympic Games.

In approving this legislation, I must, however, note that certain provisions concerning the newly established Numismatic Public Enterprise Fund might be construed to infringe on my constitutional authority to determine what legislative proposals to submit to the Congress and to supervise and guide executive branch officials. I will construe these provisions so as not to interfere with the President's constitutional duties.

George Bush

The White House,

October 6, 1992.

Note: H.R. 3654, approved October 6, was assigned Public Law No. 102 - 390.

Statement on Signing the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993

October 6, 1992

I am signing into law H.R. 5368, the ``Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993." The Act provides funding for bilateral and multilateral foreign assistance, international security assistance, and for programs in the Department of State, the Agency for International Development, the Peace Corps, the Export-Import Bank, and several smaller agencies.

I am pleased that the Act provides authority and funding for several high priority programs including: loan guarantees for Israel; an increase in the U.S. quota for the International Monetary Fund; bilateral assistance to the former republics of the Soviet Union; appropriations for the Enterprise for the Americas Initiative; and appropriations for international security programs including Turkey, Greece, and Portugal.

Several provisions of the Act purport to require, or to forbid, certain international negotiations by the United States or the adoption by the United States of certain positions in international institutions or negotiations. Under our constitutional system, however, the President alone is responsible for such negotiations, and the Congress may not decide which negotiations the President will undertake or what position the United States will adopt. Similarly, provisions directing the placement of United States diplomatic personnel abroad intrude upon the President's authority for the conduct of international relations. Nor may the Congress condition the availability of funds on the President's surrendering his discretion in these areas. I will, therefore, treat all such provisions as purely precatory.

I retain the same concerns about section 565, prohibiting certain dealings with foreign governments and other persons, that I have expressed in signing previous appropriations acts.

Finally, I note that the various reporting requirements of this Act would have to be construed in light of the President's authority to protect against the disclosure of state secrets and national security information.

George Bush

The White House,

October 6, 1992.

Note: H.R. 5368, approved October 6, was assigned Public Law No. 102 - 391.

Statement on Signing the Legislative Branch Appropriations Act, 1993

October 6, 1992

I have signed into law H.R. 5427, the ``Legislative Branch Appropriations Act, 1993.'' While I regret that the Congress has rejected my proposal for a 33 percent reduction in congressional staffs, I need not repeat here the compelling reasons for such a reduction. However, I am compelled to comment upon two troublesome features of this bill.

First, I object to section 315, which establishes a ``Task Force on Senate Coverage'' for the purpose of ``studying'' whether various statutes that now apply to the private sector and/or the executive branch should also apply to the United States Senate.

This is not the sort of complex, difficult question that requires deliberation by a blue-ribbon panel. The Congress need not look beyond James Madison's warning in Federalist Paper No. 57 that ``[i]f [the American] spirit shall ever be so far debased as to tolerate a law not obligatory on the Legislature as well as on the people, the people will be prepared to tolerate anything but liberty.'' Rather than ``study'' the issue, the Congress should quickly eliminate this unseemly practice by passing the Accountability in Government Act that I proposed in April.

I would also note the limitations placed on the Task Force's authority to take even the small step of examining this issue. Although the bill mentions several statutes by name, it ignores the Civil Rights Act of 1964, the Rehabilitation Act, and other civil rights laws. The current ``coverage'' of the Congress by these laws is a sham, since it denies congressional employees the same rights to trial before a judge or jury enjoyed by other Americans. The bill also excludes consideration of whether the Congress should be covered by the Independent Counsel provision of the Ethics in Government Act, if that statute is reauthorized. And even as to the small number of laws remaining for consideration by the Task Force, the Task Force's mandate reaches only the Senate, not the House.

Second, provisions establishing the Commission on the Bicentennial of the United States Capitol present constitutional concerns. Even though the voting members of the Commission will all be Members of Congress, section 324(a) of the bill, if broadly construed, could be interpreted to allow the exercise of significant governmental authority by the Commission. So construed, this provision would be unconstitutional under the Appointments Clause of Article II, section 2, and the Incompatibility Clause of Article I, section 6. To avoid this constitutional infirmity, I will interpret section 324(a) of the bill as authorizing the Commission to perform only ceremonial and advisory functions within the legislative branch.

George Bush

The White House,

October 6, 1992.

Note: H.R. 5427, approved October 6, was assigned Public Law No. 102 - 392.

Statement on Signing the Treasury, Postal Service, and General Government Appropriations Act, 1993

October 6, 1992

I have signed into law H.R. 5488, the Treasury, Postal Service, and General Government Appropriations Act, 1993.

This Act provides funding for several Administration priorities, including programs that address the crisis of drugs in our country. These include drug interdiction activities in the United States Customs Service and drug rehabilitation and treatment programs financed through the Office of National Drug Control Policy.

I am pleased that the Congress has provided the funding I requested for my efforts to control unnecessary and burdensome Federal regulations through the regulatory review process headed by the Council on Competitiveness. Reviewing Federal regulations is an essential part of the President's constitutional responsibility to take care that the laws be faithfully executed. Regulatory review ensures that regulations issued by the executive branch protect the health and safety of the American people while taking into consideration the economic interests of American consumers.

In implementing this regulatory review process, the Council on Competitiveness, the Office of Management and Budget, and the agencies take great care to ensure that the public participation provisions, as well as all other elements of the Administrative Procedure Act, are carried out in all respects. My advisers, including the Council members, the Office of Management and Budget, and the agencies, also ensure that agency rule-making decisions are supported by the public record maintained by the relevant agency pursuant to the Administrative Procedure Act.

I note that the Conference Report suggests certain operating procedures for the Council on Competitiveness. This report language is not legally binding, and the procedures it suggests would inappropriately interfere with my duty to oversee the executive branch. As previously stated, current procedures ensure that the regulatory process includes public participation and that decisions are based on the public record.

It is also essential that the President, the Cabinet, and other advisers be provided frank, candid advice about issues that may be raised in the regulatory process. The procedures proposed in the Conference Report would interfere with my ability to obtain such advice by requiring internal discussions among my Cabinet and my advisers to be reduced to writing and put on the public record. Such restrictions on the President's Cabinet or advisers, if imposed by the Congress, would be unprecedented and unconstitutional. I am, therefore, directing the Council on Competitiveness to continue to implement the regulatory review process in a manner that is

consistent with current law and with my constitutional responsibilities.

I also note that, certain provisions in the bill -- those concerning regulatory review by the Office of Management and Budget (OMB) and the management of the Postal Service -- could be interpreted to interfere with my authority under the Constitution to supervise the decision-making process within and management of the executive branch. In order to avoid this constitutional difficulty, and without recognizing the Congress's authority to impose these restrictions, I will interpret them to permit such supervision through other means.

A number of provisions in the Act condition the President's authority, and the authority of affected executive branch officials, to use funds otherwise appropriated by this Act on the approval of various congressional committees. These provisions constitute legislative vetoes similar to those declared unconstitutional by the Supreme Court in INS v. Chadha. Accordingly, I will treat them as having no legal force or effect in this or any other legislation in which they appear.

George Bush

The White House,

October 6, 1992.

Note: H.R. 5488, approved October 6, was assigned Public Law No. 102 - 393.

Statement on Signing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1993

October 6, 1992

I have signed into law H.R. 5678, the ``Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1993."

During the past few years, I have continually sought increased resources for Federal law enforcement. While we have achieved substantial progress in this area, the Congress has been unwilling to support fully my efforts to combat violent crime and drugs, placing public safety at greater risk. Once again, I am disappointed that this Act cuts more than $500 million from my request to support the fight against crime and drugs. Obviously, this will hamper the Justice Department's efforts to combat violent crime. Additional funding could have been provided to fight crime if the Congress had agreed to terminate or reduce other unwarranted programs as proposed in my FY 1993 budget request.

The results of the congressionally imposed cuts will be manyfold. First, the Federal Bureau of Investigation will not be able to hire additional agents. Second, the Drug Enforcement Administration will be unable to complete major planned drug investigations. Third, my plan for the systematic expansion of prison operations will be curtailed. Fourth, the Immigration and Naturalization Service will be forced to operate at a level below FY 1992, meaning less enforcement on our Nation's borders. Finally, Federal prosecutors will be unable to handle their mounting case loads, thereby delaying putting criminals behind bars.

In addition, I note that section 611(b)(1) of the Act incorporates by reference a provision that grants certain authority only to those Members of the Board of Directors of the Legal Services Corporation who have been confirmed by the Senate. Under Article II of the Constitution, the President has the power ``to fill up all Vacancies that may happen during the Recess of the Senate." Under the Constitution, such recess appointees enjoy the same powers assigned to Senate-confirmed officers. Provisions purporting to grant authority only to individuals confirmed by the Senate interfere with the President's recess appointment power, and are unconstitutional.

I would also note my strong objections to the inclusion of an amendment to the criminal post-employment statute in an appropriations bill, without benefit of any public discussion of the merits, without any appreciation of the recently enacted comprehensive amendments to the post-employment statute, and without regard for the implications of targeting for coverage just one position.

Nevertheless, the overall amount of funding provided by H.R. 5678 is consistent with my budget request, and thus allows progress toward a freeze in domestic discretionary budget authority to be maintained. Because the bill provides funding for the continuance of many important programs within this level, I have signed it.

George Bush

The White House,

October 6, 1992.

Note: H.R. 5678, approved October 6, was assigned Public Law No. 102 - 395.

Statement on Signing the Department of Defense Appropriations Act, 1993

October 6, 1992

I have signed into law H.R. 5504, the ``Department of Defense Appropriations Act, 1993." The Act provides funding for Department of Defense programs.

I note that in specifying appropriations ceilings on specific programs for ``Defense Reinvestment for Economic Growth," the Congress provided flexibility to allocate the total amount of such appropriations. This will allow the President to ensure that such appropriations are used only for defense-related functions, consistent with the Budget Enforcement Act and the appropriate role of the Departmentÿ20of Defense.

I am concerned that the Act requires American taxpayers to indemnify States and localities, with respect to certain claims that may arise in connection with real property transferred to them by the Department of Defense. This provision discourages the Department of Defense from transferring to States and localities real property no longer needed by the Department, an unfortunate outcome of H.R. 5504 by that should be corrected in future legislation.

Section 9009 of H.R. 5504 and the last proviso in section 105 of the Classified Annex incorporated in H.R. 5504 by reference, which purport to limit the authority to protect certain national security information through the establishment of special access programs, shall be construed consistent with the constitutional authority of the President to protect national security information.

George Bush

The White House,

October 6, 1992.

Note: H.R. 5504, approved October 6, was assigned Public Law No. 102 - 396.

Statement on Signing the Hawaiian Homes Commission Act Amendments

October 6, 1992

I am signing into law S.J. Res. 23, consenting to certain amendments to the Hawaiian Homes Commission Act, notwithstanding reservations I have concerning the Act itself. This joint resolution gives the United States consent to a number of amendments to the Hawaiian Homes Commission Act that were adopted by the State of Hawaii. This consent is necessary because section 4 of the ``Act to provide for the admission of the State of Hawaii into the Union," Public Law 86 - 3, 73 Stat. 4 (1959), requires that amendments to the Hawaiian Homes Commission Act be approved by the National Government. I am signing this bill because it gives effect to the desires of the government of the State of Hawaii. But I wish to note my concern over the process by which the National Government must give its consent to matters that are solely within the competence of the State of Hawaii. Such a procedure is at tension with federalism principles that lie at the heart of our system of government. There is no question that the administration of the public lands in question here can be competently handled by the State government.

I also wish to express another concern. Because the Act employs an express racial classification in providing that certain public lands may be leased only to persons having a certain percentage of blood ``of the races inhabiting the Hawaiian Islands prior to 1778," the continued application of the Act raises serious equal protection questions. Moreover, the Congress has not conducted the type of examination of the reasons for and the need to use this classification that the Supreme Court has stated is necessary to legitimate such classifications as an exercise of the Congress' Fourteenth Amendment enforcement powers.

Thus, while I am signing this resolution because it substantially defers to the State's judgment, I urge that the Congress amend the ``Act to provide for the admission of the State of Hawaii into the Union," Public Law 86 - 3, so that in the future the State of Hawaii may amend the Hawaiian Homes Commission Act without the consent of the United States, and note that the racial classifications contained in the Act have not been given the type of careful consideration by the Federal Government that would shield them from ordinary equal protection scrutiny.

George Bush

The White House,

October 6, 1992.

Note: S.J. Res. 23, approved October 6, was assigned Public Law No. 102 - 398.

Nomination of Douglas Alan Brook To Be Director of the Office of Personnel Management

October 6, 1992

The President today announced his intention to nominate Douglas Alan Brook, of Virginia, to be Director of the Office of Personnel Management for a term of 4 years. He would succeed Constance Berry Newman.

Currently, Mr. Brook serves as Acting Director of the Office of Personnel Management. He has also served as Assistant Secretary of the Army for Financial Management, 1990 - 92; president of Brook Associates, Inc., 1982 - 90; and vice president of Libbey-Owens-Ford Co., 1979 - 82.

Mr. Brook graduated from the University of Michigan (B.A., 1965; M.A., 1967). He served in the U.S. Navy on active duty, 1968 - 70, and in the Naval Reserve, from 1971 to the present. He was born January 15, 1944, in Chicago, IL. Mr. Brook is married and resides in Vienna, VA.

Appointment of Clifford T. Alderman as Special Assistant to the President for Intergovernmental Affairs

October 6, 1992

The President today announced the appointment of Clifford T. Alderman as Special Assistant to the President for Intergovernmental Affairs.

Since November 1990, Mr. Alderman has served as Deputy to the Special Assistant to the President for Intergovernmental Affairs. Prior to this, he served as Deputy Director of External Affairs in the Office of the Secretary at the U.S. Department of the Interior, 1989 - 90. From 1987 to 1988, Mr. Alderman served as the executive director of the Connecticut Bush-Quayle campaign. From 1985 to 1987, Mr. Alderman served on the field staff of the Fund for America's Future. From 1983 to 1985, Mr. Alderman worked in the political analysis office of the Republican National Committee.

Mr. Alderman graduated from American University with a Bachelor of Science degree in 1983. Mr. Alderman was born on April 8, 1961, in Bristol, CT. He currently resides in Alexandria, VA.

Remarks at the Initialing Ceremony for the North American Free Trade Agreement in San Antonio, Texas

October 7, 1992

May I start off by saluting President Salinas and Prime Minister Mulroney, Secretary Serra, Minister Wilson: Welcome to the city of San Antonio. I thank the other foreign dignitaries, Governors, mayors, and Members of our Congress and my Cabinet, so many from the business community from all three countries that are here.

We've just been talking about this, and this meeting marks a turning point in the history of our three countries. Today the United States, Mexico, and Canada embark together on an extraordinary enterprise. We are creating the largest, richest, and most productive market in the entire world, a $6 trillion market of 360 million people that stretches 5,000 miles from Alaska and the Yukon to the Yucatan Peninsula.

NAFTA, the North American free trade agreement, is an achievement of three strong and proud nations. This accord expresses our confidence in economic freedom and personal freedom, in our peoples' energy and enterprise.

The United States, Mexico, and Canada have already seen the powerful and beneficial impact of freer trade and more open markets. Over the past 5 years, as President Salinas reduced trade barriers under his bold reform program and as Prime Minister Mulroney and I implemented the United States-Canadian Free Trade Agreement, trade between our three countries has soared. In 1992 alone, that trade will reach an estimated $223 billion, up $58 billion just since 1987.

If anyone doubts the importance of trade for creating jobs, they should come to this great State, come to the Lone Star State. In 1991, Texas exports totaled $47 billion, just from this State. And of that amount, over $15 billion went to Mexico, almost 2\1/2\ times as much as 5 years ago. This export boom goes well beyond one State, well beyond Texas. Virtually every State has increased exports to Mexico in the past 5 years.

NAFTA means more exports, and more exports means more American jobs. Between 1987 and 1991, the increase in our exports to Mexico alone created over 300,000 new American jobs. These are high-wage jobs. In the case of merchandise exports, those jobs pay a worker a full 17 percent more than the average wage.

Free trade is the way of the future. I've set a goal for America to become, by the early years of the next century, the world's first $10 trillion economy, and NAFTA is an important element in reaching that goal. With NAFTA, as more open markets stimulate growth, create new products at competitive prices for consumers, we'll create new jobs at good wages in all three countries.

NAFTA will do these things and remain consistent with our other international obligations, our GATT trade obligations. Let me be clear that I remain committed to the successful conclusion of the Uruguay round of trade negotiations this year.

But NAFTA's importance is not limited to trade. We've taken particular care that our workers will benefit and the environment will be protected. As a result of NAFTA, the U.S. and Mexico are working more closely than we ever have to strengthen cooperation on such important labor issues as occupational health and safety standards, child labor, and labor-management relations.

Then, on the environment, an issue of critical concern for all three leaders here today, we have agreed on practical, effective steps to address urgent issues such as border pollution, as well as longer term problems, such as preventing countries from lowering environmental standards to attract foreign investment. I salute the two gentlemen standing next to me, Prime Minister Mulroney and President Salinas, for their commitment and their leadership to this environment that we all share. As proof of that commitment, the United States and Mexican Governments have already developed a comprehensive, integrated plan to clean up air and water pollution and other hazardous waste along the Rio Grande River.

I know for some NAFTA will be controversial precisely because it opens the way to change. Some of NAFTA's critics will fight the future, throw obstacles in the way of this agreement, to mask a policy of protectionism. But history shows us that any nation that raises walls and turns inward is destined only for decline. We cannot make that choice for ourselves or for our children. We must set our course for the future, for free trade.

Mr. President and Mr. Prime Minister: This accord underscores the principle that democratic, market-oriented nations are natural partners in free trade. We owe it to our fellow citizens to bring this agreement into effect as soon as possible, and I pledge my support to that end.

Thank you very much.

Note: The President spoke at 3:06 p.m. at the Plaza San Antonio Hotel. In his remarks, he referred to Jaime Serra Puche, Mexico's Secretary of Commerce and Industrial Development, and Michael Wilson, Canada's Minister of International Trade.

Presidential Determination No. 93 - 3 -- Memorandum on Trade With Afghanistan

October 7, 1992

Memorandum for the Secretary of State

Subject: Assistance to and Trade with Afghanistan

By virtue of the authority vested in me by section 620D(b) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2374(b)), I hereby determine that furnishing assistance to Afghanistan with funds authorized to be appropriated under that Act is in the national interest of the United States because of substantially changed circumstances in Afghanistan.

By virtue of the authority vested in me by section 2(b)(2)(C) of the Export-Import Bank Act of 1945, as amended (12 U.S.C. 635(b)(2)(C)), I hereby determine that Afghanistan has ceased to be a Marxist-Leninist country within the definition of such term in subparagraph (B)(i) of section 2(b)(2) of that Act (12 U.S.C. 635(b)(2)(B)(i)).

In accordance with section 118(c)(1) of Public Law 99 - 190 (99 Stat. 1319), I hereby provide notice of my intention to restore nondiscriminatory trade treatment to the products of Afghanistan no sooner than 30 days following receipt by the Congress of this memorandum.

Attached to this determination is a Statement of Justification for these actions, setting forth, among other things, a description of U.S. national interests in resuming assistance and normal trade ties with Afghanistan.

You are authorized and directed to report these actions to the Congress and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4 p.m., October 15, 1992]

Note: The attached justification was published in the Federal Register on October 19.

Statement by Press Secretary Fitzwater on Free Elections in Kuwait

October 7, 1992

The President is pleased to note that this week Kuwait held free parliamentary elections. The United States has been a strong supporter of this process since the Amir's decision to hold elections was announced during the Iraqi occupation. We have also been encouraged by the statement by the Crown Prince that the Kuwaiti Government will soon propose legislation to amend the constitution to broaden the electorate and specifically to give women the right to vote in future elections. The Amir and the Kuwaiti people are to be congratulated on this latest stage in Kuwait's progress toward full recovery and reconstruction.

These elections reaffirm Kuwait's hard-won independence and the freedoms enjoyed by the Kuwaiti people, in sharp contrast to the agony the Iraqi people still endure from Saddam. The gulf between Kuwait's determination to begin a democratic process and Saddam's brutalities against the Iraqi people is a vivid reminder of why the coalition had no choice but to use force to liberate Kuwait. The United States remains committed both to supporting Kuwait in its physical and political reconstruction and to support the efforts of the Iraqi opposition toward building a democratic future for the people of Iraq.

Remarks at the Port of New Orleans, Louisiana

October 8, 1992

The President. Thank you, Governor Treen. Good morning, everybody, and thank you, thank you for that warm welcome. May I salute David Treen, who did a great job as Governor of this State; my friend Congressman Bob Livingston. If we had more Members of Congress like him, they wouldn't be yelling at me ``Clean House!'' all the time. We've got a good one here. May I salute our Secretary of State, Fox McKeithen; and Peggy Wilson, right here with me; Ron Brinson, the president and CEO of the Port of New Orleans; and of course, our old friend, a great Louisianian serving at my side in the White House, Henson Moore.

You know, it's a very special pleasure for me -- I'm going to take my coat off. It's hot out here, man. It's a very special pleasure to be here. Let me tell you one of the reasons why. Thirty-five years ago I came back to this city -- I came here many, many times -- came back here to the Bienville Street Wharf down the way a bit to christen a new offshore oil rig. I was a small-business man with an office right here near here in downtown New Orleans and the offices also over at Cameron and Morgan City and Lafayette. I grew to know this State and to love Louisiana and the people, the food, the music, the fondness for the old, and the passion for the new. I am glad to be back here today because it brings back a lot of memories, and you make me feel right at home. Thanks for this warm welcome.

I mentioned offshore drilling. I am for the offshore drilling industry. Ask the super-environmentalists, the Clinton-Gore ticket, exactly where they stand and then try to get them to keep their word. They waffle on every single issue.

This morning I want to say, or this afternoon, just a few words about the economic challenge facing this great country of ours, about the powerful force of trade, a force that will shape the lives, the livelihood of these children here today. And let me just say I salute the Taylor's kids, and Pat Taylor, who helps get them educated.

In this campaign, I have laid out an Agenda for American Renewal. It is a comprehensive series of steps to win the new global economic competition, to create here in America by early in the next century the world's very first $10 trillion economy.

My agenda spells it out in detail what we must do to achieve that goal, the priorities I'm fighting for. I want to literally, to begin with, we have got to literally reinvent American education and give every parent the right to choose their kids' schools, public, private, or religious. Governor Clinton said it won't work, and I say I do remember that it worked pretty well for the GI bill, and it can work for all the parents today. So let's fight for that.

I want to reform our legal system. Frankly, we must limit these crazy lawsuits. As a nation we

must sue each other less and care for each other more. I don't care, the liberals don't like this one, but I want to see us strengthen the American family because family is still the foundation of our Nation.

I want our Nation to save and invest more. And we can do this only by reducing the size of the Federal Government, because today's Government is too big, and it spends too much of your money.

I want to limit the terms of Members of Congress and take Congress away from the special interests and give it back to you, the American people.

These are steps that we must take to realize the global opportunity before us, to place more of our neighborhoods on the path to prosperity. But we can begin by grasping a unique opportunity to break down century-old barriers to the free flow of goods and ideas, by fighting to open new markets. Because you know as well as I do, given the right chance, the American worker can outthink, outcompete, outwork any other worker in the entire world.

I was over in San Antonio yesterday to mark a turning point in the history of North America. Yesterday will be remembered in history, for along with President Carlos Salinas of Mexico and Prime Minister Brian Mulroney of Canada, we watched the signing of a truly historic agreement, the North American free trade agreement or NAFTA. And over the next 15 years, NAFTA will create the largest free trade area in the world, an economic trading area with over 360 million customers and over $6 trillion in annual output.

Trade between the United States and Mexico and Canada has already increased by over 70 percent in the past 5 years. This agreement strengthens our partnership, and most of all, it creates good jobs for American workers. And that has got to be the goal. Everybody in the Port of New Orleans knows what I'm talking about. This agreement allows the United States to build on our lead as the export superpower.

America already sells more products abroad than any other nation in history. Over the past 3 years, despite a sluggish world economy, U.S. exports have increased more than 30 percent and more than $20 billion of these goods passed right through the Port of New Orleans. And you know what this means for the city.

Audience members. Four more years! Four more years! Four more years!

The President. You know what this means for the city, don't you? As the Saints' fans might say, ``Cha-ching!'' You know, today, Louisiana is the Nation's eighth largest export State with over $16 billion in export sales. Almost 70,000 jobs come from manufactured exports. You send chemicals to Australia and cotton to China and paper to France. You see, where's that -- there it is, this yellow tractor right here, it's headed for Chile. But no matter what we're putting in these

ships, we're going to mow down the international competition. We can't do it if we're protectionists. We do it by things like NAFTA, this forward-looking agreement.

You know, Louisiana leads the way, all right, but the rest of America isn't far behind. Already, one in six American manufacturing jobs is supported by trade. For those who worry that our children will not enjoy high wages, consider this fact: On average, trade-related jobs pay 17 percent more than the average U.S. wage. So, if we want the sons and daughters of steelworkers to earn a good living and get their share of the American dream, we have to promote trade, and we have to do it right now.

You see, the world has changed dramatically over the past few years.

Audience members. Four more years! Four more years! Four more years!

The President. Where once leaders gathered to find ways to evade conflict, now we must meet to find new ways to promote opportunity. And where once our progress was measured only by a crisis averted, in the new world it will be measured by new jobs created. And I learned the lessons of trade not from a textbook over in Oxford, England, not from a briefing paper, but from the only teacher that counts, real-world business experience.

Even back in the days back there in the late fifties and sixties when I was coming here to New Orleans to work with these oil rigs, I learned that the more my company could sell abroad, in Japan in our case or South America or the Middle East, the more jobs we could create for Louisiana roughnecks and drillers and tool-pushers. My company drilled wells off this coast. The skill of our workers made us the very best in the entire world. And as we drilled abroad, we created good jobs for U.S. workers. It was true then, and it is true today. So don't listen to that measure of protection.

Over the years, I sensed that the world was becoming more like us and saw people in China and Europe demand more of our cars, our computers, even our colas. That is why I am so excited by the new era that lies before us, lies ahead for these kids. You know, I know times have been tough here in America, but we must keep in mind, this is a global economic downturn. The nations of Europe suffer higher unemployment, higher interest rates, higher inflation. But we can and we will lead the way to a new era of prosperity, if we have the courage to do what is right today.

I believe that America is uniquely suited to lead this new world, just as we led the old one. Despite all the pessimism, all the tearing down of the United States of America, don't forget a few facts. We have the world's largest market. We sell more high-tech products than any other nation. Our workers are more productive than the Germans, more productive than the Japanese, more productive than any other men and women in the entire world. And so don't let that Clinton-Gore ticket tell you how bad everything is.

You know, in the cold war, we used our military might to force alliances, to push them together all across the Atlantic and the Pacific. Today, we can use our economic strength to forge new trade alliances, push them together. NAFTA is only the first. I see other trade agreements with nations in Europe and Latin America and Asia. As we tear down barriers, we create good, high-paying jobs for American workers, and that is what this Nation desperately needs.

You know, there used to be a great distinction, but that old distinction between foreign policy and economic policy has simply vanished. To build a strong economy at home, we must be strong and aggressive abroad. That's why I believe that the American people have a clear choice this November between an experienced leader with a clear global vision and a Governor with no international experience, who can't seem to make a decision on any issue at all, any day of the week.

Audience members. We want Bush! We want Bush! We want Bush!

The President. There's a great article up there in USA Today. Get a look at it, this morning's USA Today. It chronicles Governor Clinton's changing positions on ten issues, from taxes to term limits to the Gulf war. I challenge you to read this article and tell me where Bill Clinton stands on any of these important issues. He says all things to all people. In the White House, I've found out something. You have to take a stand. You can't keep everybody happy. You've got to call them as you see them and do what is right and not waffle.

I see these signs out here about NAFTA, this free trade agreement. Well, take that for an example. When he started his campaign, Bill Clinton sounded like a staunch defender of free trade. Then, he sought the endorsement of some powerful labor people, particularly the labor leaders in Washington. Before long, he announced he was undecided. Finally, last week, Governor Clinton looked at the polls one more time and came out for NAFTA.

But then, he waffled. He said, ``I'm for it -- but." He said he didn't want the agreement to encourage strikebreakers from coming into the country. The agreement already prevents that. The agreement takes care of that. It isn't going to happen. He said he didn't want the agreement to allow contaminated food to come into the country. That's already been taken care of in this agreement. He said he didn't want the agreement to allow other countries to flood our market with imports, but part of the agreement is devoted to providing safeguards against that. He said he has reservations about the environmental impact of the agreement, and yet the National Wildlife Federation, our nation's largest environmental organization, has already endorsed the agreement.

So here is the bottom line. In the White House, you cannot have it both ways on tough issues. The phone in the Oval Office doesn't have a call-waiting button. When you're President of the United States, ``maybe" cannot be your middle name.

This is especially important when you're fighting for free and fair trade. And today, the U.S. Congress is a riot of conflicting interests. As I said, I wish we had many more like Bob Livingston. Many Members are loyal to the future and understand that free trade is the way to create jobs. But others are only loyal to whomever gives them the biggest campaign check, and they back down to every group seeking a new tariff or a trade wall. As President, only I can stand up against irrational impulses of protectionism. And as President, only I can speak for the national interests and fight for the jobs of the future.

There was nothing inevitable about this trade agreement. It is the product of thousands of hours of grueling negotiation, hundreds of detours avoided, thousands of diversions ignored. Only the unwavering resolve of three governments, the steadfast commitment of visionary leaders like Brian Mulroney of Canada and President Carlos Salinas of Mexico brought this dream to life.

We must guarantee that America will remain the world's export superpower. Governor Clinton waffles and hedges his bet, and I'm going to bet on our future. I'm going to fight for good jobs to go right in this port and ship our goods abroad, every one of them made by American workers in the United States.

Audience members. We want Bush! We want Bush! We want Bush!

The President. I care about America leading this new economy, right here. I just didn't read about free trade in a textbook somewhere; I feel it. I've learned it all my life.

And here at this port, you know that the future lies in reaching out, in tearing down barriers, in selling American products in every corner of the globe. Now let's get the job done, together.

I am proud of what we have accomplished the past 4 years to make freedom victorious, to make our children safer. You know, Governor Clinton doesn't seem to care, but I think it's a big deal that our kids, our children, go to bed every night safer from the scourge of nuclear weapons. I am proud that my administration had a lot to do with that. And we did it by standing up against aggression. The sons and daughters of Louisiana that served in Desert Storm deserve our thanks and deserve our support. And so do those that served in Vietnam.

Now we must build on our accomplishment and meet the challenge of a global economy. America cannot be timid, we cannot be uncertain. That is not our nature. We must be aggressive. We must lead. We must keep our eyes fixed on the future, for that is where our opportunity lies.

This is the kind of leadership I've given America. As we've changed the world the past 4 years, this is the kind of leadership that I offer for the next 4 years, as we create jobs and renew this country we love so dearly. Do not let them tear down the United States of America. We are the best and freest and fairest country on the face of the Earth. Our future looks bright. Now let's get to work and create jobs here in America for all.

Thank you. Thank you. And may God Bless our great country. Thank you very much. Thank you all.

Note: The President spoke at 2:08 p.m. at the Nashville Avenue Wharf. In his remarks, he referred to Peggy Wilson, New Orleans council member; W. Henson Moore, Assistant to the President for Intergovernmental Affairs; and Patrick F. Taylor, who developed the Taylor plan for financing higher education for low- and moderate-income students.

Remarks to the Law Enforcement Community in New Orleans

October 8, 1992

Well, thank you, Ron, Pete, and I am very pleased to receive this endorsement. I am very pleased. Louisiana has got a great law enforcement community, and this is a wonderful occasion for me. The Police Association of New Orleans and the other representatives of law enforcement community here with us today, I just thank you all from the bottom of a very grateful heart.

Let me just say a word to the family and friends of Officer Norvin Powell, who dedicated a lifetime of service to the small town of Winfield, Louisiana. Two weeks ago, officer Powell responded to a routine break-in. Then after a struggle with the burglar, Powell lay dead, and the burglar escaped. He didn't get far. After an 18-hour manhunt, he was arrested. Tragically, Officer Powell's handcuffs were still attached to one wrist. Powell took a stand. He made a difference in his community. On behalf of a grateful nation, while I'm here, I simply want to pay tribute here to this outstanding officer and others like him all across this country.

You know, keeping neighborhoods safe and secure has got to be one of the fundamental responsibilities of government. It takes a tough, no-nonsense approach, one that puts our sympathy with the victims of crime, not the criminals. Ron set out the principles that I feel are absolutely essential for a President as related to law enforcement. After all, hard time is what criminals should get, not the innocent kids and older Americans who have to live in the fear of violence.

In this election, two candidates are talking tough on crime, but just one candidate is taking action. Now, you can look at the record. Last year under Governor Clinton, Arkansas criminals on average served just one-fifth of their sentence before they were back out on the street. They did the crime, and they served one-fifth of the time.

So I think you'll see the contrast when I tell you that the Federal inmates, inmates who fall under my jurisdiction, serve an average of 85 percent of their full sentence. Crime is one more issue where the Governor of Arkansas can't talk his way past his record. If you want to know who's really tough on crime, look to the people out there on the front lines.

Take the Fraternal Order of Police over in Little Rock. They lived with Governor Clinton for 12 years. They know that Arkansas ranks rock bottom for every important per capita crime dollar it spends: prisons, 46th; judicial and legal systems, 50th. And when it comes to spending for police officers, Arkansas ranks 49th. They know Bill Clinton's record best, and they are endorsing George Bush for President of the United States.

So let me say to the law enforcement officers and the associations that are represented here today: For 4 years I've kept a badge, an officer's badge 14072, in my desk in the Oval Office. A retired New York police lieutenant, Matt Byrne, gave me that badge some time ago. It's his son's badge, Eddie Byrne, who wore the badge the day he was gunned down by a gang of crackheads. As Matt asked, I have really kept that badge right there in that center drawer of the Oval Office desk, kept it there as a reminder of all of the brave officers who put your lives on the line for us every single day.

As President, you have my thanks. But much more than that, you have my support. You're on the side of the law, and I am on your side. With your support, I know that we can turn back the threat of drugs and crime. I know that we can make our communities much safer and much stronger.

I thank you very much, each and every one of you, for this vote of confidence. And may God bless the men and women who wear the badge. Thank you all.

Note: The President spoke at 3:25 p.m. at Belle Chasse Naval Air Station. In his remarks, he referred to Ronald J. Canatella, president, Police Association of New Orleans, and Peter Dale, Louisiana State coordinator for law enforcement, Bush-Quayle '92.

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Remarks at a Victory '92 Dinner in Houston, Texas

October 8, 1992

The President. Thank you all very much. Thank you.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you, President Reagan. Thank you, my friend, and thank you for all that you taught me in those 8 years when I was privileged to serve at your side.

Let me also give my thanks to Barbara, working so hard up in New York tonight, but all across this country; to President Gerald Ford, for whom I have unlimited respect; for my running mate and my partner, Vice President Dan Quayle, out there in St. Louis, and Marilyn; and to Bob Dole and Bob Michel. I couldn't ask for two finer, more principled leaders in the two Houses of Congress, and I just wish we had control of both Houses to move this country forward even faster.

I was touched by what my friend Arnold Schwarzenegger said. He is a friend, and I value that friendship. And to all of you and the good friends watching in over 100 cities and in 30 States, you have touched my heart this evening.

Let me also add my special thanks to Ted Welch, who ran this whole effort, to Bob Mosbacher, to Rob Mosbacher, next to me here, to all our finance chairs, and of course, a great party chairman, Rich Bond, the chairman of the Republican National Committee.

This evening is for our entire ticket, from top to bottom, the proud Republican team. As you can imagine, I'm not in the habit much lately of quoting polls. [Laughter] But Rob reminded me of something; I couldn't help but notice that new poll that came out just last night. It wasn't CNN or ABC or Gallup or the Wall Street Journal; it was that little kids' magazine, Weekly Reader. They polled over 600,000 kids across America: 39 percent wanted Bill Clinton for President and 56 percent wanted George Bush.

Before you think that the pressure of the past few months has gone to my head and that I'm seeking solace in fourth graders -- [laughter] -- let me point out something. Weekly Reader is not a bad thermometer of what happens in elections. That particular poll hasn't been wrong since 1956. But this is admittedly a weird year, the strangest year I can ever remember in politics, and I don't want to leave anything to chance. So when the Democrats leave Washington next week, or in the next few days, I'm asking Bob Dole, Bob Michel, and all the other Republicans to sneak up to Capitol Hill and pass the 28th amendment, lowering the voting age to 5-year-olds. Let Governor Clinton take his saxophone and go after the MTV vote -- [laughter] -- we'll tear him apart on ``Sesame Street."

But seriously, forget the polls. Forget the pundits. We are going to win this election. And we're going to lead this Nation for 4 more years. And let me tell you three reasons why I remain so confident.

The first is our record. We've heard a lot of talk this year about what's wrong with America. But let's not lose sight of the grand victory that we have helped win for all humanity.

As I study for the debate this Sunday, my thoughts went back to another debate 12 years ago. I believe it was in Cleveland with President Reagan, between Jimmy Carter and then-challenger Ronald Reagan. In his closing statement, President Carter, speaking from the heart, talked about how he'd had a conversation with his daughter, Amy, in which she said that the control of nuclear weapons was the greatest problem facing mankind. Some laughed. I didn't, and nor did President Reagan.

Well, President Carter and many well-meaning people advocated at that point a nuclear freeze. Remember the freeze movement? But President Reagan and I fought for a policy of peace through strength. And 12 years later, over a billion people in every corner of the globe have taken their first breath of freedom. Tonight, as millions of American kids pull back the covers and shut off their talking Barbie dolls, they think not of nuclear weapons, but of the sweet and satisfying dreams of peace. Does that matter? You bet it does.

The second reason we'll win is because our ideas make sense to middle class Americans.

Governor Clinton likes to quote statistic after statistic, all kind of tearing down America, pointing out how bad everything is. But our problems are never put in the context of a global slowdown. Only now, only in the past few days, have people really started to compare our solutions.

Governor Clinton likes to say that he's, quote, ``a different kind of Democrat," unquote. Well, to me there's nothing different about $150 billion in new taxes, more than Michael Dukakis and Walter Mondale combined. There's nothing different about making pie-in-the-sky promises with one hand while pulling dollars out of working people's wallets with the other. In June, Governor Clinton proposed $220 billion in new Government spending. And he called it ``investment." And he used that same tone that doctors use when they say, this shot won't hurt you one bit. [Laughter]

I thought that would satisfy Governor Clinton's appetite, but it turned out to be just an hors d'oeuvre. We did a little calculating. Since that day in June, Governor Clinton has promised at least another $200 billion, quote, ``in investments." Those are just the ones we've been able to put a price tag on, a billion dollars in new promises every single day. And so Governor Clinton has earned a new nickname, Billion Dollar Bill. [Laughter] But who is going to pay Bill's bills?

The same people who always pay, the middle class. They're going to do it.

A couple of weeks ago, the National Association of Business Economists compared Governor Clinton's billion-dollar-a-day spending plan with my progrowth policies of smaller Government and lower taxes. And the vast majority said that under our plan, under my plan, inflation would be lower, interest rates would be lower, and the budget deficit would be smaller.

Governor Clinton said this week that his side is, quote, ``on the right side of history." But I fear his inexperience is showing. From Managua to Moscow, history is moving away from taxes and regulation and central control. History is casting aside the Government planner, who spends the wealth of nations, and lifting up the men and women who create it. No, Governor Clinton, history is on our side, and that's why we will make history in 25 days.

I believe the third reason -- I really believe this one -- one reason we will win, in a word, is trust. We've spent most of the time in this campaign talking about economic and domestic policy, as well as we should, because those are the most important problems facing us today. We should remember, however, that when we elect a President of the United States, we're electing someone who at any time may have to deal with the awesome decision of sending someone else's young son or daughter, America's men and women, into battle.

I had to make that decision in 1989, and then again in Desert Storm. The President we entrust with these decisions must have character, honesty, and integrity. Last night on the Larry King show, I was asked about some issues in my opponent's background. Let me repeat the point I made, because I feel so strongly about it: My opponent has written that he once mobilized demonstrations in London against the Vietnam war. I simply for the life of me cannot understand how someone can go to London, another country, and mobilize demonstrations against the United States of America when our kids are dying halfway around the world.

The issue here isn't patriotism. You can demonstrate all you want here at home. Barbara and I look out, as Ron and Nancy did, out of the White House, and there's somebody out there every single day, properly protesting or raising objections, exercising their rights. That's part of America. But I can't understand someone mobilizing demonstrations in a foreign county when poor kids, drafted out of the ghettos, are dying in a faraway land. You can call me old-fashioned, but that just does not make sense to me.

I think the American people respect experience and character and proven ability to make a tough decision. I hope that means that they will vote for me on November 3d.

It has been said that a friend is someone who knows everything there is to know about you and likes you anyway. [Laughter] And, tonight, I would add that the definition of a friend is someone who stands by your side while you're behind, so that you can pull ahead. Barbara and I are blessed with thousands of friends, and you have touched our hearts tonight. As we say a hearty

thanks to all of you, I remind you that our struggle is to more than win an election; our struggle is to renew America so that we can match the peace we have achieved in the world with that peace of mind here at home.

Tonight, you have given me the strength and the passion and the inner confidence to take our ideas to the American people for 25 more days. You're sending me into St. Louis for that debate with a full head of steam.

Thank you for your support. And God bless the United States of America. Thank you all very, very much.

Note: The President spoke at 9:08 p.m. in the J.W. Marriott Hotel. In his remarks, he referred to Arnold Schwarzenegger, Chairman, President's Council on Physical Fitness and Sports; Robert Mosbacher, Sr., general chairman for finance, Republican National Committee; and Robert Mosbacher, Jr., chairman, Texas Victory '92.

Remarks to the National Fraternal Order of Police in Cincinnati, Ohio

October 9, 1992

Hey, listen, Dewey, let me just tell you at the outset how grateful I am not just for that kind introduction but for this fantastic endorsement. I'll say more about it in a minute. I appreciate this warm welcome, and I do mean warm. [Laughter] I'm delighted to be back in the Cincinnati area, and I am very pleased to salute not only Dewey Stokes but Ralph Orms, the FOP secretary; Ken Gorman, the chairman of the board of trustees; Gil Gallegos and George Austin and all the members of the executive board. I especially want to recognize the officers from Dayton who came here today in remembrance of your fallen comrade, Officer Bill Whalen.

I'm delighted and honored to accept this most prestigious endorsement here today as the preferred Presidential candidate of the National Fraternal Order of Police, and I thank you for your support. As most people across this country know, you're one of the strongest voices of the law enforcement community in the entire country, and I'm grateful you're speaking on my behalf. This country is going to see a real comeback on election day when we come storming back to victory. I really believe it's going to happen.

I will continue to say what I am for, and I will continue, because a lot of the people around are not helping us do this, to define Governor Clinton for what he is and for what his record is. I am confident when people go into the voting booth they are going to say, this President has the character and the trust to lead this country for another 4 years. We are going to turn it around because of people like you who want to do what's right for America, aren't afraid to take a position, to stand up. I believe beyond a shadow of a doubt that this Bill Clinton -- I really honestly believe this -- is wrong for America at this time.

Now, look at his record. Look at the record. He is a typical tax-and-spend, big Government, tax-and-spend, coddle-the-criminal man. We don't need that. Don't take my word for it. Ask the folks who know the record best. Ask your brothers and sisters in Little Rock, Fraternal Order of Police in Arkansas, Governor Clinton's hometown. They're endorsing not their Governor, but you guessed it, they are endorsing George Bush for President of the United States of America. They're doing this not out of personal spite, but they're doing this because of the record. Arkansas ranks near rockbottom for every important per capita crime dollar it spends: for prisons, 46th; for judicial and legal systems, 50th; and when it comes to spending for police officers, Arkansas ranks 49th.

No wonder crime went up faster in Arkansas during the 1980's than in any other State. If you don't give your police the tools they need, you can't expect them to do the job.

Dewey Stokes very generously spelled out some of our record, and I would like to compare my record to Governor Clinton's. Since 1989, I've proposed a 59 percent increase in Federal spending to fight crime. As for charges that my administration short-shrifted State and local law enforcement, a charge that this Governor recklessly keeps putting forward, the fact is that spending under the Eddie Byrne Memorial Grant Program for State and local law enforcement is more than 3 times what it was when I became President of the United States.

Here's something that the victims of crime might be interested in; there's more to it. Last year, under Governor Clinton, the average Arkansas criminal served less than one-fifth of his sentence. Then he's back out on the streets. Apparently, down in Arkansas you do the crime but not the time.

Most Federal inmates under my jurisdiction serve at least 85 percent of their full sentences. I have had very little support from the national media in putting these facts into perspective, but we've got time. With this endorsement and your help, we are going to get the facts into the record. The record, I might say, gets a little unnerving when you consider the damage that a soft-on-crime President could do to law enforcement nationwide.

After all, maybe the single most vital legacy a President can leave behind is his record of judicial appointments. Everybody in this room -- maybe you know it better than others across the country, but everybody here knows the judicial appointments are terribly important to strong law enforcement. I ask that you compare the Carter record to the Reagan-Bush era, and you can see how the Democratic appointments are still hurting us.

The record clearly shows that Carter left us with judges far more sympathetic to the suspect's rights than judges appointed by Ronald Reagan. According to one independent study that NBC News reported just the other night, Carter appointees are almost 5 times more likely to champion the suspect's rights over the rights of a victim.

Well, my record on this is clear. In 1988, I told the American people that, like my predecessor, I would appoint judges who interpret and apply the law and do not try to rewrite the law from the Federal Bench. I pledged my appointments would give more consideration to victims' rights than to criminals' rights, and that is exactly what I have done. The results are clear. The Supreme Court has handed down a series of sensible decisions allowing victims to be heard and justice to be served.

Now, would Governor Clinton's appointments be similar? Well, all the names of possible Supreme Court appointees coming from his camp are rabidly opposed to the death penalty. The name Clinton himself has mentioned as recently as Saturday night, with my wife sitting there, was Governor Cuomo of New York. So much for capital punishment and so much for the thugs who kill cops. We do not need that kind of appointment to the Supreme Court of the United States.

It is plain wrong and deeply unfair to ask law enforcement officers, who are out there on the streets putting their lives on the line for us, to do their job and then see their good work undone by judges who turn those criminals right back out on the sidewalk. I am on the side of the victim. And let there be no mistake about that. I say it is high time that we turn around this judicial trend to be soft on criminals and hard on the people in blue.

The bottom line on November 3d is this: When it comes to crime, if you liked Carter I, you will love Carter II. [Laughter] America simply cannot afford that. We need a President to help you take criminals off the streets and keep them off the streets. I believe I am that person, and that's what I stand for as President of the United States.

I support the brave men and women who wear the blue because you know better than anyone that we are all vulnerable: men, women, and children; white, brown, and black; young and old; rich and poor. To a bullet, to a blade we all look just the same.

You alone stand in the breach. We don't thank you enough. To tell you the truth, I don't believe we can thank you enough. The best we can do is to give you our support, and we can fight for justice when one of your comrades falls in the line of duty.

That's why my crime bill calls for a Federal death penalty for cop killers. It will go into law if Congress gets around to voting on it, and I believe they will. There's going to be a lot of new Members of Congress this time, the one institution that hasn't changed for 38 years. We need to clean House. While it won't bring back the six brave police officers who were killed across the Nation just in the past few weeks, at least it will take the animals off the street who commit the ultimate horror by gunning down the heroes in blue.

I want to tell you why you folks are so often on my mind. I mentioned Eddie Byrne. I know Dewey; he probably knows Eddie Byrne's father. For 4 years I've kept this badge in my desk there in the Oval Office. You've probably seen that desk on the television, where all the visitors come in. I keep this badge, 14072, in my desk in the Oval Office. A retired New York officer, Lieutenant Matt Byrne, gave it to me. This is the badge that his son, Eddie, wore the day he was gunned down by a crackhead. Matt, the dad, asked me to keep that badge as a reminder of all you brave officers who put your lives on the line every single day. I've kept it, and I always will. As President, you have my lasting thanks, but much more than that, you have my support. You can count on that.

With your strong support, I know that America can indeed do what so many here today are working on every single waking minute, and that is turn back the threat of drugs and crime, the fear of our young and old, and make our communities safe and strong and secure once again.

You know, I talk and Barbara talks and the Quayles talk about family values. There are a lot of people trying to distort what that means. To me, it means a lot of things. It means support for the

children. It means families staying together. It means deadbeat dads supporting the mother. It means a lot of things, including choice in schools and choice in child care. Many things come together. But one thing it means is support for law enforcement, because families must be entitled to safe places to raise their children.

You, more than any other Americans, are out there guaranteeing that part of this battle. We are not going to stop talking about family values because the liberals don't like it. We're going to keep on talking about it.

Now that same crowd is on me in another item. I said that I didn't think it was right to be demonstrating against your country in a foreign land when soldiers are being held captive and soldiers are dying in Vietnam. I feel strongly about that. You let the liberal elite do their number today, trying to call me Joe McCarthy. I'm standing with American principle. It is wrong to demonstrate against your country when your country is at war, and I'm not going to back away from it one single bit.

Thank you all for this fantastic support. And may God bless the greatest, freest country on the face of the Earth, the United States of America.

Note: The President spoke at 4:30 p.m. at the Holiday Inn Eastgate. In his remarks, he referred to Dewey Stokes, president, National Fraternal Order of Police.

Remarks on Arrival in Columbus, Ohio

October 9, 1992

The President. Thank you all.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you very, very much. You've got a great Governor in George Voinovich, and his wife, Janet, is with us here today. Let me say, while we're at it, everyplace I go they're holding up these signs saying ``Clean House!'' I want to see us helping the Senate, too, by sending Mike DeWine to the United States Senate. I salute my former classmate in Congress, Chalmers Wylie, who's stepping aside. We want to see Debbie Price win that congressional seat. Help us clean House.

It's great to be back here in Ohio. Maybe some of you kids don't know this, but I love coming back here. My granddad ran a business here, Buckeye Steel. My father was born and raised in Columbus, Ohio. A couple of weeks ago we started that wonderful train trip right here in Columbus. This city and this State have been good to us. I believe I've kept the faith, and we believe in the same things: hard work, community, respect for law, duty, honor, and country. That is our code, and we all believe in that.

Now, I've got a big debate coming up Sunday night, and I'm going to talk about these things. I don't pretend I'm the world's greatest debater. You may not always agree, but you know where I stand. I think a President must trust the people, and the people must trust their President. You can compare this to the Governor of Arkansas. The man likes to take both sides on every issue, and he's the reason we're having three debates. One is for Governor Clinton to state his position, and the other two are for him to change his mind. I've never seen anything like it. You can't do that in the Oval Office. You can't waffle. You can't be everything to everybody.

This election is about the kind of America that we want for the young people here, and it's about remaining the world's number one economic power. We can do that with my agenda for America's renewal. It is a comprehensive, integrated plan to create a $10 trillion economy after the turn of the century, and I believe we can do it.

The agenda believes in preparing our young people to excel in science and math and English. And we've got to literally reinvent American education and give every parent a fundamental right to choose their kids' schools, whether public, private, or religious. That will make all the schools better. Parents who favor school choice can start by choosing a President who agrees with them on choice.

Another thing we've got to do is reform our legal system. We've got to control these crazy

lawsuits. We've got to sue each other less and care for each other more.

So this agenda is what I'm fighting for, reducing the deficit, reducing taxes by cutting Federal spending. I am seeking a mandate for a balanced budget amendment, for the line-item veto, and for term limits on the United States Congress. I want every taxpayer here to be able to check a box on your tax form targeting up to 10 percent of your income to reduce the deficit. If Congress won't do it, let the taxpayer have a shot at it.

Now I've told you what I'm for, and now let me tell you what you're up against this election year. It's the difference between talk and action, a history of empty promises. The Governor of Arkansas says he's for civil rights. That State doesn't even have a basic civil rights law. Arkansas is one of two States that don't have a civil rights law. He says he's for a clean environment, but the Institute of Southern Studies ranked Arkansas 50th, 50th in terms of environment, dead last in environmental policy. It's the only place the fish light up at night because of pollution down there.

He says he's tough on crime, but crime in Arkansas has increased twice as fast as the rest of the Nation. The cops who know him best, the Fraternal Order of Police in Little Rock, Arkansas, turned their back on him and endorsed me for President of the United States. Earlier today with the Ohioan at my side, Dewey Stokes, right here in Ohio, I proudly accepted the endorsement of the National Fraternal Order of Police, a great, big push for the Bush campaign.

But I think the big difference is on taxes.

Audience members. Four more years! Four more years! Four more years!

The President. Governor Clinton wants to raise your taxes. He's already proposed $150 billion in new taxes and $220 billion in new spending. He announced this using the same words doctors use, ``This shot won't hurt you one single bit.'' Don't believe it.

You know, we added up some of the provinces since that day in June. He's promised at least another $200 billion in investments, he calls it, without saying how he's going to pay for them. Those are just the first few that we've been able to put a price tag on, one billion dollars in new promises every single day. He's earned the nickname Billion Dollar Bill, and we don't need that now as President of the United States.

You know, he says, ``Don't worry, we're going to take it out of the rich guys, the top $200,000.'' But the truth is -- you look at the program -- to get the money for his plan, to get the $150 billion, he'd have to hit Americans with taxable income of over $36,000. Then to pay for all the rest of his spending, you've got to take it down to about $24,000 a year. Those aren't rich people. Those are the hard-working men and women in this country, and we can't let him slap a tax on them.

Now, think of this Sunday night as you listen to the debate. Judge us not as politicians but as leaders and as human beings, and ask who best reflects your values, and vote for who you trust to lead America at home and abroad.

Barbara and I have tried to uphold the trust of the American people every day we have been in that White House. I hope we have earned your support. Ohio is important. I ask you to work hard. Give me your vote. We have changed the world, and now let's lift everyone up in America and change America.

Thank you, and God bless you all. Thank you very much. Thanks for coming.

Note: The President spoke at 6:03 p.m. at Port Columbus International Airport.

Statement on Signing the Rocky Mountain Arsenal National Wildlife Refuge Act of 1992

October 9, 1992

I am pleased to sign into law H.R. 1435, the ``Rocky Mountain Arsenal National Wildlife Refuge Act of 1992." This Act provides for the future establishment of a national wildlife refuge at the Rocky Mountain Arsenal immediately outside of Denver, Colorado. The refuge will be a unique addition to the National Wildlife Refuge System, for both the natural resources it supports and the fish and wildlife-related public uses it provides for Denver residents and all Americans.

The 26 square miles of land at the Arsenal have provided valuable wildlife habitat for many species since the Arsenal was established in 1942. Despite some of the land being contaminated by military and industrial use, the Arsenal continues to host wildlife populations rarely found in such proximity to a major urban area.

A significant population of endangered bald eagles, averaging nearly 100 birds, winters there, along with an extraordinarily high number of hawks. Extensive prairie dog towns cover over 5,000 acres at the Arsenal, and deer, coyotes, burrowing owls, migratory waterfowl, and other species are readily observable.

An essential objective of this Administration is to develop increased opportunities for urban populations to learn about wildlife and the environment. Approximately 50,000 visitors have toured the Arsenal in the past 2 years to view its wildlife and learn about the ongoing contaminant cleanup. Once the refuge is established, the site will educate and enthrall thousands more.

We have done an outstanding job to date of implementing the remediation process at the Arsenal while preserving its wildlife. This legislation, the result of close and bipartisan cooperation between the Administration and members of the Colorado congressional delegation, builds on that effort.

The Act ensures that the ongoing Superfund cleanup process will fully protect humans and the environment and will not be altered by the ultimate designation of the area as a wildlife refuge. Once the Environmental Protection Agency certifies that the remediation process is complete, the Arsenal will officially become the Rocky Mountain Arsenal National Wildlife Refuge.

The Act also acknowledges the need to coordinate management of the refuge with the operation of the nearby Denver International Airport, which will open next year.

The very idea of converting the Rocky Mountain Arsenal into a national wildlife refuge would have been inconceivable a few years ago. Our success in doing so demonstrates that, when we focus on opportunities rather than problems, we can match the resilience of nature with human ingenuity. In signing H.R. 1435, I applaud this approach to resolving the Nation's environmental problems and urge its application to other challenges that confront us.

George Bush

The White House,

October 9, 1992.

Note: H.R. 1435, approved October 9, was assigned Public Law No. 102 - 402.

Letter to Congressional Leaders Transmitting the Report of the White House Conference on Indian Education

October 9, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Section 5502 of Public Law 100 - 297, as amended by section 306 of Public Law 102 - 27, requires that I submit to the Congress the final report of the White House Conference on Indian Education and recommendations with respect to the report.

Enclosed are a ``Response to the Recommendations of the Report of the White House Conference on Indian Education," the final report of the Conference, and an executive summary.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Press Secretary Fitzwater on the Death of Willy Brandt

October 9, 1992

The President was deeply saddened to learn of the passing of a great German statesman and patriot, Willy Brandt.

Willy Brandt was a towering figure of the postwar era, a man of vision and courage. History will crown him as a stalwart champion of freedom and democracy, who, as Governing Mayor of Berlin during the city's darkest days, fearlessly faced down a Soviet menace that threatened the lives and ideals of his beloved city and people. History will also record his as a powerful voice for reconciliation between East and West. First as Foreign Minister and then as Chancellor, he actively pursued a relaxation of tension in Europe that made the world a safer place for us all. The collapse of communism and the onward march of democracy in Eastern Europe and the former Soviet Union soundly vindicate his bold vision of two decades ago.

Americans will remember Willy Brandt not only as a champion of freedom and democracy but also as a steadfast friend of the United States. His strong support of the transatlantic community reflected his belief that close German-American cooperation was crucial to the preservation of peace and promotion of freedom and democracy.

Together with our German friends and all those who fought in the causes to which Willy Brandt dedicated his life, the American people mourn his loss.

Designation of Arlene Holen As Chairman of the Federal Mine Safety and Health Review Commission

October 9, 1992

The President designated Arlene Holen, of the District of Columbia, as Chairman of the Federal Mine Safety and Health Review Commission. She would succeed Ford Barney Ford.

Since 1990, Ms. Holen has served as a commissioner of the Federal Mine Safety and Health Review Commission. Prior to this, Ms. Holen has served as a member of the Coal Commission, 1990; as an Associate Director for Human Resources, Veterans and Labor, for the Office of Management and Budget at the White House, 1988 - 90; and as a senior economist with the Council of Economic Advisers at the White House, 1985 - 88.

Ms. Holen graduated from Smith College (B.A., 1960) and Columbia University (M.A., 1963). She was born July 5, 1938, in New York, NY. Ms. Holen is married, has two children, and currently resides in Washington, DC.

Remarks on Arrival in St. Louis, Missouri

October 11, 1992

The President. Hey, listen, thank you for this great welcome, a marvelous sendoff for the big debate, and the countdown to the election. I'm absolutely convinced we're going to win this election. I believe we're going to win the election because we are right on the issues. Our record is good, and we're not going to let this guy distort it anymore.

You know, the only way they can win is if they try to convince the American people that America is in decline. That's what they're telling us. We are number one; we're going to make life better for everybody. But don't let them tell you things are bad. It is so sick.

Thank you all very much. Keep your TV's on. Thanks a lot.

Audience members. Four more years! Four more years! Four more years!

Note: The President spoke at 1:25 p.m. at Lambert-St. Louis International Airport. A tape was not available for verification of the content of these remarks.

Presidential Debate in St. Louis

October 11, 1992

Jim Lehrer. Good evening, and welcome to the first of three debates among the major candidates for President of the United States, sponsored by the Commission on Presidential Debates. The candidates are independent candidate Ross Perot; Governor Bill Clinton, the Democratic nominee; and President George Bush, the Republican nominee.

I am Jim Lehrer of ``The MacNeil/Lehrer NewsHour'' on PBS, and I will be the moderator for this 90-minute event, which is taking place before an audience here in the Athletic Complex on the campus of Washington University in St. Louis, Missouri.

Three journalists will be asking questions tonight. They are John Mashek of the Boston Globe; Ann Compton of ABC News; and Sander Vanocur, a freelance journalist. We will follow a format agreed to by representatives of the Clinton and Bush campaigns. That agreement contains no restrictions on the content or subject matter of the questions.

Each candidate will have up to 2 minutes for a closing statement. The order of those as well as the questioning was determined by a drawing. The first question goes to Mr. Perot. He will have 2 minutes to answer, to be followed by rebuttals of one minute each from Governor Clinton and then President Bush.

Distinction Among Candidates

Gentlemen, good evening. The first topic tonight is what separates each of you from the other. Mr. Perot, what do you believe tonight is the single most important separating issue of this campaign?

Mr. Perot. I think the principal issue that separates me is that 5\1/2\ million people came together on their own and put me on the ballot. I was not put on the ballot by either of the two parties. I was not put on the ballot by any PAC money, by any foreign lobbyist money, by any special interest money. This is a movement that came from the people.

This is the way the framers of the Constitution intended our Government to be, a Government that comes from the people. Over time we have developed a Government that comes at the people, that comes from the top down, where the people are more or less treated as objects to be programmed during the campaign, with commercials and media events and fear messages and personal attacks and things of that nature.

The thing that separates my candidacy and makes it unique is that this came from millions of people in 50 States all over this country who wanted a candidate that worked and belonged to

nobody but them. I go into this race as their servant, and I belong to them. So this comes from the people.

Mr. Lehrer. Governor Clinton, one-minute response.

Governor Clinton. The most important distinction in this campaign is that I represent real hope for change: a departure from trickle-down economics, a departure from tax-and-spend economics, to invest and grow. But before I can do that I must challenge the American people to change, and they must decide.

Tonight I say to the President: Mr. Bush, for 12 years you've had it your way. You've had your chance, and it didn't work. It's time to change. I want to bring that change to the American people, but we must all decide first we have the courage to change for hope and a better tomorrow.

Mr. Lehrer. President Bush, one-minute response, sir.

President Bush. Well, I think one thing that distinguishes is experience. I think we've dramatically changed the world. I'll talk about that a little bit later, but the changes are mind-boggling for world peace. Kids go to bed at night without the same fear of nuclear war. And change for change's sake isn't enough. We saw that message in the late seventies when we heard a lot about change. And what happened? That ``misery index'' went right through the roof.

But my economic program, I think, is the kind of change we want. And the way we're going to get it done is we're going to have a brandnew Congress. A lot of them are thrown out because of all the scandals. I'll sit down with them, Democrats and Republicans alike, and work for my Agenda for American Renewal which represents real change.

But I'd say, if you had to separate out, I think it's experience at this level.

Experience

Mr. Lehrer. Governor Clinton, how do you respond to the President -- you have 2 minutes -- on the question of experience? He says that is what distinguishes him from the other two of you.

Governor Clinton. I believe experience counts, but it's not everything. Values, judgment, and the record that I have amassed in my State also should count for something. I've worked hard to create good jobs and to educate people. My State now ranks first in the country in job growth this year, fourth in income growth, fourth in the reduction of poverty, third in overall economic performance, according to a major news magazine. That's because we believe in investing in education and in jobs.

We have to change in this country. You know, my wife, Hillary, gave me a book about a year ago in which the author defined insanity as just doing the same old thing over and over again and expecting a different result. We have got to have the courage to change. Experience is important, yes. I've gotten a lot of good experience in dealing with ordinary people over the last year and a month. I've touched more people's lives and seen more heartbreak and hope, more pain and more promise than anybody else who's run for President this year. And I think the American people deserve better than they're getting. We have gone from first to 13th in the world in wages in the last 12 years since Mr. Bush and Mr. Reagan have been in. Personal income has dropped while people have worked harder in the last 4 years. There have been twice as many bankruptcies as new jobs created.

We need a new approach. The same old experience is not relevant. We're living in a new world after the cold war. And what works in this new world is not trickle-down, not Government for the benefit of the privileged few, not tax-and-spend but a commitment to invest in American jobs and American education. Controlling American health care costs and bringing the American people together, that is what works. And you can have the right kind of experience and the wrong kind of experience. Mine is rooted in the real lives of real people. And it will bring real results if we have the courage to change.

Mr. Lehrer. President Bush, one minute to respond.

President Bush. I just thought of another, another big difference here between me -- I don't believe Mr. Perot feels this way, but I know Governor Clinton did, because I want to accurately quote him. He thinks, I think he said, that the country is coming apart at the seams. Now, I know that the only way he can win is to make everybody believe the economy is worse than it is. But this country's not coming apart at the seams, for heaven sakes. We're the United States of America. In spite of the economic problems, we are the most respected economy around the world. Many would trade for it. We've been caught up in a global slowdown. We can do much, much better. But we ought not to try to convince the American people that America is a country that's coming apart at the seams.

I would hate to be running for President and think that the only way I could win would be to convince everybody how horrible things are. Yes, there are big problems. And yes, people are hurting. But I believe that this Agenda for American Renewal I have is the answer to do it. And I believe we can get it done now, whereas we didn't in the past, because you're going to have a whole brandnew bunch of people in the Congress that are going to have to listen to the same American people I'm listening to.

Mr. Lehrer. Mr. Perot, a minute response, sir.

Mr. Perot. Well, they've got a point. I don't have any experience in running up a $4 trillion debt. [Laughter] I don't have any experience in gridlocked Government where nobody takes

responsibility for anything and everybody blames everybody else. I don't have any experience in creating the worst public school system in the industrialized world, the most violent, crime-ridden society in the industrialized world.

But I do have a lot of experience in getting things done. So if we're at a point in history where we want to stop talking about it and do it, I've got a lot of experience in figuring out how to solve problems, making the solutions work, and then moving on to the next one. I've got a lot of experience in not taking 10 years to solve a 10-minute problem. So if it's time for action, I think I have experience that counts. If it's more time for gridlock and talk and finger-pointing, I'm the wrong man.

Character Issues

Mr. Lehrer. President Bush, the question goes to you. You have 2 minutes. And the question is this: Are there important issues of character separating you from these other two men?

President Bush. I think the American people should be the judge of that. I think character is a very important question. I said something the other day where I was accused of being like Joe McCarthy because I questioned -- put it this way -- I think it's wrong to demonstrate against your own country or organize demonstrations against your own country in foreign soil. I just think it's wrong. Maybe, they say, well, it was a youthful indiscretion. I was 19 or 20, flying off an aircraft carrier, and that shaped me to be Commander in Chief of the Armed Forces. And I'm sorry, but demonstrating -- it's not a question of patriotism. It's a question of character and judgment.

They get on me, Bill's gotten on me about ``Read my lips." When I make a mistake, I'll admit it. But he has not admitted the mistake. And I just find it impossible to understand how an American can demonstrate against his own country in a foreign land, organizing demonstrations against it, when young men are held prisoner in Hanoi or kids out of the ghetto were drafted.

Some say, well, you're a little old-fashioned. Maybe I am, but I just don't think that's right. Now, whether it's character or judgment, whatever it is, I have a big difference here on this issue. And so we'll just have to see how it plays out. But I couldn't do that. And I don't think most Americans could do that.

And they all say, well, it was a long time ago. Well, let's admit it then, say, ``I made a terrible mistake." How could you be Commander in Chief of the Armed Forces and have some kid say, when you have to make a tough decision, as I did in Panama or in Kuwait, and then have some kid jump up and say, ``Well, I'm not going to go. The Commander in Chief was organizing demonstrations halfway around the world during another era"?

So there are differences. But that's about the main area where I think we have a difference. I

don't know about -- we'll talk about that a little with Ross here in a bit.

Mr. Lehrer. Mr. Perot, you have one minute.

Mr. Perot. I think the American people will make their own decisions on character. And at a time when we have work to do and we need action, I think they need to clearly understand the backgrounds of each person. I think the press can play a huge role in making sure that the backgrounds are clearly presented in an objective way. Then make a decision.

Certainly anyone in the White House should have the character to be there. But I think it's very important to measure when and where things occurred. Did they occur when you were a young person in your formative years, or did they occur while you were a senior official in the Federal Government? When you're a senior official in the Federal Government, spending billions of dollars in taxpayers' money, and you're a mature individual and you make a mistake, then that was on our ticket. If you make it as a young man, time passes.

So I would say just look at all three of us, decide who you think will do the job, pick that person in November, because, believe me, as I've said before, the party's over, and it's time for the cleanup crew. And we do have to have change. And people who never take responsibility for anything when it happens on their watch, and people who are in charge -- --

Mr. Lehrer. Your time is up.

Mr. Perot. -- -- the time is up. [Laughter]

Mr. Lehrer. Time is up.

Mr. Perot. More later.

Mr. Lehrer. Governor Clinton, you have one minute.

Governor Clinton. Ross gave a good answer, but I've got to respond directly to Mr. Bush. You have questioned my patriotism. You even brought some rightwing Congressmen into the White House to plot how to attack me for going to Russia in 1969 - 1970, when over 50,000 other Americans did.

Now, I honor your service in World War II. I honor Mr. Perot's service in uniform and the service of every man and woman who ever served, including Admiral Crowe, who was your Chairman of the Joint Chiefs and who's supporting me. But when Joe McCarthy went around this country attacking people's patriotism, he was wrong. He was wrong. And a Senator from Connecticut stood up to him, named Prescott Bush. Your father was right to stand up to Joe McCarthy. You were wrong to attack my patriotism. I was opposed to the war, but I love my

country. And we need a President who will bring this country together, not divide it. We've had enough division. I want to lead a unified country.

Mr. Lehrer. All right. We move now to the subject of taxes and spending. The question goes to Governor Clinton for a two-minute answer. It will be asked by Ann Compton.

Taxes

Ann Compton. Governor Clinton, can you lock in a level here tonight on where middle-income families can be guaranteed a tax cut or, at the very least, at what income level they can be guaranteed no tax increase?

Governor Clinton. The tax increase I have proposed triggers in at family incomes of $200,000 and above. Those are the people who, in the 1980's, had their incomes go up while their taxes went down. Middle-class people, defined as people with incomes of $52,000 and down, had their incomes go down while their taxes went up in the Reagan-Bush years because of six increases in the payroll taxes. So that is where my income limit would trigger.

Ms. Compton. So there will be no tax increases below $200,000?

Governor Clinton. My plan, notwithstanding my opponent's ad, my plan triggers in at gross incomes, family incomes of $200,000 and above. And then we want to give modest middle-class tax relief to restore some fairness, especially to middle-class people with families with incomes of under $60,000.

In addition to that, the money that I raise from upper income people and from asking foreign corporations just to pay the same income on their income earned in America that American corporations do will be used to give incentives back to upper income people. I want to give people permanent incentives on investment tax credit like President Kennedy and the Congress inaugurated in the early sixties to get industry moving again; a research and development tax credit; a low-income housing tax credit; a long-term capital gains proposal for new business and business expansions.

We've got to have no more trickle-down. We don't need across-the-board tax cuts for the wealthy for nothing; we need to say, here's your tax incentive if you create American jobs the old-fashioned way.

I'd like to create more millionaires than were created under Mr. Bush and Mr. Reagan, but I don't want to have 4 years where we have no growth in the private sector. And that's what's happened in the last 4 years. We're down 35,000 jobs in the private sector. We need to invest and grow, and that's what I want to do.

Mr. Lehrer. President Bush, one minute, sir.

President Bush. I have to correct one thing. I didn't question the man's patriotism; I questioned his judgment and his character. What he did in Moscow, that's fine. Let him explain it. He did. I accept that. What I don't accept is demonstrating and organizing demonstrations in a foreign country when your country's at war. I'm sorry, I cannot accept that.

This one on taxes spells out the biggest difference between us. I do not believe we need to go back to the Mondale proposals or the Dukakis proposals of tax-and-spend. Governor Clinton says $200,000, but he also says he wants to raise $150 billion. Taxing people over $200,000 will not get you $150 billion. And then when you add in his other spending proposals, regrettably, you end up socking it to the working man.

That old adage that they use, ``We're going to soak the rich, we're going to soak the rich,'' it always ends up being the poor cab driver or the working man that ends up paying the bill. And so I just have a different approach. I believe the way to get the deficit down is to control the growth of mandatory spending programs and not raise taxes on the American people. We've got a big difference there.

Mr. Lehrer. Mr. Perot, one minute.

Mr. Perot. We've got to have a growing, expanding job base to give us a growing, expanding tax base. Right now, we have a flat-to-deteriorating job base, and where it appears to be growing is minimum-wage jobs. So we've got to really rebuild our job base. That's going to take money for infrastructure and investment to do that. Our foreign competitors are doing it; we're not.

We cannot pay off the $4 trillion debt, balance the budget, and have the industries of the future and the high-paying jobs in this country without having the revenue. We're going to go through a period of shared sacrifice. There's one challenge: It's got to be fair.

We've created a mess and don't have much to show for it, and we have got to fix it. And that's about all I can say in a minute.

Mr. Lehrer. Okay. Next question goes to President Bush for a 2-minute answer, and it will be asked by Sandy Vanocur.

U.S. Troops in Europe

Sander Vanocur. Mr. President, this past week your Secretary of the Army, Michael Stone, said he had no plans to abide by a congressional mandate to cut U.S. forces in Europe from 150,000 to 100,000 by the end of September 1996. Now, why, almost 50 years after the end of World War II and with the total collapse of the Soviet Union, should American taxpayers be taxed,

support armies in Europe, when the Europeans have plenty of money to do it for themselves?

President Bush. Well, Sander, that's a good question. And the answer is: For 40-some years, we kept the peace. If you look at the cost of not keeping the peace in Europe, it would be exorbitant. We have reduced the number of troops that are deployed and going to be deployed. I have cut defense spending. And the reason we could do that is because of our fantastic success in winning the cold war. We never would have got there if we'd gone for the nuclear-freeze crowd; never would have got there if we'd listened to those that wanted to cut defense spending. I think it is important that the United States stay in Europe and continue to guarantee the peace. We simply cannot pull back.

Now, when anybody has a spending program they want to spend money on at home, they say, well, let's cut money out of the Defense Department. I will accept and have accepted the recommendations of two proven leaders, General Colin Powell and Dick, Secretary Dick Cheney. They feel that the levels we're operating at and the reductions that I have proposed are proper. And so I simply do not think we should go back to the isolation days and start blaming foreigners.

We are the sole remaining superpower. And we should be that. We have a certain disproportionate responsibility. But I would ask the American people to understand that if we make imprudent cuts, if we go too far, we risk the peace. And I don't want to do that. I've seen what it is like to see the burdens of a war, and I don't want to see us make reckless cuts.

Because of our programs, we have been able to significantly cut defense spending. But let's not cut into the muscle. And let's not cut down our insurance policy, which is participation of American forces in NATO, the greatest peacekeeping organization ever made. Today, you've got problems in Europe still bubbling along, even though Europe's going democracy's route. But we are there. And I think this insurance policy is necessary. I think it goes with world leadership. And I think the levels we've come up with are just about right.

Mr. Lehrer. Mr. Perot, one minute, sir.

Mr. Perot. If I'm poor and you're rich and I can get you to defend me, that's good. But when the tables get turned, I ought to do my share. Right now we spend about $300 billion a year on defense. The Japanese spend around $30 billion in Asia. The Germans spend around $30 billion in Europe.

For example, Germany will spend a trillion dollars building infrastructure over the next 10 years. It's kind of easy to do if you only have to pick up a $30 billion tab to defend your country. The European Community is in a position to pay a lot more than they have in the past. I agree with the President, when they couldn't, we should have; now that they can, they should.

We sort of seem to have a desire to try to stay over there and control it. They don't want us to control it, very candidly. So it I think is very important for us to let them assume more and more of the burden and for us to bring that money back here and rebuild our infrastructure. Because we can only be a superpower if we are an economic superpower, and we can only be an economic superpower if we have a growing, expanding job base.

Mr. Lehrer. Governor Clinton, one minute, sir.

Governor Clinton. I agree with the general statement Mr. Bush made. I disagree that we need 150,000 troops to fulfill our role in Europe. We certainly must maintain an engagement there. There are certainly dangers there. There are certainly other trouble spots in the world which are closer to Europe than to the United States. But two former Defense Secretaries recently issued reports saying that 100,000 or slightly fewer troops would be enough, including President Reagan's former Defense Secretary, Mr. Carlucci. Many of the military experts whom I consulted on this agreed.

We're going to have to spend more money in the future on military technology and on greater mobility, greater airlift, greater sealift, the B - 22 airplane. We're going to have to do some things that are quite costly, and I simply don't believe we can afford, nor do we need to keep 150,000 troops in Europe, given how much the Red Army, now under the control of Russia, has been cut; the arms control agreement concluded between Mr. Bush and Mr. Yeltsin, something I have applauded. I don't think we need 150,000 troops.

Let me make one other point. Mr. Bush talked about taxes. He didn't tell you that he vetoed a middle-class tax cut because it would be paid for by raising taxes on the wealthy and vetoed an investment tax credit paid for by raising taxes on the wealthy.

Taxes

Mr. Lehrer. All right. We go now to Mr. Perot for a 2-minute question, and it will be asked by John Mashek.

John Mashek. Mr. Perot, you talked about fairness just a minute ago, on sharing the pain. As part of your plan to reduce the ballooning Federal deficit, you've suggested that we raise gasoline taxes 50 cents a gallon over 5 years. Why punish the middle-class consumer to such a degree?

Mr. Perot. It's 10 cents a year, cumulative. It finally gets to 50 cents at the end of the fifth year. I think ``punish'' is the wrong word. Again, you see, I didn't create this problem; we're trying to solve it.

Now, if you study our international competitors, some of our international competitors collect up to $3.50 a gallon in taxes. And they use that money to build infrastructure and create jobs. We

collect 35 cents, and we don't have it to spend. I know it's not popular. And I understand the nature of your question. But the people who will be helped the most by it are the working people who will get the jobs created because of this tax. Why do we have to do it? Because we have so mismanaged our country over the years, and it is now time to pay the fiddler. And if we don't, we will be spending our children's money. We have spent $4 trillion worth. An incredible number of young people are active in supporting my effort because they're deeply concerned that we have taken the American dream from them.

I think it's fitting that we're on the campus of a university tonight. These young people, when they get out of this wonderful university, will have difficulty finding a job. We've got to clean this mess up, leave this country in good shape, and pass on the American dream to them. We're got to collect the taxes to do it. If there's a fairer way, I'm all ears. Ah-h-h. [Laughter]

But see, let me make it very clear. People don't have the stomach to fix these problems, I think it's a good time to face it in November. If they do, then they will have heard the harsh reality of what we have to do. I'm not playing Lawrence Welk music tonight.

Mr. Lehrer. Governor Clinton, you have a minute, sir.

Governor Clinton. I think Mr. Perot has confronted this deficit issue, but I think it's important to point out that we really have two deficits in America, not one. We have a budget deficit in the Federal Government, but we also have an investment, a jobs, an income deficit.

People are working harder for less money than they were making 10 years ago: two-thirds of our people, a $1,600 drop in average income in just the last 2 years. The problem I have with the Perot prescription is that almost all economists who have looked at it say that if you cut the deficit this much this quick, it will increase unemployment, it will slow down the economy. That's why I think we shouldn't do it that quickly. We have a disciplined reduction in the deficit of 50 percent over the next 4 years. But first, get incentives to invest in this economy, put the American people back to work. We've got to invest in growth. Nine Nobel Prize-winning economists and 500 others, including numerous Republican and Democratic business executives, have endorsed this approach because it offers the best hope to put America back to work and get our incomes rising instead of falling.

Mr. Lehrer. President Bush, one minute, sir.

President Bush. The question was on fairness. I just disagree with Mr. Perot. I don't believe it is fair to slap a 50-cent-a-gallon tax over whatever many years on the people that have to drive for a living, people that go long distances. I don't think we need to do it.

You see, I have a fundamental difference. I agree with what he's talking about in trying to get the spending down and to discipline, although I think we ought to totally exempt Social Security.

But he's talking tough medicine, and I think that's good. I disagree with the tax-and-spend philosophy. You see, I don't think we need to tax more and spend more and then say that's going to make the problem better. And I'm afraid that's what I think I'm hearing from Governor Clinton.

I believe what you need to do is some of what Ross is talking about: control the growth of mandatory spending and get taxes down. He's mentioned some ways to do it, and I agree with those. I've been talking about getting a capital gains cut forever. And his friends in Congress have been telling me that's a tax break for the rich. It would stimulate investment. I'm for an investment tax allowance. I am for a tax break for first-time homebuyers. And with this new Congress coming in, gridlock will be gone and I'll sit down with them and say, let's get this done. But I do not want to go the tax-and-spend route.

Mr. Lehrer. All right. Let's move on now to the subject of jobs. The first question goes to President Bush for 2 minutes, and John will ask that question. John?

The Defense Industry

Mr. Mashek. Mr. President, last month you came to St. Louis to announce a very lucrative contract for McDonnell Douglas to build F - 15's for Saudi Arabia. In today's Post-Dispatch, a retired saleswoman, a 75-year-old woman named Marjorie Roberts, asked if she could ask a question of the candidates, said she wanted to register her concern about the lack of a plan to convert our defense-oriented industries into other purposes. How would you answer her?

President Bush. Well, I assume she was supportive of the decision on McDonnell Douglas. I assume she was supporting me on the decision to sell those airplanes. I think it's a good decision. I took a little heat for it, but I think it was the correct decision to do. And we've worked it out, and indeed, we're moving forward all around the world in a much more peaceful way. So that one we came away with which -- in creating jobs for the American people.

I would simply say to her, look, take a look at what the President has proposed on job retraining. When you cut back on defense spending, some people are going to be thrown out of work. If you throw another 50,000 kids on the street because of cutting recklessly in troop levels, you're going to put a lot more out of work. I would say to them, look at the job retraining programs that we're proposing. Therein is the best answer to her.

And another one is, stimulate investment and savings. I mean, we've got big economic problems, but we are not coming apart at the seams. We're ready for a recovery with interest rates down and inflation down, the cruelest tax of all; caught up in a global slowdown right now, but that will change if you go with the programs I've talked about and if you help with job retraining and education.

I am a firm believer that our America 2000 education problem is the answer. A little longer run; it's going to take a while to educate, but it is a good program. So her best hope for short term is job retraining if she was thrown out of work at a defense plant. But tell her it's not all that gloomy. We're the United States. We've faced tough problems before. Look at the ``misery index'' when the Democrats had both the White House and the Congress. It was just right through the roof.

Now, we can do better. And the way to do better is not to tax and spend but to retrain, get that control of the mandatory spending programs. I am much more optimistic about this country than some.

Mr. Lehrer. Mr. Perot, you have one minute, sir.

Mr. Perot. Your defense industries are going to have to convert to civilian industries, many of them are. And the sooner they start, the sooner they'll finish. And there will be a significant transition.

And it's very important that we not continue to let our industrial base deteriorate. We had someone who I'm sure regrets said it in the President's staff, said he didn't care whether we make potato chips or computer chips. Well, anybody that thinks about it cares a great deal. Number one, you make more making computer chips than you do potato chips. Number two, 19 out of 20 computer chips that we have in this country now come from Japan. We've given away whole industries.

So as we phase these industries over, there's a lot of intellectual talent in these industries. A lot of these people in industries can be converted to the industries of tomorrow. And that's where the high-paying jobs are. We need to have a very carefully thought through phaseover.

See, we practice 19th century capitalism. The rest of the world practices 21st century capitalism. I can't handle that in a minute, but I hope we can get back into it later. The rest of the world, the countries and the businesses would be working together to make this transition in an intelligent way.

Mr. Lehrer. Governor Clinton, you have one minute, sir.

Governor Clinton. We must have a transition plan, a plan to convert from a defense to a domestic economy. No other nation would have cut defense as much as we already have without that. There are 200,000 people unemployed in California alone because we have cut defense without planning to retrain them and to reinvest in the technologies of the future here at home. That is what I want to do.

This administration may say they have a plan, but the truth is they have not even released all the

money, the paltry sum of money that Congress appropriated. I want to take every dollar by which we reduced defense and reinvest it in technologies for the 21st century: in new transportation, in communication, and environmental cleanup technologies. Let's put the American people to work. And let's build the kind of high-tech, high-wage, high-growth economy that the American people deserve.

Mr. Lehrer. All right. The next question goes to Mr. Perot for a 2 minute answer. It will be asked by Ann.

Ann?

Jobs Program

Ms. Compton. Mr. Perot, you talked a minute ago about rebuilding the job base. But is it true what Governor Clinton just said, that that means that unemployment will increase, that it will slow the economy? And how would you specifically use the powers of the Presidency to get more people back into good jobs immediately?

Mr. Perot. Step one: The American people send me up there, the day after election, I'll get with the -- we won't even wait until inauguration -- I'll ask the President to help me, and I'll ask his staff to help me. And we will start putting together teams to put together -- to take all the plans that exist and do something with them.

Please understand, there are great plans lying all over Washington nobody ever executes. It's like having a blueprint for a house you never built. You don't have anywhere to sleep. Now, our challenge is to take these things, do something with them.

Step one: You want to put America back to work, clean up the small business problem. Have one task force at work on that. The second: You've got your big companies that are in trouble, including the defense industries, have another one on that. Have a third task force on new industries of the future to make sure we nail those for our country, and they don't wind up in Europe and Asia. Convert from 19th to 21st century capitalism. You see, we have an adversarial relationship between Government and business. Our international competitors that are cleaning our plate have an intelligent relationship between Government and business and a supportive relationship.

Then, have another task force on crime, because next to jobs, our people are concerned about their safety. Health care, schools, one on the debt and deficit. And finally, in that 90-day period before the inauguration, put together the framework for the town hall and give the American people a Christmas present, show them by Christmas the first cut at these plans. By the time Congress comes into session to go to work, have those plans ready to go in front of Congress. Then get off to a flying start in '93 to execute these plans.

Now, there are people in this room and people on this stage who have been in meetings when I would sit there and say, is this one we're going to talk about or do something about? Well, obviously, my orientation is let's go do it.

Now, put together your plans by Christmas. Be ready to go when Congress goes. Nail these things -- small business, you've got to have capital; you've got to have credit; and many of them need mentors or coaches. And we can create more jobs there in a hurry than any other place.

Mr. Lehrer. Governor Clinton, one minute.

Governor Clinton. This country desperately needs a jobs program. And my first priority would be to pass a jobs program, to introduce it on the first day I was inaugurated. I would meet with the leaders of the Congress, with all the newly elected Members of the Congress, and as many others with whom I could meet between the time of the election and the inauguration. And we would present a jobs program.

Then we would present a plan to control health care costs and phase in health care coverage for all Americans. Until we control health care costs, we're not going to control the deficit. It is the number one culprit. But first we must have an aggressive jobs program.

I live in a State where manufacturing job growth has far outpaced the Nation in the last few years; where we have created more private sector jobs since Mr. Bush has been President than have been created in the entire rest of the country, where Mr. Bush's Labor Secretary said the job growth has been enormous. We've done it in Arkansas. Give me a chance to create these kinds of jobs in America. We can do it. I know we can.

Mr. Lehrer. President Bush, one minute.

President Bush. Well, we've got a plan announced for what we can do for small business. I've already put forward things that will get this country working fast, some of which have been echoed here tonight: investment tax allowance, capital gains reduction, more on research and development, a tax credit for first-time homebuyers.

What I'm going to do is say to Jim Baker when this campaign is over, ``All right, let's sit down now. You do in domestic affairs what you've done in foreign affairs. Be the kind of economic coordinator of all the domestic side of the house, and that includes all the economic side, all the training side, and bring this program together." We're going to have a new Congress. And we're going to say to them, ``You've listened to the voters the way we have. Nobody wants gridlock anymore. And so let's get the program through."

And I believe it will work, because, as Ross said, we've got the plans. The plans are all over

Washington. And I have put ours together in something called the Agenda for American Renewal. And it makes sense. It's sensible. It creates jobs. It gets to the base of the kind of jobs we need. And so I'll just be asking for support to get that put into effect.

Mr. Lehrer. The next question goes to Governor Clinton for 2 minutes. It will be asked by Sandy.

Federal Reserve Board Chairman

Mr. Vanocur. Governor Clinton, when a President running for the first time gets into the office and wants to do something about the economy, he finds in Washington there's a person who has much more power over the economy than he does: the Chairman of the Federal Reserve Board, accountable to no one. That being the case, would you go along with proposals made by Treasury Secretary James Brady and Congressman Lee Hamilton to make the Federal Reserve Board Chairman somehow more accountable to elected officials?

Governor Clinton. Well, let me say that I think that we might ought to review the terms and the way it works. But frankly, I don't think that's the problem today. We have low interest rates today. At least we have low interest rates that the Fed can control. Our long-term interest rates are still pretty high because of our deficit and because of our economic performance.

And there was a terrible reaction internationally to Mr. Bush saying he was going to give us 4 more years of trickle-down economics and other across-the-board tax cuts and most of it going to the wealthy with no real guarantee of investment. But I think the important thing is to use the powers the President does have on the assumption that given the condition of this economy, we're going to keep interest rates down if we have the discipline to increase investment and reduce the debt at the same time. That is my commitment.

I think the American people are hungry for action. I think Congress is hungry for someone who will work with them, instead of manipulate them; someone who will not veto a bill that has an investment credit, middle class tax relief, research and development tax credits, as Mr. Bush has done. Give me a chance to do that.

I don't have to worry, I don't think, in the near term, about the Federal Reserve. Their policies so far, it seems to me, are pretty sound.

Mr. Lehrer. President Bush, you have one minute.

President Bush. I don't think the Fed ought to be put under the Executive Branch. There is separation there. I think that's fine. Alan Greenspan is respected. I've had some arguments with him about the speed in which we might have lowered rates.

But Governor Clinton, he talks about the reaction to the markets. There was a momentary fear that he might win, and the markets went ``rrrfft'' -- down like that -- [laughter] -- so I don't -- we can judge on -- the stock market has been strong. It's been very strong since I've been President. And they recognize we've got great difficulties. But they're also much more optimistic than the pessimists we have up here tonight.

In terms of vetoing tax bills, you're darn right. I am going to protect the American taxpayer against the spend-and-tax Congress. And I'm going to keep on vetoing them because I don't think we are taxed too little. I think the Government's spending too much. So Governor Clinton can label it tax for the rich or anything he wants. I'm going to protect the working man by continuing to veto and to threaten veto until we get this new Congress, when then we're going to move forward on our plan. I`ve got to protect them.

Mr. Lehrer. Mr. Perot, one minute.

Mr. Perot. Keep the Federal Reserve independent, but let's live in a world of reality. We live in a global economy, not a national economy. These interest rates we have now don't make any sense. We have a $4 trillion debt, and only in America would you finance 70 percent of it 5 years or less. So 70 percent of our debt is 5 years or less, it's very interest-sensitive.

We have a 4-percent gap between what we pay for treasuries and what Germany pays for 1- to 5-year treasuries. That gap is going to close because the Arabs, the Japanese, and folks in this country are going to start buying German treasuries because they can get more money.

Every time our interest rates go up 1 percent, that adds $28 billion to the deficit or to the debt, whichever place you want to put it. We are sitting on a ticking bomb, folks, because we have totally mismanaged our country. And we had better get it back under control.

Just think, in your own business, if you had all of your long-term problems financed short term, you'd go broke in a hurry.

Mr. Lehrer. We're going to move to foreign affairs. The first question goes to Mr. Perot for a 2-minute answer, and Sandy will ask it.

Foreign Affairs

Mr. Vanocur. Mr. Perot, in the post-cold-war environment, what should be the overriding U.S. national interest? And what can the United States do, and what can it afford to do to defend that national interest?

Mr. Perot. Again, if you're not rich, you're not a superpower, so we have two that I'd put as number one. I have a ``1'' and ``1a.'' One is, we've got to have the money to be able to pay for

defense. And we've got to manufacture here. Believe it or not, folks, you can't ship it all overseas. You've got to make it here. And you can't convert from potato chips to airplanes in an emergency. You see, Willow Run could be converted from cars to airplanes in World War II because it was here. We've got to make things here. You just can't ship them overseas anymore. I hope we talk more about that.

Second thing, on priorities, we've got to help Russia succeed in its revolution and all of its republics. When we think of Russia, remember we're thinking of many countries now. We've got to help them. That's pennies on the dollar compared to renewing the cold war.

Third, we've got all kinds of agreements on paper and some that are being executed on getting rid of nuclear warheads. Russia and its republics are out of control or, at best, in weak control right now. It's a very unstable situation. You've got every rich Middle Eastern country over there trying to buy nuclear weapons, as you well know. And that will lead to another five-star migraine headache down the road. We really need to nail down the intercontinental ballistic missiles, the ones that can hit us from Russia. We've focused on the tactical; we've made real progress there. We've got some agreements on the nuclear, but we don't have those things put away yet. The sooner, the better.

So in terms of priorities, we've got to be financially strong. Number two, we've got to take care of this missile situation and try to get the nuclear war behind us and give that a very high priority. And number three, we need to help and support Russia and the republics in every possible way to become democratic, capitalistic societies and not just sit back and let those countries continue in turmoil, because they could go back worse than things used to be. And believe me, there are a lot of old boys in the KGB and the military that like it better the way it used to be. Thank you.

Mr. Lehrer. Governor Clinton, one minute.

Governor Clinton. In order to keep America the strongest nation in the world, we need some continuity and some change. There are three fundamental challenges. First of all, the world is still a dangerous and uncertain place. We need a new military and a new national security policy equal to the challenges of the post-cold-war era; a smaller permanent military force, but one that is more mobile, well-trained, with high-technology equipment. We need to continue the negotiations to reduce nuclear arsenals in the Soviet Union, the former Soviet Union, and the United States. We need to stop this proliferation of weapons of mass destruction.

Second, we have to face that in this world economic security is a whole lot of national security. Our dollar is at an all-time low against some foreign currencies. We're weak in the world. We must rebuild America's strength at home.

Finally, we ought to be promoting the democratic impulses around the world. Democracies are

our partners. They don't go to war with each other. They're reliable friends in the future. National security, economic strength, democracy.

Mr. Lehrer. President Bush, one minute.

President Bush. We still are the envy of the world in terms of our military; there's no question about that. We're the envy of the world in terms of our economy, in spite of the difficulties we're having; there's no question about that. Our exports are dramatically up.

I might say to Mr. Perot, I can understand why you might have missed it because there's so much fascination by trivia, but I worked out a deal with Boris Yeltsin to eliminate, get rid of entirely, the most destabilizing weapons of all, the SS - 18, the big intercontinental ballistic missile. I mean, that's been done. And thank God it has, because the parents of these young people around here go to bed at night without the same fear of nuclear war. We've made dramatic progress.

So we've got a good military -- the question that says get a new military, get the best in the world -- we've got it, and they're keeping the peace. They're respected around the world, and we are more respected because of the way we have conducted ourselves.

We didn't listen to the nuclear freeze crowd. We said, peace through strength. It worked, and the cold war is over. America understands that. But we're turned so inward we don't understand the global picture. We are helping democracy. Ross, the FREEDOM Support Act is something that I got through the Congress, and it's a very good thing because it does exactly what you say, and I think you agree with that, to help Russian democracy. We're going to keep on doing that.

Mr. Lehrer. All right, Next question is for Governor Clinton, and John will ask it.

China-U.S. Relations

Mr. Mashek. Governor Clinton, you've accused the President of coddling tyrants, including those in Beijing. As President, how would you exert U.S. power to influence affairs in China?

Governor Clinton. I think our relation-ships with China are important, and I don't think we want to isolate China. But I think it is a mistake for us to do what this administration did when all those kids went out there carrying the Statue of Liberty in Tiananmen Square, and Mr. Bush sent two people in secret to toast the Chinese leaders and basically tell them not to worry about it. They rewarded him by opening negotiations with Iran to transfer nuclear technology. That was their response to that sort of action.

Now that voices in the Congress and throughout the country have insisted that we do something about China, look what has happened. China has finally agreed to stop sending us products made with prison labor not because we coddled them but because the administration was pushed into

doing something about it. Recently the Chinese have announced that they're going to lower some barriers to our products, which they ought to do since they have a $15 billion trade surplus with the United States under Mr. Bush, the second biggest surplus of all, second to Japan.

So I would be firm. I would say, if you want to continue most-favored-nation status for your government-owned industries as well as your private ones, observe human rights in the future. Open your society. Recognize the legitimacy of those kids that were carrying the Statue of Liberty. If we can stand up for our economic interests, we ought to be able to pursue the democratic interests of the people in China. And over the long run they'll be more reliable partners.

Mr. Lehrer. President Bush, you have one minute.

President Bush. Well, the administration was the first major country to stand up against the abuse in Tiananmen Square. We are the ones that worked out the prison labor deal. We are the ones that have lowered the barrier to products, the Carla Hills negotiation. I am the one that said, let's keep the MFN because you see China moving toward a free market economy. To do what the Congress and Governor Clinton are suggesting, you would isolate and ruin Hong Kong. They are making some progress, not enough for us. We were the first ones to put sanctions on. We still have them on some things.

But Governor Clinton's philosophy is isolate them. He says don't do it, but the policies he's expounding of putting conditions on MFN and kind of humiliating them is not the way you make the kind of progress we are getting. I have stood up with these people, and I understand what you have to do to be strong in this situation. It's moving, not as fast as we'd like. But you isolate China and turn them inward, and then we've made a tremendous mistake. I'm not going to do it. I've had to fight a lot of people that were saying ``human rights." We are the ones that put the sanctions on and stood for it. And he can insult General Scowcroft if he wants to. He didn't go over to coddle. He went over to say -- --

Mr. Lehrer. Mr. President, you're over -- --

President Bush. -- -- you must make the very changes they're making now.

Mr. Lehrer. One minute, Mr. Perot.

Mr. Perot. China's a huge country, broken into many provinces. It has some very elderly leaders that will not be around too much longer. Capitalism is growing and thriving across big portions of China. Asia will be our largest trading partner in the future. It will be a growing and a closer relationship. We have a delicate tightwire walk that we must go through at the present time to make sure that we do not cozy up to tyrants, to make sure that they don't get the impression that they can suppress their people. But time is our friend there because their leaders will change in

not too many years, worst case. And their country is making great progress.

One last point on the missiles. I don't want the American people to be confused. We have written agreements, and we have some missiles that have been destroyed, but we have a huge number of intercontinental ballistic missiles that are still in place in Russia. The fact that you have an agreement is one thing. Until they're destroyed, some crazy person can either sell them or use them.

Mr. Lehrer. All right. The next question goes to President Bush for a 2-minute answer, and Ann will ask it.

Bosnia and Somalia

Ms. Compton. Mr. President, how can you watch the killing in Bosnia and the ethnic cleansing, or the starvation and anarchy in Somalia, and not want to use America's might, if not America's military, to try to end that kind of suffering?

President Bush. Ann, both of them are very complicated situations. I vowed something, because I learned something from Vietnam: I am not going to commit U.S. forces until I know what the mission is, until the military tell me that it can be completed, until I know how they can come out.

We are helping. American airplanes are helping today on humanitarian relief for Sarajevo. It is America that's in the lead in helping with humanitarian relief for Somalia. But when you go to put somebody else's son or daughter into war, I think you've got to be a little bit careful, and you have to be sure that there's a military plan that can do this.

You have ancient ethnic rivalries that have cropped up as Yugoslavia is dissolved or getting dissolved. It isn't going to be solved by sending in the 82d Airborne, and I'm not going to do that as Commander in Chief. I am going to stand by and use the moral persuasion of the United States to get satisfaction in terms of prison camps, and we're making some progress there, and in terms of getting humanitarian relief in there.

Right now, as you know, the United States took the lead in a no-fly operation up there, no-fly order up in the United Nations. We're working through the international organizations. That's one thing I learned by forging that tremendous and greatly, highly successful coalition against Saddam Hussein, the dictator: Work internationally to do it. I'm very concerned about it. I'm concerned about ethnic cleansing. I'm concerned about attacks on Muslims, for example, over there. But I must stop short of using American force until I know how those young men and women are going to get out of there as well as get in, know what the mission is and define it. I think I'm on the right track.

Ms. Compton. Are you designing a mission that would -- --

Mr. Lehrer. Ann, sorry, sorry. Time is up. We have to go to Mr. Perot for a one-minute response.

Mr. Perot. If we learned anything in Vietnam, it's you first commit this Nation before you commit the troops to the battlefield. We cannot send our people all over the world to solve every problem that comes up.

This is basically a problem that is a primary concern to the European Community. Certainly we care about the people. We care about the children. We care about the tragedy. But it is inappropriate for us, just because there's a problem somewhere around the world, to take the sons and daughters of working people -- and make no mistake about it, our all-volunteer armed force is not made up of the sons and daughters of the beautiful people. It's the working folks that send their sons and daughters to war, with a few exceptions. Very unlike World War II when FDR's sons flew missions; everybody went. It's a different world now. It's very important that we not just, without thinking it through, just rush to every problem in the world and have our people torn to pieces.

Mr. Lehrer. Governor Clinton, one minute.

Governor Clinton. I agree that we cannot commit ground forces to become involved in the quagmire of Bosnia or in the tribal wars of Somalia. But I think that it's important to recognize that there are things that can be done short of that and that we do have interests there. There are, after all, two million refugees now because of the problems in what was Yugoslavia, the largest number since World War II, and there may be hundreds of thousands of people who will starve or freeze to death in this winter.

The United States should try to work with its allies and stop it. I urged the President to support this air cover, and he did, and I applaud that. I applaud the no-fly zone, and I know that he's going back to the United Nations to try to get authority to enforce it. I think we should stiffen the embargo on the Belgrade government. I think we have to consider whether or not we should lift the arms embargo now on the Bosnians, since they are in no way in a fair fight with a heavily armed opponent bent on ethnic cleansing. We can't get involved in the quagmire, but we must do what we can.

Mr. Lehrer. All right. Moving on now to divisions in our country. The first question goes to Governor Clinton for two minutes, and Ann will ask it.

Family Values

Ms. Compton. Governor Clinton, can you tell us what your definition of the word ``family'' is?

Governor Clinton. A family involves at least one parent, whether natural or adoptive or foster, and children. A good family is a place where love and discipline and good values are transmuted from the elders to the children, a place where people turn for refuge and where they know they're the most important people in the world.

America has a lot of families that are in trouble today. There's been a lot of talk about family values in this campaign. I know a lot about that. I was born to a widowed mother who gave me family values, and grandparents. I've seen the family values of my people in Arkansas. I've seen the family values of all these people in America who are out there killing themselves, working harder for less in a country that's had the worst economic years in 50 years and the first decline in industrial production ever.

I think the President owes it to family values to show that he values America's families. Whether they're people on welfare, you're trying to move from welfare to work; the working poor, whom I think deserve a tax break to lift them above poverty if they've got a child in the house and working 40 hours a week; working families, who deserve a fair tax system and the opportunity for constant retraining. They deserve a strong economy. I think they deserve a family and medical leave act. Seventy-two other nations have been able to do it. Mr. Bush vetoed it twice because he says we can't do something 72 other countries do, even though there was a small business exemption.

So with all the talk about family values, I know about family values. I wouldn't be here without them. The best expression of my family values is that tonight's my 17th wedding anniversary, and I'd like to close my question by just wishing my wife a happy anniversary and thanking my daughter for being here.

Mr. Lehrer. President Bush, one minute.

President Bush. Well, I would say that one meeting that made a profound impression on me was when the mayors of the big cities, including the Mayor of Los Angeles, a Democrat, came to see me, and they unanimously said the decline in urban America stems from the decline in the American family. So I do think we need to strengthen family. When Barbara holds an AIDS baby, she's showing a certain compassion for family. When she reads to children, the same thing.

I believe that discipline and respect for the law, all of these things, should be taught to children, not in our schools but families have to do that. I'm appalled at the high, outrageous numbers of divorces. It's happened in families; it's happened in ours. But it's gotten too much, and I just think that we ought to do everything we can to respect the American family. It can be a single-parent family. Those mothers need help. One way to do it is to get these deadbeat fathers to pay their obligations to these mothers. That will help strengthen the American family. And there's a whole bunch of other things that I can't click off in this short period of time.

Mr. Lehrer. Mr. Perot, you have one minute.

Mr. Perot. If I had to solve all the problems that face this country and I could be granted one wish as we started down the trail to rebuild the job base, the schools, and so on and so forth, I would say a strong family unit in every home, where every child is loved, nurtured, and encouraged. A little child, before they're 18 months, learns to think well of himself or herself, or poorly. They develop a positive or negative self-image. At a very early age, they learn how to learn. If we have children who are not surrounded with love and affection -- see, I look at my grandchildren and wonder if they'll ever learn to walk because they're always in someone's arms. I think, my gosh, wouldn't it be wonderful if every child had that love and support, but they don't.

We will not be a great country unless we have a strong family unit in every home. And I think you can use the White House as a bully pulpit to stress the importance of these little children, particularly in their young and formative years, to mold these little precious pieces of clay so that they, too, can live rich, full lives when they're grown.

Mr. Lehrer. New question, 2-minute answer, goes to President Bush. Sandy will ask it.

Legalization of Drugs

Mr. Vanocur. Mr. President, there's been a lot of talk about Harry Truman in this campaign, so much so that I think tomorrow I'll wake up and see him named as the next commissioner of baseball. [Laughter]

President Bush. We could use one.

Mr. Vanocur. The thing that Mr. Truman didn't have to deal with is drugs. Americans are increasingly alarmed about drug-related crimes in cities and suburbs, and your administration is not the first to have grappled with this. Are you at all of a mind that maybe it ought to go to another level, if not to what's advocated by William F. Buckley, Jr., and Milton Friedman, legalization, somewhere between there and where we are now?

President Bush. No. I don't think that's the right answer. I don't believe legalizing narcotics is the answer. I just don't believe that's the answer. I do believe that there's some fairly good news out there. The use of cocaine, for example, by teenagers is dramatically down. But we've got to keep fighting on this war against drugs.

We're doing a little better in interdiction. Many of the countries that used to say, ``Well, this is a United States problem. If you'd get the demand down, then we wouldn't have the problem," are working cooperatively with the DEA and other law -- the military. We're using the military more

now in terms of interdiction. Our funding for recovery is up, recovering the addicts.

Where we're not making the progress, Sander, is in -- we're making it in teenagers. And thank God, because I thought what Ross said was most appropriate about these families and these children. But where we're not making it is with the confirmed addicts. I'll tell you one place that's working well, and that is the private sector, Jim Burke and this task force that he has. You may know about it. Tell the American people, but this man said, ``I'll get you a million dollars a day in pro bono advertising,'' something that's very hard for the Government to do. He went out and he did it, and people are beginning to educate through this program, teaching these kids you shouldn't use drugs.

So we're still in the fight. But I must tell you, I think legalization of narcotics or something of that nature, in the face of the medical evidence, would be totally counterproductive. And I oppose it, and I'm going to stand up and continue to oppose it.

Mr. Lehrer. Mr. Perot, one minute.

Mr. Perot. Any time you think you want to legalize drugs, go to a neonatal unit, if you can get in. They are between 100 and 200 percent capacity up and down the East Coast, and the reason is crack babies being born. Baby's in the hospital 42 days; typical cost to you and me is $125,000. Again and again and again, the mother disappears in 3 days, and the child becomes a ward of the State because he's permanently and genetically damaged. Just look at those little children, and if anybody can even think about legalizing drugs, they've lost me.

Now, let's look at priorities. We went on the Libyan raid, you remember that one, because we were worried to death that Qadhafi might be building up chemical weapons. We've got chemical warfare being conducted against our children on the streets in this country all day, every day, and we don't have the will to stamp it out.

Again, if I get up there, if you send me, we're going to have some blunt talks about this. We're really going to get out in the trenches and say, ``Is this one you want to talk about or fix?'' Because talk won't do it, folks. There are guys that couldn't get a job third shift in a Dairy Queen, driving BMW's and Mercedes, selling drugs. These old boys are not going to quit easy.

Mr. Lehrer. Governor Clinton, one minute.

Governor Clinton. Like Mr. Perot, I have held crack babies in my arms. But I know more about this, I think, than anybody else up here because I have a brother who's a recovering drug addict. I'm very proud of him. But I can tell you this: If drugs were legal, I don't think he'd be alive today. I am adamantly opposed to legalizing drugs. He is alive today because of the criminal justice system.

That's a mistake. What should we do? First, we ought to prevent more of this on the street. Thirty years ago there were three policemen for every crime. Now there are three crimes for every policeman. We need 100,000 more police on the street. I have a plan for that. Secondly, we ought to have treatment on demand. Thirdly, we ought to have boot camps for first-time nonviolent offenders so they can get discipline and treatment and education and get reconnected to the community, before they are severed and sent to prison where they can learn how to be first-class criminals.

There is a crime bill that, lamentably, was blocked from passage once again, mostly by Republicans in the United States Senate, which would have addressed some of these problems. That crime bill is going to be one of my highest priorities next January if I become President.

Mr. Lehrer. Next question is to you, Mr. Perot. You have 2 minutes to answer it, and John will ask it.

Racial Harmony

Mr. Mashek. Mr. Perot, racial division continues to tear apart our great cities, the last episode being this spring in Los Angeles. Why is this still happening in America? And what would you do to end it?

Mr. Perot. This is a relevant question here tonight. First thing I'd do is during political campaigns, I would urge everybody to stop trying to split this country into fragments and appeal to the differences between us, and then wonder why the melting pot's all broken to pieces after November the 3d.

We are all in this together. We ought to love one another, because united teams win and divided teams lose. If we can't love one another, we ought to get along with one another. If you can't get there, just recognize we're all stuck with one another, because nobody's going anywhere. Right? [Laughter]

Now, that ought to get everybody back up to let's get along together and make it work. Our diversity is a strength. We've turned it into a weakness.

Now, again, the White House is a bully pulpit. I think whoever's in the White House should just make it absolutely unconscionable and inexcusable. And if anybody's in the middle of a speech at, you know, one of these conventions, I would expect the candidate to go out and lift him off the stage if he starts preaching hate, because we don't have time for it.

Our differences are our strengths. We have got to pull together. In athletics, we know it. You see, divided teams lose; united teams win. We have got to unite and pull together. And there's nothing we can't do. But if we sit around blowing all this energy out the window on racial strife

and hatred, we are stuck with a sure loser, because we have been a melting pot. We're becoming more and more of a melting pot. Let's make it a strength, not a weakness.

Mr. Lehrer. Governor Clinton, one minute.

Governor Clinton. I grew up in the segregated south, thankfully raised by a grandfather with almost no formal education but with a heart of gold who taught me early that all people were equal in the eyes of God. I saw the winds of hatred divide people and keep the people of my State poorer than they would have been, spiritually and economically. I've done everything I could in my public life to overcome racial divisions. We don't have a person to waste in this country.

We are being murdered economically because we have too many dropouts. We have too many low-birth weight babies. We have too many drug addicts as kids. We have too much violence. We are too divided by race, by income, by region. I have devoted a major portion of this campaign to going across this country and looking for opportunities to go to white groups and African-American groups and Latino groups, Asian-American groups and say the same thing: If the American people cannot be brought together, we can't turn this country around. If we can come together, nothing, nothing can stop us.

Mr. Lehrer. Mr. President, one minute.

President Bush. Well, I think Governor Clinton is committed. I do think it's fair to note -- he can rebut it -- that Arkansas is one of the few States that doesn't have any civil rights legislation.

I've tried to use the White House as a bully pulpit, speaking out against discrimination. We passed two very forward-looking civil rights bills. It's not going to be all done by legislation, but I do think that you need to make an appeal every time you can to eliminate racial divisions and discrimination. And I'll keep on doing that and pointing to some legislative accomplishment to back it up.

I have to take 10 seconds here at the end -- the red light isn't on yet -- to say to Ross Perot, please don't say to the DEA agents on the street that we don't have the will to fight drugs. Please, I have watched these people. The same for our local law enforcement people; we're backing them in every way we possibly can. But maybe you meant that some in the country don't have the will to fight it. But those that are out there on the front line -- as you know; you've been a strong backer of law enforcement; really, I just want to clear that up -- have the will to fight it. And frankly, some of them are giving their lives.

Mr. Lehrer. Time, Mr. President. All right, let's go now to another subject, the subject of health. The first question for 2 minutes is to President Bush, and John will ask it.

AIDS

Mr. Mashek. Mr. President, yesterday tens of thousands of people paraded past the White House to demonstrate their concern about the disease AIDS. A celebrated member of your Commission, Magic Johnson, quit, saying that there was too much inaction. Where is this widespread feeling coming from that your administration is not doing enough about AIDS?

President Bush. Coming from the political process. We have increased funding for AIDS. We've doubled it, on research and on every other aspect of it. My request for this year was $4.9 billion for AIDS, 10 times as much for AIDS victim as per cancer victim. I think that we're showing the proper compassion and concern. So I can't tell you where it's coming from, but I am very much concerned about AIDS, and I believe that we've got the best researchers in the world out there at NIH working the problem. We're funding them. I wish there was more money, but we're funding them far more than any time in the past. We're going to keep on doing that.

I don't know, I was a little disappointed in Magic, because he came to me and I said, ``Now, if you see something we're not doing, get ahold of me, call me, let me know." He went to one meeting, and then we heard that he was stepping down. So he's been replaced by Mary Fisher, who electrified the Republican Convention by talking about the compassion and the concern that we feel. It was a beautiful moment. And I think she'll do a first-class job on that Commission.

So I think the appeal is, yes, we care. The other thing is, part of AIDS, it's one of the few diseases where behavior matters. And I once called on somebody, ``Well, change your behavior. If the behavior you're using is prone to cause AIDS, change the behavior." The next thing I know, one of these ACT-UP groups is out saying, ``Bush ought to change his behavior." You can't talk about it rationally. The extremes are hurting the AIDS cause. To go into a Catholic mass in a beautiful cathedral in New York under the cause of helping in AIDS and start throwing condoms around in the mass, I'm sorry, I think it sets back the cause. We cannot move to the extreme.

We've got to care. We've got to continue everything we can at the Federal and the local level. Barbara, I think, is doing a superb job in destroying the myth about AIDS. All of us are in this fight together. All of us care. Do not go to the extreme.

Mr. Lehrer. One minute, Mr. Perot.

Mr. Perot. First, I think Mary Fisher was a great choice. We're lucky to have her heading the Commission. Secondly, I think one thing, that if I were sent to do the job, I would sit down with FDA, look exactly where we are. Then I would really focus on let's get these things out. If you're going to die, you don't have to go through this 10-year cycle that FDA goes through on new drugs. Believe me, people with AIDS are more than willing to take that risk. We could be moving out to the human population a whole lot faster than we are on some of these new drugs.

So I think we can expedite the problem there.

Let me go back a minute to racial divisiveness. All-time low in our country was the Judge Thomas-Anita Hill hearings, and those Senators ought to be hanging their heads in shame for what they did there.

Second thing, there are not many times in your life when you get to talk to a whole country, but let me just say this to all of America: If you hate people, I don't want your vote. That's how strongly I feel about it.

Mr. Lehrer. Governor Clinton, one minute.

Governor Clinton. Over 150,000 Americans have died of AIDS. Well over a million and a quarter Americans are HIV-positive. We need to put one person in charge of the battle against AIDS to cut across all the agencies that deal with it. We need to accelerate the drug approval process. We need to fully fund the act named for that wonderful boy, Ryan White, to make sure we're doing everything we can on research and treatment. The President should lead a national effort to change behavior to keep our children alive in the schools, responsible behavior to keep people alive. This is a matter of life and death.

I've worked in my State to reduce teen pregnancy and illness among children. And I know it's tough. The reason Magic Johnson resigned from the AIDS Commission is because the statement you heard tonight from Mr. Bush is the longest and best statement he's made about it in public. I'm proud of what we did at the Democratic Convention, putting two HIV-positive people on the platform, and I'm proud of the leadership that I'm going to bring to this country in dealing with the AIDS crisis.

Mr. Lehrer. New question for Mr. Perot. You have 2 minutes to answer, and Ann will ask it.

Entitlement Programs

Ms. Compton. Mr. Perot, even if you've got what people say are the guts to take on changes in the most popular and the most sacred of the entitlements, Medicare, people say you haven't a prayer of actually getting anything passed in Washington. Since the President isn't a Lone Ranger, how in the world can you make some of those unpopular changes?

Mr. Perot. Two ways. Number one, if I get there, it will be a very unusual and historical event because -- [laughter] -- because the people, not the special interests, put me there. I will have a unique mandate. I have said again and again, and this really upsets the establishment in Washington, that we're going to inform the people in detail on the issues through an electronic town hall so that they really know what's going on. They will want to do what's good for our country.

Now, all these fellows with thousand-dollar suits and alligator shoes running up and down the Halls of Congress that make policy now, the lobbyists, the PAC guys, the foreign lobbyists, what have you, they'll be over there in the Smithsonian -- [laughter] -- because we're going to get rid of them. The Congress will be listening to the people. And the American people are willing to have fair, shared sacrifice. They're not as stupid as Washington thinks they are. The American people are bright, intelligent, caring, loving people who want a great country for their children and grandchildren. They will make those sacrifices. So I welcome that challenge. And just watch, because if the American people send me there, we'll get it done.

Now, everybody will faint in Washington. They've never seen anything happen in that town. [Laughter] This is a town where the White House says, ``Congress did it." Congress says, ``The White House did it." And I'm sitting there and saying, ``Well, who else could be around?" And then when they get off by themselves, they said, ``Nobody did it." [Laughter] And yet, the cash register is empty. And it used to have our money, the taxpayers' money, in it, and we didn't get the results. We'll get it done.

Mr. Lehrer. Governor, one minute.

Governor Clinton. Ross, that's a great speech, but it's not quite that simple. [Laughter] I mean, look at the facts. Both parties in Washington, the President and the Congress, have cut Medicare. The average senior citizen is spending a higher percentage of income on health care today than they were in 1965 before Medicare came in. The President's got another proposal to require them to pay $400 a year more for the next 5 years.

But if you don't have the guts to control cost by changing the insurance system and taking on the bureaucracies and the regulation of health care in the private and public sector, you can't fix this problem. Costs will continue to spiral. Just remember this, folks: A lot of folks on Medicare are out there every day making the choice between food and medicine. Not poor enough for Medicare, Medicaid; not wealthy enough to buy their medicine. I've met them, people like Mary Annie and Edward Davis of Nashua, New Hampshire, all over this country. They cannot even buy medicine. So let's be careful. When we talk about cutting health care costs, let's start with the insurance companies and the people that are making a killing instead of making our people healthy.

Mr. Lehrer. One minute, President Bush.

President Bush. Well, first place I'd like to clear up something, because every 4 years the Democrats go around and say, ``Hey, Republicans are going to cut Social Security and Medicare." They've started it again. I am the President that stood up and said, ``Don't mess with Social Security." And I'm not going to, and we haven't. We are not going to go after the Social Security recipient. I have one difference with Mr. Perot on that because I don't think we need to

touch Social Security.

What we do need to do, though, is control the growth of these mandatory programs. And Ross properly says, ``Okay, there's some pain in that." But Governor Clinton refuses to touch that, simply refuses. So what we've got to do is control it, the growth. Let it grow for inflation; let it grow for the amount of new people added, population. And then hold the line. I believe that is the way you get the deficit down, not by the tax-and-spend program that we hear every 4 years, whether it's Mondale, Dukakis, whoever else it is. I just don't believe we ought to do that. So hold the line on Social Security, and put a cap on the growth of the mandatory program.

Mr. Lehrer. New question. It is for Governor Clinton, 2-minute answer. Sandy will ask it.

Health Care Costs

Mr. Vanocur. Governor Clinton, Ann Compton has brought up Medicare. I remember in 1965 when Wilbur Mills of Arkansas, the chairman of Ways and Means, was pushing it through the Congress. The charge against it was it's socialized medicine. One, you never -- --

Governor Clinton. Mr. Bush made that charge.

Mr. Vanocur. Well, he served with him 2 years later in 1967 where I first met him. The second point, though, is that it is now skyrocketing out of control. People want it; we say it's going bonkers. Is not the Oregon plan, applied to Medicaid rationing, the proper way to go, even though the Federal Government last August ruled that violated the Americans with Disabilities Act of 1990?

Governor Clinton. I thought the Oregon plan should at least have been allowed to be tried because at least the people in Oregon were trying to do something.

Let me go back to the main point, Sandy. Mr. Bush is trying to run against Lyndon Johnson and Jimmy Carter and everybody in the world but me in this race. I have proposed a managed competition plan for health care. I will say again: You cannot control health care costs simply by cutting Medicare. Look what's happened. The Federal Government has cut Medicare and Medicaid in the last few years. States have cut Medicaid; we've done it in Arkansas under budget pressures. But what happens? More and more people get on the rolls as poverty increases. If you don't control the health care costs of the entire system, you cannot get control of it.

Look at our program. We've set up a national ceiling on health care costs tied to inflation and population growth set by health care providers, not by the Government. We provide for managed competition, not Government models, in every State, and we control private and public health care costs.

Now, just a few days ago, a bipartisan commission of Republicans and Democrats, more Republicans than Democrats, said my plan will save the average family $1,200 a year more than the Bush plan will by the year 2000; $2.2 trillion in the next 12 years; $400 billion a year by the end of this decade. I've got a plan to control health care costs. But you can't just do it by cutting Medicare. You have to take on the insurance companies, the bureaucracies, and you have to have cost controls, yes. But keep in mind, we are spending 30 percent more on health care than any country in the world, any other country. Yet, we have 35 million people uninsured. We have no preventive and primary care. The Oregon plan is a good start if the Federal Government is going to continue to abandon its responsibilities.

I say if Germany can cover everybody and keep costs under inflation, if Hawaii can cover 98 percent of their people at lower health care costs than the rest of us, if Rochester, New York, can do it with two-thirds of the cost of the rest of us, America can do it, too. I'm tried of being told we can't. I say we can. We can do better, and we must.

Mr. Lehrer. President Bush, one minute.

President Bush. Well, I don't have time in 30 seconds or one minute to talk about our health care reform plan. The Oregon plan made some good sense, but it's easy to dismiss the concerns of the disabled. As President, I have to be sure that those waivers which we're approving all over the place are covered under the law. Maybe we can work it out. But the Americans for Disabilities Act, speaking about sound and sensible civil rights legislation, was the foremost piece of legislation passed in modern times. So we do have something more than a technical problem.

Governor Clinton clicked off the things: You've got to take on insurance companies and bureaucracies. He failed to take on somebody else, the malpractice suit people, those that bring these lawsuits against -- these frivolous trial lawyers' lawsuits that are running costs of medical care up by $25 billion to $50 billion. He refuses to put anything -- controls on these crazy lawsuits.

If you want to help somebody, don't run the costs up by making doctors have to have five or six tests where one would do for fear of being sued, or have somebody along the highway not stop to pick up a guy and help him because he's afraid a trial lawyer will come along and sue him. We're suing each other too much and caring for each other too little.

Mr. Lehrer. Mr. Perot, one minute.

Mr. Perot. We've got the most expensive health care system in the world. It ranks behind 15 other nations when we come to life expectancy and 22 other nations when we come to infant mortality. So we don't have the best. Pretty simple, folks, if you're paying more and you don't have the best, if all else fails go copy the people who have the best who spend less, right? But

we can do better than that. Again, we've got plans lying all over the place in Washington. Nobody ever implements them.

Now I'm back to square one: If you want to stop talking about it and do it, then I'll be glad to go up there and we'll get it done. But if you just want to keep the music going, just stay traditional this next time around, and 4 years from now you'll have everybody blaming everybody else for a bad health care system. Talk is cheap. Words are plentiful. Deeds are precious. Let's get on with it.

Mr. Lehrer. And that's exactly what we're going to do. That was, in fact, the final question and answer. We're now going to move to closing statements. Each candidate will have up to 2 minutes. The order, remember, was determined by a drawing. And Mr. Perot, you were first.

Closing Statements

Mr. Perot. Well, it's been a privilege to be able to talk to the American people tonight. I make no bones about it: I love this country. I love the principle it's founded on. I love the people here. I don't like to see the country's principles violated. I don't like to see the people in a deteriorating economy and a deteriorating country because our Government has lost touch with the people. The people in Washington are good people; we just have a bad system. We've got to change the system. It's time to do it because we have run up so much debt that time is no longer our friend. We've got to put our house in order.

When you go to bed tonight, look at your children. Think of their dreams. Think of your dreams as a child. And ask yourself, ``Isn't it time to stop talking about it? Isn't it time to stop creating images? Isn't it time to do it?" Aren't you sick of being treated like an unprogrammed robot? Every 4 years they send you all kinds of messages to tell you how to vote and then go back to business as usual. They told you at the tax and budget summit that if you agreed to a tax increase, we could balance the budget. They didn't tell you that that same year they increased spending $1.83 for every dollar we increased taxes. That's Washington in a nutshell right there.

In the final analysis, I'm doing this for your children, when you look at them tonight. There's another group that I feel very close to, and these are the men and women who fought on the battlefield, the children, the families of the ones who died, the people who left parts of their bodies over there. I'd never ask you to do anything for me, but I owe you this, and I'm doing it for you. I can't tell you what it means to me at these rallies when I see you and you come up, and the look in your eyes. I know how you feel, and you know how I feel. And then I think of the older people who are retired. They grew up in the Depression. They fought and won World War II. We owe you a debt we can never repay you. And the greatest repayment I can ever give is to recreate the American dream for your children and grandchildren. I'll give it everything I have if you want me to do it.

Mr. Lehrer. Governor Clinton, your closing statement.

Governor Clinton. I'd like to thank the people of St. Louis and Washington University, the Presidential Debate Commission, and all those who made this night possible. And I'd like to thank those of you who are watching. Most of all, I'd like to thank all of you who have touched me in some way over this last year, all the thousands of you whom I've seen. I'd like to thank the computer executives and the electronics executives in Silicon Valley, two-thirds of whom are Republicans, who said they wanted to sign on to a change to create a new America. I'd like to thank the hundreds of executives who came to Chicago, a third of them Republicans, who said they wanted a change. I'd like to thank the people who started with Mr. Perot who have come on to help our campaign. I'd like to thank all the folks around America that no one ever knows about: the woman who was holding the AIDS baby she adopted in Cedar Rapids, Iowa, who asked me to do something more for adoption; the woman who stopped along the road in Wisconsin and wept because her husband had lost his job after 27 years; all the people who are having a tough time; and the people who are winning, but who know how desperately we need to change.

This debate tonight has made crystal clear a challenge that is as old as America: the choice between hope and fear, change or more of the same; the courage to move into a new tomorrow or to listen to the crowd who says, ``Things could be worse."

Mr. Bush has said some very compelling things tonight that don't quite square with the record. He was President for 3 years before he proposed a health care plan that still hasn't been sent to Congress in total; 3 years before an economic plan; and he still didn't say tonight that that tax bill he vetoed raised taxes only on the rich and gave the rest of you a break, but he vetoed it anyway.

I offer a new direction: Invest in American jobs, American education, control health care costs, bring this country together again. I want the future of this country to be as bright and brilliant as its past, and it can be if we have the courage to change.

Mr. Lehrer. President Bush, your closing statement.

President Bush. Well, let me tell you a little what it's like to be President. In the Oval Office, you can't predict what kind of crisis is going to come up. You have to make tough calls. You can't be on one hand this way and one hand another. You can't take different positions on these difficult issues.

Then you need a philosophical -- I'd call it a philosophical underpinning; mine for foreign affairs is democracy and freedom. Look at the dramatic changes around the world. The cold war is over. The Soviet Union is no more, and we're working with a democratic country. Poland, Hungary, Czechoslovakia, the Baltics are free. Take a look at the Middle East. We had to stand

up against a tyrant. The United States came together as we haven't in many, many years. We kicked this man out of Kuwait. In the process, as a result of that will and that decision and that toughness, we now have ancient enemies talking peace in the Middle East. Nobody would have dreamed it possible.

I think the biggest dividend of making these tough calls is the fact that we are less afraid of nuclear war. Every parent out there has much less worry that their kids are going to be faced with nuclear holocaust. All this is good.

On the domestic side, what we must do is have change that empowers people, not change for the sake of change, tax and spend. We don't need to do that anymore. What we need to do is empower people. We need to invest and save. We need to do better in education. We need to do better in job retraining. We need to expand our exports, and they're going very, very well indeed. We need to strengthen the American family.

I hope as President that I've earned your trust. I've admitted it when I make a mistake, but then I go on and help try to solve the problems. I hope I've earned your trust, because a lot of being President is about trust and character. And I ask for your support for 4 more years to finish this job.

Thank you very, very much.

Mr. Lehrer. Don't go away yet. I just want to thank the three panelists and thank the three candidates for participating, President Bush, Governor Clinton, and Mr. Perot. They will appear again together on October the 15th and again on October 19th. Next Tuesday there will be a debate among the three candidates for Vice President.

And for now, from Washington University in St. Louis, Missouri, I'm Jim Lehrer. Thank you, and good night.

Note: The debate began at 6:03 p.m. in the Field House at Washington University.

Remarks to the Community in St. Louis

October 11, 1992

Thank you all. Thanks for that great rally. And thanks for the welcome back to Missouri. Thank you very, very much. Fantastic. Hey listen, I think you guys were -- I am glad to be out of that tag-team match over there. I think with my dear friends the Gatlin Brothers here and Lee, my other dear friend Lee Greenwood, you had the best of all worlds being over here, not over there.

You know, these debate things, the tension mounts. But there's one good thing about them: You can look right into that camera and take your message, unfiltered, right out there to the American people. You can get around, and I think our message is a message of hope. The other side would have you believe -- and the only way they can win is if they try to convince the American people that we are a nation in decline. And we are not. We are the United States. We are a rising nation, the most respected in the entire world.

Yes, we have problems. And on our Agenda for American Renewal we've got the answer to fix them. But it would be a sorry thing to think the only way you can do it is to tear down our country. And I'm glad I had an opportunity tonight to stand up for America and stand up for what is right.

We need to win this State, and I need your help. But we also need something else. We need to reelect Senator Kit Bond. He's doing an outstanding job there in the Senate. He's here with us tonight, and a great United States Senator. If we had more like him, we wouldn't have people going around yelling ``Clean House!'' We need to clean House and Senate; but keep Senator Bond there and send more like him, and watch us move this country forward. Clean the House, that's right.

You heard me tonight on there getting my 2 minutes in every once in a while, I'll tell you. But all I want to say to you is thank you for this. Do not let them get you discouraged about the United States. I believe I am going to win this election because I believe I have the trust of the American people. The election is about world peace. The election is about who has brought change. Governor Clinton talks about change, change, change; that's all you'll have left in your pocket if you put him in there. We don't need any more tax-and-spend. Stay with our program, and watch us move this country forward.

Thank you all. And on a night like this, Lee says it better, but ``God Bless the U.S.A.'' Thank you all very, very much.

Note: The President spoke at 8:30 p.m. at St. Louis Community College at Forest Park. In his remarks, he referred to entertainers the Gatlin Brothers and Lee Greenwood.

Remarks on Signing the Benjamin National Franklin Memorial Commemorative Medal and Fire Service Bill of Rights Act in Springfield, Pennsylvania

October 12, 1992

Curt, thank you so very much. And I just can't tell you what this event means to me. I want to offer a special salute to Curt Weldon. He has got to be, when you look at the whole Nation, the firefighter's, the emergency responder's best friend. He is unbelievable in his steadfast support for everything we believe in. Curt is very generous in his assessment of my role, but it is his work, his labor, his efforts that make this historic bill here -- gives us this bill to sign today. I want to salute Chief Gallagher; Gene Bidoli, the president of the Firemen's Association of Delaware County. I want to salute the 20 national presidents that are here today representing a million and a half emergency responders all across our great country.

It's an honor to be here. And I guess like every kid in America, I grew up wondering whether I could ever be a fireman. Barbara saw me drilling a hole in the Lincoln Bedroom the other day, trying to put a fire pole down, curving it around to go down into the Oval Office. But I am here today to sign the Benjamin Franklin National Memorial Commemorative Medal and Fire Service Bill of Rights Act. It authorizes the minting of a medal commemorating Benjamin Franklin's contribution to the advancement of science and the American fire service.

The activities funded through the sale of the medal we're going to authorize today will help to carry out your important bill of rights. The proceeds will help promote education and training programs, a greater public awareness and support of the many hazards of firefighting and emergency response. And they will help assure that should the ultimate tragedy occur, your loved ones will be taken care of.

The list of benefits from this medal goes on and on, and so does the courage of the American firefighters. And I know that it can be touch and go in some situations, some of the calls that you respond to, the danger that every firefighter faces when entering a burning building or responding to an accident. For your bravery and for your unfailing dedication, I say this from the bottom of my heart: Thank you on behalf of all Americans.

Also included in this act is the Fire Service Bill of Rights. It is a tribute to all of you. It acknowledges the important contributions that firefighters make to their communities. But most of all, the Fire Service Bill of Rights is long-awaited and much-deserved recognition for all you do for your country.

As some of you may know, Teddy Roosevelt is among my favorite Presidents in history, and let me share with you what his father said to him on his 16th birthday. He said, ``We are not placed

here to live exclusively for ourselves." And you serve, you serve. You serve not only for yourselves alone, obviously, but for the family called America.

And on behalf of that family, thank you. May God bless each and every one of you. All of you are heroes in my book. And may God bless the State of Pennsylvania and this wonderful country that we are fortunate enough to live in, the United States of America.

And now you will see me sign enthusiastically and make official this very important act. Thank you all very much.

Note: The President spoke at 11:35 a.m. at Springfield Township Fire Co. No. 44. In his remarks, he referred to U.S. Representative Curt Weldon. H.R. 2448, approved October 12, was assigned Public Law No. 102 - 406. A tape was not available for verification of the content of these remarks.

Remarks to the Community in Springfield

October 12, 1992

The President. Thank you very, very much. Give them the sign. [Laughter] Thank you very, very much. Let me say it's great to be back here in Springfield, great to be back in this all-important part of Pennsylvania, and great to be accompanied by one of the true national leaders who is your Congressman, Curt Weldon. He's doing an outstanding job.

I hope some of you tuned into last night's political talk-a-thon. I don't pretend to be an Oxford debater, but I think I did OK. What we're going to do is continue to tell the truth about this country, and let the voters decide 3 weeks from whenever it is -- tomorrow. Three weeks away. We need your support.

You know, listening to our opponents, you might think they want you to believe that America is a nation in decline. And of course, we've got our challenges, but we should never forget that our people are still the best educated; our economy, in spite of the problems, the most dynamic; our workers are still the most productive, more productive than any other workers in the entire world. And I am proud of what we have done to strengthen America's leadership all around the world.

Four years ago we said we'd bring America's disabled into the mainstream, and we delivered. I said we would do what no President has done in 10 years, and that is start to clean our air and get rid of acid rain, and we delivered. I said we would strengthen the family by letting parents, not the Government, choose our kids' child care, and we delivered again.

I am very proud that on my watch more than a billion people, almost one-fifth of the entire population of the world, have enjoyed the first breath of freedom. I'm proud that we stood up to the bully of Baghdad and led the world to saying no to aggression.

I am especially proud that the children here today, the young people, will grow up in a world that is safer because we reduced the fear of nuclear war. But as you people know, the Soviet bear may be gone, but there are still some wolves in the woods. It may be tempting to believe that we can turn the American Commander in Chief into the Maytag repairman. But there are still dangers in the world, and you've got to ask who do you trust to keep your families secure.

Governor Clinton has absolutely no experience in international matters, and I am the President who has led the world and made these kids safer. I ask for your support on that basis.

You see, the new world brings new challenges and new opportunities. We're part of a global economy, and this is no time to hand the wheel to a novice. When it comes to steering America through the new global economic challenges, America needs a driver who knows the highway.

Do not take a risk on America's future.

I have laid out my Agenda for American Renewal, the steps that we must take to win the economic competition, to build a prosperous, secure nation for all the kids here today. And step number one is to tear down the barriers to free and fair trade so that we can create good jobs for American workers.

Yes, we've been caught up in a global economic slowdown. We have to understand that the nations of Europe would switch for our economy in a fast minute. We have lower inflation and lower interest rates. We're the world's leading exporter. And when you shop in the world, chances are that the goods in the stores say not ``Made in Japan,'' not ``Made in Germany'' but ``Made in the U.S.A.''

Audience members. U.S.A.! U.S.A.! U.S.A.!

The President. And by opening up foreign markets, we will provide good jobs for our kids and our grandkids. You know, already the average export-related job pays 17 percent more than a traditional job. So if we want our sons and daughters of steelworkers to have good jobs, we must fight for free and fair trade. I am proud of our administration that last week signed the North American free trade agreement, forging a $6 trillion market from Manitoba to Mexico. NAFTA will create 175,000 new American jobs.

In my second term, we will fight for new agreements with the nations of Europe and Asia and Latin America. And just as we once used our military alliances to win the cold war, we can use these economic alliances to win the new business war. We are number one. Let's make ourselves even stronger.

But let's be serious about one point: If we're going to win that competition in the new economy, we've got to do it, and we've got to do it by changing our schools. You know, we already spend more per pupil than any of our major industrial competitors and yet our kids rank near the bottom in math and science. We need to embrace new ideas. And again, I'm proud of what we've done already. Never in history has America had national education goals. But today we do. Now let's build on that goal to give every kid here a better education. Never before in America have almost 2,000 communities committed to literally reinventing our schools. And today they are. But we can't stop here. So in my second term I want to give every parent in America the right to choose their kids' school, public, private, or religious.

But you know, reforming education will not be enough if our graduates can't find jobs. So we have to strengthen American business. The past 4 years have not been easy. American companies are restructuring. But almost every American industry -- steel, computers, biotech -- is stronger than just a few years ago. Small business is the backbone of this economy, creating two out of every three jobs. Small business will lead the economic recovery if we can provide

the kind of tax relief I'm fighting for, relief from taxation, regulation, and litigation.

America spends up to $200 billion every year on direct cost to lawyers. Japan doesn't spend this, and neither does Germany. I want to take on these trial lawyers and reform our lawsuit-happy legal system. People don't even dare coach Little League because they'll get sued. You see a guy lying along the highway, and you don't dare stop because you think somebody will sue you for trying to help. Or if you're a doctor, you don't dare deliver babies because you're afraid some crazy patient will sue you with a malpractice suit. Well look, we sue each other too much, and we care for each other too little. Let's start doing it the other way: care for each other more and sue each other less.

Step four is this: We've got to cut the cost of health care. With our current health care system, you get sick twice, first when you go to the doctor and then a month later when you get the bill. I want to reform this malpractice insurance. I want to use competition to drive the cost down. I want to make insurance available to absolutely everybody: the poorest of the poor right up through the overworked, overtaxed middle class. My plan does that, and we still keep the quality of American health care. Let's not go to socialized medicine; let's go to competitive medicine. A good doctor ought not to be a luxury, not something reserved for the privileged few: not here, not in Pennsylvania, not in America, not anymore. Pass my health care reform. Give me new Members of Congress. Clean out the House. Give us more like Curt. Give us people that will pass this kind of legislation.

Priority number five is to reach out to every American because in the next century we need the talent of every person from the city to the suburbs to the furthest rural town. And to do this we must take back our streets from the crackheads and the criminals. We must back our law enforcement people. Today I've just come from a marvelous meeting of 20 leaders of national firefighting people. And we've got to make them safe by better law enforcement. We must protect those who are helping us.

I'm proud that under my administration about 85 percent of the people served their full sentences on Federal crimes. We have appointed Federal judges who have a little less respect for the criminal and a lot more for the victims of crime. And that's the kind of judges we need.

But we want to do even better with tough new laws for new crimes like carjacking and special laws for crimes against women and the elderly. And so I put forward a specific plan to eliminate over 4,000 Government projects, almost 250 programs that waste your hard-earned tax dollars. And I want to control the growth of mandatory Federal spending without touching Social Security. Leave Social Security safe.

As Curt knows, the Congress can't do anything about the deficit, so give me a chance. Give me a balanced budget amendment, a line-item veto, a check-off on our tax return. A check-off on the tax return to take the deficit off our children's shoulders. We've got to get the job done, and the

current Congress won't do it. The good news is because of the fraud in the banks and the post offices, we're going to have a lot of new Congressmen. And I'll sit down and say, let's change America. Let's get the deficit off the back of these kids.

Governor Clinton simply cannot stand up to the congressional bosses. He refuses to endorse term limits. I say let's limit the terms of Members of Congress and give the Government back to the people.

So this is some of our agenda for America's renewal. It's a comprehensive, it's an innovative, a new approach, a new plan, and it offers the promises of a very different America than the plan Governor Clinton proposes.

Now, look at each of the items I've mentioned and you'll see the difference. I hate to ruin this beautiful sunny day in Springfield, but I've got to tell you a little bit factually about Governor Clinton's record.

On the question of the North American free trade agreement, he was first for it and then against it. Now he's for it again. You can't do that. They don't serve waffles in the Oval Office on these tough issues. You have to take a position. You can't keep everybody happy, but you've got to take a position. You can't be on all sides of every issue.

In education Governor Clinton talks a good game, but he's flunked the test in Arkansas. He can't reform American schools because he doesn't want to attend the very powerful union leaders. I want to support the teachers, not the teachers' union. He wants to listen to the union and not to the teachers.

You see the same thing when it comes to small business. Governor Clinton and the trial lawyers act like Boris and Natasha in those old Bullwinkle cartoons, you remember? They play goo-goo eyes with each other. He wants small business to pay a stiff new payroll tax for health care, and that would drive away jobs in small business. And we don't need to destroy jobs; we need to create jobs.

And on crime, I have been endorsed, because we have a strong record of backing the law enforcement officers, by the National Fraternal Order of Police. And get this, the police in Little Rock, the ones who know Governor Clinton best, have endorsed me for President of the United States.

Here's the biggest difference of all. Here is the biggest difference of all. Where I want to make Government smaller, Governor Clinton has already proposed -- worse than Mondale, worse than Dukakis -- $150 billion in new taxes. And that ain't all of it, man. He's also proposed over $200 billion in new spending, and he hasn't got there yet. We cannot have that. You've got to ask who's going to pay for it. He says sock it to the rich. There aren't that many people that are rich.

What he's going to do is stick it right to the cab driver, the teacher, the nurse, the firefighter, the construction workers. I say we need to help the middle class, not sock it to them with more taxes.

So we've got two fundamentally different philosophies of Government. He puts his faith in more Government, in special interests, in higher taxes to pay for all his promises. And I offer smaller Government, lower taxes, and more power to the people so that we can renew America.

The Democrats don't like it when I talk about it, but we've got to find ways to strengthen the American family, not tear it apart at the shreds by crazy social legislation. When Barbara Bush reads to those children in the Diplomatic Entrance to the White House, she's saying, ``Love your kid. Read to the children. Strengthen the American family." And that's what we must do. [Applause] And I agree with you. I think we've got the best First Lady in a long, long time.

You know, as I told them last night, in the Oval Office, the buck does stop there. You've got to make tough decisions. You can't keep everybody happy. When you make a mistake you pick up and go on and try to continue to help the American people. When you do something wrong, do like a family person does, say, ``Look, I made a mistake and now I want to go forward." I believe I have been a good, strong leader in tough times for the United States of America.

Audience members. Four more years! Four more years! Four more years!

The President. I believe I have the ideas, the experience, and the character to lead again so that together we can make our Nation more safe and more secure. Let us not take a risk on America's future. I ask for your trust so that I can finish this job. I am proud of the United States. I do not tear it down. I want to lift it up and make life better for every single American.

And may God bless you all. May God bless you. And thank you for this fantastic show of support. I am very, very grateful to you. Thank you all.

Note: The President spoke at 11:57 a.m. at the Springfield Township Municipal Amphitheater.

Remarks to Farm and Business Groups in Grand Rapids, Michigan

October 12, 1992

Thank you very much. Well, thank you all. And let me just thank everybody, thank Jim and Tom, Noelle and Brian. Pay respects to our Governor, who is rapidly crossing out the fact that his wife, Michelle, is not with us today, which is our loss. She's doing a first class job as first lady of this State, and I'm very proud to have these endorsements from the leading farm and business groups in Michigan.

You know, the global economy -- and we're in a global economy -- is in transition. And still, compared to the other countries of the world, the American economy is in relatively good shape. Industrial manufacturing -- up, versus Japan. In the Bush years, farm income and family income averaged highest under any President. And inflation is way down, as we've heard. Low interest rates mean good news for farmers, homebuyers, small-business men and women.

The real question then in this election is: Where do we go from here? And Governor Clinton offers a billion dollars a day in new promises, at least $150 billion which he's already proposed in new taxes to be paid by, of course, small businesses, farmers, and middle class. He says soak the rich, but the whole country knows better.

I want to make Government smaller, make opportunity larger. And I propose controlling the growth of mandatory spending, eliminating wasteful Government spending, while still making the necessary investments in job training, education, and in high-wage industries of the future.

Last month, the National Association of Business Economists compared our two directions, Governor Clinton's and mine. And the vast majority said that under the Bush agenda, inflation would be lower, interest rates would be lower, and the budget deficit smaller. Michigan voters ought to look at our plans in detail and ask which will make their jobs, their families more secure. The Michigan farm and business community has done that, and I am very proud to accept their support in our crusade to renew America for the next 4 years.

Thank you all very, very much.

Note: The President spoke at 3:55 p.m. at Kent County International Airport. In his remarks, he referred to Gov. John Engler of Michigan; James Barrett, president, Michigan Chamber of Commerce; Tom Guthrie, vice chairman, Michigan Farm Bureau AgriPac; Noelle Clark, chairwoman, Michigan chapter, National Federation of Independent Businesses; and Brian Wellman, chairman, Michigan Homebuilders Association.

Remarks to the Community in Holland, Michigan

October 12, 1992

The President. Thank you, Governor. What a fantastic rally. Thank you all. Wall-to-wall people at Hope. This is beautiful. Thank you so very much. And may I thank your great Governor, John Engler, and salute your Lieutenant Governor, Connie Binsfeld, who's with us. And Peter Hoekstra, who we've got to have as a Member of the Congress. If we had more people in Congress like Peter, they wouldn't be yelling at me, ``Clean House!'' We've got to clean House, and one way to do it: Get Peter in there and others like him. Good, solid, Michigan people.

Out there in the audience is someone you ought to be very proud of, the man I had the pleasure of meeting awhile back, Professor Harvey Blankespoor, and his wife, Marlene. Great leader, great educational leader. And of course, it's a great pleasure to be here at Hope College, and great to be back in Michigan.

Now, may I begin by congratulating the Flying Dutchmen on your big victory Saturday. You know, I also couldn't help but notice that one of Michigan's great companies, the Herman Miller Corporation, made the furniture for last night's Presidential debate. They did a great job. Things got so hot in there that I commend whoever made the decision to nail the podiums to the floor. [Laughter] But, you know, Governor Clinton has a tendency to take two positions on every issue. So maybe Herman Miller should make a fourth podium, one for Clinton when he's for something and one for Clinton when he's against it.

You listen to him, and also to some degree to Ross Perot, and you get the feeling that America is a nation in decline. And yes, we've got our challenges. But we should never forget that our people are still the best educated; our economy, in spite of a world slowdown, the best, the most dynamic; and our workers the most productive, more productive than any other workers in the entire world. And that is the fact. I am proud of what we've accomplished the past 4 years: to strengthen America's leadership. We are respected around the entire world. And we are number one.

Let's talk about the record. Four years ago, I said we would bring the disabled into America's economic mainstream. And we delivered with the Americans for Disability Act, the best piece of civil rights legislation in decades.

I said I would do what no President has done for 10 years, 20 years and start to clean our air of acid rain. And we delivered. I said we would strengthen the family by letting parents, not the Government, choose our kids' child care. And we delivered on that, too. I'm also proud that on our watch more than a billion people, almost one-fifth of the population of the entire world, have enjoyed their first breath of freedom. Democracy and freedom are on the move.

And while Governor Clinton waffled, I stood up to a Baghdad bully, and we led the world in saying no to aggression. And I'm especially proud that the children here today will grow up in a world that is safer because we reduced the awful threat, the nightmare of nuclear weapons. That is a major accomplishment. But you know, while the Soviet bear may be gone, there are still wolves in the woods. It may be tempting to believe that we can turn the American Commander in Chief into the Maytag repairman, but there are still real dangers in the world. You must ask, who do you trust to keep your families secure?

This is about big things. It's about the Presidency. And Governor Clinton has absolutely no international experience. I am the President who has led the world and made our children safer.

Audience members. Four more years! Four more years! Four more years!

The President. You see this new world, the new world today brings new challenges and also new opportunities. We are part of a global economy, and this is no time to hand the wheel to a novice to take a risk with the United States. When it comes to steering America through the new global economic challenges, America needs a driver who knows the highway. And I am that man.

I have laid out this agenda for America's renewal, the steps that we must take to win the new economic competition, to build a prosperous, secure nation for all the kids here today. Step number one is to tear down barriers to free and fair trade so that we can create good jobs for American workers. Today, we're in a global downturn. But while there is anxiety here at home, we have to understand that the nations of Europe would switch places with us in a minute. We have lower inflation. We have lower interest rates. And we are the world's leading exporter. When you shop in the world, chances are that the goods in the store may say not ``Made in Japan,'' not ``Made in Germany'' but ``Made in the U.S.A.''

And so we're going to pry open new foreign markets. In so doing, we will provide good jobs for our kids and our grandkids. Already the average export-related job pays 17 percent more than a traditional job. So if we want the sons and daughters of auto workers to have good jobs, we must fight for free and fair trade. I'm proud of our record, and I'm proud that last week we signed the historic North American free trade agreement, forging a $6 trillion market from Manitoba to Mexico. And that will create 175,000 additional American jobs.

In the second term, we're going to fight for new agreements with the nations of Europe and Asia and Latin America. Just as we once used our military alliances to win the old cold war, we can use our economic alliances to win the new business war. Because give the American worker the chance and they will outthink, outcompete, outproduce any other worker on the face of the Earth.

Let's not kid ourselves. We're not going to compete in this new economy if we don't do better by education, if we don't change our schools. We already spend more per pupil than any of our

major industrial competitors, and yet our kids in K through 12 rank near the bottom in math and science. We need to embrace new ideas.

And again, I am proud of what we have done already. Never in the history has America had national educational goals. Today we do. That happened under my being President of the United States. Never before in America have almost 2,000 communities committed to literally reinventing their schools. Today they are.

But we can't stop here. So in my second term, I want to give every parent in America the right to choose their kids' schools, public, private, or religious.

Audience members. Four more years! Four more years! Four more years!

The President. Reforming education, though, reforming education won't be enough if our graduates can't find jobs. So we have to strengthen American business. The past 4 years have not been easy as American companies restructure. But almost every American industry -- steel, computers, cars, biotechnology -- is stronger now than just 4 years ago. Small business is the backbone of our new economy, creating two out of every three new jobs. And small business will lead the new economic recovery if we can provide the kind of relief that I am fighting for, relief from taxation, regulation, and litigation.

You know I'm not anti-lawyer, but let me tell you something. We spend up to $200 billion every year on direct costs to lawyers. Japan doesn't spend this; Germany doesn't. And I want to take on those ambulance chasers and reform our lawsuit-happy legal system. You see, when doctors are afraid to practice, when people are afraid to help somebody along the highway, when coaches are afraid to coach Little League, my message is this: As a nation, we must sue each other less and care for each other more.

Step number four of my agenda is to create economic security for every working man and woman in this country. And that means cutting the cost of health care. With our current health care system, you get sick twice, first when you go to the doctor, then a month later when you get the bill.

I want to reform malpractice insurance. I want to use competition to drive costs down and make affordable insurance available to everyone in the United States, including the poorest of the poor. And my health care plan does exactly that without taxing small business. A good doctor should not be a luxury, not something reserved for the privileged few: not here, not in Michigan, not in America, not anymore.

Priority number five is to reach out to every American, because in the next century we need the talent of every person from the city to the suburbs to the furthest rural town. And to do this, we must take back our streets from the crackheads and the criminals. We're fighting for strong

anticrime legislation. And I'm proud that under my administration most Federal inmates serve at least 85 percent of their full sentence, while in Arkansas they serve 20 percent.

Audience members. Boo-o-o!

The President. We have appointed judges, and I will continue to do that, who have no respect for the criminals and a lot more concern for the victims of crime. But we must do better. We just passed a bill with tough laws against new crimes like carjacking. And now we need special laws for crimes against women and crimes against the elderly. Everybody should be secure in his or her own home. The way I see it, if you steal a car or if you mug an elderly woman, you ought to go to jail, and you shouldn't be let out until you're eligible for a birthday salute from Willard Scott.

The final part of my agenda is simply this: I believe that Government is too big and spends too much of your money. So I have put forward a specific plan to eliminate 4,000 Government projects, almost 240 programs that waste your hard-earned tax dollars. I want to control, as I said last night, to get this deplorable deficit down. We have got to control the growth of mandatory Federal spending without touching Social Security. We've got to do it. It means a little pain, but we cannot saddle the generations represented here today with more and more Federal debt.

And here's something that would help. I'm fighting for a balanced budget amendment to the Constitution. I am fighting for a line-item veto. And I want to give every taxpayer the power to designate up to 10 percent of your income tax to be used for one purpose only: to take the deficit off our children's shoulders. Congress won't make the tough choices, so it's time for some tough medicine. Governor Clinton won't stand up to the congressional bosses and endorse term limits. So I say let's limit the terms of Members of Congress and give Government back to the people.

And this, then, is my agenda for America's renewal. It offers the promise of a very different America than the plan Governor Clinton proposes. I hate to ruin this beautiful day, but just look for a minute at each of the items I've mentioned today, and you'll see the difference.

On the question of the North American free trade agreement, Governor Clinton was first for it and then against it. Now he's for it again. They do not serve waffles in the Oval Office. On tough issues, you have to take a stand. You can't be everything to everybody.

In education, Governor Clinton talks a good game, but he's flunked his test in Arkansas. And Governor Clinton can't reform American schools because he doesn't want to offend the powerful unions. I want to offend the unions and lift up the teachers, not the other way around. And so the Governor -- one side and then the other -- he tells the education establishment what they want to hear. I want to tell them what they need to hear.

You see the same thing when it comes to helping small business. Governor Clinton and the trial

lawyers act like Boris and Natasha -- remember the old Bullwinkle cartoons -- goo-goo eyes with each other. [Laughter] And Governor Clinton doesn't want to touch the legal system. And he wants small business to pay a stiff new payroll tax for health care, which would drive away your jobs. And we do not need to destroy jobs by socking a tax to small business. We need to create jobs.

And on crime, which I mentioned -- I told you what I'm for -- but on crime, here's all you need to know about him. The prestigious National Fraternal Order of Police, the nationwide organization, have endorsed me for President. And the police in Little Rock, the ones who know Governor Clinton best, Little Rock, have endorsed me for President of the United States.

But here is the biggest difference and most important. Where I want to make Government smaller, Governor Clinton has already proposed, look at his plan, $150 billion in new taxes -- --

Audience members. Boo-o-o!

The President. -- -- and he has promised well over $220 billion in new spending. We cannot have that.

Audience members. Boo-o-o!

The President. You've got to ask, who's going to pay for all those bills, all the promises? And the answer is: not the rich guys. It's the cab drivers, the barbers, the beauticians, the construction workers. And I say it is time to help the middle class.

And so we've got two very different, very different views of America. Governor Clinton puts his faith in more Government, in special interests, in higher taxes to pay for all these promises. And I offer smaller Government, lower taxes, and more power to the people so that we can renew America.

Today, as you know, is this glorious Columbus Day, and I'd like to point out that when Columbus set sail on his voyage, Spain's motto was three words: ne plus ultra. All you Latin students out there know that this meant ``no more beyond." And after Columbus returned from his discovery, Queen Isabella dropped the first word from her country's motto. And now it reads plus ultra, ``more beyond."

And today we can say the same thing of the United States of America. We have triumphed around the world, but there is ``more beyond," more to reach for, more to reach for right here at home: better schools; safer streets; stronger families; a dynamic, growing economy where you can live your dreams. This is the future that I offer America. And that is why I ask for your support to finish the job.

Audience members. We want Bush! We want Bush! We want Bush!

The President. Thank you for this fantastic rally. And may God bless the United States of America. Thank you very much.

Note: The President spoke at 5:10 p.m. at Hope College.

Statement on Signing the Instrument of Ratification for the United Nations Framework Convention on Climate Change

October 13, 1992

Today I have signed the instrument of ratification for the United Nations Framework Convention on Climate Change, which I submitted to the U.S. Senate for advice and consent on September 8, 1992. The Senate consented to ratification on October 7, 1992. With this action, the United States becomes the first industrialized nation (and the fourth overall) to ratify this historic treaty.

I signed this convention on June 12, 1992, in Rio de Janeiro at the United Nations Conference on Environment and Development (UNCED). The convention was also signed by 153 other nations and the European Community. Today I am calling on them to join us in ratifying the convention as soon as possible and making a prompt start in its implementation.

The Climate Convention is the first step in crucial long-term international efforts to address climate change. The international community moved with unprecedented speed in negotiating this convention and thereby beginning the response to climate change.

As proposed by the United States, the convention is comprehensive in scope and action-oriented. All parties must inventory all sources and sinks of greenhouse gases and establish national climate change programs. Industrialized countries must go further, outlining in detail the programs and measures they will undertake to limit greenhouse emissions and adapt to climate change and quantifying expected results. Parties will meet on a regular basis to review and update those plans in the light of evolving scientific and economic information.

Since UNCED, the United States has begun to refine its national action plan, based on the U.S. climate change strategy first announced in February 1991 and updated in April 1992. The United States was one of the first nations to lay out its action plan, which will reduce projected levels of net greenhouse gas emissions in the year 2000 by as much as 11 percent.

Through such measures as the newly enacted national energy legislation, the Clean Air Act Amendments of 1990, the Intermodal Surface Transportation Efficiency Act of 1992, and other programs and policies of this administration, I am confident the United States will continue to lead the world in taking economically sensible actions to reduce the threat of climate change.

The United States is also assisting developing nations with their treaty obligations. Specifically, we are committed to providing $25 million to help such nations fund ``country studies'' that will inventory each country's sources and sinks of greenhouse gases and identify options for mitigating and adapting to climate change. The United States hosted an international workshop

from September 14 to 16 at the Department of Energy's Lawrence Berkeley Laboratory in California to plan these country studies.

We look forward to the December session of the Intergovernmental Negotiating Committee, December 7 - 10 in Geneva, to discuss with other parties how best to move forward in promoting the objectives of the treaty.

Statement by Press Secretary Fitzwater on Namibia's Accession to the Nuclear Non-Proliferation Treaty

October 13, 1992

The United States welcomes and commends the Government of Namibia's accession on October 7, 1992, to the Nuclear Non-Proliferation Treaty (NPT). The administration has been encouraging President Nujoma to make this important decision. Namibia's accession to the NPT represents a positive response to the international community's heightened concern about the global spread of weapons of mass destruction.

The United States firmly believes this action by Namibia represents another important step toward strengthening international security as well as peace and cooperation in southern Africa.

Letter to Congressional Leaders on the Partial Suspension of the Davis-Bacon Act

October 14, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report that I have exercised my statutory authority under section 6 of the Davis-Bacon Act, 40 U.S.C. 276a - 5, to suspend the provisions of sections 276a to 276a - 5 of the Davis-Bacon Act in the event of a national emergency. I have found that the conditions caused by Hurricanes Andrew and Iniki constitute a ``national emergency'' within the meaning of section 6. I have, therefore, suspended the provisions of the Davis-Bacon Act in designated areas in the States of Florida, Louisiana, and Hawaii.

This action is more fully set out in the enclosed proclamation that I have issued today.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The proclamation is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on Russian Action To Resolve Questions Concerning the Korean Airlines Flight 007 Incident

October 14, 1992

Russian President Boris Yeltsin met today in Moscow with U.S. Ambassador Robert Strauss and family members of Americans killed in the Soviet shootdown of Korean Airlines flight 007 in September 1983. President Yeltsin offered his condolences to the American people, the American families of the victims, and the other countries involved. He also transferred to the United States important documents and information concerning the shootdown from Soviet archives, including information pertaining to the aircraft's black box.

The President is deeply grateful to President Yeltsin for this courageous effort to resolve the many questions which still linger from one of the cold war's greatest tragedies. President Yeltsin's actions demonstrate once again the benefits from the new U.S.-Russian relationship which is grounded in cooperation, respect, and a commitment to forge together a new era of peace.

Today's meeting followed years of discussion of the KAL tragedy between the United States and the Soviet and Russian Governments. The President and other senior American officials have raised this issue repeatedly during the last 2 years in an effort to discover the truth concerning the deaths of 63 American citizens who were aboard the flight.

The delegation of American family members will continue discussions with the Russian Government in Moscow this week on the important issues that remain to be resolved, including disposition of the remains and personal effects of the victims which may have been uncovered during the Soviet search effort, the families' desire to hold a memorial service near the crash site, and ex gratia payments to each American family. The administration supports the family members in their efforts to reach a final resolution of all issues concerning this tragedy.

Statement by Press Secretary Fitzwater on the 1992 Winners of the Malcolm Baldrige National Quality Awards

October 14, 1992

The President today congratulates the five winners of the 1992 Malcolm Baldrige Quality Award for excellence in quality management.

The winners in the manufacturing category are AT&T Network Systems Group/Transmission Business Unit of Morristown, NJ, and Texas Instruments Inc. Defense Systems and Electronics Group of Dallas, TX. The winners in the service category are AT&T Universal Card Services of Jacksonville, FL, and the Ritz-Carlton Hotel Co. of Atlanta, GA. In the small business category, the winner is the Granite Rock Co. of Watsonville, CA.

The Baldrige Award is given annually, in memory of the late Commerce Secretary Malcolm Baldrige, to acknowledge exemplary efforts of U.S. companies in instilling in their workplaces a commitment to quality products and services.

Statement on Signing the Advisory Council on California Indian Policy Act of 1992

October 14, 1992

I am signing into law H.R. 2144, the ``Advisory Council on California Indian Policy Act of 1992." The Council is to review the status of, and Federal policy towards, California Indian tribes.

In 1978 the Department of the Interior established the Federal Acknowledgment Process to ensure that all petitions for recognition as a federally recognized tribe would be evaluated in an objective and uniform manner. The process, developed with the support of the Indian tribes and the Congress, provides each petitioning group the opportunity for an unbiased, detailed review of its petition.

I support the Federal Acknowledgment Process for the review of all petitions for tribal recognition. It is a stated policy objective of the Administration to restore terminated tribal entities, as appropriate. I do not, however, support establishment of separate recognition procedures or policies exclusive to one State. I note that the members of the Council created under this Act are effectively selected by various California Indian tribes. Thus they are not appointed in conformity with the Appointments Clause of the Constitution, Article II, section 2, clause 2. I sign this bill on the understanding that the Council will serve only in an advisory capacity. In particular, I note that the tribal and descendency lists created by the Council may not, without further congressional action, serve as the basis for determining eligibility for Federal funds or benefits.

Finally, I am also troubled that, although the advice of the Council may influence important decisions, members and staff have been specifically exempted from any restrictions involving financial conflicts of interest. There does not appear to be any justification for this exemption. In order to protect the integrity of the Council, I direct the Secretary of the Interior, in consultation with the Director of the Office of Government Ethics, to ensure that, as a condition of appointment, members and staff of the Council agree to abide by appropriate standards of conduct set forth in 5 C.F.R. 2635.

George Bush

The White House,

October 14, 1992.

Note: H.R. 2144, approved October 14, was assigned Public Law No. 102 - 416. This statement

was released by the Office of the Press Secretary on October 15.

Presidential Debate in Richmond, Virginia

October 15, 1992

Carole Simpson. Good evening, and welcome to the second of three Presidential debates between the major candidates for President of the United States. The candidates are the Republican nominee, President George Bush; the independent, Ross Perot; and Governor Bill Clinton, the Democratic nominee.

My name is Carole Simpson, and I will be the moderator for tonight's 90-minute debate which is coming to you from the campus of the University of Richmond in Richmond, Virginia.

Now, tonight's program is unlike any other Presidential debate in history. We're making history now, and it's pretty exciting. An independent polling firm has selected an audience of 209 uncommitted voters from this area. The candidates will be asked questions by these voters on a topic of their choosing, anything they want to ask about. My job as moderator is to, you know, take care of the questioning, ask questions myself if I think there needs to be continuity and balance, and sometimes I might ask the candidates to respond to what another candidate may have said.

Now, the format has been agreed to by representatives of both the Republican and Democratic campaigns, and there is no subject matter that is restricted. Anything goes. We can ask anything. After the debate the candidates will have an opportunity to make a closing statement.

So, President Bush, I think you said it earlier, let's get it on.

President Bush. Let's go.

Ms. Simpson. And I think the first question is over here.

Foreign Trade and Domestic Jobs

Q. I'd like to direct my question to Mr. Perot. What will you do as President to open foreign markets to fair competition from American business and to stop unfair competition here at home from foreign countries so that we can bring jobs back to the United States?

Mr. Perot. That's right at the top of my agenda. We've shipped millions of jobs overseas, and we have a strange situation because we have a process in Washington where after you've served for a while, you cash in, become a foreign lobbyist, make $30,000 a month, then take a leave, work on Presidential campaigns, make sure you got good contacts, and then go back out.

Now, if you just want to get down to brass tacks, first thing you ought to do is get all these folks

that have got these one-way trade agreements that we've negotiated over the years and say, ``Fellas, we'll take the same deal we gave you.'' They'll gridlock right at that point, because, for example, we've got international competitors who simply could not unload their cars off the ships if they had to comply, you see, if it was a two-way street, just couldn't do it.

We have got to stop sending jobs overseas. To those of you in the audience who are business people, pretty simple: If you're paying $12, $13, $14 an hour for factory workers, and you can move your factory south of the border, pay $1 an hour for labor, hire young -- let's assume you've been in business for a long time; you've got a mature work force -- pay $1 an hour for your labor, have no health care -- that's the most expensive single element in making a car -- have no environmental controls, no pollution controls, and no retirement, and you don't care about anything but making money, there will be a giant sucking sound going south. So if the people send me to Washington, the first thing I'll do is study that 2,000-page agreement and make sure it's a two-way street.

I have one last part here. I decided I was dumb and didn't understand it, so I called the ``Who's Who'' of the folks that have been around it. And I said, ``Why won't everybody go south?'' They say, ``It would be disruptive.'' I said, ``For how long?'' I finally got them up for 12 to 15 years. And I said, ``Well, how does it stop being disruptive?'' And that is, when their jobs come up from $1 an hour to $6 an hour, and ours go down to $6 an hour, then it's leveled again. But in the meantime, you've wrecked the country with these kinds of deals. We've got to cut it out.

Ms. Simpson. Thank you, Mr. Perot. I see that the President has stood up, so he must have something to say about this.

President Bush. Well, Carole, the thing that saved us in this global economic slowdown has been our exports, and what I'm trying to do is increase our exports. If, indeed, all the jobs were going to move south because of lower wages, there are lower wages now, and they haven't done that. So I have just negotiated with the President of Mexico the North American free trade agreement, and the Prime Minister of Canada, I might add. I want to have more of these free trade agreements because export jobs are increasing far faster than any jobs that may have moved overseas. That's a scare tactic, because it's not that many. But any one that's here, we want to have more jobs here, and the way to do that is to increase our exports.

Some believe in protection. I don't. I believe in free and fair trade. That's the thing that saved us. And so I will keep on, as President, trying to get a successful conclusion to the GATT round, the big Uruguay round of trade which will really open up markets for our agriculture, particularly. I want to continue to work after we get this NAFTA agreement ratified this coming year. I want to get one with Eastern Europe. I want to get one with Chile. Free and fair trade is the answer, not protection.

As I say, we've had tough economic times, and it's exports that have saved us, exports that have

built -- --

Ms. Simpson. Governor Clinton.

Governor Clinton. I'd like to answer the question, because I've actually been a Governor for 12 years, so I've known a lot of people who have lost their jobs because of jobs moving overseas, and I know a lot of people whose plants have been strengthened by increasing exports.

The trick is to expand our export base and to expand trade on terms that are fair to us. It is true that our exports to Mexico, for example, have gone up, and our trade deficit's gone down. It's also true that just today a record-high trade deficit was announced with Japan.

So what is the answer? Let me just mention three things very quickly. Number one, make sure that other countries are as open to our markets as our markets are to them. If they're not, have measures on the books that don't take forever and a day to implement.

Number two, change the Tax Code. There are more deductions in the Tax Code for shutting plants down and moving overseas than there are for modernizing plants and equipment here. Our competitors don't do that. Emphasize and subsidize modernizing plants and equipment here, not moving plants overseas.

Number three, stop the Federal Government's program that now gives low interest loans and job training funds to companies that will actually shut down and move to other countries, but we won't do the same thing for plants that stay here. So more trade, but on fair terms, and favor investment in America.

Ms. Simpson. Thank you. I think we have a question over here.

Federal Deficit

Q. This is for Governor Clinton. In the real world, that is, outside of Washington, DC, compensation and achievement are based on goals defined and achieved. My question is about the deficit. Would you define in specific dollar goals how much you would reduce the deficit in each of the 4 years of a Clinton administration and then enter into a legally binding contract with the American people that if you did not achieve those goals that you would not seek a second term? Answer yes or no, and then comment on your answer, please.

Governor Clinton. No, and here's why; I'll tell you exactly why, because the deficit now has been building up for 12 years. I'll tell you exactly what I think can be done. I think we can bring it down by 50 percent in 4 years and grow the economy.

Now, I could get rid of it in 4 years in theory on the books now, but to do it you'd have to raise

taxes too much and cut benefits too much to people who need them, and it would even make the economy worse.

Mr. Perot will tell you, for example, that the expert he hired to analyze his plan says that it will bring the deficit down in 5 years, but it will make unemployment bad for 4 more years. So my view is, sir, you have to increase investment, grow the economy, and reduce the deficit by controlling health care costs, prudent reductions in defense, cuts in domestic programs, and asking the wealthiest Americans and foreign corporations to pay their fair share of taxes, and investing in growing this economy.

I ask everybody to look at my economic ideas. Nine Nobel Prize winners and over 500 economists and hundreds of business people, including a lot of Republicans, said this is the way you've got to go. If you don't grow the economy, you can't get it done. But I can't foresee all the things that will happen, and I don't think a President should be judged solely on the deficit.

Let me also say we're having an election today. You'll have a shot at me in 4 years, and you can vote me right out if you think I've done a lousy job. I would welcome you to do that.

Ms. Simpson. Mr. President?

President Bush. Well, I've got to -- I'm a little confused here because I don't see how you can grow the deficit down by raising people's taxes. You see, I don't think the American people are taxed too little. I think they're taxed too much. I went for one tax increase, and when I make a mistake, I admit it, say that wasn't the right thing to do. Governor Clinton's program wants to tax more and spend more: $150 billion in new taxes, spend another $220 billion. I don't believe that's the way to do it.

Here's some things that will help. Give us a balanced budget amendment. He always talks about Arkansas having a balanced budget, and they do. But he has a balanced budget amendment; have to do it. I'd like the Government to have that. I think it would discipline not only the Congress, which needs it, but also the executive branch.

I'd like to have what 43 Governors have, the line-item veto. So if the Congress can't cut, we've got a reckless spending Congress, let the President have a shot at it by wiping out things that are pork barrel or something of that nature.

I've proposed another one. Some sophisticates think it may be a little gimmicky. I think it's good. It's a check-off. It says to you as a taxpayer -- say, you're going to pay a tax of $1,000 or something; you can check 10 percent of that if you want to in one box, and that 10 percent, $100, or if you're paying $10,000, whatever it is, $1,000, check it off, and make the Government, make it lower the deficit by that amount. If the Congress won't do it, if they can't get together and negotiate how to do that, then you'd have a sequester across the board. You'd

exempt Social Security. I don't want to tax or touch Social Security. I'm the President that said, ``Hey, don't mess with Social Security.'' And we haven't.

So I believe we need to control the growth of mandatory spending, back to this gentleman's question, that's the main growing thing in the budget. The program that the President -- two-thirds of the budget, I, as President, never get to look at, never get to touch. We've got to control that growth to inflation and population increase, but not raise taxes on the American people now. I just don't believe that would stimulate any kind of growth at all.

Ms. Simpson. How about you, Mr. Perot?

Mr. Perot. Well, we're $4 trillion in debt, and we're going into debt an additional $1 billion, a little more than $1 billion, every working day of the year. Now, the thing I love about it -- I'm just a businessman. I was down in Texas, taking care of business, tending to my family. This situation got so bad that I decided I had better get into it. The American people asked me to get into it. But I just find it fascinating that while we sit here tonight, we will go into debt an additional $50 million in an hour and a half.

Now, it's not the Republicans' fault, of course, and it's not the Democrats' fault. What I'm looking for is who did it? Now, they're the two folks involved; so maybe if you put them together, they did it. Now, the facts are we have to fix it.

I'm here tonight for these young people up here in the balcony from this college. When I was a young man, when I got out of the Navy, I had multiple job offers. Young people with high grades can't get a job. The 18- to 24-year-old high school graduates 10 years ago were making more than they are now. In other words, we were down to -- 18 percent of them were making -- the 18- to 24-year-olds were making less than $12,000. Now that's up to 40 percent. And what's happening in the meantime? The dollar's gone through the floor.

Now, whose fault is that? Not the Democrats; not the Republicans. Somewhere out there there's an extraterrestrial that's doing this to us, I guess. [Laughter] And everybody says they take responsibility. Somebody, somewhere has to take responsibility for this. Put it to you bluntly, the American people: If you want me to be your President, we're going to face our problems. We'll deal with the problems. We'll solve our problems. We'll pay down our debt. We'll pass on the American dream to our children. I will not leave our children a situation that they have today.

When I was a boy, it took two generations to double the standard of living. Today it will take 12 generations. Our children will not see the American dream because of this debt that somebody, somewhere dropped on us.

Ms. Simpson. You're all wonderful speakers, and I know you have lots more to add. But I have talked to this audience, and they have lots of questions on other topics. Can we move to another

topic, please?

We have one up here, I think.

Presidential Campaign

Q. Yes, I'd like to address all the candidates with this question. The amount of time the candidates have spent in this campaign trashing their opponents' character and their programs is depressingly large. Why can't your discussions and proposals reflect the genuine complexity and the difficulty of the issues to try to build a consensus around the best aspects of all proposals?

Ms. Simpson. Who wants to take that one? Mr. Perot, you have an answer for everything, don't you? Go right ahead, sir. [Laughter]

Mr. Perot. No, I don't have an answer for everything. As you all know, I've been buying 30-minute segments to talk about issues. Tomorrow night on NBC from 10:30 to 11, eastern, we're going to talk about how you pay the debt down. So we're going to come right down to that one, see. We'll be on again Saturday night 8 to 9 o'clock on ABC. [Laughter]

Ms. Simpson. Okay, okay.

Mr. Perot. So the point is, finally, I couldn't agree with you more, couldn't agree with you more. And I have said again and again and again, let's get off mud wrestling. Let's get off personalities, and let's talk about jobs, health care, crime, the things that concern the American people. I'm spending my money, not PAC money, not foreign money, my money to take this message to the people.

Ms. Simpson. Thank you, Mr. Perot. So that seems directed. He would say it's you gentlemen that have been doing that. Mr. Clinton, Governor Clinton, how do you -- President Bush, how would you like to respond?

President Bush. Well, first place, I believe that character is a part of being President. I think you have to look at it. I think that has to be a part of candidate for President or being President. In terms of programs, I've submitted, what, four different budgets to the United States Congress in great detail. They're so heavy they'd give you a broken back. Everything in there says what I am for. Now, I've come out with a new agenda for America's renewal, a plan that I believe really will help stimulate the growth of this economy.

My record on world affairs is pretty well-known because I've been President for 4 years. So I feel I've been talking issues. Nobody likes ``who shot John,'' but I think the first negative campaign run in this election was by Governor Clinton. And I'm not going to sit there and be a punching bag. I'm going to stand up and say, ``Hey, listen, here's my side of it.'' But character is

an important part of the equation.

The other night, Governor Clinton raised -- I don't know if you saw the debate the other night, suffered through that. [Laughter] Well, he raised a question of my father. It was a good line, well-rehearsed and well-delivered. But he raised a question of my father and said, ``Well, your father, Prescott Bush, was against McCarthy. You should be ashamed of yourself -- McCarthyism."

I remember something my dad told me. I was 18 years old, going to Penn Station to go into the Navy. He said, ``Write your mother," which I faithfully did. He said, ``Serve your country." My father was an honor, duty, and country man. And he said, ``Tell the truth." And I've tried to do that in public life, all through it. That has said something about character.

My argument with Governor Clinton -- you can call it mud wrestling, but I think it's fair to put it in focus -- is I am deeply troubled by someone who demonstrates and organizes demonstration in a foreign land when his country's at war. Probably a lot of kids here disagree with me, but that's what I feel. That's what I feel passionately about. I'm thinking of Ross Perot's running mate sitting in the jail; how would he feel about it? But maybe that's generational. I don't know.

But the big argument I have with the Governor on this is this taking different positions on different issues, trying to be one thing to one person here that's opposing the NAFTA agreement and then for it; what we call waffling. And I do think that you can't turn the White House into the waffle house. You've got to say what you're for. And you have got to -- --

Ms. Simpson. Mr. President, I am getting time cues, and with all due respect, I'm sorry.

President Bush. Excuse me, I don't want to -- no, go ahead, Carole.

Ms. Simpson. Governor Clinton.

President Bush. I get wound up because I feel strongly.

Ms. Simpson. Yes, you do. [Laughter]

Governor Clinton. Let me say first of all to you that I believe so strongly in the question you asked that I suggested this format tonight. I started doing these formats a year ago in New Hampshire, and I found that we had huge crowds because all I did was let people ask questions, and I tried to give very specific answers. I also had a program starting last year.

I've been disturbed by the tone and the tenor of this campaign. Thank goodness the networks have a fact check so I don't have to just go blue in the face anymore. Mr. Bush said once again tonight I was going to have a $150 billion tax increase. When Mr. Quayle said that, all the networks said: that's not true; he's got over $100 billion in tax cuts and incentives.

So I'm not going to take up your time tonight, but let me just say this. We'll have a debate in 4 days, and we can talk about this character thing again, but the Washington Post ran a long editorial today saying they couldn't believe Mr. Bush was making character an issue, and they said he was the greatest political chameleon, for changing his positions, of all time.

Now, I don't want to get into that -- --

President Bush. Please don't say anything by the Washington Post.

Governor Clinton. Wait a minute. Let's don't -- you don't have to believe that. Here's my point. I'm not interested in his character. I want to change the character of the Presidency. And I'm interested in what we can trust him to do and what you can trust me to do and what you can trust Mr. Perot to do for the next 4 years. So I think you're right, and I hope the rest of the night belongs to you.

Ms. Simpson. May I -- I talked to this audience before you gentlemen came, and I asked them about how they felt about the tenor of the campaign. Would you like to let them know what you thought about that, when I said, ``Are you pleased with how the campaign's been going?"

Audience members. No!

Ms. Simpson. Who wants to say why you don't like the way the campaign is going? We have a gentleman back here?

Focusing on Issues

Q. If I may, and forgive the notes here, but I'm shy on camera. The focus of my work as a domestic mediator is meeting the needs of the children that I work with by way of their parents, and not the wants of their parents. I ask the three of you, how can we as, symbolically, the children of the future President, expect the two of you, the three of you, to meet our needs, the needs in housing and in crime and you name it, as opposed to the wants of your political spin doctors and your political parties?

Ms. Simpson. So your question is -- --

Q. Can we focus on the issues and not the personalities and the mud? I think there is a need -- if we could take a poll here with the folks from Gallup, perhaps -- I think there is a real need here to focus at this point on the needs.

Ms. Simpson. How do you respond? How do you gentlemen respond to -- --

Governor Clinton. I agree with him.

Ms. Simpson. President Bush?

President Bush. Let's do it. Let's talk about programs for children.

Q. Could we cross our hearts, and it sounds silly here, but could we make a commitment? You know, we're not under oath at this point, but could you make a commitment to the citizens of the United States to meet our needs, and we have many, and not yours again? You know, I repeat that; that's a real need I think that we all have.

President Bush. I think it depends on how you define it. I mean, I think, in general, let's talk about these issues, let's talk about the programs. But in the Presidency, a lot goes into it. Caring goes into it; that's not particularly specific. Strength goes into it; that's not specific. Standing up against aggression; that's not specific in terms of a program. This is what a President has to do.

So, in principle, though, I'll take your point. I think we ought to discuss child care or whatever else it is.

Ms. Simpson. And you two?

Governor Clinton. Ross had his hand up.

Mr. Perot. No hedges, no ifs, ands, and buts, I'll take the pledge, because I know the American people want to talk about issues and not tabloid journalism. So I'll take the pledge, and we'll stay on the issues.

Now, just for the record, I don't have any spin doctors. I don't have any speechwriters. Probably shows. [Laughter] I make those charts you see on television even. [Laughter] But you don't have to wonder if it's me talking. Hey, what you see is what you get. If you don't like it, you've got two other choices, right?

Governor Clinton. Wait a minute. I want to say just one thing now, Ross, in fairness. The ideas I express are mine. I've worked on these things for 12 years, and I'm the only person up here who hasn't been part of Washington in any way for the last 20 years. So I don't want the implication to be that somehow everything we say is just cooked up and put in our head by somebody else. I worked 12 years very hard as a Governor on the real problems of real people. I'm just as sick as you are by having to wake up and figure out how to defend myself every day. I never thought I'd ever be involved in anything like this.

Mr. Perot. May I finish?

Ms. Simpson. Yes, you may finish.

Mr. Perot. Very briefly?

Ms. Simpson. Yes, very briefly.

Mr. Perot. I don't have any foreign money in my campaign. I don't have any foreign lobbyists on leave in my campaign. I don't have any PAC money in my campaign. I've got 5\1/2\ million hard-working people who have put me on the ballot, and I belong to them.

Ms. Simpson. Okay.

Mr. Perot. And they are interested in what you're interested in. I'll take the pledge. I've already taken the pledge on cutting the deficit in half. I never got to say that. There's a great young group, Lead or Leave, college students, young people who don't want us to spend their money. I took the pledge we'd cut it out.

Ms. Simpson. Thank you. We have a question here.

Domestic Infrastructure

Q. Yes. I would like to get a response from all three gentlemen. And the question is, what are your plans to improve the physical infrastructure of this Nation, which includes the water system, the sewer system, our transportation systems, et cetera? Thank you.

Ms. Simpson. The cities. Who is going to fix the cities, and how?

President Bush. I'd be glad to take a shot at it.

Ms. Simpson. Please.

President Bush. I'm not sure that -- and I can understand if you haven't seen this because there's been a lot of hue and cry. We passed this year the most farthest looking transportation bill in the history of this country since Eisenhower started the interstate highways, $150 billion for improving the infrastructure. That happened when I was President. So I am very proud of the way that came about, and I think it's a very, very good beginning.

Like Mr. Perot, I am concerned about the deficits. And $150 billion is a lot of money, but it's awful hard to say we're going to go out and spend more money when we're trying to get the deficit down. But I would cite that as a major accomplishment.

We hear all the negatives. When you're President, you expect this. Everybody's running against the incumbent. They can do better; everyone knows that. But here's something that we can take great pride in because it really does get to what you're talking about. Our home initiative, our homeownership initiative, HOPE, that passed the Congress is a good start for having people own their own homes instead of living in these deadly tenements.

Our enterprise zones that we hear a lot of lip service about in Congress would bring jobs into the inner city. There's a good program. I need the help of everybody across this country to get it passed in substantial way by the Congress.

When we went out to South Central in Los Angeles -- some of you may remember the riots there. I went out there. I went to a boys club, and every one of them, the boys club leaders, the ministers, all of them were saying, pass enterprise zones. We go back to Washington, and very difficult to get it through the Congress.

But there's going to be a new Congress. No one likes gridlock. There's going to be a new Congress because the old one, I don't want to get this man mad at me, but there was a post office scandal and a bank scandal. You're going to have a lot of new Members of Congress. And then you can sit down and say, ``Help me do what we should for the cities. Help me pass these programs."

Ms. Simpson. Mr. President, aren't you threatening to veto the bill, the urban aid bill, that included enterprise zones?

President Bush. Sure, but the problem is you get so many things included in a great big bill that you have to look at the overall good. That's the problem with our system. If you had a line-item veto, you could knock out the pork. You could knock out the tax increases, and you could do what the people want, and that is create enterprise zones.

Ms. Simpson. Governor Clinton, you're chomping at the bit.

Governor Clinton. That bill pays for these urban enterprise zones by asking the wealthiest Americans to pay a little more, and that's why he wants to veto it, just like he vetoed an earlier bill this year. This is not mud slinging. This is fact slinging.

President Bush. There you go.

Governor Clinton. A bill earlier this year -- this is fact -- that would have given investment tax credits and other incentives to reinvest in our cities and our country. But it asked the wealthiest Americans to pay a little more. Mr. Perot wants to do the same thing. I agree with him. I mean, we agree with that.

Let me tell you specifically what my plan does: My plan would dedicate $20 billion a year in each of the next 4 years for investments in new transportation, communications, environmental cleanup, and new technologies for the 21st century. We would target it especially in areas that have been either depressed or which have lost a lot of defense-related jobs.

There are 200,000 people in California, for example, who have lost their defense-related jobs. They ought to be engaged in making high-speed rail. They ought to be engaged in breaking ground in other technologies, doing waste recycling, clean water technology, and things of that kind. We can create millions of jobs in these new technologies, more than we're going to lose in defense if we target it. But we're investing a much smaller percentage of our income in the things you just asked about than all of our major competitors. Our wealth growth is going down as a result of it. It's making the country poorer, which is why I answered the gentleman the way I did before.

We have to both bring down the deficit and get our economy going through these kinds of investments in order to get the kind of wealth and jobs and incomes we need in America.

Ms. Simpson. Mr. Perot, what about your plans for the cities? You want to tackle the economy and the deficit first.

Mr. Perot. First, you've got to have money to pay for these things. So you've got to create jobs, and there are all kinds of ways to create jobs in the inner city. Now, I am not a politician, but I think I could go to Washington in a week and get everybody holding hands and get this bill signed, because I talked to the Democratic leaders, and they want it. I talked to the Republican leaders, and they want it. But since they are bred from childhood to fight with one another rather than get results, I would be glad to drop out and spend a little time and see if we couldn't build some bridges.

Now, results is what counts. The President can't order Congress around. Congress can't order the President around. That's not bad for a guy that's never been there, right? But you have to work together. Now, I have talked to the chairmen of the committees that want this; they're Democrats. The President wants it. But we can't get it because we sit here in gridlock because it's a campaign year. We didn't fund a lot of other things this year, like the savings and loan mess. That's another story that we're going to pay a big price for right after the election.

The facts are, though, the facts are the American people are hurting. These people are hurting in the inner cities. We're shipping the low-paying, quote, ``low-paying'' jobs overseas. What are low-paying jobs? Textiles, shoes, things like that that we say are yesterday's industries. They're tomorrow's industries in the inner city.

Let me say in my case, if I'm out of work, I'll cut grass tomorrow to take care of my family. I'll be happy to make shoes. I'll be happy to make clothing. I'll make sausage. You just give me a

job. Put those jobs in the inner cities, instead of doing diplomatic deals and shipping them to China, where prison labor does the work.

Washington Gridlock

Ms. Simpson. Mr. Perot, everybody thought you won the first debate because you were plain-speaking, and you make it sound, oh, so simple. ``We'll just do it." What makes you think that you're going to be able to get the Democrats and Republicans together any better than these guys?

Mr. Perot. If you asked me if I could fly a fighter plane or be an astronaut, I can't. I've spent my life creating jobs. It's something I know how to do, and very simply in the inner city, they're starved. You see, small businesses is the way to jump-start the inner city.

Ms. Simpson. Are you answering my question? [Laughter]

Mr. Perot. You want jobs in the inner city? Do you want jobs in the inner city? Is that your question?

Ms. Simpson. No, I want you to tell me how you're going to be able to get the Republicans and Democrats in Congress -- --

Mr. Perot. Oh, I'm sorry.

Ms. Simpson. -- -- to work together better than these two gentlemen.

Mr. Perot. I've listened to both sides. If they would talk to one another instead of throwing rocks, I think we could get a lot done. And among other things, I would say, okay, over here in this Senate committee, to the chairman who is anxious to get this bill passed, to the President who's anxious, I'd say, ``Rather than just yelling at one another, why don't we find out where we're apart; try to get together. Get the bill passed, and give the people the benefits, and not play party politics right now."

I think the press would follow that so closely that probably they would get it done. That's the way I would do it. I doubt if they'll give me the chance, but I will drop everything and go work on it.

Ms. Simpson. Okay. I have a question here.

Gun Control and Crime

Q. My question was originally for Governor Clinton, but I think I would welcome a response from all three candidates. As you are aware, crime is rampant in our cities. In the Richmond area, and I'm sure it's happened elsewhere, 12-year-olds are carrying guns to school. And I'm sure when our Founding Fathers wrote the Constitution, they did not mean for the right to bear arms to apply to 12-year-olds. So I'm asking, where do you stand on gun control, and what do you plan to do about it?

Ms. Simpson. Governor Clinton?

Governor Clinton. I support the right to keep and bear arms. I live in a State where over half the adults have hunting or fishing licenses or both. But I believe we have to have some way of checking handguns before they're sold, to check the criminal history, the mental health history, and the age of people who are buying them. Therefore, I support the Brady bill, which would impose a national waiting period, unless and until a State did what only Virginia has done now, which is to automate its records. Once you automate your records, then you don't have to have a waiting period, but at least you can check.

I also think we should have, frankly, restrictions on assault weapons, whose only purpose is to kill. We need to give the police a fighting chance in our urban areas where the gangs are building up.

The third thing I would say doesn't bear directly on gun control, but it's very important. We need more police on the street. There is a crime bill which would put more police on the street, which was killed for this session by a filibuster in the Senate, mostly by Republican Senators. I think it's a shame it didn't pass. I think it should be made the law, but it had the Brady bill in it, the waiting period.

I also believe that we should offer college scholarships to people who will agree to work them off as police officers. I think as we reduce our military forces, we should let people earn military retirement by coming out and working as police officers.

Thirty years ago there were three police officers on the street for every crime. Today, there are three crimes for every police officer. In the communities which have had real success putting police officers near schools where kids carry weapons, to get the weapons out of the schools, or on the same blocks, you've seen crime go down. In Houston there's been a 15-percent drop in the crime rate in the last year because of the work the Mayor did there in increasing the police force. So I know it can work. I've seen it happen.

Ms. Simpson. Thank you.

President Bush?

President Bush. I think you put your finger on a major problem. I talk about strengthening the American family. It's very hard to strengthen the family if people are scared to walk down to the corner store and send their kid down to get a loaf of bread. It's very hard. I have been fighting for very strong anticrime legislation: habeas corpus reform, so you don't have these endless appeals; so when somebody gets sentenced, hey, this is for real. I've been fighting for changes in the exclusionary rule, so if an honest cop stops somebody and makes a technical mistake, the criminal doesn't go away. I'll probably get into a fight in this room with some, but I happen to think that we need stronger death penalties for those that kill police officers.

Virginia's in lead in this, as Governor Clinton properly said, on this identification system for firearms. I am not for national registration of firearms. Some of the States that have the toughest antigun laws have the highest levels of crime. I am for the right -- as the Governor says, I'm a sportsman, and I don't think you ought to eliminate all kinds of weapons.

But I was not for the bill that he was talking about because it was not tough enough on the criminal. I'm very pleased that the Fraternal Order of Police in Little Rock, Arkansas, endorsed me, because I think they see I'm trying to strengthen the anticrime legislation. We've got more money going out for local police than any previous administration.

So we've got to get it under control. And as one last point I'd make: drugs. We have got to win our national strategy against drugs, the fight against drugs. We're making some progress, doing a little better on interdiction. We're not doing as well amongst the people that get to be habitual drug users. The good news is, and I think it's true in Richmond, teenage use is down of cocaine substantially, 60 percent in the last couple of years. So we're making progress. But until we get that one done, we're not going to solve the neighborhood crime problem.

Ms. Simpson. Mr. Perot, there are young black males in America dying at unprecedented -- --

Mr. Perot. I would just make a comment on this.

Ms. Simpson. Yes, I'm getting -- --

Mr. Perot. Oh, you're going to elaborate. Okay, excuse me.

Ms. Simpson. -- -- to the fact that homicide is the leading cause of death among young black males, 15 to 24 years old. What are you going to do to get the guns off the street?

Mr. Perot. On any program, and this includes crime, you'll find we have all kinds of great plans lying around that never get enacted into law and implemented. I don't care what it is, competitiveness, health care, crime, you name it. The Brady bill, I agree that it's a timid step in the right direction, but it won't fix it. So why pass a law that won't fix it?

Now, what it really boils down to is can you live -- we have become so preoccupied with the rights of the criminal that we have forgotten the rights of the innocent. In our country, we have evolved to a point where we've put millions of innocent people in jail, because you go to the poor neighborhoods and they've put bars on their windows and bars on their doors and put themselves in jail to protect the things that they acquired legitimately. Now, that's where we are.

We have got to become more concerned about people who play by the rules and get the balance we require. This is going to take, first, building a consensus in grassroots America. Right from the bottom up, the American people have got to say they want it. And at that point, we can pick from a variety of plans and develop new plans. And the way you get things done is bury yourselves in the room with one another, put together the best program, take it to the American people, use the electronic town hall, the kind of thing you're doing here tonight, build a consensus, and then do it and then go on to the next one. But don't just sit here slow dancing for 4 years doing nothing.

Ms. Simpson. Thank you. Thank you, Mr. Perot.

We have a question up here.

Term Limits

Q. Please state your position on term limits. And if you are in favor of them, how will you get them enacted?

President Bush. Any order? I'll be glad to respond. I strongly support term limits for Members of the United States Congress. I believe it would return the Government closer to the people, the way that Ross Perot is talking about. The President's terms are limited to two, a total of 8 years. What's wrong with limiting the terms of Members of Congress to 12? Congress has gotten kind of institutionalized. For 38 years, one party has controlled the House of Representatives. And the result? A sorry little post office that can't do anything right and a bank that has more overdrafts than all of Chase Bank and Citibank put together.

We've got to do something about it. I think you get a certain arrogance, bureaucratic arrogance if people stay there too long. So I favor, strongly favor term limits. And how to get them passed? Send us some people that will pass the idea, and I think you will. I think the American people want it now. Everyplace I go, I talk about it, and I think they want it done.

Actually, you'd have to have some amendments to the Constitution because of the way the Constitution reads.

Ms. Simpson. Thank you.

Governor Clinton?

Governor Clinton. I know they're popular, but I'm against them. I'll tell you why. I believe, number one, it would pose a real problem for a lot of smaller States in the Congress who would have enough trouble now making sure their interests are heard. Number two, I think it would increase the influence of unelected staff members in the Congress who have too much influence already. I want to cut the size of the congressional staffs, but I think you're going to have too much influence there with people who were never elected who have lots of expertise.

Number three, if the people really have a mind to change, they can. You're going to have 120 to 150 new Members of Congress. Now, let me tell you what I favor instead. I favor strict controls on how much you can spend running for Congress, strict limits on political action committees, requirements that people running for Congress appear in open public debates like we're doing now. If you did that, you could take away the incumbent's advantage, because challengers like me would have a chance to run against incumbents like him for the House races and Senate races, and then the voters could make up their own mind without being subject to an unfair fight. So that's how I feel about it, and I think if we had the right kind of campaign reform, we'd get the changes you want.

Ms. Simpson. Mr. Perot, would you like to address term limitations?

Mr. Perot. Yes. Let me do it first on a personal level. If the American people send me up to do this job, I intend to be there one term. I do not intend to spend one minute of one day thinking about reelection. It is a matter of principle. My situation is unique, and I understand it. I will take absolutely no compensation. I go as their servant.

Now, I have set as strong an example as I can. And at that point, when we sit down over at Capitol Hill -- tomorrow night I'm going to be talking about Government reform. It is a long subject; you wouldn't let me finish tonight. If you want to hear it, you can get it tomorrow night. [Laughter] But the point is, you'll hear it tomorrow night. But we have got to reform Government.

If you put term limits in and don't reform Government, you won't get the benefit you thought. It takes both. So we need to do the reforms and the term limits. And after we reform it, it won't be a lifetime career opportunity. Good people will go serve and then go back to their homes, and not become foreign lobbyists and cash in at 30,000 bucks a month, and then take time off to run some President's campaign.

They're all nice people. They're just in a bad system. I don't think there are any villains, but boy, is the system rotten.

Ms. Simpson. Thank you very much.

We have a question over here.

Health Care Reform

Q. I'd like to ask Governor Clinton, do you attribute the rising costs of health care to the medical profession itself, or do you think the problem lies elsewhere? And what specific proposals do you have to tackle this problem?

Governor Clinton. I've had more people talk to me about their health care problems, I guess, than anything else. All across America, people who have lost their jobs, lost their businesses, had to give up their jobs because of sick children -- so let me try to answer you in this way.

Let's start with the premise. We spend 30 percent more of our income than any nation on Earth on health care. And yet, we insure fewer people. We have 35 million people without any insurance at all, and I see them all the time. One hundred thousand Americans a month have lost their health insurance just in the last 4 years.

So if you analyze where we're out of line with other countries you come up with the following conclusions: Number one, we spend at least $60 billion a year on insurance, administrative costs, bureaucracy, and Government regulation that wouldn't be spent in any other nation. So we have to have, in my judgment, a drastic simplification of the basic health insurance policies of this country, be very comprehensive for everybody. Employers would cover their employees. Government would cover the unemployed.

Number two, I think you have to take on specifically the insurance companies and require them to make some significant change in the way they rate people in the big community pools. I think you have to tell the pharmaceutical companies they can't keep raising drug prices at 3 times the rate of inflation. I think you have to take on medical fraud. I think you have to help doctors stop practicing defensive medicine. I've recommended that our doctors be given a set of national practice guidelines and that if they follow those guidelines, that raises the presumption that they didn't do anything wrong. I think you have to have a system of primary preventive clinics in our inner cities and our rural areas so people can have access to health care.

But the key is to control the costs and maintain the quality. To do that, you need a system of managed competition where all of us are covered in big groups, and we can choose our doctors and our hospitals from a wide range, but there is an incentive to control costs. And I think there has to be -- I think Mr. Perot and I agree on this -- there has to be a national commission of health care providers and health care consumers that set ceilings to keep health costs in line with inflation plus population growth.

Now, let me say, some people say we can't do this, but Hawaii does it. They cover 98 percent of

their people, and their insurance premiums are much cheaper than the rest of America. So does Rochester, New York. They now have a plan to cover everybody, and their premiums are two-thirds the rest of the country. This is very important. It's a big human problem and a devastating economic problem for America. I'm going to send a plan to do this within the first 100 days of my Presidency. It's terribly important.

Ms. Simpson. Thank you. Sorry to cut you short, but, President Bush, health care reform.

President Bush. I just have to say something. I don't want to stampede -- Ross was very articulate. Across the country, I don't want anybody to stampede to cut the President's salary off altogether. Barbara is sitting over here, and I -- [laughter] -- but what I have proposed, 10 percent cut, downsize the Government, and we can get that done.

She asked the question, I think, is whether the health care profession was to blame. No. One thing to blame is these malpractice lawsuits. They are breaking the system. It costs $20 to $25 billion a year, and I want to see those outrageous claims capped. Doctors don't dare to deliver babies sometimes because they're afraid that somebody's going to sue them. People don't dare, medical practitioners, to help somebody along the highway that are hurt because they're afraid that some lawyer's going to come along and get a big lawsuit.

So you can't blame the practitioners or the health -- and my program is this: Keep the Government as far out of it as possible, make insurance available to the poorest of the poor through vouchers, next range in the income bracket through tax credits, and get on about the business of pooling insurance. A great, big company can buy -- Ross has got a good size company, been very successful. He can buy insurance cheaper than mom-and-pop stores on the corner. But if those mom-and-pop stores all get together and pool, they, too, can bring the cost of insurance down.

So I want to keep the quality of health care. That means keep Government out of it. I don't like this idea of these boards. It all sounds to me like you're going to have some Government setting price. I want competition, and I want to pool the insurance and take care of it that way.

Here's the other point. I think medical care should go with the person. If you leave a business, I think your insurance should go with you to some other business. You shouldn't be worrying if you get a new job as to whether that's going to -- and part of our plan is to make it what they call portable, big word, but that means if you're working for the Jones Company and you go to the Smith Company, your insurance goes with you. I think it's a good program. I'm really excited about getting it done, too.

Ms. Simpson. Mr. Perot?

Mr. Perot. We have the most expensive health care system in the world. Twelve percent of our

gross national product goes to health care. Our industrial competitors, who are beating us in competition, spend less and have better health care. Japan spends a little over 6 percent of its gross national product; Germany spends 8 percent.

It's fascinating. You bought a front-row box seat, and you're not happy with your health care. You're saying tonight we've got bad health care but very expensive health care. Folks, here's why. Go home and look in the mirror. You own this country, but you have no voice in it the way it's organized now. If you want to have a high-risk experience comparable to bungee jumping -- [laughter] -- go into Congress sometime when they're working on this kind of legislation, when the lobbyists are running up and down the halls. Wear your safety-toe shoes when you go. [Laughter] And as a private citizen, believe me, you are looked on as a major nuisance. The facts are, you now have a Government that comes at you. You're supposed to have a Government that comes from you.

Now, there are all kinds of good ideas, brilliant ideas, terrific ideas on health care. None of them ever get implemented because -- let me give you an example. A Senator runs every 6 years. He's got to raise 20,000 bucks a week to have enough money to run. Who's he going to listen to, us or the folks running up and down the aisle with money, the lobbyists, the PAC money? He listens to them. Who do they represent? Health care industry. Not us.

Now, you've got to have a Government that comes from you again. You've got to reassert your ownership in this country, and you've got to completely reform our Government. And at that point, they'll just be like apples falling out of a tree. The programs will be good because the elected officials will be listening, too. I said the other night I was all ears and I would listen to any good idea. I think we ought to do plastic surgery on a lot of these guys so that they're all ears, too, and listen to you. Then you get what you want, and shouldn't you? You paid for it. Why shouldn't you get what you want as opposed to what some lobbyist cuts a deal, writes the little piece in the law, and it goes through. That's the way the game's played now. Until you change it, you're going to be unhappy.

Ms. Simpson. Thank you.

Governor Clinton, you wanted one brief point.

Governor Clinton. One brief point. We have elections so people can make decisions about this. The point I want to make to you is, a bipartisan commission reviewed my plan and the Bush plan and concluded -- there were as many Republicans as Democratic health care experts on it -- they concluded that my plan would cover everybody, and his would leave 27 million behind by the year 2000, and that my plan in the next 12 years would save $2.2 trillion in public and private money to reinvest in this economy. The average family would save $1,200 a year under the plan that I offered, without any erosion in the quality of health care. So I ask you to look at that.

You have to vote for somebody with a plan. That's what you have elections for. If people say, ``Well, he got elected to do this," and then the Congress says, ``Okay, I'm going to do it." That's what the election was about.

Ms. Simpson. Brief, Governor Clinton. Thank you.

We have a question right here.

Personal Impact of the Economy

Q. Yes, how has the national debt personally affected each of your lives? And if it hasn't, how can you honestly find a cure for the economic problems of the common people if you have no experience in what's ailing them?

Mr. Perot. May I answer it?

Ms. Simpson. Well, Mr. Perot, yes, of course.

Mr. Perot. Who do you want to start with?

Q. My question is for each of you, so -- --

Mr. Perot. Yes, it caused me to disrupt my private life and my business to get involved in this activity. That's how much I care about it. Believe me, if you knew my family and if you knew the private life I have, you would agree in a minute that that's a whole lot more fun than getting involved in politics.

I have lived the American dream. I came from a very modest background. Nobody's been luckier than I've been, all the way across the spectrum, and the greatest riches of all are my wife and children. It's true of any family. But I want all the children, I want these young people up here to be able to start with nothing but an idea like I did and build a business. But they've got to have a strong basic economy. And if you're in debt, it's like having a ball and chain around you.

I just figure as lucky as I've been, I owe it to them, and I owe it to the future generations. And on a very personal basis, I owe it to my children and grandchildren.

Ms. Simpson. Thank you, Mr. Perot.

Mr. President.

President Bush. Well, I think the national debt affects everybody. Obviously, it has a lot to do

with interest rates -- --

Ms. Simpson. She's saying you personally.

Q. You, on a personal basis, how has it affected you?

Ms. Simpson. Has it affected you personally?

President Bush. Well, I'm sure it has. I love my grandchildren. I want to think that -- --

Q. How?

President Bush. I want to think that they're going to be able to afford an education. I think that that's an important part of being a parent. If the question -- maybe I get it wrong. Are you suggesting that if somebody has means that the national debt doesn't affect them?

Q. What I'm saying -- --

President Bush. I'm not sure I get it. Help me with the question, and I'll try to answer it.

Q. Well, I've had friends that have been laid off in jobs -- --

President Bush. Yes.

Q. I know people who cannot afford to pay the mortgage on their homes, their car payment. I have personal problems with the national debt. But how has it affected you? And if you have no experience in it, how can you help us if you don't know what we're feeling?

Ms. Simpson. I think she means more the recession, the economic problems today the country faces rather than -- --

President Bush. Well, listen, you ought to be in the White House for a day and hear what I hear and see what I see and read the mail I read and touch the people that I touch from time to time.

I was in the Lomax AME Church. It's a black church just outside of Washington, DC, and I read in the bulletin about teenage pregnancies, about the difficulty that families are having to make ends meet. I talked to parents. I mean, you've got to care. Everybody cares if people aren't doing well. But I don't think it's fair to say you haven't had cancer, therefore you don't know what it's like. I don't think it's fair to say, whatever it is, if you haven't been hit by it personally. But everybody's affected by the debt, because of the tremendous interest that goes into paying on that debt, everything's more expensive. Everything comes out of your pocket and my pocket. So

it's that. But I think in terms of the recession, of course, you feel it when you're President of the United States. That's why I'm trying to do something about it by stimulating the export, investing more, better education system.

Thank you. I'm glad you clarified it.

Governor Clinton. Tell me how it's affected you again? You know people who have lost their jobs and lost their homes?

Q. Yes.

Governor Clinton. Well, I've been Governor of a small State for 12 years. I'll tell you how it's affected me. Every year, Congress and the President sign laws that make us do more things; it gives us less money to do it with. I see people in my State, middle class people, their taxes have gone up from Washington and their services have gone down, while the wealthy have gotten tax cuts.

I have seen what's happened in this last 4 years when, in my State, when people lose their jobs there's a good chance I'll know them by their names. When a factory closes, I know the people who ran it. When the businesses go bankrupt, I know them. And I've been out here for 13 months, meeting in meetings just like this ever since October with people like you all over America, people that have lost their jobs, lost their livelihood, lost their health insurance.

What I want you to understand is, the national debt is not the only cause of that. It is because America has not invested in its people. It is because we have not grown. It is because we've had 12 years of trickle-down economics. We've gone from 1st to 12th in the world in wages. We've had 4 years where we've produced no private sector jobs. Most people are working harder for less money than they were making 10 years ago. It is because we are in the grip of a failed economic theory. And this decision you're about to make better be about what kind of economic theory you want, not just people saying, ``I want to go fix it,'' but what are we going to do.

What I think we have to do is invest in American jobs, in American education, control American health care costs, and bring the American people together again.

Ms. Simpson. Thank you, Governor Clinton. We are a little more than halfway through this program, and I'm glad that we're getting the diversity of questions that we are.

And I don't want to forget these folks on the wings over here, so let's go over here. Do you have a question?

Entitlement Programs

Q. Yes, I do. My name is Ben Smith. I work in the financial field, counseling retirees. And I'm personally concerned about three major areas. One is the Social Security Administration or trust fund is projected to be insolvent by the year 2036. We've funded the trust fund with IOU's in the form of Treasury bonds. The pension guaranty fund which backs up our private retirement plans for retirees is projected to be bankrupt by the year 2026, not to mention the cutbacks by private companies. And Medicare is projected to be bankrupt maybe as soon as 1997.

I would like from each of you a specific response as to what you intend to do for retirees relative to these issues, not generalities but specifics, because I think they're very disturbing issues.

Ms. Simpson. President Bush, may we start with you?

President Bush. Well, the Social Security -- you're an expert and I could, I'm sure, learn from you the details of the pension guaranty fund and the Social Security fund. The Social Security system was fixed, about 5 years, and I think it's projected out to be sound beyond that. So at least we have time to work with it.

But on all of these things, a sound economy is the only way to get it going. Growth in the economy is going to add to the overall prosperity and wealth. I can't give you a specific answer on pension guaranty fund. All I know is that we have firm Government credit to guarantee the pensions, and that is very important.

But the full faith in credit of the United States, in spite of our difficulties, is still pretty good. It's still the most respected credit. So I would simply say, as these dates get close you're going to have to reorganize and refix as we did with the Social Security fund. I think that's the only answer. But the more immediate answer is to do what this lady was suggesting we do, and that is to get this deficit down and get on without adding to the woes, and then restructure.

One thing I've called for that has been stymied, and I'll keep on working for it, is a whole financial reform legislation. It is absolutely essential in terms of bringing our banking system and credit system into the new age instead of having it living back in the dark ages, and it's a big fight. I don't want to give my friend Ross another shot at me here, but I am fighting with the Congress to get this through.

You can't just go up and say, ``I'm going to fix it." You've got some pretty strong-willed guys up there that argue with you. But that's what the election's about; I agree with the Governor. That's what the election is about. Sound fiscal policy is the best answer, I think, to all the three problems you mentioned.

Ms. Simpson. Thank you.

Mr. Perot?

Mr. Perot. Just on a broad issue here. When you're trying to solve a problem, you get the best plans. You have a raging debate about those plans. Then out of that debate, with leadership, comes consensus. And if the plans are huge and complex, like health care, I would urge you to implement pilot programs. Like the older carpenter says, measure twice, cut once. Let's make sure this thing's as good as we all think it is at the end of the meeting.

Then, finally, our Government passes laws and freezes the plan in concrete. Anybody that's ever built a successful business will tell you, you optimize, optimize, optimize after you put something into effect. The reason Medicare and Medicaid are a mess is we froze them. Everybody knows how to fix them. There are people all over the Federal Government if they could just touch it with a screwdriver could fix it.

Now, back over here. See, we've got a $4 trillion debt, and only in America would you have $2.8 trillion of it, or 70 percent of it, financed 5 years or less. Now, that's another thing for you to think about when you go home tonight. You don't finance long-term debt with short-term money. Why did our Government do it? To get the interest rates down. A one-percent increase in interest rates in that $2.8 trillion is $28 billion a year.

Now, when you look at what Germany pays for money and what we don't pay for money, you realize there's quite a spread, right? You realize this is a temporary thing and there's going to be another sucking sound that runs our deficit through the roof.

You know, and everybody's ducking it so I'm going to say it, that we are not letting that surplus stay in the bank. We are not investing that surplus like a pension fund. We are spending that surplus to make the deficit look smaller to you than it really is. Now, that puts you in jail in corporate America if you kept books that way, but in Government it's just kind of the way things are. That's because it comes at you, not from you.

Now then, that money needs to be -- they don't even pay interest on it, they just write a note for the interest.

Ms. Simpson. Mr. Perot, can you wrap it up?

Mr. Perot. Sure. But the point, see, do you want to fix the problem or sound-bite it? I understand the importance of time, but see, here's how we get to this mess we're in. This is just 1 of 1,000.

Ms. Simpson. But we've got to be fair.

Mr. Perot. Now then, to nail it, there's one way out, a growing, expanding job base, a growing, expanding job base to generate the funds and the tax revenues to pay off the mess and rebuild America. We've got to double hit. If we're $4 trillion down, we should have everything perfect,

but we don't. We've got to pay it off and build money to renew it, spend money to renew it, and that's going to take a growing, expanding job base. That is priority one in this country. Put everybody that's breathing to work. I'd love to be out of workers and have to import them, like some of our international competitors.

Ms. Simpson. Mr. Perot, I'm sorry, I'm going to -- --

Mr. Perot. Sorry.

Ms. Simpson. And I don't want to sound-bite you, but we are trying to be fair to everyone.

Mr. Perot. No, absolutely. I apologize.

Ms. Simpson. All right, Governor Clinton.

Governor Clinton. I think I remember the question. [Laughter] Let me say first of all, I want to answer your specific question, but first of all, we all agree that there should be a growing economy. What you have to decide is who's got the best economic plan. We all have ideas out there, and Mr. Bush has a record. I don't want you to read my lips, and I sure don't want you to read his. [Laughter] I do hope you will read our plans.

Now, specifically -- --

President Bush. [Inaudible] -- first rule?

Governor Clinton. -- -- one, on Medicare, it is not true that everyone knows how to fix it; there are different ideas. The Bush plan, the Perot plan, the Clinton -- we have different ideas. I am convinced, having studied health care for a year, hard, and talking to hundreds and hundreds of people all across America, that you cannot control the costs of Medicare until you control the cost of private health care and public health care with managed competition, ceiling on cost, and radical reorganization of the insurance markets. You've got to do that. We've got to get those costs down.

Number two, with regard to Social Security, that program, a lot of you may not know this: It produces a $70 billion surplus a year. Social Security is in surplus $70 billion. Six increases in the payroll tax -- that means people with incomes of $51,000 a year or less pay a disproportionately high share of the Federal tax burden, which is why I want some middle class tax relief.

What do we have to do? By the time the century turns, we have got to have our deficit under control, we have to work out of so that surplus is building up, so when the baby boomers like me retire, we're okay.

Number three, on the pension funds, I don't know as much about it, but I will say this: What I will do is to bring in the pension experts of the country, take a look at it, and strengthen the pension requirements further, because it's not just enough to have the guarantee. We had a guarantee on the S&L's, right? We had a guarantee, and what happened? You picked up a $500 billion bill because of the dumb way the Federal Government deregulated it. So I think we are going to have to change and strengthen the pension requirements on private retirement plans.

Ms. Simpson. Thank you. I think we have a question here on international affairs, hopefully.

Foreign Affairs

Q. We've come to a position where we're in the new world order. And I'd like to know what the candidates feel our position is in this new world order and what our responsibilities are as a superpower.

Ms. Simpson. Mr. President?

President Bush. We have come to that position. Since I became President, 43, 44 countries have gone democratic. No longer totalitarian, no longer living under dictatorship or communist rule. This is exciting. This new world order to me means freedom and democracy.

I think we will have a continuing responsibility, as the only remaining superpower, to stay involved. If we pull back in some isolation and say we don't have to do our share, or more than our share, anymore, I believe you're going to just ask for conflagration that we'll get involved in in the future. NATO, for example, has kept the peace for many, many years. I want to see us keep fully staffed in NATO so we'll continue to guarantee the peace in Europe.

But the exciting thing is the fear of nuclear war is down. You hear all the bad stuff that's happened on my watch. I hope people will recognize that this is something pretty good for mankind. I hope they'll think it's good that democracy and freedom is on the move. And we're going to stay engaged, as long as I am President, working to improve things.

You know, it's so easy now to say, hey, cut out foreign aid, we've got a problem at home. I think the United States has to still have the Statue of Liberty as a symbol of caring for others. We're right this very minute, we're sending supplies in to help these little starving kids in Somalia. It's the United States that's taken the lead in humanitarian aid into Bosnia. We're doing this all around the world.

And yes, we've got problems at home. I think I've got a good plan to help fix those problems at home. But because of our leadership, because we didn't listen to the freeze, the nuclear freeze group -- do you remember: ``Freeze it,'' back in about in the late seventies. ``Freeze, don't touch

it. We're going to lock it in now, or else we'll have war." President Reagan said, ``No. Peace through strength." It worked. The Soviet Union is no more. Now we're working to help them become totally democratic through the FREEDOM Support Act that I led on. A great Democratic Ambassador, Bob Strauss over there, Jim Baker, all of us got this thing passed, through cooperation, Ross. It worked with cooperation. And you're for that, I'm sure, helping Russia become democratic.

So the new world order to me means freedom and democracy, keep engaged, do not pull back into isolation. We are the United States, and we have a responsibility to lead and to guarantee the security. If it hadn't been for us, Saddam Hussein would be sitting on top of three-fifths of the oil supply of the world, and he'd have nuclear weapons. Only the United States could do this.

Excuse me, Carole.

Ms. Simpson. Thank you.

Mr. Perot.

Mr. Perot. Well, it's cost-effective to help Russia succeed in its revolution. It's pennies on the dollar compared to going back to the cold war. Russia's still very unstable. They could go back to square one and worse. All the nuclear weapons are not dismantled. I'm particularly concerned about the intercontinental weapons, the ones that can hit us. We've got agreements, but they're still there. With all this instability and breaking into Republics and all the Middle Eastern countries going over there and shopping for weapons, we've got our work cut out for us. So we need to stay right on top of that and constructively help them move toward democracy and capitalism.

We have to have money to do that. We have to have our people at work. See, for 45 years, we were preoccupied with the Red Army. I suggest now that our number one preoccupation is red ink in our country. And we've got to put our people back to work so that we can afford to do these things we want to do in Russia.

We cannot be the policeman for the world any longer. We spend $300 billion a year defending the world. Germany and Japan spend around $30 billion apiece. It's neat. If I can get you to defend me and I can spend all my money building industry, that's a home run for me. Coming out of World War II, it made sense. Now the other superpowers need to do their part.

I'll close on this point: You can't be a superpower unless you're an economic superpower. If we're not an economic superpower, we are a used-to-be, and we will no longer be a force for good throughout the world. If nothing else gets you excited about rebuilding our industrial base, maybe that will, because job one is to put our people back to work.

Ms. Simpson. Governor Clinton, the President mentioned Saddam Hussein. Your vice president and you have had some words about the President and Saddam Hussein. Would you care to comment?

Governor Clinton. I'd rather answer her question first, and then I'll be glad to, because the question you ask is important. The end of the cold war brings an incredible opportunity for change, the winds of freedom blowing around the world, Russia demilitarizing. It also requires us to maintain some continuity, some bipartisan American commitment to certain principles.

I would just say there are three things that I would like to say. Number one, we do have to maintain the world's strongest defense. We may differ about what the elements of that are. I think the defense needs to be with fewer people and permanent armed services, but with greater mobility on the land, in the air, and on the sea, with a real dedication to continuing development of high-technology weaponry and well-trained people. I think we're going to have to work to stop the proliferation of weapons of mass destruction. We've got to keep going until all those nuclear weapons in Russia are gone and the other Republics.

Number two, if you don't rebuild the economic strength of this country at home, we won't be a superpower. We can't have any more instances like what happened when Mr. Bush went to Japan and the Japanese Prime Minister said he felt sympathy for our country. We have to be the strongest economic power in the world. That's what got me into this race, so we could rebuild the American economy.

Number three, we need to be a force for freedom and democracy. We need to use our unique position to support freedom, whether it's in Haiti or in China or in any other place, wherever the seeds of freedom are sprouting. We can't impose it, but we need to nourish it. That's the kind of thing that I would do as President, follow those three commitments into the future.

Ms. Simpson. Okay, we have a question up there.

Education

Q. We've talked a lot tonight about creating jobs. But we have an awful lot of high school graduates who don't know how to read a ruler, who cannot fill out an application for a job. How can we create high-paying jobs with the education system we have? And what would you do to change it?

Ms. Simpson. Who would like to begin? The education President?

President Bush. I'd be delighted to, because you can't do it the old way. You can't do it with the school bureaucracy controlling everything. And that's why we have a new program that I hope people have heard about. It's being worked now in 1,700 communities -- I bypassed Congress on

this one, Ross -- 1,700 communities across the country. It's called America 2000. It literally says to the communities: Reinvent the schools, not just the bricks and mortar but the curriculum and everything else. Think anew. We have a concept called the New American School Corporation, where we're doing exactly that.

So I believe that we've got to get the power in the hands of the teachers, not the teachers union -- what's happening up there? [Laughter] So our America 2000 program also says this: It says let's give parents the choice of a public, private, or religious school. And it works. It works in Milwaukee. A Democratic woman up there taking the lead in this, the Mayor up there on the program, and the schools that are not chosen are improved. Competition does that.

So we've got to innovate through school choice. We've got to innovate through this America 2000 program. But she is absolutely right. The programs that we've been trying where you control everything and mandate it from Washington don't work.

The Governors -- and I believe Governor Clinton was in on this, but I don't want to invoke him here -- but they come to me, and they say, please get the Congress to stop passing so many mandates telling us how to control things. We know better how to do it in California or Texas or wherever it is. So this is what our program is all about. I believe -- you're right onto something -- that if we don't change the education, we're not going to be able to compete.

Federal funding for education is up substantially. Pell Grants are up. But it isn't going to get the job done if we don't change K through 12.

Ms. Simpson. Governor Clinton?

Governor Clinton. First of all, let me say that I've spent more of my time in life on this in the last 12 years than any other issue. Seventy percent of my State's money goes to public schools. I was really honored when Time magazine said that our schools have shown more improvement than any other State in the country except one other. They named two States showing real strides forward in the eighties. So I care a lot about this, and I've spent countless hours in schools.

But let me start with what you've said. I agree with some of what Mr. Bush said, but it's nowhere near enough. We live in a world where what you earn depends on what you can learn, where the average 18-year-old will change jobs eight times in a lifetime, and where none of us can promise any of you that what you now do for a living is absolutely safe from now on. Nobody running can promise that. There's too much change in the world.

So what should we do? Let me reel some things off real quick, because you said you wanted specifics. Number one, under my program we would provide matching funds to States to teach everybody with a job to read in the next 5 years and give everybody with a job a chance to get a high school diploma, in big places, on the job.

Number two, we would provide 2-year apprenticeship programs to high school graduates who don't go to college, in community colleges or on the job.

Number three, we'd open the doors to college education to high school graduates without regard to income. They could borrow the money and pay it back as a percentage of their income over the couple of years of service to our Nation here home.

Number four, we would fully fund the Head Start program to get little kids off to a good start.

Five, I would have an aggressive program of school reform. More choices in the -- I favor public schools or these new charter schools. We can talk about that if you want. I don't think we should spend tax money on private schools, but I favor public school choice. I favor radical decentralization in giving more power to better trained principals and teachers with parent councils to control their schools. Those things would revolutionize American education and take us to the top economically.

Ms. Simpson. Thank you, Governor Clinton. What the question is -- what is it going to cost?

Q. What is it going to cost?

Ms. Simpson. What is it going to cost?

Governor Clinton. In 6 years -- I budget all this in my budget. In 6 years, the college program would cost $8 billion over and above what -- the present student loan program costs 4. You pay $3 billion for busted loans, because we don't have an automatic recovery system, and a billion dollars in bank fees. So the net cost will be $8 billion 6 years from now, in a trillion-plus budget: not very much.

The other stuff, all the other stuff I mentioned costs much less than that. The Head Start program, full funding, would cost about $5 billion more. It's all covered in my budget from the plans that I've laid out, from raising taxes on families with incomes above $200,000, and asking foreign corporations to pay the same tax that American corporations do on the same income; from $140 billion in budget cuts, including what I think are very prudent cuts in the defense budget. It's all covered in the plan.

Ms. Simpson. Mr. Perot, you on education, please.

Mr. Perot. Yes. I've got scars to show from being around education reform. The first words you need to say in every city and State and just draw a line in the sand -- public schools exist for the benefit of the children -- you're going to see a lot of people fall over it, because any time you're spending $199 billion a year, somebody's getting it, and the children get lost in the process. So

that's step one.

Keep in mind in 1960 when our schools were the envy of the world, we were spending $16 billion on them. Now we spend more than any other nation in the world, $199 billion a year, and rank at the bottom of the industrialized world in terms of educational achievement. One more time, you've bought a front-row box seat and got a third-rate performance. This is a Government that's not serving you.

By and large, it should be local. The more local, the better. Interesting phenomenon, small towns have good schools, big cities have terrible schools. The best people in a small town will serve on the school board. You get into big cities, it's political patronage, stepping stones. You get the job, give your relatives the janitor's job at $57,000 a year, more than the teachers make. And with luck, they clean the cafeteria once a week. [Laughter]

Now, you're paying for that. Those schools belong to you, and we put up with that. As long as you put up with that, that's what you're going to get. These folks are just dividing up 199 billion bucks, and the children get lost.

If I could wish for one thing for great public schools, it would be a strong family unit in every home. Nothing will ever replace that. You say, ``Well, gee, what are you going to do about that?" Well, the White House is a bully pulpit, and I think we ought to be pounding on the table every day. There's nothing -- the most efficient unit of Government we'll ever know is a strong, loving family unit.

Next thing. You need small schools, not big schools. A little school, everybody's somebody. Individualism is very important. These big factories, everybody told me they were cost-effective. I did a study on it. They're cost-ineffective. Five thousand students: why is a high school that big? One reason. Sooner or later, you get 11 more boys that can run like the devil, that weigh 250 pounds, and they might win district. Now, that has nothing to do with learning.

Secondly, across Texas, typically half the school day was nonacademic pursuits. In one place, it was 35 percent. In Texas, you could have unlimited absences to go to livestock shows. Found a boy -- excuse me, but this gives the flavor -- a boy in Houston kept a chicken in the bathtub in downtown Houston. Missed 65 days going to livestock shows. Finally had to come back to school, the chicken lost his feathers. That's the only way we got him back. [Laughter] Now, that's your tax money being wasted.

Now, neighborhood schools. It is terrible to bus tiny little children across town. It is particularly terrible to take poor, tiny little children and wait until the first grade and bus them across town to Mars where the children know their numbers, know their letters, have had every advantage; the end of the first day, that little child wants out.

I close on this: You've got to have world-class teachers, world-class books. If you ever got close to how textbooks were selected, you wouldn't want to go back the second day. I don't have time to tell you the stories. [Laughter]

Ms. Simpson. No, you don't. [Laughter]

Mr. Perot. Finally. If we don't fix this, you're right, we can't have the industries of tomorrow unless we have the best educated work force. And here, for the disadvantaged children, you've got to have early childhood development, the cheapest money you'll ever spend. The first contact should be with the mother when she's pregnant. That little child needs to be loved and hugged and nurtured and made to feel special, like you children were. They learn to think well or poorly of themselves in the first 18 months.

Ms. Simpson. Thank you, Mr. Perot.

Mr. Perot. Within the first few years, they either learn how to learn or don't learn how to learn. If they don't, they wind up in prison, and it costs more to keep them in prison than it does to send them to Harvard. I rest my case.

Ms. Simpson. Thank you. President Bush, you wanted to add something.

President Bush. I just had a word of clarification because of something Governor Clinton said. My school choice program, ``GI bill'' for kids, does not take public money and give it to private schools. It does what the GI bill itself did when I came out of World War II. It takes public money and gives it to families or individuals to choose the school they want. Where it's been done, those schools, like in Rochester, those schools that weren't chosen find that they then compete and do better. So I think it's worth a shot.

We've got a pilot program. It ought to be tried: school choice, public, private, or religious, not to the schools, but to -- 46 percent of the teachers in Chicago, public schoolteachers, send their kids to private school. Now, I think we ought to try to help families and see if it will do what I think, make all schools better.

Governor Clinton. I just want to mention if I could -- --

Ms. Simpson. Very briefly.

Governor Clinton. Very briefly. Involving the parents in the preschool education of their kids, even if they're poor and uneducated, can make a huge difference. We have a big program in my State that teaches mothers or fathers to teach their kids to get ready for school. It's the most successful thing we've ever done.

Just a fact clarification real quickly. We do not spend a higher percentage of our income on public education than every other country. There are nine countries that spend more than we do on public education. We spend more on education because we spend so much more on colleges. But if you look at public education alone, and you take into account that we have more racial diversity and more poverty, it makes a big difference. There are great public schools where there are public school choice, accountability, and brilliant principals. I'll just mention one, the Beasley Academic Center in Chicago. I commend it to anybody. It's as good as any private school in the country.

Ms. Simpson. We have very little time left, and it occurs to me that we have talked all this time and there has not been one question about some of the racial tensions and ethnic tensions in America. Is there anyone in this audience that would like to pose a question to the candidates on this? Yes?

Women or Minority Presidential Candidates

Q. What I'd like to know, and this is to any of the three of you, is aside from the recent accomplishments of your party, aside from those accomplishments in racial representation and without citing any of your current appointments or successful elections, when do you estimate your party will both nominate and elect an Afro-American and female ticket to the Presidency of the United States?

Ms. Simpson. Governor Clinton, why don't you answer that first.

Governor Clinton. Well, I don't have any idea, but I hope it will happen sometime in my lifetime.

Q. I do, too.

Governor Clinton. I believe that this country is electing more and more African-Americans and Latinos and Asian-Americans who are representing districts that are themselves not necessarily of a majority of their race. The American people are beginning to vote across racial lines, and I hope it will happen more and more.

More and more women are being elected. Look at all these women Senate candidates we have here. You know, according to my mother and my wife and my daughter, this world would be a lot better place if women were running it most of the time.

I do think there are special experiences and judgments and backgrounds and understandings that women bring to this process, by the way. This lady said here, how have you been affected by the economy? I mean, women know what it's like to be paid an unequal amount for equal work; they know what's it like not to have flexible working hours; they know what it's like not to have

family leave or child care. So I think it would be a good thing for America if it happened, and I think it will happen in my lifetime.

Ms. Simpson. Okay. I'm sorry we have just a little bit of time left. Let's try to get responses from each of them.

President Bush or Mr. Perot?

President Bush. I think if Barbara Bush were running this year she'd be elected. [Laughter] But it's too late.

You don't want us to mention appointees but when you see the quality of people in our administration, see how Colin Powell performed -- I say administration, he's in the military.

Q. I said when's your guess?

President Bush. You weren't impressed with the fact that he performed -- --

Q. Excuse me, I'm extremely impressed with that.

President Bush. Yes, but wouldn't that suggest to the American people then here's a quality person, if he decided that he could automatically -- --

Q. Sure. I just wanted to know -- --

President Bush. -- -- get the nomination of either party? Huh?

Q. I'm totally impressed with that. I just wanted to know is when is your guess of when.

President Bush. Oh, I see. You mean time?

Q. Yeah.

President Bush. I don't know. Starting after 4 years. [Laughter] No, I think you'll see -- --

Ms. Simpson. Mr. Perot?

President Bush. I think you'll see more minority candidates and women candidates coming forward.

Ms. Simpson. Thank you.

President Bush. This is supposed to be the year of the women in the Senate. Let's see how they do. I hope a lot of them lose.

Ms. Simpson. Mr. Perot, I don't want to cut you up any more, but we only have a minute left.

Mr. Perot. I have a fearless forecast. Unless he just won't do it, Colin Powell will be on somebody's ticket 4 years from now. Right? Right? You wanted -- that's it. Four years.

Ms. Simpson. How about a woman?

Mr. Perot. Now, if he won't be, General Waller would be a -- you say, why do you keep picking military people? These are people that I just happened to know and have a high regard for. I'm sure there are hundreds of others.

President Bush. How about Dr. Lou Sullivan?

Mr. Perot. Absolutely.

President Bush. Yeah, good man.

Mr. Perot. Absolutely.

Ms. Simpson. What about a woman?

Mr. Perot. Oh, oh.

President Bush. My candidate's right back there.

Mr. Perot. I can think of many.

Ms. Simpson. Many?

Mr. Perot. Absolutely.

Ms. Simpson. When?

Mr. Perot. How about Sandra Day O'Connor as an example? Dr. Bernadine Healy.

Ms. Simpson. Good.

Mr. Perot. National Institutes of Health. All right, I'll yield the floor. Name some more.

President Bush. Good Republicans. [Laughter]

Ms. Simpson. Thank you. I want to apologize to our audience because there were 209 people here, and there were 209 questions. We only got to a fraction of them, and I'm sorry to those of you that didn't get to ask your questions, but we must move to the conclusion of the program.

It is time now for the 2-minute closing statements. By prior agreement, President Bush will go first.

Closing Statements

President Bush. May I ask for an exception because I think we owe Carole Simpson a -- anybody who can stand in between these three characters here and get the job done -- we owe her a round of applause. [Applause] Just don't take it out of my time.

Ms. Simpson. That's right.

President Bush. I feel strongly about it, but I don't want it to come out of my time.

Ms. Simpson. That's right. [Laughter]

President Bush. No, but let me just say to the American people: In 2\1/2\ weeks, we're going to choose who should sit in this Oval Office, who to lead the economic recovery, who to be the leader of the free world, who to get the deficit down. Three ways to do that: one is to raise taxes; one is to reduce spending, controlling that mandatory spending; another one is to invest and save and to stimulate growth.

I do not want to raise taxes. I differ with the two here on that. I'm just not going to do that. I do believe that we need to control mandatory spending. I think we need to invest and save more. I believe that we need to educate better and retrain better. I believe that we need to export more, so I'll keep working for export agreements where we can sell more abroad. And I believe that we must strengthen the family. We've got to strengthen the family.

Now, let me pose this question to America: If in the next 5 minutes a television announcer came on and said, there is a major international crisis, there is a major threat to the world, or in this country a major threat, my question is, if you were appointed to name one of the three of us, who would you choose? Who has the perseverance, the character, the integrity, the maturity to get the job done? I hope I'm that person.

Thank you very, very much.

Ms. Simpson. Thank you, Mr. President. And now a closing statement from Mr. Perot.

Mr. Perot. If the American people want to do it and not talk about it, then I'm one person they ought to consider. If they just want to keep slow dancing and talk about it and not do it, I'm not your man. I am results oriented. I am action oriented. I've built my businesses getting things done in 3 months that my competitors took 18 months to do.

Everybody says, you can't do that with Congress. Sure you can do that with Congress. Congress, they're all good people. They're all patriots. But you've got to link arms and work with them. Sure, you'll have arguments. Sure, you'll have fights. We have them all day, every day. But we get the job done.

Now, I have to come back in my close to one thing, because I am passionate about education. I was talking about early childhood education for disadvantaged little children. Let me tell you one specific pilot program where children who don't have a chance go to this program when they're 3. Now, we're going back to when the mother is pregnant, and they'll start right after they're born, starting when they're 3 and going to this school until they're 9, and then going into the public school in the fourth grade -- 90 percent are on the honor roll. Now, that will change America. Those children will all go to college. They will live the American dream.

I beg the American people, anytime they think about reforming education, to take this piece of society that doesn't have a chance, and take these little pieces of clay that can be shaped and molded and give them the same love and nurture and affection and support you give your children. Teach them that they're unique and that they're precious and there's only one person in the world like them, and you will see this Nation bloom. We will have so many people who are qualified for the top job that it will be terrific.

Now, finally, if you can't pay the bills, you're dead in the water. We have got to put our Nation back to work. Now, if you don't want to really do that, I'm not your man. I'd go crazy sitting up there slow dancing that one. In other words, unless we're going to do it, then pick somebody who likes to talk about it.

Now, just remember, when you think about me, I didn't create this mess. I've been paying taxes just like you. And Lord knows, I've paid my share, over $1 billion in taxes. And for a guy that started out with everything he owned in the trunk of his car, that ain't bad.

Ms. Simpson. I'm sorry, Mr. Perot. Once again -- --

Mr. Perot. But it's in your hands. I wish you well. I'll see you tomorrow night on NBC, 10:30 p.m., 11 p.m., eastern. [Laughter]

Ms. Simpson. And finally, last but not least, Governor Clinton.

Governor Clinton. Thank you, Carole, and thank you, ladies and gentleman. Since I suggested this format, I hope it's been good for all of you. I've really tried to be faithful to your request that we answer the questions specifically and pointedly. I thought I owed that to you. And I respect you for being here, and for the impact you've had on making this a more positive experience.

These problems are not easy. They're not going to be solved overnight. But I want you to think about just two or three things. First of all, the people of my State have let me be their Governor for 12 years because I made commitments to two things, more jobs and better schools.

Our schools are now better. Our children get off to a better start, from preschool programs and smaller classes in the early grades. We have one of the most aggressive adult education programs in the country. We talked about that.

This year, my State ranks first in the country in job growth, fourth in manufacturing job growth, fourth in income growth, fourth in the decline of poverty. I'm proud of that. It happened because I could work with people, Republicans and Democrats. That's why we've had 24 retired generals and admirals, hundreds of business people, many of them Republican, support this campaign.

You have to decide whether you want to change or not. We do not need 4 more years of an economic theory that doesn't work. We've had 12 years of trickle-down economics. It's time to put the American people first, to invest and grow this economy. I'm the only person here who's ever balanced a government budget, and I've presented 12 of them and cut spending repeatedly. But you cannot just get there by balancing the budget. We've got to grow the economy by putting people first, real people like you.

I got into this race because I did not want my child to grow up to be part of the first generation of Americans to do worse than their parents. We're better than that. We can do better than that. I want to make America as great as it can be, and I ask for your help in doing it.

Thank you very much.

Ms. Simpson. Thank you, Governor Clinton.

Ladies and gentlemen, this concludes the debate, sponsored by the Bipartisan Commission on Presidential Debates. I'd like to thank our audience of 209 uncommitted voters who may leave this evening maybe being committed. And hopefully, they'll go to the polls like everyone else on November 3d and vote.

We invite you to join us on the third and final Presidential debate next Monday, October 19th, from the campus of Michigan State University in East Lansing, Michigan.

I'm Carole Simpson. Good night.

Note: The debate began at 9 p.m. in Robins Center at the University of Richmond.

Remarks to the Community in Edison, New Jersey

October 16, 1992

The President. Thank you very, very much. And I am delighted to be back here in New Jersey. Great to be in Middlesex County, and great to fly over in that helicopter with Governor Tom Kean. I wish he were still Governor of this State. While we're talking about good -- whoops -- got a Democratic bee here. [Laughter] Let me just say at the beginning that New Jersey needs Bob Franks and Al Palermo in Washington. We've got to clean House. Get Bob Franks and Al Palermo down there.

You know, this week on your TV screens you saw a spectacle of intense competition, breathtaking battle of wits and courage, a spine-tingling fight to the finish. I am talking about the Pirates-Braves game, of course. [Laughter] You know, I sort of identify with the Atlanta Braves, because politics is like baseball: It ain't over until the last batter swings. And we are going to win this election.

We're going to surprise the pundits -- what's this bee here? -- surprise the pundits, annoy the media, and hit a home run on November 3d. The reason is clear: Our ideas are better for America. My opponents, sorry opponents, pathetic, try to tell you that America is in decline, and we are not in decline. Not so. Our people are still the best educated, and our economy is still the most dynamic. Our companies and our workers are still more productive than any other in the entire world.

You know -- --

Audience members. Bush! Bush! Bush! Four more years! Four more years! Four more years!

The President. You know, if we'd have listened to this nuclear -- --

Audience members. Four more years! Four more years! Four more years!

The President. You know, we've led the United States through a very difficult global transition, and I am very proud that the world is safer for our kids. And does that matter? You bet it does. The fear of nuclear war is less.

We've kept our economy afloat when many of those European economies are drowning, and the Europeans would trade with us in one minute. We've kept inflation down. We've kept interest rates down. We have made our industries stronger and more competitive. And I am proud of our leadership.

For all his rhetoric about change, Bill Clinton offers a very old path: more Government, more

regulation, and more taxes; more Government, more regulation, and more taxes.

Audience members. Boo-o-o!

The President. We must not let Clinton do this to our country.

Audience members. We want Bush! We want Bush! We want Bush!

The President. All right. Listen to this program. Let me tell you about Governor Clinton's program. In June, Governor Clinton promised $150 billion in new taxes, plus $220 billion in new spending. I thought that would satisfy his appetite, but that's just an hors d'oeuvre, because ever since then Bill Clinton has made new promises, $1 billion in new Government spending every single day.

Audience members. Boo-o-o!

The President. Who is going to pay Bill's bill? Of course, Governor Clinton says he's only going to tax the rich. But everybody out there with $22,000 in income better be ready, because he's going to sock it to the working people in this country.

Audience members. Boo-o-o!

The President. He'll go after the cab drivers and the teachers and the nurses and the middle class.

Let me say this: Higher taxes do not create new jobs. They destroy that. You've seen it when their man, Governor Florio, was elected. Governor Florio has too much taxes. So does Governor Clinton. That Florio-Clinton combination, they kicked half a million jobs out of New Jersey. When Governor Kean was here, we were building jobs.

But I have a very different agenda, a plan to control the growth of mandatory spending and get the taxes down so we can create good jobs, create them. We're going to win the new economic competition. Our Agenda for American Renewal includes the steps that we must take to create good jobs today and build a stronger America, and some of these ideas are being tried. But working with a new Congress, we're going to put this entire agenda into effect and get America moving, get rid of these Democrats from Congress and get them moving.

Audience members. We want Bush! We want Bush! We want Bush!

The President. One way to do it is to tear down barriers to free and fair trade so that we can create good jobs for American workers. In the past 3 years, our exports to Japan have increased 12 times faster than our imports from Japan. Whether you shop in Tokyo or Trenton, chances are that the goods don't say ``Made in Japan'' or ``Made in Germany,'' they say ``Made in the United

States of America."

Today in New Jersey one out of every six jobs is tied into foreign trade. And the average export-related job pays 17 percent more than the traditional job. So if we want the sons and daughters of steel workers to have good jobs, we've got to fight for free and fair trade. Do it the New Jersey way, more exports.

We've already got a great new trade agreement -- one that Governor Clinton has waffled on. He waffles on everything. He's on one side and then the other. We've got a good trade agreement, and I'm going to fight for more trade agreements. Just as we once used our military alliances to win the cold war, we will use our economic alliances to win the new business war.

[At this point, audience members interrupted the President's remarks.]

I wish these draft dodgers would shut up so I can finish my speech. It's pathetic.

Audience members. Where was George? Where was George? Where was George?

Audience members. We want Bush! We want Bush! We want Bush!

The President. You see -- these guys. Where was Bill?

Audience members. We want Clinton! We want Clinton! We want Clinton!

The President. No. You see, I'm glad we've led in foreign policy, because now we'll use those alliances that have made the world more peaceful to bring more prosperity to the workers right here in America.

I also want to do for the country what Governor Kean has tried to do when he was Governor here, change our schools. Make our education system better for all. I am proud of what we have done already. We have educational standards nationally for the first time in the history of this country. We want to let the parents choose the schools, public, private, or religious. Every parent should be able to choose his children's schools.

You know, I believe that small business is the backbone of our economy creating two out of every three new jobs. Bill Clinton wants to slap a tax on small business. I say if we really want to help small business, let's give them relief from taxation, regulation, and litigation.

Now, let me mention just another subject the New Jerseyans know about, and that is auto insurance. At the root of many of our problems is a legal system that is out of control. I want to do something about these crazy lawsuits. Governor Clinton and the trial lawyers do not want to

do anything about it.

You know, 15 percent of American companies report that they have laid off workers because of high premiums from liability insurance. Experts estimate that over $20 billion of our health care costs come from doctors and nurses doing unnecessary tests because they're afraid that a lawyer is going to sue them, and auto insurance costs continue to rise, as New Jerseyans know better than almost anyone. One big cause is our lawsuit-happy legal system. Thousands of people enter frivolous lawsuits for pain and suffering. But the lion's share of the benefits goes not to people who are injured but to the trial lawyers. I say we must reform our malpractice laws and our product liability laws.

When Congress comes back, I'm going to introduce a new proposal to allow all Americans to opt out of the so-called pain and suffering standard. You know, this reform allows States to go even further than New Jersey's landmark insurance reforms.

Audience members. Bill's a fake! Bill's a fake! Bill's a fake!

The President. Thank you very much.

But anyway, this proposal will save American drivers 20 to 30 billion dollars in insurance premiums every year.

So these are part of our Agenda for American Renewal. But the election is a lot more about other things, the best economic plan. It's about another virtue, and it's called trust. It's called trust. Who do you trust to be President of the United States?

You know, I've got to tell you, I enjoyed last night's debate, and I'm grateful to have a chance to have Americans compare my views with my opponents'. But it's difficult to debate Clinton because he comes down on every side of every issue. You can't do that as President of the United States. You've got to make a decision. You can't be popular to every group. And yes, he ought to tell the truth.

Audience members. We want Bush! We want Bush! We want Bush!

The President. Thank you. Look, a lot of being President is about respect for that office and about telling the truth and serving your country. You are all familiar with Governor Clinton's various stories on what he did to evade the draft. He still has not leveled with the American people. He still hasn't told the truth.

Last night you heard Governor Clinton state that he was absolutely against allowing parents to use tax dollars to send their kids to private or religious schools. But he used to be for the idea.

What about limiting the terms of Members of Congress? I am strongly for it. He said he was interested, and now he's against it. Let's limit the terms of Members of Congress.

Just this morning in the Los Angeles Times, there's an article suggesting that Governor Clinton is already preparing yet another economic program, with billions of dollars more in new spending. But his advisers won't spell it out until after the election.

Now, you might say, why is this important? Because there's a clear pattern to Governor Clinton's past, a pattern of deception. Character does matter. A pattern of deception is not right for the Oval Office. You cannot be leader of the world, you cannot be leader of this country if you have a pattern of deception.

You know, last night Governor Clinton said he was not interested in my character. He said, I quote, ``I want to change the character of the Presidency.'' Well, let me tell you something. You cannot separate the character of the President from the character of the Presidency. They go together. You cannot be one kind of man and another kind of President. It is that simple.

You know, I've been there. I've had to make some tough decisions in that Oval Office. I hope this doesn't happen, but the next President who may have to send our young men, women in harm's way. And the next President will have to stand up to the special interests and that big-spending Congress. In the White House you cannot make everybody happy, and you have to level with the American people. He is not capable of doing that.

So my problem is this pattern of deception. We cannot have this pattern of deception brought into the Oval Office. I believe you cannot lead the American people by misleading the American people.

Now, you know, we've had Presidents from the South and from the North; Presidents who were rich, Presidents who were poor. But rich or poor, southern or northern, you must have integrity. And that's what it takes to lead this great land.

I think the American people are beginning, as they focus in on the final part of this election, they're saying: Who do you trust? Who do you believe? Who do you trust to be in the Oval Office?

You know, last night in that debate I asked the American people to imagine what would happen if a crisis occurred that could affect you and your family. Who would you prefer to lead in a crisis? And so this is the question that I'm going to ask all of you to ask when you go into that voting booth. I hope because of my character, my judgment, my ideas, that I have earned your trust to lead America again.

Thank you all, and may God bless you. Thank you for a wonderful rally. Thanks a lot. Thank

you so much.

Note: The President spoke at 4:23 p.m. at Middlesex County Community College.

Statement on Signing the Dayton Aviation Heritage Preservation Act of 1992

October 16, 1992

I am signing into law H.R. 2321, the ``Dayton Aviation Heritage Preservation Act of 1992," which establishes the Dayton Aviation National Historic Park in Ohio as an addition to the National Park System. The park will preserve certain historic sites in the Dayton, Ohio, area that are associated with the Wright brothers and the early development of aviation. The Act will recognize the national significance of these sites and the achievements of the Wright brothers, two of our most distinguished Americans.

The Act also establishes the Dayton Aviation Heritage Commission to assist Federal, State, and local authorities in preserving and managing historic resources related to aviation in the Dayton area. The commission is composed of 13 members, most of whom are appointed by the Secretary of the Interior from recommendations of various State and local officials. The majority of members are effectively selected by various nonfederal officials and thus are not appointed in conformity with the Appointments Clause of the Constitution, Article II, section 2, clause 2. Therefore, I sign this bill on the understanding that the commission will serve only in an advisory capacity and will not exercise Government power.

It should also be noted that the FY 1993 Interior Appropriations Act (Public Law 102 - 381) reduces the funds available for National Park Service management by approximately $42 million from my budget request. I question the wisdom of establishing new units of the National Park System that fail to meet the criteria established by the National Park Service when the Congress is not providing the existing system with adequate funding.

George Bush

The White House,

October 16, 1992.

Note: H.R. 2321, approved October 16, was assigned Public Law No. 102 - 419.

White House Fact Sheet: Consumer Choice in Auto Insurance

October 16, 1992

President Bush announced a proposal today that would allow consumers to save 20 to 30 percent on their auto insurance premiums, for a potential nationwide savings of $20 to $30 billion annually. These savings would be achieved by giving consumers the opportunity to waive their right to sue for pain and suffering damages (thereby also insulating themselves against lawsuits for such damages) and to elect insurance coverage payable by their own insurer regardless of fault.

The Problem

The current auto insurance system is a source of consumer outrage. Insurance premiums, now more than $1,000 per car in many areas, grew at almost 3 times the rate of inflation in the 1980's, forcing many lower income Americans to drive uninsured.

A root cause for escalating rates is the pain and suffering component of tort awards. Nationwide, coverage for pain and suffering awards constitute 15 percent of insurance costs, while litigation costs (which are driven largely by the prospect of pain and suffering awards) account for another 10 percent.

There are other wasteful costs as well under the current system, such as incentives to inflate medical costs. In particular, a recent study by the Insurance Research Council showed that people involved in auto accidents obtain more expensive medical treatment if they file a claim against the other driver than if they collect from their own insurer, regardless of fault.

If there were fewer lawsuits for pain and suffering, overall auto insurance rates could drop sharply. Under current law, however, consumers cannot purchase auto insurance that omits coverage for pain and suffering.

The Solution

The President stated that on the first day of the next session of Congress, he will submit legislation proposing a Federal statute to permit purchasers of automobile insurance to opt out of pain and suffering claims.

Under the President's proposal:

Consumers would be allowed to waive their right to sue for noneconomic (i.e., pain and

suffering) damages. In return, they would be insulated from noneconomic damage claims by other motorists.

Those electing to waive the right to sue for noneconomic damages would purchase personal insurance protection coverage, under which they would collect economic damages without regard to fault from their own insurer instead of suing other motorists. This would largely eliminate litigation costs and avoid the lengthy payment delays (usually 18 months or more) that are common under the current system.

Those motorists not waiving this right would retain their coverage under the tort liability system. They would purchase coverage from their own insurer to cover all damages (for both economic and noneconomic losses) negligently caused by drivers who elect the personal insurance protection plan.

All motorists would retain the right to sue for pain and suffering caused by intoxicated or criminally negligent drivers.

All motorists would also be able to sue for all economic damages based on fault in excess of their own insurance coverage.

The Benefits of the President's Proposal

Although the proposal would benefit all motorists, the greatest cost benefits would go to consumers in high-premium areas, and especially to poor inner-city residents, many of whom now drive illegally without insurance. This proposal presents a sharp contrast to the nonmarket approaches preferred by the Democrats, such as mandatory rollbacks, surcharges on insurers, and rigid rate regulation, which try to force businesses to engage in losing ventures. This proposal also reinforces the President's call for legal reform and makes clear that consumer empowerment and choice is the key to better insurance.

Statement on Signing the Community Environmental Response Facilitation Act

October 19, 1992

I am signing into law H.R. 4016, the ``Community Environmental Response Facilitation Act,'' which requires Federal agencies that intend to terminate operations on real property to identify those portions of the property that are not contaminated by hazardous waste or petroleum products.

The Act would, among other things, require agencies to obtain the concurrence of the appropriate State official in order to complete identification of certain property as uncontaminated. If this requirement were understood to allow the State official to prevent a Federal agency from disposing of property, then the Act would, in effect, be granting Federal Executive power to a person who has not been appointed in conformity with the Appointments Clause of the Constitution, Article II, section 2, clause 2.

In order to avoid this constitutional difficulty, I instruct all agencies affected by this Act to construe a State official's failure to concur as a statement of that official's views, but not as a bar to transfer of the property. Because the Act nowhere states the consequences of a failure to concur, a Federal agency may terminate operations on a property and dispose of it, in accordance with applicable Federal laws, regardless of whether a State official fails to concur in the identification of it as uncontaminated.

George Bush

The White House,

October 19, 1992.

Note: H.R. 4016, approved October 19, was assigned Public Law No. 102 - 426.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

October 19, 1992

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (22 U.S.C. 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question. This report covers the months of July and August 1992.

The New York negotiations resumed, as scheduled, on July 15 on the same basis as they had recessed with the Secretary General having separate meetings with the leaders of the two Cypriot communities (``proximity talks").

On the first day of this new negotiating session, the U.N. Secretary General gave his ``set of ideas" for a Cyprus settlement, including a U.N. suggested map of territorial adjustments, to the two Cypriot delegations. Both sides accepted the documents and signalled their readiness to use them as the basis for negotiations. Mr. Denktash, however, objected to the U.N. map, and after lengthy discussion with the U.N. negotiators over several weeks, indicated his intention to accept a Turkish Cypriot federated state that constituted ``29 plus percent" of a future Cyprus federated republic, a formulation he had accepted in the mid-1980s. Mr. Denktash made several specific proposals, none of which came close in quality or quantity to the territorial adjustments suggested in the U.N. map. The Secretary General's account of the negotiations on this issue is detailed in paragraphs 17 through 29 of his August 21 report to the Security Council on his mission of good offices in Cyprus, which is attached to this letter.

The question of displaced persons was also discussed in detail during the July-August negotiations. The Turkish Cypriot side accepted the principles of the right to return and the right to property, provided that ``practical difficulties" on the Turkish Cypriot side would be taken into account. Mr. Denktash wanted particularly to exempt certain categories of Turkish Cypriots from the obligation to vacate their current homes and to provide a review mechanism for cases in which there were conflicting claims. The Greek Cypriot side agreed, the Secretary General reported, that, in this as in all other respects, the ``set of ideas" provided the basis for reaching an overall framework agreement. Paragraphs 27 through 32 of the Secretary General's August 21 report cover the negotiations on displaced persons.

The U.N. negotiators reviewed the other six headings of the ``set of ideas," including constitutional arrangements, with the two Cypriot community leaders on the last days of the proximity talks.

In all, the U.N. Secretary General and his representatives had more than three dozen separate meetings with the two leaders between July 15 and August 11. During this period and during the direct talks that followed, the U.S. Cyprus Coordinator, Ambassador Nelson Ledsky, and the U.S. Ambassador to Cyprus, Robert Lamb, were in New York to coordinate with the U.N. negotiators, with the representatives of the two Cypriot communities, Greece, Turkey, and with representatives of the other permanent members of the U.N. Security Council. These consultations continued during the July-August negotiations, and representatives of the United States and the other four permanent members of the Security Council were briefed almost daily by the negotiators on the progress of the talks. There were also numerous informal contacts with the two Cypriot delegations as well as the numerous consultations with the representatives of the five permanent Security Council members indicated above.

On August 11, the Secretary General announced that the two sides had made enough progress to warrant moving to direct discussions. The two Cypriot leaders agreed that these face-to-face discussions would focus first on displaced persons, then on constitutional arrangements, then territory, and then to the other issues in the ``set of ideas."

In the 3 days that followed, the Secretary General conducted four meetings between the two Cypriot leaders. On August 14, the Secretary General suggested and the two leaders agreed to another pause in the talks. The parties agreed that the talks would resume on a face-to-face basis on October 26 at the U.N. headquarters in New York.

On August 21, the Secretary General issued the attached report to the Security Council. The Secretary General's report covers his efforts to resolve the Cyprus problem during the period from April 10, 1992, through August 21, 1992. The report has annexed to it the entire U.N. ``Set of ideas on an overall framework agreement on Cyprus" (previously referred to in my letters to the Congress as the ``set of ideas") including the map that contains the Secretary General's suggestions for territorial adjustments.

On August 26, 1992, the U.N. Security Council passed Resolution 774 of August 26, 1992 (attached), which, among other points, endorsed the Secretary General's report and the ``set of ideas," including the suggested territorial adjustments reflected in the map contained in the annex to the report, as the basis for reaching an overall framework agreement. Resolution 774 called on the parties to manifest the necessary political will and to address in a positive manner the observations of the Secretary General for resolving the issues covered in his report.

The Resolution expressed the Security Council's expectation that an overall framework agreement will be concluded in 1992 with 1993 as the transitional year envisioned in the ``set of ideas." It reaffirmed the Council's position that the Secretary General should convene, following the satisfactory conclusion of the face-to-face talks, a high-level international meeting to conclude an overall framework agreement, in which the two Cypriot communities and Greece and Turkey would participate.

In Resolution 774, the Security Council also reaffirmed its position that the present status quo is unacceptable and called on the Secretary General to recommend alternate courses of action to resolve the Cyprus problem should an agreement not emerge from the talks that will reconvene in October.

I fully endorse the sentiments expressed in Security Council Resolution 774 and call on the parties to continue their work toward an agreement, which will benefit all the people of Cyprus.

During the course of the July-August New York negotiating session, I announced the appointment of Mr. John Maresca as the new U.S. Special Cyprus Coordinator. Mr. Maresca will replace Ambassador Ledsky, who has retired from the U.S. Foreign Service after a long and distinguished career. I would like to applaud and commend to your attention the outstanding achievement of Ambassador Ledsky in moving forward the U.N. Cyprus negotiations.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, Chairman of the Senate Committee on Foreign Relations.

Statement by Press Secretary Fitzwater on Implementation of the Clean Air Act

October 19, 1992

Today the Environmental Protection Agency is announcing that 41 more cities are attaining health standards for ground-level ozone (smog) and 13 more cities are attaining health standards for carbon monoxide. With over 35 million Americans breathing more easily than in 1988, this is a great American success story.

These improvements are due to a combination of cooler weather since 1988 and the actions this administration has taken in the last 4 years, including reducing the volatility of gasoline and passage of the Clean Air Act. The Bush administration is committed to continuing to clean our air through the full implementation of the Clean Air Act.

Remarks on Arrival in Lansing, Michigan

October 19, 1992

Thank you, Marti. Listen, this is a big moment. And Marti, thank you for those glowing words. I am pleased to receive the endorsement not only of two key members of the Perot campaign, Marti Plender and Jim Jenkins, but so many other Perot people.

All along in this campaign we've shared a common concern to take immediate action to get our economy moving again. And now we share something else: We agree that my plan is the best plan to jump-start the economy and to create jobs.

We agree, as Ross Perot's national coordinator, Orson Swindle, said this weekend, that a vote for Bill Clinton is a vote for disaster. Bill Clinton will not be able to control this spendthrift Congress. We've got the agenda, and we've got the ideas that will turn this economy around and get the deficit under control. And we can do it without giving Government more of your money to spend. Hold the line on taxes!

You know, some in the media will tell you the election's almost over, but the American people have a very different opinion. And this endorsement, coming at this critical moment, shows we are moving in the right direction, gathering strength, and we are winning the battle of ideas that will take us to victory on November 3d.

Thank you all very much. Thank you for coming out here today.

Note: The President spoke at 2:32 p.m. at the Capital City Airport. In his remarks, he referred to Marti Plender and Jim Jenkins, former key organizers for Ross Perot in the Grand Rapids and Detroit areas.

Presidential Debate in East Lansing, Michigan

October 19, 1992

Jim Lehrer. Good evening. Welcome to this third and final debate among the three major candidates for President of the United States: Governor Bill Clinton, the Democratic nominee; President George Bush, the Republican nominee; and independent candidate Ross Perot.

I am Jim Lehrer, of ``The MacNeil/Lehrer NewsHour'' on PBS. I will be the moderator for this debate, which is being sponsored by the Commission on Presidential Debates. It will be 90 minutes long. It is happening before an audience on the campus of Michigan State University in East Lansing.

The format was conceived by and agreed to by representatives of the Bush and Clinton campaigns. And it is somewhat different than those used in the earlier debates. I will ask questions for the first half under rules that permit followups. A panel of three other journalists will ask questions in the second half under rules that do not. As always, each candidate will have 2 minutes, up to 2 minutes, to make a closing statement. The order of those as well as that for the formal questioning were all determined by a drawing.

Gentlemen, again, welcome. And again, good evening.

Credibility

It seems, from what some of those voters said at your Richmond debate and from polling and other data, that each of you, fairly or not, faces serious voter concerns about the underlying credibility and believability of what each of you says you would do as President in the next 4 years.

Governor Clinton, in accordance with the draw, those concerns about you are first. You are promising to create jobs, reduce the deficit, reform the health care system, rebuild the infrastructure, guarantee college education for everyone who is qualified, among many other things, all with financial pain only for the very rich. Some people are having trouble, apparently, believing that is possible. Should they have that concern?

Governor Clinton. No. There are many people who believe that the only way we can get this country turned around is to tax the middle class more and punish them more. But the truth is that middle class Americans are basically the only group of Americans who have been taxed more in the 1980's and during the last 12 years even though their incomes have gone down. The wealthiest Americans have been taxed much less even though their incomes have gone up.

Middle class people will have their fair share of changing to do and many challenges to face,

including the challenge of becoming constantly reeducated. But my plan is a departure from trickle-down economics, just cutting taxes on the wealthiest Americans and getting out of the way. It's also a departure from tax-and-spend economics because you can't tax and divide an economy that isn't growing.

I propose an American version of what works in other countries. I think we can do it better: invest and grow. I believe we can increase investment and reduce the deficit at the same time if we not only ask the wealthiest Americans and foreign corporations to pay their fair share, we also provide over $100 billion in tax relief in terms of incentives for new plants, new small businesses, new technologies, new housing, and for middle class families, and we have $140 billion of spending cuts.

Invest and grow: raise some more money; spend the money on tax incentives to have growth in the private sector; take the money from the defense cuts and reinvest it in new transportation and communications and environmental cleanup systems. This will work.

On this, as on so many other issues, I have a fundamental difference from the present administration. I don't believe trickle-down economics will work. Unemployment is up. Most people are working harder for less money than they were making 10 years ago. I think we can do better if we have the courage to change.

Mr. Lehrer. Mr. President, a response.

President Bush. Do I have one minute? Just the ground rules here.

Mr. Lehrer. Well, you have roughly one minute. We can loosen that up a little bit. But go ahead.

President Bush. He doesn't like trickle-down Government, but hey, I think he's talking about the Reagan-Bush years where we created 15 million jobs. The rich are paying a bigger percent of the total tax burden. What I don't like is trickle-down Government. I think Governor Clinton keeps talking about trickle-down, trickle-down, and he's still talking about spending more and taxing more.

Government, he says, invest Government, grow Government. Government doesn't create jobs. If they do, they're make-work jobs. It's the private sector that creates jobs. And yes, we've got too many taxes on the American people, and we're spending too much. That's why I want to get the deficit down by controlling the growth of mandatory spending.

It won't be painless. I think Mr. Perot put his finger on something there. It won't be painless, but we've got to get the job done. But not by raising taxes.

Mr. and Mrs. America, when you hear him say we're going to tax only the rich, watch your

wallet, because his figures don't add up, and he's going to sock it right to the middle class taxpayer and lower if he's going to pay for all the spending programs he's proposed. So we have a big difference on this trickle-down theory. I do not want any more trickle-down Government. It's gotten too big. I want to do something about that.

Mr. Lehrer. Mr. Perot, what do you think of the Governor's approach, what he just laid out?

Mr. Perot. Well, the basic problem with it is it doesn't balance the budget. If you forecast it out, you still will have a significant deficit under each of their plans, as I understand them. Our challenge is to stop the financial bleeding. If you take a patient into a hospital that's bleeding arterially, step one is to stop the bleeding. And we are bleeding arterially.

There's only one way out of this, and that is to stop the deterioration of our job base, to have a growing, expanding job base to give us the tax base. See, balancing the budget is not nearly as difficult as paying off the $4 trillion debt and leaving our children the American dream intact. We have spent their money. We have got to pay it back. This is going to take fair-shared sacrifice.

My plan balances the budget within 6 years. We didn't do it faster than that because we didn't want to disrupt the economy. We gave it off to a slow start and a fast finish to give the economy time to recover. But we faced it, and we did it. And we believe it's fair-shared sacrifice.

The one thing I have done is lay it squarely on the table in front of the American people. You've had a number of occasions to see in detail what the plan is and at least you'll understand it. I think that's fundamental in our country that you know what you're getting into.

Mr. Lehrer. Governor, the word ``pain," one of the other leadership things that's put on you is that you don't speak of pain, that you speak of all things -- nobody's going to really have to suffer under your plan. You've heard what Mr. Perot has said. He said to do the things you want to do, you can't do it by just taking the money from the rich. That's what the President says as well. How do you respond to that? The numbers don't add up.

Governor Clinton. I disagree with both of them. Let me just follow up here. I disagree with Mr. Perot that the answer is to put a 50-cent gas tax on the middle class and raise more taxes on the middle class and the working poor than on the wealthy. His own analysis says that unemployment will be slightly higher in 1995 under his plan than it is today. As far as what Mr. Bush says, he is the person who raised taxes on the middle class after saying he wouldn't. Just this year Mr. Bush vetoed a tax increase on the wealthy that gave middle class tax relief. He vetoed middle class tax relief this year.

Furthermore, under this administration, spending has increased more than it has in the last 20 years, and he asked Congress to spend more money than it actually spent. Now, it's hard to

outspend Congress, but he tried to for the last 3 years.

So my view is the middle class is the -- they've been suffering, Jim. Now, should people pay more for Medicare if they can? Yes. Should they pay more for Social Security if they get more out of it than they've paid in and they're upper income people? Yes. But look what's happened to the middle class. Middle class Americans are working harder for less money than they were making 10 years ago, and they're paying higher taxes. The tax burden on them has not gone down; it has gone up.

I don't think the answer is to slow the economy down more, drive unemployment up more, and undermine the health of the private sector. The answer is to invest and grow this economy. That's what works in other countries, and that's what will work here.

Mr. Lehrer. As a practical matter, Mr. President, do you agree with the Governor when he says that the middle class -- the taxes on the middle class -- do your numbers agree that the taxes on the middle class have gone up during the last -- --

President Bush. I think everybody is paying too much taxes. He refers to one tax increase. Let me remind you it was a Democratic tax increase. I didn't want to do it, and I went along with it. I said I made a mistake. If I make a mistake, I admit it. That's quite different than some. But I think that's the American way.

I think everyone is paying too much. But I think this idea that you can go out and -- then he hits me for vetoing a tax bill. Yes, I did, and the American taxpayer ought to be glad they have a President to stand up to a spending Congress. We remember what it was like when we had a spending President and a spending Congress and interest rates -- who remembers that -- they were 21.5 percent under Jimmy Carter, and inflation was 15. We don't want to go back to that. So yes, everybody's taxed too much, and I want to get the taxes down, but not by signing a tax bill that's going to raise taxes on people.

Mr. Lehrer. Mr. President, when you said just then that you admit your mistakes, and you looked at Governor Clinton and said -- what mistake is it that you want him to admit to?

President Bush. Well, the record in Arkansas. I mean, look at it. And that's what we're asking America to have? Now, look, he says Arkansas's a poor State. They are. But in almost every category, they're lagging. I'll give you an example.

He talks about all the jobs he's created in 1 or 2 years. Over the last 10 years since he's been Governor, they're 30 percent behind. They're 30 percent of the national average. On pay for teachers, on all these categories, Arkansas is right near the very bottom.

You haven't heard me mention this before, but we're getting close now, and I think it's about

time I start putting things in perspective. I'm going to do that. It's not dirty campaigning, because he's been talking about my record for half a year here, 11 months here, and so we've got to do that. I've got to get it in perspective.

What's his mistake? Admit it, that Arkansas is doing very, very badly against any standard: environment, support for police officers, whatever it is.

Mr. Lehrer. Governor, is that true?

Governor Clinton. Mr. Bush's Bureau of Labor Statistics says that Arkansas ranks first in the country in the growth of new jobs this year, first -- --

President Bush. This year.

Governor Clinton. -- -- fourth in manufacturing jobs; fourth in the reduction of poverty; fourth in income increase. Over the last 10 years we've created manufacturing jobs much more rapidly than the national average. Over the last 5 years our income has grown more rapidly than the national average. We are second in tax burden, the second lowest tax burden in the country. We have the lowest per capita State and local spending in the country.

We are low-spending, low tax burden. We've dramatically increased investment and our jobs are growing. I wish America had that kind of record, and I think most people looking at us tonight would like it if we had more jobs and a lower spending burden on the Government.

Mr. Lehrer. Mr. Perot, if you were sitting at home now and just heard this exchange about Arkansas, who would you believe?

Mr. Perot. I grew up five blocks from Arkansas. [Laughter] Let's put it in perspective. It's a beautiful State. It's a fairly rural State. It has a population less than Chicago or Los Angeles, about the size of Dallas and Fort Worth combined. So I think probably we're making a mistake night after night after night to cast the Nation's future on a unit that small.

Mr. Lehrer. Why is that a mistake?

Mr. Perot. It's irrelevant. [Laughter]

Mr. Lehrer. What he did as Governor of Arkansas -- --

Mr. Perot. No, no, no. But you can't -- I could say that I ran a small grocery store on the corner, therefore, I extrapolate that into the fact that I could run Wal-Mart. That's not true. I carefully picked an Arkansas company, you notice there, Governor.

Mr. Lehrer. Governor?

Governor Clinton. Mr. Perot, with all respect, I think it is highly relevant, and I think that a $4 billion budget in State and Federal funds is not all that small. I think the fact that I took a State that was one of the poorest States in the country and had been for 153 years and tried my best to modernize its economy and to make the kind of changes that have generated support from people like the presidents of Apple Computer and Hewlett-Packard and some of the biggest companies in this country, 24 retired generals and admirals, and hundreds of business executives are highly relevant.

And you know, I'm frankly amazed that since you grew up five blocks from there you would think that what goes on in that State is irrelevant. I think it's been pretty impressive.

Mr. Perot. It's not -- --

Governor Clinton. And the people who have jobs and educations and opportunities that didn't have them 10 years ago don't think it's irrelevant at all. They think it's highly relevant and wish the rest of the country -- --

President Bush. I don't have a dog in this fight, but I'd like to get in on it.

Governor Clinton. You think it's relevant.

President Bush. Governor Clinton has to operate under a balanced budget amendment. He has to do it. That is the law. I'd like to see a balanced budget amendment for America, to protect the American taxpayers. Then that would discipline not only the executive branch but the spending Congress, the Congress that's been in control of one party, his party, for 38 years. We almost had it done. And that institution, the House of Representatives -- everyone's yelling ``Clean House!'' One of the reasons is we almost had it done, and the Speaker, very able, decent fellow, I might add, but he twisted the arms of some of the sponsors of that legislation and had them change their vote.

What's relevant here is that tool, that discipline that he has to live by in Arkansas. And I'd like it for the American people. I want the line-item veto. I want a check-off so if the Congress can't do it, let people check off their income tax, 10 percent of it, to compel the Government to cut spending. If they can't do it, if the Congress can't do it, let them then have to do it across the board. That's what we call a sequester. That's the discipline we need. And I'm working for that to protect the American taxpayer against the big spenders.

Leadership

Mr. Lehrer. Mr. President, let's move to some of the leadership concerns that have been voiced

about you. They relate to something you said in your closing statement in Richmond the other night about the President being the manager of crises, and that relates to an earlier criticism that you began to focus on the economy, on health care, on racial divisions in this country only after they became crises. Is that a fair criticism?

President Bush. Jim, I don't think that's a fair shot. I hear it. I hear it echoed by political opponents, but I don't think it's fair. I think we've been fighting from day one to do something about the inner cities. I'm for enterprise zones. I have had it in every single proposal I've sent to the Congress. Now we hear a lot of talk, ``Oh, well, we all want enterprise zones.'' Yet the House and the Senate can't send it down without loading it up with a lot of these Christmas tree ornaments they put on the legislation.

I don't think in racial harmony that I'm a laggard on that. I've been speaking out since day one. We've gotten the Americans for Disabilities Act, which I think is one of the foremost pieces of civil rights legislation. And yes, it took me to veto two civil rights quota bills, because I don't believe in quotas, and I don't think the American people believe in quotas. I beat back the Congress on that, and then we passed a decent civil rights bill that offers guarantees against discrimination in employment, and that is good. I've spoken out over and over again against anti-Semitism and racism, and I think my record as a Member of Congress speaks for itself on that.

What was the other part of it?

Mr. Lehrer. Well, it's just that -- you've spoken to it, I mean, but the idea -- not so much in specifics -- --

President Bush. Yes.

Mr. Lehrer. -- -- but that it has to be a crisis before it gets your attention.

President Bush. I don't think that's true at all. I don't think that's true. But, you know, let others fire away on it.

Mr. Lehrer. Do you think that's true, Mr. Perot?

Mr. Perot. I'd like to just talk about issues, and so -- --

Mr. Lehrer. You don't think this is an issue?

Mr. Perot. Well, no. But the point is that's a subjective thing. The subjective thing is when does President Bush react. It would be very difficult for me to answer that in any short period of time.

Mr. Lehrer. Well, then, I'll phrase it differently then. He said the other night in his closing words in Richmond that one of the key things that he believes the American people should decide among the three of you, is who they want in charge if this country gets to a crisis. Now, that's what he said. And the rap on the President is that it's only crisis time that he focuses on some of these things. So my question to you -- we're going to talk about you in a minute.

Mr. Perot. I thought you'd forgotten I was here. [Laughter]

Mr. Lehrer. No, no, no. No, no. But my question to you is -- so, if you have nothing to say about it, fine. I'll go to Governor Clinton. But -- --

Mr. Perot. I will let the American people decide that. I would rather not critique the two candidates.

Mr. Lehrer. All right.

Governor, what do you think?

Governor Clinton. The only thing I would say about that is I think that on the economy, Mr. Bush said for a long time there was no recession and then said it would be better to do nothing than to have a compromise effort with the Congress. He really didn't have a new economic program until over 1,300 days into his Presidency and not all of his health care initiative has been presented to the Congress even now.

I think it's important to elect a President who is committed to getting this economy going again and who realizes we have to abandon trickle-down economics and put the American people first again and who will send programs to the Congress in the first 100 days to deal with the critical issues that America's crying out for leadership on: jobs, incomes, the health care crisis, the need to control the economy. Those things deserve to be dealt with from day one. I will deal with them from day one. They will be my first priority, not my election year concerns.

Mr. Lehrer. Mr. President.

President Bush. Well, I think you're overlooking that we have had major accomplishments in the first term. But if you're talking about protecting the taxpayer against his friends in the United States Congress, go back to what it was like when you had a Democratic President and a Democratic Congress. You don't have to go back to Herbert Hoover. Go back to Jimmy Carter. Interest rates were 21 percent. Inflation was 15 percent. The ``misery index," unemployment, inflation added together, it was invented by the Democrats, went right through the roof. We've cut it in half, and all you hear about is how bad things are.

You know, you remember the question, ``Are you better off?" Well, is a homebuyer better off

who can refinance the home because interest rates are down? Is a senior citizen better off because inflation is not wiping out their family savings? I think they are. Is the guy out of work better off? Of course he's not. But he's not going to be better off if we grow the Government, if we invest, as Governor Clinton says, invest in more Government.

You've got to free up the private sector. You've got to let small business have more incentives. For 3 months -- three quarters I've been fighting, three quarters, been fighting to get the Congress to pass some incentives for small business, capital gains, investment tax allowance, credit for first-time homebuyers, and it's blocked by the Congress. Then if a little of it comes my way, they load it up with Christmas trees and tax increases. And I have to stand up in favor of the taxpayer.

Staying the Course

Mr. Lehrer. We have to talk about Ross Perot now, or he'll get me, I'm sure.

Mr. Perot, on this issue that I have raised at the very beginning and we've been talking about, which is leadership as President of the United States, the concerns -- my reading of it, at least -- my concerns about you, as expressed by folks in the polls and other places, it goes like this: You've got a problem with General Motors. You took over $750 million, and you left. You had a problem in the spring and summer about some personal hits that you took as a potential candidate for President of the United States, and you walked out. Does that say anything relevant to how you would function as President of the United States?

Mr. Perot. I think the General Motors thing is very relevant. I did everything I could to get General Motors to face its problems in the mid-eighties while it was still financially strong. They just wouldn't do it. Everybody now knows the terrible price they're paying by waiting until it's obvious to the brain dead that they have problems. [Laughter]

Now, hundreds, thousands of good, decent people, whole cities up here in this State are adversely impacted because they would not move in a timely way. Our Government is at that point now. The thing that I am in this race for is to tap the American people on the shoulder and to say to every single one of you: Fix it while we're still relatively strong. If you have a heart problem, you don't wait until the heart attack to address it.

So the General Motors experience is relevant. At the point when I could not get them to address those problems, I had created so much stress in the board, who wanted just to keep the Lawrence Welk music going, that they asked to buy my remaining shares. I sold them my remaining shares. They went their way; I went my way, because it was obvious we had a complete disagreement about what should be done with the company.

But let's take my life in perspective. Again and again on complex, difficult tasks, I have stayed

the course. When I was asked by our Government to do the POW project, within a year the Vietnamese had sent people into Canada to make arrangements to have me and my family killed. And I had five small children. And my family and I decided we would stay the course, and we lived with that problem for 3 years.

Then I got into the Texans' war on drugs program, and the big-time drug dealers got all upset. Then when I had two people imprisoned in Iran, I could have left them there. I could have rationalized it. We went over, we got them out, and we brought them back home. And since then, for years, I have lived with the burden of the Middle East, where it's eye-for-an-eye and tooth-for-a-tooth country, in terms of their unhappiness with the fact that I was successful in that effort.

Again and again and again, in the middle of the night, 2 or 3 o'clock in the morning, my Government has called me to take extraordinary steps for Americans in distress. And again and again and again, I have responded. And I didn't wilt, and I didn't quit.

Now, what happened in July we've covered again and again and again. But I think in terms of the American people's concern about my commitment -- and I'm here tonight, folks. I've never quit supporting you as you put me on the ballot in the other 26 States. When you asked me to come back in, I came back in. And talk about not quitting, I'm spending my money on this campaign. The two parties are spending your money, taxpayer money. I've put my wallet on the table for you and your children. Over $60 million at least will go into this campaign to leave the American dream to you and your children, to get this country straightened out, because if anybody owes it to you, I do. I've lived the American dream. I'd like for your children to be able to live it, too.

Mr. Lehrer. Governor, do you have a response to the staying the course question about Mr. Perot?

Governor Clinton. I don't have any criticism of Mr. Perot. I think what I'd like to talk about a minute is, since you asked him the question, was the General Motors issue. I don't think there's any question that the automobile executives made some errors in the 1980's, but I also think we should look at how much productivity has increased lately, how much labor has done to increase productivity, and how much management has done. We're still losing a lot of auto jobs, in my judgment, because we don't have a national economic strategy that would build the industrial base of this country.

Just today, I met with the presidents and the vice presidents of the Willow Run union near here. They both said they were Vietnam veterans supporting me because I had an economic program that put them back to work. We need an investment incentive to modernize plant and equipment. We've got to control the health care costs for those people. Otherwise we can't keep the manufacturing jobs here. We need a tough trade policy that is fair, that insists on open markets

in return for open markets. We ought to have a strategy that will build the economic and industrial base.

So I think Mr. Perot was right in questioning the management practices. But they didn't have much of a partner in Government here as compared with the policies the Germans and the Japanese followed. I believe we can do better. That's one of the things I want to change. I know that we can grow manufacturing jobs. We did it in my State, and we can do it nationally.

CAFE Standards

Mr. Lehrer. Mr. President, do you have a response?

President Bush. To this?

Mr. Lehrer. Yes.

President Bush. Well, I wondered when Governor Clinton was talking to the autoworkers whether he talked about his and Senator Gore's favoring CAFE standards, those are fuel efficiency standards, of 40 miles per gallon. That would break the auto industry and throw a lot of people out of work.

As regarding Mr. Perot, I take back something I said about him. I once said in a frivolous moment when he got out of the race, if you can't stand the heat, buy an air conditioning company. I take it back because I think he said he made a mistake. The thing I find is if I make a mistake, I admit it. I've never heard Governor Clinton make a mistake.

But one mistake he's made is fuel efficiency standards at 40 to 45 miles per gallon will throw many autoworkers out of work, and you can't have it both ways. There's a pattern here of appealing to the autoworkers and then trying to appeal to the spotted owl crowd or the extremes in the environmental movement. You can't do it as President. You can't have a pattern of one side of the issue one day and another the next.

So my argument is not with Ross Perot; it is more with Governor Clinton.

Mr. Lehrer. Governor, what about that charge that you want it both ways on this issue?

Governor Clinton. Let's just talk about the CAFE standards.

Mr. Lehrer. All right.

Governor Clinton. That's the fuel efficiency standards. They're now 27.5 miles per gallon per

automobile fleet. I never said, and I defy you to find where I said -- I gave an extensive environment speech in April. I said that we ought to have a goal of raising the fuel efficiency standards to 40 miles a gallon. I think that should be a goal. I never said we should write it into law if there is evidence that that goal cannot be achieved. The National Science Foundation did a study which said it would be difficult for us to reach fuel efficiency standards in excess of 37 miles per gallon by the year 2000.

I think we should try to raise the fuel efficiency. And let me say this: I think we ought to have incentives to do it. I think we ought to push to do it. That doesn't mean we have to write it into the law.

Look, I am a job creator, not a job destroyer. It is the Bush administration that has had no new jobs in the private sector in the last 4 years. In my State we're leading the country in private sector job growth. But it is good for America to improve fuel efficiency.

We also ought to convert more vehicles to compressed natural gas. That's another way to improve the environment.

NAFTA

Mr. Lehrer. Mr. Perot, based on your experience at General Motors, where do you come down on this? This has been thrown about, back and forth during this campaign from the very beginning about jobs and CAFE standards.

Mr. Perot. Well, everybody's nibbling around the edges. Let's go to the center of the bull's eye to the core problem. Believe me, everybody on the factory floor all over this country knows it. You implement that NAFTA, the Mexican trade agreement, where they pay people $1 an hour, have no health care, no retirement, no pollution controls, et cetera, et cetera, et cetera, and you're going to hear a giant sucking sound of jobs being pulled out of this country right at a time when we need the tax base to pay the debt and pay down the interest on the debt and get our house back in order. We have got to proceed very carefully on that.

See, there's a lot I don't understand. I do understand business. I do understand creating jobs. I do understand how to make things work. And I've got a long history of doing that. Now, if you want to go to the core problem that faces everybody in manufacturing in this country, it's that agreement that's about to be put into practice.

But here, very simply, everybody says it will create jobs. Yes, it will create bubble jobs. Now, watch this. Listen very carefully to this: One-time surge while we build factories and ship machine tools and equipment down there. Then year after year for decades they will have jobs. And I finally thought I didn't understand it. I called all the experts, and they said, ``Oh, it will be disruptive for 12 to 15 years." We haven't got 12 days, folks. We cannot lose those jobs. They

were saying Mexican jobs will eventually come to $7.50 an hour and ours will eventually go down to $7.50 an hour. It makes you feel real good to hear that, right?

Let's think it through, here. Let's be careful. I'm for free trade philosophically, but I have studied these trade agreements until the world has gone flat, and we don't have good trade agreements across the world. I hope we'll have a chance to get into that tonight, because I can get right to the center of the bull's eye and tell you why we're losing whole industries in this country. Excuse me.

Mr. Lehrer. Just for the record, though, Mr. Perot, I take it then for your answer you do not have a position on whether or not enforcing the CAFE standards will cost jobs in the auto industry.

Mr. Perot. Oh, no. It will cost jobs. But that's not -- let me say this: I'd rather, if you gave me two bad choices -- --

Mr. Lehrer. Okay.

Mr. Perot. I'd rather have some jobs left here than just see everything head south, see?

Mr. Lehrer. So that means no -- [laughter] -- in other words, you agree with President Bush, is that right?

Mr. Perot. No, I'm saying our principal need now is to stabilize the tax base, which is the job base, and create a growing, dynamic base. Now, please, folks, if you don't hear anything else I say, remember millions of people at work are our tax base. One quick point: If you confiscate the Forbes 400 wealth, take it all, you cannot balance the budget this year. Kind of gets your head straight about where the taxes year-in and year-out have got to come from. Millions and millions of people at work.

Mr. Lehrer. I wanted -- yes, sir.

President Bush. Well, I'm caught in the middle of NAFTA. Ross says, with great conviction, he opposes the North American free trade agreement. I am for the North American free trade agreement. My problem with Governor Clinton, once again, is that one time he's going to make up his mind, he will see some merit in it. But then he sees a lot of things wrong with it. And then the other day, he says he's for it; however, then we've got to pass other legislation. When you're President of the United States, you cannot have this pattern of saying, ``Well, I'm for it, but I'm on the other side of it." And it's true on this, and it's true on CAFE.

Look, if Ross were right and we get a free trade agreement with Mexico, why wouldn't they have gone down there now? You have a differential in wages right now. I just have an honest philosophical difference. I think free trade is going to expand our job opportunity. I think it is

exports that have saved us when we're in a global slowdown, a connected, global slowdown, a recession in some countries. It's free trade, fair trade that needs to be our hallmark, and we need more free trade agreements, not fewer.

Mr. Lehrer. Governor, a quick answer on trade, and I want to go on to something else.

Governor Clinton. I'd like to respond to that. You know, Mr. Bush was very grateful when I was among the Democrats who said he ought to have the authority to negotiate an agreement with Mexico. Neither I nor anybody else, as far as I know, agreed to give him our proxy to say that whatever he did was fine for the workers of this country and for the interests of this country.

I am the one who is in the middle on this. Mr. Perot says it's a bad deal. Mr. Bush says it's a hunky-dory deal. I say, on balance, it does more good than harm if we could get some protection for the environment so that the Mexicans have to follow their own environmental standards, their own labor law standards, and if we have a genuine commitment to reeducate and retrain the American workers who lose their jobs and reinvest in this economy.

I have a realistic approach to trade. I want more trade. I know there are some good things in that agreement, but it can sure be made better.

Let me just point out, just today in the Los Angeles Times, Clyde Prestowitz, who was one of President Reagan's leading trade advisers, and a lifelong conservative Republican, endorsed my candidacy because he knows that I'll have a free and fair trade policy, a hard-headed realistic policy, and not get caught up in rubber-stamping everything the Bush administration did. If I wanted to do that, why would I run for President, Jim? Anybody else can run the middle class down and run the economy in a ditch. I want to change it.

President Bush. I think he made my case. On the one hand, it's a good deal, but on the other hand, I'd make it better. You can't do that as President. You can't do it on the war, where he says, ``Well, I was with the minority, but I guess I would have voted with the majority."

This is my point tonight: We're talking about 2 weeks from now you've got to decide who is going to be President. And there is this pattern that has plagued him in the primaries and now about trying to have it both ways on all these issues. You can't do that. If you make a mistake, say you made a mistake and go on about your business, trying to serve the American people.

Right now we heard it. Ross is against it. I am for it. He says, ``On the one hand, I'm for it, and on the other hand, I may be against it."

Mr. Lehrer. Governor -- --

Governor Clinton. That's what's wrong with Mr. Bush. His whole deal is, you've got to be for it

or against it, and you can't make it better. I believe we can be better. I think the American people are sick and tired of either-or solutions, people being pushed in the corner, polarized to extremes. I think they want somebody with common sense, who can do what's best for the American people. I'd be happy to discuss these other issues, but I can't believe he is accusing me of getting on both sides.

He said trickle-down economics was voodoo economics. Now, he's its biggest practitioner. Let me just say -- --

President Bush. I've always said trickle-down Government is bad.

Governor Clinton. I could run this string out a long time, but remember this, Jim: Those 209 Americans last Thursday night in Richmond told us they wanted us to stop talking about each other and start talking about Americans and their problems and their promises. I think we ought to get back to that. I'll be glad to answer any question you have, but this election ought to be about the American people.

Mr. Lehrer. Mr. Perot?

Mr. Perot. Is there an equal time rule here tonight?

President Bush. Yes.

Mr. Perot. Or do you just keep lunging in at will? I thought we were going to have equal time, but maybe I just have to interrupt the other two. Is that the way it works this -- --

Mr. Lehrer. No. Mr. Perot, you're doing fine. Go ahead. Whatever you want to say, say it.

Foreign Lobbyists

Mr. Perot. Now that we've talked all around the problem about free trade, let's go again to the center of the bull's eye.

Mr. Lehrer. Wait a minute. I was going to ask -- I thought you wanted to respond to what we were talking about.

Mr. Perot. I do. I do. I just want to make -- these foreign lobbyists, this whole thing. Our country has sold out to foreign lobbyists. We don't have free trade. Both parties have foreign lobbyists on leave in key roles in their campaigns. If there's anything more unwise than that, I don't know what it is. Every debate, I bring this up, and nobody ever addresses it.

I would like for them to look you in the eye and tell you why they have people representing foreign countries working on their campaigns. And you know, you've seen the list; I've seen the list. We won't go into the names. But no wonder they -- if I had those people around me all day every day telling me it was fair and free, I might believe it. But if I look at the facts as a businessman, it's so tilted. The first thing you ought to do is just say, ``Guys, if you like these deals so well, we'll give you the deal you gave us." Now, Japanese couldn't unload the cars in this country if they had the same restrictions we had, and on and on and on and on and on.

I suggest to you that the core problem -- one country spent $400 million lobbying in 1988 -- our country. And it goes on and on. And you look at a Who's Who in these campaigns around the two candidates. They're foreign lobbyists taking leaves. What do you think they're going to do when the campaign's over? Go back to work at 30,000 bucks a month representing some other country. I don't believe that's in the American people's interest.

I don't have a one of them, and I haven't taken a penny of foreign money, and I never will.

Mr. Lehrer. Mr. President, how do you respond to that? Mr. Perot has made that charge several times, the fact that you have people working in your campaign who are paid foreign lobbyists.

President Bush. Most people that are lobbying are lobbying the Congress. I don't think there's anything wrong with an honest person who happens to represent an interest of another country for making his case. That's the American way. What you're assuming is that that makes the recipient of the lobbying corrupt or the lobbyists themselves corrupt. I don't agree with that.

But if I found somebody that had a conflict of interest that would try to illegally do something as a foreign registered lobby, the laws cover this. I don't know why -- I've never understood quite why Mr. Perot was so upset about it, because one of the guys he used to have working for him, I believe, had foreign accounts. Could be wrong, but I think so.

Mr. Perot. Soon as I found it out, he went out the door, too.

President Bush. Well, I think you've got to look at the integrity and the honor of the people that are being lobbied and those that are lobbyists. The laws protect the American taxpayer in this regard. If the laws are violated so much -- but to suggest if somebody represents a foreign country on anything, that makes him corrupt or against the taxpayer, I don't agree with it.

Mr. Perot. One quick relevant specific. We're getting ready to dismantle the airlines industry in our country, and none of you know it. I doubt, in all candor, if the President knows it. But this deal that we're doing with BAC and USAir and KLM and Northwest -- now, guess who is on the President's campaign big time? A guy from Northwest. This deal is terribly destructive to the U.S. airline industry. One of the largest industries in the world is the travel and tourist business. We won't be making airplanes in this country 10 years from now if we let deals like this go

through.

If the press has any interest tonight, I'll detail it to you. I won't take 10 minutes tonight; all these things take a few minutes. But that's happening as we sit here today. We hammerlock the American companies, American Airlines, Delta, the last few great we have, because we're trying to do this deal with these two European companies. Never forget, they've got Airbus over there, and it's a government-owned, privately owned consortium across Europe. They're dying to get the commercial airline business. Japan is trying to get the commercial airline business. I don't think there are any villains inside Government on this issue, but there sure are a lot of people who don't understand business. And maybe you need somebody up there who understands when you're getting your pocket picked.

Mr. Lehrer. Governor, I'm sorry, but that concludes my time with -- --

Governor Clinton. Boy, I had a great response to that.

Mr. Lehrer. All right. Go ahead, quickly. Just very briefly.

Governor Clinton. I think Ross is right and that we do need some more restrictions on lobbyists. We ought to make them disclose the people they've given money to when they're testifying before congressional committees. We ought to close the lawyers' loophole; they ought to have to disclose when they're really lobbying. We ought to have a much longer period of time, about 5 years, between the time when people can leave executive branch offices and then go out and start lobbying for foreign interest. I agree with that.

We've wrecked the airline industry already because there's all these leveraged buyouts and all these terrible things that have happened to the airline industry. We're going to have a hard time rebuilding it. But the real thing we've got to have is a competitive economic strategy. Look what's happening to McDonnell Douglas. Even Boeing is losing market share because we let the Europeans spend 25 to 40 billion dollars on Airbus without an appropriate competitive response.

What I want America to do is to trade more, but to compete and win by investing in competitive ways. And we're in real trouble on that.

Mr. Lehrer. I'm going to be in real trouble if I don't bring out -- it's about time -- --

President Bush. I promise it's less than 10 seconds.

Mr. Lehrer. Okay.

President Bush. I heard Governor Clinton congratulate us on one thing. First time he said something pleasant about this administration. Productivity in this country is up. It is way up.

Productivity is up, and that's a good thing. There are many other good ones, but I was glad he acknowledged that.

Mr. Perot. I've volunteered -- now, look, I'm just kind of a, you know, cur dog here. I was put on the ballot by the people, not special interest, so I have to stand up for myself. Now, Jim, let me net it out. On the second debate, I offered, since both sides want the enterprise zones but can't get together, I said I'll take a few days off and go to Washington and hold hands with you, and we'll get it done. I'll take a few days off, hold hands with you, and get this airline thing straightened out, because that's important to this country.

That's kind of pathetic I have to do it, and nobody's called me yet to come up, I might mention -- [laughter] -- but if they do, if they do, it's easy to fix. If you all want the enterprise zones, why don't we pass the dang thing and do it? Right?

Mr. Lehrer. All right. Now we're going to bring in three other journalists to ask questions. They are Susan Rook of CNN, Gene Gibbons of Reuters, and Helen Thomas of United Press International.

You thought you'd never get in here, didn't you?

President Bush. Uh-oh.

Mr. Lehrer. Okay, we are going to continue on the subject of leadership, and the first question goes to Governor Clinton for a 2-minute answer. It will be asked by Helen Thomas. Helen?

The Draft Issue

Helen Thomas. Governor Clinton, your credibility has come into question because of your different responses on the Vietnam draft. If you had to do it over again, would you put on the Nation's uniform? And, if elected, could you, in good conscience, send someone to war?

Governor Clinton. If I had to do it over again, I might answer the questions a little better. You know, I had been in public life a long time and no one had ever questioned my role, and so I was asked a lot of questions about the things that happened a long time ago. I don't think I answered them as well as I could have.

Going back 23 years, I don't know, Helen. I was opposed to the war. I couldn't help that. I felt very strongly about it, and I didn't want to go at the time. It's easy to say in retrospect I would have done something differently.

President Lincoln opposed the war, and there were people who said maybe he shouldn't be President. But I think he made us a pretty good President in wartime. We've got a lot of other

Presidents who didn't wear their country's uniform and had to order our young soldiers into battle, including President Wilson and President Roosevelt. So the answer is, I could do that. I wouldn't relish doing it, but I wouldn't shrink from it.

I think that the President has to be prepared to use the power of the Nation when our vital interests are threatened, when our treaty commitments are at stake, when we know that something has to be done that is in the national interest. And that is a part of being President. Could I do it? Yes, I could.

Mr. Lehrer. A reminder now, we're back on the St. Louis rules, which means that the Governor had his answer, and then each of you will have one minute to respond.

Mr. President.

President Bush. Well, I've expressed my heartfelt difference with Governor Clinton on organizing demonstrations while in a foreign land against your country when young ghetto kids have been drafted and are dying.

My argument with him on -- the question was about the draft is that there is this same pattern. In New Hampshire, Senator Kerry said you ought to level, you ought to tell the truth about it. And April 17th, he said he'd bring out all the records on the draft. They have not been forthcoming. He got a deferment, or he didn't. He got a notice, or he didn't. I think it's this pattern that troubles me more than the draft. A lot of decent, honorable people felt as he did on the draft. But it is this pattern.

And again, you might be able to make amendments all the time, Governor, but as President, you can't be on all these different sides, and you can't have this pattern of saying, well, I did this, or I didn't. Then the facts come out, and you change it. That's my big difference with him on the draft. It wasn't failing to serve.

Mr. Lehrer. Your minute is up, sir.

Mr. Perot, one minute.

Mr. Perot. I've spent my whole adult life very close to the military; feel very strongly about the people who go into battle for our country; appreciate their idealism, their sacrifices; appreciate the sacrifices their families make. That's been displayed again and again in a very tangible way.

I look on this as history. I don't look on it, personally, as relevant. I consider it really a waste of time tonight when you consider the issues that face our country right now.

Mr. Lehrer. All right. The next question goes to President Bush, and Gene Gibbons will ask it.

1990 Budget Agreement

Gene Gibbons. Mr. President, you keep saying that you made a mistake in agreeing to a tax increase to get the 1990 budget deal with Congress. But if you hadn't gotten that deal you would have either had to get repeal of the Gramm-Rudman deficit control act or cut defense spending drastically at a time when the country was building up for the Gulf war and decimate domestic discretionary spending, including such things as air traffic control. If you had it to do all over again, sir, which of those alternatives would you choose?

President Bush. I wouldn't have taken any of the alternatives. I believe I made a mistake. I did it for the very reasons you say. There was one good thing that came out of that budget agreement, and that is we put a cap on discretionary spending. One-third of the President's budget is at the President's discretion, or really, the Congress', since they appropriate every dime and tell the President how to spend every dime. We've put a cap on the growth of all that spending, and that's good. And that's helped. But I was wrong because I thought the tax compromise, going along with one Democratic tax increase, would help the economy. I see no evidence that it has done it.

So what would I have done, what should I have done? I should have held out for a better deal that would have protected the taxpayer and not ended up doing what we had to do or what I thought at the time would help.

So I made a mistake. You know, the difference, I think, is that I knew at the time I was going to take a lot of political flak. I knew we'd have somebody out there yelling, ``Read my lips." And I did it because I thought it was right. And I made a mistake. That's quite different than taking a position where you know it's best for you. That wasn't best for me, and I knew it in the very beginning. I thought it would be better for the country than it was. So there we are.

Mr. Lehrer. Mr. Perot, one minute.

Mr. Perot. The 101 in leadership is be accountable for what you do. Let's go back to the tax and budget summit briefly. Nobody ever told the American people that we increased spending $1.83 for every dollar of taxes raised. That's absolutely unconscionable. Both parties carry a huge blame for that on their shoulders. This was not a way to pay on the deficit. This was a trick on the American people. That's not leadership.

Let's go back in terms of accepting responsibilities for your actions. To create Saddam Hussein over a 10-year period, using billions of dollars of U.S. taxpayer money, step up to the plate and say it was a mistake. To create Noriega using taxpayer money, step up to the plate and say it was a mistake. If you can't get your act together to pick him up one day when a Panamanian major has kidnaped him, a special forces team is 400 yards away and it's a stroll across the park to get

him, and if you can't get your act together, at least pick up the Panamanian major who they then killed, step up to the plate and admit it was a mistake. That's leadership, folks.

Now, leaders will always make mistakes. And I'm not aiming at any one person here. I'm aiming at our Government. Nobody takes responsibility for anything. We've got to change that.

Mr. Lehrer. I'll take responsibility for saying your time is up.

Mr. Perot. I'm watching the light.

Mr. Lehrer. All right.

Governor Clinton, one minute, sir.

Governor Clinton. The mistake that was made was making the ``read my lips'' promise in the first place just to get elected, knowing what the size of the deficit was, knowing there was no plan to control health care costs, and knowing that we did not have a strategy to get real economic growth back into this economy. The choices were not good then.

I think at the time the mistake that was made was signing off on the deal late on Saturday night in the middle of the night. That's just what the President did when he vetoed the family leave act. I think what he should have done is gone before the American people on the front end and said, ``Listen, I made a commitment, and it was wrong. I made a mistake because I couldn't have foreseen these circumstances. And this is the best deal we can work out at the time.''

He said it was in the public interest at the time, and most everybody who was involved in it, I guess, thought it was. The real mistake was the ``read my lips'' promise in the first place. You just can't promise something like that just to get elected if you know there's a good chance that circumstances may overtake you.

Mr. Lehrer. All right, Mr. Perot, the question is for you. You have a 2-minute answer, and it will be asked by Susan Rook.

Leadership

Susan Rook. Mr. Perot, you've talked about going to Washington to do what the people who run this country want you to do. But it is the President's duty to lead and often lead alone. How can you lead if you are forever seeking consensus before you act?

Mr. Perot. Let's talk about two different subjects. In order to lead, you first have to use the White House as a bully pulpit and lead. Then you have to develop consensus, or you can't get anything done. That's where we are now. We can't get anything done. How do you get anything done

when you've got all of these political action committees, all of these thousands of registered lobbyists, 40,000 registered lobbyists, 23,000 special interest groups, and the list goes on and on and on, and the average citizen out here just working hard every day. You've got to go to the people. I just love the fact that everybody, particularly in the media, goes bonkers over the town hall. I guess it's because you will lose your right to tell them what to think. [Laughter] The point is, they'll get to decide what to think.

President Bush. Hey, you've got something there.

Mr. Perot. I love the fact that people will listen to a guy with a bad accent and a poor presentation manner talking about flip charts for 30 minutes, because they want the details. See, all the folks up there at the top said, people, ``The attention span of the American people is no more than 5 minutes. They won't watch it." They're thirsty for it.

You want to have a new program in this country? If you get grassroots America excited about it and if they tap Congress on the shoulder and say, ``Do it, Charlie," it will happen. That's a whole lot different from these fellows running up and down the halls whispering in their ears now and promising campaign funds for the next election if they do it.

Now, I think that's going back to where we started. That's having a Government from the people. I think that's the essence of leadership, rather than cutting deals in dark rooms in Washington.

Mr. Lehrer. Governor Clinton, one minute.

Governor Clinton. Well, I believe in the town hall meetings. They started with my campaign in New Hampshire. I think Ross Perot has done a good job in having them. And I, as you know, pushed for the debate to include 209 American citizens who were part of it in Richmond a few days ago. I've done a lot of them, and I'll continue to do them as President.

But I'd also like to point out that I haven't been part of what we're criticizing in Washington tonight. Of the three of us, I have balanced a government budget 12 times. I have offered and passed campaign finance reform; offered, pushed for, and passed in public referendum lobbyist restrictions; done the kinds of things you have to do to get legislators together, not only to establish consensus but to challenge them to change. In 12 years as Governor, I guess I've taken on every interest group there was in my State at one time or another to fight for change. It can be done. That's why I've tried to be so specific in this campaign: to have a mandate, if elected, so that Congress will know what the American people have voted for.

Mr. Lehrer. President Bush, one minute.

President Bush. I would like the record to show the panelists that Ross Perot took the first shot at the press. My favorite bumper sticker, though, is ``Annoy the Media. Reelect President Bush."

[Laughter] I just had to work that in. Sorry, Helen. I'm going to pay for this later on.

Look, you have to build a consensus, but in some things -- Ross mentioned Saddam Hussein. Yes, we tried, and yes, we failed to bring him into the family of nations. He had the fourth largest army. But then when he moved against Kuwait I said, this will not stand. And it's hard to build a consensus. We went to the U.N. We made historic resolutions up there. The whole world was united. Our Congress was dragging its feet. Governor Clinton said, ``Well, I might have been with the minority, let sanctions work. But I guess I would have voted with the majority."

A President can't do that. Sometimes he has to act. In this case, I'm glad we did, because if we'd have let sanctions work and had tried to build a consensus on that, Saddam Hussein today would be in Saudi Arabia controlling the world's oil supply, and he would be there maybe with a nuclear weapon. We busted the fourth largest army, and we did it through leadership.

Mr. Lehrer. All right, we're going to go on to another subject now, and the subject is priorities. And the first question goes to you, President Bush, and Susan will ask it.

Women Advisers

Ms. Rook. President Bush, gentlemen, I acknowledge that all of you have women and ethnic minorities working for you and working with you. But when we look at the circle of the key people closest to you, your inner circle of advisers, we see white men only. Why, and when will that change?

President Bush. You don't see Margaret Tutwiler sitting in there with me today?

Ms. Rook. The key people, President Bush.

President Bush. What?

Ms. Rook. The key people, the people beyond the glass ceiling.

President Bush. I happen to think she's a key person. I think our Cabinet members are key people. I think the woman that works with me, Rose Zamaria, is about as tough as a boot out there and makes some discipline and protects the taxpayer. Look at our Cabinet. You talk about somebody strong, look at Carla Hills. Look at Lynn Martin, who's fighting against this glass ceiling and doing a first-class job on it. Look at our Surgeon General, Dr. Novello. You can look all around and you'll see first-class, strong women.

Jim Baker's a man. Yes, I plead guilty to that. [Laughter] But look who's around with him there. I mean, this is a little defensive on your part, Susan, to be honest with you. We've got a very good record appointing women to high positions and positions of trust. And I'm not defensive at

all about it.

What we've got to do is keep working, as the Labor Department is doing a first-class job on, to break down discrimination, to break down the glass ceiling. I am not apologetic at all about our record with women. You think about women in Government. I think about women in business. Why not try to help them with my small business program to build some incentives into the system?

I think we're making progress here. You've got a lot of women running for office. As I said the other night, I hope a lot of them lose, because they're liberal Democrats, and we don't need more of them in the Senate or more of them in the House. But nevertheless, they're out there. And we've got some very good Republican women running. So we're making dramatic progress.

Mr. Lehrer. Mr. Perot, one minute.

Mr. Perot. Well, I've come from the computer business, and everybody knows women are more talented than the men. So we have a long history of having a lot of talented women. One of our first officers was a woman, a chief financial officer. She was a director. And it was so far back, it was considered so odd. And even though we were a tiny little company at the time, it made all the national magazines.

But in terms of being influenced by women and being a minority, there they are right out there, my wife and my four beautiful daughters. And I just have one son. So he and I are surrounded by women telling us what to do all the time. [Laughter]

Iraq

For the rest of my minute, I want to make a very brief comment here in terms of Saddam Hussein. We told him that we wouldn't get involved with this border dispute, and we've never revealed those papers that were given to Ambassador Glaspie on July 25. I suggest, in the sense of taking responsibility for your actions, we lay those papers on the table. They're not the secrets to the nuclear bomb.

Secondly, we got upset when he took the whole thing, but to the ordinary American out there who doesn't know where the oilfields are in Kuwait, they're near the border. We told him he could take the northern part of Kuwait, and when he took the whole thing, we went nuts. And if we didn't tell him that, why won't we even let the Senate Foreign Relations Committee and the Senate Intelligence Committee see the written instructions for Ambassador Glaspie?

President Bush. I'd like to reply on that. That gets to the national honor. We did not say to Saddam Hussein, Ross, ``You can take the northern part of Kuwait.'' That is absolutely absurd. Glaspie has testified -- --

Mr. Perot. Where are the papers?

President Bush. -- -- and Glaspie's papers have been presented to the United States Senate. So please -- --

Mr. Perot. If you have time, go through NEXIS and LEXIS, pull all the old news articles. Look at what Ambassador Glaspie said all through the fall and what have you, and then look at what she and Kelly and all the others in State said at the end when they were trying to clean it up. And talk to any head of any of those key committees in the Senate. They will not let them see the written instructions given to Ambassador Glaspie. And I suggest that in a free society owned by the people, the American people ought to know what we told Ambassador Glaspie to tell Saddam Hussein. Because we spent a lot of money and risked lives and lost lives in that effort, and did not accomplish most of our objectives. We got Kuwait back to the Amir; but he still got his nuclear, his chemical, his bacteriological, and he's still over there, right? I'd like to see those written instructions. Sorry.

Mr. Lehrer. Mr. President, when you -- just make sure that everybody knows what's going on here. When you responded directly to Mr. Perot then -- --

President Bush. Yes.

Mr. Lehrer. -- -- you violated the rule, your rules. Now, I'm willing -- --

President Bush. I apologize. When I make a mistake, I say -- [laughter].

Mr. Lehrer. No, no, no. I just want to make sure that everybody understands. If you all want to change the rules, we can do it.

President Bush. No, I don't. I apologize for it. But that one got right to the national honor.

Mr. Lehrer. All right. Okay.

President Bush. And I'm sorry.

Mr. Lehrer. Okay. But Governor Clinton, you have a minute.

Women Advisers

Governor Clinton. Susan, I don't agree that there are no women and minorities in important positions in my campaign. There are many. But I think even more relevant is my record at home. For most of my time as Governor, a woman was my chief of staff, an African American was my

chief cabinet officer, an African American was my chief economic development officer.

It was interesting, there was a story either today or yesterday in the Washington Post about my economic programs. My chief budget officer and my chief economic officer were both African Americans, even though the Post didn't mention that, which I think is a sign of progress. The National Women's Political Caucus gave me an award, one of their good guy awards, for my involvement of women in high levels of government. I've appointed more minorities to positions of high levels in government than all the Governors in the history of my State combined before me.

So that's what I'll do as President. I don't think we've got a person to waste. I think I owe the American people a White House staff, a Cabinet, and appointments that look like America, but that meet high standards of excellence, and that's what I'll do.

Mr. Lehrer. All right. The next question goes to you, Mr. Perot, for 2 minutes. It's a 2-minute question, and Helen will ask it. Helen?

Investigations

Ms. Thomas. Mr. Perot, what proof do you have that Saddam Hussein was told that he could have -- do you have any actual proof, or are you asking for the papers? And also, I really came in with another question. What is this penchant you have to investigate everyone? Are those accusations correct, investigating your staff, investigating the leaders of the grassroots movement, investigating associates of your family?

Mr. Perot. No, they're not correct. And if you look at my life for the first -- until I got involved in this effort, I was one person. And then after the Republican dirty tricks group got through with me, I'm another person, which I consider an absolutely sick operation. And all of you in the press know exactly what I'm talking about. They investigated every single one of my children. They investigated my wife. They interviewed all my children's friends from childhood on. They went to extraordinary, sick lengths. And I just found it amusing that they would take two or three cases where I was involved in lawsuits and would engage an investigator, the lawyers would engage an investigator, which is common. And the only difference between me and any other businessman that has the range of businesses I have is I haven't had that many lawsuits.

So that's just another one of those little fruit-loopy things they make up to try to, instead of facing issues, to try to redefine a person that's running against them. This goes on night and day. I will do everything I can, if I get up there, to make dirty tricks a thing of the past. One of the two groups has raised it to an art form. It's a sick art form.

Iraq

Now, let's go back to Saddam Hussein. We gave Ambassador Glaspie written instructions. That's a fact. We've never let the Congress and these Foreign Relations -- Senate Intelligence Committee see them. That's a fact.

Ambassador Glaspie did a lot of talking, right after July the 25th, and that's a fact, and it saw the newspapers. You pull all of it at once and read it, and I did, and it's pretty clear what she and Kelly and the other key guys around that thing thought they were doing.

Then, at the end of the war when they had to go testify about it, their stories are a total disconnect from what they said in August, September, and October. So I say, this is very simple: Saddam Hussein released a tape, as you know, claiming it was a transcript of their meeting, where she said, ``We will not become involved in your border dispute," and in effect, ``You can take the northern part of the country."

We later said, ``No, that's not true." I said, well, this is simple. What were her written instructions? We guard those like the secrets to the atomic bomb, literally. Now, I say: Whose country is this? This is ours. Who will get hurt if we lay those papers on the table? The worst thing is, again, it's a mistake. Nobody did any of this with evil intent. I just object to the fact that we cover up and hide things, whether it's Iran-contra, Iraqgate, or you name it. It's a steady stream.

Mr. Lehrer. Governor Clinton, you have one minute.

Governor Clinton. Let's take Mr. Bush for the moment at his word. I mean, he's right, we don't have any evidence, at least, that our Government did tell Saddam Hussein he could have that part of Kuwait. And let's give him the credit he deserves for organizing Operation Desert Storm and Desert Shield. It was a remarkable event.

But let's look at where, I think, the real mistake was made. In 1988, when the war between Iraq and Iran ended, we knew Saddam Hussein was a tyrant. We had dealt with him because he was against Iran. The enemy of my enemy maybe is my friend.

All right, the war is over. We know he's dropping mustard gas on his own people. We know he's threatened to incinerate half of Israel. Several Government Departments, several, had information that he was converting our aid to military purposes and trying to develop weapons of mass destruction. But in late '89, the President signed a secret policy saying we were going to continue to try to improve relations with him, and we sent him some sort of communication on the eve of his invasion of Kuwait that we still wanted better relations.

So I think what was wrong -- I give credit where credit is due, but the responsibility was in coddling Saddam Hussein when there was no reason to do it and when people at high levels in our Government knew he was trying to do things that were outrageous.

Mr. Lehrer. Mr. President, you have a moment -- a minute, I'm sorry.

President Bush. It's awful easy when you're dealing with 90/90 hindsight. We did try to bring Saddam Hussein into the family of nations. He did have the fourth largest army. All our Arab allies out there thought we ought to do just exactly that. When he crossed the line, I stood up and looked into the camera and I said, ``This aggression will not stand." We formed a historic coalition, and we brought him down. We destroyed the fourth largest army, and the battlefield was searched, and there wasn't one single iota of evidence that any U.S. weapons were on that battlefield. The nuclear capability has been searched by the United Nations, and there hasn't been one single scintilla of evidence that there's any U.S. technology involved in it.

What you're seeing on all this Iraqgate is a bunch of people who were wrong on the war trying to cover their necks here and try to do a little revisionism. I cannot let that stand, because it isn't true. Yes, we had grain credits for Iraq, and there isn't any evidence that those grain credits were diverted into weaponry, none, none whatsoever. And so I just have to say it's fine. You can't say there, Governor Clinton, and say, ``Well, I think I have supported the minority" -- let sanctions work or wish that it would go away -- ``but I would have voted with the majority." Come on, that's not leadership.

Mr. Lehrer. The next question goes to Governor Clinton, and Gene Gibbons will ask it. Gene?

Banking Situation

Mr. Gibbons. Governor, an important aspect of leadership is, of course, anticipating problems. During the 1988 campaign, there was little or no mention of the savings and loan crisis that has cost the American people billions and billions of dollars. Now there are rumblings that a commercial bank crisis is on the horizon. Is there such a problem, sir? If so, how bad is it, and what will it cost to clean it up?

Governor Clinton. Gene, there is a problem in the sense that there are some problem banks. And on December 19th, new regulations will go into effect which will, in effect, give the Government the responsibility to close some banks that are not technically insolvent but that are plainly in trouble.

On the other hand, I don't think that we have any reason to believe that the dimensions of this crisis are anywhere near as great as the savings and loan crisis. The mistake that both parties made in Washington with the S&L business was deregulating them without proper capital requirements, proper oversight and regulation, proper training of the executives. Many people predicted what happened, and it was a disaster.

The banking system in this country is fundamentally sound, with some weak banks. I think that

our goal ought to be, first of all, not to politicize it, not to frighten people; secondly, to say that we have to enforce the law in two ways. We don't want to overreact as the Federal regulators have, in my judgment, on good banks so that they've created credit crunches that have made our recession worse in the last couple of years, but we do want to act prudently with the banks that are in trouble.

We also want to say that, insofar as is humanly possible, the banking industry itself should pay for the cost of any bank failures, the taxpayers should not, and that will be my policy. I believe we have a good, balanced approach. We can get the good banks loaning money again in the credit crunch, have proper regulation on the ones that are in trouble, and not overreact. It is a serious problem, but I don't see it as the kind of terrible, terrible problem that the S&L problem was.

Mr. Lehrer. President Bush, one minute.

President Bush. Well, I don't believe it would be appropriate for a President to suggest that the banking system is not sound; it is sound. There are some problem banks out there. But what we need is financial reform. We need some real financial reform, banking reform legislation. I have proposed that, and when I am reelected I believe one of the first things ought to be to press a new Congress, not beholden to the old ways, to pass financial reform legislation that modernizes the banking system, doesn't put a lot of inhibitions on it, and protects the depositors through keeping the FDIC sound. I just was watching some of the proceedings of the American Bankers Association, and I think the general feeling is most of the banks are sound. Certainly there's no comparison here between what happened to the S&L's and where the banks stand right now, in my view.

Mr. Lehrer. Mr. Perot, one minute.

Mr. Perot. Well, nobody's gotten into the real issue yet on the savings and loan. Again, nobody's got a business background, I guess. The whole problem came up in 1984. The President of the United States was told officially it was a $20 billion problem.

These crooks -- now, Willie Sutton would have gone to own a savings and loan rather than rob banks. He robbed banks because that's where the money is; owning a savings and loan is where the money was.

Now, in 1984 they were told. I believe the Vice President was in charge of deregulation. Nobody touched that tar baby until the day after election in 1988, because they were flooding both parties with crooked PAC money. And it was, in many cases, stolen PAC money. Now, you and I never got a ride on a lot of these yachts and fancy things it bought, but you and I are paying for it. And they buried it until right after the election.

Now, if you believe the Washington Post and you believe this extensive study that's been done, and I'm reading it, right after election day this year they're going to hit us with 100 banks. It'll be a $100 billion problem. Now, if that's true, just tell me now. I'm grown up. I can deal with it. I'll pay my share. But just tell me now. Don't bury it until after the election twice. I say that to both political parties. The people deserve that, since we have to pick up the tab. You've got the PAC money. We'll pay the tab. Just tell us.

Mr. Lehrer. All right, Mr. Perot. The next question, we're going into a new round here on a category just called ``differences." And the question goes to you, Mr. Perot, and Gene will ask it. Gene?

Government Reform

Mr. Gibbons. Mr. Perot, aside from the deficit, what Government policy or policies do you really want to do something about? What really sticks in your craw about conditions in this country, beside the deficit, that you would want to fix as President?

Mr. Perot. The debt and the deficit. Well, if you watched my television show the other night, you saw it. If you watch it Thursday, Friday, Saturday this week, you'll get more. So, a shameless plug there, Mr. President. But in a nutshell, we've got to reform our Government or we won't get anything done. We have a Government that doesn't work. All these specific examples I'm giving tonight, if you had a business like that, they'd be leading you away and boarding up the doors. We have a Government that doesn't work. It's supposed to come from the people. It comes at the people. The people need to take their Government back.

You've got to reform Congress. They've got to be servants to the people again. You've got to reform the White House. We've got to turn this thing around. It's a long list of specific items, and I've covered it again and again in print and on television. But very specifically, the key thing is to turn the Government back to the people and take it away from the special interests and have people go to Washington to serve.

Who can give themselves a 23-percent pay raise anywhere in the world except Congress? Who would have 1,200 airplanes worth $2 billion a year just to fly around in? I don't have a free reserved parking place at National Airport. Why should my servants? I don't have an indoor gymnasium and an indoor tennis court, an indoor every other thing they can think of. I don't have a place where I can go make free TV to send to my constituents to try to brainwash them to elect me the next time. And I'm paying for all that for those guys.

I'm going to be running an ad pretty soon that shows -- they promised us they were going to hold the line on spending, a tax and budget summit -- and I'm going to show how much they've increased this little stuff they do for themselves. It is Silly Putty, folks, and the American people have had enough of it.

Step one, if I get up there, we're going to clean that up. You say, how can I get Congress to do that? I'll have millions of people shoulder-to-shoulder with me, and we will see it done warp speed, because it's wrong. We've turned the country upside down.

Mr. Lehrer. Governor Clinton, you have one minute. Governor.

Governor Clinton. I would just point out on the point Mr. Perot made, I agree that we need to cut spending in Congress. I've called for a 25-percent reduction in congressional staffs and expenditures. But the White House staff increased its expenditures by considerably more than Congress has in the last 4 years under the Bush administration, and Congress has actually spent $1 billion less than President Bush asked them to spend. Now, when you outspend Congress, you're really swinging.

That, however, is not my only passion. The real problem in this country is that most people are working hard and falling further behind. My passion is to pass a jobs program to get incomes up with an investment incentive program to grow jobs in the private sector, to waste less public money and invest more, to control health care costs and provide for affordable health care for all Americans, and to make sure we've got the best trained work force in the world. That is my passion.

We've got to get this country growing again and this economy strong again, or we can't bring down the deficit. Economic growth is the key to the future of this country.

Mr. Lehrer. President Bush, one minute.

President Bush. On Government reform?

Mr. Lehrer. Sir?

President Bush. Government reform?

Mr. Lehrer. Yes. Well, to respond to the subject that Mr. Perot mentioned.

President Bush. How about this for a Government reform policy? Reduce the White House staff by a third after or at the same time the Congress does the same thing for their staff; term limits for Members of the United States Congress. Give the Government back to the people. Let's do it that way. The President has term limits. Let's limit some of these guys sitting out here tonight. Term limits, and then how about a balanced budget amendment to the Constitution? Forty-three States, more than that, States have it, I believe. Let's try that.

You want to do something about all this extra spending that concerns Mr. Perot and me? Okay,

how about a line-item veto? Forty-three Governors have that. Give it to the President. If the Congress isn't big enough to do it, let the President have a shot at this excess spending. A line-item veto, that means you can take a line and cut out some of the pork out of a meaningful bill. Governor Clinton keeps hitting me on vetoing legislation. Well, that's the only protection the taxpayer has against some of these reckless pork programs up there. I'd rather be able to just line it right out of there and get on about passing some good stuff, but leave out the garbage. Line-item veto, there's a good reform program for you.

Mr. Lehrer. The next question goes to Governor Clinton. You have two minutes, Governor, and Susan will ask it.

Taxes

Ms. Rook. Governor Clinton, you said that you will raise taxes on the rich, people with incomes of $200,000 a year or higher. A lot of people are saying that you will have to go lower than that, much lower. Will you make a pledge tonight below which -- an income level that you will not go below? I am looking for numbers, sir, not just a concept.

Governor Clinton. You can read my plan. My plan says that we want to raise marginal incomes on family incomes above $200,000 from 31 to 36 percent; that we want to ask foreign corporations simply to pay the same percentage of taxes on their income that American corporations pay in America; that we want to use that money to provide over $100 billion in tax cuts for investment in new plant and equipment, for small business, for new technologies, and for middle class tax relief.

Now, I can tell you this: I will not raise taxes on the middle class to pay for these programs. If the money does not come in there to pay for these programs, we will cut other Government spending, or we will slow down the phase-in to the programs. I am not going to raise taxes on the middle class to pay for these programs.

Now, furthermore, I am not going to tell you ``Read my lips'' on anything because I cannot foresee what emergencies might develop in this country. And the President said never, never, never would he raise taxes, in New Jersey. Within a day, Marlin Fitzwater, his spokesman, said, now, that's not a promise. So I think even he has learned that you can't say ``Read my lips'' because you can't know what emergencies might come up.

But I can tell you this: I'm not going to raise taxes on middle class Americans to pay for the programs I've recommended. Read my plan. And you know how you can trust me about that? Because you know, in the first debate, Mr. Bush made some news. He had just said Jim Baker was going to be Secretary of State, but in the first debate he said no, now he's going to be responsible for domestic economic policy. Well, I'll tell you, I'll make some news in the third debate: The person responsible for domestic economic policy in my administration will be Bill

Clinton. I'm going to make those decisions, and I won't raise taxes in the middle class to pay for my program.

Mr. Lehrer. President Bush, you have one minute.

President Bush. That's what worries me, that he's going to be responsible. He would do for the United States what he has done for Arkansas. He would do for the United States what he's done to Arkansas. We do not want to be the lowest of the low. We are not a nation in decline. We are a rising nation. My problem is, I heard what he said. He said, ``I want to take it from the rich, raise $150 billion from the rich.'' To get it, to get $150 billion in new taxes, you've got to go down to the guy that's making $36,600. And if you want to pay for the rest of his plan, all the other spending programs, you're going to sock it to the working man.

So when you hear ``tax the rich,'' Mr. and Mrs. America, watch your wallet. Lock your wallet, because he's coming right after you just like Jimmy Carter did, and just like you're going to get -- you're going to end up with interest rates at 21 percent, and you're going to have inflation going through the roof. Yes, we're having tough times. But we do not need to go back to the failed policies of the past when you had a Democratic President and a spendthrift Democratic Congress.

Mr. Lehrer. Mr. Perot.

Governor Clinton. You permitted Mr. Bush to break the rules, he said to defend the honor of the country. What about the honor of my State? We rank first in the country in job growth. We've got the lowest spending, State and local, in the country and the second lowest tax burden. The difference between Arkansas and the United States is that we're going in the right direction, and this country's going in the wrong direction. And I have to defend the honor of my State.

Mr. Lehrer. We've got a wash, according to my calculations. We have a wash. And we'll go to Mr. Perot for one minute. In other words, the violation of the rule; that's what I meant.

Mr. Perot. I'm the only one that's untarnished at this point.

Mr. Lehrer. That's right, you're clean. [Laughter]

Mr. Perot. I'm sure I'll do it before it's over.

The key thing here, see, we all come up with images. Images don't fix anything. You know, I'm starting to understand it. You stay around this long enough, you think about -- if you talk about it in Washington, you think you did it. If you've been on television about it, you think you did it. [Laughter] What we need is people to stop talking and start doing.

Now, our real problem here is they both have plans that will not work. The Wall Street Journal said your numbers don't add up. And you can take it out on charts; you look at all the studies that different groups have done; you go out 4, 5, 6 years: We're still drifting along with a huge deficit.

So let's come back to harsh reality. Everybody said, ``Gee, Perot, you're tough.'' I say, well, this is not as tough as World War II; and it's not as tough as the Revolution. It's fair-shared sacrifice to do the right thing for our country and for our children. And it will be fun if we all work together to do it.

Mr. Lehrer. This is the last question, and it goes to President Bush for a 2-minute answer. And it will be asked by Helen.

Presidential Campaign

Ms. Thomas. Mr. President, why have you dropped so dramatically in the leadership polls, from the high eighties to the forties? And you have said you will do anything you have to do to get reelected. What can you do in 2 weeks to win reelection?

President Bush. Well, I think the answer to why the drop, I think, has been the economy in the doldrums. Why I'll win is I think I have the best plan of the three of us up here to do something about it. Mine does not grow the Government. It does not have Government invest. It says we need to do better in terms of stimulating private business. We've got a big philosophical difference here tonight between one who thinks the Government can do all these things through tax and spend, and one who thinks it ought to go the other way.

So I believe the answer is, I'm going to win it because I'm getting into focus my agenda for America's renewal, and also I think that Governor Clinton's had pretty much of a free ride on looking specifically at the Arkansas record. He keeps criticizing us, criticizing me; I'm the incumbent. Fine. But he's an incumbent. And we've got to look at all the facts. They're almost at the bottom on every single category. We can't do that to the American people.

Then, Helen, I really believe where people are going to ask this question about trust -- because I do think there's a pattern by Governor Clinton of saying one thing to please one group and then trying to please another group. I think that pattern is a dangerous thing to suggest would work for the Oval Office. It doesn't work that way when you're President. Truman is right: The buck stops there. You have to make decisions, even when it's against your own interest. I've done that. It's against my political interests to say go ahead and go along with the tax increase. But I did what I thought was right at the time. So I think people are going to be looking for trust and experience.

Then, I mentioned it the other night, I think if there's a crisis, people are going to say, ``Well,

George Bush has taken us through some tough crises, and we trust him to do that." So I'll make the appeal on a wide array of issues.

Also I've got a philosophical difference -- I've got to watch the clock here -- I don't think we're a declining nation. The whole world has had economic problems. We're doing better than a lot of the countries in the world. And we're going to lead the way out of this economic recession across this world and economic slowdown here at home.

Mr. Lehrer. Mr. Perot, you have one minute.

President Bush. That's why I think I'll win.

Mr. Lehrer. Mr. Perot, you have -- sorry. Excuse me, sir. Mr. Perot, you have one minute.

Mr. Perot. I'm the last one, right?

Mr. Lehrer. No. Governor Clinton has a minute after you. Then we have the closing statements.

Mr. Perot. One minute after you?

Mr. Lehrer. Right.

Mr. Perot. I'm totally focused on the fact that we may have bank failures, and nobody answered it. I'm totally focused on that fact that we are still evading the issue of the Glaspie papers. I'm totally focused on the fact that we still could have enterprise zones, according to both parties, but we don't. So I'm still focused on gridlock, I guess.

I'm also focused on the fact that isn't it a paradox that we have the highest productivity in our work force in the industrialized world and at the same time have the largest trade deficit, and at the same time rank behind nine other nations in what we pay our most productive people in the world. We're losing whole industries overseas. Now, can't somebody agree with me that the Government is breaking business' legs with these trade agreements? They're breaking business' legs in a number of different ways. We have an adversarial relationship that's destroying jobs and sending them overseas, while we have the finest workers in the world. Keep in mind the factory worker has nothing to do with anything except putting it together on the factory floor. It's our obligation to make sure that we give him the finest products in the world to put together, and we don't break his legs in the process.

Mr. Lehrer. Governor Clinton, one minute.

Governor Clinton. I really can't believe Mr. Bush is still trying to make trust an issue after ``read my lips'' and ``15 billion new jobs'' and embracing what he called ``voodoo economics'' and

embracing an export enhancing program for farmers he threatened to veto and going all around the country giving out money and programs that he once opposed. But the main thing is he still didn't get it, from what he said the other night to that fine woman on our program, the 209 people in Richmond. They don't want us talking about each other. They want us to talk about the problems of this country.

I don't think he'll be reelected because trickle-down economics is a failure, and he's offering more of it. And what he's saying about my program is just not true. Look at the Republicans that have endorsed me, high-tech executives in northern California. Look at the 24 generals and admirals, retired, who have endorsed me, including the deputy commander of Desert Storm. Look at Sarah Brady, Jim Brady's wife, President Reagan's Press Secretary, who endorsed me because he knuckled under to the NRA and wouldn't fight for the Brady bill. We've got a broad-based coalition that goes beyond party, because I am going to change this country and make it better with the help of the American people.

Mr. Lehrer. All right. That was the final question and answer, and we now go to the closing statements. Each candidate will have up to 2 minutes. The order was determined by a drawing. Governor Clinton, you are first. Governor.

Closing Statements

Governor Clinton. First I'd like to thank the Commission and my opponents for participating in these debates and making them possible. I think the real winners of the debates were the American people. I was especially moved in Richmond a few days ago when 209 of our fellow citizens got to ask us questions. They went a long way toward reclaiming this election for the American people and taking their country back.

I want to say, since this is the last time I'll be on a platform with my opponents, that even though I disagree with Mr. Perot on how fast we can reduce the deficit and how much we can increase taxes on the middle class, I really respect what he's done in this campaign to bring the issue of deficit reduction to our attention. I'd like to say to Mr. Bush, even though I've got profound differences with him, I do honor his service to our country. I appreciate his efforts, and I wish him well. I just believe it's time to change.

I offer a new approach. It's not trickle-down economics; it's been tried for 12 years, and it's failed. More people are working harder for less, 100,000 people a month losing their health insurance, unemployment going up, our economy slowing down. We can do better. And it's not tax-and-spend economics. It's invest and grow, put our people first, control health care costs and provide basic health care to all Americans, have an education system second to none, and revitalize the private economy. That is my commitment to you. It is a kind of change that can open up a whole new world of opportunities to America as we enter the last decade of this century and move toward the 21st century. I want a country where people who work hard and

play by the rules are rewarded, not punished. I want a country where people are coming together across the lines of race and region and income. I know we can do better.

It won't take miracles, and it won't happen overnight. But we can do much, much better if we have the courage to change. Thank you very much.

Mr. Lehrer. President Bush, your closing statement, sir.

President Bush. Three weeks from now -- two weeks from tomorrow, America goes to the polls. You're going to have to decide who you want to lead this country to economic recovery. On jobs, that's the number one priority, and I believe my program for stimulating investment, encouraging small business, brandnew approach to education, strengthening the American family, and yes, creating more exports is the way to go. I don't believe in trickle-down Government. I don't believe in larger taxes and larger Government spending.

On foreign affairs, some think it's irrelevant. I believe it's not. We're living in an interconnected world. The whole world is having economic difficulties. The U.S. is doing better than a lot. But we've got to do even better. If a crisis comes up, I ask: Who has the judgment and the experience and, yes, the character to make the right decision?

Lastly, the other night on character, Governor Clinton said it's not the character of the President but ``the character of the Presidency." I couldn't disagree more. Horace Greeley said, ``The only thing that endures is character." And I think it was Justice Black who talked about ``Great nations, like great men, must keep their word." And so the question is: Who will safeguard this Nation? Who will safeguard our people and our children?

I need your support. I ask for your vote. And may God bless the United States of America.

Mr. Lehrer. Mr. Perot, your closing statement, sir.

Mr. Perot. To the millions of fine, decent people who did the unthinkable and took their country back in their own hands and put me on the ballot, let me pledge to you that tonight is just the beginning. These next 2 weeks we will be going full steam ahead to make sure that you get a voice and that you get your country back.

This Thursday night on ABC from 8:30 to 9, Friday night on NBC from 8 to 8:30, and Saturday night on CBS from 8 to 8:30, we'll be down in the trenches, under the hood, working on fixing the old car to get it back on the road. [Laughter]

Now, the question is: Can we win? Absolutely we can win, because it's your country. The question really is: Who do you want in to the White House? It's that simple. Now, you've got to stop letting these people tell you who to vote for. You've got to stop letting these folks in the

press tell you you're throwing your vote away. You've got to start using your own head.

Then the question is: Can we govern? I love that one. The ``we'' is you and me. You bet your hat we can govern, because we will be in there together, and we will figure out what to do. You won't tolerate gridlock. You won't tolerate endless meandering and wandering around. You won't tolerate nonperformance. And believe me, anybody who knows me understands I have a very low tolerance for nonperformance also. Together we can get anything done.

The President mentioned that you need the right person in a crisis. Well, folks, we've got one. And that crisis is a financial crisis. Pretty simply, who's the best qualified person up here on the stage to create jobs? Make your decision and vote on November the 3d. I suggest you might consider somebody who's created jobs.

Second, who's the best person to manage money? I suggest you pick a person who's successfully managed money. Who's the best person to get results and not talk? Look at the record; make your decision.

Finally, who would you give your pension fund and your savings account to to manage? And the last one, who would you ask to be the trustee of your estate and take care of your children if something happened to you?

Finally, to you students up there, God bless you. I'm doing this for you. I want you to have the American dream. And to the American people, to the American people, I'm doing this because I love you. That's it. Thank you very much.

Mr. Lehrer. Thank you, Mr. Perot. Thank you, Mr. President. Thank you, Governor Clinton, for being with us tonight and the previous debates. Thank you to the panel.

The only thing that is left to be said is, from Michigan State University in East Lansing, I'm Jim Lehrer. Thank you, and good night.

Note: The debate began at 7 p.m. in Wharton Center for the Performing Arts at Michigan State University. During the debate, the following persons were referred to: Rose M. Zamaria, Deputy Assistant to the President and Director of White House Operations; April C. Glaspie, former U.S. Ambassador to Iraq; and John H. Kelly, former Assistant Secretary of State for Near Eastern and South Asian Affairs.

Remarks at a Post-Debate Rally in Lansing, Michigan

October 19, 1992

The President. Thank you very much.

Audience members. Four more years! Four more years! Four more years!

The President. What a fantastic rally. Thank you all very, very much. Thank you for this great Lansing welcome.

May I first thank Mel McDaniel; and of course, another old friend, Fred Travalena; and Wynonna Judd, a great friend of the Bush family. We're delighted that she is here. Many thanks.

Anybody watch the debate? I believe we won, but I believe we won because our ideas are right for America, and Governor Clinton is wrong for America. And I think the American people know that the Presidency is a position of trust. I believe character is important.

Let me say how pleased I am and pleased at our campaign. This State is headed by one of the truly great Governors, John Engler, with us today. I am very very lucky. I watched how he did it. The polls had him down, and he fought back, and he won for Michigan. We're going to do exactly the same thing. We're going to do it.

Our Lieutenant Governor is here somewhere, Connie Binsfeld; the chairman of our party, Dave Doyle, right here in Michigan; and our national committee people, Chuck Yobb and Betsy Devost. We've got a first-class political team, and that's why we're going to win.

One point I made tonight, and I feel strongly in my heart about it, being President, is that the next President is going to have to stand up against the special interests in that big-spending Congress. And I believe I'm the one to do that. You cannot be all things to all people, try to keep every single group -- you've got to call them as you see them, as the umpires do in the World Series. I have done it, and I believe that's why the American people will put their trust in me.

And yes, you had to stand for principle. You heard the revisionists out there tonight trying to make something of it. But I looked into the camera and told the American people that Saddam Hussein's aggression will not stand, and it didn't stand.

I really believe that tonight -- --

Audience members. We want Bush! We want Bush! We want Bush!

The President. I believe that right here, right here at this rally, the first post-debate event, we are starting to move. We are going to close this thing up, and we're going to win it on November 3d.

I'm going to stay out on the road. A while back I said I'll do what it takes to win, and I mean I'm going to outhustle this guy, outwork him. I'll take my message to the American people. Let him talk about making Government bigger. I want to get that deficit down by getting rid of some of this taxation and getting rid of some of this Government spending.

I loved it when I told the American taxpayer -- tomorrow, listen, you'll hear the last -- just a few hours ago, you hear them talk about tax the rich. You cab drivers, you beauticians, you schoolteachers, watch your purse. They're going to come right after you. We cannot let that happen to the American people.

With all respect, with all respect, I had a lot of fun when I reminded some of the media about that bumper sticker, ``Annoy the Media.'' ``Annoy the Media. Reelect George Bush.'' I probably shouldn't have done it. You know, they always have the last word. But, gosh, that was fun. [Laughter]

Well, I have never lost confidence. I have always been convinced, because of our record and because of my belief in America as a rising nation, that we would win this election. And tonight I'm never more certain of it.

That Clinton-Gore ticket would make the Carter years look like a bonanza. We cannot go back to the tax-and-spend years: interest rates up at 21 percent and inflation up through the roof, every senior citizen getting wiped out, the ``misery index'' going through Gore's ozone hole up there someplace. We're not going to go back. We're going to go forward, because we are America. And my confidence is with the American worker, not with the big Government. Besides that, we've got the best First Lady in the world, and we'd better keep her there.

So thank you. All I ask now is that you take this enthusiasm, do what the Governor tells you: Get to the polls. Get our message of hope and opportunity and power to the people, out to the voters of Michigan. We will win this State, and we will win the national election.

Thank you. And may God bless the United States of America. Thank you very much.

Note: The President spoke at 9:35 p.m. at the Lansing Civic Center. In his remarks, he referred to entertainers Mel McDaniel, Fred Travalena, and Wynonna Judd. A tape was not available for verification of the content of these remarks.

Question-and-Answer Session in Atlanta, Georgia

October 20, 1992

Mr. Nigut. We want to welcome everyone to our town hall meeting, ``Ask George Bush.'' Mr. President, we're delighted that you could be with us in Georgia this evening. We have, as you know, an audience of 33 people who say they are still undecided voters. Just before you came into the studio I asked them to tell me, after last night's debate, how many were still undecided. Most of them raised their hand, said they're still trying to make up their mind. So this is your opportunity to address their questions.

The President. That sounds like a reasonable deal. They all look relatively sane and -- [laughter].

The Economy

Mr. Nigut. Let me start, to get the ball rolling, and then turn immediately to questions from the audience -- ask you a quick question. Coming out of the debates last night, there are some people who say that the campaign schedules today say a lot about how these last 2 weeks of the campaign is playing out. Your opponent Governor Clinton is off campaigning in States that at this stage of the campaign typically would no longer be vulnerable to a Democratic candidate, but they feel they are. You've come south where many people feel you should have been able to build your base a long time ago.

The last poll that we conducted with the Atlanta Journal Constitution suggests that this is a very tight race here, but that your job approval rating has been high in Georgia. Thirty-three percent of the core Republicans said they're not particularly pleased with your job. Have you in some way let them down? And if you have, how do you get them back in these final 2 weeks?

The President. I think the major problem has been the economy. And we're going to get them back because I think people are going to decide when they go into that voting booth on trust, on proven leadership. I think character is important. And then I think people are going to, in the final analysis, compare economic approaches. I just don't happen to think we need to tax people more and spend more. So I've got to get that in focus.

But look, it's not just the United States, the whole world has been through a tough economic time. This will come as a surprise, perhaps, but we're an interconnected world, and we're leading most of the European economies, the great European economies. Our growth rate is twice what Japan's is. Yet I hear everybody comparing, talking about how great Japan is, and we ought to do better. Of course, we ought to do better. But we're going to lead the way out of what's been an economic slowdown.

I think the economy has been the major problem for the working men and women in this

country, for the unemployed. I believe that our proposals, the agenda for America's renewal, is what's going to change it and make it better.

Mr. Nigut. Well, I promised that I would ask very few questions and give the audience most opportunities. A number of people wanted to ask questions based on last night's debate. These people all watched the debate last night, so I wanted to first turn to a few people who said they had specific followups to last night.

Would you please stand up? You started to talk before about a couple of questions that were lingering after the debate last night.

Iraq

Q. Well, I think that Mr. President has made it an issue of the character and judgment of one of his challengers, and Mr. Perot last night challenged him and was very adamant about maybe his character or judgment. I would like him to respond to the allegations of quote, unquote, Iraqgate or the Glaspie papers. He said that you were dealing with Saddam Hussein, helped build him up and gave him the opportunity to move into Kuwait.

The President. I heard what he said. He also strongly opposed the war, and he said that we had not leveled with the American people on the Glaspie -- that was Ambassador Glaspie. Let me tell you something. Every single paper, including Secretary of State's notes, which is unprecedented, was taken up to the United States Congress and looked at in detail. And after the event, Secretary Baker went and explained that to Mr. Perot, who said he hadn't known that.

So I hope that one is cleared up, because you had congressional hearing after congressional hearing. My position on Iraq was we did try to make Saddam Hussein into somebody a little more sane. You know, when the war in Iran and Iraq ended, Saddam Hussein had the fourth largest army. Our Arab friends were saying, ``Try to bring him along. We don't need a radical in our midst. Try to help him." We had letters, incidentally, from many of the people now critical on trying to sell American grain to Iraq, including the two Senators from Arkansas: ``Please sell grain to Iraq on credit."

Mr. Nigut. Is this an issue that still concerns you?

The President. Can I just finish?

Mr. Nigut. Yes, I'm sorry.

The President. Because what happened is he then refused to come along and do what we encouraged him to do. And we knocked his socks off, thanks to the sons and daughters of Georgia who did what most Americans do: When called, they served, and they served with great

distinction. It was a proud moment, and people are now trying to revise it and make it something it's not.

Mr. Nigut. Are you satisfied? You still have some lingering question?

The Character Issue

Q. Well, no. In the second debate I think that the audience participants tried to keep the character and judgment issue out of the room.

The President. Well, may I respond? Do you think character is not important?

Q. No, I do think it's important, Mr. President.

The President. But they did try to keep it out of the room, and it belongs on the front page. A President must have character. You know, the way I described it last night, Clinton said it's not the character of the President but ``of the Presidency.'' That is absolutely ridiculous. I am judged on my character every single day. Every President must be judged on that. And so must he be judged on his character, and so must Mr. Perot. Character is vital. It is essential, because you have to have the trust of the whole world when you're President, or lack thereof.

So I'm not going to let some guy stand up and say what I can talk about or what I can't. I happen to think that every schoolchild ought to think their President has a certain degree of character. Maybe Mr. Clinton's got it; maybe Mr. Perot's got it. But certainly it belongs as a matter for discussion.

Mr. Nigut. Let's move on to another question. We talked to some people in here earlier and most of them said their decision now is between you and Governor Clinton. But a few said they still like Ross Perot, and you were one of them. What did you want to ask the President today?

Domestic Airline Industry

Q. Mr. President, my question is twofold. It involves the airline industry. I would like to know why it appears that we are being so cooperative with foreign airlines and we've abandoned the weaker carriers of the United States. One, specifically in the past involving the demise of Eastern Airlines, why did you defy the recommendation of the National Mediation Board to form a Presidential emergency board to address this transportation crisis? And secondly, specifically in the present, why are you promoting policies which appear to give foreign airlines nearly total freedom to invest and operate within the United States with little or nothing in exchange for the United States airlines?

The President. Tell me about the mediation board. Remind me of what that was, would you?

Q. It had to do with investigating Lorenzo's actions involving the bankruptcy of Eastern Airlines.

The President. I'll tell you what my philosophy is on these matters. As much as possible, it is to let these disputes be handled by private sector. I don't believe the Government ought to get in at all times. The one that Mr. Perot was hitting out about last night was an attempt for the British Airways to purchase USAir. You've got a major dispute raging. The USAir employees everyplace you go are holding up picket signs, not picket signs but saying, ``Hey, protect my job. Let the merger go through." And then you've got the other airlines like Delta, outstanding airline headquartered right here, American Airlines saying, ``Wait a minute. It's not fair to let British come in here under USAir and then not let us have access to the British market."

Mr. Nigut. Of course, Eastern Airlines' bankruptcy and the decision not to allow mediators to come in was of enormous concern here in the Atlanta area because we have some 5,000 Eastern employees who lost their jobs.

The President. Sure it is. But my point -- I was getting to the point. The point is, all USAir employees are saying, ``Let British take over," and all Delta Airline people are saying, ``Don't do it." This one has to be resolved by Government because of the routing and all of that. It's being negotiated now, and I'm not hiding behind this. But it would be most inappropriate for the President to take a position on it while the Department of Transportation is handling it. It will come to me. Everything does. And then you have to say, ``I'm for this," or against it.

But on the other one, I just don't believe that the Government ought to intervene in all of these things.

Mr. Nigut. All right, thank you, sir.

The President. That's a big difference we've got on some of this philosophy.

Mr. Nigut. Thank you, sir.

The economy everyone identifies as a crucial issue. Does someone in the group want to ask an economic question of the President right now? Who has something they want to -- --

Improper Display of Canadian Flag

The President. I want a baseball question, if I could.

Mr. Nigut. We do have, actually -- --

The President. Only because I've got a serious thing I want to say.

Mr. Nigut. Go ahead. We're calling on you because the President mentions baseball. You've got your Braves T-shirt on. You get special treatment here today.

The President. You don't have to ask baseball, but I just want to use this program, Bill, if I can to say something about the flag situation. Maybe I could do it before; then you'd be unfettered by my trying to define what you should ask about.

But here's the thing on the Canadian flag inadvertently flown upside down. If that had happened in Canada and we'd have seen the United States flag flown upside down, every American would have been very, very upset. This was a mistake. Certainly, nobody would ever do anything like that on purpose.

So what I wanted to use your program for is to say how badly I feel about it, how badly all the American people feel about it, how much we value our friendship with Canada. They are our strongest trading partner in the whole world, and we would do nothing to hurt the national pride of Canada. So, on behalf of all Americans, I simply wanted to apologize to the people of Canada and suggest we try to keep this now, from now on, out of the marvelous baseball rivalry between Atlanta and Toronto. And that's all I want to say.

Mr. Nigut. How are you going to feel tonight? We are likely to see -- they're planning on flying a lot of American flags upside down tonight in Toronto. How are you going to feel if you see that?

The President. Well, I won't like it, because when you see the American flag flown upside down, as a person that served in the Armed Forces and fought for my country, I would find that inappropriate. I guess I'd have to say I understand the passions of the Canadians, but I would simply ask them to have the same respect for the American flag that all Americans have for their flag, and recognize, as I said last night, if you make a mistake, whatever it is, hey, say, ``I made a mistake," and get on about the Nation's business.

But I use this because the Prime Minister of Canada is a wonderful man. He's a friend to the United States, and he gets pounded in Canada for his friendship. Don't mistake it; he's pro-Canadian. I suspect he's rooting hard for Toronto. But I just wanted him to know how strongly Americans feel. End this discussion now, please.

Social Security

Q. I'm a lunchroom lady, and this is something -- I'm really very privileged. How many times do we get that opportunity, you know, us little folks down here? But I am concerned about Social Security. I'm about, well, a little less than 20 years away from it, but I'm concerned about if I'm

going to have it when I get up there. And I have a 2-week-old granddaughter that, in 62 years -- I know that's a long time, but she's going to be there, too, someday. I want to know that we have that available to us when we're ready for it.

The President. First place, I think you'll remember that I'm the President that said in the State of the Union Message, don't mess with Social Security, don't touch it. Last night, perhaps inadvertently, Governor Clinton said something about those that take out more than they put in ought to do something about it. He may have misspoken, so I want to be fair about that. That's messing with Social Security. Ross Perot has proposed some kind of tax on Social Security. We ought not to mess with it.

It was fixed in a bipartisan agreement under the Reagan administration, I think in '83 or '84, in there. It is solvent well into the -- way after the turn of the century, up until about 2030 or something like that. If it needs further adjustments then, it should be fixed then. You'll still be alive, but I don't think I'll be around wrestling with the problem in the year 2030. And we ought not to fool around with it.

In my budget plan, this Agenda for American Renewal, I say we've got to control the growth of these mandatory programs, but set Social Security aside. It's not a welfare program. It originally was to be a supplement to people's incomes. It's sacrosanct.

So I think you can tell your daughter that the system is sound, and if it's not sound when she gets up there, my age, it will be made sound. But the big thing for now is, don't fool around with it, leave it separate as we try to control the growth of other spending programs.

Mr. Nigut. All right, Mr. President. We have a question over here, please.

Urban Initiatives

Q. I would like to know -- as you already know, the black people of this Nation and the black African-American people feel that we have been made a mockery of and that our issues are not being faced. We have not been addressed, and we have not had the proper opportunities that we should have in this country. We would, at this time, like to know specifically what you plan to do in order to get our vote this time around. After 12 years of being in office, what do you plan to do this time around to prove to us that you are capable of being our leader in this next 4 years?

The President. That's a good question. I'm delighted that you're undecided, because so many are traditionally taken for granted by one party. They'll vote the straight lever on the other side and be had by local officials and by the United States Congress.

We've got a good urban program. I don't know if you're talking about urban America. But if you're talking about urban America, the best thing for minority Americans is to bring the jobs

into urban America. And we've got this program called enterprise zones. Now we're getting a lot of lip service from the Democrats, but they've been unwilling to pass it. They control the Senate, and they control the House, and they've controlled them both for 38 years.

Enterprise zones says, look, give a tax break to businesses, make it worth their while to come into the urban centers and create jobs. I think our anticrime program benefits minority families more than others because some of those areas are the ones that are most afflicted by bad crime statistics. I think that homeownership is a far better concept than these big public tenements where the residents don't have the pride. I think tenant management, which we have pioneered, is a much better answer to urban hopelessness than having some Government official trying to run the places where people live.

So all of these things, in my view, would raise the quality of life for people. It's not just for minorities, but I think it would disproportionately help the minorities. We've really got a good urban program.

Mr. Nigut. I apologize, sir. We have to pause for a break, and we'll be back with you in just a moment.

[At this point, the television station took a commercial break.]

Mr. Nigut. We're back with our town hall forum with George Bush, President of the United States. We want to get right back to questions. Go ahead.

Mortgage Loan Discrimination

Q. My question is about homeownership. My wife and I hope to become homeowners in the near future and therefore favor the tax credit to the first-time homebuyer. My question is, how can we as minorities be assured of this tax credit if we can't get equal lending from our banking community?

The President. First place, the first-time homebuyer should be thrilled about my proposal. The way it works is you give a $5,000 credit to the family that's never owned a home before, for the first time. It is hung up, regrettably, in the Democratic Congress. They will not pass it. And it is the best possible thing that you could do.

Obviously, the credit that you need to buy on the home has to come from your own full faith in credit, your own standing. But this is a major break for homeowners, and besides that, it would stimulate the economy. Along with building homes goes a lot of other industries that outfit the houses and refrigerators and furniture. And so it really is essential. I'm not sure I fully answered your question, but your credit -- this won't help your borrowing. It will help it that you have $5,000 less you'll have to come up with. But it's really stimulative for the housing industry.

Is that it? Did I get to it fully?

Mr. Nigut. I'm sorry. I'm going to walk right in front of the camera to get you here on that.

Q. Well, you touched on it. I'm talking about a couple of weeks ago our local paper ran an article where blacks and other minorities are being discriminated against on the lending, from the lending community. I think it's 18 percent or so, being denied. And the credit standing wasn't one of the biggest issues for denial.

The President. Well, the credit standing should be the only issue for denial. I mean, if you have discrimination against anybody in housing or in loaning, that is against the law, and it must not continue.

Mr. Nigut. What are you suggesting we do? Any ideas -- how we enforce -- --

The President. Well, I'd go right to the local officials here and get something done about it. You're looking at a man who, as a Congressman from Texas, voted for open housing. My view was if you've got kids dying -- coming out of the ghettos -- in Vietnam -- they ought not to come back and find that they couldn't live where they wanted to live. So I'm a fair housing person.

You're talking about something that is already against the law, where people discriminate against, lenders, because of their race is what I think you're saying. That is purely against existing Federal law. You ought to go get it enforced by the local law enforcement people and, if they're violating a Federal law, by the Federal law enforcement.

Tax Credit for First-Time Homebuyers

Mr. Nigut. A quick followup on what you've made a big issue out of it in the campaign, and that's your break, your tax credit, for first-time homebuyers. How much does it cost, and how do we pay for it?

The President. It costs very little because it stimulates the whole industry, and when you get industry stimulated you have much more jobs. Frankly, I think it would be income-productive, because housing is going to lead the way out of this slowdown, in some areas, recession. So there is some good news -- --

Mr. Nigut. But you acknowledge that initially we take a pretty big chunk of income tax -- --

The President. Not that big. I can't give you the exact figure, but it's not enormous, and it will be far more offset by growth. Housing sales, incidentally, were up yesterday. I don't know; I didn't hear that on the top of the news last night. It may have been in there somewhere, but it's very

difficult to get any good news out. That's good news for America.

Mr. Nigut. Let me turn to another question.

The Economy

Q. Four years ago, I voted for you, and I was a freshman in college. And now it's 4 years later, and I just graduated. I've worked really hard in school, and I was looking forward to entering the job market. But I'm very undecided about the whole economic issue, and I'm already discouraged before I've even started. What is your economic plan to have someone offer me who's just entering the job market?

The President. You're caught up in what has been a global recession. It's not just the United States. I'll take my share of the blame for the United States. I'm not going to take all of it because I think there's a lot of fault as to how things can be better. But this agenda for Americans' renewal that puts emphasis on investment is job-creating. I mentioned the homebuyers tax credit. I might talk about an investment tax allowance; it would stimulate job creation. You know I'm for the capital gains reduction. And the opposition -- except I think Mr. Perot may be for it -- but the opposition says this is a tax break for the rich. It is not. It is to stimulate entrepreneurship, the creation of new businesses.

So I would suggest that the best answer to the economic recovery which is needed are these incentives that I've proposed as recently as January of this year, all hung up by a Congress that has to win by having things bad. I wouldn't be sitting here probably if the economy was growing at 3.5 or 4 percent, and it's not. But I think these incentives that I proposed are the way to make the economy grow.

Herein I have a big difference with Governor Clinton. He says, ``grow the economy," get the Government to use what he calls investment. Government investment does not create the kind of job that you're looking for. It creates bureaucracy.

Mr. Nigut. Have you made a decision at least tentatively about which of the three Presidential candidates you believe has the kind of programs that will make sure you'll find good work down the road?

Q. Well, like I said before, I voted for the President 4 years ago. So to begin with, I was leaning toward him, but now I've gone back and forth just because of the different economic plans. I'm just not sure.

The President. Let me throw in another selling point. [Laughter] Four years ago you were a college freshman. Did you ever worry about nuclear war back then? Did you? You worry less about it now. But most kids that vintage, 4 years ago, would share the same fear of nuclear war

that their parents had. We've changed all that.

All I ask is to be judged on the whole record, and I really think that's dramatic. Forty-three more countries are free and democratic, since I've become President, around the world. You've got ancient enemies talking to themselves. That may not affect the job market, but it does affect the climate in which we're going to grow and create opportunity.

Again, I get back to -- last night I had this big argument with him about exports. Exports are going to save the job market. They're the only thing that saved it in this slow growth or in a recession.

Health Care

Mr. Nigut. Mr. President, we have a voter here who is very concerned about health care and who has said frankly that he has been a supporter of yours in the past but needs to hear more from you about the whole issue of health care before he makes up his mind.

Q. I think the American people understand your ability as a leader and to lead us in international affairs. I think we understand that that's really second to none, and we appreciate the job that you've done in the last 4 years. We also believe, I think, that if you understand us and our domestic problems as well as you understand the international affairs, that you will do as good a job here as you've done internationally. The question is, have you lost touch with America? Have you lost touch with us?

My case in point is health care. When you have a monopoly such as the health care system, and I do mean monopoly because you have pills that cost, for 20 pills they cost $500. That's monopoly because without that this person is not going to survive. What do you do about the inequities in the health care system? You want a cap -- --

Mr. Nigut. [Inaudible] -- I understand your concern, and you're asking a terrific question. But if we could give the President a chance to respond.

Q. Basically, it's the inequities in the health care system that are there. I can't afford health care in 5 years with the way it's going up. As a middle class person it will be out of sight. I've had a doctor say we can't do an operation for a loved one because I didn't have enough insurance. What's going to happen to the rest of us if middle class America is being squeezed?

The President. That's a very good question. Let me tell you, you know why some of the doctors say that, or why the doctors say you've got to have five tests instead of one? Because they're afraid of being sued. They're afraid of these malicious lawsuits. Part of my health reform plan is to put a cap on these malicious lawsuits.

The trial lawyers have a very powerful lobby. And you go look up where the contributions come from. People talk about lobbies and power groups; the trial lawyers are solidly behind Governor Clinton. He refuses to do anything about malpractice. And you're right, $25 billion to $50 billion in additional costs come from malpractice.

Now, that's part of the answer. But that's why the doctors are telling you this. Some of them give up practicing medicine. Some people give up coaching Little League because they're afraid of being sued. Some people see a wreck along the highway, and they want to stop and help their fellow man, and they say, ``I'm not going to do it because I read about a lawsuit that wiped out a guy like me. I moved his head, and the next thing, he dies, and I'm sued for trying to be a good Samaritan."

Mr. Nigut. Are you convinced that eliminating frivolous lawsuits, or allegedly frivolous lawsuits, are the first big step, or is the problem much larger than that?

Q. I don't think that's the issue. I don't think the people -- --

The President. I thought you asked about the doctors.

Q. No, I agree that that should be taken care of, but I don't believe the person at the lower income that needs just basic health care is being addressed by attacking the lawsuit issue. They're just worried that -- --

The President. Well, let me finish then. I got cut off.

Mr. Nigut. Let's let him respond.

The President. I think we have the best health care reform plan. What it does, it provides vouchers to the poorest of the poor. There are a lot of people, 40, 38 million people that have no insurance. It provides insurance to the poorest of the poor. For the middle income, it provides tax credits and breaks, so it's the equivalent of a sustenance there to help you buy insurance. It keeps the Government out of it.

My big argument with Government and Clinton, he wants another Government board to set prices. Anytime you have Government intervention in the market, prices go up. So I believe our health care plan -- and I hate guys that say, have you read my speech or looked at my program, and then make you read 30 pages -- take a look at it because it does address itself to these ever-increasing costs.

Mr. Nigut. Mr. President, thank you. We've got to take another quick break, and we'll be back after this.

[At this point, the television station took a commercial break.]

Mr. Nigut. We're back with more questions for the President. We talked a little about health care before the break and we have a followup question.

Q. I think all of your proposals for access to health care are great, but we need money now for preventative care. Our funding for AZT ran out this year, and we need money to get into the neighborhoods and teach prenatal care so that we don't have the expensive burdens on the other end. I want to ask how you can help us with that.

The President. Well, I would only refer you to the fact that money from the Federal Government for health care has increased dramatically. The problem you have is you don't have unlimited resources. Take AIDS funding on research, for example. We've doubled, in the last 4 years, the Federal participation in research and treatment and all of this. We're up to $4.9 billion, 10 times as much for AIDS victims as per cancer victim, what the Federal Government can do. We're operating at these enormous deficits. And so, I'd like to sit here and say, the Federal Government can solve this problem, or the Federal Government can solve the problems of urban America by spending more. I don't believe we can do it.

I think the best thing the Federal Government can do is to continue to be as compassionate as possible on funding for health care. It's way up, believe me; just look at the numbers. But it's got to be done as much as possible by participation of others also. We cannot do it and then say, ``Well, I'm going to get the deficit down.'' You can't be taxed much more.

So the President is faced with the problem: How do you help these hospitals for the indigent, and yet, how do you protect the taxpayer's wallet. I've concluded that we've got about the right balance for what we can do right now.

Mr. Nigut. What do we spend at a Grady hospital on a baby who is born prematurely because of a lack of prenatal care?

Q. As much as $100,000 in a year.

Mr. Nigut. So the question, of course, is, are you robbing Peter to pay Paul on this?

The President. I don't get the question.

Mr. Nigut. In the sense that, without prenatal care and spending for prenatal care, you end up getting bigger bills down the road?

The President. Spending for prenatal care -- my point is -- it's up by the Federal Government. My point is, I don't believe anybody can say the Federal Government alone can solve the

problems of prenatal care. We've got a great Secretary of HHS. He comes right from Atlanta, Lou Sullivan, one of the outstanding medical people. He was head of Morehouse College here. I think he's reached about as good a sensitive balance in terms of support for programs like this as he can do, if he is restricted on the funds.

We're operating at such big deficits. I don't like to sound hopeless, but I say we have increased support for all of these things. Somebody's got to be responsible to the taxpayer or to the young woman who is trying to get a job, and they all interact. So I hope we can help more.

Mr. Nigut. All right. We'll try to get a few more questions.

Family Values

Q. I'm a divorced father, and I support four children. During your campaign, you've allowed the Vice President and others to make family values a political issue. I just wondered why you did that. And if you could go back, since you're running a distant second now in the polls, if you could go back, would you change that as being an issue?

The President. Oh, no. No. I think family values is critical. Now, if you're talking about am I trying to define that a one-parent family is no good and two-parent families are perfect, that's not the case. I'm talking about when Mayor Bradley of Los Angeles came to see me, along with other mayors, he said the major concern of urban decay is the decline of family values. He was talking about discipline. He was talking about respect. He was talking about helping people to learn. He was talking about respect for law enforcement. He was talking about strengthening the family through choice, or I'm talking about it, in child care or schools.

So please, I wouldn't go back because I believe family is important. When Barbara reads to these children, she's trying to say, ``Hey, parents ought to read to kids.'' When you talk about discipline, Federal Government can't do that. But respect for the law is a family value, respect for your parents.

So I'm glad you gave me a chance to clear it up because nobody is saying single parents are wrong. My respect for you, supporting four kids is great. My respect for the father that runs away from the mother and leaves her to do it without any support has -- I think that's disgraceful. So we're trying to pass laws to reform the welfare system, and I'm glad you gave me a chance to clear it up.

Mr. Nigut. Very quickly -- I want to get other people in, but you're shaking your head.

Black Americans

Q. I still don't believe that the issue that I presented to you was answered. I mean, I -- --

The President. What is your question again, ma'am?

Q. -- -- but I still think you should let us know what can you do to make us believe that you are qualified to be a black Afro-American people President?

The President. Well, I thought I just told you that the best thing to do is to bring jobs and hope to the inner city, to do things different, and to get some people in the Congress that agree with me instead of trying to perpetuate the hopelessness that's brought to bear on some of these neighborhoods.

I think welfare reform is important. I believe making people learn and work when they're on welfare is important. Now, you may disagree with me. But I think dependency on welfare is terrible. Give people a better break in education. Give them a better break in health care. But then let everybody else pitch in and be part of the American dream. I think we're doing tremendous amounts in terms of helping people, and I want to make it so people can help themselves more.

Now, I've told you housing programs and all of this. But maybe we just disagree. But I'd say to black Americans, don't be taken for granted all the time. Don't vote that straight lever and go right down the way your predecessors did, and then wake up in despair. Try something different.

Mr. Nigut. I'm sorry, another question if we can.

School Choice

Q. My statement and question is about education. Seeing that some middle class taxpayers are actually saving the government State and Federal money by making great sacrifices, like my husband and I to send our daughter to private school, could it be possible for some of us that we work so hard to give our children a good education, get a tax break, such as a rebate in school taxes?

Mr. Nigut. I think you've just been served up a home run pitch here, Mr. President. [Laughter.]

The President. Well, I have.

Forty-six percent of the public schoolteachers in Chicago send their kids to private school. I have a big difference with Governor Clinton on this one. I believe, and our ``GI bill'' for kids suggests, if it worked for the GI bill for people coming after World War II -- the Government said, here's the money, to the family, to the soldiers, and you go to the school of your choice, private, public, or religious. And the State schools got better if they weren't chosen. Public schools, exactly the same thing: Give the parents a voucher, if they go to public school or private

school, or religious school. And that then starts, as it has in Milwaukee, competition. And the schools not chosen, the public schools are getting better. There's a black woman up there named Polly Williams, a big, strong Democrat, and she thinks that her kid was maligned by the public school system. She was given, under their program, choice. She sent that kid to a private school, and now he's a high attainer. The school that wasn't chosen is doing much better because they have to compete. So we've got the program for you.

Q. As far as my question goes, I don't think I quite get -- what I was asking is, we, as middle class taxpayers trying to make a sacrifice to send our daughter to private school. It's a misconception that people seem to think that everybody that sends their children to private school is well off or rich, and we are not. My question was, is it possible that in the future you will have a program that will look at us, at middle class Americans trying to work hard -- --

The President. Our program gives you a break. Our program gives you a break so you can get assistance in sending your -- to the school of your choice. School choice, religious, private, public, that's what I favor, and you're just exactly the guy that would benefit from our program. Help me get it through the Congress.

Mr. Nigut. Well, we have so many people, Mr. President, who would like to still ask you questions. Their hands are in the air, but unfortunately, we've come to the end of our time. So what I want to do is finish by saying, thank you very much. We are truly delighted you could be with us tonight.

The President. It's like the last inning. I love baseball. Played it; love it. Remember the last inning of the Braves game when everybody went to the exits, and the Braves knocked it out of the park. Now they're in the World Series. Great pride. That's exactly what's going to happen in this election. So stay tuned.

Mr. Nigut. Last 2 weeks, we'll watch you carefully. Thank you, sir, very much. And thanks to our audience for all their wonderful questions.

Note: The question-and-answer session was taped at 10:02 a.m. at the WSB - TV studios for evening broadcast. WSB - TV newsman Bill Nigut served as moderator for the session.

Remarks on Beginning a Whistlestop Tour in Norcross, Georgia

October 20, 1992

The President. What a great Georgia day. Thank you for that great welcome. It is great to be in the land of the free and the home of the Braves. Thank you all very much.

You know, everywhere I go I see signs that say ``Clean House!'' We need more Members of Congress like Newt Gingrich. And I'm delighted to have been introduced by him. So send us more like Newt and also, while we're at it, let's clean Senate and elect Paul Coverdell to the United States Senate.

I am very proud to have at my side today the Governor of South Carolina, Carroll Campbell, one of the outstanding Governors in the entire United States. I'm glad he's here, and of course, my friend and supporter in the Senate, Strom Thurmond. I'll tell you, he does a great job for this country. May I thank Brooks Coleman, our master of ceremonies. And may I salute the world's best First Lady, Barbara Bush. I'm proud she's out here today.

Audience members: Barbara! Barbara! Barbara!

The President. And I like all these signs around here. I referred to that one the other night, last night in the debate. I love it. And we're going to show them on November 3d exactly how it works.

You know, baseball is like politics. So forget about all these polls. Forget people telling you how you think. On election day, on election day we're going to show America that it ain't over until Cabrera swings, and that is exactly the way it's going to be.

Anybody out here see the debate last night?

Audience members. Yes.

The President. The thing I like about it is we had a chance to lay out the differences, the choice for the American people: a vast difference between experience, a vast difference on philosophy, and a vast difference on character and confidence in the United States. I hope I stand for all four, and I challenge my opponent on all four.

You know, there was one scary moment in that debate last night, and that's when Governor Clinton said that he would do for America what he's done for Arkansas. You talk about a real threat.

Audience members. Boo-o-o!

The President. Here he is, running with Mr. Ozone, Senator Gore, and Arkansas is 50th in the environmental initiatives; 49th in high school dropouts; 45th in overall well-being of children; 75 percent of the kids that graduate from high school have to get remedial reading, remedial education when they go to college; and their income and their jobs and their wages lag the Nation. We cannot let him do for the United States what he's already done to Arkansas.

I've got to admit, I agreed with the feisty little guy from Dallas on one thing, when he said the grocery store is no preparation for Wal-Mart. I thought that was a pretty good line. Let me put it in baseball terms: The Little League ain't any preparation for the Atlanta Braves, either.

You know, we had a chance to talk about the economy. And yes, we've been going through some tough times, but what we don't need is a dose of lousy medicine. He wants to raise taxes by $150 billion and increase spending by $220 billion.

Audience members. Boo-o-o!

The President. And we cannot let him do that to the United States.

Audience members. Boo-o-o!

The President. And you know who's going to pay it. He says, ``I'm going to sock the rich.'' That won't get him any money at all. What he's going to do is sock it to the cab driver and the nurse and the beautician and the housewife. I will protect against all these tax increases that Clinton wants to load on you, the taxpayer.

You know, I've got a difference in philosophy. I think that we're taxing too much and spending too much. He wants to tax more and spend more. Do not let this happen to the United States of America.

I believe in a State like Georgia one of the things that's going to save us and lead the recovery is more exports, more free and fair trade. I will continue to fight to expand our exports, because we have the best workers, the best products anywhere in the world. Let them have competition in foreign markets, and we will create more American jobs.

Another big difference -- I can't even remember whether I mentioned it last night; I think I did -- is the difference I have with him on legal reform. I want to reform our legal system and stop these crazy lawsuits. We've gone too far. Doctors are afraid to practice medicine; Little League guys are afraid to coach; somebody along the highway sees a victim, and they're afraid to stop because if they move the body a little bit to bring comfort, somebody's going to sue them for

doing the wrong thing. We sue each other too much and care for each other too little in this country. And we've got to change that.

You saw the differences last night on education. I want to give parents the right to choose their schools, public, private, or religious. Give the middle class a break. Give the middle class a little relief.

Health care: He wants to put a Government board in there. I want to reform health care and make insurance available to all, the poorest of the poor, give the middle class a break on it. Keep the Government out of the health care business, and let's compete and make our health care the best and most affordable in the entire world.

Very candidly, we've got a big difference on crime. I was delighted the other day when the FOP, the Fraternal Police Officers came up to Washington from Little Rock, Arkansas, and that police group endorsed me for President of the United States. They did it because I agree with Strom Thurmond, who is fighting for tough anticrime legislation. We need to support the police officers more and have a little less sympathy for the criminals themselves.

I am for reforming Government. I am with Newt Gingrich and Strom Thurmond because I want a balanced budget amendment to the Constitution. I want a line-item veto. I want to give you, the people, a taxpayer check-off so we must compel the Congress to get this Federal deficit down. And I want to give the Congress back to the people by having term limits up there, too -- there are term limits on the President -- term limits for the Members of Congress.

Lastly, I made a distinction last night. Governor Clinton said in Richmond, it's not the character of the President that counts, it's ``the character of the Presidency." I repeat today, especially to the young people, these two are inseparable. These two are inseparable. You cannot flip-flop on the issues every single time. One day you said you told the full truth on your sorry draft record, and the next day it comes out you haven't.

On Desert Storm, that was a proud moment for the sons and daughters of Georgia. Governor Clinton said, ``Well, I probably was with the minority," or ``I supported the minority, but I probably would have voted with the majority." You cannot waffle. You cannot turn the White House into the waffle house.

It is his pattern. It is his pattern of trying to be all things to all people. You simply cannot have a pattern of deception. You cannot separate the character of the Presidency from the character of the President. I have tried to be a faithful custodian of the trust you have placed in me. Barbara and I have tried to protect and revere the White House, where we are privileged to live, and I will do that for 4 more years.

Audience members. Four more years! Four more years! Four more years!

The President. You cannot literally flip-flop on all these issues and lead. You cannot lead by misleading. You can't say one day, ``Well, I think Toronto is great, but I'm for the Braves." You've got to take a position. I am for the Braves, courageously.

My last point is simply this: The opposition would have you believe that the United States is a nation in decline. Governor Clinton said, well, we're something less than, paraphrasing, we're something less than Germany, but a little better than Sri Lanka. Let me tell him something. We are the best, the fairest, the most decent, and the strongest country on the face of the Earth.

And yes, our economy needs fixing, but we're caught up in something global. We're in an interdependent world. Our economy, in spite of its ailment, is doing better than Germany and Japan and England and France. With our leadership and our agenda for America's renewal, we are going to lead our way to economic recovery around the entire world, meaning jobs for the American worker.

Thank you for this fantastic turnout, and don't let him say we are second class. We are the United States, the freest, fairest, greatest nation on the face of the Earth. And I need your support, and I ask for your vote. Thank you all, and God bless you.

Note: The President spoke at 12:15 p.m. beside the Spirit of America train.

Remarks to the Community in Gainesville, Georgia

October 20, 1992

The President. Thank you, Dow Williams. And thank you, Gainesville. What a fantastic rally. I am grateful to you, and it makes me think we are going to win this election.

Let me just say how pleased I am to be accompanied on this trip by two of America's greats: Governor Campbell, the Governor of South Carolina, and Senator Strom Thurmond, the great United States Senator. And you know, everyplace I go I see signs that say, ``Clean House!'' Let me say let's also clean Senate and send Paul Coverdell to the United States Senate.

May I thank Dow Williams, who's our master of ceremonies, and everybody responsible for this fantastic rally. And let me say this: One left me in Norcross. I expect I will see her in the White House Thursday night, but I am very proud of our First Lady, Barbara Bush, who sends you her very best.

It is great to be in the land of the free and the home of the Braves. You know -- you got it. This is what we're going to do to Governor Clinton, Clinton-Gore. You know, baseball's exactly like politics. So you forget about all these crazy polls. Don't let these newscasters tell you what's happening or how to vote. On election day we're going to show America it ain't over 'til Cabrera swings, and that's exactly the way it's going to be.

Anybody see that debate last night? Well, it seems to me we had a chance to lay out the difference before the American people. I was talking about a difference in experience, a difference in philosophy, and yes, a difference in character. And I think all three of those things matter.

The scariest moment of that debate was when Governor Clinton said he wanted to do for the United States what he's done to Arkansas. That scares me. We cannot have that. I hate to ruin a beautiful rally on a sunny day in Gainesville, but let me tell you something: Arkansas is the 50th out of 50 States in environmental initiatives; 49th in high school diplomas; 45th in well-being of children; and incomes and jobs and wages lag the entire Nation. We do not need that for the greatest country on the face of the Earth.

Audience members. Four more years! Four more years! Four more years!

The President. I thought -- --

Audience members. Four more years! Four more years! Four more years!

The President. Four more!

You know, I agreed with one thing that Ross Perot said. He said, the grocery store is no preparation for Wal-Mart, and I think he's right. This is the big leagues. You can't have it both ways on every issue. You've got to say what you think, admit your mistakes, and lead and not waffle. I am that kind of a leader, and the other man is the waffler.

I had a chance to point out last night -- he didn't like it a bit -- that Governor Clinton has already said he wants to raise your taxes by $150 billion. He wants to spend -- --

Audience members. Boo-o-o!

The President. I'm sorry. He wants to spend $220 billion. He says he'll take it all from the rich. All you cab drivers, all you nurses, all you boys club workers, all you watch out, because he's coming right after your wallet, coming right after it. We are not going to let him tax the American people anymore.

He wants trickle-down Government. We do not need bigger Government in Washington, DC. We need to control that growth in spending, give the over-taxed taxpayer a little relief, and get this deficit down. That is my program.

Georgia is a great export State. We create a lot of export jobs here. I think exports are going to lead our way to a new prosperity for the entire world. Let's not go back to protection. Let's open up those foreign markets to Georgia's goods. Our American workers can outproduce any workers, any part of the world. We are the best.

Everybody here knows this, but it is small business that creates the new jobs. Two-thirds of the new jobs come from small businesses. And the small businesses need relief from taxation, regulation, litigation. Clinton would sock the taxpayer with more. I say no, lighten up on small business, and let them create jobs.

Last night, I can't remember whether we talked about it in the debate, but one big difference I have with this man is he doesn't care about these lawsuits. My view is we are suing each other too much and caring for each other too little. We ought to do something about these crazy lawsuits. We spend over $200 billion a year on lawyers, and that's too much. We've got some darn good ones, and I hope they're here. But we've got to put a cap on these crazy lawsuits.

Last night, we showed a big difference on education. We've got a lot of kids here. I think it's time to give the parents the choice and the help to send their kids to the schools they want, public, private, or religious. I think it's time we have a new health care system that makes insurance available to the poorest of the poor, gives the middle class a tax break, but does not turn it over to the Federal Government. The Federal Government can't run the post office too well, and we ought to do better in health care.

On crime, I've got a fundamental difference with the Governor, because I believe we ought to be a little more sympathetic to the victims of crime and a little less sympathetic to the criminals themselves. In Arkansas, prisoners spend 20 percent of their term in jail. In the Federal system it is 85. We do not need to be more lenient; we need to back up the families and the law enforcement officers and bring law and order back to our communities.

You know, one of the best visits I've had as President of the United States is when a group of young men from the Fraternal Order of Police came to see me, and they were from Little Rock, Arkansas, endorsing me for President of the United States.

Last night, we talked about reforming Government. I do believe we need to get this deficit down, and here's three ways to do it: Give me what many of the Governors have. Give me a balanced budget amendment, and make this Congress save money. Give me a line-item veto. Forty-three Governors have it. Let the President draw a line through those wasteful programs. Congress can't do it. Give me the chance.

I want a check-off on the tax returns so if a person says, ``I'm concerned about the deficit," they can check off 10 percent of their tax they send to the Government, and then the Congress and the President must reduce the deficit by that much. Discipline the Federal Government.

One other idea where I have a big difference with the status quo and with Governor Clinton and Mr. Gore is I believe that we ought to have term limits on the Members of the United States Congress.

I do believe character counts. We're talking about the Presidency. We are talking about who is privileged and honored to serve in that hallowed White House. Character counts, and I don't believe you can flip-flop on every issue.

Governor Clinton is on one side of the war. He was saying, ``Well, I agree with the minority, but I guess I would have voted for the majority." When you're President, you've got to make a tough decision. We did it, and Georgia's sons and daughters behaved with honor, and we kicked Saddam Hussein all the way out of Kuwait. And we restored the honor of the United States.

Audience members. Four more years! Four more years! Four more years!

The President. My objection -- --

Audience members. Four more years! Four more years! Four more years!

The President. Four more!

My concern about Governor Clinton is there is a pattern of deception. It flip-flops. It's on the right-to-work laws. It's on free trade. It was on the war itself. It was on term limits. You cannot be all things to all people. You can't say one day, ``Well, I'm for the Blue Jays, but maybe I'll be for the Atlanta Braves." I'm for the Braves, and that's the way it is.

Listen, you guys -- --

[At this point, the audience chanted the Braves cheer.]

The President. Wasn't that great? You know, I'll make one serious comment here that transcends politics. But I know all Georgians, everyone in the United States was upset when we saw the Canada flag inadvertently, by mistake -- everyone's human -- make an error, and their flag was flown upside down. This morning I apologized to the people of Canada. They understand. They are our friends and our allies. They have respect for our flag, and we have respect for theirs. They are great people, and I hope they come in second in the World Series.

In conclusion, let me say this: In the Richmond debate -- maybe some of you had to suffer through that one -- Governor Clinton said it's not the character of the President, it's ``the character of the Presidency." And I said, no, you can't separate the two. When I see these kids out here, I am more determined than ever not only to serve with honor, not only to show compassion and concern for the people of this country but to enact the programs that are going to help the young people and lead them to a new prosperity and a new hope.

We have literally changed the world. These kids go to bed at night without the same fear of nuclear war that their mothers and their dads and their older brothers and their sisters had. That is dramatic change. And because of our leadership we are, indeed, the most respected nation in the world. Now help me take that same leadership and lift up the American people, because our best days are ahead. We are the United States.

May God bless the United States of America. Thank you all very, very much. What a great rally. Thank you.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you so much. Thank you all. Great rally. Thank you, Gainesville. Thank you, Georgia. Thank you, the United States of America. We are going to win this election. Thank you so much. All aboard!

Note: The President spoke at 2:25 p.m. on the observation deck of the Spirit of America train.

Remarks to the Community in Cornelia, Georgia

October 20, 1992

The President. Thank you all very much. Thank you. Four more! Thank you all very, very much. Thank you for this great Cornelia, Georgia, welcome. It's a beautiful day in Georgia, and it's a bright day for the United States. We are going to win this election.

You know, all across the country I see signs, ``Clean House!'' I'd like to see a new Congressman in Washington, Dan Becker. But while we're talking about it, while we're talking about it, let's do something great. Let's clean Senate and send Paul Coverdell to the United States Senate.

I was so pleased to be accompanied on this trip by one of the truly great American public figures, Senator Strom Thurmond of South Carolina. What a great American he is. And also proud to have at my side in this campaign, as in the last, one of the great young, upcoming Governors of the country, Governor Carroll Campbell of South Carolina.

And may I thank Russ Spangler for arranging all of this, being our master of ceremonies. And let me say this: I am sorry that she's not with us -- she was in Norcross and is now off in another State -- but I think in Barbara Bush we have the best First Lady in a long, long time. She sends her love. She sends her love. And let me put it this way: It's great to be in the land of the free and the home of the Braves. Chop 'em.

Forget all these polls. Forget them. We are going to win on election day. We're going to show America it ain't over 'til Cabrera swings. And by the way, I'll make a confession. I don't like -- I don't watch them anymore -- I don't like these Sunday morning inside-the-beltway talk shows emanating from Washington. I'm going to sic Rick Flair on some of those talking heads. I'm glad he's here with us today, great American sports figure and a wonderful guy.

Now, I've got to ask you a question: Did anyone see the debate last night? Well, it seems to me we had a good, clean shot to go right into the living rooms across Georgia and across the United States and to lay out a choice for the American people, a vast difference in experience, a vast difference in the philosophy, and a vast difference in character among those who want to be President. A scary moment in the debate came when Governor Clinton said, ``I want to do for America what I've done to Arkansas.'' We can't let that happen.

Audience members. Boo-o-o!

The President. Hey, listen, we've got a lovely day out here. But let me just click off a few statistics. I don't want to sound like Governor Clinton, but I've got a few statistics of my own. Fiftieth, here's Arkansas for you, 50th in environment initiatives; 49th in schools, students with high school diplomas; 45th in the overall well-being of children; income, jobs, wages lag the

entire Nation. We must not let him do to us what he has done to Arkansas.

My feisty little friend from Texas, Ross Perot, had one thing right. He said the grocery store is no preparation for Wal-Mart. Well, I think the man's on to something.

But you know, on the economy, we've had a tough time. We're caught up in a global slowdown, in some areas, a global recession. Governor Clinton talks about the United States being less than Germany and more than Sri Lanka. He ought to open his eyes. We are still, in spite of our problems, the envy of the world. What I want to do is help America jobs recover. The way not to do that is do what Clinton wants. He wants to raise your taxes by $150 billion and spend $220 billion more just for openers out of Washington, DC, and we cannot let him do that to the American people.

He says, ``Oh, let's let the rich guys pay it." There aren't enough of them. There are not enough Ross Perots out there. The middle class is going to have to pay. So do not elect somebody that starts out of the box saying, ``I want to raise your taxes, and I want to increase spending."

It is my belief that Government taxes too much and spends too much. Help me right-size the Congress, right-size the Federal executive branch, and right-size the Government. With the new Members of Congress coming there, we are going to be able to sit down with them and change things and protect the taxpayer and the young people of this country.

I want to create more jobs. Exports have saved us. We have the most productive workers in the entire world, and I want to see us create more jobs in this country that will sell more competitively abroad. We can do it, and I believe we will.

We've got to reform our health care system. I think it's a crying shame that doctors don't dare deliver babies because they're afraid of a lawsuit. Or some of you guys won't coach Little League because you're worried some nutty parent's going to sue you, or some lawyer will get ahold of them. Or you pass an automobile accident on the street, and you're afraid to stop and help somebody because you're afraid a lawyer will come along, get the family of the victim to sue you. We can't do that. We've got to sue each other less and care for each other more. I need your help to make that change in this country.

The hope of the country is the young people here. The hope of the country are the Raiders. And we ought to give them the best possible education. That's why I favor school choice for parents, public, private, or religious schools. Help the parents strengthen the American family. The liberals don't like it when I talk about family values, but let me tell you something: When you come here to the State of Georgia, I think the Nation understands what I mean. We need to strengthen the American family through choice, teaching discipline, respect for the law enforcement officers. Help me strengthen the American family. And one way you do that is by getting better, tougher anticrime legislation.

Let me tell you this: In Arkansas, people go to jail, and they spend 20 percent of their term in jail. Under the Federal law, it's 85 percent. Let's pass some laws that have a little more concern for the police officers and the victims of crime and a little less for the criminals.

You know, one of the great meetings -- I have been privileged to be your President and have a lot of fascinating meetings in that marvelous Oval Office -- one of the very best was when I met with eight men from Little Rock, Arkansas, the other day. Grassroots, they could be the neighbors of everybody here in Cornelia. They came and said, ``We are for you." And they were the Fraternal Order of Police of Little Rock, Arkansas. That says something about who's going to support the law enforcement.

Now, give me your help in this next term in reforming the Government. Give me a balanced budget amendment. Make us live within our means. Give me a check-off that says every taxpayer can check up to 10 percent of his tax returns to go to lowering the deficit, and make the Congress adjust. If they won't, cut it across the board. Give the people the power. And give me those line-item vetoes so I can cut out the pork and protect you, the taxpayer. While we're at it, I'd like to see term limits for the United States Congress. They've been around there too long. The Presidency's term is limited. Let's give the Congress back to the people by limiting those terms.

You know, I had a chance last night in the debate to point it out, but Governor Clinton in the Richmond debate said it's not the character of the President, it is ``the character of the Presidency." Let me tell you something. They are inseparable. They are locked. Barbara and I have tried to be good stewards and custodian of the American dream and of that precious White House. And we have exemplified, I hope, enough courage and enough statesmanship to merit the trust of the American people.

But character is important, and you cannot in that Oval Office be all things to all people. You go forward, and if you make a mistake, you say, ``Hey, listen, I was wrong about that one." But you keep on going, serving the people. Governor Clinton tries to be on every side of every issue, and you cannot have that as President of the United States.

I am very proud of the courage and backing I got from Georgia when I had the toughest decision of my life to make, and that is whether you send somebody else's son or daughter to fight for this country. I fought for my country, and that helped. But I'll say to you as President, it is not an easy decision. And Georgia backed me. The people here did.

But Governor Clinton said, ``Well, I agreed with the minority" -- meaning let sanctions work and all of that; let's not commit ourselves -- ``but on the other hand, I would have voted with the majority." You cannot waffle as President of the United States of America. If he were a baseball fan he'd say, ``Well, I'm for the Blue Jays. But then, on the other hand, I may be for the Braves." I'm for the Braves, taking a firm commitment here. Give it to 'em. [Applause] You're right.

Let me say this: It's like Harry -- remember Harry Truman? They'd say, ``Give 'em hell, Harry." And he said, ``Look, I just tell the truth, and they think it's hell." I just tell the truth, and he thinks it's hell.

You know, I believe we're going to win this election. I'm absolutely confident in my heart of hearts. Don't believe these crazy polls. Don't believe these nutty pollsters. Don't let these guys tell you what you think. You have a debate, you see what you think. And then 2 seconds later some crackpot comes on and tells you what you think. We don't need that in the United States. They don't like it, but that's the truth.

Audience members. Four more years! Four more years! Four more years!

The President. Four more! That's what we need to get this job done.

Audience members. Four more years! Four more years! Four more years!

The President. Let me tell you something. You know, these days have been some difficult times. I've been blessed. You saw one of my sons here and my twin granddaughters here. And like a lot of people in this audience, I've been blessed by strong family, a wonderful wife to back you up when the going is tough. I want to serve 4 more years because I really want to help people.

I think we've got the best answer in health care. I think we've got the best answer in education. And there's another reason: I don't believe for one single minute that this Nation is a nation in decline. I've served; I understand the world. We're caught in something international here, and it is the United States of America that is going to lead the way to better lives for our people here, but also for a better world. And I want to continue this job.

I am grateful that these high school kids here go to bed at night without the same fear of nuclear war that their older brothers and their sisters had. And that happened under my Presidency.

So don't let people try to get into the White House by telling everything that is wrong with this great country. We are the greatest, the fairest, the best nation on the face of the Earth. And may God bless our country.

And thank you for this tremendous support. Thank you so much. I'll never forget it. A beautiful day in Georgia. Thank you. This gets me fired up for the next one. I can't tell you what this has done for my spirits. Thank you very, very much. God bless you all. Thank you.

Note: The President spoke at 4:15 p.m. on the observation deck of the Spirit of America train. In his remarks, he referred to professional wrestler Rick Flair.

Remarks to the Community in Spartanburg, South Carolina

October 20, 1992

The President. Wall to wall people. Thank you all. This has been a wonderful day, taking this train through Georgia and South Carolina. This is the icing on the cake. I am delighted to be with your great Senator and my great friend, Strom Thurmond. When you talk about a national leader, you've got a great Governor in Carroll Campbell, respected all across this country. I salute him, and I salute Iris. And I'm delighted to have Rick Flair on our side. I want to thank Barry Wynn and all of you who helped make this rally such a fantastic success.

You know, everyplace I go, I see signs that say, ``Clean House!'' Well, I've got an idea: Send Bob Inglis to the United States Congress. Get a good man up there. And while we're at it, let's clean Senate, and send Tommy Hartnett, my old friend, to the United States Senate. We need a change. That institution's control hasn't changed in 38 years, the Congress. It is time to clean House and send us these two good new people.

Well, I'm told that the world's entire supply of Pepto Bismol is made at the Procter and Gamble camp right down the road in Greensville. After the past couple of months of campaigning, I'm sure sales must be soaring. But look at it this way: Two weeks from tonight, all this will be over, and I will be reelected President of the United States.

Let me give you a little advice. They've been so wrong before. Don't listen to these pundits telling you how to think, and don't listen to these nutty pollsters. Remember, things are decided in the last couple of weeks of this campaign. And now people are going to decide: Who do I trust to be the leader of the free world and the United States?

I wonder if any of you saw the debate last night. Well, I think -- --

Audience members. George Bush! George Bush! George Bush!

The President. -- -- I think the country saw a vast difference there, a difference in principle, a difference in philosophy, a difference in experience, a vast difference in character. I ask for your support on the basis of all of those.

You know, for 11 months, Governor Clinton and the rest of those liberals have been running around criticizing not only our country but me and my record. I think before people go to the polls, they need to know a couple of statistics about his record. Arkansas is the 50th out of 50 States in environment initiatives.

Audience members. Boo-o-o!

The President. I'm sorry. They are the 49th in students with high school diploma. They are 45th in the overall well-being of children; and in incomes, in jobs, and in wages, they lag the entire Nation. We do not need that for the United States of America.

You know, let me tell you what he said last night in case you didn't hear it. He said, ``I want to do for the United States what I've done for Arkansas.'' We can't let that happen. No way.

Ross Perot was right on one thing. He said the grocery store is no preparation for Wal-Mart. I thought that was a good line. But here's the dangerous part: Governor Clinton wants to raise your taxes by $150 billion and increase spending by $220 billion. We're not going to let him do that.

I don't know how many people standing around here make over $200,000, but I'll guarantee you one thing: His figures don't add up. And to get that $150 billion, he's going to have to go after your wallet. So when he says ``tax the rich,'' you taxpayers, you hard workers, you people that believe in the American dream, watch out. It will turn into a nightmare.

I've got a different philosophy. I believe the Federal Government is too big, and it spends too much. He wants to see it spend more and tax more.

We've been caught up in something global. The global economy has slowed down. Though it hurts when anyone is out of work, I think it's fair to note that the American economy, in spite of our problems, is still a lot better than all the European economies or Japan or Canada. We are the United States, and I want to make it better, not worse.

I want to expand our exports so our textile products and our other products made in this great State can find free and fair markets all around the world. We are leading in exports; let's keep it up.

Audience members. U.S.A.! U.S.A.! U.S.A.!

The President. Let me remind you that it is small business that creates most of the jobs, and it is small business that doesn't need to pay any more taxes. It needs relief from regulation and taxation and litigation. Let's get the job done. We've got too many crazy lawsuits, and Governor Clinton is owned by the pocket of the trial lawyers. We ought to sue each other less and care for each other more in this country.

Governor Clinton wants to slap a tax on foreign investors. Well, let me ask right here in South Carolina. You do that, and you don't get a BMW plant. I would welcome BMW to South Carolina because they know our workers are the best anyplace in the world. I congratulate your

Governor for taking a lead role in bringing that great business to this State. I want to promote that kind of investment in the United States of America. That means jobs for the American people, and we're going to keep on working for that.

Another area we've got a big difference is education. I told you about Arkansas' sorry record. But I'll tell you a big difference. You see, I believe parents ought to have the right to choose and the help -- for money, to choose private, public, or religious schools for their kids. I think we need more support for the teachers and the local communities and a little less for the bureaucrats.

On health care, my plan provides insurance for the poorest of the poor, tax breaks for the middle class. But it does not turn the health care of this country over to the Government. We don't need that. We need market forces.

On crime, I believe we ought to be a little tougher on the criminal and have a little more concern for the victims of crime. Nobody in this country has fought harder for good, strong anticrime legislation than your own and my friend Senator Strom Thurmond.

You know, the other day in the Oval Office, I had a visit from about eight guys from Arkansas. They came up to pledge their support, and they represented the Fraternal Order of Police of Little Rock, Arkansas. They are supporting me for President of the United States. So is the National Fraternal Order of Police because they know that I back up the law enforcement officers. They are fighting for us every day of their lives, and we ought to support them.

You heard another difference last night -- talking about reducing and reforming Government. I'll tell you how to get this deficit down: Give us a balanced budget amendment to this Constitution. Give us a check-off so that people that care about the deficit can say, ``Hey, I'm going to check in this box, 10 percent of my taxes must go to reduce the deficit." If Congress can't do the job, make them do the job. I strongly support a line-item veto. Forty-three Governors have it. Give it to the President. Let us try to make it work. I like the idea of getting the power out of the Congressmen and back to the people. I favor term limits for the Congress.

Lastly, Governor Campbell touched on it, but let me say I've got a big difference with Governor Clinton. He says it's not the character of the President but ``the character of the Presidency." I say they're one and the same thing. They're locked in. You cannot sit in that Oval Office and waffle. Do not turn the White House into the waffle house. You've got to stand up. You've got to stand up and make a tough decision. When I had to make that tough decision on Desert Storm, Governor Clinton was saying this, here's what he said: ``I'm for the minority, but I guess I would have voted for the majority." What kind of Commander in Chief would that make?

Audience members. Boo-o-o!

The President. I worry about the pattern of deception, on one side of an issue one day and then

the opposite side the other. You cannot do that as President of the United States.

Let me tell you another one, and this concludes it. Governor Clinton and Senator Gore, the Ozone Man, is going around the world -- [laughter] -- you listen to some -- hey, this guy is strange. They've got Gore muzzled back now. You have no timber workers, only a bunch of owls, if you listen to him. You'd have no farmers, only a great big wet hole out there somewhere, if you listen to him.

But here's the point: They differ. They differ. They want bigger Government. He talks about growing Government. I want to grow the private sector. I want to grow jobs in the private sector.

But the big difference is, to get elected they've got to convince the American people that the United States is a nation in decline, and we are not. We are number one in the economy, in security, in standing up for freedom and democracy.

Audience members. We're number one! We're number one! We're number one!

The President. I believe in the American people. And I have had the honor -- and my family shared it with me, one son here tonight and my daughter-in-law, twin granddaughters. And certainly, I happen to think we've got the best First Lady that we could possibly ever have, Barbara Bush. We have been privileged as a family to live in that White House, and I've been privileged to serve as President. But I now want to do this: We've literally changed the world. And Carroll was very generous in his assessment. But when I look around here and see these young people, we've got lots to do. We've got all kinds of opportunity. And I want to take that same leadership and, with a brandnew Congress, lift up the lives of the young people here tonight.

We are not a nation in decline. We are a nation on the move. With our education and our job retraining and our caring for people, we are going to make America better. We're going to create jobs worldwide, and I will see that we continue to be the most respected leadership country in the entire world.

Thank you all, and may God bless the United States of America. Thank you very much.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you very much. God bless you all.

Note: The President spoke at 8:20 p.m. beside the Spirit of America train. In his remarks, he referred to Barry Wynn, master of ceremonies.

Remarks to the Community in Gastonia, North Carolina

October 21, 1992

The President. What a fantastic welcome. Thank you, thank you very much. Thank you so much. Thank you very, very much. Thank you, Alex. Let me just say this about Alex McMillan and Cass Ballenger: If we had more men of distinction, people of their character, people wouldn't be saying, ``Clean House!'' Keep both these guys in the Congress, and send us a lot more like them.

May I say what a pleasure it is to be here with both the Mayors of Renlo and Gastonia. I'm delighted to be welcomed by both of them. In fact, for good luck we've even thrown in the Mayor of Charlotte, North Carolina, over here, Mayor Vinroot. I'm delighted to see him. And, of course, I'm honored once again to be standing next to one of the truly great Governors in the United States, Jim Martin. You've been very, very lucky.

You've been very, very lucky for these last few years, and now I hope you'll keep this record going by sending Jim Gardner back to be Governor of this State. And also, when they yell, ``Clean House!'' they're starting to yell, ``Clean Senate!'' And well they should because we need Lauch Faircloth in the United States Senate.

I heard the introduction he got, but let me just put a P.S. on it: I am very honored to have with us one of the country's senior statesmen and most respected leaders in the whole country, Strom Thurmond. What a wonderful man he is.

I don't know if you watched the ball games, but I hope you see my Braves jacket because the Braves are going to win the World Series. Now, you've got the chop going. You got it.

Did any of you all watch that debate on Monday night? You said that, not me. Now, wait a minute. [Laughter] Well, I think we had a chance to lay out the choice before Americans, the vast difference on philosophy, on issues, and yes, the vast difference on character. Character matters.

We also had a chance to put into focus this man's record. This sign says it pretty well: 50th in environmental initiatives. I would add, 50th in percentage of adults with college degrees; 50th in per capita spending on criminal justice; 49th in per capita spending on police protection; 48th on percentage of adults with high school diplomas; 48th in spending on corrections; 46th, teachers' salaries; 45th in the overall well-being of children. And he said, ``I want to do for the country what I've done for Arkansas.''

Audience members. Boo-o-o!

The President. We cannot put him in the White House. He's like a struggling Little League

manager wanting to go to the Atlanta Braves. We're not going to have it happen.

I think the biggest difference between us really relates to what he calls change. He wants $150 billion in new taxes. He wants $220 billion new spending. And he wants trickle-down Government, big Government trickling down to the people, and we aren't going to let him get that.

Yesterday he backed off a little bit, once again flip-flopping, one side of an issue one day, one on another. Now he says, well, he didn't mean it, when they pointed out to him he would have to tax the middle class. And he said, ``Well, maybe I'll slow down reducing the deficit."

We can get this deficit down by controlling spending and without raising taxes. That is my position.

He talks about change, change, change. The last time we got that kind of change we had interest rates at 21 percent; we had inflation at 15 percent; we wiped out every family budget. We do not need a liberal Democrat in the White House with this spendthrift Congress we've got. He talks about change. He talks about change. That's all you'll have left in your pocket if his program goes in, believe me.

So how do we help people? Here's the way we do it. We open up new markets for the products made right here in North Carolina. We have the best workers. Now expand our markets so those products can be sold in this interrelated world economy.

How do we do it? We put some incentive in there for small business. Big guys can take care of themselves. Give some incentives to small business to remove the regulation, help with the taxes.

We've got to do something about these crazy lawsuits. Governor Clinton is in the pocket of the trial lawyers. Let me tell you something: Up to $200 billion is spent on lawyers. We ought to sue each other less as a country and care for each other more.

We've got a good health care program. It's backed by these two Members of the Congress, a good program. Governor Clinton wants to get the Government setting the prices. I want to provide insurance to every American, help the middle class with tax credit, help the poorest of the poor with vouchers, get insurance provided for all, but keep America's quality of health care up while making it accessible to all. We've got to do that.

Education: We've got a good record; 1,700 communities across this country, some North Carolina communities in the lead, literally revolutionizing education. It is not good enough to have education refuse to change. We are going to do it. We are going to give parents a choice of schools, religious, public, or private. We've increased Pell grants for kids going to college by far

more than any other administration. We're going to fight for choice, and we are going to make these schools better. But we're not going to do it by trickle-down Government, having Governor Clinton tell us how to run our schools all across this country.

You know, all along the line I see these police officers at these crossings, and it makes me count my blessings for those men and women who are out there defending our neighborhoods against the criminals. We need more strong anticrime legislation in this country. We need to back up our police officers more and have a little less concern about the criminals themselves. Nobody in this country is fighting harder for strong anticrime legislation than your neighbor and my friend Strom Thurmond. We owe him a vote of thanks for what he's doing.

The other day -- one of the best visits I've ever had in the White House -- we had a group of, I think it was six or eight men. They came to see me, and they said, ``We support you for President." They were the leaders of the Fraternal Order of Police from Little Rock, Arkansas, and they joined the National Fraternal Order of Police, saying, ``We've got to get strong legislation. We support President Bush for reelection."

I don't think we need more of the status quo. I told you what it was like when Jimmy Carter left and when those liberal Democrats controlled both the White House and the Congress. Remember now, those interest rates were 21 percent. Inflation was wiping out every senior citizen; it was at 15 percent. And remember, it led us into a deep recession where unemployment got far higher than this today.

So what have we got to do? We've got to reform the Government. Send me new Members of Congress, and we will. Give me that line-item veto to cut down on the spending. Give the taxpayers a check-off on their tax returns. And if you care as much about the deficit as I do, check off 10 percent of your income tax and make the Congress and the White House cut that deficit by cutting spending.

I want a balanced budget amendment to the Constitution. The Governors have it. Give it to the President, and let's get this country on the move. I want to give the Congress back to the people and get some term limits. The President's term is limited. Let's limit the Members of Congress.

My big difference with Governor Clinton, though, is -- --

Audience members. Clean House! Clean House! Clean House!

The President. Clean House! You've got it.

The big difference I've got with Governor Clinton relates to being on all sides of all issues. You know, as President you cannot do that. When I had to make a tough decision, a rather lonely decision, to commit the sons and daughters of North Carolina to battle, where was Governor

Clinton? He said, well, I'm with the minority -- I'm paraphrasing -- I am with the minority -- they wanted sanctions to work; they wanted to let Saddam Hussein have it the way he was, and hoped we'd back him out -- I'm with the minority, but I guess I would have voted with the majority. What kind of leadership is that? That is not leadership. That is pathetic.

We made a tough call, and we kicked Saddam Hussein out. We busted the fourth largest army, and we resurrected the image of the United States all around the world.

No, we do not need a pattern of deception. It isn't one single issue. It's not simply whether -- I'm still offended by the fact that anybody, when your country is at war, would go to a foreign country and organize demonstrations against the United States. I'm against that.

But it is not just that. It is this flip-flop and pattern of deception on one issue after another, whispering to one union what they want to hear and then going out and saying something different. Fuel efficiency standards, spotted owls, term limits, trade agreements, you name it: He is on both sides of the issue, and a President cannot do that. You simply cannot lead by misleading. I ask the American people to look at this Arkansas record and then listen to his rhetoric, and let's tell the truth to the people.

When that telephone rings in the Oval Office or at the White House late at night, and you have to make a decision, you cannot be all things to all people. If you make a mistake, you do what you people do. You stand up and say, ``I blew it. I was wrong. Let's go on about the Nation's business." But do not try to be something you're not. Do not try to tell them one thing and then do something else.

You notice the Sun just came out. Well, let me tell you something: That's what's going to happen on election day. Don't believe these crazy pollsters. Don't believe these nutty pollsters. You know my favorite bumper sticker: ``Annoy the Media. Reelect President Bush." They don't like it. They don't like it a bit. They don't like it, but I love the American people, and this train trip is fantastic. You get outside of that beltway; you take your case to genuine Americans. My case is the right case for this country, because I want to make life better for every kid here.

Let me tell you something. They say, what is your -- what accomplishments you like -- take the best out of? What do you like the most? I'm proud that we put choice in child care. I'm proud that we passed an ADA bill that says to the disabled, you have a shot at the American dream. I'm proud of what we did in clean air, try to help this environment so they'll have a better chance when they get older. But I'll tell you one thing that pleases me the most: We have lowered the threat of nuclear war so every kid here will have a safer future. That is good.

Now I ask your support, and I ask your help to get this economy moving again so we can make life better for every single young person here. With your help and with your support, I will be reelected President and will serve the people for 4 more years.

Thank you. And may God bless the United States of America. May God look after us. We are the world's leader. Let's keep it that way. Thank you very much. Thank you guys very much. Thank you. All aboard. All aboard. Thanks a lot. What a great rally. Thank you, kids. Chop 'em up. You got it.

Note: The President spoke at 10:25 a.m. beside the Spirit of America train. In his remarks, he referred to Joe Lawing, Mayor of Renlo; James B. Garland, Mayor of Gastonia; and Richard Vinroot, Mayor of Charlotte.

Remarks to the Community in Kannapolis, North Carolina

October 21, 1992

The President. Lynn, thank you, and thank all of Kannapolis and all of North Carolina for this wonderful welcome. I'm delighted to be with you on this beautiful North Carolina day.

Again, my thanks to Lynn Safrit, and thank you for the introduction. Thank all of you for the welcome. Let me say at the beginning here, I am so proud to have the leadership and the support of your great Governor, Jim Martin. What a job he's done for this State. And I salute the three Members of the United States Congress that are with me, standing here, Cass Ballenger and Alex McMillan, and Strom Thurmond, the indefatigable Strom Thurmond from next door here. If we had more Senators like Strom and Jesse Helms, we'd be in great shape in that Senate. That's why I'm for Lauch Faircloth for the Senate. I hope you'll send him up there and clean Senate as well as cleaning House.

Audience member. Clean the House!

The President. The man says, ``Clean the House,'' and he's right. Well, let's start by sending Coy Privette up to the Congress. I served in the Congress years ago with Jim Gardner. I want to see him elected to the governorship to continue the work Jim Martin has done.

Also may I salute another American great. I think you've heard from him; I hope you have. You know him, you respect him as I do, and I'm talking about Darryl Waltrip here. What a great American, great fellow. We're so proud of his record and what he stands for.

It's great to be here today. I've got to ask this question: Did any of you all see that debate 2 nights ago or 3 nights ago, whatever it was? Well, let me tell you something. I hope what you saw was a vast difference in philosophy, approach to this great country of ours, and I hope you saw a difference in character, because that's what's going to decide this election.

You know, Governor Clinton talked about his record in Arkansas, and I don't want to ruin a beautiful gathering like this, but let me just -- --

Audience member. Please don't. [Laughter]

The President. I've got to do it. I've got to put it in perspective. Listen to this now, facts: Arkansas rates 50th in the quality of environmental initiative; 50th in the percentage of adults with college degrees; 50th in per capita spending on criminal justice; 49th in per capita spending on police protection; 48th in percentage of adults with a high school diploma; 48th in spending

on corrections; 46th on teachers' salaries; 45th on the overall well-being of children. And Governor Clinton said the other night, ``I want to do for the country what I've done for Arkansas." We cannot let him do that. You cannot do that.

It's like sending some Little League guy to coach the Braves. The Braves are going to win. You've got the chop going. Governor Clinton's like the guy that says, well, I might be for Toronto, but on the other hand, I'm for the Braves. You've got to make a commitment. I am for the Braves. Let's be clear on that one.

You know, all we hear about from that Clinton-Gore outfit is change, change, change, and that's all you'll have left in your pocket if they go in and start raising your taxes and increasing spending. He got a little mad at me when I pointed out what he said he wanted. He said he wants $150 billion in new taxes, $220 billion in new spending, and I call that trickle-down Government, big Government trickling its way down to the people. Let's make it the other way, have the people telling the Government what to do.

I remember the last time we had the kind of change he wants to bring to Washington. I hate to bring this one up, but how many remember the ``misery index" that was invented not by us but by the liberal Democrats, unemployment and inflation added together? It was 21 percent. Now it's 10. How many remember what interest rates were back then when the Democrats controlled the White House and the Congress? Twenty-one percent. We cannot have that kind of change for the American people.

No, that's change all right. And, as I say, we can't have change for the sake of change. We've got to keep this country moving. I've got a proposal, it's called the agenda for America's renewal, that will cut this spending down. I'll tell you how I'm going to do it. I'm going to get this new Congress, working with these Congressmen here who are good and solid, to give me a line-item veto to cut out some of the pork out of the budget.

We're going to insist to do what the people want: Give the Federal Government a balanced budget amendment and take the burden off the backs of these young people. You want to get the deficit down? Give the taxpayer a check-off. Let the taxpayer say, ``Okay, I'm checking this box on my income tax. Ten percent of my tax must go for reducing the deficit by reducing spending." If they can't do it, make it mandatory. Make it obligatory.

A couple of other ideas. I don't believe that the answer is to pull inward. I believe we ought to open markets abroad for agriculture, for our textile products, for whatever it is. We've got the most productive workers in the world. Now let's hammer out new markets, so North Carolina will continue to do what it's doing, growing and prospering.

Another thing is small business. We've got some big ones right around the corner here, but small business is what drives this country. We need less regulation. We need tax breaks, investment

tax allowance. We need a capital gains incentive so small business can prosper. We do not need more Clinton-Gore big Government.

I think every American worries about health care. I believe our proposal to provide insurance to the poorest of the poor, to provide tax credit to the overworked and overtaxed middle class is the way to go, because it provides the quality of our health care, keeps that, and yet makes insurance available to all. And when you leave one job, the insurance goes with you. That's a very important part of it. Keep the quality of the health care, but do not let the Government get in and tell us how to run health care.

On education, I am proud of our record. We have 1,700 communities across the land, North Carolina in the lead in many of its communities, literally reinventing our education. Let me be clear on the big difference with Governor Clinton. I believe that the parents should be able to choose. Just as parents choose day care now because of us, let them choose the school of their choice, public, private, or religion, and help them get that. Help them do it. Let's try it. That will make the public schools better. It worked in the GI bill after the war. State schools prospered. It will work for public schools to prosper if we try something different. School choice: Let the family stay together and have a say in all of this.

You know, coming along this trip on the train, I was talking to the Governor and these Congressmen about it. It makes me give thanks and count my blessings for those who serve in law enforcement, and I've tried to back them. Strom Thurmond here, your neighbor, has been a leader for tougher laws to go after these criminals, and we've been blocked by a soft-thinking United States Congress.

But when I see those police officers and sheriffs' people and whatever it is, I count my blessings for what they do in our neighborhood. The other day, we had a visit from six or eight people, came to see me. They were from Arkansas, and they came to give me their endorsement. The Fraternal Order of Police in Little Rock, Arkansas, are backing me for President of the United States. So let's support them. Let's support our law enforcement community.

You know, the last point I want to make relates to character. I don't quite understand it when Governor Clinton said in Richmond, Virginia -- he put it this way, it's ``the character of the Presidency," not the character of the President. I don't believe that. I believe it's both. I believe that the President influences the Presidency. I have tried to keep the public trust, and I believe Barbara has kept the public trust. I don't think you can be on all sides of every issue and keep the public trust.

Some of these guys were talking about Desert Storm. It was a proud moment in our history, and no State did more than North Carolina when their sons and daughters went there, none. And let me remind you where Governor Clinton is when I had to say a prayer up at that little chapel in Camp David a couple of days before we had to commit your sons and your daughters to war.

Governor Clinton was saying this as soon as that tough vote was taken a couple of weeks before that moment. He said, well, I was with -- this is a paraphrase -- I could support the minority view, but I guess I would have voted for the majority.

If we'd have listened to that view, Saddam Hussein would be in Saudi Arabia today, controlling three-fifths of the world oil, and he'd have a nuclear weapon. Because we made a tough decision that didn't play both sides of the aisle, the fourth largest army in the world was defeated by your sons and your daughters. It's a proud moment, and don't let them try to convert it into something bad.

On every issue, whether it's the right to work, one day he's on one side of it; another day when he's talking to the labor bosses he's on the other side of it. On term limits, I'm for it. One day he says he's for it, and the next day he's against it. On the free trade, whatever it is, he's on one side and then another.

There's a pattern here of deception. And you cannot have a President who's going to try to be all things. You've got to make the tough decision. When you're right, get a little credit if you can, but when you're wrong, admit your mistakes and go on trying to lead this great country.

Audience member. Let's keep him in Arkansas -- --

The President. Well, let's do that, and let's also not turn the White House into the waffle house. We can't have that. We had breakfast at the Waffle House today, a little symbolism. Very good breakfast, I might add, but there was a message in that. I don't think the American people want a President who's going to try to be all things to all people.

You know, let me put it this way. Sometimes as President you're faced with pretty tough decisions. Sometimes the phone rings at night and you've got to make a call, or in the day you've got groups coming to compete for your interest and your activities and whatever it is, your vote. But it's a wonderful thing, the Presidency of this country. I want to be elected not to keep a job, but I want to continue to try to help the young people.

Today the young people go to bed at night without the same fear of nuclear war that they had 4 years ago, and we helped accomplish that for the whole world. Today democracy is on the move to the south and across the world. And yes, we're caught up in an international economic slowdown, in some places, a recession. But our economy -- you'd never get it from this media -- our economy is doing better than Canada and Germany and England and Japan and France.

Now, my goal is to make it even better still. We've got to help the people of this country. It's the United States that's going to lead our way to economic recovery at home and to global economic recovery so we can sell more products from this State all around the world.

So the job is not yet finished. And yes, we have changed the world. And yes, I'm proud that interest rates are far less than they were when we came in and inflation under control so every senior citizen is not threatened by being wiped out by this cruelest tax of all. But we've got much to do.

So I came here today to say we are not a nation in decline. Do not listen to the pessimists, these liberal Democrats posing as a friend of America. We are the number one nation in the world. Now help me make it even better.

Audience members. Four more years! Four more years! Four more years!

The President. The American dream is still alive. And let me say in conclusion, the longer I am in this White House the more I understand what it means to say we are one Nation under God. Don't you ever forget it.

So with faith and with your support, we are going to show the pundits are wrong. We are going to do what Truman did and show these pollsters don't know what they're talking about. The American people will give us this victory.

Thank you, and be sure to go to the polls. May God bless the United States of America. Thank you very, very much. Thank you all. Thank you, kids.

Note: The President spoke at 12:45 p.m. beside the Spirit of America train. In his remarks, he referred to Lynn Safrit, president, Kannapolis Chamber of Commerce, and Darryl Waltrip, former NASCAR champion.

Remarks to the Community in Thomasville, North Carolina

October 21, 1992

The President. What a great North Carolina day. Thank you, Governor Jim Martin. I'll tell you something, the people of North Carolina are lucky to have such a quality man of character leading this State as Jim Martin. Now we've got to keep that character and quality going by electing Jim Gardner to be the next Governor of North Carolina.

I'm delighted to see a man here who supports me and supports our country so much. Congressman Howard Coble. If we had more like him they wouldn't be yelling ``Clean House!'' at me. We need more like him. While we're at it, we need to help our distinguished guest today, Senator Strom Thurmond, one of America's truly greats over here. We need to help him by cleaning Senate, and that means send our friend Lauch Faircloth to the United States Senate. Lauch Faircloth is one of the great -- he'd be a great Senator. He'll go up there and change things, and the status quo is what's wrong. We need him in the Senate. Send him up there. He's doing just great.

Then we've got another sportsman here. I think of North Carolina as a sporting State, one that loves athletics. Charlotte's coming on strong. We've got Darryl Waltrip right here, one of America's greats. So we've got them all, and now we're ready to go.

Let me thank everybody responsible for this wonderful rally -- the great bands from Thomasville, East Davidson, and Ledford High Schools. It's great to be here with last year's State champions, the Thomasville High School Bulldogs.

Can I tell you something as a satisfied customer? You've got to make the best furniture in the entire world. Not only is it made right here, but also there's a certain generosity of spirit by the companies and the workers involved, because I'm told that you were sending furniture to the victims of Hurricane Andrew. That is the American spirit, and I'm very grateful to you.

Now on to the business at hand. Did anybody watch that debate the other night? Let me tell you, I thought we did all right. I thought we did okay. But let me tell you this. What I think you saw was a vast difference in experience, certainly a vast difference in philosophy, and a vast difference in character, and character matters for President of the United States.

Governor Clinton made a horrible comment. He said he wants to do for the United States what he's done for Arkansas. That would be terrible.

Audience members. Boo-o-o!

The President. Let me click off some gloomy statistics, and then we'll get on to something a little more positive. Arkansas -- he's got this Ozone Man on the ticket with him, you know, Gore. Arkansas ranks the 50th in quality of environmental standards. It ranks 50th in per capita spending on criminal justice. It ranks 49th in per capita spending on police protection. It ranks 48th in percentage of adults with high school diplomas. It is 48th on spending on corrections, 46th on teachers' salaries, and 45th in the overall well-being of children. You cannot take a failing Little League coach and put him on to coach the Atlanta Braves, manage the Braves.

He calls this change. He says he's the candidate of change. Well, let's take a close look at what he offers. How about this one for openers, and he hasn't got there: $150 billion in new taxes and $220 in new spending. That is trickle-down Government, and we don't need it in Washington, DC. He says he'd sock it to the rich. Watch out, middle America. Watch out, struggling nurse or family person. He's going to stick it right in your wallet, and you don't need that anymore. Let's get the taxes down and the spending down.

The last time we got that kind of change, you don't have to go back to Herbert Hoover. Go back to when you had a liberal Democrat in the White House and you had a Democrat spendthrift Congress that Lauch Faircloth wants to change. Go back and take a look. That was in the days of Jimmy Carter. Now, do you remember what interest rates -- --

Audience members. Boo-o-o!

The President. Sorry, gang, but it's true. Do you remember what the interest rates were? Twenty-one and a half percent. Twenty-one percent. Inflation was robbing every senior citizen in this country -- 15 percent. We cannot go back to that failed policy. You keep going with that kind of change, and change is all you'll have left in your pocket. We've got to do better.

My philosophy is this: Cut the spending and cut the taxes and put more money, put more money into the pockets of the American working man. One way to do that is create more markets abroad. It's exports that have saved us in this global slowdown. We've got to increase exports, create more markets for the goods that are produced right here in North Carolina, and we can do it. But we can't do it by turning inward.

It's small business that creates the jobs in this country, and we ought never to forget it. They create two-thirds of the new jobs. That means we need relief for taxation from small business. We need relief from regulation; and certainly, we need relief from litigation. We are suing each other too much in this country and caring for each other too little. Legal reform is what we need. It's a sorry thing when malpractice insurance is running health care costs up for every American. When a guy sees somebody lying by the highway and doesn't dare stop to help him because they're afraid some trial lawyer will come along and sue him, when a person doesn't coach Little League because he's scared of getting a lawsuit by some nutty lawyer, it is time to put a lid on this. Sue each other less, care for each other more.

One big difference I've got is with him on health care. He wants to put a Government board in to kind of ration out the health care of this country. I want to make insurance available to the poorest of the poor. I want to give a tax credit to middle America so they can get a little relief, and make insurance available to everybody, but keep the quality up. We've got the best doctors in the world. Keep the quality up by keeping Government under control.

A big difference on education. You see, he wants to put the control more in Washington. And I say this: We want to put control in the hands of the families. We did it in child care, and now I want to do it in school choice. Help parents send their kids to all schools, public schools, private schools, and religious schools. And he won't do that. I am proud that under my administration more money is going to kids to help them go to college than anytime in the history of this country.

You know, as I ride along the rails and I see these crossings, I see law enforcement people out helping us at every crossing. Let me just say this: Strom Thurmond, one of the great leaders for strong anticrime legislation, is fighting in the Senate to make our laws tougher so that we back up our law enforcement officials and have more consideration for the victims of crime and less for the criminals. That's what we've got to do.

And what is Arkansas' policy? Arkansas' prisoners spend 20 percent of their sentences in jail. That's not good enough.

Audience members. Boo-o-o!

The President. If a guy busts a law, and certainly, if they kill a law enforcement officer, they ought to stay there until they get on Willard Scott's program on that 100th birthday.

You heard the difference the other day between how we get the Government spending down. I'll give you three ideas. You give us Lauch Faircloth, and we're going to help Strom get that job done: one, a balanced budget amendment; two, a taxpayers' check-off that says if you're concerned about the deficit, check your tax return, and 10 percent of it has to go to lowering the deficit. If Congress can't make the priorities, make them cut right straight across the board until we get the job done. The last one is, I want that line-item veto. Forty-three Governors have it. Forty-three Governors have it. Let's stop that pork barrel spending, do what's right for the American people, but not do what's right for the reelection of every Member of the United States Congress. Frankly, I like the idea of turning the Congress back to the people by putting on term limits. The President is limited; why not the Congress?

You know, the other night I guess one of the big differences came -- this was in the Richmond debate -- when Governor Clinton said it's not the character of the President. He says it's ``the character of the Presidency.'' And to that I say, they're inseparable. You cannot separate it out,

and character matters.

The liberals don't like it when I talk about family values, but America knows what I mean. We've got to strengthen the family. They don't like it when I say, yes, we're one Nation under God. And we are, and we'd better never forget it.

But my argument with the Governor of Arkansas is you can't please everybody. I found that out in this job. You've got to call them as you see them. If you make a mistake, you admit it. You don't try to cover it up and say one thing to one group and another thing to another group, and therein is a question of character. On everything from the right-to-work laws, to term limits, to free trade, to the Persian Gulf, he's tried to be on one side and then another. And you cannot do that as President, and that is a matter of character.

There's a pattern of deception here, and America better look at it. There is a pattern of deception. I love what Governor Martin said about the patriotism of this State, serving your country. And yes, North Carolina responded perhaps more than any other State in Desert Storm.

But where was Governor Clinton? Where was Governor -- never mind. Don't let this guy say that. You're going to get me in trouble with the media, and who would want to do that?

But let me remind you of where this man that wants to be Commander in Chief of the Armed Forces -- this one didn't happen 23 years ago, this one happened about a year and a half ago. And what he said was -- at the time, I had to make a very tough decision, leading the country and the Congress to make a tough decision -- he said this. He said, ``Well, I agreed with the minority, but I guess if it were a close vote, I guess if it were a close vote I would have voted with the majority." If we had listened to him, Governor Martin is right, Saddam Hussein would be in downtown Saudi Arabia and controlling the world oil supply and have a nuclear bomb. We didn't listen to that kind of waffle. We went ahead and made a tough decision. Character counts. Character matters. You cannot be all things to all people. And yes, it matters.

Let me say this. First place, I wish Barbara Bush were here because I think we've got a great First Lady. But, you know, she and I have talked about this, and as you know, we are blessed in our family. We're blessed with a bunch of grandkids, blessed with five wonderful children. And so, life has treated us pretty good. But when people are hurting in this country you feel it. You feel it right in your heart. And so I want to win this election not because I need this job, but I want to continue to serve the American people and lift up the hopes of these kids. We have literally changed the world.

Audience members. Four more years! Four more years! Four more years!

The President. We have literally changed the world. The kids in these bands over here go to bed at night without that same fear of nuclear war that gripped their parents, and that is substantial

change for world peace.

Now what we've got to do is take that same leadership with a new and changed Congress, and there will be one, and lift up America. We are not, as Clinton says, a nation in decline. We are the greatest, fairest, freest nation on the face of the Earth. And now let's make it better. Now let's make it better. Help me. But the change I'm talking about: Remember, send Lauch Faircloth to the United States Senate. We must change the Senate. Reelect Howard Coble. Let's move America forward.

And thank you, and may God bless this greatest country on the face of the Earth. Thank you all very much.

Note: The President spoke at 3:12 p.m. on the observation deck of the Spirit of America train.

Remarks to the Community in Burlington, North Carolina

October 21, 1992

The President. Thank you. What a magnificent crowd. And let me tell the people of North Carolina something they already know: You have one great Governor in Jim Martin.

Let me say a word about the man that's also walking down here, Jesse Helms. He's served this country with great distinction and honor in the United States Senate. I am proud that he and Dot are Barbara's and my friends. You are lucky to have him up there. And if we had more like him they wouldn't be yelling, ``Clean House!'' Send Lauch Faircloth to the Senate to join Jesse, and let's get the job done.

And of course, I'm proud to be in the district of another old friend, a guy I've campaigned with and for whom I have great respect, and I'm talking about Howard Coble, who's right here with us. He's working the other side of the State right this minute, but it is important that we elect the Lieutenant Governor to be Governor of this State, Jim Gardner. I know him well, served with him in the Congress.

Now, I've got to ask this rhetorical question: Did anyone have the opportunity to see that debate a couple of nights ago? Well, I'll tell you something. What I think we saw and what I think the Nation saw was a vast difference in experience, in philosophy and, yes, a difference in character. I hate to ruin this beautiful rally here today, but I must share with you a little bit about Governor Clinton's record in Arkansas -- a sorry record.

Audience members. Boo-o-o!

The President. Now, please be fair as I click off these wonderful statistics. Arkansas and the people there are good. I lived next door to them. They're good, strong, wonderful people, and they're entitled to better than this. They are 50th in the quality of environmental initiatives; they are 50th in the percentage of adults with college degrees; they are 50th in per capita spending on criminal justice; they are 49th -- they have worked to ooze their way up one -- in per capita spending on police protection; they are 48th in percentage of adults with a high school diploma; they are 48th in spending on corrections; they are 46th on teachers' salaries; they are 45th in the overall well-being of children. And the other night Governor Clinton said to this country, ``I want to do for you, the rest of the country, what I've done for Arkansas.'' We cannot let him do that.

He's on all sides of all issues. He's like the guy that says, ``Oh, I'm for the Toronto Blue Jays, but I might as well be for the Braves.'' I'm for the Braves. You've got to make the tough decisions.

But Governor Clinton calls this, what he's running on, a change. He's the candidate of change. But you've got to look close at what he's offering: $150 billion in new taxes and $220 billion in new spending. I call that trickle-down Government. We don't need that. And he says he'll take it all from the rich. But everybody out there making about $25,000 hold on to your wallet, watch your pocketbooks, he's coming after you. Watch your wallets, Mr. and Mrs. America.

And Jesse and I were talking about this, talking about change. The last time we had a liberal Democrat in the White House and a big-spending Congress, Jesse was there, and he remembers it well. And Jimmy Carter left -- interest rates were at 21.5 percent. We don't need that kind of change. Inflation got up at about 15 percent, and every senior citizen that worked all their lives to save their money saw it going up in smoke with the cruelest tax of all. We don't need that kind of change, either. Keep talking about that kind of change, and change is all you're going to have left in your pocket if this guy ever got in there. And we don't need that.

My plan -- and it's backed strongly by these two great Senators here today, Strom Thurmond and Jesse Helms -- is to cut the spending and cut the taxes and put more money in your pocket. And in the process, that will create more jobs. I'll tell you how we're going to get that spending under control in just a minute. But in the longer term issues, we've got to open new markets for our products.

North Carolina workers can outproduce, outhustle any other workers in the world. We need access to foreign markets and more export jobs. That's what I'm trying to do. And we need to get the burden of regulation and taxation off the back of the small businesses. I don't know much about Newlon Hardware, but I'll bet there's not a guy working over there that thinks he's paying too little in taxes. Let's give them a little relief: a little regulatory relief, a little relief by investment tax allowances, a little relief for the first-time homebuyer. Give them a break so they can buy a home. Give them a capital gains so you can start new businesses. And let's see this country move.

I've got a big difference with Governor Clinton on another thing. I worry about the doctors. Some of them can't practice medicine for fear of being sued all the time. I worry about Little League coaches that don't want to coach because they're afraid some crazy lawyer is going to come along and bring a lawsuit on them. I worry about the American spirit, when people pass by people that are hurt on the road for fear if they pick them up and help them, somebody will sue them. We are suing each other too much and caring for each other too little. And we've got to stop these crazy lawsuits. And Governor Clinton owes his election, his past elections to the trial lawyers. He refuses to move for tort reform and putting a cap on these lawsuits. Send me some new Members of Congress, and let's get that job done.

In health care, we've got a good program. But I want to keep the quality of the medicine up. I want to provide insurance to the poorest of the poor through vouchers. I want to give the middle class tax relief for -- so they can buy this insurance. I want to see us pool insurance, get the costs

down, provide it to all. But I don't want to see the Government run insurance. They can't even run a post office or a silly bank up in Congress, and we don't want to have the Government doing it.

In education, we've got to do better. And we've got a good program, America 2000. It says to the communities like Burlington, you design it. You teachers, you PTA people, avoid the bureaucracy in that big union that controls the teachers far too much. Give the teachers a shot themselves, and we will revolutionize education in this country. One way to do it is to give the parents more choice. Give them a little assistance to choose between private, public, and religious schools, and give the parents a chance. We did it in child care; let's do it in education.

In crime, I hate to bring this one up, Arkansas has got a sorry record on that, a sorry record. You get a guy into jail in Arkansas, 20 percent of his sentence is all they serve, and that's not good enough. We've got here today Strom Thurmond, who is fighting in the Congress against all the liberals to make tough anticrime legislation. My view is make it tougher, have a little more concern for those police officers out there, and a little less for the criminal.

I said I'd mention the approach to how we want to get that deficit down. You've got to control the growth of mandatory spending. But here's three ideas that haven't been tried. You want to try some change, try this. Give us a balanced budget amendment to the Constitution, and make us balance the budget. How about this one: Give a check-off to the taxpayer. Those that are concerned about the deficit, check it off. Ten percent of your funds will then have to go in, but it will have to go for lowering the Federal deficit. The Congress is going to have to make offsets on the spending. And the third one is this: 43 Governors have it. They can take a pen and line it right through the budget, knocking out the pork. Give the President the line-item veto. Congress has failed. Give me a shot at it.

We hear all this talk from Clinton and Gore about change. I love this sign: ``Bill, you're just blowing smoke." And the American people are not going to believe this. Blowing it out. I don't know about inhaling. That's not my line. That's somebody else's over here.

But let me say, let me end this way. I don't know if you heard in the debate we had in Richmond, Governor Clinton said it's not the character of the President, he said, it's ``the character of the Presidency." I don't believe that. I believe they're interlocked. I don't believe you can have a person in that White House unless he stands for principles in character. And I don't believe blowing smoke is the answer. I don't believe you can flip-flop on every issue, whether it's the right-to-work laws -- whisper to the unions you're against it, then in the South say you're for it. Term limits -- in one place he's for it, one place he's against it. Free trade -- one place he's for it, the next time he has to tell the unions, oh, no, I've got problems. CAFE standards are going to drive the autoworkers out of their jobs -- one place he's for it, another he is against it. You cannot be the waffle house if you want to be in the White House.

Let me remind you about the position on the war. You've got a lot of revisionists up there in Washington trying to make something bad out of something noble. But let me tell you something: When I had to make that tough decision and commit the sons and daughters of North Carolina to go in there and defeat the fourth largest army in the world, we did it. We did it. And I didn't waffle. I led. And where was Governor Clinton? About the time of that tough decision, he said, ``Well, I'm with the minority, but I guess I would have voted with the majority." You cannot waffle when it comes to the national security of the United States of America. You cannot lead by misleading.

Sometimes that phone rings in the White House, and you can't say maybe. You've got to say, here's what I believe. And you might make mistakes. Then you do what you teach your kids to do. You say, if you're wrong, say it and go on about representing the American people. Hold your head up, and do the best you can, but not waffle and be on every side of every issue.

The biggest difference I have, I believe, with Governor Clinton and the Ozone Man with him, Senator Gore -- where is he up there? You put those environmental -- I'm an environmental man, but I'm not going to throw every worker out of work because of some snail darter or some smelt or some owl.

But the biggest difference I have is they go around trying to win by saying that America is in decline. They say that we're less than Germany -- this is their words, or Clinton's words -- less than Germany, but a little above Sri Lanka. They ought to open their eyes. We are the most respected nation on the face of the Earth.

I see these young people here today, and frankly, I take great pride in the fact that we have literally changed the world. Soviet communism is gone; ancient enemies are talking peace in the Middle East. Saddam Hussein is back in his box, and we have lowered the threat of nuclear war from the face of the Earth.

And now let's bring that leadership together. Give Jesse some support in the Senate with Lauch Faircloth. Give Howard Coble some support with new Members of Congress. When they yell ``Clean House!", they mean send us some new ones up there to help him. Do that, and then let's try to make life better.

We're in an international slowdown in this economy. The United States is doing better than most of our trading partners. And with my program for America's future we are going to lift this country up, make life better for every single worker, and restore total hope to these young people here today.

May God bless the United States. And many, many thanks for this fantastic rally. Thank you all very much. Duty, honor, and country -- you're right.

Note: The President spoke at 5:42 p.m. on the observation deck of the Spirit of America train.

Remarks at the State Fair in Raleigh, North Carolina

October 21, 1992

The President. Thank you very, very much. And let me say at the outset, let me say at the beginning how proud I am to be standing here with your great Senator, Jesse Helms, and to be introduced by him. With us all day today is Strom Thurmond from South Carolina, another great leader, a man that is fighting for strong anticrime legislation in that Senate. Every place I go people talk about cleaning House, changing the Congress. Well, let's clean Senate and send Lauch Faircloth to the United States Senate.

I've known your Governor, I've known Jim Martin for a long time. And I'm not saying this just because I'm here, but I think he has been one of the truly great Governors in the entire United States. And I served in the Congress with the man who must succeed him, when he was there, Jim Gardner. Please elect him to be Governor of this State. Speaking of cleaning House, let's get Vicky Goudie up there to try her part, and Don Davis, too. Then, of course, the real celebrity of the night, king over here, Richard Petty. You know, in the President you get a lot of thrills. One of mine was standing next to Richard at this last Daytona 500 and hearing that crowd who worship him, embrace him with their cheers. It was a wonderful day in American sports, and I am proud to have Richard as my friend. Besides that, I was in this fair headquarters and I heard what he had to say -- 14 laps behind and moving and ended up 4 ahead. I like that.

Well, it's great to be at the fair, and you've got a lot of things going: cotton candy, cotton candy, cotton candy. [Laughter] I know you all are doing a lot at the fair, but did anyone see that debate Monday night? It's a marvelous thing, those -- I don't particularly like them, but there's one good thing about those debates. You can get your message out unfiltered. It was a good thing because the American people saw a choice, a difference in philosophy, a difference in experience, and a difference in character.

What I didn't get to do is to spell out in enough detail the Arkansas record. I'm sorry to ruin it, but I've got to tell you a little bit about it, because for 11 months the liberal Democrats, and Bill Clinton in the fore, have been misrepresenting my record. So I think the American people are entitled to know some facts about his record in Arkansas. Here we go.

You won't be cheering when I get through these numbers: 50th in the quality of environmental initiatives; 50th in the percentage of adults with a college degree -- --

Audience members. Boo-o-o!

The President. Sorry about that -- 50th in spending on criminal justice; 50th in spending on police protection; 49th in percentage of adults with a high school diploma; 48th in spending on corrections; 46th on teachers' salaries -- --

Audience members. Boo-o-o!

The President. -- -- 45th in the overall well-being of children. Now, Governor Clinton said in the debate, ``I want to do for America what I've done for Arkansas." We cannot let him do that. We're not going to let him do that.

Audience members. We want Bush! We want Bush! We want Bush!

The President. You know, it's like taking the manager of the team that finished last in the Little League and saying, you go up and manage the Atlanta Braves. It doesn't work that way when you want to be President of the United States.

Governor Clinton calls this change. Let me tell you something; he calls himself a candidate of change. Let's look close at what he offers: to openers, $150 billion in new taxes, bigger than Mondale and Dukakis together -- we can't have that -- and $220 billion in new spending when I last heard from him. Now he's changing the plan a little bit.

Audience members. Waffle, waffle, waffle!

The President. Hey, listen, I'm getting to the waffle house part. I'm just getting warmed up here, you guys.

What he's talking about is saying to the working man in this country, give us more of the money. Let the Federal Government figure it out, and we'll let it trickle down to you. We do not need trickle-down Government. We need to cut taxes and cut spending and get the people a break.

You hear Clinton talking about Herbert Hoover. He doesn't have to go back any further than Jimmy Carter. Let me remind you of this. Jesse alluded to this. You remember the ``misery index"? They invented it. The libs invented it, inflation and unemployment added together. It got up to 21 percent under Jimmy Carter, and it's 10 with us. We cut it in half. Everybody buying a home, or everybody trying to buy one, I ask you to remember what it was like when the Democrats controlled the White House and, as Jesse said, the other end of Pennsylvania Avenue, the Congress. Interest rates were 21.5 percent. And we don't need to go back to that for the good of America.

This is change, all right. Change, that's what you're going to have left in your pocket if you put this guy in the White House.

Let me tell you what else we've got to do. We've got to increase the markets for North Carolina products all around the world. We've got the best workers in the world in America. Now let's sell more abroad.

We've got to get the tax burden off of small business. I mean build some incentives into it, investment tax allowance, capital gains, whatever it takes; less regulation, less taxation, because they provide two-thirds of the jobs for America. Relief for small business.

Hey, fella, quiet.

Then we've got to change the legal reform. We're suing each other too much in this country and not caring for each other enough. We've got to put some lid on the lawsuits in this country. Clinton is in the pocket of the trial lawyers, and we can't let that happen.

On health care, I don't want to get the Government involved. I want to provide insurance for the poorest of the poor, and I want to do it through vouchers and tax credits and keep the quality but provide insurance for all Americans.

On education, we are providing more grants to kids to go to college than at any time in the history of this country. Now I want to bring it down to the elementary, K through 12, and what I want to do is this: Give the parents the choice between private, public, and religious schools. Give them a break. That's going to help the public schools as well as the others.

On crime, we've got to be a little tougher on the criminals and have a little more sympathy for the victims of crime. I might say I was very proud to have been endorsed by the Fraternal Order of Police from Little Rock, Arkansas.

You know, they talk a lot over there on the other side about getting the deficit down. But here's three ideas for you. Let's pass a balanced budget amendment and make the Congress get it down. Here's another idea: Give the taxpayer a check-off on his income, 10 percent to go to reduce spending. Make them reduce that spending. Then give them a line-item veto. Let the President cut right through that waste. Three good ideas.

My biggest problem with Governor Clinton is that he's on one side of the issue one day and on the other, the other day. We cannot let the White House turn into the waffle house. We can't do that. He'll take one position on right to work in the right-to-work State, and in the other States he says he's against it. On term limits, which I am in favor of, he is for it in one State and against it in another.

On the Persian Gulf war, where the sons and daughters of North Carolina served with such distinction, here's what Governor Clinton said. Think of this in terms of the Commander in Chief of the Armed Forces. He said, ``Well, I agree with the minority, but I guess I would have voted with the majority." What kind of leadership is that?

Audience members. Boo-o-o!

The President. You cannot lead the American people by misleading them. Nobody is perfect. If you make a mistake, admit it. That's the American way. Then go on about leading the country. But do not try to be all things to all people.

Let me tell you this: I'm very sorry Barbara is not here because I think we've got the best First Lady we can possibly have. But she and I have tried very hard to uphold the public trust. The White House is your house. The Presidency is your Presidency. We have tried to keep that place decent and honorable so all the American people can look up to the White House.

Let me just add that sometimes that telephone rings there at night, and you have to make a decision. You can't wait. You can't procrastinate. You can't take a poll or have a town meeting or have a referendum. You've got to make a decision. That's what being President is all about.

I am very proud to have served my country in war. I put on a uniform and fought for the United States, and I am honored and proud to be President of the United States. I want to succeed in this campaign, not that I need the job, but I want to lift up these kids here today. We are in a global recession, a global slowdown. The United States economy is doing better than most of the European countries, Japan, Germany, Canada, you name it. But with my program, the one I have proposed, and with 150 new Members of Congress, we are going to lift this country up. We are going to help these kids here tonight. We are going to lead the way out of this into economic recovery.

Thank you very much. And may God bless the United States of America. And may God bless the wonderful people of the State of North Carolina. Thank you very much.

Note: The President spoke at 9 p.m. at the State Fair Grounds.

Memorandum of Disapproval for the Jena Band of Choctaws of Louisiana Restoration Act

October 21, 1992

I am withholding my approval of S. 3095, entitled the ``Jena Band of Choctaws of Louisiana Restoration Act."

S. 3095 would establish the Jena Band of Choctaw Indians in Louisiana as a distinct, federally recognized Indian tribe.

It is important that all groups seeking Federal recognition as an Indian tribe should go through the established Federal acknowledgment process. The process was established with the encouragement and support of the Indian tribes and the Congress to deal uniformly and consistently with requests for acknowledgment. The acknowledgment process is objective, applies fair criteria, and provides each petitioning group the opportunity for an unbiased, detailed evaluation of its documented petition.

S. 3095 would circumvent the standard Federal acknowledgment process, establish a precedent that would weaken the Department of the Interior's acknowledgment process, and encourage other groups to seek statutory recognition outside this well-established process. Further, it would be inequitable to other groups seeking Federal acknowledgment. Finally, it is inconsistent with the standard practice of ``restoring" Federal recognition to only those tribes that have been previously recognized and legislatively terminated.

S. 3095, in using the term ``restore," automatically assumes the Band was formerly recognized as the Band claims. This claim is based on the fact that, for a few years in the 1930's, the United States funded a school for Indians at Jena, Louisiana, and, in 1938, considered relocating Jena families to Mississippi, but did not do so. The limited provision of funds for education and the consideration to relocate Jena families were actions based on the identification of members of the group as Indians, not on identification of the group as a tribe. There is a distinction between identifying individuals as Indians versus Federal recognition of a tribe, which establishes a perpetual government-to-government relationship.

Enactment of S. 3095 would circumvent and weaken the Federal acknowledgment process and be unfair to other groups similarly situated. For these reasons, I am withholding my approval of S. 3095.

George Bush

The White House,

October 21, 1992.

Remarks at a Rally in Vineland, New Jersey

October 22, 1992

The President. Thank you, Frank. First of all, let me just thank Vineland. I have never seen such a wonderful rally. And it's great for the morale. As Frank says, it's a great day for Vineland. I'll say it's a great day for George Bush. And this will go all across the country.

You know, everyplace I go, I see signs, because people are sick and tired of the Congress, the way it's been for the last 38 years, controlled by the liberal Democrats. Everyplace I go, I see signs saying, ``Clean House!'' One way to clean it is to send Frank LoBiondo down to the United States Congress.

I want to thank State Senator Bill Gormley, who came to meet us. I want to thank Governor Kean, my great leader here and a great Governor. If you had him, people would be a lot more happy in New Jersey. And of course, Mayor Joe Romano, who's standing here with me, give him great credit for all this, and Lou de Marco and so many others. I am so very pleased to be here.

In 12 days, we get right down to the log. We get right down to the vote. In 12 days, the American people are going to have to decide: Who has the character, who do you trust to be President? And I ask for your vote on that basis.

We are caught up in a global recession. The United States economy is doing better than most of the economies, but we're not doing well enough. The last thing we need is to put another liberal Democrat in there who wants to raise taxes and raise spending. We have a plan, the agenda for America's renewal, to get us out of this economic rut. And I see the ``Deep-six the Luxury Tax.'' We don't need a luxury tax. We need less tax.

You know, I hate to ruin this beautiful rally, but we've got to put things in perspective, because Governor Clinton keeps talking about -- in the debate, he said something scary. He said, ``I want to do for America what I've done for Arkansas.'' No way. No way.

Audience members. Boo-o-o!

The President. In his 10 years in Arkansas, jobs, wage, income growth have lagged the Nation, every single category. He talks about reforming health care; after 10 years with Bill Clinton, almost half of Arkansas' workers don't have employer-paid health insurance. They are 49th in the entire Nation. Don't let him do that to the United States.

Arkansas ranks 50th in the Nation in the percentage of adults with high school diplomas, 50th. Three out of four Arkansas students after they graduate from high school, go to college, and then they need remedial education, relearning what they're supposed to learn in high school. They are

good people down there. They deserve better leadership.

The nonpartisan Corporation for Enterprise Development gave Arkansas failing grades for economic development, an ``F'' for employment, an ``F'' for high technology, an ``F'' for economic development. We cannot let him do that to the rest of the country.

Now he's campaigning across the country saying he's the candidate for change. Yes, he wants to raise taxes by $150 billion. He wants to raise spending by $220 billion. You listen to that kind of change, and that's all you'll have left in your pocket, change. We don't need it.

The guy's all over the field. Yesterday he was out there in the West someplace saying it would be hypothetical to discuss what programs he would cut to pay for all these promises. Well, someone's going to have to pay the bill, and it won't be a hypothetical taxpayer. You cannot get all the money he wants to spend from the rich and from the middle class. He's going right after your wallet, man. If you hold a job on Main Street here, he's going after you. So button it up, and vote for me.

Audience members. Bush! Bush! Bush!

The President. You saw it. I'm not just making this up. You saw it when Governor Florio came in here, working with that legislature.

Audience members. Boo-o-o!

The President. You saw what happened. Don't do it to the country. Do not do it to the country.

Governor Clinton is talking about, well, we really need change. He wants to put the White House in the same hands of the big spenders in Congress. The last time we had this, do you remember what the ``misery index'' was? They invented it -- 20 percent; it's now 10. Do you remember what the interest rates were? Twenty-one and a half percent, with Carter in the White House and the libs controlling the Congress. We cannot go back. We have got to go forward by getting Government spending down and our taxes down.

I think New Jersey, because I think of you all as a great export State, you're broadminded. You look around and send a lot of New Jersey products all around the world. We must open more markets abroad so the productive workers in New Jersey can sell your products all around the world. Do not turn in, turn out. We are the leaders in the world.

You know, there are 72,000 jobs in New Jersey tied to exports, 225,000 jobs to foreign investment of one kind or another. And Bill Clinton waffles on free trade, tax foreign investment, threatening 4.5 million U.S. jobs by socking it to them. You've got to open markets. You've got to encourage investments. And I want to open these new markets and encourage our

workers. We can outcompete anyone, anywhere in the world. I have confidence in America.

You look around this town, and you'll see that it is small business that employs people, not the big ones. They do their part, but it's the small ones that create new jobs and new opportunity. So what I propose for small business is to give them relief from excessive taxation, relief from regulation, and relief from these crazy lawsuits that get inflicted on the people.

You know, it's a sad thing in this country when doctors are afraid to deliver babies in case some of these crazy lawsuits are going to come in and sue them; or somebody doesn't want to coach Little League, afraid they're going to get sued; or when somebody's riding along the highway and sees an accident, they don't want to stop and help the person that's hurt because they're afraid some crazy trial lawyer's going to come along and sue. We've got to sue each other less and care for each other more.

I am very proud of Governor Tom Kean's record, when he was Governor, on education. He was forward-looking. Now he's part of the leadership on a program called America 2000. It puts the power in the hands of the teachers and the local communities. It bypasses the powerful union that thinks it's speaking for the teachers. It puts the power in the hands of the people.

We are literally going to revolutionize education. And one way we're going to do it is this: We're going to do it like the GI bill worked. I have a ``GI bill'' for kids. And we're going to say to parents: The power should be in your hands. We are going to help you financially to choose the school of your choice, public, private, or religious.

We've got a good program on health care. Give me a couple of more Congressmen like Frank here, and we'll get that job done. What it says is, don't throw the baby out with the bathwater. Keep insurance going for everybody. Help the poorest of the poor; tax breaks for the middle class; create insurance pools; and leave the Government out of the insurance business. Get the private citizens involved so everyone has insurance for health care.

I've got a real big difference, I've got a tremendous difference with Governor Clinton on law enforcement. I see these police officers out here, and I think we ought to support them more, and a little less concern for the criminals. The other day -- one of the great visits I've had as President when people come to the Oval Office -- this one was about six or eight guys came up to see me. They were all members of the Fraternal Order of Police. They endorsed me, and they were from Little Rock, Arkansas. Eighty-five percent of the criminals that are sentenced under Federal law fulfill their full term, and in Arkansas, 20 percent do. The rest of them get going out of there, and they shouldn't do that. We've got to be tougher on the criminal. Don't listen to the liberals who want to tell it the other way around.

Governor Clinton talks about taxing more and spending more. Let me tell you what I want to do. Here's a four-point program for you: Give me a balanced budget amendment, and make us get

that deficit down. Give the taxpayers that are concerned about the deficit a 10 percent -- check on a box -- 10 percent of your income. If you want to apply that to the deficit, then that law will compel the Congress to cut spending by that amount. We can get the deficit down by letting the people do the job Congress has been unwilling to do. And one of the others is to give us a line-item veto. Let the President cut through this pork. The fourth point, and I like this one, is, you know, Presidents serve limited terms. One way to give the Congress back to the people is to have term limits for this Congress.

But I think the reason I'll win this election is going to boil down in the last 2 weeks, as all elections do, to character and to trust. You know, Justice Hugo Black -- I mentioned this -- did any of you see that debate out there in -- all right. I mentioned this: I believe that great nations, like great men, should keep their word. And my argument with Governor Clinton is he tries to be all things to all people. In the Oval Office you cannot do that. But you have to make the tough decision. If you make a mistake, you say, ``Listen, I made a mistake. Let's go forward." But you cannot lie, and you can't be all things to all people.

Over and over again, Governor Clinton is trying to be all things to all people. On free trade, first he was for it; then he hadn't made up his mind; now he's for it, maybe. On the Persian Gulf, here's what he said, he said,``I agree with the arguments of the minority but then again, I guess I would have voted for the majority." If we'd have listened to that kind of waffle, Saddam Hussein would control the world's oil and have a nuclear bomb. We kicked him out.

These decisions are not easy, but we cannot let him make the White House into the waffle house. I went down there and had a little breakfast there at the Waffle House in North Carolina to get the point across. You cannot be all things to all people.

He said in the debate you've got to separate the character of the -- he says it this way, he says it's not the character of the President, it is ``the character of the Presidency." That is not true. They're interlocked. Countries look to us to see whether the President will keep his word and make the tough decisions. On the basis of character and trust, I ask for your support as President of the United States.

Audience members. Four more years! Four more years! Four more years!

The President. You know, if I'd have stood here in Vineland 4 years ago and said that Soviet communism would be dead, and said that Eastern Europe would be democratic, and said that ancient enemies were talking peace around the world, and said to these kids 4 years ago, we are going to reduce if not all but eliminate the threat of nuclear war, you would have said not only is he smoking, but he's inhaling. All that has happened. All that has happened.

The Soviet bear may be gone, and yes, we've changed the world dramatically and made it better, but there are still some threats out there. So I want to keep this country strong. And now I want

to use that leadership that has literally changed the world: lift up the American worker, guarantee these kids that they are going to have a better future. It can't be done by waffling. It's got to be done through leadership.

I'm very sorry that Barbara Bush isn't here because I think we've got a great First Lady, and I want to see her stay there. But she and I have tried very hard to keep the public trust, to take the trust you placed in us and live with dignity and honor in that White House. And now some say to me, ``Well, why do you want to be President?'' It's not a question of wanting to be President. It's a question of finishing the job for the young people here today.

I am going to win this election. Don't listen to these nutty pollsters trying to tell you how to think. I wonder how many people out here have ever been called by a pollster. Well, not very many show a hand, one guy. We got about 10,000, 15,000 people here. I don't know who they talk to, but they're inhaling, and we're going to win this election.

Thank you. Thank you, and may God bless the United States of America.

Note: The President spoke at 12:16 p.m. at Seventh Street and Landis Avenue. In his remarks, he referred to Louis de Marco, longtime New Jersey Republican Party member.

Remarks on Arrival in Trenton, New Jersey

October 22, 1992

The President. Thank you very, very much. Thank you, guys.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you, New Jersey. Thank you, Chris. You know, everyplace I go, you see these signs that say, ``Clean House!'' If we had more Congressmen like Chris Smith, we wouldn't be saying, ``Clean House!'' And I want to salute not only Chris but Governor Tom Kean. What a great job he did for this wonderful State. I want to thank the Mayor, Rosemary Pramuck, and everybody else who's done a superb job on this rally.

May I say that I am proud to share this stage with Joe Cicippio back here, a true American hero. Great courage, you talk about courage and stick with -- my heavens, that man has shown us all an awful lot. And we learn from that kind of courage in this country. I want to thank him for his perseverance. And I am proud that our policy of not negotiating has freed all the American hostages.

Well, I can hardly believe it, but 12 days from today, the fate of this country and, indeed, of the free world is in your hands. And I ask for your support for 4 more years to lead this Nation.

It's going to spell out -- --

Audience members. Four more years! Four more years! Four more years!

The President. The question that Americans will answer and that the whole world will be watching for the answer to is: Whose idea do you trust to lead America out of this global recession, to create new jobs, and to keep trust and character in the White House?

For 11 months, Governor Clinton and the other liberal Democrats have been running around distorting our record. So I want to just spend a little time, not ruin this beautiful day in New Jersey but a little time to remind America of Governor Clinton's own record in Arkansas. Here we go: They are -- I think of this State and all we've done to work with the New Jersey officials to help clean up the beaches -- in Arkansas, his record is the 50th in quality of environmental initiative; 50th in percentage of adults with college degrees; 50th in per capita spending on criminal justice; 49th -- they're moving up -- in per capita spending on police protection; of their students that graduate from high school, 75 percent of those that go on to college need remedial education; 48th in the percentage of adults with high school diplomas; 48th in spending on corrections; 46th in teachers' salaries; 45th in the overall well-being of children. And the other night in that debate, he says, ``I want to do for America what I've done for Arkansas.'' No way.

Audience members. Boo-o-o!

The President. No way. It makes you think of the guy that's failed; he's 0 and 10 in the Little League, and he wants to manage the Braves. You can't do that.

He calls this change. He calls himself the candidate of change. Now, let's look a close look at what he offers. Chris mentioned it, $150 billion, this is for openers, $150 billion in new taxes; $220 billion in new spending. That is called trickle-down Government. It goes right from the top into your pocket. And we don't need that anymore. He says he's going to take it from the rich. I think everybody's heard that one before. He's not going to take it from the rich. If you drive a cab, teach school, trying to make ends meet in the household, watch your wallet, gang; he's coming after you. And we're not going to let it happen on November 3d.

He says he can work with Congress. I remember the last time we elected a southern Governor to go up there and work with this spendthrift Congress. Thank God we've got guys like Chris. Let me remind you of what it was like, though, because that's what he wants to do; program sounds identical. When Jimmy Carter left office, same kind of situation: inflation wiping out every senior citizen, every family, every saver with 15 percent; and interest rates, remember, 21.5 percent. We do not need that kind of change. Family budgets were wiped out, hopelessness and despair, the world standing, not even believe in the credibility of the President of the United States. And that was changed. And if you listen to that kind of change, change is all you'll have left in your pocket. We don't need that.

You heard my program the other night. We're going to get that Government spending down and get the tax rates under control and let the private sector provide the growth. Let small business move out and employ more people in this State.

I'm not the kind of guy that likes to attack the media. I like to needle them once in a while, though. You remember the bumper sticker -- who's got one of those bumper stickers? I'd like to show it to you. It's my favorite, there it is, my favorite bumper sticker, ``Annoy the Media. Reelect President Bush." It's great. It's fantastic. I sure hope they've got a good sense of humor back there. [Laughter]

But really, let me tell you this -- we'll see how they play it tonight on the news. In early October, this was just announced today, the number of Americans filing new claims for jobless benefits fell to a 2-year low. Now, this is a good sign. We've still got big problems, but that's a good sign. We've had 3 months in a row with unemployment going down. But I don't hear too much noise about it out of here.

I'm not saying we don't have problems. We've got plenty of them. But we're not going to improve them by raising taxes and raising Government spending, I'll guarantee you that.

Here's what I want to do. I want to see us expand our markets abroad. You know, we've been in a global recession. The United States, you can't tell this from Clinton and Gore, the Ozone Man, but I'm telling you, the United States is leading all these world economies. It's not just my failure, if you listen to the Democrats. We're caught up in something global. And the way we'll get out of it is to increase our exports. New Jersey sells an awful lot of product abroad, sells a lot. Open these markets is what I say. Get those New Jersey products going into worldwide markets, and you watch us lead out of this recession.

I'd like to pin down Governor Clinton on this one because he's got all kinds of mandates he wants to stick on small business. But one of them was his health care plan that would sock it to the small business. And instead of that, I believe that small business employs two-thirds of the people in this country. And they need relief from taxation and regulation and litigation.

And I said yes, litigation. We need legal reform. We spend up to $200 billion a year on lawyers. I don't have anything against lawyers. I do have something against these crazy malpractice lawsuits, these lawsuits that keep a neighbor from helping a neighbor, afraid of getting sued, that keep a Little League coach afraid of coaching because some crackpot dad is going to sue him with a big trial lawyer at his side. We got to sue each other less and care for each other more.

And yes, we need to do something about health care. But what we don't need: to get the Government to try to run it. Congress couldn't even run a two-bit bank and screwed up a two-bit post office. Now they want to run the health care.

My plan provides insurance to the poorest of the poor; says to the middle class, we're going to give you tax breaks; says that your health insurance will be portable if -- leave one job, it goes with you; pools insurance so the rates come down; goes after malpractice; and it does not turn to the Government for rationing. Anytime Government rations, the price goes up. Let's get it down by pooling insurance.

Tom Kean was and is one of the great education leaders in this country. He and I both know that our America 2000 program to literally revolutionize education is the way to go. What we are doing is trying to give parents a choice, say to a parent: You should be able to choose, and we'll help you, whether your kid goes to public school, private school, or a religious school.

Governor Clinton always knocks my background, but did you know that he drove in from Hope into someplace else, a bigger place in Arkansas, to go to a parochial school? Forty-six percent of the schoolteachers in the public schools in Chicago send their kids to private school. If you give parents a choice, not only will the schools that are chosen improve, but it will show as it has in Milwaukee that those that are left behind will pick themselves up and compete and be better for those kids that are left there.

I think of the police officers and the sheriff's department and those that are helping enforce the

law here as dedicated Americans, and we owe them a vote of thanks for trying to keep our neighborhood free of these crackheads and backing up the law. And you don't get that way by coddling the bad elements.

The other day, I told them at this last rally, it was a very moving meeting for me. Just before I left the White House, I think it was eight guys that came up to see me. And they were your basic grassroots family people, hard-working men, and they came to endorse me for President. And they were the Fraternal Order of Police from Little Rock, Arkansas.

The last point, we got to reform the Government. We've got to get it right-sized. And I'll tell you what I'd do. I've got a program for getting the deficit down. Let me tell you what it is: Give the Nation the balanced budget amendment to make the Congress get it down.

Give the taxpayer a check-off on his tax return. And if you feel as strongly about the deficit as your neighbor or as I do, check 10 percent of your taxes, send it in, and that 10 percent then will have to be offset by a reduction in Government spending. Congress can't do it, let the people do it.

Forty-three Governors have this one -- give the President the line-item veto to cross out all this stuff.

And I like the idea of giving the Congress back to the people, putting term limits on for the new Members of Congress.

I'll tell you something, I think the defining moment in the debate was when Governor Clinton in Richmond said it's not the character of the President, he said, it's ``the character of the Presidency." And I say to everybody here, the two are interlocked. You cannot separate them. You cannot separate those two things.

I'm not asking for sympathy; I'm just telling you sometimes those decisions are tough. Sometimes you've got to make a decision that doesn't keep anybody happy. Sometimes you have to make a decision that might send somebody else's son or someone else's daughter into harm's way, as I had to do in Desert Storm. And you cannot waffle. You've got to look the American people in the eye and say, this is what we're going to do. And if you make a mistake, admit it, and then go on about the people's business.

But in time after time, Governor Clinton waffles, trying to make one person happy and then the group opposing him happy. And you can't do it, whether it's free trade or if it's right to work or whatever it is. Here's what he said on the war; here's what he said in Desert Storm -- how's this, try this one on for a Commander in Chief. He said, ``Well, I agreed with the minority." You remember the minority were telling me you can't do this, you can't do that, you've got to let sanctions work. ``I agree with the minority, but I guess I would have voted with the majority."

Leadership? That is a waffle house, and we can't have it for the American people.

Now, every President, every decision the President makes in one way or another affects the lives of others. And let me tell you something about character and trust: I've messed up a time or two, but Barbara and I have worked hard to uphold the public trust by living there in that White House. We've tried to conduct ourselves with decency and honor because I do believe in duty, honor, and country.

And now we're getting down to a choice: Who do you trust to be the leader of the free world and the President of the United States?

Audience members. Four more years! Four more years! Four more years!

The President. Governor Clinton -- --

Audience members. Bush! Bush! Bush!

The President. Governor Clinton wants to win by saying we are a nation in decline. Somewhere, he puts it this way, somewhere less than Germany and a little more than Sri Lanka. Let me tell you something, we have problems. We have big, tough economic problems, and people are hurting. But we are the United States, the most respected nation on the face of the Earth. And I will not apologize for this country.

I am proud that I served my country in uniform. I am proud to be serving as President. And I came here to say this: I need your support because I want to finish the job.

And may God bless America. May God bless our great country. Thank you all very much.

Note: The President spoke at 2:07 p.m. at Trenton-Robbinsville Airport. In his remarks, he referred to Joseph Cicippio, former American hostage held in Lebanon.

Remarks at a Rally in Ridgewood, New Jersey

October 22, 1992

The President. Thank you. It's great to be here. Thank you. What a beautiful day in New Jersey. And let me tell you something: This marvelous crowd convinces me that I will be reelected for 4 more years in 12 days from now.

I want to thank Bob Grant. I want to thank Bob Grant. He always brings people he's for some good luck. And I want to thank your Congressman, Marge Roukema. You've got a great Congressman in Washington, DC. Everywhere I go, people yell, ``Clean House!'' If we had more like Marge, you wouldn't be doing that. But we need a new Congress to work with her to change America.

Audience members. Four more years! Four more years! Four more years!

The President. This guy's fired up, up here.

Let me also say that I still wish that Governor Tom Kean were Governor of the State of New Jersey, I'll tell you. May I thank Mayor Pat Mancuso. And may I say a belated congratulations to the Ridgewood Maroons, the State champions, football champions.

And so, I come into this State feeling good. Something's happening out across this country. Something is happening. We're moving up on this guy. And remember, the vote is not over until November, when people vote on November 3d. And we are going to win the election because we are right for the American people.

Here's what's going to decide it; here's what's going to decide it: When people go into that booth, they're going to have to ask themselves, who do you trust to lead America out of a global recession? Who do you trust to create new jobs? Who has the experience and the ideas to lead the United States of America?

For a long time, for a long time, Governor Clinton and a handful of others running for President, for about a year, have been misrepresenting our record. And so today, I want to run the risk of ruining what is a lovely recession -- a lovely reception -- [laughter] -- wait'll you hear this, you'll know what I'm talking about. I've got to give you just a little bit on the Arkansas record. We've got to get in perspective. Watch out, here it is.

The 50th, Arkansas is the 50th in the quality of environmental initiatives; they are the 50th in the percentage of adults with a college degree; they are 50th in the per capita spending on criminal justice; they are 49th in per capita spending on police protection. When a kid gets out of high school, 75 percent of them in college need remedial learning. They are 48th in adults with a high

school diploma; 48th on support for corrections; 46th on teachers' salaries; 45th on the overall well-being of children. And the other night Governor Clinton says, ``I want to do for America what I've done for Arkansas.'' No way.

Audience members. Boo-o-o!

The President. No way. No way. No way. It's like taking a guy in the Little League, taking a manager of the Little League team that finished last, and say he ought to be managing the Braves. There's a big difference between failing in Arkansas and leading the United States of America.

I'll give you a little idea of what he has already said he wants: $150 billion in new taxes, $220 billion in new spending. He talks about trickle-down; that is trickle-down Government. Government's not yet to create a job that means anything; small business does that. Let's help small business, not big Government.

Audience members. Four more years! Four more years! Four more years!

The President. It's easy when the times are tough. And yes, we've got a tough economy. We happen to have one of the best in the world. It's not as good as I want it, but we're in a global slowdown, a global recession. And we've got to change things. But what we don't need to do is go back, what it was like when the Democrats controlled the White House and the Congress, which they've controlled for 38 years.

I want to remind you of what it was like. Interest rates, some here are too young to remember, 21.5 percent. We don't want that for the United States. Inflation was 15 percent. The ``misery index'' was going through the ozone hole that Gore talks about all the time. And we cannot go back to the failed policies of the past.

Audience members. Four more years! Four more years! Four more years!

The President. Our idea is to get the Government under control and get Government spending and the taxation bill down. I saw a horrible sign here. It says ``Clinton equals Florio.'' No, we cannot do that to the United States. There it is. The guy's got it right there.

In early October, the number of Americans filing new claims for jobless benefits -- to a 2-year low. We just got this announcement today. It's a good sign. And I can't wait to turn on the evening TV tonight and hear good news for America; I'm sure they'll report it. So far I haven't heard too much about that. We've had unemployment down for the last 3 months. I haven't heard too much about that. And my favorite bumper sticker, Tom, you got it? Here's my favorite bumper sticker of all, ``Annoy the Media. Reelect Bush.'' What is it about these guys?

Let me tell you what we've got to do, and New Jersey knows this, we've got to open up markets abroad. New Jersey can outproduce, outhustle -- our workers can outproduce, outhustle any, anywhere in the world. But we've got to open up these markets. We've got to outcompete the rest of the world. We don't turn inward, we turn outward and sell New Jersey products in markets all around the world, and that's what I stand for.

A lot of you people here today are small-business people. And that means they employ two-thirds of the people in this country, two-thirds. And they're not taxed too little. They're not regulated too little. They're taxed too much and regulated too much, and they're sued too much. Let's change all three.

I'm not, hey look, I'm not against lawyers. What I'm against is malpractice lawsuits that keep doctors from practicing. I'm against lawsuits so if a person goes by and sees a person lying on the side of the road in a car accident and then they're afraid to pick them up and help them because somebody is going to sue them; or a Little League coach who's afraid to coach because some nutty trial lawyer is going to come in and sue the opposition. I'm sorry, we are suing each other too much in this country and caring for each other too little. And we've got to change it.

And Governor Clinton owes his election to the trial lawyers in the past. And we've got to stand up against those people and put some caps on these ridiculous lawsuits that are costing health care alone $25 to $50 billion. Do something about it. Change it. That's the kind of change we need.

We've got a good health care program that's going to get insurance available to the poorest of the poor; tax credit to the overworked middle class; get the insurance portable so it goes with you from job to job; change malpractice. But do not let the Government run the health care program. And don't let the Congress do it. Congress can't run a two-bit bank or a two-bit post office. Don't let them do anything except change; change them out. Give Marge some company up there that's sensible like she is.

We've got a good education program -- reform education, America 2000. Tom has been in the lead of it, taking our case for new American schools all across the country, saying to the parents, you ought to be able to choose. You ought to choose whether you want your kid to go to a public, private, or religious school. It worked for the GI bill; it will work for public education, too.

Everyplace I go we are so well supported by the law enforcement community. And very candidly, we have been fighting hard to get decent, strong support for our law enforcement community in the Congress. And it's been frustrating. But my idea is we ought to have more support for the police and less support for the criminals. We need people in Congress that will stand up and support us.

The other day, I think it was eight people came up to see me. And they were the salt of the Earth, strong family people, dedicated to the values of this country. They are supporting me for President. And they are the Fraternal Order of Police from Little Rock, Arkansas.

And speaking of support from labor, I'm glad to see the guys from 472 here. Heads are on right, strong workers, the best, the best.

Now here's -- let me, let me -- I get wound up, too wound up here, but I want to tell you another approach. I'm concerned about the deficit. Marge is concerned about the deficit. Parents are concerned about the deficit because they don't want their kids having their future mortgaged anymore. So I'll give you four ideas: One of them, give me a balanced budget amendment to the Constitution and make us, make the Congress and the Executive do something about it.

I like the idea also of giving the taxpayer a check-off on his income tax at the end of the year. And he or she can check a box, pay the tax. Ten percent of it would then go, and have to go to reducing the Federal deficit. And that would force the Congress to offset with spending cuts. We need to give the people the power to get this down.

I think we ought to give the power of the Congress back to the people. The President's terms are limited. I favor term limits for the Congress.

And lastly, they send me bill after bill, and it's got 3 good things in it and 25 bad things. Or it will have 20 good things and 4 bad things. And I want that, you've got it, I want that line-item veto that 43 Governors have.

Audience members. Four more years! Four more years! Four more years!

The President. I'll tell you why I really believe I'm going to win this election. I'll tell you why: I don't believe that the country is going to turn to a man who said in his debate it isn't the character of the President, it is ``the character of the Presidency." They are interlocked. You cannot separate the leadership of the President from the character of the Presidency.

And you cannot be all things to all people. You've got to say, here's what I believe. And if you make a mistake, you do what you all do: you say, I was wrong about that; now I'm going to get on about the Nation's business. You can't be on all sides of all questions, whether it's term limits, where he is one day, someplace else the next. CAFE standards, one day he wants 45 miles per gallon -- drive every auto worker out of business -- the next day, oh, he's going to study it a little more. A furry owl out on the West Coast, oh, he's all for the owl, but then he sees the timber workers, ``Oh well, I'll study that one a little more."

You can't do that as President of the United States. I had to make a tough decision. Some of you may have agreed with it; some of you didn't. But when Saddam Hussein took over Kuwait, I

determined that we were going to kick him out of Kuwait, and we did.

And where was Bill? He said, here's exactly what he said, he said, ``I agreed with the minority, but I guess I would have voted with the majority." What kind of leadership is that? Flip-flop, flip-flop, everything to all people. You can't do it. Look the American people in the eye and say, this is what I'm for. I'll call them as I see them. I'll be right, I'll be wrong, but I'm going to tell you the truth. I'm not going to be all things to all people. You can't do it.

And so I think character is important. And I think trust is important. And Barbara and I have tried very hard as a family to uphold the public trust. The honor of living in this, the most fantastic ``people's house" in the entire world. We have changed the world. These kids go to bed at night without the same fear of nuclear war that their mothers and dads had. And that is significant challenge and significant change.

And now what we've got to do is take that same leadership, and working with the new Congress -- and there will be one, there will be over 100 new Members of the United States Congress -- say, I want to sit down with you the minute this election is over and do the people's business. Get on with the business of lifting up every family in this country and telling them, not like Clinton does, that we're a Nation in decline, but we are the best, the fairest, most decent country in the entire world. And now let's make life better for every single American.

Thank you all. Thank you very, very much, and may God bless the United States of America. May God bless our great country. Thank you.

Note: The President spoke at 3:35 p.m. at Veterans Memorial Park. In his remarks, he referred to Bob Grant, WABC radio talk show host.

Question-and-Answer Session in Secaucus, New Jersey

October 22, 1992

Rolland Smith. We're very excited about tonight's exclusive event. This is not a debate. It's not a news conference. It is a chance for the President to interact with our studio audience. Our audience tonight is made up of a cross-section of the State's residents, people from all walks of life, and I've got a handful of questions that the viewers have phoned in.

But now please join me in welcoming the President of the United States, George Bush.

The President. Thank you very, very much. Thanks a lot.

Mr. Smith. Obviously, a warm welcome for you, Mr. Bush.

The President. Well, it was very nice.

Mr. Smith. Are you ready for questions?

The President. Sure. Fire away.

Health Insurance

Q. I'm a health care worker from Bloomfield, New Jersey. My question to you is, if elected President again, what would you do to keep down the spiraling cost of health care insurance, and at the end of 4 years will everyone have health care, health insurance?

The President. Rolland, you're on a subject that I think is of paramount importance to everyone. Our health care plan works like this: It provides vouchers to the poorest of the poor to get -- give an insurance to the kind of overworked next layer in the tax structure. It gives tax credits up to 3,750 bucks for the family. It pools insurance. I don't believe that we need to go the Government route. I believe that the way to get these costs down is through competition, providing insurance for all.

One of the ways you get costs down, to get to the second part of your question, is to do something about malpractice insurance. I've got a big difference with Governor Clinton on this one. It costs $25 to $50 billion, these crazy lawsuits, and what happens -- if you're in the field, I'm sure you know this probably a heck of a lot better than I do -- but what happens is, doctors, to protect themselves against these crazy lawsuits, do more testing than is required. Hospitals, to protect themselves, sometimes say, well, instead of giving one test, give three.

So we've got to do something about malpractice insurance. We have got to continue to make the field more competitive. I say pooling will bring down the costs, and then we've got to really get started and try to be sure that everyone is insured. I believe that will bring the costs down. We're also in an electronic age, and this automatic billing and this putting everything together in this managed care, all of those will contribute to getting the cost down. The first thing I think is to get the insurance available for all. There's a lot of people that are not covered now, and we're going to do that.

I think I can get it done, too, because the Congress has got -- hey, they've had different ideas, but here's what's going to happen. You're going to have a whole bunch of new Congressmen because of the scandals in the Congress, and I believe then people will say, let's get the people's business on. And I've taken this case to the people, and I think this plan will be the one they try. So I'm a little more optimistic than I was a couple of months ago.

Thank you. Good question.

Incentives for Small Business

Q. Your opponent Ross Perot has promised to help allocate funds for startup businesses to create jobs. What would you do in your administration, help raise startup capital for inventors like me to create jobs right now? And why should I vote for you again, which I would like to do, but we're currently being strangled by the economy?

The President. Well, let me put the economy in perspective first, if I can. We're in what's called a global slowdown, or a global recession. I'll take my share of the blame. But when you look at Germany and Canada and France and the European countries, it's hard to believe, we're doing better than they are. It's the U.S. that's going to lead the way out.

The answer to your question -- I don't think Perot said he's going to give small businesses money. Our small-business program says give tax incentives, an investment tax allowance. I want to get that through the Congress. I want to do a capital gains. People say a capital gains cut is a tax for the rich; the enemy, the opposition says that. It's not. It's going to stimulate investment in new businesses. A person's going to take a risk if they know they can keep a little more of what they earn.

So it's that. You talk about small business getting stimulated, my credit for first-time homebuyers says to a homebuyer who never owned a home: You're going to get $5,000 credit. It stimulates a lot of businesses that supply the housing industry. So I think those three things -- cutting down on the paperwork, regulation strangling a lot of small businesses, is the way to get it done.

Q. Yes. But right now, the SBA loans are for businesses that are in business. And for startups,

the capital is not available. You cannot -- --

The President. I don't want to mislead you. I don't think the Government will put money in risktaking. I don't think the Government -- see, I think -- and I don't think Ross Perot will do that. He may. He's got enough money. He can do anything he wants to do. But I don't think -- [laughter].

Q. I wish he'd lend some to me right now.

The President. No, I know. But, I mean, I don't think anybody will say that the Government, the taxpayers -- you've got a good idea, maybe, but I don't think everybody here should be asked to see if it works or not.

Q. True.

The President. I do think what you do is when you get it started, you ought to be able to get loans at a better rate if you're a small business. You ought to be able to do better on the insurance. And SBA is doing better now, and I think that's the approach I'd take.

Mr. Smith. Did that answer your question?

Q. Thank you very much.

The President. Good luck to you on that.

Family Values

Q. Mr. President, the issue of family values has been raised during this campaign. Unfortunately, your opponent and the media has focused on what is a family rather than on what are values. If reelected, how will you get the focus back on values and get the country on track related to this issue?

The President. Well, you're onto something. We talk about family values. And the more liberal side of the political equation say, who are you to tell us what size family there ought to be, or something of that nature. I was on another network here. I've got to be a little careful. But the question was, ``Do you and Barbara think your family is better than the Clintons or the Gores?'' I said, ``You're missing the point.''

I put it like this: The mayors, including Tom Bradley, a Democrat from Los Angeles, came to see me, the mayors from the National League of Cities, little towns, big towns, Republicans, Democrats. They said the biggest single concern of urban decay is the decline in the American family. So let me tell you -- and it doesn't mean you have to have a two-parent family. But what

it does mean is kids ought to be taught discipline; kids ought to be taught respect for the law; kids ought to have parents read to them. Government can't do this. Parents ought to have choice in child care. We've already got that in the law. I think choice in education is good. I think it strengthens family for a mother and a father or a mother alone or whoever it is raising a kid to be able to choose a choice and get help from the Federal Government for public school, private school, or religious school.

When Barbara reads to kids, I think it's saying, you ought to read to your children. So it's a broad array of things that I at least have in my heart when we talk about family values. We are not going to be scared away from it. You can't legislate it. It's not something where you can pass a family value act and say, okay, everybody adhere to these standards. It's something we know is wrong. When you have 13-year-old pregnancies going up and up and up, don't tell me family values is not important. It is. So that's what I'm talking about.

How you do it, how you strengthen it, a lot of it is through the private sector. He won't tell you this, but I will. We have a program called Points of Light, and it salutes those in communities all across the country that help others. This station does something for family values. They're, I think, the 12th Point of Light out of 1,000, the 12th one named. Everyone here, I'm told, participates in education, helping adopt a school or whatever it is. If a parent's not there, these people are there to help out and say, get the kid so everyone knows his name and everybody can lift him up, dust him off on the playground, and put him back in the game. Family values, sometimes it's a parent. A lot of times, because of the way families break up and we've got so darn many divorces and stuff, it's got to be community. This station is doing it. I think they strengthen families.

Anyway, that's the end of speech. If I go too long -- I get wound up, Rolland, so you say, look, to me, because we don't want to deprive them. You just -- and I'll try to make the answers short.

School Choice

Q. Mr. President, I'm concerned about the voucher system. The Milwaukee school system, I understand, was the first school system in America to institute such a system where they have publicly subsidized private school choice programs. Their attrition rate has been remarkably high, 46 percent. It doesn't seem to be working. And I'm concerned about the program, number one. And secondly, is this a violation of principle of separation of church and state?

The President. No, it's not a violation. The GI bill was not a violation. I'm old enough to have gotten out of the war, and they gave me the GI bill. You know, it didn't say you have to go to a religious school, public school, or private school. It worked. Those schools that weren't chosen picked themselves up and did better.

Milwaukee is working. If it weren't why would the Mayor, a Democrat, why would Polly

Williams, a black former member -- I think she was a Democrat in the State legislature, whose own child has benefited from this choice, come down to the White House, as they did a few months ago, and say you ought to try it nationally? I don't know about the numbers. All I know is they believe it is really working there.

It's not violation of church and state because the money goes to the family, the voucher goes to the family. And it's not just Milwaukee, but it is working.

Do we have time to tell this example? She mentioned Polly Williams, a black mother whose child was in a bad public school, one that wasn't achieving anything. They said, ``Your kid is dysfunctional, or he can't keep up.'' She said, ``He's not dysfunctional. He's a good kid.'' And she arranged through this program to get the kid into a private school; chose a different school, and the kid is really achieving now. And the school that he left, she tells me, is trying to do better now.

So I don't think it's a -- I know it's not a violation of church and state, and we ought to try something different. We've used the same educational system for years. We're spending more money now, my administration is, than any other administration on education, and I'm not happy with the results. So try something different. That's my -- -- [applause].

The Economy

Q. I'm a self-employed sports photographer. A few days ago you were quoted in the local newspaper as saying when the history of the recession is written, the recession will have ended five quarters ago, four quarters ago?

The President. Five.

Q. What we've been reading also in the papers is that the majority of people in the country are still having trouble finding work. Thousands of people are still being laid off. The gross national product is either flat or down. Exports were down last month. I don't understand. Could you please explain how you justify that statement?

The President. Good question. The definition of a recession that I was using, and it's the technical definition, is two straight quarters of negative growth. Do you agree with that?

Q. That's one definition of it, yes.

The President. Well, what's another one? Another definition is, if you're out of work it's a depression, not a recession. So that is the technical definition. We have had five straight quarters of economic growth. And that's what I was referring to. I'm not trying to say people aren't hurting. We've had 3 straight months of national unemployment going down. Today, we had the

lowest unemployment claims announced in the last couple of years. So there are some encouraging signs.

Interest rates are down. If you're a saver, you're not getting wiped out by inflation. If you're borrowing money, had a home mortgage, you can refinance it and save a pretty good chunk of change. The last time the Democrats had the White House and the Congress, interest rates were 21.5 percent.

Q. They were also that high under Mr. Reagan's term as well.

The President. Well, if they were, it was for a month or two, because they've been down now. And the point is they're way down, because the ``misery index'' that was invented by the Democrats of inflation and unemployment was 21, and now it's 10.

All I'm saying is, not everything is good. But I'm telling you -- you asked me how I arrived at that -- --

Q. You said the recession would have been over 5 months ago. I think a lot of people in this country would disagree with you. And the definition of terms -- --

The President. May I finish and let me answer that for you? I sent up to the Congress -- this guy asked the right question on small business -- a bill to put in an investment tax allowance, stimulate business. I put in one on a capital gains tax. I put in one that said this first-time homebuyer should get a credit. All three of those would stimulate the economy, and none of them have come down to the White House. That's what I was referring to. You may not agree with it, but that's what I was referring to. And I'm convinced it would have -- past pluperfect, or whatever it is -- stimulated the economy. I'm absolutely convinced of it.

Balanced Budget Amendment

Q. Mr. President, you are a supporter of the balanced budget amendment to the United States Constitution. Can you please tell us why you have never presented to Congress a balanced budget?

The President. I've presented four of them. I can't do it in one -- you mean in one year?

Q. Balanced budget, yes.

The President. You can't do it in a year.

Q. Any year. One balanced budget. Well, then, why the proposal of a balanced budget when it's almost impossible to achieve?

The President. Let me clear it up for you. The balanced budget amendment would have to be phased in. There's no way you can balance it in one year. Everybody concedes that. But I have submitted 4 straight years to the Congress. It's printed -- I'd get a hernia lifting it. Really, it's out there, and it brings it down each time to zero after 4 or 5 years, 5 years.

The balance budget amendment would discipline not only the Congress but the executive branch. The States live under it. Governor Clinton talks about he's balanced the budget in Arkansas. He has to. That is the law. We got it very close in the last Congress. We got down -- I think the votes separated were about six votes out of a mainly Democratic-controlled Congress. And six or seven of the people that had cosponsored it got the leaderships to twist their arms out of their sockets, and they voted against the thing they cosponsored.

It's not magic, but it will discipline the Government. So will a line-item veto. So will the check-off I've proposed. The check-off says to a taxpayer, look, if you care about the deficit, check 10 percent of your taxes that have to go to reduce the deficit. Can't be offset by spending increases.

So I really think these -- --

Q. Will that affect entitlements, though? Won't that affect some of the entitlements, the 10 percent checking-off?

The President. No. Well, it will affect getting the budget deficit down, and that depends on how the Congress and the President do. Here's what we're going to have to do to get it down. There isn't any easy formula. There's no free lunch out there anymore. You're going to have to control the growth of the mandatory spending programs. You don't have to cut them, but they can't grow as fast. And that I really believe is the answer. Set Social Security aside. Don't touch it, and control the growth of the mandatory programs. Two-thirds of the budget, the President never gets to sign it, never gets to touch it. It's automatic because, as you say, it's an entitlement.

Gridlock

Q. Mr. President, you criticized the gridlocked Congress, and you just did again -- --

The President. Yes.

Q. -- -- that gentleman's question. Yet, President Reagan didn't seem to have that much trouble getting major legislation such as tax reform accomplished. Why haven't you been able to do the same thing?

The President. I think we have on some things, child care. One of the great things is the Americans for Disabilities Act. It says to the handicapped or the disabled, we're going to get you

into the mainstream, a major bipartisan agreement. A lot of Presidents tried to get the revised Clean Air Act. I happen to believe strongly in clean air. We passed that with this Congress. We passed the highway bill, $150 billion infrastructure bill. So we've gotten a lot of things done. But on this one, I've got a big difference with -- maybe with -- I know I do with him, but he isn't in the Congress. Thank heavens. We've got enough guys like him. [Laughter]

No, but we've got a big difference. I mean, I honestly believe that the Democrats that control the Congress, not all but those that control it, have a very different philosophy of priorities. And I think that's why we haven't been able to get these financial incentives through.

But here's why the gridlock will end: Congress has got it so fouled up with the post office and a bank -- they can't run a two-bit bank. One party has controlled it for 38 years. Just by accident they should have changed control, and it hasn't happened. Now you're going to have over 100 new Members of Congress, some Democrats, some Republican. But they're going to have to listen to the voters, as I do. I think you're going to see the ability to move, certainly in the first year. The best time for the new President to do something, particularly one that doesn't have to run again, doesn't have to worry about any politics, is in that first 120 days. I think that's how you break the gridlock.

The Arkansas Record

Q. Good evening, Mr. President. To get away from the economy, I would just like to know, are the American people ever going to know the truth about Governor Clinton's record in Arkansas before election?

The President. Well, I'm trying to get it out. You know, I tried to point it out in the last debate. I didn't do it in the first couple of debates, and I think I made a tactical mistake because he has been talking about my record. And I think, very candidly -- I don't want to sound harsh or critical in the lovely ambience like this. However, I think he's been very unfair about it. And I think I'll take my share of the responsibility. Unlike him, if I make a mistake, I'll admit it.

But Arkansas is near the bottom on every single category. He says they've done better in jobs. He takes one period, one month. And for 10 years as Governor, they have achieved 30 percent of what the rest of the Nation did. On education, 75 percent of the kids that graduate from high school there have to have remedial education when they get to college. I mean -- the environment, 50th. He said the other day, ``I want to do for the United States what I've done for Arkansas." And I'm thinking, my God, please don't do that. We've got enough problems.

So the record will be out there. And some say, well, that's negative campaigning. And I'll say, where have you been for the last 11 years with this guy and six others like him knocking my brains out? So I think we need to take that case out there.

Administration Accomplishments

Q. Mr. President, what would you consider to be your single most important accomplishment as President?

The President. Domestic or foreign?

Q. Domestic.

The President. Domestic. I mentioned some of them. I believe in the environment, the Clean Air Act. I think I take the most personal joy in the Americans for Disabilities Act. Worldwide, the fact that these kids go to bed without the same fear of nuclear war.

Innovation in Education

Mr. Smith. Mr. President, a teacher from the Kentler School in Westwood, New Jersey, had her kids write some questions for you, and this one is, ``What do you think about expanding the school year?''

The President. I think it ought to be decided by local school districts. I think we've got to innovate in this country. My America 2000 program bypasses the mandates from Congress and says to communities, you decide. You want a shorter school year, fine. You want a longer school year, fine. You want a different kind of school building, but let's innovate. Let's try new things. That's why I answered as I did on school choice.

War on Drugs

Q. I'm a mother of three children, and I'd like to know in the next 4 years how are you going to continue to fight drugs?

The President. Well, we've got to win it, and we haven't won yet. We've made progress. Teenage use of cocaine is down 60 percent. The addictive drug use, regrettably, is going the wrong way. Back the law enforcement people; do better in interdiction, although we've made some great strides working with Colombia, Peru, and all of these countries. And then back up the law enforcement people with tougher, not weaker but tougher, anticrime legislation that puts these real dealers away for a long, long time, no appeals, not getting them out early. He's trying to get me to do this quicker, but that's a quick and dirty answer. And education, education and rehabilitation.

Republican Party Platform

Q. Good evening, Mr. President. I voted for you, sir, in 1988 because I thought you were a

moderate. I'm voting for Governor Clinton in '92 because he's the moderate. And the thing is, your convention -- Pat Buchanan, Pat Robertson, extreme right-wing jargon -- I mean, it didn't seem to fit with George Bush and the George Bush we knew in 1988. Can you talk about it?

The President. I'd be glad to talk about it. Our party has room for plenty of diversity in it. The Democrats' convention wouldn't even let somebody speak if they differed on that very sensitive question of abortion. The Governor of Pennsylvania wasn't even allowed to have any air time. And so I'll be glad to talk about it. Our convention was accused by the Governor of New York, the illustrious Mario Cuomo, right in the front page of the New York Post, of being like the Nazis. His cochairman called me a racist, and you can condone this, as a professor? I'm sorry. I don't think that's right.

We have diversity. I don't agree with everything in the platform, and I don't agree with every spokesman at our convention. So we've got a large -- --

Q. So you don't necessarily stand behind the platform of the Republican Party?

The President. Not necessarily every part of it. I differ with -- --

Q. What do you disagree with?

The President. Well, I've already told you my position on abortion. I hope you know what it is. I'm against this wanton abortion. But I don't -- favor rape, incest, and the life of the mother as exceptions to it. So I'm not going to necessarily be bound. I'm the President. I'll say what I'm for and what I'm against. I've got to argue with you, I've got to argue on this liberal perception that this is some kind of a racist, reactionary situation there. It isn't. You talk about family values, and the libs say, oh, we shouldn't do that. We should do it. This is vital to the American people, and we ought to endorse it.

The Character Issue

Q. Mr. President, I'm a comrade in arms from World War II. Unlike you, I'm a doughboy, not a flyboy. I'm very much bothered by Clinton's record on the draft. I have with me his letter that was published in the New York Times February 13, '92, Mr. President, in which he states, ``I stayed up all night writing a letter to the chairman of my draft board stating: after all, would he please draft me as soon as possible." That's what he said. His very next paragraph, he said, ``I never mailed the letter." Now, my question to you, Mr. President, did he ever submit himself into the draft before he was saved by the draft lottery number?

The President. I'll be honest with you -- I'm not ducking your question -- I don't know the answer. What I do know is on April 17th he said, ``I will get all my records out." It hasn't happened.

My argument with Governor Clinton, I have a different view of service to country, and I have a different view of organizing demonstrations in England when you've got ghetto kids dying in Vietnam. But I was told by some that that's a little old-fashioned. My argument is broader. It is this pattern of saying one thing and then the truth coming out on the other side of it.

Some say character is not an issue. He said it's ``the character of the Presidency,'' not the character of the President. And I could not disagree with him more. I believe they're interlocked. So I think he ought to tell the truth.

Iraq

Q. Mr. President, I'm self-employed. I'd like to switch for a moment to some overseas events. Today's Bergen Record, there was an article -- I have it here -- that states that three Federal agencies are investigating U.S.-made equipment that was recently found at a nuclear development site in Iraq by U.N. inspectors. In Monday's debate you said that no U.S. technology was used in Iraq's nuclear weapons development program. How do you account for this discrepancy?

The President. I believe this is dual-use equipment. I believe this is dual use that was cleared. If it's not, somebody screwed up, or somebody took equipment that shouldn't have been shipped over there, or not. We never, ever tried to support Saddam Hussein in building his nuclear capability. It is the United States that guarantees he doesn't have one.

So if there was some high-level, you know, just really special level technology that got there, it got there without the knowledge of the United States. But what I saw today -- I don't know about the Bergen Record -- was dual-use tech -- have you got what kind of equipment it was?

Q. It said that it was an electronic welding machine that we shipped to Iraq in 1988 under Commerce Department license.

The President. Okay, well, if it was licensed, that's dual use. I have no problem with that.

Q. For general military purposes, it says.

The President. Okay. If it was dual use, it can have a civilian use and others. Some equipment did this. Some computers were in that category. But if it was designed strictly to build up a nuclear capability, it shouldn't be there, and I hope none was there. That's what I was talking about, and I hope it didn't get there.

Q. Isn't it a bit naive, though, to think that if a country like Iraq with a madman like Saddam Hussein at the helm would not try to use some of this equipment for nuclear development?

The President. No, I don't think it was naive if the equipment itself is not going to enhance his nuclear capability. I don't think so.

But look, we were trying to bring him into the family of nations. They just finished a war. He had the fourth biggest army in the world. Our friends over in that part of the country who became our allies thought we were too tough on him, thought we were going to drive him into a more totalitarian position. And we had a good program. It included sending grain over there. And it didn't work. The guy then went in and took Kuwait, and we knocked his brains out.

And you've got a lot of Democrats who didn't want to move at all down there trying to make something to cover their own necks and trying to make it look like they were right all along. If I had listened to them, Saddam Hussein would be in downtown Riyadh in Saudi Arabia, and he'd have had a nuclear weapon. So we tried; didn't work. Admit it, go on and do your business. In this case, put him back in his box and destroy the fourth largest army.

[At this point, the television station took a commercial break.]

Foreign Loans

Mr. Smith. We're back with America again. Our studio audience is made up of a cross-section of New Jersey residents, and let's get to some of our questions. This one was called in, Mr. President, on our 800 number: How much of our national debt is attributed to loans to other countries?

The President. Oh, I can't tell you the figure. Not anything substantial in terms of the total debt. But gosh, I don't think I could even estimate it for you. Do you consider a grain credit a loan? And you know, you get things where we guarantee loans, but they are not technically loans. I'd say I'd just have to get her name and address and -- --

Mr. Smith. She was probably wondering if it was a large percentage.

The President. No, it's not a large percentage. It's a substantial amount of bucks, but in terms of the total debt, it is not. But let me say: Have you got her address, because I think she's entitled to a decent answer.

Mr. Smith. I have just the name and other -- I'm sure she'll call in.

The Environment

Q. Mr. President, if I were a Clinton supporter because of his stand on environmental issues, what would you say to convince me that you're at least as concerned, if not more so, than

Governor Clinton? And also, how does Millie feel about reintroduction of the wolves into our national parks?

The President. All right. On the Clinton record, one of the reasons I have to do a better job in describing Arkansas is they are 50th in the Nation. He said the other night in the debate, ``I want to do for America what I've done for Arkansas." That wouldn't be very good. We've got a good record on the wilderness. We've got a good record on EPA enforcement. We passed the Clean Air Act that no other President has been able to do. We've got a good record on planting a billion trees a year in forestry.

So I am not on the extreme of the environment. I believe that you can get compatibility between jobs and in the environment. But I would ask only that you compare these things and more that I've named with what his record actually is. I don't think that's negative campaigning. I think that's comparative.

I don't think Millie's got a position on the wolves, but -- [laughter] -- I'm a little wary about that because I think again I'd come down on the side of the people out there that are making their living. I wouldn't want to do something that's going to wipe out their cattle herds.

Q. Do you feel that you're the environmental President?

The President. I think I've done well, yes. Don't think we get much credit for it, but I've clicked off some of the reasons I think we should. I came to New Jersey, and I said, ``We're going to give you Federal help to clean up the beaches, and we're going to stop ocean dumping." In that area I think we're doing all right. That was easy.

Cable Television Consumer Protection and Competition Act

Q. Mr. President, you recently vetoed cable television legislation that would have controlled the sometimes exorbitant fees these companies could charge. Did the veto have anything to do with the fact that your son Neil networks for the owner of one of the largest cable television systems in the country?

The President. No, it didn't. I never talked to him about it. I just hope that you're right and that your cable rates go down. My view is that the -- and I lost, I lost to the Congress on this. It was a battle of the networks versus the cables, and the networks won. Now I hope your cable rates go down, as they told you they were going to, because I'm out of this. I tried to keep them down by not putting in more regulations. That's why I felt that way. But please be sure and write me when your cable rates go down. I'm waiting. They're not going to do it. I don't believe they'll do it.

They had a big battle, cable versus the networks. I said, ``Look, we don't need more regulation." We got beat, and I hope that the other side is right, because they represented that the rates are

going to come down. We'll see.

College Loans

Q. My question is regarding education. I've read that you're in favor of cutting Federal aid to families who earn $20,000 and over. As a student, this would affect me severely. Is it true?

The President. No. Twenty thousand dollars over, cutting Federal aid for what?

Q. For student assistance.

The President. Well, what we've done is increase Pell grant money. I don't believe that the richest of the rich -- and I don't think it's $20,000 -- should get the same benefits for scholarships for college -- are you talking about college aid? Yes -- that everybody else gets. I just think it ought to have some means tests in there.

American Protesters in Foreign Countries

Q. My question is a followup to the idea of the distinction between demonstrating here or demonstrating in a foreign land, which I find difficult to understand. But divorcing it for a minute and following your logic, wouldn't it also be wrong, show lack of character or bad judgment if the person running for President were from your generation and, instead of protesting Vietnam, he had protested U.S. treatment of Japanese Americans by quarantining them outside one of our embassies in a foreign land while we were at war with Japan during World War II?

The President. You mean to go to -- would it have been wrong to be protesting in Japan during World War II?

Q. No, Japan -- in one of our embassies. Let's say, Mexico, Canada, whatever it happened to be, outside and organizing demonstrations, protesting American policy, while we are at war with a foreign country?

The President. Well, gosh. Back then, I don't think anybody would have done that. It was quite different. It's hard for people to understand it. I make a distinction. We get protests out there, Barbara and I do. We have dinner in a little dining room upstairs in the White House, and you look out, and there's always some group out there. Sometimes they're a bunch of weirdos, and sometimes they're very genuine, people that want to protest something, and I understand that. It's a distinction that I think has a difference, but it's legally -- I'm not a lawyer, so I can't prove it.

I just think it is morally indefensible -- and maybe it is generational, because I did fight for the country, and I was in combat. I just think it's morally indefensible to go to a foreign country,

particularly with the record that we heard a little bit about here tonight, and organize demonstrations against your own country in a foreign land. Come to the White House and do it. It's not legal -- it's not a legal difference. It's not a legal difference. It's just -- tell you what I think -- obviously have a little trouble getting you to agree with me.

North American Free Trade Agreement

Q. Mr. President, with your recently signed trade pact, do you really believe that it's going to create more jobs for us -- --

The President. Absolutely, yes.

Q. -- -- companies will go down to Mexico, and they'll get cheap labor. How many people do you really believe will relocate from here to go down there and work?

The President. I don't think many will, because if they were -- let me ask you this question: If the labor union bosses in Washington are right, and we're going to ship a lot of jobs abroad, why is Haiti not the manufacturing capital of the world today? They've got the lowest wages. Why is American business not pouring into Haiti?

This is going to create -- the gentleman's talking about the North American free trade agreement, and that is going to create jobs. It is exports that have saved us in this economy, export jobs in America. And so I disagree with those.

If it's going to lose jobs, you may have one or two, but then retrain. Have the best retraining program in the world, and reach out and create jobs.

Q. It would be nice to retrain if the companies were still here. But if they're going there, they're going to get the cheap labor there. They're not going to -- --

The President. Well, why haven't they already gone?

Q. Because they did not have the trade pact now. Now they do, they can go down there and get the cheaper labor.

The President. Well, no, they can go right now. They can locate in these countries. See, the trade pact doesn't just give license to move a business down there. You can go right now. Take your factory, move to Haiti, and you couldn't get a darn thing done.

Q. How would they bring it back if there wasn't a trade agreement to send products back into the United States, because we weren't going to take all their products. Now that we have this trade pact, we can -- --

The President. I see what you -- I think you're making a good case for protection, and I think protection is just 180 degrees wrong. What I think we need to do is expand markets. We're in a global economy. It's no longer just the U.S. We can't live behind these borders. We're caught up in a global slowdown, recession in some countries, growth going down. And so I believe that the way to get out of it is -- no, the way to get out of it is to continue to sell more abroad. New Jersey is an export State. You've got a great port. You're moving product out of here. So we just have a difference in philosophy.

Mr. Smith. It's also a question State, and we have a lot of them for you. [Laughter]

The President. All right, sorry.

Wilderness Conservation

Q. I'm an outdoorsman, as I know you are. I enjoy my fishing. What are you going to do to protect our national forests and parks from people who want to chop the trees down, the lumber companies, and destroy most of them and kill off the animals?

The President. I don't think you can do that. I think we've got to have good, strong conservation policies. I think we do. We've done something about the old growth forests. We've stopped this slashing approach that you're talking about, although I think that's been going on -- better balance on that is being found. And I am an outdoorsman. I am a sportsman. And I think we can take great pride in the stewardship of the parks under me. More wilderness has been created. I don't want to have so much that you deny people access. But we have created more, not less, wilderness areas than any previous administration. But you raise a tough question because you do have to find a balance. We're going to keep striving to do that.

Child Support Enforcement

Mr. Smith. Mr. President, this came in on one of our 800 numbers. It says it's from John from New York. He says, ``I'm 13 years old. My father hasn't paid child support for a year. What will you do to make sure that deadbeat dads pay?"

The President. Try to pass laws to crack down on them. And we have to do that. It is simply unfair, and we submitted legislation again that I think makes sense. They don't get the passport. They don't get a lot of things that the Federal Government can control if they don't pay up. And I believe that the kid is right. We've got to put legislation through to back up these families and get these deadbeat dads to do what they're supposed to do.

Entitlement Programs for the Disabled

Q. Mr. President, my major concern is the cut in Social Security benefits for the disabled, health care benefits for the disabled, job opportunities for the disabled, and a change in the Social Security law to allow disabled people to work without having their benefits penalized.

Mr. Smith. What's your question?

The President. How do I feel about those?

Q. Yes.

The President. Americans for Disabilities Act really is helpful to the disabled. The other, second part of it: Do not fool around with Social Security benefits. Don't touch them. I pledged to the Congress in the State of the Union, do not mess with Social Security, and we haven't. So I think we've got to leave that sacrosanct from this lady's very appropriate question, ``How are you going to get the deficit down without cutting benefits." You control the growth of the others to population and to inflation, but don't touch Social Security.

Education

Q. Mr. President, what educational reforms will be used in your next 4 years in the White House?

The President. What what?

Q. Educational reforms.

The President. Educational reforms: America 2000 is our main educational reform. It addresses K through 12. Parental choice I've touched about. Programs to get the communities involved. We have a thing called the New American School Corporation. And I might say, unlike Governor Clinton, I oppose the English-only legislation that bounces around in these various States because I think it would result in discrimination. And perhaps I'm a little sensitive because I have two grandchildren who are half Mexican, and it makes you a little more simpatico. I think the answer is to go with this America 2000 program that's really going to put the emphasis back at the local community level.

Unions don't like it. The teachers union doesn't like it, but they've never been for me anyway so I'm not going to worry about that. [Laughter] And I want to support the teachers, the teachers, not the NEA. Bilingual, we've got a -- I'm sorry I missed it -- we've got a strong bilingual program. Money for bilingual is up under the Education Department.

Bosnia

Q. Mr. President, do you have any plans for United States involvement in the struggle in Bosnia?

The President. Well, we're involved. We're trying to help in a relief sense. I don't have any plans to put troops in there. When you commit someone else's son or daughter to war, it's a pretty burdensome thing. And I won't do that until the military, Colin Powell, Cheney, come to me and say, ``Here's what we need to do. Here's what our mission is. And here's how those kids are going to get out." Vietnam, we didn't do it that way. We made a big mistake. Saudi Arabia, we did do it the way I say, and something good happened.

But I think the answer is to continue to push on emergency relief. I also think that what we're doing -- we took the lead in the U.N. on something called the no-fly zone, passing a resolution, which is now international law, that says the Serbian planes will not fly. And so far they've watched it.

The big question comes: What if they do? Then the President has to make another decision. Do you permit it, or do you do something about it? We can do something about it. The question is -- we'll cross that bridge when we come to it. But I'm not considering sending American kids into this very complicated ethnic, historically ethnic battle over there. It is so sad, too.

Foreign Policy

Q. Mr. President, first of all, I want to tell you that my patient this morning was Father John Connally, and he took a census among the -- [inaudible] -- students in Ramsey, New Jersey. He found that you were an overwhelming favorite, 2 to 1.

The question is the following: Mr. President, the American people owe you a major debt of gratitude for your helping bring the cold war to an end. However, in spite of this, bloodshed in Yugoslavia. Russian troops are still in European nations, and there are still missiles aimed at the U.S. There is continental unrest in the Mideast.

Mr. Smith. Your question, please.

Q. Do you feel that Governor Clinton would be equipped to handle these problems? What, if anything, do you know about his background in foreign affairs?

The President. Well, that's what we call a slow ball in the trade. You can see the seams going across the plate. [Laughter] He has no experience in it. But you put your finger on a problem. There's still danger in the world, and that's why I do not want to cut the defense spending more. We've already cut it by billions of dollars, reduced the troop level by billions. But there are wolves in the woods. And the doctor put his finger on some of them. And we've got to stay persuasively strong to enhance the road, the democratic road for these countries, to be sure those

nuclear weapons come out.

One thing I take great pride in is the fact that I worked out a deal with Yeltsin to eliminate these SS - 18 missiles, the most destabilizing intercontinental ballistic missiles. We've got that in writing. But we've got to stay persuasively strong to be sure that the deal is finalized and that the troops go out of these Eastern European and these Baltic countries and that peace prevails.

Mr. Smith. Mr. President, thank you. You've had almost an hour to answer the questions from people of New Jersey. Is there anything you'd like to say to our viewing audience tonight?

The President. Well, I don't want to take advantage of them and make the normal political pitch. But let me just say this: That I am not pessimistic about America. I've got a big difference -- when Governor Clinton says we're somewhere less than Germany and more than Sri Lanka, I don't agree with that. We're going through an awful difficult time. But it's the United States that's going to lead the world out of recession.

And I will be appealing in the last 10 days here on the basis of trust. You know, I admit to making mistakes, but I also have kept the trust, and so has Barbara Bush. We've been good custodians of the people's house. I think character is vitally important, and I'm going to appeal on that basis. We've got the program. Here's our agenda. I think we can get that in with new Members of Congress.

But the Presidency is more than that, and I want to finish what we've started. I want to lift up these kids and give them hope. Here's a college graduate; it's not right that she's out there now wondering how she's going to get her first job. Her family has struggled to educate her. And I think this agenda is the way to get it done and still get this fiscal discipline back in the mix. So that will be my appeal as we go right down to the wire in the last 10 days.

Mr. Smith. Will you be glad when it's over?

The President. Oh, golly, I sure will. It's been the craziest year. With all respect, and present company excluded, I've never seen the media in such -- the one I get the biggest kick out of -- I hold up a bumper sticker that says, ``Annoy the Media. Reelect Bush.'' People know what it means.

Audience members. Four more years! Four more years! Four more years!

Mr. Smith. Thank you, Mr. President.

Note: The question-and-answer session began at 7 p.m. at the WWOR-TV studios. WWOR-TV anchorman Rolland Smith served as moderator for the session.

Remarks on Developments in the POW/MIA Situation

October 23, 1992

The President. May I start by thanking General Vessey and Senator McCain. And also, demonstrating the bipartisan nature of this effort, I want to thank Senator Kerry for being here and Senator Smith, both extraordinarily active in trying to get to the bottom of this matter we want to discuss for a minute here.

Let me welcome also representatives from a group representing a group of brave Americans, the families of those still missing in Indo-China. I've visited with some of you all, but I want to welcome you to the Rose Garden. I've read your letters and listened to your stories. It is a powerful mixture of pride and fear: proud of your warrior's service, but fearful that you will never know his fate.

Early in our administration, we told Hanoi that we would pursue a policy that left behind the bitterness of war but not the men who fought it. Our approach was called the ``Road Map." It was designed to gain the fullest possible accounting of MIA's. It's been a tough road to follow. You see, for all of us the POW/MIA issue is a question of honor, of oath-sworn commitment kept. It's a Nation's test of its own worth, measured in the life of one lone individual.

To help gain the fullest possible accounting, I asked General Vessey, a former Chairman of the Joint Chiefs of Staff, to continue to serve as my personal representative to Hanoi. He has had, as we all know, many years of distinguished service. But of all his many missions, he might tell you that this is the toughest task he has ever faced.

He's worked countless hours; he's traveled endless miles, but he's been persistent and steadfast. And under his leadership, policy began to work. Hanoi has yielded the remains of 269 American servicemen.

We secured the right to go anywhere in Vietnam to investigate reports of live Americans. We began excavating battlegrounds of Indo-China, searching for the remains of our servicemen. In these searches we never found anyone alive, but we vowed to follow every lead. And then last summer, we got our first glimpse of Vietnam's vast set of wartime archives. With proof of the archives' existence in hand, once again I asked General Vessey to undertake a mission to Hanoi, and called on a man I greatly admire, Senator John McCain, himself a former POW, to accompany the General.

The Vietnamese have tremendous respect for Senator McCain, a respect that transcends country and culture. And because of this, as General Vessey just told me, Senator McCain was absolutely critical to this mission. General Vessey and Senator McCain have just now reported to me and to others here on their mission, and I'm pleased to announce this morning that our

policy has achieved a significant, a real breakthrough.

Hanoi has agreed to provide us with all, and I repeat, all, information they have collected on American POW's and MIA's. This includes photographs, artifacts, detailed records on Americans who fell into Vietnam's hands.

Hanoi's records will at last enable us to determine the fate of many of our men. And we still await the return of their remains, but already my representatives have begun to provide answers to families who have waited and prayed for decades. It pains me beyond words to say we may never know what happened to each and every American, but we will spare no effort to learn the truth.

Early in my term as President, we initiated worldwide investigations to determine the fate of our missing men, not only in Vietnam but in all the battles of the cold war. Along the way we've had significant help from Senator Kerry and Senator Smith who head this select POW/MIA committee. And I think we all stress this point: This is a bipartisan effort. It must transcend partisan politics in every way.

From Russia, we've had cooperation with President Yeltsin, pledging full cooperation. We've begun to learn the fate of Americans missing since Stalin's regime. And North Korea's returned the first American remains in over 40 years.

Today, finally, I am convinced that we can begin writing the last chapter of the Vietnam war. I want to stress that it is only a beginning, but it is a significant beginning. It was a bitter conflict, but Hanoi knows today that we seek only answers without the threat of retribution for the past.

As we cooperate in bringing that painful era to a close, Vietnam and the United States can begin to look towards the future. And to begin that process, we have extended a very modest disaster assistance to flood the ravaged areas of Vietnam -- to those that have been hurt the most by the flood. I've also directed my administration to work with Hanoi in developing ways to help identify Vietnam's MIA's and increase humanitarian assistance to the disabled Vietnamese veterans of the war.

Now we will begin reviewing what further steps we can take with Hanoi. We appreciate what's been done, and now we are redetermined to go forward to see what more we can do.

Today is a day of significance for all Americans. It is so because today again we honor those who chose to serve and who gave themselves in the supreme measure of devotion to their country. We're honoring them by at long last approaching a point where we can fully keep faith with their loved ones and bring them peace. So I am proud to be standing here with four who are making a significant contribution to America's search for the full truth.

Thank you all for coming. And General Vessey, my special thanks to you, sir, for once again serving your Nation with such distinction.

General Vessey. Thank you, sir.

The President. Thank you all very much.

Note: The President spoke at 8 a.m. in the Rose Garden at the White House.

Remarks at a Laurel County Rally in London, Kentucky

October 23, 1992

The President. Thank you, Senator. Thank you, Mitch McConnell. And I am so proud to be introduced by your Senator, who is doing a superb job for this State in Washington. If we had more like him they wouldn't be yelling, ``Clean House!'' or clean out the Senate. He is a star, and you're lucky to have him up there. Mitch, thank you.

But I'll tell you what you can do: You can improve things for this State and for the Nation, getting people that think as we do on these issues, and send David Williams to the Senate, elect him. He can do it.

As far as my former chairman and great friend Hal Rogers goes, I know he's surrounded in this wonderful part of Kentucky by friends. But every once in a while you strike up a strong personal friendship built on respect and, yes, love. And we Bushes feel very strongly, Barbara and I feel very strongly about Hal Rogers. You must reelect him to the United States Congress.

I want to thank Superintendent Joe McKnight and Roger Marcum, the principal, for permitting us to have this beautiful rally on this beautiful Kentucky day. Pay my respects to Melda Barton, our national committeewoman, Melda Barton Collins; and State rep Tom Johnson; and the chairman of our campaign, Tom Handy; and our celebrity guest, the family man from ``Family Feud,'' Ray Combs.

I still remember my great visit here 4 years ago to the town named Bush, Kentucky. And I saw the fire department and the Bush Elementary School, and I met George Bush, the postmaster. This part of Kentucky -- you have a wonderful way of making somebody feel at home. Someone mentioned to me the results of the South Laurel High School student referendum, and I understand it went pretty well. And let me just say to all of those from South Laurel High and North Laurel High, you're as smart as you look.

I also know that just 10 miles down the road is where Colonel Sanders started his first restaurant. He said something that Governor Clinton ought to learn from; he said, ``The bucket stops here.'' [Laughter] And Governor Clinton better understand, if he wants to be President of the United States, you can't take one side of an issue one day and one another. You've got to tell the truth.

I think the Colonel would have approved of our offering for America, our own original recipe: ideas, experience, and yes, character. I don't want to ruin this beautiful rally here, but I think it is appropriate inasmuch as Governor Clinton and the rest of the liberals have been trying to misdefine my record, let me tell you about the Arkansas record. They are 50th in the quality of environmental initiatives; they are 50th in the percentage of adults with college degrees; they are 50th in per capita spending on criminal justice; 49th -- they're going up, getting better -- in per

capita spending on police protection; 48th in percentage of adults with a high school diploma; 48th in spending on corrections; 46th on teachers' salaries; 45th in the overall well-being of children. And the other night, in a debate, Governor Clinton said, ``Now I want to do for America what I've done for Arkansas." We cannot let him do that.

Audience members. Boo-o-o!

The President. The people of Arkansas, and you know it, are good people, and they deserve better. And the people of the United States better not gamble on this lousy record. He's like the guy on the Little League that finished last, then wanting to go up and manage the Braves as they come back.

Governor Clinton talks about change, change, change, change; he used the word something like 53 times in a debate. But let's look at what he offers. Change -- tax and spend is what he's really talking about. Arkansas for the eighties lagged the Nation in growth. And in 1991, Clinton says, ``We did better; we led the Nation." Well, the only way to get Arkansas' economy moving was for Governor Clinton to get out of the State. He was out of there in '91, running for President, the only time they did better than the national average.

And if you want to get the economy in this country moving -- and I do, and we've got the ways to do it -- is to send him back to Little Rock and keep him there.

I don't believe there's a person out here that works for a living thinking he's paying too little in taxes. And yet, Governor Clinton has already proposed $150 billion in new taxes and $220 billion in new spending. You talk about trickle down, that is trickle-down Government. Give the Government your wallet, man, and step back and let Washington solve the problem. We cannot do that to the taxpayer.

But again, my problem is this pattern of being on one side, that he has, and then on another. He says he's going to get it from the rich. There are not enough rich people around to get all that dough he's talking about. So what happens? He comes after you. If you drive a cab, work in a coal mine, whatever it is, watch out. Watch your wallet; he's coming right after you. And I'm not going to let him do that to the American people.

Yesterday, or the day before, he admitted that he may not be able to pay for his programs without taking it from the middle class. And so what does he do? Gives the programs up and says, well, I'm not going to do that. One day he's for one thing; one day for the next.

The last time we tried this kind of change, I would ask you to remember what happened. When the Democrats controlled the White House -- and this same crowd controls the Senate and the House that has controlled it for 38 -- 58 years -- 38 years, whatever it is -- interest rates, do you remember what they were? They got to 21.5 percent, and inflation was 15 percent. And we do

not need that kind of change for the United States of America.

With us, interest rates are down, and homeowners can refinance their mortgages. Inflation is down, and senior citizens are not getting wiped out by that, the cruelest tax of all. We will get it down further by controlling the growth of Federal spending and giving you a break on your taxes, particularly small business.

Change, change, change, this Clinton is bad enough, but when you throw Gore in -- you heard what Senator McConnell said -- you know who's going to get gored, the people that are working for a living in Kentucky, if you go for this carbon tax. I call him Mr. Ozone; he's way up there. We've got to be down where the people are, trying to solve these problems. You try their formula for change and that's all you're going to have left in your pocket, believe me.

Now, I want to get these taxes down, spending under control, and there's a good way to do that. Let me give you a little formula. Mitch believes it. Hal Rogers believes it. We fought for it. And we've got a few more good people, good men and women from Kentucky joining us there. Here's the way we'll do it. One, we will have a balanced budget amendment that makes the President and the Congress get this budget in balance in 5 years. Second, we'll get them to give us a check-off. If Congress can't handle it, let the people do it. You can check off 10 percent of your taxes to go, must go, no way around it -- to reducing the Federal deficit. And I want that for the taxpayers. And the third idea is to give me what 43 Governors have, and if the Congress can't do it, give me that line-item veto. And let's cut out the pork and the waste from the Federal budget.

In this country it's small business that produces the jobs. And that's why we favored investment tax allowance or a capital gains reduction or a tax credit for the first-time homebuyer so we can stimulate jobs and investment and support small business, not do as Governor Clinton want to do, manage the economy. He calls it investing. The Government cannot invest. It is the people that invest, and he ought to understand that.

And health care, he wants a Government board again to settle everything. I want to provide insurance to the poorest of the poor. I want to pool the insurance. I want to give vouchers to the poor, tax credit to the more affluent. And then we're going to get these insurance costs down by something else; we are going to go after those crazy malpractice suits that are driving the cost of medicine right through the roof. We are suing each other too much, and we care for each other too little. And we've got to change it. We need more people in the Congress like Hal and Mitch to get that job done.

You know, everybody in every State is concerned about crime. Arkansas' prisoners for example, spend 20 percent of their term in prison. They get off with serving one-fifth of the sentence. Under the Federal program, it is 85 percent. You see, I have a different theory. I believe we ought to have more support for these police officers out here and a little less worry about the

criminals.

We had a great meeting, these police guys that are out there on the line for us. It's the same in Kentucky as other States. But the other day I had a visit from six or eight of them in the Oval Office. And that's a majestic office. You meet the world leaders, and you see all the people from all across this country. But this one was very special. Eight people, I believe it was, and they came up to say, we are for you for President. They were the Fraternal Order of Police from Little Rock, Arkansas. And I was very proud to have their support.

So we must back them up. We must win this war against crime and drugs with our ``Weed and Seed" program, backing the law enforcement officers and getting tough anticrime legislation.

But I think the biggest difference as we get down to the polls, and the reason I'm convinced I will win this election, is this: I honestly believe that character counts. I believe that people look to the President of the United States not just in this country but all around the world. And I think his character has a lot to do with how they view our country.

The other night Governor Clinton said in the debate it's not the character of the President, he said, it is ``the character of the Presidency." Wrong. They're interlocked. You've got to treat this office with respect and give it the dignity and the honor it deserves. And you don't get that there by saying one thing one day and changing your position. You look into the eyes of the American people and you say, this is what we're going to do. And if you make a mistake, a President does what you have to do. You say, hey, I was wrong about that, and I'm going to continue to do the American people's business. But you cannot be all things to all people.

Let me give you some examples. Governor Clinton says on free trade one day, ``Well, I'm for it." And then he goes to the big unions up in Washington, and he says, ``Well, I've got some serious reservations." On right-to-work laws, doesn't matter if you're for them or against them, but you can't be on both sides of it. He says, ``Well, I'm for them," in Arkansas. He goes to the unions that are up in New Hampshire, and he says, ``I'm against them."

On the Persian Gulf, a very tough decision that I had to make to commit somebody else's son, somebody else's daughter to combat. I had to make a decision and had to lead, and I couldn't equivocate. And here's what Governor Clinton said. He said, ``I guess I agreed with the minority," that's those who wanted to give sanctions a chance, ``I agree with the minority, but I guess I would have voted with the majority." What kind of Commander in Chief can waffle and change his position like that?

I have big differences with him, and I know some here might disagree with them. I still feel in my heart-of-hearts that when your country is in a war, you don't go to another country and lead demonstrations against your country. And when you say to the American people, ``I'm going to tell you the full truth on the draft on April 17th," and then they're silent, hoping the issue goes

away, I don't think that's right either. A lot of people opposed the war. Some of them said, ``Well, I'm not going to even stick around.'' But they didn't change their story. They weren't one thing one day and then trying to preserve their political viability the next. You cannot waffle. You cannot equivocate when you're President of the United States of America.

You know, some days in the Oval Office -- it could be at night in the White House or over in the Oval Office in the day -- the telephone rings, and the decisions aren't always easy ones. They're decisions where principle has to be invoked, and where you have to say what you think you really believe in your heart-of-hearts is right. And that's why I believe you cannot separate the character of the President from the character of the Presidency. They are one and the same thing. They are locked in.

I will be asking the American people to consider that important point. We've got the economic program, an agenda for America's renewal. We've got a foreign policy record that gives great credit to the United States and those who have stood strong. Isn't it a wonderful thing that the young people behind me today go to bed at night without the same fear of nuclear war that many of you had? International communism is dead. And Germany's reunited. And ancient enemies are talking to each other in the Middle East. And democracy is on the move south of our border. Now we must take that same leadership and with this new Congress -- and there's going to be 100, at least 100 new ones coming up there -- with that new Congress we are going to lift this country up. We are going to make life better for every single kid that is here today.

Don't you believe it when Clinton-Gore go around this country saying we are a nation in decline, everything is bad. That is not so. Yes, some people are hurting. Our program will help them. But we are the United States of America. We don't need a man whose only hope to get into office is by criticizing and tearing down. I want to build and lift up.

And I ask for your support. I ask for your vote. And may God bless the United States of America. Thank you all very much.

Note: The President spoke at 12:07 p.m. at the South Laurel High School.

Statement on Signing the Wild Bird Conservation Act of 1992

October 23, 1992

I am signing into law H.R. 5013, the ``Wild Bird Conservation Act of 1992." I take great pleasure in signing this Act because it promotes the conservation of wild exotic birds and provides for other measures related to fish and wildlife conservation. It also demonstrates our global leadership in the protection and conservation of wildlife.

Over the past 4 years, my Administration has played a strong role in the development of a world conservation strategy. The United States is a long-standing member of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). This Act provides an important mechanism for the United States to implement the decisions and resolutions agreed to under CITES. Other nations, including those within the European Community, have also acted to regulate imports of exotic wild birds whose populations may be detrimentally affected by trade.

Furthermore, this Act authorizes the Secretary of the Interior to support the management efforts of other nations in the conservation of their wild birds. Funds to assist these countries will be made available through the Exotic Bird Conservation Fund established by this Act.

Our action here exemplifies our commitment to wildlife conservation around the world. By strengthening our wildlife import policies and by encouraging the wildlife management programs of other countries, this Act will help to prevent any further decimation of wild bird populations.

I commend the bipartisan leadership of the House Merchant Marine and Fisheries Committee as well as a broad range of groups, including conservation organizations, importers, scientists, breeders, humane organizations, and the pet industry, for working with the Administration on this legislation.

George Bush

The White House,

October 23, 1992.

Note: H.R. 5013, approved October 23, was assigned Public Law No. 102 - 440.

Statement on Signing Legislation Establishing Asian/Pacific American Heritage Month

October 23, 1992

Today I am signing into law H.R. 5572, which designates May of each year as ``Asian/Pacific American Heritage Month.'' In May 1990, I was proud to extend Asian Pacific American Heritage Week to a full month celebration. Therefore, I am pleased to have the Congress join me in recognizing the important contributions of Asian Pacific Americans and the impact of their distinct and dynamic cultures on our great Nation.

As President I have witnessed poignant and difficult times for Asian Pacific Americans, but I know the tremendous value of Asian Pacific Americans to this country. Much as others who have come to our shores, Asian Pacific Americans came here seeking freedom and yearning for the American Dream. And like other immigrants, Asian Pacific Americans are finding it -- in the arts, in business, in science, in public service -- across the spectrum of achievement. I am pleased to pay tribute to the significant contributions of Asian Pacific Americans.

George Bush

The White House,

October 23, 1992.

Note: H.R. 5572, approved October 23, was assigned Public Law No. 102 - 450.

Remarks on Signing the Cuban Democracy Act of 1992 in Miami, Florida

October 23, 1992

The President. Thank you very, very much. And may I thank Armando for that warm introduction and all of you for this reception. I am very, very pleased to be here. It's great to be among so many friends. This is a very special day, and we've got one standing up here who deserves very special credit, our great Senator Connie Mack. And also a great friend, Congressman Ileana Ros-Lehtinen, joined in the Congress now by Lincoln, Lincoln Diaz-Balart. And may I salute the veterans of the 2506 Brigade who are here, heroes of America and heroes in your homeland. Tomas Garcia Fuste and Armando Perez Roura, Ariel Ramos. Of course, let me recognize another old friend, Carlos Salman, and Al Cardenas and Jorge Mas. Where's Jorge? Hey, Jorge is the only guy that can take on that ``60 Minutes'' crowd and come out ahead. You know, that was very good. [Laughter] He did. He did just great, and he's one of the key forces, of course, as so many in this room, but he was one of the very key forces behind this Cuban Democracy Act. And let me offer a very special recognition to the representatives of La Unidad, champions of a free Cuba.

Now, we share a history, a commitment to struggle. We've worked years toward this single goal, common dream, because everyone here wants a free and democratic Cuba. Today I am delighted to take the next step toward that dream with the Cuban Democracy Act of 1992. Our policies and principles rest on a single belief: For freedom to rise in Cuba, Fidel Castro must fall.

Audience members. Viva Bush! Viva Bush! Viva Bush!

The President. In today's democratic world, Communist governments no longer hold sway. Cuba's special relationship with the former Soviet Union has all but ended. And we've worked to ensure that no other government helps this, the cruelest of regimes. And the result: Literally, you look around the world and you see that Castro has literally become an outcast among dictators. He's not a leader; he's what you call a warden. His beaches are not borders but his confines of freedom. And the tide is running out. For years, this Cuban community has energized Miami. Someday freedom-loving people will change that island for the better, just like America has changed the entire world. And none of us should rest and relax until we stop those who mock the rights that we treasure, rights of speech and religion and assembly and economic freedom.

One hundred years ago, the Abraham Lincoln of Cuba, the great patriot Jose Marti, said simply, ``To beautify life is to give it an aim.'' To beautify life is to give it an aim. And I agree with that. Our aim is human liberty.

Audience members. Viva Bush! Viva Bush! Viva Bush!

The President. People are choosing liberty all over the world by their votes. The Cuban people deserve no less. That's why this Cuban Democracy Act strengthens our embargo. It will speed the inevitable demise of the Cuban Castro dictatorship. The legislation that I sign today reflects our determination, mine and yours, that the Cuban Government will not benefit from U.S. trade or aid until the Cuban people are free. And it reflects another belief: I'm not going to let others prop up Castro with aid or some sweetheart trade deal.

All of this is not designed to hurt the Cuban people. I am saddened by their suffering and loss of freedom. Many of you in this room have families there, and I'm saddened by families that are split apart and sons and daughters lost at sea. Let's make it clear: Cuba suffers because Castro refuses to change. Our policy and this bill allow for humanitarian donations of food and medicine to nongovernment organizations in Cuba, help that will get to the Cuban people. And it allows for improved communications between the United States and Cuba, so that all of you can maintain contact with family members.

Our policy is the only way to put it, plain and simple: Democracy, Mr. Castro, not sometime, not someday, but now. Put it this way: We simply will not provide life support to a dictatorship which is dying. There will never be normal relations with Cuba as long as Castro sustains this illegitimate regime, as long as he intimidates and does violence to a brave and courageous people.

I have challenged him before, and now I challenge him again. Mr. Castro, let a United Nations human rights representative come to your island nation.

Audience members. Viva Bush! Viva Bush! Viva Bush!

The President. Mr. Castro, put your leadership to the test of the ballot box, and let your people decide. Call off your secret police, and let the Cuban people choose their leaders and their future. Let your people live in freedom. That is the message to Cuba today.

You know, when Cuba is free, a million free Cuban Americans will be united with their long-suffering Cuban brothers. Nowhere has the pain and anguish of family separation been more eloquently stated than in a letter that Barbara received from Major Orestes Lorenzo, who is with us here today. Where is the major? Right here. As all of you know, he heroically escaped from Cuba when he flew his Mig to south Florida a year and a half ago, asked for political asylum. But he could not free his family. Despite humanitarian pleas from the world over, Castro keeps Vicky, Major Lorenzo's wife, and their two little sons, Alexander and Reyniel, hostage there in Cuba. I want to say to the major here today and to all of you that I will keep working until all Cuban families are united again in freedom.

You know, Castro likes to say that any person who wants to leave Cuba may go. Well, all it takes, he says, is an American visa. Well, over a year ago we issued a visa for the major's family,

and still they're barred from leaving that country. The answer is today to Mr. Castro: Do what's decent. Do what's right. You say everybody can leave; let the Lorenzo family go.

One cannot help but be emotional, looking around this room and seeing the commitment here. I get it in a very special way, obviously, through my son Jeb, who's a friend to many here, and through my dear friend Armando Codina who introduced me, who sensitizes me to this struggle that everyone in this room has been involved in.

We've been in this, and I say ``we'' proudly, we've been in this for a long time, and we are not going to back away from this commitment. We're not going to listen to these editorials that tell me how to run the foreign policy of this country and to change this policy.

Audience members. Four more years! Four more years! Four more years!

The President. We are not going to waffle on our commitment, and we're not going to quit until -- we've got a little enthusiasm over here -- until that is achieved. You must remember that this administration -- and I am the President who pressed the Soviets and the Russians to cut back their support and pull out their troops and send an unmistakable signal to Cuba of its complete isolation. And we're the ones, you and I together, who urged our friends in Latin America to let Castro know that he's out of things, he's a has-been. It is my firm belief, I really believe this, that during my second term as President, you will be reunited with your loved ones.

Audience members. Viva Bush! Viva Bush! Viva Bush!

The President. And I know, I am certain in my heart that I will be the first American President to set foot on the soil of a free and independent Cuba.

Thank you. Thank you all, and God bless you. Now I will sign the Defense Authorization Act, giving the force of law to the Cuban Democracy Act of 1992.

Note: The President spoke at 5:48 p.m. at the Omni Hotel. In his remarks, he referred to Armando Codina, chairman, Codina-Bush Group; Tomas Garcia Fuste, WQBA radio talk show host; Armando Perez Roura, WAQI radio talk show host; Ariel Ramos, newspaper reporter, Diario Las Americas; Carlos Salman, real estate broker; Al Cardenas, attorney; and Jorge Mas, chairman, Cuban American National Foundation. The President also referred to the 2506 Brigade, the military unit which participated in the Bay of Pigs invasion. H.R. 5006, the National Defense Authorization Act for Fiscal Year 1993, approved October 23, which incorporated the Cuban Democracy Act of 1992, was assigned Public Law No. 102 - 484.

Statement on Signing the National Defense Authorization Act for Fiscal Year 1993

October 23, 1992

Today I am signing into law H.R. 5006, the ``National Defense Authorization Act for Fiscal Year 1993." H.R. 5006 authorizes appropriations that provide for a national defense adequate to meet foreseeable threats to the national security. It generally supports the Administration's major defense priorities, including key elements of the Strategic Defense Initiative and the B - 2 program. I am also pleased that the bill includes the Cuban Democracy Act, which will help establish a free and democratic Cuba.

I have signed this Act notwithstanding the reservations that I have regarding certain of its provisions. I am particularly concerned about provisions that purport to derogate the President's authority under the Constitution to conduct U.S. foreign policy, including negotiations with other countries. A number of provisions purport to establish foreign policy by providing that it shall be ``the policy of the United States" or ``the goal of the United States" to undertake specific diplomatic initiatives. Consistent with my responsibility under the Constitution for the conduct of diplomatic negotiations, and with established practice, I will construe these provisions to be precatory rather than mandatory. Other provisions purport to require reports to the Congress concerning diplomatic negotiations. I sign this bill with the understanding that these provisions do not detract from my constitutional authority to protect sensitive national security information.

In addition, H.R. 5006 would assign new domestic, civil functions of government to the Department of Defense and the Armed Forces. These roles include community medical care; local school funding; training of civilian children; establishing new government data bases on U.S. defense businesses; establishing plans for U.S. industries; assisting and funding Federal, State, local, and private nonprofit industrial support efforts; and providing broad adjustment grants to communities. For the most part, the objectives of these provisions are laudable. The functions prescribed are not, however, appropriate roles for the military. Accordingly, I direct the Secretary of Defense to implement these provisions in a manner that will do the least damage possible to the traditional role of the military. Where particular provisions of H.R. 5006 cannot be implemented consistent with the traditional role of the military, I direct the Secretary of Defense to draft and propose to the Congress remedial legislation.

I am also concerned that two provisions of H.R. 5006 might be construed to impinge on the President's authority as Commander in Chief and as head of the executive branch. Section 1303 purports to prohibit the use of appropriations to support a level of U.S. troops in Europe greater than 100,000 after October 1, 1995, and section 1302 purports to require a 40 percent cut in U.S. forces overseas after September 30, 1996, absent a war or national emergency. American forces abroad are a stabilizing influence in a volatile world and provide a ready means to protect American interests. Ill-considered cuts to America's forward presence diminish America's ability

to help keep the peace in the future in various regions of the world. I shall construe these provisions consistent with my authority to deploy military personnel as necessary to fulfill my constitutional responsibilities.

I note with disappointment that included within this bill is a provision that will lessen the impact of the honoraria restriction on a very select group of individuals rather than the career work force as a whole. I have strongly supported a Governmentwide amendment, and I believe that passage of this limited exemption sends a message that Federal employees need not be accorded the respect and fair treatment they deserve. As a result, the credibility of all of the standards to which we ask employees to adhere is undermined.

I also note that section 330, under which the Secretary of Defense may ``settle or defend'' certain claims, should not be understood to detract from the Attorney General's plenary litigating authority. Accordingly, to the extent provided in current law, the Secretary of Defense will ``settle or defend'' claims in litigation through attorneys provided by the Department of Justice.

Section 4217 provides overbroad authority to the Government to collect data on technology and the industrial base from American businesses. Collecting such data through subpoena, administrative search warrants, and other investigative techniques authorized by this section will not contribute to America's economic strength and could intrude unacceptably into the lives of those who own and work in the Nation's businesses. Accordingly, I do not anticipate that the authority provided by section 4217 will be exercised.

As for title XVI, which prohibits exports of certain goods or technologies listed on the Department of Commerce Control List, I will interpret this provision as applying solely to items listed as requiring a validated license for export to Iran or Iraq. I find no indication of intent to override the congressionally endorsed regulatory provisions regarding exports from abroad of foreign-made products that incorporate certain minimal U.S.-origin content. As to the contract sanctity provision, I consider the reference date to be the date of enactment of this law. The Secretary of Commerce shall promptly issue such interpretive guidance and implementing regulations as may be required.

Finally, the bill contains a number of provisions for the disposition of Federal real property interests that would circumvent the provisions of, or regulations related to, the Federal Property and Administrative Services Act of 1949. Effective and efficient management of such real property matters generally is best accomplished in accordance with the Property Act.

George Bush

The White House,

October 23, 1992.

Note: H.R. 5006, approved October 23, was assigned Public Law No. 102 - 484.

Question-and-Answer Session in Miami

October 23, 1992

Tom Wills. The President of the United States, George Bush, faces Florida voters in 11 days. Tonight he is here in Miami to answer their questions.

Ann Bishop. Good evening. With Tom Wills, I'm Ann Bishop. Tonight from across the State, President Bush will be answering the concerns on the issues on the minds of Floridians. We're going to get right to it, and our first question is from Jacksonville.

Consultation on the Economy

Q. Good evening, Mr. President. During the first debate you acknowledged that while the present economy is nowhere nearly as bad as your opponents would like for the American people to believe, there is room for improvement. My question is, if you're reelected President, would you be willing to offer an invitation to Ross Perot or to Bill Clinton to discuss their economic plans?

The President. That's easy. I think the answer is yes. But if I'm elected, it will be to put in my economic plan, and I think I will be because I think we've got the best plan. But I meet with opposition leaders all the time as President of the United States, and certainly I'd be willing to discuss it with them.

Tax Increase

Q. Good evening, Mr. President. Excluding your tax increase decision, if you could rewrite the history of the last 4 years, what one decision would you change?

The President. I gave you the main one. My view is if you make a mistake, you admit it. It's a little unusual in politics, but I think it's the thing you do. I made a mistake going along with that major Democratic tax increase. I say a mistake. It had some good things in it, put the caps on the discretionary spending programs, but it raised taxes. It was my belief that that was something we ought to do that would help the economy. I don't think it did at all.

I can't think of anything that fits into that league as something that I would view as a mistake of that proportion. I'm sure I make plenty of them, but give me some time and I might get back to you with it. I'm not sure this is a good time to be pointing out all your weaknesses, either. [Laughter]

Cuba

Mr. Wills. Just before President Bush came to be here with us tonight he was in downtown Miami, and he signed into law the Cuban Democracy Act. Now, Mr. President, as you know, the Democrats have accused you of trying to make some political hay on this issue. Our first question, sir, tonight here in Miami, is concerning Cuban-American relations.

Q. Good evening, Mr. President. Welcome to south Florida. My question is: Within the next 4 years, Cuba will join the nations that have democracies. What will you do and what will your administration do to help the people of Cuba?

The President. Well, I hope you're right. And I think you're right, because I don't think Castro can continue to swim against the worldwide tide. The tide in this hemisphere is against him, but so is the worldwide tide. Everybody wants democracy, freedom, market economies. Of course, Castro's got none of that. I think the answer is then to move forward with investment support for him.

You see, it's going to be private. The thing that's going to make Cuba move forward fast is you have so many Cuban-Americans who have done well and want to invest and create businesses. It's not going to be a drain on the American taxpayer. It is going to be investment that solidifies their democracy.

I don't think we're going to need special programs. We've got programs in the Caribbean for those countries, Caribbean Basin Initiative. We've got a debt forgiveness program that has helped move Argentina and Brazil and other countries towards democracy. Many countries, 43 more countries have become democratic since I've been President, 43. Cuba will be the next one, I hope.

But it's not going to require a lot of Government aid. Everybody hates foreign aid. It's not going to require that. It's going to require investment. These are industrious people. We've seen what they can do here in this country. With freedom down there, they can do the same thing.

The Economy

Q. Good evening, President Bush. In 1980, my home mortgage was 18.5 percent. We had a cold war, hostage problems, and global inflation, but my family and I had good jobs, savings with high interest, and excellent health insurance. Today I have inadequate health insurance, no savings. My children and their children are without jobs. My oldest daughter is losing her home with a 7.5-percent mortgage. My home in a mobile park is facing liquidation. There is a global recession and homelessness. Granted, with the cold war over my family could sleep better at night, but now my own party's opening speaker at our convention tells us we're facing a religious and cultural war. Can you tell me why I am any better off today than I was 4 years ago?

The President. Well, you're better off in the sense of interest rates, clearly. We've got to go back

to the days when the Democrats controlled both the White House and the Congress, which they've controlled for 38 years. Interest rates were 21 percent. Clearly, it's better to have them at where they are now. You can refinance homes. Inflation is lower. That's the cruelest tax of all if you were a saver. I'm not sure you were a saver.

I don't, I'm not sure I understand what you mean about a cultural war. I had the mayors from the leading cities come to see me. They were the board of directors of the National League of Cities. You know what they told me? They told me the major cause for urban decay was the decline in the American family. These were not rightwing nuts or leftwing nuts. Mayor Tom Bradley of Los Angeles was one of them; smalltown mayors that were Republicans from North Carolina; Plano, Texas, mayor. And this discussion of family is not something that I'm going to be driven away from. We've got to find ways to strengthen it. That's talking about driving drugs out of the community.

In some ways you're worse off, if you've got all those problems for your kids. But in many ways, you're better off, and I would cite some of the statistics that I've given you. I just hope that with this new job training program we've got, a program to get the burden of Government off of people like you, that we can do better.

But you're right, it's a global recession. I don't know how many people know this: Our economy is growing twice as fast as Japan's. People don't believe that. Germany had a negative growth. We have grown, albeit anemically, for five straight quarters. So when you're going through a tough economic time, you're bound to have hardships. I'm sorry you've got those, but I believe that job retraining, education, and stimulation of this economy for small business is the answer. I really do. Very good question.

POW - MIA's

Q. Good evening, President Bush. My name is Jill Hobbs. My father is Navy Commander Donald Richard Hobbs, and he has been missing in Vietnam since 1968. As you can imagine, this has been a very painful, heartbreaking, frustrating situation for my family for the last 24 years. Now with all the new information that's coming out of Vietnam, I would like to know what you plan to do to ensure that all of the live prisoners are returned, that all remains are repatriated, and that complete and truthful accounting of all our POW's and MIA's is given. I want to know what hope I have that I'll find out the truth about my father's fate.

The President. You have a lot more hope today than you did yesterday because this announcement that I made in the Rose Garden with General Vessey is a very significant breakthrough. Here's General Vessey, who is the former head of the Army, marvelous man, head of the Joint Chiefs, too. He went over there and came back with a lot of pictures, a lot of information that they had denied even existed before.

We think that today the announcement I made in the Rose Garden is a significant breakthrough, and I hope it leads to evidence that will be comforting to your family. But we just have to keep pressing on, and we're going to keep pressing on, trying to follow every single lead.

You're talking to somebody whose comrades died in combat. My roommate, this is ancient history, but my roommate was missing on the very first flight that I was in combat in the Pacific. So I hope it sensitizes me a little. I can't say I really know what you're going through.

But I think you ought to take some heart from this breakthrough today because I really believe that Vietnam now is going to -- we're going to follow up to be sure they do this, but that they've turned over a new leaf. They're saying, no more obfuscation; we're going to put people in the archives. They've come out with 5,000 pictures. John McCain is a former prisoner, now a Senator; he came back with -- they gave him, handed him pictures that he didn't know existed of his being pulled out of the water.

So I hope it leads to clues, and certainly we will follow up any leads on anybody that might be alive. But we've got to get the remains back, too. It's a breakthrough, and I just hope it proves to be something that is comforting to your family.

Child Care

Q. Good evening, Mr. President. My question, sir, is, what does your administration plan on doing to help the middle class as far as child care? It's beginning to look as though the poor and the rich are the only ones that can afford to have children. If reelected, what does your administration plan to do to help the middle class?

The President. One of our accomplishments was passing a child care bill, adequately financed, that gives parents the choice. When I came into office there was a prohibition against all but mandated -- almost all but mandated child care centers. In other words, the Congress would say, here's the kind of child care you have to have. I think it strengthens the family to do what we've done, get legislation through a not altogether friendly Congress at times, and get it through to give the parents the choice for child care.

It is funded, and I hope that it's of benefit to you. There are limits in terms of how much a person is making. I don't remember the exact cutoff price, and maybe you're a little beyond that. But I believe that we've taken a major step forward in child care, and I hope it will benefit your family. There are no new bills planned for it.

Mr. Wills. Mr. President, we have tried to bring together here in our four cities voters, citizens from all walks of life. And this next question comes to you, sir, from a man who is 17 years old.

Education

Q. Good evening, Mr. President. Mr. President, I am planning to go to college within the next year. But my family may not be able to afford my higher education. It is a problem that many students and their families face in this community. As President of the United States, what will you specifically do if you are reelected to provide my generation with the educational opportunities that we need to succeed in life?

The President. First place, we've already doubled the funding for what they call Pell grants; that's for university. And I hope you've applied for that. Maybe -- I don't know, again, what your circumstances are. But we've doubled the funding on the Pell grants, which is the major way of going forward for college students. And again, as I say, I hope that really helps.

Our main education program relates to getting kids ready for college. Frankly, we haven't done a good enough job for that. And many can't simply get into the college. So our program is called America 2000. It revolutionizes, literally revolutionizes education. It bypasses the old educational bureaucracy. It puts choice in the hands of parents for public, private, or religious schools.

Now, some say to me, ``Hey, that's going to weaken the public schools." It hasn't worked that way with a woman named Polly Williams, a black woman up in Milwaukee. The mayor, a Democrat, in Milwaukee strongly supports it. And we believe that if you get the quality of elementary and K through 12 education, that more people will be able to qualify for existing scholarships.

Then I think the answer to your question is keep trying to do as much as we can in the scholarship field and the student loan field for kids like you that probably need some support to go through the college of your choice.

Health Care

Q. My 5-year-old had this question. One of the perks afforded you as President is what basically amounts to universal health care. Since you don't believe in universal health care for the American people, why is it that you utilize this benefit when you can clearly afford to pay your own medical bills? And why isn't this same program good enough for the American people?

The President. Well, you've got a bright 5-year-old with very good English, ``utilizing my benefits." [Laughter] That kid's not going to have any trouble getting a scholarship.

I'll tell you, I'm Commander in Chief of the Armed Forces, and the Armed Forces provide this. This has traditionally been provided to the President. I have no apologies for it. But the kid is wrong in one thing. I hate to say that about your kid; she's very bright if she's that interested. My plan provides insurance for all. For the poorest of the poor you get a voucher. For the next

group, like this guy's family back here, you're going to get assistance. You're going to get tax credit.

What I don't want to do is go to a plan that nationalizes -- in some areas they call it socialized medicine -- but say nationalizes medicine where you lower the quality of health care. The answer is to provide insurance to all, do more in terms of preventative medicine. Under Dr. Lou Sullivan, our HHS Secretary, we've moved out very well on that.

We've got to do more to get the costs of all this down. One of the things where I differ with Governor Clinton is, I think we've got to do something about these malpractice suits and these awful lawsuits that are raising the costs to the tune of $25 to $50 billion.

But put it this way: If your 5-year-old thinks the only way that you're going to get universal health care coverage is to have mandated Government coverage, I disagree with her. I think it's better to use this whole brandnew system of pooling insurance to provide insurance to the poorest of the poor and right on up. So we just have a philosophical difference. No difference about wanting to get it done, though.

Abortion

Q. Good evening, Mr. President. Your firm stand against legalized abortion has been clearly stated in the past and during this campaign. I'd like to ask you this: If the Supreme Court reverses the Roe v. Wade decision during your next term in office, do you think that States that outlaw abortion should make it a capital crime -- --

The President.No.

Q. -- -- that is, equating abortion with murder? And if so, do you think that women that receive the abortions and the doctors that perform them should be subject to the death penalty and/or life imprisonment?

The President. No, no. The answer is no to all of the above. But I do oppose abortion.

You know, I think it's wrong to have 28 million abortions over the last few years. I don't believe you ought to have abortion for a -- put it this way: If a 13-year-old kid can't even get her ears pierced without parental approval, don't you think we ought to have some restraints? Don't you think that that kid ought to have to get permission from the parents? I believe in adoption. I believe in life. I know my position isn't particularly popular with some, but this is something I feel in my heart; take your case to the American people.

But no, on the criminal penalties you're talking about.

Deficit Reduction

Q. Mr. President, good evening. How is your proposal on allowing people to designate income tax proceeds toward debt reduction and spending cuts supposed to work? And do you believe a citizen would be willing to spend his or her own money toward debt reduction?

The President. Debt reduction -- I'll get to his -- there's three things we need: We need a balanced budget amendment to the Constitution. A lot of the States have it. We need a line-item veto that says to the President, if Congress can't cut it, you can cut out the pork by drawing a line through whatever line you want in the veto, in the bill. Then they can override you if they want to.

On this proposal he's talking about, it's a new one that I have made. And what it says to the taxpayer is, when you go fill out your tax form, if you care as much about deficit reduction as other things, you can then kick off 10 percent, a little box on the tax return. That will all be added up. Say it comes to $40 billion, all the people that fill out the tax return, added to $40 billion. Then you have to use that money to reduce the debt.

And that's going to mean, then, that Congress is going to have to, working with the administration, reduce spending by that much. And that gets to be difficult. But it forces it; it forces the equation. And if they can't do it in negotiation, then you do what they call a sequester. The sequester goes right across the board, not touching Social Security, but right across the board to get the spending down.

It's rather simple. And some of the liberal economists ridicule it. But I believe those three things together can make a significant difference on getting this deficit off the back of young people like you. When your kids come along, if we don't we're going to be in real problems for the future.

That isn't easy. I mean, I can't stand here and tell this audience or the audience in Orlando or Jacksonville or Tampa that it's going to be easy. I want to control the growth of the mandatory spending program, not cut them, control the growth to inflation and to allow for population. But that means they're not going to be able to grow as fast. They can grow, not be cut, but not grow as fast.

Those things together I think are the way we're going to get this deficit down. And that check-off ought to be tried. If it doesn't work, change the law.

Hurricane Andrew Recovery Efforts

Mr. Wills. Sir, as you know, the people here in south Florida for the past many weeks now have been trying to recover from the devastating effects of Hurricane Andrew. The next person you're

going to hear from really tonight is in the category of a special guest.

Q. Mr. President, Alex Muxo, city manager of the city of Homestead.

Mr. Wills. And I should add, Mr. President, that Alex is a nonpartisan officeholder, neither Democrat nor Republican.

The President. I'll tell you what I think about him in a minute. [Laughter]

Mr. Wills. He wants to tell you what he thinks about you.

The President. I know he does.

Q. Mr. President, first of all, on behalf of all the south Dade community, we really thank you from the bottom of our heart for your support in this last few months. As a matter of fact, tomorrow will be the 2-month anniversary of Hurricane Andrew, which we all know the devastation caused in our community.

Although your leadership was unwavering, you know the outcome of what happened with the Congress with Homestead Air Force Base. One of the biggest concerns that we have now is if the medical facility and the PX isn't built immediately, this community, south Dade, Dade County, Monroe, and West Palm Beach and Broward, have the chance of losing as much as 80,000 retirees because those facilities aren't there. What can you do to move that along so we can keep these people in our community?

The President. Well, let me answer Alex's question. But let me tell you about this guy because -- and this is not a slow ball -- he's an independent. He's strong out there. He does what he thinks is right. Here's a man who, when his own home was devastated, was out looking after people in the community, and that said an awful lot to me. I think it said a lot to the people of Florida and the people across the country. And I think it stimulated a lot of support not just from us, from the Federal Government, but it served as an inspiration to what I call the Points of Light, the people here where they got this program Rebuild. You see a guy like this -- do it.

I hope we can push it. I hope we can get it moving. What Alex is talking about is, I made a decision that we were going to rebuild Homestead. I got hit by Congressmen and Senators from different parts of the country because in a shrinking defense budget they saw a chance to get this money to build the installations in their area or keep the bases in their area or transfer the facilities, you know, the intelligence facilities, antidrug facilities, somewhere else.

We got beat on it. We got some money, got a little, not near as much as we wanted. On this one, I think we just have to push on it and get it done. I don't think it's to be controversial. I mean, I think it's something we can get through. Our bureaucracy is what I think the problem is.

But we'll keep pushing. I mean, it's been an inspiration to the whole country. I will say this to the audience: Government can do a lot. When the Government's spending over its head, it can't do as much as it would like. But the private sector response on this is absolutely amazing. You go out there and you see people from North Carolina who were helped by you all when their Hurricane Hugo came along, and now they've responded. I went to Louisiana. There was a bunch of people from North Carolina and South Carolina over there, so that American spirit of helping one another is still there. I think you all demonstrated it as vividly as anything out of this hurricane situation.

Correctional Facilities

Q. With your present tax policies, what will you do to assist major cities and counties with their overcrowded prison populations on a State and local level?

The President. We have put more money into State and local police than ever. Spending is up for Federal. But we can't do the whole police corrections facilities bit. That can't be done by the Federal Government. We have expanded the Federal prisons. The Federal prisoners -- you know this, given your life to corrections -- have spent 85 percent of their time in jail. A lot of the States have a much less rigorous program.

We have an assistance program to corrections institutions, but I just hate to stand here and try to promise you that we can increase it. What we have done is increase the funding considerably for Federal prisons, and we've increased it for local law enforcement support, but not as much in the prison field.

Now the answer, I guess, is to continue to try to help as much as we can and then press forward with programs that are going to reduce the incidence of crime.

I come back to a program we call ``Weed and Seed," where you weed out the criminals. I don't know whether you've had any -- working with it at all. But it's a good new approach, gets across partisan lines. It says weed out the criminals and then seed the communities with hope. Then that gets to our whole urban agenda, so people have jobs in these cities through enterprise zones and tenant management, homeownership, as opposed to the hopelessness and despair that results in the crimes that you, fortunately, are helping on.

Women's Health Care

Q. Women's health could be a prime area of research for the National Institutes of Health, especially in the areas of breast, ovarian, and cervical cancer. However, Dr. Healy, the Director of the NIH, has stated that focus on women's health was not necessary. How would you in your next term ensure that the NIH increased research and funding in women's health?

The President. Well, again, I don't want to be under false colors. Every question, almost, says how much more money can you spend from the Federal Government, every one. And I can understand it. There is a new program for breast cancer, and it's pretty well financed out of HHS. I'll have to look at the NIH funding. I don't remember Ms. Healy saying that, Dr. Healy. She's a very able head of NIH.

And I'm not trying to put you down at all, because, look, that is a tremendously important cause. The next question I'll get will probably be on AIDS. We're spending up from $4.2 billion to $4.9 billion. And people say, ``Well, you got to do more." I'm standing here telling these guys how we're going to get the deficit down. You can't do it painlessly. You can't do it by slapping more taxes on an overtaxed population. So we're dealing with somewhat of a restricted budget in doing all these things.

But let me check on NIH. I'm not just putting you off, but I don't believe that NIH is opposed to any women's health care efforts. And our early prevention programs that Dr. Sullivan is sponsoring can help get the problem -- you're a nurse, so you know much more about it than I do -- but can help before you have to be putting the serious treatment to people.

Ross Perot

Q. My regards to you, President Bush. My question to you is, why is there such an integrity vacuum in today's government? The silent majority, like myself, can find more answers and solutions to the problems in America today in a book written by Ross Perot, ``United We Stand," than by any of the present elected officials. And why haven't you initiated a special group of highly trained individuals to address these problems one by one until each Department has been corrected?

The President. That's a good question. But you see, I differ with Mr. Perot. I don't want to touch Social Security. He has in his program doing something about reducing Social Security for some. I don't think we ought to do that. I think we ought to set Social Security aside. It's not just another guaranteed program. It is a rather sacrosanct program with a trust fund. And so I have a difference with him on that.

I don't think we need a 50-cent -- in your hand there in that plan is a 50-cent-a-gallon gasoline tax. Now, a lot of people have to ride to work, and where you have big distances, that is overwhelming. Or if you're a cab driver, the poor guy's trying to make ends meet, or a truck driver, he doesn't need to pay 50 cents more per gallon.

So I don't want to spend a lot of time looking at things that I'm opposed to. Now, in terms of what Perot is suggesting in terms of really having to do something on the spending side, I think he's on to something there, but not in these specifics that I've given you. And so I'm not going to

spend the taxpayers' money with having a whole new group of people coming in to study something that I'm certainly not -- going to oppose, or that people will oppose if they elect me. I mean, I don't think a Social Security increase or a gasoline tax is the answer at this time.

So that's why I would -- but don't let me try to put you down by saying there's no good ideas in there; there are. I think we've got enough study groups. What we need to do is get something done.

I've got one difference with him. You just can't open the hood, say fix it. I mean, you've got to work with the Congress. And I don't mean to put the blame -- I'll accept blame. But when you're working with Congress, it ain't that easy, believe me. Look at Alex's problem. Here we had a problem that would have helped the community just to keep something that was there, rebuild it. You've got all these contrasting interests. I go up as President, say restore Homestead, and you can't dictate to them. They're tough. You've got to hit them over the head like that mule with a two-by-four.

But the good news, there's good news, they screwed up that two-bit bank up there and that post office so bad that there are going to be 100 new Members of Congress. And maybe we can get things moving much quicker the next term.

AIDS

Q. Good evening, Mr. President. I bring a question that comes from clients and other professionals in my agency. They'd like to know why over the last 4 years when the Names Project has been in Washington three times, you have not visited the Names Project, which now contains more than 26,000 panels for those who have died of AIDS?

The President. Well, that's a good question. I have felt a little bit unloved by the AIDS community. We have spent, as I say, far more money on research, far more, I think, money on compassionate programs. We've got the NIH with their great researchers out there geared up. What happens to me when I go out -- and I shouldn't judge the whole community by the excesses, but they've got an outfit called ACT - UP. And they come to my home and throw condoms around and behave in a very bad fashion. They break up your political appearances.

I don't think that helps the cause any. And I don't want to be a lightning rod in a compassionate project like this quilt project by going out there. I can take it. Good God, I've seen worse characters than those. But they don't help the cause any. For me to go as a lightning rod out onto those grounds to be yelled at and screamed at and as a symbol, I don't think it helps the AIDS problem.

The AIDS problem requires compassion, requires understanding. Both Barbara and I have been to clinics and held AIDS babies and tried to demonstrate the concern we feel. But to be a

lightning rod for the excesses, I don't think that is good for the President of the United States. And that's my very frank feeling on it.

Maybe we differ. Maybe you can make a case for ACT - UP. I can't. When they come to a guy's home, little home village, and stand there with outrageous behavior, I'm afraid I just have to say I don't agree with that. I don't agree with them going into a Catholic cathedral, when people are on their knees worshiping, and start throwing condoms around. I don't want to be the symbol for that kind of behavior. I want to help that. I want to help with research. I want to see compassion. But I don't want to be the catalyst for excess. That's why I didn't do it.

Communism

Q. As a major foreign policy accomplishment, you have consistently maintained in this campaign that you deserve credit for the dissolution of communism. How can you prove that communism is virtually dead when more than one billion Chinese and, importantly, more than 10 million Cubans in our backyard are still committed to undemocratic governments?

The President. Well, I don't say communism is totally dead. I say imperial communism is, if not dead, stretched out on the slab there about to be buried, because you don't have the Soviet Union anymore. For years we had a cold war going on between the Soviet Union. That ended. That ended when I was President. And I think our policies had a lot to do with it.

Do you remember, do you remember about 12 years ago people were saying, ``Nuclear freeze, the only way you're going to solve nuclear terror for the kids is to freeze, stop right where we are." If we'd have done that, there would have been no driving force to get the Soviet Union moving towards democracy and to get rid of their nuclear weapons. I stood out there in the East Room of the White House and made a deal with Yeltsin to get rid of every single SS - 18. Those are the big, destabilizing, multiwarheaded nuclear missiles. That is a major accomplishment for all the kids.

But you're right. I gave a big speech here today on Cuba. The guy's trying to keep his snorkel out of the water. Castro, he's not reaching out trying to corrupt the Dominican Republic and these other people.

And China, we've got big differences with them. What's happening in China, though, is their economic side of the house is moving toward market forces. And that's going to lead them to political change. That's why I don't want to cut off relations with China.

I'm glad you asked it because if I left the impression that I think there's no more communism anywhere, I should clear that up. There is, but it's not what I call imperial communism that's trying to take over its neighbors. Thanks for giving me the opportunity. I didn't realize I'd been that unclear on it.

Space Programs

Q. I'm an aerospace worker. In obtaining funding for space station, it's been tough going through the Democrat-controlled Congress. My question is, specifically, how committed will your new administration be towards funding our space station and our future space programs at Kennedy Space Center?

The President. Rick, I'm committed, and my word is on the line on that. It's in every budget we've sent forward. We're going to continue to fight for it. One of the places I might be able to do better on is to convince people that the research that goes into the space station and the space station itself will benefit not just those interested in space but all mankind. Now, you guys know this. The fallout in medicine and other fields from our space effort already has been appreciable. Agriculture has benefited.

So I am committed. I will keep fighting for it. We have a big fight with Congress because when money is tight, as it is, you've got to set priorities. But research and development is going to lead this country to a brandnew level of prosperity for young people. And you guys are on the cutting edge. So we're going to fight again in the next Congress for it.

Ms. Bishop. Mr. President, Diane Tass is with us, and she has a question not only important to the country but terribly important to this community.

Airline Industry

Q. I wanted to know, Mr. President, how do you plan to support some of these airlines that are being edged out by the big three or four, and especially for just the average traveler who, once we get down to three or four airlines, we're not going to be able to travel on vacations? Also I want to know how you feel about the USAir-British Airways alliance.

The President. Good questions. First I've got to start off with, we may have a philosophical difference. I don't believe it's the Government's role to say how many airlines there are going to be, which ones are going to survive, which ones not. The market has to do that for the most part, unless you want to go to state-owned airlines. And I don't want to do that.

So we're just going to have to be as competitive as possible. The problem with my argument is, a little bit, is that there are some Government controls on airlines because the routes are set. But I still don't want to see Government saying who's going to get in, who can't get in, who's got to get out.

On the USAir deal, it's a tough one right now. It boils down to this, that British Air wants to take over USAir. USAir workers are picketing me out here in the field when I land, wherever I land,

wherever there's any USAir. Standing next to them in the field are the American Airline pickets, all decent, wonderful Americans, all concerned about their jobs. American Airlines are saying, ``Don't let British come in and take over USAir unless we get access to the European markets."

Now, here's what will seem like a hedge to you. This matter is now under adjudication with the Secretary of Transportation. And to prejudge what his decision is, I would be -- I wouldn't be run out of office, but I'd have a lot of explaining to do in the legal community. And I'm not going to do it. But it is being heard. The interests are very difficult because you've got people whose jobs are going to be threatened one way or the other. It will come to me. I'm not ducking it; it will come to me. But I have to wait until we hear from the Department before I tell you what I think is going to happen on the British Air-USAir proposed merger.

On balance, on general statement, please discount airlines, I think we need more access to foreign markets in everything, whether it's agriculture or whether it's textiles or whatever it is. Exports have saved us in an extraordinarily difficult global recession, and exports are going to lift us up and lead us out of it. But they aren't if we don't hammer away and get more access to foreign markets.

Thank you.

Retraining Military Personnel

Q. Good evening, Mr. President.

The President. Hi.

Q. Good evening, Mr. President. I'm Sergeant Oliver, stationed at MacDill Air Force Base. What type of program or help will you offer those military members who are now being forced out of the military?

The President. Just signed a bill today, the Defense Authorization Act, which also included this Cuban Democracy Act, I might add, signed it in Miami. And that has a significant numbers of millions, up in the hundreds of millions, for retraining and relocation.

The sergeant puts his finger on something. Because we were successful, Desert Storm, around the world, we are cutting back on defense. I've cut back on it significantly. My opponent Governor Clinton and Ross Perot want to cut it $50 billion more. I'm not going to do that. I'm going to wait until I get a recommendation by Colin Powell and Dick Cheney, in whom I have total trust and whom the Nation trusts, because I think, even though there are problems in this world, I mean, a lot of the problems have been solved, there still are wolves out there. And we'd better be strong.

But back to your question. The new defense authorization bill authorizes significant funds for exactly what you're talking about. But let's not let them cut into the muscle of our defense.

Taxes

Q. It is my understanding that capital gains tax reduction is actually supported by Bill Clinton. Is he not letting the public know this because a reduction of capital gains would actually help the middle class as much, if not more, than it would help the so-called wealthy? And isn't it true that the only time we should be happy about taxes is when ours are going down and not when anybody else's are going up?

The President. Well, you're my kind of guy. That's what I think. [Laughter] But for years the Democrats have been beating up on me saying capital gains is a tax break for the rich. Let me tell you something. For months I've been asking the Congress to pass an investment tax allowance, a tax credit for the first-time homebuyer, and a cut in capital gains, not to help some rich guy but to create new small businesses. Small businesses employ two-thirds of the people. Jobs in the private sector would have been enhanced. I'm going to keep on fighting for breaks for small business, and one of them is capital gains.

I cannot get that point across. And if Governor Clinton is for it, he's whispering in one place and then -- the first bad thing I've said about the guy tonight. But look, you can't be on all sides of every issue. And if he's for it, stand up and get his Members of Congress, who allegedly are -- who are opposed to it, to say, ``I will support this man. I will get it through." I have big differences with him, and this may be one of them. But if he's for it, he's whispering it to the business guys but not saying anything to the rest of the people about it.

Young Voters

Q. Mr. Bush, Bill Clinton and Al Gore have reached out to young voters with their recent appearances on MTV. Why have you and Vice President Quayle rejected such opportunities to reach out to 18- to 24-year-old voters?

The President. Hey, we're trying to reach out to them with programs. I'm not too much of a mod MTV man. But I don't think what program you appear on -- I can't play the saxophone, but I know a good deal about issues. And so you can't be everywhere. I think our programs have strong appeal for young people, whether it's education reform or whether it's on the health care so their families have a much better break on that, whether it's on college scholarships where our record is superb in terms of these Pell grants.

But look, there's something funny going on in American politics. I've been doing this kind of program since 1978 in forums that were called ``Ask George Bush." And I like it. I feel comfortable.

Some of the programs to get out there and kind of outdo Oprah or Phil Donahue, that's not my style. Maybe MTV would be a good one, and I'll think about it. But you can't do them all, and you shouldn't be judged by whether you go on one single network or one single program. That's my answer.

National Debt

Q. Good evening, President Bush. How do you envision American life and standard of living in 5 to 10 years if the national debt isn't controlled?

The President. Not good. But I think we can control it. You've got to start by controlling the growth of mandatory spending and not do it by raising people's taxes. And I think that will stimulate economic growth.

We're limping along. We've had five straight quarters of economic growth. The definition of recession is two straight quarters of negative growth. We haven't had negative growth for five quarters. That's over a year and a -- maybe six now, because the end of September, I think we'll find we grew. So we've had very anemic growth, caught up in an economic global recession in some countries, slowdown in others. We're going to come out of that. The way we're going to come out of it, I believe, is by controlling the growth of our spending, by stimulating through the kinds of tax proposals I told him about, and getting this country growing. After the last recession, we grew at 5.4 percent. Now we're growing at 1.7 or 1.8 percent, maybe up into 2 now. And it's too anemic.

So you've got to have economic programs that are going to stimulate growth. And when that happens, then the standard of living, the standard of living goes up. Personal income is up in this country. Agricultural income has reached a high under our administration. Please don't wait to hear about that on the top of the CBS evening news or NBC or ABC -- I've got to be careful here -- because you don't get much good economic news out there. The unemployment claims went down yesterday, the biggest since, I think, 2 years, and I didn't even hear about it on the news.

I'm not saying everything's perfect. A lot of people are hurting. But don't despair about the future standard of living if we get in there and bring a lot of new Members of Congress and say, now let's do what the people want done. I don't think they want their taxes raised. I do think they want to stimulate the economy.

Family Leave Bill

Q. Mr. President, time and time again you have used your veto power to go against the wishes of the American public. You did this by vetoing the family leave bill, something that I feel our country really needed. At a time when your campaign has pushed for family values, how could

you veto the bill? And please don't tell me that it was so it wouldn't hurt small businesses. From what I understand -- --

The President. That's a good answer to it.

Q. -- -- those with less than 50 employees would have been exempt. Is that true?

The President. They would have been exempt, but we have a better idea. In the first place, I keep telling everybody here, and I'll tell them up there, the thing that's going to lead us out of this into recovery is small business. They do not need any more mandates from Washington.

My approach was a tax credit approach. And that includes -- what are those eyes going up? You don't agree with it. [Laughter] I saw you rolling your eyes. But my approach says why not the lower than 50? Why not the mom-and-pop store? Why not others? And my program would have covered them all. You want to go with having the Government dictate all this, and to say that that veto makes me less on family? I'm sorry. I reject it. It's a philosophical difference. And let's get a little more support out of these who think the Government can do it all for some ways to strengthen the American family, as those mayors urged us to do.

I'm for family leave. I am not for needlessly burdening small businesses. So I am telling you what you don't want to hear. Sorry about that.

Enterprise Zones

Q. I'd like to ask you, considering the financial constraints facing cities yet the increasing need, would you support a plan to offer low or interest-free loans to local or State governments for infrastructure improvements?

The President. I'd rather do it through enterprise zones. I'd rather do it through tax breaks to bring jobs into the inner cities. That's my priority. And it's a program -- when L.A. blew up, L.A., South Central, the Mayor, the Governor, and Peter Ueberroth all came back. I arranged for a meeting in the Cabinet Room with the Speaker and Gephardt, the leader of the Democrats in the House, and the Senate leaders. All three of those people from California said the way to help the cities is through enterprise zones, urban enterprise zones. So that's my preferred approach, rather than the one you suggest. I really think it will work. I believe it will work.

Aid to Russia and the Federal Budget

Q. My question is as follows: Do you believe that the United States must invest a significant amount of money in the Russian economy in order to help Mr. Yeltsin's newfound democracy, prevent a resurgence of the hardliners, and perhaps initiating a new cold war? And part two of the question is, how do you think this would influence in balancing the budget?

The President. The answer to your question is yes, I believe it. We have already passed on a bipartisan basis a thing called the FREEDOM Support Act. It's like an insurance policy. It says we spent trillions of dollars in the cold war, and now Boris Yeltsin, the guy that stood on the tank and brought democracy forward in Russia, needs support. The Russian people need it. And we've already done it. I don't think we need more of that regard.

But you raise a good point. Anything we do of that nature makes balancing the budget more difficult, any spending. All these programs we're being asked about tonight makes getting the deficit down hard. So what you have to do is put together a budget, as I do every year. Four straight years I've had budgets that get in balance, putting to the Congress over 5 years. You can't do it in one. Included in the last one is funding for the FREEDOM Support Act.

But the man's on to something. I mean, I happen to think that this is an insurance policy with Russia. I don't want to see them go back to totalitarianism. Let's hope that this approach keeps them from doing that. But it costs money. And we've got to recognize it every time. Whether it's a program here or a program there, the taxpayer is bearing the burden.

Haiti

Q. Mr. President, your own immigration officials interviewed Haitian refugees and found 40 percent were not economic migrants but had credible fears of political persecution in Haiti. We correctly give asylum to Cuban refugees. Why since May have you ordered the Coast Guard to repatriate all of the Haitian boat people to a dictatorship we don't even recognize and which the State Department says executes and tortures its own people and which actually fingerprints the arrivals in Port-au-Prince and photographs them? And lastly, if you're really serious about restoring Haiti's ousted democratically elected government, why do you let oil and other essential supplies reach Haiti's dictators from Europe?

The President. Let me answer the last part first. We're not trying to starve the people of Haiti, and we're not trying to freeze them or cook them or do anything of that nature.

On the first part of your question, this information that 40 percent are considered political refugees, I'd like to see the documentation of that because our program says the law will apply. Political refugees have access to asylum.

What I don't want to do is to see these merchants of death, these guys that rent these leaky boats or build them, then sell passage to poor people, who offer them the hope of coming to America, and then have a rescue operation -- some of them not rescued -- at sea. We had a program to screen these people in Haiti. I must have different information than you, but I've got pretty good information as President of the United States that these people are not being persecuted when they go to file their claims for asylum. So we've got a factual difference there.

Q. In the Embassy, a case has come to our attention -- it's not the first one -- of a man who applied in June at the Embassy; 3 months later they invited him for an interview, but he'd been dead 9 days. Earlier a man's toenails had been ripped out. There are 11,000 people that your own asylum officers in Guantanamo, for 6 months before June, said had credible fears of persecution in Haiti, and they'd been allowed to come here and ask for asylum. But now you send everybody back.

The President. That's exactly my point. If they find cases like that, they're allowed to apply.

Q. But now you're sending them back with no asylum interviews whatsoever, right to the docks to get fingerprinted by the Haitian military.

The President. But I am told that when they go back there, there is not this persecution. You've raised it; let me take a look at it.

Aristide going back, we support that. I've got to be a little careful as President on what I say about him and how it works and what he's doing here. Our policy has been to support the OAS, the Organization of American States, to get this man back, not because of a great love for any individual but because of a commitment to democracy. I don't like to see democracy aborted by a coup. It isn't working too well because you don't have the public support that he once had. But we're going to stay with that for a while. But shutting down the oil is not that easy either. You ask the naval people about that.

Mr. Wills. Mr. President, I hate to stop this discussion -- --

The President. Kind of interesting debate, though.

Mr. Wills. -- -- but I've got to move on to Tampa-St. Petersburg for our next question, sir.

The Character Issue

Q. Good evening, Mr. President. I wanted to find out from you what is the goals of your administration for the next 5 years? And also, I am a person who served in the military, and my father served before me, and I want to find out your thoughts on the integrity of the person who will serve in the White House?

The President. The goals are restore economic prosperity to this country. That is the single overriding goal. As Commander in Chief of the Armed Forces, as custodian of the national security, I've got to guarantee against threats to the United States or threats to the free world, really, and I take that responsibility very, very seriously.

In terms of the next person to serve there, I have had differences with Governor Clinton. And some say to me, ``You're old-fashioned. I find it difficult to understand how the Commander in Chief reacts," taking the position that he did, that it's okay to organize demonstrations against your country when your country is at war in a foreign land. People say, ``What's the difference in a foreign land?" I don't know. I make a distinction. If you want to protest, come to the White House and do it. That's the American way. Everybody else does. Why don't you come along and do that? But I have big differences.

But my differences with Governor Clinton in terms of the custodianship of the -- or the being Commander in Chief is the problem that he has with kind of coming down on one position. On the war he said, ``I agree with the minority, but I guess I would have voted for the majority." You can't do that in the Oval Office. You have to make a decision. And sometimes it's painful, and you'll make a mistake and you say, ``Look, I fouled that up. I made a mistake."

But on the war, we did the right thing, and I thought his position was waffling around out there. So I can't pass judgment on how anybody else would behave. But I've tried to uphold the honor. Honor, duty and country: I believe in that. I believe in service to country. And I think I'm a better Commander in Chief because I fought for my country. I don't think it's a mandatory requirement, but I just think it's made me more sensitive when you have to commit somebody else's son or someone's daughter to combat, having been there.

Mr. Wills. Mr. President, we've run out of time. Thank you so much for being here with us tonight.

That was our last question. We know there are so many others. We'd like to get them all in, but we have used up all of our time. We hope that the Florida News Network, through their town meetings, has helped you make an informed choice on November 3d.

Ms. Bishop. I'm sure last month you saw Governor Clinton on our town meeting, and the Florida News Network has issued an invitation to Ross Perot. We are waiting for his response. We thank all of you for joining us on television. Thank you here in our studio and our other studios around the State.

And of course, thank you, Mr. President, for being with us.

The President. Thank you all very, very much.

Note: The question-and-answer session began at 8 p.m. at the WPLG - TV studios. News anchors Ann Bishop, WPLG - TV, and Tom Wills, WJXT - TV, Jacksonville, FL, served as moderators for the session. In his remarks, the President referred to Gen. John W. Vessey, USA, ret., Special Emissary to Hanoi for POW - MIA Affairs.

Statement on Signing the Depository Institutions Disaster Relief Act of 1992

October 23, 1992

Today I am signing into law H.R. 6050, the ``Depository Institutions Disaster Relief Act of 1992." The Act provides the banking regulatory agencies with limited discretion to waive or modify certain regulatory requirements. These requirements needlessly restrict the flow of banking and credit services to areas devastated by Hurricanes Andrew and Iniki and the Los Angeles riots. This legislation will provide welcome relief to federally insured depository institutions and their customers in these shattered neighborhoods and help expedite recovery efforts.

Following a meeting with bankers in south Florida in early September, my Administration first proposed legislation to assure the full participation of banks, thrifts, and credit unions in the process of recovery from disasters or major emergencies. This Act stems from the Administration's original proposal and will be very helpful to the residents of south Florida, south-central Louisiana, Kauai, and Los Angeles.

This is the first banking legislation in a decade that does nothing but reduce regulatory burdens. I urge the next Congress to build upon this measure by the passage of my Credit Availability and Regulatory Relief Act (CARRA), which would reduce the excessive regulatory burden on the banking industry generally and permit banks to provide the credit needed for sustained economic growth.

George Bush

The White House,

October 23, 1992.

Note: H.R. 6050, approved October 23, was assigned Public Law No. 102 - 485.

Letter to Congressional Leaders Transmitting a Report on Trade With Canada

October 23, 1992

Dear Mr. Chairman:

Pursuant to section 103 of the United States-Canada Free-Trade Agreement Implementation Act of 1988 (Public Law 100 - 449), I am pleased to submit the attached report and related documents pertaining to an action to amend Annex 301.2, which pertains to rules of origin.

Sincerely,

George Bush

Note: Identical letters were sent to Dan Rostenkowski, chairman, House Committee on Ways and Means, and Lloyd Bentsen, chairman, Senate Committee on Finance.

Remarks to the Community in Montgomery, Alabama

October 24, 1992

The President. Thank you very much. Wow! Thank you very much. And I am so very pleased to be back in this great State on this beautiful Saturday day. Let me just say I want to pay my respects to your Governor. I want to thank Mayor Emory Folmar, my long-time, longstanding friend. I'll give you a little advice. If you want to win a State and if you want to win it with conviction and honor, get Emory Folmar at your side. I am proud he is at mine. And also, I want to salute my bass fishing friend, Ray Scott, who has made this great Alabama pastime a national pastime. I have threatened to him that when this election is over, with a much more relaxed attitude, I'm coming back to Pintlala, Alabama, and catch some bass.

And of course, I would be remiss if I didn't single out Bill Dickinson, who has served this area with such distinction in the Congress. If we had more like him, they wouldn't be holding up these signs everywhere I go saying, ``Clean House!'' We must clean House. We'll get this guy up there, get Terry Smith up there, and we'll clean the House out, I'll tell you. Now, also while we're at it, let's clean Senate and elect Rick Sellers to the United States Senate. And I want to say, here's the guy. Now vote for this man. Come on, Rick. Another man, Don Sledge, running in another area for Congress, good luck to you. Terry Everett is running for the Dickinson seat, and we've got to get him elected there. So thank you all. And I'm told that we had a -- --

Audience member. [Inaudible] -- man, Kervin Jones.

The President. Hey, what district? For the 7th District. Hey, listen, we get these guys elected and we won't see those signs saying, ``Clean House!'' We will have done our part. Besides, he's big enough to whip 'em all up there, so -- [laughter] -- that's good. We need that man there, I'll tell you.

Now, may I thank the Jefferson Davis and Lee High School participants around here. Great job. And finally, Bart Starr. You know, I look over my shoulder and see a great son of Alabama, the legendary quarterback Bart Starr. You know, many years ago in the frozen tundra of Wisconsin, Bart Starr led those Packers to a stunning playoff victory against the Dallas Cowboys. And let me tell you something, he is here today because that accentuates the fact that we are going to achieve another stunning upset victory and represent these people in the United States for 4 more years. Thank you, Bart.

Now, I hate to ruin this beautiful Saturday, but I do think we must get in perspective, before the American people go to the polls, the Arkansas record. The people in Arkansas -- everyone in Alabama knows it because we have friends, we in Texas, you in Alabama have friends in Arkansas -- they are good and decent and honorable people. But let me tell you what the record has been with Bill Clinton. They are the 50th in the quality of environmental initiatives;

50th in percentage of adults with college degrees. They are 50th in per capita spending on criminal justice. They are 49th in per capita spending on police protection; 48th in percentage of adults with a high school diploma; 48th in spending on corrections; 46th on teachers' salaries; 45th in the overall well-being of children. And the other night, Governor Clinton said in that debate in Michigan, he said, ``I want to do for America what I've done for Arkansas." No way. We cannot let him do that. It's like sending the guy who finishes last in managing the Little League in Montgomery, telling him to manage the Braves. We don't need that kind of change.

This guy talks about change. That's all your going to have left in your pocket if we listen to his program. And here it is -- all right, you taxpayers, get ready -- this is before he's even gotten started: $150 billion in new taxes, bigger than McGovern and Dukakis put together; $220 billion in new spending. And I call that trickle-down Government. Give it to the Government, and you never see it again. He says he'll get it from the rich. But the rest of you guys out there that have to work for a living, you nurses or you teachers or you cab drivers or you truck drivers, watch your wallet. There aren't enough rich people to pay for this guy's promises and all Al Gore's extreme environmental positions. There are not enough so he's coming after you. Watch your wallet, America. This guy is coming after you. But I'm not going to let him do it.

Audience members. Four more years! Four more years! Four more years!

The President. All right, it's fine to stand up and point out all the things that are wrong. And yes, we've got problems, and yes, people are hurting, and yes, some people at work want to know where they're going to get the jobs, how they're going to keep them. But let me tell you something. The last time we tried his kind of change, when you had a liberal Democrat in the White House and that same old crowd controlling the Congress, who remembers? He changed inflation, all right; he changed it up to 15 percent. He destroyed the family budgets. And the interest rates -- some of you homeowners remember what they were -- they were 21 percent. We do not need that kind of change for America.

My view is to cut that spending, get the Government spending down and the taxes down, and then stimulate investment in small business, not in Government but in small business. They create two-thirds of the jobs, two-thirds. Give them a tax break, and get America back to work.

The doom-and-gloom crowd is a little too much. You know, my favorite bumper sticker -- I don't know whether we've got any of them around here -- there's a marvelous -- yes, it's here, right over there. That's over there: ``Annoy the Media." They wouldn't know good news if it hit them in the face. Have you gotten this from your television yet? Have you heard this on the television at night, that unemployment claims have gone down to the lowest in 2 years? Have you heard that inflation is down, that interest rates are down, that total employment is 93 percent, inflation 2.5 to 3 percent, home mortgages are 8 percent? Now, ask yourself this: Can Bill Clinton do better than this, or will he make things worse? I think he'll make things worse.

Here's what we're going to do. We're going to increase our exports. We're going to create more jobs right here in Montgomery, Alabama, and all across this country that are concerned with exports. Exports have saved us in what is essentially a global recession or a global slowdown. Our economy -- don't listen to Governor Clinton, you'll never hear this; nobody will report it on the news -- is doing better than Japan, doing better than Germany, doing better than Europe, doing better than Canada. It's not good enough; it's not good enough. We're going to create export jobs by barging into those foreign markets. And that means prosperity for people in Alabama. Not protection, exports.

And I'll tell you another one where I've got a big difference with the Governor from Arkansas. That is on legal reform. I think it's a shame when people don't dare coach Little League because some crazy trial lawyer is going to come along and try to sue them; or when somebody sees an automobile accident and they don't dare stop along the highway because if they move a person, trying to help them, and then it doesn't work out, somebody's going to sue him for caring; and when a doctor is afraid to practice and deliver babies because of a crazy suit. We've got to sue each other less and care for each other more.

I heard Mayor Folmar talking about health care. And yes, he is right, we need health care for all. Our program provides health care insurance to the poorest of the poor. Then it gives tax breaks to the income bracket above that that are trying to make ends meet. It gets pooling of insurance, works with managed care, does something about malpractice insurance. But it does something else: It provides the best quality of health care. We have the best. And I don't want to drive these doctors out of medicine by putting the Government further into medicine.

There's another area where I have a big difference with Governor Clinton, and that is on crime. Arkansas prisoners spend 20 percent of their sentences in jail; the Federal, the one I'm responsible for, 85 percent. I believe we need tougher laws that back up these dedicated people on the highways, these police officers in the neighborhoods, the sheriff's people. We need to back law enforcement. And in doing that, we will be strengthening the neighborhoods for every single family in this country.

One of the great meetings we had was in the Oval Office, I think it was last week. I think it was eight people came to see me. They were up there and said, we are supporting you. And they were from Arkansas. They were from the Fraternal Order of Police in Little Rock, who endorsed me for President of the United States. Good, decent, hard-working people.

We talk about reforming the Congress. Let's challenge Governor Clinton to say where he stands on these items: I want a balanced budget amendment to make the Congress get this deficit down. I want a check-off, to have a check-off on the income tax form. You can check up to 10 percent. And then you put it up there and add them all together across the country, and that is the force of law to make Congress reduce spending by that amount. And I believe it will work.

And another one is -- time has come for it, 43 Governors have it. I get legislation by this crazy Congress coming down there every day; two good things in it, eight bad. Give the President what the Governors have. Get the deficit down by giving me that line-item veto, cross it out.

I'll tell you, I'll tell you there's another thing. I'll tell you what's going to really decide this election at the last minute. It's going to be a question of character and trust. And I believe, I hope I have earned the trust of the American people. What you do -- you represent the American people's interest in that Oval Office, and you have to make tough decisions. And sometimes you make a mistake. You're human like everybody else, and you say, I make it. You look people in the eye and say, we're going to go forward together. But you cannot be on every side of every issue. It is a question of character, if you try to whisper one thing here and do something else there.

Governor Clinton tries to have it both ways. And yes, it's a fair issue. Flip-flopping on right to work: He's from a right-to-work State, says he's for it there; whispers up to the big labor unions, ``I'm against it." Term limits: one place he's for it, one place he's against it. Free trade: one time he's for it, then he's against it. In the debate you heard him say, ``Well, I'm for it, but I'll have to" -- you can't say ``but"; you've got to make a decision.

The biggest difference I had with him was on the war. I had to make a tough decision. And Alabama responded with pride, great strength. The sons and daughters did something noble: They busted up the fourth largest army and kicked this aggressor out of Kuwait. And now we're having a lot of revision coming out. It was a noble moment, and where was Governor Clinton? He said this: Well, I was with the majority -- I'm paraphrasing -- I was with the majority -- and this I'm not paraphrasing -- but I guess I would have -- with the minority, but I guess I would have voted with the majority. You cannot waffle. You cannot make the White House into the waffle house.

And so I do believe that character and trust matters. I've got a big difference with him, and I know people here might or might not agree with me. I was a product of World War II, and I fought for my country, and I think that's made me a good Commander in Chief. I don't think everybody had to do that to be Commander in Chief. I don't believe that's the way to do it. I still think it is wrong, when your brothers are held prisoners in a Hanoi prison camp or kids are drafted out of the ghetto of Birmingham and Montgomery or New York City to serve their Nation, to be over in another country organizing demonstrations against your Nation. I just think it's wrong. I think it's wrong. But what I think is -- do we have the word ``wronger"? But what I think is worse, what I think is worse is if you don't level, if you don't tell the truth. One day, he says he got a draft notice; the next day, he didn't. One day, he said, well, he wanted to go into the ROTC; the next day, he didn't. You've got to level. If you make a mistake, look the American people in the eye and say, I was wrong about that. And the American people forgive, but they are entitled to have something other than waffling and a pattern of deception as President of the United States.

Audience members. Four more years! Four more years! Four more years!

The President: Thank you for this great rally. I have -- excuse me for drinking all this water up here, but I had 2 miles running out by your magnificent Shakespeare Festival building out there. It was superb.

But let me tell you this. I'm very sorry she's not here, but very candidly, I think we've got a great First Lady in Barbara Bush. We have tried very hard to exemplify what's right and decent about America, exemplify the trust and faith we have in the American family. Liberals don't like it, but it's right. We've got to strengthen the family: read to the kids; teach them right from wrong; support the law enforcement people and the teachers; teach discipline; give choice in child care or choice in education. We believe in these things. And when Barbara reads to those kids, she's saying every parent should read to their kids, take the time to lift them up and to make them better. And that's what we're talking about, and we've tried to do it.

Life has been good to the Bush family. There's no question about that. We're very, very lucky with our grandkids and a wonderful four sons and a great daughter. And so I have no complaints on the personal side at all. People say, well, why do you want to do this? It's ugly out there. You're getting clobbered by the national media over and over again. Can't be any fun. The answer is, something transcends your own personal well-being. And what transcends it for me is we have literally changed the world. These kids here go to bed at night without the same fear of nuclear war that their parents had. And that is a major change. And now what I want to do through the programs I've touched on today is make life better and more challenging by creating more opportunity in employment or education for every young person here today.

That is why I want to be your President. I ask for your support and your trust. And may God bless the United States of America. Thank you very much. Thank you all. A great rally and a beautiful day.

Note: The President spoke at 10:40 a.m. at the Atlanta Crossing Shopping Center.

Remarks on Signing the Energy Policy Act of 1992 in Maurice, Louisiana

October 24, 1992

The President. Please be seated. And I want to thank Jack, Jack Wilson, for making all this possible. He ain't making any money while we're standing here, with that rig waiting for a little more action. But it's very, very nice of him to do this. And I'm grateful to him, to the superintendent, the tool pushers, all the guys here and those from Arco, a company for whom Jack is drilling this rig. And Chip Rimer and Leon Smith, particularly, I want to thank. Also I want to single out Secretary Jim Watkins, our Secretary of Energy, my mate in the Cabinet. He is doing a superb job. And we invited several Members of the United States Congress who have been interested in this, and I don't know that they're here. But I want to thank the Louisiana delegation who worked hard, and all of you have fought hard to strengthen America's energy future. And it's an honor to have you here today and to be with you.

Two years ago our administration proposed a national energy strategy. It was a blueprint to promote economic growth and make the country more secure. And our strategy was based on the simple premise that the greatest single energy resource America possesses is the wisdom and enterprise of its citizens. The last 2 years have seen much hard work, many hundreds of hours of hard study and negotiation. And we know, and I know especially because I used to be in this business, how rough it's been on those who have been working the oilfields and the drilling business and, yes, in the production business as well. But now our efforts have borne fruit, and this afternoon, right here, and it's fitting it happens in the shadow of a drilling rig, we're going to sign the Energy Policy Act of 1992.

We're in a political year, but I think it's only fitting to say that this bill is a tribute to many, the work of many people. And it's not a Republican accomplishment or a Democratic accomplishment; it's an accomplishment for all America. And the Senate, to be very fair about it -- I wish the guy would see the light on the rest of the things, but Bennett Johnston deserves great credit because he's been working closely with Jim Watkins on this. So give credit where credit is due. And I'll talk to him about something else later on, you know what I mean? [Laughter] But I salute him. And I salute Senator Malcolm Wallop, the Senator from Wyoming, who also was very active in all of this. And in the House, the Democratic chairman over there, John Dingell, deserves credit and Phil Sharp and then Republican Carlos Moorhead. So I mean it when I say it's a team effort. Jim can bring that out and talk to you about that. He'll certainly confirm it because he's working with all of them, as well as with his colleagues in the Cabinet.

Another -- but this one that I mentioned earlier deserves very special praise -- and a man of vision and integrity, and that's Jim Watkins. I'll tell you, he has stayed in this thing from day one, fought against a lot of political odds, changed and worked and given and taken, but we've

ended up with good, sound national energy. So once again, I want to thank Jim Watkins for what he's done. For 3 years he's been fighting this battle, working to strengthen America's energy industry through more than 90 administrative actions so that we may compete in this new world economy. And he's already made great progress, but the bill, in our view, will accelerate progress. And it's a crowning achievement.

The Energy Policy Act will increase domestic energy production, and in the process we all -- you know this better than most Americans -- that means there will be less reliance on foreign oil, foreign energy. And it will promote conservation and efficiency. And it will create American jobs. The IPA -- what was that figure?

Secretary Watkins. Forty-five thousand jobs just next year.

The President. All right, Jim is telling me there's a new estimate by IPAA, which is the Independent Petroleum Association, that will create 45,000 American jobs next year, 7,000 wells. And we're doing this not by resorting to the failed methods of Government control but by unleashing the genius of the private sector; guys like Jack, tool pushers and roughnecks like these guys standing right here.

And the act, now, it's got other facets to it that get across the broad energy spectrum. The act increases competition in the way that electricity is generated and sold. And that will cut prices, reducing the strain on family budgets across the country. By the year 2010, and most of you look young enough to think you'll be around by then, our reforms will save the average household $150 a year in annual electricity bills. The act also improves licensing procedures for new nuclear power plants, safe use of nuclear power, guaranteeing that this safe and clean resource will help meet our needs for the next century. It also encourages the development and use of clean-burning alternative fuels so that the robust production of energy will go hand in hand with a clean environment.

The act provides much needed tax relief for you, our Nation's independents, independent oil and gas producers. By far the most important change that we make as it affects the independents is to reform the alternative minimum tax to better reflect the risk, the risk that it takes to explore for oil. And that will create good jobs, as Jim has pointed out to me just now once again, good jobs all across the oil States. The reform will allow producers to keep more of your hard-earned money to reinvest in the production of some domestic fossil fuels. And the facts are simple: We must work to produce more of our energy here at home and import less from abroad. And our national security demands it. Future generations deserve it. And now we can make sure that it will be done.

I spent much of my life, and Barbara at my side, in the oil business, starting out in west Texas in the supply business and then in the land drilling business, in the offshore drilling business, as well as the production business, doing some wild-catting and producing some oil. And I saw

firsthand how the Government can sometimes help. But I also saw firsthand, particularly when I was in the offshore business, how the Government can hinder things with too darn much regulation. And so what we're trying to do is cut through the regulation. And I believe that I do understand the men and women who are out there trying to meet America's energy needs. I believe that this act opens a new era in which Government acts not as a master but as a partner and the servant.

Once again, to the families in south Louisiana and other places who have been hurting, we understand that. And I do think that this act, with the repeal particularly of the alternative minimum tax, offers a much, much brighter future. And I'm proud to be back in this wonderful part of the world.

Thank you all very, very much. Now you're going to see how it works when you sign some of this legislation.

Note: The President spoke at 5:05 p.m. at Jack-Wade Drilling, Inc. In his remarks, he referred to Jack Wilson, president and owner, and Leon Smith, tool pusher, Jack-Wade Drilling, Inc.; Charles J. Rimer, drilling engineer, Arco Oil and Gas Co.; and Senator J. Bennett Johnston. H.R. 776, approved October 24, was assigned Public Law No. 102 - 486.

Statement on Signing the Energy Policy Act of 1992

October 24, 1992

Today I am signing into law H.R. 776, the ``Energy Policy Act of 1992.'' My action today will place America upon a clear path toward a more prosperous, energy efficient, environmentally sensitive, and economically secure future.

Soon after I took office I directed the Secretary of Energy, Admiral James Watkins, to prepare a comprehensive and balanced National Energy Strategy (NES) in recognition of the vital importance of energy to our economy and to our daily lives and the need for changes to Government policies and programs to take full advantage of the tremendous resources our Nation possesses.

Under Admiral Watkins' leadership, the NES was issued in February 1991 to provide a blueprint for our energy future while ensuring that our environmental and economic goals would also be met. Proposed legislation to implement some of its core features was sent to the Congress on March 4, 1991, and with the support of leading members of the congressional energy committees, sound energy legislation was finally enacted by overwhelming margins in both Houses.

There is much that is good for America in this new law. It contains a landmark provision furthering competition in the way electricity is generated and sold, thus lowering prices while ensuring adequate supplies. It also contains licensing reforms that will help to preserve the option of using more nuclear power -- which now supplies one-fifth of our electric power -- in the future. Our near total dependence upon petroleum to fuel cars and trucks will begin to decline because of provisions to encourage the development and use of clean burning alternative fuels. Research and development on a host of exciting new energy technologies -- including advanced clean coal, natural gas, renewables, and conservation -- will be greatly increased. America's independent oil and natural gas producers will be allowed to keep more of their hard-earned money for reinvesting in the production of domestic fossil fuels, so we will produce more here and import less from abroad. Finally, this bill will upgrade postsecondary math and science education for low-income college students so that they will have a better opportunity to contribute to their country and thereby enrich their lives as well as ours.

These are some of the highlights of this legislation. The chief highlight, however, is this: In all of these great and worthy endeavors, Government will serve as the partner of private enterprise, not as its master. This approach will allow our Nation to reap the benefits of the greatest single energy resource we possess -- the entrepreneurial spirit of free men and women.

This new energy policy now takes its rightful place alongside our initiatives in clean air, trade,

and other areas that together form a solid basis for my Agenda for American Renewal. This agenda will enable us to approximately double the size of our economy over the next decade and achieve the world's first $10 trillion economy.

I must note, however, that there are several provisions that the Congress has added to the NES that raise constitutional issues.

Various provisions of the Act must be interpreted consistent with the Appointments Clause of the Constitution, which requires that authority under Federal law be exercised only by officers of the United States, and not by private organizations and State officials.

For example, numerous provisions added by title I of the Act, including various provisions in sections 101, 121, and 123, purport to require the Secretaries of Housing and Urban Development, Agriculture, and Energy to amend Federal standards or testing procedures to ``conform to'' or ``be consistent with'' standards or procedures to be established in the future by private organizations. Consistent with the Appointments Clause, the Secretaries should, when exercising their responsibilities under these provisions, reserve for themselves the final decision whether or to what extent to adopt these standards or procedures. In particular, the title I provisions must be interpreted as authorizing, but not requiring, the Secretaries to change Federal standards or procedures in response to changes promulgated by the private organizations specified in title I.

Similarly, provisions of the Public Utility Holding Company Act of 1935 (as added by sections 711 and 715 of this Act) purport to condition exemptions for wholesale generators and foreign utility companies on the consent of every State commission having jurisdiction over the relevant utility company, and section 2407(c)(1) of the Act purports to condition the Federal Energy Regulatory Commission's granting of certain licensing exemptions on the licensee's compliance with terms and conditions set down by Alaska's fish and wildlife agency. In administering these provisions, the Federal Energy Regulatory Commission should reserve for itself the final decision regarding the exemptions, while requiring that notice be given to the relevant State authorities and taking their views into account. In particular, the Commission need not regard non-concurrence by any such State authority as sufficient to require denial of an exemption.

Certain portions of section 901, relating to the Uranium Enrichment Corporation, must also be interpreted to avoid constitutional problems. In particular, the provisions adding section 1312 (b) and (c) to the Atomic Energy Act of 1954 (AEA), and which subject the Corporation to Federal environmental laws and to the Occupational Safety and Health Act, must be construed not to authorize litigation in court between the Corporation and other Federal agencies as long as the Corporation is wholly owned by the government. Similarly, new section 1315 of the AEA, which authorizes a Transition Manager to exercise the powers of the Corporation until a quorum of the Board of Directors has been ``appointed and confirmed,'' must be interpreted so

as not to interfere with my authority under Article II, section 2 of the Constitution to make recess appointments to the Board. And new section 1306(c) of the AEA, which requires that certain materials be made available to the Comptroller General at his request, must be construed as limited by other applicable law, including Executive privilege. (The same applies to section 2605(1)(3), which authorizes the Indian Energy Resource Commission to obtain certain information from Federal agencies.)

Other provisions of this legislation must likewise be construed to avoid constitutional difficulties.

Sections 1211(a) and 1332(a) of the Act purport to direct the Secretary of Energy to enter into agreements with the Administrator of the Agency for International Development and other agency heads. If these officers are unable to reach such agreements, they must send their competing versions of proposed agreements to the President, who shall within 90 days determine which version shall be in effect. I will interpret these provisions consistent with my inherent constitutional authority as head of the executive branch to supervise my subordinates in the exercise of their duties, including my authority to settle disputes that occur between those officials through means other than those specified in the statute.

Sections 1332(g)(3) and 1608(g)(3) of this Act direct the Secretary of Energy to ``consult with government officials'' and other persons in certain foreign countries regarding technology transfer programs. Sections 3020(c) and (d) of the Act purport to direct the course of objectives of negotiations concerning the establishment of a Consultative Commission of Western Hemisphere Energy and Environment and to require that the Commission include representatives of legislative bodies, presumably including the Congress. Under the Constitution, it is the President, not the Congress, who articulates the foreign policy goals of the Nation, who decides whether and when to negotiate agreements with foreign nations or otherwise consult with them, and who represents the United States in international bodies. I will, therefore, construe these provisions merely to express the sense of the Congress with respect to the matters to which they refer.

Section 3021(a) of the Act directs agencies to expend 10 percent of the amounts obligated for certain contracts under the Act with organizations that may be defined on the basis of race, ethnicity, or gender. A grant of Federal money or benefits based solely on the recipient's race, ethnicity, or gender is presumptively unconstitutional under the equal protection standards of the Constitution. Consistent with these standards, I will construe these provisions so as not to allow the expenditure of monies solely on the basis of race, ethnicity, or gender.

Finally, several provisions of the Act purport to require officers of the executive branch to submit reports to the Congress containing recommendations for legislative action, and to submit certain other reports ``to the President and the Congress.'' I will construe these provisions in light of my constitutional duty and authority to recommend to the Congress such

legislative measures as I judge necessary and expedient, and to supervise and guide my subordinates, including the review of their proposed communications to the Congress.

George Bush

The White House,

October 24, 1992.

Note: H.R. 776, approved October 24, was assigned Public Law No. 102 - 486.

Remarks and a Question-and-Answer Session in Lafayette, Louisiana

October 24, 1992

The President. Kind of the Phil Donahue of southern Louisiana. [Laughter] But let me just say to all the people in this great State, a State in which I used to work, and in an area, this one, an area in which I used to work, that we have just come from signing a very important piece of national legislation. I signed the national energy strategy bill. And those who work in the oilfields and do either drilling or production or the service work should know that the IPAA has just suggested that the legislation we signed will result in 45,000 more jobs in the oil patch next year and many more rigs running.

That brings us to a major difference that I have with the Clinton-Gore ticket on this question of energy. Senator Gore was quoted in California -- and I don't have, I didn't write down the exact quote, but it is going to be played verbatim with his voice tomorrow -- that he thought the ban on offshore drilling that exists in California should be extended to all the coastal waters of the United States.

Audience members. Boo-o-o!

The President. And I don't agree with that. And that's an exact quote. It will be played with his voice. Obviously, he is now doing what Governor Clinton is doing, and that's waffling; say, ``Well, I didn't mean it like that.'' But you can't do that. You cannot go to Santa Barbara, California, and say one thing and then come to southern Louisiana or the coast of Texas and say another. Not if you want to be President of the United States.

You caught me on an up day. I am absolutely -- I am going to get to some questions, but I've got to finish this one pitch. We've had a long, long, long trail here and one of the worst years I've ever seen in terms of politics. My favorite bumper sticker is ``Annoy the Media. Reelect Bush.'' And people know what I mean. People know fairplay when they see it.

But the great thing about this kind of event is you can take the questions, you can take your case directly to the people, in this instance, the people of Louisiana. So I'll be glad to take -- I don't know how we're going to proceed here, but I'll be glad to follow my leader.

Campaign Issues

Dud Lastrapes. I personally think some good things are going to be in store for you in this great country of ours November 3d. How do you feel about the election on Tuesday?

The President. Better than I do about this mike. [Laughter] No, I do feel that, I have said all along, I believe we're going to win. I believe we're going to win because we have the best program.

We are caught up in a global slowdown, a global recession. To listen to Clinton and Gore, they would say it's all my fault. Unlike them, when I make a mistake, I say so. But we are caught up in something global, and what we're trying to do is lead the way out of this by increasing our exports, by holding the line on Government spending and taxes, and by providing incentives to small business. That will get this economy going. And that is why I believe I will win.

Also there's another thing, and it's called character and trust. And in the debate Governor Clinton said, in Richmond, Virginia, he said it's not the character of the President but ``the character of the Presidency.'' Wrong. They are interacted. They're locked. And you better be -- if you're going to be there in the Oval Office and a situation comes up like Desert Storm, you can't have it both ways. He said, I favored the minority position -- that's a paraphrase, and this is the exact quote -- ``but I guess I would have voted with the majority.'' You cannot do that if you want to lead. You can't be all things to all people.

So, I believe character and trust are making a difference. And I think Barbara and I -- we've tried very hard to uphold the trust that any President gets who is privileged to serve in the Oval Office. And I think in the final analysis, when people go into the voting booth, that is what's going to make me reelected for 4 more years.

Go ahead, get them going. You've got the question? There's one right behind you. He's next. This guy's next. Go ahead.

Q. I just want to say that we're rooting for you. And I want to ask you how you like AHS so far.

The President. Like what?

Q. How you like Acadiana High so far?

The President. All right. I like it so far, a very compatible group and very friendly people. And I would repeat I used to have offices down here, our company, little companies down in Morgan City and Cameron and Ulma and indeed for Lafayette for a while. And so I feel comfortable and at home here.

All right. Yes, sir.

Government Gridlock

Q. Clinton and them can't touch you on foreign policy, so they're trying to play this game that somehow or the other they have something better for us in the economic area. And what I don't understand is that for years you've been sending plans on education, on the economy, and so forth to Congress, but it doesn't seem to get out to the people. And I would like to get some comments on that.

The President. Well, let me comment. And it's a very important point. We were able to get some key things done in the early days before the Democrats, and I'd say liberal Democrats, who control both Houses of Congress made a determination, and that determination was about a year and a half ago, that nothing good was going to happen on my watch. Early on, I held out my hand to them. In the first State of the Union, I said, let's put aside the bickering, and let's get something done.

We did. We got a child care act that gives parents the choice of where to put their kids and what kind of child care. We've got an ADA, an Americans with Disabilities bill, the best piece of civil rights legislation in a long time. And it says to somebody disabled, we're going to help you get into the mainstream, not be on some program but work your way into the mainstream with the kind of assistance we can give. And we had several other accomplishments. We got a good highway bill last year, $150 billion to start building the infrastructure. We got homeownership going.

But in the last few, couple of years, the last year or so, they've made a determination. The only way they can win is if they convince the American people how bad everything is and that I'm not doing anything about it. And so I have had to veto legislation that's come my way, to protect the taxpayer.

We've got a good energy program, fortunately, we did get through, and to give credit, it was bipartisan to get that passed. We've got a good energy program. But we're hung up on things that would help the city. I believe in enterprise zones to bring jobs into the cities, give tax credits. I believe in much more in the way of homeownership. I believe our ``Weed and Seed'' program to ferret out the criminals and then help people in the neighborhoods stay, fight against drugs is a very important program. And we're not getting the support from the Congress, and there's a gridlock.

But here's why it will change. Because the Congress, controlled by one phase of the Democratic Party for 38 years, 38 years they've controlled the House of Representatives. Those guys can't run a two-bit post office or a lousy little bank. And now, though, because of that, you're going to see at least 100 new Members. And I'm going to say, look, the country is tired of gridlock. Here's my agenda for America's renewal. Here are our priorities. Now let's work together, Democrat, Republican, whoever, form new coalitions. And in that first 120 days, let's get something done for the people, the people that are hurting in this country.

Taxes

Q. Mr. President, I'm a senior here at Acadiana. I was wondering, we've been hearing all this talk about the middle class. What parts of Governor Clinton's economic policy should the middle class America be worried about?

The President. I'd be worried about tax increases. He says, ``I want to raise taxes $150 billion, and I want to spend $200 billion." And he says, don't worry about it, though, this will come out of the rich. There aren't enough rich guys around. There aren't enough to, out of the top 2 percent, raise the revenues he wants.

I believe -- and I was told this, I don't watch these deadly talk shows any Sunday anymore. I can't stand them. All they do is make me angry. But I heard that one of them, that his spokesman kind of admitted that they were going to have to sock it to people that made over -- I don't know what it was -- $40,000 or $50,000. I'm telling you it's going to hit $25,000 if you do all the things he talked about on top of the $220 billion that he's got.

Health care is a good example. We've got a good program through tax credits and through vouchers to bring insurance to the poorest of the poor. It keeps the quality of medicine up. It goes against these crazy malpractice lawsuits that are costing medical care $25 billion to $50 billion. And it does not sock a tax on the middle class.

But the Clinton program was at one point -- I don't know whether it's changed recently -- but was at one point aimed directly at about a 7 percent tax on the middle class, the small-business people that would end up hitting the middle class. Small-business people are not big, rich guys with over $200,000.

So we've got big differences in those and many other areas.

Small Business

Q. Mr. President, I just want to say it's an honor to be in this room with you. Concerning small business, my family owns a small construction company. We do a lot of Federal highway work. And I want to know, when you're reelected, how you can help us to cut back on insurance, because insurance is eating all small businesses alive.

The President. Andy, I wish I had an easy answer for you on that one. I'm thinking here as to how that can be done. The only way it's going to be done is through more competition. Maybe that will come with more growth. But in terms of saying to you there's a Government program to do it, I must tell you, I don't think there is.

Q. Is there any way small businesses can be grouped together?

The President. Well, that's the program we're using in health care, and yes, that might be a very good approach for business. But I believe it ought to be done through the auspices of business without the Government in it. But it can be done, because when you pool like we're talking about for health care, a small grocery store in a -- somebody, a mom-and-pop shop across the street, that they all get together, and we facilitate, that prices will go down and the insurance coverage will be more extensive.

So the principle is good. I'm just not sure that I can say that the Government ought to do it. But it's a very valid principle.

1990 Budget Agreement

Q. Mr. President, in 1988, when you were running, you said, ``No new taxes." And then you sought to compromise with the Democrats. In hindsight I think we all see that we can't compromise with serpents. Are you willing to stand fast when you are reelected and say, ``Override my veto"?

The President. I've done that many times. And he's right. I made what I admitted was a mistake. At the time I thought it was the right thing to do, because we -- one good thing about that 1990 bill, we got a cap, a firm cap on the discretionary domestic spending.

For the kids here, two-thirds of the budget is mandatory spending; the President never gets a shot at it. It's called entitlements. One-third of it is the rest of the Government spending. It's very extensive, but it's not as much as the two-thirds.

There we did, out of that bill, we got a cap on it so that they cannot spend more than provided under the budget, which is something that's quite different. But to go with a tax increase, I think, was a mistake. And since then I have vetoed bill after bill, and I'm going to keep on vetoing, but with a new Congress I believe we can do much better.

Campaign Advertising

Q. Mr. President, first of all, I'd like to thank you from the bottom of my heart for my family and my two daughters for what you did with Reagan's great years and what you've done for the last 4 years, first of all.

The President. Thank you, Butch.

Q. I have a two-part question. I don't presume to know what your national campaign does or knows or how they try to run their business. But it seems like on the national and local news here in this area that the Clinton-Gore commercials are running three and four to one of your

commercials. So I don't know if you have people who are supposed to monitor that and take care of it -- and wait, the second part is, in the last debate, Slick Willie -- pardon the term -- when he summarized the debate, said that his differences with Perot were, number one, how long it would take to bring down the deficit; and number two, how much to tax the middle class. How could -- why has that not been made into an ad and run it, run it, run it, run it?

The President. We need this guy up there telling our -- [applause]. Butch, I don't know, Butch, the answer to the numbers of ads that are running. I'll tell you this, though: Louisiana is priority. I must and I believe I will carry this State. But I can't give you the formulation on it.

But on the major ads we are running we are spelling out as clearly as we can the differences that get to this gentleman's question about socking it to the middle class. And I did have a chance in the debates to spell that out. We're going to keep on hitting it because the fundamental philosophical difference is tax and spend versus constraint on spending and taxes. So we're going to keep hitting that theme.

And I don't know the numbers of ads that are being used, but we're not neglecting this key State. It's a battleground, and we've got to win it.

The Media

Q. I'm about to graduate from college in journalism. And you started out by saying ``Annoy the Media. Vote for Bush," and that sort of thing. What exactly is your problem in detail with the media, and what advice could you have for me as I start out in that field?

The President. My advice to you in the field is be objective if you want to be a journalist, if you want to be a journalist. If you want to be a columnist or an editorialist, then, of course, that's a different ball game. But I think be objective. I have never seen media having these programs at night analyzing each other, saying, are we being fair? They know very well they wouldn't be having these programs if there was some question about that.

Look, they got the last word. I'm going to pay for telling you this, because they've been all over me like ugly on a whatever it is out here. But nevertheless -- [laughter] -- but I've gotten tired of it. And everybody knows it's been unfair. But the great thing about winding up a campaign is, you get out and take your case to the people.

But seriously, there's a new wave of journalism where the journalists themselves slant the stories. And this isn't a charge, this is a fact. And you say how to do it? I would like to see more objectivity in the news columns and let them slug me in the cartoons and the editorials and the columns and these nuts that come on there on these talking heads.

I'll tell you one other thing. I'll tell you another thing while I'm at it: The minute these debates

are over you have a commentator saying who won it. Why can't -- let the American people decide who won?

Ross Perot

Q. Mr. President, after you are reelected would you consider using Ross Perot as one of your advisers?

The President. Well, it depends what he would be advising on. I mean, I've got some differences with him because, for example, I don't believe that we need a 50-cent-a-gallon gasoline tax. I just don't think that is -- [applause]. But on other things, he's a successful man. He's been a big success. He's been very -- be fair about it -- he's been very helpful on the prisoner of war thing at various times. And so, you know, the door would be open to a lot of people. I'll reach out as best I can across a wide spectrum, because God knows I don't have a lock on all the answers.

But there are some differences. I don't believe we need to tax Social Security benefits. I've been the President that said Social Security is sacrosanct; leave it alone; don't mess with it. And I have a difference.

So on your question generally, look, I could take all the advice and all, especially from very successful people. So the answer is affirmative.

The Economy

Q. Mr. President, with a little more than one week until election, will your campaign focus on the continuing signs of improvement in the economy?

The President. Well, we will do it, and we need some help, because for 3 straight months, unemployment has gone down. And all I hear is: Bad news for President Bush; job market shrinks. For five straight quarters -- I'm talking quarters, a year-and-a-half, maybe six, because those figures will be out, I believe this week -- we have had growth in this economy, albeit anemic growth. It's been very slow. But there hasn't been any negative growth.

Germany was down this past month, a negative growth. Japan, we're growing twice as fast as they are. Our economy, with interest rates down and inflation down, is far better than most of the European economies. But to listen to Clinton-Gore and their friends jump on me, they say it's all my fault. I'll take the blame. I make a mistake, I admit it.

Ninety-three percent of the people are working. Now, they're afraid. They're scared they might not have that job tomorrow. So I'd like -- all I ask is a fair presentation and then an objective look at who has the best answers to stimulate the economy, particularly small business, and lift

these people out of this fear that I understand they have. And I believe it can be done.

One last point: Governor Clinton can only win if he convinces everybody that things are really bad, worse than they are. He says that the American economy is something -- I don't have the exact quote, but I'll paraphrase with accuracy -- less than Germany but something more than Sri Lanka and that we are the mockery of the world. That is not right. We are the most respected nation in the world, and we are going to lead the world into recovery, if we don't go the tax-and-spend route.

Hurricane Andrew Recovery Efforts

Q. I'd like to welcome you to Lafayette. And before I ask a question, I'd like to thank you for your concern and personal help during our recent hurricane. That was quite an experience for our State.

The President. Let me interrupt just simply to say one, thank you. And I think the Federal Government did respond. But in fairness, a lot of the local officials, some Democrat, some Republican, responded masterfully. And something else happened, something else happened in that hurricane. And I saw this community; the community responded. And sometimes it's what we call the Points of Light, one citizen helping another. So I think the congratulations should very well go to the people of the community. Excuse the interruption.

Confidence in United States

Q. That leads into my question. Each evening when I get home, I watch the 6 p.m. news or the 5:30 p.m. news, and I see stories about what's wrong with our country. And yet in that same news hour, I look at the coverage of what's going on in the rest of the world and how many countries are in turmoil, and their economies are in trouble. You mentioned the Points of Light. How can we send a message out to the Americans that we live in the best country in the world? We may have our problems from time to time, but things are good here.

The President. Well, I think people have a fundamental confidence in the United States. And our Points of Light program, where we recognize a thousand -- it could be, it's just a sample of all the good that's being done for others -- I think helps in that regard. Voluntarism helps. But I don't know the answer to how to project it out across the world.

I do know this, that most countries still look to us with envy in terms of the economy and with gratitude because we do respond, like in the suffering in Bosnia and Sarajevo and the suffering in Somalia. It's the United States, it's us, it's you, your money that responds.

So we'll continue to do that in a -- showing the concern we feel whether it's for the hurricane victims. But in terms of the overall status, I think people just have to have a quiet confidence

that the United States is not in decline and that with the programs we're talking about and with a new Congress we can really lift up the kids and give them a little more hope.

You know -- you didn't ask for this, but let me just say, they ask me a lot and they ask Barbara a lot, what is it that you -- maybe you're a failure, or what did you do wrong or sometimes what did you do right? One of the things that gives me the greatest sense of pride and joy, literally joy in my heart, is that the young people go to bed at night, because of a lot of the way my predecessor worked and the way we've worked, without that same fear of nuclear war. And I think that's a major accomplishment, and I think it's significant.

And yet, if you listen to these critics out there that are on my case all the time, the accomplishments in world peace and the demise of international communism, they say, don't talk about that, nobody cares. I think there's a feeling in America, well, we've done something noble, we've done something good. And it's the taxpayers and the citizens who stayed with the policy of peace through strength that finally can say, we've made the world a little better for others. And there's something there. It doesn't help the guy that's out of work, but it's good for our soul to know that there is some decency around.

All right, now, where? We're coming to this side? Yes, ma'am.

Education and Health Care

Q. Hi, Mr. President, I'm so happy you came to Lafayette to give a personal visit to us. But my concern is how do you plan to help middle class Americans with funding their child's education, their college education? And what about the soaring health costs for middle class Americans? I'm really concerned about that.

The President. Everyone is, in both areas. Education: we have doubled, almost doubled Pell grants. Education: I happen to believe for K through 12 that before you get to K, Head Start is important. We have increased dramatically the funding for the Head Start program, which is a really good program.

On education generally, we've got to revolutionize education. We simply can't go with putting a Band-Aid here and a Band-Aid there. And we have a program, I hope you've heard of it, called America 2000. And what it does is to literally -- it bypasses the educational establishment. It says to the community, we're going to help you, Federal help, to literally reinvent the schools. Some are going to want longer hours, some shorter. Some are going to want different size classrooms. Some are going to want to try a different curriculum. Some are going to want -- okay, you kids hold your nose -- to have year-round schools. Some are going to want to try it one way or another. And we've got to do that in this country. We have to innovate and make that elementary part of education better.

What was the second part? You said education and health care?

Health care: Our health care proposal provides insurance through vouchers to the poorest of the poor and to the middle class you asked about, tax credits. And it does what this gentleman was asking about in small business, but in health care it pools the insurance, which will get the cost down. It goes after malpractice. And I believe that that is the answer.

And the reason I like this one better than ``pay or play'' or the Canada system is we do have the best quality of health care, and we've got to keep that quality by keeping the Government's role to what I've said it is. I think both would bring relief to families that are really worried about health care costs.

Energy Policy

Mr. Lastrapes. One last question.

The President. My gosh, it goes fast when you're having fun.

Q. Thanks for coming, Mr. President. I'm a small independent producer and operator in this State, and I would like to focus a little bit more on the energy policy, which I also endorse. Thank you for being here on that.

I produce and operate here in this State. I live in this State. I work in this State, I work other people in this State and I spend my money in this State. My point is, one, we need to come home. And secondly, about that energy policy, how is it going to affect me here in this State? And secondly, what is it going to do? I know it's going to do a lot internationally and create jobs here and focus our economy here, but where is that going to come back on us, coming home on that?

The President. You mean the energy strategy, or what?

Q. What's the timetable on that?

The President. Well, the estimate by the IPAA, you know who they are, and they estimate 45,000 jobs. Our Secretary of Energy is here, got much more detail. But the reason they do that is we changed the alternative minimum tax. And that alternative minimum tax, as you know, just took the incentive right out of doing any drilling. It just slammed the oil industry in the effort to try to level out all taxes. It was a tremendous mistake back several years ago. So that is the biggest thing that's going to help the domestic drilling and producing business. That one won't help internationally. I mean, it will make us less dependent on foreign oil because we'll stimulate drilling and production in this country.

One thing it did not have in it that I favor is the opening up of ANWR. I think that can be done, but it doesn't help us, a small independent or an independent. But it does help the national security because it will have more energy coming from inside the United States.

And the super-environmentalists, the ones way out on the extreme, use the same argument against that that they used against the pipeline. They kept talking about those -- what was that animal? The caribou? They said if you put the Alaska pipeline in, you're going to have -- the caribou is going to be extinct. The caribou are having one hell of a time up in Alaska with that pipeline. There are more of them around than you can shake a stick at. It's the best thing that ever happened to those caribou.

And the same arguments are now being used on ANWR. And I have a good record on the environment, but it is not an extreme. I believe you need to find the balance between good strong environmental protection for the future of these kids and for growth and families.

I've got a big argument out there with Gore and Clinton on the spotted owl. I mean, I'm all for the spotted owl, a feathery, fine-looking little bird, but I'm also worried about those 30,000 families that might be thrown out of work.

Well listen, I see that the ripcord has been pulled and thousands of hands -- I'm sorry, I really do have to run. We're going back to Washington, my last night tonight in Washington before the election. Then we'll be campaigning and ending up in Houston, Texas, on Monday night.

But thank you all for this wonderful welcome. And please go to the polls. Do not neglect it. The guy that stays home is not doing his part by citizenship. And I am absolutely confident that if you go to the polls and you work the phone banks and you do the sometimes tough but always effective things in politics, that you have seen the man who is going to be President for 4 more years.

Thank you, and God bless you all.

Note: The President spoke at 5:50 p.m. at Acadiana High School. Dud Lastrapes, former Mayor of Lafayette and district chairman, Bush-Quayle '92, served as moderator for the session. A tape was not available for verification of the content of these remarks.

Statement on Signing the Elwha River Ecosystem and Fisheries Restoration Act

October 24, 1992

Today I am signing into law H.R. 4844, the ``Elwha River Ecosystem and Fisheries Restoration Act." This Act authorizes the Secretary of the Interior to prepare a detailed report on alternatives for restoring the important Elwha River ecosystem and fisheries in the State of Washington. The ecosystem includes resources inside one of our Nation's premier assets, the Olympic National Park.

I wish to express, however, two concerns that I have with the Act. First, the Secretary of the Interior is given only 15 months to prepare the required report. This report must include a study on the acquisition of the existing Elwha River dams, plans for full restoration of the Elwha River ecosystem, and alternatives to removal of the dams. Considering the amount and the complexity of the information required to be included in the report, this timeframe is very unrealistic.

Second, the Secretary of the Interior is required in the report to identify nonfederal parties, besides Indian tribes, that would directly benefit from restoration of the Elwha River ecosystem, if the Secretary believes that these parties should assume some portion of the costs of restoration. However, the Act does not provide express authority to require restoration cost sharing among the benefitted parties. I am instructing the Secretary of the Interior to prepare alternatives for Elwha River restoration, including potential dam removal, that assume nonfederal cost sharing.

I am also instructing the Department of the Interior to consult with the Department of Energy in the preparation of the report on alternatives to dam removal.

George Bush

The White House,

October 24, 1992.

Note: H.R. 4844, approved October 24, was assigned Public Law No. 102 - 495. This statement was released by the Office of the Press Secretary on October 25.

Statement on Signing the Intelligence Authorization Act for Fiscal Year 1993

October 24, 1992

Today I am signing into law H.R. 5095, the ``Intelligence Authorization Act for Fiscal Year 1993." The Act authorizes appropriations for the intelligence and intelligence-related activities of the United States during fiscal year 1993.

Title VII of the Act, separately entitled the ``Intelligence Organization Act of 1992," amends the 1947 National Security Act with respect to the organization of the Intelligence Community and the responsibilities and authorities of both the Director of Central Intelligence and the Secretary of Defense. The title allows for further organizational changes, while establishing a legislative framework that accurately reflects the existing relationships between elements of the Intelligence Community.

I am pleased that title VII preserves the authority and flexibility that the President must have to organize the Intelligence Community to conduct effectively U.S. intelligence activities in the post cold-war world. Specifically, title VII preserves the authority of the President to create, abolish, or reorganize the Department of Defense intelligence elements, and the authority of the Secretary of Defense under the President to determine which of these elements will execute Department of Defense intelligence functions. In this, title VII is consistent with Executive Order No. 12333, ``United States Intelligence Activities," dated December 4, 1981, which remains in force.

I note that title VII also provides that the positions of Director and Deputy Director of Central Intelligence may not simultaneously be occupied by commissioned officers of the Armed Forces. Although this provision is a restatement of current law, it fails to recognize that the Appointments Clause of the Constitution gives the President the sole power to nominate Federal officers whose appointments are subject to the advice and consent of the Senate. Under that Clause, neither the Senate nor the Congress as a whole has any role in choosing the person who will be nominated for appointment, such as by specifying certain qualifications in legislation. I will accordingly treat this provision as advisory rather than mandatory.

George Bush

The White House,

October 24, 1992.

Note: H.R. 5095, approved October 24, was assigned Public Law No. 102 - 496. This

statement was released by the Office of the Press Secretary on October 25.

Statement on Signing the Veterans Compensation Cost-of-Living Adjustment Act of 1992

October 24, 1992

It gives me great pleasure to sign into law S. 2322, the ``Veterans Compensation Cost-of-Living Adjustment Act of 1992."

Our Nation provides compensation payments to service-disabled veterans and Dependency and Indemnity Compensation (DIC) benefits to the survivors of those who die as a result of military service to our country. My Administration is committed to ensuring that these payments keep pace with changes in the cost of living.

S. 2322 provides a 3 percent increase in compensation and DIC benefits, which is the same cost-of-living adjustment Social Security beneficiaries and veteran pensioners will receive. Nearly 2.2 million veterans and their dependents and about 313,000 surviving spouses and children will benefit from this increase, which is effective December 1, 1992.

As a Nation, we must always remember the special debt that we owe those veterans who unselfishly give of themselves to assure that the security and honor of this country are maintained. The freedom and liberty that we enjoy as citizens of this great Nation depend on the men and women of our Armed Forces. The measure that I sign today bears witness to our gratitude and continued commitment to those who serve our country. It tangibly demonstrates that the American people will not forget the valuable contribution that veterans have made to this Nation.

George Bush

The White House,

October 24, 1992.

Note: S. 2322, approved October 24, was assigned Public Law No. 102 - 510. This statement was released by the Office of the Press Secretary on October 25.

Statement on Signing the FREEDOM Support Act

October 24, 1992

Today I have signed into law S. 2532, the ``FREEDOM Support Act." This historic legislation authorizes a range of programs to support free market and democratic reforms being undertaken in Russia, Ukraine, Armenia, and the other states of the former Soviet Union. In particular, the bill endorses the $12 billion increase in the U.S. share of the International Monetary Fund (IMF) and authorizes $410 million in U.S. bilateral assistance. In addition, the bill removes a number of outdated Cold War legislative restrictions on U.S. relations with the new independent states.

I am proud that the United States has this historic opportunity to support democracy and free markets in this crucially important part of the world. While it is clear to all that the future of the new independent states of the former Soviet Union is in their own hands, passage of the FREEDOM Support Act demonstrates the commitment of the United States to support this endeavor.

Once again, the American people have united to advance the cause of freedom, to win the peace, to help transform former enemies into peaceful partners. This democratic peace will be built on the solid foundations of political and economic freedom in Russia and the other independent states. We must continue to support reformers in Russia, Ukraine, Armenia, and the other new states.

I am pleased that the bill draws our private sector, as never before, into the delivery of technical assistance to Russia and the other new states. Various provisions of this bill will call upon the specialized skills and expertise of the U.S. private sector. S. 2532 will provide support for the trade and investment activities of U.S. companies to help lay the economic and commercial foundations upon which the new democracies will rest. This is an investment in our future as well as theirs.

The IMF quota increase will ensure that the IMF has adequate resources to promote free markets in the former Soviet Union and elsewhere throughout the world. By contributing to a more prosperous world economy, the IMF will expand markets for U.S. exporters and increase jobs for American workers.

This bill will allow us to provide humanitarian assistance during the upcoming winter; to support democratic reforms and free market systems; to encourage trade and investment; to support the development of food distribution systems; to assist in health and human services programs; to help overcome problems in energy, civilian nuclear reactor safety, transportation, and telecommunications; to assist in dealing with dire environmental problems in the region; and to establish a broad range of people-to-people exchanges designed to bury forever the

distrust and misunderstanding that characterized our previous relations with the former Soviet Union.

The bill also provides additional resources and authorities to support efforts to destroy nuclear and other weapons, and to convert to peaceful purposes the facilities that produce these weapons.

We undertake these programs of assistance out of a commitment to increased security for ourselves, our allies, and the peoples of the new independent states. These programs will enhance our security through demilitarization and humanitarian and technical assistance.

A number of provisions in the bill, however, raise constitutional concerns. Some provisions purport to direct me or my delegates with respect to U.S. participation in international institutions. Under our constitutional system, the President alone is responsible for such matters. I therefore will treat such provisions as advisory.

Furthermore, the bill could interfere with my supervisory power over the executive branch by giving a subordinate official in the Department of State the authority to resolve certain interagency disputes and by regulating how other agencies handle license applications by the National Aeronautics and Space Administration. I will interpret these provisions in the light of my constitutional responsibilities.

The bill also authorizes the creation of supposedly nongovernmental entities -- the Democracy Corps and a foundation that will conduct scientific activities and exchanges -- that would be subject to Government direction, established to carry out Government policies, and largely dependent on Government funding. As I have said before, entities that are neither clearly governmental nor clearly private undermine the principles of separation of powers and political accountability. In determining whether to exercise the authority granted by this bill, I will consider, and I direct the Director of the National Science Foundation to consider, whether these entities can be established and operate in conformity with those principles.

I also note a concern with the provision under which Freedom of Information Act litigation involving the Democracy Corps would be the ``responsibility'' of the Agency for International Development. This responsibility should not be understood in any way to detract from the Attorney General's plenary litigating authority. Therefore, I direct the Agency for International Development to refer all such matters to the Attorney General consistent with his current authority.

George Bush

The White House,

October 24, 1992.

Note: S. 2532, the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992, approved October 24, was assigned Public Law No. 102 - 511. This statement was released by the Office of the Press Secretary on October 25.

Remarks to the International Association of Chiefs of Police in Detroit, Michigan

October 25, 1992

Thank you, Chief Vaughn, and all of you. Thank you very much. Thank you so much. I'm just delighted to be here. Thank you, Chief Vaughn, the president, for that kind introduction. And may I salute Steve Harris, who I understand is the incoming leader of this most distinguished group.

I don't know where you get that enthusiasm. I fell asleep in the 9th inning, and I'm sure some of you stayed up until the 11th. [Laughter] But nevertheless, may I salute the distinguished members of the board. And a special welcome to the chiefs of police from around the world. You'll have to excuse me if I'm not talking today about the importance of international cooperation. But don't think I've lost it. I understand. And I hear it from the domestic chiefs, from the local chiefs, how important cooperation is with the international component represented here today. Whether it's in antinarcotics, or whether it's in antiterrorism, we are very, very grateful to those law enforcement officers from overseas who are here today and to your colleagues who may not have made it to this wonderful convention.

I would simply say to you that you're choosing, or you have chosen, a very interesting time to visit our great country. The weather's turning colder, and if you turn on the TV you can't help but notice that there's an election going on in just -- and Barbara and I were talking about this a few minutes ago -- just 9 days. In fact, some of the U.S. police chiefs here may ask if they can go back with you to your country until all this hectic yelling and shouting is over with.

But we are getting down to the home stretch, and so let me talk this morning about Government's first and foremost domestic responsibility, function, and that is to protect every citizen at home and on the street. Let me start with a story that most of the domestic chiefs have heard about, probably the kind of story you hear about every day but one that just sickened Barbara and me when we saw it on the news. I believe it was almost a month ago. In broad daylight, in a neighborhood near Washington, DC, a woman was forced from her car at a stop sign by two men, who then drove off. But the woman got tangled in her seatbelt outside the car. Or maybe she hung on. What mother wouldn't? You see, her baby was locked inside. And that woman was dragged almost 2 miles before the thieves crushed her to death against a fence. And then they tossed her little baby out by the roadside, like some kind of a piece of trash. And I know that on this special Sunday in this special audience I am preaching to the choir, but this sort of thing must provoke outrage. People who act like animals have no place in decent society, and they should go to jail and stay in jail. I strongly support you and your effort to do just that.

I think when the history of this century is written, it will be clearly seen that America got too

soft on crime in the sixties, and for 20 years you and your brothers and sisters in law enforcement paid for it. But we fought back, and for the first time in decades, the overall crime index is actually down. And with your help, your leadership, we've slowed the rate of violent crime the past 12 years. We are turning the tide on drugs. I take heart from the fact that there's 60 percent -- use of cocaine by teenagers. But as you can tell by comparing our crime statistics with other nations, we still have a way to go, a long way to go. And that's what I really want to talk to you about today.

There are so many issues in this Presidential campaign where the voters have a clear choice. And crime is one of the most important. And I do have big differences with Governor Clinton on crime and law enforcement. I would only ask a simple, objective look at the record. Records reveal it. Here are some of the facts. Under Governor Clinton, Arkansas' violent crime rate went up about 60 percent in the eighties: more than twice the national average. They had the Nation's single-biggest increase in serious crime during the decade. In '83, there were about 300 violent crimes for every 100,000 people in Arkansas. Last year, there were almost 600 violent crimes. It has doubled on the Governor's watch. The average inmate there served less than one-fifth of his sentence last year. But the Federal inmate, as I'm sure most know here, an inmate for which I have responsibility, he served 85 percent of his time.

You can't obviously, and I don't mean to leave that impression, blame the dedicated law enforcement officers from that State. Because you've got to look behind that, at the statistics. Arkansas ranks near the bottom for every important per capita crime dollar that it spends, 46th; for police officers, 49th. Spending on judicial and legal systems, Arkansas ranks 50th. Dead last in the country. And so, no wonder crime goes ballistic there during the eighties. You're supposed to handcuff criminals, not tie the hands of the police.

It's obvious and I firmly believe -- and I'll get to the positive aspects of this in a minute -- that that crime record, that Clinton record, is wrong for Arkansas, and clearly it would be wrong for America. If you don't believe me, ask the Fraternal Order of Police in Little Rock. They know the Clinton record better than anyone, and they're joining hands with their national organization to endorse me for President of the United States. I think they did take the time to look at the overall record, the good news that you don't hear out there on the network news every night.

Let me just tick off a few of our priorities. Start with money. Since I took office, we've increased the crime budget by almost 50 percent. We've hired more than 1,200 new Federal prosecutors since 1989, assigned 300 FBI agents to help you get the gang members off the streets, and proposed a program to double Federal spending for prison space in the 1990's. We're working to stop the abuse of our appeals process, to enforce the death penalty, and to let your cops use evidence seized in good faith. Since 1989, we've taken more than $400 million from criminals and used it to help the victims of crime. We've also targeted the violent repeat offender, putting over 3,000 of those most dangerous fugitives behind bars in just a couple of months last spring. Finally, we're helping to take back 20 worst inner-city neighborhoods, and

again I salute the police chiefs and the law enforcement officers for this, take it back with our acclaimed ``Weed and Seed'' program. Weed out the criminals and the drugs, and then seed the neighborhood with education and training and hopefully, if we can ever get enterprise zones enacted into law, with jobs in the private sector.

Now, listen to Bernie Edwards, a 70-year-old resident of a tough neighborhood in Fort Worth, Texas, Tarrant County. He saw ``Weed and Seed'' help to keep the young kids in his neighborhood off drugs and out of gangs. And he says, ``For the first time in years I can sit on my porch. It sure feels good.'' There's example like example all across the country. You know them far better than I do.

We've fought for these initiatives, though, not just tough talk, and we're taking action. But our action would be stronger if it were part of a national crime strategy supported by Congress. That's why, 1,228 days ago, on June 15, 1989 -- the same day Mikhail Gorbachev first hinted that the Berlin Wall might someday come down -- I sent a comprehensive crime bill to Capitol Hill, up to the Congress. I extended my hand in partnership to Congress, and I asked for help fighting crime on a national level.

Since I first sent that bill to the Hill in 1989, 60,000 Americans have been murdered. There have been 260,000 rapes, 1.6 million robberies, and 2.6 million assaults. And 69,000 of those violent crimes took place, regrettably, right here in Detroit. Think about it. Enough Americans to fill Detroit's Cobo Hall four times over were brutalized by assault, rape or murder while that bill languished on Capitol Hill. No wonder Americans stare at every news, every night, shake their heads, and ask, ``Why doesn't somebody do something about this incredible mess? People are dying in the streets.''

Well, as frustrating as this crime bill has been for me, it is still my job as President to get results. So we've fought and won a couple of big battles in the past few weeks. And today I'm proud to announce that right after this speech, I'm going to sit down here at Cobo Hall and sign two of the crime initiatives that I've fought for, two tough new Federal laws.

The first one severely punishes carjackers. And we told the Congress that I wanted to make armed carjacking a Federal offense with harsh penalties. Thugs who take cars at gunpoint should sit in a cell so long that when they get out they're going to be too darn old to drive.

And the second one deals with parents, mostly fathers, who refuse to make child-support payments. They're called the deadbeat dads. And right now, a single mother in Detroit can struggle to keep the kids fed on a small salary while their father's on a lark in Chicago. He could be way behind in child support, but no one can touch him across State lines. Well, that's a disgrace, and now the long arm of the law can reach over the border and tell that dad to pay up or go up the river.

Why did these two ideas become law? Because national attention created national outrage that brought pressure on Congress to act. It's a formula I want to use again and again in the next 4 years. You see, there are at least six other initiatives that Congress didn't pass, that I care a great deal about and that I think would benefit your work. So next year, with a new Congress -- and there's going to be a new one. You might ask why, and I would say to some of the foreign officials here you have been spared the sight of a Congress controlled by one group for 38 years that can't even run a two-bit bank or a two-bit post office. And so there's going to be a lot of new Members. And those Members, regardless of what party, are going to do what the people want. They'll be listening to the same voters I do. And so, then we're going to go after them, and we're going to be given a new Congress. And with 150 new Members next session, maybe up to that many in the House, we're going to pass those six items into law, too.

And here they are: Number one, I want to strengthen the laws dealing with sexual and domestic violence. It's bad enough when a woman is brutally attacked in the first place. Then she takes the stand for testimony and gets attacked by some clever lawyers. I say that's two attacks too many. So we're going to go after tightening up these laws.

Two, I want repeat armed offenders behind bars until trial. Today, even a repeat rapist can get arrested and be out on bond hours later. I say detain him until the trial, let the prosecution use past behavior against him. Right now, certain little details often can't even be mentioned in court, like the fact that everyone within a country mile knows the guy's done this before. And that's wrong. Let him face what he's done and pay for it.

We've got to -- on the second major point here -- we've got to crush gang violence. I want the gangs to be treated like the criminal enterprises that they are, so we can go after the leaders with Federal medicine that they deserve. I want to toughen penalties for using juveniles in crimes. I've talked to many chiefs about this, and they tell me that gangs send out these under-age kids, send them out to do the dirty work of the leaders, and because they're minors who will get off easy if they're caught. That's disgraceful. I remember going out to South Central in L.A. and hearing about two that were apprehended by the law enforcement community. I think they were 13 or 14. They had been assigned targets to firebomb during the outbreaks -- two little kids. It's a heartbreak. It's disgraceful. We've got to go after the big guys, make the big boys pay, those that would use little kids in this way.

And three, protection for the elderly. It's absurd that the folks who have contributed to society all their lives have to live in terror just because some young punks see them as an easy target. I want to beef up the laws so instead of stalking the streets and mugging grandmothers, they're down at the precinct, mugging for the police camera.

Four, and I've heard from many of you on this one, and we promise you we're going to keep on trying: habeas corpus reform. Habeas corpus? Yes, habeas corpus should protect the innocent, but it's turned into a perversion of the law. Some petitions can drag on for more than a decade,

more than 10 years. And criminal lawyers are abusing the law to postpone justice, and it's time we put a stop to it. Let them have one habeas petition and be done with it.

Five -- and I know this one's controversial, but I'll tell you exactly how strongly I feel about it -- and I'm talking about a Federal death penalty. I think certain acts of violence deserve the ultimate penalty. The sentence should be carried out fairly, but swiftly. Assassinations, murder for hire, terrorism, random drive-by shootings, gang massacres, and certainly and especially the killing of a police officer. All must pay with the death sentence. And there is another collateral point here, and that has to do with Justices. I notice that Governor Clinton is here today with Mario Cuomo. But Governor Clinton has mentioned Cuomo for the Supreme Court. And it is my conviction to get this kind of tough crime legislation through, that we must not go back to appointing judges to the Court who oppose tough anticrime measures, who oppose the death penalty for these most heinous of crimes.

And the sixth one is firearms. This one's short and sweet. I want much tougher penalties for the criminal use of firearms.

So there's a lot of work to be done. But America's worth it. For every hardened criminal you face down, there are countless thousands of good and decent Americans out there with strong values and big hearts. And you don't hear much from them. But I happen to know on good authority that they certainly appreciate you, and I know because so many people tell me this. So in conclusion, let me just pass it on to you: America stands behind you. You should never understand some of these crazy liberal appeals as an attack on our law enforcement officers. I am with you 100 percent, bringing to bear the full weight of the Federal Government. And on behalf of all those unheard but grateful Americans, I really do thank you. I thank your families. I know sometimes it must be a real strain when your chief or your officer goes out there and you're not going to know how he's going to be treated by these thug elements out on the street. So we can identify with that. I really came here to say thank you to every single one of you for putting your lives on the line for us every single day.

Now you pass it on, that support, and go back and tell your brave men and women that we appreciate you, and we need you all. You've done so much already. But let's face it, there is much more to be done. And to do it, I'd be remiss if I saw this many voters out here if I didn't say to you I need your support, and I ask for your vote on November 3d, because I want to be in Washington for 4 more years.

Thank you. And may God bless our great country on this beautiful fall day. May God bless the United States. Thank you very much.

Note: The President spoke at 10:20 a.m. at the Cobo Arena. In his remarks, he referred to C. Roland Vaughn, president of the association and chief of police, Conyers, GA.

Statement on Signing the Anti Car Theft Act of 1992

October 25, 1992

Today I am pleased to sign into law H.R. 4542, the ``Anti Car Theft Act of 1992." This legislation is absolutely critical if we are to strike back against auto thieves and carjackers. These criminals, who show no respect for the lives or property of law-abiding Americans, must be punished in the strongest possible manner.

This bill makes armed carjacking a Federal offense. The recent wave of these carjackings has made the need for action clear.

The bill also seeks to sap the profit motive for auto theft. Last year in the United States, auto thieves stole cars valued at $8 billion. H.R. 4542 creates a second Federal crime: operating or maintaining a ``chop shop" to alter stolen cars for resale or reduce them to parts that can be resold.

It is my sincere hope that this legislation will reduce the level of auto thefts and carjackings. Thugs and criminals will now have to think twice about stealing a car. If not, they will pay a high price for their actions.

George Bush

The White House,

October 25, 1992.

Note: H.R. 4542, approved October 25, was assigned Public Law No. 102 - 519.

Statement on Signing the Child Support Recovery Act of 1992

October 25, 1992

Today I am signing into law S. 1002, the ``Child Support Recovery Act of 1992." I am particularly pleased that it includes two of my proposals to improve interstate child support enforcement.

When parents separate, children may suffer. Their suffering is, unfortunately, often made much worse through the deliberate failure of a parent to comply with legally imposed child support obligations. According to evidence presented to the House Committee on the Judiciary, over $5 billion in child support goes unpaid in the United States each and every year. This outrage -- which frequently forces innocent and blameless families onto State welfare rolls -- is something that we can, and indeed must, address.

S. 1002 attacks this serious problem in several ways. First, it creates a new Federal criminal offense for failure to make child support payments for more than 1 year or amounting to more than $5,000 with respect to a child who resides in another State. This new Federal offense, which I proposed in both my Project KIDS initiative and my Violent Crime Control Act of 1992, carries a potential prison term of up to 2 years for repeat offenders.

Second, the bill includes the proposal in my Violent Crime Control Act of 1992 to give Federal judges discretion to require full payment of child support obligations as a condition of probation.

Finally, the bill authorizes the Department of Justice to make grants to States to develop, implement, and enforce criminal child support legislation and to coordinate interstate enforcement activities. Up to $10 million could be devoted to these grants for each of fiscal years 1994, 1995, and 1996.

The welfare of our families and our children is a deep and abiding concern of all Americans. This legislation is a positive and significant step in holding irresponsible, deadbeat parents accountable to those who depend on them financially. I congratulate the sponsors and supporters of this important legislation, especially Congressman Henry Hyde, on their leadership in bringing it to a successful conclusion.

George Bush

The White House,

October 25, 1992.

Note: S. 1002, approved October 25, was assigned Public Law No. 102 - 521.

Remarks to the Community in Sioux Falls, South Dakota

October 25, 1992

The President. Thank you, Governor. Thank you, South Dakota. Thanks for that welcome.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you, George. Hey, listen, thank you so very much. I am very proud to be introduced by your great Governor, George Mickelson. Let me salute the others here: Larry Pressler, your Senator; Lieutenant Governor Walt Miller; Bill Janklow, the former Governor, warming up the crowd in more ways than one out here. Jim Abdnor is here, a former Senator. Arlene Ham is here. We've got two from Nebraska, former Governor Charlie Thone and the present Congressman Doug Bereuter, both outstanding servants from nearby. Don Peterson and, of course, Mary McClure, the executive director; and then Baillie and the Boys. You've had a full house here, with great people. And let me just say that I am delighted to be here with them.

I will also say that, you know, everyplace I go in the country, you have signs held up, and they say, ``Clean House!'' Clean House! Change the United States Congress. Well, you can do something about it right here. You can help clean out the House of Representatives by sending John Timmer to the United States Congress. And you've got a great chance to make history in the Senate, because we have an outstanding candidate standing here with me in Char Haar. Elect her to the Senate, and let's get this country moving again.

Well, we're going down to the wire in this national election. I come back here to South Dakota fired up. And the reason we're going to win is because the American people have a clear choice. There is a vast difference between experience, difference in philosophy, and yes, character does count, a difference in character.

Governor Clinton -- I hate to ruin a lovely rally like this, but I've got to just point out since Clinton's going around the country talking about my record, ill-defining it for 11 months -- and I'll talk about the positive things in a minute -- but let's just take a quick look at his record in Arkansas. Sorry about that.

He promises health care for America. He's been around there for 12 years; 40 percent of the Arkansas workers have no health insurance. He promises education reform. And 12 years later, 75 percent of Arkansas college students, when they first get to college, have to have remedial education because they're not getting the job done the way you are here in high school education. He promises to get the American economy moving. But 12 years in Arkansas, wages, income, and jobs are trailing the entire Nation. So when he stood up there in that debate the

other night and he said, ``I want to do for the country what I've done to Arkansas," we must not let him do that.

You know, Bill Clinton made a lot of promises to the people of Arkansas, and he broke most of them. But last year, he told the Arkansas people that he would not assume higher office in 1992. He looked right into the lens and says, ``I'm not going to do it." And here he is, one more promise that he has not kept.

He calls this change? Let me tell you something. He says that he is the candidate for change, but let's look at the record. He wants $150 billion in new taxes. He wants $220 billion in new spending. That is not change, that is trickle-down Government. We do not need any more of that.

His numbers don't add up. Anyway, he says he's going to just sock it to the rich. Not so. To pay for all his programs, he's got to get down to everybody making over $36,600. And then, to take care of all the promises, every nurse out here, every teacher, every farmer watch out, he's coming right after your wallet. Mr. and Mrs. America, don't let him do this to us. Tax and spend, tax and spend, tax and spend. George talked about it, your Governor. The last time we had that, had a Democratic President along with this spendthrift Congress that's been controlled by the Democrats for 38 years, we had inflation at 15 percent. We had interest rates at 21.5 percent. And they had a malaise or a ``misery index" that's doubled what it is today. We cannot let this man do this to the country. Your hear Clinton and Gore, the Ozone Man, talking about change. That's all you're going to have left in your pocket if you get these guys in there, I'll guarantee you that.

Also, if you haven't detected, I'm a little sore at the national media. Let me tell you something -- remember what Harry Truman said? I'd better be careful -- well, I'd better not say that. They're mad at me anyway. I love my favorite bumper sticker: ``Annoy the Media. Reelect Bush." I love it, absolutely love that sticker. There it is. There it is.

But you know, if you listen to these guys, you'd think everything was wrong with this country. They try to tear down. The only way that Clinton and Gore can win is to make everybody convinced everything is horrible. We forget 93 percent of the people are working in this country. We forget that interest rates are at record lows. We forget that inflation is better. And we forget that ag income is up in the United States, and as long as I'm President it's going to stay up.

Audience members. You tell them, Mr. President.

The President. I will. And besides that, I want to say a word about ethanol. I am the one who worked out the ethanol waiver to spur the use of ethanol. Ethanol use has gone up, way up, since I've become President of the United States, and I'm going to keep it going up. But Governor Clinton's adviser, one of them, says that ethanol might blow a hole in the ozone. Well, heck with

that. It's not going to blow any hole in the ozone. It is safe, and we're going to use it more.

And then another adviser gets up -- because I did the right thing for the corn growers in fixing that waiver -- another one gets up and says, well, we'll review that after Clinton is elected. Two things wrong with that: He ought not to review it because I made the right decision, and two, he ain't going to be elected President. He comes to South Dakota and talks ethanol, and then he goes out and starts talking about reviewing the waiver. We cannot have that flip-flop on every single issue.

Now, on international trade, we are working hard to open markets for our agricultural goods all over the world. And I am proud of our export enhancement program. I am proud that we are fighting against these European subsidies. And this fall, out here in South Dakota at a wonderful farm nearby -- farmer is standing right over my right shoulder -- we announced a new EEP, a new export program. We're staying with that. We're going to sell billions of tons of U.S. wheat to 28 countries, and we are going to protect South Dakota jobs and sell our products all over the world. We've promoted another $1 billion in ag exports under the so-called GATT triggers, technical but very important to farmers in this State. And we're going to keep on fighting for new markets. This North American free trade agreement is going to be good for American jobs and good for American agriculture. And Governor Clinton is on all sides of that question.

Let me tell you, there was something disturbing, and this is a very serious one, this morning, this Sunday, this very day in the Daily Telegraph in London, the Sunday Telegraph of London. The Clinton campaign worked out a secret agreement, it is alleged in the paper -- I have to be fair, it is alleged -- they worked out a secret agreement with Jacques Delors of the EC, the President of the European Community, on the Uruguay round of GATT trade. And what the agreement was is that they would delay making an agreement on the GATT round until after the election because apparently this man sides with Governor Clinton's ideology.

Well, let me tell you something: If this report is true, and if the Clinton campaign is going over to Europe interfering with an agreement that would benefit all American agriculture, it is a sorry, pathetic thing to be doing a few days before an election. It is in the national interest to work out a GATT agreement, and it's a sorry thing if somebody would put their own personal political interest -- afraid we might get something done for the American people -- right now to stand in the way of it. I don't think that's good foreign policy, and I don't think that's very good politics, either, because it's going to blow up right in their face.

Other priorities, South Dakota is doing great. Your business is moving, and you've got a low unemployment. But the rest of the country has been hurting. We don't need more tax and spend. What we need to do is stimulate small business. Small business creates jobs for two-thirds of the American people. And we need relief: relief from regulation, relief from taxation, and yes, we need relief from litigation. We're suing each other too much and caring for each other too little.

These crazy lawsuits by these trial lawyers that are the biggest supporters of Governor Clinton: Doctors don't even dare deliver babies, or they have to have additional tests, running the cost of health care up. Some Little League coaches don't dare coach, afraid of some nutty lawsuit. Along the highway, somebody can be hurt, and the person won't come along and pick them up, afraid that a trial lawyer will get to the victim and say, hey, this guy didn't handle you right when you were in your hour of distress. We cannot continue to sue each other. We're trying to do something about it in the United States Congress. Send us Char Haar and let us help get the job done, and John Timmer as well.

We've got a much better program for education. We literally want to revolutionize K through 12, and our America 2000 program will do that. A part of it is this: I believe in school choice, and I want to help parents choose their schools, public, private, or religious.

Health care: Let's not let the Government get further involved. Let's provide insurance to the poorest of the poor through vouchers. Let's provide that overworked middle class a little bit of a tax relief to get the insurance. Let's pool insurance. Let's correct malpractice. And let's move forward so that those who don't have health care have it. But do not lower the quality by setting some board that the United States Government will run. We've got enough trouble with the post office. Don't give us trouble with health care.

A couple of more subjects here -- I'm just getting warmed up, you'll be pleased to know -- now, crime. I've just come from a marvelous meeting in Detroit with the police chiefs from all across the country; indeed, an international meeting. And there I spelled out the things I was for on crime. But we have a big difference. Arkansas prisoners spend 20 percent of their sentences in jail. The Feds, Federal ones -- that comes under me -- 85 percent. I have this peculiar feeling that we ought to have a little more sympathy for the victims of crime and a little less for the criminals.

I hope you heard the difference when we had the debate on getting this budget deficit down, because I don't believe you need to spend and tax more. I think we need to control the growth of those mandatory spending programs. And then give me these things: Give me that line-item veto, and let the President try it if the Congress can't do it. Give me a taxpayer check-off, or put it this way, give you a taxpayer check-off so you can check 10 percent of your tax to go to lowering the deficit, and the Congress has to find the spending to go with it. And if they don't, we sequester across the board. It is time to put the power back in the hands of the people as far as this deficit goes. And there's two other things that would help: a balanced budget amendment to the Constitution -- we almost got it -- and that will discipline the Congress and the executive branch. And I like term limits because that gives power back to the people.

But the last one and the key one, in my view, in this election and what it's going to be determined about is character and trust. You simply cannot be on all sides of all questions. You cannot come to a State that doesn't have right to work and say, ``I'm against it,'' and then in a

State that does, say, ``I'm for it.'' You cannot one day be on the North American free trade agreement and saying, ``Well, I'm for it,'' and then go to the big labor unions, ``Well, I'm for it, but I'm going to change it.'' You cannot keep making these waffles. We must not turn the White House into the waffle house. And that is what's happening.

It's not any one thing. It is not any one thing. It is this pattern. It is this pattern of deception, trying to be all things to all people. You can't do that as President. Let me remind you of what it was like at Desert Storm. I had to go out and say, here's what we are going to do. I couldn't say maybe; I couldn't say, on the one hand we'll do this, and on the other hand we'll do that. I made a very difficult decision. And thanks to the sons and daughters of South Dakota and other States, the mission was accomplished. Saddam's army was destroyed, and we kicked him out of Kuwait.

But where was Governor Clinton? He was on both sides of the question. Just when I was trying to mobilize national support in the United States Congress and in the press, just as I was trying to mobilize it, he made this statement about the time of the vote: I favor the position -- that is paraphrased -- I favor the position of the minority -- let sanctions work; don't do any -- favor the position of the minority, but I guess I would have voted for the majority.

I'm sorry, as Commander in Chief you cannot have a waffle for a position. You've got to make the tough calls. If they ever put this guy on Mount Rushmore, they'll have to have two faces for him, one on one side of the issue, the other on the other. You cannot do that.

Audience members: Four more years! Four more years! Four more years!

The President. I've told you my view. And some ask that I not discuss it because -- I don't know what the politics are, but I said what I think about somebody that goes abroad when his comrades or his peer group are in prison in Hanoi or are drafted out of the ghettos to serve. I know that war was controversial, but I don't believe it is right to go to a foreign country when your country is at war and demonstrate there, mobilize demonstrations against your country.

And the liberal press hate it. The press don't like it. I'll tell you, I feel I owe it to the American people to say what I think on that. The trouble with the draft is not that he didn't serve. A lot of people didn't serve. A lot of people didn't like the war. But on April 17th he said, ``I'm going to tell the full record.'' And he hasn't done it. I think you're entitled to know whether he had a draft notice or whether he didn't, whether he went to England because he wanted to serve or because he didn't. It is not right to play both sides of the issue to protect your own political neck.

Now, I believe we're going to win this election. And it's been about the ugliest political year I can remember. I've never seen anything quite like it. The news media wouldn't know good news if it hit them right in the face. But I'll tell you something, there's something wrong with them; they lost it. No, no, we don't want to be too hostile about the media. But I do remember what Harry Truman said about 50 reporters: They couldn't pound sand in a rat hole if they had to.

Well, that was Harry Truman speaking, that wasn't me.

Well, let me tell you, I do believe we're going to win this election. And I'll tell you why I think it's going to happen. First place, I think we've got a first-class First Lady, and that helps, I'll tell me. But here's the reason. I've made mistakes, of course. And I do like you do, say, hey, I messed this one up, I'm sorry. You look into the American people's eyes and you say, I made a mistake. And now you get on about doing the American people's business.

But I have tried very hard as your President to uphold the trust that you have placed in me and in Barbara and in my family, to be living in that most prestigious and most awed house in the entire world, the White House. And I honestly believe that when people look to this country, they look, not as Governor Clinton said, to ``the character of the Presidency,'' but they look to both the character of the President and the Presidency. They are interlocked. You cannot separate them. You cannot separate these two.

Life has been very good to me and to my family and to our 5 kids and to our 12 grandchildren. Life has treated us well. We believe and we've tried to live family, faith, friends, and all of that. But I'll tell you why -- and there's other lines of work I'm sure that would be a lot more pleasant every day, day in and day out, than taking the shots one takes in this life. But I want to finish the job I've started.

Tonight these kids here will go to bed at night without the same fear of nuclear war that the generation precedent had. That is something that is significant. Ancient enemies are talking to each other around the world, talking peace in the Middle East. Russia is now democratic and trying to perfect their democracy. To the south of our border you see democracy and freedom on the march. And literally, because of the taxpayer, because of my predecessor staying with strength, peace through strength, we have literally changed the world.

But the job is not done. And it won't be done until we can lift up every family in this country, inspire them that the American dream is still alive, help them with education, make our families more secure in the neighborhood by less crime. Lift up America.

Lastly, Clinton says we are a nation in decline, somewhere south of Germany but just ahead of Sri Lanka. He ought to open his eyes. We are the most fair, the most decent, most honorable country on the face of the Earth. Now help me make it even better. I ask, as we drive down to the close with things moving and the excitement building, I ask for your support. I ask for your vote. Help me change America and make life better for every kid here today.

Thank you. Thank you. And may God bless our great country on this beautiful Sunday in South Dakota. We are fortunate to be here. May God bless us all. Thank you all. Thank you.

Note: The President spoke at 1:20 p.m. at the Sioux Empire Fairgrounds Exposition Center. In

his remarks, he referred to Arlene Ham, Republican national committeewoman; Don Peterson, State Republican Party chairman and State Victory '92 chairman; Mary McClure, executive director, South Dakota Bush-Quayle '92; and entertainers Baillie and the Boys.

Remarks and a Question-and-Answer Session in Billings, Montana

October 25, 1992

The President. Thank you. I feel like Phil Donahue, sitting here. Thank you for that great welcome to the Big Sky country. Thank you so much. Please be seated.

Audience members. Four more years! Four more years! Four more years!

The President. Wall to wall people. Thank you so very much. This is a little bit of unique forum here today. But I want to start off by just saying a few words about those with us. You have had a great Governor. You've got a wonderful Governor, a great friend of ours. And he is leaving; he is leaving. And Marc Racicot, who is running, is in another part of the State, out working the trenches as he should. But I strongly urge his reelection.

I needn't tell you what a hit Conrad, the Burnses, plural, have made, but Conrad has made in the United States Senate. You've got strong representation there by a good and decent man. I don't listen to all his jokes; I've got a certain standard I must adhere to as President of the United States. [Laughter] Well, some of them, some.

But then there's another one that's been at my side in the political trenches as long as I've been -- certainly before I was in the White House and even before I was Vice President. And I'm talking about Congressman Ron Marlenee. We've got to see him reelected. And I want to thank two other friends, Chuck Heringer and Tim Babcock, the former Governor of this State, all good people. And I'll tell you, it makes me wonder how you get along without friends.

But let me start this way. This is an unusual format. We're going to take a few questions. But before I start, I want to tell you, this is the strangest political year I've ever seen. But I swing into the great State of Montana absolutely convinced that I'm going to be reelected for 4 more years. People will say, why is that going to happen? And I'll develop that in the question-and-answer session. But I believe it's going to come about because we literally have changed the world. The kids here today go to bed at night -- and I heard Conrad generously mention this -- the kids go to bed at night without the same fear of nuclear war. And I am very proud that a lot of that occurred since I've been President of the United States. Communism is dead. Ancient enemies are talking to each other. Democracy is on the move in Russia and south of our border. There's been an enormous change. And now what we've got to do is take that same leadership that changed the world, even though we're now at an economic international global slowdown, use the leadership to lift these kids up and give them the opportunity that I know exists for them in the days ahead.

And then the last, I think, the other reason I'll win, Barbara and I have tried very hard -- I think

we've got a great First Lady, and I wish she were here. But we have tried very hard to uphold the public trust. And one reason I'm confident is that in the final analysis, I believe voters are going to really think: Who would you want to look after your family, deal with a crisis that might occur? Who can best keep the public trust and serve with honor? We have tried very hard to do that, and I hope that's going to be one of the reasons that we're reelected when it comes Tuesday, a week from this coming Tuesday.

Now, the program is to take a few questions, and I don't know how we're going to arrange all that. But if anybody -- Conrad, are you kind of the Phil Donahue of this thing? [Laughter] Get in here. We're in real trouble if he is, I'll tell you. He can't even get his umbilical cord untied. Now, come on.

Senator Conrad Burns. I used to be an old farm broadcaster, you know.

The President. Never mind. No, we don't want any of that.

Senator Burns. Mr. President, welcome to Montana. Okay, do we have a question here? Just pick one out. Got a hand right here from a young man right there, Mr. President.

The President. Shoot. We'll get our act together in a minute here.

The Economy

Q. I wasn't born when Carter was around, and I heard about the high taxes and the bad economy. Would that happen if Clinton was elected?

The President. Good question. That's what we call a slow ball in the trade. You can see the seams on it going across the plate. [Laughter] The question was, he just has heard talk -- he's a young guy, you couldn't see him -- but he's heard talk of what it was like when Jimmy Carter was President, the last time a Democrat controlled the White House and those that Conrad and Ron fight against every day controlled the Congress. And here's what it was like. I'm afraid that the Clinton-Gore spend-and-tax plan would take us back there. The interest rates, 21.5 percent they hit. Inflation was 15 percent. The Democrats, to embarrass Republicans, invented something called the ``misery index," unemployment and inflation added together. Under me it's 10, and under them it was 20. We cannot go back to the days when they had both ends of Pennsylvania Avenue. We had grain embargoes. And they talk about malaise. It was right there.

So my view is, our agenda for America's renewal -- it stimulates small business, cuts down on the Government spending through putting a cap on the mandatory spending -- is the way to go. And hold the taxes down. I have a very big difference with the Clinton-Gore tax-and-spend program. Thanks for the question.

Gun Control

Q. Mr. President, what is your position on gun control, please?

The President. I oppose gun control. It's a good time to point it out in the first day of the big game hunting season out here. I'm surprised there's this many people in here. [Laughter] But I'm delighted to see you. I am a hunter, and I'm a fisherman, and I believe I've got a sound record on the environment. But when it comes to guns, the answer is to have tougher anticrime legislation. Go after the criminal and not after the gun owner. And I've always felt that way. I gave a speech on that today to the police chiefs, and I believe we have strong support in the law enforcement community. We need a little more sympathy for the victims of crime, a little less for the criminal.

Taxes

Q. President Bush, throughout this election and elections I've listened to in the past, we've always talked about where the middle class is over-taxed, the wealthy aren't taxed enough. I think the people of America are willing to pay their fair share. Why is it we cannot have a uniform tax where it doesn't matter what your income, we all pay the same?

The President. Well, that would be a flat tax, and it's pretty hard to get because I think a lot of people would think that's unfair. They think it's unfair that a rich guy would pay the same as the person that's really struggling to make ends meet.

Here's my view on the tax situation: I believe this is where we have perhaps the major difference with the Clinton-Gore program, because I went along with the Democratic tax increase one time and I made a mistake. I said I did the wrong thing. Quite different than Governor Clinton that has to have it both ways on every issue. When you screw something up, you say it. You say, ``I was wrong." But now let's move forward and hold the line on the taxes. We don't need to raise taxes at all right now. We just don't need to do it. But what we need to do is control the growth of spending. Two-thirds of the budget, two-thirds of the Federal budget, never comes to the President of the United States. One-third does. We've got caps now, out of that budget agreement that I don't like, but out of it we did get one good thing. That was caps on the discretionary spending. On the mandatory programs, it's just free-flowing. So we've got to control their growth, and then stimulate business.

Here's what I want to do in the way of taxes: I want an investment tax allowance, I want a capital gains cut. It is not a tax for the rich. It will stimulate new business, small business. And I want a credit for the first-time homebuyer so that the guy, a family, young family trying to buy their first home, gets a $5,000 credit. And that will stimulate not only the housing industry but all the other businesses that go with it. The flat tax is a -- I don't believe it's even possible to get done, so I think we've got to stay with what we've got, but hold the line on it.

Energy Policy

Q. Mr. President, Montana's a great resource State, and we've been looking for an energy plan that would allow us to reasonably develop those resources and lead our country into a future without having an energy shortage. You just signed a new bill, but can you explain what your plans are for the future?

The President. The new bill we signed yesterday, the day before yesterday -- maybe it was just yesterday -- these things blend into each other. I'll tell you, like today we were in Detroit, South Dakota, and here. Yesterday, don't give me a quiz, but I believe I was in Louisiana. And if I was, I signed the energy bill.

It's a brandnew national energy strategy. You've got some independents, independent oil and gas producers here. One of the things that's been like a wet blanket over the domestic search for oil and gas has been the alternative minimum tax. And that has been changed now -- see, there's two oilmen up there -- that has been changed now. And that will free up a lot more domestic drilling. The IPAA estimates 45,000 new jobs in the domestic oil and gas business. Also, our energy strategy goes for alternative sources. We free up as best we can the use of corn for ethanol. I believe that you can safely use nuclear power. We're trying to cut down in some of the endless ways of holding that up. I believe in that.

So it's a good new energy strategy that goes for alternate sources and freeing up domestic oil and gas so we will not be as dependent on foreign oil. We count our blessings that we have good relationships with Saudi Arabia and other countries today. But we must not become more dependent for our energy needs as a country on foreign sources. And that's what this bill helps do.

Foreign Affairs and Domestic Policy

Q. Mr. President, even the Democrats recognize that you are A-plus in foreign affairs. Can you explain to the people how foreign relations means good domestic policies, such as lower gas prices, grain markets for us, and things like that?

The President. Well, the answer is we're living in an interconnected world. In fact, our economy today -- and this may come as a surprise to some, because don't listen to the evening network news if you want to get any good news. You're not going to get it. But it will surprise some to know that our economy is doing better than Japan, and we are doing better than Europe, and we're doing better than Canada. But we're not doing good enough. But we're in something that's -- I'll take my share of the blame. But I don't think it's fair for Clinton and Gore to say it's all George Bush's fault when the whole world is caught up in a slowdown.

What's going to save us is your question, is how we handle international affairs. We've made the world more peaceful. With me today is a guy who was a real leader in that -- I don't know whether he's standing around modestly in the background -- but our Secretary of State, now with me in the White House, Jim Baker. Where is he? He's out here someplace. Anyway, I say for him and Dick Cheney and Colin Powell and Brent Scowcroft in the White House, we have done something about establishing world leadership. And I took a lot of gas at the time we were trying to mobilize the world to stand up against aggression in the Middle East. But we did it.

I might point out a difference: Governor Clinton said on the war, he said, ``Well, I agree with the minority but I guess, I guess I would have voted with the majority." What kind of leadership would that be for the Commander in Chief of the Armed Forces? Now, we made a decision; we made a decision. The sons and daughters of this State and all the rest busted up the fourth largest army in the world, kicked him out, and in the process we established the United States as the only military superpower and the most credible leader for democracy and freedom.

And that means that as we move into this internationally connected economy, that we are going to be the ones to lead on trade. The things that saved us in a slowdown, as I'm sure you know, are exports. And we are fighting to increase our exports by getting a satisfactory solution to this GATT round, the Uruguay round on trade. That is in the interest of American jobs. American agriculture will sell more abroad.

I was annoyed to read a London Daily Telegraph article saying that the Clinton campaign intervened with the leaders of the European Community to say, don't make a deal before the election. What kind of statesmanship is that? We ought to make a deal this minute if it's a good one for American agriculture and a good one for the American interest.

So world leadership is important. World leadership is important. And let me say one last point on this question: Do not let them tell you that we are a nation in decline or are not respected. Governor Clinton, I believe, or someone around him used the word ``mockery," and they say we're something less than Germany and just above Sri Lanka. He ought to open his eyes, open that Little Rock narrow vision, and look at the world. We are the most respected country on the face of the Earth.

Barbara Bush

Q. Where's Barbara?

The President. All right. Well, she was last sighted waving goodbye to me at the White House today. But here's the situation. She's doing a great job, but I find that she can go out there on her own and really talk to the people about literacy, about how you help families.

You know, the liberals don't like it when we talk about family values. We're not trying to say a

family has to be any particular size, or if you have a one-parent family, that's not a good family. What we're talking about is values. And Barbara's good at it. Because when she holds an AIDS baby in her arms, why, she's teaching compassion. Or when she reads to those children in the Diplomatic Entrance of the White House, she's trying to say parents ought to read to the kids. We talk about family values, we're talking about choice in child care. Let the parents choose, not just the Government. We're talking about choice in education. Let the parents decide, public, private, or religious school, and then support them.

So I believe all of these things add up: teaching discipline, teaching respect -- I just met with some of your law enforcement people here -- respect for the law. It's unfair that people in some of these heavily impacted drug areas are scared to death to go down to the corner market. Family values can help, because if your kids can be weaned away from the drugs or whatever it is, you strengthen the American family. And that's what Barbara, I think, exemplifies. She's out doing that every single day. I wish she were here. She'd be overwhelmed by this fantastic turnout.

College Costs

Q. As the number of people who want to attend college has increased while the rise in costs of college have dramatically decreased their chance of going, if you're reelected, what would you do to help the financially burdened students and their parents?

The President. The question is a very good question: How do you help financially burdened students and their parents, because college costs have risen?

The step we have taken so far is to double the amount of money for Pell grants. That's the best way that students can participate. We have doubled it. Education spending is up. But I must tell you, we cannot do all the spending we want. As you know, the Federal Government participation in education is about 6 percent or 7 percent, and then the rest of the '93 is local and State and private and all of that. So the feds will continue to do our part. We will continue to, as this economy grows, to increase our commitment. But I am very proud that we have already raised Pell grants, which is the thing that helps children get to college, more than any previous administration and increased Head Start at the same time, for those who are starting to go to school.

The Character Issue

Q. Mr. President, I have two sons in college. One is 18 and one is 22. First of all, I'd like to say we appreciate your answers. No matter what part of the country you're in, you're consistent, unlike your opponent. My question is this: When we sit at the dinner table and we say grace, and then we have a man running for President who we've read his letters on how he tried to get out of the military. The ROTC is after them both; they are honor students. How do we tell them, if that other guy gets in, how they can be faithful to their country? When Kennedy was in, I was

getting ready to be drafted, and I volunteered ahead of time. How do we talk to our kids on this important subject if that other guy gets in?

The President. The gentleman raises a very serious question. I can understand people being opposed to the Vietnam war; I can understand that. What I think the problem Governor Clinton has is, there's a pattern of not leveling with the American people. I am old-fashioned. I served my country in combat. I believe that that has helped me be a little sensitive when the decisions come, and twice it's come to me, of having to send somebody else's son or daughter into combat. So I believe my own experience has helped me be a sensitive and decisive Commander in Chief. But I don't think everybody has to do that. We've got new generations who might not have served. But what you have to do is to level with the American people.

I've spoken out, and frankly, we've got a difference in our own group about this. Some say it's not important; I find it incomprehensible that when Americans are being held prisoner in Hanoi or when kids are being drafted out of the ghetto, that an American would mobilize, or ``organize'' was the word he used, demonstrations against his own country in a foreign land. If you want to demonstrate, do what other people -- come to the White House with your sign. But don't go to a foreign country and tear down your own country. So I've got a fundamental difference, I have a fundamental difference with Governor Clinton on this question.

But the big question, the bigger question is, on April 17th he said he was going to level with the American people and tell the record about the ROTC and the draft, and he hasn't done that. But it's not just the military. He goes to Detroit and says one thing on fuel efficiency standards, and then he goes someplace and says something else. He goes one place and said he's for the North American free trade agreement, and then in the debate you heard him, ``Yes, but.'' You can't have a ``yes, but'' in the White House. You can't make it into the waffle house. You have to say, here's what I'm for, here's what I'm against. And that is character. And that is trust.

Gasoline Tax

Q. Mr. President, Montana is a big State, and we have a lot of our citizens travel from 50 miles to 150 miles just to go shopping or do their business in their county seats. As I understand, Governor Clinton is highly in favor of putting a tax on gasoline to go to some of the expenses of Government. What are your thoughts on this?

The President. Well, my thoughts on the subject: I'm not sure. I want to be fair. I'm not sure he's proposing a gasoline tax. If he is, I strongly oppose it. We've already got a lot of Federal tax. There's several reasons. I'm afraid Mr. Perot is proposing a 50-cent gasoline tax increase. I mean, for people that have to drive to work or drive cabs, whatever it is, I mean, that's pretty steep. I don't think we need to increase the tax on gasoline.

There's two reasons. One is it's heavily taxed at the Federal level anyway. And secondly, we

preempt a source for the Governors and for the States if they have to do that. So I would like to hold the line on this fuel tax, on the gasoline tax right now. We don't need to do that. And rather than raise the tax is control the growth of spending.

And how do you do that? All right, I'll give you three reasons, three ways. Give us a balanced budget amendment to the Constitution. That's one, and that will discipline whoever is President and the executive branch. Give me a check-off, give the people, rather, a check-off on their tax return, a little tin box, and you can check off 10 percent of your taxes to go to reducing the deficit. And the law would be that then Congress must make the reductions that go with that. And the third one is, 43 Governors can take a piece of legislation, and they can knock out the wasteful parts. So give me the line-item veto, and let the President try to get the deficit down.

Native Americans

Q. Mr. President, the Democrats would have you believe that all Native Americans are Democrats. But I'd like you to know that a lot of Native Americans are Republicans also.

The President. Glad to know that.

Q. I am a member of Fort Belmount Tribal Council, and I'd like to express our appreciation for all the work you've done on behalf of Native Americans, especially in the area of education.

The President. I want to ask how it's going. I know it's a one-way deal, I'm supposed to answer. But is this approach to education helping?

Q. Yes, it is. We're having more and more Native Americans complete their college education, and that really helps us a lot.

The tribal councils are very active in the area of economic development. We'd like to ask your support and assistance in the area of providing more jobs for our people. Everyone on the reservation would like a job, and we need your assistance in that regard.

The President. You know what would help in this regard is this whole broad concept of enterprise zones. And what it says is to give breaks to businesses to move to areas where you really are adversely impacted by unemployment. I think that concept makes sense.

I'm glad that approach to letting the control of education be closer to the ground is making sense. We have a national program called America 2000. Congress -- I hope you don't sound, I'm down on the Democratic-controlled Congress that I am -- but I am. We need to change it. We need to clean House. And we need to, but we can get a lot done without it on this program called America 2000, because it bypasses a lot of the bureaucracy and goes right to the communities.

Where are we for the next one?

Q. Well, first of all, Montana's good Bush country because just look -- [applause]

The President. Amazing.

Defense Cuts

Q. My question was concerning the military cuts. With the military cuts, what do you plan to do with all the military personnel that are going to lose their jobs?

The President. I just signed a defense authorization bill, and in it we have a lot of money for retraining. And that is a very important part of it. But let me explain my view toward defense. Because we have been successful in the cold war and because we have lowered the threat of nuclear war -- the deal I worked out with Yeltsin was to eliminate these SS - 18's which are the major intercontinental ballistic missiles. It's a good thing. That hasn't been accomplished yet, but the deal is signed. Because we have made a lot of progress, we've been able to reduce defense spending. To reduce it to where we are, I took the recommendation of Colin Powell and the Chiefs and Dick Cheney, who I think have earned the confidence of the American people. I do not want to cut into the muscle of our defense.

Governor Clinton, to pay for a lot of other domestic spending, is now wanting to cut $50 billion, or $70 billion -- I can't remember. He and Perot both want to cut significantly more than I do. My view is there are still wolves out there. The Soviet bear may be dead, but there are a lot of wolves in the woods. You've got antiterrorism; you've got all kinds of people trying to acquire nuclear weapons. And who knows where the next challenge will come to the security of the United States? And so I don't want to cut into the muscle of defense.

But for those that are being dropped out of the military, we must go for the retraining. The Montgomery bill on education is a very important part of all of this, but retraining is the answer. And the bill I've just signed adequately provides funding to really help on that.

Health Care

Q. Mr. President, I'd like to know what could be done about our health insurance? You know, I'm older than my wife, and now I'm having an awful time buying insurance for her because we're about to lose our insurance with the business since I retired.

The President. The gentleman asked about perhaps the most pressing social question that we're all facing today, and that is the question of health care. The health care plan that I proposed and, when reelected, will push as an early objective provides the following: Insurance for all. The poorest of the poor will get vouchers to get the insurance. The next range up the income ladder

will get assistance, tax credits to provide, to be sure they can acquire coverage.

We will pool the insurance. The small operators find it very difficult to get insurance as cheap as some of the large operators. And so we've got a whole new system of pooling where you can pool insurance, people, small operators getting in together to make a large pool, thus reducing costs.

And there's another way we've got to get the costs down. Frankly, we've got too many of these suits where doctors are afraid to practice medicine, even deliver babies, because of lawsuits. And so to protect themselves and the hospitals protecting themselves against these reckless lawsuits, they increase the number of tests that are needed or require people to stay longer in the hospital than they might ought to, because they're afraid of getting sued if they get out early or something. So we've got to go after these malpractice suits and stop this crazy lawsuit business because, good heavens, people are afraid to coach Little League. They're afraid to stop along a highway and pick up somebody that's hurt, for fear that person will get a lawyer and come and sue them. We're suing each other too much and caring for each other too little. So we've got to put some caps on these reckless lawsuits. And that's number one priority. Governor Clinton will not do it, because the trial lawyers own him lock, stock, and barrel as far as these campaign contributions go.

Education

Q. Mr. President, we want to thank you for your support of educational choice. And we just want to encourage you on that issue, that you will continue to give parents the opportunity to choose alternative forms of education.

The President. I will continue that choice. It is right. We've got a pilot program called ``GI bill'' for kids. You know, people say, well, you've got to be careful that you don't undermine the public schools or that you merge this justifiable and proper separation of church and state. But the answer is, in the GI bill after the war, the same charge was made in some quarters. The GI bill went to the soldiers that got out, and then they could choose private, public, or religious colleges. And it did not diminish public education. Indeed, some felt that that was enhanced, that it enhanced public education. So my plan is for school choice, public, private, or religious, and try it. It's working in Milwaukee, Wisconsin, and I believe it will work nationwide. It's going to be very expensive, but we've got to start with a pilot program. And we're going to stay right on it.

Q. Mr. President, I'm a public school teacher. I have had to live under communism and under Nazi, and I'm proud to be an American. Every time we play the national anthem I have tears. But my question is to you, Mr. President. I'm sick and tired of being bashed. Every morning you and I are being bashed by a Democratic organization that I am forced to belong to. And I would like you to give me a one-liner that tomorrow morning I can go back and give to them.

The President. What is the organization?

Q. The teachers organization, NBEA, NEA, and MEA.

The President. Well, the NEA, that's not my favorite so I have to watch -- I have to clean it up for you because, I'll tell you, they oppose us at every turn. And part of our education program is to go around them and get the support for the teachers in the communities. We've tried this bureaucratic layering that they have insisted on, and it doesn't work. And too much of the money goes to overhead, and too little right in there to the classroom. So you can put me down as not their strongest supporter. They attack us all the time, no matter what I propose. It's time to stand up and fight against the power-hungry union like that that have more at interest in themselves in organization and less in the teacher in the classroom. I can't think of one line, though, to get them down.

Patrick Goggins. Mr. President, they tell me it's time for you to move on.

The President. The big sky.

Mr. Goggins. We will take, I think, one more question, and then we're going to have to move. And you get to do the picking because I'm not going to make -- I live here.

The President. You guys are in charge. Go ahead.

Health Care

Q. I have another health care question, Mr. President.

The President. Hold it. Hold it. Hold it. He says, he says, ``Give 'em hell.'' You remember what Truman said? He said you just tell the truth, and they think it's hell. [Laughter] Anyway, go ahead.

Q. Some smaller communities in Montana have been forced to close their hospitals. I was wondering what some of your solutions to providing health care for rural Americans would be.

The President. Well, I think I touched on that in our whole health care plan. It does cover that, but the main thing is to provide the insurance. I can't give you a firm answer on what we can do in rural areas with the limited funds we've got. We can assist rural areas. We can assist communities. But we cannot start a new program of building Federal hospitals. We simply have to say we don't have the funds to do that when we're operating at this enormous deficit.

Our health care plan, I think, would help. And it would certainly help the individual get access.

But it does not answer the problem of the need for more, like veterans hospitals, higher spending on veterans hospitals now under me. I don't want to mislead you to think that we can go ahead and spend a lot more money to build hospitals in the rural areas. We just don't have the funds to do that.

Let me end on a more positive note. Who's got one? Yes, ma'am.

Q. [Inaudible]

Mr. Goggins. I'll interpret for you.

The President. Go ahead.

Q. [Inaudible] -- I just want you to know, for any of these people that haven't made up their mind yet, that I don't want to see Clinton and Gore riding on your Bush tail, your shirt tails -- [laughter] -- and taking any credit for everything you have been working for. And what the hell am I going on -- and you know, taking any of the credit, because these changes are slow to come. If they haven't made up their mind, one of your best campaigners is Rush Limbaugh. And you can listen to him.

The President. Yes. Are you finished? Well, let me, that gives me a -- --

Q. If you haven't made up your mind, you will make up your mind by the election if you listen to him, tell them on 91 - AM from 10 to 1.

[Inaudible]

Term Limits

The President. She asked a question at the end. And the question is, what do I think of term limits. I support term limits. That's the way to put power back to the people.

Well, we do have to run. But let me end this way, that this has been a very exhilarating experience for me. I just want to tell you, Barbara and I are very lucky. We're lucky with our family. It has not been a particularly pleasant year for people in politics or serving, trying to serve their country -- understatement of the year. But we are very blessed. And it isn't that I just want to be President for being President. I'm President now, and we've had a lot of wonderful things happen. We've got a lot of problems that have not been solved. But I want to be President because I like to finish the job. The job means lifting up every kid here to understand that you've got a bright future ahead. I would hate to do what the Clinton crowd is doing, running around -- the only way they can win is to tell everybody everything that's wrong with this country and that we're a country in decline. We are not. So my message is more hopeful and more optimistic.

And yes, we've been through hell. And a lot of families don't know whether the job they got today, if they're going to have it tomorrow. But if we do the things that are outlined in our agenda for America's renewal, and if we continue the worldwide leadership, I am absolutely convinced that in the next 4 years the life is going to be an awful lot brighter for every young person in this country. And that's why I want to be reelected for 4 years. I ask for your support. I've tried to uphold your trust. And I would like to serve and finish the job. And don't let them tell you America's in decline.

God bless this great and free and wonderful country. And thank you all.

Note: The President spoke at 3:55 p.m. at Pioneer Park. Patrick K. Goggins, publisher of Western Livestock Reporter, Inc., publications, served as moderator for the session. In his remarks, the President referred to Chuck Heringer, chairman, Montana Bush-Quayle '92.

Notice on Continuation of Iran Emergency

October 25, 1992

On November 14, 1979, by Executive Order No. 12170, the President declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States constituted by the situation in Iran. Notices of the continuation of this national emergency have been transmitted annually by the President to the Congress and the Federal Register, most recently on November 12, 1991. Because our relations with Iran have not yet returned to normal, and the process of implementing the January 19, 1981, agreements with Iran is still underway, the national emergency declared on November 14, 1979, must continue in effect beyond November 14, 1992. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Iran. This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

October 25, 1992.

[Filed with the Office of the Federal Register, 4:35 p.m., October 26, 1992]

Note: This notice was released by the Office of the Press Secretary on October 26, and it was published in the Federal Register on October 28.

Letter to Congressional Leaders on Continuation of the National Emergency With Respect to Iran

October 25, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency is to continue in effect beyond November 14, 1992, to the Federal Register for publication. Similar notices have been sent annually to the Congress and the Federal Register since November 12, 1980, most recently on November 12, 1991.

The crisis between the United States and Iran that began in 1979 has not been fully resolved. The international tribunal established to adjudicate claims of the United States and U.S. nationals against Iran and of the Iranian Government and Iranian nationals against the United States continues to function, and normalization of commercial and diplomatic relations between the United States and Iran has not been achieved. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed in the process of implementing the January 1981 agreements with Iran and in the eventual normalization of relations with that country.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. This letter was released by the Office of the Press Secretary on October 26.

Remarks to the Ace Hardware Convention in Denver, Colorado

October 26, 1992

What a great welcome. Thank you very, very much. Thank you all. That was just first-class. Please be seated. Roger, thank you. My heavens, what a wonderful -- I'm kind of glad I'm running against Clinton instead of this guy, I'll tell you. [Laughter] No, but when he was citing those values and what you all stand for about hard work, it really resonates. I'm very grateful to Roger Peterson. I want to thank your chairman, who just met me, greeted us out there in the hall, Richard Laskowski; say to your executive vice president, David Hodnick -- thank him for, I'm sure, a lot of the arrangements in all of this. And I am just really pleased to be here.

I was accompanied here today by one of Colorado's Congressmen, Congressman Dan Schaefer, doing a great job for our country in the Congress, and also with Terry Considine, a great friend, who I'm convinced is going to be the next Senator from here. So we brought a little political clout to this nonpolitical meeting. Somewhere over here also is one of the unique characters in the whole United States Senate, a legend not only in this time but I expect will live forever as a great down-to-earth American. I'm talking about Wyoming's Al Simpson, who is here, one of the great, great U.S. Senators.

So I'm delighted to be here. And, you know, hardware stores are viewed -- I listened carefully to Roger, but I knew it -- hardware stores are viewed as the typical small business, literally the foundation of our economy. When you talk hardware, okay, I've heard it, ``Ace is the place." So put it down this way: I'm the guy that's honored and I'm the one that's very, very pleased to share a few minutes here with you and to salute those men and women who really are the backbone of small business in this country.

I would say that my friends over there in the national media -- we've got a little bit of a thing going here, because I like holding up a bumper sticker. It says ``Annoy the Media. Reelect Bush." I say it with total good humor but great conviction, I might add. [Laughter] So I'm sure some of them want to know why I stopped by this convention. And the truth is, I need a few tools. You see -- [laughter] -- I've got some work to do around my house, and I don't plan moving out for another 4 years.

Oh, heavens. But now let me just try to put things in perspective. One week from tomorrow, it's hard to believe that one week from tomorrow American voters are going to choose a President, not just the President of the United States but really the leader of the entire world, given the demise of international communism. In many ways we're going to be choosing a future.

I believe that this election comes down to three fundamental questions. Who has the vision for America's future? Who has the road map to get us to that future? And then, fundamentally, who can you trust when we hit those unexpected bumps, those crises that lie ahead, inevitably?

Let's begin by talking the question of philosophy. Whose vision makes more sense to you? My opponents say that this election is about change, and I agree. But being in favor of change is like being in favor of breathing. The real question is not who is for change, but whose change will make life better for all Americans.

A philosopher once observed that ``those who cannot remember the past are condemned to repeat it.'' And so let's see where we've been over the past 4 years. We won a 50-year cold war because we stood up for ideals, communism versus freedom. Freedom finished first. You know, the cold war was defined for half a century in ways large and small. It claimed literally millions of lives and crushed the spirit of millions of others. And here in America, the cold war defined us, financially, economically, even psychologically. My kids, and many of you out here, grew up crawling under desks in these ``duck and cover'' drills. In the sixties during the Cuban missile crisis, we stood on the brink of Armageddon. In the eighties, families huddled together in fear to watch a TV movie called ``The Day After.'' And always, the shadow of the cold war lingered right outside our windows.

You talk change, well, all that has changed with our leadership. And because of that change, our children go to sleep tonight without that same fear of nuclear war. We should be proud that we gave this gift to them. But if we were the cold war victors, we have yet to receive the spoils. There's little celebration in America today; instead a nagging anxiety, a feeling that it's time to turn our attention to challenges at home, to creating new industries and better schools and affordable health care. And whose philosophy should we follow to get there?

Well, we've seen in recent years the power of a tank or a gun, but the power of a simple idea is what we've really seen, an idea called freedom. In Asia, in Eastern Europe, South America, Mexico, people are coming to understand that government is neither superior nor savior. It is and must be their servant.

In the midst of a worldwide economic slowdown, our free-market economy remains afloat, while many nations are drowning. We are growing faster than Japan, faster than Germany, faster than Canada. But here's the irony. At the very moment when the rest of the world is moving our way, my opponent, Governor Clinton, wants us to move their way.

Governor Clinton says he is, quote, ``different'' than the old tax-and-spend liberals. But if you look at the details of what he offers, you see $150 billion in new taxes, more than Mondale and Dukakis combined. You see at least $220 billion already in new spending, just to begin to pay for all the promises.

With each program Governor Clinton puts forth, you see a philosophy where bureaucrats in Washington or some entrenched Members of Congress carve out the exact same programs to try and solve problems facing people in Denver and Dallas, or Dover, or Delaware. I believe Americans understand that these old liberal solutions are not right for our new postwar era.

It does not make sense that hardware store owners will somehow get richer by giving more of your money to the IRS. It doesn't make sense that we will get this terrible deficit down by giving more money to the Government to spend. At a time when every organization is decentralizing power, why turn back to central bureaucracy in Washington?

And yet, saying that is not enough because, of course, we have real problems. Our children won't be able to compete unless our schools are literally reinvented. The cost of health care is skyrocketing. We have to get it down. So Government can't just keep the tanks running. Government must help people.

During this campaign, many have sought to portray the choice between a, quote, ``activist'' Government and a trickle-down approach to Government. But that is wrong. The real choice is not between activism and passivity. The real choice is between a liberal activist Government that seeks to impose solutions on individuals, families, and the private sector, and a conservative activist Government that gives individuals, businesses, and families the means to make their own choices through competition and economic opportunity.

We know one size does not fit all. We know the American people are individuals, each with their own needs and skills and, yes, dreams. So our activist approach gives more power to individuals, families, and businesses, so you can choose what is best.

Let me give you just a couple of specific examples here. Start with education. Governor Clinton worked with me, and I give him great credit for this, when we set six national education goals, the very first time in history that the Governors came together with the President to set these national education goals. And as I say, Governor Clinton deserves credit for that. But if elected President, Governor Clinton wants to pour more money into the same failed education system, a system where funds are controlled tightly by central bureaucracies, where powerful teachers unions block real reform, and where we spend as much per pupil as any nation but Switzerland, but don't get an adequate return on our investment.

If the system is broken, tinkering around the margins won't do the job. So I want to use competition to improve our schools. I want to provide scholarships for elementary and high school students so that every parent, rich and poor alike, can choose the best schools for their kids, public, private, or religious. Give the parents a choice, and competition will make all these schools better.

This same principle, you live by this principle in your work. You see the same thing in health

care. Governor Clinton has offered three plans in this campaign. One said to all of you, either offer care -- small businesses, remember -- either offer care on your own or pay a new payroll tax, at least 7 percent. Many experts said it was a back-door way to get Government directly involved in running health care.

Now he offers a slightly different plan, but he still wants to control the price of health care by setting up a gigantic board in Washington, not unlike what the Government tried to do with gasoline in the 1970's. I say we don't need to sock you with a new tax, and we don't want to tell you what doctor to see, and we don't need to inflict you with any more mandates from Washington, DC.

How about tax incentives for small businesses, so that you can afford to buy health care on your own, or let small businesses pool coverage, to get the advantage, so you can get the same price breaks as the AT&T's and IBM's. Government can't control prices by fiat, but competition can bring prices down. For people who are too poor to pay taxes, we will give vouchers. The poorest of the poor will receive vouchers so that they can choose the care that best suits them.

Freedom, power, choice for people: You see the philosophical difference in every area. I trust you to choose the best child care for your kids. My opponent says trust the Government. I trust you, with the right incentives, to figure out how to give your employees parental leave. My opponent says Government should tell you how to do that. I favor parental leave. I do not favor more mandates on small business. I trust entrepreneurs to place their bets on the growth industries of the future. You've got a big difference here. My opponent thinks Government can do as good a job, if not better.

Governor Clinton talks about Government, and here's the word he uses, ``investing'' your money. I talk about cutting capital gains taxes, investment tax allowances to small business, because you know what to do with your money better than any bureaucrat; a big difference between Government investment and investment in the private sector.

Governor Clinton says we need professional politicians in Washington, who won't get anything done. I trust Americans' judgment so much that I want to limit the terms of Members of Congress and give the Government back to the people. The Republic's been able to survive with the Presidents having limited terms. I'd like to try it out on some of these old geezers in Congress; wouldn't hurt them a damn bit.

No, you see, here's my point, there's a conservative agenda for helping people. It's an activist agenda that empowers people, not the bureaucracies. It gives people power to make their own choices, control their own lives, create their own destinies.

I believe that even in these challenging times these ideas make more sense to the American

people than the siren song of higher taxes, more spending, bigger Government in Washington. Now, it all sounds great, but how do you translate words into action? After all, people are sick and tired of gridlock, and they want to turn Washington into a ``bicker-free'' zone.

Well, many of the ideas that I've talked about are already underway. In child care, for example, we succeeded in passing legislation that literally allows parents to choose their kids' care, whether it's a government agency or a church down the street.

But with a new Congress -- and it's going to be new not just in the sense of reforming; a new Congress is going to have 150 new Members maybe; certainly over 100 -- we have a historic opportunity to push this agenda even further, literally to renew America.

In September, I laid out what we call an Agenda for American Renewal. It's a comprehensive, integrated approach to fixing our schools, reforming health care, right-sizing Government, and creating here in America the world's first $10 trillion economy. My agenda includes 13 first-year priorities, but three really dwarf all others.

First, America needs jobs. Not 2 years from now, not next fall, we need them today. I understand what it takes to create jobs. I built a business myself, small business, met a payroll. I have a big difference here because Governor Clinton wants you to send more of your money to Washington, remember, to invest, and say the Government will invest it for you. I say, let's cut out the middle man. We don't need that. We'll put together a package to give you incentives to grow, to further cut -- and I've got to do well on this one in the next 4 years; we've made some progress -- but further cut redtape and regulation and make more credit available.

Right now, we have $150 billion -- one of the things we did get passed in the last Congress, Senator Simpson and Congressman Schaefer taking lead roles in this -- $150 billion in money for highways. We'll make sure that that money gets to the States just as soon as possible and get those steamrollers moving quickly, so that your customers will have more money in their pockets.

While we're strengthening our business, we must, and I will, open new markets for our products by winning congressional approval of our free trade treaty with Canada and Mexico. This is the bottom line: More trade creates more American high-paying jobs, jobs for all Americans. It is exports that have saved us in this global slowdown, global recession, and it is exports that are going to lead the way out of this with jobs for American manufacturers and American services.

Our immediate third priority is health care. I already mentioned some of the ideas, but the need for action is urgent. We simply cannot control the deficit, we can't make our companies even more competitive until we make health care more affordable and more accessible for you and

for all that work with you.

As we are working on these priorities, we're going to be working on others. We'll take new steps to reform our education and legal system. Our children will not be able to compete unless we reinvent, literally reinvent our schools, K through 12.

Our society will be drained of precious resources unless we start suing each other less and caring for each other more. It is a crying shame that these crazy lawsuits have gotten out of control. I have tried for 3 years to get the Congress to move on tort reform and on limiting some of these outrageous claims. Because when a doctor can't deliver a baby for fear of being sued or has to run the price of your health care up to protect against a suit, or when a Little League coach won't dare coach, or when a guy driving along the highway sees an accident on the side and says, well, I better not stop because somebody might sue me if I move this poor guy off the road, we've got to do something: Stand up to these trial lawyers, and get these lawsuits under control.

My plan includes reducing the deficit, not by raising taxes but by getting control of spending. We need a balanced budget amendment. We need a line-item veto. And we need to cap the growth of these mandatory programs, except Social Security. We need a check-off on your tax return, so you, the taxpayer, can earmark up to 10 percent of your taxes to be used for nothing but to get the debt off our children's shoulders.

Some of you are from urban America, and to you I say we must restore hope to our inner cities. So I will work with the new Congress to get tougher crime laws, to fight the drug problem, to reform the welfare system, and to attract and keep business, all using this principle of putting faith and power not in bureaucracies but in real people.

We will further expand free trade, using our stature as world's number one superpower, to reach new trade agreements with countries in Europe and Asia.

Perhaps most important, we'll reform and right-size the Government, subject it to the same discipline as every other large organization in America. We'll cut the White House staff by a third, and look to Congress to match our action. Until we get all these things under control, at the outset we will take 5 percent off the salary of the best-paid Federal employees. Unfortunately, that includes the President, too, but I'll do my share. We will abolish these political action committees; get rid of them. We will limit the terms of Members of Congress, and we will try in every way to give the Government back to the people.

I know some of you come from communities that have been heavily impacted by defense cuts. One of the great things about our performance in the cold war, yours and ours, has been that we've been able to cut back on some defense. But a critical part of this reorganization will be to help our defense industry adjust now to a peacetime economy. Immediately following the

election, I will assemble a defense conversion council. It will include every necessary Cabinet Agency and work closely with key Members of the United States Congress.

We're already directing more weapons research in our great labs, our great national labs, to civilian use and retraining military personnel. To support this plan, this effort, I plan to create in my next budget submission a fund for future generations. That fund would provide seed monies to help defense sector and civilian firms form joint partnerships to use the knowledge we've gained from building weapons to building a stronger economy.

That is my immediate agenda, and it builds on the foundation that we have laid for the last 4 years. It's what I've been talking about on the campaign trail and what I will fight for in my second term.

But I believe each candidate owes you more than his agenda, but what specifically will he do to get it done. As the support for Ross Perot has made clear, there is a strong desire for a new coalition in America, to overcome gridlock, to get the job done. With 150 new Members of Congress from both parties, we will move quickly to respond to the demands of the people. I plan to use the time from November 4th through convening of the new Congress to meet with all the new Members of Congress, regardless of party, and to shape a legislative package in a way that will guarantee swift passage.

You know, the best time to move is when you're reelected. No more elections ahead. No worry about the future politics. Just get the people's business done and do it fast.

A committee has been called a cul-de-sac down which ideas are lured and strangled to death. And if this is true, then the modern Congress has become a giant subdivision. Good ideas go in, and they never come out again. [Laughter] So we will seek agreement with the congressional leaders to form a steering group that can help ride herd over Congress, to make sure our legislative package does not get bogged down. We'll set deadlines for decisions, and we'll meet them. We can mobilize for war. We can mobilize for hurricanes. Let's mobilize for our economy, and get this country moving again.

If we need to, we'll go beyond Washington. Already, our American 2000 education reform effort involves parents, teachers, and business leaders in over 1,700 communities. This will be a model for other efforts. America's desire for positive change requires building new coalitions, taking advantage of grassroots power, and we will.

Now, that's the action plan. But what about Governor Clinton? Well, in June, he promised to present his 100-day plan even before the election. It's 8 days away; we have not had a sighting yet. [Laughter] No plan has been sighted. And here's why: His plan simply does not add up. He's promised too much. And his new congressional friends want to raise the ante even higher. The result will be much higher spending and taxes and a much bigger deficit or continued

gridlock in Washington.

My agenda can break the gridlock without breaking the bank. It is ambitious, but it is doable. With it we can start to make progress on our fundamental challenges and match the peace of mind in the world, with the peace of mind right here at home.

Finally, a word about character. In the final analysis, it is my view that this election is going to be decided on character and trust. Horace Greeley -- I mentioned this in the debate out in Michigan -- Horace Greeley once said that character is the only thing that endures. I think that's especially true in the Presidency. Character matters, not just because of the plans you make but the crises that you never foresee. A friend of mine says character is real simple. He says it's acting alone the way you would act with a million people watching. As President, you're never more alone than at times of crisis. While nobody may be watching in the Oval Office, millions, literally millions, will feel the impact of your judgment.

It is easy in the aftermath of Desert Storm to portray the decision to go to war as an easy one, but it was not. It was not uniformly popular. The Democratic Congress had spent much of the fall parading experts up there, if you'll remember, to Capitol Hill, who said we'd get into, quote, ``another Vietnam." The thing that hurt the most or that made me think the most was the horrible tales of the numbers of body bags that we would be responsible for if we made a commitment to send somebody else's son, somebody else's daughter to war. The critics said a war would kill any hope for peace in the Middle East. And the vote in the Congress, a cliffhanger, not overwhelming. Many said, ``Let's give sanctions more time." But I made a decision to go to war because I knew it was right, not because I knew it was popular.

I remember well the cold, rainy February day at Camp David when ground war to liberate Kuwait began, and how fervently I prayed that our plans would work and our young men and women would return home, victorious and alive. This is an awesome responsibility to ask our young people to knock early on death's door. It is a responsibility I have tried to fulfill with honor and duty and, above all, honesty, integrity to the American people. But that's your call.

That's the wonderful thing about this system. And yes, I confess it's been an ugly year. But that's the wonderful thing, because it is your call on November 3d. Then the polls and all these deadly talking heads we see on these Sunday television shows, each getting 500 bucks to tell us what we think, it doesn't matter anymore. They don't matter anymore. It's up to the American people.

When you enter that voting booth, ask yourself three common sense questions: Who has the right vision for America's future? Who can get us from here to there? Which character has the character? And who would you trust with your family or with the United States of America in a crisis?

Ideas, action, character: I have tried very hard to demonstrate all three. So I came out here to Ace to ask for your support on November 3d.

Thank you, and may God bless our great country, the United States of America. Thank you very, very much.

Note: The President spoke at 10:55 a.m. at the Colorado Convention Center. In his remarks, he referred to Roger Peterson, president and chief executive officer, Ace Hardware.

Remarks to the Community in Albuquerque, New Mexico

October 26, 1992

The President. Thank you, New Mexico. And thank you especially to one of the truly great, decent, honorable, committed United States Senators, Pete Domenici. And, you know, you've got a great Republican delegation to the Congress in Steve Schiff, the local Congressman; Joe Skeen is with us here today. Former Governor Garrey Carruthers is over here. I want to thank our New Mexico State chairman, John Lattauzio, and our special guest, my dear friend Ricky Skaggs, just back from Russia, one of the great entertainers and a really decent guy.

Let me say I am very, very pleased to be in Albuquerque. And let me tell you this: Ignore the pundits, annoy the media, and let the people decide who's going to win this election. We are going to win the election.

Let me tell you why. There's a clear choice before the American people, a vast difference in experience, a vast difference in philosophy, and a vast difference in character. And character counts when you're talking about the President.

Now, I hate to ruin a beautiful day in this lovely plaza with this magnificent unbelievable turnout. But let me tell you a little bit inasmuch as Clinton has been misrepresenting mine, let me tell you the facts about his record in Arkansas. Sorry, I've got to do it.

Here's what it is. You like your environment? Arkansas is 50th in the quality of environmental initiatives. They are 50th in the percentage of adults with a college degree. They are 50th in per capita spending on criminal justice. They are 49th in per capita spending on police protection. They are 48th, sorry, in percentage of adults with a high school diploma. They are 48th in spending on corrections. They are 46th -- they're moving up -- 46th in teacher salaries. They are 45th in the overall well-being of children. And listen to this one, New Mexico, Governor Clinton signed into law a prejudicial English-only statute for Arkansas.

Audience members. Boo-o-o!

The President. We do not need that kind of leadership in Washington, DC. He calls this change. All you hear out of him and Mr. Ozone, Al Gore -- [laughter] -- I've never seen a guy with such crazy ideas. They'd screech this country to a halt, I'll tell you.

But Governor Clinton talks change, change, change. But let's just take a look at what he wants. He's already proposed $150 billion in new taxes, $220 billion in new spending. You talk about trickle-down Government, that's it. His numbers do not add up, and he is going to sock it to the

middle class, and we're not going to let him do that.

Remember what it was when the Democrats controlled the White House and have these silly liberals controlling Congress. Remember how it was. The last time they controlled it, inflation was 15 percent, interest rates were 21 percent, the ``misery index'' was out through that ozone layer, and the country was in a disaster. And we're not going to let him go back to that.

Watch your wallets, men. You've heard it before: Sock it to the rich. He means sock it to the working man, the nurse, the teacher, the cab driver. And we're not going to let him do that. You listen to this guy, and change, change is all you're going to have left in your pocket if you hear from him.

You know, Governor Clinton can only win if he tells everybody how bad everything is. Today, employment is at 93 percent; inflation is only 2\1/2\ or 3 percent; home mortgages are about 8 percent. Ask yourself this question: Can Bill Clinton do better, or is he going to make it worse? He is going to make it worse.

And maybe some New Mexico issues. On defense, we've got a good defense. I have cut defense where we're able to. But I've accepted the recommendations of the respected Colin Powell and Dick Cheney. We're not going to cut into the muscle of our defense. And Clinton wants $60 billion more, throwing a lot of New Mexicans out of work. We cannot let them cut the muscle of our defense. Clinton is no expert. He has no feeling for foreign affairs or defense. He was the guy that said the Patriot missile was the one that goes down chimneys. Governor, that is Santa Claus. [Laughter] That is not the Patriot missile. That shoots down other missiles. I mean, come on. This guy wants to be Commander in Chief, and he doesn't know the difference between a Patriot and Santa Claus. [Laughter]

The energy bill, I was proud, with the help of Pete Domenici and the Members of Congress with us here today, to sign an energy bill that's going to get our domestic energy industry moving again. We have changed the alternative minimum tax. And that frees up the independents to go to drill for more oil. We are too dependent on foreign oil. Let's get the domestic industry moving.

And beware of environmental extremists, these crazy people that say that we cannot -- you want to protect the owl but throw the timber worker out of business. You want to protect CAFE, car efficiency standards, throw the auto workers out of business. But around here, I favor multiple use of public lands. And I will stop these environmental extremists.

And here's something that New Mexico understands and I'm not sure the Clinton-Gore ticket understand, the thing that has saved us in a global slowdown. And remember, the United States is doing better than Japan; we are doing better than Germany and the rest of Europe; we are doing better than Canada. And all you hear from these guys, assisted by these talking heads on

the news, is how bad everything is. But the way we're going to lead this world actually into recovery is by creating more jobs for Americans as we export more products. And I am proud that we negotiated the North American free trade agreement with Mexico. This is sound and solid. And it will create 175,000 jobs.

Small business, look, small business creates two-thirds of America's jobs. Let's get the regulatory burden off of small business. Let's reduce the tax burden on small business. And let's reform our legal system. We're suing each other too much. We're suing each other too much and, frankly, caring for each other too little. And what we've got to do is put a cap on some of these frivolous lawsuits.

Governor Clinton is in the pocket of the trial lawyers. I am trying to reform this legal system so doctors can practice medicine without raising the cost, Little League people can coach without fear of some crazy lawsuit. And if you drive by and you see somebody hurt on the highway, you don't want to have to worry whether some lawyer's going to come and say you shouldn't have tried to help that person; you did the wrong thing.

I have the best plan for health care reform. It is to keep the Government out of the business and provide insurance for all, the poorest of the poor through vouchers, the over-taxed rest of the people through tax assistance. Get these malpractice suits under control, pool the insurance so you bring the cost down, but do not let the Government get into the business of rationing health care.

On education, my administration has increased spending for education tremendously. But let me tell you this: We need a new approach, and we've got one. Seventeen hundred communities are literally reinventing their schools. One out of two college students gets financial aid. But we've got to do better. And I want to give parents a choice. Parents should choose private, public, or religious schools and get help as they do that.

Those merchants of change, Mr. Clinton and Mr. Gore, aren't even willing to try a new idea. They wouldn't know one if it hit them in the face.

I've got a big difference with those two guys on crime also. You know, the Arkansas prisoners spend 20 percent of their sentences -- they serve only 20 percent; the Federal criminals, 85 percent. And my view is we ought to have a little less respect for the criminal and a little more to the victims of crime.

I support our law enforcement people, and they're getting a bum rap. We ought to back them up more. You know, the other day in the White House I had a visit from eight people from the South. They came, and they were real down-to-earth, wonderful family people. They said, ``We're supporting you." They were from the Fraternal Order of Police from Little Rock, Arkansas, and they endorsed me for President of the United States.

Governor Clinton says he wants to take more tax money to invest. Since when is the Government able to invest in anything? You can't do it. I want to see private business invest by giving them tax relief and by getting this deficit down.

Do you want to know how we should do that? I'll tell you: We need, right, we need a balanced budget amendment. The Democrats fight us, and we're going to get it done in the new Congress. We need a taxpayer check-off. The taxpayer should say, ``Look, I'm going to allocate, if I want to, 10 percent of my income tax to go to reducing the Government debt." That should be enforced by the Congress, and it will if I am reelected.

We need term limits. The President serves limited terms. Let's limit it for these Congressmen.

The last point on getting this deficit down, let's try something new for the Federal Government. Forty-three Governors have it. They can take a pen and wipe out the pork. Give me the line-item veto, and let's get this budget down.

No, we've got a world of difference between the Clinton-Gore ticket and the Bush-Quayle ticket. And may I say I'm very proud of my running mate. I love the equity in the news media. They beat up on Dan Quayle for going into the service, and they apologize for Clinton for staying out of the service. Come on. Where's fairplay out there? Where is fairplay?

Now, I'll tell you what's going to make the difference, though. The newspaper generously referred to it. It really does have to do with character. My argument with Governor Clinton is, as President of the United States you cannot be all things to all people. You cannot say you're for one issue and then flip-flop the next day. When you make a mistake you ought to look to the American people in the eye and say, ``I made a mistake, and I'm sorry. And I'm going to go on and lead the American people to greater heights." You cannot cover up. You cannot cover up. I have a big difference, as you know.

But here's a test of leadership. I had to make a tough call, a very difficult call for any President when you have to commit someone else's son or daughter to go into harm's way. I did it. I led, and we brought along the Congress. We formed an international coalition, and we kicked Saddam Hussein out of Kuwait. We busted up the fourth biggest army. And we restored the United States as the one leader in the world.

Now, where was Bill? Here's what he said. Here's what he said about the Persian Gulf: ``I was for the minority" -- meaning let sanctions work, let Saddam Hussein march into Saudi Arabia -- ``I was for the minority, but I guess" -- this is an exact quote -- ``I guess I would have voted with the majority." My friends, you cannot do that as the President of the United States.

Audience members. Boo-o-o!

The President. He comes from Arkansas, a right-to-work State, says he's for it there; goes up to the labor leaders in Detroit and says he's against it. He's for term limits one place, against them in another.

The biggest argument I have with him on the draft is this: I have said, and I feel it viscerally, I do not believe that it is proper when your brothers or when the guys out of the ghetto are drafted, to be over in a foreign country leading, organizing demonstrations against your country no matter how strongly you feel. But I recognize that people differ on that question. But I recognize they differ on serving in that war.

But let me tell you something, what I don't think is right is to try to have it both ways on there. He said on April 17th, ``I'm going to reveal all my records on the draft'' -- was he inducted, wasn't he; was he drafted, wasn't he? He has not done that. You cannot equivocate and obfuscate. You've got to tell the truth if you want to be President of the United States of America.

There is a pattern of deception, and you cannot lead America by misleading. You darned sure can't turn the White House into the waffle house. The phone rings over there sometimes in the Oval Office or sometimes upstairs where Barbara and I live in the White House, and you don't have time to equivocate. You have to make up your mind and call them as you see them, as the umpires do, and do your level-best.

Here is why, in conclusion, I believe we are going to win. I believe, in the final analysis, when people go into that booth, I think they're going to say the President has the best agenda for renewing America. I think they're going to say we have the best record because we are saying to these young people here, you don't grow up with that same fear of nuclear war that your mother and dad had. We have led and dramatically changed the world, and I want to take that leadership now and help lift these kids up and give them a better life.

But I'll tell you why I believe it. I believe I will win because I believe in the final analysis that my wonderful wife -- and I think we've got a first-class First Lady in that White House, and I am very proud of her. We have tried -- the reason I'll win this election is I have tried very hard to keep the public trust. You have placed in me a trust, and we have had a clean, a decent administration. We've made some mistakes, admitted them. We are leading. Don't believe it when Governor Clinton and the Ozone Man tell you, don't believe it when they say we're a nation in decline. They had the nerve to tell the American people that we're less than Germany and a little more than Sri Lanka. Forget it. We are number one in the entire world. We are the fairest, the most decent, the most honorable country in the world. I ask for your support and your vote to lead this country for 4 more years.

Thank you, and may God bless the United States. Thank you very much. Thank you very, very much. Thank you all.

Note: The President spoke at 2:15 p.m. at the Civic Plaza.

Statement by Press Secretary Fitzwater on Sulfur Dioxide Emissions Regulations

October 26, 1992

The President today announced that the administration is issuing final regulations that will remove 10 million tons of sulfur dioxide from our air, cutting acid rain by about one-half. This major environmental achievement was made possible through the use of an innovative, market-based emissions allowance trading program that was proposed and signed into law by the President as part of the Clean Air Act. This trading program will save over $1 billion per year compared to the traditional ``command and control'' regulatory approach for achieving the same amount of reductions.

Through the President's leadership in passing the Clean Air Act, a decade-long congressional stalemate was broken, and one of the Nation's most important environmental goals was accomplished, significant progress toward cleaner air. Today's action further exemplifies the President's commitment to implementing fully the Clean Air Act, which utilizes the power of the marketplace to improve our environment.

Memorandum of Disapproval for Legislation Requiring an Historical and Cultural Resources Study in Lynn, Massachusetts

October 26, 1992

I am withholding my approval of H.R. 2859, which would require the Secretary of the Interior to conduct a study to identify historic sites in the vicinity of Lynn, Massachusetts, and provide alternatives on the appropriate Federal role in preserving and interpreting these sites.

The National Park Service (NPS) studies many sites to determine if they are nationally significant and therefore suitable for inclusion in the National Park System. A site is nationally significant if it is an outstanding example of a unique natural, historic, or cultural resource with demonstrated importance to the entire Nation.

In many instances, the Congress has used the findings of a congressionally mandated NPS study, regardless of the study's conclusion, to justify authorization of a new unit of the National Park System. To restore credibility and a national focus to its study process, the NPS re-established in 1991 a program to evaluate sites and prioritize candidates for future study. The most promising candidates identified by the NPS experts would be proposed for formal study.

For my fiscal year 1993 Budget request, NPS professionals rated and ranked 41 candidates from criteria established by the Department of the Interior. The fiscal year 1993 Budget proposed $1.2 million to study the seven highest-rated candidates from the list of 41 originally reviewed. The Congress appropriated $848,000 to conduct four of the studies proposed by the NPS.

The NPS experts have not identified the Lynn, Massachusetts, study as a high priority. The effect of this legislation would be to place completion of this study before the completion of other studies that the experts agree are much more important to the Nation.

H.R. 2859 would ignore professional analysis and budget constraints. It would also undermine the critical objective of identifying and evaluating the Nation's most promising natural, historic, and cultural assets for protection as units of the National Park System. I am therefore withholding my approval of H.R. 2859.

George Bush

The White House,

October 26, 1992.

Note: This memorandum was released by the Office of the Press Secretary on October 27.

Statement on Signing the International Dolphin Conservation Act of 1992

October 26, 1992

Today I am signing into law H.R. 5419, the ``International Dolphin Conservation Act of 1992." I strongly support this Act because it builds upon the efforts of my administration to protect dolphins.

I wish to make clear that the provisions in H.R. 5419 concerning the terms of international agreements to protect dolphins are advisory, and will not be interpreted to interfere with the President's constitutional responsibility to conduct this Nation's foreign affairs. In addition, nothing in this Act will be construed to preempt the President's authority to enter into other international agreements concerning the protection of dolphins.

George Bush

The White House,

October 26, 1992.

Note: H.R. 5419, approved October 26, was assigned Public Law No. 102 - 523. This statement was released by the Office of the Press Secretary on October 27.

Statement on Signing the Native American Languages Act of 1992

October 26, 1992

Today I am signing into law S. 2044, the ``Native American Languages Act of 1992," a bill to establish a program to help preserve Native American languages. Traditional languages are an important part of this Nation's culture and history and can help provide Native Americans with a sense of identity and pride in their heritage.

I am concerned, however, about provisions in this bill that provide benefits to ``Native Hawaiians" as defined in a race-based fashion. This race-based classification cannot be supported as an exercise of the constitutional authority granted to the Congress to benefit Native Americans as members of tribes. In addition, the terms ``Native American Pacific Islanders" and ``Indian organizations in urban or rural nonreservation areas" are not defined with sufficient clarity to determine whether they are based on racial classifications. Therefore, I direct the affected Cabinet Secretaries to consult with the Attorney General in order to resolve these issues in a constitutional manner.

George Bush

The White House,

October 26, 1992.

Note: S. 2044, approved October 26, was assigned Public Law No. 102 - 524. This statement was released by the Office of the Press Secretary on October 27.

Statement on Signing Legislation Establishing the Brown v. Board of Education National Historic Site

October 26, 1992

Today I am signing into law S. 2890, a bill to establish the Brown v. Board of Education National Historic Site in Topeka, Kansas, redesignate the Fort Jefferson National Monument as the Dry Tortugas National Park, and provide for studies of the New River in West Virginia and Boston Harbor Islands in Massachusetts.

Although I have signed S. 2890, I will withhold my approval of H.R. 5021, the ``New River Wild and Scenic Study Act of 1992," and H.R. 5061, a bill concerning the ``Dry Tortugas National Park," because S. 2890 contains the identical provisions of both H.R. 5021 and H.R. 5061.

George Bush

The White House,

October 26, 1992.

Note: S. 2890, approved October 26, was assigned Public Law No. 102 - 525. This statement was released by the Office of the Press Secretary on October 27.

Statement on Signing the President John F. Kennedy Assassination Records Collection Act of 1992

October 26, 1992

Today I am signing into law S. 3006, the ``President John F. Kennedy Assassination Records Collection Act of 1992." This legislation provides for the review and, wherever possible, the release of records about the assassination of President Kennedy that have not yet been made public. I fully support the goals of this legislation.

In the minds of many Americans, questions about President Kennedy's assassination remain unresolved. Although the Government already has released many thousands of documents, the existence of additional, undisclosed documents has led to speculation that these materials might shed important new light on the assassination. Because of legitimate historical interest in this tragic event, all documents about the assassination should now be disclosed, except where the strongest possible reasons counsel otherwise.

While I am pleased that this legislation avoids the chief constitutional problems raised by earlier versions of the bill considered by the Congress, it still raises several constitutional questions. First, S. 3006 sets forth the grounds on which the release of documents may be postponed, but this list does not contemplate nondisclosure of executive branch deliberations or law enforcement information of the executive branch (including the entities listed in sections 3(2) (G) through (K)), and it provides only a narrow basis for nondisclosure of national security information. My authority to protect these categories of information comes from the Constitution and cannot be limited by statute. Although only the most extraordinary circumstances would require postponement of the disclosure of documents for reasons other than those recognized in the bill, I cannot abdicate my constitutional responsibility to take such action when necessary. The same applies to the provision purporting to give certain congressional committees ``access to any records held or created by the Review Board." This provision will be interpreted consistently with my authority under the Constitution to protect confidential executive branch materials and to supervise and guide executive branch officials.

Second, S. 3006 requires the Board to report to the President and the Congress. If the bill were interpreted to require simultaneous reports, S. 3006 would intrude upon the President's authority to supervise subordinate officials in the executive branch. I will construe the provisions to require that the Board report to the President before it reports to the Congress.

Third, the bill purports to set the qualifications for Board members, to require the President to review lists supplied by specified organizations, and to direct the timing of nominations. These provisions conflict with the constitutional division of responsibility between the President and the Congress. The President has the sole power of nomination; the Senate has the sole power of consent.

I note also that S. 3006 provides that, upon request of the Board, courts may enforce subpoenas that the Attorney General has issued at the Board's urging. I sign this bill on the understanding that this provision does not encroach upon the Attorney General's usual, plenary authority to represent the agencies of the United States, including the Board, whenever they appear in court.

S. 3006 will help put to rest the doubts and suspicions about the assassination of President Kennedy. I sign the bill in the hope that it will assist in healing the wounds inflicted on our Nation almost 3 decades ago.

George Bush

The White House,

October 26, 1992.

Note: S. 3006, approved October 26, was assigned Public Law No. 102 - 526. This statement was released by the Office of the Press Secretary on October 27.

Remarks and a Question-and-Answer Session in Des Moines, Iowa

October 27, 1992

The President. Thank you all. Thank you very, very much. Please be seated. Let's get right about our business. But first, I certainly want to thank our great Governor, Terry Branstad, for being at my side for that warm welcome. And of course, I needn't tell Iowans how important Chuck Grassley's reelection is, I'll tell you. And for Jim Ross Lightfoot and for Jim Leach, two stalwart friends, if we had more like them in the Congress, you wouldn't hear everybody yelling everyplace I go ``Clean House!'' We need more like him, so send us more like him, and let's get this country moving. I'm delighted to see former Governor Ray here, and I also want to thank ``Major Dad,'' Gerald McRaney, who is -- you talk about telling it like it is -- he does a great job.

Terry mentioned the ag economy, and I do think that when people get down to the wire in the heartland of America they ought to look at the record. I am very proud that ethanol is up and that we made a tough call. I took on some of the extremes in the environmental movement. I've got a good record on the environment. We took on some of the extremes and said, look, ethanol is a tremendous fuel of the future. Ethanol sales are up. The waiver we gave the other day is appropriate. It is sound conservation, and it is darn good for the American economy, and we're going to keep on.

Similarly, the use of the export program, the Export Enhancement, the EEP, is important. We extended it to pork, and it was the right thing to do. I think that will help. We will continue to fight for opening up our markets. We've got the best producers of agricultural goods in the world. Exports have saved us through tough times, agricultural exports leading the way. And my opponent, Clinton, comes along, Governor Clinton, and says, ``Well, I'm for the NAFTA agreement.'' But he goes to the auto workers and has a very different tale. And my view is, the free trade agreement is good for American jobs, and it's good for American agriculture.

I believe we will keep working for a successful conclusion of the GATT round. And I was very disturbed the other day to read in the Daily Telegraph, the London paper, and again, a report in one of the papers here that some Clinton minion had gone to try to get the EC to postpone consideration of this important agreement. We cannot put politics ahead of the welfare of this Nation. He has denied it. The Governor has denied that, and I think I should give credit for that. But these reports keep persisting. And we will work to get a successful conclusion of the GATT round.

One other thing before I start taking the questions -- you know, if you listened to the Clinton-Gore ticket, the only way they can win is to convince America that we're in a deep recession. This morning, 8:30 Eastern this morning, the figures were announced for the third quarter of

this growth, the gross domestic product. The third quarter was plus 2.7 percent. It grew twice as much, about twice as much as the quarter before. We have now six straight quarters of growth in the United States, and yet the Democrats keep telling us that everything is going to hell. And they're wrong. They are wrong.

So people are hurting, yes, people are hurting. But the thing to do is to put the whole economy in perspective. You hear them talk, ``Well, Japan's doing this.'' We've got a better economy. We're growing now, with these figures, 4 times as fast as Japan, far better than Germany -- had negative growth -- better than England and France and Canada. And all they can do is think, ``Well, George Bush is to blame.'' They don't understand the world. It is the United States that's going to lead the world to new prosperity. Mark it down.

Why don't we start right in. This is the latest thing in American politics, the Phil Donahue approach to life. So we'll take a few questions here, and I'll try to -- if you give me a short question, I'll try to shorten the answers up. But I get too enthusiastic.

Expanding the Job Market

Q. I'm going to be graduating from Drake University this May, and I'm obviously pretty nervous about finding a job. What are you planning on doing to increase the job market?

The President. Well, the best thing we can do is stimulate growth in the small business sector. What I have proposed is investment tax allowance, a first-time credit for homebuyers. The Democrats say that a capital gains cut is a break for the rich. It is not. It is a stimulus to small business and entrepreneurship. Those are simply three incentives. Job retraining for those in the defense industries who are going to have to find different work because of our success in the world. I believe that the best answer is to stimulate the growth of the private sector.

Governor Clinton talks about Government investing. Let me tell you something. All the European countries have moved away -- Eastern Europe -- from this idea that Government should invest. They've moved to what we ought to be doing more, getting the private sector to invest, free up savings, free up investment. That is the way we will create jobs. It won't be from more taxes and more spending.

All right. I've lost control of the questioners. [Laughter] I'll leave that to -- it's coming along good.

Entitlement Programs

Q. Mr. President, I'm concerned with the growth of entitlements in our Federal budget, and not so much in economic terms but in human terms. Can you outline your plan for reforming the system so that it builds more self-reliance and less dependence on Government?

The President. Well, let me first address it on the economic side. The deficit is clearly too big. The Government taxes too much and spends too much. That is a fundamental difference with the other side.

The President has no control over about two-thirds of the budget -- it doesn't come to me -- and that is known as the entitlement programs. What we must do to get the deficit down is to control the growth of the entitlement programs. We've got to control it by -- let it grow in terms of population, let it grow in terms of inflation, and that's it. Then set Social Security aside. Don't touch it. I am the President that was with Ronald Reagan when it was fixed, and I think we ought to leave Social Security totally alone. Don't mess with it. But on these others, put a cap on the growth.

But in terms of your question, which was only partly economic, it is important that we understand that it is private initiative, that it is savings, that it is investment, and that it's not Government that creates opportunity. It is the private sector of the economy.

Another point that I would emphasize in relation to this question is, we have tried -- Barbara's tried, I have tried, support from many Americans -- to reiterate the importance of what we call the Points of Light approach, voluntarism. Government can do some things -- this is to your question -- Government can do a lot of things. Government can show compassion. Government has a responsibility for the national security. But much of helping each other is done in what we call this Points of Light, one American reaching out to another and helping.

You look at the hurricane down in South Florida and over in Louisiana. Government helped. We moved in with troops, and we moved in with Government aid for this and that and the Small Business Administration and FHA and all of that. But when the chapter is written on that, the people that deserve the credit are those caring Americans who reached out from 49 other States to help the people in south Florida. And that, I think, is what you're talking about.

And this idea that everything should be done by Government is not the American way, and yet that's what you're hearing in this campaign out of the Clinton-Gore ticket.

Agricultural Trade

Q. Mr. President, when reelected, what do you intend to do to get tough with the European Community, to force a GATT agreement for the American farmer?

The President. I like that positive premise, ``when reelected." Let me tell you something. Let me tell you -- and here we clearly have a nice objective cross section of America, and they seem to agree with me. But nevertheless, no -- [laughter] -- we are working very hard to get a successful conclusion of GATT. I think most people recognize that the Maastricht vote in

France held things up. We, I am confident, will get an agreement. We've narrowed the gap on agriculture and on a lot of these other categories.

Right now, to be very candid with you, the common agricultural policy in Europe is a detriment to getting it done, although we're making progress. Right now, some would tell you, well, France seems to be the biggest problem area in this. But I am convinced that we can move forward and get a GATT agreement. We have to do it.

You know, the best answer to helping those in the Third World -- I told some interviewers yesterday, I think of Iowa, right out in the middle of America, as a State that has an international perspective. You've always been interested in world peace and in these kinds of things, how the world interacts. But I really believe that in terms of this GATT agreement, the best way to help Third World countries, those countries that are suffering the most, is to open their markets, open markets around the world, whether it's -- whatever products we're talking about. And a successful conclusion of the GATT arrangement will do that.

We are caught up in a lot of tough European policies. She asked the right question -- EC. We are going to have to insist through a lot of application of the technical provisions of the trade law, that if they don't open up these markets then we are going to have to -- I would use a little softer term than retaliate -- but we are going to have to insist on our rights, and I think the world knows that, on oilseeds and these other things. And I believe we're going to get the job done.

This stool is perilous here.

Congress

Q. Good morning, Mr. President. The success of your second term will depend to a large extent on how the newly Members of the House will react to your various proposals. And I read in the Wall Street Journal, oh, 10 days ago or so, that congressional leaders have been meeting to plan strategies in how to squash any reforms that the new Members might propose, changing the status quo. Do you have a counter strategy in how to reach these new Members?

The President. Let me tell you what it is: It's to listen to the people. But here's the problem we've got. We got some things done in our first term, good things, caring things: the Americans for Disabilities Act that lifts up those that are disabled and helps them fit into the mainstream, or the Clean Air Act, or more recently even, a transportation bill that puts $150 billion into the infrastructure. So we've been able to accomplish quite a few good things. As we got near the end of the first term, this gentleman is right, the leadership, not all the Members but the leadership in the Congress made a determination: We can win if the economy is bad, and we can win if the President doesn't look good by mistake and try to fix something, do something. So we've been up against what is a gridlocked Congress.

Now, what's going to change? Because they can't even run a two-bit post office or a failed little tiny bank this big, you're going to have a lot of new Members of Congress. Like me, they're listening to the voters. And I will be reelected and not have any politics on the horizon, no more, no more campaigns, no more debates, thank God. [Laughter] No more whatever else it is. And we'll say, let's get the people's business done; Democrats, Republicans, sit down with me now, and let's do what I have told the people I want to do. Health care, make insurance available to all. Whatever it is, education, revolutionize it. Don't go back and patch up, put band-aids on something where our kids are getting short-changed; revolutionize it. Budget deficit, give me the balanced budget amendment, the line-item veto, a check-off for tax returns. And they will have to be listening. When I'm elected, it will be because people are listening to these ideas. And I'll say, ``Okay, sit down," like Lyndon said, ``Come reason together." With a two-by-four in one hand and a very open approach in another. And I believe we can move this country forward in the first 120 days.

The politics will subside for a while. The best time for a new President is the first days of the second term, because politics is gone, the voters' words are ringing in the ears of all politically elected people, and the country is beginning to move.

You know, I mentioned these growth figures. But interest rates are down. Who wants to go back to the way they were when you had a Democratic President in the White House, at 21.5 percent interest rates and 15 percent inflation and grain embargoes. This Congress, if the status quo prevails, will roll over Clinton like a stone steamroller, and we can't have that.

So we're talking about the new ideas that will stimulate the growth in the economy, do more in the private sector. And I really am optimistic about moving the country forward with the new Members of Congress. Clean House! It's been done by the voters already.

Taxes

Q. Mr. President, I was curious, I've been listening to Clinton's economic proposals, trying to make it add up in my own mind. But this idea that you can raise $250 billion in taxes just taxing the top 2 percent, how does he do this math? Have you and your people had a chance to look into that?

The President. We don't have anybody dumb enough to figure it out. Here's what they're saying. He is saying he wants to raise $150 billion in new taxes, and then this gentleman is right, because there are a lot of other proposals where you'd have to get the money to pay for it. And he says, ``I will tax the top 2 percent." The top 2 percent means you go down to $64,000 to start with. Then, to pay for the $220 billion in spending -- and that doesn't consider how much his health care plan and these other things would cost -- you get down where you're hitting everybody at $36,000.

Then, to do all the spending for all the programs, you nurses, you cab drivers, you guys that are assisting in the field, watch your wallet, because he is not going after just the rich guys. He's doing it the way the Democrats have always done when they control both ends, going right after your pocketbook. So the math does not add up. And it is tax and spend, tax and spend. They kept saying it is not tax and spend, and it is.

When he talks about -- he uses the word ``investment.'' And I'll repeat this: He uses the word, the Government ``investing.'' The Government does not create wealth. It's the private sector that does. So free that up and keep the Government constrained.

Now, who is next? Herb.

The Environment

Q. Mr. President, when you're elected, the environment will continue to have high priority in this Nation. Do you have special plans you'd like to tell us about, your plans for the environment?

The President. Well, one thing I'd like to say at the very beginning: One, it's good to see you, but secondly -- one of the great Iowans, respected well beyond the borders of Iowa for his knowledge of agriculture and his promoting of great values -- but let me simply say this: On the environment, we have a good, sound record. We've done well in forestry. We've done well in assisting in cleaning up the beaches and in the ocean. We've done extraordinarily well in wilderness, setting aside more acres. We've done far better than any previous administration in enforcement of EPA.

But what I've been unwilling to do is go to the extreme. And what we have to do in this country is to say we've got to find -- and we're striving to do that every day -- the balance between growth and sound environmental practice.

So I think the record is a good one. We will continue to be good stewards of the land. But I am not going to go to the extreme that says to a farmer, if it rains and you've got a little puddle there, a tiny one, that means you can't use your land. We've gone too far under regulation and too far under interpretation on some of these statutes.

So I think of agricultural -- we've got a good conservation set-aside program -- I think of farmers as conserving. They've got their families coming along. They don't want to ruin, rape, pillage, and plunder on their own land. It's ridiculous to start with that assumption.

I'll tell you something. Governor Gore -- Governor Gore -- [laughter] -- if you read the book on Mr. Gore's proposals, I'll tell you, it would screech this country to a halt. We cannot go to the extreme. He's out there talking about the protection of this feathery little owl. Yes, I love

little owls. I think they're wonderful. But we've got to also protect the 30,000 families that are trying to work for a living. The extreme groups will not vote for me; sound environmentalists will vote for me.

Education

Q. President Bush, as a student myself, I was wondering if you could describe certain points of your education plan for the next 4 years that would help the U.S. rank higher in the world in education.

The President. Good question. And education -- health care and education. Education. We have a program called America -- I don't want to get too programmatic -- called America 2000. We have 1,700 communities across this country who are literally sitting down -- they're bypassing the teachers union, and they're working with the teachers. They're saying let's reinvent the schools.

In some urban area, the school will have one conformation. In another, in a rural area, it might have an entirely different one. We spend more per capita on education than every country, I believe, except Switzerland, and the results aren't good enough. So when I became President, we worked with the Governors, including Governor Branstad, and set six national education goals. Then this program, America 2000, is designed to meet the goals.

One of the key points is, I believe, that we ought to have parental choice for schools, public, private, or religious. It worked for the GI bill. The money goes to the families, and the public system of education was strengthened under the GI bill. So that's one of the provisions.

Then we've got a lot of programs for adult retraining in the schools which should come under the heading of education. We have more than doubled the money for Head Start, which I still feel is a very important program, to keep up with one of our education goals: every kid starts school ready to learn.

So the program is really good, and the nice thing about it is, you only have to depend on the old thinkers on the Democratic side in Congress for this much. The rest of it is being done by the communities, community leaders, teachers, and parents, and that's where the action has to be. We've gotten away from all of that.

We'll go here, and then we'll come over there.

Foreign Policy

Q. Good morning, Mr. President. Most people have been hearing a lot about the domestic issues, which are very important. But we're not getting anything from the other side on the

international side of events. If most people have been watching their TV and reading the newspapers, they see that there's instability again in the Soviet Union. We're not getting anything from the other side of the media on what to do about the instability in the world. Without stability in the world, there will be no good trade, and there will be no growth.

I'd like to know what your plan is, because there is no plan on the other side for stability in this world that we need for growth.

The President. Okay. You're right. I never see it on the programs. Democrats don't want to talk about foreign policy. It's almost like there's no threat anywhere in the world. I noticed your shot at the media. Please be careful. I'm an expert on that. [Laughter] But the best-selling bumper sticker is ``Annoy the Media. Reelect Bush." But I want to -- here it is. By coincidence, there it is.

But I feel I'm going to make -- I'll divert for one minute, and then I'll come back to your question. The problem is, there is so much understanding of this that some people are taking it out on those who they should not take it out on. Like the photographers with us today, these guys that struggle around, carrying these boom mikes and the cameras. So put them down as good guys, and leave the traveling press alone. But I hope you share my view about all these talking heads that come on the national television and tell us how bad everything is and that we don't have a chance to win. They don't understand it.

Why do you not talk about foreign policy? Because they know that is a strength, and they know that we are the leader of the world, and we are not, as Governor Clinton says, a nation in decline. He puts us south of -- Clinton and Gore, they've got about as much foreign policy experience as Millie, put together.

Let me tell you something. The world is still dangerous. We have reduced defense spending, and we've been able to reduce it because with bipartisan support we stayed strong. We didn't listen to the freeze movement. We stayed strong. I salute Ronald Reagan: peace through strength. It worked. It worked. But there are still wolves. The Soviet bear may be gone, but there are wolves out there. I have reduced defense spending by many billions of dollars. Now, I see the Democrats coming in, and to pay for all their, quote, ``investment," unquote, they want to cut the guts out of the defense. We cannot do that. Who knows where the next crisis will come?

So, I'll say this: I believe that it is exports that have sustained us in the roughest of economic times. I believe it is exports that will lead the world to new heights of prosperity, and I believe that foreign policy is tremendously important in implementing a strong export program. So it's not just defense. It is also international economics. And we've got a good record.

My argument with Governor Clinton on the war is this: Nobody likes to make a tough decision

where you commit someone else's son or daughter to war. No one likes to do it. I do believe that having been in combat at least has made me sensitive to all of the ramifications of a decision like that. I made a tough decision. It was the right decision. Your sons and your daughters responded. We stood up against aggression. And as a result, and it wouldn't ever have happened without that, you see ancient enemies talking to each other in the Middle East. You see Russia going down democracy's path. You look south of our border, and you see some trouble spots, but you also see a persistent wave of democracy and freedom there. You see elections in Africa. And you see the Eastern Europeans and the Baltics free. We've had dramatic progress. And the best thing is, the kids here in this wonderful band go to bed at night without the same fear of nuclear war that their predecessors had.

So I believe foreign policy is important. I believe national security policy is important. And I believe that it is an interconnected world; the economies are interconnected. And it is the United States, with the programs I've outlined, that is going to lead us and the world into new levels of prosperity. We're ready. Inflation is down. Interest is down. Business is more lean now. Our productivity in this country is up. And all of this will work towards enhancing not only world peace but world economic progress.

Small Business

Q. Mr. President, thank you for making America proud during Desert Storm.

I'm here today as a small voice representing small business. I have a small business in the Des Moines area here. In an effort to provide to my employees a solid work environment and good benefits, I spend each year about $200,000 in taxes, $25,000 a year for insurance, and substantially a lot of money complying with various Government regulations. Now, I'm here as a proponent for the Bush-Quayle administration. I'm particularly a big fan of Mrs. Bush.

The President. So am I.

Q. My message to you comes today in the form of an appeal rather than a question. Given that the success of the American economy depends on the success of America and small business, we'd really like to have the administration's help in controlling the skyrocketing costs of doing business.

The President. Okay.

Q. When next Tuesday rolls around, you'll be needing our help, and I, for one, intend to support you. After next Tuesday, we'll be needing your help.

The President. All right. You should have been getting it by now. We put a freeze on regulations. He's absolutely right, there's too much redtape. And I'm not saying there's not

more to do. There's plenty more to do. I want to see a freeze and a cap on some of these outrageous lawsuits that are running the cost of business, the small business, in particular, right out of the roof. Governor Clinton refuses to stand up against these trail lawyers who literally are driving the cost of health care and business right out through the roof.

You don't need more mandates. I am for family leave, but I don't think that Government needs to mandate it. Give tax credits to the smallest business of the small, and help them do it. So I think we've got to guard against too many mandates telling a small-business person, man or woman, how they're going to run their lives.

I think that gets back to this gentleman's question, because really freeing up the private sector is the way to offer opportunity to these kids that are asking about where they get a job, but it also is the way we ought to go. We are not going to reverse the trend and go like the failed European policies, where government invests. Government doesn't know how to invest.

Now, she was going to get the next question. Are you nervous?

Q. Yes.

The President. You don't look nervous. Go ahead.

The Arkansas Record

Q. Well, in all these debates I watch, Clinton says that he has rankings in Arkansas that are one, four, four and one. What are those rankings that he has?

The President. Hey, good question. That's what we call a -- in the World Series every once in a while you'll see the seams on it when it comes over the plate, the slow ball. You know what I mean.

But, look, Governor Clinton said in the debate, ``I want to do for this country what I've done for Arkansas." That is a terrible threat.

Audience members. Boo-o-o!

The President. We cannot let that happen to this country.

And look, I lived near Arkansas, and they are wonderful people. But regrettably, they are at the very bottom on environment. They're on the bottom on job creation. He talks about they led the Nation on job creation. That was the year he was out of the State 85 percent of the time. The rest of the time they are 30 percent below the national averages. The teachers are either 49th or 50th in terms of teacher pay. Twenty percent of the -- I've got all these statistics

coming at you -- 20 percent of the criminals -- I mean, the criminals serve 20 percent of their time. Under Federal law it's 85 percent. Less spent on corrections than in all but one State. And it is statistic after statistic. Yes, Arkansas starts as a poor State. But in some categories you ought to see, after 10 years as being Governor, some progress that one can point to, instead of that thing that we led in new jobs or wages this last year. As I say, he was out of the State 85 percent of the time.

So the record is not good. I'm saying we've got problems in this country. I believe we've got the answers to solve them. But I think it's fair, since your senior Senator and Governor Clinton and Tsongas and several of these other guys were going around saying what was bad about my record, I think it is fair, as the American people get ready to vote, to take a look at the record in Arkansas. It's a sorry record. And we cannot let him do that to the United States of America.

Health Care

Q. Good morning, Mr. President. Governor Clinton has proposed a 7-percent tax on businesses to pay for his national health care system. I was wondering if you could explain just what that tax in itself -- with the other ones that the other gentleman was talking about -- would do to businesses in this country?

The President. Well, he says now that he didn't want to -- he's had three health plans. Every time one gets knocked down, he comes up with another one. And this gets to the fundamental question of waffling. To coin a phrase: We cannot let the White House be turned into the waffle house. We simply can't do that.

But the one you're talking about, the one he's talking about is an insurance system called ``pay or play," and that if these small-business people do not want to go along with the plan, they've got to pay. If they pay, the estimates are it will cost 7-percent payroll tax on every business. Now, businesses at this juncture or at any juncture don't need a 7-percent payroll tax.

Our plan is better. What it does is provide insurance to the poorest of the poor through vouchers. To those next overtaxed and overworked lower, middle-income people, they get a tax credit. We pool the insurance, thus meaning a small-business person can buy at lower rates and get lower rates provided for his or her business people. We make the health care transportable, so if you move from job to job, and I think the averages are quite high in the numbers of people that change employment, those health benefits go with you. We go after malpractice suits that are driving the cost of doctors right through the roof. We use much more efficient billing. And we get it done without slapping a tax on the small-business people or any business. I believe that's the way we need to go for health care.

Presidential Appointees

Q. Greetings, Mr. President. First, some positive news. I went to college back in the late seventies, when I attended and started as a freshman. And when I came out as a senior, when my younger brother over here attended as a freshman, tuition doubled. That was the years of the high inflation. When your administration and Reagan's administration was in there, I've had a chance to live the American dream. Things have been very, very positive. I have a great job, great family, super company to work for, and things are good out there. The people that are hurting, I think, is going through a purging process. So positive news, I think, from here.

I've got a question for you on administration, if I could. There's been very little talk about administration besides just the President and the Vice President. And I'm really concerned about if a new person came in, who would they bring in. There's been talk of Mario Cuomo on the Supreme Court. Who knows, maybe our own Tom Harkin would be in the Department of Defense or something like that. I think you have some of the most sharpest people out there with Dick Cheney and Jim Baker, Margaret Tutwiler, and I can't name them all here right now. But can you please address that, because I know there's thousands of jobs there.

The President. I do think it's important. I can understand their not wanting to name who they're going to have. But the gentleman raises a very, very important question: Who are the people that are going to come in? What is their philosophy? And from what I've seen, it looks to me -- and maybe this is unfair -- like a return to the Jimmy Carter days, and I don't think we need that, when that ``misery index'' was through the roof, you guys had a grain embargo on you, and these interest rates were at 21 percent.

But let me put it this way: In our administration I have been very, very well served by the people you mentioned and many, many more. But to revitalize a new administration, it is traditional and proper that there be a lot of new people in the Cabinet. And there will be in our administration. I think that's good because I think you can bring in fresh new blood, and I think people start in to implement the program.

So I have said there's going to be a lot of change. Then they say, ``Well, when you say this, are you trying to blame somebody for the economy?'' I've never believed that you can shift blame to somebody. You're the captain of the ship as President of the United States. If things are going well, maybe you'd get credit. But if things are going badly, the buck does stop on that Oval Office. One of the problems I've got -- this is off your question a little bit, but it's to -- we should and will bring in people. We're right-sizing Government. I have challenged the Congress to reduce their staffs by a third. We can do the White House staff by a third. We'll have to respond to far fewer of these ridiculous queries from a very partisan Congress, and we'll be able to do that. We're going to put a cap on the Federal pay until we get this economy really moving. The only trouble is, the President's pay gets cut a little bit. But never mind. [Laughter] That's the way it works, and that's the way it should work. And so I really believe new approach is required.

On the Clinton-Gore ticket, I'm afraid we would see a lot of the same old names that had failed foreign policy and this kind of Government control, more Government intervention, more Government in the domestic side. And I must insist that when the whole world is moving away from Government investing, this is no time for the United States to bring in a bunch of people that think they can figure it out better than the farmers out in Iowa.

Moderator. Mr. President, I think we have time for just one more question.

The President. Time flies when you're having fun here. [Laughter]

Russia

Q. Mr. President, I am from Moscow, from Russia. And I have a question for you. Are you planning a visit in Moscow again to continue working with Mr. Yeltsin?

I repeat -- you don't understand?

The President. No, I'm hearing. I'm here.

Q. Are you planning a visit in Moscow?

The President. Oh, excuse me, I thought you were just in the middle of it. Planning a visit -- well, first place, I support President Yeltsin. I support the move towards democracy. They're having some problems in Russia right now, as we know. But they are problems in a sense of democracy, Yeltsin fighting with the Congress. Have you heard that one before? [Laughter]

So I have no specific plans. But let me tell you something that might sound a little self-serving to you: I was very pleased when Boris Yeltsin has said publicly that ``George Bush was the first world leader to recognize what we were doing." Do you remember -- I'll never forget the sight of Yeltsin standing on top of that tank. And I didn't waffle. Governor Clinton said, ``Well, let's wait and see who's going to come out or how it's going to work out," when he was Governor, asked to comment on the democratic change in Moscow. Yeltsin is publicly on record saying, ``President Bush supported us. He never wavered. And that support and that consistency was one of the things that guaranteed that our move to democracy would succeed." That is world leadership, if you'll excuse it. And that is important. It gets back to this gentleman's questions. Those things are important.

Closing Statement

Well, look, the Governor tells me we're out of here. So let me just end this way. You know, in the first place, I wish Barbara Bush were here because I really believe she has been an outstanding First Lady, and she would love to see this marvelous crowd.

Secondly, I wouldn't be standing here as President of the United States if it weren't for Iowa -- and I'm thinking back to the seventies, early, the eighties -- I would not be here. And we have tried -- I say ``we'' because in a sense it is whoever's living in the White House -- we have tried to uphold the trust that has been placed in us by the American people. When I make a mistake, I've -- ``Look, I made a mistake.'' Isn't that what families do? Isn't that what your kids do or maybe some of you all do? And go on then and try to lead the country.

When Governor Clinton said it's not the character of the President but ``the character of the Presidency,'' I violently disagree with that because the two are interlocked. Not just in this country but people from all around the world look to the White House and the occupant to the White House for their character and the character that shapes the character of the Presidency. I have tried very hard to uphold the trust. I have not tried to be on all sides of all issues.

And so in the final days, as we wind down to this election, I am confident, not overconfident, but I am very confident of reelection. Because I think what will happen is people will go into the booth; they'll look at all the issues; they'll listen; they'll have in the back of their minds the debates; they'll know the problems we have; and they'll also begin to see some of the good things that are happening in our country. But in the final analysis, they're going to say: Who has the honor, the integrity, that sense of service that merits my trust? Who does have the character? And on that basis, I ask for your support and I ask for your vote.

May God bless our great country. Thank you very, very much. Thank you.

Note: The President spoke at 9 a.m. at the Des Moines Convention Center.

Remarks to the Community in Paducah, Kentucky

October 27, 1992

The President. Thank you very much.

Audience members. Four more years! Four more years! Four more years!

The President. Four more! Thank you. Thank you very much, Gerald McRaney. I am proud to have ``Major Dad," Gerald McRaney, at my side. And I am grateful to him for his loyal support. Let me just say at the outset I'm very pleased to be here, back again, back for me in this great part of -- --

Audience member. Kentucky.

The President. I was going to say, of western Kentucky. But let me point it out this way. Every place I go, every place I go, I see signs that say, ``Clean House!" I want to see David Williams elected to the United States Senate, and I want to see Steve Hamrick elected to the United States Congress. Let's clean House!

May I thank your Mayor, Gerry Montgomery; Bob Gable, our State chairman. And it is great to be in Paducah. You should have seen it, flying in with these fall colors. It makes you agree with the guy who said, ``Heaven is a Kentucky kind of place."

Here we come down to the wire with 7 days to go. It's like a close race at Bluegrass Downs, and we're closing the gap. And in 7 days, we are pulling ahead at the finish line to win this election.

You know, I was very pleased today that the figures came out refuting the Clinton-Gore claim of how bad everything is. The figures came out for growth in the third quarter, and the economy of the United States led Europe, led Canada, led Japan, and we grew at 2.7 percent, 2.7 percent. All you get from Clinton and Gore is bad news. That is good growth, and we're going to do even better.

You know, Mac referred to this, and I hate to ruin such a lovely day, but I must do this, because for months the Clinton-Gore crowd have been telling everybody how bad everything is and that he's going to make things better, that Clinton will make things better. Let me just remind you, as a southern State, and a good one at that, and Arkansas has some wonderful people, but let me remind you of just a few statistics on the Arkansas record. They are 50th in the quality of environmental initiatives. They are 50th in the percentage of adults with college degrees. They are 50th in per capita spending on criminal justice. They are 49th -- getting better -- in per capita spending on police protection; 48th in percentage of adults with a high

school diploma; 48th in spending on corrections; 46th in teachers' salaries; 45th in the overall well-being of children. And this man said in a debate, he wants to do for America what he's done for Arkansas. We cannot let him do that.

Imagine trying to bring a record like that. He did point out one thing: In the debate, you may remember, he said that the work had gone up, jobs had gone up in Arkansas one year. That was this year. He's been out of the State 85 percent of the time. That's why it went up. For 10 years, for 10 years they averaged 30 percent of the national average.

So, enough for Arkansas. Now look what he wants to do to this country. He's already said he wants to raise $150 billion in new taxes. He's already said $220 billion in new spending. That is trickle-down Government. The numbers don't add up, and the middle class of America, watch out. He says he'll sock it to the rich, but he's coming after your wallet. He's coming after you. Don't let him do it to America.

He talks about change, change, change. We changed inflation. It was changed when you had a Democrat in the White House and Democrat Congress. You had inflation at 15 percent. You had interest rates at 21.5 percent. He wants change. That's what he'll bring us, and we're not going to let him do it. You listen to that kind of change, and change is all you'll have left in your pocket, believe me. We cannot go back. Here is the economy growing, and we cannot go back to those failed policies that brought us a ``misery index'' going right out through Gore's ozone layer.

You know, you hear from the -- I'm kind of down. Some of you may have noticed my favorite bumper sticker. I don't see it around here. Is it up there? There it is. And everybody knows what it means. Everyone knows what it means, ``Annoy the Media. Reelect Bush.'' You know and I know that inasmuch as we've got some wonderful people traveling with us, let me say, don't take it out on the photographers. Don't take it out on these guys with the cameras and the boom mikes. They're all good folks. Take it out on those talking heads in the national press that come on and tell us everything that's bad about America.

Harry Truman had it right. Talked about 50 reporters who were talking the same thing about gloom and doom. He said, ``They couldn't know enough to pound sand in a rathole.'' That's true. And we are going to win the election in spite of these mournful polls.

Here is why: Employment is at 93 percent in this country. Inflation is down, only 2.5, 3 percent. Home mortgage rates, as I mentioned to you, interest rates were 21.5; now they're down around 8. The gross domestic figures today: 2.7 percent. We have grown for six straight quarters. And all you hear is gloom and doom from Clinton and Gore. We're moving, and we're going to lead the world to recovery.

We've got a good plan to hold the line on this domestic spending and get that tax base down

and lower the deficit by helping small business. Governor Clinton says, ``Look, I want to have the Government invest.'' The Government never made a sound investment in its life. The investment is small business, and that's where we want it to be.

You know how he wants to do it all, is to cut the muscle out of our defense. We have cut defense because we were successful in standing up against aggression around the world, and we must not cut into the muscle of defense. You throw millions of people out of work needlessly, have an adverse effect on where we've landed at Fort Campbell. Look, the Soviet bear may be dead, but there are wolves out there, and we must keep our eyes open and keep America strong.

And here's the way we're going to do it. We're going to create more jobs in America through exports. We make the best product. We have the best workers anywhere in the world. You build cars right in this State that are sold over in the Middle East. We are going to create more jobs through free and fair trade, not by listening to the waffle iron of Clinton and Gore.

Small business creates two-thirds of the new jobs, and they need relief from taxation, they need relief from regulation and, yes, they need relief from litigation. We are suing each other too much and caring for each other too little.

So I propose tax relief for small business. What does Mr. Gore, the Ozone Man, propose? A carbon tax. He suggests it in his book, a carbon tax. That's supposed to do something about the environment, but I'll tell you what it would do to industry in Kentucky: drive it right into the ground. We're not going to let him do that. We have a good record on the environment, a good, sound record. But you do not have to go to the extreme and throw a lot of families out of work to keep the Sierra Club happy.

I mentioned legal reform. One thing we've got to do is make it so that these Little League coaches aren't afraid to coach, that doctors are no longer afraid to deliver babies, that a person going by the highway is not scared to stop and help his fellow American because of a lawsuit. We sue each other too much. Help me get some Congressmen that are willing to put a cap on these outrageous lawsuits.

We've got a great health care plan to make insurance provided to the poorest of the poor through vouchers, through -- give tax credits to the next group of overtaxed Americans, to bring insurance to all, to make insurance go from job to job with the person that has the insurance. But we do not do what Clinton and Gore want to do, create some Government board and let Government ration health care. We're not going to do that.

In education, I see these kids, and it is priority. We've got an America 2000 program that bypasses that all-powerful, dictatorial teachers' union and goes to the teachers and works with them to strengthen education. God bless our teachers. We are working -- college grants for

kids are up under my administration by far. Spending for education is up. Now we've got to go with America 2000 and literally reinvent our public schools. And that's another idea. Let's give the parents the right to choose and help them do it, public, private, or religious schools.

You know, everyplace I go we're helped by police officers. And let me be very clear: I don't think we need anybody on the Supreme Court that is going to go on there like Governor Cuomo, one suggested by Mr. Clinton. We need people on there that will interpret the Constitution, not legislate, and those who will have a little more sympathy for the victims of crime and a little less for the criminal elements.

The Democrats talk tough, the liberal Democrats, about crime. But let me tell you something: The other day I had a visit in the Oval Office from eight individuals, grassroots family men, all coming up there. They said, ``We are for you for President," and they represented the Fraternal Order of Police of Little Rock, Arkansas. I was proud to have their support.

In the next term we are going to reform Government. We're going to get the deficit down. I ask you to send people to Washington, only those who will do the following: Give us a balanced budget amendment to the Constitution. Give us a taxpayers' check-off so you can check 10 percent of your taxes, and make that money go to lowering the deficit. Give me a line-item veto and let me try to cut the deficit.

You know, in one of our debates Governor Clinton said it's not the character of the President, it is ``the character of the Presidency." And I beg to differ. I think they are interlocked. I do not believe you can have a candidate who tries to be on all sides of all issues.

Here's what he said on the Persian Gulf war. That was not an easy decision, to send someone else's son, someone else's daughter into combat. A President has to make it, and he can't say ``maybe," or he can't say ``but." I made a tough call. But here's what Governor Clinton said. He said, ``I agree with the minority," that means those who wanted to let sanctions work; if we'd listened to that, Saddam Hussein would be in Saudi Arabia today. ``I agree with the minority, but I guess I would have voted with the majority." You cannot flip-flop and waffle if you want to be President of the United States.

He says one thing about right-to-work laws in right-to-work States and then goes up to the powerful union bosses and said he's against that. He says, ``Well, maybe I'll be for term limits," which I support, and then he says he's against term limits. You cannot flip-flop. You cannot do this. It would be like him judging the Hatfield and McCoy feud: ``I guess I would have agreed with the arguments that the McCoys made, but I would have sided with the Hatfields." That is not leadership. [Laughter]

What is troubling America is a pattern of deception. Everyone's aware of politics, but when you're going for President, you cannot be followed by this pattern of deception. You can't lead

the American people by misleading the American people.

I have differed with Governor Clinton on the war and on his own service. My position is clear. And some people differed with me on the Vietnam war. But I'll tell you the thing I do not understand. I simply do not understand a person whose peers are dying in Vietnam, some of whom are held in Hanoi prisons, going to England to organize demonstrations against the United States. We cannot have that. What will he tell a young man or a young woman as Commander in Chief if they said, ``Oh, no, we want to go off and organize demonstrations''?

We differ on the draft, on what he did. But the problem is the pattern. He said, ``I'll bring out all my records on April 17th,'' and we haven't seen anything. It isn't his choice about the war. It's the idea that he tried to have it both ways. And you can't do that if you're a leader.

You know, all around America, people look to the United States, and they look to the President of the United States for moral leadership. And so when you go into that booth, I ask this question -- we see our economy recovering; we know people are hurting -- but you ask the question: Who do you trust and who has the character to lead this great country?

Barbara and I -- I know one other good reason to keep me as President. We've got the best First Lady you possibly could have. But she and I have tried very hard to keep the public trust. I think most people by now know that we've been blessed by a strong and wonderful family. We have faith in God. We believe we are one Nation under God. Now it's not a question of needing to be President of the United States. It is a question that we have literally changed the world. These kids go to bed at night without that same fear of nuclear war that their mother and dad had.

Now what I want to do is bring that same leadership and lift these kids up, convince them that the opportunity is bright. Execute our program, the agenda for America's renewal, increase our exports.

Let me end this way: Clinton and Gore say we're a nation in decline. They say we're south of Germany and a little better than Sri Lanka. Let me tell you something: They ought to open their eyes. We are the most respected nation in the whole world. We are the leader of the world. I ask for your support. I ask for your vote to lead us to new prosperity for every American young person here today.

Thank you. Thank you, and God bless you. What a spectacular rally. What a wonderful, wonderful turnout in western Kentucky. This is superb. Thank you.

Note: The President spoke at 12:36 p.m. at Paducah Community College.

Question-and-Answer Session in Paducah

October 27, 1992

Tom Butler. Thank you, and welcome to our program today. Mr. President, welcome to you, sir. We're delighted to have you here. You're helping us to make a little bit of history, because this is the first and only Kentucky statewide town meeting of this campaign. I want you to also know that there are viewers watching today in southern Illinois, southeast Missouri, and west Tennessee, as well as in western Kentucky. And some of our audience are from those other States. So they'll be asking questions today. We have a studio audience today that we've invited here, mainly a group of undecided voters. It's up to you to try to convince them, Mr. President. And so based on what they hear today, it may help them to make a decision about this election.

Also today Jackie Hays is at WAVE - TV in Louisville. She has a group there in her studios. And Tom Kenny has some folks with him at WLEX - TV in Lexington, Kentucky. We're going to be going back to them shortly. So get your questions ready in Louisville and Lexington, and we'll see you in just a few minutes.

The Economy

Mr. President, I'd like to sort of get the ball rolling, if I might. You know, the GDP figures came out today showing a 2.7 increase, surprised some folks, I think, for the last quarter. Given the fact that we've now had this long a positive economic growth, meager though some of it has been, does it not suggest that maybe the Congress and the administration in order to -- ought to leave it alone and just let it happen? This is happening since you've had gridlock in Congress for a while. So this thing seems to be correcting itself.

The President. It suggests a lot of things. We've been told as a nation, 92 percent of the news coverage, negative on the economy. The economy has grown for six straight quarters. And yet you hear some of these talking heads come on there, these guys they pay a couple of hundred bucks, on the national news telling everybody how bad things are. We've grown, and this is very encouraging news. The United States will lead the way out into real recovery. But it's very encouraging.

I still feel we need to give more incentives to small business. I'm for investment tax allowance. The Democrats, the liberals, call it, a capital gains reductions, a break for the rich. It isn't. It will stimulate investment by small business, create new jobs. And I love the idea of a tax credit for the first-time homebuyer.

So yes, 2.7 percent is darned good growth. And it pulls the rug right out from under Mr. Clinton, who is telling everybody how horrible everything is. People are hurting in this

country, but they've been told that there's no hope. Here we're growing at 2.7 percent, more than Germany, more than Japan, more than the rest of Europe, and more than Canada. It's very good news. But I still think we need to do things. Not to invest -- Clinton says, invest Government, get the Government to invest more -- I don't believe it. I think we need to help small business invest more. That means jobs for people, hope for the future.

Entitlement Programs

Q. President Bush, my question for you is why is it that handicapped people who draw SSI/disability do not get an equal amount to today's standard cost of living?

The President. Let me first say that one of my proudest accomplishments -- and give credit to the Democrats on this, and I must and I do, but also to us -- we passed something called the Americans for Disabilities Act. It's a wonderful piece, the most forward piece of civil rights legislation in the last couple of decades. What it does is enable disabled people to work their way into the mainstream, instead of being pushed off to the side.

On this one, I think most of the benefits have these cost-of-living increases. I don't know technically -- I'll have to get from you your own specific case. I'll just take that question to move a little bit off of it. My view is to get this deficit down, we must set aside Social Security, don't touch it. It was fixed back in the mid-eighties. But then we're going to have to control the growth of the other mandatory programs. Let it grow, let them grow to inflation and population, but not increase the spending. Otherwise we won't get the deficit down.

But in this case, you would be exempt and covered. So I'll have to check as to why you're not getting your increases.

Quality of Life for Children

Q. Mr. President, I work in small business development and in economic as well, and done that for the past 9 years. But I also work with a number of women and women's issues. One of the major concerns I keep hearing is in the pro-life position. What guarantee does your administration propose for the quality of life for the individual who would be brought into our society based upon the pro-life stance?

The President. Well, you're right, I do favor life. And I favor adoption. I think the answer is more adoption and fewer abortions. We've had 28 million. You know, this is an issue, Karen, that just divides this country. A lot of people feel differently than I do, and I have respect for their judgment. I hope they have respect for mine. But the answer -- I wouldn't say it makes a difference to whether a kid is adopted or brought into the world through a pro-life position, because kids that are born into families or kids that come and don't have parents look after them, we have to have policies that help all of them.

I think my program for getting more emphasis on the private sector is good. We have increased the women and children WIC program, which is the main support from the Federal Government for women, infants, and children. The spending under the Bush administration has reached all-time highs. Therein lies the answer to those kids that are put off in foster homes and all of that.

But I really believe the answer is to -- it's not a pro-life or a pro-choice question. It is how do you lift the hopes for all kids in this country. And I think with our emphasis on Head Start, education, we've got all but -- all the 4-year-olds are now eligible. Increased spending for Head Start, that's very important. My whole program for education, America 2000, which bypasses the powerful teachers union but gets the teachers themselves involved in the community with the parents, is a good program. So I don't discriminate between a child that comes into the world and is put up for adoption, between regular kids that are born into a family that need help.

Welfare Reform

Q. I find that there are lots of problems with Federal assistance. People that would like jobs can't afford to work because they lose their benefits. What will you do to correct that situation?

The President. She raises a very important point. I favor the welfare reform. Let me give you an example of one thing that really troubles me with the existing setup and one of the reasons we're trying to get the Congress to change it.

A mother is on welfare. A kid has a little piddly job somewhere saving for her education or his education. If that kid saves over 1,000 bucks, that mother gets off welfare. We have got to have welfare reform with workfare and learnfare.

This isn't just the Federal Government, ma'am. The way we do it, you give States waivers. Wisconsin's taken a lead. Jersey's taken a lead. All of these States are trying different formulas for working and learning. But I think one of the reforms at the Federal level is the one you're talking about to permit these families to save a little more of what they get through jobs without getting thrown off of the welfare; work their way off. That is going to happen. That's going to happen soon.

Q. By the way, my son said to tell Millie hello. [Laughter]

The President. Really? Hey, listen, how would you like to have an author in your family that, like Millie -- the dog wrote a book, with a little help from Barbara Bush, and it made over $1 million. It's now in Japan and Russia, and every dime of it has gone for education. It's a wonderful thing. Now the dog's thinking of writing another book. [Laughter]

Undecided Voters

Q. Mr. President, in this highly competitive election, recent polls have indicated that many voters are still undecided. As the incumbent, do you consider this to be favorable or unfavorable to your reelection bid?

The President. In the first place, I have trouble understanding the polls. Secondly, I think that's favorable, because it's my view in elections that a lot of people make up their minds, really make them up at the last week, the last few days, actually. I think there's a lot of evidence to support that. So given the hammering that I've taken out there by these Democrats running around saying the economy is in the tank, in recession, now we see it's growing at 2.7 percent for the last quarter and growing for six quarters, I think that's a good thing. I'd much rather have them open-minded.

Here's my view on all of this: Look, when you make mistake as President, you do like you teach your kids. Hey, say I was wrong. Let's move forward. I think we've got by far the best programs for the economic recovery. I think people are beginning to see that, particularly now that they see there's some hope out there for the economy.

I also believe that this one is right on your question. I don't think many people yet have focused on the final decision: Who do you trust; who has the character; and things like foreign policy or the fact that your kids, my grandkids go to bed at night without that same fear of nuclear war. That's not resonating. You don't read that on the front pages. But when people go into the booth, they're going to say, ``Hey, let's look at the overall record."

So I think undecided at this point is probably positive for me. We see the polls closing nationally now, dramatically, over where it was just a week ago. These darned Sunday shows they have on television, these guys coming on there telling me that I have no chance, heck with that. There's too many elections to prove that contradictory. So I cannot live and die by the polls. But undecided at this point has got to be positive, given the negative coverage we've been receiving.

North American Free Trade Agreement

Q. Mr. President, my question: With the free trade agreement, big business that has headquarters here in the U.S., they can make their products in Mexico, bring it back here to sell. And by doing this, it's going to reduce some of our tax base. And then when you're comparing the wage to a country with a lower standard of living than ours, competitively how would this benefit us?

The President. Okay, I'll answer your question with a rhetorical question. If wage base is what's required to locate plants, why is not Haiti the industrial capital of the world? You see

my point.

Businesses are not going to move overseas, flock overseas because of a fair trade agreement. Exports have saved our economy in a very extraordinarily difficult time. You look at the sales -- exports and jobs created in tough economic times; it's been related to exports. So do not believe the argument that exports and fair trade agreements are going to do anything but create jobs. They're going to create jobs. Don't believe the argument that they're going to cost jobs. The evidence is overwhelming.

I come back to the point, if wage rates are the only thing that matters, why today aren't these companies all moved down there to wherever that might be? They're not going to do that. We're going to create more jobs. It's exports that's going to lead the entire world, not just the United States, into new prosperity. I'm absolutely convinced of it. I'm against protection. I am for free trade. I think the NAFTA agreement with Mexico is extraordinarily positive. I think the conclusion of the GATT round that we're working on right now would certainly benefit agriculture. I think it will benefit the entire world.

So my view is, look, it's not going to cost us jobs; it's going to create jobs. Remember, if wages were the thing, Haiti would be booming, and they're having a rough go down there.

The Environment

Q. Mr. President, yesterday the Courier Journal printed questions submitted to your campaign concerning your environmental issues, environmental policies, to which you did not respond. I was wondering if you could clarify your environmental policy, specifically regarding wetlands, and also if you could explain how you intend to strike a balance between protecting the environment and creating new jobs?

The President. Very important question. I don't know the questionnaire you're talking about, but I think we've got a darned good environmental record. It has achieved a balance, because I don't believe you can go to the environmental extreme.

Let me tell you: Since I've become President, we passed a Clean Air Act. We have got a tree-planting program for a billion trees a year, which is a very sound program that will help clean up the environment, help the climate change. We've done well on the oceans. Our enforcement agency, the EPA, has brought more enforcement actions against people that violate the environment than all of them put together, I believe, in the previous administration. So I think we're doing well in getting this balance.

What was the other part of your question? I should have written it down. But you just asked about -- --

Q. -- -- specifically on your policies towards wetlands?

The President. Wetlands, yes. We've got a policy of no net loss of wetlands. But let me tell you something. When one of these extreme environmental groups considers all of Alaska, the tundra, a wetland, I say let's find the balance, as your last part of your question said. We cannot go to the extreme.

Farmers are good conservationists for the most part. And yet, some extreme rulings say if you've got a low place on your farm, you can't even farm your own land. We've got a good no-net-loss-of-wetlands policy. I'm implementing it, and I think we should be very proud of it. But you've got a guy coming over here in Ozone Man, Gore, and he'll shut down this country, I'll tell you. And we've got to find the balance.

I mean, it is too much when you go and say that the owl is so important that you're going to throw 30,000 people in the timber business out of work; or go up, as Mr. Gore's book says, and say you want 40- to 45-miles-per-gallon standards, fuel efficiency standards. You've got some auto stuff in this State, and you're going to throw those workers needlessly out of work by setting these strange and too far-out standards.

We've got to find what your last point was, a balance. I think we're striving very hard to do it. We've got a great environmentalist heading our EPA, and I am proud of the record. But I'm not going to go down to Rio, as Mr. Gore suggested, and sign a treaty -- I don't care how many countries are for it -- if it goes against the interest of the United States. I'm proud of the record, but we're not on the extreme.

Education and Job Training

Q. My question is, Mr. President, if reelected, what is your plan to help the common families with both parents that work and make less than $25,000 a year?

The President. The best answer is education, because we're moving into a new technical era. We're moving into an era where math and science mean something. We have proposed, and indeed, it's operating now under our Job Training 2000, a very vigorous program, a $10 billion program to retrain people for the future. I mean, we've got a lot of defense workers, for example, that are coming out of defense because we've been successful in the cold war.

Incidentally, my opponent, Mr. Gore, wants to cut the muscle of defense. He'll say to Fort Campbell, Kentucky, forget it, we're going to cut many more troops than Colin Powell and Cheney tell me are necessary. I'm in charge of the national security, and I'm going to keep it strong.

But job retraining is the answer to the family you're talking about who aspires up the ladder.

Part of our job retraining program says to a guy who is working at a job that you describe, maybe not the most productive: While you're working, you can participate in this apprenticeship program. So I really believe that is the key and only answer. Then along with it comes the fundamentals of education reform for the kids.

Racial Harmony

Q. Good afternoon, Mr. President. It is generally agreed that over the last 12 years race relations in our country has greatly deteriorated. What plans, if you are reelected, do you have to begin to heal our Nation?

The President. I'm not sure I agree with your premise about the last 12 years. I'm old enough to remember some really ugly scenes in this country when the country was really divided on race. And I think the country has come a long, long way over the past 25 years. So we start with a very different premise.

Yes, there is some racism, and yes, I've tried as President to speak out against it. We have passed two major pieces of civil rights legislation, but what you're talking about, respect for each other, is not going to be legislated. But we passed the ADA bill that I mentioned, which is forward-leaning civil rights, and one bill to avoid discrimination in the workplace. So that has happened on my watch. But it's not going to be legislated. It's got to be done through good will. It's got to be done through strengthening families' knowledge, education, so you educate out of the kids any propensity for intolerance. The President must continue to speak out against anti-Semitism or racial bigotry at every time. I think that's the only thing that's going to happen, moral persuasion.

But please look at your history, because I think we would all remember that we've had times which have been uglier than now in terms of race relations. It's not good, but we've got to make it better.

I'll tell you what we've got to do. We've got to strengthen our communities and our families. And the liberals hate it when I say this, but family is vital. When Mayor Bradley of Los Angeles -- I'll not filibuster here, but when he came to see me with a lot of other mayors from the National League of Cities, he said, ``The biggest concern we've got about urban unrest is the decline of the American family.'' So let the liberal Democrats scream, but strengthening family, not through legislation but through education, teaching discipline, teaching respect for the law, supporting law enforcement people, choice in child care, choice in education, all of these things will strengthen the family. As that happens, we lower this threshold of discrimination which is terrible, and we've got to make it better.

Education

Q. My question is regarding education. Earlier, you mentioned Millie's book. You have said that you would subsidize families to send their children to private schools. Please explain to me why that's better than putting more money and efforts into the public school system. Because my husband and I would fall in the middle class range; we would not be low-income to receive subsidies, and we're not in the upper end to be able to afford to send children to -- --

The President. Let me try to explain it to you. I do believe in parental choice for public, private, and religious schools. When I got out of the service, many thousand years ago, I was eligible for the GI bill. And the GI bill said you can go to the college of your choice, religious college, Holy Cross, or go to public State college or go to a private. We're giving -- assist the family -- separation of church and state, money goes to the family.

In Milwaukee, Wisconsin, the Democratic Mayor and a black Democratic legislator, Polly Williams, came to see me to tell me how successful their choice plan had been. Her child was considered dysfunctional. And that child is now performing because they chose, and were assisted in the choice, a better school. The irony is that the public schools not chosen have found they are improving themselves.

And under the plan, under our ``GI bill'' for kids, they could have chosen a public school. So the plan is to try, in a model system, the choice to see if it doesn't do what I'm convinced it will, which is elevate the public schools and private. Did you know 46 percent of the public schoolteachers in Chicago send their kids to private school? Now, why is that? It is that some of those public schools are not performing well enough. So I think competition will make them perform better, and that's the basis. I know that the teachers union doesn't like it, but I am convinced that nationwide it will work as it did in Milwaukee.

I don't want to probe into the internal affairs of your family, but it can't happen -- there's not enough money in the world to do it for every family. So there is a cutoff point.

Job Retraining

Q. Mr. President, as a dislocated worker, an older worker, what kind of programs do you have in store for an older dislocated worker?

The President. Well, John, the only answer is this retraining program I mentioned here to the gentleman from Illinois. I believe that's what the Federal Government should do. I'm sure your community has some training programs, too. But that's the answer. And we're going to have more of it because you're having a shift to higher technology out of ordinary jobs, jobs that heretofore have been pretty darned good, and you're having this change in defense.

One other thing we're doing, and this isn't of any comfort to you right now, but we're taking the laboratories, the Government labs, and having them cooperate with business to bring new

technology to the private sector. That will mean new jobs. But it will mean in your case, sir, job retraining.

Take a look at the programs, because I think you'll find some that might fit your needs. I hope you do, anyway, because I certainly can empathize with somebody who is a good worker, wants to work, and can't find work. I might say unemployment in this country has gone down for the last 3 months. And every time it happens, again back to my talking head friends: Bad news for President Bush, job market shrinks. Come on, it's getting better.

So we've got to keep this recovery going, without doing bad things to it, and helping stimulate it. And then a guy like John, who just mentioned this, will find work because I think we're going to have a much more plentiful job market. We created 15 million new jobs in the eighties, and I think we can do it more now that we're coming out of this long slow period.

Education

Q. Mr. President, you've declared yourself the education President. But why is our country still behind Japan in math and science? And what do you plan to do about it in the next 4 years?

The President. When I came in as President, we convened all the Governors. We did something that's never been done before -- and I'll give Bill Clinton credit for this. He was one of the leaders in it as a Governor -- to get educational standards. We adopted six national education standards, and communities now are striving to reach them. One of the standards is math and science. Kids must be proficient in math and science by the year 2000. That's caused a whole array of new teaching methods being used for math and science.

So we've already started on that. And the program I referred to, I just refer you back to it, America 2000, because it really does help us achieve these six education goals. But you're on to something, and we've got to do better in math and science. Do you know we spend more per education per kid than every country except Switzerland? And we're not getting the results. The Federal Government, what, 6 percent of the spending is from the Federal Government, and it's way up. But that's not good enough for this country. So we've got to break the mold in these schools. We've got to challenge the establishment. Education fundamentally hasn't changed in this country for the last 50 years. Now it's got to, to accommodate young kids like this.

The Economy

Q. Mr. President, you mentioned the value of high wages to the entire economy. Recently in Winchester where I live, our once-largest employer, Rockwell International, closed their truck axle plant. Manufacturing jobs are now only 16 percent of our economy. In Germany, manufacturing jobs are fully 32 percent of their economy, and they have the highest wages in

the world. America's now 13th in wages and still falling. Governor Clinton favors a more direct partnership between business, labor, and Government, similar to the German approach. Why is this not a good idea to develop new technologies?

The President. I challenge your figures on the wages. Manufacturing in this country is up as a percentage of our gross domestic product, manufacturing is. Some of the reason that manufacturing jobs has sloughed off is because manufacturing has become much more modern and streamlined.

But the answer is not to do what Clinton wants, which is to have the Government invest. He talks about Government investment. Government does not create wealth. And therein I have a -- and most of Europe, including Germany, has moved away from this concept of this kind of social fabric of government in terms of business.

You've got to free up through less regulation, less lawsuits. We're killing ourselves with the cost of lawsuits. Less taxation; stimulate -- I just said earlier, and I won't repeat them, these ways to stimulate business investment here. But we cannot go back to the failed European model of, you know, it used to be pure socialism. Those countries have all come out of it now.

So I think we've got a little fact difference here as to how Germany is doing. They had a 4 percent negative growth, or 3 this last quarter, when we grew at 2.7. So I'm not about to think of Germany as the great example. They're good on some things, and they make good products, but I notice that Germany is putting a BMW plant in South Carolina. Now, why are they doing that if this gentleman is so right about how swimming everything is going in Germany? Because we've got the best workers, and we're the most productive nation there is.

Sorry I can't debate you eyeball to eyeball. I might come out ahead; I might not. You sound like you know what you're talking about.

Mr. Butler. When the time is over for things like this, Helen Thomas usually says ``Thank you, Mr. President," and that's where we are.

The President. I looked at my watch in the debate, and I caught the dickens for it. But time flies when you're having fun. [Laughter]

Mr. Butler. We want to thank you. We want to thank my colleagues in Louisville where Jackie Hays had some very good questions from her group; from WLEX - TV in Lexington, where Tom Kenny had a good group to ask questions. And we want to thank all of you in our studio audience. I know that many of you had questions that didn't get asked, but we appreciate those that were. So we thank all of you.

And Mr. President, thank you for joining us today. We were real glad you came and answered

the questions.

The President. I'm just delighted to be here. It's a wonderful thing you all do, of public service, I think. I mean, it transcends politics, and it's a very good thing. And I appreciate it.

Mr. Butler. Maybe you won a few votes today out of all this.

The President. Well, I don't know. I hope so. That's what it's all about.

Note: The question-and-answer session began at 1:30 p.m. at the WPSD - TV studios. Tom Butler, WPSD - TV vice president of news, served as moderator for the session.

Remarks at a Miami Valley Rally in Kettering, Ohio

October 27, 1992

The President. Thank you, Mac. Thank you very, very much. Thank you, Gerald McRaney. Thank you for that great Ohio welcome. Thank you very, very much. Thank you.

Audience members. Four more years! Four more years! Four more years!

The President. We are fired up. Thank you. If I ever needed convincing, you have convinced me that we are going to win 4 more years on November 3d. This is fantastic. Wall to wall people. And thank you for that great welcome.

May I salute Congressman John Boehner, who is here with us today. And may I say, you hear a lot of talk around the country, ``Clean House!'' Change the Congress. Send Mike DeWine to the United States Senate, and let's get on with changing this country for the better. While we're at it, send Pete Davis to the United States Congress. We need a good man there.

It's great to be here at the birthplace of aviation. And the choice before the American people this year is a vast difference in experience, a difference in philosophy, and yes, character counts, a difference in character.

I think it is only fair that we look at the record of the man who wants to become President, because the other night in a debate, Governor Clinton said this: ``I want to do for America what I have done for Arkansas.'' No way!

Audience members. Boo-o-o!

The President. Let me give you just a couple of statistics. Arkansas -- and they've got wonderful people there -- this man has been Governor for 10 years, I believe. He talks about the fact that they did the most in job creation this year. True, but he was out of the State 85 percent of the time. For the 10 years he's been Governor, they're 30 percent below the national average. They are the 50th in environmental quality. They are 50th in the percentage of adults with college degrees, 50th in the per capita spending on criminal justice, 49th on police protection, 48th on adults with a high school diploma, 48th in spending on corrections, 48th on teachers' salaries. We cannot let him do that to the United States of America.

You know, for months the Democrats have been going around this country telling everybody that we were in a deep recession and that they would change things. Let me tell you something. Today there was some good economic news for America. We have grown in this country for five consecutive quarters. And in the last quarters, growth was 2.7 percent, better than Japan, better than Germany, better than Europe.

So don't let these guys come in there talking about change, and change things back to where they were the last time the Democrats had the White House and the Congress. Do you remember what it was like?

Audience members. Boo-o-o!

The President. Interest rates under the Carter and the Congress was 21 percent, inflation 15. Governor Clinton and Gore, the Ozone Man, want to go ahead -- this guy's out of it. Where is he? I mean, come on. They say we're in a deep recession. So what do they want to do? They want to raise your taxes by $150 billion and increase $220 billion in spending, and we're not going to let them do that to America.

Change, change, change, change, change -- all you're going to have left in your pocket if you listen to those guys. We're not going to let it happen. They and their media talk-show people wouldn't know it if good news hit them in the face.

Ninety-three percent of America is working. And, yes, we've got to be concerned about those who aren't. We've got the program to do it. The program isn't to have Government invest. The program is to have small business unleashed from regulation, unleashed from regulation, from taxation, and yes, from litigation. We are suing each other too much and caring for each other too little in this country.

Change, change -- they forget that the last time they left office, inflation was wiping out every senior citizen at 15 percent, and we brought it under control. People say, are you better off? Well, ask the homeowner who can refinance that mortgage and save a couple of thousand dollars a year. Ask a senior citizen who's saved all his or her life, saw those savings wiped out by the cruel Democrat Congress inflation. We got that back in the box, and that's saving millions for people.

But here's the good news for America: Unemployment has been down for 3 straight months. And I said the country is growing at 2.7 percent. Let's keep it growing by my plan, not by the Democrats' plan.

Here's the way we're going to do it. Exports have led the recovery at very difficult times. We are going to create more American jobs by opening these foreign markets to the best made-in-America products, the best in the entire world. The free trade agreement will create jobs. Ohio agriculture is moving. It will move better when we complete the GATT round, we complete the fair trade agreement. We can outhustle and outproduce any country in the world. We've got the message of optimism for this country and real growth.

Governor Clinton wants to tax foreign investment, he says. That would threaten 4.5 million

jobs, including 150,000 right here in Ohio. The people are investing here because we've got the best workers in the world. Let's not run them off.

Audience members. We want Bush! We want Bush! We want Bush!

The President. We've got a good record on the environment. But I'll be darned if I'm going to go to the extreme. The Ozone Man and Governor Clinton want, listen to this one, they want 40- to 45-miles-per-gallon fuel efficiency standards. That would throw every auto worker in Ohio out of his job. And I'm not going to let that happen.

Audience members. Boo-o-o!

The President. Twenty thousand jobs are at stake if we listen to the extremists that are coming out of that environmental movement. I care about that little spotted owl, but I also care about 30,000 families whose jobs are at stake.

I mentioned the need for small business to have the burden of legal reform lifted, but it's not just small business. People are afraid to coach Little League because of crazy lawsuits. Doctors are afraid to deliver babies because somebody's going to come and sue them for malpractice, or the hospitals have to raise the cost and raise the tests for fear they'll get some crazy lawsuit. A citizen going along the highway is afraid to stop and help his fellow American because he's afraid somebody's going to say, ``Oh, you didn't do it just right. We're going to sue you." We've got to put some restrictions on these outrageous lawsuits. We've got to care for each other more.

Health care, health care, we have the best plan for health care. It makes insurance available to the poorest of the poor through vouchers. It gives tax relief to the next income group. It says make insurance available through pooling, bring the cost down, do something about malpractice, but do not get the Government further into the health care business.

On education, the answer in a struggling time is to educate people better, and we've got the best program. America 2000 says to the communities and to the teachers -- not to that all-powerful teachers union that tries to dictate to these teachers -- it says to them, look, we're going to work with you. We have 1,700 America 2000 communities already in existence, many of them right here with Ohio in the lead. And we've got to revolutionize education. We've got to give these kids every opportunity. One big difference I have with Governor Clinton and Gore is this: I want to see the parents be able to choose public, private, or religious schools and give them a chance.

You know, Barbara and I talk about family values. One family value is that a family ought to be able to grow up in a neighborhood free of crime and drugs. And I back our police officers. I don't want some leftwing judges appointed to the Supreme Court who don't care about the

victims of crime and spend all their time worrying about the criminals. Let's turn it around. Let's have more compassion for the victims and less for the criminals.

You know, the Arkansas -- I hate to go back to that because we're on a roll here -- go back to Arkansas -- a guy is sentenced, he spends 20 percent of that sentence under the -- that's not enough. Under the Federal prison program, 85 percent. We must support our police.

The other day from Arkansas eight people came to see me, and they endorsed me for President. They were the Fraternal Order of Police of Little Rock, Arkansas.

Here's the big difference. Here's the big difference. Clinton and Gore talk about Government investing in getting jobs. The Government takes your money and does not invest. It is the business sector. It is the mom-and-pop store. It is small business that needs relief. And here's the way we're going to give it to them. Here's the way we're going to get that deficit down and get the mortgage burden off the back of these kids:

One, give me a balanced budget amendment and force the Congress to get this deficit down.

Give us a check-off so the individual taxpayer can check his tax return, she can say -- he or she can check it and say 10 percent of my tax must go to reducing the Federal deficit. Make the Congress do it.

Third, give me what 43 Governors have. Congress can't do it. Give me that line-item veto, and let the President have a shot.

Four, the President has a limited number of terms, two terms for a President. Let's limit the terms on the U.S. Congress and hand the power back to the people.

I have a big argument -- I talk about trust and character, and I believe they are important. In the debate, Governor Clinton said it's not the character of the President, it is ``the character of the Presidency." He's wrong. The two are interlocked. You've got to stand for something as President of the United States.

Let me tell you something. I have learned this as President. You can't please everybody on everything. It's like any normal human being. You make a mistake; you look the American people in the eye and say, ``I did it." Then you go on and lead. But you cannot be all things to all people.

My argument with Governor Clinton is, he tries to be on all sides of all questions. On right to work, he's for it in the South, against it when he talks to the labor unions. On free trade, he's for it, and you heard this in the debate, ``I'm for it, but." You can't have any ``buts" in the White House.

On term limits, he sees the merits of it, but he's opposed to it. And on the Gulf war -- how do you like this for leadership from the Commander in Chief -- when the going got tough, here's what he said: ``I agree with the arguments of the minority'' -- that's who wanted to stand pat -- ``I agree with the arguments of the minority, but I guess I would have voted with the majority.'' You cannot waffle when you're Commander in Chief of the Armed Forces.

Audience members. Boo-o-o!

The President. There is a pattern of deception. And we simply cannot -- --

Audience members. Give 'em hell, George.

The President. I'm trying to. We cannot have -- you know, the guy's got a good point. Do you remember when Harry Truman was campaigning and a guy yells, ``Give 'em hell, Harry.'' ``I don't give 'em hell. I just tell the truth, and they think it's hell.''

But seriously, you've got to call them as you see them, as the umpires do. You can't just be out there, lead by misleading, and you cannot turn the White House into the waffle house. You've got to stand for something.

No, we now see, America sees clearly that we are not in the recession, as told by the Clinton-Gore ticket and repeated endlessly on that television. We have some difficult problems. But I have the best programs to solve these problems.

Let me tell you this. Here's the end of it, and here is the bottom line as you go to the polls on Tuesday. Barbara -- and I think we've got a first-class First Lady, I might add. She and I -- I told you I think character and trust matter because people all around the world look to the White House, look to the Oval Office, at least for integrity and honor. I served my country in war, hopefully with duty, honor, and country in the foremost. I had to make very difficult decisions as the Commander in Chief of the Armed Forces. And believe me, it is tough when you have to send someone else's son, someone else's daughter into harm's way. But we did it, and the sons and daughters of Ohio kicked the aggressor out of Kuwait and restored the leadership of the United States to the entire world.

So I ask you to meditate and think on what Mac said. When that Oval Office phone rings or at night the phone at White House rings, my question to the American people is, who do you trust? Who do you trust for the security -- [applause] -- far more important than partisan politics is the honor of the United States of America.

I have tried to uphold the public trust. I believe we have the programs. I am absolutely convinced that Clinton-Gore are wrong when they say we're a nation in decline. Good heavens,

we are the leading nation in the entire world. We are not in decline.

Now I ask, on Tuesday, I ask you to go to the polls and get your friends to the polls. I ask for your support. I ask for your vote to let me finish the job of lifting up the young lives here and giving America a prosperous 4 more years.

May God bless the United States. Thank you all very much.

Note: The President spoke at 6:10 p.m. at the Frazee Pavilion. In his remarks, he referred to actor Gerald McRaney.

Memorandum of Disapproval for Legislation To Include Revere Beach, Massachusetts, in the National Park System

October 27, 1992

I am withholding my approval of H.R. 2109, which would require the Secretary of the Interior to conduct a study of Revere Beach, Massachusetts, and provide alternatives on the appropriate Federal role in preserving and interpreting this site.

The National Park Service (NPS) studies many sites to determine if they are nationally significant and therefore suitable for inclusion in the National Park System. A site is nationally significant if it is an outstanding example of a unique natural, historic, or cultural resource with demonstrated importance to the entire Nation.

In many instances, the Congress has used the findings of a congressionally mandated NPS study, regardless of the study's conclusion, to justify authorization of a new unit of the National Park System. To restore credibility and a national focus to its study process, the NPS reestablished in 1991 a program to evaluate sites and prioritize candidates for future study. The most promising candidates identified by the NPS experts would be proposed for formal study.

For my fiscal year 1993 Budget request, NPS professionals rated and ranked 41 candidates from criteria established by the Department of the Interior. The fiscal year 1993 Budget proposed $1.2 million to study the seven highest-rated candidates from the list of 41 originally reviewed. The Congress appropriated $848,000 to conduct four of the studies proposed by the NPS.

The NPS experts have not identified the Revere Beach study as a high priority. The effect of this legislation would be to place completion of this study before the completion of other studies that the experts agree are much more important to the Nation.

H.R. 2109 would ignore professional analysis and budget constraints. It would also undermine the critical objective of identifying and evaluating the Nation's most promising natural, historic, and cultural assets for protection as units of the National Park System. I am therefore withholding my approval of H.R. 2109.

George Bush

The White House,

October 27, 1992.

Statement on Signing the Battered Women's Testimony Act of 1992

October 27, 1992

Today I am signing into law H.R. 1252, the ``Battered Women's Testimony Act of 1992."

Each year, more than 3 million women are the victims of domestic violence. Of these, between 3,000 and 4,000 are murdered by a spouse or domestic partner. Many of these attacks are witnessed by children.

Some victims of domestic violence are driven to retaliate and even kill their abusive spouses. In some cases these victims may raise as a legal defense ``battered woman's syndrome." This syndrome, which some experts believe is brought on by repeated physical, mental, or sexual attacks by a spouse or partner, may help to explain or extenuate these retaliatory attacks. Expert testimony regarding the nature and effect of ``battered woman's syndrome" is not universally accepted by all the States.

H.R. 1252 addresses the problems associated with the defense of ``battered woman's syndrome" in two ways. First, it authorizes a study on the admissibility of expert testimony on the experiences of battered women in the defense of criminal cases under State law. Second, the bill directs the development and dissemination of training materials to assist battered women and their attorneys and advocates in using expert testimony in appropriate cases.

I am pleased to approve this legislation and to commend its sponsor and cosponsors for taking this important step in combatting violence against women.

George Bush

The White House,

October 27, 1992.

Note: H.R. 1252, approved October 27, was assigned Public Law No. 102 - 527.

Statement on Signing Legislation on Child Custody Litigation

October 27, 1992

Today I am signing into law H.R. 1253, a bill that provides for research and training materials to assist State courts in child custody litigation involving domestic violence.

Domestic violence is a serious problem in our Nation. Each year more than 3 million women are the victims of domestic violence. Much of this violence is witnessed by children, often with devastating and far-reaching emotional and psychological consequences.

Many battered women eventually divorce their husbands. But spousal abuse does not always end with divorce. In fact, the abuse can become worse, especially in connection with child custody litigation.

H.R. 1253 takes an important step in addressing this problem. The bill authorizes the funding of up to five projects to investigate and carry out research regarding State judicial decisions in child custody cases that involve domestic violence. The legislation also authorizes the development and dissemination of training materials to assist State courts in formulating appropriate responses in such cases.

This legislation will help send a strong message about our commitment both to combatting domestic violence and to ensuring that the children of battered women are raised in safe, loving, and nonabusive environments. I am pleased to sign H.R. 1253 and commend its sponsor and cosponsors for their foresight and concern.

George Bush

The White House,

October 27, 1992.

Note: H.R. 1253, approved October 27, was assigned Public Law No. 102 - 528.

Statement on Signing the Preventive Health Amendments of 1992

October 27, 1992

Today I am signing into law H.R. 3635, the ``Preventive Health Amendments of 1992." The primary purpose of this legislation is to authorize appropriations for, and make amendments to, the Preventive Health and Health Services Block Grant (Prevention Block Grant) administered by the Department of Health and Human Services (HHS).

My Administration is committed to the importance of preventive health services. Support of prevention programs is a sound investment in our future. H.R. 3635 authorizes programs that will provide States with funding needed to target their prevention efforts as effectively as possible toward reducing some of the Nation's most pressing health problems.

H.R. 3635 will authorize appropriations through fiscal year 1997 for the Prevention Block Grant. This block grant is important for funding activities intended to achieve the national health objectives for the year 2000. The Prevention Block Grant represents an effective means of financing activities designed to reduce the burden of disease and premature death in this country.

This legislation will also continue HHS programs to prevent lead poisoning in children. Lead poisoning is the most common and societally devastating environmental disease of young children. This program enables us to identify children who have lead levels in their blood high enough to impair their health and to refer them to the help they need.

I am gratified to see health legislation that focuses on prevention. I applaud the cooperative effort that made it possible.

George Bush

The White House,

October 27, 1992.

Note: H.R. 3635, approved October 27, was assigned Public Law No. 102 - 531.

Statement on Signing the Telecommunications Authorization Act of 1992

October 27, 1992

Today I am signing into law H.R. 6180, the ``Telecommunications Authorization Act of 1992." The Act codifies authorities of the National Telecommunications and Information Administration (NTIA) in the Department of Commerce. The Act reflects the importance to the Nation of the development of sound telecommunications and information policies.

In addition to codifying these authorities, however, the Act contains some problematic and unnecessary provisions. I have instructed the Secretary of Commerce to work with the next Congress to amend or delete these troublesome provisions. Among the provisions that are unnecessary or disruptive to the efficient Federal management of telecommunications policy are the following:

-- Section 105(d), which restricts the Secretary of Commerce from reassigning any NTIA function without first reporting to specified congressional committees and waiting for 90 legislative days. This section undermines the Secretary's ability to manage the Department effectively.

-- Section 104, which will unnecessarily micromanage NTIA's responsibility for Federal use of the radio frequency spectrum by detailing specific requirements for public participation. NTIA is already meeting the laudable goal of increasing public participation in these activities.

The Act also contains provisions specifying responsibilities for the Department of Commerce in providing advice on telecommunications policies. These will be interpreted in a way that does not restrict my authority to supervise the executive branch.

George Bush

The White House,

October 27, 1992.

Note: H.R. 6180, approved October 27, was assigned Public Law No. 102 - 538.

Statement on Signing the Mammography Quality Standards Act of 1992

October 27, 1992

Today I am signing into law H.R. 6182, the ``Mammography Quality Standards Act of 1992." This important legislation will help make mammography screening safer and more accurate.

As National Breast Cancer Awareness Month draws to an end, we are reminded that one woman in eight will develop this devastating disease during her lifetime. Fighting breast cancer has been -- and continues to be -- one of my health care priorities.

For women with breast cancer, early diagnosis is crucial to successful treatment. We all know that safe and accurate mammography screening, together with monthly self-examinations, are essential to making an early diagnosis. H.R. 6182 will enhance the quality of mammographies performed in the United States. It will require facilities that perform this procedure to meet a set of national standards. The legislation contains an important provision allowing States to have their own certification programs as long as their requirements are no less stringent than the national program.

I wholeheartedly support the very important purpose of this legislation. I applaud Senator Orrin Hatch, who worked to improve the bill and to accommodate Administration concerns about the overly regulatory nature of the initial proposal. Today, I am directing the Secretary of Health and Human Services to ensure, to the maximum extent possible, that no professional group assumes a de facto monopoly on the provision of mammography services. In addition, the standards implementing the new program should create no unnecessary burdens on service providers or barriers to women's access to this vital service. This legislation requires studies on cost-effective regulation and related performance measurements of mammography services that my Administration will follow with interest and use in formulating future policy proposals.

I especially applaud Marilyn Quayle, whose own mother died of breast cancer, for being a champion in the fight against this dreadful disease. My Administration is deeply committed to ensuring that every woman in this country has access to affordable, high-quality mammograms. This bill will complement those efforts.

I must note, however, that certain provisions of this legislation must be interpreted so that they are consistent with the Appointments Clause of the Constitution. Specifically, I do not interpret the language of proposed 42 U.S.C. 351(g)(1), pertaining to inspections of facilities performing mammograms, to permit persons other than officers of the United States duly appointed pursuant to the Appointments Clause to exercise significant Government authority.

Similarly, I do not view the language of proposed 42 U.S.C. 351(g), pertaining to State enforcement programs, as giving State officers the authority to enforce Federal law. Instead, I view it as giving the Secretary of Health and Human Services the authority to exempt States from the regime of Federal regulation if he determines that a parallel system of State regulation provides a satisfactory alternative to Federal regulation.

I also do not interpret the language of proposed 42 U.S.C. 351(j), giving the Secretary of Health and Human Services the right to bring suit in Court, to impair the authority of the Attorney General to conduct all litigation on behalf of the United States, its agencies, and its officers.

George Bush

The White House,

October 27, 1992.

Note: H.R. 6182, approved October 27, was assigned Public Law No. 102 - 539.

Statement on Signing Legislation Establishing the Keweenaw National Historical Park

October 27, 1992

Today I am signing into law S. 1664, which establishes the Keweenaw National Historical Park. The Act also establishes the Keweenaw National Historical Park Advisory Commission, most of the Members of which are appointed by the Secretary of the Interior from among the nominees submitted by various State and local officials. Because most of the Members are effectively selected by various State and local government officials, and thus are not appointed in conformity with the Appointments Clause of the Constitution, Article II, section 2, clause 2, I sign this bill on the understanding that the Commission will serve only in an advisory capacity and will not exercise executive authority.

George Bush

The White House,

October 27, 1992.

Note: S. 1664, approved October 27, was assigned Public Law No. 102 - 543.

Statement on Signing Delaware River Port Authority Supplemental Compact Legislation

October 27, 1992

Today I am signing into law S. 2964, a bill granting the consent of the Congress to a supplemental compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey concerning the Delaware River Port Authority.

Although I have signed S. 2964, I will withhold my approval of H.R. 5452 because it is identical to S. 2964.

George Bush

The White House,

October 27, 1992.

Note: S. 2964, approved October 27, was assigned Public Law No. 102 - 544.

Remarks on Departure from Lima, Ohio

October 28, 1992

I understand that Bruce Willis had a few words to you. But let me tell you something. I think this country likes a fighter. I think this country likes somebody who does not let the national media, nor certainly Clinton and Gore get him down, and is going to fight right on and win this election.

I can tell you this. I was just on a television show, and I can repeat here what I said then -- I am absolutely convinced because of this kind of turnout of public support, because of what we tried to do in terms of bringing world peace, because of the movement now in this economy where clearly Gore is wrong, Clinton is wrong when they say we're in a recession -- yesterday we saw that this economy is growing, and now we've got to keep it growing until every American that is hurting has a better opportunity.

So I am very grateful to you. For you who might be first-time voters, do not take anything for granted. Go to the polls. Get your friends to vote. It is a privilege. It is an American privilege to vote, and you ought to do that. So be sure to get to the polls.

We only have a handful of days left. I was telling Jim Baker in the car, I can hardly believe it, that we've only got 6 days. But things are moving nationally, good news in the national polls today. We're going to show these critics and these naysayers and these people of voices of gloom and doom that we are going to win because I have confidence in America, because our economic program is right, because the world is indeed more peaceful. I'm going to ask for your support and your trust, based on character, because I believe we have the best economic answers to lead this country and the entire world to new prosperity.

Thank you, and may God bless you all. May God bless each and every one of you on this beautiful day in Ohio.

Note: The President spoke at 9:14 a.m. at Allen County Airport. In his remarks, he referred to actor Bruce Willis.

Remarks at a Rally in Toledo, Ohio

October 28, 1992

The President. Thank you so very much. Let me just thank Bruce Willis, a man of conviction. I'll tell you a little story about Bruce. About 4 months ago, when everyone was declaring us dead and buried politically, we got a phone call at the White House. Somebody came to me and said, ``Well, Bruce Willis is calling.'' I said, ``Well, how do you know it's Bruce Willis?'' And they said, ``Well, it is.'' So we called back, and when things were really rough, down he came. Barbara and I had dinner with him. And he has been out there, working hard, helping me at every turn, and I am very, very grateful to him.

Let me tell you something that I think Ohioans know, but again, on a very personal basis something I feel strongly about. I know you know you've got a great Governor. But I want you to know that the Voinoviches are close, personal friends of ours to whom we will always be grateful. He is a good and decent and strong leader for this State, and I'm grateful to George Voinovich.

I want to salute Walbridge Mayor Robson; and Donna Owens, the former Mayor of Toledo; Tom Nowe, the Republican Party chairman. Do me a good favor. Do yourselves a favor. Do the country a favor. Clean Senate, and send Mike DeWine to the United States Senate. We don't need any more gridlocked Congress, so help me clean House, and send Ken Brown to the United States Congress.

I love this sign back here, ``Six days to victory.'' Believe me, we are going to win this election. The reason we're going to win is that there is a vast difference in experience, a vast difference in philosophy, and a vast difference in character and trust. Believe me, character and trust matter for President of the United States.

Governor Voinovich kind of put it out there as it is, talking about the Arkansas record. One reason I will win the election is, after 11 months of distorting our record, we begin to put into focus the Arkansas record. I'll repeat just one or two parts of it, because it is 50th in the quality of environmental initiatives in Arkansas, 50th in percentage of adults with college degrees, 50th spending on criminal justice, 49th per capita of police protection, 48th in percentage of adults with a high school diploma, and on and on and on it goes.

Governor Clinton bragged about leading the Nation in jobs. They did it for one year, and he was out of the State for 85 percent of the year. The rest of the time, they were 30 percent behind the national.

You know, there was a scary moment in one of those debates. He said, ``I want to do for America what I've done to Arkansas.'' I said, ``No way. Please, no.''

No, but, you know, if you listen to Governor Clinton and the Ozone Man, and all they do is talk about -- you know who I mean, Mr. Ozone? You know what they'd do to the auto workers right here in Toledo? They want CAFE standards, those are fuel efficiency standards, of 40 to 45 miles per gallon. Talk to the union guys working in the plants here in the auto business. That will put almost every Ohio auto worker out of work, if we went for the extreme on the environment. I have a strong environmental record, but I'm not going to let Mr. Ozone dictate to the American worker.

One of the reasons things are moving -- and everybody here knows that it's moving nationally -- good news out there today on these national surveys. One reason it's moving is that people do not want $150 billion in new taxes and $220 billion in new spending. We cannot get the deficit going up. We've got to bring it down. Let me tell you how we're going to do it.

We're going to control the growth of spending, and then I'm going to get the American people to insist that we get a balanced budget amendment to force the Congress to do it; that we get a check-off so every person in this country paying income tax can check 10 percent on their income tax and make that go to one thing, and that's one thing alone: reducing the deficit. The Congress is going to have to cut to make that possible. Then the third thing we're going to do is get the American people to insist that the President be given what 43 Governors have. Give me that line-item veto, and let's get that spending under control. Those three things will help enormously.

There's one more that I like. Presidents serve two terms. Let's give the Congress back to the people and have term limits for the Members of the United States Congress.

I had it figured out one day in one of the speeches. I think Governor Clinton and the Ozone Man had about 58 references to change. Change, change, change. Raise the taxes $150 billion, and that's all you'll have left in your pocket is change. We're not going to do that.

Something happened yesterday that's casting fear into the hearts of these talking heads on television, fear into the hearts of the Clinton-Gore team. You know what it was? It came out that our economy had grown at 2.7 percent for the last quarter, and it puts the lie to the fact that we are in a deep recession. And yes, people are hurting; and yes, a guy has a job today and might not know whether he's going to have it tomorrow. But the answer is, we are not in a recession. We are growing. If you go to their plan, you'll put us back into a Jimmy Carter malaise days, with interest rates at 21 -- --

Audience members. Boo-o-o!

The President. Hey, wait a minute, I don't want to ruin this meeting, but you remember what it was when you had a Democratic President and a liberal -- you had 21.5 percent interest rates,

and you had inflation at 15 percent. They did it through the same Clinton siren's call of tax or spend. Let's keep this economy growing. Let's reduce the Federal deficit. Let's control spending, and let's control taxes.

Two point seven. The economy -- --

Audience members. Four more years! Four more years! Four more years!

The President. You know, let me tell you something. Let me tell you something good about this country. You hear plenty that's bad from the Clinton-Gore ticket. Our economy is growing. It's growing too weakly, but we're going to lead the country through increasing jobs that sell the best-made products in the world. That's U.S.A.-made products. Expand our markets abroad through exports. We are leading the world in exports, and that means jobs for America.

Our economy is doing better than Japan, than France, than Germany, than England. You hear them talk about it, Clinton and Gore. The only way they can win is to convince the American people that we're in a deep recession, and we're not. The good news yesterday -- even the talking heads on those Sunday television shows are going to find a hard time making bad news out of good news. I'm tired of that.

You know, we landed out here, came in a helicopter and landed next to a factory out here. There was a big sign. And on it, it said, ``Annoy the Media. Reelect Bush." Why is it? Why is it that everybody, Democrat, Republican, liberal or conservative, know what that sign means?

Now, I ask your forbearance, and I'll tell you why. We've got some good people traveling with us in the press. And because they've felt that sign so strongly, some of them started hectoring the cameramen or the photographers. These are the good guys. Leave them alone. They're just doing their job. Take your frustrations out, as I do, on the guys back East in those Sunday talk shows who tell you everything that's wrong, whether they're Republicans or Democrats, because we're going to make them eat their words on November 3d.

No, all I'm asking is that people make a comparison on the plans, and I've told you the fundamental differences. But we've got to keep going forward. I'll tell you a big difference we have. Governor Clinton talks about getting the Government to invest to create jobs. That's what Europe tried, and that's where Europe failed. It is not the Government that does it. It is small business that creates the jobs in this country. They create two-thirds of the jobs.

How do we help them? We give them a little relief for taxation. Give them an investment tax allowance. Give them a capital gains so a new guy will get out there and start a new business. Give that first-time homebuyer a tax credit so he or she can buy a home and live the American dream.

Then we lighten up on regulation. And one other thing where I have a big difference with the Governor from Arkansas, and that is on litigation. We are suing each other too much and caring for each other too little; $200 billion a year go to lawyers; $25 billion to $50 billion are added to your health bills every year because of these crazy malpractice suits. Little League coaches are scared to coach because somebody will come up and sue them. You good Samaritans are afraid to stop along the highway for -- afraid if you move the person, then this -- ``Oh, you did that wrong," and they'll slap a lawsuit on you. We've got to end and cap these crazy lawsuits.

Governor Clinton will not do that, because the trial lawyers are his biggest supporters. The lead trial lawyer in Arkansas sent around a letter: Elect our man, and then we won't have anything to worry about changing the lawsuits.

We've got to help the American people, the doctors, the medical practitioners, by reducing the fear of nutty lawsuits.

Speaking of health care, we've got an enormous difference on that. Governor Clinton, typical of the way the liberal Democrats work, he wants to set up a board to kind of set the controls and prices. You can't do that. The Bush plan is good. Provide insurance through vouchers to the poorest of the poor, pool the insurance, provide tax credit to the next people -- the most overtaxed end of the tax scale on the working men and women in this country -- pool the insurance, control malpractice, streamline the efficiency, and get the cost down through this pooling, but keep the Government from rationing health care.

My daughter-in-law Margaret is a teacher. God bless the teachers, because they are out there trying to restore some values to these kids. And we have a good program in education. We have a good program. It bypasses the NEA that tells the teachers how to think and supports the bureaucracy. We have 1,700 communities participating in this program. We have a rather old-fashioned idea. We think that the parents should have the right to choose public, private, or religious schools. Give them a chance to do that.

We have a positive record. One out of two college students has financial aid. We've increased the Pell grants. We've increased dramatically Head Start spending. We've got a good education program, but it puts our confidence with the teachers and with the local community, and not with that educational bureaucracy that's sopping up the money and not letting it get to the classroom.

I have a big difference with the Governor on crime, because I have an old-fashioned idea. We ought to have a little more sympathy for the victims of crime and a little less for the criminal. Governor Clinton wants to put -- Governor Clinton -- quiet, you guys. [Laughter] Governor Clinton wants to put Mario Cuomo on the Supreme Court. How do you like that?

Audience members. Boo-o-o!

The President. And I instead want to back up those police officers that lay their lives on the line for you and for me and for our neighborhoods every day of their lives. Let's pass the Bush plan, the tough anticrime, pro-law enforcement, and pass that legislation, and let's help our communities. It just isn't right for a mother afraid to send her kid down to the corner store for fear of some criminal in the neighborhood. We have got to win the fight on drugs. We've got to win the fight on neighborhood crime. We've got to back our police officers with strong legislation, and we've got to restore the family values that teach these children right from wrong.

You know, I see all these signs about trust. Let me tell you, I do have a big difference with Governor Clinton. It was expressed by him. It was expressed by him in one of the debates where he said -- he put it this way -- he said it isn't the character of the President, he said, it is ``the character of the Presidency." My view is this: When you're in that White House and when you are the President of the United States, the character of the President shapes and is interlocked with the character of the Presidency. You can't separate them.

My argument with him is you cannot be on all sides of every issue. You cannot flip-flop. You cannot turn the White House into the waffle house. He'll go to the unions here in Toledo and say he's against right to work, and yet in Arkansas he is for it. In one point he's for term limits, and then he says ``oh, no" -- when he gets into the hands of the Congressmen that he wants to work with, he says, ``Oh, no, I am against it." He is, on the North American free trade agreement -- you heard it in the debate. He said, well -- first he had some reservations; then he is for it. Then he goes to the labor union leaders, not the rank and file; he finds out he's against it. Then he's for it. And then at the debate you heard him, ``Well, I am for it, but." He does. You can't have a lot of ``buts" in the White House, believe me.

But the biggest difference, I think the clearest difference in this race will be the responsibility a President has as Commander in Chief of the Armed Forces. The biggest difference I had with him was on the war. I had to organize an international coalition. I had to bring along a reluctant Democratic Congress. I had to make a very tough decision.

I mentioned this the other night. Barbara and I sat up there at Camp David on a Sunday before we knew the war was going to start. We'd given the orders to Colin Powell, who passed them on to Norm Schwartzkopf. Believe me, it isn't any fun to have a decision like that on your hands, because you have to send someone else's son or someone else's daughter maybe to die for their country. But I did what I felt was right. I made the proper decision. We kicked this Saddam Hussein out of Kuwait. We restored the leadership, we restored the U.S. position as the only credible, trusted leader in the whole world.

And where was Bill? Let me tell you. Here's what he said at the time of the war. He said, ``I

was with" -- I've got to paraphrase and try to be accurate on it. I wrote it down, but I don't think -- here it is: ``I agreed with the minority, but I guess I would have voted with the majority." What kind of decisive Commander in Chief would that be?

Audience members. Boo-o-o!

The President. Somebody asked me about some of the unions protesting here. Let me appeal to those union members and say this. Let me say this. I know of your patriotism. I know of your love for country. I know that many of you served in the Armed Forces. And yes, I do have a difference with some -- maybe with some here today. But I found it appalling that when our country was at war in Vietnam and Americans were held hostage and prisoner, that Bill Clinton said, ``I went to England to organize demonstrations against the United States." I don't believe that is right. Protest in front of the White House, but when you're abroad stand up for the United States.

It does make a difference. Character and trust matter. I have tried to uphold the public trust in the White House. Let me say this: I've had a wonderful person at my side, but you see, I think, and I know Margaret agrees -- we wouldn't dare disagree -- I think we've got the best First Lady we possibly could have in Barbara Bush.

You know, we have been privileged. We have been very privileged to serve this country, and we've tried to uphold the public trust. And people know this. We're lucky. We've got 12 grandkids. We've got five kids all happily married now, and we've got a lot going for us in terms of family, got a lot going for us in terms of faith. We've got a lot going for us in terms of friends.

People say, well, you know, this hasn't been a particularly pleasant year. You know, you've taken your fair share of shots from the media and from the Clinton-Gore outfit. Why do you need this? You've got a lot of things going for you. Let me tell you why. Bruce touched on part of it. We have changed the world. The kids today go to bed at night without the same fear of nuclear war. But the job is unfinished. We've got to lift these kids up through better education. We've got to tell them that America is not in decline, that we are on the move. I want to finish the job. I ask for your support. I ask for your trust. We are going to win this election.

May God bless the United States of America. Thank you very much. Thank you.

Note: The President spoke at 10:26 a.m. at Seagate Center.

Remarks to the Community in Strongsville, Ohio

October 28, 1992

The President. Thank you very, very much.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you very much. Thank you. May I just start off here today by thanking my great friends the Oak Ridge Boys and Bruce Willis for being with us. I'm delighted to be in Strongsville, the crossroads of America. Hey, look, look at it this way. If Bruce Willis can overcome all those terrorists and all those bad guys in those ``Die Hard'' movies, then we can overcome Clinton-Gore, we can annoy the media, and we can win the election.

May I pay my respects at the outset of this remarks and this fantastic rally to Governor George Voinovich at my side, a true and great leader of this State. I want to thank Mayor Ehrnfelt. I want to thank all the law enforcement people in this community that make a rally like this possible. I want to thank Miss Ohio, Robin Meade. That other beautiful one up here was my daughter-in-law Margaret Bush, and I'm proud to have her with us.

But now before we get into a few remarks about the campaign and why I believe I will win it, let me ask two things of you. I am a little tired of this gridlock Congress, and you all can do something about it. First, elect Mike DeWine to the United States Senate. And then get out a great big broom and help me clean House and elect Martin Hoke to the United States Congress. And for those from the other districts, Beryl Rothschild, Margaret Mueller, and Bob Gardner for the rest of Ohio. We've got to change that Congress.

But now down to what's going to take place on Tuesday of this coming week. The choice before the American people is a vast difference. A vast difference will be there on that ballot, a difference in experience, a difference in philosophy, and yes, a vast difference in character. I believe I am the one that measures up on all three categories.

You know, for months the Democrats have been tearing us down and telling us everything wrong with America. But let me tell you just a couple of things about Arkansas. Arkansas is the 50th in environmental initiatives; it is the 50th in the percentage of adults with college degrees; the 50th in per capita spending on criminal justice; 49th on police protection; 48th in percentage of adults with a high school diploma; 48th in spending on corrections; 46th in teachers' salaries -- moving up a little -- 46th in the whole Nation; 45th in the overall well-being of the children in that State. And this man got up in the debate the other night and he said, ``I want to do for America what I've done for Arkansas.'' No way. We are not going to let him do that.

You know, you heard him talk in the debate. He said that, number one, they've had the number one growth in jobs in 1991. That might well be true. But ever since he's been Governor, they have 30 percent behind the average for the country. The only way the economy got moving in Arkansas was when it turned out Governor Clinton was out of the State for 85 percent of the time. So I wish the people well. But the only way to keep America moving is to send him back to Arkansas.

You know, I'll get on to the positive things in a minute. But there's a very interesting story in the Associated Press today detailing how Arkansas -- man says, ``Give 'em hell.'' Let me tell you what Truman said: ``You just tell the truth, and they think it's hell.'' You know what I mean? Even today, talked about an AP story detailing how the Arkansas Medicaid program has been mismanaged. They have a projected $120 million in the hole, a huge amount in that small State, and the story includes tales of secret meetings between Governor Clinton and the legislature to try and figure out whether to raise taxes after the election. It sounds like Governor Clinton better clean up his mess in Arkansas before he ever thinks about helping the United States.

I have gotten sick and tired of hearing them talk about change, Governor Clinton and the Ozone Man, his running mate. He talks about change, change, change, change. That's all you're going to have left in your pocket if you let this guy be President of the United States. Change? Last time we had a Democratic President and a Democratic Congress, we changed things. Interest rates were 21 percent, inflation 15, and we lost respect around the world. We don't need that kind of change.

I will hold the line on taxes. I will get this deficit down by controlling Federal spending. That's what we need to do.

Audience members. Four more years! Four more years! Four more years!

The President. Let me say a word about Ohio. Let me say a word about Ohio. Governor Clinton wants to say, ``Well, I want to put taxes on foreign investment.'' That would threaten 4.5 million jobs, including 150,000 jobs right here in Ohio. He wants to impose CAFE standards, these are the fuel efficiency standards on the auto business, 40 to 45 miles per gallon. That would cost Ohio 20,000 jobs. We do not need this kind of change. We need our kind of change.

The only way they can try to win is by convincing everybody we're in a deep recession. Yesterday the news came out that our last quarter of the year has grown at 2.7 percent, personal income the highest in 9 months. We can do better, but that is progress. That is not recession. That is economic growth. And now we've got to keep it going so we can help every single American that is hurting, everyone that is afraid they might lose the job.

The way we're going to do that is not by raising taxes and raising Government spending, but my plan, the agenda for America's renewal, will get the job done. And here's how we're going to do it. We are going to open new markets. We are going to create more goods for Ohio agriculture and Ohio products all around the world.

[At this point, audience members interrupted the President's remarks.]

The President. Who are these guys? Desperation.

Audience members. Four more years! Four more years! Four more years!

The President. You know what's happening? You know what's happening? These guys feel it slipping away from them. They know we're on the move. They know we're going forward. I feel sorry for them.

Here's the way we're going to do it: We're going to open new markets. Governor Clinton talks about investing, Government investing. Government never created a decent job in its life. Small business creates the jobs. Less regulation, less taxes, less lawsuits, and let's get small business moving.

Audience members. Four more years! Four more years! Four more years!

The President. You know, in this country the biggest supporters for Governor Clinton are the trial lawyers. My view is, we sue each other too much and care for each other too little. Let's cap these crazy lawsuits.

Audience members. Hee, hee, haw, haw, Clinton, stay in Arkansas.

The President. We've got it. That's right.

These guys were asking about health care. We've got the best health care plan: provide health care insurance to the poorest of the poor through vouchers, give the people at the lower end of the tax spectrum a little break on tax credits, get after these crazy malpractice lawsuits, and keep health care private. Do not do what Clinton wants to do and get the Government further involved. We can't even run a post office. We'd better not try to run health care. Use incentives and markets making insurance available to all. Make it transportable so when you change jobs you've got it. Let's do better by health care by keeping the Government under control.

On education, we've got a tremendous difference on education. We've got a program called America 2000. We've got the best job retraining program to help those who need work as we move from a defense economy to a more private sector. I am very proud of our record. And I'll tell you one place where I really differ with Governor Clinton. I want to put the strength with

the families. I want to give the parents the choice: public, private, or religious schools. Let the parents choose, and let's help them with their choice.

Audience members. Four more years! Four more years! Four more years!

The President. Another point. I speak about family values. One family value is to help families live in a neighborhood free of crime. Make no mistake about it, I think we've been a little too lenient on the criminal, a little less caring about the victims of crime. I support our law enforcement officers. And guess what happened the other day: I had a visit from eight people from Little Rock, Arkansas. They came up to endorse me, and they were from the Fraternal Order of Police in Little Rock. I am proud to have their endorsement.

Governor Clinton talks about spending more and taxing more and having Government invest. Let me tell you what I think we need to do about this deficit. We need a balanced budget amendment. Many States have it. Give it to the Federal Government. Make the Congress and the President get this budget into balance. We need a taxpayer check-off so a taxpayer can check 10 percent of his income tax designated to one thing, reducing the Federal deficit. And we need a line-item veto to let the President cut out the pork out of this budget. And how about this fourth idea? Let's give the Congress back to the people. Presidents have term limits. Let's have term limits on Members of the Congress.

I'll tell you what's going to decide this election, though. It is going to be character and trust. And here's my point: I will continue to criticize because I don't believe as Commander in Chief or as President you can be all things to all people. You have to make tough decisions. And if you make a mistake, you do what you do: You say, ``Hey, listen, I was wrong on that one." And you keep on leading, and you can make the tough calls.

You don't do what Governor Clinton does, waffle and vacillate. We cannot make the White House into the waffle house. In the South he'll talk right-to-work; he'll go to the unions and is against it. Some places he's for free trade; other places, well, he's for it, ``but." You can't have a lot of ``buts" in the White House. Remember that. Term limits, ``Oh, term limits have some good ideas," and then it doesn't.

And here we are in the Persian Gulf war. I had to make a tough call. I had to have some of these men and women here today go in to fight for their country. Let me tell you something. That is not an easy decision. But when I made the decision, I did not waffle. I didn't do what Governor Clinton did, which says one day, ``Well, I agree with the minority, but I guess I would have voted with the majority." The Commander in Chief cannot do that. You've got to make a decision and stay with it.

Some disagree with me on this one, but I'll tell you something. When your country is at war, I just happen to think that it is plain wrong to go to a foreign country and organize

demonstrations against your own, no matter how strongly you feel. A lot of people differed on the Vietnam war, but you can't have it both ways, protect your viability and then fail to level. On April 17th, Governor Clinton said, ``I'm going to make all my records available on the draft." Fine. We haven't heard it yet. You cannot waffle. You've got to tell the truth to the American people. And that is what I've been doing. I guess the bottom line is, you can't lead by misleading.

Let me tell you this: Sometimes in the White House in critical moments the phone rings at night, or over there in the Oval Office. You have to make a tough decision. And you cannot keep every single person happy. Barbara -- I wish she were here to see this. She is a great First Lady, and I wish she were here. But we have tried very hard. When we talk about family values or caring about people, I think she's done a first-class job in showing that we care. But my point is this: I have tried to be a decent custodian of the public trust.

We see now that our economy is moving. Let's not set it back. Governor Clinton -- the only way they can win is if they convince everybody that we're in an economic recession and things that are worse than we are. They say that we are less than Germany and a little better than Sri Lanka. Well, let me tell you something, Millie knows more about foreign policy than these guys do. They ought to open their eyes. They ought to open their eyes. Yes, we've had a tough time. And yes, some families in Ohio are hurting. But we are not a nation in decline. We are the most respected nation on Earth. Our economy is better than Japan, better than Germany, better than Western Europe, and better than Canada. I am sick and tired of hearing this Clinton and the Ozone Man saying -- the only way that they can win, the only way they can do it, is to convince us we are second rate. We are the United States of America. We are the most respected country on the face of the Earth.

Now I ask for your trust. I ask for your trust. I ask you to take this great Ohio enthusiasm to the polls on Tuesday. We are going to show these crazy media talking heads wrong. We are going to win the election. And then we will lead America and lift these kids up. I don't need the job, but I want to finish the job because I want to help every child here. They're living in a world now far less fearful of nuclear war. We've changed the world. Now let's help us strengthen every family in America and lift America up.

Thank you, and may God bless you on this beautiful day in Ohio. This is fantastic. Thank you. Great rally, Strongsville, fantastic. Thank you very much. Great day. Work now. Go to the polls. Get out and vote. We need you.

Note: The President spoke at 1:33 p.m. at Strongsville Commons. In his remarks, he referred to Walter F. Ehrnfelt, Mayor of Strongsville.

Remarks to the Community in Columbus, Ohio

October 28, 1992

The President. Thank you very much. What a fantastic rally. Thank you. Thank you very much. Thank you. Well, let me first say that I get this wonderful feeling that things are really moving across this country. And you look at this crowd and say, ``This is it. It's going to happen. It is going to happen."

May I thank Arnold Schwarzenegger. We all know him and respect him. But let me tell you one thing in all seriousness. A while back I asked him to head our fitness program for the entire Nation. He's been to every single State, and he is doing a first-class job, all pro bono, for this country. And I am very, very grateful to him.

I am delighted that Bruce Willis -- let me tell you about that one. Arnold and I have been together for a long time. In fact, it was 4 years ago that he was at my side, not very far from here, as we were coming down the stretch. Bruce Willis called me up and he said, ``I have had it with the United States Congress." The polls weren't so hot then, and he said, ``I want to help you." And here he is, and I am very, very grateful to him. As for the Oak Ridge Boys, the same thing. You may remember the convention back in 1988. They have been at my side through thick and thin, and I am delighted that they came all this way to be with us.

Two members of the family are with me, my daughter-in-law Margaret and my sister, Ann Ellis. We're going to put the family push on this thing now as we come down to the wire.

And of course, I am so proud to have heading up our effort here your great Governor, George Voinovich. And speaking of Governors, I was so pleased to see the Caribou Man, Jim Rhodes over here, a former Governor of this State; and Chalmers Wylie, the Congressman; and Bob Taft and so many others. I especially want to say thank you to your Mayor. Greg is doing a great job, Greg Lashutka. I am proud to see him every time I come here.

Now, I want you all to do something: Everyplace we go, we see a lot of signs that reflect changing Congress. How about changing Senate and sending Mike DeWine to the United States Senate? And elect Debbie Pryce to the House of Representatives. Clean House! Clean House! No more gridlock! We are going to sit down with that new Congress and get things done for this country.

And may I thank another one from Columbus, Dewey Stokes, who is the president of the National Fraternal Order of Police. I am very proud to have been endorsed by the National Fraternal Order of Police. We back our law enforcement officers, and we'll continue to do that.

And I want to thank John Fisher and Dick McFerson of Nationwide Insurance for letting us

use this fantastic facility and being a part of all of this.

And now to the business at hand: You've got a choice on Tuesday between a vast difference in experience, difference in philosophy, and, yes, character. And on that basis I ask for your support. I don't want to ruin this beautiful rally, but I think it is only fair right down to the wire that we point out the record of the person that would like to have this job. And I'm talking about the Arkansas record of Governor Clinton. Sorry to ruin this upbeat meeting, but let me just give you a few statistics. We have heard everything that's coming out of Governor Clinton and the Ozone Man. We've heard everything that they think is wrong. Well, let me tell you about Arkansas. They are 50th -- and they're good people, we lived right next door to them, good people and they're entitled to something better than this -- 50th in the quality of environmental initiatives; 50th in the percentage of adults with college degrees; 50th in per capita spending on criminal justice; 49th on police protection; 48th -- getting better -- on adults with a high school diploma; 48th on spending on corrections; 46th in the whole country on teachers' salaries; and 45th in the overall well-being of children.

And Governor Clinton said in that debate ``I want to do for this country what I've done for Arkansas." No way! No way!

And I've got only two more things here, I believe, to say about Arkansas. But you've got to hear them, and then I'll get on to the positive aspects. He talks about Arkansas leading in job growth. They had one good year. That was 1991, when he's out of the State 85 percent of the time. And he's been Governor for 10 years and they were 30 percent of the Nation on that one.

And the other one is there's an AP story today -- talk about the Arkansas miracle -- AP story today detailing how the Arkansas Medicaid program has been mismanaged, projected now to be $120 million in the hole, a huge amount for a tiny little State. And the story includes tales of secret meetings -- go read it -- between Governor Clinton and the legislature to try to figure out whether to raise taxes after the election. It sounds like Governor Clinton better clean up his mess in Arkansas before fooling around with the United States of America.

No, we can't have that kind of change. Governor Clinton and Ozone, all they do is talk about change. Well, let me tell you something, what kind of change we get -- if you went back to the last time we had one of those Democrats in the White House and a Democrat Congress, you had interest rates at 21.5 percent, and you had inflation at 15 percent, and you had a ``misery index" at 20.

Audience members. Boo-o-o!

The President. We are not going to go back to those failed days. You talk about change, you talk about change, that's all you guys will have left in your pocket if we get those people in there.

Now, there's bad news for Governor Clinton, because there is good news for the Nation. If you listen to them, you'd think everything was a recession and disaster. Yesterday it came out that for the sixth straight quarter we have had growth. It grew at 2.7 percent, and personal income is the highest in 9 months. The country's beginning to move. Don't set it back.

A lot of people are hurting in this country. And we care about them and we've got to help them. But the last thing we need is to get the Federal Government further involved. Governor Clinton talks about Government investing. Government never created a decent job in its life. It is small business that needs to be stimulated, and small business that does the investing. He wants to raise taxes and raise spending so the Government can invest. I want to get the taxes down and spending down so the people can invest.

You know, Governor Clinton's got one idea. He wants to tax foreign investment that would threaten here in this State 150,000 jobs. They're bringing jobs here from overseas. Let's not seek retaliation. Let's open markets abroad. Free and fair trade, not protection.

And if there are any auto workers out here -- this is a great auto State -- if there are any auto workers or any people who work in companies that supply things for the auto industry, Governor Clinton and Ozone want to go for 40- to 45-miles-per-gallon CAFE -- that's the fuel efficiency standards -- that would cost Ohio 20,000 jobs. We've got a good environmental record, but let's not go to the extreme.

Small business, small business creates two-thirds of the new jobs. And they need relief, they don't need more taxation. They need relief from taxation, relief from regulation, and yes, relief from these crazy lawsuits. You know, we spend too much on this, and we need to put some caps on these crazy lawsuits. When a doctor is afraid to practice medicine and deliver a baby, when a Little League coach is afraid to coach for fear some nutty trial lawyer will come along and sue them, why, that means we are suing each other too much and caring for each other too little in this country. Let's put a cap on these lawsuits.

So in addition to holding the line on spending and taxes, I want to get a good health care program. Governor Clinton wants to set up, of course, a Government board. We don't need the Government to do it. Here's what we need to do. Provide insurance to the poorest of the poor through vouchers; give credits to those, the most overtaxed Americans; get pooling of insurance so we can bring it to every single family. But keep the quality of medical care up by keeping the Government out of the medical business. We've got the best health care plan.

And we've got the best education plan. And it's already working, because the gridlock guys don't get too much of their hands on this one. Seventeen hundred communities have already started revolutionizing education. We spend more than every country per capita than Switzerland, and we're not getting the results. Let's help us put the emphasis, and support the teachers and not the teachers union. Let's give the parents a choice of public, private, and

religious schools. That will make public education better. That will make public education better, not worse. It worked for the GI bill after World War II. It will work now if we try it for K through 12.

On crime, let me be very clear where I stand. I am not interested in legislation that shows more sympathy for the criminal than for the victims of crime. Toughen it up. Toughen it up, and back our law enforcement officers. Bring in these good programs like our ``Weed and Seed'' program that weeds out the criminals and then seeds these tough neighborhoods with hope. That's what we've got to do. Homeownership. Enterprise zones. We've got to encourage the communities, not try to legislate from Washington, DC.

And while we're at it, with this new Congress, we're going to sit down with them right after the election -- we're not going to wait for anything to happen -- sit down with them. And I'm going to say, all right, we want to get the deficit down. Here's a three-point plan, we'll make it a four-point plan. Here it is: Give us a balanced budget amendment; give us what the States have. Give us a check-off, give us a check-off so every taxpayer -- don't have to do this, but you can -- check 10 percent of your income tax if you want to, to be applied to lowering the Government deficit and making Congress comply. Three, give us what 43 Governors have. If these big spenders in Congress can't do it, let the President have a shot, a line-item veto. And four, let's give the Congress back to the people. The President's terms are limited. Why not limit the terms of Members of Congress?

As we drive down to the wire here in this wonderfully exciting rally, let me point something else out. I've been talking about it, and I feel very strongly about it. Governor Clinton said in the debate it's not the character of the President, it's ``the character of the Presidency.'' Wrong. They are interlocked. You cannot separate the character of the President from the character of the Presidency. You can't do it. And you cannot be Commander in Chief of the Armed Forces if you flip-flop on every issue. You cannot be all things to all people as President. And if you make a mistake, and yes, I have, you look the people in the eye and say, I blew it, now let's get on about leading this great country.

Governor Clinton will go to the auto guys, and he'll say that he's against CAFE standards. And yet he and Ozone go out and say, well, we've got to have 45 miles per gallon. That will drive auto workers out of business. On the one hand -- you heard in the debate -- the NAFTA agreement, the free trade agreement, yes, he's for it, ``but.'' You cannot have a lot of ``buts'' sitting there at that Oval Office, I'll tell you. In one part of the world he's for right-to-work, and then he'll go up and tell Mr. Kirkland and the rest of the labor guys he's against it. You can't do it. You've got to say what you're for.

And when it comes to war and peace, you can't do what he did. Let me tell you, it is not easy when you have to commit somebody else's kid to go into battle. But I was tempered by fire. I believe in honor, duty, and service. I made a tough decision on that war. And we brought along

this country. We did the right thing when we kicked Saddam Hussein out of Kuwait. And where was Governor Clinton? Where was Governor Clinton? Here's what he said. Here is what Governor Clinton said: ``I agree with'' -- I'm not giving him hell. It's like Truman said. Do you remember? He says, give 'em hell. He said, ``I'm just telling the truth, and they think it's hell.''

Okay. Here's what he said. Here is what the man said. You remember, think back to what it was like then: all the demonstrations; all the press fighting us; all the different struggles going on; Congress dragging its feet; people telling me, well, you haven't sold the American people. Here's what Governor Clinton said when it came to that vote. He said, ``I agree with the arguments of the minority, but I guess I would have voted with the majority.'' You cannot make the White House into the waffle house. You can't do it.

The Arkansas Gazette today said Bill Clinton is a master politician, but what principles, if any, informed his politics. The bottom line is, you cannot lead by misleading. You can't be all things to all people. You've got to do it like the umpire does, call it as you see it, and then go forward and lead this country.

Let me say this. First place, I wish our great First Lady, Barbara Bush, were here. She would be thrilled to see this. And yes, we plan to keep Millie in the White House -- I see the sign -- because, you see, if I want foreign policy advice, I'd go to Millie before I'd go to Ozone and Governor Clinton.

You know, you haven't read anything about -- I haven't attacked the media yet. Stay tuned. Wait a minute. No, I want you to be kinder and gentler to the media traveling with us, especially those guys that are taking the pictures, carrying the mikes, and carrying those cameras all around. And yes, be grateful. Amnesty for the White House press. Take it out on these talking heads, Republicans, Democrats, whoever they are, come on every Sunday, tell you how to think, saying we're dead. We are going to show them they are wrong. We are going to prove them wrong. And here's why.

Audience members. Four more years! Four more years! Four more years!

The President. Here's why, here's how it's going to work. Here's how it's going to work and why all these critics and all these naysayers and all these people telling you that we have no chance are going to be wrong. It's going to boil down to this: First place, I believe that we're not a country in decline. I'm absolutely convinced that we are a rising nation, not a declining nation. Secondly, I know it's been tough out there for families and for kids, but we're moving. And I can say as the President of the United States I take great pride in the fact that these young kids here go to bed at night without the same fear of nuclear war as their mothers and dad did. And that is a significant accomplishment. The world is more peaceful, and the world has changed.

People say to me, ``Listen, with Barbara at your side and your 5 kids and your 12 grandkids, you've got it made. Why do you want to do this?" Well, let me tell you, I finish what I start. I want to see us lift up these young people here today and make them understand that if we do what I've told you today I want to do, their lives are going to be better than the lives of their parents. And we are going to lead the entire world into economic recovery, and that means jobs for every American that wants to work.

And so I'm not done yet. I ask you to go to the polls on Tuesday. I ask for your support on the basis of character and trust. And I will do my level-best to lead this country to new heights and new prosperity.

Thank you, and may God bless the United States of America and keep her. Thank you very much.

Note: The President spoke at 4:32 p.m. at Nationwide Plaza. In his remarks, he referred to Bob Taft, Ohio secretary of state.

Question-and-Answer Session in Columbus

October 28, 1992

Moderator. Mr. President, I would like to ask the first question tonight. And first of all, let me just say thanks for joining us. It's a pleasure to have you in Columbus, and welcome to our fine State.

The President. Nice to be back.

Fall of Communism

Moderator. I want to start with a campaign flap that surfaced today, as far as I know. Your opponent, one of your opponents, Bill Clinton, has waved a copy of New Yorker magazine, which claims that you said to former Soviet Premier Gorbachev, ``Don't worry about what I might say during the campaign about the fall of communism in the Soviet Union; don't worry about that. I'll explain it to you later." What exactly did you say to Mr. Gorbachev?

The President. I said a lot of things to Mr. Gorbachev -- I don't recall exactly that -- because I did worry about the fall of communism, and I'm delighted that it happened on our watch. I give great credit to my predecessor, because you've got to go back 12 years. A lot of what it was about then was peace through strength versus the nuclear freeze movement. And some people were so frantic about nuclear war they felt the only way you'll get peace is if you have a nuclear freeze.

We didn't believe that. We stayed strong. We tried to work with the Russians. Communism is -- international communism or outreach communism -- imperial communism is dead, and I'm very proud that it happened when I've been President. But I don't know what they're talking about. I've had many conversations with Mr. Gorbachev. I still salute him. I am very proud that Mr. Yeltsin has said, ``It was George Bush who first stood up for me," -- when he was on that tank -- ``first world leader, and he never wavered, and that meant more to the failure of the coup and the success of Russia going truly democratic than anything else."

So I don't know. I have great respect for Mikhail Gorbachev and for Yeltsin, but I've learned to have a little question mark about the New Yorker these days. I don't want to start by -- in front of all these great press, you know, broadcast people, but I've learned something: You can't believe everything you read. And so, I don't know what he's talking about, but I am very proud of our record and how we handled Eastern Europe. A lot of Americans, a lot of Polish Americans, Hungarian Americans, Baltic State Americans, go to bed at night without worrying about their families the way they used to, saying, thank God this administration stood up for democracy and freedom.

Auto Fuel Economy

Moderator. Mr. Bush, yesterday in Dayton and again in Toledo you were warning that Bill Clinton favors increasing fuel economy levels to 40 miles a gallon, and you were warning that that could cost every Ohio auto worker his job. We've talked with United Auto Workers union in Detroit today; they don't seem to share that same concern or fear of Mr. Clinton, Governor Clinton, and they say that to their knowledge there is no one in the industry who is calling for 40 miles a gallon. How do you get people concerned about that issue when the auto workers themselves don't appear to be that concerned?

The President. Well, I think they should be concerned. You've got to remember the auto unions have endorsed Bill Clinton, for a lot of reasons. But I am convinced that 40- to 45-miles-per-gallon CAFE, fuel efficiency standards, would throw -- I hope I didn't say all the auto workers; maybe in a hyperbole or an exaggeration for a campaign I did -- but they'll throw a lot of workers out of work, because they cannot meet those standards.

And it is another example, in my view, of where -- it's in Gore's book, I believe -- where they adopt one position in going to one area, the environmental community, then mute it down. Governor Clinton met with the leaders of the three major auto businesses with the head of the UAW at his side, and said, ``Well, I'm studying it; I'm going through the National Academy of Sciences report'' -- about this thick, all square roots and stuff. He couldn't possibly have done that. And I just believe that -- I am certain that I'm correct that trying to meet those standards would throw a lot of people out of work. Not going to back away from it one single bit.

Government Gridlock

Moderator. Mr. President, your popularity after the Gulf war was at a record high. Why did you not use that clout, that influence to push through aggressively your domestic agenda?

The President. Have you ever tried to work with this nutty Congress? I did try. I'll tell you the difference. When we went to war in Desert Storm, I didn't need to get Mr. Gephardt or Mr. Mitchell to go along. I made decisions. We moved troops. I took a lot of flak from the press and from the Congress, and we shaped public opinion, we put together an international coalition; still didn't need anything out of Congress. Then I said to them this: I said, ``I would like you to pass a resolution endorsing the United Nations resolution. I don't need that to commit American forces; there are plenty of precedents in it.'' They did pass it. That's the one I'm accusing Governor Clinton of waffling on, where he said, ``I agreed with the minority, but I guess I would have voted with the majority.'' We got the vote, and we went ahead.

That is quite different than working with the Congress, this Congress, not the new one but this one, in terms of domestic initiatives. And I think they made a calculation after the war that they were not going to cooperate with the President. The reason I'm convinced we can break

the gridlock in the future is because they screwed up a little tiny bank and a lousy little post office on Capitol Hill. We're going to have a lot of new Congressmen, Democrats and Republicans.

And the best time for a President elected to his second term is to go in there and say now, no politics. Don't have to worry about it. No more elections, no more debates. Just do the people's business. A whole bunch of new Congressmen, some Democrat, some Republican. We can get it done.

But I'm telling you, I tried very hard to get the Congress to move on things that would have helped the economy: investment tax allowance, enterprise zones, capital gains reduction, on and on. And they just dug in and didn't want to do it. Now, maybe I could have been more effective, because I am unhappy with the result. But I'm very pleased that this economy seems to be growing in spite of their -- their best chance for me not to win is to have things lousy for the American people. And I'm afraid that's an awfully negative attitude.

So it was a difference. You see, in one area you can just do things. In the other, you have to get the Congress to go along. We saw what it was like when a Democratic President was there and a Democratic Congress. Interest rates were out through the ozone layer at 21 percent, and inflation was 15. And the ``misery index,'' invented by the Democrats -- inflation and unemployment -- was over 20. I don't want to go back to that. But I do think there's hope here in the new one, because they're going to be listening, the new Members, Democrat and Republican, to the same people I'm listening to. And when I win, it will be because my economic plan, my health care plan, my education plan. So I think it will change.

And the other thing is, on her question, we got a lot done for the American people before politics set in, before the war: the Americans for Disability Act, brandnew child care legislation. Even afterward, we got a highway bill that's going to spend $150 billion. So I'm making the distinction between domestic affairs and national security matters.

Moderator. Mr. President, the voters out here have dozens of questions, so we want to get right to them.

The President. Okay, if I get going too long -- I get wound up on the answers. So please, you, whoever's the master of ceremonies say, ``Please keep it short, sir,'' because I know I don't want to abuse the process here.

Infrastructure Funding

Q. This relates to the economy, but why has the administration allowed a buildup in the Highway Trust Fund rather than spending down this fund to build and improve highways and spur on the economy? The same thing is true of the Air Trust Fund.

The President. We've just passed a -- well, some of it has budgetary implications -- but we've just passed, you know, a few months ago, a $150 billion transportation bill. It's good, and it's going to get the highways building and the infrastructure built. But I disagree with my opponent that what we ought to do is add to that. I think we ought to get money out, but I think the answer to your question is budgetary.

Urban Initiatives

Q. Mr. President, given the riots in Los Angeles and the continued decay in our urban centers, if elected, what can urban residents expect from you in the way of plans and actions over the next 2 or 3 years of your administration?

The President. I think they can expect a revitalization of the cities, because here's what's going to happen: After South Central -- and I went out there and I invited Mayor Bradley, Governor Wilson of California, and Peter Ueberroth, who's working the private sector side, trying to bring businesses into the urban areas, to come back to Washington. We met with the Democratic leadership that I was just assailing here and sat down with them: the Speaker, the leaders in both Houses, Republican and Democrat. And the Mayor and those others said the one thing we need for the cities, or the one thing we all agree on is we need urban enterprise zones. Ueberroth, the other day, decried the fact that we haven't gotten them.

I believe that people want that now. I believe that the Congress, in the new Congress, will move on urban enterprise zones. We've got a good program that is already working, that has bipartisan support, just getting started, called ``Weed and Seed'': weed out the criminal elements and try to hit this drug thing head-on, and seed the neighborhood with hope. I believe our homeownership and tenant management approach is going to prevail in the next Congress, and the enterprise zones.

And the other point I'll make on the mayors is, they came, the National League of City mayors came -- separate meeting -- and they said to me, the main cause of urban decay or decline is the decline in the American family. That was Tom Bradley of Los Angeles, it was a Republican Mayor out of Plano, Texas, and all across the spectrum. It wasn't liberals, it wasn't conservatives; it wasn't Democrats, it wasn't Republicans. He was talking about finding ways to strengthen the American family. I insist that we have to find ways. And mine are support for law enforcement, choice in child care and schools and whatever it is.

But I think the agenda that I've just outlined here has a very good chance of getting through the next Congress. Some of it is coming my way in legislation that I won't sign because it's hooked into major tax increases. But I think a new Congress is going to want to do exactly what you're saying: Let's help these cities. And I think they're going to want to help them along the philosophical lines I've outlined here.

Economic Issues

Q. Mr. President, throughout the election, it has been said that you are not in touch with the average American. Tonight I'm considering casting a vote for Mr. Clinton for that and several other reasons. How can you convince me tonight that you do understand the concerns of the average American?

The President. Well, that's a pretty hard sell if you're thinking of voting for Clinton, because I would think you'd look at the whole record, including the Arkansas record. I think you would look at the rhetoric, if you're an accountant. We'd been told that this country -- by the Democrats -- that we're in a big recession. We have had growth for the last six quarters. And I have been saying we're not in a recession. And people like Governor Clinton are saying I am out of touch, aided and abetted by a lot of, you know, talking heads on the television, some Republicans and some Democrats. I believe I am in touch. I believe I understand what's needed. And I think the philosophy of Government that I have would better help the average working man.

Let me give you an example: Governor Clinton talks about having Government invest, to use his -- and he puts that to, exact quote, invest. It is not Government that creates any meaningful job and expands the economy. Government takes your money, and you know this as an accountant, and goes about investing it. Well, it's not investment. It is spending. What we need to do is do what I've suggested to spur small business. As an accountant, try this one on: investment tax allowance, capital gains. It is not a tax break for the rich. It will stimulate, in my view, entrepreneurship. And I like the credit, $5,000 credit for the first-time homebuyer, because I think it would stimulate the housing business and also all the businesses that go into it.

He wants to invest, take $220 billion and let somebody back in Washington invest it, and I don't. I want to free up, through less spending and hopefully less taxation, the private sector.

And so we have a big difference on that. And I would say the fundamental philosophy is different. And if you think that we need more Government and more spending on that level, you may go with Governor Clinton, but I'd ask you to look at the Arkansas record. I'd ask you to look at the rhetoric that's been used against me up until yesterday when people saw that we are growing and that our economy is better than Japan and Germany and Europe, although we were told that we've got to do more like Japan and Germany. This is no time to move toward European nationalism or whatever you want to call it. They're moving toward us.

So I've got a big philosophical difference with him, and how you decide on these economic issues should consider that. I'm also asking people to look at the overall leadership: who do you trust if a crisis comes up, and is the world more peaceful, and all that kind of thing. So I hope I can win you over. Maybe not. I'll put you down as doubtful at this point. [Laughter]

Moderator. Mr. President, going back to his question, though, about being out of touch -- --

The President. Yes.

Moderator. -- -- with the American people. You've been in office for 4 years. The campaign has really only been hot and heavy for the last year, even the last 6 months.

The President. Yes.

Moderator. How do you account then for this perception among so many people that you are out of touch?

The President. Propaganda by the enemy -- opposition. They keep hammering that. They keep saying that. And it's not true. How do you account for the fact that many people in your business keep telling the country we're in a recession when we've grown for 6 straight months? That's six straight quarters now. I mean, that's not out of touch to say that. And I say it, and people say, ``You're out of touch.'' When I say we've grown at 2.7 percent, that's pretty fair growth. I also add, a lot of people are hurting, and a lot of people are scared about their jobs, so here's what to do to help them.

But I think it is pure rhetoric on the part of the opposition, because I'm in touch all the time. My heavens, I wish you saw all the mail that comes in and the phone calls, and share the anxiety and the concern I feel. But when you hear that, that's part of the Democratic -- now, the only way that guy can win is to convince America that we're in decline and that the economy is worse than it is. And I will win because I think I have better economic answers.

Moderator. Mr. President, this is a fifth grader, and she's going to be voting in a few years. But she's got a question I think a lot of parents would like an answer to. Betsy, go ahead.

Education

Q. What do you plan to do about -- wait. What are you going to do to make it possible for all children to get a good education?

The President. Improve the existing educational system. This is pretty hard for you to realize. We've got all kinds of change in this country, and one thing that really hasn't changed fundamentally in years is elementary and secondary education. We have a program that you may or may not have heard of called America 2000. There are 1,700 communities already participating in this program. It bypasses the powerful teachers union and says to the local teachers and the parents and the community leaders, literally, help us reinvent the schools. So that's one thing that's going to happen. In some areas, some urban areas, they say, we only

want 8 hours. And others might say, we want year-round schools. Others are going to try more emphasis on math and science.

As President, I put into effect, with the help of the Governors, including Governor Clinton, six national education goals. It's never happened before. They're voluntary, but they set the future for education, kids like you. More emphasis on math and science is one of them. Another one is every kid must start ready to learn. That means Head Start, and we've literally doubled the funding for Head Start in this administration. It means nobody's too old to learn. That's one of them, more job retraining and more adult education and give people credits while they're working to get educated. And so we've got the plan. We've got the ideas to revolutionize education.

And there's one last point: I think parents ought to have the right to choose the schools. When I got out of the service they gave you a GI bill, and they didn't say you can only use this in public institutions. They said you can go wherever you want to college or use this money to help you get to college. I want to see the same thing tried in public education. Forty-six percent of the public school teachers in Chicago send their kids to private school. I want to try this now under our ``GI bill'' for kids that says to parents: You choose, public, private, or religious. And the schools not chosen will do what's happened in Milwaukee where they've tried it. They'll get better. It won't undermine the public school system; it will make it better.

Moderator. Mr. President, just a followup to Betsy's question. When you ran in 1988 against Mr. Dukakis, you said you wanted to be the education President. Four years later, if you had to grade George Bush's paper, what grade would you give yourself?

The President. I would modestly give myself an A, because of what I just told her. Because here's an area that I didn't have to go to the Congress for much of it. There was an education bill they passed. If it ever lands on my desk, I won't sign it. And why is that? Because all it does is put mandates on local school systems and State school systems. The same old tired thinking from an institution that also hasn't changed, that one for 38 years, Democrats controlling the Congress. All they want to do is send me education bills that dictate exactly what kind of program you have, some old geezer that's been there forever thinking he understands education. We've got education goals, and I've outlined here a brandnew and, I think, really good approach to education. So others may not give me the A, but I'll admit that that's what I think.

Women's Issues

Moderator. Mr. President, a longtime voter back here. Nellie Lent is 96 years of age, and she lives in a nursing home in Worthington. She wants you to know that she first voted for a President, President Harding, back in 1921. Nellie?

Q. This was the first year women were allowed to vote. It is now 1992, the year for women. Why should women vote for you?

The President. That's a good question. I don't know if you all heard it. The year of the woman, why should women vote for me? She remembers the first year that women voted. I believe that we've got good programs: Women, Infants and Children, for example. That's a program that Chalmers Wylie, sitting here, knows about. We have vastly increased funding for that program. It helps families.

I believe they ought to vote for me because I think a lot of women are in business. We are trying to say, don't let Governor Clinton's approach invest Government, grow Government. Get the small business going. Women in there are really starting lots of businesses. I think that's good.

Our Secretary of Labor is vigorously fighting against the ``glass ceiling," which is kind of an artificial barrier to women. And we have tried to set the pace. I have three women in the Cabinet. No other President's ever done that. We've appointed women to be head of the National Institute of Health and head of Social Security, and meaningful jobs because they have shown tremendous competence. So I believe on all these reasons that I would be a good and, hopefully, effective President for women, upward mobility of women.

Moderator. Nellie, are you satisfied with the President's answer?

Q. Yes, I would like to shake the President's hand.

The President. We're going to do that after this. You may be -- let's see, you're 90 -- I don't want to -- we're in the historical society here. My dad was born here and grew up here. Maybe he might have taken you to the prom someplace. I'll have to come back and find out.

It's not that I'm nervous. I went running this morning. I'm still pounding the water. Now, go ahead. [Laughter]

Racial Harmony

Q. Good evening, Mr. President. I would like to commend you on the wonderful job you did on bringing nations together to address the Persian Gulf crisis and peace talks. I would like to know why you have not used that same energy and seriousness to confront the racial divisions which plague our Nation. This is a very serious matter to me. In reading the letters from the Birmingham jail from Dr. Martin Luther King, Jr., he was facing some of the same crises in his time, and that was in 1962 and 1963. Here is 1992, and we still have cities going up in flames. I still have to look at a white Senate, and it's devastating to me. And I would just like to know your response.

The President. My response is, I have tried to be a President sensitive to the elimination of bigotry and of anti-Semitism. Under my Presidency we have passed two pieces of civil rights legislation. One of them is the Americans for Disabilities Act that is a very good piece of forward-looking civil rights legislation. The other one moves against discrimination in the workplace.

I think you're on to something because I don't believe it's a question of legislation now. It's a question of what you care about in your heart and how you feel. And I hope that my record, dating back to when I was a Member of the Congress from Texas, voting for open housing -- that wasn't easy in those days. And I hope it shows a commitment to racial fairplay.

I have spoken out about it over and over again from the White House. But I'm sorry you feel this way, because I really believe I understand. I guess I can't say I really understand totally what it is like to be a person who is discriminated against, but I do understand the hurt. I have worked for -- this is maybe just one way of sensitizing one's soul -- for the United Negro College Fund that my brother today heads. And I believe that we have to do better in education.

But on your point, I think I can accept some criticism on that. But believe me, I will continue to speak out against racism and anti-Semitism, move against it if further legislation is required. It is a blight on ourselves as a country. I don't want to represent to the country who might be listening tonight that I think things are getting worse in this department. I mean, yes, we had those South Central riots, and yes, we've got a lot of tension, but I don't think it's worse than the sixties and things like that. I hope we're improving. But whether we are or not, we've got to do better, and so I appreciate you expressing your concern. I hope I can demonstrate in a far better way in a second term my concern.

Urban Initiatives

Moderator. There's been a lot of talk in the news lately going back to L.A. and to the site of the riots, and a lot of talk about the fact that the rebuilding is not happening very fast. Are there things that you would do in your second administration that were not accomplished in the first?

The President. I think I've outlined to you some that I'm confident can get done with a new Congress. I believe that the whole approach I've outlined here on urban America is the answer to South Central. And please don't just take it from me, take it from Mayor Bradley. Take it from Governor Wilson and take it from Peter Ueberroth, all of whom are working very hard across party lines to make this happen.

I would suggest that people that feel as strongly as I do support me, trying to get those kinds of legislation through. I believe a new Congress will do it, because there's no more politics, at

least for a couple of years. And so I think that that's the way we're going to get the job done for South Central and other areas.

I mentioned this ``Weed and Seed'' program. This is good, new policy in helping win the fight against drugs and still help the kids. I also happen to think that what I said about family is true. The liberal elite hates it. But when I talk about family values and strengthening family, I can cite the visit from those mayors. And we've got too many teenage pregnancies. We've got too many kids nobody knows their name. We've got too many that don't have respect for their communities and the law enforcement officers and for their own families, their own mothers and dads. We've got to do better. And law enforcement is one way to do it. The kinds of programs I'm talking are a far more satisfactory way to get it done. But we are going to keep working until the problem is solved.

National Debt

Q. I was just wondering, I've been following the debates and everything, and you turned to the cameras during the debates and, you said, ``In case of crisis who do you want in the White House?'' And your foreign affairs are great, but we are in the middle of a major domestic crisis.

The President. How would you outline it, so I'm sure we're talking to the same thing?

Q. The debt, the $4 trillion debt. Ross Perot says, ``I want to get in there, and I want to get that hood up, and I want to work on this.'' Bill Clinton says, ``I'm going to be the main guy in charge of domestic policy.'' Why are you pushing this off on James Baker? Why aren't you the guy in there with the hood up, fixing the engine, so to speak?

The President. Well, let me tell you what we're going to do. And I am the guy. Jim Baker did a superb job in foreign affairs. He did a superb job in domestic affairs. You may forget he was Secretary of the Treasury, and a very good one. He was the Chief of Staff of the White House, and a very good one. Here is an extraordinarily able person.

But make no mistake about it, nobody's handing off anything. I've learned something: You don't blame somebody if it goes wrong, you take the blame as President. Once in a while you get a little credit, that's fine, as President. But I'm the captain of that ship. I'm the President of the United States, and I make the decisions.

Now, Jim Baker is extraordinarily able, and I can't think -- you need help, and he's the best. He will bring together a new team to get these programs through the Congress where it's needed and help me in every single way.

But let me try some things on you -- not just open the hood, fix it -- I mean, you've got to do a little more than that. How about let me give you some ideas. Let me give you a couple of

ideas. The biggest part of the budget -- and somebody referred to it back here -- two-thirds of the budget doesn't come to the President: Mandatory spending programs. Put the cap on them. And if I have my way with this Congress I keep getting asked about, they will take the tough decision. And I'll have to take political heat because it isn't easy. Let the mandatory programs grow to population and to inflation,and that's it. No more. They'll grow; they won't be cut. But that's what has to happen to get the deficit down.

Add to that a balanced budget amendment. That got within six votes or eight votes of passing. And what happened? If you think I'm down on Congress on other things, I'm down on them in this because they got something like 12 people that cosponsored the resolution to change their votes. We're going to get it in the next Congress. We're going to get a line-item veto. Forty-three Governors have it. And my case to the American people is if they can't do it, let the President have a shot. It's not going to solve the whole problem.

I like term limits. Keep the Congress close to the people. I like the idea that I proposed of a check-off that says to the American taxpayer you can check off up to 10 percent of your income tax and that has to go to one thing, reducing the deficit. And if Congress doesn't bring the spending side down, then you have a sequester across the board. And I believe that kind of medicine is necessary. It is not simply saying, ``I'm going to fix it," it is a specific proposal. I believe I'm going to win because people think those ideas are important to get into effect. So that's how I'd cope with the deficit, or try to.

Domestic Issues and Foreign Policy

Moderator. Mr. President, just briefly as a followup, by appointing Mr. Baker as domestic czar, can we interpret that to mean that in your second term you will pay more attention to domestic issues than foreign policy? How would you rank those?

The President. It depends what's happening in the world. A foremost responsibility of the President is the national security of this country. And when the history of my Presidency is written, 5 years from now I hope, I think we'll have every analyst, every -- we'll have a library and everybody will go in there, and they'll see how my time was spent. My time, much more of it has been spent on domestic matters. The problem is, and we keep getting the same question, is I'm having to fight with a highly partisan Congress. That is going to change.

So I will do what I have to do as Commander in Chief, as the guarantor of peace. And yes, I take some credit that this little girl knows not the same fear of nuclear war that some of you middle-aged guys out there knew. You don't have any training drills. If we're going to take a hit on the economy being disconnected, how about a little credit for world peace and democracy and ancient enemies talking to each other, ancient enemies talking peace when nobody dreamed that was possible?

So I will do what I have to do to guarantee this little kid's future. But I am going to continue to strive, and I've thrown out some of the ideas, for changing things in a domestic way that helps families. And it's a big challenge, but I'm absolutely confident, with the changes that are going to take place in Congress -- there's already 100 new Members, might be 150 coming in there -- that we're going to get the job done.

Taxes

Q. Good evening, Mr. President. Mr. President, talking about family values and the economy, nowadays there are a lot of us women that are choosing to stay home to be with our children, to raise them and give them a firm foundation, and therefore providing a job opportunity for someone that's unemployed. There's a lot of tax breaks and incentives for two-family incomes and for child care, but where's the tax break for the family where the mother chooses to stay in the house?

The President. I don't think -- you sounded like Barbara Bush. She says what happens in your house is more important than what happens in the White House, and she's absolutely right. And that doesn't mean that she looks down on my daughters-in-law who happen to work for a living, or whatever it is. But I think that you're on to something. But I don't want to, you know, promise things. There isn't enough money in the world, in the United States, when we're operating at a deficit, to subsidize people for doing that which historically many people chose to do, stay and look after their kids at home. So I don't want to mislead you, but I just don't think we can promise any such thing.

We do have flexibility in child care. It used to be, well, you have to look to the Government for the kind of child care you want. Now we work it out so parents can choose and they can get people in the neighborhood together or grandparents to look, whatever it is, and not have -- and you still get support from the Government. But I don't want to misrepresent it. I don't believe, given the deficit that this gentleman understandably asked about as a young guy, his future being mortgaged every day, that we have enough money out there to subsidize those people like yourself who have sorted out your priorities to do what I admire. And I think that's fine that you're doing it. But I just can't pledge that we can give you money to do it.

Interest Rates

Moderator. Mr. President, families of all ages need help. And Nellie that we were just talking to, the elderly woman, so many of those people call us every day at the television station and they say that as the interest rates go down, their interest on savings is going down. And they're on fixed incomes. Can you hold out any hope for them?

The President. Well, I can't hold out for any hope for saying I want interest rates to go up. I mean, I am proud that they're down. And families that are overburdened on interest are being

able to refinance their homes. So I can't say to you they should do anything other than to invest their savings in something that yields more money. We have got to have a policy of keeping interest rates down. And that is, in the final analysis, going to be one of the major stimulants of jobs and opportunity, jobs for kids.

So to those whose earnings are down because they had their money in CD's who are now paying lower interest rates because we've been able to contain inflation, I would simply say, you know, try to find alternative investments because there's plenty that pay more than a CD did or a Government bond does. But I cannot represent myself as wanting to see some policy that would raise interest rates. I am very proud of the fact we brought them down. And I'm very proud of the fact we brought inflation down so that saver, that senior citizen you're talking about doesn't see his or her savings explode in the cruelest tax of all, inflation.

And I would get a partisan shot in here by reminding people what it was like when we had a Democratic President singing the same song that Governor Clinton is singing and a Democratic Congress. ``Misery index," 20; inflation, 15; interest rates, 21. We can't go back.

Supreme Court Appointments

Q. Mr. President, I'd like to change the subject for a moment. I believe that many voters who are undecided or those who perhaps might even support your candidacy are quite concerned about the record that you have exhibited in appointments to the Supreme Court and concerned about who you might appoint to the Supreme Court in a second term. And I think perhaps that fear is enhanced or exacerbated a bit by your allowing Pat Buchanan to speak as he did at your convention. I'm wondering if you would speak a bit as to how you would approach likely appointments to the Supreme Court in a second Bush administration.

The President. I'll do that. And unlike the Democratic convention, we didn't censor what people said, and we didn't keep people that disagreed with that Clinton line off the program. That's one thing that's different.

Secondly, maybe we just have a fundamental difference as to what should happen on the Supreme Court. I have put two people on the Supreme Court who are constructionists, not trying to legislate from the Bench. I am not in the least bit apologetic about Clarence Thomas, nor about David Souter, both extraordinarily well-qualified, both passed by a Democratic Senate. And I don't think the Supreme Court ought to legislate. What worries me is what Governor Clinton has indicated. Barbara sat near him at the Italian-American Foundation, and once again he raised this horrible specter of Mario Cuomo going on the Supreme Court. And you want to get somebody on there to legislate with a liberal point of view, then go that route.

My view is, I don't know where these guys stand on individual, specific social issues, but I have confidence in the fact that they are not going to legislate but they are going to interpret

the Constitution. And that's what I look for, and no revisionism is going to make me change my mind about Clarence Thomas, none.

You know, the Anita Hill-Clarence Thomas thing. They say, well, they've changed now. Forty-two percent of the people -- we live and die by these polls -- 42 percent of the people used to think it was Thomas. Now he's a minority, and Anita Hill's a hero. Why? What made people change their mind on that? Is it that they suddenly all studied the issues? No, they got drummed into them by the women's movements and all these people that Anita Hill was a hero and Clarence Thomas is the bad guy. But when the American people saw the hearings, and they listened and passed judgment themselves, two to one they believe him.

And so I am proud of him. I'll stand by him. I do not want to appoint people to the Court that have a sick point of view that they want to impose through the Bench on the people. That's the job of the Legislature, and to some degree it's the job of the President. So that's my philosophy and that's why I've acted the way I have.

I looked at my watch during the debate, and I caught all kinds of hell from the media. But I'm going to look at it again, openly here. It is a Timex, and it now is 16 of -- thank you. That's exactly what I did in the debate and he -- oh, look at -- he doesn't know, he doesn't seem assured of himself. He's looking at the watch again. I mean, come on. I wanted to declare myself. This is the strangest political year I've ever seen. Now things are changing, fast.

Family Values

Moderator. Mr. President, I have a followup question. Thanks for looking at your watch so the rest of us could get away with not doing it. [Laughter] Mr. Sharp asked you about the role of Pat Buchanan in your convention. That goes to some criticism that you have gotten from people in your own party about so leaning to the religious right of the party that you have alienated a lot of centrist Republicans and Democrats, talking about even William Safire's column a couple of weeks ago that you've done damage not only, he says, to your own Presidency but also to the party in general.

The President. Couldn't disagree more. Can't be guided by New York Times columnists. I've decided to take them on. I used to sit quietly -- hey, he's entitled to his opinion. I don't agree with him, and I don't agree about that. And as I indicated, Pat Buchanan ran against me. He flailed me out there in the primaries. You've got a short memory, those who are asking that question. How do you think I felt about that? That's the political process. He's entitled to his opinion, his emphasis. I'm entitled to mine. But if your question is, how do I feel about faith and family values and that, I've tried to tell you how I feel about it. And I'm not retreating from it, because it isn't anything to do about prejudice.

I got a question from Tom Brokaw one night on a nationally televised show not so long ago.

And he said, with all respect to NBC, he said -- and he did it in a very nice way, and it wasn't pejorative -- but he said, ``Are you suggesting when you talk about family values that your values, your and Barbara's family is better than Hillary and Bill Clinton's?'' I said, ``Of course not.'' Of course not.

What we're talking about, though, is what these mayors told me about. And I happen to believe that family is still the fabric of society. And when a little kid is born to a 13-year-old mother, some way we've got to find a way to have that kid loved by the parent and teach values and respect. And it isn't happening. So I am not going to move away from that, but I am not going to identify myself with the rhetoric of a man that went out and slammed the heck out of me up there in New Hampshire.

So it's a liberal's nightmare, but I call them as I see them. I'm kind of proud that our convention didn't try to censor what suddenly was the wrath of all the talk shows. But we'll see, we'll see how it comes out on election day.

Health Care

Q. I work for $5.50 an hour. I go to work every day. My boss does not supply health care for us. We cannot afford to purchase health care. What is your plan, if any, to help us get insurance of some kind so we don't have to starve to go to the doctor?

The President. That's the key, get insurance. What we need to do is pass my health care plan that provides insurance to the poorest of the poor. Gives a voucher to the poorest, it gives a tax credit to the next bracket above that so that they can get insurance, make insurance available. It pools insurance, small businesses pooling insurance so they get the benefit that a big company has. If you buy a lot of something, you get it at a cheaper price. If you buy a lot of insurance, you get it at a cheaper price. If you pool small businesses so they represent a lot of purchases, you get insurance at a cheaper price. That is a part of it.

The other part of it is, we've got to go against this malpractice that is driving costs up to $25 billion to $50 billion. Doctors don't dare to deliver babies because of some frivolous suit, or hospitals say, give this guy three tests to protect us against a malicious lawsuit.

My program to control, put lids on these limitless lawsuits is really going to help bring health care costs down. And so will the pooling. And another thing about our plan is, right now people go to the emergency room and the hospital is stuck with the bill. The people don't have insurance. If you have insurance, that takes a burden off the hospitals.

So we do have a good plan, and it really helps small business, I think. I don't know whether your employer is large or small, but whoever you work for, you'll be able to get it as an individual, and it will be portable. You take it with you if you find another job.

Who is in charge of the water here? Anybody? Here's one. Here, I'll just wander down like Phil Donahue and get myself a water. [Laughter] There you go. Thank you. That's great.

All right, shoot. I can hear you, sir.

Unemployment

Q. Psychological studies of unemployed people have been viewed as suffering from unemployment neurosis. The most prominent symptom is not depression but apathy. The blacks of America suffer disproportionately from this neurosis, as well as many other Americans. This mental state makes people incapable of grasping the helping hand which may be extended to them. Mr. Bush, for our information, what form has your helping hand taken, and how do you view the American jobless reaction to that hand?

The President. Well, I'm not a psychiatrist, and that's a very -- I didn't know that. What I do know is, we're trying very hard with the programs I've outlined to give people jobs, break the cycle of dependency and welfare. And we have indeed given waivers to many States to change the welfare system that just breeds dependency.

You talk about a psychological neurosis. How would a kid feel, born into a, say, third or fourth generation? We've got to break that cycle. Learnfare and workfare -- many of the States are trying, and I, through Dr. Lou Sullivan, our black Secretary of HHS who is a superb doctor and a great humanitarian, is trying hard to break that cycle. But the best way to break the cycle is a job with dignity in the private sector. And that's why my small business program that I mentioned -- regulation, taxes, lawsuits -- plus what we're talking about in enterprise zones is the answer. And we're going to get it done.

Ross Perot

Q. Mr. President, I was wondering which of Ross Perot's ideas on the economy and the deficit do you like? It seemed so often in the debate you and Mr. Clinton both said, ``Yes, I agree with you, Ross.'' And upon your reelection, in your second term, any room for a job for Ross in your administration?

The President. Well, not on the tax side of things, because I don't want to raise the gasoline tax 50 cents a gallon, I mean, 50 cents. I just think that would be bad for working America, and I don't want that. So I differ with him. I don't think we ought to touch Social Security.

What I agree with him on is putting the focus on the need to get the deficit down. At the debates, there wasn't that much time, nor were there many specifics as to how to do that. I don't agree with him that what I've subsequently learned he's proposed, because it will, in my

view, screech a fragilely growing economy to a halt. I just don't think it needs that kind of a shock.

I do agree with him on what we're doing about mortgaging the future of various people. I don't agree with him when he says we gave Saddam Hussein permission to take the northern part of Kuwait. That is simply not true. So we agree, I do agree with him on his dedication to trying to get the help on the POW question.

So I have some places I agree, some places I don't. Hey, but listen, I need all the help I can get. So, I don't know about future jobs, but let's get this election over, and then we'll see.

I think this claim the other day, I mean, that thing was strange, and I don't agree with him about that, obviously.

Ronald Reagan

Q. Mr. President, Ronald Reagan ran two of the most successful campaigns that we've ever seen in history. His influence or assistance in your campaign, and I don't mean him personally but maybe his camp of people, seems to be absent. Because I know part of the strategy in a campaign is to reach those voters that may be undecided, there is always a faction that will vote for you no matter what you do, and that faction that won't vote for you no matter what you do. But why haven't you enlisted his people or him more to assist you in this campaign?

The President. Coincidence. Ronald Reagan will be going either tomorrow or the next day for me to North Carolina and someplace else. He's agreed to do it, and I hope he does. I campaigned at his side in Orange County. He has been more than helpful in everything we've asked him to do. You know, I had a meeting with the former -- the Reagan Alumni Association, I think they call themselves, in Washington, headed by Ed Meese, remember, who used to be -- very, very supportive.

So if there's a perception that they are not helping, I think that's an unfair perception. I hope that the more recent visits by the President will be focused on, because I can't ask for any more from him than what he's doing to be supportive. And the things he was saying, even my mother would have blushed when she heard the nice things he said about what we're trying to do. So he's with us.

Child Support

Q. Mr. President, I'd like to ask you about your views concerning another national tragedy: the billions of dollars owed single parents in uncollected child support. Presently 20 percent of the children in this county are living at or below the poverty level. As a trial attorney, what can I tell my clients about your future efforts, if you're elected next week, to eliminate this national

dilemma?

The President. Tell them I just signed a bill last week, and that bill goes after the deadbeat dads. And it was passed by this Congress, thus demonstrating we can, even with them, get something done. And what it did was, where they needed Federal support, whether it's a passport or anything else, crack down on them and see that Federal support no longer -- or any -- Federal permission really to do things is not granted to those who are running away and leaving these people.

Because what happens, as you know, I'm sure, far better than I do because of your concern for usually the mother, that spouse, is that these people go across State lines. And until this legislation was passed, they haven't been able to go at them. So I believe that legislation is a good step towards cracking down on these people who you're after, and will be helpful to those mothers, normally, that you're trying to help.

Closing Statement

Moderator. Mr. President, thanks for answering all of our questions in the past hour. And according to my old broken watch, we have about a minute left for you to make a closing statement, sir.

The President. Can it be a direct appeal? I hate to have this many voters -- I mean, is there any restriction on it?

Well, let me just say that, one, thank you for everybody that did this, including the Historical Society and the Association of Broadcasters.

But look, this has been a terrible year in a sense. I believe I'm going to win the election. And I'm going to ask for everybody's support here. We have tried very hard to keep the public trust. We've had a clean administration. We've tried to serve with honor. We've literally changed the world through leadership. And what I'm asking people is this: Look, you're going to the polls, consider character. It is important.

Clinton's wrong when you said it's ``the character of the Presidency," not the President. The President's character shapes the Presidency. They are interlocked. And I hope I have demonstrated the character. I hope I've earned the trust of the American people. I see this economy moving. I believe that our programs that I've outlined will lift up everyone that's hurting and give them a much better shot at the American dream. So that would be my appeal.

I must say in conclusion, I have never felt such a sea change in politics as I have in the last 2 weeks. It's beginning to happen. And people are looking at it: Who do you trust? Who has the character to serve in the Presidency of the United States? And that's why I'm asking for your

vote and your support. And thank you all very, very much.

Moderator. Thank you, Mr. President. We appreciate your visit to Columbus, Ohio. I would like to make some quick thanks.

The President. I think it would be most appropriate if I started walking down to say hello to Nellie before she changes her mind back there at 91. [Laughter]

Moderator. I think that's a great idea.

The President. Is that all right?

Moderator. Absolutely.

The President. Okay. Don't move.

Note: The question-and-answer session began at 7 p.m. at the Ohio Historical Society. Moderators for the session were Gary Robinson, president of the Ohio Association of Broadcasters, and Columbus television anchors Doug Adair of WCMH - TV, Deborah Countiss of WSYX - TV, and Bob Orr of WBNS - TV. In his remarks, the President referred to Peter Ueberroth, chairman of the Rebuild L.A. Committee; Representative Chalmers P. Wylie; and Gov. Mario Cuomo of New York.

Statement on Signing the Veterans Home Loan Program Amendments of 1992

October 28, 1992

Today I am signing into law H.R. 939, the ``Veterans Home Loan Program Amendments of 1992." On balance, the bill improves the Veterans Home Loan Program by authorizing new programs and expanding or extending existing programs.

I am, however, concerned that certain provisions of this bill raise serious constitutional concerns. For example, the race-based classification of ``Native Hawaiian" cannot be supported as an exercise of the constitutional authority granted to the Congress to benefit Native Americans as members of tribes. Therefore, this classification would be subject to the most exacting equal protection standards. I direct the affected Cabinet Secretaries to consult with the Attorney General in order to ensure that the program is implemented in a constitutional manner.

In addition, the bill purports to require the Secretary of Veterans Affairs to recommend future legislation regarding a pilot program for housing loans to Native American veterans. The Constitution grants exclusively to the President the power to recommend to the Congress such measures as he judges necessary and expedient. The Congress may not by law command the President or his subordinates to exercise the power that the Constitution commits to his judgment. Therefore, I will treat this requirement as advisory rather than mandatory.

George Bush

The White House,

October 28, 1992.

Note: H.R. 939, approved October 28, was assigned Public Law No. 102 - 547.

Statement on Signing the Intermodal Safe Container Transportation Act of 1992

October 28, 1992

Today I am signing into law H.R. 3598, the ``Intermodal Safe Container Transportation Act of 1992."

This Act will require shippers to certify the cargo weights and contents of intermodal containers and trailers. The Act also authorizes States to impose liability on shippers where citations for violations of State highway weight limits are issued to highway motor carriers as a result of erroneous certifications. The legislation is a progressive step toward reducing the number of overweight vehicles on U.S. highways and the threats that they pose to public safety and highway pavement conditions.

I regret, however, that there are some problems with the bill's approach. I am concerned about the paperwork burden that will be levied on small shippers, the potential for inconsistent application by States, and the fact that the bill would, in effect, establish two enforcement programs: one for shippers in intermodal commerce and another for all other shippers.

The Department of Transportation has been given considerable flexibility to develop the regulations required by H.R. 3598. The Department will use its flexibility to minimize these potential problems.

I urge all States to adopt a similar approach. Failure to do so could complicate, instead of clarify, the intermodal shipping community's understanding of weight regulations for intermodal cargoes.

This legislation is a first step toward a full review of overweight vehicle operations on U.S. highways. My Administration intends to undertake such a review.

One section of the bill purports to require the Secretary of Transportation to submit, to several congressional committees, legislative and other recommendations for improving the collection of certain transportation data. Under Article II, section 3 of the Constitution, the President possesses the exclusive authority to determine what legislative measures he and his subordinates will recommend for the Congress' consideration. To avoid constitutional difficulties, and consistent with established practice, I interpret this section of the bill to be advisory, not mandatory.

George Bush

The White House,

October 28, 1992.

Note: H.R. 3598, approved October 28, was assigned Public Law No. 102 - 548.

Statement on Signing the Land Remote Sensing Policy Act of 1992

October 28, 1992

Today I am signing into law H.R. 6133, the ``Land Remote Sensing Policy Act of 1992."

The Act will carry out my proposals for the future of the Landsat satellite program. It will ensure that continuity of Landsat-type data is maintained for the foreseeable future. That data will improve our understanding of the environment, strengthen our ability to manage natural resources, and assist with other activities of scientific, economic, and national security importance.

The Act will also encourage future commercial opportunities in remote sensing by:

-- supporting investments in new remote sensing technologies;

-- removing unnecessary restrictions on the dissemination of privately gathered data;

-- streamlining the licensing process for private remote sensing systems; and

-- encouraging growth of the market for remote sensing data by pricing federally provided data at the cost of fulfilling user requests, but no higher.

Finally, I note that section 203(b) of the Act, regarding review of certain agency actions under the Act, cannot be understood to supersede section 554 of title 5, United States Code, which exempts from review such matters as the conduct of military or foreign affairs functions.

George Bush

The White House,

October 28, 1992.

Note: H.R. 6133, approved October 28, was assigned Public Law No. 102 - 555.

Statement on Signing the Small Business Research and Development Enhancement Act of 1992

October 28, 1992

Today I have signed into law S. 2941, the ``Small Business Research and Development Enhancement Act of 1992." This measure recognizes the unique contribution of America's small businesses in performing innovative research and thereby creating high skill jobs. It is these entrepreneurs who are leading our private sector into the high technology global markets of the 21st century.

The Act will ensure the continuation of the highly successful Small Business Innovation Research (SBIR) program for another 7 years. Indeed, it will more than double the program's size over the next 5 years to approximately $1 billion annually.

The SBIR program, which is celebrating its 10th anniversary, is coordinated by the Small Business Administration. The program helps small businesses bring cost-effective research and development expertise to Federal agencies. It encourages entrepreneurs to find new commercial uses for Federal technology. The innovative goods and services that these small businesses develop are sold in the domestic and international markets.

Over the history of the program, small businesses have received $2.8 billion in funding from 11 Federal agencies for over 21,000 projects. At least one in four SBIR award winners has achieved commercial sales or expects that commercial sales will occur. SBIR firms have produced new innovations in all areas of high technology, including superconductors and biotechnology. Perhaps the most gratifying are the many new products and services developed in the biological, medical, and educational fields.

S. 2941 will provide expanded opportunities for this Nation's vital asset, its small business entrepreneurs. It will foster their pioneering spirit in inventing, producing, and selling high technology products and services here at home and around the world.

George Bush

The White House,

October 28, 1992.

Note: S. 2941, approved October 28, was assigned Public Law No. 102 - 564.

Statement by Press Secretary Fitzwater on the Baltic-American Enterprise Fund

October 28, 1992

The President announced today that he will seek congressional authorization for the creation of a Baltic-American Enterprise Fund. This new fund, which will serve Estonia, Latvia, and Lithuania, will be capitalized at $45 million over 3 years and will be led by a board of directors composed of American citizens and representatives from the three Baltic countries.

The enterprise fund will be modeled after similar funds established by the administration for Poland, the Czech and Slovak Federal Republic, Hungary, and Bulgaria, which have proven extremely successful in assisting private sector development. The objective of the fund will be to provide capital, in the form of either debt or equity financing, to small and medium-sized private enterprises in the Baltics. Just as the other U.S. enterprise funds have done, the Baltic-American Enterprise Fund may assist in the channeling of certain U.S. technical assistance in the Baltic countries, as well as financial assistance from other countries.

The U.S. Government will also encourage participation in the fund by the European Bank for Reconstruction and Development, other donor countries, and private investors. Such a partnership would leverage USG funds by augmenting them with outside capital.

This U.S. initiative demonstrates once again strong administration support for the independence of Estonia, Latvia, and Lithuania. Since the three countries regained their independence one year ago, the administration has supported and continues to support the withdrawal of all Russian forces from their territory at the earliest possible time, and has also provided substantial economic assistance. The administration's overriding objective is to help the three countries integrate themselves economically and politically with the West to ensure their future prosperity and their freedom.

Statement on Signing the Futures Trading Practices Act of 1992

October 28, 1992

Today I am signing into law H.R. 707, the ``Futures Trading Practices Act of 1992.'' This forward-looking legislation is good for America's futures exchanges, good for farmers and ranchers who use futures, and good for U.S. financial markets. Indeed, this modernization of our financial laws will benefit everybody who works and invests in the American economy.

The bill contains an important provision sought by the Administration to give the Federal Reserve Board authority to oversee margin levels on stock index futures. The margin provision is crucial to help avoid the kinds of major market disruptions that occurred in October 1987 and October 1989. It is part of my Administration's continuing effort to adapt financial laws to the ``one market'' of stock and stock derivative products.

The bill also gives the Commodity Futures Trading Commission (CFTC) exemptive authority to remove the cloud of legal uncertainty over the financial instruments known as swap agreements. This uncertainty has threatened to disrupt the huge, global market for these transactions. The bill also will permit exemptions from the Commodity Exchange Act for hybrid financial products that can compete with futures products without the need for futures-style regulation.

The margin and exemptive authority reforms are critical for keeping U.S. financial markets strong and competitive. The Administration first requested them 2 years ago, and I am delighted that they now have been adopted.

The bill strengthens the ability of the CFTC to police the futures markets, impose tougher penalties on wrongdoers, and obtain assistance from foreign futures regulators. These provisions will further enhance the reputation of the United States as the safest and best place in the world to conduct trading.

Two provisions of the Act could be interpreted in a manner that would raise constitutional concerns and will, therefore, be construed so as to avoid those concerns.

Section 215 purports to direct me to appoint persons to the CFTC who meet certain congressionally mandated criteria. This provision raises constitutional concerns by appearing to circumscribe my power under the Appointments Clause to nominate officers of the United States. I shall treat the provision as containing advisory, rather than mandatory, criteria for appointment.

Section 213(a)(2) directs the CFTC to issue regulations specifying the circumstances under which the governing board of a contract market may issue, without prior CFTC approval but subject to CFTC suspension within 10 days, issue a temporary emergency market rule. To avoid any violation of the Appointments Clause of the Constitution, this section will be construed only to permit the CFTC to waive the usual statutory requirement that it approve such private market arrangements. So construed, the section does not vest exercise of significant governmental authority in the governing boards.

George Bush

The White House,

October 28, 1992.

Note: H.R. 707, approved October 28, was assigned Public Law No. 102 - 546. This statement was released by the Office of the Press Secretary on October 29.

Statement on Signing the Housing and Community Development Act of 1992

October 28, 1992

Today I am signing into law H.R. 5334, the ``Housing and Community Development Act of 1992." This bill establishes a sound regulatory structure for Government-sponsored enterprises (GSEs), combats money laundering, provides essential regulatory relief to financial institutions, authorizes several key Administration housing initiatives, and reduces the risk of lead-based paint poisoning.

This legislation addresses the problems created by the rapid expansion of certain GSEs in the last decade. It establishes a means to protect taxpayers from the possible risks posed by GSEs in housing finance. The bill creates a regulator within the Department of Housing and Urban Development (HUD) to ensure that the housing GSEs are adequately capitalized and operated safely.

H.R. 5334 includes many of my Administration's regulatory relief proposals for depository institutions. The regulatory burden that the Congress has placed on our banking system has reached a staggering level that prevents banks from providing the credit that is necessary to assure economic growth. By reducing the regulatory burden, this bill will assist banks, borrowers, and the economy as a whole.

This legislation also improves the Federal Government's ability to combat money laundering. It penalizes financial institutions convicted of money laundering and strengthens Federal law enforcement capabilities significantly. These provisions create important new tools in fighting the war against illegal drugs and other serious criminal activities.

The bill allows Federal prosecutors to obtain orders forfeiting tens of millions of dollars in assets belonging to drug kingpins that have been moved from the United States to foreign lands. It also authorizes the Government to prosecute those who launder the proceeds of corrupt foreign banks in the United States.

The anti money-laundering provisions of the bill include authority to seize funds belonging to foreign banks involved in criminal activities when those funds are located in interbank accounts in the United States. Interbank accounts, of course, are used to facilitate the transactions of innocent third parties. Because of the potential impact on such transactions, it is important that this seizure authority be used judiciously and with attention to the effect such seizures might have on the interbank payment and clearing system. The Attorney General and the Secretary of the Treasury will work together to ensure coordinated review of such cases.

This legislation also advances the Federal Government's efforts to eliminate lead-based paint hazards, especially among those most vulnerable -- young children. The bill would focus inspection and hazard reduction efforts by HUD on older housing stock where the incidence of lead paint is greatest. It also supports the development of State programs to certify contractors who engage in lead-based paint activities.

I regret, however, that the Congress chose to attach these important reforms to a housing bill that contains numerous provisions that raise serious concerns. My Administration worked diligently to craft a compromise housing bill that would target assistance where it is needed most, expand homeownership opportunities, ensure fiscal integrity, and empower recipients of Federal housing assistance.

I also note that two provisions of the bill must be narrowly construed to avoid constitutional difficulties. Section 1313 would authorize the Director of the newly established Office of Federal Housing Enterprise Oversight within HUD to submit ``reports, recommendations, testimony, or comments'' to the Congress without prior approval or review by ``any officer or agency of the United States.'' The bill also provides the Director authority, exclusive of the Secretary of Housing and Urban Development, to promulgate safety and soundness regulations and to formulate an annual budget. When a member of the executive branch acts in an official capacity, the Constitution requires that I have the ultimate authority to supervise that officer in the exercise of his or her duties. In order to avoid constitutional difficulties, and without recognizing the Congress' authority to prevent the Secretary from supervising on my behalf an agency within HUD, I will interpret this provision to permit me to supervise the Director through other means, such as through the Office of Management and Budget.

Section 911 of the bill requires the Secretary of Housing and Urban Development to establish guidelines for housing credit agencies to ``implement'' section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545(d)). That provision requires the Secretary to certify that HUD assistance to housing projects is not more than necessary to provide affordable housing, after taking other Federal and State assistance into account, and to adjust the amount of HUD assistance to compensate for changes in assistance amounts from other sources. To avoid the constitutional difficulties that would arise if section 911 were understood to vest in housing credit agencies the exercise of significant authority under Federal law, I interpret section 911 to permit the Secretary to formulate guidelines under which he will retain the ultimate authority to make the determinations required by section 102(d).

George Bush

The White House,

October 28, 1992.

Note: H.R. 5334, approved October 28, was assigned Public Law No. 102 - 550. This statement was released by the Office of the Press Secretary on October 29.

Statement on Signing the Agricultural Credit Improvement Act of 1992

October 28, 1992

Today I am signing into law H.R. 6129, the ``Agricultural Credit Improvement Act of 1992,'' which modifies the Farmers Home Administration program.

Although I have signed H.R. 6129, I will withhold my approval of H.R. 6138 because it is identical to section 24 of H.R. 6129.

George Bush

The White House,

October 28, 1992.

Note: H.R. 6129, approved October 28, was assigned Public Law No. 102 - 554. This statement was released by the Office of the Press Secretary on October 29.

Statement on Signing the Defense Production Act Amendments of 1992

October 28, 1992

Today I have signed into law S. 347, the ``Defense Production Act Amendments of 1992."

The Defense Production Act (DPA) provides the President with extraordinary authority to establish production and material allocation priorities when the national defense so requires. The DPA expired on March 1, 1992. Enactment of S. 347 restores that authority through September 30, 1995. The availability of these authorities to the President, in the event of unexpected national defense crises, enables him to ensure that the Nation will have the equipment and supplies it needs under all circumstances.

I must, however, note several reservations that I have regarding sections 124, 135, and 163. Section 124 requires the Secretary of Commerce to report to specified congressional committees on the impact of offset agreements between importers and exporters of American-made weapons systems. These agreements stipulate, as a precondition of a sale, that the exporter will partially compensate the importer -- through either co-production, countertrade, or barter arrangements -- for the purchase. The report is to include alternative findings or recommendations on offsets offered by heads of other departments and agencies to the Secretary. I sign this bill with the understanding that this provision does not detract from my constitutional authority to protect the executive branch deliberative process.

Section 135 requires the Government to keep a new data base on America's businesses. Under section 705 of the DPA, the Government is permitted, for the purpose of collecting information for the data base, to issue subpoenas to America's businesses, issue administrative search warrants to inspect the premises of America's businesses, and require America's businesses to keep records and make reports to the Government. Failure to comply with those Government requirements is punishable by a fine or up to 1 year in jail.

Collecting industrial base data from America's companies through the means provided in section 705 would intrude inappropriately in peacetime into the lives of Americans who own and work in the Nation's businesses. Such intrusion is neither necessary to meet U.S. national defense needs nor would be consistent with the liberties of those who own and work in America's businesses. Accordingly, I direct the affected heads of executive departments and agencies not to use subpoena, search warrant, or other intrusive techniques under the authority of section 705 of the Defense Production Act in implementing section 722 of the Act without the specific approval of the President. They will proceed instead to seek information from America's businesses on a voluntary basis. However, the provisions of section 705 may be used to support other programs and other provisions of the Defense Production Act, in accordance with current delegations of authority under section 705.

Section 163 requires a study on foreign investment in the United States and the possible motives of foreign investors. While this Administration will prepare such a study, I note again that I remain committed to the historic, open investment policy that I reaffirmed in my statement of December 26, 1991.

George Bush

The White House,

October 28, 1992.

Note: S. 347, approved October 28, was assigned Public Law No. 102 - 558. This statement was released by the Office of the Press Secretary on October 29.

Statement on Signing the Audio Home Recording Act of 1992

October 28, 1992

Today I am signing into law S. 1623, the ``Audio Home Recording Act of 1992," which will benefit American consumers, creators, and innovators.

S. 1623 will ensure that American consumers have access to equipment embodying the new digital audio recording technology. It also protects the legitimate rights of our songwriters, performers, and recording companies to be fairly rewarded for their tremendous talent, expertise, and capital investment. This will be accomplished by fairly compensating these artists for the copying of their works and by creating a system that will prevent unfettered copying of digital audio tapes.

This legislation sends an important message to unscrupulous competitors abroad. We will not stand by and allow the creativity and ingenuity of our people to be unfairly copied. We will vigorously fight attempts to copy the cutting-edge technologies developed by our biotechnology, chemical, and pharmaceutical industries; to copy our sought-after books, movies, and computer programs; and to copy the trademarks that represent the quality of the goods for which we are famous. We will protect the American jobs and exports represented by these American innovations.

George Bush

The White House,

October 28, 1992.

Note: S. 1623, approved October 28, was assigned Public Law No. 102 - 563. This statement was released by the Office of the Press Secretary on October 29.

Remarks to the South Wayne County Chamber of Commerce in Southgate, Michigan

October 29, 1992

Thank you, John. Thank all of you very, very much. Please be seated. May I thank the Governor and say how pleased I am that he is leading our campaign in Michigan. There's no way that you can look at an electoral map or look at a map of this country and put priorities on States without realizing the significance that Michigan has for whoever is running for President. And I'm very encouraged with what John told me when we climbed off the plane. I'm encouraged with the way these polls that we live and die by are shaping up.

But today what I thought I'd do, after thanking Heinz Prechter, my old friend -- I tell you, you get nervous just around the guy, he's so energetic. He is too much. He's got a thousand ideas. But I'll tell you something. The longer I've been in politics, the more I understand something that I think is a real verity, and that is, friendships really matter. You can tell them when things are tough, the friends that hang in there with you. Heinz has been at my side for some time, and I'm grateful to him. He is doing, as he modestly pointed out, a very good job on the exports. [Laughter] So I thank him for that.

I thank Omer and all the rest of you for being here from so many communities. What I thought I'd do today in hopefully a relaxed way -- because we go off to these rallies where it's not particularly relaxed -- is just make some comments on the economy and try to fairly, to objectively point out the differences that I have with Governor Clinton on this. I'd point out the differences I have with H. Ross on this, but I'm not sure exactly what they are because all he says is ``fix it.'' Well, we want to fix it, but not by raising the gasoline tax 50 cents, I might add.

So, here we go. Governor Clinton -- I honestly believe that they won't -- could not win the election unless they convince everybody that the economy is really worse than it is. That led Governor Clinton to say, this is the worst economy in 50 years. It led a rebuttal from the Wall Street Journal editorial, saying this is talking the biggest economic lies in 50 years.

It isn't the worst economy. You only have to go back to the Jimmy Carter years when you had those interest rates up at 21 percent and inflation that touched 15 percent before you realize that they -- and they invented the ``misery index,'' unemployment and inflation -- it was double what it is now, even though we've been through extraordinarily difficult times.

Governor Clinton says we have the -- wages are 13th in the world. Our total compensation leads the world. Many of you business people know that the cost of doing business is not simply wages, it is the total package, and total compensation leads the world. That is a good

point.

On industrial decline: Governor Clinton says we have industrial decline. He says our economy is somewhere less than Germany but more than Sri Lanka. Well, he ought to get around the world a little bit to understand that we, in spite of our economic difficulties, have an economy that's better than Japan, better than Germany, better than Canada, better than Western Europe, and certainly Eastern Europe and the struggling economies that have just come out from behind the Iron Curtain.

Our farmers, our workers are the world's most productive. Productivity is going up in this country. And the U.S. is gaining manufacturing market. We hear about our manufacturing base being shipped overseas; not so. We are gaining manufacturing market. And yes, some of the companies and maybe some of your businesses have had to streamline, be a little more efficient, modernize. But I do believe that because you've done that, we are poised for a vigorous recovery with interest rates and inflation, as John Engler and Heinz both said, moving towards decade-worth lows there.

Clinton talks about the trickle-down policies benefiting the rich. The fact of it is that the rich pay a higher percentage of the total taxes than in 1980 and then in the years before that. The reduction in the capital gains and in the top level, even though I want a greater capital gains reduction, led to a bigger percentage of the tax burden being paid by the rich.

Governor Clinton says we can't compete with Japan and Germany; not so. We are the number one exporter. Exports have saved us in these extraordinarily difficult times of global recession, and now I would say global slowdown. Our exports are up 40 percent. They're going to go up more if I accomplish my aim of more free and fair trade agreements.

Governor Clinton talks about a deep recession, bordering on depression. That is simply not true. For a person out of work, it's depression. I'll admit that, and I'll say, listen, we want to help you with job retraining, better education, stimulating the growth of the small business sector so we can create more jobs. Yes, for a person out of work it doesn't matter what you call it, recession, depression; that family is hurting.

But in terms of the overall economy, it isn't true. We have grown now, albeit anemically, for six straight quarters. The technical definition of recession has always been two quarters of negative growth. We have had growth for six straight quarters. And the worst news in the world for Clinton and Gore -- and I will admit it surprised us a little -- was when the growth came out at 2.7 for the third quarter. That's pretty darn good turnaround here, beginning. It's not robust growth, but it's far more impressive than obviously all these economists had been predicting. So we are not in a recession. We're fixing to move, and we're moving with some of our fundamentals in far better shape.

He always talks about, ``Well, the worst since Herbert Hoover." And that is because they don't want to talk about what it was like when we had a Democratic President and a Democratic Congress. That was when we had the Carter years of malaise. Remember the word? Again, the ``misery index," a standard that was invented by the Democrats to try to embarrass us, it is half the ``misery index" of what it was when Jimmy Carter went out of office.

We have had six quarters of growth. The last one, as I say, was 2.7. And if you look, and some of you all know this, we are growing much better than Japan and Germany. Germany had negative growth for the last month. Japan was half of our growth when it was 1.7. So it is not fair to try to scare the American people and tell them how bad everything is.

We are in a global economy, and that's one reason I think international affairs and understanding of the world matter. Because I am convinced that if we do what we must do in exports, it's the United States that's going to lead the world, not just for United States economy but for the global economy. So we are doing better than those trading partners that Governor Clinton keeps holding up to us as an image.

We've got another difference. Eastern Europe and certainly Russia and other countries, because of our policies, I think, peace through strength -- and I salute my predecessor -- are free now, and they're democratic, and they are moving. They're moving away from the very kinds of policy that Governor Clinton's talking about. He talks about Government investing. Government does not create productive jobs. The private sector does. This is perhaps the most major difference I have with him in the economic field. It is not the Government that creates jobs.

He wants to get more money, $220 billion in new spending right off the top. And I want to hold the line, constrain the growth of the mandatory spending programs, get them under control because they're the ones that are increasing this deficit all the time, and then stimulate growth. Invest, if you will, but have the private sector do it through investment tax allowance or first-time homebuyers tax credit or capital gains. The Democrats have called capital gains a break for the rich. It is no such thing. We get a proper level of capital gains, it will spur entrepreneurship and spur creativity in starting new businesses.

Governor Clinton says, ``Well, I'm a different kind of Democrat," but his tax increase that he's already proposed of $150 billion that he says he'll get from the rich -- no way -- is more than Mondale and Dukakis said to start, for openers. You add those two together, and Clinton's approach is higher. And I just don't believe, even if we were not in a very slow economic growth period, I just don't believe that taking more of the GDP in taxes is the answer. So we've got a fundamental difference on that.

Clinton asked the other morning how much things cost. And I would simply remind him what it would have been like if we'd have continued with the Carter rates of inflation. Take milk

today, what, $2.70, say. It would have been something like $8.23 if that rate of inflation had continued. Gasoline -- I don't even -- different prices in different communities. But you can get it for, what, $1.19, $1.25. If you use that math to continue their inflation, you'd be in orbit, 56 bucks. [Laughter] So I think that may be a little unfair to project that inflation rate, but that's what we were up against. We forget that as a nation. We simply cannot go back to policies that brought that out.

People have been able to refinance their mortgages because we brought the interest rates down. People say, ``Well, are you better off than you were?'' Well, it depends who you're talking to. If you can refinance your home and save $600, $700, maybe $2,000 in a year, you're better off, provided you're working. If you're a senior citizen and your interest rates are -- your inflation rate is down, you are far better off than if you'd stayed there with anything like the Carter rate of inflation, because you would have had your savings disappear, blow up right in front of your eyes.

Also in a foreign affairs sense, if you're a kid you're better off because you grow up with less fear of nuclear war. And if you're an ethnic American, and there's plenty of them around this State of Michigan, you're better off because your parents and your family are growing up under freedom and democracy and not under the yoke of communism.

So that question that they try to use against me I think should be selectively asked. I think that in totality a lot of people would be better off. Again, that doesn't mean we shouldn't empathize with and feel great compassion for those who are hurting and those who are out of work.

I have a big difference with Governor Clinton on exports. A billion dollars in exports creates 20,000 new jobs. And I hear a lot of talk out of Governor Clinton on the free trade agreement. You heard the debate. He tries to have it both ways.

I've discovered as President, you can't do that. You can't say on the one hand, and then on the other. You can't be for the NAFTA agreement one day and then have caveats the next. You can't be for right-to-work in one State, and then oppose it when you talk to the union leaders in another State. You can't be for the CAFE standards when you're trying to win over the Sierra Club, and then come up here and tell the workers that you don't mean it.

So we have a big difference on exports. And I believe the North American free trade agreement will create jobs. I'm absolutely convinced it will create 200,000 jobs. I want to see that followed with trade agreements with Chile. I want to see it with Eastern Europe. And let's never forget we are a Pacific power as well, and free and fair trade with access to those markets under a much freer basis will mean jobs for the American worker.

So we have a big difference in how we approach the market, how we approach the marketplace. And I know that there's some people that get dislocated, but very few when you

look at the totality of new jobs. And for those you have a vigorous retraining program. We've proposed one that I think will take care of the requirements.

I also get asked, particularly in Michigan, about ``Well, why won't all the jobs be shipped to Mexico?'' Or I get charged by Governor Clinton and the Ozone Man -- [laughter] -- saying that all the jobs will be switched down to Mexico. My rhetorical question is, if labor rates are the basis for shipping companies overseas, how come Haiti isn't the industrial capital of the world, or Mexico, today? It isn't. I read in the paper that General Motors might bring 1,000 jobs back from Mexico. So we should not let them scare the American people by this siren's song of protection. It does not work. It shrinks markets and puts people out of work.

So in all of these areas we have a major difference. I still feel that my idea of stimulating investment for small business that I clicked off a minute ago, with less regulation, less taxes, is a far better way to go than the investing in America through the Government taking your money and trying to invest it.

On health care, I've got a big difference. Governor Clinton wants a payroll tax for health care and training. He says he doesn't, but his program would lead to that. And mine, through tax credits and vouchers to the poorest of the poor, for the vouchers and for relief for the next bracket and pooling of insurance and doing something about these crazy malpractice suits that cost 25 to 50 billion dollars, is the way to go.

He wants to set up a Government board. A Government board ends up in rationing health care. And we've got the best quality of health care in the world. And the way to keep it up is to keep the system as private as possible and not slap a 7 percent payroll tax on small business. So we've got a big difference on that.

I believe that the answer to being competitive in the future is education. But again, Clinton's program is to go for expanding mandated programs. And ours, America 2000 is for getting the teachers and the parents and the community involved in revolutionizing schools through our New American Schools Corporation, but not emphasizing the bureaucracy or catering to the NEA, which is a powerful union which has simply presided over the building up of educational bureaucracy. So I've got a big difference on education.

One of the biggest areas of difference that affects the economy is the area of legal reform. I touched on it, but the Arkansas trial lawyers head says, ``Well, the Governor has never stood against us at all.'' You look at where the funds come from for the campaigns, and they are in his corner 100 percent. The costs in this are just absolutely outrageous. I have sent legislation up after legislation to put a cap on some of these outrageous liability claims, because we are suing each other too much and caring for each other too little in this country. And we've got to do something about it.

I believe on health -- well, I mentioned the health care plan.

On CAFE standards, this one I have a very big difference with him. In Lansing, Governor Clinton said, and I will give you the quote, ``I defy anyone to find where we said it should be in legislation." But here is the Bill Clinton national energy strategy, and here is a quote in that, ``I support an increase in corporate average fuel economy standards. The 45-miles-per-gallon standard should be incorporated into national legislation."

Now, in my view, that would throw an awful lot of auto workers out of work. Every automotive expert says to meet those 45-mile-per-gallon, say nothing of 40, standards would be a tremendous burden and almost scientifically impossible for tomorrow on the auto industry. And I don't think that's what we need to do in order to get this industry moving again. So I have a very big difference on that one.

I mentioned regulation generally. Some of that is legislative. And very candidly, I must accept some of the responsibility for the executive branch. We have put a freeze on legislation. All I want you to know is we are going to try to do a superb job on lifting the regulatory burden. On the Clean Air Act and on the Americans for Disability Act, we've had to put, understandably, put in a lot of new regulations. But we put the freeze on on a lot of other ones, and I believe that will lift the burden on those of you who are in the small-business sector.

Again, our biggest difference, a biggest difference, is on spending and taxes versus trying to hold the line on both. The mandatory growth programs are the ones that are totally out of control. And our program is to put a cap on them. Let them grow to inflation, and let them grow to population increases, but no more. That does mean that there's going to be some tough decisions as you sort out which of those programs can't grow as rapidly as they'd been growing heretofore. But it is the only way we're going to get it down.

Then with it, I call for the following disciplinary actions. One is a balanced budget amendment to the Constitution. We almost had it done, passed the Senate, passed the House. Then the leadership, who oppose it -- those same leaders that have been in charge for 38 years in the Congress -- whipped about eight or nine cosponsors of the legislation into changing their vote after they had voted for it. That is simply outrageous. And I believe that we can get that done in the next session of Congress, because you're going to have at least 100, maybe 150 new Members of Congress. Why? Because the crazy guys that are running it out there can't even control a two-bit bank or a two-bit post office. I mean, people have lost confidence in them, and that's why you're going to have such a big turnover. So we've got to get that balanced budget amendment.

I want that check-off where people that are concerned about the deficit can put a check in their box -- tax return for 10 percent of their taxes to go for one thing, lowering the deficit. Then Congress, under this proposal, will have to do it. If they can't do it on a priority basis, you have

what's known as a sequester, and that goes across the board. Tough medicine, but we're going to have to do something about it.

The third point is the line-item veto. Forty-three Governors have it. It in itself will not permit the budget to get in balance, but along with these other things it would be of enormous, enormous benefit. I have a couple of bills sitting there right now that I have to make a decision on in the next couple of days that could be altered and made satisfactory if I had a line-item veto, and I don't. I think the American people are strongly supportive.

And the last one, point four on all this, is that I do believe it's time for the Congress to have the same limitations a President does, not in length of term, but I'm talking about term limits on the Members of the Congress. It's a way to give it back to the people, and I believe that that time has come to do that. Presidents serve 8 years, and I think Members of Congress should serve 12 and then go on home and let somebody else have a shot at it. Congress was not set up to be a year-round self-perpetuating organization. So we're going to -- I'm going to take that case to the American people.

There are many other differences. But I just wanted to dwell a little bit on the economic side.

Let me simply say in conclusion, I agree things have dramatically changed out in the country. Some of it is because I think people now realize that though we have economic difficulties, the economy is not as sick as the opposition would have you believe.

I had a little contretemps with one of the more famous news commentators this morning. He asked about this, and I said, ``Well, what do you expect the American people to think when 92 percent of the news on the network news is negative? By accident, you ought to be able to make it up to 10 percent positive." [Laughter] The unemployment is down. Unemployment is down for 3 straight months, and the 3d month out comes the headline on the evening news, ``Bad news for President Bush: job market shrinks." I mean, come on, unemployment is down for 3 straight months, and that's a good thing. In fact, unemployment claims, even though they ooched up a tiny bit now, are for the last 3 or 4 months at all-time lows, which is encouraging in terms of what it says about the fundamentals of this economy.

So, when you see me holding up that bumper sticker that says ``Annoy the Media. Reelect Bush," I hope you'll understand it is not simply out of frustration. It is simply that I think they've lost in this election year all productivity -- objectivity -- productivity they've always lost -- [laughter] -- but objectivity. And my point on all that is, hey, don't let it get you down. Just say what Harry Truman said: ``There's 50 of them covering the White House, and none of them know enough to pound sand in a rat's hole." That was Harry Truman, not George Bush. So I can quote him and be gentle and kind with these guys. [Laughter]

I'll tell you, I've had enough. I know you've suffered enough here, but let me just point out, I

hold up that bumper sticker, and everybody knows exactly what we're talking about. I'm not asking for sympathy. I'm asking just that it be judged. And you see, the media, the national media now holding little seminars on Ted Koppel at night, ``Have we been truly fair? Have we been objective?'' Koppel did that down in Houston with a nonpartisan audience, and he said, ``Now, if you think we've been unfair to George Bush, please clap.'' They're still clapping down there. [Laughter] And he sat there very -- ooh, and it went on and on and on.

The point is, the good thing about a campaign is, you take your message to the people. What I was going to say is, if you don't get -- if you feel the same way as I do about ``Annoy the Media. Reelect Bush,'' don't take it out on the cameramen. Some people get so excited there, they were jabbing the American flag into the back of these poor guys. These are the good guys. The people traveling with us are the good guys. Save your wrath for those faithless Republicans and faithless Democrats who wrote me off about 2 months ago, because we are going to show that rat hole that we're going to win this election. We're going to win it. I'm afraid this was a little boring today, but we're going to win it because there is a reality out there, and the American people understand it.

Then there's a subject that never even comes up anymore, world peace, democracy, freedom, less fear of nuclear war. I believe that those are pretty good things. Then the last ingredient, when people go into the booth, they're going to say, ``Look, Bush may have screwed this up. At least he admits it when he does.'' What we teach my kids to do; make a mistake, admit it, go on about leading the country.

But in the final analysis they're going to ask themselves the question: Who do I trust? Who would I trust with my family? And who would I trust with a crisis coming up, whether it's domestic or international? I've worked hard, and so has Barbara Bush, I might add, to earn the trust of the American people. That's what I think is beginning to happen. I think people are asking themselves that serious question.

And I obviously wouldn't like to see this many people assembled -- if I said I need your support, I need your vote. Do it on the basis of economics, character, trust, whatever it is, I don't care. I want you to vote.

Thank you very, very much.

Note: The President spoke at 11:50 a.m. at the Ramada Heritage Center. In his remarks, he referred to Gov. John Engler of Michigan; Heinz Prechter, chairman and chief executive officer, American Sun Corp.; and Omer O'Neil, president, South Wayne County Chamber of Commerce.

Remarks to the Community in Macomb County, Michigan

October 29, 1992

The President. What a great welcome. Thank you very much. Thank you, Governor Engler. You guys are fired up, and that makes me feel like victory is ours.

May I start by singling out my friend Bruce Willis. I'm proud to have this guy at our side here and very grateful. And, of course, if you want to win a race in Michigan, you'd better have Governor John Engler at your side. And may also I salute Congressman Bill Broomfield, who's leaving the Congress, but a great Member of Congress, and I'm very proud of him; thank State Senator Carl; and then say this: Everyplace you go people yell, ``Clean House!'' Clean House. Do your part now. Send John Pappageorge up there, Doug Carl. Of course, I'm grateful to Senator DiNello for being with us today, a man of conviction, that puts conviction ahead of party.

Hey listen, may I thank these seven high school bands that are with us today, great!

[At this point, there was a disturbance in the audience.]

The President. We'll get them. You know, last week -- I want to mention the Utah -- look at these characters. Kind of sad, isn't it? A little pathetic.

Audience members. Boo-o-o!

The President. A little pathetic. They feel it slipping away from them. They know it's moving away from them. They know we're going to win the election.

I'm delighted to be here. And the decision that people make is going to be a tremendous difference, a vast difference on experience, a difference on philosophy, and yes, a difference on character. Character matters.

You know, I hate to ruin this beautiful rally, but let me just tell you a little bit about the Arkansas record.

Audience members. Boo-o-o!

The President. Yes, I'm sorry. I've got to do it. Here's the way they stand after 10 years of Governor Clinton. They are 50th in the quality of environmental concerns. They are 50th in the percentage of adults with a college degree. That's it. They are 50th in per capita spending on

criminal justice. They are 49th in per capita spending on police protection.

Audience members. Boo-o-o!

The President. They are 48th in percentage of adults with a high school diploma.

Audience members. Boo-o-o!

The President. Forty-eighth in backing up their police and spending on corrections.

Audience members. Boo-o-o!

The President. Forty-sixth on teachers' salaries; 45th in the overall well-being of children. And Governor Clinton says, ``I want to do for America what I've done for Arkansas." No way!

You know, Governor Clinton said in the debate that they were number one in job growth. That's true for one year, and during that year he was out of the State 85 percent of the time. For the other 10 years, they were 30 percent of the national average. We cannot let him do that to the United States of America.

Governor Clinton says he's the candidate of change. He wants to sock a $150 billion tax increase to the working man, and we're not going to let him do that. He talks about investing, let the Government do it. I want to get small business to create more jobs, not the Government. You remember what it was like before. He wants that trickle-down Government, and we want business to provide jobs in the private sector.

You know, Governor Clinton and the Ozone Man, that's the guy that wants to put a 45-mile-per-gallon gas fuel efficiency standard on the auto business.

Audience members. Boo-o-o!

The President. How would the auto workers like that one? They'd be losing jobs hand over fist. But the last time we tried the kind of change he's talking about, the last time Democrats had the White House and that spendthrift Congress, inflation was 15 percent and interest rates were 21 percent. We are not going to go back to those kind of standards.

Change, Governor Clinton and Ozone, they just keep talking about change, change, change. That's all you will have left in your pocket if Governor Clinton becomes President of the United States. That's it.

No, the last time we had that kind of inflation rate that Gore and Clinton would take us to, it

was up there at there, as I said, inflation 15 percent, interest 20 percent. Now, how would you like that? If we'd stayed at their rate of inflation, milk, which costs, what, $2.70, would be $8.23. That's what would happen.

Audience members. Boo-o-o!

The President. Bread, 84 cents, would be up about $2.50. We cannot go back to that Clinton-Gore inflation by raising taxes and raising spending.

Now, there's been some bad news. There's been some very bad news for Clinton and Gore. It comes out that we are not in a deep recession. We grew 2.7 percent. And these guys are weeping tears.

The only way they can win is to tell everybody everything isn't worth a darn. They criticize our country and say we are less than Germany and slightly better than Sri Lanka. My dog Millie knows more about foreign affairs than these two bozos. It's crazy. Let them tear down the country. Let us all build it up by getting this economy moving.

No, the economy's beginning to move, and we've got to be sure we keep it moving so every American that's hurting has a job with dignity in the private sector. And my plan does just exactly that: control the growth of spending, keep the lid on those taxes, relieve business from regulation.

Let's do something about these crazy lawsuits. Governor Clinton is right in the pocket of the trail lawyers. We ought to put limits on these lawsuits. And it is my view that we ought to care for each other more and sue each other less.

We can do it. We're going to get the change done, because the Democrats fouled up the Congress. They can't run a two-bit bank, and they can't run a two-bit post office; so, so many of them are going to get kicked out that we can move this country ahead. Clean House! Clean House! Clean them out! Get rid of them all! Bring more guys in like Bill Broomfield, and get this thing moving.

You know, it's small business that creates the jobs. Two-thirds of the new jobs are small business. They need not more regulation. They need relief from regulation, relief from taxation, and relief from lawsuits.

On health care, Governor Clinton wants a board, a Government board to set the prices. I want to free up the private market to provide insurance to the poorest of the poor through vouchers; the next tax bracket, to give them a tax break; and to let it be said that the Government can't run health care, the private insurance can. We want to give everybody insurance. Give them vouchers and give them tax credits, and let's get going, and let's keep the quality of health care

up. Don't get the Government trying to set prices.

We'll be able to get it done this time because we're going to have at least 150 new Members of Congress. The gridlock will be gone.

As I look around here one of the main things we've got to do it make our education system -- we're going to clean the House, you're right. And I want to bypass the NEA and get the teachers a chance to reform these schools. I want the parents to have the choice and the ability to make that choice, public, private, and religious schools. Give the parents a choice.

Very candidly, on another subject, I've got big differences with Governor Clinton on crime. You know, the other day eight people came up to see me in the Oval Office, and they said, ``We are for you." They were the Fraternal Order of Police from Little Rock, Arkansas, endorsing me for President of the United States.

The answer is to back our police officers. Get the gridlock guys in Congress to give us stronger anticrime legislation, and let's have more sympathy for the victim of crime and a little less for the criminal.

Governor Clinton has had about four economic plans, and he's given up on the budget deficit. Let me give you three ideas. How about a balanced budget amendment to the Constitution. How about a check-off for taxpayers, say 10 percent of your taxes must go for reducing that deficit. And how about giving me what 43 Governors have, a line-item veto. They can't do it; let the President do it.

Here's another one for you: Why not give the Congress back to the people. The President's terms are limited to 8 years. Let's limit the Members of Congress' terms.

But I guess the biggest difference of all, the biggest difference of all, relates to character and trust. Let me just say this: You cannot be President if you try to be all things to all people. You cannot say, ``On the one hand I'm for this"; ``but I am" on the other. You cannot have a lot of ``buts" in the Oval Office. You've got to look the American people in the eye and call them as you see them. If you make a mistake, you say so. But you don't waffle. We cannot turn the White House into the waffle house.

Governor Clinton is on all sides of all issues, and there is a pattern of deception. Let me tell you about the decision to go to war. It was not an easy decision. We were fought by a lot of the media. We were fought by a lot in the Congress. And here's what Governor Clinton said, he said, ``I agreed with the minority," -- that was the Democrat's -- ``but I guess I would have voted with the majority." You cannot be a Commander in Chief and waffle around. That is character. That is character.

I heard Governor Clinton raise the character question yesterday. Well, come on in. Let's take it on on character and trust.

I see these veterans here. I see these veterans here, and I welcome their support. Let me tell you one difference. I'll be honest with you. I don't think it is right when your brothers are in a prison in Hanoi or kids are being drafted out of the ghetto, to go over and lead, organize demonstrations in a foreign land against your country when it's in war. That's a big difference. That's a big difference. That is a big, big difference.

I don't think you have to have served in the service, but I do think it helps if you want to be Commander in Chief, so you can hold your head up and look at these young men and women you have to send into battle.

No, the differences are between night and day. Look, if you listen to Governor Clinton and Ozone Man, if you listen to them -- you know why I call him Ozone Man? This guy is so far off in the environmental extreme, we'll be up to our neck in owls and out of work for every American. This guy's crazy. He is way out, far out. Far out, man. Hey, listen, do you think he would save General Motors by slapping more regulation on them? Less regulation. Less taxes. Bring that back.

But you listen, as I say, if you listen to Governor Clinton and Senator Gore, you'd think that foreign affairs don't matter. Let me tell you something. I take great pride in the fact that the young kids go to bed at night without the same fear of nuclear war that their parents had. That is a major accomplishment. Ancient enemies are talking peace. Democracy is on the move. Imperial communism is dead. Now what I want to do is take that same leadership and, with the help of a new Congress, lift up every family in America and give them a shot at the American dream.

So in the final analysis, one of the reasons we're moving is because I think people are focusing now as they get down to the wire on who has the trust and the character to lead. Let me tell you something, let me tell you, Barbara Bush -- and I think we've got a great First Lady, as a matter of fact -- she and I have tried to uphold the trust. And you know, we're lucky, 12 grandchildren and 5 kids and a good life. But let me tell you something: I want to finish the job I have started. I want to help those young people here today to understand that the American dream is still alive.

So as we drive down the wire, the train rolling, I look you in the eye, and I say, I ask for your support. And I ask for your vote, based on character and trust. Let's lead the world to new heights of prosperity for every single American. Don't let them tear it down.

God bless America. Thank you all very much. Thank you.

Note: The President spoke at 1:42 p.m. in the gymnasium at Macomb Community College. In his remarks, he referred to Douglas Carl and Gilbert J. DiNello, Michigan State senators.

Statement on Signing the National Oceanic and Atmospheric Administration Authorization Act of 1992

October 29, 1992

Today I am signing into law H.R. 2130, the ``National Oceanic and Atmospheric Administration Authorization Act of 1992." In signing this bill I must, however, note several concerns.

First, the imposition of procedural obstacles could create delays in efforts to modernize the National Weather Service. Such delays would hamper our efforts to improve the Nation's weather forecasting system, especially with regard to severe storms. The delays could add significantly to the cost and quality of the modernization program. Nonetheless, the Administration will interpret the provisions of this Act to minimize the costs and delay of weather service modernization, and proceed expeditiously with current plans to provide advanced weather service technology.

Second, a number of provisions of the bill raise constitutional concerns. Accordingly, I sign this bill with the following understandings:

(1) Requirements to transmit reports to the Congress or particular congressional committees apply only to final recommendations that have been reviewed and approved by the appropriate officials within the executive branch.

(2) Provisions requiring an executive agency to consult with another executive agency or private group concerning executive policy do not dictate the decision making structure or chain of command of the executive branch deliberative process.

(3) The members of any advisory committee or private group who have not been appointed as officers of the United States in conformity with the Appointments Clause of the Constitution may perform only advisory or ceremonial functions.

Further, I understand that the term ``significant subsidy" for a shipyard in section 607 applies only to those subsidies enumerated in section 607(b)(1 - 8) to the extent that they are significant in value. Without such an interpretation, the provision could be inconsistent with our international trade obligations and practices. It could also have the unintended consequence of interfering with NOAA's purchase of virtually any ship.

George Bush

The White House,

October 29, 1992.

Note: H.R. 2130, approved October 29, was assigned Public Law No. 102 - 567.

Statement on Signing the Rehabilitation Act Amendments of 1992

October 29, 1992

Today I am signing into law H.R. 5482, the ``Rehabilitation Act Amendments of 1992." H.R. 5482 extends and improves important programs under the Rehabilitation Act of 1973, a law that directly affects the lives of millions of Americans with disabilities. I am particularly pleased that major provisions contained in the Administration's proposal for reauthorization of the Act are included in the bill.

The scope of the Rehabilitation Act is broad. It provides for partnerships among the Federal, State, and private sectors to help Americans with disabilities participate more fully in the economic and social life of our Nation. Vocational rehabilitation, client assistance, independent living services and centers, and projects with industry are only some of the activities authorized under the Act.

Increased emphasis on program results, provider accountability, and client choice are the hallmarks of H.R. 5482. The Act requires that performance indicators and evaluation standards be developed for the $1.8 billion Basic State Grant program. These requirements are the key to ensuring continuing improvements in services provided under the largest program in the Act. This legislation will further our efforts to make consumer choice a tool for strengthening government services. Additional reforms afford clients a greater voice in their rehabilitation plans and authorize the Secretary of Education to demonstrate other ways in which client choice of services and providers can be increased in vocational rehabilitation. Finally, the Act authorizes model projects that give underemployed workers with disabilities the opportunity to acquire the knowledge and skills they need to advance.

Just over 2 years ago, I signed into law the landmark Americans with Disabilities Act of 1990, which marked the end of the wrongful segregation and exclusion of individuals with disabilities from the mainstream of American life. In signing H.R. 5482, I am pleased once again to emphasize my commitment to ending discrimination against Americans with disabilities and ensuring their full integration into our Nation's workplaces and communities.

George Bush

The White House,

October 29, 1992.

Note: H.R. 5482, approved October 29, was assigned Public Law No. 102 - 569.

Statement on Signing the Indian Health Amendments of 1992

October 29, 1992

Today I am signing into law S. 2481, the ``Indian Health Amendments of 1992.'' S. 2481 reauthorizes appropriations for health services for American Indians and Alaska Natives.

S. 2481 continues Indian scholarship and training programs, thereby assuring an available source of health care professionals to serve American Indian and Alaska Native communities. In addition, the bill expands primary and preventive health programs, emphasizing mental as well as physical health. The bill's other significant new or expanded activities include the encouragement of Native Americans to enroll in Medicare and Medicaid, continued services to urban Native Americans, and expansion of substance abuse programs.

S. 2481 also contains specific health care objectives drawn from the U.S. Public Health Service's ``Healthy People 2000'' report and ties the allocation of resources to these objectives. This new approach will prove useful in measuring progress toward the goal of raising the health status of American Indians and Alaska Natives to the highest possible level.

Although S. 2481 clearly contains a number of provisions to improve the health of Native Americans and Alaska Natives, it also includes provisions that are problematic. For example, the bill prohibits third-party collections from self-insured health plans for services provided by the Indian Health Service (IHS). This prohibition actually reduces the number of Native Americans and Alaska Natives who can be served and sets an undesirable precedent. In addition, the establishment of yet more categorical authorities in S. 2481, especially grants for specified tribes or tribal organizations, is counterproductive to a rational allocation of limited resources.

Finally, S. 2481 also includes a ``Buy American'' provision that directs the IHS to comply with the requirements of the Buy American Act with respect to its construction procurements. This provision will not apply to the extent that I determine it would violate the Nation's international obligations under the General Agreement on Tariffs and Trade or any other international agreement to which this country is a party.

George Bush

The White House,

October 29, 1992.

Note: H.R. 2481, approved October 29, was assigned Public Law No. 102 - 573.

Statement on Signing the Hawaii Tropical Forest Recovery Act

October 29, 1992

Today I have signed into law S. 2679, the ``Hawaii Tropical Forest Recovery Act.'' This Act demonstrates our intent as a Nation to conserve and protect irreplaceable tropical forests and to provide world leadership in stemming the decline of these forests. It allows us to meet our obligations to the principles of forest management, conservation, and sustainable development that were established at the recent United Nations Conference on Environment and Development (UNCED).

My Administration's ``Forests for the Future'' initiative, which I announced on June 1, 1992, has provided the policy framework for the enactment of this legislation. This initiative places conservation of the Earth's forests as a top priority for our country. For this purpose the United States is committed to new funding, partnerships with other governments and interested organizations, and actions to address the needs of our domestic forests.

Expansion of the Institute of Pacific Islands Forestry in Hawaii is a concrete step in meeting the challenge of fulfilling the domestic and international goals of Forests for the Future and tropical forest conservation generally. This Act will permit the Institute to serve as a center for transferring scientific, technical, managerial, and administrative assistance to organizations at home and abroad that seek to improve the management of tropical forests.

Almost two-thirds of Hawaii's original forest cover has been lost over the last three centuries. This loss has severely affected the State's diverse ecosystems, which are among the most fragile and complex in the world. To better understand these changes and to develop means to conserve these forests for human and ecological needs, this Act authorizes the establishment of the Hawaii Experimental Tropical Forest. This experimental forest will serve as a center for long-term research and a focal point for developing and transferring knowledge and expertise for the management of tropical forests.

This Administration has sponsored many initiatives, such as the ``America the Beautiful'' and the ``Urban and Community Forestry'' programs that have resulted in millions of new trees being planted in our country. With our Forests for the Future initiative as a foundation, the Hawaii Tropical Forest Recovery Act is another important aspect of our overall commitment to understanding and wisely using the resources of the world's forests.

George Bush

The White House,

October 29, 1992.

Note: S. 2679, approved October 29, was assigned Public Law No. 102 - 574.

Remarks to the Community in Grand Rapids, Michigan

October 29, 1992

The President. Thank you very much. May I start by paying my respects and giving my profound thanks to Gerald R. Ford, a great President, a wonderful friend, and a terrific guy.

You guys are fired up. Of course, I am very proud that John Engler is running our campaign. I believe I've learned a lesson for John. A couple of years ago, the pollsters, the media, if you'll excuse the expression -- --

Audience members. Boo-o-o!

The President. No, no, wait a minute. No, they said he had no chance, that he was 10 points back a night before the election. And here he is, Governor of Michigan. And he's a great Governor.

May I also thank Bruce Willis who is with us. I'll tell you, and you know, everywhere I go, everywhere I go I see signs yelling, ``Clean House!'' Why don't you help by sending Pete Hoekstra to the United States Congress. There's one right there.

I'm delighted to be here with your party leaders Chuck Yob, Dick and Betsy DeVos, Dave Doyle. We have a great team going. And let me just say this: Michigan is absolutely essential. We must and we will win the State of Michigan.

Audience members. Four more years! Four more years! Four more years!

The President. May I also just ask for a minute. I'd like to just say a word about a man who is not well today, the great Congressman Paul Henry. As many of you know, he's in the hospital recovering from surgery. Barbara and I just wish him a speedy recovery, joining all who love him in that regard. And our prayers are with the entire Henry family.

Now on to the election. The choice before the American people is a vast difference on experience, philosophy, and yes, character. Character matters. I heard Bruce Willis clicking off some of this, but let me just remind you, for 11 months Governor Clinton and the rest of the liberal Democrats have been running around saying what's wrong with my record. Let me just tell you briefly about his record. It is terrible. So you won't like it, but here it is.

They are 50th in environmental quality; 50th in percentage of adults with a college degree; 50th in per capita spending on criminal justice; 49th on police protection; 48th in percentage of adults with a high school diploma; 48th in spending for corrections; 46th on teachers' salaries; and 45th in the overall well-being of children. And in the debate the other night he says, ``I

want to do for America what I've done for Arkansas." No way! No way!

The President. He brags on the fact that last year, one year, they led the Nation in jobs created. That was the year he was out of the State for 85 percent of the time. And for 10 years, for 10 years they were 30 percent of the national average. We need somebody that's going to stimulate investment in small business, not tax and spend some more.

Governor Clinton -- all they do is talk about change, change, change, change. Now, here's his idea of change: $150 billion in new taxes, $220 billion in new spending, trickle-down Government, numbers that don't add up, and a middle class -- let me tell you this, if these guys come in, watch your wallet. They're going after the taxpayer. And that deficit will explode. It will blow up right in your face.

The last time we had a liberal Democrat in the White House and a Democrat controlling the Congress, do you remember how things were? We got change, all right. We got interest rates at 21 percent. We got inflation at 15 percent. And we got a ``misery index'' of 20. We do not need that kind of change.

Audience members. Four more years! Four more years! Four more years!

The President. Change is all you'll have in your pocket if you put that guy into the White House.

Audience members. Four more years! Four more years! Four more years!

The President. Now, here's the bad news for Clinton and the Ozone Man. Here it is. You know who I mean by the Ozone Man. I'll tell you why I call -- he and Governor Clinton, Ozone and Clinton -- [laughter] -- they want to put CAFE standards -- that's the fuel efficiency standards -- at 40 to 45 miles per gallon on the auto industry. That will throw a lot of Grand Rapids and other people out of work. And we're not going to let it happen.

Audience members. Boo-o-o!

The President. But the bad news for them is this. The bad news for them is there was very good news for this country 2 days ago. And they hate it. They hate it. The only way they can win is to convince America we're in a recession. We had growth of 2.7. We have grown for six quarters. And now let's keep it going.

There's a lot of people hurting. There's a lot of people hurting and worried about jobs. But the last thing we need is to go back to the failed policies of the past. Let's have the United States of America lead the worldwide recovery that will bring jobs to more Americans.

And here's how we're going to do it. We're going to open up new markets. America's the best workers in the world. We can outproduce anyone else. Let's open up new markets through exports and create more jobs here in the United States.

Governor Clinton says that he wants to have Government invest. Government never created any wealth at all. Let's get this, do this: less regulation for small business, less taxation for small business, and less lawsuits for small business.

The trial lawyers are Governor Clinton's biggest supporters. What we need to do on these crazy lawsuits is to put some caps. It's wrong when a doctor is afraid to deliver a baby because of a malpractice suit. It is wrong. It is wrong when a Little League coach is afraid to coach for fear of some crazy lawsuit. And it is wrong if you see an accident along the highway, you're scared to pick up somebody and help them because you're afraid you'll be sued. We must sue each other less and care for each other more.

In health care, we've got the best health care plan for this country. And here's how we're going to get it through. There's going to be a brandnew Congress, at least 100, maybe 150 new Members. And we'll reach out, and we'll say let's do what the people want, make insurance available to every single American and keep the quality of health care up.

Audience members. Clean the House! Clean the House! Clean the House!

The President. We're going to do that. Clean the House! Thirty-eight years, one party. Thirty-eight years they've controlled the House of Representatives. I think it's about time to clean House, I'll tell you. That leadership up there, they can't run a two-bit post office, and they screwed up a little tiny bank. We need to clean House.

You remember that Harry Truman -- it's not giving `em hell, it's just telling them the truth, and they think it's hell. That's what Truman said, and he's right.

Education: We've got the best program to help these kids, America 2000. It's got a lot of great features. It supports the teachers, not that NEA teachers union. Let's help the teachers. Help the teachers. And one thing it says is let's help parents choose the school of their choice, private, public, or religious. It worked for the GI bill after World War II, and it can work to make our public schools better. Let the parents choose.

I've got a big difference with Governor Clinton on crime. You see, I think we don't need a lot of liberal judges on the Supreme Court. He has threatened -- he has made a terrible threat. He says he wants to put Mario Cuomo -- --

Audience members. Boo-o-o!

The President. -- -- on the Supreme Court. No, we can't let that happen. You talk about a disaster, that would be it. In crime -- let me tell you why. We must back up these law enforcement officers who are out there on that street for you and me every single day. The Arkansas prisoners serve only 20 percent of their sentences; Federal, 85 percent. Let's have a little more sympathy for the victims of crime, a little less for the criminals.

And everybody here ought to be worried about the deficit. Let me give you a couple of ways to get that down. One, we almost got it in the last Congress, until that liberal leadership twisted the arms of eight of the cosponsors and made them change their mind.

Audience members. Boo-o-o!

The President. People cosponsoring it. Give us a balanced budget amendment and let's get the job done. Give us a check-off. Give us a check-off so every taxpayer can check off 10 percent of their taxes. And that will have to be applied to lowering the deficit. And third, give me what 43 Governors have: a line-item veto, and cut right through it.

Audience members. Line-item veto! Line-item veto! Line-item veto!

The President. These guys! And fourth, why don't we give the Congress back to the people and have term limits for the Members of Congress. We've got them for the President; let's do that.

But my biggest argument for Governor Clinton -- we've got a big difference on the issues, the deficit, on education, and crime and all of these, but the biggest argument is: I do not believe you can be President of the United States and try to be all things to all people. We cannot have the White House turn into the waffle house. He talks one time about, ``Oh, term limits, yes," and then he's against them. Talks about a fair trade agreement, says he's for it; then, well, he's not sure. And then in the debate you heard him, he says, ``Well, I'm for the NAFTA agreement, but." You can't have a lot of ``buts" in the White House. You've got to call it the way you see it.

And what's catching up with him now, what is catching up with him just as we go down to the wire is this pattern of deception. Look, if you make a mistake in the real world, you say, ``I made a mistake," and you go on about leading the country or about your business. In the White House you should do the same thing. But you cannot be on all sides of all questions. Let me remind you. Let me remind you about the war. During the war, when we had to mobilize -- and President Ford was very generous -- we had to mobilize world opinion and then make a very difficult decision to send someone else's son or daughter into combat. And what did Bill Clinton say? He said, ``Well, I agree with the minority, but I guess I would have voted with the majority." You cannot waffle. You cannot waffle if you want to lead.

Audience members. Boo-o-o!

The President. And that is character. That is character. And if you keep doing it, you lose trust. Character and trust are important. The thing that bothers me is there is a pattern of deception, being on all sides of these questions. He said on April 17th, ``I'm going to reveal my draft records," and we haven't seen them yet. Listen, a lot of people disapproved of the war. But you can't try to have it both ways. You can't say, ``I got an induction," and then, ``I didn't." You can't say that you wrote the man, that you once -- you can't say that you're going to have one position and then another. You've got to stand up and take a position and lead. And that's what being President is about. You cannot lead by misleading.

Audience members. Bush! Bush! Bush!

The President. I'll tell you what's happening out there. Governor Clinton had his transition team moving forward, the same old liberal crowd that was run out of business in 1980. They're all measuring the drapes and getting the carpet ready. And the media said the President has no chance at all.

Audience members. Boo-o-o!

The President. Everyone, hey listen, we've got to get some ground rules on the media. Where's our crowd? Our gang is the good gang. We're giving exemption, we're giving amnesty to the photographers, to those carrying the cameras, and even to those traveling with us. But my ire goes to those talking heads on those Sunday television shows.

Audience members. Boo-o-o!

The President. You're right. There it is. This is the fastest selling bumper sticker in America. There is an enormous demand for this bumper sticker. And all these talk show guys that wrote us off, we're going to show them. Harry Truman said something -- and I'm paraphrasing -- he said, there's 50 of them out there, and none of them know how to pound sand in a rat hole.

So as this thing gets moving now, as this thing gets moving now -- and all the people who were measuring the drapes and all the people that were studying the plans of who they were going to put in office, they're coming up short, because the American people know what the Arkansas record was. They know what waffling and character mean. And I am going to win election on November 3d.

Audience members. Four more years! Four more years! Four more years!

The President. Let me tell you. Let me tell you something. Let me end this way. First place, you've got one good reason to keep me there, and that is that Barbara Bush is a great First Lady, and I wish she were here. But I'll tell you the main one. You're right. You're right, Millie

does know more about foreign policy than Clinton and the Ozone Man. Hey, these guys wouldn't know foreign policy it if hit them in the face. We have changed the world. The kids here today in that band go to bed at night without the same fear of nuclear war that their predecessors did. Ancient enemies are talking to each other in the Middle East. Russia is going democratic. South of our border is democracy. And Ozone and Clinton keep talking about change, change, change. We've already done that. We've already made the world safer.

I'll tell you this. We're getting right down to the wire, right down to the wire. And here is my appeal: Barbara and I both, and our family, have tried to uphold the public trust. And character, Bill Clinton -- Bruce Willis mentioned this -- Clinton said that it is not the character of the President but ``the character of the Presidency." Wrong. They're locked in. They are interlocked.

This country is starting to move. And so I ask -- they say, why do you want this job? You've got a good life with all the family; you're lucky in life. Yes. But I finish what I start, and I want to lift up every single kid here and make them understand we are not a nation in decline. We are the greatest on the face of the Earth, and your future is bright. Your future is bright.

And so on Tuesday, go to the polls. Take your friends to the polls. I ask for your support. I ask for your trust to lead this great country for 4 more years.

And may God bless the United States of America. Thank you very much. Thank you.

Note: The President spoke at 5:05 p.m. at the Gerald R. Ford Museum. In his remarks, he referred to actor Bruce Willis; Republican national committeeman Chuck Yob; Republican national committeewoman Betsy DeVos and her husband, Dick; David Doyle, State chairman, Michigan Republican State Committee; and Gov. Mario Cuomo of New York.

Question-and-Answer Session in Grand Rapids

October 29, 1992

Moderator. Okay, something about the questions that you're going to hear tonight: Contrary to some of the reports that some of you may have heard, TV - 13 and Channel 4 in Detroit have selected the questions and selected the audience participants. There was no outside interference or approval from the Bush-Quayle campaign or the White House.

There are a lot of questions, so without further ado, let's get to them. Ladies and gentlemen, I'd like to introduce you to the President of the United States, George Bush.

The President. Thank you very much. Fire away, Mort.

Moderator. Thank you, Mr. President. Thank you for being with us tonight.

The President. Delighted to be here, Mort.

Moderator. We have gotten a lot of questions from people all over this State. And needless to say, a majority of them have concerned themselves with the economy, jobs, the business climate, taxes, things that go directly to the wallet.

Job Retraining

Q. I have a question related to jobs. Despite the recent very minimal increases in growth, our economic crisis has resulted in a recent General Motors loss of more than $750 million. We are told that as many as 40,000 more auto workers will soon be out of work as a result. Aside from your position on modification of CAFE standards, I'd like to know specifically what you plan to do that will assist the working men and women of our great State of Michigan.

The President. In the first place, I'm not sure I agree with your premise on the minimal growth; 2.7 is a fairly good growth. We have grown for six straight quarters. And yet the opposition keeps saying we're in a deep recession. If somebody's out of work, I'm sure he feels we're in a recession or a depression. So what we've got to do is get them back to work.

I favor increasing our exports. Exports are going to lead us out of this global slowdown. I favor job retraining. You asked about people that might be out of a job. We have a vigorous $10 billion job retaining program. I think that's essential. But the main thing is to stimulate the economy, particularly the small business sector, through investment tax allowances, through capital gains reduction. Democrats all say that's a big break for the rich. It isn't. It will help people start businesses. Then, of course, I think that that first-time homebuyers credit -- take a family that wants to buy a home for the first time, give them a $5,000 credit, and not only

they'll get part of the American dream, but it will stimulate the entire housing industry.

I think those three specifics are good. But the big difference I have with Governor Clinton on this is they want to come in and invest, have Government invest. Government never produced a constructive job in its life. It has to be the private sector. So the big difference I have is when they say they want to raise $220 billion in more spending and raise taxes. I think that would be the most counterproductive thing for an economy that is growing, albeit too slowly. Education, job retraining for the individuals you asked about.

Q. Among minorities, unemployment is a major concern. I'd like to know what specifically you would do to improve the educational and job training opportunities for minority people.

The President. Bernard, good question. We have a program called Job Training 2000. And it's a good one, and as I say, it takes people that are working and gives them a chance to get job training while they're working. That's a new approach, apprenticeship approach.

The best answer has got to be -- you asked about education. I can't see where he is -- I guess out there -- education. We have a bold, new program called America 2000; 1,700 communities are already participating in it. You know, school choice -- parents should be able to choose the school of their choice, whether they're religious, public, or private. And say, oh, that will diminish the public schools. No, it won't. It didn't do it when you had the GI bill. It will be a good thing, and it's working in Milwaukee in areas very much like downtown Detroit.

So education is a little longer run; job training is the shorter run, job retraining.

Government Gridlock

Q. Mr. President, if you're reelected, how do you specifically propose to enact your post-cold-war economic agenda through a Democratically controlled Congress?

The President. Oh, that's going to be much better. First place, the time you get something done is the first part of your second term, no politics on the horizon, no more rallies, no more debates, maybe more of these kinds of things, but no more of the politics.

Secondly, because Congress, who has been controlled by one party for 38 years, has been in such disarray, they've disgraced themselves so much by fouling up a little tiny bank and a little tiny post office, you're going to have at least 100 new Members. Might have more than that. So what I'll do is sit down with these new Members, and they'll be listening to the same voters I am, and say, now let's get the people's business done. It's going to be done. I'm getting more confident. When I'm reelected, it's going to be done on the plan that I've been talking about, not the invest-and-grow-Government plan.

He calls our plans for the economy trickle-down. It's trickle-down Government to go back to what Governor Clinton's talking about. We're not going to do that. But the way of getting it through the Congress is to start right in, sit down with them before they even take their seats, and say, now look, you're all brandnew around here; you don't have to do it the way it was -- always been done by your leaders.

Let me give you one example. I favor a balanced budget amendment. That's not going to cure everything, but many States operated under it, including Arkansas. I want that for the Nation. It passed the Senate. We had it down so it's almost passing the House. We needed eight votes. The Speaker and Mr. Gephardt twisted the arms of cosponsors, people that had actually cosponsored the legislation, and we lost it by I think it was four votes, three or four votes. That won't happen in a new Congress.

You know, I want the line-item veto. I want the balanced budget amendment. I want a check-off so taxpayers can say, hey, we're worried about the deficit; make the Congress put this much money into deficit reduction. But the fundamental political science answer is new people get new things done.

The Economy

Q. Mr. President, last evening the ABC News went back to New Hampshire and talked with a lady about, well, about how well she had done over the past 4 years. During that time her employer had had layoffs but has recently hired back, I believe, 17. She has received this year an increase of 4 percent in her wages. She stated that she now has approximately $4 per month deducted from her pay for health insurance, et cetera, that she didn't have 4 years ago. How do you answer people who appear to be living at about the same level as 4 years ago, and what do you feel that you can do for them for the next 4 years?

The President. Well, I'm delighted that somebody found somebody in New Hampshire that had some good news, because every time I see one of these network programs you find somebody that has bad news. The unemployment's gone down for 3 straight months. And yet the minute they say, well, unemployment is down, ``Bad news for President Bush: job market shrinks." Here's Joe Schmaltz over here from New Hampshire, and he's having a tough time of it. So first, I'm delighted that somebody is doing a little bit better.

I think the answer -- first place, our productivity is way up in this country. We are more productive than any other nation. We are not a nation in decline.

Secondly, we've got interest rates down and inflation down, which poises this country for a real strong growth.

Thirdly, the biggest growth for jobs that will pay better for this woman will be in exports,

increasing our sales abroad, creating jobs in America. We've got the best product, the best workers. And you do that through continuing on my approach for a fair trade agreement, free trade agreement with Mexico. I want to do the same thing with Chile. I want to do the same thing in Eastern Europe. And I know some of the labor union leaders don't like that. They try to tell the workers, rank and file, that's going to mean shipping jobs abroad. It is not. And it's exports that's going to lead this world out of this slowdown.

By the way, we are doing better than Japan and Germany and France and Canada. And I think I'd like to get that in perspective tonight because everybody listens to -- those who listen to the other side think that the whole thing is in decline, and it's not.

That's what I'd say to her. And more productivity. If you want to challenge up into a higher level kind of job, look at our six national education goals. The first President to ever have the goals adopted for this country. All 50 Governors -- and I give Governor Clinton credit for this; he was activist in this. He helped the President, me, get these six education goals set. One of them is you're never too old to learn, which means more job retraining. And the other one, the second one, is more math and science. It's very difficult for a woman who already has a job. But for the future, to get the levels of pay up, we've got to do a better job on education.

So it's a combination of these things, in my view, that will make her life better. But do not believe the American dream is dead. We're going to grow more. We've been told for months we're in a recession, and we're not. We've got growth out there. If we listen, have sound policies, and don't go back to the failed ``misery index'' days of Jimmy Carter with interest rates at 21 or 19, between 19 and 21 percent, and inflation at 15. Spend and tax, spend and tax got us there. If we don't do that, I think that this woman has an enormously challenging and bright future.

Capital Gains Tax

Q. Mr. President, you propose a capital gains cut to stimulate the economy. Isn't it likely that this will only increase the bipolarization in the classes, since it traditionally favors the rich?

The President. I don't think so at all. There was a thing called the Steiger amendment in 1978, where capital gains rates were reduced. And it resulted in a splurge of new businesses being started. I realize that if you are just trying to get some facts out there, all you hear from the Democrats is that that helps the rich. It is small business that benefits from that. It is small businesses that get started from a capital gains reduction, particularly in the science and electronic fields.

So I would say it isn't just rich people that benefit at all. And it's going to stimulate the economy. So for those who think it's a break for the rich, I just disagree with them. And I've got evidence on my side through when Bill Steiger of Wisconsin got it passed in '78, it gave a

real surge to the economy.

Moderator. President Bush, we thank you. And in a moment we're going to be back to talk about other issues that are obviously of great concern to people around the State of Michigan. One of those, perhaps ranking right up there with the jobs situation, at least for people in the city of Detroit, is the issue of crime. And we'll have a question on that subject when we return.

[At this point, the television station took a commercial break.]

Urban Policy

Q. Mr. President, I see my neighbors locked behind their doors with bars on their windows. I've had two cars stolen. I see crackheads on the street. And I want to know what's your plan to combat the urban crime, the urban problem of crimes, drugs, and guns.

The President. You know, that's a very good question. And some of the areas that are impacted like his, really there's a sense of hopelessness. Mothers don't dare go down to the corner store at night. I'll tell you what I think we need to do. I think we need to get some stronger anticrime legislation. Then I'll tell you what else I think we need to do. By stronger anticrime legislation, I think we need to back our police officers more, people that are risking their lives for his neighbors and anybody's neighbors. By that I mean we've go to pass changes to the exclusionary rule, a little technical, but it says if a police officer arrests a guy and then he has a slight technicality, not malicious, not willful, that that case is not going to be thrown out of court.

I want to see habeas corpus reform. I am not a lawyer. I wear that badge proudly. But I do think that these endless appeals make swift and sure and fair sentencing much less likely. And so we need to change the habeas corpus reform, reform habeas corpus. I happen to believe we need a stricter Federal death penalty for those who kill law enforcement officers.

So I am for much stronger legislation. Again, I've battled with the gridlock guys for a long time on that. But the new Members coming, I think we can get that done.

Now on the hope side. We have a program called ``Weed and Seed." And it is an outstanding program. It's already working in Detroit under a program called Reach where a private guy, a minister, I believe it is, works with some Federal money to make it work. ``Weed and Seed:" weed out the criminal elements through tough law enforcement and then seed the neighborhood with hope. That means enterprise zones, which we have been battling to get through in the Congress; more homeownership; tenant management, where the tenants manage the property to bring back pride.

But on his point, we must go with tougher law and Federal law enforcement. You know, I can't

speak for the locals, but I back the police, and I was very pleased when eight guys from Little Rock, Arkansas, the FOP, the Order of Policemen, came up and endorsed me for President, because I think they know I back them with strong legislation. But I don't think there's any other answer to it.

One other thing. We've got to win the battle on our antidrug fight. We're doing better on interdiction. Sixty percent lower use of cocaine by teenagers, that's good. But where we're not making progress is with these addicts, the addictive age. Crack cocaine is just brutal for them. So we've got to do better in terms of interdiction, and we've got to do better in terms of rehabilitation and treatment. And drug spending, antidrug spending from us is way, way up.

School Choice

Q. President Bush, this question goes back to the issue of education in our society. You have proposed allowing students to attend the schools of their choice, and this would mean that students who have more resources would be able to attend the more affluent schools, leaving those who are socio-economically disadvantaged in the poorer quality schools. How would your proposal help those who are socio-economically disadvantaged, and what do you propose for improving the quality of disadvantaged schools?

The President. The first place, my program for school choice was tried first in Milwaukee, Wisconsin. A Democratic Mayor and a Democratic legislator, a woman named Polly Williams, decided something different had to happen there. Polly was told that her kid was dysfunctional, going to a lousy school. They worked out a choice program at the Milwaukee level. And her kid is now performing well. And the school that wasn't chosen is making itself better.

The GI bill after World War II went to an individual soldier getting out of the armed service. He could choose public, private, or religious. That did not hurt the State universities. The same thing would be true with this plan. The answer to the socio-disadvantaged is to do what my program calls for: give them a stipend to choose whether they want a public school, fine; private school, fine; or religious school, fine. As you do that, you're going to find that the schools not chosen are going to better themselves.

There's plenty of examples. Rochester, New York, has some of that. Milwaukee, I've already mentioned. So we ought to try it. And my program's called the ``GI bill'' for kids. It helps the kind of person that she properly was identifying with and talking about. I think we ought to try something new. Education and the control of the Congress are two things that haven't changed in years, and we ought to change both.

Moderator. President Bush, as a followup to that, there are those, and you're well aware of it, who claim that this program of yours is flirting dangerously with the separation of church and state.

The President. Uh-uh. No, because it doesn't go to the schools, it goes to the parents. Did anyone make that claim, Mort, after the GI bill? Is anyone saying that violates separation of church and state? It doesn't. It goes to the family. And the families can choose what they want. Does a Pell grant blur the lines between separation of church and state? I don't think so. So I would argue that since it goes to the people, goes to the family, it is not a separation of church and state problem.

Q. Mr. President, I represent many parents in this community that sacrifice greatly to send our children to the Christian schools so they can enjoy the religious freedom that this great country was built on. We also pay property taxes, which go to support the public schools. My question for you is, will your ``GI bill'' for children go far enough to give us relief from this double payment? And alternatively, what are your views on tax deductions or tax credits for this?

The President. Well, tax credits is a good idea, but I don't want -- level with you, there isn't enough money around when we're operating at these enormous deficits to do that. But the school choice will supplement your family income to permit them to go to this school that you've already chosen. But I don't want to mislead you. I don't believe that you can, even though there's -- you're choosing, you're choosing the school. I don't think I can offer more than this ``GI bill'' for people that choose.

I like the concept of tax credits. But I just don't want to mislead you. I don't think that that's going to be enacted in the next few years because of the deficit we're operating at and because of the need to try to live within our means a little more at the Federal level, thus stimulating more jobs in the private sector.

Bosnia

Q. Mr. President, what in your opinion is the main obstacle that hinders the United States from intervening in the killing of innocent people in Croatia and Bosnia?

The President. The main obstacle is that as long as I'm President, I'm not going to put American forces into a troubled situation unless I can see what the mission is, I can see how that mission is going to be achieved, and then I can see how those troops come out. I'm old enough to have learned something from my own experience in uniform. One of it was World War II. We fought and won. Everybody had everything they needed to get the job done. Vietnam, we didn't. And the horrible problems that your loved ones face cannot be solved by putting the 82d Airborne division into Bosnia. It simply can't be done.

He's torn because there's these tremendous historic ethnic rivalries that are now coming to the surface because of the collapse of Soviet communism and thus the iron hand that they once had over all these different, now independent countries. We are helping. The United States is helping with relief. We always do. We always should, as we are here, as we are in Somalia and

elsewhere. But I don't want to act like we're going to solve this problem militarily.

We took the lead at the United Nations in passing a no-fly zone, so those Serbian aircraft would not bomb the hapless citizens. And it is working. The question is what do we do in terms of enforcement if it doesn't work, and that's a question that any President will have to face at the appropriate time. But it does not lend itself -- I say this to him with great angst -- to put American kids on the ground, in these mountains, down into an area that looks like Dien Bien Phu. And I simply won't do that as President, unless my respected military leaders, Colin Powell and Dick Cheney, come and say, ``Now, look, here's the way you get them in. Here's their mission. And here's when you get them out." We did it in Desert Storm. We'll do it -- but I don't believe that's going to happen.

Somalia

Moderator. Mr. President, a followup to that. There are those who, having seen the pictures of the enormous tragedy in Somalia, the starving children, the death, the devastation there, feel that the United States with all of its wealth and traditional compassion has reacted too little and too late to assist the people of Somalia. Your response to that?

The President. My response is they're wrong. They're right in the angst and the agony one feels in one's heart when you see those ghastly pictures of those starving kids. But it is the United States that has taken the lead in relief.

And you've got a problem, Mort. Again, you've got almost anarchy over there. You have warlords controlling the ports. They're armed. They go -- and they're shooting up the United Nations forces. We were very active in the United Nations to get U.N. forces on the ground. But they're having difficulty separating these warlords one from the other. We're sending our supplies in there. We are helping.

I had quite a positive report the other day, because some of those kids -- the pictures, my gosh, they just kill you, the little skinny arms. And it just wrenches the heart of any American. But the good news is a lot of those kids getting any nourishment are coming back. And I think we can take pride that once again we have stepped up to the lick-log and done our share.

So I would argue with those who say that we're not doing our part. We are. And maybe you can say, well you never do enough. But then you've got to look at the situation on the ground. There's anarchy there. It's a terrible thing. Once the Siad government went out, you've got all these factions shooting, fighting, killing. Seventeen-year-olds with weapons from the former Soviet empire just shooting it up on the port, stealing the relief supplies, and taking them for their families and leaving these kids starving. It is tough.

Middle East Peace Talks

Q. How do you plan, Mr. Bush, to keep the Middle East peace talks going in a fair and representative manner? What do you hope that each side will ultimately aspire to, and how will it affect the global community?

The President. Dana, I never thought anybody would ask such an intelligent question, because I've been running this campaign -- you might think foreign affairs don't matter. Look -- and this gives me a chance to hit it partially out of the park. Because of what we did in Desert Storm, we were able -- with the able leadership of a great team, Jim Baker, who's with me here tonight, and Brent Scowcroft in the White House and Larry Eagleburger and many others -- to get these parties, historic enemies, talking to each other in the Middle East. If you'd have said when I became President that Arabs would be talking to Israel, nobody would have believed it. And we did it. We did it by defending our own foreign policy interests. We did it by helping kill aggression.

So the talks are going on, and in my view they will continue to go on. There were some cross-border problems in Lebanon and Israel the other day, but I think the talks are going to go on because I think all sides want it. You're seeing progress. You're seeing Syrian Jews permitted to leave, and you're seeing much more in the way of talking.

You asked what do I aspire for, to do: Simply to have peace in the Middle East. It's got to be based on the U.N. Security Resolutions 242, 338, which talks about getting the borders adjusted, safe and secure borders for Israel. And you're going to -- have to be compromise. But they're talking. And it is a dramatic accomplishment.

There's so many factions there, the Syrians and the Palestinians and the Lebanese, that I can't give you a formula in 10 seconds about it. But I am convinced that the talks will continue. They want peace. And all the Arab countries are pitching in. We are the first administration to ever bring about that kind of widespread negotiation.

Moderator. Do you think if you were reelected for the next 4 years, it is possible to get some kind of a settlement once and for all?

The President. I would think it's possible. I wouldn't want to hold out a false goal. But I think it's possible, yes. That's a good word for it, possible. But it's very important that it do happen. We have a special relationship with Israel because of the way we've conducted our foreign policy. Again back to the Gulf, we have very strong relations with Saudi Arabia.

I took a little flak for talking to Assad of Syria in some quarters. But it was the right thing to do, and now Syria is having some discussion at these peace talks with Israel. Who would have thought that possible?

So I think it is possible. I certainly hope it's possible.

[At this point, the television station took a commercial break.]

Polls

Moderator. And we are back in Grand Rapids for a live statewide town hall meeting with the President of the United States. We're going to talk politics just a minute, oh my goodness. We're going to talk about the polls that have been out in the last couple of days. They've shown a narrowing, no matter how you read them. How do you respond? What do you think is happening?

The President. Well, you're talking to a guy that berated the pollsters when they were looking horrible -- [laughter] -- about a week ago or 2 weeks ago. You're talking to a guy that was written off by the talking heads in the national media. So I think it might be inappropriate to try to analyze the polls when they're looking very, very encouraging, because then the talking heads will come on and say on Sunday morning with the Republicans, Democrats, all of whom have written me off, ``Hey, here he is. Said he doesn't count on polls, and he's talking about how great the polls are."

Leave the poll aside; something's happening in the country. There's some change. There's something that's beginning. I'll tell you what I think it is. I think people get serious at the end. And I think they are really saying, who do you trust with your family, in a crisis, to be in that Oval Office? Who has the character? Who do you trust? I honestly believe that's what's beginning to happen out there.

So I'd rather not comment on the polls because I'll get hit in the face with them if they goose up about three points tomorrow, you know. [Laughter]

Moderator. You don't still consider them all nutty pollsters, though, now.

The President. Well, I'm less inclined to say that, but -- [laughter] -- but to be very candid with you, but look, how do they jump around? How does one poll have 10 points and the very same day the other one have 2 or 20 points and 3? Something's strange. And I don't know what it is. It's the weirdest political year I've ever seen in my life. And the pollsters can fit right into there. Now they do seem to be coming together in a -- you know, but we'll see. I just don't know.

Ross Perot

Moderator. As a good reporter, I have to tell you what I observed. And during our break a while ago, President Bush got a big laugh from this audience when he picked up a magazine

and flipped through it and said, ``I want to be like Ross Perot and have my flip charts."

Well, we do have a question about Ross Perot.

Q. Good evening, Mr. President. My question is rather brief. If you are reelected, do you have any intentions of putting Ross Perot on any economic committees?

The President. Well, not the one in charge of gas taxes -- [laughter] -- because he wants to raise gasoline taxes 50 cents a gallon over 5 years. I don't want to do that. I think all people that have to drive to work, particularly with long distances, it's a bad thing to do. I don't think we need to raise the taxes. I've got a difference with him on Social Security, where he thinks all mandatory programs must be cut to some degree, and he included at one juncture Social Security. I don't believe we should touch Social Security. It's a sacrosanct trust, and I don't think we ought to do it.

I've already consulted Ross Perot when I was Vice President on the POW thing. I give him credit for having a dedication in that area. But I don't really know on the overall economic -- anybody that makes himself $3 billion has got to be pretty bright on some of the economic matters. So I would reach out to a wide array of people. But I've got to be a little vague because we do have some fundamental differences as what we need to do to get the economy going.

AIDS

Q. The 1991 report of the National Commission on AIDS states that the people of the United States must either engage seriously the issues and needs posed by this deadly disease or face relentless, expanding tragedy in the decades ahead. Mr. President, you've been accused of failing to respond to the recommendations of your committee. How do you respond?

The President. One, it's not my committee. And two, I respond by saying we've increased AIDS spending dramatically. I requested in the last year $4.9 billion. That is 10 times as much per AIDS victim as is spent on cancer. We've got a strong program. The NIH researchers, National Institute of Health researchers, are the best in the world.

We get plenty of criticism, but here's my view on it. We must continue with AIDS research at substantial levels. We have sped up the coming to market of AIDS-related drugs, having to stimulate, get that FDA to move those drugs to market. And then I've got to do a better job on education, because AIDS is a disease where behavior matters.

I said that one time, and a bunch of these crazy ACT - UP, the extreme group that hurt their cause, came up to a little town where Barbara and I were and started saying, Bush ought to change his behavior. When you're doing something that is known to cause the disease you

ought to stop doing it, whether it's a dirty needle or some kind of a sexual behavior that is known to cause the disease. In addition to being compassionate, in addition to spending money for research, we ought to be sure that everybody knows what causes the disease. People that do things that cause it ought to stop doing them, whether it's dirty needles or what I've just referred to.

I feel uncomfortable talking about it. But the people at NIH asked me to make clear to the American people that AIDS is a disease where some of it is behavioral. So we ought to change behavior if it's going to cause more of the disease.

Moderator. Mr. President, speaking of your Commission on AIDS, in a much-publicized move, Magic Johnson, of course, resigned. Why do you think he did that?

The President. I'll be darned if I know. I had a good meeting with him in the White House, and said, ``If you've got any specific suggestions, let me know." I never heard from him after that.

I do have some differences with the Commission. The reason I answered her tersely is that it is not a Presidential commission. It might be Presidential level, but some of the people on there are not appointed by me; some are. And I have respect for them. But they are far out. They want more, more, more. And I have to sort out priorities for all diseases that the Federal Government can help spend money on. How about cancer? How about heart? How about all of these diseases? We're dealing with somewhat limited resources. In spite of that, AIDS -- I want to say doubled since I've been President, but it's a major increase. But I have some differences with the Commission.

I've met with the Commission. I've gone to NIH and held a seminar with AIDS victims, young kids whose lives were going away, teenagers and young men, and held AIDS babies in my arms. But somehow the extreme elements in that community refused to say that we care about it.

You know, they had this big quilt ceremony out on the lawn, south of the White House there. It was a very moving thing, because I saw a lot of pictures of it. And one of the AIDS activists said, ``Well, why didn't you go?" And I said, ``I didn't want to go to take something solemn and sensitive and be a lightning rod for the extremes." That's why I didn't go, and that's why Barbara didn't go. She's a very caring person.

Abortion

Q. Many college students support the freedom of reproductive choice. If you would support your granddaughter's choice to have an abortion, then why would you not want us to have that same choice?

The President. I don't support her choice of having abortion. The question was, if she had an abortion, what would I do? I'd love her. I'd hold her in my arms and comfort her. If she came to me for advice, I'd say, ``Hey, listen, I come down on the side of life." I'm appalled that there's 28 million abortions. So it's a very tough issue. It divides everybody. People get mad at each other. People get hurt on the issue. I happen to opt for life because I -- and we have two adopted grandchildren. Thank God they weren't aborted. So I feel that way.

But I'll tell you where I think choice -- let me ask you something. I can't -- through this television set here. But let me ask you: A 13-year-old can't get her ears pierced or take medicine without getting the parent's approval. Yet a 13-year-old, according to some of these people, ought to be able to have an abortion. I don't think that's right. I think parents should have to have a say in this. There's a big difference I have with some of the women's movement out there.

But I will say this: I do recognize there are strong differences. I have just concluded, after a lot of agony and evolution of position, that we ought to err on the side of life and not on the side of more and more abortions.

Environmental Policy

Moderator. Mr. President, a lot of people believe that the ultimate ability to sustain life on this planet will be directly linked to how well we preserve it and take care of it and clean it up. Environmental issues are big this year with a lot of people, and we have somebody standing by in Holland right now who has such a question on their mind.

Q. Mr. President, 4 years ago you claimed to be an environmentalist. But last summer in Brazil our country failed -- and was one of the only countries, if not the only one, that failed to sign on to an agreement to protect biological diversity. And furthermore, our country sought to weaken one on protecting the global environment from increases in global temperature. Repeatedly your administration has also sought to weaken the Clean Air Act and the Endangered Species Act, as well as to permit increased oil exploration in the Arctic National Wildlife Refuge.

The President. We're strongly for that.

Q. And also to decrease the amount of protection to wetlands. My question then is if you're elected for another 4 year term, are we going to continue along the same path vis-a-vis environmental issues, or are we going to see some change in environmental policy that a lot of folks in the country think is important?

The President. Well, professor, you sound like Ozone Man, Mr. Gore. I am not an extremist. We have a good, good record on the environment. We've done more for the oceans. We passed

the Clean Air Act. We've done great things for the forests. But I do not consider it leadership to go down to Rio de Janeiro in front of a bunch of NGO's, non-government organizations, and try to buy their favor by getting in line, buy a lot of other people who want to go after our biodiversity proprieties, our research. We have a strong record in biodiversity. But I simply don't think that just getting in line and signing up for a treaty is a good thing to do. We're the leaders on it, and because of what I did, we will be in a much better position to share our research with other countries.

On climate change, we did change it a little bit, because I don't want to see us burden the automotive industry with the kind of costs that the Europeans wanted us to put on the industry.

What I'm saying -- you mentioned the Endangered Species -- yes, I came down in favor of a more moderate consideration for this owl out there, the spotted owl, because 30,000 American families -- somebody ought to think about them, too.

So I think we've got a good record. But my difference is, when you come up here to the auto industry and suggest we put 40- to 45-miles-per-gallon CAFE standards, these fuel efficiency standards -- who's going to think of the auto worker's family? Yes, it would be nice to be able to say that. Who's going to be able to produce cars with that kind of thing right away? Nobody. And so we've got to find some balance.

Moderator. President Bush, on the subject of CAFE standards, you have repeatedly charged that Governor Clinton has set 40 or 45 as something he would like to legislate. We've gone back and listened to the tapes and examined his speeches. He insists that he has set that as a goal, that it's something we ought to aspire to. Would you accept that as a goal?

The President. No. I don't want to set it as a goal until I'm told by good scientists it can be achieved without putting a lot of people out of work. I wish I had my notes here with me, because I read a specific quote from Clinton's energy strategy that had it calling for legislation.

Yes, he's changed his position. But that gets back to a whole other argument I've got with him. You're changing wherever you go, whether it's the free trade agreement, whether it's on your own record on the draft, or whether it's clean air standards. You can't do that.

So if you want to set a goal for way out there, fine. But let's not go to the extreme on these environmental matters. We've got a very good record on the environment. We've got a great environmentalist in Bill Reilly heading EPA. We've got a good record on wetlands. But I'll tell you, with all respect to the professor, maybe he's pretty reasonable, but I couldn't tell it from the way the question came out, because we can't go off to the extremes and still talk about how we're going to help all these people that are looking for jobs.

Leadership

Q. Mr. President, you were elected to provide leadership in the governance of this country. Good leaders get results through working with people and through people. Good leaders are also held accountable for results. My question is why are you constantly blaming Congress for your failures?

The President. Well, I'm not always blaming them. I'm just trying to shift some of the blame where it belongs, to the Congress. They appropriate every dime. They tell me as President how to spend every dime. I have gone up -- I'll give you a good example, Larry. It was Larry, wasn't it? I'll give you a good example anyway, whether it was Larry or not. [Laughter]

Look, after South Central riots over there in Los Angeles, I sat down with Mayor Bradley, a big Democrat out there; the Governor, a Republican; Peter Ueberroth. They said what we need is enterprise zones. Every one of them agreed on that. I went to the boys club there in the neighborhood that had been wiped out by these rioters. Everyone said we need enterprise zones. I invited them back. We met with the Democratic leadership, Speaker, Mitchell, Gephardt. I still haven't got the kind of enterprise zones legislation that would have helped South Central and would help Detroit today. It's not my fault that the Congress refuses to go along. Here was a bipartisan appeal. I give you but one example of that.

You talk about leadership. I didn't need Congress in the war, and we forged the coalition. We made a tough decision. We dragged some of the reluctant ones along, and we did what had to be done. And so there is a difference between national security policy, foreign affairs, and some domestic policy. We got some things done early on with Congress. The best piece of civil rights legislation in this decade is the Americans for Disabilities Act. We passed it. We got a good child care bill. We now have a highway bill.

But I'll tell you, they made a decision: The only way we are going to win the White House is by denying the President success on some of this terribly important domestic legislation. That is the fact. And if you want to help change it, clean House. Clean House, and give some new ideas a chance that are just stymied by these old thinkers.

President's Motivation for Reelection

Q. Mr. President, why do you want 4 more years as President? What's your motivation?

The President. Well, I'll tell you something, that is a profound question, because -- look, Barbara and I have got a pretty good life. This has been the ugliest year I can ever remember in terms of politics. It has been terrible. Ironically, it's true around the world if you look -- have a broad perspective. But I like to finish what I've started. I believe that this country is not in decline. I believe we're a rising nation. I believe we can ameliorate the problems that we're hearing about here tonight with the answers that I've given you here tonight. And I just feel

driven to try to help achieve our education goals, to win the battle against narcotics, to do better with the new ideas I've got on housing.

So get in there and finish what you start. And that's what does it. Because, beckoning out there, let's face it -- everyone knows everything about my worth or lack thereof, or debt or lack thereof. Life's been pretty good to me. I'm big in the grandchild business now, and someday I'll get a lot bigger in it.

But you set these things aside. I want to finish and try to help people. That's what motivates us. Because otherwise, in this kind of year, why in God's name would anybody in his right mind want to be in this arena, when anybody can take a cheap shot at you. It's the worst. I've never seen the national media, ever, anything like this. I've never seen them having seminars -- ``Have we been fair to President Bush'' -- before, a President. They're doing it. Ted Koppel comes on, ``Oh, yes, they're wondering whether they've been fair.'' They know darn well they haven't.

Go around them. Go to the people. Get the job done. But it isn't much fun. But it's going to change after the election. Help me.

Moderator. Speaking of change, Mr. -- I'm sorry?

The President. No, no. I'm finished.

Asian Americans

Q. My question is, you've made a concerted effort to hire African Americans and Hispanic Americans to your Cabinet. You often speak of Asian Americans as like a model minority, but very few can be found in your administration. What plans do you have to redress this issue?

The President. Good question. And I think we can do better on that. There's none that I know of in the Cabinet. We have, I think -- you know, all these people, ``We have appointed more Asian Americans'' -- I believe I have, at high levels; not in the Cabinet. But I take your point. I think we ought to strive to do better. But I think if I could -- I don't know how to get a hold of you -- but send you the analysis of Asian Americans in high-level jobs, I think you'll find that it has exceeded the record by any other administration.

But I take your point on Cabinet. I think there's some status and standing to Cabinet that gives groups of all persuasions a certain hope. Maybe we can do better there.

Urban Policy

Moderator. Mr. President, there is a perception, certainly in the city of Detroit -- I can't speak

for all American cities -- that beginning with the election of Ronald Reagan in 1980, nominated in the city of Detroit, as you well know, that the administration simply has ignored the cities; the theory being that inner-city people aren't voting for Republicans, so therefore let's go out and work with the areas where we're getting the most votes. Is that a true perception? If it's not, how do you break it down?

The President. It's not a true perception because I have just cited some things that would in a very likely way lift up and give hope to urban America. And I'm talking about empowerment of people as opposed to Government jobs. I'm talking about enterprise zones. I'm talking about homeownership. Again, I'll cite ``Weed and Seed.'' I believe that those programs and those ideas ought to be tried.

Some say there's no new ideas. They're new until they've been tried. Instead of that, you have a lot of these bosses in these cities that haven't had a new thought in years. They promise the people one thing, tell them to vote the straight lever, and then the people say, ``Hey, I didn't get anything out of anything.'' Why don't they try some new ideas? Why aren't they willing to try what I've said, for example, start out on enterprise zones?

Moderator. Mr. President, time flies when we're having fun. And we do thank you. The hour is up. It's been a pleasure having you in Grand Rapids to address the people of Michigan through this statewide network.

The President. Thank you, Mort.

Note: The question-and-answer session began at 8 p.m. at the West Michigan Public Broadcasting Center. News anchors Lee Van Amede, WZZM - TV, Grand Rapids, and Mort Krim, WDIV - TV, Detroit, served as moderators for the session.

Statement on Signing the Veterans Benefits Act of 1992

October 29, 1992

Today I am signing into law H.R. 5008, the ``Veterans Benefits Act of 1992.'' This bill, which is a landmark in veterans' legislation, reflects America's continuing recognition of the invaluable contributions that veterans and their families have made to our Nation. It includes a major reform of the Dependency and Indemnity Compensation (DIC) program and significant improvements in a variety of other veterans' benefits.

H.R. 5008 brings a new measure of fairness to the DIC program, which provides benefits to the surviving spouses and children of those who die in service or whose deaths after service are related to their service-connected disabilities. Under current law, DIC benefits are based on military rank and length of service. As a result, survivors who have experienced the same misfortune -- a service-connected death -- receive widely differing payments.

H.R. 5008 replaces this inequitable system with one in which surviving spouses receive the same basic monthly payment of $750. This is $134 more than the current minimum DIC payment. Recognizing the effect that total disability can have on a family's income, the bill provides an additional $165 per month to families of certain service-disabled veterans. For families with children, the current per child benefit is increased, almost tripling by fiscal year 1995.

Education benefits available under the Montgomery GI Bill also increase under H.R. 5008. Our Nation has a proud tradition of assisting veterans in the smooth transition from military to civilian life through educational and training assistance. Indeed, the GI Bill programs have been widely acclaimed as the best investment America has made. These programs have promoted quality education for our country's veterans, providing them the opportunity to be the best that they can be. This Nation remains committed to these programs.

I am also gratified that H.R. 5008 benefits our veterans in many other ways. It improves the Department of Veterans Affairs programs of educational assistance, vocational rehabilitation and training, and insurance. In addition, H.R. 5008 restores eligibility for Veterans Readjustment Appointments with the Federal Government to all Vietnam-era veterans through December 31, 1995.

I have often said that we must remember a statement made by President Kennedy: ``A nation reveals itself not only by the men and women it produces, but by the men and women it remembers.'' On behalf of the American people, I am proud to sign this bill that expresses our Nation's gratitude and continuing commitment to our veterans and their families.

George Bush

The White House,

October 29, 1992.

Note: H.R. 5008, approved October 29, was assigned Public Law No. 102 - 568. This statement was released by the Office of the Press Secretary on October 30.

Statement on Signing the Federal Courts Administration Act of 1992

October 29, 1992

Today I am signing into law S. 1569, the ``Federal Courts Administration Act of 1992." I am pleased that the bill explicitly authorizes an American national to file suit in the United States for the recovery of treble damages against the perpetrators of international terrorism. This will ensure that, if needed, a remedy will be available for Americans injured abroad by senseless acts of terrorism.

My approval of this bill also enacts a number of recommendations made by the Federal Courts Study Committee and contains a number of other important provisions for the judicial branch and its personnel. In addition, the bill makes certain important amendments to the Contract Disputes Act -- amendments that will serve to provide a more efficient and fair resolution of contract disputes for many of those who do business with the Federal Government.

S. 1569 abolishes the Temporary Emergency Court of Appeals (TECA), which was established in 1970 to rule on appeals of certain oil price control cases. TECA's appellate jurisdiction will be transferred to the U.S. Court of Appeals for the Federal Circuit. I hope and expect that the Federal Circuit will adopt TECA precedent, just as the Federal Circuit earlier adopted Court of Claims precedent when its appellate jurisdiction was transferred to the Federal Circuit. Adoption of TECA precedent would reduce any uncertainty prompted by the change of appellate jurisdiction, reducing delay in resolution of these matters and assisting the Department of Energy's efforts to bring these petroleum cases to a proper conclusion.

Although I have signed S. 1569, I will also withhold my approval of H.R. 6185. While both bills contain many of the same provisions, the amendments to the Contract Disputes Act contained in S. 1569 will better serve the public interest of improving the resolution of contract claim disputes between the Federal Government and its contractors.

George Bush

The White House,

October 29, 1992.

Note: S. 1569, approved October 29, was assigned Public Law No. 102 - 572. This statement was released by the Office of the Press Secretary on October 30.

Remarks to the Kentucky Fried Chicken Convention in Nashville, Tennessee

October 30, 1992

The President. Thank you, John Cranor. Thank you very much. Thank you, John and Kitty, and president Kyle Craig, and John Neal, Charlie Middleton, and all the other franchise leaders. It is, indeed, a pleasure to be here. I want to salute the man that walked in with me, one of the truly great leaders that has ever been in the United States Senate, now in private business, but my dear friend and really a real statesman, Senator Howard Baker, who's with us here today.

Well, we're getting down to the wire. And you know, in this campaign we've been to many States, towns large and small in every corner of this great Nation. Yet I still have one burning question: Where the heck is Lake Edna? [Laughter] Just kidding. Steve Provost works with me -- and was with this company -- is at my side, and he gave me all the advice, all the hints about this fantastic get-together here.

But my friends over here in the national media, and I use that term advisedly -- [laughter] -- want to know exactly -- oh, I love that bumper sticker, ``Annoy the Media. Re-elect Bush'' -- [laughter] -- and everybody knows what it means. I appeal for amnesty to these guys, particularly the guys that are doing the heavy lifting, you know who you are over here, and the photo dogs and others. If you want to join me in taking out your wrath on the media, which is a little dangerous because they have the last word, I suggest we look at the faceless talking heads on those Sunday morning talk shows, those Republicans and Democrats who have written me off long ago. We're going to show them next Tuesday.

But I do believe that these friends in the media want to know exactly why I stopped by this convention, and I'll tell you the real reason. You see, just last week all the pollsters and pundits said the election was over. The media carried stories about my opponent planning his transition, all but measuring the drapes in the White House. So I came here today because I heard you were experimenting with home delivery and I want to give you my address: 1600 Pennsylvania. [Laughter] And when we call for delivery you can reach us there any time because, I don't care what all the pundits say, Barbara and I don't think we'll be moving out until 1996. So you've got our number.

Next Tuesday, in all seriousness -- and I appreciate what your president said because this is a serious subject, the election, a privilege really -- next Tuesday we will all participate in this great ritual of democracy. The choice that you make that day will cast its shadow forward in history. I came here today to talk with you hard-working businesswomen, businessmen about the choice you face.

My opponent says this election is about change, and with that I agree. But being in favor of change is like being in favor of the Sun coming up tomorrow. Change is going to happen. The real question is not who is for change but whose change will make your life better and make the world safer.

Over the past 4 years, we have seen change of almost Biblical proportion. For 50 years we stood up for freedom; we stood up for a policy of peace through strength. Today, at last, at long last, the cold war is finally over. Our kids grew up crawling under desks in those duck-and-cover drills in the sixties. During the Cuban missile crisis we stood on the brink of armageddon. And in the eighties families huddled together in fear to watch that TV movie, remember, ``The Day After." Always the shadow of the cold war lingered right outside our window. You talk change, well, all that has changed. Our children and our grandchildren go to sleep tonight without that same fear of nuclear war.

But do we feel like celebrating? Well, not exactly. There's work to be done right here at home in America, creating new industries and better schools, certainly more affordable health care. Whose philosophy should we follow? Well, the cold war was won not by tanks, not by guns but by this simple idea called freedom. Across the globe people are coming to understand that government is not their superior, not their savior; it is their servant. In the midst of a global economic slowdown, we are proving once again that freedom works. Despite all our challenges, our economy is growing faster than Japan and Germany, faster than Canada, clearly faster than Eastern Europe.

But here's the irony. At the very moment when the rest of the world is moving our way, my opponent Governor Clinton wants us to move the old way, move their way. Governor Clinton likes to say he is, quote, ``different." [Laughter] Okay. No, different than the old tax-and-spend liberals. But if you look at the details, you see nothing different at all. He talks of the power of the marketplace, but promises $150 billion in new taxes, more than Mondale and Dukakis combined. Most of those taxes will be paid by small business and the middle class. He says he wants to cut the deficit, but he calls for at least $220 billion in new spending. All those billions just begin to pay for all the promises.

Let me give you one timely example. Last night, Governor Clinton was in New Jersey making another promise. He called for a national offensive against AIDS. He called, though, for a massive increase in Federal funding and creation of an AIDS czar in Washington. Well, what Governor Clinton didn't mention is that he has done very little for AIDS at home in Arkansas. He didn't say that this year we spent $4.9 billion on AIDS, a 118-percent increase since I took office. More Federal resources are devoted to research and prevention of AIDS than any other disease including cancer, 10 times as much per victim of AIDS as per victim of cancer, far more than spent on heart disease. Yes, AIDS is a national tragedy. But we don't need a bureaucratic czar in our Nation's Capital. We need more compassion in our hometowns, more education, more caring.

A President has to set priorities because it's your money that we're talking about. And if you look at Governor Clinton closely, you see a philosophy where bureaucrats in Washington carve out the exact same programs to try and solve problems facing people in Nashville or Nashua or anywhere. You might call this old-fashioned idea trample-down economics: Tramples down business with these deadly new mandates and regulations, tramples down individual initiative with higher taxes, and tramples down the dreams of people with the power of that bureaucracy, the power of bureaucrats. In this age of global transition it will not work, and I think most Americans know it.

It doesn't make sense that restaurant owners will somehow get richer by giving more of your money to the IRS.

Audience members. Boo-o-o!

The President. It doesn't make sense it will get the deficit down by giving Government more money. He uses the word ``to invest." The Government doesn't invest. Private business does. Give them more money to spend. At a time when every organization is decentralizing power, why turn back to a central bureaucracy in Washington?

Yet, saying this isn't enough. We've got real problems here in America. You see them every single day in your communities. You hire high school graduates who can't figure out how to run the cash register. You strive to give your people health insurance, but the cost just keeps going through the roof. Those of you who run restaurants in the cities see the problems of crime and drugs and poverty right up close, firsthand. So it's not enough to criticize the old way. Government must find a new way to help.

I'm a conservative, and to me being a conservative means to renew, to reinvigorate what has always made America great, and that is the power of the individual. During this campaign many have sought to portray the choice between, quote, ``activist Government" and a trickle-down approach to Government. But the real choice is not between activism and passivity. The real choice is between a liberal bureaucratic Government that seeks to impose solutions on everybody else and a conservative activist Government that gives individuals, businesses, and families the means to make their own choices through competition and economic opportunity.

Let me give you a couple of specific examples. Start with education. Governor Clinton worked with me when we set for the first time in history six national education goals, first time in history. I give him credit for that effort; he was very active in it, deserves credit. But as a candidate for President, Governor Clinton has adopted the agenda of the status quo. He wants to pour more money into the same failed education system, a system where funds are controlled tightly by central bureaucracies, where powerful unions, the teachers union, the NEA, block real reform, and where we spend as much per pupil as any nation but Switzerland. But we don't get an adequate return on our investment.

But tinkering with the system won't do it. It is my view it simply will not get the job done. So I want to put power in the hands of the teachers themselves, not the union. So I want to use competition to improve our schools. Our ``GI bill'' for kids provides scholarships for elementary and high school students so that every parent, rich and poor, can choose the best schools for their kids, public, private, and religious. Somebody asked me, won't that make the public schools worse? Where it's been tried, in Milwaukee and other places, it doesn't. The public schools that aren't chosen do what you have to do: compete and do better.

And it isn't a violation of church and state. It's like the GI bill; the money goes to the families. It does not violate church and state. It's a good idea. It's a new idea. And we ought to try it.

Now, you see the same differences in health care. Governor Clinton has offered three plans in this campaign. One said to all of you, either offer care on your own or pay a new payroll tax, at least 7 percent. Now, many experts said it was a backdoor way to get Government directly involved in running health care. Now Governor Clinton wants to control the price of health care by setting up a big board in Washington, DC, to set prices. And I say Government cannot lower prices by fiat; only competition can. Government doesn't need to tell you what doctor to see. And we don't need to inflict small business with any more mandates from Washington, DC.

But we've got to do something about health care. So here's my alternative, and I'm convinced with the new Congress we can get it through: Offer tax incentives for small businesses so that you can afford to buy health care on your own. Let small businesses pool the coverage so you can get the same price breaks as AT&T or IBM. For people who are too poor to pay taxes, we will give vouchers so that they can choose the care they want. Freedom, putting people over bureaucracy, these are the principles that we offer.

My opponent trusts Government to choose the best place for child care. I fought for and won a new law that gives low income parents the freedom to use Federal money for child care wherever they want to, whether a government center or a church. And when it comes to deciding where your child spends the day, rich or poor, it doesn't matter, Government should not limit your options. Parents ought to have the freedom to do what they think is right.

My opponent thinks Government can pick the industries of the future with your money. I talk about cutting capital gains and investment tax allowances, giving first-time homebuyers a tax credit, because you know what to do best with your money, better than any bureaucrat.

Governor Clinton says that it's okay that we have Members of Congress who serve decade after decade in Washington. I trust America's judgment, so I want to limit the terms of Members of Congress and give Government back to the people.

Now, when you look at the election in these terms, you see a clear choice. Governor Clinton dreams of expanding the American Government. I want to work to expand the American dream. I offer an agenda for helping people by giving you and your families the power to make your own choices, shape your own destiny. We call it the Agenda for American Renewal. It's a comprehensive, integrated approach to fixing our schools, reforming our health care, right-sizing Government, and creating here in America the world's first $10 trillion economy.

My agenda includes 13 priorities for the first year of my second term, but 3 dwarf all others. First, America needs jobs, not in a while, not tomorrow but now. This week new numbers came out indicating that our economy grew at 2.7 percent last quarter, the sixth straight quarter of growth. It's a long way from the depression that Governor Clinton talks about. But look, we must do better. We don't need higher taxes so that Government can put more people to work. We need incentives to grow, to cut Government redtape and make more credit available so that you can put more people to work.

While we are strengthening small business, we will open new foreign markets for our products by winning congressional approval of our free trade treaty with Canada and Mexico. The bottom line is this: More trade creates more high paying jobs for all Americans. They make the charge that free trade agreements will ship our jobs overseas. My question is: If that's the case, lower labor rates is the determining factor, why isn't Haiti the industrial capital of the world? Decisions are made on other things. We will create more jobs with opening up export markets.

Our third priority is health care. I already mentioned some of my ideas, but the need for action is urgent. We simply cannot control the deficit, we simply cannot make our companies even more competitive until we make health care more affordable and more accessible for you and all your workers.

Those are the three. As we're working on these priorities, we'll be working on others. One special priority is to reform our crazy legal system. It's gotten out of hand. I'm sure many of you fear the customer who will try to rip off the system by sticking you with a frivolous lawsuit. America now spends up to $200 billion every year on direct payments to lawyers. People say, ``So what?'' As the Wall Street Journal said this week, ``If we could devote just some of that money to productive activity, we could do far more for our economy than all the Government investment that Governor Clinton promises.'' For our economy, for productivity, for our national sanity, we must sue each other less and care for each other more. It is a crying shame when your neighbors can't coach Little League because of a frivolous lawsuit, or someone sees a victim along the side of the highway and doesn't dare stop because he or she remembers a case of where a lawyer came on and said, ``Oh, you shouldn't have moved that person, and we're going to sue you.'' We can't do that. We are a caring country. We've got to put caps on these outrageous liability claims.

We also, obviously, we must reduce this deficit, but not by raising taxes but by getting ahold

of spending, cutting spending. We need a balanced budget amendment. We need a line-item veto so the President can cross out frivolous expenditures. This one isn't easy, but we need to cap the growth of the mandatory programs. Set Social Security aside, except Social Security, but get ahold of the growth of those mandatory programs that make up two-thirds of the President's budget. And we need a check-off on your tax return so each taxpayer can earmark up to 10 percent of his taxes to be used for nothing but getting the debt off our children's shoulders.

We have simply got to restore hope to our inner cities. And so I will work with the new Congress to get tougher crime laws, to battle more on this drug problem -- we're making some progress there but we've got to do better -- to reform the welfare system and to attract and keep business. All using this principle of putting faith and power not in bureaucracies but instead in real people. And perhaps most important, we will reform and right-size Government, subject it to the same discipline as every other large organization in America.

Now, that then is our agenda for America's renewal, and it builds on the foundation we've laid for the last 4 years. But it's what I've been talking about on the campaign trail and what I will fight for in my second term. Obviously you must be thinking, well, it sounds great, but what will be different? After all, today there is a gridlock in Congress, gridlock in Washington. If people want arguments and shouting, they can turn on their TV talk shows, but they expect and deserve better from their elected officials.

I understand this, but I really believe we have an historic, unique opportunity before us. After next week there may be up to as many as 150 new Members of Congress from both parties, all who have heard the same rumble of discontent across our land. So I plan to use the time between November through January to meet with all the new Members of Congress and to shape a legislative package in a way that will guarantee swift passage. The time to move for a new President, with no politics over the horizon, and a reelected President, is early in the first term. Politics aside, sit down with Democrats and Republicans and get the people's business done fast.

We will set deadlines for decisions, and we'll meet them. We'll put aside partisan politics, as I tried to do in the very first term -- and we did get some very good things done early in the first term -- and we'll abandon this politics as usual. When we confronted Saddam Hussein we saw that when America turns its attention to a problem, we can do literally anything. We can mobilize for war. We can mobilize for hurricanes. Let's mobilize for our economy and get this country moving again.

If we need to, we'll go beyond Washington. Already our America 2000 education reform effort involves parents and teachers and business leaders in over 2,000 communities, and this will be a model for other efforts. America's desire for positive change requires building new coalitions and taking advantage of grassroots power, and we will.

That then is my action plan. But what about Governor Clinton? In June, he promised to present his 100-day plan even before the election. That's 4 days away. No plan, no plan has been sighted yet, and the reason is simple. You're more apt to see a UFO than you are his plan. [Laughter] The reason is simple: The numbers, his numbers, just don't add up. He's promised too much. His new congressional friends want to raise the ante even higher, and the result will be more spending, a bigger deficit, continued gridlock.

My agenda offers an alternative. We can break the gridlock without breaking the bank. A vote for our philosophy is a vote for change that really matters; a vote for change that builds on our strengths, not accentuates our weaknesses; a vote for a philosophy that is right for your businesses, right for your families, right for America.

Let me wrap up now with a word about character. Listen to the words of Horace Greeley. He said, ``Fame is a vapor, popularity an accident, riches take wing; only character endures." I think that as you look back in history, hopefully now, I think that's especially true in the Presidency. Character matters, not just because of the plans you make but the crisis you never foresee.

A couple of weeks ago my Secretary of Defense, Dick Cheney, gave a speech that didn't get a lot of attention. But he made an objective case that the world is still very uncertain. He said, and I quote, ``The next 4 years may be far more challenging, far more difficult, the problems far more complex internationally than the problems we've just come through the past 4 years." We don't know where the next crisis will occur. But we do know this: When the next crisis happens, the entire world will look to the American President. They will look to his experience, and they will count on his character, on his word of honor.

What is character? How do you define it? I'm not sure. But a friend of mine says it's acting alone the way you would act with a million people watching. As President you're never more alone than at times of a crisis. While nobody may be watching in the Oval Office, millions here and abroad will feel the impact of your judgment.

It is easy, in the aftermath of Desert Storm, to portray the decision to go to war as an easy one, but it was not. Think back. It was not uniformly popular. The Democratic Congress had spent much of the fall parading experts who said we'd get into another Vietnam. They said a war would kill any hope for peace in the Middle East. What really got to me was the charge that I didn't care about the numbers of body bags that were coming back from the sands of Kuwait. The vote in the Congress was not overwhelming. Many said, let's give sanctions more time. But I made the tough decision, a decision to go to war, because I knew it was right, not because I knew it was popular.

I remember well the cold, rainy February day at Camp David when the ground war to liberate Kuwait began, and how fervently I prayed that our plans would work and our young men and

women would return home victorious and alive. This, then, is an awesome responsibility, to ask our young men and women to knock early on death's dark door -- is a responsibility I believe I have fulfilled with honor and duty and, above all, integrity.

That is your call on November 3d. Then the polls and the pundits don't matter any more. God bless them, it's all up to the people. When you enter that voting booth, please ask yourself three commonsense questions: Who has the right vision for America's future? Who can lead us through this global transition? And which candidate has the character? Who would you trust with your kids? Who would you trust in a crisis?

Ideas, action, character. I have tried very hard to demonstrate that I have all three. So I ask for your support on November 3d.

Thank you, and may God bless the United States of America. Thank you very much.

Note: The President spoke at 10:40 a.m. at the Opryland Hotel. In his remarks, he referred to John M. Cranor III, president and chief executive officer, Kentucky Fried Chicken; Kyle T. Craig, president, KFC - USA; John R. Neal, president, JRN, Inc.; Charles W. Middleton, president, KFC of Elizabethton; and Steven D. Provost, Assistant to the President and Chief Speech Writer.

Remarks on Arrival in St. Louis, Missouri

October 30, 1992

Thank you, Don. I just will only say that I am very, very grateful to Governor Schaefer. This is of tremendous support. And yes, we're friends. But I've respected his work for a long, long time. We believe in many of the same objectives. I'm delighted that Maryland is leading the way to America 2000, our education reforms. I've been at his side as we've talked health care, trying to provide better health care for all. I've valued his trust and support during troublesome times of Desert Storm and other matters related to foreign affairs. You heard him talk about international trade.

So it is an honor for me to be endorsed by this outstanding Democratic Governor. And it's just one more reason that I feel that I will, on November 3d, be elected for 4 more years. So, Don, thank you, sir, very much for being with us.

Note: The President spoke at 12:30 p.m. at Lambert/St. Louis Airport. In his remarks, he referred to Gov. William Donald Schaefer of Maryland.

Remarks at a Rally in St. Louis

October 30, 1992

The President. Thank you very much.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you all very, very much. Thank you so much for this great return-to-Missouri reception. May I start by thanking the Democratic Governor of Maryland. It takes a lot of guts to do what he did today, and I'm delighted to have his endorsement.

Of course, the special icing on the cake is to have the support of Jack Buck and have him here today. I would remind Jack of the old saying, when the Atlanta Braves were being -- said they couldn't make the World Series -- you remember the old saying, ``It ain't over 'til Cabrera swings''? It turned out to be coming-back time, and I'm proud to have Jack at my side.

Of course, John Ashcroft, this great Governor of this great State. I'll tell you, he has done a superb job for me, and I know that it'll mean that we'll carry Missouri. May I also thank two great Senators, one of whom is comfortably there now; the other one is comfortably there, but he must be reelected. I'm talking about Kit Bond for the United States Senate, and Jack Danforth, who brings us such quality in that body. If we had more Senators like that, people wouldn't be yelling, ``Clean House!'' all the time. But we know how to clean House, and so I've got some good ideas for here. Elect Jim Talent to the United States Congress. Provide us new leadership by sending Mack Holekamp to the United States Congress, and add the names Montgomery and Ferguson, and we will clean House.

I know it's going to be hard to fill the shoes of John Ashcroft, but send Bill Webster, elect him Governor. We've got to have a Republican Governor.

May I thank all the students at Maryville and thank everybody involved in this rally. You know what I feel today? The ``Spirit of St. Louis.'' And I've felt that spirit in Ohio and in Michigan and New Jersey and in Florida and all across this country. And that spirit tells me in my soul that on November 3d, we are going to be reelected for 4 more years.

Audience members. Four more years! Four more years! Four more years!

The President. It boils down to experience, to a difference in philosophy, and yes, it boils down to character. Character and trust matter.

I hate to ruin this beautiful rally out here, but I've got to put in perspective the record of Arkansas. It won't take me long, but you've got to listen. Here's a man who wants to be

President of the United States, and here is the Arkansas record. They're good people there. Barbara and I lived next door to them. They're entitled to something better: 50th in the quality of environmental initiatives; 50th in the percentage of adults with a college degree; 50th in per capita spending on criminal justice; 49th in per capita spending on police protection; 48th in percentage of adults with a high school diploma; 48th in spending on corrections; 46th on teachers' salary; 45th in the overall well-being of children. And he said in the last debate, ``I want to do for America what I've done for Arkansas." No way! No way!

Audience members. Boo-o-o!

The President. We cannot let that happen. We cannot let him do that to this country. I think people are beginning to focus on that.

For 11 months, Governor Clinton and a bunch of the other liberal Democrats were running around saying everything that was wrong with me and everything that's wrong with America. Now we see the American economy is growing, not shrinking, and we are going to win this election.

No, Governor Clinton and the Ozone Man, all they do -- [laughter] -- all they do is -- hey, listen, put Ozone in there and every worker who depends on reasonable balance between the environment and growth and business is going to be out of work. I'm a good environmental President, but we're not going to go to the extreme under Clinton and Ozone.

No, but they both talk about change, change, change. Well, here's what they want to change. They want to bring in, just for openers, $150 billion in new taxes, $220 billion in new spending, trickle-down Government, and the numbers don't add up. So when they say we're going after the rich guys, you cab drivers, you nurses, you teachers, watch your wallet; they're coming right after you. And we're not going to let them do it.

I don't want to ruin this part of the rally either, but we've got to remember what happened when we had a President of the Democratic left, like Bill Clinton, with a Democratic Congress. You remember what it was like? Inflation, 15 percent; interest rates 21.5 percent; the ``misery index" twice what it is now, up around 20. And if you put in for that kind of change, change is all you'll have in your pocket. Let's not take a chance with the future of America.

The only way, the only way that Governor Clinton and Senator Gore can win is to convince everybody that everything in this country is wrong. They got the worst news in the world, which happened to be great news for the American working man and woman, because the other day it came out that instead of the recession that they've been talking about, instead of the recession that many of those national talking heads in the media have been talking about, we grew at 2.7 percent.

Now, wait a minute, a word of caution on the media. Please bear with me. The guys with the cameras and the long boom mikes and carrying the burden out there, they're good guys. The traveling press with us, exempt them from the anger. But if you want to know who I really feel strongly about, it's those Republican consultants and those Democratic consultants on those deadly Sunday talk shows saying I don't have a chance. We are going to show them wrong. We're going to prove them wrong. Annoy the media. ``Annoy the media. Reelect Bush." Every American knows what that means. Every American knows what it means. Even the press traveling with me knows what it means.

But I feel like Harry Truman when he talked about 50 reporters. He said not one of them knows enough to pound sand in a rat hole. And that's what we're going to show them on Tuesday. They can't do any more to me, so I'm on the offense.

Now look, yes, there's some good news. Yes, there's some good news, but a lot of people are still hurting. So, here's what we want to do to help them. First place, we've got to control the growth of Federal spending and hold the line on taxes. Secondly, and Governor Schaefer talked on it, we've got to open new markets. It is exports that have saved us through this tough international economic slowdown. It's exports that'll lead the way out. We are going to open up markets for the best products in the world, those that say ``Made in America."

We do not need to do, I will say this to the auto workers in this State, what Governor Clinton and Ozone want to do. They said in their energy strategy, Governor Clinton did, that he wanted 45 miles per gallon of these fuel efficiency standards. That would break the auto companies, throw men out of work. We are not going to let them do that extreme to the United States of America.

I'll tell you what to do. Governor Clinton wants to grow Government, have Government invest. Government never invested in a creative job in its life, but small business does. So let's lift the regulation on small business. Let's give them some tax incentives. And let's get rid of these crazy lawsuits, these crazy lawsuits that are driving a lot of small business for cover.

Governor Clinton will not touch the trial lawyers, lawsuit crowd. He's supported by them. The trial lawyers' man down there said, ``He's never gone against us yet." Let me tell you something: When a guy can't practice medicine; a woman doctor won't go to deliver a baby because she's afraid of a lawsuit, a malpractice suit; when you don't stop along the highway, afraid some trial lawyer's going to come along and kind of get the person you're trying to help to sue you; when a coach won't coach Little League, it is time that we put a cap on these crazy liability suits, and let's get that burden off the back of small business.

Health care: We've got a good program on health care. Make insurance available to the poorest of the poor through vouchers. Help the overtaxed middle class with tax credits. Keep insurance and pool it so small businesses can get insurance for the same price as these great, big

companies. But do not put the Government in charge of health care. You'll ruin the quality of health care.

A guy says, ``Give 'em hell.'' I just tell the truth, and they think it's hell. There's another one from Harry Truman.

Education: Governor Schaefer talked about it. Governor Ashcroft in this State has been right out in the lead on helping the schoolteachers, the community leaders, and the parents revolutionize education. We spend per capita, it's higher than any country except Switzerland, and we're not getting the results. So what we've got to do is work my program, America 2000, get every community involved, literally reinvent our schools. And while we're at it, let's give parents school choice for public, private, and religious schools. It'll work.

I've got a big difference with Governor Clinton on crime because, you see, I think it's time we have a little more sympathy for the victims of crime and a little less for the criminals themselves. Thus, I'm fighting for stronger anticrime legislation. In Arkansas, the prisoners spend 20 percent of their sentences, that's all, in jail; Federal prisoners, 85 percent. We've got to be tougher on them and back up our law enforcement officers. Guess who endorsed me the other day? The Fraternal Order of Police from Little Rock, Arkansas.

We talk about getting the deficit down. Our plan will do it. But let me just ask for some things for the American people to give the next President. I want to see a balanced budget amendment. Make the Congress get it done. I want to see a taxpayer check-off that says to every taxpayer, check off 10 percent of your income tax, and once that's done, the Congress must make the reductions. If you don't, you have a sequester all across the board. Give the power to the people to tell the Congress what we want. And then third, let's have some term limits for the United States Congress. The President is limited. That ought to be a good one. And the fourth point, give me a line-item veto. Let the President cut out all this extra stuff they throw into the -- [applause].

You know, we've heard a lot of discussion down the wire here about character, whether it matters or not. Governor Clinton said the other night in debate, he said it's not the character of the President but ``the character of the Presidency.'' Let me tell you something: They're interlocked. What the President does reflects all around the world. People judge our country to a large degree by that. They are interlocked. And I don't believe you can have a person in the White House who's going to try to be on all sides of every issue, flip-flopping. The pattern of deceit is wrong for America.

One day he's for right to work in one State, and then he goes to the union bosses and says he's not. One time he's considering term limits; then he's against it. One time on the war -- here's what he said on the war, he said, ``I agree with the minority, but I guess I would have voted with the majority.'' What kind of waffle house is that? Good heavens. Good heavens, you can't

be on all sides. If you make a mistake, you look the American people in the eye, ``Hey, I messed that one up." Then you go on and lead. But you don't do it through a pattern of deception. And you don't do it through waffling.

No, I believe, I really and truly believe that character does matter. Barbara and I have tried hard to uphold the trust that has been placed in us for 4 years. Frankly yes, I wish she were here. She'd be thrilled by this fantastic -- and I think we've got a great First Lady, incidentally. And I think we've got a great First Dog, and that dog knows more about foreign policy than Governor Clinton and Gore.

So let me tell you why I think character matters. You know, Horace Greeley said this: ``Fame is a vapor, popularity an accident, riches take wing; only character endures." I really believe that is especially true in the Presidency. It matters not just because of the plans you make, but the crises you never foresee.

You know, Dick Cheney, our great Secretary, said the other day that the world is still very uncertain. And he's right. We don't know where the next crisis will come from. But we do know this: When it happens, the entire world will look to the American President, and they will look to his experience, and they will count on his keeping his word. They will count on his character. Never forget it.

You know, there's a lot of students here. Let me just end with a serious note. You might say, what is character? And a friend of mine says, well, it's acting alone the way you would act with a million people watching. As President you are never more alone than at time of a crisis. While nobody may be watching in the Oval Office, millions will feel the impact of a Presidential decision in time of crisis.

It's an easy aftermath to Desert Storm to portray the decision to go to war as an easy one. But think back to the demonstrations in front of the White House, to the problems in the United States Congress, to the honest men and women who said we don't want to do this because we may end up in another Vietnam. I'll tell you what hurt me the most was the charges that I was uncaring about body bag counts. You heard it from some of the talking heads, and you heard it from some of the protestors. But the Congress had spent much of the fall parading experts up there to the Congress saying, ``Well, they're going to have another Vietnam. We must avoid it." And they said that a war would kill any hope of peace in the Middle East.

The vote in the Congress, as you remember, was not overwhelming. Many said, ``Let's give sanctions more time." But I had to make a tough decision. And the decision was to go ahead, because I knew it was right, not because I thought it was popular. And I remember, I will never forget it with Barbara at my side in that little chapel at Camp David on a cold day just before the ground war to liberate Kuwait began, and how fervently, frankly, I prayed for our plans that they would work. When you send somebody else's kid, somebody else's son, somebody

else's daughter into combat, it is a very difficult decision, and I prayed they'd come back. There is an awesome responsibility here, and it's a responsibility I have tried very, very hard to fulfill as President of the United States. You see, I believe in duty, honor, and country, and I always will.

So I believe character is important. And it's your call. On November 3d then the polls and the pundits don't matter anymore. It's that individual in the booth with his conscience or her conscience. When you enter that voting booth, please ask yourself three commonsense questions: Who has the right vision for America's future to help especially the young people? Who can lead us through this global transition? And which candidate has the character? Who would you trust with your family? Who would you trust with your country in a moment of crisis?

Ideas, action, character, I believe I have demonstrated. I certainly have tried to demonstrate all three. And so I ask you, go to the polls on November 3d, give me your vote, and let us lead America to new heights of prosperity.

Thank you, and God bless our great country. May God bless the United States. And don't let them say we're a nation in decline. We're a nation on the move. Thank you all. Thank you very much. Thank you for this great day.

Note: The President spoke at 1:12 p.m. at the Maryville Center Executive Park. In his remarks, he referred to Gov. William Donald Schaefer of Maryland and CBS announcer Jack Buck.

Memorandum of Disapproval for the Military Health Care Initiatives Act of 1992

October 30, 1992

I am withholding my approval of S. 3144, the ``Military Health Care Initiatives Act of 1992." This legislation would substantially change Federal policy with respect to abortion.

S. 3144 would provide that any eligible member of the Armed Forces or dependent ``is entitled" to obtain an abortion ``in the same manner as any other type of medical care" at U.S. military facilities overseas. It would thus require these Federal facilities to provide abortion on demand, even as a method of birth control, at least through the sixth month of pregnancy.

Contrary to the claims made by some supporters of this legislation, S. 3144 would establish a rule on the availability of abortions at military facilities overseas more radically pro-abortion than the laws in most parts of the United States. The bill is also broader than the pre-fiscal year 1989 practices of the Armed Services, which had been to provide elective abortions at military facilities with limitations, including restrictions on late-term abortions.

Current DOD policy is to perform abortions only if the life of the mother is threatened. I have repeatedly voiced my strong support for that policy and made clear that any attempt to weaken it would warrant disapproval. Accordingly, I am withholding my approval of S. 3144.

George Bush

The White House,

October 30, 1992.

Statement on Signing the Reclamation Projects Authorization and Adjustment Act of 1992

October 30, 1992

Today I am signing into law H.R. 429, the ``Reclamation Projects Authorization and Adjustment Act of 1992."

The Act will make a major contribution to the development and reform of water resources in States throughout the West. It is the product of years of debate and compromise in the Congress. This bill will provide substantial economic and environmental benefits throughout the West.

H.R. 429 authorizes numerous water projects in the western States that the Administration has supported. Included among the projects in the bill are the Buffalo Bill Dam and Reservoir in Wyoming; the Central Utah Project; South Dakota water planning studies; the Cedar Bluff Unit in Kansas; the Vermejo and Elephant Butte Projects in New Mexico; the Glen Canyon Dam affecting the Grand Canyon in Arizona; the Sunnyside Valley Irrigation District in Washington; the Platoro Dam and Reservoir and the Leadville Mine Drainage Tunnel in Colorado; the Mountain Park Project in Oklahoma; and the Central Valley Project in California.

Several of the provisions that substantially reform the operation of the Central Valley Project in California are less flexible and more intrusive on the rights of the State of California and current project beneficiaries than I would have preferred. Nevertheless, the final bill includes several substantial modifications to the original House-passed version. These modifications will ensure that the fish and wildlife objectives of the legislation can be met in a manner that maintains the viability of other important uses to which CVP water is now devoted. Moreover, by establishing a voluntary system of water transfers -- on a willing seller basis -- H.R. 429 presents an important opportunity to increase the availability of water for uses which will best accommodate California's growth. A market-oriented water policy will create new jobs in the California economy.

I am concerned, however, that a number of provisions, if broadly construed, could violate the basic principle of Federal Western water policy -- State primacy. A fundamental principle of my Western water policy is that the Federal Government must respect the primary role that individual States have in shaping and controlling their own policies regarding water use and allocation. An individual State is best positioned to assess its needs and to accommodate competing interests. Except in those instances where an overriding Federal interest or an interstate conflict is present, States should retain primacy in fashioning their policies regarding water. Accordingly, I am directing the Secretary of the Interior, in implementing this legislation, to ensure that its provisions are conducted with due deference to State primacy. In

addition, in implementing section 3411(a), I am directing the Secretary of the Interior to consult with the California Water Resources Control Board before reallocating water to implement title XXXIV, even if such reallocation might be allowable under the current conditions in existing permits or licenses. Lastly, I intend to submit legislation in the coming Congress which is substantially consistent with that introduced by Senator Seymour (S. 2016) in the 102nd Congress. This legislation has as its primary objectives the mitigation and enhancement of fish and wildlife resources in the Central Valley of California and the orderly allocation of available water supplies while maintaining the productivity of the Bureau of Reclamation's Central Valley Project.

H.R. 429 also contains certain provisions that warrant careful construction to avoid constitutional concerns. First, section 301 establishes a Utah Reclamation Mitigation and Conservation Commission that would formulate the policies and objectives for the implementation of certain projects authorized by the Act and administer expenditures of substantial Federal funds. The Commission members are to be appointed by the President from lists submitted by certain members of the Congress, the Central Utah Water Conservancy District, and the Governor of Utah. In order to avoid any conflict with the Appointments Clause of the Constitution, I will interpret the Act to provide for the appointment of members of the Commission after due consideration of the recommendations of those submitting lists, and not to inhibit my discretion to request from those groups and individuals the names of additional potential nominees.

Second, section 301(h)(3) permits the Commission to ``secure directly from any department or agency of the United States'' information necessary to enable it to carry out the Act, and requires the heads of all agencies and departments to comply with a request for information from the Commission. I will construe this section consistent with my authority to supervise and guide executive branch officials, and to control access to information the disclosure of which might significantly impair the conduct of foreign relations, the national security, or the deliberative processes of the executive branch or the performance of its constitutional duties.

Third, section 3201 establishes the conditions under which a South Dakota Preservation and Restoration Trust may receive and disburse Federal funds. Under the Act, such a trust must be governed by a five-member Board of Trustees, three of whom would be appointed by the members of the South Dakota congressional delegation, and one each of whom would be appointed by the South Dakota Academy of Sciences and the Governor of South Dakota. Under the Supreme Court's decision in Washington Metropolitan Airports Authority v. Citizens for the Abatement of Aircraft Noise, Inc., such a board exercises sufficient Federal power to subject it to separation of powers scrutiny. The Board, moreover, performs functions that are executive in nature, and therefore agents of the Congress may not manage its affairs. In addition, all members of the Board appear to exercise significant governmental authority, yet are not appointed in a manner consistent with the Appointments Clause. For all these reasons, I direct the Secretary of the Interior, in consultation with the Attorney General, to propose legislation to remedy these constitutional defects. Such legislation must be effective

prior to the expenditure of any appropriated funds.

Fourth, section 3405(a)(1), which purports to give contracting districts or agencies the authority to review and approve certain transfers of water under standards established by the Act, could be construed to permit the exercise of Federal executive power by the districts or agencies, which are not composed of individuals appointed pursuant to the Appointments Clause of the Constitution. To avoid constitutional questions that might otherwise arise, this section must be interpreted so as not to vest such power in those districts or agencies. Accordingly, I will interpret the role of these bodies under this section to be an advisory one.

Notwithstanding the concerns I continue to have with certain provisions of the bill, I am signing H.R. 429 so that the establishment of water markets in California, and the bill's numerous beneficial water projects, can move forward without further delay. On balance, these projects will better enable the citizens in our western States to manage one of their most precious resources.

George Bush

The White House,

October 30, 1992.

Note: H.R. 429, approved October 30, was assigned Public Law No. 102-575.

Remarks on Beginning a Whistlestop Tour in Burlington, Wisconsin

October 31, 1992

The President. Well, thank you all. Before we say all aboard, let me thank Tommy Thompson for being at my side through thick and thin. When everything looked a little more difficult than it does today, he stayed right at our side. He has been an outstanding Governor. He has led not just this State but many in the country by the example you all have set, the example he has set. And I am very proud to have the Thompsons as good, close personal friends of the Bush family. Thank you, Tommy.

May I thank Mayor Hefty and our Republican chairman, Dave Opitz; and John MacIver, an old friend, helping so much on our campaign. But there's some real business ahead for next Tuesday. We must keep Bob Kasten in the United States Senate. He is doing a superb job for our country, a real leader up there. So do not gamble with the future. Make sure you've got Bob Kasten returned to the Senate.

And you know, everyplace I go -- haven't seen them here today -- but you see these signs saying, ``Clean House!'' Clean House. People are tired of that House of Representatives being controlled by that same body for 38 years, the one institution that hasn't changed. Send Mark Neumann to the United States Congress.

And we Bushes are delighted to be here in Burlington, the Chocolate City, USA. If my opponent were here today he might even inhale, it smells so good. [Laughter] Don't take it personally, Bill, please. These guys can dish it out, but they can't take it too well. Well, anyway.

And may I salute the veterans here today from the VFW. And let me just say this: I am proud to have worn the uniform of this country. I believe in honor, duty, and country. And I salute those who served.

Today is Halloween, our opponents' favorite holiday. [Laughter] They are literally trying to scare America. The only way that the Clinton-Gore ticket can win is if they convince us that we're a nation in decline. And here's the way they do it. They say we're less than Germany but a little more than Sri Lanka, or if they can convince the hard-working families in this country that we're in a deep recession. Neither is true. We are the most respected nation in the world. And our economy, thank God, is moving forward. So the difference on Tuesday is going to be a difference between experience, a philosophy, and yes, it is very important, character matters.

You know, for months, Governor Clinton has been ill-defining our record and talking very

little about his. So on this lovely Saturday, let me just tell you some facts about Arkansas. I won't dwell on it because I don't want to ruin this day. Arkansas: 50th in the quality of environmental initiatives; 50th in the percentage of adults with college degrees; 50th in per capita spending on criminal justice; 49th in spending on police protection; 48th in percentage of adults with a high school diploma; 48th in spending on corrections; 46th on teachers' salaries -- getting better -- 45th on the overall well-being of children. And he said in the debate, ``I want to do for America what I've done for Arkansas." No way! We're not going to let him do that.

Audience member. [Inaudible]

The President. Please point out I did not invent that expression. [Laughter]

Governor Clinton says he's a candidate of change. Let's take a close look, a little look, at what he's talking about. Under him, every day is going to be Halloween: fright and terror. He dreams of -- he talks about Government investing. The answer is not to have Government investing by taking more of your taxes. The answer is for us to stimulate small business by tax relief, less regulation, and less lawsuits that finish off a lot of these small businesses.

The last time we had his kind of change, remember what it was like? He loves to point out -- he goes, ``Let's go back to Herbert Hoover." Let's not. Let's go back to Jimmy Carter, when you had a Democrat in the White House and that spendthrift Congress, led by those liberal Democrats. And what did you have? Maybe some of the young ones don't remember. Interest rates 21.5 percent; inflation 15 percent; the ``misery index" that they invented twice as much as it is now. And you want that kind of change? Change is all you'll have left in your pocket if you put this guy into office.

No, a lot of families are hurting, but the economy is moving. And the worst news in the world -- you could see the tears coming down the face of the Governor and the Ozone Man -- you could see it when the tears trickled down their face because it came out that our economy grew for the sixth straight quarter, and grew at 2.7 percent. We're going to move. Now let's keep it going, but don't do it by raising taxes and increasing Government spending.

Our plan does just -- here's what it does. It controls the growth of spending. It holds the line on taxes. And then I'm saying to the American people, give me these four things:

Give us a balanced budget amendment. Republicans want it. Conservative Democrats want it. Discipline the Congress and the executive branch by a balanced budget amendment.

Give us a check-off. Give you all a check-off, so if you feel strongly about the deficit you check a little box on your tax return, up to 10 percent of your tax, and that must go, under the law, to reducing the Federal deficit. If Congress can't do it, let the people have a say and try to

get it done.

Then the next thing -- 43 Governors have it -- give us a line-item veto, and let's stomp out some of the waste out of the spending.

And the fourth one, let's have the Congress, like the Presidency, let's have some term limits on the United States Congress.

You know, small business creates two-thirds of the new jobs. All we hear from Governor Clinton is let's get Government to invest. Government never invested productively a dime in anything. So we want to free up that small business sector, by giving them relief and letting them lead the way to new heights, new recovery, and new opportunity for these kids here today.

I mentioned litigation. We are suing each other too much and caring for each other too little in this country. It is a crying shame when a doctor is afraid to deliver a baby because of a malpractice suit; when a Little League coach is afraid to coach because somebody might bring a nutty lawsuit against them; or when you're driving along the highway, you see somebody hurt, you want to stop but you're afraid to for fear somebody will say, ``Oh, they moved the body just wrong," and slap you with one of these ridiculous lawsuits. Let's put a cap on these lawsuits that are finishing off -- [applause] -- a lot of goodwill and finishing off a lot of small businesses.

Health care: We've got a good plan. Make insurance available to the poorest of the poor; pool insurance so you bring the prices down; and do something about malpractice that costs $20 billion to $25 billion a year. But do not let the Government ration health care or control prices, because we'll fail here like many others who have tried it failed abroad.

Education, education: Wisconsin's in the lead. We've got a good record, and we've got a good program. It says it's not good enough to do it the way the subcommittee chairmen in Washington say. Give the power not to the teachers union but to the teachers. God bless our teachers who are doing so much for our kids. And give parents -- Milwaukee has led in this, Milwaukee has led -- give parents the choice of public, private, or religious schools. Help them, and that will make all schools better.

Welfare reform: We've got bold new programs. Let me just salute your Governor for leading the Nation with Learnfare and Workfare and trying to break the cycle of welfare. That is a compassionate approach, the strong approach. I salute Tommy Thompson, and I want to see this happen for the entire country.

Crime: we've got a very positive record. Our spending to support our law enforcement officers is way up. The Arkansas record is sorry. The other day, who came to see me in the Oval

Office? Eight officers. They were from the Little Rock Fraternal Order of Police. And they endorsed me for President of the United States.

And the point I'm going to make right down to the election is that character counts. You cannot make the White House into the waffle house. You cannot flip-flop on all these issues. Whether it's right to work, whether it's term limits, whether it's free trade, whatever it is, Governor Clinton can be on one side and then heroically on the other side. I am telling you that Harry Truman was right; the buck does stop on that Oval Office desk. It is a question of character if you keep trying to waffle and be on all sides.

Let me give you one key example. I had to mobilize probably the most historic world coalition we've ever seen in order to stand up against aggression in the Middle East. And I had to go against all these talking-head pundits; I had to go against demonstrations; I had to go against a determined Democrat majority in the House until we won them over. And where was Governor Clinton the day I made that fateful decision? He said, ``Well, I agree with the arguments of the minority, but I guess I would have voted with the majority." What kind of leadership is that? That is a waffle. There is a pattern of deception here, and we cannot have that in the Oval Office. You cannot lead by misleading.

Finally, let me wrap it up by saying, first place, I'm elated that there's only 3 days more to go. Barbara and I can hardly believe it. I've given you some positive reasons, whether it's crime or education or welfare reform, to vote for me for President. But I'll give you another one. I think we've got the best First Lady we possibly could have.

But let me tell you why I believe that character -- --

Audience members. Barbara! Barbara! Barbara!

The President. Barbara's a perfect 10, the man says. Okay.

But let me tell you why, in a serious moment here before we take this exciting train trip, let me tell you why I believe that character really does count. Remember, I cited this in the debate, but Horace Greeley said this: ``Fame is a vapor, popularity an accident, riches take wing; only character endures." And I really believe that that's especially true in the Presidency. It matters not just because of the plans you make but because of the crises that you never possibly can foresee.

Yes, the world is much safer today. But as Dick Cheney, our able Secretary of Defense, reminded us the other day, who knows where the next crisis will come? The Soviet bear is dead, but there are a lot of wolves out there in the woods. So imagine, a year from today, if you picked up a newspaper out in front of your house and you read about some upheaval, some unforeseen upheaval, some terrorist getting ahold of a nuclear weapon, and how you would

react to that. I believe that you've got to close your eyes, imagine in that dangerous situation an American leader without any experience, completely untested, a leader about whom literally we know very, very little. And what we do know is this troubling pattern that I mentioned, this pattern of being on one side, pattern of indecisiveness.

So I don't believe that we can take this kind of risk, not now, not in this incredibly uncertain time, and not when our children's security is at stake. When that next crisis occurs, and you can bet that somewhere it will, whether it's at home or abroad, the entire world is going to look to the American Presidency.

Bill Clinton says it's not the character of the President, it's ``the character of the Presidency.'' Wrong. They're interconnected; they're locked. So you've got to ask, what is character? A friend said, well, it's acting alone the same way you would act with a million people watching. That's a good description. But while nobody may be watching in the Oval Office, millions will feel the impact of the judgment of the President of the United States.

I've been tested. We've managed world change that I think history will record as almost Biblical proportions. These young kids here go to bed at night without the same fear of nuclear war that their mothers and dads had. That is a major accomplishment, and we as a country can take great pride in it.

But I'll never forget when we were faced with a crisis now known as Desert Storm. I didn't waver. I took a stand. I made the decision to go to war because I knew it was right, not because I felt it was popular. You've got to go back and remember all the predictions of the body bags, and how I hadn't convinced the country, and how the demonstrators were expressing the will of the people, and that I had to make a lonely decision.

I'll never forget being with Barbara up at a little chapel we have there at Camp David, when we had to make a decision, when I had just made a decision. A couple of days later, America's sons and daughters would go into war again. It is not an easy decision. You've got to do it from conviction all the way. It's an awesome responsibility to ask anybody's kid to possibly knock on death's door a little early. It's a responsibility that I've tried very hard to fulfill with honor and decency and, yes, duty; above all, I hope, integrity.

And so that's your call. And now as we go down to the wire on November 3d, and all the polling and all the pundits won't make any difference at all. It's up to the American people. When you enter that voting booth, please ask yourself three commonsense questions: Who has the right vision for America's economic future? Who can lead us through this global transition? And which candidate has the character? Who would you trust with your family? Who would you trust with your country when a crisis arrives?

Ideas, action, and character: I have tried hard to be a proponent of all three. May God bless this

country. Go to the polls. We need your support. We are going to win this election for the young people here today.

Thank you, and God bless each and every one of you.

Note: The President spoke at 9 a.m. at the train depot.

Remarks to the Community in Sussex, Wisconsin

October 31, 1992

The President. Thank you, Tommy. Let me return the compliment. In case Wisconsin doesn't know it -- I know it; everybody else seems to know it -- you have one of the truly great Governors in the United States, Tommy Thompson; great wife, Sue Ann.

Thank heavens for people like Jim Sensenbrenner in the United States Congress. We need more like him. Send us more like him, Tom Petri as well. May I thank Paul Fleischman, thank all of you. We've got a very important election coming up, and one of the key races is to reelect Bob Kasten for the United States Senate.

Audience members. Bobby! Bobby! Bobby!

The President. Well, I'm told that this is the home town of Quad Graphics. They do a lot of printing. One of the things they help with is Newsweek. Well, maybe you saw last week Newsweek had a cover of my opponent. And the caption said, ``President Clinton?'' with a question mark.

Well, we're about to answer that question. Hold the presses for the next cover. Tell all those Washington -- those kind of salon leaders, tell those media talking heads we are going to win this election on November 3d. And here is why. Here is why. There is a vast difference between experience, political philosophy, and yes, a vast difference in character, and on all three of those I believe I will win.

I think we have it in focus now. After 11 months of Governor Clinton bashing us and our record, telling the Nation that we're in decline, the Arkansas record is finally in perspective. Here's a couple of the characteristics that you might want to guard against.

Arkansas is the 50th in the quality of environmental initiatives. Fiftieth -- you're going to get worked up when you hear this list -- 50th in the percentage of adults with a college degree; 50th in per capita spending on criminal justice; moving up now, 49th in per capita spending on police protection; 48th in percentage of adults with a high school diploma; 48th in spending on corrections; 46th on teacher salaries; 45th in the overall well-being of children. And he said in the debate, ``I want to do for the United States what I've done for Arkansas.'' No way! No way! We're going to not let him do that.

Audience members. We want Bush! We want Bush! We want Bush!

The President. This guy says, the guy says, ``Give 'em hell.'' I'm reminded of what Truman said. He said, ``I don't give them hell, I just tell the truth and they think it's hell.''

Governor Clinton says he's the candidate of change. Yes, that's the kind of change we need: $150 billion in more taxes, $220 billion more spending. That change would take us right back where we were the last time we had a Democratic President and Congress.

Audience members. Boo-o-o!

The President. You had interest rates at 15 percent, you had the -- no, interest rates at 21 percent. You had inflation at 15. You had the ``misery index'' at 20. We've cut that in half. You had the country going the wrong way. Now we're starting to grow. Let's keep it growing.

You talk about change. All you hear from these two is change, change, change. That is all you will have in your pockets if you put Clinton and Ozone into office.

But look, we've been told that the whole world's going to Hell, and we're in a deep recession. We are growing, but we're not growing enough. It's going to be the United States because of my experience in international affairs that's going to increase the markets for Wisconsin products. We are going to lead the way internationally to new prosperity for the United States and for our workers.

Let me mention something about the farm; let me just mention the farm economy. Income on ag is up, in fact, in the last couple of years at record highs. Ethanol is up. As I drove through on this train through some of that beautiful corn country, I'm thinking, thank heavens we're using more ethanol. Thank heavens I stood up against the extreme environmentalists and said we're going to use more ethanol and try to use it year-round.

They get on me about calling Senator Gore Mr. Ozone. Well, let me tell you what I mean. We've got a good record on the environment. We're the ones that are leading on CFC's, on planting one million trees a year, on climate change, on getting a Clean Air Act. It is our administration that has done all these things. But I believe you can use ethanol, and I believe you do not screech this country to a halt in the name of some extreme environmental position. We've got a good record. But jobs matter. Families matter. Jobs and families ought to take a little priority around here, if you ask me.

Governor Clinton says he wants to have Government invest. Government can't even run a two-bit -- Congress can't even run a two-bit bank or a two-bit post office. They can't invest anything. But it's small business that creates the jobs. So, less regulation, less Government spending, less in taxes for small business, and fewer lawsuits that drive small business to the wall.

The trial lawyers are the ones that are supporting Governor Clinton, and the people are supporting me. We're going to put a cap on these outrageous lawsuits that keep doctors from

delivering babies or keep Little League coaches from coaching or keep somebody along the highway from helping his fellow man because they're afraid of some crazy lawsuit. Let's sue each other less and care for each other a little more in this country.

Health care: We've got the best program. Provide insurance to the poorest of the poor through vouchers. Help that overtaxed middle class by some tax credits. Get rid of the frivolous malpractice claims. But keep the Government out of the quality of health care. Our plan will work. Our plan will work.

Welfare reform: I salute your Governor. He is leading with Learnfare and Workfare. We've got to break the cycle of dependency, and I am proud that we have supported Tommy. We're going to do the same thing for the entire country: reform it, work and learn; work and learn.

Crime: I think we all ought to recognize that with the neighborhoods and some places being threatened by crime, we owe a great vote of thanks to our law enforcement officers, the police, the sheriffs, whoever they are. We need stronger anticrime legislation that has a little more compassion for the victims of crime and a little less for the criminals themselves. I've worked hard. We just got a bill through the Congress to do something about these deadbeat fathers, speaking of welfare reform, those that leave mothers with paying all the bills. We're cracking down on those people, and we're supporting the law enforcement people that are going after them.

Balanced budget: We've got the best plan to get this crazy deficit off the back of these young people. Here's some ideas for you. Why don't we do what a lot of States have and give us a balanced budget amendment, and make the Congress and the President get it down? Why don't we give you, the taxpayer, a check-off so you can say if you want to, we'll check off 10 percent of your income, and that then will have to be spent by Congress finding the reductions, have to be spent on lowering the deficit. The third one: How about giving me what 43 Governors have, that line-item veto? You're right. Take this, mark it out.

You know, we've had a big discussion in this election about character, and character does count. It is my view that as President you cannot waffle. You cannot be on all sides of every question. If you make a mistake, you do what your kids do. You look the people in the eye as President, and you say, ``I made a mistake.'' Then you get on with leading the American people. But you cannot waffle.

Audience members. We trust Bush! We trust Bush! We trust Bush!

The President. You cannot vacillate and be on one side of an issue one day and one the next. The right-to-work States say, ``Oh, I'm for right to work,'' and then come the labor leaders and say you're against it. Term limits: one day, oh, it makes sense; then in the debate, no, it makes no sense. North American free trade agreement: You heard it in the debate. I am for it, because

it will create jobs through exports. He says, ``Well, I am for it, but." You cannot have a lot of ``buts" in that Oval Office. You've got to call them as you see them, like the umpire does. Call them, and take the consequences. Don't worry about your own popularity; do what is principled and right. You cannot lead America by misleading the American people. That's one of the reasons I am going to be reelected on November 3d.

Audience members. Four more years! Four more years! Four more years!

The President. You know, I had to make a tough call a while back when aggression threatened the entire Middle East and, in my view, would have threatened the United States. If we'd have listened to the critics, I believe Saddam Hussein would be sitting in Saudi Arabia today, and oil prices would be up about $10 a gallon for gas; certainly $5.

But we took some action, and I had to make a decision that was unpopular. And where was Governor Clinton? Here's what he said, I agree with the minority -- that's a paraphrase -- I agree with the minority, but I guess I would have voted with the majority. You cannot do that as the Commander in Chief of the Armed Forces. I believe because I did serve my country in war and did put on a uniform and do believe in honor, duty, and country that that makes me a better choice for Commander in Chief of the Armed Forces.

But let me tell you in conclusion why I think character counts. Do you remember what I said in the debate? I paraphrased Horace Greeley. And he says, ``Fame is a vapor, popularity an accident, riches take wing, and only character endures." I think that is especially true of the Presidency of our great country.

I know that we've made the world safer. The Soviet bear is no longer. International communism, imperial communism, certainly on the wane, if almost nonexistent. But we've got to remember, there are still threats. There are still wolves in the woods. We've reached historic agreements with Boris Yeltsin to eliminate these SS - 18's, the most destabilizing of all weapons. I am proud that we have done that. But the world is not free of conflict, and the United States must remain strong. We must not cut the muscle of our defense.

But I ask you to close your eyes and imagine in a crisis situation an American leader totally without experience, completely untested, a leader about whom we know very, very little, if you get down to it. What we do know is a troubling pattern of being on one side and then another, an ingrained habit of trying to lead by misleading and not coming clean. I don't believe we can take this kind of risk.

When that next crisis occurs, whether it is at home or abroad -- and you can be certain one will occur -- the entire world is going to focus on the American Presidency. And they're going to look to his experience, and they're going to count on his character.

Some say, well, what exactly is character? Well, a friend of mine put it this way, saying it is acting alone the same way you would act with a million people watching. Well, as President, you're never more alone than at times of crisis. While nobody may be watching the Oval Office, millions will feel the impact here and abroad, the impact of your judgment.

I have been tested, and we've managed world change of almost Biblical proportions. Our success can be measured by the headlines never written, the countless crises that never occurred. But when that real event did occur, I did not waver. I took a stand. I made the decision to go to war because I know it was right, not because it was popular.

I remember being at Camp David with Barbara on a cold day, rainy day, when the ground war was about to begin to liberate Kuwait. I remember the agony of having to decide, especially in the face of all the protests, especially in the face of all the criticism from some of the more liberal Members of the Congress saying, Bush will have on his hands the body bags. Do you remember the counts, 20,000, 50,000, whatever it was?

And I remember the agony of having to make that call. And I remember praying -- yes, I do, and so does Barbara; we still say our prayers -- praying that these young kids, somebody else's sons and daughters, would return home safe and sound. God bless those kids that went. God bless those that went.

What I think I'm trying to tell the American people here on this beautiful day in Wisconsin is, there is an awesome responsibility, to ask our young men and women to knock early on death's door. It's a responsibility that I have tried to fulfill with honor and duty for my country. I hope I brought integrity to it. But that is up to the people now on November 3d. And then the polls, all these pundits, they don't matter anymore. It is up to the American people.

When you enter that voting booth, I ask you to ask yourself three commonsense questions: Who has the right vision for America's economic future? Who can lead us through this global transition? And which candidate has the character to merit the trust of the American people?

Audience members. We want Bush! We want Bush! We want Bush!

The President. So my view is this: Do not listen to the doomsayers. Do not listen to those that say we're a nation in decline. We've got some big problems, but you solve them by leadership. I ask for your support. I ask for your trust to lead this, the greatest country on the face of the Earth, for 4 more years. Thank you.

May God bless the United States of America. May God bless our wonderful country. Thank you very much. Thank you so much. Thank you very, very much.

Now let me just say it is my view, my impartial view, that we've got the best First Lady we

could possibly have. I want you to listen to her.

Note: The President spoke at 11:03 a.m. on the observation deck of the Spirit of America train. In his remarks, he referred to Mayor Paul Fleischman of Sussex. A tape was not available for verification of the content of these remarks.

Remarks to the Community in Oshkosh, Wisconsin

October 31, 1992

The President. Thank you. Thank you, Tommy. Thank you, Governor Thompson.

Audience members. Four more years! Four more years! Four more years!

The President. Thanks for that great Oshkosh welcome. Thank you. And may I salute Governor Tommy Thompson, who's doing such a great job for this State and for the whole country. You've got a great leader in Tommy.

And you've got a couple of good races going right here, but we must send Bob Kasten back to the United States Senate. He's doing a great job for Wisconsin and for the country. And I want to suggest that we get Tom Petri going, get him back there. He's looking awful good. We need him in the Congress. There he is over there.

You know, this Spirit of America, this wonderful train, is going all the way across Wisconsin. And we are not going to stop rolling until we win this election on November 3d. We are going to surprise these mournful pundits. We are going to annoy the media, and we are going to finish the job. I love it. And I'll tell you why we're going to do it. It's because the choice before the American people is a vast difference in experience, on philosophy, and yes, a vast difference on character.

I hate to ruin this day by talking about the Arkansas record. But before we go to the polls, let me just put a couple of figures in perspective. Here's the way Arkansas is doing. They are 50th in the quality of environmental initiatives; 50th in the percentage of adults with college degrees; 50th in per capita spending on criminal justice; 49th in per capita spending on police protection; 48th in percentage of adults with a high school diploma; 48th on spending on corrections; 46th on teachers' salaries; 45th in the overall well-being of children. And Governor Clinton said in that debate, ``I want to do for America what I've done for Arkansas." No way! We're not going to let him do that. The people who know Governor -- --

Audience members. We need Bush! We need Bush! We need Bush!

The President. His own hometown newspaper, the Arkansas Gazette, couldn't endorse him for President. And the people that know him best agree that he will be wrong for America. Now, he talks about change. He says he's the candidate of change. We do not need to change by raising taxes and increasing spending. You want to go the Clinton route, every day will seem like Halloween. [Laughter] Fright and terror, witches and devils everywhere.

Governor Clinton dreams of expanding the American Government. I want to expand the

American dream by stimulating small business.

The last time we tried the change that he wanted, you all remember that, remember what it was like with a Democrat in the White House and these same Democrats controlling Congress? You had interest rates at 21 percent -- she remembers -- you had inflation at 15, you had the ``misery index'' at 20, and you had hope and despair. Things are better, and they're going to be even better if you send us more Members of Congress like the ones that are here today.

You talk about change; with this guy's tax plan, that's all you're going to have left in your pocket if you get Clinton and the Ozone Man in there.

The only way that they thought they could win was to tell everybody in America that things were terrible. Some families are hurting, but we have grown for six straight quarters. We grew at 2.7, and we're doing far better than Japan, Germany, and the other countries around the world. It is the United States leadership that is going to lead the world to economic recovery with more jobs for America.

And here's how we're going to do it. In Wisconsin and others, we've got the best workers anywhere in the world. Let's open markets abroad. Let's expand trade with ``Buy USA'' products, ``Made in USA'' products going into every market around the world. And we are the ones to lead for that.

The farm economy is at a record high. We're doing better on ethanol. I was so pleased to drive through the corn country and see a good crop. We're doing better on exports. But this environmental extremist of the Ozone Man and Governor Clinton is not the way to go. Somebody ought to care about the working men and women in this country. We've got a strong environmental record, but it is not an extreme. And I do not want fuel efficiency standards of 40 to 45 miles per gallon that says to every auto worker, your job is at stake. Hold the line. Do not let them do that.

Governor Clinton says, ``I want to have Government invest more.'' What I want to do is unleash small business. They create two-thirds of the job. Less regulation, less taxes, and less -- these crazy lawsuits that run the cost of business up. Governor Clinton refuses to even try to put the caps on these lawsuits, these crazy malpractice suits, these liability suits. I will stand up to the trial lawyers. With a new Congress, we will get the job done.

We've got the best plan on health care. Governor Clinton wants to set up a board, a Government board for health care. I want to give vouchers to the poorest of the poor. I want to give credits to those overtaxed Americans. I want to make insurance available to all. I want to go after the malpractice suits. I want to pool insurance. But I do not want to let Uncle Sam try to run the health care in this country.

Education: We've got the best plan, America 2000. Governor Thompson and Wisconsin are in the lead on it. And what we say is, let's not worry so much about the National Education Association, let's help the teachers. Let's help the teachers, and God bless them for what they do for our kids. Besides that, one way to make schools better -- public, private, and religious -- is to give the parents a choice; help them choose public, private or religious schools.

Tommy Thompson has been in the forefront of welfare reform. We've got to break the cycle of dependency. And I am proud that we have been able to work with him by giving him waivers because, you see, I agree with Wisconsin that we need learning and we need work, and we don't need to perpetuate dependency on welfare.

On crime, I have a very radical idea about crime. I think we ought to back up our police officers a little bit more and have less concern for the criminals themselves; a little more concern for the victims, a little less for the criminal element. Back to Arkansas, in Arkansas the prisoners spend 20 percent of their sentence in jail. Under the Federal Government it's 85. I think we need to be a little tougher. Send me more Congressmen like these who will help us back the law enforcement officers and back the communities that are suffering from this outrageous crime. And the other day some guys from Arkansas came up and endorsed me for President, and they represented the Fraternal Order of Police of Little Rock, Arkansas. How about that?

With the new Congress we're going to reform Government. We're going to get the deficit down, and we're going to do it whether the liberals like it or not. We're going to get a balanced budget amendment. We are going to give the taxpayers a check-off so they can check off 10 percent of their income tax to be applied against the debt. We're going to fight for a line-item veto to let me have a shot at cutting the spending. And how about giving the Congress back to the people by term limits? The President's term is limited; how about term limits for Congress? Now we're getting down -- --

Audience members. Clean the House! Clean the House! Clean the House!

The President. Clean the House! That's a good idea. You've got a good Congressman. Give us more like him, and I wouldn't be reading those signs. But yes, one institution. The liberal Democrats have controlled Congress for 38 years. They wouldn't know change if it hit them in the face. Let's clean House!

Now let's talk about something that is going to be the determining factor. Character and trust, both of them matter. And over the past 24 hours -- --

Audience members. We want Bush! We want Bush! We want Bush!

The President. Over the past 24 hours, Governor Clinton has become panicked. He uses the

word ``pathetic." Well, he ought to know a performance like that when he sees one. He's afraid for the power that he's lusted for, the political viability that he wrote about when he was demonstrating against this country over in England, is going to slip away from him. He's afraid it's going to slip away, and he's begun a series of personal attacks on my character, and he has basically called me a liar. And the charges he makes are not new. I have responded to them repeatedly and under oath, under oath in numerous investigations in a 6-year, Democrat-run political fiasco that has cost the taxpayers $40 million. And yet, he has now latched on to these silly little charges, accusations, in a desperate attempt to stop his free fall in the polls. And we're not going to let him do that. We're going to keep on -- --

Audience members. Bush! Bush! Bush!ÿ7E

The President. You see, I welcome this. I welcome this spotlight on character because it is an essential test of the Presidency. And Governor Clinton, on character, simply cannot pass the test.

Here's a quote. Here's a quote from a paper a couple of days ago. Speaking at a crowd of 8,000, the Presidential nominee, in this instance that was Governor Clinton, said, ``President Bush is a liar." Well, frankly, being attacked on character by Governor Clinton is like being called ugly by a frog. Don't worry about it. You want to talk character, Governor? You and Ozone want to talk character? All right, here we go. You can't go to the trade unions one day and say you're against right to work, and then propound that you are for it. You can't say you're for the North American free trade agreement in a debate, and then add ``but." You don't need any ``buts" in the White House. You've got to call them direct. Truman is right, the buck stops there.

Term limits, oh yes, he thinks that's good. But then he's opposed to it in the debate. He smoked a little, but he didn't inhale. Sure. Who believes that? This guy's wound up. You can't lead, you cannot lead the American people by misleading. And that's the bottom line. And the pumpkin in Arkansas Governor's Mansion has two faces: Whatever side you're on, he's right there. You can't do that as President of the United States.

Let me give you a little example of what I mean. On April 17th he said, ``I'm going to come out with all my draft records." Fine. Some people agreed with him on the war; some didn't. But he said he was going to do it; he hasn't done it. Let me remind you about the war. I've already said my position. Frankly, I don't think when your brothers are rotting in a Hanoi jail, or when people that are drafted out of the ghettos are serving and being killed in Vietnam, that you ought to lead demonstrations against your own country in a foreign land. I don't believe that. He differed. But you can't have it both ways, is my point. You can't protect your political viability, and then still try to ask for the trust of the American people.

And let me give you one other example. I'll give you another example. If he wants to talk

character and trust, how about this one? I had to make a tough decision on Desert Storm; it wasn't easy. But I'll tell you this. I looked the American people in the eye and said, this is what we're going to do. And where was Bill? He was saying, let me get it right now, he said, ``Oh, I agree with the arguments made by the minority, but I guess I would have voted with the majority." What kind of waffling leadership is that? Character, trust -- let's make the election on character and trust. That's the way we're going to win it.

And let me sum it up for you.

Audience members. Four more years! Four more years! Four more years!

The President. Four more.

Audience members. Four more years! Four more years! Four more years!

The President. Let me end on a very serious note, because on Tuesday we've got serious business. We have the privilege of going to the polls. And yes, I do believe character matters, not just because of the plans you make but because of the crises that you never foresee.

The world is a much safer place today. And I am very proud that these kids here go to bed at night without the same fear of nuclear war that their parents had. I am very proud that there is democracy and freedom around the world where there used to be imperial communism. But let me tell you this: We've got to stay strong. The Soviet bear may be gone, but there's wolves out there in the woods. And you'd better have a leader who you can trust when it comes to making tough decisions.

We have reached historic decisions to reduce and indeed eliminate nuclear weapons. But they've yet to be implemented. And just yesterday or the day before I talked to Boris Yeltsin, and I was reminded of how uncertain things can be in foreign lands. Imagine a year from today, if you pick up your newspaper in front of you and you see that there is a crisis around the world, imagine reading about an upheaval somewhere, or about a terrorist dictator getting ahold of a nuclear weapon. And then the question of character and trust becomes very, very important. And you have to ask yourself, do you want a leader that has proven himself in mettle, whether in battle or in making tough decisions, or do you want a leader about whose character we don't know near enough and who has no experience? I say choose experience and character.

You know, when the next crisis occurs, whether it's domestic or international, the entire world is going to be looking to the American President. And Governor Clinton said in the debate, he said it's not the character of the President, he said, it's ``the character of the Presidency." Wrong. They are interlocked. We are judged by the character of the person in the White House and, to some degree, by the family in the White House. And thank God we have Barbara Bush.

And in this one, I think we've got a great First Lady. We've got a great First Lady.

Audience members. Barbara! Barbara! Barbara!

The President. This will go to her head if you keep this up. Now, come on. I've got to live with her.

You know, as President you are never, never more alone than at time of a crisis. And millions will feel the impact of your judgment. I believe I've been tested. We've managed world change of almost, I believe history will write this, of almost Biblical proportions. And our success can be measured by the headlines that were never written, the countless crises that never occurred.

But when a real evil did arise in the sands of the Persian Gulf, I did not waver. I took a stand and I made a decision to go to war, not because it was the popular thing to do but because it was the right thing to do. And I'll never forget, nor will Barbara, just before the war broke out, actually, praying in our little chapel there at Camp David for the safety of someone else's sons and daughters who had to go into battle. And did they ever perform with courage and did they ever make America proud.

But this showed me that there is indeed in that office an awful, awesome responsibility. It's a responsibility that I have tried to honor. It is a responsibility that I have tried to fulfill with honor and duty and, above all, integrity.

So on November 3d it all boils down to this: All those naysayers, those pundits on those Sunday morning televisions won't be heard anymore, because we're voting on a Tuesday and you don't have to listen to them on election day. All these polls that are all over the field that these people live and die by, we don't have to read those anymore.

But when you enter that voting booth, you have to ask yourself three commonsense questions: Who has the right vision? And I've touched on the positive answers of that today. Who has the right vision for our economic future? Who can lead us through what is a global transition? Which candidate has the character? And who would you trust in a crisis with your family or with the United States of America?

Audience members. Bush! Bush! Bush!

The President. Ideas, action, and character. I have tried very hard to demonstrate all three. And so I came here to this great part of Wisconsin in Oshkosh to ask for your support, to ask for your vote. Do not believe we are a nation in decline. We are the United States of America, the most respected country on the face of the Earth. I ask for your vote for 4 more years to lead this country.

May God bless the United States of America. Thank you very much.

Note: The President spoke at 2:03 p.m. on the observation deck of the Spirit of America train.

Remarks to the Community in Stevens Point, Wisconsin

October 31, 1992

The President. Thank you. Thank you, Tommy. Thank you, Tommy Thompson. What a great Governor Wisconsin has in Tommy Thompson, a leader all across this country. And may I thank Mayor Shultz for the hospitality, and everybody that arranged this outstanding rally. It is first-class. It's good for the soul. It shows that we're moving.

And let's do ourselves a favor. Let's be very sure that Bob Kasten is reelected for the United States Senate. It is an absolute must. And you keep hearing ``Clean House! Clean House!'' Well, elect Dale Vannes to the United States Congress. Let's try to really do something different here.

Audience member. Clean the House!

The President. That's it, clean the House! That's the one institution that hasn't changed for 38 years. Let's clean it out right.

Well, it's great to be by the hardest working river in America and to talk with some of the hardest working people in America. And I like the kids in these costumes, kind of like a thousand points of fright. [Laughter] I saw one of those great big pumpkins back there. It had a face on one side, and they turned it around and it had a face on the other. I thought Bill Clinton was back somewhere else, but here he is.

No, I've got this wonderful feeling that things are on the move. And yes, annoy the media and reelect George Bush for President. Have you ever seen a year with that kind of coverage? I haven't, as long as I've been in politics.

But we're going to show them. We are going to win this election on November 3d. And here's why: It's a difference between experience, philosophy, and yes, a big difference in character. And that's why we're going to win the election.

I have been pointing out all day what many have failed to point out in a year, and that is the sorry record of Governor Clinton in Arkansas. He threatened the other night to do for America what he's done for Arkansas. And we cannot let that happen.

Audience members. Boo-o-o!

The President. Let me just give you a couple of statistics: 50th -- here we are in a great outdoor

state -- 50th in environmental initiative for Arkansas; 50th in percentage of adults with college degrees; 50th in per capita spending on criminal justice; 49th in per capita spending on police protection; 48th with adults with high school diplomas; 48th, spending on correction; 46th in teachers' salaries; 45th in overall well-being of children. We cannot let him do that to the United States of America.

His own hometown newspaper, the Arkansas Gazette, said they could not endorse him for President. The people that know him best think he is wrong for America.

Now, he talks about change, change, change. We cannot go back to the spend-and-tax ways that brought us inflation at 15 percent, interest rates at 21 percent, a ``misery index'' twice what it is today. Let us not go back to that change, because if we did, change is all you'd have left in your pocket. And we're not going to do that to the American people.

I guess one of the biggest differences we've got is on tax and spend. Governor Clinton has already said he wants to spend $220 billion more and he wants to tax you $150 billion, because he wants Government to invest. Government doesn't invest; small business does. So here's my plan: Let's cut the regulation. Got to give the break for investment tax allowances and for capital gains and for first-time homebuyers, tax credit. Let's get small business, the real employer, on the move.

Agriculture is doing well, thank heavens, and we cannot go back. And here's what we're going to do. Thank heavens ag income is up. Thank heavens I believe and have worked for ethanol, and ethanol is up under my administration. And the best answer is to close these trade agreements and open up the world market to the greatest production of agriculture in the world, the United States of America.

The only way, the only way that Governor Clinton and the Ozone Man can win election, the only way they can do it is by convincing the country that everything is bad. The worst news they had was when it came out this week that growth across the country was 2.7 percent. We must keep it growing until every single American has a job with dignity in the private sector.

Audience members. We want Bush! We want Bush! We want Bush!

The President. I'll tell you, I'm getting to that. I'm getting to that one. I'll tell you something else we need that I'm for and that he's against: legal reform. We are suing each other too much and caring for each other too little in this country. We're spending $200 billion on lawyers and we ought to spend more on helping each other. And so my proposal is to put a cap on these outrageous liability suits that keep people from coaching Little League, keep friends from helping neighbors, keep doctors from practicing medicine. It is time to stand up to the trial lawyers and do something for the people.

Another big area, we've got the best plan for health care. Governor Clinton started off by saying, well, he has a ``pay or play'' plan. We pointed out to him that would throw a tax on small business of 7 percent. So once again, why, he backs away, the Waffle Man, moving away from it all.

But here's our plan: Make insurance available to all; make vouchers for the poorest of the poor so they can be insured and that insurance can go with them when they get a job, to another job; pool the insurance so you bring to small business, the guys along Main Street here, the same kind of price for insurance that the big companies can buy; go against malpractice suits. But do not do what Governor Clinton wants and then set up a price-fixing board by the Government. Government can't even run a post office, and the Congress can't run a two-bit bank. We don't need to get Government further involved.

Education: Clinton wants to do it the same old way. And we've got a program, America 2000, that gives the power to the communities, to the teachers, and to the parents, and gives school choice to every parent for private, public, or religious schools. It's worked in Milwaukee; it can work all across this country. Let's let Wisconsin lead the way to literally revolutionizing and improving our education.

A big difference on welfare. I salute Tommy Thompson, I salute all of you who have led the way for the Nation in saying this: We've got to break the cycle of dependency. We've got to give people a chance on welfare, some Learnfare, Workfare. It is not fair to the taxpayer unless people work their way off of welfare. And that's what we're doing.

A big difference on crime. We need more Senators there, like Bob Kasten, who stand up and favor the police officer and not the criminal element. Be tough on the criminal and have more compassion for the victims of crime. You know, I had a visit from about eight guys the other day. They came to see me; they were from Arkansas. They were the Fraternal Order of Police of Little Rock, Arkansas, and they endorsed me for President of the United States.

Now, I heard somebody ask about how we get this deficit down. First place, you do it by controlling the growth of mandatory spending. Second, you don't tax and spend. Third, how about this one, give us a balanced budget amendment and make that Congress live within its means. Give us a taxpayer check-off so everybody here that pays taxes, if he wants to or if she decides to, can check off on that tax return 10 percent of the tax to be used for one thing only: reducing the Federal deficit. And Congress must find the spending cuts to go with it. Then give me what 43 Governors have -- every day I get legislation down there, every day legislation comes down loaded up with pork -- give me the line-item veto. And if they can't do it, give me a shot at it.

And now let's talk about what's going to decide the election in addition to these good programs compared to the old tax-and-spend programs. Let's talk about character and trust. Governor

Clinton, over the last 24 hours, has been frantically flopping around like a bass on the side of the Arkansas River, and panicked, afraid that these pollsters may indeed prove to be wrong, those that had us dead and buried 2 weeks ago and now see us moving. So he's begun a new bunch of assaults on my character. And if Bill Clinton wants to play on the character field, let's go to work right now.

These crazy charges you heard out of him last night are not new. We've responded to them over and over again, you taxpayers have spent about $40 million on this Democratic witch hunt, and I'm sick and tired of it. The only way he can win is some last-minute smoking gun. The guy is not telling the truth about what happened. I am. I have. And I'll continue to.

Here is a guy, as I mentioned, whose hometown newspaper says he is a politician utterly devoid of principle; a guy whose supporters gave him the word ``slick." I haven't used that, he has. I say ``slippery when wet." I think that's a little better. [Laughter] Here's a guy who has waffled and weaseled about the draft. I can understand somebody not serving, but I cannot understand somebody trying to have it both ways, convincing the draft board one thing and then saying something else. He ought to level with the American people.

Here's a guy who actually went out -- he doesn't like name-calling. I made a mistake; I won't repeat it today. But the difference is, if I make a mistake I admit it. But here's a guy that called me a liar the other day -- I have the clipping here -- and very frankly, being attacked by Governor Clinton on character is like being called ugly by a frog. It doesn't matter. He has no credibility in that field.

But here's why character counts. You cannot be on all sides of every issue if you want to serve as President of the United States. You see, Truman was right; the buck stops in the Oval Office. And my view is, if you make a mistake, look the American people in the eye and tell them you made a mistake, and then get on about the business of leading the American people.

But all through this campaign and all through his political career he's trying to be one thing to one group and another thing to another. Somewhere in Arkansas, oh, yes, he's for right to work. He goes to the unions and says he's not. On the North American free trade agreement -- you heard it on the debate -- first he was, well, he wasn't sure. Then he was for it. Then in the debate he says, ÿ7Eÿ7E``Well, I'm for it, but I'll make some more changes." You can't have a lot of ``buts" in the White House. You've got to make up your mind and call them as you see them.

One time he was for the term limits, and then it didn't seem so good. There is this pattern of deception. There is this pattern of deception that is troubling the American people. And you can't lead the American people by misleading them.

Let me remind you of what he said at a critical moment in our history on the war. I had to

make a tough call. And here's what Governor Clinton said. He said, ``I agree with the arguments of the minority, but I guess I would have voted with the majority." What kind of character, what kind of leadership is that? It is none at all.

Audience members. Boo-o-o!

The President. And when I stood with Boris Yeltsin -- and Yeltsin has said, ``It was George Bush, the first international leader to stand with me, and that did more for the failure of that coup and the support of democracy than anything else" -- where was Governor Clinton? He's saying, ``Well, we better wait to see how it works out." You can't do that as President of the United States. So it does matter. Character does matter, and trust matters.

I believe we've got the best program. You see, Governor Clinton's going around telling everybody we're a nation in decline; we're less than Germany and maybe higher than Sri Lanka. Good heavens, he ought to open his eyes. Millie knows more about foreign affairs than he does. If you get out and look around the world, you'd see we have never been more respected. We are the leader. Even our economy is better than Japan and Germany and the rest of Europe and now Canada. We've been caught up in a global slowdown. And it is the United States of America that is going to lead the entire world out of it with more jobs for American workers.

And so in the final analysis, here's what it boils down to. Horace Greeley put it this way: ``Fame is a vapor, popularity an accident, riches take wing; only character endures." And I think that's especially true for the Presidency. Bill Clinton said -- you heard it in the debate -- it's not the character of the President, it's ``the character of the Presidency." I think he's wrong. I think they are interlocked. And I think what both Barbara and I do in that White House is reflective of the character of the Presidency. I am very proud of our First Lady. I am very proud of what she stands for and the way she has conducted herself with dignity and honor and caring and compassion. And that's another good reason for 4 more years.

Audience members. Four more years! Four more years! Four more years!

The President. You know, if you'd have said 4 years ago, this President is going to be the one to see the end of the cold war, this President is going to be the one to have negotiated with the Soviet leader the elimination of all of these deadly ICBM missiles, this President is the one that's going to bring ancient enemies talking to each other in the Middle East and see democracy on the move south of our border, somebody would have said that you'd been inhaling. [Laughter] I'm telling you, these are dramatic changes, and I am very proud of them.

But here's the problem: That international communism, that imperial communism may be gone, the bear may be dead, but there are still wolves in the woods. And we'd better have a President who understands you've got to keep America strong to guarantee the national

security of these kids, the security of these kids here tonight.

And so I ask you to imagine this. If you go in there, think about it when you go to the booth: Suppose there's a crisis here, domestically, some serious interruption, some crisis -- or abroad. The question is: Who has the character and the trust to lead the United States of America? You cannot have a troubling pattern of deception in that Oval Office. It is too special. It is too trusted in itself by people around the world.

And so, let me tell you just a little experience I had. I don't believe that we can take the kind of risks that Governor Clinton is asking us to take. When the next crisis occurs, and you can bet that it will, the entire world is going to be looking to the American President. They're going to look at experience, and they're going to count on character.

And you might say, well, what is character? And I quoted it today. A friend of mine says it's acting alone the same way you would act with a million people watching. As President, you're never more alone than at times of a crisis. And while nobody may be watching the Oval Office, millions will feel the impact of your judgment, millions here and millions around the world.

And I believe I have been tested. We've managed world change of almost Biblical proportions, and our success can be measured by the headlines that were never written, the countless crises that never occurred. But when a real event did occur in the sands of the Persian Gulf, I did not waver. I took a stand. I made the decision to go to war not because it was popular but because it was the right thing to do.

I'll never forget being with Barbara up at Camp David just before our kids were sent into battle in Kuwait. And yes, we attended a little chapel service there; and yes, we prayed for their safety because, I'll tell you something, it's a terrible responsibility to send somebody else's son or somebody else's daughter into combat. I think I was better able to make that decision because I did stand up and serve my country. Honor, duty, and country mean something to me.

But I have tried hard to keep the trust. And so on November 3d, when the pundits don't matter anymore, these instant replay guys come on the television, it doesn't matter what they say when you're alone in that voting booth. And when you enter it, please ask yourself these three commonsense questions: Who has the right vision, the right program to help Americans? Who can lead us through the global transition? And which candidate has the character? Who would you trust with your family? Who would you trust in a crisis?

I believe people will answer those three questions that George Bush is the one to lead. I am confident about America. We are not a nation in decline. We are the greatest, freest and most productive nation on Earth. Now let's join together and help every young person here live the American dream.

May God bless the United States of America. Thank you so much. Thank you.

Note: The President spoke at 5:25 p.m. beside the Spirit of America train.

Remarks on Concluding a Whistlestop Tour in Chippewa Falls, Wisconsin

October 31, 1992

The President. Thank you very much. What a great rally. Thank you very much, Governor. Thank you, thank you very, very much. May I say at the beginning of these brief remarks that I am very, very grateful to your Governor, to my friend Tommy Thompson. You couldn't have a better guy helping you win this State. I want to salute -- you know, everywhere we go we see ``Clean House!'' What we need to do is have more Congressmen like Steve Gunderson there to get the job done. I support him. And then Wisconsin has a major national objective this year, and that is to reelect your great Senator Bob Kasten for another 6 years, 6 more.

I want to thank all of those who made this spectacular rally at the end of a long day in this State of Wisconsin such a tremendous success. It is great for the morale. It convinces me we'll win Wisconsin. It convinces me we will win the election. I'll tell you something. I've got a little less voice but a lot more heart after this crowd, I'll tell you.

Here's what it boils down to between Governor Clinton and me: the vast difference in experience, a vast difference in philosophy, a vast difference in character. And in all three of those, I ask for your vote.

You know, for years, for years, I mean, make this months -- [laughter] -- Governor Clinton has been going around the country knocking us and saying everything bad not only about me, but he says that we are a nation somewhere less than Germany and a little bit more than Sri Lanka. He ought to open his eyes. We are the greatest, best nation on the face of the Earth.

But while he's knocking our record, I think it's only appropriate to take a quick look at his. Here it is for Arkansas: 50th -- I think of Wisconsin as an environmental State -- Arkansas, 50th in environmental initiatives; 50th in the percentage of adults with a college degree; and you go on and on and on. Unfortunately, the people of Arkansas deserve better. But here's the problem. Governor Clinton said, ``I want to do for the United States what I've done for Arkansas.'' No way! No way! Happy Halloween. We don't need that for the United States of America.

By the way, if a couple of yuppies dressed as moderates come to your door, bags in hand, give them some candy, but watch your wallet. They're coming after you, Governor Taxes and the Ozone Man. Don't let them in. It's a trick, not a treat.

No, Governor Clinton goes all around the country talking about change. He says he is the candidate of change. That's outrageous. I'll tell you the kind of change we'd get if we'd elected

him: the same as we got when we had a Democrat in the White House and the liberal Democrats controlling Congress. We would have inflation -- remember how it was in 1980 -- inflation at 15, interest rates at 21, the ``misery index'' at 20. And change is all you'd have left in your pocket. We cannot go back. And we're not going to.

Audience members. Four more years! Four more years! Four more years!

The President. Governor Clinton -- they say they don't want a tax, but why is he dressed up as Fred Flintstone? He wants to tax America back to the Stone Age, and we're not going to let him do it. He has already proposed $150 billion in new taxes and $220 billion in new spending, a lot more Government programs. The answer is not that. It is to hold the line on taxes, hold the line on spending, and give the taxpayer a break for a change.

The only way that Governor Clinton and Ozone can win, the only way they can win it, is if they convince America that everything is wrong with our economy. And yes, a lot of people are hurting. But let me tell you something: All around the world our economy, in spite of its slowness, is the envy of the world. We grew at 2.7 percent in the last quarter. And we're going to keep on leading until every American that wants a job gets a job. But we are not going to tax and spend to do it.

Our agenda for America's renewal has a good plan. It's a great plan on long-term issues. The answer to lead us out of this is to open new markets abroad. We'd have the best workers, the most productivity of any country. We are going to open new markets abroad by free and fair trade, and then goods marked ``Made in the United States'' will have more opportunities around the world, and workers in this country will have more jobs.

Our agricultural economy, thank heavens, is not doing too bad at all. Incomes are at a record high since I've been President. Exports have saved our Nation. One out of every three acres, one way or another, ends up going to foreign markets. We've done well with ethanol, and the other day I made a waiver so that we can use ethanol hopefully around the clock. Governor Clinton's campaign, oh, well, they had great problems with this because Ozone Man didn't like it. But let me tell you something. If I have to come down on an environmental extreme or the side of the American farmer, put me on the side of the farmer. We have a good record. This is a good, sound environmental State, and we've got a good, strong record. But you've got to think of the working man and the working woman and the family. We have found the balance between growth and sound environment, and we must not go to the extreme.

You heard Governor Clinton in the debates talking about Government investing. Government doesn't invest. Small business invests. Individuals invest. Small business creates two-thirds of the jobs in this country. So how about this for a plan: less regulation, less taxes, and fewer lawsuits. Let's get business going again.

The trial lawyers do not want to put caps on these liability claims, and it is a crime. It is absolutely wrong when an American passes another by on the highway for fear he's going to get sued if you reach out a helping hand, or when a Little League coach doesn't dare coach, or when a doctor doesn't deliver a baby because of a malpractice suit. We've got to sue each other less and care for each other more.

We have the best plan for health care. A new Congress is coming in. The old one has screwed up a tiny little bank and a tiny little post office, so a lot of those bozos are going to be gone. Excuse the expression. No, no, I shouldn't say that. I apologize. A lot of these old fogies are going to be out of there, put it that way. We've got the best health care plan. What it says is provide vouchers to the poorest of the poor so they'll have health insurance; give the next bracket in income a little break on the taxes; go after the malpractice suit; pool insurance so you bring the cost down. But do not do what Governor Clinton wants and get the Government further involved, because that means less quality of health care.

In education, Governor Clinton wants to think the same old way, same old bureaucratic way. We've got a good program, America 2000. It literally revolutionizes American education. It puts the power not in the head of the teachers union but in the head of the teachers and the families and the parents, and that's where it belongs. One thing we're going to do is provide -- like it's working in Milwaukee -- provide school choice so the parent can decide private, public, or religious schools. We've done well. One out of every two college students has financial aid; Pell grants are up. And we are going to keep fighting until every student has a share of the American dream by a good education.

Another thing we've got to do, and Governor Thompson is in the lead on this one, we've got to have national welfare reform. Your State has led the way, thanks to Tommy Thompson. We've got to break this cycle of welfare. We need more jobfare, more learningfare, and less dependency. We need to get those deadbeat dads to pay up. We need to let kids save a little more money so their parents aren't thrown off of welfare. But we've got to put incentive into the system. And I am proud that we have led with Wisconsin on doing that for the Nation.

Let me be clear on another difference. Make no doubt about it, I support the men and women of the law enforcement community who are risking their lives for us every single day. And I want to back them up with strong anticrime legislation. Let's have a little more legislation that's concerned about the victims of crime with a little less concern for the criminal. And I might say I am very proud that I was endorsed for President by the Fraternal Order of Police in Little Rock, Arkansas. How do you like that?

I see these wonderful kids here, and I'm going to redouble my efforts to do something about this deficit. And here's what we're going to fight for with a new Congress: no more gridlock. There'll be 100 to 150 new Members of Congress, and here's what we're going to get them to do: a balanced budget amendment. A taxpayer check-off so every one of you can have some

say in it. You check 10 percent of your income taxes if you want to and have them applied to one thing, bringing down the Federal deficit. And Congress all have to cut accordingly. And then I will ask the new Congress to give me what 43 Governors have. They send all this pork-laden legislation. Give me that line-item veto. If they can't do it, give me a shot at it.

A President's term is limited. Why not limit the term for Members of Congress and give the Congress back to the people?

Slight cold. Well, now let's talk about what's going to decide this election. We've got the best policies. We've got the best programs. But there's a couple of other ingredients, and they are called character and trust. And I believe we have to lead there. Governor Clinton about a week ago called me a liar, but that's all right. Being attacked by Governor Clinton on character is like being called ugly by a frog. I don't worry about it. I don't worry about it one single bit.

I'll tell you, though, in all seriousness, what bothers me. I found out something about being President. You make a mistake, you look the American people in the eye and say, look, I messed that one up. I blew it. Now, let's get on with the people's business. But I also found out this: You cannot be all things to all people. You can't be on every side of every issue. You've got to stand for something. And you cannot lead the American people by misleading the people.

Now, let me give you a few examples of flip-flops. One day he's for the free trade agreement. Then he goes to the labor union leaders in Washington, he's got a few reservations. In the debate the other night, everybody had to say what they were for. He said, ``Well, I am for it, but'' -- then he started to hedge. You cannot have ``buts'' in the Oval Office. You've got to say yes or no. In one part of the country he's for the right-to-work laws. In another he goes up to Michigan, and he says he's opposed to them. One part of the country he says, well, maybe term limits are okay. Then again he says, well, on the other hand, maybe they're not. Flip-flop, flip-flop. You cannot do that if you want to be President of the United States.

Let me remind you about the Persian Gulf. I had to lead. I had to bring along a reluctant Congress. I had to stand up to the media who said, ``Oh, George Bush is inarticulate. He can't defend his policies. He can't lead.'' I did it. And I brought along the entire world. We had to make a very difficult decision. And at the time I made the Congress stand up and vote, here's what Governor Clinton said. He said, ``I agree with the arguments made by the minority, but I guess I would have voted with the majority.'' What kind of leadership is that for the Commander in Chief of the Armed Forces?

Audience members. Boo-o-o!

The President. And did you read the dispatch out of Baghdad today? Has anybody seen it? I'll paraphrase it. Tonight, Saddam Hussein's government plans to have a rally for 500,000 people

in downtown Baghdad if I lose the election. Well, they can put that party on hold, because I'm not going to lose it.

Audience members. Four more years! Four more years! Four more years!

The President. Character and trust. Character and trust. And you know, we've done a lot. I am proud to have been a part of this part of history so every kid here tonight can say, we go to bed at night without the same fear of nuclear war that our parents had. Ancient enemies are talking peace in the Middle East, and democracy is on the move in Eastern Europe and in Russia and south of our border. It's democracy and freedom are the order of the day. And our foreign policy helped bring this about. And as a result we've been able to reduce defense spending. But let me tell you something. The world is still a dangerous place. We must keep our national security up, and we must not cut into the muscle of our defense. But the times call for a leader who has been tested and who has been experienced by the realities of war and peace.

It is a strange year. I don't believe I've ever seen a stranger year in politics. How would you like to be a talking head on a Washington TV show the day after the election? They are going to be wrong, every single one of them. Annoy the Media. Reelect Bush. I've never seen anything like it. Have you ever seen these talk shows at night going on asking themselves, ``Have we been fair to the President?'' I've never seen that before in my life. They know the answer. They don't have to have a show about it. And we're going to show them on November 3d.

But you know, last night, it got a little odd last night, a little strange. A voter in Michigan called in -- I think it was a call-in show -- and Governor Clinton told him that he planned now to be playing his saxophone in the White House and that he's already planning his inauguration parade. Not so fast there, Bill. Not so fast. He's been declared the prohibitive favorite by the talking heads. Yesterday he said he was the underdog. And today he's got his saxophone warming up to play in the Oval Office. Only Bill Clinton can change his mind that fast.

But let me tell you -- let me help him. I know he studied at Oxford, and I know when he studied in Oxford. But let me tell you something. He doesn't understand exactly how this system works. You see, it is the people that choose the leaders, not the pollsters and not some kind of campaign rhetoric.

These pundits, I feel like Harry Truman does about these pundits. And let me be clear: I'm not talking about these guys with the cameras here tonight. People take it out on them. These are the good guys. We've granted them amnesty until November 4th, and we're all for them. But I'm talking about these deadly talking heads that come on these Sunday television -- some Republicans, I'm embarrassed to say, and a heck of a lot of Democrats and a lot of others that make you think that they're sent down from heaven. But let me tell you something. I am not giving them hell, I'm doing like Harry Truman says: I tell the truth, and they think it's hell.

[Laughter] But they are not going to decide this election. The decision is going to be made on who's got the best program to lift this country up, move us out of what has been a global recession, and lead us to new prosperity for the young people here today.

And it's also going to be this: People realize that though the world is more peaceful, it is not totally free and safe. There's going to be a crisis. Someday, sure enough, there will be a crisis. I have found out the hard way that you have to make the decision. And I have tried to keep the trust that you have placed in me as President of the United States.

Let me tell you what it was like. Barbara and I sat up there at Camp David, or attended church a day or two before we had to make this decision, before I made this decision on sending your sons and your daughters to Kuwait. And it is not easy. It is not an easy decision. I'll be very candid with you. We went to church there, a little chapel, and prayed that we do the right thing, that I make the right call, that I make the right decision. And we did that, and we liberated a tiny little land. And in the process we elevated the United States to the most respected leadership role in the entire world.

So I hope I have earned your trust. And so when the American people go into that voting booth on November 3d, I am going to look them in the eye and look at each one of you here in the eye, and I say this: I ask for your support for 4 more years based on trust and character and the ability to lead this, the greatest nation on the face of the Earth.

May God bless the United States. Thank you for a fantastic rally. It is unbelievable. Thank you. Thank you all.

Note: The President spoke at 8:50 p.m. on the observation deck of the Spirit of America train.

Statement on Signing the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992

October 31, 1992

Today I am signing into law H.R. 6168, the ``Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992."

This legislation maintains the flow of capital to our Nation's infrastructure, ensuring the preeminent position of American aviation. Airport grants funding alone will provide more than 75,000 jobs to the economy in this fiscal year.

I have instructed the Secretary of Transportation to expedite the review and approval of projects funded by this legislation. We are prepared to put these dollars to work quickly in communities across America. This Act and the historic Intermodal Surface Transportation Efficiency Act of 1991 that I signed last December together demonstrate my Administration's resolve to improve our Nation's transportation infrastructure.

This bill will authorize substantial funding for the next 3 years to modernize the Federal Aviation Administration's air traffic control system. The bill also adopts several other notable aspects of our proposals. It increases discretionary grants for noise abatement, which will make better neighbors of our airports as they grow with the economy. A small and successful State block grant program, shifting funds and decision-making for small airport development from the Federal to the State level, will be continued and expanded.

Not all of our goals were achieved, but the bill is a substantial gain for the American people. I am disappointed, however, that the legislation intended to accompany ratification of the Montreal Protocols to the Warsaw Convention was dropped from the bill this year, but we will work for enactment of such legislation and ratification of the Protocols in the 103rd Congress.

This is an important bill for our Nation, and I am pleased to sign it into law.

George Bush

The White House,

October 31, 1992.

Note: H.R. 6168, approved October 31, was assigned Public Law No. 102-581.

Statement by Press Secretary Fitzwater on Emergency Food Shipments to Armenia

October 31, 1992

The President authorized today the immediate transport of emergency food shipments to Armenia. The President ordered this action in response to an urgent request October 30 from Armenian President Levon Ter-Petrosyan concerning critical shortages of wheat grain in Armenia caused by unstable political and economic conditions in the Caucasus region.

To assist Armenia in this current crisis, the United States will begin to airlift on November 1, employing four U.S. Air Force C - 5 aircraft from Kelly Air Force Base in San Antonio, TX. These aircraft will transport 236 metric tons of all purpose flour for delivery to the Armenian capital of Yerevan during the next few days.

In order to address the longer term winter food needs of the Armenian people, the United States has begun the shipment by sea of 66,000 metric tons of wheat grain. The U.S. will also transport 3,000 metric tons of processed commodities from warehouses in Turkey.

Today's action by the President demonstrates anew U.S. commitment to the welfare of the Armenian people and to the independence of Armenia. It is another example of the close bilateral relationship between the United States and the government of Armenian President Levon Ter-Petrosyan.

White House Statement on Disaster Assistance for Florida, Louisiana, Hawaii, and Guam

October 31, 1992

The President today made available emergency appropriations for the Department of Housing and Urban Development (HUD). These funds will provide assistance in Florida, Louisiana, Hawaii, and Guam to victims of Hurricanes Andrew and Iniki and Typhoon Omar.

These funds were appropriated in Public Law 102 - 368, the Dire Emergency Supplemental Appropriations Act, 1992, which was signed into law on September 23, 1992. These funds were made available contingent upon the President submitting budget requests to the Congress and designating the amounts requested as emergency requirements. Forwarding these requests for $160 million in budget authority for HUD and $57.3 million in budget authority for the Department of the Interior will automatically make the funds available.

In submitting this request the President said:

I am disappointed that the Congress has directed that any use of the $60 million provided for HUD's HOME investment partnership program funds by States and localities be conditioned upon a proportional use of public housing funds. Public housing new construction often requires 5 or more years to complete and consequently cannot provide the immediate assistance required by these disaster victims. I am therefore asking the Congress to allow the Secretary of HUD to transfer any of the $100 million provided for public housing new construction to other HUD housing programs that are able to work more quickly and efficiently to meet the immediate housing needs in these disaster areas.

The requested amounts for Interior are as follows:

$30 million to meet the emergency needs for areas in the western United States stricken by drought;

$1.3 million to document the extensive erosion to the Louisiana barrier islands caused by Hurricane Andrew;

$1.5 million for the National Wetlands Research Center to assess and monitor the ecological response of Louisiana wetlands to Hurricane Andrew; and

$24.5 million for a grant to the Louisiana Department of Wildlife and Fisheries to restore damage to fish and wildlife resources caused by Hurricane Andrew.

Remarks to the Community in Auburn Hills, Michigan

November 1, 1992

The President. Thank you very much. Thank you, thank you, thank you. Bill, hey, listen, thank you, Bill Laimbeer. Thank you all very, very much for the welcome to the Palace. And I am very proud to have Bill Laimbeer at my side. I think that's going to get us in there for victory in Michigan. So, Bill, thank you very much. Let's slam-dunk our opponent, the Governor from Arkansas, on Tuesday.

No, I'm delighted to be here -- very proud to have at my side and running our campaign perhaps the most effective leader this State has ever seen, but in any event, the great Governor John Engler. I salute him. I thank him.

Do me a favor. Help me clean House. Clean it out. And here's how we're going to do it. Elect Megan O'Neill; elect Dick Chrysler, John Pappageorge, Joe Knollenberg; elect them and we can help make a big step toward cleaning House. That one institution has not changed for 38 years. And now we can make a big change.

I want to thank Mitch Ryder and the band. I want to thank all these high school bands, just fantastic music. And I want to salute my friend, our emcee, Brooks Patterson; you've got a good one there. And also the party leaders, because here's when we get down to getting out the vote and getting down to the crunch. And Dave Doyle and the rest of them are doing a first-class job. So go the polls, bring your neighbors, and let's carry the State of Michigan.

I am absolutely confident of victory because the American people are going to decide that there is a vast difference in experience, a vast difference in philosophy, and yes, a vast difference in character. You know, I think finally one of the reasons is we're getting in perspective exactly what has happened in Arkansas since this man has been Governor. They don't like it, but it doesn't hurt to tell the truth. And here it is: Arkansas is the 50th in the quality of environmental initiatives, 50th State.

Audience members. Boo-o-o!

The President. How do you environmentalists like that? Fiftieth in the percentage of adults with college degrees.

Audience members. Boo-o-o!

The President. It gets worse; hold your fire. Fiftieth in per capita spending on criminal justice; 49th -- wait a minute, they're going up here -- 49th in per capita spending on police protection; 48th in the percentage of adults with a high school diploma. A little more for you guys here.

Audience members. Boo-o-o!

The President. Forty-eight for spending on corrections; 46th in teachers' salaries; 45th in the overall well-being of children. And Governor Clinton said, ``I want to do for the country what I've done for Arkansas." No way!

Audience members. Boo-o-o!

The President. We cannot let that happen to this country. This country's just beginning to move. Governor Clinton says he's the candidate of change. We'll get to Ozone Man in a minute. Let's look closely at what Governor Clinton offers, and this is one thing the American people should focus on now in the last day before this campaign, $150 billion in new taxes -- --

Audience members. Boo-o-o!

The President. -- -- $220 billion new spending. You talk about trickle-down, that's trickle-down Government. Take it from the people and have Government spend it. And we're not going to let that happen.

And you hear the same old siren's call: Well, we'll take it from the rich. There aren't enough rich people. So all you cab drivers, all you nurses, all you overworked teachers, watch out, watch out for it. Watch your pocketbook and watch your wallets. They're coming right after you.

You know, they talk about change, change, change. And all you have to do is remember the last time we had a man like Governor Clinton as President and a Democrat-controlled Congress. You had change all right. You had inflation at 15 percent; you had interest rates, 21.5 percent; you had a ``misery index" at 20. And we cannot let that happen to the United States. Change, change, change.

Audience members. No way, Bill! No way, Bill! No way, Bill!

The President. No way, that's right. Change, change is all you'll have left in your pocket if you let this guy become President of the United States of America.

And you know the only way, the only way they can win is by scaring America that we're in some deep recession. Look, the economy is growing. We are caught up in a fragile international economy. You hear them talk, Governor Clinton says we're something less than Germany and a little above Sri Lanka. But let me tell you something: Our economy is doing better than Germany, better than Japan, better than Canada. And if we keep going the way we're moving now and get our programs in, we'll be leading the entire world.

Yes, people are hurting. Yes, people are hurting in this country. But we don't need to make it worse for them by going back to tax and spend. We need our program. And let me tell you what it is.

First place, we're going to open new markets. Exports have saved us. We are going to open new markets for American products all around the world. We are not going to go protection. We think we have the best workers in the world. Now let's open those markets.

We're going to continue to have a strong environmental policy. But we are not going to go to the extreme. Governor Clinton and the Ozone Man, here's what they want to do. They're backing off a little now because they're on all sides of every issue. They want to go and put a 40- to 45-mile-per-gallon CAFE standard, fuel efficiency standard, on American autos.

Audience members. Boo-o-o!

The President. And that will throw auto workers out of work. And I'm not going to go the extreme. We are not going to go to the extreme on this environment.

Instead of those crazy Government policies, we are going to inspire and invigorate small business. And here's how we're going to do it. Two-thirds of the jobs created are in small business, so we're going to get relief from taxation, relief from regulation, and yes, relief from litigation. We have got to have legal reform.

These trial lawyers are backing Governor Clinton right up to the hilt. The lead trial lawyer in Arkansas said, ``Don't worry. Bill won't go against us on tort reform.'' Look, we've got Little League coaches that are afraid to coach; we've got doctors that are afraid to bring babies into the world because of a lawsuit; we've got people that are afraid to help people along the highway because they're afraid to be sued. We've got to put an end to these crazy lawsuits. And we're going to do it. Whatever your politics, you should have an interest in that one. And we've got to sue each other less and care for each other more in this country.

Big difference on health care. We've got the great health care program. And we're going to get it through because there is going to be a cleaning of the House, and there's going to be 100 new Members of Congress. And the reason is those guys up there can't even run a two-bit post office or a two-bit bank. So we're going to get 100 or maybe 150 new Members of Congress. And we're going to get this health care program through. We're going to provide health care, insurance to the poorest of the poor through vouchers. We're going to help the overburdened next income bracket and the income tax range there by tax credit. We're going to pool the insurance so the small operator can get the same cost benefits as the larger ones, large companies. And then we're going to do this: We are going to say no to Governor Clinton's want to let the Government ration health care through this board he is proposing. Health care

for all. Health care for all, but use market forces to get it done.

On education, I've got a big difference with Governor Clinton on this one. I cited the sorry record in Arkansas. Now we've adopted national education goals for the very first time. And I give Governor Clinton credit for this one, because as a Governor he worked with us on this. The program is this: Renew, literally reinvent American schools and give parents the choice of schools, private, public, or religious. And that competition will make all the public schools better. It works in Wisconsin; it can work right across the country.

On welfare reform, we've got to break the cycle of welfare; too many people, generation after generation, dependent. So what we're going to do is go nationally with the waiver system, give those States the right to put in Workfare. People are going to get the check, let them do a little work and work their way off of the welfare. And Learnfare, help people to learn, these kids. It's a tragedy, generation after generation. Make part of the welfare reform Learnfare so people on welfare will have the privilege of an education in this country and be able to do better.

We've gone after these deadbeat dads; we're going to keep after them. And yes, I don't care what the liberal elite says, family is important. Family values are important. And we need to help all families, single parent, whatever it is. But we need to help them by getting crime out of our areas. We've got to have better crime legislation. We better get some that supports the police and some that has more compassion for the victims of crime and a little less for the criminals.

And I'll tell you what I mean. Arkansas, people that are sentenced there spend 20 percent of their sentence in jail. And under the Federal jurisdiction, which is mine, 85 percent. We must support our local police officers. And awhile back I had a visit from eight guys from Arkansas, and they came up to endorse me for President of the United States. They were the Fraternal Order of Police in Arkansas, in Little Rock. And I was proud to have their endorsement.

We've got to get the deficit down, but Bill Clinton talks about let Government invest. Government never created a job. It is small business and private sector that creates jobs. So if you want to get the deficit down, here's the way to do it: Control the growth of these mandatory spending programs. Give us a balanced budget amendment to the Constitution to discipline the Congress. Give every taxpayer the right to check 10 percent of his tax return, and if you want it to go the deficit, make the Congress put it on the deficit. Give the President what 43 Governors have, a line-item veto, and let the President draw a line through this excessive spending. And I'll throw in a fourth measure: I think it's time to give the Congress back to the people. I want term limits for the Members of the United States Congress.

And here's the last point: I mentioned character and trust. Well -- --

Audience member. We love you.

The President. Well, I hope so.

There's been a little panic in Little Rock, because I think they see that the goal that Bill Clinton has been eagerly awaiting ever since he was studying in Oxford might be slipping away for him. He's begun attacking my character. And I love to fight this one out in the last couple of days on character and trust. Yes, he is a character. But being attacked on character by Governor Clinton is like being called ugly by a frog. We don't need to worry about it. We didn't invite that term ``Slick Willie." We didn't invite it. It's come in from Arkansas. It was all through the Democratic primary. We are not going after his character. We're doing what Harry Truman is: We tell the truth, and they think it's hell. So be it. We're simply telling the truth.

It's difficult for him to level with the American people, and here I'm very serious. You can't have it both ways as President of the United States. You can't tell one story and then another. In April, for example, on the draft, he said he would release all his draft records. And he never has done that to this day. He is waffling and ducking -- --

Audience members. Boo-o-o!

The President. -- -- and bobbing and weaving. And you cannot do that as President.

Listen, a lot of people opposed the war, and I understand that. That's not the point here. The point is there is a pattern of deception: on one side of the issue one day, and another side the next. And you cannot do that in the Oval Office.

I think, I know a lot of the media don't like this. I know a lot of our friends in the media don't like this. In fact, I like these hats, ``Annoy the Media. Reelect Bush." Let me divert for a minute. Have you ever seen a year where they have their own seminars, ``Have we been fair?" They know very well they haven't, but we're going to win without them.

Listen, before you get too angry about this, share my frustration about it, please grant amnesty to the good guys: the photographers, the guys carrying the boom mikes. Somebody stuck them with the American flag the other day. These are our friends. They are good people. Don't harass them. Save your rile for those that aren't here, those Sunday talk show people, those guys that are telling us how we're going to vote.

But you know, I mentioned the draft. Even today we have new evidence, an affidavit that when Governor Clinton first ran for office his friends used special connections to seize his ROTC file and destroy all others. He's got to level with the American people on this kind of thing.

But it's not just the draft. You know my differences with him on organizing demonstrations. Look, people objected to the war. But I make a distinction: When your brothers or your peers

are in a jail in Hanoi, or kids are being drafted out of the ghetto to go into that war that was not a popular war, I simply think it is wrong to go to a foreign country and organize demonstrations against the United States of America. And that's what he did. And all his apologists out there, all these talking heads say, oh yes, but it was 23 years ago. Okay, if it was wrong to do that, just say so. If you make a mistake, admit it. I have done it, and that's what you have to do as President of the United States.

But the pattern continues. One time he's for the North American free trade agreement; another he started to be against it, then in the debate say, ``Well, I'm for it, but I will make some changes." You cannot have a lot of ``buts" in the Oval Office. You've got to call them as you see them.

Term limits, CAFE standards, whatever it is, he's got a position for whatever audience he's talking to. And I really mean this, you lose all credibility as President if you try to do that on every issue. And let me finish this little start, this little beginning here by saying, here's what he said on the war. It was a tough decision, tough time for our country. People were divided. And here's what Governor Clinton courageously said about the time I had to make this decision. He said, ``I agree with the arguments the minority made, but I guess I would have voted with the majority." What kind of waffle iron is that?

Audience members. Boo-o-o!

The President. You can't do it. You cannot be here and there. The bottom line is we simply cannot take the risk on Governor Clinton. Character, inexperience, his experience and character do not meet the criterion of the Oval Office. And the world is still a dangerous place. We've made great progress. And frankly, I take great pride in the fact that, with a very able team, I was President when we greatly reduced the threat of nuclear war to every family here and around the world. Great that we had ancient enemies talking to each other in the Middle East; that the Soviet Union is no longer international communism but democracy on the move. A lot of progress toward world peace.

And I was thrilled the other day, yesterday, as a matter of fact, when an announcement came out of Baghdad. Saddam Hussein's government plan a big party the next day after the election, because they think Governor Clinton is going to win. Hold the phone, Saddam. They are not going to have a demonstration in Baghdad, because they're going to have to contend with me for 4 more years.

Audience members. U.S.A.! U.S.A.! U.S.A.!

The President. Well, actually the other night in Michigan, Governor Clinton told a voter that he's already thought about what he's going to do as President. He said he's going to play his saxophone in the White House. And he's already planning the inauguration parade, you know.

Hold the phone, Bill. Hold the phone. We are going to show that you're not going to be in the White House and you're not going to have the parade. And the press are going to be wrong about you. The day before that he said he was an underdog, and then yesterday he was a saxophone player in the White House. He's waffling even on that.

I've got a lesson for him. I know he studied at Oxford, and I know when. But he might not understand how democracy works. It's not the pundits, it's the people that decide these elections. And that's why we're going to do it. You know, I believe it's going to boil down to character and trust. I think we've already kind of won the debate on taxing and spending. People do not want to tax and spend more. They want a little relief from taxation and a little less Government spending.

But the bottom line is you cannot have this pattern of deception and deceiving. I will tell you this: The toughest decision I had to make did relate to the war. I remember being up there at Camp David with Barbara a day or so before the battle actually began. And it is tough when you have to send somebody else's son or somebody else's daughter into harm's way, into combat. But you can't waffle. You've got to get your judgment made up and then you've got to say, here's what we're going to do. And I did it, and I have no regrets. And as a result of doing it, we lifted the entire world. We smashed aggression, and we restored hope in the United States of America.

And now, you go to the polls. And so I'm going to ask -- in the first place, you've got to work hard. You've got to go there and get the vote out. One of the reasons we're going to win, we've got the most committed supporters. We've got people like you all who are going to go to those polls.

Then I'm going to look into the lens the evening of the election, and I say to America: Give me your support based on trust, based on character, based on confidence in the United States of America. I want to lead this country, finish the job, restore hope and opportunity to every young person here. And with your help, we're going to get the job done.

Thank you all. And may God bless the United States of America. Thank you so very much for a great rally.

Note: The President spoke at 2:10 p.m. at the Palace of Auburn Hills. In his remarks he referred to Bill Laimbeer, Detroit Pistons basketball player; entertainer Mitch Ryder; Brooks Patterson, Oakland County executive; and David Doyle, State chairman, Michigan Republican State Committee.

Remarks to the Community in Stratford, Connecticut

November 1, 1992

The President. Thank you. Thank you all. What a fantastic rally. Four more.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you all. Thank you so very much. What a great welcome back to Connecticut. Thank you very much. Thank you very, very much for that warm welcome back. And to all of you inside and the 10,000 outside, thanks for that welcome back.

May I start by saluting our great congressional delegation, the Members of Congress, Chris Shays, Gary Franks, and Nancy Johnson. We've got a great delegation. And now help them clean House by electing more to the United States Congress. We need Brook Johnson, we need Tom Scott, we need Phil Steele, we need Edward Munster all to go to Washington.

I salute John Rowland, our emcee. I thank Paul Overstreet and the Gunsmoke for the great music. And let me thank the others that made this great rally possible, Doc Gunther, Betsy Heminway, Brian Gaffney, Dick Foley, and Fred Biebel -- came to Connecticut in late 1988 just before the election. We won then, and we are going to win now and annoy the media.

Audience members. Bush! Bush! Bush!

The President. I am very grateful to all of you, and I thank my brother Pres for the introduction. The choice before the American people this year is very different, a vast difference in experience, a vast difference in philosophy, and a vast difference in character. And we are going to win on all three.

There's another collateral reason, not nearly as important, but people are beginning to take a look or have already looked at the record in Arkansas. And without ruining a fantastically upbeat rally, let me just click off a couple of numbers for you. I think of Connecticut as an environmentally sound State. Arkansas is the 50th in the quality of environmental initiative. They are 50 in the percentage of adults with college degrees.

Audience members. Boo-o-o!

The President. I don't want to ruin the evening, only a few more here. They are 50th in per capita spending on criminal justice. They are 49th in per capita spending on police protection. They are 48th in the percentage of adults with a high school diploma. They are 48th in the spending on corrections. They are 46 on teachers' salaries. They are 45th in the overall well-being of children. And Clinton has said, ``I want to do for America what I've done for

Arkansas." No way! Governor Clinton, we do not need that kind of change in this country.

Audience members. Four more years! Four more years! Four more years!

The President. We got it.

Audience members. Four more years! Four more years! Four more years!

The President. For a long time, the Governor's been running around talking about change. Well, let's take a look at what he's already proposed: $150 billion in new taxes, $220 billion in new spending. You talk about trickle-down Government, that's it. His numbers don't add up. And as I say to the middle class, he says he's going to sock it to the rich, but everybody that's got a job, every teacher, every cab driver, every farmer, watch your wallet. The guy's coming after you, and we're not going to let him do that.

Change, change, change, change, that's all he talks about. Remember what it was like when we had a Democrat in the White House and a Democratic liberal leadership in the Congress? You had inflation at 15 percent; you had interest rates at 21 percent; you had the ``misery index'' at 20. And we are not going back to that kind of change. Change, that's all you'll have left in your pocket if we go his route, I'll tell you. [Laughter]

You know, the bad news for Governor Clinton is that there's been some good news for our economy. The economy grew at 2.7 percent. It's grown for six quarters. Clinton and the Ozone Man tell you that we are worse off. They tell you that we're worse off than Japan and Germany. We're not. We've been in an economic international slowdown. It is the United States of America, with knowledgeable leadership on international affairs and increasing our exports, that's going to lead the way to new recovery. And the answer to it is not tax and spend but hold the line on taxes and put a cap on the growth of these mandatory spending programs and then stimulate small business, investment tax allowance, capital gains to get people to start new businesses, a credit for that first-time homebuyer that wants to live the American dream. That's the way to do it, not bigger Government.

I have a responsibility as the Commander in Chief and in charge of the national security to be sure we don't cut into the muscle of the defense. Because we've been successful with world peace and because we've stayed strong and made some tough decisions, I've been able to cut defense. But now along comes Governor Clinton, and he wants to cut the muscle of our defense $60 billion more. We cannot let him do that. And besides that, besides the national security, we don't need to throw an additional 1 million people out of work, including 9,500 right here in Connecticut. So we are going to hold the line and keep this country secure, because who knows where the next threat is coming to. We'd better have a leader that understands international affairs.

You know, Connecticut is a great trading State. We've got some of the best made products in the world right here by Connecticut workers. And what we're going to do is expand our exports. Exports have saved us at a critical time, and we are going to create more American jobs by increasing exports, by increasing free and fair trade.

I mentioned small business. You know, small business creates about two-thirds -- has about two-thirds of the jobs. I don't want to slap a tax on them for any reason. What I want to do is give them less taxes, less regulation, and less litigation, fewer of these crazy lawsuits, so we can move small business ahead and create jobs for everyone in Connecticut that needs jobs.

I mentioned legal reform. We're having a big battle in Congress. We must put a cap on some of these outrageous lawsuits. You know, when a Little League coach says, ``Hey, it's not worth it; I don't want to get sued by somebody''; when a person along the highway sees somebody that's been hurt and hesitates to help his or her fellow man because they're afraid of getting sued; and when we've got baby doctors that refuse to deliver them because they're afraid of malpractice, it is time to stand up to Governor Clinton and the trial lawyers and do something about it. I think the bottom line is we ought to sue each other less and care for each other more in the United States.

Health care: we've got the best health care plan. The first thing we don't need is what Governor Clinton wants, is a big Government board to ration health care. What I want to do is provide insurance to the poorest of the poor through vouchers. I want to give the next tax bracket up a break with some tax credits. We want to pool the insurance so everybody can get the benefit of a lower premium for these ever-increasing insurance costs. Then I want to keep the Government from mandating prices. I want to keep the Government out of the business, because we've got the best health care quality in the entire world.

And education: we've got a great program, America 2000. It's beginning to work, 1,700 to 2,000 communities across this country already sitting down, the teachers, the parents, the school boards, to literally revolutionize education in this country. I believe that parents ought to have a right to choose the school of their choice, public, private, or religious, and get some help from the Government. It's been tried, and where it's tried it works. It works. And those schools that aren't chosen do a better job. It worked for the GI bill. It is separation of church and state. Let's try something new in this country. Let's help these young kids have the best education possible.

Welfare reform: we've got to break the back of welfare dependency. We've been working with the States to give them waivers so they can try learnfare or workfare and try to help people get off of welfare. And we can do it. But we've got to do it by giving waivers to the States and reforming our welfare system.

I've got a big difference on Governor Clinton on crime. You know, in Arkansas prisoners

spend 20 percent of their sentences and that's all; Federal Government, it is 85 percent of their sentences in jail. It's my firm belief that we need to back up our police officers more. We need to have a little more compassion for the victims of crime and a little less for the criminal element. Thank God for the local police that are out there standing up against these drug and criminal elements. Our police officers are trying to make our neighborhoods safer. And the other day I was endorsed by eight people, came up from Arkansas, and they were the Fraternal Order of Police from Little Rock, to endorse me for President of the United States.

I wish we had more Members of Congress like the ones -- --

Audience members. Bush! Bush! Bush!

The President. I wish we had more Members of Congress like the ones here who care about the Federal deficit. And here's some ideas for getting it down. Give us a balanced budget amendment to discipline the Congress and the President. Give us a taxpayer check-off so you, the voters, can say -- if the thing that concerns you the most is the deficit, you can check off 10 percent of your tax return and compel the Congress to bring that spending down to meet that contribution. Then if the liberal leadership in the Congress can't do it, and they haven't been able to do it, why don't we give the President what 43 Governors have: Give him the line-item veto, and let the President draw a line through these pork barrel projects.

And now let's talk about what people are going to decide on, in addition to who's got the best program and who has the best record on world peace. Let me tell you this: I see these kids here, and I take great pride that our administration did an awful lot to help eliminate the fear of nuclear weapons from the minds of these kids. That is major. That is significant.

But now let's talk about character and trust. Over the past few days you've seen Governor Clinton kind of panic, afraid that the power for which he has lusted -- do you remember when he wrote back from Oxford, when he was over there organizing demonstrations against this country when his country was at war? Do you remember that? In the letter to Colonel Holmes, he said something about protecting his political viability. Well, we are going to give his political viability a chance to mature a little more in Arkansas, because he is not going to win the Presidency.

Do you remember that old expression ``Sticks and stones hurt your bones, but names will never hurt you?'' He called me a liar the other day, but that doesn't hurt. It's like being called ugly by a frog. It doesn't matter. I didn't invent the word ``Slick Willie.'' He got that long before I started running against him. I have a confession to make. I did say in the convention ``slippery when wet,'' and I refuse to take it back. Because look, he's on one side of an issue and then on the other side of the issue. And as President you simply cannot do that.

A lot of people objected to the war. I've no problem with that. I happen to be proud that I did

serve my country in uniform and served with honor. What I object to is trying to have all sides of it. He ought to level with the American people on the draft. In April he said, ``I'm going to come up with all my draft records.'' And we haven't heard a peep out of any record yet. And even today there was new evidence: an affidavit that when he first ran for office, Governor Clinton's friends used special connections to seize his ROTC file and destroy all others. He ought to level on these kinds of things.

He'll talk about term limits one place -- may be good; then in the debate says he's against it. He goes to the auto workers and said, oh, he's against the fuel efficiency standards, but then he goes to the environmental group and says he's for them. He says one thing on one place, another thing in another place. And you simply cannot be all things to all people.

All during this campaign Governor Clinton has been talking about, ``Let's get Government to invest.'' I have a different philosophy. I don't think the Government invests anything. I think it's private business and private individuals that invest.

But here are his own words from 4 years ago in Newsweek magazine. Here's what Clinton said. He said, ``There's lots of evidence you can sell people on tax'' -- exact quote. Let me start. ``There's lots of evidence you can sell people on tax increases if they think it's an investment.'' His own words revealed this duplicity. We're talking about investment, and he means tax increase.

Audience members. Boo-o-o!

The President. Hey, listen, this is Halloween, but you can't have a pumpkin with two faces on it. You know what I mean? We simply cannot let the American people fall for this scam. Let me tell you what he said on the Gulf war. It was a tough decision. Let me tell you what he said. When I had to make this very difficult call, a call to which Connecticut's sons and daughters responded with great patriotism, great service, and great pride, Governor Clinton put it this way. He said, ``I agree with the arguments the minority made, but I guess I would have voted with the majority.'' You talk about a waffle iron. You can't have that in the White House. You cannot take a risk for the White House on character, on inexperience. His do not add up and don't meet the demands of this high office that I'm honored to hold.

You know, the world is still a dangerous place, and I think we've got to remember that. Who knows where the next crisis is going to come from? You know, I loved this yesterday, the message out of Baghdad. I don't know if they covered it in the Connecticut papers. Saddam Hussein's government is planning a party for 500,000 people in downtown Baghdad predicated on the fact that I'm going to lose. They're wrong. No party. No loss. A big win. A big win. And we are going to keep the pressure on the Bully of Baghdad. We are going to keep the pressure on him until he lives up to every single United Nations resolution; until we can bring peace and relief to his people, the people of Iraq. Stay strong. Do not vacillate.

And one other thing, I don't mean to be hypercritical of Governor Clinton, but the other night he started -- at one point -- no, no, I'm not giving him hell. No, no. I don't give him hell. It's like Truman said, you know, you tell the truth, and they think it's hell. That's the difference.

You know, the other night in Michigan he told a voter that he's already thought hard about what he's going to do. He said he'll play his saxophone in the White House. He's already planning an inauguration parade. Recently he said he was the underdog, and yesterday he's got his saxophone hanging in the Oval Office. Only Bill Clinton can change his mind that fast.

I know that he studied at Oxford. He's a very bright fellow. But maybe he doesn't understand exactly how it works. You see, it's not these pollsters, it's not the pundits, it's not these talking heads on television that tell you how to vote. The American people make up their own mind on election day.

I don't know why it is there's been such a hot-selling item as that bumper sticker that says ``Annoy the Media. Reelect Bush." There it is. Everyone knows what it means, including the press. But I should caution you, we've granted amnesty to all these that are traveling with us. My ire is not at most of them. It's certainly not at the photo dogs and all these guys with the boom mikes. So grant them amnesty and welcome to Connecticut. But I'll tell you where it is. I'll tell you where it stands. It's with these network know-it-alls and these talking heads. They tell you what to think, and we're going to prove them wrong. I love a good fight, and we're going to take it right to them, right around the media and right to the American people.

No, this has been a strange political year. But we're on the move. And I honestly in my heart of hearts tell you, I believe I am going to win this election on November 3d. I have never wavered, and I never will.

Audience members. Four more years! Four more years! Four more years!

The President. I really believe that the American people want a person with experience, certainly don't want one with a pattern of deception, and they want a leader who's been tested. Let me just take you back into history. I'll never forget a cold and rainy day up at Camp David just before I had to make the toughest decision of my life. Kuwait had been invaded, and it stood to the United States to demonstrate to the entire world that aggression would not stand. And yes, Barbara and I went to our little chapel there and prayed that our young men and women would return alive, victorious, and well.

And let me say this: This town and all the good people of this State responded in a way that brought this country together unlike anything since the end of World War II. We lifted up the country and with it the veterans of Vietnam and every other occasion, all because we stood firm and did what was right.

I learned then the agony of making a really difficult decision, one where you have to send somebody else's son or somebody else's daughter into combat. And it isn't an easy decision. I believe that you have to have the experience. I think you have to have the character. I hope you have to have the strength to be able to make a difficult call like that in the face of all the controversy; in the face of all the press telling you hadn't made your case; in face of all those experts telling us how many body bags would be taken overseas. I made a tough call. I did it not to be popular but because it was right. I know I can do it. I know I can lead this country to 4 more years of prosperity.

So your call is: Who best to lead the United States of America into new prosperity? Who best? Who best to say to these young kids, our best days are ahead of us? Who best to accept the trust, the trust of the American people to be in that Oval Office?

Thank you for all you've done. Thank you in the inside and the 10,000 people outside. Thank you for what you're doing. Now, go to the polls, elect these people here with me. Do something for your country. Keep America on the move. And don't let them tell you we're a nation in decline. We are the freest, the fairest, the greatest nation on the face of the Earth. Now, let's go and win this election.

May God bless you all. May God bless the United States of America. Thank you. Thank you very much.

Note: The President spoke at 7 p.m. at Sikorsky Memorial Airport. In his remarks, he referred to the Paul Overstreet and Gunsmoke bands; George L. (Doc) Gunther, State senator; Betsy Heminway and J. Brian Gaffney, Connecticut Bush-Quayle '92 cochairmen; Richard Foley, Connecticut Republican State Central Committee chairman; Fred Biebel, former Connecticut Republican Party chairman; and Prescott Bush, his brother.

Remarks to the Community in Madison, New Jersey

November 2, 1992

The President. Thank you very much. Thank you so much. Here we go for the last day. Thank you all. Thank you so very much. Thank you. May I start by thanking Rush Limbaugh. And last night, Governor Clinton was at the Meadowlands with Richard Gere and other Hollywood liberals.

Audience members. Boo-o-o!

The President. Well, here's a good deal for you. Let Governor Clinton have Richard Gere. I'll take Rush Limbaugh any day.

May I salute Governor Tom Kean. There's a great nostalgia in this State wishing they had Tom Kean back because they don't like the tax-and-spend policies of Governor Florio. My friend, Dean Gallo, great Congressman; and Mayor Capen and Jinny Littel; and the Madison High School and Chatam High School bands. It's just great to have them here today.

You know, you see some strange reports. Yesterday or the day before they had Governor Clinton talking about his inaugural parade. My advice is, put the parade on hold, Governor, because I am going to win this election tomorrow.

The pundits don't matter. These national pollsters who have been all over the field, they don't matter. What Governor Clinton doesn't understand, it is the people in that booth tomorrow that matter. They don't want somebody who is going to expand the American Government. They want somebody like me who is going to expand the American dream and make life better for every young person here today.

You know, the choice tomorrow is based on these points: a vast difference in experience, a vast difference in philosophy, and yes, Rush is right, a vast difference in character. That matters. Don't let them tell you it doesn't matter. I guess it boils down to this when you go into the booth all across this country: Who do you trust? If there's a crisis out there, who do you trust with your family? Who do you trust with the future of this country?

Audience members. Four more years! Four more years! Four more years!

The President. Thank you very much. I had planned to ruin part of this rally by talking about the Arkansas record. I won't do it to you. I won't do it to you. But I will say this: I remember coming to -- --

Audience member. Give 'em hell, George!

The President. I don't give them hell, I just tell them the truth, and they think it's hell. You know, it's like Truman said. But let me point this out: Governor Clinton has the 50th record, 50 out of 50, at the bottom, in environmental initiatives. I came to this State 4 years ago and said we're going to clean up those beaches, we're going to stop ocean dumping; we're going to get a Clean Air Act. We've got a good record on the environment, and Governor Clinton has the 50th in the entire country down there in Arkansas.

As we approach the environment, we ought not to go to the extreme, like Ozone Man does. He'd throw everyone -- he's backtracking so fast he looks like the guy on the unicycle we just saw, going backwards. We've got to have a little more concern about the working man and the working woman in this country and still be good for the environment. And that's what we've been.

You know, 48th in the percentage of adults with high school diplomas, 48th in spending on corrections, 46th on teachers' salaries, 45th on the overall well-being of children. Then Governor Clinton gets up and says, ``I will do for America what I've done for Arkansas." No way, Bill! No way!

The bad news for Governor Clinton is that there's good news for this country. We've got a long way to go. We've got to help people. But when the economy is showed to be not in a recession, as he's been telling the country, but growing at 2.7 percent, that came as bad news, because the only way they can win is to convince the people of America that we are in decline and that the economy is awful. Yes, it needs to improve, but the worst thing we could do is put a tax-and-spend liberal back into that White House.

You know, in this campaign Governor Clinton said, ``Well, I'm a different kind of a Democrat, especially on the economy." He says he doesn't favor middle class taxes, he wants investment. He's talking about Government investing. Now, remember that, and listen to this. Here's what he said in Newsweek magazine: Bill Clinton says, and this is an exact quote, ``There's a lot of evidence you can sell people on tax increases if they think it's an investment." Those were his own words, his own duplicity. When he says ``investment," America, watch your wallet. He's talking about taxes.

Now, you got plenty of that message right here in New Jersey, deja vu all over again with Jim Florio, higher taxes, more spending, economic stagnation. We're going to change all that. When Bill Clinton's blowing that ``taxophone" -- [laughter] -- middle class America will be singing the blues. We just can't let that happen to the United States.

Governor Clinton says he's the candidate of change. What he means by that is he wants -- and this is his numbers -- ``I want to tax $150 billion more. I want $220 billion more in new spending." You talk about trickle-down, that is trickle-down Government, take it from you and

let Government spending. We cannot do that.

And I would remind America what it was like the last time we had a man coming in with exactly the same approach. When Jimmy Carter left office, or just before, we had inflation at 15 percent. We had interest rates at 21 percent, 21 percent. We had the ``misery index'' at 20. America was then in decline until Ronald Reagan and I came along and straightened it out and gave hope for this country.

The way we're going to do that -- New Jersey is a great export State. We are going to create more American jobs by selling the best product in the world, ``Made in America'' products, overseas. We're going to open these foreign markets. And it is small business that creates the jobs. Instead of putting the money in Government, how about a little tax relief for the people along Main Street? How about less taxes, less regulation, less lawsuits?

We need legal reform. We are suing each other too much in this country and caring for each other too little. And the trial lawyers won't let the slippery one do anything about it at all. They won't let him do anything about it at all. The head trial lawyer in Arkansas said he's never been for reform. And we are going to reform it so doctors can practice medicine, Little League coaches can coach, good Samaritans along the highway can help their fellow man without fear of a crazy lawsuit.

Health care: We've got the best plan. Make insurance available to all, but do not let the Government screw around with the quality of health care in this country.

In education we've got the new approach: reform. More than that, it is actually revolutionizing education. Bypass the powerful NEA, and let the teachers and the parents and the communities have more say in education without mandates from the Federal Government. And beside that, one way to make all schools better is for parents to have the choice of whatever school they want, private, public, or religious. Given them competition and give those parents a needed break.

Crime: Let me be clear where I stand on that one. I support the men and women who are out there in our neighborhoods every single day, trying to fight against the criminal elements. I'm talking about the police, the local police, the State police, whoever it is. I support the police officers and not the criminals. You know, we need more -- I think of Dean Gallo here and what he's doing for the victims of crime. He's been a leader in Congress for that. And I believe we need more sympathy for the victims of crime and a little less, a little less for the criminals themselves.

They talk about getting the deficit down. With the new Congress -- and there's going to be over 100, maybe 150. And you know why they're going there? Because the leadership that's controlled the Congress for 38 years has messed it up so bad they can't even run a two-bit

bank, say nothing about a tiny little post office. They're going to clean House. And with them will come a lot of new Members of Congress. And when that happens, how about protecting the taxpayers with this: a balanced budget amendment; a taxpayer check-off so the taxpayer gets to allocate 10 percent of his taxes to making the Congress bring that deficit down; a line-item veto so the President can do -- [applause]. And I like that concept of giving the Congress back to the people and having term limits so these people don't become entrenched over the years.

And now let's talk a little about character, because I really believe that the Presidency is shaped by the -- you know, Governor Clinton said it's not the character of the President, it is ``the character of the Presidency." Wrong, Bill, wrong. They are interlocked. You have to have the trust of the people through character, and you have to have the trust of the world when you are President of the United States.

You know, I quoted Horace Greeley in one of the debates. And here's what he said. He said, ``Fame" -- and think about this now -- ``Fame is a vapor, popularity an accident, riches take wing; only character endures." That is so true. And I think it is especially true of the Presidency. It matters not just because of the plans you make but the crises that you never foresee.

And we simply cannot take a risk on Governor Clinton. He is wrong for America on the issues, and I believe I am better for America on character. He goes after me with a vengeance. And let me tell you something, I'm not the guy who invented the word ``slick." I did say ``slippery when wet," and I'll stand with that. But I did not say ``slick." That came from the primary. That came from his own hometown newspapers. So I am going to say, let them speak for them; I'll speak for me. I am a better, I will be a better President for the young people in this country for 4 more years than Governor Clinton ever would. Here's why. Here's why.

Audience members. Four more years! Four more years! Four more years!

The President. Here is why. You know, as President you cannot be on all sides of every issue. You've got to look people in the eye, call them as you see them, like the umpire. If you make a mistake, say so, and then go on about leading the American people. But Governor Clinton, one day he's for the NAFTA agreement; the next day he's against it. One day he's for term limits, oh yes; in the debate he opposes it. One day he's going to go for these taxes, and then the next day he backs away. One day he's for fuel efficiency standards that would throw a lot of auto workers out of work; the next day he backs away, and he's going to study that one.

Here's what he said, his own words, on the Persian Gulf: ``I agree with the arguments the minority made, but I guess I would have voted with the majority." What kind of Commander in Chief would that be?

Audience members. Boo-o-o!

The President. And in spite of the harassing from the media -- listen, I've got to define the ground rules on the media. I love these signs, ``Annoy the Media. Reelect Bush.'' And every one of you know what that means. Every one of you know that there has not been objectivity in the coverage. Every one of you know it. And they are having their own debates, all these talking heads: ``Have we been fair? Well, this is the way we do it. That's the way we do it.'' And everyone knows that they're covering up the fact this has been the most biased year in the history of Presidential politics. But we don't need them anymore. We don't need them. I take out as much ire on these Republican talking heads on the talk shows on Sunday as I do on the Democrats. They're all running for cover. And we are going to show them wrong.

I'll tell you who else we're going to show wrong. It was Saddam Hussein's government. A couple of days ago they said they were going to have a celebration, 500,000 people in downtown Baghdad, thinking I was going to lose. And then yesterday they kind of backed away from -- well, I've got a message for Saddam Hussein: You're going to have to contend with me. You're going to have to do what the United Nations said. We're going to keep the pressure on you until you take the pressure off your own people.

So here it is. Here is what is going to determine this election. Yes, it is trust, and yes, it is character. Because, look, we've come a long way. These kids in these bands go to bed at night without the same fear of nuclear war as their mothers and dad had. That is dramatic change. It is worldwide change, and we helped bring it about.

But here's the problem. We still have problems out there threatening this country. Who knows where the next crisis will appear? And imagine a dangerous situation; an American leader totally without experience, completely untested; a person who couldn't even call it right when aggression threatened the whole world. And what we see is a troubling pattern of deception, an ingrained habit of trying to lead people by misleading them. And when that crisis occurs, and you can bet it will, the entire world looks to the President of the United States of America, looks to his experience, looks to his determination. And they will. They will count on his character.

I have been tested. We've managed the world change of almost Biblical proportions. And our success can be measured by the headlines that were never written, the countless crises that never occurred. Let's keep a President in that Oval Office who is strong and knows to stand up for America.

Audience members. Four more years! Four more years! Four more years!

The President. And let me give you another reason to reelect me. I've tried very hard to stand for true family values there, respecting all different kinds and sizes of family, but standing for

values like safety in the neighborhoods and teachers, supporting them, and discipline in the family, respect for this flag of ours, whatever it may be. I've tried to stand for that all along.

And tomorrow you're going to have a major decision to make on who do you trust to stay in that Oval Office. Let me tell you something. I think we've got one good reason, because every time Barbara Bush holds a little child in her arms, an AIDS baby, or reads to them, she is demonstrating compassion. And believe me, we have the best First Lady we possibly could have.

Audience members. Barbara! Barbara! Barbara!

The President. I know it's unfashionable to talk about faith, but I remember that cold day up in Camp David when we had to make this terrible decision about sending the sons and daughters of New Jersey into Desert Storm, into combat. And my experience in combat, the pride I felt in wearing the uniform of this country made a difference in how I made that decision. On that cold day in Camp David, Barbara and I went to that little chapel, and yes, we prayed that I would do the right thing and that these young men and women would come home safe. And they did. They lifted up the morale of this country. They lifted the burden off the veterans of Vietnam. They raised with pride service to country. And I'll tell you something: It was a proud moment. And the press and the media are not going to distort it. It was decent and noble and made us the leader of the entire world.

So now we go. The last day I will ever campaign for myself for President of the United States or anything else, and I can't tell you what this crowd means. So just take this enthusiasm and go to the polls, take your neighbor, get that Local 172 mobilized. You talk about good, decent, hard-working Americans. Fantastic. Get them to the polls. Vote for trust and character and lifting up this country.

And don't let Governor Clinton win based on the country in decline. Look, we are the United States of America. We are the envy of the world. We are one Nation under God, the world leader. Don't let them forget it. Vote for George Bush.

Thank you all very much. May God bless our great country. Thank you very, very much. What a great send-off. Fantastic. Thank you very, very much.

Note: The President spoke at 8:03 a.m. at the Hartley Dodge Memorial Building. In his remarks, he referred to actor Richard Gere; radio commentator Rush Limbaugh; Mayor Donald R. Capen of Madison; and Virginia Littel, State Republican chair.

Remarks to the Briarcliff Father and Son Athletic Association in Glenolden, Pennsylvania

November 2, 1992

Thank you very, very much. Thanks for coming out in the rain. And let me just say this: I am very grateful to all of you, grateful to Tom Judge. I want to salute Congressmen Curt Weldon and Larry Coughlin, Bob Walker, with us. You know, you see a lot of signs saying ``Clean House!" People are tired of the Congress the way it is. So send Larry Hollin and send Craig Snyder to Washington. May I send a special vote of thanks to the Oak Ridge Boys and urge that we send Arlen Specter back to the United States Senate. And let me thank so many people who are working hard to guarantee a Republican victory throughout Pennsylvania.

You know, Governor Clinton has gotten a little premature. He's talking about his inaugural parade. My advice to him is: Put the parade on hold, Bill; you're not going to win this election.

Tomorrow, you see, it's not the pollsters, and it's not the national press, it is the people that decide these elections. That's what we're going to show them tomorrow. The reason we're going to win is this: Because the choice the American people have is about a difference in experience, a difference in philosophy, and yes, a difference in character. Character matters. Parents are going to say, ``Who do I trust our kids with?" And I believe the answer is George Bush.

You know, Governor Clinton made a scary statement in one of the debates. He said, ``I want to do for this country what I've done for Arkansas." No way! We can't let that happen. They are near the bottom in education, on the environment, on the economy. We cannot let that happen to the United States of America.

You've heard all this time about how things are not going. We are improving. The economy moved at 2.7. And the last thing we need is to go back to tax and spend the way the Democrats want to do it.

Bill Clinton offers an economic disaster for this country. You know, in this campaign he said, ``I am a different kind of Democrat, especially on the economy." He says he doesn't want middle class tax cuts, he wants investment. But the American people, before they go to the polls, as you hear Governor Clinton talk about investment, ought to listen to this. Here's what he said in Newsweek magazine: ``There is a lot of evidence that you can sell people on tax increases if they think it's an investment." Those were his words, and that means he is out to tax the American people. Let's not let him do that.

Governor Clinton says he is a candidate of change. You remember that last time we had a

Democrat in the White House and this Congress controlled by the Democrats. You had interest rates at 21 percent. We had inflation at 15 percent. You had the ``misery index'' at 20. And we simply cannot go back to those days. Let's move this forward with less taxes and less spending.

The way to do that is to stimulate small business. Give them a tax break for investment taxes. Give them a tax break for that first-time homebuyer to let that homebuyer live in the American dream. Let's do something about these crazy lawsuits that are killing this country.

We've got the best agenda for education. You see, I think it's about time we let the parents choose, whether public, private, or religious schools, and give them a chance.

Governor Clinton wants, like all these guys, to expand American Government. I want to expand the American dream.

But let me tell you here, let me tell you what it really is all about. When you go into that booth, the reason we're going to win is it boils down to character and to trust. You know, Horace Greeley said, ``Fame is a vapor, popularity an accident, riches take wing; only character endures.'' I think that is especially true as the President of the United States of America. If you make a mistake, tell the truth about it. But you cannot be on all sides of every issue. You can't do that. You cannot lie to the American people.

Here's a man, Governor Clinton, whose own hometown newspaper says he's a politician utterly without principle, a guy whose supporters gave him that name ``Slick.'' We didn't invent that. It came out of the Democratic primary, out of Arkansas. I say ``slippery when wet,'' a little different but the same thing.

But the pattern of deception is what is troubling the American people. They see it on term limits. They see it on North American free trade agreement. They see it on taxes. They see it on these environmental standards. I think we ought to think about the working man and the working woman and have good environment without going to the extreme like the Ozone Man wants. We've got it. Somebody better think of the families that are working for a living, and we're doing both, a good sound environmental record but not the extreme that's going to throw more Americans out of work.

But you know, being on all sides of the issue, listen to this one about the Gulf war. Here's what he said, when Bob Walker and these other Congressmen here, Curt Weldon and Larry, were standing up and doing what's right, here's what Governor Clinton said. He said, ``I agree with the arguments the minority made, but I guess I would have voted with the majority.'' What kind of leadership is that for the Commander in Chief of the Armed Forces?

You know there was a statement out of Baghdad the other day, said that Saddam Hussein was planning a big rally when Governor Clinton won. Well, Saddam ought to put it on hold. And

today he backed away. He's probably listening to the national media, who see us moving now. And here's my point: Saddam Hussein is not going to rejoice, because we're going to win the election and we're going to make him live up to those international resolutions and help the people over there.

So what it boils down to is this, it boils down to character and trust. I ask you to just imagine reading about an upheaval now. We brought peace to the world and way and tremendous quantities. These young people here, even these characters, they go to bed at night without the same fear of nuclear war. That's something big. That is something important for the world, for mankind.

But the world is not without threat. Imagine in a dangerous situation -- the question is if a crisis arises, at home or abroad, who do you want to solve the crisis? Who do you want to do it? You cannot do it with a leader that has a pattern of deception. You cannot do it with a leader who went to a foreign country and demonstrated against his own country when his people were at war. Look, a lot of people disagreed on the war, but not many of them went to a foreign land and organized a demonstration when kids were being drafted out of the ghetto and Americans were held prisoner in Hanoi. I don't like that. I think that was wrong.

So in the final analysis, what it boils down to is who has the experience and who has the character to lead the greatest, freest country on the face of the Earth.

I'll give you another reason to reelect me. I think we've got a great First Lady in Barbara Bush, I'll tell you. When she holds those AIDS babies in her arms or when she reads to those children or when she lifts up these families, she's saying family values do matter. Don't let the liberals and the media tell you they don't. They do matter. God bless the American families.

I see these signs saying here, ``Annoy the Media. Reelect Bush." Well, let me tell you something. We are going to show the pundits and the pollsters that they are wrong. We are going to win this election.

So now it doesn't matter what they are telling us we think. Now it's up to what the American people think. We are going to pull off one of the biggest surprises in political history. Discard the pundits; discard the pollsters; discard the rhetoric out of Governor Clinton. Vote for me, and we will lead this country to new heights.

Thank you, and God bless you. Thank you and bless you all.

Note: The President spoke at 11:06 a.m. at the association. In his remarks, he referred to Tom Judge, chairman, Delaware County Republican Party, and entertainers the Oak Ridge Boys.

Remarks on Arrival in Akron, Ohio

November 2, 1992

The President. Thank you, thank you. Thank you very much. Thank you so much.

Audience members. Four more years! Four more years! Four more years!

The President. What a terrific Akron welcome. Thank you. Thank you for that great Ohio welcome. Feel good; I feel good. Thank you very much. Thank you very, very much for that welcome. All right. Thank you, Governor.

Let me thank Governor Voinovich. May I start by thanking your great Governor, my great friend, George Voinovich, for being at my side, leading us to victory in Ohio, and salute Congressman Ralph Regula, one of the all-time greats in the Congress, who's with me here today, a great man. You know, I want to thank Alex Arshinkoff, a great political leader who you heard from earlier, and pay my special thanks to four friends who came with us here, traveling with me, the Oak Ridge Boys, great Americans, wonderful musicians.

You know, as you drive down to -- there they are. As you drive down to the wire I see these signs saying, ``Clean House! Clean House!'' Change that one institution, the United States Congress, that hasn't changed in 38 years. So let me tell you what to do. Obviously, we need Ralph Regula there, but send Bob Morgan and Margaret Mueller to Washington as Congresspeople. That's what we need. While we're at it, let's clean Senate and send Mike DeWine to the United States Senate.

Your Governor is a man of total truth, like George Washington. He never told a lie. He just told me we are going to win Ohio, and I believe him. I'm sure it's true.

You know, I got a big kick out of this the other day. I read in the paper that Governor Clinton was already planning his inaugural parade.

Audience members. Boo-o-o!

The President. No problem. Put the parade on hold, Bill. Put it on hold, because it's not the pundits that matter; it's not the media back in Washington, DC, that matters. On Tuesday it is the voter, the American people that matter.

Here's why we're going to win it: Because the choice before the American people is a choice of real differences, difference in experience, difference in philosophy, and yes, difference in character. Character is important. The American people are going to have to decide, and they will. The issue tomorrow is also trust, and they're going to have to decide: Who do you trust

with your children? Who do you trust with the United States of America?

We have literally, through our leadership, helped dramatically change the world, bring peace to the world. The young people here today go to bed at night without the same fear of nuclear war that their parents had. That is dramatic change. Now America's economy is recovering. We are going to bring that same leadership, with a brandnew Congress, to help every single family here in the United States of America.

You know, one reason that I believe I'm going to win is that things are getting in focus on what's happened in Arkansas. The press hasn't wanted to talk about it, but I do, because I think it is only fair that the American people know what Governor Clinton's record is. They are near the bottom on education, 45th for teachers' salaries; 50th for environment; terrible on the economy. He's had one good year, and that's the year he was out of town most of the time. And the good people of Arkansas deserve better. But here's what worries me. Governor Clinton in the debate said, ``I want to do for America what I've done for Arkansas." No way!

Audience members. Boo-o-o!

The President. No, Arkansas changed its slogan from ``Land of Opportunity" to ``Natural State." I want America to be the land of opportunity, and it is. It is.

The worst news for Governor Clinton and the worst news for the liberals that control the United States Congress is they've been telling us all along that we've been in a recession. We have grown for six straight quarters, and this quarter grew at 2.7 percent. They're telling us that we're worse than Japan, Germany, and Europe. We are better than they are, and we're going to make it better still and move this country ahead. Yes, people are hurting. Yes, people are hurting, but now with things beginning to move, let's not go back and take us back to the tax-and-spend days that brought us real ruin.

Governor Clinton -- you know, you've been reading he talks about investment, we need more money so we have Government invest. Let me tell you something. Government never made a sound investment in human beings in their life, or in jobs. It's the small business that makes investment. Let's help small business: less taxes, less regulation.

Just so we tell it straight before people go to the polls, talking about investment, here's what Governor Clinton said in 1988 in Newsweek. He said, ``There's a lot of evidence you can sell people on tax increases if they think it's an investment." That was what he said 4 years ago. Now we hear that cry, ``investment." What he means is, America, watch your wallets. He's coming after you in taxes.

We are not going to let the middle class pay for that scam. It is a scam. Change, change, change, change, says Clinton and the Ozone Man. Change, change, change, change, change.

That's all you're going to have left if he gets in there with more taxes and more Government spending.

You know why I call him Ozone Man? Let me tell you something, our administration has taken the lead on CFC's internationally, the thing that causes concern for the ozone. We brought you the Clean Air Act. We've done better on forests. We've cleaned up the oceans and the beaches. But we are not going to go to the extremes like Gore and Clinton when they say, ``We want Federal fuel efficiency standards at 40 to 45 miles per gallon." You've got some great auto workers in this State. I am going to keep them at work, not throw them out of work.

Change, change, Governor Clinton got in a huddle with the handlers, and they said keep talking about change. Let me remind you of what it was like when we had a Democratic President and a Democratic Congress. We had change. We had interest rates at 21 percent. We had inflation at 15. We had a ``misery index" at 20 percent. We don't need that kind of change for America.

What we need instead is a positive agenda. We've got one for rebuilding our schools, for reforming health care, for creating jobs through less spending, less taxation, and more tax breaks for these businesses.

Governor Clinton -- I can just feel it, these liberals, they want to expand Government, and I want to expand the American dream.

Now let's talk trust, and let's talk character, because they do matter. I love it when that national talking-head media take me on. I love it, because I like a good fight. There's no reason my holding back anymore.

Audience members. Four more years! Four more years! Four more years!

The President. Hey, wait a minute, before I go any further, we grant amnesty. I want this clearly understood. Grant amnesty to these guys over here. Aim your feelings -- and I know you have them because every time somebody holds up one of those bumper stickers, it says, ``Annoy the Media. Re-elect Bush," and everybody in this country knows what it means. You know what it means. Everybody knows what it means.

So don't let them tell you that family values don't matter. They do. We want to strengthen the American family by backing up our law enforcement people. Do what Barbara Bush does, reading to those children, get the parents to do that. We have a great First Lady, incidentally.

Give them school choice so the parent can choose private, public, or religious schools. We've already brought choice in child care. Strengthen the American family. Strengthen the American family.

[At this point, there was an interruption in the audience.]

I think we need a doctor over here. We'll get it. Somebody will be coming. And now let's finish. And let's be sure we get attention. They've got somebody -- all right? Okay. We'll get -- is she okay? Now, here we go. We've had a little accident over here.

But let me just say this: It is character and it is trust that is going to determine this election. There's no question about it. Listen to the words of Horace Greeley. You young people particularly, remember this. Here's what he said. He said, ``Fame is a vapor, popularity an accident, riches take wing; only character endures." And this is true. This is very true.

Governor Clinton said in the debate, he said it's not the character of the President, it is ``the character of the Presidency." Wrong, they're interlocked. The President is forming the character of the Presidency. And that is important.

Audience members. Four more years! Four more years! Four more years!

The President. We cannot have a pattern of deception. It's like any family. A President makes a mistake, he says, ``Look, I made a mistake. Now let me help continue to lead this country." You cannot be on all sides of all issues if you're President of the United States.

I'll give you one example. Let me give you one example. When I had to make the toughest decision of my life, whether to send somebody else's son, somebody else's daughter into combat on Desert Storm, I made a decision not because it was popular. We had plenty of people in the media, plenty of people demonstrating, plenty of Congressmen telling me it was wrong. But I made the right decision. And what did Governor Clinton say? He said, ``I agree with the arguments of the minority, but I guess I would have voted with the majority." What kind of Commander in Chief will waffle like that?

Audience members. Boo-o-o!

The President. As a result, we crushed aggression. We lifted the spirits of America. We honored the Vietnam veterans as well as the veterans of Desert Storm.

There was a very interesting announcement out of Baghdad, of all places, the other day, that Saddam Hussein's government is planning a party -- they said 500,000 people -- if Governor Clinton wins. Well, Saddam, put it on hold, old fellow, because we are going to make you live up to every resolution passed by the United Nations. We're going to make you lighten up on the people of Iraq.

I ask this at the end. We've helped the world become more peaceful by busting up international

communism. But let me tell you this: The world is still a dangerous place. I don't want to cut into the muscle of our defense. I feel a responsibility to young people to keep this country strong. We've reduced defense, but we can't do what Clinton and Gore want, cut right into the muscle of the defense. I'm not going to do that. The reason we're not is because it still is a dangerous place, this world of ours. It's still a dangerous place. I believe that we need a Commander in Chief that the people trust, who has had the experience and hopefully has demonstrated the character to lead this country in peace and to lead it in war.

And so tomorrow -- --

Audience members. Four more years! Four more years! Four more years!

The President. So tomorrow when you go into that polling booth -- --

Audience members. Four more years! Four more years! Four more years!

The President. So tomorrow when you go into that polling booth, pollsters be darned, everything else aside, I ask for your support. I ask for your trust to lead this great country for 4 more years.

Thank you, and may God bless the greatest country on the face of the Earth. May God bless the United States of America.

Don't listen to these guys that say we're in decline. We are the United States. God bless you all. Thank you very much. Great rally. Now go to the polls, Ohio.

Note: The President spoke at 1:52 p.m. at Akron-Canton Regional Airport. In his remarks, he referred to Alex Arshinkoff, Summit County Republican chairman.

Remarks on Arrival in Louisville, Kentucky

November 2, 1992

The President. Thank you very much. Thank you so very much. Thank you, thank you, thank you.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you very much. Let me just start by thanking first all of you for this great Kentucky welcome and a great Kentucky sendoff into the final hours of the campaign. Tomorrow, let's do the country a favor and give the country back to the people by sending some new Representatives to the United States Congress. Let's send Dave Williams to the Senate. And you know, you hear a lot about the able women candidates, strong, powerful women. We have one right here in Susan Stokes. I want to see her win. Get her in there. Get her up there. You talk about cleaning House, we can start right here, I'll tell you. May I thank Mitch McConnell, who has been at my side through thick and thin. We climbed off the plane, and he said, we are going to win Kentucky. What a great Senator you have.

You know, the last couple of days, I don't know whether you saw it here, but Governor Clinton's been talking about his inaugural parade and playing sax -- wait a -- --

Audience members. Boo-o-o!

The President. -- -- playing his saxophone in the White House. Well, I told him, hold on, Bill, not so fast. Don't believe the pollsters; believe the American people. We are going to win the election.

No, that's the way it works. You go to the polls, and the people make these decisions. They don't have to have a filter. They don't have to have one of those instant analysts coming across, those people that tell us from Washington every Sunday what's wrong with our country. Let's go and vote for what's right, the reelection of George Bush and more prosperity for this country.

Hey, listen, if we'd do it the way the media wants you, they wouldn't even have -- if they were running the races here, they'd just say who the favorite is and let it go. That's not the way it works at Churchill Downs, and that ain't the way it works for American politics, either.

Here's what it's about. The choice before the American people is the vast difference in experience, a vast difference in philosophy, and yes, a vast difference in character. Character matters. The big question the American people ask tomorrow is: Who do we trust? Who do we trust with our kids? Who do we trust with our country?

Governor Clinton talks about change, change, change. That's all we hear about -- uses the word about 50 times every minute with gusts up to 250. [Laughter] But let's look at what he offers. Change: $150 billion in new taxes before he can get started.

Audience members. Boo-o-o!

The President. And $220 billion in new spending before he even gets started.

Audience members. Boo-o-o!

The President. Bigger Government: He talks about Government investing. Government doesn't invest. It's small business that invests and creates jobs in this country.

Clinton and the Ozone Man don't like to hear this, but -- [applause] -- hey, wait a minute. Wait a minute. That's fair. ``Ozone Man'' is fair. How about trying a carbon tax on the coal industry here -- what he wants to do. We're not going to let him do that.

Audience members. Boo-o-o!

The President. This Ozone Man and Governor Clinton want to put fuel efficiency standards on the auto business of 40 to 45 miles per gallon and throw a lot of auto workers out of work. And we're not going to let them do that.

Audience members. No-o-o!

The President. These guys are my favorites, I'll tell you. These Oak Ridge Boys are just great. And I want to tell you something, I wish you could have been with us on the plane, every single one of you -- might have been a little over baggage there. But nevertheless, I wish you could have heard these guys singing those beautiful gospel songs. It made us -- not a dry eye in the house. These are my friends, and I am grateful to all four of them.

Back to the business at hand. The last time we tried the kind of change that Clinton and the Ozone Man are talking about, we had change -- exactly. We had interests rates at 21 percent. We had inflation at 15 percent. We had a ``misery index'' of 20. Now it's 10. We cannot go back in the name of change to those failed policies of the past.

We're going to win not just on character and trust. We're going to win on a positive agenda. We have the best program for rebuilding our schools, putting the faith in the teacher, putting the faith in the family to have a choice. Give the parents the right to choose public, private, or religious schools, and all schools will be better.

We've got the best plan for reforming health care: Make insurance available to the poorest of the poor through vouchers; next income bracket, give them a break through taxes; pool insurance so you get the price down. But do not do what Governor Clinton wants and get the Government in the rationing business. Keep the quality of health care up.

At every turn, every turn, Governor Clinton talks about expanding Government. I want to expand the American dream. There is a difference.

Now let's just talk about character and trust. And let me tell you what this election is about. Here's a quote by Horace Greeley. He said, ``Fame is a vapor, popularity an accident, riches take wing; only character endures." And that is true. That is very true.

In the debate, Governor Clinton said it's not the character of the President, it is ``the character of the Presidency." Wrong. They're both interlocked. What happens in that White House shapes the character of the Presidency, and make no mistake about it.

We have tried very, very hard to uphold the trust. Frankly, in Barbara Bush I think we have a first-class First Lady that has held America in her arms and cares about people. She cares. And when she reads to those children in the Diplomatic Entrance of the White House or holds an AIDS baby in her arms, she's saying two things: We should care about each other, and she's saying family matters, family values matter.

So what it boils down to is we simply cannot take a risk on a man who keeps changing his position every single day in order to get votes. You can't do it. You know, Kentucky, Fort Campbell and many other places, rallied around when we faced a very critical moment in our history, on the Persian Gulf. I had to make a tough decision, look the American people in the eye, and say here's what we're going to do. And we did it with the help of the American people. But I would remind you what Governor Clinton said at the time. He said, ``I agreed with the arguments the minority made, but I guess I would have voted with the majority." You cannot do that as Commander in Chief of the Armed Forces.

Hey, the good one happened the other day. Maybe you didn't see it in the press; I did. Don't read it too much anymore, but I saw this one -- [laughter] -- this one said that Saddam Hussein's government plans a party of 500,000 people when George Bush loses. Saddam, put it on hold, old friend. We're going to come after you until you lighten up on the people of Iraq. We are going to make you live by the United Nations resolutions. He's not going to get rid of us. We're going to keep to it until he does what's right by his people. Frankly, I couldn't care less whether he's unhappy if I win. That doesn't bother me one single bit.

So here's what it is. Just picture this: We've dramatically changed the world, dramatically. All these kids here go to bed at night without the same fear of nuclear war than they had 4 years ago. Now, that's change. You talk about change, that's change.

But we're not out of it yet. Governor Clinton and the Ozone want to cut defense by $50 billion more. They are still some wolves out there. We have cut defense. We have cut it, but we must not cut the muscle of our defense.

Just imagine if there's a crisis; imagine if we have to face an unforeseen crisis. The question then is this: What American leader will you trust in that kind of a crisis? I do not believe we should put our trust in a man who is all side of every issue. You can't do that in the Oval Office. You have to make the tough decision.

I remember well that very cold and rainy February just before our young men and women from Kentucky and the other States were sent into battle. Barbara and I were at the Camp David chapel. And yes, we prayed, prayed hard to do the right thing. We prayed that these young people would come back. And boy, did they ever do this country proud. They did us proud, and don't let them take it away from us.

But my point is, this is an awesome responsibility, to ask someone else's son or someone else's daughter to put their lives at stake. It's a responsibility that I have tried to fulfill with honor, duty, and above all, integrity. We must serve this country with integrity.

So tomorrow, as we end the long campaign trail in what's got to be one of the most controversial years, certainly probably the most unpleasant year of my life, which is totally unimportant, but I think others know it's been a rather ugly year with this national media just writing us off from day one.

Audience members. Boo-o-o!

The President. Let me tell you something. We're going to show them they're wrong.

So tomorrow is the day of responsibility. I ask you not to take this responsibility lightly. You see, democracy was conceived from liberty, nurtured by freedom, and protected by the blood of those who came before. When you walk alone into that booth tomorrow, you will not spend more than a couple of minutes, but your single voice will echo down the corridor of time. With your vote, you will shape and help shape the entire future of this, the most blessed special nation that the world has ever known and that God has ever created.

Never forget, I don't care what they say, never forget that we are one Nation under God, and we ought to be grateful for that.

So what we do will cast its shadow forward into history. Your vote -- look at it this way -- it's an act of power, a statement of principle, and a harbinger of possibility. So like all the candidates, I ask only that you think deeply about our Nation and its needs, because tomorrow

the polls don't matter. The pundits don't count on election day. Only conscience should be your guide. And never, never let anyone tell you that the United States is a nation in decline. We've got problems, but together we can solve them and lift America up.

May God bless you, and may God bless our great country. Thank you so much. Let's go win it. Go to the polls. Go to the polls and win. Thank you very much. Thank you, Kentucky. Thank you.

Note: The President spoke at 4:33 p.m. in the Signature Flight Support Hangar at Standiford Field.

Remarks at a Rally in Baton Rouge, Louisiana

November 2, 1992

The President. Thank you very much. What a great Louisiana welcome. Unbelievable. Thank you very much. Thank you so very much for this welcome back. And may I at the outset of these remarks say thank you, Louisiana, and thank you, Cheryl Ladd, an old friend, for introducing me here today.

And I want to salute Congressman Richard Baker, Congressman Holloway, Congressman Livingston, all three great guys; former Congressman and your former Governor Dave Treen, who's at my side through thick and thin; another great Louisianian, Henson Moore, who is so important to us in the White House and been working his heart out here; and Fox McKeithen and Chuck McMains and Carl Crane and so many others that are helping us in every single way, but especially all of you here tonight to put us over the top in the State of Louisiana.

I'll tell you, something is happening across this country. Something is happening across this country. And we are going to annoy the media and reelect George Bush. They don't like it; they don't understand it. Something is happening in our great country. Come Monday, we feel things moving. But come Wednesday, there's going to be no joy in Little Rock, believe me. We're going to win this election. And the pollsters, the pollsters are going to be unemployed, and the rest of the country is going to move forward to jobs and opportunity. [Applause] No, you guys are too much.

But here's what it's about. Here's what it is about. There is the choice, is a big difference on experience, on philosophy, and yes, on character. Character matters for President of the United States of America. And yes, the issue is, tomorrow when you go into that booth, the question of trust. Who do you trust with your kids? Who do you trust with your country? Who do you trust to lead the free world?

Governor Clinton says he's the candidate of change. But let's look at what he offers: $150 billion of new taxes to start with -- --

Audience members. Boo-o-o!

The President. -- -- $220 billion in new spending. That is trickle-down Government. And we do not need to go back to the failed days when you had a Democrat in the White House and Democrats running, the liberals running the Congress. Governor Clinton's numbers don't add up. He says, ``Oh, I'm going to sock it to the rich.'' All you guys driving a cab, being a nurse, teaching school, watch out: He's coming after you. And we're not going to let him do that to the United States of America.

And I would remind the entire country from this fired-up rally right here in Baton Rouge -- the one I'm told is the biggest they've ever had here -- what it was like when we had another guy sounding just like this in the White House, like Governor Clinton. We had interest rates at 21 percent. We had inflation at 15. We had a ``misery index'' of 20. And we are not going to go back to those days.

This guy -- change -- he and Ozone Man, all they do is say, change, change, change. That is all you'll have in your pocket if you put these two guys in office, believe me. We're the ones with the positive program. We want to renew, revolutionize education, K through 12, give the parents a choice of schools, religious, private, and public. Put your faith in the parents and in the teachers and in the community, not in some bureaucracy in Washington, DC.

We've got the best plan for reforming health care: making insurance available to the poorest of the poor through vouchers; tax credits to that next overworked and overtaxed part; get that insurance pooled so you bring the prices down; and then go after these malpractice lawsuits that are driving the cost of health care right up through the roof.

We've got to teach those trial lawyers and Governor Clinton that people want reform of the legal system. It's a shame when people don't dare coach Little League for fear of a crazy lawsuit, don't dare help their fellow man along the highway for afraid of a crazy lawsuit, doctors don't dare deliver babies for fear of a crazy lawsuit. It is time to stand up to the trial lawyers and put some liability limits on this insurance.

And there's another big difference. The other day in southern Louisiana, I signed a brandnew national energy strategy that changes this alternative minimum tax and says, look, we are going to get the oilfields back to work by giving them a tax break.

And we've got a very good record in the environment. But it is Ozone Man -- and this is why I call him that -- who has said in Santa Barbara, California, ``No more offshore drilling anywhere.'' That is wrong. That is wrong for this country.

Audience members. Boo-o-o!

The President. But typical, one day he makes that statement in California, ``No more anywhere''; then he comes here and hedges and said he didn't say it. Then they played the tape to him right in Louisiana where he said, ``No more drilling anywhere.'' And now he said, ``Well, yes, I said it, but.'' You cannot have a lot of ``buts'' in the Oval Office. And Governor Clinton keeps going, one side of the issue one day, one side the next.

No, you can't have it all ways. You can't be all things to all people in this job. You call them as you see them. If you make a mistake, you look the American people in the eye, like any family person would, and say, I was wrong. And then you go forward and lead the country. You don't

try to waffle. You don't try to be on all sides of every question.

And believe me, Governor Clinton wants to expand the American Government. And I want to expand the American dream for every kid here today.

Now let's talk about character and trust. I happen to believe that they're both important. I happen to believe they are both important, because people look to the United States and to the President for just that kind of leadership. And Governor Clinton said in the debate, he said it's not a question of the character of the President, it is ``the character of the Presidency." Wrong. They're interlocked. You can't separate them out for the time that the man is President.

I mentioned Horace Greeley's words in the last debate we had. But here's the full quote. He said, ``Fame is a vapor, popularity an accident, riches take wing; only character endures." And that's true, whether it's in a family, whether it's in a business deal, or whether it's as President of the United States of America.

And so, my pitch at the end is that we simply cannot take a risk on Governor Clinton. Neither his experience nor his character, given this position on one side or the other, is what's right for this country at this time.

We are the greatest nation. You know, Governor Clinton and Ozone go around telling everybody that we are a nation in decline, that we're less than Germany, that we are more than Sri Lanka. Wrong. We are the most respected nation on the face of the Earth. And we have made dramatic strides towards world peace. They don't ever like to talk about foreign affairs. But let me tell you something on the eve of going to the polls. I am very proud to have been the President that has greatly reduced, if not eliminated, the threat of nuclear war from the face of the Earth.

Audience members. Four more years! Four more years! Four more years!

The President. You know, let me tell you something -- --

Audience members. Four more years! Four more years! Four more years!

The President. I honestly believe we're going to get 4 more years tomorrow.

You know, I have another big difference with Governor Clinton. It relates to war and peace. I am very proud that I wore the uniform of this country and fought for my country in combat. And the media elite don't like it, but I still think it is wrong, when your country is fighting, to go to organize demonstrations in a foreign land against the United States of America.

Audience members. Boo-o-o!

The President. And thank God we didn't waffle when Saddam Hussein took over Kuwait. Thank God we stood up and said this aggression will not stand. And thanks to the sons and daughters of Louisiana and others across this country, it did not stand.

And yesterday, a couple of days ago, there's this marvelous dispatch out of Baghdad a couple of days ago, Saddam Hussein's government announcing that they plan a party in downtown Baghdad of 500,000 people if I lose. Well, let me tell Saddam something here tonight: He can put his party on hold. And he'd better live up to all those resolutions of the United Nations and take the pressure off his people. Now, Saddam won't be happy, but I'll be happy that he's not happy. Look at it that way.

Now, let me ask you this. Imagine a year from today picking up a newspaper in your house and seeing that somewhere in the world or somewhere right at home there is a significant domestic crisis, an unforeseen crisis. Imagine that in this dangerous situation an American leader, totally without experience, completely untested, a leader about really whom we know very little still, and what we do know is his troubling pattern of being on one side and then another and bringing this ingrained habit of trying to lead people by misleading them. And when that next crisis comes, and you know darn well it will, the entire world is going to be looking to the American President. Make no mistake about that. And they will look to his experience, and they will count on his character.

And I have been tested by fire. We have managed world change. It gets of almost Biblical proportions. And our success can be measured by the headlines that were never written, the countless crises that have never taken place, because we stayed firm and strong and never waffled.

Audience members. Four more years! Four more years! Four more years!

Audience members. George Bush! George Bush! George Bush!

The President. The decision that we made on Desert Storm was made not because it was popular. Think back to the demonstrations, to the reluctance of Congress, to the testimony before the Congress, counting millions of body bags that might return. It was not an easy call, and clearly it was not a popular call. But as President you have to make a call when you believe it was right, and that was the right thing to do.

And I will never forget that cold day up there in Camp David at our little chapel when Barbara and I literally prayed for the safety of the young men and women that were about to go to war. And let's never forget, we are one Nation under God, and in the Oval Office or in your families, we should never forget that. And we prayed those kids would come back. And back they came, with their heads high. And they lifted our country up and brought it together and

erased the agony of Vietnam and made everybody proud, proud again to be Americans.

And so yes, I do believe in honor, duty, and country. And I ask for you to remember that another crisis may occur, and we better have a Commander in Chief that shares those Louisiana values.

Let me conclude now. We're getting near the end of the trail. This is the second-to-last campaign appearance that I'll ever make on my own behalf after half my adult life in public life -- half in the private life right here, much of it in Louisiana; half of it in business, the other half in public life. And this is the end of the road in terms of the campaigning.

And so let me ask you in all seriousness to think seriously about this and ask that you not take lightly your responsibility that you'll have tomorrow. You see, democracy was conceived from liberty, nurtured by freedom, and protected by the blood of those who came before us. And when you walk alone into that booth tomorrow, you'll not spend more than a couple of minutes. But your single voice will echo down the corridor of time. And with your vote, you will help shape the entire future of this, the most blessed, special nation that man has ever known and that God has ever created. And what we do together, what we do together tomorrow will cast its shadow forward into eternity.

And so your vote is an act of power, a statement of principle, and a messenger of possibility. And so like all the candidates, I ask only that you think deeply about our Nation, about those that need help, about our needs, because tomorrow the polls don't matter. The pundits don't count. On election day, it is the American people who speak their mind. And only conscience should be your guide.

And don't let anyone tell you we're a nation in decline. We've come out of some very hard times. We're beginning to move. And I ask for your support for 4 more years to help every young person in this room enjoy the American dream.

May God bless the United States of America. Thank you very much. Thank you and God bless you all. Thank you.

Note: The President spoke at 6:55 p.m. at the Baton Rouge Metropolitan Airport. In his remarks, he referred to actress Cheryl Ladd; Henson Moore, Assistant to the President for Intergovernmental Affairs; Fox McKeithen, Louisiana secretary of state; and Chuck McMains and Carl Crane, Louisiana State representatives.

Remarks at a Rally in Houston, Texas

November 2, 1992

The President. What an awesome array -- --

Audience members. Four more years! Four more years! Four more years!

The President. What an awesome array. What a great homecoming and a great welcome back.

Audience members. Four more years! Four more years! Four more years!

The President. Thank you very, very much. Thank you, thank you. Thank you so very much. Thank all of you. And may I start by thanking this awesome array of wonderful people, Bob Hope and all the rest of them, for being with us tonight. Thank all of you from the bottom of our grateful hearts.

Texas, that's where it all started for Barbara and me: 44 years ago when we moved out to Texas, west Texas, we voted in our first Presidential election out there; here in Houston, 30 years ago, when I gave my very first speech on my own behalf. And tonight, in Texas, I will give my last speech ever on my own behalf as a candidate for reelection as President of the United States.

Audience members. Four more years! Four more years! Four more years!

The President. You know, when we drove that car out to Odessa 44 years ago, we were tired and we were worn out. Our spirits were high. We knew we had big things in front of us. And tonight we come home from another long, long journey a little tired, a little worn, but fired up because we are going to win this election tomorrow.

We are on the verge of something big. We are on the verge of something very, very big, something historic in American politics: the biggest comeback in American political history. And this guarantees it. I'm not much for predictions. No, I just tell the truth, and they think it's hell. You remember Harry Truman? I'm not very much for predictions, but come Wednesday morning, there's going to be a whole lot of pollsters looking around for something else to do. And America's going to be moving forward. America will be moving forward again, united, strong, ready to move this country into the end of this century with a lot of power. And the bottom line is this: Yes, we will ``Annoy the Media and Reelect Bush."

Audience members. Four more years! Four more years! Four more years!

The President. We came to Texas, as I said, 44 years ago to begin our lives. I got the book-

learning back East, but I learned about life right here in Texas, first at Corpus Christi where I got my Navy wings -- and yes, I am proud that I served my country in war -- and then out west in the Permian Basin and later right here in the Gulf Coast. We come here tonight to begin again, begin the process of American renewal, because we know that we have changed the world. Now let's get together and help change America and lift everybody up.

And so the pundits say our campaign is against the odds. So what. I have a feeling the gods are smiling on us, and I know we're going to win this campaign. And here is why: My confidence stems from a simple fact that even in this time of uncertainty and transition, the American people share our values. And that's one of the reasons we'll do it, some simple, commonsense beliefs that Barbara and I learned right here in the great State of Texas. I learned that the strength of our Nation does not end up on the marble mausoleums along the Potomac but in the souls and the hearts of the hard-working people in places like Tyler and Waco and Corpus and Houston.

And while Governor Clinton dreams, while he dreams -- --

Audience members. Boo-o-o!

The President. -- -- while he dreams of expanding the American Government, I know what really matters: I want to expand the American dream.

And in Texas, I learned that family and faith and certainly friends are all there really is, and that America always will be indivisible, undivided, one Nation under God. It was here in west Texas in the oilfield I learned that a person's word is worth a million dollars, just the word of honor, and that if you don't stand for something, you will fall for anything. And it was there that I learned that great nations, like great men, must keep their word of honor. And I have done that as President of the United States. Great men, like great nations, must also do that.

And I learned about character. Character is what you are when no one's looking and what you say when no one is listening. And I learned that character really is the father of leadership -- not money, not fame, not intelligence. It is character. And here in Texas, or in the Oval Office, character counts.

And most of all, right here in Texas at Sunday dinners or at those Friday night football games, I was reminded every single day that there is no place like this great Nation. We are a special land with a special spirit. There is no place like America. And don't let Clinton and Gore tell you we're a nation in decline. We're a rising nation. We can solve any problem. And I want to lead this country to new heights for 4 more years.

Audience members. Four more years! Four more years! Four more years!

The President. And so I offer in this campaign a proven record of leadership, leadership that has literally revolutionized the world. Leadership that has been tested by fire. Leadership that has made our children dream the sweet dreams of peace instead of the nightmare of nuclear war.

And I offer trust, not in Government but in you, the American people. And I offer a deep and abiding faith in the future of our great Nation. Clinton and Gore say we are in decline, something less than Germany but a little more than Sri Lanka. They are wrong. We are the United States of America, the greatest, freest nation on the face of the Earth.

And I learned a lot about life. I learned a lot about life right here. I learned that you fight when your back is up against the wall. You never give up when you're behind. You push on and you fight for what you believe in. And you will win.

There is no way that Barbara and I can ever adequately say thank you -- not possible -- thank you to the people in this room, thank you to the people of Texas, thank you to our friends here. I will single out one person who is at my side once again in the battle of my life, and that is Jim Baker of Houston, Texas, our great Secretary of State. And I remind you that time and again our political journeys, we've defeated the odds. And time and again we've proved the naysayers wrong. I think America likes a comeback. I think they like somebody that fights for what he believes in. And that's what I am doing, right here, right down to the wire.

Audience members. Four more years! Four more years! Four more years!

The President. Did you see the dispatch out of Baghdad a couple of days ago? Saddam Hussein is said to be planning a party in the streets of Baghdad for 500,000 Iraqis if we lose. But tonight I have a message for my friend Saddam Hussein: Cancel. Cancel the celebration. Cancel the celebration. We are going to win, and we are going to make you adhere to every single resolution passed by the United Nations.

You know, I will readily contend that I've never been too hot with words, and I think you know that. In fact, some of the more elite pundits say I can't finish a sentence. Well, they may be right from time to time. But I'll tell you something, though. I think you also know, I think especially the people here do, that I care very deeply about our Nation. And I believe that we must treat this precious treasure with great care. America is something that has been passed on to us. And we must shape it. We must improve it. We must help people and be kind to people. And then we must pass that on to our kids and to our grandkids.

And tomorrow you participate in a ritual, a sacred ritual of stewardship, a ritual that was conceived by liberty and nurtured by freedom and defended by the blood of those who came before. And when you walk alone into the voting booth, you will not spend more than a couple of minutes, but your voice will echo down the corridors of history. And with your vote, you

are going to help shape the future of this, the most blessed, special nation that man has ever known and God has helped create. And so, look at your vote -- especially the young people -- look at your vote as an act of power, a statement of principle. And tonight I ask only that you think deeply about our Nation and about its needs, because tomorrow the polls don't matter. The pundits don't count. On election day, only conscience should be your guide.

And when America votes their conscience, we will unleash a great power, a power stronger than any tank, faster than any airplane. This power will sweep past the cynics and the pundits and the pollster, and it will sweep us into office. And it will lift America up. It will lift us up to new heights for all. Don't listen to those critics and those pessimists who can only win by telling you how bad things are. We can solve the problems. But we are the greatest, fairest, freest nation on the face of the Earth. And I ask for your trust and your support to lead our great country for 4 more years.

Thank you -- a most magnificent welcome home. And may God bless you all. May God bless our great country, the United States of America. Thank you all very much. Now let's go do it.

Note: The President spoke at 9:42 p.m. at the Houston Astro Arena. In his remarks, he referred to entertainer Bob Hope. A tape was not available for verification of the content of these remarks.

Statement on Signing the High Seas Driftnet Fisheries Enforcement Act

November 2, 1992

Today I am signing into law H.R. 2152, the ``High Seas Driftnet Fisheries Enforcement Act."

H.R. 2152 calls for a number of measures in support of United Nations General Assembly Resolutions 44/225, 45/197, and 46/215, which pertain to large-scale driftnet fishing and its impact on the living marine resources of the world's oceans and seas. The Act also calls for measures to address unregulated fishing in the area of the Central Bering Sea that is beyond the jurisdiction of the United States and the Russian Federation.

As a principal cosponsor of all three Resolutions, the United States has demonstrated strong leadership to address the problems of wastefulness and harm to the ecosystem caused by this fishing technique. I am grateful for the cooperation and support of many concerned countries that contributed to the successful adoption of the Resolutions. The United States has a particular interest in the effective implementation of the Resolutions because of the threat that driftnet fishing poses to living marine resources on the high seas.

It was appropriate that the United Nations General Assembly, by its Resolution 46/215, called upon all members of the international community to ensure that a global moratorium on all large-scale driftnet fishing is fully implemented by December 31, 1992. The Resolution is consistent with our treaty commitments under the Wellington Convention done on November 24, 1989.

Through this Act, the United States reinforces its commitment to cooperate with all concerned nations to ensure that the moratorium is implemented on time. The United States urges that all nations take appropriate measures to prohibit their nationals and fishing vessels flying their flags from undertaking any activities contrary to Resolution 46/215, and to impose appropriate penalties for such activities.

For its part, the United States has already taken steps, through the enactment of Public Law 101 - 627 on November 28, 1990, to prohibit any U.S. national from engaging in large-scale driftnet fishing in areas subject to the jurisdiction of the United States, as well as in areas beyond the 200-nautical mile exclusive economic zone of any nation.

With respect to problems posed by unregulated fishing in the Central Bering Sea, the United States is pleased with the success achieved with other concerned countries, including the Russian Federation, in securing an agreement voluntarily to suspend fishing in the area during 1993 and 1994. The Administration intends to continue actively to pursue a longer term

conservation and management regime for this area.

Contrary to long-standing Administration policy, this Act unfortunately requires the Government to charge access fees for maritime freight rate information that exceed the cost of disseminating the information. It also imposes fees on private sector resale of Government information. These provisions impede the flow of public information from the Government. They run counter to Federal information policy and the traditions of the Copyright Act and the Freedom of Information Act.

Some provisions of the Act could be construed to encroach upon the President's authority under the Constitution to conduct foreign relations, including the unfettered conduct of negotiations with foreign nations. To avoid constitutional questions that might otherwise arise, I will construe all of these provisions to be advisory, not mandatory. With respect to section 203, which states the ``sense of the Congress'' concerning trade negotiations, I note that my Administration has taken the initiative in bringing environmental issues into our overall trade agenda.

Finally, I note that section 101 of the bill will be interpreted in accord with the recognized principles of international law. Those principles recognize the right of innocent passage of ships of all states through the territorial sea, a right that shall not be hampered.

George Bush

The White House,

November 2, 1992.

Note: H.R. 2152, approved November 2, was assigned Public Law No. 102 - 582.

Statement on Signing the Arkansas-Idaho Land Exchange Act of 1992

November 2, 1992

Today I am pleased to sign into law S. 2572, the ``Arkansas-Idaho Land Exchange Act of 1992." My approval of this bill enacts the Administration's proposal to benefit our Nation's wetlands through an equal value exchange of lands in the States of Arkansas and Idaho between the United States and the Potlatch Corporation.

This exchange will add nearly 41,000 acres to the Cache River and White River National Wildlife Refuges. The Refuges, together with nearby State conservation areas, protect nearly 185,000 acres of wetlands, one of only ten areas in the Nation recognized internationally as a ``Wetland of International Importance." The United States has only a handful of such large wetland conservation areas and few if any opportunities for establishing new ones.

The lands to be protected as part of the National Wildlife Refuge System contain some of the most productive fish and wildlife habitat in North America. The area provides wintering habitat for a variety of migratory waterfowl and is home for a number of threatened or endangered species, including the bald eagle and the least tern.

In exchange for this environmentally sensitive land, the Potlatch Corporation will receive scattered tracts of Federal land in Idaho. The company will then be able to use the land to create jobs and expand the local tax base, making money available for important local tasks, such as education and economic development. This transfer of land to private ownership is crucial in a State like Idaho where much of the land is federally owned.

Protection of such wetland areas has been a high priority of my Administration, and enactment of this proposal clearly demonstrates our commitment to the environment. This Act enhances not only our environment, but also our economy, underscoring my strong belief that we can and must do both.

George Bush

The White House,

November 2, 1992.

Note: S. 2572, approved November 2, was assigned Public Law No. 102 - 584.

Remarks in Houston on the Results of the Presidential Election

November 3, 1992

The President. Thank you. Thank you very, very much. Hey, listen, we've got to get going. Thank you. Thank you very much. Hey, listen, you guys.

Audience members. Thank you, George! Thank you, George! Thank you, George!

The President. Hey, thank you very much. Look, thank you so much. Well, here's the way I see it. Here's the way we see it and the country should see it, that the people have spoken. And we respect the majesty of the democratic system.

I just called Governor Clinton over in Little Rock and offered my congratulations. He did run a strong campaign. I wish him well in the White House. And I want the country to know that our entire administration will work closely with his team to ensure the smooth transition of power. There is important work to be done, and America must always come first. So we will get behind this new President and wish him well.

To all who voted for us, voted for me here, especially here, but all across the country, thank you for your support. We have fought the good fight, and we've kept the faith. And I believe I have upheld the honor of the Presidency of the United States. Now I ask that we stand behind our new President. Regardless of our differences, all Americans share the same purpose: to make this, the world's greatest nation, more safe and more secure and to guarantee every American a shot at the American dream.

I would like to thank so many of you who have worked beside me to improve America and to literally change the world. Let me thank our great Vice President, Dan Quayle. You know, in the face of a tremendous pounding, he stood for what he believes in. He will always have my profound gratitude and certainly my respect.

I would like to salute so many that did special work: Rich Bond up at the RNC; Bob Teeter, who ran the campaign; Bob Mosbacher; our entire campaign team. They've run a valiant effort in a very, very difficult year. I also want to salute the members of the Cabinet, all of whom who have served this Nation with honor, with integrity, and with great distinction. And I would like to single out two leaders who represent the ideal in public service. Together they've helped lead the world through a period of unprecedented transition. I'm talking, of course, about my National Security Adviser, Brent Scowcroft, and my good friend and fellow Texan, our Secretary of State, Jim Baker.

Finally, of course, I want to thank my entire family, with a special emphasis on a woman named Barbara. She's inspired this entire Nation, and I think the country will always be grateful.

But tonight is really not a night for speeches. But I want to share a special message with the young people of America. You see, I remain absolutely convinced that we are a rising nation. We have been in an extraordinarily difficult period. But do not be deterred, kept away from public service by the smoke and fire of a campaign year or the ugliness of politics. As for me, I'm going to serve and try to find ways to help people. But I plan to get very active in the grandchild business and in finding ways to help others. But I urge you, the young people of this country, to participate in the political process. It needs your idealism. It needs your drive. It needs your conviction.

And again, my thanks, my congratulations to Governor Clinton; to his running mate, Senator Gore. And a special thanks to each and every one of you, many of you who have been at my side in every single political battle.

May God bless the United States of America. Thank you very, very much. Thank you so much. Thank you.

Note: The President spoke at 10:20 p.m. at the Westin Galleria Hotel. In his remarks, he referred to Rich Bond, chairman, Republican National Committee; Robert Teeter, campaign chairman, Bush-Quayle '92; and Robert Mosbacher, general chairman, Bush-Quayle '92. These remarks were released by the Office of the Press Secretary on November 4.

Remarks at a Welcome Home Ceremony

November 4, 1992

Thank you so very much. What a fantastic welcome back. Maybe you didn't read the election returns; it didn't work out quite the way we wanted. This is a fantastic return home, and it gives me a chance to just say thank you all so very much. I know most in one way or another have worked here and contributed to this administration of which I will always be extraordinarily proud.

I see some leaders here from the Congress. I especially want to thank Bob Dole. If you heard him last night, that was a class act. We have a great Cabinet, great top officials, and then everybody else helping out there. It means so much to Barbara and me.

Now we will go inside, start readjusting. But you have given us a marvelous lift. And let me just say about the guy standing next to me, we are so grateful to Dan Quayle for everything he did. The guy almost killed himself out there, hard work day in and day out, and what he wasn't doing Marilyn was. And so was Barbara Bush. So, I think we owe all of them a great vote.

But I can think of nothing other to say than say let's finish this job with style. Let's get the job done, cooperate fully with the new administration. The Government goes on, as well it should, and we will support the new President and give him every chance to lead this country into greater heights.

So, I am very grateful to all of you. It's been a wonderful 4 years, and nobody can take that away from any of us. It's been good and strong, and I think we've really contributed something to the country. And maybe history will record it that way.

Thank you all very, very much.

Note: The President spoke at 3:03 p.m. on the South Lawn at the White House upon his return from Houston, TX.

Memorandum of Disapproval for the Revenue Act of 1992

November 4, 1992

I am withholding my approval of H.R. 11, the ``Revenue Act of 1992," because it includes numerous tax increases, violates fiscal discipline, and would destroy jobs and undermine small business. The urban aid provisions that were once the centerpiece of the bill have been submerged by billions of dollars in giveaways to special interests.

My Administration's agenda for tax legislation has been clear from the outset: a focused measure to encourage economic growth, address the needs of economically deprived urban and rural areas, and make a limited number of significant and broadly supported changes in the tax law. While certain provisions in H.R. 11 meet these objectives, the bill as a whole does not. Its 647 pages contain more than 600 provisions, require more than 25 new studies or reports, set up 4 new commissions and advisory groups, and mandate numerous new demonstration and pilot projects. Most of these provisions are unrelated to the true needs of the economy and the American people.

The original focus of the bill -- to help revitalize America's inner cities -- has been lost in a blizzard of special interest pleadings. In fact, the enterprise zones provisions in H.R. 11 account for less than 10 percent of the revenue cost of the measure. While the enterprise zones provisions are a step in the right direction, more than 75 percent of all seriously distressed communities are left out in the cold. In addition, the capital incentives are far too limited. My proposal would grant eligibility to all areas that meet objective criteria. My proposal also would provide a complete exclusion from capital gains taxation for all investors in enterprise zone businesses, including gains from goodwill, the principal asset created by small business.

The bill's other major urban aid provision, which authorizes assistance to distressed communities, is also inadequate. My ``Weed and Seed" proposal, currently being implemented on a pilot basis, coordinates Federal assistance to drug- and crime-ridden neighborhoods and targets much of the assistance to enterprise zone communities. H.R. 11 falls short of my plan. The bill adopts a business-as-usual approach to dispensing Federal assistance. It ignores the Administration's bottom-up method of combining strong law enforcement with resources to assist residents and neighborhoods in attaining economic self-sufficiency. Finally, communities currently benefitting from the pilot program could be denied continued funding because they may not be located in enterprise zones. It is regrettable that the Congress has not included a ``Weed and Seed" program in a bill that I can sign.

The revenue provisions of H.R. 11 include some of my proposals, but omit three major components of my economic growth agenda. These are my proposals to provide a credit for first-time homebuyers; capital gains tax relief for start-up businesses; and incentives for

investment in capital equipment. On balance, the revenue provisions of H.R. 11 are unacceptable. They would:

Raise $33 billion in new taxes over 5 years on a wide array of American families, workers, and small businesses.

Increase taxes on individuals, including middle-class taxpayers, in numerous ways. For example, the bill limits deductions for moving expenses and for losses resulting from theft, fires, and natural disasters.

Repeal the 100 percent estimated tax safe harbor for small businesses. This would throw a monkey wrench into the primary engine of job creation.

Raise numerous taxes on large employers, which will slow the recovery and undermine our competitive position in world markets.

Lose about $2.5 billion in revenue as a result of more than 50 special relief provisions for limited numbers of taxpayers that have no policy justification.

Impose needless and costly paperwork and recordkeeping burdens on the private sector.

H.R. 11 goes 180 degrees in the wrong direction in its treatment of expiring provisions of tax law. It would make permanent those expiring measures that are very costly and have negligible long-term benefits according to a broad range of government and private sector analysts. In contrast, the bill fails to make permanent the research and development tax credit and the deduction for 25 percent of health insurance premiums paid by self-employed individuals. It also fails to raise the health insurance deduction to 100 percent, as I have proposed.

The bill's Medicare provisions move in the opposite direction from the consensus view that we need to contain rising health care costs. They would increase Medicare costs by an estimated $3 billion over 5 years. For example, they invite a flood of costly lawsuits to challenge Medicare payments made as long as 6 years ago. These provisions would burden the courts and undermine consistent nationwide application of Medicare rules.

Another costly provision of H.R. 11 would permanently divert income taxes from the general fund of the Treasury to the Railroad Pension Fund. According to the Railroad Retirement Board, by the year 2016 this taxpayer subsidy could add $13 billion to this single industry pension fund. The diversion would set a dangerous precedent for other industry pension plans that may seek Federal taxpayer support in the future.

H.R. 11 abandons all pretense of fiscal discipline. It would increase the deficit in fiscal years 1994, 1995, and 1996. ``Mandatory'' spending would rise by more than $7 billion over 5 years -

- at a time of growing consensus that this portion of the budget must be brought under control.

The bill also arbitrarily increases statutory spending limits to allow roughly $600 million in increased payments to Medicare contractors for administrative costs. To benefit these companies, the Senate voted by the narrowest possible margin to waive its own rule requiring compliance with legal spending limits. These limits on discretionary spending were agreed to by bipartisan majorities of both Houses of Congress. It is irresponsible to waive them to benefit one group of companies.

I regret that my disapproval of H.R. 11 will prevent the enactment this year of many provisions that have my full support. However, the bill's benefits are overwhelmed by provisions that would endanger economic growth. I am therefore compelled to withhold my approval.

George Bush

The White House,

November 4, 1992.

Statement on Signing the Veterans Health Care Act of 1992

November 4, 1992

Today I am signing into law H.R. 5193, the ``Veterans Health Care Act of 1992.'' This legislation will improve the delivery of health care and other services to our Nation's veterans.

H.R. 5193 implements the Administration's proposal to establish the Persian Gulf War Veterans Health Registry within the Department of Veterans Affairs (VA). This registry is a reflection of our Nation's commitment to the men and women who served in the Persian Gulf War. Iraqi troops retreating from Kuwait maliciously set fire to many Kuwaiti oil wells, blanketing the region in thick black smoke. In the aftermath of the war, many veterans exposed to those oil fire pollutants and other environmental hazards in the area expressed concern for their health. This provision will enable VA to learn more about, and deal effectively with, potential health problems by providing a complete physical examination to any Persian Gulf veteran who requests it. The results of the examinations will be maintained in the registry and will be available if needed for scientific research.

H.R. 5193 also authorizes VA to provide counseling services to women who suffer the trauma of being sexually assaulted or harassed during their military service. Sexual harassment of women in any setting is abhorrent. We must continue working to make certain that such behavior does not occur. Nevertheless, when it does occur, we must be prepared to assist the victims. H.R. 5193 will do exactly that.

A number of other provisions to improve services to veterans are included in this bill. For example, H.R. 5193 implements an Administration proposal to provide a permanent authorization for VA's State home construction program. Through this VA-State partnership, VA helps with the construction and renovation of veterans homes operated by the States. Over the years, these facilities have provided much needed nursing home and domiciliary care to thousands of disabled and elderly veterans. The bill also extends VA's successful respite care program, under which disabled veterans living at home are hospitalized for short periods to give family caregivers a period of ``respite.'' In addition, H.R. 5193 continues a VA scholarship program, used primarily for nurses, which pays for a student's education in exchange for service at VA medical facilities.

I have previously warned of the enormous and extremely costly burden imposed by various congressional reporting requirements. Notwithstanding these concerns, H.R. 5193 includes no less than 12 separate provisions requiring the Secretary of Veterans Affairs to submit reports to the Congress. I must again object to such costly requirements and call on the Congress to end the incessant imposition of onerous reporting requirements.

George Bush

The White House,

November 4, 1992.

Note: H.R. 5193, approved November 4, was assigned Public Law No. 102 - 585.

Statement on Signing the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1993

November 4, 1992

Today I am signing into law H.R. 6135, the ``National Aeronautics and Space Administration Authorization Act, Fiscal Year 1993." Our civil space program is a major contributor to this Nation's status as a world leader. H.R. 6135 authorizes the continuation of space research and technology programs that are vital to the future of our country and its ability not only to remain competitive in today's technological world, but also to be the leader. I proposed these programs to the Congress because I was convinced that the United States must not relinquish its leadership role in space. The world continues to look to us in space exploration, and also in global environmental monitoring, aeronautics, materials, propulsion, and life sciences, among other areas. The Congress has endorsed these initiatives by passage of H.R. 6135.

I am particularly pleased that this Act continues Space Station Freedom and the Earth Observing System, at close to the funding level I proposed. The Space Station is absolutely vital to the continued exploration and understanding of our next frontier. The Earth Observing System is of critical importance to the understanding of our home planet and the environmental changes it may be undergoing.

I regret that the Congress chose to reduce substantially the funding for certain important initiatives -- a new launch system, the National Aero-Space Plane, and the Space Exploration Initiative.

This Act also authorizes funds for the National Space Council, the Department of Transportation's Office of Commercial Space Transportation, and the Department of Commerce's Office of Space Commerce. These offices provide important guidance and support in the development and implementation of our space policies.

In connection with the establishment of an Earth Observing System program, the Act requires the Administrator of the National Aeronautics and Space Administration (NASA) to carry out a program of earth observation ``that addresses the highest priority international climate change research goals as defined by the Committee on Earth and Environmental Sciences and the Intergovernmental Panel on Climate Change." Because the members of the Intergovernmental Panel on Climate Change -- jointly formed by the United Nations Environmental Programme and the World Meteorological Organization -- are not appointed in conformity with the Appointments Clause of the Constitution, Article II, section 2, clause 2, they may not exercise significant governmental power under the laws of the United States. Accordingly, I sign this bill with the understanding that any future work of the

Intergovernmental Panel on Climate Change shall be treated as advisory and that the Administrator of NASA shall retain authority to determine the scope and content of the Federal program.

George Bush

The White House,

November 4, 1992.

Note: H.R. 6135, approved November 4, was assigned Public Law No. 102 - 588.

Radio Address to the Nation on the Results of the Presidential Election

November 7, 1992

Way back in 1945, Winston Churchill was defeated at the polls. He said, ``I have been given the Order of the Boot." That is the exact same position in which I find myself today.

I admit, this is not the position I would have preferred, but it is a judgment I honor. Having known the sweet taste of popular favor, I can more readily accept the sour taste of defeat, because it is seasoned for me by my deep devotion to the political system under which this Nation has thrived for two centuries.

I realize that defeat can be divisive. I want the Republican Party to be as constructive on the outside of executive power as it has been for 12 years on the inside. There must be no finger pointing, no playing the blame game. New ideas will flourish, and that is good. But as for what has passed, I can only say that it was my administration, my campaign. I captained the team, and I take full responsibility for the loss. No one else is responsible. I am responsible.

I hope history will record the Bush administration has served America well. I am proud of my Cabinet and my staff. America has led the world through an age of global transition. We have made the world safer for our kids. And I believe the real fruits of our global victory are yet to be tasted.

I'm also proud of my campaign team. They put together a tenacious, spirited effort in a difficult year. When you win, your errors are obscured; when you lose, your errors are magnified. I suspect history will take the edge off both interpretations. One thing I know for sure: My supporters should go out with their heads held high.

One final thought. As I campaigned across this Nation, I had the opportunity to talk to many people. I felt the anxiety that accompanies a time of change, but I could also see every day, in ways large and small, the resiliency of the American spirit.

Ours is a nation that has shed the blood of war and cried the tears of depression. We have stretched the limits of human imagination and seen the technologically miraculous become almost mundane. Always, always, our advantage has been our spirit, a constant confidence, a sense that in America the only things not yet accomplished are the things that have not yet been tried. President-elect Clinton needs all Americans to unite behind him so he can move our Nation forward. But more than that, he will need to draw upon this unique American spirit.

There are no magic outside solutions to our problems. The real answers lie within us. We need

more than a philosophy of entitlement. We need to all pitch in, lend a hand, and do our part to help forge a brighter future for this country.

On January 20th, Barbara and I will head back to Texas. For us there will be no more elections, no more politics. But we will rededicate ourselves to serving others because, after all, that is the secret of this unique American spirit. With this spirit, we can realize the golden opportunities before us and make sure that our new day, like every American day, is filled with hope and promise.

Thanks for listening. And God bless the United States of America.

Note: This address was recorded at 3:52 p.m. on November 6 in the conference room at Laurel Lodge, Camp David, MD, for broadcast after 9 a.m. on November 7.

Letter to Congressional Leaders Reporting on the National Emergency With Respect to Iran

November 10, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on developments since the last Presidential report on May 14, 1992, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c). This report covers events through October 15, 1992. My last report, dated May 14, 1992, covered events through March 31, 1992.

1. There have been no amendments to the Iranian Transactions Regulations (``ITRs''), 31 CFR Part 560, or to the Iranian Assets Control Regulations (``IACRs''), 31 CFR Part 535, since my last report.

2. The Office of Foreign Assets Control (``FAC'') of the Department of the Treasury continues to process applications for import licenses under the ITRs. However, as previously reported, recent amendments to the ITRs have resulted in a substantial decrease in the number of applications received relating to the importation of nonfungible Iranian-origin goods.

During the reporting period, the Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the ITRs. FAC and Customs Service investigations of these violations have resulted in forfeiture actions and the imposition of civil monetary penalties. Additional forfeiture and civil penalty actions are under review.

3. The Iran-United States Claims Tribunal (``the Tribunal''), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. Since my last report, the Tribunal has rendered 5 awards for a total of 533 awards. Of that total, 359 have been awards in favor of American claimants: 217 of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 142 were decisions adjudicated on the merits. The Tribunal has issued 34 decisions dismissing claims on the merits and 81 decisions dismissing claims for jurisdictional reasons. Of the 59 remaining awards, 3 approved the withdrawal of cases, and 56 were in favor of Iranian claimants. As of September 30, 1992, payments on awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at $2,046,090,574.01.

As of September 30, 1992, the Security Account has fallen below the required balance of $500 million 35 times. Iran has periodically replenished the account, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. Iran has also replenished the Security Account with the proceeds from the sale of Iranian-origin oil imported into the United States, pursuant to transactions licensed on a case-by-case basis by FAC. Iran has not, however, replenished the account since the last oil sale deposit on December 3, 1991. The aggregate amount that has been transferred from the interest account to the Security Account is $859,472,986.47. As of September 30, 1992, the total amount in the Security Account was $499,528,936.74, and the total amount in the interest account was $17,301,717.98.

4. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for $250,000.00 or more. Since the last report, 4 large claims have been decided. More than 85 percent of nonbank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 85 such claims on the docket.

5. As anticipated by the May 13, 1990, agreement settling the claims of U.S. nationals against Iran for less than $250,000.00, the Foreign Claims Settlement Commission (``FCSC'') has continued its review of 3,112 claims. The FCSC has issued decisions in 849 claims, for total awards of more than $17 million. The FCSC expects to complete its adjudication of the remaining claims in late 1993.

6. In coordination with concerned Government agencies, the Department of State continues to present United States Government claims against Iran, as well as responses by the United States Government to claims brought against it by Iran.

7. As anticipated by my last report, the Tribunal terminated Case No. A/15 (I:G), the case brought by Iran concerning bank syndicate claims against Dollar Account No. 1 at the Federal Reserve Bank of New York, on June 12, 1992, on the joint request of the two governments.

8. Jose Maria Ruda, President of the Tribunal, tendered his resignation on October 2, 1992. His resignation will take effect on March 31, 1993, or on such later date as his successor becomes available to take up his duties.

9. The situation reviewed above continues to involve important diplomatic, financial, and legal interests of the United States and its nationals, and presents an unusual challenge to the national security and foreign policy of the United States. The IACRs issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the ITRs issued pursuant to Executive Order No. 12613 continue to advance important objectives in combating international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to

the Congress on significant developments.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks at a Senate Republican Leadership Dinner Honoring the President

November 10, 1992

Thank you for that wonderful welcome. Dan, thank you for those kind remarks. Please be seated. Well, thank you. I kind of had mixed emotions about this night, whether to -- coming to something that would be a wake and something sorrowful and sad, or something like it's turned out to be, at least in my view, something upbeat and very positive. So I'm glad to be here, and Barbara's glad to be here.

I'd like to pick a little fight with the members of the Senate wives, because Barbara has enjoyed that work and being with them so much, you've created a bit of a monster. You've given her a whole new self-confidence which is -- [laughter] -- some of you thought she was never lacking in self-confidence. But nevertheless, now she's getting ready to shift gears. And my advice to those of you who are her friends, and I think you all are: Give her a wide berth, which is what I'm trying to do around the White House there, because she's a bundle of energy, shifting gears from the present into the future. That's the way it ought to be. But tomorrow we head off for a little vacation, get a little rest, and think about what has been and then what's about to be.

But first I want to thank Bob Michel and the House leadership. Newt's here and others, I'm sure, we can't see. But I think the Senate was very broadminded in inviting you all over here tonight. [Laughter] But it has been a joy to work with the House leadership. Sometimes you have to do stuff by being negative, and during this time of being President, why, we've had to accomplish some things by keeping bad things from happening.

Both in the House and the Senate there has been a remarkable show of unity. It put individual Senators and individual Congressmen in a difficult position, because sometimes they had to sublimate their passions a little bit in order to stay with the overall good or stay with the party, and it has not been easy. That is something, though, that I want to just thank everybody for, because the record was superb. And I think by beating back, against tremendous odds, some lousy legislation, we ended up with getting good legislation.

I'm afraid in the campaign, in the process, we were accused of being against people because of having to take a stand for fiscal responsibility. But nevertheless, I think on the bottom line we came out and did the right thing. I am very grateful to the leadership on both sides, the House and the Senate, for all of that.

A word about the Vice President: Nobody could have asked to have a better Vice President at his side than I had with Dan Quayle. He has been absolutely superb. He's worked hard. He's

worked with the Senate particularly, but also the House. Then in the campaign, he was tireless; Marilyn, sometimes at his side, sometimes on her own, doing a superb job not just for ourselves, for this ticket, but for some in this room and so many that aren't here that the Quayles worked for and helped. So, Dan, I will be eternally grateful to you, and I just wish you all the best in the future.

In terms of the Cabinet, I don't think anybody could have been blessed with a better Cabinet. The problem I've got is that I wasn't able in the campaign to get into focus the enormous accomplishments of the men and women that are here tonight in our Cabinet. They have done a superb job. I don't want to start clicking it off, but I know Lou Sullivan is here. What we've done in leadership in preventive medicine, for example, and doing things that really are making a wonderful contribution to mankind are going to be recorded, I believe, in a favorable way. And Lou has been magnificent.

I see Carla here. Heaven's sakes, what we've been able to do in the free trade areas, standing up for free and fair trade, is a remarkable contribution. I just hope that it comes to fruition, certainly on the NAFTA, in the next term. I know we're going to keep working right down to January 20th on the Uruguay round. You want to help Third World countries? Well, the way to help them is through trade, not the aid programs that have failed. That's exactly what she and Nick Brady, who's with us tonight, and Barbara Franklin, who's with us tonight, and a lot of others have been working on in terms of free and fair trade. So we've got an awful lot to be grateful for.

I think we've had a good record of stewardship. Manuel Lujan is here. I think when history is written, why, we're going to have a very proud record in terms of stewardship of the national parks and the great heritage that we want to leave to our kids.

Ed Madigan's here. My heavens, you look at agricultural America, it's done pretty darned well in a very, very difficult time. And yet, for some reason, I wasn't able to get that in the proper focus.

But anyway, I'm omitting many friends that are here in the Cabinet, but I am very grateful to this outstanding group of leaders. I was telling Lamar Alexander, who's with us tonight, one of my real regrets is that somehow, given the hue and cry for change and change, and the hue and cry about how everything is wrong with the country, we never got in focus the fact that we have literally made suggestions as to how to revolutionize the education in this country, to elevate it to have the same quality for K through 12 that we have for college. And it just didn't connect. But that program and that zeal that Lamar brought to the program certainly will be recognized.

So again, with the fear of omission, I will stop, but just simply say thank you for a fantastic Cabinet and a very sound record and all of that.

I want to tell Bob Kasten and Senator Seymour, both Senators Kasten and Seymour, the regret I feel about their demise. They worked awful hard. They've been great Senators. They were caught up in a whirlwind; they were caught up in both States in something that was beyond their own control. And they worked hard. Many Senators here went out and helped both of them. But I have great regret about that because the Senate is going to be deprived of the committed leadership and stewardship of both those Senators. In fact, we might ought to give them a little round of applause and thank them for what they have done.

I am always going to be grateful to the Senate leadership. The support has been superb. I mentioned earlier, sometimes when you're in the White House, you take a position that you feel strongly about, and you put various leaders in a difficult position. Clearly we did that to various Senators here from time to time. But I want to single out Bob Dole, because this is a remarkable leader, a remarkable -- [applause]. It's well-known that he and I went head-to-head in tough primary days long ago. But the beautiful thing is -- and I think it speaks -- anybody that studies government can learn from all this. Here's a guy that took on this role of leader and working with a President with whom he had done combat in the past, but subsequently we became, again, fast friends. But he never ever put his own personal agenda ahead of the agenda of the President, and that's kind of the way it ought to work when you have the White House.

But the lovely thing about it is the way he has conducted himself subsequent to, as Winston Churchill said, receiving ``the Order of the Boot'' that I have received. I thought the speechwriter that wrote that, that I delivered last Saturday, was a little harsh in his assessment of what happened to me. Then I thought, ``Well, listen, being in the company of Churchill ain't all bad.'' So I gave him a little raise and sent him back to Kentucky Fried Chicken. [Laughter]

But nevertheless, I was watching Bob very carefully, and I've watched others, and the tendency when there's a defeat of this magnitude and of this hurtfulness and of this enormity is to criticize, to find somebody to blame. Regrettably some Republicans and certainly many Democrats have fallen into this marvelous second-guessing track, figuring it all out and analyzing to the detriment of somebody else and to tearing down somebody in order to ooch yourself up a little with your wisdom. Not Senator Dole. From the minute the election results were in, he has been courageous in standing up against the common wisdom, saying nice things about the President and Dan and Barbara and all of this.

In addition, he's shown where the leadership really is now in this country in terms of party. It can be in Bob Michel over in the House, but because of the numbers, it's more apt to rest on Bob Dole's shoulders. I think people understand it. I think they respect the way he has assumed, without arrogance, without any kind of bitterness, a significant leadership role to hold our party together so people can look to him and look, of course, to the results that will be coming out of the Senate, and then under Bob's leadership, that will come out of the House.

The idea that this party has seen its demise -- and I love these little analysts, these media that I

tried to annoy and failed. [Laughter] To hear them analyze it all, you'd think that history had been indelibly writ, that the party is out of here. I don't believe it for one single minute.

The thing that I've admired and respected about Bob is the way he has, without arrogance, taken on this mantle of leadership that he has earned through his years as leader up here on the Hill and said, ``Look, we're here to do battle. We're here to do what's right for the country. We're going to be with you when we think you're right, and we are going to stand on principle when we think you're wrong." That's exactly the way it should be. And I can tell you, it's made it an awful lot easier for us as we contemplate a future without politics but look over, obviously with some distress and some angst, over what has transpired one week ago tonight.

So, Bob, there is no way that we can ever adequately say thank you to you. But you watch, the country is going to say it in plenty of ways in the troubled and tough days that lie ahead. So I'm grateful to you. I didn't want to come here, but I'm sure glad I did, because it gives me a chance to say thanks to so many friends in this room.

Don't worry about the Bushes. We are looking ahead now. I didn't think we would about a week ago today, but we're doing it. And we'll count our blessings when we get back to Houston on January 20th for all the friends that have supported us so much.

Thank you, and God bless you all.

Note: The President spoke at 7:46 p.m. in the East Hall at Union Station.

Notice on Continuation of Emergency Regarding Chemical and Biological Weapons Proliferation

November 11, 1992

On November 16, 1990, consistent with the authority provided me under the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq.), I issued Executive Order No. 12735. In that order, I declared a national emergency with respect to the unusual and extraordinary threat to the national security and foreign policy of the United States posed by the proliferation of chemical and biological weapons. Because the proliferation of these weapons continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, the national emergency declared on November 16, 1990, must continue in effect beyond November 16, 1992. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency declared in Executive Order No. 12735.

This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

November 11, 1992.

[Filed with the Office of the Federal Register, 10:19 a.m., November 12, 1992]

Note: This notice was released by the Office of the Press Secretary on November 12, and it was published in the Federal Register on November 13.

Letter to Congressional Leaders on Continuation of the National Emergency Regarding Chemical and Biological Weapons Proliferation

November 11, 1992

Dear Mr. Speaker: (Dear Mr. President:)

On November 16, 1990, in light of the dangers of the proliferation of chemical and biological weapons, I issued Executive Order No. 12735 and declared a national emergency under the International Emergency Economic Powers Act (50 U.S.C. 1701, et seq.). Under section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), the national emergency terminates on the anniversary date of its declaration unless I publish in the Federal Register and transmit to the Congress a notice of its continuation.

The proliferation of chemical and biological weapons continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. Therefore, I am hereby advising the Congress that the national emergency declared on November 16, 1990, must continue in effect beyond November 16, 1992. Accordingly, I have extended the national emergency declared in Executive Order No. 12735 and have sent a notice of extension to the Federal Register for publication.

Section 204 of the International Emergency Economic Powers Act and section 401(c) of the National Emergencies Act contain periodic reporting requirements regarding activities taken and money spent pursuant to an emergency declaration. The following report is make pursuant to these provisions.

The three export control regulations issued under the Enhanced Proliferation Control Initiative are fully in force and have been used to control the export of items with potential use in chemical or biological weapons or unmanned delivery systems for weapons of mass destruction.

Over the last 6 months, the United States has continued to address actively in its international diplomatic efforts the problem of the proliferation and use of chemical and biological weapons.

In August 1992, the 39 members of the Conference on Disarmament completed work on the Chemical Weapons Convention. In addition to banning chemical weapons among parties, the Convention will also require parties to restrict, and ultimately cut off, trade in certain chemical weapons-related chemicals with non-parties. The Convention will be opened for signature in January 1993, and we expect it to enter into force in January 1995.

The membership of the Australia Group of countries cooperating against chemical and biological weapons proliferation stands at 22. It is anticipated that the group's membership will expand somewhat over the next 6 months.

At the June 1992 Australia Group meeting, all member countries agreed to expand the list of identified chemical weapons precursors subject to Australia Group controls from 50 to 54, and to impose controls on a common list of dual-use chemical equipment that was tentatively agreed at the December 1991 meeting. At the same meeting, the Australia Group agreed, ad referendum, to a list of biological organisms, toxins, and equipment to subject to export controls. We expect these lists to be formally adopted at the December 1992 meeting.

Encouraging progress can also be reported in the steps taken by countries outside the Australia Group, including several Eastern European countries and Argentina, to establish effective chemical and biological export controls comparable to those observed by Australia Group members. In December 1992, Hungary will host a seminar on Australia Group practices for non-Australia Group members from Eastern Europe and the former Soviet Union.

Finally, the March 31, 1992, report regarding expenditures under the declaration of a national emergency to deal with the lapse of the Export Administration Act in Executive Order No. 12730 also includes measures related to the Enhanced Proliferation Control Initiative. Pursuant to section 401(c) of the National Emergencies Act, there were no additional expenses directly attributable to the exercise of authorities conferred by the declaration of the national emergency.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. This letter was released by the Office of the Press Secretary on November 12.

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

November 16, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1), and as part of my continuing effort to keep Congress fully informed, I am again reporting on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the U.N. Security Council.

In my report of September 16, 1992, I described Operation Southern Watch, with its accompanying ``no-fly zone.'' Operation Southern Watch implements Security Council Resolution 688, which requires Iraq to end the repression of its civilian population immediately, allow immediate access by international humanitarian organizations to all parts of Iraq, and make available all facilities for the operation of these organizations. Southern Watch has been working extremely well. Iraq's use of aircraft to repress its civilian population, in particular Iraq's bombing of its citizens in and around the southern marsh areas, has stopped. There have been no major Iraqi military operations south of the 36th parallel since the monitoring zone was announced, nor has there been any major increase in Iraqi forces in the southern region. Some Iraqi repression of the civilian population in the region continues, however. Meanwhile, the Coalition's effort to ensure compliance with Resolution 688 in northern Iraq, Operation Provide Comfort, also continues to discourage major Iraqi military operations against the inhabitants of northern Iraq.

Since my previous report, the Iraqi opposition has held two meetings in northern Iraq to broaden the base of the Iraq National Congress (INC). We support the efforts of the INC to rally Iraqis against the Saddam regime and in favor of a future Iraq based on the principles of political pluralism, territorial unity, and full compliance with all the U.N. Security Council resolutions. We encourage other governments to do the same.

Moreover, the U.N. Special Commission on Iraq (UNSCOM) and the International Atomic Energy Agency (IAEA) have continued to investigate Iraq's weapons of mass destruction program and to verify the destruction of relevant facilities, equipment, and weapons.

The fourteenth ballistic missile inspection team, UNSCOM 45, October 16 - 29, was the largest and most complex inspection UNSCOM has conducted. It inspected declared and undeclared facilities associated with the manufacture and storage of ballistic missile fuels in an effort to learn whether Iraq is attempting to maintain a clandestine SCUD force. Initial fuel

sample analyses were inconclusive. The team found little evidence of SCUD missile activity at any site. Russian cooperation was essential to this inspection, which depended heavily on both information and technical assistance from Russian experts.

A nuclear inspection team, UNSCOM 46/IAEA 15, was in Iraq in early November. Weather permitting, it will have completed water sampling throughout Iraq. Initial results from the first round of water samples taken in early September (and mentioned in my last report) have not revealed evidence of any facility in Iraq producing fissionable fuel. Some new sites likely will be designated for inspection.

In late September, the Chemical Destruction Group in residence at the Muthanna State Establishment destroyed the following items: 120 122mm rocket warheads; 350 122mm propellant grain; 153 122mm rocket motor tube assembly; 1335 liters of nerve agent (GB/GF); 13 al Hussein warheads; 228 liters of isopropyl alcohol; 4 500 gauge oil-filled bombs; 2 155mm oil-filled projectiles; 4 250 gauge oil-filled bombs; and 14 R400 aerial bombs. Destruction activity will continue for the next twelve months.

The inspectors continue to be subjected to harassment, but harassment subsided to a low level after the strong international protests in response to Iraq's actions in August and September.

UNSCOM continues to face a shortage of funds. As I noted in my previous report, the United States has contributed over $40 million to UNSCOM since its inception. Recent pledges from two other countries exceed $40 million, but the funds have not reached UNSCOM.

On October 2, the U.N. Security Council adopted Resolution 778, which permits the use of a portion of frozen Iraqi oil assets to fund crucial U.N activities concerning Iraq, including UNSCOM, humanitarian relief, and the Compensation Commission. On October 21, I signed Executive Order No. 12817, which implements that Resolution in the United States. We are prepared to transfer up to $200 million in frozen Iraqi oil assets held in U.S. financial institutions, provided that U.S. contributions do not exceed 50% of the total amount contributed. These funds will be repaid, with interest, from Iraqi oil revenues as soon as Iraqi oil exports resume.

The Iraq-Kuwait Boundary Demarcation Commission continues its work, without Iraqi participation. The land boundary is expected to be completely demarcated through the placement of boundary pillars in the ground by the end of the year. During its seventh session October 12 - 16, the Commission considered the offshore boundary section, which it will take up again at its next meeting, tentatively scheduled for December.

The U.N. Compensation Commission has continued to prepare for the processing of claims from individuals, corporations, other entities, governments, and international organizations that suffered direct loss or damage as a result of Iraq's unlawful invasion and occupation of Kuwait.

The next session of the Governing Council of the Commission is scheduled in Geneva December 14 - 18, with a further meeting in March 1993.

At its latest session September 21 - 24, the Governing Council adopted decisions on extending the filing deadlines for certain types of claims (including claims for environmental damage) and on protection against multiple recovery. The Council discussed business losses, interest, and costs, without making decisions. The Executive Secretary reported that the Commission already has received over 150,000 claims and expects many times that number. He noted that the Commission will require at least $9 million in one-time expenditures, plus $1.2 million annually, for a computer system for processing and verifying such a large number of claims.

We plan to meet some of the Commission's needs with funds derived from frozen Iraqi oil assets. Thirty percent of the funds derived from frozen oil assets transferred under U.N. Security Council Resolution 778 are to go to the Compensation Fund. This should generate sufficient funding for the Commission to proceed with its permanent computer system and to begin processing claims.

Meanwhile, the Department of State has distributed the forms for claims by governments (Form F) to federal agencies and state governments. On September 23, the U.S. Government filed its second set of 180 consolidated individual claims with the Commission, bringing the total of U.S. claims filed to 380. The Department is reviewing about 1200 additional claims received from individuals and is now receiving claims from corporations. The next filing is scheduled for December.

In accordance with paragraph 20 of Resolution 687, the Sanctions Committee has received notices of approximately 3.1 million tons of foodstuffs to be shipped to Iraq thus far in 1992. The Sanctions Committee also continues to consider and, when appropriate, approve requests to send to Iraq materials and supplies for essential civilian needs. Iraq, in contrast, has for months maintained a full embargo against its northern provinces. Iraq has also refused to utilize the opportunity under Resolutions 706 and 712 to sell $1.6 billion in oil, proceeds from which could be used by Iraq under U.N. supervision to purchase foodstuffs, medicines, materials, and supplies for essential civilian needs of its population. The Iraqi authorities bear full responsibility for any suffering in Iraq that results from their refusal to implement Resolutions 706 and 712.

Through the International Committee of the Red Cross (ICRC), the United States, Kuwait, and other Coalition members continue to press the Government of Iraq to comply with its obligations under Security Council resolutions to return some 800 detained Kuwaiti and third-country nationals. Likewise, the United States and its allies continue to press the Government of Iraq to return to Kuwait all property and equipment removed from Kuwait by Iraq. Iraq continues to withhold necessary cooperation on these issues and to resist unqualified ICRC access to detention facilities in Iraq.

As I stated in previous reports, in concert with our Coalition partners, we will continue to monitor carefully the treatment of Iraq's citizens, and together we remain prepared to take appropriate steps if the situation requires. To this end, we will continue to maintain an appropriate level of forces in the region for as long as required by the situation in Iraq.

I remain grateful for the support of the Congress for these efforts, and look forward to continued cooperation toward achieving our mutual objectives.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate.

Statement by Press Secretary Fitzwater on the President's Meeting With President Chaim Herzog of Israel

November 16, 1992

President Bush met today with Israeli President Herzog at his request. The two leaders discussed U.S.-Israeli relations, the ongoing Middle East peace negotiations, and the Middle East generally. It was agreed that the United States must remain engaged if peace is to be achieved in the Middle East.

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Constantine Mitsotakis of Greece

November 17, 1992

The President met for approximately 45 minutes this afternoon in the Oval Office with Prime Minister Constantine Mitsotakis of Greece. The two leaders discussed Cyprus, the situation in the former Yugoslavia, and other European issues. On the issue of Macedonia, the President reiterated our strong hope that this issue be resolved as soon as possible.

Statement by Press Secretary Fitzwater on the President's Meeting With President-Elect Bill Clinton

November 18, 1992

President Bush and President-elect Clinton had a warm and informative conversation in the Oval Office today which lasted for 1 hour and 45 minutes. President Bush reviewed a number of trouble spots around the world and discussed United States policy in these areas.

At approximately 2:15 p.m., the President and President-elect visited their transition staffs in the Roosevelt Room. President Bush said he wanted a smooth transition and said he appreciated the task that lay ahead of the transition team. The transition meeting was attended by Secretary Andrew Card, Chase Untermeyer, and Bob Zoellick representing the administration; Vernon Jordan, Warren Christopher, Alexis Herman, and Mark Gearan representing President-elect Clinton. The discussion focused on procedures for making appointments, including FBI clearances and financial disclosure forms.

The two transition teams will maintain regular contacts. Secretary Card will maintain a small staff here in the White House and will oversee three transition phases: President Bush's departure and establishment of an office in Houston; the transfer of authority from the Bush administration to the Clinton administration; and the process of transferring Presidential papers to the Archives or Presidential library.

Both President Bush and President-elect Clinton expressed satisfaction with the meeting.

Letter to Congressional Leaders Transmitting a Report on Withdrawal of Russian and Commonwealth of Independent States Armed Forces from the Baltic Countries

November 19, 1992

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993 (Public Law 102 - 391), I am submitting the attached report on progress being made toward the withdrawal of the armed forces of Russia and the Commonwealth of Independent States (CIS) from the territories of Estonia, Latvia, and Lithuania and on the status of negotiations regarding the establishment of a timetable for total withdrawal.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders on the Exclusion of the United States Marshals From the Performance Management and Recognition System

November 19, 1992

Dear Mr. Speaker: (Mr. President:)

Supervisors and management officials in GS - 13, 14, and 15 positions throughout the Federal Government are covered by the Performance Management and Recognition System as required by chapter 54 of title 5, United States Code, unless otherwise excluded by law or under the President's authority as provided in 5 U.S.C. 5402(b)(1).

Upon proper application from the United States Department of Justice and upon the recommendation of the Acting Director of the Office of Personnel Management, I have excluded the United States Marshals from coverage under the Performance Management and Recognition System, pursuant to 5 U.S.C. 5402(b)(1).

Attached is my report describing the reasons for excluding the U.S. Marshals.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks Announcing the Agreement on Agricultural Trade With the European Community

November 20, 1992

I want to salute Secretary Madigan and Ambassador Carla Hills, and my announcement relates to their work. I am exceptionally pleased to announce that the United States and the European Community's Commission have reached unanimous agreement on an agricultural package that should enable us to press forward the global trade negotiations to a successful conclusion.

These global trade negotiations, the so-called Uruguay round under the GATT, are fundamental to spurring economic growth, creating jobs here at home and indeed all around the world. I am hopeful that the breakthrough that we achieved today will spur movement across-the-board in the ongoing negotiations among all the GATT parties in Geneva so that we can achieve this comprehensive, global, and balanced agreement that we've sought for so long. In addition, by agreeing to solutions to our differences on oilseeds and other agricultural disputes, we've avoided a possible trade war, and that is very, very important.

I am particularly pleased that Ambassador Hills and Secretary Madigan are here with us today because they've done extraordinary work to achieve this historic result -- I salute their teammates who are with us here today as well -- and also because they will remain with you to answer your questions. Some of this is very, very technical. And they know how proud I am of their work. I've seen them in action both here and abroad, hammering out this agreement. It's taken a long time, but it was sound.

It's been a long and difficult course to the result that we've achieved today. I recall these extensive and frequently vigorous -- I've chosen the word carefully -- discussions on agriculture and other trade issues at the economic summit that we hosted in Houston in 1990 and at each of the summits that followed. But I am now absolutely convinced that the work was well worth it. I talked to Prime Minister John Major this morning, had an opportunity to thank him for his key role as the current President of the EC.

The next step then will be for the United States and the EC and all the other parties in the Uruguay round to return to the negotiating table in Geneva prepared to show the flexibility necessary to bring these negotiations to a successful close.

So, once again, I salute our partners in all of this. And I certainly salute our extraordinarily effective team that has been able to bring this about. And with no further ado, I will turn it over to them to take all your questions.

Note: The President spoke at 12:10 p.m. in the Briefing Room at the White House.

Statement on the Death of Roy Acuff

November 23, 1992

Barbara and I mourn the death of our long-time friend and the King of Country Music. Roy Acuff showed that America loves country music because country music loves America. He helped the Grand Ole Opry become America's heirloom of the heart.

Roy made his Opry debut in 1938 and played it nearly every weekend. Often, Barbara and I visited him and heard Roy sing ``Great Speckled Bird'' or ``Wabash Cannonball.'' We marveled at his talent. Even more, we cherished his kindness, modesty, love of life, and loyalty to friends.

Roy said, ``I want to go down as a gentleman in country music. That's all I care to be.'' Our great and good friend achieved that goal and more. Roy Acuff leaves what for 89 years he lived, a touch of the American dream.

Remarks at the Thanksgiving Turkey Presentation Ceremony

November 24, 1992

Thank you, kids. Thank you very much. Please be seated. And let me just say I want to welcome all of you. Certainly Mr. Cuddie, who is the president of the National Turkey Federation; Stuart Proctor, the executive vice president. I want to especially welcome all the kids: From Kent Gardens Elementary, now, where are you? Hold up your -- there they are, right over -- this group, good. Amidon Elementary? Yep. Holy Cross, and maybe some strays out there from other schools. Anyway, everyone is really welcome.

And of course, the special guest of honor, the bird over here. I hope you guys have seen him. After participating in this ceremony year after year, I've come to learn a little about the turkey. For instance, it's hand fed. It gets lots of personal attention. And it's over-weight and reminds me of Ranger, who you may have seen running around here, our dog. We're trying to avoid a confrontation between the turkey and our springer.

But I want to set the guests at ease and especially tell the kids something. After all, this turkey represents America's 45 million turkeys who will begin making their irreplaceable contribution to our Thanksgiving celebration. So take it easy, turkey, we're just here to serve you. [Laughter]

We all know that Thanksgiving is more than just an occasion to stuff yourself. It's a uniquely American holiday, a time for remembering all the good things that we've been given or asking ourselves what good we can find to do. After all, only America would set aside a special holiday just for the purpose of giving thanks. George Washington, in the first Presidential Thanksgiving Day proclamation, spoke of, and here's the quotation, ``the duty . . . to acknowledge the providence of Almighty God, to obey His will, to be grateful for His benefits, and humbly to implore His protection and favor . . . ."

Well, this turkey must have said some prayers of his own. And we're going to grant him a special Presidential pardon. He will be going into early retirement, I'm told, living out his years on a Virginia children's farm.

I want to thank all of you for being here on this special occasion, welcome all our new friends to the White House. God bless you, and may you have a happy Thanksgiving.

Note: The President spoke at 2:05 p.m. in the Rose Garden at the White House. In his remarks, he referred to Bruce Cuddie, president, and Stuart E. Proctor, Jr., executive vice president, National Turkey Federation.

Statement by Press Secretary Fitzwater on the President's Telephone Conversation With President Boris Yeltsin of Russia

November 30, 1992

The President called President Boris Yeltsin of Russia today on the eve of the Congress of People's Deputies meeting in Moscow. They discussed the situation in Russia and U.S.-Russian relations.

The President reaffirmed to President Yeltsin the strong and unequivocal U.S. support for efforts to promote democracy and economic reform in Russia. The President made it clear that the United States will not waver in its firm support for the Russian Government.

The United States and its Western partners have a unique and historic opportunity to construct a democratic peace in Europe as we approach a new century. Russia is pivotal to that opportunity, and the United States has committed itself to building a new partnership with Russia based on a shared commitment to ending the arms race, cooperation in resolving regional disputes, and strong Western economic support for Russia's reforms. The President supports the continuation of concerted and ambitious Western efforts to assist the Russian people in building a democratic society and in integrating their economy and future with the West. The President therefore believes it is imperative for the United States and other countries to do everything possible to support the Russian Government at this critical time.

Memorandum on the Commonwealth of Puerto Rico

November 30, 1992

Memorandum for the Heads of Executive Departments and Agencies

Puerto Rico is a self-governing territory of the United States whose residents have been United States citizens since 1917 and have fought valorously in five wars in the defense of our Nation and the liberty of others.

On July 25, 1952, as a consequence of steps taken by both the United States Government and the people of Puerto Rico voting in a referendum, a new constitution was promulgated establishing the Commonwealth of Puerto Rico. The Commonwealth structure provides for self-government in respect of internal affairs and administration, subject to relevant portions of the Constitution and the laws of the United States. As long as Puerto Rico is a territory, however, the will of its people regarding their political status should be ascertained periodically by means of a general right of referendum or specific referenda sponsored either by the United States Government or the Legislature of Puerto Rico.

Because Puerto Rico's degree of constitutional self-government, population, and size set it apart from other areas also subject to Federal jurisdiction under Article IV, section 3, clause 2 of the Constitution, I hereby direct all Federal departments, agencies, and officials, to the extent consistent with the Constitution and the laws of the United States, henceforward to treat Puerto Rico administratively as if it were a State, except insofar as doing so with respect to an existing Federal program or activity would increase or decrease Federal receipts or expenditures, or would seriously disrupt the operation of such program or activity. With respect to a Federal program or activity for which no fiscal baseline has been established, this memorandum shall not be construed to require that such program or activity be conducted in a way that increases or decreases Federal receipts or expenditures relative to the level that would obtain if Puerto Rico were treated other than as a State.

If any matters arise involving the fundamentals of Puerto Rico's status, they shall be referred to the Office of the President.

This guidance shall remain in effect until Federal legislation is enacted altering the current status of Puerto Rico in accordance with the freely expressed wishes of the people of Puerto Rico.

The memorandum for the heads of executive departments and agencies on this subject, issued July 25, 1961, is hereby rescinded.

This memorandum shall be published in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 11:27 a.m., December 1, 1992]

Note: This memorandum was released by the Office of the Press Secretary on December 1.

Remarks at the Presentation Ceremony for the President's Environment and Conservation Challenge Awards

December 2, 1992

Thank you all very much. Barbara and I are just delighted to welcome everyone to the White House. And let me single out a few people. I'll get in trouble on this in this distinguished group, but our Cabinet members here: Jim Watkins, who brought our National Energy Strategy through the Congress; Manuel Lujan, who's helped expand our parks and refuges; Secretary Barbara Franklin, her team's been out there pushing on the economic benefits of environmental protection. Don Atwood was to be here, but I single him out because he and the military brought an environmental ethic, I think, to everything from basic training to the conduct of a successful military operation halfway around the world in Desert Storm. Then our Secretary of Transportation was to be here, Andy Card. He's now Secretary of Transition -- [laughter] -- and as well as Secretary of Transportation.

Let me just say to this distinguished nonpartisan group that I am just determined that this transition goes smoothly and go well. And I'm absolutely convinced under Andy's leadership it is going well and will go well.

Speaking of nonpartisanship, I salute the Governor of Florida, and I'm just delighted that Lawton Chiles is with us, leader in the environmental movement; Senator Domenici was to be here -- I don't see him, but nevertheless; and Congressman Gilchrest; Congressman Porter Goss. And I want to reserve a very special thanks for Bill Reilly, our able EPA Administrator, in whom I have great confidence, a confidence that has been well rewarded, I might say, by an outstanding performance; and then for Mike Deland, the key figure here today. He's the Chairman of our Council on Environmental Quality, and I believe he's done an outstanding job. And so I'm just delighted, Barbara and I are delighted to be standing at his side.

Finally, of course, I want to salute the awards partners for making this day possible: Gil Grosvenor of the National Geographic Society, Frank Bennack of Hearst, John Johnstone of the Business Roundtable, and Kathryn Fuller of the World Wildlife Fund. And I want to thank the awards selection committee and especially my old friend Bob Stafford who's back in Washington. I'm just delighted to see him, and Gaylord, Senator Gaylord Nelson, as well. And most of all I want to send a special welcome to the guests of honor, the 9 medal and the 13 citation recipients. Congratulations to all, and I look forward to seeing the presentations.

I am not going to make a long-winded speech, because I take the Clean Air Act very seriously. [Laughter] I've had a chance, under a very different schedule, to do a lot of thinking over the past 3 weeks. And let me just share some of your reflections. I hope you'll excuse me if I take

pride in talking about certain accomplishments. Over the next few years I reckon I'll be spending a lot of time in what Teddy Roosevelt called the great cathedral of the outdoors, and I can't wait. I'll remember what we've tried to do to conserve it, to preserve it, and I am very proud of our team's efforts.

Everyone is and should be, whatever age, interested in the environment. And my own conviction, or environmental policy, if you will, was born out of the concerns of a President, an outdoorsman, and maybe most of all, a grandfather. Our approach signaled a step beyond command-and-control regulation toward a more market-oriented, decentralized philosophy of environmental action.

Those who said we posed a false choice between a strong economy and a safer environment just didn't get it, just missed the point. We sought to achieve both while sacrificing neither. And we combined a pragmatism about human nature with an idealism about Mother Nature, an ambitious agenda that harnessed the energy of capitalism in the service of the environment.

Now, excuse me, as I say, if I take pride in listing a few accomplishments that we pass on to a new generation. The Clean Air Act, with the help of Democrats and Republicans on the Hill, we broke 10 years of congressional gridlock by pushing through the world's most protective and cost-effective clean air legislation. And we've already proposed or finalized rules that promise to get at 85 percent of the pollution reductions that are targeted in this law. [Applause] Reilly's clapping for himself, and I don't blame him. [Laughter]

We won major funding -- shifting to environmental programs -- increasing the EPA's budget, I believe it was almost 50 percent; increasing funding for clean energy research and development by 66 percent. We enlisted the private sector in the voluntary pollution prevention efforts that are reshaping American industries, making us leaner, more efficient, and reducing toxic pollution by hundreds of millions of pounds a year.

On the law enforcement front, we broke new ground and old records, filing more cases, collecting more penalties, and putting more polluters behind bars than every previous administration in history combined. We helped make America's great outdoors even greater, securing over a billion dollars to expand parks and wetlands and wildlife refuges, campgrounds and scenic rivers. We decided to end clear-cutting as a standard practice on Federal land. And our America the Beautiful initiative has gotten off to a good start with several million new trees all across this great country.

We ensured that America's seas would still be shining, ending ocean dumping and sewage sludge, proposing and signing a tough oil pollution bill, and imposing a 10-year moratorium on oil and gas leasing over vast areas of the really sensitive, the ecologically sensitive coasts. We've launched a new generation of clean energy technologies, not only by increasing funding for research and development but also by increasing incentives for their use. And we've pushed

through comprehensive national energy legislation -- a salute to Jim again -- that will guide our country into the next century.

In terms of Federal leadership, we've tripled funding for Federal facility cleanups, secured over 100 enforceable cleanup agreements for Federal facilities, and signed Executive orders spurring the Federal Government to take the lead in increasing energy efficiency, recycling, waste reduction, and converting the Federal fleet to alternative fuels.

Finally, we've insisted that a new world order include a cleaner world environment, and we reached over 20 new international environmental agreements. Just by way of example, we reduced Poland's debt in order to help them fund a new environmental foundation. We also launched the center, the Environmental Center in Budapest, to help countries in Central and Eastern Europe. We made America the world leader in the phaseout of ozone depletion, the ozone-depleting CFC's, and we led the way to global bans on driftnet fishing.

We built environmental cooperation into trade negotiations with Mexico. We've expanded the debt-for-nature swaps to protect the rain forests in Latin America and created networks for cooperation with Asia. And our comprehensive, action-oriented approach to global climate change was ratified by the Senate and adopted by the world community.

At the same time that we renewed our national commitment to the environment, we redoubled our efforts to support and encourage people like you. Everyone in this room, everyone here today, has demonstrated the principles of a new environmentalism. This national environmental awards program was established to honor those who honored the environment.

Some here have forged innovative partnerships, environmental alliances that are protecting our wetlands, preserving our resources, and preparing a new generation of environmental leadership. Others have taken the lead in combining sound business with a safer environment, a smart new merger between profitability and preservation. And still others are pioneers on the frontier of technology, the environmental technology, finding ways to remove CFC production from manufacturing or reduce pollution while recycling metal scrap. And finally we've got recipients here who are cultivating our human resources to conserve our natural ones, leaders like Hazel Johnson, who realize that the greening of America is truly a grassroots operation, or the Environmental Education Program, teaching our children how to care for the great land that they will inherit.

I remember back in July, I was out visiting Sequoia National Park. And there was a camp there for inner-city youngsters. It was called Pyles Boys Camp. And I remember quoting Teddy Roosevelt, talking about the beautiful gifts we received from nature, gifts that we ought, and here's the quote, ``ought to hand on as a precious heritage to our children and our children's children." That heritage is the family legacy that all Americans share and share responsibility for. Each of you understand President Roosevelt's challenge, and each of you that we honor

has acted on it. And for that you have our admiration, our respect, my own personal gratitude.

That is the end. And I now would like to happily turn this over to Mike Deland, asking that he hand out the medals. Mike.

[At this point, the awards and citations were presented.]

Let me just thank you all once again for coming. I don't think it's too early to wish you a Merry Christmas. I wish in a sense it were Monday because this place will come alive with Christmas trees and Christmas lights. And I hope you all have a wonderful one. Thank you.

Note: The President spoke at 2:29 p.m. in the East Room at the White House. In his remarks, he referred to Deputy Secretary of Defense Donald J. Atwood, Jr., and former Senators Robert T. Stafford and Gaylord Nelson.

Statement by Press Secretary Fitzwater on the President's Discussions on Somalia

December 2, 1992

President Bush today called President-elect Clinton to update him on the continuing situation in Somalia. They discussed the status of U.N. consultations. President Bush will continue to stay in touch with the President-elect on this issue.

The President today also is consulting with other world leaders concerning a possible U.N. resolution.

Statement by Press Secretary Fitzwater on the United Nations Vote To Authorize Use of Military Forces in Somalia

December 3, 1992

We are pleased by the U.N. vote to authorize military forces to ensure the delivery of humanitarian aid to alleviate the starvation and human suffering in Somalia. President Bush will meet tomorrow morning with congressional leaders to discuss U.S. participation in a U.N. military action. Since August 14, the United States has airlifted 21,000 tons of food and medicine into Somalia. But the crisis remains urgent.

Address to the Nation on the Situation in Somalia

December 4, 1992

I want to talk to you today about the tragedy in Somalia and about a mission that can ease suffering and save lives. Every American has seen the shocking images from Somalia. The scope of suffering there is hard to imagine. Already, over a quarter-million people, as many people as live in Buffalo, New York, have died in the Somali famine. In the months ahead 5 times that number, 1\1/2\ million people, could starve to death.

For many months now, the United States has been actively engaged in the massive international relief effort to ease Somalia's suffering. All told, America has sent Somalia 200,000 tons of food, more than half the world total. This summer, the distribution system broke down. Truck convoys from Somalia's ports were blocked. Sufficient food failed to reach the starving in the interior of Somalia.

So in August, we took additional action. In concert with the United Nations, we sent in the U.S. Air Force to help fly food to the towns. To date, American pilots have flown over 1,400 flights, delivering over 17,000 tons of food aid. And when the U.N. authorized 3,500 U.N. guards to protect the relief operation, we flew in the first of them, 500 soldiers from Pakistan.

But in the months since then, the security situation has grown worse. The U.N. has been prevented from deploying its initial commitment of troops. In many cases, food from relief flights is being looted upon landing; food convoys have been hijacked; aid workers assaulted; ships with food have been subject to artillery attacks that prevented them from docking. There is no government in Somalia. Law and order have broken down. Anarchy prevails.

One image tells the story. Imagine 7,000 tons of food aid literally bursting out of a warehouse on a dock in Mogadishu, while Somalis starve less than a kilometer away because relief workers cannot run the gauntlet of armed gangs roving the city. Confronted with these conditions, relief groups called for outside troops to provide security so they could feed people. It's now clear that military support is necessary to ensure the safe delivery of the food Somalis need to survive.

It was this situation which led us to tell the United Nations that the United States would be willing to provide more help to enable relief to be delivered. Last night the United Nations Security Council, by unanimous vote and after the tireless efforts of Secretary-General Boutros-Ghali, welcomed the United States offer to lead a coalition to get the food through.

After consulting with my advisers, with world leaders, and the congressional leadership, I have today told Secretary-General Boutros-Ghali that America will answer the call. I have given the order to Secretary Cheney to move a substantial American force into Somalia. As I speak, a

Marine amphibious ready group, which we maintain at sea, is offshore Mogadishu. These troops will be joined by elements of the 1st Marine Expeditionary Force, based out of Camp Pendleton, California, and by the Army's 10th Mountain Division out of Fort Drum, New York. These and other American forces will assist in Operation Restore Hope. They are America's finest. They will perform this mission with courage and compassion, and they will succeed.

The people of Somalia, especially the children of Somalia, need our help. We're able to ease their suffering. We must help them live. We must give them hope. America must act.

In taking this action, I want to emphasize that I understand the United States alone cannot right the world's wrongs. But we also know that some crises in the world cannot be resolved without American involvement, that American action is often necessary as a catalyst for broader involvement of the community of nations. Only the United States has the global reach to place a large security force on the ground in such a distant place quickly and efficiently and thus save thousands of innocents from death.

We will not, however, be acting alone. I expect forces from about a dozen countries to join us in this mission. When we see Somalia's children starving, all of America hurts. We've tried to help in many ways. And make no mistake about it, now we and our allies will ensure that aid gets through. Here is what we and our coalition partners will do:

First, we will create a secure environment in the hardest hit parts of Somalia, so that food can move from ships over land to the people in the countryside now devastated by starvation.

Second, once we have created that secure environment, we will withdraw our troops, handing the security mission back to a regular U.N. peacekeeping force. Our mission has a limited objective: To open the supply routes, to get the food moving, and to prepare the way for a U.N. peacekeeping force to keep it moving. This operation is not open-ended. We will not stay one day longer than is absolutely necessary.

Let me be very clear: Our mission is humanitarian, but we will not tolerate armed gangs ripping off their own people, condemning them to death by starvation. General Hoar and his troops have the authority to take whatever military action is necessary to safeguard the lives of our troops and the lives of Somalia's people. The outlaw elements in Somalia must understand this is serious business. We will accomplish our mission. We have no intent to remain in Somalia with fighting forces, but we are determined to do it right, to secure an environment that will allow food to get to the starving people of Somalia.

To the people of Somalia I promise this: We do not plan to dictate political outcomes. We respect your sovereignty and independence. Based on my conversations with other coalition leaders, I can state with confidence: We come to your country for one reason only, to enable

the starving to be fed.

Let me say to the men and women of our Armed Forces: We are asking you to do a difficult and dangerous job. As Commander in Chief I assure you, you will have our full support to get the job done, and we will bring you home as soon as possible.

Finally, let me close with a message to the families of the men and women who take part in this mission: I understand it is difficult to see your loved ones go, to send them off knowing they will not be home for the holidays, but the humanitarian mission they undertake is in the finest traditions of service. So, to every sailor, soldier, airman, and marine who is involved in this mission, let me say, you're doing God's work. We will not fail.

Thank you, and may God bless the United States of America.

Note: The President spoke at 12:32 p.m. from the Oval Office at the White House. In his remarks, he referred to Gen. Joseph P. Hoar, USMC, commander in chief, U.S. Central Command. The address was broadcast live on nationwide radio and television.

Remarks at a Christmas Greeting for the White House Staff

December 7, 1992

Don't dare move my hands -- [laughter] -- what I wanted to do -- [laughter]. No, but I am very grateful to Dana and to Paula for being here. And Dana's given me a lot of laughs. He said to me on the phone, ``Are you sure you really want me to come there?'' [Laughter] And I said yes. And he said, ``I hope I've never crossed the line.'' I knew exactly what he meant, and as far as I'm concerned, he never has. The fact that we can laugh at each other is a very fundamental thing. I'm not sure on November 4th that the invitation would have gone out and then had the same enthusiasm. [Laughter] But we're shifting gears. And I think he's given us a wonderful kickoff to what I hope will be a joyous, totally friendly, very happy, somewhat nostalgic but merry Christmas for everybody.

In a few minutes, Barbara shows the press through this spectacular house that we've been privileged to live in for 4 years. And we wanted to share with some of you -- I wish we could have had everybody -- the majesty of this place, which I hope many will get to see in these various receptions and all. But I think there's something special seeing it for the first time when it's just beginning.

So let me take this opportunity once again to thank Dana Carvey for brightening our lives, giving us a little joy, and wish each and every one of you a Merry Christmas. And we can never adequately say thanks for all you've done for us, for your country, and for the Bush family.

Thank you so much, and God bless you.

Note: The President spoke at 9:50 a.m. in the East Room at the White House. In his remarks, he referred to comedian Dana Carvey and his wife, Paula.

Remarks at a Wreath-Laying Ceremony at the United States Navy Memorial

December 7, 1992

Please be seated. May I say to Admiral Thompson, it's a great pleasure to be with you, sir, on this sunny day; Secretary of the Navy Sean O'Keefe; Admiral Frank Kelso; and Admiral Howell. And Captain Bill Perry, thank you, sir, for the invocation. And thank all of you for attending.

Let me say at the very beginning, I am proud to have served in the United States Navy. And I am very proud of those who are serving in the United States Navy, each and every single one of them.

Today we remember the servicemen, the brave and the innocent, who gave their lives to keep us free. The men we honor served a noble cause and made America forever proud. War embodies man's inhumanity to man. And these heroes mirrored man's fidelity to honor.

The men of Pearl Harbor knew the things worth living for were also worth dying for: principle, decency, liberty, truth. So it is in their honor that the two new ships will join the fleet. The first, a new destroyer, will be named U.S.S. Ross for Captain Donald Ross, hero and Medal of Honor winner at Pearl Harbor. I met Don Ross at the memorial service commemorating the 50th anniversary of Pearl Harbor just last December. He passed away in May of this year, but the destroyer Ross, U.S.S. Ross, will pay tribute to Captain Ross in a way that will always live.

The second ship is in a sense named for all who fought at Pearl Harbor, indeed for the entire generation of young men and women who entered the service inspired by the heroism of that day. To commemorate the sacrifice and honor of every sailor, marine, soldier, and airman who fought so valiantly on the 7th day of December in 1941, we will be naming amphibious dock landing ship 52, the U.S.S. Pearl Harbor.

On that long ago day of infamy, brave boys became men, and brave men became heroes. And in that spirit, let this wreath that I place at the foot of the memorial serve as a symbol of our gratitude and respect. We can never properly repay these men. What we can and must do is honor them, remember them. Remember, too, the lesson we learned at Pearl Harbor, that America will always stand fast so that human liberty can stand tall.

May God bless all the service people and their families, particularly those who are serving overseas at this minute and those who have served and those who are serving both at home and abroad. And may God bless this great country, the United States of America. Thank you very much.

Note: The President spoke at 3:02 p.m. at the U.S. Navy Memorial. In his remarks, he referred to Rear Adm. William Thompson, USN (Ret.), president, U.S. Navy Memorial Foundation; Adm. Frank B. Kelso II, USN, Chief of Naval Operations; Rear Adm. Paul N. Howell, USNR (Ret.), chairman, U.S. Navy Memorial Foundation; and Capt. Bill Perry, U.S. Navy District Chaplain.

Recess Appointment of Lawrence S. Eagleburger as Secretary of State

December 8, 1992

The President today announced the recess appointment of Lawrence S. Eagleburger, of Florida, a career member of the Senior Foreign Service with the personal rank of Career Ambassador, to be Secretary of State. He would succeed James A. Baker III.

Mr. Eagleburger has served as Acting Secretary of State since August 23, 1992.

Statement by Press Secretary Fitzwater on Operation Restore Hope

December 8, 1992

President Bush is pleased by the success of the initial landing phase of Operation Restore Hope in Somalia. United States forces went ashore at approximately 8:30 p.m. e.s.t., this evening (4:30 a.m. Somali time). This initial phase will focus on establishing secure airport and port facilities. President Bush will be advised of developments in Somalia on a regular basis by his national security staff in the White House Situation Room.

Earlier today the President spoke by telephone with Ambassador Robert Oakley, our special envoy in Somalia. Ambassador Oakley briefed the President on his meetings with relief agency representatives and Somali factional leaders. Ambassador Oakley indicated that the discussions were encouraging. The President also spoke by phone with United Nations Secretary-General Boutros-Ghali and discussed with him the latest developments and plans for the humanitarian effort.

The President met with his national security advisers around 5 p.m. this afternoon for a final update on the status of the coalition preparations. General Colin Powell, Chairman of the Joint Chiefs of Staff, said Operation Restore Hope was on schedule and proceeding well. The response from other nations to join the coalition has been quite positive. Forces from several countries are being integrated into the overall operation.

Message on the Observance of Hanukkah

December 8, 1992

I am delighted to send greetings to members of the Jewish community in the United States and around the world as you celebrate Hanukkah.

As you commemorate the rededication of the Temple in Jerusalem more than 2,000 years ago, you call to mind the many great spiritual and political struggles that have been borne by the Jewish people -- a people of faith and resolve. When it burned miraculously for eight days instead of one, the small cruse of oil that was found in the reclaimed Temple by Judah Maccabee and his followers symbolized the power of prayer and the unfailing wisdom of the Almighty.

Now, as you once again light the menorah, in keeping with centuries-old Judaic law and tradition, know that countless others join with you in praying for peace and for the expansion of religious liberty and tolerance around the world. During this time of renewal, we pray especially that the Middle East peace talks will lead to a comprehensive, just, and lasting peace between Israel and her Arab neighbors.

Barbara joins me in sending best wishes for a Happy Hanukkah.

George Bush

Note: This message was released by the Office of the Press Secretary on December 9.

Message on the Observance of Christmas

December 8, 1992

During the Christmas season, millions of people around the world gather with family and friends to give thanks for their blessings and to recall the events that took place in Bethlehem almost 2,000 years ago. As we celebrate the birth of Jesus Christ, whose life offers us a model of dignity, compassion, and justice, we renew our commitment to peace and understanding throughout the world. Through His words and example, Christ made clear the redemptive value of giving of oneself for others, and His life proved that love and sacrifice can make a profound difference in the world. Over the years, many Americans have made sacrifices in order to promote freedom and human rights around the globe: the heroic actions of our veterans, the lifesaving work of our scientists and physicians, and generosity of countless individuals who voluntarily give of their time, talents, and energy to help others -- all have enriched humankind and affirmed the importance of our Judeo-Christian heritage in shaping our government and values. This Christmas we are especially grateful for the expansion of democracy and hope throughout the former Soviet Union, Eastern Europe, and elsewhere -- progress that is being encouraged by the help of many Americans.

In some regions, however, the joy and peace that normally mark the Christmas season are marred this year by violence that is rooted in ethnic hatreds and nationalist rivalries. Our prayers go out especially in behalf of the victims of such fighting -- just as our thoughts are with those who are helping to provide humanitarian relief. Their selfless, caring efforts are a wonderful example of the true meaning of Christmas.

Barbara joins me in wishing all of our fellow Americans a Merry Christmas and a Happy New Year.

George Bush

Note: This message was released by the Office of the Press Secretary on December 9.

Letter to Congressional Leaders on the Situation in Somalia

December 10, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Beginning in January of this year with the adoption of U.N. Security Council Resolution 733, the United Nations has been actively addressing the humanitarian crisis in Somalia. The United States has been assisting the U.N. effort to deal with a human catastrophe. Over 300,000 Somalis have died of starvation. Five times that number remain at risk, beyond the reach of international relief efforts in large part because of the security situation. As a result, voluntary relief organizations from the United States and other countries have appealed for assistance from outside security forces.

On November 29, 1992, the Secretary General of the United Nations reported to the Security Council that the deteriorating security conditions in Somalia had severely disrupted international relief efforts and that an immediate military operation under U.N. authority was urgently required. On December 3, the Security Council adopted Resolution 794, which determined that the situation in Somalia constituted a threat to international peace and security, and, invoking Chapter VII of the U.N. Charter, authorized Member States to use all necessary means to establish a secure environment for humanitarian relief operations in Somalia. In my judgment, the deployment of U.S. Armed Forces under U.S. command to Somalia as part of this multilateral response to the Resolution is necessary to address a major humanitarian calamity, avert related threats to international peace and security, and protect the safety of Americans and others engaged in relief operations.

In the evening, Eastern Standard Time, on December 8, 1992, U.S. Armed Forces entered Somalia to secure the airfield and port facility of Mogadishu. Other elements of the U.S. Armed Forces and the Armed Forces of other Members of the United Nations are being introduced into Somalia to achieve the objectives of U.N. Security Council Resolution 794. No organized resistance has been encountered to date.

U.S. Armed Forces will remain in Somalia only as long as necessary to establish a secure environment for humanitarian relief operations and will then turn over the responsibility of maintaining this environment to a U.N. peacekeeping force assigned to Somalia. Over 15 nations have already offered to deploy troops. While it is not possible to estimate precisely how long the transfer of responsibility may take, we believe that prolonged operations will not be necessary.

We do not intend that U.S. Armed Forces deployed to Somalia become involved in hostilities.

Nonetheless, these forces are equipped and ready to take such measures as may be needed to accomplish their humanitarian mission and defend themselves, if necessary; they also will have the support of any additional U.S. Armed Forces necessary to ensure their safety and the accomplishment of their mission.

I have taken these actions pursuant to my constitutional authority to conduct our foreign relations and as Commander in Chief and Chief Executive, and in accordance with applicable treaties and laws. In doing so, I have taken into account the views expressed in H. Con. Res. 370, S. Con. Res. 132, and the Horn of Africa Recovery and Food Security Act, Public Law 102 - 274, on the urgent need for action in Somalia.

I am providing this report in accordance with my desire that Congress be fully informed and consistent with the War Powers Resolution. I look forward to cooperating with Congress in the effort to relieve human suffering and to restore peace and stability to the region.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Robert C. Byrd, President pro tempore of the Senate.

Letter to Congressional Leaders on the Determination Not To Prohibit Fish Imports From Colombia

December 10, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 8(b) of the Fishermen's Protective Act of 1967, as amended (22 U.S.C. 1978(b)), generally known as the Pelly Amendment, I am notifying you that on November 3, 1992, in accordance with section 101(a) of the Marine Mammal Protection Act (MMPA), the Secretary of Commerce certified to me that a denial of an affirmative finding and resulting embargo of yellowfin tuna and products derived from yellowfin tuna harvested in the eastern tropical Pacific Ocean (ETP) by Colombian flag vessels has been in effect since April 27, 1992.

By the terms of the MMPA, such certification is deemed to be a certification for the purposes of the Pelly Amendment, which requires that I consider and, at my discretion, order the prohibition of imports into the United States of products from the identified country, to the extent that such prohibition is sanctioned by the General Agreement on Tariffs and Trade. The Pelly Amendment also requires that I report to the Congress any actions taken under this subsection and, if no import prohibitions have been ordered, the reasons for this action.

After thorough review, I have determined that additional sanctions against Colombia under the Pelly Amendment will not be imposed at this time while the Administration continues to implement an international dolphin conservation program in the ETP.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks on Presenting Congressional Gold Medals to General Colin Powell and General H. Norman Schwarzkopf

December 10, 1992

Let me just say this is a very brief but, in my view, significant presentation ceremony. But in April of 1991, the laws were passed authorizing me as President to present gold medals on behalf of the Congress to Generals Powell and Schwarzkopf. The medals were designed and struck by the U.S. Mint to commemorate their exemplary service in liberating the nation of Kuwait pursuant to those United Nations resolutions. And the mint is also producing duplicates of these medals, bronze duplicates, for public sale.

I'm just delighted to be here. I salute the Members of Congress who are with us today, who had an awful lot to do with making this happen.

So we'll start by a presentation to General Schwarzkopf who was, as we know, commander in chief of the United States Central Command. He valiantly directed the United States and coalition in the Operation Desert Storm. And the U.S. and coalition forces under his command met the objectives that we established to counter ruthless aggression and to free Kuwait. He led the men and women of the Armed Forces of the United States in a magnificent achievement in United States military history.

I will now ask the commander to read the citation.

[At this point, the gold medal was presented to General Schwarzkopf.]

They tell me you're not supposed to touch it except with a glove. Congratulations, well-deserved honor.

Then General Colin Powell, Chairman of the Joint Chiefs. He displayed an extraordinary degree of leadership, competence, professionalism throughout Operation Desert Shield and Operation Desert Storm. General Powell and his subordinates brilliantly planned and coordinated the rapid mobilization, the deployment of more than one-half million men and women of the Armed Forces to the Persian Gulf. And that resulted in the successful prosecution of the Persian Gulf war. And Congress fittingly honors General Powell.

[At this point, the gold medal was presented to General Powell.]

Note: The President spoke at 4:04 p.m. in the Roosevelt Room at the White House. Lt. Comdr.

Wayne E. Justice, USCG, Coast Guard Aide to the President, read the citations.

Remarks on Lighting the National Christmas Tree

December 10, 1992

Thank you, Joe, for being the President of the Christmas Pageant of Peace. And may I salute Lucie Arnaz and Lee Greenwood, Keshia Knight Pulliam; the world's greatest weatherman, who missed it tonight, Willard Scott; the Children's Chorus of Maryland; the cast of ``A Christmas Carol'' -- great of them to come down; and of course, the U.S. Coast Guard Band.

Barbara and I are very pleased that all of you could be here tonight. It's wonderful to see so many smiling faces in spite of the adversity. It's especially wonderful to see the children. This is their holiday, an entire season dedicated to the impact of one child on the world. And there's a lesson to be learned from these young people here. Look at what's most important to them, the people they love.

Barbara and I want to dedicate this Christmas tree to the children of America, for they are more than our future; they are our present. And they remind us that we must love one another in order to achieve peace. We must love one another. Our prayers are with them and the ones they cherish.

May I simply say, let us think of the children of Somalia, too, the children everywhere who live in fear and want. Our prayers are with them, and may their families be safe and the sporadic fighting over there end soon.

Let us also say a special prayer for our Armed Forces who are doing their duty, vindicating the values of America and the spirit of Christmas in this far-off land. We salute them and their selfless devotion to country.

For Barbara and me and from our entire family, we wish you all a Merry Christmas, a happy and healthy New Year, and love that will outshine this tree year-round.

God bless you all, and God bless our great country, the United States of America. Merry Christmas.

Note: The President spoke at 5:50 p.m. on the Ellipse during the annual Christmas Pageant of Peace. In his remarks, he referred to Joe Riley, pageant president, and entertainers Lucie Arnaz, Lee Greenwood, and Keshia Knight Pulliam.

Remarks to the President's Drug Advisory Council Leadership Forum

December 11, 1992

What a nice welcome. Thank you very much. Normally I wouldn't say anything bad about Jim Burke, but he's got it backwards. I came over here to thank you people for this fantastic job, voluntarism at its very best. And that's what this is all about.

I am delighted to be here. Of course, I salute Jim. You take a man like that with a fantastic record in business and then in community service and ask him to do a big job, and he's done it as president now of our Drug Advisory Council, as well as chairman of the Partnership for a Drug-Free America. And I salute him. I don't believe a lot of the action we've seen that's resulted in success would have been possible without his steadfast, determined leadership, and I salute him for all of that. I think particularly we owe him a vote of gratitude for what he's been able to do in lining up support in the media for getting this antidrug message out all across the country. Literally hundreds of millions of dollars worth of advertising that's on the air and has been on the air and is making a difference can be attributed to his steadfast leadership.

As for Alvah Chapman, the other man here, the old theory is if you want to get a job done, get a busy person to do it. And when Miami was devastated by the hurricane, he stepped up, organized a volunteer coalition, and is doing a superb job in actually -- an outfit known as Rebuild -- rebuilding Miami. He's brought that same dedication to this work as each and every one of you know. And he's chairman of our National Coalition Committee, and he's hard at work rebuilding in the antidrug field just as he is in south Florida. So I'm grateful to him.

I want to salute Father Malloy over here. I'm surprised he's as pleasant to me as he is when I walked in because he's had a terrible time getting here, diverted I'm told, and landing off in some faraway city and ending up here at about 2 in the morning. But again, here he is with a full agenda, running one of our great educational institutions and yet finding time to give to this people's war. And I'm delighted about that.

And of course, I see Bill Moss here. And I think we owe him a vote of thanks as the founding chairman of the PDAC.

I really did come here to give my heartfelt thanks to the members of the Drug Advisory Council for this outstanding work that you've done to rid the Nation of illegal drugs. You've given tireless service and a service to others, and that is deeply appreciated. And to all the drug coalition leaders and members that are with us today, I hear from all across the country, I'm told over 200 cities in 40 States, let me just add a few words to these thanks.

Charles de Gaulle once said that France was not her true self unless she was engaged in a great enterprise. Well, the same is true here. And you have led America in a great enterprise, truly becoming involved in a cause larger than yourselves. And you are part of a growing movement that is sweeping across this Nation.

Today there are more antidrug coalitions than ever, over a thousand, a thousand across the country, because of your efforts. And that means a thousand communities aided by Federal, State, and local governments have accepted the responsibility to work side by side with their neighbors to get drugs out and keep drugs out of their neighborhoods. Block by block, street by street, home by home, ordinary people are doing absolutely extraordinary things.

You're showing that every citizen has a role to play in eliminating drugs from our neighborhoods. You're enriching our Nation's future. You've got to look at it that way. You are enriching our Nation's future through community-based programs, the very backbone of America's drug policy.

That noted philosopher, who I wish were with me here today, Barbara Bush -- [laughter] -- said, what happens in your house is more important than what happens in the White House. And as I think back over 12 wonderful years in the Vice Presidency and then in the Presidency, I am absolutely convinced she's right. There are certain things Government can do, but there's things that you can do in your own house and in your own neighborhood, in your own community that Government cannot possibly do. And so she's right when she makes a statement like that. And the people with the most influence are not here in Washington, DC. It's the people back home, the friend, the pastor, the patient, the parent, the teacher, whoever it is, somebody on the team, and the doctor or the daughter, who can stir the soul of somebody that's needing help.

So it's a team effort. And our ability to solve the drug problem in America depends on the extent to which we can convince individuals not to try drugs or use them and to help those individuals addicted to get into treatment. We've got a lot to do in that addicted category, as Jim and Alvah, I'm sure, have shared with you. And perhaps you know it better from your own experience. But this understanding is the very basis for the enormous progress that's been made in reducing illegal drug use and simply must be the foundation of any future drug strategy.

In the span of this administration -- and I don't think most people know this across the country, and I bear, obviously, my share of the responsibility for the fact that they don't -- but in the span of this administration, we've seen drug use go down. Overall drug use decreased by more than 12 percent between 1988 and 1991; occasional cocaine use went down 25 percent, twice the goal that we all set; adolescent cocaine use, we'd hoped to reduce that by 30 percent, and the facts are clear that it's fallen by more than 60 percent.

When a neighbor's front yard became the front line of a drug war, rather than looking to government for solutions you looked to each other to meet the drug problem in your community head-on. And because you did, today a little girl isn't afraid to ride her bike over to the park, or a senior citizen once again sits on his front porch in the afternoon without fear. We've got to keep going until that is universal. But there's some wonderful examples of how your work has already paid off. And so what you're doing in the workplace and in the schoolyard and the corner grocery store is working.

I am very grateful to you because, as I look at this, you are restoring hope, you're saving lives, and you're healing our country one person at a time. And for that you have the gratitude of your community, your country, and certainly your President.

May God bless you all in this wonderful work. And thank you very, very much for what you're doing for the United States. God bless you.

Note: The President spoke at 9:20 a.m. at the Washington Hilton. In his remarks, he referred to Rev. Edward A. Malloy, C.S.C., President's Drug Advisory Council Leadership Forum chairman.

Remarks on Presenting the Presidential Medals of Freedom

December 11, 1992

Barbara and I thank you all very much. Barbara and I are just delighted to have you here on this special occasion. Welcome to the White House. I'm going to keep this relatively short today because afterwards Richard Petty and I are going to take a few laps around the Ellipse in number 43 -- [laughter] -- so we've got plenty to do. Mr. Vice President and Mrs. Quayle and members of our Cabinet, a special welcome to all of you.

One of the great privileges of being President is being able to recognize and honor some of our finest Americans. And that's exactly what I'm doing today by awarding the Presidential Medal of Freedom to 10 people who have made extraordinary contributions to our country.

Today, freedom is mankind's North Star. And I am grateful that more people have breathed their first breath of freedom over the last 4 years than at any time in history. And the great question of the cold war was whether people would put their faith in the state or in themselves. Freedom won, and America enjoys the fruits of victory as people around the world join in the great democratic experiment that we began some 216 years ago.

History honors those people who wrest the torch of freedom from the hands of their oppressors. But in America, that torch lies safely in the hands of the people. And the Presidential Medal of Freedom honors those who carry that torch. And our light of freedom is bright enough to light the world.

Today, every man on the street in Moscow realizes what Americans have always understood. It is human nature to be free. And just as nature abhors a vacuum, so does human nature abhor the absence of freedom. So today in essence, by awarding people from these various different pursuits, we celebrate the triumph for freedom, by recognizing these 10 American greats who have set an example for the world.

The Presidential Medal of Freedom was reestablished by President John F. Kennedy who tragically did not live to award it. And when President Johnson awarded the medal to its first recipients, he said that President Kennedy had intended the awards as, and here's the quote, ``a means of national thanks and encouragement for the selfless effort and the brilliant task." In a sense he was talking about what we refer to here as Points of Light, as a Point of Light, because the definition of a successful life must include serving others. And America's greatness lies not in its Government but in its people. And it's not enough to be free; we must serve each other.

Each of us, each of today's award winners certainly understands this, and each is a great American. Their names read like a roll call of American heroes:

Harry Schlaudeman, a tireless crusader for democracy, who after a life of public service came out of retirement 2 years ago to ensure Nicaragua's peaceful transition to democracy.

David Brinkley, the elder statesman of broadcast journalism. His record speaks for itself.

Richard Petty, who rose from humble beginnings in Level Cross, North Carolina, to become the king of stock car racing.

General Vessey, who was the ultimate never-say-die soldier, the last four-star combat veteran of World War II to retire. And General Vessey came out of retirement to counsel my predecessor and me and to help us reach full accounting of all our Vietnam veterans, and he's still engaged in this pursuit.

Elie Wiesel is another type of veteran of World War II who survived the Holocaust and still today keeps watch against the forces of hatred.

Isaac Stern, one of the greatest violinists of our time, who has brought music to countless others.

I.M. Pei, the modernist architect whose work graces skylines worldwide.

To much of America, Johnny Carson was late-night TV. And with decency and style, he's made America laugh and think. And Johnny, I don't care what you say, I still think Dana Carvey does a better impersonation of you than he does of me. [Laughter]

Finally, two special medal recipients who couldn't be with us today: By doctors' orders, Ella Fitzgerald and Audrey Hepburn are unable to join us. Ella Fitzgerald has changed the face of jazz since she was discovered as a teenager, and she is an American music legend. And Audrey Hepburn, whose acting career put her among our most talented artists but whose work with the International Children's Emergency Fund put her in our hearts. And I wish they could be with us today so that I could recognize them personally on behalf of our Nation.

Today we reward your greatness with America's highest civilian honor, the Presidential Medal of Freedom. And you will join the ranks of our Nation's greatest public servants, scholars, and entertainers.

If you'll please step forward to receive your medal as Commander Joe Walsh reads the citation.

[At this point, the President and Mrs. Bush presented the medals.]

Well, I think that concludes our ceremony. And Barbara and I would love to greet you all out here. And it's been a great pleasure to have everybody here, but a special pleasure to be able to honor the 10 so recognized today. Thank you all for coming.

Note: The President spoke at 11:45 a.m. in the East Room at the White House. Comdr. Joseph Walsh, USN, Naval Aide to the President, read the citations.

Remarks on Presenting the Malcolm Baldrige National Quality Awards

December 14, 1992

Thank you, Secretary Franklin. And let me first recognize our Baldrige Foundation trustees, our private sector examiners and judges, and all those who coordinated this year's Baldrige Awards. Distinguished Members of Congress present, welcome. And also it's my special privilege to salute members of the Baldrige family who are with us today.

I really do look forward, Barbara indicated, to these yearly award ceremonies. It is an opportunity to honor the Nation's best and a chance to revisit the legacy of an extraordinary man, Malcolm Baldrige.

I remember a story that President Reagan used to tell about Mac. He phoned him to ask him to join his Cabinet, and he was told by his wife, Midge, that he'd have to call back later. Mac was out on his horse roping and couldn't come to the phone. [Laughter]

Well, I think everybody at Commerce who worked with this extraordinary man knows exactly that that's the way he was, a man whose collection of belt buckles was the only thing that could outnumber his many achievements. And in a hand-tooled western belt and a pinstriped suit, he was the Connecticut cowboy, a man whose name is now enshrined in the Cowboy Hall of Fame in Oklahoma and the only guy I know who'd complain of saddle sores from sitting around a desk too long. [Laughter]

He used to say that the thing he liked about cowboys was that they didn't talk unless they had something to say, and when they said something, they meant it. And that was true of Mac Baldrige. And when he talked business, he meant business. When he talked of making America's products second to none, you listened. The standards of excellence that Mac embodied are still very much with us today. Fairness, honesty, tenacity: these were his yardsticks and the same yardsticks we use today in looking for the very best that American industry has to offer.

This year we've found them in five exceptional companies. Ninety companies this year decided that they were tough enough to take the Baldrige tests. And it's estimated 175,000 others used these criteria, the Baldrige criteria, as an internal test, as a way to be tough on themselves. And a few of our past winners -- and I come to mind Motorola and IBM -- have even gone so far as to urge their suppliers to follow the Baldrige criteria. What this tells us is simple: America is number one because it demands not only the best for itself but also from itself.

Now a comment on this year's winners. Some might think the Commerce Department offered a

two-for-one deal with AT&T, but not so. Though both Transmission Systems and Universal Card Services are divisions of AT&T, they are two separate businesses who share one common goal, a commitment to quality. AT&T Chairman Robert Allen said of this commitment, ``The real challenge is to define quality not from our own perspective but from the customers'." And this, both divisions have done.

Transmission Systems Business Unit dedicates itself not only to its customers' short-term needs but its long-term needs as well. With the input of more than 7,500 employees at 9 U.S. sites, Transmission Systems has initiated programs to predict what new technologies will be needed to meet their customers' long-term goals. In slightly more than 3 years, Transmission Systems has nearly doubled international sales and now sells systems to more than 50 countries. And that is a lot of satisfied customers.

Universal Card Services hasn't become a benchmark of other companies by accident but by effort, top performances by all of its 2,500 employees. And Universal Card led its charge to excellence by centralizing their business around one key principle: Delight the customer. And it seems they are, indeed, delighted. Ninety-eight percent of their customers rate overall services as better than the competition, 98 percent. That's pretty good for a poll, and I could have used it about a month ago. [Laughter]

It's not often that small business means big business. And it's true for the Granite Rock Company, another of our honorees. With the initiation of their total quality program, Granite Rock has exceeded its industry standards for high quality and unmatched service. And rather than follow a well-worn path, Granite Rock chose to chart its own way, a journey that's brought them here today, an award-winning company that defines success in three little words: Another satisfied customer.

Ritz-Carlton: They won 121 quality-related awards in 1991. But ask any employee how they gauge their success, and they'll say, ``The Gold Standards," the Ritz-Carlton's bible for premium service. And with almost 12,000 employees, the Ritz-Carlton has implemented a rigorous quality program that seeks a memorable visit for every guest. This luxury hotel business knows that a mint on the pillow isn't enough to keep a customer coming back. It's the principle ``Service must be excellent if it is anything" that has earned Ritz-Carlton one of the most loyal followings in the travel and tourism industry.

Now, for Texas Instruments Defense Systems and Electronics Group: Its best product is always surpassed by its next innovation. Mac used to call this kind of inventiveness Yankee ingenuity. I'm not sure this Texas-based company cottons to be called Yankee -- [laughter] -- but ingenious I think they'll accept. And they've earned it. Formed during World War II, this TI subsidiary has grown to become the Nation's eighth largest defense electronics contractor. And we know from the success of Desert Storm that in matters of advanced weaponry, quality is absolutely essential. It's the key. And we know, too, from the success of Desert Storm that

TI's contributions to this effort were absolutely invaluable.

In today's competitive global marketplace, quality of service and quality of goods takes on top priority in American business. And premium standards are no longer lofty goals but vital components of every basic business strategy. This year's Baldrige winners know that quality standards do not impede success, they encourage it. And Mac Baldrige would certainly agree with that.

Each time we revisit our memories of Mac Baldrige at this ceremony, I'm reminded of the wisdom that he used to impart most often: Always, in anything and everything, rise to the highest standard. This year's Malcolm Baldrige Quality Award winners have all done just that.

So I came over here to say congratulations to all of you. And may God bless our great country. Thank you very much.

Note: The President spoke at 11:52 a.m. at the Department of Commerce.

Statement by Press Secretary Fitzwater on Relations With Vietnam

December 14, 1992

The United States is today taking additional steps concerning our policy towards Vietnam. The decision to take these steps is in response to Vietnam's implementation of agreements reached with the President's Special Emissary for POW - MIA Affairs, General John Vessey. It is in keeping with the established ``roadmap'' policy of a step-by-step process for normalizing relations with Vietnam.

Effective today, the United States will permit U.S. firms to sign contracts to be executed should the embargo with Vietnam be lifted. To assist U.S. firms, we will also begin implementing a decision that permits a liberal licensing policy allowing commercial transactions relating to contracts, including opening offices in Vietnam, hiring staff, writing and designing plans, and carrying out preliminary feasibility studies and engineering and technical surveys. Other than these actions, the embargo with Vietnam remains in effect.

We look to Vietnam to intensify efforts to achieve the fullest possible accounting of all our POW - MIA's, including the rapid repatriation of all recovered and readily recoverable American remains. In this context, we have noted Hanoi's recent call for Vietnamese citizens to turn in any American remains they may possess. As further results in accounting for missing Americans are obtained, we are prepared to consider additional ``roadmap'' steps of our own.

Notice on Continuation of Libyan Emergency

December 14, 1992

On January 7, 1986, by Executive Order No. 12543, President Reagan declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States constituted by the actions and policies of the Government of Libya. On January 8, 1986, by Executive Order No. 12544, the President took additional measures to block Libyan assets in the United States. The President has transmitted a notice continuing this emergency to the Congress and the Federal Register every year since 1986. On April 15, 1992, I barred authorization for aircraft to take off from, land in, or overfly the United States, if the aircraft, as part of the same flight or as a continuation of that flight, is destined to land in or has taken off from Libya. Because the Government of Libya has continued its actions and policies in support of international terrorism, the national emergency declared on January 7, 1986, and the measures adopted on January 7 and January 8, 1986, and April 15, 1992, to deal with that emergency, must continue in effect beyond January 7, 1993. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency with respect to Libya.

This notice shall be published in the Federal Register and transmitted to the Congress.

George Bush

The White House,

December 14, 1992.

[Filed with the Office of the Federal Register, 2:42 p.m., December 15, 1992]

Note: This notice was released by the Office of the Press Secretary on December 15, and it was published in the Federal Register on December 17.

Letter to Congressional Leaders on Continuation of the National Emergency With Respect to Libya

December 14, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Libyan emergency is to continue in effect beyond January 7, 1993, to the Federal Register for publication.

The crisis between the United States and Libya that led to the declaration on January 7, 1986, of a national emergency has not been resolved. The Government of Libya continues to use and support international terrorism, as evidenced by its involvement in the destruction of Pan Am Flight 103, in violation of international law and minimum standards of human behavior. Such Libyan actions and policies pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure to the Government of Libya to reduce its ability to support international terrorism.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. This letter was released by the Office of the Press Secretary on December 15.

Remarks at Texas A&M University in College Station, Texas

December 15, 1992

Thank you all for that welcome back. Thank you very, very much. Good afternoon, everybody, and thank you all. I knew if I wore this necktie I'd get a nice welcome. But anyway -- [applause]. Thank you, Dr. Mobley, thank you, Bill, for your kind introduction.

May I salute Congressmen that are with us today, Congressman Joe Barton and Congressman Jack Fields; and Commissioner Rick Perry and Kay Bailey Hutchison and Representative Ogden; my old friend Fred McClure, who served at my side in the White House. And may I thank Chairman Ross Margraves for the wonderful program that he arranged for me today as I heard about this library. And I salute the board of regents members that are here; the members of the library committee; Chancellor Richardson, I think I mentioned, but I salute him.

I want to say thanks to my hosts, the Memorial Student Center Political Forum. When that forum started, I think Congressman Bob Eckhardt and I were the first two speakers to speak at the political forum. I'd hate to tell you how far back that was. But anyway, I'm glad to be back here. And may I send my heartiest thanks to the corps of cadets and the fightin' Texas Aggies band over here.

As I told Bill Mobley and Ross earlier, on a personal note, I am looking forward to spending more time here, to actively participating in our Presidential library that will be built here, to helping with the School of Public Service that will be part of that library. And Barbara and I are both looking forward to being part of the A&M family. Thank you very much.

Now for the business at hand. In 36 days, I'll hand over the stewardship of this great Nation, capping a career in public service that began 50 years ago in wartime skies over the Pacific. And our country won that great contest but entered an uneasy peace. You see, the fires of World War II cooled into a longer cold war, one that froze the world into two opposing camps: on the one side, America and its allies, and on the other -- [applause] -- the forces of freedom thus against an alien ideology that cast its shadow over every American.

Three years ago when I was honored to address the graduating class here at Texas A&M, I spoke of the need to move beyond containment. And I said, ``We seek the integration of the Soviet Union into the community of nations. Ultimately, our objective is to welcome the Soviet Union back into the world order." And was this aim too ambitious? Not for the American people.

Today, by the grit of our people and the grace of God, the cold war is over. Freedom has

carried the day. And I leave the White House grateful for what we have achieved together and also exhilarated by the promise of what can come to pass.

This afternoon I would like to just share some of my thoughts on the past few years and on America's purpose in the world. My thesis is a simple one. Amid the triumph and the tumult of the recent past, one truth rings out more clearly than ever: America remains today what Lincoln said it was more than a century ago, ``the last best hope of man on Earth.'' This is a fact, a truth made indelible by the struggles and the agonies of the 20th century and in the sacrifice symbolized by each towering oak on Simpson Drill Field here at Texas A&M University. The leadership, the power, and yes, the conscience of the United States of America, all are essential for a peaceful, prosperous international order, just as such an order is essential for us.

History's lesson is clear: When a war-weary America withdrew from the international stage following World War I, the world spawned militarism, fascism, and aggression unchecked, plunging mankind into another devastating conflict. But in answering the call to lead after World War II, we built from the principles of democracy and the rule of law a new community of free nations, a community whose strength, perseverance, patience, and unity of purpose contained Soviet totalitarianism and kept the peace.

In the end, Soviet communism provided no match for free enterprise beyond its borders or the yearning for liberty within them. And the American leadership that undermined the confidence and capacity of the Communist regimes became a beacon for all the peoples of the world.

Steadfast and sure, generations of Americans stood in the path of the Soviet advance while our adversary probed for weaknesses that were never found. Presidents from both parties led an Atlantic alliance held together by the bonds of principle and love of liberty, facing a Warsaw Pact lashed together by occupation troops and quisling governments and, when all else failed, the use of tanks against its own people. By the 1980's, Kremlin leaders found that our alliance would not crack when they threatened America's allies with the infamous SS - 20 nuclear missile. Nor did the alliance shrink from the deployment of countervailing missiles to defend against this menace.

In the Pacific, too, we built a new alliance with Japan, defended Korea, and called hundreds of thousands of Americans to sacrifice in the jungles of Southeast Asia.

The American people demonstrated that they would shoulder whatever defense burden, make whatever sacrifice was needed to assure our freedom and protect our allies and interests. And we made use of this superb technology that our free enterprise system has produced. And having learned that they could not divide our alliance, the Soviets eventually were forced to realize that their command economy simply could not compete. As the Soviet system stalled and crumbled, so too did the ability of its rulers to deny their people the truth, about us and

about them.

In the end, Soviet communism was destroyed by its own internal contradictions. New leaders with new vision faced the hard truths that their predecessors had long denied. Glasnost, perestroika: They may have been Russian words, but the concepts at their core were universal.

The Soviet Union did not simply lose the cold war; the Western democracies won it. I say this not to gloat but to make a key point. The qualities that enabled us to triumph in that struggle, faith, strength, unity, and above all, American leadership, are those we must call upon now to win the peace.

In recent years, with the Soviet empire in its death throes, the potential for crisis and conflict was never greater, the demand for American leadership never more compelling. As the peoples of Eastern Europe made their bold move for freedom, we urged them along a peaceful path to liberation. They turned to us. They turned to America, and we did not turn away. And when our German friends took their hammers to tear down that wall, we encouraged a united Germany, safely within the NATO alliance. They looked to America, and we did not look away. And when the people of Russia blocked the tanks that tried to roll back the tide of history, America did not walk away.

I can remember speaking to Boris Yeltsin at that terrible moment of crisis. At times the static on the telephone made it almost impossible to hear him, but there was no mistaking what he wanted to know. He asked where the United States of America stood. And America answered, for all the world to hear, ``We stand with you."

Boris Yeltsin to this day hasn't forgotten. Praising our country on his visit to the White House this June, he said George Bush was the first to understand the true scope and meaning of the victory of the Russian people on August 19, 1991. He addressed me, but he was talking about our country, the United States of America.

The free peoples of the world watched; they watched in awe as the Soviet Union collapsed, but they held their breath at what might take its place, wondering who might control its tens of thousands of nuclear weapons. Only America could manage that danger. We acted decisively to help the new leaders reduce their arsenals and gain firm control of those that remain.

Here, then, is the remarkable fact that history will record, a fact that will be studied for years in the library right here at Texas A&M University: The end of a titanic clash of political systems, the collapse of the most heavily armed empire in history, took place without a shot being fired. That should be a source of pride for every American.

From the days after World War II, when fragile European democracies were threatened by Stalin's expansionism, to the last days of the cold war, as our foes became fragile democracies

themselves, American leadership has been indispensable. No one person deserves credit for this. America does. It has been achieved because of what we as a people stand for and what we are made of.

Yes, we answered the call, and we triumphed, but today we are summoned again. This time we are called not to wage a war, hot or cold, but to win the democratic peace, not for half a world as before but for people the world over. The end of the cold war, you see, has placed in our hands a unique opportunity to see the principles for which America has stood for two centuries, democracy, free enterprise, and the rule of law, spread more widely than ever before in human history.

For the first time, turning this global vision into a new and better world is, indeed, a realistic possibility. It is a hope that embodies our country's tradition of idealism, which has made us unique among nations and uniquely successful. And our vision is not mere utopianism. The advance of democratic ideals reflects a hard-nosed sense of our own, of American self-interest. For certain truths have, indeed, now become evident: Governments responsive to the will of the people are not likely to commit aggression. They are not likely to sponsor terrorism or to threaten humanity with weapons of mass destruction. Likewise, the global spread of free markets, by encouraging trade, investment, and growth, will sustain the expansion of American prosperity. In short, by helping others, we help ourselves.

Some will dismiss this vision as no more than a dream. I ask them to consider the last 4 years when a dozen dreams were made real: The Berlin Wall demolished and Germany united; the captive nations set free; Russia democratic; whole classes of nuclear weapons eliminated, the rest vastly reduced; many nations united in our historic U.N. coalition to turn back a tyrant in the Persian Gulf; Israel and its Arab neighbors for the first time talking peace, face to face, in a region that has known so much war. Each of these once seemed a dream. Today they're concrete realities, brought about by a common cause: the patient and judicious application of American leadership, American power, and perhaps most of all, American moral force.

Without a doubt, there's going to be serious obstacles and setbacks ahead. You know and I know that we face some already. Violence, poverty, ethnic and religious hatreds will be powerful adversaries. And overcoming them is going to take time, and it's going to take tenacity, courage, and commitment. But I am absolutely convinced that they can be overcome.

Look to Europe, where nations, after centuries of war, transformed themselves into a peaceful, progressive community. No society, no continent should be disqualified from sharing the ideals of human liberty. The community of democratic nations is more robust then ever, and it will gain strength as it grows. By working with our allies, by invigorating our international institutions, America does not have to stand alone.

Yet from some quarters we hear voices sounding the retreat. We've carried the burden too

long, they say, and the disappearance of the Soviet challenge means that America can withdraw from international responsibilities. And then others assert that domestic needs preclude an active foreign policy, that we've done our part; now it's someone else's turn. We're warned against entangling ourselves in the troubles that abound in today's world, to name only a few: clan warfare, mass starvation in Somalia; savage violence in Bosnia; instability in the former Soviet Union; the alarming growth of virulent nationalism.

It's true, these problems -- some frozen by the cold war, others held in check by Communist repression -- seem to have ignited all at once, taxing the world's ability to respond. But let's be clear: The alternative to American leadership is not more security for our citizens but less, not the flourishing of American principles but their isolation in a world actively held hostile to them.

Destiny, it has been said, is not a matter of chance; it's a matter of choice. It's not a thing to be waited for; it's a thing to be achieved. And we can never safely assume that our future will be an improvement over the past. Our choice as a people is simple: We can either shape our times, or we can let the times shape us. And shape us they will, at a price frightening to contemplate, morally, economically, and strategically.

Morally, a failure to respond to massive human catastrophes like that in Somalia would scar the soul of our Nation. There can be no single or simple set of guidelines for foreign policy. We should help. But we should consider using military force only in those situations where the stakes warrant, where it can be effective and its application limited in scope and time. As we seek to save lives, we must always be mindful of the lives that we may have to put at risk.

Economically, a world of escalating instability and hostile nationalism will disrupt global markets, set off trade wars, set us on a path of economic decline. American jobs would be lost, our chance to compete would be blocked, and our very well-being would be undermined.

Strategically, abandonment of the worldwide democratic revolution could be disastrous for American security. The alternative to democracy, I think we would all agree, is authoritarianism: regimes that can be repressive, xenophobic, aggressive, and violent. And in a world where, despite U.S. efforts, weapons of mass destruction are spreading, the collapse of the democratic revolution could pose a direct threat to the safety of every single American.

The new world could, in time, be as menacing as the old. And let me be blunt: A retreat from American leadership, from American involvement, would be a mistake for which future generations, indeed our own children, would pay dearly.

But we can influence the future. We can rededicate ourselves to the hard work of freedom. And this doesn't mean running off on reckless, expensive crusades. It doesn't mean bearing the world's burdens all alone. But it does mean leadership, economic, political, and yes, military,

when our interests and values are at risk and where we can make a difference. And when we place our young men and women of the military in harm's way, we must be able to assure them and their families that their mission is defined and that its success can be achieved.

It seems like ages ago that the people of Germany tore down that wall. But it's been only 3 years, and just over a year since the August coup was defeated by brave Russian democrats. And in this brief time, we've embarked on a new course through uncharted waters. The United States and its friends, old and new, have begun to define the post-cold-war reality. And we are already transforming the old network of alliances, institutions, and regimes to face the future. And those challenges must be met with collective action, led by the United States, to protect and promote our political, economic, and security values.

Our foundation must be the democratic community that won the cold war. And we've begun to adapt America's political, economic, and defense relationships with Europe and Japan to ensure their vitality and strength in this new era, for these will continue to be essential partners in addressing the next generation of problems and opportunities.

For example, we've begun to transform the Atlantic alliance, that bulwark against the Soviet threat, into a partnership with a more united Europe, a partnership primed to meet new security challenges in this age of uncertainty. And a new feature of our alliance, the North Atlantic Cooperation Council, enables NATO to reach out to our former adversaries in the Warsaw Pact.

In the Pacific, we've affirmed the importance of the U.S.-Japan security ties to stability in Asia. But we're also exploring ways to work together as global partners to address common interests in economics, development, and regional problems.

Then we've committed ourselves to expanding the democratic community by supporting political and economic freedom in nascent democracies and market economies. And we're sharing this burden with the very nations America helped after World War II.

Look, in Central and Eastern Europe, our enterprise funds and these other programs have helped develop a new political, economic, and civic infrastructure for nations long oppressed by Stalin's legacy. And now the FREEDOM Support Act will provide crucial help for reform in the lands of our former enemies.

In Latin America, the day of the dictator has given way to the dawn of democracy. This very day, our Vice President is taking part in a ceremony in El Salvador that caps the long effort to end the killing and give the people there the opportunity to live in peace.

Throughout the region, economic initiatives are helping a new generation of leaders reform their societies. The Brady plan and our Enterprise for the Americas Initiative have opened up

extraordinary possibilities for a new relationship with our hemispheric neighbors. Investment, free trade, debt relief, and environmental protection will nurture the homegrown reforms throughout Latin America.

We're strengthening the ability of the democratic community to deal with the political landmines that the cold war has exposed: aggressive nationalism, earlier I mentioned ethnic conflict, civil war, and humanitarian crises. The United States has led the world in supporting a United Nations more capable with dealing with these crises.

All over the world, Nicaragua, Namibia, Angola, Cambodia, we've promoted elections not only as a goal but as a tool, a device for resolving conflicts and establishing political legitimacy.

One of vital interest to every young person: In the area of security and arms control, we've stepped up patrol against the spread of weapons of mass destruction. The new chemical weapons convention will ban chemical weapons from the arsenals of all participating states. We've strengthened multilateral export controls on nuclear and chemical and biological and missile-related technologies. And in a mission without precedent, a U.N. inspection team is demolishing Iraq's unconventional weapons capability, and we're going to support them every inch of the way. And once implemented, the agreements we've negotiated will ban new nuclear states on the territory of the former Soviet Union. And above all, we've sought to erase nuclear nightmares from the sleep of future generations.

We underscored one key security principle with a line in the sand: Naked aggression against our vital interests will be answered decisively by American resolve, American leadership, and American might. Our victory in the Gulf, in the Persian Gulf, was more than a blow for justice; it was a reminder to other would-be aggressors that they will pay a price for their outlaw acts.

We've been committed to building the basis for sustained international economic growth for ourselves and for those nations of what were once the so-called second and third worlds. The heart of our efforts has been the creation of a stronger and freer international trading market.

Our recent breakthrough with the European Community clears the way for an early conclusion to the Uruguay round of GATT and a major boost to world economic recovery. This week, Mexico, Canada, and the United States will sign a landmark agreement establishing the largest free trade zone the world has ever seen. And our efforts to forge a new mechanism for Asia-Pacific economic cooperation confirm America's commitment to remain an economic and security power in Asia.

I believe we've taken important steps toward a world in which democracy is the norm, in which private enterprise, free trade, and prosperity enrich every region, a world in which the rule of law prevails. We must not stumble as we travel toward a world without the brutal

violence of Bosnia, the deadly anarchy of Somalia, or the squalor that still haunts so much of the globe. We can't rest while a handful of renegade regimes aspire to obtain weapons of mass destruction with which to threaten their neighbors or even America. There is much to be done before we are within reach of the democratic peace. But these first steps have taken us in that right direction.

The challenge ahead, then, is as great as the one we faced at the end of the last great war. But the opportunity is vastly greater. Success will require American vision and resolve, an America secure in its military, moral, and economic strength. Success will require unity of purpose: a commitment on the part of all our people to the proposition that our Nation's destiny lies in the hope of a better world, a new world made better, with our friends and allies, again by American leadership.

History is summoning us once again to lead. Proud of its past, America must once again look forward. And we must live up to the greatness of our forefathers' ideals and in doing so secure our grandchildren's futures. And that is the cause that much of my public life has been dedicated to serving.

Let me just say this -- [applause] -- in 36 -- hey listen -- [applause] -- come on now, you guys, as Barbara Bush would say -- [applause]. But in 36 days we will have a new President. And I am confident, I am very confident that he will do his level-best to serve the cause that I have outlined here today. And he's going to have my support -- [applause] -- and he will have my support, and I'll stay out of his way. And I really mean that. But it is more important than my support, it is more important that he have your support. You are our future.

God bless you, and God bless the United States of America. Thank you all.

Note: The President spoke at 12:08 p.m. at G. Rollie White Coliseum. In his remarks, he referred to William H. Mobley, president, Herbert H. Richardson, chancellor, and Ross Margraves, chairman, board of regents, Texas A&M University; Rick Perry, Texas State commissioner of agriculture; Kay Bailey Hutchison, Texas State treasurer; and Frederick D. McClure, former Assistant to the President for Legislative Affairs.

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Letter to Congressional Leaders Transmitting the Report of the Presidential Commission on the Assignment of Women in the Armed Forces

December 15, 1992

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to section 543(c) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102 - 190), I have the honor to transmit the Report to the President of the Presidential Commission on the Assignment of Women in the Armed Forces.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks Honoring the World Series Champion Toronto Blue Jays

December 16, 1992

This is about as much fun as I've had since the election, I'll tell you. I am just delighted that the Toronto Blue Jays are here. Ambassador Burney was to be here; I don't know that he is. But he's a good man. He's represented Canada well. And that brings me to the subject at hand. Is Steve -- I can't see -- there's Bobby. Hi, Steve. Bobby Brown is here, an oldtime, longtime friend, the American League president, and I appreciate your being here, and Steve Greenberg, who is the deputy commissioner of baseball and doing a superb job in that very tough office. And I want to salute Mike Reilly and Joe West, the umpires. Very little good is said in kind about the umpires, but I'm glad to stand up for them. They do a great job. And our Little League champs are here from Long Beach, California. And behind them, I'm told, the Babe Ruth champs, Babe Ruth League champions from across the Nation. So welcome to all of you.

I wish that Carla Hills were here. You might say, ``Why?'' She is our Trade Representative. And I thought she understood that our free trade agreement with Canada did not mean that the United States would trade away the world's championship. [Laughter] And most of these guys are very loyal to Canada and the Blue Jays, but most of them are Americans. And so we salute them as championship baseball players. I really am pleased that you could come down this festive time of year, and I'm proud to honor a team whose greatness transcends nationality.

The Atlanta Braves -- it's like the Dallas Cowboys used to be, America's team, you know -- the Atlanta Braves are known as America's team. And beating them, the Blue Jays became a true world championship team.

You know, I'm not sure in the World Series if it's getting more exciting each year or if I'm just enjoying it more. But this year's matchup was a heart-stopper that baseball fans I don't believe will ever forget. Think of it: four one-run ball games, three Toronto victories won in the final time at bat. The Braves and Blue Jays staged a fall classic that even Ripley wouldn't believe.

And your season and this series were punctuated by some great individual efforts: Joe Carter, the man who brought you all home with the RBI's; Mike Timlin and the relief pitching crew who came up with some tight pitching at the end of very close ball games; the MVP effort put in by catcher Pat Borders, who couldn't be with us this morning -- you see, his wife is due any day now with their second child; and then pitcher Jack Morris, who is here for the second year in a row. He manages to come no matter what happens. [Laughter] He came here with the Twins last year, and if he comes next year, we're going to give him a guest room -- [laughter] -- or get Governor Clinton to.

But, anyway, it was Old Man River's 11th-inning double in game 6 that put this series in the record books. And that hit, by a 41-year-old veteran, showed that baseball isn't about country; it's about courage and stamina and grit. And after 21 years in the majors, Dave Winfield finally has the World Series ring.

Cito Gaston, his coaching staff, and the entire Blue Jays team showed that America's pastime is becoming the world's pastime. And for that, as a fan, I could not be happier. By winning Canada's first World Series, you all became national heroes as well as cultural ambassadors, and you did it with class. You did it with class all the way. And class, of course, has marked the entire Blue Jays history. In 16 years, you've gone from the doghouse to the penthouse. Millie likes that. [Laughter]

Your general manager, Pat Gillick, will tell you those first few seasons were not easy. But in five of the last six seasons, Toronto has either won the American League East or finished second. And your fans have taken notice of your hard work. When you built the world's first convertible stadium, Skydome, who would have expected major league attendance records in 1991 and in 1992? More than 4 million fans each year.

Now, it's no secret that in the series, I had to -- it was kind of an international thing; please, don't you guys be sore -- I kind of rooted for the Braves, you may remember. [Laughter] But I've also got -- and I'm not holding it against you all that you beat up my kid's team, the Texas Rangers, like you did. [Laughter] About the All Star Game, they were doing pretty well, until they ran into you guys from time to time; down they went. But nevertheless, that's another subject.

But look, I do want to congratulate the Braves also. They had another great season. They fought hard, and they never gave up. But in the end you won it, and you won it fair and square. And both personally and on behalf of the United States, I salute you. As I told Cito from Air Force One the day after the series, America is proud of you.

And in a larger sense I want to salute all of baseball, a game that I've loved since my dad took me to my first game -- I think it was in Yankee Stadium -- many, many years ago. In that spirit let me recognize the future major leaguers that are here this morning: The world Little League champions, the All Stars from Long Beach, California -- you guys stand up for one second. There they are. Welcome, and I'm glad you came all this way. No speeches out of you guys; I'll do that. [Laughter] Okay. Special congratulations to the Babe Ruth League champs from Lexington, Kentucky, in the 6-to-12 division -- where are they? You guys stand up. Thank you. And then from Phoenix in the 13-to-15-year-old division, big guys -- where are they? Well done. And then lastly from Vancouver, Washington, in the 16-to-18-year-old category, we have some of those -- there they are.

I hope all of you recall this day and these world's champions from Toronto. I can't think of

better role models to follow or better examples of character: Fight clean and fair, and do your best.

Joe McCarthy, the great Yankee manager -- Bobby, did you play for Joe? -- once said, ``Give a boy a bat and a ball, and he'll be a good citizen.'' And those words are as relevant today as when I was playing baseball some 40 years ago, hitting eighth, second cleanup we called it. [Laughter] And to the heroes of baseball, young and old, I congratulate you on behalf of our Nation, and I extend to you a very warm welcome to the White House. You've all excelled in that great American pastime we follow to this day. And so congratulations.

At this very special time of year, may God bless each and every one of you. Thanks for coming to the White House.

And now Cito, as a closing thing, I wish you'd come over here. This is a rookie ball player who needs a job. [Laughter] And I'm going to give you this baseball card. Take a look at him. You need a good-fielding first baseman; I'm your man.

Good to see you all, and thanks for coming.

Note: The President spoke at 9:47 a.m. in Room 450 of the Old Executive Office Building.

Statement by Press Secretary Fitzwater on the President's Meeting With King Hussein of Jordan

December 16, 1992

The President today met with King Hussein of Jordan in connection with the King's private visit to the U.S. for a medical checkup. The two leaders had a discussion of the situation in the Gulf, especially the importance of maintaining U.N. sanctions against Iraq, and the Middle East peace process. The President also welcomed Jordan's decision to commit forces to both the peacemaking and peacekeeping phases in Somalia.

Recess Appointment of Sean Charles O'Keefe as Secretary of the Navy

December 16, 1992

The President today announced his intention to recess-appoint Sean Charles O'Keefe, of Virginia, to be Secretary of the Navy. He would succeed H. Lawrence Garrett III.

Since July, Mr. O'Keefe has served as Acting Secretary of the Navy. Prior to this, Mr. O'Keefe served as Comptroller for the Department of Defense, 1989 - 92. He has also served on the Defense Subcommittee of the Senate Appropriations Committee as minority counsel, 1987 - 89; minority staff director, 1986 - 87; and majority professional staff member, 1981 - 85. Mr. O'Keefe also served as a budget analyst for Naval Sea Systems at the Department of Defense, 1980 - 81.

Mr. O'Keefe graduated from Loyola University (B.A., 1977) and Syracuse University (M.P.A., 1978). He was born January 27, 1956, in Monterey, CA. Mr. O'Keefe is married, has three children, and resides in Arlington, VA.

Remarks Prior to Discussions With Ambassador Saud Nasir Al-Sabah of Kuwait

December 17, 1992

The President. I don't think anybody has been more steadfast in their support of a common purpose than you have, and I am very grateful to you. And I hope you'll pay my respects, when you go home, to His Majesty.

But I want to take this opportunity to thank you all. During that Desert Storm you stayed in close touch, and you just did a dramatic and wonderful job for the coalition. And we're going to miss you, darn it.

But best of luck back there.

Q. Going to Somalia?

Q. Mr. President, are you going to Somalia for Christmas?

Ambassador Al-Sabah. I wanted to say a few words to express on behalf of His Highness the Amir and my government and the people of Kuwait our deep sense of gratitude for your support, your leadership, and the liberation of Kuwait. And our relationship with the United States, I assure you, will remain steadfast, strong as you like it to be.

And I wish you all the best in your future endeavors, Mr. President, and tell you the Kuwaiti people hold you in deep respect for your role here. And we're all looking forward to seeing you in Kuwait as soon as your time allows it, Mr. President.

The President. Well, someday I want to do that, I tell you. I really do. It's a wonderful, wonderful invitation.

Q. Will we see you in Somalia soon, Mr. President?

The President. Maybe some of these fellows don't understand that under our new policy that's been in effect now for 2 months, that we have a more rigid policy than we used to. You've been in here many times. But under the new policy, I don't take questions at these, essentially what are photo opportunities. And so I just simply cannot -- I understand their interest in whether I might travel someplace, but of course you're welcome to say anything you want.

Q. Are you going?

Q. May we request a news conference then, sir?

The President. We've had 235 news conferences. Isn't that enough?

Thank you all very much.

Q. You mean, you won't answer the question of whether you're considering?

The President. I hope you have a wonderful Christmas.

Q. I hope you -- --

The President. We will, we will. We're having the family coming here soon and everything.

Note: The President spoke at 9:30 a.m. in the Oval Office at the White House.

Remarks Prior to Discussions With Ambassador Souheil Chammas of the Lebanese Peace Delegation

December 17, 1992

The President. Welcome, and my respects to people at home. And we're just delighted you're here at the White House. I think it's proper and fitting, and I'm very pleased you're here.

Q. Are you happy with the way these talks are going, Mr. President?

The President. You can answer, sure.

Ambassador Chammas. Maybe we would have wished that the peace talks go ahead at a larger pace. But I take this opportunity to express the deep gratitude and recognition of the Lebanese Government on behalf of my President, the Prime Minister, and the political leadership, as well as the people of Lebanon. We think the initiative of President Bush in holding the Madrid conference and initiating the peace process will in the end be an historic landmark. And time will prove that we're right. Those of us who have accepted to come and join the peace process came knowing in the end, regardless of the difficulties, it would reach ultimately its fruitful conclusions. And this would be good for the area, its people, and all the states there.

The President. A very good statement. A very good statement.

Q. Do you think the deportation of 400 Palestinians will disrupt the talks?

Ambassador Chammas. It will loom largely over the talks. And we expressly hope that President Bush, with his weight in the administration, will do what they think they can in order to have the Israeli Government rescind the decision, because in itself deportation is bad. And under the circumstances it will adversely affect the peace process, I regret to say. And if the news were to be correct that they could be deported to Lebanon, this will further aggravate an already grave situation in Lebanon. And I'm sure I will ÿ7Eÿ7Eÿ7Eraise ÿ7Eÿ7Eÿ7Ethis ÿ7Eÿ7Eÿ7Ewith ÿ7Eÿ7Eÿ7Ethe ÿ7Eÿ7Eÿ7EPresident ÿ7Eÿ7Eÿ7Eof ÿ7Eÿ7Eÿ7Ethe United States if President Bush would be kind enough to listen to me.

The President. And I look forward to -- [inaudible] -- having a good discussion. Thank you all very much.

Note: The President spoke at 10 a.m. in the Oval Office at the White House.

Remarks Prior to Discussions With Ambassador Mowaffak Aloaf of the Syrian Peace Delegation

December 17, 1992

The President. We're glad you're here and look forward to hearing from you how you feel the peace process is going and all of that. We salute you for staying in the game and being at the negotiations. I want to assure you of our determination to try to bring these as far along as we can while we're here. And I'm confident that our successors will want to see this process actively and vigorously continued.

Ambassador Aloaf. Well, we are grateful very much, Mr. President, for receiving us. We consider this, really, as an indication of the great importance you attach to the peace process, something where our people and our authorities are convinced very deeply of. And they already, I think, have expressed their appreciation for your efforts.

This is your peace initiative. If we are sorry that after 13 months of this peace process we are still without real progress, it is because we know how much effort and how much -- especially Secretary Baker -- time, I think -- has spent a lot of energy and efforts under your leadership in order to make this peace process the hopeful end for a conflict which has lasted for more than half a century -- before and after.

The President. Well, we can talk in a little more detail now as to how you see it and what you think we might be doing. But I, again, I say welcome.

Q. Do you believe the process has not succeeded, Mr. President?

The President. He doesn't remember that I don't take questions at these photo opportunities. But I'm glad and appreciate your -- --

Q. Are you boycotting the talks today, Mr. Ambassador?

Ambassador Aloaf. We are not boycotting the peace process. We are protesting against what's happening today when more than 400 people, human beings, sitting blindfolded, their hands tied behind their back, in buses, waiting for a decision about something which is, to begin with, really not acceptable in neither an international nor in humanitarian roles. So we shall tell our Israeli counterpart how we feel about that. And we believe that this is not really helpful to the peace process.

Q. But you will remain in the peace process.

Ambassador Aloaf. We are in the peace process because we believe in the seriousness of the United States of America. We consider this invitation by President Bush to us as an indication of that importance and also as a message to the successor of President Bush, President-elect Clinton, a message that the peace process is important not only to the parties but also to the United States of America and to the world.

The President. I can assure you it is. And we'll see where we go. But we'll discuss that item here now as soon as we have our private talks.

Note: The President spoke at 10:20 a.m. in the Oval Office at the White House.

Statement by Press Secretary Fitzwater on the Middle East Peace Talks

December 17, 1992

The President met today with Lebanese, Syrian, Jordanian-Palestinian, and Israeli delegations involved in the bilateral negotiations of the Middle East peace process. He did so to emphasize the continuing value of the process begun in Madrid, one that aims at a just, lasting, and comprehensive peace based on United Nations Security Council Resolutions 242 and 338.

The President commended the parties for their sustained commitment to this process and for the progress they have achieved. It is significant that all of the parties have engaged seriously on the key issues of land, peace, and security. Substantial achievements are within reach if the parties make additional efforts to address the legitimate concerns of their negotiating partners.

The actions and statements of the parties away from the table are no less important than the negotiations themselves. Both Arabs and Israelis need to elaborate their visions of peace. This will build public support for the negotiating process. They also need to form a concerted voice calling for an end to all forms of violence and avoid reactions such as deportations that risk complicating the search for peace.

Peace between Israel and its neighbors has never been more achievable. A way has been created whereby the people of the Middle East can escape the wars that have too often defined the region's history. Making peace a reality through these negotiations is the only way to frustrate those who would sabotage the peace process by violence.

The U.S. role as catalyst, honest broker, and driving force was instrumental in achieving the historic breakthrough at Madrid. The United States remains an essential participant in the search for peace, willing to assist actively in making the negotiations succeed.

Remarks on Signing the North American Free Trade Agreement

December 17, 1992

Thank you, Mr.ÿ20Secretary General. And let me say at the outset how very pleased I am to be here. May I thank you for permitting us to have this ceremony here and welcoming us. I'm delighted to be back here. I've been privileged as Vice President and President over the past 12 years to be here on quite a few occasions, and I am so thrilled that this, the final one, is to sign the NAFTA agreement.

I want to salute so many people here today. I see so many members of our Cabinet that worked diligently on this agreement, whether it was Commerce under Bob Mosbacher; or Labor, Lynn Martin; or the Environmental Protection Agency under Bill Reilly; the Interior with Manuel Lujan. We're all represented here today. And the list should be inclusive, not exclusive, because this has been a massive team effort on the part of the Canadian Government, the Mexican Government, and certainly the U.S. side as well. But I do want to single out Ambassador Jules Katz, who is the Deputy to Carla Hills sitting over here, who worked tirelessly on this agreement, and then, of course, our special representative, the U.S. Trade Representative, Carla Hills, herself, sitting in the middle, who made this a labor of love and put everything she had into it. We owe her a great vote of thanks from the U.S. side.

Many others at the State Department, from Jim Baker on, were extraordinarily interested in this, kept the diplomacy alive and moving forward, and I salute them. Bernie Aronson is with us today. I'm delighted to see him here. He, too, has taken this on as a very special project. Arnold Kanter, our Acting Secretary, today Acting Secretary of State, is with us, and as I say, Bernie Aronson. And of course, I would be remiss if I singled out Americans if I didn't mention one who came in with me here, General Brent Scowcroft, who's done an awful lot to see that the White House was fully involved in these proceedings. So, there we are. And again I salute two more: the Mexican Ambassador to the United States, Gustavo Petricioli, who's over here, and of course, Derek Burney, over here.

I know we have many representatives from other nations here, and I don't want to bore you with how things work in this country, but we have tried since the beginning of these negotiations to keep the various Members of Congress, the key Members of Congress, fully engaged in this, having them understand the gives and the takes that go with any complicated negotiation. And I'm very pleased to see several of the key Members of Congress, Members of the United States Senate here today. So, that's the American side.

Let me just now get on with some comments about this agreement and about the common business that brings us all together, the affairs of this hemisphere. Throughout history, the destiny of nations has often been shaped by change and by chance and by the things -- when I

say chance, I'm talking about things that happen to them. And then there are those unique nations who shape their destinies by choice, by the things that they make happen.

Three such nations come together today, Mexico, Canada, and the United States. And by signing the North American free trade agreement, we've committed ourselves to a better future for our children and for generations yet unborn. This agreement will remove barriers to trade and investment across the two largest undefended borders of the globe and link the United States in a permanent partnership of growth with our first and third largest trading partners.

The peace and friendship that we've long enjoyed as neighbors will now be strengthened by the explosion of growth and trade let loose by the combined energies of our 360 million citizens trading freely across our borders.

I want to pay a personal tribute to my partners in this endeavor, two rare and gifted leaders, two special and valued friends without whose courage and leadership and vision this day could not have possibly come about. And when the history of our era is written, it will be said that the citizens of all the Americas were truly fortunate that Mexico and Canada, two great nations, two proud people, were led by President Carlos Salinas and Prime Minister Brian Mulroney. For Mexico particularly, especially, the NAFTA is a bold undertaking, made possible by President Salinas' brave reforms to reinvigorate, to invigorate the Mexican economy.

It's especially fitting that an American President sign this agreement in this great Hall of the Americas, the home of the Organization of American States. You see, the NAFTA represents the first giant step towards fulfillment of a dream that has long inspired us all, the dream of a hemisphere united by economic cooperation and free competition. Because of what we have begun here today, I believe the time will soon come when trade is free from Alaska to Argentina; when every citizen of the Americas has the opportunity to share in new growth and expanding prosperity.

I hope and trust that the North American free trade area can be extended to Chile, other worthy partners in South America and Central America and the Caribbean. Free trade throughout the Americas is an idea whose time has come. A new generation of democratic leaders has staked its future on that promise. And under their leadership, a tide of economic reform and trade liberalization is transforming the hemisphere.

Today, as a result, the hemisphere is growing again. For the first time in years, more capital is flowing into the Americas for new investment than is flowing out. Every major debtor nation, from Mexico to Argentina, has negotiated a successful agreement to reduce and restructure its commercial bank debt under the Brady plan.

Let me just offer a brief aside about the Brady plan if I might. I remember telling my good

friend Nick Brady, our Secretary of the Treasury, ``Okay, we'll call it the Brady plan, but if it's successful we're going to call it the Bush plan." [Laughter] And he reluctantly accepted that guidance.

I think history will show that the leadership of our distinguished Secretary of the Treasury did pay off and the plan has been highly successful. And by the way, the name will always be, appropriately, the Brady plan. And that's the way it's going to stay.

Now, under the Enterprise for the Americas, many nations, Jamaica, Bolivia, Chile, Colombia, El Salvador, Uruguay, have reduced or shortly will reduce their official debt with the United States. The Enterprise for the Americas Initiative is working. The initiative allows interest payments on official debt to be channeled into trust funds that protect the environment and support programs for child survival.

To those in other regions struggling to reform statist economies, Latin America shines as a solid example of hope that hyperinflation can be tamed, growth can be revitalized, and new investment and trade can accelerate if developing nations stay the course through the difficult challenge of economic restructuring.

These profound economic changes are a tribute to a courageous group of democratic leaders in Latin America and the Caribbean. Their revolutionary vision has altered forever the face of the Americas. Their friendship and counsel have been enormously gratifying to me as President. But these profound changes, along with the NAFTA itself, reflect a broader and, I believe, a more fundamental change in relations between the United States and the nations of this hemisphere. For many decades, we've proclaimed ambitious goals for ourselves of a good neighbor policy, of an alliance for progress, of a partnership built on mutual respect and shared responsibility. And those goals now are rapidly becoming a reality.

My talks with the hemisphere's leaders in recent weeks show a strong consensus that relations between the United States and its neighbors have never in our history been better, and that this development is working to benefit all of our peoples. And I take great pride in the fact that, working with those leaders, we've been a part of all of that.

I believe that in the future, America's relations with Latin America and the Caribbean will grow even stronger. I was pleased to hear our new President-elect, Bill Clinton, affirm that same goal in his remarks recently, both to the Rio group and to the Caribbean Latin America Action Conference.

This century's epic struggle between totalitarianism and democracy is over. It's dead. Democracy has prevailed. And today, we see unfolding around the world a revolution of hope and courage, propelled by the aspiration of ordinary people for freedom and a better life.

The world will long remember the images of that struggle: a citizen of Berlin, you know, sitting atop of the wall, chipping away with his hammer and chisel; Boris Yeltsin and his followers waving the flag of free Russia and defying the tanks and coup plotters. And here in this hall, it is worth remembering that those images were preceded by a democratic revolution in Latin America. No people struggled for freedom against oppression more bravely than the people of this hemisphere.

And here too, in the Americas, we are constructing a hopeful model of the new post-cold-war world of which we dream. This is the first hemisphere and the OAS is the first regional organization in the world to take on through the Santiago Declaration the formal collective responsibility to defend democracy. And in this hemisphere, the weapons of mass destruction, strategic missiles, as well as nuclear, chemical, and biological weapons, have been rejected voluntarily. And in this hemisphere, we've created new models of multilateral cooperation and success in resolving the conflicts that have tormented Central America.

As recent proof of the progress we've made, just 2 days ago we celebrated -- and I'm sure everyone did -- celebrated the end of the war in El Salvador. In this hemisphere, we have forged a new partnership to defeat the global menace of narco-trafficking, and we must succeed in that effort. And still we're not satisfied. The birth of democracy has raised expectations throughout the Americas, and now democracy must deliver. The communications revolution has opened the eyes of this hemisphere's citizens to the wider world. We're no longer blind to limits on legitimate political participation, to official corruption, or to economic favoritism.

If democracy is to be consolidated, the gulfs that separate the few who are very rich from the many who are very poor, that divide civilian from military institutions, that split citizens of European heritage from indigenous peoples, these gulfs must be bridged, and economic reform must ensure upward mobility and new opportunities for a better life for all citizens of the Americas.

To fulfill its promise, democratic government must guarantee not only the right to regular elections but human rights and property rights, swift and impartial justice, and the rule of law. Democratic governments must deliver basic services. Their institutions must be strengthened and must be modernized. To defend democracy successfully, the OAS must strengthen the tools at its disposal, and I commend the new steps that you took this week to suspend nondemocratic regimes. Together we must also create new means to end historic border disputes and to control the competition in conventional weaponry.

In all of this, I believe my country, the United States of America, bears a special responsibility. We face a moment of maximum opportunity but also, let's face it, continued risk. And we must remain engaged, for more than ever before our future, our future, is bound up with the future of the Americas.

This is the fastest growing region in the world for U.S. products. And in the struggle to defend democracy our most cherished values are at stake. Travel to Miami or El Paso, Los Angeles or Chicago or New York, and listen to the language of our neighborhoods. We are tied to the Americas not just by geography, not just by history but by who we are as a people. And no one knows that more profoundly than this proud grandfather.

This year marks the 500th anniversary of a voyage of discovery to the New World. And let this also be a time of rediscovery for my country, the United States, of the importance of our own hemisphere. If we are equal to the challenges before us, we can build in the Americas the world's first completely democratic hemisphere. Just think about that. Think of the importance. Think of the significance. Think of the example for the rest of the world.

This hemisphere can be as well a zone of peace, where trade flows freely, prosperity is shared, the rule of law is respected, and the gifts of human knowledge are harnessed for all.

More than 150 years ago, Simon Bolivar, the Liberator, whose statue stands outside this hall, spoke about an America united in heart, subject to one law, and guided by the torch of liberty. My friends, here in this hemisphere we are on the way to realizing Simon Bolivar's dream. And today with the signing of the North American Free Trade Agreement, we take another giant step towards making the dream a reality.

Thank you all very much for coming. And now I have the high honor of signing this agreement. Thank you.

[At this point, the President signed the North American Free Trade Agreement.]

Good luck to all of you now in the future. God bless you.

Note: The President spoke at 2:32 p.m. at the Organization of American States. In his remarks, he referred to Joao Clemente Baena Soares, Secretary General of the Organization of American States; Bernard Aronson, Assistant Secretary of State for Inter-American Affairs; and Derek H. Burney, Canadian Ambassador to the United States.

Remarks Following Discussions With European Community Leaders

December 18, 1992

Today's discussions with Prime Minister Major and President Delors mark our fifth meeting since we agreed to these semiannual consultations with the European Community. And the frequency of these meetings is a sign of their vital importance for the world trading system, for our own economic well-being, and for meeting the challenges of the new world. And this morning we covered a broad agenda reflecting the many interests that we share in global partnership.

On trade, we are of one mind. We agreed that a sound Uruguay round agreement is essential to boost worldwide economic growth. And we all agreed to conclude the GATT agreement in Geneva by mid-January. We've instructed our negotiators to work together to this end. And we're committed not only to resolving the differences remaining among ourselves but also to encouraging Japan and other countries to join us in an energetic effort to bring the negotiations to a successful conclusion.

I continue to believe that for the people of Europe as well as of the United States, free and open trade is the key to expanding prosperity. And a successful Uruguay round could result in over $5 trillion in increased world output over the next 10 years. Our estimate suggests that the European Community's gains would amount to about $1.4 trillion, and the United States would benefit from a boost of $1.1 trillion in that period. Clearly these tremendous gains would promote the well-being of all of our citizens.

Also this morning we discussed the continuing tragedy in what once was Yugoslavia. We reaffirmed our commitment to the unhampered flow of humanitarian aid and to ending the violence there through a sound political solution.

We also reiterated our continued support for the Russian people's brave efforts to create a market economy there. And we believe that reforms must be implemented quickly if external aid is to be effective. Used wisely, western aid can be a catalyst to democratic reform, reforms that are in the interest of all the world. And we agreed to work closely with President Yeltsin to achieve these goals.

Then I took the opportunity to share with the Prime Minister and the President our views of the Middle East peace process. I welcome the continued active role of the EC, particularly in the multilateral side of the talks.

After Prime Minister Major and President Delors briefed me on the results of the EC summit

in Edinburgh this week, I reaffirmed our longstanding support for European integration.

So I want to thank the Prime Minister, Prime Minister John Major, and President Delors for their support and friendship, friendship they've shown me personally and most of all shown to the people of the United States. Talks such as these serve as a reminder of their friendship and of our common interests in creating a world of peace and prosperity for all our peoples.

So once again, to both of you my sincere thanks. And Mr. Prime Minister would you take the floor, sir.

Note: The President spoke at 1:35 p.m. on the South Lawn at the White House, following a meeting with European Community Commission President Jacques Delors and Prime Minister John Major of the United Kingdom, President of the European Council.

Presidential Determination No. 93 - 6 -- Memorandum on Assistance to Refugees of the Former Yugoslavia

December 18, 1992

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(b)(2) of the Migration and Refugee Assistance Act of 1962, as Amended

Pursuant to section 2(b)(2) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(b)(2), I hereby designate refugees, displaced persons, and victims of conflict from and within the former Yugoslavia as qualifying for assistance under section 2(b)(2) of the Act, and determine that such assistance will contribute to the foreign policy interests of the United States.

You are directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority, and to publish this determination in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 3:13 p.m., December 28, 1992]

Statement by Press Secretary Fitzwater on the Elections in the Republic of Korea

December 18, 1992

Korean voters went to the polls today and elected Kim Young Sam to succeed President Roh Tae Woo. We welcome the success of the Korean people in expressing their preference in a constitutional process which enables all concerned to support the winner through free and fair elections. The President has sent his personal congratulations and those of the American people to President-elect Kim Young Sam.

We would like to take this opportunity to express our respect and admiration for the many accomplishments of President Roh. We wish President Roh well and look forward to working closely with President-elect Kim Young Sam.

Remarks With Prime Minister John Major of the United Kingdom and an Exchange With Reporters

December 20, 1992

The Former Yugoslavia

The President. Let me just say that we've had a very, once again, had a very good meeting with the Prime Minister up at Camp David. I expect this will be my last such meeting, but I'll tell you it was fruitful. I feel as strongly as I ever have about the strength of the U.K. - U.S. relationship that is vital to our own interests. I know the Prime Minister feels that way, and the talks just couldn't have gone better.

We covered a wide array of subjects, almost every area of the globe. We did it in a relaxed atmosphere. It was a special joy to have Mrs. Major with us at this Christmas season. We inundated him with Christmas carols. And I think it was, as far as I'm concerned, a very wonderful visit with a distinguished world leader.

We did spend a lot of time talking about the former Yugoslavia. We spelled out some objectives for our policy, nothing particularly new in it, but we agreed that working for a peaceful and just settlement in the former Yugoslavia is essential. We agreed that there's a risk and that we must prevent the spread of fighting in particular to Kosovo and Macedonia. And then I saluted the British leadership role on the humanitarian side of things. They have forces on the ground in harm's way, and those forces are doing the Lord's work in terms of bringing relief. So, we talked about maintaining the humanitarian aid effort which includes the British troops and without which, clearly, many more lives would be lost in the winter.

So, we spelled these objectives out. And Prime Minister, I enjoyed the visit. I don't want to monopolize it. Maybe you would care to add something, sir.

The Prime Minister. Mr. President, thank you very much.

Can I just echo what the President's had to say about the discussions we've had over the weekend. But further than that, as the President said, this may be the last meeting we have of this kind, and I've found the last 2 years especially fruitful in those discussions. There's been a lot happening in the last 2 years. I think it's been remarkably good not just for the United Kingdom but for Europe to know we've had such a good friend here in the White House. I think there are many people across the world who will have good cause to say thanks for the work that President Bush has done in the last 4 years. And I believe I speak not just for myself but for many millions when we wish him the best of futures after he leaves the White House in a few days' time.

We had not only a very enjoyable weekend, I think we had a very productive weekend. The President has set out the objectives that we discussed as far as Yugoslavia is concerned. We looked at some of the details to underpin those objectives as well. We did agree to cooperate in a resolution at the United Nations to enforce compliance with the no-fly zone. The aim of the resolution will be to make sure we enforce the resolution previously agreed and to prevent flights taking place other than those that have been specifically authorized to do so.

We looked also at the possible need for measures to prevent the spread of fighting into Kosovo and into Macedonia, and that clearly is a matter of immense importance in the future. With that in mind, we both agreed that it would be wise to press for an early increase in the number of observers in Kosovo.

We also looked at the question of present and future sanctions and the present and future relationship with Serbia. We agreed that our attitude to sanctions would depend on rapid and radical change of policy by Serbia and confirmed that we would be ready, depending on Serbia's response, to impose new sanctions on Serbia. The sort of things we had in mind, of course, were initially cutting postal and telecommunication links but going on, of course, to the closing of borders if necessary. And if it proves necessary, complete and total diplomatic isolation, not just in the short term but making it clear to them that that would apply for a very long time indeed.

Both of us wish to see a political settlement. The President was very sensitive to the work done by the British troops and by the U.N. agencies there. And I'm most grateful for his kind words about that this morning.

Amongst a number of other issues, we also looked at the problems that have arisen in Iraq in the last few days in the delivery of humanitarian aid by the United Nations to the Kurds in northern Iraq. That has come to a halt temporarily as a result of the Iraqis placing bombs in a number of the trucks that were delivering that aid. And we agreed that we were determined to ensure that that aid does get through to northern Iraq. And that is a matter that will have to be developed over the course of the next few days.

So those were some, not an exclusive list but some of the issues that we discussed this morning. And I would just like to end by yet again thanking the President for the nature of these discussions and for the relationship between our two countries.

The President. Marlin, are we going to be passing out a statement that summarizes some of this discussion here?

Q. Mr. President, would U.S. planes be used to enforce the no-fly zone?

The President. This is a little ahead of where we're going. We don't discuss how we are going

to do things, especially before we've decided what they're going to be, so I just would have to duck that one right now.

Q. Do you expect a 15-day deadline?

The Prime Minister. I saw those stories in the press this morning about a 15-day deadline. Certainly, that was nothing we discussed this morning, nothing we discussed over the weekend. That's a matter that isn't just for the President and for I, not just for the United States and the United Kingdom. That's something that would have to be agreed in a Security Council resolution. So I don't know where these 15-day stories come from, but they have no credibility at the moment.

Q. Would you be prepared to see British involvement if necessary in enforcing the deadline, Prime Minister?

The Prime Minister. Well, we've got a lot of discussing to do before we determine how the deadline's going to be enforced. We've agreed that it's necessary to enforce the no-fly zone. There's more than one way of doing that, but we have to discuss that with a lot of other interested parties as well before we can agree to the Security Council resolution.

Robin Oakley [British Broadcasting Corporation].

Q. What kind of action would be taken to protect the forces already on the ground protecting humanitarian effort if there were to be retaliation as a result of the enforcement of the no-fly zone?

The Prime Minister. We've always made it clear right from the start that we were concerned about maintaining the humanitarian assistance that's going into Sarajevo and other centers. That clearly is of critical humanitarian importance, and so is the paramount importance of preserving the security of the United Nations agencies and the British and other troops that are assisting in the delivery of that humanitarian aid. So clearly, that has to underpin any resolution and any progress we make. And these are the matters that will be discussed further over the next few days with our colleagues and allies.

The President. And may I add to that, may I simply add to that that on behalf of the United States, we are very sensitive to the fact that the sons and daughters from other countries are serving on the ground in Sarajevo and trying to facilitate the relief in the former Yugoslavia. The United States has done a fair amount, a good amount I'd say, in getting relief supplies in, but when it comes to taking decisions that affect the lives of troops, I would view a British soldier the same as I would if these were United States soldiers there. We must do that. We owe them prudence in making these decisions. And the fact that these are Brits serving there in no way lessens the feeling I have that we must be very careful we don't needlessly put young

men and women who are there in harm's way more than they are. And I just want to say that particularly to the parents of the young people that are wearing British uniforms in the former Yugoslavia today. They must know that that's the way the United States views these things.

Yes, Randall [Randall Pinkston, CBS News].

Q. Mr. President, do you anticipate any problems from Russia in terms of getting an enforcement resolution given the reports -- --

The President. No, we don't anticipate any. As a matter of fact, they have not raised it. I talked to Boris Yeltsin for 35 minutes this morning on other matters, and had that been on his mind I expect he would have raised it. He's a very frank interlocutor, as the Prime Minister knows. So I don't anticipate difficulty. But the way we avoid that is to do exactly what we're doing, the ultimate in consultations at the United Nations. Would you want to add on the Soviets -- Russian side?

The Prime Minister. No, I've nothing to add on that.

START II

Q. On to the other matters, Mr. President, START treaty, are you ready to sign? Are you going to go to Anchorage?

The President. Well, we discussed that, and I can tell you it's not agreed totally. We've made some real progress.

The Former Yugoslavia

Q. Mr. President, do you have a trigger of some sort for these other sanctions that you've mentioned down the line? Is it something that the Serbs would do to make these happen, or is it just the passage of time, or what?

The President. Well, I don't want to -- the answer to your question is no. The answer to your question is no; we don't have a trigger time.

Q. Do you want the U.N. resolution to stipulate that planes which violate the no-fly zone will be shot down?

The Prime Minister. No, I don't, I don't think that the U.N. resolution will stipulate anything of the sort, not in those terms. But the U.N. resolution is not yet decided. There is a lot of discussion. We need to get the agreement of the Security Council and others. There's some way to go before we get the resolution.

Q. Prime Minister, how long will it take to get that resolution through? Do you feel there's pressure to do it quickly, within a week, 2 weeks?

The Prime Minister. I don't think I want to put a time scale, but I doubt it will be too long.

Q. If Mr. Milosevic is elected, how would that affect things?

The Prime Minister. I think commenting on elections is a dangerous, hazardous business.

The President. So do I.

The Prime Minister. Especially on the day of the election.

The President. That's a good way to end this, I think. Thank you all very much.

Note: The President spoke at 10:38 a.m. on the South Lawn at the White House following his return from Camp David, MD. A reporter referred to President Slobodan Milosevic of Serbia.

Joint Statement With Prime Minister John Major of the United Kingdom on the Former Yugoslavia

December 20, 1992

The President of the United States and the Prime Minister of the United Kingdom have agreed as follows.

The objectives of our policy are:

(a) to work for a peaceful and just settlement in the former Yugoslavia;

(b) to prevent the spread of the fighting in particular to Kosovo and Macedonia;

(c) to maintain the humanitarian aid effort which includes over 2,000 British troops and without which many more lives will be lost this winter.

The President and Prime Minister paid tribute to the work of the United Nations in the former Yugoslavia and to the courage and dedication of the troops who are ensuring that convoys get through. They welcomed the success of the UN and its agencies, despite all the odds, in delivering large quantities of aid to those in need. They agreed on the importance of enabling that effort to go ahead.

The United States and the United Kingdom have agreed to cooperate on a Resolution in the United Nations to enforce compliance with the `no-fly' zone for Bosnia should violation of the existing ban continue. The aim of the resolution would be to prevent flights taking place other than those specifically authorized by the United Nations.

The President and the Prime Minister:

(a) agreed that steps need to be taken to prevent the spread of fighting into Kosovo and Macedonia;

(b) welcomed the decision to deploy UN troops in Macedonia and hoped that this UN presence would be stepped up over the coming weeks;

(c) agreed also to press for the very early increase in the numbers of observers in Kosovo;

(d) agreed that our attitude to sanctions would depend on a rapid and radical change of policy by Serbia;

(e) confirmed that they would be ready, depending on Serbia's response, to impose new sanctions. They could initially include cutting postal and telecommunication links and could lead to closing the borders and complete diplomatic isolation for years to come.

The President and the Prime Minister paid tribute to the work of Cy Vance and David Owen in trying to negotiate a peaceful settlement in the former Yugoslavia. Both Governments will continue to give the negotiators their full support.

Note: The joint statement was made available by the Office of the White House Press Secretary but was not issued as a White House press release. The statement referred to Cyrus Vance and Lord David Owen, Cochairmen of the International Conference on the Former Yugoslavia.

Statement by Press Secretary Fitzwater on the President's Discussions With Foreign Ministers of Central European States

December 22, 1992

The President met today with the Foreign Ministers from Austria, Hungary, Poland, and Slovenia, representing members of the Central European initiative, to discuss the crisis in the Balkans. The Foreign Ministers emphasized their concerns over the direction of events in the former Yugoslavia.

The President expressed deep concern over the violence still wracking Bosnia and highlighted the efforts that the United States has taken, along with the EC and other concerned nations, to help alleviate the suffering of innocents. He recognized the importance of stability to the new democracies of the region, including those represented in the meeting, and encouraged them to work in support of the efforts under the auspices of the United Nations and CSCE to help defuse the crisis and contribute to the search for a political settlement.

Remarks on Departure for Camp David, Maryland

December 23, 1992

I just want to wish everybody a very Merry Christmas. I want to say that to everybody that's worked so hard in our administration. I want to say that to Governor Clinton's new team, to wish them all the very best in the new year. I want to say it to all the press. The amnesty extended during the campaign to the photographers, it's been granted to Helen Thomas [United Press International] and all the rest of you guys. So have a wonderful Christmas and a very happy new year. And inasmuch as I've had 268 press conferences, I think it would kind of ruin the spirit of Christmas if I took any questions here. But I really hope you all have a good one.

Note: The President spoke at 11:37 a.m. on the South Lawn at the White House.

Letter to Congressional Leaders Reporting on Sanctions Against the Federal Republic of Yugoslavia (Serbia and Montenegro)

December 23, 1992

Dear Mr. Speaker: (Dear Mr. President:)

On May 30, 1992, in Executive Order No. 12808, I declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States arising from actions and policies of the Governments of Serbia and Montenegro, acting under the name of the Socialist Federal Republic of Yugoslavia or the Federal Republic of Yugoslavia, in their involvement in and support for groups attempting to seize territory in Croatia and Bosnia-Hercegovina by force and violence utilizing, in part, the forces of the so-called Yugoslav National Army (57 FR 23299). In that order, I ordered the immediate blocking of all property and interests in property of the Government of Serbia and the Government of Montenegro, and all property and interests in property in the name of the Government of the Socialist Federal Republic of Yugoslavia or the Government of the Federal Republic of Yugoslavia, then or thereafter located in the United States or within the possession or control of United States persons, including their overseas branches. Treasury agents immediately carried out these orders and blocked more than $450 million within the first 24 hours, closing down two Serbian-based banks that had been operating in New York City and sealing the offices of Yugoslav subsidiaries across the country.

Subsequently, on June 5, 1992, to implement in the United States the prohibitions of United Nations Security Council Resolution No. 757 of May 30, 1992, I issued Executive Order No. 12810 adding trade and other economic sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro) (The ``FRY(S/M)'') to the sanctions imposed on May 30 (57 FR 24347). Under this order, I prohibited the importation into the United States of any goods originating in, or services performed in, the FRY(S/M), exported from the FRY(S/M) after May 30, 1992, or any activity that promotes or is intended to promote such importation. The Executive order also prohibits the exportation to the FRY(S/M), or to any entity operated from the FRY(S/M), or owned or controlled by the Government of the FRY(S/M), directly or indirectly, of any goods, technology (including technical data or other information controlled for export pursuant to the Export Administration Regulations, 15 C.F.R. Parts 768 et seq.), or services, either (1) from the United States, (2) requiring the issuance of a license by a Federal agency, or (3) involving the use of U.S.-registered vessels or aircraft, or any activity that promotes or is intended to promote such exportation.

Additional economic sanctions contained in Executive Order No. 12810 prohibit (1) any dealing by a United States person related to property originating in the FRY(S/M) exported

from the FRY(S/M) after May 30, 1992, or property intended for exportation from the FRY(S/M) to any country, or exportation to the FRY(S/M) from any country, or any activity of any kind that promotes or is intended to promote such dealing; (2) any transaction by a United States person, or involving the use of U.S.-registered vessels or aircraft, relating to transportation to or from the FRY(S/M), the provision of transportation to or from the United States by any person in the FRY(S/M), or any vessel or aircraft registered in the FRY(S/M), or the sale in the United States by any person holding authority under the Federal Aviation Act of 1958, as amended (49 U.S.C. 1301 et seq.), of any transportation by air that includes any stop in the FRY(S/M); (3) the granting of permission to any aircraft to take off from, land in, or overfly the United States, if the aircraft, as part of the same flight, is destined to land in or has taken off from the territory of the FRY(S/M); (4) the performance by any United States person of any contract, including a financing contract, in support of an industrial, commercial, public utility, or governmental project in the FRY(S/M); (5) any commitment or transfer, direct or indirect, of funds or other financial or economic resources by any United States person to or for the benefit of the Government of the FRY(S/M) or any other person in the FRY(S/M) -- effectively halting all transfers; (6) any transaction in the United States or by a United States person related to participation in sporting events in the United States by persons or groups representing the FRY(S/M); and (7) any transaction in the United States or by a United States person related to scientific and technical cooperation and cultural exchanges involving persons or groups officially sponsored by or representing the FRY(S/M), or related to visits to the United States by such persons or groups other than as authorized for the purpose of participation in the United Nations.

1. The order exempts from trade restrictions (a) the transshipment through the FRY(S/M) of commodities and products originating outside the FRY(S/M) and temporarily present in the territory of the FRY(S/M) only for the purpose of such transshipment, and (b) activities related to the United Nations Protection Force (``UNPROFOR''), the Conference on Yugoslavia, or the European Community Monitor Mission.

2. The declaration of the national emergency on May 30, 1992, was made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code. I reported the emergency declaration to the Congress on May 30, 1992, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)). The additional sanctions set forth in my order of June 5, 1992, were imposed pursuant to the authority vested in me by the Constitution and laws of the United States, including the statutes cited above, section 1114 of the Federal Aviation Act of 1958, as amended (49 U.S.C. App. 1514), and section 5 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287c), and implement in the United States provisions of United Nations Security Council Resolution No. 757. The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c), and discusses Administration actions and expenses directly related to the exercise of powers and authorities conferred by the national emergency with respect to the FRY(S/M)

declared in Executive Order No. 12808, as implemented pursuant to that order and Executive Order No. 12810 (the ``Executive orders'').

3. In its implementation of the sanctions program against the FRY(S/M) pursuant to Executive Orders No. 12808 and No. 12810, Foreign Assets Control (``FAC'') has issued seven general licenses authorizing various transactions otherwise prohibited by the Executive orders and directing certain implementing measures. Copies of these general licenses are attached. General License No. 1 authorizes transactions incident to the receipt or transmission of mail and informational materials between the United States and the FRY(S/M). General License No. 2 authorizes transactions with respect to telecommunications transmissions involving the FRY(S/M), provided that any funds owed the Government of the FRY(S/M) are placed into a blocked interest-bearing account. General License No. 3 authorizes the importation and exportation of diplomatic pouches.

General License No. 4 authorizes transfers of funds or other financial or economic resources for the benefit of individuals located in the FRY(S/M) in connection with the operation of accounts at U.S. financial institutions, provided that no transfers into the FRY(S/M) occur. This general license also requires that interest be paid on blocked FRY(S/M) Government funds and sets forth certain guidelines for the administration of blocked accounts. General License No. 5 authorizes the importation and exportation of the household and personal effects of persons arriving from or departing to the FRY(S/M), in conjunction with General License No. 6, which authorizes transactions related to nonbusiness travel by U.S. persons to, from, and within the FRY(S/M). Finally, General License No. 7 authorizes transactions involving secondary-market trading in debt obligations originally incurred by banks organized in the Republics of Slovenia, Croatia, Bosnia-Hercegovina, and Macedonia, notwithstanding the joint and several liability on those debts undertaken by the National Bank of Yugoslavia and/or banks organized in Serbia or Montenegro.

In addition to the seven general licenses, FAC issued General Notice No. 1 on July 6, 1992, entitled ``Notification of Status of Yugoslav Entities,'' followed by a list of ``Blocked Yugoslav Entities Currently Identified.'' 57 Fed. Reg. 32051 (July 20, 1992). A copy of the notice is attached. The list is composed of government, financial, and commercial entities organized in Serbia or Montenegro and a number of foreign subsidiaries of such entities. The list is illustrative of entities covered by FAC's presumption, stated in the notice, that all entities organized or located in Serbia or Montenegro, as well as their foreign branches and subsidiaries, are controlled by the Government of the FRY(S/M) and thus subject to the blocking provisions of the Executive orders. Accordingly, during the first 6 months of the sanctions program, 13 U.S. subsidiaries of entities organized in the FRY(S/M) were blocked as entities owned or controlled by the Government of the FRY(S/M). Similarly, six ships owned indirectly by Montenegrin shipping companies were blocked in U.S. ports as property in which the FRY(S/M) Government has an interest.

FAC's presumption of FRY(S/M) Government control over subsidiaries of firms located or

organized in Serbia or Montenegro was challenged in Federal district court by a blocked U.S. subsidiary of a Serbian firm (IPT Company, Inc. v. U.S. Department of the Treasury, et al., S.D.N.Y., No. 92 CIV 5542), and by a Maltese subsidiary of a Montenegrin ocean shipping company managing five of the six blocked ships (Milena Ship Management Co., Ltd. v. Newcomb et al., E.D. La, No. 92 - 2535). In both cases, FAC argued through the Department of Justice that its presumption is justified by the unique legal concept of ``social capital'' in the economic systems of both the prior Socialist Federal Republic of Yugoslavia and the current FRY(S/M), under which, by law, capital assets were, and generally continue to be, owned by the society but managed by the workers. Active state control of such enterprises is also often manifest by a crossover of political leaders between the enterprises and the government. Based upon the administrative record and FAC's denial of a license authorizing the blocked ships in the Milena case to conduct normal operations outside the FRY(S/M), the U.S. District Court for the Eastern District of Louisiana ruled in the government's favor and dismissed the suit on October 5, 1992. This decision was appealed by the plaintiffs to the U.S. Court of Appeals for the Fifth Circuit on October 21, 1992. The suite brought by IPT Company, Inc. is still pending in the Southern District of New York.

4. Over the past 6 months, the Departments of State and Treasury have worked closely with European Community (``EC'') member states and other U.N. member nations to coordinate implementation of the sanctions against the FRY(S/M). This has included visits by assessment teams formed under the auspices of the United States, the EC, and the Conference for Security and Cooperation in Europe (the ``CSCE'') to states bordering on Serbia and Montenegro; deployment of CSCE sanctions assistance missions (``SAMS'') to Hungary, Romania, and Bulgaria to assist in monitoring land and Danube River traffic; bilateral contacts between the United States and other countries with the purpose of tightening restrictions on FRY(S/M) financial assets; and establishment of a mechanism to coordinate enforcement efforts and to exchange technical information.

5. In these initial months of the sanctions program against the FRY(S/M), FAC has made extensive use of its authority to specifically license transactions with respect to the FRY(S/M) in an effort to positively influence both the political process within Serbia-Montenegro and negotiations between warring factions in the former Socialist Federal Republic of Yugoslavia. For example, specific licenses have been issued (a) permitting Milan Panic, a naturalized U.S. citizen of Serbian birth, to serve as Prime Minister of the FRY(S/M), (b) authorizing the International Republican Institute to provide support to the opposition political parties in the FRY(S/M), and (c) permitting the Free Trade Union Institute to attend meetings with the independent labor confederation, Nezavisnost, and the trials of union activists in the FRY(S/M).

Since the issuance of Executive Order No. 12808, FAC has worked closely with the Board of Governors of the Federal Reserve Board, the Office of the Comptroller of the Currency, the New York State Banking Department, and the banking industry to assure compliance with the President's blocking order. On June 1, 1992, when FAC directed the closing of two Serbian

banking institutions in New York, full-time bank examiners were posted in their offices to ensure that banking records were appropriately safeguarded. The examiners continue on-site compliance monitoring on a full-time basis.

In all, FAC has issued 217 specific licenses regarding transactions pertaining to the FRY(S/M) or assets it owns or controls. Specific licenses have been issued for (1) payment to U.S. or third-country secured creditors, under certain narrowly defined circumstances, for pre-embargo import and export transactions; (2) for legal representation or advice to FRY(S/M) or FRY(S/M)-controlled clients; (3) for restricted and closely monitored operations by subsidiaries of FRY(S/M)-controlled firms located in the United States; (4) for limited FRY(S/M) diplomatic representation in Washington and New York; (5) for patent, trademark, and copyright protection and maintenance transactions in the FRY(S/M) not involving payment to the FRY(S/M) Government; (6) for certain communications, news media, and travel-related transactions; (7) for the payment of crews' wages and vessel maintenance of FRY(S/M)-controlled ships blocked in the United States; (8) for the export of certain non-FRY(S/M) manufactured property owned and controlled by U.S. entities; and (9) to assist the United Nations in its UNPROFOR and relief operations. Pursuant to United Nations Security Council Resolution 757, specific licenses have also been issued to authorize exportation of food, medicine, and medical supplies intended for humanitarian purposes in the FRY(S/M).

To ensure compliance with the terms of the licenses that have been issued, stringent reporting requirements have been imposed that are closely monitored. Licensed accounts are regularly audited by FAC compliance personnel and by cooperating auditors from other regulatory agencies.

6. Since the issuance of Executive Order No. 12810, FAC has worked closely with the U.S. Customs Service to ensure both that prohibited imports and exports (including those in which the Government of the FRY(S/M) has an interest) are identified and interdicted, and that permitted imports and exports move to their intended destination without undue delay. Violations and suspected violations of the embargo are being investigated, and appropriate enforcement actions are being taken.

7. The expenses incurred by the Federal Government in the 6-month period from May 30, 1992, through November 30, 1992, that are directly attributable to the authorities conferred by the declaration of a national emergency with respect to the FRY(S/M) are estimated at $872,155, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, and the Office of the General Counsel), the Department of State, the National Security Council, and the Department of Commerce.

8. The actions and policies of the Government of the FRY(S/M), in its involvement in and support for groups attempting to seize territory in Croatia and Bosnia-Hercegovina by force

and violence, continue to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. The United States remains committed to a multilateral resolution of this crisis through its actions implementing the resolutions of the United Nations Security Council with respect to the FRY(S/M). I shall continue to exercise the powers at my disposal to apply economic sanctions against the FRY(S/M) as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders on Trade With Ethiopia

December 23, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add Ethiopia to the list of beneficiary developing countries under the Generalized System of Preferences (GSP). The GSP program offers duty-free access to the U.S. market and is authorized by the Trade Act of 1974.

I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, and particularly Ethiopia's level of development and initiation of economic reforms, I have determined that it is appropriate to extend GSP benefits to Ethiopia.

This notice is submitted in accordance with section 502(a)(1) of the Trade Act of 1974.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The related proclamation is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders Reporting on Whaling Activities of Norway

December 23, 1992

Dear Mr. Speaker: (Dear Mr. President:)

On October 26, 1992, Secretary of Commerce Barbara Hackman Franklin certified under section 8 of the Fishermen's Protective Act of 1967, as amended (``Pelly Amendment'') (22 U.S.C. 1978(a)), that Norway has conducted whaling activities that diminish the effectiveness of the International Whaling Commission (IWC) conservation program. This letter constitutes my report to the Congress pursuant to subsection (b) of the Pelly Amendment.

The certification of the Secretary of Commerce was based on the issuance by the Government of Norway of permits to its nationals, allowing the killing of North Atlantic minke whales for research purposes. At its 44th Annual Meeting, the IWC adopted a resolution stating that the Norwegian research program did not satisfy all criteria for research involving the take of whales. In particular, concern was expressed that the Government had not adequately structured the research so as to contribute to or materially facilitate the completion of the IWC comprehensive assessment. The IWC was also of the view that the Government of Norway had not established that its research addresses critically important research needs. Research that does not meet all applicable criteria is considered inconsistent with IWC conservation policy. In view of these concerns, the IWC invited Norway to reconsider its program. The Norwegian Government issued permits for the proposed take prior to the IWC meeting, and, on the last day of the meeting, the Norwegian whaling vessels reportedly set sail. Since then, 95 minke whales have been taken.

I am also greatly concerned about the announcement made by the Government of Norway at the beginning of the 44th Annual Meeting of the IWC that Norway would resume commercial whaling in 1993, irrespective of the decisions of the IWC. The moratorium on commercial whaling adopted by the IWC is observed by the entire community of nations, including those that are not members of the IWC. If Norway, a founding member of the IWC, were to disregard the moratorium, it would very likely lead to grave consequences for the effectiveness of the IWC conservation program.

I have carefully considered these developments and concluded that we should continue to give a high priority to working with all IWC members to maintain the integrity of the IWC. I want to ensure that the IWC has the full support of the United States in carrying out its responsibility to conserve the great natural resources represented by whale stocks.

I am not at this time directing the Secretary of the Treasury to impose sanctions on Norwegian

products for the whaling activities that led to certification by the Secretary of Commerce. I will ensure, however, that our concerns are communicated to the highest levels of the Norwegian Government. I am also requesting that further senior-level consultations with Norway and our other IWC partners be undertaken to ensure that the IWC's conservation program is upheld. I hope that our actions will encourage all members of the IWC to cooperate in its important mission.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Recess Appointment of Brian C. Griffin as Chairman of the Administrative Conference of the United States

December 29, 1992

The President has recess-appointed Brian C. Griffin, of Oklahoma, to be Chairman of the Administrative Conference of the United States. He would succeed Marshall Jordan Breger.

Since 1989, Mr. Griffin has served as Deputy Assistant Attorney General with the Tax Division at the Department of Justice. Prior to this, he served as a partner with the firm of Griffin & Griffin, 1979 - 80 and 1985 - 89. From 1980 to 1985, he served as executive vice president and general counsel for Petroleum Investments, Ltd.

Mr. Griffin graduated from Harvard University (B.A., 1974), Oxford University (M.A., 1976; B.A., 1983), University of Oklahoma (J.D., 1978), and Southern Methodist University (LL.M., 1989). He was born January 11, 1953, in Oklahoma City, OK. Mr. Griffin is married, has two children, and resides in Bethesda, MD.

Remarks on the START II Treaty and the Situation in Somalia and an Exchange With Reporters

December 30, 1992

The President. Well, I have just spoken this morning by telephone with Russian President Boris Yeltsin, and I am very pleased to announce that we have completed agreement on the START II treaty. U.S. and Russian expert teams are remaining in Geneva now to complete the formal work on the treaty text. This historic treaty will reduce by two-thirds current nuclear arsenals and will dramatically lower the numbers of strategic nuclear arms permitted by START I. In my view, this treaty is good for all mankind.

President Yeltsin and I have agreed to meet in Sochi, Russia, on January 2d and 3d, where we will sign the treaty. And I want to take this opportunity to congratulate the team standing here with me today: Larry Eagleburger, Secretary Cheney, Chairman Powell, and others who have done a superb job on this treaty.

We're going to use the occasion of the meeting in Sochi to consider a number of bilateral and regional issues and then to discuss ways to fulfill the promise and the potential of the U.S.-Russia relations.

Let me just say a word about our trip to Somalia. The trip, I hope, will show the concern that all Americans feel for the people of Somalia and for the condition. These are humanitarian concerns, and in my view it is proper that the President show this concern to the people over there.

I also want to make very clear how strongly we support our troops that are over there. They're doing a first-class job. I've had a good briefing from General Powell and Secretary Cheney, and I just can't tell you how proud I am of the young men and women that are serving halfway around the world in this great humanitarian cause.

We've tried to keep Governor Clinton closely advised, informed on the Somalia trip and obviously on the arms control agreement. So I think these are both important events, the trip to Sochi and the trip to Somalia. And I would like to take this occasion, because it'll be the last I see some of you this year, to wish you all a very happy new year.

Serbia

Q. Mr. President, have you warned the Serbs not to widen the war?

The President. Well, I don't want to get into what we're doing in terms of detail there, but

we've expressed our concern in a lot of different ways, Helen [Helen Thomas, United Press International]. And I don't want to go into more detail on that one.

Somalia

Q. Sir, is it safe for you to go to Somalia?

The President. Yes, it's perfectly safe. I'm not in the least bit concerned of the security. I have great confidence in our military and in, certainly, as always, in the Secret Service. So no, there's not a worry in the world on that.

START II

Q. Do you worry about whether START II could actually be approved, both in the U.S. Congress and can President Yeltsin get START II approval?

The President. No, I feel confident after talking to Larry Eagleburger, representations having been made by his interlocutors there, both their Defense Secretary and their Foreign Minister, that that will be approved. Boris Yeltsin is quite confident of that. He feels that it is a historic agreement and good for the whole world, as do I. I believe that our Congress will approve it. And of course, I've been appreciative of the words of -- without committing him on any way to any details -- the general words from Governor Clinton, President-elect Clinton, on this subject.

Q. Mr. President, do you view START II as a vindication of your attention to the foreign account?

The President. No, I view it as a great step for mankind. And it's not -- certainly it's not a personal achievement. The people standing here with me have worked hours, endless hours, to bring this about. So it's not personal. But I take great pride in this accomplishment because I think it's a very good treaty, and I'm proud that this team was able to work it out.

POW - MIA's

Q. Are you going to ask Yeltsin to unleash more information about the American POW's situation?

The President. Well, I am confident that Boris Yeltsin will go the extra mile on that. I think he has. But we just have to wait and see on that subject because all of us remain concerned about it. But I should express my confidence in his willingness to cooperate. I don't think anyone would disagree with that at all.

I think I've got to get ready to go to Somalia. Last one.

Executive Clemency

Q. Mr. President, on the Christmas Eve pardons, does it give the appearance that Government officials are above the law?

The President. No, it should not give any such appearance. Nobody is above the law. I believe when people break the law, that's a bad thing. I've read some stupid comment to the contrary. And of course, I feel that way. But the Constitution is quite clear on the powers of the President. And sometimes a President has to make a very difficult call, and that's what I've done.

But I'm glad you asked it, because I've read some rather frivolous reporting that I don't care about the law. I pride myself on 25 or more years of public service, of serving honorably, decently, and with my integrity intact. And certainly I wouldn't feel that way if I had a lack of respect for the law. And I don't think there is one single thing in my career that could lead anybody to look at my record and make a statement of that nature. So thank you for giving me the opportunity to clear it up.

Thank you all.

Note: The President spoke at 9:45 a.m. in the Rose Garden at the White House. The proclamation of December 24 which granted Executive clemency to six former Government officials for their conduct related to the Iran-contra affair is listed in Appendix E at the end of this volume.

Statement by Press Secretary Fitzwater on the Iran-Contra Investigation

December 30, 1992

On December 14, President Bush asked the Independent Counsel to supply him with a copy of his deposition of January 11, 1988, given in connection with the Iran-contra investigation. On December 18, the Independent Counsel wrote President Bush a letter stating that his office was considering the request. The Independent Counsel assured the President that his office would ``try to comply."

Yesterday, however, the Deputy Independent Counsel informed the White House that the Independent Counsel had decided not to provide President Bush with a copy of the deposition at this time. President Bush has therefore asked former Attorney General Griffin Bell to assist him in seeking to obtain for public release a copy of this document. Judge Bell will also assume full responsibility for advising the President should the Independent Counsel fail to complete his investigation during the President's term in office.

Judge Bell was appointed by President Kennedy to the U.S. Circuit Court of Appeals for the Fifth Circuit, on which he served from 1961 to 1976. He served as President Carter's Attorney General from 1977 to 1979. He also served as Vice Chairman of President Bush's Commission on Federal Ethics Law Reform in 1989. Judge Bell is presently a partner in the law firm of King & Spalding.

The President hopes that Judge Bell's efforts will further his goal of putting his sworn testimony about the Iran-contra matter before the American people.

Letter to Congressional Leaders Transmitting a Report on Tariff Modifications on Canadian Plywood

December 30, 1992

Dear Mr. Chairman:

Pursuant to section 103 of the United States-Canada Free-Trade Agreement (CFTA) Implementation Act of 1988 (Public Law 100 - 449), I am pleased to submit the attached report and related documents pertaining to a proposed action to proceed with staged tariff reductions on certain plywood originating in Canada in accordance with the provisions of article 2008 of the CFTA, implementation of which had been delayed pending preparation and implementation of common performance standards into the building codes in the United States and Canada.

Sincerely,

George Bush

Note: Identical letters were sent to Dan Rostenkowski, Chairman, House Committee on Ways and Means, and Lloyd Bentsen, Chairman, Senate Committee on Finance. The related proclamation is listed in Appendix E at the end of this volume.

Letter to Congressional Leaders Transmitting Budget Deferrals

December 30, 1992

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report three revised and two new deferrals of budget authority, totaling $3.7 billion.

These deferrals affect International Security Assistance programs and the Departments of Agriculture and State. The details of these deferrals are contained in the attached report.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The report detailing the deferrals was published in the Federal Register on January 8, 1993.

Letter to Congressional Leaders Reporting on Economic Sanctions Against Libya

December 30, 1992

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on the developments since my last report of July 7, 1992, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (``IEEPA"), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa - 9(c).

1. Since my last report on July 7, 1992, the Libyan Sanctions Regulations (the ``Regulations"), 31 C.F.R. Part 550, administered by the Office of Foreign Assets Control (``FAC") of the Department of the Treasury have been amended twice. The first amendment, published on September 11, 1992, 57 Fed. Reg. 41696, revoked (1) the authority in section 550.511 for transfers between blocked accounts in different domestic banking institutions and (2) section 550.515, which authorized receipt of payments from unblocked sources for obligations of the Government of Libya to persons in the United States. These classes of transactions are now prohibited unless specifically licensed by FAC. In addition, the amendment required banking institutions to pay interest on blocked funds and authorized debits to blocked accounts by U.S. banking institutions for normal service charges. A copy of the amendment is attached to this report.

Section 550.511 of the Regulations previously permitted transfers of funds between blocked accounts in different domestic banking institutions, provided the name or designation of the accounts remained identical. Out of concern for possible abuse of such funds movements, future transfers of this nature may only be authorized by specific license.

Section 550.515 of the Regulations had previously authorized the transfer of fresh funds through or to any banking institution or other person within the United States solely for purposes of payment of obligations owed by the Libyan government to persons within the United States. ``Fresh funds" are funds from an unblocked account outside the United States. To ensure that transfers from the Libyan government are received only for obligations lawfully arising within the context of the Libyan Sanctions Regulations, such payments must now be authorized by specific license.

Another amendment, published on November 17, 1992, 57 Fed. Reg. 54176, added the names of six companies and banks to Appendix A, the list of organizations determined to be within the

term ``Government of Libya'' (Specially Designated Nationals of Libya), revised the information for one company previously listed at Appendix A, and added the names of five individuals to Appendix B, the list of individuals determined to be Specially Designated Nationals of Libya. A Specially Designated National (``SDN'') of Libya is an entity or individual that is owned or controlled by the Government of Libya or that engages in transactions directly or indirectly on behalf of the Libyan government. A copy of the amendment is attached to this report.

The most significant of these designations is the listing of a bank in the United Arab Emirates, the Arab Bank for Investment and Foreign Trade, also known as ``ARBIFT,'' which has been identified by FAC as an institution that engages in U.S. dollar clearing transactions on behalf of the Government of Libya. The ARBIFT is held 42 percent by the Libyan Arab Foreign Bank, another SDN of Libya, while ARBIFT's chairman also serves as the Governor of the Central Bank of Libya. Two other Libyan-controlled banks, two Libyan-owned petroleum marketing firms, and an insurance company controlled by Libya also were added to the Libyan SDN list. All five of the individuals named to the SDN list are senior Libyan banking officials who act on behalf of the Government of Libya.

2. During the current 6-month period, FAC made numerous decisions with respect to applications for licenses to engage in transactions under the Regulations, issuing 81 licensing determinations -- both approvals and denials. Consistent with FAC's ongoing scrutiny of banking transactions, the majority of the determinations (70) concerned requests to unblock bank accounts initially blocked because of an apparent Libyan interest. An additional seven determinations involved license applications for export sales transactions from the United States to Libya. Finally, four determinations concerned registration of individuals pursuant to a general license authorizing travel to Libya for the sole purpose of visiting close family members.

FAC has participated actively on the Operating Committee of the Department of Commerce to coordinate review by State, Defense, Energy, and Commerce of certain reexport applications, including those where Libya is the new destination for goods. In addition to providing guidance on such reexport applications, FAC has identified attempted illegal transactions involving exportation of parts to Libyan SDNs and continues to work closely with the Department of Commerce to assure compliance with the Regulations.

3. Various enforcement actions mentioned in previous reports continue to be pursued, and several new investigations of possibly significant violations of the Libyan sanctions were initiated. As a result of such initiatives, the amount of Government of Libya assets blocked in U.S. banking institutions has risen to more than $818,218,440.

During the current reporting period, substantial monetary penalties were assessed against U.S. firms for engaging in prohibited transactions with Libya. Since my last report, FAC has collected nearly $560,000 in civil penalties for violations of U.S. sanctions against Libya. The majority of the violations involved banks' failure to block funds transfers to Libyan-owned or -

controlled banks.

Due to aggressive enforcement efforts and increased public awareness, FAC has received numerous voluntary disclosures from U.S. firms concerning their sanctions violations. Many of these reports continue to be triggered by the periodic amendments to the Regulations listing additional organizations and individuals determined to be Specially Designated Nationals (``SDNs'') of Libya. For purposes of the Regulations, all dealings with the organizations and individuals listed will be considered dealings with the Government of Libya. All unlicensed transactions with these persons, or in property in which they have an interest, are prohibited. The listing of Libyan SDNs is not static and will be augmented from time to time as additional organizations or individuals owned or controlled by, or acting on behalf of, the Government of Libya are identified.

In March 1992, FAC announced a new law enforcement initiative, Operation Roadblock, which targets U.S. travellers who violate the U.S. sanctions on Libya. Under this initiative, FAC has issued more than 100 warning letters and demands for information to persons believed to have travelled to and worked in Libya, or made travel-related payments to Libya in violation of U.S. law. FAC's investigation of suspected violations is ongoing, assisted by an interagency task force including the Departments of State and Justice, the Treasury Department's Financial Crimes Enforcement Network (FinCEN), the Federal Bureau of Investigation, and the U.S. Customs Service.

4. The expenses incurred by the Federal Government in the 6-month period from June 15 through December 15, 1992, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at approximately $1.8 million. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

5. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effectively, so long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Memorandum on Delegations of Authority Concerning Former Soviet Republics

December 30, 1992

Memorandum for the Secretary of State, the Secretary of Defense, the Director, Office of Management and Budget

Subject: Delegation of Responsibilities under Title XIV of Public Law 102 - 484 and Title V of Public Law 102 - 511

By the authority vested in me by the Constitution and the laws of the United States of America, including section 301 of title 3 of the United States Code, I hereby delegate:

1. to the Secretary of State the authority and duty vested in the President under section 1412(d) of the Former Soviet Union Demilitarization Act of 1992 (title XIV of the National Defense Authorization Act for Fiscal Year 1993, Public Law 102 - 484) and section 502 of the Freedom Support Act (Public Law 102 - 511).

2. to the Secretary of Defense the authorities and duties vested in the President under sections 1412(a), 1431, and 1432 of Public Law 102 - 484 and sections 503 and 508 of Public Law 102 - 511.

The Secretary of Defense shall not exercise authority delegated by paragraph 2 hereof with respect to any former Soviet republic unless the Secretary of State has exercised his authority and performed the duty delegated by paragraph 1 hereof with respect to that former Soviet Republic. The Secretary of Defense shall not obligate funds in the exercise of authority delegated by paragraph 2 hereof unless the Director of the Office of Management and Budget has determined that expenditures during fiscal year 1993 pursuant to such obligation shall be counted against the defense category of discretionary spending limits for that fiscal year (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of Part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

The Secretary of State is directed to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 4:34 p.m., January 6, 1993]

Recess Appointment of Stephen T. Hart as an Assistant Secretary of Transportation

December 30, 1992

The President has recess-appointed Stephen T. Hart, of Virginia, to be an Assistant Secretary of Transportation for Public Affairs. He would succeed Marion Clifton Blakey.

Currently Mr. Hart serves as Deputy Assistant Secretary for Industry Affairs and Public Liaison at the U.S. Department of Transportation. Prior to this he served as Deputy Assistant to the President and Director of the Office of Legislative Affairs, 1991 - 92. He has also served as a Special Assistant to the President and Deputy Press Secretary, 1989 - 91; Assistant to the Vice President for Press Relations, 1987 - 89; and Assistant Press Secretary for Foreign Affairs for the Vice President's Office, 1985 - 87.

Mr. Hart graduated from George Washington University (B.A., 1982). He was born September 22, 1957, in Pasadena, CA.

Statement by Press Secretary Fitzwater on Recognition of the Czech and Slovak Republics

January 1, 1993

The President today recognized the new Czech and Slovak Republics and offered to establish full diplomatic relations. In an exchange of letters, Czech Prime Minister Klaus and Slovak Prime Minister Meciar welcomed U.S. recognition and accepted our offer of full diplomatic relations.

Both leaders provided assurances that the new states will fulfill the obligations and commitments of the former Czechoslovakia and will abide by the principles and provisions of the U.N. Charter, the Charter of Paris, the Helsinki Final Act and subsequent CSCE documents. They also pledged to prevent the proliferation of destabilizing military technology, to respect human rights and fundamental freedoms, to uphold international standards concerning national minorities, and to move rapidly to create free-market economies.

The United States looks forward to full and mutually productive relations with the new Czech and Slovak states. We commend both Republics for the peaceful means by which their separation was carried out. In the interest of ensuring stability and prosperity in the region and speeding full integration into the international community, the United States urges continued close regional cooperation among the states of central Europe.

Our Ambassador to Czechoslovakia will remain in Prague as the U.S. Ambassador to the Czech Republic. We look forward to appointing an Ambassador to the Slovak Republic as soon as possible.

Remarks at a State Dinner Hosted by President Boris Yeltsin of Russia in Moscow

January 2, 1993

President Yeltsin and members of the Russian Government, friends, all, Americans and Russians, we are here for an historic occasion. I believe that this is a moment that history will record most positively as we sign that treaty. As I prepare to leave the Presidency, I bid farewell to a man for whom I have enormous respect, a man whose courage captured the imagination of every single American as he stood on a Russian tank and straddled Russian history, steering it toward a democratic future. His voice spoke loudly for freedom through the chaos of change, and it spoke softly of friendship through the static of a long distance telephone line, a patriot who silenced the guns of August, President Boris Yeltsin.

Mr. President, as you so eloquently stated, there is now a new U.S.-Russian partnership built

together, affirming our dedication to a democratic peace in Europe and, indeed, to a global peace. The two powers that once divided the world have now come together to make it a better and safer place. Mr. President, we've come together again this weekend amid a Moscow winter to sign the most significant arms reduction treaty ever.

All of us, sir, wish you and your colleagues well on the bold reforms that you've undertaken. Reform is never easy, and this we understand. But your people do not run away from a challenge. And in this challenge, America will stay with you, shoulder to shoulder.

May I simply say a word about my successor, President-elect Clinton. I am confident that what we do tomorrow is of tremendous importance to him, and I am confident that you will find him a 100-percent partner in working for this U.S.-Russian relationship that we treasure so much.

I salute everybody in this room and elsewhere who had a hand in completing this historic treaty. I raise my glass to toast a strong future between Russia and the United States, to toast President and Mrs. Yeltsin, dear friends, and to toast this new year, a new year of hope, freedom, and peace for the Russian people.

Good luck and may God bless you all.

Note: The President spoke at approximately 7:05 p.m. in the Winter Garden Room at the Kremlin. A tape was not available for verification of the content of these remarks.

The President's News Conference With President Boris Yeltsin of Russia in Moscow

January 3, 1993

Mr. Kostikov. Ladies and gentlemen, let us consider that the press conference is open.

First, we'll give the floor to the Presidents of Russia and the United States for brief statements, and then we'll hold our press conference. The first floor is to President Yeltsin.

START II Treaty

President Yeltsin. President George Bush, Mrs. Bush, members of the delegations, representatives of mass media, ladies and gentlemen:

It is not every century that history gives us an opportunity to witness and participate in the event that is so significant in scale and consequences. Today, the Presidents of the two great powers, the United States and Russia, have signed the treaty on further radical cuts in strategic offensive arms of Russia and the United States, START II.

In its scale and importance, the treaty goes further than all other treaties ever signed in the field of disarmament. This treaty is the triumph for politicians and diplomats of Russia and the United States. It is also an achievement for all mankind and benefits all peoples of the Earth. The START II treaty becomes the core of the system of global security guarantees.

The scale of this treaty is determined by a number of factors. Its historical factor is that in the course of all its previous history, mankind was arming itself and just dreamed of beating the swords into plowshares. The treaty signed today represents a major step towards fulfilling mankind's centuries-old dream of disarmament.

Its political factor is that the treaty we have signed today belongs to a new epoch. This treaty was concluded by two friendly states, by partners who not only trust each other but also assist each other. It testifies to our joint and determined movement towards a new world order.

From the very outset the new democratic Russian state has been pursuing a policy of building equal partnership with the United States. Today, we have every right to say that relations between the two major powers have undergone a genuine revolution. Its political factor lies also in the fact that during the last decade of the 20th century and at the turn of the 21st century, the START II treaty will affect policies not only of the United States and Russia but of other countries of the world as well. The START II treaty established parameters of possible political agreements in other spheres of interaction among states.

Thus, the military factor is determined by the scale of mutual reductions in nuclear arms. By comparison with the START I Treaty, every state will have to reduce and destroy the number of strategic offensive warheads by approximately a threefold magnitude. The deepest cuts will affect those categories of arms which are of greatest concern to the parties and the world. For the United States these are submarine-launched ballistic missiles and heavy bombers, and for Russia, land-based intercontinental ballistic missiles, ICBM's. This reduces drastically the level of danger, military mistrust, and suspicion.

We opened up real prospects for cooperation based on trust between people in military uniform, between people with military discipline and military thinking. Thus, the START II treaty will change and gradually replace the very psychology of confrontation.

At the same time, as President and supreme commander in chief, I can say with absolute certainty the signed treaty strengthens the security of Russia rather than weakens it. I think that President Bush can make a similar statement concerning the security of the United States.

The implementation of the new treaty will not be economically destructive for Russia. We have made most of our calculations, and they show that the proposed reductions would cost us much less than the mere maintenance of nuclear weapon systems in a safe condition. We save seriously on verification and inspections, two of the most expensive, to put it mildly, items of

expenditures. The new character of Russian-U.S. relations makes it possible for us to substantially simplify verification procedures while ensuring their reliability.

We expect to cut and to cut considerably the cost of the physical destruction of armaments. We have agreed with the United States to cooperate in developing and applying appropriate technologies. Thus, the expenditures under this then will in fact be shared equally. This will enable us to eliminate our nuclear weapons not with a delay of several years but in parallel with the United States in accordance with the schedule provided for in the treaty. In the context of the present economic crisis, it would be difficult for us to keep the pace without outside assistance. The U.S. Congress has made a decision to support Russia in the destruction of these nuclear warheads.

Its moral factor will manifest itself in the fact that the treaty gives all mankind the hope for a nuclear-weapons-free world. The high moral value of the treaty is that we will be able to hand over to our children, the children of the 21st century, a more secure world. I would call this treaty a treaty of hope.

As to the purely diplomatic aspect of this START II treaty that has just been signed, it will undoubtedly go down into the history of diplomacy as an example of using the potential of the partners who are waiting to overcome the heritage of animosity and confrontation. As you may recall, it took 15 years to prepare the first START Treaty. The elaboration of START II, which is of considerably great magnitude, took several months. But there was absolutely no rush in the process. Naturally this reflects, above all, the high level of confidence and mutual understanding achieved between the United States and Russia, between the Presidents of the two countries. It gives great impetus to the world diplomacy as well.

Today, I would like to express the hope that the diplomatic services of the United States and Russia, diplomats of European countries, will double or even triple their efforts in order to settle conflicts that are of concern to the world.

I would like to focus on another important aspect, the personal stand of President George Bush, who is our guest, being on a working visit with us. I would like to pay tribute to my colleague and friend, George. His remarkable personal and political qualities and competence have contributed to a successful transition from the cold war to a new world order. I am grateful to him for all he has done to establish new relations between Russia and the United States, for his solidarity and support during the push for the FREEDOM Support Act, for the START II treaty. Thank you, George.

I consider it of fundamental importance that the future President of the United States, Mr. Clinton, fully supported the conclusion of the START II treaty. We can without delay proceed to the direct implementation of this instrument and consider further steps to strengthen global stability, the system of global protection, and international security.

President Bush and I have maintained regular contacts with President-elect Clinton. Today's signing ceremony would not have taken place had there been the slightest reason to doubt his solidarity with our endeavors.

I would like to personally thank the most active participants in this process and above all the President of the United States, who personally took part in the elaboration and polishing of the text of the treaty. And I would say we spoke often. And it was a rare week that we did not speak on the phone in the last few weeks.

I am also grateful personally to Mr. Scowcroft, who took an active participation in the consideration of this subject, and to Jimmy Baker, of course, who treated globally the entire subject of the treaty and was mainly responsible for this breakthrough. And finally, I am grateful to Mr. Eagleburger, who on the finishing line darted with boldness and practically initialed the draft treaty there.

I'm thankful also to the experts, to analysts and consultants, and also to the leaders of our delegation, to Mr. Kozyrev and Grachev and the other 48 experts who work very hard for us to come today to the signing of this treaty, the SALT II\1\ (FOOTNOTE) treaty.

(FOOTNOTE) \1\START II (White House correction).

I'm also grateful to all the journalists, press people, who kept their hand constantly on the pulse of this subject and who did not manage to criticize the treaty before it was signed.

I do believe that there is no reasonable alternative to the policy of friendly partnership between Russia and the United States. Strategic partnership relations serve the fundamental national interests of the two countries and of the international community as a whole. I am deeply confident that the signing of the START II treaty opens new, promising prospects for the peoples of our countries. I'm certain that this day will be a milestone in this process.

Thank you.

Mr. Kostikov. I thank you. And now I pass the floor to the President of the United States, George Bush.

President Bush. Mr. President and Mr. Vice President, Mr. Prime Minister, Minister of Justice, Minister of Defense, Minister of Foreign Affairs, representatives of the Russian and American delegations, and distinguished guests:

We meet at the beginning of a new year, at a moment that is also a new era for our two nations and for the world. For half of this century, the Soviet Union and the United States stood locked

in a nuclear standoff. For our two nations and for the world, cold war, hot words, and the constant threat of war seemed imminent, indeed, at times inevitable. The time that we might meet as friends and the time that we might meet in freedom seemed distant, indeed a dream.

Today, the cold war is over, and for the first time in history an American President has set foot in a democratic Russia. And together we're now embarked on what must be the noblest mission of all: to turn an adversarial relationship into one of friendship and partnership.

We stand together today in this great city at the threshold of a new world of hope, a widening circle of freedom for us and for our children. This historic opportunity would simply not have been possible without our combined common effort.

Mr. President, I salute you for your unwavering commitment to democratic reform and for the history you've written since the heroic day in August '91 when you climbed atop that tank to defend Russia's democratic destiny. And I also want to salute the heroism of the Russian people themselves, for it is they who will determine that Russia's democratic course is irreversible.

Today, as we meet on Russian soil, home to 1,000 years of heritage and history, to a people rich in scientific and creative talent, I want to assure the Russian people on behalf of all Americans, we understand that Russia faces a difficult passage. We are with you in your struggle to strengthen and secure democratic rights, to reform your economy, to bring to every Russian city and village a new sense of hope and the prospect of a future forever free.

Let me say clearly, we seek no special advantage from Russia's transformation. Yes, deep arms reductions, broader and deeper economic ties, expanded trade with Russia, all are in the interest of my country. But they're equally in the interest of the Russian people. Our future is one of mutual advantage.

We seek a new relationship of trust between our military forces. They once confronted each other across Europe's great divide, and let them now come together in the cause of peace. We seek full cooperation to employ our collective capabilities to help resolve crises around the world. We seek a new cooperation between the U.S. and Russia and among all states to prevent the spread of nuclear weapons and other weapons of mass destruction.

The world looks to us to consign the cold war to history, to ratify our new relationship by reducing the weapons that concentrate the most destructive power known to man. The treaty we signed today builds on the strong beginning we made with START I, and, together, these treaties will reduce by more than two-thirds the strategic arsenals in place today. And just as important, START II will bring much better stability to remaining forces.

This agreement represents a common effort to overcome the contentious differences and

complexities that surround nuclear weapons. In the face of many who doubted Russia and America's intentions and our energy, it vindicates our insistence that arms control must do more than simply freeze the arms race in place.

The START Treaty, START I, reduced a quarter century of growth in our nuclear arsenals and reversed the course that caused many to fear that nuclear conflagration was inevitable. The treaty that we signed today goes much further in a way that few believed possible just one year ago.

May I congratulate Messrs. Kozyrev and Grachev and Eagleburger for their outstanding work to bring this treaty to fruition. And I also want to congratulate former Secretary of State Jim Baker for his important work on the treaty during the spring and summer.

In closing, let me tell you what this treaty means, not for Presidents or Premiers, not for historians or heads of state but for parents and for their children: It means a future far more free from fear.

So, as we sign today this treaty, let us pledge also to move forward together throughout this decade and into the next century toward common aims: for Russia, a democratic peace; for our two nations, a strong partnership between our people and the lasting friendship that springs from a common love of freedom.

And Mr. President, may I wish you and the Russian people at this critical moment in history a new year rich with hope and peace.

Bosnia

Q. Mr. President, both of you, each of you spoke about moving on to other areas of concern as a result of having achieved this kind of a treaty. Can you give us in some detail what your discussions were with regard to the situation in Bosnia, what you see achievable there and what differences separate you?

President Bush. Well, we discussed that question in some detail. Our prime common objective is to see the suffering stop and see the fighting stop. I can't go into -- I certainly wouldn't want to quantify what differences we may have, but I came away with the feeling that we were very close together, these two countries, in wanting to see peace restored to that area.

President Yeltsin. I would like to continue the answer of President Bush, because the question was raised to both Presidents. We discussed a very wide range of issues, and I would say we have cleaned up all of the problems remaining after the conclusion of this important agreement, and the conclusion of this important period which is crowned with an historic event and the visit by President Bush to our country.

We also considered the course of the reforms in Russia and the problems related to the new government, whether it will continue along the road of reforms. And I assured the President that this is not a new government, and it is the old composition government. And the chairman of the government himself will go on the same road of reforms.

We have also considered the problems of bilateral relations and the foreign debt of the former Soviet Union, the grain supplies, international conflicts, including the conflict in the former Yugoslavia, and our positions are close. We previously supported the United States in adopting the U.N. resolution on the subject, and we shall continue this line and try at the same time to continue the line for establishing peace among all parties and to be more active in this area than we have been heretofore.

We have also discussed military issues, including the issue of whether the SALT II Treaty is harmful to anyone or at anyone's disadvantage. Then we came to the conclusion that it does not harm either side and does not harm any third party. It is only to the advantage of everyone. Thus, our negotiations were businesslike, respectful, and open, as always.

START II Ratification

Q. Boris Nikolayevich, you have just signed the START II treaty, and you will have to ratify it into Parliament. If in the past there were difficulties mainly in the U.S. Congress, now you may face certain difficulties on the part of certain delegates or a number of Russian deputies. So, what are in your view the prospects for the ratification of the treaty?

President Yeltsin. I am not going to conceal from you that a certain part of the deputies is against the treaty. And they are against anything positive that should take place in Russia. So, complete negation is their position. You could consider what they are, because they support Iraq and its aggression. So you understand who they represent. And finally, I would say that fortunately they do not represent the majority of the Supreme Soviet, as most of the Supreme Soviet deputies believe in reason, and of course, they believe in the significance of this treaty.

Many delegates, deputies, were in Geneva themselves. They took part in the negotiations. And the chairman of the Foreign Relations Committee has always been here with us. So if there are any difficulties with the ratification of this START II treaty, still I am certain that the Supreme Soviet will ratify it.

President-Elect Clinton

Q. Mr. President, how confident are you that the treaty that you're now going to be turning over to a new administration will be -- that it will be ratified by the Senate? And Mr. Yeltsin, I'd like to know your thoughts on how awkward is it for you to find yourself suddenly having

to deal with a new President in Washington?

President Bush. Clearly, I'm not in a position to commit President-elect Clinton, but I can confidently predict that this treaty will be quickly ratified by the Congress.

Butting in on the second part of your question, I've talked to President-elect Clinton enough to know that he is most interested in keeping this U.S.-Russia relationship on the high plane at which it stands right now. And I've told President Yeltsin that I think he will enjoy working with Governor Clinton and that I know that Governor Clinton is committed to the general theory of these arms reductions that START II takes on.

President Yeltsin. I met with President-elect Clinton when I was on my official state visit to the United States and when Mr. Clinton at that time was a Presidential candidate. We discussed in our meetings different things. The discussions were normal, interesting, and he voiced his support for Russia, for the democratic reforms in Russia, and for our movement along the democratic road.

Two days ago I sent him a letter where I proposed that there should be no lull in our relations with the new administration, because any lull in bilateral relations between the superpowers would give cause for concern.

I suggested on the phone to President Bush that after the 20th of January, we -- that is, myself and President-elect Clinton -- should meet somewhere in a neutral place for a working meeting to consider different international problems and bilateral relations. And I hope that he will take over the baton that was given to him with such grace by President Bush.

Russian Nuclear Shield

Q. This is the question to, mainly, the Russian President. I ask you, Boris Nikolayevich, to expand a little bit on that part of your statement where you say that the signing of the treaty will not be harmful to the strategic and military balance existing between the United States and Russia, as certain of our conservatives assert, and that the nuclear shield of Russia will not be weakened. This is a question to you not only to the President of the country but also as to the commander in chief.

President Yeltsin. Shall I give you the numbers? As of January 1st, we have 9,915 strategic nuclear warheads. According to the new START II treaty, there will be 3,000, 3,500 warheads left, 3,000 to 3,500 warheads. This number is not possessed by any other single state, only by the United States and Russia. I express -- not a single other state, including nuclear powers like China, Great Britain, and France. This is a powerful shield which is capable of defending Russia in case of an unexpected aggression from any site.

President Bush. May I simply add that we do not view this as a one-sided treaty at all. We view it as balanced, and I think that history will record it as such.

Mr. Fitzwater. Let's have a final question from Ann Compton [ABC News].

U.S. Assistance to Russia

Q. President Bush, do you think that the START II -- START I and II can be ratified and implemented if the United States doesn't come forward with or even increase the amount of aid that some of the other countries need to actually dismantle the weapons they've got?

President Bush. I think the ratification will stand on its own two feet. The Congress will look at it, and in my view they'll have hearings, and they'll ratify it. And clearly, we all have a stake at helping and being sure that the materials are properly disposed of, and the United States will be ready to assist to the best of our ability. But I don't see a resolution to that second question being required before this treaty is ratified.

I'm sorry, what was the second question?

Q. Can it be implemented? Doesn't the United States have to come up with more money to actually have the missiles at the silos?

President Bush. The treaty and the protocols speak for themselves. But clearly, I think the new administration will be as interested as we have been in helping Russia in every way we possibly can. I expect that it'll get to that subject as well as it will to ag credits and a lot of other things. So I think that the treaty will be ratified, and I think it will be implemented. And to the degree the United States can be of assistance when times are tough for Russia, that will demonstrate our interest in this partnership when we help.

Note: The President's 141st news conference began at 12:15 p.m. in Vladimir's Hall at the Kremlin. President Yeltsin spoke in Russian, and his remarks were translated by an interpreter. Vyacheslav Kostikov, Presidential Press Spokesman for President Yeltsin, served as moderator. During the news conference, the following persons were referred to: Andrey Kozyrev, Russian Minister of Foreign Affairs, and Pavel Grachev, Russian Minister of Defense. The question-and-answer portion of this news conference could not be verified because the tape was incomplete.

Recess Appointment of Gregory Stewart Walden as a Member of the Interstate Commerce Commission

January 4, 1993

The President today announced the recess appointment of Gregory Stewart Walden, of California, to be a member of the Interstate Commerce Commission. Mr. Walden would succeed Edward Martin Emmett.

Since 1990 Mr. Walden has served as an Associate Counsel to the President at the White House. Prior to this, he was Chief Counsel of the Federal Aviation Administration at the Department of Transportation, 1988 - 90. Mr. Walden has served in various capacities at the Department of Justice including: Associate Deputy Attorney General, 1987 - 88; Deputy Associate Attorney General, 1986 - 87; Special Assistant to the Assistant Attorney General in the Civil Division.

Appendix A -- Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this book.

January 1

In the morning, the President and Mrs. Bush greeted the American consulate community at the Ritz-Carlton Hotel, their residence during their stay in Sydney, Australia, which began on December 31, 1991. President Bush then went to Kirribilli House where he met with Prime Minister Paul Keating.

In the afternoon, the President and Mrs. Bush traveled to Canberra, Australia. Following an arrival ceremony at RAAF Base Fairbairn, they greeted the U.S. Embassy community at the residence of U.S. Ambassador to Australia Melvin Sembler, which was their residence during their stay in Canberra.

In the evening, the President and Mrs. Bush attended a reception and dinner hosted by the Governor-General and Mrs. Bill Hayden at Government House.

January 2

In the morning, the President met at Parliament House with:

-- Prime Minister Paul J. Keating;

-- the Australian Cabinet;

-- John Hewson, Leader of the Opposition;

-- representatives of rural organizations;

-- the Presidential business delegation.

In the afternoon, the President attended a working luncheon hosted by Prime Minister Keating at Parliament House. Later in the afternoon, the President and Mrs. Bush visited with Australian schoolchildren in Mural Hall at Parliament House.

That evening, the President and Mrs. Bush received a courtesy call by former Prime Minister and Mrs. Robert Hawke at the U.S. Ambassador's residence.

January 3

In the morning, the President and Mrs. Bush participated in a wreath-laying ceremony at the Australian War Memorial. Following the ceremony, they traveled to Melbourne, Australia.

Upon their arrival in Melbourne, they went to the World Congress Centre, where the President met with U.S. and Australian business leaders. Following the meeting, the President and Mrs. Bush attended a reception with the Coral Sea Commemorative Council and later greeted the American consulate community.

In the afternoon, the President and Mrs. Bush traveled to Singapore.

In the evening, following their arrival, they went to the Shangri-La Hotel, their residence during their stay in Singapore.

January 4

In the morning, after an arrival ceremony at Istana Palace, the President and Mrs. Bush paid a courtesy call on President and Mrs. Wee Kim Wee. The President later met at the palace with Prime Minister Goh Chok Tong and with the Presidential business delegation.

In the afternoon, the President went to the Westin Stamford Hotel where he attended a meeting of the Association of South East Asian Nations (ASEAN) Business Council. He later attended a luncheon hosted by Prime Minister Goh at the Compass Rose Restaurant. The President and Mrs. Bush then greeted the American Embassy community at the Singapore American School. Later, the President met with Senior Minister Lee Kuan Yew at the Raffles Hotel.

In the evening, the President and Mrs. Bush attended a dinner hosted by President Wee at the Westin Plaza Hotel.

The President announced his intention to nominate Albert V. Casey, of Texas, to be chief executive officer of the Resolution Trust Corporation, a new position. From 1988 to 1991, Mr. Casey served as chairman and chief executive officer of First Republic Bank Corp. in Dallas, TX.

January 5

In the morning, the President hosted a coffee in his suite for the ASEAN Ambassadors.

The President and Mrs. Bush then traveled to Seoul, South Korea. Following their arrival, they went to the National Cemetery for a wreath-laying ceremony. After the ceremony, they went to Ambassador Donald P. Gregg's residence, where they stayed during their visit to Seoul.

In the evening, the President and Mrs. Bush dined with President and Mrs. Roh Tae Woo and their respective national security advisers and ambassadors at the Blue House, President Roh's residence.

January 6

In the morning, the President and Mrs. Bush participated in the official arrival ceremony at the Blue House. The President then met with President Roh.

In the afternoon, the President greeted the leadership of the Korean National Assembly. Later, the President and Mrs. Bush greeted the American Embassy community at Collier Field House.

January 7

Following a morning departure ceremony, the President and Mrs. Bush traveled to Kyoto, Japan, where they toured the Imperial Palace.

In the afternoon, the President and Mrs. Bush had lunch at the Tsuruya Restaurant with former Prime Minister and Mrs. Toshiki Kaifu. Later, they traveled to Kashihara and then to Tokyo.

Following their evening arrival in Tokyo, the President and Mrs. Bush went to the Akasaka Palace, their residence during their visit to Tokyo.

January 8

In the morning, the President gave an interview to the NBC ``Today'' show and to Detroit television stations. Later, the President and Mrs. Bush attended an arrival ceremony with Emperor Akihito and Empress Michiko at the Akasaka Palace and then accompanied them to the Imperial Palace for a courtesy call. After returning to the Akasaka Palace, the President met with Prime Minister Kiichi Miyazawa.

In the afternoon, the President met and had a working luncheon with Prime Minister Miyazawa in the Akasaka Palace Annex. Later, the President gave an interview to the CBS ``This Morning'' show.

January 9

In the afternoon, the President met with Prime Minister Miyazawa at the Akasaka Palace.

January 10

In the morning, the President and Mrs. Bush paid a farewell call on the Emperor and Empress at the Akasaka Palace. Later in the morning, the President and Mrs. Bush returned to Washington, DC.

In the afternoon, the President and Mrs. Bush went to Camp David, MD.

The President announced recess appointments of the following individuals to be members of the Board of Directors of the Legal Services Corporation:

J. Blakeley Hall, of Texas.

William Lee Kirk, Jr., of Florida.

Jo Betts Love, of Mississippi.

Guy Vincent Molinari, of New York.

Jeanine E. Wolbeck, of Minnesota.

Howard H. Dana, Jr., of Maine.

Penny L. Pullen, of Illinois.

Thomas D. Rath, of New Hampshire.

Basile J. Uddo, of Louisiana.

George W. Wittgraf, of Iowa.

The White House announced that the President will meet with Prime Minister Carl Bildt of Sweden at the White House on February 20.

January 12

In the afternoon, the President and Mrs. Bush returned to the White House from Camp David, MD.

January 13

In the morning, the President traveled to Kansas City, MO, where he attended a reception hosted by the board of directors of the American Farm Bureau Federation and met with the Federal Executive Board of Kansas City.

In the afternoon, the President returned to Washington, DC.

January 14

The President met at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President attended a White House meeting of the leadership of the Health Care Equity Action League and then went to the J.W. Marriott Hotel for the first meeting of the Bush-Quayle '92 National Finance Committee.

After returning to the White House, the President met with:

-- Samuel K. Skinner;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III;

-- Secretary of Defense Dick Cheney.

The President announced his intention to appoint James A. McClure, of Idaho, to be a member of the Board of Trustees of the John F. Kennedy Center for the Performing Arts for a term expiring September 1, 2000. He would succeed Joan Mondale. Currently Senator McClure serves as a partner with the law firm of Givens, Pursley, Webb & Huntley in Boise, ID.

The President announced his intention to appoint the following individuals to be members of the International Cultural and Trade Center Commission:

Jonathan W. Sloat, of the District of Columbia, for a term expiring August 20, 1997. He would succeed Michael R. Gardner. Currently Mr. Sloat serves as a legislative and financial consultant in Washington, DC.

Fritz Alan Korth, of Texas, for a term expiring August 20, 1997. He would succeed Donald A.

Brown. Currently Mr. Korth serves as a partner with the law firm of Korth & Korth in Washington, DC.

January 15

In the morning, the President traveled to New Hampshire.

In the evening, the President returned to Washington, DC.

The President announced the recess appointment of Albert V. Casey, of Texas, to be Chief Executive Officer, Resolution Trust Corporation. This is a new position.

The President announced recess appointments of the following individuals to be directors of the Federal Housing Finance Board:

Daniel F. Evans, Jr., of Indiana. He will be designated Chairperson.

Marilyn R. Seymann, of Arizona.

Lawrence U. Costiglio, of New York.

William C. Perkins, of Wisconsin.

January 16

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- a delegation of mayors and other locally elected officials.

The President had lunch with the Joint Chiefs of Staff. He then gave an interview to New England television stations.

Later in the afternoon, the President met with:

-- Samuel K. Skinner;

-- Secretary of Defense Dick Cheney.

The President announced his intention to appoint the following individuals to be members of the Advisory Commission on Intergovernmental Relations:

Debra Rae Anderson, of South Dakota, for a term of 2 years. This is a reappointment. Currently Ms. Anderson serves as a Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs at the White House.

Mary Ellen Joyce, of Virginia, for a term of 2 years. This is a reappointment. Currently Ms. Joyce serves as a senior regulatory analyst for the American Petroleum Institute in Washington, DC.

The President announced his intention to nominate the following individuals to be members of the Peace Corps National Advisory Council:

Eugene C. Johnson, of Maryland, for a term expiring October 6, 1992. He would succeed Gary Dale Robinson. Currently Mr. Johnson serves as president of Business Mail Express in Falls Church, VA.

Tahlman Krumm, Jr., of Ohio, for a term expiring October 6, 1993. This is a reappointment. Currently Mr. Krumm serves as director of US Healthstar in Columbus, OH.

The President announced his intention to appoint Frederick F. Jenny, of Pennsylvania, to be a member of the President's National Security Telecommunications Advisory Committee. He would succeed Paul G. Stern. Currently Mr. Jenny serves as senior vice president of Unisys and president of the defense systems unit in McLean, VA.

The President announced his intention to nominate Salvador Lew, of Florida, to be a member of the Advisory Board for Cuba Broadcasting for a term of 2 years. This is a new position. From 1973 to 1988, Mr. Lew served as president and general manager of WRHC radio station in Miami, FL.

The President announced his intention to appoint Russell E. Train, of the District of Columbia, to be a member of the Advisory Committee for Trade Policy and Negotiations for a term of 2 years. He would succeed Lawrence R. Pugh. Currently Mr. Train serves as the chairman of the World Wildlife Fund in Washington, DC.

January 17

In the morning, the President traveled to Atlanta, GA. Upon arrival, he toured the exhibition hall at the Dr. Martin Luther King, Jr. Center, accompanied by Coretta Scott King. Later, the

President and Mrs. King went to the courtyard for a wreath-laying ceremony at the tomb of Dr. King.

In the afternoon, the President returned to Andrews Air Force Base, MD, where he was joined by Mrs. Bush. They then went to Camp David, MD, for the weekend.

The President announced his intention to appoint Raymond P. Shafer, of Pennsylvania, to be a member of the National Advisory Council on the Public Service. Upon appointment, he will be designated Chairman. This is a new position. From 1967 to 1971, Governor Shafer served as the Governor of the State of Pennsylvania.

January 20

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

January 21

The President met at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Following the meetings, the President traveled to Catonsville, MD. Later in the morning, he returned to Washington, DC.

In the afternoon, the President met with Samuel K. Skinner.

The President declared a major disaster existed in the Commonwealth of Puerto Rico and ordered Federal aid to supplement Commonwealth and local recovery efforts in the area struck by severe storms and flooding on January 5 - 6.

January 22

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- heads of regulatory agencies;

-- Samuel K. Skinner.

The President announced his intention to designate Rita DiMartino, of New York, as a member of the Board of Governors of the United Service Organizations, Inc., for a term of 3 years. She would succeed Lucille G. Murchison. Currently Ms. DiMartino serves as director of Federal Government affairs for AT&T in Washington, DC.

The President announced his intention to appoint Carol Iannone, of New York, to be a member of the Board of Trustees of the Woodrow Wilson International Center for Scholars for a term expiring October 23, 1996. She would succeed Theodore C. Barreaux. Currently Dr. Iannone serves as a professor with the Gallatin Division of New York University in New York, NY.

January 23

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

The President announced his intention to nominate the following individuals to be members of the Board of Directors of the State Justice Institute:

Carlos R. Garza, of Texas, for a term expiring September 17, 1994. He would succeed Daniel John Meador. Currently Mr. Garza serves as a consultant in Vienna, VA.

Vivi L. Dilweg, of Wisconsin, for a term expiring September 17, 1994. This is a reappointment. Since 1982, Judge Dilweg has served as a Brown County circuit judge in Green Bay, WI.

David Brock, of New Hampshire, for a term expiring September 17, 1994. He would succeed Clement Clay Torbert, Jr. Currently Justice Brock serves as chief justice of the Supreme Court of New Hampshire in Concord, NH.

January 24

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III;

-- Desmond Howard, winner of the 1991 Heisman trophy;

-- NASA astronauts.

The President announced his intention to nominate the following individuals to be members of the Board of Regents of the Uniformed Services University of the Health Sciences:

John E. Connolly, of California, for a term expiring June 20, 1997. He would succeed Sam A. Nixon. Currently Dr. Connolly serves as an attending surgeon and professor in the department of surgery at the University of California in Irvine, CA.

William D. Skelton, of Georgia, for a term expiring June 20, 1997. He would succeed Mario Efrain Ramirez. Currently Dr. Skelton serves as a professor and dean of psychiatry with Mercer University School of Medicine in Macon, GA.

The following individual will be designated chairman:

Everett Alvarez, Jr., of Maryland. Mr. Alvarez has been serving as a member of the Board since 1988. Currently Mr. Alvarez serves as president of CONWAL, Inc., in Falls Church, VA.

January 27

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Republican congressional leaders;

-- Secretary of the Treasury Nicholas F. Brady.

The President selected the following individuals to represent the United States at the 48th session of the United Nations Human Rights Commission in Geneva, Switzerland, January 27 - March 6:

Head of Delegation:

John Kenneth Blackwell. Since 1991, Ambassador Blackwell has served as Chief Delegate of the United States to the United Nations Human Rights Commission. In addition, he serves as a senior fellow at the Urban Morgan Institute for Human Rights at the University of Cincinnati, having served as Mayor of Cincinnati.

Alternate Heads of Delegation:

Otto J. Reich. Currently Ambassador Reich serves as a partner and director with the Brock Group in Washington, DC, having served as U.S. Ambassador to Venezuela.

Ambassador Morris Abram. Currently Ambassador Abram serves as the U.S. Representative to the European office of the United Nations in Geneva, Switzerland. He has served as a former chairman of the National Conference on Soviet Jewry and Vice Chairman of the U.S. Commission on Civil Rights.

Public Delegates:

John F. Burgess. Currently Mr. Burgess serves as associate vice president for alumni relations of Georgetown University in Washington, DC.

Michael L. Davis. Currently Mr. Davis serves as president of Metropolitan Immigration Centers of America, Inc., in Los Angeles, CA.

Clyde Collins Snow. Currently Dr. Snow serves as a consultant in forensic anthropology and as a member of the graduate faculty and an adjunct professor of anthropology at the University of Oklahoma. He also serves as an adjunct professor of forensic sciences at Central State University in Edmond, OK.

January 28

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Republican Members of Congress;

-- Cabinet members.

In the evening, the President and Mrs. Bush went to the Capitol, where the President attended a reception hosted by the congressional leadership in the Speaker's Conference Room prior to his address to a joint session of the Congress.

The White House announced that President Bush will travel to Orlando, FL, on February 4 to address the annual convention of the National Grocers Association at the Orange County Convention Center.

January 29

In the morning, the President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

Later, he went to the Capitol, where he met with congressional leaders.

In the afternoon, the President met at the White House with Samuel K. Skinner.

The President announced his intention to appoint the following individuals to be members of the Commission for the Preservation of America's Heritage Abroad:

Warren L. Miller, of the District of Columbia, for a term expiring February 27, 1992, succeeding A. Morgan Mason; and an additional term expiring February 27, 1995, as a reappointment. Currently Mr. Miller serves as Of Counsel with the law firm of Reed, Smith, Shaw & McClay in Washington, DC.

Gary J. Lavine, of New York, for a term expiring February 27, 1992, succeeding Dalia Debennis Bobelis; and an additional term expiring February 27, 1995, as a reappointment. Currently Mr. Lavine serves as senior vice president and general counsel for the Niagara Power Corp. in Syracuse, NY.

Levi Goldberger, of New York, for a term expiring July 13, 1992, and an additional term expiring July 13, 1995. These are reappointments. Since 1966, Mr. Goldberger has served as a field underwriter for Mutual of New York.

Edgar Gluck, of New York, for a term expiring June 24, 1992, and an additional term expiring June 24, 1995. These are reappointments. Currently Mr. Gluck serves as a special assistant to the superintendent for community affairs for the New York State Police in New York, NY.

Abraham Friedlander, of New York, for a term expiring June 24, 1992, and an additional term expiring June 24, 1995. These are reappointments. Currently Rabbi Friedlander serves as rabbi of the Congregation Ateres Tzvi in Brooklyn, NY.

Chaskel Besser, of New York, for a term expiring August 9, 1992, and an additional term expiring August 9, 1995. These are reappointments. Currently Rabbi Besser serves as rabbi of the Congregation B'nai Israel in New York, NY.

January 30

In the morning, the President and Mrs. Bush traveled to Philadelphia, PA, and in the afternoon they traveled to New York City. There the President met at the Waldorf Astoria Hotel with:

-- President Rodrigo Borja of Ecuador;

-- Prime Minister Carlos Veiga of Cape Verde;

-- Chancellor Franz Vranitzky of Austria;

-- Prime Minister Wilfried Martens of Belgium;

-- King Hassan II of Morocco.

In the evening, the President had a working dinner with Prime Minister John Major of the United Kingdom at the hotel.

The President transmitted to the Congress the fourth biennial report of the Interagency Arctic Research Policy Committee (February 1, 1990, to January 31, 1992).

January 31

In the morning, the President met at the Waldorf Astoria Hotel with:

-- President Carlos Andres Perez of Venezuela;

-- Prime Minister P.V. Narasimha Rao of India;

-- President Francois Mitterrand of France.

In the afternoon, the President attended a luncheon at the United Nations and a session of the Security Council.

In the evening, the President met with Premier Li Peng of China at the United Nations. Following the meeting, the President and Mrs. Bush returned to Washington, DC, where they attended the Republican National Committee winter meeting at the Capital Hilton Hotel.

The President appointed the following individuals to be members of the Advisory Committee on the Arts, John F. Kennedy Center for the Performing Arts:

Michael R. Farley, of Arizona. He would succeed Leota Hays. Currently Mr. Farley serves as president of Farley & Associates in Tucson, AZ.

Joan S. Bradley, of Nevada. She would succeed Lillian Nicolosi Nall. Since 1979, Ms. Bradley has served as a member of the board of trustees for KNPB - TV in Nevada.

February 1

In the morning, the President had a meeting followed by a working luncheon with President Boris Yeltsin of Russia at Camp David, MD.

February 2

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

In the evening, the President and Mrs. Bush hosted a dinner for the National Governors' Association on the State Floor.

February 3

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- the Vice President, for lunch.

In the afternoon, the President and Mrs. Bush hosted an inaugural anniversary gala reception on the State Floor.

In the evening, the President and Mrs. Bush attended the inaugural anniversary gala at the Kennedy Center.

The President selected the following individuals to represent him at the opening ceremonies of the winter Olympic games in Albertville, France, February 8:

Head of Delegation:

Dorothy LeBlond

Delegates:

Nancy Ellis

Osborne Day

Melanie Griffith

Don Johnson

February 4

In the morning, the President traveled to Orlando, FL. Following his arrival, he went to the Orange County Convention/Civic Center where he had roundtable discussions with Florida business leaders and then toured the exhibit area.

In the afternoon, the President returned to Washington, DC, and later met with Samuel K. Skinner, Chief of Staff to the President.

February 5

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Republican congressional leaders;

-- Secretary of State James A. Baker III, for lunch.

In the afternoon, the President met with the President's Commission on Environmental Quality in the Roosevelt Room. Following the meeting, he signed the Economic Report of the President in the Oval Office.

The President announced his intention to appoint John J. McKetta, Jr., of Texas, to be a member of the Nuclear Waste Technical Review Board for a term expiring April 19, 1992, as a new position, and an additional term expiring April 19, 1996, as a reappointment. Currently Dr. McKetta serves as a professor in the department of chemical engineering at the University of Texas at Austin.

The President announced his intention to appoint Anna Sparks, of California, to be the Federal Representative on the Klamath River Compact Commission. She would succeed Nell Kuonen. She will also serve as chairman. Currently Ms. Sparks serves as the 5th district supervisor for Humboldt County, CA.

The President declared a major disaster existed in the State of Delaware and ordered Federal aid to supplement State and local recovery efforts in the area struck by a severe coastal storm and flooding on January 4 - 5.

February 6

The President met at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Following a morning meeting with Samuel K. Skinner, the President traveled to Cleveland, OH, where he toured University Hospitals of Cleveland.

In the afternoon, the President traveled to Las Vegas, NV, where he toured Opportunity Village and the University Medical Center of Southern Nevada.

In the evening, the President traveled to San Diego, CA.

February 7

In the morning, the President toured Logan Heights Family Health Center in San Diego, CA. Following his address to the Rotary Club, the President returned to Andrews Air Force Base, MD, and then went to Camp David, MD.

The President announced his intention to appoint the following individuals to be members of the Commission on Broadcasting to the People's Republic of China. These are new positions:

Robert John Hughes, of Utah. Currently Mr. Hughes is a syndicated columnist and director of the international media studies program at Brigham Young University in Provo, UT.

Donald M. Anderson, of the District of Columbia. Currently Mr. Anderson serves as president of the United States-China Business Council in Washington, DC.

The President declared a major disaster existed in the Republic of the Marshall Islands and ordered Federal aid to supplement State and local recovery efforts in the area struck by Tropical Storm Axel on January 6.

The President declared a major disaster existed in the Federated States of Micronesia and ordered Federal aid to supplement State and local recovery efforts in the area struck by Typhoon Axel on January 8 - 10.

February 9

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

February 10

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of the Treasury Nicholas F. Brady;

-- President Rene Felber of Switzerland.

February 11

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Rajendra Saboo, president of Rotary International;

-- Prime Minister Suleyman Demirel of Turkey, for lunch.

In the afternoon, the President had a telephone conversation with Governor Jim Edgar of Illinois to discuss the America 2000 education initiative.

Later in the afternoon, the President and Mrs. Bush hosted a reception for the Bush-Quayle '92 campaign leadership on the State Floor.

February 12

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Cabinet members.

Later in the morning, the President and Mrs. Bush traveled to Concord, NH.

In the afternoon, the President toured the General Electric plant in Hooksett, NH, and then visited Bedford Mall in Bedford, NH.

In the evening, the President and Mrs. Bush returned to Washington, DC.

February 13

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- the Vice President, for lunch.

The President announced his intention to appoint the following individuals to be members of the Cultural Property Advisory Committee:

Allan S. Chait, of New York, for a term expiring April 25, 1993. He would succeed Alfred E. Stendahl. Currently Mr. Chait serves as president of the Ralph M. Chait Galleries, Inc., in New York, NY.

Edward R. Hudson, Jr., of Texas, for a term expiring April 25, 1994. He would succeed James William Alsdorf. Mr. Hudson is an independent oil producer in Fort Worth, TX.

William E. Martin, of California, for a term expiring April 25, 1993. He would succeed Michael Kelly. Currently Mr. Martin is a detective for the Los Angeles Police Department in Los Angeles, CA.

The President appointed Salvador Bonilla-Mathe, of Florida, to be a member of the Board of Directors of the Federal National Mortgage Association for a term expiring on the date of the annual meeting of the stockholders in 1992. He would succeed Al Cardenas. Since 1988, Mr. Bonilla-Mathe has served as president and chief executive officer of the Gulf Bank in Miami, FL.

The President selected Representative William L. Dickinson, of Alabama, to represent him at the Asian Aerospace '92 exhibition, a conference and airshow to be held in Singapore, February 25 - March 1.

February 14

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Jean Chretien, leader of the Liberal Party of Canada;

-- Easter Seal poster child Mandi Rutherford and adult representative Daniel Giuliano.

Later in the morning, the President signed the American Heart Month proclamation at a ceremony in the Oval Office.

The President announced his intention to nominate Kenneth C. Rogers, of New Jersey, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1997. This is a reappointment. Currently Dr. Rogers serves as Commissioner of the Nuclear Regulatory Commission in Rockville, MD.

The President appointed Gloria E.A. Toote, of New York, to be a member of the Board of Directors of the Federal National Mortgage Association for a term expiring on the date of the annual meeting of the stockholders in 1992. She would succeed Henry C. Cashen II. Currently Dr. Toote serves as president of Trea Estates in New York, NY.

February 15

In the morning, the President and Mrs. Bush traveled to Nashua, NH, where they visited Nashua Mall.

In the afternoon, the President and Mrs. Bush traveled to Manchester, NH, where they met with Bishop Leo O'Neil of the archdiocese of Manchester and toured a fishing and outdoor show at the National Guard Armory.

In the evening, the President and Mrs. Bush visited Temple Adath Yeshurun.

February 16

In the morning, the President and Mrs. Bush attended services at First Congregational Church. Following the service, they greeted Sunday school students and parents.

In the afternoon, they returned to Washington, DC.

February 17

In the morning, the President gave interviews to New Hampshire radio stations.

In the evening, the President gave an interview to New England television stations.

February 18

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Republican congressional leaders;

-- Attorney General William P. Barr, for lunch;

-- Secretary of Veterans Affairs Edward J. Derwinski.

February 19

In the morning, the President traveled to Knoxville, TN.

In the afternoon, the President returned to Washington, DC, and met with:

-- Samuel K. Skinner, Chief of Staff to the President;

-- Secretary of State James A. Baker III.

February 20

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Prime Minister Carl Bildt of Sweden, for lunch;

-- Episcopal Church Foundation officers;

-- Secretary of State James A. Baker III.

In the afternoon, the President hosted the National Republican Senatorial Trust reception on the State Floor.

The President announced his intention to designate Robert John Hughes, of Utah, as Chairperson of the Commission on Broadcasting to the People's Republic of China. Currently Mr. Hughes is a syndicated columnist for the Christian Science Monitor in Provo, UT. He served as Director of the U.S. Information Agency in 1981 and Director of the Voice of America in 1982.

The President announced his intention to appoint the following individuals to be members of the Commission for the Preservation of America's Heritage Abroad:

Judy Baar Topinka, of Illinois, for a term expiring February 27, 1995. This is a reappointment.

Since 1984, Senator Topinka has served in the Illinois State Senate.

Sigmund Strochlitz, of Connecticut, for a term expiring August 9, 1992, succeeding Lawrence J. Majewski, and an additional term expiring August 9, 1995, as a reappointment. Currently Mr. Strochlitz serves as president of Whaling City Ford in New London, CT.

Morris A. Shmidman, of New York, for a term expiring June 24, 1992, and an additional term expiring June 24, 1995. These are reappointments. Currently Rabbi Shmidman serves as executive director of the Council of Jewish Organizations of Borough Park in Brooklyn, NY.

Israel Rubin, of Maryland, for a term expiring August 9, 1993. This is a reappointment. Since 1980, Mr. Rubin has served as a financial consultant in Potomac, MD.

Stan Rose, of Kansas, for a term expiring June 24, 1992, succeeding Norman H. Stahl, and an additional term expiring June 24, 1995, as a reappointment. Mr. Rose has served as chairman and publisher of Sun Publications, Inc., in Overland Park, KS.

Leslie Keller, of New York, for a term expiring August 2, 1993. This is a reappointment. Currently Mr. Keller serves as president of the Emanuel Foundation for Hungarian Culture in Rego Park, NY.

Eugene Huppin, of Washington, for a term expiring June 24, 1992, succeeding Arthur Berney, and an additional term expiring June 24, 1995, as a reappointment. Currently Mr. Huppin is an attorney with the law firm of Huppin, Ewing, Anderson & Paul, P.S., in Spokane, WA.

Joseph Halfon, of New York, for a term expiring February 27, 1995. He would succeed Mary Lou O'Brien. Since 1976, Mr. Halfon has served as principal of Joseph Halfon Realty in Spring Valley, NY.

The President announced his intention to nominate William Bailey, of Connecticut, to be a member of the National Council on the Arts, National Foundation on the Arts and the Humanities, for a term expiring September 3, 1996. He would succeed Helen Frankenthaler. Currently Mr. Bailey is an art professor at the Yale School of Art in New Haven, CT, and is also a painter.

February 21

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III.

In the afternoon, the President traveled to Charleston, SC, and met with southern leaders for the Bush-Quayle campaign. He later returned to Andrews Air Force Base, MD, and then went to Camp David, MD, for the weekend.

The White House announced that the President will meet with Chancellor Kohl of Germany at Camp David during the weekend of March 21 - 22.

February 23

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

February 24

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- the Vice President, for lunch;

-- Secretary of the Treasury Nicholas F. Brady.

February 25

In the morning, the President and Mrs. Bush traveled to San Francisco, CA, and in the afternoon, they traveled to Los Angeles, CA, where they attended the U.S./Mexico Environmental Border Plan Agreement meeting.

The President announced his intention to appoint James B. Furrh, Jr., of Mississippi, to be the Representative of the United States to the Southern States Energy Board. He would succeed Richard Offutt Doub. Currently Mr. Furrh is an independent oil producer with James Furrh, Jr., Inc., Oil & Gas in Jackson, MS.

The President announced his intention to appoint Bernard Cardinal Law, of Massachusetts, to

be a member and Chairman of the Commission on Legal Immigration Reform for the term expiring January 20, 1993. This is a new position. Since 1984, His Eminence Bernard Cardinal Law has served as the Archbishop of Boston.

The President announced his intention to appoint Rear Adm. James E. Miller to be the Department of the Navy member of the Committee for Purchase from the Blind and Other Severely Handicapped. He would succeed Daniel W. McKinnon, Jr. Currently Rear Admiral Miller serves as Commander of the Naval Supply Systems Command and Chief of Supply Corps.

The President declared a major disaster existed in the State of California and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe rainstorms, snowstorms, wind, flooding, and mudslides beginning February 10 - 18.

February 26

In the morning, the President and Mrs. Bush traveled to San Antonio, TX, for the second regional drug summit. The President met at the Marriott Rivercenter Hotel with:

-- President Alberto Fujimori of Peru;

-- President Cesar Gaviria of Colombia;

-- President Rodrigo Borja of Ecuador;

-- President Jaime Paz Zamora of Bolivia.

The President announced his intention to appoint Asher J. Scharf, of New York, to be a member of the Commission for the Preservation of America's Heritage Abroad for a term expiring July 13, 1992, and an additional term expiring July 13, 1995. This is a reappointment. Currently Mr. Scharf is a builder and developer in Brooklyn, NY.

The President announced his intention to appoint Walter Gellhorn, of New York, to be a member of the Council of the Administrative Conference of the United States for a term of 3 years. This is a reappointment. Currently Mr. Gellhorn is a professor emeritus at Columbia University in New York, NY.

The President announced his intention to appoint the following individuals to be members of the Arctic Research Commission:

George B. Newton, of Virginia, for a term of 4 years. This is a new position. Currently Mr. Newton serves as director of the Center for Signature Warfare, Systems Analysis Group,

Systems Planning Corp. in Arlington, VA.

Charles H. Johnson, of Alaska, for a term expiring February 26, 1993. He would succeed Oliver Leavitt. Currently Mr. Johnson serves as president of Denali Financial Services in Nome, AK.

February 27

In the morning, the President had a working breakfast at the Marriott Rivercenter Hotel with President Carlos Salinas of Mexico.

In the afternoon, the President attended a working luncheon with the summit participants at the McNay Art Museum.

Later, the President and Mrs. Bush traveled to Houston, TX. Upon arrival, they went to their residence at the Houstonian Hotel.

The President transmitted to the Congress the 1992 Trade Policy Agenda and 1991 Annual Report on the Trade Agreements Program.

February 28

In the afternoon, the President gave interviews to Dallas television stations at the Houstonian Hotel.

February 29

In the morning, the President and Mrs. Bush traveled to Dallas, TX, and to Atlanta, GA.

In the afternoon, the President attended a Bush-Quayle Georgia leadership meeting and reception at the Marriott Marquis Hotel.

March 1

In the morning, the President and Mrs. Bush attended services at First Baptist Church in Atlanta, GA. Later, the President gave interviews to Atlanta television stations at the Hyatt Regency Hotel. Following the interviews, the President and Mrs. Bush traveled to Savannah, GA. In the afternoon, they returned to Washington, DC.

March 2

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

Later in the morning, the President had an economic briefing in the Oval Office. Following the briefing, he met with:

-- the Vice President, for lunch;

-- Secretary of Defense Richard B. Cheney.

March 3

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

Later, the President traveled to Chicago, IL, where he gave interviews to Chicago television stations at the Hyatt Regency O'Hare Hotel. In the afternoon, the President returned to Washington, DC.

The President declared a major disaster existed in the State of New Jersey and ordered Federal aid to supplement State and local recovery efforts in the area struck by a severe northeast coastal storm on January 4, 1992.

March 4

In the morning, the President traveled to Tampa, FL, where he attended the annual Florida State Strawberry Festival. The President then traveled to Miami, FL.

March 5

In the morning, the President traveled to Columbia, SC. In the afternoon, he traveled to Memphis, TN, and then to Oklahoma City, OK.

The President announced his intention to appoint the following individuals to be members of the National Advisory Council on the Public Service. These are new positions:

John Brademas, of New York. Currently Dr. Brademas serves as president of New York University in New York, NY.

Hal Daub, of Nebraska. Currently Mr. Daub serves as principal and director of Federal Government affairs of Deloitte & Touche, an international accounting firm in Washington, DC. From 1980 to 1988, Mr. Daub served as a U.S. Congressman from the Second District of Nebraska.

Samuel T. Mok, of Maryland. Since 1986, Mr. Mok has served as Comptroller and Chief Financial Officer of the U.S. Department of the Treasury in Washington, DC.

Antonia Coello Novello, of the District of Columbia. Currently Dr. Novello serves as the U.S. Surgeon General in Washington, DC.

Edward Joseph Perkins, of the District of Columbia. Currently Director Perkins serves as Director General of the Foreign Service at the U.S. Department of State in Washington, DC.

Jesse M. Rios, of Illinois. Currently Mr. Rios serves as president of the National Council of Field Labor Locals in Chicago, IL.

Shirin R. Tahir-Kheli, of Pennsylvania. Currently Dr. Tahir-Kheli serves as Alternate Representative of the United States for Special Political Affairs at the United Nations in New York, NY.

Charles Graves Untermeyer, of Texas. Currently Director Untermeyer serves as Associate Director for Broadcasting and Director of the Voice of America in Washington, DC.

March 6

In the morning, the President traveled to Baton Rouge, LA, where he was joined by Mrs. Bush. In the afternoon, they traveled to Jackson, MS, and then to Pensacola, FL.

March 7

In the morning, the President and Mrs. Bush traveled from Pensacola, FL, to Montgomery, AL, where they attended a bass fishing tournament. They then returned to Andrews Air Force Base, MD, and went on to Camp David, MD.

March 9

In the morning, the President and Mrs. Bush returned to the White House from Camp David, MD.

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

Later, the President had a domestic briefing in the Oval Office. Following the briefing, he met with:

-- leaders of Veterans of Foreign Wars, Disabled American Veterans, and the American Legion;

-- Secretary of the Treasury Nicholas F. Brady.

In the afternoon, the President had a telephone conversation with Gov. Bob Miller of Nevada to kick off the Nevada 2000 education initiative.

In the afternoon, the President met in the Roosevelt Room with members of the National Republican Senatorial and Congressional Committees to discuss the President's Dinner, a joint fundraising event.

The President announced his intention to designate the following individuals to the Arkansas-Oklahoma Arkansas River Compact Commission:

United States Commissioner:

Ronald N. Fuller, of Arkansas. He would succeed J.J. Vigneault III. He will serve as Chairman. Currently Mr. Fuller serves as president of Fuller Enterprises in Little Rock, AR.

United States Alternate Commissioner:

Joe M. Allbaugh, of Oklahoma. He would succeed Baren Healey. Currently Mr. Allbaugh serves as deputy secretary of transportation with the Oklahoma Department of Transportation in Oklahoma City, OK.

The President announced his intention to appoint the following individuals to be members of the Cultural Property Advisory Committee for terms expiring April 25, 1994:

Michael Ward, of New York. He would succeed Glenn C. Randall. Since 1983, Dr. Ward has served as founder and director of Michael Ward, Inc., in New York, NY.

James McCredie, of New Jersey. He would succeed Thomas K. Seligman. Currently Dr. McCredie serves as director of the Institute of Fine Arts in New York, NY.

The President announced his intention to appoint the following individuals to be members of the United States Holocaust Memorial Council:

Steven E. Some, of Maryland, for a term expiring January 15, 1995. He would succeed Laurence A. Tisch. Currently Mr. Some serves as president of Steven E. Some Associates in Washington, DC.

Dalck Feith, of Pennsylvania, for a term expiring January 15, 1996. This is a reappointment. Dr. Feith is the owner of Dalco Manufacturing Co. and Lansdale Fisheries, Inc., in Lansdale, PA.

March 10

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Rabbi Abraham Shapiro of Israel;

-- the Vice President, for lunch;

-- select Members of Congress.

The President selected the following individuals to represent him at the Mauritian Republic Day ceremonies in Mauritius, March 12:

Head of Delegation:

Laurie Firestone

Delegates:

Ambassador Penne Korth

Margaret Bush

The President announced his intention to appoint Nien Yuan Yao Cheng, of the District of Columbia, to be a member of the Commission on Broadcasting to the People's Republic of China. This is a new position. Currently Ms. Cheng is an author.

The President announced his intention to appoint the following individuals to be members of the Commission on the Assignment of Women in the Armed Forces. These are new positions:

Robert T. Herres, of Texas. Upon appointment, he will be designated Chairman. Currently General Herres serves as vice chairman and chief operating officer for insurance and information services for USAA Insurance in San Antonio, TX.

Mary E. Clarke, of Alabama. Currently Major General Clarke serves as Chairman of the Advisory Committee on Women Veterans at the Veterans Administration.

Samuel G. Cockerham, of Virginia. Currently Brigadier General Cockerham serves as a consultant for defense, aviation, and strategic mobility systems in Alexandria, VA.

Elaine Donnelly, of Michigan. Currently Ms. Donnelly serves as executive director of the Coalition of Military Readiness in Livonia, MI.

Thomas V. Draude, of Illinois. Currently Brigadier General Draude serves as Director of Public Affairs at the Marine Corps Headquarters in Washington, DC.

Mary M. Finch, of Arizona. Currently Captain Finch is a tactical officer at the U.S. Military Academy, West Point, NY.

William Darryl Henderson, of California. Dr. Henderson most recently served as Commander of the U.S. Army Research Institute in Washington, DC.

James R. Hogg, of Virginia. Currently Mr. Hogg serves as president and chief executive officer of the National Security Industrial Association in Washington, DC.

Newton Minow, of Illinois. Currently Mr. Minow serves as a counsel with the law firm of Sidley and Austin in Chicago, IL.

Charles C. Moskos, of Illinois. Currently Dr. Moskos serves as a professor of sociology at Northwestern University in Evanston, IL.

Meredith Ann Neizer, of Texas. Currently Ms. Neizer serves as systems development trainer at Sealand Services, Inc., in Farmers Branch, TX.

Kate Walsh O'Beirne, of Virginia. Currently Ms. O'Beirne serves as vice president of government relations for the Heritage Foundation in Washington, DC.

Ronald D. Ray, of Kentucky. Currently Mr. Ray is an attorney at law for the firm of Ronald D. Ray, Counsellors at Law in Louisville, KY.

Maxwell R. Thurman, of Virginia. From 1989 to 1990, General Thurman served as Commander in Chief of the U.S. Southern Command in Quarry Heights, Panama.

Sarah F. White, of Virginia. Currently Ms. White serves as executive assistant to the Science Applications International Corp. in McLean, VA.

March 11

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- select Members of Congress;

-- Samuel K. Skinner.

In the afternoon, in a ceremony on the State Floor, the President received diplomatic credentials from Ambassadors Syeda Abida Hussain of Pakistan, Anatol Dinbergs of Latvia, Stasys Lozoraitis of Lithuania, Pita Kewa Nacuva of Fiji, Noureddine Yazid Zerhouni of Algeria, and Vladimir Petrovich Lukin of Russia.

The White House announced that President Bush has invited President Richard von Weizsacker of the Federal Republic of Germany to visit the United States from April 28 to May 3. President von Weizsacker will visit the White House on April 29.

The President announced that the following individuals will represent him at the 36th session of the Commission on the Status of Women in Vienna, Austria, March 11 - 20:

Head of Delegation:

Ambassador Judy McLennan. Currently Ambassador McLennan is the United States Representative to the United Nations Commission on the Status of Women.

Delegates:

Gwendolyn Boeke. Currently Ms. Boeke serves as a Republican national committeewoman from Iowa.

Patricia Harrison. Currently Ms. Harrison serves as a partner with the E. Bruce Harrison Co. and as president of the National Women's Economic Alliance.

Elsie Vartanian. Currently Ms. Vartanian serves as Director of the Women's Bureau at the U.S. Department of Labor in Washington, DC.

Gwendolyn King. Currently Ms. King serves as Administrator of the Social Security Administration.

The President announced his intention to appoint William R. Neale, of Indiana, to be a member of the Council of the Administrative Conference of the United States for a term of 3 years. He would succeed Edward L. Weidenfeld. Currently Mr. Neale serves as a partner with the law firm of Krieg Devault Alexander & Capehart in Indianapolis, IN.

The President announced his intention to appoint George H. Walker IV, of Missouri, to be a member of the Commission on Presidential Scholars. He would succeed Betty L. Holmes. Currently Mr. Walker serves as an associate with the Palmer Group in Philadelphia, PA.

The President appointed David R. Clare, of Florida, to be a member of the President's Drug Advisory Council. He would succeed Albert Vincent Casey. From 1976 to 1989, Mr. Clare served as president and chairman of the executive committee of Johnson & Johnson.

March 12

In the morning, the President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

Later, the President had a domestic briefing in the Oval Office. Following the briefing, he met with:

-- select Members of Congress;

-- Secretary of State James A. Baker III.

In the afternoon, the President went to the Israeli Embassy to sign the book of condolences for former Prime Minister Menachem Begin.

In the evening, the President and Mrs. Bush attended the National Republican Senatorial Committee dinner at the Pension Building.

The President announced his intention to appoint the following individuals to be members of the National Commission on America's Urban Families, to serve for the life of the Commission. These are new positions:

John David Ashcroft, of Missouri. He will be appointed Chairman. Currently Governor Ashcroft serves as the Governor of Missouri.

Annette Strauss, of Texas. She will be appointed Cochairman. From 1987 to 1991, Ms. Strauss served as the Mayor of Dallas, TX.

Victor Ashe, of Tennessee. Currently Mr. Ashe serves as the Mayor of the city of Knoxville, TN.

David Blankenhorn, of New York. Currently Mr. Blankenhorn serves as president of the Institute for American Values in New York, NY.

Alphonso Jackson, of Texas. Currently Mr. Jackson serves as the executive director of the housing authority of the city of Dallas, TX.

Irene Johnson, of Illinois. Currently Ms. Johnson serves as president of LeClaire Courts Resident Management Corp. in Chicago, IL.

Josephine Velazquez, of Florida. Currently Ms. Velazquez is involved with the Florida Guardian Ad Litem Program and is actively involved as chairman of various fundraising projects to benefit the Children's Home Society in Miami, FL.

Bill Wilson, of New York. Currently Mr. Wilson is pastor of the Metro Assembly of God in Brooklyn, NY.

The President announced his intention to designate J. Michael Farrell, of the District of Columbia, to be Chairman of the National Commission on Libraries and Information Science. Mr. Farrell has been a member of the Commission since October 17, 1990. Currently he serves as a partner with the law firm of Manatt, Phelps, Rothenberg & Phillips in Washington, DC.

March 13

In the morning, the President traveled to Kalamazoo, MI, where he toured the Stryker Corp. medical manufacturing facility. Later, he traveled to Detroit, MI. In the afternoon, the President returned to Andrews Air Force Base, MD, and then went to Camp David, MD, for the weekend.

March 15

The President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

March 16

In the morning, the President met at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President traveled to Milwaukee, WI, where he toured the assembly line at Steeltech Manufacturing, Inc. He then traveled to Chicago, IL, where he was joined by Mrs. Bush. In the evening, they returned to Washington, DC.

March 17

In the morning, the President and Mrs. Bush traveled to Bentonville, AR, and returned to Washington, DC, later in the day.

March 18

In the morning, the President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- economic advisers;

-- Secretary of State James A. Baker III.

The President presented the Presidential Citizen's Medal to the families of deceased hostages William Buckley and William R. Higgins in the Oval Office.

The President hosted a reception for the National Republican Congressional Campaign leadership on the State Floor.

The President transmitted to the Congress the annual report of the ACTION Agency for fiscal year 1991.

The President announced his intention to appoint the following individuals to the United States Holocaust Memorial Council for the terms indicated:

Chairman:

Harvey M. Meyerhoff, of Maryland, for a term of 5 years. This is a reappointment. He has served as a member of the Council since 1986. Currently Mr. Meyerhoff serves as chairman of the board of Magna Properties in Baltimore, MD.

Member:

Theodore N. Lerner, of Maryland, for a term expiring January 15, 1996. This is a reappointment. Currently Mr. Lerner serves as president of the Lerner Co. in Bethesda, MD.

The President declared a major disaster existed in the State of Vermont. He ordered Federal aid to supplement State and local recovery efforts in the area struck by heavy rains, ice jams, and flooding on March 11.

March 19

The President met in the morning at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- the Cabinet;

-- the Executive Committee of the Asian American Voters' Coalition;

-- muscular dystrophy poster child, Drew Johnson;

-- the Vice President, for lunch.

In the afternoon, the President and Mrs. Bush hosted a reception for the National Newspaper Association on the State Floor. In the evening, the President and Mrs. Bush attended the Radio and Television Correspondents Association dinner at the Washington Hilton Hotel.

The President announced his intention to appoint the following individuals to serve as members of the United States Commission on Improving the Effectiveness of the United Nations. These are new positions:

Gary E. MacDougal, of Illinois. Since 1969, Mr. MacDougal has served as chairman and chief executive officer of Mark Control Corp. in Chicago, IL.

Richard John Neuhaus, of New York. Currently Mr. Neuhaus serves as director of the Institute of Religion and Public Life in New York, NY.

Harris O. Schoenberg, of New York. Currently Mr. Schoenberg serves as director of United Nations Affairs for B'nai B'rith International in New York, NY.

Jose S. Sorzano, of Virginia. Currently Mr. Sorzano serves as chairman of the Austin Group, Inc., in Arlington, VA. In addition, he has served as Ambassador and U.S. Representative to the United Nations, 1981 - 85.

March 20

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III.

In the afternoon, the President presented the Commander in Chief Trophy to Air Force Academy representatives in the Roosevelt Room. He then addressed the National Federation of Republican Women in the Old Executive Office Building. Later, the President and Mrs. Bush

traveled to Camp David, MD, for the weekend.

The White House announced that the President has invited Prime Minister Michael Manley of Jamaica to the White House for a private dinner on Tuesday, March 24.

The President declared a major disaster existed in the State of Texas. He ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and flooding since March 4.

The President also declared a major disaster existed in the State of Mississippi. He ordered Federal aid to supplement State and local recovery efforts in the areas struck by severe storms and tornadoes on March 9 - 10.

March 21

The President had a morning meeting and a working luncheon with Chancellor Helmut Kohl of Germany at Camp David, MD.

March 22

The President and Mrs. Bush, accompanied by Chancellor and Mrs. Kohl, returned to the White House from Camp David, MD, in the afternoon.

March 23

In the morning, the President met at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff. The President also had a domestic briefing in the Oval Office.

The President had afternoon meetings with:

-- Samuel K. Skinner;

-- Secretary of Defense Richard B. Cheney.

March 24

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft,

Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- the Vice President, for lunch;

-- March of Dimes poster child Edward Michael Eissey;

-- White House news photographers.

In the evening, the President and Mrs. Bush hosted a private dinner in the Residence for Prime Minister Michael Manley of Jamaica.

Press Secretary Fitzwater issued a release stating that the President's only medication is a daily Synthroid pill for his thyroid condition.

The President announced his intention to appoint the following individuals to be members of the National Advisory Council on Indian Education:

Josephus D. Jacobs, of North Carolina, for a term expiring September 29, 1993. He would succeed Helen M. Scheirbeck. From 1970 to 1984, Mr. Jacobs served as a county supervisor for the Farmers Home Administration in Raleigh, NC.

Eddie L. Tullis, of Alabama, for a term expiring September 29, 1994. This is a reappointment. Since 1976, Mr. Tullis has served as chairman of the Poarch Band of Creek Indians in Atmore, AL.

Francis G. Whitebird, of South Dakota, for a term expiring September 29, 1993. He would succeed Ronald P. Andrade. Currently Mr. Whitebird serves as a coordinator for the South Dakota State Indian Affairs Office in Pierre, SD.

Albert A. Yazzie, of Arizona, for a term expiring September 29, 1993. He would succeed Gloria Ann Duus. Since 1980, Mr. Yazzie has served as superintendent for the Ganado Unified Schools, District 20, in Ganado, AZ.

Sergio A. Maldonado, of Arizona, for a term expiring September 29, 1992. He would succeed Omar J. Lane. Since 1985, Mr. Maldonado has served as an Indian education supervisor for the Federal programs of the Tempe Elementary District 3 in Tempe, AZ.

William D. Edmo, Sr., of Idaho, for a term expiring September 29, 1992. He would succeed Andrea L. Barlow. From 1989 to 1990, Dr. Edmo served as a grantsmanship specialist with

Shoshone-Bannock Tribes, Inc., in Fort Hall, ID.

Sacajawea Ramona Tecumseh, of Iowa, for a term expiring September 29, 1992. She would succeed Robert Keams Chiago. Currently Ms. Tecumseh is a doctoral student at Arizona State University in Tempe, AZ.

Theresa Farley Neese, of Oklahoma, for a term expiring September 29, 1992. She would succeed Marie Cox. Ms. Neese has served as director of small business and chief lobbyist for the Oklahoma State Chamber of Commerce and Industry in Oklahoma City, OK.

The President announced his intention to nominate the following individuals to be members of the National Science Board, National Science Foundation:

For terms expiring May 10, 1998:

F. Albert Cotton, of Texas. This is a reappointment. Currently Dr. Cotton serves as a Robert A. Welch distinguished professor of chemistry and director of the laboratory for molecular structure and bonding at the department of chemistry of Texas A&M University in College Station, TX.

James L. Powell, of Pennsylvania. This is a reappointment. Currently Dr. Powell serves as president and chief executive officer of the Franklin Institute in Philadelphia, PA.

Charles Edward Hess, of California. He would succeed John C. Hancock. Currently Dr. Hess serves as a professor of agriculture and environmental science at the University of California at Davis.

John Hopcroft, of New York. He would succeed Frederick Phillips Brooks. Currently Dr. Hopcroft serves as a professor in the department of computer science at Cornell University in Ithaca, NY.

Frank H.T. Rhodes, of New York. Currently Dr. Rhodes serves as president of Cornell University in Ithaca, NY.

For the remainder of the term expiring May 10, 1992, succeeding Mary Lowe Good, and an additional term expiring May 10, 1998, as a reappointment:

Richard Neil Zare, of California. Currently Dr. Zare serves as a Marguerite Blake Wilbur professor of chemistry at Stanford University in Stanford, CA.

March 25

The President met in the morning at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President had afternoon meetings with:

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III.

March 26

In the afternoon, the President had a domestic briefing in the Oval Office and then met with Samuel K. Skinner, Chief of Staff to the President. Later, the President hosted a reception for Republican Senators on the State Floor.

The President announced his intention to appoint the following individuals to be members of the Commission for the Preservation of America's Heritage Abroad:

Julius Berman, of New York, for a term expiring August 17, 1992, and an additional term expiring August 17, 1995. This is a reappointment. Currently Mr. Berman serves as executive vice president and chief legal officer of the Olympia and York Companies in New York, NY.

Hertz Frankel, of New York, for a term expiring July 13, 1993. He would succeed Gerald E. Rosen. Currently Mr. Frankel serves as director of Bedford-Harrison Day Care in Brooklyn, NY.

The President announced his intention to nominate Bruce D. Goodman, of Pennsylvania, to be a Commissioner of the Copyright Royalty Tribunal, for a term of 7 years. He would succeed Mario F. Aguero. Currently Mr. Goodman serves as president of FYI Network, Inc., a cable television programming channel in Washington, DC.

March 27

The President met in the morning at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of State James A. Baker III.

Later, the President taped a radio address for broadcast on March 28.

In the afternoon, the President met with the Latin Builders Association.

The White House announced that the President will meet with President Francesco Cossiga of Italy on April 7.

The President announced his intention to nominate the following individuals to be members of the National Council on the Humanities for terms expiring January 26, 1998:

Paul A. Cantor, of Virginia. He would succeed Aram Bakshian, Jr. Currently Dr. Cantor serves as a professor of English at the University of Virginia in Charlottesville, VA.

Bruce Cole, of Indiana. He would succeed Alvin H. Bernstein. Currently Dr. Cole serves as a distinguished professor of fine arts with the Hope School of Fine Arts at Indiana University in Bloomington, IN.

Joseph H. Hagan, of Massachusetts. He would succeed Paul J. Olscamp. Currently Dr. Hagan serves as president of Assumption College in Worcester, MA.

Theodore S. Hamerow, of Wisconsin. He would succeed John Shelton Reed, Jr. Dr. Hamerow has served as professor emeritus and chairman of the department of history at the University of Wisconsin in Madison, WI.

Alicia Juarrero, of Maryland. She would succeed Robert Hollander. Since 1975, Dr. Juarrero has served as a professor of philosophy at Prince George's Community College in Largo, MD.

Alan Charles Kors, of Pennsylvania. He would succeed Carolynn Reid-Wallace. Currently Dr. Kors serves as a professor of history at the University of Pennsylvania in Philadelphia, PA.

Condoleezza Rice, of California. She would succeed David Lowenthal. Currently Dr. Rice serves as a professor of political science at Stanford University in Stanford, CA.

John R. Searle, of California. He would succeed Robert B. Stevens. Since 1967, Dr. Searle has served as a professor of philosophy at the University of California in Berkeley, CA.

March 28

In the evening, the President and Mrs. Bush attended the Gridiron Dinner at the Capital Hilton Hotel.

March 30

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- domestic advisers;

-- the Vice President, for lunch;

-- Secretary of the Treasury Nicholas F. Brady.

In the evening, the President and Mrs. Bush attended the Youth for Tomorrow gala at the Kennedy Center.

March 31

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III.

The President transmitted to Congress the 26th annual report of the Department of Housing and Urban Development for calendar year 1990.

The President announced his intention to appoint the following individuals to be members of Emergency Boards Nos. 220, 221, 222, to investigate railroad labor disputes:

Benjamin Aaron, of Santa Monica, CA. Mr. Aaron will serve as the Chairman of all three Boards. Currently he is a professor of law at the University of California at Los Angeles School of Law and an arbitrator in numerous industries.

David Twomey, of Quincy, MA. Mr. Twomey will be a member of all three Boards. He currently is an arbitrator and a professor at the Boston College School of Management.

Eric J. Schmertz, of Riverdale, NY. Mr. Schmertz will be a member of all three Boards. Currently he is a professor of law at the Hofstra School of Law and an arbitrator in numerous industries.

Arnold M. Zack, of Boston, MA. Mr. Zack will be a member of the two Boards handling the Conrail and Amtrak disputes. He currently serves as arbitrator and mediator in numerous industries.

Preston Jay Moore, of Oklahoma City, OK. Mr. Moore will be a member of the two Boards handling the Conrail and Amtrak disputes. He currently serves as an arbitrator in numerous industries.

April 1

The President met at the White House with:

-- former President Jimmy Carter;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- economic advisers.

In the evening, the President and Mrs. Bush attended the National Republican Senatorial Committee Roundtable dinner at the National Museum of Women in the Arts.

April 2

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- domestic advisers;

-- Secretary of State James A. Baker III;

-- Hispanic leaders.

In an afternoon ceremony in the Oval Office, the President received diplomatic credentials from Ambassadors Mohamed Fall Ainina of Mauritania, Berhane Gebre-Christos of Ethiopia, Takakazu Kuriyama of Japan, and Acheikh Ibn Oumar Said of Chad.

April 3

In the morning, the President met at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff. He then taped a radio address for broadcast on April 4.

Later, the President traveled to Philadelphia, PA, and then to Camp David, MD, where he was joined by Mrs. Bush.

The President announced his intention to designate Susan M. Coughlin, of Pennsylvania, to be Vice Chairman of the National Transportation Safety Board for a term of 2 years. She has served as Vice Chairman since June 21, 1990. From 1987 to 1990, Ms. Coughlin served as Deputy Federal Railroad Administrator at the U.S. Department of Transportation in Washington, DC.

The President announced his intention to nominate Carl W. Vogt, of Maryland, to be a member of the National Transportation Safety Board for the term expiring December 31, 1996. He would succeed James L. Kolstad. He will also be nominated to be Chairman for a term of 2 years. Currently Mr. Vogt serves as partner-in-charge with the law firm of Fulbright & Jaworski in Washington, DC.

April 6

In the morning, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

In the afternoon, the President traveled to Baltimore, MD, where he attended the opening day baseball game at the new Oriole Park at Camden Yards. Following the game, the President returned to Washington, DC.

April 7

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

April 8

In the morning, the President participated in Great American Read-Aloud Day by reading to students from St. Peter's School, Washington, DC, in the Diplomatic Reception Room at the White House.

Later, the President met with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Postmaster General Anthony Frank;

-- Secretary of State James A. Baker III.

In the evening, the President and Mrs. Bush hosted a reception for the Republican National Committee Eagles on the State Floor.

The President announced his intention to appoint Victor H. Ashe, Mayor of Knoxville, TN, to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. This is a reappointment.

The President announced his intention to appoint Jeannine Smith Clark, of the District of Columbia, to be a member of the Commission of Fine Arts for a term of 4 years. She would succeed Pascal Regan. Currently Ms. Clark serves as a member of the Board of Regents at the Smithsonian Institution in Washington, DC.

The President has selected the following individuals to represent him at the 50th anniversary observance of the fall of Bataan in the Philippines, April 9:

Head of Delegation:

Ambassador Frank Wisner, of the District of Columbia. Currently Ambassador Wisner serves as the U.S. Ambassador to the Philippines.

Delegates:

Paul Blanco, of California. Currently Dr. Blanco serves as chairman of the National Organization of Filipino-American Republicans.

William Edwards, of Mississippi. Commander Edwards is a World War II veteran and retired naval commander.

April 9

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- domestic advisers;

-- McDonald's Capitol Classic all-star high school basketball teams;

-- the Vice President, for lunch;

-- Secretary of Health and Human Services Louis Sullivan and FDA Commissioner David Kessler.

In the evening, the President and Mrs. Bush hosted a reception for the Republican National Committee Eagles on the State Floor.

April 10

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- State Lieutenant Governors;

-- Secretary of State James A. Baker III.

Later, the President taped a radio address for broadcast on April 11.

In the afternoon, the President met with Prime Minister Marian Calfa of Czechoslovakia. The President and Mrs. Bush then went to Camp David, MD, for the weekend.

April 12

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

April 13

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- domestic advisers;

-- select Cabinet members, for lunch;

-- representatives of the law enforcement community;

-- Secretary of Defense Dick Cheney.

The President announced his intention to nominate Philip Brunelle, of Minnesota, to be a member of the National Council on the Arts for the remainder of the term expiring September 3, 1994. He would succeed Phyllis Curtain. Currently Mr. Brunelle serves as artistic director and founder of the Plymouth Music Series of Minnesota in Minneapolis, MN.

April 14

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

In the afternoon, the President traveled to Fraser, MI, where he toured the assembly line of Giddings & Lewis, Inc. Following the tour, the President traveled to Dearborn, MI. In the evening, he returned to Washington, DC.

The President announced his intention to nominate Thomas Grady, of Massachusetts, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1994. This is a reappointment. Currently Mr. Grady serves as a partner with the law firm of Grady & Dwyer in Washington, DC.

The President announced his intention to appoint the following individuals to be members of the National Commission for Employment Policy for the terms indicated. These are reappointments:

Roger J. Whyte, of Maryland, for a term expiring March 20, 1995. Currently Mr. Whyte serves as vice president of A.T. Kearney Executive Search in Washington, DC.

Henri S. Rauschenbach, of Massachusetts, for a term expiring February 19, 1995. Currently Senator Rauschenbach serves as a Massachusetts State senator.

April 15

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- economic advisers;

-- the Vice President, for lunch;

-- Secretary of State James A. Baker III.

The President named Secretary of Defense Dick Cheney and Secretary of Education Lamar Alexander to be his personal representatives to the celebration of Australian-American Friendship Week and the commemoration of the 50th anniversary of the Battle of the Coral Sea.

The President declared a major disaster existed in the State of Illinois and ordered Federal aid to supplement State and local recovery efforts in the area struck by flooding beginning on April 13.

April 16

In the morning, the President taped a radio address at the White House for broadcast on April 18. He then met with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- members of the Satmar community.

Later, the President traveled to Allentown, PA, where he met with the leadership of the Lehigh Valley 2000 education initiative. Following his remarks to the Lehigh Valley 2000 community, the President traveled to Kennebunkport, ME, for the Easter weekend. He was joined by Mrs. Bush at their home on Walker's Point.

The President announced his intention to appoint the following individuals:

Charles C. Krueger, of New York, to be a Commissioner of the United States section of the Great Lakes Fishery Commission for a term of 6 years. This is a reappointment. Currently Dr. Krueger serves as an associate professor in the department of natural resources at Cornell University in Ithaca, NY.

Harry H. Whiteley, of Michigan, to be Alternate Commissioner of the United States section of the Great Lakes Fishery Commission. He would succeed Robert L. Athey. Currently Mr. Whiteley owns Harry H. Whiteley Associates in Rogers City, MI.

April 20

In the morning, the President and Mrs. Bush traveled from their home in Kennebunkport, ME, to Columbus, OH. Following the opening of the AmeriFlora '92 Exposition, they returned to Washington, DC.

The President held afternoon meetings with:

-- Secretary of the Treasury Nicholas F. Brady;

-- Samuel K. Skinner, Chief of Staff to the President.

The President announced his intention to nominate Steven Manaster, of Utah, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1997. He would succeed Fowler C. West. Currently Dr. Manaster serves in the University of Utah department of finance as a professor and as a Wasatch advisors distinguished faculty scholar in Salt Lake City, UT.

The President announced his intention to nominate Pamela J. Turner, of the District of Columbia, to be a member of the U.S. Advisory Commission on Public Diplomacy for a term expiring July 1, 1995. This is a reappointment. Currently Ms. Turner serves as vice president of government relations for the National Cable Television Association in Washington, DC.

April 21

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- national evangelical leaders;

-- the Vice President, for lunch;

-- Samuel K. Skinner.

The President announced his intention to nominate Tony Armendariz, of Texas, to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 29, 1997. This is a reappointment. Since 1989, Mr. Armendariz has served as a member of the Federal Labor Relations Authority in Washington, DC.

April 22

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III.

April 23

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- domestic advisers.

In the evening, the President and Mrs. Bush hosted a reception for the 60th anniversary of the Folger Shakespeare Library on the State Floor.

April 24

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III.

In the afternoon, the President met with the AMVETS leadership. Later he and Mrs. Bush traveled to Camp David, MD, for the weekend.

The White House announced that Prime Minister Brian Mulroney of Canada will meet with the President on May 20 in Washington, DC.

The President announced his intention to appoint Charles G. Palm, of California, to be a member of the National Historical Publications and Records Commission for a term expiring December 26, 1995. This is a reappointment. Currently Mr. Palm serves as archivist and deputy director of the Hoover Institution at Stanford University in Stanford, CA.

The President announced his intention to appoint the following individuals to be Commissioners of the Franklin Delano Roosevelt Memorial Commission:

Irving Berlin, of Illinois. He would succeed Calvin M. Whitesell. Currently Mr. Berlin owns

Irving Berlin, Ltd., in Chicago, IL.

Doris H. McClory, of Illinois. She would succeed Jennings Randolph. From 1960 to 1969, Ms. McClory served as an associate producer with Goodson-Todman Productions.

Carol M. Palmer, of Maryland. She would succeed Eugene J. Keogh. Since 1984, Ms. Palmer has served as a legal administrator with the law firm of Preston, Thorgrimson, Ellis & Holman in Washington, DC.

David B. Roosevelt, of Texas. He would succeed Edmund G. ``Pat'' Brown. Currently Mr. Roosevelt serves as executive vice president and chief executive officer of Morse, Williams & Co. in New York, NY.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee on the Arts, John F. Kennedy Center for the Performing Arts:

Abbey J. Butler, of New York. He would succeed Martha B. Zeder. Currently Mr. Butler serves as president of C.B. Equities Capital Corp. and cochairman of the FoxMeyer Corp. in New York, NY.

Herbert F. Collins, of Massachusetts. He would succeed Naomi Zeavin. Currently Mr. Collins serves as chairman of the board and cofounder of Boston Capital Partners, Inc., in Boston, MA.

Robert E. Gable, of Kentucky. He would succeed James Thompson. Currently Mr. Gable serves as chairman of the board of the Stearns Co. in Lexington, KY.

The White House announced that the President accorded Frederick Morris Bush, of Maryland, the personal rank of Ambassador during his tenure as Commissioner General of the U.S. exhibition at the Universal Exposition in Seville, Spain.

April 26

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

April 27

In the morning, the President met at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President then traveled to Miami, FL, and Charlotte, NC. In the evening, he returned to Washington, DC.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee to the Pension Benefit Guaranty Corporation:

W. Gordon Binns, Jr., of New York, for a term expiring February 19, 1995. This is a reappointment. Currently Mr. Binns serves as vice president and chief investment funds officer for the General Motors Corp. in New York, NY.

Kenneth Keene, of Connecticut, for a term expiring February 19, 1995. This is a reappointment. From 1972 to 1984, Mr. Keene served as a member of the board of directors of Johnson & Higgins.

Stephen F. Keller, of California, for a term expiring February 19, 1995. This is a reappointment. Currently Mr. Keller serves as an attorney with the law firm of Fulbright & Jaworski in Los Angeles, CA.

April 28

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Republican congressional leaders;

-- National Science Bowl winners;

-- the 1992 Big Brother and Big Sister;

-- select Cabinet members, for lunch.

April 29

In the morning, the President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

He met in the afternoon with Secretary of State James A. Baker III.

April 30

In the morning, the President signed the Executive order on infrastructure privatization in a ceremony in the Oval Office. He then met with:

-- the Vice President, Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Senator and Mrs. Connie Mack, Cancer Courage Award recipients.

In the afternoon, the President traveled to Columbus, OH, and returned to Washington, DC, in the evening.

The President announced his intention to appoint the following individuals to be members of the Commission for the Preservation of America's Heritage Abroad:

Arthur Schneier, of New York, for a term expiring February 27, 1995. This is a reappointment. Upon appointment, he will be designated Chairman. Currently Rabbi Schneier serves as senior rabbi of the Park East Synagogue in New York, NY.

Dov S. Zakheim, of Maryland, for a term expiring February 27, 1995. This is a reappointment. Currently Dr. Zakheim serves as chief executive officer with the System Planning Corp. in Arlington, VA.

May 1

The President met in the morning at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- civil rights community leaders;

-- Secretary of State James A. Baker III.

In the afternoon, the President signed the Law Day proclamation in a ceremony in the Roosevelt Room. He then met with Goldman Environmental Prize winners in the Oval Office.

The President appointed the following individuals to be members of the Board of Visitors to the United States Naval Academy:

Catherine C. Colgan, of Virginia, for a term expiring December 30, 1994. She would succeed Arthur B. Culvahouse, Jr. Currently Ms. Colgan serves as president of Colgan Communications in Virginia Beach, VA.

Frederick D. McClure, of Texas, for a term expiring December 30, 1994. He would succeed John Chatfield Tuck. Currently Mr. McClure serves as managing director of the First Southwest Co. in Dallas, TX.

In the evening, the President and Mrs. Bush traveled to Camp David, MD, for the weekend.

May 2

The President declared a major disaster existed in the county and the city of Los Angeles, CA, and ordered Federal aid to supplement State and local recovery efforts in Los Angeles County, affected by fires during a period of civil disturbances beginning on April 29.

May 3

The President and Mrs. Bush, accompanied by several family members, attended morning church services at the Camp David Evergreen Chapel, where Lt. John Frusti, Camp David chaplain, offered a prayer of reconciliation.

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

May 4

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- senior domestic advisers;

-- North American members of the Council for Sustainable Development;

-- the asthma and allergy poster child.

In the afternoon, the President met with Secretary of the Treasury Nicholas F. Brady. Later, he attended the National Rehabilitation Hospital fundraiser at the Avenel Club in Potomac, MD.

The President declared a major disaster existed in the State of California and ordered Federal aid to supplement State and local recovery efforts in the area struck by earthquakes and aftershocks beginning on April 25.

The President announced his intention to appoint Paul A. Vander Myde, of Virginia, to be a member of the Council of the Administrative Conference of the United States for a term of 3 years. He would succeed R. Carter Sanders, Jr. Currently Mr. Vander Myde serves as vice president for corporate affairs of the VSE Corp. of Alexandria, VA.

The President announced his intention to designate Harold P. Freeman, of New York, as Chairman of the President's Cancer Panel for a term of one year. This is a reappointment. Currently Dr. Freeman serves as director of surgery at the Harlem Hospital in New York, NY.

The President announced his intention to appoint Charles B. Wilson, of California, to be a member of the National Cancer Advisory Board for a term expiring March 9, 1998. He would succeed Kenneth Olden. Currently Dr. Wilson serves as director of the Brain Tumor Research Center at the University of California in San Francisco, CA.

The President announced his intention to appoint Amoretta M. Hoeber, of Virginia, to be a Representative of the United States of America on the Joint Commission on the Environment, established by the Panama Canal Treaty of 1977, for a term of 3 years. She would succeed Norman C. Roberts. Currently Ms. Hoeber serves as senior staff member of TRW Environmental Safety System, Inc., in Fairfax, VA.

May 5

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Housing and Urban Development Jack Kemp, Secretary of Labor Lynn M. Martin, Secretary of Health and Human Services Louis W. Sullivan, and Attorney General William P. Barr.

The President also met with the Senate Republican Conference at the Capitol and then returned to the White House for lunch with the Vice President.

In an afternoon ceremony on the State Floor, the President received diplomatic credentials from Ambassadors Aurel-Dragos Munteanu of Romania, Juan Esteban Aguirre of Paraguay, and Oleh Bilorus of Ukraine.

May 6

The President met at the White House with:

-- Secretary of State James A. Baker III;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, President Bush and President Leonid Kravchuk of Ukraine went to Camp David, MD, for a brief visit.

In the evening, the President traveled to Los Angeles, CA.

May 7

In the morning, the President toured the area damaged by the civil disturbances in south central Los Angeles.

The President held meetings with:

-- State and local officials;

-- Hispanic economic development leaders;

-- the Presidential task force on civil disturbances in Los Angeles.

The President accorded Jay Van Andel, of Michigan, the personal rank of Ambassador during his tenure as Commissioner General of the United States pavilion at the International Exposition in Genoa, Italy. Currently Mr. Van Andel serves as chairman of the board of

Amway Corp. in Ada, MI.

May 8

Following his morning address to Los Angeles community groups, the President returned to Washington, DC.

The President announced his intention to appoint Henry Clement Pitot III, of New York, to be a member of the President's Cancer Panel for a term expiring February 20, 1995. He would succeed Geza J. Jako. Currently Dr. Pitot serves as professor of oncology and pathology at the McArdle Laboratory for Cancer Research at the University of Wisconsin Medical School in Madison, WI.

May 9

In the evening, the President and Mrs. Bush attended the White House Correspondents Association dinner at the Washington Hilton Hotel.

May 11

The President held morning meetings at the White House with:

-- Secretary of Defense Dick Cheney;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

In the afternoon, the President traveled to Philadelphia, PA, where he attended a briefing with members of the Violent Traffickers Project and met with residents of the Spring Garden neighborhood. In the evening, he returned to Washington, DC.

May 12

In the morning, the President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- congressional leaders.

May 13

The President held morning meetings at the White House with:

-- Secretary of State James A. Baker III;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

In the afternoon, the President met with Prime Minister Esko Aho of Finland. The President then traveled to Baltimore, MD, where he toured the East Baltimore Medical Center, and returned to Washington, DC, in the late afternoon.

The President announced his intention to appoint Andrew H. Card, Jr., Secretary of Transportation, to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. He would succeed Samuel K. Skinner.

The President announced his intention to appoint the following individuals to be members of the National Commission for Employment Policy:

Robert O. Snelling, Sr., of Texas, for a term expiring September 30, 1994. He would succeed A. Wayne Roberts. Mr. Snelling is currently chairman of the board and president of Snelling and Snelling, Inc., in Dallas, TX.

Charles G. Bakaly, Jr., of California, for a term expiring September 30, 1994. He would succeed James W. Winchester. Mr. Bakaly is currently a senior partner with the firm of O'Melveny & Myers in Los Angeles, CA.

James J. Lack, of New York, for a term expiring September 30, 1994. He would succeed Jerry J. Naylor. Since 1979, Mr. Lack has been a New York State senator.

The President announced his intention to appoint the following individuals to be members of the Federal Service Impasses Panel for terms expiring on January 10, 1997. These are reappointments:

N. Victor Goodman, of Ohio. Currently Mr. Goodman serves as a partner with the law firm of Benesch, Friedlander, Coplan and Aronoff in Columbus, OH.

Daniel H. Kruger, of Michigan. Currently Dr. Kruger serves as a professor of industrial relations at Michigan State University in East Lansing, MI.

The President announced his intention to appoint the following individuals to be members of the U.S. Nuclear Waste Technical Review Board:

John E. Cantlon, of Michigan, for a term expiring April 19, 1996. This is a reappointment. Upon appointment, he will be designated Chairman. From 1975 to 1991, Dr. Cantlon served as vice president for research and graduate studies at Michigan State University in East Lansing, MI.

Clarence R. Allen, of California, for a term expiring April 19, 1996. This is a reappointment. Currently Dr. Allen serves as a professor of geology and geophysics at the California Institute of Technology in Pasadena, CA.

Gary Brewer, of Michigan, for a term expiring April 19, 1996. He would succeed Melvin W. Carter. Currently Dr. Brewer serves as professor of resource policy and management and dean of the School of Natural Resources at the University of Michigan in Ann Arbor, MI.

The President today announced his intention to appoint the following individuals to be members of the President's National Security Telecommunications Advisory Committee:

John N. McMahon, of California. He would succeed R. A. Fuhrman. Currently Mr. McMahon serves as president of Lockheed Missiles and Space Systems Group and president of Lockheed Missiles & Space Co. in Calabasas, CA.

D. Travis Engen, of Connecticut. He would succeed Rand V. Araskog. Currently Mr. Engen serves as executive vice president of the ITT Corp. in New York, NY.

May 14

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- economic advisers;

-- Samuel K. Skinner;

-- the multiple sclerosis Mother and Father of the Year;

-- select Cabinet members, for lunch.

May 15

The President held a morning meeting at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff. Later, the President traveled to Pittsburgh, PA, where he met with community leaders.

In the afternoon, the President traveled to Houston, TX.

May 17

In the morning, the President traveled from Houston, TX, to South Bend, IN, and returned to Washington, DC, in the evening .

May 18

The President met at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff. Later, he signed the Older Americans Month proclamation at a ceremony in the Oval Office.

The President held afternoon meetings with:

-- Cabinet members;

-- Secretary of the Treasury Nicholas F. Brady;

-- Samuel K. Skinner.

May 19

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

The President declared a major disaster existed in the Commonwealth of Virginia and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and flooding on April 21 - 22.

May 20

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III.

The President appointed the following individuals to be members of the Board of Directors of the Federal National Mortgage Association for terms ending on the date of the annual meeting of the stockholders in 1993. These are reappointments:

Christine M. Diemer, of California. Currently Ms. Diemer serves as executive director of the Building Industry Association in Santa Ana, CA.

Gloria E.A. Toote, of New York. Currently Ms. Toote serves as president of Trea Estates in New York, NY.

George L. Clark, Jr., of New York. Currently Mr. Clark serves as president of George L. Clark, Inc., in Brooklyn, NY.

Salvador Bonilla-Mathe, of Florida. Currently Mr. Bonilla-Mathe serves as president and chief executive officer of the Gulf Bank in Miami, FL.

J. Brian Gaffney, of Connecticut. Currently Mr. Gaffney serves as a partner with the law firm of Gaffney, Pease & DiFabio in New Britain, CT.

The President declared an emergency existed in the Federated States of Micronesia and ordered Federal aid to supplement State and local recovery efforts in the area struck by drought beginning March 30.

May 21

The President held a morning meeting at the White House with the Vice President; Samuel K.

Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President traveled to Cleveland, OH, where he met with community leaders, and then to Westchester, NY.

In the evening, the President traveled to Kennebunkport, ME, where he was joined by Mrs. Bush for the Memorial Day holiday weekend.

The President announced that David J. Beightol has been named Executive Director of the Presidential Task Force on Los Angeles Recovery. On Monday, May 4, 1992, the President established a task force of Cabinet deputies and other key Federal officials to assist the recovery of Los Angeles. The President appointed David T. Kearns, Deputy Secretary, Department of Education, and Alfred A. DelliBovi, Deputy Secretary, Department of Housing and Urban Development as cochairmen of the task force.

The President announced his intention to appoint Lee J. Weddig, of Maryland, to be a U.S. Commissioner on the International Commission for the Conservation of Atlantic Tunas for a term of 3 years. This is a reappointment. Currently Mr. Weddig serves as executive vice president of the National Fisheries Institute in Arlington, VA.

The President appointed the following individuals to be members of the Board of Directors of the Federal Home Loan Mortgage Corporation for the terms expiring on the date of the next annual meeting of the common stockholders in 1993:

George L. Argyros, of California. This is a reappointment. Currently Mr. Argyros serves as president and chief executive officer of the Arnel Development Co. in Costa Mesa, CA.

Thomas Ludlow Ashley, of the District of Columbia. This is a reappointment. Currently Mr. Ashley serves as president of the Association of Bank Holding Companies in Washington, DC.

Armando J. Bucelo, Jr., of Florida. This is a reappointment. Currently Mr. Bucelo serves as an attorney with the law offices of Armando J. Bucelo, Jr., in Miami, FL.

Shannon Fairbanks, of the District of Columbia. This is a reappointment. Currently Ms. Fairbanks serves as executive vice president of the American Real Estate Group in Washington, DC.

May 25

In the morning, the President and Mrs. Bush participated in a Memorial Day ceremony at the American Legion post in Kennebunkport, ME.

In the afternoon, they returned to Washington, DC, from a holiday weekend stay at their home in Kennebunkport.

May 26

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- domestic advisers;

-- the Vice President, for lunch;

-- Blue Angels pilots.

May 27

In the morning, the President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

The President traveled to Annapolis, MD, and returned to Washington, DC, in the afternoon. He then met with Mayor Teddy Kollek of Jerusalem.

Later, the President traveled to Atlanta, GA, and returned to Washington, DC, in the evening.

May 28

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III.

In the afternoon, the President traveled to Phoenix, AZ, where he addressed Arizona delegates to the Republican Party Convention. In the evening, the President traveled to Los Angeles, CA.

The President announced his intention to nominate Marshall Lee Miller, of Virginia, to be a member of the U.S. Advisory Commission on Public Diplomacy for a term expiring July 1, 1994. He would succeed Edwin J. Feulner, Jr. Currently Mr. Miller serves as a partner with the law firm of Baker and Hostetler in Washington, DC.

The President announced his intention to nominate Max M. Kampelman, of the District of Columbia, to be a member of the Board of Directors of the United States Institute of Peace for a term expiring January 19, 1995. He would succeed Morris I. Leibman. Currently Dr. Kampelman serves as a partner with the law firm of Fried, Frank, Harris, Shriver and Jacobson in Washington, DC.

May 29

In the morning, the President met with State and local officials in Los Angeles, CA.

In the afternoon the President met with former President Ronald Reagan.

The President announced his intention to appoint James Robert Beall, of Virginia, to be a member of the Interstate Commission on the Potomac River Basin. He would succeed Frank J. Donatelli. Currently Mr. Beall serves as an associate and project manager of William H. Gordon and Associates in Woodbridge, VA.

The President announced his intention to appoint Norman R. Augustine, of Maryland, to be Governor on the Board of Governors of the American National Red Cross, for a term of 3 years. He would succeed George F. Moody. He will also be designated as principal officer of the Corporation. Currently Mr. Augustine serves as chairman and chief executive officer of the Martin Marietta Corp. in Bethesda, MD.

May 30

In the morning, the President traveled from Los Angeles to Fresno, CA, where he held a roundtable discussion with agricultural leaders at Fresno Airport. He then toured the Simpson Vineyard and was briefed on vineyard water technology.

In the afternoon, the President traveled to Dallas, TX. In the evening, he returned to Andrews Air Force Base, MD, and then went to Camp David, MD, for the remainder of the weekend.

June 1

In the afternoon, the President traveled from Camp David, MD, to the Goddard Space Flight Center in Greenbelt, MD, where he participated in a tour and briefing. He then returned to Washington, DC.

June 2

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- bipartisan congressional leaders.

In the evening, the President and Mrs. Bush hosted a barbecue for members of Congress on the South Lawn.

The President announced his intention to appoint the following individuals to be members of the Federal Council on the Aging for a term of 3 years:

Max L. Friedersdorf, of Florida. He would succeed Normen E. Wymbs. Upon appointment, he will be designated chairman. Currently Mr. Friedersdorf serves as chairman of the advisory board of the Association of Retired Americans.

Charles W. Kane, of Florida. He would succeed June Allyson. Currently Mr. Kane serves as a member of the advisory council of the department of elder affairs for the State of Florida.

The President announced his intention to appoint the following individuals to be Governors of the Board of the Governors, American National Red Cross, for terms of 3 years. These are reappointments:

James Addison Baker III, Secretary of State

Dick Cheney, Secretary of Defense

Louis W. Sullivan, Secretary of Health and Human Services

June 3

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III;

-- Balanced Budget Amendment Coalition members;

-- former Finance Minister Edouard Balladur of France.

June 4

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Eastern Caribbean leaders.

The President and Mrs. Bush had lunch with the Vice President and Mrs. Quayle at the Naval Observatory.

Later in the afternoon, the President met with Special Emissary Shin Kanemaru of Japan.

The President has selected the following individuals to represent him at the inauguration of the new President of Mali, June 8:

Head of Delegation:

Louis W.Sullivan, Secretary of Health and Human Services

Delegate:

Frank Royal, of Virginia.

The President appointed the following individuals to be members of the J. William Fulbright Foreign Scholarship Board for the terms indicated:

George Stuart Heyer, Jr., of Texas, for a term expiring September 22, 1994. He would succeed James Robert Whelan. Currently Dr. Heyer serves as a professor of history of doctrine at the Austin Presbyterian Theological Seminary in Austin, TX.

Daniel Pipes, of Pennsylvania, for a term expiring September 22, 1994. He would succeed Nelson V. Nee. Currently Dr. Pipes serves as director of the Foreign Policy Research Institute in Philadelphia, PA.

Esther Lee Yao, of Texas, for a term expiring September 22, 1993. She would succeed Philip N. Marcus. Currently Dr. Yao serves as an associate professor at the University of Houston at Clear Lake in Houston, TX.

The President announced his intention to nominate Mary Mohs, of Wisconsin, to be a member of the National Museum Services Board for a term expiring December 6, 1994. She would succeed Marilyn Logsdon Mennello. Currently Ms. Mohs serves as vice chairman of the Henry Vilas 200 Commission and chairman of the Madison Landmarks Commission in Madison, WI.

The President announced his intention to appoint Pat M. Stevens IV, Brigadier General, U.S. Army, to be a United States Commissioner to the Red River Compact Commission. He would succeed Thomas Allen Sands. Currently Mr. Stevens serves as Commanding General of the Army Engineer Division for the Lower Mississippi Valley in Vicksburg, MS.

The President announced his intention to appoint Edward J. Cording, of Illinois, to be a member of the Nuclear Waste Technical Review Board for a term expiring April 19, 1996. He would succeed Don U. Deere. Currently Dr. Cording serves as a professor of civil engineering at the University of Illinois at Urbana in Urbana, IL.

The President announced his intention to appoint Bobbie Greene Kilberg, Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs, to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. She would succeed Debra Rae Anderson.

June 5

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

In the afternoon, the President and Mrs. Bush traveled to Camp David, MD, for the weekend.

June 7

In the afternoon, President and Mrs. Bush, accompanied by Prime Minister and Mrs. Major of the United Kingdom, returned to the White House from a weekend stay at Camp David, MD.

June 8

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Attorney General William P. Barr;

-- Secretary of Defense Dick Cheney.

The President announced that John Joseph Murphy, of Texas, has agreed to serve as the chairman of the Citizens Democracy Corps. He would succeed Drew Lewis. Mr. Murphy serves as chairman of the board and chief executive officer of Dresser Industries, Inc., in Dallas, TX.

The President announced his intention to appoint Zvi Kestenbaum, of New York, to be a member of the Commission for the Preservation of America's Heritage Abroad for a term expiring February 27, 1995. This is a reappointment. Currently Rabbi Kestenbaum serves as executive director of the Opportunity Development Association in Brooklyn, NY.

The President announced his intention to appoint the following individuals to be Commissioners on the United States Section of the Pacific Salmon Commission:

David A. Colson, of Maryland, for a term expiring January 5, 1994. This is a reappointment. Currently Mr. Colson serves as Deputy Assistant Secretary of State for Oceans and Fisheries Affairs at the State Department in Washington, DC.

Gerald I. James, of Washington, for a term expiring January 5, 1996. He would succeed Guy R. McMinds. Currently Mr. James serves as program manager for the Lummi Tribe and has served as a member and vice chairman of the Lummi Indian Business Council.

Charles P. Meacham, of Alaska, for the remainder of the term expiring January 5, 1994. He would succeed Don W. Collinsworth. Currently Mr. Meacham serves as deputy commissioner of the Alaska Department of Fish and Game in Juneau, AK.

June 9

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Foreign Minister Andrey Kozyrev of Russia.

In the afternoon, the President traveled to Bowmansdale, PA, and returned to Washington, DC, in the evening.

The White House announced that the President transmitted to the Congress the annual report on the administration of the Federal Railroad Safety Act of 1970 for calendar year 1990.

June 10

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- select House Democrats;

-- select Senate Republicans;

-- Secretary of State James A. Baker III;

-- Samuel K. Skinner.

The President announced his intention to appoint Luis M. Proenza, of Alaska, to be a member of the Arctic Research Commission for a term expiring February 26, 1996. He would succeed John H. Steele. Currently Dr. Proenza serves as vice chancellor for research and dean of the graduate school at the University of Alaska, Fairbanks.

The President announced his intention to nominate Barbara Hackman Franklin, Secretary of Commerce, to be a member of the Competitiveness Policy Council for the remainder of a term expiring October 16, 1992. She would succeed Robert Adam Mosbacher.

The President announced his intention to appoint the following individuals to be members of the U.S. Holocaust Memorial Council for the terms indicated:

Albert Abramson, of Maryland, for a term expiring January 15, 1997. This is a reappointment. Currently Mr. Abramson serves as founder of Tower Construction Co. in Bethesda, MD.

Joseph A. Cannon, of Utah, for the remainder of the term expiring January 15, 1994. He would succeed Marshall Ezralow. Mr. Cannon has served as chairman of the board of directors, president, and chief executive officer of Geneva Steel in Provo, UT.

Mimi Weyforth Dawson, of the District of Columbia, for a term expiring January 15, 1997. She would succeed Bobbie Greene Kilberg. Currently Ms. Dawson serves as a consultant with Wiley, Rein & Fielding.

George Deukmejian, of California, for a term expiring January 15, 1997. This is a reappointment. Currently Governor Deukmejian serves as partner with the law firm of Sidley and Austin in Los Angeles, CA.

William Anthony Duna, of Minnesota, for a term expiring January 15, 1997. This is a reappointment. Currently Mr. Duna serves as the owner of Bill Duna Productions in Minneapolis, MN.

Abraham H. Foxman, of New Jersey, for a term expiring January 15, 1997. This is a reappointment. Currently Mr. Foxman serves as national director of the Anti-Defamation League of B'nai B'rith.

Harold Gershowitz, of Illinois, for the remainder of the term expiring January 15, 1994. He would succeed Michael H. Moskow. Currently Mr. Gershowitz serves as senior vice president of Waste Management, Inc., in Oak Brook, IL.

Barbara George Gold, of Illinois, for a term expiring January 15, 1997. She would succeed Philip Abrams. Currently Ms. Gold serves as midwestern director of the American ORT Federation in Chicago, IL.

Steven H. Goldberg, of New York, for a term expiring January 15, 1997. He would succeed Matthew Brown. Currently Mr. Goldberg serves as president and founder of Campaign Telecommunications, Inc., in New York, NY.

Robert J. Horn, of Maryland, for a term expiring January 15, 1997. This is a reappointment. Currently Mr. Horn serves as assistant vice president and manager of Federal affairs for the Detroit Edison Co. in Washington, DC.

Richard M. Rosenbaum, of New York, for a term expiring January 15, 1997. This a reappointment. Currently Mr. Rosenbaum serves as a partner with the law firm of Nixon, Hargrave, Devans and Doyle in Rochester, NY.

Sheila Rabb Weidenfeld, of the District of Columbia, for a term expiring January 15, 1997. This is a reappointment. Since 1978, Ms. Weidenfeld has served as president and chief executive officer of D.C. Productions, Ltd., in Washington, DC.

June 11

In the morning, the President and Mrs. Bush traveled to Panama City, Panama. Following an arrival ceremony at Paitilla International Airport, the President met with President Guillermo Endara at the Presidential Palace.

In the afternoon, the President and Mrs. Bush went to Plaza Belisario Porras, where demonstrations prevented a scheduled ceremony from taking place.

Late in the afternoon, the President and Mrs. Bush traveled to Rio de Janeiro, Brazil, to attend the United Nations Conference on Environment and Development.

June 12

In the morning, the President held a meeting at the Sheraton Hotel and Towers with U.S. nongovernmental observers of the United Nations Conference on Environment and Development. He then attended a session of the Conference at the Riocentro Conference Center and a luncheon with environmental leaders.

In the evening, the President and Mrs. Bush attended a dinner with President Fernando Collor of Brazil and Mrs. Collor at Palacio Laranjeiras.

June 13

In the afternoon, the President attended a reception and luncheon for heads of state and

government at the Riocentro Conference Center in Rio de Janeiro, Brazil. Later in the afternoon, the President and Mrs. Bush departed for Washington, DC, and arrived very early the next morning.

June 15

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

In the evening, President and Mrs. Bush attended a Republican National Committee Presidential Trust fundraising dinner in Potomac, MD.

The President announced his intention to nominate Joshua M. Javits, of the District of Columbia, to be a member of the National Mediation Board for a term expiring July 1, 1995. This is a reappointment. Currently Mr. Javits serves as a member of the National Mediation Board in Washington, DC. From 1985 to 1988, Mr. Javits served on several permanent arbitration panels. He has also served as an attorney with the law firm of Cades, Schutte, Fleming & Wright in Washington, DC, 1985 - 87.

The President today announced his intention to appoint the following individuals to be members of the Advisory Council on Historic Preservation:

Andrew H. Card, Jr., Secretary of Transportation. He would succeed Samuel K. Skinner.

Jane L.S. Davidson, of Pennsylvania, for a term expiring June 10, 1995. She would succeed Dennis F. Mullins. Currently Ms. Davidson serves as Chester County Historic Preservation officer in Westchester, PA.

Barnabas McHenry, of New York, for a term expiring June 10, 1996. He would succeed Lucille Clarke Dumbrill. Currently Mr. McHenry serves as chairman and member of various preservation and conservation as well as cultural organizations in New York, NY.

Margaret Zuehlke Robson, of the District of Columbia, for a term expiring June 10, 1996. She would succeed Lynn Kartavich. Ms. Robson is actively involved in civic and community programs in Washington, DC.

June 16

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of the Treasury Nicholas F. Brady.

The President today announced his intention to appoint:

Don E. Newquist, of Texas, to be Chairman of the United States International Trade Commission for the term expiring June 16, 1994. This is a reappointment. Mr. Newquist has served as a member of the International Trade Commission since 1988.

Peter S. Watson, of California, to be Vice Chairman of the United States International Trade Commission for the term expiring June 16, 1994. He would succeed Anne E. Brunsdale. Since 1991, Mr. Watson has served as a member of the International Trade Commission. Prior to this he served as Director of Asian Affairs at the National Security Council, 1989 - 91.

June 17

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- Secretary of State James A. Baker III.

In the afternoon, President Bush and President Boris Yeltsin of Russia traveled to Annapolis, MD, where they cruised the Severn River.

June 18

In the morning, the President and Mrs. Bush hosted a coffee at the White House for President and Mrs. Yeltsin. President Bush then met with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later in the morning, the President traveled to Newark, CA.

In the afternoon, the President met with northern California Republican leaders at the Newark Hilton Hotel. Following a Republican fundraising dinner in Orinda, the President traveled to Newport Beach, CA.

The President has selected the following individuals to represent him at the closing ceremonies of the summer Olympics in Barcelona, Spain:

Head of Delegation:

Arnold Schwarzenegger

Delegates:

Marvin Bush, of Virginia.

Margaret Bush, of Virginia.

Willard Heminway, of Connecticut.

Mary Lou Retton, of Texas.

Kristi Yamaguchi, of California.

Greg Anthony, of Nevada.

June 19

In the morning, the President held roundtable discussions with Asian media representatives and Hispanic media representatives at the Four Seasons Hotel in Newport Beach, CA.

In the afternoon, the President attended a southern California Republican leadership meeting at the Four Seasons Hotel.

The President declared a major disaster existed in the State of New Mexico and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe thunderstorms, hail, and flooding on May 22, 1992, through May 25, 1992.

The President announced his intention to nominate Malcolm S. Forbes, Jr., of New Jersey, to be a member of the Board for International Broadcasting for a term expiring April 28, 1995.

This is a reappointment. Since 1985, Mr. Forbes has served as Chairman of the Board for International Broadcasting. Currently Mr. Forbes serves as editor-in-chief, president, and chief executive officer of Forbes, Inc., and Forbes magazine.

June 20

In the morning, the President traveled from Newport Beach, CA, to Universal City, CA, where he participated in a roundtable discussion with leaders of taxpayers organizations. He then traveled to Dallas, TX, where he was joined by Mrs. Bush.

In the afternoon, the President and Mrs. Bush returned to Andrews Air Force Base, MD, and then went to Camp David, MD, for the remainder of the weekend.

June 22

In the morning, President and Mrs. Bush returned to the White House from Camp David, MD. The President then met at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff. The President then met separately with Samuel K. Skinner.

The President announced his intention to designate Gary A. Glaser, of Ohio, to be Chairperson of the Credit Standards Advisory Committee. Mr. Glaser was appointed to the Committee on January 1, 1991.

The President announced his intention to appoint the following individuals to be members of the Risk Assessment and Management Commission:

Barbara A. Bankoff, of the District of Columbia. This is a new position. Since 1989, Ms. Bankoff has served as president of Bankoff Associates in Washington, DC.

Thorne G. Auchter, of Florida. This is a new position. Currently Mr. Auchter serves as director and chief executive officer of the Institute for Regulatory Policy in Washington, DC.

Anthony J. Thompson, of Maryland. This is a new position. Since 1987, Mr. Thompson has served as a partner with the firm of Perkin Coie in Washington, DC.

June 23

The President met in the morning at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff; and in the afternoon with

Samuel K. Skinner.

In the evening, President and Mrs. Bush hosted a barbecue for White House news photographers on the South Lawn.

June 24

The President met in the morning at the White House with:

-- Secretary of Transportation Andrew H. Card, Jr.;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

In the afternoon, the President met with Secretary of State James A. Baker III.

The President announced his intention to appoint the following individuals to be members of the Martin Luther King, Jr., Federal Holiday Commission for terms of 1 year:

Bob Martinez, Director of the Office of National Drug Control Policy. This is a reappointment.

Jack Kemp, Secretary of Housing and Urban Development. This is a reappointment.

William S. Sessions, Director of the Federal Bureau of Investigation. This is a reappointment.

June 25

The President met at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- Samuel K. Skinner;

-- White House fellows;

-- Dr. Donald W. Ingwerson, National School Superintendent of the Year.

In the late afternoon, the President hosted a reception for the New American Schools Development Corp. on the State Floor.

The President announced his intention to appoint the following individuals as members of the Operating Committee of the Critical Technologies Institute. These are new positions:

Nicholas F. Brady, Secretary of the Treasury, for a term of 2 years.

Michael J. Boskin, Chairman of the Council of Economic Advisers, for a term of 3 years.

Richard G. Darman, Director of the Office of Management and Budget, for a term of 1 year.

Adm. Jonathan T. Howe, United States Navy, Deputy Assistant to the President for National Security Affairs, for a term of 4 years.

The President announced his intention to designate D. Allan Bromley, Director of the Office of Science and Technology Policy, to be Chairman of the Operating Committee of the Critical Technologies Institute. Currently Dr. Bromley serves as Assistant to the President and Director of the Office of Science and Technology Policy at the White House.

June 26

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner;

-- heads of Polish-American organizations;

-- Secretary of State James A. Baker III.

In the evening, the President met with Lt. Paula Coughlin, USN. Later in the evening, the President and Mrs. Bush traveled to Camp David, MD, for the weekend.

The President declared a major disaster existed in the State of Minnesota and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms, flooding, and tornadoes on June 16 - 20.

The President has selected the following individuals to represent him at the inauguration of Philippine President Fidel Ramos, June 30:

Head of Delegation:

Elaine Chao, of California. Currently Ms. Chao serves as Director of the Peace Corps.

Delegates:

Elliot Richardson, of Massachusetts. Mr. Richardson currently serves as Special Representative of the President for the Multilateral Assistance Initiative.

Oscar Domodon, of California. Currently Dr. Domodon is a dentist in Long Beach, CA, and is State chairman of the Filipino-American Republican Council of California.

June 28

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

June 29

In the morning, the President met at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff. The President then traveled to New York City where he attended a briefing at the Drug Enforcement Administration and held a roundtable discussion with New York State Conservative Party members at the New York Hilton Hotel.

In the afternoon, the President traveled to Detroit, MI, where he attended an early evening reception with the Michigan Team 100 at the Westin Hotel.

In the evening, the President returned to Washington, DC.

June 30

The President held morning meetings at the White House with:

-- Gen. John Galvin, USA;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft,

Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- William J. Althouse of the U.S. Conference of Mayors;

-- Ambassador Malcolm Toon.

In the afternoon, the President met with Samuel K. Skinner.

In the evening, the President and Mrs. Bush hosted a picnic for the Diplomatic Corps on the South Lawn.

The President announced that in keeping with his America 2000 education initiative, two historically black colleges, Clark-Atlanta University and Morris Brown College, have been selected to perform information science and training research under the Army's Centers of Excellence program.

July 1

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- domestic advisers;

-- Samuel K. Skinner.

Following their afternoon meeting, the President and Prime Minister Kiichi Miyazawa of Japan went to Camp David, MD, for private talks and dinner.

In the evening, the President and Prime Minister Miyazawa traveled from Camp David, MD, to the Capital Center in Landover, MD, where they were joined by Mrs. Bush and attended a concert by Luciano Pavarotti. Following the concert, the President and Mrs. Bush returned to the White House.

July 2

The President held morning meetings at the White House with the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President made a conference call from the Oval Office to Bush-Quayle campaign and Republican Party leaders.

In the evening, the President went to Camp David, MD.

The President declared a major disaster existed in the State of California and ordered Federal aid to supplement State and local recovery efforts in the area struck by earthquakes and continuing aftershocks that began on June 28.

The President also declared a major disaster existed in the State of South Dakota and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms, tornadoes, and flooding on June 13 - 23.

The White House announced that President Bush will meet with President Carlos Salinas of Mexico in San Diego on July 14.

July 4

In the morning, the President traveled from Camp David, MD, to Andrews Air Force Base, MD, and then on to Daytona Beach, FL.

In the afternoon, the President traveled to Faith, NC.

In the evening, after returning to Andrews Air Force Base, MD, the President was joined by Mrs. Bush, and they traveled to Warsaw, Poland.

July 5

After their morning arrival in Warsaw, the President and Mrs. Bush attended an arrival ceremony at the Royal Castle. Following a meeting with President Lech Walesa, President Bush met with other Polish officials.

In the early afternoon, the President and Mrs. Bush attended a memorial service for Ignacy Paderewski at St. John's Basilica Church. After the service, the President and Mrs. Bush met with Cardinal Josef Glemp. Later, the President and Mrs. Bush participated in a departure ceremony in the courtyard of the Royal Castle. In the midafternoon, the President and Mrs. Bush traveled to Munich, Germany.

In the evening, President Bush had dinner with President Francois Mitterrand of France at the Sheraton Hotel in Munich.

July 6

In the morning, the President met at the Munich Sheraton Hotel with Prime Minister Giuliano Amato of Italy. He later attended a working breakfast with Chancellor Helmut Kohl of Germany at the Vier Jahreszeiten Hotel. After returning to the Sheraton Hotel, the President attended a signing ceremony at which Gov. Carroll A. Campbell of South Carolina and Eberhard von Kuenheim, chairman of the board of BMW, signed a declaration regarding the construction of a BMW plant in South Carolina. Following an arrival ceremony at the Residenz, the President attended a luncheon hosted by Chancellor Kohl at the Spatenhaus Restaurant.

In the afternoon, the President attended the opening session of the economic summit at the Residenz.

In the evening, the President attended a reception and dinner hosted by Chancellor Kohl at Nymphenburg Castle.

The President appointed James O. Campbell, of Alaska, to be a member of the Arctic Research Commission for a term expiring February 26, 1996. He would succeed Elmer E. Rasmuson. Currently Mr. Campbell serves as president and chief executive officer of the Alaska Commercial Corp.

July 7

After meeting at the Munich Sheraton Hotel with President Jacques Delors of the European Community, President Bush attended morning sessions of the economic summit at the Residenz. After a luncheon meeting with heads of delegations, the President attended another session of the economic summit.

In the evening, the President and Mrs. Bush attended a reception and ballet hosted by the Chancellor and Mrs. Kohl and a dinner hosted by Minister President Max Streibl of Bavaria and Mrs. Streibl at the Residenz.

July 8

The President attended the morning session of the economic summit at the Residenz in Munich.

After a luncheon hosted by President and Mrs. Richard von Weizsacker of Germany, President Bush and other heads of delegations to the economic summit met with President Boris Yeltsin of Russia.

In the evening, the President and Mrs. Bush traveled to Helsinki, Finland.

July 9

In the morning, the President met at the Guest House in Helsinki with Prime Minister Constantine Mitsotakis of Greece and Chairman Eduard Shevardnadze of the Republic of Georgia.

The President later attended the opening ceremony and morning session of the Conference on Security and Cooperation in Europe (CSCE) at the Helsinki Fair Center. He then met with:

-- NATO Secretary General Manfred Woerner;

-- President Alija Izetbegovic of Bosnia;

-- Prime Minister Suleyman Demirel of Turkey.

After a working luncheon, the President attended the second session of the CSCE. He then met with President Leonid Kravchuk of Ukraine and President Stanislav Shushkevich of Byelarus.

In the evening, the President and Mrs. Bush attended a state dinner at the Presidential Palace hosted by President and Mrs. Mauno Koivisto of Finland.

The President announced his intention to appoint Bruce M. Todd, Mayor of Austin, TX, to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. He would succeed Donald M. Fraser.

The President announced his intention to appoint J. Alfred Rider, of California, to be a member of the President's Committee on Mental Retardation for a term expiring May 11, 1994. This is a reappointment.

The White House announced that the President has directed Marion Clifton Blakey, of Mississippi, Assistant Secretary of Transportation for Public Affairs, to perform the duties of the Office of Administrator of the National Highway Traffic Safety Administration.

The White House announced that the President has submitted to the Congress requests for FY 1992 appropriations for the Departments of Defense, Housing and Urban Development, Justice, Labor, and Veterans Affairs; the Commission on Civil Rights; the Equal Employment Opportunity Commission; and the National Commission on Libraries and Information Science. The President also submitted amendments to FY 1993 requests for the Departments of Defense, Energy, Health and Human Services, and the Treasury; the Office of Personnel Management; the Commission on Civil Rights; and the Equal Employment Opportunity

Commission. In addition, the President transmitted three FY 1993 requests for the legislative and judicial branches.

July 10

In the morning, after meeting with President Koivisto at the Presidential Palace in Helsinki, President Bush went to the Helsinki Fair Center for the CFE - 1A agreement signing and the final CSCE sessions. Between the sessions, President Bush met with President Arnold Ruutel of Estonia, President Anatolijs Gorbunovs of Latvia, and President Vytautas Landsbergis of Lithuania. The President and Mrs. Bush then traveled to Kennebunkport, ME, for the weekend.

July 13

The President appointed the following individuals to be members of the Advisory Committee for Trade Policy and Negotiations for terms of 2 years:

Georgette Mosbacher, of Texas. She would succeed Barbara Hackman Franklin. Currently Ms. Mosbacher serves as president and chief executive officer of Georgette Mosbacher Enterprises.

George M.C. Fisher, of Illinois. He would succeed Robert Galvin. Since 1990, Mr. Fisher has served as chairman of the board and chief executive officer of Motorola, Inc.

P. Roy Vagelos, of New Jersey. He would succeed Edward T. Pratt. Since 1985, Dr. Vagelos has served as chairman, president, and chief executive officer of Merck & Co., Inc.

Walter Y. Elisha, of North Carolina. He would succeed Richard M. Morrow. Currently Mr. Elisha serves as chairman, chief executive officer, and a director of Springs Industries.

Michael A. Miles, of New York. He would succeed Allen F. Jacobson. Currently Mr. Miles serves as chairman of the board and chief executive officer of Philip Morris Co., Inc.

Ralph S. Larsen, of New Jersey. He would succeed Philip E. Lippincott. Currently Mr. Larsen serves as chairman of the board and chief executive officer of Johnson & Johnson.

Thomas G. Labrecque, of New Jersey. He would succeed A.W. Clausen. Currently Mr. Labrecque serves as chairman and chief executive officer and member of the board of directors of the Chase Manhattan Corp.

July 14

In the morning, the President traveled from Kennebunkport, ME, to Bakersfield, CA, and on to

Sequoia National Forest. While there, the President hiked, held a roundtable discussion with outdoor magazine editors, and had lunch with youth from R.M. Pyles Boys Camp.

In the afternoon, the President traveled to San Diego, CA, where he met with President Carlos Salinas of Mexico. The two Presidents then attended the Major League All-Star Baseball Game at Jack Murphy Stadium.

In the evening, the President traveled to Boulder, WY, to Secretary of State James A. Baker's ranch.

The White House announced that President Bush ordered the general counsel of his campaign to file a complaint with the Federal Election Commission against Floyd Brown and his Presidential Victory Campaign.

The President nominated the following individuals to be members of the Advisory Board of the Saint Lawrence Seaway Development Corporation:

Sterling G. Sechrist, of Ohio. He would succeed Virgil E. Brown. Since 1950, Mr. Sechrist has served with Bank One of Medina County in Wadsworth, OH, as vice-president and trust officer, 1952; executive vice-president and director, 1962; chairman of the board, 1970; and chairman emeritus after his retirement in 1979.

Edward Morgan Paluso, of Pennsylvania. He would succeed Steven Reimers. Since 1972, Mr. Paluso has served as County Commissioner of Washington County, PA.

The President announced his intention to appoint Jack Steel, of Texas, to be a member of the Commission on Presidential Scholars. He would succeed Fran Chiles.

July 16

The President announced his intention to appoint the following individuals to be members of the President's Committee on the National Medal of Science:

Edward A. Frieman, of California, for a term expiring December 31, 1993. He would succeed David R. Challoner. He will be designated Chairman. Since 1986, Dr. Frieman has served as director of the Scripps Institute of Oceanography in La Jolla, CA.

Edward C. Stone, Jr., of California, for a term expiring December 31, 1994. He would succeed Roland H. Carlson. Currently Dr. Stone serves as Director of the Jet Propulsion Laboratory in Pasadena, CA.

George H. Heilmeier, of New Jersey, for a term expiring December 31, 1994. He would

succeed Carl O. Bostrom. Currently Dr. Heilmeier serves as president and chief executive officer of Bellcore (Bell Communications Research) in Livingston, NJ.

July 17

In the morning, the President traveled from Boulder, WY, to Jackson, WY.

In the afternoon, the President traveled to Salt Lake City, UT, where he met with Mormon Church leaders at the Latter-day Saints headquarters and with Utah Republican leaders at the Marriott Hotel.

July 18

In the morning, the President traveled from Salt Lake City, UT, to Provo, UT. In the afternoon, he traveled from Utah to Hagerstown, MD, and then on to Camp David, MD, for the remainder of the weekend.

July 19

In the evening, the President returned to the White House from Camp David, MD.

July 20

The President held meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

-- the Vice President, for lunch;

-- domestic advisers;

-- economic advisers;

-- Secretary of the Treasury Nicholas F. Brady;

-- Samuel K. Skinner.

In the evening, the President spoke by satellite from a video services studio in Washington, DC, to Bush-Quayle national campaign volunteers, leaders, and supporters.

July 21

The President held morning meetings at the White House with:

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the leadership of the National Conference of Black Mayors.

Later in the morning, the President traveled to Philadelphia, PA. In the afternoon, the President traveled to Garfield, NJ, and then returned to Washington, DC.

July 22

The President held morning meetings at the White House with:

-- domestic advisers;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President again met with domestic advisers.

The President announced his intention to appoint Leo Melamed, of Illinois, to be a member of the United States Holocaust Memorial Council for the remainder of the term expiring January 15, 1995. He would succeed William Alexander Scott III. Since 1965, Mr. Melamed has served as chairman of Dellsher Investment Co., Inc., in Chicago, IL. From 1976 to 1990, he served as special counsel to the board of the Chicago Mercantile Exchange as well as chairman of the executive committee from 1985 to 1990.

July 23

The President held morning meetings at the White House with:

-- domestic advisers;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President met with Samuel K. Skinner.

July 24

The President held morning meetings at the White House with:

-- domestic advisers;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later in the morning, the President traveled to Brookville, OH.

In the afternoon, the President traveled to Dayton, OH, where he attended a Republican leadership meeting. He then went to Columbia, MO.

In the evening, the President traveled to Hagerstown, MD, and then on to Camp David, MD, for the weekend.

July 26

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

July 27

The President held morning meetings at the White House with:

-- domestic advisers;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later in the morning, the President traveled to Wyoming, MI, where he toured the Holland American Wafer Co. plant and had lunch with the employees.

In the afternoon, the President traveled to Neenah, WI, where he toured the Outlook Graphics Corp. plant with students of the youth apprenticeship program.

Later in the afternoon, the President returned to Washington, DC.

In the evening, the President met at the White House with national security advisers.

The President announced his intention to appoint the following individuals as members of the Cultural Property Advisory Committee:

Jack A. Josephson, of New York, for a term expiring April 25, 1995. This is a reappointment. Mr. Josephson will be designated Chairman. From 1979 to 1986, Mr. Josephson served as president of Sellers and Josephson, Inc.

Harold Mark Keshishian, of Maryland, for a term expiring April 25, 1995. This is a reappointment. Since 1985, Mr. Keshishian has served as president of Mark Keshishian & Sons.

Frederick William Lange, of Colorado, for a term expiring April 25, 1995. This is a reappointment. Since 1986, Dr. Lange has served as curator of anthropology and director of the Center for Central American Art and Archaeology at the University of Colorado.

Richard Stockton MacNeish, of Massachusetts, for a term expiring April 25, 1993. He would succeed Leslie Elizabeth Wildesen. Since 1986, Dr. MacNeish has served as director of the Andover Foundation for Archaeological Research.

July 28

The President met at the White House with:

-- domestic advisers;

-- congressional leaders;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Samuel K. Skinner.

In the afternoon, the President attended a Presidential lecture series presentation in the East Room.

The President declared a major disaster existed in the State of Arkansas and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe thunderstorms and high winds on June 14 - 19.

July 29

In the morning, the President met at the White House with:

-- domestic advisers;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Gov. Carroll A. Campbell of South Carolina;

-- Attorney General William P. Barr;

-- the Vice President, for lunch.

In the afternoon, the President met at the White House with:

-- Secretary of State James A. Baker III;

-- domestic advisers;

-- economic advisers;

-- Samuel K. Skinner.

July 30

In the morning, the President traveled to Waxahachie, TX, where he toured the superconducting super collider facility. He then traveled to Orange County, CA.

In the evening, the President attended a Presidential Trust reception and dinner in private residences in Los Angeles.

The President received a report of the Presidential Task Force on Los Angeles Recovery. The Task Force was set up by the President after the Los Angeles riots to help speed the delivery of services to Los Angeles. The report contained a six-point action plan designed to help the people of Los Angeles rebuild their neighborhoods and address the problems of crime, lack of educational opportunities, welfare dependency, and lack of jobs.

The President has selected the following individuals to represent him at the inauguration ceremony for President-elect Sixto Duran-Ballen of Ecuador, August 10:

Head of Delegation:

Governor Bob Martinez, of Florida. Currently Governor Martinez serves as Director of the Office of National Drug Control Policy.

Delegates:

Kim Flower, of New York. Currently Ms. Flower serves as executive vice president of the Americas Society and Managing Director of the Council of the Americas. Prior to this, she served as Director of Latin American Affairs at the National Security Council, 1987 - 88.

Tirso Del Junco, of California. Dr. Del Junco is vice chairman of the California Republican Party.

Dr. and Mrs. Walter F. Abendschein, of Maryland.

July 31

In the morning, the President visited the Greater Avenues of Independence Headquarters in Los Angeles for a briefing and tour.

In midmorning, the President traveled to Andrews Air Force Base, MD, and then went to Camp David, MD.

The President announced his intention to appoint Wayne Allard, of Colorado, to serve in an advisory capacity on the Board of Trustees of the James Madison Memorial Fellowship Foundation for a term expiring December 12, 1996. He would succeed Paul B. Henry.

August 2

In the morning, the President traveled from Camp David, MD, to Andrews Air Force Base and on to Chicago, IL, where he held a telephone interview with radio station WGN-AM. He then traveled to Rosemont and Elk Grove, IL, and returned to Washington, DC, in the late afternoon.

August 3

In the morning, the President traveled to Dalton, GA, where he attended a Georgia Victory '92 leadership meeting at the Multitex Corp. The President then traveled to Jacksonville, FL. In the afternoon, he attended a Victory '92 reception at the Omni Hotel in Jacksonville and then returned to Washington, DC.

The President selected the following individuals to represent him at the 50th anniversary

commemoration of the U.S. landings on the Island of Guadalcanal, August 7 - 8:

Head of Delegation:

Gen. Raymond Davis, of Georgia.

Delegates:

Leo Nadeau, of California.

Jack Guy, of Georgia.

August 4

In the morning, the President met at the White House with:

-- domestic advisers;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- leaders of veterans service organizations.

The President then met with the Senate Republican conference at the Capitol.

In the afternoon, the President met at the White House with:

-- the Vice President, for lunch;

-- members of the House of Representatives;

-- Samuel K. Skinner.

The President declared a major disaster existed in the State of Ohio and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms, tornadoes, and flooding that began on July 12.

August 5

In the morning, the President met at the White House with domestic advisers. He then traveled to New York City, where he met with John Cardinal O'Connor at the Marriott Marquis Hotel.

In the afternoon, the President traveled to Reno, NV, where he attended a Victory '92 leadership meeting at the Cannon International Airport.

In the evening, the President traveled to Colorado Springs, CO.

August 6

In the morning, the President addressed the Colorado Republican State leadership at the Broadmoor Hotel in Colorado Springs. The President then held a telephone interview with radio station KOA - AM at the Broadmoor Hotel International Center. Later in the morning, the President held a radio interview with James Dobson at the Focus on the Family Building and then returned to Washington, DC.

August 7

In the morning, the President met at the White House with:

-- domestic advisers;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President met at the White House with:

-- energy and natural resources industry leaders;

-- agricultural industry leaders.

Later, the President traveled to Kennebunkport, ME.

August 8

In Kennebunkport, ME, the President met in the afternoon with Deputy U.S. Permanent Representative to the United Nations Alexander Watson, Secretary of Defense Dick Cheney, Deputy Secretary of State Lawrence S. Eagleburger, and Assistant to the President for National Security Affairs Brent Scowcroft to review the situation in Bosnia.

August 10

In Kennebunkport, ME, the President held meetings with Prime Minister Yitzhak Rabin of

Israel.

August 11

In the morning, the President met with Prime Minister Rabin. Following the meeting, the President and Mrs. Bush and Prime Minister and Mrs. Rabin returned to Washington, DC.

In the afternoon, the President met with Jewish media representatives and then with congressional leaders.

August 12

In the morning, the President met at the White House with:

-- members of Congress;

-- domestic advisers;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President met with:

-- Secretary of State James A. Baker III;

-- economists;

-- Samuel K. Skinner.

August 13

In the morning, the President met at the White House with:

-- domestic advisers;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Health and Human Services Louis W. Sullivan.

In the afternoon, the President and Mrs. Bush went to Camp David, MD.

August 14

The President declared a major disaster existed in the State of Florida and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and flooding on June 23 - 30.

August 16

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

August 17

In the morning, the President met at the White House with:

-- domestic advisers;

-- the Vice President; Samuel K. Skinner, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later in the morning, the President and Mrs. Bush traveled to Indianapolis, IN, where the President attended a fundraising reception for Senator Dan Coats of Indiana at the Westin Hotel.

In the afternoon, the President held interviews with CNN and NBC network television, after which he and Mrs. Bush traveled to Houston, TX, for the Republican National Convention. In the evening, they went to their residence at the Houstonian Hotel.

The President declared a major disaster existed in the State of Indiana and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe weather, torrential rains, and flash flooding on August 8 - 9.

August 18

In the afternoon, the President held media interviews in the Magnolia Room at the Houstonian Hotel.

In the early evening, the President and Mrs. Bush attended a reception for family and friends at the Museum of Fine Arts.

August 19

In the morning, the President and Mrs. Bush attended a reception with the sponsors of the Republican National Committee luncheon at the George R. Brown Center.

In the afternoon, the President held media interviews at the Houstonian Hotel.

The President declared a major disaster existed in the State of Nebraska and ordered Federal aid to supplement State and local recovery in the areas struck by severe storms and flooding on July 11 - 29.

The President selected Senator Jake Garn of Utah to be his personal representative at the Farnborough International Air Show in Farnborough, England, September 4 - 9.

August 21

In the morning, the President and Mrs. Bush traveled from Houston, TX, to Gulfport, MS, where they attended a Victory '92 fundraiser.

In the afternoon, the President and Mrs. Bush traveled to Springfield Regional Airport, MO, for a Victory '92 fundraiser and then to Branson, MO, where they attended an evening performance at the Americana Theatre.

August 22

In the morning, the President and Mrs. Bush traveled from Branson, MO, to Woodstock, GA. While en route, the President held a telephone interview with radio station WGST - AM of Atlanta, GA. In the early afternoon, the President and Mrs. Bush attended a Victory '92 fundraiser on Main Street in Woodstock. They then traveled to Hoover, AL, where they attended a Victory '92 fundraiser at the Wynfrey Hotel.

Later in the afternoon, the President and Mrs. Bush traveled to Dallas, TX. While en route, the President held a telephone interview with radio station WBAP - AM of Fort Worth, TX.

August 23

In the morning, the President and Mrs. Bush traveled from Dallas, TX, to Springfield, IL, where in the afternoon they toured the farm exposition at the Illinois State Fairgrounds.

Upon returning to the Springfield Capital Airport, President and Mrs. Bush attended a Victory '92 fundraiser. They then returned to Washington, DC.

August 24

In the morning, the President traveled to Union, NJ, where he attended a Victory '92 fundraiser at a private residence and toured the Lincoln Technical Institute.

In the late morning, the President traveled to Ansonia, CT, where he attended a Victory '92 fundraiser at a private residence.

In the afternoon, the President traveled to Opa Locka, FL, to inspect the damage caused by Hurricane Andrew.

In the evening, the President returned to Washington, DC.

The President declared a major disaster existed in the State of Florida and ordered Federal aid to supplement State and local recovery efforts in the area struck by Hurricane Andrew on August 23.

The President announced his intention to appoint the following individuals to be members of the Architectural and Transportation Barriers Compliance Board for terms expiring December 3, 1994:

Fritz Edmunds, Jr., of Kansas.

Tracy James Mueller, of Colorado.

Peggy Pinder, of Iowa.

R. Jack Powell, of Maryland.

August 25

In the morning, the President traveled to Chicago, IL, and then to Canton, MI, where he held a roundtable discussion with Michigan business people in the afternoon.

Later in the afternoon, the President returned to Washington, DC.

August 26

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch.

In the afternoon, the President traveled to Lafayette, LA, to inspect the damage caused by Hurricane Andrew.

In the evening, the President returned to Washington, DC.

The President declared a major disaster existed in the State of Louisiana and ordered Federal aid to supplement State and local recovery efforts in the areas struck by Hurricane Andrew on August 25.

August 27

In the morning, the President traveled to St. Louis, MO, where he attended a Victory '92 supporters meeting at the Stouffer Concourse Hotel.

In midmorning, the President traveled to Cincinnati, OH. While en route, he held a telephone interview with radio station WLW - AM of Cincinnati.

In the afternoon, the President traveled to Findlay, OH, and returned to Washington, DC, in the evening.

The White House announced that David Bates will return to the White House as Assistant to the President and Special Assistant to the Chief of Staff.

August 28

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Deputy Secretary of Defense Donald J. Atwood, Jr.;

-- Acting Secretary of State Lawrence S. Eagleburger.

In the afternoon, the President went to Camp David, MD.

The President announced his intention to appoint Siggi B. Wilzig, of New Jersey, to be a member of the U.S. Holocaust Memorial Council for a term expiring January 15, 1995. This is a reappointment.

August 29

In the afternoon, after returning to the White House from Camp David, MD, the President met with Secretary of Transportation Andrew H. Card, Jr., Deputy Secretary of Defense Donald J. Atwood, Jr., and Director of the Federal Emergency Management Agency Wallace E. Stickney.

In the evening, the President went to Camp David, MD.

The President declared a major disaster existed in the State of California and ordered Federal aid to supplement State and local recovery efforts in the area struck by fires commencing on August 16 and August 20.

August 31

In the morning, after returning to the White House from Camp David, MD, the President met with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President then met with Secretary of Housing and Urban Development Jack Kemp, Secretary of Education Lamar Alexander, Secretary of Health and Human Services Louis W. Sullivan, and Small Business Administrator Patricia F. Saiki.

In the afternoon, the President met with Secretary of Health and Human Services Louis W. Sullivan, Postmaster General Marvin T. Runyon, and Social Security Commissioner Gwendolyn S. King.

The President then met with:

-- representatives of housing and homebuilding associations;

-- representatives of volunteer organizations involved in Hurricane Andrew relief efforts;

-- Secretary of the Treasury Nicholas F. Brady;

-- representatives of insurance associations and small-business groups.

September 1

In the morning, the President and Mrs. Bush traveled to Homestead, FL, and Lafayette, LA, to inspect the Hurricane Andrew relief efforts. In the evening, they returned to Washington, DC.

September 2

In the morning, the President traveled to Humboldt, SD, and Shallowater, TX. In the afternoon, the President traveled to Fort Worth, TX, and returned to Washington, DC, in the evening.

The President declared a major disaster existed in the State of Wisconsin and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and tornadoes on August 29.

September 3

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Small Business Administrator Patricia F. Saiki;

-- the Vice President, for lunch.

The President announced his intention to appoint the following individuals to be members of the Glass Ceiling Commission, for which Secretary of Labor Lynn Martin will serve as Chairperson:

Patricia V. Asip, of Texas.

J. Alphonso Brown, of Kentucky.

Joanne M. Collins, of Missouri.

Delia M. Reyes, of Texas.

Henry Tang, of New York.

Carol Cox Wait, of the District of Columbia.

The President recess-appointed the following individuals:

James H. Grossman, of California, to be Chairman of the Foreign Claims Settlement Commission of the United States, Department of Justice.

David J. Ryder, of Virginia, to be Director of the U.S. Mint, Department of the Treasury.

The President recess-appointed the following persons to be Commissioners of the Copyright Royalty Tribunal:

Edward J. Damich, of Virginia.

Bruce D. Goodman, of Pennsylvania.

September 4

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later in the morning, the President traveled to Fredericksburg, VA, where he visited the Fredericksburg Hardware store.

After returning to the White House in the afternoon, the President met with Acting Secretary of State Lawrence S. Eagleburger. The President then held an interview with radio station WWWE of Cleveland, OH.

September 5

In the morning, the President and Mrs. Bush traveled to Painesville, OH, where they attended a Victory '92 supporters reception at the Grange Food Hall.

In the afternoon, the President and Mrs. Bush traveled to Greenville, SC, where they participated in an arrival ceremony at the Greenville-Spartanburg Airport. They then traveled to Asheville and Hendersonville, NC, and Louisville, KY.

September 6

In the morning, the President and Mrs. Bush attended a Victory '92 supporters meeting at the Executive Inn in Louisville, KY. In the afternoon, they traveled to Chicago, IL, and on to Sault Sainte Marie, MI. In the evening, the President held a satellite television interview with Tom Brokaw of NBC News from the lobby of the Ojibway Hotel.

September 7

In the morning, the President and Mrs. Bush traveled to Mackinac City, MI, and then to Waukesha, WI, where they attended a Victory '92 supporters meeting at the Waukesha County Exposition Grounds.

In the afternoon, the President and Mrs. Bush traveled to Hamtramck, MI, and returned to Washington, DC, in the evening.

September 8

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders.

In an afternoon ceremony at the White House, the President received diplomatic credentials from Ambassadors Mohammad Bin Hussein Al-Shaali, United Arab Emirates; Simon Massoud Karam, Lebanon; El-Hadj Boubacar Barry, Republic of Guinea; Ahmed Maher El Sayed, Arab Republic of Egypt; Dunstan Weston Kamana, Republic of Zambia; and Sione Kite, Tonga.

September 9

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- Republican congressional leaders.

Later in the morning, the President traveled to Norristown and Collegeville, PA. In the afternoon, he traveled to Middletown, NJ, and then returned to Washington, DC.

September 10

In the morning, the President met at the White House with:

-- domestic advisers;

-- James A. Baker III, Chief of Staff to the President; and Brent Scowcroft, Assistant to the President for National Security Affairs;

-- the Vice President; James A. Baker III; and Brent Scowcroft.

Later in the morning, the President traveled to Detroit, MI. In the afternoon, following a Victory '92 supporters meeting at the Detroit Annex of Cobo Hall, he returned to Washington, DC.

The President announced his intention to appoint Mark A. Shiffrin, of Connecticut, to be a member of the President's Committee on Mental Retardation for a term expiring May 11, 1994. He would succeed B. Dean Owens.

The President announced his intention to appoint Charles J. Heringer, Jr., of Montana, to be a U.S. Commissioner on the Bear River Commission. This is a noncompensated position. He would succeed Kenneth T. Wright.

The President announced his intention to nominate the following individuals to be members of the Board of Directors of the Commission on National and Community Service for terms of 3 years. These are reappointments:

William J. Byron, of the District of Columbia.

George W. Romney, of Michigan.

Glen W. White, of Kansas.

Thomas H. Ehrlich, of Indiana.

Johnnie M. Smith, of South Carolina.

September 11

In the morning, the President traveled to Joplin, MO, where he met with employees of Contract Freighters, Inc. He then traveled to Excelsior Springs, MO, where he toured the carpentry shop of the Job Corps center.

In the afternoon, the President traveled to Kansas City, MO, where he attended a Victory '92 luncheon and a Victory '92 supporters meeting at the Kansas City Airport Hilton Inn. He then traveled to St. Louis, MO.

In the evening, the President traveled to Virginia Beach, VA, where he attended a Victory '92 supporters meeting. Later, he traveled to Hagerstown, MD, and then on to Camp David, MD, for the weekend.

September 12

The President declared a major disaster existed in the State of Hawaii and ordered Federal aid to supplement State and local recovery efforts in the area struck by Hurricane Iniki on September 11.

September 13

In the morning, the President traveled to Andrews Air Force Base from Camp David, MD, and then on to Anaheim, CA.

In the afternoon, the President traveled to San Diego, CA, where he held interviews with the news media and attended a Victory '92 supporters meeting at the U.S. Grant Hotel.

September 14

In the morning, the President traveled to Colville, WA, where he met with the Jobs Coalition for Washington State at Vaagen Brothers Lumber, Inc.

In the afternoon, the President traveled to Spokane, WA, where he attended a Victory '92 supporters meeting at the Spokane International Airport fire station. He then traveled to Medford, OR, where he attended a Victory '92 supporters meeting at Erickson Air-Crane Co.

In the evening, the President traveled to Salt Lake City, UT.

September 15

In the morning, the President attended a Victory '92 supporters meeting at the Salt Palace Convention Center in Salt Lake City, UT. He then traveled to Englewood, CO, where he attended a Victory '92 supporters meeting at the Scanticon Hotel in the afternoon. The President then traveled to Albuquerque, NM, where he toured the robotics laboratory at Sandia National Laboratories and attended a Victory '92 supporters meeting at Cutter Aviation. In the evening, the President returned to Washington, DC.

The President appointed the following individuals to be members of the National Commission for Employment Policy:

John Charles Gartland, of Maryland. He will also be designated Chairman.

Eduardo Aguirre, Jr., of Texas.

Mark D. Cowan, of the District of Columbia.

Melanie Mitchell Lackland, of Ohio.

Margot E. Machol, of the District of Columbia.

The President announced his intention to nominate the following individuals to be:

Representatives of the United States of America to the Forty-seventh Session of the General Assembly of the United Nations:

Edward Joseph Perkins, of Oregon.

Alexander Fletcher Watson, of Massachusetts.

Larry Pressler, of South Dakota.

Gloria Estefan, of Florida.

Alternate Representatives of the United States of America to the Forty-seventh Session of the General Assembly of the United Nations:

Irvin Hicks, of Maryland.

Shirin R. Tahir-Kheli, of Pennsylvania.

Parker G. Montgomery, of New York.

Prezell Russell Robinson, of North Carolina.

Margaretta F. Rockefeller, of New York.

September 16

In the morning, the President met at the White House with:

-- congressional leaders;

-- James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs;

-- James A. Baker III.

Later in the morning the President held an interview with the AARP Bulletin and St. Louis television affiliates.

In the afternoon, the President met at the White House with:

-- Acting Secretary of State Lawrence S. Eagleburger;

-- John Cardinal O'Connor.

The President declared an emergency existed in the State of Rhode Island and ordered Federal aid to supplement State and local recovery efforts in the areas affected by water contamination on August 3.

September 17

In the morning, the President traveled to Enid, OK, where he attended a Victory '92 supporters meeting and met with Oklahoma independent oil and gas producers at the Best Western Inn.

In the late morning, the President traveled to Jonesboro, GA. In the afternoon, he traveled to Atlanta, GA, where he attended a November Victory Committee fundraiser at the Hyatt Regency Atlanta, after which he was joined by Mrs. Bush.

In the evening, the President and Mrs. Bush returned to Washington, DC.

The President appointed Kay Bailey Hutchison, of Texas, to be a member of the Commission to Promote Investment in America's Infrastructure. This is a new position.

September 18

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Acting Secretary of State Lawrence S. Eagleburger.

In the afternoon, the President traveled to Basking Ridge, NJ, where he attended a Victory '92 supporters meeting at the AT&T corporate headquarters. In the late afternoon, the President traveled to Hagerstown, MD, and then on to Camp David, MD, for the weekend.

The President declared a major disaster existed in the State of Wisconsin and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and tornadoes on June 17.

The President declared a major disaster existed in the State of Indiana and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms, tornadoes, and flooding during the period of June 16 - July 23.

September 20

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

September 21

In the morning, the President and Mrs. Bush traveled to the United Nations in New York City, where the President met with Secretary-General Boutros Boutros-Ghali and General Assembly President Stoyan Ganev.

In the afternoon, the President held an interview with Rush Limbaugh at radio station WABC -

AM. The President and Mrs. Bush then met with supporters and attended Victory '92 and Presidential Trust dinners at the Waldorf-Astoria Hotel before returning to Washington, DC.

The President accorded the personal rank of Ambassador to Robert L. Hutchings, of Virginia, in his capacity as Special Adviser for East European Assistance.

September 22

In the morning, the President traveled to Springfield, MO, and Tulsa, OK, and in the afternoon to Longview, TX, Shreveport, LA, and Greenville, MS. In the evening, he traveled to Memphis, TN, and then returned to Washington, DC.

The President selected the following individual to head the U.S. delegation to the International Telecommunications Union Conference, December 7 - 22:

Ambassador Bradley P. Holmes, of Virginia.

The President selected the following individual as his special representative to the Congress of the American Woman in the Dominican Republic, October 10 - 11:

Ambassador Holly Coors, of Colorado.

September 23

In the morning, the President traveled to Greensboro, NC, where he met with business leaders and Victory '92 supporters at the Joseph S. Koury Convention Center. He then traveled to State College, PA, where he met with Victory '92 supporters at the Nittany Lion Inn before traveling to Hagerstown, MD, and on to Camp David, MD.

The President designated Edward L. Hennessy, Jr., of New Jersey, to be a member of the Board of Governors of the United Service Organizations, Inc., for a term of 3 years. He would succeed Gavin de Becker.

The President accorded the personal rank of Ambassador to Richard Lee Armitage, of Virginia, in his capacity as Deputy to the Coordinator for Assistance to the Commonwealth of Independent States.

September 24

In the afternoon, the President returned to the White House from Camp David, MD.

September 25

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later in the morning, President traveled to Schaumburg, IL, where he toured the Motorola plant.

In the afternoon, the President traveled to Chicago, IL. In the evening, he attended a Victory '92 supporters reception and a Presidential Trust dinner at the Chicago Hilton Hotel. He then traveled to Columbus, OH, where he was joined by Mrs. Bush.

September 26

The President and Mrs. Bush traveled from Columbus, OH, aboard the Spirit of America train through Ohio and Michigan. They stopped at Marysville, Arlington, Findlay, and Bowling Green, OH, and at Plymouth, MI. They then traveled by motorcade to Livonia, MI, where they stayed overnight at the Marriott Hotel.

September 27

The President and Mrs. Bush traveled from Livonia to Plymouth, MI, where they reboarded the Spirit of America train and continued on to Wixom, Milford, Holly, and Grand Blanc, MI. They then traveled by motorcade to Flint, MI, and later returned to Washington, DC.

September 28

In the morning, the President held an interview with ABC - TV's ``Good Morning America'' at the White House. He then traveled to St. Louis, MO, where he met with Victory '92 supporters at the Stouffer Concourse Hotel.

In the afternoon, the President traveled to Dallas, TX, where he met with the U.S. Hispanic Chamber of Commerce at the Loews Anatole Hotel. In the evening, he attended a Victory '92 fundraising reception and a Presidential Trust dinner at private residences.

The White House announced that President Bush, President Salinas of Mexico, and Prime Minister Mulroney of Canada will witness the initialing of the North American free trade

agreement (NAFTA) by trade ministers of the three Governments in San Antonio, TX, on October 7.

The President announced his intention to appoint the following individuals to be members of the National Cancer Advisory Board for terms expiring March 9, 1998:

Zora Kramer Brown, of the District of Columbia.

Pelayo Correa, of Louisiana.

Robert Winsor Day, of Washington.

Barbara P. Gimbel, of New York.

Ellen V. Sigal, of the District of Columbia.

September 29

In the morning, the President traveled from Dallas, TX, to Tennessee, making stops in Blountville, Knoxville, Chattanooga, Clarksville, and Nashville, TN. In the late evening, the President returned to Washington, DC.

September 30

In the morning, the President traveled to Oshkosh, WI, and on to Fond du Lac, WI, where he met with families of Children First at the city/county government center and with Victory '92 supporters at the National Exchange Bank. He then traveled to Newark, NJ.

In the evening, the President traveled to Hagerstown, MD, and on to Camp David, MD.

The President selected the following individuals to serve on the Board of Directors of the Eurasia Foundation:

William Frenzel, of Minnesota. He will serve as Chairman.

William Bader, of the District of Columbia.

McGeorge Bundy, New York.

Andrew Falkiewicz, of the District of Columbia.

Gordon Humphrey, of New Hampshire.

Vernon Jordan, of the District of Columbia.

Max Kampelman, of the District of Columbia.

Thomas Kemp, of California.

Susan King, of New York.

Peter McPherson, of California.

Arnold Weber, of Illinois.

Marina Von Neumann Whitman, of Michigan.

The President declared a major disaster existed in the State of Wisconsin and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and floods, September 14 - 24.

October 1

In the afternoon, the President returned to the White House from Camp David, MD.

The President announced his intention to nominate the following individuals to be members of the National Advisory Council on Educational Research and Improvement:

John K. Andrews, Jr., of Colorado.

Dale P. Gold, of Virginia.

Eugene L. Madeira, of Pennsylvania.

Eunice N. Sato, of California.

October 2

In the morning, the President met with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President traveled to Boston, MA, where he received a law enforcement endorsement at Florian Hall and attended a Victory '92 reception and Presidential Trust dinner at the Boston Park Plaza Hotel.

In the evening, the President traveled to Clearwater, FL.

The President declared a major disaster existed in the State of Iowa and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms and flooding, September 14 - 15.

October 3

In the morning, the President addressed a Seniors for Bush-Quayle Coalition meeting at the On Top of the World retirement community in Clearwater, FL. Later in the morning, he traveled to Homestead, FL, to assess the Hurricane Andrew relief efforts. There he visited the Campbell temporary housing unit and Campbell Drive Middle School and toured the FEMA disaster assistance center. He then went to Florida City, where he visited a FEMA temporary housing unit and met with residents.

In the afternoon, the President traveled to Fort Lauderdale, FL, where he attended a Fort Lauderdale Historical Association ceremony at the naval air station and held an interview with Telemundo at the AMR COMBS Executive Terminal. He then traveled to Orlando, FL, where he met with Victory '92 supporters at the Church Street Station. In the evening, he returned to Washington, DC.

October 5

In the afternoon, the President traveled to Dover, DE, where he met with Victory '92 supporters at the Dinner Bell Inn before returning to Washington, DC.

The President announced his intention to appoint Donald E. Vinson, of California, to be the Representative of the United States of America on the South Pacific Commission for a term of 2 years. He would succeed Admiral James L. Holloway III.

The President announced his intention to appoint Roland I. Perusse, of the District of Columbia, to be Deputy Commissioner of the United States of America on the Commission for the Study of Alternatives to the Panama Canal. He would succeed Prieur J. Leary, Jr.

October 6

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President attended a ceremony for the West Side Light Rail Project in the Oval Office at the White House.

October 7

In the morning, the President traveled to San Antonio, TX, where he met with President Carlos Salinas of Mexico and Prime Minister Brian Mulroney of Canada at the Plaza San Antonio Hotel.

In the evening, the President held an interview with Larry King of CNN - TV at the Arneson River Theater.

The President appointed Mary D. Fisher, of Florida, to be a member of the National Commission on Acquired Immune Deficiency Syndrome. She would succeed Earvin (Magic) Johnson.

October 8

In the morning, the President traveled from San Antonio, TX, to New Orleans, LA, where he met with Victory '92 supporters at the World Trade Center. In the afternoon, the President traveled to Houston, TX. In the evening, he returned to Washington, DC.

The President announced his intention to appoint the following individuals to be members of the President's Council on Physical Fitness and Sports:

Harris John Frank, of Missouri.

Kevin Vaughn Saunders, of Texas.

The President announced his intention to appoint David M. Mulcahy, of New Jersey, to be a member of the President's Export Council. He would succeed Jerry Douglas Geist.

The President announced his intention to appoint Charles R. Lee, of Connecticut, to be a

member of the President's National Security Telecommunicationsÿ20Advisory Committee. He would succeed James L. Johnson.

The President announced his intention to nominate Ray E. Witter, of Missouri, to be a member of the Chemical Safety and Hazard Investigation Board for a term of 5 years. This is a new position.

The President announced his intention to appoint James C. Lin, of Illinois, to be a member of the President's Committee on the National Medal of Science for a term expiring December 31, 1993. He would succeed Y.W. Kan.

The President announced his intention to nominate David M. Brewer, of New Jersey, to be a member of the board of directors of the Federal Agricultural Mortgage Corporation. He would succeed Gordon Clyde Southern.

The President declared a major disaster existed in the State of Florida and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms, tornadoes, and flooding on October 3.

October 9

In the afternoon, the President traveled to Cincinnati and Columbus, OH, where he attended a Victory '92 reception and dinner at a private residence before returning to Washington, DC.

October 11

In the afternoon, the President and Mrs. Bush traveled to St. Louis, MO, where the President toured the site for the Presidential debate in the Field House at Washington University.

In the evening after the debate, President and Mrs. Bush went to Forest Park and then returned to St. Louis.

October 12

In the morning, the President and Mrs. Bush traveled from St. Louis, MO, to Springfield, PA, where they met with Victory '92 supporters at a private residence.

In the afternoon, the President and Mrs. Bush traveled to Grand Rapids and Holland, MI. In the evening, they attended a Victory '92 reception and dinner at private residences in Grand Rapids before returning to Washington, DC.

October 13

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- James A. Baker III.

The President recess-appointed Evan J. Kemp, Jr., of the District of Columbia, to be a member of the Equal Employment Opportunity Commission. He also redesignated him Chairperson. Since 1987, Mr. Kemp has served as Chairman of the U.S. Equal Employment Opportunity Commission.

The President announced his intention to appoint the following individuals to serve as members of the National Commission on Measured Responses to Achieve a Drug-Free America by 1995.

Chairman:

Bob Martinez

Commissioners:

Kent B. Amos, of Washington, DC.

Ramona L. Barnes, of Alaska.

Ralph R. Brown, of Iowa.

Keith A. Butler, of Michigan.

Ronald D. Castille, of Pennsylvania.

Kay B. Cobb, of Mississippi.

Shirley D. Coletti, of Florida.

Sylvester Daughtry, of North Carolina.

David A. Dean, of Texas.

Steven Goldsmith, of Indiana.

Daniel S. Heit, of Pennsylvania.

Rose Hom, of California.

Richard P. Ieyoub, of Louisiana.

Vincent Lane, of Illinois.

Daniel E. Lungren, of California.

Robert H. Macy, of Oklahoma.

N. Hector McGeachy, Jr., of North Carolina.

Edwin L. Miller, Jr., of California.

John D. O'Hair, of Michigan.

Jack M. O'Malley, of Illinois.

Ruben B. Ortega, of Arizona.

Robert T. Thompson, Jr., of Georgia.

October 14

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President announced his intention to appoint the following individuals to be members of the President's Advisory Commission on Educational Excellence for Hispanic Americans. These are initial appointments:

Juana Dainis, of New York.

Robert D. Segura, of California.

The President announced his intention to appoint Eugene F. Yeates, of Maryland, to be Executive Director of the President's Foreign Intelligence Advisory Board. He would succeed Nina J. Stewart.

October 15

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President and Mrs. Bush traveled to Richmond, VA, where the President toured the site for the Presidential debate in Robins Center at the University of Richmond. In the evening after the debate, the President and Mrs. Bush attended a reception at Richmond Center before returning to Washington, DC.

The President announced his intention to appoint Harold T. Shapiro, of New Jersey, to be a member of the President's Council of Advisors on Science and Technology.

The President announced his intention to appoint the following individuals to be members of the Board for International Food and Agricultural Development for terms expiring July 18, 1996:

Paul Findley, of Illinois.

Christopher Hicks, of Maryland.

William Hodges Mobley, of Texas.

October 16

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President traveled to Edison, NJ. In the evening, he traveled to Somerset, NJ, where he attended a private reception and dinner at the Garden State Convention Center before traveling to Camp David, MD, for the weekend.

The President named the following individuals to represent him at the Federal Republic of Germany's state funeral for Willy Brandt, October 17:

Ambassador Vernon Walters, of Virginia.

Senator Claiborne Pell, of Rhode Island.

October 17

The President declared a major disaster existed in the State of Mississippi and ordered Federal aid to supplement State and local recovery efforts in the area struck by tornadoes, high winds, hail, and severe storms on October 10.

October 18

In the afternoon, the President returned to the White House from a weekend stay at Camp David, MD.

October 19

In the morning, the President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President and Mrs. Bush traveled to East Lansing, MI, where the President toured the site for the Presidential debate in Wharton Center at Michigan State University.

In the evening after the debate, the President and Mrs. Bush traveled to Atlanta, GA.

October 20

In the morning, the President and Mrs. Bush boarded the Spirit of America train at Armour Drive train yard in Atlanta for a trip through Georgia, South Carolina, and North Carolina, making their first stop in Norcross, GA. In the afternoon, the President continued on to Gainesville and Cornelia, GA, and Spartanburg, SC, where he stayed overnight.

October 21

In the morning, the President continued on to Gastonia, Kannapolis, Thomasville, Burlington, and Raleigh, NC, where he stayed overnight.

The President announced his intention to appoint Huda Bingham Jones, of Kentucky, to be a member of the Commission on Presidential Scholars.

The President announced his intention to appoint John H. Harriman, of California, to be a public member of the National Advisory Council on the Public Service. This is a new position.

October 22

In the morning, the President held a television interview with ``CBS This Morning'' in the Governor Kerr Scott Building at the North Carolina State Fairgrounds in Raleigh, NC.

The President then traveled to Vineland, Robbinsville, Ridgewood, and Secaucus, NJ, and returned to Washington, DC, in the evening.

October 23

In the morning, the President met at the White House with Gen. John W. Vessey, Special Presidential Emissary to Hanoi for POW - MIA Affairs. The President then traveled to London, KY.

In the afternoon, the President traveled to Fort Lauderdale, FL, where he attended a Presidential Trust reception at a private residence, and then to Miami.

In the evening, the President traveled to Montgomery, AL.

The President announced his intention to appoint Richard J. Wall, of California, to be a member of the Board of Visitors to the U.S. Military Academy for a term expiring December 30, 1994. He would succeed Rhett B. Dawson.

The President made available emergency appropriations for the Departments of Agriculture,

Commerce, Housing and Urban Development, the Interior, and Labor, to provide assistance in Florida, Louisiana, Hawaii, and Guam to victims of Hurricanes Andrew and Iniki and Typhoon Omar.

The President announced his intention to accord the personal rank of Ambassador to Edward L. Lacey, of Virginia, in his capacity as head of delegation to the Biological and Toxic Weapons Convention Verification Conference.

October 24

In the morning, the President held media interviews at the Atlanta Crossing Shopping Center in Montgomery, AL. He then traveled to Houston, TX, where he attended a private memorial service at the First Presbyterian Church.

In the afternoon, the President traveled to Maurice and Lafayette, LA, before returning to Washington, DC, in the evening.

October 25

In the morning, the President traveled to Detroit, MI, and Sioux Falls, SD, where he held media interviews at the Kiwanis Club Pancake House. In the afternoon, he traveled to Billings, MT, where he held a taped interview with David French of CNN - TV at Billings Senior High School.

October 26

In the morning, the President traveled to Denver, CO, and in the afternoon, to Albuquerque, NM.

In the evening, he traveled to Des Moines, IA, where he held a taped interview with David Frost at the Iowa Republican headquarters.

The President announced his intention to appoint Barbara Hackman Franklin, Secretary of Commerce, to be a member of the Competitiveness Policy Council for a term expiring October 16, 1994. This is a reappointment.

The President appointed Stuart A. Bernstein, of the District of Columbia, to be a member of the Board of Trustees of the John F. Kennedy Center for the Performing Arts for a term expiring September 1, 2002. He would succeed Dina Merrill.

October 27

In the morning, the President held an interview with NBC - TV's ``Today Show'' at the State capitol in Des Moines, IA, before traveling to Paducah, KY. In the afternoon, he traveled to Kettering and Lima, OH.

The President announced his intention to designate Harold T. Shapiro, of New Jersey, to be Vice Chairman of the President's Council of Advisors on Science and Technology. He would succeed Bernadine P. Healy.

The President announced his intention to appoint J. Michael Farrell, of the District of Columbia, to be Commissioner of the United States of America on the Commission for the Study of Alternatives to the Panama Canal. He would succeed John A. Svahn.

October 28

In the morning, the President held an interview with ABC - TV's ``Good Morning America'' at the Civic Center in Lima, OH, before traveling to Toledo, Strongsville, and Columbus, OH. In the evening, he traveled to Warren, MI.

October 29

In the morning, the President traveled from Warren, MI, to the Henry Ford Museum in Detroit, MI, where he held a television interview with ``CBS This Morning'' and taped an interview for ``Prime Time Live'' with Sam Donaldson of ABC - TV.

In the afternoon, the President returned to Warren, MI, and then traveled on to Grand Rapids, MI. In the evening, he traveled to Nashville, TN.

The White House announced that the President had a telephone conversation with President Boris Yeltsin of Russia to discuss the situation in Moscow.

The President announced his intention to designate Paul Calabresi, of Rhode Island, to be Chairman of the National Cancer Advisory Board for the term expiring March 9, 1994.

October 30

In the morning, the President traveled from Nashville, TN, to St. Louis, MO, where he held several local media interviews.

In the afternoon, he traveled to Racine, WI, where he addressed the community and held an interview with Larry King of CNN - TV in the evening.

October 31

In the morning, the President and Mrs. Bush traveled from Racine to Burlington, WI, where they boarded the Spirit of America train for a trip through Wisconsin. They stopped at Sussex, Oshkosh, Stevens Point, and Chippewa Falls, where the whistlestop tour ended. In the evening, they traveled to La Crosse, WI.

November 1

In the morning, the President held an interview for ``Newsmaker Sunday'' with Frank Sesno of CNN - TV at the La Crosse County Republican Headquarters. The President then traveled to Auburn Hills, MI, where he held interviews with the local media in the afternoon.

In the evening, the President traveled to Stratford, CT, and Short Hills, NJ.

November 2

In the morning, the President traveled to Madison, NJ, Glenolden, PA, and in the afternoon to Akron, OH, and Louisville, KY.

In the evening, the President traveled to Baton Rouge, LA, and Houston, TX, where he was joined by Mrs. Bush.

November 3

In the morning, the President and Mrs. Bush voted at St. Mary's Seminary in Houston. In the afternoon, they attended a reception at the Manor House of the Houstonian Hotel, and in the evening, they went to the Westin Galleria Hotel.

November 4

In the afternoon, the President and Mrs. Bush returned to Washington, DC.

November 5

In the morning, the President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- members of the Cabinet.

In the afternoon, President and Mrs. Bush went to Camp David, MD, for the weekend.

November 6

The President selected the following individuals to represent him during the ceremonies commemorating the 50th anniversary of the arrival of General MacArthur's headquarters on November 6, 1942:

Head of Delegation:

Ambassador Everett Bierman, of Virginia.

Delegates:

Reynaldo Maduro, of Maryland.

Rear Admiral James Carey, of Virginia.

November 8

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

November 9

In the morning, the President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President announced his intention to accord the personal rank of Ambassador to Michael K. Young, of Virginia, in his capacity as Special Negotiator for Trade and Environment.

November 10

In the morning, the President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the evening, the President and Mrs. Bush attended a reception for Senate Republican leaders in the Columbus Club at Union Station prior to the Senate Republican leadership dinner. At midnight, they visited the Vietnam Veterans Memorial.

November 11

In the morning, the President and Mrs. Bush traveled to Boca Grande, FL, for a vacation.

November 15

In the afternoon, the President returned to Washington, DC, from a vacation trip to Boca Grande, FL.

November 16

In the morning, the President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the evening, the President went to Blair House where he received the Benjamin Franklin Award from the Council of American Ambassadors.

The President appointed Thomas Neal Tripp, of Ohio, to be a member of the Board of Directors of the Federal Prison Industries, Inc. He would succeed Joseph Lane Kirkland.

The President appointed the following persons as members of the National Commission on Measured Responses to Achieve a Drug-Free America by 1995. These are new positions:

Mike Moore, of Mississippi.

Keith M. Kaneshiro, of Hawaii.

November 17

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch.

November 18

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Secretary of Transportation Andrew H. Card, Jr.

In an afternoon ceremony at the White House, the President received diplomatic credentials from Ambassadors Roza Otunbayeva, Republic of Kyrgyzstan; Roland Bimo, Republic of Albania; Adamou Seydou, Republic of Niger; Rene Arturo Bendana, Honduras; Corinne Averille McKnight, Republic of Trinidad and Tobago; Immo Stabreit, Federal Republic of Germany; Ananda Guruge, Democratic Socialist Republic of Sri Lanka; and Hiem Phommachanh, Lao People's Democratic Republic.

The President announced his intention to appoint Patricia Diaz Dennis, Assistant Secretary of State for Human Rights and Humanitarian Affairs, to be an executive branch Commissioner-Observer on the Commission on Security and Cooperation in Europe. She would succeed Richard Schifter.

November 19

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President traveled to Greenwich, CT, to visit his mother, Mrs. Prescott Bush, and returned to Washington, DC, in the afternoon.

In an afternoon ceremony at the White House, the President received diplomatic credentials from Ambassadors Ernest Petric, Republic of Slovenia; Michael Zantovsky, Czech and Slovak Federal Republic; Petar A. Sarcevic, Republic of Croatia; Siddhartha Shankar Ray, India; Alim Shakirovich Djambourchine, Republic of Kazakhstan; Edgar Teran Teran, Ecuador; and Timothy Baswell Donaldson, Commonwealth of the Bahamas.

The White House announced that the President's mother died late in the afternoon and that the President and Mrs. Bush will attend the funeral services in Greenwich, CT, on November 23d.

November 20

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

The President announced his intention to appoint the following individuals to be members of the President's National Security Telecommunications Advisory Committee:

C. Michael Armstrong, of California.

Bruce L. Crockett, of Virginia.

Roy A. Wilkens, of Oklahoma.

November 22

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD. Later in the afternoon, the President presented the 1992 National Literacy Honors on the State Floor.

November 23

In the morning, the President and Mrs. Bush traveled to Greenwich, CT, to attend funeral services for the President's mother, Mrs. Prescott Bush, and returned to Washington, DC, in the evening.

November 24

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch;

-- the President's Foreign Intelligence Advisory Board.

November 25

In the morning, the President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President and Mrs. Bush traveled to Kennebunkport, ME, for the

Thanksgiving holiday weekend.

November 29

In the afternoon, the President and Mrs. Bush returned to Washington, DC, from a holiday weekend stay in Kennebunkport, ME.

November 30

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

December 1

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Gov. Fife Symington of Arizona.

The President declared a major disaster existed in the State of Georgia and ordered Federal aid to supplement State and local recovery efforts in the area struck by tornadoes, high wind, and heavy rain that began on November 22.

December 2

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Acting Secretary of State Lawrence S. Eagleburger;

-- Senators Hank Brown, Thomas A. Daschle, and John F. Kerry.

December 3

The President met at the White House with:

-- James A. Baker III, Chief of Staff to the President;

-- the Vice President; James A. Baker III; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the President's Council of Advisors on Science and Technology;

-- the Vice President, for lunch.

In the evening, the President and Mrs. Bush attended a performance of ``A Tuna Christmas'' at the National Theatre.

The White House announced that the President will sign the North American free trade agreement in Washington, DC, on December 17.

December 4

The President held morning meetings at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

The President transmitted to the Speaker of the House and the President pro tempore of the Senate a report on Federal Agencies implementation of the Privacy Act of 1974.

December 6

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

In the evening, the President and Mrs. Bush hosted a reception for the John F. Kennedy honorees on the State Floor at the White House before attending the honors ceremony at the John F. Kennedy Center for the Performing Arts.

December 7

In the morning, the President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Gov. Walter J. Hickel of Alaska.

In the afternoon, the President toured the U.S. Navy Memorial.

In the evening, the President and Mrs. Bush hosted the congressional Christmas ball on the State Floor.

December 8

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the 1992 - 93 Duck Stamp Design Award winner.

In the evening, the President and Mrs. Bush hosted a Christmas reception on the State Floor.

The President announced his intention to recess-appoint Pauline Crowe Naftzger, of California, to be the Alternate Representative of the United States of America on the Executive Board of the United Nations Children's Fund. She would succeed Mrs. Potter Stewart.

December 9

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the late morning, the President signed the Religious Freedom Day proclamation in an Oval Office ceremony.

In the evening, the President and Mrs. Bush hosted a Christmas reception on the State Floor.

December 10

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch.

In the afternoon, the President received the 1992 Christmas Seals from Kristi Yamaguchi, American Lung Association chairperson, in an Oval Office ceremony.

In the evening, the President and Mrs. Bush hosted a Christmas reception on the State Floor.

December 11

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the evening, the President and Mrs. Bush went to Camp David, MD, for the weekend.

December 13

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

In the evening, the President and Mrs. Bush attended the ``Christmas in Washington'' show at the National Building Museum.

December 14

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President attended the White House Military Office farewell ceremony at Anacostia Naval Base.

December 15

In the morning, the President traveled to College Station, TX, where he attended a Presidential library board meeting at Texas A&M University. In the afternoon, he returned to Washington, DC.

In the evening, the President and Mrs. Bush hosted a Christmas reception on the State Floor.

December 16

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the evening, the President and Mrs. Bush hosted a Christmas reception on the State Floor.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Policy and Negotiations for terms of 2 years:

Robert E. Allen, of New Jersey.

Remedios Diaz-Oliver, of Florida.

John A. Rollwagen, of Minnesota.

Gordon B. Zacks, of Ohio.

The White House announced that on January 13, 1993, the President will award the Presidential Medal of Freedom to former President Ronald Reagan.

December 17

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President attended a reception at the Organization of American States building.

In the evening, the President and Mrs. Bush hosted a Christmas reception on the State Floor.

The President declared a major disaster existed in the Republic of the Marshall Islands and ordered Federal aid to supplement State and local recovery efforts in the area struck by Typhoon Gay on November 17 - 18.

The President declared a major disaster existed in the State of Connecticut and ordered Federal aid to supplement State and local recovery efforts in the area struck by a winter storm and

coastal flooding on December 10 - 13.

December 18

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Philip Johnston, president of CARE;

-- Palestinian peace delegation members;

-- Cyrus Vance, Special Negotiator for the United Nations on Yugoslavia.

The President hosted a working lunch with European Commission representatives in the Residence.

In the afternoon, the President and Mrs. Bush went to Camp David, MD, for the weekend.

The President declared a major disaster existed in the State of New Jersey and ordered Federal aid to supplement State and local recovery efforts in the area struck by a severe coastal storm, unusual high tides, heavy rain, and riverine flooding that began on December 10.

The President announced the reappointment of David Q. Bates, Jr., of Texas, to be a member of the Board of Directors of the Student Loan Marketing Association. Mr. Bates currently serves as Assistant to the President and Special Assistant to the Chief of Staff.

The President announced his intention to designate Charles G. Untermeyer, of Texas, and Bobbie G. Kilberg, of Virginia, to be members of the Board of Visitors to the United States Naval Academy. Mr. Untermeyer currently serves as Director of Voice of America. Ms. Kilberg currently serves as Deputy Assistant to the President and Director of Intergovernmental Affairs.

December 19

The President and Mrs. Bush hosted a visit by British Prime Minister and Mrs. John Major at Camp David, MD.

December 20

In the morning, the President and Mrs. Bush and Prime Minister and Mrs. Major returned to the White House from a weekend stay at Camp David, MD.

December 21

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

In the afternoon, the President and his family viewed the film ``The Fires of Kuwait'' at the National Air and Space Museum.

In the evening, the President and Mrs. Bush hosted a Christmas party on the State Floor.

The President declared a major disaster existed in the State of New York and ordered Federal aid to supplement State and local recovery efforts in the area struck by the coastal storm, high tides, heavy rain, and riverine flooding that began on December 10.

December 22

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President declared a major disaster existed in the Commonwealth of Massachusetts and ordered Federal aid to supplement State and local recovery efforts in the area struck by a winter storm and coastal storm on December 11 - 13.

The President announced his intention to appoint Susan Porter Rose, of Virginia, to be a member of the Commission of Fine Arts for a term of 4 years. She would succeed Neil H. Porterfield.

The President announced his intention to appoint the following individuals to serve in an advisory capacity to the James Madison Memorial Fellowship Foundation Board of Trustees for a term of 6 years. These are reappointments:

Orrin G. Hatch, of Utah.

Edward M. Kennedy, of Massachusetts.

The President announced the recess appointment of John N. Raudabaugh, of Georgia, to be a

member of the National Labor Relations Board. This is a reappointment.

The White House announced that the President will travel to Somalia to spend New Year's Eve with U.S. troops and then will visit relief operations on New Year's Day before returning to the United States.

December 23

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later in the morning, the President and Mrs. Bush went to Camp David, MD, for the Christmas holiday.

The President appointed Albert V. Casey, of Texas, to be a member of the National Commission to Ensure a Strong Competitive Airline Industry. This is a new position.

December 24

Throughout the day, the President placed telephone calls to U.S. military personnel stationed overseas.

December 27

In the morning, the President returned to Andrews Air Force Base from Camp David, MD. He then traveled to Houston and Beeville, TX, where he visited Will Farish's ranch.

December 29

In the evening, the President returned to Washington, DC, from Beeville, TX.

December 30

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later in the morning, the President departed for Saudi Arabia.

The President made available $10.5 million in previously appropriated funds to provide

assistance in Florida, Louisiana, Hawaii, and Guam to victims of Hurricanes Andrew and Iniki and Typhoon Omar.

The President recess-appointed Robert F. Goodwin, of Maryland, to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada. This is a reappointment.

The President recess-appointed Norman D. Shumway, of California, to be a member of the Board of Directors of the Legal Services Corporation. This is a reappointment.

December 31

In the morning, the President arrived in Riyadh, Saudi Arabia, where he met with King Fahd before traveling on to Somalia.

In the afternoon, after arriving in Mogadishu, Somalia, the President went to the American Embassy compound where he held a Joint Task Force briefing and addressed the staff and troops. He then toured the International Red Cross/Somali camp near Afgooye. Later in the afternoon, the President traveled to the U.S.S. Tripoli where he greeted the ship's company and officers and spent the night.

The President recess-appointed David P. Prosperi, of Illinois, to be a member of the Board of Directors of the Corporation for Public Broadcasting. He would succeed Marshall Turner, Jr.

The President announced his intention to appoint Jeannette Louise Naylor, of Texas, to be a member of the Board of Directors of the Pennsylvania Avenue Development Corporation for a term expiring October 26, 1998.

The President announced his intention to appoint the following individuals to the Advisory Council on Unemployment Compensation:

Janet L. Norwood, of Maryland.

Mitchell E. Daniels, Jr., of Indiana.

Gov. Tommy G. Thompson, of Wisconsin.

January 1

In the morning, the President traveled from the U.S.S. Tripoli to Baidoa Airfield, where he visited the Marine forces, toured the airfield, visited foxholes, and met an incoming patrol. He

then went to the Bonka Orphanage Center to tour the facility and returned to the Baidoa Airfield where he addressed the Marine forces before departing for a visit to a helicopter maintenance facility near Baledogle.

After having lunch with Army and Marine troops near Baledogle, the President attended the sendoff of an Army platoon on patrol and visited the Marine tent city. He then traveled to Mogadishu Airport where he addressed members of the coalition forces.

Later in the afternoon, the President returned to the U.S.S. Tripoli where he spent the night.

January 2

In the morning, the President traveled from the U.S.S. Tripoli, located off the coast of Somalia, to Mogadishu. He then traveled to Riyadh, Saudi Arabia, and to Moscow, Russia, where he joined Mrs. Bush. They then went to Spaso House, residence of the U.S. Ambassador.

January 3

In the morning, the President and Mrs. Bush toured the Kremlin. President Bush then met with President Boris Yeltsin, and they signed the START II treaty.

In the afternoon, the President and Mrs. Bush traveled to Paris, France. Following an arrival ceremony at Orly International Airport, they went to the Elysee Palace, where President Bush and President Francois Mitterrand held a meeting and a joint press conference.

In the evening, the President and Mrs. Bush attended a dinner hosted by President Mitterrand at the palace before returning to Washington, DC.

January 4

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President transmitted to the Congress the 27th annual report of the Department of Housing and Urban Development for calendar year 1991 and the 25th annual report of the United States-Japan Cooperative Medical Science Program for the period of July 1990 to July 1991.

January 5

In the morning, the President met at the White House with the Vice President; James A. Baker

III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later the President and Mrs. Bush traveled to the U.S. Military Academy at West Point, NY, where he had lunch with the Corps of Cadets at Washington Mess Hall and attended a private reception at the Superintendent's residence. They returned to Washington, DC, in the late afternoon.

January 6

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- congressional leaders;

-- Secretary of State Lawrence S. Eagleburger.

In the late afternoon, the President and Mrs. Bush hosted a Presidential Trust and Eagles reception on the State Floor.

The President recess-appointed the following individuals to be members of the National Security Education Board for terms of 4 years. These are new positions:

Steven Muller, of Maryland.

S. William Pattis, of Illinois.

John P. Roche, of Massachusetts.

Richard F. Stolz, of Maryland.

January 7

The President held morning meetings at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- freshman Republican Congressmen.

In the late morning, the President attended a reception hosted by the U.S. Trade Representative in the Indian Treaty Room of the Old Executive Office Building.

In the late afternoon, the President and Mrs. Bush hosted a Presidential Trust and Eagles reception on the State Floor.

The President announced his intention to appoint Margaret DeBardeleben Tutwiler, of Alabama, to be an Alternate Representative of the United States of America on the South Pacific Commission for a term of 2 years. She will succeed Lois L. Evans.

The President nominated John P. Roche, of Massachusetts, to be a member of the National Security Education Board for a term of 4 years. This is a new position.

January 8

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Deputy Foreign Minister Boris Tarrasuik of Ukraine.

In the late morning, the President went to the CIA headquarters in Langley, VA, for a working luncheon and briefing. In the afternoon, he was joined there by Mrs. Bush, and they went to Camp David, MD, for the weekend.

The President appointed Vincent H. Dreeszen, of Nebraska, to be the U.S. Representative on the Kansas-Nebraska Big River Compact Administration. He would suceed Maurice A. Kremer.

The President announced his intention to appoint the following individuals to be members of the National Commission on Independent Higher Education:

William J. Keating, of Ohio.

Carolynn Reid-Wallace, of the District of Columbia.

The President appointed the following individuals to be members of the National Commission on Intermodal Transportation:

Phillip D. Brady, of California.

Thomas J. Donohue, of Maryland.

Edmund S. Hawley, of Nebraska.

The President recess-appointed the following individuals to be members of the Defense Base Closure and Realignment Commission for terms expiring at the end of the first session of the 103d Congress:

James A. Courter, of New Jersey. He will be designated Chairman.

Peter B. Bowman, of Maine.

Beverly Butcher Byron, of Maryland.

Rebecca Gernhardt Cox, of the District of Columbia.

Hansford T. Johnson, of Texas.

Arthur Levitt, Jr., of New York.

Harry C. McPherson, Jr., of Maryland.

Robert D. Stuart, Jr., of Illinois.

The President recess-appointed Thomas Ludlow Ashley, of the District of Columbia, to be a Governor of the U.S. Postal Service. He would succeed Crocker Nevin.

The President announced his intention to appoint the following individuals to be members of the J. William Fulbright Foreign Scholarship Board:

Mark N. Blitz, of Virginia.

Charles E. Horner, of the District of Columbia.

Ewell E. Murphy, Jr., of Texas.

Katherine L. Super, of Virginia.

Margarita B. Tonkinson, of Florida.

Rose M. Zamaria, of Virginia.

The President recess-appointed Marion G. Chambers, of New Mexico, to be a member of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development for a term expiring May 19, 1998. She would succeed James Courtney Jennings.

The President announced his intention to appoint the following individuals to be members of the U.S. Holocaust Memorial Council for terms expiring January 15, 1998:

Jack Africk, of Florida.

Louis Gonda, of California.

Cecile Kremer, of Maryland.

Ronald Lauder, of New York.

Miles Lerman, of New Jersey.

Simcha Lyons, of Missouri.

Murray Pantirer, of New Jersey.

Dennis Ross, of Maryland.

Samuel Rothberg, of Illinois.

Arnold Thaler, of Illinois.

January 10

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

January 11

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

The President announced his intention to appoint the following individuals to be members of

the Board of Trustees of the Woodrow Wilson International Center for Scholars for terms expiring October 23, 1998:

James Addison Baker III, of Texas.

Max Marlin Fitzwater, of Kansas.

Roger B. Porter, of Utah.

The President announced his intention to appoint C. Boyden Gray, of North Carolina, to be a public member of the Council of the Administrative Conference of the United States for a term of 3 years. Mr. Gray currently serves as Counsel to the President.

The President designated Paul A. Vander Myde, of Virginia, to be Vice Chairman of the Administrative Conference of the United States.

January 12

In the morning, the President went to the National Naval Medical Center in Bethesda, MD, for a checkup and then returned to the White House.

In the afternoon, the President signed the economic report and met with Michael J. Boskin, Chairman of the Council of Economic Advisers.

In the evening, the President hosted the Team 100 dinner on the State Floor.

The White House announced that on Saturday, January 16, the President will meet with Prime Minister Brian Mulroney of Canada at Camp David, MD.

The President announced his intention to appoint Richard A. Hauser, of the District of Columbia, to be a member of the Board of Directors of the Pennsylvania Avenue Development Corporation for a term expiring October 26, 1998. This is a reappointment.

The President announced his intention to appoint the following individuals to be Commissioners on the White House Conference on Small Business Commission. These are new positions:

Andrew P. Ireland, of Florida.

James H.K. Bruner, of New York.

Janet Harris-Lange, of Florida.

James S. Herr, of Pennsylvania.

Anita Lugo King, of California.

Carmen Munoz, of Michigan.

Jose F. Nino, of Illinois.

JoAnn H. Price, of Maryland.

Ella D. Williams, of California.

The President announced his intention to designate the following individuals to be members of the Board of Visitors to the U.S. Military Academy:

John H. Lindsey, of Texas.

Sally Freeman McKenzie, of Texas.

Edwin Meese III, of California.

January 13

The President met at the White House with the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

Later in the morning, the President received the Ellis Island Congressional Medal of Honor in an Oval Office ceremony.

The President announced his intention to appoint the following individuals to be members of the Advisory Commission on Intergovernmental Relations for terms of 2 years:

Paul Bud Burke, president of the Kansas State Senate.

Robert Michael Isaac, Mayor of Colorado Springs, CO.

Edward G. Rendell, Mayor of the City of Philadelphia, PA.

The President announced his intention to appoint the following individuals to be members of the Architectural and Transportation Barriers Compliance Board:

Porfirio C. Diaz, Jr., of California.

Scott Moore Duncan, of Texas.

Margaret Chase Hagar, of Virginia.

Anne Marcia Harding, of New York.

S. Craig Kiser, of Florida.

The President announced his intention to appoint the following individuals to be members of the National Capital Planning Commission:

Thaddeus A. Garrett, of Ohio.

Melvyn J. Estrin, of Maryland.

Glen T. Urquhart, of Virginia.

The President announced his intention to appoint Ronald Carlin Kaufman, of Massachusetts, to be a member of the Commission for the Preservation of America's Heritage Abroad. Mr. Kaufman will serve the remainder of the 3-year term expiring February 27, 1995.

The President announced his intention to appoint the following individuals to be members of the Board of Governors of the United Service Organizations for 3-year terms:

Suzanne Marx, of California.

John J. Tedesco, of New Jersey.

The President announced his intention to appoint Jean Stein, of New York, to be a member of the U.S. Holocaust Memorial Council for a term expiring January 15, 1998.

The President announced his intention to appoint Daphne Wood Murray, of Texas, to be a member of the Cultural Property Advisory Committee for a term expiring April 25, 1993.

The President announced his intention to appoint Bill Dickinson, of Alabama, to be a member of the National Commission on Defense and National Security. This is a new position. He will

be designated Chairman.

January 14

In the morning, the President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- Ambassador Malcolm Toon;

-- families of the KAL flight 007 victims.

In the evening, the President and Mrs. Bush attended a dinner hosted by Cabinet members at the Blair House.

The President announced his intention to appoint the following individuals to be members of the Board of Visitors to the U.S. Air Force Academy:

Andrew H. Card, Jr., of Massachusetts.

Barry M. Goldwater, Sr., of Arizona.

Brent Scowcroft, of Maryland.

Fred M. Zeder II, of New York.

The President announced his intention to appoint the following individuals to be members of the Board of Trustees of the John F. Kennedy Center for the Performing Arts for terms expiring September 1, 2002:

Phyllis C. Draper, of New York.

Craig L. Fuller, of Virginia.

Mary Galvin, of Illinois.

Alma Johnson Powell, of Virginia.

Joshua I. Smith, of Maryland.

The President announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Policy and Negotiations for terms of 2 years:

Roger J. Baccigaluppi, of California.

Alberto R. Cardenas, of Florida.

Donald G. Fisher, of California.

Donald V. Fites, of Illinois.

Kathryn S. Fuller, of the District of Columbia.

John A. Georges, of Connecticut.

D. George Harris, of Connecticut.

David S. Lee, of California.

Rudolph A. Oswald, of Maryland.

William F. Pickard, of Michigan.

C.J. Silas, of Oklahoma.

Jack Valenti, of California.

Robert Van Dine, of California.

January 15

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff.

-- Secretary of State Lawrence Eagleburger.

Later in the morning, the President attended the National Republican Campaign Committee President's Forum luncheon at the Willard Hotel before departing for Camp David, MD, for the weekend.

The President transmitted to the Congress requests for FY 1993 appropriations language for the Department of Defense, to provide authority to transfer available appropriations to cover the incremental costs arising from Operation Restore Hope in Somalia.

The President declared a major disaster existed in the State of Delaware and ordered Federal aid to supplement State and local recovery efforts in the area struck by a severe coastal storm and flooding on December 11 - 14.

The President announced his intention to appoint William D. Novelli, of New Jersey, to be a member of the Enterprise for the Americas Board. This is a new position.

The President announced his intention to appoint Robert Zoellick, of the District of Columbia, to be a member of the Board of Directors of the Federal Home Loan Mortgage Corporation.

The President announced his intention to appoint Lester H. Lee, of California, to be a Commissioner of the 1994 White House Conference on Small Business Commission. This is a new position.

The President announced his intention to appoint the following individuals to be members of the President's Commission on White House Fellowships:

Roger Porter, of Utah.

Jose Manuel Casanova, of Florida.

The President announced his intention to appoint the following individuals to be Alternate Representatives of the United States to the South Pacific Commission for terms of 2 years:

Edith Elizabeth Holiday, of Georgia.

Timothy J. McBride, of Michigan.

The President announced his intention to appoint the following individuals to be members of the U.S. Commission on Civil Rights for terms expiring December 5, 1998:

Constance Horner, of the District of Columbia.

Robert George, of New Jersey.

The President announced his intention to appoint Theresa Neese, of Oklahoma, to be a

member of the National Advisory Council on Indian Education for a term expiring September 29, 1995. This is a reappointment.

The President announced his intention to appoint the following individuals to be members of the Thomas Jefferson Commemoration Commission. These are new positions:

Charles L. Bartlett, of the District of Columbia.

Daniel J. Boorstin, of the District of Columbia.

Pamela K. Jensen, of Ohio.

Roger G. Kennedy, of Virginia.

Merrill D. Peterson, of Virginia.

The President announced his intention to appoint John Robert Longenecker, of California, to be Transition Manager of the United States Enrichment Corporation. This is a new position.

The President announced his intention to appoint Samuel B. Nunez, Jr., president of the Louisiana State Senate, to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. This is a reappointment.

The President announced his intention to appoint the following individuals to be members of the President's National Security Telecommunications Advisory Committee:

Lester M. Alberthal, Jr., of Texas.

Royce J. Holland, of Nebraska.

Bert C. Roberts, Jr., of Maryland.

The President announced his intention to appoint Clifford M. Sobel, of New Jersey, to be a member of the U.S. Holocaust Memorial Council for a term expiring January 15, 1998. He will succeed Herbert Katz.

The President announced his intention to appoint the following individuals to be members of the National Council on Surface Transportation Research:

John P. Browning, Jr., of Florida.

Frederic Vincent Malek, of Virginia.

The President announced his intention to appoint the following individuals to be members of the Permanent Committee for the Oliver Wendell Holmes Devise for terms of 8 years:

Harold M. Hyman, of Texas.

Vincent Lee McKusick, of Maine.

January 18

In the afternoon, the President and Mrs. Bush returned to the White House from a weekend stay at Camp David, MD.

January 19

The President met at the White House with:

-- the Vice President; James A. Baker III, Chief of Staff to the President; Brent Scowcroft, Assistant to the President for National Security Affairs; and members of the CIA briefing staff;

-- the Vice President, for lunch.

The President announced his intention to appoint David Abshire, of Virginia, to be a member of the National Commission on Defense and National Security.

The President announced his intention to appoint the following individuals to be members of the High Resolution Information Systems Advisory Board. These are new positions:

Roy L. Beasly, of Maryland.

John L. Doyle, of California.

Kenneth R. Edwards, of the District of Columbia.

Kyupin Philip Hwang, of California.

James R. Loomis, of Indiana.

Robert D. Pavey, of Ohio.

Leigh Mitchell Rothschild, of Florida.

Laurence C. Seifert, of New Jersey.

The President announced his intention to appoint the following individuals to be members of the Board of Trustees of the Christopher Columbus Fellowship Foundation. These are new positions:

John Harper, of the District of Columbia. He will be designated Chairman.

William A. Seavey, of California. He will be designated Vice Chairman.

Frank Annunzio, of Illinois.

Howard G. Buffett, of Illinois.

Nicholas E. Calio, of Ohio.

Salvador Diaz-Versaon, Jr., of Georgia.

M. Joyce Van Schaak, of California.

The President announced his intention to appoint the following individuals to be members of the Board of Governors of the United Service Organizations for terms of 3 years:

Sigmund A. Rogich, of Nevada.

Phillip S. Bradley, of Florida.

The President announced his intention to appoint the following individuals to be members of the Advisory Commission (Western Water Resources). These are new positions:

Thomas Lawrence Sansonetti, of Wyoming. He will be appointed Chairman.

Robert N. Broadbent, of Nevada.

Garry Carruthers, of New Mexico.

Gale Norton, of Colorado.

Jack Robertson, of Oregon.

Ralph William Tarr, of California.

The President announced his intention to appoint John Patrick Schmitz, of California, to be a Representative of the United States of America on the Joint Commission on the Environment between the United States and the Republic of Panama, established by the Panama Canal Treaty of 1977, for a term of 3 years. He would succeed Norman C. Roberts.

The President declared a major disaster existed in the State of Arizona and ordered Federal aid to supplement State and local recovery efforts in the area struck by flooding on January 5, 1993.

January 20

In the morning, the President and Mrs. Bush welcomed President-elect William J. Clinton and Hillary Clinton to the White House for coffee before leaving together for the Capitol and the Inauguration.

Appendix B -- Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted January 22

The following named persons to be Associate Judges of the Superior Court of the District of Columbia for the term of 15 years:

Stephanie Duncan-Peters, of the District of Columbia, vice Warren Roger King, elevated.

Ann O'Regan Keary, of the District of Columbia, vice George H. Goodrich, retired.

Judith E. Retchin, of the District of Columbia, vice Bruce S. Mencher, retired.

William M. Jackson, of the District of Columbia, vice William Courtleigh Gardner, retired.

The following named persons to be members of the Peace Corps National Advisory Council for the terms indicated:

Eugene C. Johnson, of Maryland, for a term expiring October 6, 1992, vice Gary Dale Robinson.

Tahlman Krumm, Jr., of Ohio, for a term expiring October 6, 1993 (reappointment).

Salvador Lew,

of Florida, to be a member of the Advisory Board for Cuba Broadcasting for a term of 2 years (new position).

Submitted January 23

The following named persons to be members of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency:

Anne Armstrong, of Texas, vice Harriet Fast Scott, resigned.

James Alan Abrahamson, of California, vice Robert B. Hotz, resigned.

Harold M. Agnew, of California, vice John P. Roche, resigned.

Juan A. Benitez, of Idaho, vice Jaime Oaxaca, resigned.

James H. Binns, Jr., of Pennsylvania, vice Francis P. Hoeber, resigned.

George A. Carver, Jr., of Virginia, vice Charles Burton Marshall, resigned.

Marjorie S. Holt, of Maryland (reappointment).

Submitted January 27

Barbara Hackman Franklin,

of Pennsylvania, to be Secretary of Commerce.

Edward E. Carnes,

of Alabama, to be U.S. Circuit Judge for the Eleventh Circuit, vice Frank M. Johnson, Jr., retired.

Sidney A. Fitzwater,

of Texas, to be U.S. Circuit Judge for the Fifth Circuit, vice Thomas Gibbs Gee, retired.

John G. Roberts, Jr.,

of Maryland, to be U.S. Circuit Judge for the District of Columbia Circuit, vice Clarence Thomas, elevated.

John A. Smietanka,

of Michigan, to be U.S. Circuit Judge for the Sixth Circuit (new position).

Karen J. Williams,

of South Carolina, to be U.S. Circuit Judge for the Fourth Circuit, vice Robert F. Chapman, retired.

Kenneth R. Carr,

of Texas, to be U.S. District Judge for the Western District of Texas (new position).

James W. Jackson,

of Ohio, to be U.S. District Judge for the Northern District of Ohio, vice Richard B. McQuade, Jr., resigned.

Terral R. Smith,

of Texas, to be U.S. District Judge for the Western District of Texas (new position).

Jack W. Selden,

of Alabama, to be U.S. Attorney for the Northern District of Alabama for the term of 4 years, vice Frank W. Donaldson, term expired.

Shirley D. Peterson,

of Maryland, to be Commissioner of Internal Revenue, vice Fred T. Goldberg, Jr., resigned.

Fred T. Goldberg, Jr.,

of Missouri, to be an Assistant Secretary of the Treasury, vice Kenneth W. Gideon, resigned.

The following named persons to be members of the Board of Directors of the State Justice Institute for terms expiring September 17, 1994:

David Brock, of New Hampshire, vice Clement Clay Torbert, Jr., term expired.

Vivi L. Dilweg, of Wisconsin (reappointment).

Carlos R. Garza, of Texas, vice Daniel John Meador, term expired.

The following named persons to be members of the Board of Regents of the Uniformed Services University of the Health Sciences for terms expiring June 20, 1997:

John E. Connolly, of California, vice Sam A. Nixon, term expired.

William D. Skelton, of Georgia, vice Mario Efrain Ramirez, resigned.

Submitted January 30

Andrew H. Card, Jr.,

of Massachusetts, to be Secretary of Transportation.

Shirley Gray Adamovich,

of New Hampshire, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1996, vice Raymond J. Petersen, term expired.

John Agresto,

of New Mexico, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1992, vice Max Charles Graeber, term expired.

Shirley Chilton-O'Dell,

of California, to be a member of the Federal Retirement Thrift Investment Board for a term expiring September 25, 1994, vice Richard H. Headlee, term expired.

Hugh Hardy,

of New York, to be a member of the National Council on the Arts for a term expiring September 3, 1996, vice M. Ray Kingston, term expired.

Wells B. McCurdy,

of Washington, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1993, vice Evan Griffith Galbraith, term expired.

Ian M. Ross,

of New Jersey, to be a member of the National Science Board, National Science Foundation, for a term expiring May 10, 1998 (reappointment).

Submitted February 14

Robert C. Frasure,

of West Virginia, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Estonia.

Darryl Norman Johnson,

of Washington, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Lithuania.

Ints M. Silins,

of Virginia, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Latvia.

Herman Jay Cohen,

an Assistant Secretary of State, to be a member of the Board of Directors of the African Development Foundation for a term expiring September 22, 1997 (reappointment).

Submitted February 18

George J. Terwilliger III,

of Vermont, to be Deputy Attorney General, vice William Pelham Barr.

Marc Allen Baas,

of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

Kenneth C. Rogers,

of New Jersey, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1997 (reappointment).

Submitted February 21

Vice Admiral William O. Studeman,

U.S. Navy, to be Deputy Director of Central Intelligence, and to have the rank of Admiral

while so serving.

Submitted February 25

William Bailey,

of Connecticut, to be a member of the National Council on the Arts for a term expiring September 3, 1996, vice Helen Frankenthaler, term expired.

Submitted February 27

Joseph Gerard Sullivan,

of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nicaragua.

Stephen Norris,

of Virginia, to be a member of the Federal Retirement Thrift Investment Board for a term expiring October 11, 1994, vice Stephen E. Bell, term expired.

Submitted March 3

Wayne A. Budd,

of Massachusetts, to be Associate Attorney General, vice Francis Anthony Keating II, resigned.

Alvin A. Schall,

of Maryland, to be U.S. Circuit Judge for the Federal Circuit, vice Edward S. Smith, retired.

Submitted March 4

Carl J. Kunasek,

of Arizona, to be Commissioner on Navajo and Hopi Relocation, Office of Navajo and Hopi Indian Relocation, for a term of 2 years (reappointment).

Roger L. Wollman,

of South Dakota, to be a member of the United States Sentencing Commission for a term expiring October 31, 1997, vice George E. MacKinnon, term expired.

Submitted March 10

Federico A. Moreno,

of Florida, to be U.S. Circuit Judge for the Eleventh Circuit, vice Paul H. Roney, retired.

Susan H. Black,

of Florida, to be U.S. Circuit Judge for the Eleventh Circuit, vice Thomas A. Clark, retired.

I. Lewis Libby, Jr.,

of the District of Columbia, to be Deputy Under Secretary of Defense for Policy (new position).

James B. Huff, Sr.,

of Mississippi, to be Administrator of the Rural Electrification Administration for a term of 10 years, vice Gary C. Byrne, resigned.

Submitted March 12

Gregori Lebedev,

of Virginia, to be Inspector General, Department of Defense, vice Susan J. Crawford.

Submitted March 13

Vicki Ann O'Meara,

of Illinois, to be an Assistant Attorney General, vice Richard Burleson Stewart, resigned.

Edward J. Damich,

of Virginia, to be a Commissioner of the Copyright Royalty Tribunal for a term of 7 years, vice J.C. Argetsinger, term expired.

Submitted March 20

Michael Boudin,

of Massachusetts, to be U.S. Circuit Judge for the First Circuit, vice Levin H. Campbell, retired.

Dennis G. Jacobs,

of New York, to be U.S. Circuit Judge for the Second Circuit, vice Wilfred Feinberg, retired.

Justin P. Wilson,

of Tennessee, to be U.S. Circuit Judge for the Sixth Circuit, vice Robert B. Krupansky, retired.

Richard H. Kyle,

of Minnesota, to be U.S. District Judge for the District of Minnesota, vice Robert G. Renner, retired.

C. LeRoy Hansen,

of New Mexico, to be U.S. District Judge for the District of New Mexico (new position).

John G. Heyburn II,

of Kentucky, to be U.S. District Judge for the Western District of Kentucky, vice Thomas A. Ballantine, Jr., deceased.

Gordon J. Quist,

of Michigan, to be U.S. District Judge for the Western District of Michigan (new position).

Paul L. Shechtman,

of New York, to be U.S. District Judge for the Southern District of New York, vice Richard Owen, retired.

Percy Anderson,

of California, to be U.S. District Judge for the Central District of California, vice Robert C.

Bonner, resigned.

Lawrence O. Davis,

of Missouri, to be U.S. District Judge for the Eastern District of Missouri (new position).

Andrew S. Hanen,

of Texas, to be U.S. District Judge for the Southern District of Texas (new position).

Joe Kendall,

of Texas, to be U.S. District Judge for the Northern District of Texas (new position).

Russell T. Lloyd,

of Texas, to be U.S. District Judge for the Southern District of Texas (new position).

Linda H. McLaughlin,

of California, to be U.S. District Judge for the Central District of California (new position).

Lee H. Rosenthal,

of Texas, to be U.S. District Judge for the Southern District of Texas (new position).

John F. Walter,

of California, to be U.S. District Judge for the Central District of California (new position).

Daniel S. Goldin,

of California, to be Administrator of the National Aeronautics and Space Administration, vice Richard Harrison Truly, resigned.

Submitted March 24

Thomas R. Pickering,

of New Jersey, a career member of the Senior Foreign Service, with the personal rank of Career Ambassador, to be Ambassador Extraordinary and Plenipotentiary of the United States

of America to India.

Gene E. Voigts,

of Missouri, to be U.S. District Judge for the Western District of Missouri, vice Scott O. Wright, retired.

David Spears Addington,

of Virginia, to be General Counsel of the Department of Defense, vice Terrence O'Donnell, resigned.

Duane Acker,

of Virginia, to be an Assistant Secretary of Agriculture, vice Charles E. Hess, resigned.

Bruno Victor Manno,

of Ohio, to be Assistant Secretary of Education for Policy and Planning, vice Charles E.M. Kolb, resigned.

Thomas P. Kerester,

of Virginia, to be Chief Counsel for Advocacy, Small Business Administration, vice Frank S. Swain, resigned.

Submitted March 26

Manuel H. Quintana,

of New York, to be U.S. District Judge for the Southern District of New York, a new position created by P.L. 101 - 650, approved December 1, 1990.

Richard Neil Zare,

of California, to be a member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1992, vice Mary Lowe Good, resigned.

The following named persons to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1998:

F. Albert Cotton, of Texas (reappointment).

Charles Edward Hess, of California, vice John C. Hancock, term expiring.

John Hopcroft, of New York, vice Frederick Phillips Brooks, Jr., term expiring.

James L. Powell, of Pennsylvania (reappointment).

Frank H.T. Rhodes, of New York (reappointment).

Richard Neil Zare, of California (reappointment).

Submitted April 1

Wade F. Horn,

of Maryland, to be Deputy Director for Demand Reduction, Office of National Drug Control Policy, vice Herbert D. Kleber, resigned.

Charles A. Banks,

of Arkansas, to be U.S. District Judge for the Eastern District of Arkansas, vice G. Thomas Eisele, retired.

Alfred V. Covello,

of Connecticut, to be U.S. District Judge for the District of Connecticut (new position).

Carol E. Jackson,

of Missouri, to be U.S. District Judge for the Eastern District of Missouri, vice William L. Hungate, retired.

Irene M. Keeley,

of West Virginia, to be U.S. District Judge for the Northern District of West Virginia (new position).

Jerome B. Simandle,

of New Jersey, to be U.S. District Judge for the District of New Jersey (new position).

Submitted April 2

Lauralee M. Peters,

of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Sierra Leone.

Lourdes G. Baird,

of California, to be U.S. District Judge for the Central District of California (new position).

Robert D. Hunter,

of Alabama, to be U.S. District Judge for the Northern District of Alabama, vice E. B. Haltom, Jr., retired.

Maureen E. Mahoney,

of Virginia, to be U.S. District Judge for the Eastern District of Virginia, vice Albert V. Bryan, Jr., retired.

Joan M. McEntee,

of New York, to be Under Secretary of Commerce for Export Administration, vice Dennis Edward Kloske, resigned.

Submitted April 7

Richard G. Kopf,

of Nebraska, to be U.S. District Judge for the District of Nebraska, vice Warren K. Urbom, retired.

James S. Mitchell,

of Nebraska, to be U.S. District Judge for the District of Nebraska (new position).

Marvin H. Kosters,

of Virginia, to be Commissioner of Labor Statistics, U.S. Department of Labor, for a term of 4 years, vice Janet L. Norwood, term expired.

Carl W. Vogt,

of Maryland, to be a member of the National Transportation Safety Board for the term expiring December 31, 1996, vice James L. Kolstad, term expired.

Carl W. Vogt,

of Maryland, to be Chairman of the National Transportation Safety Board for a term of 2 years, vice James L. Kolstad, term expired.

Brig. Gen. Pat M. Stevens IV,

U.S. Army, to be a member and President of the Mississippi River Commission, vice Arthur E. Williams.

Brig. Gen. Albert J. Genetti, Jr.,

U.S. Army, to be a member of the Mississippi River Commission, vice Paul Y. Chinen.

Submitted April 8

William Dean Hansen,

of Idaho, to be Chief Financial Officer, Department of Education, vice John Theodore Sanders, resigned.

Emerson J. Elliott,

of Virginia, to be Commissioner of Education Statistics, Department of Education, for a term expiring June 20, 1995 (new position).

Submitted April 9

Irma E. Gonzalez,

of California, to be U.S. District Judge for the Southern District of California, vice J. Lawrence Irving, resigned.

Hume Alexander Horan,

of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cote d'Ivoire.

Kenton Wesley Keith,

of Missouri, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Qatar.

Donald K. Petterson,

of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Sudan.

Christian R. Holmes IV,

of California, to be an Assistant Administrator of the Environmental Protection Agency, vice Charles L. Grizzle, resigned.

Christian R. Holmes IV,

of California, to be Chief Financial Officer, Environmental Protection Agency (new position).

Daniel A. Sumner,

of North Carolina, to be an Assistant Secretary of Agriculture, vice Bruce L. Gardner, resigned.

Daniel A. Sumner,

of North Carolina, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Bruce L. Gardner.

Carol Johnson Johns,

of Maryland, to be a member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 1997 (reappointment).

Virginia Stanley Douglas,

of California, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1993, vice MacDonald G. Becket, term expired.

Norman H. Stahl,

of New Hampshire, to be U.S. Circuit Judge for the First Circuit, vice David H. Souter, elevated.

Joseph A. DiClerico, Jr.,

of New Hampshire, to be U.S. District Judge for the District of New Hampshire (new position).

Michael J. Melloy,

of Iowa, to be U.S. District Judge for the Northern District of Iowa, vice David R. Hansen, elevated.

Rudolph T. Randa,

of Wisconsin, to be U.S. District Judge for the Eastern District of Wisconsin, vice Robert W. Warren, retired.

Jerome H. Powell,

of New York, to be an Under Secretary of the Treasury, vice Robert R. Glauber, resigned.

Timothy E. Flanigan,

of Virginia, to be an Assistant Attorney General, vice J. Michael Luttig.

John Cunningham Dugan,

of the District of Columbia, to be an Assistant Secretary of the Treasury, vice Jerome H. Powell.

Withdrawn April 9

Jerry Ralph Curry,

of Virginia, to be Administrator of the Federal Aviation Administration, vice James Buchanan Busey IV, which was sent to the Senate November 22, 1991.

Submitted April 28

Dennis P. Barrett,

of Washington, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Madagascar.

Richard Goodwin Capen, Jr.,

of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain.

Roger A. McGuire,

of Ohio, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea-Bissau.

William Lacy Swing,

of North Carolina, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Nigeria.

Linda Gillespie Stuntz,

of Virginia, to be Deputy Secretary of Energy, vice W. Henson Moore.

Nathaniel M. Gorton,

of Massachusetts, to be U.S. District Judge for the District of Massachusetts (new position).

William Clark, Jr.,

of the District of Columbia, a career member of the Senior Foreign Service, class of Career

Minister, to be an Assistant Secretary of State, vice Richard H. Solomon.

James P. Covey,

of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Assistant Secretary of State for South Asian Affairs (new position).

James D. Jameson,

of California, to be an Assistant Secretary of Commerce, vice Timothy John McBride, resigned.

Clarence H. Albright, Jr.,

of Virginia, to be General Counsel of the Department of Housing and Urban Development, vice Francis Anthony Keating II.

G. Kim Wincup,

of Maryland, to be an Assistant Secretary of the Air Force, vice John J. Welch, Jr.

James Thomas Grady,

of Massachusetts, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1994 (reappointment).

Steven Manaster,

of Utah, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1997, vice Fowler C. West, term expiring.

Tony Armendariz,

of Texas, to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 29, 1997 (reappointment).

Pamela J. Turner,

of the District of Columbia, to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1995 (reappointment).

Philip Brunelle,

of Minnesota, to be a member of the National Council on the Arts for the remainder of the term expiring September 3, 1994, vice Phyllis Curtain, resigned.

Submitted April 30

Ronald B. Leighton,

of Washington, to be U.S. District Judge for the Western District of Washington, vice Jack E. Tanner, retired.

Submitted May 5

Robert L. Barry,

of New Hampshire, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

Reginald Bartholomew,

of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be the United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Adrian A. Basora,

of New Hampshire, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czech and Slovak Federal Republic.

Arthur J. Rothkopf,

of the District of Columbia, to be Deputy Secretary of Transportation, vice James Buchanan Busey IV, resigned.

Thomas C. Richards,

of Texas, to be Administrator of the Federal Aviation Administration, vice James Buchanan

Busey IV.

Michael James Toohey,

of Virginia, to be an Assistant Secretary of Transportation, vice Galen Joseph Reser, resigned.

Joseph J. DiNunno,

of Maryland, to be a member of the Defense Nuclear Facilities Safety Board for the remainder of the term expiring October 18, 1995, vice Edson G. Case.

Barry Zorthian,

of the District of Columbia, to be a member of the Board for International Broadcasting for a term expiring May 20, 1995 (reappointment).

Submitted May 6

Peter Barry Teeley,

of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

Peter Jon deVos,

of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Tanzania.

Robert E. Gribbin III,

of Alabama, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Central African Republic.

Submitted May 7

David C. Fields,

of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the

Republic of the Marshall Islands.

William Henry Gerald FitzGerald,

of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

Princeton Nathan Lyman,

of Maryland, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of South Africa.

William Thornton Pryce,

of Pennsylvania, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras.

Teresita Currie Schaffer,

of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Socialist Republic of Sri Lanka and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Maldives.

Submitted May 12

William Graham Walker,

of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

Alexander Fletcher Watson,

of Massachusetts, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil.

Submitted May 13

Marilyn McAfee,

of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

Robert F. Goodwin,

of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Western Samoa.

David J. Dunford,

of Arizona, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sultanate of Oman.

Submitted May 14

Donald Herman Alexander,

of Missouri, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of The Netherlands.

Joyce A. Doyle,

of New York, to be a member of the Federal Mine Safety and Health Review Commission for a term of 6 years expiring August 30, 1998 (reappointment).

Joseph Charles Wilson IV,

of California, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic, and to serve concurrently without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe.

Thomas E. Harvey,

of the District of Columbia, to be a member of the Board of Directors of the U.S. Institute of Peace for the remainder of the term expiring January 19, 1993, vice John Norton Moore, resigned.

John F. Daffron, Jr.,

of Virginia, to be a member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1994 (reappointment).

Submitted May 19

William Arthur Rugh,

of Maryland, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Arab Emirates.

Gregory F. Chapados,

of Alaska, to be Assistant Secretary of Commerce for Communications and Information, vice Janice Obuchowski, resigned.

Evan J. Kemp, Jr.,

of the District of Columbia, to be a member of the Equal Employment Opportunity Commission for a term expiring July 1, 1997 (reappointment).

Roberto Martinez,

of Florida, to be U.S. Attorney for the Southern District of Florida for the term of 4 years, vice Leon B. Kellner, resigned.

The following named persons to be members of the Federal Energy Regulatory Commission for the terms indicated:

Jerry Jay Langdon, of Texas, for the term expiring June 30, 1996 (reappointment).

William C. Liedtke III, of Oklahoma, for the term expiring June 30, 1997, vice Charles A. Trabandt, term expiring.

Submitted May 21

James E. Gilleran,

of California, to be Comptroller of the Currency for a term of 5 years, vice Robert Logan Clarke, term expired.

Don J. Svet,

of New Mexico, to be U.S. Attorney for the District of New Mexico for the term of 4 years, vice William L. Lutz, resigned.

The following named persons to be members of the Civil Liberties Public Education Fund Board of Directors for the terms indicated:

For terms of 2 years:

Bruce T. Kaji, of California

Tomio Moriguchi, of Washington

For terms of 3 years:

Edwin C. Hiroto, of California

William H. Marumoto, of Virginia

S. Stephen Nakashima, of California

George Shoichi Oki, Sr., of California

Grant Masashi Ujifusa, of New York

Submitted June 2

Ritajean Hartung Butterworth,

of Washington, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1997, vice William Lee Hanley, Jr., resigned.

William D. Quarles,

of Maryland, to be U.S. District Judge for the District of Maryland, vice Alexander Harvey II, retired.

James A. McIntyre,

of California, to be U.S. District Judge for the Southern District of California (new position).

Henry Lee Clarke,

of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Uzbekistan.

Donald Burnham Ensenat,

of Louisiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brunei.

Edward Hurwitz,

of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kyrgyzstan.

Joseph Monroe Segars,

of Pennsylvania, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cape Verde.

Anthony Cecil Eden Quainton,

of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be Assistant Secretary of State for Diplomatic Security, vice Sheldon J. Krys.

Robert L. Gallucci,

of Virginia, to be an Assistant Secretary of State, vice Richard A. Clarke.

Walter B. McCormick, Jr.,

of Missouri, to be General Counsel of the Department of Transportation, vice Arthur J. Rothkopf.

Alison Podell Rosenberg,

of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Scott M. Spangler.

Max M. Kampelman,

of the District of Columbia, to be a member of the Board of Directors of the U.S. Institute of Peace for a term expiring January 19, 1995, vice Morris I. Leibman, term expired.

The following named persons to be members of the U.S. Advisory Commission on Public Diplomacy for terms expiring July 1, 1994:

Jay I. Kislak, of Florida, vice Richard B. Stone.

Marshall Lee Miller, of Virginia, vice Edwin J. Feulner, Jr., term expired.

Submitted June 3

John Frank Bookout, Jr.,

of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

Kenneth R. Mancuso,

of Rhode Island, to be U.S. Marshal for the District of Rhode Island for the term of 4 years, vice Donald W. Wyatt, resigned.

Submitted June 4

Donald M. Kendall,

of Connecticut, to be a member of the Board of Directors of the Overseas Private Investment Corporation for the remainder of the term expiring December 17, 1992, vice J. Carter Beese, Jr., resigned; and for an additional term expiring December 17, 1995, reappointment.

Submitted June 9

Kenneth L. Brown,

of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana.

Mary Jo Jacobi,

of Mississippi, to be an Assistant Secretary of Commerce, vice Craig R. Helsing, resigned.

Mary Mohs,

of Wisconsin, to be a member of the National Museum Services Board for a term expiring December 6, 1994, vice Marilyn Logsdon Mennello, term expired.

J. Michael Farrell,

of the District of Columbia, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1997 (reappointment).

Submitted June 10

Frank G. Wisner,

of the District of Columbia, a career member of the Senior Foreign Service, class of Career Minister, to be Under Secretary of State for Coordinating Security Assistance Programs, vice Reginald Bartholomew.

Submitted June 11

Norman D. Shumway,

of California, to be a member of the Board of Directors of the Legal Services Corporation for the remainder of the term expiring July 13, 1993, vice Luis Guinot, Jr., resigned, to which position he was appointed during the recess of the Senate from August 2, 1991, to September 10, 1991.

Submitted June 16

Ruth A. Davis,

of Georgia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Benin.

Charles B. Salmon, Jr.,

of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Lao People's Democratic Republic.

Jon M. Huntsman, Jr.,

of Utah, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Singapore.

Nicolas Miklos Salgo,

of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

Irvin Hicks,

of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Deputy Representative of the United States of America in the Security Council of the United Nations, with the rank of Ambassador.

Submitted June 17

Richard Monroe Miles,

of South Carolina, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Azerbaijan.

Joseph S. Hulings III,

of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Turkmenistan.

Submitted June 19

Richard H. Solomon,

of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

Raymond L. Finch,

of the Virgin Islands, to be a Judge for the District Court of the Virgin Islands for a term of 10 years, vice David V. O'Brien, deceased.

John Stern Wolf,

of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Malaysia.

The following named individuals to be Associate Judges of the Superior Court of the District of Columbia for terms of 15 years:

Brook Hedge, of the District of Columbia, vice Emmet G. Sullivan, elevated.

Lee F. Satterfield, of the District of Columbia, vice Robert McCance Scott.

Submitted June 23

William Harrison Courtney,

of West Virginia, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kazakhstan.

Patricia Diaz Dennis,

of Virginia, to be Assistant Secretary of State for Human Rights and Humanitarian Affairs, vice Richard Schifter, resigned.

Malcolm S. Forbes, Jr.,

of New Jersey, to be a member of the Board for International Broadcasting for a term expiring April 28, 1995 (reappointment).

Submitted June 25

David Heywood Swartz,

of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Byelarus.

H. Douglas Barclay,

of New York, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1994 (reappointment).

John H. Miller,

of Connecticut, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1992, vice Fred E. Hummel, resigned.

John H. Miller,

of Connecticut, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1995 (reappointment).

Submitted June 26

Hugo Pomrehn,

of California, to be Under Secretary of Energy, vice John Chatfield Tuck, resigned.

John A. Mendez,

of California, to be U.S. Attorney for the Northern District of California for the term of 4 years, vice Joseph P. Russoniello, resigned.

Kathryn D. Sullivan,

of California, to be Chief Scientist of the National Oceanic and Atmospheric Administration, vice Sylvia Alice Earle, resigned.

C.C. Hope, Jr.,

of North Carolina, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term expiring February 28, 1993 (reappointment).

Terrence B. Adamson,

of Georgia, to be a member of the Board of Directors of the State Justice Institute for a term expiring September 17, 1994 (reappointment).

Submitted July 1

Robert E. Martinez,

of New Jersey, to be Associate Deputy Secretary of Transportation, vice Robert L. Pettit, resigned.

John S. Simmons,

of South Carolina, to be U.S. Attorney for the District of South Carolina for a term of 4 years, vice E. Bart Daniel, resigned.

Submitted July 2

Richard Conway Casey,

of New York, to be U.S. District Judge for the Southern District of New York, vice Robert W. Sweet, retired.

John J. Easton, Jr.,

of Vermont, to be an Assistant Secretary of Energy (Domestic and International Energy Policy).

Stanley Tuemler Escudero,

of Florida, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tajikistan.

Kent N. Brown,

of Virginia, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Georgia.

Ilana Diamond Rovner,

of Illinois, to be U.S. Circuit Judge for the Seventh Circuit, vice Harlington Wood, Jr., retired.

John Phil Gilbert,

of Illinois, to be U.S. District Judge for the Southern District of Illinois, vice James L. Foreman, retired.

Mary C. Pendleton,

of Virginia, a career member of the Foreign Service, class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Moldova.

Mack F. Mattingly,

of Georgia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

Larry R. Hicks,

of Nevada, to be U.S. District Judge for the District of Nevada, vice Edward C. Reed, Jr., retired.

John W. Sedwick,

of Alaska, to be U.S. District Judge for the District of Alaska, vice Andrew J. Kleinfeld, position elevated.

Submitted July 20

John Cameron Monjo,

of Maryland, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic

Republic of Pakistan.

Harriet Winsar Isom,

of Oregon, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cameroon.

Linton F. Brooks,

of Virginia, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency, vice Susan Jane Koch, resigned.

David P. Prosperi,

of Illinois, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1997, vice Marshall Turner, Jr., term expired.

Shirley W. Ryan,

of Illinois, to be a member of the National Council on Disability for a term expiring September 17, 1994, vice John Leopold, term expired.

Walter Scott Blackburn,

of Indiana, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1993, vice Kyle Clayton Boone, term expired.

The following named persons to be Members of the Advisory Board of the Saint Lawrence Seaway Development Corporation:

Edward Morgan Paluso, of Pennsylvania, vice L. Steven Reimers.

Sterling G. Sechrist, of Ohio, vice Virgil E. Brown, resigned.

Submitted July 22

Genta Hawkins Holmes,

of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Director General of the Foreign Service, vice Edward Joseph Perkins.

Alan Greenspan,

of New York, to be U.S. Alternate Governor of the International Monetary Fund for a term of 5 years (reappointment).

John S. Unpingco,

of Guam, to be Judge for the District Court of Guam for the term of 10 years, vice Christobal C. Duenas, resigned.

Withdrawn July 22

Donald Herman Alexander,

of Missouri, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of the Netherlands, which was sent to the Senate on May 14, 1992.

Submitted July 27

R. Edgar Campbell,

of Georgia, to be U.S. District Judge for the Middle District of Georgia (new position).

Joanna Seybert,

of New York, to be U.S. District Judge for the Eastern District of New York (new position).

The following named persons to be members of the National Institute Board for the National Institute for Literacy for terms of 3 years (new positions):

John Corcoran, of California

Helen B. Crouch, of New York

Sharon Darling, of Kentucky

Jim Edgar, of Illinois

Jon Deveaux, of New York

Ronald M. Gillum, of Michigan

Benita C. Somerfield, of New York

Susan Ann Vogel, of Illinois

Submitted July 28

Walter Scott Light,

of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ecuador.

Kathryn H. Vratil,

of Kansas, to be U.S. District Judge for the District of Kansas, vice Earl E. O'Connor, retired.

The following named persons to be Judges of the U.S. Tax Court for terms expiring 15 years after they take office:

Carolyn P. Chiechi, of Maryland, vice Arthur L. Nims III, retired.

David Laro, of Michigan, vice Jules G. Korner III.

Submitted August 4

Marion Clifton Blakey,

of Mississippi, to be Administrator of the National Highway Traffic Safety Administration, vice Jerry Ralph Curry, resigned.

Gerald Paul Regier,

of Virginia, to be Administrator of the Office of Juvenile Justice and Delinquency Prevention, vice Robert W. Sweet, Jr., resigned.

Charles A. Felton,

of Florida, to be U.S. Marshal for the Middle District of Florida for the term of 4 years, vice Richard L. Cox, resigned.

J. Keith Gary,

of Texas, to be U.S. Marshal for the Eastern District of Texas for the term of 4 years (reappointment).

Submitted August 5

Roland Karl Kuchel,

of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Haiti.

Edward S. Walker, Jr.,

of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be the Deputy Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Submitted August 7

Robert W. Kostelka,

of Louisiana, to be U.S. District Judge for the Western District of Louisiana, vice Thomas E. Stagg, Jr., retired.

The following named persons to be members of the Railroad Retirement Board:

Glen L. Bower, of Illinois, for the term of 5 years from August 29, 1992 (reappointment).

Jerome F. Kever, of Illinois, for the remainder of the term expiring August 28, 1993, vice Andrew F. Reardon, resigned.

Virgil M. Speakman, Jr., of Ohio, for the remainder of the term expiring August 28, 1994, vice Charles J. Chamberlain, resigned.

Submitted August 10

Harry J. Gilmore,

of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be

Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Armenia.

Submitted August 12

Lois L. Evans,

of New York, to be the Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

John J. Maresca,

a career member of the Senior Foreign Service, class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Special Cyprus Coordinator.

Brian C. Griffin,

of Oklahoma, to be Chairman of the Administrative Conference of the United States for the term of 5 years, vice Marshall Jordan Breger.

Submitted September 9

Alvin P. Adams, Jr.,

of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Peru.

Paul J. Barbadoro,

of New Hampshire, to be U.S. District Judge for the District of New Hampshire, vice Shane Devine, retired.

Richard E. Dorr,

of Missouri, to be U.S. District Judge for the Western District of Missouri, vice Howard F. Sachs, retired.

Steven J. McAuliffe,

of New Hampshire, to be U.S. District Judge for the District of New Hampshire, vice Norman

H. Stahl, elevated.

Randall Harvey Erben,

of Texas, to be an Assistant Secretary of Housing and Urban Development, vice Skirma Anna Kondratas.

James Michael Reum,

of Illinois, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1997, vice Edward H. Fleischman, resigned.

Nancy A. Nord,

of the District of Columbia, to be a Commissioner of the Consumer Product Safety Commission for a term of 7 years from October 27, 1992, vice Carol Gene Dawson, term expired.

Badi G. Foster,

of Illinois, to be a member of the National Institute Board for the National Institute for Literacy for a term of 3 years (new position).

The following named persons to be members of the Chemical Safety and Hazard Investigation Board for terms of 5 years (new positions):

Lewis S.W. Crampton, of the District of Columbia.

Robert B. Taylor, of Tennessee.

Jack Robert Witz, of California.

Lewis S.W. Crampton,

of the District of Columbia, to be Chairperson of the Chemical Safety and Hazard Investigation Board for a term of 5 years (new position).

James H. Grossman,

of California, to be Chairman of the Foreign Claims Settlement Commission of the United States for the term expiring September 30, 1994, vice Stanley L. Glod, term expired, to which

position he was appointed during the last recess of the Senate.

David J. Ryder,

of Virginia, to be Director of the Mint for a term of 5 years, vice Donna Pope, term expired, to which position he was appointed during the last recess of the Senate.

The following named persons to be Commissioners of the Copyright Royalty Tribunal for terms of 7 years, to which positions they were appointed during the last recess of the Senate:

Edward J. Damich, of Virginia, vice J.C. Argetsinger, term expired.

Bruce D. Goodman, of Pennsylvania, vice Mario F. Aguero, term expired.

Submitted September 10

Robert E. Wallace,

of New Jersey, to be Assistant Secretary of Labor for Veterans' Employment and Training, vice Thomas E. Collins III.

The following named persons to be members of the Board of Directors of the Commission on National and Community Service for terms of 3 years (reappointments):

William J. Byron, of the District of Columbia.

Thomas Ehrlich, of Indiana.

George W. Romney, of Michigan.

Johnnie M. Smith, of South Carolina.

Glen W. White, of Kansas.

Submitted September 15

Annette L. Kent,

of Hawaii, to be U.S. Marshal for the District of Hawaii for the term of 4 years, vice Faith P. Evans, resigned.

Submitted September 17

Timothy K. Lewis,

of Pennsylvania, to be U.S. Circuit Judge for the Third Circuit (new position).

James H. Payne,

of Oklahoma, to be U.S. District Judge for the Northern, Eastern, and Western Districts of Oklahoma, vice H. Dale Cook, retired.

Walter B. Prince,

of Massachusetts, to be U.S. District Judge for the District of Massachusetts, vice John Joseph McNaught, retired.

Joe L. Heaton,

of Oklahoma, to be U.S. Attorney for the Western District of Oklahoma for the term of 4 years, vice Timothy D. Leonard, resigned.

Submitted September 18

The following named persons to be the Representative and Alternate Representatives of the United States of America to the Thirty-sixth Session of the General Conference of the International Atomic Energy Agency:

Representative:

Ivan Selin, of the District of Columbia.

Alternate Representatives:

Richard T. Kennedy, of the District of Columbia.

Jane E. Becker, of the District of Columbia.

Submitted September 21

Mark Johnson,

of Montana, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Senegal.

Marshall Fletcher McCallie,

of Tennessee, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Namibia.

Robert Gregory Joseph,

of Virginia, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency, vice Manfred Eimer.

Mark McCampbell Collins, Jr.,

of the District of Columbia, to be U.S. Executive Director of the International Bank for Reconstruction and Development for a term of 2 years, vice E. Patrick Coady, term expired.

Blaine B. Goff,

of Iowa, to be U.S. Marshal for the Southern District of Iowa for the term of 4 years, vice Warren D. Stump, resigned.

Charles F. Little,

of West Virginia, to be U.S. Marshal for the Northern District of West Virginia for the term of 4 years, vice Ronald A. Donell, resigned.

The following named persons to be Members of the Peace Corps National Advisory Council:

Frank B. Hower, Jr., of Kentucky, for a term of one year expiring October 6, 1992 (new position).

Frank B. Hower, Jr., of Kentucky, for a term expiring October 6, 1994 (reappointment).

Craig R. Stapleton, of Connecticut, for a term expiring October 6, 1993 (reappointment).

Submitted September 24

George A. O'Toole, Jr.,

of Massachusetts, to be U.S. District Judge for the District of Massachusetts, vice David Sutherland Nelson, retired.

Barry M. Goldwater, Sr.,

of Arizona, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the corporation in 1995 (reappointment).

Randall Brooks,

of the District of Columbia, to be a member of the Board of Directors of the Commission on National and Community Service for the remainder of the term expiring August 4, 1994, vice Joyce M. Black.

Withdrawn September 24

Joseph Gerard Sullivan,

of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nicaragua, which was sent to the Senate on February 27, 1992.

Submitted September 25

Eric James Boswell,

of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Director of the Office of Foreign Missions, with the rank of Ambassador.

John W. Gillis,

of California, to be a member of the United States Sentencing Commission for a term expiring October 31, 1997, vice Helen Corrothers, term expired.

William Lucas,

of Michigan, to be Director, Community Relations Service, for a term of 4 years, vice Grace Flores-Hughes, term expired.

Victor Jackovich,

of Iowa, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bosnia and Hercegovina.

Mara M. Letica,

of Michigan, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Croatia.

E. Allan Wendt,

of California, career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Slovenia.

Submitted September 30

The following named persons to be Representatives and Alternate Representatives of the United States of America to the Forty-seventh Session of the General Assembly of the United Nations:

Representatives:

Edward Joseph Perkins, of Oregon.

Alexander Fletcher Watson, of Massachusetts.

Larry Pressler, of South Dakota.

Paul S. Sarbanes, of Maryland.

Gloria Estefan, of Florida.

Alternate Representatives:

Irvin Hicks, of Maryland.

Shirin R. Tahir-Kheli, of Pennsylvania.

Parker G. Montgomery, of New York.

Prezell Russell Robinson, of North Carolina.

Margaretta F. Rockefeller, of New York.

Wayne Arthur Schley,

of Alaska, to be Commissioner of the Postal Rate Commission for the remainder of the term expiring October 14, 1994, vice Henry R. Folsom, resigned.

Thomas J. Tauke,

of Iowa, to be a member of the Board of Directors of the Federal Agricultural Mortgage Corporation, vice John R. Dahl.

The following named persons to be members of the National Advisory Council on Educational Research and Improvement:

For terms expiring September 30, 1994:

John K. Andrews, Jr., of Colorado, vice Carl M. Kuttler, Jr.

Eugene L. Madeira, of Pennsylvania (reappointment).

Eunice N. Sato, of California (reappointment).

For a term expiring September 30, 1995:

Dale P. Gold, of Virginia (reappointment).

Submitted October 2

Sean Charles O'Keefe,

of Virginia, to be Secretary of the Navy, vice H. Lawrence Garrett III, resigned.

William P. Dimitrouleas,

of Florida, to be U.S. District Judge for the Southern District of Florida, vice James C. Paine, retired.

Henry W. Saad,

of Michigan, to be U.S. District Judge for the Eastern District of Michigan, vice Horace W. Gilmore, retired.

Jeni Brown Norris,

of Virginia, to be an Assistant Secretary of Housing and Urban Development, vice Mary Shannon Brunette.

Submitted October 5

Geraldine R. Gennet,

of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for a term of 15 years, vice Ronald P. Wertheim, retired.

Gerald R. Riso,

of Virginia, to be Chief Financial Officer, Department of Housing and Urban Development (new position).

Submitted October 6

Douglas Alan Brook,

of Virginia, to be Director of the Office of Personnel Management for a term of 4 years, vice Constance Berry Newman, resigned.

Submitted October 7

John J. McKenna,

of Pennsylvania, to be U.S. Marshal for the Eastern District of Pennsylvania for a term of 4 years, vice Thomas C. Rapone, retired.

David M. Brewer,

of New Jersey, to be a member of the Board of Directors of the Federal Agricultural Mortgage Corp., vice Gordon Clyde Southern.

Submitted October 8

Ray E. Witter,

of Missouri, to be a member of the Chemical Safety and Hazard Investigation Board for a term of 5 years (new position).

Submitted January 5

The following named persons to be members of the Defense Base Closure and Realignment Commission for terms expiring at the end of the first session of the 103d Congress:

James A. Courter, of New Jersey, to be Chairman (reappointment).

Peter B. Bowman, of Maine, vice Duane H. Cassidy, term expired.

Beverly Butcher Byron, of Maryland, vice Alexander B. Trowbridge, term expired.

Rebecca Gernhardt Cox, of the District of Columbia, vice James C. Smith II, term expired.

Hansford T. Johnson, of Texas, vice William L. Ball III, term expired.

Arthur Levitt, Jr., of New York (reappointment).

Harry C. McPherson, Jr., of Maryland, vice Howard H. Callaway, term expired.

Robert D. Stuart, Jr., of Illinois (reappointment).

The following named persons to be members of the National Security Education Board for terms of 4 years (new positions):

Steven Muller, of Maryland.

S. William Pattis, of Illinois.

Richard F. Stolz, of Maryland.

Marion G. Chambers,

of New Mexico, to be a member of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development for a term expiring May 19, 1998, vice

James Courtney Jennings, term expired.

The following named persons to be commissioners of the Copyright Royalty Tribunal for terms of 7 years:

Edward J. Damich, of Virginia.

Bruce D. Goodman, of Pennsylvania.

The following named persons who were appointed during the last recess of the Senate:

Brian C. Griffin, of Oklahoma, to be Chairman of the Administrative Conference of the United States for the term of 5 years, vice Marshall Jordan Breger.

Robert F. Goodwin, of Maryland, to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada (reappointment).

Stephen T. Hart, of Virginia, to be an Assistant Secretary of Transportation, vice Marion Clifton Blakey.

David P. Prosperi, of Illinois, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring January 31, 1998, vice Marshall Turner, Jr., term expired.

Norman D. Shumway, of California, to be a member of the Board of Directors of the Legal Services Corporation for the remainder of the term expiring July 13, 1993.

Appendix C -- Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary which are not included in this book.

Released January 4

Fact sheet:

U.S.-Asia environmental partnership

Released January 6

Advance text:

Remarks at the American and Korean Chambers of Commerce luncheon in Seoul

Released January 8

Transcript:

Press briefing on the President's meetings in Japan -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Fact sheet:

A Strategy for World Growth

Fact sheet:

The Japanese economy in 1991 and the FY 1992 budget

Fact sheet:

Japan corporate program

Fact sheet:

Government procurement

Advance text:

Remarks at the state dinner hosted by Prime Minister Kiichi Miyazawa of Japan in Tokyo

Released January 9

Fact sheet:

Major projects agreement

Fact sheet:

Paper

Fact sheet:

Telecommunications

Fact sheet:

Computer procurement

Fact sheet:

Standards, certification, and testing

Fact sheet:

Glass

Fact sheet:

U.S.-Japan achievements on economic issues

Fact sheet:

Joint trade expansion program

Fact sheet:

U.S.-Japan economic relations

Fact sheet:

U.S.-Japan achievements on autos and auto parts

Released January 10

Advance text:

Remarks to the President's Drug Advisory Council

Announcement:

Nomination of Jack W. Selden to be U.S. Attorney for the Northern District of Alabama

Released January 13

Advance text:

Excerpts from remarks to the American Farm Bureau Federation in Kansas City, MO

Released January 14

Fact sheet:

Action to promote alternative fuel vehicles

Released January 17

Fact sheet:

Creating job opportunities by improving the Federal job training system

Released January 21

Announcement:

White House Conference on Indian Education participants

Announcement:

Nomination of new and continuing members of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency

Fact sheet:

Meeting the national education goals: the President's Head Start initiative

Fact sheet:

U.S. Assistance to the former Soviet Union

Released January 22

Fact sheet:

U.S.-Japan computer agreement

Transcript:

Press briefing on trade policy -- by Carla A. Hills, U.S. Trade Representative

Released January 23

Fact sheet:

Highlights of the President's environmental budget for fiscal year 1993

Transcript:

Press briefing on environmental policy -- by William K. Reilly, Administrator, Environmental Protection Agency

Released January 24

Announcement:

Nomination of Sidney A. Fitzwater to be U.S. Circuit Judge for the Fifth Circuit

Announcement:

Nomination of John A. Smietanka to be U.S. Circuit Judge for the Sixth Circuit

Announcement:

Nomination of Edward E. Carnes to be U.S. Circuit Judge for the Eleventh Circuit

Announcement:

Nomination of John G. Roberts, Jr., to be U.S. Circuit Judge for the District of Columbia

Announcement:

Nomination of Terral R. Smith to be U.S. District Judge for the Western District of Texas

Announcement:

Nomination of Kenneth R. Carr to be U.S. District Judge for the Western District of Texas

Announcement:

Nomination of Karen J. Williams to be U.S. Circuit Judge for the Fourth Circuit

Announcement:

Nomination of James W. Jackson to be U.S. District Judge for the Northern District of Ohio

Released January 27

Fact sheet:

Highlights of the President's crime and drug control budget for fiscal year 1993

Transcript:

Press briefing on the war on drugs -- by George Terwiliger, Acting Deputy Attorney General; James O. Mason, Assistant Secretary of Health and Human Services; Frank Kalder, Director of Budget and Legislative Affairs, Office of National Drug Control Policy; Terry Pell, Acting Chief of Staff, Office of National Drug Control Policy; and Dr. Lloyd Johnston, University of Michigan

Released January 28

White House statement:

Highlights of the President's growth agenda

Fact sheet:

The President's State of the Union Address

Released January 29

Transcript:

Press briefing on the fiscal year 1993 budget -- by Secretary of the Treasury Nicholas F. Brady; Richard G. Darman, Director, Office of Management and Budget; and Michael J. Boskin, Chairman, Council of Economic Advisers

Fact sheet:

The President's budget for FY 1993

Released January 30

Fact sheet:

The President's plan for reducing the burdens of regulation through administrative action

Released January 31

Transcript:

Press briefing on the President's visit to the United Nations -- by Secretary of State James A. Baker III

Released February 4

Fact sheet:

``Access to Justice Act of 1992"

Released February 5

Transcript:

Press briefing on the economic report -- by Michael J. Boskin, Chairman, Council of Economic Advisers

Released February 6

Fact sheet:

The President's comprehensive health reform program

Released February 7

Advance text:

Remarks to the San Diego Rotary Club in San Diego, CA

Released February 11

Fact sheet:

Accelerated phaseout of ozone-depleting substances

Fact sheet:

The Enterprise for the Americas Initiative's Multilateral Investment Fund

Transcript

Press briefing on the visit of Prime Minister Suleyman Demirel of Turkey -- by David Gompert, National Security Council Senior Director for European and Eurasian Affairs

Released February 19

Fact sheet:

Investing in research, development, and technological innovation

Advance text:

Remarks to community and business leaders in Knoxville, TN

Released February 24

Transcript:

Press briefing on the drug summit in San Antonio, TX -- by Bob Martinez, Director, Office of National Drug Control Policy, and Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Advance text:

Remarks at the Bush-Quayle campaign kickoff in Bethesda, MD

Released February 25

Advance text:

Remarks at a Bush-Quayle fundraising luncheon in San Francisco, CA

Advance text:

Remarks on trade and environmental cooperation with Mexico

Fact sheet:

Integrated environmental plan for the Mexico-U.S. border area

Fact sheet:

Review of environmental effects of free trade with Mexico

Released February 27

Transcript:

Press briefing on the drug summit in San Antonio, TX -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs, and Thomas E. McNamara, National Security Council Senior Director for International Programs

Released February 28

Announcement:

Nomination of Alvin A. Schall to be U.S. Circuit Judge for the Federal Circuit

Released February 29

Advance text:

Remarks to the Associated General Contractors of America in Dallas, TX

Released March 3

Advance text:

Remarks to the National Association of Evangelicals in Chicago, IL

Fact sheet:

Assistance to Bulgaria

Released March 6

Fact sheet:

Economic improvement steps for the natural gas industry

Released March 7

Fact sheet:

Bush administration proposals concerning outdoor recreation and wildlife

Released March 9

Announcement:

Nomination of Federico A. Moreno to be U.S. Circuit Judge for the Eleventh Circuit

Announcement:

Nomination of Susan H. Black to be U.S. Circuit Judge for the Eleventh Circuit

Advance text:

Remarks to the National League of Cities

Released March 11

Remarks at the Richard Nixon Library dinner

Released March 13

Fact sheet:

Onboard refueling vapor recovery systems for new cars

Released March 16

Advance text:

Remarks to Steeltech employees in Milwaukee, WI

Advance text:

Remarks at a Bush-Quayle fundraising luncheon in Milwaukee

Advance text:

Remarks at a Bush-Quayle fundraising dinner in Chicago, IL

Released March 18

Fact sheet:

Transportation reforms

Announcement:

Nomination of Lawrence O. Davis to be U.S. District Judge for the Eastern District of

Missouri

Announcement:

Nomination of John F. Walter to be U.S. District Judge for the Central District of California

Announcement:

Nomination of Joe Kendall to be U.S. District Judge for the Northern District of Texas

Announcement:

Nomination of Percy Anderson to be U.S. District Judge for the Central District of California

Announcement:

Nomination of Lee H. Rosenthal to be U.S. District Judge for the Southern District of Texas

Announcement:

Nomination of Russell T. Lloyd to be U.S. District Judge for the Southern District of Texas

Announcement:

Nomination of Andrew S. Hanen to be U.S. District Judge for the Southern District of Texas

Announcement:

Nomination of Linda H. McLaughlin to be U.S. District Judge for the Central District of California

Released March 20

Advance text:

Remarks to Republican Members of Congress and Presidential appointees

Fact sheet:

Address to Republican Members of Congress and Presidential appointees

Fact sheet:

Implementing the Beck decision

Announcement:

Transmittal of 67 messages to Congress containing 68 rescission proposals

Announcement:

Nomination of Paul L. Shechtman to be U.S. District Judge for the Southern District of New York

Announcement:

Nomination of John G. Heyburn II to be U.S. District Judge for the Western District of Kentucky

Announcement:

Nomination of Richard H. Kyle to be U.S. District Judge for the District of Minnesota

Announcement:

Nomination of Justin P. Wilson to be U.S. Circuit Judge for the Sixth Circuit

Announcement:

Nomination of Gordon J. Quist to be U.S. District Judge for the Western District of Michigan

Announcement:

Nomination of C. LeRoy Hansen to be U.S. District Judge for the District of New Mexico

Announcement:

Nomination of Michael Boudin to be U.S. Circuit Judge for the First Circuit

Announcement:

Nomination of Dennis G. Jacobs to be U.S. Circuit Judge for the Second Circuit

Released March 24

Fact sheet:

Environmental quality report

Advance text:

Remarks to the National American Wholesale Grocers Association

Statement:

President's medication

Released March 25

Statement:

White House medical care

Released March 26

Announcement:

Nomination of Manuel H. Quintana to be U.S. District Judge for Southern District of New York

Released March 27

Announcement:

Nomination of Scott J. Poe to be U.S. Marshal for the Eastern District of Kentucky

Fact sheet:

Trade with the former Soviet Union

Released March 30

Announcement:

Nomination of Charles W. Larson to be U.S. Attorney for the Northern District of Iowa

Announcement:

Nomination of Jay D. Gardner to be U.S. Attorney for the Southern District of Georgia

Announcement:

Nomination of Loretta A. Preska to be U.S. District Judge for the Southern District of New York

Released March 31

Announcement:

Second annual President's Environment and Conservation Challenge Awards program

Released April 1

Fact sheet:

Multilateral financial assistance package for Russia

Fact sheet:

``FREEDOM Support Act of 1992"

Fact sheet:

Agricultural assistance for the NIS

Announcement:

Nomination of Irene M. Keeley to be U.S. District Judge for the Northern District of West Virginia

Announcement:

Nomination of Alfred V. Covello to be U.S. District Judge for the District of Connecticut

Announcement:

Nomination of Jerome B. Simandle to be U.S. District Judge for the District of New Jersey

Announcement:

Nomination of Carol E. Jackson to be U.S. District Judge for the Eastern District of Missouri

Announcement:

Nomination of Charles A. Banks to be U.S. District Judge for the Eastern District of Arkansas

Released April 2

Announcement:

Nomination of Maureen E. Mahoney to be U.S. District Judge for the Eastern District of Virginia

Announcement:

Nomination of Robert D. Hunter to be U.S. District Judge for the Northern District of Alabama

Announcement:

Nomination of Lourdes G. Baird to be U.S. District Judge for the Central district of California

Fact sheet:

Financial services reforms

Transcript:

Press briefing on the visit of Prime Minister Felipe Gonzalez of Spain -- by Thomas Niles, Assistant Secretary of State for European and Canadian Affairs

Released April 3

Advance text:

Remarks to the Federalist Society of Philadelphia in Philadelphia, PA

Fact sheet:

President's address on governmental reform

Announcement:

Nomination of James S. Mitchell to be U.S. District Judge for the District of Nebraska

Announcement:

Nomination of Richard G. Kopf to be U.S. District Judge for the District of Nebraska

Released April 7

Statement:

Foreign access to United States ports

Announcement:

Office of Government Ethics report on former Chief of Staff John Sununu's travel on military aircraft

Announcement:

Nomination of Emerson J. Elliot to be Commissioner of Education Statistics, Department of Education

Released April 8

Announcement:

Nomination of Irma E. Gonzalez to be U.S. District Judge for the Southern District of California

Announcement:

Nomination of Carol Johnson Johns to be a member of the Board of Regents of the Uniformed

Services University of the Health Sciences

Announcement:

Nomination of Virginia Stanley Douglas to be a member of the Board of Directors of the National Institute of Building Sciences

Released April 9

Fact sheet:

Reforms to the drug approval process

Fact sheet:

``The Accountability in Government Act of 1992"

Announcement:

Nomination of Michael J. Melloy to be U.S. District Judge for the Northern District of Iowa

Announcement:

Nomination of Norman H. Stahl to be U.S. Circuit Judge for the First Circuit

Announcement:

Nomination of Joseph A. DiClerico, Jr., to be U.S. District Judge for the District of New Hampshire

Announcement:

Nomination of Rudolph T. Randa to be U.S. District Judge for the Eastern District of Wisconsin

Announcement:

Transmittal of 28 special messages to Congress containing budget rescissions

Announcement:

Travel policy: the new policy on the use of military aircraft by the Chief of Staff and National Security Adviser

Released April 10

Transcript:

Press briefing on Wisconsin welfare reform -- by Secretary of Health and Human Services Louis W. Sullivan and Gov. Tommy Thompson of Wisconsin

Fact sheet:

The State of Wisconsin's parental and family responsibility demonstration project

Released April 13

Fact sheet:

Executive action protecting workers' rights

Released April 14

Advance text:

Remarks to Giddings & Lewis employees and local chambers of commerce in Fraser, MI

Fact sheet:

Job Training 2000: creating a comprehensive and unified Federal job training system

Fact sheet:

``The Youth Apprenticeship Act of 1992"

Advance text:

Remarks at a Bush-Quayle fundraising dinner in Dearborn, MI

Released April 16

Fact sheet:

``The Lifelong Learning Act of 1992"

Advance text:

Remarks to the Lehigh Valley 2000 community in Allentown, PA

Fact sheet:

America 2000: first-year accomplishments

Transcript:

Press briefing on proposed education and job training legislation -- by Secretary of Education Lamar Alexander

Released April 20

Fact sheet:

AmeriFlora '92

Released April 22

Announcement:

Nomination of Nathaniel M. Gorton to be U.S. District Judge for the District of Massachusetts

Transcript:

Press briefing on the President's meeting with European Council President Anibal Cavaco Silva and European Commission President Jacques Delors -- by Thomas Niles, Assistant Secretary of State for European and Canadian Affairs

Released April 23

Advance text:

Remarks to the Forum of the Americas

Fact sheet:

The U.S.-Japan paper agreement

Released April 24

Transcript:

Press briefing on banking and finance regulatory reform -- by Michael J. Boskin, Chairman, Council of Economic Advisers; C. Boyden Gray, Counsel to the President; John E. Robson, Deputy Secretary of the Treasury; Timothy Ryan, Director, Office of Thrift Supervision; Stephen Steinbrink, Acting Comptroller of the Currency; Susan Phillips, Board of Governors, Federal Reserve Board; William Taylor, Chairman, Federal Deposit Insurance Corp.; and F. Henry Habicht, Deputy Administrator, Environmental Protection Agency.

Fact sheet:

Financial services reforms

Announcement:

Winners of the 1992 President's Annual Points of Light Awards

Released April 27

Advance text:

Remarks at the Florida International University commencement ceremony in Miami Beach, FL

Advance text:

Remarks at a Bush-Quayle fundraising dinner in Charlotte, NC

Released April 28

Transcript:

Press briefing on financial services regulatory reform -- by Michael J. Boskin, Chairman, Council of Economic Advisers; John E. Robson, Deputy Secretary of the Treasury; Richard Breeden, Chairman, Securities and Exchange Commission; and Wendy Gramm, Chairman, Commodities Futures Trading Commission

Released April 29

Advance text:

Remarks on regulatory reform

Transcript:

Press briefing on regulatory reform -- by Michael J. Boskin, Chairman, Council of Economic Advisers, and C. Boyden Gray, Counsel to the President

Fact sheet:

Regulatory Reform Initiative

Released April 30

Announcement:

Nomination of Ronald B. Leighton to be U.S. District Judge for the Western District of Washington

Fact sheet:

Executive order on infrastructure privatization

Released May 1

Fact sheet:

Michael Jackson recognized as Points of Light ambassador

Released May 3

Statement:

National Day of Prayer

Released May 4

Announcement:

Nomination of Barry Zorthian to be a member of the Board for International Broadcasting

Released May 5

Fact sheet:

Truck, rail, and ocean shipping reforms

Transcript:

Press briefing on truck, rail, and ocean shipping reforms -- by C. Boyden Gray, Counsel to the President; Ed Philbin, Chairman, Interstate Commerce Commission; Ming Hsu, Chairman, Federal Maritime Commission; and James Rill, Assistant Attorney General for the Antitrust Division

Announcement:

Nomination of Joseph J. DiNunno to be a member of the Defense Nuclear Facilities Safety Board

Released May 6

Fact sheet:

Agreement on trade relations between the United States and Ukraine

Fact sheet:

U.S.-Ukraine OPIC agreement

Fact sheet:

Agreement on establishing a Peace Corps program between the United States and Ukraine

Fact sheet:

Science and Technology Center in Ukraine

Fact sheet:

Technical assistance for Ukraine

Fact sheet:

Federal relief assistance to individuals, families, communities, and businesses in Los Angeles

Fact sheet:

``Weed and Seed'' program to aid needy Los Angeles communities

Released May 12

Fact sheet:

President Bush's initiatives for strengthening urban areas

Fact sheet:

The administration's program for reducing tax compliance burdens for small employers

Transcript:

Press briefing on the President's urban aid initiatives -- by Jack Kemp, Secretary of Housing and Urban Development; William P. Barr, Attorney General; Lamar Alexander, Secretary of Education; Pat Saiki, Small Business Administrator; and Richard G. Darman, Director, Office of Management and Budget

Released May 13

Advance text:

Remarks to the health care and business community in Baltimore, MD

Transcript:

Press briefing on the President's meeting with President Patricio Aylwin of Chile -- by Bernard W. Aronson, Assistant Secretary of State for Inter-American Affairs

Announcement:

Nomination of Thomas E. Harvey to be a member of the Board of Directors of the U.S. Institute of Peace

Released May 14

Announcement:

Nomination of Joyce A. Doyle to be a member of the Federal Mine Safety and Health Review Commission

Released May 15

Announcement:

Presidential Faculty Fellows Program award recipients

Released May 18

Announcement:

Nomination of Roberto Martinez to be U.S. Attorney for the Southern District of Florida

Released May 19

Fact sheet:

Report of the Presidential Task Force on Los Angeles Recovery

Fact sheet:

American technical assistance programs to Kazakhstan

Fact sheet:

Agreement on trade relations between the United States and Kazakhstan

Fact sheet:

Bilateral investment treaty between the United States and the Republic of Kazakhstan

Fact sheet:

U.S.-Kazakhstan OPIC agreement

Fact sheet:

American humanitarian assistance to Kazakhstan

Transcript:

Press briefing on establishment of the fetal tissue bank -- by James O. Mason, Assistant Secretary for Health

Transcript:

Press briefing on the President's meeting with President Nursultan Nazarbayev of Kazakhstan -- by Thomas Niles, Assistant Secretary of State for European and Canadian Affairs

Released May 20

Announcement:

Nomination of Don J. Svet to be U.S. Attorney for the District of New Mexico

Announcement:

Nomination of members of the Civil Liberties Public Education Fund Board of Directors

Released May 21

Announcement:

Appointment of David J. Beightol as Executive Director of the Presidential Task Force on Los Angeles Recovery

Released May 22

Fact sheet:

``New Mexico Public Lands Wilderness Act''

Released May 26

Fact sheet:

FDA biotechnology food policy

Transcript:

Press briefing on biotechnology food policy -- by Louis W. Sullivan, Secretary of Health and Human Services; David Kessler, Commissioner of Food and Drugs; Michael J. Boskin, Chairman, Council of Economic Advisers; and C. Boyden Gray, Counsel to the President

Released May 27

Announcement:

Nomination of James A. McIntyre to be U.S. District Judge for the Southern District of California

Statement:

President's meeting with Mayor Teddy Kollek of Jerusalem

Released May 28

Advance text:

Excerpt of remarks prepared for delivery to the Veterans Coalition

Fact sheet:

Defense adjustment assistance

Statement:

Presidential Emergency Boards Nos. 220, 221, and 222

Released May 29

Fact sheet:

Federal relief assistance to individuals, families, communities, and businesses in Los Angeles,

CA

Released May 30

Fact sheet:

Wetlands reserve program

Released June 1

Announcement:

Nomination of Ritajean Hartung Butterworth to be a member of the Board of Directors of the Corporation for Public Broadcasting

Announcement:

Nomination of Jay I. Kislak to be a member of U.S. Advisory Commission on Public Diplomacy

Fact sheet:

Forests for the Future initiative

Fact sheet:

Bush administration environmental accomplishments in support of UNCED

Released June 2

Announcement:

Nomination of C. Christopher Hagy to be U.S. District Judge for the Northern District of Georgia

Announcement:

Nomination of Louis J. Leonatti to be U.S. District Judge for the Eastern District of Missouri

Announcement:

Nomination of J. Douglas Drushal to be U.S. District Judge for the Northern District of Ohio

Announcement:

Nomination of Leonard E. Davis to be U.S. District Judge for the Eastern District of Texas

Released June 3

Transcript:

Press briefing on the balanced budget amendment -- by Richard G. Darman, Director, Office of Management and Budget

Released June 4:

Announcement:

Nomination of Donald M. Kendall to be a member of the Board of Directors of the Overseas Private Investment Corporation

Released June 5

Fact sheet:

Space-based global change observation

Released June 8

Announcement:

Nomination of J. Michael Farrell to be a member of the National Commission of Libraries and Information Science

Released June 9

Transcript:

Excerpt of press briefing on nuclear weapons reductions -- by Secretary of State James A. Baker III and Foreign Minister Andrey Kozyrev of Russia

Advance text:

Excerpt of remarks at a fundraising dinner for Senator Arlen Specter in Bowmansdale, PA

Released June 11

Advance text:

Remarks on departure for the United Nations Conference on Environment and Development

Advance text:

Remarks at Plaza Belisario Porras in Panama City, Panama

Advance text:

Remarks to the American community in Panama City

Transcript:

Excerpt of press briefing on the demonstrations in Panama City -- by Press Secretary Fitzwater

Released June 12

Transcript:

Press briefing on the U.N. Conference on Environment and Development -- by William K. Reilly, Administrator, Environmental Protection Agency

Released June 15

Transcript:

Press briefing on Russian-U.S. relations and the President's meeting with President Boris Yeltsin of Russia -- by Secretary of State James A. Baker III

Released June 16

Advance text:

Remarks at the state dinner for President Boris Yeltsin of Russia

Fact sheet:

Joint U.S.-Russian Commission on POW/MIA's

Released June 17

Announcement:

U.S.-Russian agreements

Text:

Charter for American-Russian Partnership and Friendship

Fact sheet:

Charter for American-Russian Partnership and Friendship

Background:

U.S. assistance to Russia

Background:

Treaty for the avoidance of double taxation

Background:

Agreement on trade relations between the United States and Russia

Background:

Bilateral investment treaty between the United States and the Russian Federation

Background:

Eximbank operations in Russia

Fact sheet:

Fuels and energy agreement

Text:

Joint Statement on bilateral issues

Background:

Open Lands memorandum of understanding between the United States and Russia

Background:

OPIC investment incentive agreement between the United States and the Russian Federation

Background:

Opening new U.S. and Russian consulates

Fact sheet:

Removal of ceilings on U.S. and Russian personnel

Text:

Joint Statement on Bosnia-Hercegovina

Fact sheet:

Chemical weapons issues

Background:

COCOM issues

Text:

Joint Statement on Cooperation in Space

Background:

Agreement on the destruction and safeguarding of weapons and the prevention of weapons

proliferation between the United States and Russia

Background:

Agreement on establishing a Peace Corps program between the United States and the Russian Federation

Text:

Joint Statement on Korean Nuclear Non-Proliferation

Fact sheet:

Nuclear reactor safety assistance for Russia

Background:

U.S.-Russian civil aviation M.O.U.

Background:

Technical migration assistance for Russia

Text:

Joint Statement on Beringia International Park

Text:

Joint Statement on Conservation of Lake Baikal

Text:

Joint Statement on the Need for Voluntary Suspension of Fishing in the Central Bering Sea

Text:

Joint Statement on Research and Conservation of the Bering Sea Ecosystem

Text:

Joint Statement on Science and Technology Cooperation

Released June 18

Announcement:

Nomination of Raymond L. Finch to be U.S. District Judge for the District Court of the Virgin Islands

Released June 19

Fact sheet:

Defense procurement reforms

Announcement:

Nomination of Brook Hedge to be an Associate Judge of the Superior Court of the District of Columbia

Announcement:

Nomination of Lee F. Satterfield to be an Associate Judge of the Superior Court of the District of Columbia

Released June 20

Advance text:

Remarks to the Howard Jarvis Taxpayers Association in Universal City, CA

Released June 23

Announcement:

Nomination of Katharine J. Armentrout to be U.S. District Judge for the District of Maryland

Announcement:

Nomination of James J. McMonagle to be U.S. District Judge for the Northern District of Ohio

Released June 24

Statement:

Rail strike

Transcript:

Press briefing on the budget -- by Richard G. Darman, Director, Office of Management and Budget

Released June 25

Fact sheet:

Federal grants for State and local ``GI bills'' for children

Transcript:

Press briefing on legislation proposing a ``GI bill'' for children -- by Secretary of Education Lamar Alexander

Released June 26

Fact sheet:

``Utah Public Lands Wilderness Act''

Announcement:

Nomination of John A. Mendez to be U.S. Attorney for the Northern District of California

Released June 30

Transcript:

Press briefing on the Munich economic summit -- by Secretary of the Treasury Nicholas F. Brady

Statement:

Designation of two historically black colleges for information science and training research under the U.S. Army's Centers of Excellence program

Released July 1

Fact sheet:

Recent U.S.-Japan achievements on economic issues

Transcript:

Press briefing on the President's visits to Warsaw, Munich, and Helsinki -- by Secretary of State James A. Baker III

Transcript:

Press briefing on the President's meeting with Prime Minister Kiichi Miyazawa of Japan -- by Douglas Paal, National Security Council Senior Director for Asian Affairs

Released July 2

Transcript:

Press briefing on the President's health care reform proposal -- by Louis W. Sullivan, Secretary of Health and Human Services; Gail R. Wilensky, Deputy Assistant to the President for Policy Development; and Stuart Gerson, Assistant Attorney General

Announcement:

Nomination of Richard Conway Casey to be U.S. District Judge for the Southern District of New York

Announcement:

Nomination of John Phil Gilbert to be U.S. District Judge for the Southern District of Illinois

Announcement:

Nomination of Ilana Diamond Rovner to be U.S. Circuit Judge for the Seventh Circuit

Fact sheet:

Medical liability legislation

Released July 5

Advance text:

Remarks on Polish independence in Warsaw

Fact sheet:

Enterprise funds

Fact sheet:

Polish stabilization fund

Fact sheet:

New housing assistance for Poland

Released July 6

Transcript:

Press briefing on the agreement on construction of a BMW plant in South Carolina -- by Gov. Carroll A. Campbell

Transcript:

Press briefing on the meeting of finance ministers at the Munich economic summit -- by Nicholas F. Brady, Secretary of the Treasury, and David Mulford, Under Secretary of the Treasury

Transcript:

Press briefing on the meeting of heads of government at the Munich economic summit -- by Brent Scowcroft, Assistant to the President for National Security Affairs

Announcement:

Nomination of Larry R. Hicks to be U.S. District Judge for the District of Nevada

Announcement:

Nomination of John W. Sedwick to be U.S. District Judge for the District of Alaska

Released July 7

Transcript:

Press briefing on the Munich economic summit -- by Secretary of State James A. Baker III

Released July 9

Advance text:

Remarks to the Conference on Security and Cooperation in Europe in Helsinki, Finland

Statement:

Announcement of requests for fiscal year 1992 appropriations

Transcript:

Press briefing on the CSCE summit -- by Secretary of State James A. Baker III

Released July 10

Transcript:

Press briefing on the situation in the former Republic of Yugoslavia -- by Secretary of State James A. Baker III

Fact sheet:

The CFE Treaty and the CFE - 1A agreement

Fact sheet:

CSCE Forum for Security Cooperation

Released July 13

Fact sheet:

Nonproliferation initiative

Fact sheet:

Existing nonproliferation efforts

Released July 14

Fact sheet:

Protecting and enhancing forests and the outdoors

Fact sheet:

North American free trade agreement (NAFTA) negotiations

Statement:

Floyd Brown and the Citizens for Bush Organization

Announcement:

Appointment of Jack Steel to be a member of the Commission on Presidential Scholars

Released July 21

Announcement:

Nomination of John S. Unpingco to be District Judge for Guam

Fact sheet:

National Medal of Arts

Released July 22

Announcement:

National Medal of Arts recipients

Fact sheet:

``Oregon Public Lands Wilderness Act"

Released July 23

Transcript:

Press briefing on the Higher Education Amendments of 1992 -- by Carolynn Reid-Wallace, Assistant Secretary for Postsecondary Education

Transcript:

Press briefing on the midsession review of the budget -- by Richard G. Darman, Director, Office of Management and Budget, and Michael J. Boskin, Chairman, Council of Economic Advisers

Released July 24

Announcement:

Nomination of Joanna Seybert to be U.S. District Judge for the Eastern District of New York

Announcement:

Nomination of R. Edgar Campbell to be U.S. District Judge for the Middle District of Georgia

Released July 27

Announcement:

Nomination of Kathryn H. Vratil to be U.S. District Judge for the District of Kansas

Fact sheet:

``Wyoming Public Lands Wilderness Act"

Released July 28

Transcript:

Press briefing on the North American free trade agreement -- by Carla A. Hills, U.S. Trade Representative

Transcript:

Press briefing on Operation Triggerlock -- by Attorney General William P. Barr

Released July 30

Announcement:

Presidential Task Force on Los Angeles Recovery report

Released July 31

Announcement:

Nomination of Wayne Allard to serve in an advisory capacity on the Board of Trustees of the James Madison Memorial Fellowship Foundation

Transcript:

Press briefing on welfare reform -- by Gail R. Wilensky, Deputy Assistant to the President for Policy Development

Released August 4

Transcript:

Press briefing on the President's health care plan -- by Gail R. Wilensky, Deputy Assistant to the President for Policy Development, and Kevin E. Moley, Deputy Secretary of Health and Human Services

Released August 5

Announcement:

Nomination of Robert W. Kostelka to be U.S. District Judge for the Western District of Louisiana

Released August 6

Transcript:

Remarks by Press Secretary Marlin Fitzwater in an exchange with reporters

Released August 7

Announcement:

Nomination of members of the Railroad Retirement Board

Released August 8

Announcement:

President's meeting on the situation in Bosnia

Released August 10

Transcript:

Press briefing on Governor Clinton's economic plan -- by Clayton Yeutter, Counselor to the President for Domestic Affairs

Released August 12

Statement by the President:

Completion of negotiations on the North American free trade agreement

Transcript:

Press briefing on the North American free trade agreement -- by Carla A. Hills, U.S. Trade Representative

Released August 13

Transcript:

Remarks to State Department employees -- by Secretary of State James A. Baker III

Transcript:

Press briefing on AIDS research, prevention, and treatment efforts -- by Secretary of Health and Human Services Louis W. Sullivan

Statement:

Resignation from White House staff and acceptance of position as general chairman of the Republican National Committee -- by Samuel K. Skinner, Chief of Staff to the President

Released August 27

Announcement:

Appointment of Robert Mosbacher as general chairman of finance for the Republican Party

Released August 31

Fact sheet:

U.S.-Russian agreement on highly enriched uranium

Released September 1

Announcement:

President's address to the Nation

Released September 3

Fact sheet:

``Nevada Public Lands Wilderness Act''

Fact sheet:

Small Business Administration -- Hurricane Andrew disaster assistance

Released September 4

Fact sheet:

``Idaho Public Lands Wilderness Act''

Advance text:

Remarks to the community in Fredericksburg, VA

Released September 7

Fact sheet:

``Product Liability Fairness Act''

Released September 8

Announcement:

Nomination of Paul J. Barbadoro to be U.S. District Judge for the District of New Hampshire

Announcement:

Nomination of Steven J. McAuliffe to be U.S. District Judge for the District of New Hampshire

Announcement:

Nomination of Richard E. Dorr to be U.S. District Judge for the Western District of Missouri

Advance text:

Remarks to the B'nai B'rith International convention

Released September 10

Announcement:

Appointment of Mark A. Shiffrin as a member of the President's Committee on Mental Retardation

Announcement:

Nomination of Charles J. Heringer, Jr., to be U.S. Commissioner on the Bear River Commission

Released September 11

Fact sheet:

Saudi F - 15XP

Released September 14

Advance text:

Remarks to Vaagen Brothers Lumber employees in Colville, WA

Announcement:

Nomination of Annette L. Kent to be U.S. Marshal for the District of Hawaii

Fact sheet:

Caring for America's forests

Fact sheet:

The spotted owl/timber supply crisis: a chronology

Released September 15

Transcript:

Press briefing on DOE support of the President's nonproliferation initiative -- by Secretary of Energy James Watkins

Released September 16

Announcement:

Nomination of Joe L. Heaton to be U.S. Attorney for the Western District of Oklahoma

Fact sheet:

``Family Leave Tax Credit Act of 1992"

Released September 17

Announcement:

Nomination of James H. Payne to be U.S. District Judge for the Northern, Eastern, and Western Districts of Oklahoma

Announcement:

Nomination of Walter B. Prince to be U.S. District Judge for the District of Massachusetts

Announcement:

Nomination of Timothy K. Lewis to be U.S. Circuit Judge for the Third Circuit

Announcement:

Nomination of Kay Bailey Hutchison to be a member of the Commission to Promote Investment in America's Infrastructure

Fact sheet:

President Bush's record on women appointees

Released September 18

Announcement:

Nomination of Ivan Selin to be a Representative and Richard T. Kennedy and Jane E. Becker to be Alternate Representatives of the United States of America to the 36th session of the General Conference of the International Atomic Energy Agency

Fact sheet:

North American free trade agreement: official notification of Congress

Released September 21

Announcement:

According the personal rank of Ambassador to Robert L. Hutchings in his capacity as Special Adviser for East European Assistance

Announcement:

Nomination of Mark McCampbell Collins, Jr., to be U.S. Executive Director of the International Bank for Reconstruction and Development

Announcement:

Nomination of Blaine B. Goff to be U.S. Marshal for the Southern District of Iowa

Announcement:

Nomination of Charles F. Little to be U.S. Marshal for the Northern District of West Virginia

Fact sheet:

The challenges of our age: peacekeeping, proliferation, and prosperity

Released September 22

Announcement:

Nomination of Frank B. Hower, Jr., to be a member of the Peace Corps National Advisory Council

Announcement:

Nomination of Craig B. Stapleton to be a member of the Peace Corps National Advisory Council

Released September 23

Fact sheet:

Encouraging entrepreneurial capitalism: strengthening small businesses

Announcement:

According the personal rank of Ambassador to Richard Lee Armitage in his capacity as Deputy to the Coordinator for Assistance to the Commonwealth of Independent States

Announcement:

Nomination of Edward L. Hennessey, Jr., to be a member of the Board of Governors of the United Service Organizations, Inc.

Released September 25

Announcement:

Nomination of George A. O'Toole, Jr., to be U.S. District Judge for the District of Massachusetts

Announcement:

Nomination of Barry M. Goldwater, Sr., to be a member of the Board of Directors of the Communications Satellite Corporation

Announcement:

Nomination of Randall Brooks to be a member of the Board of Directors of the Commission on National and Community Service

Announcement:

Nomination of John W. Gillis to be a member of the United States Sentencing Commission

Fact sheet:

``Federal Pay Reduction Act of 1992''

Released September 28

Fact sheet:

The President's Agenda for American Renewal: combating violent crime

Statement:

Ceremony for initialing the North American free trade agreement -- by Press Secretary Fitzwater

Released September 30

Announcement:

Nomination of Wayne Arthur Schley to be a Commissioner on the Postal Rate Commission

Fact sheet:

Child support enforcement initiative: Project KIDS

Announcement:

Nomination of Paul S. Sarbanes to be United States Representative to the General Assembly of the United Nations

Released October 1

Announcement:

Nomination of Thomas J. Tauke to be a member of the Board of Directors of the Federal Agricultural Mortgage Corp.

Fact sheet:

The President's program to encourage ethanol use in meeting the environmental goals of the Clean Air Act

Released October 2

Announcement:

Nomination of William P. Dimitrouleas to be U.S. District Judge for the Southern District of

Florida

Announcement:

Nomination of Henry W. Saad to be U.S. District Judge for the Eastern District of Michigan

Released October 5

Announcement:

Nomination of Donald E. Vinson to be U.S. Representative on the South Pacific Commission

Announcement:

Nomination of Roland I. Perusse to be U.S. Deputy Commissioner on the Commission for the Study of Alternatives to the Panama Canal

Announcement:

Nomination of Geraldine R. Gennet to be an Associate Judge of the Superior Court of the District of Columbia

Released October 6

Announcement:

The President's 1993 annual Points of Light awards program

Released October 7

Transcript:

Remarks of Prime Minister Carlos Salinas of Mexico at the initialing ceremony for the North American free trade agreement in San Antonio, TX

Transcript:

Remarks of Prime Minister Brian Mulroney of Canada at the initialing ceremony for the North American free trade agreement in San Antonio, TX

Transcript:

Press briefing on the North American free trade agreement -- by U.S. Trade Representative Carla A. Hills

Fact sheet:

San Antonio meeting and the initialing of the North American free trade agreement

Statement:

Disaster assistance for the State of Florida as a result of tornadoes which struck on October 3 -- by Press Secretary Fitzwater

Announcement:

Nomination of John J. McKenna to be U.S. Marshal for the Eastern District of Pennsylvania

Announcement:

Appointment of Mary D. Fisher as a member of the National Commission on Acquired Immune Deficiency Syndrome

Released October 8

Announcement:

Nomination of James C. Lin to be a member of the President's Committee on the National Medal of Science

Announcement:

Nomination of David M. Mulcahy to be a member of the President's Export Council

Announcement:

Nomination of Charles R. Lee to be a member of the President's National Security Telecommunications Advisory Committee

Announcement:

Nomination of Ray E. Witter to be a member of the Chemical Safety and Hazard Investigation

Board

Announcement:

Nomination of David M. Brewer to be a member of the Board of Directors of the Federal Agricultural Mortgage Corporation

Released October 13

Announcement:

Nomination of 22 individuals to be members of the National Commission on Measured Responses to Achieve a Drug-Free America by 1995

Released October 14

Announcement:

Appointment of Juana Dainis and Robert D. Segura as members of the President's Advisory Commission on Educational Excellence for Hispanic Americans

Fact sheet:

Emergency suspension of the Davis-Bacon Act

Announcement:

Appointment of Eugene F. Yeates as Executive Director of the President's Foreign Intelligence Advisory Board

Released October 15

Announcement:

Appointment of Paul Findley, Christopher Hicks, and William Hodges Mobley as members of the Board for International Food and Agricultural Development

Announcement:

Appointment of Harold T. Shapiro as a member of the President's Council of Advisors on Science and Technology

Released October 19

Fact sheet:

President Bush's record on Hispanic appointments

Released October 21

Announcement:

Appointment of Huda Bingham Jones as a member of the Commission on Presidential Scholars

Announcement:

Nomination of John H. Harriman to be a member of the National Advisory Board on Public Service

Released October 23

Announcement:

Nomination of Richard J. Wall to be a member of the Board of Visitors to the U.S. Military Academy

Announcement:

Emergency appropriations for Departments of Agriculture, Commerce, Housing and Urban Development, the Interior, and Labor

Fact sheet:

Executive order to promote open bidding on Federal and federally funded construction projects

Announcement:

According the rank of Ambassador to Edward L. Lacey as head of delegation to the Biological and Toxic Weapons Convention Verification Conference

Released October 25

Transcript:

Press briefing on availability of Vietnamese records relating to POW - MIA's -- by Gen. John W. Vessey, USA ret., Presidential Emissary to Hanoi for POW - MIA Affairs, and Senators John McCain and John Kerry

Released October 26

Transcript:

Remarks on poll results at Stapleton Airport in Denver, CO -- by Press Secretary Fitzwater

Released October 30

Announcement:

Signing of H.R. 429, the Reclamation Projects Authorization and Adjustment Act of 1992

Transcript:

Remarks and question-and-answer session in St. Louis, MO -- by Gov. William Donald Schaefer of Maryland

Released November 6

Statement:

White House staff's transition cooperation

Released November 16

Announcement:

Appointment of Keith M. Kaneshiro as a member of the National Commission on Measured Responses to Achieve a Drug-Free America by 1995

Announcement:

Appointment of Mike Moore as a member of the National Commission on Measured Responses to Achieve a Drug-Free America by 1995

Announcement:

Appointment of Thomas Neal Tripp as a member of the Board of Directors of the Federal Prison Industries, Inc.

Released November 18

Announcement:

Appointment of Patricia Diaz Dennis as Commissioner-Observer on the Commission on Security and Cooperation in Europe

Released November 19

Statement:

President's visit to his mother in Greenwich, CT -- by Press Secretary Fitzwater

Statement:

Death of the President's mother, Mrs. Prescott Bush -- by Press Secretary Fitzwater

Released November 20

Transcript:

Press briefing on the agreement on trade with the European Community Commission -- by U.S. Trade Representative Carla A. Hills and Secretary of Agriculture Edward R. Madigan

Released November 24

Statement:

Foreign access to U.S. ports -- by Press Secretary Fitzwater

Released December 2

Announcement:

President's Environment and Conservation Challenge Awards

Released December 3

Statement:

Signing ceremony for the North American free trade agreement -- by Press Secretary Fitzwater

Released December 8

Announcement:

Recess appointment of Pauline Crowe Naftzger as Alternate Representative of the United States of America on the Executive Board of the United Nations Children's Fund

Released December 9

Announcement:

Presidential Medal of Freedom recipients

Released December 11

Announcement:

Presidential Medal of Freedom citations

Released December 22

Statement:

President's trip to Somalia -- by Press Secretary Fitzwater

Announcement:

Appointment of Susan Porter Rose as a member of the Commission of Fine Arts

Released December 23

Announcement:

Appointment of Albert V. Casey as a member of the National Commission to Ensure a Strong

Competitive Airline Industry

Released December 30

Fact sheet:

START II treaty

Announcement:

Recess appointment of Robert F. Goodwin as a Commissioner on the International Joint Commission, United States and Canada

Announcement:

Recess appointment of Norman D. Shumway as a member of the Board of Directors of the Legal Services Corporation

Released December 31

Announcement:

Recess appointment of David P. Prosperi as a member of the Corporation for Public Broadcasting

Announcement:

Recess appointment of Jeannette Louise Naylor as a member of the Board of Directors of the Pennsylvania Avenue Development Corporation

Released January 1

Fact sheet:

START II treaty

Fact sheet:

Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms

Fact sheet:

Update on the START treaty

Released January 6

Transcript:

Press briefing on the budget -- by Richard G. Darman, Director, Office of Management and Budget

Released January 7

Fact sheet:

Forest Service study reports: Red River, KY; Greenbrier River, WV; and Pyramid Peak Planning Area, CA

Fact sheet:

``Colorado Public Lands Wilderness Act''

Fact sheet:

``Montana Public Lands Wilderness Act''

Released January 8

Announcement:

Appointment of Vincent H. Dreeszen as the U.S. Representative on the Kansas-Nebraska Big Blue River Compact Administration

Released January 11

Announcement:

Designation of Paul A. Vander Myde as Vice Chairman of the Administrative Conference of the United States

Released January 12

Announcement:

Appointment of Richard A. Hauser as a member of the Board of Directors of the Pennsylvania Avenue Development Corporation

Statement:

President's physical examination -- by Burton J. Lee III, Physician to the President

Released January 15

Announcement:

Appointment of Robert Zoellick as a member of the Board of Directors of the Federal Home Loan Mortgage Corporation

Announcement:

Appointment of William D. Novelli as a member of the Enterprise for the Americas Board

Announcement:

Appointment of John Robert Longenecker as Transition Manager of the United States Enrichment Corporation

Released January 19

Announcement:

Appointment of John Patrick Schmitz as a U.S. Representative on the Joint Committee on the Environment between the United States and the Republic of Panama

Announcement:

Appointment of David Abshire as a member of the National Commission on Defense and National Security

Appendix D -- Acts Approved by the President

Approved February 7

H.R. 4095 / Public Law 102 - 244

To increase the number of weeks for which benefits are payable under the Emergency Unemployment Compensation Act of 1991, and for other purposes

Approved February 14

H.R. 1989 / Public Law 102 - 245

American Technology Preeminence Act of 1991

Approved February 18

S. 1415 / Public Law 102 - 246

To provide for additional membership on the Library of Congress Trust Fund Board, and for other purposes

Approved February 24

H.R. 2927 / Public Law 102 - 247

Omnibus Insular Areas Act of 1992

Approved March 3

H.R. 543 / Public Law 102 - 248

To establish the Manzanar National Historic Site in the State of California, and for other purposes

H.R. 476 / Public Law 102 - 249

Michigan Scenic Rivers Act of 1991

Approved March 5

H.R. 355 / Public Law 102 - 250

Reclamation States Emergency Drought Relief Act of 1991

Approved March 9

H.R. 3866 / Public Law 102 - 251

To provide for the designation of the Flower Garden Banks National Marine Sanctuary

Approved March 10

H.J. Res. 395 / Public Law 102 - 252

Designating February 6, 1992, as ``National Women and Girls in Sports Day''

H.J. Res. 350 / Public Law 102 - 253

Designating March 1992 as ``Irish-American Heritage Month''

Approved March 11

H.J. Res. 343 / Public Law 102 - 254

To designate March 12, 1992, as ``Girl Scouts of the United States of America 80th Anniversary Day''

Approved March 12

H.R. 4113 / Public Law 102 - 255

To permit the transfer before the expiration of the otherwise applicable 60-day congressional review period of the obsolete training aircraft carrier U.S.S. Lexington to the Corpus Christi Area Convention and Visitors Bureau, Corpus Christi, Texas, for use as a naval museum and memorial

H.R. 2092 / Public Law 102 - 256

Torture Victim Protection Act of 1991

Approved March 17

S.J. Res. 176 / Public Law 102 - 257

To designate March 19, 1992, as ``National Women in Agriculture Day''

Approved March 19

S. 996 / Public Law 102 - 258

To authorize and direct the Secretary of the Interior to terminate a reservation of use and occupancy at the Buffalo National River; and for other purposes

S. 2184 / Public Law 102 - 259

Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992

Approved March 20

H.J. Res. 446 / Public Law 102 - 260

Waiving certain enrollment requirements with respect to H.R. 4210 of the 102d Congress

S. 1467 / Public Law 102 - 261

To designate the Federal Building and the United States Courthouse located at 15 Lee Street in Montgomery, Alabama, as the ``Frank M. Johnson, Jr. Federal Building and United States Courthouse''

S. 1889 / Public Law 102 - 262

To designate the Federal Building and the United States Courthouse located at 111 South Wolcott Street in Casper, Wyoming, as the ``Ewing T. Kerr Federal Building and United States Courthouse''

S.J. Res. 240 / Public Law 102 - 263

Designating March 25, 1992, as ``Greek Independence Day: A National Day of Celebration of Greek and American Democracy''

Approved March 26

H.J. Res. 284 / Public Law 102 - 264

To designate the week beginning April 12, 1992, as ``National Public Safety Telecommunicators Week"

S. 2324 / Public Law 102 - 265

To amend the Food Stamp Act of 1977 to make a technical correction relating to exclusions from income under the food stamp program, and for other purposes

Approved April 1

H.J. Res. 456 / Public Law 102 - 266

Making further continuing appropriations for the fiscal year 1992, and for other purposes

Approved April 2

H.J. Res. 272 / Public Law 102 - 267

To proclaim March 20, 1992, as ``National Agriculture Day"

Approved April 13

H.J. Res. 410 / Public Law 102 - 268

Designating April 14, 1992, as ``Education and Sharing Day, U.S.A."

Approved April 15

S.J. Res. 246 / Public Law 102 - 269

To designate April 15, 1992 as ``National Recycling Day"

Approved April 16

S.J. Res. 271 / Public Law 102 - 270

Expressing the sense of the Congress regarding the peace process in Liberia and authorizing limited assistance to support this process

Approved April 20

S. 606 / Public Law 102 - 271

To amend the Wild and Scenic Rivers Act by designating certain segments of the Allegheny River in the Commonwealth of Pennsylvania as a component of the National Wild and Scenic Rivers System, and for other purposes

Approved April 21

H.R. 3686 / Public Law 102 - 272

To amend title 28, United States Code, to make changes in the places of holding court in the Eastern District of North Carolina

H.R. 4449 / Public Law 102 - 273

To authorize jurisdictions receiving funds for fiscal year 1992 under the HOME Investment Partnerships Act that are allocated for new construction to use the funds, at the discretion of the jurisdiction, for other eligible activities under such Act and to amend the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 to authorize local governments that have financed housing projects that have been provided a section 8 financial adjustment factor to use recaptured amounts available from refinancing of the projects for housing activities

S. 985 / Public Law 102 - 274

Horn of Africa Recovery and Food Security Act

Approved April 22

S. 1743 / Public Law 102 - 275

Arkansas Wild and Scenic Rivers Act of 1992

Approved April 28

H.R. 4572 / Public Law 102 - 276

To direct the Secretary of Health and Human Services to grant a waiver of the requirement limiting the maximum number of individuals enrolled with a health maintenance organization

who may be beneficiaries under the medicare or medicaid programs in order to enable the Dayton Area Health Plan, Inc., to continue to provide services through January 1994 to individuals residing in Montgomery County, Ohio, who are enrolled under a State plan for medical assistance under title XIX of the Social Security Act

H.J. Res. 402 / Public Law 102 - 277

Approving the location of a memorial to George Mason

Approved May 9

S.J. Res. 174 / Public Law 102 - 278

Designating the month of May 1992, as ``National Amyotrophic Lateral Sclerosis Awareness Month"

S.J. Res. 222 / Public Law 102 - 279

To designate 1992 as the ``Year of Reconciliation Between American Indians and non-Indians"

Approved May 11

H.J. Res. 430 / Public Law 102 - 280

To designate May 4, 1992, through May 10, 1992, as ``Public Service Recognition Week"

Approved May 13

H.R. 3337 / Public Law 102 - 281

To require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes

H.R. 2454 / Public Law 102 - 282

Generic Drug Enforcement Act of 1992

Approved May 14

H.J. Res. 425 / Public Law 102 - 283

Designating May 10, 1992, as ``Infant Mortality Awareness Day''

S.J. Res. 251 / Public Law 102 - 284

To designate the month of May 1992 as ``National Huntington's Disease Awareness Month''

Approved May 18

H.R. 2763 / Public Law 102 - 285

National Geologic Mapping Act of 1992

H.R. 4184 / Public Law 102 - 286

To designate the Department of Veterans Affairs Medical Center located in Northampton, Massachusetts, as the ``Edward P. Boland Department of Veterans Affairs Medical Center''

H.J. Res. 466 / Public Law 102 - 287

Designating April 26, 1992, through May 2, 1992, as ``National Crime Victims' Rights Week''

Approved May 19

H.J. Res. 388 / Public Law 102 - 288

Designating the month of May 1992, as ``National Foster Care Month''

Approved May 20

H.R. 4774 / Public Law 102 - 289

To provide flexibility to the Secretary of Agriculture to carry out food assistance programs in certain countries

H.J. Res. 371 / Public Law 102 - 290

Designating May 31, 1992, through June 6, 1992, as a ``Week for the National Observance of the Fiftieth Anniversary of World War II''

S. 2378 / Public Law 102 - 291

To amend title 38, United States Code, to extend certain authorities relating to the administration of veterans laws, and for other purposes

Approved May 26

S. 1182 / Public Law 102 - 292

Fishlake National Forest Enlargement Act

Approved May 27

S. 452 / Public Law 102 - 293

To authorize a transfer of administrative jurisdiction over certain land to the Secretary of the Interior, and for other purposes

S. 749 / Public Law 102 - 294

To rename and expand the boundaries of the Mound City Group National Monument in Ohio

Approved May 28

S. 838 / Public Law 102 - 295

Child Abuse, Domestic Violence, Adoption and Family Services Act of 1992

S.J. Res. 254 / Public Law 102 - 296

Commending the New York Stock Exchange on the occasion of its bicentennial

Approved June 2

S. 2569 / Public Law 102 - 297

To provide for the temporary continuation in office of the current Deputy Security Advisor in a flag officer grade in the Navy

Approved June 4

H.R. 4990 / Public Law 102 - 298

Rescinding certain budget authority

Approved June 9

S. 870 / Public Law 102 - 299

Golden Gate National Recreation Area Addition Act of 1992

Approved June 15

H.R. 1917 / Private Law 102 - 3

For the relief of Michael Wu

Approved June 16

S. 2783 / Public Law 102 - 300

Medical Device Amendments of 1992

Approved June 19

H.R. 2556 / Public Law 102 - 301

Los Padres Condor Range and River Protection Act

Approved June 22

H.R. 5132 / Public Law 102 - 302

Dire Emergency Supplemental Appropriations Act, 1992, for Disaster Assistance To Meet Urgent Needs Because of Calamities Such as Those Which Occurred in Los Angeles and Chicago

Approved June 23

H.J. Res. 445 / Public Law 102 - 303

Designating June 1992 as ``National Scleroderma Awareness Month''

H.R. 1642 / Public Law 102 - 304

Palo Alto Battlefield National Historic Site Act of 1991

H.J. Res. 442 / Public Law 102 - 305

To designate July 5, 1992, through July 11, 1992, as ``National Awareness Week for Life-Saving Techniques"

Approved June 26

H.J. Res. 517 / Public Law 102 - 306

To provide for a settlement of the railroad labor-management disputes between certain railroads and certain of their employees

S. 756 / Public Law 102 - 307

Copyright Amendments Act of 1992

S. 2703 / Public Law 102 - 308

To authorize the President to appoint General Thomas C. Richards to the Office of Administrator of the Federal Aviation Administration

Approved June 30

H.J. Res. 470 / Public Law 102 - 309

To designate the month of September 1992 as ``National Spina Bifida Awareness Month"

Approved July 1

S. 2905 / Public Law 102 - 310

To provide a 4-month extension of the transition rule for separate capitalization of savings associations' subsidiaries

Approved July 2

H.R. 4548 / Public Law 102 - 311

International Peacekeeping Act of 1992

H.R. 3041 / Public Law 102 - 312

To designate the Federal building located at 1520 Market Street, St. Louis, Missouri, as the ``L. Douglas Abram Federal Building''

H.R. 2818 / Public Law 102 - 313

To designate the Federal building located at 78 Center Street in Pittsfield, Massachusetts, as the ``Silvio O. Conte Federal Building'', and for other purposes

H.R. 3711 / Public Law 102 - 314

WIC Farmers' Market Nutrition Act of 1992

H.J. Res. 499 / Public Law 102 - 315

Designating July 2, 1992, as ``National Literacy Day''

H.J. Res. 509 / Public 102 - 316

To extend through September 30, 1992, the period in which there remains available for obligation certain amounts appropriated for the Bureau of Indian Affairs for the school operations costs of Bureau-funded schools

S. 2901 / Public Law 102 - 317

To direct the Secretary of Health and Human Services to extend the waiver granted to the Tennessee Primary Care Network of the enrollment mix requirement under the medicaid program

Approved July 3

H.R. 5260 / Public Law 102 - 318

Unemployment Compensation Amendments of 1992

Approved July 8

H.J. Res. 459 / Public Law 102 - 319

Designating the week beginning July 26, 1992 as ``Lyme Disease Awareness Week''

Approved July 10

S. 1254 / Public Law 102 - 320

To increase the authorized acreage limit for the Assateague Island National Seashore on the Maryland mainland, and for other purposes

S. 1306 / Public Law 102 - 321

ADAMHA Reorganization Act

Approved July 19

H.R. 5412 / Public Law 102 - 322

To authorize the transfer of certain naval vessels to Greece and Taiwan

Approved July 20

S.J. Res. 324 / Public Law 102 - 323

To commend the NASA Langley Research Center on the celebration of its 75th anniversary on July 17, 1992

Approved July 22

S. 2780 / Public Law 102 - 324

To amend the Food Security Act of 1985 to remove certain easement requirements under the conservation reserve program, and for other purposes

Approved July 23

S. 1150 / Public Law 102 - 325

Higher Education Amendments of 1992

H.R. 158 / Public Law 102 - 326

To designate the building in Hiddenite, North Carolina, which houses the primary operations of the United States Postal Service as the ``Zora Leah S. Thomas Post Office Building''

H.R. 4505 / Public Law 102 - 327

To designate the facility of the United States Postal Service located at 20 South Montgomery Street in Trenton, New Jersey, as the ``Arthur J. Holland United States Post Office Building''

Approved August 3

H.R. 479 / Public Law 102 - 328

To amend the National Trails System Act to designate the California National Historic Trail and Pony Express National Historic Trail as components of the National Trails System

H.R. 5343 / Public Law 102 - 329

To make technical amendments to the Fair Packaging and Labeling Act with respect to its treatment of the SI metric system, and for other purposes

S. 2938 / Public Law 102 - 330

To authorize the Architect of the Capitol to acquire certain property

S.J. Res. 92 / Public Law 102 - 331

To designate July 28, 1992, as ``Buffalo Soldiers Day''

S.J. Res. 295 / Public Law 102 - 332

Designating September 10, 1992, as ``National D.A.R.E. Day''

S. 992 / Private Law 102 - 4

To provide for the reimbursement of certain travel and relocation expenses under title 5, United States Code, for Jane E. Denne of Henderson, Nevada

Approved August 4

S.J. Res. 310 / Public Law 102 - 333

To designate August 1, 1992, as ``Helsinki Human Rights Day''

S. 249 / Private Law 102 - 5

For the relief of Trevor Henderson

Approved August 6

S. 2641 / Public Law 102 - 334

To partially restore obligation authority authorized in the Intermodal Surface Transportation Efficiency Act of 1991

H.R. 3289 / Private Law 102 - 6

For the relief of Carmen Victoria Parini, Felix Juan Parini, and Sergio Manuel Parini

Approved August 7

H.R. 3836 / Public Law 102 - 335

Pacific Yew Act

H.R. 5059 / Public Law 102 - 336

To extend the boundaries of the grounds of the National Gallery of Art to include the National Sculpture Garden

S. 2917 / Public Law 102 - 337

To amend the National School Lunch Act to authorize the Secretary of Agriculture to provide financial and other assistance to the University of Mississippi, in cooperation with the University of Southern Mississippi, to establish and maintain a food service management institute, and for other purposes

S. 295 / Private Law 102 - 7

For the relief of Mary P. Carlton and Lee Alan Tan

Approved August 11

H.R. 4026 / Public Law 102 - 338

Zuni River Watershed Act of 1992

H.R. 5566 / Public Law 102 - 339

To provide additional time to negotiate settlement of a land dispute in South Carolina

Approved August 12

S.J. Res. 270 / Public Law 102 - 340

To designate August 15, 1992, as ``82d Airborne Division 50th Anniversary Recognition Day"

Approved August 14

H.R. 5487 / Public Law 102 - 341

Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1993

S. 2759 / Public Law 102 - 342

Child Nutrition Amendments of 1992

Approved August 17

S. 959 / Public Law 102 - 343

Thomas Jefferson Commemoration Commission Act

Approved August 26

H.R. 4312 / Public Law 102 - 344

Voting Rights Language Assistance Act of 1992

H.R. 5481 / Public Law 102 - 345

FAA Civil Penalty Administrative Assessment Act of 1992

S. 544 / Public Law 102 - 346

Animal Enterprise Protection Act of 1992

S. 807 / Public Law 102 - 347

To permit Mount Olivet Cemetery Association of Salt Lake City, Utah, to lease a certain tract of land for a period of not more than 70 years

S. 1770 / Public Law 102 - 348

To convey certain surplus real property located in the Black Hills National Forest to the Black Hills Workshop and Training Center, and for other purposes

S. 1963 / Public Law 102 - 349

To amend section 992 of title 28, United States Code, to provide a member of the United States Sentencing Commission whose term has expired may continue to serve until a successor is appointed or until the expiration of the next session of Congress

S. 2079 / Public Law 102 - 350

Marsh-Billings National Historical Park Establishment Act

S. 3001 / Public Law 102 - 351

To amend the Food Stamp Act of 1977 to prevent a reduction in the adjusted cost of the thrifty food plan during fiscal year 1993, and for other purposes

S. 3112 / Public Law 102 - 352

Public Health Service Act Technical Amendments Act

S. 3163 / Public Law 102 - 353

Prescription Drug Amendments of 1992

H.R. 2549 / Public Law 102 - 354

Administrative Procedure Technical Amendments Act of 1991

H.R. 2926 / Public Law 102 - 355

To amend the Act of May 17, 1954, relating to the Jefferson National Expansion Memorial to authorize increased funding for the East Saint Louis portion of the Memorial, and for other purposes

H.R. 2977 / Public Law 102 - 356

Public Telecommunications Act of 1992

H.R. 3795 / Public Law 102 - 357

To amend title 28, United States Code, to establish 3 divisions in the Central Judicial District of California

H.R. 4437 / Public Law 102 - 358

To authorize funds for the implementation of the settlement agreement reached between the Pueblo de Cochiti and the United States Army Corps of Engineers under the authority of Public Law 100 - 202

H.R. 5560 / Public Law 102 - 359

To extend for one year the National Commission on Time and Learning, and for other purposes

H.R. 5623 / Public Law 102 - 360

To waive the period of congressional review for certain District of Columbia Acts

H.R. 5688 / Public Law 102 - 361

Bankruptcy Judgeship Act of 1992

H.J. Res. 411 / Public Law 102 - 362

To designate the week of September 13, 1992, through September 19, 1992, as ``National Rehabilitation Week''

H.J. Res. 507 / Public Law 102 - 363

To approve the extension of nondiscriminatory treatment with respect to the products of the Republic of Albania

Approved September 2

H.J. Res. 492 / Public Law 102 - 364

Designating September 1992 as ``Childhood Cancer Month''

Approved September 3

H.R. 2607 / Public Law 102 - 365

Rail Safety Enforcement and Review Act

Approved September 4

H.R. 4111 / Public Law 102 - 366

Small Business Credit and Business Opportunity Enhancement Act of 1992

Approved September 7

H.R. 3033 / Public Law 102 - 367

Job Training Reform Amendments of 1992

Approved September 23

H.R. 5620 / Public Law 102 - 368

Dire Emergency Supplemental Appropriations Act, 1992, Including Disaster Assistance To Meet the Present Emergencies Arising From the Consequences of Hurricane Andrew, Typhoon Omar, Hurricane Iniki, and Other Natural Disasters, and Additional Assistance to Distressed Communities

Approved September 24

H.J. Res. 413 / Public Law 102 - 369

To designate September 13, 1992, as ``Commodore John Barry Day "

S.J. Res. 303 / Public Law 102 - 370

To designate October 1992 as ``National Breast Cancer Awareness Month"

Approved September 27

H.R. 4551 / Public Law 102 - 371

Civil Liberties Act Amendments of 1992

Approved September 30

S. 680 / Public Law 102 - 372

Tourism Policy and Export Promotion Act of 1992

S.J. Res. 337 / Public Law 102 - 373

Designating September 18, 1992, as ``National POW/MIA Recognition Day", and authorizing display of the National League of Families POW/MIA flag

S. 1607 / Public Law 102 - 374

Northern Cheyenne Indian Reserved Water Rights Settlement Act of 1992

H.R. 2967 / Public Law 102 - 375

Older Americans Act Amendments of 1992

H.R. 238 / Private Law 102 - 8

For the relief of Craig A. Klein

H.R. 454 / Private Law 102 - 9

For the relief of Bruce C. Veit

H.R. 478 / Private Law 102 - 10

For the relief of Norman R. Ricks

H.R. 712 / Private Law 102 - 11

For the relief of Patricia A. McNamara

Approved October 1

H.J. Res. 553 / Public Law 102 - 376

Making continuing appropriations for the fiscal year 1993, and for other purposes

Approved October 2

H.R. 5373 / Public Law 102 - 377

Energy and Water Development Appropriations Act, 1993

H.R. 2850 / Public Law 102 - 378

Technical and Miscellaneous Civil Service Amendments Act of 1992

Approved October 5

H.R. 5126 / Public Law 102 - 379

Civil War Battlefield Commemorative Coin Act of 1992

H.R. 5428 / Public Law 102 - 380

Military Construction Appropriations Act, 1993

H.R. 5503 / Public Law 102 - 381

Department of the Interior and Related Agencies Appropriations Act, 1993

H.R. 6056 / Public Law 102 - 382

District of Columbia Supplemental Appropriations and Rescissions Act

S. 1731 / Public Law 102 - 383

United States-Hong Kong Policy Act of 1992

S. 3175 / Public Law 102 - 384

National and Community Service Technical Amendment Act of 1992

Passed October 5, over the President's veto

S. 12 / Public Law 102 - 385

Cable Television Consumer Protection and Competition Act of 1992

Approved October 6

H.R. 2194 / Public Law 102 - 386

To amend the Solid Waste Disposal Act to clarify provisions concerning the application of certain requirements and sanctions to Federal facilities

H.J. Res. 560 / Public Law 102 - 387

Waiving certain enrollment requirements with respect to any appropriations bill for the remainder of the One Hundred Second Congress

H.R. 5518 / Public Law 102 - 388

Department of Transportation and Related Agencies Appropriations Act, 1993

H.R. 5679 / Public Law 102 - 389

Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993

H.R. 3654 / Public Law 102 - 390

To provide for the minting of commemorative coins to support the 1996 Atlanta Centennial Olympic Games and the programs of the United States Olympic Committee, to reauthorize and reform the United States Mint, and for other purposes

H.R. 5368 / Public Law 102 - 391

Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993

H.R. 5427 / Public Law 102 - 392

Legislative Branch Appropriations Act, 1993

H.R. 5488 / Public Law 102 - 393

Treasury, Postal Service, and General Government Appropriations Act, 1993

H.R. 5677 / Public Law 102 - 394

Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1993

H.R. 5678 / Public Law 102 - 395

Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1993

H.R. 5504 / Public Law 102 - 396

Department of Defense Appropriations Act, 1993

S. 1766 / Public Law 102 - 397

To add to the area in which the Capitol Police have law enforcement authority, and for other purposes

S.J. Res. 23 / Public Law 102 - 398

To consent to certain amendments enacted by the legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920

Approved October 7

H.R. 5058 / Public Law 102 - 399

To authorize appropriations for the American Folklife Center for fiscal year 1993

H.R. 5399 / Public Law 102 - 400

United States Commission on Civil Rights Authorization Act of 1992

H.R. 5630 / Public Law 102 - 401

Head Start Improvement Act of 1992

Approved October 9

H.R. 1435 / Public Law 102 - 402

Rocky Mountain Arsenal National Wildlife Refuge Act of 1992

H.R. 3379 / Public Law 102 - 403

To amend section 574 of title 5, United States Code, relating to the authorities of the Administrative Conference

S. 1216 / Public Law 102 - 404

Chinese Student Protection Act of 1992

S. 2344 / Public Law 102 - 405

Veterans' Medical Programs Amendments of 1992

Approved October 12

H.R. 2448 / Public Law 102 - 406

Benjamin Franklin National Memorial Commemorative Medal and Fire Service Bill of Rights Act

Approved October 13

H.R. 1628 / Public Law 102 - 407

To authorize the construction of a monument in the District of Columbia or its environs to

honor Thomas Paine, and for other purposes

H.R. 3508 / Public Law 102 - 408

Health Professions Education Extension Amendments of 1992

H.R. 4178 / Public Law 102 - 409

DES Education and Research Amendments of 1992

H.R. 5673 / Public Law 102 - 410

Agency for Health Care Policy and Research Reauthorization Act of 1992

Approved October 14

H.R. 5925 / Public Law 102 - 411

EEOC Education, Technical Assistance, and Training Revolving Fund Act of 1992

H.J. Res. 320 / Public Law 102 - 412

Authorizing the government of the District of Columbia to establish, in the District of Columbia or its environs, a memorial to African-Americans who served with Union forces during the Civil War

H.J. Res. 542 / Public Law 102 - 413

Designating the week beginning November 8, 1992, as ``Hire a Veteran Week''

S. 3195 / Public Law 102 - 414

World War II 50th Anniversary Commemorative Coins Act

H.R. 3157 / Public Law 102 - 415

Alaska Land Status Technical Corrections Act of 1992

H.R. 2144 / Public Law 102 - 416

Advisory Council on California Indian Policy Act of 1992

H.R. 2324 / Public Law 102 - 417

Incarcerated Witness Fees Act of 1991

S.J. Res. 287 / Public Law 102 - 418

To designate the week of October 4, through October 10, as ``Mental Illness Awareness Week''

Approved October 16

H.R. 2321 / Public Law 102 - 419

Dayton Aviation Heritage Preservation Act of 1992

H.R. 5258 / Public Law 102 - 420

An act to provide for the withdrawal of most favored nation status from Serbia and Montenegro and to provide for the restoration of such status if certain conditions are fulfilled

H.R. 5483 / Public Law 102 - 421

Education of the Deaf Act Amendments of 1992

S. 1880 / Public Law 102 - 422

To amend the District of Columbia Spouse Equity Act of 1988

S. 3007 / Public Law 102 - 423

To authorize financial assistance for the construction and maintenance of the Mary McLeod Bethune Memorial Fine Arts Center

S.J. Res. 305 / Public Law 102 - 424

To designate October 1992 as ``Polish-American Heritage Month''

S.J. Res. 319 / Public Law 102 - 425

To designate the second Sunday in October of 1992 as ``National Children's Day''

Approved October 19

H.R. 4016 / Public Law 102 - 426

Community Environmental Response Facilitation Act

Approved October 21

H.R. 3665 / Public Law 102 - 427

Little River Canyon National Preserve Act of 1992

H.R. 5237 / Public Law 102 - 428

Rural Electrification Administration Improvement Act of 1992

H.R. 5739 / Public Law 102 - 429

Export Enhancement Act of 1992

Approved October 23

H.R. 1216 / Public Law 102 - 430

Indiana Dunes National Lakeshore Access and Enhancement Act

H.R. 2181 / Public Law 102 - 431

To permit the Secretary of the Interior to acquire by exchange lands in the Cuyahoga National Recreation Area that are owned by the State of Ohio

H.R. 2431 / Public Law 102 - 432

To amend the Wild and Scenic Rivers Act by designating a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System

H.R. 3118 / Public Law 102 - 433

To designate Federal Office Building Number 9 located at 1900 E Street, Northwest, in the District of Columbia, as the ``Theodore Roosevelt Federal Building''

H.R. 3818 / Public Law 102 - 434

To designate the building located at 80 North Hughey Avenue in Orlando, Florida, as the ``George C. Young United States Courthouse and Federal Building''

H.R. 4281 / Public Law 102 - 435

To designate the Federal building and courthouse to be constructed at 5th and Ross Streets in Santa Ana, California, as the ``Ronald Reagan Federal Building and Courthouse''

H.R. 4489 / Public Law 102 - 436

To provide for a land exchange with the city of Tacoma, Washington

H.R. 4539 / Public Law 102 - 437

To designate the general mail facility of the United States Postal Service in Gulfport, Mississippi, as the ``Larkin I. Smith General Mail Facility'' and the building of the United States Postal Service in Poplarville, Mississippi, as the ``Larkin I. Smith Post Office Building''

H.R. 4771 / Public Law 102 - 438

To designate the facility under construction for use by the United States Postal Service at FM 1098 Loop in Prairie View, Texas, as the ``Esel D. Bell Post Office Building''

H.R. 4999 / Public Law 102 - 439

To authorize additional appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House

H.R. 5013 / Public Law 102 - 440

To promote the conservation of wild exotic birds, to provide for the Great Lakes Fish and Wildlife Tissue Bank, to reauthorize the Fish and Wildlife Conservation Act of 1980, to reauthorize the African Elephant Conservation Act, and for other purposes

H.R. 5122 / Public Law 102 - 441

Jicarilla Apache Tribe Water Rights Settlement Act

H.R. 5222 / Public Law 102 - 442

To designate the Federal building and United States courthouse located at 204 South Main Street in South Bend, Indiana, as the ``Robert A. Grant Federal Building and United States Courthouse''

H.R. 5291 / Public Law 102 - 443

To provide for the temporary use of certain lands in the city of South Gate, California, for elementary school purposes

H.R. 5328 / Public Law 102 - 444

To amend title 35, United States Code, with respect to the late payment of maintenance fees

H.R. 5431 / Public Law 102 - 445

To designate the Federal building located at 200 Federal Plaza in Paterson, New Jersey, as the ``Robert A. Roe Federal Building''

H.R. 5432 / Public Law 102 - 446

To designate the Federal building and United States courthouse located at the corner of College Avenue and Mountain Street in Fayetteville, Arkansas, as the ``John Paul Hammerschmidt Federal Building and United States Courthouse''

H.R. 5453 / Public Law 102 - 447

To designate the Central Square facility of the United States Postal Service in Cambridge, Massachusetts, as the ``Clifton Merriman Post Office Building''

H.R. 5479 / Public Law 102 - 448

To designate the facility of the United States Postal Service located at 1100 Wythe Street in Alexandria, Virginia, as the ``Helen Day United States Post Office Building''

H.R. 5491 / Public Law 102 - 449

To designate the Department of Veterans Affairs medical center in Marlin, Texas, as the ``Thomas T. Connally Department of Veterans Affairs Medical Center''

H.R. 5572 / Public Law 102 - 450

To designate May of each year as ``Asian/Pacific American Heritage Month''

H.R. 5575 / Public Law 102 - 451

To authorize certain additional uses of the Library of Congress Special Facilities Center, and for other purposes

H.R. 5602 / Public Law 102 - 452

Granting the consent of the Congress to the Interstate Rail Passenger Network Compact

H.R. 5605 / Public Law 102 - 453

Cedar River Watershed Land Exchange Act of 1992

H.R. 5751 / Public Law 102 - 454

To provide for the distribution within the United States of certain materials prepared by the United States Information Agency

H.R. 5831 / Public Law 102 - 455

To designate the Federal Building located at Main and Church Streets in Victoria, Texas, as the ``Martin Luther King, Jr. Federal Building''

H.R. 6000 / Public Law 102 - 456

To redesignate Springer Mountain National Recreation Area as ``Ed Jenkins National Recreation Area''

H.R. 6049 / Public Law 102 - 457

Congressional Award Act Amendments of 1992

H.R. 6072 / Public Law 102 - 458

To direct expedited negotiated settlement of the land rights of the Kenai Natives Association, Inc., under section 14(h)(3) of the Alaska Native Claims Settlement Act, by directing land acquisition and exchange negotiations by the Secretary of the Interior and certain Alaska Native corporations involving lands and interests in lands held by the United States and such

corporations

H.R. 6165 / Public Law 102 - 459

To amend certain provisions of law relating to establishment, in the District of Columbia or its environs, of a memorial to honor Thomas Paine

H.R. 6179 / Public Law 102 - 460

To amend the Wild and Scenic Rivers Act

H.R. 6184 / Public Law 102 - 461

To amend the National Trails System Act to designate the American Discovery Trail for study to determine the feasibility and desirability of its designation as a national trail

H.J. Res. 353 / Public Law 102 - 462

Designating the week beginning January 3, 1993, as ``Braille Literacy Week''

H.J. Res. 399 / Public Law 102 - 463

Designating the week beginning November 1, 1992, as ``National Medical Staff Services Awareness Week''

H.J. Res. 457 / Public Law 102 - 464

Designating January 16, 1993, as ``Religious Freedom Day''

H.J. Res. 467 / Public Law 102 - 465

Designating October 24, 1992, through November 1, 1992, as ``National Red Ribbon Week for a Drug-Free America''

H.J. Res. 471 / Public Law 102 - 466

Designating October 14, 1992, as ``National Occupational Therapy Day''

H.J. Res. 484 / Public Law 102 - 467

Designating the week beginning February 14, 1993, ``National Visiting Nurse Association

Week"

H.J. Res. 489 / Public Law 102 - 468

Designating February 21, 1993, through February 27, 1993, as ``American Wine Appreciation Week", and for other purposes

H.J. Res. 500 / Public Law 102 - 469

Designating March 1993 as ``Irish-American Heritage Month"

H.J. Res. 520 / Public Law 102 - 470

To designate the month of October 1992 as ``Country Music Month"

H.J. Res. 523 / Public Law 102 - 471

Designating October 8, 1992, as ``National Firefighters Day"

H.J. Res. 529 / Public Law 102 - 472

Supporting the planting of 500 redwood trees from California in Spain in commemoration of the quincentenary of the voyage of Christopher Columbus and designating the trees as a gift to the people of Spain

H.J. Res. 543 / Public Law 102 - 473

Designating November 30, 1992, through December 6, 1992, as ``National Education First Week"

H.J. Res. 547 / Public Law 102 - 474

Designating May 2, 1993, through May 8, 1993, as ``National Walking Week"

H.J. Res. 563 / Public Law 102 - 475

Providing for the convening of the first session of the One Hundred Third Congress

S. 1146 / Public Law 102 - 476

Scientific and Advanced-Technology Act of 1992

S. 1530 / Public Law 102 - 477

Indian Employment, Training and Related Services Demonstration Act of 1992

S. 2625 / Public Law 102 - 478

To designate the United States courthouse being constructed at 400 Cooper Street in Camden, New Jersey, as the ``Mitchell H. Cohen United States Courthouse''

S. 2661 / Public Law 102 - 479

To authorize the striking of a medal commemorating the 250th anniversary of the founding of the American Philosophical Society and the birth of Thomas Jefferson.

S. 2834 / Public Law 102 - 480

To designate the United States Postÿ20Office Building located at 100 Main Street, Millsboro, Delaware, as the ``John J. Williams Post Office Building''

S.J. Res. 166 / Public Law 102 - 481

Designating the week of October 4 through 10, 1992, as ``National Customer Service Week''

S.J. Res. 218 / Public Law 102 - 482

Designating the calendar year, 1993, as the ``Year of American Craft: A Celebration of the Creative Work of the Hand''

S.J. Res. 252 / Public Law 102 - 483

Designating the week of April 18 through 24, 1993, as ``National Credit Education Week''

H.R. 5006 / Public Law 102 - 484

National Defense Authorization Act for Fiscal Year 1993

H.R. 6050 / Public Law 102 - 485

Depository Institutions Disaster Relief Act of 1992

H.R. 240 / Private Law 102 - 12

For the relief of Rodgito Keller

H.R. 1101 / Private Law 102 - 13

For the relief of William A. Cassity

H.R. 2156 / Private Law 102 - 14

For the relief of William A. Proffitt

H.R. 5164 / Private Law 102 - 15

For the relief of Craig B. Sorensen and Nita M. Sorensen

H.R. 5749 / Private Law 102 - 16

For the relief of Krishanthi Sava Kopp

H.R. 5923 / Private Law 102 - 17

For the relief of Anna C. Massari

H.R. 5998 / Private Law 102 - 18

For the relief of the Wilkinson County School District, in the State of Mississippi

S. 1181 / Private Law 102 - 19

For the relief of Christy Carl Hallien of Arlington, Texas

Approved October 24

H.R. 776 / Public Law 102 - 486

Energy Policy Act of 1992

H.R. 2263 / Public Law 102 - 487

To amend chapter 45 of title 5, United States Code, to authorize awards for cost savings

disclosures

H.R. 2896 / Public Law 102 - 488

Minute Man National Historical Park Amendments of 1991

H.R. 3638 / Public Law 102 - 489

Koniag Lands Conveyance Amendments of 1991

H.R. 3673 / Public Law 102 - 490

Membrane Processes Research Act of 1992

H.R. 4398 / Public Law 102 - 491

Federal Reserve Bank Branch Modernization Act

H.R. 4412 / Public Law 102 - 492

To amend title 17, United States Code, relating to fair use of copyrighted works

H.R. 4773 / Public Law 102 - 493

Fertility Clinic Success Rate and Certification Act of 1992

H.R. 4841 / Public Law 102 - 494

Granting the consent of the Congress to the New Hampshire-Maine Interstate School Compact

H.R. 4844 / Public Law 102 - 495

Elwha River Ecosystem and Fisheries Restoration Act

H.R. 5095 / Public Law 102 - 496

Intelligence Authorization Act for Fiscal Year 1993

H.R. 5686 / Public Law 102 - 497

To make technical amendments to certain Federal Indian statutes

H.R. 6014 / Public Law 102 - 498

To designate certain land in the State of Missouri owned by the United States and administered by the Secretary of Agriculture as part of the Mark Twain National Forest

H.R. 6047 / Public Law 102 - 499

To amend the United States Information and Educational Exchange Act of 1948, the Foreign Service Act of 1980, and other provisions of law to make certain changes in administrative authorities

H.R. 6164 / Public Law 102 - 500

To amend the John F. Kennedy Center Act to authorize appropriations for maintenance, repair, alteration, and other services necessary for the John F. Kennedy Center for the Performing Arts

H.R. 6183 / Public Law 102 - 501

Federally Supported Health Centers Assistance Act of 1992

H.J. Res. 271 / Public Law 102 - 502

Authorizing the Go For Broke National Veterans Association Foundation to establish a memorial in the District of Columbia or its environs to honor Japanese American patriotism in World War II

H.J. Res. 409 / Public Law 102 - 503

Designating January 16, 1993, as ``National Good Teen Day''

H.J. Res. 429 / Public Law 102 - 504

Designating May 2, 1993, through May 8, 1993, as ``Be Kind to Animals and National Pet Week''

H.J. Res. 458 / Public Law 102 - 505

Designating the week beginning October 25, 1992, as ``World Population Awareness Week''

S. 1145 / Public Law 102 - 506

Office of Government Ethics Amendments of 1992

S. 1577 / Public Law 102 - 507

Alzheimer's Disease Research, Training, and Education Amendments of 1992

S. 1583 / Public Law 102 - 508

Pipeline Safety Act of 1992

S. 2201 / Public Law 102 - 509

Soviet Scientists Immigration Act of 1992

S. 2322 / Public Law 102 - 510

Veterans' Compensation Cost-of-Living Adjustment Act of 1992

S. 2532 / Public Law 102 - 511

Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 (FREEDOM Support Act)

S. 2875 / Public Law 102 - 512

Children's Nutrition Assistance Act of 1992

S. 3224 / Public Law 102 - 513

To designate the United States Courthouse to be constructed in Fargo, North Dakota, as the ``Quentin N. Burdick United States Courthouse''

S. 3279 / Public Law 102 - 514

To extend the authorization of use of official mail in the location and recovery of missing children, and for other purposes

S. 3312 / Public Law 102 - 515

Cancer Registries Amendment Act

S.J. Res. 304 / Public Law 102 - 516

Designating January 3, 1993, through January 9, 1993, as ``National Law Enforcement Training Week''

S.J. Res. 309 / Public Law 102 - 517

Designating the week beginning November 8, 1992, as ``National Women Veterans Recognition Week''

S.J. Res. 318 / Public Law 102 - 518

Designating November 13, 1992, as ``Vietnam Veterans Memorial 10th Anniversary Day''

H.R. 3336 / Private Law 102 - 20

For the relief of Florence Adeboyeku

Approved October 25

H.R. 4542 / Public Law 102 - 519

Anti Car Theft Act of 1992

H.R. 5862 / Public Law 102 - 520

To amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to ensure an equitable and timely distribution of benefits to public safety officers

S. 1002 / Public Law 102 - 521

Child Support Recovery Act of 1992

Approved October 26

H.R. 2042 / Public Law 102 - 522

Fire Administration Authorization Act of 1992

H.R. 5419 / Public Law 102 - 523

International Dolphin Conservation Act of 1992

S. 2044 / Public Law 102 - 524

Native American Languages Act of 1992

S. 2890 / Public Law 102 - 525

To provide for the establishment of the Brown v. Board of Education National Historical Site in the State of Kansas, and for other purposes

S. 3006 / Public Law 102 - 526

President John F. Kennedy Assassination Records Collection Act of 1992

Approved October 27

H.R. 1252 / Public Law 102 - 527

Battered Women's Testimony Act of 1992

H.R. 1253 / Public Law 102 - 528

To amend the State Justice Institute Act of 1984 to carry out research, and develop judicial training curricula, relating to child custody litigation

H.R. 2660 / Public Law 102 - 529

To authorize appropriations for the United States Holocaust Memorial Council, and for other purposes

H.R. 3475 / Public Law 102 - 530

Women in Apprenticeship and Nontraditional Occupations Act

H.R. 3635 / Public Law 102 - 531

Preventive Health Amendments of 1992

H.R. 4059 / Public Law 102 - 532

Enterprise for the Americas Initiative Act of 1992

H.R. 4250 / Public Law 102 - 533

Amtrak Authorization and Development Act

H.R. 5716 / Public Law 102 - 534

To extend for two years the authorizations of appropriations for certain programs under title I of the Omnibus Crime Control and Safe Streets Act of 1968

H.R. 5763 / Public Law 102 - 535

To provide equitable treatment to producers of sugarcane subject to proportionate shares

H.R. 5853 / Public Law 102 - 536

To designate segments of the Great Egg Harbor River and its tributaries in the State of New Jersey as components of the National Wild and Scenic Rivers System

H.R. 6022 / Public Law 102 - 537

Ted Weiss Child Support Enforcement Act of 1992

H.R. 6180 / Public Law 102 - 538

Telecommunications Authorization Act of 1992

H.R. 6182 / Public Law 102 - 539

Mammography Quality Standards Act of 1992

H.J. Res. 503 / Public Law 102 - 540

Acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 23, 1992, as ``National Military Families Recognition Day''

S. 225 / Public Law 102 - 541

To expand the boundaries of the Fredericksburg and Spotsylvania County Battlefields Memorial National Military Park, Virginia

S. 759 / Public Law 102 - 542

Trademark Remedy Clarification Act

S. 1664 / Public Law 102 - 543

To establish the Keweenaw National Historical Park, and for other purposes

S. 2964 / Public Law 102 - 544

Granting the consent of the Congress to a supplemental compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey concerning the Delaware River Port Authority

S. 3134 / Public Law 102 - 545

Ready to Learn Act

Approved October 28

H.R. 707 / Public Law 102 - 546

Futures Trading Practices Act of 1992

H.R. 939 / Public Law 102 - 547

Veterans Home Loan Program Amendments of 1992

H.R. 3598 / Public Law 102 - 548

Intermodal Safe Container Transportation Act of 1992

H.R. 4996 / Public Law 102 - 549

Jobs Through Exports Act of 1992

H.R. 5334 / Public Law 102 - 550

Housing and Community Development Act of 1992

H.R. 5954 / Public Law 102 - 551

An Act to amend the Food, Agriculture, Conservation, and Trade Act of 1990 to improve health care services and educational services through telecommunications, and for other purposes

H.R. 6125 / Public Law 102 - 552

Farm Credit Banks and Associations Safety and Soundness Act of 1992

H.R. 6128 / Public Law 102 - 553

To amend the United States Warehouse Act to provide for the use of electronic cotton warehouse receipts, and for other purposes

H.R. 6129 / Public Law 102 - 554

Agricultural Credit Improvement Act of 1992

H.R. 6133 / Public Law 102 - 555

Land Remote Sensing Policy Act of 1992

H.R. 6191 / Public Law 102 - 556

Telephone Disclosure and Dispute Resolution Act

H.J. Res. 546 / Public Law 102 - 557

Designating February 4, 1993, and February 3, 1994, as ``National Women and Girls in Sports Day"

S. 347 / Public Law 102 - 558

Defense Production Act Amendments of 1992

S. 474 / Public Law 102 - 559

Professional and Amateur Sports Protection Act

S. 758 / Public Law 102 - 560

Patent and Plant Variety Protection Remedy Clarification Act

S. 893 / Public Law 102 - 561

To amend title 18, United States Code, with respect to the criminal penalties for copyright infringement

S. 1439 / Public Law 102 - 562

To authorize and direct the Secretary of the Interior to convey certain lands in Livingston Parish, Louisiana, and for other purposes

S. 1623 / Public Law 102 - 563

Audio Home Recording Act of 1992

S. 2941 / Public Law 102 - 564

Small Business Research and Development Enhancement Act of 1992

S. 3309 / Public Law 102 - 565

To amend the Peace Corps Act to authorize appropriations for the Peace Corps for fiscal year 1993 and to establish a Peace Corps foreign exchange fluctuations account, and for other purposes

S. 3327 / Public Law 102 - 566

To amend the Agricultural Adjustment Act of 1938 to permit the acre-for-acre transfer of an acreage allotment or quota for certain commodities, and for other purposes

Approved October 29

H.R. 2130 / Public Law 102 - 567

National Oceanic and Atmospheric Administration Authorization Act of 1992

H.R. 5008 / Public Law 102 - 568

Veterans' Benefits Act of 1992

H.R. 5482 / Public Law 102 - 569

Rehabilitation Act Amendments of 1992

H.R. 5809 / Public Law 102 - 570

To authorize the Secretary of the Interior to construct and operate an interpretive center for the Ridgefield National Wildlife Refuge in Clark County, Washington

H.R. 6181 / Public Law 102 - 571

To amend the Federal Food, Drug, and Cosmetic Act to authorize human drug application, prescription drug establishment, and prescription drug product fees and for other purposes

S. 1569 / Public Law 102 - 572

Federal Courts Administration Act of 1992

S. 2481 / Public Law 102 - 573

Indian Health Amendments of 1992

S. 2679 / Public Law 102 - 574

Hawaii Tropical Forest Recovery Act

Approved October 30

H.R. 429 / Public Law 102 - 575

Reclamation Projects Authorization and Adjustment Act of 1992

H.R. 2032 / Public Law 102 - 576

Nez Perce National Historical Park Additions Act of 1991

H.J. Res. 422 / Public Law 102 - 577

Designating November 1992 as ``Neuro-fibromatosis Awareness Month''

S. 775 / Public Law 102 - 578

Veterans' Radiation Exposure Amendments of 1992

S. 1671 / Public Law 102 - 579

Waste Isolation Pilot Plant Land Withdrawal Act

Approved October 31

H.R. 6167 / Public Law 102 - 580

Water Resources Development Act of 1992

H.R. 6168 / Public Law 102 - 581

Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992

Approved November 2

H.R. 2152 / Public Law 102 - 582

High Seas Driftnet Fisheries Enforcement Act

H.R. 6187 / Public Law 102 - 583

International Narcotics Control Act of 1992

S. 2572 / Public Law 102 - 584

Arkansas-Idaho Land Exchange Act of 1992

Approved November 4

H.R. 5193 / Public Law 102 - 585

Veterans Health Care Act of 1992

H.R. 5194 / Public Law 102 - 586

To amend the Juvenile Justice and Delinquency Prevention Act of 1974 to authorize appropriations for fiscal years 1993, 1994, 1995, and 1996, and for other purposes

H.R. 5617 / Public Law 102 - 587

Oceans Act of 1992

H.R. 6135 / Public Law 102 - 588

National Aeronautics and Space Administration Authorization Act, Fiscal Year 1993

Approved November 10

H.R. 5377 / Public Law 102 - 589

Cash Management Improvement Act Amendments of 1992

H.R. 5400 / Public Law 102 - 590

Homeless Veterans Comprehensive Service Programs Act of 1992

Approved January 15

S.J. Res. 2 / Public Law 103 - 1

To authorize the United States Secret Service to continue to furnish protection to the former Vice President or his spouse

Approved January 19

S.J. Res. 1 / Public Law 103 - 2

To ensure that the compensation and other emoluments attached to the Office of Secretary of the Treasury are those which were in effect on January 1, 1989

Appendix E -- Proclamations and Executive Orders

The texts of the proclamations and Executive orders are printed in the Federal Register (F.R.) at the citations listed below. The documents are also printed in title 3 of the Code of Federal Regulations and in the Weekly Compilation of Presidential Documents.

PROCLAMATIONS

Proc.

Date

Subject

57 F.R.

No.

1992

page

6399

Jan.

10

Year of the Gulf of Mexico, 1992 1365

6400

Jan.

16

Women's History Month, 1992 2429

6401

Jan.

17

Martin Luther King, Jr., Federal Holiday, 1992 2671

6402

Feb.

To Amend the Generalized System of Preferences 4833

6403

Feb.

14

American Heart Month, 1992 5973

6404

Feb.

14

National Visiting Nurse Associations Week, 1992 6065

6405

Feb.

25

Save Your Vision Week, 1992 6787

6406

Feb.

26

American Red Cross Month, 1992 7313

6407

Mar.

Year of the American Indian, 1992 7873

6408

Mar.

Irish-American Heritage Month, 1992 8255

6409

Mar.

National Day of Prayer, 1992 8395

6410

Mar.

10

Girl Scouts of the United States of America 80th Anniversary Day 8835

6411

Mar.

12

To Amend the Generalized System of Preferences 9041

6412

Mar.

17

National Women in Agriculture Day, 1992 9645

6413

Mar.

17

Extending United States Copyright Protections to the Works of the People's Republic of China 9647

6414

Mar.

18

National Public Safety Telecommunicators Week, 1992 9971

6415

Mar.

20

National Safe Boating Week, 1992 10119

6416

Mar.

23

Cancer Control Month, 1992 10413

6417

Mar.

25

Greek Independence Day: A National Day of Celebration of Greek and American Democracy, 1992 10737

6418

Apr.

National Volunteer Week, 1992 12693

6419

Apr.

10

To Extend Nondiscriminatory Treatment (Most-Favored-Nation Treatment) to the Czech and Slovak Federal Republic and the Republic of Hungary 12865

6420

Apr.

13

National Recycling Day, 1992 12989

6421

Apr.

14

Education and Sharing Day, U.S.A., 1992 13265

6422

Apr.

14

Pan American Day and Pan American Week, 1992 13621

6423

Apr.

24

National Farm Safety Week, 1992 17845

6424

Apr.

28

Loyalty Day, 1992 18795

6425

Apr.

29

To Amend the Generalized System of Preferences 19067

6426

May

National Amyotrophic Lateral Sclerosis Awareness Month, 1992 19357

6427

May

Law and Order in the City and County of Los Angeles, and Other Districts of California .....

19359

6428

May

To Implement Duty Reductions for Certain Products of Beneficiary Countries Under the Caribbean Basin Economic Recovery Expansion Act of 1990 19363

6429

May

Law Day, U.S.A., 1992 19371

6430

May

Mother's Day, 1992 20191

6431

May

Public Service Recognition Week, 1992 20391

6432

May

Infant Mortality Awareness Day, 1992 20393

6433

May

11

National Trauma Awareness Month, 1992 20395

6434

May

11

National Defense Transportation Day and National Transportation Week, 1992 20397

6435

May

12

Small Business Week, 1992 20631

6436

May

15

Bicentennial of the New York Stock Exchange, 1992 21347

6437

May

18

Older Americans Month, 1992 21349

6438

May

18

National Huntington's Disease Awareness Month, 1992 21583

6439

May

18

World Trade Week, 1992 21585

6440

May

19

National Maritime Day, 1992 21587

6441

May

20

National Foster Care Month, 1992 21721

6442

May

21

Prayer for Peace Memorial Day, 1992 22143

6443

June

Week for the National Observance of the 50th Anniversary of World War II, 1992 24179

6444

June

10

Flag Day and National Flag Week, 1992 24935

6445

June

15

Agreement on Trade Relations Between the United States of America and the Republic of Albania 26921

6446

June

15

To Modify Duty-Free Treatment Under the Generalized System of Preferences 26969

6447

June

15

To Modify Duty-Free Treatment Under the Generalized System of Preferences and for Other Purposes 26981

6448

June

17

Father's Day, 1992 27345

6449

June

22

Agreement on Trade Relations Between the United States of America and the Republic of Romania 28033

6450

June

23

Year of Reconciliation Between American Indians and Non-Indians, 1992 28579

6451

June

23

National Scleroderma Awareness Month, 1992 28581

6452

June

30

National Spina Bifida Awareness Month, 1992 29429

6453

June

30

National Awareness Week for Lifesaving Techniques, 1992 29625

6454

July

National Literacy Day, 1992 29629

6455

July

To Implement the Andean Trade Preference Act and To Designate Colombia as a Beneficiary Country and for Other Purposes 30069

6456

July

To Designate Bolivia as a Beneficiary Country for Purposes of the Andean Trade Preference Act 30097

6457

July

14

Giant Sequoia in National Forests 31627

6458

July

15

Captive Nations Week, 1992 31945

6459

July

20

Lyme Disease Awareness Week, 1992 32413

6460

July

21

Minority Enterprise Development Week, 1992 32877

6461

July

24

Buffalo Soldiers Day, 1992 33423

6462

July

28

Helsinki Human Rights Day, 1992 33857

EXECUTIVE ORDERS

E.O.

Date

Subject

57 F.R.

No.

1992

page

12788

Jan.

15

Defense Economic Adjustment Program 2213

12789

Feb.

10

Delegation of Reporting Functions Under the Immigration Reform and Control Act of 1986 5225

12790

Mar.

Amending the Order Establishing the Southwest Asia Service Medal 8057

12791

Mar.

Nuclear Cooperation With EURATOM 8717

12792

Mar.

12

National Commission on America's Urban Families 9165

12793

Mar.

20

Continuing the Presidential Service Certificate and the Presidential Service Badge 10281

12794

Mar.

31

Establishing an Emergency Board To Investigate Disputes Between Certain Railroads and Their Employees Represented by the International Association of Machinists and Aerospace Workers 11417

12795

Mar.

31

Establishing an Emergency Board To Investigate a Dispute Between the Consolidated Rail Corporation and its Employees Represented by the Brotherhood of Maintenance of Way Employees 11421

12796

Mar.

31

Establishing an Emergency Board To Investigate Disputes Between the National Railroad Passenger Corporation and its Employees Represented by Certain Labor Organizations 11423

12797

Apr.

Review of Increases in Rates of Basic Pay for Certain Employees of the Department of

Veterans Affairs and Other Agencies 11671

12798

Apr.

Waiver Under the Trade Act of 1974 With Respect to Armenia 12175

12799

Apr.

Navy and Marine Corps Reserve Officer Promotions 12401

12800

Apr.

13

Notification of Employee Rights Concerning Payment of Union Dues or Fees 12985

12801

Apr.

15

Barring Overflight, Takeoff, and Landing of Aircraft Flying to or from Libya 14319

12802

Apr.

16

Waiver Under the Trade Act of 1974 With Respect to the Republic of Byelarus, the Republic of Kyrgystan, and the Russian Federation 14321

12803

Apr.

30

Infrastructure Privatization 19063

12804

May

Providing for the Restoration of Law and Order in the City and County of Los Angeles, and Other Districts of California 19361

12805

May

11

Integrity and Efficiency in Federal Programs 20627

12806

May

19

Establishment of a Fetal Tissue Bank 21589

12807

May

24

Interdiction of Illegal Aliens 23133

12808

May

30

Blocking ``Yugoslav Government'' Property and Property of the Governments of Serbia and Montenegro 23299

12809

June

Waiver Under the Trade Act of 1974 With Respect to Albania, Azerbaijan, Georgia, Kazakhstan, Moldova, Ukraine, and Uzbekistan 23925

12810

June

Blocking Property of and Prohibiting Transactions With the Federal Republic of Yugoslavia (Serbia and Montenegro) 24347

12811

June

24

Waiver Under the Trade Act of 1974 With Respect to Tajikistan and Turkmenistan 28585

12812

July

22

Declassification and Release of Materials Pertaining to Prisoners of War and Missing in Action 32879

Proc.

Date

Subject

57 F.R.

No.

1992

page

6463

Aug.

10

Women's Equality Day, 1992 36349

6464

Aug.

12

82nd Airborne Division 50th Anniversary Recognition Day, 1992 36887

6465

Aug.

25

To Amend the Generalized System of Preferences 39095

6466

Aug.

26

National D.A.R.E. Day, 1992 39097

6467

Sept.

National Rehabilitation Week, 1992 40591

6468

Sept.

National Hispanic Heritage Month, 1992 40827

6469

Sept.

Childhood Cancer Month, 1992 41051

6470

Sept.

National Consumers Week, 1992 41373

6471

Sept.

12

Commodore John Barry Day, 1992 42679

6472

Sept.

16

National Breast Cancer Awareness Month, 1992 43127

6473

Sept.

16

Citizenship Day and Constitution Week, 1992 43129

6474

Sept.

16

National POW/MIA Recognition Day, 1992 43333

6475

Sept.

23

Gold Star Mother's Day, 1992 44305

6476

Sept.

23

National Disability Employment Awareness Month, 1992 44307

6477

Sept.

23

National Farm-City Week, 1992 44309

6478

Sept.

26

Child Health Day, 1992 44959

6479

Sept.

26

Leif Erikson Day, 1992 44961

6480

Sept.

26

Fire Prevention Week, 1992 44963

6481

Sept.

27

White Cane Safety Day, 1992 44965

6482

Oct.

Mental Illness Awareness Week, 1992 45961

6483

Oct.

National School Lunch Week, 1992 45963

6484

Oct.

Columbus Day, 1992 45965

6485

Oct.

National Customer Service Week, 1992 46751

6486

Oct.

General Pulaski Memorial Day, 1992 46753

6487

Oct.

Veterans Day, 1992 47245

6488

Oct.

In Celebration of the 200th Anniversary of the White House 47247

6489

Oct.

Energy Awareness Month, 1992 47249

6490

Oct.

National Children's Day, 1992 47251

6491

Oct.

14

To Suspend the Davis-Bacon Act of March 3, 1931, Within a Limited Geographic Area in Response to the National Emergency Caused by Hurricanes Andrew and Iniki 47553

6492

Oct.

14

National Occupational Therapy Day, 1992 47559

6493

Oct.

15

Polish-American Heritage Month, 1992 47560

6494

Oct.

16

Country Music Month, 1992 47755

6495

Oct.

18

National Neurofibromatosis Awareness Month, 1992 47975

6496

Oct.

20

National Forest Products Week, 1992 48303

6497

Oct.

23

National Red Ribbon Week for a Drug-Free America, 1992 48715

6498

Oct.

24

United Nations Day, 1992 48717

6499

Oct.

29

Refugee Day, 1992 49371

6500

Oct.

29

National Medical Staff Services Awareness Week, 1992 49629

6501

Oct.

31

World Population Awareness Week, 1992 52579

6502

Nov.

Hire a Veteran Week, 1992 52581

6503

Nov.

National Women Veterans Recognition Week, 1992 53209

6504

Nov.

SPAR Anniversary Week, 1992 53537

6505

Nov.

National Military Families Recognition Day, 1992 53539

6506

Nov.

10

Vietnam Veterans Memorial 10th Anniversary Day, 1992 53975

6507

Nov.

10

National Adoption Week, 1992 53977

6508

Nov.

20

Thanksgiving Day, 1992 55043

6509

Nov.

20

National Education First Week, 1992 55045

6510

Nov.

23

To Modify Duty-Free Treatment Under the Generalized System of Preferences 55439

6511

Nov.

25

National American Indian Heritage Month, 1992 56801

6512

Dec.

Wright Brothers Day, 1992 57643

6513

Dec.

Human Rights Day, Bill of Rights Day, and Human Rights Week, 1992 58695

6514

Dec.

Religious Freedom Day, 1993 58697

6515

Dec.

16

To Modify the Harmonized Tariff Schedule of the United States, To Extend Tariff Reductions on Certain Tropical Products, To Reduce Duties on Peach, Apricot, Raspberry, or Cherry Jams, and for Other Purposes 60053

6516

Dec.

21

Year of American Craft: A Celebration of the Creative Work of the Hand, 1993 61247

6517

Dec.

23

To Amend the Generalized System of Preferences 61757

6518

Dec.

24

Grant of Executive Clemency 62145

Proc.

Date

Subject

58 F.R.

No.

1992

page

6519

Dec.

30

To Implement Tariff Modifications on Certain Plywood Originating in the Territory of Canada and for Other Purposes 207

6520

Dec.

23

National Good Teen Day, 1993 467

1993

6521

Jan.

National Sanctity of Human Life Day, 1993 469

6522

Jan.

Braille Literacy Week, 1993 3195

6523

Jan.

National Law Enforcement Training Week, 1993 3197

6524

Jan.

11

Martin Luther King, Jr., Federal Holiday, 1993 4293

EXECUTIVE ORDERS

E.O.

Date

Subject

57 F.R.

No.

1992

page

12813

Aug.

President's Commission on Management of the Agency for International Development (AID) Programs 34851

12814

Sept.

10

Additions to Level IV of the Executive Schedule for Members of the Chemical Safety and Hazard Investigation Board 42483

12815

Sept.

30

Extending the President's Commission on Management of the Agency for International Development (AID) Programs 45709

12816

Oct.

14

Management Improvement in the Federal Government 47562

12817

Oct.

21

Transfer of Certain Iraqi Government Assets Held by Domestic Banks 48433

12818

Oct.

23

Open Bidding on Federal and Federally Funded Construction Projects 48713

12819

Oct.

28

Establishing a Presidential Youth Award for Community Service 49369

12820

Nov.

Facilitating Federal Employees' Participation in Community Service Activities 53429

12821

Nov.

16

Improving Mathematics and Science Education in Support of the National Education Goals 54285

12822

Nov.

16

Providing for Payment of Separate Maintenance Allowances to Employees Assigned to Johnston Island 54289

12823

Dec.

Amendments to Executive Order No. 12757 -- Implementation of the Enterprise for the Americas Initiative 57645

12824

Dec.

Establishing the Transportation Distinguished Service Medal 58121

12825

Dec.

18

Half-Day Closing of Executive Departments and Agencies of the Federal Government on Thursday, December 24, 1992 60973

12826

Dec.

30

Adjustments of Certain Rates of Pay and Allowances 62909

E.O.

Date

Subject

58 F.R.

No.

1992

page

12827

Dec.

30

Amendment to Executive Order No. 12792 211

1993

12828

Jan.

Delegation of Certain Personnel Management Authorities 2965

12829

Jan.

National Industrial Security Program 3479

12830

Jan.

Establishing the Military Outstanding Volunteer Service Medal 4061

12831

Jan.

15

Additional Measures With Respect to the Federal Republic of Yugoslavia (Serbia and Montenegro) 5253

12832

Jan.

19

Amendments Relating to the National Research Council 5905

12833

Jan.

19

Addition to Level V of the Executive Schedule: Transition Manager for the United States Enrichment Corporation 5907

Appendix F -- Points of Light Recognition Program

The President named the following individuals and institutions as exemplars of his commitment to making community service central to the life and work of every American. The daily recognition program, which began on November 22, 1989, was a national tribute to voluntarism. The recipients for the period covered by this volume are listed in chronological order.

Susan and Terry Brimmer, of St. Petersburg, FL

Annie Smith, of West Hempfield, PA

Hartford School Volunteer Program, of Hartford, CT

Volunteers of the 50th Flying Training Squad, of Columbus, MS

Qadir Aware, of Sioux Falls, SD

Timothy Wolf, of North Canton, OH

Volunteers of the Parent Assistance Center, of Santa Fe, NM

Volunteers of the Age to Age program at Arkansas Tech University, of Russellville, AR

Sun Sounds Radio Reading Service, of Phoenix, AZ

The Community Stewpot, Inc., of Jackson, MS

Hugh Larkins, Jr., of Nashville, TN

Pinellas County Schools Volunteer Program, of Pinellas County, FL

Community Harvest Food Bank, of Fort Wayne, IN

El Centro de la Raza, of Seattle, WA

Volunteers of Fresh Start Surgical Gifts, Inc., of Encinitas, CA

Ricky Lee Reel, of Fort Dodge, IA

Philadelphia Anti-Graffiti Network, of Philadelphia, PA

Volunteers of Project Love, of Bartow, FL

Suzanne Bergen, of Chattanooga, TN

Leroy Shingoitewa, of Moenkopi, AZ

Volunteers of the Arc of Benton County, of Corvallis, OR

Volunteers of Community Friends of Addison County, of Middlebury, VT

James Joseph, of New Orleans, LA

Chris Vig, of Eau Claire, WI

Seniors Helping Others (SHO), of Kingston, RI

John and Donna Steer, of Charlotte, AR

Volunteers of the 24 Hour Crisis Response Team, of Irvine, CA

Betsy Stites, of Longview, TX

Volunteers of Orchard Manor Tenants' Association, of Charleston, WV

Volunteers of Habitat for Humanity, of Harrisburg, PA

Patrick Hughes, of Evanston, IL

Julius C. Mitchell, of Greenville, NC

Thora Shaw, of Webb City, MO

Volunteers of the Minority and Women Chambers' Coalition, of Denver, CO

Volunteers of Health Care Access, Inc., of Lawrence, KS

Volunteers of SUCCESS NOW!, of Wilmington, DE

Kathy Heiple, of Norman, OK

Lillian Smith, of Provo, UT

Bea Gaddy, of Baltimore, MD

Volunteers of Specialink, of Covington, KY

Fred Stavinoha, of Rosenberg, TX

Nicole Bagley, of Alma, GA

Volunteers of the Fort Smith Community Dental Clinic, of Fort Smith, AR

Volunteers of the Lend-A-Hand program, of Boulder City, NV

Volunteers of the Children's Advocacy Center of Sullivan County, of Blountville, TN

Volunteers Services Program of the International Institute of Boston, of Boston, MA

Alice Harris, of Los Angeles, CA

Ron Watson, of Pittsboro, NC

San Antonio Spurs Drug-Free Youth Basketball League, of San Antonio, TX

Donnalee Velvick, of Nampa, ID

Volunteers of Operation: DIGNITY, of Decatur, GA

Volunteers of the Pilot Parent Program, of Omaha, NE

Volunteers of the ServiceMASTER Co. Limited Partnership, of Downers Grove, IL

Volunteers of Samaritan Ministries, of Winston-Salem, NC

Volunteers of the Louisville Chapter of the Elfun Society, of Louisville, KY

Volunteers of TreeUtah, of Salt Lake City, UT

Volunteers of Sojourners' Place, Inc., of Wilmington, DE

Barbara Tschetter, of Huron, SD

Volunteers of Parents Anonymous, of Buffalo and Erie County, NY

Penny and Chuck Hauer, of Conner, MT

Volunteers of the Desert Chapter of the Brandeis University National Women's Committee, of Palm Springs, CA

Jenny Richardson, of Portland, OR

Volunteers of the Education and Employment Ministry, of Oklahoma City, OK

Volunteers and staff of Health Care Network, Inc., of Racine, WI

Jhoon Rhee, of Arlington, VA

Volunteers of the R.M. Pyles Boys Camp, of Valencia, CA

Tara Holland, of Tallahassee, FL

Volunteers of My Guardian Angel, of Dallas, TX

Volunteers of Love Outreach, of Richmond, VA

Volunteers of the Medical Van Project of the Travelers Aid Society, of Rhode Island

Mary Ellen Heron, of Spokane, WA

George Milton Bird, of Shelby, AL

Keith Sackett, of Towanda, PA

Volunteers of the Science & Math Achiever Teams (SMArTeams), of New Haven, CT

Tom Cooper, of Albuquerque, NM

Richard Hassell, of Norfolk, VA

Volunteers of the Cuban American Bar Association, of Miami, FL

Volunteers of St. Mary's Interfaith Dining Room, of Stockton, CA

Volunteers of Any Baby Can (ABC), Inc., of San Antonio, TX

Volunteers of the Lunch Buddy Program, of Olympia, WA

Joe Sloan, of Louisville, KY

Doris Tate, of Rancho Palos Verdes, CA

Patricia Mascolo, of Akron, OH

Volunteers of the Rotary Reader Program, of Hilton Head Island, SC

Volunteers of the Wyoming Colony of Delta Chi Fraternity, of Laramie, WY

Anne Johnson, of Shreveport, LA

Jerry Thomasson, of Arvada, CO

Volunteers of Coakley Proud, of Harlingen, TX

Thomas Cooney, Sr., of Palm Harbor, FL

Volunteers of Teen Connections, of Rapid City, SD

Volunteers of Kroger Company -- Daniel Webster School Partners-in-Education, of Indianapolis, IN

Volunteer Victim Advocates, of Mobile, AL

Kristin Wunderlie, of Parma, OH

Anisa Kintz, of Conway, SC

Volunteers of the Mount Rainier Volunteer Network, of Des Moines, WA

Vicki Davis, of Little Rock, AR

Volunteers of the Vietnam Veterans Leadership Program, of Pittsburgh, PA

Volunteers of the Survivors of Crime, Inc., of Essex, VT

Bobby J. Trimble, of Midland, TX

Volunteers of the Youth and Elderly Against Crime Project, of Miami, FL

Jeff Gower, of Schenectady, NY

Volunteers of the Chi Chi Rodriguez Youth Foundation, Inc., of Clearwater, FL

Volunteers of New York City Relief, of New York, NY

Employee volunteers of the Community Involvement Team of Trustmark National Bank, of Hattiesburg, MS

Rosemarie Williams, of Riverside, CA

Volunteers of the Green Mountain Teen Institute Spaulding High School, of Barre, VT

Volunteers of Community Outreach of Taylor University, of Upland, IN

Maria Santos de Blay, of Rio Piedras, PR

Volunteers of Adopt-A-Cub, of Central, SC

Challengers Boys and Girls Club, of Los Angeles, CA

Ursula Velasquez-Eidschun, of Tulsa, OK

Volunteers of Mom's House, of Johnstown, PA

Almon Madigan, of West Granby, CT

Isabel Peters McMahel, of Phoenix, AZ

Girls Inc., of St. Louis, MO

Wes Schollander, of Winston-Salem, NC

Volunteers of the Lord's Place, of West Palm Beach, FL

Walter Bush, of Eyota, MN

Youth Exchanging With Seniors (Y.E.S.), of Lubbock, TX

Rosemary Smith, of Spartanburg, SC

Volunteers of Car Care for Elders, of Spokane, WA

Volunteers of St. Joseph's Home, of Cincinnati, OH

Isis Johnson, of New Orleans, LA

Volunteers of the Senior Companion Program, of Racine, WI

Bruce Mayville, of Rochester, NY

Volunteers of PPG/Langley Partnership in Education, of Pittsburgh, PA

Volunteers of STRIVE, Inc., of Newton, NC

Volunteers of Shepherd Ministries, Inc., of Cincinnati, OH

Stephanie Rivard-Lucas, of Houston, TX

Volunteers of Students and Tutors for the Advancement of Reading Skills (STARS), of Ogden, UT

Kay Reibold, of Raleigh, NC

Volunteers of Ventures in Partnership, of Lincoln, NE

Marjorie Ward, of Port Huron, MI

Pedro (Pete) Delgadillo, of Corpus Christi, TX

Winifred McKenzie, of Nashville, TN

Volunteers of the New Life Style Program, of St. Louis, MO

Irene Dixon-Darnell, of Reno, NV

James Meador, of Shreveport, LA

Jean Marie Davis, of Lemoyne, PA

Volunteers of the Family Friends Program, of Hartford, CT

Mehmet Fatin (Fred) Baki, of Mount Dora, FL

Volunteers of the Wonderland Day Care, of West Plains, MO

Volunteers of the Mended Hearts, Inc., of Pawtucket, RI

Volunteers and staff of the Wind River Youth Center, of Pinedale, WY

Gloria Dessart, of Knoxville, TN

Volunteers of the Principle Achievers Program, of Baltimore, MD

Volunteers of Chrysalis, A Center for Women, of Minneapolis, MN

Volunteers of the Alemany Tutorial Project, of San Francisco, CA

Volunteers of Religious Community Services, Inc., of New Bern, NC

The Fleenor Family, of Beckley, WV

Volunteers of Project SPARK and Project Kindle, of Rochester, NY

Leanne Rean, of Dover, NH

Volunteers of the Hahnemann Homeless Clinic, of Philadelphia, PA

Clara Green, of Carmel, IN

Staci L. Wietrecki, of Mundelein, IL

Volunteers of the Minority Youth Appreciation Society, Inc., of Richmond, VA

Volunteers of the Center for Group Counseling, of Boca Raton, FL

Volunteers of the Elbow Learning Lab, of Griffin, GA

Larry and Joanne Murphy, of Oneida, WI

Walter ``Dean'' Adams, of Abilene, TX

Barbara Stark, of Sacramento, CA

Volunteers of Washington Women's Education and Employment, of Takoma, WA

Rene and Nancy Bergeron, of Springfield, MO

Beatriz Martinez Salazar, of Carrollton, TX

Gerald Wiley, of Dillingham, AK

Darien Emergency Medical Services, of Darien, CT

Sun Lakes Volunteers, of Sun Lakes, AZ

Susan Dee Sims, of Evansville, IN

Volunteers of the Central Wyoming Rescue Mission, Casper, WY

Volunteers of ACCESS, of Dearborn, MI

Diane Ulvang, of Fort Collins, CO

Volunteers of the Community Based Training Program, of Dubuque, IA

The Men of ADOBE, of Benicia, CA

Phyllis Chunn-Duncan and the Volunteers of Communi-Care, of Statesville, NC

William Paul Fetzer, of Lebanon, PA

Derrick Thomas, of Independence, MO

Volunteers of Urban Concern, Inc., of Columbus, OH

Thomas Floyd, of Spartanburg, SC

Joseph Thompson, of Topeka, KS

Volunteers of Reaching the Youth of San Antonio, Inc., of San Antonio, TX

Barbara Catherine Connelly, of Shirley, NY

Volunteers of Ginghamsburg United Methodist Church, of Tipp City, OH

Volunteers of Frontline Outreach, Inc., of Orlando, FL

Don Davidson, of Lupton, MI

Mary Lemen, of Escondido, CA

Sun City Center Emergency Squad ÿ1B1, of Sun City Center, FL

Volunteers of Compeer Program, of Grand Haven, MI

Volunteers of Haven House Family Services, of Wayne, NE

Cicely Ratcliff and volunteers of the Live Now Ministries, Inc., of Brownsville, TX

Marc Peretzman, of Bridgeport, CT

Maria Ana Alvarez-Reyes, of Miami, FL

Emily Dutro, of Rochester, NY

Volunteers of A Safe Place, of Waukegan, IL

James Trammell III, of Greenville, SC

Volunteer counselors of the Rape Crisis Center, of Mobile, AL

Volunteers of St. Vincent's Center, of Timonium, MD

Vera McCoy, of McAlester, OK

Connie Maultsby and the Junior Kapps, of Sarasota, FL

Diana Gail Mills, of Means, KY

Fanniedell Peeples, of Detroit, MI

Father Jim Scholz and the volunteers of Sacred Heart Elementary School, of Omaha, NE

Volunteers of Kids With Character, of Columbus, MS

Ethletta Charles, of Danville, PA

Volunteers of Caldwell Care Network, of Caldwell, KS

Volunteers of Steamer Company No. 5, of Richmond, VA

Volunteers of the Vigo County School Corp. Adult Literacy Program, of Terre Haute, IN

Ivy Olson and the volunteers of the Angel Network, of Honolulu, HI

Volunteers of the Susquehanna County Volunteer Literacy Council, of Montrose, PA

Volunteers of Bethlehem House Project, Inc., of Redlands, CA

Carol and Hurt Porter and the volunteers of We Care About Kids, Kid Care, Inc., of Houston, TX

Jerry and Elouise Lee, of Page, AZ

Community Caring Volunteers, of Billings, MT

Volunteers of Rainbow House, of Trenton, NJ

Volunteers of the Committee Against Domestic Abuse, of Mankato, MN

Volunteers of One-to-One, of Ithaca, NY

Kenneth MacKenzie, of Gulf Breeze, FL

Volunteers of the Margaret Hudson Program, of Tulsa, OK

Volunteers of the Jersey Battered Women's Service, of Morris County, NJ

Volunteers of Students Against Violence Everywhere (S.A.V.E), of West Charlotte, NC

Loretta Warsow, of McMurray, PA

Volunteers of Turning Point, of Roanoke, VA

Volunteers of the St. Vincent DePaul Society, of Meriden, CT

Kay Dyer Arrillaga, of Carmel, CA

Walter Yurcik, of Wharton, NJ

Volunteers of McCurdy School, of Espanola, NM

James S. Burton, of Nashville, TN

Volunteers of Rainbow Home, of Wernersville, PA

Queen Mims, of Bridgeport, CT

Cletus Lyday, of Milwaukee, WI

Volunteers of the Enterprise Helping Hands Network, of Newport News, VA

Volunteers of Seniors Actively Volunteering in Education (SAVE), of Honolulu, HI

Volunteers of Created for Caring, of Bay City, MI

Volunteers of the Greater Gulf Literacy Council, of Mobile, AL

Heather Brown, of Dayton, OH

Volunteers of Project Understanding, of Ventura, CA

Volunteers of Winthrop's Involvement in Nurturing and Graduating Students (WINGS), of Rockhill, SC

Volunteers of Groveport Madison LINK, of Groveport, OH

Ann Jackson, of Freeport, NY

Volunteers and staff of PROJECT MENTOR, of Wye Mills, MD

Volunteers of the Early Gang Learning Experience (EAGLE), of Sacramento, CA

Shawn Huff, of Colorado Springs, CO

Volunteers of the Society of St. Vincent de Paul, of Portland, OR

Volunteers of the Southern Mutual Help Association, of New Iberia, LA

SuEllen Fried, of Prairie Village, KS

Volunteers of Because We Care II, of Dover, DE

Volunteers of the Rochester Toy Library, of Rochester, NY

Volunteers of the Lehman Community Service Council, of Williamstown, MA

Volunteers of Adjacent Generational Exchange (A.G.E.), of Royal Oak, MI

Volunteers of Feed My Sheep, of Gulfport, MS

Volunteers of Winners On Wheels (WOW), of Fresno, CA

Volunteers of Holy Angels of Belmont, of Belmont, NC

Yvonne Pointer, of Cleveland, OH

Volunteers of the Friends Program, of Orlando, FL

Lloyd Porter, of Great Falls, MT

Volunteers of Interval House Crisis Shelters, of Orange County and Long Beach, CA

Volunteers of the Ronald McDonald House, of Philadelphia, PA

Betty Simon, of Olean, NY

Volunteers of the 36th Avenue Task Force, of Omaha, NE

Gwynette Hatcher, of North Charleston, SC

Robert Williams and Dwayne Claassen, of Lakewood, CO

Volunteers of Kinship of Greater Minneapolis, of Minneapolis, MN

Grace Hiddleson, of Woodland, CA

Mary Dell Robinson, of Lumberton, MS

Dorothy and William Pahl, of Bridgeport, OH

Volunteers of Habitat of Evansville, of Evansville, IN

Volunteers of the Center for Parenting Excellence, of La Grande, OR

Service Company Midshipmen Battalion Naval ROTC Unit of Vanderbilt University, of Nashville, TN

Volunteers of the Full Circle Student Support Program, of San Rafael, CA

Volunteers of Youth to Youth, of Columbus, OH

Myra Arnold, of Shalimar, FL

Doris Frank, of Lake Waukomis, MO

Volunteers of Mobile AIDS Support Services, of Mobile, AL

Volunteers of Genesis Women's Shelter, of Dallas, TX

Andrew Bales, of Des Moines, IA

Volunteers of the Hidenwood Tutoring Team, of Newport News, VA

Helen Shapiro, of Cleveland Heights, OH

Lydia Flores Perkins, of Pharr, TX

Volunteers of Safe Place, of Raleigh, NC

Volunteers of San Diego Rescue Mission, Inc., of San Diego, CA

Jesse Chambers, of Las Vegas, NV

Volunteers of City Mission Society, of Buffalo, NY

Ahmed Dahir, of Los Angeles, CA

Volunteers in Corrections, Inc., of St. Paul, MN

Volunteers of the Burnet County Library System, of Burnet, TX

Volunteers of the Johns Hopkins University Tutorial Project, of Baltimore, MD

Loi Van Nguyen, of Grand Rapids, MI

Col. Victor Ferrari, of San Antonio, TX

Joe Anna Caldwell, of Jacksonville, IL

Volunteers of Our Kids, of Sacramento, CA

Volunteers of the Visiting Nurses Association Mobile Meals Program, of Dayton, OH

Volunteers of the Hunger Coalition Community Gardens of Interfaith Ministries for Greater Houston, of Houston, TX

Volunteers of Save the Seed, of Charlotte, NC

Volunteers of the Kansas City, Kansas (KCK) Rebound Center, Inc., of Kansas City, KS

Jenny and Joseph Tranfaglia, of Farmingville, NY

Richard Olango Abuka, of San Diego, CA

Volunteers of the Literacy Council of Bowie and Miller Counties, of Texas and Arkansas

Volunteers of Child Abuse Prevention Services, of Lansing, MI

Volunteers of Youth Competency in Math and Science, of Boulder, CO

Volunteers of Partners in Progress of the Agricultural Research Service of the U.S. Department of Agriculture, of Mississippi State, MS

Volunteers of Vietnamese Social Services' Elders Program, of St. Paul, MN

Volunteers of The A+ Coalition, of Austin, TX

Heather Vultee and the volunteers of Colby Friends, of Waterville, ME

Volunteers of Long Island Youth Guidance, of Dix Hills, NY

Volunteers of Casa de los Ninos, of Tucson, AZ

Jane Rozett, of Macon, GA

Richard Cushman, of Auburn, CA

Volunteers of the Oregon Human Development Teen Parent Special Friends Program, of Hillsboro, OR

Volunteers of the Service Guild Early Intervention Program, of Homewood, AL

Jacquelyn Meadors, of New Market, VA

Vernon Shive, of Phillipsburg, NJ

Harry Vines, of North Little Rock, AR

Literacy Volunteers of America, Maine, Dover-Foxcroft Affiliate, of Dover and Foxcroft, ME

Volunteers of the Bates Buddy Program, of Tacoma, WA

Ellen Bigger, of Key Largo, FL

Volunteers of Edgehill Community Center, of Nashville, TN

Mary Schermerhorn, of San Antonio, TX

Volunteers of the Senior Victim Assistance Team, of Colorado Springs, CO

Volunteers of Union Gospel Mission, of Spokane, WA

Volunteers of the California Grey Bears, Inc., of Santa Cruz, CA

Volunteers of the Burn Intensive Care Volunteer Program, of Cleveland, OH

Margie Sumlin, of Mobile, AL

Volunteers of Students Engaged in Rewarding Volunteer Experiences (S.E.R.V.E.), University of Minnesota-Duluth, of Duluth, MN

Volunteers of Oregon Outreach, Inc., of Portland, OR

Volunteers of Bootstraps of America, Inc., of Anchorage, AK

Volunteers of the Saturday Academy, of Dover, DE

James and Sharon Ferrari, of Kalamazoo, MI

Henry Huffman, of Santa Clara, CA

Volunteers of Campus Coalition for Literacy, of Columbia, SC

Volunteers of the COMSAT Corp.-Jefferson Junior High School Education Alliance, of Washington, DC

Eileen Ayvazian, of Virginia Beach, VA

Volunteers of TeenAdvisors, of Columbus, GA

Volunteers of the Youth Service Bridge Builders Program, of Memphis, TN

Volunteers of Hot Springs Village, of Hot Springs, AR

Volunteers of the ARCO-Bakersfield High School Partnership, of Bakersfield, CA

Mathog & Moniello Team Volunteers, of East Haven, CT

Volunteers of the El Paso Shelter for Battered Women, of El Paso, TX

Kate Porter, of Columbus, OH

Bob Richie, of Philadelphia, PA

Theresa Orzechowski, of Newburgh, NY

Volunteers of the Tutoring Team, of Livonia, MI

Stamford Women's Mentoring Program, of Stamford, CT

Kathryn ``Babe'' Weiller, of Sarasota, FL

Volunteers of the Harlem Junior Tennis Program, of New York, NY

Volunteers of Gang Peace, of Dorchester, MA

Dale Huffman, of Miamisburg, OH

Waymon Logan and the volunteers of Dayspring Outreach, of Sacramento, CA

YES! Atlanta's Rising Star Program, of Atlanta, GA

Volunteers Involved for the Emotional Well-Being of Seniors (VIEWS), of Gresham, OR

Volunteers of CityTeam Ministries, of San Jose, CA

Camille Germain, of Huntington, NY

Dorothy Veasey, of Newark, DE

Volunteers of MacMagic Classroom, of San Rafael, CA

Eugene Crawford, of Uniontown, PA

Ron and Melinda Cowart, of Dallas, TX

Iva Kaufman, of Hemet, CA

Volunteers of the Community Involvement Program of Barnett Bank, of Jacksonville, FL

Melodee Lazaruk, of Memphis, TN

Volunteers of the Lakeland Middle School Eighth Grade, of Baltimore, MD

Volunteers of Mary House, of Washington, DC

Volunteers of Rape Victim Services, of Paducah, KY

Phyliss Fishleder and the volunteers of Fabulous Finds, of San Diego, CA

Robert Thompson, of St. Joseph, MO

Jennifer Trigg, of San Jose, CA

Volunteers of Mariucci Inner City Hockey Starter Association, of St. Paul, MN

Statement by Press Secretary Fitzwater on Recognition of the Czech and Slovak Republics

January 1, 1993

The President today recognized the new Czech and Slovak Republics and offered to establish full diplomatic relations. In an exchange of letters, Czech Prime Minister Klaus and Slovak Prime Minister Meciar welcomed U.S. recognition and accepted our offer of full diplomatic relations.

Both leaders provided assurances that the new states will fulfill the obligations and commitments of the former Czechoslovakia and will abide by the principles and provisions of the U.N. Charter, the Charter of Paris, the Helsinki Final Act and subsequent CSCE documents. They also pledged to prevent the proliferation of destabilizing military technology, to respect human rights and fundamental freedoms, to uphold international standards concerning national minorities, and to move rapidly to create free-market economies.

The United States looks forward to full and mutually productive relations with the new Czech and Slovak states. We commend both Republics for the peaceful means by which their separation was carried out. In the interest of ensuring stability and prosperity in the region and speeding full integration into the international community, the United States urges continued close regional cooperation among the states of central Europe.

Our Ambassador to Czechoslovakia will remain in Prague as the U.S. Ambassador to the Czech Republic. We look forward to appointing an Ambassador to the Slovak Republic as soon as possible.

Remarks at a State Dinner Hosted by President Boris Yeltsin of Russia in Moscow

January 2, 1993

President Yeltsin and members of the Russian Government, friends, all, Americans and Russians, we are here for an historic occasion. I believe that this is a moment that history will record most positively as we sign that treaty. As I prepare to leave the Presidency, I bid farewell to a man for whom I have enormous respect, a man whose courage captured the imagination of every single American as he stood on a Russian tank and straddled Russian history, steering it toward a democratic future. His voice spoke loudly for freedom through the chaos of change, and it spoke softly of friendship through the static of a long distance telephone line, a patriot who silenced the guns of August, President Boris Yeltsin.

Mr. President, as you so eloquently stated, there is now a new U.S.-Russian partnership built together, affirming our dedication to a democratic peace in Europe and, indeed, to a global peace. The two powers that once divided the world have now come together to make it a better and safer place. Mr. President, we've come together again this weekend amid a Moscow winter to sign the most significant arms reduction treaty ever.

All of us, sir, wish you and your colleagues well on the bold reforms that you've undertaken. Reform is never easy, and this we understand. But your people do not run away from a challenge. And in this challenge, America will stay with you, shoulder to shoulder.

May I simply say a word about my successor, President-elect Clinton. I am confident that what we do tomorrow is of tremendous importance to him, and I am confident that you will find him a 100-percent partner in working for this U.S.-Russian relationship that we treasure so much.

I salute everybody in this room and elsewhere who had a hand in completing this historic treaty. I raise my glass to toast a strong future between Russia and the United States, to toast President and Mrs. Yeltsin, dear friends, and to toast this new year, a new year of hope, freedom, and peace for the Russian people.

Good luck and may God bless you all.

Note: The President spoke at approximately 7:05 p.m. in the Winter Garden Room at the Kremlin. A tape was not available for verification of the content of these remarks.

The President's News Conference With President Boris Yeltsin of Russia in Moscow

January 3, 1993

Mr. Kostikov. Ladies and gentlemen, let us consider that the press conference is open.

First, we'll give the floor to the Presidents of Russia and the United States for brief statements, and then we'll hold our press conference. The first floor is to President Yeltsin.

START II Treaty

President Yeltsin. President George Bush, Mrs. Bush, members of the delegations, representatives of mass media, ladies and gentlemen:

It is not every century that history gives us an opportunity to witness and participate in the event that is so significant in scale and consequences. Today, the Presidents of the two great powers, the United States and Russia, have signed the treaty on further radical cuts in strategic offensive arms of Russia and the United States, START II.

In its scale and importance, the treaty goes further than all other treaties ever signed in the field of disarmament. This treaty is the triumph for politicians and diplomats of Russia and the United States. It is also an achievement for all mankind and benefits all peoples of the Earth. The START II treaty becomes the core of the system of global security guarantees.

The scale of this treaty is determined by a number of factors. Its historical factor is that in the course of all its previous history, mankind was arming itself and just dreamed of beating the swords into plowshares. The treaty signed today represents a major step towards fulfilling mankind's centuries-old dream of disarmament.

Its political factor is that the treaty we have signed today belongs to a new epoch. This treaty was concluded by two friendly states, by partners who not only trust each other but also assist each other. It testifies to our joint and determined movement towards a new world order.

From the very outset the new democratic Russian state has been pursuing a policy of building equal partnership with the United States. Today, we have every right to say that relations between the two major powers have undergone a genuine revolution. Its political factor lies also in the fact that during the last decade of the 20th century and at the turn of the 21st century, the START II treaty will affect policies not only of the United States and Russia but of other countries of the world as well. The START II treaty established parameters of possible political agreements in other spheres of interaction among states.

Thus, the military factor is determined by the scale of mutual reductions in nuclear arms. By comparison with the START I Treaty, every state will have to reduce and destroy the number of strategic offensive warheads by approximately a threefold magnitude. The deepest cuts will affect those categories of arms which are of greatest concern to the parties and the world. For the United States these are submarine-launched ballistic missiles and heavy bombers, and for Russia, land-based intercontinental ballistic missiles, ICBM's. This reduces drastically the level of danger, military mistrust, and suspicion.

We opened up real prospects for cooperation based on trust between people in military uniform, between people with military discipline and military thinking. Thus, the START II treaty will change and gradually replace the very psychology of confrontation.

At the same time, as President and supreme commander in chief, I can say with absolute certainty the signed treaty strengthens the security of Russia rather than weakens it. I think that President Bush can make a similar statement concerning the security of the United States.

The implementation of the new treaty will not be economically destructive for Russia. We have made most of our calculations, and they show that the proposed reductions would cost us much less than the mere maintenance of nuclear weapon systems in a safe condition. We save seriously on verification and inspections, two of the most expensive, to put it mildly, items of expenditures. The new character of Russian-U.S. relations makes it possible for us to substantially simplify verification procedures while ensuring their reliability.

We expect to cut and to cut considerably the cost of the physical destruction of armaments. We have agreed with the United States to cooperate in developing and applying appropriate technologies. Thus, the expenditures under this then will in fact be shared equally. This will enable us to eliminate our nuclear weapons not with a delay of several years but in parallel with the United States in accordance with the schedule provided for in the treaty. In the context of the present economic crisis, it would be difficult for us to keep the pace without outside assistance. The U.S. Congress has made a decision to support Russia in the destruction of these nuclear warheads.

Its moral factor will manifest itself in the fact that the treaty gives all mankind the hope for a nuclear-weapons-free world. The high moral value of the treaty is that we will be able to hand over to our children, the children of the 21st century, a more secure world. I would call this treaty a treaty of hope.

As to the purely diplomatic aspect of this START II treaty that has just been signed, it will undoubtedly go down into the history of diplomacy as an example of using the potential of the partners who are waiting to overcome the heritage of animosity and confrontation. As you may recall, it took 15 years to prepare the first START Treaty. The elaboration of START II, which is of considerably great magnitude, took several months. But there was absolutely no rush in the

process. Naturally this reflects, above all, the high level of confidence and mutual understanding achieved between the United States and Russia, between the Presidents of the two countries. It gives great impetus to the world diplomacy as well.

Today, I would like to express the hope that the diplomatic services of the United States and Russia, diplomats of European countries, will double or even triple their efforts in order to settle conflicts that are of concern to the world.

I would like to focus on another important aspect, the personal stand of President George Bush, who is our guest, being on a working visit with us. I would like to pay tribute to my colleague and friend, George. His remarkable personal and political qualities and competence have contributed to a successful transition from the cold war to a new world order. I am grateful to him for all he has done to establish new relations between Russia and the United States, for his solidarity and support during the push for the FREEDOM Support Act, for the START II treaty. Thank you, George.

I consider it of fundamental importance that the future President of the United States, Mr. Clinton, fully supported the conclusion of the START II treaty. We can without delay proceed to the direct implementation of this instrument and consider further steps to strengthen global stability, the system of global protection, and international security.

President Bush and I have maintained regular contacts with President-elect Clinton. Today's signing ceremony would not have taken place had there been the slightest reason to doubt his solidarity with our endeavors.

I would like to personally thank the most active participants in this process and above all the President of the United States, who personally took part in the elaboration and polishing of the text of the treaty. And I would say we spoke often. And it was a rare week that we did not speak on the phone in the last few weeks.

I am also grateful personally to Mr. Scowcroft, who took an active participation in the consideration of this subject, and to Jimmy Baker, of course, who treated globally the entire subject of the treaty and was mainly responsible for this breakthrough. And finally, I am grateful to Mr. Eagleburger, who on the finishing line darted with boldness and practically initialed the draft treaty there.

I'm thankful also to the experts, to analysts and consultants, and also to the leaders of our delegation, to Mr. Kozyrev and Grachev and the other 48 experts who work very hard for us to come today to the signing of this treaty, the SALT II\1\ (FOOTNOTE) treaty.

(FOOTNOTE) \1\START II (White House correction).

I'm also grateful to all the journalists, press people, who kept their hand constantly on the pulse of this subject and who did not manage to criticize the treaty before it was signed.

I do believe that there is no reasonable alternative to the policy of friendly partnership between Russia and the United States. Strategic partnership relations serve the fundamental national interests of the two countries and of the international community as a whole. I am deeply confident that the signing of the START II treaty opens new, promising prospects for the peoples of our countries. I'm certain that this day will be a milestone in this process.

Thank you.

Mr. Kostikov. I thank you. And now I pass the floor to the President of the United States, George Bush.

President Bush. Mr. President and Mr. Vice President, Mr. Prime Minister, Minister of Justice, Minister of Defense, Minister of Foreign Affairs, representatives of the Russian and American delegations, and distinguished guests:

We meet at the beginning of a new year, at a moment that is also a new era for our two nations and for the world. For half of this century, the Soviet Union and the United States stood locked in a nuclear standoff. For our two nations and for the world, cold war, hot words, and the constant threat of war seemed imminent, indeed, at times inevitable. The time that we might meet as friends and the time that we might meet in freedom seemed distant, indeed a dream.

Today, the cold war is over, and for the first time in history an American President has set foot in a democratic Russia. And together we're now embarked on what must be the noblest mission of all: to turn an adversarial relationship into one of friendship and partnership.

We stand together today in this great city at the threshold of a new world of hope, a widening circle of freedom for us and for our children. This historic opportunity would simply not have been possible without our combined common effort.

Mr. President, I salute you for your unwavering commitment to democratic reform and for the history you've written since the heroic day in August '91 when you climbed atop that tank to defend Russia's democratic destiny. And I also want to salute the heroism of the Russian people themselves, for it is they who will determine that Russia's democratic course is irreversible.

Today, as we meet on Russian soil, home to 1,000 years of heritage and history, to a people rich in scientific and creative talent, I want to assure the Russian people on behalf of all Americans, we understand that Russia faces a difficult passage. We are with you in your struggle to strengthen and secure democratic rights, to reform your economy, to bring to every Russian city and village a new sense of hope and the prospect of a future forever free.

Let me say clearly, we seek no special advantage from Russia's transformation. Yes, deep arms reductions, broader and deeper economic ties, expanded trade with Russia, all are in the interest of my country. But they're equally in the interest of the Russian people. Our future is one of mutual advantage.

We seek a new relationship of trust between our military forces. They once confronted each other across Europe's great divide, and let them now come together in the cause of peace. We seek full cooperation to employ our collective capabilities to help resolve crises around the world. We seek a new cooperation between the U.S. and Russia and among all states to prevent the spread of nuclear weapons and other weapons of mass destruction.

The world looks to us to consign the cold war to history, to ratify our new relationship by reducing the weapons that concentrate the most destructive power known to man. The treaty we signed today builds on the strong beginning we made with START I, and, together, these treaties will reduce by more than two-thirds the strategic arsenals in place today. And just as important, START II will bring much better stability to remaining forces.

This agreement represents a common effort to overcome the contentious differences and complexities that surround nuclear weapons. In the face of many who doubted Russia and America's intentions and our energy, it vindicates our insistence that arms control must do more than simply freeze the arms race in place.

The START Treaty, START I, reduced a quarter century of growth in our nuclear arsenals and reversed the course that caused many to fear that nuclear conflagration was inevitable. The treaty that we signed today goes much further in a way that few believed possible just one year ago.

May I congratulate Messrs. Kozyrev and Grachev and Eagleburger for their outstanding work to bring this treaty to fruition. And I also want to congratulate former Secretary of State Jim Baker for his important work on the treaty during the spring and summer.

In closing, let me tell you what this treaty means, not for Presidents or Premiers, not for historians or heads of state but for parents and for their children: It means a future far more free from fear.

So, as we sign today this treaty, let us pledge also to move forward together throughout this decade and into the next century toward common aims: for Russia, a democratic peace; for our two nations, a strong partnership between our people and the lasting friendship that springs from a common love of freedom.

And Mr. President, may I wish you and the Russian people at this critical moment in history a new year rich with hope and peace.

Bosnia

Q. Mr. President, both of you, each of you spoke about moving on to other areas of concern as a result of having achieved this kind of a treaty. Can you give us in some detail what your discussions were with regard to the situation in Bosnia, what you see achievable there and what differences separate you?

President Bush. Well, we discussed that question in some detail. Our prime common objective is to see the suffering stop and see the fighting stop. I can't go into -- I certainly wouldn't want to quantify what differences we may have, but I came away with the feeling that we were very close together, these two countries, in wanting to see peace restored to that area.

President Yeltsin. I would like to continue the answer of President Bush, because the question was raised to both Presidents. We discussed a very wide range of issues, and I would say we have cleaned up all of the problems remaining after the conclusion of this important agreement, and the conclusion of this important period which is crowned with an historic event and the visit by President Bush to our country.

We also considered the course of the reforms in Russia and the problems related to the new government, whether it will continue along the road of reforms. And I assured the President that this is not a new government, and it is the old composition government. And the chairman of the government himself will go on the same road of reforms.

We have also considered the problems of bilateral relations and the foreign debt of the former Soviet Union, the grain supplies, international conflicts, including the conflict in the former Yugoslavia, and our positions are close. We previously supported the United States in adopting the U.N. resolution on the subject, and we shall continue this line and try at the same time to continue the line for establishing peace among all parties and to be more active in this area than we have been heretofore.

We have also discussed military issues, including the issue of whether the SALT II Treaty is harmful to anyone or at anyone's disadvantage. Then we came to the conclusion that it does not harm either side and does not harm any third party. It is only to the advantage of everyone. Thus, our negotiations were businesslike, respectful, and open, as always.

START II Ratification

Q. Boris Nikolayevich, you have just signed the START II treaty, and you will have to ratify it into Parliament. If in the past there were difficulties mainly in the U.S. Congress, now you may face certain difficulties on the part of certain delegates or a number of Russian deputies. So, what are in your view the prospects for the ratification of the treaty?

President Yeltsin. I am not going to conceal from you that a certain part of the deputies is against the treaty. And they are against anything positive that should take place in Russia. So, complete negation is their position. You could consider what they are, because they support Iraq and its aggression. So you understand who they represent. And finally, I would say that fortunately they do not represent the majority of the Supreme Soviet, as most of the Supreme Soviet deputies believe in reason, and of course, they believe in the significance of this treaty.

Many delegates, deputies, were in Geneva themselves. They took part in the negotiations. And the chairman of the Foreign Relations Committee has always been here with us. So if there are any difficulties with the ratification of this START II treaty, still I am certain that the Supreme Soviet will ratify it.

President-Elect Clinton

Q. Mr. President, how confident are you that the treaty that you're now going to be turning over to a new administration will be -- that it will be ratified by the Senate? And Mr. Yeltsin, I'd like to know your thoughts on how awkward is it for you to find yourself suddenly having to deal with a new President in Washington?

President Bush. Clearly, I'm not in a position to commit President-elect Clinton, but I can confidently predict that this treaty will be quickly ratified by the Congress.

Butting in on the second part of your question, I've talked to President-elect Clinton enough to know that he is most interested in keeping this U.S.-Russia relationship on the high plane at which it stands right now. And I've told President Yeltsin that I think he will enjoy working with Governor Clinton and that I know that Governor Clinton is committed to the general theory of these arms reductions that START II takes on.

President Yeltsin. I met with President-elect Clinton when I was on my official state visit to the United States and when Mr. Clinton at that time was a Presidential candidate. We discussed in our meetings different things. The discussions were normal, interesting, and he voiced his support for Russia, for the democratic reforms in Russia, and for our movement along the democratic road.

Two days ago I sent him a letter where I proposed that there should be no lull in our relations with the new administration, because any lull in bilateral relations between the superpowers would give cause for concern.

I suggested on the phone to President Bush that after the 20th of January, we -- that is, myself and President-elect Clinton -- should meet somewhere in a neutral place for a working meeting to consider different international problems and bilateral relations. And I hope that he will take over the baton that was given to him with such grace by President Bush.

Russian Nuclear Shield

Q. This is the question to, mainly, the Russian President. I ask you, Boris Nikolayevich, to expand a little bit on that part of your statement where you say that the signing of the treaty will not be harmful to the strategic and military balance existing between the United States and Russia, as certain of our conservatives assert, and that the nuclear shield of Russia will not be weakened. This is a question to you not only to the President of the country but also as to the commander in chief.

President Yeltsin. Shall I give you the numbers? As of January 1st, we have 9,915 strategic nuclear warheads. According to the new START II treaty, there will be 3,000, 3,500 warheads left, 3,000 to 3,500 warheads. This number is not possessed by any other single state, only by the United States and Russia. I express -- not a single other state, including nuclear powers like China, Great Britain, and France. This is a powerful shield which is capable of defending Russia in case of an unexpected aggression from any site.

President Bush. May I simply add that we do not view this as a one-sided treaty at all. We view it as balanced, and I think that history will record it as such.

Mr. Fitzwater. Let's have a final question from Ann Compton [ABC News].

U.S. Assistance to Russia

Q. President Bush, do you think that the START II -- START I and II can be ratified and implemented if the United States doesn't come forward with or even increase the amount of aid that some of the other countries need to actually dismantle the weapons they've got?

President Bush. I think the ratification will stand on its own two feet. The Congress will look at it, and in my view they'll have hearings, and they'll ratify it. And clearly, we all have a stake at helping and being sure that the materials are properly disposed of, and the United States will be ready to assist to the best of our ability. But I don't see a resolution to that second question being required before this treaty is ratified.

I'm sorry, what was the second question?

Q. Can it be implemented? Doesn't the United States have to come up with more money to actually have the missiles at the silos?

President Bush. The treaty and the protocols speak for themselves. But clearly, I think the new administration will be as interested as we have been in helping Russia in every way we possibly can. I expect that it'll get to that subject as well as it will to ag credits and a lot of other things. So

I think that the treaty will be ratified, and I think it will be implemented. And to the degree the United States can be of assistance when times are tough for Russia, that will demonstrate our interest in this partnership when we help.

Note: The President's 141st news conference began at 12:15 p.m. in Vladimir's Hall at the Kremlin. President Yeltsin spoke in Russian, and his remarks were translated by an interpreter. Vyacheslav Kostikov, Presidential Press Spokesman for President Yeltsin, served as moderator. During the news conference, the following persons were referred to: Andrey Kozyrev, Russian Minister of Foreign Affairs, and Pavel Grachev, Russian Minister of Defense. The question-and-answer portion of this news conference could not be verified because the tape was incomplete.

Recess Appointment of Gregory Stewart Walden as a Member of the Interstate Commerce Commission

January 4, 1993

The President today announced the recess appointment of Gregory Stewart Walden, of California, to be a member of the Interstate Commerce Commission. Mr. Walden would succeed Edward Martin Emmett.

Since 1990 Mr. Walden has served as an Associate Counsel to the President at the White House. Prior to this, he was Chief Counsel of the Federal Aviation Administration at the Department of Transportation, 1988 - 90. Mr. Walden has served in various capacities at the Department of Justice including: Associate Deputy Attorney General, 1987 - 88; Deputy Associate Attorney General, 1986 - 87; Special Assistant to the Assistant Attorney General in the Civil Division.

Mr. Walden graduated from Washington and Lee University (B.A., 1977) and the University of San Diego (J.D., 1980). He currently resides in Alexandria, VA.

Remarks at the United States Military Academy in West Point, New York

January 5, 1993

Thank you all very much. Good luck. Please be seated. Thank you, General Graves, for that very kind introduction. Barbara and I are just delighted to be here and honored that we could be joined by our able Secretary of the Army, Mike Stone; of course, the man well-known here that heads our Army, General Sullivan, General Gordon Sullivan; and Gracie Graves, General Robert Foley, General Galloway; Shawn Daniel, well-known to everybody here, been our host, in a sense; and a West Point alum who has been at my side for 4 years, over here somewhere, General Scowcroft, graduate of this great institution who served his country with such distinction. May I salute the members of the Board of Visitors. I see another I have to single out, General Galvin, who served his country with such honor. And, of course, save the best for last, the Corps of Cadets, thank you for that welcome.

Let me begin with the hard part: It is difficult for a Navy person to come up to West Point after that game a month ago. Go ahead, rub it in. [Laughter] But I watched it. Amazing things can happen in sports. Look at the Oilers, my other team that took it on the chin the other day. [Laughter]

But I guess the moral of all of this is that losing is never easy. Trust me, I know something about that. [Laughter] But if you have to lose, that's the way to do it: Fight with all you have. Give it your best shot. And win or lose, learn from it, and get on with life.

I am about to get on with the rest of my life. But before I do, I want to share with you at this institution of leadership some of my thinking, both about the world you will soon be called upon to enter and the life that you have chosen.

Any President has several functions. He speaks for and to the Nation. He must faithfully execute the law. And he must lead. But no function, none of the President's hats, in my view, is more important than his role as Commander in Chief. For it is as Commander in Chief that the President confronts and makes decisions that one way or another affects the lives of everyone in this country as well as many others around the world.

I have had many occasions to don this most important of hats. Over the past 4 years, the men and women who proudly and bravely wear the uniforms of the U.S. armed services have been called upon to go in harm's way and have discharged their duty with honor and professionalism.

I wish I could say that such demands were a thing of the past, that with the end of the cold war the calls upon the United States would diminish. I cannot. Yes, the end of the cold war, we would

all concede, is a blessing. It is a time of great promise. Democratic governments have never been so numerous. What happened 2 or 3 days ago in Moscow would not have been possible in the cold war days. Thanks to historic treaties such as that START II pact just reached with Russia, the likelihood of nuclear holocaust is vastly diminished.

But this does not mean that there is no specter of war, no threats to be reckoned with. And already, we see disturbing signs of what this new world could become if we are passive and aloof. We would risk the emergence of a world characterized by violence, characterized by chaos, one in which dictators and tyrants threaten their neighbors, build arsenals brimming with weapons of mass destruction, and ignore the welfare of their own men, women, and children. And we could see a horrible increase in international terrorism, with American citizens more at risk than ever before.

We cannot and we need not allow this to happen. Our objective must be to exploit the unparalleled opportunity presented by the cold war's end to work toward transforming this new world into a new world order, one of governments that are democratic, tolerant, and economically free at home and committed abroad to settling inevitable differences peacefully, without the threat or use of force.

Unfortunately, not everyone subscribes to these principles. We continue to see leaders bent on denying fundamental human rights and seizing territory regardless of the human cost. No, an international society, one more attuned to the enduring principles that have made this country a beacon of hope for so many for so long, will not just emerge on its own. It's got to be built.

Two hundred years ago, another departing President warned of the dangers of what he described as ``entangling alliances." His was the right course for a new nation at that point in history. But what was ``entangling" in Washington's day is now essential. This is why, at Texas A&M a few weeks ago, I spoke of the folly of isolationism and of the importance, morally, economically, and strategically, of the United States remaining involved in world affairs. We must engage ourselves if a new world order, one more compatible with our values and congenial to our interest, is to emerge. But even more, we must lead.

Leadership, well, it takes many forms. It can be political or diplomatic. It can be economic or military. It can be moral or spiritual leadership. Leadership can take any one of these forms, or it can be a combination of them.

Leadership should not be confused with either unilateralism or universalism. We need not respond by ourselves to each and every outrage of violence. The fact that America can act does not mean that it must. A nation's sense of idealism need not be at odds with its interests, nor does principle displace prudence.

No, the United States should not seek to be the world's policeman. There is no support abroad or

at home for us to play this role, nor should there be. We would exhaust ourselves in the process, wasting precious resources needed to address those problems at home and abroad that we cannot afford to ignore.

But in the wake of the cold war, in a world where we are the only remaining superpower, it is the role of the United States to marshal its moral and material resources to promote a democratic peace. It is our responsibility, it is our opportunity to lead. There is no one else.

Leadership cannot be simply asserted or demanded. It must be demonstrated. Leadership requires formulating worthy goals, persuading others of their virtue, and contributing one's share of the common effort and then some. Leadership takes time. It takes patience. It takes work.

Some of this work must take place here at home. Congress does have a constitutional role to play. Leadership therefore also involves working with the Congress and the American people to provide the essential domestic underpinning if U.S. military commitments are to be sustainable.

This is what our administration, the Bush administration, has tried to do. When Saddam Hussein invaded Kuwait, it was the United States that galvanized the U.N. Security Council to act and then mobilized the successful coalition on the battlefield. The pattern not exactly the same but similar in Somalia: First the United States underscored the importance of alleviating the growing tragedy, and then we organized humanitarian efforts designed to bring hope, food, and peace.

At times, real leadership requires a willingness to use military force. And force can be a useful backdrop to diplomacy, a complement to it, or, if need be, a temporary alternative.

As Commander in Chief, I have made the difficult choice to use military force. I determined we could not allow Saddam's forces to ravage Kuwait and hold this critical region at gunpoint. I thought then, and I think now, that using military force to implement the resolutions of the U.N. Security Council was in the interest of the United States and the world community. The need to use force arose as well in the wake of the Gulf war, when we came to the aid of the peoples of both northern and southern Iraq. And more recently, as I'm sure you know, I determined that only the use of force could stem this human tragedy of Somalia.

The United States should not stand by with so many lives at stake and when a limited deployment of U.S. forces, buttressed by the forces of other countries and acting under the full authority of the United Nations, could make an immediate and dramatic difference, and do so without excessive levels of risk and cost. Operations Provide Comfort and Southern Watch in Iraq and then Operation Restore Hope in Somalia all bear witness to the wisdom of selected use of force for selective purposes.

Sometimes the decision not to use force, to stay our hand, I can tell you, it's just as difficult as the decision to send our soldiers into battle. The former Yugoslavia, well, it's been such a situation.

There are, we all know, important humanitarian and strategic interests at stake there. But up to now it's not been clear that the application of limited amounts of force by the United States and its traditional friends and allies would have had the desired effect, given the nature and complexity of that situation.

Our assessment of the situation in the former Yugoslavia could well change if and as the situation changes. The stakes could grow; the conflict could threaten to spread. Indeed, we are constantly reassessing our options and are actively consulting with others about steps that might be taken to contain the fighting, protect the humanitarian effort, and deny Serbia the fruits of aggression.

Military force is never a tool to be used lightly or universally. In some circumstances it may be essential, in others counterproductive. I know that many people would like to find some formula, some easy formula to apply, to tell us with precision when and where to intervene with force. Anyone looking for scientific certitude is in for a disappointment. In the complex new world we are entering, there can be no single or simple set of fixed rules for using force. Inevitably, the question of military intervention requires judgment. Each and every case is unique. To adopt rigid criteria would guarantee mistakes involving American interests and American lives. And it would give would-be troublemakers a blueprint for determining their own actions. It could signal U.S. friends and allies that our support was not to be counted on.

Similarly, we cannot always decide in advance which interests will require our using military force to protect them. The relative importance of an interest is not a guide: Military force may not be the best way of safeguarding something vital, while using force might be the best way to protect an interest that qualifies as important but less than vital.

But to warn against a futile quest for a set of hard-and-fast rules to govern the use of military force is not to say there cannot be some principles to inform our decisions. Such guidelines can prove useful in sizing and, indeed, shaping our forces and in helping us to think our way through this key question.

Using military force makes sense as a policy where the stakes warrant, where and when force can be effective, where no other policies are likely to prove effective, where its application can be limited in scope and time, and where the potential benefits justify the potential costs and sacrifice.

Once we are satisfied that force makes sense, we must act with the maximum possible support. The United States can and should lead, but we will want to act in concert, where possible involving the United Nations or other multinational grouping. The United States can and should contribute to the common undertaking in a manner commensurate with our wealth, with our strength. But others should also contribute militarily, be it by providing combat or support forces, access to facilities or bases, or overflight rights. And similarly, others should contribute economically. It is unreasonable to expect the United States to bear the full financial burden of intervention when other nations have a stake in the outcome.

A desire for international support must not become a prerequisite for acting, though. Sometimes a great power has to act alone. I made a tough decision -- I might say, on advice of our outstanding military leaders who are so well known to everybody here -- to use military force in Panama when American lives and the security of the Canal appeared to be threatened by outlaws who stole power in the face of free elections. And similarly, we moved swiftly to safeguard democracy in the Philippines.

But in every case involving the use of force, it will be essential to have a clear and achievable mission, a realistic plan for accomplishing the mission, and criteria no less realistic for withdrawing U.S. forces once the mission is complete. Only if we keep these principles in mind will the potential sacrifice be one that can be explained and justified. We must never forget that using force is not some political abstraction but a real commitment of our fathers and mothers and sons and daughters, brothers and sisters, friends and neighbors. You've got to look at it in human terms.

In order even to have the choice, we must have available adequate military forces tailored for a wide range of contingencies, including peacekeeping. Indeed, leading the effort toward a new world order will require a modern, capable military, in some areas necessitating more rather than less defense spending. As President, I have said that my ability to deploy force on behalf of U.S. interests abroad was made possible because past Presidents, and I would single out in particular my predecessor, Ronald Reagan, and past Secretaries of Defense sustained a strong military. Consistent with this sacred trust, I am proud to pass on to my successor, President-elect Clinton, a military second to none. We have the very best.

Yet, it is essential to recognize that as important as such factors are, any military is more than simply the sum of its weapons or the state of its technology. What makes any armed force truly effective is the quality of its leadership, the quality of its training, the quality of its people.

We have succeeded abroad in no small part because of our people in uniform. The men and women in our Armed Forces have demonstrated their ability to master the challenges of modern warfare. And at the same time, and whether on the battlefield of Iraq or in some tiny little village in Somalia, America's soldiers have always brought a quality of caring and kindness to their mission. Who will ever forget -- I know I won't -- those terrified Iraqi soldiers surrendering to American troops? And who will forget the way the American soldier held out his arms and said, ``It's okay. You're all right now.'' Or in Somalia, the young marine, eyes filled with tears, holding the fragile arm of an emaciated child. There can be no doubt about it: The All Volunteer Force is one of the true success stories of modern day America.

It is instructive to look at just why this is so. At its heart, a voluntary military is based upon choice -- you all know that -- the decision freely taken by young men and women to join, the decision by more mature men and women to remain. And the institution of the Armed Forces has thrived on its commitment to developing and promoting excellence. It is meritocracy in action.

Race, religion, wealth, background count not. Indeed, the military offers many examples for the rest of society, showing what can be done to eradicate the scourge of drugs, to break down the barriers of racial discrimination, to offer equal opportunity to women.

This is not just a result of self-selection. It also reflects the military's commitment to education and training. You know, people speak of defense conversion, the process by which the defense firms retool for civilian tasks. Well, defense conversion within the military has been going on for years. It is the constant process of training and retraining, which the military does so well, that allows individuals to keep up with the latest technology, take on more challenging assignments, and prepare for life on the outside.

Out of this culture of merit and competition have emerged hundreds of thousands of highly skilled men and women brimming with real self-confidence. What they possess is a special mix of discipline, a willingness to accept direction, and the confidence, a willingness to accept responsibility. Together, discipline and confidence provide the basis for winning, for getting the job done.

There is no higher calling, no more honorable choice than the one that you here today have made. To join the Armed Forces is to be prepared to make the ultimate sacrifice for your country and for your fellow man.

What you have done, what you are doing, sends an important message, one that I fear sometimes gets lost amidst today's often materialist, self-interested culture. It is important to remember, it is important to demonstrate that there is a higher purpose to life beyond one's self. Now, I speak of family, of community, of ideals. I speak of duty, honor, country.

There are many forms of contributing to this country, of public service. Yes, there is government. There is voluntarism. I love to talk about the thousand Points of Light, one American helping another. The daily tasks that require doing in our classrooms, in our hospitals, our cities, our farms, all can and do represent a form of service. In whatever form, service benefits our society, and it ennobles the giver. It is a cherished American concept, one we should continue to practice and pass on to our children.

This was what I wanted to share on this occasion. You are beginning your service to country, and I am nearing the end of mine. Exactly half a century ago, in June of 1942, as General Graves mentioned, we were at war, and I was graduating from school. The speaker that day at Andover was the then-Secretary of War, Henry Stimson. And his message was one of public service, but with a twist -- on the importance of finishing one's schooling before going off to fight for one's country. I listened closely to what he had to say, but I didn't take his advice. And that day was my 18th birthday. And when the commencement ceremony ended, I went on into Boston and enlisted in the Navy as a seaman 2d class. And I never regretted it.

You, too, have signed up. You, too, will never regret it. And I salute you for it. Fortunately, because of the sacrifices made in years before and still being made, you should be able to complete this phase of your education.

A half century has passed since I left school to go into the service. A half century has passed since that day when Stimson spoke of the challenge of creating a new world. You will also be entering a new world, one far better than the one I came to know, a world with the potential to be far better yet. This is the challenge. This is the opportunity of your lifetimes. I envy you for it, and I wish you Godspeed. And while I'm at it, as your Commander in Chief, I hereby grant amnesty to the Corps of Cadets.

Thank you all very much. Thank you. Thank you very, very much. Good luck to all of you. Warm up here. Good luck to you guys. Thank you.

Note: The President spoke at 1:22 p.m. in the Washington Mess Hall at the U.S. Military Academy. In his remarks, he referred to Lt. Gen. Howard D. Graves, USA, Superintendent of the Academy, and his wife, Gracie; Gen. Gordon R. Sullivan, USA, Chief of Staff of the Army; Brig. Gen. Robert Foley, USA, Commandant of the Academy; Brig. Gen. Gerald R. Galloway, USA, Dean of the Academy; Cadet Shawn Daniel, 1st Capt., U.S. Corps of Cadets; and Gen. John R. Galvin, USA, Ret., visiting professor in the Academy's department of social science.

Letter to Congressional Leaders Reporting on the Cyprus Conflict

January 5, 1993

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95 - 384 (22 U.S.C. 2373(c)), I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question. This report covers the months of September and October and, for the sake of continuity and completeness, the first 12 days of November 1992. Also, included with this report are the U.N. Secretary General's report on the October-November negotiating round and U.N. Security Council Resolution 789, which endorsed that report, both of which were issued in the latter half of November 1992.

Most of the September-October reporting period was taken up with preparations for the resumption of U.N.-sponsored Cyprus negotiations scheduled for October 26. During the second and third weeks of September, Ambassador Nelson Ledsky made his last trip to Cyprus, Greece, and Turkey before retiring September 30 and relinquishing his position as Special Cyprus Coordinator to Ambassador John Maresca. During his visit to the area, Ambassador Ledsky discussed the status and future of the negotiations with President Vassiliou of Cyprus, Turkish Cypriot Leader Rauf Denktash, Prime Minister Demirel of Turkey, and Prime Minister Mitsotakis of Greece.

During the third week of September, the first week of the 1992 Session of the United Nations General Assembly, then Acting Secretary of State Lawrence Eagleburger met in New York with President Vassiliou, Greek Foreign Minister Papakonstantinou, and Turkish Foreign Minister Cetin. Ambassador Ledsky, accompanied by his designated successor, Ambassador John Maresca, had additional separate meetings with President Vassiliou, Foreign Ministers Papakonstantinou and Cetin, and representatives of the Turkish Cypriot community.

Ambassador Maresca traveled to Cyprus, Greece, and Turkey during the second and third weeks of October to do more preparatory work for the talks in New York that were scheduled to resume on October 26. During the same period, the U.N. Secretary General's representatives traveled to Cyprus, Greece, and Turkey to prepare for the talks.

Face-to-face meetings between President Vassiliou and Mr. Denktash under the chairmanship of the U.N. Secretary General resumed on October 28 in New York, a 2-day delay having been caused by problems related to the way titles of the two leaders were listed in the U.N. Secretariat daily agenda. Between October 28 and November 11, there were 10 joint meetings, during which the Secretary General recorded in detail the positions of the two parties on the U.N. ``set of ideas'' for a framework for a Cyprus settlement. (A copy of the ``set of ideas'' was appended to the

Secretary General's report of August 21, 1992, which was provided with my last letter on this subject.)

Having noted the positions of the parties, the Secretary General prepared a ``non-paper'' setting out the essential elements of the positions of both sides, along with relevant parts of the ``set of ideas'' and U.N. resolutions. Both sides confirmed that their respective positions were accurately reflected in the Secretary General's ``non-paper.''

The Secretary General's report to the Security Council of November 19, 1992, on his good offices mission in Cyprus, which is attached, went into some detail on the positions of the two parties, and noted that in some areas the Turkish Cypriot side deviated from the U.N. ``set of ideas.'' The Secretary General also noted that, although the Greek Cypriot side declared it accepted provisions of the ``set of ideas,'' such declarations were frequently accompanied by provisos. He stated that these questions should be cleared up in a manner that does not deviate from the ``set of ideas.''

The Secretary General, in paragraph 59 of his report, indicated that intensive efforts had failed to produce an overall agreement, and he concluded that the lack of political will mentioned in his previous report ``continues to block the conclusion of an agreement that is otherwise within reach.'' He noted in the following paragraph that the Security Council had asked in its Resolution 774 (provided with my last letter) that, should an agreement not be reached, the Secretary General should recommend alternative courses of action to resolve the Cyprus problem. Subsequent paragraphs outline his proposals, including a number of measures to help create a new climate of confidence between the two parties, which would contribute to the success of the negotiating process. These confidence-building measures are outlined in paragraph 63 of the Secretary General's report.

On November 25, the U.N. Security Council adopted its Resolution 789, which endorsed the U.N. Secretary General's report of November 19, and urged both sides to commit themselves to the Secretary General's series of confidence-building measures, including initiating a significant reduction of foreign troops and defense spending on the island.

I am happy to note that, before departing New York in November, the parties agreed to resume their face-to-face negotiations in March 1993, which will be after the presidential elections in the Republic of Cyprus scheduled for February 7, 1993. We would have preferred, of course, that the October-November round of negotiations would have proceeded beyond the point of defining positions and differences and would have entered the phase of bridging gaps between the positions of the parties and the U.N. ``set of ideas,'' including the Secretary General's map, which remains the basis for negotiations for a fair and permanent resolution that would benefit all Cypriots.

I continue to believe and to agree with the statement in Security Council Resolution 789 that the present status quo is not acceptable. An overall agreement in line with the U.N. ``set of ideas''

should be achieved without further delay. I also urge all concerned to commit themselves to the implementation of the confidence-building measures set out in Resolution 789 and to come to the next round of talks prepared to make the difficult decisions that will bring about a speedy agreement.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Claiborne Pell, Chairman of the Senate Committee on Foreign Relations.

Letter to Congressional Leaders Transmitting Forest Service Reports

January 7, 1993

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to transmit to the Congress three study reports prepared by the Department of Agriculture's Forest Service. I support the recommendations provided by the Secretary of Agriculture in each of these reports. The three reports are:

(1) Wild and Scenic River study and draft legislation to designate 19.4 miles of the Red River in Kentucky as part of the National Wild and Scenic Rivers System.

(2) Wild and Scenic River study and recommendation for designation of 133 miles of the Greenbrier River in West Virginia as a component of the National Wild and Scenic Rivers System under State administration and jurisdiction.

(3) Wilderness study report for the Pyramid Peak Wilderness Study Area in California with a recommendation that this area be released from further consideration for wilderness designation. Current management will emphasize nonmotorized, dispersed recreation, essentially maintaining the area in an undeveloped state.

Red River:

I am particularly pleased to transmit legislation to designate 19.4 miles of the Red River as a component of the National Wild and Scenic Rivers System. Designation of the Red River received strong public support during the study, and this would be the first Wild and Scenic River designated in the State of Kentucky.

The natural, scenic, and recreational qualities of the Red River are unique and irreplaceable resources. The majority of the river corridor is within the Red River National Geologic Area, a ``geological wonderland'' of sedimentary rock formations unique to that area and the United States. The Red River also flows through the scenic Clifty Wilderness for a distance of 4.5 miles.

Recreational use of the Red River and adjacent lands totaled over 200,000 visitor days in 1990. This figure is expected to increase in the future, as approximately 94 million people presently live within a day's drive of the Red River.

Greenbrier River:

The Greenbrier River in West Virginia was studied by the Forest Service, in cooperation with the State of West Virginia and local communities. The Secretary recommends that 133 miles of the river be added to the System through local and State initiatives.

Outstanding outdoor recreation values are associated with the Greenbrier River and its corridor lands. Recreation activities include boating, whitewater canoeing, primitive and developed site camping, hiking, fishing, hunting, spelunking, and cross-country skiing. In recognition of these values, the State of West Virginia has already included the main stem of the Greenbrier River below Knapps Creek under the West Virginia Natural Streams Preservation Act. This Act maintains the free-flowing character of that portion of the river. This indicates the considerable support by local residents and interest groups for protection of the values of the river corridor, provided such protection is under local management control.

Under the approach recommended by the Secretary, the decision to seek designation as a Wild and Scenic River would be the prerogative of the State. First, the West Virginia State legislature would include the remainder of the upper Greenbrier River under the West Virginia Natural Streams Preservation Act. Second, a group would be formed locally to develop a proposed management plan for the river, which would be reviewed and approved by the Governor. The Governor would then recommend to the Secretary of the Interior that the Greenbrier River be federally designated under section 2(a)(ii) of the Wild and Scenic Rivers Act. If the Secretary approves, the river would be so designated, and the State would have the primary responsibility for administration of the river according to the management plan. I am hopeful that the State of West Virginia will assume this responsibility.

This emphasis on local control is recommend over Federal administration of the river because the State of West Virginia already manages a significant portion of the river corridor lands and the recreational activities associated with the river. In addition, the corridor includes a significant acreage of private lands that can be most effectively managed through local land-use controls and landowner participation. Landowners are particularly concerned that Federal administration would impact management and use of their private lands. I believe that the Secretary's recommendation provides for protection of the river's natural values, while maintaining control at the local level.

Pyramid Peak:

The third report addresses the Pyramid Peak Planning Area in the San Bernardino National Forest in California. The Congress directed that this area be studied as a potential Wilderness Area in the California Wilderness Act of 1984. The suitability of this area for inclusion in the National Wilderness Preservation System was analyzed in the San Bernardino National Forest Plan, which was implemented in 1989. The Forest Plan decision was to allocate this area to a management prescription that emphasizes nonmotorized, dispersed recreation management, essentially maintaining the area in an undeveloped state. This management direction has advantages over

wilderness designation because it provides for development of habitat improvement projects, both for the bighorn sheep and other wildlife species in the area. Nonwilderness management will also allow treatment of vegetation to enhance resources such as water yield and to reduce fuel accumulations. I support the Secretary's recommendation and request that the Pyramid Peak Planning Area be released from further consideration for wilderness designation.

Transmittal of these recommendations to the Congress fulfills the requirements of section 5(b) of the Wild and Scenic Rivers Act and section 102 of the California Wilderness Act of 1984. I urge the Congress to pass legislation designating the Red River as a component of the National Wild and Scenic Rivers System. I also request that the Congress take no action at this time to designate the Greenbrier River as a Wild and Scenic River or include the Pyramid Peak Planning Area in the National Wilderness Preservation System.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Transmitting Proposed Legislation on Colorado Public Lands Wilderness Designation

January 7, 1993

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to submit for congressional consideration and passage the ``Colorado Public Lands Wilderness Act''.

The Federal Land Policy and Management Act of 1976 (FLPMA), (43 U.S.C. 1701 et seq.), directs the Secretary of the Interior to review the wilderness potential of the public lands.

The review of the areas identified in Colorado began immediately after the enactment of FLPMA and has now been completed. Approximately 771,822 acres of public lands in 54 areas in Colorado met the minimum wilderness criteria and were designated as wilderness study areas (WSAs). These WSAs were studied and analyzed during the review process and the results documented in eight environmental impact statements and five instant study area reports. The wilderness studies and reviews have now been completed except for four areas that are contiguous to the Sangre de Cristo Study Area administered by the U.S. Forest Service and were studied under section 202 of FLPMA. They will remain under wilderness review pending resolution of the Sangre de Cristo study.

Based on the studies and reviews of the WSAs, the Secretary of the Interior recommends that all or part of 20 of the WSAs, totaling 395,792 acres of public lands, be designated as part of the National Wilderness Preservation System.

I concur with the Secretary of the Interior's recommendations and am pleased to recommend designation of the 18 areas (395,792 acres) identified in the enclosed bill as additions to the National Wilderness Preservation System.

The proposed additions represent the diversity of wilderness values in the State of Colorado. These range from the 14,000-foot Redcloud Peak to the canyons of the Dolores, Gunnison, and Yampa Rivers, to the 13 natural arches of the Black Ridge Canyons. These areas span a wide variety of Colorado landforms, ecosystems, and other natural systems and features. Their inclusion in the wilderness system will improve the geographic distribution of wilderness areas in Colorado, and will complement existing areas of congressionally designated wilderness. They will provide new and outstanding opportunities for solitude and unconfined recreation.

The enclosed draft legislation provides that designation as wilderness shall not constitute a

reservation of water or water rights for wilderness purposes. This is consistent with the fact that the Congress did not establish a Federal reserved water right for wilderness purposes. The Administration has established the policy that, where it is necessary to obtain water rights for wilderness purposes in a specific wilderness area, water rights would be sought from the State by filing under State water laws. Furthermore, it is the policy of the Administration that the designation of wilderness areas should not interfere with the use of water rights, State water administration, or the use of a State's interstate water allocation.

The draft legislation also provides for access to wilderness areas by Indian people for traditional cultural and religious purposes. Access by the general public may be limited in order to protect the privacy of religious cultural activities taking place in specific wilderness areas. In addition, to the fullest extent practicable, the Department of the Interior will coordinate with the Department of Defense to minimize the impact of any overflights during these religious cultural activities.

I further concur with the Secretary of the Interior that all or part of 46 of the WSAs encompassing 376,030 acres are not suitable for preservation as wilderness.

Also enclosed are a letter and report from the Secretary of the Interior concerning the WSAs discussed above and a section-by-section analysis of the draft legislation. I urge the Congress to act expeditiously and favorably on the proposed legislation so that the natural resources of these WSAs in Colorado may be protected and preserved.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Transmitting Proposed Legislation on Montana Public Lands Wilderness Designation

January 7, 1993

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to submit for congressional consideration and passage the ``Montana Public Lands Wilderness Act''.

The Federal Land Policy and Management Act of 1976 (FLPMA), (43 U.S.C. 1701 et seq.), directs the Secretary of the Interior to review the wilderness potential of the public lands.

The review of the areas identified in Montana began immediately after the enactment of FLPMA and has now been completed. Approximately 470,443 acres of public lands in 46 areas in Montana met the minimum wilderness criteria and were designated as wilderness study areas (WSAs). Six WSAs containing 17,880 acres were subsequently released from further wilderness review through the Bureau of Land Management's land use planning process, and four other small areas containing approximately 5,236 acres will be studied in future land use plans and are not included in the recommendations. The remaining 36 areas were studied and analyzed during the review process and the results documented in nine environmental impact statements and two instant study area reports.

Based on the studies and reviews of the WSAs, the Secretary of the Interior recommends that all or part of 15 of the WSAs, totaling 173,499 acres of public lands, be designated as part of the National Wilderness Preservation System.

I concur with the Secretary of the Interior's recommendations and am pleased to recommend designation of the 15 areas identified in the enclosed bill as additions to the National Wilderness Preservation System.

The proposed additions represent the diversity of wilderness values in the State of Montana. These range from the badlands and prairie areas of eastern Montana to the peaks of the Rocky Mountains in the western part of the State. These areas span a wide variety of Montana landforms, ecosystems, and other natural systems and features. Their inclusion in the wilderness system will improve the geographic distribution of wilderness areas in Montana, and will complement existing areas of congressionally designated wilderness. They will provide new and outstanding opportunities for solitude and unconfined recreation.

The enclosed draft legislation provides that designation as wilderness shall not constitute a

reservation of water or water rights for wilderness purposes. This is consistent with the fact that the Congress did not establish a Federal reserved water right for wilderness purposes. The Administration has established the policy that, where it is necessary to obtain water rights for wilderness purposes in a specific wilderness area, water rights would be sought from the State by filing under State water laws. Furthermore, it is the policy of the Administration that the designation of wilderness areas should not interfere with the use of water rights, State water administration, or the use of a State's interstate water allocation.

The draft legislation also provides for access to wilderness areas by Indian people for traditional cultural and religious purposes. Access by the general public may be limited in order to protect the privacy of religious cultural activities taking place in specific wilderness areas. In addition, to the fullest extent practicable, the Department of the Interior will coordinate with the Department of Defense to minimize the impact of any overflights during these religious cultural activities.

I further concur with the Secretary of the Interior that all or part of 30 of the WSAs encompassing 273,828 acres are not suitable for preservation as wilderness.

Also enclosed are a letter and report from the Secretary of the Interior concerning the WSAs discussed above and a section-by-section analysis of the draft legislation. I urge the Congress to act expeditiously and favorably on the proposed legislation so that the natural resources of these WSAs in Montana may be protected and preserved.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks to Central Intelligence Agency Employees in Langley, Virginia

January 8, 1993

Anything to keep from having to go back to work. I know how it is. [Laughter] But listen, it's the other way around. I came out here to thank you all for fantastic support for your country in so many ways. And of course, I want to thank Bob Gates, my right-hand person and trusted adviser when at the White House, and then thank him for the superb job he's done out here.

It's great to be back at Langley. I guess the last time I was out here was when Bob Gates was sworn in as DCI. I have loved this warm welcome back, wandering through the halls out there, and now this. I just can't get over it. I feel very welcome. And I want to thank each and every one of you.

Last November when Bob became Director, I noted that the men and women of the intelligence community faced a new mission in a dramatically different world. I stated then, and I'd like to just repeat it now, that we must not diminish our intelligence. There are big changes. I think the world may be perceived to be more peaceful, but in my view, the need for intelligence is as great as ever. You're doing a great job. And I will try to be a voice after I leave in a few more days for keeping this intelligence community the strongest, the best in the entire world, which it is now.

I do think there have been dramatic changes. I had a chance to visit with some of the analysts and operators upstairs. We talked about the visit that Barbara and I had to the Soviet Union -- what used to be the Soviet Union; I've got to learn to say Russia now -- but with Yeltsin. And I think that the work of this Agency and of the intelligence community through the years really probably will never get the credit that it deserves for effecting these changes, for your role in bringing about these changes and having Presidents hopefully make informed decisions on the world we face. But we did manage to work out with Yeltsin a treaty over there, finalize a treaty that many here in one way or another contributed to that does provide great hope for a better and safer world. So I'm very happy that we were able to conclude that treaty before I go back to Houston, Texas, on January 20th.

But we can't fool ourselves. Those who would challenge us, and we're seeing it right now as we try to decide what we should do over in Iraq, those who would challenge freedom's gains are many. We continue to face threats in the world of terrorism where a lot of good work has been the antiterrorist work. And the intelligence contributing to that out here has been fantastic. Many here are concerned about and have worked on weapons proliferation. And of course, I remain very much concerned about that. I had a little briefing on just a corner of the world on narcotics trafficking. And here the Agency and the community is doing a superb job on the intelligence for that. Economic security -- I salute those who are involved in the economic side of our intelligence. And all of these things must continue, and all of these accounts must be strongly

serviced.

So I come back to the point that the threats we face are real. We need more intelligence, not less, if we're to meet the challenge. We've got to have the best possible intelligence as we work for peace and decency and respect for the rule of law.

I wish all of you could have been with me on this visit to Somalia. It was very moving. And we are doing the right thing. But I'll tell you, when you say respect for the law, there isn't any there. We've got to conduct ourselves in such a way in the last days of our administration, and I'm sure the new President will feel the same way, to demonstrate America's lasting respect for law. And again, this Agency and the people, all the people here in one way or another, I think, point out the fact that we must work for peace, for decency, and respect for the rule of law.

So this is not a time to claim victory and turn our backs on the intelligence needs of the future. And as we face a more turbulent and unpredictable world, and as our military forces are being reduced, I just don't think that we ought to be contemplating significant reductions in the intelligence budget. I'm going to be glad to convey that on to those who follow General Scowcroft and Bob Gates and me.

So let me just say that the work you've done has always been hard. There's no question about that. I think of the operations side, particularly, but it's true on the intelligence side, everything. The dangers that we face as a country are real. I still get emotionally convinced of that when I see the stars out in the hall of this building. I just think that the Nation is very fortunate to have the service of everybody here. You don't get to sit at the head table quite as much as I have in my last incarnations, and you don't get saluted as much as perhaps others in different Departments, but you deserve a great deal of credit. So I came to say, thank you.

And now before I depart, I have one last matter that I want to do. And I would like to -- I don't know -- Bob, is Becky out here? Where is she? Right in front. Becky, come on up here, and the kids as well. I want to get the Gates family here. And it gives me great pleasure, particularly surrounded by people who have worked with Bob, to honor him here as a distinguished public servant by awarding him the National Security Medal. This is the highest medal that a President can give for national security.

I have a long list here that some very thorough speechwriter wrote out about Bob Gates' accomplishments, his record, his service to his country, but I expect people here know this better than most. But you ought to know how much I trust him, admire him, and respect him. I will ask -- -- [applause]

So this is the National Security Medal. And if there's ever been one that's been well deserved or well earned, it's the one I present now with great pride to Bob Gates, Director of Central Intelligence.

Is that it? We're out of here. Thank you all very much. Thanks a lot.

Note: The President spoke at 1:15 p.m. at the Central Intelligence Agency headquarters.

Letter to Congressional Leaders Transmitting a Report on Alaska's Mineral Resources

January 8, 1993

Dear Mr. Speaker: (Dear Mr. President:)

I transmit herewith the 1992 Annual Report on Alaska's Mineral Resources, as required by section 1011 of the Alaska National Interest Lands Conservation Act (Public Law 96 - 487; 16 U.S.C. 3151). This report contains pertinent public information relating to minerals in Alaska gathered by the U.S. Geological Survey, the Bureau of Mines, and other Federal agencies. This report is significant because of the importance of the mineral and energy resources of Alaska to the future well-being of the Nation.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement by Press Secretary Fitzwater on the Situation in Iraq

January 8, 1993

We continue to keep the situation in Iraq under close scrutiny. We have observed no penetrations by Iraqi aircraft of the no-fly zone below 32 degrees north latitude since Wednesday's coalition warning. The disposition of surface-to-air missiles specified in the January 6 warning is less clear. There has been a good deal of movement involving these missiles, but we are still in the process of determining whether Iraq is in compliance with the terms of the coalition demarche.

Letter to Congressional Leaders Transmitting the Report on Federal Advisory Committees

January 11, 1993

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the requirements of section 6(c) of the Federal Advisory Committee Act, as amended (Public Law 92 - 463; 5 U.S.C. App. 2, sec. 6(c)), I hereby transmit the Twenty-first Annual Report on Federal Advisory Committees for fiscal year 1992.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Transmitting the Report of the Commodity Credit Corporation

January 11, 1993

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the provisions of section 13, Public Law 806, 80th Congress (15 U.S.C. 714k), I transmit herewith the report of the Commodity Credit Corporation for fiscal year 1989.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks at a Disability Community Tribute to the President

January 12, 1993

Thank you all for this honor. You talk about a sea of friendly faces. I'll get in trouble for singling some out and leaving out others, but certainly Evan Kemp and Justin, Justin Dart; Dick and Ginny Thornburgh here; Pat Wright; Judi Chamberlin; Tom McKeithan; Doro, my daughter; King Jordan, Dr. I. King; and of course, Senator Bob Dole and other Members of Congress here. I think of my receiving this, and I think of all Bob has done over the years. I pale by comparison, my efforts. I see Steny Hoyer over here, who's committed and has worked very hard as a Member of Congress; Tony Coelho, the same thing, as a leader in the Congress; Norm Mineta here with us today; had a lovely letter from Tom Harkin -- I can't remember ever agreeing with Tom Harkin on anything other than this, and he points that out to me in the letter. [Laughter] I think it bespeaks the breadth of the interest in the Americans with Disabilities Act, and I appreciate it very much. Of course, I'd be remiss if I didn't single out Boyden Gray, who was working very hard. And she and Pat going steady for a while as even she admitted. You talk about the odd couple, that's it. But nevertheless -- [laughter].

But I make this point because this cause or this legislation really moved across all barriers. Whether it's liberal or conservative or Democrat or Republican, it was wonderful the way the people in this room and people all across this country came together to do something good.

And so I am very grateful to be over here. Doro is right; Barbara wanted to be here. And I wish she were here, because the more she packs boxes over there, the more irritable she gets. [Laughter] But serious -- no, Bar, if you're listening -- [laughter]. I know her.

But the irony is that so many people here today, because of their dedication and, yes, their hard work that led to the passage of the ADA, deserve to receive this honor. I really feel this way. Some of you have been fighting for that act for year after year after year. And on the eve of my departure from the Office of Presidency, I am just delighted to have this opportunity to meet again with those who shared in one of its finest moments, this country's finest moments: the proposal, the passage, and the signing of the most comprehensive civil rights bill in the history of this country and indeed the history of the world, the Americans with Disabilities Act.

ADA runs deep in the vein of the American tradition, and that is, a belief in equal opportunity -- we heard it over here from Ms. Chamberlin -- devotion to individual rights, the ethic really of inclusion. Resisting the extremes of either negligence or patronization, the act reflects a conservative way of helping people, one that helps others help themselves.

At the beginning of this century, one African American bishop described his aspiration for civil rights saying, we ask not that others bear our burdens, but don't obstruct our pathway, and we'll

throw them off, throw off those burdens as we run. In the same spirit, the 43 millions with disabilities have asked, to paraphrase President Kennedy, not that their country can do for them but only that they be allowed to do for themselves, and thereby their country. I believe that the economic challenges of the next century cannot, simply cannot, be met without the energy and the intelligence of, the industry of every citizen. ADA broadens our economic mainstream so that all Americans can share in the responsibilities and rewards of hard work worth doing.

A few critics -- Bob knows this well from his leadership role in the Congress -- have complained about the costs of ADA, as if some rights were simply too expensive. But when you add together Federal, State, local, and private funds, it's been costing almost $200 billion annually to support our disabled in artificial isolation. And this legislation takes an economic inefficiency and reinvents it then as opportunity and enterprise.

Indeed, I believe that the costs of forgotten citizens is greater than any that can be factored into some Government budget. And when we neglect the rights of some, we simply degrade the rights of all. The quest for civil rights is not a zero sum game, as if there were only so many rights to go around. Our founders thought of rights not as privileges granted by man but as self-evident truths ordained by God.

But just as our Constitution pledges equality under law, so we must strive for legal equality, one that broadens opportunity, increases access, and gives each citizen a fair shot at the American dream. And the beautiful thing is this legislation does just that, not by setting up new institutions but by tearing down old walls. And you see, I believe that in the end it will take more than better regulations and bigger bureaucracies to make this land the land of opportunity for all.

Government can certainly make good laws; it can't make men good. It can ban unfair acts; it can't banish unkind thoughts. And so it's up to us to reach out to those Americans disabled by ignorance or handicapped by prejudice and teach them a better way. Each American shares a responsibility for a kinder, gentler America, to follow the example that so many of you in this room have led with your lives.

I'm not sure I know exactly what I'll be doing a few months from now, but I want to say this: I want to stay involved. I want to help. I'll be a private citizen, not sitting at the head table, out of the Government limelight, but I want to help. I want to stay involved in this kind of important work.

I'm not sure how historians will record the fact that the first George Bush Medal was given to George Bush. [Laughter] There seems something a little contradictory perhaps on that. But you've made me very happy. And I admire you. I respect you. I love you, and I wish you all well.

Thank you, and may God bless you all.

Note: The President spoke at 2:20 p.m. at the Capital Hilton. In his remarks, he referred to Evan Kemp, Chairman, Equal Employment Opportunity Commission; Justin Dart, Chairman, President's Committee on Employment of People with Disabilities; former Attorney General Dick Thornburgh and his wife, Ginny; Patrisha Wright, government affairs director, Disability Rights Education and Defense Fund, Inc.; Judi Chamberlin, coordinating committee member, National Association of Psychiatric Survivors; Thomas McKeithan II, Benjamin Banneker High School student; and Dr. I. King Jordan, president, Gallaudet University.

Remarks on Presenting the Presidential Medal of Freedom to President Ronald Reagan

January 13, 1993

President Reagan, you can see from that welcome how we all feel about your and Nancy's return to this house that you graced. We're delighted to welcome you back here. And of course, I want to send my special greetings to those who served in the Reagan Cabinet and to the Reagan family. And it's a pleasure to welcome all of you back here to the White House.

Being President has its privileges. And this morning I have the privilege to present America's highest civilian award, the Presidential Medal of Freedom, with distinction, to my predecessor, the 40th President of the United States. Today we honor the American life of an American original. We all remember the movie in which he once said, ``Win one for the Gipper." Well, as President, Ronald Reagan helped win one for freedom, both at home and abroad. And I consider him my friend and mentor, and so he is. And he's also a true American hero.

Just think of the whistlestops that ring unsummoned, like a postcard from the past: Dixon, Tampico, Eureka College, WHO radio in Des Moines. Always Ronald Reagan embodied the heart of the American people. And once he described it as ``hopeful, big-hearted, idealistic, daring, decent, and fair."

Ronald Reagan didn't just make the world believe in America; he made Americans believe in themselves. And I remember Inauguration Day in 1981 and how the clouds -- maybe you remember it -- of a gloomy morning gave way as he began his speech. He turned that winter of discontent into a springtime of possibility.

President Reagan believed in the American people, so he helped the private sector create 19 million new jobs. He knew that Government was too big and spent too much, and so he lowered taxes and spending, cut redtape, and began a peacetime boom, the longest in American history.

Some men reflect their times. Ronald Reagan changed his times. And nowhere was that more true than abroad where he championed the holy grail of liberty. Mr. President, you helped make ours not only a safer but far better world in which to live. And you yourself said it best. In fact, you saw it coming. We recall your stirring words to the British Parliament. Here were the words: ``the march of freedom and democracy . . . will leave Marxist-Leninism on the ashheap of history."

Few people believe more in liberty's inevitable triumph than Ronald Reagan. None, none was more a prophet in his time. Ronald Reagan rebuilt our military; not only that, he restored its morale. And when I became President, President Reagan passed on to me the most dedicated and best equipped fighting force that the world has ever seen.

He signed also the INF treaty, the first agreement to eliminate a whole category of nuclear weapons. And it was a treaty that lay the foundation then for START I and the historic START II agreement that President Yeltsin and I signed 2 weeks ago.

Ronald Reagan sought a world where nations could talk, not die, over differences and a world of prosperity, peaceful competition, and freedom without war. And he helped achieve it, helped end the cold war.

When Ronald Reagan's favorite President died in 1945, the New York Times wrote, ``Men will thank God on their knees a hundred years from now that Franklin D. Roosevelt was in the White House." Well, Mr. President, it will not take a hundred years; millions thank God today that you were in the White House.

You loved America, blessed America, and with your leadership certainly helped make America that shining city on a hill. All this explains why today Ronald Reagan becomes only the third President to receive the Medal of Freedom, the first to receive it in his own lifetime. He's a man whose life embodies freedom, who nurtured freedom as few Presidents ever have.

And so now, Mr. President, let me invite you, sir, to join me as Major Wissler reads the citation for the Medal of Freedom. Please come up.

Note: The President spoke at 10:20 a.m. in the East Room at the White House. Maj. John Wissler, USMC, was Marine Corps Aide to the President.

Remarks on Presenting the National Security Medal to Admiral Jonathan T. Howe and an Exchange With Reporters

January 13, 1993

The President. John, welcome. This is a surprise. [Laughter] [Inaudible] -- are very proud to award you the National Security Medal. And I would ask Bill Sittmann to read a very quick citation. We're sorry to blindside you like this, but the only way we knew that you'd show up is if you didn't know about it. [Laughter]

[At this point, William F. Sittmann, Executive Secretary, National Security Council, read the citation, and the President presented the medal.]

The President. Well, that is the understatement of the year, but we are very, very proud of you. And it is well-deserved, and great, honorable service to your country. Particularly, I want to thank you for all you've done here.

[Inaudible] -- this, that goes with it. I thought you looked good sitting over there at that desk -- [laughter]. I hardly got him out of there, I'll tell you. [Laughter]

Allied Action in Iraq

Now, you wanted to ask a question on the military action. Let me simply say that once again the American military, in coalition with strong allies, has performed in a superb fashion. Our planes are all accounted for. I've not yet seen a damage assessment or results of the strike. But they did the right thing, and the coalition did the right thing. I have said before that we are determined that Saddam Hussein will abide by the United Nations resolutions, and we're very serious about that.

I can say with confidence here, and I think it's important, that I'm confident Governor Clinton, the President-elect of the United States, feels that way too. I have talked to him before these strikes hit, and he as much as told me that, and then I've heard statements out of Little Rock. But I think that's a very important message to go not just to our coalition forces, that we have every intention of working together in the future as we have in the past, but to Saddam Hussein who has violated the resolutions.

Q. Do you think it will work?

The President. Well, I don't know what ``work'' means, but I am confident that when I -- I will continue to insist that he abide by these resolutions. We've taken action, and I hope that will convince him he must do that. And I'm as confident that President Clinton will do this and feel

the same way after the 20th.

Q. Did you have any reservations, sir, doing it so close to the end of your term in office?

The President. No, absolutely not. I'm President until the 20th, and I will run foreign policy and make these kinds of decisions as long as I'm President. We will keep the new team fully informed. And I believe they've been very generous and gracious in saying that we have done that. General Scowcroft is in almost daily contact with the transition people from the national security field, and then I know Dick Cheney's had good visits with, as has Larry Eagleburger, with the people coming in. So we'll just keep it closely informed. But I have no reservations at all. You've got to do what you have to do. And there should be no question about that.

Q. Sir, was there any particular action by Saddam that triggered the strike?

The President. Just his failure to live up to the resolutions and then his moving around of these missiles in a way that was unacceptable to the coalition of the United Nations.

Q. Are you prepared to order additional sites to be -- [inaudible] -- --

The President. I will conduct myself until the 20th just as I have in the almost 4 years gone by, and that is, I don't say what we might or might not do. But I would think that soon Saddam Hussein would understand that we mean what we say and that we back it up. And I have no intention of changing that approach to life in the last 6 or 7 days of my Presidency.

Thank you very much. I should say I'm very proud of the pilots and those who supported the pilots. Once again, we see what superb training we have and what dedicated young people are out there. I must say I worried when I heard premature stories of this because I hesitate ever -- I would never put a young flyer in harm's way because of leaked information. Fortunately the leaks that occurred on this did not result in the loss of life for any of our pilots. But I will always -- I would just urge everybody to guard against that, whatever administration is here, now or in the future.

Q. Did they encounter any kind of resistance?

The President. We'll have more to say about that when we do a fuller briefing on the mission itself. But any time you divulge plans when somebody's life is at stake, it is not a good thing to do. I just never understood it. I don't like it. I saw it happen today. But that's history now. But we ought to have more responsibility when you risk the life of a single U.S. pilot.

Thank you all very much.

Note: The President spoke at 4:05 p.m. in the Oval Office at the White House.

Statement on Completion of the Chemical Weapons Convention

January 13, 1993

For more than 20 years the United States and many other countries have labored to achieve a ban on chemical weapons. The long-awaited Chemical Weapons Convention is now completed and open for signature.

I have had a deep and abiding personal interest in the success of the effort to ban these terrible weapons. As Vice President, I had the honor on two occasions to address the Conference on Disarmament and to present United States proposals to give impetus to the negotiations. As President, I directed the United States to take new initiatives to advance and conclude the negotiations. The United States is profoundly gratified that these talks have now been successfully concluded.

The countries that participated in the negotiations at the conference on disarmament deserve special congratulations. The Chemical Weapons Convention is uniquely important in the field of arms control agreements. It will improve the security of all nations by eliminating a class of weapons of mass destruction that exists in all quarters of the world and that has been used in recent conflicts. It is a truly stabilizing and nondiscriminatory agreement.

The United States strongly supports the Chemical Weapons Convention and is proud to be an original signatory. We are encouraged that so many other states have also decided to take this step. This clearly demonstrates global international endorsement of the convention and the new norm of international conduct that it establishes. However, we must not cease our efforts until the norm becomes truly universal, with all countries becoming not only signatories but also parties to the convention.

Much work remains to make the convention fully effective. The United States will cooperate closely with other countries to bring the convention into force as soon as possible and to ensure that it is faithfully implemented. Only then will we be able to say that the risk of chemical warfare is no longer a threat to people anywhere in the world.

Remarks at a Celebration of the Points of Light

January 14, 1993

Thank you all very, very much. And I'm just delighted to be with you today to celebrate the work of those wonderful Americans we call Points of Light. And I think our First Lady is a Point of Light. So I salute her for what she's done in literacy and helping this country understand the importance of reading.

There's another guy here who's been a personal Point of Light to me, and that's Gregg Petersmeyer, who many of you know. In a sense it was his dream and his dedication that made all this possible. And Joe and Jenny, your witnessing, your testimony really makes this speech superfluous. I don't need to do it, but I will anyway. [Laughter] But thank you. You said it all with your own lives.

I also want to thank the leaders of three new institutions that have been established in the last 4 years: Tom Ehrlich of the Commission on National and Community Service, Dick Munro of the Points of Light Foundation, and Solon Cousins of the National Center for Community Risk Management and Insurance. And I also want to thank my friends: Ray Chambers, what an inspiration he has been in this whole voluntarism concept; Pete McCloskey; also George Romney, who I hope is here with us today. But we're grateful.

What an honor it is to have Larnelle here, Larnelle Harris, for helping make this event so very special. Anybody that can get up without a pitch pipe or a band and do what he did, we've got to look them over and see what makes him tick. [Laughter] But I'll tell you, his song said it all; his song got right to the heart. And I understand that he's just been nominated for his seventh Grammy Award. And Presidents ought not to do this, but I know who I'm rooting for. So there we are.

But above all, Barbara and I wanted to come over and thank the Points of Light that we're honoring today. I know that many of them have gone to great efforts to get here. And lots of folks ask me about the phrase, Points of Light. And some say it's religion; others say, well, it's a patriotic theme, like the flag; and others think it's an image of hope. But I think that Points of Light are all of these things and yet still something more. It's what happens when ordinary people claim the problems of their community as their own. And it's the inspiration and awakening to the God-given light from within, lit from within, and it's the promise of America.

We've got Points of Light here today from all 50 States, shining all the way from Anchorage to Harlem, Miami to Maine. And never before has there been so much light in this marvelous house. Each of you here today knows what I mean by that. Each of you found within yourselves your own special genius for helping others. And each discovered the imagination to see things that others could not: the human dignity in the eyes of a homeless man; the musicians and business

leaders in an inner-city gang; the light and laughter in the shadows of a shattered life.

I've always believed that in each individual, there's a Point of Light waiting to be revealed; in each community, a thousand miracles waiting to happen. And when I assumed this great office, I pledged to do all I could to honor, encourage, and increase volunteer efforts until their light filled every dark corner of our country.

We began with a national strategy. And if you'll bear with me, I'd like to remind you of what that strategy is: first, changing attitudes so that all Americans define a successful life as one that includes serving others; and second, identifying what is already working so that those efforts can be enlarged and multiplied; and third, encouraging leaders to help others become Points of Light; and fourth, reducing volunteer liability, because I believe that it's time that we ought to care for each other more and sue each other less; and fifth and finally, within every community, linking people to ways that they can help.

Everything I've done as President has tried to support this strategy. And that's why we've worked together to create the Points of Light Foundation, the Commission on National and Community Service, and then the National Center for Community Risk Management and Insurance.

We envision national service not as a Government program, not even as a White House initiative but as a grassroots movement, a movement that makes full use of the many different ways that Americans want to help. This strategy is significant not because it indicates Washington's role but because it illuminates yours. And this is something where it's easy to miss the constellation for the stars.

You see, it's not just Points of Light that are important. It's the idea that every community in America could be filled with light. America could become like this room. You're only a fraction of the stories that we've told. And those stories are only a fraction of those that could be told.

You know, look around this room and then picture what would happen throughout America if every former gang member discovered the Rodney Dailey within and offered young people good alternatives to life on the streets. Imagine if every member, every member of a club, like the Rotary Readers, filled someone's life with the wonder of reading. Or what if every little girl found the imagination to follow Isis Johnson to clothe the cold and feed the hungry in her little corner of America. Imagine what America would look like.

Regardless of what we believe Government should do, all of us agree that no serious social problem in this country is going to be solved without the active engagement of millions of citizens in tens of thousands of institutions, schools and businesses, churches and clubs, armies of ordinary people doing extraordinary things.

Government has a critical role in helping people and so does solid, sustainable economic growth.

But people, people, not programs, solve problems. And somewhere in America, every serious social problem is being solved through voluntary service, for therein lies the greatest national resource of all. It doesn't matter who you are. Everybody's got something to give: a job skill, a free hour, a pair of strong arms. And that's what I mean when I say that from now on, any definition of a successful life must include serving others.

Let me tell you another story about success. Today, I've recognized the 1,014th Daily Point of Light, the Lakeland Middle School eighth grade volunteers. These remarkable young people from Baltimore have overcome their own challenges to become tutors and role models for younger students in special education. Their special courage reminds me of the words of a poet who said, ``The generosity is not in giving me that which I need more than you do, but in giving me that which you need more than I do." That courage has made the Lakeland eighth graders into the wonderful and confident young people who grace our lives today.

Because I know that America is filled with young people who want to help, I signed an Executive order last October that created the President's Youth Service Award. And as with the President's Physical Fitness Award, young people in voluntary service will be able to receive Presidential recognition in their local communities.

I want to thank the boards of the commission, the foundation, and the American Institute for Public Service for their help in implementing this program. What all of us seek in our life is meaning and adventure. And it's through service that all of us can find both.

Barbara and I will soon be making our way back to Texas, and I'd like to leave you with one thought: If I could leave but one legacy to this country, it would not be found in policy papers or even in treaties signed or even wars won; it would be return to the moral compass that must guide America through the next century, the changeless values that can and must guide change. And I'm talking about a respect for the goodness that made this country great, a rekindling of that light lit from within to reveal America as it truly is, a country with strong families, a country of millions of Points of Light.

I want to thank the Points of Light in this room and everywhere across this country, those that we have recognized and the millions more that have found no recognition but are doing the Lord's work.

Thank you and God bless you all. And God bless the U.S.A.

Note: The President spoke at 1:40 p.m. in the East Room at the White House. In his remarks, he referred to Ray Chambers, founding chairman, Points of Light Foundation; Paul N. (Pete) McCloskey and George Romney, members of the board of directors, Commission on National and Community Service; gospel singer Larnelle Harris; and the following Points of Light: Joe Thompson, Jenny Richardson, Rodney Dailey of Gang Peace, and Isis Johnson. The Executive

order of October 28, 1992, which established a Presidential Youth Award for Community Service is listed in Appendix E at the end of this volume.

Remarks at an Armed Forces Salute to the President in Arlington, Virginia

January 14, 1993

Thank you very, very much, Secretary Cheney, Dick, my dear friend. I am honored by this salute; very, very grateful to all who participated in it, these same troops, many of whom have done so much to welcome distinguished visitors to the United States and in every way served their country with distinction.

But you guys have got it backwards. I came over here to thank all of you and to salute the members, past and present, of our Armed Forces: those who have given their lives, those who have served so honorably and so well, and those who serve today around the globe to keep the vigil of peace and to hold out the loving arms of the United States to those who are hurting.

Secretary Cheney has served with great distinction. I asked him to leave the United States Congress to take on this tremendous responsibility, and he's performed with great, great service to his country. He's done it all with excellence, dedication, and commitment.

As to General Powell, I just can't think of words to describe how strongly I feel about his service to his country and his leadership. And I am grateful to you, Colin. And may I single out the Secretaries, the Service Secretaries; and of course, the Joint Chiefs with whom I've worked very, very closely. I am grateful to all of you for your leadership and for your sound advice. And each of you should be proud because you were the key to the success of our military missions in Panama, in the Persian Gulf, in Somalia, and then in so many other places around the world. So, thank you all very, very much.

Just yesterday, we showed Saddam Hussein once again that he cannot violate international law with impunity. And people asked me about the mission. And I said the skies are safer and the message is clearer today because of the courage of those young air crews that did the Lord's work yesterday. We are grateful to each and every one of them. I congratulate General Hoar, all the commanders involved, all who laid their lives on the line. And once again, our military proved what we all know: They are absolutely the finest in the entire world.

America must always be mindful of the fact that our military is not simply the sum of our weapons or the state of our technology. What makes our military truly outstanding is the quality of its leadership, the quality of its training, the quality of its people, from the youngest soldier to the most decorated fighter.

As we enter the 1990's, we can be proud of what we've done to shape a new world. But while we're safer and certainly more secure with the end of the cold war, this new world will almost

surely have its share of uncertainties and dangers. It is essential that we keep a strong defense. We must not make reckless cuts in defense.

We owe our victory in the cold war in no small part to our people in uniform. The men and women in our Armed Forces have demonstrated their ability to master the challenges of modern warfare, humanitarian aid, and peacekeeping, to do the hard work of freedom.

There is no doubt that the All Volunteer Force is one of the true success stories of modern day America. This did not simply happen; it is the result of the military's commitment to education and training. Out of the military's culture of merit and competition have emerged hundreds of thousands of highly skilled men and women brimming with justifiable self-confidence. And what they possess is a special kind of discipline: a willingness to accept direction, a willingness to accept responsibility. And together, discipline and confidence provide the basis for winning, for getting the job done.

And finally, let me speak not as President and not as Commander in Chief, but as a citizen, as an American. I look back on my service to this great Nation with pride. I think my 3 years in the Navy did more to shape my life than anything that's followed on. And I'm very proud to stand with you all here today, honored that we share this sacred bond of duty, honor, country.

Thank you for this salute, and may God bless the United States of America. Thank you very much.

Note: The President spoke at 3:36 p.m. at Fort Myer. In his remarks, he referred to Gen. Joseph P. Hoar, USMC, commander in chief, U.S. Central Command.

Letter to Congressional Leaders Transmitting the National Nutrition Monitoring and Research Plan

January 14, 1993

Dear Mr. Speaker: (Dear Mr. President:)

As required by the provisions of section 103 of the National Nutrition Monitoring and Related Research Act of 1990 (Public Law 101 - 445; 7 U.S.C. 5313(d)(2)), I hereby submit to the Congress the Ten-Year Comprehensive Plan for the National Nutrition Monitoring and Related Research Program.

This report was developed under the joint auspices of the Departments of Agriculture and Health and Human Services. It identifies activities to be conducted by the Federal Government over the next decade to strengthen the National Nutrition Monitoring and Related Research Program.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Transmitting the Report of the Department of Energy

January 14, 1993

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the requirements of section 657 of the Department of Energy Organization Act (Public Law 95 - 91; 42 U.S.C. 7267), I transmit herewith the 12th Annual Report of the Department of Energy, which covers the year 1991.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Remarks on the Forests for the Future Initiative

January 15, 1993

Welcome to the White House, and thank you all for coming. I'm delighted to see so many people here who care so deeply about the forests. And first I want to greet and welcome the representatives from Belize and Brazil, Ghana, Guatemala, Indonesia, Mexico, Papua New Guinea, and Russia. And I congratulate you on the progress that your countries are making on forest management. We're delighted to be able to work with you on this important effort.

It's good to see the cochairs of the effort, Bill Reilly, our EPA Administrator, and then Boyden Gray, my General Counsel here, and the officials from all the U.S. Agencies who have worked to make Forests for the Future a reality. And welcome also to the representatives of the NGO, the nongovernmental groups, working alongside: Kathryn Fuller of World Wildlife, Dan Dudek of the Environmental Defense Fund.

Today I'm announcing a significant step forward in the effort to conserve and sustainably manage the Earth's forests. Last June on the way to the Earth summit in Rio, I announced our Forests for the Future initiative. And I said then it was about achieving results through cooperative partnerships. If we work together in mutual cooperation instead of trying to force painful concessions, we can make progress. And that's what FFI is about.

Today we're celebrating the beginning of eight initial partnership activities that will make this effort a reality. These new partnerships will mean economic incentives for forest conservation, better information for communities to practice sustainable management, better cooperation among government researchers and conservation groups.

I also promised last June to ask the Congress for $150 million in additional forest conservation assistance next year. And that is what we recommended in our budget statement of January 6th. And I hope the Congress will come through. I believe there's good support in the Congress for this approach.

These partnership approaches show that with effort and insight, we can truly conserve healthy, productive, and successful forests for our future. I will obviously be recommending to my successor that he continue this approach.

I just wish all of you the best. And now I'm going to turn the meeting over to Boyden and Bill Reilly. And thank you all very much for coming.

Note: The President spoke at 10:34 a.m. in the Roosevelt Room at the White House.

Remarks and an Exchange With Reporters on the Situation in Iraq

January 15, 1993

The President. I have a brief statement that I want to make before heading up to Camp David. It relates to Iraq. And I just wanted to let you know that we continue to monitor Iraq's behavior for compliance with the United Nations resolutions.

Yesterday's mission was a success. It seriously depleted Iraq's air defense system, the one south of the 32d parallel. And nevertheless, we continue to examine the residual aspects of that mission.

In addition, we continue to demand access by United Nations aircraft for inspections in Iraq. And the United Nations has made it clear to the Iraqis that the United Nations inspection teams are prepared to resume their work and have the right to fly U.N. aircraft into that country at any time. The flight scheduled for today did not receive clearance to enter Iraqi airspace. And the United Nations has informed Saddam Hussein that if flight clearance is not granted by 4 p.m. Eastern Standard Time today, Iraq will be in noncompliance. And the coalition partners are firm in demanding compliance with United Nations resolutions.

Q. Does that mean you would bomb again?

The President. Helen [Helen Thomas, United Press International], you've been covering things around here ever since I've been President, and I'll never say what we do do or don't do in terms of compelling compliance.

Q. But you don't intend to give any further warnings, is that correct?

The President. I think sufficient warnings have been granted. And they know what they must do. And this is not just the United States. This is the United Nations. It's a strong coalition whose determination has not diminished in any single way.

So, we'll see you all.

Note: The President spoke at 12:35 p.m. on the South Lawn at the White House prior to his departure for Camp David, MD.

Message to the Senate Transmitting the Russia-United States Treaty on Further Reduction and Limitation of Strategic Offensive Arms

January 15, 1993

To the Senate of the United States:

I am transmitting herewith, for the advice and consent of the Senate to ratification, the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (the START II Treaty) signed at Moscow on January 3, 1993. The Treaty includes the following documents, which are integral parts thereof:

-- the Protocol on Procedures Governing Elimination of Heavy ICBMs and on Procedures Governing Conversion of Silo Launchers of Heavy ICBMs Relating to the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (the Elimination and Conversion Protocol);

-- the Protocol on Exhibitions and Inspections of Heavy Bombers Relating to the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (the Exhibitions and Inspections Protocol); and

-- the Memorandum of Understanding on Warhead Attribution and Heavy Bomber Data Relating to the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (the Memorandum on Attribution).

In addition, I transmit herewith, for the information of the Senate, the report of the Department of State and letters exchanged by representatives of the Parties. The letters are associated with, but not integral parts of, the START II Treaty. Although not submitted for the advice and consent of the Senate to ratification, these letters are provided because they are relevant to the consideration of the Treaty by the Senate.

The START II Treaty is a milestone in the continuing effort by the United States and the Russian Federation to address the threat posed by strategic offensive nuclear weapons, especially multiple-warhead ICBMs. It builds upon and relies on the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms (the START Treaty) signed at Moscow on July 31, 1991. At the same time, the START II Treaty goes even further than the START Treaty.

The START Treaty was the first treaty actually to reduce strategic offensive arms of both countries, with overall reductions of 30 - 40 percent and reductions of up to 50 percent in the

most threatening systems. It enhances stability in times of crisis. It not only limits strategic arms but also reduces them significantly below current levels. In addition, the START Treaty allows equality of forces and is effectively verifiable. Finally, commitments associated with the START Treaty will result in the elimination of nuclear weapons and deployed strategic offensive arms from the territories of Belarus, Kazakhstan, and Ukraine within 7 years after entry into force, and accession of these three states to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) as non-nuclear-weapon States Parties. As a result, after 7 years, only Russia and the United States will retain any deployed strategic offensive arms under the START Treaty.

The START II Treaty builds upon and surpasses the accomplishments of the START Treaty by further reducing strategic offensive arms in such a way that further increases the stability of the strategic nuclear balance. It bans deployment of the most destabilizing type of nuclear weapons system -- land-based intercontinental ballistic missiles with multiple independently targetable nuclear warheads. At the same time, the START II Treaty permits the United States to maintain a stabilizing sea-based force.

The central limits of the START II Treaty require reductions by January 1, 2003, to 3000 - 3500 warheads. Within this, there are sublimits of between 1700 - 1750 warheads on deployed SLBMs for each Party, or such lower number as each Party shall decide for itself; zero for warheads on deployed multiple-warhead ICBMs; and zero for warheads on deployed heavy ICBMs. Thus, the Treaty reduces the current overall deployments of strategic nuclear weapons on each side by more than two-thirds from current levels. These limits will be reached by the end of the year 2000 if both Parties reach agreement on a program of assistance to the Russian Federation with regard to dismantling strategic offensive arms within a year after entry into force of the Treaty. Acceptance of these reductions serves as a clear indication of the ending of the Cold War.

In a major accomplishment, START II will result in the complete elimination of heavy ICBMs (the SS - 18s) and the elimination or conversion of their launchers. All heavy ICBMs and launch canisters will be destroyed. All but 90 heavy ICBM silos will likewise be destroyed and these 90 silos will be modified to be incapable of launching SS - 18s. To address the Russians' stated concern over the cost of implementing the transition to a single-warhead ICBM force, the START II Treaty provides for the conversion of up to 90 of the 154 Russian SS - 18 heavy ICBM silos that will remain after the START Treaty reductions. The Russians have unilaterally undertaken to use the converted silos only for the smaller, SS - 25 type single-warhead ICBMs. When implemented, the Treaty's conversion provisions, which include extensive on-site inspection rights, will preclude the use of these silos to launch heavy ICBMs. Together with the elimination of SS - 18 missiles, these provisions are intended to ensure that the strategic capability of the SS - 18 system is eliminated.

START II allows some reductions to be taken by downloading, i.e., reducing the number of warheads attributed to existing missiles. This will allow the United States to achieve the reductions required by the Treaty in a cost-effective way by downloading some or all of our sea-based Trident SLBMs and land-based Minuteman III ICBMs. The Treaty also allows

downloading, in Russia, of 105 of the 170 SS - 19 multiple-warhead missiles in existing silos to a single-warhead missile. All other Russian launchers of multiple-warhead ICBMs -- including the remaining 65 SS - 19s -- must be converted for single-warhead ICBMs or eliminated in accordance with START procedures.

START II can be implemented in a fashion that is fully consistent with U.S. national security. To ensure that we have the ability to respond to worldwide conventional contingencies, it allows for the reorientation, without any conversion procedures, of 100 START-accountable heavy bombers to a conventional role. These heavy bombers will not count against START II warhead limits.

The START Treaty and the START II Treaty remain in force concurrently and have the same duration. Except as explicitly modified by the START II Treaty, the provisions of the START Treaty will be used to implement START II.

The START II Treaty provides for inspections in addition to those of the START Treaty. These additional inspections will be carried out according to the provisions of the START Treaty unless otherwise specified in the Elimination and Conversion Protocol or in the Exhibitions and Inspections Protocol. As I was convinced that the START Treaty is effectively verifiable, I am equally confident that the START II Treaty is effectively verifiable.

The START Treaty was an historic achievement in our long-term effort to enhance the stability of the strategic balance through arms control. The START II Treaty represents the capstone of that effort. Elimination of heavy ICBMs and the effective elimination of all other multiple-warhead ICBMs will put an end to the most dangerous weapons of the Cold War.

In sum, the START II Treaty is clearly in the interest of the United States and represents a watershed in our efforts to stabilize the nuclear balance and further reduce strategic offensive arms. I therefore urge the Senate to give prompt and favorable consideration to the Treaty, including its Protocols and Memorandum on Attribution, and to give its advice and consent to ratification.

George Bush

The White House,

January 15, 1993.

Statement by Press Secretary Fitzwater on the START II Treaty

January 15, 1993

I am pleased to announce that today the President submitted the START II treaty to the Senate for its advice and consent to ratification. This treaty marks an achievement of fundamental importance not only to the United States and Russia but to the whole world. START II is the capstone of a process over the past 2 years that has set back the hands on the nuclear doomsday clock.

The President urges the Senate to act promptly and approve the START II treaty. He also looks forward to prompt ratification of this treaty by Russia, as well as the ratification of START I and accession to the Non-Proliferation Treaty by Belarus, Ukraine, and Kazakhstan. Once these actions are completed the historic reductions can begin without delay.

Letter to Congressional Leaders on Science and Technology Policy

January 15, 1993

Dear Mr. Speaker: (Dear Mr. President:)

My Administration has accelerated our national investment in America's future through increased support for science and technology. Had the Congress fully enacted my FY 1993 budget, investments in applied civilian R&D would have increased by 49 percent over the past 4 years. My Administration also has revitalized the Federal Government's ability to deal with science and technology. These actions included establishing the President's Council of Advisors on Science and Technology to insure high-level input from the private sector and restructuring the Federal Coordinating Council for Science, Engineering, and Technology to facilitate crosscutting multiagency R&D programs. Among these programs intended to harness science and technology to meet 21st century needs are Presidential initiatives on biotechnology, advanced materials, information technologies, and manufacturing.

To strengthen the educational foundations for growth, I convened the 1989 Education Summit and in 1991 transmitted to the Congress the AMERICA 2000 Excellence in Education Act to facilitate the educational reform needed to reach the National Education Goals set forth by the Summit. As part of this reform, my Administration has developed a strategic plan for education in mathematics, science, engineering, and technology that involves the coordinated efforts of 16 Federal agencies.

A particular strength of America's science and technology effort in my Administration has been its international leadership. The superiority of U.S. science and technology was manifested in the weapons systems that performed so admirably in Desert Storm, allowing us to win the war with minimal loss of life. As we restructure our military systems to face the greatly altered national security threats of the future, we must maintain an active and inventive program of defense R&D. Through our Global Change research program and a vigorous program of domestic initiatives, ranging from the revised Clean Air Act to my decision to accelerate the phaseout of the chemicals that degrade the Earth's ozone layer, we also have been an international leader in confronting the problems of the global environment. Under my Administration, the United States has provided more support for research on Global Change than all other countries put together -- research that is providing a scientific basis for environmentally and economically sound stewardship of the Earth. Finally, my Administration has extended the hand of cooperation in science and technology to many nations, forging new bilateral and multilateral agreements and seeking a truly international basis for proceeding with increasingly large and complex megaprojects in science that have the potential to produce fundamental knowledge of benefit to all humanity.

Despite the strength and overall health of our American science and technology enterprise, I must

call the attention of the Congress to a number of areas of concern for the future. My Council of Advisors on Science and Technology has recently reported on signs of stress in our universities. Our precollege educational system still has far to go to meet our National Education Goals and to adequately prepare our work force and our citizens for the 21st century. Private sector investment in R&D is stagnating even as the competitive pressures of a global economy accelerate. In addition, the relationships between the critical elements of our science and technology enterprise -- universities, private industry, and the Federal Government -- are changing rapidly, even as the nature of science and technology itself is changing.

These considerations suggest that it is time to rethink our national policies for science and technology: to reexamine the role and the rationale for Federal support, to reconsider the structure of the Nation's R&D capacity, and to revitalize the mechanisms and educational institutions that support that capacity. These ideas as well as a review of selected science and technology policy initiatives in my Administration are described in the Biennial Report of the Office of Science and Technology Policy, which accompanies this Report.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Transmitting a Report on Federal Regulatory Policy

January 15, 1993

Dear Mr. Speaker: (Dear Mr. President:)

This Regulatory Program of the United States Government compiles, under one cover, my Administration's regulatory programs, goals, and objectives for the year 1992 - 93. By providing a preview of significant regulatory activities, we reaffirm our unwavering commitment to agency accountability for improved regulation, intragovernmental coordination, and public and congressional access to our regulatory agenda and priorities. Our regulatory program constitutes a coherent, consistent, and constructive program with unity of purpose. Our purpose is to promote economic growth while maintaining this Administration's strong tradition of upholding health, safety, and environmental quality as top priority.

Federal regulations to implement the laws that safeguard the Nation's health and safety, environment, and economic well-being are essential to maintain and improve the public welfare. Excessively burdensome regulation, however, hampers the creativity and energy of the American people. Regulation should instead channel this creativity and energy to maximize social and economic benefits. The concepts of ``efficiency'' and ``maximized net benefits'' guide our regulatory program in promoting a strong economy and protecting our citizenry.

In my State of the Union Address, I called for a ``top-to-bottom'' review of Federal regulation. This occurred during our 90-day regulatory review and moratorium. That period was followed by a 120-day extension to implement significant reforms. During this 7-month period, we strove to eliminate many overly burdensome Federal regulations and have promulgated new regulations that will save American consumers and workers billions of dollars. We also extended the review and moratorium for an additional year.

The Federal regulatory environment must be dynamic and changing to reflect a changing world. It must be lean and focused on specific areas where Federal regulation contributes to the public good. An excessive or static regulatory system loses its ability to solve problems and instead creates them by forcing individuals, businesses, and State and local governments into expensive compliance exercises. We have ``cleaned house'' by scrapping obsolete and unduly burdensome regulations; by modifying and updating current rules; and by implementing new rules to release American capital and the Nation's competitive spirit.

Everyone pays for overly burdensome regulation. Regulatory costs must be reduced. This report embodies our efforts to aid in that quest.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to the United States Trade Representative on Rubber Thread Imports

January 15, 1993

Dear Ambassador Hills:

Pursuant to section 201 of the Trade Act of 1974 (Public Law 93 - 618, 19 U.S.C. 2252), I have reviewed the Report of the United States International Trade Commission (USITC) dated December 21, 1992, concerning the results of its investigation of a petition for import relief filed by domestic producers of extruded rubber thread.

I have accepted the findings of Vice Chairman Watson and Commissioners Brunsdale and Crawford that extruded rubber thread was not being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the industry in the United States producing an article like or directly competitive with the imported articles.

This decision is to be published in the Federal Register.

Sincerely,

George Bush

Note: The notice of the President's decision was published in the Federal Register on January 27.

Letter to Congressional Leaders Transmitting the Report of the Tourism Policy Council

January 15, 1993

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 302 of the International Travel Act of 1961, as amended (22 U.S.C. 2124a(f)), I transmit herewith the annual report of the Tourism Policy Council, which covers fiscal years 1991 and 1992.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

The President's News Conference With Prime Minister Brian Mulroney of Canada at Camp David, Maryland

January 16, 1993

The President. May I just say how wonderful it is to have the Prime Minister of Canada here with us today, great friend of the United States. The relationship between Canada and the United States is strong; tremendous trading partner. Prime Minister Mulroney has done an awful lot in all ways in cooperating and working with us. Their leadership in many areas of peacekeeping is one that we respect and admire. He was the one that prodded me to do more on environmental legislation.

And so for me and for Barbara, this is a fond farewell as we leave this job. And it's most fitting, in our way of looking at things, that Prime Minister Mulroney and his wonderful family are with us here today. So we're going to talk some business, and then we're going to look around and have a little R&R.

The floor is yours, sir. Welcome.

Prime Minister Mulroney. Thank you, George.

Well, we're delighted to be here. The President has pointed out the strength of the Canadian-American relationship. It's, as you know, a huge and a complicated one and not always an easy one. But it indicates the extent to which neighbors can become friends and mutually assisting partners.

Canada is the largest trading partner that the United States has, and you are ours. And so President Bush's visionary initiative in respect to free trade throughout the hemisphere is one part of a very important legacy that he will be leaving.

The Clean Air Act that gave rise to the Canadian-American treaty on acid rain is another very important matter that people in both countries had fought for for literally decades.

And I can tell you that, because I happened to be there, that his remarkable assembling of the coalition in terms of the Gulf war -- --

Q. What do you think ought to be done on the Gulf -- --

Prime Minister Mulroney. -- -- is probably without precedent, certainly in recent decades.

So I'm delighted to have a chance to come by and say hello to the President and the family before

he leaves office. And of course, he'll always have the friendship and the respect of Canadians.

Iraq

Q. Are you with him now in this current standoff with Iraq?

Prime Minister Mulroney. Yes, I am.

Canada-U.S. Trade

Q. Prime Minister, you said there would be structural changes in the relationship between Canada and the U.S. to avoid some of the trade irritants when you were last here and met with the President. Do you think they'll survive the new administration, or will you have to work to put them in place again?

Prime Minister Mulroney. Well, I think we have to work hard at trade at all times. It's a difficult matter because it affects jobs sometimes in both countries, and so it's not easy. And we're going to have to work hard to maintain this relationship, as we did in the past. Fortunately, in the past we had a friend in the White House, and I suspect that will be the case in the future. Governor Clinton understands and has told the President -- --

The President. That's right.

Prime Minister Mulroney. -- -- and told me of his recognition of the great importance of Canada as a trading partner and a friend to the United States.

The President. No question about that. No question about that.

Iraq

Q. Mr. President, what's your response to 'Aziz, Mr. President? Are there any more warnings?

The President. We have no response now. We're interested in knowing what the United Nations response is. It's the United Nations going on with this; it's the United Nations, Dr. Ekeus, that we'll be talking to. And we'll all be talking about that a little later. But his move just was announced, and we'll just have to wait and see how it's regarded. We don't do these things unilaterally. We consult. We'll be able to talk now with the Prime Minister. We'll be talking with others as well, I think, during the course of this afternoon.

Q. Mr. Prime Minister -- --

[At this point, a question was asked and answered in French, and a translation was not provided.]

Canadian Elections

Q. Mr. Prime Minister, after a week of reflection, have you decided that you will definitely lead your party into the next election?

Prime Minister Mulroney. I've already spoken to that issue in the year-enders in Canada, and I've got nothing further to add.

Canadian Ambassador

Q. What signal did you hope to send to the Americans with the appointment of General de Chastelain? Was there a message in it in terms of the role and expanded relationship we want with the United States?

Prime Minister Mulroney. No. He's just an outstanding Canadian, a remarkably talented man who can do a very good job for Canada in Washington at a crucial moment. And he's held in very high regard. In fact, he'll be here this afternoon at Camp David.

The President. Yes, I'm looking forward to that.

Q. -- -- push them on the U.N. or other matters?

Prime Minister Mulroney. Well, we're not pushing anybody. He'll be there to defend our interests.

President's Diary

Q. Mr. President, on your diary, do you think you got a fair shake?

The President. I don't like any stuff about that.

Prime Minister Mulroney. Helen [Helen Thomas, United Press International], what we want to do is read your diaries. [Laughter] That's what I'm waiting for.

[At this point, a remark was made in French, and a translation was not provided.]

Prime Minister Mulroney. I'm going to read them, Helen, I tell you.

Haiti

Q. -- -- tighten the net around Haiti as a favor to Clinton?

The President. I don't think of that as a favor to Clinton. I will say this for the Clinton security team, and I'm sure General Scowcroft would agree with this: There's been extraordinarily good cooperation. I determined early on that from our end the transition would go well on these important issues. I think he made the same determination. And so there's nothing being done to kind of look like we're doing something, that wouldn't be done as if it were one team running the show.

Q. But do you resent the fact that he insulted your Haiti policy during the campaign, and now he's adopted it?

The President. No, I don't resent anything. It's a funny thing. I'm in a mood where I don't have any resentment in my heart. [Laughter] It's not ever been thus, I can tell you guys. [Laughter]

Transition

Q. He doesn't think the transition's going well because you're not leaving anyone to hold over for a few weeks to -- --

The President. I think we're following what they want. They want to have the decks cleared. Remember all the stories you people wrote about, what was it? Calling -- it wasn't rat-holing, but it had a lovely term like, kind of, people wedging their way into the bureaucracy so they could be employed. What we've done is follow the agreement, so to clear the decks with those people who were not civil service. And that's what an outgoing administration should do. So if they want somebody to stay, they're welcome to ask them, of course.

Canada-U.S. Relations

Q. President Bush, what is your assessment of Canada-U.S. relations as you leave office? Have they improved?

The President. Thumbs up.

Q. Still any problems that have to be worked out?

The President. None. Well, once in a while you can run into a little hiccup, a little bump in the road. Once in a while we've had some differences on trading problems. But look, you've got to look at the big picture. And the relationship is outstanding. It's important. I mean, it is vitally important to the United States. It's important today, was yesterday, will be tomorrow. And so it really is fundamentally sound and good and strong.

[At this point, a question was asked and answered in French, and a translation was not provided.]

Iraq

Q. Sir, have we moved back from the brink of military action that you hinted at yesterday?

The President. We're not on the brink or moved back from anything. We're just going to be consulting, and we'll see where we go from there. I wasn't trying to be belligerent. I'm just simply saying they're going to comply with these resolutions, period. And so we'll see.

Q. Well, was it more conciliatory, their response today? Was there any movement?

The President. Well, we're going to talk about it. I mean, I've learned something about this. You don't jump to conclusions until you know all the facts, get all the translation. I heard him. What I heard in English sounded -- that he was going to let these people in, but we've got to wait and see. I don't know about these conditions and all of that. But those are the things you consult about. He's thrown some conditions on it.

Thank you all.

Prime Minister Mulroney. Thank you very much.

Camp David

Q. How do you feel about leaving Camp David?

The President. Leaving Camp David? Well, I'm not leaving until -- [laughter] -- Monday night. But Monday night if you ask me, I expect I'd feel sad about that. This has been a wonderful retreat here, and I've sure enjoyed sharing it with friends, domestic and from overseas. And this weekend is going to be pure joy because we've got some good friends here.

Q. What have you got in store for the Prime Minister and his family?

The President. A lot of exercise. A lot of exercise. [Laughter]

Q. Are you flying back to Houston without us, sir?

The President. Look for deer.

Q. Are you going to take a press pool to Houston?

The President. No. Oh, I forgot to tell you. On January 20th at noon, I'm through with press pools. We're shifting. It shifts over to the new President. And I'm going back to private life. And it's going to be low key. And it's going to be -- there's no point in trying to continue something that isn't. And I'm trying to conduct myself with dignity and hopefully in a spirit of total cooperation with Governor Clinton. No bitterness in my heart. But look, January 20th when I walk out of that Capitol, I'm a private citizen. And I hope I'll be treated as a private citizen by my neighbors in Houston. And I'm not looking to sit at the head table. I'm not looking to have press conferences. I love you guys, especially the photo dogs. [Laughter] But we're not going to -- we're going to really shift gears like that. It's going to be interesting.

Q. -- -- on that last ride in the big Government plane?

The President. No, no, no. January 20th it ends at noon. It ends.

Q. I bet you won't be able to do it.

The President. I'm going to try. I'm going to sure try.

Note: The President's 142d news conference began at 12:15 p.m. at Camp David.

Letter to Congressional Leaders Transmitting the Report on the National Security Strategy

January 19, 1993

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 603 of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99 - 433; 50 U.S.C. 404a), I hereby transmit the annual report on the National Security Strategy of the United States.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Statement on the National Security Strategy Report

January 19, 1993

Today, as required by the Goldwater-Nichols Defense Reform Act of 1986, I signed and forwarded to the Congress the National Security Strategy Report. This report comes at a particularly important time, when the international security environment is in the midst of a turbulent transition and when the continuity of America's engagement and leadership is perhaps more important than ever before. No other nation can provide the same combination of moral, cultural, political, economic, and military leadership. No other has won such confidence, respect, and trust. If we are to seize the opportunities that will be offered and reduce the dangers that will surely confront us in the future, America must lead. We must lead because we simply cannot hope to achieve a more democratic and peaceful future in a world still rife with turmoil and conflict and political or economic isolation. This does not mean we aspire to be the world's policeman or that we can postpone addressing our own domestic imperatives while we devote attention and resources to international demands. It is not an either/or choice. We cannot be strong abroad if we are not strong at home. We cannot be strong at home if we are not strong and engaged abroad.

The National Security Strategy Report acknowledges the diverse political, economic, and military challenges that America faces, as well as the domestic imperatives that define our overall national health. It identifies our enduring national security interests and objectives: the security of the United States as a free and independent nation; global and regional stability; open, democratic, and representative political systems worldwide; an open international trading and economic system; and an enduring global faith in America.

The report acknowledges our political achievements over recent years and outlines both short- and long-term approaches to promote peace and democracy worldwide. It specifically addresses priorities of our bilateral efforts as well as initiatives in multinational and regional organizations designed to influence the future. Emphasizing the now-diminishing distinction between domestic and international economic policy, it identifies the steps necessary for domestic economic renewal, as well as prioritized initiatives to strengthen our international economic competitiveness. It also emphasizes the need to reform U.S. economic institutions and our bilateral development assistance and to expand considerably our efforts in the environment and in space.

Stressing the continued mandate for security through strength, the report defines four enduring and mutually supportive strategic goals: deterrence and the capability to defeat aggression should deterrence fail; strengthening our alliance arrangements and our preference for multilateral action; maintaining stability through forward presence and force projection; and helping to preclude conflict and keep the peace. Most important, the report identifies a strategy for near-term leadership and outlines ways the United States can help influence the future through the United Nations, regional organizations, and alliances.

America has always stood for much more than the sum of its political and economic goals and aspirations. We do care about the world around us, and our contributions are written in history for all to see. We inspire others because of what we have achieved and because of what we represent. We have a vision for the future. We seek a world of cooperation and progress, not confrontation; a world no longer divided but a community of independent and interdependent nations joined together by shared values; a world in which the U.S. role is defined by what we stand for, freedom, human rights, economic prosperity, the rule of law and peace, rather than what we stand against.

To succeed, our strategy must be more than words on a piece of paper. We must have faith, courage, hard work, and inspiration. We must continue the dialog and the debate, for that too is what democracy is all about. As a nation, let us work together to lead the world toward the 21st century, the age of democratic peace. There is no more important goal to which we would aspire.

Letter to Congressional Leaders Reporting on Nuclear Nonproliferation

January 19, 1993

Dear Mr. Speaker: (Dear Mr. President:)

I have reviewed the activities of the United States Government departments and agencies during calendar year 1992 relating to preventing nuclear proliferation, and I am pleased to submit my annual report pursuant to section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95 - 242, 22 U.S.C. 3281(a)).

The accomplishments of the past year provide a fitting capstone to this Administration's efforts to stem the spread of nuclear weapons. These efforts were provided additional focus on July 13, when I issued a statement setting forth a number of initiatives as well as a clear framework of guiding principles for our nonproliferation policy.

Global norms and institutions have strengthened this year. Membership in the Nuclear Non-Proliferation Treaty has grown to 155, including the last declared two nuclear weapon states: France and China. The three Baltic states as well as two of the newly-independent states have also joined the Treaty, while three others -- Ukraine, Belarus, and Kazakhstan -- committed to do so ``in the shortest possible time.'' The United States increased its support for the International Atomic Energy Agency, which sought to strengthen its safeguards system in response to its experience in Iraq.

In addressing regional dangers, the United States also joined with the international community to continue to support efforts to destroy Iraq's nuclear weapons program under U.N. Security Council resolutions and to press North Korea to honor its nonproliferation commitments. Focusing on the Middle East, the five permanent members of the U.N. Security Council agreed to interim guidelines to restrain destabilizing transfers of arms and technologies related to weapons of mass destruction, while the arms control and regional security talks provided an unprecedented forum for countries in that troubled region to address these issues face to face. The United States held talks separately with India and Pakistan in the hope of stemming a nuclear arms race in South Asia. Meanwhile, the United States has been gratified by steps taken by countries such as Argentina, Brazil, and South Africa to join international nonproliferation regimes.

We have worked hard to address the proliferation concerns arising from the break-up of the Soviet Union and its domination of Eastern Europe. With the firm support of the Congress, we are developing assistance to Russia, Ukraine, Belarus and Kazakhstan to support the safety and security of the dismantlement of nuclear weapons in the former Soviet Union. The U.S. has also provided assistance to Russia and Ukraine in developing systems for physical protection and material accounting and control for materials removed from nuclear warheads. In August, U.S.

negotiators initialed an agreement to seek recovery of highly-enriched uranium from the former Soviet nuclear arsenal and dilute it to commercial reactor fuel with no military implications. In collaboration with our allies, we fostered the creation of science and technology centers in Moscow and Kiev to prevent the outflow of nuclear weapons expertise from the former Soviet Union, and provided export control and reactor safety assistance to the states of Eastern Europe and the former Soviet Union.

These accomplishments constitute a solid contribution to continuing international efforts to stem nuclear proliferation and to promote the peace and security of all nations. Nevertheless, proliferation remains a significant and growing concern that will require even more attention, energy, and resources in the years ahead.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Transmitting a Report on Arms Control Treaty Compliance

January 19, 1993

Dear Mr. Speaker: (Dear Mr. President:)

Pursuant to Public Law 99 - 145; 22 U.S.C. 2592a as amended, and section 52 of the Arms Control and Disarmament Act, I am transmitting to the Congress a classified and unclassified report on arms control treaty compliance by the successor states to the Soviet Union and other nations that are parties to arms control agreements with the United States, as well as by the United States itself.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate.

Letter to Congressional Leaders Transmitting the Report on Science, Technology, and American Diplomacy

January 19, 1993

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Title V of the Foreign Relations Act of Fiscal Year 1979, as amended (Public Law 95 - 426; 22 U.S.C. 2656c(b)), I am pleased to transmit this annual report on Science, Technology and American Diplomacy for fiscal year 1992.

This is the first Title V report in which the entire period of coverage falls within the post-Cold War era, and a number of trends important to international science and technology (S&T) have become evident. As traditional Cold War concerns fade, the character and impact of S&T in U.S. foreign policy are also changing significantly. The importance of S&T in addressing problems such as environmental degradation and international economic and technological competitiveness will grow. At the same time, S&T will continue to be important to traditional military concerns and in areas of increasing importance following the demise of the Soviet Union, such as proliferation of weapons of mass destruction.

The material presented in this report illustrates the significant role of S&T in American diplomacy and the tremendous changes in its character and impact following the end of the Cold War. This year's report focuses on three topical areas: S&T interactions with the Newly Independent States and the Baltics; the United Nations Conference on Environment and Development (UNCED); and a number of very big (``megascience") programs, including illustrative space activities. The report also features narratives on 22 selected countries and 3 international organizations (the European Community, NATO, and the OECD).

As the definitive annual official reference on U.S. Government international S&T agreements and activities, this Title V report:

Reviews a number of salient international S&T themes and issues, chosen by consensus in the executive branch;

Illustrates by means of both narratives and an extensive data base an in-depth review of U.S. Government activities in the chosen thematic areas; and

Provides, via the data base, a comprehensive overview of official U.S. Government international S&T activities in all areas.

In early 1991, I enunciated five major interrelated foreign policy challenges and objectives in the

post-Cold War era:

1) promoting and consolidating democratic values;

2) promoting market principles and strengthening U.S. competitiveness;

3) promoting peace;

4) protecting against transnational threats such as environmental degradation; and

5) meeting urgent humanitarian needs.

The importance of S&T to achieving all five goals is seen clearly in the thematic areas that are the focus of this report.

Science and Technology Interactions with the Newly Independent States and the Baltics: U.S. S&T efforts in the former Soviet Union and Baltics have focused on forging new S&T links, assisting in military S&T conversion and the meeting environmental, health, energy and other needs, and helping to maintain a sound S&T infrastructure. A collapse of the former Soviet scientific community would greatly endanger sustainable progress toward open societies and market economics and would increase the risk of weapons proliferation. Building a strong S&T infrastructure will help provide a solid foundation for a stable transition away from Communist rule and centrally planned economies.

United Nations Conference on Environment and Development: Science and technology are critical tools in protecting against transnational threats such as global change, ozone depletion, and loss of biological diversity. Communication and cooperation in the international S&T community provided the basis for UNCED preparations and the three principal documents it produced, the Rio Declaration on Environment and Development, Agenda 21, and a statement of principles for the management, conservation, and sustainable use of forests. The convention on global change, opened at UNCED for signature, is based on the results of an extensive international S&T effort.

Megascience Programs: The scientific facilities needed to pursue ever more fundamental questions about the nature of the universe are growing larger and more complex. As the costs associated with scientific research rise, maintaining national intellectual and technological competence in forefront areas requiring large facilities or global-scope research will increasingly require international collaboration. By sharing the burdens of supporting megascience projects, nations produce fundamental knowledge not possible to attain unilaterally.

The thematic focus of this report illustrates the critical role of S&T in meeting our major foreign policy challenges. These challenges transcend partisan political differences and will, I believe,

continue to permeate U.S. foreign policy into the next century.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives; Claiborne Pell, chairman, Senate Committee on Foreign Relations; and John Glenn, chairman, Senate Committee on Governmental Affairs.

Letter to Congressional Leaders on Additional Measures With Respect to the Federal Republic of Yugoslavia (Serbia and Montenegro)

January 19, 1993

Dear Mr. Speaker: (Dear Mr. President:)

On June 1, 1992, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)) and section 301 of the National Emergencies Act (50 U.S.C. 1631), I reported to the Congress by letters to the President of the Senate and the Speaker of the House, dated May 30, 1992, that I had exercised my statutory authority to issue Executive Order No. 12808 of May 30, 1992, declaring a national emergency and blocking ``Yugoslav Government'' property and property of the Governments of Serbia and Montenegro.

On June 5, 1992, pursuant to the above authorities as well as section 1114 of the Federal Aviation Act of 1958, as amended (49 U.S.C. App. 1514), and section 5 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287c), I reported to the Congress by letters to the President of the Senate and the Speaker of the House, that I had exercised my statutory authority to issue Executive Order No. 12810 of June 5, 1992, blocking property of and prohibiting transactions with the Federal Republic of Yugoslavia (Serbia and Montenegro). This latter action was taken to ensure that the economic measures that we are taking with respect to the Federal Republic of Yugoslavia (Serbia and Montenegro) conform to U.N. Security Council Resolution No. 757 (May 30, 1992).

On November 16, 1992, the U.N. Security Council adopted Resolution No. 787, calling on member states to take additional measures to tighten the embargo against the Federal Republic of Yugoslavia (Serbia and Montenegro). On January 15, 1993, I took additional steps pursuant to the above statutory authorities to enhance the implementation of this international embargo and to conform to U.N. Security Council Resolution 787 (November 16, 1992).

The order that I signed on January 15, 1993:

-- prohibits any transaction within the United States or by a United States person related to the transshipment of commodities or products through the Federal Republic of Yugoslavia (Serbia and Montenegro) and revokes the previous exception for such transshipment contained in Executive Order No. 12810;

-- prohibits any transaction within the United States or by a United States person relating to any vessel, regardless of the flag under which it sails, in which a majority or controlling interest is held by a person or entity in the Federal Republic of Yugoslavia (Serbia and Montenegro); and

-- requires for purposes of Executive Order No. 12810 that any such vessel be considered as a vessel of the Federal Republic of Yugoslavia (Serbia and Montenegro).

The order that I signed on January 15, 1993, authorizes the Secretary of the Treasury in consultation with the Secretary of State to take such actions as may be necessary to carry out the purposes of this order. Such actions may include the prohibition and regulation of trade and financial transactions involving any areas of the territory of the former Socialist Federal Republic of Yugoslavia as to which there is no adequate assurance that such transactions will not be diverted to the benefit of the Federal Republic of Yugoslavia (Serbia and Montenegro).

The declaration of the national emergency made by Executive Order No. 12808 and the controls imposed under Executive Order No. 12810 and any other provisions of that order and of Executive Order No. 12810 not modified by or inconsistent with the January 15, 1993, order, remain in force and are unaffected by that order.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The Executive order of January 15 is listed in Appendix E at the end of this volume.

Presidential Determination No. 93 - 14 -- Memorandum on Assistance to Refugees of Tajikistan

January 19, 1993

Memorandum for the Secretary of State

Subject: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as Amended

Pursuant to section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, 22 U.S.C. 2601(c)(1), I hereby determine that it is important to the national interest that up to $5,000,000 be made available from the U.S. Emergency Refugee and Migration Assistance Fund to meet the urgent and unexpected needs of refugees, displaced persons, and victims of conflict from Tajikistan. These funds may be contributed on a multilateral or bilateral basis as appropriate to international organizations, private voluntary organizations, and other governmental and nongovernmental organizations engaged in this relief effort.

You are directed to inform the appropriate committees of the Congress of this determination and the obligation of funds under this authority, and to publish this memorandum in the Federal Register.

George Bush

[Filed with the Office of the Federal Register, 10:59 a.m., January 26, 1993]

Letter to Congressional Leaders Reporting on Iraq's Compliance With United Nations Security Council Resolutions

January 19, 1993

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102 - 1) and as part of my continuing effort to keep Congress fully informed, I am again reporting on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the U.N. Security Council.

Since my last report on November 16, 1992, Iraq has repeatedly ignored and violated its international obligations under U.N. Security Council Resolutions. Iraq's actions include the harassment of humanitarian relief operations in northern Iraq contrary to U.N. Security Council Resolution 688, violations of the Iraq-Kuwait demilitarized zone, interference with U.N. operations in violation of Security Council Resolution 687, repeated violations by Iraqi aircraft of the southern and northern no-fly zones, and threats by Iraq's air defense forces against Coalition aircraft enforcing the no-fly zones.

The southern no-fly zone and Operation Southern Watch were established in August 1992 to assist the monitoring of Iraq's compliance with Security Council Resolution 688. Since that time, Iraq has stopped aerial bombardments of its citizens in and around the southern marsh areas and ceased large-scale military operations south of the 32nd parallel. Operation Southern Watch cannot detect lower-level acts of oppression, however.

In December 1992, Iraqi aircraft on several occasions entered the southern no-fly zone and demonstrated hostile intent, including by firing a missile at a U.S. aircraft. On December 27, 1992, a U.S. aircraft shot down an Iraqi aircraft that entered the no-fly zone. Beginning in late December, Iraq moved surface-to-air missiles into the zone, threatening Coalition aircraft operating south of the 32nd parallel. On January 6, 1993, the United States and its Coalition partners issued an ultimatum to Iraq to disperse and render non-threatening its surface-to-air missiles deployed in the zone and to cease aircraft activities in the area. Iraq initially acceded to this demarche. The United States then announced that it would scrutinize Iraqi activity and that ``[n]o further warning will be issued if Iraq violates the requirements of the January 6 demarche."

By January 11, 1993, it had become clear that Iraq had stopped complying with the requirements of the January 6 demarche and that missiles once again threaten Coalition aircraft. Accordingly, U.S. and Coalition aircraft attacked and destroyed surface-to-air missile sites and related facilities in southern Iraq on January 13. There were no losses to the aircraft taking part in the mission. In

this connection, I note the statement of U.N. Secretary General Boutros-Ghali on January 14, 1993, that ``the raid and the forces that carried out the raid, have received a mandate from the Security Council, according to Resolution 687, and the cause of the raid was the violation by Iraq of Resolution 687 concerning the cease-fire. So, as Secretary General of the United Nations, I can say this action was taken and conforms to the resolutions of the Security Council and conformed to the Charter of the United Nations." On January 18, 1993, Coalition aircraft again struck air defense sites and related infrastructure to ensure the safety of Coalition flight operations in the area. There were no losses to Coalition aircraft.

On January 7, 1993, the Iraqi Government refused permission for certain U.N. aircraft to land in Baghdad, thereby interfering with the missions of the U.N. Special Commission on Iraq (UNSCOM) and the U.N. Iraq-Kuwait Observer Mission (UNIKOM). On January 8, and again on January 11, 1993, the U.N. Security Council formally found this Iraqi action to ``constitute an unacceptable and material breach of the relevant provisions of Resolution 687 (1991), which established the cease-fire and provided the conditions essential to the restoration of peace and security in the region." The Council also warned Iraq of the ``serious consequences which would ensue from failure to comply with its obligations."

On January 13, 1993, we underscored our full support for the Council's statements. On January 15, 1993, UNSCOM found Iraq's refusal to guarantee the safety of flights constituted an abdication of Iraq's responsibilities to ensure the safety of UNSCOM personnel. On January 16, 1993, UNSCOM found that Iraq's decision to condition ensuring the safety of flights on entry of Iraqi airspace from Jordan to be an unacceptable attempt to restrict UNSCOM's freedom of movement. If accepted, such a condition would prevent the Special Commission from effectively carrying out its mission.

On January 17, 1993, at my direction, U.S. Tomahawk missiles destroyed the Zaafaraniyah nuclear fabrication facility near Baghdad. This facility was selected because of its role in Iraq's electromagnetic isotope separation (EMIS) program. The Coalition attack was designed to help achieve the goals of U.N. Security Council Resolutions 687, 707, and 715 requiring Iraq to accept the inspection and elimination of its weapons of mass destruction and ballistic missiles. Zaafariniyah had been inspected a number of times, and some equipment used for the production of EMIS components for Iraq's nuclear weapons program was removed. The facility nonetheless contained precision machine tools used to fabricate items for military and civilian customers and could again be used to support Iraq's nuclear weapons program.

In early January 1993, Iraq sent personnel into Kuwait and the demilitarized zone (DMZ) to seize military equipment and other valuable goods. These actions violated the DMZ, the recently demarcated Iraqi-Kuwait boundary, and agreements with the United Nations. On January 8, the U.N. Security Council declared that, ``the presence of Iraqi military personnel in the demilitarized zone was a serious violation of Resolution 687." It also said that ``the removal of the Iraqi property and assets from Kuwaiti territory should be undertaken only after prior clearance by UNIKOM and by the Kuwaiti authorities through UNIKOM."

On January 10, 1993, Coalition representatives notified the Iraqi Government that additional Iraqi intrusions into Kuwait and the DMZ would not be tolerated. On January 11, the Security Council condemned the Iraqi actions as ``further material breaches of Resolution 687'' and warned Iraq again of serious consequences that would flow from continued defiance. Nevertheless, each day from January 10 to 13, Iraq continued to send personnel to retrieve material in violation of the DMZ, the boundary, and its agreements with the United Nations. In these circumstances, I ordered the deployment of a task force to Kuwait to reemphasize our commitment to Kuwaiti independence and security.

Meanwhile, Operation Provide Comfort, the Coalition's effort to monitor compliance with U.N. Security Council Resolution 688 and to provide humanitarian relief in northern Iraq, discourages significant Iraqi military operations against the inhabitants there. On the other hand, the Iraqi Government has maintained an embargo of food, fuel, and medicine on northern Iraq. It has made every effort to frustrate U.N. humanitarian relief efforts by planting bombs on relief convoys, using violence against relief workers, and creating bureaucratic delays. We are determined to assist the humanitarian effort and have repeatedly warned Iraq to cease its harassment.

As in southern Iraq, Saddam Hussein has sought to interfere with the operations of Coalition aircraft in the north since early January. On January 17, 18, and 19, 1993, Coalition aircraft encountered hostile Iraqi activity and took limited defensive actions to suppress Iraqi air defenses. On January 17, 1993, Coalition aircraft shot down an Iraqi aircraft after it entered the no-fly zone.

We continue to support the efforts of the Iraq National Congress to develop a broad-based alternative to the Saddam regime. We encourage other governments to do the same. The Congress espouses a future Iraq based on the principles of political pluralism, territorial unity, and full compliance with all the U.N. Security Council resolutions.

Until Iraq's recent violations of its obligations, UNSCOM and the International Atomic Energy Agency (IAEA) continued to investigate Iraq's weapons of mass destruction programs and to verify the destruction of relevant facilities, equipment, and weapons. UNSCOM 45, the fourteenth ballistic missile team (October 16 to 29, 1992), with significant Russian cooperation, did not find evidence of a clandestine Iraqi SCUD force. Fuel and oxidizer samples were analyzed and tested negative for substances of interest.

Two nuclear inspections were carried out. UNSCOM 46/IAEA #15 (November 8 to 18, 1992) completed water sampling at 37 additional sites throughout Iraq. Analysis of more than 550 water and sediment samples is underway, although evidence of any major facility in Iraq that is producing fissionable fuel has not yet been found. The team also destroyed 100 tons of steel which Iraq declared had been procured for its centrifuge program. IAEA #16 was part of UNSCOM 47 (December 5 to 8, 1992). The team reinspected the former headquarters of the PC - 3 project (where important documents had been seized) and carried out inspections at Tuwaitha

and al Atheer.

The third combined chemical and biological weapons inspection, UNSCOM 47 (December 5 to 14, 1992), focused on question-and-answer sessions with Iraqi scientists to close gaps in Iraqi disclosures about its CBW programs and short-notice inspections to pressure Iraq to reveal more details about those programs.

Since my last report, the Chemical Destruction Group in residence at the Muthanna State Establishment destroyed the following items: 300 122mm rocket warheads; propellant for 750 122mm rockets; 82 122mm rocket motors; and 2830 liters nerve agent (GB/GF).

The Iraq-Kuwait Boundary Demarcation Commission continues its work, without Iraqi participation. The land boundary has been demarcated through the placement of boundary pillars in the ground. At its last meeting, the Boundary Commission agreed to begin the demarcation of the offshore boundary section.

Since my last report, the U.N. Compensation Commission has continued to prepare for the processing of claims from individuals, corporations, other entities, governments, and international organizations that suffered direct loss or damage as a result of Iraq's unlawful invasion and occupation of Kuwait. The next session of the Governing Council of the Commission is scheduled to be held in Geneva from March 29 to April 2, 1993, with another meeting in July 1993.

At its most recent session, December 14 to 18, 1992, the Governing Council took decisions on trade embargo losses, interest, and a committee on administrative matters. The Council discussed the issues of priority of payments, costs, and attorney fees. The Executive Secretary reported that the Commission has now received about 380,000 claims and expects many times that number. He noted that the Commission hopes to be able to present to panels of Commissioners the first claims for fixed amounts for departure and personal injury by the middle of 1993 and the first claims for individuals' actual losses up to $100,000 later in the year.

The U.S. Government is prepared to file its third set of 170 consolidated individual claims with the Commission, bringing the total of U.S. claims filed to 550. The Department of State is reviewing about 1,000 additional claims received from individuals and corporations. The next filing is scheduled for March.

In accordance with U.N. Security Council Resolution 687, the Sanctions Committee received notices of 13.5 million tons of foodstuffs to be shipped to Iraq through November 22, 1992. The Sanctions Committee also continues to consider and, when appropriate, approve requests to send to Iraq materials and supplies for essential civilian needs. Iraq has also refused to use the opportunity under U.N. Security Council Resolutions 706 and 712 to sell up to $1.6 billion in oil, proceeds from which could be used to purchase foodstuffs, medicines, materials, and supplies for

essential civilian needs, as well as to fund essential U.N. activities concerning Iraq. The Iraqi authorities bear full responsibility for any suffering in Iraq that results from their refusal to implement Resolutions 706 and 712.

Since my last report, important progress has been made in addressing U.N. financial difficulties in conducting a number of activities in Iraq as a result of Iraq's refusal to implement Resolutions 706 and 712. In December, Kuwait and Saudi Arabia made total voluntary contributions of $50 million to the U.N. escrow account established under Resolution 778. Pursuant to Executive Order No. 12817, the United States has transferred a matching amount from certain frozen Iraqi oil proceeds, making a total of $100 million transferred to the escrow account.

Of this total, $21 million has been transferred to the U.N. Compensation Fund under the terms of Resolution 778; this should be sufficient to allow it to proceed with the acquisition of the computer system and staff needed to begin full-scale adjudication of claims against Iraq. In addition, $30 million has been earmarked for UNSCOM, and most of the remainder will provide humanitarian relief in Iraq.

As I noted in my last report, we are prepared to transfer up to $200 million in frozen Iraqi oil proceeds to the escrow account to match transfers by others, and we are actively encouraging others to do so. These funds will be repaid, with interest, from Iraqi oil revenues as soon as Iraqi oil exports resume.

Through the International Commission of the Red Cross (ICRC), the United States, Kuwait, and our allies continue to press the Government of Iraq to comply with its obligations to repatriate or account for some 800 detained Kuwaiti and third-country nationals. An emissary of the Arab League has also undertaken to elicit Iraqi cooperation on the issue of detainees. The United States and its allies continue to press the Government of Iraq to return to Kuwait all property and equipment removed from Kuwait by Iraq. Iraq continues to withhold necessary cooperation on these issues and to resist unqualified ICRC access to detention facilities in Iraq.

In this my last report under the joint resolution, let me again note how grateful I am for the support and cooperation Congress provided during my Administration toward achieving our mutual objectives in the Persian Gulf region.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. This letter was released by the Office of the Press Secretary on January 20.

Letter to Congressional Leaders Transmitting Reports on Occupational Safety and Health

January 19, 1993

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with section 26 of the Occupational Safety and Health Act of 1970 (Public Law 91 - 596; 29 U.S.C. 675), I transmit herewith the 1990 annual reports on activities of the Department of Labor, the Department of Health and Human Services, and the Occupational Safety and Health Review Commission.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. This letter was released by the Office of the Press Secretary on January 20.

Letter to Congressional Leaders Transmitting the Report of the National Critical Technologies Panel

January 19, 1993

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with Title VI of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94 - 282), as amended by section 841 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101 - 189; 42 U.S.C. 6683(d)), I transmit herewith the second biennial report of the National Critical Technologies Panel.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. This letter was released by the Office of the Press Secretary on January 20.

Letter to Congressional Leaders Transmitting the Lithuania-United States Fishery Agreement

January 19, 1993

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94 - 265; 16 U.S.C. 1801 et seq.), I transmit herewith an Agreement between the Government of the United States of America and the Government of the Republic of Lithuania Concerning Fisheries off the Coasts of the United States, with annex, signed at Washington on November 12, 1992. The agreement constitutes a governing international fishery agreement within the requirements of section 201(c) of the Act.

U.S. fishing industry interests have urged prompt consideration of this agreement to take advantage of opportunities for seasonal cooperative fishing ventures. I recommend that the Congress give favorable consideration to this agreement at an early date.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. This letter was released by the Office of the Press Secretary on January 20.

Message to the Senate Transmitting the Argentina-United States Investment Treaty

January 19, 1993

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the United States of America and the Argentine Republic Concerning the Reciprocal Encouragement and Protection of Investment, with Protocol, signed at Washington on November 14, 1991; and an amendment to the Protocol effected by exchange of notes at Buenos Aires on August 24 and November 6, 1992. I transmit also, for the information of the Senate, the report of the Department of State with respect to this treaty.

This is the first bilateral investment treaty with a Latin American country to be transmitted to the Senate since the announcement of my Enterprise for the Americas Initiative in June 1990. The treaty is designed to protect U.S. investment and encourage private sector development in Argentina and to support the economic reforms taking place there. The treaty's standstill and roll-back of Argentina's trade-distorting performance requirements are precedent-setting steps in opening markets for U.S. exports. In this regard, as well as in its approach to dispute settlement, the treaty will serve as a model for our negotiations with other South American countries.

The treaty is fully consistent with U.S. policy toward international investment. A specific tenet, reflected in this treaty, is that U.S. investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this treaty, the Parties also agree to international law standards for expropriation and expropriation compensation; free transfers of funds associated with investments; and the option of the investor to resolve disputes with the host government through international arbitration.

I recommend that the Senate consider this treaty as soon as possible, and give its advice and consent to ratification of the treaty, with protocol, as amended, at an early date.

George Bush

The White House,

January 19, 1993.

Note: This message was released by the Office of the Press Secretary on January 20.

Message to the Senate Transmitting the Bulgaria-United States Investment Treaty

January 19, 1993

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the United States of America and the Republic of Bulgaria Concerning the Encouragement and Reciprocal Protection of Investment, with Protocol and related exchange of letters, signed at Washington on September 23, 1992. I transmit also, for the information of the Senate, the report of the Department of State with respect to this Treaty.

The Treaty will help to encourage U.S. private sector involvement in the Bulgarian economy by establishing a favorable legal framework for U.S. investment in Bulgaria. The Treaty is fully consistent with U.S. policy toward international investment. A specific tenet, reflected in this Treaty, is that U.S. investment abroad and foreign investment in the United States should receive fair, equitable, and nondiscriminatory treatment. Under this Treaty, the Parties also agree to international law standards for expropriation and expropriation compensation; free transfers of funds associated with investments; and the option of the investor to resolve disputes with the host government through international arbitration.

I recommend that the Senate consider this Treaty as soon as possible, and give its advice and consent to ratification of the Treaty, with Protocol and related exchange of letters, at an early date.

George Bush,

The White House,

January 19, 1993.

Note: This message was released by the Office of the Press Secretary on January 20.

Letter to Congressional Leaders Transmitting the Report on the Recommendations of the United Nations Secretary-General

January 19, 1993

Dear Mr. Speaker: (Dear Mr. President:)

Consistent with section 1341 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102 - 484), I hereby transmit my report on the proposals of the Secretary General of the United Nations contained in his report to the Security Council entitled ``Preventive Diplomacy, Peacemaking and Peacekeeping", dated June 19, 1992.

Sincerely,

George Bush

Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. This letter was released by the Office of the Press Secretary on January 20.